

# 9M17 CONSOLIDATED RESULTS UNIPOL AND UNIPOLSAI



Bologna, 10 November 2017

## PART 1

Consolidated results

## PART 2

Insurance Business

- Non-Life
- Life

## PART 3

Banking Business

## PART 4

Investments

## PART 5

Solvency


## PART 6

Appendix

The figures outlined in this document:

- include the effects of the restructuring of the banking business, approved by the Boards of Directors of Unipol and UnipolSai on 28 July 2017;
- do not include the effects of the streamlining of the Group insurance business as approved by the Boards of Unipol and UnipolSai on 29 June 2017, which is expected to be completed by the end of the current financial year, subject to IVASS authorizations.



The background of the slide is an artistic composition featuring a palette with various colored paints (blue, yellow, purple, red) and several paintbrushes. A large, dark blue brushstroke graphic is positioned behind the text.

# PART 1

## CONSOLIDATED RESULTS

# CONSOLIDATED RESULTS


€m

## UNIPOL

	9M16	9M17	9M17 <sup>a</sup> normalized
Consolidated pre-tax result	640	-292	733
<i>Non-Life</i>	470	539	539
<i>Life</i>	279	288	288
<i>Banking</i>	3	-941	4
<i>Holding and other</i>	-112	-178	-98
Consolidated net result	<b>439</b>	<b>-229</b>	<b>551</b>
Group net result	<b>261</b>	<b>-377</b>	<b>374</b>

## UNIPOLSAI

	9M16	9M17	9M17 <sup>a</sup> normalized
Consolidated pre-tax result	605	601	707
<i>Non-Life</i>	381	369	455
<i>Life</i>	252	251	271
<i>Other</i>	-28	-19	-19
Consolidated net result	<b>427</b>	<b>430</b>	<b>536</b>
Group net result	<b>409</b>	<b>405</b>	<b>511</b>

