



Results as at September 30th, 2017

Cattolica Assicurazioni Group

Verona, November 15th, 2017

Results as at September 30th, 2017

P&C Business Performance

Life Business Performance

Investments

Partnership with Banco BPM



Results as at September 30th, 2017

Key consolidated figures

	IAS/IFRS Results		
	€ mln		
	9M2016	9M2017	Δ%
Total Direct Premiums	3,482	3,659	+5.1%
P&C Direct Premiums	1,382	1,394	+0.9%
Life Direct Premiums ¹	2,100	2,265	+7.8%
Combined Ratio ²	93.2%	94.9%	+1.7 pps
Consolidated Shareholders' Equity	2,114 ³	2,077	-1.8%
Solvency II Ratio	186% ³	185%	-1 pps
Consolidated Result	56	30	-46.4%
Group's Net Result	45	21	-53.3%



(¹) Including Investment contracts. (²) On retained business. (³)As at December 31st 2016.

Results as at September 30th, 2017

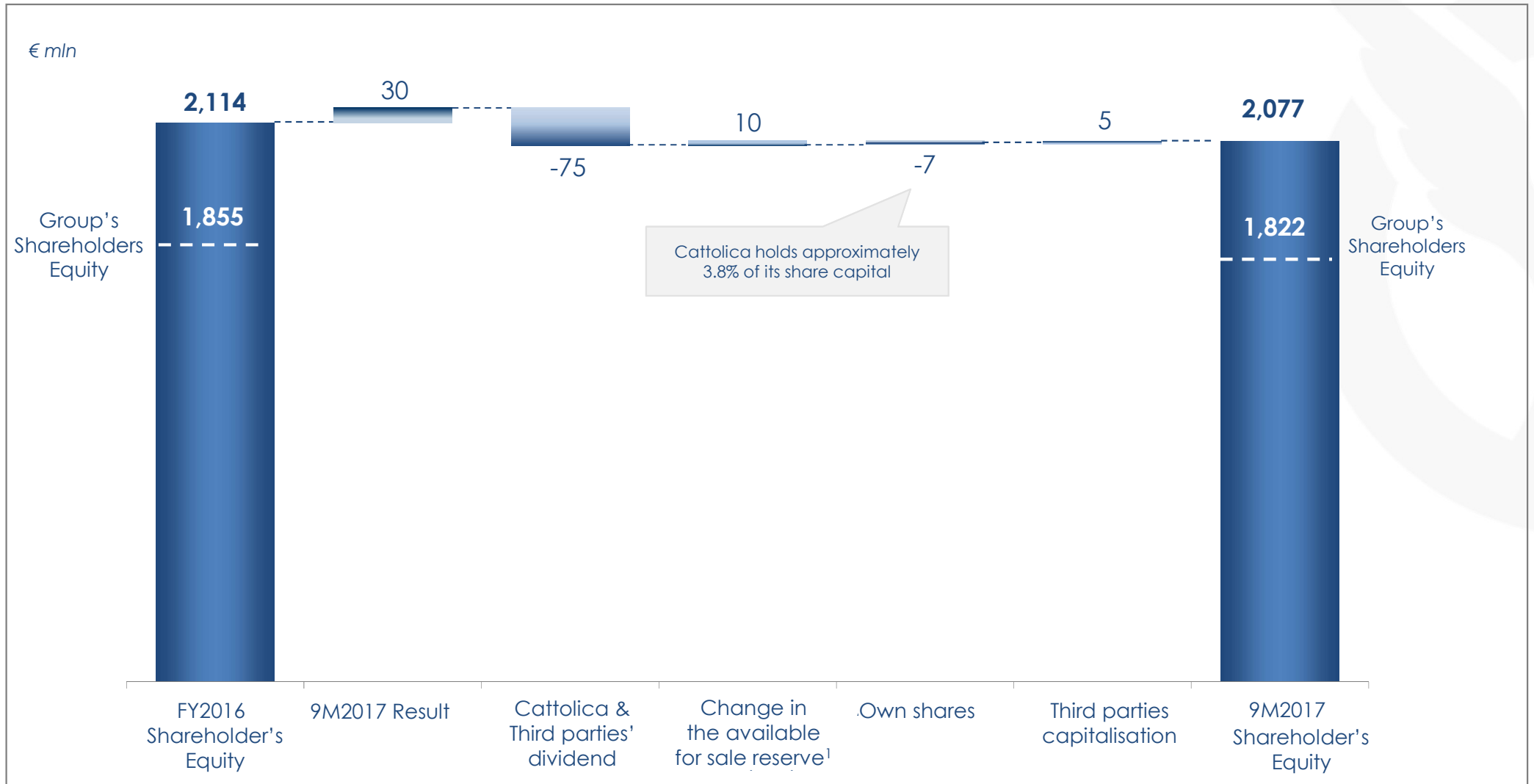
Consolidated Income Statement

Group Companies' contribution to the consolidated result

Group Companies' contribution to the consolidated result	9M2016	9M2017 normalised	Write-downs on Goodwill	Change of AFS thresholds 30% 12 months and other write-downs	Write-down on Fondo Atlante	9M2017
<i>€ mln</i>						
P&C insurance companies	69	72	-5	-3	-2	62
Life insurance companies	-11	28	-45	-5	-3	-25
Non-insurance companies	-2	-3	-4	0	0	-7
IAS/IFRS Consolidated Result	56	97	-54	-8	-5	30
IAS/IFRS Group's Result	45	87	-54	-8	-4	21



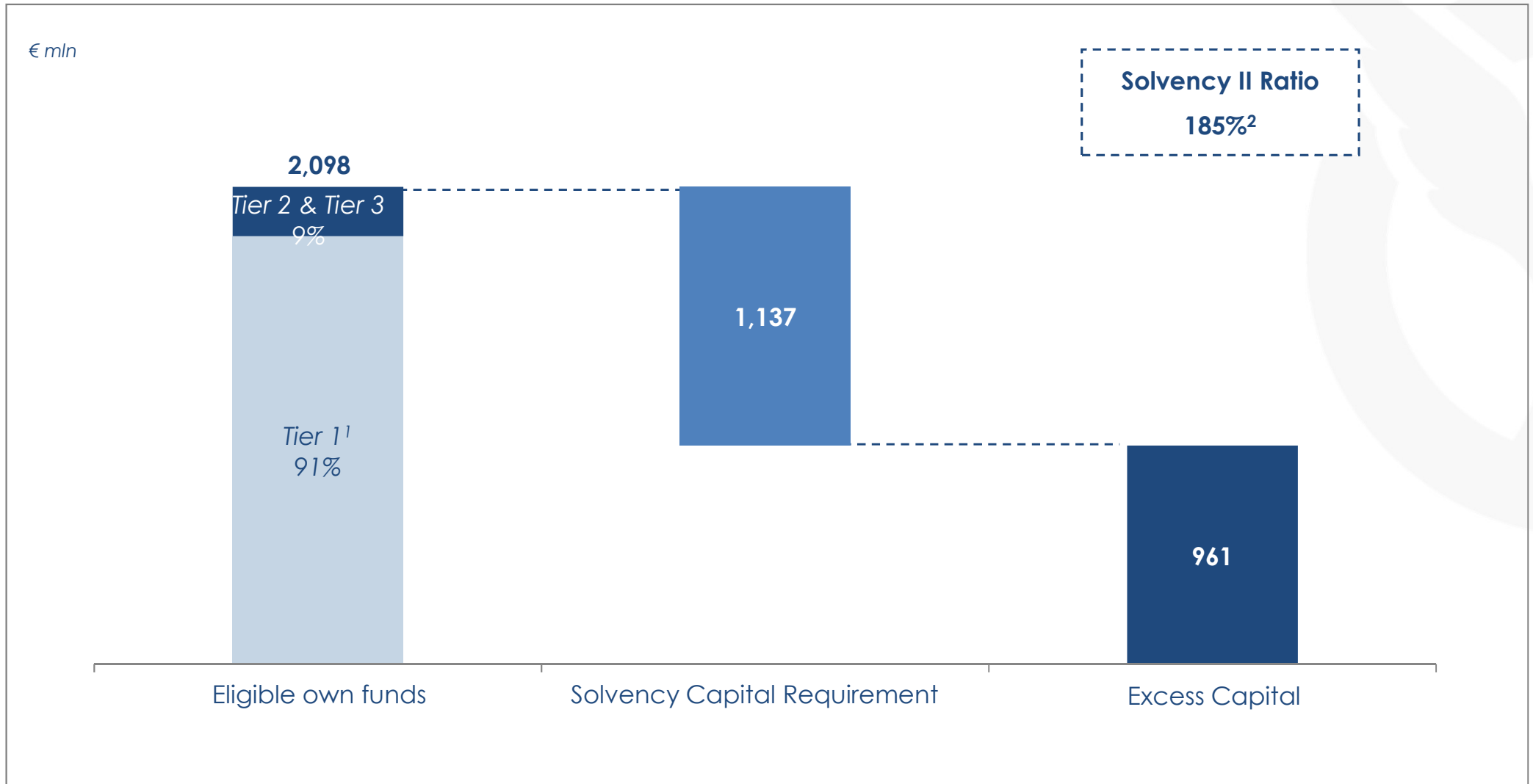
Shareholders' Equity



(1) It includes the changes in shadow accounting (net of tax).

