



Vittoria
Assicurazioni

BORSA ITALIANA
LONDON STOCK EXCHANGE GROUP

Star Conference 2018

Milano, 27 March, 2018

2017 RESULTS VS PLAN 2017-2019

GROWTH

TECHNICAL RESULT

PROFITABILITY AND CAPITAL ADEQUACY

BUDGET 2018

	2017 Results	Plan 2017-2019
Non-life Premium	6.2%	3.0%
ROE	10.8%	>9.0%
Dividend Pay-out	24.3%	>20.0%
Solvency II ratio*	210.5%	>180%

FY 2017 results are better than expected and confirms the Company ability to grow in a difficult market environment

* Estimated with Standard Formula and application of USP

GROWTH

- NON LIFE + 6,2%, MTPL+4,3% (Other Motor +10.3%), Non-Motor +8.1% *
- Increase of # policies +6.5% / # clients +5.8% *
- "only Motor" clients -1.2% *
- cross-selling success rate +26.5% *

**TECHNICAL
RESULT**

- Combined Ratio (retained business) 90.0% vs 91.5% (Plan 17-19 average)
- Technical result Non Life slight decrease (-3.9% *) due to the increase in high value claims and a lower contribution of MTPL
- 2017 Combined Ratio MTPL lower than 100%

**PROFITABILITY
AND CAPITAL
ADEQUACY**

- ROE 10.8% vs Cost of Equity 8.3% (Source: Bloomberg)
- Increased dividend +33.3% vs 2016
- Solvency 210.5% e AFS Reserve +31.4% vs 2016

