

Bologna, December 1st, 2014

- **Proposal of mandatory conversion of Preferred Shares into Ordinary Shares of Unipol Gruppo Finanziario S.p.A.**
- **Calling of the extraordinary shareholders' meeting (February 25th, 2015) and of the special meeting of the holders of preferred shares (February 26th, 2015) in order to resolve upon the conversion and the connected by-laws amendments**

Mandatory conversion of Preferred Shares into Ordinary Shares of UGF

The Board of Directors of Unipol Gruppo Finanziario S.p.A. ("**UGF**" or the "**Company**"), in its meeting held on November 30th, 2014 under the chairmanship of Pierluigi Stefanini, has resolved to submit to the approval of the Company's Extraordinary Shareholders' Meeting called for February 25th, 2015, single call, (i) the mandatory conversion of all the outstanding preferred shares (the "**Preferred Shares**") into newly issued ordinary shares with regular entitlement (the "**Ordinary Shares**"), and (ii) the adoption of the consequential amendments to the By-Laws (jointly, the "**Conversion**" or the "**Transaction**").

The Transaction is also submitted to the approval of the Special Meeting of the holders of Preferred Shares (the "**Special Meeting**"), called for February 26th, 2015, on single call, pursuant to Art. 146, paragraph 1, letter b) of the Legislative Decree No. 58/1998.

The Transaction consists of the mandatory conversion of the Preferred Shares into Ordinary Shares, on the basis of the following conversion ratio:

- n. 1 Ordinary Share for each Preferred Share held, without any payment of any cash balance (the "**Conversion Ratio**").

Taking as the reference date of November 28th, 2014 (the last business day prior to the Board of Directors meeting which approved the Transaction), on the basis of the Conversion Ratio, to the holders of Preferred Shares will be assigned an implied premium of 8,54% in respect of the implied conversion ratio incorporated by the relevant average market price of the last six months.

The proposed Conversion pursues several objectives, as it is aimed at:

- (i) streamlining and simplifying the capital structure of UGF, reducing the corporate fulfilments and the connected costs resulting from the existence of two different classes of shares;
- (ii) aligning the financial and administrative rights of all the Shareholders, thereby facilitating the investment choices of the financial markets; the creation of a single class of shares, with a single price, would in fact bring benefits in terms of comprehension of the market value of the shares, making it more attractive for the investors;
- (iii) increasing the free float, improving the liquidity and the soundness of the Company's shares for all the Shareholders;
- (iv) increase the importance of UGF securities in the stock market, with a consequent benefit to all shareholders, who would hold securities of major interest in the stock market;
- (v) contributing to the improvement of the qualitative composition of the Company's regulatory capital (*capitale regolamentare*).

The Conversion will become effective subject to the occurrence of the following conditions:

- (i) the approval of the proposed Conversion by the Special Meeting and by the Extraordinary Shareholders' Meeting also with the majorities provided for the special shareholders' meeting of the ordinary shareholders;
- (ii) the total value of the Preferred Shares for which the right of withdrawal will eventually be exercised (calculated according to Art. 2437-ter, paragraph 3, of the Italian Civil Code) not exceeding Euro 100 million, it being understood that such condition is provided in the exclusive interest of the Company and therefore, may be waived by the Company itself; and
- (iii) the obtainment of the authorization of the amendments to be adopted in the By-Laws of the Company as a consequence of the Conversion by IVASS, in accordance with Banca d'Italia, pursuant to Articles 87-bis and 196 of Legislative Decree No. 209 of September 7, 2005 as well as the IVASS Regulation No. 14/2008 (the "**IVASS Authorization**").

The holders of Preferred Shares not approving the Conversion may exercise the right of withdrawal according to Art. 2437, paragraph 1, let. g), of the Italian Civil Code, within fifteen days from the date of registration of the relevant shareholders' meetings' resolutions in the Companies' Register of Bologna. It should be noted that the exercise of a favorable vote in the Extraordinary Shareholders' Meeting and/or in the Special Meeting implies that the voting shareholder has contributed to the approval of the relevant resolution upon the Conversion.

In such regard, the settlement value of the Preferred Shares subject to withdrawal has been determined in Euro 3.711 for each Preferred Share, in accordance with Art. 2437-ter, paragraph 3, of the Italian Civil Code.

