

FY21 Preliminary Consolidated Results

Bologna - 11 February 2022

This document has been prepared by Unipol Gruppo S.p.A. and by UnipolSai Assicurazioni S.p.A. solely for information purposes in the context of the presentation of its FY21 preliminary results.

The FY21 data contained herein are preliminary in nature and refer to the date hereof and, therefore, may be subject to further variations.

Please note that these preliminary data are subject to review by the Independent Auditors that still have to complete the necessary analysis in order to release their report.

The FY21 final results will be approved by the Board of Directors scheduled on 24 March 2022 and will be disclosed to the market according to, and in the terms set forth by, the applicable laws and regulations.

Maurizio Castellina, Senior Executive responsible for drawing up the corporate accounts of Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A., declares, in accordance with Article 154-bis, para 2, of the 'Consolidated Finance Act', that the accounting information reported in this document corresponds to the document contents, books and accounting records.

The content of this document does not constitute a recommendation in relation to any financial instruments issued by the companies or by other companies of the Group, nor it constitutes or forms part of any offer or invitation to sell, or any solicitation to purchase any financial instruments issued by the companies or by other companies of the Group, nor it may be relied upon for any investment decision by its addressees.

Unless otherwise specified, all figures reported in this presentation refer to the Unipol Group.





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2019-2021
Strategic Plan
Results



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Appendix



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2019-2021 Financial Targets and Results

2019-2021 Strategic Plan Results

€m



UNIPOL

	FY21 actual	2019-2021 actual	2019-2021 target
Consolidated net result	796	2,326 cumulated ^a	2,000 cumulated ^a
Dividends	215	617 cumulated	600 cumulated
Solvency 2 ratio (cons. PIM)	216%	153%-216% ^b	140-160%

UNIPOLSAI

	FY21 actual	2019-2021 actual	2019-2021 target
Consolidated net result	723	2,231 cumulated	2,000 cumulated
Dividends	538	1,528 cumulated	1,300 cumulated
Solvency 2 ratio (cons. EC)	286%	200%-290% ^b	170-200%

^a Excluding the positive impact of the first consolidation of BPER (in 2019)

^b Min. and max. quarterly ratios in the three-year plan period



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Results by Sector

FY21 Preliminary Consolidated Results



€m

UNIPOL

	FY19 ^a	FY20	FY21
Consolidated pre-tax result	867	1,026	951
<i>Non-Life</i>	725	1,104	821
<i>Life</i>	226	71	213
<i>Holding and other</i>	-84	-149	-83
Consolidated net result	666	864	796
Group net result	515	707	627

UNIPOLSAI

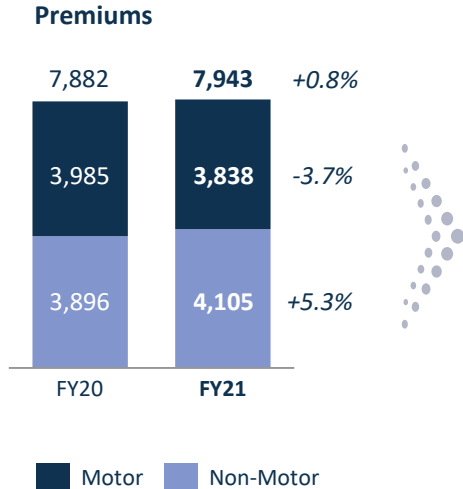
	FY19	FY20	FY21
Consolidated pre-tax result	873	1,119	895
<i>Non-Life</i>	698	1,105	752
<i>Life</i>	228	73	218
<i>Other</i>	-52	-60	-75
Consolidated net result	655	853	723
Group net result	628	820	688

^a Excluding the positive impact of the first consolidation of BPER

Non-Life Premiums – Direct Business

FY21 Preliminary Consolidated Results

€m



Premiums by Business Line

	€m	%	var%
Mobility	4,164	52	-3.2
Motor	3,838	48	-3.7
Other	326	4	+2.4
Welfare	1,486	19	+5.9
Health	794	10	+10.3
Accident	692	9	+1.4
Property	2,293	29	+5.4
Fire&Other dam. to prop.	1,277	16	+5.6
General TPL	723	9	+2.6
Other	293	4	+11.8
Total	7,943	100	+0.8

Breakdown by Market Segment

	Total	Mobility	Welfare	Property
Retail & SMEs	82%	47%	11%	24%
Corporate	18%	6%	8%	4%
Total	100%			

Premiums by Company

	€m	%	var%
UnipolSai	6,721	85	-0.7
UniSalute	519	7	+7.5
Linear	185	2	+0.1
Arca Assicurazioni	190	2	+35.4
Siat	126	2	-2.4
Incontra	109	1	+29.5
DDOR	92	1	+4.3
Total	7,943	100	+0.8

