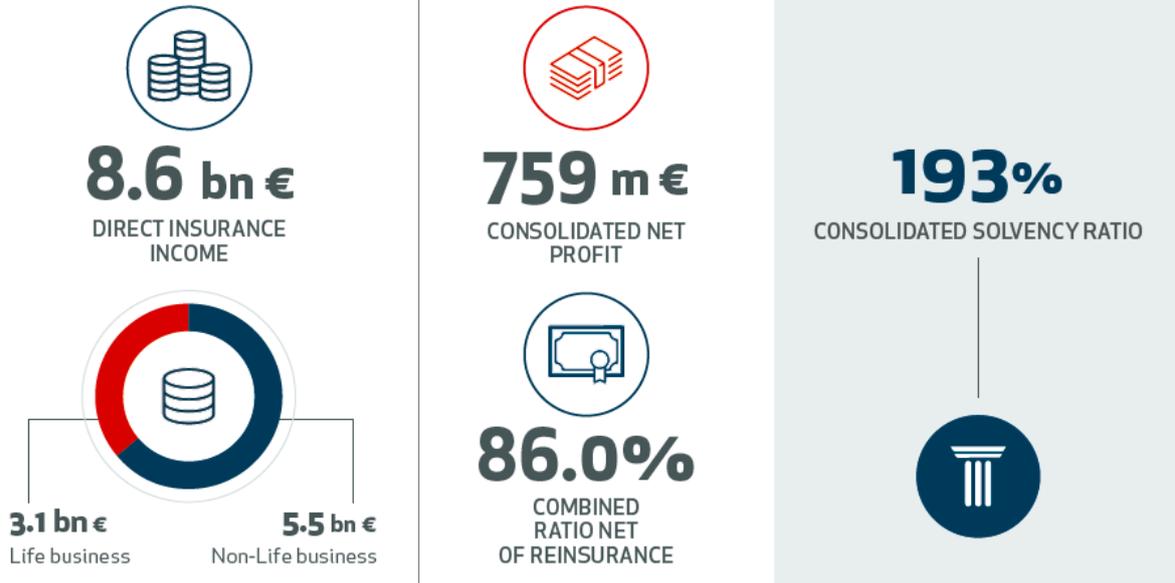


## UNIPOL GRUPPO: CONSOLIDATED RESULTS APPROVED

AS AT 30th SEPTEMBER 2020



- Consolidated net profit of €759m compared to €577m<sup>1</sup> at 30 September 2019 (+31.5%)
- Direct insurance income of €8.6bn (-13.7%)
  - ✓ Non-life business: €5.5bn (-3.6%)
  - ✓ Life business: €3.1bn (-27.2%)
- Combined ratio net of reinsurance 86.0%, an improvement on the figure of 94.1% recorded as at 30 September 2019
- Consolidated solvency ratio 193%<sup>2</sup>

<sup>1</sup> Normalised figure, calculated by excluding from the profit of the previous period the definitive effects of the first-time consolidation recognised in equity of the stake in BPER Banca, amounting to a total of €421m (€176m in the non-life business and €244m in the holdings and other businesses), and the one-off charges arising from agreements signed with the trade union organisations for the solidarity fund and other forms of voluntary redundancy, amounting to €67m.

<sup>2</sup> Figure calculated on the basis of the partial internal model, to be taken as preliminary since the supervisory authorities will be notified of the definitive figure in accordance with legally required deadlines.

Bologna, 13 November 2020

The board of directors of Unipol Gruppo S.p.A., which met yesterday under the chairmanship of Pierluigi Stefanini, approved the consolidated results of the Group at 30 September 2020.

