

# Vittoria Assicurazioni

SOCIETÀ PER AZIONI  
REGISTERED OFFICES: VIA IGNAZIO GARDELLA, 2 - 20149 MILAN - ITALY  
SHARE CAPITAL: EURO 67,378,924 FULLY PAID-UP  
FISCAL CODE AND MILAN COMPANIES REGISTER  
NO. 01329510158 - REA NO. 54871  
COMPANY REGISTERED TO REGISTER OF INSURANCE AND REINSURANCE COMPANIES –  
SECTION I NO.1.00014  
PARENT COMPANY OF VITTORIA ASSICURAZIONI GROUP REGISTERED TO REGISTER OF  
INSURANCE GROUPS NO.008

92<sup>st</sup> year of business

## Consolidated interim financial report at 30 September 2013

Board of Directors' meeting  
of 12 November 2013

(Translation from the Italian original which remains the definitive version)



# Table of contents

	Page
Company bodies and officers	4
Form and contents of report	6
Accounting policies	6
Interim management report	7
Summary of key performance indicators	8
Vittoria Assicurazioni Group and consolidation scope	9
<hr/>	
<u>Directors' Report</u>	<u>11</u>
Performance of the Vittoria Assicurazioni Group	11
Review of operations	14
Premiums	14
Life business	15
Premiums	15
Claims, accrued capital sums and annuities, and surrenders	16
Reinsurance	16
Non-Life business	17
Premiums and technical performance	17
Claims	17
Reinsurance	19
Commercial organisation	20
Products	20
Technical reserves	21
Overhead costs	22
Operating costs	23
Employees	23
Investments – cash & cash equivalents - property	24
Investments for which Group bears risk	24
Change in financial assets	25
Property	26
Investments benefiting Life policy holders who bear risk and those connected with pension fund management	27
Financial liabilities	28
Gains and losses on investments	29
Other revenues	29
Equity	30
Significant events occurring after quarter-end	30
Consolidated interim financial statements	31
Consolidated statement of comprehensive income	32
Income statement by business and business line	33
Detail of insurance technical items	34
Declaration of Corporate Financial Reporting Manager	35

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**BOARD OF DIRECTORS**

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Luigi GUATRI Giorgio Roberto COSTA	Honorary President Chairman
Andrea ACUTIS Carlo ACUTIS	Executive Deputy Chairman Executive Deputy Chairman
Roberto GUARENA	Managing Director
Adriana ACUTIS BISCARETTI di RUFFIA	Director
Francesco BAGGI SISINI	Independent director
Marco BRIGNONE	Independent director
Fulvia FERRAGAMO VISCONTI	Independent director
Bernd GIERL	Independent director
Lorenza GUERRA SERÀGNOLI	Independent director
Pietro Carlo MARSANI	Independent director
Giorgio MARSIAJ	Independent director
Lodovico PASSERIN d'ENTREVES	Independent director
Luca PAVERI FONTANA	Director
Giuseppe SPADAFORA	Independent director
Anna STRAZZERA	Independent director
Mario RAVASIO	Secretary

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**BOARD OF STATUTORY AUDITORS**

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Alberto GIUSSANI	President
Giovanni MARITANO Francesca SANGIANI	Standing statutory auditor Standing statutory auditor
Michele CASO' Maria Filomena TROTTA	Substitute statutory auditor Substitute statutory auditor

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**GENERAL MANAGEMENT**

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Cesare CALDARELLI Mario RAVASIO	General Manager Joint General Manager
Paolo NOVATI Piero Angelo PARAZZINI Enzo VIGHI	Central Manager Central Manager Central Manager

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**INDEPENDENT AUDITOR**

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Deloitte & Touche S.p.A.

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#### APPOINTMENTS AND REMUNERATION COMMITTEE

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Lodovico PASSERIN d'ENTREVES	Independent non-executive president
Francesco BAGGI SISINI	Independent non-executive member
Luca PAVERI FONTANA	Non-executive member

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#### INTERNAL CONTROL COMMITTEE

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Pietro Carlo MARSANI	Independent non-executive president
Luca PAVERI FONTANA	non-executive member
Giuseppe SPADAFORA	Independent non-executive member

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#### FINANCE COMMITTEE

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Andrea ACUTIS	Executive president
Adriana ACUTIS BISCARETTI di RUFFIA	Non-executive member
Carlo ACUTIS	Executive member
Giorgio Roberto COSTA	Non-executive member
Roberto GUARENA	Executive member
Luca PAVERI FONTANA	Non-executive member

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#### REAL ESTATE COMMITTEE

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Andrea ACUTIS	Executive president
Adriana ACUTIS BISCARETTI di RUFFIA	Non-executive member
Carlo ACUTIS	Executive member
Francesco BAGGI SISINI	Independent non-executive member
Giorgio Roberto COSTA	Non-executive member
Roberto GUARENA	Executive member
Luca PAVERI FONTANA	Non-executive member
Anna STRAZZERA	Independent non-executive member

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#### RELATED PARTIES COMMITTEE

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Pietro Carlo MARSANI	Non-executive president
Marco BRIGNONE	Independent non-executive member
Giuseppe SPADAFORA	Independent non-executive member

## Form and contents of report

This report is prepared in accordance to IFRS/IAS and is compliant to Article 154/3 of d.lgs. no. 58/1998.

It consists of a directors' report, which comments on the group's performance and the main events in the period, the interim financial statements ruled by the Isvap (now Ivass) Regulation no.7/2007 and related notes.

All insurance technical data, shown in the various tables in the report on operating performance, refer to Vittoria Assicurazioni S.p.A., which is the Group's only insurance company.

## Accounting policies

The rules for preparation and the accounting policies applied for the consolidated for this interim management report are the same as those used for annual consolidated financial statements. Readers should therefore refer to the "Accounting Policies" section of the Consolidated Annual Report for the year ended on 31 December 2012. Given, however, the faster preparation required than in the case of annual financial statements and the fact that this is an interim report, use has been made – consistently with the period's operating data – of appropriate estimation methods.

Starting from 1<sup>st</sup> January 2013 Group adopted the following GAAPs / amendments to GAAPs:

- IAS 19 (Employee Benefits) requiring to charge the actuarial results to the "Other Comprehensive Income". As Group charged to profit and loss this item, balances of previous year were redetermined, charging to "Other Comprehensive Income" €324 thousand as at 30/09/2012 and €379 thousand as at 31/12/2012;
- IFRS 7 (Financial Instruments Disclosures);
- IFRS 13 (Fair Value Measurement) that gives recommendation about fair value measurement and requires additional disclosure on fair value measurement, such as classification of financial assets and liabilities in the fair value hierarchy levels;
- IAS 1 (Presentation of Other comprehensive income) requiring Items of OCI should be grouped on the basis of those that will not be reclassified subsequently to profit or loss and those that will be reclassified subsequently to profit or loss when specific conditions are met. For relevant information please refer to the explanatory notes.

With the exception of IAS 19, endorsement by the European Union of these new GAAPs/ amendments to has no impact on this report.

## Other information

The parent company Vittoria Assicurazioni SpA exercises its right as provided in article 70, paragraph 8 and article 71, paragraph 1-bis of the Regulations for Issuers, to waive the obligation to publish documents that are required in significant merger, split, share capital increase by transfer of assets in kind, acquisition or transfer operations.

# Interim management report

## Summary of key performance indicators

### Main Key Performance Indicators

€/million

SPECIFIC SEGMENT RESULTS					
	30/09/2013	30/09/2012	31/12/2012	Δ % 30/09/12	Δ % 31/12/12
<b>Non Life business</b>					
Gross Premiums written - direct Non Life business	693.5	633.1	898.5	9.6	
Non Life business pre-tax result	82.2	62.4	78.7	31.8	
(1) Loss Ratio - retained	65.9%	67.5%	67.3%	(1.6)	
(2) Combined Ratio - retained	90.7%	92.9%	93.1%	(2.2)	
(3) Expense Ratio - retained	24.9%	25.6%	25.2%	(0.7)	
<b>Life business</b>					
Gross Premiums written - direct Life business	120.3	79.1	118.0	52.1	
Life business pre-tax result	6.5	3.6	4.9	79.2	
(4) Annual Premium Equivalent (APE)	16.7	10.4	15.8	60.6	
Segregated funds portfolios	708.4	658.9	648.8		9.2
Index/Unit - linked and Pension funds portfolios	63.2	59.5	61.0		3.7
Segregated fund performance: Rendimento Mensile	4.0%	3.3%	3.4%		
Segregated fund performance: Valore Crescente	4.6%	4.7%	4.7%		
<b>Total Agencies</b>	<b>390</b>	<b>361</b>	<b>371</b>	<b>8.0</b>	<b>5.1</b>
<b>Average of employees</b>	<b>577</b>	<b>561</b>	<b>565</b>	<b>2.9</b>	<b>2.1</b>
<b>Real Estate business</b>					
Sales	10.8	10.9	17.9	(0.9)	
Trading and development margin	2.4	2.4	3.8	0.0	
Real Estate business pre-tax result	-8.3	-5.8	-7.3	43.1	
CONSOLIDATED RESULTS					
	30/09/2013	30/09/2012	31/12/2012	Δ % 30/09/12	Δ % 31/12/12
Total investments	2,734.0	2,446.0	2,516.5		8.6
Net gains on investments *	52.2	48	61.7	8.9	
Pre-tax result	82.4	62.3	77.3	32.3	
Consolidated profit (loss)	52.8	35.6	47.4	48.2	
Group profit (loss)	53.1	37.0	48.9	43.8	
Equity attributable to the shareholders of the parent	483.2	409.4	442.1		9.3
Equity attributable to the shareholders of the parent net of unrealised capital gains	452.6	399.0	410.8		10.2

