

Unipol Group

Presentation of consolidated results as at 30 June 2013



Carlo Cimbri - CEO

Bologna, 8 August 2013



CONTEXT

The process of valuation of assets acquired and liabilities assumed as part of the business combination connected to the acquisition of Premafin / Fondiaria-SAI was completed within the period required by IFRS 3 during the month of July 2012.

More precisely, the fair value of intangible assets referred to the acquired Life and Non-Life businesses was defined in comparison with 31/12/2012:

NON LIFE, we proceeded to the valuation of intangibles attributable to former Premafin customers acquired on 1 July 2012 (*customer relationship*). At the acquisition date, the fair value amounted to **502.2€m**. The related amortization schedule was determined for each sector and for each company on the basis of the premium run-off curve obtained by the likelihood of renewals assumed for the projections, considering a time span of 10 years;

LIFE, we proceeded to define the value for the portfolio of policies in force at the date of acquisition (current value of future profits generated from contracts in force at the time of valuation). At the acquisition date, the fair value amounted to **296.7€m**. The related amortization schedule was determined on the basis of projected future profits for a period of 15 years. In particular, each annual depreciation charge was set equal to the value of expected profit during the year, compared to the value of the sum of expected profits for the entire simulation period.

In particular, in the consolidated income statement as at 31/12/2012, the item “Other Costs” was adjusted by € 89.6m, the amount of the amortization of intangible assets related to the Non-Life business (€ 61.3m) and the Life business (€ 28.3m). After tax, the consolidated result at 31/12/2012 went from € 469.3m to **426.2€m**.

The valuation of intangible assets related to the acquired Life and Non-Life business had no effect on solvency at 31/12/2012.

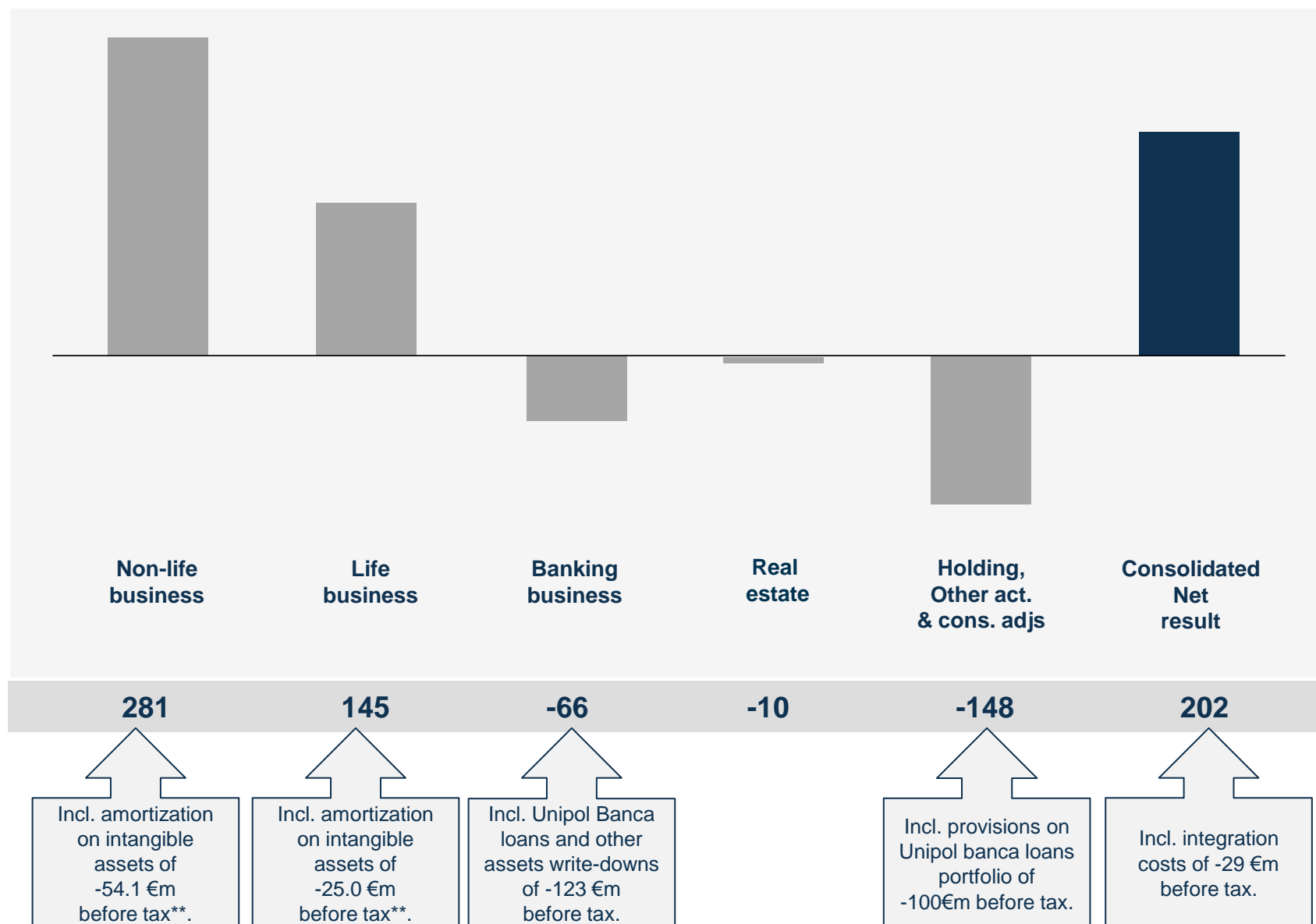
In the consolidated income statement at 30/06/2013, the amortization of these intangible assets amounted to **79.1€m (54.1€m** with regard to the Non-Life business and **25.0€m** with regard to Life business).

Agenda

- **Consolidated results**
 - Insurance business
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- key consolidated results

