

**Vittoria Assicurazioni**

**Financial  
Presentation**



Milan, 17 March 2010

## **GROWTH STRATEGIES**

**SHAREHOLDERS' STRUCTURE**

**NON-LIFE BUSINESS**

**LIFE BUSINESS**

**EMPLOYEES AND SALES STRUCTURE**

**INVESTMENTS**

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# GROWTH STRATEGIES

- **DEVELOPEMENT OF: AGENCIES NETWORK  
AFFINITY GROUPS**
- **FOCUS ON TECHNICAL RESULT**
- **LOW RISKS INVESTMENT PORTFOLIO**
- **TAKE ADVANTAGE OF REAL ESTATE OPPORTUNITIES**
- **REDUCTION OF EXPENSE RATIO IN THE MEDIUM TERM**
- **SOLVENCY MARGIN SELF-FINANCING AND MAINTENANCE OF SOLVENCY RATIO AT ACTUAL LEVEL**
- **AVERAGE DIVIDEND PAY-OUT OVER 20%**

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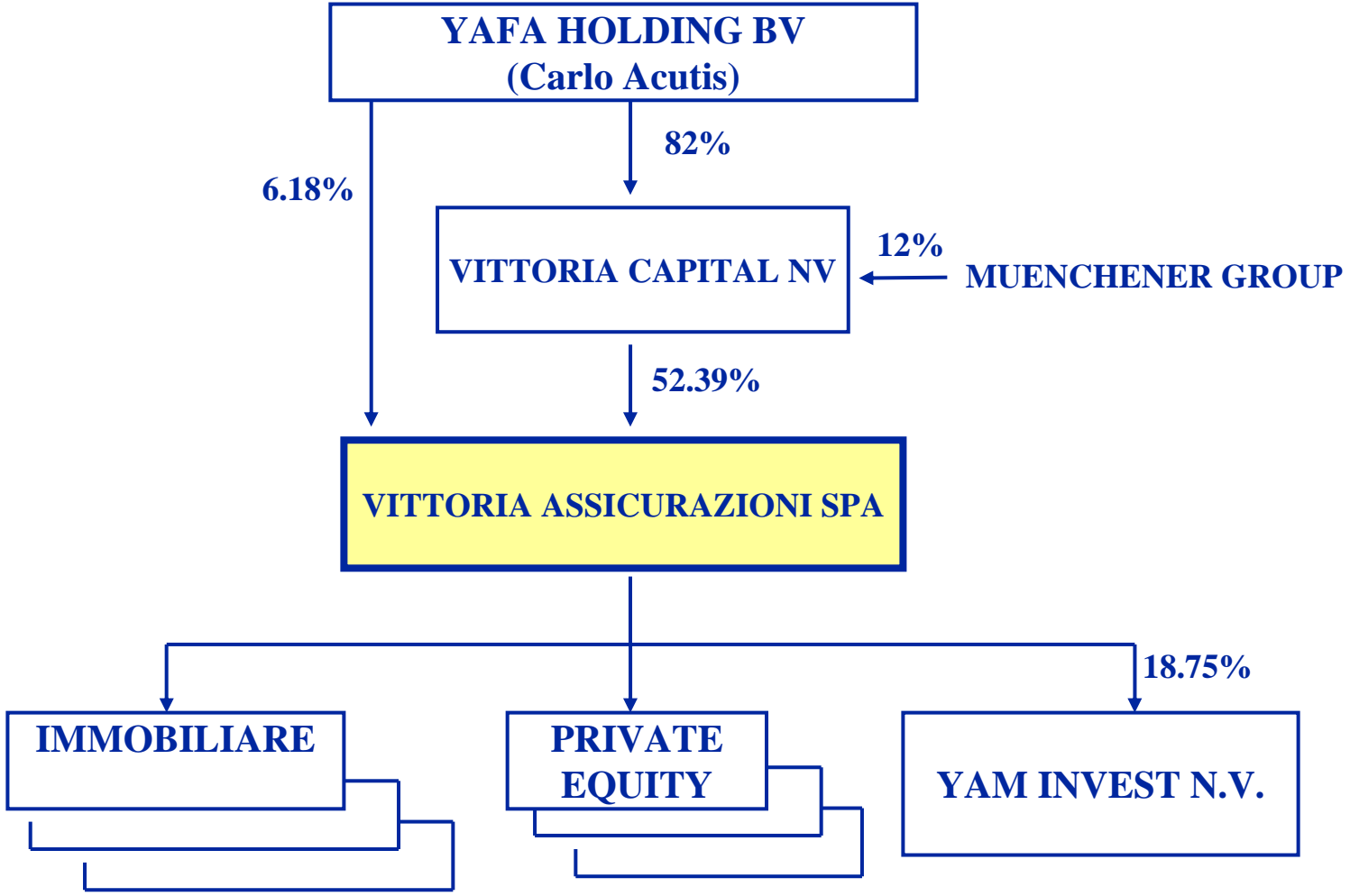
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# SHAREHOLDERS' STRUCTURE





# SHAREHOLDERS VITTORIA CAPITAL N.V.

		% ON CAPITAL
1.	<b>Yafa Holding B.V.- Netherland (Carlo Acutis)</b>	<b>82%</b>
2.	<b>MUENCHENER RUCK GROUP – Germany</b> Münchener Rückversicherungs – Gesellschaft Victoria Düsseldorf	10% 2%
3.	<b>Other</b>	<b>6%</b>
	<b>Total</b>	<b>100%</b>

