

Unipol Gruppo Finanziario

# **Preliminary F-Y 2007 Result & “The State of Art” of the 2006-2009 Industrial Plan**

**Carlo Salvatori, CEO**

**Milan, February 1st, 2008**



# Agenda

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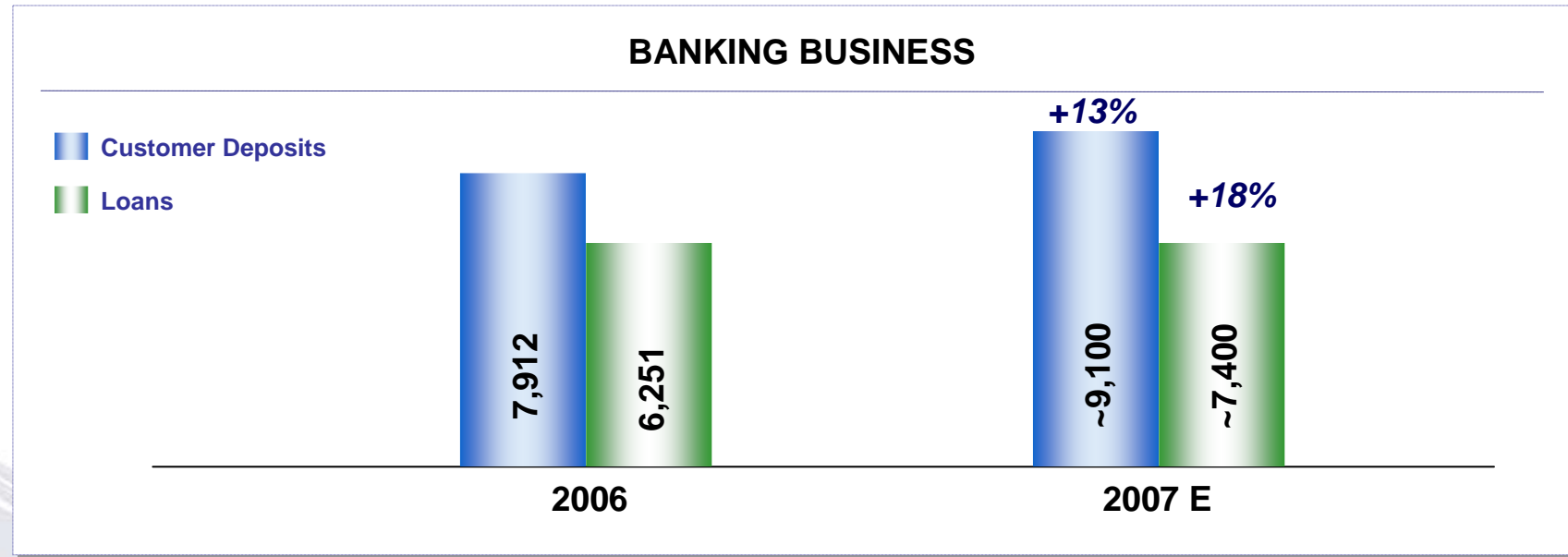
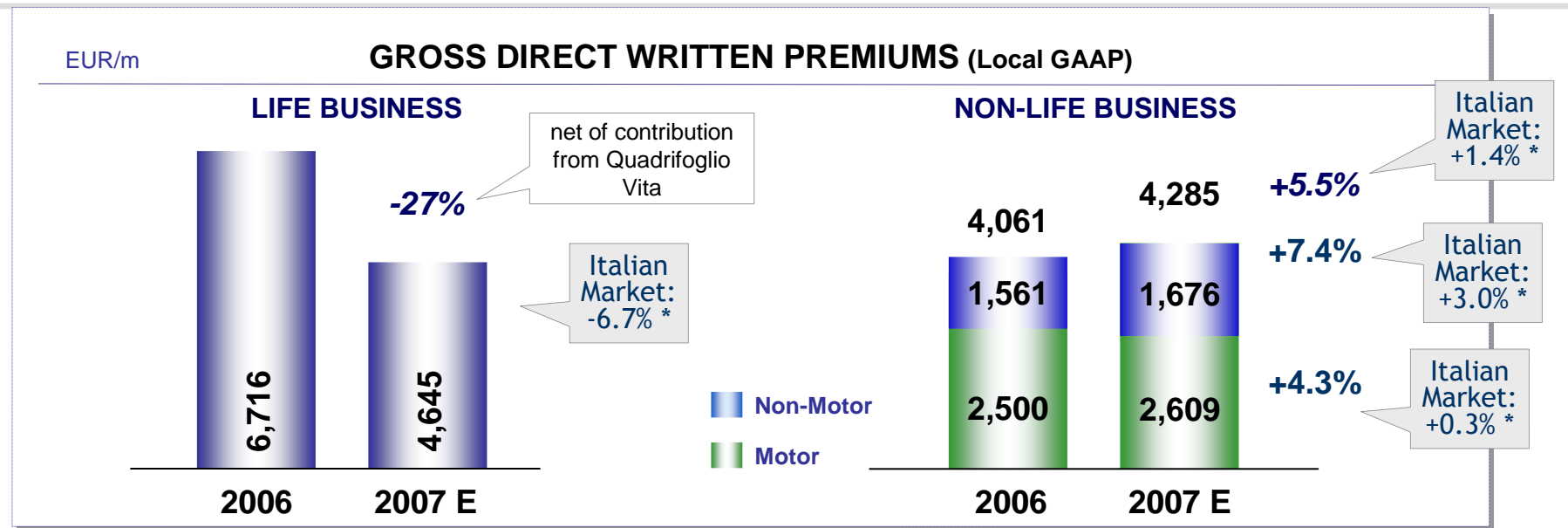
**1 Preliminary Group Results as at 31 December 2007**