Results as at September 30th, 2017

Group's Solvency II ratio



(1) Tier 1 "unrestricted" eligible own funds (share capital and capital buffers) equal to about 87% of total own eligible funds. (2) The ratio is calculated according to the Standard Formula with the use of the Undertaking Specific Parameters (USPs). On May 11th 2017 the Supervisory Authority authorised the Company to use the USPs as from December 31st, 2016.

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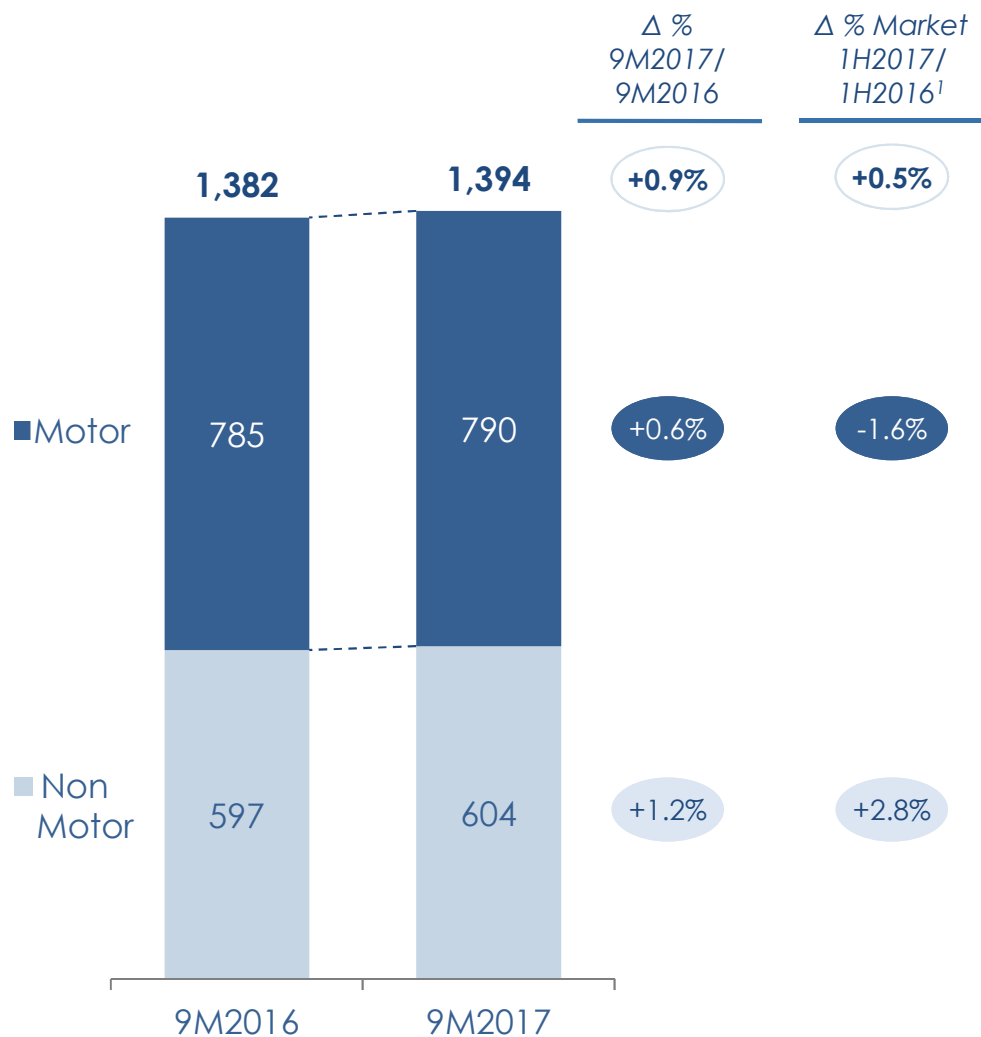
Partnership with Banco BPM



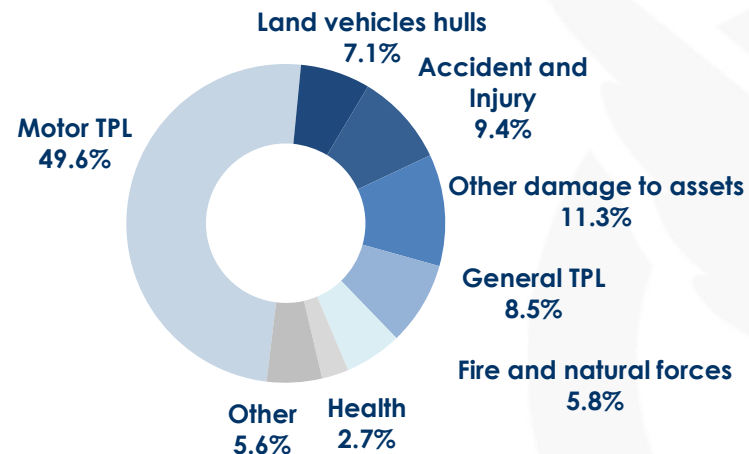
P&C Premiums

Group's P&C Premiums

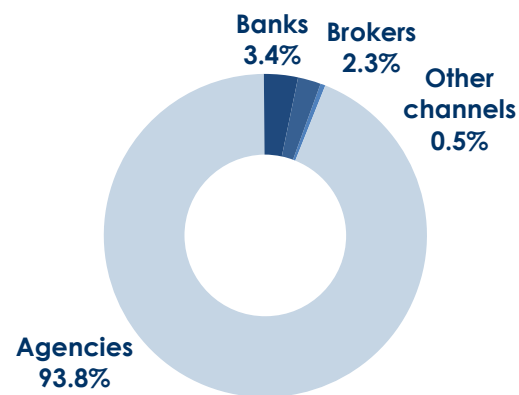
€ mln



P&C Premiums Breakdown by Class



P&C Premiums Breakdown by Channel

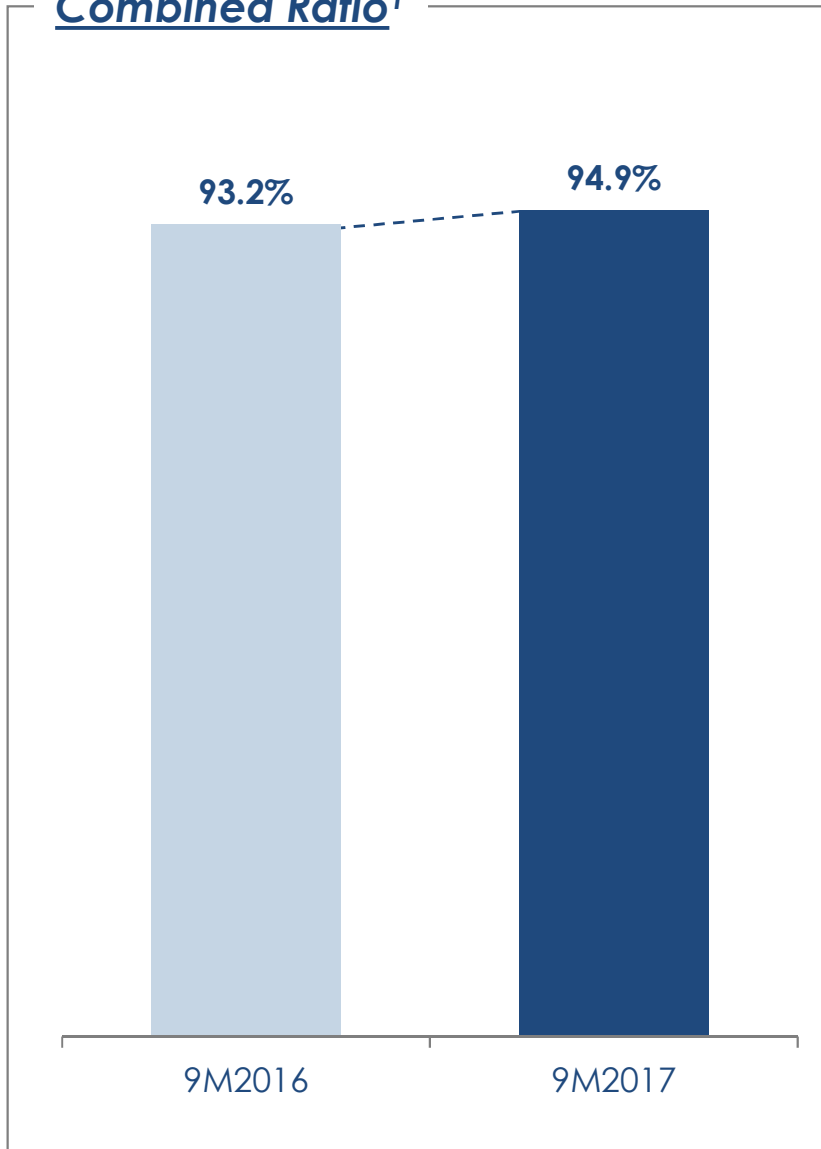


(1) Source: ANIA Trends newsletter - Year XIII - number 7 - September 2017.