Breakdown by Distribution Channel

	Motor	Non-Motor	Tot. Non-Life
Agents	89%	71%	80%
Brokers/Head Off.	5%	21%	13%
Bancassurance	1%	6%	4%
Direct and other	5%	2%	4%
Total	100%	100%	100%

Operating figures

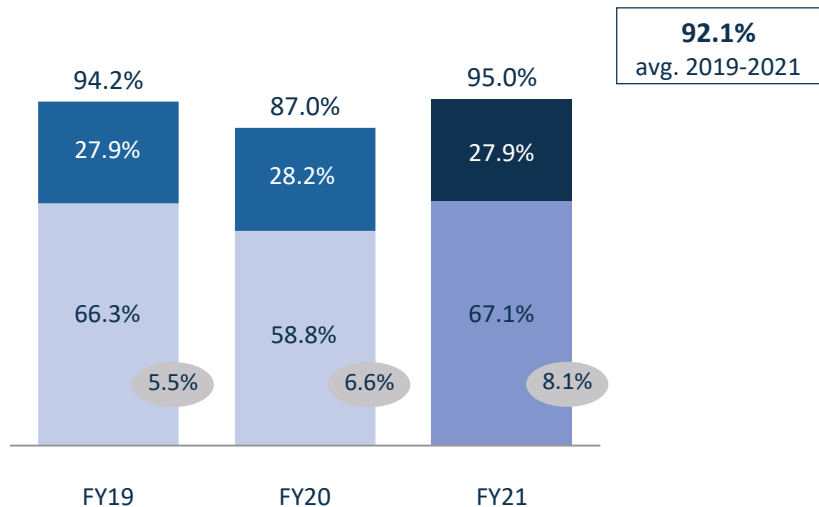


Non-Life Combined Ratio

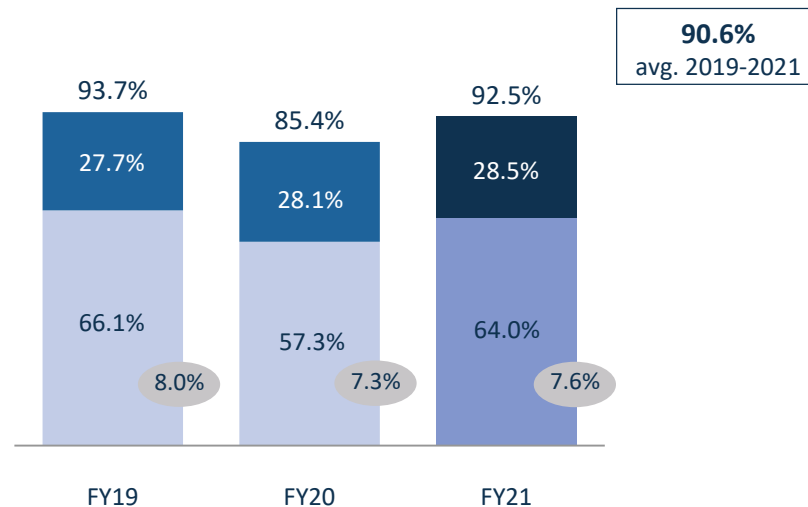
FY21 Preliminary Consolidated Results



Net of Reinsurance



Direct Business



■ ■ Expense Ratio
 ■ ■ Loss Ratio
 ● Atm. Events + Large Losses

Combined ratio net of reinsurance: operating expenses/earned premiums after reinsurance + claims charges (incl. OTI) /earned premiums after reinsurance

Combined ratio direct business: operating expenses/written premiums direct business (before reinsurance) + claims charges (incl. OTI) /earned premiums direct business (before reinsurance)

