



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

95th year of business

Consolidated
interim financial report
at 30 September 2016

Board of Directors' meeting
of 10 November 2016

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

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BOARD OF DIRECTORS

Carlo ACUTIS Andrea ACUTIS	Emeritus Chairman Chairman
Roberto GUARENA	Deputy Chairman
Adriana ACUTIS BISCARETTI di RUFFIA Marco BRIGNONE Cesare CALDARELLI Giorgio Roberto COSTA Lorenza GUERRA SERÀGNOLI Giorgio MARSIAJ Maria Antonella MASSARI Marzia MORENA Lodovico PASSERIN d'ENTREVES Luca PAVERI FONTANA Giuseppe SPADAFORA Roberta URBAN	Director Independent director Executive director Director Independent director Independent director Independent director Independent director Independent director Director Independent director Independent director
Mario RAVASIO	Secretary

BOARD OF STATUTORY AUDITORS

Giuseppe CERATII	President
Giovanni MARITANO Francesca SANGIANI	Standing statutory auditor Standing statutory auditor
Monica MANNINO Maria Filomena TROTTA	Substitute statutory auditor Substitute statutory auditor

GENERAL MANAGEMENT

Cesare CALDARELLI Claudio RAMPIN Mario RAVASIO	General Manager Joint General Manager Joint General Manager
Luca ARENSI Matteo CAMPANER Maurizio MONTICELLI Paolo NOVATI Giuseppe TRAVERSO Enzo VIGHI	Central Manager Central Manager Central Manager Central Manager Central Manager Central Manager

INDEPENDENT AUDITOR

Deloitte & Touche S.p.A.

APPOINTMENTS AND REMUNERATION COMMITTEE

Lodovico PASSERIN d'ENTREVES	Independent non-executive president
Luca PAVERI FONTANA	Non-executive member
Maria Antonella MASSARI	Independent non-executive member
Giuseppe SPADAFORA	Independent non-executive member

INTERNAL CONTROL COMMITTEE

Giuseppe SPADAFORA	Independent non-executive president
Luca PAVERI FONTANA	Non-executive member
Roberta URBAN	Independent non-executive member

FINANCE COMMITTEE

Andrea ACUTIS	Non-executive president
Adriana ACUTIS BISCARETTI di RUFFIA	Non-executive member
Carlo ACUTIS	Non-executive member
Cesare CALDARELLI	Executive member
Giorgio Roberto COSTA	Non-executive member
Roberto GUARENA	Non-executive member
Luca PAVERI FONTANA	Non-executive member
Giuseppe SPADAFORA	Independent non-executive member

REAL ESTATE COMMITTEE

Andrea ACUTIS	Non-executive president
Adriana ACUTIS BISCARETTI di RUFFIA	Non-executive member
Carlo ACUTIS	Non-executive member
Cesare CALDARELLI	Executive member
Giorgio Roberto COSTA	Non-executive member
Roberto GUARENA	Non-executive member
Marzia MORENA	Independent non-executive member
Luca PAVERI FONTANA	Non-executive member
Giuseppe SPADAFORA	Independent non-executive member

RELATED PARTIES COMMITTEE

Roberta URBAN	Independent non-executive president
Marco BRIGNONE	Independent non-executive member
Giuseppe SPADAFORA	Independent non-executive member

STRATEGIES COMMITTEE

Andrea ACUTIS	Non-executive president
Carlo ACUTIS	Non-executive member
Cesare CALDARELLI	Executive member
Roberto GUARENA	Non-executive member
Giuseppe SPADAFORA	Independent non-executive member
Roberta URBAN	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 2015. 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.

Where it was deemed necessary, in case of changes in accounting standards, accounting policies or reclassifications, the comparative figures are restated and reclassified to provide uniform and consistent disclosures.

The consolidated interim report was prepared on a going concerned perspective.

All amounts are shown in thousands of Euro, unless otherwise indicated.

Accounting standards, amendments and interpretations of IFRS adopted since 1st January 2016

The following accounting standards, IFRS amendments and interpretations were applied for the first time by the Group as from 1st January 2016:

IFRS 3 “Business Combinations – Scope exception for joint ventures”: the amendment clarifies that paragraph 2 (a) of IFRS 3 excludes from the scope of IFRS 3 the formation of all types of joint arrangement.

IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”: the changes are related to the purchase accounting of a joint operation if it constitutes a business.

IAS 16 e IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortisation”: the amendments to IAS 16 Property, Plant and Equipment and to IAS 38 Intangibles Assets require that the amortization criteria determined on the basis of revenues are not appropriate, since the revenues generated by an activity that includes the use of a business generally reflect factors other than just the consumption of economic benefits of the asset, that requirement is, however, required for depreciation.

IAS 19 “Defined Benefit Plans: Employee Contributions”: the changes relate to the inclusion in the financial statement of the contributions made by employees or third parties to defined benefit plans.

IAS 1 – “Disclosure Initiative”: the objective of the amendments is to provide clarification as to disclosure items that can be perceived as impediments to a clear and intelligible preparation of financial statements.

The adoption of these amendments had no impact on this consolidated interim financial statements of the Group.

Other relevant information

The Vittoria Assicurazioni Group was officially registered with the Register of Insurance Groups envisaged in Article 85 of the Italian Code of Private Insurance Companies (with registration number 008).

The Vittoria Assicurazioni Group operates in the insurance sector solely through its parent company and, as part of its strategy to streamline its risk/reward profile, has made some of its investments in the real estate sector (trading, development, and real estate brokering and property management services) through Vittoria Immobiliare S.p.A. and other equity holdings, and in the private equity sector. Certain Group companies provide services primarily in support of insurance activities.

Yafa S.p.A., with registered office in Turin, Italy, controls Vittoria Assicurazioni through the chain of investors comprised of Yafa Holding S.p.A. and Vittoria Capital S.p.A..

The parent companies do not engage in management and coordination of the Group, insofar as they merely serve as financial holding companies.

The parent company Vittoria Assicurazioni S.p.A. 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