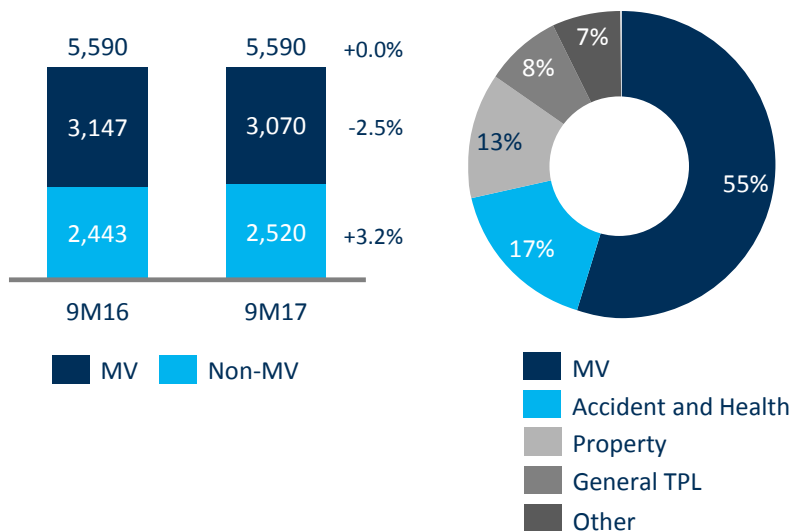


**PART 2**  
NON-LIFE  
INSURANCE BUSINESS

# DIRECT PREMIUM INCOME

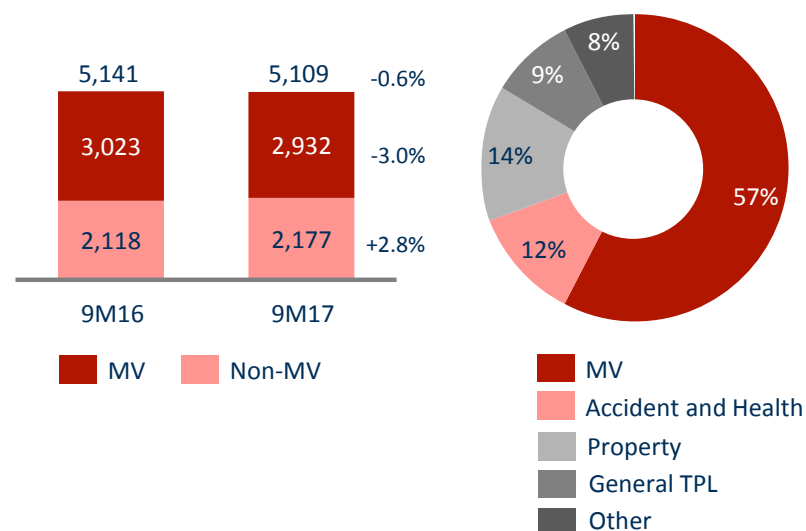
€m

## UNIPOL



Premiums by company	9M16	9M17
UnipolSai (group)	5,141	5,109
Linear	109	127
UniSalute	265	275
Arca	76	79
<b>Unipol</b>	<b>5,590</b>	<b>5,590</b>

## UNIPOLSAI

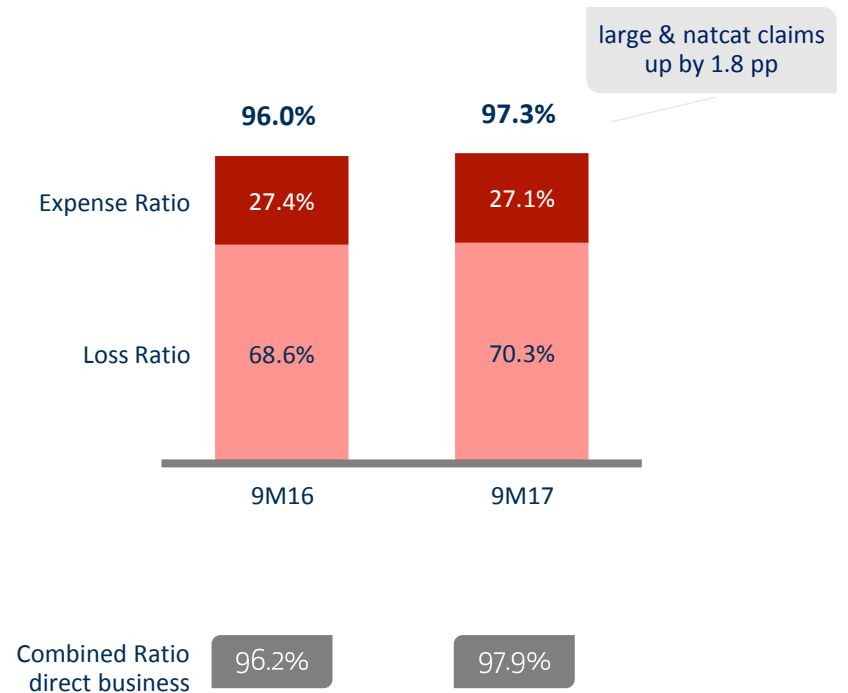
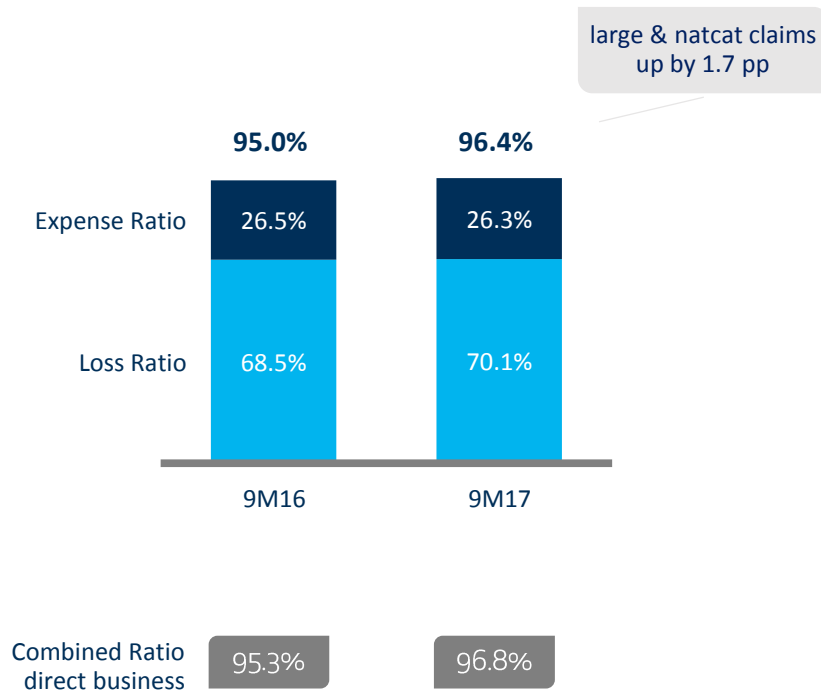