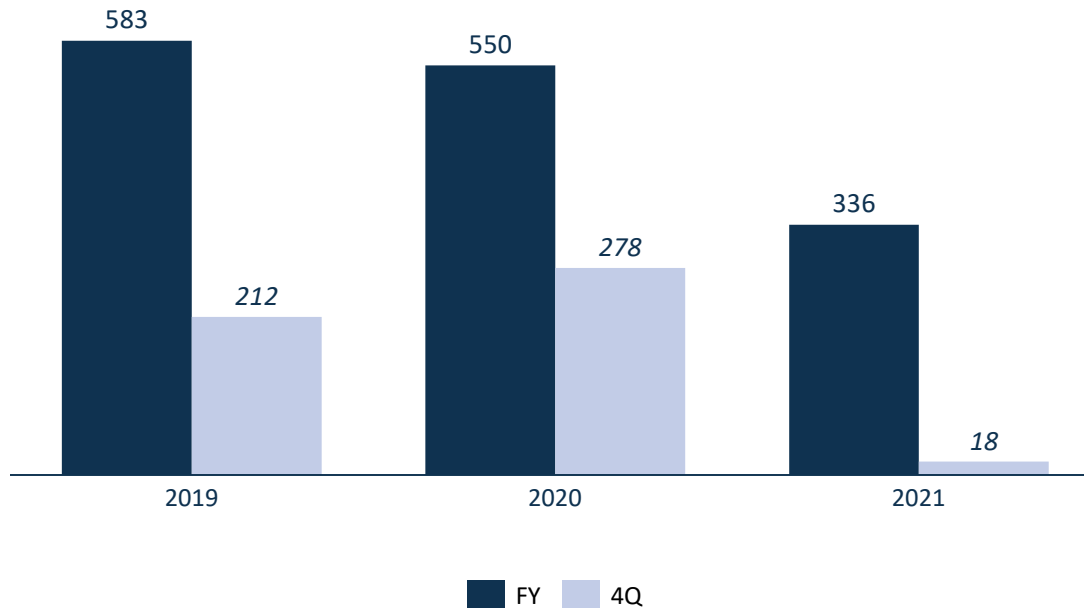
Operating figures



Run-off Claims Reserves – Prudent Reserving Policy in 4Q21

FY21 Preliminary Consolidated Results

€m



Direct business, operating figures

€m

Key Figures

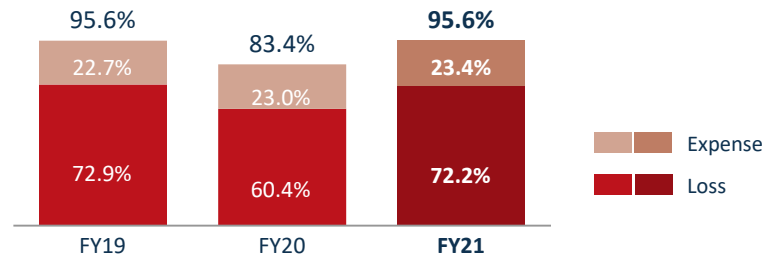
Motor TPL	var. vs FY20
Portfolio average premium	-2.8%
N. of claims reported ^a	+11.6%
Frequency	+0.5 p.p.
Bodily injuries/Tot. followed-up claims	-0.3 p.p.

Motor and General TPL	FY21
% savings on settled claims ^b	
<i>Motor TPL</i>	49.6%
<i>General TPL</i>	69.1%

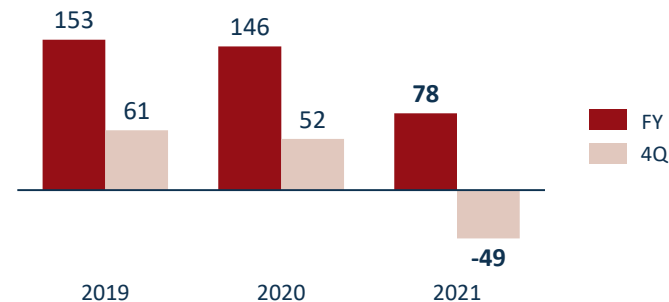
^a Followed-up managed claims

^b Savings on settled claims of previous years / amount provisioned
Operating figures

Motor TPL Combined Ratio Direct Business



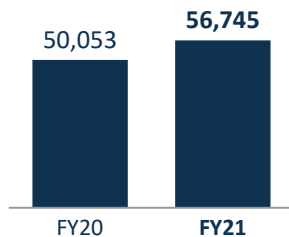
Motor TPL Run-off Claims Reserves



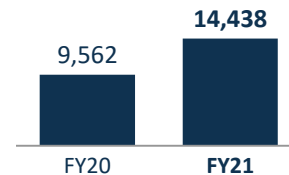
KPIs

	FY20	FY21
Total revenues	329	368
Gross operating margin ^a	51	58
EBIT	24	19
Net result	15	15

Fleet – Proprietary Vehicles



Registered Vehicles

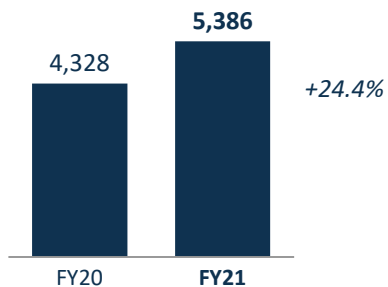


Target achieved: 1,000 contracts per month managed by agents

^a Net of vehicles' depreciation
Operating figures

€m

Direct Premium Income



Premiums by Line of Business

	€m	%	var%
Traditional	3,457	64	+26.3
Unit linked	1,119	21	+114.6
Pension funds	585	11	-17.2
Capitalization	224	4	-38.0
Total	5,386	100	+24.4

