

Bologna, 6 November 2015

UNIPOLSAI: RESULTS FOR THE FIRST NINE MONTHS OF 2015 APPROVED

- **Consolidated net profit of €602m (+1.6% compared to the first nine months of 2014)**
- **Direct insurance income of €10,163m (-10.9%¹ compared to 30 September 2014, net of the sale of the business unit to Allianz):**
 - ✓ **Non-Life business: premium income of €5,252m (-5.8% net of the sale of the business unit to Allianz)**
 - ✓ **Life business: income of €4,911m (-15.7%)**
- **Combined ratio at 95.7%²**
- **Solvency margin equal to 181%³**

The Board of Directors of UnipolSai Assicurazioni S.p.A., which met yesterday under the chairmanship of Fabio Cerchiai, approved the consolidated accounts as at 30 September 2015.

UnipolSai closed the first nine months of 2015 with a **consolidated net profit** of €602m, an increase compared to €593m in the same period of 2014 (+1.6%), which benefitted from capital gains resulting from the completion of the first phase of the partial sale of the Milano Assicurazioni portfolio to Allianz.

Direct insurance income gross of outwards reinsurance amounted to €10,163m in the first nine months of the year (-14.4% compared to the same period of 2014) and was impacted by the effects of the sale of the business unit to Allianz: net of the effects of such transaction, the decrease in income would have been equal to 10.9%¹.

The pre-tax result of the insurance business amounted to €954m (€963m in the first nine months of 2014). Non-Life business contributed to this result with €653m (€773m in the first nine months of 2014), while Life business contributed with €301m (€190m in the first nine months of 2014).

Non-Life Business

Premium income in the first nine months of 2015 was impacted by the effects of the sale of the business unit comprising the former Milano Assicurazioni agencies to Allianz with the relative transfer of the related portfolio.

This effect will be prolonged throughout the year. Moreover, premium income continued to be influenced by strong competition, particularly in vehicle liability insurance.

¹ Estimated management figure

² Combined ratio of direct business

³ The values considered include the effect of the convertible loan issued in April 2014, of which the mandatory conversion into ordinary shares of UnipolSai shall take place by 31/12/2015

In this context, **Non-Life direct premium income** stood at €5,252m (-13.2% compared to the first nine months of 2014, or -5.8% on a comparable basis net of the sale of the business unit to Allianz¹), of which €3,169m (-16.4%, -7.7% on a comparable basis¹) from MV business and €2,083m (-7.9%, -2.6% on a comparable basis¹) from Non-MV business.

In vehicle liability insurance, premium income improved compared to the first half of 2015 thanks to the initiatives launched in the second half of the year aimed at making the offer more competitive in terms of both new acquisitions and renewals. With regard to the trend in claims, technical indicators remain positive in vehicle liability insurance due to the constant monitoring of average costs and the continuation of a decreasing trend in frequency, which, although slowing down, is reflected in the additional reduction of the number of claims. In Non-MV business, the loss ratio improved after a first quarter impacted by extensive material damage due to an adverse climatic event that affected Tuscany in March.

In this context, a **combined ratio** of 95.7%² (95.7% net of reinsurance⁴) was recorded in the first nine months of the year, compared to 94.4% in the same period of 2014. The **loss ratio** (direct business) was particularly influenced by the extraordinary climatic event that occurred in Tuscany, with an impact of 1.2 percentage points, standing at 67.4% compared to 67.3% recorded in the first nine months of 2014. The **expense ratio** (direct business) was equal to 28.3%, compared to 27.1% in the first nine months of 2014 and was impacted by the effect of the drop in premiums and the shift in the production mix.

The **pre-tax result** of the business was a profit of €653m compared to €773m in the first nine months of 2014.

Life Business

In **Life** business, a market environment characterised by low interest rates continued to favour higher quality production and financial risk containment also in terms of Solvency II. **Direct income** amounting to €4,911m was recorded in the first nine months of the year, a decrease of 15.7% due to comparison with the very strong performance recorded in the same period of 2014, especially in the bancassurance channel.

