

9M18 CONSOLIDATED RESULTS UNIPOL AND UNIPOLSAI



Bologna, 9 November 2018

PART 1

Consolidated
Results

PART 2

Insurance Business

- Non-Life
- Life

PART 3

Banking and NPE
Businesses

PART 4

Investments

PART 5


Solvency

PART 6

Appendix

THE BASES OF CONSOLIDATION OF UNIPOL AND UNIPOLSAI IN 9M18 WERE SLIGHTLY DIFFERENT COMPARED TO 9M17, NAMELY:

- POPOLARE VITA WAS PART OF UNIPOL AND UNIPOLSAI UNTIL 1Q18 ONLY
- UNISALUTE AND LINEAR, WHICH WERE DIRECTLY CONTROLLED BY UNIPOL IN 9M17, WERE INCLUDED IN UNIPOLSAI PERIMETER IN 9M18
- ARCA VITA, WHICH WAS DIRECTLY CONTROLLED BY UNIPOL UNTIL 1H18, WAS INCLUDED IN UNIPOLSAI PERIMETER STARTING FROM 3Q18.

The background of the slide is an artistic composition featuring a palette with various colored paints (blue, yellow, red, purple) and several paintbrushes. The scene is set on a white surface, possibly a piece of paper or canvas, with a dark blue brushstroke graphic overlaid on the center. The overall aesthetic is creative and professional.

PART 1

CONSOLIDATED RESULTS

CONSOLIDATED RESULTS


€m

UNIPOL

	9M17	9M18
Consolidated pre-tax result	-292	1,079
<i>Non-Life</i>	539	591
<i>Life</i>	288	583
<i>Banking</i>	-941	27
<i>Holding and other</i>	-178	-121
Consolidated net result	-229	843
Group net result	-377	639
	o/w € 309 m gain from Pop. Vita sale	
<i>Adj. consolidated net result ^a</i>	508	522

UNIPOLSAI

	9M17	9M18
Consolidated pre-tax result	601	1,087
<i>Non-Life</i>	369	575
<i>Life</i>	251	564
<i>Other</i>	-19	-52
Consolidated net result	430	862
Group net result	405	828
	o/w € 309 m gain from Pop. Vita sale	
<i>Adj. consolidated net result ^{a b}</i>	567	568

The background of the slide is an artistic composition featuring a palette with various colored paints (blue, yellow, red, purple) 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 on the center. The overall aesthetic is creative and professional.