€/million

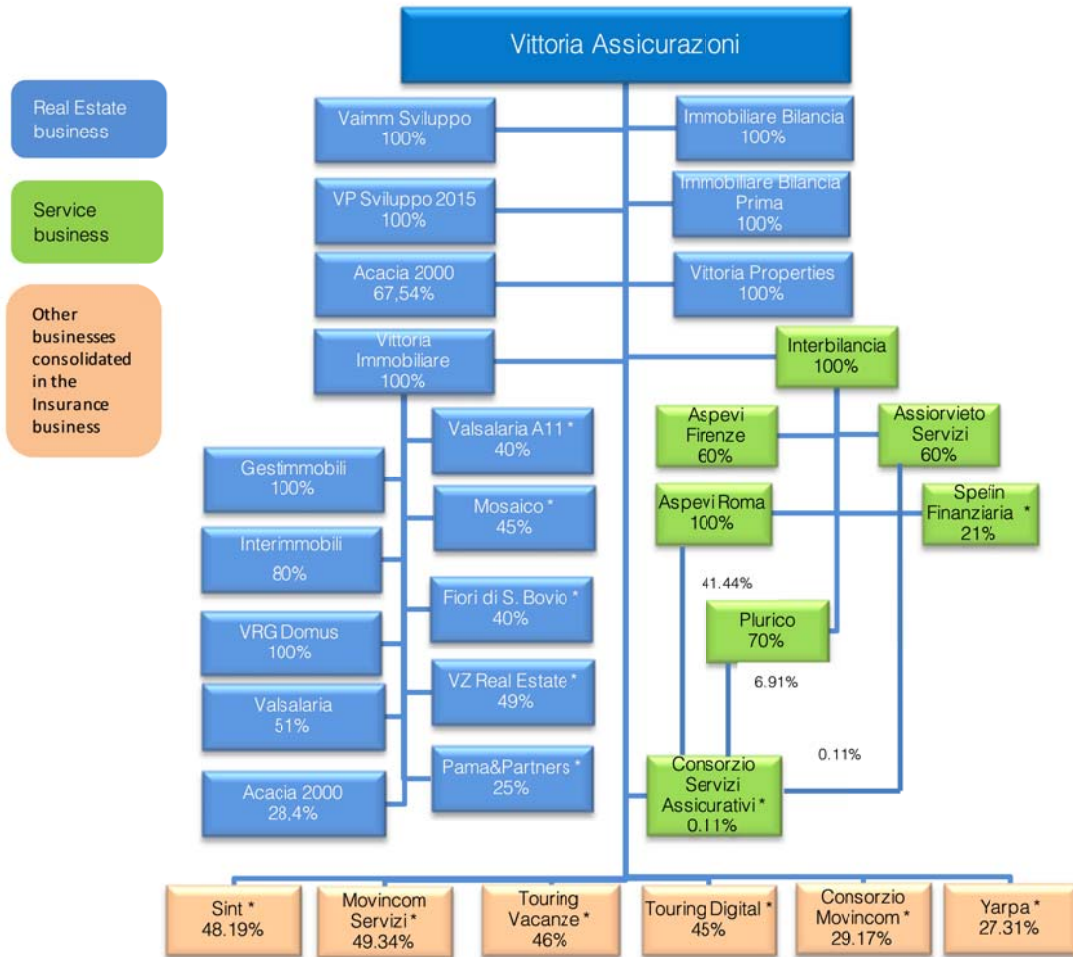
SPECIFIC SEGMENT RESULTS					
	30/09/2016	30/09/2015	31/12/2015	Δ 30/09/15	Δ 31/12/15
Non Life business					
Gross Premiums written - direct Non Life business	772.6	768.5	1,069.1	0.5%	
Non Life business pre-tax result	105.1	95.5	118.5	10.0%	
(1) Loss Ratio - retained	66.0%	65.8%	63.9%	0.2	
(2) Combined Ratio - retained	90.0%	90.8%	89.1%	(0.8)	
(3) Expense Ratio - retained	24.9%	25.3%	24.8%	(0.4)	
Life business					
Gross Premiums written - direct Life business	127.0	152.9	212.4	(17.0)%	
Life business pre-tax result	2.8	1.0	2.1	179.2%	
(4) Annual Premium Equivalent (APE)	18.7	21.3	30.6	(12.2)%	
Segregated funds portfolios	1,015.2	947.8	947.4		7.2%
Index/Unit - linked and Pension funds portfolios	61.3	56.0	59.4		3.2%
Segregated fund performance: Rendimento Mensile	3.03%	3.26%	3.21%	(0.23)	
Segregated fund performance: Valore Crescente	4.64%	3.74%	3.84%	0.90	
Total Agencies	426	411	413	15	13
Average of employees	619	610	610	9	9
Real Estate business					
Sales	15.7	15.9	23.5	(1.3)%	
Trading and development margin	2.4	3	(1.8)	(20.0)%	
Real Estate business pre-tax result	(6.8)	(9.2)	(17.3)	(26.1)%	
CONSOLIDATED RESULTS					
	30/09/2016	30/09/2015	31/12/2015	Δ 30/09/15	Δ 31/12/15
Total investments	3,419.5	3,218.8	3,226.1		6.0%
Net gains on investments	53.3	59.2	70.1	(10.0)%	
Pre-tax result	100.9	85.6	117.8	17.9%	
Consolidated profit (loss)	70.6	57.8	70.6	22.1%	
Group profit (loss)	70.6	57.9	70.6	22.0%	
Equity attributable to the shareholders of the parent	744.1	670.8	691.2		7.6%
Equity attributable to the shareholders of the parent net of unrealised capital gains	622.9	553.4	566.1		10.0%

Legend

- 1) Loss Ratio – retained business: is the ratio of current year claims to current year earned premiums;
- 2) Combined Ratio – retained business: is the ratio of (current year claims + operating costs + intangible assets amortization + technical charges) to current year earned premiums;
- 3) Expense Ratio – retained business: is the ratio of (operating costs + intangible assets amortization + net technical charges) to current year gross premiums written;
- 4) 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



* Companies consolidated by the equity method

Consolidated investments

As at 30 September 2016 the following companies have been consolidated on a line-by-line basis in accordance with IFRS 10:

Name	Registered offices	Share Capital Euro	% Ownership		Via
			Direct	Indirect	
Vittoria Assicurazioni S.p.A.	Milan	67,378,924			
Vittoria Immobiliare S.p.A.	Milan	112,418,835	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		
Vittoria Properties S.r.l.	Milan	8,000,000	100.00		
Interbilancia S.r.l.	Milan	80,000	100.00		
Vaimm Sviluppo S.r.l.	Milan	2,000,000	100.00		
VP Sviluppo 2015 S.r.l.	Milan	1,000,000	100.00		
Acacia 2000 S.r.l.	Milan	369,718	67.54	28.40	Vittoria Immobiliare S.p.A.
Gestimmobili S.r.l.	Milan	104,000		100.00	
Interimmobili S.r.l.	Rome	1,000,000		80.00	
V.R.G. Domus S.r.l.	Turin	800,000		100.00	
Valsalaria S.r.l.	Rome	60,000		51.00	
Assiorvieto Servizi S.r.l.	Orvieto	12,500		60.00	Interbilancia S.r.l.
Aspevi Firenze S.r.l.	Florence	25,000		60.00	
Aspevi Roma S.r.l.	Rome	50,000		100.00	
Plurico S.r.l.	Milan	10,000		70.00	

Changes in shareholdings or other changes during the quarter

No significant changes occurred in the quarter.

