

PRESS RELEASE

MILANO ASSICURAZIONI S.p.A.: THE BOARD APPROVED THE 1Q05 CONSOLIDATED RESULTS. TOTAL TECHNICAL RESULT GREW BY 34.2%. COMBINED RATIO REACHED 89.6% (93.4% 1Q 2004)

Milano Assicurazioni Group	1Q05	1Q04	Chg.%
Amounts in €m.			
Gross Written Premiums	810.2	777.6	(+ 4.2)
Total Technical Result	69.4	51.7	(+ 34.2)
Operating Result	107.6	113.7	(- 5.4)
Group's Net Profit	66.2	71.5	(- 7.4)
Cons. Combined Ratio	89.6%	93.4%	

Milan May 10th, 2005. The Board of Directors of Milano Assicurazioni S.p.A. met today, chaired by Fausto Marchionni, and examined and approved the 1Q05 consolidated results.

Total technical result reached € 69.4 m., (€ 51.7 in 1Q04, + 34.2%). This relevant improvement in technical result is not reflected in the Group's net profit that totalled € 66.2 m. (€ 71.5 m. 1Q04, - 7.4%), mostly because of the reduced realized profits on investments (€ 17.6 m. in 1Q05 vs. € 49.5 m. in 1Q04).

Nevertheless Group's net unrealised gains on bonds and equities as at march 31st reached € 205,5 m. .

Total written premiums achieved € 810.2 m., (€ 777.6 m. in 1Q04, +4.2%).

In Non Life business direct premiums reached € 673.1 m., (€ 662,4 m. in 1Q04, + 1.6%) while technical result achieved € 65.7 m. (€ 42.0 m. in 1Q04, + 56.4%), thus confirming Group's strategy that joins growth and profitability thanks to a careful underwriting approach sensitive to market trends.

As a consequence combined ratio reached 89.6% vs 93.4% in 1Q04, confirming itself at the highest market level.

Life business continues the positive growth trend shown in 2004. Direct business premiums grew to € 134.4 m. (€ 113.7 m. in 1Q04, + 18,3%). The decrease of the technical result (€ 3.7 m. vs. € 9.8 m. in 1Q04, -62,2%), is mainly due to the charges incoming from the settlement of the litigation with Consap, that penalized the technical result by approximately € 6.5 m. .

On the whole, the 1Q05 results confirm the positive expectations for the current financial year.

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