PRESS RELEASE

FONDIARIA-SAI S.p.A.:
CONSOLIDATED REPORT AT SEPTEMBER 30, 2010 APPROVED

TOTAL PREMIUMS WRITTEN OF EURO 9,914 MILLION, +8%
(EURO 9,201 MILLION IN 9M 2009)
LIFE DIVISION PREMIUMS WRITTEN OF EURO 4,765 MILLION (+17.4%)
IMPROVED COMBINED RATIO ON FY 2009

Direct premiums written
In the Non-Life division: Euro 5,142.2 million (+0.1%)
In the Life division: Euro 4,763.7 million (+17.4 %)

Technical performance
Combined Operating Ratio of 102.2% from 105.4% in FY 2009 (100.2% in 9M 2009); Combined Ratio (including technical charges) of 105.2% from 108% in FY 2009 (103.3% in 9M 2009)
APE of Euro 444 million (+18.5%)

Result for the period
Consolidated net loss of Euro 431.4 million (profit of Euro 0.9 million in 9M 2009). Impairments on capital financial instruments totalled Euro 350.5 million.

Balance Sheet Solidity
Shareholders' equity of Euro 3,140 million (Euro 3,711 million at 31/12/2009)
Group solvency margin of 109%.

Milan, November 10, 2010 - The Fondiaria-SAI S.p.A. Board of Directors, meeting today, approved the consolidated results for the third quarter of 2010.

The consolidated net result for the first nine months of 2010 was a loss of Euro 431.4 million (profit of Euro 0.9 million in 9M 2009): the result was significantly affected by impairments on available-for-sale financial instruments in the third quarter (particularly the holdings in Generali and Unicredit) following the application of the Group impairment policy.
Adjustments of Euro 350.5 million were made (Euro 78.1 million in the same period of the previous year): of these, Euro 75.7 million were already included in the half year accounts at June 30, 2010.

Total premiums written amounted to Euro 9,914.3 million, an increase of 7.8% year on year.

FONDIARIA-SAI S.p.A.
Sede Legale e Direzione Torino
10126 - Corso Galileo Galilei, 12
Tel. (+39) 011.6657111 - Fax (+39) 011.6657685
www.fondiaria-sai.it

Direzione Firenze
50129 - Via Lorenzo il Magnifico, 1
Tel. (+39) 055.47941
Fax (+39) 055.476026

In the Non-Life Division, direct premiums written amounted to Euro 5,142.2 million – in line with 9M 2009 (+0.1%).

<u>In the Motor sector, premiums increased by 0.5% to Euro 3,453.5 million</u>; in the Motor TPL class an increase of over 1.5% was recorded following the changes to tariffs made in the past year: the quality of the portfolio improved thanks to the discontinuation of contracts with unfavourable technical performances and average premiums increased.
The Class again recorded a negative performance due to the contracts issued in previous years, particularly in certain regions of Centre-South Italy, with a higher percentage of claims reporting physical injury and where the risk of fraud is greatest.
Current generation contracts however performed significantly better; the effects of the actions taken will be further consolidated in the remainder of the year.
In relation to claims costs, the greater utilisation of the new Physical Injury compensation tables, originally adopted by the Milan Court, will result in an increase in the average claims paid and require a particularly prudent reservation policy.
The Land Vehicle Classes recovered on the previous period, which reported a particularly negative performance by some accessory guarantees such as vandalism and windshield guarantees, affecting the overall profit margin. Total premiums decreased due to the continuation of the difficult market conditions.

In relation to the other Non-Life Classes, mixed performances were seen due in part to the difficult economic context. The positive results in the Injury, Fire, Legal Protection and Assistance classes were negated by the still negative performance in the General TPL Class, particularly in relation to the corporate portfolio as well as in the Health Class.
Non-motor premiums totalled Euro 1,688.7 million, a slight decrease (0.5%) on 9M 2009.

The number of Non-Life claims reported reduced by 4%, with a significant improvement in the Motor TPL sector (-5.3%) and in the Land Vehicle sector (-9.5%); the Non-Motor sector performance was stable, where the guarantees hit by the extraordinary events of 2009 reduced significantly.