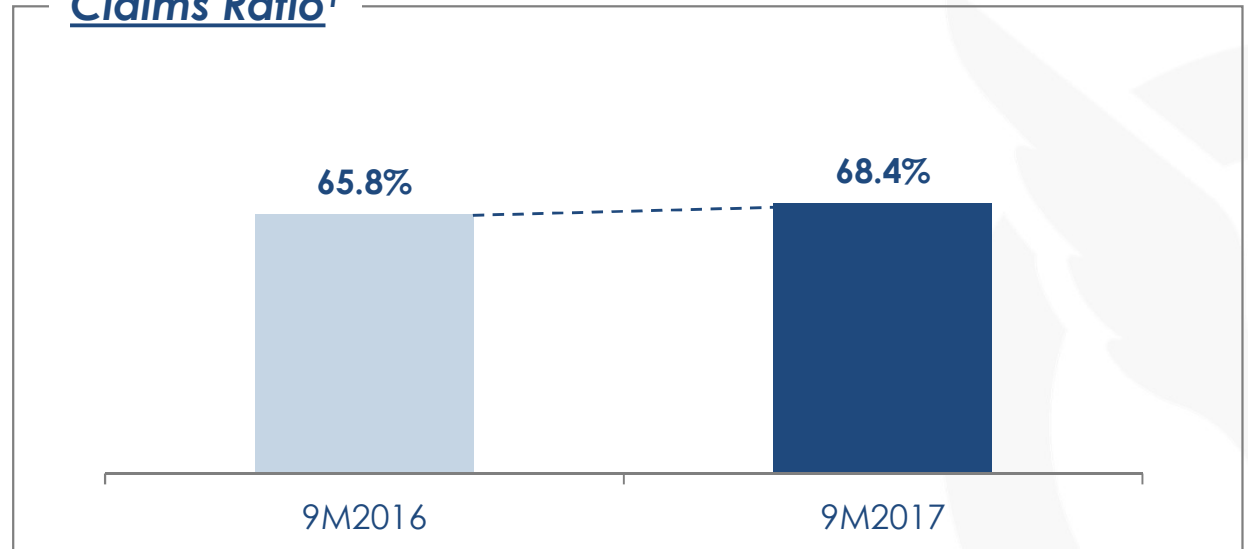
P&C Business Performance

Technical Ratios

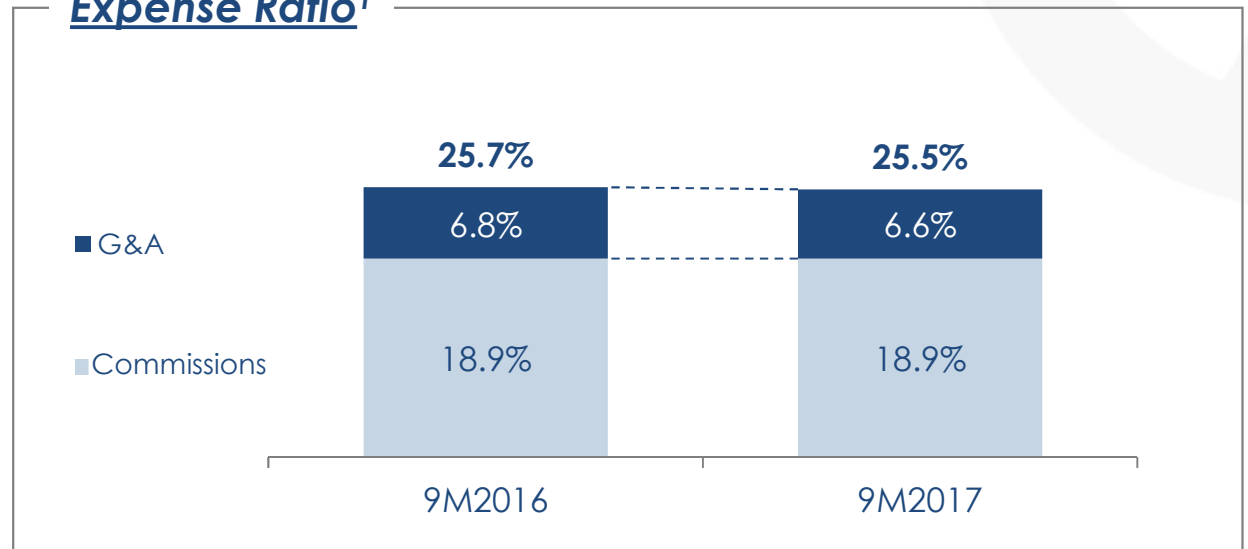
Combined Ratio¹



Claims Ratio¹



Expense Ratio¹



(1) Retained business.

P&C: Motor T.P.L. Technical Ratios

Motor Premiums and Policies

Δ compared with FY2016

Motor T.P.L. policies

+3.0%

+96,666 units

Average Motor Premium

-1.6%

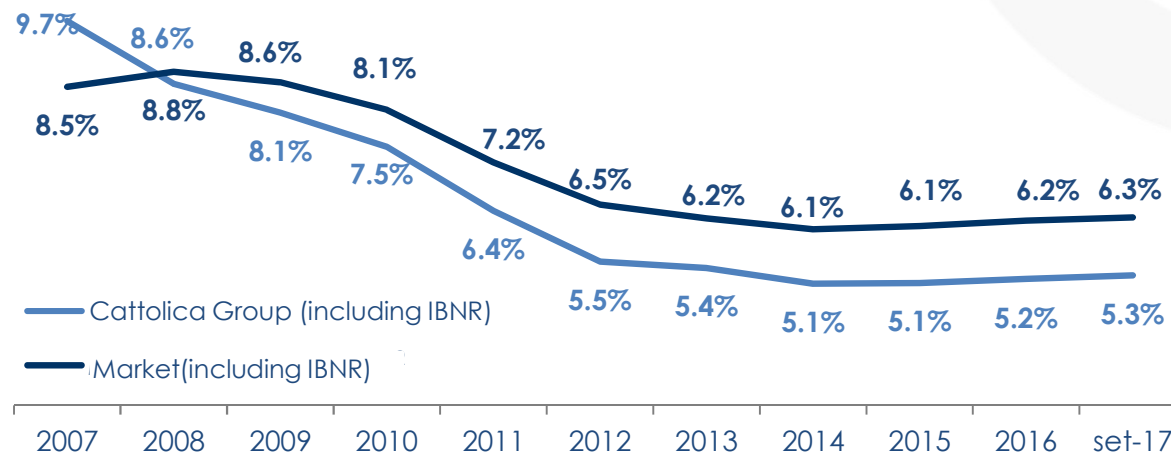
As at October 2017

Average Cost of Motor T.P.L. Paid Claim

	AS AT SEPTEMBER					
	2016		2017		Δ 2017/2016	
	Claim settlement rate	Average Cost (€)	Claim settlement rate	Average Cost (€)	Claim settlement rate	Average Cost (€)
Card G*	78.4%	1,419	77.5%	1,429	-0.9%	0.7%
No Card*	47.5%	2,058	46.4%	2,014	-1.1%	-2.1%
Card G e No Card*	71.1%	1,531	70.1%	1,529	-1.0%	-0.1%

(*) Claims directly managed by the network. Card G claims show a lower causality or incident seriousness compared to No Card claims.

Motor T.P.L. Frequency Trend¹



(1) Fata excluded. (2) Source: ANIA Relazione Mercato Assicurativo until 2016. 2017 figures are a projection on the base of statistica rapida ANIA at June 2017.

