



UNIPOL GROUP PRESENTATION

March 2006

Agenda

I

Introduction: Unipol Group highlights and history

II

Unipol Groups: results

III

Unipol Banca and the integrated network model

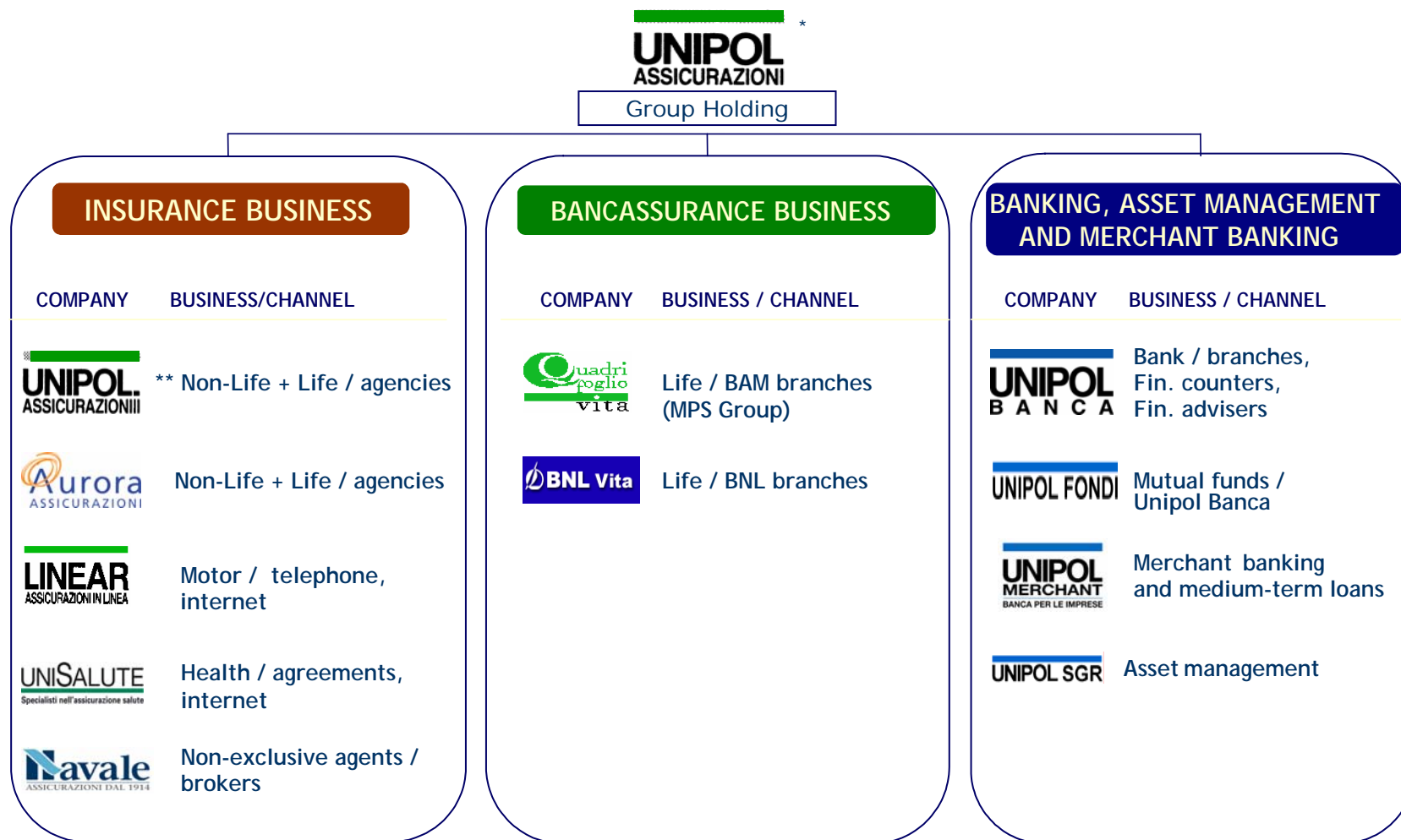
The Unipol Group - Overview

- ▶ Founded in 1963, and having commenced activities in 1968, the Unipol Group today ranks fourth in the Italian insurance market in terms of premium income.
- ▶ Operating not only in the traditional Life and Non-Life insurance business sectors, but also in the supplementary pension and health schemes sectors, Unipol recorded an aggregate income from insurance business of over €10.7bn in 2005, of which:
 - ❑ 63% in Life business (of which 55% from bancassurance companies)
 - ❑ 37% in Non—Life business (of which over 60% in Motor business)
- ▶ In 2005 around 45% of the Group's Life insurance income derived from BNL Vita, a 50% joint venture between Unipol and BNL.
- ▶ Thanks to a distribution network of almost 1,800 agencies and 4,500 sales points, the Group operates throughout Italy with around 6.5 million customers, also by way of innovative distribution channels, such as the internet and telephone (through its subsidiary Linear, one of the leading companies in this sector)
- ▶ As from 1999 and following a precise strategic growth plan, the Group entered the banking business by acquiring a small credit institution which had 13 branches, and was subsequently renamed Unipol Banca.
- ▶ Unipol Banca today has 250 branches throughout Italy; it is characterized by considerable growth rates and, above all, by the peculiar and successful development of the distribution network, based on the integration of banking branches and insurance agencies.

Strategic Agreement Unipol Group – BNP Paribas Group

- ▶ On february 3rd, 2006 Unipol Assicurazioni and BNP Paribas reached an **agreement for the disposal of 48% of BNL share capital** held by the Company and its financial partners, at € 2,925 per share.
- ▶ Once acquired the aforesaid shares, **BNP Paribas will launch a public tender offer on 100% of BNL** at the same price offered to Unipol and its financial partners.
- ▶ **Unipol will acquire 1% of BNL Vita share capital from BNL** and will strenghten important commercial agreements with BNL, expecially in the bancassurance sector.
- ▶ Unipol will become **BNP Paribas' privileged insurance partner in Italy**, developing a **strategic cooperation**, expecially focused on:
 - ❑ Non-Life Insurance;
 - ❑ Supplementaty Pension Schemes.
- ▶ BNP Paribas will acquire a **4,5% stake in the share capital of FINSOE**.
- ▶ The **suspensive conditions** assuring the financial efficacy of the agreement are the following:
 - ❑ Approval of the agreement by BoD of the companies involved (already held);
 - ❑ MTO launched by Unipol lapsing or becoming ineffective (already occurred – see Consob notice dated february 9th, 2006);
 - ❑ All relevant Authorities giving any furhter authorisations or approvals as deemed necessary for BNP Paribas acquiring control over BNL.

