

Vittoria Assicurazioni

SOCIETÀ PER AZIONI
REGISTERED OFFICES: VIA CALDERA, 21 - 20153 MILAN - ITALY
SHARE CAPITAL: EURO 66,984,514 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

89th year of business

Consolidated interim financial report at 30 September 2010

Board of Directors' meeting
of 10 November 2010



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

On 23 October 2010 Mr Ferruccio Araldi, statutory auditor of the Vittoria Assicurazioni died. The board of directors and the board of statutory auditors bring to mind his human quality, moral capability and professional ability with great emotion and regret.

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BOARD OF DIRECTORS

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 Francesco BAGGI SISINI Marco BRIGNONE Luciano GOBBI Arnaud HELLOUIN de MENIBUS Pietro Carlo MARSANI Giorgio MARSIAJ Edgar MÜLLER-GOTTHARD Lodovico PASSERIN d'ENTREVES Luca PAVERI FONTANA Robert RICCI Giuseppe SPADAFORA	Director Independent director Independent director Independent director Director Independent director Independent director Independent director Independent director Independent director Independent director Independent director Independent director Independent director Independent director
Mario RAVASIO	Secretary

BOARD OF STATUTORY AUDITORS

Angelo CASÒ	President
Giovanni MARITANO Corrado VERSINO	Standing statutory auditor Standing statutory auditor
Sergio VASCONI	Substitute statutory auditor

GENERAL MANAGEMENT

Cesare CALDARELLI Mario RAVASIO	Joint General Manager Joint General Manager
Enrico CORAZZA Antonio MASSOCCO Piero Angelo PARAZZINI	Central Manager Central Manager Central Manager

INDEPENDENT AUDITOR

BDO S.p.A.

APPOINTMENTS AND REMUNERATION COMMITTEE

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

INTERNAL CONTROL COMMITTEE

Pietro Carlo MARSANI	Independent non-executive president
Luciano GOBBI	Independent non-executive member
Giuseppe SPADAFORA	Independent non-executive member

FINANCE COMMITTEE

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

REAL ESTATE COMMITTEE

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
Arnaud HELLOUIN de MENIBUS	Non-executive member
Luca PAVERI FONTANA	Non-executive member

In accordance with CONSOB (Italian securities & exchange commission) communication no. 97001574 of 20 February 1997 and given that the company Articles of Association delegate to the Chairman of the Board of Directors powers of legal representation of the company for transactions with third parties and in court and, with the approach established by the Board of Directors, to the Deputy Chairman and Managing Director, a brief description is provided below of the nature of the powers given by the Board of Directors, to be exercised on a disjoined basis, to:

The DEPUTY CHAIRMAN Carlo Acutis
and to the MANAGING DIRECTOR

- Purchase, exchange and sell buildings up to a maximum of € 10 (ten) million per transaction;
- Stipulate tender contracts and sign projects and specifications related to the company's buildings to a maximum of € 10 (ten) million per transaction;
- Purchase and sell, without any limit on the amount, government securities or securities guaranteed by the government, non-convertible bonds and similar securities and units in CIUs (collective investment undertakings) that mainly invest in bonds;
- Purchase and sell, give and carry over shares, convertible bonds, investments in companies and bodies, units of closed-end funds and credit instruments in general up to a maximum of € 10 (ten) million, reduced to € 5 (five) million when the investments and divestments relate to investments in insurance companies or other companies with a corporate purpose directly related or functional to that business. The right to purchase and sell majority investments in other companies and bodies is in any case the prerogative of the Board of Directors, except for those transactions involving real estate companies within the limit of € 10 (ten) million per transaction;
- Purchase and sell units of CIUs, excluding closed-end funds, that invest in the equity segment, up to the maximum amount of € 15 (fifteen) million;
- Purchase and sell, without any limit on amount, debt and equity securities for the benefit of life policyholders who bear related risk and those arising from pension fund management;
- Grant loans and financing up to the amount of € 5 (five) million, with the right to agree on all guarantees, including mortgages.

The right to issue sureties and endorsements on behalf of third parties is in any case the prerogative of the Board of Directors except for those for lease contracts related to the company's normal operations.

Form and contents of report

The Italian Consolidated Finance Act, with the new articles 154/2 and 154/3, endorsed the European directive 2004/109/EC (the so-called Transparency Directive) as regards financial reporting.

Based on Article 154/3, paragraph 5, Italian issuers with shares listed in Italian regulated markets are allowed to prepare an interim management statement mainly reporting qualitative and management information, restricting the accounting data (results, investments, etc.).

However, considering the particular situation of uncertainty and turbulence of financial markets, it has been deemed advisable continuing to present the consolidated quarterly interim report as at 30 September 2010 in compliance with Article 82 of CONSOB (Italian securities & exchange commission) resolution no. 11971 of 14 May 1999 as subsequently amended.

The report, prepared in accordance with Annex 3D of the aforesaid resolution, consists of a directors' report, which comments on the group's performance and the main events in the period, the interim financial statements 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

From FY2010 onwards, the Group is applying the interpretation IFRIC 15 – “Agreements for the construction of real estate” – for the valuation of real estate under construction, according to which agreements for real-estate construction by the Group do not come within the scope of IAS 11 (Construction Contracts).

Given this, real-estate trading profits are now recognized at the time of the notarial deed of sale, rather than according to building completion status.

Comparative data as at 30 September 2010 and 31 December 2009 shown in this report have been restated consistently with application of IFRIC 15. Related impact is illustrated in a specific section of the explanatory notes to accounts.

Apart from the above change, 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 2009. 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.

In addition, it is pointed out that our impairment procedure establishes that downgraded debt securities are not subjected to impairment if they are accompanied by guarantees or protective mechanisms instituted by supranational entities, by other sovereign countries or by other issuers with high credit ratings, such as to have a positive effect on the ability to repay at maturity, thus making the change of rating less significant.