Unconsolidated investments valued with the net equity method

At 30 September 2016 the following companies were carried at equity method in accordance with IAS 28:

Name	Registered offices	Share Capital Euro	% Ownership		Via
			Direct	Indirect	
S.In.T S.p.A.	Turin	1,050,000	48.19		
Yarpa S.p.A.	Genoa	30,000,000	27.31		
Touring Vacanze S.r.l.	Milan	12,900,000	46.00		
Touring Digital S.r.l.	Milan	600,000	45.00		
Consorzio Movincom S.c.r.l.	Turin	102,900	29.17		
Movincom Servizi S.p.A.	Turin	3,080,810	49.34		
Spefin Finanziaria S.p.A.	Rome	2,250,000		21.00	Interbilancia S.r.l.
Mosaico SpA	Turin	500,000		45.00	} Vittoria Immobiliare S.p.A.
Pama & Partners Srl	Genoa	1,200,000		25.00	
Fiori di S. Bovio Srl	Milan	30,000		40.00	
Valsalaria A.11 Srl	Rome	33,715		40.00	
VZ Real Estate Srl	Turin	100,000		49.00	
			0.11		
Consorzio Servizi Assicurativi	Milan	362,000		41.44	Aspevi Roma S.r.l.
				0.11	Assiorviato Servizi S.r.l.
				6.91	Plurico S.r.l.

Changes in shareholdings or other changes during the quarter

No significant changes occurred in the quarter.

Directors' Report

Performance of the Vittoria Assicurazioni Group

Results as of 30 September 2016 (3Q16) show profit attributable to parent company shareholders amounting to €70,589 thousand vs. €57,874 thousand in the same period in 2015 (3Q15) (+22.0%).

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

Reclassified Profit and Loss by business segment	(€/000)			
	30/09/16	30/09/15	31/12/15	Δ
Non life business - Gross Insurance Result (excluding investments result)	78,252	62,134	90,110	+25.9%
Non life business - Gross Investments Result	26,833	33,373	28,439	-19.6%
Life business - Gross Insurance Result	2,775	994	2,066	+179.2%
Gross Insurance business Result	107,860	96,501	120,615	+11.8%
Elimination from consolidation	-	(34)	13,589	n.s.
Insurance business: taxes	(35,167)	(32,571)	(53,431)	+8.0%
Insurance business net contribution to Profit attributable to parent company shareholders	72,693	63,896	80,773	+13.8%
Gains on property trading	2,386	3,037	(1,820)	-21.4%
Real estate service revenues	1,551	1,353	2,353	+14.6%
Real estate business net costs	(10,748)	(13,611)	(17,783)	-21.0%
Gross Real estate business Result	(6,811)	(9,221)	(17,250)	-26.1%
Elimination from consolidation	(458)	(32)	(125)	n.s.
Taxes and minority interests	4,784	4,449	6,698	+7.5%
Net Real estate business Result	(2,485)	(4,804)	(10,677)	-48.3%
Net profit attributable to Life business Policyholders	(80)	(2,378)	(2,061)	-96.6%
Tax on profit attributable to Life business Policyholders	201	816	708	-75.4%
Real estate business net contribution to Profit attributable to parent company shareholders	(2,364)	(6,366)	(12,030)	-62.9%
Service business net contribution to Profit attributable to parent company shareholders	260	344	1,877	-24.4%
Net Profit attributable to parent company shareholders	70,589	57,874	70,620	+22.0%
Other Comprehensive Income (Loss) net of tax	(4,270)	12,385	19,984	n.s.
Comprehensive Income attributable to parent company shareholders	66,319	70,259	90,604	-5.6%

The increase of 11.8% of gross Insurance business result was achieved thanks to the contribution of the following groups of lines of business:

- **Non Marine lines** showed an increase in premiums written of 2.4%, with an improvement of technical performance over the same period of the previous year;
- **Motor lines** maintain a positive technical result, thanks to the ongoing portfolio selection activities, pricing policies and to the proper management of claims;
- **Specialty lines** showed a positive technical result, thanks to the actions undertaken over the past years, focused on technical balance of Credit and Deposit line of businesses;
- **Life business** recorded a significant improvement in the gross technical result. Premiums written decreased by 17.0% due to the continuation of strategies aimed at decreasing single premium products related to segregated funds.

The real estate sector, although still negative, showed an improvement compared to the same period of the previous year.

The Group's comprehensive income statement, which also considers gains or losses recognized directly in equity as at 30 September 2016 showed an income of €66,319 thousand (€70,259 thousand recorded as at 30 September 2015).

Group equity was €744,087 thousand, up +7.6% compared with €691,244 thousand at 31 December 2015.

Premiums written at 30 September 2016 amounted to €899,705 thousand (€921,562 thousand as at 30 September 2015), down by 17.0% in the Life business and up by 0.5% in the Non-Life business, amounting to an overall decrease of 2.4%.

The real estate segment showed a net loss of €2,364 thousand, compared to a loss of €6,366 thousand in the same period of the previous year. The result takes into account the profit margin on notarial deeds of sale signed at 30 September 2016 of €2,386 thousand (€3,037 thousand at 30 September 2015).

Of investments totaling €3,419,506 thousand (+6.0% compared with 31 December 2015), €61,298 thousand (+3.2%) related to investments with risk borne by policyholders and €3,358,208 thousand (+6.0%) to investments with risk borne by the Group.

Net capital gains of investments with the risk borne by the Group amount to €53,271 thousand, compared with €59,165 thousand in the previous period (-10.0%).

As up to 30 September 2016 the direct operating parent company, Vittoria Assicurazioni SpA, showed a net profit – based on Italian GAAPs – of €77,438 thousand (vs. €61,869 thousand in 3Q15) increasing by 25.2%.

The Group third quarter result, in line with the latest targets of the year, calls for a confirmation of a steady strengthening of capital, in light of Solvency II regulations which came into force from 1st January 2016.

Insurance business

Income statement by business and business line reported on page 34, reports for the insurance business, before taxes and intersegment eliminations, a result equal to €107,860 thousand (+11.8% vs. result of €96,501 thousand in 3Q15). The key operating items contributing to the period's result are described below.

Total insurance premiums in 3Q16 amounted to €902,850 thousand (-2.4% vs. premiums of €924,952 thousand in 3Q15), of which €899,705 thousand for insurance premiums written and €3,145 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 a decrease of 17.0% vs. premiums in 3Q15. This reduction is in line with the revised growth strategies aimed at reducing single premium products related to segregated funds.

Direct Non-Life (i.e. property & casualty) insurance premiums slightly increased by 0.5%, specifically:

- Motor premiums slightly increased by 0.3%;
- Premiums for other non-marine insurance increased by 2.4%;
- Premiums for specialty categories [i.e. marine & transport, aviation, and credit & suretyship] decreased by 29.9%.

Overhead costs as a percentage of total direct insurance premiums were 8.8% (vs. 8.7% in 3Q15).

The Non-Life combined ratio and loss ratio on the retained business (based on Italian GAAPs), as at 30 September 2016, were respectively 90.0% and 66.0%. (90.8% and 65.8% as at 30 September 2015).

Real estate business

The loss made by the real estate business, before taxes and intersegment eliminations, amounted to €6,811 thousand (€9,221 thousand in 3Q15) and featured contributors to the income statement that, before intersegment eliminations, included:

- income earned on properties from trading and development totalling €2,386 thousand (€3,037 thousand in 3Q15);
- revenues from real estate brokerage and management services of €1,001 thousand, from administrative services of €550 and rental income of €705 thousand, for a total amount of €2,256 thousand (€1,963 thousand in 3Q15);
- financial expenses of €1,533 thousand (€1,450 thousand in 3Q15);
- revenues from notarial deeds of €15,696 (€15,884 thousand in 3Q15).

