



Press Release

Milan, May 24, 2012. The following press release refers to those previously issued by Fondiaria-SAI (the “**Company**”) on May 17 and 18, 2012, concerning the resolutions adopted by the Board of Directors on the proposal containing the financial terms of the proposed integration with the Unipol Group. In this regard and on the request of Consob in accordance with Article 114, paragraph 5 of Legislative Decree 58/98, the following is announced.

Firstly, it is stated that, following the Board of Directors’ meeting of May 17, 2012, the Company on the same date sent to the parent company Premafin Finanziaria S.p.A. (“**Premafin**”) and the subsidiary Milano Assicurazioni S.p.A. (“**Milano Assicurazioni**”) with Unipol Gruppo Finanziario (“**UGF**”) and Unipol Assicurazioni S.p.A. in copy, a proposal containing the percentage holdings forecast of the ordinary shares of the Company following the integration, together with the assumptions on which the valuations were based. As previously announced to the market, the proposal establishes that following the merger, UGF holds 61% of the ordinary shares of the company deriving from the merger and that the current minority shareholders of the Company, of Milano Assicurazioni and of Premafin hold respectively 27.45%, 10.70% and 0.85%.

On May 22, 2012, Milano Assicurazioni, as approved by the Board of Directors on May 21, 2012, confirmed their agreement with the proposal received and communicated to the Company that they considered that *“the pursuit of the negotiations with the Unipol Group, in relation to the noted integration project, take as a departure point the minimum threshold percentage of 10.7% of the ordinary share capital of the company resulting from the merger; this minimum holding, based on current conditions, would be fair and therefore is not an impediment to the continuance of the above stated negotiations”*. In the same communication, Milano Assicurazioni drew up a number of observations in relation to the proposal received from the Company. A summary of this communication was sent on May 22, 2012 by Milano Assicurazioni also to Premafin.



In light of the communication received, the Company therefore on May 23, 2012 sent to Premafin and in copy Milano Assicurazioni a new proposal, which included the observations drawn up by Milano Assicurazioni. The text of this proposal therefore should be considered as a common proposal drawn up by the Company and Milano Assicurazioni.

This proposal is based on a series of terms, parameters and considerations whose content is available in the communication of the Company of May 23, 2012 – attached to the present press release – addressed to Premafin after including the observations of Milano Assicurazioni drawn up with letter of May 22, 2012, also attached to the present press release.

Also on May 23, 2012, as a result of the press release issued on the same date, the Board of Directors of Premafin stated *“that the holding of the current shareholders of Premafin in the ordinary share capital of Fondiaria-SAI (as incorporated within the merger subject to the integration project) proposed by Fondiaria-SAI as 0.85%, based on current conditions, permits the drawing up of the terms and conditions of the integration project with the UGF Group”* and consequently sent the proposal of the Company to UGF – and in copy to the Company itself and Milano Assicurazioni – attaching its evaluations drawn up on the matter.

Considering that the date of May 21 was not considered as a deadline – with the Company, in the communication of May 17, 2012, having requested Milano Assicurazioni and Premafin to communicate within this date to the Company and to UGF the terms and conditions of the proposal – it is considered that the proposal of the Company was verified and sent to UGF which, at the moment, has not issued any communication in this regard. The date of May 21, 2012 was stated as, among other issues, Premafin had highlighted the need to collate as many elements as possible with regard to the financial terms and conditions of the operation by this date (with the Ordinary and Extraordinary Shareholders' Meeting postponed to June 12, 2012).

Also in relation to the above stated proposal, a majority of the Committee of Independent Directors instituted in accordance with the procedure for transactions with related parties of the Fonsai Group in relation to the proposed integration (the “Committee”) by majority expressed a favourable opinion with the only opposing vote from the director Salvatore Bragantini. In issuing on May 17, 2012 their favourable opinion on the integration operation with the Unipol Group, the Committee took into consideration, among other issues, the following elements:

- the urgent need to recapitalise the Company, in order to re-establish an adequate solvency margin;
- the industrial propriety of the operation, which enables the creation of the leading non-life insurer in Italy and the 8th in Europe;
- that an operation of industrial content which attracts the interest of the market is a point of strength for the considerable recapitalisation necessary;
- the fact that, based on the preliminary estimates communicated by Unipol, the merger could create value for all shareholders of the new entity, thanks to the expected synergies that may be created;
- the operation with the Unipol group appears to have the approval, although only preliminary, of the Supervisory Authority and, in a more general sense, is suited to be met with the approval by all bodies to which the operation would be subject.