Interim management report

Summary of key performance indicators

€/million					
SPECIFIC SEGMENT RESULTS					
	30/09/2010	30/09/2009	31/12/2009	Δ 30/09/09	Δ 31/12/09
Non Life business					
Gross Premiums written - direct Non Life business	458.4	372.8	541.5	23.0%	
Loss Ratio (retained)	73.0%	74.6%	73.4%		
Combined Ratio (retained)	98.6%	99.8%	99.6%		
Expense Ratio (retained)	24.5%	25.6%	25.5%		
Non Life business pre-tax result	16.3	11.6	22.2	40.5%	
Life business					
Gross Premiums written - direct Life business	104.1	81.7	126.4	27.4%	
Annual Premium Equivalent (APE)	11.2	7.5	12.1	49.3%	
Segregated fund performance: Rendimento Mensile	4.03%	4.32%	4.23%		
Segregated fund performance: Valore Crescente	5.09%	5.04%	5.08%		
Segregated funds portfolios	633.2	606.6	609.1		4.0%
Index/Unit - linked and Pension funds portfolios	79.0	78.6	79.6		-0.8%
Life business pre-tax result	9.9	8.6	9.5	15.1%	
Total Agencies	311	273	283	38	28
Average of employees	503	489	490	14	13
Real Estate business					
Sales	53.9	6.5	7.9	729.2%	
Trading and development margin	12.3	1.3	1.1	846.2%	
Real Estate business pre-tax result	7.0	-5.1	-8.1	237.3%	
Real Estate result attributable to Life policyholders ¹	1.4	-0.8	-1.6	275.0%	
Real Estate result to net of result already attributable to Life policyholders	5.6	-4.3	-6.5	230.2%	
CONSOLIDATED RESULTS					
	30/09/2010	30/09/2009	31/12/2009	Δ 30/09/09	Δ 31/12/09
Net gains on investments ²	44.5	34.4	45.1	29.4%	
Pre-tax result	30.0	14.8	22.9	102.7%	
Consolidated profit (loss)	17.3	8.0	12.8	116.3%	
Group profit (loss)	16.7	9.0	14.5	85.6%	
Equity attributable to the shareholders of the parent	365.1	348.0	353.1		3.4%
Equity attributable to the shareholders of the parent except latent capital gains	335.2	321.3	327.5		2.4%

¹ (Losses) / Profits attributable to life policyholders

² after gains on investments where policyholders bear the risk

Legend

- **Loss Ratio – retained business:** is the ratio of current year claims to current year gross written premiums;
- **Combined Ratio – retained business:** is the ratio of (current year claims + operating costs + intangible assets amortization + technical charges) to current year gross premiums written;
- **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.

Vittoria Assicurazioni Group and consolidation scope

Consolidated investments

As at 30 September 2010 the following companies have been consolidated on a line-by-line basis:

	Registered Offices	Share Capital Euro	% Ownership		Via
			Direct	Indirect	
Vittoria Assicurazioni S.p.A.	Milan	66,545,748			
Vittoria Immobiliare S.p.A.	Milan	22,000,000	87.24%		
Immobiliare Bilancia S.r.l.	Milan	3,150,000	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%		
Lauro 2000 S.r.l.	Milan	26,250,000	100.00%		
Forum Mondadori Residenze S.r.l.	Milan	100,000	100.00%		
Vittoria Properties S.r.l.	Milan	4,000,000	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%	
Gestimmobili S.r.l.	Milan	104,000		80.00%	Vittoria Immobiliare S.p.A.
Acacia 2000 S.r.l.	Milan	100,000		65.00%	
Interimmobili S.r.l.	Rome	104,000		80.00%	
Cadorna Real Estate S.r.l.	Milan	10,000		70.00%	
V.R.G. Domus S.r.l.	Turin	1,000,000		51.00%	
Vaimm Sviluppo S.r.l.	Milan	1,500,000		100.00%	
Valsalaria S.r.l.	Rome	60,000		51.00%	
Aspevi S.r.l.	Milan	10,400		100.00%	Interbilancia S.r.l.
Vittoria.Net S.r.l.	Milan	50,000		100.00%	
Plurico S.r.l.	Milan	10,000		100.00%	

Changes in shareholdings or other changes during the period

Lauro 2000 S.r.l.

During the third quarter of the current year Vittoria Assicurazioni, to partial execution of the capital increase up to € 30,000 thousand resolved by the Shareholders' Meeting on 25 June 2010, paid to Lauro 2000 Srl € 10,000 thousand, of which € 2,500 for capital and € 7,500 for the premium reserve.

Thus, at 30 September 2010 the capital of Lauro 2000 Srl amounted to € 26.250 thousand.

Plurico S.r.l.

Pursuant to Isvap authorization, on 24 September 2010 was established Plurico Srl, single-member company in which stake is totally held by Interbilancia Srl.

The company has applied for the registration in the E section of the insurance broker's record book.

Unconsolidated investments valued with the net equity method

At 30 September 2010 the following companies were carried at equity:

	Registered Offices	Share Capital Euro	% Ownership		Via
			Direct	Indirect	
Yam Invest N.V. (<i>joint venture</i>)	Amsterdam Netherlands	63,083,168	18.75%		
S.In.T. S.p.A.	Turin	1,000,000	48.19%		
Yarpa S.p.A.	Genoa	38,201,600	25.90%		
White Finance S.A	Luxembourg	1,000,000	32.17%		
Laumor Holdings S.a.r.l.	Luxembourg	12,500	29.00%		
Gima Finance S.A.	Luxembourg	31,000	32.13%		
Consorzio Movincom S.c.r.l.	Turin	103,100	0.98%	38.80%	Vittoria.Net S.r.l.
Spefin Finanziaria S.p.A.	Rome	2,000,000		21.00%	Vittoria Service S.r.l.
Sivim S.r.l.	Milan	60,000		49.50%	Vittoria Immobiliare S.p.A.
Rovimmobiliare S.r.l.	Rome	20,000		50.00%	
Mosaico S.p.A.	Turin	500,000		25.00%	
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	100,000		40.00%	
VZ Real Estate S.r.l.	Turin	100,000		49.00%	
Le Api S.r.l.	Milan	10,400		30.00%	Interbilancia S.r.l.

Changes in shareholdings or other changes during the period

No changes occurred during 3Q10.

Directors' Report

Performance of the Vittoria Assicurazioni Group

Results as at 30 September 2010 (3Q10) show profit attributable to parent company shareholders amounting to € 16,725 thousand vs. € 9,013 thousand in the same period in 2009 (3Q09) (+85.6%).

As at 30 September the Group's comprehensive income statement showed income of € 21,410, decreasing by 17.3% vs. € 25,893 thousand recorded at 30 September 2009, when the result benefited of significant improvement in securities prices compared to previous year due to a generalised decrease in interest rates. In 2010 only high rating (AAA) government securities have been interested by this decrease.