Results as at September 30th, 2017

P&C Business Performance

Life Business Performance

Investments

Partnership with Banco BPM

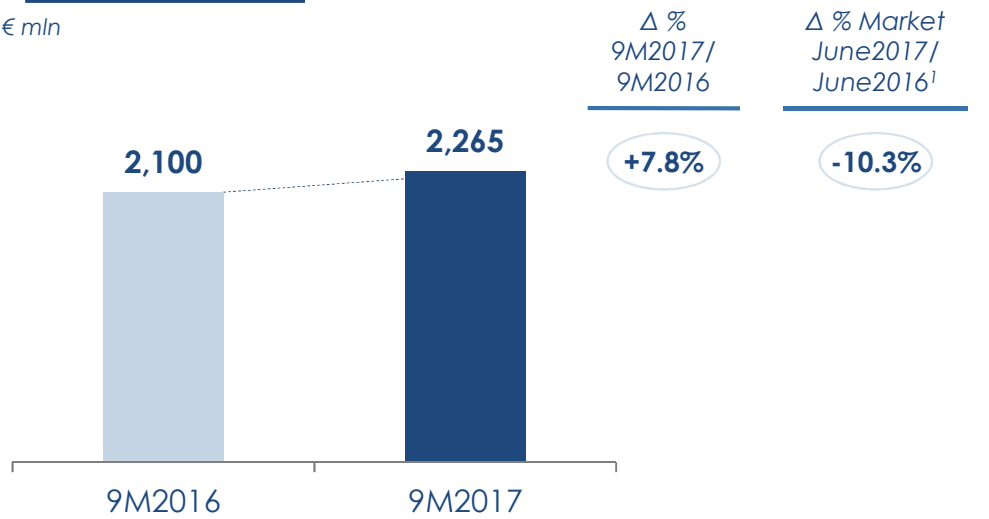


Life Business Performance

Life Premiums

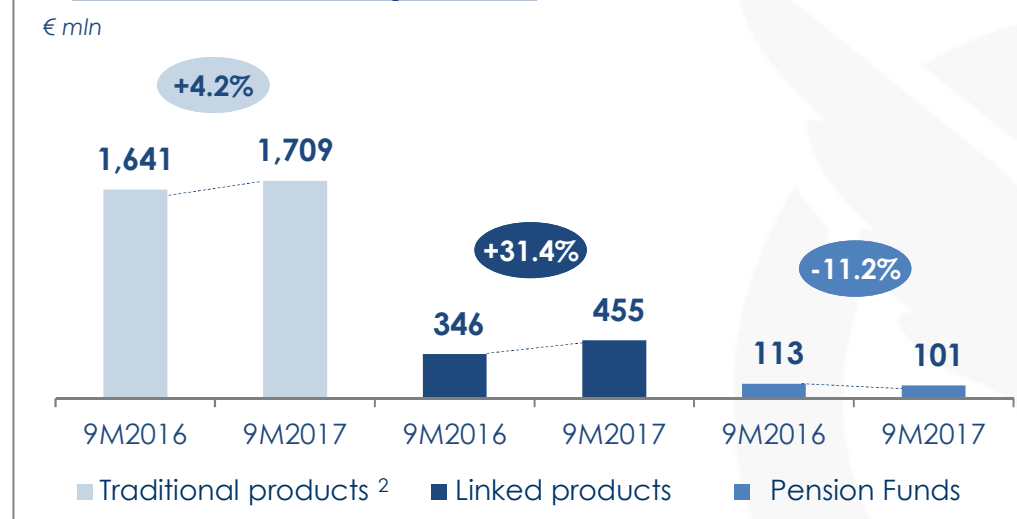
Life Premiums

€ mln

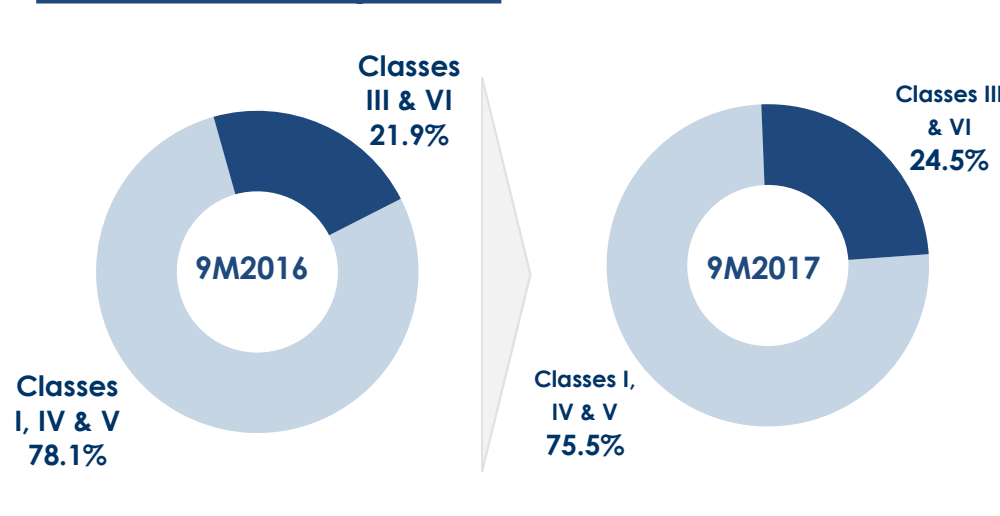


Life Premiums by Class

€ mln

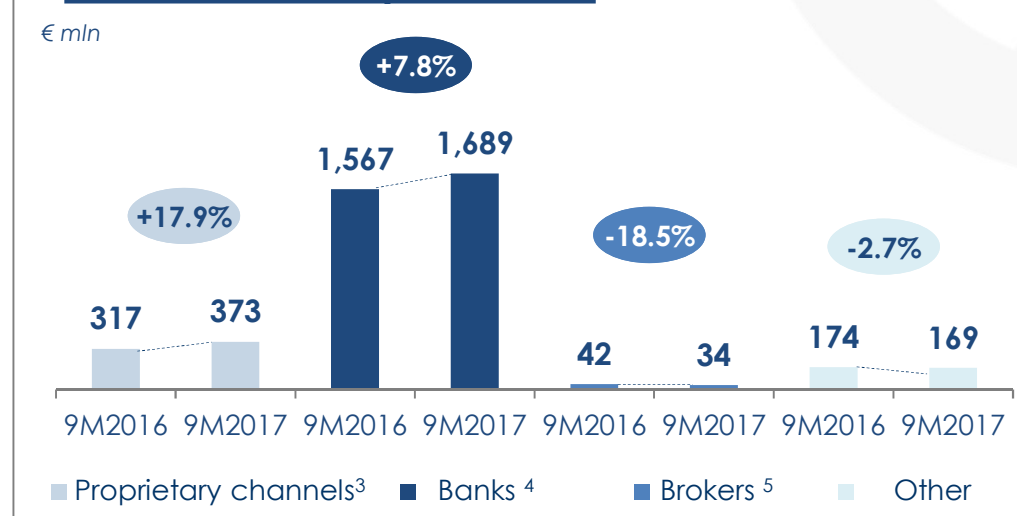


Life Premiums by Class



Life Premiums by Channel

€ mln



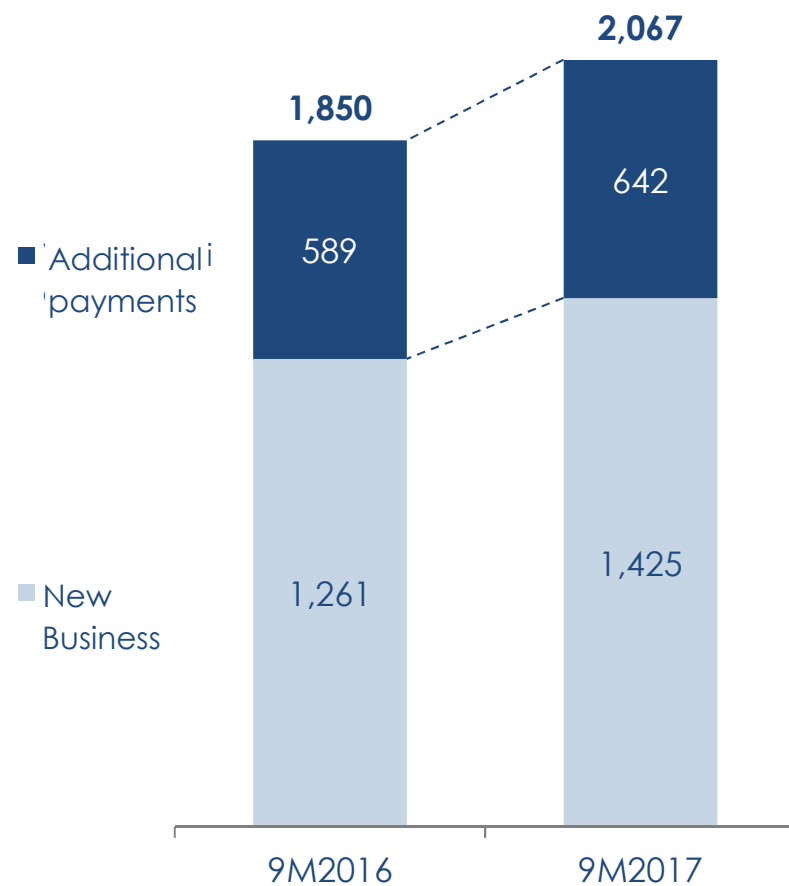
(¹) Source: ANIA Trends - Year XIII - number 7 - September 2017. (²) Inclusive of classes I, IV and V. (³) Agents and sub-agents. (⁴) Including Financial Advisors. (⁵) Including Cattolica Life.