The Committee, in expressing its preliminary favourable opinion of the operation, noted that the percentage holdings of the company subject to integration in the new entity would fall within the preliminary range of values expressed by their advisor. These intervals were based on a series of parameters which established, among other issues, the full execution of the share capital increases of the companies involved in the merger. More in general, the opinion expressed on the overall integration takes account of the positive effects from these recapitalisations.



The Director Salvatore Bragantini summarises as follows his reasons for opposition: *“The Director Salvatore Bragantini bases his opposing vote on the data emerging from the investigations of the advisors. Based on such data, he highlighted, Unipol Assicurazioni had an adjusted net equity, for the purposes of the Embedded Value – a common parameter adopted for the valuation of insurance companies – well below the same value that the advisors determined for Fondiaria Sai. This was the case at the end of 2011, and based on the updated data at March 31, 2012. In his opinion, these results highlight the urgent need for extensive investigations, without which the necessary elements are not in place to satisfy the belief that Unipol Assicurazioni is capable of supporting the overall integration operation proposed, in addition to create the necessary positive effects – and consequently impact the value of the share – which this operation may legitimately expect. These considerations merited the attention of the Committee of Independent directors; the considerations did not include the share swap ratio, whose definition is the only duty for which the Committee of Independent Directors utilises the work of the advisors.”*

It is also noted that at the time of undertaking the resolution to proceed with the drawing up of the terms and conditions of the integration with the Unipol Group, based on the expected percentage holdings in the ordinary share capital of the incorporated Fondiaria-Sai resulting from the merger, the Board of Directors and the Committee took into consideration, among other issues, the analyses and the preliminary valuations carried out by the respective financial advisors Goldman Sachs Italian Branch and Citi, included in the presentations and the relative support materials made available and illustrated by the advisors respectively to the Board and the Committee in the course of the meetings of May 15 and 17, 2012.



Also on the request of Consob, it is announced that, with communication of May 17, 2012, Mediobanca – Banca di Credito Finanziario S.p.A. sent in copy to the Company a communication addressed to Premafin and UniCredit S.p.A., in which, making reference to the negotiations in progress between Premafin and the lending banks in relation to the proposed rescue plan within the integration project with the Unipol Group, announced that *“in the absence of the reaching of an agreement between UGF and the Premafin-FonSai Group by May 21, 2012, which enables the prompt completion of the Integration Project, in light of the uncertainties, also of a regulatory nature, which will be created, we believe that the Significant Event established under the Loan Contract signed on December 22, 2004 would be triggered, along with the relative consequences.”* In relation to this communication the Company – as not the addressee – noted its content. A copy of the same communication was sent to those present at the end of the board meeting of May 17, 2012.

* * * *

Reference is also made to the press release issued by the Company on May 10, 2012 containing, among other issues, the results of the evaluations made by the Board of Directors in relation to the fulfilment of the independence requirements by the Directors. Also on the specific request of Consob, the following is announced.

In order to establish the independence of the directors who were declared independent on the presentation of the slates, the Board of Directors in the meeting of May 10, 2012, carried out specific investigations in relation to the following positions:

- (i) Ms. Marocco concerning (a) the office of director of SAI S.p.A. previously held and subsequently held by her mother until 2009 and (b) to the fact that her father is a non executive and independent Director of Unicredit S.p.A. which exercises significant influence on the Company; and

- (ii) Mr. Cappelli in his role as partner at the Studio Legale Gianni Origoni Grippo Cappelli & Partners which in 2011 received from the Company a number of professional consultancy appointments (a first appointment for the divestment of Atahotels and a second appointment for the verifications requested by the Board of Statutory Auditors on aspects concerning a petition presented by a shareholder as per Article 2408 of the civil code).

In relation to the profile (i) relating to the position of Ms. Marocco, the Board considered that, given the personal and professional qualities of Ms. Marocco and the absence of relations which currently link the Company with the mother of the director, no basis exists for the absence of independence in accordance with the Self-Governance Code of listed companies, on the sole basis of a mere family relationship with an ex-director. Agreeing with the evaluations carried out previously by the Board of Directors, account was also taken of the fact that the Self-Governance Code provides a wide range of discretion to issuers in relation to the definition of family relations to be considered relevant. In addition, the Board of Directors, with Ms. Marocco drawing the attention of the Board to the point, evaluated that the role of non executive and independent director of the father of Ms. Marocco does not fulfil the definition of a significant representative established by the Self-Governance Code and therefore the matters in examination do not fall within the ambit of application of principle 3.C.1. letter b) of the Self-Governance Code; also in this case, the Board of Directors considered that the family relationship existing therefore did not prejudice the independence of judgment and the independence of the director in question.