Equity attributable to parent company shareholders amounted to € 365,095 thousand, increasing versus € 353,088 thousand reported at 31 December 2009.

Profit for the insurance business, before intercompany eliminations, rose from € 20,196 thousand to € 26,121 thousand (+29.3%). Results featured a tangible increase of premiums (+23.7%) achieved by the agency network, which, following the established development plan, as at 30 September 2010 operated with 311 general agencies and 532 professional sub-agencies.

The real estate business achieved a pre-tax profit of € 7,034 thousand, as opposed to a pre-tax loss of € -5,099 thousand in 3Q09, thanks to the start of significant sales of investments made in previous financial years. Margins on the volume of sales completed with notarial deeds in 3Q10 in fact totalled € 12,254 thousand vs. € 1,276 thousand in 3Q09. This contribution to operating results made it possible to attribute a significant share of these profits to life policyholders.

Private equity investments made by associate companies led to a loss of € -2,605 thousand (vs. a loss of € -1,033 thousand in 3Q09), mainly attributable to the significant write-down of an investment made by White Finance in a company active in the prefabricated buildings market. 3Q10 result is also affected by the negative result (-715 € thousand) of the joint venture in Yam Invest N.V. (-407 € thousand in 3Q09), due to the start of many investment initiatives that are expected to generate profits in the next years.

Of investments totalling € 2,182,935 thousand (+3.6% vs. the situation at 31 December 2009), € 78,984 thousand (-0.8%) referred to investments with risk borne by policyholders and € 2,103,951 thousand (+3.8%) to investments with risk borne by the Group.

Net investment income, relating to investments with risk borne by the Group, amounted to € 44,544 thousand vs. € 34,378 thousand at 3Q09 (+29.6%). The increase is due to the above mentioned margins realised in the real estate business.

As up to 30 September 2010 the direct operating parent company, Vittoria Assicurazioni S.p.A., showed a net profit – based on Italian GAAPs – of € 19,469 thousand (vs. € 16,320 thousand in 3Q09).

Group target is development combined with capital reinforcement and it deems appropriate projection of dividend service for the current FY (financial year) in line with that of FY2009. Based on the results expected by the end of the year, we feel able to confirm the consolidated profit target already announced.

During 3Q10 conversion continued of the subordinated loan into Vittoria Assicurazioni shares, with a consequent increase of share capital to € 66,545,748.

As highlighted in the “Accounting policies” section, all comparative data relating to 2009 have been restated according to retrospective application of IFRIC 15. Similarly, YoY changes have been calculated based on restated data.

Insurance business

Profit for the insurance business, before taxes and intersegment eliminations, amounted to € 26,121 thousand (€ 20,196 thousand as at 30 September 2009) and the key operating items contributing to the period’s result are described below.

Total insurance premiums in 3Q10 amounted to € 563,410 thousand (+23.4% vs. premiums of € 456,714 thousand in 3Q09), of which € 562,570 thousand for insurance premiums written and € 840 thousand for index - and 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 27.4% vs. premiums in 3Q09, as shown in the specific table.

Direct Non-Life (i.e. property & casualty) insurance premiums increased by 23.0%, specifically:

- Motor premiums progressed by 25.8%;
- Premiums for other non-marine insurance increased by 9.9%;
- Premiums for specialty categories [i.e. marine & transport, aviation, and credit & suretyship] increased by 69.6%.

Overhead costs as a percentage of total direct insurance premiums were 9.4% (vs. 10.6% in 3Q09).

The Non-Life combined ratio and loss ratio on the retained business, as at 30 September 2010, were respectively 98.6% and 73.0%.

Real estate business

The profit made by the real estate business, before taxes and intersegment eliminations, amounted to € 7,034 thousand (vs. a loss of € 5,099 thousand in 3Q09) and featured contributors to the income statement that, before intersegment eliminations, included:

- Income earned on properties from trading and development totalling € 12.254 thousand (€ 1,276 thousand in 3Q09);
- Revenues from real estate brokerage and management services of € 1,207 thousand and rental income of € 210 thousand (€ 1,222 thousand and € 356 thousand respectively in 3Q09);
- Financial expenses of € 2,010 thousand (€ 2,775 thousand in 3Q09).

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 loss in the period, before tax and minority interest, of € 13 thousand (€ 458 thousand in 3Q09).

Revenues for services rendered in 3Q10 by group companies, before elimination of infra-group services, amounted to € 2,358 thousand (€ 2,764 thousand in 3Q09). These revenues included € 2,071 thousand for commissions and services rendered to the direct operating parent company.

Review of operations

Premiums as up to 30 September 2010 amounted to € 562,570 thousand while 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 € 840 thousand (€ 1,828 thousand in 3Q09).

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

COMPARISON BETWEEN GROSS PREMIUMS WRITTEN IN FIRST 9 MONTHS OF 2010 AND 2009 DIRECT AND INDIRECT BUSINESS

	III Q 2010	III Q 2009	YoY change %	% of total book	
				2010	2009
(€/000)					
Domestic direct business					
Life business					
I Whole- and term life	77,820	61,466	26.6	13.8	13.5
IV Health (long-term care)	247	261	5.4	0.0	0.1
V Capitalisation	26,060	20,012	30.2	4.6	4.4
Total Life business	104,127	81,739	27.4	18.4	18.0
Non-Life business					
Total non-marine lines (exc. specialty and motor)	100,415	91,397	9.9	18.0	20.2
Total specialty lines	15,678	9,244	69.6	2.8	2.0
Total motor lines	342,319	272,150	25.8	60.8	59.7
Total Non-Life business	458,412	372,791	23.0	81.6	81.9
Total direct business	562,539	454,530	23.8	100.0	99.9
Domestic indirect business					
Life business	-	-	n.v	0.0	0.0
Non-Life business	31	356	-91.3	0.0	0.1
Total indirect business	31	356	-91.3	0.0	0.1
Grand Total	562,570	454,886	23.7	100.0	100.0

The gross premiums written for 3Q10 alone are shown in the following table:

		(€/000)	
		Third Q 2010	
		Gross premiums written	
Domestic direct business	Life business	20,833	
	Non-marine (exc. specialty and motor)	29,645	
	Specialty lines	4,579	
	Motor	109,581	
	Total	164,638	
Domestic indirect business	Total	-	
Grand Total		164,638	

The gross premiums written for the quarter represented by investment contracts (Unit Linked and Vittoria Formula Lavoro open-ended pension fund) totalled € 247 thousand.

