

Vittoria Assicurazioni

**Financial
Presentation**



Milan, 25 May 2010

GROWTH STRATEGIES

SHAREHOLDERS' STRUCTURE

NON-LIFE BUSINESS

LIFE BUSINESS

EMPLOYEES AND SALES STRUCTURE

INVESTMENTS

FINANCIAL INFORMATION



GROWTH STRATEGIES

2

- **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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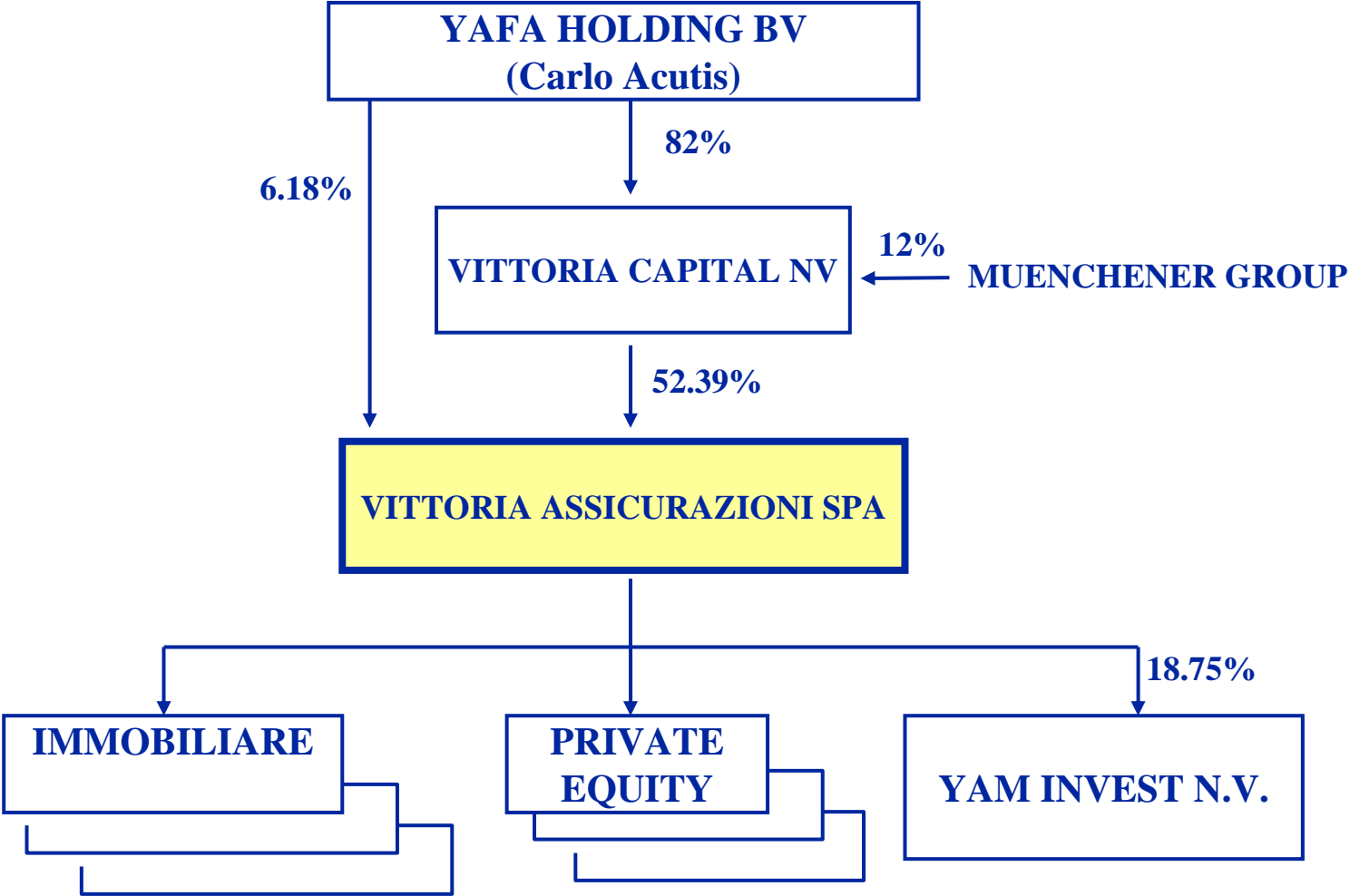
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FINANCIAL INFORMATION



SHAREHOLDERS' STRUCTURE





SHAREHOLDERS VITTORIA CAPITAL N.V.

