

# 1H19 results presentation

Bologna - 2 August 2019



Unless otherwise specified, all figures reported in this presentation refer to the Unipol Group.

1H18, FY18, 1H19 figures and variations are reported on the basis of the current perimeter, unless otherwise specified.

# Mission Evolve

UNIPOL 2019-2021  
STRATEGIC PLAN

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## 1

1H19  
Consolidated results



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Update on M&A  
transactions



## 3

Appendix

# Mission Evolve

UNIPOL 2019-2021  
STRATEGIC PLAN



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Appendix



# Consolidated results – actual and normalised

## 1H19 Consolidated results

€m

### UNIPOL

	1H18	
	Consolidated net result	Group net result
1H18 actual	644	482
<i>gain on Pop. Vita sale</i>	-309	-247
<i>perimeter normalisation <sup>a</sup></i>	-24	-20
<b>1H18 normalised</b>	<b>311</b>	<b>214</b>

	1H19	
	Consolidated net result	Group net result
1H19 actual	740	627
<i>BPER 1<sup>st</sup> consolid. impact</i>	-388	-357
<b>1H19 normalised</b>	<b>353</b>	<b>270</b>

### UNIPOLSAI

	1H18	
	Consolidated net result	Group net result
1H18 actual	647	618
<i>gain on Pop. Vita sale</i>	-309	-309
<i>perimeter normalisation <sup>a</sup></i>	+13	+9
<b>1H18 normalised</b>	<b>351</b>	<b>318</b>

	1H19	
	Consolidated net result	Group net result
1H19 actual	377	364
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<b>1H19 normalised</b>	<b>377</b>	<b>364</b>

<sup>a</sup> Normalisations refer to Popolare Vita, Arca and Unipol Banca results



# Normalised consolidated results by sector

## 1H19 Consolidated results

€m

### UNIPOL

	1H18	1H19	Var%
Consolidated pre-tax result	426	473	+11.0%
<i>Non-life</i>	326	386	
<i>Life</i>	200	139	
<i>Holding and other</i>	-100	-51	
<b>Consolidated net result</b>	<b>311</b>	<b>353</b>	<b>+13.3%</b>
Group net result	214	270	+25.9%

### UNIPOLSAI

	1H18	1H19 <sup>a</sup>	Var%
Consolidated pre-tax result	479	501	+4.6%
<i>Non-life</i>	328	387	
<i>Life</i>	201	140	
<i>Other</i>	-50	-25	
<b>Consolidated net result</b>	<b>351</b>	<b>377</b>	<b>+7.4%</b>
Group net result	318	364	+14.6%

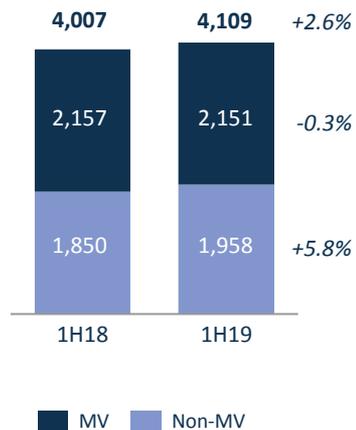
<sup>a</sup> Normalised and actual results are the same at UnipolSai level

# Non-Life premiums direct business

## 1H19 Consolidated results

€m

### Direct premium income



### Premiums by business line

	€m	%	Var%
<b>Mobility</b>	<b>2,314</b>	<b>56%</b>	<b>+0.8%</b>
Motor TPL	1,770	43%	-1.6%
M.O.D.	382	9%	+6.5%
Other	163	4%	+16.9%
<b>Welfare <sup>a</sup></b>	<b>715</b>	<b>17%</b>	<b>+10.4%</b>
Health	380	9%	+17.6%
Accident	335	8%	+3.3%
<b>Property</b>	<b>1,079</b>	<b>26%</b>	<b>+1.6%</b>
Property	578	14%	-0.4%
General TPL	347	8%	+2.5%
Other	155	4%	+7.6%
<b>Total</b>	<b>4,109</b>	<b>100%</b>	<b>+2.6%</b>

