

FY17 CONSOLIDATED RESULTS UNIPOL AND UNIPOLSAI



Bologna, 23 March 2018

PART 1

Consolidated
results

PART 2

Insurance
Business

- Non-Life
- Life

PART 3

Banking Business

PART 4

Investments

PART 5


Dividend proposal

PART 6

Solvency

PART 7

Appendix

The background of the slide is an artistic composition featuring several paintbrushes with colorful bristles (orange, red, blue) resting on a white surface. In the foreground, there is a palette with a dense, multi-colored pattern of paint splatters in shades of blue, yellow, purple, and red. To the left, a small jar of paint is visible. The overall scene is softly lit, creating a creative and professional atmosphere.

PART 1

CONSOLIDATED RESULTS

CONSOLIDATED RESULTS


€m

UNIPOL

	FY16	FY17	FY17 ^a normalized
Consolidated pre-tax result	706	-179	904
<i>Non-Life</i>	471	687	687
<i>Life</i>	379	328	328
<i>Banking</i>	7	-987	16
<i>Holding and other</i>	-150	-207	-127
Consolidated net result	535	-169	655
Group net result	330	-346	450

UNIPOLSAI

	FY16	FY17	FY17 ^a normalized
Consolidated pre-tax result	681	760	873
<i>Non-Life</i>	365	501	593
<i>Life</i>	357	286	307
<i>Other</i>	-41	-27	-27
Consolidated net result	527	537	649
Group net result	497	504	617

