

2004 first quarter results

The board of directors of Vittoria Assicurazioni met today in Milan to discuss the results of the first quarter of 2004 and approve the consolidated first quarter report.

Consolidated net profit amounts to Euro 8.2 million against Euro 4.9 million in the 2003 first quarter. The net profit is in part due to the net income of Euro 3.2 million generated by the change in accounting policies. This change relates to construction contracts of the group's real estate companies for which the stage of completion method was used rather than the completed contract method, in accordance with International Financial Reporting Standards.

Premiums total Euro 128.9 million, up 38.9% on the same period of the previous year.

Assets managed relating to life business amount to Euro 646.0 million, up 12.3% on the previous year. Direct life business premiums rose 118.1%. However, not considering certain contracts for large amounts, the increase would have been 20%.

Premiums of the motor lines of business rose 26.0%. Other non-life premiums excluding aviation, marine, bonds and credit increased 11.9% and premiums relating to aviation, marine, bonds and credit rose 33.4% following the recovery in production of spatial risks and bonds. Total direct non-life business premiums increased 22.9%.

Investments total Euro 1,209.2 million. They are split between investments where the policyholders bear the risk (Euro 120.2 million) and those where the group bears the risk (Euro 1,089.0 million). Ordinary income on investments where the group bears the risk rose 18.5% to Euro 12.2 million, including Euro 1.9 million arising from the adoption of the new accounting policy. The securities portfolio at 30 April 2004 shows a net unrealised gain of Euro 48.9 million.

Overheads as a percentage of premiums of the period decreased from 11.8% to 9.6%.

Group shareholders' equity, net of dividends already approved, amounts to Euro 126.9 million. Minority interests account for Euro 7.3 million.

On the basis of the performance of the period and forecasts for the following months, the 2004 year-end net profit is expected to be higher than at 2003 year end, in line with group objectives.

The company's key financial figures will be presented to the market on Thursday 20 May at 5.30 pm at Palazzo Affari ai Giureconsulti, Milan. They will also be available on the company's website in the "investor relations" section (www.vittoriaassicurazioni.com).

Milan, 12 May 2004

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Annex: - reclassified profit and loss account.

Reclassified profit and loss account

(in thousands of Euros)

	Consolidated accounts			Vittoria Assicurazioni S.p.A.		
	31/03/04	31/03/03	31/12/03	31/03/04	31/03/03	31/12/03
Technical account						
Life business:						
Direct insurance						
(+) Gross premiums accounted for	33.308	15.269	94.021	33.308	15.269	94.021
(-) Charges relating to claims	21.236	11.688	61.346	21.236	11.688	61.346
(-) Change in mathematical and other technical reserves	17.294	4.060	44.271	16.788	4.060	44.186
(+) Other technical captions, net	278	250	1.080	278	250	1.080
(-) Operating costs	3.145	2.847	14.010	3.145	2.847	14.010
(+) Income on investments where the company bears the risk - Class C - net of the portion transferred to the non-technical account	5.574	5.562	22.375	5.068	5.562	22.069
(+) Income on investments where policyholders bear the risk - Class D	3.734	-1.832	6.768	3.734	-1.832	6.768
Direct insurance result	1.219	654	4.617	1.219	654	4.396
Outwards reinsurance result	-230	-197	131	-230	-197	131
Retained direct insurance result	989	457	4.748	989	457	4.527
Indirect and retroceded insurance result	-2	-6	-36	-2	-6	-36
Result of life business technical account	987	451	4.712	987	451	4.491
Non-life business:						
Direct insurance						
(+) Gross premiums accounted for	95.235	77.464	362.908	95.235	77.464	362.908
(-) Change in premium reserve	1.418	-2.492	18.855	1.418	-2.492	18.855
(-) Charges relating to claims	63.020	51.599	240.816	63.045	51.599	240.877
(-) Change in other technical reserves	109	110	487	109	110	487
(+) Other technical captions, net	-1.427	-1.332	-3.308	-1.427	-1.332	-3.308
(-) Operating costs	23.234	19.470	89.593	23.315	19.544	89.668
Direct insurance result	6.027	7.445	9.849	5.921	7.371	9.713
Outwards reinsurance result	-1.341	-2.692	1.906	-1.341	-2.692	1.906
Retained direct insurance result	4.686	4.753	11.755	4.580	4.679	11.619
Indirect and retroceded insurance result	97	-12	187	97	-12	187
Total retained direct insurance result	4.783	4.741	11.942	4.677	4.667	11.806
(-) Change in equalisation reserve	54	45	212	54	45	212
(+) Income on investments transferred from the non-technical account	2.903	2.288	12.621	2.903	2.288	12.620
Result of non-life business technical account	7.632	6.984	24.351	7.526	6.910	24.214
Result of technical account	8.619	7.435	29.063	8.513	7.361	28.705
(+) Income on non-life business investments net of the portion transferred to the technical account (statutory)	-	-	-	750	591	3.141
(+) Income on investments transferred from the life business technical account (statutory)	-	-	-	-	153	1.787
(+) Income on investments net of the portion including in the technical account (consolidated)	3.728	1.879	10.298	-	-	-
(+) Other income	828	1.164	5.082	395	530	1.942
(-) Interest on financial payables	378	359	1.633	248	248	990
(-) Other charges	2.531	2.137	9.759	1.649	1.321	6.784
Result of ordinary business	10.266	7.982	33.051	7.761	7.066	27.801
(+) Extraordinary income	36	71	812	-	61	612
(-) Extraordinary expense	87	141	1.351	40	132	1.267
Profit	10.215	7.912	32.512	7.721	6.995	27.146
(-) Net income from change in accounting policy before minority interests	4.847	-	-	-	-	-
Profit before taxation	15.062	7.912	32.512	7.721	6.995	27.146
(-) Taxation on profit for the period	4.099	3.056	12.984	3.307	3.018	11.999
Consolidated net profit for the period	10.963	4.856	19.528	4.414	3.977	15.147
(-) Minority interests (ordinary)	882	-23	238	-	-	-
(-) Minority interests in the change in accounting policy	1.908	-	-	-	-	-
Group net profit	8.173	4.879	19.290			