PREMA*f*IN FINANZIARIA
Holding di Partecipazioni

CONDENSED CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS

AT 31 MARCH 2012

PREMAFIN FINANZIARIA S.p.A.

Holding di Partecipazioni

CONDENSED QUARTERLY FINANCIAL STATEMENTS

AT 31 MARCH 2012

Declaration of compliance with international accounting standards and general criteria for preparation

These condensed interim consolidated financial statements of the Premafin Group at 31 March 2012 were prepared in accordance with IAS 34 and the provisions of Article 154-*ter* of Legislative Decree 58/1998 (Consolidated Finance Act - TUF). The valuation and measurement of the accounting figures in the notes to the financial statements are based on the IAS/IFRS standards now approved by the European Commission and on their current interpretation by official bodies.

The condensed interim consolidated financial statements at 31 March 2012 were prepared in accordance with IAS 34 – *Interim financial statements* exclusively for purposes of limited auditing. The level of information they contain must be considered one-off and as not to be repeated in the same way in interim reports on operations ending in subsequent periods.

These statements do not include all the information required for the annual financial statements and must be read together with the consolidated financial statements at 31 December 2011.

The reporting format (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, cash flow statement, statement of financial position per business segment and income statement per business segment) is in accordance with the provisions of ISVAP Regulation 7 of 13 July 2007.

It is assumed that Premafin prepares the consolidated financial statements in accordance with IAS/IFRS on an ongoing basis.

However, for reasons of timeliness and in order not to repeat information already present in the annual financial statements, these condensed interim consolidated financial statements provide more limited interim information than the information included in the said annual financial statements, although observing the minimum content required by IAS 34, as well as other regulatory provisions.

PREMAFIN FINANZIARIA S.p.A.
Holding di Partecipazioni

CONDENSED

CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS AT 31 MARCH 2012

STATEMENT OF FINANCIAL POSITION

INCOME STATEMENT

PREMAFIN FINANZIARIA - S.P.A.
Holding di Partecipazioni

CONSOLIDATED FINANCIAL STATEMENTS
AT 31.03.12
(Values in € thousands)

STATEMENT OF FINANCIAL POSITION

ASSETS		MAR 2012	DEC
1	**INTANGIBLE ASSETS**	**1,508,019**	**1,517,604**
1.1	Goodwill	1,417,561	1,422,447
1.2	Other intangible assets	90,458	95,157
2	**PROPERTY AND**	**402,156**	**405,349**
2.1	Buildings	318,033	318,928
2.2	Other tangible assets	84,123,000	86,421,000
3	**REINSURANCE ASSETS**	**703,414**	**701,880**
4	**INVESTMENTS**	**34,525,472**	**33,817,046**
4.1	Investment property	2,713,153	2,776,452
4.2	Equity investments in associates and joint ventures	112,118	116,795
4.3	Investments held to maturity	625,256	599,713
4.4	Loans and receivables	3,745,475	3,688,865
4.5	Financial assets available-for-sale	19,155,888	17,608,557
4.6	Financial assets at fair value through profit or loss	8,173,582	9,026,664
5	**OTHER RECEIVABLES**	**1,813,893**	**2,349,186**
5.1	Receivables from direct insurance operations	1,216,042	1,698,430
5.2	Receivables from reinsurance operations	67,047	78,637
5.3	Other receivables	530,804	572,119
6	**OTHER ASSETS**	**1,709,627**	**1,803,838**
6.1	Non-current assets or disposal group classified as held for sale	49,298	87,151
6.2	Deferred acquisition costs	30,679	30,301
6.3	Deferred tax assets	995,259	1,155,062
6.4	Current tax assets	303,757	316,587
6.5	Other assets	330,634	214,737
7	**CASH AND CASH EQUIVALENTS**	**970,235**	**1,004,105**
	TOTAL ASSETS	**41,632,816**	**41,599,008**

PREMAFIN FINANZIARIA - S.P.A.
Holding di Partecipazioni

CONSOLIDATED FINANCIAL STATEMENTS
AT 31.03.12
(Values in € thousands)

STATEMENT OF FINANCIAL POSITION

SHAREHOLDERS' EQUITY AND		MAR 2012	DEC
1	**SHAREHOLDERS' EQUITY**	**1,851,586**	**1,274,415**
1.1	**Shareholders's equity attributable to the Group**	**64,458**	**(32,065)**
1.1.1	Share capital	410,340	410,340
1.1.3	Capital reserves	21	21
1.1.4	Retained earnings and other reserves	(270,186)	664
1.1.5	(Treasury shares)	(43,183)	(43,183)
1.1.6	Reserve for currency translation difference	(17,031)	(14,985)
1.1.7	Unrealized gain or loss on financial assets available for sale	(18,.443)	(127,658)
1.1.8	Other unrealized gains and loss through equity	4,676	6,332
1.1.9	Profit (loss) for the period attributable to the Group	(1,736)	(263,596)
1.2	**Shareholders's equity attributable to non-controlling interest**	**1,787,128**	**1,306,480**
1.2.1	Non-controlling interest capital and reserves	1,907,093	2,680,192
1.2.2	Unrealized gain or loss through equity	(141,130)	(600,208)
1.2.3	Profit (loss) for the year attributable to non-controlling interests	21,165	(773,504)
2	**PROVISIONS**	**398,473**	**337,122**
3	**INCURANCE CONTRACT LIABILITIES**	**34,813,175**	**35,107,505**
4	**FINANCIAL LIABILITIES**	**2,969,393**	**3,527,671**
4.1	Financial liabilities at fair value through profit andloss	793,576	1,349,506
4.2	Other financial liabilities	2,175,817	2,178,165
5	**PAYABLES**	**937,.544**	**795,951**
5.1	Payables from direct insurance operations	89,239	78,999
5.2	Payables from reinsurance operations	130,317	84,912
5.3	Other payables	717,988	632,040
6	**OTHER LIABILITIES**	**662,645**	**556,344**
6.2	Deffered tax liabilities	186,356	133,452
6.3	Tax payables	39,909	18,147
6.4	Other liabilities	436,380	404,745
	TOTAL SHAREHOLDERS' EQUITY AND	**41,632,816**	**41,599,008**

PREMAFIN FINANZIARIA - S.P.A.
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AT 31.03.12
(Values in € thousands)

INCOME STATEMENT		**MAR 2012**	**MAR 2011**
1.1	Net premiums	2,574,989	3,024,780
1.1.1	*Gross written premiums*	*2,648,302*	*3,109,359*
1.1.2	*Premiums ceded to reinsurers*	*(73,313)*	*(84,579)*
1.2	Fee and commission income	4,934	7,423
1.3	Income and charges from financial instruments at fair value through profit and loss	252,932	(39,317)
1.4	Income from investments in subsidiaries, associates and joint ventures	151	26
1.5	Income from other financial instruments and investment property	332,805	297,486
1.5.1	*Interest income*	*207,732*	*193,384*
1.5.2	*Other income*	*38,513*	*35,805*
1.5.3	*Realised profits*	*8,.962*	*68,219*
1.5.4	*Unrealised gains and reversal of impairment losses*	*4,598*	*78*
1.6	Other income	109,412	174,975
1	**TOTAL INCOME**	**3,275,223**	**3,.465,373**
2.1	Net insurance benefit and claims	(2,395,393)	(2,604,195)
2.1.2	*Clains paid and change in insurance contract liabilities*	*(2,441,232)*	*(2,634,373)*
2.1.3	*Reinsurers' share*	*45,839*	*30,178*
2.2	Fee and commission expenses	(2,807)	(4,729)
2.3	Expenses from investments in subsidiaries, associates and joint ventures	(7,061)	(66)
2.4	Expenses from other financial instruments and investment property	(89,311)	(119,789)
2.4.1	*Interest expense*	*(18,784)*	*(27,717)*
2.4.2	*Other expenses*	*(14,858)*	*(15,601)*
2.4.3	*Realised losses*	*(16,068)*	*(53,862)*
2.4.4	*Unrealized losses and impairment losses*	*(39,601)*	*(22,609)*
2.5	Operating expenses	(426,750)	(473,851)
2.5.1	*Commissions and other acquisition expenses*	*(314,995)*	*(356,023)*
2.5.2	*Investment management expenses*	*(3,527)*	*(3,782)*
2.5.3	*Other administrative expenses*	*(108,228)*	*(114,046)*
2.6	Other expenses	(310,236)	(280,060)
2	**TOTAL EXPENSES**	**(3,231,558)**	**(3,482,690)**
	PROFIT (LOSS) BEFORE TAXES	**43,665**	**(17,317)**
3	**INCOME TAXES**	**(26,547)**	**(1,258)**
	PROFIT/(LOSS) AFTER TAXES	**17,118**	**(18,575)**
4	**PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS**	**2,311**	**-**
	PROFIT/(LOSS) FOR THE PERIOD	**19,429**	**(18,575)**
	Profit (Loss) for the period attributable to equity shareholders of the Group	**(1,736)**	**(16,506)**
	Profit (Loss) for the period attributable to non-controlling interest	**21,165**	**(2,069)**

PREMAFIN FINANZIARIA -
Holding di Partecipazioni

CONSOLIDATED FINANCIAL STATEMENTS
AT
(Values in €

STATEMENT OF COMPREHENSIVE INCOME	MAR 2012	MAR 2011
CONSOLIDATED PROFIT/(LOSS)	19,429	(18,575)
Change in reserve for tranlation differences	*(8,121)*	*(29,838)*
Profit or loss on financial assets available-for-sale	*580,561*	*79,033*
Profit or loss on cash flow hedges	(1,875)	14,472
Profit or loss on net foreign investment hedge	-	-
Change in the shareholders' equity of holdings	86	2,270
Change in the revaluation reserve for intangible assets	-	-
Change in the revaluation reserve for property and equipment	-	*(544)*
Income (charges) on non-current assets or disposal group classified as held for sale	-	-
Actuarial gains and losses and adjustments related to defined benefit plans	*(6,060)*	*(2,670)*
Other items	-	*(227)*
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME	564,591	62,496
TOTAL CONSOLIDATED COMPREHENSIVE INCOME	584,020	43,921
of which attributable to the Parent Comany	103,778	14,688
of which attributable to non-controlling interest	480,242	29,233

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 MARCH 2012

With respect to the statement of changes in shareholders' equity, below is the attachment required by Regulation 7/07, which complies with the instructions of IAS 1 and transposes the changes introduced by ISVAP Resolution 2784 of 8 March 2010.

Specifically:

- the "Allocation" column shows, *inter alia*, the allocation of profit for the year, the allocation of profit for the previous year to reserves, increases in share capital and other reserves, and changes in profit or loss recorded directly in equity the column "Adjustments from reclassification to the income statement" includes all profit or loss previously recorded in equity which was reclassified to the income statement as stipulated by international accounting standards
- the "Transfers" item shows, *inter alia*, ordinary dividend distributions and decreases of share capital and other reserves, including the acquisition of own shares.

The statement shows all changes net of tax and of profit and loss resulting from the valuation of financial assets available for sale, attributable to policyholders and to be charged to insurance liabilities.

PREMAFIN FINANZIARIA - S.P.A.

Holding di Partecipazioni

CONSOLIDATED FINANCIAL

AT 31.03.12

(Values in € millions)

STATEMENT OF CHANGES

IN SHAREHOLDERS' EQUITY

		Existing at	Change to closing balance	Allocation	Adjustments reclassification to the income statement	Transfers	Existing at	Existing at	Change to closing balance	Allocation	Adjustments for reclassifica-tion to the incom statement	Transfers	Existing at
Shareholders' equity pertaining to the Group	Share Capital	410,340	-	-	-	-	410,340	410,340	-	-	-	-	410,340
	Other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
	Capital reserves	21	-	-	-	-	21	21	-	-	-	-	21
	Retained earnings and other reserves	263,360	-	(280,017)	-	-	(16,657)	664	-	(270,851)	-	-	(270,186)
	(Treasury shares)	(43,183)	-	-	-	0	(43,183)	(43,183)	-	-	-	-	(43,183)
	Profit/(loss) for the year	(271,541)	-	255,035	-	-	(16,506)	(263,596)	-	261,860	-	-	(1,736)
	Other components of comprehensive income	(8,767)	-	24,442	6,751	-	22,427	(136,311)	-	96,974	8,539	-	(30,797)
	Total pertaining to the Group	**350,230**	**-**	**(540)**	**6,751**	**0**	**356,442**	**(32,065)**	**-**	**87,984**	**8,539**	**-**	**64,458**
Shareholders' equity pertaining to minorities	Minority capital and reserves	2.,627,767	-	(580,227)	-	-	2,047,540	2,680,192	-	(773,099)	-	-	1,907,093
	Profit/(loss) for the year	(676,625)	-	674,556	-	-	(2,069)	(773,505)	-	794.670	-	-	21,165
	Other components of comprehensive income	(31,256)	-	5,852	25,451	-	46	(600,207)	-	419,.033	40,044	-	(141,130)
	Total pertaining to Minority interests	**1,919,886**	**-**	**100,181**	**25,451**	**-**	**2,045,517**	**1,306,480**	**-**	**440,604**	**40,044**	**-**	**1,787,128**
Total		**2,270,116**	**-**	**99,641**	**32,202**	**0**	**2,401,959**	**1,274,415**	**-**	**528,588**	**48,584**	**-**	**1,851,586**

CONSOLIDATED CASH FLOW STATEMENT AT 31 MARCH 2012

With regard to the cash flow statement the attachment required by Regulation 7/2007 is provided, complying with the instructions contained in IAS 7, which provides for a free-form statement with a series of minimum requirements and, for presentation of cash flows deriving from operating activities, requires either the use of the direct method, which shows the principal categories of gross receipts and payments, or the indirect method, in which the results for the period are adjusted for the effects of non-cash transactions, any deferrals or accruals of previous or future operating receipts and payments and revenues or costs relating to financial cash flows deriving from investment and financial activities.

The indirect form of the cash flow statement, shown below, separately presents net liquidity deriving from operating activity and net liquidity deriving from investment and financial activity.

PREMAFIN FINANZIARIA - S.P.A.
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CONSOLIDATED FINANCIAL
AT 31.03.12

CASH FLOW STATEMENT
(indirect method)
(Values in €

	MAR 2012	MAR 2011
Profit/(loss) before taxes	**43,665**	**(17,317)**
Non-cash adjustments	**(500,665)**	**476,469**
Change in Non-Life unrealized premiums reserve	(155,314)	(121,457)
Change in the claims reserve and other Non-Life insurance contract liabilities	(75,495)	(7,250)
Change in the actuarial reserves and other Life insurance contract liabilities	(326,064)	367,647
Change in deferred acquisition costs	(378)	9,403
Change in provisions	61,.279	13,371
Non-cash income/charges from financial instruments, investment property and equity investments	(60,.635)	15,722
Other movements	55,942	199,033
Change in receivables and payables from operating activities	**481,826**	**215,368**
Change in receivables and payables from direct insurance and reinsurance operations	423,065	301,385
Change in other receivables and payables	58,761	(86,017)
Income taxes paid	**-**	**(14)**
Net liquidity generated/absorbed by cash items relating to investment and financing activities	**220,608**	**(483,187)**
Liabilities from financial contracts issued by insurance companies	(610,369)	(48,598)
Payables to bank and interbank customers	(25,752)	(15,446)
Loans and receivables from bank	(97,651)	(21,067)
Other financial instruments at fair value through profit or loss	954,380	(398,076)
TOTAL NET LIQUIDITY FROM OPERATING ACTIVITIES	**245,434**	**191,319**
Net liquidity generated (absorbed) by investment property	20,293	(3,948)
Net liquidity generated (absorbed) by equity investments in subsidiaries, associates and joint ventures	(11,925)	(8,009)
Net liquidity generated (absorbed) by loans and receivables	45,622	(452,586)
Net liquidity generated (absorbed) by investments held to maturity	(25,543)	(9,081)
Net liquidity generated (absorbed) by available-for-sale financial assets	(417,264)	198,629
Net liquidity generated (absorbed) by tangible and intangible assets	(5,042)	(12,711)
Other net liquidity flows generated (absorbed) by investment	87,602	2,186
TOTAL NET LIQUIDITY FROM INVESTING ACTIVITIES	**(306,257)**	**(285,520)**
Net liquidity generated (absorbed) by equity instruments pertaining to the Group	-	-
Net liquidity generated (absorbed) by own shares	-	-
Distribution of dividends pertaining to the Group	-	-
Net liquidity generated (absorbed) by capital and reserves pertaining to minority interests	-	53,023
Net liquidity generated (absorbed) by subordinated liabilities and by equity instruments	-	-
Net liquidity generated (absorbed) by miscellaneous financial liabilities	26.955	(102,913)
TOTAL NET LIQUIDITY FROM FINANCING ACTIVITIES	**26,955**	**(49,890)**
Impact of exchange differences on cash and cash equivalents	**(1,880)**	**(3,282)**
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	1,.004,105	628,404
INCREASE (DECREASE) IN CASH AND CASH	(33,868)	(144,091)
CASH AND CASH EQUIVALENTS AT THE END	970,237	484,313

PREMAFIN FINANZIARIA S.p.A.
Holding di Partecipazioni

CONDENSED

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AT 31 MARCH 2012

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

This Quarterly Condensed Consolidated Financial Statements of the Group at 31/03/2012 Premafin is prepared for the demands of the capital of Fondiaria-SAI SpA and UGF S.p.A. However, being drafted at a later date that the Interim Report approved May 15, 2012, it incorporates the effects of events after that date until the date of this writing, and between a first estimate of the consequences of failure for the Group of Im.Co. S.p.A. Sinergia Investments Holding S.p.A. for loans and guarantees owed the two companies and their subsidiaries. It also reflects the information about other relevant circumstances have occurred especially relating to the implementation of the Plan of Reorganisation former. Article. 67 of the Parent Company.

PART A – ACCOUNTING POLICIES

Business continuity of Parent Company Premafin

The financial statements at 31 December 2011 and these condensed consolidated quarterly financial statements were prepared assuming business continuity based on the execution of the agreement stipulated on 29 January 2012 (the “Unipol Agreement”) between Premafin and Unipol Gruppo Finanziario S.p.A. (“UGF”) and the completion of the agreement for the restructuring of the Company’s debt (the “Restructuring Agreement”) in the context of the Integration Project and the Reorganisation Plan provided for in the Unipol Agreement. The Premafin Recapitalisation Commitment assumed by UGF pursuant to the Unipol Agreement is also subject to the occurrence of a series of conditions precedent, some of which are altogether or partially outside the control of the parties to the Unipol Agreement. In addition, some of the conditions precedent are altogether or partially outside the control of UGF.