\* net of gains on investments where policyholders bear the risk

### Legend

- Loss Ratio – retained business: is the ratio of current year claims to current year earned premiums;
- Combined Ratio – retained business: is the ratio of (current year claims + operating costs + intangible assets amortization + technical charges) to current year earned premiums;
- Expense Ratio – retained business: is the ratio of (operating costs + intangible assets amortization + net technical charges) to current year gross premiums written;
- APE: Annual Premium Equivalent, is a measure of the new business volume which includes 100% of sales of regular recurring premium business and 10% of sales of single premium business.

Technical data are determined in accordance with Italian accounting principles.



## Vittoria Assicurazioni Group and consolidation scope

### Consolidated investments

As at 30 September 2013 the following companies have been consolidated on a line-by-line basis:

Name	Registered offices	Share Capital Euro	% Ownership		
			Direct	Indirect	Via
Vittoria Assicurazioni S.p.A.	Milan	67,378,924			
Vittoria Immobiliare S.p.A.	Milan	60,000,000	100.00		
Immobiliare Bilancia S.r.l.	Milan	6,650,000	100.00		
Immobiliare Bilancia Prima S.r.l.	Milan	3,000,000	100.00		
Immobiliare Bilancia Seconda S.r.l.	Milan	1,000,000	100.00		
Immobiliare Bilancia Terza S.r.l.	Milan	100,000	100.00		
Forum Mondadori Residenze S.r.l.	Milan	1,200,000	100.00		
Vittoria Properties S.r.l.	Milan	8,000,000	99.00	1.00	Vittoria Immobiliare S.p.A.
Interbilancia S.r.l.	Milan	80,000	80.00	20.00	
Vittoria Service S.r.l.	Milan	100,000	70.00	30.00	
Acacia 2000 S.r.l.	Milan	100,000		65.00	Vittoria Immobiliare S.p.A.
Gestimmobili S.r.l.	Milan	104,000		80.00	
Interimmobili S.r.l.	Rome	104,000		80.00	
V.R.G. Domus S.r.l.	Turin	400,000		100.00	
Vaimm Sviluppo S.r.l.	Milan	2,000,000		100.00	
Cadorna Real Estate S.r.l.	Milan	10,000		100.00	
Valsalaria S.r.l.	Rome	60,000		51.00	
Sivim S.r.l.	Milan	60,000		100.00	
Aspevi Milano S.r.l.	Milan	100,000		100.00	Interbilancia S.r.l.
Aspevi Roma S.r.l.	Milan	50,000		100.00	
Plurico S.r.l.	Milan	10,000		70.00	
				51.02	Aspevi Roma S.r.l.
Consorzio Servizi Assicurativi	Milan	294,000		8.50	Aspevi Milano S.r.l.
				8.50	Plurico S.r.l.

### Changes in shareholdings or other changes during the period

#### Immobiliare Bilancia S.r.l.

On 16 September 2013, the further partial share capital increase with payment in cash by the sole shareholder that was approved by the Shareholders' Meeting of 18th June 2013, was wholly paid up for an overall amount of €2,500 thousand, of which €500 thousand as a capital increase and €2,200 as share premium reserve.

#### Consorzio Servizi Assicurativi

On 18 September 2013 the Meeting of Consorzio Servizi Assicurativi resolved the entry of new partners, thus increasing consortium fund to €294 thousand.

## Unconsolidated investments valued with the net equity method

At 30 September 2013 the following companies were carried at equity:

Name	Registered offices	Share Capital Euro	% Ownership		Via
			Direct	Indirect	
S.In.T S.p.A.	Turin	5,000,000	48.19		
Yarpa S.p.A.	Genoa	38,201,600	27.31		
Touring Vacanze S.r.l.	Milan	12,900,000	37.00		
Consorzio Movincom S.c.r.l.	Turin	104,200	0.96		
Spefin Finanziaria S.p.A.	Rome	2,000,000		21.00	Vittoria Service S.r.l.
Rovimmobiliare S.r.l.	Rome	20,000		50.00	Vittoria Immobiliare S.p.A.
Mosaico S.p.A.	Turin	500,000		45.00	
Pama & Partners S.r.l.	Genoa	1,200,000		25.00	
Fiori di S. Bovio S.r.l.	Milan	30,000		40.00	
Valsalaria A.11 S.r.l.	Rome	33,715		40.00	
VP Sviluppo 2015 S.r.l.	Milan	1,000,000		40.00	
VZ Real Estate S.r.l.	Turin	100,000		49.00	
Le Api S.r.l. in liquidazione	Milan	10,400		30.00	Interbilancia S.r.l.

## Changes in shareholdings or other changes during the period

### Yarpa S.p.A.

On 22 July 2013 Vittoria Assicurazioni S.p.A. paid €275 thousand into Yarpa S.p.A., as its own share of partial share capital increase, that was approved by the Shareholders' Meeting of 7th August 2008.

### Touring Vacanze S.r.l.

On 22 July 2013 Vittoria Assicurazioni S.p.A. purchased an additional share of 7.0% in Touring Vacanze S.r.l., from Touring Servizi S.r.l., for the price of €1,600 thousand.

At the same, agreements were signed with Touring Servizi, for the following additional purchases:

- 3% share for the price of €600 thousand, to be finalized by 31 March 2014;
- 3% share for the price of €600 thousand, to be finalized by 31 March 2015.

As a result of these transactions the parent company increased its total stake in the associate to 37.0%.

# Directors' Report

## Performance of the Vittoria Assicurazioni Group

Results as of 30 September 2013 (3Q13) show profit attributable to parent company shareholders amounting to €53,135 thousand vs. €36,962 thousand in the same period in 2012 (3Q12) (+43.8%).

The following table shows the contributions of the Group's various businesses to net profit.

Reclassified Profit and Loss by business segment	30/09/13	30/09/12	31/12/12	(€/000) Δ
Non life business - Gross Insurance Result (excluding investments result)	58,569	38,198	51,137	+53.3%
Non life business - Gross Investments Result (excluding Yam and Private Equity)	23,890	25,427	28,072	-6.0%
Life business - Gross Insurance Result (including Investments Result)	6,487	3,620	4,768	+79.2%
Gross Insurance business Result	88,946	67,245	83,977	+32.3%
Consolidation adjustments: dividends and interests from Real estate business	(937)	(843)	(770)	+11.2%
Real estate business: taxes	(30,292)	(26,082)	(29,446)	+16.1%
<b>Insurance business net contribution to Profit attributable to parent company shareholders</b>	<b>57,717</b>	<b>40,320</b>	<b>53,761</b>	<b>+43.1%</b>
Gains on property trading	2,350	2,376	3,790	-1.1%
Real estate service revenues	1,719	1,112	1,662	+54.6%
Real estate business net costs	(12,378)	(9,253)	(12,734)	+33.8%
<b>Gross Real estate business Result</b>	<b>(8,309)</b>	<b>(5,765)</b>	<b>(7,282)</b>	<b>+44.1%</b>
Taxes and minority interests	2,062	1,789	2,031	+15.3%
<b>Net Real estate business Result</b>	<b>(6,247)</b>	<b>(3,976)</b>	<b>(5,251)</b>	<b>+57.1%</b>
Net profit attributable to Life business Policyholders	2,690	2,341	2,659	+14.9%
Tax on profit attributable to Life business Policyholders	(928)	(806)	(903)	+15.1%
<b>Real estate business net contribution to Profit attributable to parent company shareholders</b>	<b>(4,485)</b>	<b>(2,441)</b>	<b>(3,495)</b>	<b>+83.7%</b>
Yam Invest net contribution to Profit attributable to parent company shareholders	0	(775)	(942)	n.s.
Private equity net contribution to Profit attributable to parent company shareholders	(264)	(483)	(513)	-45.3%
Service business net contribution to Profit attributable to parent company shareholders	167	341	77	-51.0%
<b>Net Profit attributable to parent company shareholders</b>	<b>53,135</b>	<b>36,962</b>	<b>48,888</b>	<b>+43.8%</b>
Other Comprehensive Income (Loss) net of tax	(584)	50,020	70,778	n.s.
<b>Comprehensive Income attributable to parent company shareholders</b>	<b>52,551</b>	<b>86,982</b>	<b>119,666</b>	<b>-39.6%</b>

Insurance segment result, gross of taxes and intersegment eliminations, amounted to €88,946 thousand (€67,245 thousand at 30 September 2012, increasing by +32.3%).

