

FY15 consolidated preliminary results

UnipolGRUPPO



Bologna, 12 February 2016

Unipol
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UnipolSai
ASSICURAZIONI

Notice

This document has been prepared by Unipol Gruppo Finanziario S.p.A. and by UnipolSai Assicurazioni S.p.A. solely for information purposes in the context of the presentation of its FY15 preliminary results.

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

The FY15 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 their necessary analysis in order to release their report.

The FY15 final results will be approved by the Board of Directors scheduled on 10 March 2016 and will be disclosed to the market according to, and in the terms set forth by, the applicable laws and regulations.

Unless otherwise specified all the figures reported in this presentation are on a consolidated basis.

*The data pertaining to UGF are on a grey background and the related charts are in the shades of blue.
The data pertaining to UnipolSai are on a pale blue background and the related charts are in the shades of red.*

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Key Performance Indicators

€m

UNIPOLSAI

	FY14	FY15P	Δ %
Consolidated net profit	783	738	-5.8%
Proforma cons. net profit ^a	783	821	+4.9%
Group net profit	740	711	-3.8%
Proforma Group net profit ^a	740	793	+7.2%
EPS ^b (€)	0,28	0,25	-9.8%
Proforma EPS (€)	0,28	0,28	+0.6%
Premium income (direct business) ^c	15,329	13,982	-8.8%
o/w Non-Life	7,744	7,334	-5.3%
o/w Life	7,584	6,648	-12.3%
Combined Ratio ^d	94.6%	94.6%	0.0 p.p.
	FY14	FY15P	Δ %
Solvency I	1.66x	1.77x	+0.11x
Total equity	6,635	6,615	-0.3%
Shareholders' equity	6,295	6,278	-0.3%
BVPS ^e (€)	2.37	2.22	-6.5%

UNIPOL GRUPPO FINANZIARIO

	FY14	FY15P	Δ %
Consolidated net profit	505	579	+14.6%
Proforma cons. net profit ^a	505	738	+46.1%
Group net profit	192	272	+41.3%
Proforma Group net profit ^a	192	396	+105.9%
EPS ^b (€)	0.27	0.38	+41.3%
Proforma EPS (€)	0.27	0.55	+105.9%
Premium income (direct business) ^c	17,204	16,476	-4.2%
o/w Non-Life	8,289	7,883	-4.9%
o/w Life	8,915	8,593	-3.6%
Combined Ratio ^d	94.0%	93.9%	-0.1 p.p.
	FY14	FY15P	Δ %
Solvency I	1.69x	1.70x	+0.01x
Total equity	8,440	8,445	+0.1%
Shareholders' equity	5,691	5,524	-2.9%
BVPS ^e (€)	7.93	7.70	-2.9%

^a Proforma profit before DTA writedown following decrease in the IRES rate to 24% from 27.5% as provided for by the 2016 Budget Law

^b Group profit/no. of total shares at year-end

^c Proforma 2014 income net of the portfolio sale to Allianz

^d Net of reinsurance (expense ratio calculated on earned premiums)

^e Shareholders' equity / no. of total shares at year-end

Consolidated results by business area

€m

UNIPOLSAI

	FY14		FY15P	
	Pre-tax result	Net result	Pre-tax result	Net result
Non-Life	954	669	813	578
Life	254	161	344	237
Other	-66	-46	-113	-78
Consolidated profit	1,142	783	1,044	738
Proforma cons. profit ^a	1,142	783	1,044	821
Group profit		740		711
Proforma Group profit ^a		740		793

UNIPOL GRUPPO FINANZIARIO

	FY14		FY15P	
	Pre-tax result	Net result	Pre-tax result	Net result
Non-Life	1,009	699	907	636
Life	274	171	343	235
Banking business ^b	-297	-225	-94	-71
Other	-186	-139	-198	-222
Consolidated profit	801	505	958	579
Proforma cons. profit ^a	801	505	958	738
Group profit		192		272
Proforma Group profit ^a		192		396

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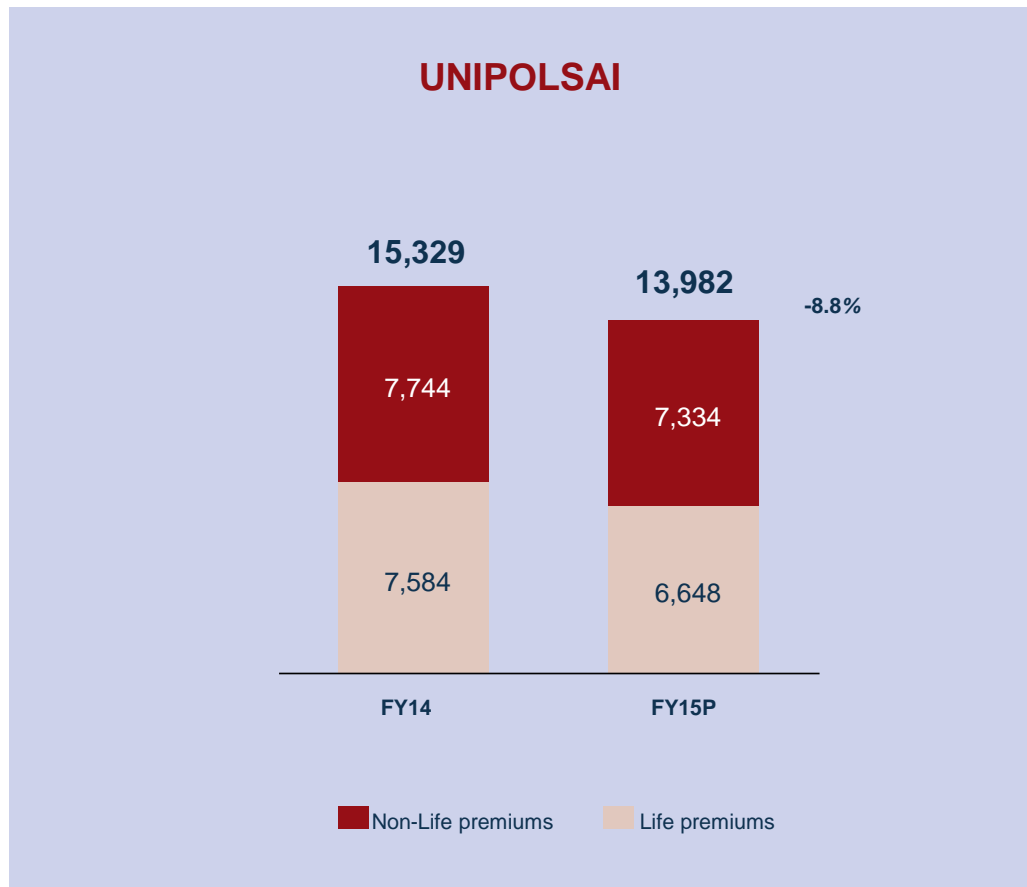
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Direct insurance income

€m



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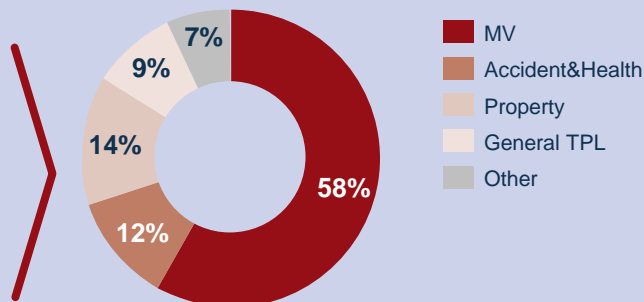
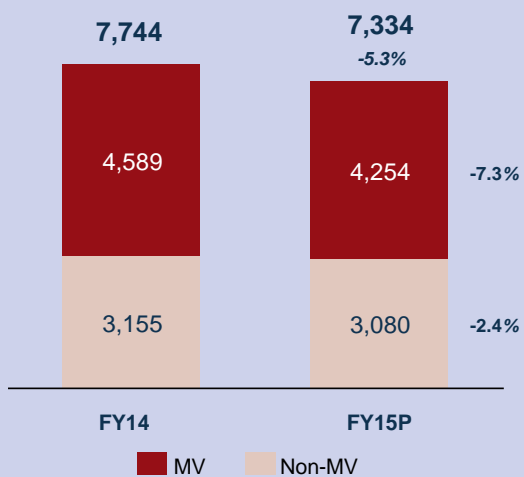
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Non-Life – Direct premium income

€m

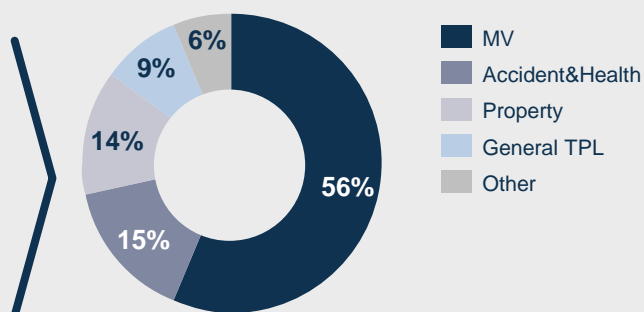
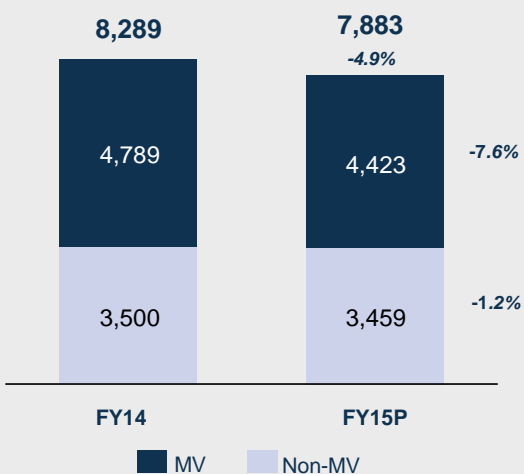
UNIPOLSAI