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

(€/000)						
Regions	Non-Life Business			Life Business		
	Agencies	Premiums	%	Premiums	%	
NORTH						
Emilia Romagna	26	31,067		4,875		
Friuli Venezia Giulia	4	5,899		1,691		
Liguria	13	18,774		1,886		
Lombardy	73	108,261		38,142		
Piedmont	34	35,302		2,712		
Trentino Alto Adige	7	5,987		502		
Valle d'Aosta	1	1,759		75		
Veneto	29	28,787		4,257		
Total	187	235,836	51.4	54,140	52.0	
CENTRE						
Abruzzo	10	20,139		2,139		
Lazio	29	64,182		27,609		
Marche	13	12,102		4,066		
Tuscany	28	36,956		3,051		
Umbria	14	22,442		3,260		
Total	94	155,821	34.0	40,125	38.5	
SOUTH AND ISLANDS						
Basilicata	2	4,246		450		
Calabria	2	3,371		53		
Campania	7	15,107		1,922		
Puglia	5	13,140		6,501		
Sardinia	5	8,736		140		
Sicily	9	22,155		796		
Total	30	66,755	14.6	9,862	9.5	
Overall total	311	458,412	100.0	104,127	100.0	

The direct operating parent company does not operate under freedom-to-provide-service provisions or via secondary establishments in other EU and non-EU countries.

Life business

Premiums

Direct insurance business premiums recognised for the period totalled € 104,127 thousand, which includes € 77,887 thousand in annual premiums and € 26,240 thousand in recurrent premiums, representing 74.8% and 25.2% of the total respectively.

Direct insurance business premiums recognised in 3Q10 totalled € 20,833 thousand (€ 31,608 thousand in the same period of the previous year), which includes € 13,584 thousand in annual premiums and € 7,249 thousand in recurrent premiums, representing 65.2% and 34.8% of the total, respectively.

Claims, accrued capital sums & annuities, and surrenders

The comparison relating to settlements in the quarter and as at end of September 2010 is shown in the following table:

	(€/000)	
	30/09/2010	30/09/2009
Third Quarter		
Claims	3,788	5,383
Accrued capital sums & annuities	12,319	12,012
Surrenders	7,723	5,385
Total	23,829	22,780
As at Third Quarter		
Claims	15,582	12,456
Accrued capital sums & annuities	49,763	35,720
Surrenders	24,818	18,442
Total	90,163	66,618

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 3Q10 ceded premiums amounted to € 321 thousand and the total amount at 30 September 2010 amounted to € 1,322 thousand.

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.

Non-Life business

Premiums and technical performance

Direct premiums written in 3Q10 amounted to € 458,412 thousand (€ 372,791 thousand in 3Q09) and featured an increase of 23.0% YoY. Direct insurance business premiums recognised in 3Q10 totalled € 143,805 thousand (€ 113,608 thousand in the same period of the previous year).

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

Non-marine Lines

Even though the premiums written in the Non-marine Lines increased by 9.9%, the technical result was negative.

Specialty Lines

During the period, the premiums written in the Speciality Lines increased by 69.6%. Since July 2009, salary-backed loans" (SBLs) products, which include right of recourse, have been classified in the Credit Lines (Specialty Risks) instead of Sundry Financial Losses (Non-marine Lines). Overall technical result was negative and it was mainly due to the Credit and Suretyship Lines trend.

Motor Lines

Even though the market trend has been nearly stable, premiums written in these Lines increased by 25.8%.

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)					
	30/09/2010		30/09/2009		Change %	
	number	total cost	number	total cost	number	total cost
Total non-marine businesses	47,494	74,038	36,630	74,248	29.7	-0.3
Total Special businesses	554	4,425	391	21,710	41.7	-79.6
Total motor businesses	97,799	255,290	85,505	192,537	14.4	32.6
Total non-life businesses	145,847	333,753	122,526	288,495	19.0	15.7

Furthermore, no. 53,263 claims referring to "CARD claims" were received. Their total cost, net of applicable deductibles, was € 22,106 thousand.

The following table shows reported claims of the quarter:

	IIIQ10		IIIQ09		Change %	
	number	total cost	number	total cost	number	total cost
Total non-marine businesses	17,828	25,080	16,572	22,967	7.6	9.2
Total Special businesses	203	1,192	154	2,176	31.8	-45.2
Total motor businesses	33,726	83,662	30,420	59,747	10.9	40.0
Total non-life businesses	51,757	109,934	47,146	84,890	9.8	29.5

Claims paid

In 3Q10 claims paid for direct business and the amount charged to reinsurers amounted to € 80,368 thousand and to € 2,179 thousand respectively.

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 30/09/2010			Claims recovered from reinsurers	Claims paid 30/09/2009			Change gross claims %
	Current year	Previous years	Total		Current year	Previous years	Total	
	Total non-marine businesses	18,642	35,035		53,677	1,826	18,499	
Total Special businesses	1,569	7,792	9,361	4,471	3,279	2,440	5,718	63.7
Total motor businesses	90,955	116,795	207,749	2,753	76,765	116,010	192,775	7.8
Total non-life businesses	111,165	159,622	270,787	9,050	98,543	155,852	254,394	6.4

The cost includes the amount incurred in the period for the contribution to the guarantee fund for road-accident victims. This totalled € 6,503 thousand vs. € 5,237 thousand in 3Q09.

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	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009
Accident insurance	35,7	39,7	50,2	62,9
Health insurance	80,0	81,3	55,7	75,7
Motor vehicle hulls	78,0	73,3	67,5	78,1
Fire and natural events	62,6	59,8	68,8	76,4
Miscellaneous damages - theft	68,2	72,2	80,5	83,9
Third-party motor liability	65,5	66,1	56,5	61,3
Third-party general liability	49,1	51,1	24,7	32,2

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:

Non-life business	Type of treaty
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, 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 3Q10 totalled € 4,376 thousand for a total of € 14,802 thousand at 30 September 2010.

Inward reinsurance

Acceptance of inward reinsurance risks mainly arises from participation in syndicates and from business concerning Aviation hulls – flight risks.

Commercial organisation

As part of the planned expansion of the agency network, 32 new agencies were opened, other 35 were reorganised and 4 were closed in 3Q 2010. As a result, the parent company was domestically represented by 311 general agencies (273 at 3Q09) and 532 professional sub-agencies (441 at 3Q09). In the only third quarter of 2010 11 new agencies were opened and 1 were closed.