**2 2006 – 2009 Industrial Plan Key Pillars**

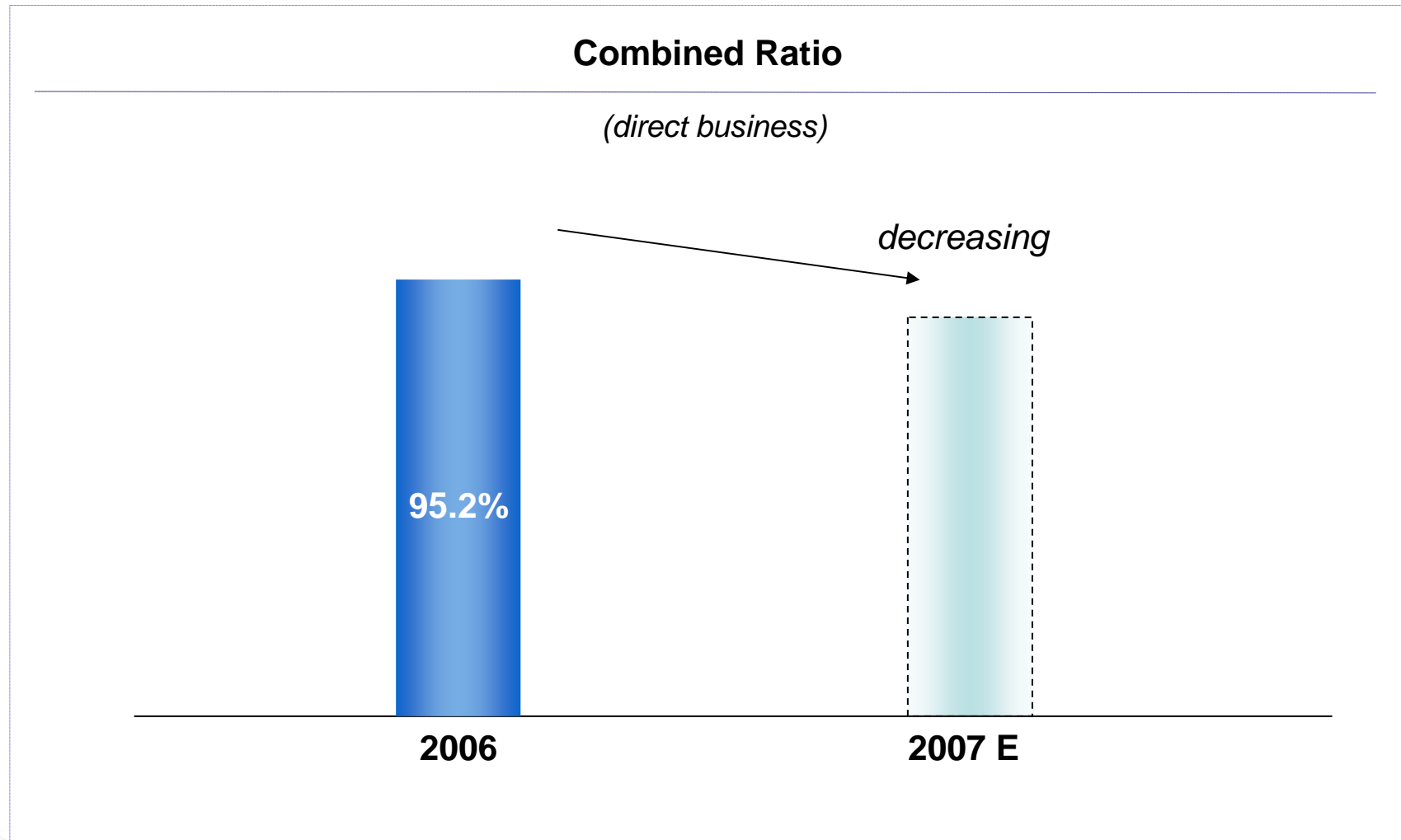
**3 Conclusions**



# Unipol Gruppo Finanziario – Preliminary Figures as at 31 Dec. 07



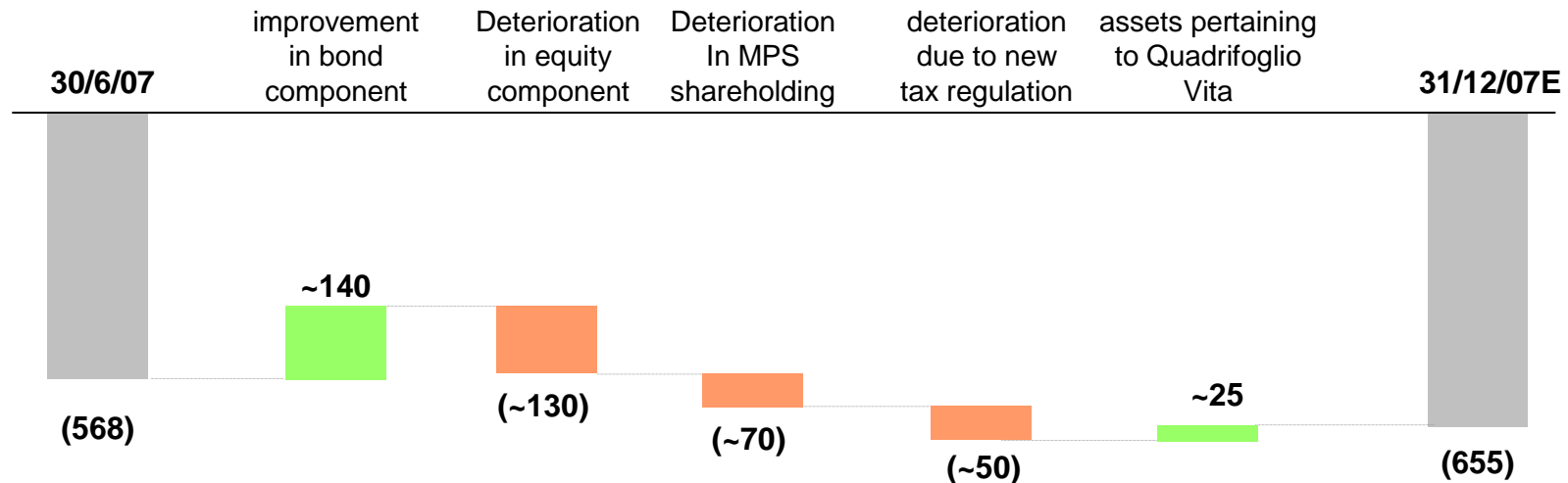
