

Annual General Meeting

Results as at December 31st, 2017

ALBERTO MINALI – CEO

Verona, April 28th, 2018



The socio-economic scenario: complex and volatile

- Interest rates increasing at a slow and weak pace
- Limited inflation
- Moderate recovery of the Italian economy

The Italian insurance market in 2017

MOTOR

- Strong competition
- Average premium still decreasing
- Stable claim frequency

NON MOTOR

- A still limited consumer demand

LIFE

- Premiums slightly decreasing, but improving compared to 2016
- Reduction of financial margins
- Rise of hybrid products

Clients, distribution channels and regulatory framework

CLIENTS

- Raising awareness
- New insurance needs and increasing risk awareness
- Demand for simple and professional services with multi-channel access

DISTRIBUTION CHANNELS

- Agents: predominant in Non-Life
- Banks: leaders in Life

REGULATORY FRAMEWORK

- Careful capital management
- Strong Investments in product innovation, processes and professional skills

Result summary

	FY2016	FY2017	Var. %
Total Direct Premiums	4,744	4,994	+5.3%
Non-Life Direct Premiums	1,973	2,015	+2.2%
Life Direct Premiums	2,771	2,979	+7.5%
Combined Ratio¹	93.2%	94.7%	+1.5 pp

Result summary

	FY2016	FY2017	Var. %
Operating Result ¹	226	206	-8.8%
Group's Result	76	41	-46.1%
Solvency II Ratio ²	186%	239%	+53 pp
Dividend per share	€ 0.35	€ 0.35	-

The main elements that had a negative impact on the 2017 result were :

- Impairment on Goodwill for €52 million;
- Accelerated amortisation of IT for €8 million;
- Change of AFS thresholds with an effect equal to €5 million.

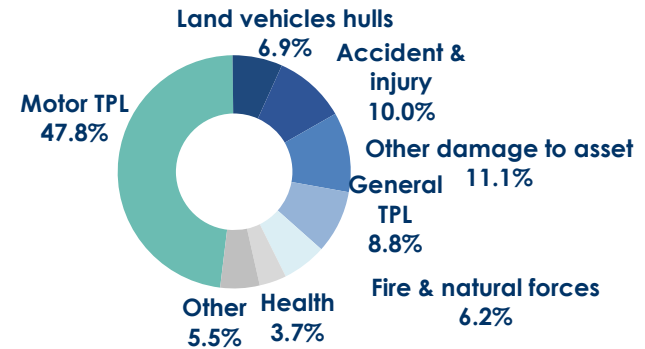
Result summary – Non-Life premiums

	PREMIUMS*		Var. %	Mercato 17**
TOTAL	1,973	2,015	+2.2%	+1.1%
MOTOR	1,086	1,104	+1.6%	-0.7%
NON MOTOR	887	911	+2.8%	+2.6%
	FY2016	FY2017		

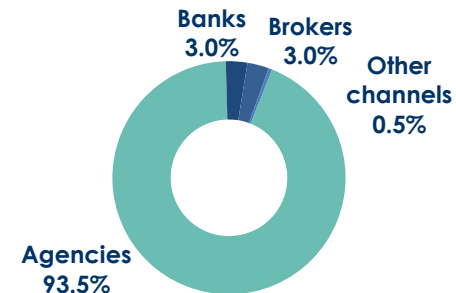
(*) Gross direct premiums (**) Source: ANIA.