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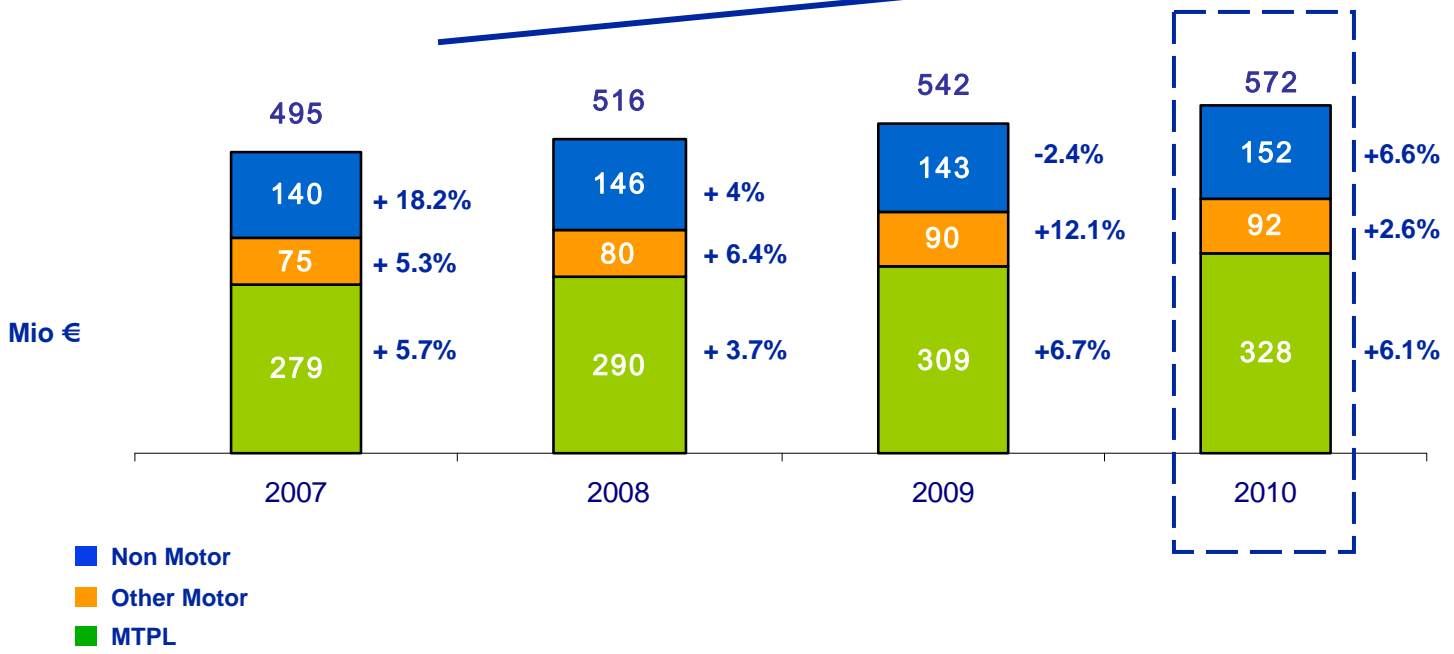
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# NON-LIFE PREMIUM VOLUME

- ✓ Volumes higher than forecast market average; 32 new agencies opened
- ✓ Slowdown in 2009 Non Motor volumes caused by the market crisis (especially in the Credit Protection Insurance line of business, subject to a more restrictive underwriting policy)
- ✓ Target: families and small / medium enterprises
- ✓ Focus and specialization on Affinity Groups

CAGR + 4.7%

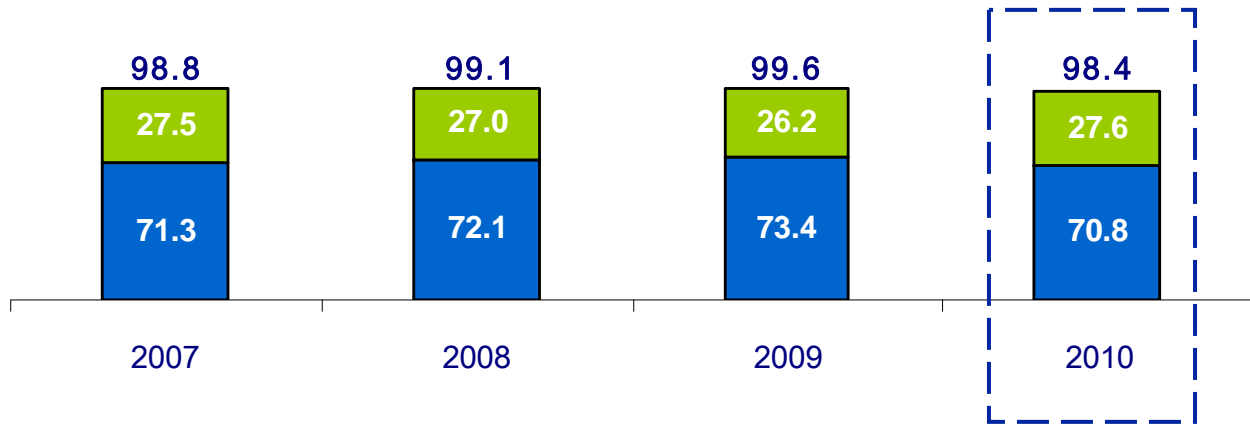






# TOTAL NON-LIFE COMBINED RATIO

- ✓ Combined ratio has not yet met targets (97.5% in a normalized economic context)
- ✓ 2009 Loss Ratio increase due to Motor lines of business (impacted by the economic crisis)
- ✓ Reduction of 2010 Loss Ratio due to the expected roll-out of the positive effects coming from new agencies opening and from the forecast market recovery