UNIPOL GROUP: CONSOLIDATED RESULT BY SEGMENT 1H13*

€m

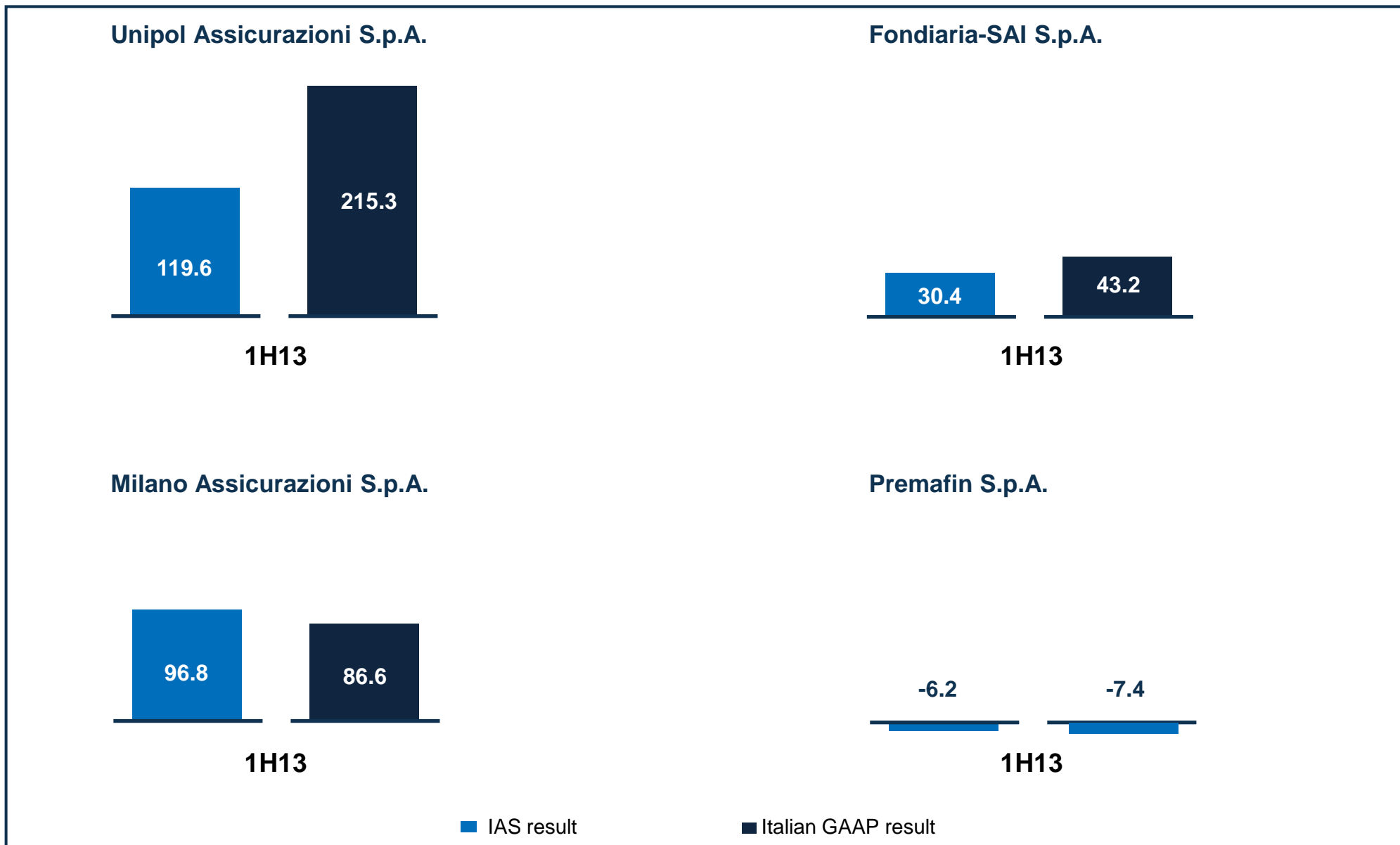


* net of tax and before minorities results

** related to the Premafin/Fondiarria-SAI Group acquisition (see description at page 2).

UNIPOLSAI: NET RESULTS OF COMPANIES INVOLVED IN THE MERGER

€m

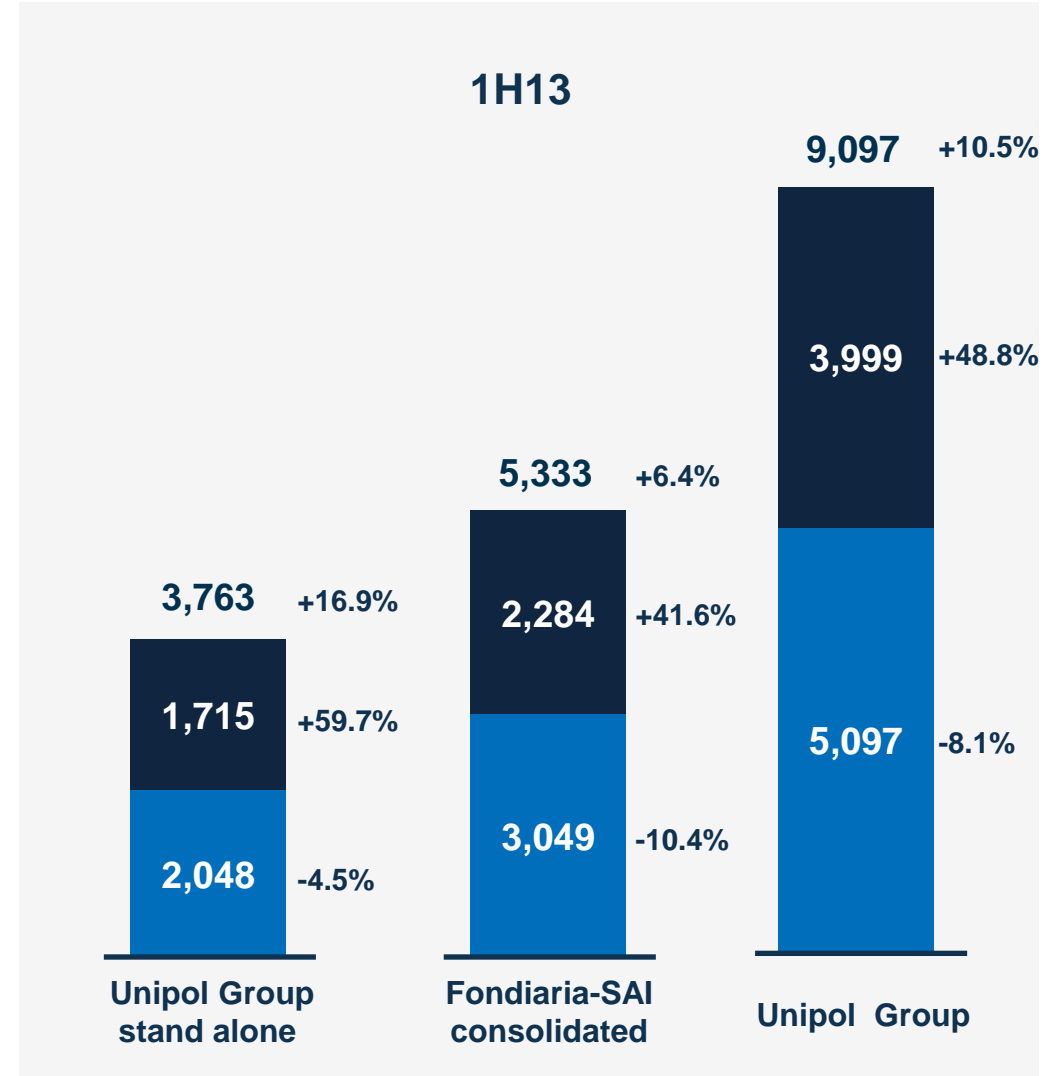
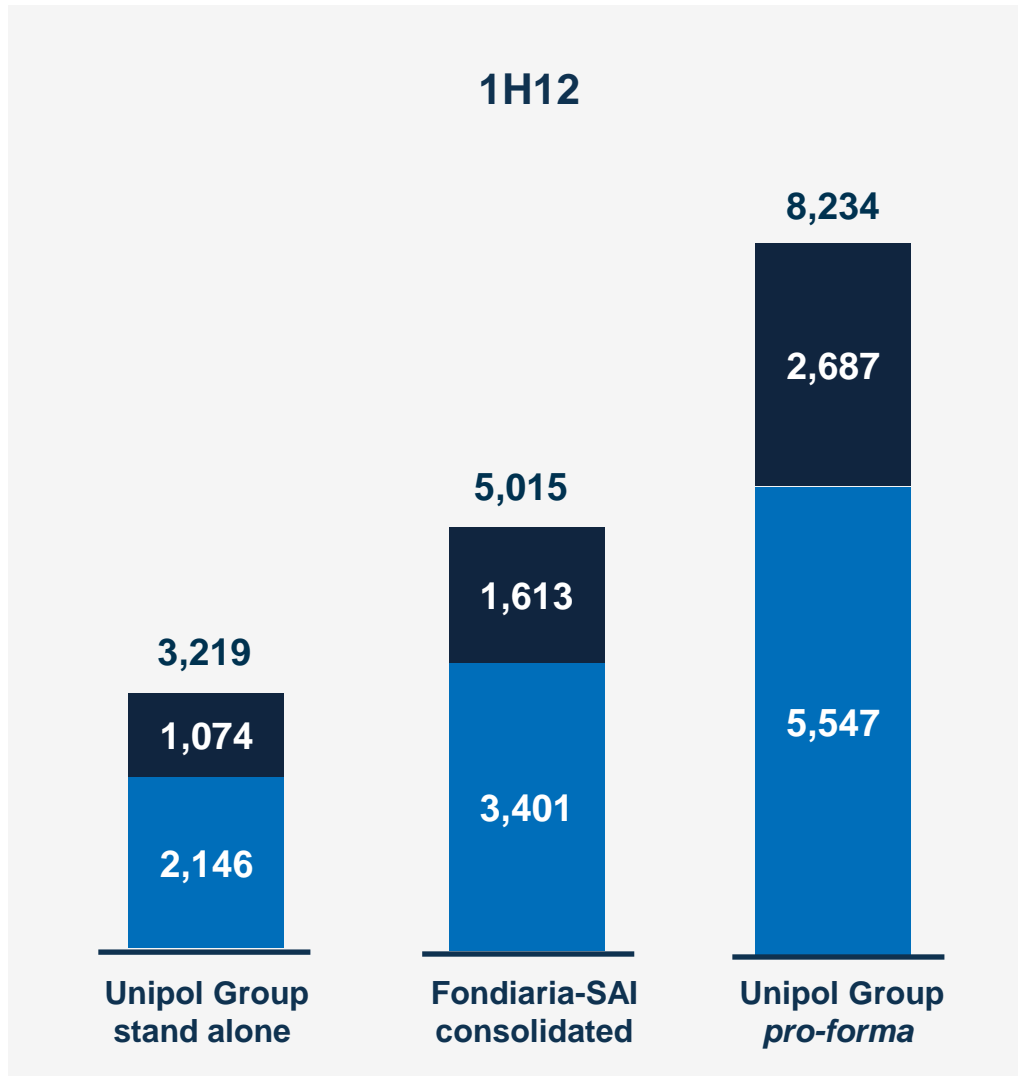