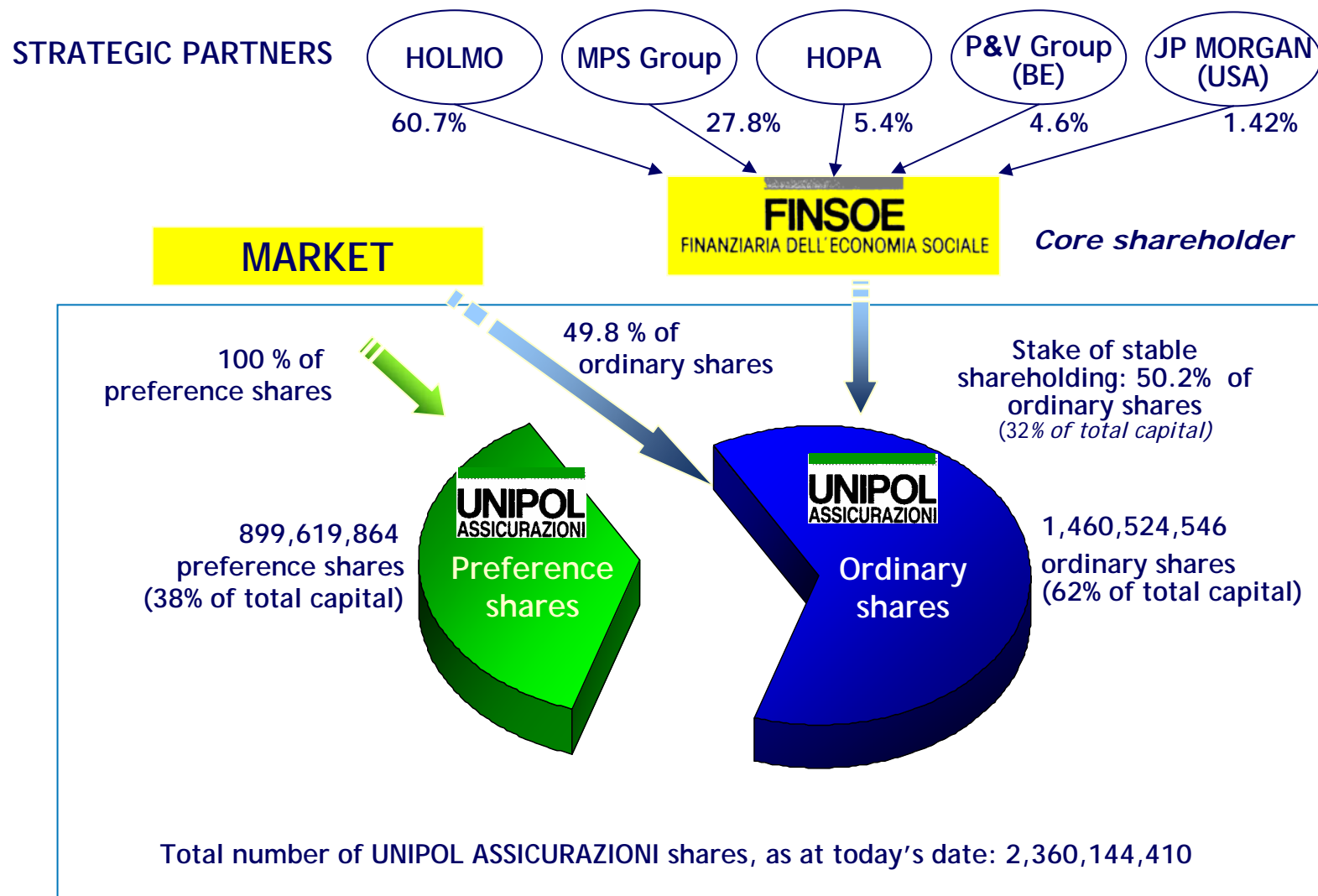
The Unipol Group today



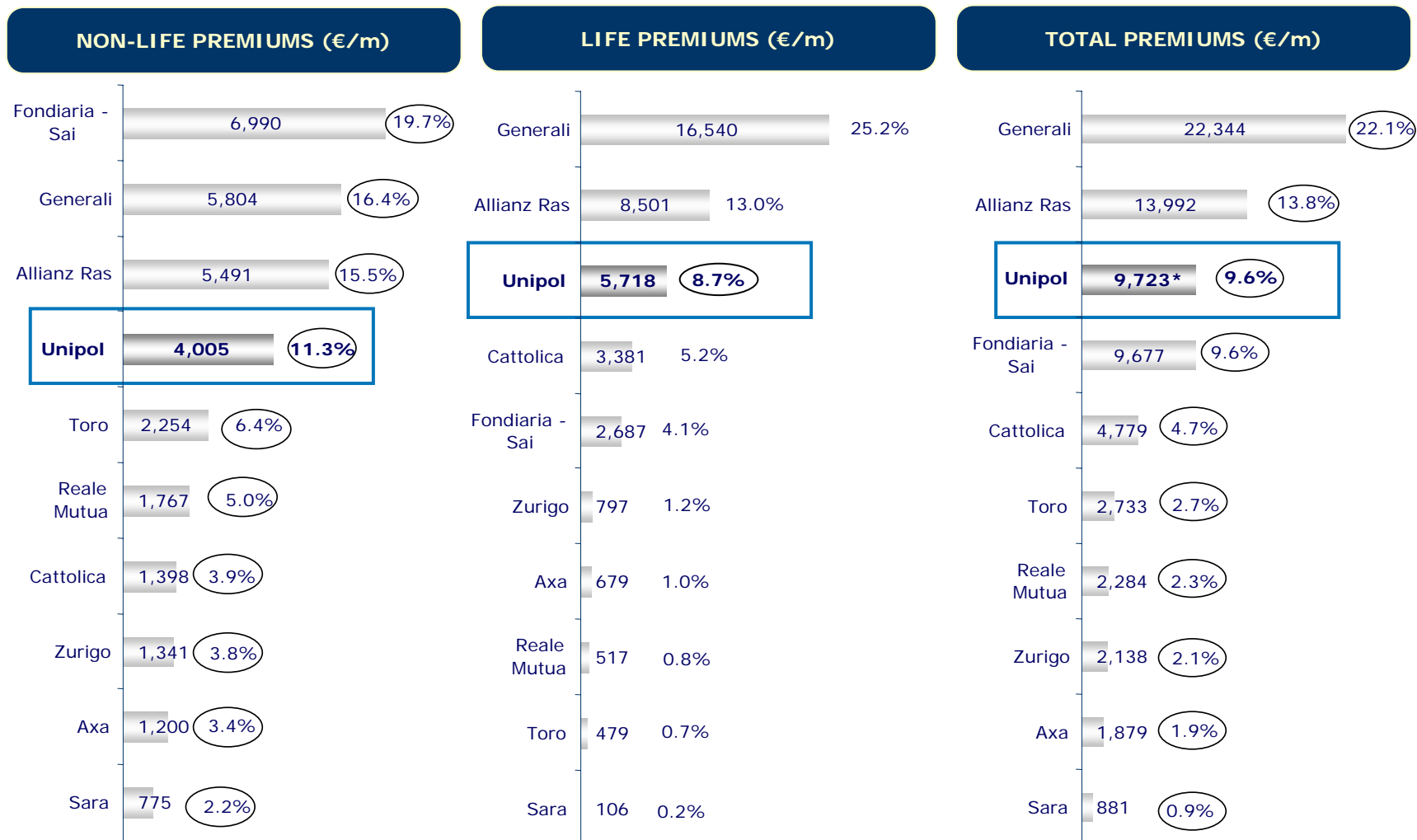
* Operating company and parent company.

** Unipol Assicurazioni also sells its Life products through Unipol Banca outlets.

Shareholding structure



Ranking in the insurance sector (2004)



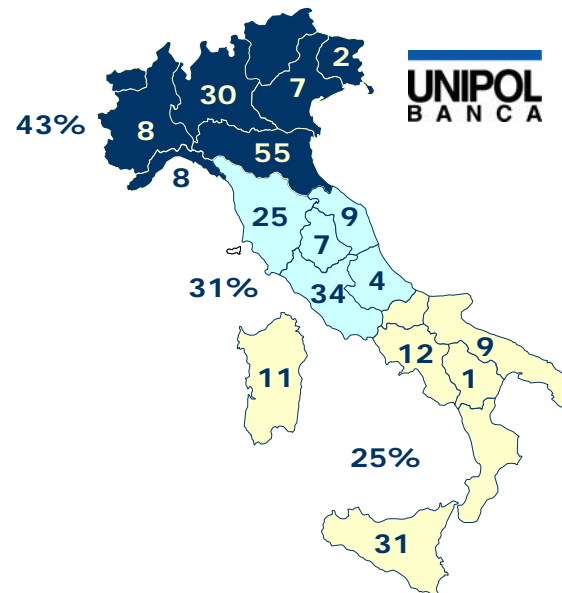
○ = Market share

* Including premium income of the Mutuelles du Mans Assurance Group

Distribution networks as at 2005

Bank

UNIPOL Banca network

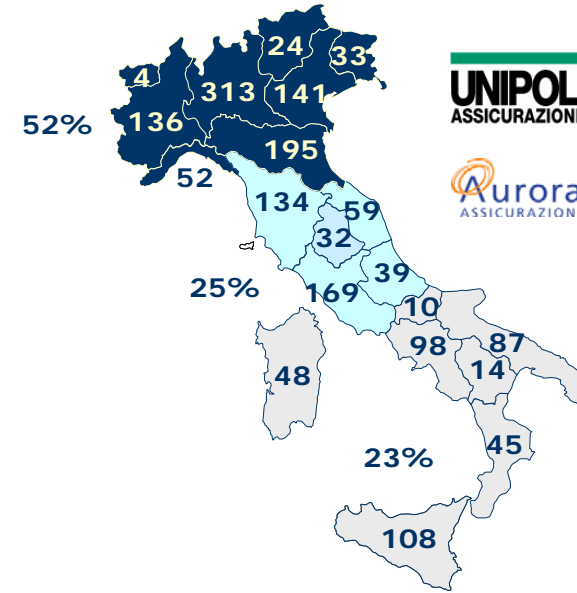


- ✓ 250 branches (129 of which are co-located with insurance agencies)
- ✓ 45 financial counters
- ✓ 300,000 customers

- ✓ Network **growing strongly**
- ✓ Presence **throughout Italy** according to 'spotted' model