Premiums by company	9M16	9M17
UnipolSai S.p.A.	4,951	4,870
Other companies	190	239
<b>UnipolSai</b>	<b>5,141</b>	<b>5,109</b>

# COMBINED RATIO NET OF REINSURANCE

## UNIPOL

## UNIPOLSAI



## OTHER INSURANCE COMPANIES

€m

## UNISALUTE – LINEAR – ARCA ASSICURAZIONI

	9M16	9M17
Premium income	450	481
<i>MV</i>	124	138
<i>Accident &amp; Health</i>	293	306
<i>Other</i>	32	37
CoR direct business	85.0%	85.6%
<i>Expense ratio</i>	17.1%	17.0%
<i>Loss ratio (incl. OTI)</i>	68.0%	68.6%
<b>IAS net result</b>	<b>57</b>	<b>59</b>



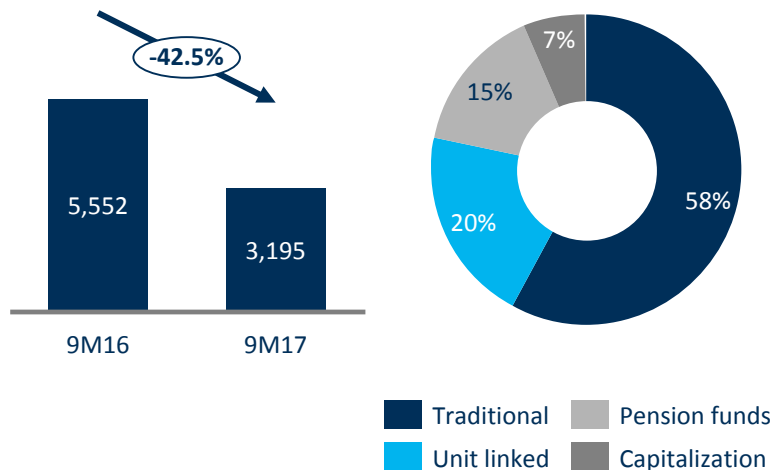


**PART 2**  
LIFE  
INSURANCE BUSINESS

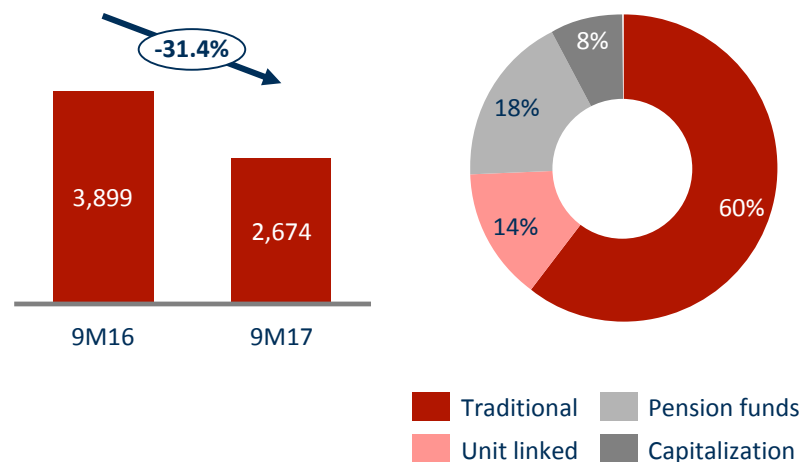
# DIRECT INCOME

€m

## UNIPOL



## UNIPOLSAI



Income by company	9M16	9M17
UnipolSai (group)	3,899	2,674
Arca Vita + AVI	1,653	520
<b>Unipol</b>	<b>5,552</b>	<b>3,195</b>