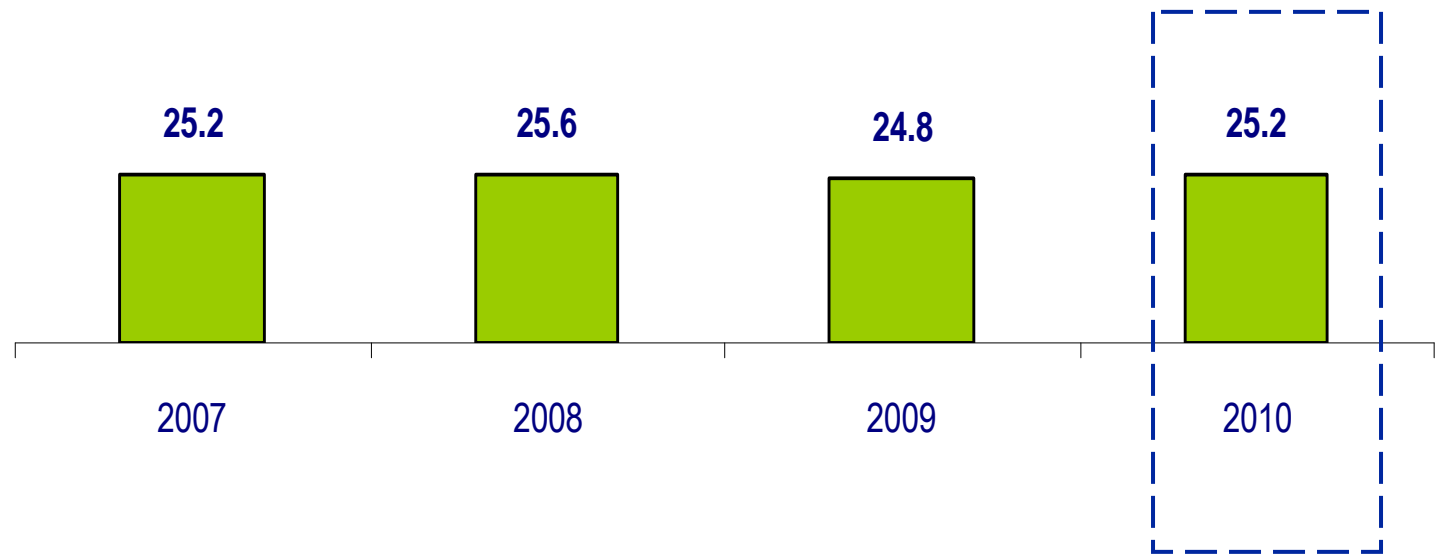


■ Loss Ratio  
■ Expense ratio



# NON LIFE EXPENSE RATIO

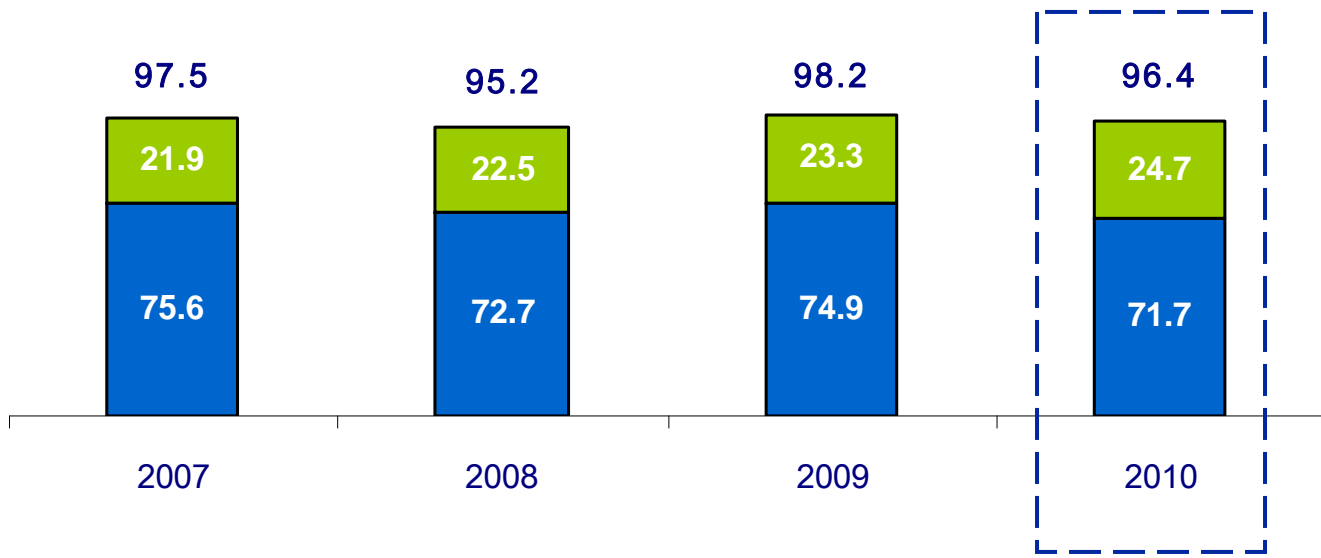
- ✓ Expense Ratio in line with historical trends
- ✓ Decrease in 2009 due to both a strong growth in volumes, absorbing a higher level of expenses linked to acquisition of new agencies, and to a more restrictive cost control policy





# MOTOR COMBINED RATIO

- ✓ 2010 expected Loss Ratio decrease after the 2009 peak, due to a relevant claims frequency in Motor lines of business (mostly on direct warranties)
- ✓ 2009 Loss Ratio impacted by the average premium reduction but better then market trends. A recovery of the average premium is forecast in 2010.

