

*Bologna, 11 February 2015*

## **UNIPOLSAI: THE BOD HAS EXAMINED THE PRELIMINARY CONSOLIDATED RESULTS OF 2014**

- **Consolidated net profit of €783m (+12.9% compared to 2013)<sup>1</sup>**
- **Direct insurance income of €16,008m<sup>2</sup> (+4.0%):**
  - ✓ **Non-Life Business: premium income of €8,424m (-9.0%, or -6.1% net of the sale of the business unit to Allianz)**
  - ✓ **Life Business: income of €7,584m (+23.6%)**
- **Combined ratio at 94.6%<sup>3</sup>**
- **Solvency margin equal to 165% (155% in 2013)**
- **Expected unitary dividend equal to €0.17500 per ordinary share, €6.5 per Class A Savings Share and €0.20438 per Class B Savings Share**

The Board of Directors of UnipolSai Assicurazioni S.p.A., which met yesterday under the chairmanship of Fabio Cerchiai, examined the preliminary consolidated results of the year 2014.

The preliminary consolidated accounts as at 31 December 2014 recorded a growth in economic results and balance sheet aggregates, attributable to the favourable loss ratio in Non-Life business and the increase of income in Life business as well as the profitability of financial investments.

The year 2014 was characterized by the completion of the corporate integration of the Unipol Group with the former Premafin/Fondiarria-SAI Group determined by the creation, at the beginning of January, of UnipolSai Assicurazioni. Moreover, on 1 July, in accordance with the Resolution of 19 June 2012 issued by the Italian Antitrust Authority, a business unit consisting of, among other things, 725 insurance agencies of the former Milano Assicurazioni and 470 employees was transferred to Allianz, while the sale of the relative policy portfolio became effective as of 31 December 2014.

---

<sup>1</sup> 2013 figures are consolidated, pro-forma, management and related to the post-merger structure of the UnipolSai Group: in fact, it should be noted that the merger by incorporation of Unipol Assicurazioni, Milano Assicurazioni and Premafin into Fondiarria-SAI became effective on 6 January 2014 and for accounting and tax purposes on 1 January 2014.

<sup>2</sup> Direct income was impacted, as of 1 July 2014, by the effects of the transfer of 725 former Milano Assicurazioni agencies to Allianz.

<sup>3</sup> Combined Ratio net of reinsurance (Expense Ratio calculated on attributable premiums).

### Preliminary Consolidated Results of UnipolSai

In 2014 UnipolSai recorded a **consolidated net profit** of €783m, an increase of 12.9% compared to €694 in the year 2013. The **consolidated pre-tax result** stood at €1,134m, down by 3.2% compared to 2013.

In particular, Non-Life insurance business contributed to the consolidated pre-tax result with €948m and Life business with €253m.

In 2014, **direct insurance income** amounted to €16,008m, an increase of 4.0% compared to 2013.

### Non-Life Business

**Premium income** continued to be affected by a strongly competitive market environment - especially in MV business - which resulted in a reduction of the average premium also for the year 2014. In this market context, UnipolSai nevertheless undertook major commercial initiatives aimed at containing such effects and protecting its portfolio. In particular, in vehicle liability insurance, the promotion of policies underwritten with premiums paid through zero-interest loan instalments in synergy with the banking business of the Group continued with more than satisfactory levels of subscription. Moreover, UnipolSai confirmed its leading position in Italy and Europe in the offer of telematics services associated with MV policies: as at 31 December 2014 more than two million black boxes were installed in relation to policies.

Direct premium income amounted to €8,424m (-9.0% compared to 2013), of which €5,009m (-12.8%) from MV business and €3,414 (-2.7%) from Non-MV business.

Premium income was impacted, as of the third quarter, by the effects of the aforementioned transfer of 725 former Milano Assicurazioni agencies to Allianz, in accordance with the provisions of the Italian Antitrust Authority: excluding the effect of the business unit sold, premium income dropped by 6.1%<sup>4</sup>.

With regard to the trend in claims, in 2014 the consolidated **combined ratio**, calculated net of reinsurance, stood at 94.6%. In particular, the **loss ratio** reached 68.6%, while the **expense ratio** was equal to 26.0%, affected by the drop in premiums, the higher incidence of commission costs (change in the production mix), technical product improvement impacting the growth of variable commissions, investments in the IT system required for the current integration phase and investments made to support economic recovery (zero-interest instalments, advertising campaign and black boxes).

The **pre-tax result** of the business was a profit of €948m.

### Life Business

The business recorded **direct income** amounting to €7,584m, an increase of 23.6% compared to 2013.

This significant increase reflects the continuation of the growth trend observed for traditional products as early as 2013, benefitting from a market environment characterized by low interest rates and the reduced risk appetite of policyholders.