Income by company	9M16	9M17
UnipolSai S.p.A.	2,210	2,029
Popolare Vita + Lawr. Life	1,611	572
Other companies	78	73
<b>UnipolSai</b>	<b>3,899</b>	<b>2,674</b>

On the 29 June 2017, the BoD of UnipolSai approved the termination of the agreement with Banco BPM and the exercising of the put option on its stake in Popolare Vita

The background of the slide is an artistic composition featuring a palette with various colored paints (blue, yellow, purple, red) and several paintbrushes with colorful bristles. The scene is set on a white surface, possibly a canvas or paper, with a dark blue brushstroke graphic overlaid in the center. The overall aesthetic is creative and professional.

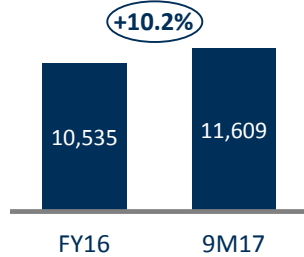
# PART 3

## BANKING BUSINESS

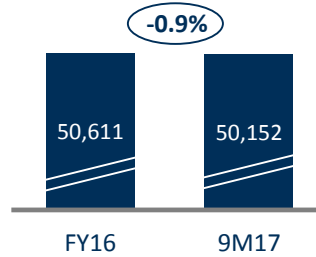
# KPIs OF THE BANKING SECTOR \*

€m

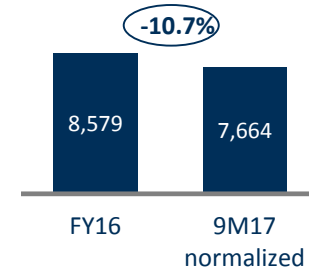
## Direct deposits



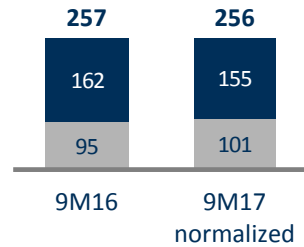
## Indirect deposits



## Net loans<sup>a</sup>

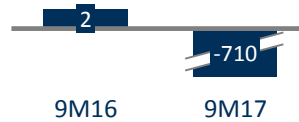


## Gross operating income



■ interest income ■ non-interest income

## Net result



## CET1 ratio



\* The banking business is comprised of Unipol Banca, its subsidiaries and UnipolSai Investimenti SGR – Operating figures

<sup>a</sup> 9M17 net of loans to the parent company

<sup>b</sup> CET 1 ratio at Unipol level. CET 1 ratio at Finsoe level is equal to 13.5%



## FOCUS ON NON-PERFORMING EXPOSURES OF THE BANKING SECTOR\*

€m

	FY16			9M17		
	net loans	gross loans	coverage ratio	net loans	gross loans	coverage ratio
Bad loans ( <i>Sofferenze</i> )	1,127	2,651	57%	596	2,969	80%
Unlikely to pay	767	958	20%	443	740	40%
Past due	145	151	3%	91	108	16%
<b>Total NPEs</b>	<b>2,040</b>	<b>3,760</b>	<b>46%</b>	<b>1,131</b>	<b>3,816</b>	<b>70%</b>

The background of the slide is an artistic photograph of a painter's palette and several paintbrushes. The palette is covered in a vibrant, multi-colored pattern of paint splatters in shades of blue, yellow, purple, and red. The paintbrushes are scattered around, with some showing streaks of paint. The overall scene is brightly lit, creating a creative and dynamic atmosphere.