## Unipol Gruppo Finanziario – Preliminary Figures as at 31 Dec. 07



# Unipol Gruppo Finanziario – Preliminary Figures as at 31 Dec. 07

EUR/m

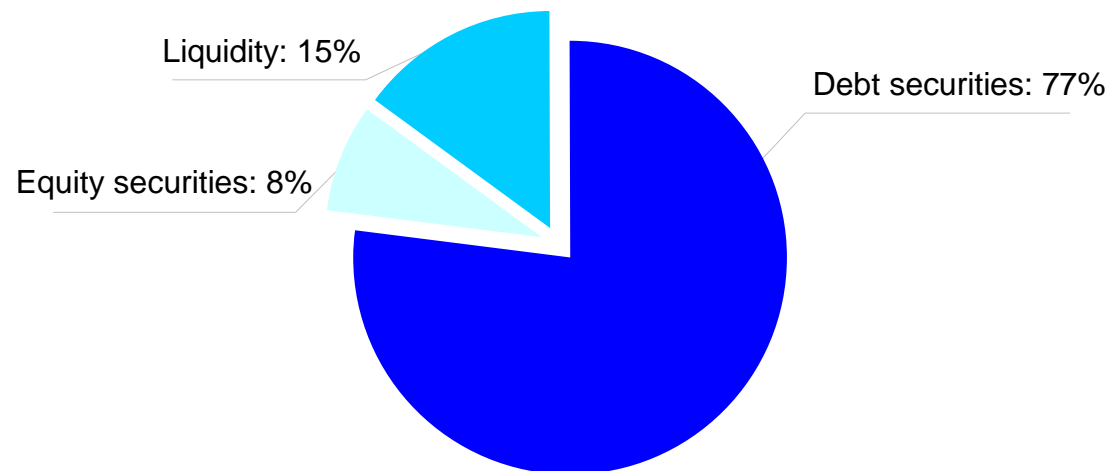
## VARIATION IN RESERVE AVAILABLE FOR SALE