In relation to the profile (ii) Mr. Cappelli stated to the Board that at May 10, 2012, no remuneration was outstanding to the legal office from the Company for the above stated appointments and that it was not possible to quantify the remuneration that the same appointments may generate in the year or in the future. Based on these elements, taking account of the significance criteria for the valuation of independence adopted by the Company (5% of the annual revenue of the Legal Firm or however an amount of Euro 200,000 annually), the Board considered that the professional relationship with the Legal Firm Gianni Origoni Grippo Cappelli & Partners was not such to prejudice the independent judgment of



the director in question. The Board of Directors in any case invited Mr. Cappelli to provide updates in relation to the situation concerning the above stated appointment and the relative remuneration.

It is stated finally that the Company also verified that the commitments undertaken by UGF in relation to the above stated agreements with Premafin on January 29, 2012 in favour of, among others, directors of the Company (that is revocation of voting against actions of responsibility and indemnity obligations in this regard) would not determine the absence of the necessary requisites for participation in the Committee. In relation to this specific aspect, the Company acquired a legal opinion which excluded the absence of such requirements.

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To the attention of the Chairman and Chief Executive Officer

Via fax No. 02-64028591

Milan, May 22, 2012

Subject: Fondiarria-SAI letter of May 17, 2012

Dear Sirs,

we reply to your letter of May 17, 2012 to inform you that the Board of Directors of Milano Assicurazioni S.p.A., in a meeting held today, and having discussed the findings of the Committee for transactions with related parties, can confirm that as of today's date there are no substantial reasons against the interest of the Company – and therefore acting as an impediment – in the continuation of the negotiations of the integration operation between Unipol Assicurazioni, Premafin, Fondiarria-SAI and Milano Assicurazioni. The Board of Directors, in the formulation of this reply, has taken note of the letters which Premafin sent on May 17, 2012 and May 18, 2012 (this latter only for information purposes sent to our Company).

The Board of Directors consider that the integration operation is based on a Group wide logic, taken as a whole, and which will allow the overcoming of the undoubted difficulties of the parent company Fondiarria SAI, and to which this Company is subject to direction and coordination and is strongly tied from a managerial and operational viewpoint.

The Board of Directors therefore consider that, based on the current detailed analysis, the integration of Milano Assicurazioni with Fondiaria-SAI and with Unipol Assicurazioni, will create an important national insurance group, and may also create for Milano Assicurazioni a significant result in terms of operating efficiencies and benefits for its clients: this opinion is based on the evaluations from the analysis of the industrial plan independently presented by Unipol Gruppo Finanziario (the analysis phase is however currently suspended as instructed by the Competition Authority) and in any case should be confirmed by the combined industrial plan to be prepared in the future also based on the interventions which could be required by the Competition Authority, as this plan is an indispensable element for the realisation of the integration.

The positive evaluation expressed by the Board of Directors however presupposes that the specific characteristics of the companies involved in the integration project are valued correctly and fairly in the share swap ratios which will be defined and applied on the merger.

Based on the findings of the financial advisor Rothschild and Prof. Angelo Provasoli (which utilised the data at December 31, 2011 and updated at March 31, 2012 of some balance sheet accounts), the Board of Directors of Milano Assicurazioni consider that the continuation of the negotiation requires that the discussions, in a comparison between the values of the companies involved in the possible integration (including the various contribution capacity to the project), commences from a minimum ordinary share capital holding of the combined entity, by the shareholders of Milano Assicurazioni other than Fondiaria-SAI, of 10.7%; a minimum shareholding (floor) which, on the basis of current conditions, falls within the range of values indicated by our advisors and, as such, does not impede upon the continuation of the above-mentioned negotiation.

Obviously, the matters outlined above implies (in line with that noted by you) that substantial changes do not take place in the structure and in the conditions of the integration operation compared to that outlined by Premafin and Unipol Gruppo Finanziario (Agreement of January 29, 2012), also due to interventions requested by the Supervisory Authorities, in particular the Competition Authority.

