

**UNIPOL GRUPPO FINANZIARIO**

**CONSOLIDATED RESULTS AS AT 31 DECEMBER 2008**



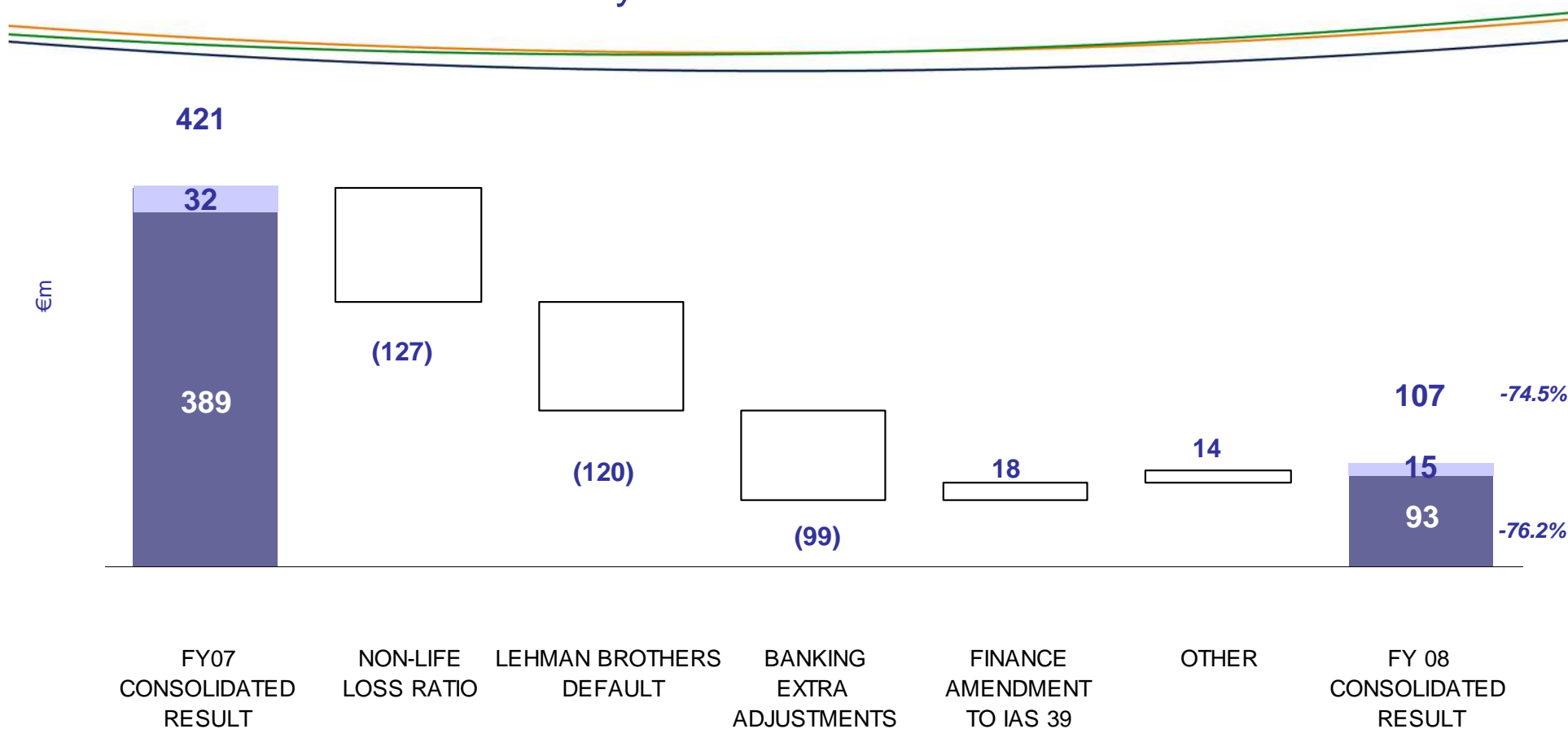
**Bologna, 19 March 2009**

# Agenda



- 1 Consolidated Results**
- 2 Non-Life Insurance Business**
- 3 Life Insurance Business**
- 4 Banking Business**
- 5 Investment Management**
- 6 Solvency**

## Consolidated result – Key effects



■ Group Profit    ■ Minorities

# Consolidated Income Statement by business sector – Summary

€m

	NON-LIFE BUSINESS			LIFE BUSINESS			BANKING BUSINESS			HOLDING, SERVICES AND INTERSECTOR ELIMINATIONS		TOTAL CONSOLIDATED		
	Dec. 08	Dec. 07	var %	Dec. 08	Dec. 07	var %	Dec. 08	Dec. 07	var %	Dec. 08	Dec. 07	Dec. 08	Dec. 07	var %
Net earned premiums	4,105	3,934	4.3	3,486	3,528	-1.2						7,591	7,463	1.7
Net income from commissions	(0)	0		2	(2)	-211.0	80	81	-1.5	(14)	(3)	67	76	-11.8
Financial income/charges(excl. assets/liab. at fair value)	303	337	-10.0	452	675	-33.1	42	191	-78.1	(146)	(52)	651	1,152	-43.5
Net claims charges	(3,151)	(2,855)	10.4	(3,644)	(3,935)	-7.4				9	1	(6,786)	(6,789)	0.0
Operating expenses	(927)	(888)	4.3	(119)	(144)	-17.1	(234)	(211)	11.0	(10)	(33)	(1,290)	(1,277)	1.1
Other income/charges	(60)	(33)	81.0	(29)	21		0	1		(9)	(8)	(98)	(18)	
<b>Profit (loss) before taxation</b>	<b>270</b>	<b>495</b>	<b>-45.4</b>	<b>148</b>	<b>144</b>	<b>2.7</b>	<b>(112)</b>	<b>62</b>		<b>(171)</b>	<b>(94)</b>	<b>134</b>	<b>607</b>	<b>-77.9</b>
Taxation												(27)	(186)	-85.4
<b>Consolidated profit</b>												<b>107</b>	<b>421</b>	<b>-74.5</b>
o/w minorities												15	32	-54.0

**o/w due to Lehman default effect**

(before tax)

(51)

(111)

(4)

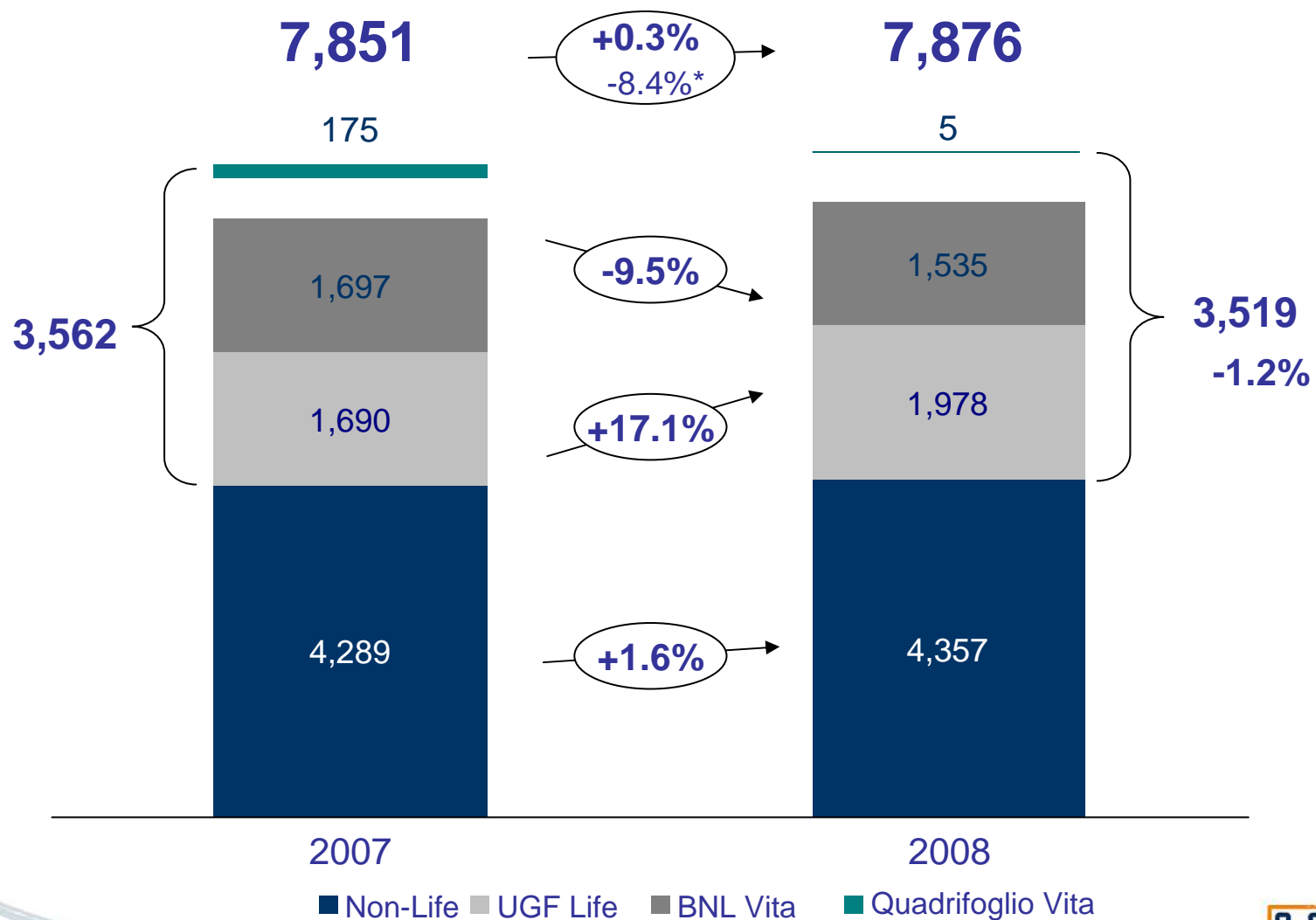
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# UGF Group – Insurance Income (IAS/IFRS)