As a result of that outlined above, the Combined Operating Ratio (Loss+Expense Ratio) amounted to 102.2% (100.2% in 9M 2009), the Loss Ratio 80.8% and the Expense Ratio 21.4% (respectively 79.3% and 20.9% in 9M 2009). The Combined Ratio including technical charges was 105.2% (103.3% in 9M 2009).
The effects of restructuring actions undertaken were seen in the half-year results and as illustrated through comparison with 2009 full year results: Combined Operating ratio of 105.4%, Loss Ratio of 83.6% and an Expense Ratio of 21.8%, for a total of 108.0%.

The Non-Life Division reports a pre-tax loss of Euro 495 million (loss of Euro 40 million in the first nine months of 2009), reflecting principally the previously mentioned impairments for Euro 274 million, as well as the further strengthening of the technical reserves.

In the Life Division, direct premiums written reached Euro 4,763.7 million (+17.4%): this increase is particularly due to the strong Class I performance, with growth exceeding 60% to Euro 3,169.2 million. Premiums written by bank branches, with the Banco Popolare agreement contributing significantly, amounted to Euro 3,598 million - 76% of the total.
New premiums written in terms of APE improved to Euro 444 million (+18.5%). The New Business Margin increased from 11.2% in 2009 to 11.6% in the first nine months of 2010.

The Life sector recorded a pre-tax profit of Euro 65 million (Euro 56 million in 9M 2009), benefitting on the one hand from the realisation of gains (of which Euro 24 million from the Group's sale of Lehman securities) while also suffering impairments of Euro 76 million on AFS instruments.

Total management expenses amounted to Euro 1,419 million (Euro 1,410 million in the first nine months of 2009).

Excluding the contribution of the financial instruments recorded at fair value through profit or loss, the total net income from investments amounted to Euro 328 million (Euro 549 million in the first nine months of 2009). This amount consists of Euro 536 million of interest income, Euro 91 million of other income and net profits to be realised on real estate and securities of Euro 165 million; net valuation gains and losses resulted in a loss of approx. Euro 401 million, including Euro 350 million of AFS instrument impairments. Interest expense of approx. Euro 57 million (Euro 79 million in 9M 2009) decreased due to lower interest rates, while the net result from subsidiary, associated companies and joint ventures resulted in a charge of Euro 6 million.

As stated, the financial and asset management recorded impairments on instruments classified in the available-for-sale category for a total amount of Euro 350 million (Euro 78 million in 9M 2009). The continued poor performance of the financial markets has resulted for some securities in portfolio recording a listed value lower than the book value for a continuous period of at least 2 years.
In line with the Group impairment policy, the book value of these instruments was aligned with the stock exchange value of September 30. The impairments carried out principally relate to the investments held by the Group in the following companies:

Generali for Euro 159.6 million
Unicredit for Euro 98.5 million
MPS for Euro 45.5 million

The Real Estate Division recorded a pre-tax loss of Euro 26 million (loss of Euro 33 million in 9M 2009), principally due to the absence of significant gains realised and the costs incurred for development activities undertaken, not yet offset by related revenues.

The Other Activities sector recorded a loss of Euro 27 million (profit of Euro 3 million in 9M 2009), principally relating to the Atahotels Group.

The consolidated net equity, including the result for the period and minority interest share, decreased from Euro 3,711 million at 31/12/2009 to Euro 3,140 million at 30/09/2010.

On the request of CONSOB, concerning the repayment of the "senior" loan with maturity 31/1/2011, the sale of non-strategic assets, the performance of Atahotels, the projected solvency margin, the examination of possible recapitalisation operations, as well as the transactions with related parties in the first nine months of 2010, the following information is provided, all of which is also reported in the Interim Report at September 30, 2010.