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

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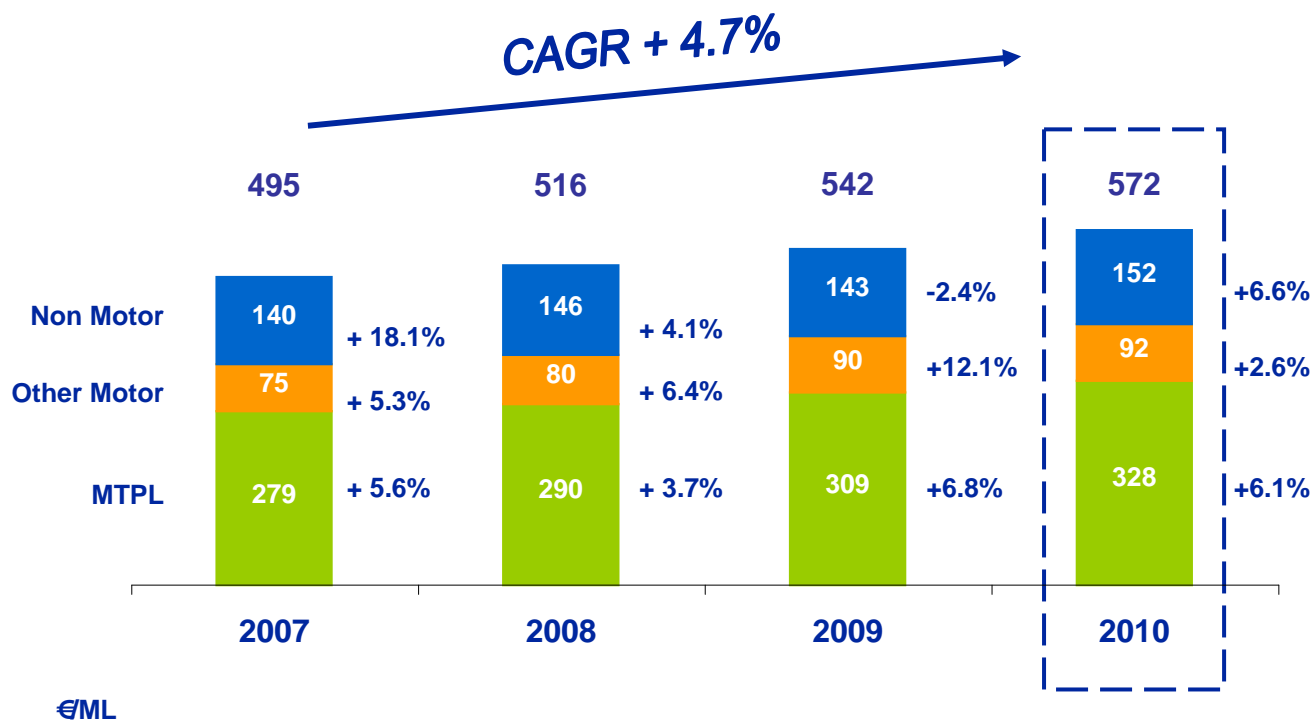
INVESTMENTS

FINANCIAL INFORMATION



NON-LIFE PREMIUM VOLUME

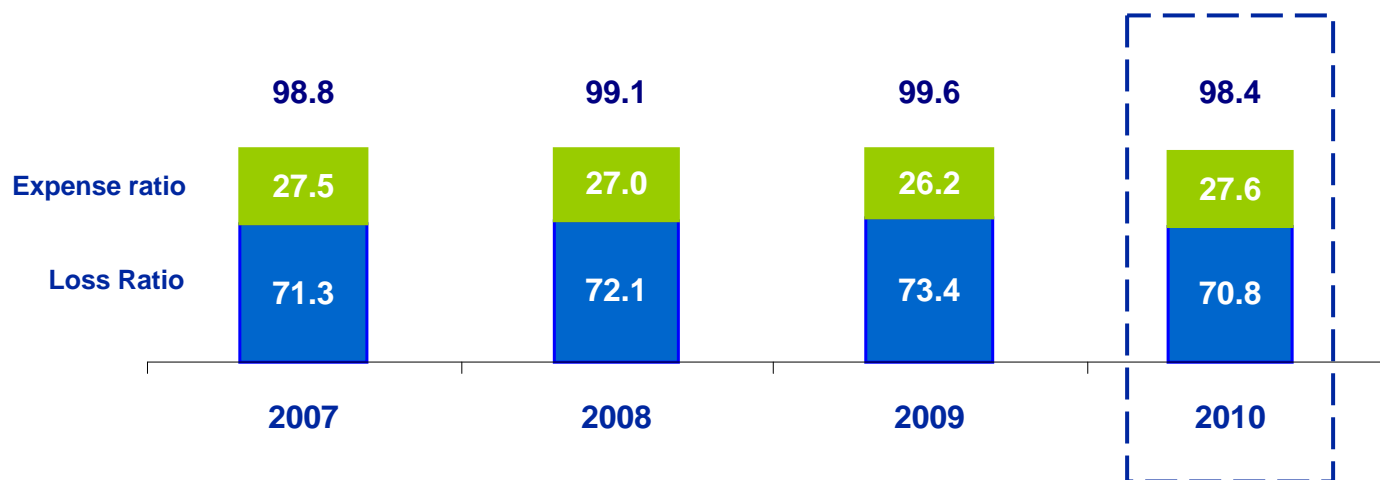
- ✓ Expected volume increase in 2010 due to the opening of 30 new agencies
- ✓ Volumes higher than market average (+5% vs -1.9%) ; 32 new agencies opened
- ✓ Slowdown in 2009 Non Motor volumes caused by the market crisis (especially in the Credit Protection Insurance line of business, subject to a more restrictive underwriting policy)
- ✓ Target: families and small / medium enterprises
- ✓ Focus and specialization on Affinity Groups