€m



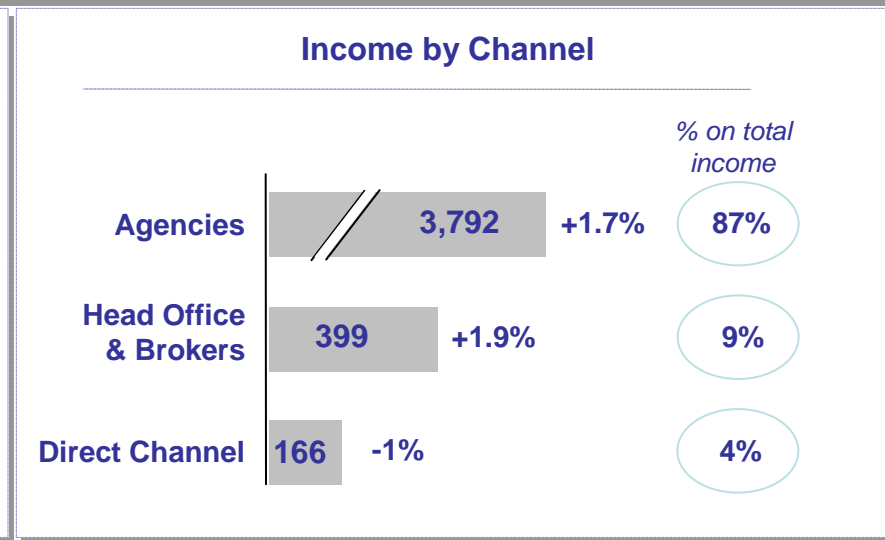
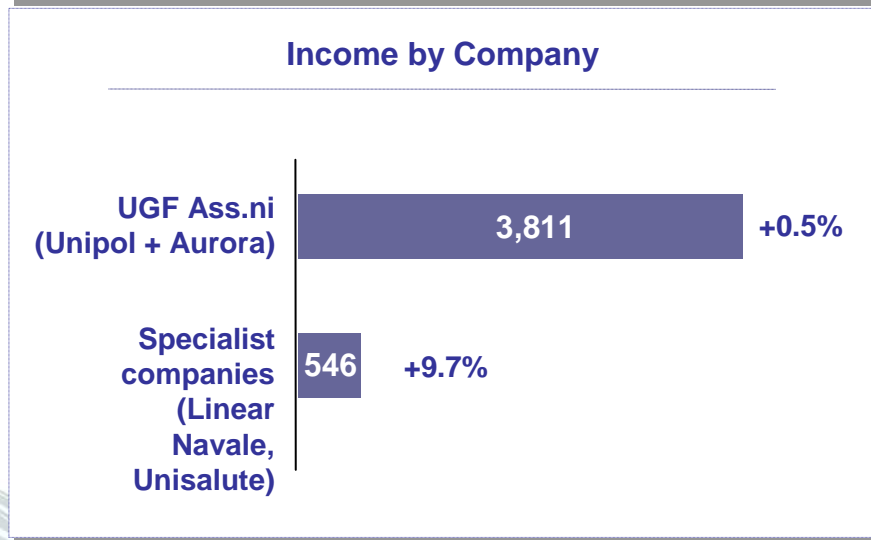
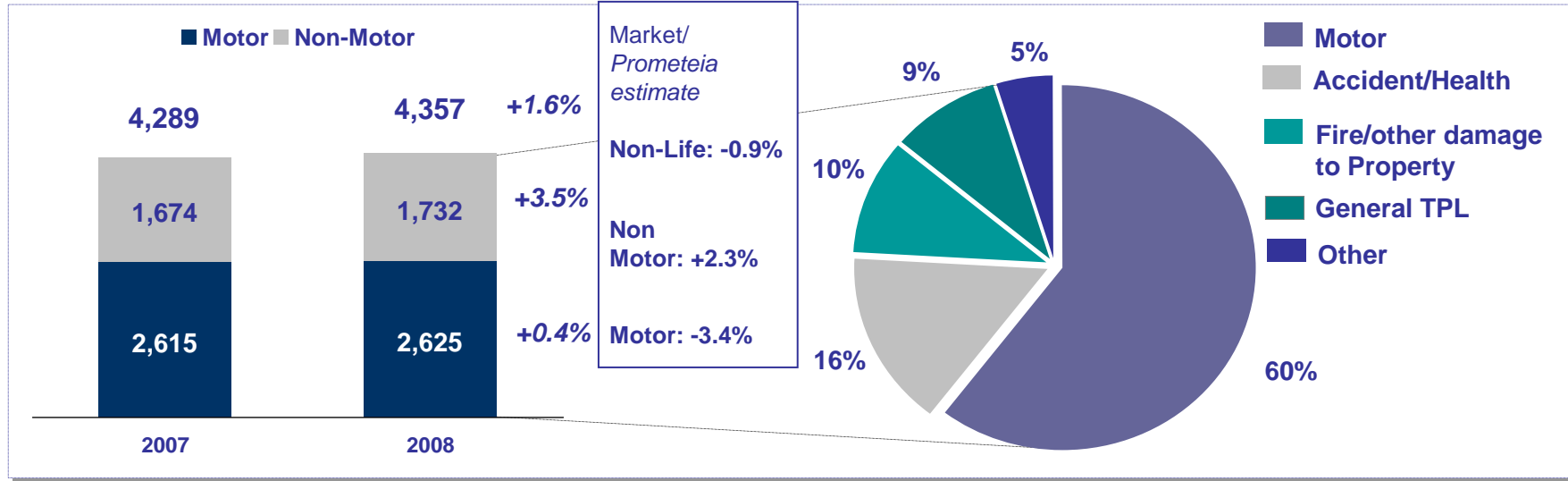
(\*) % change calculated on a like-for-like basis (100% BNL Vita premiums excl. Quadrifoglio Vita).

# Agenda

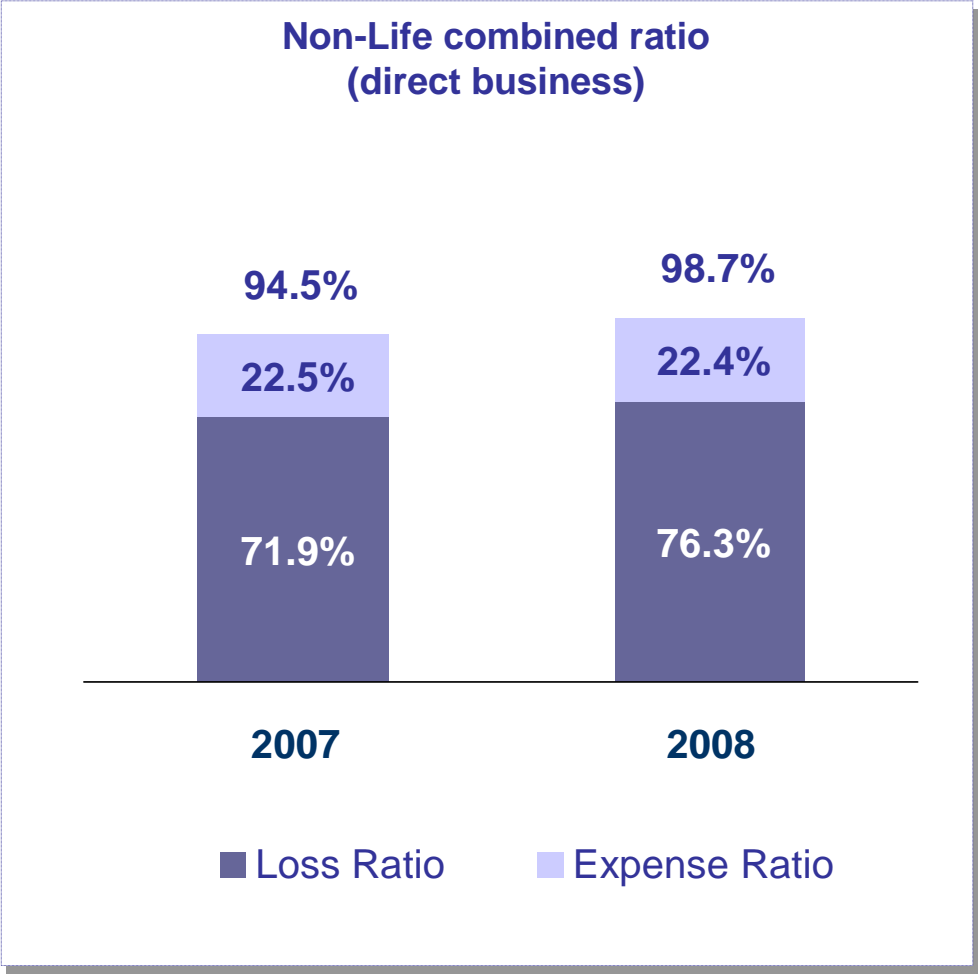
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# Non-Life Direct Written Premiums