**Summary of the main Group figures**

<i>Amounts in €m</i>	<b>30/09/2020</b>	<b>30/09/2019</b>	<i>% Change</i>
<b>Direct insurance income</b>	<b>8,635</b>	<b>10,008</b>	<i>(13.7)</i>
Non-life direct insurance income	5,521	5,730	<i>(3.6)</i>
Life direct insurance income	3,114	4,278	<i>(27.2)</i>
<b>Combined ratio non-life - direct business</b>	<b>85.5%</b>	<b>96.0%</b>	
<b>Combined ratio non-life - net of reinsurance</b>	<b>86.0%</b>	<b>94.1%</b>	
<b>Consolidated results</b>	<b>759</b>	<b>931</b>	<i>(18.5)</i>
<i>Amounts in €m</i>	<b>30/09/2020</b>	<b>31/12/2019</b>	<i>% Change</i>
<b>Investments and cash and cash equivalents</b>	<b>69,058</b>	<b>67,757</b>	<i>1.9</i>
<b>Shareholders' equity attributable to the Group</b>	<b>7,033</b>	<b>6,687</b>	<i>5.2</i>
<b>Solvency II ratio</b>	<b>193%</b>	<b>187%</b>	

In the first nine months of 2020, the Unipol Group made a **consolidated net profit** of €759m, significantly up (+31.5%) on the normalised figure of €577m recorded on 30 September 2019 which was calculated by excluding the definitive effects, amounting to €421m, of the first-time consolidation of the stake in BPER Banca recognised in equity, and the one-off charges (€67m after taxes) resulting from agreements signed with the trade union organisations for voluntary redundancy payments. The results for the period were influenced by the healthcare emergency caused by the Covid-19 epidemic which is still ongoing.

As at 30 September 2020, **direct insurance income**, including reinsurance ceded, stood at €8,635m (€10,008m as at 30 September 2019, -13.7%).

**Non-Life Business**

**Non-life** direct premium income amounted to €5,521m, and up on the figure of the first half, was down 3.6% compared to the figure of €5,730m recorded in the first nine months of 2019. Income reflected the consequences of the slowdown in commercial activities caused by the healthcare emergency in the first half of the current year.

MV premiums amounted to €2,926m, down 4.6% on the same period of 2019, while the fall-off on non-MV premiums, amounting to €2,595m, was lower (-2.6%), partly due to the sale of specific products linked to the healthcare emergency. UnipolSai income decreased, with non-life premiums of €4,722m (-3.0%) while UniSalute increased its revenue to €325m (+4.8%).

The **combined ratio** of the Group, net of reinsurance, stood at 86.0% (94.1% as at 30 September 2019), with a loss ratio of 59.2%, compared to 67.2% in the third quarter of 2019, and an expense ratio of 26.8% of the premiums earned (26.9% as at 30 September 2019).

The **pre-tax result** for the **non-life business** amounted to €985m (€697m in the first nine months of 2019, €603m net of the badwill relating to BPER Banca and the one-off charges linked to the solidarity fund).

### Life Business

In the **life business**, the Unipol Group reported direct income of €3,114m, down 27.2% due to both the effects of the healthcare emergency and the commercial policies employed this year aimed at reducing risk, and compared to the same period of 2019 when there was a high volume of production. UnipolSai reported €2,185m in direct income (-28.2%), while in the bancassurance channel, Arca Vita, along with its subsidiary Arca Vita International, reported direct income of €877m (-25.0% compared to the figure of €1,169m in the first nine months of 2019).

The **pre-tax result** for the **life business** amounted to €51m compared to €207m (€217m on a normalised basis, net of the non-recurring charges linked to the solidarity fund) made in the first nine months of 2019; this figure was mainly down due to the lower contribution of financial income.

### Real Estate, Holdings and Other Businesses

There were no significant changes in the **real estate business**, while development of proprietary real estate assets continued in order to enhance the value of the properties undergoing renovation with a view towards renting them out or using them for company business.

With regard to the **other sectors** that the Group operates in, the Covid-19 emergency is having a highly adverse effect on the hotel sector where the Gruppo UNA opened a select number of its facilities and used the wage subsidy fund for the office and hotel employees.