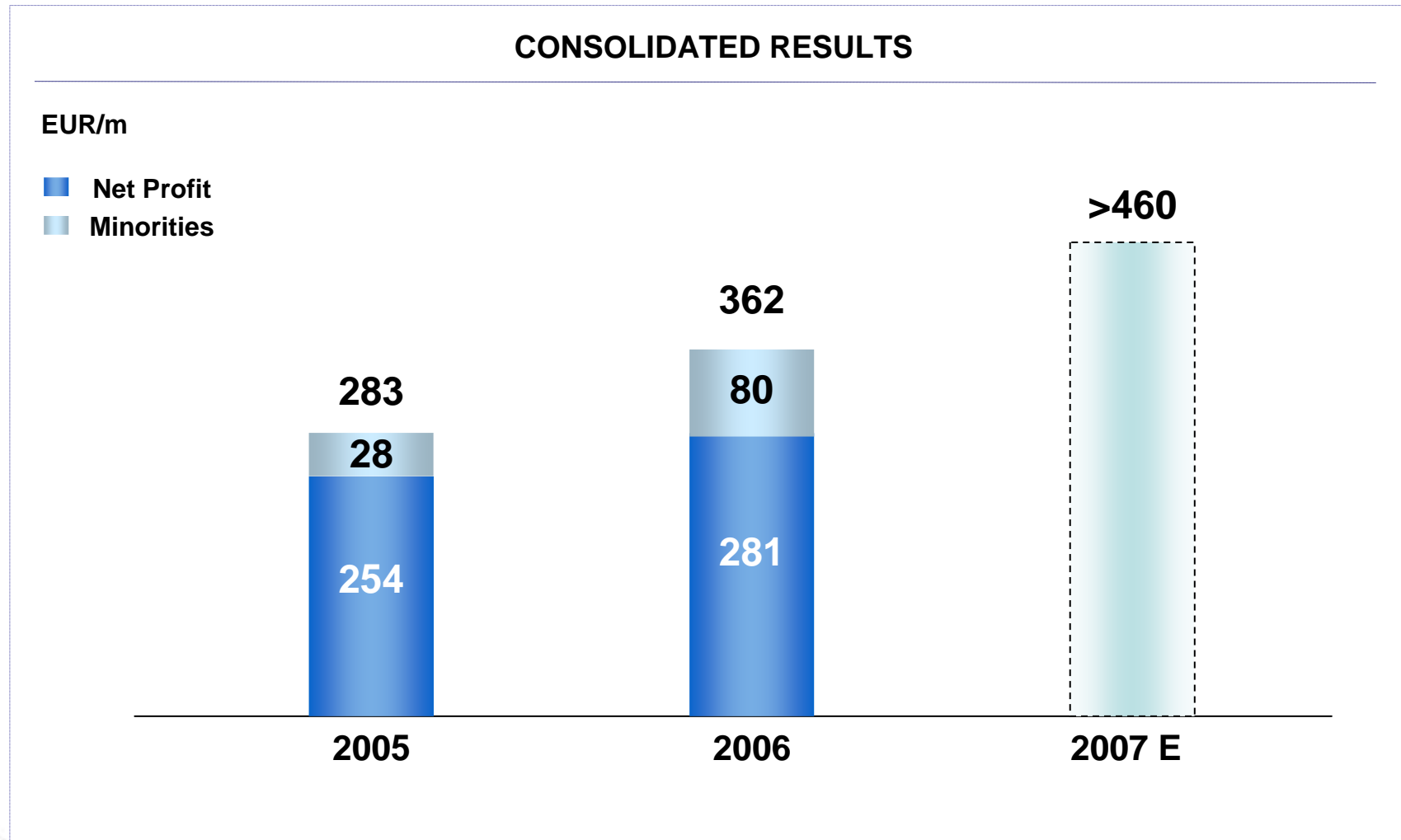
## INSURANCE INVESTMENTS MANAGED BY UGF: 2007E BREAKDOWN BY ASSET

\* Quadrifoglio Vita excluded.

21.7 EUR/bn (excl. ex D-class)\*



## Unipol Gruppo Finanziario – Preliminary Figures as at 31 Dec. 07



# Agenda

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1 Preliminary Group Results as at 31 December 2007

**2 2006 – 2009 Industrial Plan Key Pillars**

3 Conclusions



## Three Group Core Skills

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### Business growth and profitability

- Premium income growth above market average
- Combined Ratio below market average
- Profitable business development with Affinity Group

*Steady growth  
in insurance  
core business*

### Integration

- Acquisition and integration of 6 companies since 2000
- Development of Aurora
- Fast integration of key shared functions (finance, IT, claims handling)

*Fast integration  
after acquisition*

### Innovation and growth options

- Unipol Banca growth based on an innovative integrated model (banking branch + insurance agency)
- Start of companies specialized by channel/product (e.g., Linear and Unisalute)

*Development  
of new  
businesses*





## Consistency with 2006-2009 Industrial Plan

### Insurance

Reinforce current market position and improve profitability

### Banking

Scale up and improve profitability

### Corporate centre

Reinforce 'holding functions' so as to increase integration and strengthen commercial coordination

### Capital Management

Enhance value and identify external growth opportunities in line with Group strategy and profitability targets

- ▶ Financial result consistent with the plan
- ▶ Non-Life business confirmed as the strength of the Group

- ▶ Improvement of agencies' profitability
- ▶ Evolution of the integrated model : UGF Point at the 'test stage'



# UGF Point



UGF  
Point



## Consistency with 2006-2009 Industrial Plan

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### Insurance

Reinforce current market position and improve profitability

### Banking

Scale up and improve profitability

### Corporate centre

Reinforce 'holding functions' so as to increase integration and to strengthen commercial coordination

### Capital Management

Enhance value and identify external growth opportunities in line with Group strategy and profitability targets