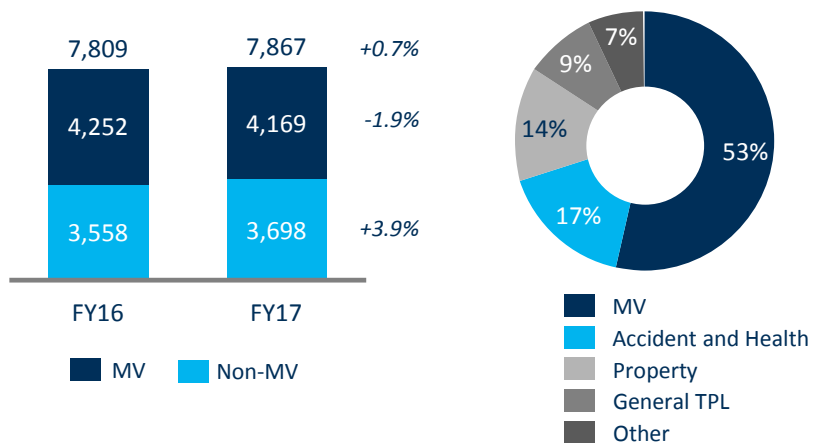


PART 2
NON-LIFE
INSURANCE BUSINESS

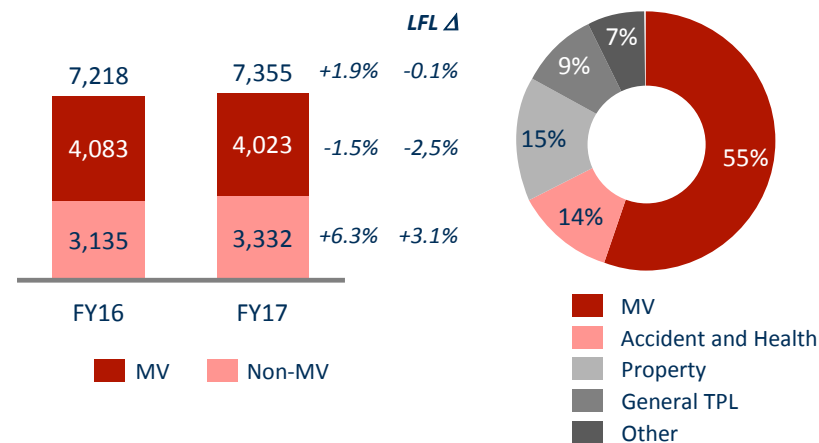
DIRECT PREMIUM INCOME

€m

UNIPOL



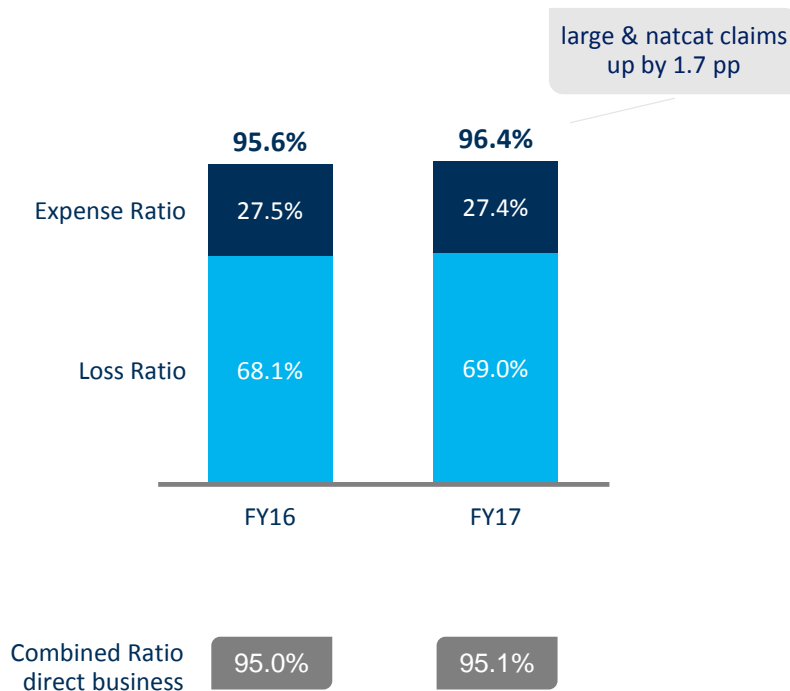
UNIPOLSAI



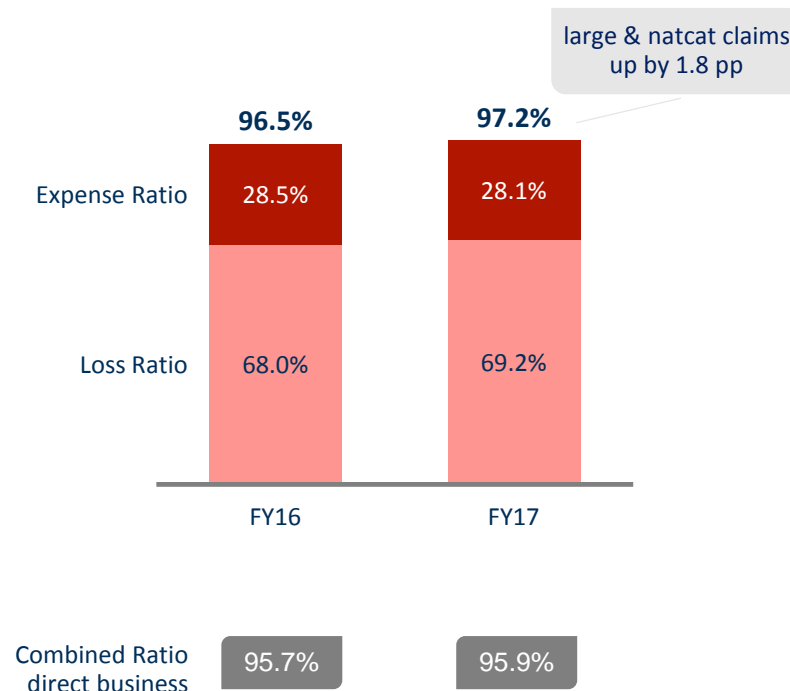
Premiums by company	FY16	FY17
UnipolSai SpA	6,960	6,901
UniSalute ^a	337	371
Linear ^a	150	172
Arca Assicurazioni ^b	104	110
Other companies	258	312

NON-LIFE COMBINED RATIO NET OF REINSURANCE

UNIPOL



UNIPOLSAI



UNIPOLSAI S.P.A. – MV TPL TECHNICAL INDICATORS DIRECT BUSINESS

UNIPOLSAI S.p.A.

MV TPL Combined Ratio	FY16	FY17
Direct Business	99.9%	97.7%
<i>Expense ratio^a</i>	22.7%	22.7%
<i>commissions/premiums</i>	14.0%	13.6%
<i>other operating expenses/premiums</i>	8.8%	9.1%
<i>Loss ratio^b (incl. OTI)</i>	77.2%	75.1%

Other MV TPL indicators	Var. vs FY16
Total portfolio	-1.0%
<i>retail</i>	-1.1%
<i>fleets</i>	+0.4%
Portfolio average premium	-2.1%
No. of claims reported (followed-up passive claims)	-3.6%
Frequency	-0.16 p.p.