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DIRECT INSURANCE INCOME

€m



■ Life premiums

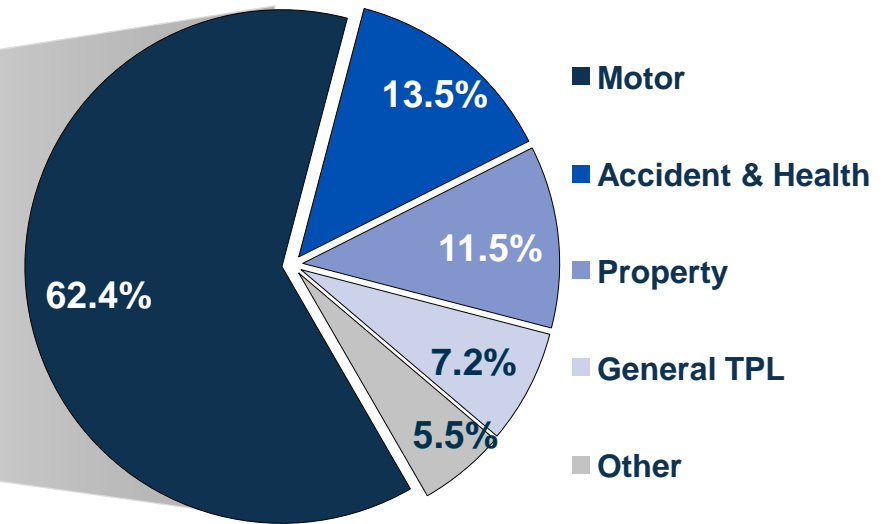
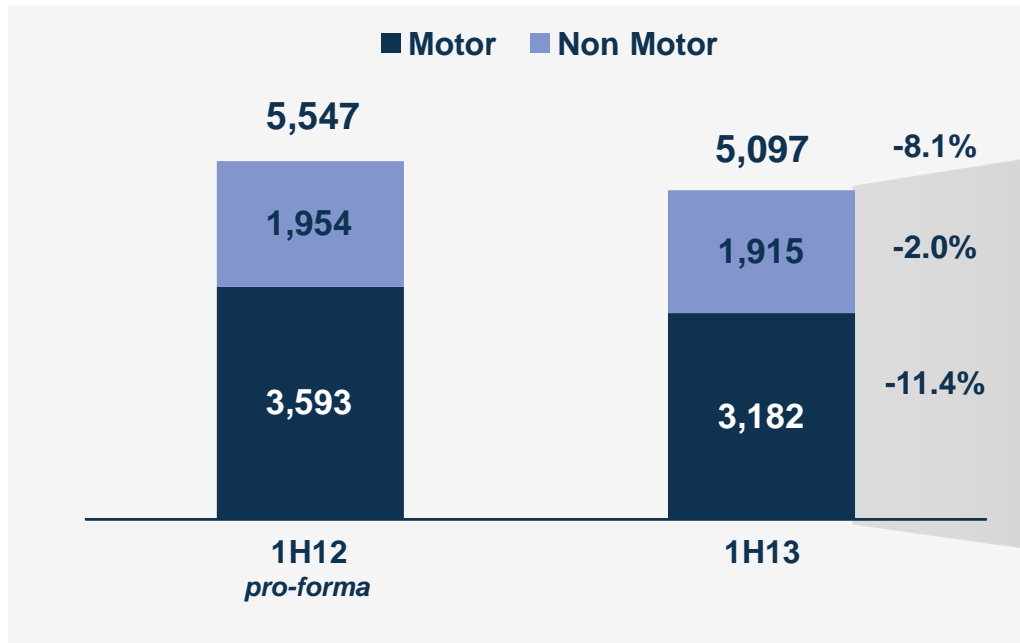
■ Non-life premiums

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NON-LIFE – DIRECT PREMIUM INCOME