This result is mainly due to the Non-Life technical performance and to capital gain of €8,480 thousand, resulting from the participation in the takeover of Cam Finanziaria SpA.

Non-Life retained combined ratio passed from 92.9% in 3Q12 to the actual 90.7%. In more detail:

- Non Marine lines of business registered a positive performance, improving over the same period of the previous year thanks, in part, to an increase in premiums written (+19.4%) and to a lower level of claims for atmospheric and catastrophic events;
- Motor lines of business show a positive trend, with premiums written increasing by 6.9%, although this is less than the growth posted for the same period of the previous year;
- Specialty lines of business registered a negative technical result, linked to the actual scenario of economic crisis.

The Group's comprehensive income statement, which also considers gains or losses recognized directly in equity as at 30 September 2013 shows an income of €52,551 thousand vs. €86,982 thousand recorded as at 30 September 2012, which benefited from securities portfolio's significant recover.

Group equity was €483.156 thousand, up +9.3% compared with €442,060 thousand at 31 December 2012. This increase reflects the result of the period.

Premiums written to 30 September 2013 amounted to €814,190 thousand (€712,545 thousand at 30 September 2012), up by +14.3%. The growth is due to the prosecution of the development plan with a further increase, in the quarter, of the agents' network by 3 units.

The real estate segment shows a pre-tax loss of €8.309 thousand, vs. a pre-tax loss of €5,765 thousand in the same period of the previous year. The profit margin on notarial deeds of sale signed at 30 September 2013 was €2,350 thousand, compared with €2,376 thousand at 30 September 2012.

Of investments totaling €2,734,073 thousand (+8.6% compared with 31 December 2012), €63,246 thousand (+3.7%) related to investments with risk borne by policyholders and €2,670,827 thousand (+8.8%) to investments with risk borne by the Group.

Net income from investments with risk borne by the Group amount to €52,237 thousand, compared with €47,985 thousand in the previous period (+8.9%). Increase is mainly due to the participation in the takeover of Cam Finanziaria SpA in August.

As up to 30 September 2013 the direct operating parent company, Vittoria Assicurazioni SpA, showed a net profit – based on Italian GAAPs – of €59,164 thousand (vs. €44,580 thousand in 3Q12) increasing by 32.7%.

Given the expected FY13 Group results, we feel that we should confirm the targets previously communicated.

The Group is continuing its efforts to strengthen capital in line with coming Solvency II regulations. Nonetheless, in consideration of achieving the targets of the 2009-2013 business plan, and although we are aware that the current challenges within Europe have not been fully overcome, we feel that the forecast for financial year 2013 for a return to policies in place prior to doubling share capital, which called for a prudent, annual adjustment to dividends, remains appropriate.

## Insurance business

Income statement by business and business line reports for the insurance business, before taxes and intersegment eliminations, a result equal to €88,682 thousand (€65,987 thousand in 3Q12). The key operating items contributing to the period's result are described below.

Total insurance premiums in 3Q13 amounted to €814,836 thousand (+14.2% vs. premiums of €713,435 thousand in 3Q12), of which €814,190 thousand for insurance premiums written and €646 thousand for unit-linked investment contracts and for the Vittoria Formula Lavoro open-ended pension fund.

Direct Life insurance premiums – which do not include contracts considered to be financial instruments – featured an increase of 52.1% vs. premiums in 3Q12.

Direct Non-Life (i.e. property & casualty) insurance premiums increased by 9.6%, specifically:

- Motor premiums progressed by 6.9%;
- Premiums for other non-marine insurance increased by 19.4%;
- Premiums for specialty categories [i.e. marine & transport, aviation, and credit & suretyship] increased by 5.4%.

Overhead costs as a percentage of total direct insurance premiums were 8.5% (vs. 9.1% in 3Q12).

The Non-Life combined ratio and loss ratio on the retained business (based on Italian GAAPs), as at 30 September 2013, were respectively 90.7% and 65.9%. (92.9% and 67.5% as at 30 September 2012).

## Real estate business

The loss made by the real estate business, before taxes and intersegment eliminations, amounted to €8,309 thousand (€5,765 thousand in 3Q12) and featured contributors to the income statement that, before intersegment eliminations, included:

- Income earned on properties from trading and development totalling €2,350 thousand (€2,376 thousand in 3Q12);
- Revenues from real estate brokerage and management services of €1,719 thousand and rental income of €450 thousand (€1,112 thousand and €431 thousand respectively in 3Q12);
- Financial expenses of €4,736 thousand (€3,055 thousand in 3Q12).

The Group's real estate business includes trading and development, brokerage, and management of own and third-party property.

## Service business

This segment showed a profit in the period, before tax and minority interest, of €261 thousand (€544 thousand in 3Q12).

Revenues for services rendered in 3Q13 by Group companies, before elimination of infra-group services, amounted to €5,692 thousand (€5,933 thousand in 3Q12). These revenues included €5,625 thousand for commissions and services rendered to the direct operating parent company (€5,833 thousand in 3Q12).

## Review of operations

Premiums as up to 30 September 2013 amounted to €814,190 thousand. Revenues not qualified as premiums as defined by IFRS 4 (Unit Linked contracts and those relating to the Vittoria Formula Lavoro open-ended pension fund) amounted to €646 thousand (€890 thousand in 3Q12).

Portfolio breakdown and the changes occurring by business segment and branch are shown in the following table:

### COMPARISON BETWEEN GROSS PREMIUMS IN WRITTEN FIRST 9 MONTHS OF 2013 AND 2012 DIRECT AND INDIRECT BUSINESS

	30/09/2013	30/09/2012	YoY change %	% of total book	
				2013	2012
(€/000)					
<b>Domestic direct business</b>					
<b>Life business</b>					
I Whole- and term life	108,762	68,275	59.3	13.4	9.6
IV Health (long-term care)	361	288	25.3	0.0	0.0
V Capitalisation	11,160	10,513	6.2	1.4	1.5
<b>Total Life business</b>	<b>120,283</b>	<b>79,076</b>	<b>52.1</b>	<b>14.8</b>	<b>11.1</b>
<b>Non-Life business</b>					
Total non-marine lines (exc. specialty and motor)	163,803	137,151	19.4	20.1	19.3
Total specialty lines	10,694	10,151	5.4	1.4	1.4
Total motor lines	519,049	485,765	6.9	63.7	68.1
<b>Total Non-Life business</b>	<b>693,546</b>	<b>633,067</b>	<b>9.6</b>	<b>85.2</b>	<b>88.8</b>
<b>Total direct business</b>	<b>813,829</b>	<b>712,143</b>	<b>14.3</b>	<b>100.0</b>	<b>99.9</b>
<b>Domestic indirect business</b>					
<b>Life business</b>					
	240	267	-10.1	0.0	0.1
<b>Non-Life business</b>					
	121	135	-10.4	0.0	0.0
<b>Total indirect business</b>	<b>361</b>	<b>402</b>	<b>-10.2</b>	<b>0.0</b>	<b>0.1</b>
<b>Grand Total</b>	<b>814,190</b>	<b>712,545</b>	<b>14.3</b>	<b>100.0</b>	<b>100.0</b>

The gross premiums written in 3Q13 alone are shown in the following table:

		Gross premiums written		YoY
		3Q13	3Q12	change %
(€/000)				
Domestic direct business	Life business	32,429	16,813	92.9
	Non-marine (exc. specialty and motor)	49,052	40,358	21.5
	Specialty lines	2,926	3,426	-14.6
	Motor	159,545	147,305	8.3
	<b>Total</b>	<b>243,952</b>	<b>207,902</b>	<b>17.3</b>
Domestic indirect business	Life business	-	-	n.a.
	Non-Life busines	5	6	-16.7
	<b>Total</b>	<b>5</b>	<b>6</b>	<b>-16.7</b>
<b>Grand Total</b>	<b>243,957</b>	<b>207,908</b>	<b>17.3</b>	

The gross premiums written in 3Q13 alone represented by investment contracts (Unit Linked and Vittoria Formula Lavoro open-ended pension fund) totalled €205 thousand (€255 thousand in 3Q12).

