



# **UNIPOL Group Presentation**

**April 2005**

# KEY FIGURES

<i>Eur/mn</i>	F.Y. 2002		F.Y. 2003		F.Y. 2004	
<b>Insurance Business</b>						
Direct Premiums	6,006	+23%	7,463	+24%	9,583	+28%
<i>o/w Life</i>	3,717	+34%	4,650	+25 %	5,717	+23%
<i>o/w Non-Life</i>	2,290	+8%	2,813	+23%	3,866	+37 %
Market Share	6.8%		7.7%		9.4%	
<i>Life</i>	6.7%		7.4%		8.7%	
<i>Non-Life</i>	7.1%		8.2%		10.8%	
Ranking	4°		4°		4°	
<b>Banking Business</b>						
Customer Deposits	2,228	+99 %	2,628	+18%	4,322	+65 %
Customer Funds	6,979	+11 %	11,461	+64%	15,928	+39 %
Group Investments (EUR/bn)	17.7	+19%	26.4	+49%	29.4	+11 %
<b>Group Net Profit</b>	<b>102</b>	<b>+64 %</b>	<b>147</b>	<b>+44%</b>	<b>211</b>	<b>+43%</b>

# GROUP SUBSIDIARIES: BUSINESS/CHANNEL

**UNIPOL**  
ASSICURAZIONI \*

## INSURANCE BUSINESS

COMPANY

BUSINESS/  
CHANNEL

**UNIPOL**  
ASSICURAZIONI

Non Life + Life / Agencies

**Aurora**  
ASSICURAZIONI

Non Life + Life / Agencies

**LINEAR**  
ASSICURAZIONI IN LINEA

Motor / Telephone,  
Internet

**UNISALUTE**

Health / Agreements,  
Internet

**NAVALE ASSICURAZIONI SpA**

\*\* Transport and  
Tourism / Brokers,  
Agencies

## BANCASSURANCE BUSINESS

COMPANY

BUSINESS /  
CHANNEL

**Quadri  
foglio  
vita**

Life/BAM branches (MPS group)

**BNL Vita**

Life/ BNL branches

## BANKING, ASSET MANAGEMENT AND MERCHANT BANKING

COMPANY

BUSINESS /  
CHANNEL

**UNIPOL**  
B A N C A

Bank/ Branches, Fin. shops  
Fin. Advisers

**UNIPOL FONDI**

Mutual Funds/ Unipol Banca

**UNIPOL**  
MERCHANT  
BANCA PER LE IMPRESE

Merchant Banking and  
medium-term loans

**UNIPOL SGR**

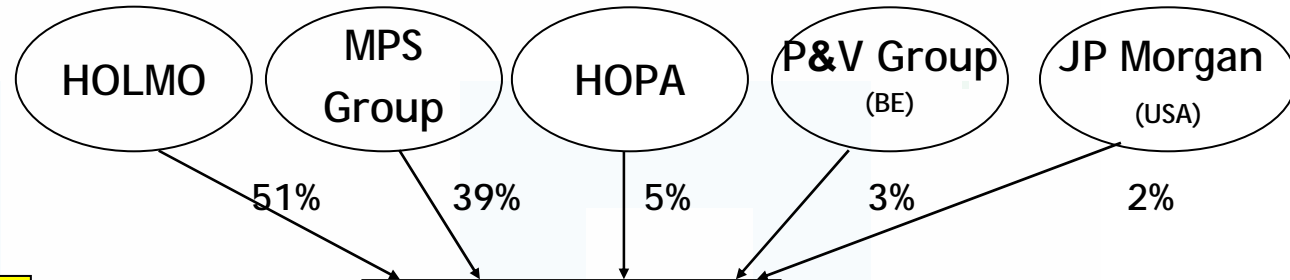
Asset Management

\* Operating Company and Parent Company

\*\* In November 2004 Navale Assicurazioni signed a contract to acquire MMI Danni S.p.A., MMI Assicurazioni S.p.A. and MMI Vita S.p.A. from Mutuelles du Mans Assurances.