### Premiums by company

	€m	%	Var%
UnipolSai S.p.A.	3,480	85%	+0.5%
UniSalute	238	6%	+5.4%
Linear	96	2%	+3.7%
Incontra	102	2%	+101.1%
Arca Assicurazioni	69	2%	+13.6%
Siat, DDOR & PA	122	3%	+9.6%
<b>Total</b>	<b>4,109</b>	<b>100%</b>	<b>+2.6%</b>

### Premiums by distribution channel

	€m	%	Var%
Agents	3,296	80%	+0.2%
Brokers/head office	495	12%	+6.3%
Bancassurance	171	4%	+53.3%
Direct and other	146	4%	+4.9%
<b>Total</b>	<b>4,109</b>	<b>100%</b>	<b>+2.6%</b>

<sup>a</sup> The whole Welfare ecosystem also includes Life business for a total of 3.9 €bn Operating figures



# Combined ratio

1H19 Consolidated results



Combined ratio net of reinsurance: operating expenses/earned premiums after reinsurance + claims charges/earned premiums after reinsurance

Combined ratio direct business: operating expenses/written premiums from direct business (before reinsurance) + claims charges /earned premiums from direct business (after reinsurance).  
Operating figures



## 1H19 Consolidated results

### Motor TPL combined ratio

	1H18	1H19
Direct business	97.9%	97.9%
<i>Expense ratio<sup>a</sup></i>	21.3%	21.8%
<i>Loss ratio<sup>b</sup></i>	76.6%	76.0%

**No. of black boxes 4 million (44% of the tot. portfolio)**

### Other Motor TPL indicators

	var. vs FY18
Total portfolio	+0.4%
<i>Retail (95% of tot. ptf)</i>	+0.2%
<i>Fleets (5% of tot. ptf)</i>	+4.2%
Portfolio average premium	-1.0pp
	var. vs 1H18
N. of claims reported <i>(followed-up managed claims)</i>	-0.9%
Frequency	-0.10pp

<sup>a</sup> Operating expenses / written premiums from direct business (before reinsurance)

<sup>b</sup> Claims charges / earned premiums from direct business (before reinsurance)

Operating figures

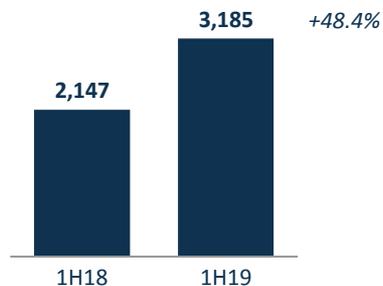


# Life income

## 1H19 Consolidated results

€m

### Direct premium income



### Premiums by company

	€m	%	var%
UnipolSai S.p.A.	2,327	73%	+51.8%
Arca Vita + AVI	811	25%	+42.2%
Other companies	47	1%	+7.3%
<b>Total</b>	<b>3,185</b>	<b>100%</b>	<b>+48.4%</b>

### Premiums by line of business

	€m	%	var%
Traditional	1,785	56%	+38.1%
Unit linked	152	5%	-46.8%
Pension funds	956	30%	+180.6%
Capitalization	291	9%	+28.4%
<b>Total</b>	<b>3,185</b>	<b>100%</b>	<b>+48.4%</b>

### Premiums by distribution channel

	€m	%	var%
Agents	871	27%	+23.0%
Bancassurance/Fin. advisors	965	30%	+36.2%
Pension funds	921	29%	+199.3%
Brokers/Head office	419	13%	+3.4%
Other	8	0%	-50.2%
<b>Total</b>	<b>3,185</b>	<b>100%</b>	<b>+48.4%</b>