€m

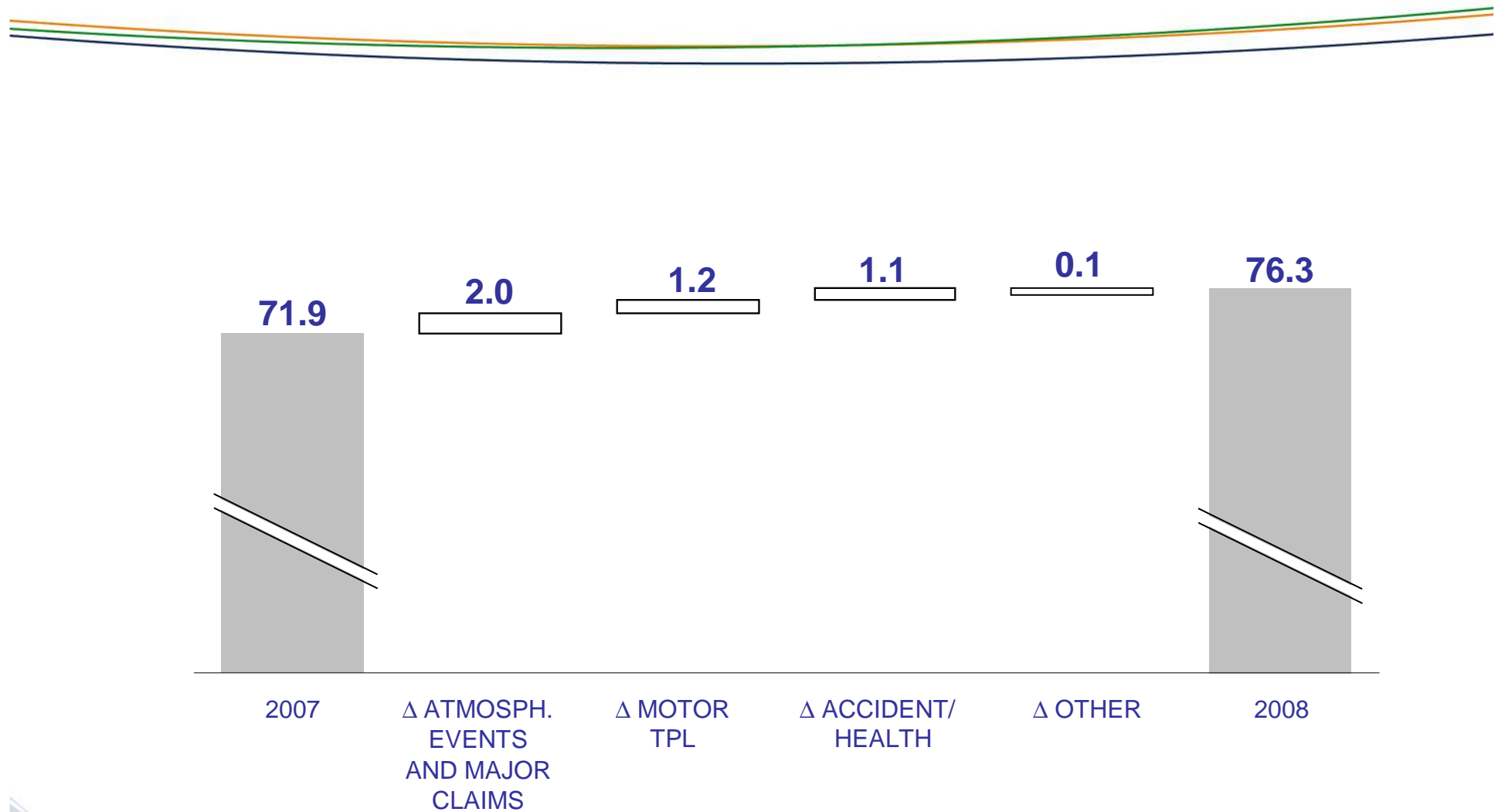


# Non-Life Combined Ratio





## Non-Life – 2008 Loss Ratio trend (direct business)



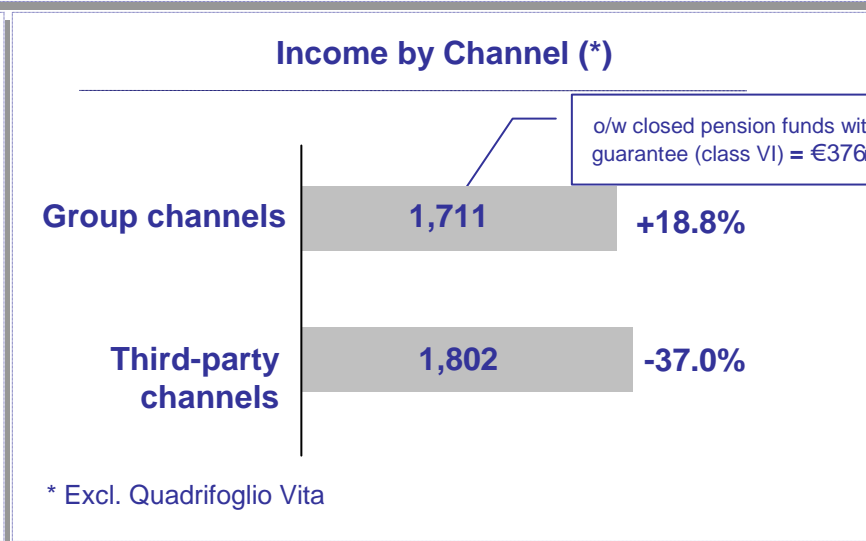
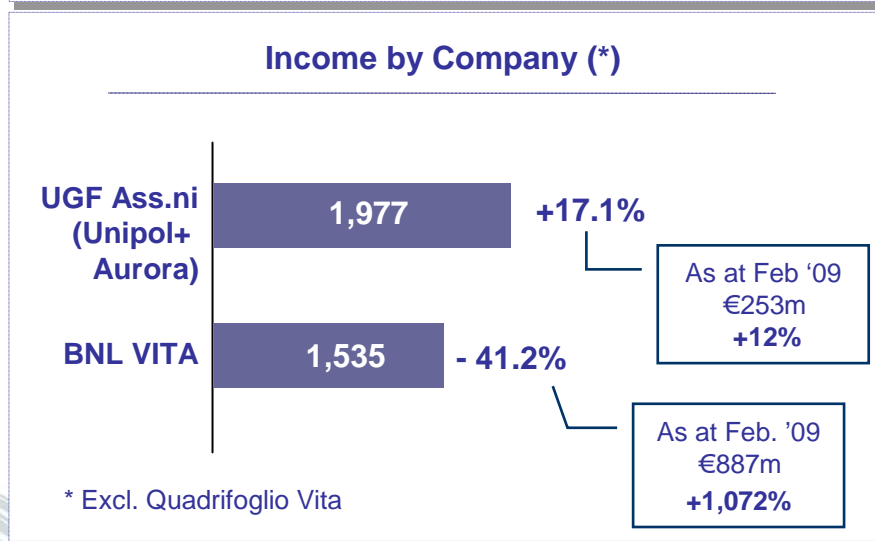
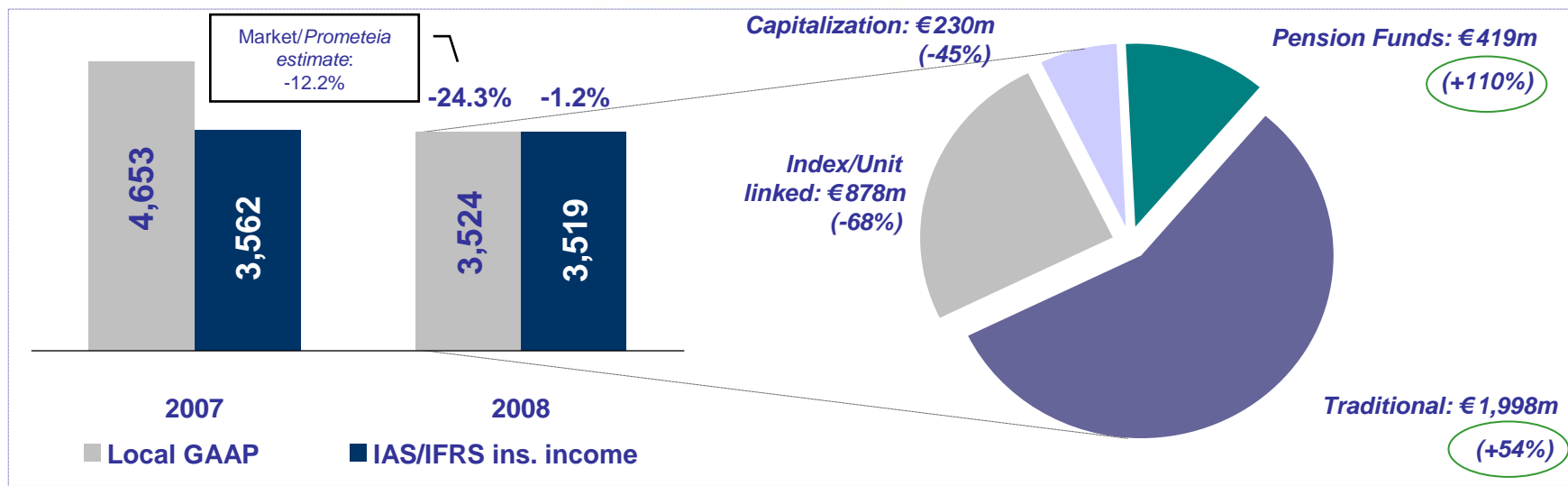
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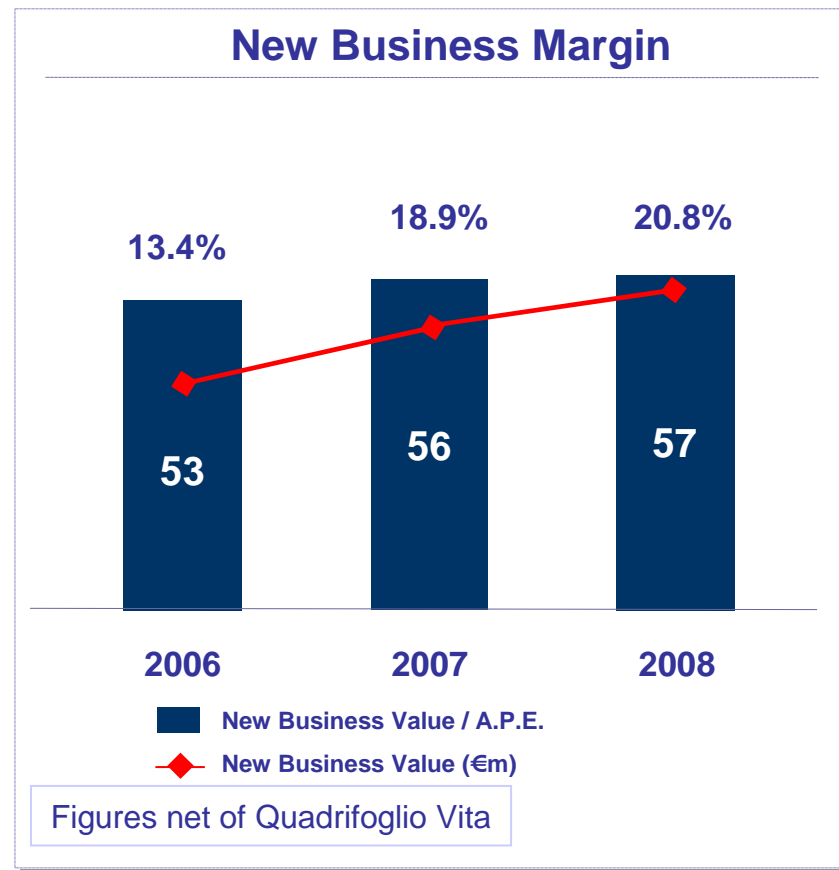
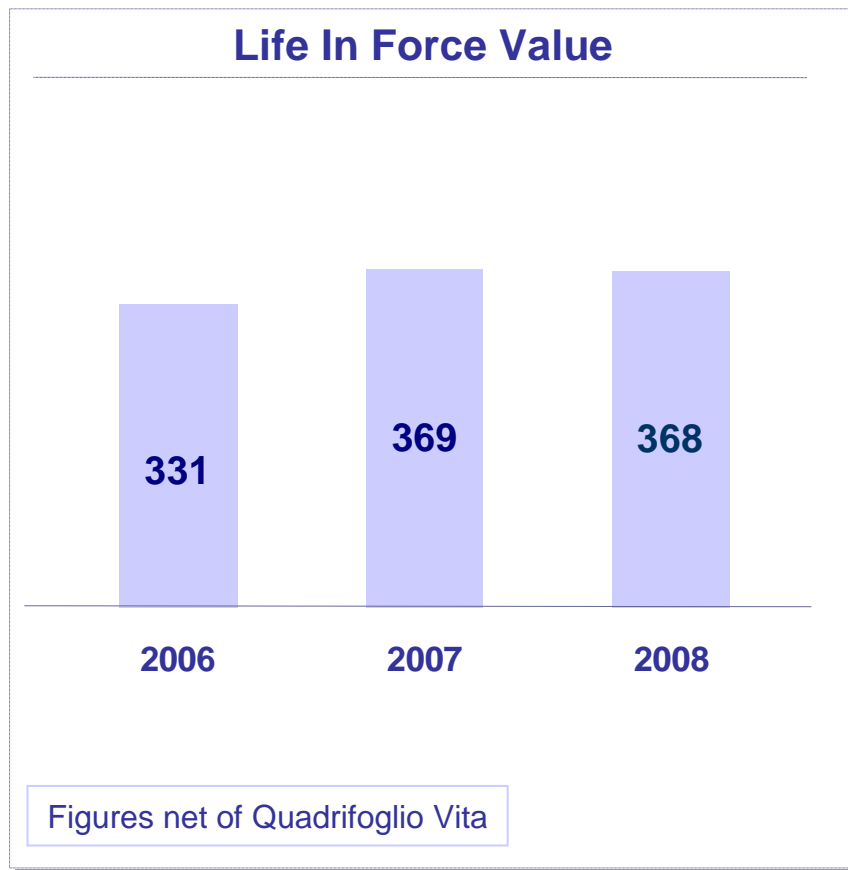
# Life Direct Insurance Business