The table below shows the geographical spread of agencies and geographical breakdown of premiums for Italian direct business:

Regions	Agencies	Non-Life Business		Life Business	
		Premiums	%	Premiums	%
<b>NORTH</b>					
Emilia Romagna	36	50,217		8,500	
Friuli Venezia Giulia	4	5,958		1,516	
Liguria	16	31,742		3,403	
Lombardy	98	148,835		44,521	
Piedmont	45	58,191		9,971	
Trentino Alto Adige	7	7,080		934	
Valle d'Aosta	1	2,363		139	
Veneto	33	39,994		6,167	
<b>Total</b>	<b>240</b>	<b>344,380</b>	<b>49.6</b>	<b>75,151</b>	<b>62.5</b>
<b>CENTRE</b>					
Abruzzo	12	36,960		4,635	
Lazio	26	68,537		11,775	
Marche	16	23,848		3,266	
Tuscany	43	72,330		6,852	
Umbria	14	34,041		4,565	
<b>Total</b>	<b>111</b>	<b>235,716</b>	<b>34.0</b>	<b>31,093</b>	<b>25.8</b>
<b>SOUTH AND ISLANDS</b>					
Basilicata	3	6,312		874	
Calabria	2	4,104		78	
Campania	8	25,548		2,751	
Molise	2	1,392		391	
Puglia	6	20,158		7,571	
Sardinia	9	24,784		409	
Sicily	9	31,152		1,965	
<b>Total</b>	<b>39</b>	<b>113,450</b>	<b>16.4</b>	<b>14,039</b>	<b>11.7</b>
<b>Overall total</b>	<b>390</b>	<b>693,546</b>	<b>100.0</b>	<b>120,283</b>	<b>100.0</b>

## Life business

### Premiums

Direct insurance business premiums recognised for the period totalled €120,283 thousand (€79,076 thousand in 3Q12), split as follows:

	(€/000)				
	30/09/2013	30/09/2012	YoY change %	% of total book 2013 2012	
Recurring premiums	26,679	26,372	1.2	22.2	33.4
Annual premiums	93,604	52,704	77.6	77.8	66.6
<b>Total</b>	<b>120,283</b>	<b>79,076</b>	<b>52.1</b>	<b>100.0</b>	<b>100.0</b>

Direct insurance business premiums recognised in 3Q13 alone totalled €32,429 thousand (€16,813 thousand in the same period of the previous year), split as follows:

	(€/000)				
	3Q 2013	3Q 2012	YoY change %	% of total book	
				2013	2012
Recurring premiums	8,098	7,624	6.2	25.0	45.3
Annual premiums	24,331	9,189	164.8	75.0	54.7
<b>Total</b>	<b>32,429</b>	<b>16,813</b>	<b>92.9</b>	<b>100.0</b>	<b>100.0</b>

### Claims, accrued capital sums & annuities, and surrenders

The comparison relating to settlements in the quarter and as at end of September 2013 is shown in the following table:

	(€/000)		
	30/09/2013	30/09/2012	Change
<b>Third Quarter</b>			
Claims	3,879	7,961	-51.3
Accrued capital sums & annuities	6,675	8,351	-20.1
Surrenders	8,390	7,010	19.7
<b>Total</b>	<b>18,944</b>	<b>23,322</b>	<b>-18.8</b>
<b>As at Third Quarter</b>			
Claims	16,213	17,656	-8.2
Accrued capital sums & annuities	27,711	34,618	-19.9
Surrenders	35,122	32,185	9.1
<b>Total</b>	<b>79,046</b>	<b>84,459</b>	<b>-6.4</b>

### Reinsurance

#### Outward reinsurance

In the Life business, the main treaties in place, which relate to Class 1 (whole/term life), are as follows:

- Excess of risk premium;
- Pure office premiums – treaties set up in 1996 and 1997.

In the third quarter ceded premiums amounted to €250 thousand and the total amount as at 30 September 2013 amounted to €1,052 thousand (respectively €157 thousand and €1,103 thousand in the same period of previous year).

#### Inward reinsurance

With respect to the life business, there is a traditional pure-premium treaty no longer fed with new business, which merely records changes occurring in the related portfolio and a commercial premium treaty that refers to a portfolio of policies that have revaluable annual premiums.



## Non-Life business

### Premiums and technical performance

Direct premiums written at 30 September 2013 amounted to €693,546 thousand (€633,067 thousand in the same period of previous year) and featured an increase of 9.6% YoY. Direct premiums recognised in 3Q13 alone totalled €211,523 thousand (€191,089 thousand in the same period of the previous year).

The technical performance of the individual Businesses prompts the following observations:

#### Non-Life - non-marine (exc. specialty and motor)

Non-life non-marine policy premiums posted an increase of 19.4% (15.3% in 3Q12). Technical performance was positive, improving over the same period of the previous year thanks, in part, to a lower level of claims for atmospheric events (i.e. freezing and heavy snowfall), which struck the areas of central Italy during the prior year.

#### Non-Life - specialty

Premiums in the Specialty Business category increased by 5.4% (-27.0% in 3Q12). The technical result was negative.

#### Non-Life - motor

Premiums in Motor Insurance business rose by 6.9% (11.5% in 3Q12).

The technical result was positive, with a further improvement compared to 30 September 2012.

## Claims

### Reported claims

The following table of claims was prepared by counting the claims filed during the examined period. The data are compared with those of the same period of the previous year:

	(€/000)					
	30/09/2013		30/09/2012		Change %	
	number	total cost	number	total cost	number	total cost
Total non-marine businesses	34,381	97,605	32,580	88,906	5.5	9.8
Total Special businesses	1,317	7,653	872	4,648	51.0	64.7
Total motor businesses	129,032	364,825	119,589	307,870	7.9	18.5
<b>Total non-life businesses</b>	<b>164,730</b>	<b>470,083</b>	<b>153,041</b>	<b>401,424</b>	<b>7.6</b>	<b>17.1</b>

Furthermore, no. 60,466 claims referring to "CARD claims" were received. Their total cost, net of applicable deductibles, was €43,985 thousand.

The following table shows reported claims of the quarter:

	3Q 2013		3Q 2012		Change %	
	number	total cost	number	total cost	number	total cost
Total non-marine businesses	11,835	34,462	10,109	26,965	17.1	27.8
Total Special businesses	370	3,582	273	1,106	35.5	223.9
Total motor businesses	44,093	135,168	40,033	105,353	10.1	28.3
<b>Total non-life businesses</b>	<b>56,298</b>	<b>173,212</b>	<b>50,415</b>	<b>133,424</b>	<b>11.7</b>	<b>29.8</b>

#### Claims paid

In 3Q13 claims paid for direct business and the amount charged to reinsurers amounted to €107,237 thousand and to €1,930 thousand respectively (€100,984 thousand and €3,003 thousand in 3Q12).

The following table shows claims paid for direct business and the amount charged to reinsurers, with the data broken down by the period to which claims refer:

	Claims paid 30/09/13			Claims recovered from reinsurers	Claims paid 30/09/12			Claims recovered from reinsurers	Change gross claims %	Change claims recovered %
	Current year	Previous years	Total		Current year	Previous years	Total			
	<b>Total non-motor businesses</b>	<b>21,854</b>	<b>46,222</b>		<b>68,076</b>	<b>5,055</b>	<b>20,971</b>			
<b>Total Special businesses</b>	<b>1,599</b>	<b>3,706</b>	<b>5,305</b>	<b>1,765</b>	<b>968</b>	<b>7,638</b>	<b>8,606</b>	<b>3,875</b>	<b>-38.4</b>	<b>-54.5</b>
<b>Total motor businesses</b>	<b>121,104</b>	<b>160,151</b>	<b>281,255</b>	<b>3,300</b>	<b>113,496</b>	<b>169,396</b>	<b>282,892</b>	<b>4,472</b>	<b>-0.6</b>	<b>-26.2</b>
<b>Total non-life businesses</b>	<b>144,557</b>	<b>210,079</b>	<b>354,636</b>	<b>10,120</b>	<b>135,435</b>	<b>217,123</b>	<b>352,558</b>	<b>10,773</b>	<b>0.6</b>	<b>-6.1</b>

The cost includes the amount incurred in the period for the contribution to the guarantee fund for road-accident victims. This totalled €10,475 thousand vs. €9,705 thousand at 30 September 2012.

#### Claims settlement speed

The following table illustrates how quickly reported claims (by number) were paid net of claims eliminated without consequences, broken down by current generation and previous generation in reference to the principal Businesses:

	(percentages)			
	current generation		previous generations	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Accident insurance	37.1	34.9	61.4	62.3
Health insurance	73.3	72.5	58.1	65.1
Motor vehicle hulls	75.0	77.4	76.1	81.2
Fire and natural events	56.5	62.1	72.6	72.8
Miscellaneous damages - theft	68.6	65.1	86.9	85.4
Third-party motor liability	68.4	67.4	52.8	59.0
Third-party general liability	50.0	49.9	29.8	31.6

## Reinsurance

### Outward reinsurance

As far as outward reinsurance is concerned, the corporate policy is based on selective underwriting of risks and on book development and entity in relation to the risks covered. It aims to balance net retention. Transactions are undertaken internationally with players in the reinsurance markets featuring high ratings.