* vs 2016

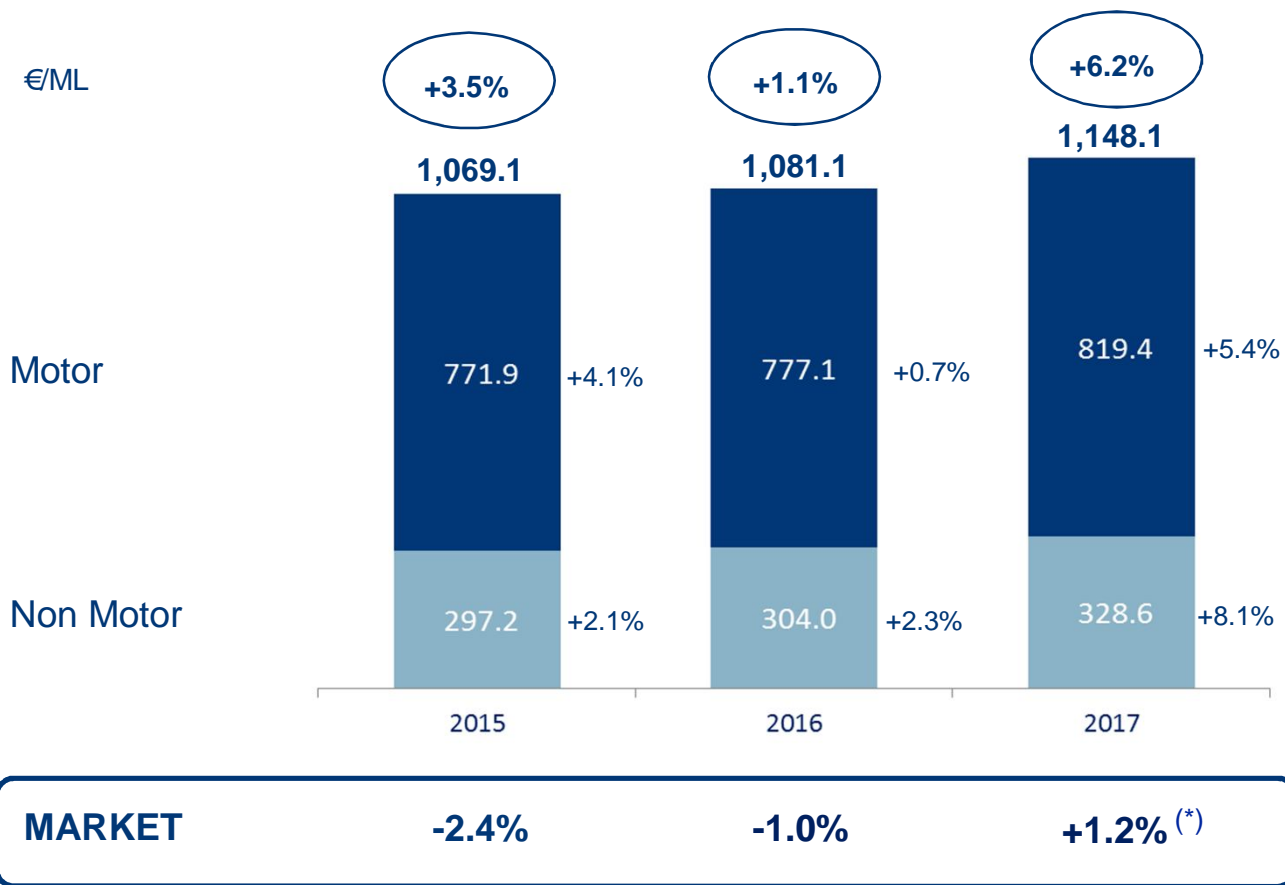
2017 RESULTS VS PLAN 2017-2019

GROWTH

TECHNICAL RESULT

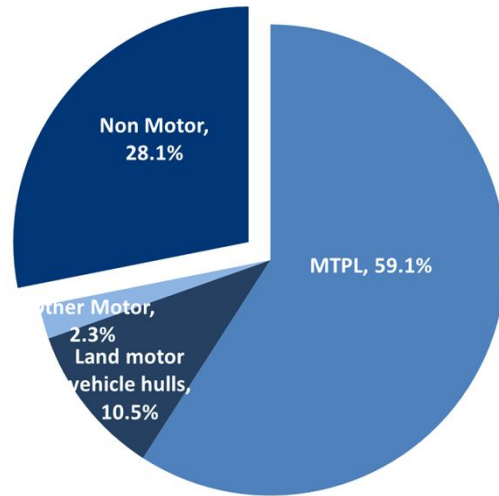
PROFITABILITY AND CAPITAL ADEQUACY

BUDGET 2018

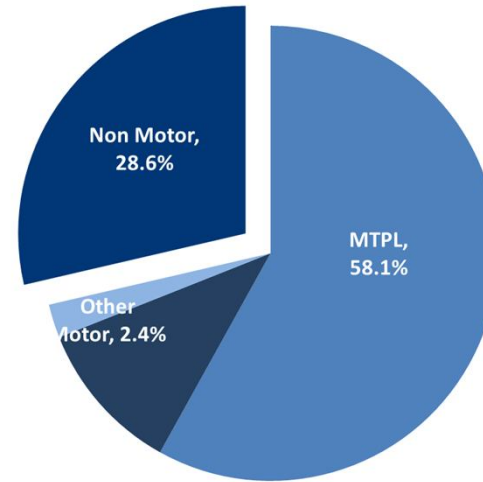


(*) Ania- Data as of December 2017 – Released on March 2018

MIX PTF 2016

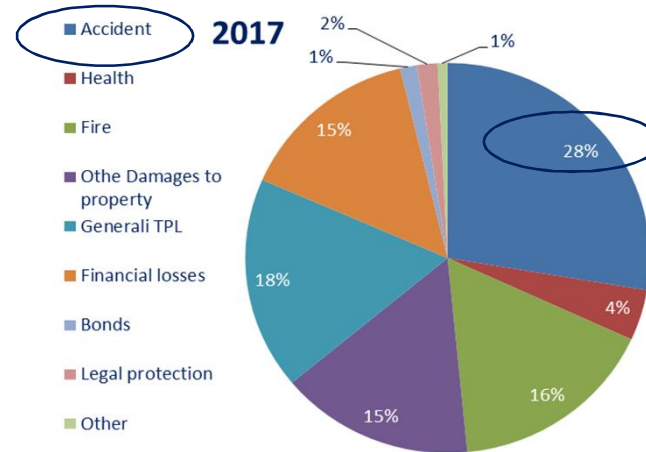
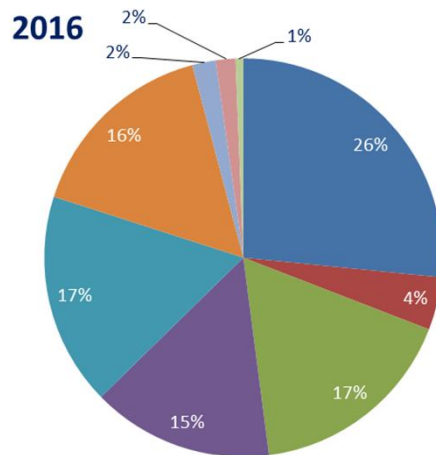