€m



## In Force Value and Life New Business Margin

€m



#### HYPOTHESIS ADOPTED:

- Discount Rate: 6.50%
- Yield Rate: 4.25%
- Tax-rate: 35%

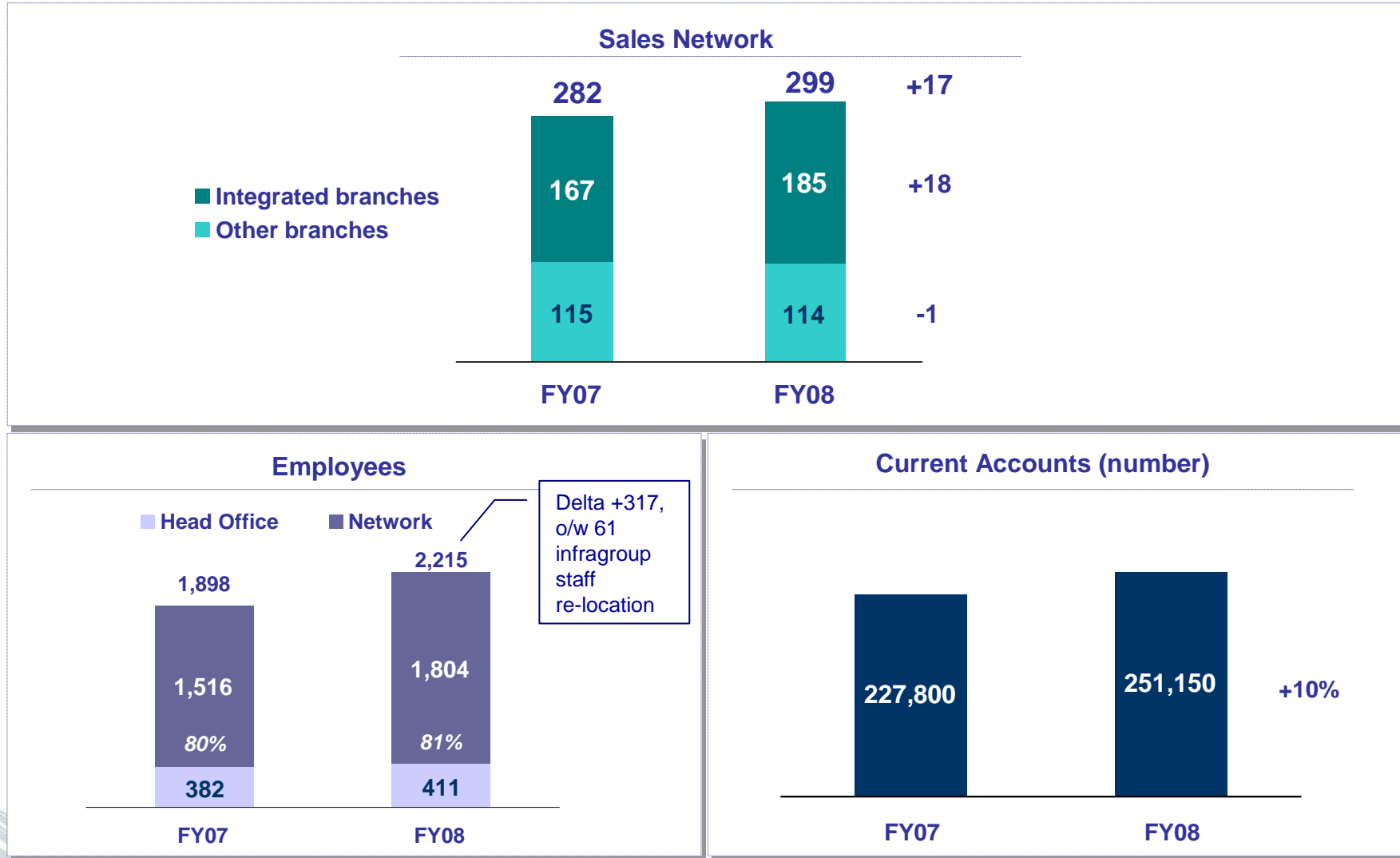
The figures relating to New Business Value and Life Embedded Value are net of taxes, policyholders' benefits, cost of capital and minorities.

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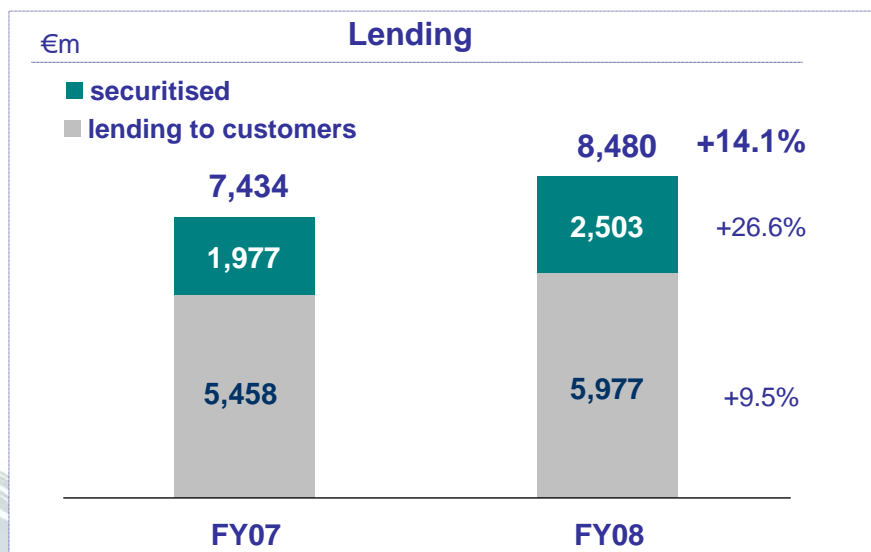
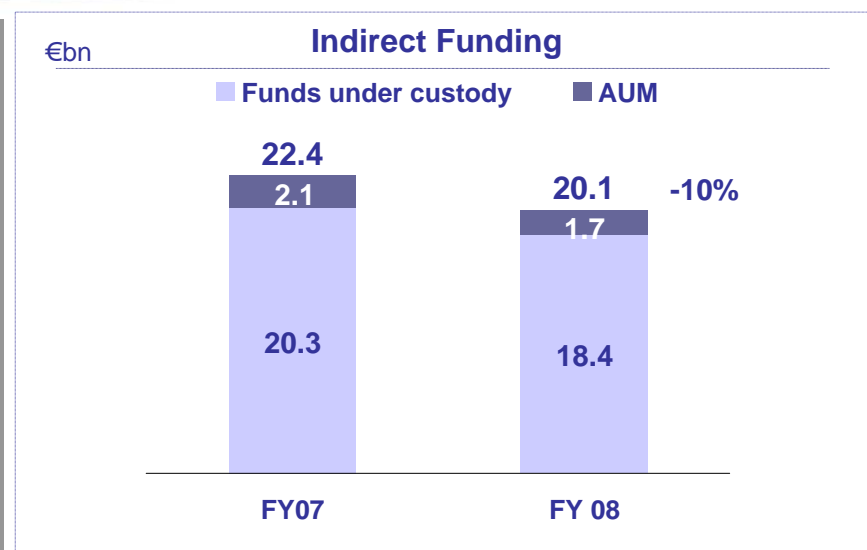
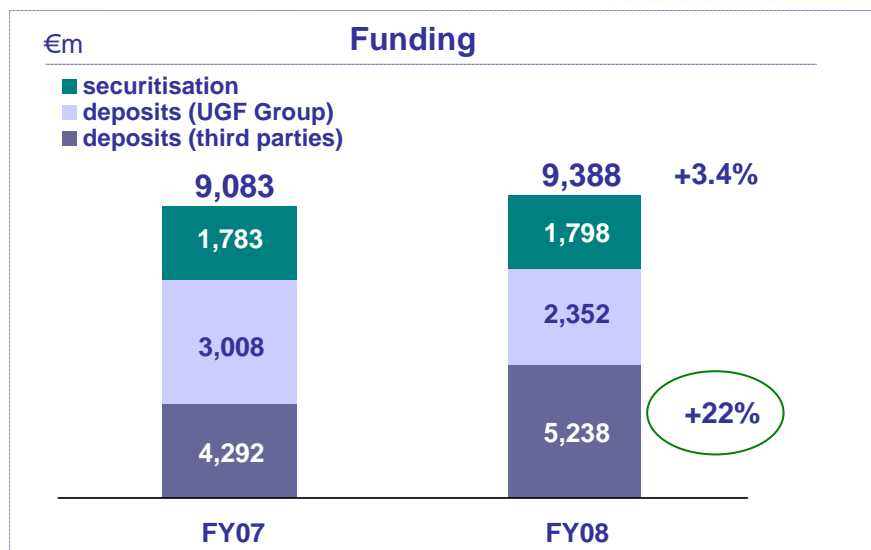


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# UGF Banca – Dimension Highlights



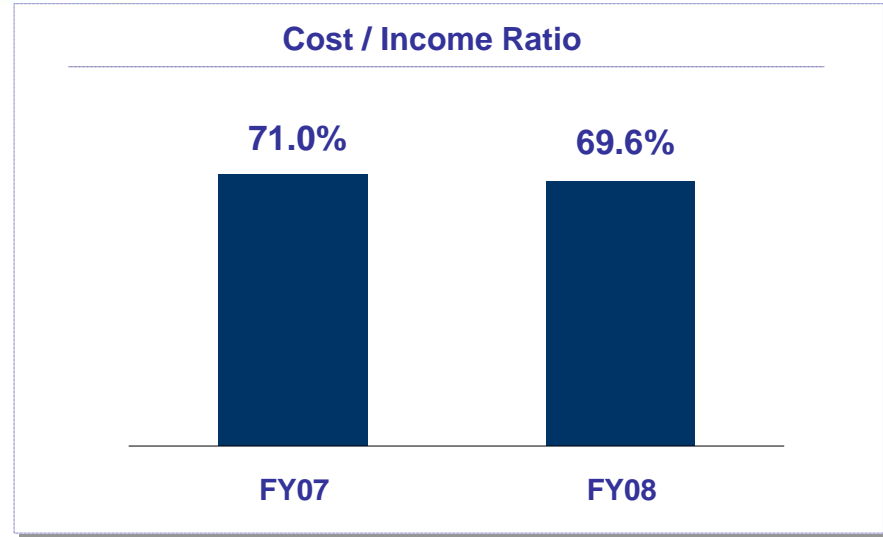
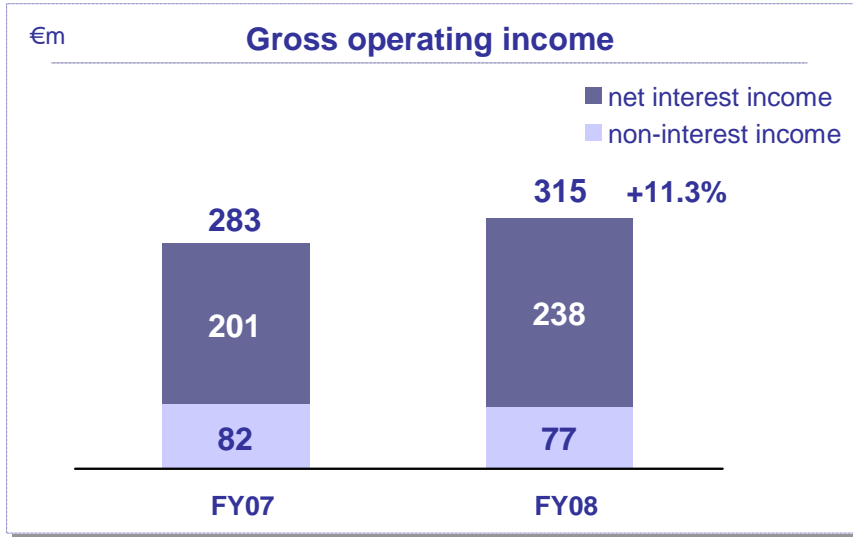
# UGF Banca – Key Financials



€m **Doubtful Debts**

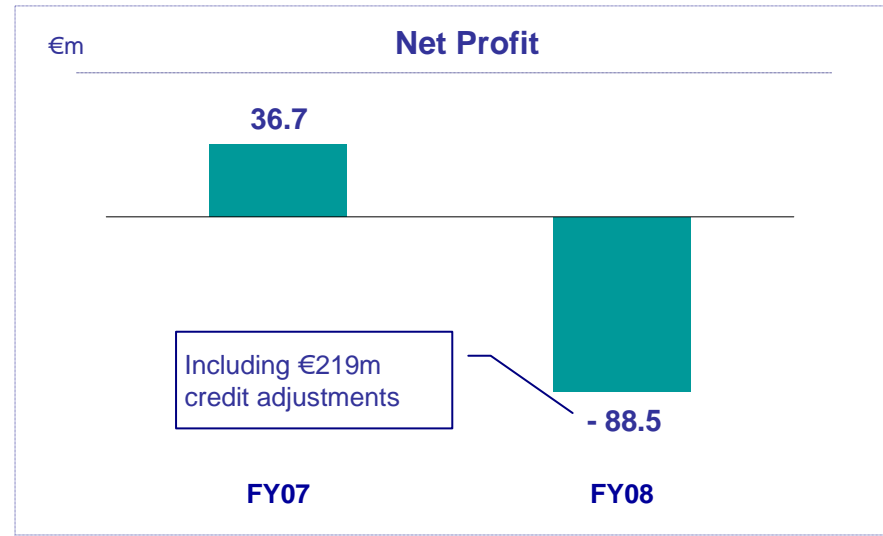
	FY07	FY08
Net doubtful debts	69	127
Lending to customers	7,434	8,480
Net doubtful debts / lending to customers	0.93%	1.50%