The main treaties in place are the following:

<b>Non-life business</b>	<b>Type of treaty</b>
Accident	Excess claims
Motor vehicle Hulls	Excess claims
Marine Hulls	Excess claims
Cargo (goods in transit)	Excess claims
Fire and natural events	Excess claims
Miscellaneous damage	Pure premium for hail, single-multi-risk Pure premium for engineering risks Pure premium for ten year guarantees
Motor TPL	Excess claims
General TPL	Excess claims
Suretyship	Pure premium
Legal protection	Pure premium
Assistance	Pure premium

Ceded premiums in 3Q13 totalled €6,029 thousand amounting to €18,880 at 30 September 2013 (respectively €5,263 thousand and €16,433 thousand in the same periods of previous year).

### Inward reinsurance

Acceptance of risks relating to the indirect business mainly arises from participation in syndicates and from acceptance of shares in Italian businesses, which are entered into voluntarily.

## Commercial organisation

As part of the planned expansion of the agency network, 22 new agencies were opened, other 33 were reorganised and 3 were closed.

As a result, the parent company was domestically represented by 390 general agencies (361 at 3Q12) and 701 professional sub-agencies (584 at 3Q12).

## Products

The actions taken during the 3Q13 are outlined below:

### **Non-Life business:**

In the Motor Business, from the 1st September 2013, a new TPL tariff came into force. In addition, some regulations in the miscellaneous Motor Risk tariff were also reviewed, changing in uncovered and excess of optional warranties (e.g. acts of vandalism, natural events and windows).

With regards to non-Marine Line, were revamped TPL tariffs of the following products:

- Multirisk for shopping center;
- Multirisk Companies and Craftsmen.

## Technical reserves

Technical reserves, gross of reinsurers' share, were as shown in the following table:

(€/000)						
	Direct business		Indirect business		Total carrying amount	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012	30/09/2013	31/12/2012
<b>Non-life reserves</b>	<b>1,245,222</b>	<b>1,134,754</b>	<b>859</b>	<b>845</b>	<b>1,246,081</b>	<b>1,135,599</b>
Premium reserve	338,989	342,028	43	47	339,032	342,075
Claims reserve	905,824	792,317	816	798	906,640	793,115
Other reserves	409	409	-	-	409	409
<b>Life reserves</b>	<b>829,950</b>	<b>790,173</b>	<b>4,640</b>	<b>4,630</b>	<b>834,590</b>	<b>794,803</b>
Reserve for payable amounts	16,840	21,436	12	12	16,852	21,448
Mathematical reserves	790,343	741,478	4,626	4,614	794,969	746,092
Other reserves	22,767	27,259	2	4	22,769	27,263
<b>Total technical reserves</b>	<b>2,075,172</b>	<b>1,924,927</b>	<b>5,499</b>	<b>5,475</b>	<b>2,080,671</b>	<b>1,930,402</b>

The Non-Life "Other reserves" item consists of the ageing reserve of the Health line.

The Life "Other reserves" item mainly refers to:

- €12,984 thousand for the reserve for deferred liabilities to policyholders (of which €16,719 thousand stemming from measurement at fair value of available-for-sale securities and €-3,735 thousand by provisioning made against subsidiaries' profit allocated to segregated accounts);
- €9,622 thousand for the operating expenses reserve.

Reinsurers' share of technical reserves is detailed in the following table:

(€/000)						
	Direct business		Indirect business		Total carrying amount	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012	30/09/2013	31/12/2012
<b>Non-life reserves</b>	<b>70,837</b>	<b>60,102</b>	<b>275</b>	<b>282</b>	<b>71,112</b>	<b>60,384</b>
Premium reserve	14,968	14,563	-	-	14,968	14,563
Claims reserve	55,869	45,539	275	282	56,144	45,821
<b>Life reserves</b>	<b>11,702</b>	<b>11,367</b>	<b>-</b>	<b>-</b>	<b>11,702</b>	<b>11,367</b>
Mathematical reserves	11,670	11,332	-	-	11,670	11,332
Other reserves	32	35	-	-	32	35
<b>Total reinsurers' share of technical reserves</b>	<b>82,539</b>	<b>71,469</b>	<b>275</b>	<b>282</b>	<b>82,814</b>	<b>71,751</b>

## Overhead costs

### Insurance Business

#### Overhead costs – direct business

The total amount of insurance overhead costs – consisting of personnel costs, various general expenses, plus depreciation of tangible assets and amortisation of intangible assets – rose to €69,262 thousand vs. €64,561 thousand at 30 September 2012, increasing by 7.3%.

Besides current operating expenses, these costs also include depreciation & amortisation costs for investments made in IT facilities and processes. These investments are intended to limit, in future years, the operating costs burdening corporate departments and the agency network, whilst at the same time improving services to policyholders as regards insurance coverage and claims settlement. Their breakdown is shown in the following table, where “Other costs” consist mainly of office running costs, IT costs, legal and legal-entity expenses, mandatory contributions, and association membership dues.

(€/000)			
<b>ANALYSIS OF COSTS</b>	<b>30/09/2013</b>	30/09/2012	<b>Change</b>
Personnel expenses	34,383	32,560	5.6%
Other costs	23,604	20,966	12.6%
Amortisation/Depreciation	11,275	11,035	2.2%
<b>Total cost by nature</b>	<b>69,262</b>	<b>64,561</b>	<b>7.3%</b>

The overhead costs as a percentage of totale direct insurance premiums were 8.5% (9.1% in the same period of previous year).

### Real-estate business – Service Business

The overhead costs of the Real Estate and Service businesses, before intersegment eliminations, are shown in the following tables:

#### REAL ESTATE BUSINESS

(€/000)			
<b>ANALYSIS OF COSTS</b>	<b>30/09/2013</b>	30/09/2012	<b>Change</b>
Personnel expenses	2,927	2,970	-1.5%
Other costs	4,554	2,907	56.7%
Amortisation/Depreciation	487	493	-1.2%
<b>Total cost by nature</b>	<b>7,968</b>	<b>6,370</b>	<b>25.1%</b>

#### SERVICE BUSINESS

(€/000)			
<b>ANALYSIS OF COSTS</b>	<b>30/09/2013</b>	30/09/2012	<b>Change</b>
Personnel expenses	806	761	5.9%
Other costs	1,049	879	19.3%
Amortisation/Depreciation	25	22	13.6%
<b>Total cost by nature</b>	<b>1,880</b>	<b>1,662</b>	<b>13.1%</b>

Personnel costs and general expenses are allocated to operating expenses (and specifically to “Other administrative costs”). Depreciation and amortisation costs are allocated to the “Other costs” item in the income statement.

## Operating costs

The following table shows the total amount of insurance operating costs (Non-Life and Life) as reported in the income statement by business segment:

	(€/000)		
	30/09/2013	30/09/2012	Change
Gross commissions and other acquisition costs	145,034	136,554	6.2%
Profit participation and other commissions received from reinsurers	-3,422	-4,027	-15.0%
Investment management costs	1,212	906	33.8%
Other administrative costs	18,681	18,512	0.9%
<b>Total</b>	<b>161,505</b>	<b>151,945</b>	<b>6.3%</b>

Operating costs as a percentage of total direct retained insurance premiums were 20.3% (vs. 21.9% in 3Q12).

## Employees

As at 30 September 2013 Vittoria Assicurazioni and fully consolidated companies had 579 employees vs. 570 as at 31 December 2012 and 567 as at 30 September 2012.

The average number of employees on the payroll, split by contractual category and calculated on an active in-force basis, was as follows:

	30/09/2013	30/09/2012	31/12/2012
Managers	25	24	24
Officers	145	143	141
Administrative staff	407	394	400
<b>Total</b>	<b>577</b>	<b>561</b>	<b>565</b>

## Investments – Cash & cash equivalents - Property

Investments, cash & cash equivalents, and property reached a value of €2,734,073 thousand with an increase equal to +8.6% vs. 31/12/2012. The detailed breakdown is shown in the following table:

(€/000)			
INVESTMENTS - CASH AND CASH EQUIVALENTS - PROPERTY	30/09/2013	31/12/2012	Change
A Investments in subsidiaries and associates and interests in joint ventures	17,809	15,770	12.9%
B Held to maturity investments	67,132	102,952	-34.8%
Loans and receivables	68,514	71,731	-4.5%
- Reinsurance deposits	4,627	4,618	
- Other loans and receivables	63,887	67,113	
C Financial assets available for sale	1,694,886	1,533,113	10.6%
- Equity investments	95,637	101,439	
- OEIC units	34,602	26,415	
- Bonds and other fixed-interest securities	1,564,647	1,405,259	
Financial assets at fair value through profit or loss	63,342	62,025	2.1%
D Financial assets held for trading	96	1,007	-90.5%
- Bonds and other fixed-interest securities held for trading	96	1,007	
E Financial assets at fair value through profit or loss	63,246	61,018	3.7%
- Investments where policyholders bear the risk	63,246	61,018	
Cash and cash equivalents	231,412	161,247	43.5%
F Total Property	590,978	569,691	3.7%
Investment property	87,610	-	n.v
Property	503,368	569,691	-11.6%
Property under construction	277,024	345,662	
Property held for trading	108,876	103,321	
Owner-occupied property	117,468	120,708	
<b>TOTAL INVESTMENTS</b>	<b>2,734,073</b>	<b>2,516,529</b>	<b>8.6%</b>
of which			
investments where the Group bears the risk	2,670,827	2,455,511	8.8%
investments where policyholders bear the risk	63,246	61,018	3.7%

### Investments for which Group bears risk

Investments with risks borne by the Group totalled €2,670,827 thousand (€2,455,511 thousand as at 31 December 2012).

