



PRESS RELEASE

Share Capital Increase

UNDERWRITING CONTRACT SIGNED BETWEEN FONDIARIA-SAI AND THE MEMBERS OF THE CONSORTIUM AND THE COMMITMENT WITH UNIPOL GRUPPO FINANZIARIO FOR THE SUBSCRIPTION OF THE CATEGORY B SAVINGS SHARES

Milan, July 13, 2012 – The Company announces that the underwriting contract was signed today with: Barclays Bank Plc, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG (London Branch), Mediobanca S.p.A., Nomura International Plc, UBS Limited, Unicredit Bank AG (Milan Branch), as Joint Global Coordinators and Joint Bookrunners, Banca Akros S.p.A., Banca Aletti & C. S.p.A., Banca Carige S.p.A. and Centrobanca S.p.A., as Co-lead Managers (jointly, the “**Guarantors**”) in which the Guarantors will guarantee – severally – the subscription of the ordinary shares from the capital increase approved by the Shareholders’ Meeting of June 27, 2012 net of the irrevocable subscription commitments undertaken by Premafin Finanziaria S.p.A. and Finadin S.p.A. for the rights pertaining to them and Unipol Gruppo Finanziario S.p.A. (“**UGF**”) relating to the Category B savings shares (which remain unopted at the end of the offer period).

The underwriting contract recognises a commission of 4.8% of the total market risk undertaken by the consortium. A structuring commission will also be paid of a maximum of Euro 24 million.

The contract contains specific clauses which allow the Joint Global Coordinators to withdraw on the occurrence of some events. Some of these events – normal market practice for similar operations – relate to (i) the occurrence of extraordinary market events (such as, for example purposes only, so-called “material adverse change” or “force majeure”) which would adversely affect or render inadvisable the undertaking or continuation of the offer and/or the successful completion of the offer, (ii) the occurrence of extraordinary events relating to the Company and/or the Group which would adversely affect or render inadvisable the undertaking or continuation of the offer and/or the successful completion of the offer, (iii) the violation of the commitments undertaken or of the guarantees given by the Company within the underwriting contract, (iv) the publication of a supplement to the information prospectus, (v) the loss by the Company or by Milano Assicurazioni of authorisations or licenses necessary to undertake their activities, (vi) the suspension or significant limitations of trading on the Italian Stock Exchange, on the London Stock Exchange or on the New York Stock Exchange, (vii) the downgrade of Italian government debt or the rating of the Company and/or of the Group or the lowering of the outlook of these ratings, (viii) the non truthfulness or correctness of the information contained in the information prospectus or in the offering circular, (ix) the issue of measures by the Authorities against the Company or Milano Assicurazioni which could impact negatively on the activities and/or on the balance sheet, financial position and/or profitability of the Company and/or of the Group which would adversely affect or render inadvisable the undertaking or continuation of the offer and/or the successful completion of the offer, (x) the prolonged exclusion or suspension of trading of the shares of the Company, (xi) the revocation or withdrawal of the capital increase of the Company, (xii) the withdrawal of authorisation to the commencement of trading on the Italian Stock Exchange of the Category B



shares. Other justifiable withdrawal events concern the structure of the operation and relate to (a) circumstances which would affect the implementation of the integration project with the Unipol Group and (b) the non occurrence for whatever reason of the UGF capital increase and/or the relative underwriting contract.

The underwriting contract also includes clauses which must be complied with for the effectiveness of the guarantees provided by the Guarantors. The effectiveness of this guarantee is, in fact, subject to some events such as (i) the fulfilment by Premafin, Finadin and UGF of the subscription commitments respectively undertaken, (ii) the compliance with the offer calendar, (iii) the issue, in the timeframe indicated in the underwriting contract, of the usual legal opinions and comfort letters relating to the offer documentation, (iv) the issue at the payment date of a declaration by the Company confirming the declarations and guarantees in the contract, (v) the issue by the audit firm of a comfort letter on the half year report at June 30, 2012.

In addition, we report that today UGF also signed the commitment to fully subscribe any Category B savings shares unopted on the conclusion of the Offer, up to a total amount of 321,762,672 shares and for a total maximum value of Euro 181,795,909.68, against the payment of a total commission of 4.80% of this amount and, therefore, approx. Euro 8.75 million (the "**UGF Commitment**"). This percentage coincides with the percentage negotiated with the banks participating in the underwriting consortium; no further structuring commission is recognised to UGF. UGF has advised us that this commitment will take place through the use of current financial resources.