# PART 4

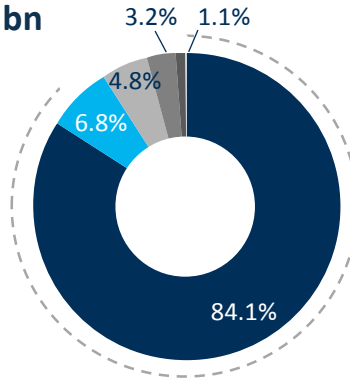
## INVESTMENTS

# ASSET ALLOCATION

## UNIPOL

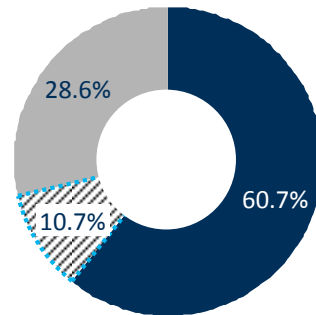
Total investments € 61.4 bn

- Bonds
- Real Estate
- Cash
- Equity and funds
- Other



### Breakdown of bond portfolio

- Italian govies
- ▨ Non-Italian govies
- Corporate

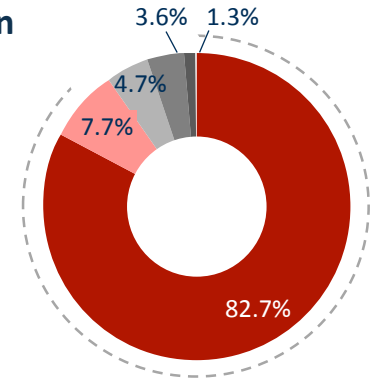


71.4% Total Govies

## UNIPOLSAI

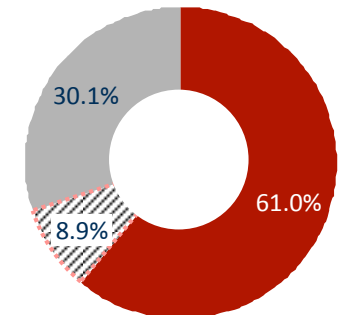
Total investments € 52.4 bn

- Bonds
- Real Estate
- Cash
- Equity and funds
- Other



### Breakdown of bond portfolio

- Italian govies
- ▨ Non-Italian govies
- Corporate



69.9% Total Govies

## FINANCIAL INVESTMENT YIELDS

## UNIPOL

	9M17					
	Non-Life		Life		Total	
	€m	Yield%	€m	Yield%	€m	Yield%
Coupons and dividends	340	3.4%	999	3.4%	<b>1,342</b>	<b>3.4%</b>
Realized and unrealized gains/losses	108	1.1%	58	0.2%	<b>167</b>	<b>0.4%</b>
<b>Total</b>	<b>449</b>	<b>4.5%</b>	<b>1,057</b>	<b>3.6%</b>	<b>1,509</b>	<b>3.8%</b>

## UNIPOLSAI

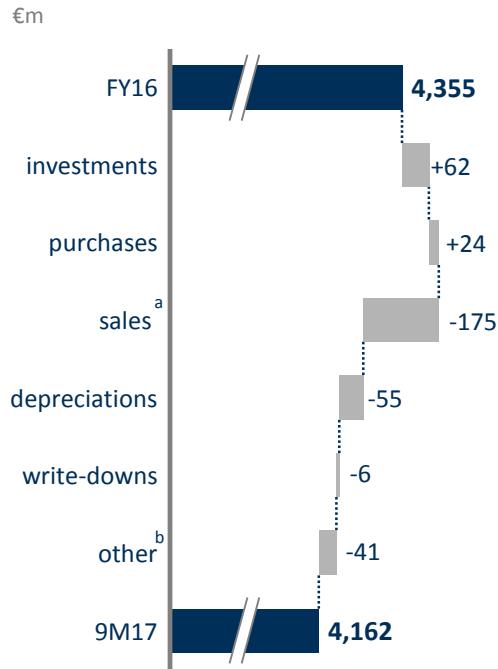
	9M17					
	Non-Life		Life		Total	
	€m	Yield%	€m	Yield%	€m	Yield%
Coupons and dividends	323	3.5%	848	3.5%	<b>1,172</b>	<b>3.5%</b>
Realized and unrealized gains/losses	106	1.2%	64	0.3%	<b>170</b>	<b>0.5%</b>
<b>Total</b>	<b>429</b>	<b>4.7%</b>	<b>913</b>	<b>3.8%</b>	<b>1,342</b>	<b>4.0%</b>