No. of black boxes 3.5 million (37% of the portfolio)

OTHER INSURANCE COMPANIES

€m

UNISALUTE

	FY16	FY17
Premium income	337	371
<i>Accident & Health</i>	336	370
<i>Other</i>	1	1
CoR direct business	85.8%	87.5%
<i>Expense ratio</i>	11.2%	11.4%
<i>Loss ratio (incl. OTI)</i>	74.5%	76.2%
IAS net result	41	43

LINEAR

	FY16	FY17
Premium income	150	172
<i>MV</i>	135	155
<i>Other</i>	15	18
CoR direct business	102.4%	99.0%
<i>Expense ratio</i>	24.6%	21.6%
<i>Loss ratio (incl. OTI)</i>	77.8%	77.4%
IAS net result	5	6

ARCA ASSICURAZIONI

	FY16	FY17
Premium income	104	110
<i>MV</i>	34	33
<i>Other</i>	70	77
CoR direct business	64.5%	63.3%
<i>Expense ratio</i>	29.4%	30.4%
<i>Loss ratio (incl. OTI)</i>	35.1%	32.9%
IAS net result	28	30

The background of the slide is an artistic composition featuring a palette with various colored paints and several paintbrushes. A large, dark blue brushstroke is overlaid on the center of the image, serving as a background for the text.

PART 2

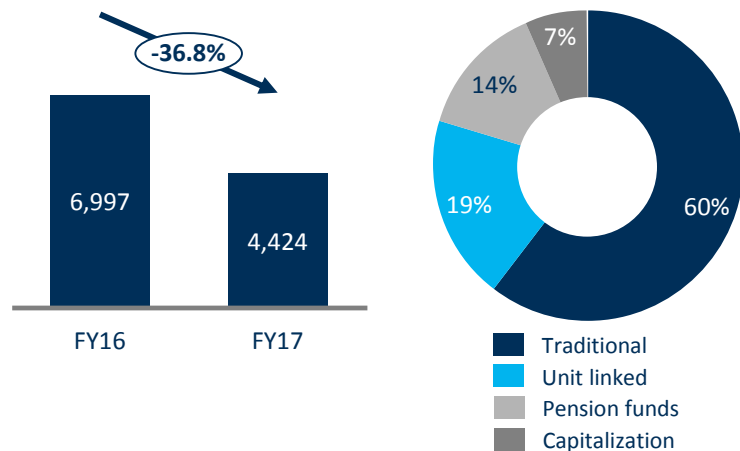
LIFE

INSURANCE BUSINESS

DIRECT INCOME

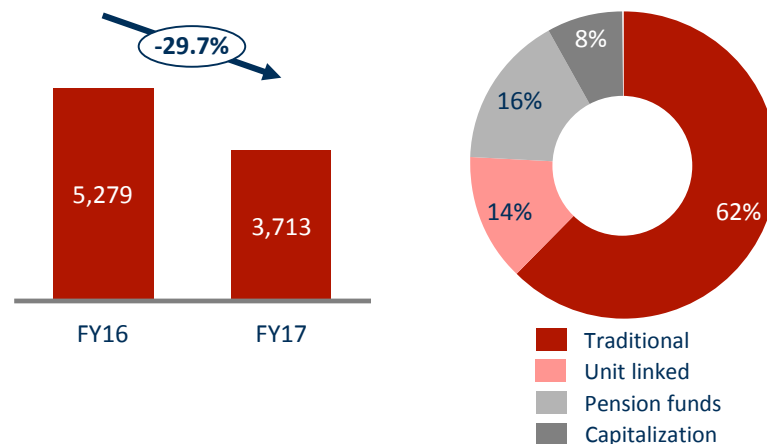
€m

UNIPOL



Income by company	FY16	FY17
UnipolSai (group)	5,279	3,713
Arca Vita + AVI	1,718	711
Unipol	6,997	4,424

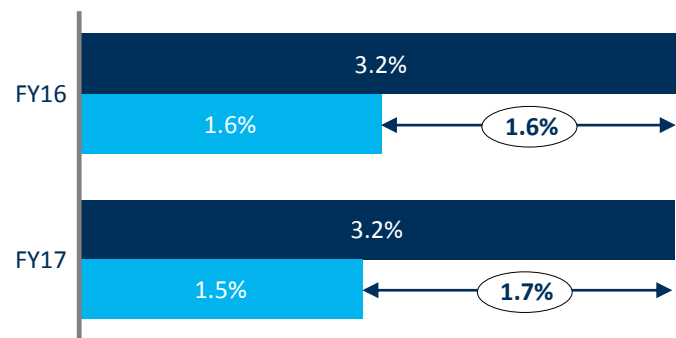
UNIPOLSAI



Income by company	FY16	FY17
UnipolSai S.p.A.	3,042	2,892
Popolare Vita + Lawr. Life ^a	2,130	706
Other companies	107	115
UnipolSai	5,279	3,713