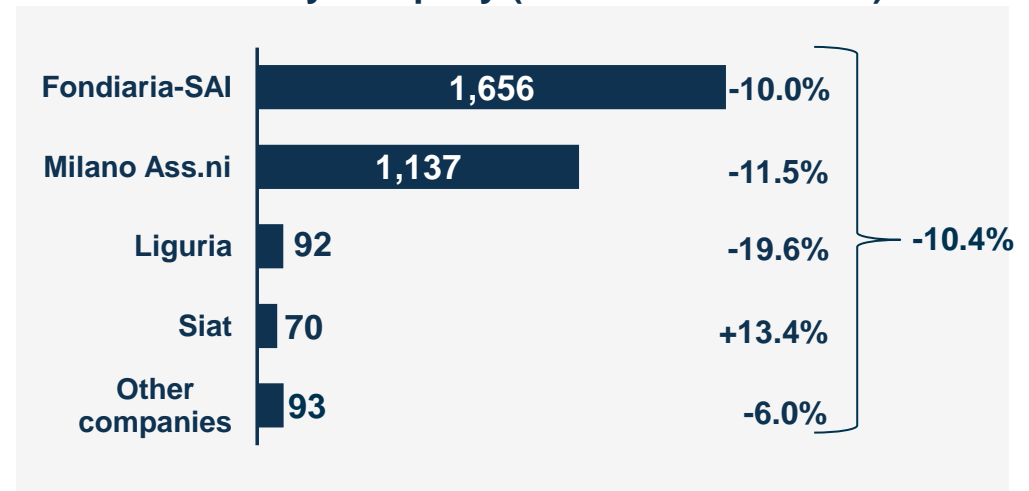
€m



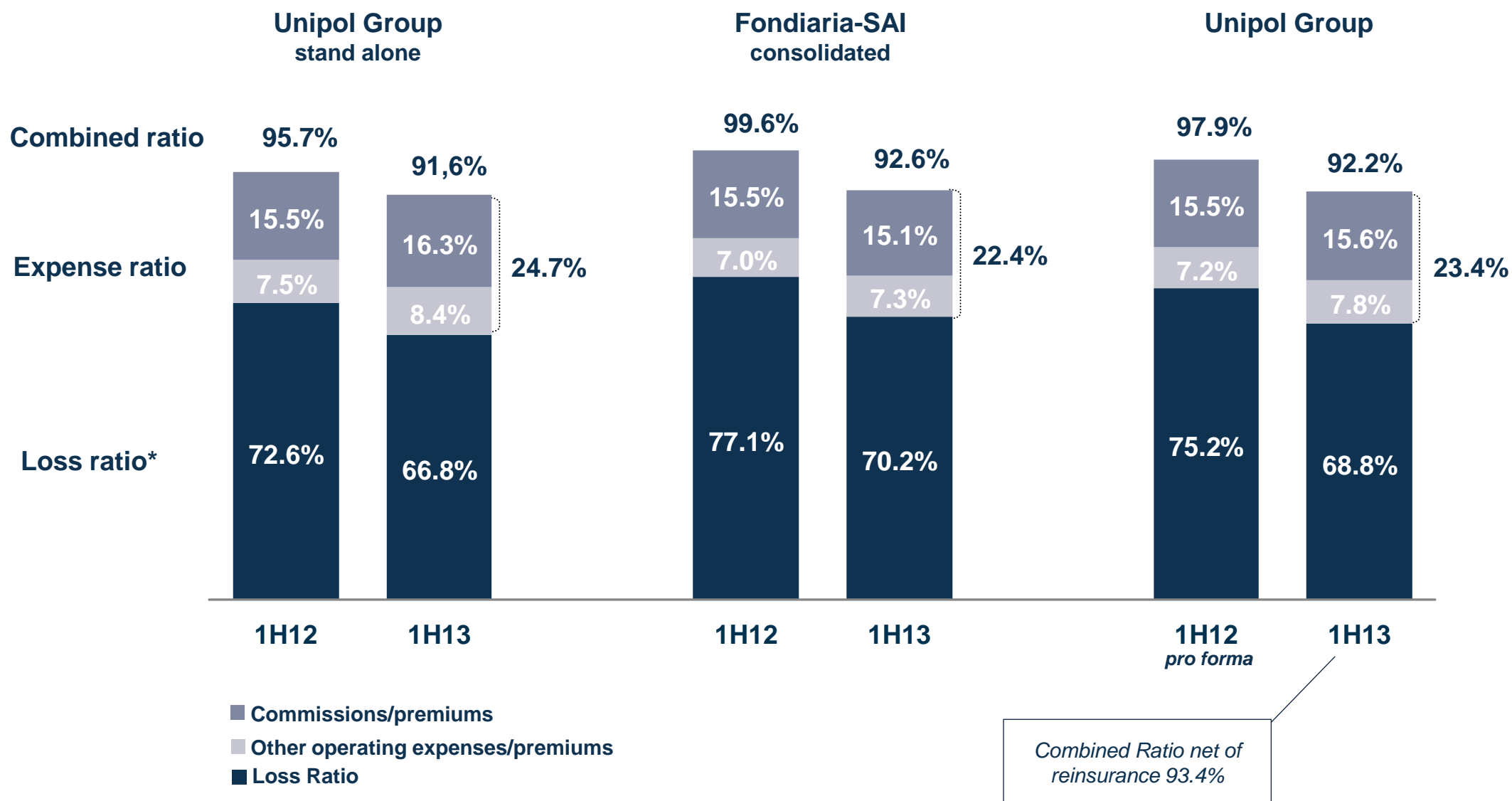
Income by company (Unipol Group stand alone)



Income by company (Fondiarria-SAI cons.)



NON-LIFE - COMBINED RATIO (DIRECT BUSINESS)



NON-LIFE – MV TPL TECHNICAL INDICATORS 1H13

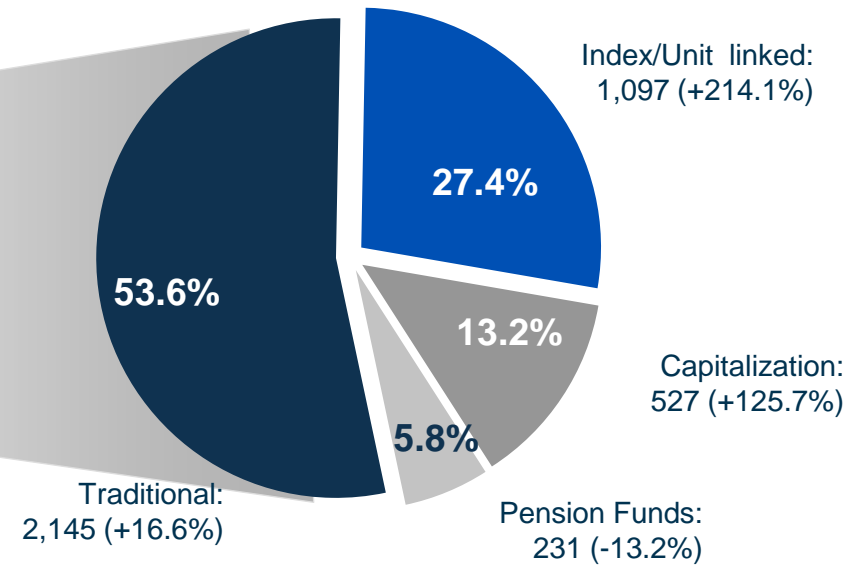
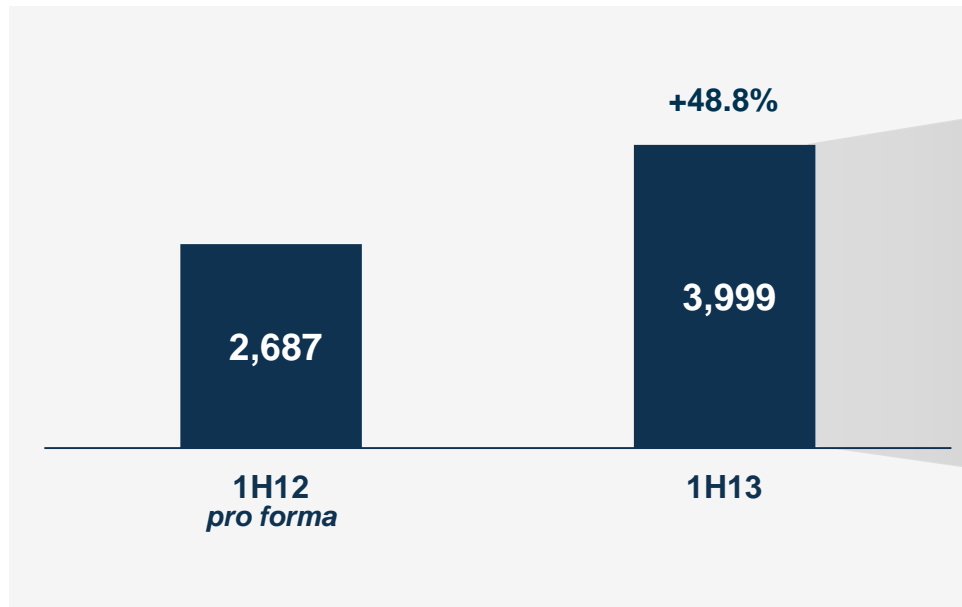
	Unipol Assicurazioni S.p.A.	Fondiarria-SAI S.p.A.	Milano Assicurazioni S.p.A.
	Var vs FY12	Var vs FY12	Var vs FY12
Total portfolio	-1.5%	-3.7%	-2.8%
o/w:			
Retail	-1.0%	-3.3%	-2.7%
Fleets	-12.3%	-9.7%	-5.3%
	Var vs 1H12	Var vs 1H12	Var vs 1H12
Portfolio average premium	-2.9%	-3.8%	-3.8%
No. of claims reported (followed up passive claims)	-9.0%	-15.8%	-14.3%
Claims settlement speed (current year managed claims)	-0.5 p.p.	-0.9 p.p.	-0.1 p.p.
Frequency	-0.5 p.p.	-0.5 p.p.	-0.7 p.p.