# SHAREHOLDING STRUCTURE

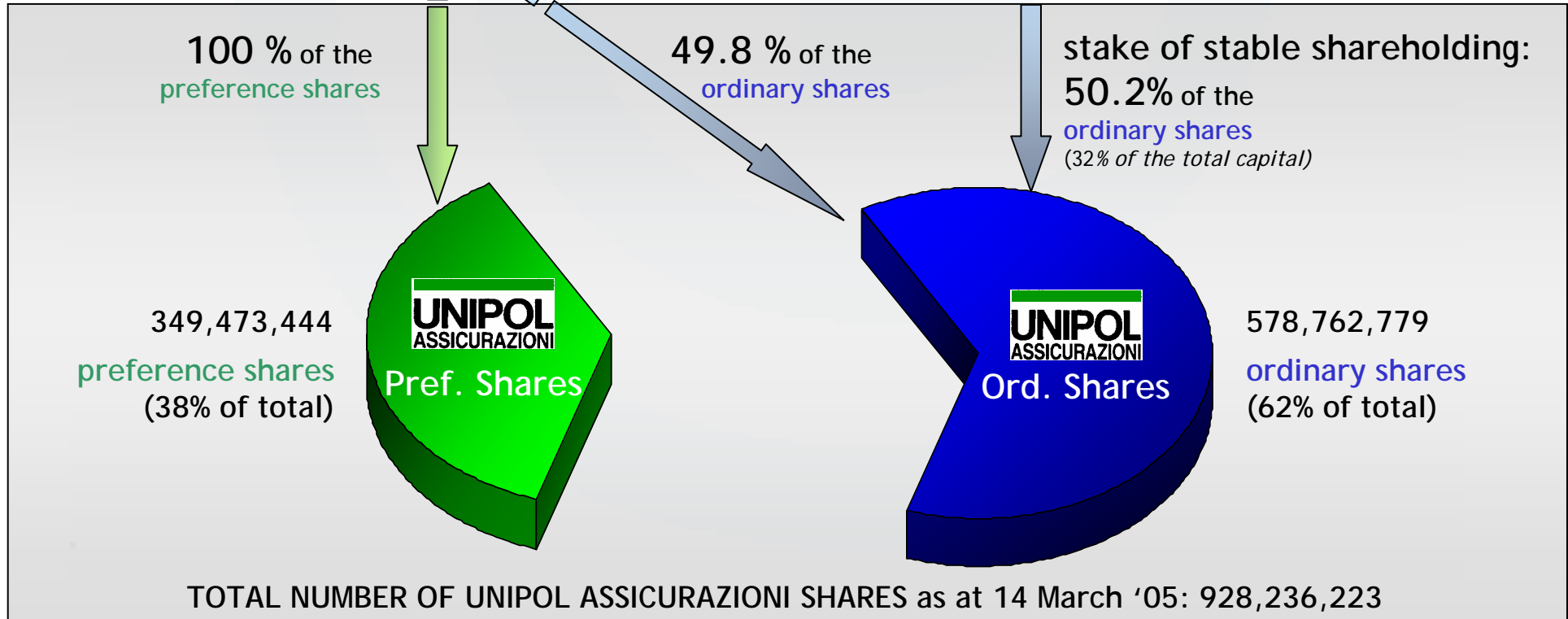
STRATEGIC MEMBERS



MARKET

**FINSOE**  
FINANZIARIA DELL'ECONOMIA SOCIALE

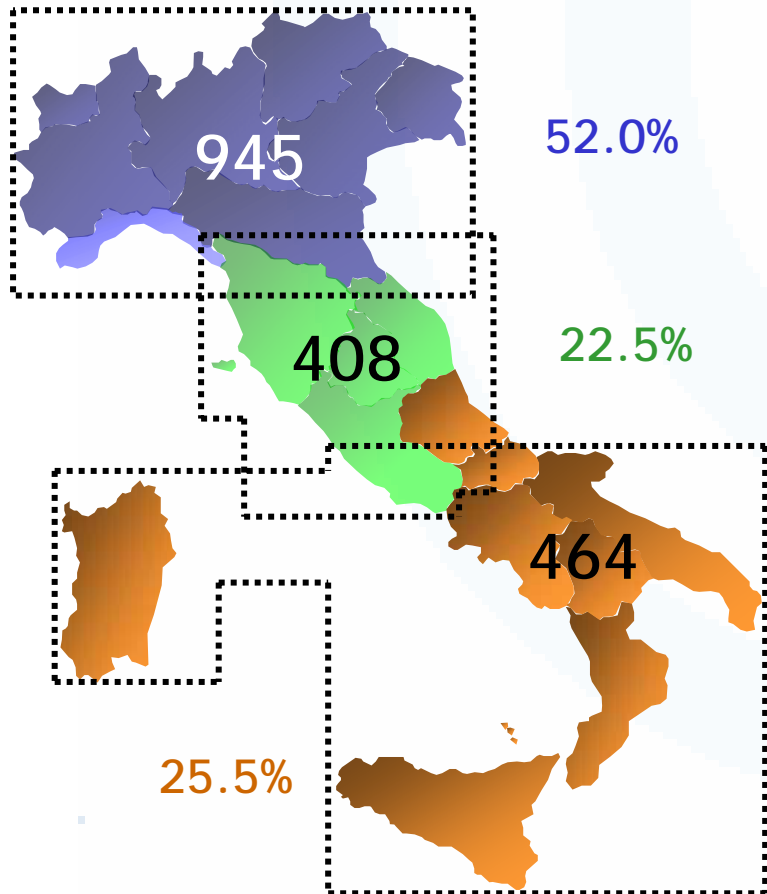
*Core Shareholder*



# DISTRIBUTION NETWORK

Agencies 1,817

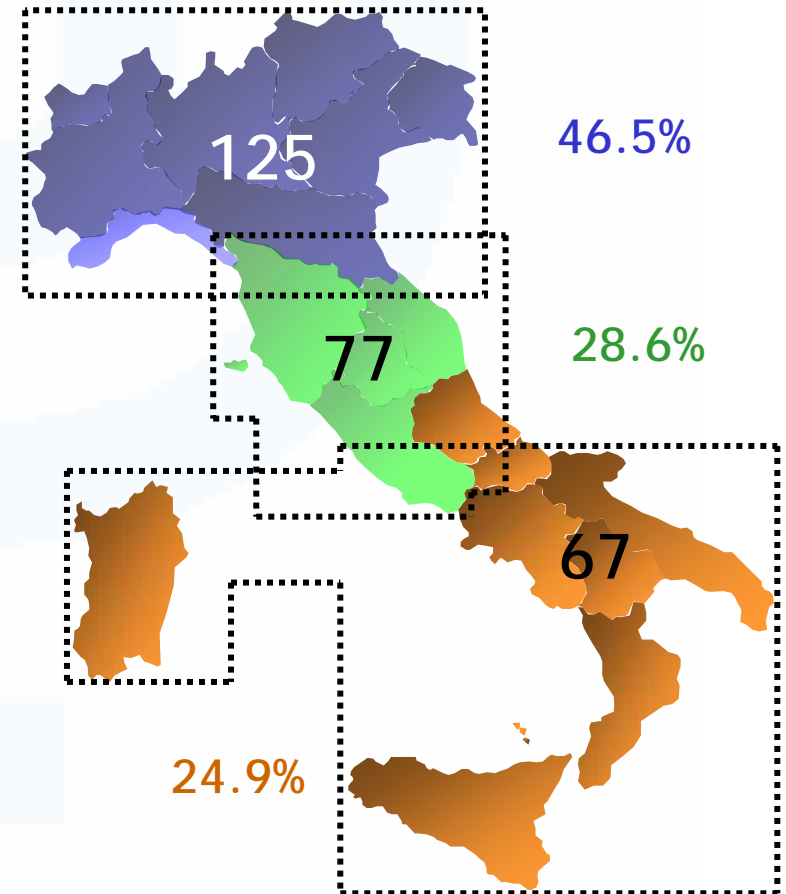
## INSURANCE AGENCIES



**UNIPOL**  
BANCA






## BANKING BRANCHES

Branches 221  
Financial Shops 48  
Financia Advisors 448




**TOTAL CUSTOMERS: 6,5 mln**

# DEVELOPMENT OF THE INSURANCE ACTIVITY 1999-2004

ACQUISITIONS - 2000		
Company Acquired	Stake Acquired	Vendor
 meie	51.4%	TELECOM
 meie (PPO)	23.1%	market
 AURORA ASSICURAZIONI spa	100%	GENERALI
 NAVALE ASSICURAZIONI Spa	98.2%	GENERALI
 BNL Vita	50%	GENERALI