# UGF Banca – Key Financials



2008 Solvency Position (estimate)	UGF Banca SpA	Banking Group (***)
Tier I Capital Ratio *	7.9%	6.7%
Total Capital Ratio **	11.8%	9.3%

(\*) Tier I C.Ratio = Core Capital / Risk-Weighted Assets  
 (\*\*) Total C.Ratio = Regulatory Capital / Risk-Weighted Assets  
 (\*\*\*) after €100m already resolved capital increase





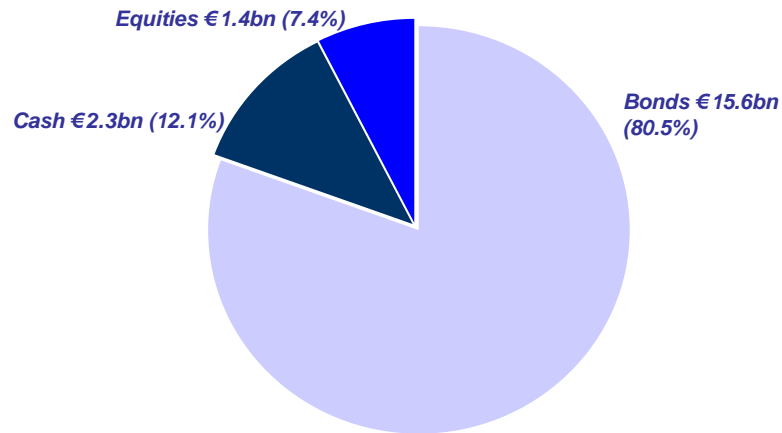
# Agenda



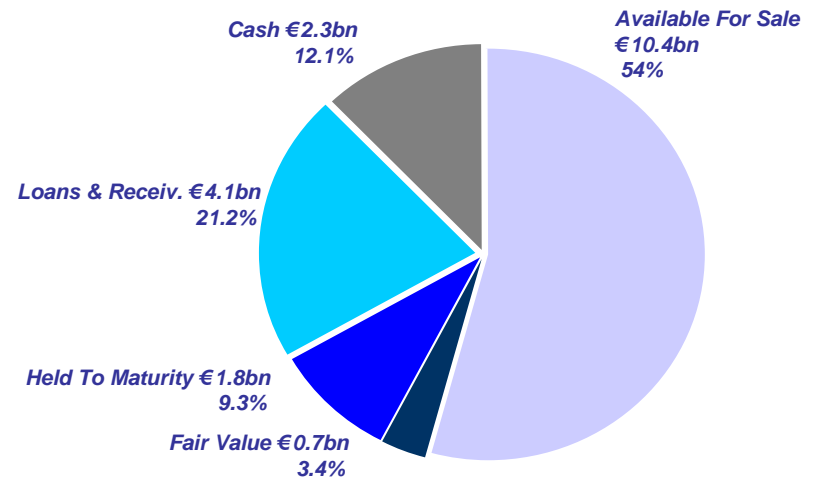
- 1 **Consolidated Result**
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# Investments breakdown and AFS Reserve

**INSURANCE INVESTMENTS MANAGED BY UGF**  
**BREAKDOWN BY ASSET AS AT 31/12/08 (excluding former Class D)**  
**TOTAL €19.3bn**



**INSURANCE INVESTMENTS MANAGED BY UGF**  
**BREAKDOWN BY ACCOUNTING STANDARD AS AT 31/12/08 (excluding former Class D)**  
**TOTAL €19.3bn**



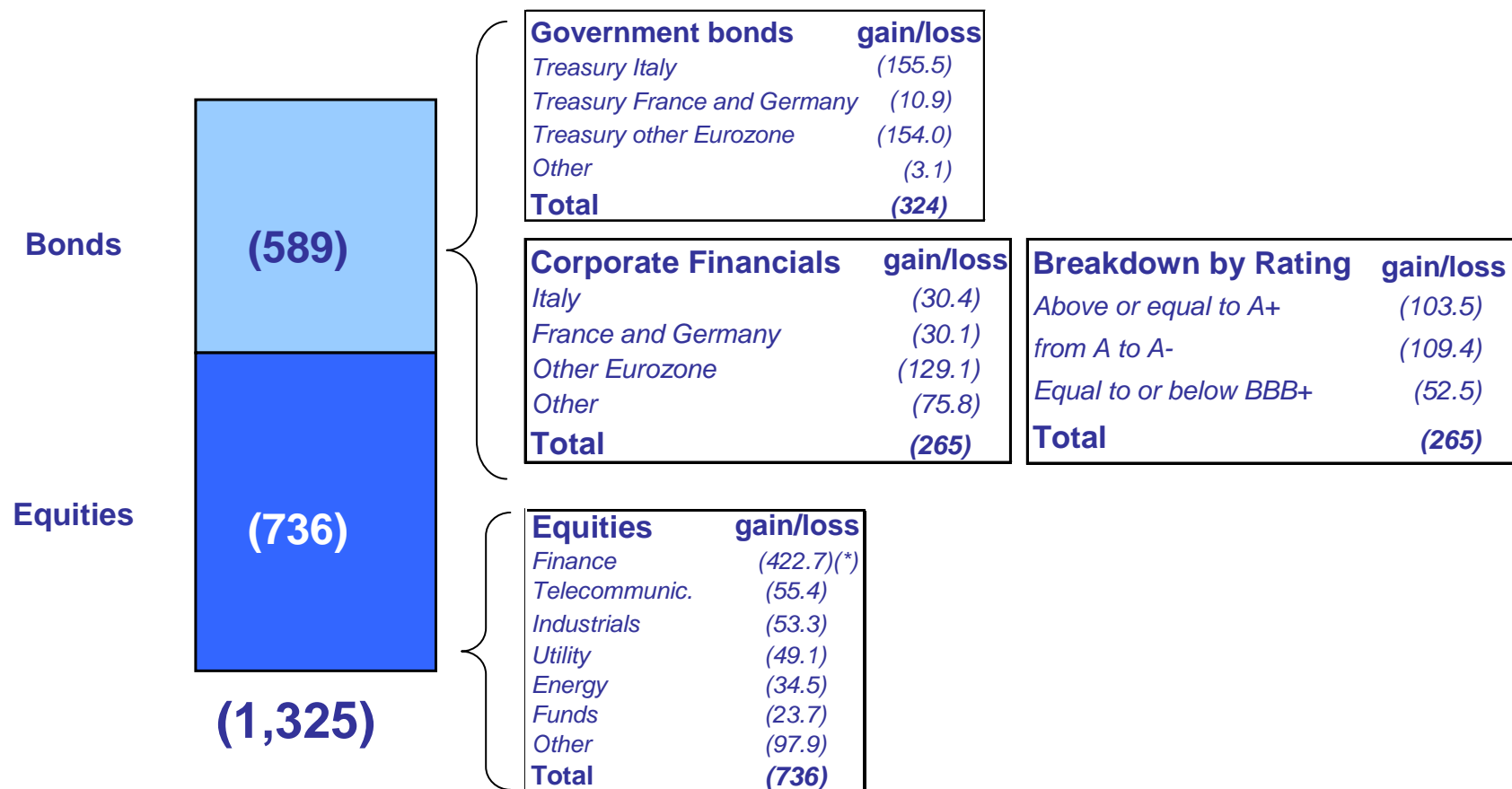
## AVAILABLE FOR SALE RESERVE ROLL-FORWARD \*

\* Break-up based on company estimate

	31/12/2007	30/06/2008	30/09/2008	31/12/08
(€m)				
Equities	-162	-480	-584	-736
Bonds	-518	-582	-626	-589
<b>Total</b>	<b>-680</b>	<b>-1,062</b>	<b>-1,210</b>	<b>-1,325</b>

