

PRESS RELEASE**UNIPOL GRUPPO FINANZIARIO
APPROVED THE CONSOLIDATED RESULTS
AS AT 30 SEPTEMBER 2007**

Non-Life insurance income showed a considerable growth (+5.4% over the first 9 months 2006), especially in Non-Motor business (+7.6%), definitely overperforming the Italian market. Income from insurance business totalled €6,445m (+2.2%).

Unipol Banca rose its gross operating income to €207.9m (+15%) and net profit to €28.6m (+19%).

Consolidated result for Unipol Gruppo Finanziario grew to €371.6m (+7%), profit for the Group to €332m (+16.9%).

The Board of Directors of Unipol Gruppo Finanziario S.p.A., held today, approved the consolidated quarterly report as at 30 September 2007.

In **insurance business** consolidated direct income was €6,445m (+2.2%), €2,960m of which in Non-Life business (+5.4%) and €3,485m in Life business (-0.3%)¹. Especially in Non-Life business a significant growth in Motor TPL (+3.7%), Land vehicles-own damage (+6.5%) and Non-Life Non-Motor business (+7.6%) was recorded. Life premiums showed a remarkable decrease in capital redemption products (having a 9.3% incidence on portfolio, compared with 39.2% in the first nine months 2006), within the framework of a general market trend, and a strong growth in unit- and index-linked products (62.1% of portfolio compared with 21.3% in the first nine months 2006).

Noteworthy are the Group activities in the pension funds sector, recording premium

¹ Please note that, after acquisition of a further 1% stake of BNL Vita, the financial figures pertaining to this company have been consolidated on a line-by-line basis (100%), whilst they had been previously consolidated by the proportional method (50%). On a like-for-like basis, considering 100% of BNL Vita premiums as at 30 September 2006, the change in direct income from insurance business would have been -11.1%.



income of €102m (+86.5%). As regards occupational pension funds, the management of some new mandates with guarantee has been implemented during the quarter (Arco – wood industry, Alifond – food industry, Byblos – graphic designers and paper manufacturers, Priamo – public-transport workers, Telemaco – telecommunications, and Fondo Poste). Management of the other mandates acquired during the year will be implemented in the last quarter. At the end of September, the mandates already started were overall 23 and assets under management amounted to €755m.

Investments and liquid assets stood at €39bn, +€1.7bn over 31 December 2006 (+4.5%)². The financial management guidelines in the first nine months of 2007 focused on short-term monetary investments and investments in highly profitable and liquid shares, mostly in the Eurozone. Net income from property and financial management grew to €1,015m (+9.2%)³.

The combined ratio, as calculated on direct and indirect business and net of reinsurance, was 95.5% on 30 September 2007 (96.9% on 30 September 2006), made up of 72.7% loss ratio (74.4% as at 30 September 2006) and 22.8% expense ratio (22.5% as at 30 September 2006)⁴. The above loss ratio is net of the integration of reserves pertaining to the subsidiary Navale Assicurazioni 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 contractual guarantee by the vendor – do not impact on the profitability of the company and the Group. Accounting loss ratio on 30 September 2007 was 73.5%.

With respect to the new 'direct settlement procedure', the effect of which can only be assessed after a longer-term monitoring period, a credit balance of about 4,000 claims reported has been posted so far, resulting from the difference between road accidents for which our insureds are not liable and accidents for which they are liable. This is consistent with the lower frequency in accidents caused by UGF's policyholders compared with market average. A higher incidence of claims involving friendly accident statement (jointly signed by both parties) is also recorded, corresponding to 67% of claims with material damage and 44% of those entailing bodily injuries.

On the whole the Group insurance business contributed to the pre-tax profit for €548m, €137m of which pertaining to Life business (€98m as at 30 September 2006) and €411m to Non-Life business (€402m as at 30 September 2006).