---

<sup>4</sup> Internal processing of management figures.

In particular, a significant increase in income was reported in the bancassurance channel, mainly represented by the Popolare Vita Group companies, which recorded a total income of €3,664m (+44.6% compared to 2013). The contribution of UnipolSai was also positive, recording an income of €3.696m, an increase of 7.5%.

The **pre-tax result** of the business was a profit of €253m.

### **Real Estate Business**

With regard to real estate business, in 2014 operations were focused on the optimization of real estate assets in portfolio and on the search for divestment opportunities, despite market conditions that remained negatively influenced by the economic crisis and the credit crunch.

Furthermore, a corporate restructuring plan was implemented, though the merger by incorporation of several companies, with the objective of reducing the number of subsidiaries, simplifying corporate governance and streamlining intragroup financial flows.

### **Other Businesses**

The results of the companies belonging to the other businesses in which the Group operates, in particular, the hotel, health clinic and agricultural sectors, showed an improvement compared to the results recorded in the past, despite remaining negative as a result of restructuring initiatives and the development of assets by current management.

### **Financial Management**

The Group's financial investments, despite being made with a view to preserving the profitability of the portfolio and consistency between the assets and liabilities underwritten with policyholders, achieved a significant yield in the period under consideration equal to approximately 4.7% of invested assets.

### **Balance Sheet**

Consolidated **shareholders' equity** attributable to the Group as at the end of 2014 amounted to €6,296m, compared to €5,210m at the end of 2013.

The consolidated **solvency margin**<sup>5</sup> as at 31 December 2014 was equal to 165% the minimum required, compared to 155% at the end of 2013.

### **Estimated individual accounting records and dividends for the year 2014**

It should be noted, moreover, that the individual accounting results of the Company, still preliminary, allow for the estimate of a profit of approximately €751m. Taking this into account, the distribution of a

---

<sup>5</sup> The values considered include the effect of the convertible loan.

dividend for the year 2014, in accordance with the current company by-laws, equal to €6.5 per Class A Savings Share, €0.20438 per Class B Savings Share and €0.17500 per ordinary share, with a payout equal to 65%.

In this regard, it should be noted among other things that the approval of the draft statutory and consolidated financial statements of UnipolSai as at 31 December 2014, as well as the proposed allocation of the result of the period to be submitted to the Shareholders' Meeting, is scheduled for 19 March. Therefore, the information contained herein is to be considered as preliminary and refers to the date hereof, and as such may be subject to changes. The auditing firm has not yet completed the necessary verification of these figures required in order to issue its own audit report.

Finally, it is hereby announced that since the Shareholders' Meeting for the approval of the financial statements for the year 2014 is scheduled for 17 June 2015, the ex-dividend date for the results of the financial year is also expected for June.

\*\*\*\*

#### **Corporate Governance**

The Board of Directors also acknowledged the resignation of the Director Maria Antonietta Pasquariello - in order to cover other roles within the Unipol Group while preserving the independence requirement - effective as of the date hereof. The outgoing Director, non-executive and independent (pursuant to the Corporate Governance Code for Listed Companies and the Consolidated Law on Finance), nor belonging to any board committees, was appointed by the Ordinary Shareholders' Meeting of 29 April 2013 from the majority list submitted by Premafin HP. There being no more eligible candidates for the replacement of the outgoing Director on such list, pursuant to law and the company by-laws, the Board of Directors co-opted Ms Cristina De Benetti as non-executive and independent Director (pursuant to the Corporate Governance Code for Listed Companies and the Consolidated Law on Finance), who will remain in office until the next Shareholders' Meeting.

The CV of the newly appointed Director is available to the public on the Company website at [www.unipolsai.com](http://www.unipolsai.com) (under the Section Governance/Boards and Officials/Board of Directors).

\*\*\*\*

#### **Presentation of the Preliminary Results to the Financial Community**

The preliminary results of 2014 of the Unipol Group and UnipolSai will be presented to the financial community today at 12:00 via webcasting (from the website [www.unipolsai.com](http://www.unipolsai.com)) and conference call. The phone numbers to dial to attend the event are: 02.805.88.11 (from Italy), +1.718.7058794 (from the U.S.), +44.121.2818003 (from other countries). Financial analysts and institutional investors may ask questions at the end of the presentation following the instructions given by the operator. Further technical details for accessing the event are available on the homepage of the website [www.unipolsai.com](http://www.unipolsai.com) and under the Investor Relations section.

In order to allow a more complete disclosure of the preliminary results recorded in the year 2014, please find attached hereto the preliminary Consolidated Balance Sheet and Consolidated Income Statement.

