



LAUNCH OF THE CORPORATE RESTRUCTURING PROJECT OF THE FONDIARIA-SAI GROUP

APPROVAL OF THE MERGER BY INCORPORATION INTO MILANO ASSICURAZIONI S.p.A. OF SASA ASSICURAZIONI E RIASSICURAZIONI S.p.A., SASA VITA S.p.A. AND THE SHARE CAPITAL INCREASES OF MILANO ASSICURAZIONI RESERVED TO FONDIARIA-SAI FOR THE CONFERMENT IN KIND BY THIS LATTER OF THE ENTIRE HOLDING OF LIGURIA ASSICURAZIONI S.p.A. AND OF 27.88% HELD IN IMMOBILIARE LOMBARDA S.p.A.

SHARE SWAP AS FOLLOWS:

- **27 ordinary shares of MILANO for every 33 shares of SASA ASSICURAZIONI**
- **8 ordinary shares of MILANO for every 19 shares of SASA VITA**
- **11 ordinary shares of MILANO for every 10 shares of LIGURIA**
- **1 ordinary share of MILANO for every 34 shares of IMMOBILIARE LOMBARDA**

Florence, April 23, 2008 - It is announced that today the Board of Directors of the companies involved in the Group industrial/corporate restructuring, whose guidelines were established and announced to the market on January 30, 2008, approved the merger by incorporation into Milano Assicurazioni of SASA Assicurazioni e Riassicurazioni S.p.A. ("SASA") and SASA Vita S.p.A. ("SASA Vita"), as well as the proposal of the two share capital increases in Milano Assicurazioni, excluding the pre-emption right, reserved to the parent company Fondiaria-SAI, in consideration of the conferment in kind of the full shareholding held in Liguria Assicurazioni S.p.A. ("Liguria") and of the holding in excess of 51% of the share capital directly held in Immobiliare Lombarda S.p.A. on the completion of the purchase and exchange offer launched by Fondiaria-SAI that concluded on April 17, 2008.

In accordance with the guidelines of the industrial and corporate restructuring project, already announced to the market, and in consideration of the compliance period, by Fondiaria-SAI, of the compulsory purchase pursuant to article 108, paragraph 2, of the Consolidated Finance Act as well as, where applicable, of the purchase right pursuant to article 111 of the Consolidated

Finance Act, the conferment of the holding in Immobiliare Lombarda S.p.A. was determined as 27.88%.

Also in consideration of the nature of the operation between the related parties, the Board of Directors appointed, respectively, CREDIT SUISSE SECURITIES (Europe) Limited and MORGAN STANLEY BANK INTERNATIONAL LTD (Milan branch) for Milano Assicurazioni, and KPMG Corporate Finance, a division of KPMG Advisory S.p.A. and MEDIOBANCA Banca di Credito Finanziario S.p.A. for Fondiaria-SAI as financial advisors.

MERGER BY INCORPORATION OF SASA AND SASA VITA INTO MILANO ASSICURAZIONI - SHARE CAPITAL INCREASE OF FONDIARIA-SAI.

The merger project provides for the merger into Milano Assicurazioni of:

- SASA, held 99.99% directly by FONDIARIA-SAI;
- SASA VITA, a 50% subsidiary directly held by Fondiaria-SAI and for the remaining 50% indirectly through SASA;

Based on the valuations made, the Boards approved the following share swap ratios:

- SASA: 27 Milano ordinary shares - nominal price Euro 0.52 each, for every 33 SASA shares - nominal price Euro 1 each;
- SASA Vita: 8 Milano ordinary shares - nominal price Euro 0.52 each, for every 19 SASA Vita shares - nominal price Euro 1 each;

The merger will result in an increase in the share capital of Milano Assicurazioni by approximately Euro 23.9 million through the issue of a maximum of approx. 46 million ordinary shares of a nominal value of Euro 0.52 each, to be assigned in accordance with the share swap ratio indicated above, to the shareholders of SASA and to those of SASA Vita, who are not shareholders in SASA.

The merger equity value is, for all of the companies participating, that recorded in the financial statements as at December 31, 2007.

The newly issued ordinary shares of Milano Assicurazioni, issued for the share swap, will have the same rights as the ordinary shares of Milano Assicurazioni outstanding at the effective date of the merger.

The effective date of the merger with minority interests will be as of December 31, 2008, subject to the obtaining in time of the necessary authorisations. In this case, the accounting and fiscal effects of the merger will be effective as of January 1, 2008.

The Court of Milan nominated the audit firm Reconta Ernst&Young as independent expert pursuant to article 2501 of the civil code for the preparation of the fairness report on the share swap ratio.

SHARE CAPITAL INCREASES OF MILANO ASSICURAZIONI, EXCLUDING THE PRE-EMPTIVE RIGHT, RESERVED TO FONDIARIA-SAI, TO BE PAID RESPECTIVELY, THROUGH CONFERMENT IN KIND OF INVESTMENTS HELD IN THE COMPANIES LIGURIA AND IMMOBILIARE LOMBARDA

The operation provides for the conferment to Milano Assicurazioni by Fondiaria-SAI:

- of the entire holding in Liguria, corresponding to 99.97% of the share capital;
- a holding of 27.88% in the share capital held by Fondiaria-SAI in Immobiliare Lombarda on the completion of the purchase and exchange offer.

Against the aforesaid conferments (the "Conferments"), two share capital increases will take place in Milano Assicurazioni, reserved to Fondiaria-SAI - pursuant to article 2441, paragraph 4 of the civil code - through issue, respectively, of:

- i. approx. 25.3 million ordinary shares of a nominal value of Euro 0.52 each, for a total nominal value of approx. Euro 13.2 million, in addition to a share premium of Euro 137.9 million and therefore for a total value of approx. 151.1 million;
- ii. approx. 33.7 million ordinary shares of a nominal value of Euro 0.52 each, for a total nominal value of approx. Euro 17.5 million, in addition to a share premium of Euro 154.9 million and therefore for a total value of approx. 172.4 million.

The newly issued ordinary shares of Milano Assicurazioni, issued for the conferments, will have the same rights of Milano Assicurazioni ordinary shares outstanding at the effective date of the conferments.

The Milan Court nominated the audit firm Reconta Ernst & Young as the expert pursuant to article 2343 of the civil code for the preparation of the sworn report on the estimate of the conferments. The issue price of the new shares for the conferments will, in accordance with article 2441, paragraph 6 of the civil code, be subject to a fairness opinion by the audit firm appointed by Milano Assicurazioni, Deloitte & Touche.

With reference to the industrial and financial rationales of the operation, reference should be made to the joint press releases issued on January 30 and February 4, 2008.

On the completion of the project, and taking into account the payment of the offer price which will be made tomorrow, Fondiaria-SAI will hold approx. 62.5% of the ordinary share capital of Milano Assicurazioni.

The completion of the operations contained in the present press release are subject to obtaining the necessary ISVAP authorisations and is expected by December 2008; the merger will be effective after the conferment.

The documents requested by current regulations will be filed within the legal terms established and in the manner set out by statute and regulations.

Further information and more details on the operations are published on the www.fondiarria-sai.it and www.milass.it websites.

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