TOTAL NON-LIFE COMBINED RATIO

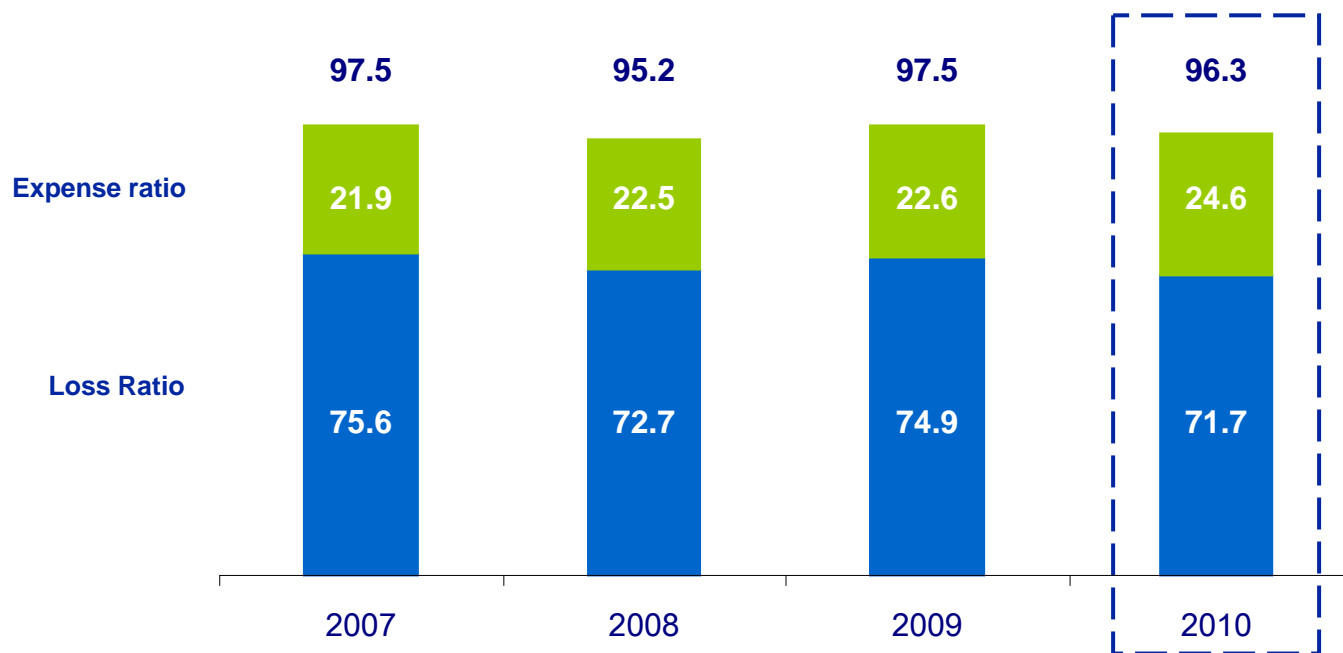
- ✓ Combined ratio not yet on target (97.5% in a normalized economic context)
- ✓ Reduction of 2010 Loss Ratio due to the expected returns from the new agencies and from the forecast market recovery
- ✓ 2009 Loss Ratio increase due to Motor lines of business (impacted by the economic crisis)





MOTOR COMBINED RATIO

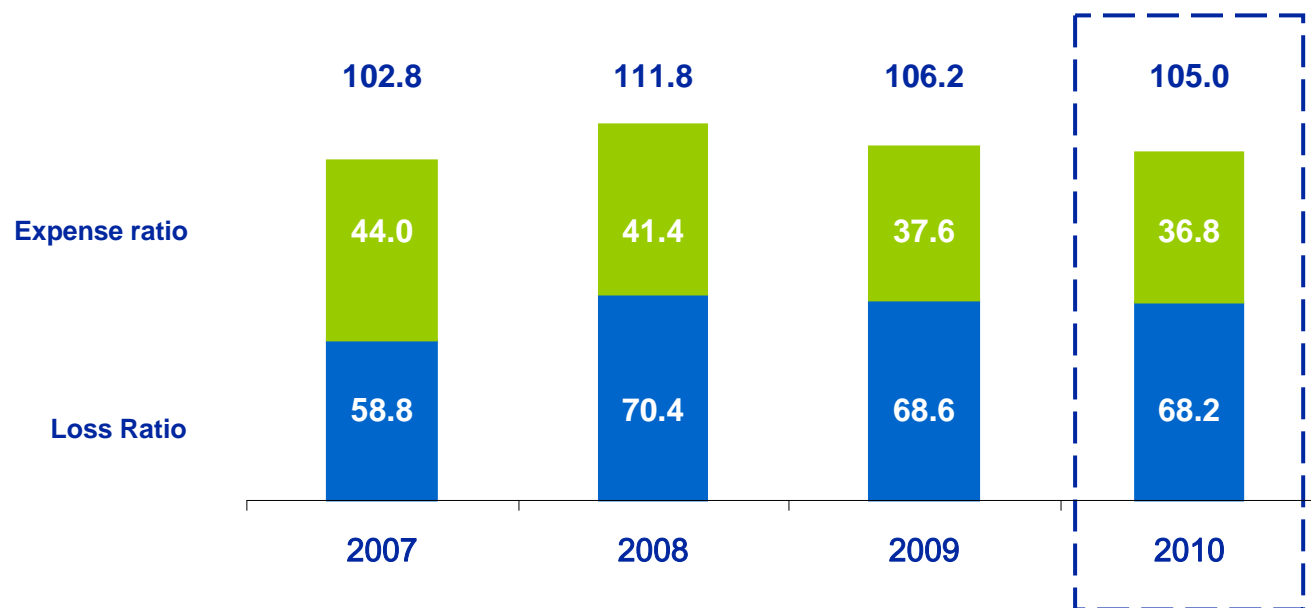
- ✓ 2010 expected Loss Ratio decrease after the 2009 peak, due to a relevant claims frequency in Motor lines of business (mostly on direct warranties)
- ✓ 2009 Loss Ratio impacted by the average premium reduction but better than market trends.