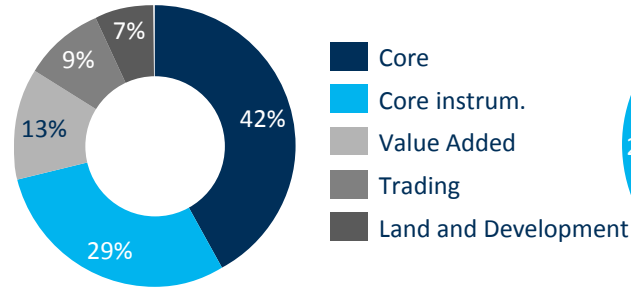
# REAL ESTATE

UNIPOL – Tot. portfolio € 4.2 bn

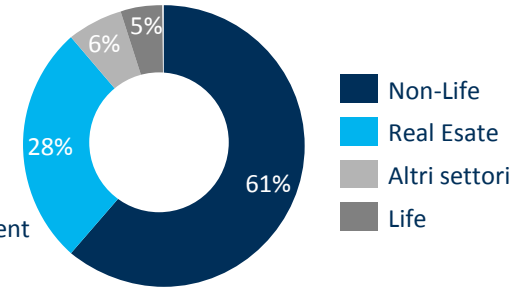
## Development of RE portfolio



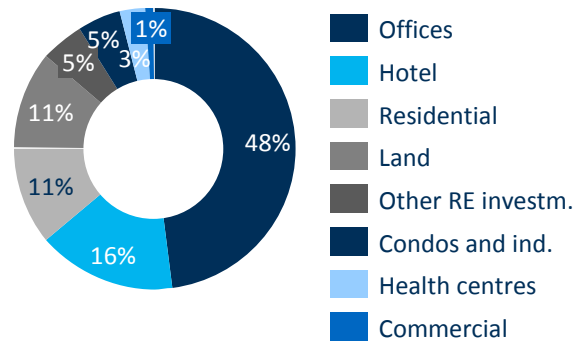
## Breakdown by cluster



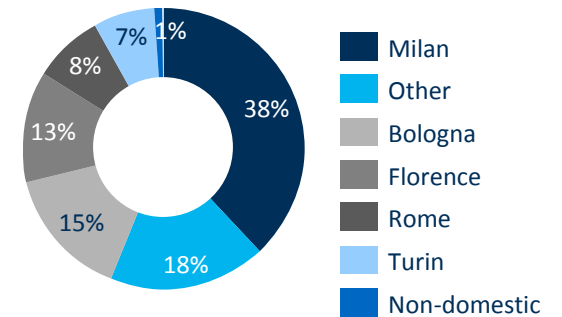
## Breakdown by sector



## Breakdown by use



## Breakdown by area



## Breakdown by ownership



<sup>a</sup> No. 73 deeds as at 30 September 2017.

<sup>b</sup> Including exchange variation and operations on RE funds and associated SPV  
Operating figures