  

Total premium income:	2,234 EUR/mn
Total assets:	6,300 EUR/mn
Total invested:	812 EUR/mn

ACQUISITIONS - 2003		
Company Acquired	Stake Acquired	Vendor
 winterthur	90%	Credit Suisse

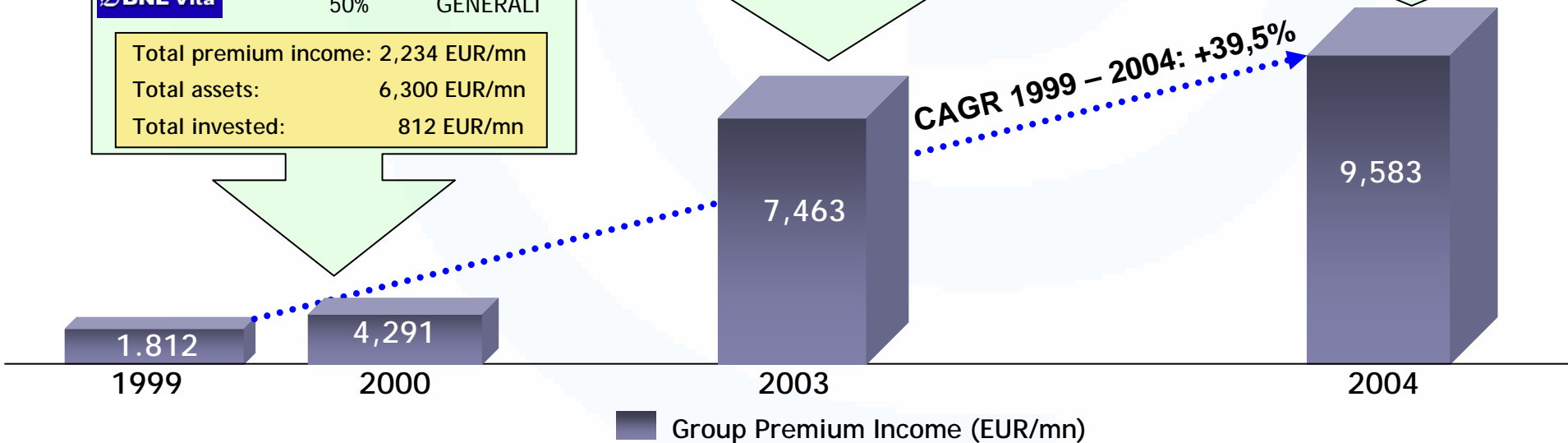
  

Total premium income:	1,931 EUR/mn
Total assets:	5,971 EUR/mn
Total invested:	1,319 EUR/mn

MERGER - 2004		ACQUISITIONS - 2004	
Company Acquired	Stake Acquired	Company Acquired	Stake Acquired
 +  winterthur		MMI Danni	100%
		MMi Ass.ni	100%
=  Aurora ASSICURAZIONI		MMI Vita	100%

Total Premium income:	~150EUR/mn
Total assets:	300 EUR/mn
Total invested:	~ 58 EUR/mn



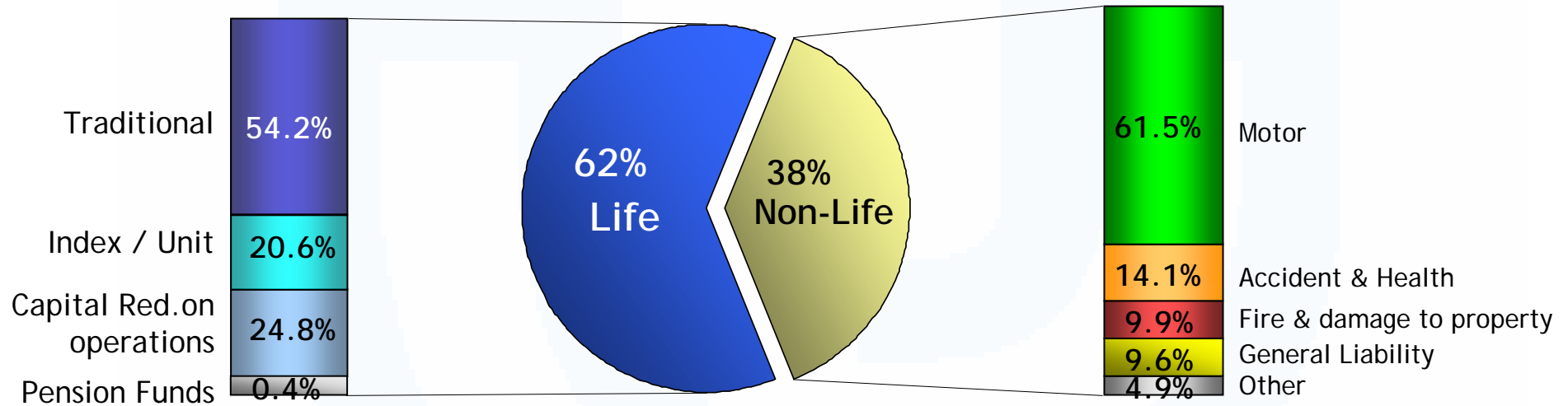
Total sum invested:	2,189 EUR/mn
Total premiums written acquired:	4,315 EUR/mn
Total customers acquired:	3,200,000

