JOINT PRESS RELEASE

Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A. revise 2011 forecasts

Milan, October 6, 2011 – On the request of Consob, Fondiaria-SAI announces that, based on the available data and current financial market volatility, it is expected that the 2011 Budget result will fall short by an amount in excess of Euro 50 million.

It is noted that the 2011 Budget did not include any gains from the sale of non-strategic assets other than from the real estate assets held, except for the net gain from the divestment of property of Euro 33 million, net of the tax effect.

The relative amount concerning the sale of these assets is today valued at approx. Euro 36 million, net of the tax effect, of which Euro 5 million relating to the gain on the sale of property and Euro 31 million from the sale of the investment in Citylife. Discussions concerning further divestments are also in progress.

The 2011 Budget estimated a write-down on Available-for-sale financial instruments of approx. Euro 40 million – part of which was recognised in the First Quarter 2011 report. The Budget was based on reasonable stock market performance expectations at the time of compilation which subsequently were not met following the sovereign debt crises and the resultant turbulence on the markets. The financial instrument impairments to September 30, 2011 absorbed by Fondiaria-SAI amounted to approx. Euro 250 million at consolidated level.

In relation to the consolidated solvency margin objective, the estimate of August 4, 2011 communicated on the presentation of the H1 2011 results (of 112%) will be subject to fluctuation in the remaining part of the year as the margin is significantly influenced by financial market volatility.

The solvency margin is closely monitored and the Company and the Group is intently focussed on achieving a margin of 120% at year-end, also through the possible divestments referred to above. The margin at September 30 was estimated at approx. 115% under ISVAP Regulation No. 37/2011.

In light of that outlined above, it is expected that the Milano Assicurazioni Group will also fall short of the 2011 Budget result by approx. Euro 50 million. Milano Assicurazioni recognised impairments on Available-for-sale financial instruments of approx. Euro 160 million - of which approx. Euro 25 million concerning shares in portfolio of the parent company Fondiaria-SAI, compared to a Budget estimate of Euro 17 million.

In addition, losses of Euro 18 million were incurred from the sale of parent company option rights in portfolio.

The Group will not prepare a new Budget. Fondiaria-SAI and Milano Assicurazioni will be able to more comprehensively estimate the deviation on the 2011 Budget following the approval by the respective Boards of Directors of the Interim Reports at September 30, 2011.

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