In relation to the assumptions indicated by you for the agreement of the project, we wish to highlight the following:

- (i) in relation to the net gains on property, we highlight that the minimum percentage holdings indicated above was formulated having considered and valued in part the net gains expected on the buildings of both Milano Assicurazioni and of Fondiaria-SAI;
- (ii) concerning treasury shares, our advisors reserve the right to verify that the non cancellation of Milano Assicurazioni shares currently held by companies of the Premafin Group and of the Fondiaria-SAI Group do not substantially alter the shareholding of the combined entity by the minority shareholders of the Company; in any case, the essential element is that there is complete uniformity of approach by all of the companies involved;
- (iii) the necessary caution noted by you with regard to Unipol Banca (in relation to which there was an incomprehensible unavailability of full disclosure, in particular as the asset has no evident industrial appeal) should be integrated with the guarantee that there are no responsibilities of Unipol Assicurazioni (and no responsibilities of the combined entity) of commitments in relation to the Unipol Banca shares or relative rights (such as sales or purchase options, pre-emptive rights, obligations or joint sale rights, redemption rights or withdrawal obligations), which could result in prejudicial sales or purchase conditions. This matter must be expressly governed by a merger agreement negotiated before and not after the merger.

In addition to that outlined, during a meeting undertaken in recent days we have taken notice that – and we have not made any objections – that the conversion loan of Euro 225 million which Premafin must negotiate with its lending banks, could provide that Fondiaria-SAI post merger at its discretion opt for the repayment of the loan through the resources from the share capital rights issues (which may include a share premium) and avoid the dilution effects consequent of the loan conversion.

The Board of Directors also declared to be in agreement with the fact that, at negotiation level:

- the combined entity must not incur charges consequent to any withdrawal permitted to the shareholders of Premafin due to the merger; for this purposes a mechanism could be introduced which adjusts the share swap ratio of the Premafin shares based on the withdrawal value exercised; this mechanism would not be necessary where, for the shares withdrawn, they were exercised pursuant to Article 2437-*quarter* of the civil code;
- the combined industrial plan (and to be agreed upon), which must consider the interventions which could be requested and agreed upon with the Competition Authority, is drawn up with the assistance of a primary industrial advisor, nominated in common agreement.

In addition, it is considered necessary that in further negotiation phases adequate attention is made to the updating, for all the companies involved, of the valuation of the major assets, in particular, in relation to Unipol Assicurazioni the structured securities portfolio.

In relation to the possibility of an alternative industrial integration between only Fondiaria-SAI, Milano Assicurazioni and Unipol Assicurazioni, the Board of Directors of this Company has taken note that this is a possible industrial solution.

Obviously, the resolutions taken by the Board of Directors of our Company – and the opinions and findings expressed by the Committee for transactions with related parties – are of a preliminary nature and have the objective to indicate that, at the current moment, there are no issues arising against the interests of the Company and its shareholders (shareholders other than Fondiaria-SAI which, as parent company, can legitimately consider and pursue the interest of the Group, where not harmful to that of the subsidiary) and does not impede the negotiations of the integration project.

We therefore confirm that, where there is agreement by you, Premafin and Unipol Gruppo Finanziario of the minimum shareholding indicated above, our Company will continue to ensure all collaboration and will be available for all further negotiation phases. The Board of Directors also gave mandate to Mr. Angelo Caso, supported by the Related Party Committee and by the advisors, to undertake the negotiations of the operation on behalf of Milano Assicurazioni and to report to the Board so that they may assume all necessary further board resolutions.

This letter contains some considerations which are formulated and addressed exclusively and confidentially to the parent company Fondiaria-SAI, which is not authorised to disclose this document or its contents without the written agreement of Milano Assicurazioni in any communication which illustrates or reflects the contents of the present document. In any case, Fondiaria-SAI must take into consideration the above-mentioned considerations in the negotiations relating to the operation.

Kind regards

Milano Assicurazioni S.p.A.



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Sent by registered post and fax

Milan, May 23, 2012

Subject: integration project between Unipol Group, Premafin and Fondiaria-SAI Group

Dear Sirs,

We reference to your letter of May 17, 2012, with which we have communicated the contents of the resolutions taken on that date by the Board of Directors of Fondiaria SAI in relation to the proposed integration operation with Unipol Group, as well as the subsequent communication sent on May 22, 2012 by Milano Assicurazioni to Fondiaria SAI and, for information purposes, to Premafin, with which it was communicated the decisions taken by the Board of Directors of Milano Assicurazioni with reference to this operation.