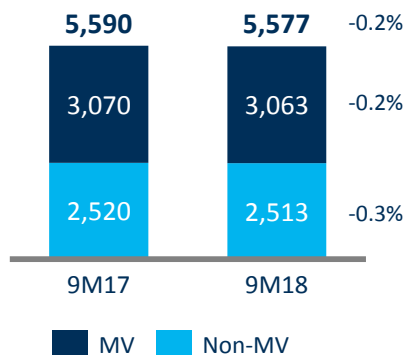
PART 2

NON-LIFE INSURANCE BUSINESS

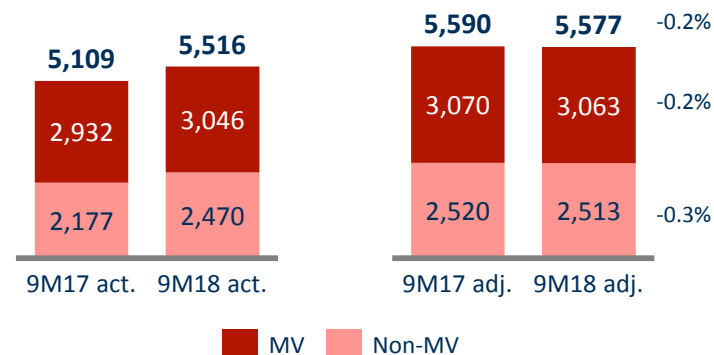
DIRECT PREMIUM INCOME

€m

UNIPOL



UNIPOLSAI



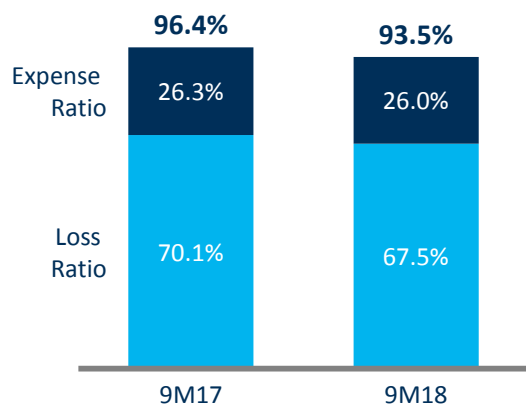
Premiums by company	9M17	9M18	var. %
UnipolSai S.p.A.	4,870	4,823	-1.0%
UniSalute	275	298	+8.4%
Linear	127	133	+4.8%
Arca Assicurazioni	79	87	+9.0%
Other companies	238	237	-0.8%
Total premium income	5,590	5,577	-0.2%

9M18 adj. premiums breakdown	
Motor Vehicles	55%
Accident and Health	16%
Property	14%
General TPL	8%
Other	7%

UnipolSai acquired UniSalute and Linear in 4Q17 and Arca in 3Q18.
Adjusted figures include UniSalute, Linear and Arca in both 9M17 and 9M18.
Operating figures

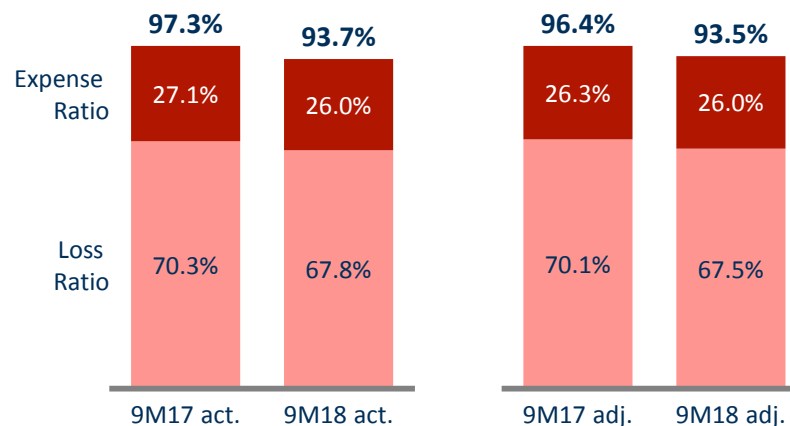
NON-LIFE COMBINED RATIO NET OF REINSURANCE

UNIPOL



Period	9M17	9M18
Combined ratio direct business	96.8%	94.5%

UNIPOLSAI



Period	9M17 act.	9M18 act.	9M17 adj.	9M18 adj.
Combined ratio direct business	97.9%	94.7%	96.8%	94.5%

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 behind the text.

PART 2

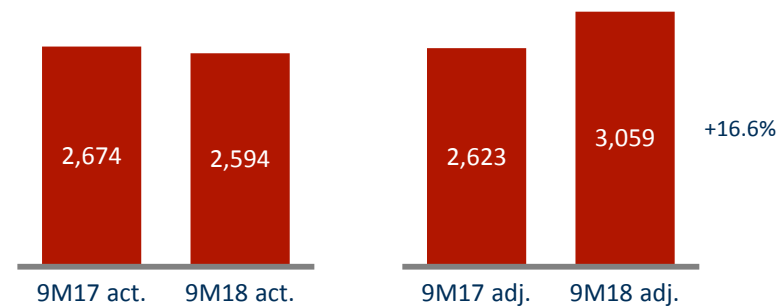
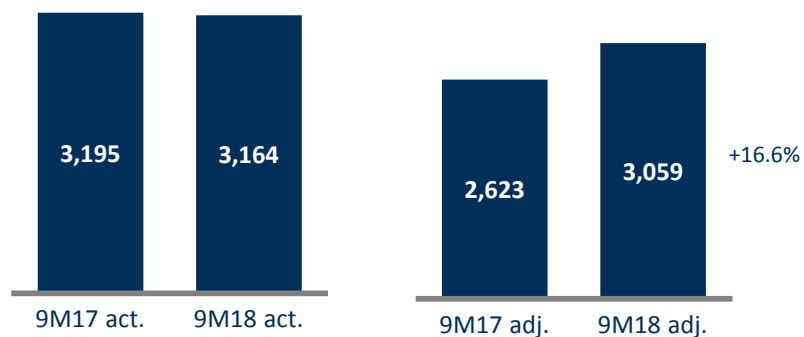
LIFE INSURANCE BUSINESS