Premiums by company

	FY14	FY15P
UnipolSai S.p.A.	7,328	6,998
Other companies	416	336
UnipolSai Group	7,744	7,334

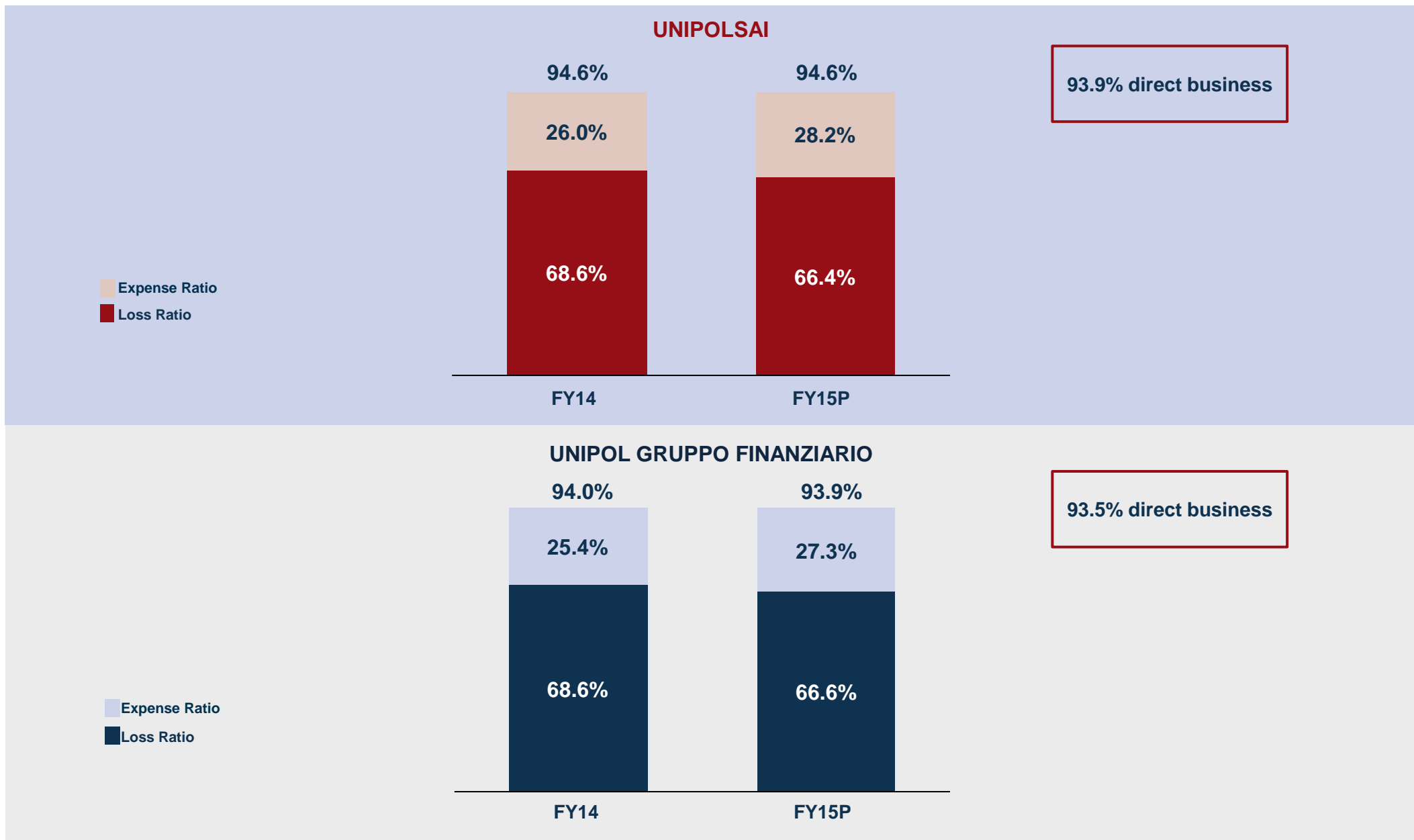
UNIPOL GRUPPO FINANZIARIO



Premiums by company

	FY14	FY15P
UnipolSai Group	7,744	7,334
Linear	172	145
Unisalute	270	301
Arca	103	103
Unipol Gruppo Fin.	8,289	7,883

Non-Life – Combined Ratio net of reinsurance



UnipolSai S.p.A. – MV TPL technical indicators, direct business

UNIPOLSAI S.p.A.

MV TPL Combined Ratio

	FY14	FY15P
Direct business	92.9%	93.6%
<i>Expense ratio ^a</i>	<i>21.9%</i>	<i>23.4%</i>
<i>commissions/premiums</i>	<i>12.4%</i>	<i>13.3%</i>
<i>other operating exp./premiums</i>	<i>9.5%</i>	<i>10.1%</i>
<i>Loss ratio ^b (incl. OTI)</i>	<i>71.0%</i>	<i>70.2%</i>

Other MV TPL indicators

	var. vs FY14 ^c
Total portfolio	-1.1%
<i>retail</i>	<i>-1.1%</i>
<i>fleets</i>	<i>-1.9%</i>
Portfolio average premium	-6.7%
No. of claims reported (followed-up passive claims)	-5.2%
Frequency	-0.13 p.p.

Non-Life – Insurance sector extra UnipolSai

€m

Linear
ASSICURAZIONI ONLINE

UniSalute
SPECIALISTI NELL'ASSICURAZIONE SALUTE

ARCA ASSICURAZIONI

	FY14	FY15P	Δ %
Premium income	545	549	0.7%
<i>MV</i>	200	169	-15.5%
<i>Accident + Health</i>	307	340	10.5%
<i>Other</i>	38	40	6.6%
CoR direct business	86.1%	88.8%	2.7 p.p.
<i>Expense ratio</i>	18.4%	19.7%	1.3 p.p.
<i>Loss ratio (incl. OTI)</i>	67.7%	69.1%	1.4 p.p.
IAS net result	79	65	-17.0%

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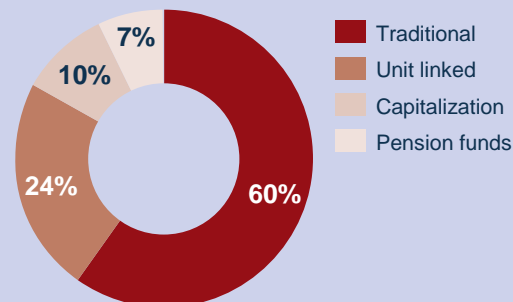
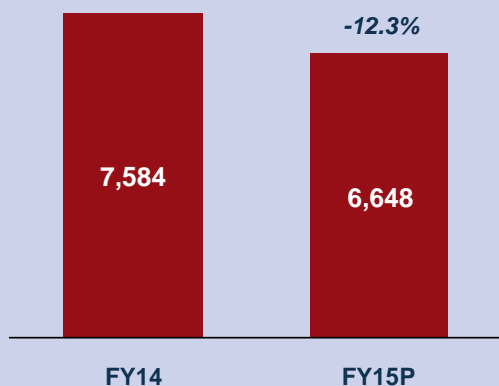
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Life – Direct income

€m

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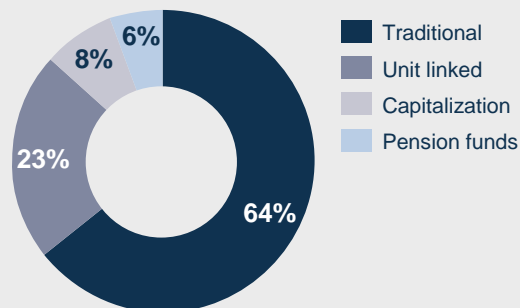
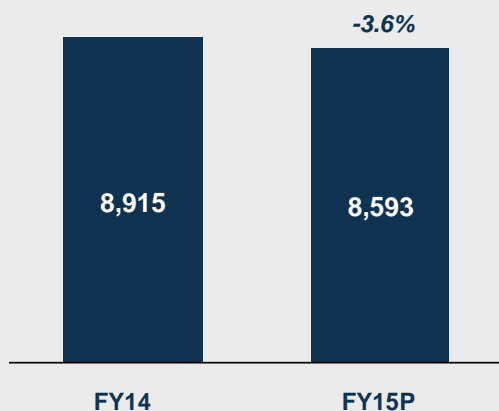
Income by company

	FY14	FY15P
UnipolSai S.p.A.	3,696	3,418
Popolare Vita+Lawr. Life	3,664	3,043
Other companies	224	187
UnipolSai Group	7,584	6,648

Income by channel

	FY15P
Agencies, head office and brokers	46%
Bancassurance	51%
Other	3%

UNIPOL GRUPPO FINANZIARIO



Income by company

	FY14	FY15P
UnipolSai Group	7,584	6,648
Arca Vita ^a	1,330	1,946
Unipol Gruppo Fin.	8,915	8,593