SEGREGATED ACCOUNTS AND MINIMUM GUARANTEED YIELDS

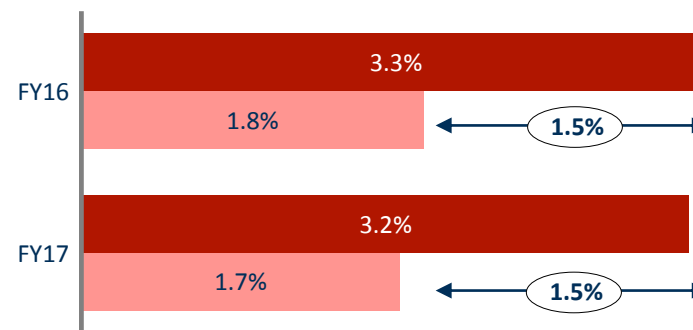
UNIPOL



■ average segregated accounts yield
■ average minimum guaranteed yield

Technical Reserves ^a	FY16	FY17
Min. guar. yield		
0%-1%	35%	41%
1%-2%	38%	34%
2%-3%	19%	18%
3%-4%	8%	7%

UNIPOLSAI



■ average segregated accounts yield
■ average minimum guaranteed yield

Technical Reserves ^a	FY16	FY17
Min. guar. yield		
0%-1%	31%	35%
1%-2%	38%	36%
2%-3%	22%	22%
3%-4%	9%	7%

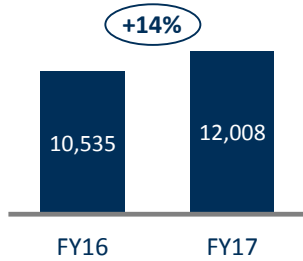


PART 3
BANKING
BUSINESS

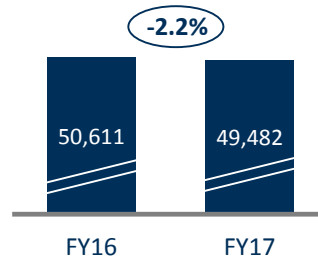
KPIs

€m

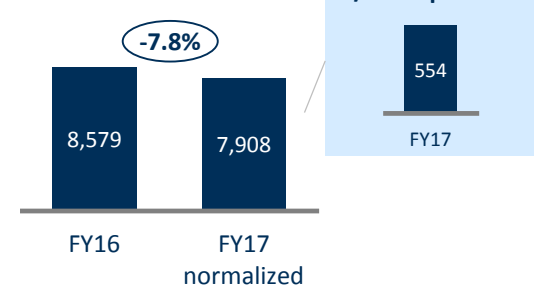
Direct deposits



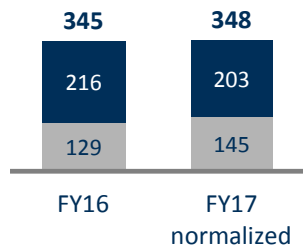
Indirect deposits



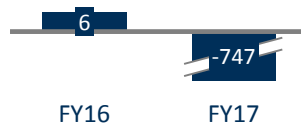
Net loans ^a



Gross operating income



Net result



Loan Loss Provisions (LLPs)	FY16	FY17
LLPs Unipol Banca	44	967
LLPs Unipol	30	105
LLPs Finitalia	6	6
Total LLPs	80	1,078
Total NPEs coverage ratio	45.7%	71.1%

■ interest income ■ non-interest income

Unipol CET1 ratio **31.5%**

Unipol Banca CET1 ratio **15.2%**

FOCUS ON NON-PERFORMING EXPOSURES OF THE BANKING SECTOR

€m

Unipol Banca pre-split

	FY16			FY17		
	net loans	gross loans	coverage ratio	net loans	gross loans	coverage ratio
Bad loans (<i>Sofferenze</i>)	1,127	2,651	57%	598	3,025	80%
Unlikely to pay	767	958	20%	435	726	40%
Past due	145	151	3%	75	88	14%
Total NPEs	2,040	3,760	46%	1,109	3,839	71%

o/w UnipolRec ^a

FY17 proforma		
net loans	gross loans	coverage ratio
554	2,906	81%
554	2,906	81%

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 piece of paper or canvas, with a dark blue brushstroke graphic overlaid in the center. The overall aesthetic is creative and professional.