The following transactions took place during the first 9 months of 2013:

#### B) Investments held to maturity:

- redemption of bonds for €36,278 thousand.

#### C) Financial assets available for sale:

- redemption of bonds for €165,219 thousand;
- purchases of fixed rate Italian government securities for €339,341 thousand;
- sale of corporate securities at carrying value in the amount of €7,396 thousand;
- concerning the closed-end Italian mutual funds managed by Yarpa Investimenti SGR S.p.A., a wholly owned subsidiary of the associate Yarpa S.p.A., were paid in €6,504 thousand for the funds recall and were credited €1,816 thousand for the partial redemption of units;
- paid in €1,530 thousand to purchase no. 1,500 shares in Re Energy Capital Sicar SCA;
- Nuove Partecipazioni S.p.A.: subscribed capital increase released in kind by contribution of no. 15,527,254 shares of Cam Finanziaria S.p.A. and receiving no. 11,179,624 shares, equal to a participation of 5.32% in the company; the operations was made maintaining continuity of carrying value.



- Cam Finanziaria S.p.A.: contribution of no. 15,527,254 ordinary shares, taking part in the takeover; at the end of the quarter was received the credit, generating capital gain of €8,480 thousand;
- GPA S.p.A. Group; recorded a write-down of the investment in the amount of €1,931 thousand, bringing the carrying value to €1,844 thousand in order to adjust it to its current value;
- received €107 thousand as a partial advance payment on the process of liquidation of the Swissair band, which is in default; amount has been recognised as a gain;
- BCC Romagna: subscribed no. 2,000 shares paying €50 thousand; this investment is aimed at realization of a partnership in a trade agreement for sale of insurance products.

#### D) Financial assets held for trading:

Changes in this item are referred to alignment to fair value and to acquisition coming from surrenders of policies (pursuant to Article 41, paragraph 2 of Italian Legislative Decree no. 209 of 7 September 2005) for €242 thousand.

They were also sold corporate bonds in the amount of €1,163 thousand for a recognised gain of €9 thousand.

#### Changes in financial assets

The following table illustrates the changes recorded up through 30 September 2013 in financial assets with the risk borne by Group Companies for equity investments, bonds and other fixed-income securities, and OEIC units, and changes in the assets where the risk is borne by policyholders and related to pension funds:

(€/000)								
	Held to maturity investments	Financial assets available for sale				Financial assets at fair value through profit or loss	Financial assets held for trading	Total
		Equity investments	OEIC units	Bonds and other fixed-interest securities	Total	Assets where the risk is borne by policyholders and related to pension funds	Bonds and other fixed-interest securities	
<b>Carrying amount at 31/12/2012</b>	<b>102,952</b>	<b>101,439</b>	<b>26,415</b>	<b>1,405,259</b>	<b>1,533,113</b>	<b>61,018</b>	<b>1,007</b>	<b>1,698,090</b>
<b>Acquisitions and subscriptions</b>	-	15,705	8,034	340,445	364,184	2,156	242	366,582
<b>Sales and repayments</b>	-36,278	-24,188	-1,815	-174,666	-200,669	-2,475	-1,162	-240,584
<b>Other changes:</b>								
- effective interest adjustments	668	-	-	1,252	1,252	-	-	1,920
- fair value adjustments	-	4,612	1,968	-2,394	4,186	413	9	4,608
- impairment loss	-	-1,931	-	-	-1,931	-	-	-1,931
- rate changes	-210	-	-	-5,247	-5,247	-	-	-5,457
- other changes	-	-	-	-2	-2	2,134	-	2,132
<b>Carrying amount at 30/09/2013</b>	<b>67,132</b>	<b>95,637</b>	<b>34,602</b>	<b>1,564,647</b>	<b>1,694,886</b>	<b>63,246</b>	<b>96</b>	<b>1,825,360</b>

## F) Property

As at 30 September 2013, real estate assets totalled €590,978 thousand (+3.7% vs. 31 December 2012). The following table shows the breakdown and changes of these real estate assets:

	(€/000)				
	Investment Property	Property under construction	Property held for trading	Owner- occupied property	Total
<b>Balance as at 31/12/2012</b>	<b>-</b>	<b>345,662</b>	<b>103,321</b>	<b>120,708</b>	<b>569,691</b>
<b>Purchase and capitalised interests paid</b>					
- MILAN - Parco Vittoria (via Acacia 2000 S.r.l.)	-	19,918	-	-	19,918
- MILAN - Portello Area (via Vittoria Assicurazioni S.p.A.)	5,591	-	-	-	5,591
- SAN DONATO MILANESE (MI) - (via Vittoria Immobiliare S.p.A.)	-	-	3,888	-	3,888
- SAN DONATO MILANESE (MI) - (via Immobiliare Bilancia S.r.l.)	-	96	-	-	96
- ROME (via Valsalaria S.r.l.)	-	33	-	-	33
- TURIN - Barbaroux Str. - (via Vittoria Immobiliare S.p.A.)	-	-	803	-	803
- GENOA - De Ferrari Sq., Conservatori del Mare Str., Orefici Str.	-	-	845	-	845
- MILAN - Adamello Str. (via Forum Mondadori Residenze S.r.l.)	-	-	82	-	82
- GENOA - Venezia Street (via Immobiliare Bilancia S.r.l.)	-	-	14	-	14
- TURIN - Cairoli Str. (via Cadorna Real Estate S.r.l.)	-	-	3	-	3
- FLORENCE - Viale Michelangelo (via Immobiliare Bilancia S.r.l.)	-	-	173	-	173
- ROME - Meliconi Str. - (via Sivim S.r.l.)	-	-	295	-	295
- ROME - Della Vignaccia Str. - (via VRG Domus S.r.l.)	-	412	-	-	412
- PARMA - (via Immobiliare Bilancia I S.r.l.)	-	157	-	-	157
<b>Total purchase and capitalised interests paid</b>	<b>5,591</b>	<b>20,616</b>	<b>6,103</b>	<b>-</b>	<b>32,310</b>
<b>Sales:</b>					
- MILAN - Parco Vittoria (via Acacia 2000 S.r.l.)	-	(8,257)	-	-	(8,257)
- SAN DONATO MILANESE (MI) - (tramite Vittoria Immobiliare S.p.A.)	-	-	(820)	-	(820)
- TURIN - Barbaroux Str. (via Vittoria Immobiliare S.p.A.)	-	-	(380)	-	(380)
- ROMA - (tramite Valsalaria S.r.l.)	-	(411)	-	-	(411)
- MILAN - San Donato Milanese (via Vittoria Immobiliare S.p.A.)	-	(848)	-	-	(848)
- MILAN - San Donato Milanese (via Immobiliare Bilancia S.r.l.)	-	(69)	-	-	(69)
<b>Total sales</b>	<b>-</b>	<b>(9,585)</b>	<b>(1,200)</b>	<b>-</b>	<b>(10,785)</b>
Reclassification to Investment Property (via Vittoria Assicurazioni S.p.A.)	82,019	(82,019)	-	-	(82,019)
Surplus allocation	-	-	652	-	652
Depreciations	-	-	-	(3,240)	(3,240)
Recognised gains	-	2,350	-	-	2,350
<b>Balance as at 30/09/2013</b>	<b>87,610</b>	<b>277,024</b>	<b>108,876</b>	<b>117,468</b>	<b>590,978</b>

The item "Investments in property" consisted of properties for office use held by the Parent Company, for which it was decided to adjust the investment strategy target, for building lease purpose.

The buildings reclassified, as at 1 January 2013 showed a balance of €82,019 thousand, on which in the first nine months of 2013 have been capitalized costs for €5,591 thousand.