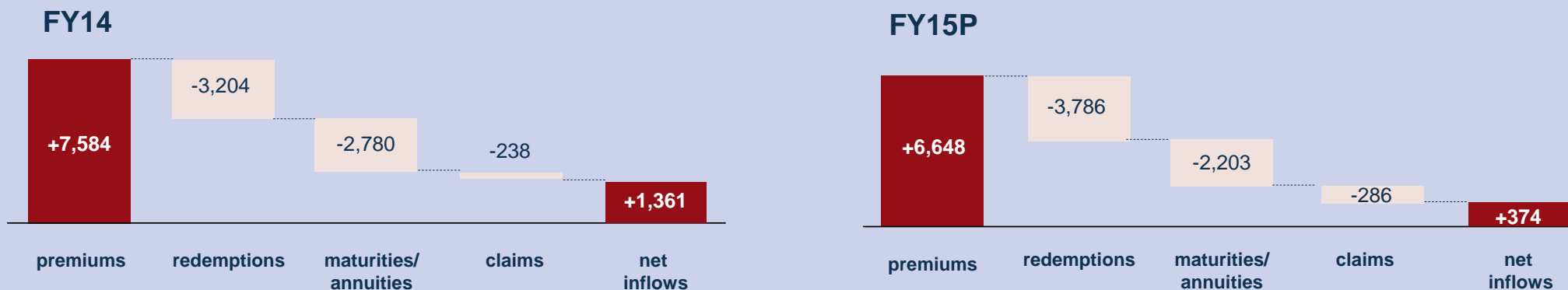
Income by channel

	FY15P
Agencies, head office and brokers	36%
Bancassurance	62%
Other	2%

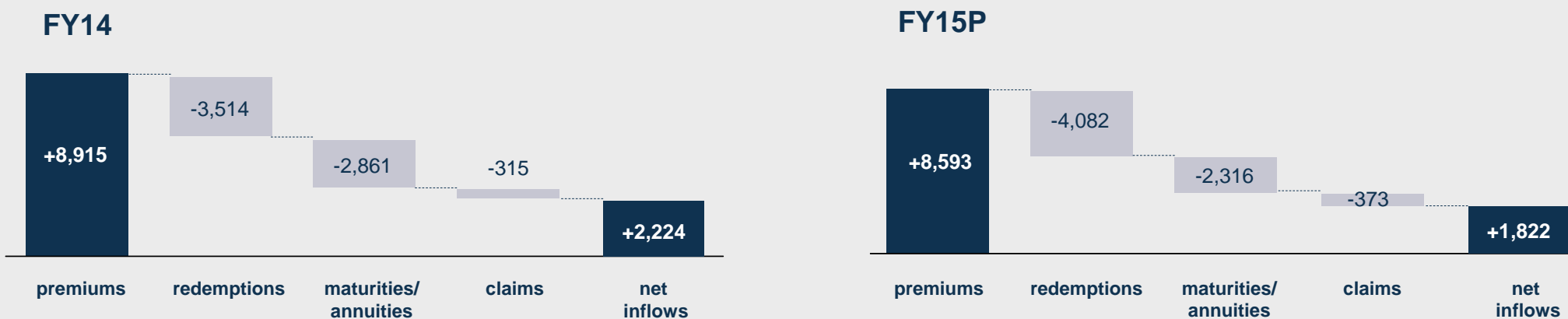
Life – Net inflows

€m

UNIPOLSAI



UNIPOL GRUPPO FINANZIARIO



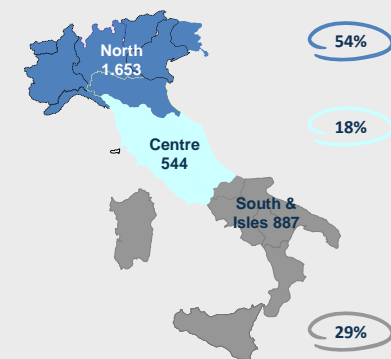
Life – Insurance sector extra UnipolSai

€m

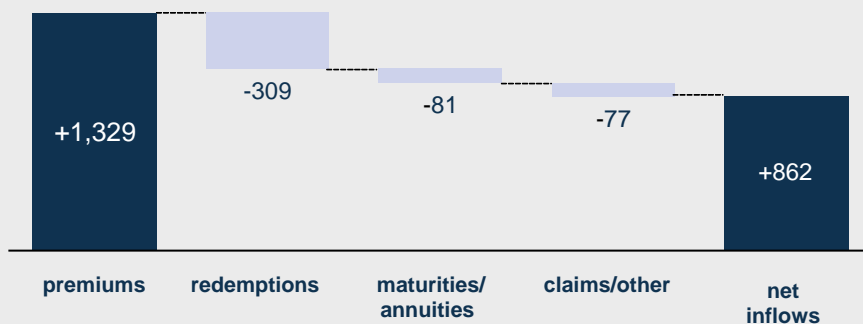


	FY14	FY15P	Δ %
Premium income	1,329	1,943	46.2%
<i>Traditional</i>	1,214	1,551	27.7%
<i>Unit/Index linked</i>	92	367	299.7%
<i>Other</i>	23	25	8.7%
IAS net result	45	34	-24.3%

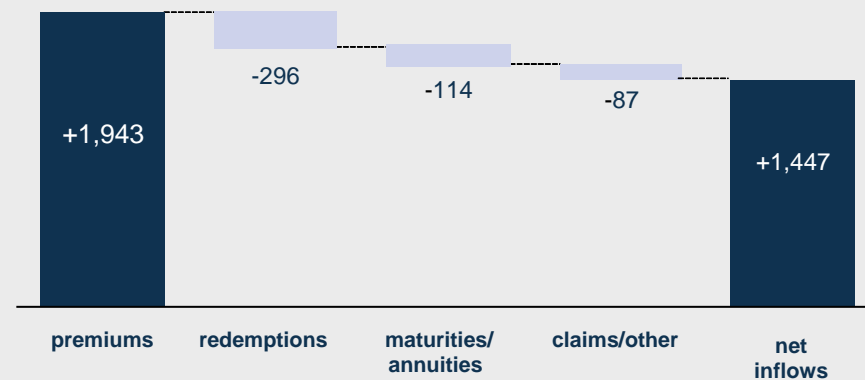
Sales network 3,084 branches



FY14 net inflows



FY15P net inflows



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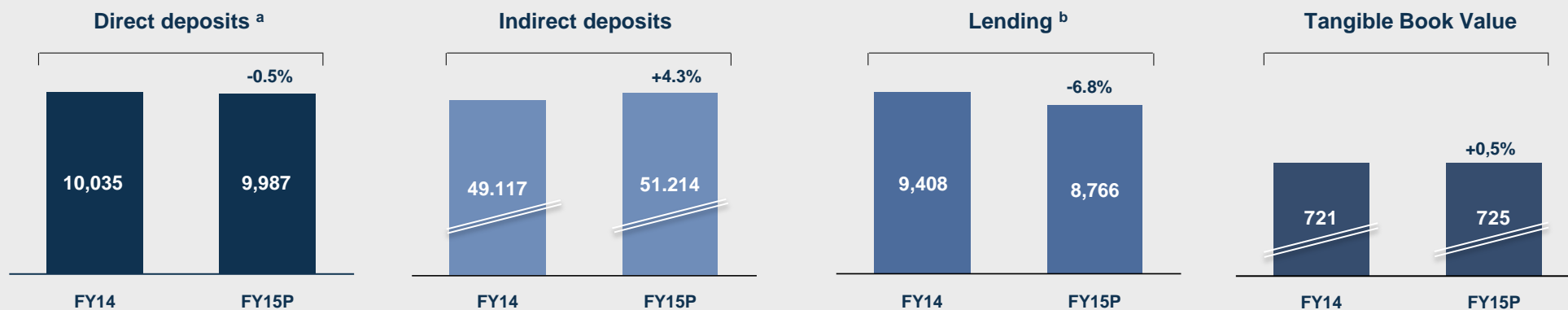
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Banking business – KPI

€m



	FY14	FY15P	Δ %
Gross operating income	436	357	-18.3%
<i>o/w interest income</i>	255	234	-8.5%
<i>o/w non-interest income ^c</i>	181	123	-32.1%
Provisions on loans	-203	-52	<i>n.s.</i>
Pre-tax result ^d	-101	6	<i>n.s.</i>
Net result ^d	-83	5	<i>n.s.</i>
Cost / Income ^e	65.2%	77.9%	12.7 p.p.
Provisions on impaired loans (UGF)	-196	-100	<i>n.s.</i>
Total impaired loans (UGF+Unipol Banca)	-399	-152	<i>n.s.</i>
Total impaired loans coverage ratio	42.3%	44.5%	+2.1 p.p.