UnipolSai S.p.A. recorded an income in direct business of €2,363m (-8.5%). A more significant decline was recorded by the Popolare Vita Group, which with €2,404m saw a decrease of 22.6% compared, however, to a growth of 66.4% recorded in the first nine months of 2014.

The **pre-tax result** of the business, which benefitted from particularly high financial profitability, was a profit of €301m compared to €190m recorded in the same period of 2014.

Real Estate Business

In real estate business, which remains impacted by difficult market conditions, operations were focused on the restoration and development of properties in portfolio.

⁴ Indicator calculated on earned premiums after reinsurance

The **pre-tax result of the business** as at 30 September 2015 was a loss of €90m (-€34m as at 30 September 2014). This result was influenced by gross write-downs amounting to €69m carried out in the first half of 2015.

Other Business

The commercial development of diversified companies continued during the period under consideration. Such activities, together with the restructuring initiatives implemented in previous years and still in progress, led to results that show gradual improvement.

In particular, it should be noted that as at 30 September 2015, the hotel business of Atahotels recorded a positive net income of €4m (-€3m as at 30 September 2014), also due to the performance of facilities in the Milan area involved in the Expo Milano 2015 event. With regard to the proposed acquisition of the hotel management business “UNA” and the relative real estate portfolio for hotel use, certain operational processes necessary for the completion of the acquisition are still pending.

The **pre-tax result** of the business was a loss of €6m (a profit of €20m as at 30 September 2014, which referred to a different scope in relation to the companies of the banking business today incorporated in Unipol Banca).

Financial Management

The profitability of the Group’s securities portfolio, despite aiming to preserve the risk/return profile of the assets and consistency between the assets and liabilities underwritten with policyholders, achieved a significant yield in the period under consideration, equal to approximately 5.2% of invested assets. The substantial capital gains recorded during the first half of 2015 due to the disposal of securities in the context of portfolio restructuring also partially contributed to this result.

Balance Sheet

Consolidated **shareholders’ equity** as at 30 September 2015 amounted to €6,366m (compared to €6,635m as at 31 December 2014) of which €6,034 attributable to the Group. The total AFS reserve amounted to €815m (€1,204m as at 31 December 2014), which decreased mainly due to the increase of spreads on corporate/financial bonds.

The consolidated **solvency margin** as at 30 September 2015 amounted to 181%³ of the required capital, an improvement compared to 166% as at the end of 2014.

Business Outlook

The Company is currently completing the integration activities defined in the 2013-2015 Business Plan and has begun defining strategic guidelines to support the preparation of the new Business Plan for the years 2016-2018.

Corporate Governance

Further to previous disclosure to the market in this regard, it should be noted that in the aforementioned meeting held yesterday, the Board of Directors of UnipolSai definitively approved, to the extent of its competence, the plan for the merger by incorporation of Liguria – Società di Assicurazioni – S.p.A. (“Liguria”) and Liguria Vita S.p.A. (the “Merger Plan” and the “Merger”) into the Company.

The Extraordinary Shareholders’ Meeting of Liguria has been called to approve the Merger Plan on 18 November; the Extraordinary Shareholders’ Meeting of Liguria Vita is scheduled for the same date. In particular, it should be noted that pursuant to Article 2505-*bis*, Paragraph 1 of the Italian Civil Code, shareholders of Liguria other than UnipolSai are entitled to have their shares purchased by the incorporating company UnipolSai, under the terms and conditions of the Merger Plan, deposited at the relevant companies’ registers of the companies involved in the Merger and published on the website of UnipolSai, together with all additional documentation regarding such Merger.

Results Conference Call

At 12:00 pm today, a conference call is scheduled during which financial analysts and institutional investors may submit questions to the Chief Executive Officer and top management with regard to the results as at 30 September 2015. The phone numbers to dial to attend the event are: +39/02/8020911 (from Italy and other countries), +1/718/7058796 (from the U.S.), +44/121/2818004 (from the UK).

The Interim Financial Report as at 30 September 2015 will be made available, in accordance with law, at the registered office, on the Company’s website at www.unipolsai.com and on the website of Borsa Italiana www.borsaitaliana.it.

