



PRESS RELEASE

FONDIARIA-SAI GROUP: GROUP PREMIUMS WRITTEN IN 2008 OF EURO 11.5 BILLION GROWTH OF 5% IN NON-MOTOR PREMIUMS

Summary

FONDIARIA-SAI GROUP premiums written in 2008:

Direct Motor premiums	Euro 4,801 mil. (- 2.9%)
Direct other Non-Life premiums	Euro 2,485 mil. (+ 5.1%)
Direct Life premiums	Euro 4,206 mil. (- 7.7%)
Total	Euro 11,492 mil. (- 3.2%)

FONDIARIA-SAI S.p.A. premiums written in 2008:

Direct Motor premiums	Euro 2,509 mil. (- 4.0%)
Direct other Non-Life premiums	Euro 1,278 mil. (+ 3.8%)
Direct Life premiums	Euro 1,131 mil. (- 6.4%)
Total	Euro 4,918 mil. (- 2.7%)

Milan, February 18, 2009. In a meeting chaired by Jonella Ligresti, the Fondiaria-SAI S.p.A. Board of Directors reviewed the preliminary results for the year 2008.

Consolidated direct premiums written totalled Euro 11,492 million, a decrease of 3.2%.

Premiums written in the **Non-Life Division** amounted to Euro 7,286 million (Euro 7,309 million in 2006, -0.3%). The Serbian company DDOR, acquired on January 31, 2008, contributed premiums of Euro 125 million. Therefore, on a like-for-like basis, premiums in the Non-Life Division decreased by approx. 2%. However, the Non-Motor Classes recorded a strong performance with premiums written of Euro 2,485 million, growth of 5.1% in spite of the difficult economic environment.

Premiums written in the **Life Division** amounted to Euro 4,206 million, a decrease of 7.7%. It should be noted that the decrease is inclusive of the deconsolidation of the subsidiary Po Vita, sold in the first quarter of 2008, which had contributed premiums in 2007 of Euro 573 million. Therefore, on a like-for-like basis, excluding the contribution of Po Vita for 2007, the Life Division recorded growth of 5.5%.

The significant growth of Class I premium products contributed significantly to this result (+62.1%), thus offsetting the decrease of those with greater financial content (-39%).

The contribution of the subsidiary Popolare Vita was significant with total premiums written in 2008 of Euro 1,879 million.

The Life Division also includes the premiums from investment contracts which amounted to Euro 297 million.

Parent Company direct premiums written amounted to Euro 4,918 million, a decrease of 2.7% on 2007. This amount is in accordance with Italian GAAP and also includes the pure investment component of the Life Division premiums.

Premiums written in the **Non-life Division** amounted to Euro 3,787 million, a decrease of approx. 1.5%, of which Euro 2,509 million in the Motor Division (-4%). The Non-Motor Division recorded a strong performance with premiums written of Euro 1,278 million, growth of 3.8%.

The Motor Division was affected by the significant reduction in the registration of new motor vehicles, market tensions on the TPL tariffs and the effects of Law No. 40/2007 (so-called Bersani bis) in relation to the attribution of the bonus/malus class, with a further contraction in the average premium.

However, the number of claims reported in the Motor TPL class decreased by 1.8%.

The current market phase requires a constant and careful risk selection policy and a reduction of costs.

The direct premiums written in the **Life Division** amounted to Euro 1,131 million (-6.4%) due particularly to the lower contribution of securitisation products (-31%) and in part offset by the growth in Class 1 contracts (+10.9%).

In order to reduce the exposure of the investment portfolio to the equity market, the Group has in recent weeks concluded a hedging programme through the purchase of Put options on the Eurostoxx50 index, for a period of six months and a total value of approx. Euro 500 million, almost 50% of the Group's equity exposure.

This strategy will neutralise potential losses on the equity portfolio caused by the continued market crisis, while permitting gains from rises in equity markets.

The Board has mandated the Chairperson to convene the Shareholders' Meeting in accordance with law and the by-laws of the company for April 23, 2009 in first convocation and April 24, 2009 in second convocation.

The executive responsible for the preparation of the corporate accounting documents, Mr. Pier Giorgio Bedogni declares, in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries available at the current date.

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