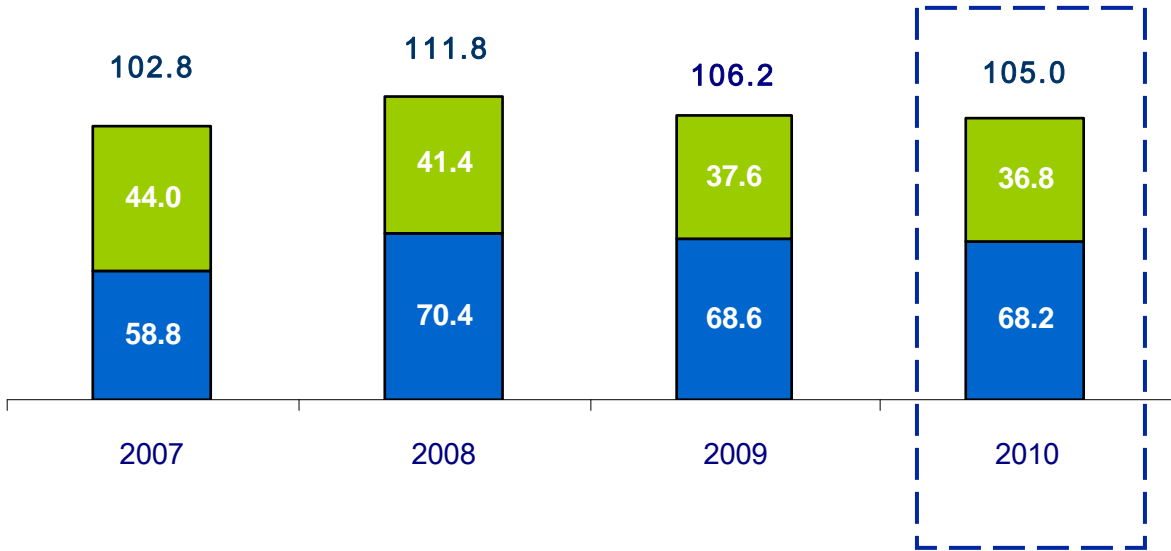


■ Loss Ratio  
■ Expense ratio



# NON MOTOR COMBINED RATIO

✓ Steady Combined Ratio improvement coming from portfolio pruning and technical profitability recovery actions, especially in the Property and Accident lines of business



■ Loss Ratio  
■ Expense ratio

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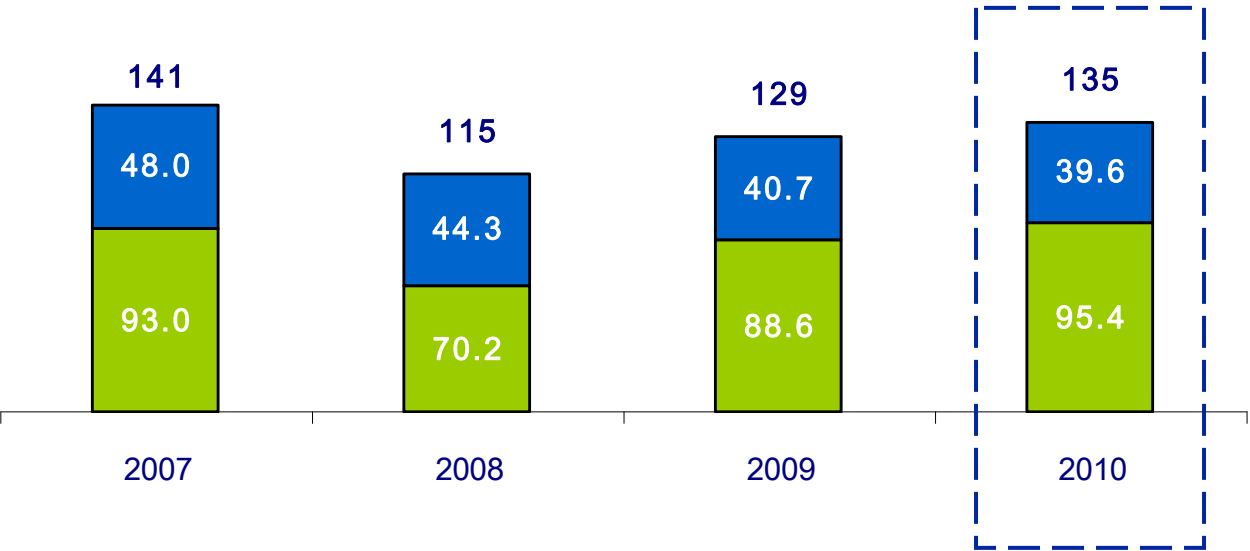
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# LIFE BUSINESS

✓ Growth in single premium, thanks to an increase in capitalizations and contracts linked to segregated funds. Reported growth has been slowed down by lower premiums in Credit Protection Insurance