The main conditions precedent of the Unipol Agreement involve authorisation aspects, negotiation aspects to be defined by the companies involved in the Integration Project, and negotiation aspects with the lender banks of the Premafin Group.

In light of the timing of authorisations and corporate procedures relative to the Integration Project referred to in the Unipol Agreement, it is not possible at this stage to foresee the time when these conditions will be met. However, as at the date of approval of this report by the Board of Directors, there are no reasons to believe that these conditions cannot be met.

Due to the foregoing, although uncertainties exist about the Parent Company’s ability to continue its business as a going concern, in light of the negotiations both with the companies involved in the Integration Project and with Premafin’s lender banks and the integration and reorganisation plans communicated to the market, the directors have arrived at the reasonable expectation that the Company will have enough funds to continue operations for the foreseeable future. For this reason, it continues to adopt the assumption of business continuity in preparing the condensed consolidated quarterly financial statements.

The sections “Other Information” and “Significant events after the end of the quarter” of the Directors’ Report summarise some events that have had an impact on the matters described.

General accounting principles

The accounting standards utilised, the recognition and measurement criteria and the consolidation principles applied in preparing the condensed interim consolidated financial statements at 31 March 2012 are in accordance with those adopted for the consolidated financial statements at 31 December 2011, to which reference is made, and therefore in compliance with the IAS/IFRS issued by the IASB, now approved by the EU in their current interpretation by official bodies.

The reader is therefore referred to the consolidated financial statements for 2011 for a detailed description of the methods used.

The entry into force of the accounting standards to be applied as of 1 January 2012 (including the amendment to IAS 12 – *Income tax*) has not had a significant impact on these condensed interim consolidated financial statements at 31 March 2012.

The income statement and financial position information and the notes to the financial statements were prepared pursuant to IAS 34 for interim financial statements, showing the significant transactions and events occurring during the period. In preparing interim reports, the application of the principles for preparation and valuation criteria required for annual financial statements entails greater use of valuations, estimates and assumptions that influence the application of accounting standards and therefore the net asset and cost and revenue amounts recognised in the financial statements.

The estimates and hypotheses are regularly reviewed, and any changes resulting from their revision are recognised in the period in which the revision is made.

Below are some considerations relating to the main evaluation criteria used for the quarter.

For anything not discussed, see the accounting standards used for the preparation of the 2011 financial statements.

Non-Life claims reserve

TPL Motor:

For current claims, the calculation of the reserve, considering the low degree of accrual reached by these claims, also took into account valuations associated with the average claim generation cost, comparing this amount with available market targets. Specifically, the technical reserve, obtained by applying statistical average costs already applied for the 2011 financial statements (except for specific changes made by the claims handler networks) was supplemented so as to obtain an average claim cost consistent with the one defined for 2011, taking into account the foreseeable trend in this average cost for the current year.

For previous-year claims, already recorded in the reserve at the start of the year, the valuation was made based on the last cost determined at the end of 2011, based on the usual statistical methods for claims cost trends, taking into account any first-quarter reserve losses.

Other Non-Life classes

For both the current generation and for previous-year generations, the loss estimate by the technical offices was reached using parameters already used for the 2011 financial statements, when there were no substantial changes compared with long-standing trends used as a statistical basis.

Reinsurance

Reserves charged to reinsurers were calculated based on the portions ceded for proportional agreements and provisionally for excess-of-loss and stop-loss agreements, based on the information available and with the same criteria used to set up reserves for direct business, taking into account the contractual clauses.

The items referring to indirect business represent the share of estimated year-end results; in determining amounts, the figures calculated relative to binding contracts accepted by companies outside the Group, the technical results of which refer to 2011, were taken into account.

Valuation and impairment of financial instruments

With regard to the valuation of financial instruments, see the financial statements at 31 December 2011.

The "fair value policy" stated therein has not changed and, therefore, with regard to financial instruments listed on liquid markets, the specific value for the last trading day in March was used.

Likewise, there were no changes in the Group's impairment policy (see the consolidated financial statements at 31 December 2011).

Currency

These interim financial statements are expressed in Euro (€), since this is the currency in which the majority of Group transactions are carried out. The interim financial statements also indicate whether the amounts reported are in thousands or millions of Euro. When pertinent, interim financial statements expressed in currencies other than the Euro are converted by applying current exchange rates at the end of the quarter.

Consolidation principles

The same consolidation principles used in preparing the last consolidated financial statements have been applied to these interim financial statements.

For a specific description of these, see the annual report. Any references to the date of 31 December should be understood as 31 March.

In preparing these consolidated interim financial statements, the interim financial statements approved by the Boards of Directors of the respective companies have been used, or otherwise specific quarterly statements examined by their respective governance bodies.

GROUP STRUCTURE

Basis of consolidation

At 31 March 2012, the Premafin Group overall, including the Parent Company, was made up of 113 companies, of which 17 operated in the insurance sector, 1 in the banking sector, 44 in the property and agricultural sectors and 22 in the financial services sector, with the remainder being miscellaneous service companies. The companies have 18 overseas offices.

The number of companies fully consolidated is 84, while 15 are consolidated by the equity method, and the remainder are consolidated by the proportional method or kept at book value if their size or operations are not significant for the purposes of true and accurate representation in these financial statements.

There are 91 subsidiaries, of which six are controlled directly by the Parent Company.

During the first quarter of 2012, the scope of consolidation of the Fondiaria-SAI Group did not undergo noteworthy changes, except for removal of IGLI S.p.A. and MB Venture Capital and the merger by incorporation of Sistemi Sanitari S.c.a.r.l. into Gruppo Fondiaria-SAI Servizi S.c.a.r.l.

Lastly, pursuant to IAS 27, paragraph 40 d), the associate Fondiaria-SAI Servizi Tecnologici S.p.A. is valued at equity since, although Fondiaria-SAI has the majority of the voting rights (51%), the operating control of the associate falls to the other partner, HP Enterprise Services Italia S.r.l., due to governance agreements made.

Name - Registered office	Currency	Share capital	Percentage held Direct		Indirect	Group interest
SUBSIDIARIES						
Companies consolidated line-by-line						
APB CAR SERVICE S.r.l. (Formerly MERIDIANO QUARTO) - Turin	Euro	10,000		Auto Presto & Bene S.p.A.	100.00%	23.396%
Atahotels Compagnia Italiana aziende turistiche alberghiere S.p.A. - Milan	Euro	15,000,000		Fondiaria-SAI S.p.A.	51.00%	
				Milano Assicurazioni S.p.A.	49.00%	19.199%
ATAVALUE S.r.l. - Turin	Euro	10,000		SAI Holding Italia S.p.A.	100.00%	23.396%
ATHENS R.E. FUND - SPECULATIVE FUND				Milano Assicurazioni S.p.A.	100.00%	14.831%
Auto Presto & Bene S.r.l. - Turin	Euro	5,000,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Banca SAI S.p.A. - Turin	Euro	116,677,161		Fondiaria-SAI S.p.A.	100.00%	23.396%
BIM VITA S.p.A. - Turin	Euro	11,500,000		Fondiaria-SAI S.p.A.	50.00%	11.698%
Bramante S.r.l. - Milan	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Campo Carlo Magno S.p.A. - Pinzolo (Tn)	Euro	9,311,200		Milano Assicurazioni S.p.A.	100.00%	14.831%
Carpaccio S.r.l. - Milan	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Casa di Cura Villa Donatello S.p.A. - Florence	Euro	361,200		Fondiaria-SAI S.p.A.	100.00%	23.396%
Cascine Trenno S.r.l. - Turin	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Centro Oncologico Fiorentino Casa di Cura Villanova S.r.l. (Formerly Casa Di Cura Villanova) - Sesto Fiorentino (Fi)	Euro	182,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Città della salute Scrl	Euro	100,000		Casa di Cura Villa Donatello	50.00%	
				Centro Oncologico Fiorentino Casa di Cura Villanova	45.00%	
				Donatello Day Surgery S.r.l.	2.50%	
				Florence Centro Chirurgia AMBULATORIALE	2.50%	23.396%
Colpetrone S.r.l. - Umbertide (PG)	Euro	10,000		Saiagricola S.p.A.	100.00%	22.813%
Consorzio Castello - Florence	Euro	401,000		Nuove Iniziative Toscane S.r.l.	99.57%	23.029%
DDOR Novi Sad Ado - Novi Sad (Serbia)	RSD	2,579,597,280		Fondiaria-SAI S.p.A.	99.99%	23.394%
DDOR Re Joint Stock Reinsurance Company - Novi Sad (Serbia)	Euro	5,130,604		The Lawrence Re Ireland Ltd	99.998%	
				DDOR Novi Sad ADO	0.002%	23.396%
Dialogo Assicurazioni S.p.A. - Milan	Euro	8,831,774.00		Milano Assicurazioni S.p.A.	99.85%	14.807%
Dominion Insurance Holding Ltd - London (GB)	GBP	35,438,267.65		Finsai International S.A.	100.00%	23.394%
Donatello Day Surgery S.r.l.- Florence	Euro	20,000		Centro Oncologico Fiorentino Casa di Cura Villanova	100.00%	23.396%
Europa Tutela Giudiziaria S.p.A. - Milan	Euro	5,160,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Eurosai Finanziaria di Partecipazioni S.r.l. - Turin	Euro	100,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Finadin - S.p.A. Finanziaria di Investimenti - Milan	Euro	100,000,000	60.00%	Saifin-Sainfinanziaria S.p.A.	40.00%	69.36%
Finitalia S.p.A. - Milan	Euro	15,376,285		BANCA SAI S.p.A.	100.00%	23.396%
Finsai International S.A. - Luxembourg	Euro	44,131,900		Fondiaria-SAI S.p.A.	19.92%	
				Sainternational S.A.	43.92%	
				Sailux SA	36.15%	23.394%
Florence Centro di Chirurgia Ambulatoriale S.r.l. - Florence	Euro	10,400		Centro Oncologico Fiorentino Casa di Cura Villanova	100.00%	23.396%
Fondiaria-SAI Nederland B.V. - Amsterdam (NL)	Euro	19,070		Fondiaria-SAI S.p.A.	100.00%	23.396%

Gruppo Fondiaria-SAI Servizi S.c.r.l.- Milan	Euro	5,200,000		Fondiaria-SAI S.p.A.	64.16%	
				Milano Assicurazioni S.p.A.	34.21%	
				Systema Compagnia S.p.A.	0.18%	
				Dialogo Assicurazioni S.p.A.	0.20%	
				Europa Tutela giudiziaria S.p.A.	0.02%	
				Finitalia S.p.A.	0.02%	
				Incontra Assicurazioni S.p.A.	0.02%	
				The Lawrence Re Ireland Ltd	0.02%	
				BANCA SAI S.p.A.	0.02%	
				Pronto Assistance S.p.A.	0.90%	
				Sai Mercati Mobiliari Sim S.p.A.	0.02%	
				Liguria Assicurazioni S.p.A.	0.02%	
				Liguria Vita S.p.A.	0.02%	
				Pronto Assistance Servizi Scarl.	0.02%	
				BIM VITA S.p.A.	0.02%	
				SIAT S.p.A.	0.11%	
				AUTO PRESTO & BENE S.r.l.	0.02%	
				IMMOBILIARE LOMBARDA S.p.A.	0.02%	20.422%
Fondiaria-SAI S.p.A. - Turin	Euro	494,731,136	23.46%	Finadin - S.p.A. Finanziaria di Investimenti	3.07%	23.396%
Immobiliare Fondiaria-SAI S.r.l - Milan	Euro	20,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Immobiliare Litorella S.r.l - Milan	Euro	10,329		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Immobiliare Lombarda S.p.A. - Milan	Euro	24,493,509.56		Fondiaria-SAI S.p.A.	64.17%	
				Milano Assicurazioni S.p.A.	35.83%	20.326%
Immobiliare Milano Assicurazioni S.r.l - Turin	Euro	20,000		Milano Assicurazioni S.p.A.	100.00%	14.831%
Incontra Assicurazioni S.p.A. - Milan	Euro	5,200,000		Fondiaria-SAI S.p.A.	51.00%	11.932%
Iniziative Valorizzazioni Edili - IN.V.ED. S.r.l. - Rome	Euro	10,329		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Insediamenti Avanzati Nel Territorio I.A.T. S.p.A. - Rome	Euro	2,580,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
International Strategy S.r.l. - Milan	Euro	26,000	100.00%			100.00%
Italresidence S.r.l. - Pieve Emanuele (Mi)	Euro	100,000		Atahotels S.p.A.	100.00%	19.199%
Liguria Società di Assicurazioni S.p.A. - Segrate (Mi)	Euro	36,800,000		Milano Assicurazioni S.p.A.	99.97%	14.826%
Liguria Vita S.p.A. - Segrate (Mi)	Euro	6,000,000		Liguria Assicurazioni SpA	100.00%	14.826%
Marina di Loano S.p.A. - Milan	Euro	5,536,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Masaccio S.r.l. - Milan	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Meridiano Aurora S.r.l. - Milan	Euro	10,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Meridiano Bellarmino S.r.l. - Turin	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Meridiano Bruzzano S.r.l. - Turin	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Meridiano Primo S.r.l. - Turin	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Meridiano Secondo S.r.l. - Turin	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%

Milano Assicurazioni S.p.A. - Milan	Euro	373,682,600.42		Fondiaria-SAI S.p.A.	61.10%	
				Fondiaria Nederland BV	1.51%	
				Popolare Vita S.p.A.	0.02%	
				Pronto Assistance S.p.A.	0.06%	
				SAI Holding Italia S.p.A.	0.51%	
				SAI International S.A.	0.20%	14.831%
Mizar S.r.l. - Rome	Euro	10,329		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Nuova Impresa Edificatrice Moderna S.r.l. - Rome	Euro	10,329		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Nuove Iniziative Toscane S.r.l. - Florence	Euro	26,000,000		Fondiaria-SAI S.p.A.	96.88%	
				Milano Assicurazioni S.p.A.	3.12%	23.129%
Pontormo S.r.l. - Milan	Euro	50,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Popolare Vita S.p.A. - Verona	Euro	219,600,005		Fondiaria-SAI S.p.A.	24.39%	
				SAI Holding Italia S.p.A.	25.61%	11.698%
Progetto Bicocca La Piazza S.r.l. in liquidation - Milan	Euro	3,151,800		Immobiliare Fondiaria-SAI S.r.l.	74.00%	17.313%
Pronto Assistance S.p.A. - Turin	Euro	2,500,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Pronto Assistance Servizi Scarl. - Turin	Euro	516,000		Fondiaria-SAI S.p.A.	37.40%	
				Milano Assicurazioni S.p.A.	28.00%	
				Dialogo Assicurazioni S.p.A.	24.00%	
				Liguria Società di Assicurazioni S.p.A.	2.20%	
				Incontra Assicurazioni S.p.A.	0.15%	
				Systema Compagnia di Assicurazioni S.p.A	0.35%	
				Banca SAI S.p.A.	0.10%	
				Sistemi Sanitari S.c.r.l.	0.10%	
				Pronto Assistance S.p.A.	7.70%	18.698%
Ristrutturazioni Edili Moderne - R.EDIL.MO S.r.l. - Rome	Euro	10,329		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
SAI Holding Italia S.p.A. - Turin	Euro	50,000,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
SAI Investimenti S.G.R. S.p.A. - Turin	Euro	3,913,588	20.00%	Fondiaria-SAI S.p.A.	51.00%	
				Milano Assicurazioni S.p.A.	29.00%	36.232%
Sai MercatiI Mobiliari Sim S.p.A. - Milan	Euro	13,326,395		Fondiaria-SAI S.p.A.	100.00%	23.396%
Saigricola S.p.A. Società Agricola - Turin	Euro	66,000,000		Fondiaria-SAI S.p.A.	92.01%	
				Milano Assicurazioni S.p.A.	6.80%	
				Pronto Assistance S.p.A.	1.19%	22.813%
Saifin - Saifinanziaria S.p.A. - Turin	Euro	102,258,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
SAILUX S.A. - Luxembourg	Euro	30,000,000		Saifin - Saifinanziaria S.p.A.	99.99%	
				Finsai International	0.01%	23.396%
Saint George Capital Management S.p.A. - Lugano (CH)	Sw.fr.	3,000,000		Saifin - Saifinanziaria S.p.A.	100.00%	23.396%
Sainternational S.A. - Luxembourg	Euro	154,000,000		Fondiaria-SAI S.p.A.	100.00%	23.396%

Santa Maria del Fico S.r.l. - Umbertide (PG)	Euro	78,000		Saiagricola S.p.A. Società agricola	100.00%	22.813%
Scontofin S.A. - Luxembourg	Euro	75,000		Finadin - S.p.A. Finanziaria di Investimenti	70.00%	
				Sailux S.A.	19.00%	51.285%
Service Gruppo Fondiaria-Sai S.r.l. - Florence	Euro	104,000		Fondiaria-SAI S.p.A.	70.00%	
				Milano Assicurazioni S.p.A.	30.00%	20.827%
Siat Società Italiana Assicurazioni e Riassicurazioni S.p.A. - Genoa	Euro	38,000,000		SAI Holding Italia S.p.A.	94.69%	22.154%
SIM Etoile S.A.S. - Paris	Euro	3,049,011.34		Fondiaria-SAI S.p.A.	100.00%	23.396%
Società Edilizia Immobiliare Sarda S.E.I.S. S.p.A. - Rome	Euro	3,877,500		Immobiliare Fondiaria-SAI S.r.l.	51.67%	12.089%
Sogeint S.r.l. - Milan	Euro	100,000		Milano Assicurazioni S.p.A.	100.00%	14.831%
SRP Asset Management S.A. - Lugano	Sw.fr.	1,000,000		SAI International S.A.	100.00%	23.394%
Stimma S.r.l. - Florence	Euro	10,000		Fondiaria-SAI S.p.A.	100.00%	23.396%
Systema Compagnia di Assicurazioni S.p.A. - Milan	Euro	5,164,600		Milano Assicurazioni S.p.A.	100.00%	14.831%
The Lawrence Life Assurance Co. Ltd - Dublin (IRL)	Euro	802,886		Popolare Vita S.p.A.	100.00%	11.698%
The Lawrence Re Ireland Ltd - Dublin (IRL)	Euro	635,000		Fondiaria Nederland B.V.	100.00%	23.396%
Tikal R.E. Fund				Fondiaria-SAI S.p.A.	59.65%	
				Milano Assicurazioni S.p.A.	35.36%	19.199%
Trenno Ovest S.r.l. - Turin	Euro	10,000		Immobiliare Fondiaria-SAI S.r.l.	100.00%	23.396%
Villa Ragionieri S.r.l. - Florence	Euro	78,000		Fondiaria-SAI S.p.A.	100.00%	23.396%