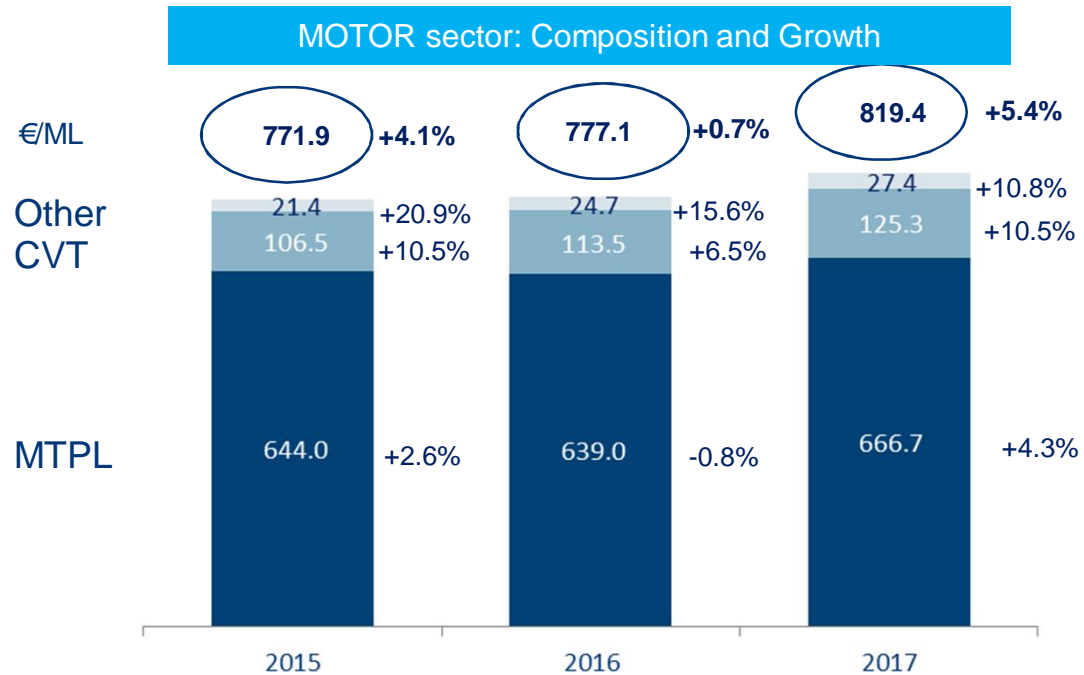
MIX PTF 2017



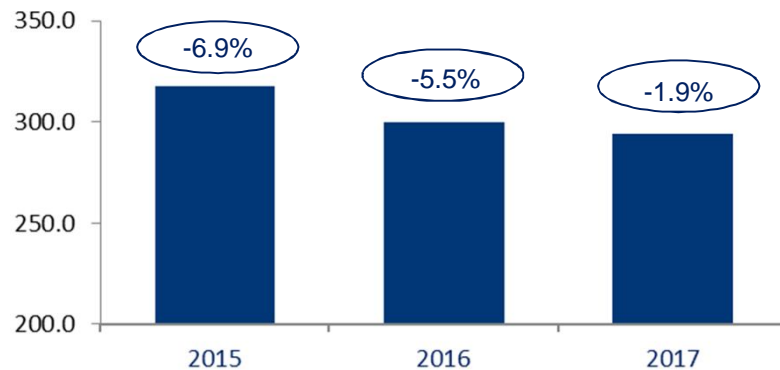
MTPL : -1%

Non Motor Mix

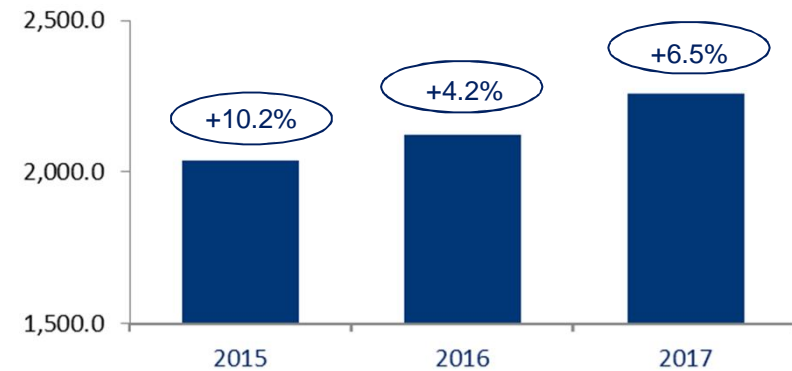




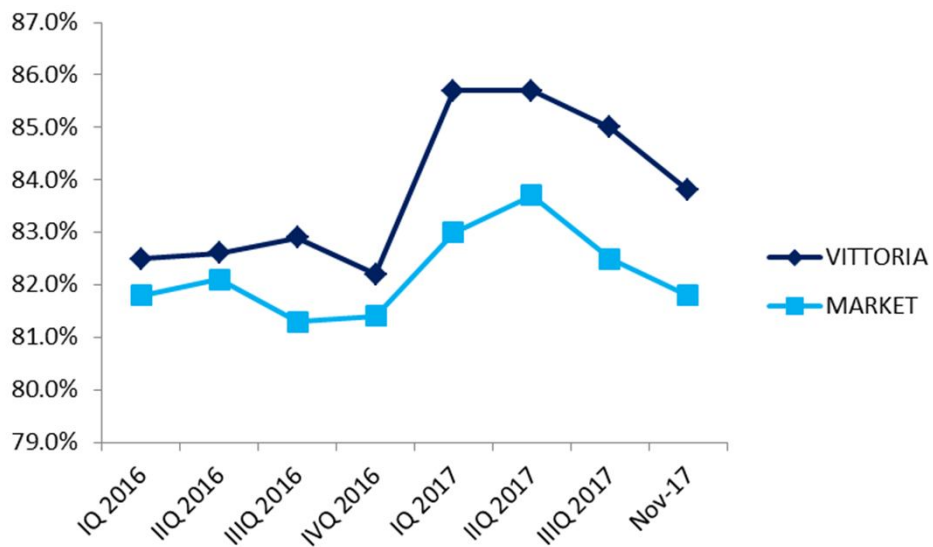
MTPL average portfolio premium



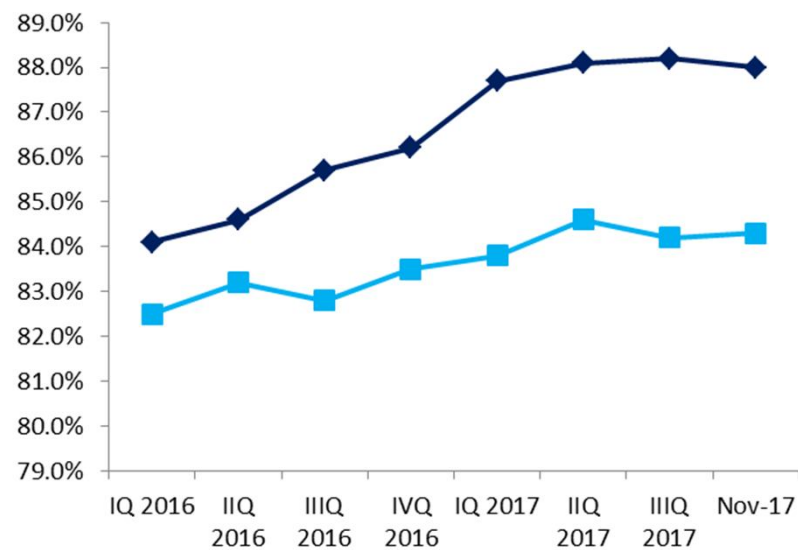
policies in portfolio /000

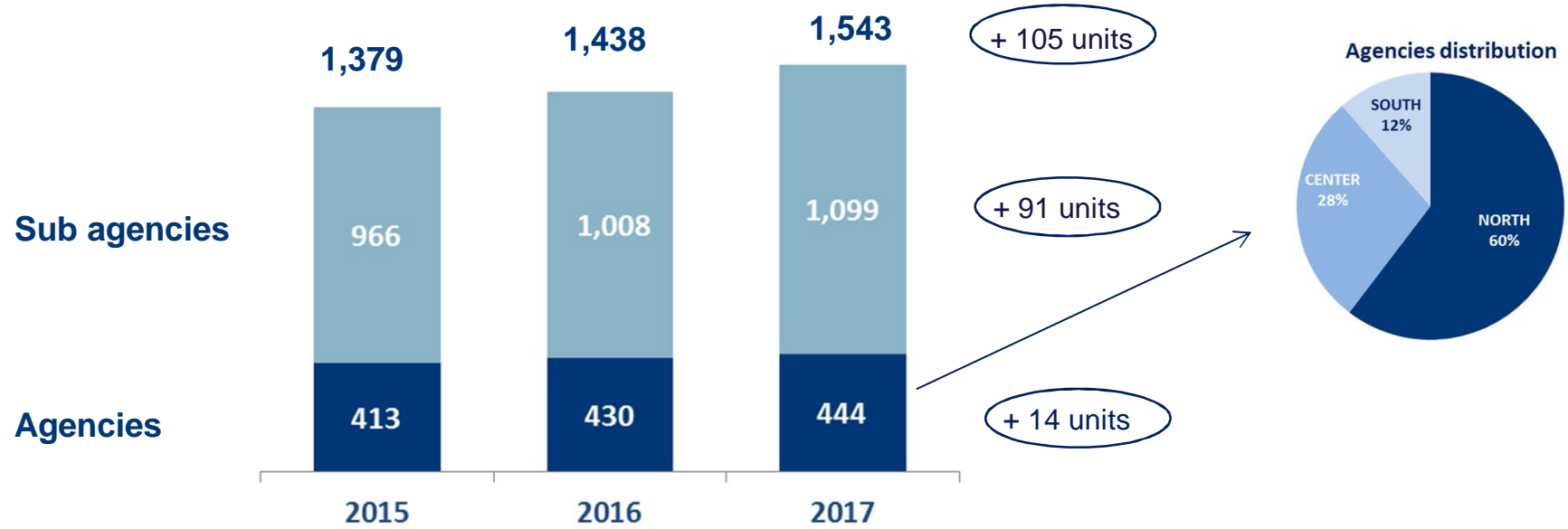


MTPL



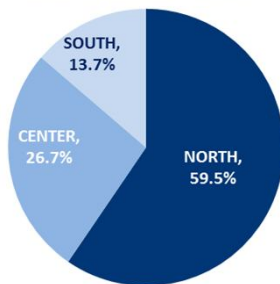
Cars Private use



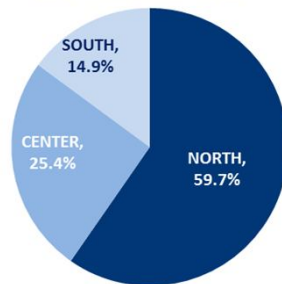


Geographic distribution of premium

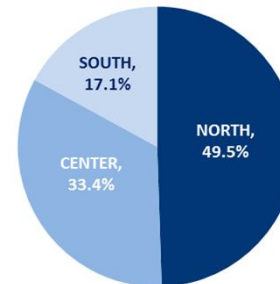
LIFE VOLUMES - 2016



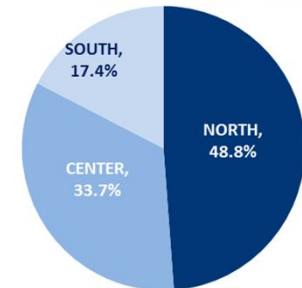
LIFE VOLUMES- 2017



NON LIFE VOLUMES- 2016



NON LIFE VOLUMES - 2017



€/ML

Technical Reserves



Recurrent

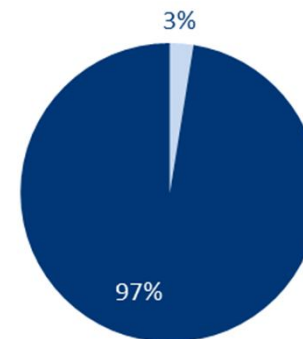


New Business



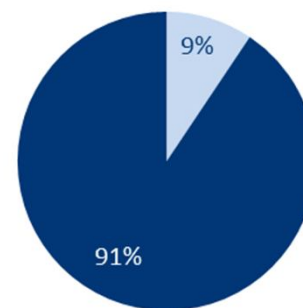
MARKET	+4.0%	-11.0%	-3.6%*
---------------	--------------	---------------	---------------