Repayment of the Mediobanca senior loan with expiry 31/1/11 and other loans with expiry in the coming 12 months

The loan contract concluded on 24/6/2009 for Euro 75 million between Fondiaria-SAI S.p.A. and Mediobanca with issue date of 25/1/2010 and repayment date of 31/1/2011, applies a spread of Euribor at 12 months plus 200 bps.
The Parent Company will repay the above-stated loan in a single payment on maturity, while utilising ordinary liquidity available.
In addition to the above-stated senior loan, there are also loans with maturity in the coming 12 months of approx. Euro 141 million, entirely relating to subsidiary companies in the real estate sector.

Transactions with related parties

The Board of Directors has previously approved specific conduct principles for the undertaking of significant transactions, inter-group transactions and transactions with related parties, including those relating to real estate construction projects, as recommended by the Self-Governance Code for listed companies. The Internal Control Committee, in undertaking its consultative functions, was appointed to carry out a preliminary examination, as is common practise, of the inter-group and related party transactions - which in accordance with the above-stated principles are subject to examination and approval by the Board of Directors or by the Executive Committee.

In line with the conduct principles in question, the guidelines on inter-group and related party transactions were drawn up (and approved by the Board of Directors) in accordance with ISVAP regulation No. 25 of May 27, 2008.

According to that established in the conduct principles and in the above-stated guidelines, inter-group transactions and those with related parties, and applied to the situations detailed below, require the acquisition of a specific fairness opinion concerning the correctness of the transaction values, in addition to, where necessary, a specific legal opinion in the case in which the nature of the contract demands a more in-depth legal analysis.

The conduct principles and the guidelines are included in the Corporate Governance report, published in accordance with the relevant regulations to which reference is made.

The Company some time ago began the necessary actions for the adoption of the procedures concerning transactions with related parties established by CONSOB with resolution No.17221 of March 12, 2010, and with the examination and approval of the procedures by the Board of Directors of the Company scheduled to take place by the end of the current month of November in consideration of the deferment to December 1 of the deadline for the adoption of the procedures decided by CONSOB with resolution No.17389 of June 23, 2010.

The Board of Directors therefore on September 22, 2010 appointed a steering committee comprised exclusively of independent directors, appointed to examine the procedures in question and draw up an opinion to be submitted to the Board of Directors which will be called to approve the procedures.

Therefore, although the present quarterly report has not been prepared in accordance with the disclosure obligations established by IAS 34 (Interim Accounts), disclosure on the significant transactions with related parties is included, with those reported concerning only transactions with business entities and with a value threshold of above Euro 5 million (this refers to balance sheet and income statement values as at and for the period ended 30/09/2010):

- in the current year Euro 1 million was paid to "IM.CO. S.p.A." in relation to the real estate operations concerning the land at Milan, Via Confalonieri-Via de Castillia (Lunetta dell'Isola).
  The operation began in 2005 with the sale to "IM.CO. S.p.A." of the above-mentioned land and provides for the purchase from "IM.CO. S.p.A." for Euro 93.7 million of a building for office use under construction on the land sold.

  The payments made to IM.CO. S.p.A. in the first nine months of 2010 amount to Euro 43.1 million, recorded in the account Property Investments;
- the Property Investments account at September 30 includes Euro 103.5 million of payments on account in previous periods to the company "Avvenimenti e Sviluppo Alberghiero S.r.l." in relation to the execution of the real estate contracts on the building areas at Via Fiorentini, Rome. We recall that this operation, undertaken in 2003, included the sale to "Avvenimenti e Sviluppo Alberghiero S.r.l." of a site and the purchase of the completed real estate complex under construction on the land in question at a price of Euro 110 million, including the supplementary contract signed in 2009. No payments were made in the current period in relation to this transaction;