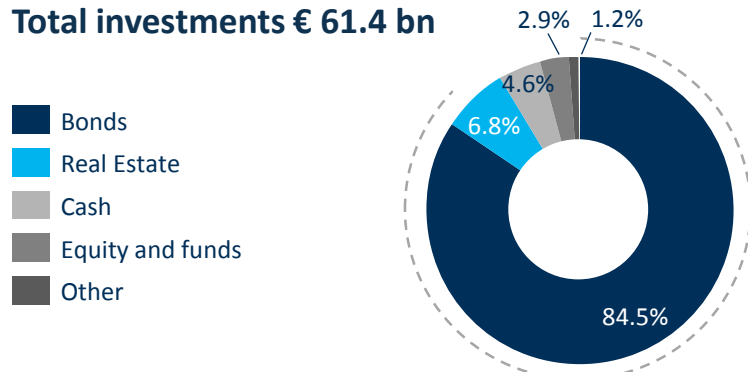
PART 4

INVESTMENTS

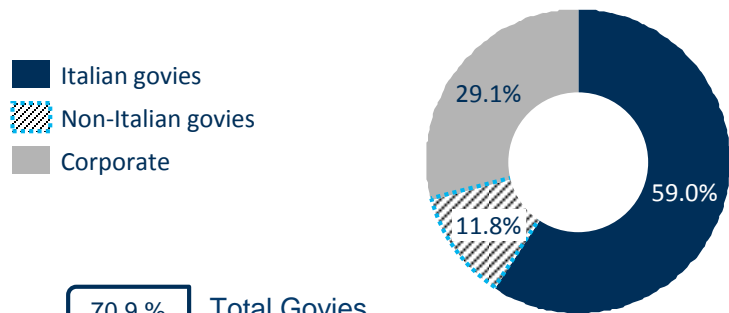
ASSET ALLOCATION

UNIPOL

Total investments € 61.4 bn



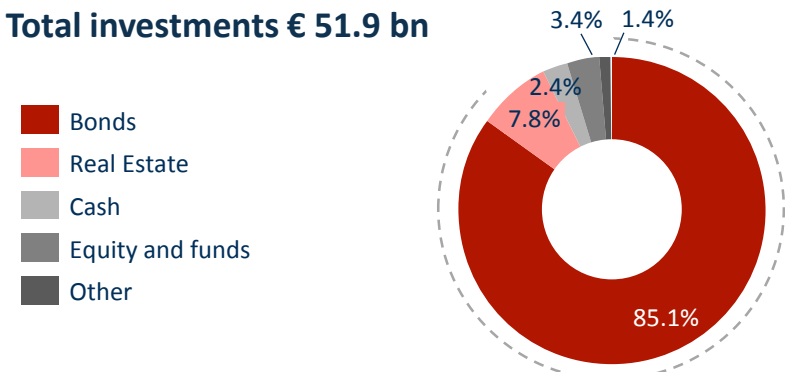
Breakdown of bond portfolio



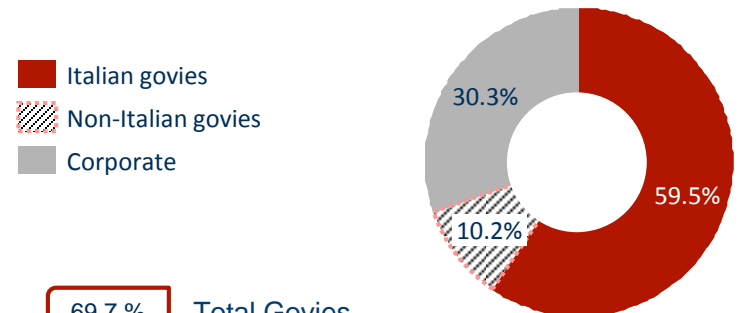
70.9% Total Govies

UNIPOLSAI

Total investments € 51.9 bn



Breakdown of bond portfolio



69.7% Total Govies

FINANCIAL INVESTMENT YIELDS

UNIPOL

	FY17					
	Non-Life		Life		Total	
	€m	Yield%	€m	Yield%	€m	Yield%
Coupons and dividends	442	3.3%	1,321	3.4%	1,766	3.3%
Realized and unrealized gains/losses	147	1.1%	44	0.1%	193	0.4%
Total	590	4.4%	1,365	3.5%	1,959	3.7%

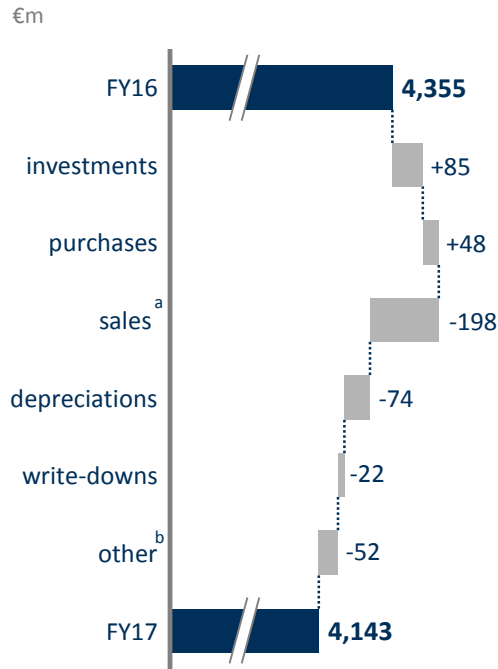
UNIPOLSAI

	FY17					
	Non-Life		Life		Total	
	€m	Yield%	€m	Yield%	€m	Yield%
Coupons and dividends	423	3.4%	1,119	3.5%	1,542	3.4%
Realized and unrealized gains/losses	150	1.2%	52	0.2%	201	0.5%
Total	572	4.6%	1,170	3.6%	1,742	3.9%