PORTFOLIO MIX 2016



- U/L and Pension Funds
- Segregated Funds and risk policies

PORTFOLIO MIX 2017



* Ania- Data referred to December 2017 – published on March 2018

Issued premium according to IAS/IFRS amount respectively to 173.2 €/ML (2017), 184.7 €/ML (2016) e 212.4 €/ML (2015)

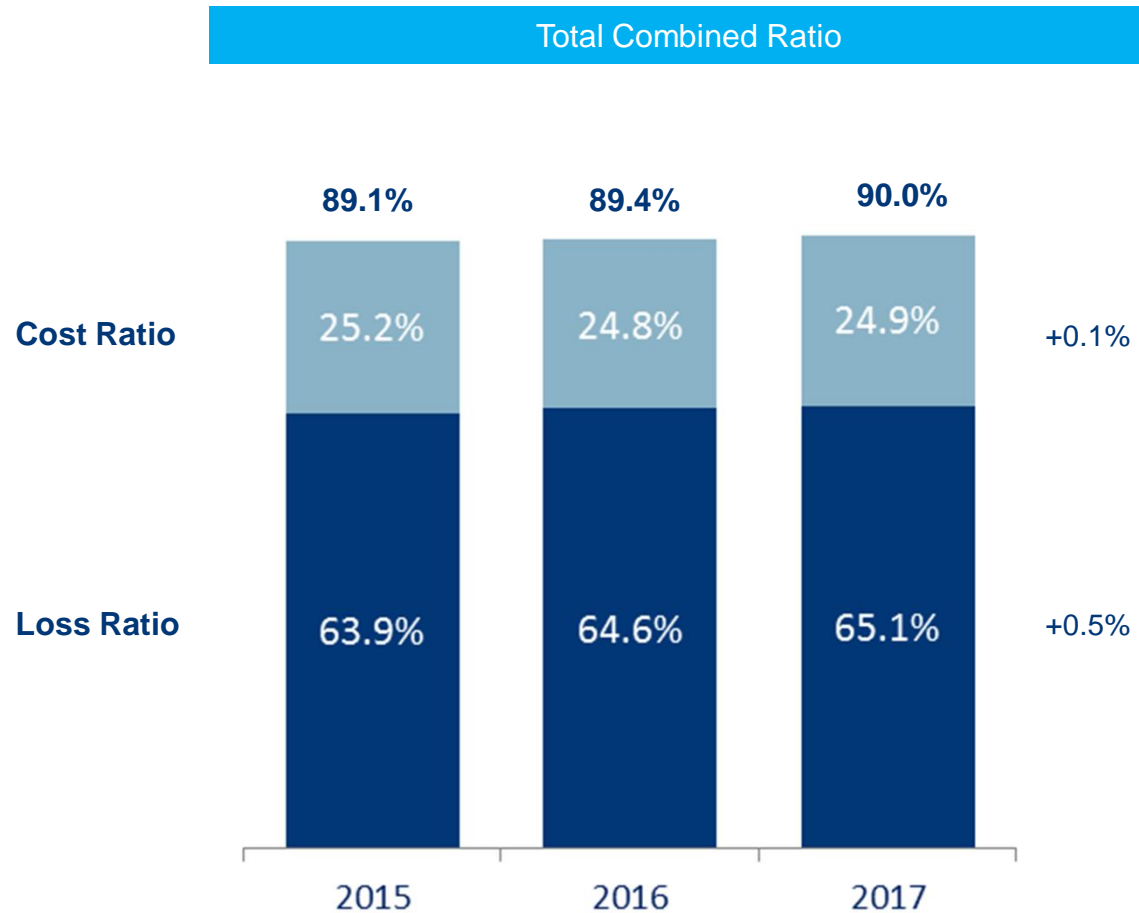