- concerning the real estate initiatives at the Loano Tourist Port (through the subsidiary Marina di Loano) and the building in Milan, Via Cambi (through the subsidiary Crivelli), in the first nine months of 2010 the two companies incurred charges from the related party Marcora Costruzioni for Euro 35.4 million.
  Of these, Euro 22.6 million relate to the works for the construction of the Loano port and Euro 12.8 million to the building owned by the subsidiary Crivelli S.r.l..
  The amounts paid in the period to Marcora Costruzioni were respectively Euro 19.8 million for Marina di Loano and Euro 12.0 million for Crivelli.
  These charges are recorded to property, plant and equipment as they are considered inventory of real estate operations in progress;
- Property Investments include Euro 19.3 million relating to payments in advance made by the subsidiary Immobiliare Fondiaria-SAI to the related party IM.CO. S.p.A. for the future construction of the hotel complex with wellness centre which is currently in progress in the municipality of S. Pancrazio Parmense (Parma). In the first nine months of the year charges were incurred of Euro 0.14 million and payments made of Euro 0.48 million;
- finally in relation to the subsidiary BancaSai, the company granted credit lines to the related parties IM.CO. S.p.A. and Sinergia Holding S.p.A. respectively for Euro 9.8 million and Euro 7.9 million.

On the request of CONSOB, information concerning transactions with all related parties will be made available by December 8 through a press release, updated to September 30, 2010 and also concerning amounts below Euro 5 million.

Atahotels

In the first nine months a loss of Euro 20.1 million was recorded, compared to a loss of Euro 19.5 million in 9M 2009. The third quarter reported a better performance than previous quarters (loss of Euro 1.5 million) due to the seasonality of the tourism sector benefitting from the contribution of summer vacations.
The company continues to be affected by the difficult economic conditions and in particular by the crisis in the hotel and conference sector, in which Atahotels is a market leader.
In the first part of the year volumes in the Milan area generally fell, particularly in the conferences sector, while in the summer months the resorts were affected by the crisis (lower number of guests than originally forecast, shortening of average vacation durations and last minute bookings, with the sector resorting to discounted promotional campaigns).

The Company decided not to follow the market trend of reduced prices, deciding against smaller margins so as not to reduce average sales margins within a contracted market, in expectation of a recovery in 2011.
Revenues in the first nine months amounted to Euro 90.4 million, increasing 4.4% on Euro 86.6 million in the same period of the previous year, achieved however with the contribution of Residence The One, inaugurated only in July 2009.

Operating costs remain substantially unchanged on the previous year (Euro 66.6 million in the first nine months of 2010 compared to Euro 67.3 million in the same period of 2009). This permitted a better gross operating profit of 26% (Euro 4.9 million) compared to the same period of the previous year. Rentals increased by 17% amounting to Euro 25.5 million. Depreciation amounted to Euro 8.5 million (particularly due to restructuring works and building improvements).

Bad debts in the period were almost entirely covered by the specific provisions made in previous periods, without income statement effects in the period examined.
The result in the period included net financial charges of Euro 1.1 million and investment impairments of Euro 953 thousand.
Due to the combined effect of the losses recorded and share capital injections by shareholders for Euro 20 million (of which Euro 10.0 million on March 18 and Euro 10.0 million on June 30), the shareholders' equity totals Euro 10.2 million.
In order to regain profitability, initiatives continue to restructure the company and in particular rationalise and contain costs. Among the initiatives undertaken, we highlight the centralisation of some staff functions with savings in terms of resources and the optimisation of processes, as well as the outsourcing of some hotel services in order to render the relative costs more flexible and link them more closely to revenues. The hotel rental contracts with both companies of the Fondiaria SAI Group and third parties are also currently being reviewed.

Sale of non-strategic assets

Project for the sale of the new LIGURIA – SASA entity

The corporate and industrial restructuring project continues concerning Liguria Assicurazioni S.p.A., Liguria Vita and the agency networks of Milano Assicurazioni distributing insurance policies under the Sasa and Sasa Vita brands.
This project, extensively set out in the 2010 Half-Year Report, provides in particular for the creation of a single insurance entity, legally separate, which regroups the agency networks more focussed on a multi-mandate offer, to be created through the share capital increases of Liguria and Liguria Vita, in accordance with article 2441, paragraph 4 of the civil code, reserved to Milano, with conferment of the business units of Milano which concern the agency networks distributing the brand products respectively of Sasa and Sasa Vita.
In relation to the possibility to develop the combined entity through sales operations, the negotiations in progress with the Clessidra Private Equity Fund have encountered some issues including those related to proposals put forward by the Clessidra Fund concerning the financial conditions of the operation (shareholding size and method of payment/financing of the transaction) and those of an operational nature (industrial outsourcing and IT agreements).