Please find attached hereto the Consolidated Balance Sheet, the Consolidated Income Statement, the Condensed Consolidated Income Statement Broken Down by Business Segment and the Balance Sheet Broken Down by Business Segment.

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 Finance, that the accounting information contained in this press release 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 calculated on written premiums

LOSS RATIO: ratio of Non-Life claims and premiums calculated on earned premiums

AFS RESERVE: reserve on assets classified as "Available-for-sale"

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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 approximately €16bn, of which €8.4bn in Non-Life Business and €7.6bn in Life business (2014 figures).

The company currently operates through 5 divisions (Unipol, La Fondiaria, Sai, Nuova MAA and La Previdente) and has the largest agency network in Italy, with over 3,800 insurance agencies and 7,300 sub-agencies spread across the country.

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

Consolidated Balance Sheet – Assets

Amounts in €m

		30/9/2015	31/12/2014
1	INTANGIBLE ASSETS	752	805
1.1	Goodwill	307	307
1.2	Other intangible assets	446	498
2	PROPERTY, PLANT AND EQUIPMENT	1,171	1,196
2.1	Property	1,067	1,072
2.2	Other items of property, plant and equipment	105	124
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	908	960
4	INVESTMENTS	60,850	61,122
4.1	Investment property	2,711	2,824
4.2	Investments in subsidiaries and associates and interests in joint ventures	527	608
4.3	Held-to-maturity investments	1,161	1,420
4.4	Loans and receivables	5,300	5,169
4.5	Available-for-sale financial assets	42,241	42,114
4.6	Financial assets at fair value through profit or loss	8,911	8,986
5	SUNDRY RECEIVABLES	2,523	3,395
5.1	Receivables relating to direct insurance business	1,066	1,631
5.2	Receivables relating to reinsurance business	67	90
5.3	Other receivables	1,390	1,675
6	OTHER ASSETS	783	814
6.1	Non-current assets held for sale or disposal groups	55	24
6.2	Deferred acquisition costs	82	76
6.3	Deferred tax assets	185	222
6.4	Current tax assets	48	98
6.5	Other assets	413	396
7	CASH AND CASH EQUIVALENTS	997	684
	TOTAL ASSETS	67,986	68,976

Consolidated Balance Sheet – Equity and Liabilities

Amounts in €m

		30/9/2015	31/12/2014
1	EQUITY	6,366	6,635
1.1	attributable to the owners of the Parent	6,034	6,295
1.1.1	Share capital	1,996	1,996
1.1.2	Other equity instruments	101	110
1.1.3	Equity-related reserves	248	248
1.1.4	Income-related and other reserves	2,336	2,063
1.1.5	(Treasury shares)	-50	-50
1.1.6	Translation reserve	4	4
1.1.7	Gains or losses on available-for-sale financial assets	784	1,169
1.1.8	Other gains or losses recognised directly in equity	36	15
1.1.9	Profit (loss) for the year attributable to the owners of the Parent	579	740
1.2	attributable to non-controlling interests	332	340
1.2.1	Share capital and reserves attributable to non-controlling interests	277	261
1.2.2	Gains or losses recognised directly in equity	31	34
1.2.3	Profit (loss) for the year attributable to non-controlling interests	24	44
2	PROVISIONS	547	620
3	TECHNICAL PROVISIONS	55,734	56,228
4	FINANCIAL LIABILITIES	3,582	3,813
4.1	Financial liabilities at fair value through profit or loss	1,263	1,365
4.2	Other financial liabilities	2,319	2,447
5	PAYABLES	938	819
5.1	Payables arising from direct insurance business	187	144
5.2	Payables arising from reinsurance business	138	41
5.3	Other payables	613	634
6	OTHER LIABILITIES	818	862
6.1	Liabilities associated with disposal groups held for sale	47	3
6.2	Deferred tax liabilities	58	86
6.3	Current tax liabilities	30	16
6.4	Other liabilities	683	757
	TOTAL EQUITY AND LIABILITIES	67,986	68,976