Life Business Performance

Life New Business

Life New Business¹

€ mln



Δ %
9M2017/
9M2016

+11.7%

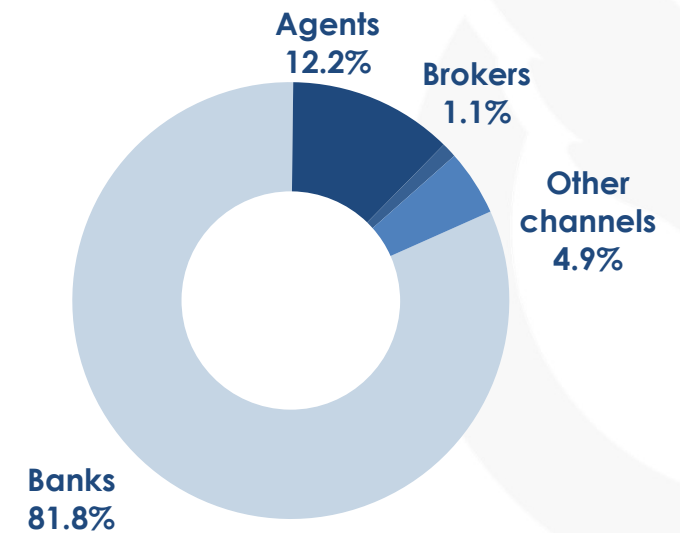
+9.0%

+13.0%

Δ % Market
Sept2017/
Sept2016²

-7.9%

Life New Business by Channel



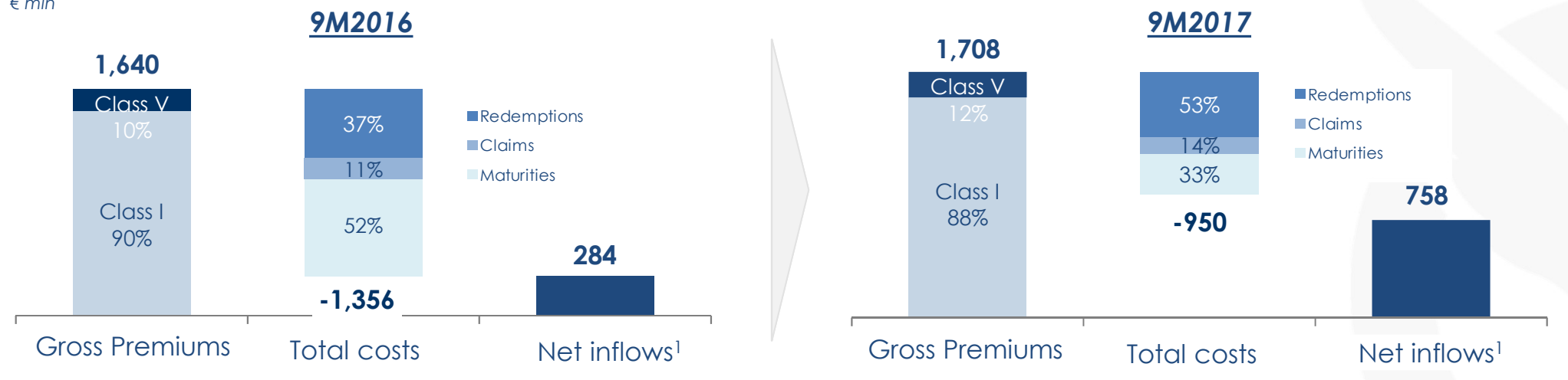
(¹) Excluding Class VI. (²) Source: ANIA Trends – Year XIII - n° 09 - November 2017.

Life Business Performance

Life Net Premiums

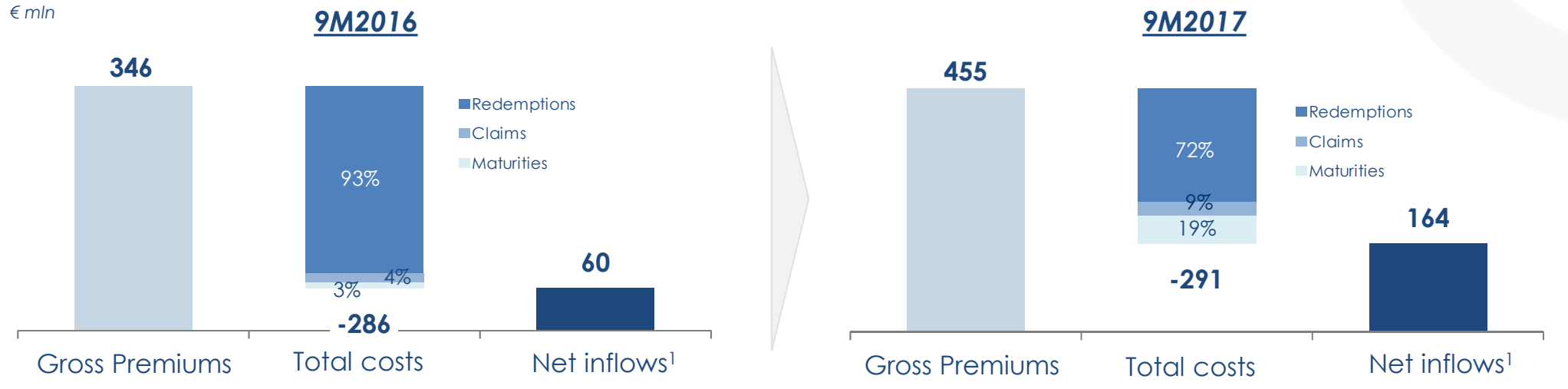
Classes I & V

€ mln



Class III

€ mln



(¹) Net inflows don't include the variation of the provision for payable amounts.

Results as at September 30th, 2017

P&C Business Performance

Life Business Performance

Investments

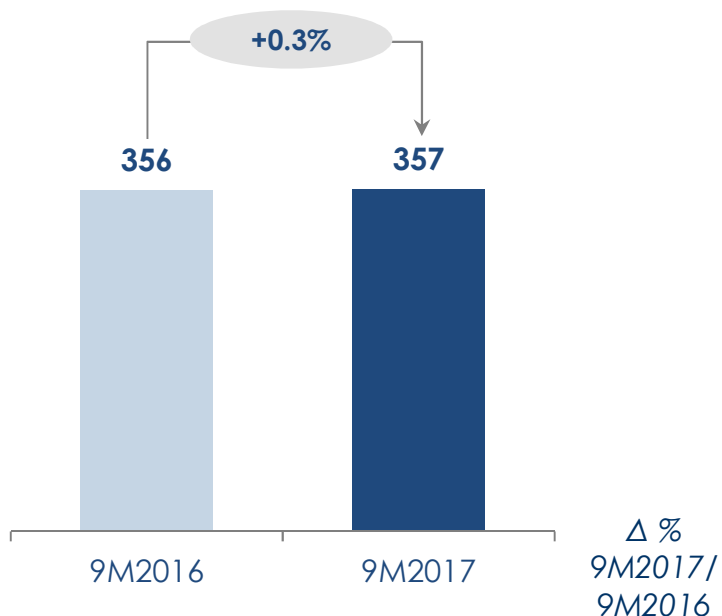
Partnership with Banco BPM



Investment Result and Group's Asset Allocation

Investment Result¹

€ mln

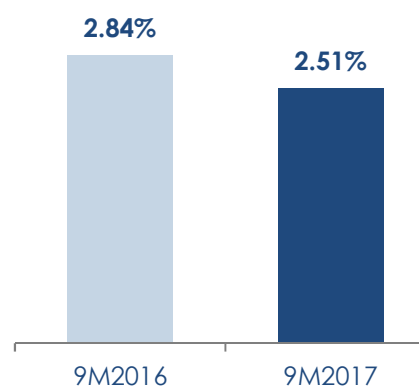


	9M2016	9M2017	Δ % 9M2017/ 9M2016
Net interests and coupons	387	391	+1.0%
Gains and losses ²	38	7	-81.6%
Investments costs	-14	-16	+14.3%
Result before impairments³	411	382	-7.1%
Impairments & write-downs ³	-55	-25	-54.5%