Insurance

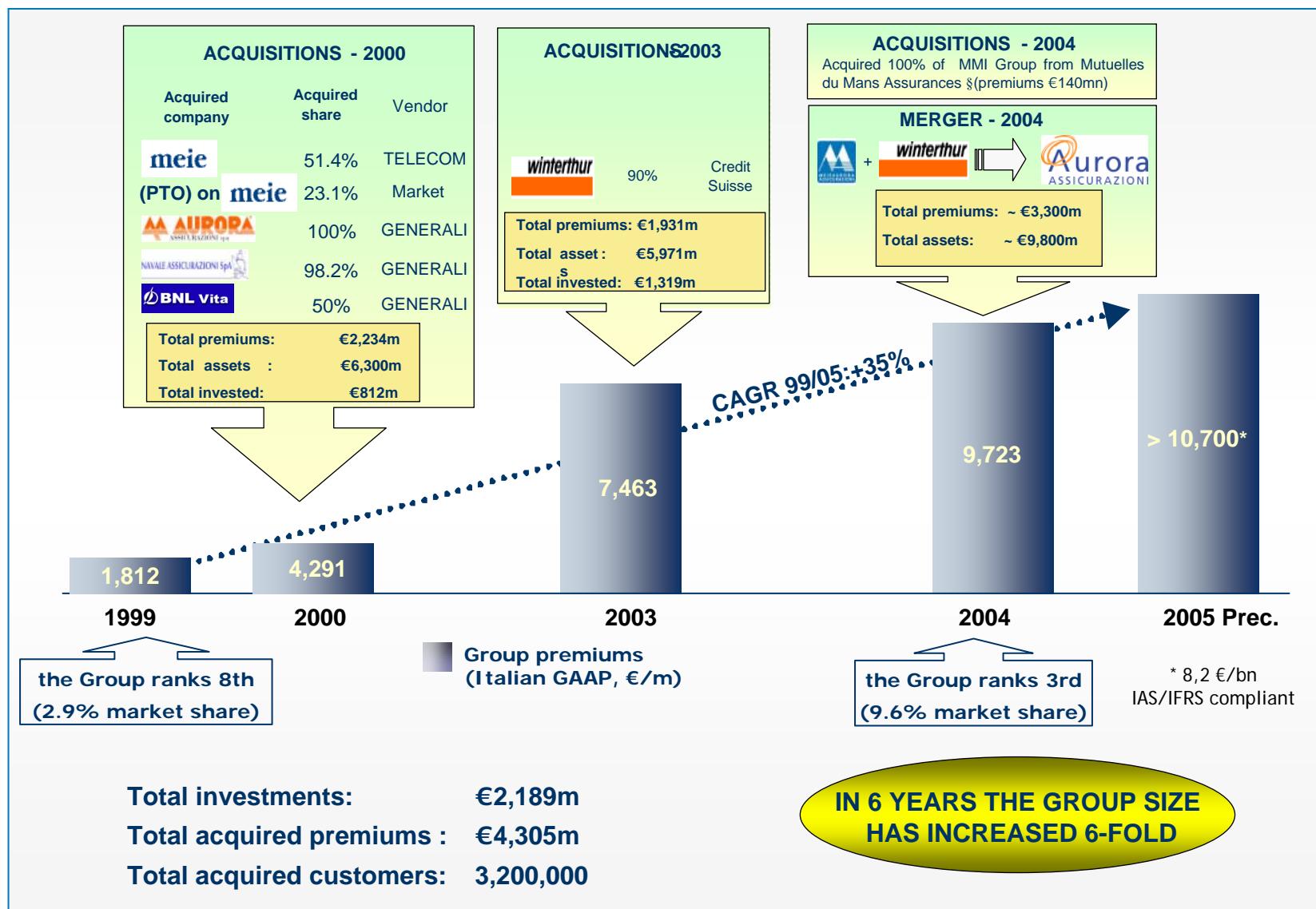
Unipol Group agency network



- ✓ 1,741 agencies
- ✓ ~ 4,500 sales points
- ✓ 6.3 million customers

- ✓ **Capillary** presence throughout Italy
- ✓ Presence in all the main towns
- ✓ High average number of customers per agency

1999-2004 - Insurance business trend



Integration of the main companies acquired



2000

Total premiums:
€1,044m

**Life premiums /
Total premiums:**
23.4%

Agencies:
718

Combined ratio:
112.8%

**Tech. account
(Non-Life + Life):**
-€18.4m

- Restructuring and reorganization
- IT migration to Unipol system
- Centralizing key functions
- Streamlining portfolio and rationalizing sales network
- Claims handling at Group level

Net profit/loss
-€13.1m

Return on invested equity in the acquisitions of Meie, Aurora and Winterthur

2003

Total premiums:
€1,238m

**Life premiums /
Total premiums:**
34.3%

Agencies:
502

Combined ratio:
95.6%

**Tech. account
(Non-Life + Life):**
€43.5m

- Centralizing finance and real estate management
- Restructuring the supply chain
- Extension of Unipol IT system to Winterthur
- Streamlining human resources
- Implementing restructuring process
- One claims settlement system only

Net profit
€38.3m
(+27% over 2002)

2003
5.19%

2004

Total premiums:
€3,276m

**Life Premiums /
Total premiums:**
34.5%

Agencies:
1,243

Combined ratio:
92.4%

**Tech. account
(Non-Life + Life):**
€221m

Net profit
€145m
(+12% over 2003)

2004
7.56%

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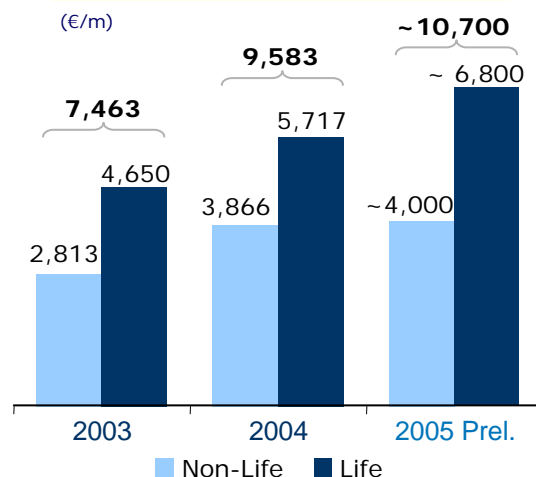
Unipol Groups: results

III

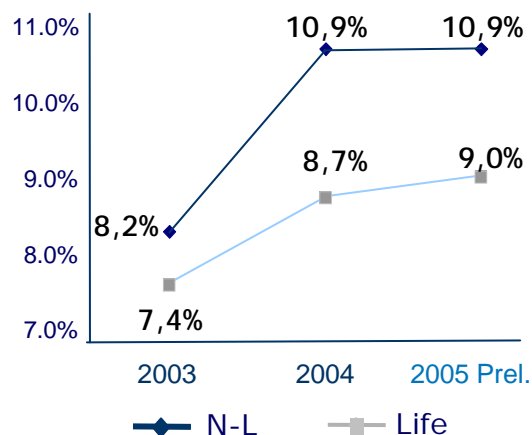
Unipol Banca and the integrated network model

Consolidated Key Financials

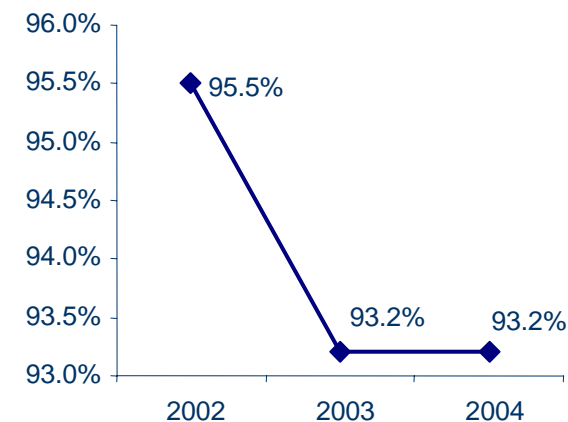
PREMIUMS – DIRECT BUSINESS* Italian GAAP



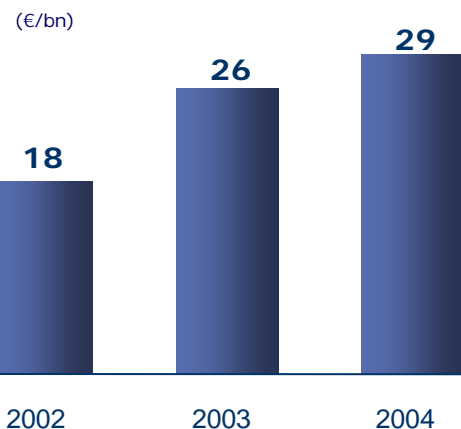
MARKET SHARES



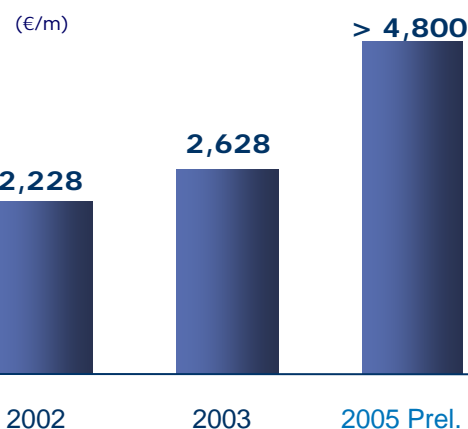
COMBINED RATIO



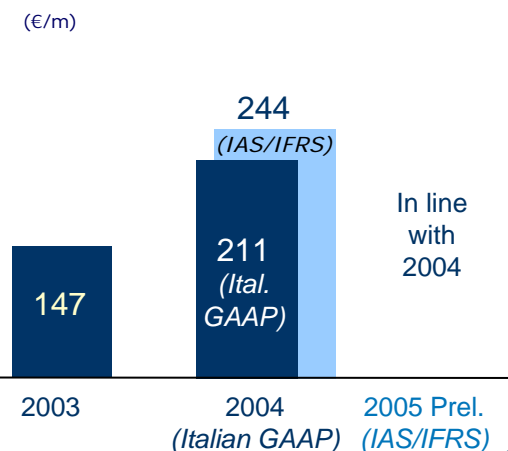
TOTAL INVESTMENTS (INSURANCE)



CUSTOMER DEPOSITS (BANK)



NET PROFIT

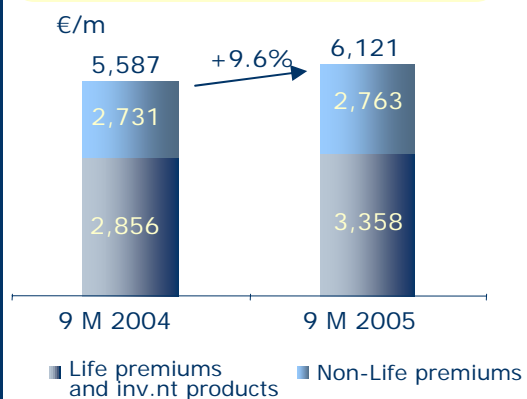


* The figures correspond to the Premium Income according to the Italian GAAP, in force until 2004.