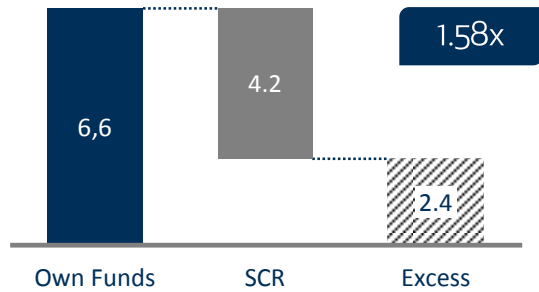
# PART 5

## SOLVENCY

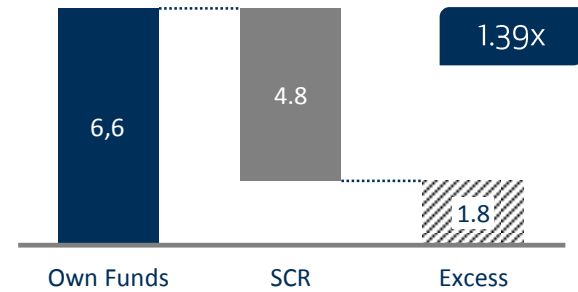
# SOLVENCY II – UNIPOL (consolidated)

€bn

## ECONOMIC CAPITAL



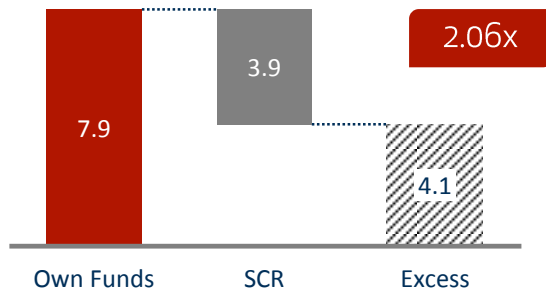
## STANDARD FORMULA USP



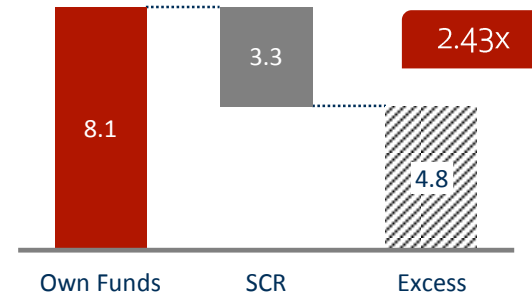
# SOLVENCY II – UNIPOLSAI

€bn

## ECONOMIC CAPITAL (consolidated)



## PARTIAL INTERNAL MODEL (UnipolSai solo)





The background of the slide is an artistic photograph of a painter's palette and several paintbrushes. The palette is covered in a vibrant, multi-colored pattern of paint splatters in shades of blue, yellow, purple, and red. The paintbrushes are scattered around, with some showing traces of paint. The overall scene is set against a light, neutral background, creating a creative and professional atmosphere.

# PART 6

## APPENDIX

## KEY PERFORMANCE INDICATORS

€m

## UNIPOL

	9M16	9M17	9M17 <sup>a</sup> normalized
Consolidated net result	439	<b>-229</b>	<b>551</b>
Group net result	261	<b>-377</b>	<b>374</b>
Premium income direct business	11,142	<b>8,785</b>	
<i>o/w Non-Life</i>	5,590	<b>5,590</b>	
<i>o/w Life</i>	5,552	<b>3,195</b>	
Combined Ratio	95.0%	<b>96.4%</b>	

	FY16	9M17	9M17 normalized
Total equity	8,134	<b>7,480</b>	<b>8,260</b>
Shareholder's equity	5,649	<b>5,266</b>	<b>6,016</b>