Under the current terms the Clessidra offer is not considered acceptable, although the negotiations continue.

Sale of DDOR

The BoD of Fondiaria-SAI mandated the Chief Executive Officer to explore possibilities concerning the insurance company DDOR Novi Sad, including the sale of the majority holding.
Informal contacts have been made with a few selected foreign industrial operators in order to establish the interest level for investments in the Serb company.

Real estate operations

In relation to the building owned by the Parent Company in Milan known as Torre Velasca, in July 2010 an open competitive sales procedure was begun through publication on a specific internet site of the principal data of the building, and of the manner and timelines for the sales procedures.
The sale was also communicated through four advertisements from the end of July to the beginning of September in a national daily newspaper.
The procedure establishes that by December 3 the sale will be completed following a due diligence phase.
Milano Assicurazioni owns a building in Milan at Via Cordusio No. 2 and Via G. Casati No. 1. This is a prestigious mixed use building with a high value based on its architectural characteristics, its location in the historic centre of Milan and the recent investments made which will ensure a significant profit margin. In view of the policy to gradually reduce the real estate component of the investment total - currently higher than our competitors' average - Milano Assicurazioni has explored the possibility to sell the building, considering also that the sale would result in a significant gain.
A competitive sales procedure was therefore begun in June among selected companies including the largest operators in the real estate sector internationally. Currently the due diligence phase is almost complete for the parties who have made interesting offers and binding offers have been made for the purchase of the building, which will be examined by the relative boards of the company. The closing of the operation is scheduled by the end of the current year.

Possible recapitalisation operations

In pursuance of the Risk Tolerance objectives established by the Board of Directors and which target a solvency margin not below 120%, based on the current solvency criteria (Solvency I), the Board of Directors have decided to further explore the various options to strengthen the balance sheet provided by the sale of non-strategic assets and of group companies, therefore achieving improvements in the solvency margin.
Considering the volatility of the financial markets and the uncertainties relating to possible sales prices, the Board of Directors has appointed the Chief Executive Officer to study the possibility of a share capital increase.

Group solvency margin at 30/09/2010 and projection for year ended 31/12/2010.

In accordance with the provisions in relation to the correct solvency margin, at 30.09.2010 the ratio between the constituting elements and the amount of the solvency margin requested was approx. 109% (121% at 31/12/2009).
By December 31, 2010, taking account of the normal operations, a further reduction of the excess is forecast, with a coverage ratio however above 100%.

Within an overall economic and financial scenario which continues to be volatile, the first positive signals in relation to the technical part have emerged, confirming the effectiveness of the actions undertaken to recover profitability. On the other hand, the group will continue to pursue the activities related to reducing the risk profile, balancing the asset allocation and whose effects will become evident in 2011.
Based on that set out above, it is possible that the group performance, strongly affected by the impairments made on AFS investments in the first nine months of the year, will be confirmed also for the full year. In light therefore of the Interim Results for the first nine months of 2010, the distribution of a dividend for 2010 is not forecast.

The Executive Responsible for the preparation of the corporate accounting documents, 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.

Further details on the Group's financial results will be provided to the financial community by the CEO Mr. Fausto Marchionni today at the time of 3:30 PM, through a conference call and webcasting. Further information is available on the Internet site of the company.

The presentation will also be available on the Internet site of the company at the beginning of the conference call.

Definitions and Glossary

Combined Operating Ratio = the Loss Ratio and general and acquisition charges (Expense Ratio) on premiums.

Combined Ratio = the Loss Ratio and total expenses (general and acquisition charges and other net technical charges) on premiums.