Consolidated Income Statement

Amounts in €m

		30/9/2015	30/9/2014
1.1	Net premiums	9,818	12,129
1.1.1	Gross premiums	10,162	12,440
1.1.2	Ceded premiums	-344	-311
1.2	Fee and commission income	7	12
1.3	Gains and losses on financial instruments at fair value through profit or loss	223	152
1.4	Gains on investments in subsidiaries and associates and interests in joint	17	2
1.5	Gains on other financial instruments and investment property	1,864	2,157
1.5.1	Interest income	1,108	1,186
1.5.2	Other gains	145	153
1.5.3	Realised gains	579	661
1.5.4	Unrealised gains	32	157
1.6	Other revenue	343	474
1	TOTAL REVENUE AND INCOME	12,271	14,927
2.1	Net charges relating to claims	-8,714	-10,974
2.1.1	Amounts paid and changes in technical provisions	-8,862	-11,113
2.1.2	Reinsurers' share	148	139
2.2	Fee and commission expense	-7	-10
2.3	Losses on investments in subsidiaries and associates and interests in joint	-7	-9
2.4	Losses on other financial instruments and investment property	-430	-492
2.4.1	Interest expense	-68	-75
2.4.2	Other charges	-36	-77
2.4.3	Realised losses	-167	-228
2.4.4	Unrealised losses	-159	-112
2.5	Operating expenses	-1,770	-1,910
2.5.1	Commissions and other acquisition costs	-1,298	-1,426
2.5.2	Investment management expenses	-82	-66
2.5.3	Other administrative expenses	-390	-418
2.6	Other costs	-484	-582
2	TOTAL COSTS AND EXPENSES	-11,413	-13,978
	PRE-TAX PROFIT (LOSS) FOR THE YEAR	858	949
3	Income tax	-256	-355
	POST-TAX PROFIT (LOSS) FOR THE YEAR	602	594
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	0	-1
	CONSOLIDATED PROFIT (LOSS) FOR THE YEAR	602	593
	attributable to the owners of the Parent	579	559
	attributable to non-controlling interests	24	34

Condensed Consolidated Income Statement by Business Segment

Amounts in €m

	Non-Life Business			Life Business			Insurance Business			Other Businesses			Real Estate Business (*)			Intersegment Elimination			Consolidated Total		
	Sep-15	Sep-14	var.%	Sep-15	Sep-14	var.%	Sep-15	Sep-14	var.%	Sep-15	Sep-14	var.%	Sep-15	Sep-14	var.%	Sep-15	Sep-14	var.%	Sep-15	Sep-14	var.%
Net premiums	5,252	6,344	-17.2	4,565	5,785	-21.1	9,818	12,129	-19.1										9,818	12,129	-19.1
Net fees and commissions										10	-100.2			-9	-100.0				0	2	-114.6
Financial income/expense (excl. assets/ liabilities at fair value)	552	442	24.9	1,163	1,018	14.2	1,715	1,460	17.5	1	44	-98.3	-47	-11	n.s.	-24	-45	47.8	1,645	1,448	13.6
<i>Net interest</i>	254	291		792	810		1,046	1,100		1	44		-1	-1			-26		1,045	1,117	
<i>Other income and expenses</i>	61	47		61	-10		123	37					30	31		-24	-19		129	49	
<i>Realised gains and losses</i>	255	162		279	185		534	347		8			-1	-1					533	354	
<i>Unrealised gains and losses</i>	-18	-58		31	34		13	-24		-8			-74	-40					-62	-72	
Net charges relating to claims	-3,543	-4,319	-18.0	-5,150	-6,293	-18.2	-8,693	-10,611	-18.1										-8,693	-10,611	-18.1
Operating expenses	-1,446	-1,603	-9.8	-247	-276	-10.5	-1,693	-1,879	-9.9	-70	-58	20.9	-23	-11	105.2	17	39	-56.5	-1,770	-1,910	-7.3
<i>Commissions and other acquisition costs</i>	-1,161	-1,283	-9.5	-136	-167	-18.3	-1,298	-1,450	-10.5								24	-100.0	-1,298	-1,426	-9.0
<i>Other expenses</i>	-284	-320	-11.3	-111	-109	1.3	-395	-430	-8.1	-70	-58	20.9	-23	-11	105.2	17	15	10.4	-472	-484	-2.5
Other income / expense	-163	-91	-79.7	-30	-44	32.7	-193	-135	-42.8	64	24	171.0	-19	-12	-62.0	7	16	-56.5	-142	-108	-31.2
Pre-tax profit (loss)	653	773	-15.6	301	190	58.1	954	964	-1.1	-6	20	-127.8	-90	-34	-161.5	0	0	n.s.	858	949	-9.6
Income tax	-197	-280	-29.4	-83	-66	25.4	-281	-346	-18.9	1	-11	-110.9	24	2	n.s.				-256	-355	-28.1
Profit (loss) on discontinued operations											-1	n.s.							0	-1	n.s.
Consolidated profit (loss) for the period	455	494	-7.8	218	124	75.6	673	618	9.0	-4	8	-155.3	-66	-33	-101.8	0	0	n.s.	602	593	1.6
<i>Profit (loss) attributable to the owners of the Parent</i>																			579	559	
<i>Profit (loss) attributable to non-controlling interests</i>																			24	34	