DIRECT INCOME

€m

UNIPOL

UNIPOLSAI



Premiums by company	9M17	9M18	var. %
UnipolSai S.p.A.	2,029	2,180	+7.5%
Arca Vita + AVI	520	811	+55.9%
Other companies	73	67	-8.3%
Total premium income	2,623	3,059	+16.6%



9M18 adj. premiums breakdown	
Traditional	61%
Unit linked	13%
Pension funds	18%
Capitalization	9%

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 3

BANKING AND NPE BUSINESSES

BANKING BUSINESS KPIs

€m

	1Q18	9M18
Direct deposits	11,064	10,311
Indirect deposits	50,937	48,815
Net loans ^a	6,956	6,904
Unipol CET1 ratio (fully loaded)		30.5%

	9M17	9M17 adj.	9M18
Gross operating income	256	251 ^a	262
<i>o/w interest income</i>	155	155 ^a	150
<i>o/w non-interest income</i>	101	96 ^a	113
Pre-tax result	-941	4 ^b	27
Net result	-710	9 ^b	19

incl. € -10.9 m of contribution to the national banking funds ^c

NPEs	1Q18			9M18		
	net loans	gross loans	coverage ratio	net loans	gross loans	coverage ratio
Bad loans (<i>Sofferenze</i>)	26	116	77%	25	96	74%
Unlikely to pay	392	710	45%	345	640	46%
Past due	75	89	16%	56	70	20%
Total NPEs	494	915	46%	426	806	47%

The “Banking Business” is comprised of Unipol Banca and Finitalia – Operating figures.
For a more useful comparison the 9M18 balance sheet figures have been compared with the 1Q18 figures following the spin-off of UnipolReC.

^a Like-for-like figures.

^b Excluding the impact of the restructuring of the banking business.

^c FNR (Fondo Nazionale di Risoluzione) and FITD (Fondo Interbancario di Tutela Depositi)

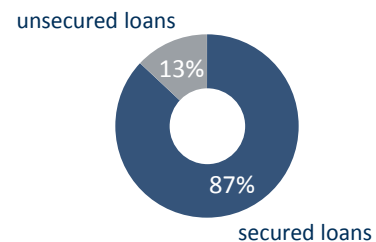
NPE BUSINESS – UNIPOL REC

€m

NPEs TREND	1 Feb 18 ^a			9M18		
	net loans	gross loans	coverage ratio	net loans	gross loans	coverage ratio
Bad loans (<i>Sofferenze</i>)	553	2,900	81%	498	2,651	81%
Unlikely to pay	0	0		0	0	
Past due	0	0		0	0	
Total NPEs	553	2,900	81%	498	2,651	81%

NPEs highlights (1 Feb – 30 Sept)	Collections /GBV
Bad loans (GBV reduction)	250
Collections	79 32%

Collections breakdown



The background of the slide is an artistic composition featuring a palette with various colored paints (red, orange, blue, yellow) and several paintbrushes. The scene is set on a surface covered with a colorful, abstract pattern of paint strokes in shades of blue, purple, and yellow. A dark blue, brush-stroke-like shape is overlaid on the center of the image, containing the text.