Investments benefiting Life policy holders who bear risk and those connected with pension fund management

E) Investments benefiting Life policyholders who bear related risk and those arising from pension fund management

As at 30 September 2013 these investments amounted to €63,246 thousand, increasing by +3.7% YoY. Of this amount, €50,178 thousand related to unit - and index - linked policies and € 13,068 thousand to the open-ended pension fund Vittoria Formula Lavoro.

Total net income amounted to €3,089 thousand (€5,395 thousand as at 30 September 2012).

The value of investments in securities amounted to €61,112 thousand (€58,638 thousand as at 31 December 2012).

Their breakdown was as shown in the following table:

	(€ '000)		
	30/09/13	31/12/12	Change %
Equity investments	7,766	5,960	30.3
Unit trusts and OEICs	31,046	28,347	9.5
Bonds and other fixed-interest securities	16,349	18,111	-9.7
Index-linked derivative notes	5,951	6,220	-4.3
<b>Total Investments in securities</b>	<b>61,112</b>	<b>58,638</b>	<b>4.2</b>
Cash and other assets	2,134	2,380	-10.3
<b>Investments benefiting policyholders who bear relating risk and those arising from pension fund management</b>	<b>63,246</b>	<b>61,018</b>	<b>3.7</b>

As at 30 September 2013 the status of the three segments of Vittoria Assicurazioni open-ended pension fund was as follows:

	Members		Assets (€/000)	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Previdenza Garantita	244	248	3,156	3,057
Previdenza Equilibrata	288	299	4,260	3,995
Previdenza Capitalizzata	351	362	5,631	5,027

## Financial liabilities

The following table shows the breakdown of financial liabilities relating to contracts for which policyholders bear investment risk and of other financial liabilities, highlighting subordinated liabilities:

(€/000)			
FINANCIAL LIABILITIES	30/09/2013	31/12/2012	Change
<b>Financial liabilities where the investment risk is borne by policyholders and arising from pension fund management</b>	<b>63,246</b>	<b>61,018</b>	<b>3.7%</b>
- Financial liabilities where the investment risk is borne by policyholders relating to index- and unit-linked policies	50,178	48,692	
- Financial liabilities where the investment risk is borne by policyholders relating to pension funds	13,068	12,326	
<b>Other financial liabilities</b>	<b>316,272</b>	<b>318,333</b>	<b>-0.6%</b>
- Reinsurance deposits	19,510	19,510	
- Payables to banks	273,260	270,621	
- Other financial payables	6,462	7,386	
- Other financial liabilities	17,040	20,816	
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>379,518</b>	<b>379,351</b>	<b>0.0%</b>

The following table shows the cumulative change as up to 30 September 2013 of financial liabilities relating to investments for which policyholders bear investment risk and to liabilities concerning pension fund management:

(€/000)			
	Benefits relating to unit-linked and index-linked policies	Benefits relating to pension fund management	Total
<b>Carrying amount at 31/12/2012</b>	<b>48,692</b>	<b>12,326</b>	<b>61,018</b>
Investment of net fund assets	30	158	188
Profits attributable to policyholders	2,311	778	3,089
Amounts paid	-855	-194	-1,049
<b>Carrying amount at 30/09/2013</b>	<b>50,178</b>	<b>13,068</b>	<b>63,246</b>

## Gains and losses on investments

The following table shows the breakdown as at 30 September 2013 of net gains on investments, with separate disclosure of investments where the risk is borne by life policyholders:

(€/000)				
Gains and losses on investments	Realised gains/ (losses)	Unrealised gains/ (losses)	30/09/2013 total net gains/(losses)	30/09/2012 total net gains/(losses)
<b>Investments</b>	<b>53,872</b>	<b>1,352</b>	<b>55,224</b>	<b>52,625</b>
<b>From:</b>				
b investments in subsidiaries and associates and interests in joint ventures	-1,104	-422	-1,526	-3,150
c held to maturity investments	2,497	-	2,497	3,483
d loans and receivables	925	-	925	847
e financial assets available for sale	52,152	-1,931	50,221	45,939
f financial assets held for trading	9	9	18	111
g financial assets at fair value through profit or loss	-607	3,696	3,089	5,395
<b>Other receivables</b>	<b>389</b>	<b>-</b>	<b>389</b>	<b>635</b>
<b>Cash and cash equivalents</b>	<b>2,116</b>	<b>-</b>	<b>2,116</b>	<b>1,114</b>
<b>Financial liabilities</b>	<b>-4,497</b>	<b>-3,898</b>	<b>-8,395</b>	<b>-9,282</b>
<b>From:</b>				
b financial liabilities at fair value through profit or loss	-	-3,089	-3,089	-5,395
c other financial liabilities	-4,497	-809	-5,306	-3,887
<b>Total gains and losses on financial instruments</b>	<b>51,880</b>	<b>-2,546</b>	<b>49,334</b>	<b>45,092</b>
<b>Real estate business</b>				
<b>From:</b>				
a Gains on property trading	2,350	-	2,350	2,376
b Rent income on owner-occupied property and property held for trading	553	-	553	517
<b>Total real estate business</b>	<b>2,903</b>	<b>-</b>	<b>2,903</b>	<b>2,893</b>
<b>Total gains and losses on investments</b>	<b>54,783</b>	<b>-2,546</b>	<b>52,237</b>	<b>47,985</b>

The net income with the risk borne by the Group increased by 8.9% from €47,985 thousand to €52,237 thousand; this result benefits from a capital gain of €8,480 thousand, due to the participation in the takeover of Cam Finanziaria SpA.

As up to 30 September 2013 the weighted average return on "Bonds and other fixed-income securities" was 4.1% as compared with 4.9% at 30 September 2012.

## Other revenues

The following table reiterates real-estate income, as shown in the previous table, and provides the link to "Other revenues" as shown in the consolidated income statement:

(€/000)		
Other Revenues	30/09/2013	30/09/2012
Total income from real estate business	2,903	2,893
Brokerage and management revenues	1,595	808
Other technical captions - insurance business	3,488	2,466
Other revenues - real estate business	47	191
Other revenues - insurance business	1,010	767
Other revenues - service business	30	4
<b>Total</b>	<b>9,073</b>	<b>7,129</b>

## Equity

The breakdown of equity as at 30 September 2013 is shown in the following table:

	(€/000)	
BREAKDOWN OF EQUITY	30/09/2013	31/12/2012
<b>Total equity attributable to the shareholders of the parent</b>	<b>483,156</b>	<b>442,060</b>
Share capital	67,379	67,379
Equity-related reserves	33,874	33,874
Income-related and other reserves	297,933	260,500
Fair value reserve	30,559	31,266
Other gains or losses recognised directly in equity	276	153
Group profit for the year	53,135	48,888
<b>Total equity attributable to minority interests</b>	<b>21,250</b>	<b>23,891</b>
Share capital and reserves attributable to minority interests	21,625	25,374
Minority interests' profit for the year	-375	-1,483
<b>Total consolidated equity</b>	<b>504,406</b>	<b>465,951</b>

## Significant events occurring after quarter-end

There were subscribed a capital increase in Nuove partecipazioni S.p.A. paying €2,750 thousand and acquiring no. 2,750,226 shares.

Based on the results expected at the end of the year, we can confirm the consolidated profit target already provided.

The Board of Directors

Milan, 12 November 2013

# Consolidated interim financial statements

Vittoria Assicurazioni S.p.A.  
Condensed Consolidated financial statements as at 30 September 2013  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(€/000)