2017 RESULTS VS PLAN 2017-2019

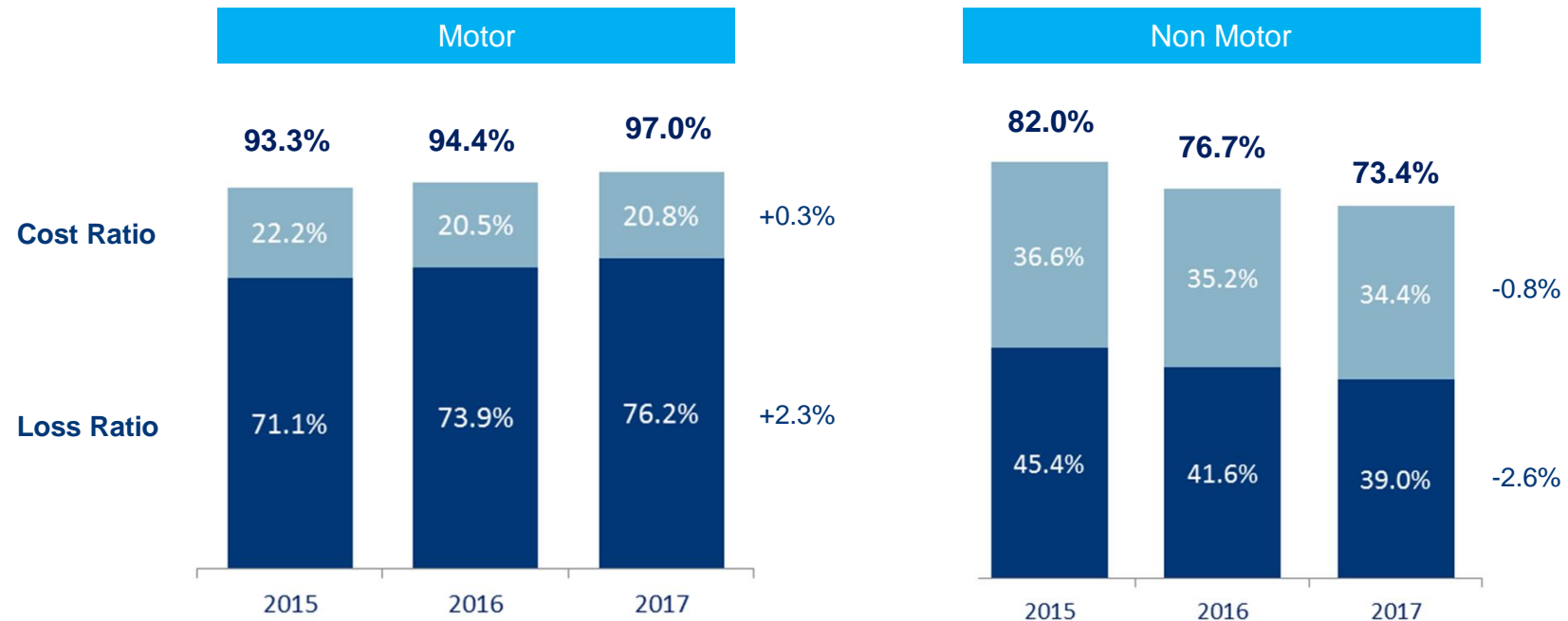
GROWTH

TECHNICAL RESULT

PROFITABILITY AND CAPITAL ADEQUACY

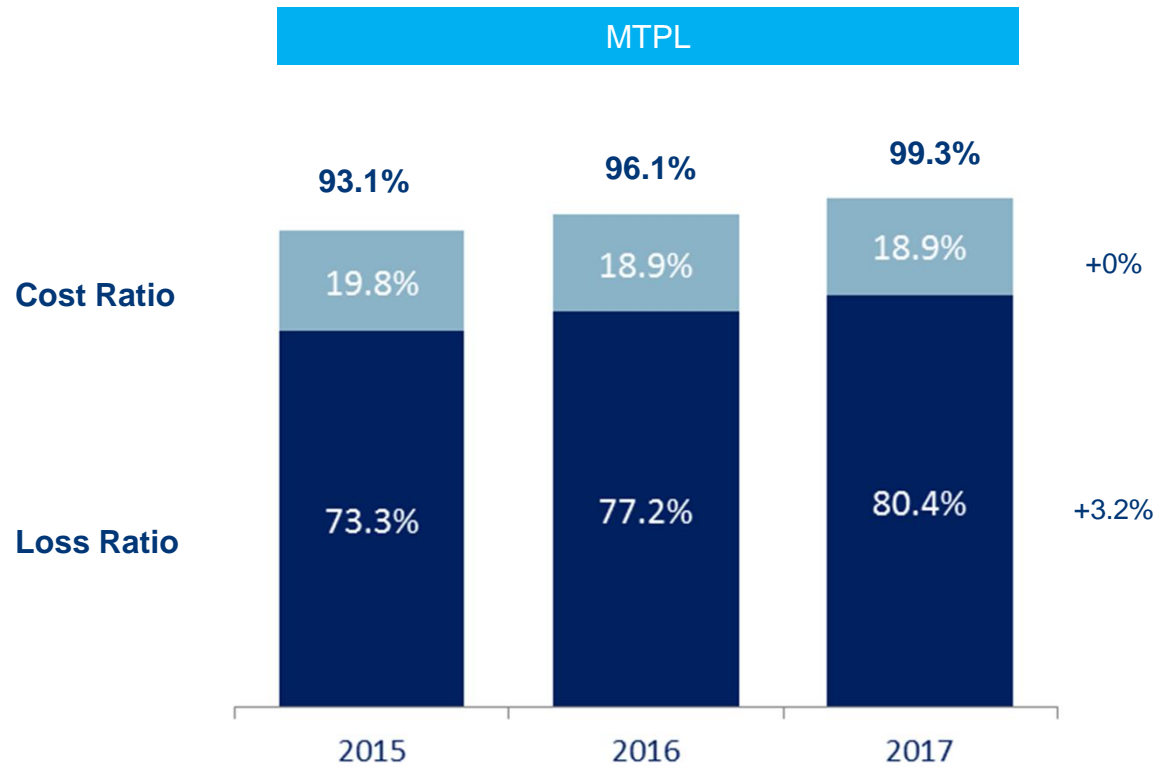
BUDGET 2018





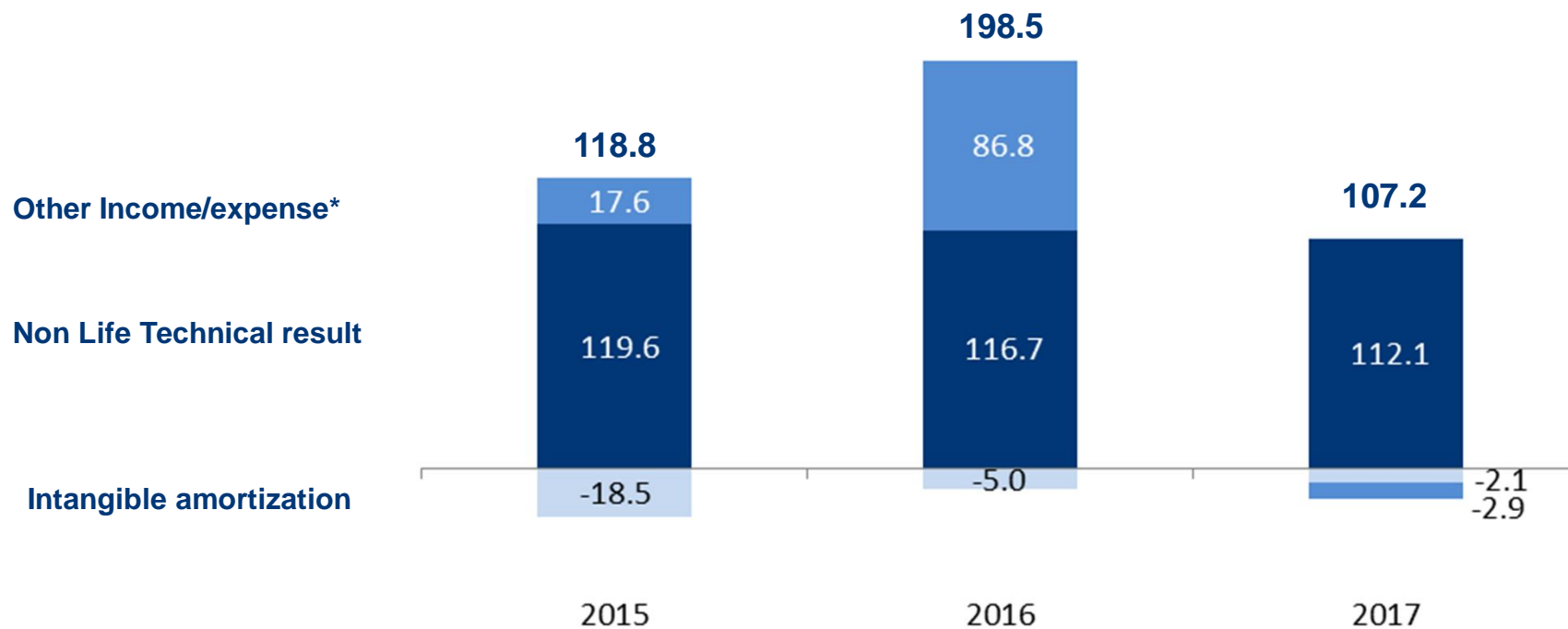
Reduction of the average premium, stable claims frequency, increase in high value claims and natural events