■ Annual Premium  
■ Single Premium

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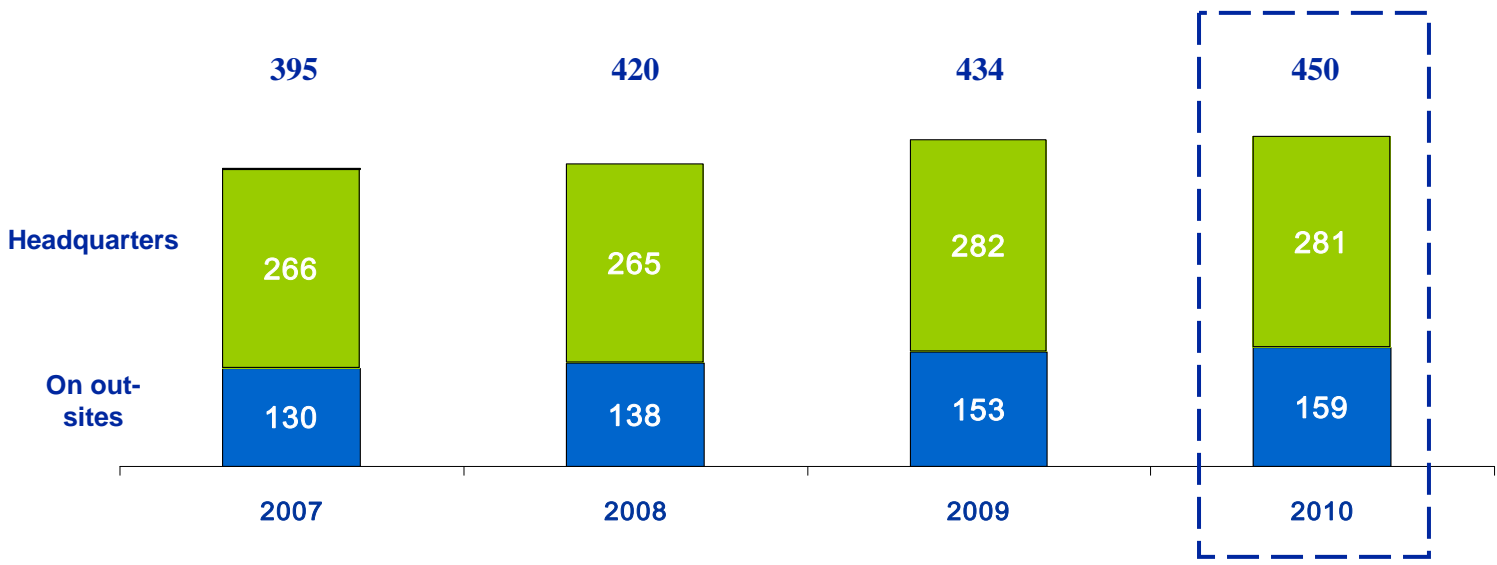
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# EMPLOYEES

- ✓ Increase in employees to support premium development and the increasing demands arising from new laws requirements (compliance, risk management, etc.)
- ✓ Underwriting and claim settlement departments register the major increase

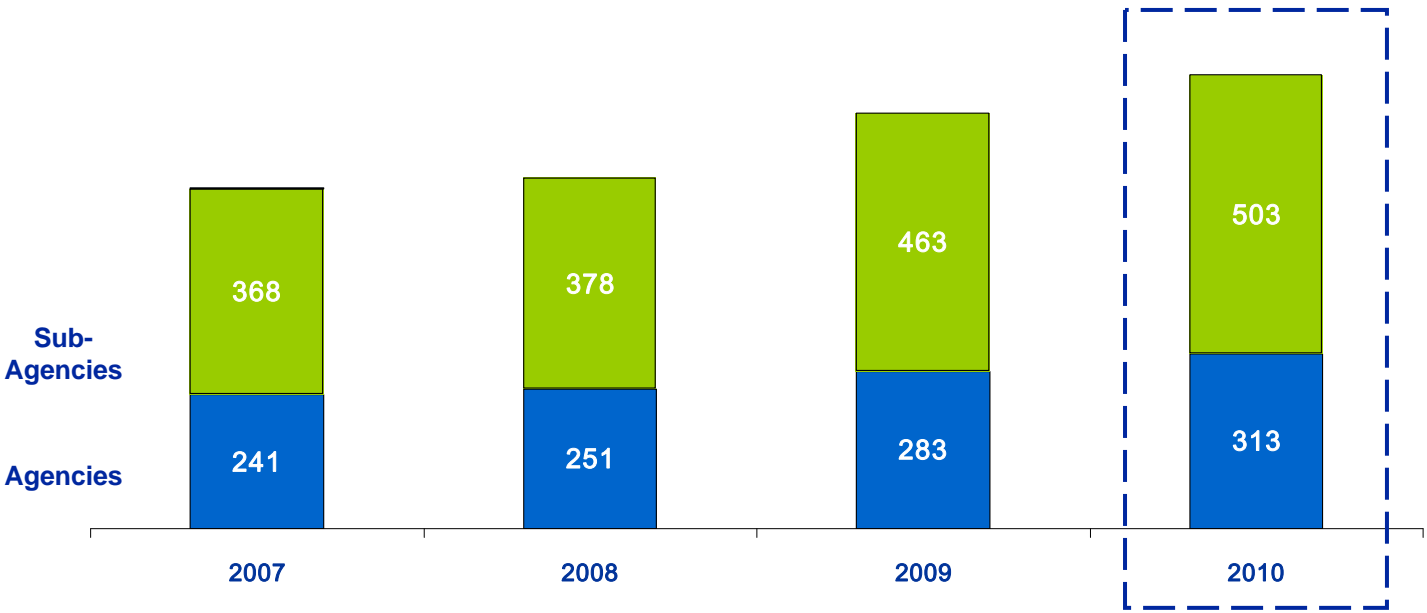






# SALES STRUCTURE

- ✓ Targets in Agencies/Sub-agencies opening met
- ✓ 49 Agents with special life mandate not included



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# INVESTMENT PORTFOLIO

## (Local Financial Statements)

- ✓ Stable investment portfolio with a low risk profile
- ✓ Core investments in Government bonds
- ✓ Additional returns obtained through satellite investments (real estate, private equity, YAM Invest NV)
- ✓ Financial returns affected by decrease in interest rates

DESCRIPTION	2006	2007	2008	2009
<b>INVESTMENTS &amp; LIQUID FUNDS</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
BUILDINGS & REAL ESTATE	10.3%	9.4%	11.2%	11.0%
STRATEGIC EQUITY INVESTMENTS	5.3%	4.1%	3.4%	3.5%
PRIVATE EQUITY	1.1%	1.3%	1.8%	1.9%
BONDS	79.5%	81.3%	79.6%	79.9%
LOAN	0.8%	0.8%	1.0%	0.9%
LIQUID FUNDS	3.0%	3.1%	3.0%	2.8%