Companies valued at book value

Ata Benessere S.r.l. in liquidation - Milan	Euro	100,000		Atahotels S.p.A.	100.00%	19.199%
DDOR auto Doo - Novi Sad (Serbia)	Euro	9,260.97		DDOR Novi Sad ADO	100.00%	23.394%
Global Card Service S.r.l. - Segrate (MI)	Euro	98,800		Liguria Vita SpA	51.00%	
				Liguria Assicurazioni SpA	44.00%	14.084%
Hotel Terme di Saint Vincent Srl - Saint-Vincent (Ao)	Euro	15,300		Atahotels S.p.A.	100.00%	19.199%
Investimenti Mobiliari S.r.l. - Milan	Euro	90,000	100.00%			100.000%
Ital H & R S.r.l. - Pieve Emanuele (Mi)	Euro	50,000		Italresidence S.r.l.	100.00%	19.199%
Partecipazioni e Investimenti S.r.l. - Milan	Euro	90,000	100.00%			100.000%
Partecipazioni Mobiliari S.r.l. - Milan	Euro	90,000	100.00%			100.000%
Tour Executive S.p.A. - Milan	Euro	118,300		Atahotels S.p.A.	100.00%	20.135%

Name - Registered office	Currency	Share capital	Percentage held Direct	Indirect		Group interest
ASSOCIATES						
Companies valued using the equity method						
A 7 S.r.l. - Milan	Euro	200,000		Immobiliare Milano Assicurazioni S.r.l.	20.00%	2.967%
Borsetto S.r.l. - Turin	Euro	2,971,782		Immobiliare Milano Assicurazioni S.r.l.	44.93%	6.663%
Butterfly AM S.a.r.l. - Luxembourg	Euro	29,165		Immobiliare Fondiaria-SAI S.r.l.	28.57%	6.684%
Consulenza Aziendale per l'informatica SCAI S.p.A. - Turin	Euro	1,040,000		Fondiaria-SAI S.p.A.	30.07%	7.035%
Fin. Priv. S.r.l. - Milan	Euro	20,000		Fondiaria-SAI S.p.A.	28.57%	6.684%
Fondiaria-SAI Servizi Tecnologici S.r.l. - Florence	Euro	120,000		Fondiaria-SAI S.p.A.	51.00%	11.932%
Garibaldi S.C.A. - Luxembourg	Euro	31,000		Milano Assicurazioni S.p.A.	32.00%	4.745%
Isola S.c.a. (ex HEDF Isola)- Luxembourg	Euro	31,000		Milano Assicurazioni S.p.A.	29.56%	4.384%
Metropolis S.p.A. - Florence	Euro	1,120,000		Immobiliare Milano Assicurazioni S.r.l.	29.73%	4.410%
Penta Domus SpA - Turin	Euro	120,000		Immobiliare Milano Assicurazioni S.r.l.	20.00%	2.967%
Progetto Alfiere S.p.A. - Rome	Euro	120,000		Immobiliare Fondiaria-SAI S.r.l.	19.00%	4.445%
Servizi Immobiliari Martinelli S.p.A. - Cinisello Balsamo (MI)	Euro	100,000		Immobiliare Milano Assicurazioni S.r.l.	20.00%	2.967%
Società Funivie del Piccolo San Bernardo S.p.A. - La Thuile (AO)	Euro	9,213,418		Immobiliare Fondiaria-SAI S.r.l.	27.38%	6.406%
Sviluppo Centro Est S.r.l. - Rome	Euro	10,000		Immobiliare Milano Assicurazioni S.r.l.	40.00%	5.933%
Valore Immobiliare S.r.l - Milan	Euro	10,000		Milano Assicurazioni S.p.A.	50.00%	7.414%
Companies valued at book value						
Cono Roma S.r.l. in liquidation - Rome	Euro	10,000		Finadin	50.00%	7.353%
DDOR Garant - Belgrade (Serbia)	RSD	3,309,619		DDOR RE	7.54%	
				DDOR Novi Sad ADO	32.46%	11.122%
Quintogest S.p.A. - Milan	Euro	3,000,000		Fondiaria-SAI S.p.A.	49.00%	11.464%
Società Finanz. Per Le Gest. Assicurative S.r.l. in liquidation - Rome	Euro	47,664,600		Fondiaria-SAI S.p.A.	14.91%	
				Milano Assicurazioni S.p.A.	7.50%	4.600%
Soaimpianti - Organismi di Attestazione S.p.A. in liquidation - Milan	Euro	84,601		Fondiaria-SAI S.p.A.	21.64%	5.062%
Ufficio Centrale Italiano S.c.a r.l. - Milan	Euro	510,000		Fondiaria-SAI S.p.A.	14.14%	
				SIAT S.p.A.	0.09%	
				Milano Assicurazioni S.p.A.	10.98%	
				Liguria Assicurazioni SpA	0.31%	
				Systema assicurazioni S.p.A	0.00%	
				Dialogo Assicurazioni S.p.A.	0.0001%	
				Incontra Assicurazioni S.p.A.	0.0024%	5.002%

PART B

INFORMATION ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION – ASSETS

1. INTANGIBLE ASSETS

The breakdown is as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Goodwill	1,417,561	1,422,447	(4,886)
Other intangible assets	90,458	95,157	(4,699)
Total	**1,508,019**	**1,517,604**	**(9,585)**

Goodwill

Goodwill is broken down as follows:

(values in € thousands)	**31.3.12**	**31.12.11**	**Change**
Goodwill deriving from the incorporation of La Fondiaria S.p.A.	504,763	504,763	-
Goodwill recorded in consolidated accounts of Milano Assicurazioni S.p.A.	167,379	167,379	-
Other goodwill	530	530	-
Consolidation differences	744,889	749,775	(4,886)
Value at year-end	**1,417,561**	**1,422,447**	**(4,886)**

The Group verifies the recoverability of the goodwill allocated to the Cash Generating Units (CGUs) at least once a year or more frequently if there are signs of impairment.

See the financial statements at 31 December 2011 for a description of the methods used to determine the recoverable value of the goodwill recorded.

The change in "Consolidation differences" is due to the subsidiary DDOR NOVI SAD as a result of the appreciation of the Euro against the Serbian dinar.

In the first quarter, there were no indications that the goodwill recorded had decreased from the book value at 31 December 2011, having already been subjected to impairment tests pursuant to IAS 36.

Other intangible assets

Other intangible assets amount to Euro 90,458 thousand (Euro 95,157 thousand at 31 December 2011) and are broken down by type as follows:

(values in € thousands)	**Gross book value**	**Amortisation and impairment provision**	**Net value 31.03.12**	**Net value 2011**
Studies and research expenses	198,786	(174,630)	24,156	25,516
Utilisation rights	20,161	(14,662)	5,499	6,515
Other intangible assets	273,587	(212,784)	60,803	63,126
Total	**492,534**	**(402,076)**	**90,458**	**95,157**

None of the above intangible assets were generated internally.

The above intangible assets have a definite useful life and are consequently amortised throughout it. Research costs relate to the capitalisation in the first quarter of 2012, and in previous years, of costs incurred to prepare technological infrastructure and applications with a multi-year duration and useful life. They are amortised over a period of three or five years based on the characteristics and useful life of the assets.

These charges are incurred primarily by the Fondiaria-SAI Servizi S.c.a.r.l. Group Consortium, which undertakes all the management of resources, assets and services already existing and new acquisitions relating to the functioning of the Group.

Other intangible assets mainly include the values of the acquired customer portfolios of some subsidiaries (Value in Force and Voba) recognised at the time of business combination transactions.

Intangible assets mainly include the values relating to the acquired customer portfolios of the following companies:

(values in € thousands)	**31.03.12**	**2010**	**Change**
Liguria Assicurazioni S.p.A.	8,280	10,054	(1,774)
DDOR Novi Sad ADO	5,941	8,115	(2,174)
TOTAL	**14,221**	**18,169**	**(3,948)**

No signs suggestive of impairment arose during the period.

2. PROPERTY AND EQUIPMENT

These total Euro 402,156 thousand (Euro 405,349 thousand at 31 December 2011), down by Euro 3,193 thousand.

Property, plant and equipment are broken down as follows:

	Property		**Land**		**Other property, plant and equipment**		**Total**	
	31.03.12	**31.12.11**	**31.03.12**	**31.12.11**	**31.03.12**	**31.12.11**	**31.03.12**	**31.12.11**
(values in € thousands)								
Gross book value	336,989	337,786	25,832	25,832	211,261	213,696	574,082	577,315
Depreciation and impairment provision	(44,788)	(44,690)	-	-	(127,138)	(127,276)	(171,926)	(171,966)
Net value	**292,201**	**293,096**	**25,832**	**25,832**	**84,123**	**86,420**	**402,156**	**405,349**

The properties included under property, plant and equipment include those intended for business operations (i.e. direct use properties). These properties were recognised at cost and are depreciated systematically based on their useful life, only for those components subject to a defined useful life.

The item also includes properties held by the subsidiaries of Immobiliare Fondiaria-SAI (except for the subsidiary Società Edilizia Immobiliare Sarda S.E.I.S.) which are regarded as inventory and are therefore valued pursuant to IAS 2.

During the first quarter of 2012, there were no situations indicating impairment of the properties owned. The risk relating to the bankruptcy of Sinergia Holding and Imco is managed through provisions for risks and charges.

“Other property, plant and equipment” mainly includes fixed assets used by the Group to carry out its business, such as hardware, furnishings and plant and office equipment, as well as the final inventory of companies operating in the agricultural sector, valued in accordance with IAS 2.

3. REINSURANCE ASSETS

These total Euro 703,414 thousand (Euro 701,880 thousand at 31 December 2011), up by Euro 1,534 thousand.

The breakdown of the item is as follows:

(values in € thousands)	**31.3.12**	**31.12.11**	**Change**
Non-Life insurance contract liabilities attributable to reincurance	614,611	608,617	5,995
Life insurance contract liabilities attributable to reincurance	88,803	93,263	(4,460)
Class D reserves attributable to reinsurance	-	-	-
Total	**703,414**	**701,880**	**1,534**

Of this sum, Euro 424 million refers to reinsurance expense (Euro 423 million at 31 December 2011), while Euro 279 million concerns retrocessionaire reserves (Euro 279 million at 31 December 2011).

4. INVESTMENTS

The breakdown is as follows:

(values in € thousands)	**31.3.12**	**31.12.11**	**Change**
Investment property	2,713,153	2,776,452	(63,299)
Equity investments in subsidiaries, associates and joint ventures	112,118	116,795	(4,677)
Investments held to maturity	625,256	599,713	25,543
Loans and receivables	3,745,475	3,688,865	56,610
Available-for-sale financial assets	19,155,888	17,608,557	1,547,331
Financial assets at fair value through profit or loss	8,173,582	9,026,664	(853,082)
Total	**34,525,472**	**33,817,046**	**708,426**

Investment property

The item includes all the properties held by the Group for rental to third parties or as an investment for capital appreciation over time.

Investment property is recorded at purchase cost in accordance with IAS 16 (to which IAS 40 refers in the case of adoption of the cost model).

The portion of property referring to buildings is depreciated systematically according to the useful life of the components comprising it. Of the significant components, those relating to the plant of the building are depreciated separately.

The breakdown of investment property and changes in it are shown below.

(values in € thousands)	**31.3.12**	**31.12.11**	**Change**
Gross book value	3,151,390	3,204,995	(53,605)
Depreciation and impairment provision	(438,237)	(428,543)	(9,694)
Net value	**2,713,153**	**2,776,452**	**(63,299)**

Of the decrease in investment property, Euro 47.3 million is due to the reclassification under “Discontinued assets” of the property located at Piazza S. Maria Beltrade in Milan held by the subsidiary Milano Assicurazioni. The property in question was sold on 29 June 2012, producing a capital gain.

During the period, rental income from investment property amounted to approximately Euro 22 million (Euro 20 million at 31 March 2011).

There are no significant limits on the sale of investment property due to legal or contractual restrictions or restrictions of any other nature, with the exception of seven buildings belonging to the Tikal Fund and to the Immobiliare Fondiaria-SAI Group, which are mortgaged to secure the loans received on them.

Added to this is the court-ordered sequestration of the Castello Area owned by the subsidiary NIT. The value of the inventory relating to the Castello Area at 31/03/12 amounts to Euro 174.7 million, as per the recent appraisal values stated by independent experts.

This amount is fair in the event that a construction permit is granted, and therefore also in the event of the continuing operation of the asset, and does not reflect the risks associated with any loss of a legal action.

In the first quarter of 2012, no situations arose indicating any lasting impairment of the properties owned. The risk relating to the bankruptcy of Sinergia Holding and Imco is managed through provisions for risks and charges.

Investments in associates and joint ventures

Premafin fully consolidates all Group companies, including those engaged in different activities. The item includes the book value of some subsidiary equity investments which, given their insignificance in relation to the size and nature of the activities undertaken, are not decisive for the purposes of these interim financial statements.

The "Associates" item, on the other hand, includes entities held by the Group and valued using the equity method.

The breakdown is as follows:

(values in € thousands)	**31.3.12**	**31.12.11**	**Change**
Subsidiaries	1,560	1,642	(82)
Associates	110,558	115,153	(4,595)
Total	**112,118**	**116,795**	**(4,677)**

For equity investments in associates, the most significant positions are shown below:

(in € thousands)	**31.3.12**	**31.12.11**	**Change**
Garibaldi S.C.A.	54.5	56.1	(1.6)
Fin.Priv.	19.8	20.5	(0.7)
Isola S.C.A.	9.8	11.1	(1.3)
Other	26.5	27.5	(1.0)
Total	**110.6**	**115.2**	**(4.6)**

The value adjustments recorded in the income statement for the half-year due to the valuation of equity investments in associates total approximately Euro 7 million, with reference to Garibaldi S.c.a. for Euro 4.4 million and Isola S.c.a. for Euro 1.7 million.

Investments held to maturity

These total Euro 625,256 thousand (Euro 599,713 thousand at 31 December 2011).

The category only includes financial instruments in the Life segment held for policies with specific assets as defined by the current sector regulations.

This category only includes listed securities, the current value of which is Euro 675,666 thousand.

Loans and receivables

These totalled Euro 3,745,475 thousand (Euro 3,688,865 thousand at 31 December 2011) and break down as follows:

(values in € thousands)	**31.3.12**	**31.12.11**	**Change**
Receivables from banks for interbank deposits and from bank customers	763,113	665,462	97,651
Debt securities	2,423,219	2,465,849	(42,631)
Loans on life policies	42,365	44,140	(1,775)
Deposits held by reinsurers	22,931	24,895	(1,964)
Receivables from sub-agents for redress and indemnities paid to agents terminated	237,821	238,569	(748)
Other loans and receivables	256,027	249,950	6,077
Total	**3,745,475**	**3,688,865**	**56,610**

Receivables from banks for interbank deposits and from bank customers include the receivables of the subsidiary BancaSai from other credit institutions for deposits of Euro 144,232 thousand and receivables from bank customers of Euro 618,881 thousand.

The risk relating to the bankruptcy of Sinergia Holding and Imco in relation to loans granted by BancaSai is managed through provisions for risks and charges.

Debt securities include:

- The book value of some issues (in particular ANIA special issues), for which a valuation at amortised cost, rather than at fair value, was deemed appropriate, given the lack of an active benchmark market. The item refers to financial assets for which it is believed that the relative fair value cannot be accurately calculated.
- Mainly some private placements of Italian government bonds, for Euro 1,505 million, which serve the purpose both of ensuring stable returns to the Group, as well as cancelling out the effect of volatility in the valuation of such instruments when subscribed in traditional market contexts. The classification in this category is therefore due to the lack of an active benchmark market.
- Corporate bond issues: these mainly involve financial structures with subordination clauses transferred to this category in 2009. No impairments were recognised on any bond, and the amortised cost effect entailed the recognition of income in the income statement of Euro 15,020 thousand. The negative AFS reserve recognised on these securities at 1 January 2009 amounted to Euro 75,222 thousand, and is amortised according to IAS 39 rules. The residual negative AFS reserve amounts to Euro 51,180 thousand.

Regarding determination of the classification, see the section relating to accounting standards.

The book value of the debt securities included in the “Loans and receivables” category exceeds market value by Euro 35 million.

The receivables from sub-agents for the recovery of indemnities paid to agents are recorded in this item both by the express provisions of ISVAP Regulation 7/2007 and given their interest-bearing nature in favour of the Group.

“Other loans and receivables” mainly includes Euro 230 million (Euro 222 million at 31 December 2011) relating to consumer loans held by the subsidiary Finitalia in respect of customers.

Financial assets available for sale

Financial assets available for sale include bonds and equities, as well as UCITS units, not otherwise classified.
The financial assets in question break down as follows:

(values in € thousands)	**31/03/2012**	**31/12/2011**	**Change**
Equity securities	1,229,560	1,167,836	61,724
UCITS units	816,646	801,948	14,698
Debt securities	17,107,585	15,636,678	1,470,907
Other financial investments	2,098	2,095	3
Total	**19,155,888**	**17,608,557**	**1,547,332**

The change in the item is due to a large extent to the recovery of share prices in the first quarter of the year.

The equities include listed securities for Euro 969 million, while listed debt securities amount to Euro 17,082 million.

We note that the debt securities and equities included in this category are primarily measured at fair value.

Among equities, we note the 2% equity investment held by the Group in Banca d’Italia; the valuation made at the end of 2011 has not changed.

With regard to the decreases in value in AFS securities recognised in the income statement for the period, the application of the criteria provided for in the Group impairment policy (and amply described in the financial statements at 31 December 2011) led to the recognition of impairment losses of Euro 21.0 million (at 31 March 2011 the amount was Euro 24.3 million). Of this amount, Euro 18.1 million referred to equities and Euro 2.9 million to UCITS units.