Volume growth and reduction of both high value and claim frequency

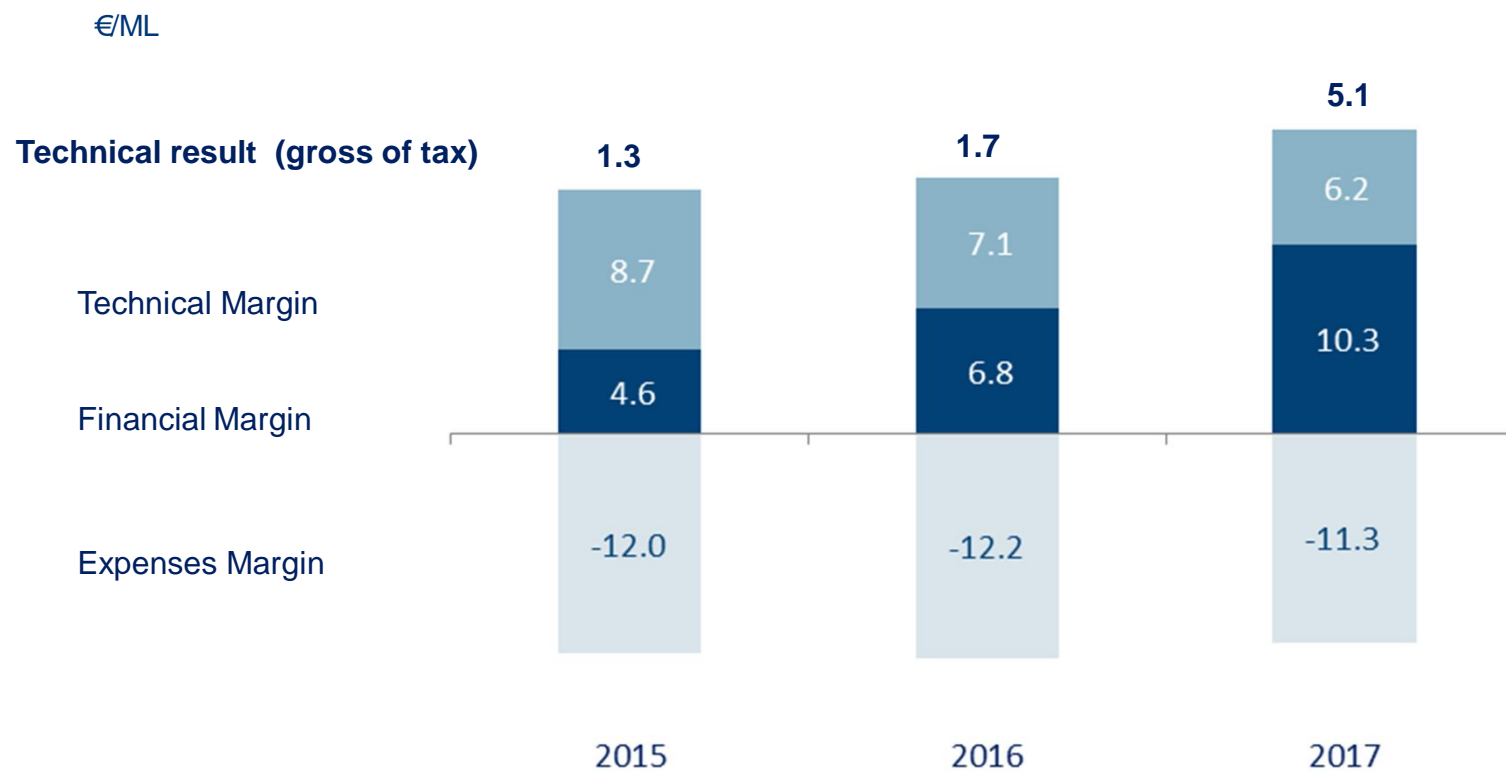


Loss Ratio increase because of premium accrued dynamic and increase of high value claims