Premiums by Company

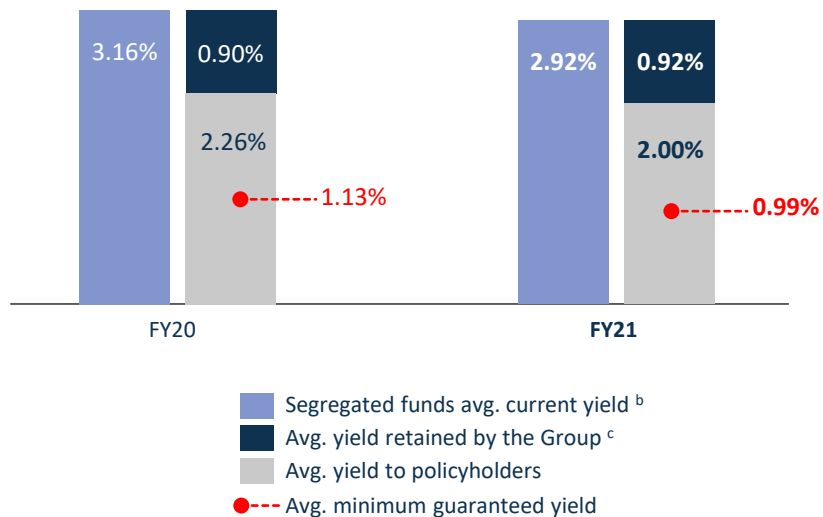
	€m	%	var%
UnipolSai	2,870	53	-7.4
Arca Vita + AVI	2,423	45	+112.6
Other companies	93	2	+3.9
Total	5,386	100	+24.4

Premiums by Distribution Channel

	€m	%	var%
Agents	1,666	31	-0.4
Bancassurance	2,498	46	+106.0
Head office	1,001	19	-19.6
Other	221	4	+11.7
Total	5,386	100	+24.4

Operating figures

Life Yields



Technical Reserves by Minimum Guarantee^a

Min. guar. yield	FY20		FY21	
	€bn	%	€bn	%
0%	12.1	36	15.4	44
0%-1%	8.0	24	7.8	22
1%-2%	6.5	19	5.6	16
2%-3%	5.0	15	4.6	13
>3%	2.1	6	2.0	6
Total	33.7	100	35.3	100

^a Technical reserves of segregated funds in the existing portfolio

^b Calculated at cost basis

^c Gross financial margin on annual basis
Operating figures

Present Value Future Profit Margin

FY21 Preliminary Consolidated Results

€m



Line of business	NBV	PVNBP	NB Margin on PVNBP
Insurance with profit participation	43	1,966	2.2%
Index/Unit-linked insurance	25	800	3.1%
Other life insurance	20	116	17.4%
Total FY21	88	2,882	3.0%
<i>Total FY20</i>	<i>66</i>	<i>2,143</i>	<i>3.1%</i>
<i>Total FY19</i>	<i>70</i>	<i>2,622</i>	<i>2.7%</i>
<i>Total FY18</i>	<i>45</i>	<i>2,010</i>	<i>2.2%</i>

Operating figures



Investments

FY21 Preliminary Consolidated Results



Total Investments	FY20		FY21	
	€bn	%	€bn	%
Total Bonds	54.0	86.8	50.5	82.7
<i>o/w Italian Govies</i>	26.2	42.2	23.9	39.1
<i>o/w Non-Italian Govies</i>	10.0	16.2	8.9	14.6
<i>o/w Corporate</i>	17.7	28.5	17.7	29.0
Cash	1.0	1.6	2.0	3.2
Equity and Funds	1.5	2.5	2.4	3.9
Real Assets, P.E., H.F.	1.2	1.9	1.7	2.8
Real Estate	4.5	7.2	4.5	7.3
Total	62.2	100	61.1	100

Duration (years)	FY20			FY21		
	Total	Non-Life	Life	Total	Non-Life	Life
Assets	6.8	3.5	8.4	6.1	3.0	7.5
Liabilities	7.7	2.8	9.6	7.2	2.8	8.9
<i>Mismatch</i>	-0.2	1.4	-0.6	-0.5	1.0	-0.8

Market value – Operating figures



Financial Investment Yields

FY21 Preliminary Consolidated Results



€m

FY20

	Total	Non-Life	Life
Coupons and dividends	1,470	344	1,116
<i>Yield</i>	<i>3.0%</i>	<i>2.8%</i>	<i>3.2%</i>
Realized/unrealized gains/losses	-44	-24	-23
<i>Yield</i>	<i>-0.1%</i>	<i>-0.2%</i>	<i>-0.1%</i>
Total	1,425	320	1,093
<i>Yield</i>	<i>2.9%</i>	<i>2.6%</i>	<i>3.1%</i>