(euro million)

Non-Life premiums by Class

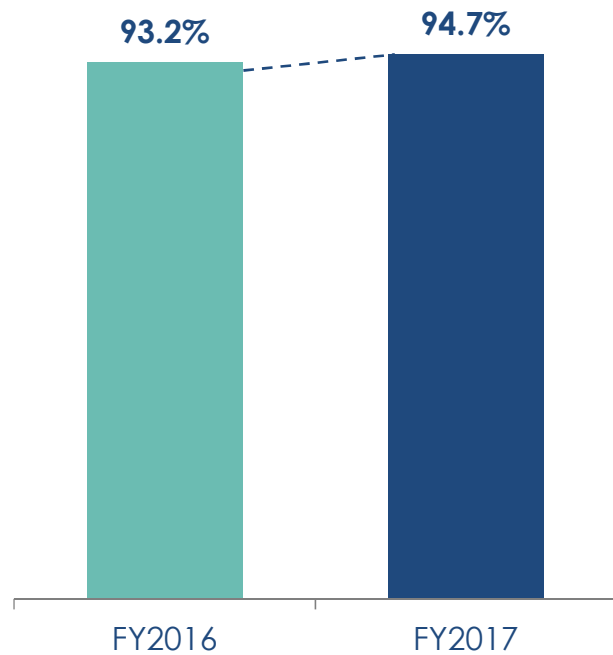


Non-Life premiums by Channel

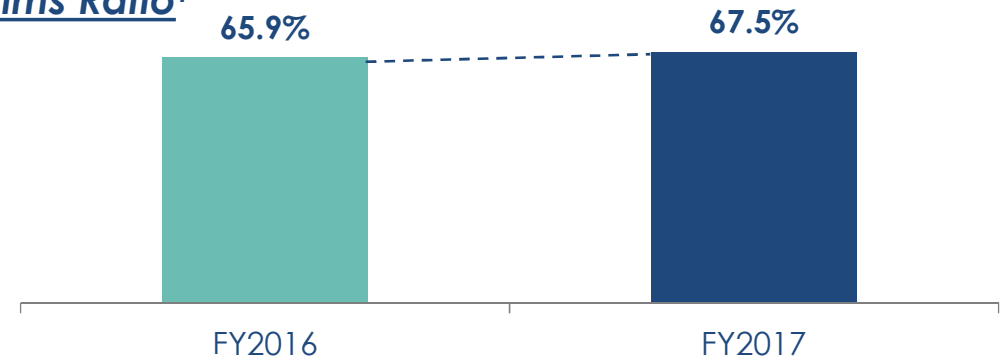


Result summary – Technical ratios

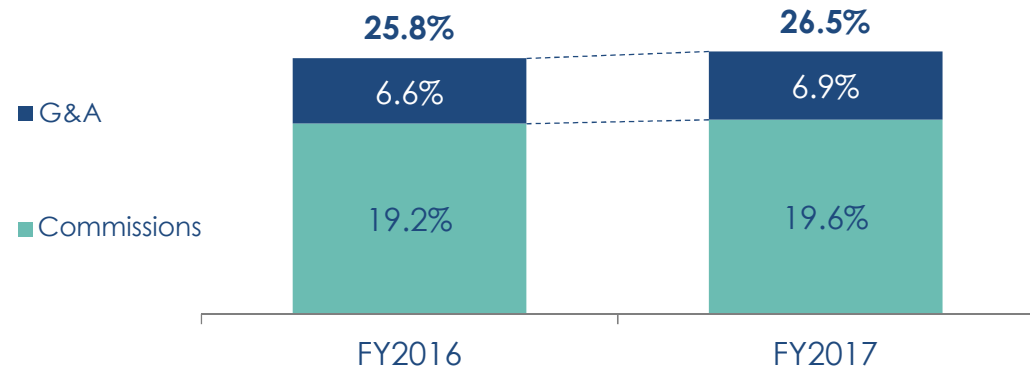
Combined Ratio¹



Claims Ratio¹



Expense Ratio¹



Result summary – Motor T.P.L. Technical Ratios

Motor premiums and policies