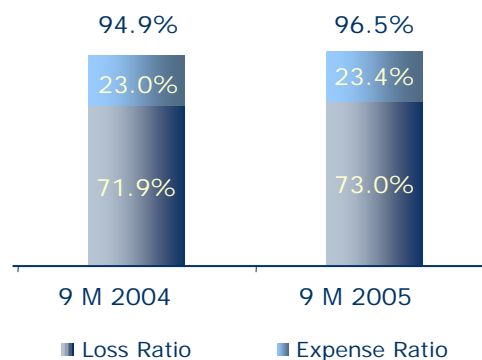
Results as at 3Q 2005: key financials

(IAS compliant)

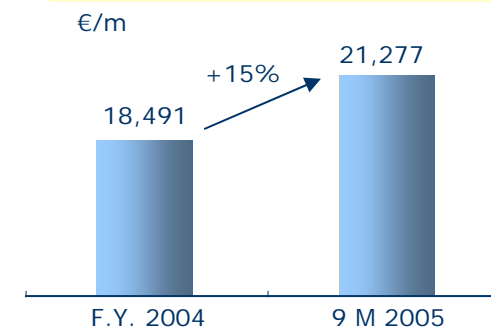
INSURANCE INCOME DIRECT BUSINESS



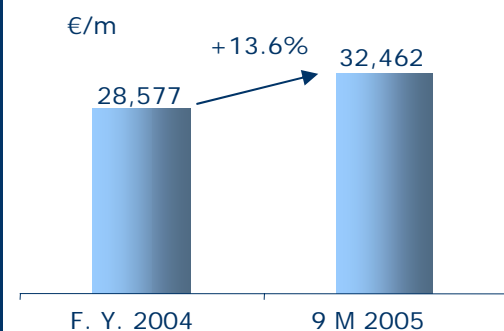
COMBINED RATIO (Italian GAAP)



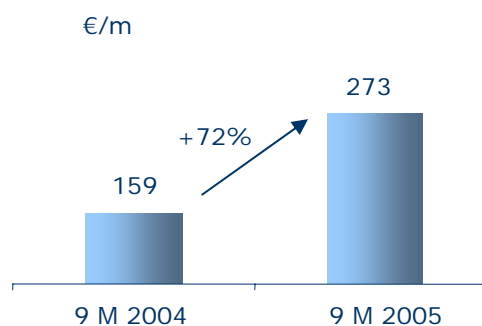
TECHNICAL PROVISIONS



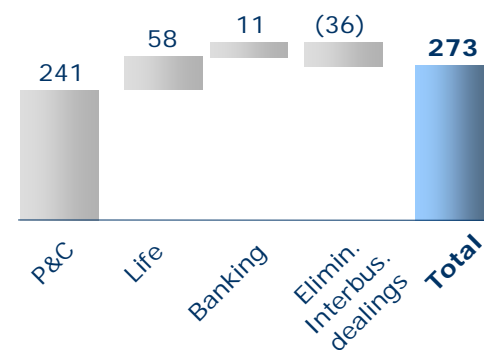
INVESTMENTS



NET GROUP PROFIT



GROUP PROFIT by business



Results as at 30 September 2005

Summary of consolidated Profit and Loss Account

€/m	FIGURES AS AT		FIGURES OF
	30 September 2005	30 September 2004	3rd Quarter 2005
INCOME			
Net premium income	5.685	4.559	1.581
Fees and commissions receivable	95	82	39
Net income from financial instruments at fair value through profit or loss	441	395	171
Income from shareholdings in subsidiaries, affiliated companies and joint ventures	15	4	(1)
Income from other financial instruments and investment property	589	359	169
Other income	60	68	38
Total income	6.885	5.466	1.996
CHARGES			
Net claims charges	(5.323)	(4.171)	(1.463)
Fees and commissions payable	(26)	(15)	(20)
Charges from shareholdings in subsidiaries, affiliated companies and joint ventures	(3)	(0)	(3)
Charges from other financial instruments and investment property	(178)	(153)	(71)
Operating expenses	(832)	(760)	(266)
Other charges	(45)	(82)	(16)
Total charges	(6.408)	(5.182)	(1.839)
Profit (loss) before taxation	478	284	157
Taxation	(176)	(110)	(75)
Consolidated profit (loss)	302	175	82
Profit (loss) - Minority interests	29	16	10
Profit (loss) - Group	273	159	72

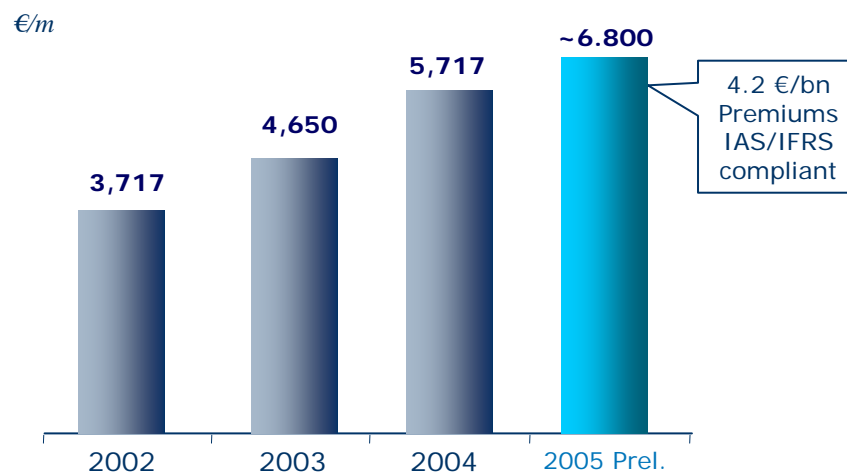
Figures as at 30 September 2004 result from reasonable and coherent estimates.

Results as at 30 September 2005 – Summary of consolidated P&L Account breakdown per business

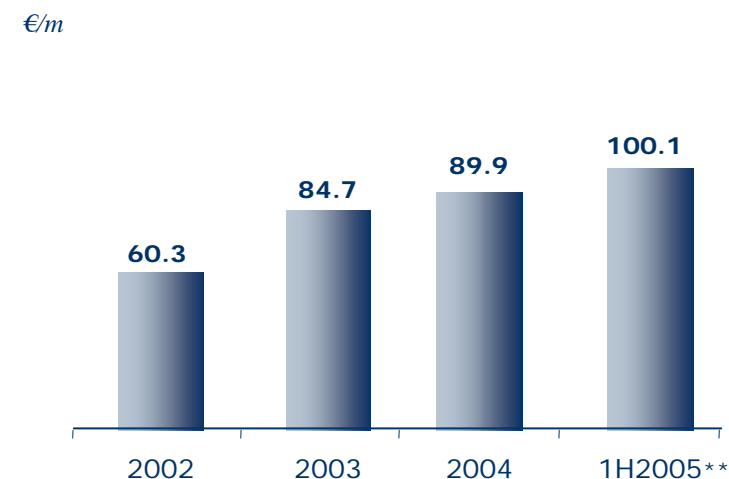
€/m	<i>Insurance business</i>			<i>Banking business</i>	<i>elimination interbusiness dealings</i>	<i>Total Group as at 30/9/2005</i>
	<i>Non-Life</i>	<i>Life</i>	<i>Total</i>			
INCOME						
Net premium income	2.763	2.922	5.685			5.685
Fees and commissions receivable	4	24	28	67		95
Net income from financial instruments at fair value through profit or loss	142	297	439	2		441
Income from shareholdings in subsidiaries, affiliated companies and joint ventures	33	17	50		(36)	15
Income from other financial instruments and investment property	191	232	423	169	(3)	589
Other income	27	33	60	15	(15)	60
Total income	3.159	3.526	6.685	254	(54)	6.885
CHARGES						
Net claims charges	(2.040)	(3.285)	(5.325)		2	(5.323)
Fees and commissions payable	(1)	(13)	(14)	(12)		(26)
Charges from shareholdings in subsidiaries, affiliated companies and joint ventures	(3)		(3)			(3)
Charges from other financial instruments and investment property	(57)	(45)	(102)	(93)	17	(178)
Operating expenses	(624)	(89)	(713)	(119)		(832)
Other charges	(12)	(26)	(38)	(7)	1	(45)
Total charges	(2.737)	(3.459)	(6.196)	(231)	19	(6.408)
Profit (loss) before taxation	422	67	490	23	(35)	478
Taxation	(155)	(9)	(164)	(11)	(1)	(176)
Consolidated profit (loss)	267	59	326	12	(35)	302
Profit (loss) - Minority interests	26	1	27	1	1	29
Profit (loss) - Group	241	58	299	11	(36)	273