# Net AFS Reserve as at 31 December 2008

€m

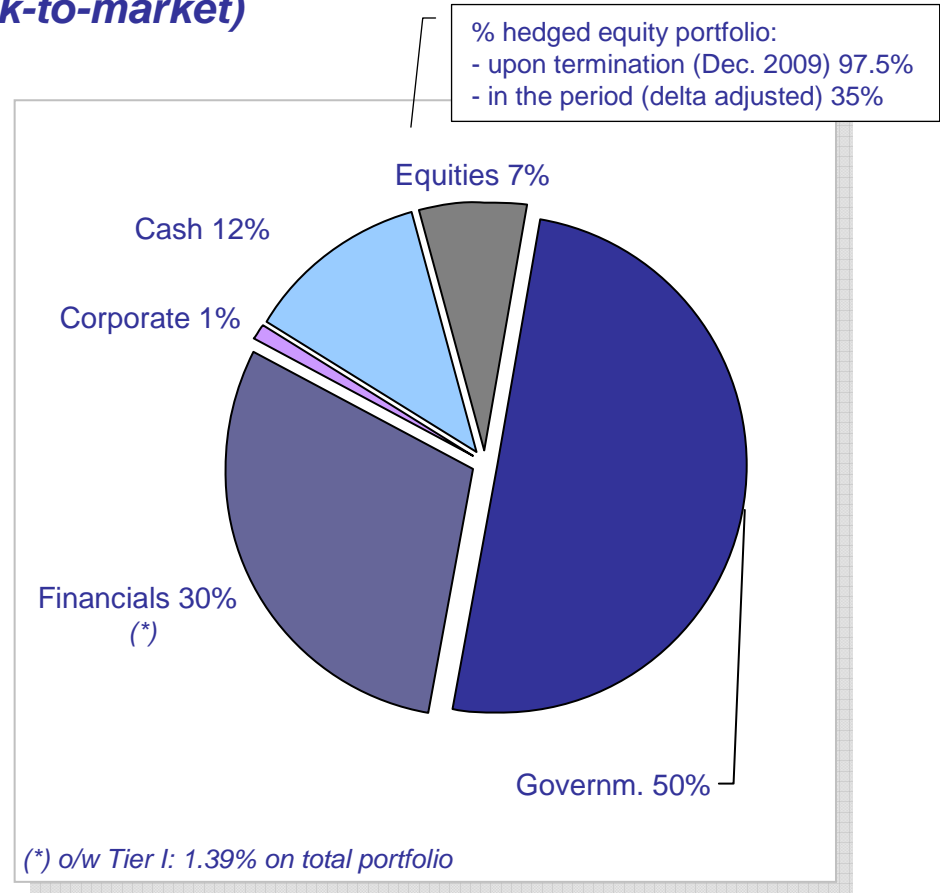


(\*) o/w MPS € 122.6m

# Insurance Investments managed by UGF – 2008 Asset Allocation

**Total 19.3 €bn (mark-to-market)**

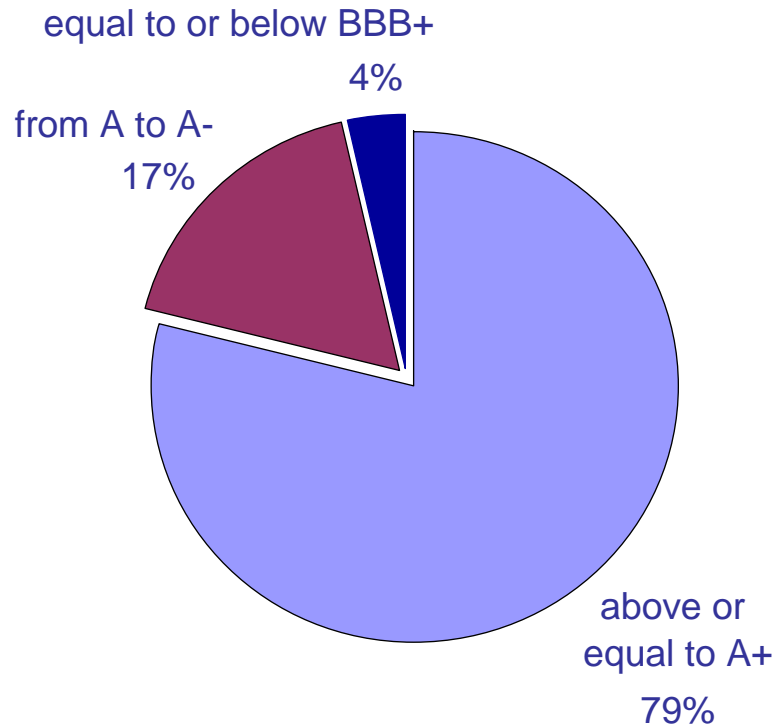
	€bn	inc. %
<b>BONDS</b>	<b>15.6</b>	<b>81%</b>
GOVERNMENT	9.7	50%
<i>Italy</i>	5.8	30%
<i>EMU Core</i>	1.2	6%
<i>EMU Periferal</i>	2.6	14%
<i>Other</i>	0.1	0%
FINANCIALS	5.9	31%
≥ A+	3.1	16%
<i>from A to A-</i>	2.2	11%
≥ BBB+	0.6	3%
<b>EQUITIES</b>	<b>1.4</b>	<b>7%</b>
<b>CASH</b>	<b>2.3</b>	<b>12%</b>
<b>TOTAL</b>	<b>19.3</b>	<b>100%</b>



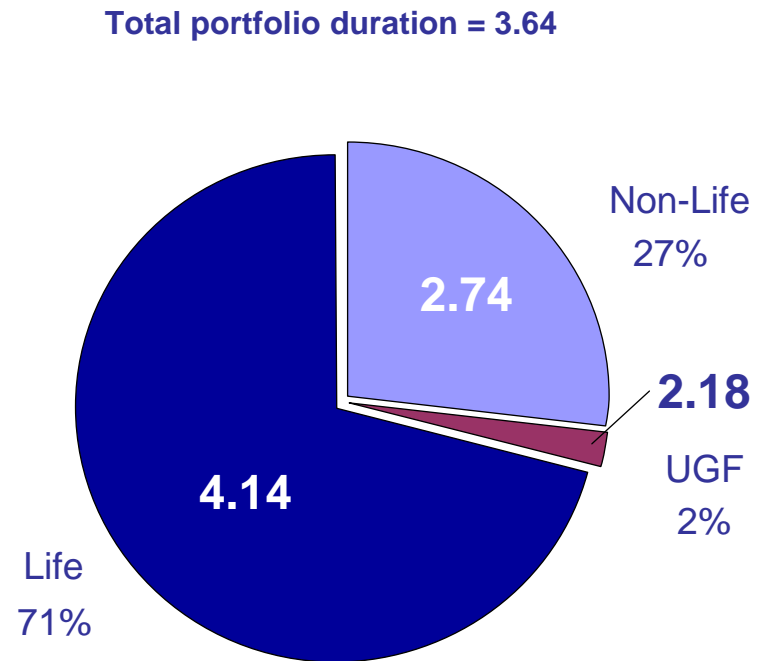
# Bond Portfolio as at 31 December 2008

Insurance investments managed by UGF. Fixed and floating rate and structured products, excl. Class D  
 Total €15.6bn (\*) mark-to-market

## Breakdown by Rating



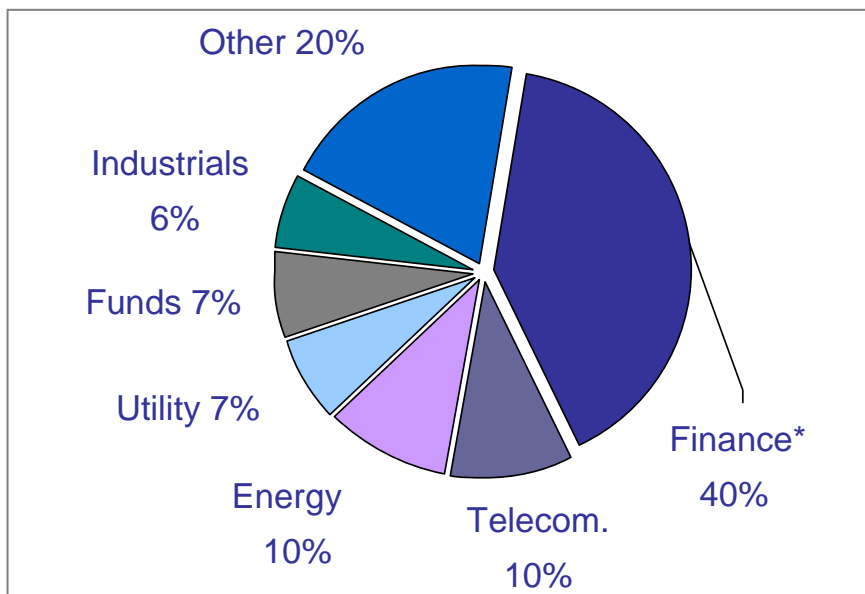
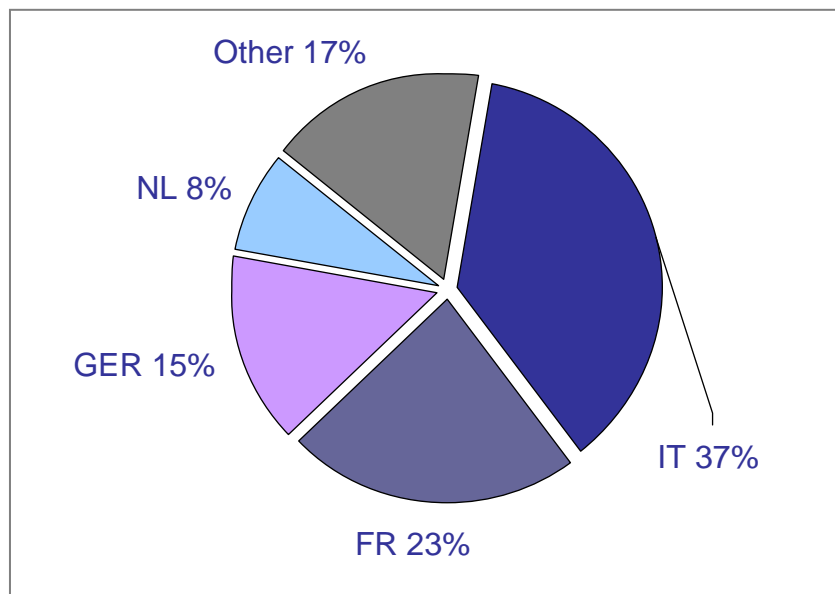
## Breakdown by Duration



(\*) o/w 44% floating rate and 56% fixed rate

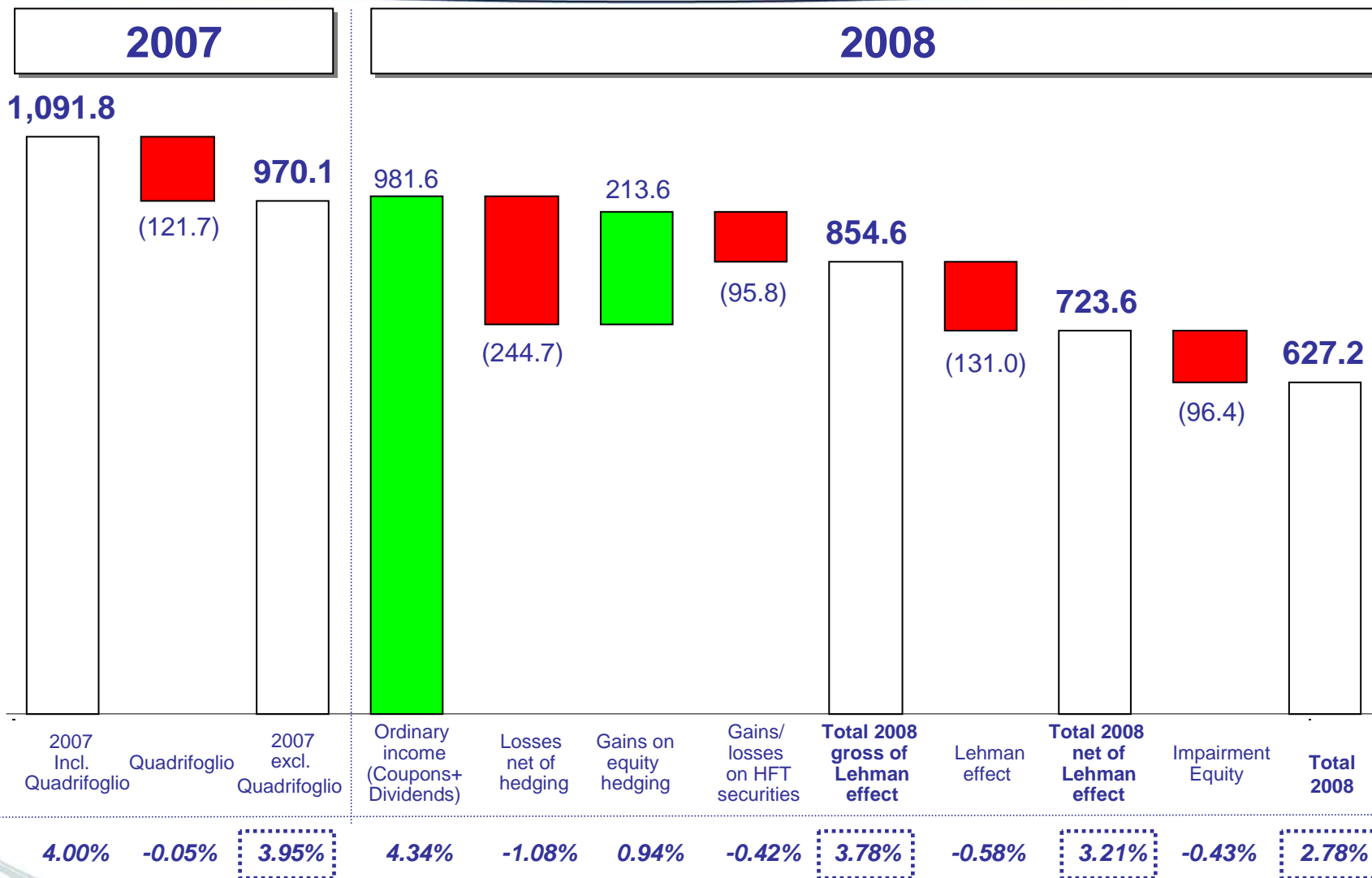
# Insurance Investments managed by UGF – 2008 Equity Portfolio