Operating figures

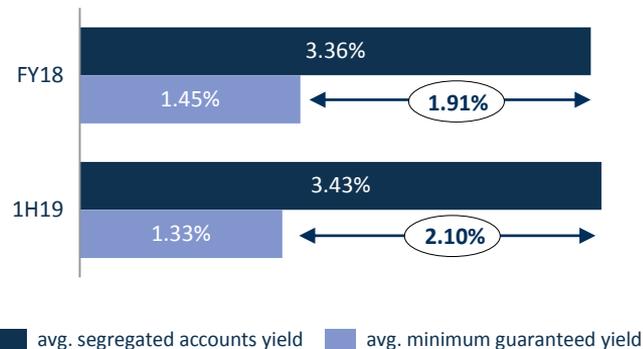


# Life segregated accounts and minimum guaranteed yields

## 1H19 Consolidated results

€m

### Segregated accounts and minimum guaranteed yields



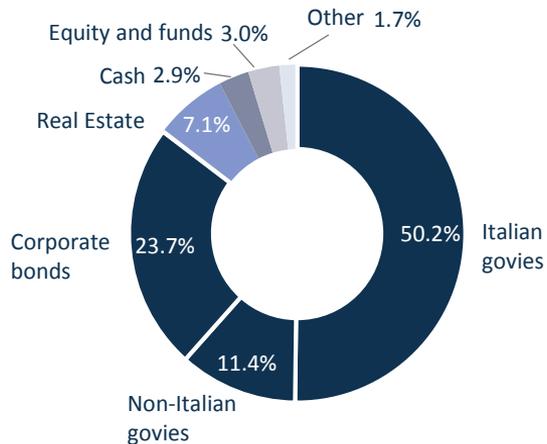
### Technical reserves by minimum guaranteed <sup>a</sup>

Min. guar. yield	FY18		1H19	
	€bn	%	€bn	%
0%-1%	14.2	45%	16.0	51%
1%-2%	9.2	29%	7.7	25%
2%-3%	6.0	19%	5.6	18%
>3%	2.3	7%	2.3	7%
<b>Total</b>	<b>31.7</b>	<b>100%</b>	<b>31.6</b>	<b>100%</b>

<sup>a</sup> Class 1 and Class 5 technical reserves  
Operating figures



### Total investments 56.3 €bn



Total bonds 85.4%

### Financial investment yields

	1H19					
	Non-life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Coupons and dividends	196	3.2%	584	3.4%	787	3.3%
Realized and unrealized gains/losses	0	0.0%	36	0.2%	42	0.2%
<b>Total</b>	<b>195</b>	<b>3.2%</b>	<b>620</b>	<b>3.6%</b>	<b>829</b>	<b>3.5%</b>

### Total investments duration

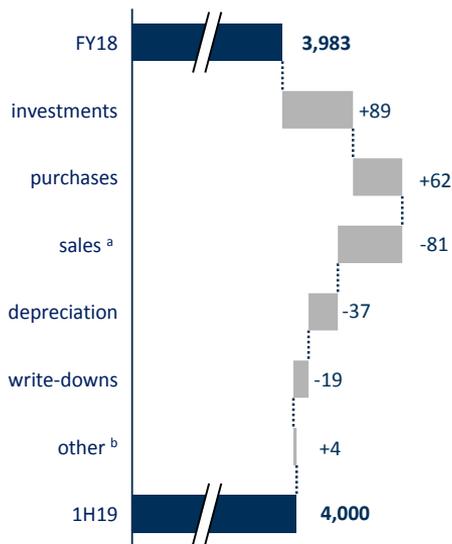
(Years)	Assets	Liabilities	Mismatch
Non-Life	3.5	2.8	1.2
Life	7.5	8.8	-0.9
<b>Total portfolio</b>	<b>6.2</b>	<b>6.9</b>	<b>-0.3</b>