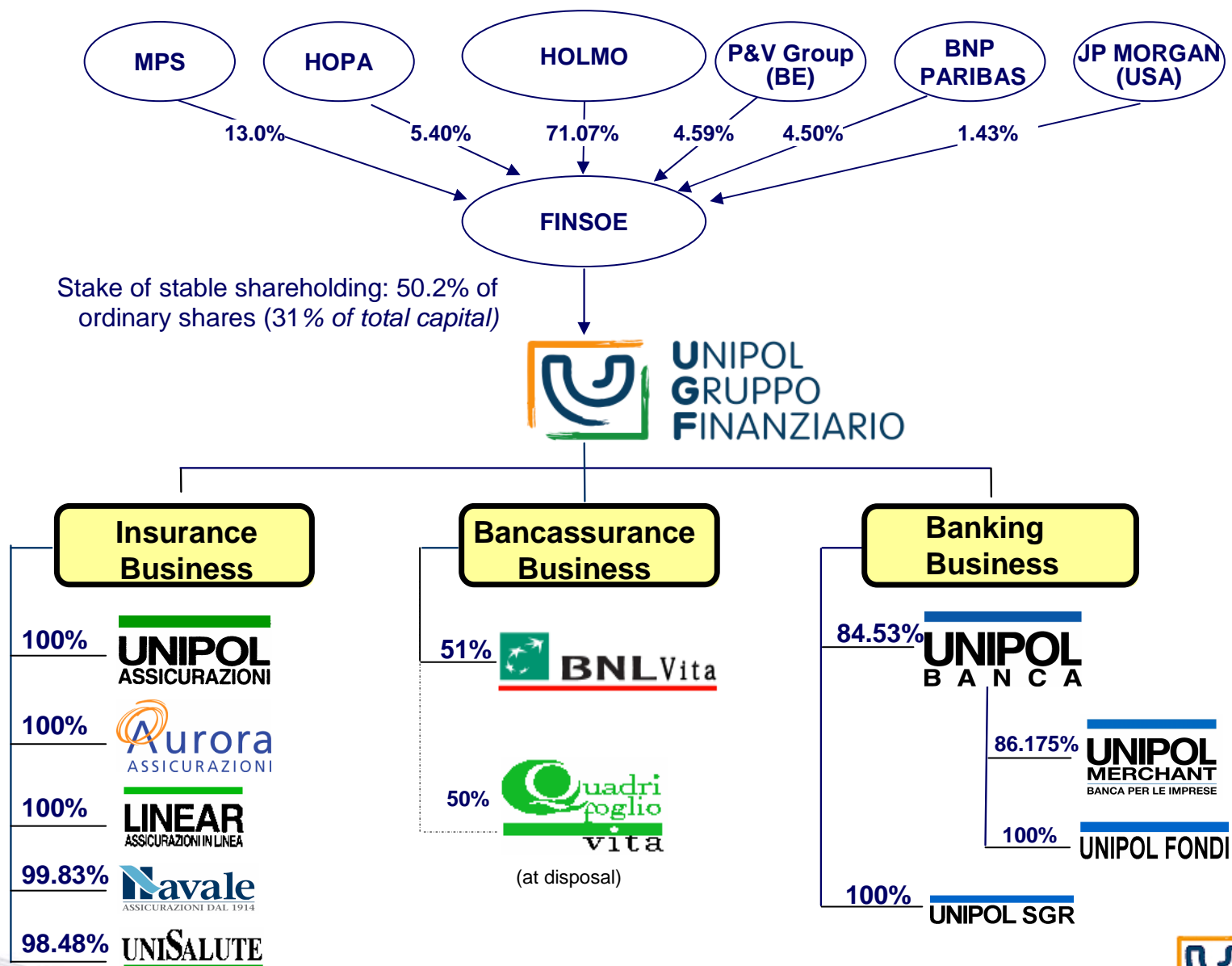
- ▶ Holding activities separated from insurance activities
- ▶ Optimisation of the organization structure