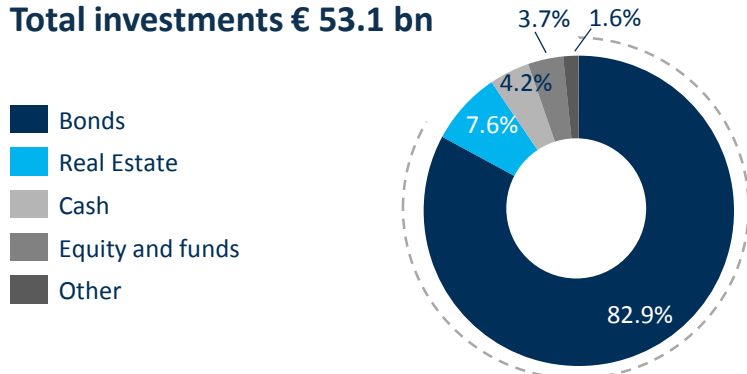
PART 4

INVESTMENTS

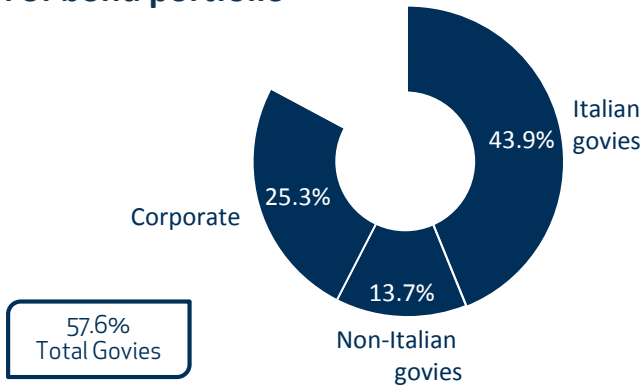
ASSET ALLOCATION

UNIPOL

Total investments € 53.1 bn

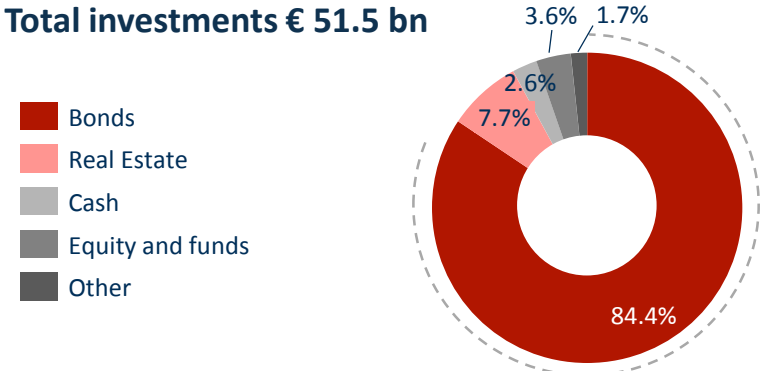


Breakdown of bond portfolio

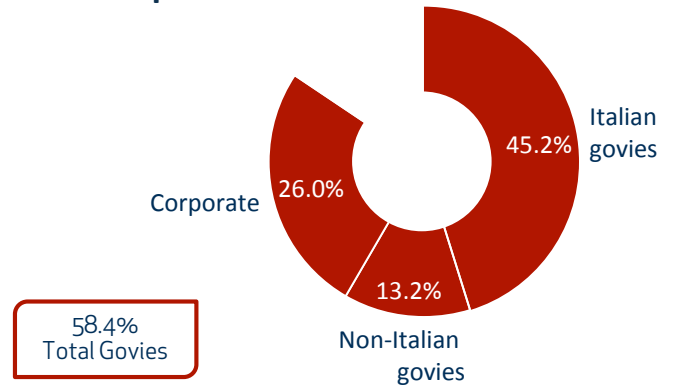


UNIPOLSAI

Total investments € 51.5 bn



Breakdown of bond portfolio



FINANCIAL INVESTMENT YIELDS

UNIPOL

	9M18 act.					
	Non-Life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Coupons and dividends	320	3.4%	903	3.4%	1,227	3.3%
Realized and unrealized gains/losses	49	0.5%	159	0.6%	209	0.6%
Total	369	3.9%	1,063	4.0%	1,436	3.9%

	9M18 adj.					
	Non-Life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Total	369	3.9%	1,020	4.1%	1,393	3.9%

UNIPOLSAI

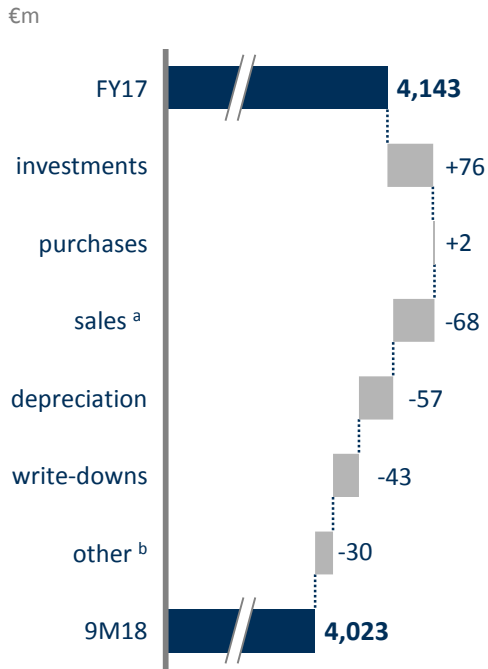
	9M18 act.					
	Non-Life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Coupons and dividends	316	3.4%	797	3.5%	1,113	3.4%
Realized and unrealized gains/losses	49	0.5%	157	0.7%	206	0.6%
Total	365	3.9%	954	4.2%	1,319	4.1%