**IN 5 YEARS THE GROUP HAS QUINTUPLED IN SIZE**

# INSURANCE BUSINESS - DIRECT PREMIUMS

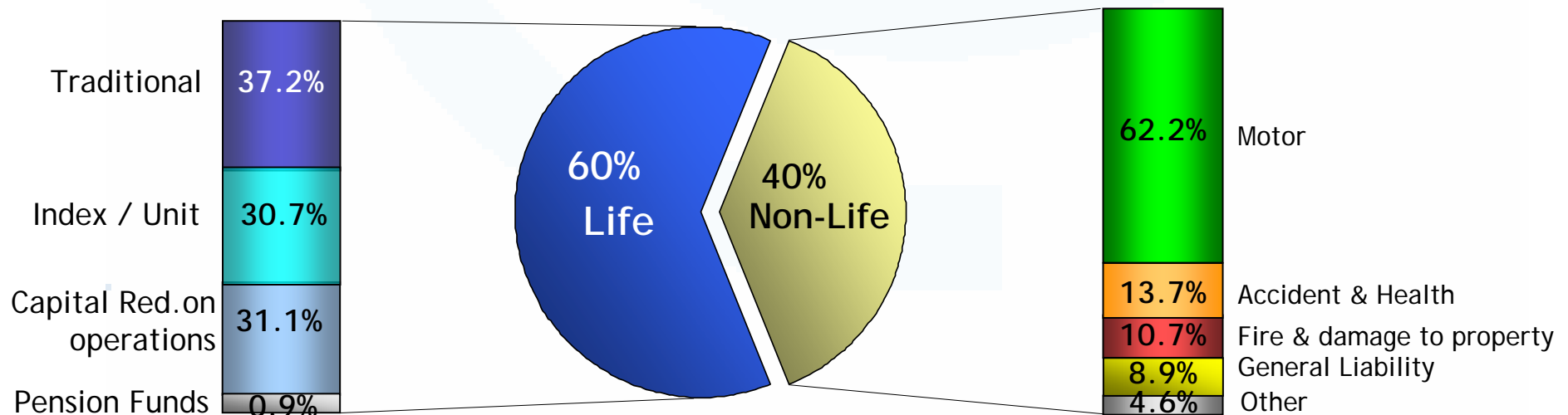
2003

TOTAL: 7,463 EUR/mn (+24%) Life: 4,650 EUR/mn (+25%) Non-Life: 2,813 EUR/mn(+23%)



2004

TOTAL: 9,583 EUR/mn (+28%) Life: 5,717 EUR/mn (+23%) Non-Life: 3,866 EUR/mn (+37%)



# THE MEIE - AURORA MERGER

## MEIE + AURORA IN 2000

Premium Income:  
EUR 1,044 mn

Life / Total: 23.4%

Agencies: 718

Combined Ratio: 112.8%

Tech. Account  
(Non-Life+Life): **EUR -18.4 mn**

Net Profit: **EUR -13.1 mn**

## STRATEGIC ACTIONS

2000- 2003

- Company reorganization
- IT migration to Unipol's system
- Centralization of key functions
- Streamlining the portfolio and rationalization of the sales network
- Claims handling at GROUP level