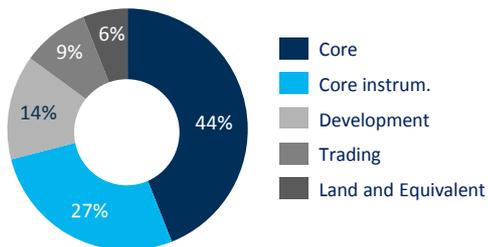
## 1H19 Consolidated results

### Total portfolio 4.0 €bn

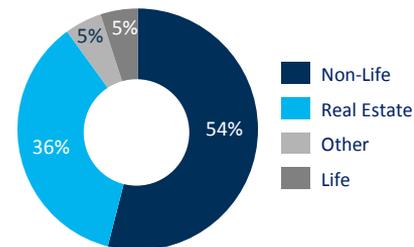
#### Development of RE portfolio



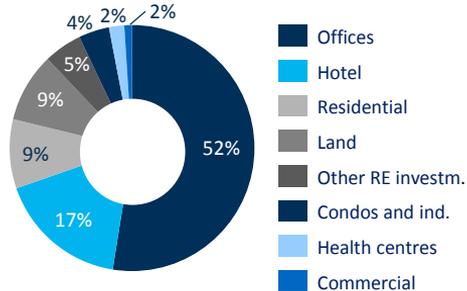
#### Breakdown by cluster



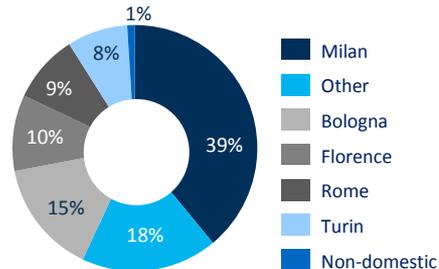
#### Breakdown by sector



#### Breakdown by use



#### Breakdown by area



<sup>a</sup> N. 72 deeds as at 30 June 2019

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



## 1H19 Consolidated results

€m

### NPEs stock

	FY18	1H19
Gross loans	2,590	2,399
Net loans	490	451
Coverage ratio	81%	81%

### NPEs collection

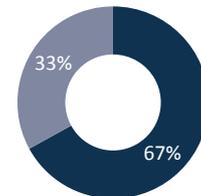
	1H18	1H19
Collections	49	59
NPEs reduction (GBV)	198	191
Collections/GBV	25%	31%

### Net result

	1H18	1H19
Net result	2	10



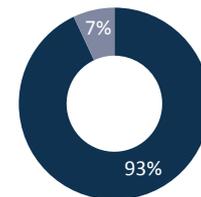
### Portfolio breakdown



- Secured loans
- Unsecured loans



### Collections breakdown

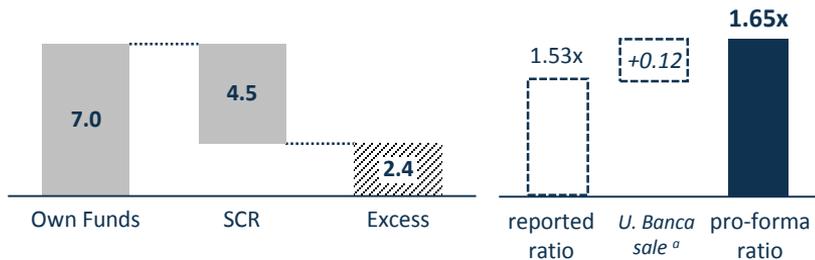


- Secured loans
- Unsecured loans

## 1H19 Consolidated results

€bn

### UNIPOL (consolidated) – Partial internal model



### UNIPOLSAI (consolidated) – Economic capital



### UNIPOLSAI (solo) – Partial internal model



<sup>a</sup> Preliminary evaluation that might be subject to updates

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UNIPOL 2019-2021  
STRATEGIC PLAN

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Appendix

## NPL portfolio

- Acquisition by UnipolReC of a portfolio of NPL from BPER
- Closing 31 July 2019
- Price 102 €m
- GBV 1.2 €bn
  - 32% secured
  - 68% unsecured

## Unipol Banca

- Sale of Unipol Banca to BPER
- Closing 31 July 2019
- Price 220 €m
- No effect on Unipol and UnipolSai P&L in 1H19

## Car Server

- Acquisition of 100% of Car Server, one of the leading long-term car rental players in Italy
- Closing 1 August 2019
- Price 96 €m
- N. of cars >45,000
- Total revenues 302 €m

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**UNIPOL**

	1H18	1H19
Premium income <sup>a</sup>	6,153	7,294
Non-Life	4,007	4,109
Life	2,147	3,185
Combined Ratio <sup>b</sup>	95.1%	94.6%
<b>Consolid. net result</b>	<b>644</b>	<b>740</b>
Group net result	482	627
<b>Cons. net result (norm.) <sup>c</sup></b>	<b>311</b>	<b>353</b>
Group net result (norm.) <sup>c</sup>	214	270