€/ML



* Includes investment result and other non technical expense/profit



2017 RESULTS VS PLAN 2017-2019

GROWTH

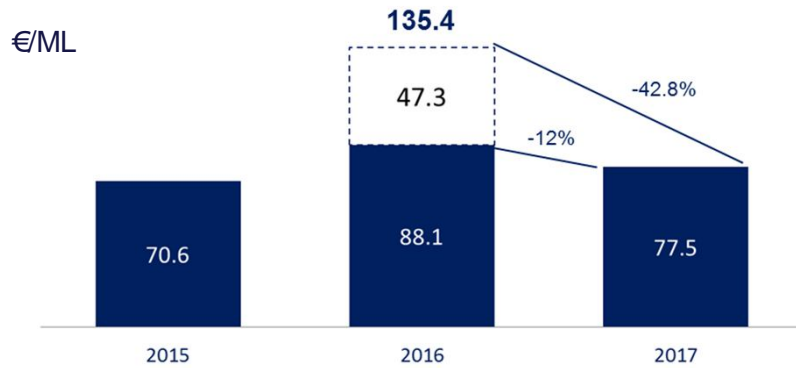
TECHNICAL RESULT

PROFITABILITY AND CAPITAL ADEQUACY

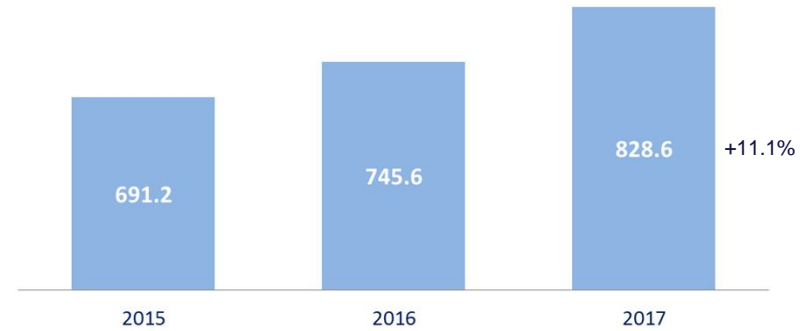
BUDGET 2018

PROFITABILITY – Net Profit decreases mainly because of lower investment income

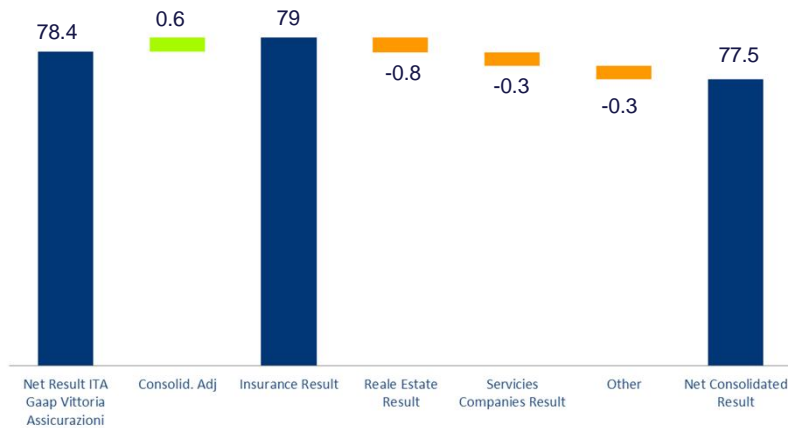
CONSOLIDATED NET RESULT



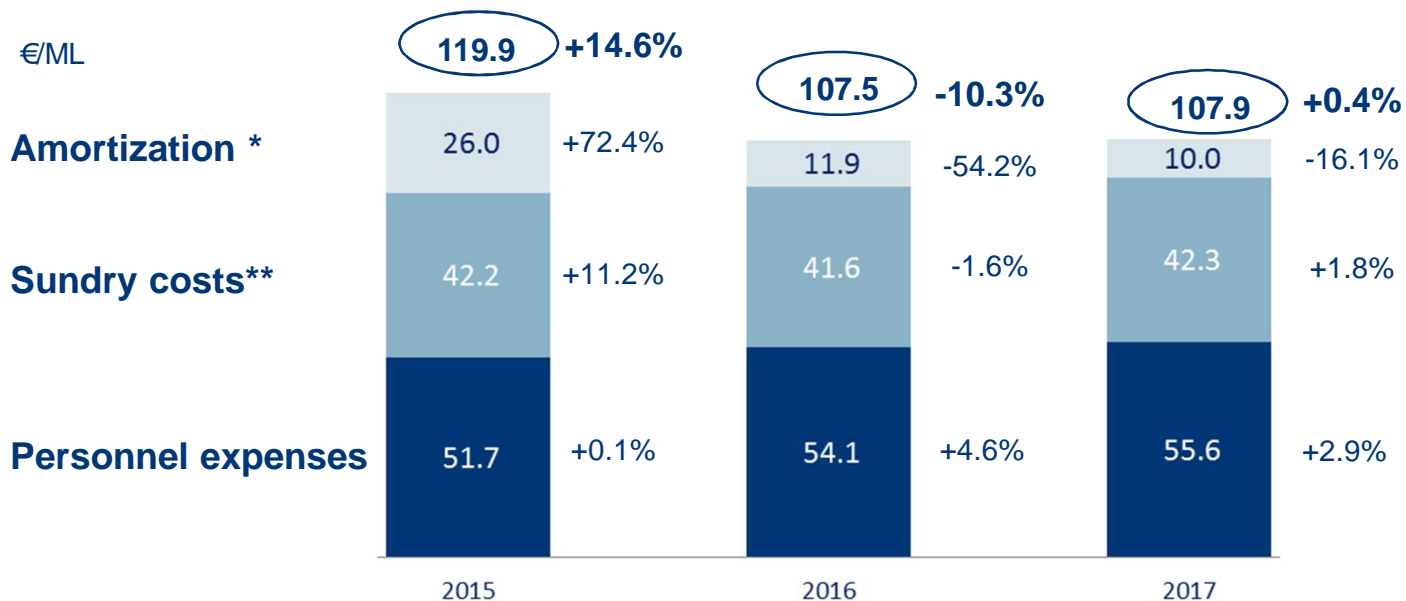
CONSOLIDATED NET EQUITY



Net Result - From ITA Gaap to IAS/IRFS

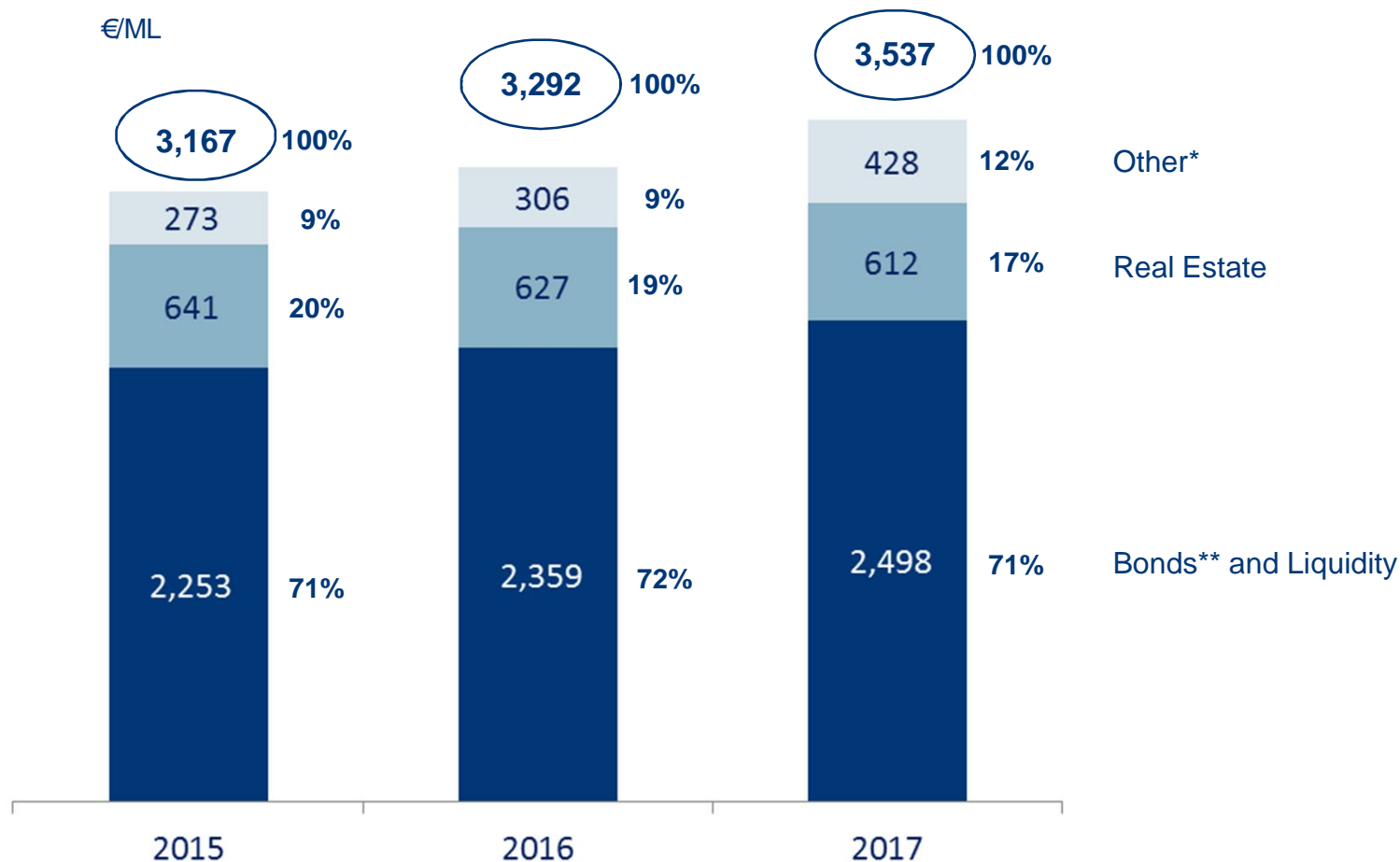


Percentage of total premium	9.3%	8.5%	8,1%
------------------------------------	-------------	-------------	-------------