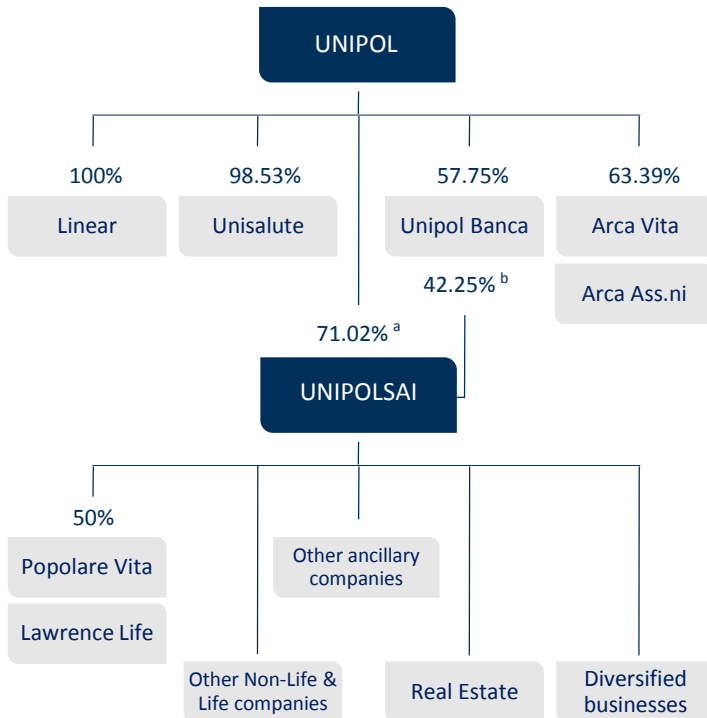
## UNIPOLSAI

	9M16	9M17	9M17 <sup>a</sup> normalized
Consolidated net result	427	<b>430</b>	<b>536</b>
Group net result	409	<b>405</b>	<b>511</b>
Premium income direct business	9,040	<b>7,783</b>	
<i>o/w Non-Life</i>	5,141	<b>5,109</b>	
<i>o/w Life</i>	3,899	<b>2,674</b>	
Combined Ratio	96.0%	<b>97.3%</b>	

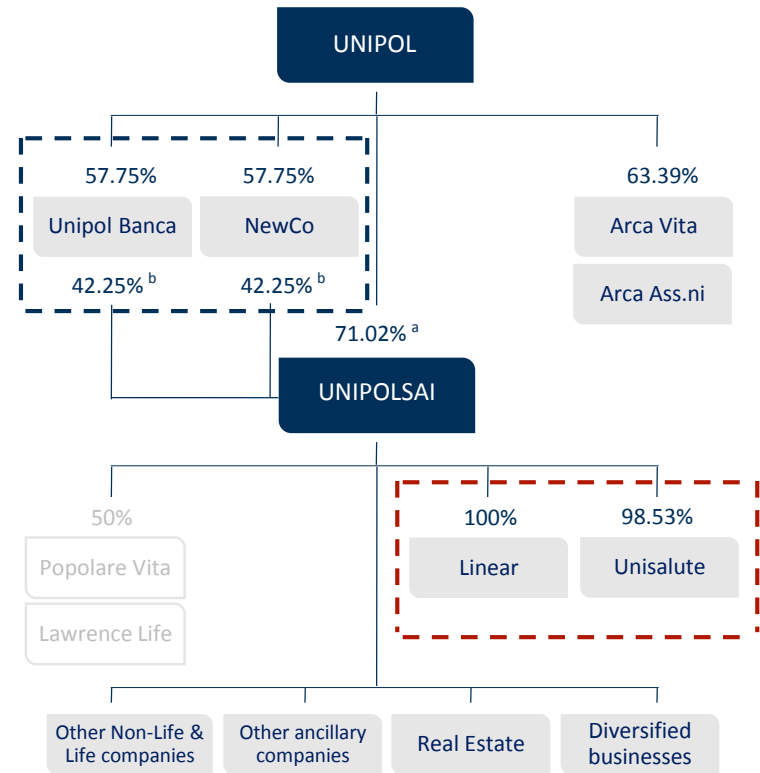
	FY16	9M17	9M17 normalized
Total equity	6,535	<b>6,653</b>	<b>6,759</b>
Shareholder's equity	6,156	<b>6,338</b>	<b>6,444</b>



# GROUP STRUCTURE

## PRE-STREAMLINING



## POST-STREAMLINING



 Restructuring of the banking business  
 Streamlining of the insurance business

<sup>a</sup> Including the shares held by Unipol Finance and Unipol Investment

<sup>b</sup> O/w 27.49% is the subject of a put option granted by Unipol to UnipolSai and of a call option granted by UnipolSai to Unipol.

## DISCLAIMER

Maurizio Castellina, Senior Executive responsible for drawing up the corporate accounts of Unipol 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.

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