NON MOTOR COMBINED RATIO

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



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SHAREHOLDERS' STRUCTURE

NON-LIFE BUSINESS

LIFE BUSINESS

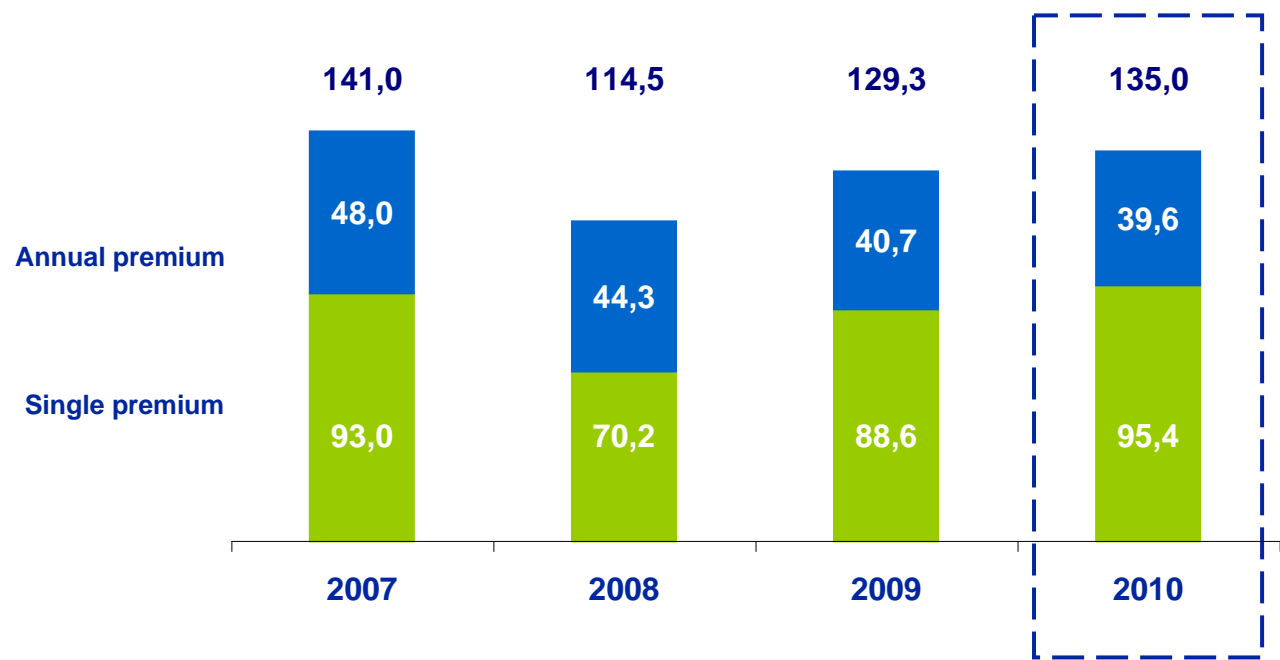
EMPLOYEES AND SALES STRUCTURE

INVESTMENTS

FINANCIAL INFORMATION



LIFE BUSINESS



€ML

GROWTH STRATEGIES

SHAREHOLDERS' STRUCTURE

NON-LIFE BUSINESS

LIFE BUSINESS

