



FONDIARIA-SAI AND MILANO ASSICURAZIONI ACQUIRE 100% OF ATAHOTELS S.p.A.

JOINT PRESS RELEASE

Pursuant to article 114 of Legislative Decree No. 58/98

- AGREEMENT SIGNED BY FONDIARIA-SAI AND MILANO ASSICURAZIONI WITH SINERGIA HOLDING DI PARTECIPAZIONI S.p.A. and RAGGRUPPAMENTO FINANZIARIO S.p.A. FOR THE ACQUISITION OF 100% OF THE SHARE CAPITAL OF ATAHOTELS S.p.A., THE SIXTH LARGEST ITALIAN HOTEL GROUP.
- TOTAL ACQUISITION PRICE EURO 30 MILLION, OF WHICH 51% ACQUIRED BY FONDIARIA-SAI AND 49% BY MILANO ASSICURAZIONI.

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December 30, 2008

FONDIARIA-SAI ("**FonsAI**") and MILANO ASSICURAZIONI yesterday signed, December 29, 2009, a preliminary purchase contract with SINERGIA HOLDING DI PARTECIPAZIONI S.p.A. ("**Sinergia**") and RAGGRUPPAMENTO FINANZIARIO S.p.A. ("**RF**") for 100% of the share capital of Atahotels S.p.A., the sixth largest Italian hotel group.

The agreement provides for the acquisition of 51% of the share capital of ATAHOTELS for Euro 15.3 million by FONSAI, and 49% of the share capital of ATAHOTELS for Euro 14.7 million by MILANO ASSICURAZIONI, for a total amount of Euro 30 million. The agreement also includes a variable earn-out for the sellers, up to a maximum amount of Euro 13 million payable in 2013, based on the profitability of the company. The preliminary contract is subject, among other matters, to ISVAP and AGCM approval. The closing of the operation is expected in the first half of 2009.

ATAHOTELS, founded in 1967, is the sixth largest Italian hotel group by room numbers managed (approx. 6,000) and operates in Italy in both the business and leisure segments with 24 high quality facilities throughout the country, among which prestigious resorts such as the Capotaormina hotel (ME), the Tanka village (CA) and the Golf Hotel of Madonna di Campiglio (TN) and numerous hotels and residences at Milano, Turin and Rome.

ATAHOTELS, previously part of the SAI group in the 1980's, and which currently manages a large part of the facilities of the FONSAI group, forecasts for the year 2008 stable revenues of approx. Euro 120 million, a substantially break-even result (loss of approx. Euro 1 million) and a net equity of approx. Euro 30 million.

The acquisition of ATAHOTELS is in line with the long-term growth strategy of the hotel real estate investments undertaken by the FONSAI group. The resort/tourist segment is in fact one of the drivers of the national economy in which over the years, thanks also to the merger between FONDIARIA and SAI, the group has significantly increased the prestigious real estate investments held, including through the restoration of numerous facilities. This strategy in the coming years, solely relating to current projects, will result in the FONSAI group holding a significant real estate portfolio, part of which already managed by ATAHOTELS and part managed by other operators.

The significant and prestigious level of assets owned has therefore led the FONSAI group to opt strategically for a direct presence in the management of these assets, with a view to obtaining better returns from the facilities under a single management, and to internalise future value created from this activity, as well as having a captive management which will concentrate, in the future, also the activities of the numerous properties of the company currently rented to third parties.

The objective of FONSAI is to provide ATAHOTELS adequate capacity for its development and compete more competitively, with the aim to acquire new market share and to create long-term value for the investment.

The almost equal joint equity investment by FONSAI and MILANO ASSICURAZIONI derives from the common interest to maintain their respective real estate investments in the tourist segment, including through their holdings in Immobiliare Lombarda.

The above operation is an operation with related parties of the FONSAI Group, pursuant to article 2, paragraph 1, letter h) of Consob Regulation No. 11971/98 as (i) Sinergia, a subsidiary of Starlife S.A., participates in the shareholder agreement concerning the shares of PREMAFIN FINANZIARIA HOLDING DI PARTECIPAZIONI S.P.A., the parent company of FONSAI as per article 93 of Legislative Decree 58/98 and (ii) RF is a subsidiary of Starlife S.A., through Sinergia.

It is also reported that Directors with interests pursuant to article 2391 of the civil code, in the meetings of the respective Board of Directors (which approved the operation), provided the declarations required in accordance with applicable regulations and in accordance with the "Principles of Conduct for significant operations and with related parties" approved by the Board of Directors of FONSAI and MILANO ASSICURAZIONI on December 19, 2007. The Board of Directors of the two companies were also advised by independent experts, among which, KPMG Advisory S.p.A. to support the valuation of ATAHOTELS. Finally, it is reported that the operation is not subject to the provisions of article 71bis of Consob Regulation No. 11971/98 as for subject, amount, method or timing they do not have an effect on the value of the company assets and on the completeness and correctness of the information, including of an accounting nature, relating to FONSAI and MILANO ASSICURAZIONI.

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