Products

Elementary Business: New Products

- “Linea Tutela e Infortuni”: new complete product for full injury cover;
- “Linea Salute e Benessere”: new two products assuring health expenses refund and the paying out of daily indemnity caused by injury and disease.

Technical reserves

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

(€/000)						
	Direct business		Indirect business		Total carrying amount	
	30/09/2010	31/12/2009	30/09/2010	31/12/2009	30/09/2010	31/12/2009
Non-life reserves	847,283	778,941	921	903	848,204	779,844
Premium reserve	247,752	226,484	29	78	247,781	226,562
Claims reserve	597,757	548,683	892	825	598,649	549,508
Other reserves	1,774	3,774	-	-	1,774	3,774
Life reserves	787,192	773,905	290	290	787,482	774,195
Reserve for payable amounts	13,683	19,487	11	11	13,694	19,498
Mathematical reserves	738,385	721,622	274	274	738,659	721,896
Other reserves	35,124	32,796	5	5	35,129	32,801
Total technical reserves	1,634,475	1,552,846	1,211	1,193	1,635,686	1,554,039

The Life "Other reserves" item mainly refers to:

- € 22,676 thousand for the reserve for deferred liabilities to policyholders (of which € 18,687 thousand stemming from measurement at fair value of available-for-sale securities and € 3,989 thousand by provisioning made against subsidiaries' profit allocated to segregated accounts);
- € 12,292 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	
	30/09/2010	31/12/2009	30/09/2010	31/12/2009	30/09/2010	31/12/2009
Non-life reserves	50,333	53,467	425	437	50,758	53,904
Premium reserve	11,578	9,586	1	43	11,579	9,629
Claims reserve	38,755	43,881	424	394	39,179	44,275
Other reserves	-	-	-	-	-	-
Life reserves	21,224	20,322	-	-	21,224	20,322
Reserve for payable amounts	373	373	-	-	373	373
Mathematical reserves	20,828	19,926	-	-	20,828	19,926
Other reserves	23	23	-	-	23	23
Total reinsurers' share of technical reserves	71,557	73,789	425	437	71,982	74,226

Overhead costs

Insurance Business

Overhead costs – direct business

In 3Q10 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 € 53,197 vs. € 48,331 thousand in 3Q09, increasing by 10.1%.

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)			
ANALYSIS OF COSTS	30/09/2010	30/09/2009	Change
Personnel expenses	28,959	26,236	10.4%
Other costs	19,651	18,196	8.0%
Amortisation/Depreciation	4,587	3,899	17.7%
Total cost by nature	53,197	48,331	10.1%

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)			
ANALYSIS OF COSTS	30/09/2010	30/09/2009	Change
Personnel expenses	2,766	2,523	9.6%
Other costs	2,446	2,194	11.5%
Amortisation/Depreciation	307	305	0.7%
Total cost by nature	5,519	5,022	9.9%

SERVICE BUSINESS

(€/000)			
ANALYSIS OF COSTS	30/09/2010	30/09/2009	Change
Personnel expenses	404	342	18.1%
Other costs	1,985	1,957	1.4%
Amortisation/Depreciation	4	6	-33.3%
Total cost by nature	2,393	2,305	3.8%

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)		
	30/09/2010	30/09/2009	Change
Gross commissions and other acquisition costs	110,055	93,945	17.1%
Profit participation and other commissions received from reinsurers	-4,762	-4,793	-0.6%
Investment management costs	544	606	-10.2%
Other administrative costs	13,475	12,442	8.3%
Total	119,312	102,200	16.7%

Employees

As at 30 September 2010 Vittoria Assicurazioni and fully consolidated companies had 511 employees vs. 490 as at 31 December 2009 and 497 as at 30 September 2009.

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

	30/09/2010	30/09/2009	31/12/2009
Managers	23	21	21
Officers	127	121	122
Administrative staff	353	347	347
Total	503	489	490

Investments – Cash & cash equivalents - Property

Investments, cash & cash equivalents, and property reached a value of € 2,182,935 thousand with an increase of € 76,437 thousand vs. 31/12/2009, i.e. +3.6%. The detailed breakdown is shown in the following table:

		(€/000)		
INVESTMENTS - CASH AND CASH EQUIVALENTS - PROPERTY		30/09/2010	31/12/2009	Change
A	Investments in subsidiaries and associates and interests in joint ventures	98,347	99,898	-1.6%
B	Held to maturity investments	95,750	94,717	1.1%
	Loans and receivables	47,310	43,227	9.4%
	- Reinsurance deposits	280	280	
	- Other loans and receivables	47,030	42,947	
C	Financial assets available for sale	1,333,010	1,264,299	5.4%
	- Equity investments	43,787	43,974	
	- OEIC units	10,320	6,705	
	- Bonds and other fixed-interest securities	1,278,903	1,213,620	
	Financial assets at fair value through profit or loss	84,576	86,010	-1.7%
D	Financial assets held for trading	5,592	6,400	-12.6%
	- Bonds and other fixed-interest securities held for trading	5,592	6,400	
E	Financial assets at fair value through profit or loss	78,984	79,610	-0.8%
	- Investments where policyholders bear the risk	78,984	79,610	
	Cash and cash equivalents	74,305	66,895	11.1%
F	Property	449,637	451,452	-0.4%
	Property under construction	283,209	301,210	
	Property held for trading	83,396	78,998	
	Owner-occupied property	83,032	71,244	
	TOTAL INVESTMENTS	2,182,935	2,106,498	3.6%
	of which			
	investments where the Group bears the risk	2,103,951	2,026,888	3.8%
	investments where policyholders bear the risk	78,984	79,610	-0.8%

Investments with risk borne by Group

Investments with risks borne by the Group totalled € 2,103,951 thousand (€ 2,026,888 thousand as at 31 December 2009).

The following transactions took place during the first 9 months of 2010:

B) Investments held to maturity:

- redemption of bonds for € 110 thousand.