* * * *

The Board of Directors of Fondiaria-SAI evaluated the above-mention agreements in view of the conduct principles for significant operations and transactions with related parties of the Fondiaria-SAI S.p.A. Group (the "**Conduct Principles**").

We report, in fact, that the Guarantors includes UniCredit Bank AG which is a subsidiary of Unicredit S.p.A., which in turn is a related party of the Company in that it exercises a "significant influence" in view of the shareholder agreement signed on July 8, 2011 with the parent company Premafin and resolved on July 9, 2012 (see notice of July 12, 2012 on the website of Premafin). This shareholder agreement in fact permits UniCredit to appoint three members of the Board of Directors of the Company still in office. Although UniCredit Bank AG, as subsidiary of a related party, should not normally be considered in turn a related party, it was considered appropriate, as a precautionary measure, to apply the procedure for transactions with related parties to the terms contained in the underwriting consortium. In particular, based on the agreements reached, UniCredit Bank AG will only be recognised the commission of 4.8% and not the further structuring commission mentioned above.

In relation to the UGF commitment, taking into consideration that, within the proposed integration operation with the Unipol Group, UGF (i) will firstly acquire control of Premafin due to the subscription to the reserved capital increase and thereby, indirectly, the control of Fondiaria-SAI; and (ii) subsequent to the execution of the merger by incorporation into Fondiaria SAI of Premafin, Milano Assicurazioni and Unipol Assicurazioni, acquire the direct control of the new entity from the integration, it was considered,



at least prudently, to consider UGF as a related party of the Company – as future parent company – in accordance with the Conduct Principles.

The above-mentioned operations comprise “less significant” operations, as defined by Consob regulations and the Conduct Principles, as the value of the commissions to be recognised for underwriting the commitments, respectively, by Unicredit Bank AG and UGF do not exceed the significant threshold established. Notwithstanding, these operations were subject to similar controls to those for “significant” operations, as defined above, and, in particular, those applied in relation to the integration operation with the Unipol Group.

In fact, taking into consideration the link between the recapitalisation of Fondiaria-SAI (and the related underwriting commitment of UGF) and the overall integration operation with the Unipol Group, it was considered prudent that an opinion relating to the approval of the two operations mentioned above should be expressed by the Committee of Independent Directors appointed by the Board in relation to the integration operation with the Unipol Group and that this opinion should be binding.

The Committee in the meeting for this purpose held on July 11, 2012 expressed its favourable opinion to the two operations with the unanimity of those present, with the director Salvatore Bragantini present only in the first part of the meeting. Also the Board of Directors, in a subsequent meeting on the same date approved – with the unanimity of those present – the subscription of the underwriting contract and the UGF commitment.

In particular, it was evaluated that the subscription of the underwriting contract and the UGF commitment – with the aim to ensure the full subscription of the capital increase approved by the Company in execution of the restructuring plan presented to ISVAP – fully responds to the interests of the Company for the completion of the necessary recapitalisation. In addition, UniCredit Bank AG and UGF will be recognised a commission of 4.8% equal to that negotiated with the underwriting consortium and the above-mentioned structuring commission will not be recognised.

This press release is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States unless they are registered or are exempt from registration. The Company does not intend to register any portion of the securities in the United States or to conduct a public offering in the United States. Any public offering of securities to be made in the United States will be made by means of a prospectus that will contain detailed information about the Company and its management, as well as financial statements. Copies of this press release are not being, and should not be, distributed in or sent into the United States.

It may be unlawful to distribute these materials in certain jurisdictions.

These materials are not for distribution in the United States, Canada, Japan or Australia. The information in these materials does not constitute an offer of securities for sale in the United States, Canada, Japan or Australia.



Press Office

Tel. +39 02-64029101

Investor Relations

Giancarlo Lana
Floriana Amari
Tel. +39 011-66 57 642
Tel. +39 02-64 02 25 74
investorrelations@fondiaria-sai.it

AD Hoc Communication Advisor

Sara Balzarotti
Mob. +39 335 1415584
Pietro Cavalletti
Mob. +39 335 1415577