The holders of Preferred Shares who should exercise the right of withdrawal will not be entitled to receive any dividend resulting from the financial statement dated as of December 31st, 2014; such a dividend, if any, will be instead distributed to those shareholders who would have acquired the Preferred Shares subject to withdrawal in the context of the settlement procedure pursuant to Article 2437-*quater* of the Italian Civil Code.

Additional information on the terms and conditions of the right of withdrawal will be made available to the public on the Company's website at www.unipol.it (Section Corporate Governance/Shareholders' Meetings), in accordance with the term and the modalities provided by the law.

It is currently envisaged that the Transaction shall be carried out according to the following indicative timetable:

- (i) February 25th, 2015: Extraordinary Shareholders' Meeting;
- (ii) February 26th, 2015: Special Meeting;
- (iii) following the registration of the relevant shareholders' meetings resolutions in the Companies' Register of Bologna – which will occur immediately after the release of the IVASS Authorization – the fifteen-day period for the exercise of the right of withdrawal by the holders of Preferred Shares who will have not approved the resolutions will commence;
- (iv) upon expiration of the fifteen-day period for the exercise of the right of withdrawal, if the amount of withdrawals occurred has not exceeded the aforementioned threshold (or the Company has waived to such condition), then the procedure of settlement of the Preferred Shares for which the right of withdrawal has been exercised will commence, at first by means of an option offer and a first refusal offer to all the other shareholders of the Company (regardless of the class of shares held) and, subsequently, by means of an offer on the stock exchange of any Preferred Shares remained unsold;

- (v) upon expiration of the offer period on the stock exchange: purchase by the Company of any unsold Preferred Shares for which the right of withdrawal has been exercised, pursuant to Art. 2437-*quater*, paragraph 5, of the Italian Civil Code.

It is also expected that the Conversion shall be completed following the ex-dividend date of the dividend that would eventually be paid for the financial year dated as of December 31th, 2014, which - save as indicated above with reference to the Preferred Shares subject to withdrawal - will be distributed to each class of shares in accordance with their current respective By-Laws privileges.

Upon completion of the Transaction, the Preferred Shares subject to the Conversion will be delisted from the *Mercato Telematico Azionario* organized and managed by *Borsa Italiana S.p.A.* and the Ordinary Shares resulting from the Conversion will be listed on the same *Mercato Telematico Azionario*.

The Board of Directors' reports concerning the Transaction will be made available on the Company's website www.unipol.it (Section Corporate Governance/Shareholders' Meetings) by February 4th, 2015.

Call of the Extraordinary Shareholders' Meeting and of the Special Meetings

As anticipated, the Board of Directors has convened the Extraordinary Shareholders' Meeting, on single call, on February 25th, 2015, in order to resolve upon the proposed Conversion of Preferred Shares into Ordinary Shares and upon the adoption of the relevant amendments to the By-Laws of the Company, as consequential to the Conversion.

The Board of Directors also convened the Special Meeting, on single call, on February 26th, 2015, in order to approve – pursuant to Art. 146, paragraph 1, letter. b), of Legislative Decree No. 58/1998 – the resolution of the Extraordinary Shareholders' Meeting on the proposed Conversion.

The notices of call of the aforementioned Shareholders' Meetings are made available on the Company's website www.unipol.it (section Corporate Governance/Shareholders' Meeting) and will be published, in extract, at least on one national newspaper within the terms provided by the applicable law.

Contacts

Unipol Group Press Office

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

Unipol Gruppo Finanziario S.p.A.

Unipol is one of the leading European insurance groups, the second in the Italian market (first in Non-Life business), with total income of €16.8bn in 2013.

Unipol adopts an integrated offer strategy, providing a full range of insurance and financial products, being particularly active in supplementary pension and health sectors. In the insurance business, the Group operates primarily through its subsidiary UnipolSai Assicurazioni S.p.A., which was founded in early 2014 following the merger of three historic companies operating on the Italian market, Unipol Assicurazioni, Fondiaria-SAI and Milano Assicurazioni, as well as Premafin, financial holding company of the former Fondiaria-SAI Group. UnipolSai Assicurazioni and the parent company Unipol Gruppo Finanziario S.p.A. are both listed on the Italian Stock Exchange.

The Unipol Group is also active in direct MV insurance (Linear Assicurazioni), healthcare (UniSalute) and is present in the bancassurance channel (Arca Vita Group and Popolare Vita Group).

Finally, Unipol operates in the banking business through the network of Unipol Banca branches, and manages significant diversified businesses in the real estate sector, in the hotel industry (Atahotels) and in agricultural business (Tenute del Cerro).