**Total €1.42bn (mark-to-market)**



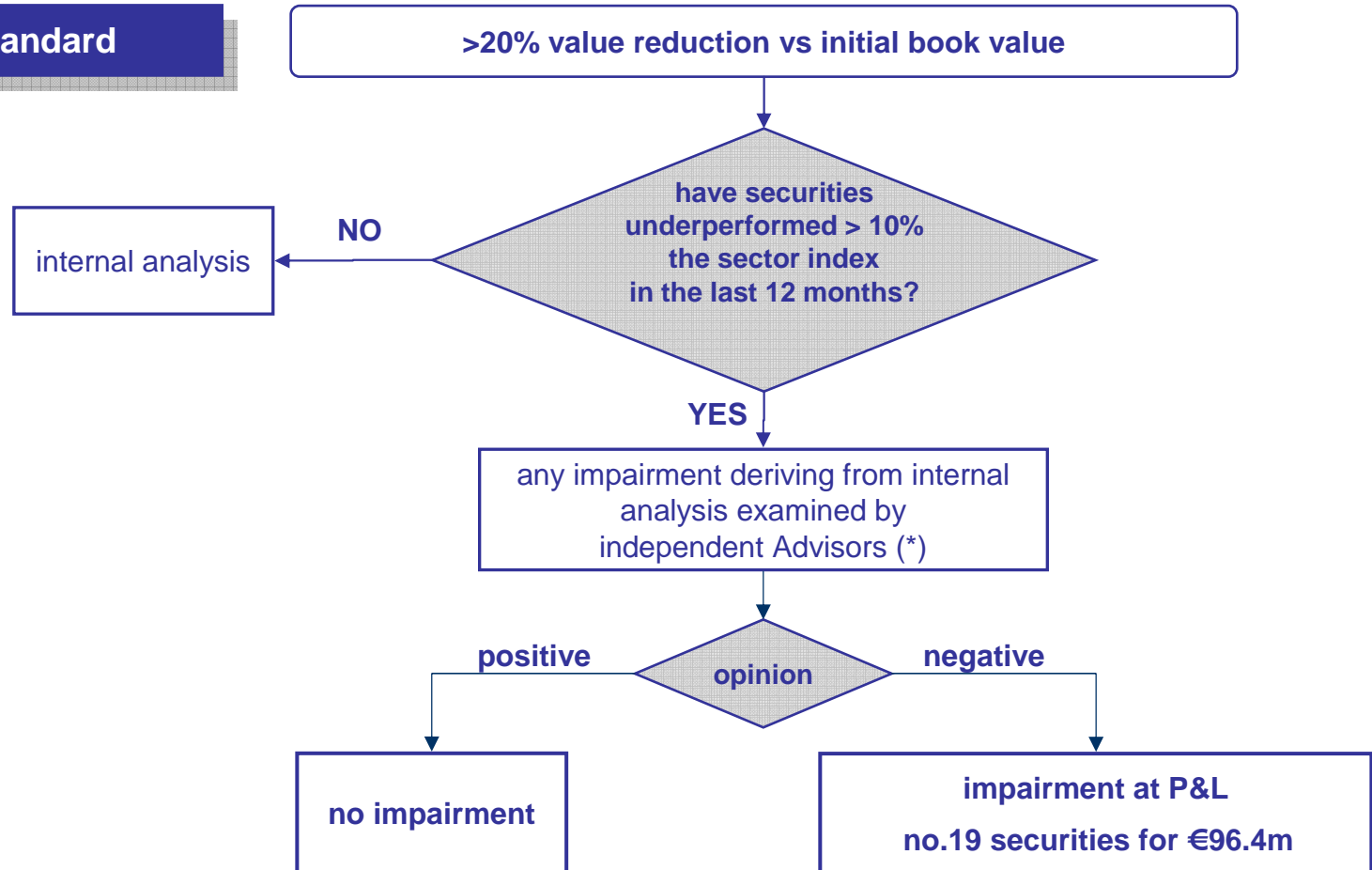
(\*) MPS incidence 13%.

## Income from Financial Investments – FY07 vs FY08 (Insurance business – excl. former Class D – organic figures)



# UGF Group – Impairment Policy – Equity classified as AFS

**effectiveness standard**




(\*) The analytical assessment is not necessary for those securities the value reduction of which does not exceed €2m, provided that the relevant losses are accounted as value reduction and the equity impairment is recorded at P&L.

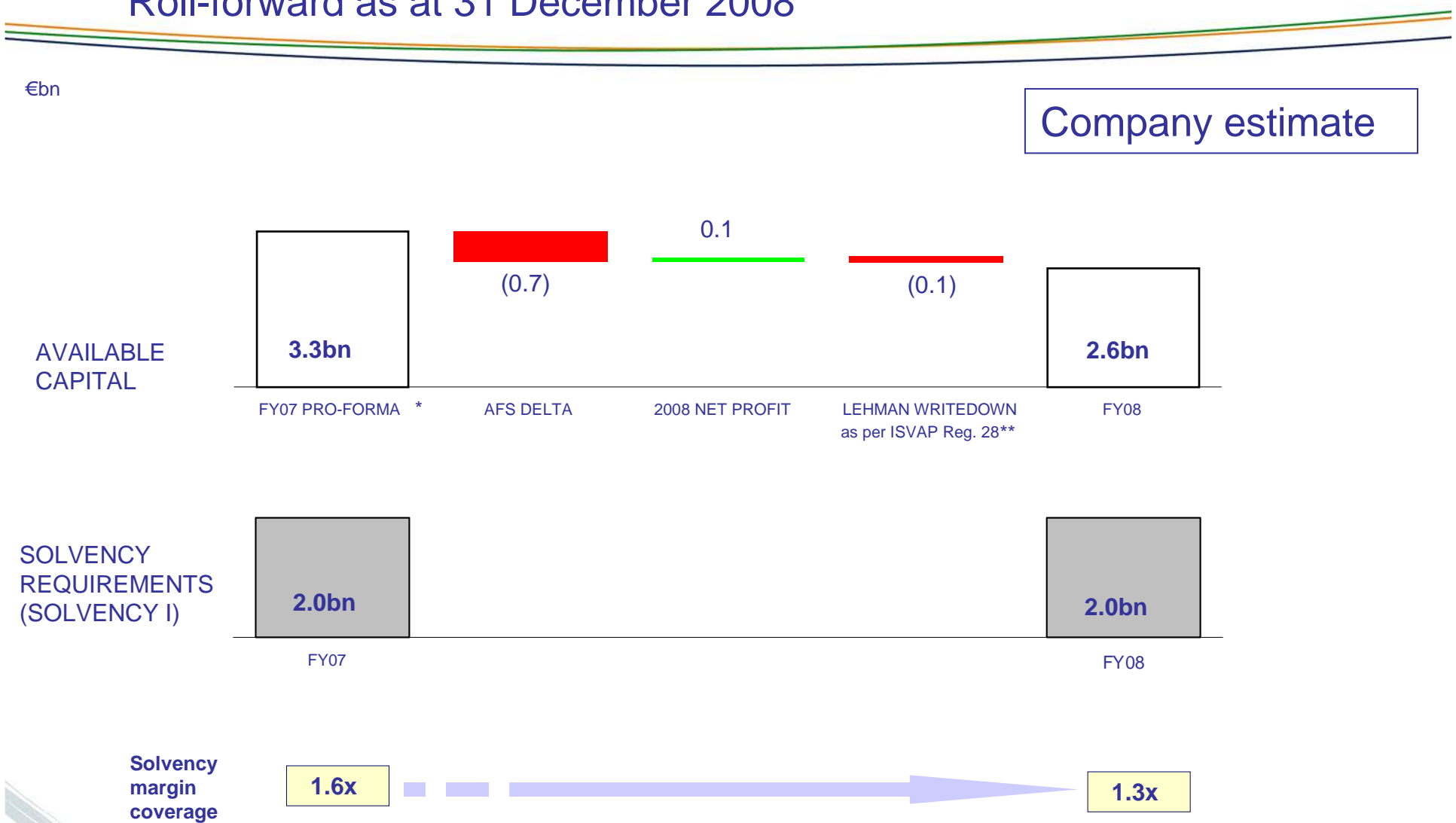


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# UGF Group – Solvency Margin – Excess Capital Roll-forward as at 31 December 2008

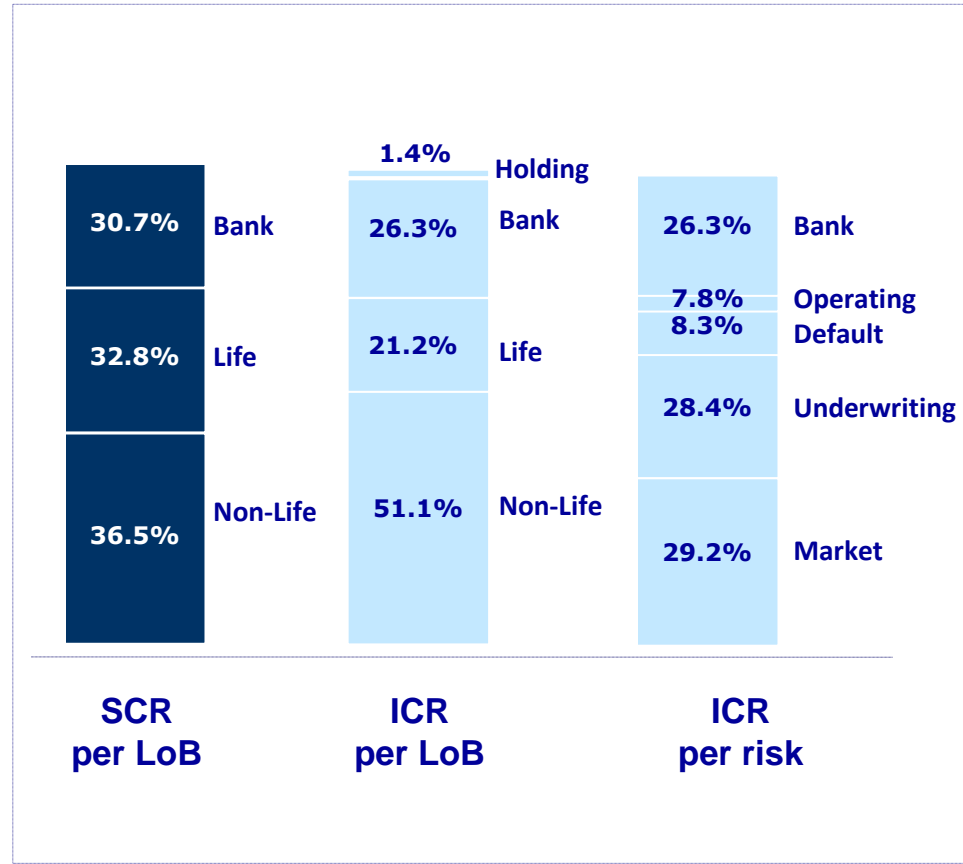
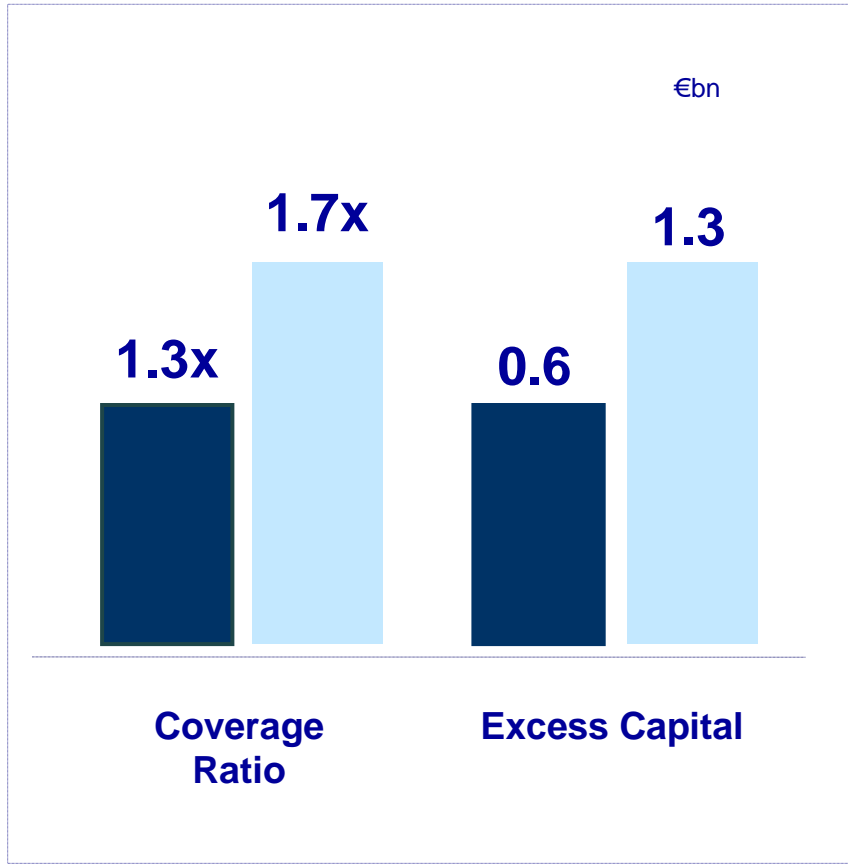