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 €370 thousand (€653 thousand in 3Q15).

Revenues for services rendered in 3Q16 by Group companies, before elimination of infra-group services, amounted to €4,059 thousand (€7,503 thousand in 3Q15). These revenues included €3,992 thousand for commissions and services rendered to the direct operating parent company (€6,772 thousand in 3Q15).

Review of operations

Premiums

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 2016 AND 2015 DIRECT AND INDIRECT BUSINESS

	(€/000)				
	30/09/2016	30/09/2015	YoY change %	% of total book	
				2016	2015
Domestic direct business					
Life business					
I Whole- and term life	123,465	138,042	-10.6	13.7	14.9
IV Health (long-term care)	475	447	6.3	0.1	0.0
V Capitalisation	3,055	14,427	-78.8	0.3	1.6
Total Life business	126,995	152,916	-17.0	14.1	16.5
Non-Life business					
Total non-marine lines (exc. specialty and motor)	198,951	194,361	2.4	22.1	21.2
Total specialty lines	5,474	7,812	-29.9	0.7	0.8
Total motor lines	568,168	566,371	0.3	63.1	61.5
Total Non-Life business	772,593	768,544	0.5	85.9	83.5
Total direct business	899,588	921,460	-2.4	100.0	100.0
Domestic indirect business					
Non-Life business					
	117	102	14.7	0.0	0.0
Total indirect business	117	102	14.7	0.0	0.0
Grand Total	899,705	921,562	-2.4	100.0	100.0

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 €3,145 thousand (€3,390 thousand in 3Q15). The gross premiums written in 3Q16 alone are shown in the following table:

		Gross written Premiums		YoY
		3Q 2016	3Q 2015	change%
Domestic direct business	Life business	31,696	24,642	28.6
	Non-marine (exc. specialty and motor)	59,633	57,564	3.6
	Specialty lines	1,316	1,530	-14.0
	Motor	175,210	174,142	0.6
	Total	267,855	257,878	3.9
	Non-Life business	-	40	n.v
Domestic indirect business	Total	-	40	n.v
Grand Total		267,855	257,918	3.9

The gross premiums written in 3Q16 alone represented by investment contracts (Unit Linked and Vittoria Formula Lavoro open-ended pension fund) totalled €827 thousand (€1,560 thousand in 3Q15).

Commercial organization

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

(€/000)					
Regions	Agencies	Non-Life Business		Life Business	
		Premiums	%	Premiums	%
NORTH					
Emilia Romagna	34	60,718		7,149	
Friuli Venezia Giulia	5	6,474		903	
Liguria	15	34,943		2,460	
Lombardy	106	149,621		48,715	
Piedmont	48	64,933		6,812	
Trentino Alto Adige	8	8,283		801	
Valle d'Aosta	1	2,355		227	
Veneto	38	44,537		8,681	
Total NORTH	255	371,864	48.1	75,748	59.7
CENTRE					
Abruzzo	12	36,712		5,045	
Lazio	29	78,723		8,830	
Marche	18	27,742		4,059	
Tuscany	50	83,336		8,126	
Umbria	15	36,586		4,696	
Total CENTRE	124	263,099	34.1	30,756	24.2
SOUTH AND ISLANDS					
Basilicata	4	6,949		420	
Calabria	2	2,677		42	
Campania	10	30,183		2,645	
Molise	2	3,913		415	
Puglia	6	20,491		14,355	
Sardinia	11	30,420		503	
Sicily	12	42,992		2,111	
Total SOUTH AND ISLANDS	47	137,625	17.8	20,491	16.1
Total ITALY	426	772,588	100.0	126,995	100.0
France	0	5	0.0	0	0.0
OVERALL TOTAL	426	772,593		126,995	

From the 1st January to 30 September 2016 were opened 13 new agencies and 22 were reorganized. In the third quarter were opened 5 new agencies and 8 have been reorganized.

As at 30 September 2016, the parent company is present in Italy with 426 general agencies (411 as at 30 September 2015) and 994 professional sub-agencies (945 as at 30 September 2015).

Life business

Premiums

Premiums written for direct business recognised for the period totalled €126,995 thousand (€152,916 thousand in 3Q16), split as follows:

	30/09/2016	30/09/2015	YoY change %	% of total book	
				2016	2015
Recurring premiums	27,149	34,175	-20.6	21.4	22.3
Annual premiums	99,846	118,741	-15.9	78.6	77.7
Total Life business	126,995	152,916	-17.0	100.0	100.0

Direct insurance business premiums recognised in 3Q16 alone totalled €31,696 thousand (€24,642 thousand in the same period of the previous year), split as follows:

	IIIQ 2016	IIIQ 2015	YoY change %	% of total book	
				2016	2015
Recurring premiums	5,614	10,420	-46.1	17.7	42.3
Annual premiums	26,082	14,222	83.4	82.3	57.7
Total Life business	31,696	24,642	28.6	100.0	100.0

In 3Q15 ceded premiums amounted to €236 thousand and the total amount as at 30 September 2016 amounted to €849 thousand (respectively €203 thousand and €829 thousand in the same period of previous year).

Claims, accrued capital sums & annuities, and surrenders

The comparison relating to settlements in the third quarter and as at end of September 2016 is shown in the following table:

	30/09/2016	30/09/2015	Change %
Third Quarter			
Claims	4,059	5,351	(24.1)
Accrued capital sums & annuities	14,136	15,543	(9.0)
Surrenders	6,425	9,337	(31.2)
Total	24,620	30,231	(18.6)
As at Third Quarter			
Claims	14,109	18,725	(24.7)
Accrued capital sums & annuities	45,393	63,050	(28.0)
Surrenders	30,623	29,968	2.2
Total	90,125	111,743	(19.3)

Non-Life business

Premiums and technical performance

Direct premiums written at 30 September 2016 amounted to €772,593 thousand (€768,544 thousand in the same period of previous year) with a slightly increase of 0.5% YoY.

Ceded premiums in 3Q16 totalled €5,554 thousand amounting to €18,499 as at 30 September 2016 (respectively €4,889 thousand and €16,508 thousand in the same periods of previous year).

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

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

Premiums in the Non-Marine Business posted an increase of 2.4%, with an improvement of technical result over the same period of the previous year.

Non-Life - specialty

Premiums in the Specialty Business decreased by 29.9%, in line with the ever more careful selection of risks. The technical result was positive, thanks to the actions undertaken over the past years, focused on technical balance of Credit and Deposit Line of businesses;

Non-Life - motor

Premiums in Motor Insurance business slightly rose by 0.3%, notwithstanding the reduction in the average premiums, with a particular reference to TPL line of business.