With regard to the composition of the AFS reserve (for the Group share and gross of both tax impacts and amounts paid back to Life policyholders under the shadow accounting technique), the gross amount, negative by Euro 108 million, includes a negative component of Euro 118 million with reference to debt securities, a positive component of Euro 6 million referring to UCITS units and, lastly, a positive component of Euro 4 million (of which approximately Euro 27 million refer to the equity investment held in Banca d'Italia) for equities.

Greek sovereign debt

Note that on 24 February 2012, the Greek government bond exchange offer was approved, providing for every Euro 1,000 of nominal value of the bonds outstanding to be substituted with:

- 20 bonds issued by the Greek government with an overall nominal value of Euro 315 and maturing in 11 to 30 years
- two new bonds issued by the European Financial Stability Facility (EFSF) for an overall nominal amount of Euro 150
- GDP-linked bonds issued by Greece with a notional amount equal to that of the new bonds received in exchange (Euro 315) which will produce additional interest in the event that Greek GDP grows above a pre-established threshold
- short-term zero coupon bonds issued by the EFSF to hedge the unpaid interest accrued on old Greek government issues on the date of the agreement.

As previously indicated in the 2011 consolidated financial statements, the Group companies gave their acceptance for all bonds held.

With reference to the Premafin Group's condensed consolidated quarterly financial statements for the period ended 31 March 2012, the same Greek sovereign debt securities previously owned by the Group until that date are stated; the "new" Greek bonds resulting from the above-mentioned swap transaction were allocated for the most part after 31 March 2012.

In addition, a consistent valuation of the new bonds basically confirms the book value in the Group's condensed consolidated quarterly financial statements.

Government bonds issued by Spain, Portugal, Ireland and Italy

The table below provides details on the Fondiaria-SAI Group's exposure to government bonds issued by other peripheral Eurozone countries, which are also recorded under assets available for sale. As recently required by the European Securities and Markets Authority (ESMA), the table also includes bonds issued by the Italian government (figures in Euro thousands).

State	Expiry within 12 months	Expiry from 1 to 5 years	Expiry from 6 to 10 years	Expiry beyond 10 years	Total Fair value (level 1)	AFS Reserve (gross)	AFS Reserve (net shadow)
Spain	-	15,593	-	40,563	56,156	(13,291)	(4,675)
Portugal	-	2,979	-	-	2,979	(1,080)	(358)
Ireland	-	1,244	19,606	-	20,850	(2,593)	(747)
Italy	1,683,631	4,874,908	4,329,259	1,705,739	12,593,537	(571,832)	(190,801)

The portfolio at 31 March 2012 also includes:

- Euro 1,508.2 million of debt securities issued by the Italian government classified under Loans and receivables (of which Euro 276.1 million have maturities of 1 to 5 years and Euro 1,232.1 million have maturities from 6 to 10 years)
- Euro 73.9 million in debt securities issued by the Italian government classified in the Held to maturity category (of which Euro 18.0 million expiring within a year, Euro 55.8 million with maturities of 1 to 5 years, and Euro 0.1 million with maturities beyond 10 years).

Financial assets at fair value through profit or loss

The breakdown is as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Equity securities	40,116	30,599	9,517
UCITS units	645,941	636,124	9,817
Debt securities	7,004,031	8,072,935	(1,068,904)
Other financial investments	483,494	287,006	196,488
Total	**8,173,582**	**9,026,664**	**(853,082)**

The change in debt securities is due to the disposals made by subsidiary Lawrence Life as a result of the decrease in technical reserves for which the investment risk is borne by policyholders as a result of redemption requests received from policyholders.

The component relative to financial assets at fair value through profit or loss amounts to Euro 8,080 million and includes investments for which the risk is borne by Life policyholders and which derive from the management of pension funds of Euro 8,011 million (Euro 8,900 million at 31 December 2011).

5. OTHER RECEIVABLES

The breakdown of the item is as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Receivables from direct insurance operations	1,216,042	1,698,430	(482,388)
Receivables from reinsurance operations	67,047	78,637	(11,590)
Other receivables	530,804	572,119	(41,315)
Total	**1,813,893**	**2,349,186**	**(535,293)**

The Group believes that the book value of trade and other receivables approximates their fair value. The trade receivables are non-interest bearing and are generally payable within 90 days.

The breakdown of receivables deriving from direct insurance operations is as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Receivables from policyholders for premiums in the year	401,080	746,052	(344,972)
Receivables from policyholders for premiums in previous years	145,394	32,656	112,738
Receivables from insurance brokers	459,934	639,447	(179,513)
Receivables from insurance companies	73,380	132,193	(58,813)
Amounts to be recovered from policyholders and third parties	136,254	148,082	(11,828)
Total	**1,216,042**	**1,698,430**	**(482,388)**

The decrease in receivables from policyholders for premiums in the year is due to the breakdown over time of the Group's contracts portfolio, which is less concentrated in the first three months of the year. On the other hand, receivables from policyholders for previous years mainly include positions yet to be collected, mainly from corporate clients, arising at the end of the past year.

Reinsurance receivables include Euro 64,086 thousand in receivables from insurance and reinsurance companies for reinsurance transactions and Euro 2,961 thousand from reinsurance brokers.

Other receivables include:

- trade receivables of Euro 89 million mainly comprising receivables from customers
- receivables from the financial authorities of Euro 140 million mainly for refund requests and VAT credits.

With regard to receivables from policyholders for premiums, agents and other brokers, as well as insurance and reinsurance companies, the Group does not have significant concentrations of credit risk, as its credit exposure is divided among a large number of counterparties and clients.

6. OTHER ASSETS

These are broken down as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Chang**
Non-current assets or disposal group classified as held for sale	49,298	8,151	(37,853)
Deferred acquisition costs	30,679	30,301	378
Deferred tax assets	995,259	1,155,062	(159,803)
Tax receivables assets	303,757	316,587	(12,830)
Other assets	330,634	214,737	115,897
Total	**1,709,627**	**1,803,838**	**(94,211)**

Non-current assets or disposal group classified held for sale

At 31 March 2012, discontinued assets amounted to Euro 49,298 thousand (Euro 87,151 thousand at 31 December 2011).

The item includes:

- Euro 47.3 million relating to the property located at Piazza S. Maria Beltrade in Milan, held by subsidiary Milano Assicurazioni, for which the preliminary sale agreement has already been signed with the purchasers
- Euro 1.9 million relative to the equity investment in Penta Domus S.p.A, owned by Immobiliare Milano.

Deferred acquisition costs

The deferred acquisition costs of Euro 30,679 thousand (Euro 30,301 thousand at 31 December 2011) refer to the acquisition commissions to be amortised on multi-year contracts in the Life classes. These amounts are deferred and amortised over approximately six years, as per recent analyses of the average duration of contracts in the portfolio. This is in accordance with the accruals principle.

Deferred tax assets

These total Euro 995,259 thousand (Euro 1,155,062 thousand at 31 December 2011) and are calculated on the total amount of the temporary differences between the book value of the assets and liabilities in the financial statements and the respective tax value according to the "balance sheet liability method" as per IAS 12, in relation to the probability of their recovery relative to the capacity to continually generate positive taxable income.

The balances at the end of the period take into account any possible offsetting of the said tax assets with the corresponding deferred tax liabilities as per IAS 12.

Tax receivables assets

The tax receivables assets of Euro 303,757 thousand (Euro 316,587 thousand at 31 December 2011) refer to receivables from the financial administration for payments on account, withholding and income tax credits, after offsetting, where allowed, with current tax liabilities in accordance with IAS 12.

The item also includes the amounts paid on account pursuant to Article 1, paragraph 2 of Decree Law 209/02, as converted by Article 1 of Law 265/2002, as subsequently amended. This is in accordance with the provisions of ISVAP Regulation 7/2007, even though strictly speaking said assets do not fall under the scope of IAS 12, since income tax is not involved.

Other assets

Other assets amounted to Euro 330,634 thousand (Euro 214,737 thousand at 31 December 2011) and include, *inter alia*, deferred commission expenses on investment contracts of Life policyholders for Euro 0.5 million, assessments of items payable for Euro 26 million, indemnities paid to agents pending application of recharging for Euro 25 million and payments on account paid for guarantee funds in favour of policyholders, with particular reference to the Contribution to the Road Victims Guarantee Fund, for Euro 66 million.

7. CASH AND CASH EQUIVALENTS

These total Euro 970,235 thousand (Euro 1,004,105 thousand at 31 December 2011).

The item includes the liquid assets held by the Group and deposits and bank current accounts with maturity of less than 15 days. They include highly liquid assets in the strictest sense (cash and deposits on demand) and cash equivalents, i.e. short-term financial investments, readily convertible into known cash amounts and therefore subject to a very small risk of changes in value.

The book value of these assets closely approximates their fair value. The deposits and bank current accounts are remunerated at fixed or variable interest rates which accrue and are credited on a quarterly basis or in relation to the lower duration of any restrictions on time deposits.

STATEMENT OF FINANCIAL POSITION - SHAREHOLDERS' EQUITY AND LIABILITIES

1. SHAREHOLDERS' EQUITY

The consolidated shareholders' equity of Euro 1,851,586 thousand, including results for the year and minorities, increased by Euro 626,153 thousand compared to 31 December 2011.

The changes in the year are shown below:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
SHAREHOLDERS' EQUITY	**1,851,586**	**1,274,415**	**577,171**
attributable to the Group	**64,458**	**(32,065)**	**96,523**
Share Capital	410,340	410,340	-
Other equity instruments	-	-	-
Capital reserves	21	21	-
Retained earnings and other reserves	(270,186)	664	(270,850)
(Treasury shares)	(43,183)	(43,183)	-
Reserve for currency translation difference	(17,031)	(14,985)	(2,046)
Unrealized gain or loss on financial assets available-for-sale	(18,443)	(127,658)	109,215
Other unrealized gains or losses through equity	4,676	6,332	(1,656)
Profit (loss) for the period attributable to the Group	(1,736)	(263,596)	261,860
attributable to non-controlling interest	**1,787,128**	**1,306,480**	**480,648**
Non-controlling interst capital and reserves	1,907,093	2,680,192	(773,099)
Unrealized gains or losses through equity	(141,130)	(600,207)	459,077
Profit (loss) for the year attributable to non-controlling interests	21,165	(773,504)	794,669

Changes in consolidated equity are shown in the relevant table, to which the reader is referred.

On 28 June 2012, following the resolution of the Shareholders' Meeting held on 12 June 2012 pursuant to Art. 2446 of the Italian Civil Code, the change in share capital was filed with the register of companies. The share capital now stands at Euro 141,441,055, fully paid up, and consists of 410,340,220 shares without par value.The capital reserves, totalling Euro 21 thousand, unchanged from 31 December 2011, refer to the share premium reserve recorded in the financial statements of Premafin.

Nature and purpose of the other reserves

Retained earnings and other equity reserves include the other equity reserves on the Parent Company's separate financial statements, minus the previous-year loss carryover.
Shareholders' equity pertaining to minorities, including the result, shows an increase of Euro 481 million.

Changes in consolidated net equity are shown in the relevant table, to which the reader is referred.

Treasury shares

These amounted to Euro 43 million (Euro 43 million at 31 December 2011) and comprised 27,564,325 shares. The item includes the book value of the equity instruments of the Parent Company Premafin HP S.p.A. held by other Group companies; specifically by Fondiaria-SAI S.p.A. (for Euro 30.8 million) and Milano Assicurazioni S.p.A. (for Euro 12.2 million).

The item is in negative territory as per IAS 32.

Reserve for currency translation difference

This item, which is negative by Euro 17,031 thousand (Euro 14,985 thousand at 31 December 2011), includes the conversion differences from currency translation of the financial statements of some foreign subsidiaries resident in countries outside the Eurozone.

Unrealised gain or loss on financial assets available-for-sale

This item, which is negative by Euro 18,443 thousand (Euro 127,658 thousand at 31 December 2011), includes profit and loss from the valuation of financial assets available-for-sale. This is shown net of the related deferred tax liability, both for the part attributable to policyholders and allocated to insurance liabilities.

In particular, the item includes Euro 108 million, negative, for AFS financial instruments.

Other unrealized gains and loss through equity

This item, amounting to Euro 4,676 thousand (Euro 6,332 thousand at 31 December 2011) includes the reversal of the capital gains made on equity investments in subsidiaries of Euro 53.6 million. In fact, transactions involving shares of subsidiaries which do not result in loss or acquisition of control do not impact consolidated earnings, since they are treated as simple changes to the ownership structure of the Group. The results obtained by the separated managements of the Life classes are the sole exception to this.
Also included are losses on cash flow hedging instruments of Euro 36 million (net of tax impacts), while the remainder refers mainly to the actuarial profit or loss recorded directly in equity as per IAS 19.

2. PROVISIONS

These are broken down into:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Provisions of a fiscal nature	425	160	265
Other provisions	398,048	336,962	61,086
Value at year-end	**398,473**	**337,122**	**61,351**

Other provisions include amounts for which uncertainty exists as to the payment date or the amount of future expenses required to comply with the obligation.

The provision made at 31 December 2011 for the main litigation to which the Group is a party did not undergo significant changes since no situations arose during the quarter to justify further assessments or releases of existing funds, which are appropriate overall.

The provisions for risks and charges of the Fondiaria-SAI Group include the estimated risk relating to the bankruptcy of Sinergia Holding and Imco, at approximately Euro 77 million. The residual risk is estimated at approximately Euro 97 million.

With regard to the dispute with the Municipality of Milan, given the possibility of a claim for compensation against the Parent Company in connection with the affairs of the Sinergia-Imco group, recently declared bankrupt, the Company has made a specific provision for risks and charges of Euro 7.2 million at 31 March 2012, including the provision of Euro 4.5 million made in the quarter, to cover the risk of non-operation of the declarations of indemnity issued by ImCo and its subsidiaries.

3. INSURANCE CONTRACT LIABILITIES

These total Euro 34,813,175 thousand and show a change of Euro -294,330 thousand from 31 December 2011.
The breakdown of the technical reserves is as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Non-Life technical provision	12,385,507	12,610,322	(224,815)
Life technical provision	15,038,663	14,830,838	207,825
Insurance contract liabilities where risk is borne by policyholders	7,389,006	7,666,345	(277,339)
TOTAL	**34,813,175**	**35,107,505**	**(294,330)**

The Non-Life technical reserves include the premium reserve of Euro 2,586 million (Euro 2,742 million at 31 December 2011) and the claims reserves of Euro 9,790 million (Euro 9,858 million at 31 December 2011).

The Life technical reserves include actuarial reserves of Euro 14,934 million and the payables reserve of Euro 516 million, minus the deferred liabilities recognised on contracts with discretionary profit components (IFRS4.IG22f) of Euro 487 million (negative by Euro 772 million at 31 December 2011).

In calculating this reserve, note that for separated managements the benchmark yield is in any case greater than the guaranteed minimums.

4. FINANCIAL LIABILITIES

(values in € thousands)	**31.03.12**	**31.03.11**	**Change**
Financial liabilities at fair value through profit or loss	793,576	1,349,506	(555,930)
Other financial liabilities	2,175,817	2,178,165	(2.348)
Total	**2,969,393**	**3,527,671**	**(558,278)**

Financial liabilities at fair value through profit or loss comprise:

- **Financial liabilities held-for-trading**
  These total Euro 54,864 thousand (Euro 53,474 thousand at 31 December 2011).

  Of this amount, Euro 41,802 thousand refers to the equity swap entered into by the Parent Company on shares of Fondiaria-SAI S.p.A., the expiry of which was postponed until 29 March 2013; Euro 1,750 thousand refers to an estimated allocation based on the most widespread valuation models, for a premium that the Parent Company must pay on 31 December 2016 if the conditions contained in the Premafin-UniCredit Agreement occur. The section "Information on events after the end of the quarter " summarises some events that have had an impact on the matters described.

- **Financial liabilities designated at fair value with an impact on profit or loss**

  These total Euro 738,712 thousand (Euro 1,296,032 thousand at 31 December 2011). In accordance with IAS 39, the item includes investment contracts outside the scope of IFRS 4 and, therefore, booked using the deposit accounting method. The overall amount recognised is Euro 629,240 thousand (Euro 1,239,609 thousand at 31 December 2011).

Other financial liabilities

This item amounted to Euro 2,175,817 thousand (Euro 2,178,165 thousand at 31 December 2011).

This item includes the financial liabilities defined and governed by IAS 39 not included in the category "Financial liabilities at fair value through profit or loss".

These include security deposits to guarantee risks ceded to reinsurers of Euro 168,511 thousand (Euro 171,542 thousand at 31 December 2011) and subordinate liabilities of Euro 1,041,022 thousand (Euro 1,049,467 thousand at 31 December 2011).

Pursuant to Consob Resolution DEM/6064293 of 28 July 2006, note that the subordinated and/or hybrid debts include covenants safeguarding lenders' rights and interests.
With reference to the Parent Company, the loan agreement stipulates:

- a ratio of net financial debt to statutory net worth that is no higher than 1.10

- early repayment if the consolidated solvency margin goes below 100% for two consecutive years starting in 2011, unless it is rectified as a result of operations begun by the end of the year in which the margin falls below 100% but completed within the six months after year-end
- that parties to the shareholders' agreement must maintain an equity investment of no less than 30% of the voting capital of Premafin, and that Premafin must maintain an equity investment of no less than 30% of the voting capital of Fondiaria-SAI.
- In addition, the contractual agreements provide for further restrictions, including on the possibility of distributing dividends, assuming further debt outside of cases expressly provided for, and making new investments.

This loan is subject, in accordance with the reorganisation plan pursuant to Article 67 L.F., to a restructuring agreement.

The ratio of net financial debt to statutory net worth, determined on the basis of the financial statements approved on 12 June 2012, is above the threshold of 1.10, but, pursuant to the restructuring agreement signed with the lender banks on 13 June 2012, until the Effective Date of Phase 1, which requires implementation of Premafin's capital increase and subscription of its share of the capital increase of Fondiaria-SAI, the financial creditors are committed, and have agreed, to suspend the operation of any legal or contractual remedy available to them as a consequence of the occurrence of these events before – or even after – the date of signature of the Agreement, until the Effective Date of Phase 1. The section "Information on events after the end of the quarter " summarises some events that have had an impact on the matters described.
With regard to the subordinated loan agreement of Euro 300 million of 22 June 2006 (half subscribed by Fondiaria-SAI S.p.A. and half by Milano Assicurazioni S.p.A.), Article 6.2.1 letter (e) stipulates, as a general obligation, permanent control (pursuant to Article 2359, paragraph 1, no. 1, of the Italian Civil Code) and that the activity of managing and coordinating Milano Assicurazioni S.p.A. should be under Fondiaria-SAI S.p.A.

