



PRESS RELEASE

PROGRAMME FOR PURCHASE OF OWN AND PARENT COMPANY SHARES

Summary

- Start of transactions for purchase of own shares in accordance with the programme approved by the Shareholders' Meeting of 26 April 2006.
- Start of transactions for purchase of shares of the direct parent company Fondiaria-SAI S.p.A. in accordance with the programme approved by Shareholders' Meeting of 26 April 2006.

Florence, 29 May 2006 – Milano Assicurazioni announces the start of transactions for purchase of own shares and shares of the parent company Fondiaria-SAI in pursuance of the respective authorisations passed by Shareholders' Meeting of 26 April 2006.

Purchase of own shares

As of today's date, Milano Assicurazioni holds 115,460 own ordinary shares, equal to 0.03 % of the ordinary share capital and to 0.02% of the entire share capital. The Company does not hold any own savings shares.

The average unit book value of the own ordinary shares held by the Company is equal to € 3.24.

On 22 April 2006 the twelve month term set by the Shareholders' Meeting of 22 April 2005 for the purchase and sale of own shares expired.

The Shareholders' Meeting of 26 April 2006 authorised, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, further purchases of own ordinary shares and/or savings shares, to be effected on one or more occasions and over a period of twelve months from the date of the resolution, in accordance with the programme illustrated hereafter. The Shareholders' Meeting also authorised the sale, if appropriate, of the own shares currently held in the portfolio and of those purchased pursuant to the aforesaid resolution.

The aim of the programme, with regard to share purchase, is to take advantage of further investment opportunities linked to the liquidity that the share may have from time to time and to share performance and market trends. Hence on one hand, the share will gain from greater liquidity, allowing shareholders in general to take advantage of share performance, and on the other hand, the Company will be the object of investments in the belief that the share has not yet expressed its full potential in relation to the Company's capacity to contribute to

achieving the targets set in the Industrial Plan 2006-2008 of the Fondiaria-SAI Group, which was recently presented to the financial community. With regard to share sale, on the other hand, the aim is to allow, if appropriate, the achievement of positive results.

Pursuant to Article 144-*bis* of CONSOB Regulations no. 11971/1999, purchase and sale transactions shall be implemented exclusively in compliance with the procedures set forth in sub-section 1, point b) of said article and, therefore, on regulated markets and according to the operating procedures established by Borsa Italiana S.p.A. which do not allow for direct matching of purchase bids with predetermined sales bids. Operating activity on the block market is also excluded.

The Shareholders' Meeting of 26 April authorised execution in the twelve month period from said date, in exclusive compliance with the procedures set forth in the paragraph above, of further purchases of own shares and/or savings shares, for a maximum increase, taking into account any sales that may have been implemented in the meantime, of 12,000,000 own ordinary shares and/or savings shares of a nominal value of € 0.52 each, and in any event up to the maximum amount of € 80 million, without prejudice to observance of the limits set forth in Article 2357-*ter* of the Italian Civil Code.

The maximum number of own shares that may be purchased as above must be considered as the difference between the own shares purchased and those sold pursuant to authorisation by Shareholders' Meeting.

Purchase transactions - and, as the case may be, sale transactions – shall begin as from 1 June 2006.

Each purchase will be effected at a unit price no more than 5% (five percent) higher than the average reference prices recorded on Borsa Italiana's electronic system in the three trading sessions prior to each transaction and each sale will be effected at a price which must be no more than 5% (five percent) lower than the average reference prices recorded on Borsa Italiana's electronic system in the three trading sessions prior to each transaction.

With regard to volumes, shares may not be purchased or sold, from time to time, for an amount exceeding 25% of the daily average volume of shares traded on the regulated market in which the transaction is effected, calculated on the basis of daily average volume of trades effected in the month preceding the month during which the programme is disclosed to the public and established, on this basis, for the full duration of the programme.

All the purchase and/or sales transactions will be effected in compliance with all applicable legal and regulatory provisions.

At the end of the period conceded by the Shareholders' Meeting authorisation, the Company will also notify the public of the outcome of the programme and its implementation.

Purchase of shares of the direct parent company Fondiaria-SAI S.p.A.

As of today's date, Milano Assicurazioni holds 5,362,557 ordinary shares of the direct parent company Fondiaria-SAI, equal to 4.07 % of the ordinary share capital and to 3.08% of the entire share capital.

The average unit book value of the ordinary shares of Fondiaria-SAI held by the Company is equal to € 19.33.

On 22 April 2006 the twelve month term set by the Shareholders' Meeting of 22 April 2005 for the purchase and sale of Fondiaria-SAI shares expired.

The Shareholders' Meeting of 26 April 2006 authorised, pursuant to Articles 2359-*bis* of the Italian Civil Code, further purchases of Fondiaria-SAI shares, to be effected on one or more occasions and over a period of twelve months from the date of the resolution, in accordance with the programme illustrated hereafter. The Shareholders' Meeting also authorised the sale, if appropriate, of the Fondiaria-SAI shares currently held in the portfolio and of those purchased pursuant to the aforesaid resolution.

The aim of the programme, with regard to share purchase, is to take advantage of further investment opportunities linked to the liquidity that the share may have from time to time and to share performance and market trends and with regard to share sale, to allow, if appropriate, the achievement of positive results.

Pursuant to Article 144-*bis* of CONSOB Regulation no. 11971/1999, purchase and sale transactions shall be implemented exclusively in compliance with the procedures set forth in sub-section 1, point b) of said article and, therefore, on regulated markets and according to the operating procedures established by Borsa Italiana S.p.A. which do not allow for direct matching of purchase bids with predetermined sales bids. Operating activity on the block market is also excluded.

The Shareholders' Meeting of 26 April authorised the execution in the twelve month period from said date, in exclusive compliance with the procedures set forth in the paragraph above, of further purchases of Fondiaria-SAI shares, for a maximum increase, taking into account any sales that may have been implemented in the meantime, of 1,500,000 shares of a nominal value of € 1.00 each, and at any rate up to the maximum amount of € 48 million, without prejudice to observance of the limits set forth in Article 2359-*bis* of the Italian Civil Code.

The maximum number of Fondiaria-SAI shares that may be purchased as above must be considered as the difference between the Fondiaria-SAI shares purchased and those sold pursuant to authorisation by Shareholders' Meeting.

Purchase transactions - and, as the case may be, sale transactions – shall begin as from 1 June 2006.

Each purchase will be effected at a unit price no more than 5% (five percent) higher than the average reference prices recorded on Borsa Italiana's electronic system in the three trading sessions prior to each transaction and each sale will be effected at a price which must be no more than 5% (five percent) lower than the average reference prices recorded on Borsa Italiana's electronic system in the three trading sessions prior to each transaction.

With regard to volumes, shares may not be purchased or sold, from time to time, for an amount exceeding 25% of the daily average volume of shares traded on the regulated market in which the transaction is effected, calculated on the basis of daily average volume of trades effected in the month preceding the month during which the programme is disclosed to the public and established, on this basis, for the full duration of the programme.

All the purchase and/or sales transactions will be effected in compliance with all applicable legal and regulatory provisions.

At the end of the period conceded by the Shareholders' Meeting authorisation, the Company will also notify the public of the outcome of the programme and its implementation.