The ongoing actions on the portfolio selection, pricing policies and proper claims management, managed to preserve a positive technical result, even in presence of a car market where there has been a reduction in the average premium paid by policyholders and where claims frequencies recorded a weak signs of recovery.

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:

Paid and reported claims - direct business										(€/000)
	Numer of Reported claims		YoY Change %	Numer of Reported claims without consequences		YoY Change %	Numer of Reported claims closed		YoY Change %	
	30/09/2016	30/09/2015		30/09/2016	30/09/2015		30/09/2016	30/09/2015		
Total non-marine lines	37,093	36,074	2.82%	5,456	5,433	0.42%	18,665	18,023	3.56%	
Total specialty lines	822	947	-13.20%	142	106	33.96%	84	109	-22.94%	
Total motor lines	144,485	134,823	7.17%	14,730	13,018	13.15%	92,829	87,123	6.55%	
Total Non-Life businesses	182,400	171,844	6.14%	20,328	18,557	9.54%	111,578	105,255	6.01%	

In Motor line of business, no. 81,302 claims referring to "CARD claims" were received (+7.7% YoY). Their total cost, net of applicable deductibles, was €38,836 thousand (+12.8% YoY).

The following table shows reported claims of the third quarter:

Paid and reported claims - direct business									(€/000)
	Numer of Reported claims		YoY Change %	Numer of Reported claims without consequences		YoY Change %	Numer of Reported claims closed		YoY Change %
	IIIQ 2016	IIIQ 2015		IIIQ 2016	IIIQ 2015		IIIQ 2016	IIIQ 2015	
Total non-marine lines	13,022	11,705	11.25%	2,429	2,289	6.12%	8,079	7,497	7.76%
Total specialty lines	264	315	-16.19%	71	50	42.00%	51	58	-12.07%
Total motor lines	46,825	43,733	7.07%	5,639	4,937	14.22%	33,687	32,350	4.13%
Total Non-Life businesses	60,111	55,753	7.82%	8,139	7,276	11.86%	41,817	39,905	4.79%

Claims paid

In the third quarter of 2016 claims paid for direct business and the amount charged to reinsurers amounted to €135,441 thousand and to €3,896 thousand respectively (€128,985 thousand and €2,832 thousand in 3Q15).

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 30/09/16			Claims recovered from reinsurers	Claims paid 30/09/15			Claims recovered from reinsurers	Change gross claims %	Change claims recovered from reins. %
	Current year	Previous years	Total		Current year	Previous years	Total			
	Total non-motor businesses	26,781	39,371		66,152	2,211	27,826			
Total Special businesses	450	11,689	12,141	4,939	3,187	32,336	35,523	16,930	-76.2	-74.1
Total motor businesses	163,748	215,153	378,901	4,980	148,707	209,454	358,161	6,082	5.8	-18.1
Total non-life businesses	190,979	266,215	457,194	12,130	179,720	284,544	464,264	25,825	-1.5	-53.0

The cost includes the amount incurred in the period for the contribution to the guarantee fund for road-accident victims. This totalled €11,347 thousand vs. €11,341 thousand at 30 September 2015.

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 Line of Businesses:

	(percentages)					
	current generation			previous generations		
	30/09/2016	30/09/2015	31/12/2015	30/09/2016	30/09/2015	31/12/2015
Accident insurance	37.52	36.87	54.62	56.67	58.68	69.82
Health insurance	76.42	72.88	83.39	71.48	64.33	70.44
Motor vehicle hulls	77.11	77.83	85.68	76.06	71.95	81.72
Fire and natural events	61.06	66.23	85.20	67.45	70.49	78.81
Miscellaneous damages - theft	70.88	70.59	87.28	82.65	82.56	87.95
Third-party motor liability	69.65	69.26	75.54	58.90	51.87	64.90
Third-party general liability	54.04	51.51	67.64	30.81	29.80	37.64

Products – Research and development

During the third quarter work continued on revamping products of the Non-Life and Life Business for technical operations and regulatory compliance in the sector (IVASS, COVIP, CONSOB).

Technical reserves

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

(€/000)

	Direct business		Retroceded business	
	30/09/2016	31/12/2015	30/09/2016	31/12/2015
Non-life reserves	1,496,170	1,456,251	-55,044	-56,678
Premium reserve	358,751	388,638	-17,107	-17,439
Claims reserve	1,137,010	1,067,204	-37,937	-39,239
Other reserves	409	409	-	-
Life reserves	1,148,408	1,105,794	-7,666	-6,997
Reserve for payable amounts	22,806	27,529	-335	-
Mathematical reserves	1,049,590	1,002,231	-7,305	-6,966
Other reserves	76,012	76,034	-26	-31
Total reinsurers' share of technical reserves	2,644,578	2,562,045	-62,710	-63,675

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

The Life “Other reserves” item mainly refers to:

- €69,504 thousand for the reserve for deferred liabilities to policyholders (of which €74,467 thousand stemming from measurement at fair value of available-for-sale securities and €-4,963 thousand by provisioning made against subsidiaries' profit allocated to segregated accounts);
- €6,397 thousand for the operating expenses reserve.

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 – decreased to €79,422 thousand vs. €80,591 thousand at 30 September 2015, decreasing by 1.5%.

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	30/09/2016	30/09/2015	Change
Personnel expenses	40,328	38,264	5.4%
Other costs	30,013	30,744	-2.4%
Amortisation/Depreciation	9,081	11,583	-21.6%
Total cost by nature	79,422	80,591	-1.5%

The overhead costs as a percentage of total direct insurance premiums were 8.8% (8.7% in the same period of previous year).

The decrease in amortization, compared to the same period of the last year, is attributable to the review of the remaining useful life of the application of management systems operated in the second half of last 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)		
ANALYSIS OF COSTS	30/09/2016	30/09/2015	Change
Personnel expenses	3,832	3,115	23.0%
Other costs	5,563	6,531	-14.8%
Amortisation/Depreciation	627	601	4.3%
Total cost by nature	10,022	10,247	-2.2%