With reference to the hybrid loan agreement of Euro 250 million of 14 July 2008, the option for conversion into Company shares is subject not only to any capital increase resolution by an extraordinary shareholders' meeting of the Company to service the conversion under the conditions indicated contractually, but also to the simultaneous occurrence (for a consecutive three-year period) of the following conditions:

(i) the downgrading of the rating by Standard & Poor's (or another agency to which the Company has voluntarily subjected itself, being no longer subject to a rating by Standard & Poor's) of the beneficiary companies to "BBB-" or lower

(ii) the reduction of the solvency margin of the beneficiary companies, as defined by Article 44 of the Italian Insurance Code, to a level lower than or equal to 120% of the required solvency margin as defined by Article 1, paragraph hh), of the Insurance Code,

provided that (a) the situation caused as a result of the abovementioned events is not remedied, for both events, within the two financial years immediately thereafter, or (b) the solvency margin is not increased in the two financial years immediately thereafter to at least 130% of the required solvency margin, with the possibility accordingly for Fondiaria-SAI and Milano Assicurazioni, within the time frame of another two years, to take measures aimed at enabling a return to the required parameters.

Moreover, there are no clauses in the Group loan agreements (other than those indicated above) that entail restrictions on the use of significant financial resources for the activities of the Company.

Finally, the characteristic element of the subordinated and/or hybrid loans in question is, generally speaking, not only that they are to be repaid before the payment of any other debts owed by the borrower company on the settlement date, but also due to the need, as per the regulations in force, to obtain prior authorisation for repayment from ISVAP.

With reference to payables to banks and other lenders, totalling Euro 969 million (Euro 957 million at 31 December 2011), shown below are the most significant amounts:

- Euro 323 million relative to the pool loan granted to the Parent Company Premafin subject, in accordance with the Reorganisation Plan pursuant to Article 67 L.F., to a restructuring agreement. The section “Information on events after the end of the quarter ” summarises some events that have had an impact on the matters described.
- Euro 111.5 million refers to the loan entered into by the closed-end Tikal R.E. fund, with Mediobanca as agent bank.
- Euro 94.0 million refers to bonds issued during 2009 and 2010 by BancaSai.
- Euro 71.3 million is for the debt of subsidiary Immobiliare Fondiaria-SAI.
- Euro 25.6 million is for loans of the subsidiary Finadin subject to a renegotiation agreement.

The item also includes deposits made by customers at the subsidiary BancaSai of Euro 203 million (Euro 228 million at 31 December 2011).

5. PAYABLES

These total Euro 937,544 thousand and break down as follows:

(values in € thousands)	31.03.12	31.12.11	Change
Payables from direct insurance operations	89,239	78,999	10,240
Payables from reinsurance operations	130,317	84,912	45,405
Other payables	717,988	632,040	85,948
Total	**937,544**	**795,951**	**141,593**

Payables from direct insurance operations comprise:

(values in € thousands)	31.03.12	31.12.11	Chang
Payables to insurance brokers	64,240	60,252	3,988
Payables to insurance companies	18,546	10,590	7,956
Payables for policyholder deposits	1,606	118	1,488
Payables for guarantee provisions for policyholders	4,847	8,039	(3,192)
Total	**89,239**	**78,999**	**10,240**

Payables from reinsurance operations refer to reinsurance companies for Euro 120,390 thousand (Euro 62,733 thousand at 31 December 2011) and Euro 9,927 thousand to reinsurance brokers (Euro 22,179 thousand at 31 December 2011).

The breakdown of the “Other payables” item is shown below:

(values in € thousands)	31.03.12	31.12.11	Change
Trade payables	188,324	280,435	(92,111)
Employee leaving indemnity	67,894	65,580	2,314
Payables for taxes borne by policyholders	57,012	97,271	(40,259)
Payables for other taxes	125,561	133,470	(7,909)
Payables to social security and welfare institutions	16,502	23,417	(6,915)
Other payables	262,695	31,867	230,828
Total	**717,988**	**632,040**	**85,948**

Employee leaving indemnity

The statistical and actuarial assumptions used for estimating the employee leaving indemnity as per IAS 19 are not substantially different from those used in preparing the consolidated financial statements for the previous year.

The changes during the year are shown below:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Balance at start of year	**65,580**	**78,130**	**(12,550)**
Provision to income statement for Interest Cost	185	1,493	(1,308)
Provision to income statement for Service Cost	10	93	(83)
Actuarial gains/losses	5,537	(1,386)	6,923
Utilisations	(3,682)	(13,716)	10,034
Changes in the basis of consolidation	264	966	(702)
Balance at year-end	**67,894**	**65,580**	**2,314**

6. OTHER LIABILITIES

The breakdown is as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Tax payables	39,909	18,147	21,762
Deferred tax liabilities	186,356	133,452	52,904
Other liabilities	436,379	404,745	31,634
Total	**662,644**	**556,344**	**106,300**

Tax payables

This item amounts to Euro 39,909 thousand (Euro 18,147 thousand at 31 December 2011) and refers to the overall income tax accrued by the Group at the end of the period net of current tax assets, where offsettable, as per IAS 12.

Income tax is calculated by applying the nominal tax rates applicable to year-end earnings to the respective tax basis as determined using minimum estimates.

Deferred tax liabilities

Deferred tax liabilities, amounting to Euro 186,356 thousand, include the tax impact of any temporary differences, relative to equity or income items, intended to be reversed in future years.
The balances stated take into account offsetting, where permitted, with the corresponding deferred tax assets in accordance with IAS 12.

Other liabilities

These total Euro 436,380 thousand (Euro 404,745 thousand at 31 December 2011) and break down as follows:

(values in € thousands)	**31.03.12**	**31.12.11**	**Change**
Commissions on premium collection	74,438	109,753	(35,315)
Deferred commissions income out of scope on IFRS 4 contracts	632	1,604	(972)
Cheques issued against claims and life sums collected by the beneficiaries after the end of the period	38,875	40,390	(1,515)
Transitory reinsurance accounts	-	3,850	(3,850)
Other liabilities	322,435	249,148	73,287
Total	**436,380**	**404,745**	**31,635**

PART C

INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

NET PREMIUMS

Consolidated net premiums totalled Euro 2,574,989 thousand (Euro 3,024,780 thousand at 31 March 2011).

The Group's gross premiums amounted to Euro 2,494,631 thousand, down 16.54% compared with the first quarter of 2011, and break down as follows:

(values in € thousands)	31.03.12	31.03.11	Change	31.12.11
Gross Life written premiums	858,990	1,247,542	(388,552	3,753,573
Gross Non-Life written premiums	1,635,641	1,741,453	(105.,12	7,059,924
Change in gross premium reserve	(153,671	(120,364	(33,307	(36,761
Total Non-Life classes	**1,789,312**	**1,861,817**		**7,096,685**
GROSS PREMIUMS	**2.648.302**	**3,109,359**		**10,850,258**

The item "Gross premiums written" does not include the cancellation of securities issued in previous years, which were recorded under the item "Other costs". The above amounts are shown net of inter-group reinsurance.

Premiums ceded, totalling Euro 73,388 thousand, accounted for 2.9% of total premiums issued (2.7% at 31 March 2011).

(values in € thousands)	31.03.12	31.03.11	Change	31.12.11
Life classes	4,034	3,613	421	18,285
Non-Life classes	69,354	78,436	(9,082)	311,829
Change in premium reserve attributable to reinsurers	(75)	2,530	(2,605)	(7,200)
Total Non-Life classes	**69,279**	**80,966**	**(11,687)**	**304,629**
PREMIUMS CEDED TO REINSURERS	**73,313**	**84,579**	**(11,266)**	**322,914**

The Group's reinsurance policy had a negative effect on the consolidated financial statements of Euro 8,353 thousand (Euro 7,284 thousand in the Non-Life classes).

In accordance with IFRS 4.37, b), ii), note that the Group does not defer and amortise profit or loss deriving from reinsurance relationships.

FEE AND COMMISSION INCOME

Commission income at 31 March 2012 amounted to Euro 4,934 thousand, with a change compared with the first quarter of 2011 of Euro -2,489 thousand.

The item includes both explicit and implicit loading relating to investment contracts issued by the Group companies and, as such, outside the scope of IFRS 4, as well as commissions for the management of internal funds.

Specifically Euro 1 million refers to the subsidiary Popolare Vita.

It also includes approximately Euro 4 million of commission income accrued by the companies operating in fund management and consumer credit.

NET INCOME AND CHARGES FROM FINANCIAL INSTRUMENTS RECORDED AT FAIR VALUE THROUGH PROFIT OR LOSS

This item amounted to Euro 252,932 thousand, compared to a figure of Euro 39,317 thousand at 31 March 2011.

The table shows the individual components:

(values in € thousands)	Net interest	Other net income	Realised gains	Realised losses	Valuation gains and restated values	Valuation losses and restated values	Total 31.03.12	Total 31.03.11	Change	Total 31.12.11
Result of investments from										
- Financial assets held for trading	365	(14)	2,367	(305)	42,623	(329)	44,707	1,575	43,132	3,103
- Financial assets designated at fair value through profit or loss	34,967	24,247	53,736	(9,043)	164,348	(18,755)	249,500	41,367	208,133	321,281
- Financial liabilities held for trading	-	-	-	-	1,582	(42,857)	(41,275)	(3,625)	(37,650)	(20,341)
Total	**35,332**	**24,233**	**56,103**	**(9,348)**	**208,553**	**(61,941)**	**252,932**	**39,317**	**213,615**	**304,043**

The investment result on financial assets at fair value through profit or loss includes Euro 249,626 thousand relating to the results of investments for which the risk is borne by policyholders.

FINANCIAL INCOME AND CHARGES FROM EQUITY INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, FROM OTHER FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTY

(values in € thousands)	Net interest	Other net income	Realised gains	Realised losses	Valuation gains and restated values	Valuation losses and restated values	Total 31.03.12	Total 31.03.11	Change	Total 31.12.11
Result from:										
- Investment property	-	9,928	1,017	-	-	(18,566)	(7,621)	(8,691)	1.070	(252,042)
- Equity investments in subsidiaries, associates and joint ventures	-	(6,910)	-	-	-	-	(6,910)	(61)	(6,849)	(5,243)
- Investments held to maturity	8,745	25	-	-	-	-	8,770	23	8,747	770
- Loans and receivables	44,443	-	326	(1.557)	4,598	(18)	47,792	35,530	12,262	142,034
- Available-for-sale financial assets	149,331	14,052	80,619	(14,510)	0	(21,017)	208,475	165,003	43,172	388,721
- Miscellaneous receivables	1,610	8	-	-	-	-	1,618	1,917	(299)	13,804
- Cash and cash equivalents	3,604	(163)	-	-	-	-	3,441	2,559	882	12,326
- Other financial liabilities and miscellaneous payables	(18,787)	(194)	-	-	-	-	(18,981)	(18,623)	(358)	(91,010)
Total	**188,946**	**16,746**	**81,962**	**(16,067)**	**4,598**	**(39,601)**	**236,584**	**177,657**	**58,627**	**209,360**

The realised profit and loss columns show the economic effects of the sale of various financial instruments.

The capital losses on investment property include the depreciation instalments recorded during the period. The capital losses on available-for-sale financial assets refer to the impact on the income statement for the period of the impairment policy followed by the Group: of these, Euro 18.1 million refers to shares, while the remainder relates to UCITS units.

The interest expense on other financial liabilities includes Group debt charges.

For appendix 11, see the end of this report.

OTHER INCOME

Other income amounted to Euro 109,412 thousand (Euro 174,975 thousand at 31 March 2011) and are summarised in the following table:

(values in € thousands)	31.03.12	31.03.11	Change	31.12.11
Gains related to non-current	7	-	7	16,523
Other technical insurance income	26,481	38,628	(12,147	54,291
Utilisation of provisions	22,059	18,213	3,846	164,768
Exchange difference	1,099	183	916	4,731
Non recurring income	1,973	4,326	(2,353	38,293
Gains realised on property, plant and	6	5	1	271
Other	56,827	110,060	(53,233	376,479
Change in building inventory (revenues)	91	3,416	(3,325	9,459
Revenues from rental property in intangible assets	869	144	725	1,883
Reversal or write-downs of property and equipment	0	0	0	23
Tota	**109,412**	**174,975**		**666,721**

The "Other income" item in the above table includes the following income:

- Euro 22 million (Euro 22 million at 31 March 2011) relative to the operating revenues of the Atahotels Group;
- Euro 16 million (Euro 15 million at 31 March 2011) relative to the operating revenues of the subsidiary Auto Presto & Bene;
- Euro 13 million (Euro 11 million at 31 March 2011) relative to the operating revenues of the Group's retirement home subsidiaries;

- Euro 4 million (Euro 18 million at 31 March 2011) relative to the operating revenues of the subsidiary Immobiliare Lombarda and the Immobiliare Fondiaria-SAI and Immobiliare Milano Groups;
- Euro 2 million (Euro 2 million at 31 March 2011) in revenues from the agriculture business.

NET INSURANCE BENEFIT AND CLAIMS

The claims paid, including the sums for the Life classes and the respective expenses, gross of the portions ceded to reinsurers, came to Euro 2,972,677 thousand, up 30.02% compared with the previous year.

Claims paid and changes in insurance contract liabilities

(values in € thousands)	**31.03.12**	**31.03.11**	**Change**	**31.12.11**
Amounts paid	1,373,168	1,413,801	(40,633)	5,488,355
Change in recoveries	(24,436)	(46,175)	21,739	(167,944)
Change in other technical reserves	(336)	(609)	273	(269)
Change in claims reserve	(66,356)	(25,758)	(40,598)	751,863
Total Non-Life	**1,282,040**	**1,341,259**	**(59,219)**	**6,072,005**
Amounts paid	1,599,509	872,607	726,902	4,393,334
Change in actuarial reserves and other technical reserves	(228,984)	(79,999)	(148,985)	(918,433)
Change in technical reserves where investment risk is borne by policyholders and from pension fund management	(281,784)	434,658	(716,442)	721,290
Change in Life sums to pay reserve	70,451	65,849	4,602	138,661
Total Life	**1,159,192**	**1,293,115**	**(133,923)**	**4,334,852**
Total Non-Life + Life	**2,441,232**	**2,634,374**	**(193,142)**	**10,406,857**
Amounts paid	2,948,241	2,240,233	708,008	9,713,745
Change in reserves	(507,009)	394,141	(901,150)	693,112

Reinsurers' share

(values in € thousands)	**31.03.12**	**31.03.11**	**Change**	**31.12.11**
Amounts paid by reinsurers	35,879	34,593	1,286	166,130
Change in recoveries	4,098	7,087	(2,989)	4,970
Change in other technical reserves	-	-	-	-
Change in claims reserve	3,164	(16,734)	19,898	(23,911)
Total Non-Life	**43,141**	**24,946**	**18,195**	**147,189**
Amounts paid by reinsurers	5,395	6,991	(1,596)	24,226
Change in actuarial reserves and other technical reserves	(2,672)	(1,816)	(855)	(6,319)
Change in Life sums to pay reserve	(26)	56	(82)	992
Total Life	**2,697**	**5,231**	**(2,533)**	**18,899**
Total Non-Life + Life	**45,838**	**30,177**	**15,662**	**166,088**
Amounts paid net of recoveries	45,372	48,671	(3,299)	195,326
Change in reserves	466	(18,494)	18,961	(29,238)

The change in the net technical reserves of the Non-Life classes amounted to Euro -69,856 thousand, up Euro 60,221 million compared with 31 March 2011.

The change in the net technical reserves of the Life classes, including the reserve for sums payable, was Euro -437,619 thousand (Euro 422,268 thousand at 31 March 2011).

For further breakdowns of the Non-Life and Life classes of item 2.1 of the income statement, see Appendix 10 at the end of this report.

FEE AND COMMISSION EXPENSE

The commission expense for the first half of 2011 amounted to Euro 2,807 thousand, with a change from the first quarter of 2011 of Euro -1.922 thousand.

This item includes acquisition costs for investment contracts, issued by insurance companies, not falling within the scope of IFRS 4.

OPERATING EXPENSES

(values in € thousands)	31.03.12	31.03.11	Change	31.12.11
Acquisition commissions and change in deferred acquisition costs	244,556	269,459	(24,903)	1,108,433
Other acquisition expenses	49,378	52,312	(2,934)	213,502
Collection commissions	8,441	9,085	(644)	36,140
Commissions and sharing of profits received from reinsurers	(18,853)	(23,269)	4,416	(80,658)
Total Non-Life	**283,522**	**307,587**	**(24,065)**	**1,277,417**
Acquisition commissions and changes in deferred acquisition costs	23,685	41,166	(17,481)	97,983
Other acquisition expenses	6,623	5,869	754	24,485
Collection commissions	1,432	1,476	(44)	7,921
Commissions and sharing of profits received from reinsurers	(268)	(76)	(192)	(1,182)
Total Life	**31,472**	**48,435**	**(16,963)**	**129,207**
Investment management expenses	3,527	3,782	(255)	16,437
Other administrative expenses	108,229	114,046	(5,817)	463,982
Total	**426,750**	**473,850**	**(47,100)**	**1,887,043**

OTHER EXPENSES

Other expenses amounted to Euro 310,236 thousand (Euro 280,060 thousand at 31 March 2011), and are summarised by type in the table below:

(values in € thousands)	31.03.12	31.03.11	Change	31.12.11
Other technical insurance charges	153,039	152,117	922	247,015
Provisions	85,369	34,732	(15,213	136,605
Losses on receivables	4,931	1,122	3,809	35,832
Prior year charges	5,346	10,201	(4,855	38,639
Depreciation of property, plant and equipment	6,512	4,016	2,496	15,096
Amortisation of intangible assets	6,425	10,607	(4,182	43,094
Exchange difference	1,019	5,083	(4,064	2,867
Other costs	47,594	62,182	(14,587	528,102
Tota	**310,236**	**280,060**		**1,047,250**

In particular, the sub-item “Other costs” in the table above includes the following charges:

- Euro 16 million (Euro 15 million at 31 March 2011) relating to the operating costs of the subsidiary Auto Presto & Bene
- Euro 14 million (Euro 14 million at 31 March 2011) relative to the operating costs of the Atahotels Group
- Euro 10 million (Euro 8 million at 31 March 2011) relating to the costs incurred by the Group’s retirement home subsidiaries for operating and labour costs
- Euro 5 million (Euro 19 million at 31 March 2011) relating to the operating costs of the subsidiaries Immobiliare Lombarda of the Immobiliare Fondiaria-SAI and Immobiliare Milano Groups
- Euro 2 million (Euro 1 million at 31 March 2011) relative to the operating costs of the subsidiary Saiagricola.