**UGF Banking Group
CET1 ratio
17.8%**

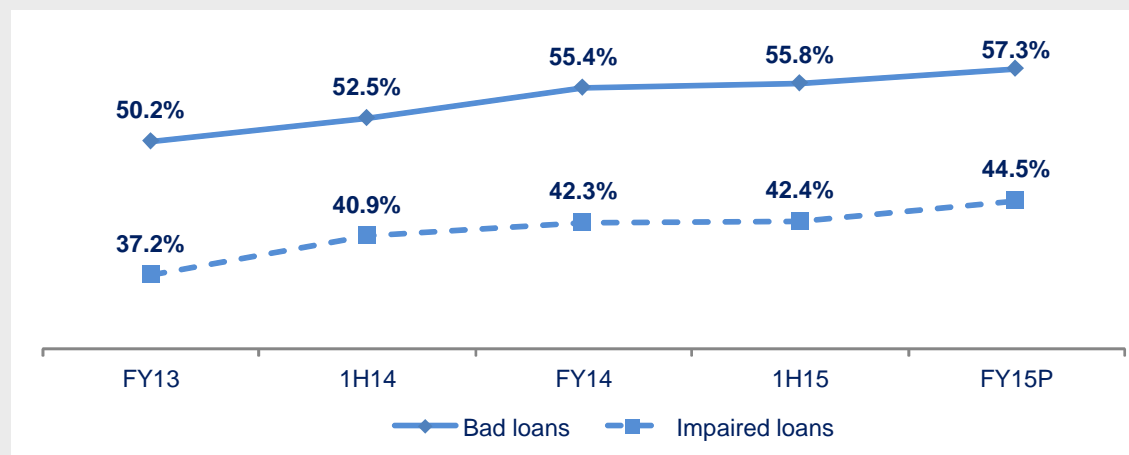
Banking business – Focus on impaired loans

€m

Break-down of overall impaired loans portfolio

	FY14			FY15P		
	net loans	gross loans	coverage ratio	net loans	gross loans	coverage ratio
Bad loans	1,136	2,548	55.4%	1,129	2,644	57.3%
Unlikely-to-pay	1,050	1,295	18.9%	925	1,145	19.2%
Past due	77	81	4.6%	122	129	5.1%
Total impaired loans	2,263	3,923	42.3%	2,176	3,918	44.5%

Trend coverage ratio



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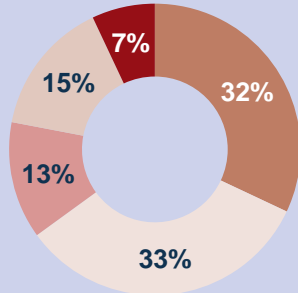
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Real Estate

UNIPOLSAI – Tot. ptf €4,135m

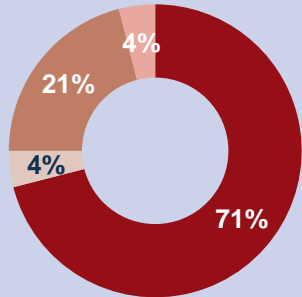
Breakdown by cluster

- Core
- Core instrumental
- Trading
- Value Added
- Land and Development



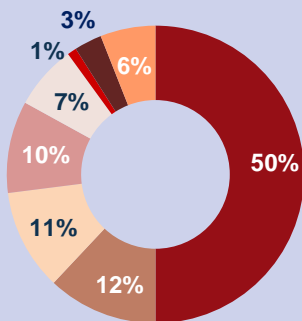
Breakdown by sector

- Non-Life
- Life
- RE
- Other sector



Breakdown by use

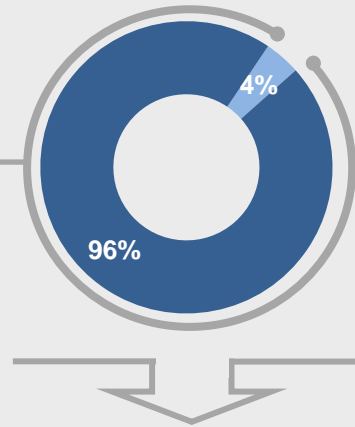
- Offices
- Residential
- Land
- Hotel
- Condos
- Commercial
- Health centres
- Other RE investm.



UNIPOL GRUPPO FINANZIARIO – Tot. ptf €4,307m

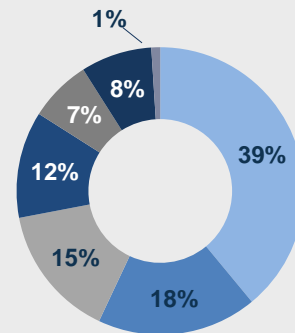
Breakdown by ownership

- Unipol Gruppo Finanziario
- UnipolSai

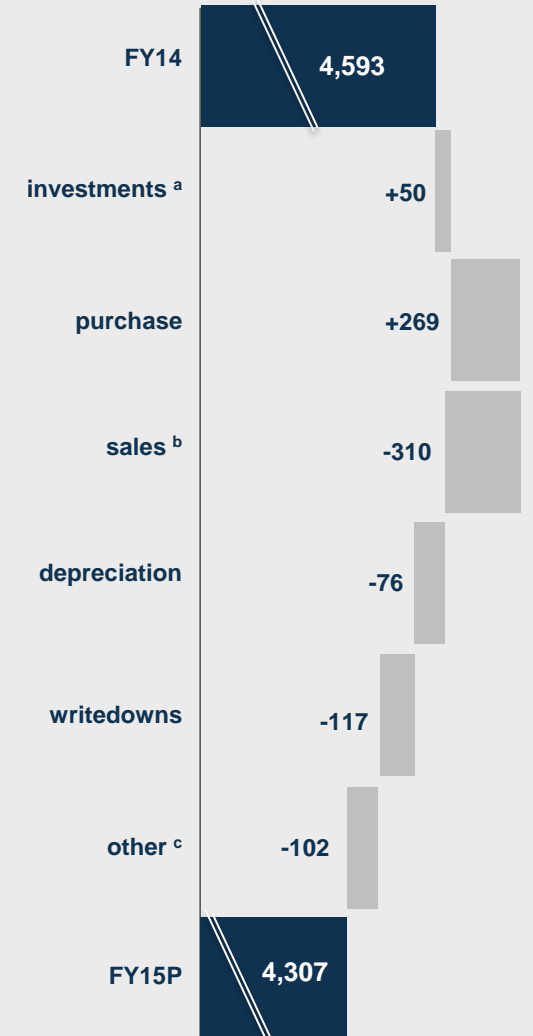


Breakdown by Area

- Milan
- Other
- Bologna
- Florence
- Rome
- Turin
- Foreign countries



Evolution of RE portfolio (€m)



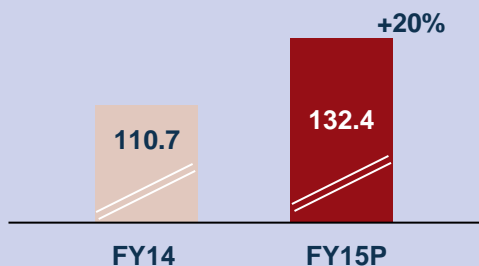
Diversified companies

€m

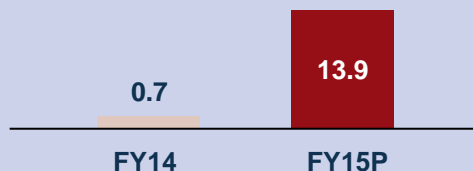
UNIPOLSAI

Atahotels

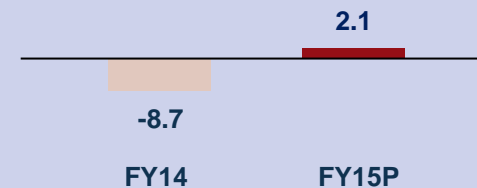
TURNOVER



EBITDA

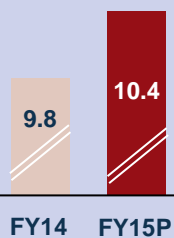


NET RESULT

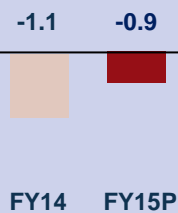


Tenute del Cerro

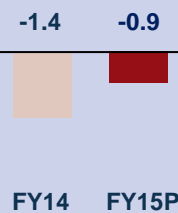
TURNOVER



EBITDA

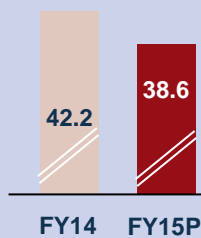


NET RESULT

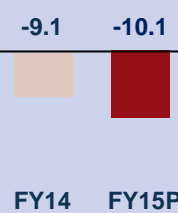


Cliniche

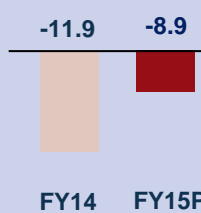
TURNOVER



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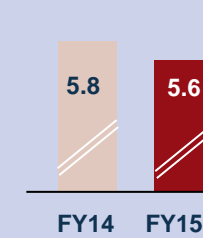


NET RESULT

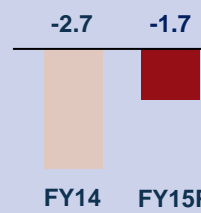


Marina di Loano

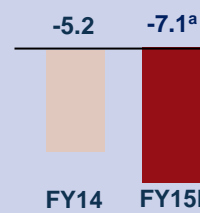
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EBITDA