	9M18 adj.					
	Non-Life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Total	369	3.9%	1,020	4.1%	1,389	4.0%

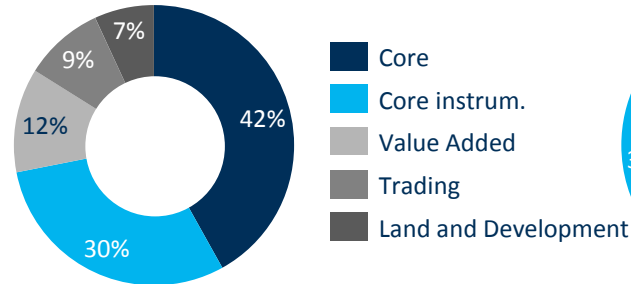
REAL ESTATE

UNIPOL – Tot. portfolio € 4.0 bn

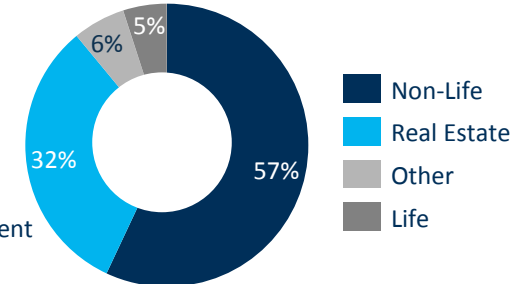
Development of RE portfolio



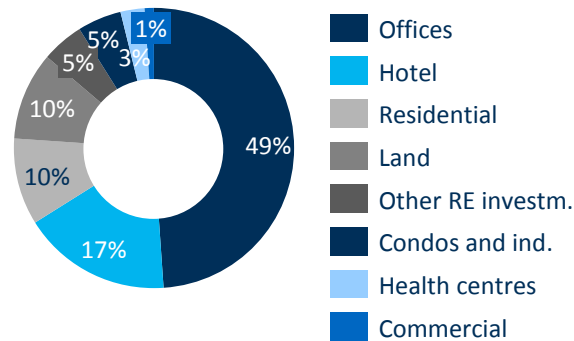
Breakdown by cluster



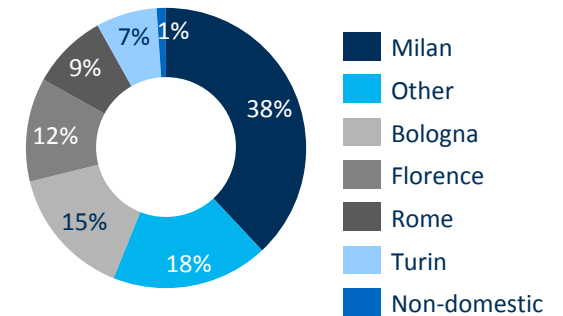
Breakdown by sector



Breakdown by use



Breakdown by area



Breakdown by ownership



^a No. 100 deeds as at 30 September 2018.

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

The background of the slide is a photograph of art supplies. On the left, there are several jars of paint in various colors. In the center, a white sheet of paper is partially visible, with several colored pencils (orange, red, blue) lying on it. The foreground is dominated by a large, textured blue brushstroke that serves as a backdrop for the title text. The overall scene is artistic and creative.