\*\*\*\*

Maurizio Castellina, Manager in charge of financial reporting of UnipolSai Assicurazioni S.p.A., declares, pursuant to Article 154-bis, paragraph 2, of the “Consolidated Law on Financial Intermediation”, that the accounting information contained in this document corresponds to the figures in corporate accounting records, ledgers and documents.

\*\*\*\*

#### Glossary

COMBINED RATIO: sum of loss ratio and expense ratio  
EXPENSE RATIO: ratio of Non-Life operating expenses and premiums  
LOSS RATIO: ratio of Non-Life claims and premiums

#### Contacts

##### Unipol Group Press Office

Fernando Vacarini  
Tel. +39/051/5077705  
pressoffice@unipolsai.it

##### Barabino & Partners

Massimiliano Parboni  
m.parboni@barabino.it  
Tel. +39/335/8304078  
Giovanni Vantaggi  
g.vantaggi@barabino.it  
Tel. +39/328/8317379

##### Unipol Group Investor Relations

Adriano Donati  
Tel. +39/051/5077933  
investor.relations@unipolsai.it

#### UnipolSai Assicurazioni S.p.A.

UnipolSai Assicurazioni S.p.A. is the insurance company of the Unipol Group, Italian leader in Non-Life business, in particular in vehicle liability insurance.

Also active in Life Business, UnipolSai has a portfolio of over 10 million customers and holds a leading position in the national ranking of insurance groups with a direct income amounting to €15.4bn, of which €9.3bn in Non-Life Business and €6.1bn in Life business (2013 figures).

The company currently operates through five divisions (Unipol, La Fondiaria, Sai, Nuova MAA and La Previdente) and has the largest agency network in Italy, with over 3,800 agencies and 7,300 sub-agencies spread across the country.

UnipolSai Assicurazioni is a subsidiary of Unipol Gruppo Finanziario S.p.A. and, like the latter, is listed on the Italian Stock Exchange, being one of the most highly capitalized securities.

**Preliminary Consolidated Balance Sheet – Assets**

Amounts in €m

		31/12/2014	31/12/2013
<b>1</b>	<b>INTANGIBLE ASSETS</b>	<b>804.5</b>	<b>523.9</b>
1.1	Goodwill	306.7	0.0
1.2	Other intangible assets	497.7	523.9
<b>2</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,339.1</b>	<b>522.3</b>
2.1	Property	1,214.6	456.8
2.2	Other items of property, plant and equipment	124.4	65.6
<b>3</b>	<b>TECHNICAL PROVISIONS - REINSURERS' SHARE</b>	<b>960.2</b>	<b>741.7</b>
<b>4</b>	<b>INVESTMENTS</b>	<b>60,935.5</b>	<b>34,303.6</b>
4.1	Investment property	2,633.0	2,584.5
4.2	Investments in subsidiaries and associates and interests in joint ventures	608.4	159.4
4.3	Held-to-maturity investments	1,420.0	626.5
4.4	Loans and receivables	5,169.5	2,746.5
4.5	Available-for-sale financial assets	42,118.4	22,656.2
4.6	Financial assets at fair value through profit or loss	8,986.2	5,530.5
<b>5</b>	<b>SUNDRY RECEIVABLES</b>	<b>3,591.2</b>	<b>1,900.9</b>
5.1	Receivables relating to direct insurance business	1,630.8	1,081.7
5.2	Receivables relating to reinsurance business	89.8	98.4
5.3	Other receivables	1,870.6	720.8
<b>6</b>	<b>OTHER ASSETS</b>	<b>938.1</b>	<b>1,843.3</b>
6.1	Non-current assets held for sale or disposal groups	16.7	138.9
6.2	Deferred acquisition costs	75.5	63.3
6.3	Deferred tax assets	351.0	1,189.1
6.4	Current tax assets	97.5	217.0
6.5	Other assets	397.4	234.9
<b>7</b>	<b>CASH AND CASH EQUIVALENTS</b>	<b>682.6</b>	<b>598.5</b>
	<b>TOTAL ASSETS</b>	<b>69,251.0</b>	<b>40,434.2</b>