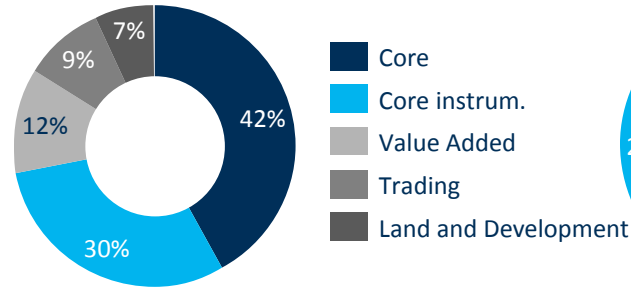
REAL ESTATE

UNIPOL – Tot. portfolio € 4.1 bn

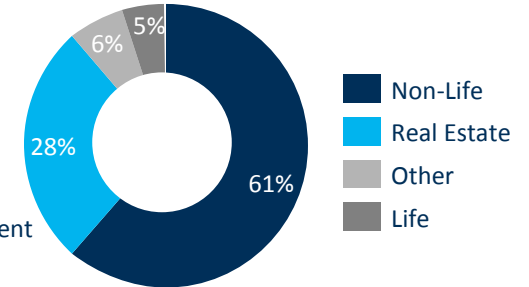
Development of RE portfolio



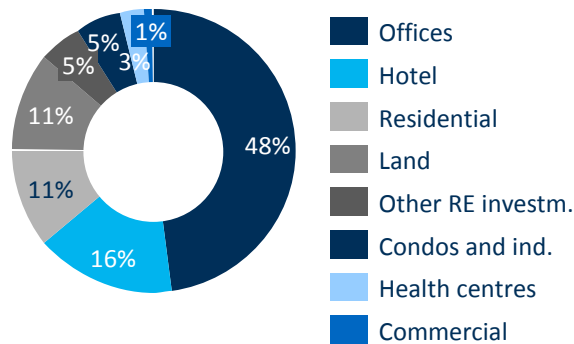
Breakdown by cluster



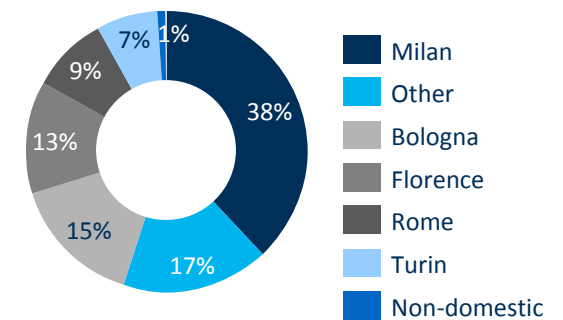
Breakdown by sector



Breakdown by use



Breakdown by area




Breakdown by ownership



^a No. 126 deeds as at 31 December 2017.

^b Including exchange variation and operations on RE funds and associated SPV Operating figures

The background of the slide is an artistic composition featuring a palette with various colored paints (blue, yellow, red, purple) and several paintbrushes. A large, dark blue brushstroke is overlaid on the center of the image, serving as a backdrop for the text.

PART 5

DIVIDEND PROPOSAL

2017 DIVIDEND PROPOSAL

€m

UNIPOL

FY16				FY17			
Statutory accounting result	Pay-out	Total dividends	DPS (€)	Statutory accounting result	Pay-out	Total dividends	DPS (€)
160	80%	128	0.18	213	60%	129	0.18

UNIPOLSAI

FY16				FY17			
Statutory accounting result	Pay-out	Total dividends	DPS (€)	Statutory accounting result	Pay-out	Total dividends	DPS (€)
458	77%	353	0.125	577	71%	409	0.145

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 piece of paper or canvas, which is placed on a larger, textured surface covered in a dense, multi-colored pattern of paint splatters and brushstrokes. A large, dark blue, brush-stroke-like shape is overlaid on the center of the image, containing the text.