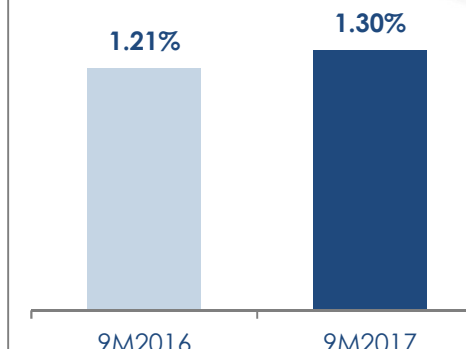
Group's Asset Allocation



Portfolio Sustainable yield⁴



Bond reinvestment rate⁵

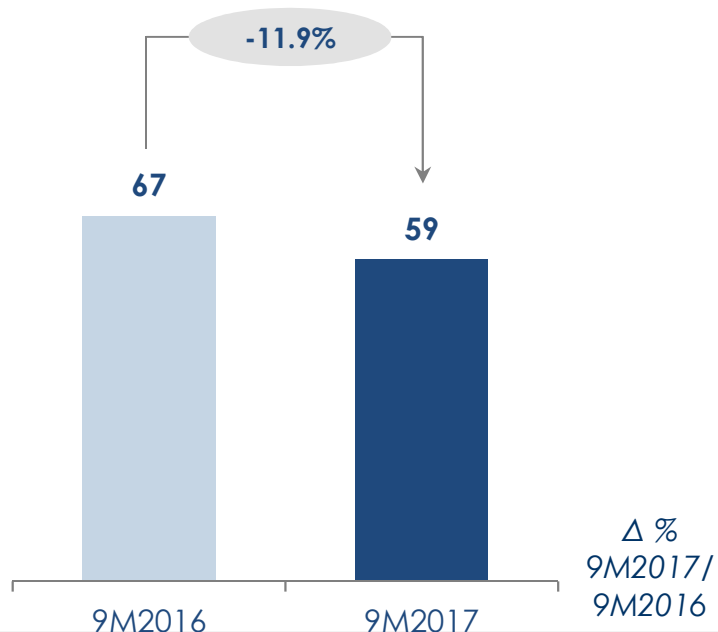


(¹) Investment result of the sectors Life, P&C and other. (²) Including realised gains and mark-to-market profits on investments, different from impairments, write-downs and depreciation on property. (³) Gross of taxes and shadow. (⁴) Sustainable yield: weighted average of the historical value of the sustainable yields of the positions. Bonds: actual coupon + pro rata trading discount ; Equity: expected dividend yield. (⁵) It does not consider transactions on securities with a residual duration shorter than one year.

P&C Investment Result

Investment Result

€ mln



	9M2016	9M2017	Δ % 9M2017/ 9M2016
Net interests and coupons	59	61	+3.4%
Gains and losses ¹	29	9	-69.0%
Investments costs	-5	-5	-
Result before impairments²	83	65	-21.7%
Impairments & write-downs ²	-16	-6	-62.6%

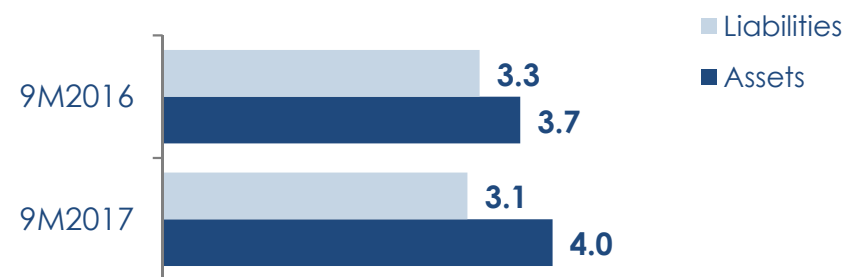
Portfolio sustainable yield³



Bond reinvestment rate⁴



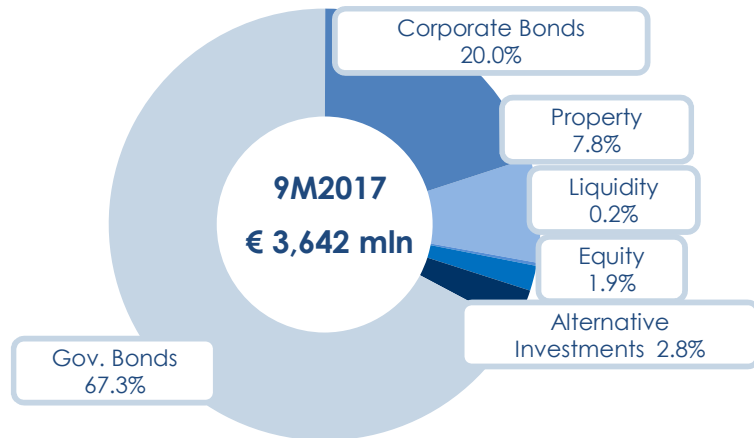
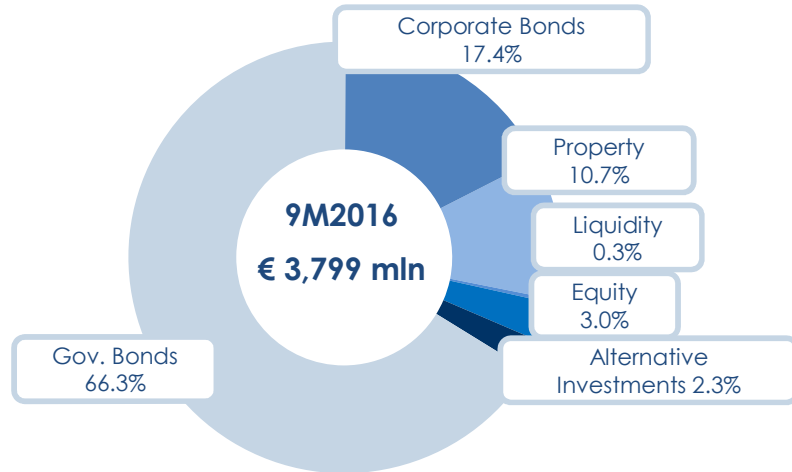
Duration



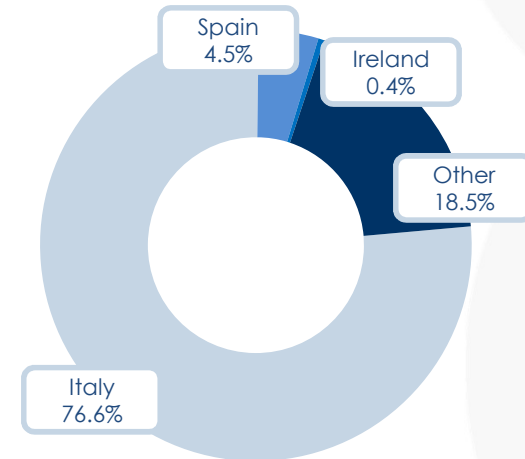
(1) Including realised gains and mark-to-market profits on investments. (2) Gross of taxes. (3) Sustainable yield: weighted average of the historical value of the sustainable yields of the positions. Bonds: actual coupon + pro rata trading discount ; Equity: expected dividend yield. (4) It does not consider transactions on securities with a residual duration shorter than one year.

Asset allocation and P&C bond rating classes

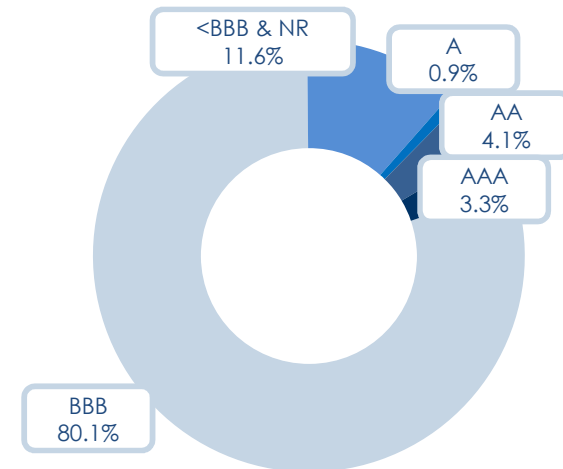
P&C Investments breakdown¹



Bonds Breakdown by region



Bonds breakdown by rating

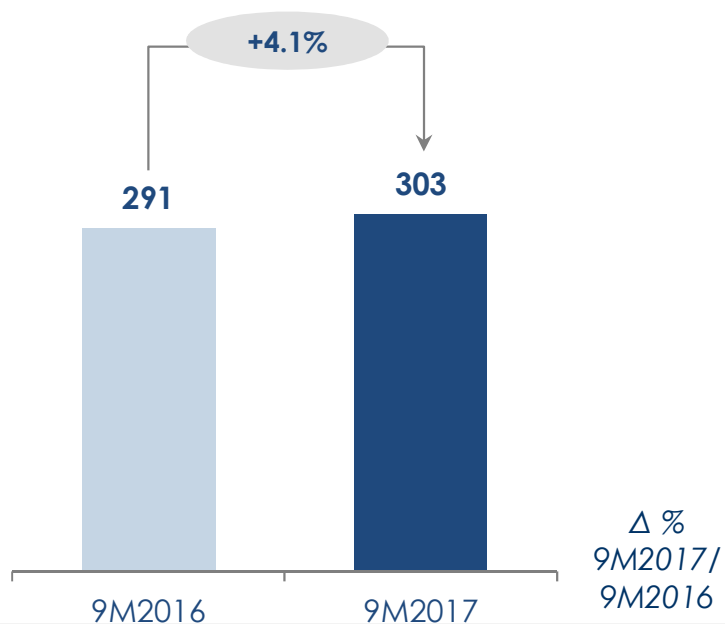


(1) Managed assets (excluding subsidiaries) IAS figures as at September 30th.