Life Business Figures

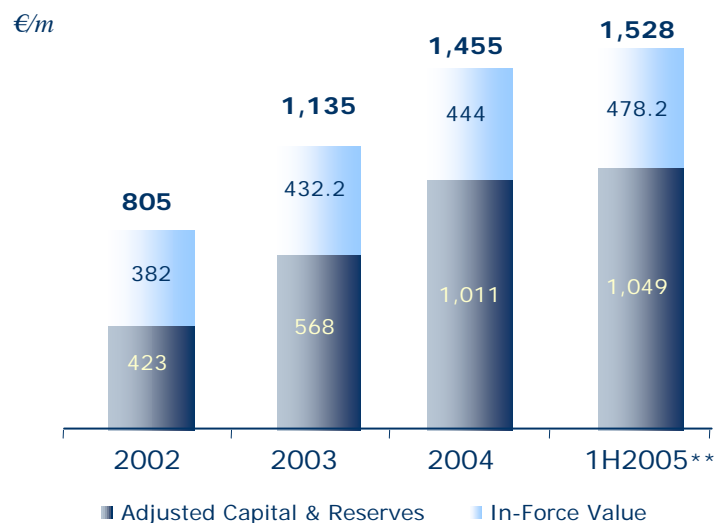
Life Income*



New Business Value



Life Embedded Value



Notes

BASED USED (2002):
 - Discount rate: 7%
 - Rate of Return: 5%
 - Tax-rate: 35%

BASED USED (2003, 2004, 1 H 2005):
 - Discount rate: 6.5%
 - Rate of Return: 4.5%
 - Tax-rate: 35%

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

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

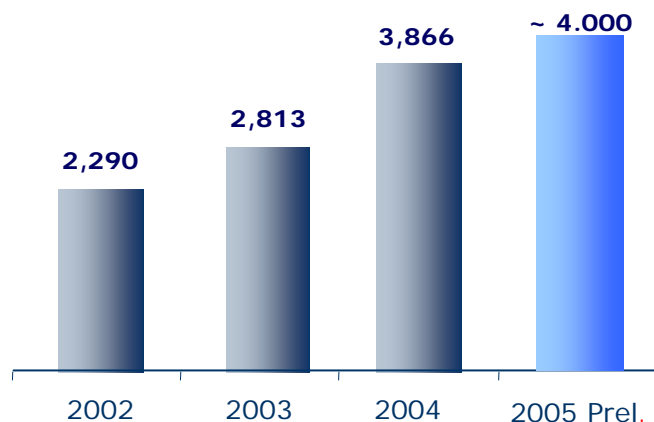
* The figures correspond to the Premium Income according to the Italian GAAP, in force until 2004