\* after payment of €1bn ordinary + extraordinary dividend and issue of €0.4bn hybrid debts

\*\* after application of Isvap Regulation no. 28 requiring deduction of book values representing insolvent companies

# UGF Group – Solvency II

## Solvency I vs Solvency II – 2008 Full Year figures



**Solvency I**

**Solvency II**

SCR = Solvency I Capital Requirements; ICR = Internal Capital Requirement (Solvency II)



## Disclaimer

A decorative graphic consisting of three thin, curved lines in orange, green, and blue, spanning the width of the slide.

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

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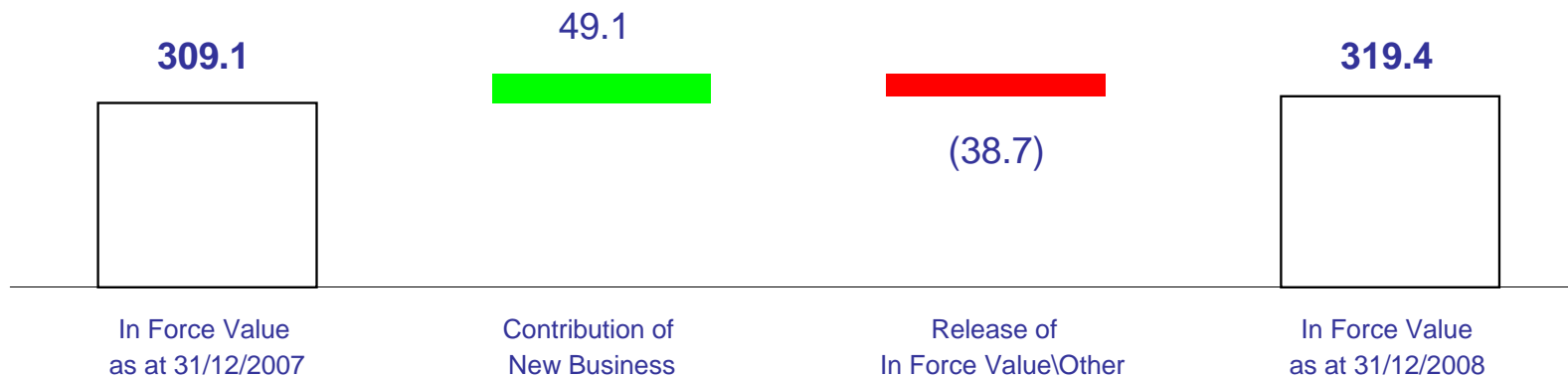


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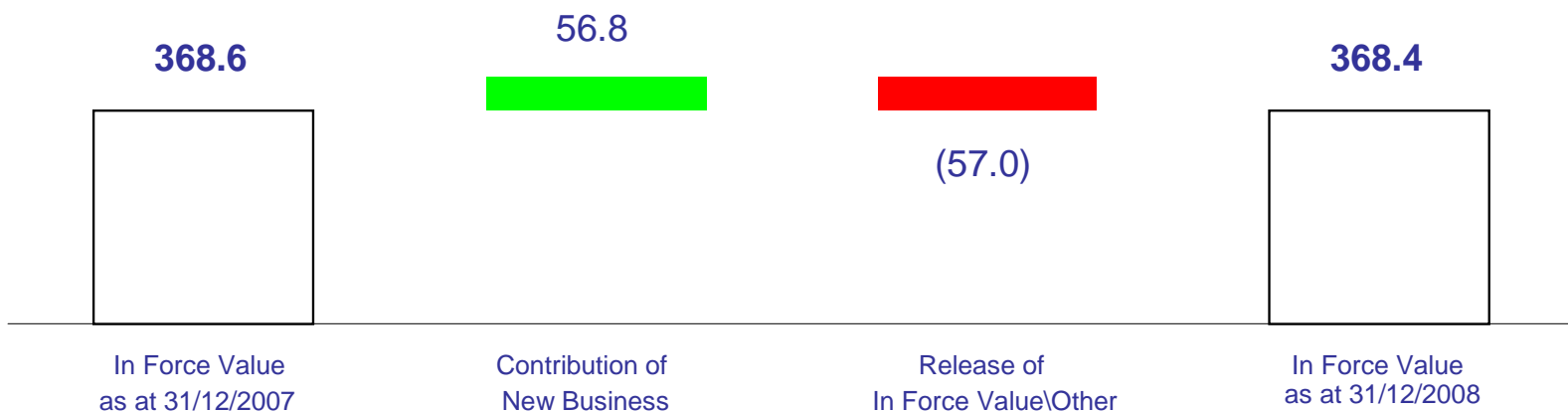
# Life In Force Value roll-forward

€m

## UGF ASSICURAZIONI



## GROUP



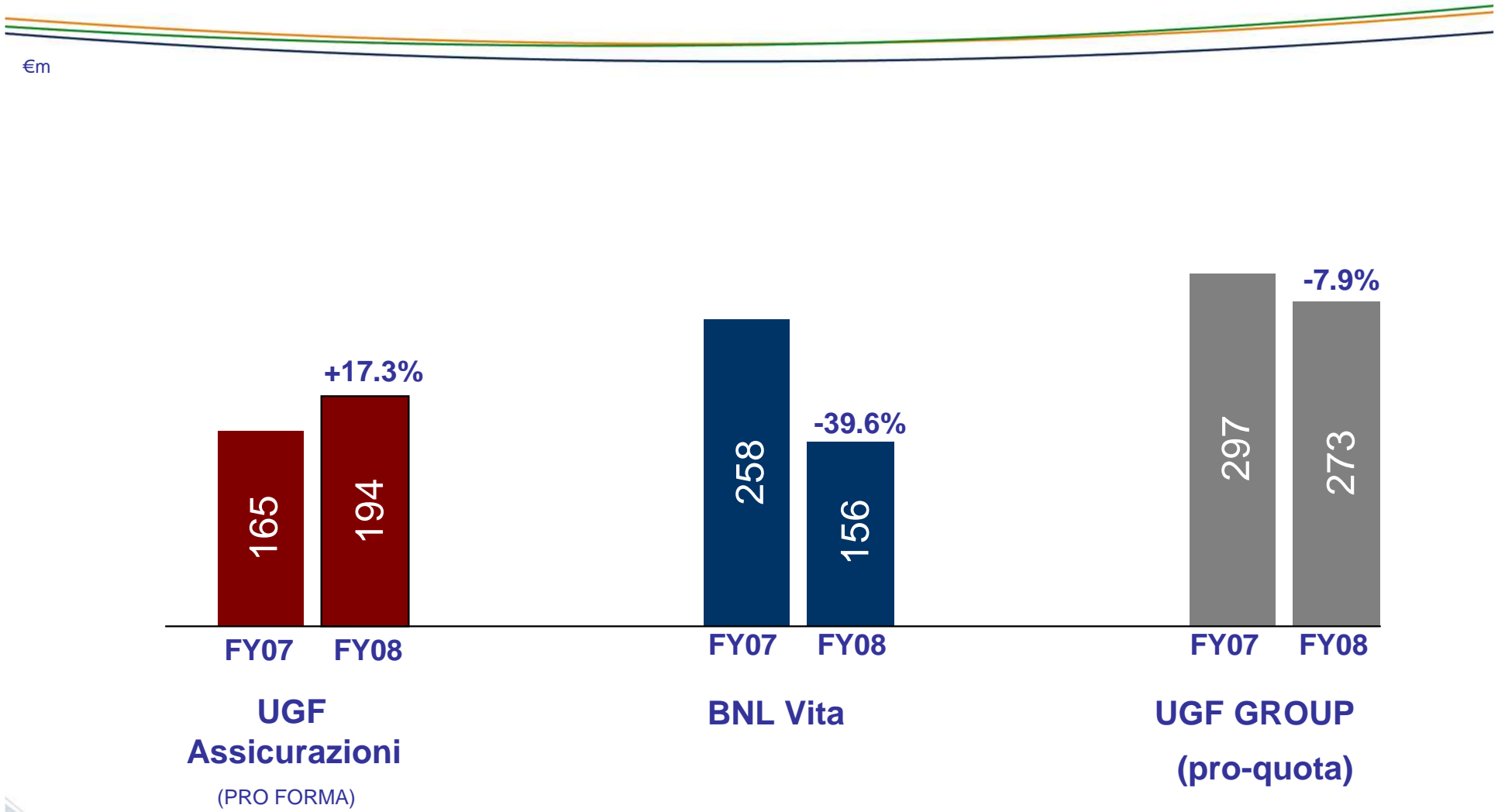
## Life Premiums – Breakdown by channel

€m

<b>LIFE PREMIUMS BY CHANNEL</b>	<b>2007</b>	<b>2008</b>	<b>var%</b>
AGENCY NETWORK	904	949	5.0%
HEAD OFFICE AND BROKERS	260	245	-5.7%
PENSION FUNDS (GUARANTEED CLOSED FUNDS)	167	376	125.4%
UNIPOL BANCA	109	140	28.2%
<b>GROUP CHANNELS</b>	<b>1,439</b>	<b>1,710</b>	<b>18.8%</b>
BNL VITA	2,613	1,535	-41.2%
BPI BANKING OUTLETS	182	133	-27.0%
FINANCIAL ADVISORS (CREDIT SUISSE AND SIMGEST)	62	127	106.4%
OTHER BANKS	6	7	14.3%
<b>THIRD PARTY CHANNELS</b>	<b>2,862</b>	<b>1,802</b>	<b>-37.0%</b>
<b>TOTAL LIFE INCOME</b>	<b>4,302</b>	<b>3,512</b>	<b>-18.4%</b>
QUADRIFOGLIO VITA	351	11	-96.9%
NAVALE VITA	1	1	58.3%
<b>TOTAL LIFE UGF GROUP</b>	<b>4,653</b>	<b>3,524</b>	<b>-24.3%</b>



# Life Insurance Income – APE (\*)



(\*) Annual Premium Equivalent . Pro-quota figures net of Quadrifoglio Vita