In this regard, we outline below the contents of our proposal with some modifications and amendments which reflect some issues highlighted by Milano Assicurazioni. The text which follows should therefore be considered a common proposal drawn up by Fondiaria SAI and Milano Assicurazioni.



The Board of Directors of Fondiaria SAI, in the meeting of May 17, 2012, taking account of the verifications and valuations made with the support of the advisers, resolved to continue in the determination of the terms of the integration with the Unipol Group on the basis of the following expected share capital holdings represented by the ordinary shareholders of the incorporating Fondiaria SAI, as resulting from the Merger:

- UGF	61%
- Other Shareholders Fonsai	27.45%
- Other Shareholders Milano Assicurazioni	10.70%
- Other Shareholders Premafin	0.85%

It should be noted that the resolution taken presupposes that the integration operation takes place, for all substantial aspects and except for that specified below, in accordance with the terms of the agreement signed between Premafin and UGF on January 29, 2012, and that therefore the current structure envisaged of the operation does not incur alterations, including those resulting from the current review by the Supervisory Authorities and Market Supervisor (CONSOB).

With reference to the expected shareholding in the incorporating Fondiaria SAI of the shareholders of Milano Assicurazioni other than Fondiaria SAI, we highlight that the Board of Directors of Milano Assicurazioni communicated "to have identified the minimum (floor) shareholding of 10.70% which, based on the current conditions, falls within the range of the values indicated by the advisor of the company and, as such, does not impede the continuation of the above-mentioned negotiation".



We highlight that the valuations made were based on the following principal assumptions:

- (i) that corporate and/or contractual mechanisms are agreed upon, which would ensure that only the current shareholders of Fondiaria SAI benefit from the net gains realised, compared to the values reported in the consolidated financial statements at December 31, 2011 and above the 2012 budget figures approved by Fondiaria SAI relating to the real estate sector as included in the documentation in the data room. In the definition of the above-mentioned mechanisms, a sales plan will be drawn up in line with the expected duration of the contractual instruments which will be identified and with the characteristics of the real estate portfolio, as well as governance mechanisms which guarantee an independent management in the execution of the sales plan, in the interest of the beneficiaries of the mechanisms. This assumption takes into account the circumstances that UGF had indicated not to have attributed any value to such potential gains in the determination of their proposal. Finally, we specify that the Board of Directors of Milano Assicurazioni communicated that "the minimum shareholding of 10.70% was identified having considered and valued in part the gains expected on the property, given the valuation of any effects of the real estate instrument outlined by Fondiaria-SAI in its letter of May 17, 2012, once this has been agreed upon and structured";
- (ii) on the outcome of the Merger, Fondiaria SAI and its subsidiaries do not hold any treasury shares, with the only exception of the Fondiaria SAI shares which will be assigned in the share swap in relation to the following holdings: (i) 3,700,000 Milano Assicurazioni shares currently held by SAI International; (ii) 1,015,672 Milano Assicurazioni shares currently held by Pronto Assistance; (iii) 300,000 Milano Assicurazioni shares currently held by Popolare Vita; (iv) 66,588 Premafin shares currently held by SAI Finanziaria. In order to achieve this result, the following will take place: in relation to the treasury shares held directly by Fondiaria SAI and the other treasury shares from the Merger, to the utilisation in the share swap within the merger; in relation to the Fondiaria SAI shares resulting also due to the share swap in the portfolio of Finadin, SAI Holding and Fondiaria SAI NL – which, due to the Merger, will be 100% subsidiaries of Fondiaria SAI – the incorporation of these companies into Fondiaria SAI as resulting from the Merger, with subsequent cancellation. The impact of the treasury shares on the expected holding in the share capital of Fondiaria SAI, as resulting from the Merger, are calculated assuming determined price levels in relation to the share capital increase approved by Fondiaria SAI on March 19, 2012. Therefore, these percentages may change, although marginally, based on the effective share capital subscription price;



- (iii) the valuation of the minority shareholding held by Unipol Assicurazioni in Unipol Banca was made, on the one hand, on the basis of public information and, on the other, taking into account relationships, restrictions and/or charges, current and potential, deriving from belonging to the Group under common control of UGF. Under this latter profile, it was assumed that (i) the new company does not assume and will not assume in the future (a) commitment to any future recapitalisation of the Bank; (b) commitment in relation to Unipol Banca shares, or relative rights (such as, for example purposes, sales or purchase options, preemptive rights, obligations or joint sales rights, redemption rights or withdrawal obligations) which could result in prejudicial sales or purchase conditions, as well as (ii) the existence of procedures which give rise to the concentration of risks in the relationship with the Bank (in terms of direct or indirect funding). These matters should be included within a merger agreement signed before the approval of the Merger project;
- (iv) in relation to the Fondiaria SAI and Milano Assicurazioni savings shares, a contribution to the total of the share capital calculated based on the discount of the market value of the savings shares compared to the market value of the ordinary shares in the last six months.