INCOME TAXES

The breakdown of the item is as follows:

(values in € thousands)	31.03.12	31.03.11	Change	31.12.11
Current taxes	(80,725)	(14,033)	(66,692)	(139,894)
Deferred taxes	54,178	12,775	41,403	530,961
Total	**(26,547)**	**(1,258)**	**(25,289)**	**391,067**

Taxes for the period amount to Euro -26,547 thousand (Euro -1,258 thousand at 31 March 2011) as the combined effect of current tax charges of Euro 80,725 thousand and positive net deferred tax of Euro 54,178 thousand.

National income taxes (IRES and IRAP) and the taxes of foreign subsidiaries are calculated by applying the nominal rates applicable to annual earnings to the respective tax basis.

The overall charge in terms of tax rate for the period is basically standard compared to the tax charge for the same quarter of the previous year.

With respect to the theoretical tax charge, calculated based on nominal tax rates, the charge owed is made worse by the negative impact of the failure by foreign subsidiaries Lawrence RE and Sainternational SA, *inter alia*, to allocate deferred tax assets to tax losses.

The tax burden for the quarter was also affected by the valuation losses and the capital losses recorded in the income statement for AFS securities, especially by subsidiary Milano Assicurazioni, meeting PEX requirements.

STATEMENT OF COMPREHENSIVE INCOME

The results of the statement of comprehensive income shown in the appropriate tables were impacted significantly by the market prices for financial instruments classified as available for sale.

In fact, the most relevant component of the statement of comprehensive income is a profit of Euro 581 million (Euro 79 million at 31 March 2011), on financial assets available for sale, already considered net of any retrocession to policyholders and of the related tax impact.

PART D – SEGMENT INFORMATION

In accordance with IFRS 8, information on operating segments provides readers of the financial statements with an additional tool for a better understanding of the Group's operating and financial performance.

The underlying rationale in applying the standard is to provide information on how and where the Group's results are made and consequently on its overall operations, particularly the areas where profit and risks are concentrated.

The Group's reporting system is based on business segments. The Group companies are organised and managed separately based on the nature of their products and services, for each business segment, which represents a strategic business unit offering different products and services.

In identifying the segments, the management reporting structure has been considered. The Non-Life segment provides insurance cover for the events indicated in Article 2, paragraph 3 of Legislative Decree 209/05. The Life segment offers insurance cover consisting of the payment of principal or an annuity upon the occurrence of an event affecting human life, as well as capitalisation contracts with or without significant insurance risk (Article 2, paragraph 1 of Legislative Decree 209/05).

The Real Estate segment rents offices, buildings and residential homes which exceed the coverage requirements of the technical/assurance reserves of the Group and actively operates in the management and enhancement of investment property.

The Other Activities segment, by its nature residual, offers products and services in asset management and the financial and agricultural sectors. The identification of the residual segment is based on a discretionary valuation to show the primary sources of risks and benefits for the Group.

Inter-segment transactions are generally carried out under the same conditions which are applied to third parties.

The following pages show the statement of financial position and income statement by segment.

PREMAFIN FINANZIARIA - S.P.A.
Holding di Partecipazioni
CONSOLIDATED FINANCIAL STATEMENTS
AT 31.03.12
(Values in €

STATEMENT OF FINANCIAL
BY BUSINESS SEGMENT

		NON-LIFE CLASS		LIFE CLASS		PROPERTY		OTHER		INTER-SEGMENT ELIMINATIONS		TOTAL	
		MAR 2012	DEC 2011	MAR 2012	DEC 2011	MAR 2012	DEC 2011	MAR 2012	DEC 2011	MAR 2012	DEC 2011	MAR 2012	DEC 2011
1	INTANGIBLE ASSETS	849,105	858,507	587,741	587,761	1,158	1,204	70,015	70,132	-	-	1,508,019	1,517,604
2	PROPERTY AND	90,327	94,634	9,430	7,030	200,623	200,991	101,802	102,720	(26	(26	402,156	405,349
3	TECHNICAL RESERVES – REINSURANCE AMOUNT	614,611	608,617	88,803	93,263	-	-	-	-	-	-	703,414	701,880
4	INVESTMENTS	8,445,294	7,971,804	23,599,687	23,524,748	1,367,089	1,380,328	1,474,292	1,321,224	(360,890	(381,058	34,525,472	33,817,046
4.1	Investment property	1,406,892	1,463,159	4,309	4,434	1,260,098	1,267,203	41,854	41,656	-	-	2,713,153	2,776,452
4.2	Equity investments in subsidiaries, associates and joint	96,026	79,447	-	21,135	13,313	13,383	2,779	2,829	-	-	112,118	116,794
4.3	Investments held to maturity	-	-	627,316	601,755	-	-	-	-	(2,060	(2,042	625,256	599,713
4.4	Loans and receivables	683,815	716,892	2,102,655	2,118,511	27,162	41,286	1,227,589	1,128,491	(295,746	(316,315	3,745,475	3,688,865
4.5	Available-for-sale financial assets	6,224,361	5,686,886	12,789,074	11,793,373	63,641	55,581	135,429	129,268	(56,617	(56,551	19,155,888	17,608,557
4.6	Financial assets at fair value through profit or loss	34,200	25,420	8,076,333	8,985,540	2,875	2,875	66,641	18.980	(6,467	(6,150	8,173,582	9,026,665
5	OTHER RECEIVABLES	1,724,069	2,307,377	197,810	282,888	59,526	59,587	165,161	319,130			1,813,893	2,349,186
6.	OTHER ASSETS	1,189,412	1,091,567	393,320	559,961	61,296	136,381	74,776	78,878			1,709,627	1,803,838
6.1	Deferred acquisition costs	-	-	30,679	30,301	-	-	-	-	-	-	30,679	30,301
6.2	Other assets	1,189,412	1,091,567	362,641	529,660	61,296	136.381	74,776	78,878	(9,177	(62,949	1,678,948	1,773,537
7	CASH AND CASH EQUIVALENTS	700,122	965,478	554,595	279,784	134,043	42,437	128,206	103,415			970,235	1,004,105
	TOTAL	13,612,940	13,897,984	25,431,386	25,335,435	1,823,735	1,820,928	2,014,252	1,995,499			41,632,816	41,599,008
1	SHAREHOLDER'S											1,851,586	1,274,415
2	PROVISIONS	310,140	252,103	30,094	30,417	16,674	16,809	41,565	37,793	-	-	398,473	337,122
3	INSURANCE CONTRACT LIABILITIES	12,385,507	12,610,322	22,427,668	22,497,183	-	-	-	-	-	-	34,813,175	35,107,505
4	FINANCIAL LIABILITIES	1,115,389	1,090,311	1,082,020	1,684,858	193,740	211,039	1,481,218	1,299,144	(902,975	(757,681	2,969,392	3,527,671
4.1	Financial liabilities recorded at fair value through profit or loss	83,783	39,726	658,302	1,257,930	5,085	4,743	46,405	47,107	-	-	793,575	1,349,506
4.2	Other financial liabilities	1,031,606	1,050,585	423,718	426,928	188,655	206,296	1,434,813	1,252,037	(902,975	(757,681	2,175,817	2,178,165
5	PAYABLES	843,207	833,971	143,598	132,350	34,121	38,290	251,844	419,058			937,545	795,951
6	OTHER LIABILITIES	326,438	386,715	281,619	172,418	31,537	31,172	34,727	31,515			662,645	556,344
	TOTAL LIABILITIES AND SHAREHOLDERS'											41,632,816	41,599,008

PREMAFIN FINANZIARIA - S.P.A.
Holding di Partecipazioni

CONSOLIDATED FINANCIAL STATEMENTS
AT 31.03.12
(Values in €

INCOME STATEMENT
BY BUSINESS

		NON-LIFE CLASS		LIFE CLASS		PROPERTY		OTHER		INTER-SEGMENT ELIMINATIONS		TOTAL	
		MAR 2012	**MAR 2011**	**MAR 2012**	**MAR 2011**	**MAR 2012**	**MAR 2011**	**MAR 2012**	**MAR 2011**	**MAR 2012**	**MAR 2011**	**MAR 2012**	**MAR 2011**
1.1	Net premiums	1,720,033	1,780,851	854,956	1,243,929	-	-	-	-	-	-	2,574,989	3,024,780
1.1.1	*Gross written premiums*	*1,789,312*	*1,861,817*	*858,990*	*1,247,542*	-	-	-	-	-	-	*2,648,302*	*3,109,359*
1.1.2	*Premiums ceded to reinsurers*	*(69,279)*	*(80,966)*	*(4,034)*	*(3,613)*	-	-	-	-	-	-	*(73,313)*	*(84,579)*
1.2	Commission income	-	-	1,203	2,744	-	-	6,292	5,922	(2,561	(1,243	4,934	7,423
1.3	Net income from financial instruments at fair value through profit or	794	(3,589	252,219	(33,847	(317	(126	236	(1,747	-	(8	*252,932*	*(39,317)*
1.4	Income from equity investments subsidiaries, associates and joint ventures	150	1	-	-	-	26	-	-	-	-	*150*	*27*
1.5	Income from other financial instruments investment	122,984	75,791	194,346	204,215	12,606	10,210	15,864	17,459	(12,995	(10,190	*332,805*	*297,485*
1.6	Other	110,937	147,096	8,558	16,215	4,858	29,472	157,120	156,600	(172,060	(174,408	109,413	174,975
1	**TOTAL REVENUES AND INCOME**	**1,954,898**	**2,000,150**	**1,311,282**	**1,433,256**	**17,147**	**39,582**	**179,512**	**178,234**			**3,275,223**	**3,465,373**
2.1	Net charges relating to claims	(1,238,900	(1,316,312	(1,156,495		-	-	-	-	-	-	(2,395,395	(2,604,196
2.1.2	*Amounts paid and changes in insurance contract liabilities*	*(1,282,041)*	*(1 ,341,259)*	*(1,159,192)*	*(1,293,115)*	-	-	-	-	-	-	*(2,441,233)*	*(2,634,374)*
2.1.3	*Portion attributable to reinsurers*	*43,141*	*24,947*	*2,697*	*5,231*	-	-	-	-	-	-	*45,838*	*30,178*
2.2	Commission expenses	-	-	(1,221	(2,530	-	-	(1,587	(2,199	-	-	(2,808	(4,729
2.3	Charges from equity investments in subsidiaries, associates and joint ventures	(6,909	(6	-	-	(71	-	(81	(59	-	-	(7,061	(65
2.4	Charges from other financial instruments and investment	(47,914	(51,812	(19,636	(39,106	(15,746	(15,177	(10,790	(18,318	4,778	4,624	(89,308	(119,789
2.5	Operating	(353,873	(381,009	(50,908	(66,399	(157	(85	(79,699	(84,834	57,887	58,478	(426,750	(473,849
2.6	Other costs	(298,093	(259,677	(23,202	(24,274	(7,024	(19,870	(106,934	(99,177	125,017	122,936	(310,236	(280,062
2	**TOTAL COSTS AND**									**187,682**	**186,038**		
	PROFIT (LOSS) BEFORE TAXES	**9,209**	**(8,666**	**59,820**	**13,063**		**4,450**			**66**	**189**	**43,665**	

PART E – INFORMATION ON BUSINESS COMBINATION TRANSACTIONS

On 27 December 2011, Immobiliare Fondiaria-SAI S.r.l. and Immobiliare Milano Assicurazioni S.r.l. signed a contract with Argo Finanziaria S.p.A. for the purchase by the latter of 8,040,000 ordinary shares of IGLI S.p.A. held overall by Immobiliare Fondiaria-SAI S.r.l. and Immobiliare Milano Assicurazioni S.r.l. and representing a 33.33% stake of the share capital of IGLI S.p.A. As is known, IGLI S.p.A. in turn owns 120,576,293 ordinary shares of Impregilo S.p.A., representing a 29.96% stake in its share capital with voting rights.

The purchase price for each IGLI S.p.A. share purchased was agreed as Euro 10.89572, and it was determined based on a provisional statement of financial position of IGLI S.p.A. at 31 December 2011, prepared valuing each Impregilo S.p.A. share owned by IGLI S.p.A. at Euro 3.65.

Argo Finanziaria S.p.A. then designated its subsidiary Autostrada Torino Milano S.p.A. as the purchaser of the IGLI S.p.A. shares owned by Immobiliare Fondiaria-SAI S.r.l. and Immobiliare Milano Assicurazioni S.r.l.

On 8 March 2012, the sale closed with simultaneous payment of the price of 43,800,794.40 to each seller.

Immobiliare Fondiaria-SAI S.r.l. and Immobiliare Milano Assicurazioni S.r.l. agreed, on their own behalves and on behalf of their associates, not to purchase directly or indirectly any securities, shares, rights or participatory instruments of Impregilo S.p.A., financial instruments or credit securities convertible into shares or participatory instruments of Impregilo S.p.A., as well as any right of option for the subscription and/or purchase of the said instruments, for a period of 12 months from the transaction closing date.

PART F – INFORMATION ON RELATED-PARTY TRANSACTIONS

Disclosure in the interim consolidated financial statements of information on "Related parties" is governed by IAS 24 and by Consob communications on the subject, to which the reader is referred.

The transactions between the Parent Company and its subsidiaries, which are related parties of the Parent Company, were derecognised in the interim financial statements pursuant to the consolidation principles, and are therefore not shown in these notes.

The Premafin Board of Directors' meeting held on 25 November 2010, by a unanimous vote by all attendees and upon a prior favourable opinion of all three independent directors present at the meeting, adopted the document known as "Rules of conduct for carrying out significant transactions and procedures for carrying out related-party transactions", prepared pursuant to Article 4 of the Regulation issued by Consob with Resolution 17221 of 12 March 2010, as amended by Resolution 17389 of 23 June 2010.

This document contains the provisions which must be observed by the management bodies of companies using the venture capital markets in order to ensure the substantive and procedural transparency and the propriety of related-party transactions carried out by the company directly or through subsidiaries. This document can be consulted on the Company website at www.premafin.it in the "Corporate Governance" section.

The tables below show the financial, income and cash flow figures relating to related-party transactions for the entire first quarter of 2012 or, in relation to property projects begun in previous years and not yet completed, deriving from Group transactions undertaken with them.

Details of transactions between the Group and other related parties are shown in the following tables:

Financial statement balances

(values in € thousands)	31.3.12		31.12.11	
COUNTERPARTY	**Asset**	**Liabilities**	**Asset**	**Liabilities**
Associates	105,376	837	106,129	837
Affiliates	7	8	7	8
Other related parties	293,152	11,656	295,866	19,280
Total	**398,535**	**12,501**	**402,001**	**20,125**

(values in € thousands)	31.3.12		31.12.11	
NATURE	**Asset**	**Liabilities**	**Asset**	**Liabilities**
Property assets	267,419	3,462	271,952	7,827
Insurance assets	419	539	199	3,988
Financial assets	129,668	6,896	128,830	4,992
Services rendered	993	-	949	-
Services received	36	805	63	1,460
Fees for corporate positions	-	799	9	1,858
Remuneration of sen. man. with strat. resp.	-	-	-	-
Total	**398,535**	**12,501**	**402,001**	**20,125**

(values in € thousands)	31.3.12		31.3.11	
COUNTERPARTY	**Income**	**Charges**	**Income**	**Charges**
Associates	308	-	10,415	9,288
Affiliates	-	-	-	-
Other related parties	16,285	25,796	16,148	23,783
Total	**16,593**	**25,796**	**26,563**	**33,071**

(values in € thousands)	31.3.12		31.3.11	
NATURE	**Income**	**Charges**	**Income**	**Charges**
Property assets	295	361	13,198	12,467
Insurance assets	15,750	17,987	13,246	9,940
Financial assets	472	59	36 -	96
Services rendered	31	-	83	1
Services received	45	1,854	-	4,196
Fees for corporate positions	-	2,429	-	4,981
Remuneration of sen. man. with strat. resp.	-	3,106	-	1,582
Total	**16,593**	**25,796**	**26,563**	**33,071**

(values in € thousands)	31.3.12		31.3.11	
COUNTERPARTY	**Inflows**	**Outflows**	**Inflows**	**Outflows**
Associates	96	14,180	8,068	11,452
Affiliates	-	-	-	-
Other related parties	16,111	36631	13,916	51,639
Total	**16,207**	**50,811**	**21,984**	**63,091**

(values in € thousands)	31.3.12		31.3.11	
NATURE	**Inflows**	**Outflows**	**Inflows**	**Outflows**
Property assets	280	9,645	8,286	38,213
Insurance assets	15,741	18,204	13,246	10,014
Financial assets	136	14,182	200	3,659
Services rendered	50	5	172	-
Services received	-	2,979	80	4,513
Fees for corporate positions	-	2,690	-	5,111
Remuneration of sen. man. with strat. resp.	-	3,106	-	1,581
Total	**16,207**	**50,811**	**21,984**	**63,091**

All of the above transactions were concluded under normal market conditions. The receivables recorded under assets are not guaranteed and will be paid in cash. No provision was made during the three-year period in question for any losses on receivables from related parties.

PROPERTY ASSETS

The table below shows property-related income and financial effects.