Agenda

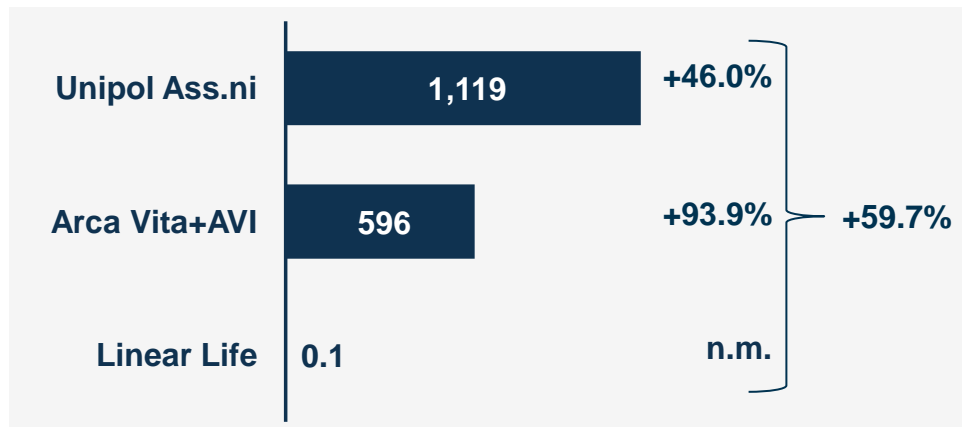
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LIFE – DIRECT INCOME

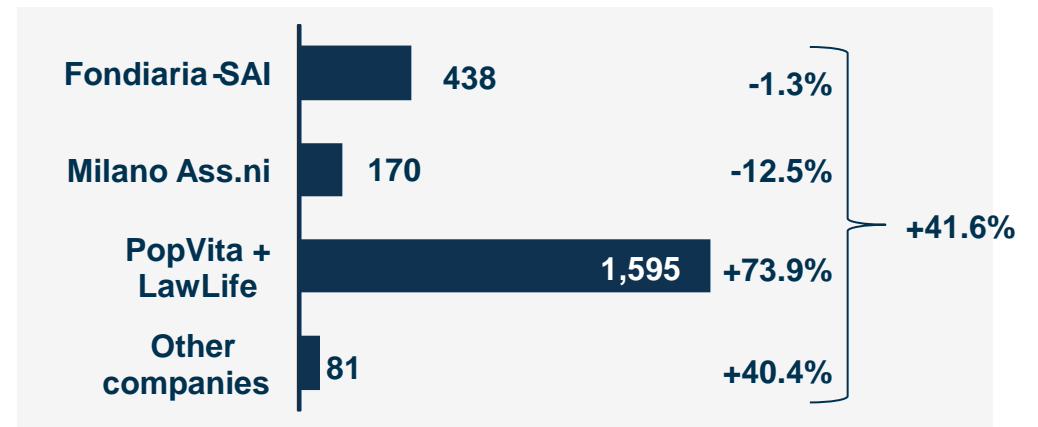
€m



Income by company (Unipol Group stand alone)



Income by company (Fondiarria-SAI cons.)



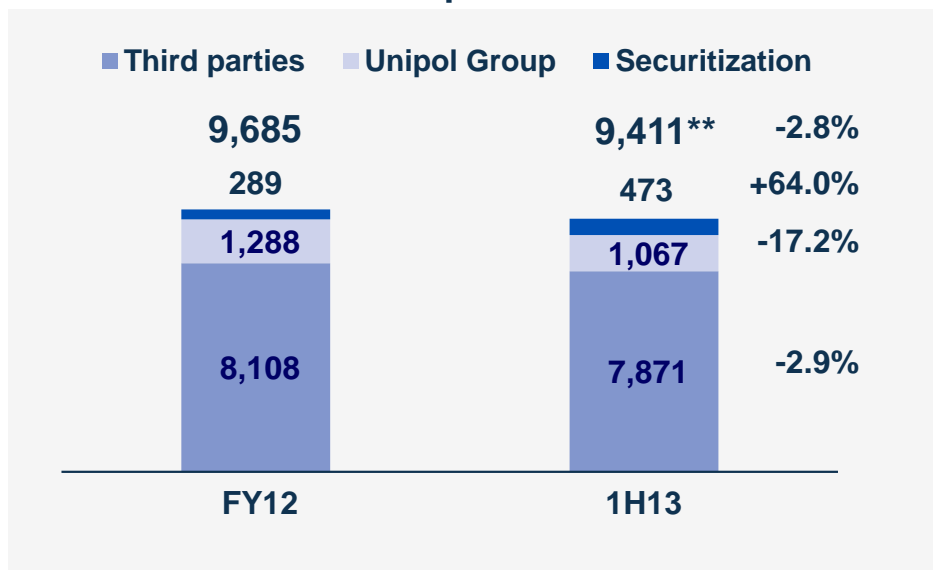
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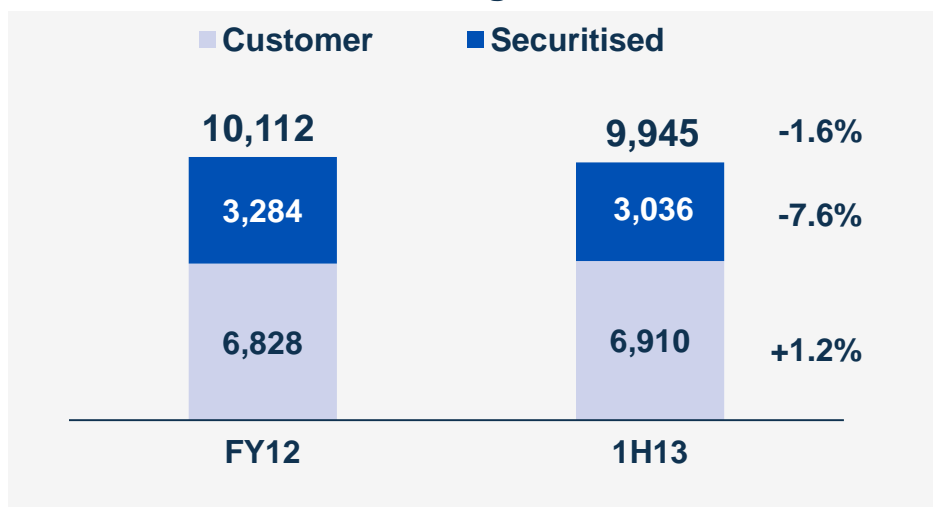
UNIPOL BANCA GROUP

€m

Direct Deposits*



Lending



Indicators

	Unipol Banca Gr.	Unipol Group***	Unipol Banca Gr.	Unipol Group***
Lending indicators	FY12		1H13	
Net non-performing loans	2,040	1,937	2,327	2,126
Net non-performing loans/loans	20.2%	19.4%	23.4%	21.8%
Bad&doubtful loans cov. ratio	31.9%	36.9%	32.5%	41.6%
NPL coverage ratio	20.3%	24.3%	21.2%	27.9%
Total loans coverage ratio	5.3%	6.2%	6.3%	8.2%
Capital indicators	FY12		1H13	
Tier 1 ratio (= Core Tier 1 ratio)	8.4%		8.0%	
Total capital ratio	14.5%		14.1%	
Economic indicators	1H12		1H13	
Gross operating income	190		158	
Cost/Income ratio	71.4%		78.4%	
Pre-tax result	10		-88	
Net result	6		-67	

1H13 loans provisions: 123 €m in Unipol Banca accounts and 100 €m in UGF accounts.

*Management figures.

**Accounting figure 9,937 €m (+0.2%) including collateralized deposits c/o Cassa Compensazione e Garanzia (526 €m; 233 €m as at FY12).