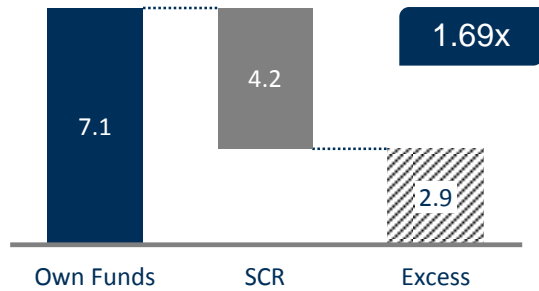
PART 6

SOLVENCY

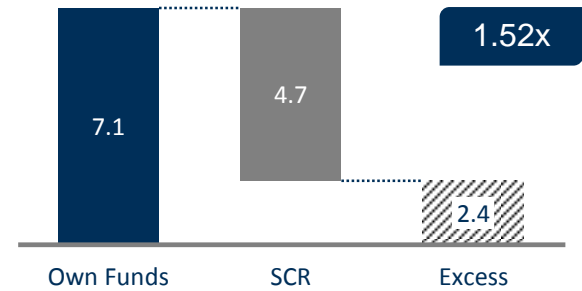
SOLVENCY – UNIPOL (consolidated)

€bn

ECONOMIC CAPITAL



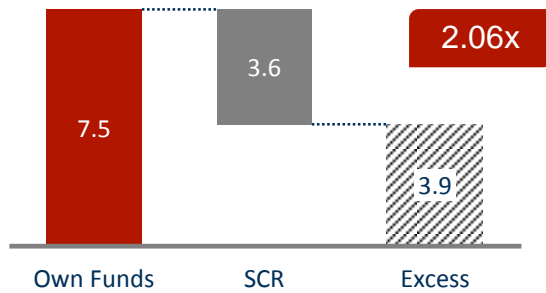
STANDARD FORMULA USP



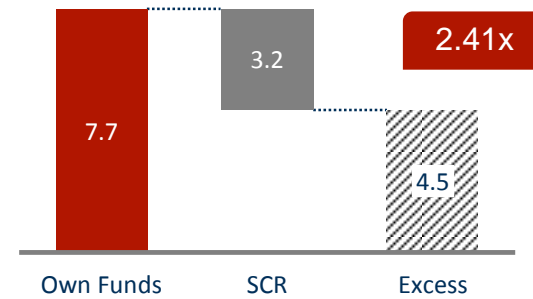
SOLVENCY – UNIPOLSAI

€bn

ECONOMIC CAPITAL (consolidated)



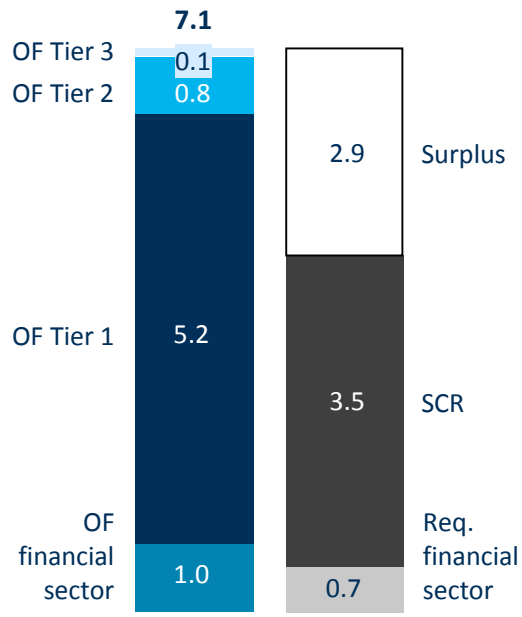
PARTIAL INTERNAL MODEL (UnipolSai solo)