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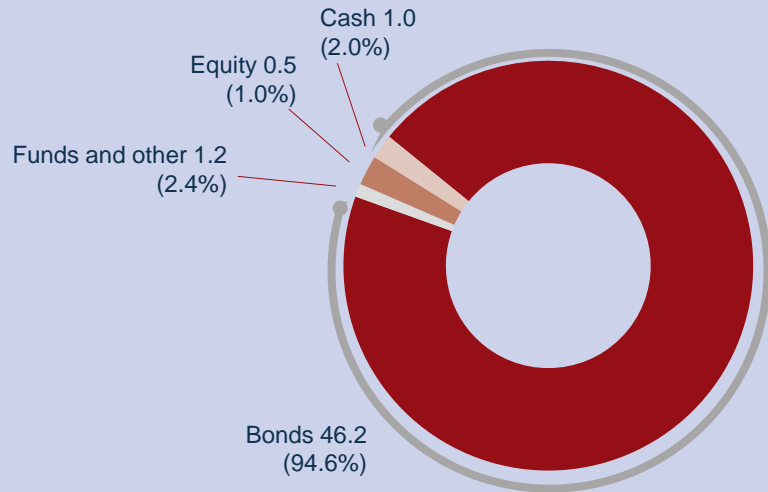
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Financial investments

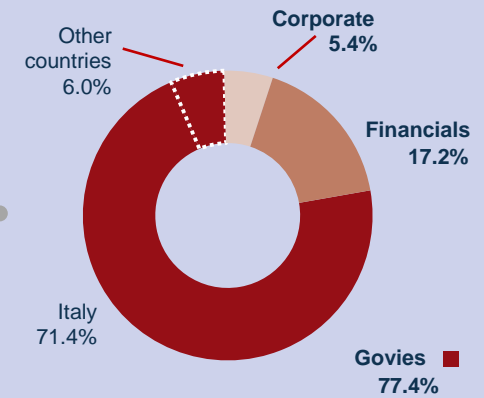
€bn

UNIPOLSAI

Total investments €48.9bn



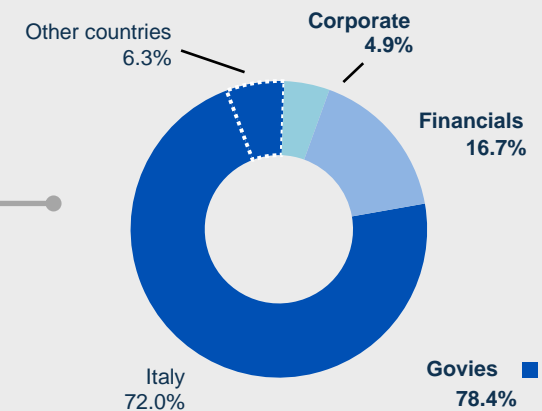
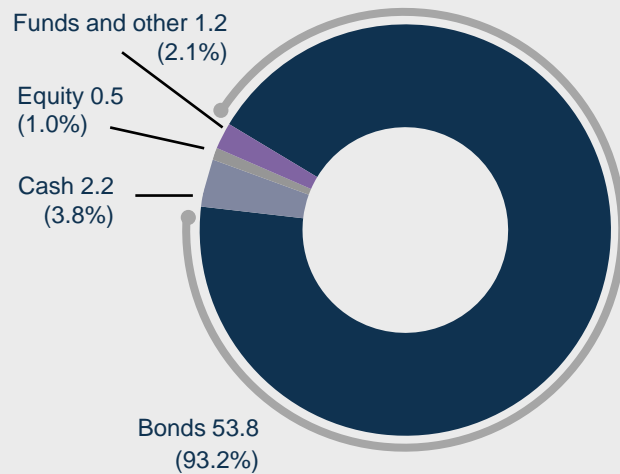
Breakdown of bond portfolio



Totale investimenti €57.7bn

UNIPOL GRUPPO FINANZIARIO

Breakdown of bond portfolio



Income from financial investments

UNIPOLSAI

	FY15P					
	Non-Life		Life		Total	
	€m	yield%	€m	yield%	€m	yield%
Coupons and dividends	422	3.1%	1,127	3.7%	1,548	3.5%
Unrealised gains and losses	-41	-0.3%	46	0.1%	5	0.0%
<i>Sub-total</i>	<i>381</i>	<i>2.8%</i>	<i>1,173</i>	<i>3.8%</i>	<i>1,553</i>	<i>3.5%</i>
Gains	316	2.3%	327	1.1%	643	1.5%
Total	697	5.1%	1,500	4.9%	2,196	5.0%

UNIPOL GRUPPO FINANZIARIO

	FY15P					
	Non-Life		Life		Total	
	€m	yield%	€m	yield%	€m	yield%
Coupons and dividends	446	3.1%	1,293	3.7%	1,745	3.4%
Unrealised gains and losses	-41	-0.3%	50	0.1%	9	0.0%
<i>Sub-total</i>	<i>405</i>	<i>2.8%</i>	<i>1,343</i>	<i>3.8%</i>	<i>1,754</i>	<i>3.4%</i>
Gains	307	2.1%	309	0.9%	619	1.2%
Total	712	4.9%	1,652	4.7%	2,372	4.6%

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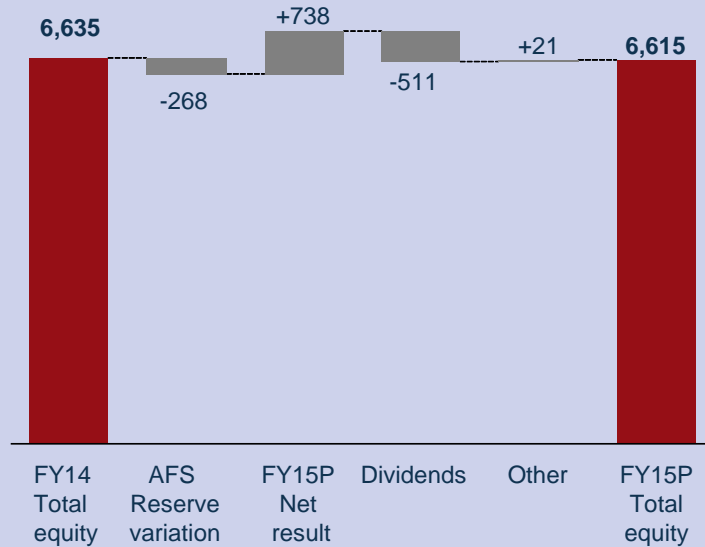
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Total equity and AFS reserve