Annual Premium Equivalent (APE) = Total of new business annual premiums and one-tenth of single premiums

New Business Margin (NBM) = Value of New Life/APE production

Ufficio Stampa
Federica Dal Conte
Tel. +39 02-66 70 43 24
Mob. +39 335 7591911

Investor Relations
Luca Guasco
Giancarlo Lana
Floriana Amari
Tel. +39 011-66 57 642
Tel. +39 02-64 02 25 74
investorrelations@fondiaria-sai.it

AD Hoc Communication Advisor
Sara Balzarotti
Mob. +39 335 1415584
Pietro Cavalletti
Mob. +39 335 1415577

FONDIARIA SAI GROUP
Segment Report

€/000

		Non-Life	Life	Real Estate	Other Activities	Intersegmental Elision	Total
1.1	Net Retained Premium	5.161.337	4.752.325				9.913.662
1.2	Commission income		13.391		36.339	-1.820	47.910
1.3	Net income on financial instruments at fair value through profit and loss	2.978	399.917	-772	3.002		405.125
1.4	Income from subsidiaries, associates and joint ventures	20		154	8.312		8.486
1.5	Income from other financial instruments and investment property	269.066	624.747	28.731	55.475	-18.041	959.978
1.6	Other revenues	345.777	28.366	84.810	495.901	-520.310	434.544
1	**TOTAL REVENUES**	**5.779.178**	**5.818.746**	**112.923**	**599.029**	**-540.171**	**11.769.705**
2.1	Net charges relating to claims	-4.167.624	-5.330.207				-9.497.831
2.2	Commission expense		-11.117		-12.124		-23.241
2.3	Charges relating to subsidiaries, associates and joint ventures	-1.188		-4.280	-8.812		-14.280
2.4	Chargers relating to other financial instruments and investment property	-391.189	-177.764	-46.519	-28.214	18.041	-625.645
2.5	Management expense	-1.148.901	-168.089	-253	-271.374	169.442	-1.419.175
2.6	Other costs	-564.844	-66.088	-88.195	-305.515	352.688	-671.954
2	**TOTAL COSTS AND CHARGES**	**-6.273.746**	**-5.753.265**	**-139.247**	**-626.039**	**540.171**	**-12.252.126**
	PROFIT (LOSS) FOR THE YEAR BEFORE TAX	**-494.568**	**65.481**	**-26.324**	**-27.010**	**0**	**-482.421**
	PROFIT (LOSS) FOR THE YEAR BEFORE TAX PREVIOUS YEAR PROFORMA	**-40.358**	**56.360**	**-32.531**	**2.954**	**-18**	**-13.593**