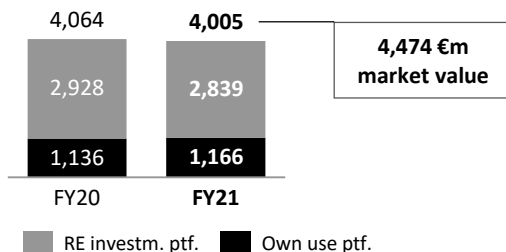
FY21

	Total	Non-Life	Life
Coupons and dividends	1,477	389	1,075
<i>Yield</i>	<i>2.9%</i>	<i>2.9%</i>	<i>3.0%</i>
Realized/unrealized gains/losses	69	31	16
<i>Yield</i>	<i>0.1%</i>	<i>0.2%</i>	<i>0.1%</i>
Total	1,547	420	1,091
<i>Yield</i>	<i>3.1%</i>	<i>3.2%</i>	<i>3.1%</i>

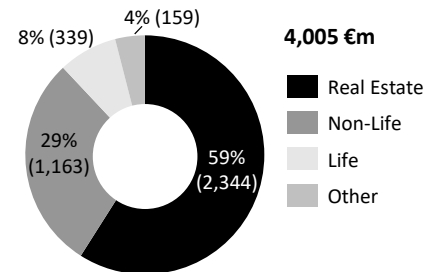
Investment yields on a yearly basis
Operating figures

€m

Total Portfolio



Breakdown by Account. Sector

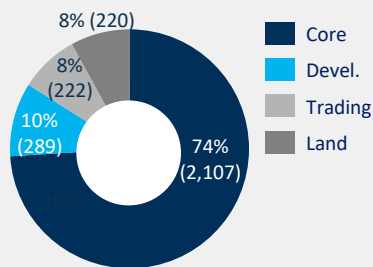


RE Investment Portfolio (2,839 €m) Details

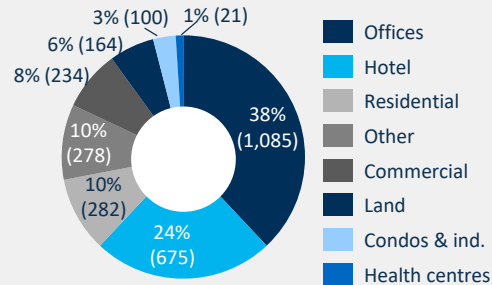
Gross Yield

	FY20		FY21	
	€m	Yield	€m	Yield
Ord. yield	103	3.5%	103	3.6%
Extraord. yield ^a	-18	-0.6%	11	0.4%
Total	85	2.9%	114	4.0%

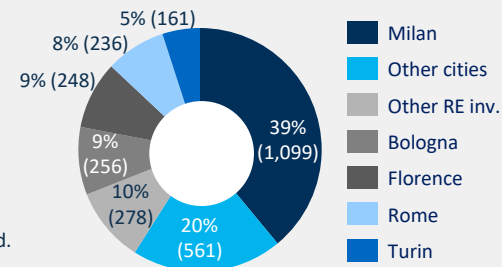
Breakdown by Cluster



Breakdown by Use



Breakdown by Area



^a Extraordinary yields include gains, losses, net write-downs and Covid-19 impacts
Operating figures, book value

Bad Loans Stock

	FY20	FY21
Gross loans	3,046	2,689
Net loans	423	357
Coverage ratio	86%	87%

Bad Loans Collection

	FY20	FY21
Collections	116	82
Bad Loans reduction (GBV)	419	356
Collections/GBV	28%	23%