## Preliminary Consolidated Balance Sheet – Equity and Liabilities

Amounts in €m

		31/12/2014	31/12/2013
<b>1</b>	<b>EQUITY</b>	<b>6,635.8</b>	<b>3,066.2</b>
<b>1.1</b>	<b>attributable to the owners of the Parent</b>	<b>6,296.1</b>	<b>2,325.2</b>
1.1.1	Share capital	1,996.1	1,194.6
1.1.2	Other equity instruments	110.1	0.0
1.1.3	Equity-related reserves	247.8	198.9
1.1.4	Income-related and other reserves	2,062.8	115.6
1.1.5	(Treasury shares)	-49.5	-0.1
1.1.6	Translation reserve	3.8	4.7
1.1.7	Gains or losses on available-for-sale financial assets	1,170.2	496.9
1.1.8	Other gains or losses recognised directly in equity	15.2	26.3
1.1.9	Profit (loss) for the year attributable to the owners of the Parent	739.6	288.4
<b>1.2</b>	<b>attributable to non-controlling interests</b>	<b>339.7</b>	<b>741.0</b>
1.2.1	Share capital and reserves attributable to non-controlling interests	261.5	521.0
1.2.2	Gains or losses recognised directly in equity	34.4	122.9
1.2.3	Profit (loss) for the year attributable to non-controlling interests	43.8	97.2
<b>2</b>	<b>PROVISIONS</b>	<b>604.9</b>	<b>319.9</b>
<b>3</b>	<b>TECHNICAL PROVISIONS</b>	<b>56,228.5</b>	<b>32,800.0</b>
<b>4</b>	<b>FINANCIAL LIABILITIES</b>	<b>3,817.7</b>	<b>2,226.3</b>
4.1	Financial liabilities at fair value through profit or loss	1,365.4	554.1
4.2	Other financial liabilities	2,452.3	1,672.2
<b>5</b>	<b>PAYABLES</b>	<b>1,102.4</b>	<b>655.4</b>
5.1	Payables arising from direct insurance business	143.7	94.8
5.2	Payables arising from reinsurance business	40.9	73.4
5.3	Other payables	917.8	487.1
<b>6</b>	<b>OTHER LIABILITIES</b>	<b>861.8</b>	<b>1,366.4</b>
6.1	Liabilities associated with disposal groups held for sale	2.6	74.2
6.2	Deferred tax liabilities	86.2	827.4
6.3	Current tax liabilities	15.6	67.0
6.4	Other liabilities	757.2	397.9
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>69,251.0</b>	<b>40,434.2</b>



## Preliminary Consolidated Income Statement

Amounts in €m

		31/12/2014	31/12/2013
1.1	Net premiums	15,960.7	9,650.1
1.1.1	Gross premiums	16,414.7	9,978.5
1.1.2	Ceded premiums	-454.0	-328.4
1.2	Fee and commission income	14.9	8.0
1.3	Gains and losses on financial instruments at fair value through profit or loss	71.8	159.7
1.4	Gains on investments in subsidiaries and associates and interests in joint ventures	6.9	7.8
1.5	Gains on other financial instruments and investment property	2,816.1	1,489.0
1.5.1	Interest income	1,593.5	972.9
1.5.2	Other gains	186.7	109.2
1.5.3	Realised gains	765.3	406.4
1.5.4	Unrealised gains	270.6	0.5
1.6	Other revenue	802.1	465.7
<b>1</b>	<b>TOTAL REVENUE AND INCOME</b>	<b>19,672.5</b>	<b>11,780.4</b>
2.1	Net charges relating to claims	-14,312.6	-8,332.2
2.1.1	Amounts paid and changes in technical provisions	-14,571.4	-8,508.9
2.1.2	Reinsurers' share	258.7	176.7
2.2	Fee and commission expense	-13.7	-6.3
2.3	Losses on investments in subsidiaries and associates and interests in joint ventures	-26.0	-2.1
2.4	Losses on other financial instruments and investment property	-617.6	-298.9
2.4.1	Interest expense	-97.7	-64.4
2.4.2	Other charges	-96.3	-68.1
2.4.3	Realised losses	-286.7	-39.6
2.4.4	Unrealised losses	-136.8	-126.7
2.5	Operating expenses	-2,645.9	-1,609.4
2.5.1	Commissions and other acquisition costs	-1,982.3	-1,173.5
2.5.2	Investment management expenses	-98.2	-23.9
2.5.3	Other administrative expenses	-565.5	-411.9
2.6	Other costs	-922.4	-866.0
<b>2</b>	<b>TOTAL COSTS AND EXPENSES</b>	<b>-18,538.1</b>	<b>-11,114.9</b>
	<b>PRE-TAX PROFIT (LOSS) FOR THE YEAR</b>	<b>1,134.3</b>	<b>665.5</b>
3	Income tax	-347.7	-278.5
	<b>POST-TAX PROFIT (LOSS) FOR THE YEAR</b>	<b>786.6</b>	<b>387.0</b>
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	-3.1	-1.4
	<b>CONSOLIDATED PROFIT (LOSS) FOR THE YEAR</b>	<b>783.4</b>	<b>385.6</b>
	attributable to the owners of the Parent	739.6	288.4
	attributable to non-controlling interests	43.8	97.2