FONDIARIA SAI GROUP

Consolidated Profit&Loss

	Jan. - Sept. 2010	Jan. - Sept. 2009	3° trim. 2010	3° trim. 2009
Net premium	9.913.662	9.189.817	2.703.858	2.973.324
Commission income	47.910	67.492	16.083	24.137
Net income on financial instruments at fair value through profit and loss	405.125	754.468	132.397	336.841
Income from subsidiaries, associates and joint ventures	8.486	9.253	8.311	7.639
Income from other financial instruments and investment property	959.978	881.734	293.442	280.774
Interest income	*536.267*	*626.228*	*185.650*	*200.542*
Other income	*146.274*	*139.204*	*48.701*	*42.620*
Realised gains	*277.054*	*111.559*	*58.839*	*32.975*
Unrealised gains	*383*	*4.743*	*252*	*4.637*
Other revenues	434.544	480.692	166.180	109.089
TOTAL REVENUES	**11.769.705**	**11.383.456**	**3.320.271**	**3.731.804**
Net charges relating to claims	-9.497.831	-9.047.742	-2.648.260	-3.110.269
Commission expense	-23.241	-35.617	-7.273	-11.644
Charges from subsidiaries, associates and joint ventures	-14.280	-11.932	484	-7.261
Charges from other financial instruments and investment property	-625.645	-330.248	-379.531	-71.659
Interest expense	*-56.733*	*-78.890*	*-19.719*	*-19.677*
Other expense	*-55.021*	*-45.488*	*-19.643*	*-14.787*
Realised losses	*-112.589*	*-87.645*	*-48.409*	*-9.208*
Unrealised losses	*-401.302*	*-118.225*	*-291.760*	*-27.987*
Management expense	-1.419.175	-1.410.094	-439.976	-437.168
Commissions and other acquisition expense	*-1.033.460*	*-1.090.231*	*-301.969*	*-336.303*
Investment management expense	*-9.551*	*-8.087*	*-3.316*	*-2.918*
Other administrative expense	*-376.164*	*-311.776*	*-134.691*	*-97.947*
Other costs	-671.954	-561.416	-168.918	-133.845
TOTAL COSTS AND CHARGES	**-12.252.126**	**-11.397.049**	**-3.643.474**	**-3.771.846**
PROFIT (LOSS) FOR THE PERIOD BEFORE TAX	**-482.421**	**-13.593**	**-323.203**	**-40.042**
Tax	49.230	14.458	49.766	8.508
NET PROFIT (LOSS) FOR THE PERIOD	**-433.191**	**865**	**-273.437**	**-31.534**
PROFIT (LOSS) ON DISCONTINUED OPERATIONS	**1.762**	**0**	**-579**	**0**
CONSOLIDATED PROFIT (LOSS)	**-431.429**	**865**	**-274.016**	**-31.534**
attributable to the Group	**-345.529**	**-3.207**	**-200.739**	**-23.986**
attributable to Minorities	**-85.900**	**4.072**	**-73.277**	**-7.548**

FONDIARIA SAI GROUP

Highlights Net Financial Position

	09/30/2010	06/30/2010	Var. %	*€/000* 12/31/2009
INVESTMENTS				
Investment properties	2.995.853	3.012.699	-0,56%	3.011.505
Investments in subsidiaries, associates and joint ventures	375.843	374.123	0,46%	366.688
Held to maturity assets	595.574	609.984	-2,36%	808.473
Loans and receivables	2.474.034	2.756.763	-10,26%	2.908.010
Available-for-sale financial assets	21.441.993	20.369.507	5,27%	18.896.658
Assets at fair value through profit and loss	9.257.580	9.536.861	-2,93%	8.655.108
Total investments	**37.140.877**	**36.659.937**	**1,31%**	**34.646.442**
Tangible assets: buildings and other	619.451	624.937	-0,88%	500.329
Total no-current assets	**37.760.328**	**37.284.874**	**1,28%**	**35.146.771**
Cash and cash equivalents	769.429	849.445	-9,42%	576.033
Total no-current assets and cash	**38.529.757**	**38.134.319**	**1,04%**	**35.722.804**
NET TECHNICAL RESERVES				
Non-Life net technical reserves				
Provision for unearned premiums	2.345.422	2.620.279	-10,49%	2.587.895
Provision for outstanding claims	8.438.030	8.282.253	1,88%	8.376.629
Other provisions	12.744	12.632	0,89%	13.542
Total Non-Life net technical reserves	**10.796.196**	**10.915.164**	**-1,09%**	**10.978.066**
Life net technical reserves				
Mathematical provision	280.763	196.812	42,66%	153.354
Provision for outstanding claims	15.590.545	14.902.448	4,62%	13.339.830
Provisions for policies where the investmen risk is borne by the policyholders	7.284.887	7.393.648	-1,47%	6.265.181
Other provisions	117.342	-15.390	n.s	111.319
Total Life net technical reserves	**23.273.537**	**22.477.518**	**3,54%**	**19.869.684**
Total net technical reserves	**34.069.733**	**33.392.682**	**2,03%**	**30.847.750**
FINANCIAL LIABILITIES				
Financial liabilities at fair value through profit and loss	1.039.620	1.040.749	-0,11%	1.040.425
Other financial liabilities	1.769.692	1.879.598	-5,85%	2.085.415
	1.230.153	1.608.053	-23,50%	1.624.620
Total financial liabilities	**4.039.465**	**4.528.400**	**-10,80%**	**4.750.460**