Balance Sheet Highlights

	FY20	FY21
Net Financial Position	-27	38
Tax Assets	55	52
Total Equity	440	441 ^a

404 €m collections 2018-2021

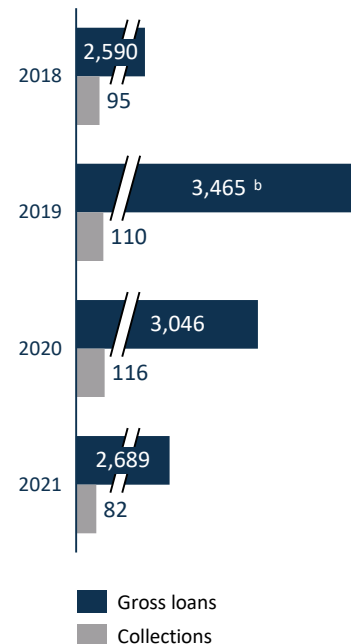
1,452 €m GBV reduction 2018-2021

from -268 €m upon the start of the company to +38 €m in FY21

^a Tangible equity 441 €m

^b Acquisition of 1.2 €bn of bad loans from BPER

2018-2021 Portfolio Development





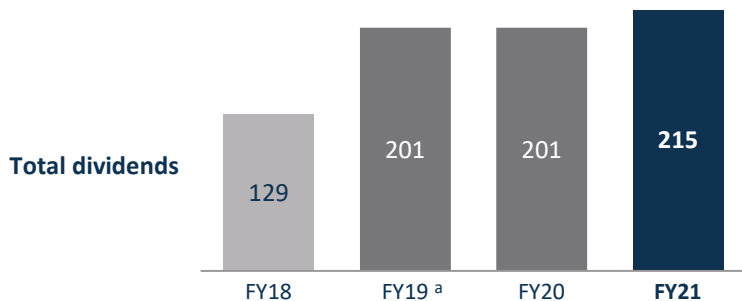
Dividend Proposal

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€m

UNIPOL

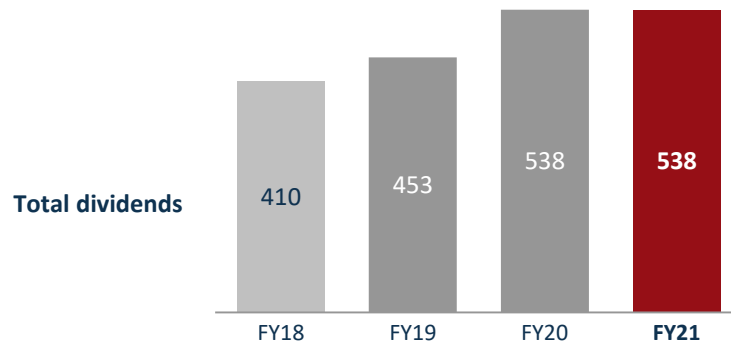
DPS (€)	0.180	0.280	0.280	0.300
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FY21 Local GAAP Net result (est.)	335
Pay-out ratio	64%

UNIPOLSAI

DPS (€)	0.145	0.160	0.190	0.190
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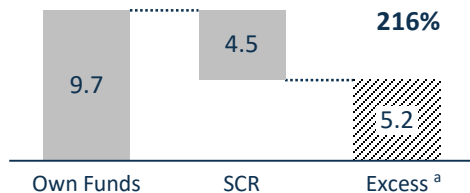
FY21 Local GAAP Net result (est.)	648
Pay-out ratio	83%

^a 2019 dividend was distributed in 2021 according to the indications of the Supervisory Authorities

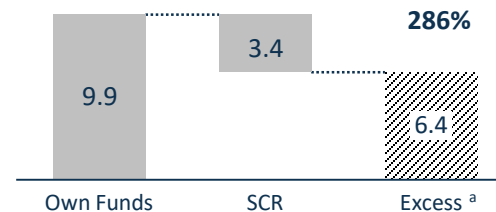


€bn

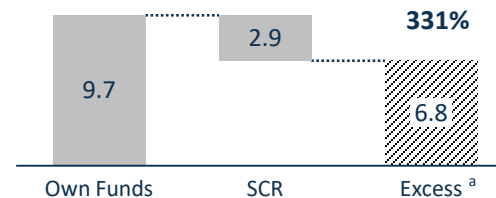
UNIPOL (consolidated) Partial Internal Model