On 30 September 2007 the Group distribution network was made up of 1,699 agencies (585 of which Unipol Assicurazioni agencies and 1,114 Aurora Assicurazioni agencies) and 277 non-exclusive agencies and 286 brokers of Navale Assicurazioni. BNL Vita distributes its own products through about 700 BNL Group's

² Following the planned sale of 50% of Quadrifoglio Vita, the company's assets and liabilities have been classified under specific items in the Balance Sheet. On a like-for-like basis, i.e. including Quadrifoglio Vita's investments and 100% of BNL Vita's investments in the figures as at 31 December 2006, the total investments amount would show a decrease by 4.3%.

³ In line with 9M06 figures if calculated on a like-for-like basis.

⁴ The loss ratio, net of outward reinsurance, results from the incidence of net claims charges (net amount) on net earned premiums; the expense ratio results from the ratio of total operating expenses, net of investment management charges, to the net written premiums.



branches, whilst the Quadrifoglio Vita network was composed of 295 outlets of Banca Agricola Mantovana (MPS Group).

In **banking business**, made up of the Unipol Banca Group and Unipol SGR, direct customer deposits reached €8,077m (of which €8,065m pertaining to Unipol Banca S.p.A.), +2% compared with 2006 year-end. Loans to customers also grew to €7,499m (+11.9%, €6,950m of which relating to Unipol Banca). Gross operating income rose to €207.9m (+15%), mainly as a consequence of the notable increase in loans and of the widened spread on rates. Profit before taxation for the banking sector grew to €53m (+22.7%). Unipol Banca's net profit reached €28.6m (+19%). As at 30 September 2007 Unipol Banca's sales network was composed of 274 branches, 159 of which co-located with insurance agencies, 38 financial counters and 408 financial advisors.

Following the above mentioned business trends, overall gross consolidated profit for **Unipol Gruppo Finanziario** reached €568.1m (+8.4%). Net of taxes for €197m, consolidated profit grew to €371.6m (+7%). Profit pertaining to the Group, net of minority interests⁵ for €40m, rose to €332m (+16.9%).

As at 30 September 2007 shareholders' equity pertaining to the Group, including the profit for the period, amounted to €4,964m (€4,886m on 30 June 2007). Minority interests stood at €289m (€515m on 31 December 2006). The reserve for gains and losses on financial assets available for sale amounted to -€532m, improving compared with -€568m as at 30 June 2007.

No remarkable events after the closing of the quarter are to be highlighted. 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.

The quarterly results of Unipol Gruppo Finanziario will be disclosed to the financial community via conference call and webcasting today at 5.30 p.m.. The phone numbers to dial to access the event are +39 02 802 09 11 from Italy and +44 208 7929 750 from foreign countries. Further technicalities to attend the presentation are available on the website www.unipolgf.it, Section 'Investor Relations'.

⁵ Minority interests include 49% of BNL Vita's profits and €18m relating to Aurora Assicurazioni's profits in the first quarter of the financial year, since – in consideration of the acquisition date following the PTO ended on 16 March 2007 – the corresponding profit stake has been attributed to minority interests at consolidation stage.



Maurizio Castellina, the Senior Executive Responsible for drawing up the corporate accounts, declares – in accordance with Article 154 bis (2) of the Testo Unico della Finanza [‘Single Financial Services Act’] – that the accounting information included in this press release correspond to the documentary results, the books and the accounting records.

Bologna, 8 November 2007

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

Attached are summaries of consolidated Income Statement and Balance Sheet as at 30 September 2007.

Contacts

Media relations
Walter Dondi
Corporate Identity and Communication
Unipol Gruppo Finanziario
Tel +39 051 5076217/6297
press@unipolgf.it

Investor Relations
Adriano Donati
Unipol Gruppo Finanziario
Tel +39 051 5077933
adriano.donati@unipolgf.it

Ad Hoc Communication Advisors
Paolo Mazzoni
Tel +39 335 1415590
paolo.mazzoni@adhoccommunication.it

Please note that the original press release is in Italian. In case of doubt, the Italian version prevails.