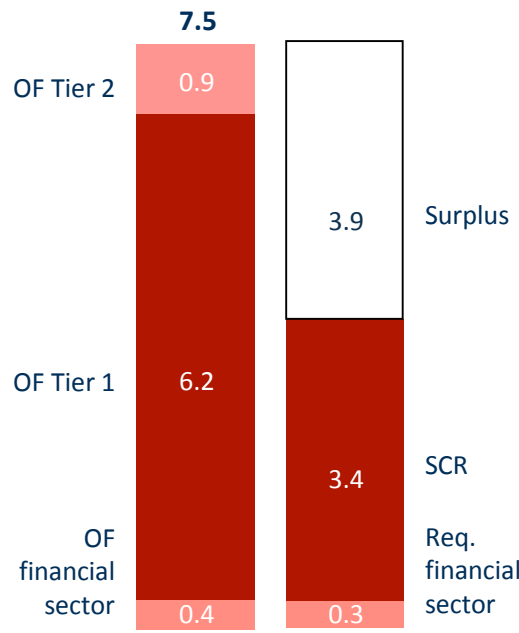
SOLVENCY – OWN FUNDS AND SCR DETAILS

€bn

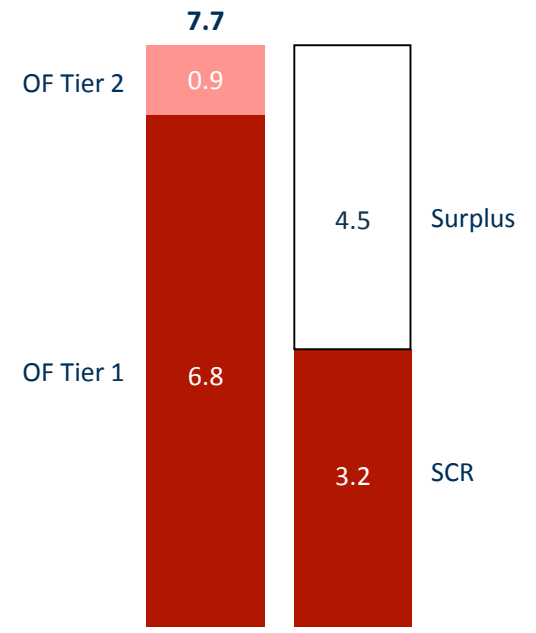
UNIPOL



UNIPOLSAI



UNIPOLSAI S.p.A. solo

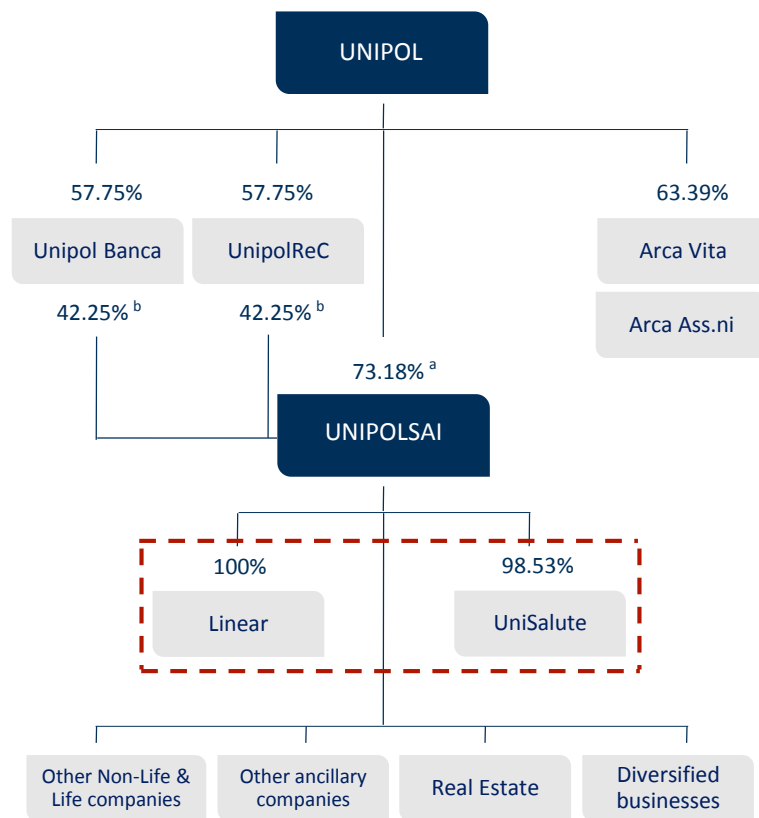





PART 7

APPENDIX

GROUP STRUCTURE



 Structure after the streamlining of the insurance business, following the sale of UniSalute and Linear to UnipolSai (effective since November 2017)

KEY PERFORMANCE INDICATORS

€m

UNIPOL

	FY16	FY17	FY17 ^a normalized
Consolidated net result	535	-169	655
Group net result	330	-346	450
Premium income direct business	14,806	12,291	
<i>o/w Non-Life</i>	7,809	7,867	
<i>o/w Life</i>	6,997	4,424	
Combined Ratio	95.6%	96.4%	

	FY16	FY17	FY17 normalized
Total equity	8,134	7,453	8,277
Shareholders' equity	5,649	5,486	6,281

UNIPOLSAI

	FY16	FY17	FY17 ^a normalized
Consolidated net result	527	537	649
Group net result	497	504	617
Premium income direct business	12,497	11,068	
<i>o/w Non-Life</i>	7,218	7,355	
<i>o/w Life</i>	5,279	3,713	
Combined Ratio	96.5%	97.2%	

	FY16	FY17	FY17 normalized
Total equity	6,535	6,194	6,306
Shareholders' equity	6,156	5,869	5,982

DISCLAIMER

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.

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