## MEIEAURORA

IN 2003

Premium Income:  
EUR 1,238 mn

Life / Total: 34.3%

Agencies: 502

Combined Ratio: 95.6%

Tech. Account  
(Non-Life+Life): EUR 43.5 mn  
*(+67% compared with 2002)*

Net Profit: **EUR 38.3 mn**  
*(+27% compared with 2002)*



# DIRECT BUSINESS COMBINED RATIO

Operat. expenses/prem.income

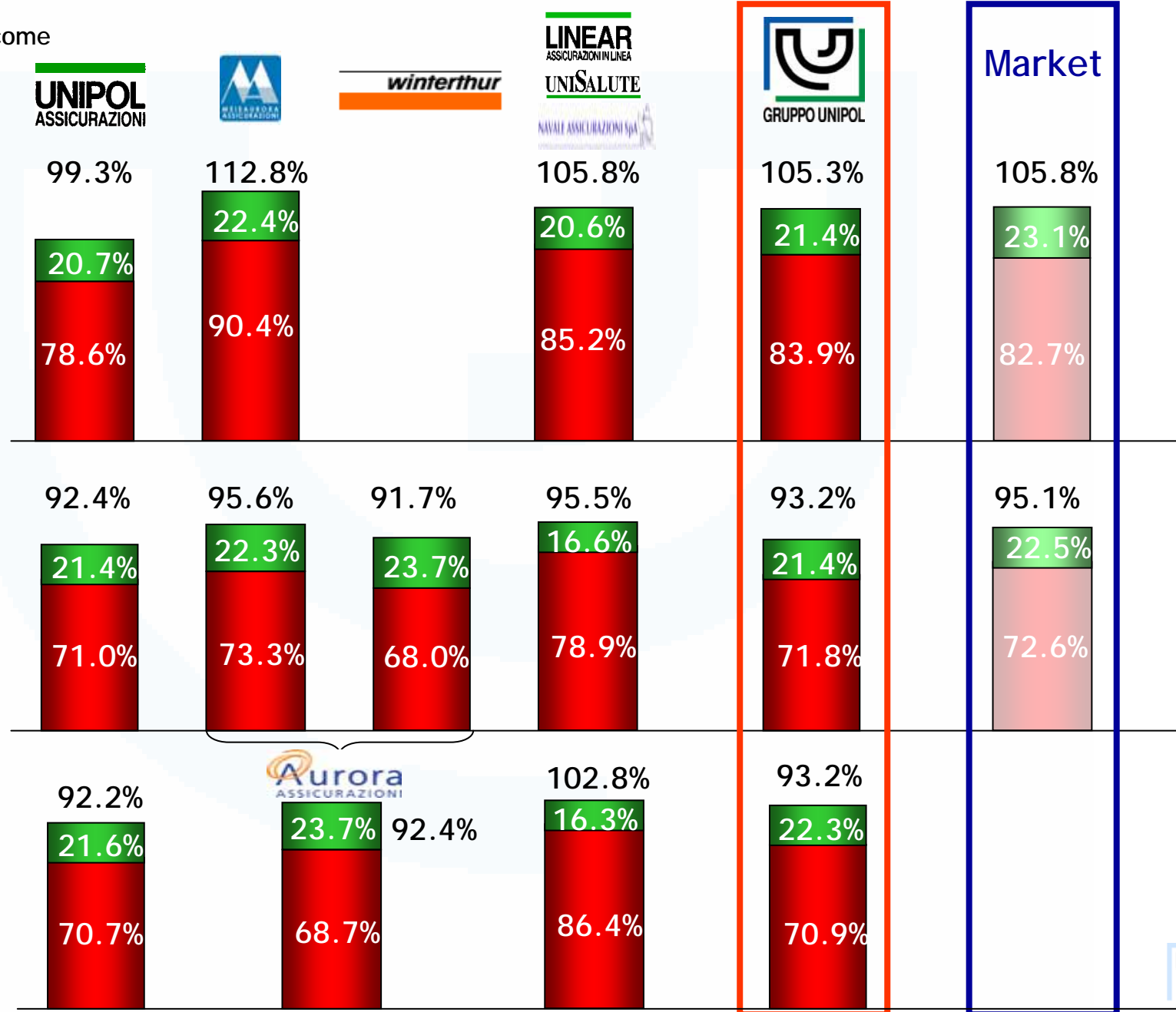
Claims/premium income

2000  
After  
Acquisit.  
Meie  
Aurora  
Navale

The Group combined  
ratio has fallen by 12  
points in 3 years

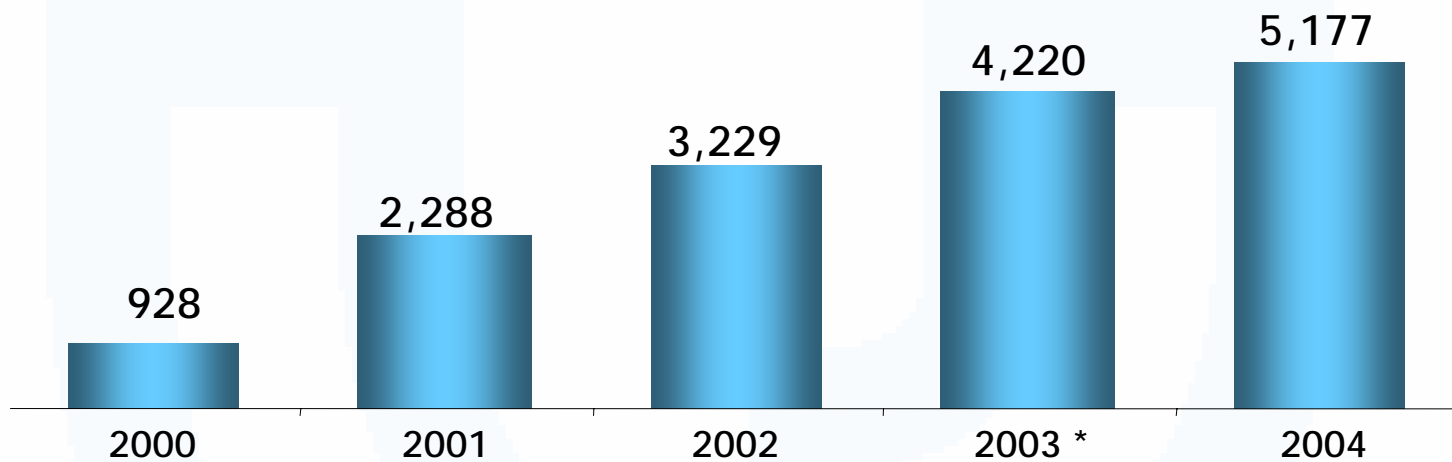
2003

2004

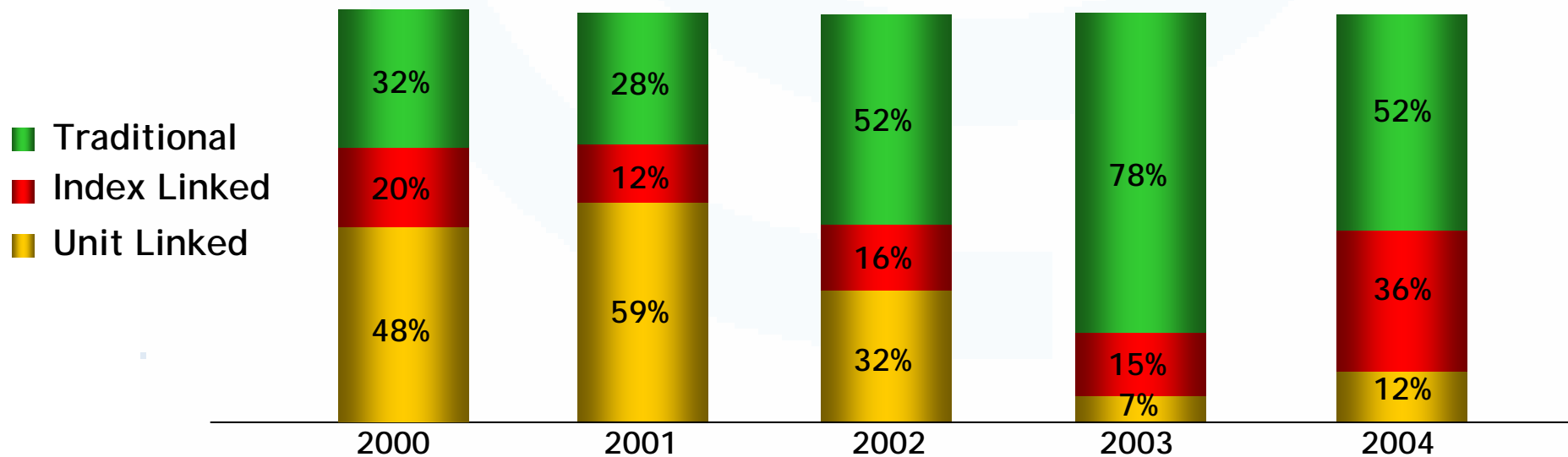