Δ compared with FY2016

Motor T.P.L. policies

+3.0%

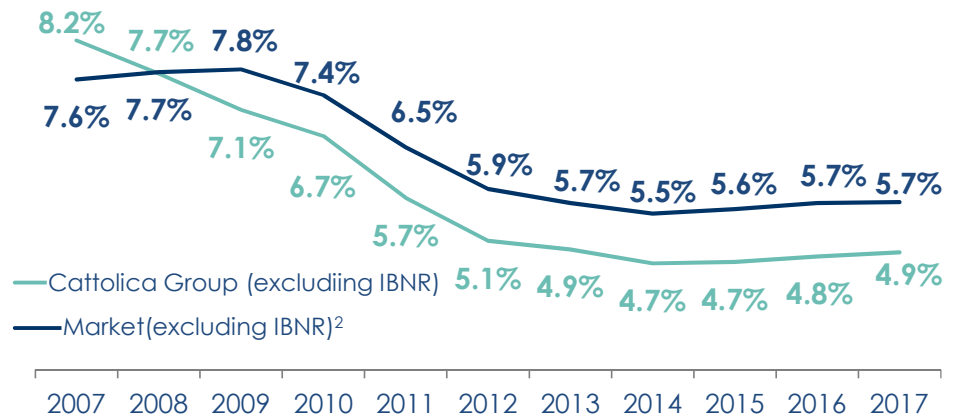
+96,500 pezzi

Average Motor Premium

-1.3%

as at December 2017

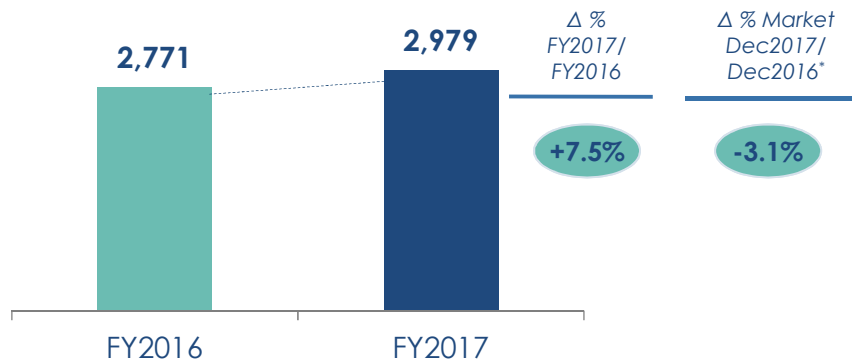
Motor TPL frequency trend¹



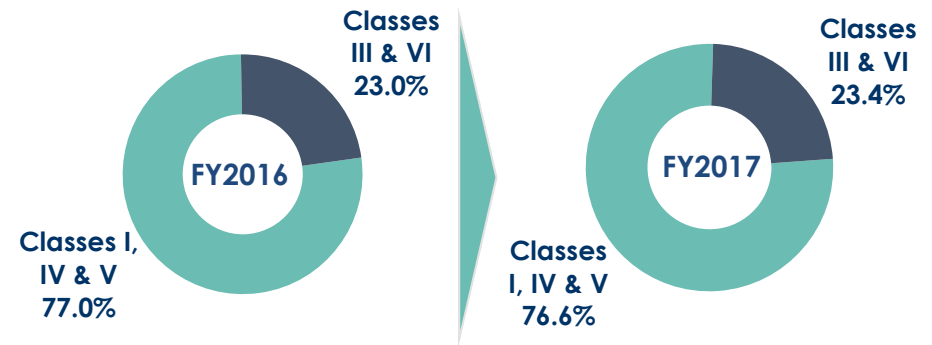
Further increase in the number of policies with an almost unchanged average premium despite a competitive market.