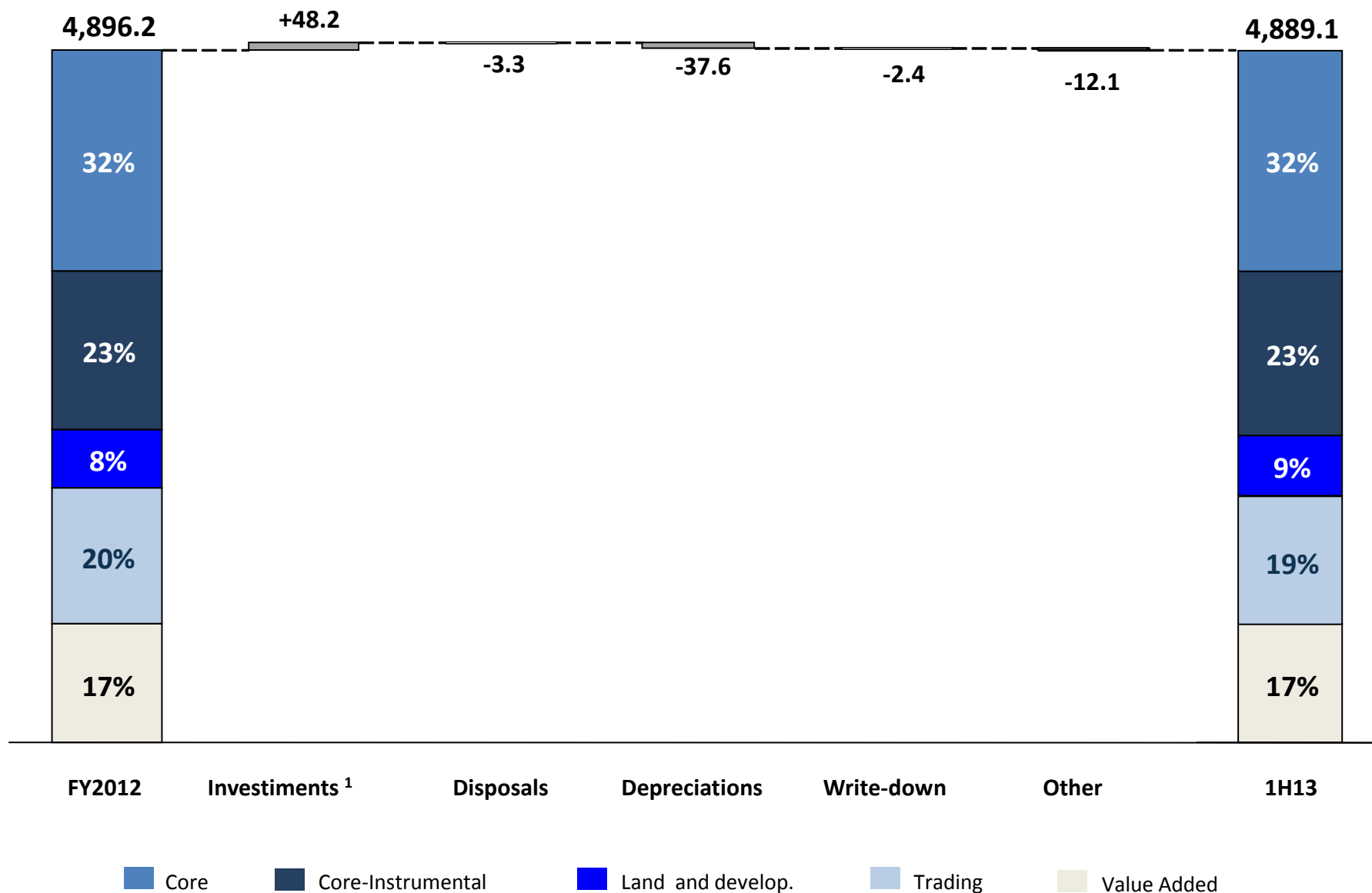
*** Including UGF SpA provisions.

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TREND OF REAL ESTATE PORTFOLIO*

€m



■ Core
 ■ Core-Instrumental
 ■ Land and develop.
 ■ Trading
 ■ Value Added

Agenda

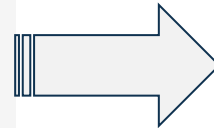
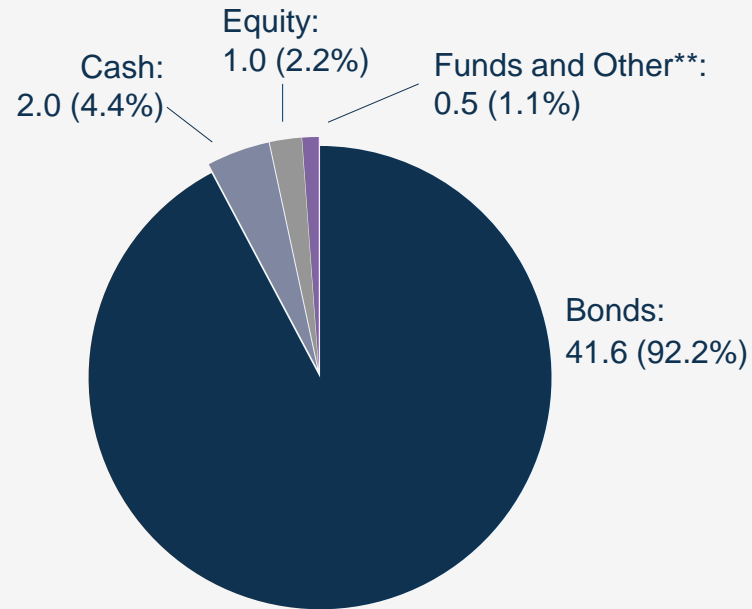
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FINANCIAL INVESTMENTS 1H13*