C) Financial assets available for sale:

- purchases of Eurozone government securities for € 269,128 thousand;
- purchases of shares in a money market fund for € 4,000 thousand;
- Downall Italia Srl: paid of € 12 thousand due to recapitalization for losses cover;
- receipt of € 49 thousand as a partial advance for liquidation of the Swissair bond in default, recognised as capital gain;
- liquidation of the participation in BCM & Partners LLP: receipt of € 183 recognising a capital loss of € 24 thousand;
- sales of Italian government securities for € 32,502 thousand, realising a capital gain of € 217 thousand;
- partial repayment of a closed-end real estate fund for € 63 thousand;
- repayment of corporate bonds for € 176,600 thousand;

D) Financial assets held for trading:

- Acquisitions coming from surrenders and non-signature of policies (pursuant to Article 41, paragraph 2 of Italian Legislative Decree no. 209 of 7 September 2005) for € 468 thousand;
- repayment of corporate bonds for € 1,512 thousand, obtaining a capital gain of € 39 thousand.

Investments where policyholders bear the risk

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

As at 30 September 2010 these investments amounted to € 78,984 thousand, decreasing by 0.8% YoY. Of this amount, € 68,992 thousand related to unit - and index - linked policies and € 9,992 thousand to the open-ended pension fund Vittoria Formula Lavoro. There was total net income of € 5,514 thousand.

The value of investments in securities amounted to € 73,876 thousand (€ 70,483 thousand as at 31 December 2009).

Their breakdown was as shown in the following table:

	(€/000)		
	30/09/2010	31/12/2009	Change %
Equity investments	7,973	6,492	22.8
Unit trusts and OEICs	34,861	33,311	4.7
Bonds and other fixed-interest securities	18,973	16,537	14.7
Index-linked derivative notes	12,068	14,143	-14.7
Total Investments in securities	73,876	70,483	4.8
Cash and other assets	5,108	9,127	-44.0
Investments benefiting policyholders who bear relating risk and those arising from pension fund management	78,984	79,610	-0.8

As at 30 September 2010 the status of the three segments of Vittoria Assicurazioni's open-ended pension fund was as follows:

	Members		Assets (€/000)	
	30/09/2010	31/12/2009	30/09/2010	31/12/2009
Previdenza Garantita	291	288	2,634	2,339
Previdenza Equilibrata	326	314	3,485	2,979
Previdenza Capitalizzata	375	378	3,873	3,504

Changes in securities

The following table illustrates the changes recorded up through 30 September 2010 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:

	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	
		(€/000)						
Carrying amount at 31/12/2009	94,717	43,974	6,705	1,213,620	1,264,299	79,610	6,400	1,445,027
Acquisitions and subscriptions	-	-	4,000	269,128	273,128	5,450	468	279,046
Sales and repayments	-110	-207	-63	-209,102	-209,372	-9,394	-1,472	-220,348
Other changes:								
- effective interest adjustments	1,346	-	-	2,146	2,146	-	-	3,492
- fair value adjustments	-	-42	-322	11,338	10,974	540	201	11,715
- rate changes	-203	50	-	-8,227	-8,177	-	-5	-8,385
- other changes	-	12	-	-	12	2,778	-	2,790
Carrying amount at 30/09/2010	95,750	43,787	10,320	1,278,903	1,333,010	78,984	5,592	1,513,337

F) Investments in property

As at 30 September 2010, real estate assets totalled € 449,637 thousand (-0.4% vs. 31 December 2009).

The following table shows the breakdown and changes of these real estate assets:

	(€/000)			
	Property under construction	Property held for trading	Owner- occupied property	Total
Balance as at 31/12/2009	301,210	78,998	71,244	451,452
Purchase and capitalised interests paid				
- MILAN - Portello Area (via Acacia 2000 S.r.l. and Lauro 2000 S.r.l.)	14,195	-	12,029	26,224
- PARMA (via Immobiliare Bilancia Prima S.r.l.)	41	-	-	41
- SAN DONATO MILANESE (MI) - (via Jannozi S.r.l.)	2,161	-	-	2,161
- SAN DONATO MILANESE (MI) - (via Vittoria Immobiliare S.p.A.)	3,302	-	-	3,302
- ROMA (via Valsalaria S.r.l.)	138	-	-	138
- TORINO - Villar Focchiardo Street - (via Vittoria Immobiliare S.p.A.)	515	-	-	515
- GENOVA - De Ferrari Sq., Conservatori del Mare Str., Orefici Str. (via Vaimm Sviluppo S.r.l.)	-	3,110	-	3,110
- GENOVA - De Ferrari Sq., Conservatori del Mare Str., Orefici Str. (adjustment to fair value due to additional purchase)	-	0	-	0
- GENOVA - Venezia Street (via Immobiliare Bilancia S.r.l.)	-	261	-	261
- TORINO - Cairoli Street (via Cadorna Real Estate S.r.l.)	-	1,993	-	1,993
- Miscellaneous	623	1,583	0	2,206
Total purchase and capitalised interests paid	20,976	6,947	12,029	39,952
Sales:				
- GENOVA - De Ferrari Sq., Conservatori del Mare Str., Orefici Str. (via Vaimm Sviluppo S.r.l.)	-	(2,200)	-	(2,200)
- PESCHIERA BORROMEO (MI) - (via Vittoria Immobiliare S.p.A.)	(1,458)	-	-	(1,458)
- ROMA - Ugo Ojetti Street (via Immobiliare Bilancia Seconda S.r.l.)	-	(485)	-	(485)
- ROMA - Benedetto Croce Street (via Immobiliare Bilancia S.r.l.)	395.00	0	-	(395)
- Miscellaneous	-	-200	0	(200)
Total sales	(50,994)	(2,885)	0	(53,879)
Decrease / (Increase) advance received	0	-	-	0
Depreciations	-	-	(241)	(241)
Recognised gains	12,017	336	0	12,353
Balance as at 30/09/2010	283,209	83,396	83,032	449,637

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	30/09/2010	31/12/2009	Change
Financial liabilities where the investment risk is borne by policyholders and arising from pension fund management	78,984	79,610	-0.8%
- Financial liabilities where the investment risk is borne by policyholders relating to index- and unit-linked policies	68,964	70,789	
- Financial liabilities where the investment risk is borne by policyholders relating to pension funds	10,020	8,821	
Other financial liabilities	294,974	319,804	-7.8%
- Reinsurance deposits	23,554	23,554	
- Payables to banks	245,413	265,390	
- Other financial payables	7,737	9,282	
- Other financial liabilities	15,896	17,310	
- Subordinated liabilities	2,374	4,268	
TOTAL FINANCIAL LIABILITIES	373,958	399,414	-6.4%