Life Investment Result

Investment Result

€ mln



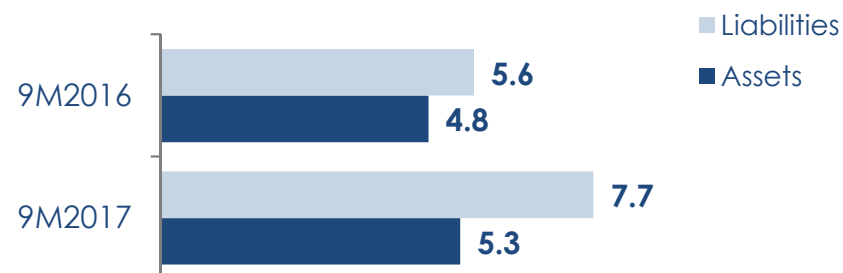
Portfolio sustainable yield³



Bond reinvestment rate⁴



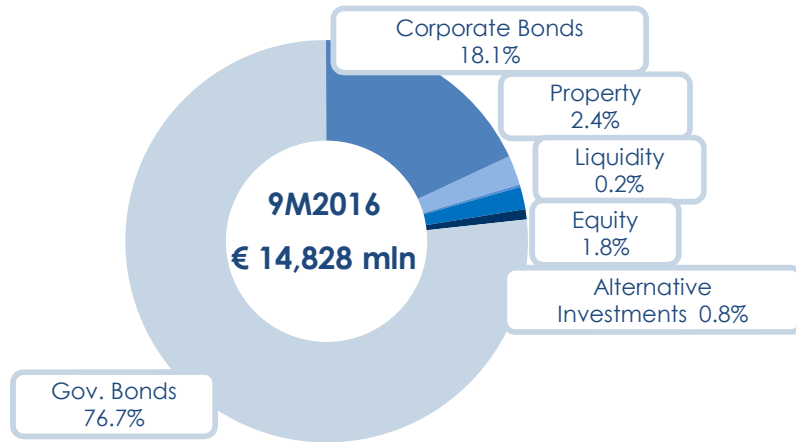
Duration



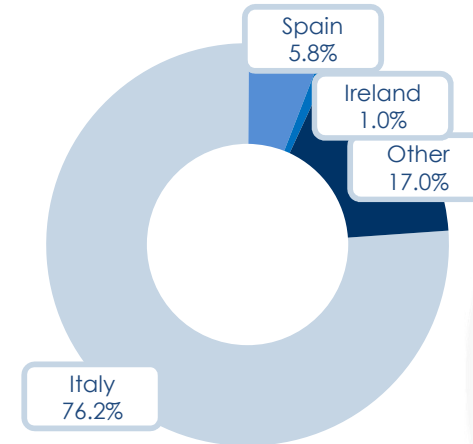
(1) Including realised gains/losses, unrealized gains/losses different from impairment and amortisation of Property investments. (2) Gross of taxes and shadow. (3) Sustainable yield: weighted average of the historical value of the sustainable yields of the positions. Bonds: actual coupon + pro rata trading discount ; Equity: expected dividend yield.. (4) It does not consider transactions on securities with a residual duration shorter than one year.

