

PRESS RELEASE

MILANO ASSICURAZIONI S.p.A.: CONSOLIDATED FINANCIAL STATEMENTS APPROVED FOR 1st QUARTER 2006. TOTAL PREMIUMS COLLECTED € 866 MILLION (+7.1%)

Milano Assicurazioni Group	Q1 2006	Q1 2005	% Change
Amounts in € m			
Total Premiums Collected	866.0	808.9	(+ 7.1)
Pre-tax results	117.4	119.1	(- 1.4)
Consolidated profits	71.3	71.4	(- 0.1)

Milan, 9 May 2006. The Board of Directors Meeting of Milano Assicurazioni S.p.A. was held today, chaired by Fausto Marchionni, and approved the consolidated financial statements for the first quarter 2006.

The consolidated profit and loss account for the first quarter 2006 closed with a group profit of € 71.3 m for the period, substantially unchanged as compared to the € 71.4 m from the same period of the previous year.

Total premiums collected amount to € 866 m (+ 7.1%). In the Non-Life Branches, premiums collected directly reached € 701.4 m (+ 4.2%).

Insurance management in the sector closes with a pre-tax profit of € 93.3 m, against a pre-tax profit of € 102.5 m recorded in the first quarter 2005. On the whole, technical results remained within a completely satisfactory range.

The Life Branch achieved a pre-tax profit of € 22.3 m, an improvement on the € 16.4 m in the 1st quarter 2005. Premiums collected reached € 162.1 (+21.8), confirming the positive results of the commercial programmes initiated in order to boost sales of traditional products on one hand, and increase customer loyalty on the other.

Equity and financial management enabled the achievement of net income from financial instruments and investment property for a total of € 98.7 m (€ 90.6m in Q1 2005), due to a positive trend in stock markets. This trend offered the possibility to take advantage of trading opportunities which counterbalanced the effects of recent changes in monetary policy on bond prices.

Taxes for the period amount to € 46 m, with an incidence that is substantially in line with the figures from Q1 2005.

The results obtained, though taking into account the brief period of observation, are consistent with the end year targets.

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MILANO ASSICURAZIONI S.p.A.

Group Highlights Profit & Loss – 31st March 2006

<i>(€ 000)</i>	31st March 2006	31st March 2005	Change %
Net Premiums	848.841	766.053	10,81
Net Charges relating to claims	-638.165	-597.999	6,72
Net Commissions	157	-189	n.s.
Net Income from subsidiaries, associates and joint ventures	-	281	-100,00
Net Income on financial instruments at fair value through profit and loss	1.542	14.309	-89,22
Net Income from other financial instruments and investment properties	97.133	76.006	27,80
Management Expenses	-126.538	-121.438	4,20
Other Revenues (Costs)	-65.604	-17.953	n.s.
Profit (Loss) of the period before tax	117.366	119.070	-1,43
Tax	-46.040	-47.610	-3,30
Profit (Loss) of the period after tax	71.326	71.460	-0,19
Profit (Loss) on discontinued operations	-	-	-
Consolidated Profit (Loss)	71.326	71.460	-0,19
Profit (Loss) of the period attributable to Minorities	23	65	-64,62
Consolidated Profit (Loss) attributable to the Group	71.303	71.395	-0,13

MILANO ASSICURAZIONI S.p.A.

Group Highlights Investments and Other Activities – 31st March 2006

<i>(€ 000)</i>	31/03/2006	31/12/2005	Change %	31/03/2005
Investment properties	368.240	370.136	-0,51	328.580
Investments in subsidiaries, associates and joint ventures	4.820	4.820	-	15.896
Loans and receivables	236.402	212.874	11,05	418.109
Held to maturity assets	-	-	-	-
Available-for-sale financial assets	7.935.170	7.580.602	4,68	7.084.352
Assets at fair value through profit and loss	802.714	876.255	-8,39	886.072
TOTAL INVESTMENTS	9.347.346	9.044.687	3,35	8.733.009
CASH AND CASH EQUIVALENTS	269.508	156.649	72,05	172.102
Buildings	30.359	30.519	-0,52	55.786
Other tangible assets	87.553	80.106	9,30	57.133
TOTAL TANGIBLE ASSETS	117.912	110.625	6,59	112.919
TOTAL	9.734.766	9.311.961	4,54	9.018.030

MILANO ASSICURAZIONI S.p.A.

Group Highlights Net Technical Reserves – 31st March 2006

(€ 000)	31/03/2006	31/12/2005	Change %	31/03/2005
NON-LIFE				
Provisions for unearned premiums	960.438	961.987	-0,16	953.709
Provisions for outstanding claims	3.126.927	3.153.068	-0,83	3.068.487
Other insurance provisions	2.084	2.084	-	3.294
Total Non-Life	4.089.449	4.117.139	-0,67	4.025.490
LIFE				
Mathematical provisions	3.543.750	3.511.779	0,91	3.471.166
Provisions for outstanding claims	11.712	5.390	117,29	9.518
Provisions for policies where the investment risk is borne by policyholders and provisions for pension funds	278.020	278.101	-0,03	276.159
Other insurance provisions	119.348	197.853	-39,68	25.978
Total Life	3.952.830	3.993.123	-1,01	3.782.821
TOTAL	8.042.279	8.110.262	-0,84	7.808.311

Group Highlights Financial Liabilities – 31st March 2006

(€ 000)	31/03/2006	31/12/2005	Change %	31/03/2005
Financial liabilities at fair value through profit and loss	104.410	84.488	23,58	79.766
Other financial liabilities	159.873	159.943	-0,04	289.385
TOTAL	264.283	244.431	8,12	369.151