# LIFE BUSINESS

## Unipol Group New Business Volumes (EUR/mn)



## Composition of New Business Volumes

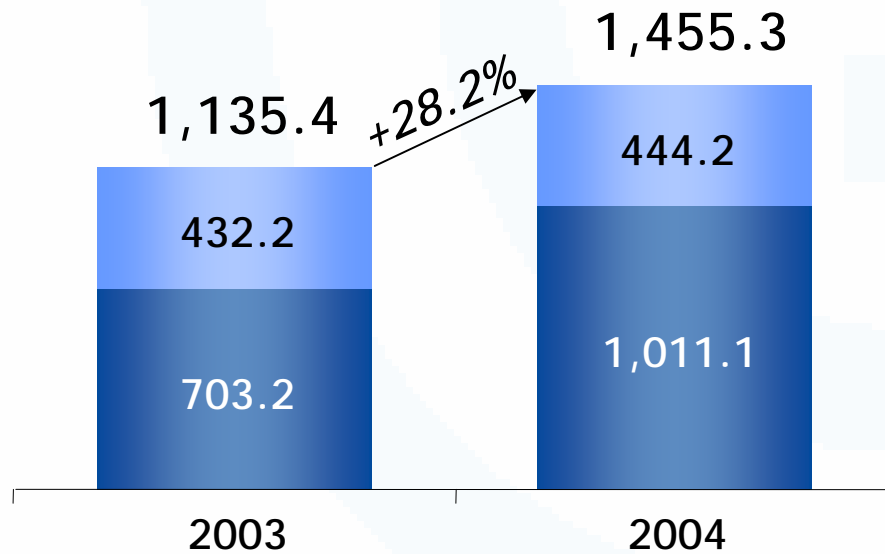


\* Winterthur included only for the 4° quarter 2003.

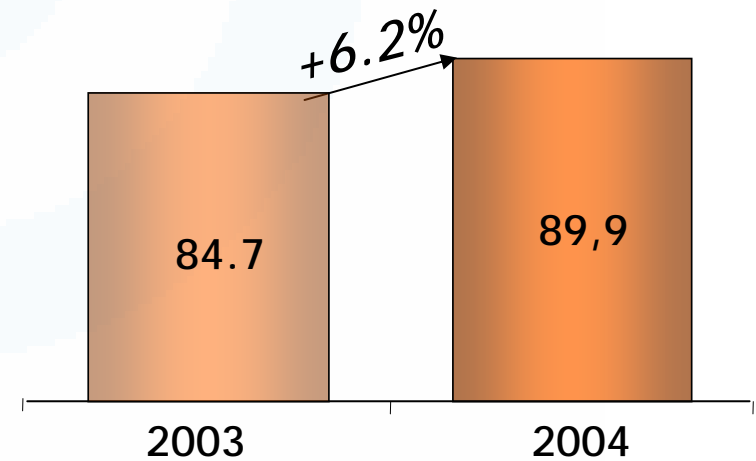
# EMBEDDED VALUE AND NEW BUSINESS VALUE

## EMBEDDED VALUE OF LIFE BUSINESS (EUR/mn)

- In-force Value \*
- Adjusted Capital & Reserves



## NEW BUSINESS VALUE \*



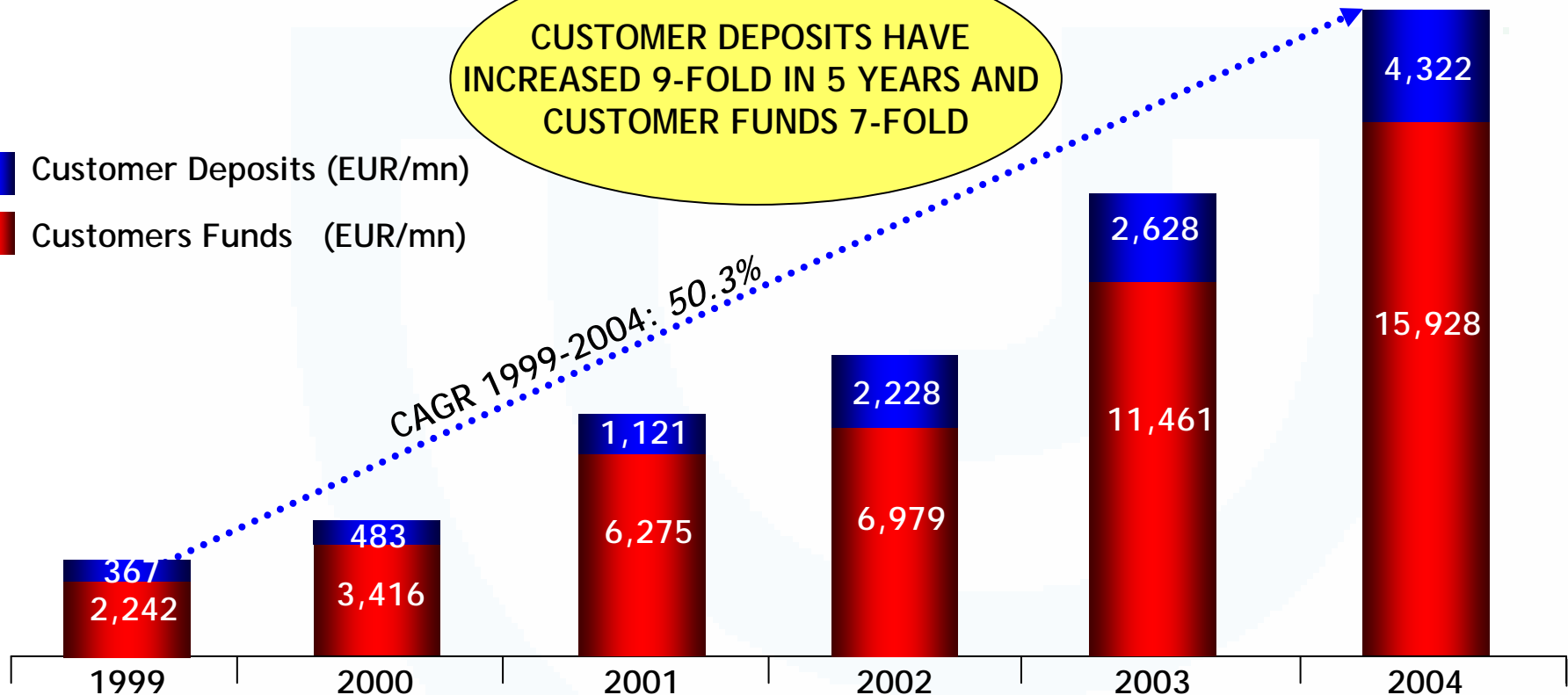
(\*) Source: Study carried out by G. Ottaviani e Partners, actuarial consultancy and auditing services.

