

**PRESS RELEASE TRANSLATION**

***Milano Assicurazioni S.p.A.: Third Quarter Results as at 30 September, 2003***

***Net Profit 92.5 million Euro, in line with the  
Group Business Plan forecast***

***Positive technical results: profits of 62.1 million Euro in non-life and 45 million Euro  
in the life technical account.***

***Premiums up at 1,541.4 million Euro (+6.3%)***

Milan, 10 November 2003. The Board of Directors of Milano Assicurazioni met today, under the chairmanship of Dr. Fausto Marchionni.

It was with profound regret that the Board noted the recent and sudden death of Dr. Alberto Falck, a Board Member since June 1985, and expressed its sincerest condolences to his family. Dr. Falck will be remembered as a leading figure in Milanese society, both in business and cultural circles who, during his long years of service to the Company, never failed to make invaluable contributions.

The Board then examined and approved the Third Quarter Consolidated Results as at 30 September 2003.

During the first nine months of 2003 Milano Assicurazioni Group has achieved a net profit of 92.5 million Euro against the 6 million Euro loss recorded during the corresponding period the previous year. So as to make a meaningful comparison, the latter figure has been reclassified to take into account the results achieved by Italia Assicurazioni which was incorporated into Milano Assicurazioni on 31 December 2002.

The non-life technical account shows a profit of 62.1 million Euro during the first nine months against a profit of 189.8 million Euro for the corresponding period in 2002 which benefited from a lower valuation of claims reserves in previous years.

The technical account for life business shows a profit of 45 million Euro, significantly up on the 16 million Euro profit recorded in the first three quarters the previous year, essentially due to the transfer of a larger share of investment income allocated to the technical account.

Premiums written as at 30 September 2003 total 1,541.4 million Euro (+ 6.3%). Direct business premiums written amount to 1,528.9 million Euro (+ 6.1%) of which 1,294.8 million Euro (+ 8.3%) Non-life and 234.1 million Euro (- 4.4%) Life. Life business is still being penalized by the loss of portfolio acquired in the past through the San Paolo banking group, while premiums written by the agency network alone are on the increase.

Net income from investments as at 30 September 2003 amount to 184.4 million Euro against 65.1 million Euro net income recorded as at 30 September the previous year. The improvement is mainly due to the different impact of investment writedowns which penalized the 2002 results by 247.5 million Euro.

These results are in line with the Group Business Plan which was made known to the market in April this year.

The Board also noted the sale of part of the Company's non-instrumental real-estate assets, completed during the Fourth Quarter, within the timescale previously made known to the market, and expressed its full satisfaction with the positive outcome.

Assago, 10 November 2003

## Simplified Consolidated Profit and Loss Account

*(thousand Euro)*

	Q3 2003	Q3 2002	Jan-Sept. 2003	Jan-Sept. 2002
<b>NON-LIFE</b>				
Earned premiums	424.394	403.929	1.305.560	1.193.882
Claims expenses	-333.532	-292.601	-971.833	-745.071
Operating costs	-56.683	-68.852	-233.872	-223.657
Other technical income and expenses	-6.525	-5.097	-37.766	-35.402
<b>Non-life technical result</b>	<b>27.654</b>	<b>37.379</b>	<b>62.089</b>	<b>189.752</b>
<b>LIFE</b>				
Retained premiums	66.698	68.640	229.548	240.226
Claims expenses and change in technical reserves	-84.382	-100.792	-283.518	-282.814
Operating costs	-5.973	-6.877	-20.447	-21.842
Other technical income and expenses	-784	-398	-4.564	-2.471
Share of investment income	29.686	18.207	116.165	83.277
Income and unrealized gains net of expenses and unrealized losses on investments for the benefit of life policyholders	467	5.596	7.859	-355
<b>Life technical result</b>	<b>5.712</b>	<b>-15.624</b>	<b>45.043</b>	<b>16.021</b>
Investment income, net of expenses	48.042	-34.060	184.376	-65.112
Share of investment income transferred to the technical account	-29.686	-18.207	-116.165	-83.277
Other income, net of expenses	-3.654	-15.953	-28.144	-39.998
<b>Result from ordinary operations</b>	<b>48.068</b>	<b>-46.465</b>	<b>147.199</b>	<b>17.386</b>
Extraordinary income and expenses	6.852	4.121	8.892	4.914
<b>Pre-tax result</b>	<b>54.290</b>	<b>-42.344</b>	<b>156.091</b>	<b>22.300</b>
Tax	-21.661	5.637	-63.580	-28.200
<b>Consolidated result</b>	<b>33.259</b>	<b>-36.707</b>	<b>92.511</b>	<b>-5.900</b>
Profit (loss) minorities	-	31	20	62
<b>Group profit (loss)</b>	<b>33.259</b>	<b>-36.738</b>	<b>92.491</b>	<b>-5.962</b>

Assago, 10 November 2003