SERVICE BUSINESS

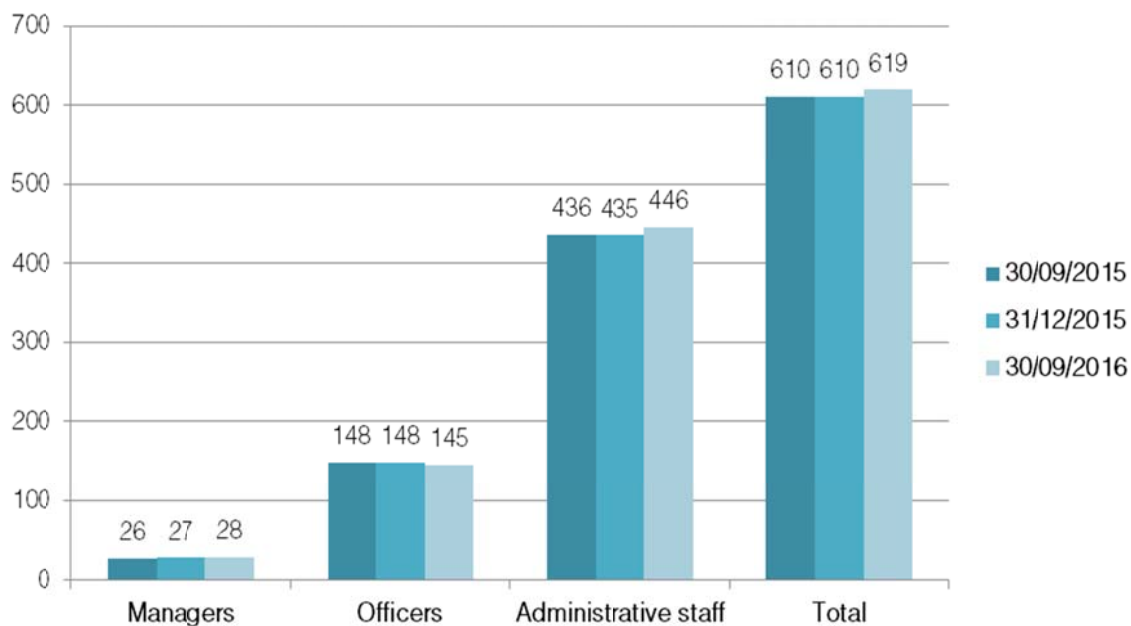
			(€/000)
ANALYSIS OF COSTS	30/09/2016	30/09/2015	Change
Personnel expenses	538	1,103	-51.2%
Other costs	812	1,761	-53.9%
Amortisation/Depreciation	26	34	-23.5%
Total cost by nature	1,376	2,898	-52.5%

The reduction compared to the same period of the previous year is primarily due to the sale to third parties of the investment in Aspevi Milan S.r.l..

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.

Employees

As at 30 September 2016 Vittoria Assicurazioni and fully consolidated companies had 615 employees vs. 612 as at 31 December 2015 and 615 as at 30 September 2015. The average number of employees on the payroll, split by contractual category and calculated on an active in-force basis, was as follows:



Investments – Cash & cash equivalents - Property

Investments, cash & cash equivalents, and property reached a value of €3,419,506 thousand with an increase equal to +6.0% vs. 31 December 2015. The detailed breakdown is shown in the following table:

(€/000)			
INVESTMENTS - CASH AND CASH EQUIVALENTS - PROPERTY	30/09/2016	31/12/2015	Change
A Investments in subsidiaries and associates and interests in joint ventures	24,586	24,185	1.7%
B Held to maturity investments	43,950	44,483	-1.2%
Loans and receivables	106,608	106,853	-0.2%
- Reinsurance deposits	149	175	
- Other loans and receivables	106,459	106,678	
C Financial assets available for sale	2,213,943	2,183,159	1.4%
- Equity investments	95,409	106,938	
- OEIC units	75,015	57,824	
- Bonds and other fixed-interest securities	2,043,519	2,018,397	
Financial assets at fair value through profit or loss	61,303	59,422	3.2%
D Financial assets held for trading	5	10	-50.0%
- Bonds and other fixed-interest securities held for trading	5	10	
E Financial assets at fair value through profit or loss	61,298	59,412	3.2%
- Investments where policyholders bear the risk	61,298	59,412	
Cash and cash equivalents	338,536	167,137	102.6%
F Total Property	630,580	640,866	-1.6%
Investment property	83,022	85,584	-3.0%
Property	547,558	555,282	-1.4%
Property under construction	309,535	315,050	
Property held for trading	124,110	125,973	
Owner-occupied property	113,913	114,259	
TOTAL INVESTMENTS	3,419,506	3,226,105	6.0%
of which			
investments where the Group bears the risk	3,358,208	3,166,693	6.0%
investments where policyholders bear the risk	61,298	59,412	3.2%

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 2016 these investments amounted to €61,298 thousand, increasing by 3.2% YoY. Of this amount, €43,230 thousand related to unit linked policies and €18,068 thousand to the open-ended pension fund Vittoria Formula Lavoro.

Total net income amounted to €-851 thousand (€2,842 thousand as at 30 September 2015).

As at 30 September 2016 the status of the three segments of Vittoria Assicurazioni open-ended pension fund was as follows:

	Members		Assets (€/000)	
	30/09/2016	31/12/2015	30/09/2016	31/12/2015
Previdenza Garantita	390	380	4,750	4,243
Previdenza Equilibrata	476	444	6,599	5,603
Previdenza Capitalizzata	393	403	6,664	7,294

Investments where Group bears risk

Investments with risks borne by the Group totalled €3,358,208 thousand (€3,166,693 thousand as at 31 December 2015).

Investments property

F) Property

As at 30 September 2016, real estate assets totalled €630,580 thousand (-1.6% vs. 31 December 2015).

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

	Investment Property	Property under construction	Property held for trading	Owner- occupied property	Total
(€/000)					
Balance as at 31/12/2015	85,584	315,050	125,973	114,259	640,866
Purchase and capitalised interests paid					
- MILAN - Parco Vittoria (via Acacia 2000 S.r.l.)		1,304			1,304
- ROME - Guattani Str. - (via Immobiliare Bilancia S.r.l.)			76		76
- MILAN - Adamello Str. (via Immobiliare Bilancia Prima S.r.l.)			93		93
- PESCHIERA BORROMEO (MI) - (via VP Sviluppo S.r.l.)		3,338			3,338
- PESCHIERA BORROMEO (MI) (via Immobiliare Bilancia I S.r.l.)			3,662		3,662
- PAVIA - Via Gambolò - (via Vittoria Immobiliare S.p.A.)		27			27
- TURIN - Cairoli Str. (via Immobiliare Bilancia I S.r.l.)			40		40
- FLORENCE - Michelangelo Str. (via Immobiliare Bilancia S.r.l.)			597		597
- ROME - Meliconi Str. - (via Immobiliare Bilancia Prima S.r.l.)			257		257
- ROME - Della Vignaccia Str. - (via VRG Domus S.r.l.)		228			228
- PARMA - (via Immobiliare Bilancia Prima S.r.l.)		99			99
- Miscellaneous		2	14	487	503
Total purchase and capitalised interests paid	-	4,998	4,739	487	10,224
Sales:					
- MILAN - Parco Vittoria (via Acacia 2000 S.r.l.)		(10,499)			(10,499)
- TURIN - Barbaroux Str. (via Vittoria Immobiliare S.p.A.)			(553)		(553)
- ROME - (via Valsalaria S.r.l.)		(806)			(806)
- ROME - (via Immobiliare Bilancia I S.r.l.)			(290)		(290)
- TORINO - Cairoli Str. (via Immobiliare Bilancia I S.r.l.)			(1,493)		(1,493)
- TORINO - Villarfocchiardo (via Vittoria Immobiliare S.p.A.)		(94)			(94)
- PESCHIERA BORROMEO (MI) - (via VP Sviluppo S.r.l.)		(768)			(768)
- PESCHIERA BORROMEO (MI) - (via Vittoria Immobiliare)			(548)		(548)
- MILAN - San Donato Milanese (via Immobiliare Bilancia S.r.l.)		(646)			(646)
- Miscellaneous				(1,257)	(1,257)
Total sales	-	(12,813)	(2,884)	(1,257)	(16,954)
Depreciations	(2,562)			(3,380)	(5,942)
Reclassifications			(3,804)	3,804	-
Impairment					
Recognised gains		2,300	86		2,386
Balance as at 30/09/2016	83,022	309,535	124,110	113,913	630,580

The item "Investments in property" consisted of properties for office use held by the parent company, for building lease purpose.