Income Statement		30/09/2013	30/09/2012	31/12/12
1.1	Net premiums	797,703	698,790	965,953
1.1.1	<i>Gross premiums</i>	817,231	715,969	995,518
1.1.2	<i>Ceded premiums</i>	19,528	17,179	29,565
1.2	Commission income	579	465	599
1.3	Gains or losses on remeasurement of financial instruments at fair value through profit or loss	18	111	127
1.4	Gains on investments in subsidiaries and associates and interests in joint ventures	130	423	1,655
1.5	Gains on other financial instruments and investment property	56,743	55,097	73,579
1.5.1	<i>Interest income</i>	49,270	46,889	62,978
1.5.2	<i>Other income</i>	138	158	219
1.5.3	<i>Realised gains</i>	7,335	8,028	10,360
1.5.4	<i>Unrealised gains</i>	0	22	22
1.6	Other income	9,073	7,129	12,961
<b>1</b>	<b>TOTAL REVENUE</b>	<b>864,246</b>	<b>762,015</b>	<b>1,054,874</b>
2.1	Net charges relating to claims	568,240	502,892	695,727
2.1.1	<i>Amounts paid and change in technical reserves</i>	589,084	516,913	720,126
2.1.2	<i>Reinsurers' share</i>	-20,844	-14,021	-24,399
2.2	Commission expense	24	24	32
2.3	Losses on investments in subsidiaries and associates and interests in joint ventures	1,656	3,573	9,805
2.4	Losses on other financial instruments and investment property	5,901	6,966	8,359
2.4.1	<i>Interest expense</i>	4,497	3,887	4,503
2.4.2	<i>Other expense</i>	0	0	0
2.4.3	<i>Realised losses</i>	-1,336	46	33
2.4.4	<i>Unrealised losses</i>	2,740	3,033	3,823
2.5	Operating costs	164,537	152,838	217,643
2.5.1	<i>Commissions and other acquisition costs</i>	136,307	126,694	178,552
2.5.2	<i>Investment management costs</i>	1,212	904	1,208
2.5.3	<i>Other administrative costs</i>	27,018	25,240	37,883
2.6	Other costs	41,501	33,458	45,961
<b>2</b>	<b>TOTAL COSTS</b>	<b>781,859</b>	<b>699,751</b>	<b>977,527</b>
	<b>PROFIT FOR THE YEAR BEFORE TAXATION</b>	<b>82,387</b>	<b>62,264</b>	<b>77,347</b>
<b>3</b>	Income taxes	29,627	26,675	29,942
	<b>PROFIT FOR THE YEAR</b>	<b>52,760</b>	<b>35,589</b>	<b>47,405</b>
<b>4</b>	<b>GAIN (LOSS) ON DISCONTINUED OPERATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>CONSOLIDATED PROFIT (LOSS)</b>	<b>52,760</b>	<b>35,589</b>	<b>47,405</b>
	of which attributable to the shareholders of the parent	53,135	36,962	48,888
	of which attributable to minority interests	-375	-1,373	-1,483
	Basic EARNINGS per share	0.79	0.55	0.73
	Diluted EARNINGS per share	0.79	0.55	0.73

Statement of comprehensive income		30/09/2013	30/09/2012	31/12/2012
	<b>CONSOLIDATED PROFIT (LOSS)</b>	<b>52,760</b>	<b>35,589</b>	<b>47,405</b>
	Translation reserve	0	248	115
	Fair value reserve	-707	49,686	70,580
	Hedging reserve	0	0	0
	Gains or losses on hedging instruments of net investment in foreign operations	0	0	0
	Reserve for changes in the equity of investees	0	-12	-70
	Intangible asset revaluation reserve	0	0	0
	Property, plant and equipment revaluation reserve	0	0	0
	Gains or losses on non-current assets or assets of a disposal group classified as held for sale	0	0	0
	Actuarial gains and losses and adjustments related to defined benefit plans	123	98	153
	Other reserves	0	0	0
	<b>OTHER COMPREHENSIVE INCOME (LOSS) NET OF TAX</b>	<b>-584</b>	<b>50,020</b>	<b>70,778</b>
	<b>COMPREHENSIVE INCOME (LOSS)</b>	<b>52,176</b>	<b>85,609</b>	<b>118,183</b>
	of which attributable to the shareholders of the parent	52,551	86,982	119,666
	of which attributable to minority interests	-375	-1,373	-1,483



**Income statement by business and business line**

(€000)

	Non-life business		Life business		Real estate business		Service business		Intersegrment eliminations		Net gains and costs/losses	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012	30/09/2013	30/09/2012	30/09/2013	30/09/2012	30/09/2013	30/09/2012	30/09/2013	30/09/2012
1.1 Net premiums	678,232	620,550	119,471	78,240	0	0	0	0	0	0	797,703	698,790
1.1.1 <i>Gross premiums</i>	696,708	636,626	120,523	79,343	0	0	0	0	0	0	817,231	715,969
1.1.2 <i>Ceded premiums</i>	18,476	16,076	1,052	1,103	0	0	0	0	0	0	19,528	17,179
1.2 Commission income	0	0	579	465	0	0	0	0	0	0	579	465
1.3 Gains or losses on remeasurement of financial instruments at fair value through profit or loss	0	0	18	111	0	0	0	0	0	0	18	111
1.4 Gains on investments in subsidiaries and associates and interests in joint ventures	23	632	998	507	31	112	0	15	-922	-843	130	423
1.5 Gains on other financial instruments and investment property	26,161	30,533	29,679	24,082	839	453	64	29	0	0	56,743	55,097
1.6 Other income	4,938	3,595	122	111	4,582	4,111	5,735	5,936	-6,304	-6,624	9,073	7,129
<b>1 TOTAL REVENUE</b>	<b>709,354</b>	<b>655,310</b>	<b>150,867</b>	<b>103,516</b>	<b>5,452</b>	<b>4,676</b>	<b>5,799</b>	<b>5,980</b>	<b>-7,226</b>	<b>-7,467</b>	<b>864,246</b>	<b>762,015</b>
2.1 Net charges relating to claims	446,902	418,431	124,028	86,802	0	0	0	0	-2,690	-2,341	568,240	502,892
2.1.2 <i>Amounts paid and change in technical reserves</i>	467,090	431,730	124,684	87,524	0	0	0	0	-2,690	-2,341	589,084	516,913
2.1.3 <i>Reinsurers' share</i>	-20,188	-13,299	-656	-722	0	0	0	0	0	0	-20,844	-14,021
2.2 Commission expense	0	0	24	24	0	0	0	0	0	0	24	24
2.3 Losses on investments in subsidiaries and associates and interests in joint ventures	1,117	3,278	0	0	539	295	0	0	0	0	1,656	3,573
2.4 Losses on other financial instruments and investment property	738	3,230	398	654	4,736	3,055	14	27	15	0	5,901	6,966
2.5 Operating costs	148,512	141,145	12,993	10,800	7,481	5,877	1,855	1,640	-6,304	-6,624	164,537	152,838
2.6 Other costs	29,890	26,859	6,937	1,616	1,005	1,214	3,669	3,769	0	0	41,501	33,458
<b>2 TOTAL COSTS</b>	<b>627,159</b>	<b>592,943</b>	<b>144,380</b>	<b>99,896</b>	<b>13,761</b>	<b>10,441</b>	<b>5,538</b>	<b>5,436</b>	<b>-8,979</b>	<b>-8,965</b>	<b>781,859</b>	<b>699,751</b>
<b>PROFIT FOR THE YEAR BEFORE TAXATION</b>	<b>82,195</b>	<b>62,367</b>	<b>6,487</b>	<b>3,620</b>	<b>-8,309</b>	<b>-5,765</b>	<b>261</b>	<b>544</b>	<b>1,753</b>	<b>1,498</b>	<b>82,387</b>	<b>62,264</b>

Vittoria Assicurazioni S.p.A.  
Condensed Consolidated financial statements as at 30 September 2013  
**Detail of insurance technical items**

(€/000)

	30/09/2013			30/09/2012		
	Gross amount	Reinsurer's share of amount	Net amount	Gross amount	Reinsurers' share of amount	Net amount
<b>Non-life business</b>						
<b>NET PREMIUMS</b>	<b>696,708</b>	<b>18,476</b>	<b>678,232</b>	<b>636,626</b>	<b>16,076</b>	<b>620,550</b>
a Premiums written	693,667	18,880	674,787	633,201	16,443	616,758
b Change in premiums reserve	-3,041	404	-3,445	-3,425	367	-3,792
<b>NET CLAIMS COSTS</b>	<b>467,090</b>	<b>20,188</b>	<b>446,902</b>	<b>431,730</b>	<b>13,299</b>	<b>418,431</b>
a Amounts paid	361,715	10,120	351,595	359,246	10,773	348,473
b Change in claims reserves	113,532	10,330	103,202	75,373	4,386	70,987
c Change in recoveries	8,157	262	7,895	2,899	1,860	1,029
d Change in other technical reserves	0	0	0	0	0	0
<b>Life business</b>						
<b>NET PREMIUMS</b>	<b>120,523</b>	<b>1,052</b>	<b>119,471</b>	<b>79,343</b>	<b>1,103</b>	<b>78,240</b>
<b>NET CLAIMS COSTS</b>	<b>124,684</b>	<b>656</b>	<b>124,028</b>	<b>87,524</b>	<b>722</b>	<b>86,802</b>
a Amounts paid	83,789	321	83,468	89,372	4,223	85,149
b Change in reserve for amounts to be paid	-4,597	0	-4,597	-4,418	0	-4,418
c Change in mathematical reserves	47,098	338	46,760	485	-3,502	3,987
d Change in technical reserves when investment risk is borne by policyholders and in reserves arising from pension fund management	0	0	0	0	0	0
e Change in other technical reserves	-1,606	-3	-1,603	2,085	1	2,084

## Declaration of Corporate Financial Reporting Manager

The Corporate Financial Reporting Manager, Mario Ravasio, herewith declares, pursuant to paragraph 2, Article 154/2 of the Italian Legislative Decree February 24<sup>th</sup> 1998 n.58, that the accounting disclosure contained in this Consolidated quarterly report at 30 September 2013 matches documentary evidence, corporate books and accounting records.

Milan, 12 November 2013

Mario Ravasio  
*The Corporate Financial  
Reporting Manager*