- ▶ Buy-out of Aurora minorities

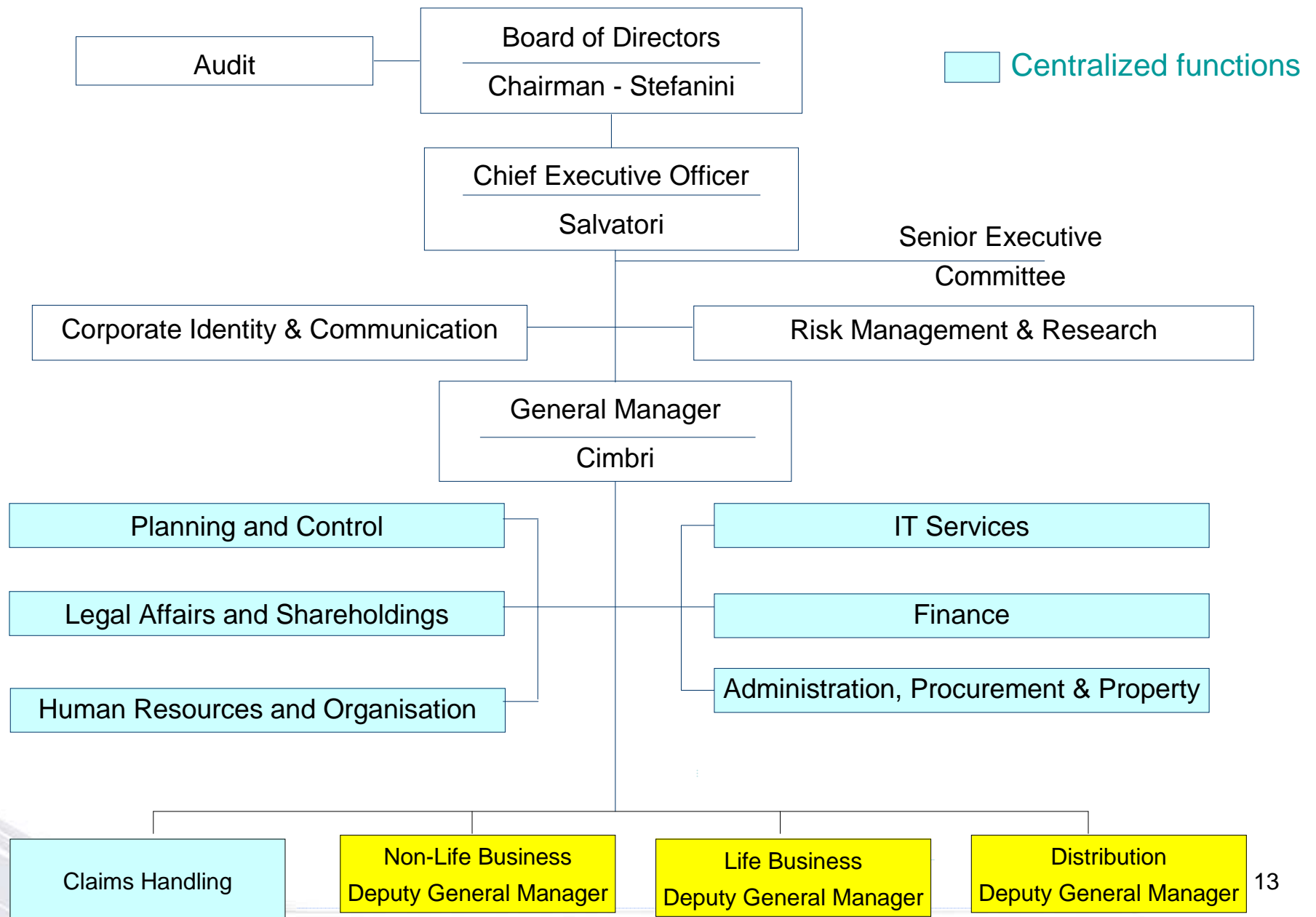
- ▶ Repatriation of excess capital to shareholders