Changes in financial assets

The following table illustrates the changes recorded up through 30 September 2016 in financial assets with the risk borne by Group Companies for equity investments, bonds and other fixed-income securities, and UCITS (Undertakings for Collective Investment in Italian Transferable Securities) and AIF (Alternative Investment Funds) 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	UCITS AIF 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	
Carrying amount at 31/12/2015	44,483	106,938	57,824	2,018,397	2,183,159	59,412	10	2,287,064
Acquisitions and subscriptions		58	15,115	302,811	317,984	4,868		322,852
Sales and repayments	-123	-6,692	-707	-261,532	-268,931	-1,907		-270,961
Other changes:								
- effective interest adjustments	7			-12,490	-12,490			-12,483
- fair value adjustments						-149	-5	-154
- charged to P&L		-4,895	2,783	1,594	-518			-518
- rate changes	-417			-5,261	-5,261			-5,678
- other changes						-926		-926
Carrying amount at 30/09/2016	43,950	95,409	75,015	2,043,519	2,213,943	61,298	5	2,319,196

The following transactions took place during the first 9 months of 2016:

B) Investments held to maturity:

- refunded bonds for €125 thousand.

C) Financial assets available for sale:

- refunded bonds for €211,631 thousand;
- purchased fixed rate Italian government securities for €98,954 thousand;
- purchase of government bonds of other countries in the euro area for €179,974 thousand;
- purchase of subordinated corporate bonds for €6,348 thousand;
- sale of Italian government bonds at a fixed rate per €32,366 thousand realizing gains for €5,917 thousand;
- subscription for €15,115 thousand, shares of closed Alternative Investment Funds of which €2,980 thousand referred to "Atlante fund" on which the parent company has a total commitment of €5,000 thousand.

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	30/09/2016	31/12/2015	Change
Financial liabilities where the investment risk is borne by policyholders and arising from pension fund management	61,298	59,412	3.2%
- Financial liabilities where the investment risk is borne by policyholders relating to index- and unit-linked policies	43,230	42,170	
- Financial liabilities where the investment risk is borne by policyholders relating to pension funds	18,068	17,242	
Othe financial liabilities	152,810	163,399	-6.5%
- Reinsurance deposits	14,425	14,425	
- Payables to banks	75,318	85,997	
- Other financial payables	1,588	1,885	
- Other financial liabilities	61,479	61,092	
TOTAL FINANCIAL LIABILITIES	214,108	222,811	-3.9%

Gains and losses on investments, Cash & cash equivalents and Property

The following table shows the breakdown as at 30 September 2016 of net gains on investments, with separate disclosure of investments where the risk is borne by life policyholders:

(€/000)

Gains and losses on investments, cash & cash equivalent and property	Realised gains/(losses)	Unrealised gains/(losses)	30/06/2016 total net gains/(losses)	30/06/2015 total net gains/(losses)
Investments	54,396	-3,620	50,776	58,866
From:				
a investment property	2,632	-2,562	70	-822
b investments in subsidiaries and associates and interests in joint ventures	-67	-	-67	274
c held to maturity investments	1,320	-	1,320	1,655
d loans and receivables	493	41	534	460
e financial assets available for sale	49,774	-	49,774	54,464
f financial assets held for trading	-	-4	-4	-7
g financial assets at fair value through profit or loss	244	-1,095	-851	2,842
Other receivables	141	-	141	364
Cash and cash equivalents	88	-	88	952
Financial liabilities	-1,619	851	-768	-4,603
From:				
b financial liabilities at fair value through profit or loss	-	851	851	-2,842
c other financial liabilities	-1,619	-	-1,619	-1,761
Total gains and losses on financial instruments	53,006	-2,769	50,237	55,579
Real estate business				
From:				
a Gains on property trading	2,386	-	2,386	3,037
b Rent income on owner-occupied property and property held for trading	648	-	648	549
Total real estate business	3,034	-	3,034	3,586
Total gains and losses on investments	56,040	-2,769	53,271	59,165

The net income with the risk borne by the Group decreased by 10.0% from €59,165 thousand to €53,271 thousand. The result takes into account the capital gain of €5,917 thousand from the sale of fixed rate Italian government bonds classified as available for sale asset.

As up to 30 September 2016 the weighted average return on "Bonds and other fixed-income securities" was 3.4% as compared with 4.3% at 30 September 2015.

Equity

The breakdown of equity as at 30 September 2016 is shown in the following table:

	(€/000)	
BREAKDOWN OF EQUITY	30/09/2016	31/12/2015
Total equity attributable to the shareholders of the parent	744,087	691,244
Share capital	67,379	67,379
Equity-related reserves	33,874	33,874
Income-related and other reserves	451,431	394,287
Fair value reserve	121,225	125,182
Other gains or losses recognised directly in equity	-411	-98
Group profit for the year	70,589	70,620
Total equity attributable to minority interests	9,322	9,313
Share capital and reserves attributable to minority interests	9,322	9,338
Minority interests' profit for the year	-	-25
Total consolidated equity	753,409	700,557

Significant events occurring after quarter-end and outlook

There were no significant events after the third quarter of 2016.

The Group expected performance is in line with the last communicated targets.

The Board of Directors

Milan, 10 November 2016

Consolidated interim financial statements

(€/000)