Asset allocation and Life bond rating classes

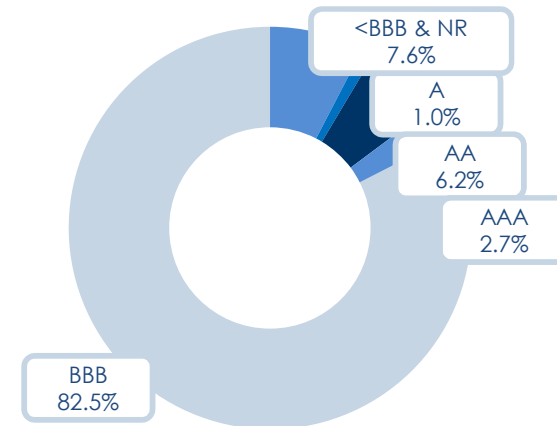
Life Investments Breakdown ¹



Bonds Breakdown by region



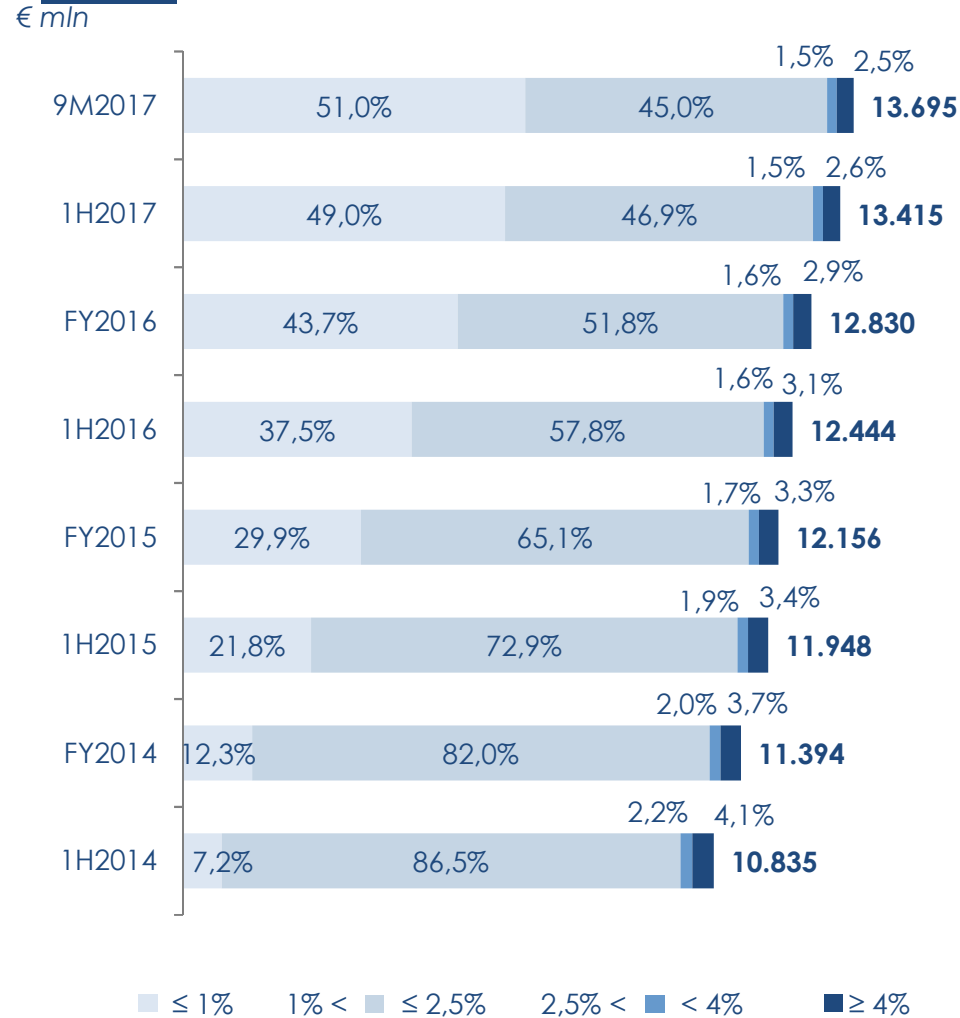
Bonds breakdown by rating



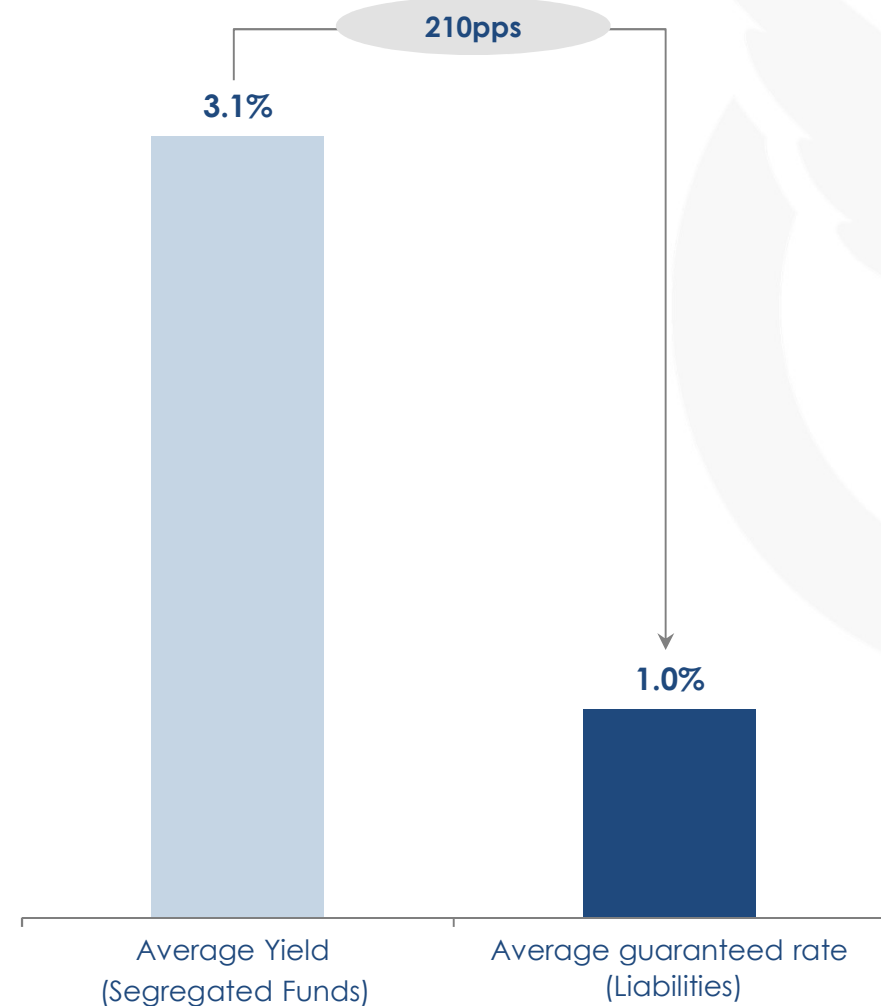
(¹) Class C managed assets (excluding subsidiaries) IAS figures as at September 30th.

Financial performance and Minimum Guaranteed

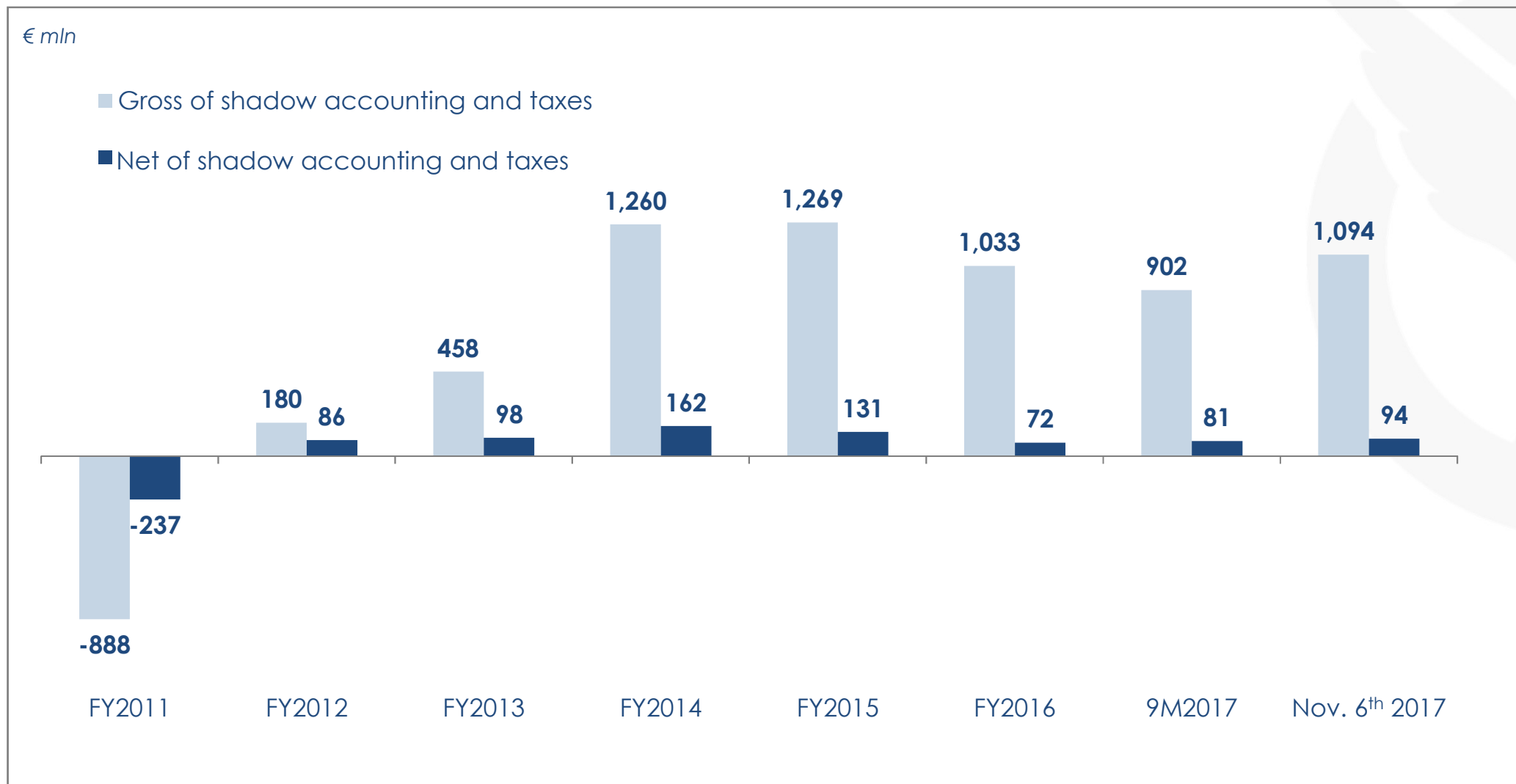
Technical Reserve Breakdown for Minimum Guaranteed (Segregated Funds)



Yield v.s. Minimum Guaranteed (2017)



Trend of Available for Sale Reserve



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New bancassurance partnership with Banco BPM

Transaction details

On November 9th, 2017 the acquisition of a 65% stake of Banco BPM life and P&C bancassurance companies and a 15-year exclusive commercial partnership in life and non-life on the former Banco Popolare network were finalised.

- Long term partnership with a **high standing banking group**: ranking third among Italian banks, with a strong commercial capacity and a sound capital position.
- **Cattolica will benefit of a strengthening of its sales network** thanks to the entry into a **network of about 1700 branches**, widespread all over the Italian territory, especially in the richest areas of the Country, and with a long term experience in the insurance business.
- The transaction will be financed with internal resources and through the **issue of a subordinated Tier 2 bond** up to a total maximum amount of € 500 million.
- Taking into consideration the issue of the aforementioned bond and the information available today on the Target Companies, it is considered that **the impact on the Group's Solvency II margin will consist in a drop of about 15 p.p.** which can be further reduced through capital management activities, currently under consideration.

Evaluation summary

65% stake	
(€mln)	
Value of Popolare Vita	544.6
of which extraordinary dividend	89.6
Value of Avipop Assicurazioni	308.8
Total value (with extraordinary dividend)	853.4
Total value (ex extraordinary dividend)	763.8

Popolare Vita (at 31.12.2016): Gross premiums → € 2,130 mln
Net profit → € 42 mln

Avipop Assicurazioni (at 31.12.2016): Gross premiums → € 169 mln
Net profit → € 23 mln



Main expected benefits from the partnership with Banco BPM

Competitive positioning

- Important opportunity for **growth** and for the **strengthening of Cattolica's market positioning**, both in life and P&C sectors.
- Important development of the **bancassurance** channel, both in life and P&C, with important impacts on the new Business Plan of the Cattolica Group, currently under development.

Increase of the Return on Equity

- **New distribution agreements based on life products with a low capital absorption** (e.g. unit-linked or multi-branch hybrid products).
- Important opportunity to expand life volumes in order to **improve total profitability** and business operational efficiency.
- **Higher leverage** after the issue of the subordinated bond, but in line with the main competitors.

Operational synergies and profits

- Accomplishment of **operational synergies** and maximization of the economies of scale, through the focusing on bancassurance agreements with few significant players on the Italian market.
- The transaction **will impact Cattolica's profitability by increasing it.**



APPENDIX



Glossary

Ratio	Formula
Claims Ratio	<i>Net claims costs / Net premiums (retained business)</i>
Expense Ratio (P&C)	<i>Operating expenses / Net premiums (retained business)</i>
Combined Ratio	<i>(1-(Technical result / Net premiums)) (retained business)</i>



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