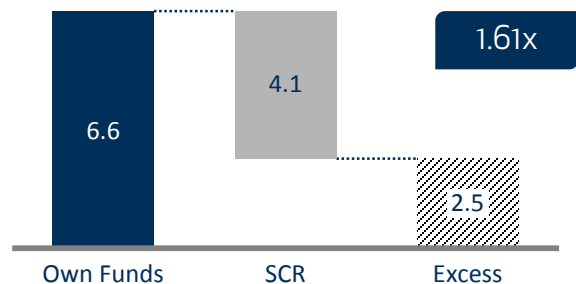
PART 5

SOLVENCY

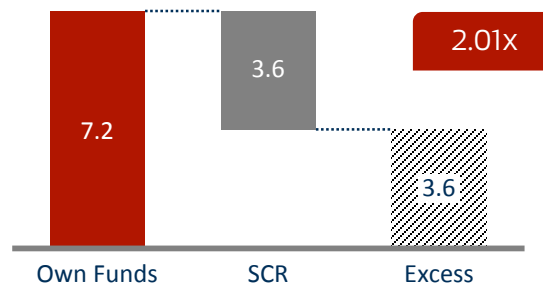
SOLVENCY

€bn

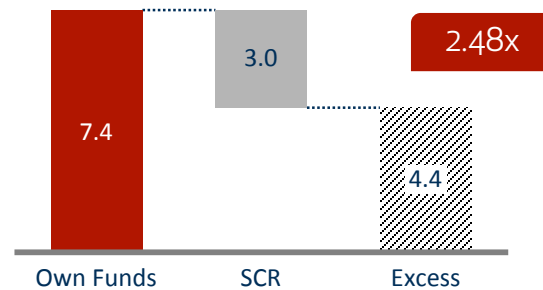
UNIPOL (consolidated) PARTIAL INTERNAL MODEL



UNIPOLSAI (consolidated) ECONOMIC CAPITAL



UNIPOLSAI (solo) PARTIAL INTERNAL MODEL

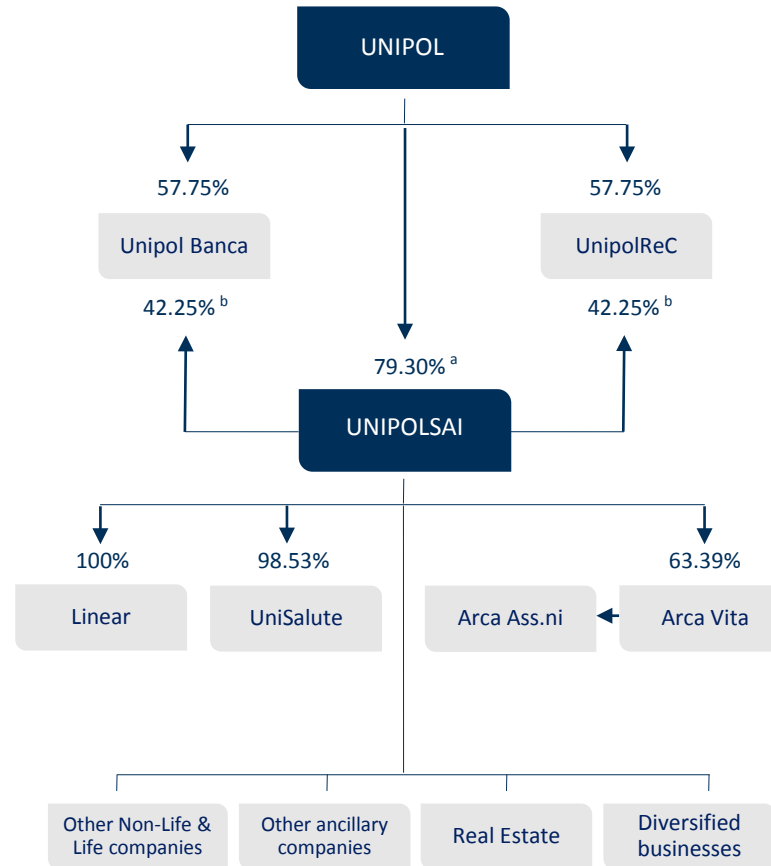


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PART 6

APPENDIX

GROUP STRUCTURE



^a Stake as at 9 July 2018. Including the shares held by Unipol Finance, Unipol Investment and UnipolPart I.

^b O/w 27.49% is the subject of a put option granted by Unipol to UnipolSai and of a call option granted by UnipolSai to Unipol

KEY PERFORMANCE INDICATORS

€m

UNIPOL

	9M17 act.	9M18 act.
Consolidated net result	-229	843
Group net result	-377	639
Premium income (direct business)	8,785	8,740
<i>o/w Non-Life</i>	5,590	5,577
<i>o/w Life</i>	3,195	3,164
Combined Ratio net of reins.	96.4%	93.5%
	FY17 act.	9M18 act.
Total equity	7,453	6,677
Shareholders' equity	5,486	5,381