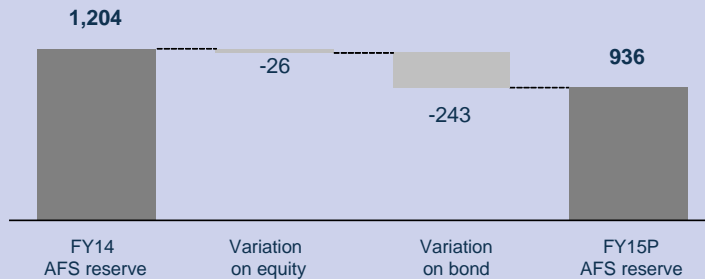
€m

UNIPOLSAI

Total equity - roll forward

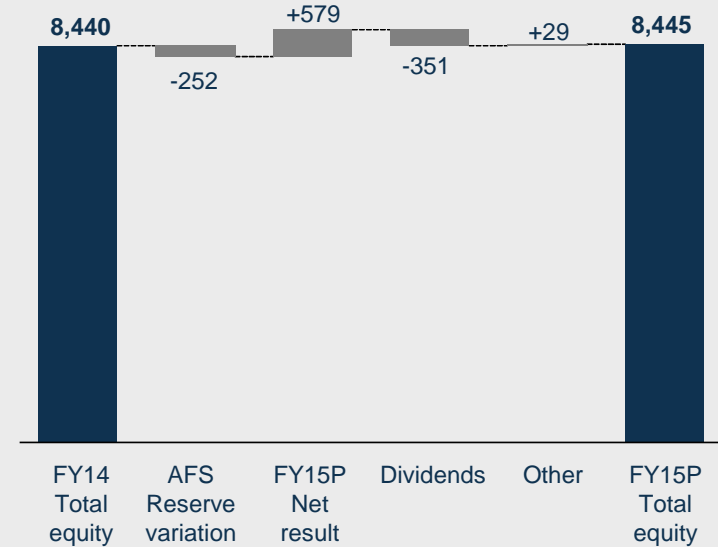


AFS reserve variation

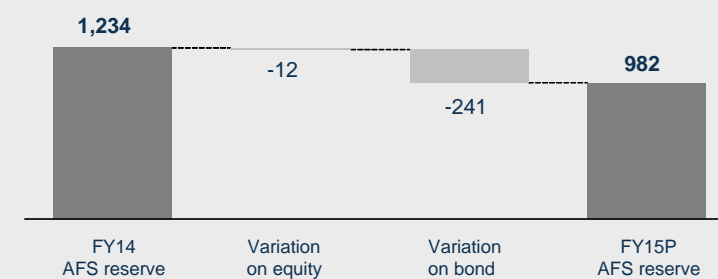


UNIPOL GRUPPO FINANZIARIO

Total equity - roll forward

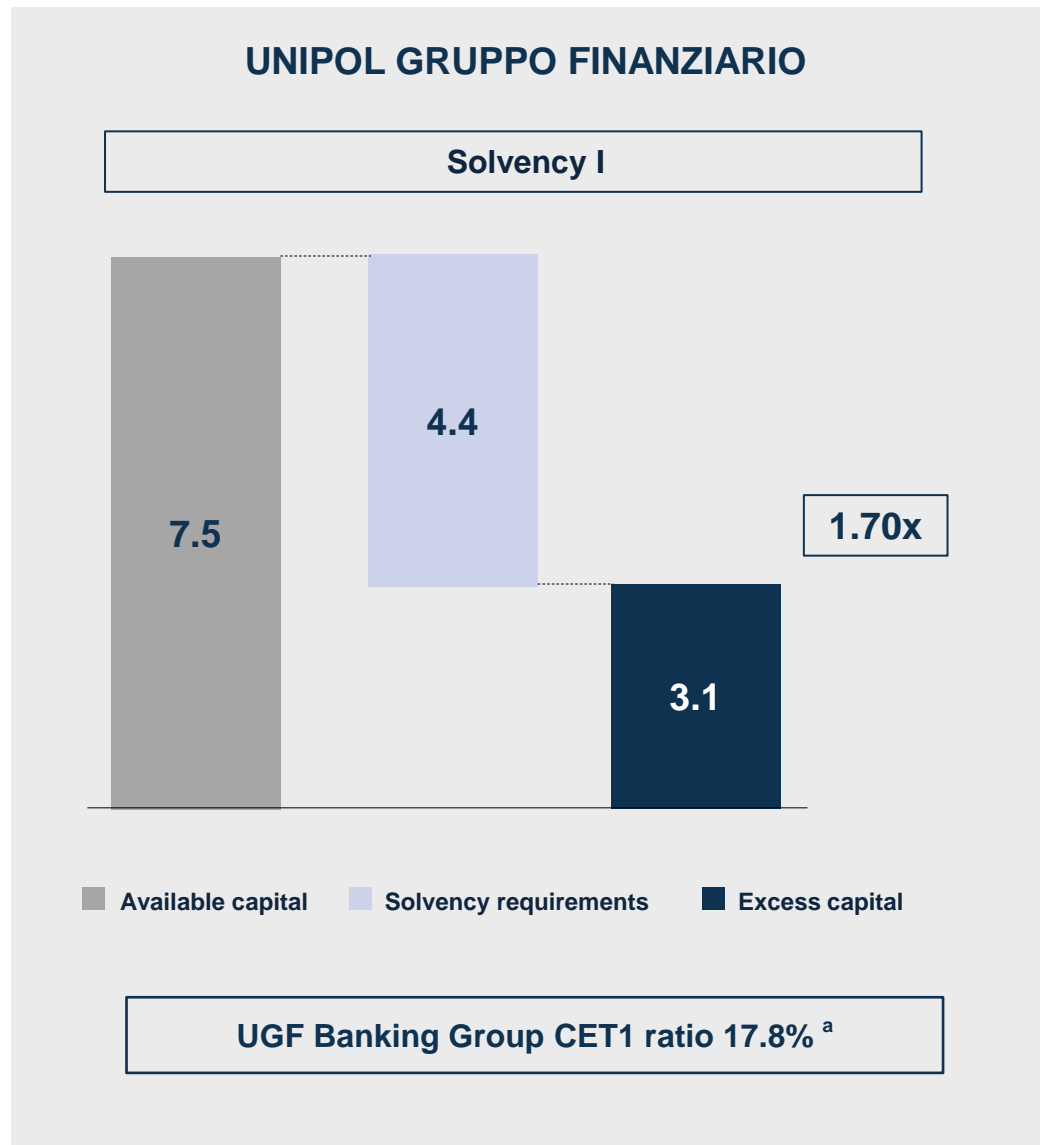
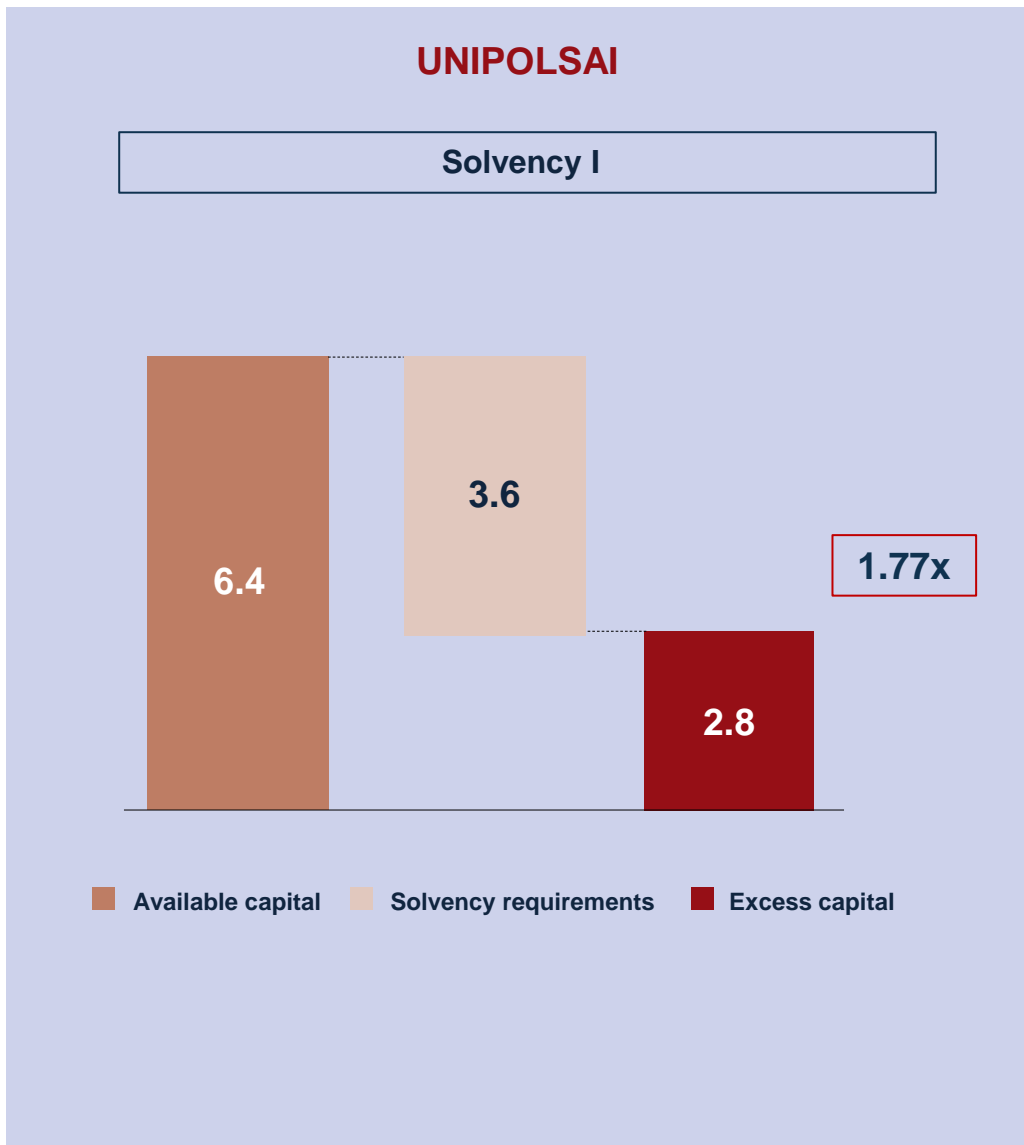


AFS reserve variation



FY15P capital soundness indicators

€bn



Dividend estimate 2015

UNIPOLSAI

	2014 DPS (€)	Total dividends	2015 DPS (€)	Total dividends
Ordinary	0.175	398	0.150	424
Savings A	6.500	8		
Savings B	0.204	77		
Total		483		424

UNIPOL GRUPPO FINANZIARIO

	2014 DPS (€)	Total dividends	2015 DPS (€)	Total dividends
Ordinary	0.170	74	0.180	128
Preference	0.190	52		
Total		126		128

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FY15

- Consolidated preliminary results
- Insurance business
 - *Non-Life insurance business*
 - *Life insurance business*
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- Financial investments
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2013-2015 Business Plan: achievements

Appendix

2015P results vs. Plan targets

€m

Key indicators	UnipolSai		Unipol	
	FY15P	FY15 Plan	FY15P	FY15 Plan
Premium income (€bn)	14.0	15.6	16.5	17.0
Combined ratio net of reins.	94.6%	94.3%	93.9%	-
Investment yield	5.0%	4.2%	4.6%	4.2%
Net profit	738	814	579	852
Proforma net profit ^a	821		738	
Solvency I ratio	177%	~180%	170%	~180%
Dividend payout	63% ^b	~60-80%	78% ^b	~60-80%
Integration synergies	390	349	390	349

^a Proforma profit before DTA writedown following decrease in the IRES rate to 24% from 27.5% as provided for by the 2016 Budget Law

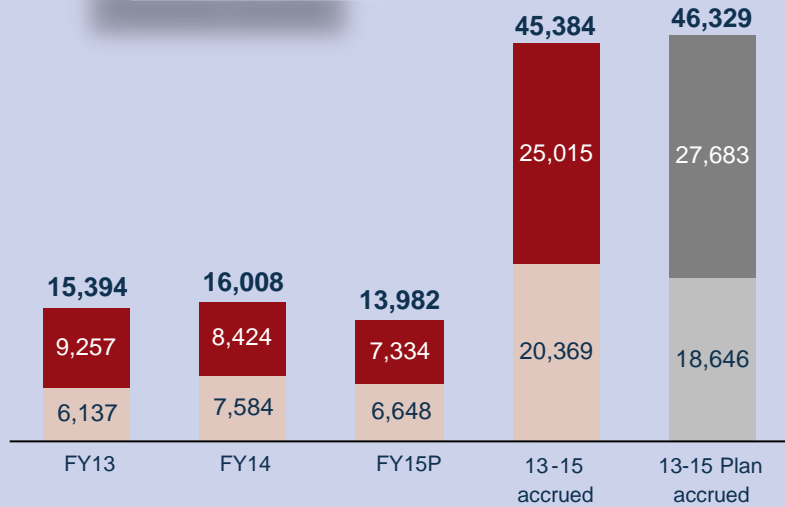
^b 2013-2015 average payout on company profit