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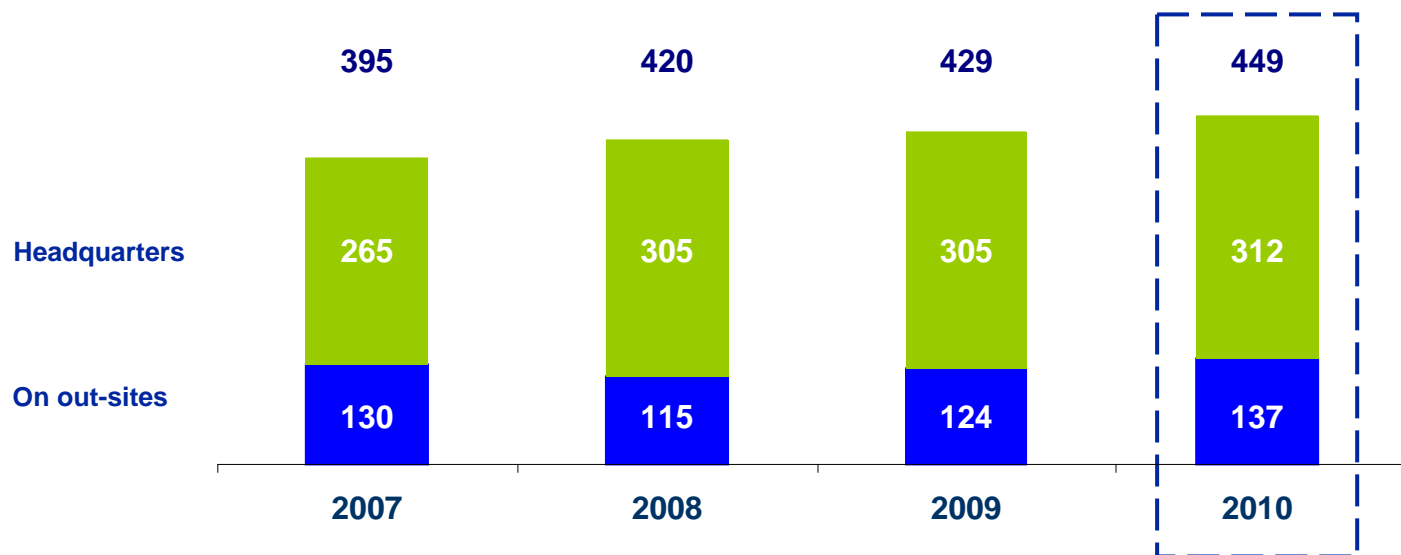
INVESTMENTS

FINANCIAL INFORMATION



EMPLOYEES

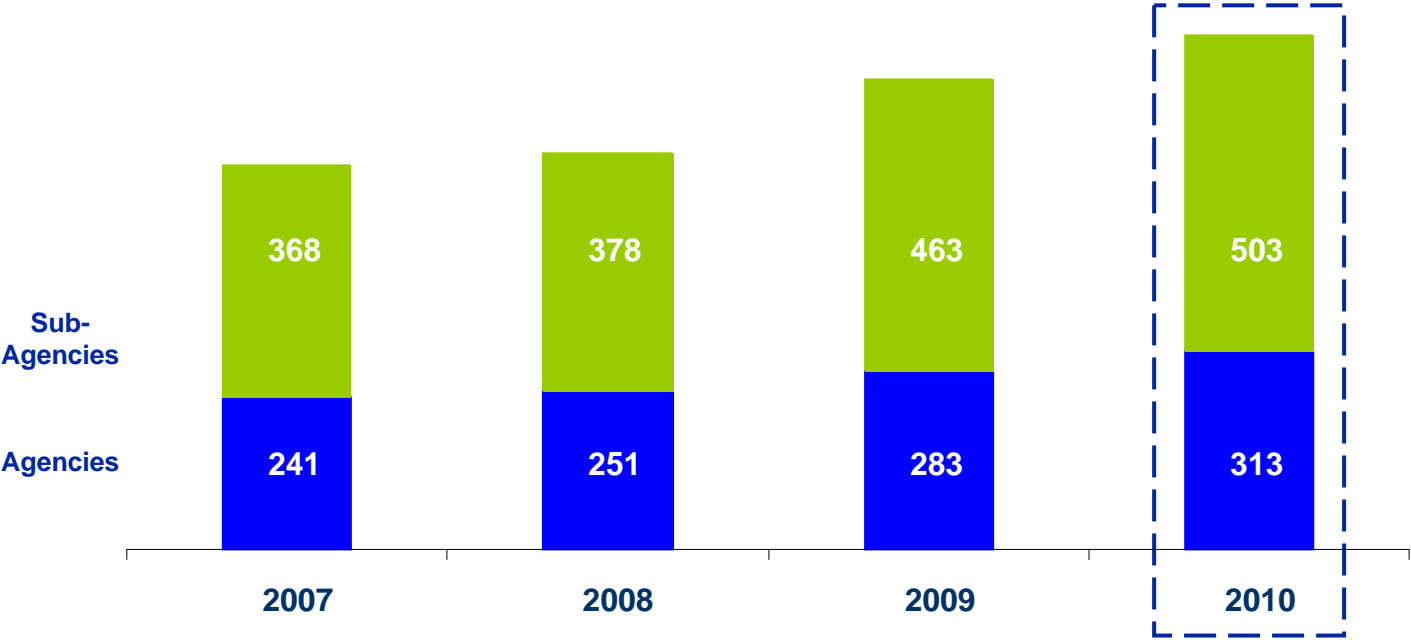
- ✓ Increase in employees to support premium development and the increasing demands arising from new laws requirements (compliance, risk management, etc.)
- ✓ Underwriting and claim settlement areas register the major increase