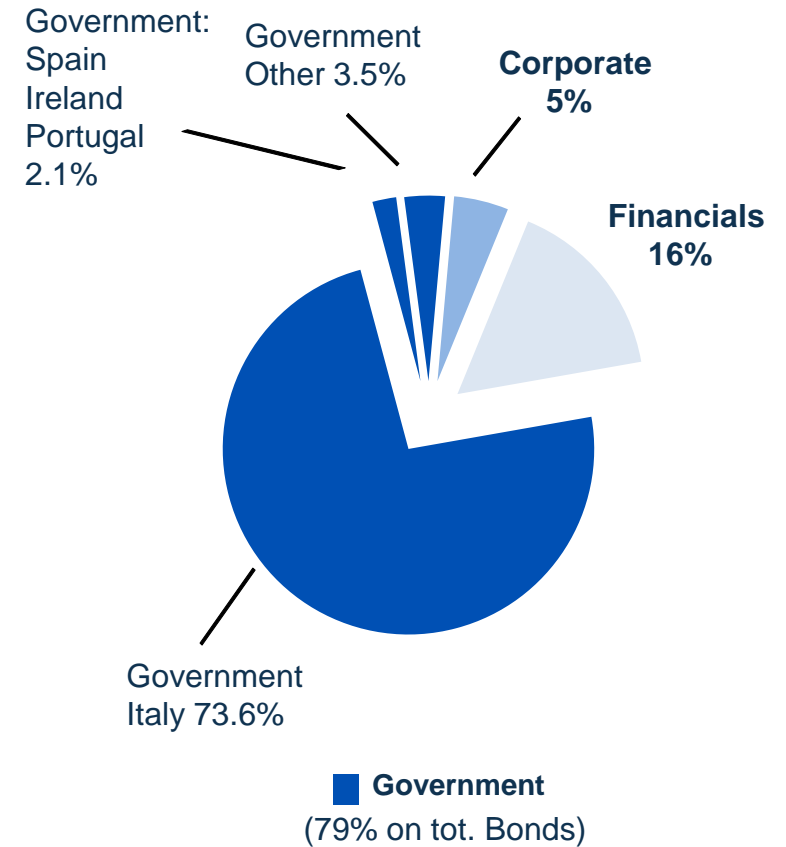
€bn

INVESTMENTS
45.1 €bn

Breakdown by asset

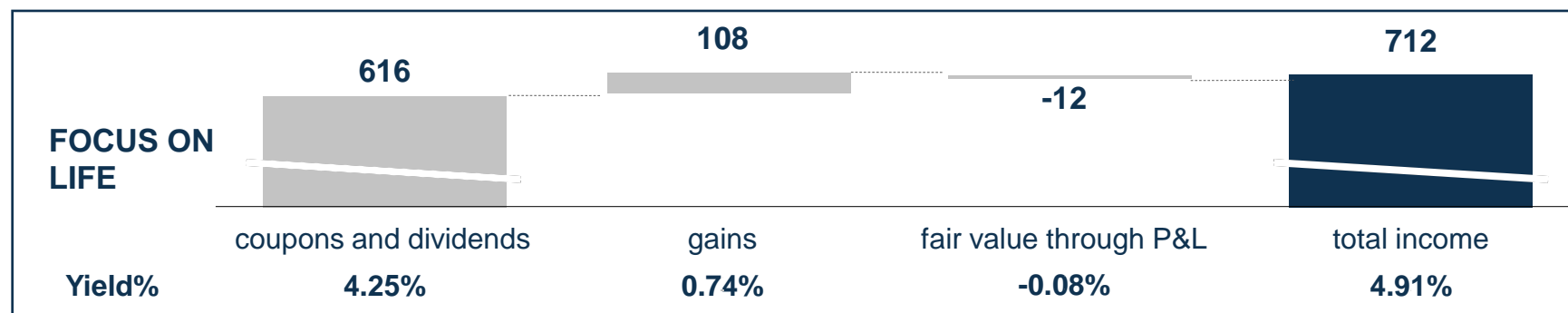
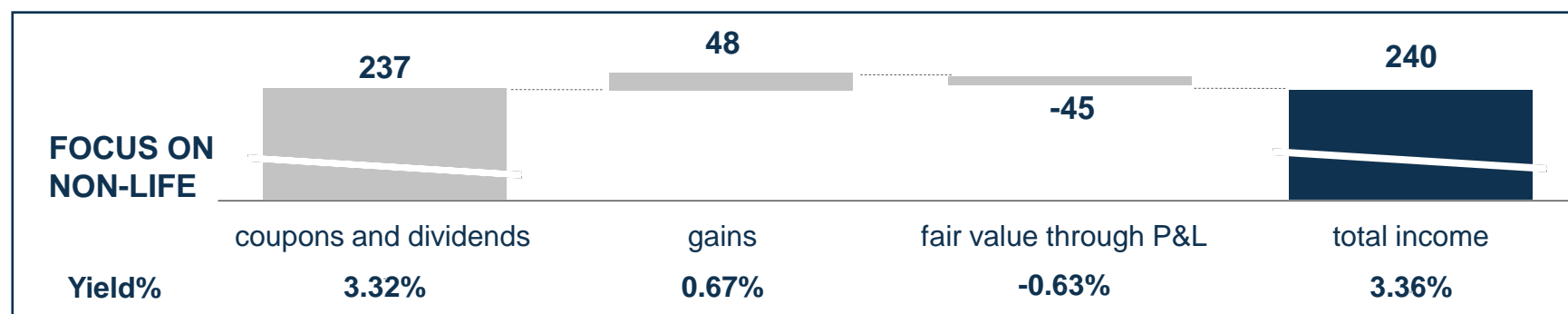
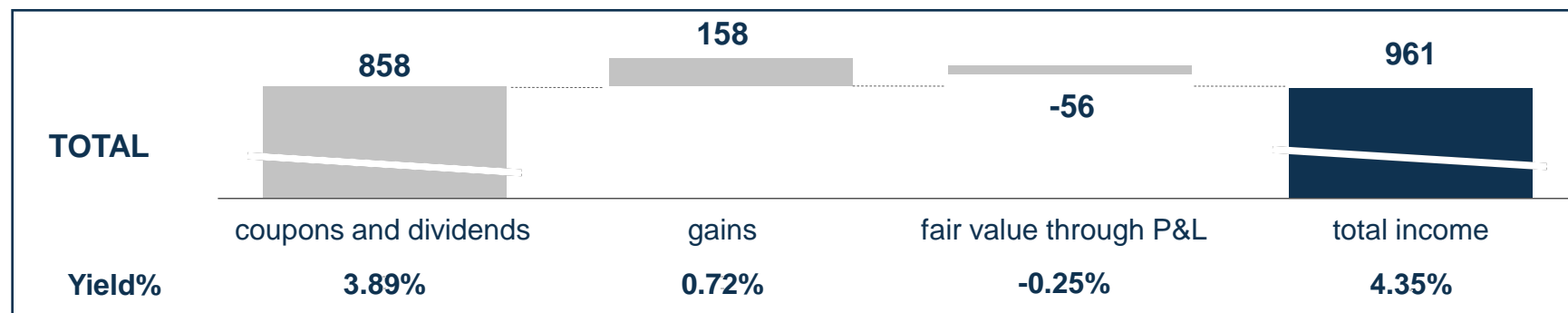