UNIPOLSAI (consolidated) Economic Capital



UNIPOLSAI (solo) Partial Internal Model



Figures net of dividend distribution proposal

^a Eligible Own Funds in excess of Solvency Capital Requirements

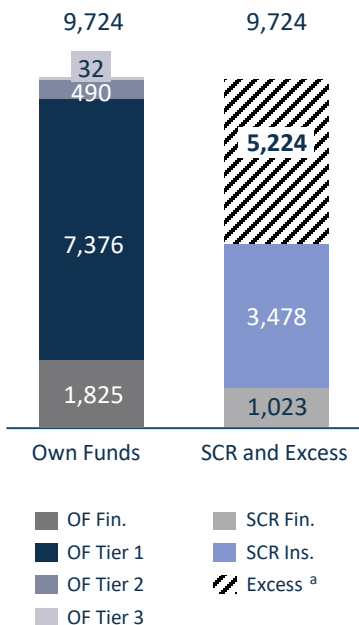
Solvency 2 - Own Funds and SCR Details

FY21 Preliminary Consolidated Results

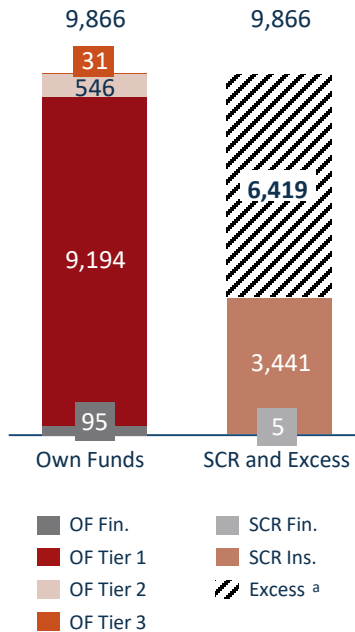
€m



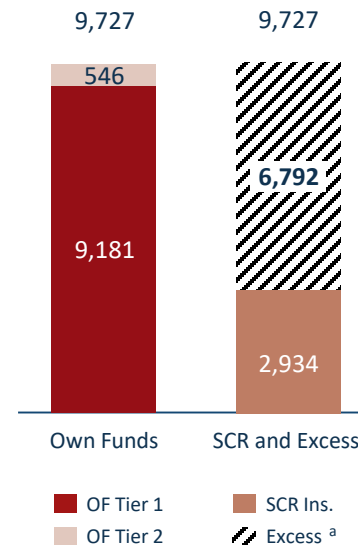
UNIPOL (consolidated) – Partial Internal Model



UNIPOLSAI (consolidated) – Economic Capital



UNIPOLSAI (solo) – Partial Internal Model



^a Eligible Own Funds in excess of Solvency Capital Requirements



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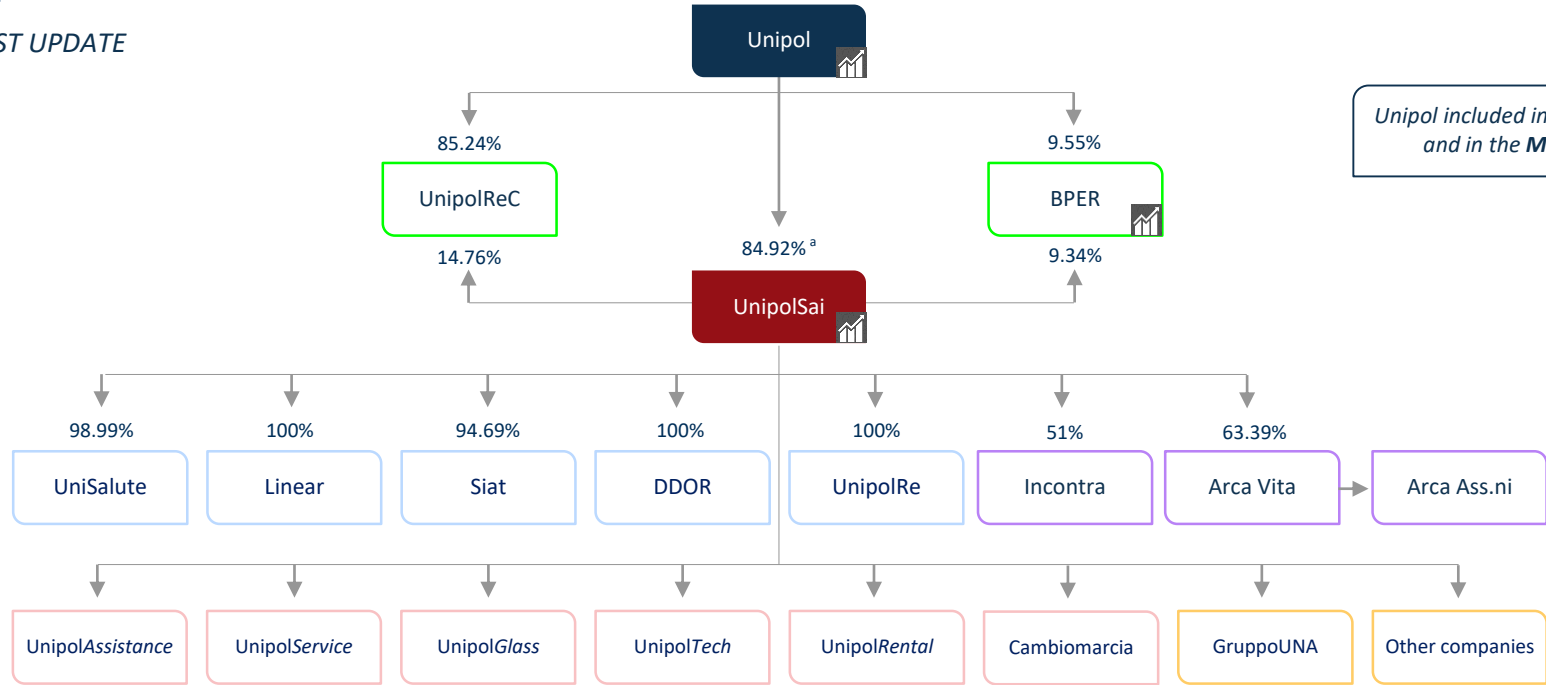
Group Structure