SALES STRUCTURE

✓ Targets in Agencies/Sub-agencies opening met



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FINANCIAL INFORMATION



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
INVESTMENTS & LIQUID FUNDS	100	100	100	100
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
Total Portello	72.055	
Peschiera Borromeo lot 3	25.597	2011
Peschiera Borromeo lot 4	15.235	2009
Total Peschiera	40.832	
San Donato Mil.se	21.548	2010
Other projects	111.232	
Total projects	245.667	

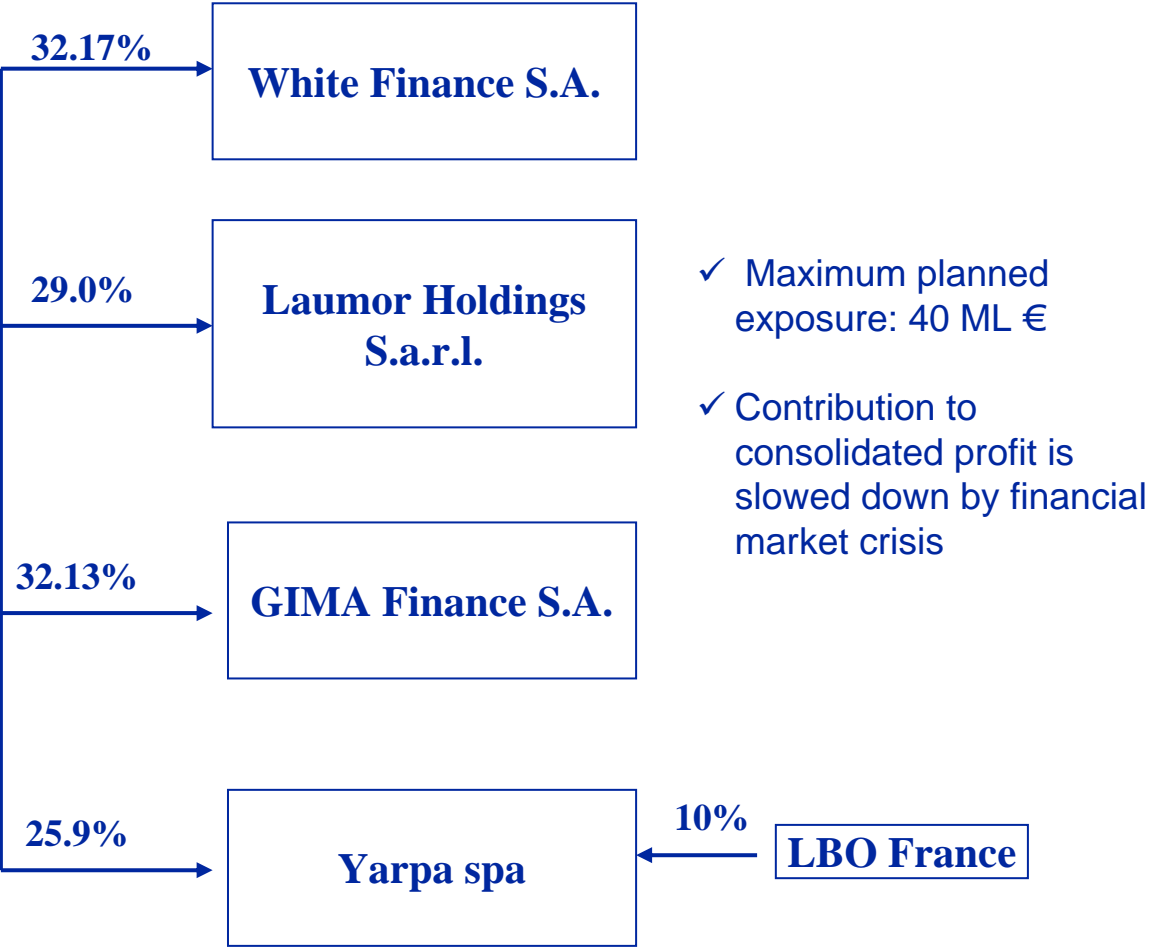
- ✓ Focus on residential developments in Italy
- ✓ **Peschiera Borromeo:** lot 4 completed: 85% of preliminary and notary deeds of sale
- ✓ **San Donato Milanese:** 53% of preliminary deeds of sale
- ✓ **Area Portello Residential:** 9% of preliminary deeds of sale
- ✓ Impact +1.5 Mio € on 2010 consolidated 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

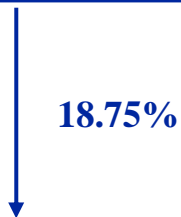
**VITTORIA
ASSICURAZIONI
SPA**





YAM INVEST N.V.

VITTORIA ASSICURAZIONI SPA



YAM INVEST N.V.