# Unipol Gruppo Finanziario since September 1st, 2007

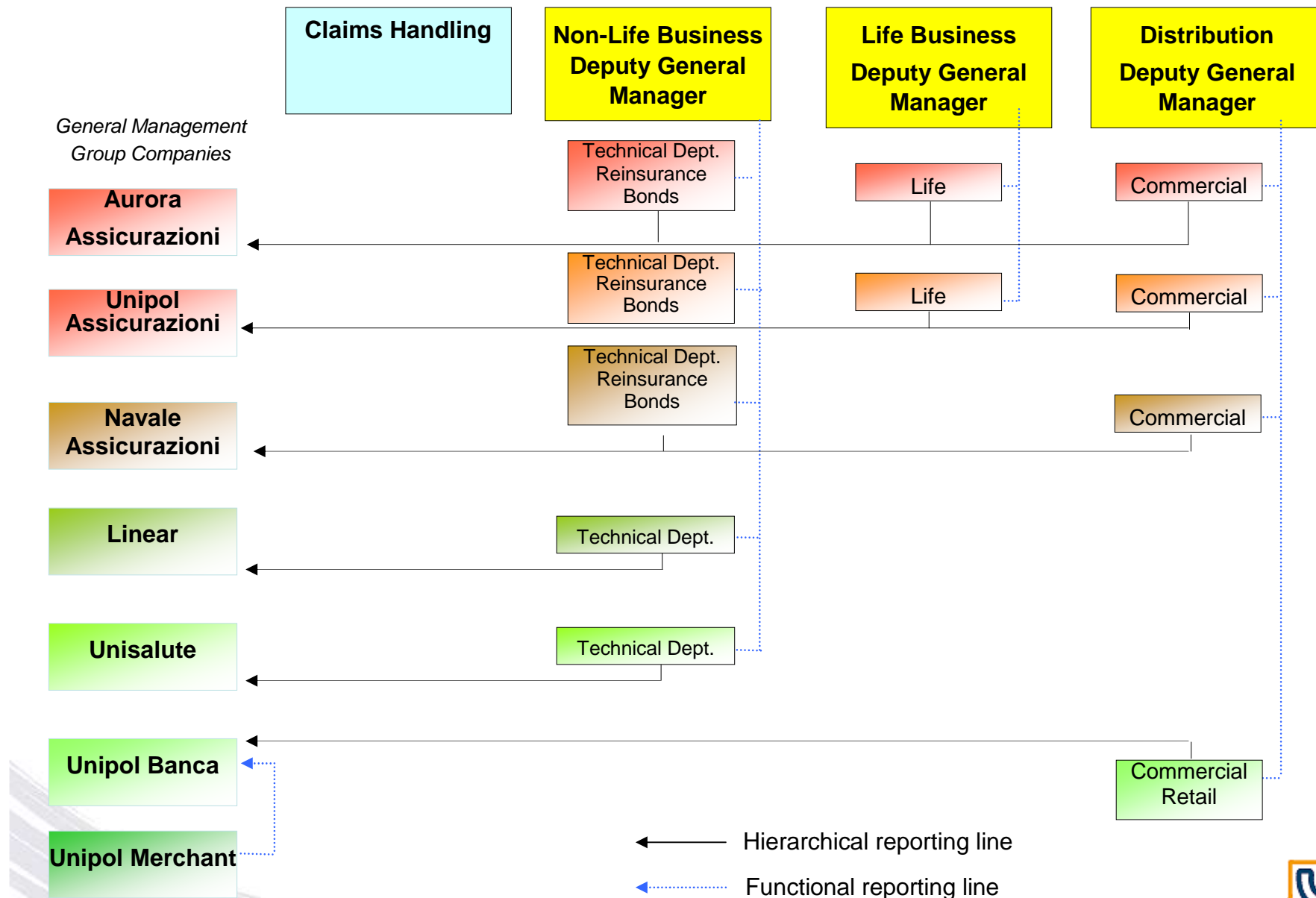


## Organization Chart of UGF 1/2

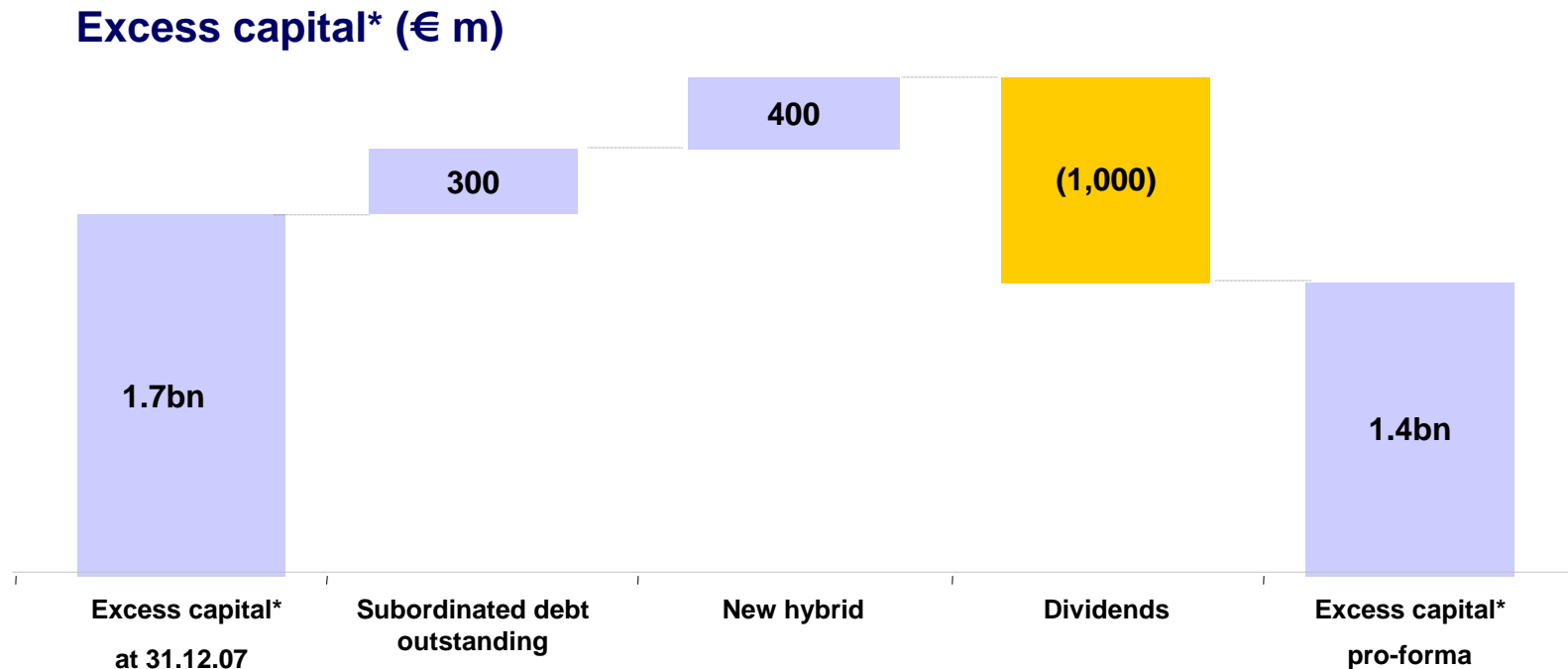


## UGF Organization Chart 2/2

  centralized functions



## Expected Group excess capital evolution \*



## Solvency margin coverage



After these actions, the Group maintains a strong regulatory capital

\* Based on minimum regulatory requirements.