# DEVELOPMENT OF THE BANKING ACTIVITY 1999-2004

CUSTOMER DEPOSITS HAVE INCREASED 9-FOLD IN 5 YEARS AND CUSTOMER FUNDS 7-FOLD

■ Customer Deposits (EUR/mn)  
 ■ Customers Funds (EUR/mn)

CAGR 1999-2004: 50.3%



1999	2000	2001	2002	2003	2004
Branches: 24 Fin. Adv.s: 132	Branches : 36 Fin. Adv.s: 270 Fin. shops: 17	Branches: 95 Fin. Adv.s: 373 Fin. shops: 60	Branches: 173 Fin. Adv.s: 408 Fin. shops: 57	Branches: 185 Fin. Adv.s: 425 Fin. shops: 53	Branches: 221 Fin. Adv.s: 448 Fin. shops: 48

Start-up project

Start-up UNIPOL FONDI  
 Acquisition of 51 branches from B. Intesa  
 (price paid: 205 EUR/mn)

Acquisition of 60 branches from Capitalia  
 (price paid: 165 EUR/mn)

Transformation of Unipol Merchant into: specialized in corporate business  
 (cap. and reserves of 108 EUR/mn)

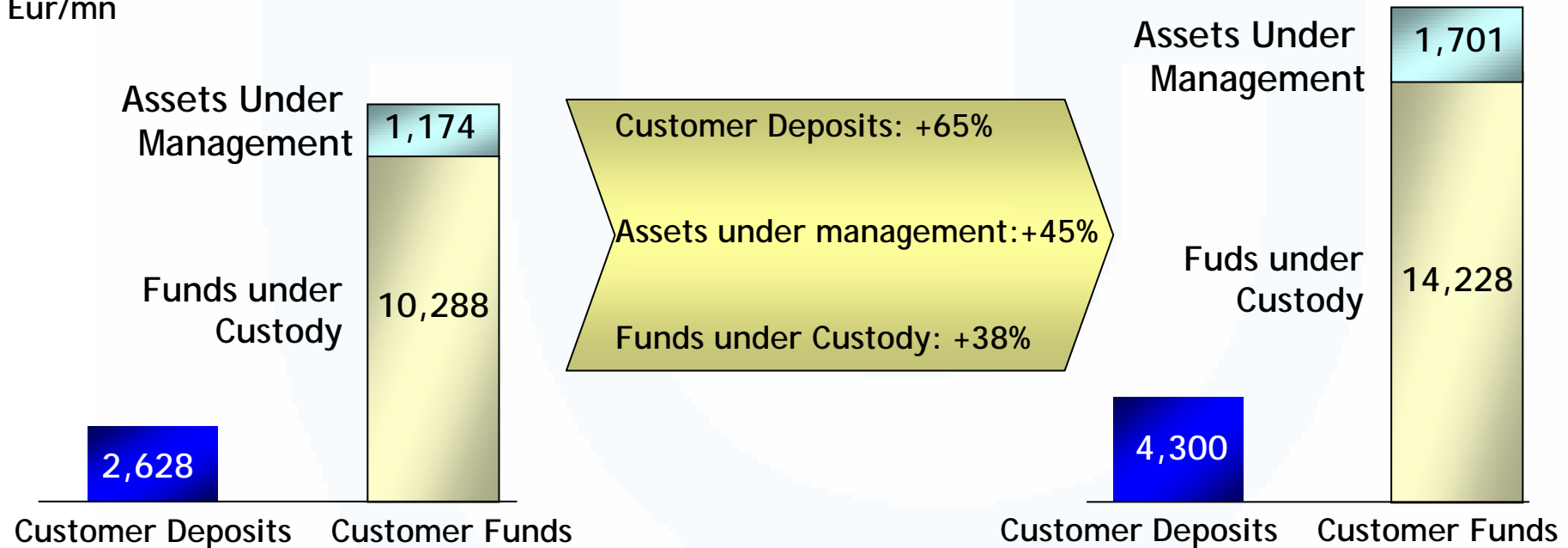
Acquisition of 22 branches from Banca Antonveneta

# BANKING BUSINESS

F.Y. 2003

F.Y. 2004

Eur/mn



F.Y. 2003

F.Y. 2004

Loans (EUR/mn) 1,946

2,609 \*\*

Var. % + 18%

+ 34%

Cost/Income Ratio 72.5%

64.5%

Branches 185

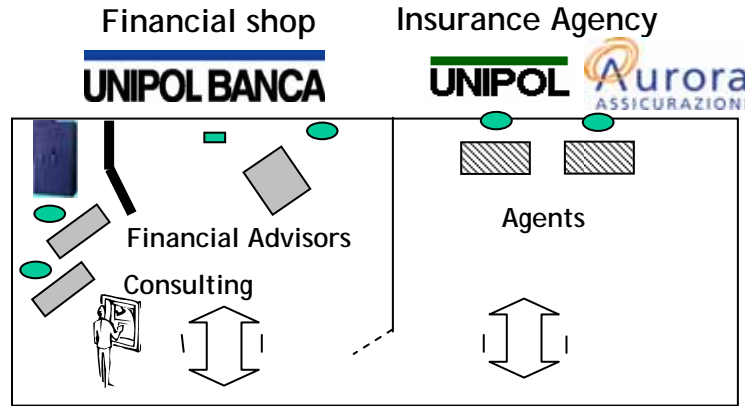
221

\*\* Excluding 977 EUR mn of securitizations.