# MAIN REAL ESTATE PROJECTS

(as at 2009 year end)

Projects	SQM (100%)	Completion date
Milano Area Portello - Residential	51.713	2013
Milano Area Portello - Commercial - building A	11.629	2011
Milano Area Portello - Commercial - building C	8.713	2010
<b>Total Portello</b>	<b>72.055</b>	
Peschiera Borromeo lot 3	25.597	2011
Peschiera Borromeo lot 4	15.235	2009
<b>Total Peschiera</b>	<b>40.832</b>	
<b>San Donato Mil.se</b>	<b>21.548</b>	2010
Other projects	111.232	
<b>Total projects</b>	<b>245.667</b>	

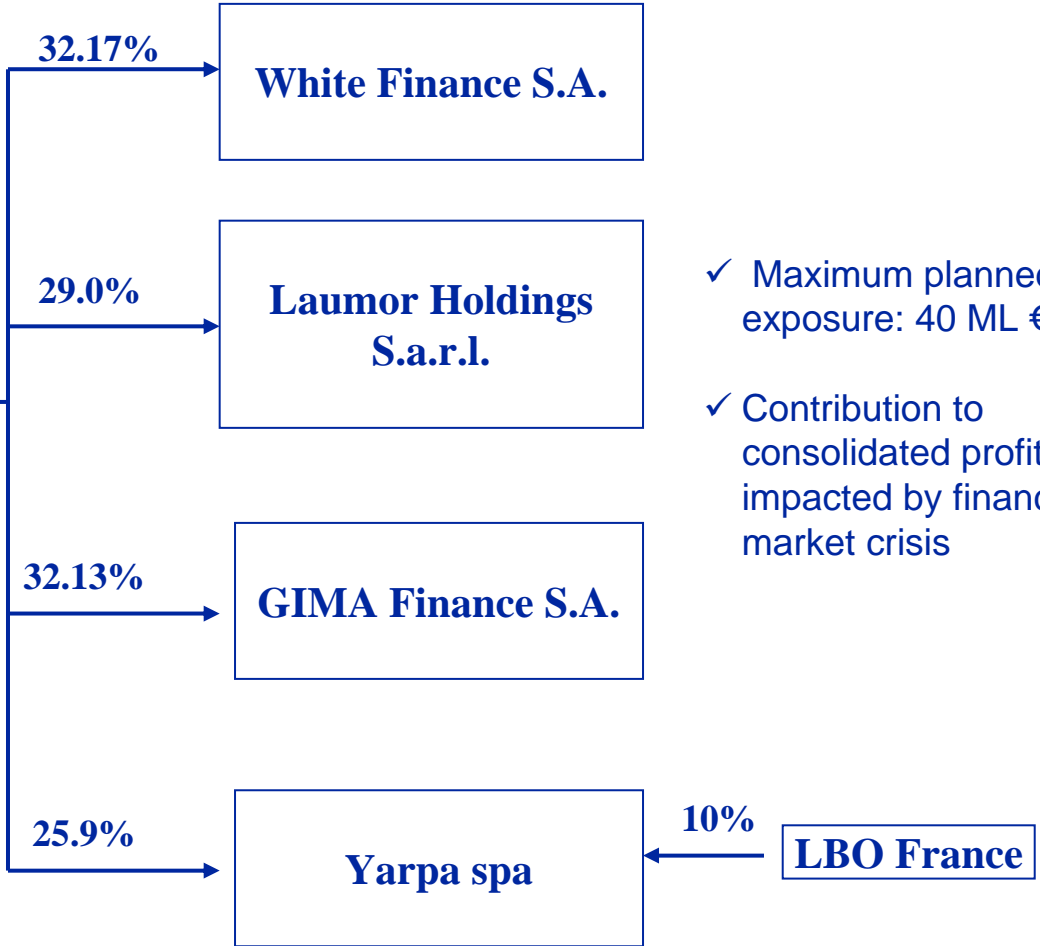
- ✓ Focus on residential developments in Italy
- ✓ **Peschiera Borromeo**: lot 4 completed: 85% preliminary and notary deeds of sale
- ✓ **San Donato Milanese**: 53% preliminary deeds of sale
- ✓ **Area Portello Residential**: 9% preliminary deeds of sale
- ✓ Impact +1.5 Mio € on consolidated income statement due to the adoption of IFRIC15

Portello project - building B- relating to the new Company's premises is excluded, but construction is in line with plans (investment: 82 €/ML – 19,186 SQM)



# PRIVATE EQUITY

**VITTORIA  
ASSICURAZIONI  
SPA**



- ✓ Maximum planned exposure: 40 ML €
- ✓ Contribution to consolidated profit is impacted by financial market crisis



# YAM INVEST N.V.

VITTORIA ASSICURAZIONI SPA



18.75%

YAM INVEST N.V.

- ✓ Liquid funds available: 362.5 ML €. Currently they are mainly invested in French and German Government bonds and bank deposits. Vittoria's share: 68 ML € (18 Mio € real estate investment in Poland)
- ✓ Vittoria Assicurazioni book value: 6.6 Mio €
- ✓ Consolidate Financial Statement Vittoria's share: 65.9 Mio €
- ✓ Investments are on going : contribution to consolidated result is expected in the medium term