BOND PORTFOLIO
41.6 €bn



1H13 FINANCIAL INVESTMENTS' INCOME *

€m

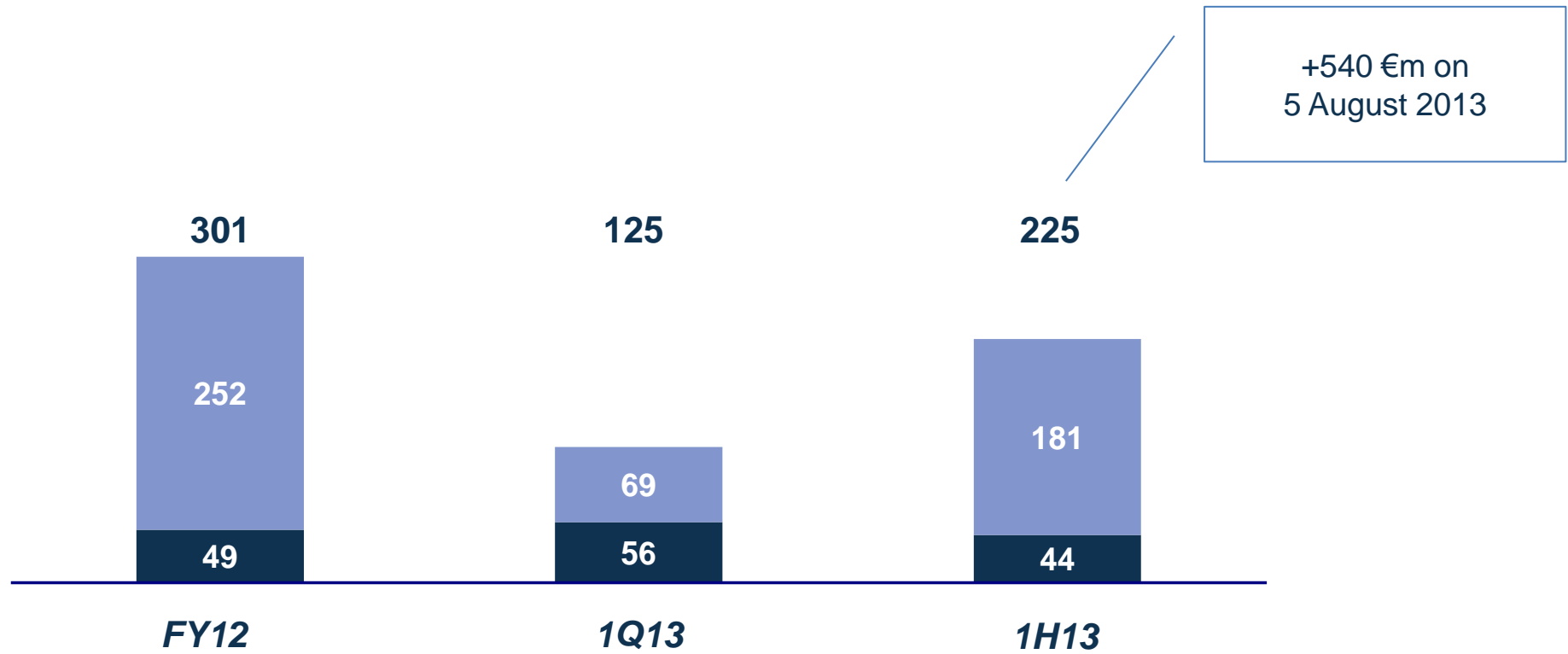


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AFS RESERVE TREND*

€m



■ Equity* ■ Bonds *

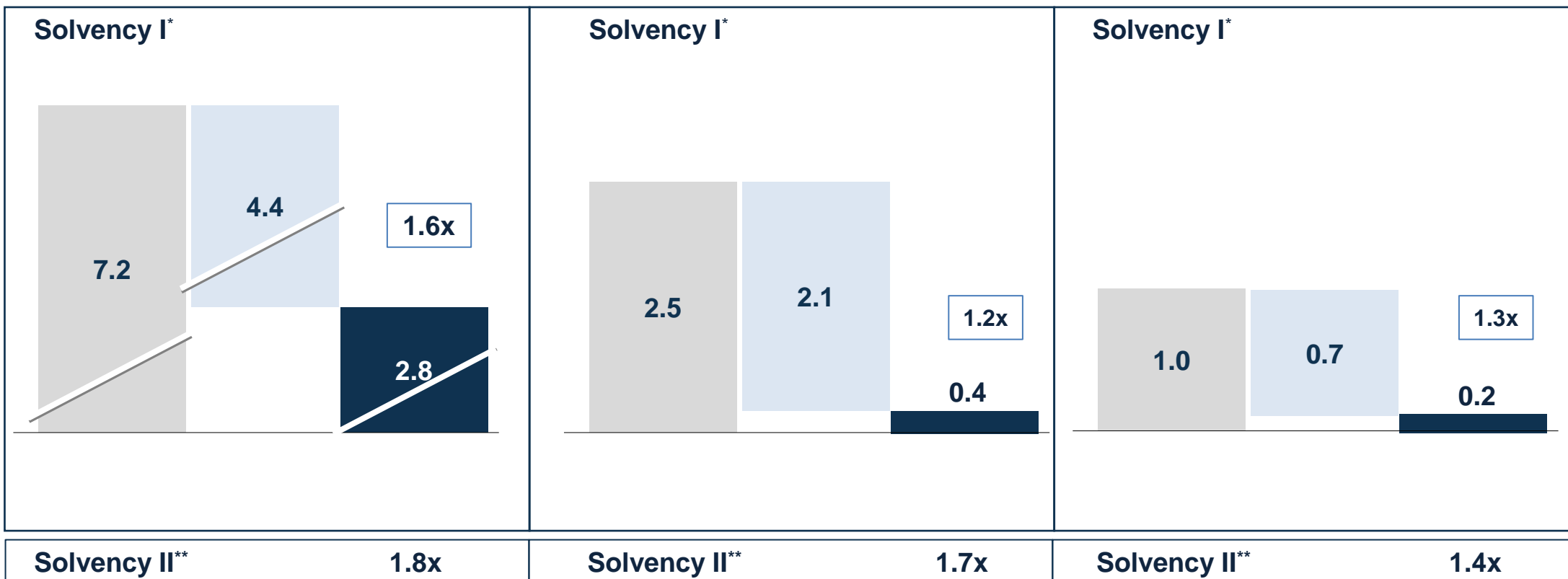
SOLVENCY AS AT 30 JUNE 2013

€bn

Unipol Group

Fondiaria-SAI Consolidated Solvency

Milano Assicurazioni Consolidated Solvency



Available capital
 Solvency requirements
 Excess capital

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FONDIARIA-SAI – KEY CONSOLIDATED RESULTS

€m

	1H12	1H13	var. %
Premium direct income (local GAAP)	5.014,7	5.333,4	6,4%
Non-Life business	3.401,4	3.049,0	-10,4%
Life (including financial contracts)	1.613,3	2.284,4	41,6%
Loss Ratio (direct business)	77,1%	70,2%	-6,9 p.p.
Expense Ratio (direct business)	22,5%	22,4%	-0,1 p.p.
Combined Ratio (direct business)	99,6%	92,6%	-7,0 p.p.
Consolidated pre-tax result	84,9	318,1	<i>n.m.</i>
<i>Non-Life business</i>	80,0	251,0	<i>n.m.</i>
<i>Life business</i>	44,4	129,1	<i>n.m.</i>
<i>RE</i>	-25,8	-26,0	-0,8%
<i>Other business</i>	-13,7	-36,0	<i>n.m.</i>
<i>Inter-segment eliminations</i>	0,0	0,0	0,0%
Pre-minorities net result	24,9	171,5	<i>n.m.</i>
Post-minorities net result	7,6	117,9	<i>n.m.</i>
	FY12	1H13	var. %
Total shareholders' equity	2.762,7	2.865,8	3,7%
Group shareholders' equity	2.115,7	2.216,8	4,8%
<i>o/w AFS reserve</i>	257,6	226,6	-12,0%
Solvency Ratio	1,1 x	1,2 x	0,1 x

MILANO ASSICURAZIONI – KEY CONSOLIDATED RESULTS

€m

	1H12	1H13	var. %
Premium direct income (local GAAP)	1.640,8	1.439,4	-12,3%
Non-Life business	1.435,9	1.260,5	-12,2%
Life (including financial contracts)	204,9	178,9	-12,7%
Loss Ratio (direct business)	78,5%	70,6%	-8,0 p.p.
Expense Ratio (direct business)	21,5%	22,4%	0,9 p.p.
Combined Ratio (direct business)	99,9%	92,9%	-7,1 p.p.
Consolidated pre-tax result	27,3	160,6	488,1%
<i>Non-life business</i>	8,1	128,4	1485,2%
<i>Life business</i>	26,2	36,7	39,9%
<i>RE</i>	-4,9	-4,4	-11,2%
<i>Other business</i>	-2,1	-0,1	-93,4%
<i>Inter-segment eliminations</i>	0,0	0,0	0,0%
Pre-minorities net result	3,0	92,8	n.m.
Post-minorities net result	3,1	92,8	n.m.
	FY12	1H13	var. %
Total shareholders' equity	1.039,2	1.116,5	7,4%
Group shareholders' equity	1.037,9	1.115,2	7,5%
<i>o/w AFS reserve</i>	106,7	88,7	-16,9%
Solvency Ratio	1.2x	1.3x	0.1x

DISCLAIMER

This presentation contains information relating to forecasts of figures, results and events which reflect the current management outlook but these could differ from what actually happens owing to events, risks and market factors that it is presently impossible either to know or to predict.

Maurizio Castellina, Giuseppe Nassi and Massimo Dalfelli, Senior Executives responsible for drawing up the corporate accounts of Unipol Gruppo Finanziario S.p.A., of Premafin S.p.A. and of Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A. respectively declare, in accordance with Article 154-bis, para 2, of the Consolidated Finance Act, that the accounting information reported in this presentation corresponds to the figures in the documents, books and accounting records.

INVESTOR RELATIONS CONTACTS

Group IRO Adriano Donati Tel +39 051 507 7063

Unipol Contacts

Eleonora Roncuzzi Tel +39 051 507 7063

Laura Marrone Tel +39 051 507 2183

Giuseppe Giuliani Tel +39 051 507 7218

investor.relations@unipol.it

Fondiarria-SAI/Milano Contacts

Giancarlo Lana Tel +39 011 66 57 642

Floriana Amari Tel +39 02 64 02 25 74

investorrelations@fondiaria-sai.it