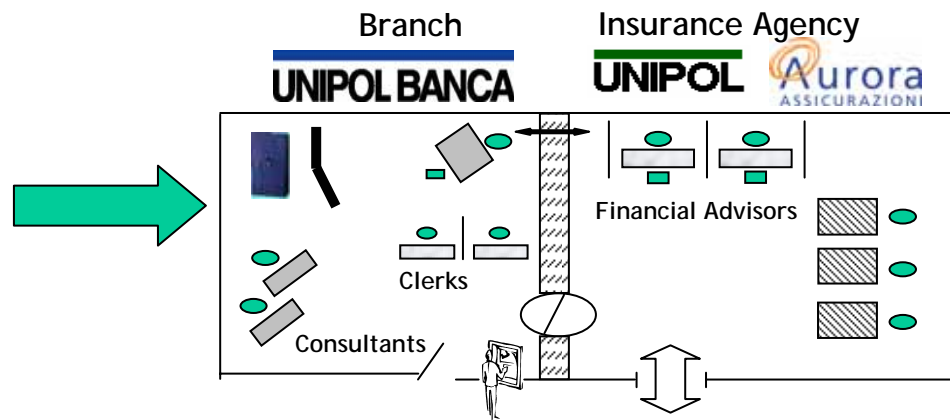
# UNIPOL BANCA: DISTRIBUTION MODELS

## OPTIMIZATION OF CROSS SELLING ON INSURANCE CUSTOMERS

### Agency with financial shop



### Co-located branches (Comprehensive customer service)

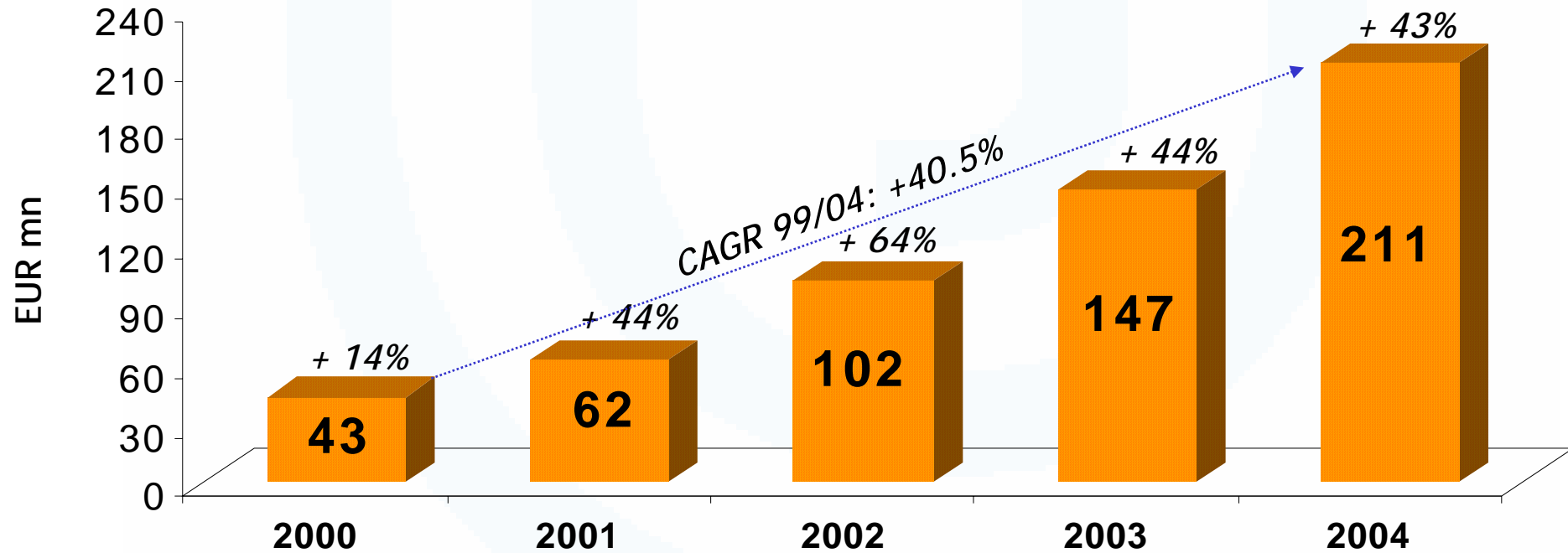


### Clustered agencies

(Bank outlet - Several insurance agencies)



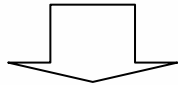
# CONSOLIDATED NET RESULTS



# THE MEIEAURORA- WINTERTHUR ITALIA MERGER

## ACTIONS

- ✓ Integration of sales network
- ✓ Widening of parent company IT systems
- ✓ Centralizing of:
  - claims handling
  - asset management
  - procurement activities



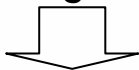
Target by 2006:  
**COST SYNERGIES of 100 EUR/mn**  
*65% from overhead cuttings*  
*35% from claims costs*

## ACTIVITIES

- Centralizing finance and real estate and review of Group supply chain ✓ Completed
- Extending to the ex-Winterthur Italia Group:
  - UNIPOL's underwriting and Non-Life systems ✓ Completed
  - UNIPOL's Life insurance system ✓ Completed
  - Group claims handling techniques ✓ Completed
- Optimizing human resources at Group level ✓ Ongoing

## UPDATE

- ✓ New products development and achieving cross selling opportunities
- ✓ Cross selling Aurora / Unipol Banca



Target by 2006:  
**REVENUE SYNERGIES of 40 EUR/mn**

- Unique Aurora products and overall extension to the unique customer basis
- Broadening the agency development model



# UNIPOL BANCA: 2006 TARGETS

	F.Y. 2003	F.Y. 2004	2006 <i>Plan*</i>
No. of current accounts	125,000	~ 150,000	~ 310,000
No. of branches	185	221	300 / 400
No. of financial shops	53	48	200
No. of financial advisors	425	448	~ 800
<b>(EUR/mn)</b>			
Customer Deposits	2,628	4,322	6,000
Asset Under Management	1,174	1,701	3,700
Loans	1,946	2,609 **	5,100
Gross Operating Income	150	193	350

\* Figures of the 2006 plan submitted to Banca d'Italia in 2004

\*\* Excluding 977 EUR/mn of securitizations.

# UNIPOL GROUP: 2006 TARGETS

F.Y.  
2003

F.Y.  
2004

PLAN  
2006

**PREMIUM INCOME (EUR bn)**

7.5

9.6

> 10

o/w Life Business

62%

60%

55%

o/w Non-Life Business

38%

40%

45%

Bancassurance as % of total premium income

40%

35%

< 32%

**GROUP COMBINED RATIO**

93.2%

93.2%

93%

**NET ROE**

8.4%

8.7%

~ 11.5%

# WARNING

THIS PRESENTATION CONTAINS INFORMATION RELATING TO FORECASTS OF FIGURES, RESULTS AND EVENTS THAT REFLECT THE CURRENT OUTLOOK, BUT THESE COULD DIFFER FROM WHAT ACTUALLY HAPPENS OWING TO EVENTS, RISKS AND MARKET FACTORS THAT IT IS CURRENTLY IMPOSSIBLE EITHER TO KNOW OR TO PREDICT.