The following table shows the cumulative change as up to 30 September 2010 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
Carrying amount at 31/12/2009	70,789	8,821	79,610
Investment of net fund assets	43	1,175	1,218
Profits attributable to policyholders	5,447	67	5,514
Amounts paid	-7,315	-43	-7,358
Carrying amount at 30/09/2010	68,964	10,020	78,984

Gains and losses on investments

The following table shows the breakdown as at 30 September 2010 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)	30/09/2010 total net gains/(losses)	30/09/2009 total net gains/(losses)
Investments	36.643	2.899	39.542	48.166
From:				
a investment property	-	-	-	-
b investments in subsidiaries and associates and interests in joint ventures	-3.922	-	-3.922	-1.495
c held to maturity investments	3.192	-	3.192	3.370
d loans and receivables	529	-	529	372
e financial assets available for sale	33.950	-	33.950	32.491
f financial assets held for trading	78	201	279	416
g financial assets at fair value through profit or loss	2.816	2.698	5.514	13.012
Other receivables	410	-	410	505
Cash and cash equivalents	462	-	462	922
Financial liabilities	-2.976	-5.514	-8.490	-16.961
From:				
a financial liabilities held for trading	-	-	-	-
b financial liabilities at fair value through profit or loss	-	-5.514	-5.514	-13.012
c other financial liabilities	-2.976	-	-2.976	-3.949
Payables	-	-	-	-
Total gains and losses on financial instruments	34.539	-2.615	31.924	32.632
Real estate business				
From:				
a Gains on property trading	12.254	-	12.254	1.276
b Rent income on owner-occupied property and property held for trading	366	-	366	470
Total real estate business	12.620	-	12.620	1.746
Total gains and losses on investments	47.159	-2.615	44.544	34.378

The net income with the risk borne by the Group increased from € 34,378 thousand to € 44,544 thousand, increasing by 29.6% from the same period in the previous year, due to the trading margin and real estate development.

As up to 30 September 2010 the weighted average return on “Bonds and other fixed-income securities” was 3.8% as compared with 3.9% in 3Q09.

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	30/09/2010	30/09/2009
Total income from real estate business	12,620	1,746
Brokerage and management revenues	2,487	1,230
Other technical captions - insurance business	3,650	3,451
Other revenues - real estate business	1,667	115
Other revenues - insurance business	391	248
Other revenues - service business	2	8
Total	20,817	6,798

Net Equity

The breakdown of equity as at 30 September 2010 is shown in the following table:

	(€/000)	
BREAKDOWN OF EQUITY	30/09/2010	31/12/2009
Total equity attributable to the shareholders of the parent	365,095	353,088
Share capital	66,546	65,789
Other equity instruments	178	319
Equity-related reserves	32,584	31,412
Income-related and other reserves	218,889	215,547
Translation reserve	149	-197
Fair value reserve	29,918	25,635
Other gains or losses recognised directly in equity	106	50
Group profit for the year	16,725	14,533
Total equity attributable to minority interests	26,016	25,488
Share capital and reserves attributable to minority interests	25,445	27,270
Minority interests' profit for the year	571	-1,782
Total consolidated equity	391,111	378,576

Significant events occurring after quarter-end

Insurance Business

Pursuant to the conversions of the "Vittoria Assicurazioni - Fixed Floater 2001/2016 bond" executed during October 2010, the share capital of the Parent Company totalled € 66,984,514 at 31 October 2010.

On 29 October, following up the Board of directors' resolution of 12 November 2009, the parent company announced that on 1st January 2011 will proceed to the early repayment of the residual "Vittoria Assicurazioni - Fixed Floater 2001/2016 bond", having obtained the authorization from ISVAP. Therefore, pursuant to the loan regulations, bondholders can exercise their conversion right within 27 December 2010. The conversion ratio is fixed in 2 new shares per each bond.

On 8th November Vittoria Assicurazioni paid to the subsidiary Lauro 2000 Srl € 5,000 thousand, of which €1,250 thousand as share capital and € 3,750 thousand as premium reserve.

The Board of Directors

Milan, 10 November 2010

Consolidated interim financial statements

(€/000)

INCOME (LOSS) STATEMENT		30/09/2010	30/09/2009	31/12/09	3Q10	3Q09
1.1	Net premiums	527,216	447,155	622,350	167,606	155,548
1.1.1	Gross premiums	541,403	461,724	654,736	173,392	160,103
1.1.2	Ceded premiums	14,187	14,569	32,386	5,786	4,555
1.2	Commission income	799	579	827	369	225
1.3	Gains or losses on remeasurement of financial instruments at fair value through profit or loss	279	416	230	389	293
1.4	Gains on investments in subsidiaries and associates and interests in joint ventures	529	1,030	1,523	326	39
1.5	Gains on other financial instruments and investment property	38,567	46,990	46,990	46,990	46,990
1.5.1	Interest income	37,672	37,460	49,503	12,623	12,317
1.5.2	Other income	628	206	206	284	68
1.5.3	Realised gains	267	89	200	0	7
1.5.4	Unrealised gains	0	2	-2	0	1
1.6	Other income	20,817	6,798	10,765	3,373	1,193
1	TOTAL REVENUE	588,207	573,576	573,576	573,576	573,576
2.1	Net charges relating to claims	415,063	375,909	375,909	375,909	375,909
2.1.1	Amounts paid and change in technical reserves	418,840	376,265	524,895	132,485	130,498
2.1.2	Reinsurers' share	-3,777	-23,141	-34,268	-3,061	-4,771
2.2	Commission expense	63	110	155	9	37
2.3	Losses on investments in subsidiaries and associates and interests in joint ventures	4,451	2,525	2,720	2,076	648
2.4	Losses on other financial instruments and investment property	3,000	4,046	5,492	1,072	1,560
2.4.1	Interest expense	2,976	3,949	4,900	1,048	1,560
2.4.2	Other expense	0	0	0	0	0
2.4.3	Realised losses	24	97	97	24	0
2.4.4	Unrealised losses	0	0	495	0	0
2.5	Operating costs	124,300	106,512	150,259	38,991	32,483
2.5.1	Commissions and other acquisition costs	103,222	86,748	120,549	32,063	26,630
2.5.2	Investment management costs	544	605	747	205	195
2.5.3	Other administrative costs	20,534	19,159	28,963	6,723	5,658
2.6	Other costs	11,354	12,595	13,476	2,644	5,878
2	TOTAL COSTS	558,231	478,912	662,729	174,216	166,333
	PROFIT FOR THE YEAR BEFORE TAXATION	29,976	14,823	22,873	10,754	3,358
3	Income taxes	12,680	6,811	10,122	4,469	2,087
	PROFIT FOR THE YEAR	17,296	8,012	12,751	6,285	1,271
4	GAIN (LOSS) ON DISCONTINUED OPERATIONS	0	0	0	0	0
	CONSOLIDATED PROFIT (LOSS)	17,296	8,012	12,751	6,285	1,271
	of which attributable to the shareholders of the parent	16,725	9,013	14,533	6,343	1,678
	of which attributable to minority interests	571	-1,001	-1,782	-58	-407
			0	0	0	0
	Basic EARNINGS per share	0.25	0.14	0.22	0.10	0.03
	Diluted EARNINGS per share	0.25	0.14	0.22	0.09	0.03