CONSOLIDATED INCOME STATEMENT

<i>€m</i>		30/09/2007	30/09/2006	3Q07
1.1	Net earned premiums	6,354.0	6,214.2	2,566.3
1.1.1	<i>Gross earned premiums</i>	6,577.4	6,442.0	2,645.5
1.1.2	<i>Earned premiums ceded</i>	-223.4	-227.8	-79.2
1.2	Commissions and fees receivables	102.2	81.1	40.8
1.3	Income and charges arising out of financial instruments recorded at fair value through profit or loss	21.5	228.7	56.2
1.4	Income arising out of shareholdings in subsidiaries, associates and joint ventures	0.5	1.5	-1.3
1.5	Income arising out of other financial instruments and investments in property	1,303.4	903.9	434.4
1.5.1	<i>Interest receivable</i>	934.4	629.5	385.0
1.5.2	<i>Other income</i>	89.7	44.1	23.5
1.5.3	<i>Profits realised</i>	279.1	229.4	25.9
1.5.4	<i>Unrealised profits</i>	0.2	1.0	0.0
1.6	Other income	83.9	60.7	13.9
1	TOTAL INCOME AND PROCEEDS	7,865.5	7,490.1	3,110.3
2.1	Net charges relating to claims	5,951.1	5,802.2	2,465.2
2.1.2	<i>Amounts paid and charges in technical provisions</i>	6,107.0	5,969.3	2,535.4
2.1.3	<i>Reinsurers' share</i>	-155.9	-167.1	-70.2
2.2	Commissions and fees payable	33.1	26.0	13.5
2.3	Charges arising out of shareholdings in subsidiaries, associates and joint ventures	0.3	0.1	0.0
2.4	Charges arising out of other financial instruments and investments in property	310.0	204.2	152.4
2.4.1	<i>Interest payable</i>	208.2	133.1	96.8
2.4.2	<i>Other charges</i>	22.5	9.2	15.4
2.4.3	<i>Losses realised</i>	56.7	40.2	31.4
2.4.4	<i>Unrealised losses</i>	22.6	21.7	8.9
2.5	Operating expenses	916.1	826.6	302.6
2.5.1	<i>Commissions and other acquisition expenses</i>	603.7	519.9	208.2
2.5.2	<i>Investment management expenses</i>	16.2	17.7	5.0
2.5.3	<i>Other administrative expenses</i>	296.2	288.9	89.4
2.6	Other costs	86.8	106.9	11.2
2	TOTAL COSTS AND CHARGES	7,297.3	6,966.1	2,944.8
	PROFIT (LOSS) FOR THE PERIOD BEFORE TAXATION	568.1	524.0	165.5
3	Taxation	196.6	176.7	79.5
	PROFIT (LOSS) FOR THE PERIOD NET OF TAX	371.6	347.3	85.9
4	PROFIT (LOSS) PERTAINING TO DISCONTINUED OPERATIONS			
	CONSOLIDATED PROFIT (LOSS)	371.6	347.3	85.9
	pertaining to the Group	331.6	283.7	71.6
	pertaining to minority interests	40.0	63.6	14.3



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

(€m)

	NON-LIFE BUSINESS		<i>var.</i>	LIFE BUSINESS		<i>var.</i>	INSURANCE TOTAL		<i>var.</i>
			<i>%</i>			<i>%</i>			<i>%</i>
	30/9/07	30/9/06		30/9/07	30/9/06		30/9/07	30/9/06	
Net earned premiums	2,891	2,748	5.2	3,463	3,467	-0.1	6,354	6,214	2.2
Net income from commissions and fees	0	0		14	3		14	3	
Financial income/charges	299	343	-12.8	610	494	23.5	909	837	8.6
Net charges relating to claims	(2,125)	(2,044)	4.0	(3,827)	(3,759)	1.8	(5,951)	(5,803)	2.6
Operating expenses	(638)	(597)	6.8	(134)	(104)	28.5	(771)	(701)	10.0
Other income/charges	(17)	(48)	-64.5	10	(2)	-614.3	(7)	(50)	-86.1
Pre-tax profit (loss)	411	402	2.2	137	98	39.2	548	500	9.5