** Annualised half-year data.

Non-Life Business Figures

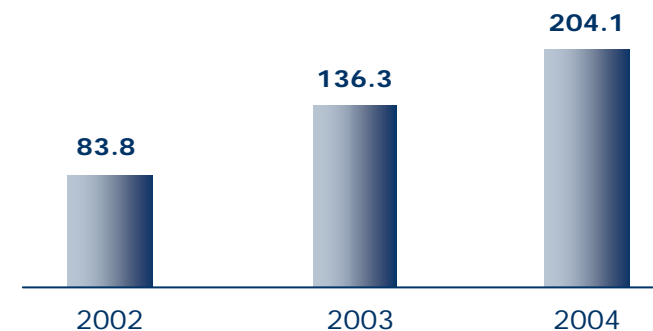
Non-Life Direct Premiums

€/m



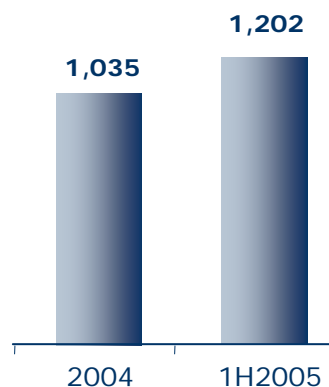
Non-Life Technical Result

€/m



Non-Life NAV

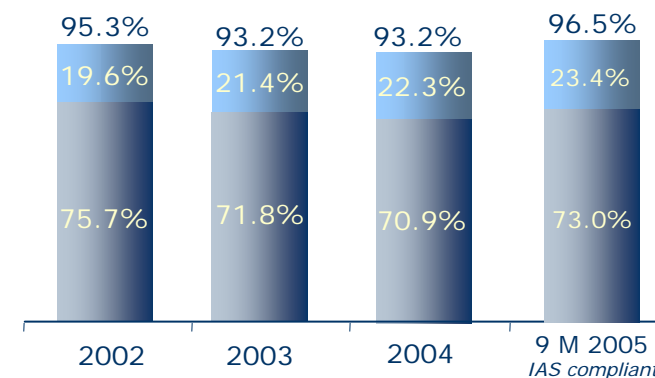
€/m



Combined ratio

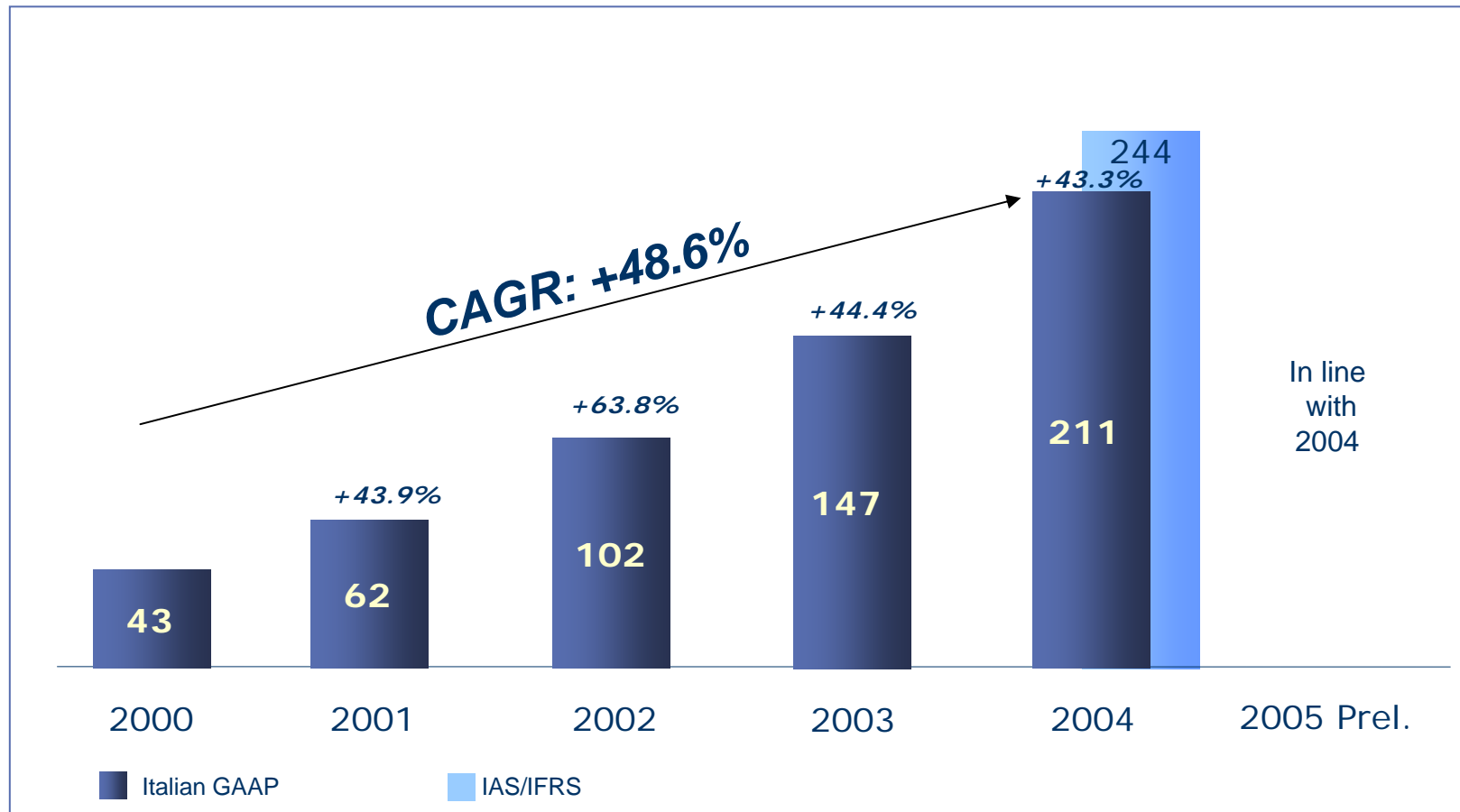
■ Global direct loss ratio

■ Direct expense ratio



Trend in profits

UNIPOL GROUP – NET PROFIT



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Unipol Groups: results

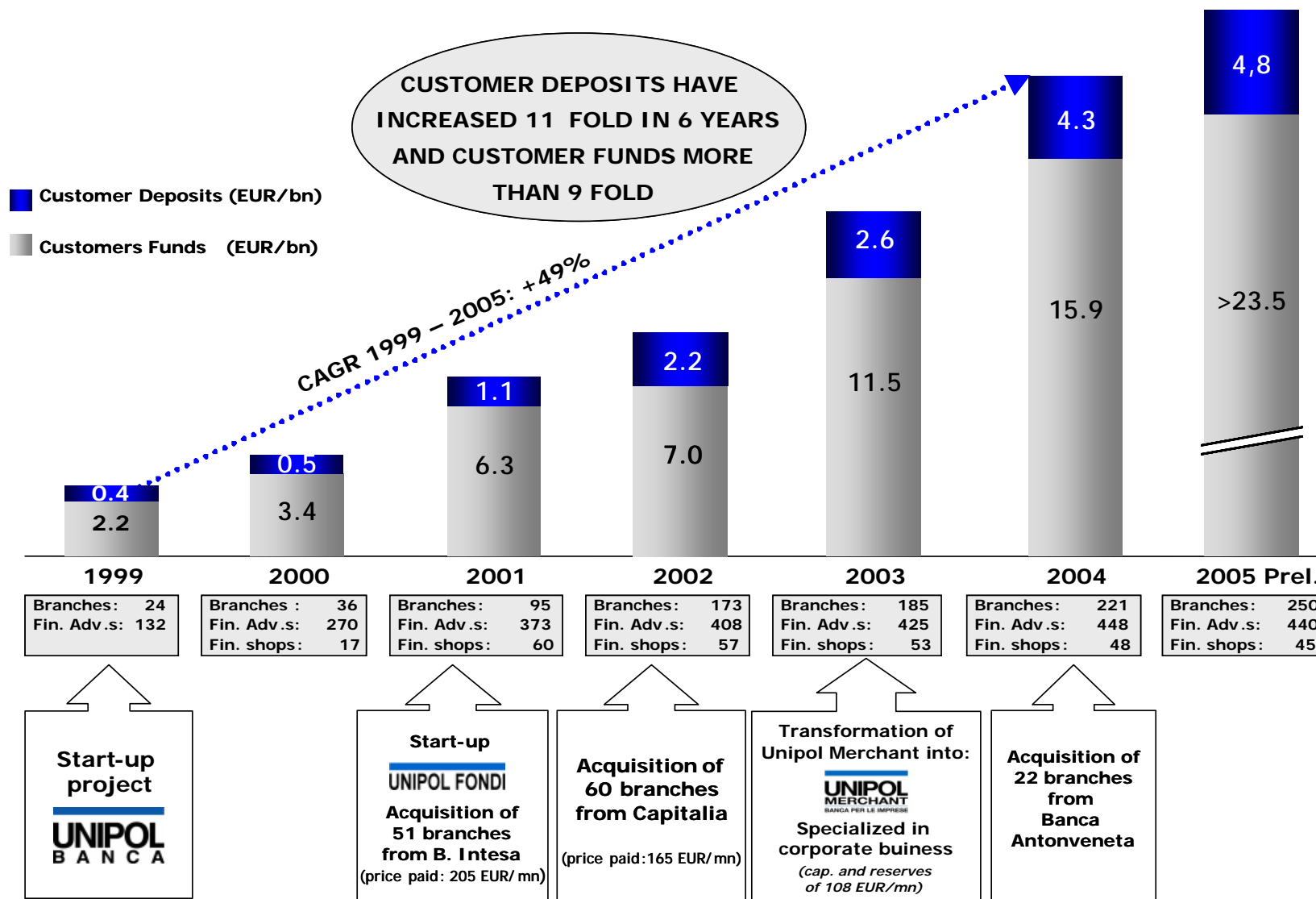
III

Unipol Banca and the integrated network model

The banking business – Unipol Banca overview

- ▶ Unipol Banca was founded in 1999 and based on a precise strategic plan with the aim of exploiting the unique cross-selling opportunities afforded by integrating banking and insurance products at one sales point.
- ▶ In the space of seven years Unipol Banca has achieved an extraordinary operating and territorial growth, both organically (opening of new branches) and through the acquisition of branches from other credit institutions.
- ▶ Today Unipol Banca has 250 branches across 16 regions of Italy, 45 financial counters and 440 financial advisers.
- ▶ In 2005, direct customer deposits exceeded €4.8bn, whilst loans (net of securitisation) reached €3.1bn.
- ▶ The considerable growth of the bank, coupled with precise strategic targets, allowed a model of integration to be created between the insurance and the banking networks which is unique in Italy: the integrated network model.
- ▶ This scenario means that around 50% of branches are integrated with group insurance agencies, while most of the remaining 50% operate as a target agency for insurance agencies nearby (the so-called 'clustered branch')
- ▶ Notwithstanding the significant results already achieved as regards growth and profitability, the Unipol Banca development plan is still currently underway and includes the opening of about 200 new branches (almost all of them co-located with insurance agencies) by the end of 2008.

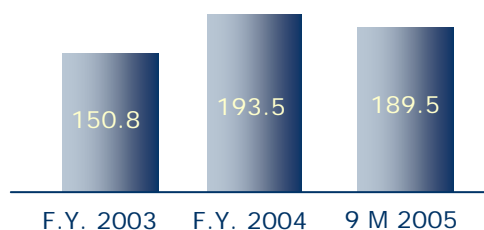
Unipol Banca: 1999-2004 growth



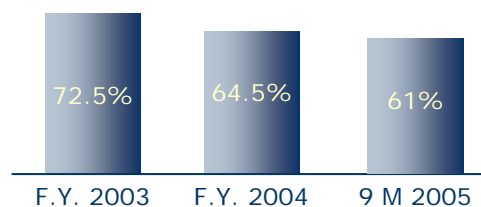
UNIPOL BANCA: key financials (italian GAAP)