In relation to the present proposal the following was also assumed:

- (i) notwithstanding the agreements reached between Premafin and its bank lenders, it is negotiated, in relation to the converting loan of Euro 225 million, an amendment which provides for an all-in return of 4% annually and the conversion at the end of the third year subsequent to the effective date of the Merger, on the basis of a conversion price equal to the average, weighed for traded volumes, of the share price of the ordinary shares of Fondiaria SAI post Merger in the three months preceding the conversion date, increased by a premium of 15%. The converting loan could provide that Fondiaria SAI post merger can – in order to avoid the dilution effects consequent of the loan conversion – at its discretion opt for the cash repayment, in all or in part of the loan through resources from a rights issue (including any share premium). These modifications to the converting loan conditions are justified by the necessity to ensure a uniform treatment of the banks and the Fondiaria SAI and Milano Assicurazioni shareholders in that, as already outlined, the current conversion criterion would be strongly dilutive for these latter, providing for an exercise price of the conversion rights in line with the current share prices which contrast with the merger share swap values aligned to the economic capital value of the company;
- (ii) Fondiaria SAI does not incur charges deriving from the exercise of the withdrawal right devolving to the shareholders of Premafin due to the Merger or rather the share swap ratio is reviewed taking into account these charges;



- (iii) the adjustments requested by the Competition Authority on the outcome of its investigations commenced on April 26, 2012 is agreed upon with Fondiaria SAI and is not such as to alter the basis on which the future industrial prospects were determined and the economic values of the companies participating in the merger;
- (iv) by the approval date of the merger project, the industrial plan is agreed upon, which takes into account any interventions which will be requested by the Competition Authority, prepared with the assistance of primary independent industrial advisors nominated jointly by all the parties, which confirms – through specific declarations also by the approval date of the merger project – the reasonableness of the expected synergies and the quantification of the expected future capitalisation from the plan.
- (v) In the further negotiation phase adequate attention is given to the updating, for all of the companies involved, of the valuation of the major assets and in particular, in relation to Unipol Assicurazioni, of the structured securities portfolio.

The resolutions adopted by the Board of Directors of Fondiaria SAI assume, finally, a declaration by Mediobanca under which Mediobanca confirms the commitments already undertaken, and the absence – at the current moment and on the basis of verifications undertaken and information available – of issues which could prejudice the continuation of the activities to constitute the guarantee consortium for the purposes of the completion of the Fondiaria SAI share capital increase.

Given the above, we are prepared to renew, as already indicated during the discussions undertaken, our availability to define, on the basis of the underlying economic values, the above-mentioned percentages, within an alternative form which provides for the merger of only Fondiaria SAI, Milano Assicurazioni and Unipol Assicurazioni. In fact we believe that this different structure, for its greater level of simplicity, is preferable, which would enable the completion and execution of the operation in the short timeframe required.

We would like to highlight that the resolutions undertaken by the Board of Directors of Fondiaria SAI and Milano Assicurazioni, as outlined above, are necessarily only of a preliminary nature and were undertaken only for the purposes to verify the conditions of the operation from an economic viewpoint, for the purposes of a subsequent negotiation, taking into account also the investigation currently ongoing by the Competition Authority and the instructions already notified to the parties. The proposal to be presented to the shareholders must be, in fact, drawn up and deliberated in light of the overall conditions for the operation, as will be reflected in the merger project.



Where you are in agreement with the terms described above, we would kindly ask you to transmit the contents of the proposal to the Unipol Group in order to complete the terms of the proposed integration in the shortest timeframe possible.

In relation to this, we renew our full availability to organise a meeting in the coming days in order to define the common proposal to be presented to the Unipol Group. On this latter issue, we note that the Board of Directors of Milano Assicurazioni gave a mandate to Mr. Angelo Caso, supported by the Related Parties Committee and by the advisors, to undertake on behalf of Milano Assicurazioni the negotiations of the operations reporting to the Board of Directors in order to undertake any further resolutions.

Kind regards.

Fondiaria-SAI S.p.A.