(*) the Real Estate Business only includes real estate companies controlled by UnipolSai

Balance Sheet by Business Segment

Amounts in €m

	Non-Life Business		Life Business		Other Businesses		Real Estate Business		Intersegment Elimination		Total			
	30/9/15	31/12/14	30/9/15	31/12/14	30/9/15	31/12/14	30/9/15	31/12/14	30/9/15	31/12/14	30/9/15	31/12/14		
1	INTANGIBLE ASSETS		457	479	288	315	7	11		1		752	805	
2	TANGIBLE ASSETS		612	649	6	6	146	163	408	378		1,171	1,196	
3	TECHNICAL PROVISIONS - REINSURERS' SHARE		824	856	84	104						908	960	
4	INVESTMENTS		16,326	17,100	43,259	42,662	213	282	1,241	1,383	-188	-304	60,850	61,122
4.1	Investment property		1,496	1,493	10	10	45	45	1,160	1,276			2,711	2,824
4.2	Investments in subsidiaries, associates and joint ventures		362	354	157	241			8	13			527	608
4.3	Held-to-maturity investments		399	639	762	781							1,161	1,420
4.4	Loans and receivables		2,092	2,073	3,190	3,128	167	236	39	36	-188	-304	5,300	5,169
4.5	Available-for-sale financial assets		11,761	12,409	30,444	29,646	1	1	34	57			42,241	42,114
4.6	Financial assets at fair value through profit or loss		216	131	8,695	8,856							8,911	8,986
5	SUNDRY RECEIVABLES		2,065	2,744	443	682	88	75	59	37	-132	-142	2,523	3,395
6	OTHER ASSETS		730	699	118	190	30	37	41	25	-135	-137	783	814
6.1	Deferred acquisition costs		34	27	48	48							82	76
6.2	Other assets		696	671	70	142	30	37	41	25	-135	-137	701	738
7	CASH AND CASH EQUIVALENTS		446	181	332	319	93	73	128	111			997	684
	TOTAL ASSETS		21,459	22,708	44,529	44,277	576	641	1,876	1,934	-455	-583	67,986	68,976
1	EQUITY												6,366	6,635
2	PROVISIONS		479	556	28	24	22	17	18	22			547	620
3	TECHNICAL PROVISIONS		16,098	16,866	39,637	39,362							55,734	56,228
4	FINANCIAL LIABILITIES		1,517	1,819	1,965	1,956	43	94	163	164	-106	-220	3,582	3,813
4.1	Financial liabilities at fair value through profit or loss		47	184	1,213	1,178			3	3			1,263	1,365
4.2	Other financial liabilities		1,471	1,635	751	778	43	94	160	161	-106	-220	2,319	2,447
5	PAYABLES		825	753	170	154	101	79	56	55	-213	-222	938	819
6	OTHER LIABILITIES		681	722	237	257	19	22	17	2	-135	-140	818	862
	TOTAL EQUITY AND LIABILITIES												67,986	68,976