Premium income and financial investment yield: final results vs targets

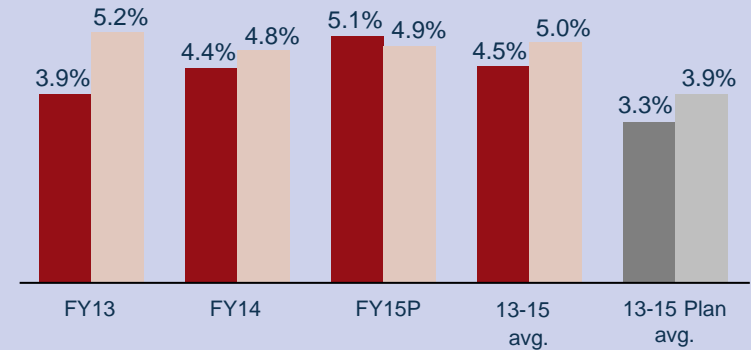
€m

UNIPOLSAI

Premium income

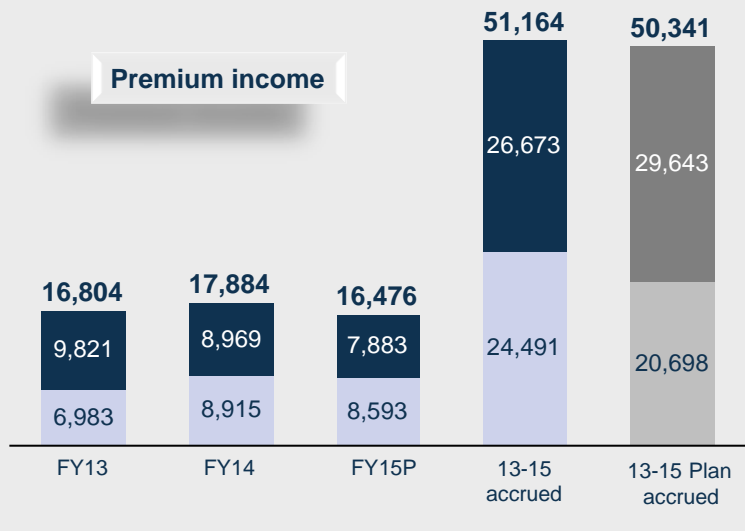


Financial investment yield

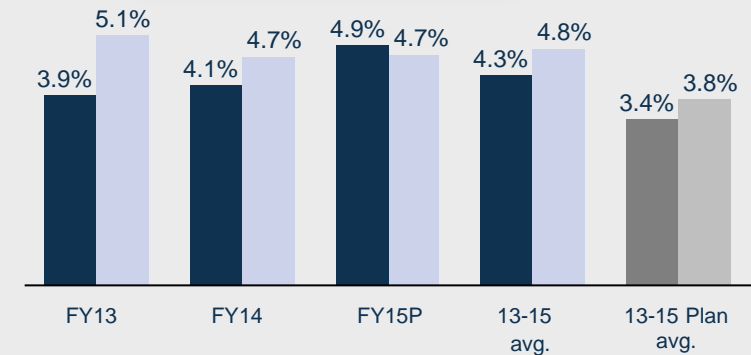


UNIPOL GRUPPO FINANZIARIO

Premium income



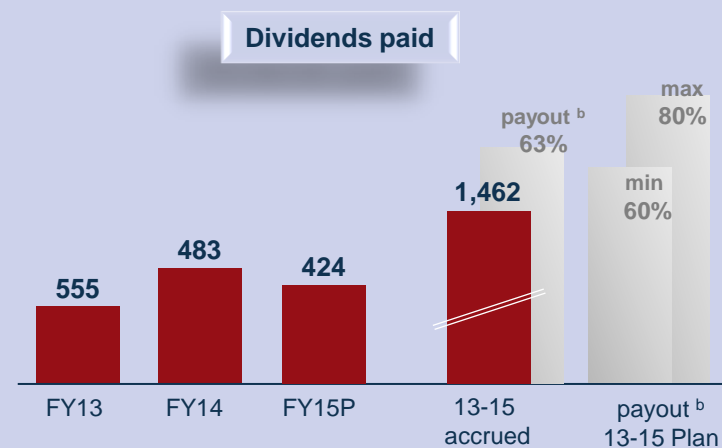
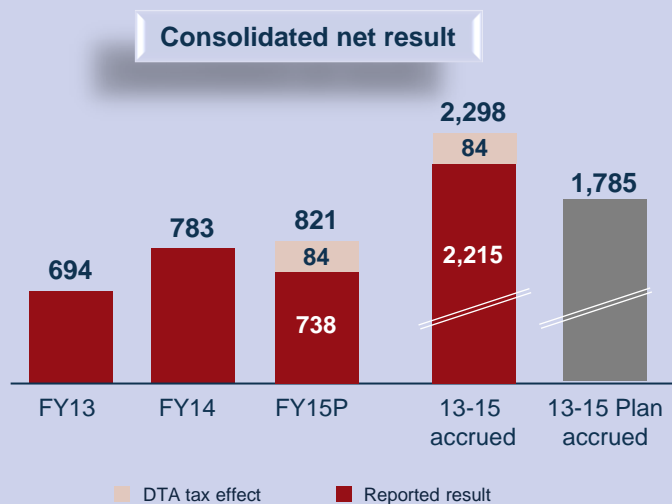
Financial investment yield



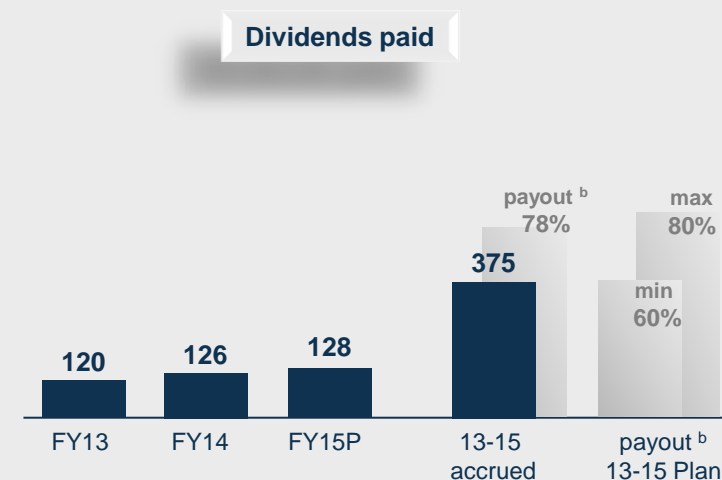
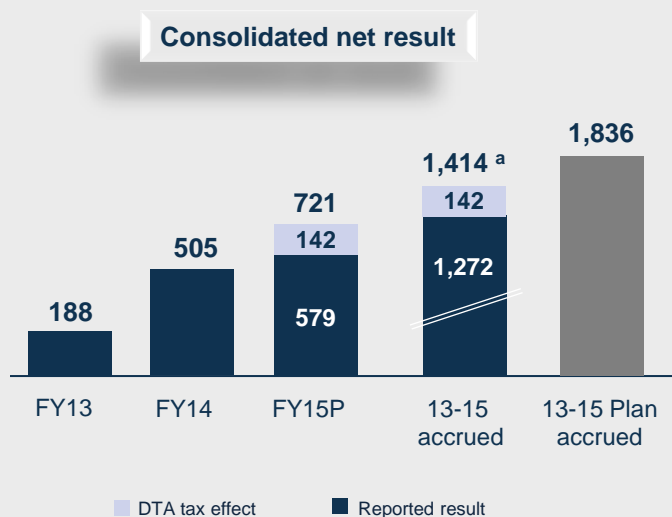
Consolidated and Group net results and dividends: final results vs. targets

€m

UNIPOLSAI



UNIPOL GRUPPO FINANZIARIO



Integration actions

Integration actions completed...