Income Statement	30/09/2016	30/09/2015	31/12/15
Net premiums	909,905	914,730	1,238,158
<i>Gross premiums</i>	929,585	933,061	1,266,521
<i>Ceded premiums</i>	19,680	18,331	28,363
Commission income	341	451	580
Gains or losses on remeasurement of financial instruments at fair value through profit or loss	-4	-7	-7
Gains on investments in subsidiaries and associates and interests in joint ventures	537	1,681	1,639
Gains on other financial instruments and investment property	56,142	62,391	79,786
<i>Interest income</i>	43,186	48,461	63,767
<i>Other income</i>	5,803	4,458	6,541
<i>Realised gains</i>	7,112	9,417	9,418
<i>Unrealised gains</i>	41	55	60
Other income	15,761	9,196	14,978
TOTAL REVENUE	982,682	988,442	1,335,134
Net charges relating to claims	650,879	665,713	880,033
<i>Amounts paid and change in technical reserves</i>	662,166	697,052	921,996
<i>Reinsurers' share</i>	-11,287	-31,339	-41,963
Commission expense	35	-	-
Losses on investments in subsidiaries and associates and interests in joint ventures	604	1,407	1,784
Losses on other financial instruments and investment property	5,834	7,079	8,521
<i>Interest expense</i>	1,619	1,761	2,280
<i>Other expense</i>	1,652	2,530	2,585
<i>Realised losses</i>	1	244	248
<i>Unrealised losses</i>	2,562	2,544	3,408
Operating costs	198,613	192,601	268,183
<i>Commissions and other acquisition costs</i>	156,366	157,271	221,999
<i>Investment management costs</i>	1,121	1,212	1,657
<i>Other administrative costs</i>	41,126	34,118	44,527
Other costs	25,796	36,030	58,788
TOTAL COSTS	881,761	902,830	1,217,309
PROFIT FOR THE YEAR BEFORE TAXATION	100,921	85,612	117,825
Income taxes	30,332	27,787	47,230
PROFIT FOR THE YEAR	70,589	57,825	70,595
GAIN (LOSS) ON DISCONTINUED OPERATIONS	-	-	-
CONSOLIDATED PROFIT (LOSS)	70,589	57,825	70,595
of which attributable to the shareholders of the parent	70,589	57,874	70,620
of which attributable to minority interests	0	-49	-25
Basic EARNINGS per share	1.05	0.86	1.05
Diluted EARNINGS per share	1.05	0.86	1.05

(€/000)

COMPREHENSIVE INCOME (LOSS)	30/09/2016	30/09/2015	31/12/2015
CONSOLIDATED PROFIT (LOSS)	70,589	57,825	70,595
Other comprehensive income, net of taxes without reclassification to profit or loss	- 313	269	114
Changes in the equity of investees	-	-	-
Changes in intangible asset revaluation reserve	-	-	-
Changes in tangible asset revaluation reserve	-	-	-
Gains or losses on non-current assets or assets of a disposal group classified as held for sale	-	-	-
Actuarial gains and losses and adjustments related to defined benefit plans	- 313	269	114
Other items	-	-	-
Other comprehensive income, net of taxes with reclassification to profit or loss	-3,957	12,116	19,870
Change in translation reserve	-	-	-
Gains or losses on available for sale investments	-3,957	12,116	19,870
Gains or losses on hedging instruments	-	-	-
Gains or losses on hedging instruments of net investment in foreign operations	-	-	-
Changes in the equity of investees	-	-	-
Gains or losses on non-current assets or assets of a disposal group classified as held for sale	-	-	-
Other items	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-4,270	12,385	19,984
TOTAL CONSOLIDATED COMPREHENSIVE INCOME (LOSS)	66,319	70,210	90,579
of which attributable to the shareholders of the parent	66,319	70,259	90,604
of which attributable to minority interests	0	-49	-25

Income statement by business and business	Non-life business		Life business		Real estate business		Service business		Intersegment eliminations		Net gains and costs/losses	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015	30/09/2016	30/09/2015	30/09/2016	30/09/2015	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)
Net premiums	783,758	762,644	126,147	152,096	-	-	-	-	-	-	909,905	914,730
Gross premiums	802,589	780,146	126,996	152,915	-	-	-	-	-	-	929,585	933,061
Ceded premiums	18,831	17,502	849	829	-	-	-	-	-	-	19,680	18,331
Commission income	-	-	341	451	-	-	-	-	-	-	341	451
Gains or losses on remeasurement of financial instruments at fair value through profit or loss	-	-	-4	-7	-	-	-	-	-	-	-	-7
Gains on investments in subsidiaries and associates and interests in joint ventures	401	1,715	-	-	533	32	61	-	-458	66	537	1,681
Gains on other financial instruments and investment property	29,169	35,061	27,045	27,134	147	201	0	55	-219	-60	56,142	62,391
Other income	11,387	3,963	288	229	4,708	5,289	4,059	7,512	-4,681	-7,797	15,761	9,196
TOTAL REVENUE	824,715	803,383	153,817	179,893	5,388	5,522	4,120	7,567	-5,358	-7,923	982,682	988,442
Net charges relating to claims	517,262	501,614	133,537	161,721	-	-	-	-	80	2,378	650,879	665,713
Amounts paid and change in technical reserves	527,800	531,972	134,286	162,702	-	-	-	-	80	2,378	662,166	697,052
Reinsurers' share	-10,538	-30,358	-749	-981	-	-	-	-	-	-	-11,287	-31,339
Commission expense	-	-	35	0	-	-	-	-	-	-	35	0
Losses on investments in subsidiaries and associates and interests in joint ventures	413	318	-	-	191	903	-	186	-	-	604	1,407
Losses on other financial instruments and investment property	2,324	3,085	2,187	2,596	1,533	1,450	9	0	-219	-52	5,834	7,079
Operating costs	179,395	175,664	13,194	12,355	9,395	9,646	1,350	2,864	-4,721	-7,928	198,613	192,601
Other costs	20,236	27,195	2,089	2,227	1,080	2,744	2,391	3,864	-	-	25,796	36,030
TOTAL COSTS	719,630	707,876	151,042	178,899	12,199	14,743	3,750	6,914	-4,960	-5,602	881,761	902,830
PROFIT FOR THE YEAR BEFORE TAXATION	105,085	95,507	2,775	994	-6,811	-9,221	370	653	-498	-2,321	100,921	85,612

Vittoria Assicurazioni S.p.A.
Consolidated financial statements as at 30 September 2016

(€'000)

Detail of insurance technical items	30/09/2016			30/09/2015		
	Gross amount	Reinsurers' share of amount	Net amount	Gross amount	Reinsurers' share of amount	Net amount
Non-life business						
NET PREMIUMS	802,590	18,831	783,759	780,146	17,502	762,644
a Premiums written	772,710	18,499	754,211	768,646	16,507	752,139
b Change in premiums reserve	-29,880	-332	-29,548	-11,500	-995	-10,505
NET CLAIMS COSTS	527,800	10,538	517,262	531,972	30,358	501,614
a Amounts paid	467,479	12,130	455,349	477,105	25,825	451,280
b Change in claims reserves	69,842	-1,304	71,146	58,223	-1	58,224
c Change in recoveries	9,521	288	9,233	3,356	-4,534	7,890
d Change in other technical reserves	-	-	-	-	-	-
Life business						
NET PREMIUMS	126,996	849	126,147	152,915	829	152,086
NET CLAIMS COSTS	134,286	749	133,537	162,702	981	161,721
a Amounts paid	95,730	80	95,650	115,599	104	115,495
b Change in reserve for amounts to be paid	-4,732	335	-5,067	-3,264	631	-3,895
c Change in mathematical reserves	44,076	339	43,737	51,543	261	51,282
d Change in technical reserves when investment risk is borne by policyholders and in reserves arising from pension fund management	-	-	-	-	-	-
e Change in other technical reserves	-788	-5	-783	-1,176	-15	-1,161

Declaration of Corporate Financial Reporting Manager

The Corporate Financial Reporting Manager, Luca Arensi, 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 2016 matches documentary evidence, corporate books and accounting records.

Milan, 10 November 2016

Luca Arensi
*The Corporate Financial
Reporting Manager*