Result summary – Life premiums

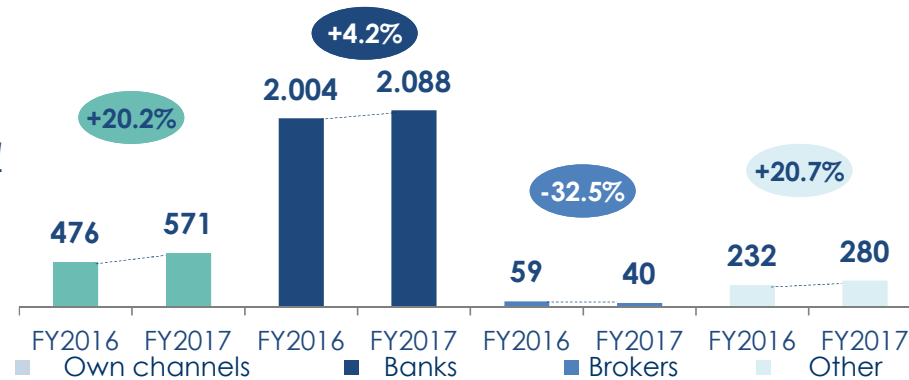
Life premiums



Life premiums by class

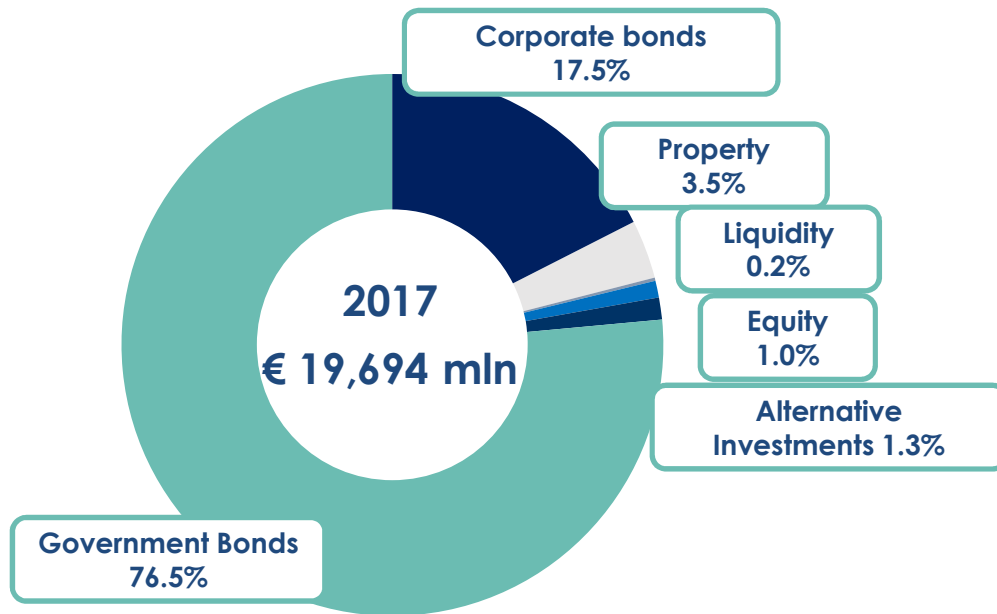


Life premiums by channel

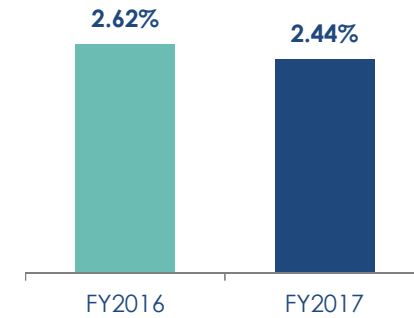


€ mln

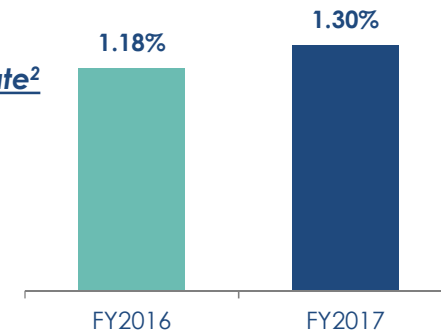
Group's Asset Allocation



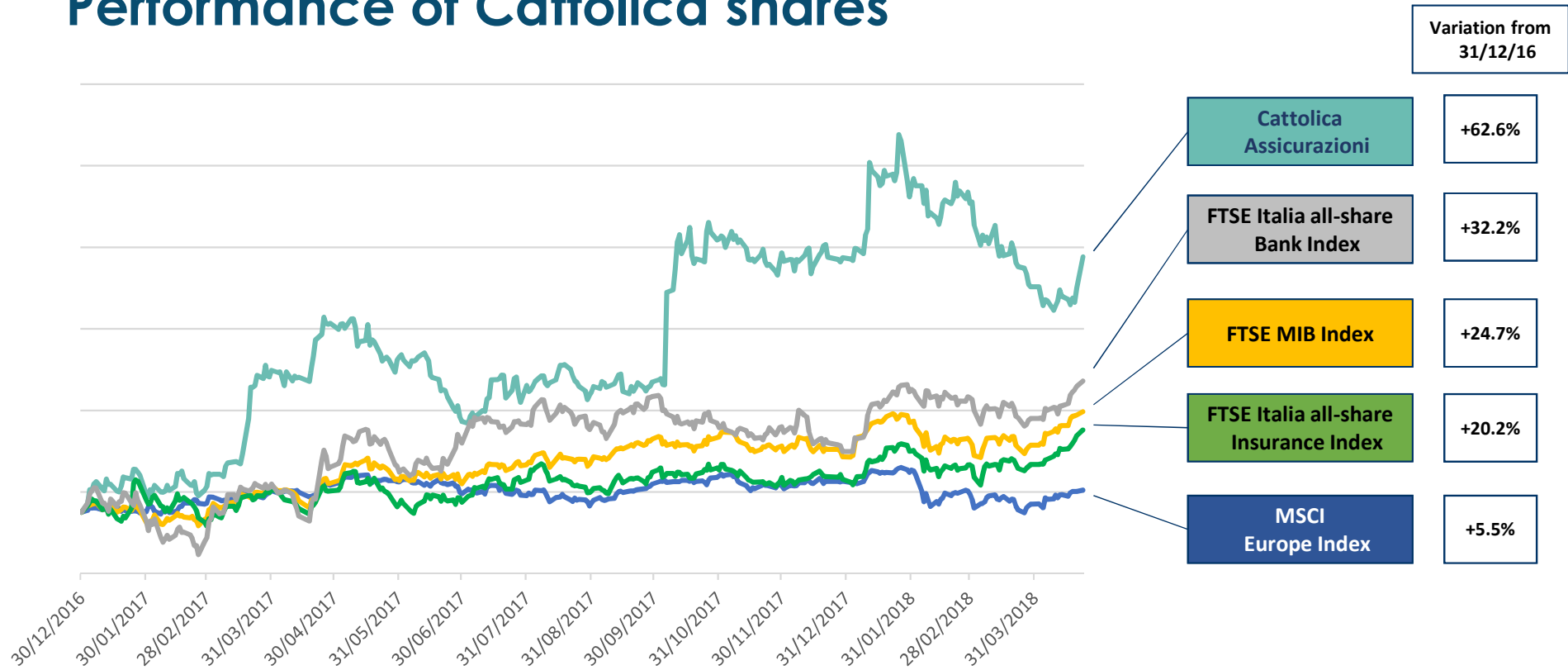
Portfolio Sustainable yield¹



Bond reinvestment rate²



Performance of Cattolica shares



Dividend

Dividend per share	Price at April 23 rd , 2018	Dividend Yield*
€ 0.35	€ 9.06	3.9%

- Dividend remains unchanged despite a decrease in the result for the year due to one-off events;
- Shareholder's remuneration is possible thanks to a strong capital position (Group's Solvency 2 ratio at 239%);
- Dividend yield at 3.9%, despite a revaluation of the share, well above the actual interest rates (10-year BTP at 1.8%).