Integration of premises and staff

- ✓ Actions carried out to reduce staff:
 - ~1,700 employees
- ✓ Rationalisation and specialisation of the main Group premises (to 20 from 40) set off

IT Systems consolidation

- ✓ Convergence of agency and Head Office IT systems completed (to 19 from 41) and onset of the unified operating model
- ✓ Data Centers consolidation for the whole Group

Company scope rationalisation

- ✓ No. of Group companies halved (to around 60 from around 120) from 2012 to date
- ✓ To 2 from 4 listed companies and to 2 from 8 categories of shares (Unipol and UnipolSai)

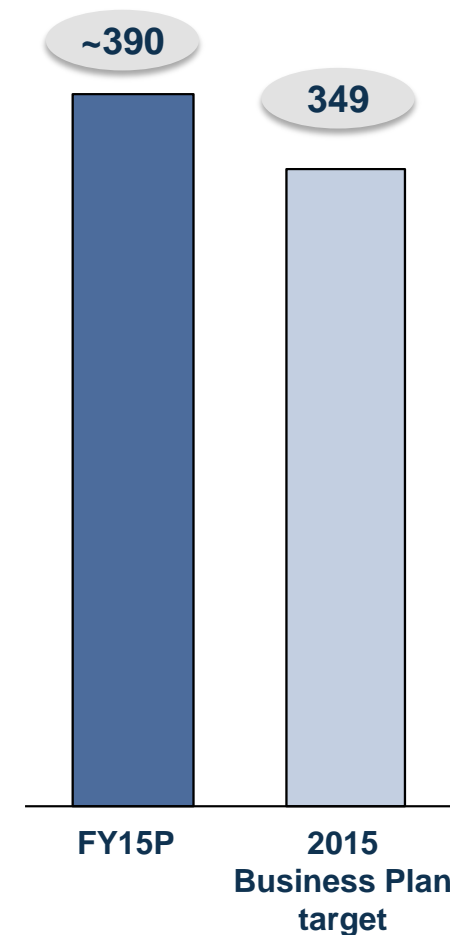
Non-Life Technical Area Synergies

- ✓ Standardisation of MV and health claims settlement processes and fraud management
- ✓ Enhanced underwriting selection at both Head Office and agency network level

ALM Synergies

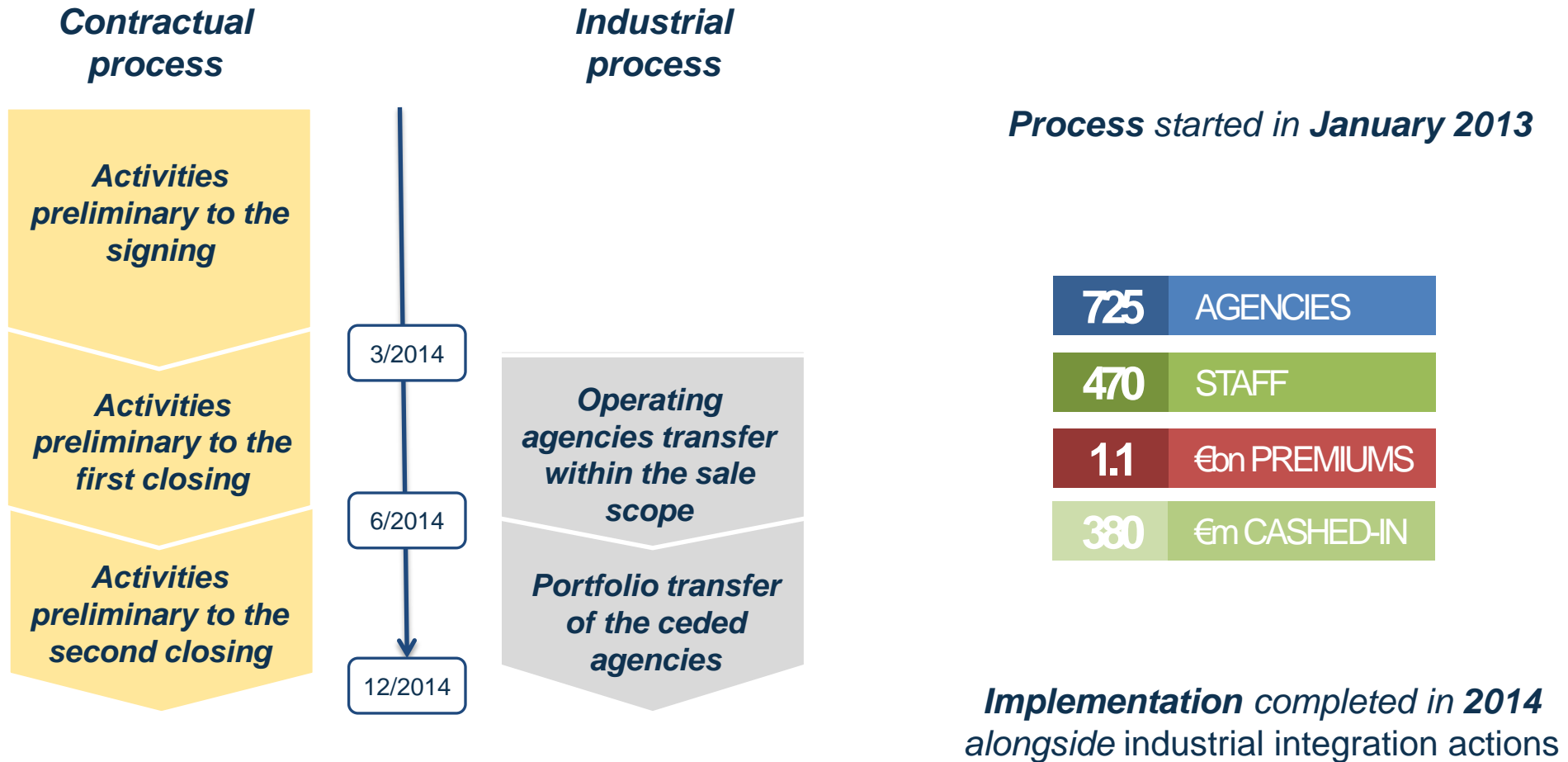
- ✓ Asset allocation reassessment with extended duration
- ✓ Streamlining cash management

... with synergies above expectations ...



Sale of the business unit

... along with management of the process to sell the business unit to Allianz



Contents

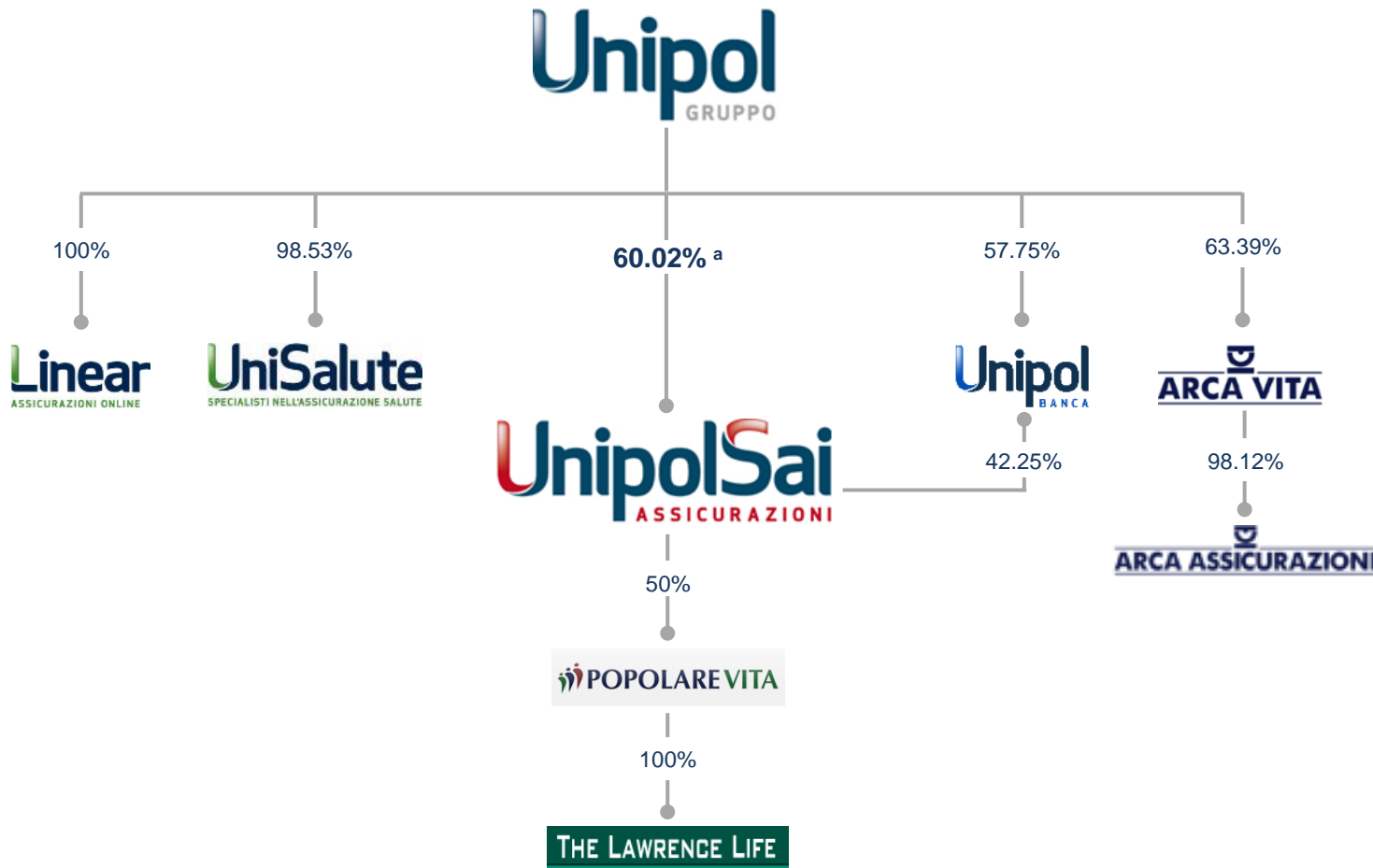
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Appendix

Group structure



UNIPOL GRUPPO FINANZIARIO	
Share capital	
717,473,508	ordinary shares
Reuters code	Bloomberg code
UNPI.MI	UNI IM

UNIPOLSAI	
Share capital	
2,829,715,441	ordinary shares
Reuters code	Bloomberg code
US.MI	US IM

Disclaimer

Maurizio Castellina, Senior Executive responsible for drawing up the corporate accounts of Unipol Gruppo Finanziario 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 correspond to the document contents, books and accounting records.

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