	FY18	1H19
Total equity	6,327	7,547
Shareholders' equity	5,032	6,092

<sup>a</sup> Direct business

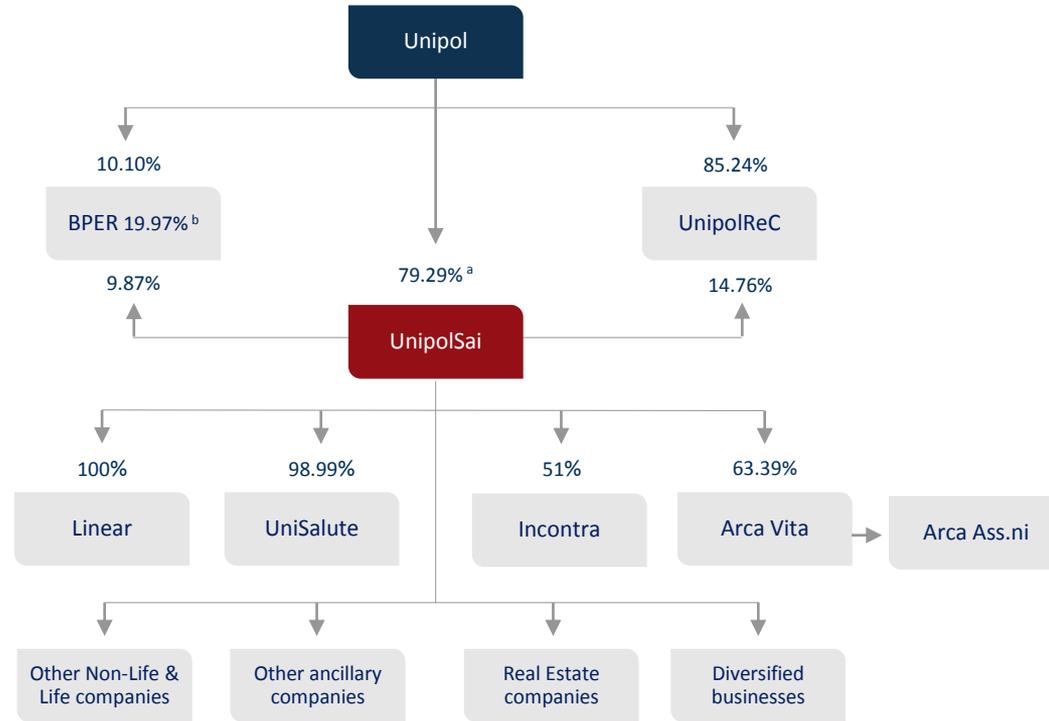
<sup>b</sup> Net of reinsurance

<sup>c</sup> Ref. p. 5 for details on normalisation

**UNIPOLSAI**

	1H18	1H19
Premium income <sup>a</sup>	6,153	7,294
Non-Life	4,007	4,109
Life	2,147	3,185
Combined Ratio <sup>b</sup>	95.1%	94.6%
<b>Consolid. net result</b>	<b>647</b>	<b>377</b>
Group net result	618	364
<b>Cons. net result (norm.) <sup>c</sup></b>	<b>351</b>	<b>377</b>
Group net result (norm.) <sup>c</sup>	318	364

	FY18	1H19
Total equity	5,697	6,294
Shareholders' equity	5,448	6,039

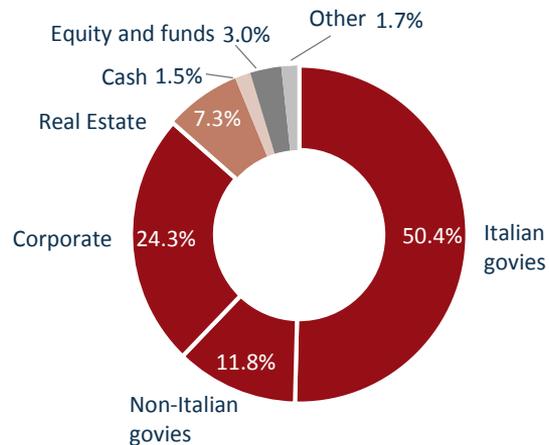


On 7 February 2019 the BoD of Unipol and UnipolSai approved the sale of Unipol Banca to BPER Banca, which was completed on 31 July 2019