- ✓ Liquid funds available as at 31/12/2009: 362.5 ML €, mainly invested in French and German Government bonds and bank deposits
- ✓ Vittoria's share: 68 ML € (18 ML € :real estate investment in Poland)
- ✓ Investments are on going : contribution to consolidated result is expected in the medium term

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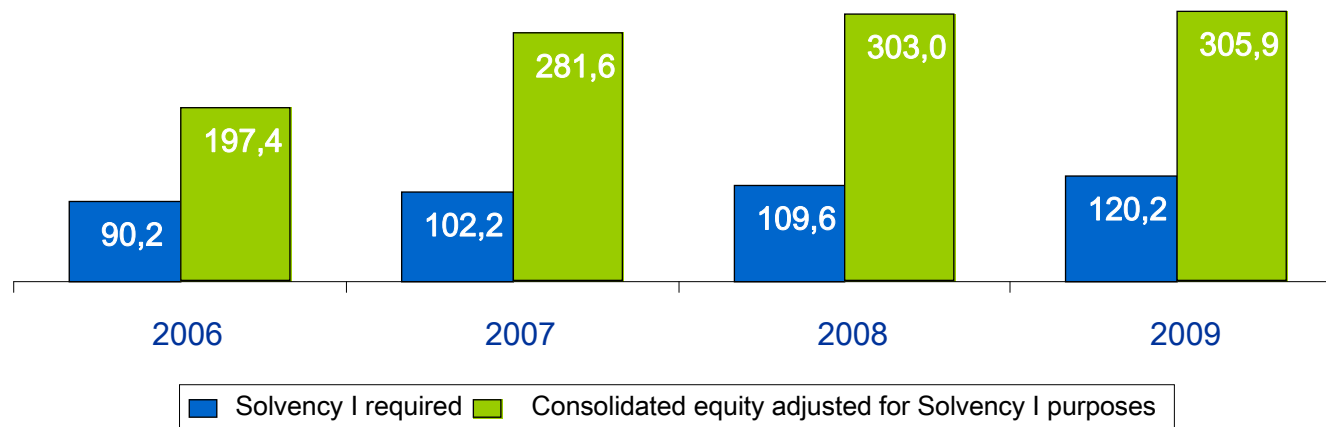
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FINANCIAL INFORMATION



SOLVENCY I RATIO

- ✓ Steady increase of net equity
- ✓ Solvency ratio over market listed peers level