# Capital structure rationalization plan

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## Planned Targets

- ▶ Capital level in line with the Group growth strategy
- ▶ Sound capital profile maintaining the ratings
- ▶ More efficient capital structure in view of SOLVENCY II

## Dividend Distribution

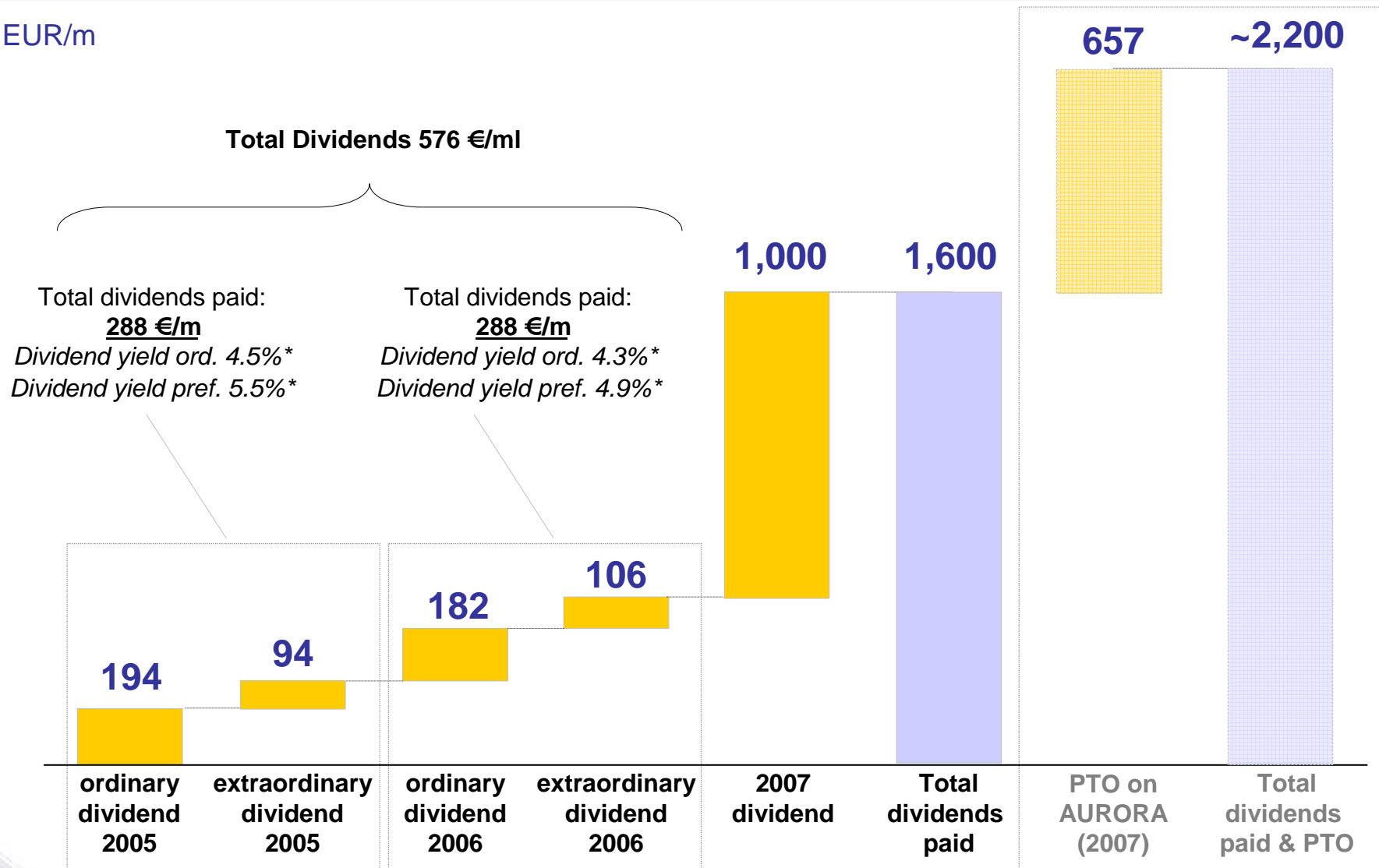
- ▶ Simple and clear conditions
- ▶ Definite timetable
- ▶ Transparency to the market
- ▶ Fair treatment for all shareholders





# Capital distribution to shareholders

EUR/m



\* Dividend yield as calculated on the Board Directors' Meeting previous date.



# Agenda

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- 1 Preliminary Group Results as at 31 December 2007
- 2 2006 – 2009 Industrial Plan Key Pillars
- 3 Conclusions**



## Conclusions

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- ▶ **Challenging targets in our 2006 – 2009 Industrial Plan**
- ▶ **Market environment more and more difficult**



- ▶ **We are pursuing these targets with decision**
- ▶ **2007 results are in line with our Industrial Plan**



## Disclaimer

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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, Senior Executive Responsible for drawing up the corporate accounts, declares – in accordance with Article 154-bis (2) of the ‘Single Financial Services Act’ – that, to the best of his knowledge and belief, the accounting information included in this presentation correspond to the documentary results, the books and accounting records.



## Contacts

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### Investor Relations

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