(values in € thousands)	31.3.12					
COUNTERPARTY	**Assets**	**Liabilities**	**Incom**	**Charge**	**Inflow**	**Outflow**
Associates	252	147	22	-	28	-
Affiliate	-	-	-	-	-	-
Other related parties	267,167	3,315	274	361	252	9,645
Total	**267,419**	**3,462**	**296**	**361**	**280**	**9,645**

The amount entered under assets mainly includes:

Relationships with other related parties:

- Euro 92.4 million for the valuation at inventory of the building project at the Port of Loano. The amount capitalised by Immobiliare Fondiaria-SAI S.r.l. through the subsidiary Marina di Loano S.p.A. is Euro 92.4 million, and includes both the sums disbursed during the current year, and the sums paid in previous years to Marcora Costruzioni S.p.A. The valuation at inventory includes Euro 9.6 million incurred with Sepi 97 S.r.l. for design work, as well as Euro 2.6 million with I.C.E.IN. S.p.A. and Euro 1 million with IM.CO. S.p.A. for construction work.
- Euro 72.6 million in overall payments on account made during previous years to Avvenimenti e Sviluppo Alberghiero S.r.l. by Milano Assicurazioni S.p.A. in relation to the execution of property contracts on the buildable surface area at Via Fiorentini in Rome. The amount recognised for that transaction under the "Investment property" item at 31 March 2012 is unchanged from December 2011, since no further payments were made during the quarter. Note that this transaction was undertaken in 2003 with the sale to Avvenimenti e Sviluppo Alberghiero S.r.l. of the buildable surface area and the purchase by the same acquirer of the building complex under construction on the area in question at a price of Euro 110 million, taking into account the addendum signed in 2009. At 31 March 2012, the residual commitment amounted to Euro 8.3 million.
- Euro 60.6 million paid to IM.CO. S.p.A. by Milano Assicurazioni S.p.A. in payments on account during the first quarter of Euro 3.6 million and in previous years of Euro 57 million in relation to the property transaction involving the land in Milan at Via Confalonieri-Via de Castillia (Lunetta dell'Isola). Note that the transaction was undertaken in 2005 with the sale of land to IM.CO S.p.A. and the purchase by IM.CO S.p.A. of an office building to be built on this land, at an overall price of Euro 99.1 million, taking account of the addendum signed in 2011. The residual commitment amounts to Euro 26.2 million.
- Euro 11.6 million payable to Immobiliare Fondiaria-SAI S.r.l. by IM.CO. S.p.A. relating to payments on account for a future acquisition, consisting of the construction of the hotel accommodation complex with an attached wellness centre, which is in the execution phase in the municipality of S. Pancrazio Parmense (Parma). The Company entrusted the appraisal of the initiative to an independent expert on 31 December 2011. In view of this appraisal, the Company has written the asset down by a total of approximately Euro 11.7 million.
- Euro 7.2 million in payments on account, made in previous years, by the subsidiary Nuove Iniziative Toscane S.r.l. to the company Europrogetti S.r.l. for design work in the Castello Area (FI). The residual amount totals Euro 28.8 million.
- Euro 5.8 million for the valuation at inventory of demolition and reconstruction work in the area owned by the subsidiary Meridiano Secondo S.r.l., both during the current year and in previous years, by the related party I.C.E.IN. S.p.A., together with Euro 2.2 million incurred for design activities with MI.PR.AV. S.r.l.

In relation to the above-mentioned property projects, note that Milano Assicurazioni will become the owner of these properties only after these are completed and approved.
If the sellers (IM.CO and Avvenimenti e Sviluppo Alberghiero, subsidiaries of Sinergia Holding di Partecipazioni S.p.A.) are no longer able to meet their obligations, these pre-construction sales contracts, which are not accompanied by guarantees, expose the Company to the risk of forfeiting the right of delivery of the buildings under construction, remaining as creditor for the amounts paid on account.
Finally, the said related parties recently asked for the payment of additional amounts due to presumed changes to the original plans. These requests, regarding which the due inquiries are under way, do not seem well-founded and have therefore been rejected for the time being.

On 14 June 2012, the Second Civil Chamber of the Court of Milan declared Imco and Sinergia bankrupt. The estimated costs are already covered by Group provisions for risks and charges. The nominal credit exposure to the Imco-Sinergia Group is around Euro 230 million (equivalent to a book value at the same date of around Euro 176 million due to the write-downs already made at 31/03/12); at 31 March 2012 the Group had made provisions for risks and charges totalling Euro 77 million.

The amount recorded in assets, though referring to projects begun in previous years, will not be removed until the project in progress is improved or completed.
On the other hand, additional costs on existing properties already in operation are shown only in the year in which they occur.

The amount recorded under liabilities mainly includes relationships with other related parties:

- Trade payables of the subsidiary Marina di Loano S.r.l. to Marcora Costruzioni S.p.A. for Euro 1.2 million in relation to construction work at the Port of Loano.
- Trade payables of Immobiliare Lombarda S.p.A., to SO.GE.PI S.r.l. for Euro 1 million for invoices to be received.

Outgoing cash flows relating to other related parties refer to:

- Euro 7 million for the payment of invoices by Milano Assicurazioni S.p.A. to IM.CO S.p.A. in relation to the property project on land located in Milan at Via Confalonieri-Via de Castillia (Lunetta dell'Isola) and for work performed at the Via Lancetti property, also in Milan.
- Euro 1.7 million for the payment of invoices by the Tikal R.E. fund to I.C.E.IN. S.p.A.

INSURANCE ASSETS

The table below shows insurance-related income and financial effects.

(values in € thousands)	31.3.12					
COUNTERPARTY	**Assets**	**Liabilities**	**Incom**	**Charge**	**Inflow**	**Outflow**
Parent Company	-	-	-	-	-	-
Associates	-	4	19	-	19	-
Affiliate	-	-	-	-	-	-
Other related parties	419	535	15,731	17,987	15,722	18,204
Total	**419**	**539**	**15,750**	**17,987**	**15,741**	**18,204**

As of 2010, transactions with the Group's pension funds fall within the scope of other related parties. Insurance income with other related parties therefore includes not only premiums for Non-Life and Life policies of Euro 2.9 million, but also the premiums that the Fondiaria-SAI Group Employee Pension Fund and the Fondiaria-SAI S.p.A. Group Executive Pension Fund pay to Fondiaria-SAI (Euro 8.6 million) and to Milano Assicurazioni S.p.A. (Euro 4.2 million). These payments are for investing the contributions collected from Life policyholders.

Insurance charges in respect of Other related parties are due to:

- Payment of contributions payable by Group companies to the Fondiaria-SAI Group Employee and Executive Pension Funds of Euro 7 million. These payments are governed by the contractual agreements in force.
- Claims settlement, due to compensation made for redemption or expiry of Life policies of Euro 10.7 million.

Insurance-related cash inflows from other related parties were not only from premiums paid on Non-Life and Life policies of Euro 2.9 million, but also from the premiums that the Fondiaria-SAI Group Employee Pension Fund and the Fondiaria-SAI S.p.A. Group Executive Pension Fund pay to Fondiaria-SAI (Euro 8.6 million) and to Milano Assicurazioni S.p.A. (Euro 4.2 million). These payments are for investing the contributions collected from Life policyholders.

Insurance-related cash outflows to other related parties refer to:

- Payment of contributions owed by Group companies to the Fondiaria-SAI Group Employee and Executive Pension Funds of Euro 7 million. These payments are governed by the contractual agreements in force.
- Claims settlement, due to compensation made for redemption or expiry of Life policies of Euro 10.7 million.

With regard to relations with companies of the Imco-Sinergia Group, there is a risk of Euro 33.5 million associated with insurance affairs relating to bond policies guaranteeing commitments made by companies of that group, of which Euro 31.4 million relates to Fondiaria-SAI and Euro 2.1 million to Milano Assicurazioni. These affairs are handled and valued in the financial statements according to the characteristics of the insurance contracts.

FINANCIAL ASSETS

The table below shows financially-related income and financial effects.

(values in € thousands)	31.3.12					
COUNTERPARTY	**Assets**	**Liabilities**	**Incom**	**Charge**	**Inflow**	**Outflow**
Associates	104,570	685	267	-	49	14,180
Affiliate	-	8	-	-	-	-
Other related parties	25,098	6,203	205	59	87	2
Total	**129,668**	**6,896**	**472**	**59**	**136**	**14,182**

The amount recorded under assets mainly includes:

Relationships with associates, which refer to:

- Euro 65.5 million in respect of the associate Garibaldi S.c.s. and Euro 14.8 million in respect of the associate HEDF Isola S.c.s. for equity investments made by Milano Assicurazioni S.p.A..
- With respect to receivables for loans, we note those held by Immobiliare Milano in respect of Borsetto S.r.l. (Euro 7.8 million), Sviluppo Centro Est S.r.l. (Euro 8.2 million), Metropolis S.p.A. (Euro 4.1 million) and Penta Domus S.r.l. (Euro 1.2 million.
- Euro 2.6 million refers to loans granted by Immobiliare Fondiaria-SAI S.p.A. to the associate Progetto Alfiere S.p.A.

With regard to transactions giving rise to financial assets with Other related parties, note:

- Euro 24.2 million due to the disbursement of loans granted by the subsidiary BancaSai. Of these, approximately Euro 11.6 million and Euro 8.8 million are held against Sinergia Holding S.p.A. and IM.CO. S.p.A., respectively, while the remainder of Euro 3.8 million concerns receivables due from natural persons. In relation to such loans, guarantees were provided of Euro 7.9 million by IM.CO. S.p.A. and Euro 12 million by Sinergia Holding S.p.A. With regard to Sinergia Holding S.p.A., the pledge guaranteeing the opening of a current account line of credit and a bullet loan of Euro 7 million refers to units of the closed-end speculative property investment fund "UNO-FONDO SVILUPPO" managed by Zero SGR S.p.A.

Financial liabilities in respect of Other related parties refer to:

- current accounts maintained by other related parties, both physical and natural persons, at the subsidiary BancaSai of Euro 2.4 million.

Cash outflows to associates concern:

- Payments of Euro 13.2 million in respect of the associate Garibaldi S.c.a. and Euro 0.7 million in respect of the associate HEDF Isola S.c.s. for equity investments made by Milano Assicurazioni S.p.A.

SERVICES PROVIDED

(values in € thousands)

COUNTERPARTY	31.3.12 Assets	Liabilities	Income	Charges	Inflows	Outflows
Associates	553	-	-	-	-	-
Affiliates	7	-	-	-	-	-
Other related parties	433	-	31	-	50	5
Total	**993**	**-**	**31**	**-**	**50**	**5**

These mainly include receivables from invoices to be collected and revenues from the ordinary operations of the diversified segment.

SERVICES RECEIVED

(values in € thousands)

COUNTERPARTY	31.3.12 Assets	Liabilities	Income	Charges	Inflows	Outflows
Associates	-	-	-	-	-	-
Affiliates	-	-	-	-	-	-
Other related parties	36	805	45	1,854	-	2,979
Total	**36**	**805**	**45**	**1,854**	**-**	**2,979**

Liabilities for services received from other related parties amounted to Euro 0.8 million for invoices to be received.

With regard to services received from other related parties, note:
A total of Euro 1.7 million (of which the main items include Euro 0.5 million to Parametrica Consulting for technical advice, Euro 0.3 million to Attorney Rapisarda Fausto for legal advice; Euro 0.16 million to Studio Gismondi & Associati for legal advice).

Finally, charges include fees for corporate offices held in Group companies of Euro 2.1 million and salaries of executives with strategic responsibilities of Euro 3.5 million.

The remaining outflows to Other related parties refer to fees paid to directors for positions held at Group companies, for Euro 2.7 million, and payment of salaries to executives with strategic responsibilities, for Euro 3.1 million.

Note that at 31 March 2012, assets in respect of related parties (including associates) accounted for approximately 1.2% of the assets in the consolidated financial statements, while liabilities amounted to 0.05% of consolidated liability items, excluding net equity items.
Similarly, net cash flows absorbed 18% of the net liquidity deriving from continuing operations, as shown in the consolidated cash flow statement at 31 March 2012.

The construction companies Immobiliare Costruzioni IM.CO. S.p.A., I.C.E.IN. S.p.A., Marcora Costruzioni S.p.A., Avvenimenti e Sviluppo Alberghiero S.r.l., Laità S.r.l. and Gilli Communication S.r.l. are related parties since their parent, Sinergia Holding di Partecipazioni S.p.A., is controlled in turn by Starlife S.A. ("Starlife"), a company based in Luxembourg, the share capital of which, based on information made public by interested parties, is owned as follows: 25% by Giulia Maria Ligresti; 25% by Jonella Ligresti; 25% by Gioacchino Paolo Ligresti and 25% by Salvatore Ligresti; no party controls Starlife pursuant to Article 93 of the TUF.

In terms of overall related-party transactions, there were no significant positions or transactions deriving from atypical and/or unusual transactions.

PART G – OTHER INFORMATION

Earnings per share

Basic earnings (loss) per share is calculated by dividing the Group net result attributable to the shareholders of the Parent Company by the average weighted number of shares outstanding during the year. The weighted average number of shares outstanding is reduced by the weighted average number of own shares held by the Premafin Group.

In accordance with IAS 33, the result and the information on shares are stated for the calculation of the basic and diluted earnings (loss) per share:

	31.03.12	31.03.11
Earnings attributable to Parent Company shareholders	(1,736)	(16,506)
Weighted average number of ordinary shares to calculate the basic earnings per share	382,775,895	382,775,895
Basic earnings per share (€)	(0,005)	(0,043)
Dilution effect:		
Weighted average number of ordinary shares to calculate diluted earnings per share	382,775,895	382,775,895
Diluted earnings per share (€)	**(0,005)**	**(0,043)**

Exchange rates

The exchange rates of the principal currencies used for the conversion of the financial statements are as follows:

	31.3.12	31.12.11	31.3.11
US dollar	1,3356	1,2939	1,4207
UK sterling	0,8339	0,8353	0,8837
Japanese yen	109,56	100,2	117,61
Swiss franc	1,2045	1,2156	1,3005
Serbian dinar	111,554	106,177	103,664

Information on events after the end of the quarter

No significant events occurred after the end of the quarter that would entail an adjustment of the amounts shown in these interim consolidated financial statements.

The following summarises the significant events occurring after the closing date of the quarter which do not entail an adjustment to the amounts registered in these Condensed Consolidated Quarterly Financial Statements.

Certification of the reasonableness of the Reorganisation Plan

On 16 April 2012, the Expert issued the certification report on the Premafin Reorganisation Plan, as approved by the Premafin Board of Directors on 30 March 2012.

Resolution by the Board of Directors on the Capital Increase of Premafin

On 16 April 2012, the Premafin Board of Directors approved the terms and conditions of the capital increase for cash with the exclusion of the option right pursuant to Art. 2441, paragraph 5, of the Civil Code, as mentioned in the second item of the agenda for the Extraordinary Shareholders' Meeting of Premafin called for 17 and 21 May 2012, on first and second notice.

Consob Requests

In accordance with the request made by the Consob on 18 April 2012 to Premafin and UGF pursuant to Art. 114, paragraph 5, of the TUF, Premafin, solely for purposes of complying with the said request and without prejudice to its own reasons (disagreeing with the reconstruction made by the Authority), carried out the disclosure requirements referred to in Art. 122 of the TUF regarding the obligations assumed by UGF pursuant to item (i) of the letter of "indemnity" signed on 29 January 2012 (the text of which is available in full in the "Shareholders and Shareholders' Meetings" section under "Unipol Gruppo Finanziario Agreement" on the Premafin website, www.premafin.it).

Preliminary sequestration of the Premafin shares owned by parties controlled by the foreign trusts The Heritage Trust and The EverGreen Trust, respectively

On 19 April 2012, military officers of the Italian Tax Police served a decree on Premafin for preliminary seizure – pursuant to Art. 321 of the Code of Criminal Procedure – of all Premafin shares directly and/or indirectly in the name of The Heritage Trust and The Evergreen Security Trust, in the context of the criminal proceeding begun against Giancarlo de Filippo and Salvatore Ligresti, who are under investigation in relation to the offence of market manipulation referred to in Art. 110 of the Criminal Code and Art. 185 of Legislative Decree 58/98 (TUF), in relation to the manner of the purchases of Premafin shares made by companies related to the aforementioned foreign trusts, The Heritage Trust and The EverGreen Trust.

Spafid Società per Amministrazioni Fiduciarie S.p.A., as the party in charge of keeping the Premafin Shareholders Register, was promptly informed of this situation.

Initiatives under way aimed at the sale of Atahotels

On 3 May 2012, the Board of Directors of Fondiaria-SAI chose the private equity operator 21 Investimenti as the counterparty with which to continue on an exclusive basis the analysis for the sale of the hotel business included in the Atahotels business unit.

Premafin-UGF Agreement

On 10 June 2012, the Premafin Board of Directors acknowledged the content of the communication received on 6 June 2012 (released to the public on the same date) from UGF and on behalf of its subsidiary Unipol Assicurazioni S.p.A., resolving, following a preliminary favourable opinion from the Related Parties Committee, to approve the proposal in the aforementioned communication to grant to UGF a stake in the ordinary share capital of 61%, provided that the shareholding of current Premafin shareholders is no less than 0.85%.

In the same meeting the Board of Directors also acknowledged:

- the present agreement, insofar as it is relevant, on the latest proposal from UGF, discussed below;

- the willingness of the lender banks of the Company to sign the Premafin Debt Restructuring Agreement following the resolutions of the Shareholders' Meeting on Tuesday, 12 June 2012;

- the statements made and released to the market by Jonella and Paolo Ligresti, regarding their irrevocable decision not to waiver the indemnity agreements accepted by UGF in a side letter dated 29 January 2012, and the decision of the companies Hike Securities S.A. and Limbo Invest S.A. concerning their intention not to assume any commitment regarding the exercise of their withdrawal right following the merger of Premafin and Fondiaria-SAI;

- the willingness of UGF, having acknowledged the statements of Jonella and Paolo Ligresti mentioned above, to nevertheless proceed with the merger operation, referring to a subsequent valuation and the consequent observation by the Supervisory Bodies to every determination regarding the conditions for meeting the requests of the Consob Resolution of 24 May 2012;

- the need to confirm the on-going likelihood of fulfilling the condition precedent pursuant to Article 3.1 (ii) ("Exemption") of the agreement signed with UGF (the "Unipol Agreement") on 29 January 2012.

The Board confirmed that, in an extremely versatile environment and with numerous uncertainties on the ability of the Company to carry out its business as a going concern (including some connected to independent circumstances wholly or partially within the control of the Company), at present there are no new incontrovertible facts which would cause a decisive change in opinion regarding the continuing adoption of the going-concern assumption, based on the execution of the Unipol Agreement and the closing of the debt restructuring agreement of the Company in the context of the merger project and the recovery plan provided in the Unipol Agreement.

