

PRESS RELEASE

Please note that original press release is in Italian.

In case of doubt the Italian version prevails

- 1st Quarter 2017 - Consolidated Results

- Resolutions resulting from the resignation of a Board Member and new appointments in Board Committees

- Net Group profit: € 21.8 million (-21.7%)
- Group Consolidated Net Equity: € 759.1 million (+1.8% vs 31 December 2016)
- Total Premium: € 312.4 million (+4.6%)
- Retained Non-Life Combined Ratio¹: 89.1% (88.2% as of 31 March 2016)
- Retained Non-Life Loss Ratio²: 63.3% (63.5% as of 31 March 2016)
- New composition of Nomination and Remuneration and Control and Risk Committees

The Vittoria Assicurazioni Board of Directors, which met today in Milan, has reviewed the 1st quarter 2017 Results and approved the Interim Management Report.

Consolidated results (IFRS GAAP)

The Financial Statements as of 31 March 2017 show a Net Group profit of € 21.8 million vs. € 27.9 million reported in the same period 2016 (- 21.7%).

¹ (Claims + operating expenses + intangibles amortisation + net technical accounts) / earned premiums (retained business)

² Claims / earned premiums (retained business)

The Group's Comprehensive Income Statement, which also includes the profits or losses directly recognized in the net equity, as of 31 March 2017, shows a positive balance of € 13.5 million (€26.1 million as of 31 March 2016).

The Group Consolidated Net Equity amounts to € 759.1 million, increasing by 1.8% with respect to € 745.6 million as at 31 December 2016.

The premium volumes amount to € 316.8 million, increasing by 5.7% with respect to the same period in 2016.

The insurance sector result, gross of taxes and intercompany adjustments, shows a balance of € 31.7 million (-25.1% vs. € 42.3 million as of 31 March 2016).

Non-life business

The non-life volumes increase with respect to prior year period (+3.4%) notwithstanding the constant pressure on prices, with total premium (direct and indirect business) amounting to € 263.7 million (€255.1 million as of 31 March 2016).

Motor volumes reach € 188.9 million (+1.2 with respect to same period of 2016) and are still influenced, although at a minor level, by the decrease in the average premium of MTPL caused by the competition dynamics on the market.

Non Motor volumes amount to € 74.7 million (€ 68.4 million as of 31 March 2016) increasing by 9.2%.

The Retained Combined Ratio is 89.1% (88.2% as of 31 March 2016) and reflects a stable loss ratio at 63.3% (vs 63.5% as of 31 March 2016) and a cost ratio³ at 25.8% vs 24.7% in the same period 2016 (KPI under Italian GAAP).

The gross non-life result pass from € 41.7 million as of 31 March 2016 to € 30.7 million as of 31 March 2017 due to the lower investment income with respect to same period of 2016 which included capital gains for € 6.7 million.

³ (Operating expenses + intangibles amortization + net technical accounts) / earned premiums (retained business)



Life Business

Direct Life volumes, which do not include contracts considered to be financial instruments, amount to €48.7 million, increasing by 12.2% compared to the same period of last year.

The gross life result improves from €0.6 million as of 31 March 2016 to €1.0 million as of 31 March 2017.

Real Estate segment

The Real Estate segment reports losses of €0.7 million, gross of taxes and net of the intercompany adjustments, improving with respect to the losses of €1.7 million as of 31 March 2016.

Investments

Total Investments amount to €3,471.5 million (+3.7% vs. 2016 year end), of which €63.7 million (+12.0%) relate to investments with risk borne by the policyholders and €3,407.8 million relate to investments with risk borne by the Group (+3.5%).

Net income from investments with risk borne by the Group amounts to €13.5 million vs. €21.3 million in the previous period (-36.5%) which comprised a capital gain of €6.7 million arising from the pursuing of a diversification strategy on the bonds portfolio ended in November 2016.

Group Equity

The Group net equity amounts to €759.1 million, increasing by 1.8% with respect to €745.6 million as at 31 December 2016. The AFS reserve, as of 31 March 2017, is €50.3 million (€58.6 million as of 31 March 2016).

The 1st quarter performance, although relating to a short period of time, is in line with the communicated targets.



The interim management report will be available within the inforce deadlines at the Company's Headquarter, on the internet site www.vittoriaassicurazioni.com and on the storage system "eMarket STORAGE" (www.emarketstorage.com).

Resolutions following the resignation of Mr Lodovico Passerin Entrèves

The Board, noted the resignation for personal reasons of Mr. Lodovico Passerin d'Entrèves on 28 April, has renewed their appreciation for the work performed and, after the evaluation of the Nomination and Remuneration Committee, has decided not to co-opt a new Board member pursuant to art. 2386 of the Italian civil code, considering the present size and composition of the Board is adequate to guarantee its proper operation in accordance with the tasks conferred by the Statute and by the relevant legislation.

New composition of Board Committees

The Board has approved the revision of the Nomination and Remuneration Committee and of the Control and Risk Committee, that will now be composed of the following independent Board members:

- Nomination and Remuneration Committee: Maria Antonella Massari, Chairman; Giuseppe Spadafora and Roberta Urban;
- Control and Risk Committee: Giuseppe Spadafora, Chairman; Maria Antonella Massari and Roberta Urban.