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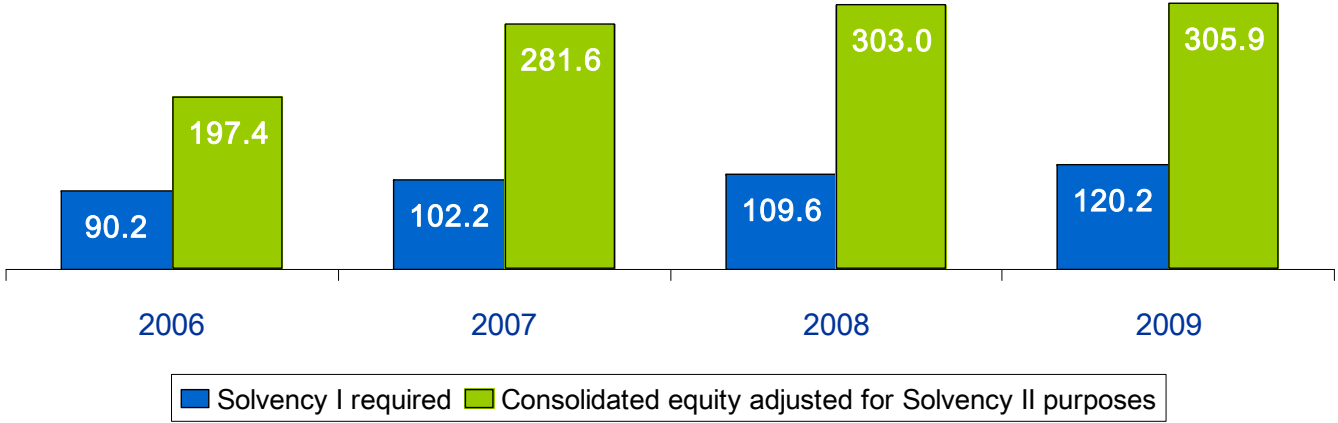
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# SHAREHOLDERS' EQUITY AND SOLVENCY MARGIN

- ✓ Net equity increase despite the adverse market trends
- ✓ Solvency ratio over market listed peers level



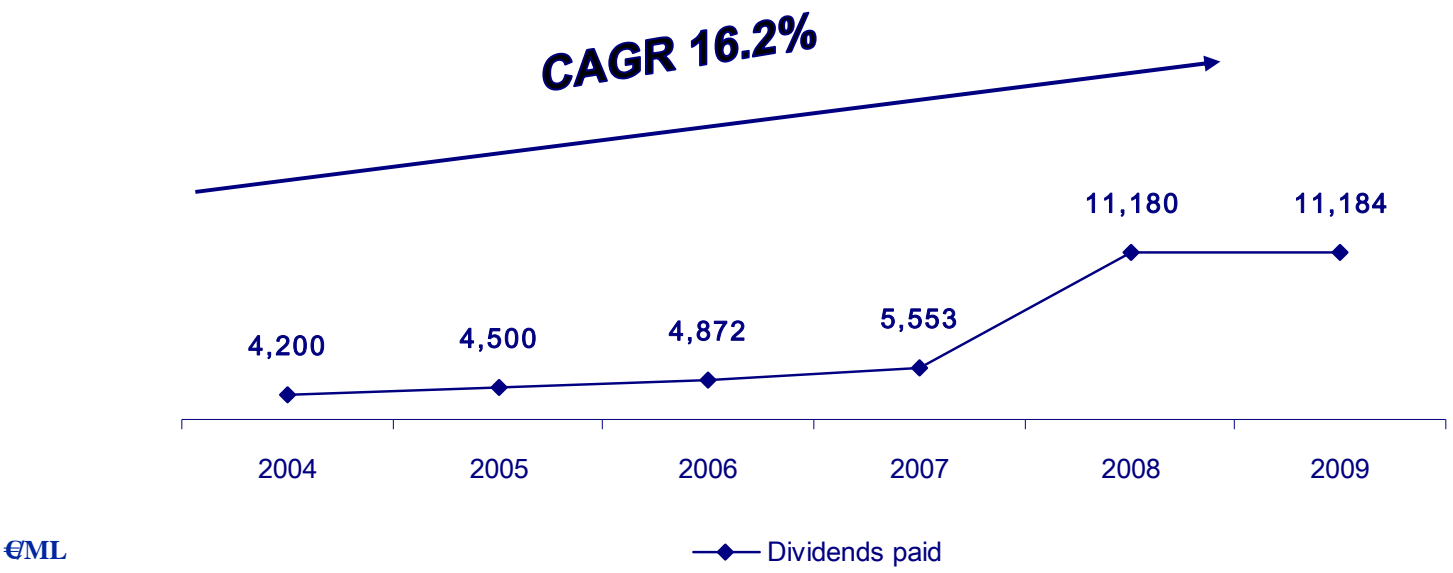
		2006	2007	2008	2009
<b>SOLVENCY I RATIO</b>	<b>Consolidated</b>	219%	276%	276%	254%





# DIVIDEND POLICY

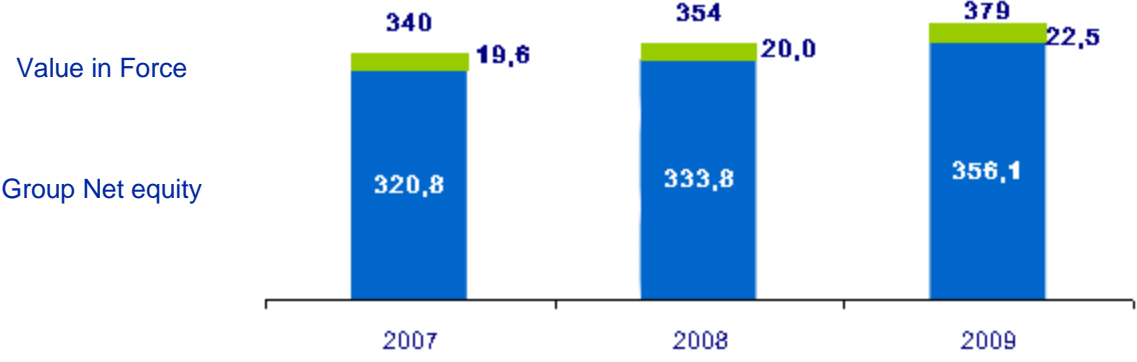
- ✓ Stable annual increase in dividend per share (from 0,13 € to 0,17€).
- ✓ In 2008 bonus capital increase (1:1).
- ✓ Forecast 2009 dividend per-share is at 2008 level (0.17 €)