	BANKING BUSINESS		<i>var.</i>	Intersector eliminations		CONSOLIDATED TOTAL		<i>var.</i>
			<i>%</i>					<i>%</i>
	30/9/07	30/9/06		30/9/07	30/9/06	30/9/07	30/9/06	
Net earned premiums						6,354	6,214	2.2
Net income from commissions and fees	57	56	1.7	(2)	(4)	69	55	25.4
Financial income/charges	141	112	26.4	(35)	(19)	1,015	930	9.2
Net charges relating to claims					1	(5,951)	(5,802)	2.6
Operating expenses	(151)	(129)	16.6	6	4	(916)	(827)	10.8
Other income/charges	5	4	22.2	(1)	(1)	(3)	(46)	-93.7
Pre-tax profit (loss)	53	43		(33)	(19)	568	524	8.4
Taxation						(197)	(177)	11.2
Consolidated profit (loss)						372	347	7.0
Profit (loss) - minority interests						40	64	-37.2
Profit (loss) - Group						332	284	16.9



CONSOLIDATED BALANCE SHEET

ASSETS

€m		30/09/2007	31/12/2006
1	INTANGIBLE ASSETS	1,717	1,336
1.1	Goodwill	1,685	1,304
1.2	Other intangible assets	31	32
2	TANGIBLE ASSETS	429	434
2.1	Property	375	376
2.2	Other tangible assets	54	58
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	718	657
4	INVESTMENTS	38,694	35,936
4.1	Investments in property	310	299
4.2	Shareholdings in subsidiaries, associates and joint ventures	31	39
4.3	Investments held to maturity	735	1,038
4.4	Loans and receivables	9,126	10,157
4.5	Financial assets available for sale	17,353	15,838
4.6	Financial assets recorded at fair value through profit or loss	11,139	8,566
5	SUNDRY RECEIVABLES	1,049	1,177
5.1	Receivables arising out of direct insurance operations	600	809
5.2	Receivables arising out of reinsurance operations	131	105
5.3	Other receivables	318	263
6	OTHER ASSETS	2,735	696
6.1	Non-current assets or assets of a disposal group held for sale	1,865	0
6.2	Deferred acquisition costs	65	70
6.3	Deferred tax assets	495	366
6.4	Current tax assets	31	45
6.5	Other assets	279	215
7	CASH AND CASH EQUIVALENTS	348	1,414
	TOTAL ASSETS	45,689	41,650

LIABILITIES AND SHAREHOLDERS' EQUITY

€m		30/09/2007	31/12/2006
1	SHAREHOLDERS' EQUITY	5,253	5,873
1.1	pertaining to the Group	4,964	5,358
1.1.1	Capital	2,391	2,360
1.1.2	Other equity	0	0
1.1.3	Capital reserves	2,242	2,297
1.1.4	Accumulated earnings and other reserves	509	457
1.1.5	(Own shares)	0	0
1.1.6	Reserve for net exchange rate differences	0	0
1.1.7	Profits or losses on financial assets available for sale	-532	-70
1.1.8	Other profits or losses recorded in the equity direct	21	33
1.1.9	Profits (loss) for the year pertaining to the Group	332	281
1.2	pertaining to minority interests	289	515
1.2.1	Capital and reserves pertaining to minority interests	286	471
1.2.2	Profits or losses recorded in the equity direct	-36	-36
1.2.3	Profits (loss) for the year pertaining to minority interests	40	80
2	AMOUNTS SET ASIDE	45	45
3	TECHNICAL PROVISIONS	25,868	24,042
4	FINANCIAL LIABILITIES	11,119	10,379
4.1	Financial liabilities recorded at fair value through profit or loss	3,794	3,121
4.2	Other financial liabilities	7,325	7,258
5	PAYABLES	504	520
5.1	Payables arising out of direct insurance operations	50	46
5.2	Payables arising out of reinsurance operations	158	19
5.3	Other payables	297	455
6	OTHER LIABILITIES	2,900	790
6.1	Liabilities of a disposal group held for sale	1,869	0
6.2	Deferred tax liabilities	237	210
6.3	Current tax liabilities	53	53
6.4	Other liabilities	742	527
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	45,689	41,650