On 11 June 2012 the Fondiaria-SAI Board of Directors assessed the counterproposal received from UGF on 6 June 2012, published in full in a press release from said Company on the same date, and resolved by majority vote to inform UGF of its willingness to proceed to further define the merger operation on the basis of the aforementioned proposal, and specifically on the basis of a stake held by the current ordinary shareholders of Fondiaria-SAI other than Premafin equal to 27.45% of the ordinary share capital. This decision was established on the condition that UGF define as soon as possible how it would overcome the existing uncertainties concerning the exemption from the takeover bid obligation. In view of these considerations, the Board appointed the Chief Executive Officer and the General Manager to confirm, without delay, the next steps with UGF and Mediobanca (as global coordinator) to reach a definition of the terms and conditions regarding the guarantee and execution of the planned capital increase of Fondiaria-SAI.

The resolution was approved subject to a favourable opinion by majority vote of the Independent Directors Committee, established according to the procedure on related parties, which based its decision on the condition that the counterproposal of UGF, despite being outside the range initially indicated by financial advisors, responds to the interests of shareholders in view of the unusual business context, particularly through an urgent request for recapitalisation from ISVAP according to the industry rules on the correct solvency margin.

On 12 June 2012, the Board of Directors of Milano Assicurazioni S.p.A., subject to a favourable opinion of the Independent Directors Committee established according to the procedure on related parties, resolved to inform UGF of its willingness to proceed with negotiations to define the merger operation on the basis of the proposal from UGF on 6 June 2012 and, specifically, based on a minimum holding of ordinary minority shareholders of Milano Assicurazioni S.p.A. equal to 10.7% of the ordinary share capital.

Furthermore, it was specified that this percentage contribution represented a preliminary figure which should be defined precisely in the Merger Project and should take into account that the distribution of the percentage of treasury according to their origin does not constitute a reduction for current minority shareholders of Milano Assicurazioni S.p.A..

This decision is established on the condition that the method for overcoming the existing uncertainties concerning the exemption from the takeover bid obligation is defined as soon as possible.

Premafin Ordinary and Extraordinary Shareholders' Meeting of 12 June 2012

On 12 June 2012 the Ordinary and Extraordinary Shareholders' Meeting of Premafin resolved, *inter alia*:

- to approve the financial statements for 2011, which registered a loss in the year equal to €440,279,868.67 and a shareholders' equity of €141,441,055.47, against a share capital of €410,340,220.00, and to proceed according to Article 2446 of the Italian Civil Code to fully cover the losses recorded by the Company as at 31 December 2011 as follows:

  a) €151,634,175 through the full allocation of profits carried forward;

  b) €20,813 through the full allocation of the share premium reserve;

  c) €13,725,716 through the full allocation of the legal reserve; and

  d) the remaining €268,899,165 through the reduction in share capital from €410,340,220 to €141,441,055, without the cancellation of shares,

  thus amending Article 5 of the Articles of Association;

- to approve the proposal to increase the share capital for cash, in tranches and with subscriptions becoming effective on a progressive basis, for a total maximum amount of €400,000,000.00, to be allocated in full to the share capital, to be implemented through the issue of no more than 2,051,282,051 ordinary shares, with regular dividend rights and the same rights as ordinary shares in circulation on the date of issue, the subscription of which is reserved to (i) the company UGF, with its head office at Via Stalingrado 45, Bologna, tax identification code and registration no. 00284160371 in the Bologna Company Register; or (ii) other operators in the insurance sector and/or institutional investors, or their subsidiaries, whether Italian or foreign, only if it is certain that one or more of the conditions precedent in the Agreement (as defined in the Directors' Report) cannot be fulfilled (or considered fulfilled according to this Agreement), and then, in any case, with the exclusion of the option right pursuant to Article 2441, paragraph 5 of the Italian Civil Code, at a unit issue price of (i) €0.195 for subscriptions by UGF; or (ii) between €0.195 and €0.305 for subscriptions by other operators in the insurance sector and/or institutional investors, or their subsidiaries, whether Italian or foreign.

Debt Restructuring Agreement

On 13 June 2012 the Company signed the Debt Restructuring Agreement with its lender banks, in accordance with what is provided in the Recovery Plan pursuant to Article 67 of the Bankruptcy Law, as approved by the Company on 30 March 2012 (including the addendum approved on 17 May 2012), and based on the merger between the Premafin Fondiaria-SAI Group and UGF which concerns (i) the restructuring of the loan agreement amending the syndicated loan agreement of 22 December 2004, as subsequently amended, for an amount of approximately €322.5 million, and (ii) the future debt owed by Premafin to UniCredit S.p.A. relating to the Fondiaria-SAI share price payment extension, for approximately €45.5 million, resulting from early closing of the equity swap contract.

The Agreement provides for the entry into force of several contractual documents pursuant to the fulfilment of several conditions precedent; failure of the condition subsequent to address circumstances which prohibit the fulfilment of the Recovery Plan according to the terms provided; and failure to exercise the withdrawal right on behalf of the lender banks if, by 20 July 2012 (or before the eventual exercise of such right), the capital increase of Premafin, resolved on 12 June 2012, is not subscribed and paid by UGF.

In particular it is expected that, in coherence with the Recovery Plan and in the case of "Phase 1" taking place, depending mainly on the execution of the aforementioned capital increase, the following will enter into force:

(i) the Loan Agreement Amended Pre-Merger, which restructures the debt deriving from the Contract and from the excepted closure of the equity swap, for an amount of approximately €368 million plus the interest accrued from the last payment, postponing, *inter alia*, the expiry date of 31 December 2020 (subject to the entry into force of the Loan Agreement Amended Post-Merger discussed below);

(ii) the New Confirmation Act of the pledge of 116,067,007 Fondiaria-SAI ordinary shares, which takes into account the failure of the former merger or reduction mechanism of the same and which does not extend to any other Fondiaria-SAI shares owned by Premafin deriving, *inter alia*, from the Fondiaria-SAI capital increase resolved on 19 March 2012 and to be established in the Fondiaria-SAI Shareholders' Meeting convening on 26-27 June 2012;

(iii) as well as the amending agreements of the loan agreements of the subsidiary Finadin S.p.A. - Finanziaria di Investimenti respectively with Banca Popolare di Milano Soc. Coop. a r.l. for approximately €12.9 million and Banco Popolare Soc. Coop. for approximately €12.7 million, both expiring on 31 December 2013, in relation to which the existing pledge remains on 6,572,700 Fondiaria-SAI shares for BPM and 6,212,000 Fondiaria-SAI shares for BP, taking full effect.

Furthermore, in coherence with the Recovery Plan and in the case of "Phase 2" taking place, depending mainly on the completion of the proposed merger between Premafin, Milano Assicurazioni S.p.A., Unipol Assicurazioni S.p.A. and Fondiaria-SAI S.p.A., in place of the Loan Agreement Amended Pre-Merger and in view of the extinction of the pledge on the Fondiaria-SAI shares in the New Confirmation Act, the following is expected:

(x) the entry into force of the Loan Agreement Amended Post-Merger, which amends the Loan Agreement Amended Pre-Merger, for an amount of approximately €330 million, excluding the debt of Premafin due to GE Capital Interbanca S.p.A., bringing forward, *inter alia*, the expiry date of 31 December 2018;

(y) the entry into force of the GE Capital Contract relating to the single financing share to the latter for approximately €38 million, expiring on 31 December 2020;

(z) the issue of the Convertible Loan, on behalf of the Company resulting from the aforementioned Merger and underwritten for partial compensation by the lender banks, except for GE Capital Interbanca S.p.A., for approximately €134 million, and by UGF for approximately €67 million expiring on 31 December 2015.

Bankruptcy of Imco S.p.A. and Sinergia Holding di Partecipazioni S.p.A.

On 14 June 2012, the second civil chamber of the Court of Milan issued a bankruptcy judgment against Imco S.p.A. and Sinergia Holding di Partecipazioni S.p.A.

On the same date, Fondiaria-SAI S.p.A., together with its subsidiary Milano Assicurazioni S.p.A., disclosed the Fondiaria-SAI Group's existing transactions with Gruppo Sinergia:

- €102.5 million claimed by Milano Assicurazioni due from Avvenimenti e Sviluppo Alberghiero S.r.l. for the Via Fiorentini project in Rome. This receivable, on the financial statements approved at 31 December 2011, has been written down by €29.9 million;
- €76.4 million claimed by Milano Assicurazioni S.p.A. due from ImCo for the Via dei Castillia project in Milan. This receivable, on the financial statements approved at 31 December 2011, was written down by €12.6 million;
- €23.2 million claimed by Immobiliare Fondiaria SAI S.p.A. due from IMCO for the San Pancrazio Parmense (PR) project. This receivable, on the financial statements approved at 31 December 2011, was written down by €11.7 million;
- €7.2 million claimed by Nuove Iniziative Toscane S.p.A. due from Europrogetti S.p.A. for design work instalments;
- €21.4 million for receivables claimed by Banca SAI against Gruppo ImCo – Sinergia, of which €10.9 million relates to unsecured credit positions;

- €33.5 million relative to surety policies securing commitments assumed by companies forming part of the ImCo - Sinergia group, of which €31.4 million pertains to Fondiaria–SAI and €2.1 million to Milano Assicurazioni.

Fondiaria-SAI also disclosed that the necessary inquiries were promptly begun aimed at assessing the impact of this situation, which, once completed, will be disclosed to the market in a timely manner. Pending such inquiries, proof of claims will be filed against the bankruptcy estates.

On 19 June 2012, again in relation to that judgment, the parent company announced that, following an initial acknowledgement of the existing transactions with the said companies, the only significant transaction is the one involving the declarations of indemnity issued by Imco S.p.A. and its subsidiaries with regard to any possible charge/liability resulting from the commitment to sell areas located in the municipality of Milan to third parties, as reported in the Company's separate financial statements.
The bankruptcy of ImCo and Sinergia is a subsequent event occurring after the reporting date, which entails an adjustment of what is reported in the quarterly report.

In view of the foregoing, the Premafin Group has allocated another €65.8 million to the provision for risks and contingencies, which, net of the respective tax impact, entails a decrease in earnings for the first quarter of 2012 of €49.0 million. The said earnings therefore stand at €19.4 million as opposed to €68.4 million, as approved on 15 May 2012. Consequently, the group's solvency ratio has dropped from 75.7% to 73.5%.

Isvap – authorisation

On 20 June 2012, ISVAP ruled that Finsoe may assume control of Premafin through Unipol, provided that the corporate governance structure within the Group is modified appropriately, in order to prevent conflicts of responsibility from arising.

Antitrust – authorisation

On 20 June 2012, the Antitrust Authority gave its conditional approval to the Unipol-Premafin merger. The combination of the two groups may be authorised based on stringent measures capable of dissolving the ties with Mediobanca and of reducing the dominant positive otherwise acquired in the non-life markets through asset sales.

<u>Finadin – Debt restructuring agreement</u>

On 21 June 2012, as provided for in the Reorganisation Plan pursuant to Article 67 of the Finance Law approved by the Parent Company on 30 March 2012 (as supplemented with an addendum approved on 17 May 2012), the subsidiary Finadin and the two lender banks agreed on the modification of the loan agreements in terms of the repayment terms and the guarantees given, providing for the lump-sum repayment of both loans on 31 December 2013, leaving unchanged the current spreads applied to the Euribor, as well as, with reference to Banca Popolare di Milano, the existing cash sweep on income from the investment in units of the closed-end real estate fund "Sei Fondo Portafoglio".

As far as the pledge provided in favour of the two lender banks concerning the ordinary shares of Fondiaria-SAI held by Finadin is concerned, the mechanism of periodic verification of the loan-to-value on such shares is suspended, consequently leaving the provisions on partial supplementation / partial release of the guarantees void. There is no provision, however, for extending the share pledge to future issues under the scope of the capital increase of Fondiaria-SAI.

A cash sweep mechanism has been introduced, which provides for compulsory partial prepayment of the two exposures in relation to:

•collection of what is paid in cash by SAIFIN – Saifinanziaria S.p.A. in relation to the capital increase decided by Finadin;

•collection of any future dividends by Fondiaria-SAI;

•collection of the proceeds of the liquidation of the subsidiary Scontofin S.A., within a maximum limit of € 1 million.

Amendment of Premafin – UGF Agreement

On 25 June 2012, within the limits allowed by law, and for the vital purpose of safeguarding itself and strengthening the capital of Fondiaria-Sai in as short a time as possible in the priority interest of all stakeholders, the Company agreed with UGF with reference to what was indicated by the Consob, in orders dated 22 and 24 May 2012, containing the response to the question posed to it by UGF in relation to acknowledgement of the exemption from a mandatory public tender offer in the various phases of the merger transaction with Gruppo Premafin-Fondiaria Sai:

a) to amend the indemnity agreement signed between UGF and Premafin on 29 January 2012, to limit its effect exclusively to and in favour of the directors and statutory auditors of Premafin, Fondiaria Sai, Milano Assicurazioni and their respective subsidiaries, in office for the 2007-2011 period, who did not hold Premafin shares on 29 January 2012, directly or indirectly, including through subsidiaries;

b) to limit the right of withdrawal, in the context of the merger between Fondiaria Sai S.p.A., Premafin, Unipol Assicurazioni S.p.A. and Milano Assicurazioni S.p.A., such that – in conformity with the provisions of the Consob Response – this right of withdrawal will not be granted to any major shareholder of Premafin, without prejudice to any future assessment on exclusion of the right of withdrawal of all Premafin shareholders in connection with the merger;

Resolutions by the Extraordinary and Ordinary Shareholders' Meetings of Fondiaria-SAI held on 27 June 2012

On 27 June 2012, the extraordinary shareholders' meeting of Fondiaria-SAI S.p.A. confirmed – on a preliminary basis pursuant to Art. 2377, paragraph 8, of the Civil Code – the resolutions adopted by the extraordinary shareholders' meeting of 19 March 2012. Specifically, subject to authorisation by the ISVAP, the meeting resolved to:

1)eliminate mention of the nominal value of ordinary and savings shares of FONDIARIA-SAI, pursuant to Articles 2328 and 2346 of the Civil Code;

2)group the ordinary and savings shares in circulation in a ratio of 1 new ordinary or savings share for every 100 ordinary or savings shares, respectively;

3)approve the Company's being able to issue new savings shares (the "Class B Shares") having the same characteristics as the savings shares already in circulation (the "Class A Shares"), except as follows:

- preference, after what is due to Class A Shares, in repayment of capital up to an amount per share equal to the average book par value of shares in the same class, understood as the ratio existing from time to time between the overall amount of contributions to capital made over time when subscribing Class B Shares and the overall number of existing Class B Shares ("the Book Par Value of Class B Shares");
- preferred dividend, after the €6.5 one due to Class A Shares, up to an amount of 6.5% of the Book Par Value of Class B Shares;
- increased overall dividend compared to ordinary shares of 5.2% of the Book Par Value of Class B Shares;
- preference, after what is due to Class A Shares, in repayment of capital in the event of liquidation up to an amount equal to the Book Par Value of Class B Shares;

4)increase the share capital for cash by a maximum overall amount of € 1,100,000,000.00, including any premiums, to be carried out by 31 December 2012, in tranches, by the issue of ordinary shares and Class B Shares, having regular dividend rights, to be offered in option to shareholders holding ordinary shares and those holding/bearing Class A Shares, respectively, pursuant to Article 2441, paragraphs one, two and three, of the Civil Code;

5) amend the provisions in the articles of association relative to calling ordinary shareholders' meetings for the approval of the separate financial statements.

The meeting also resolved to appoint to the office of director, until the expiration of the term of the entire Board of Directors, Mr Nicolò Dubini, who was co-opted by the Board of Directors on 10 May 2012. It is noted that Mr Dubini was a candidate at the time of the shareholders' meeting on 24 April 2012 – which replaced the board of directors – on the majority slate submitted by shareholders Premafin and UniCredit and came in first among those not elected. At that time, Mr Dubini declared himself independent pursuant to both Art. 148 of the TUF and the Code of Self-Governance. After the co-optation, which occurred on 10 May 2012, as stated, the Board of Directors investigated the existence of such independence requirements, and the outcome was positive.

Share capital of Premafin

On 28 June 2012, the change in share capital was filed at the Rome Company Register, as a result of the resolution adopted by the Premafin shareholders' meeting held on 12 June 2012 to reduce the share capital due to losses pursuant to Art. 2446 of the Civil Code. The new share capital is €141,441,055, comprising 410,340,220 shares without nominal value.

Sale of the property located in Milan at Piazza Santa Maria Beltrade

On 29 June 2012, the Group signed a sale contract for the building complex located in Milan at Piazza Santa Maria Beltrade. The building complex was sold to Carlyle Real Estate SGR S.p.A. at a price of €63 million, with a capital gain of approximately €15 million, which will be reflected in the financial statements in the 2012 Half-year Report.

SPECIFIC EXPLANATORY NOTES

As required by IAS 34, paragraph 16, the following is noted:

- The insurance sector, in and of itself, is not a seasonal sector. At this time, therefore, no indicators have been defined showing cyclical phenomena in the reporting period under review.
- There were no unusual elements in the period under review such as to significantly affect the items in the statement of financial position, income statement and cash flow statement.
- There were no changes to the estimates made in periods or years prior to the current period such as to entail a significant effect on the interim period under review.

With reference to the provisions of IAS 37, it is reported that the Group is not aware of any additional potential assets or liabilities of a significant size, with respect to 31/12/11, for which it would be necessary to provide specific information beyond that given in the section "Significant events after the end of the quarter" of Part G – Other Information.

Milan, 2 July 2012

For the Board of Directors

the Chairman and Chief Executive Officer

Giulia Maria Ligresti

PREMAfIN ®
FINANZIARIA
Holding di Partecipazioni

Declaration pursuant to Article 154-bis, paragraph 2, of Legislative Decree No. 58 of 24/2/1998

I, the undersigned, Giuseppe Nassi, as Executive responsible for the preparation of the corporate accounting documents of Premafin Finanziaria - S.p.A. Holding di Partecipazioni,

hereby attest

in conformity with paragraph 2 of Article 154-bis of the "Unified Text on Financial Intermediation", that the Condensed Quarterly Financial Statements at 31 March 2012 corresponds to the accounting documents and records.

Milan, 02/07/12

The Executive responsible
for the preparation of the corporate accounting documents
Giuseppe Nassi