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

<sup>b</sup> As at 30 June 2019

### Total investments 54.7 €bn



**Total bonds 86.5%**

### Financial investment yields

	1H19					
	Non-life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Coupons and dividends	196	3.2%	584	3.4%	779	3.4%
Realized and unrealized gains/losses	0	0.0%	36	0.2%	35	0.2%
<b>Total</b>	<b>195</b>	<b>3.2%</b>	<b>620</b>	<b>3.6%</b>	<b>815</b>	<b>3.5%</b>

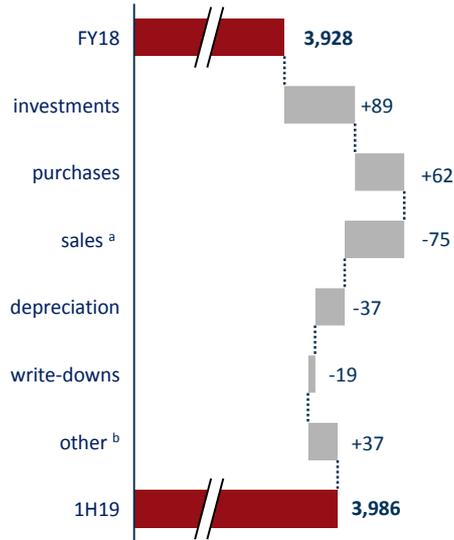
### Duration

(Years)	Assets	Liabilities	Mismatch
Non-Life	3.5	2.8	1.2
Life	7.5	8.8	-0.9
<b>Total portfolio</b>	<b>6.2</b>	<b>7.1</b>	<b>-0.2</b>

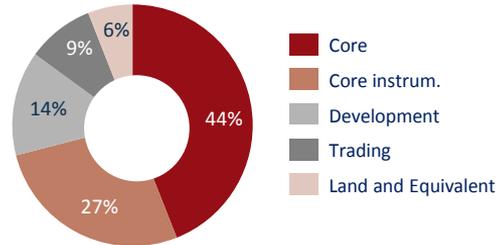
## Appendix

### Total portfolio 4.0 €bn

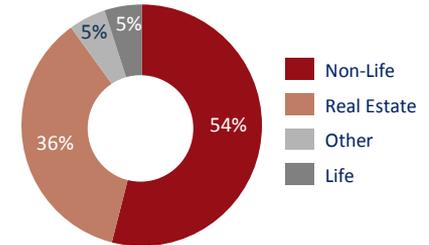
#### Development of RE portfolio



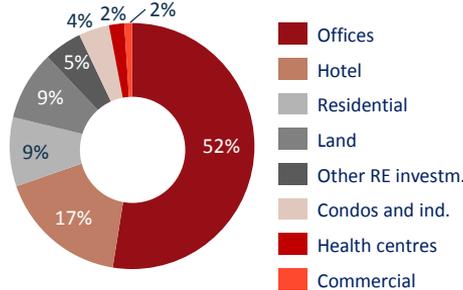
#### Breakdown by cluster



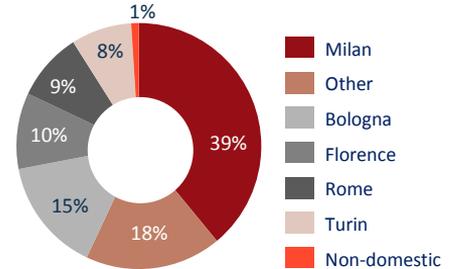
#### Breakdown by sector



#### Breakdown by use



#### Breakdown by area



<sup>a</sup> N. 72 deeds as at 30 June 2019

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



**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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