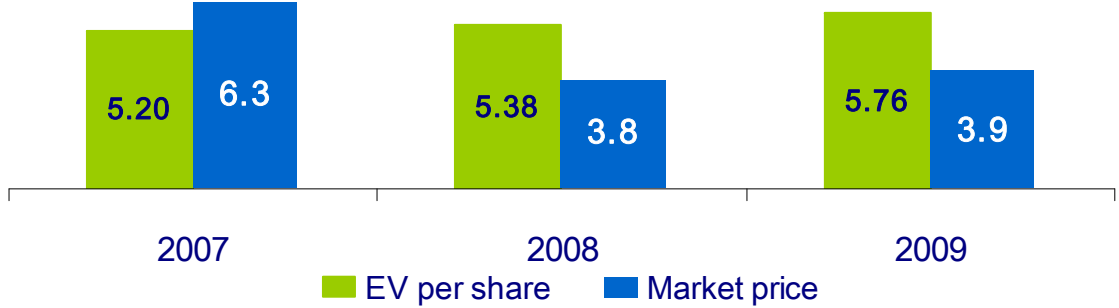


# GROUP EMBEDDED VALUE VS SHARES' VALUE

€/ML



✓ Embedded Value increase



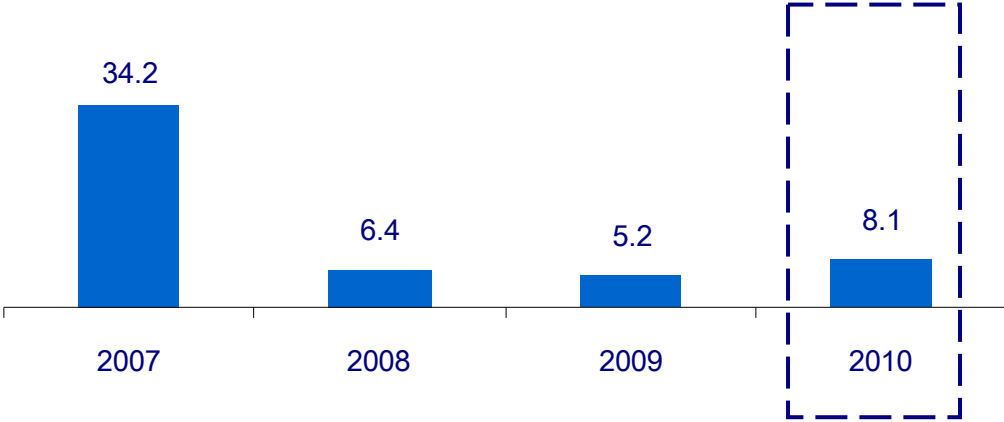
✓ Market capitalization under Embedded Value

✓ Vittoria market price as of 11 March 2010: 3.79 €



# CONSOLIDATED NET ROE

- ✓ 2009 ROE influenced by on-going investments in Real Estate, not yet balanced by Private Equity and Yam Invest NV returns
- ✓ 2010 ROE considers Real Estate contribution and a still unstable financial context
- ✓ 2007 ROE impacted by gain on sale of COGEDIM for approx. 67 mio €
- ✓ Shareholders' equity net of unrealised gain / losses





## CONSOLIDATED NET PROFIT

	2007	2008	2009	2010 budget
<b>Vittoria Assicurazioni net result (Local GAAPs)</b>	<b>36,495</b>	<b>37,939</b>	<b>24,289</b>	<b>23,293</b>
Dividends from Group Companies (written-off in the Consolidated Accounts)	(24,604)	(24,903)	(3,979)	(1,284)
Italian Real Estate Companies	511	713	(952)	4,427
Yarpa / Yam	72,188	1,492	17.0	
Private Equity	3,362	(196)	(786)	
Other Companies	259	346	64	-
IFRS adjustments	1,361	4,719	(1,730)	1,400.0
<b>Consolidated Net Result</b>	<b>89,572</b>	<b>20,110</b>	<b>16,923</b>	<b>27,836</b>
<b>CONSOLIDATED ROE</b>	<b>34.2</b>	<b>6.4</b>	<b>5.2</b>	<b>8.1</b>

## LEGENDA

- **PREMIUM**  
WRITTEN PREMIUMS DIRECT BUSINESS
- **LOSS RATIO – RETAINED BUSINESS**  
INCURRED CLAIMS / EARNED PREMIUMS
- **EXPENSE RATIO**  
NON-LIFE BUSINESS: ADMINISTRATION EXPENSES / PREMIUMS WRITTEN DIRECT BUSINESS
- **COMBINED RATIO – RETAINED BUSINESS**  
(INCURRED CLAIMS + ADMINISTRATION EXPENSES + INTANGIBLE ASSET AMORTISATION + OTHER TECHNICAL CHARGES) / EARNED PREMIUMS RETAINED BUSINESS
- **CONSOLIDATED ROE**  
CONSOLIDATED NET PROFIT FOR THE YEAR / CONSOLIDATED AVERAGE SHAREHOLDERS' EQUITY (CONSOLIDATED OPENING SHAREHOLDERS' EQUITY + CONSOLIDATED CLOSING SHAREHOLDERS' EQUITY). EQUITY IS NET OF RESERVES FOR UNREALISED GAINS / LOSSES
- **CAGR (Compound Annual Growth Rate)**