GROSS OPERATING INCOME

€/m

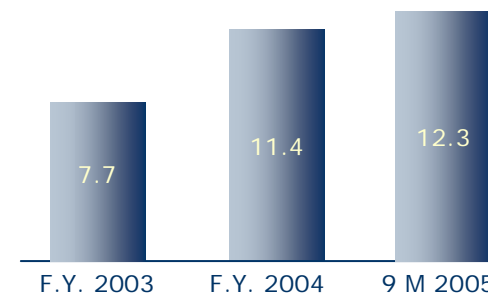


OPERATING COST/INCOME RATIO



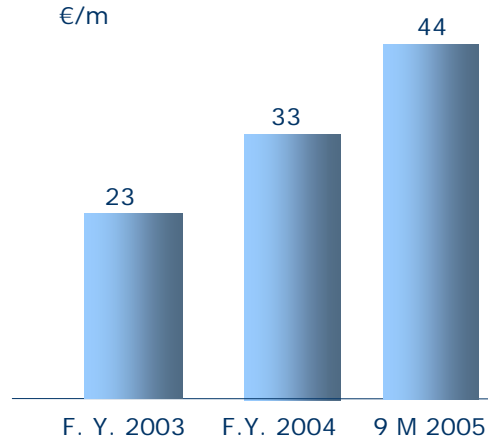
GOODWILL AMMORTIZATION

€/m



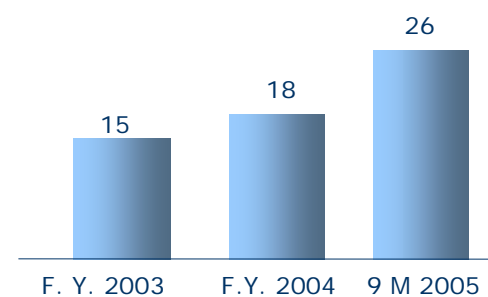
PRE-TAX PROFIT

€/m



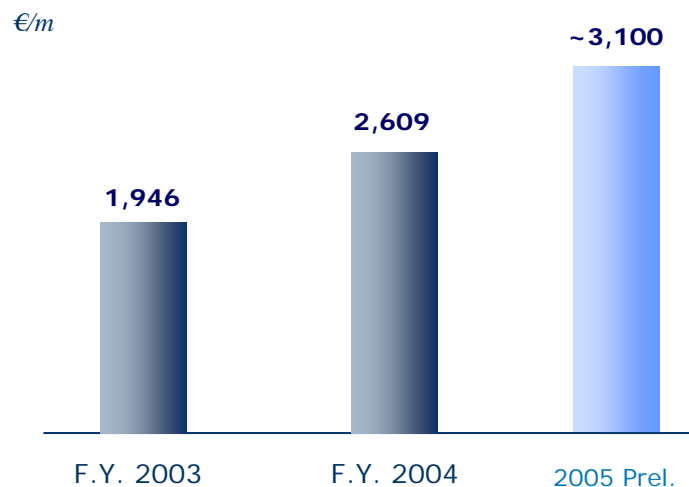
NET PROFIT

€/m

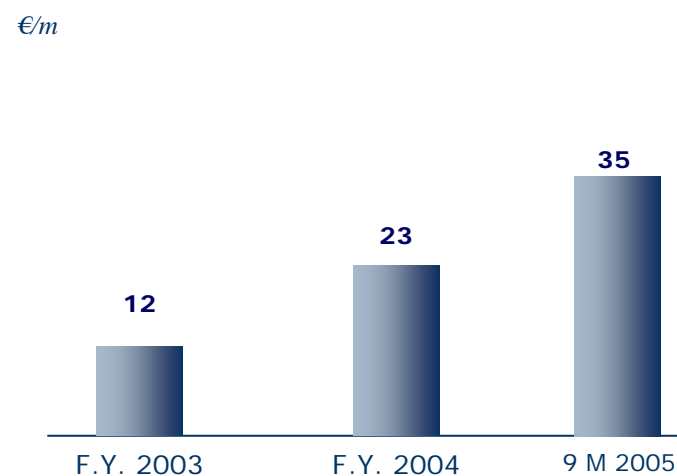


UNIPOL BANCA: key financials (italian GAAP)

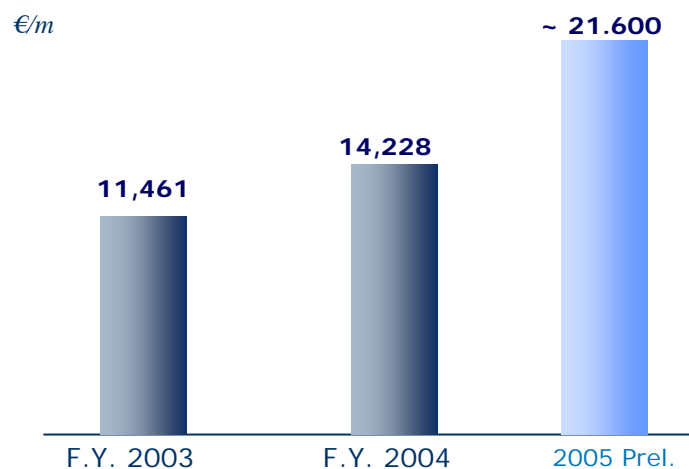
TOTAL LOANS (net of securitisation)



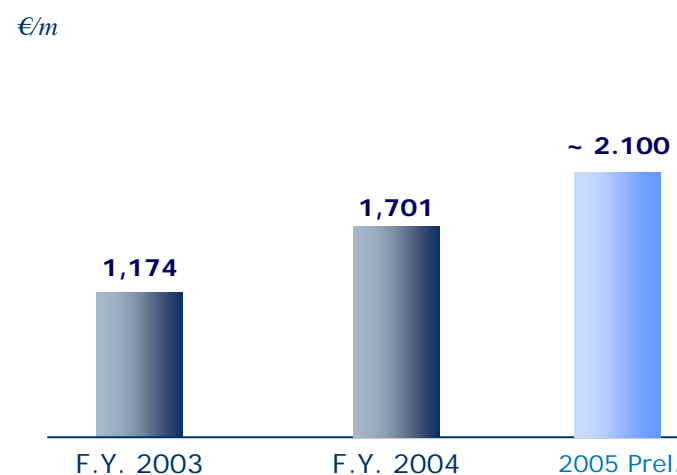
NET NON PERFORMING LOANS



FUNDS UNDER CUSTODY

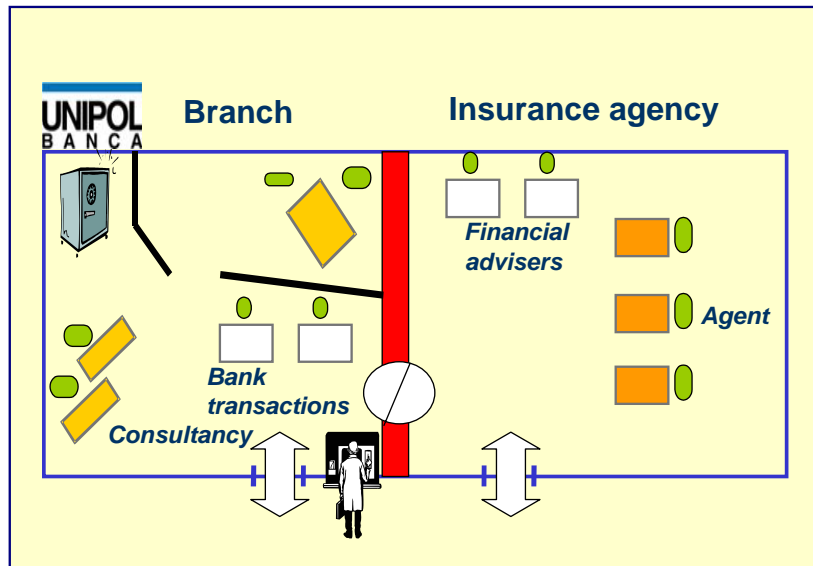


ASSETS UNDER MANAGEMENT



Unipol Banca: the co-located branch

UNIPOL CO-LOCATED BRANCH



Agency IT system connected to the bank

Successful drivers

- ✓ Connectivity to customer database (further information) +
- ✓ More chance of spontaneous contact (visiting the bank) +
- ✓ Logistical benefits (*one stop shop*) with comprehensive list of products on offer =

MORE QUALITY AND QUANTITY OF CONTACTS

- ✓ Benefits from product and price mix +
- ✓ Customer loyalty +
- ✓ Brand image and familiarity =

BETTER COMMERCIAL FEEDBACK
(success rate with contacts 4 times higher than average)

Bank branch

- ✓ Cross-Selling to insurance customers as regards:
 - ☐ current accounts
 - ☐ loans / private lending
 - ☐ asset management
 - ☐ corporate lending
- ✓ Fees paid to the agent for promoting banking products

Relationship governed by a consolidated framework agreement, approved by the agents' organizations

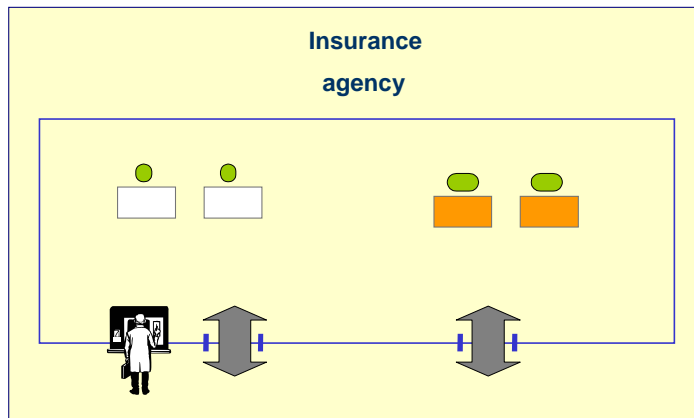
Insurance agency

- ✓ Cross-selling of insurance products (Non-Life, pensions, health) to customers at the branch, once considerable enough.
- ✓ Fees from promoting cross-selling in banks

Unipol Banca: from the qualified agency to the co-located branch

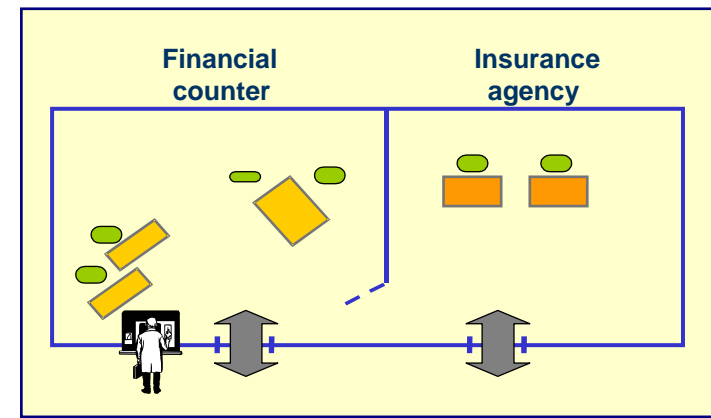
QUALIFIED INSURANCE AGENCY

Operates in connection with the bank's IT system and can therefore sell bank products