OTHER COMPREHENSIVE INCOME (LOSS)		30/09/2010	30/09/2009	31/12/2009	3Q10	3Q09
	CONSOLIDATED PROFIT (LOSS)	17,296	8,012	12,751	6,285	1,271
	Translation reserve	346	-23	560	323	376
	Fair value reserve	4,283	16,827	19,631	9,018	10,077
	Hedging reserve	0	0	0	0	0
	Gains or losses on hedging instruments of net investment in foreign operations	0	0	0	0	0
	Reserve for changes in the equity of investees	56	76	101	-53	0
	Intangible asset revaluation reserve	0	0	0	0	0
	Property, plant and equipment revaluation reserve	0	0	0	0	0
	Gains or losses on non-current assets or assets of a disposal group classified as held for sale	0	0	0	0	0
	Other reserves	0	0	0	0	0
	OTHER COMPREHENSIVE INCOME (LOSS) NET OF TAX	4,685	16,880	20,292	9,288	10,453
	COMPREHENSIVE INCOME (LOSS)	21,981	24,892	33,043	15,573	11,724
	of which attributable to the shareholders of the parent	21,410	25,893	34,825	15,631	12,131
	of which attributable to minority interests	571	-1,001	-1,782	-58	-407

Vittoria Assicurazioni S.p.A.
Consolidated interim financial statements as at 30 September 2010
Income statement by business and business line

	(€'000)											
	Non-life business		Life business		Real estate business		Service business		Intersegment eliminations		Net gains and costs/losses	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009	30/09/2010	30/09/2009	30/09/2010	30/09/2009	30/09/2010	30/09/2009	30/09/2010	30/09/2009
1.1	424,382	366,682	102,834	80,473	0	0	0	0	0	0	527,216	447,155
1.1.1	437,247	380,032	104,156	81,692	0	0	0	0	0	0	541,403	461,724
1.1.2	12,865	13,350	1,322	1,219	0	0	0	0	0	0	14,187	14,569
1.2	0	0	799	579	0	0	0	0	0	0	799	579
1.3	-98	-6	377	422	0	0	0	0	0	0	279	416
1.4	388	1,600	2,159	3,044	-3	62	6	6	-2,021	-3,682	529	1,030
1.5	14,345	14,763	23,580	22,303	638	685	4	7	0	-1	38,567	37,757
1.6	4,680	4,180	187	190	16,202	2,359	2,361	2,773	-2,613	-2,704	20,817	6,798
1	443,697	387,219	129,936	107,011	16,837	3,106	2,371	2,786	-4,634	-6,387	588,207	483,735
2.1	307,788	271,425	106,145	84,648	0	0	0	0	1,130	-2,949	415,063	353,124
2.1.2	310,260	293,004	107,450	86,210	0	0	0	0	1,130	-2,949	418,840	376,265
2.1.3	-2,472	-21,579	-1,305	-1,562	0	0	0	0	0	0	-3,777	-23,141
2.2	0	0	63	110	0	0	0	0	0	0	63	110
2.3	3,766	2,486	0	0	685	39	0	0	0	0	4,451	2,525
2.4	182	241	806	1,017	2,010	2,775	2	14	0	-1	3,000	4,046
2.5	106,830	90,049	12,481	12,151	5,213	4,717	2,374	2,300	-2,598	-2,705	124,300	106,512
2.6	8,861	11,432	590	475	1,895	674	8	14	0	0	11,354	12,595
2	427,427	375,633	120,085	98,401	9,803	8,205	2,384	2,328	-1,468	-5,655	558,231	478,912
PROFIT FOR THE YEAR BEFORE TAXATION	16,270	11,586	9,851	8,610	7,034	-5,099	-13	458	-3,166	-732	29,976	14,823

Vittoria Assicurazioni S.p.A.
 Consolidated interim financial statements as at 30 September 2010
Detail of insurance technical items

(€/0,00)

	30/09/2010			30/09/2009		
	Gross amount	Reinsurer's share of amount	Net amount	Gross amount	Reinsurers' share of amount	Net amount
Non-life business						
NET PREMIUMS						
a Premiums written	437,247	12,865	424,382	380,032	13,350	366,682
b Change in premiums reserve	458,443	14,802	443,641	373,146	13,352	359,794
	21,196	1,937	19,259	-6,886	2	-6,888
NET CLAIMS COSTS						
a Amounts paid	310,260	2,472	307,788	293,004	21,579	271,425
b Change in claims reserves	274,810	9,050	265,760	258,144	10,606	247,538
c Change in recoveries	49,117	-5,122	54,239	43,737	12,589	31,148
d Change in other technical reserves	11,667	1,456	10,211	6,877	1,616	5,261
	-2,000	0	-2,000	-2,000	0	-2,000
Life business						
NET PREMIUMS						
	104,156	1,322	102,834	81,692	1,219	80,473
NET CLAIMS COSTS						
	107,450	1,305	106,145	86,210	1,562	84,648
a Amounts paid	96,037	402	95,635	76,867	712	76,155
b Change in reserve for amounts to be paid	-5,804	0	-5,804	-11,556	0	-11,556
c Change in mathematical reserves	16,991	902	16,089	20,680	849	19,831
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	226	1	225	219	1	218

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 24th 1998 n.58, that the accounting disclosure contained in this Consolidated quarterly report at 30 September 2010 matches documentary evidence, corporate books, and accounting records.

Milan, 10 November 2010

Mario Ravasio
*The Corporate Financial
Reporting Manager*