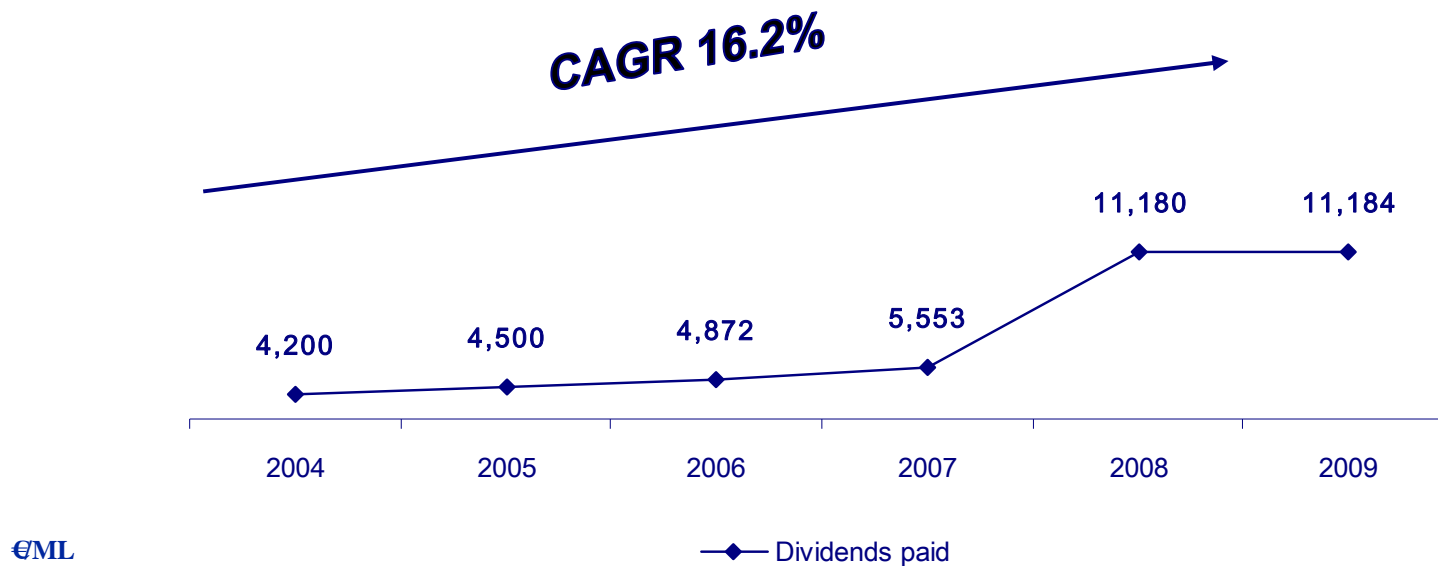


		2006	2007	2008	2009
SOLVENCY I RATIO	Consolidated	219%	276%	276%	254%



DIVIDEND POLICY

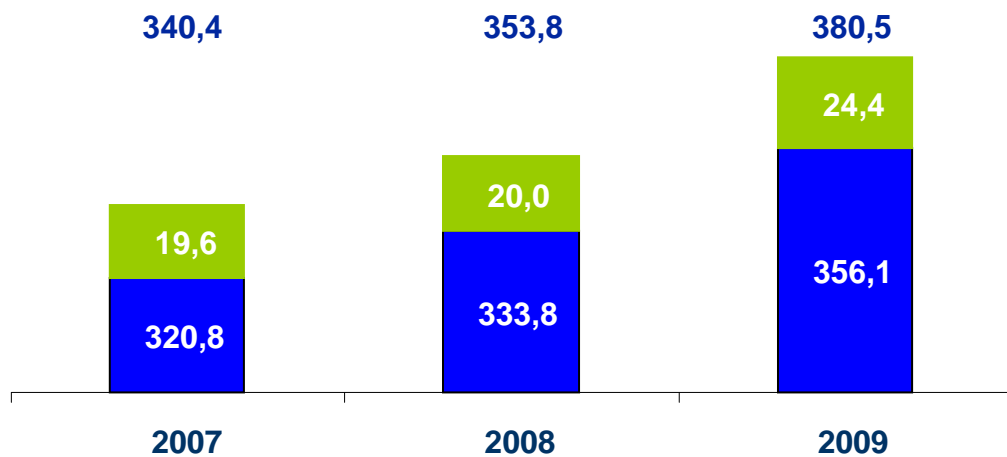
✓ In 2008 bonus capital increase (1:1).



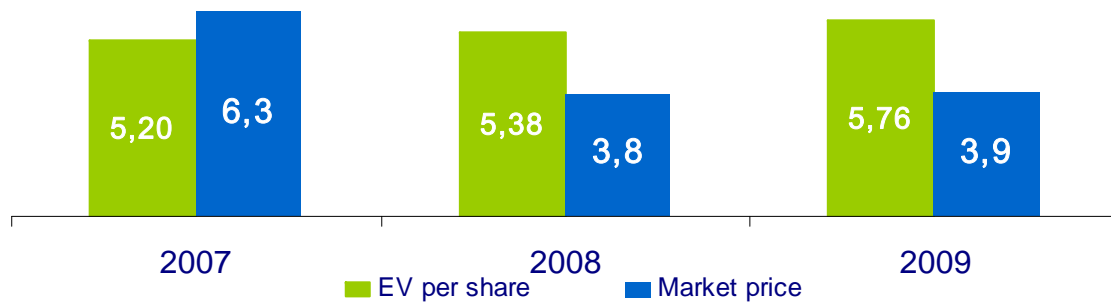


GROUP EMBEDDED VALUE VS SHARES' VALUE

€ML



✓ Embedded Value increase

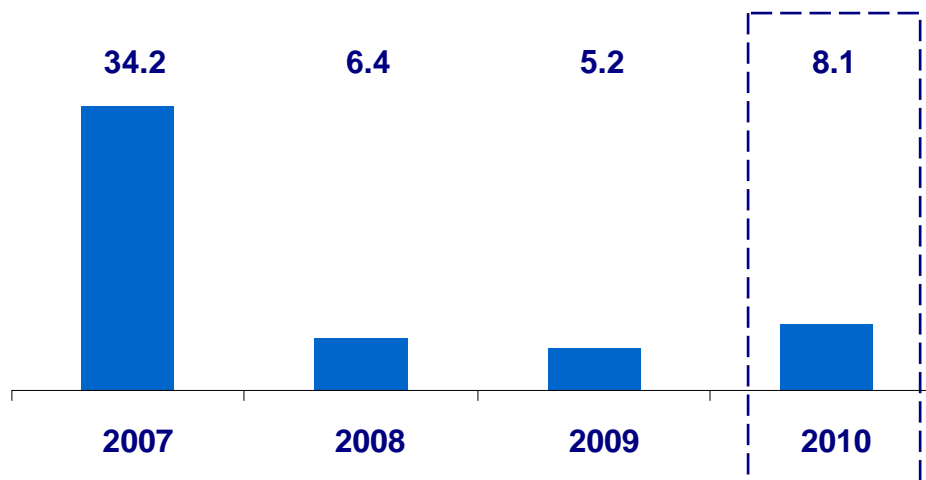


✓ Market capitalization under Embedded Value



CONSOLIDATED NET ROE

- ✓ 2010 ROE considers Real Estate contribution and a still unstable financial context
- ✓ 2009 ROE influenced by:
 - ✓ on-going investments in Real Estate
 - ✓ returns on Private Equity and Yam Invest NV impacted by the market turmoil
 - ✓ Bonds yield impacted by decrease of interest rates
- ✓ 2007 ROE :considers gain on sale of COGEDIM for approx. 67 ML €
- ✓ Shareholders' equity net of unrealised gain / losses





CONSOLIDATED NET PROFIT

€/ML	2007	2008	2009	2010 budget
Vittoria Assicurazioni net result (Local GAAPs)	36,495	37,939	24,289	23,293
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
Consolidated Net Result	89,572	20,110	16,923	27,836
CONSOLIDATED ROE	34.2	6.4	5.2	8.1



LEGENDA

- **PREMIUM**
WRITTEN PREMIUMS DIRECT BUSINESS
- **LOSS RATIO – RETAINED BUSINESS**
INCURRED CLAIMS / EARNED PREMIUMS
- **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)**