Mr. Luca Paveri Fontana has joined the Strategic Committee.

Finally, the Board has appointed Mr. Giuseppe Spadafora as Lead Independent Director.



The Corporate Financial Reporting Manager of Vittoria Assicurazioni S.p.A., Mr. Luca Arensi, herewith declares, pursuant to paragraph 2, Article 154/2 of the Italian Consolidated Finance Act (Testo Unico della Finanza), that the accounting disclosure contained in this press release matches documentary evidence, corporate books, and accounting records.

Milan, 9 May 2017

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Attachments

Consolidated Income Statement and Comprehensive Income Statement.

About Vittoria Assicurazioni

Vittoria Assicurazioni is an independent insurance company, founded in Milan in 1921. The company is active in all life and non-life lines, covering the whole of Italy via an extensive commercial network featuring over 430 agencies. Vittoria's mission is to be the elective insurer of families and small and medium sized enterprises.



Vittoria Assicurazioni S.p.A.
 Consolidated financial statements as at 31 March 2017

(€/000)

INCOME STATEMENT	31/03/2017	31/03/2016	31/12/2016
Net premiums	311.081	304.382	1.233.106
<i>Gross premiums</i>	318.115	310.660	1.266.110
<i>Ceded premiums</i>	7.034	6.278	33.004
Commission income	88	187	901
Gains or losses on remeasurement of financial instruments at fair value through profit or loss	-1	-3	-4
Gains on investments in subsidiaries and associates and interests in joint ventures	170	199	567
Gains on other financial instruments and investment property	13.660	22.544	132.063
<i>Interest income</i>	6.870	14.370	53.558
<i>Other income</i>	6.773	1.471	8.113
<i>Realised gains</i>	17	6.703	70.351
<i>Unrealised gains</i>	0	0	41
Other income	3.440	9.583	23.093
TOTAL REVENUE	328.438	336.892	1.389.726
Net charges relating to claims	217.667	211.097	872.542
<i>Amounts paid and change in technical reserves</i>	222.418	214.119	893.769
<i>Reinsurers' share</i>	-4.751	-3.022	-21.227
Commission expense	226	0	53
Losses on investments in subsidiaries and associates and interests in joint ventures	102	91	4.450
Losses on other financial instruments and investment property	1.647	2.622	9.358
<i>Interest expense</i>	157	656	2.193
<i>Other expense</i>	570	1.114	2.085
<i>Realised losses</i>	7	1	9
<i>Unrealised losses</i>	913	851	5.071
Operating costs	69.162	65.247	278.946
<i>Commissions and other acquisition costs</i>	56.582	52.749	221.162
<i>Investment management costs</i>	373	230	1.552
<i>Other administrative costs</i>	12.207	12.268	56.232
Other costs	9.091	17.398	35.788
TOTAL COSTS	297.895	296.455	1.201.137
PROFIT FOR THE YEAR BEFORE TAXATION	30.543	40.437	188.589
Income taxes	8.715	12.580	53.227
PROFIT FOR THE YEAR	21.828	27.857	135.362
GAIN (LOSS) ON DISCONTINUED OPERATIONS	0	0	0
CONSOLIDATED PROFIT (LOSS)	21.828	27.857	135.362
of which attributable to the shareholders of the parent	21.810	27.856	135.367
of which attributable to minority interests	18	1	-5
Basic EARNINGS per share	0,32	0,41	2,01
Diluted EARNINGS per share	0,32	0,41	2,01





Vittoria Assicurazioni S.p.A.

Consolidated financial statements as at 31 March 2017

(€000)

STATEMENT OF OTHER COMPREHENSIVE INCOME (LOSS)	31/03/2017	31/03/2016	31/12/2016
CONSOLIDATED PROFIT (LOSS)	21.828	27.857	135.362
Other comprehensive income, net of taxes without reclassification to profit or loss	-	-	165
Changes in the equity of investees	-	-	-
Changes in intangible asset revaluation reserve	-	-	-
Changes in tangible asset revaluation reserve	-	-	-
Gains or losses on non-current assets or assets of a disposal group classified as held for sale	-	-	-
Actuarial gains and losses and adjustments related to defined benefit plans	-	-	165
Other items	-	-	-
Other comprehensive income, net of taxes with reclassification to profit or loss	- 8.335	- 1.761	- 66.570
Change in translation reserve	-	-	-
Gains or losses on available for sale investments	- 8.335	- 1.761	- 66.570
Gains or losses on hedging instruments	-	-	-
Gains or losses on hedging instruments of net investment in foreign operations	-	-	-
Changes in the equity of investees	-	-	-
Gains or losses on non-current assets or assets of a disposal group classified as held for sale	-	-	-
Other items	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	- 8.335	- 1.761	- 66.735
TOTAL CONSOLIDATED COMPREHENSIVE INCOME (LOSS)	13.493	26.096	68.627
of which attributable to the shareholders of the parent	13.475	26.095	68.632
of which attributable to minority interests	18	1	5