**UnipolReC** posted a profit of €4.7m while the other Group businesses broke even for the most part.

There was a **pre-tax loss in the real estate and holdings and other businesses** of €98m (a loss of €217m as at 30 September 2019; a loss of €23m on a normalised basis).

### Financial Management

With regard to **management of financial investments**, the gross return obtained by the Group's portfolio at 30 September 2020 amounted to 2.9% of invested assets (3.6% as at 30 September 2019) due to changes made to the investment mix in order to improve the Group's risk profile.

### **Balance Sheet**

**Consolidated shareholders' equity** amounted to €8,328m as at 30 September 2020 (€8,305m as at 31 December 2019).

As at 30 September 2020, the **Group solvency ratio** between own funds and capital requirements was 193%, up from the figures of 188% on 30 June 2020 and 187% on 31 December 2019.

### **Business Outlook**

Unfortunately, the Covid-19 pandemic picked up again at both global level and in Italy in the period following the third quarter of 2020. This will have an inevitable effect on the economic recovery of the country, which is already weak, while financial markets, with special reference to the stock markets, showed increased volatility.

However, the performance to date and the information currently available allow us to confirm that the income from operating activities for the current year is in line with the targets established in the 2019-2021 Industrial Plan.

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### **Presentation of results to the financial community**

A conference call will be held at 12:00 pm today during which financial analysts and institutional investors may submit questions to the Group CEO and senior management on the results at 30 September 2020. The telephone numbers to dial to attend the event are: +39 02 8020911 (from Italy and all other countries besides the USA and the UK), +1 718 7058796 (from the USA), +44 1212 818004 (from the UK). You can also follow the presentation through the digital channels described below:

- **Connection via Web Link:** <https://hditalia.choruscall.com/?calltype=2&info=company>
- **Connection via App:** Chorus Call HD, ID system CCHDVA

Please carefully read the [Privacy Policy Statement](#) before attending the event.

The multimedia file with the pre-recorded comment on the results can be found in the Investors section of the website [www.unipol.it](http://www.unipol.it).

Maurizio Castellina, Manager in charge of financial reporting of Unipol S.p.A. and UnipolSai Assicurazioni S.p.A., declares, pursuant to Article 154-bis, paragraph 2, of the “Consolidated Law on Finance”, that the accounting information contained in this press release corresponds to the figures in the corporate accounting records, ledgers and documents.

Please refer to the press releases that can be downloaded from [www.unipol.it](http://www.unipol.it) for any significant events after 30 September 2020.

### Glossary

**DIRECT BUSINESS COMBINED RATIO:** indicator that measures the balance of non-life direct technical management, given by the sum of the loss ratio, including the OTI ratio and expense ratio.

**COMBINED RATIO NET OF REINSURANCE:** indicator that measures the balance of non-life total technical management, given by the sum of the loss ratio net of reinsurance and the expense ratio net of reinsurance.

### Unipol Gruppo S.p.A.

Unipol is one of the biggest insurance groups in Europe and the leading company in Italy in the non-life insurance sector, (especially in the MV and health businesses), with total premiums of approximately €14.0bn, of which €8.2bn in non-Life and €5.8bn in life (2019 figures). Unipol adopts an integrated offer strategy and covers the entire range of insurance and financial products, operating primarily through the subsidiary UnipolSai Assicurazioni S.p.A. The Group is also active in direct MV insurance (Linear Assicurazioni), transport and aviation insurance (Siat), health insurance (UniSalute), supplementary pensions and also covers the bancassurance channel (Arca Vita, Arca Assicurazioni and Incontra). It also manages significant diversified assets in the debt collection (UnipolReC), real estate, hotel (Gruppo UNA), medical-healthcare and agricultural (Tenute del Cerro) sectors. Unipol Gruppo S.p.A. is listed on the Italian Stock Exchange.

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