Appendix

LAST UPDATE



Unipol included in the **FTSE MIB** and in the **MIB® ESG1**



Companies listed on the Italian Stock Exchange

^a Including the shares held by Unipol Investment, UnipolPart I and Unipol Finance

Banking and Financials	Services (insurance&ancillary)
Insurance	Hotel and Other
Bancassurance	



UNIPOL

	FY20	FY21
Premium income ^a	12,210	13,329
Non-Life	7,882	7,943
Life	4,328	5,386
Combined Ratio ^b	87.0%	95.0%
Consolid. Net Result reported	864	796
Group Net Result reported	707	627
<i>EPS (€) ^c</i>	<i>0.99</i>	<i>0.87</i>
Dividends	201	215
<i>DPS (€)</i>	<i>0.28</i>	<i>0.30</i>

	FY20	FY21
Total Equity	9,525	9,722
Shareholders' Equity	7,614	7,780
<i>BVPS (€) ^c</i>	<i>10.61</i>	<i>10.84</i>
Solvency 2 ratio (cons. PIM)	216%	216%

UNIPOLSAI

	FY20	FY21
Premium income ^a	12,210	13,329
Non-Life	7,882	7,943
Life	4,328	5,386
Combined Ratio ^b	87.0%	95.0%
Consolid. Net Result	853	723
Group Net Result	820	688
<i>EPS (€) ^c</i>	<i>0.29</i>	<i>0.23</i>
Dividends	538	538
<i>DPS (€)</i>	<i>0.19</i>	<i>0.19</i>

	FY20	FY21
Total Equity	8,144	8,234
Shareholders' Equity	7,881	7,964
<i>BVPS (€) ^c</i>	<i>2.61</i>	<i>2.64</i>
Solvency 2 ratio (cons. EC)	281%	286%

^a Direct business ^b Net of reinsurance ^c Calculated on the total number of ordinary shares ^d Calculated excluding the RT1 impact



Outstanding Debt Instruments - Unipol S.p.A. and UnipolSai S.p.A.

Appendix

€m

As at 31 December 2021

Issuer	Listed ^a	Nominal amount	Sub./Sen./Hyb.	Tier	Maturity	Coupon
UnipolSai		160	Hyb.	Tier I	Jul, 2023	Eur6M+1.8% ^b
UnipolSai	✓	500	Sub.	Tier II	Mar, 2028	3.88%
UnipolSai	✓	750	Hyb.	Tier I	Perpetual ^c	5.75%
UnipolSai	✓	500	Hyb.	Tier I	Perpetual ^d	6.38%
Total UnipolSai S.p.A.		1,910				4.83% ^f
Unipol	✓	1,000	Sen.	--	Mar, 2025	3.00%
Unipol	✓	500	Sen.	--	Nov, 2027	3.50%
Unipol (Green Bond)	✓	1,000	Sen.	--	Sep, 2030	3.25%
Total Unipol S.p.A.		2,500				3.22% ^f
Total UnipolSai S.p.A. + Unipol S.p.A. ^e		4,410				

^a Listed on the Luxembourg Stock Exchange

^b Additional spreads 0.715bps on 30 Jun and 31 Dec each year

^c 1st call date Jun, 2024

^d 1st call date Apr, 2030

^e Excluding intercompany debt

^f Average coupon, calculated on the basis of FY21 average stock

As at 31 December 2021

	Assets		Liabilities
Liquid financial assets ^a	1,353	Financial debt to UnipolSai	300
Loan to UnipolRental	150	Senior debt 2025	1,000
		Senior debt 2027	500
		Senior green bond 2030	1,000
Liquid financial assets	1,503	Financial liabilities ^b	2,800
Net balance		-1,297	

^a Including liquid financial assets of Unipol S.p.A. and its 100% directly controlled subsidiaries

^b Nominal value

As at 31 December 2021

		Notes
UnipolSai shareholding	84.92%	ref. slide 24
UnipolReC shareholding	85.24%	ref. slide 24
<i>UnipolReC tangible book value</i>	<i>441 €m</i>	<i>ref. slide 19</i>
BPER direct shareholding	9.55%	ref. slide 24
Net financial assets/liabilities	-1,297 €m	ref. slide 27
Net operating costs	27 €m	Figure adjusted excl. non recurring costs
DTA	302 €m	Deferred Tax Assets relating to goodwill realignment - local GAAP

Operating figures

Investor Relations Contacts



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Upcoming event

13 May 2022 1Q22 Results Reporting