INSURANCE AGENCY NEXT TO FINANCIAL COUNTER

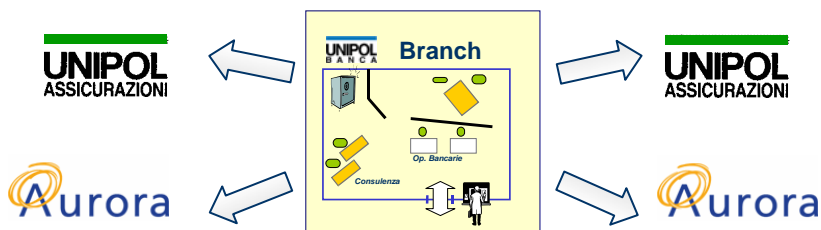
Preliminary to the co-located branch



CLUSTERED BRANCH

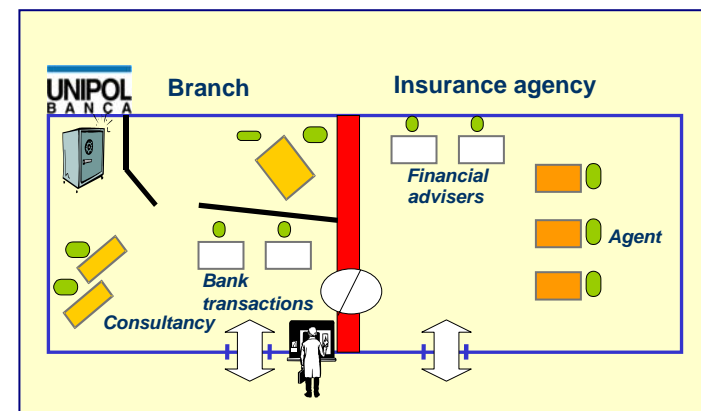
Baricentric with regard to two or more Group agencies.

Subject to passing the logistic requirements, it tends to become a co-located branch.



CO-LOCATED BRANCH

Complete synergy and cross-selling



Preconditions to the opening of new co-located branches: opening the financial counter

Opening a financial counter is based on the decision to transform it into a bank branch

- Average size 150/200 square metres for the part that will turn into a bank branch
- Location in line with the Bank territorial plans
- At first agency financial advisers operate in the financial counter
- Sharing the commercial targets with the agent is a precondition to the opening. These targets involve planning the evolution in the following 12/18 months, with the agent subscribing a commitment of minimum production.
- Limited start-up investment, partly borne by the agency, based on detailed cost-sharing provisions

Limited start-up investment and almost absent recurrent costs for the bank, combined with high commercial preconditions for the quick transformation into co-located branch and its related breakeven achievement

Preconditions to the opening of co-located branches: transformation of the financial counter into bank branch

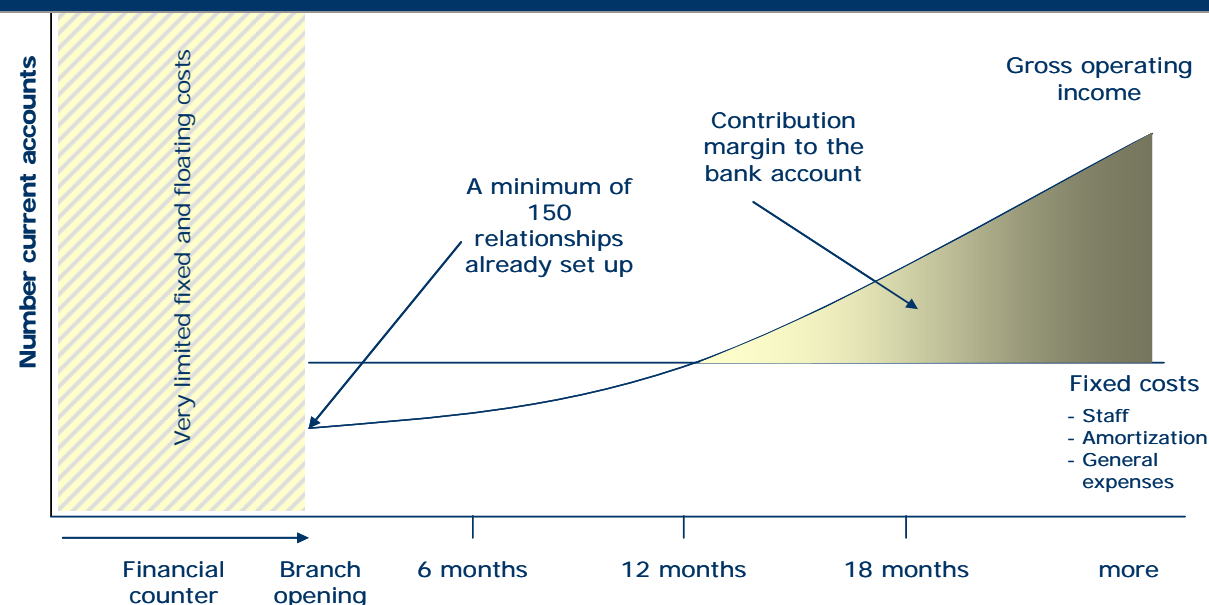
The financial counter develops into co-located branch, subject to the following conditions:

- a. The financial advisers have already opened at least 150 current accounts;
- b. The co-located agency commits itself to achieve a total of 350 current accounts within 12 months from the opening of the branch;
- c. The co-located agent commits itself in achieving a minimum of 480 current accounts within 18 months from the opening; bank commercial ratio on customer-base of co-located agency must not be less than 15% (benchmark);
- d. Commitment to promote the commercial activity of the branch as regards the insurance agency, with VAT registration number aiming at opening at least 120 relationships, within 18 months from the branch opening;
- e. Commitment to achieve at least 30% of the customers of the co-located sales point, within 42 months from the branch opening.

Achievement of the co-located branch breakeven in 9-12 months and following positive and growing contribution, which can count on sound basis and definite commitments with agents aiming at further growth.

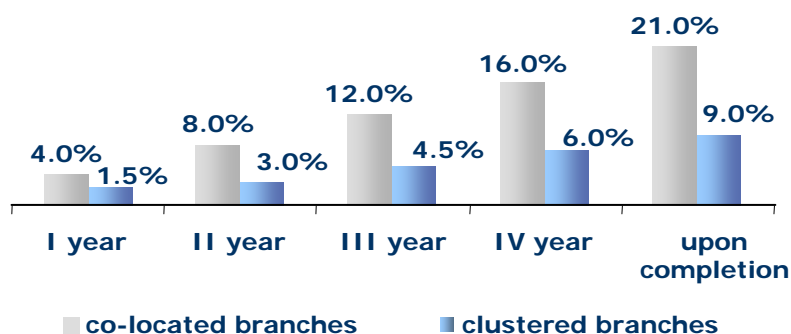
Integrated model

Co-located branch break-even and contribution to the bank P&L account

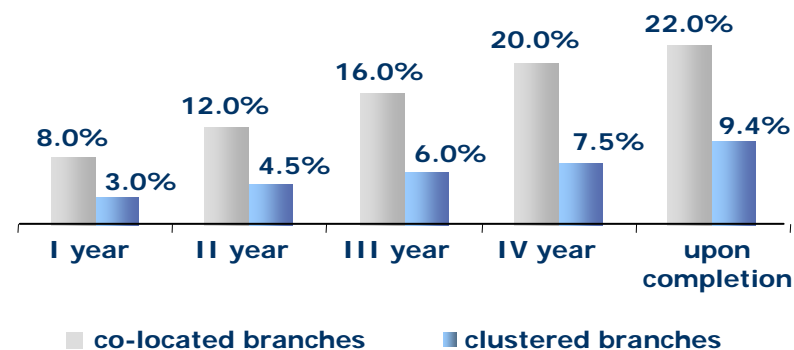


Cross-selling achieved results

Cross-selling (from insurance to bank)



Cross-selling (from bank to insurance)



Unipol Banca: summary of the integrated network. A model already successfully tested

THE INTEGRATED NETWORK MODEL : RESULTS ACHIEVED AND EXPECTED GROWTH

Quick development and regular branch operational activities

(insurance customers become banking customers)

Thanks to the know-how obtained and the preliminary agreements with agents, the breakeven period for newly opened branches has been consolidated in about 12 months (in some cases 9 months).

In the consolidated branches the level of cross-selling (insurance customers who have become banking customers) has exceeded 30% and is still growing.

Also, for the branches acquired the breakeven process has been very quick (rearranging loans and aligning with Unipol criteria).

The agent is a key player in the success

On average 34% of customers from a single integrated branch have been introduced by the agency channel, reaching 52% at peak times.

Banking customers become insurance customers

The same factors key to the success of the co-located branch are mirrored in an important migration of customers from banking to insurance. The average cross-selling rates are basically higher than for the reverse case which is also due to easier get-out clauses for insurance customers.

Well-consolidated expertise in implementing integrations

Only 6 months are needed to implement a branch's integration project (this has more than halved compared to initial attempts).

Framework agreement approved by agents

The relationships between agencies and banking branches are based on a framework agreement approved by agents, resulting from consolidated co-operation among the several key players involved.

DISCLAIMER

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.