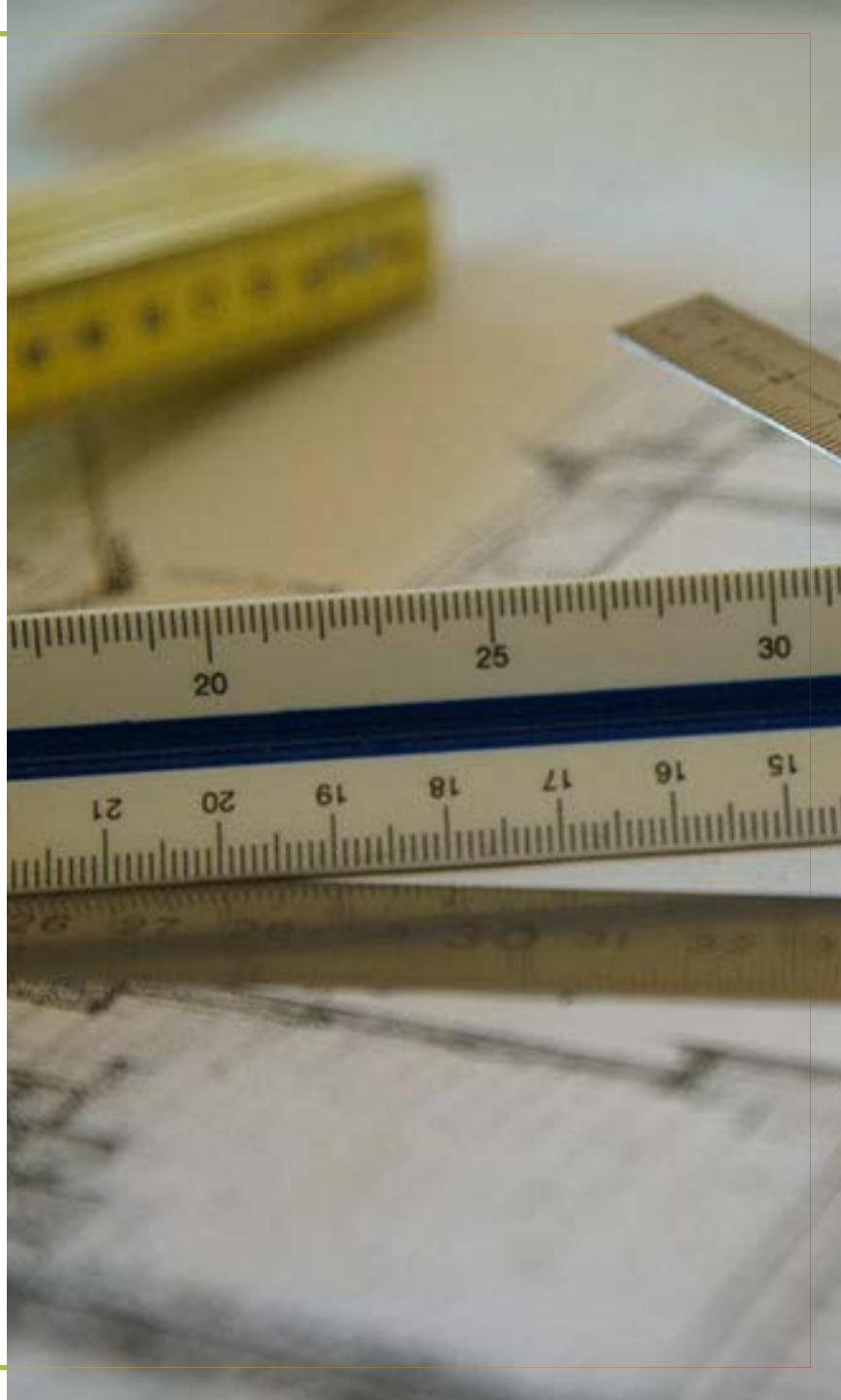
UNIPOLSAI

	9M17 act.	9M18 act.
Consolidated net result	430	862
Group net result	405	828
Premium income (direct business)	7,783	8,109
<i>o/w Non-Life</i>	5,109	5,516
<i>o/w Life</i>	2,674	2,594
Combined Ratio net of reins.	97.3%	93.7%
	FY17 act.	9M18 act.
Total equity	6,194	5,745
Shareholders' equity	5,869	5,505

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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