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PRESS RELEASE

CREDEM AND REALE MUTUA ASSICURAZIONI SIGN A BANCASSURANCE AGREEMENT FOR DEVELOPING GENERAL INSURANCE BUSINESS.

- *the partnership aims to widening Credem's general insurance offer for its retail and corporate clientele and diversify Reale Mutua's distribution channels;*
- *following authorities required authorizations, Reale Mutua Assicurazioni will acquire 50% of Credemassicurazioni, Credem Group's general insurance company, for 18 million euros; **Credemassicurazioni** will be then jointly controlled by the two groups and will represent the vehicle through which the bancassurance activity will be developed;*
- *The agreement will not involve Credemvita (100% Credem controlled company), offering life insurance and retirement management product, that will keep on operating autonomously;*
- *for both Groups, mutual benefits will come from sharing of specific skills as well as reinforcing distribution potential.*

Today, Credem and Reale Mutua Assicurazioni signed an agreement in order to create a Bancassurance strategic partnership in the general insurance sector. The agreement, which will be realized only after competent authorities will have released necessary authorizations, puts together the long lasting know-how of Reale Mutua Assicurazioni and the distribution capacity of Credem Group made of 500 branches, 42 corporate centres, 66 financial stores, 760 financial advisors.

In particular, Credemassicurazioni Spa, Credem's protection/health insurance company, will represent the vehicle through which the two Groups will develop the Bancassurance agreement.

Credem, in fact, will sell to Reale Mutua Assicurazioni the 50% of Credemassicurazioni which will be then jointly participated by both Groups, who will subscribe a commercial agreement and shareholders pacts, in order to guarantee, through the consolidation and more efficient industrial procedures, the widening of the products portfolio and the long lasting stability of the partnership.

Such agreement allows Credem Group to develop the offer of general insurance products and optimize service quality to clientele supported by the specific know-how coming from a specialized player. The cooperation with Reale Mutua Assicurazioni, will actually allow Credem Group to wide insurance and welfare products range with solutions complementary to lending.

The agreement with Credem allows Reale Mutua to step in the bancassurance business together with a solid banking partner boasting a strong connection with clientele. These are essential factors for a long lasting partnership based on common fundamentals and values. Within this partnership Reale Mutua will be responsible mainly for insurance portfolio management procedures, claims settlement, technical-actuarial aspects, risk management and reinsurance activities.

The agreement between Credem and Reale Mutua Assicurazioni will also aim to develop further synergies in the finance, banking and insurance contest among companies belonging to both groups with the objective of putting together the reciprocal specific skills and distribution potentials complying with both players core business strategic goals.

The agreement will not involve Credemvita, 100% Credem controlled company, offering life insurance and retirement management product, that will keep on operating autonomously.

The Board of Directors of Credemassicurazioni will jointly represent both parts and the actual General Manager, Giuseppe Rovani, will remain in charge. The company, as at 30 September 2007 collected 18.8 million euros premiums (+16%) with a net profit of 1.8 million euros (in the same period of 2006 the company had posted 0,8 million euros loss).

Credem Group, founded in 1910 in Reggio Emilia, at 30 September 2007 counts more than 5,300 employees, 500 branches, 42 corporate centres, 66 financial stores, 760 financials advisors. The group is composed by companies specialized in commercial banking, investment banking, asset management, parabanking, bancassurance. As at 30 September 2007 Credem Group, at a consolidated level, presents a net profit of 176.4 million euros, a net equity of 1,476.1 million euros, deposits for 59.5 billion euros and loans for 15.6 billion euros.

Reale Mutua, founded in Turin in 1828, leads the ninth Italian insurance group – the fifth in the Protection field. The group is made of five Companies in Italy and Spain: Italia Assicurazioni, La Piemontese Assicurazioni, La Piemontese Vita e Reale Seguros. In 2007 Reale Mutua Group reached 3,293 million euros premiums collection. The holding company employees 1.100 people and 1,400,000 shareholders/clients deal with its 350 agencies. Reale Mutua Assicurazioni is the first Italian cooperative insurance company with 1,686 million euros premiums collection in year 2007.

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