(*) Tangible and intangible amortization

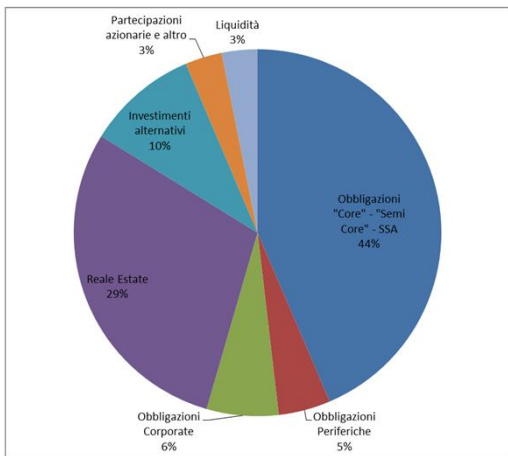
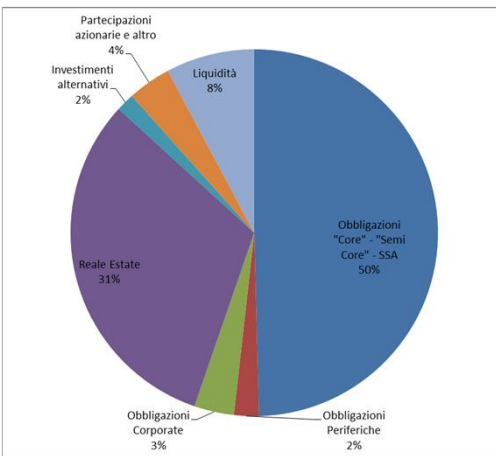
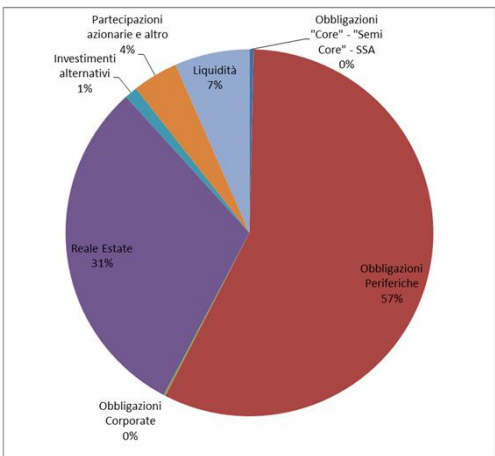
(**) Mainly include operating costs, IT costs, legal and corporate expenses, mandatory contributions and membership fees



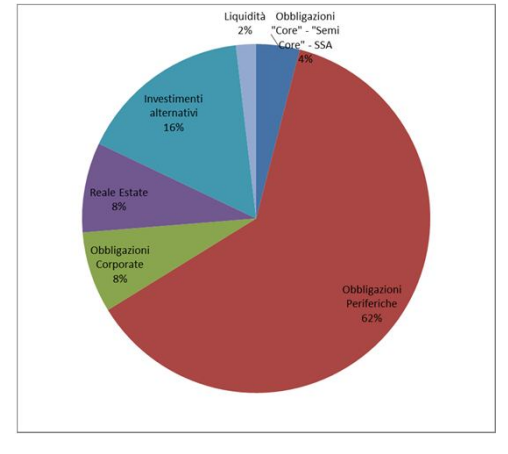
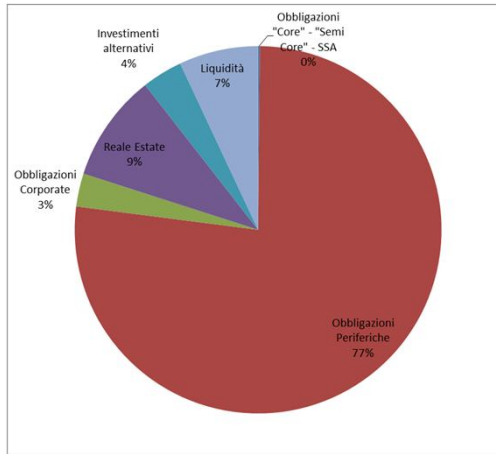
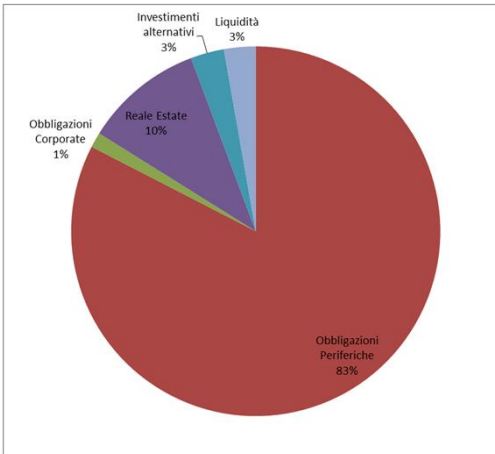
(*) Includes Subsidiary and associates, Shares, Mutual funds (different from Debt funds) and Loans

(**) Include Debt Funds

Non-Life portfolio



Life portfolio



€/ML	2015	2016	2017
NET CONSOLIDATED RESULT	70.6⁽¹⁾	135.4⁽²⁾	77.5
of which:			
<i>Non Life Gross Result</i>	118.5	194.0	107.3
<i>Life Gross Result</i>	2.1	2.1	6.2
<i>Tax and consolid.adj</i>	(39.9)	(56.7)	(34.5)
Insurance Result	80.7	139.4	79.0
Real Estate Result	(12.0)	(4.5)	(0.8)
Service Companies Result	1.9	0.5	(0.3)
Other	0.0	0.0	(0.3)⁽⁴⁾

CONSOLIDATED ROE	13.1%	21.6%⁽³⁾	10.8%
-------------------------	--------------	----------------------------	--------------

SOLVENCY II RATIO		218.6%	210.5%⁽⁵⁾
--------------------------	--	---------------	-----------------------------

DIVIDEND PAYOUT	19.1%	10.5%	24.3%
------------------------	--------------	--------------	--------------

(1) Includes the recomputation of the deferred tax asset for c. 9 €/ML

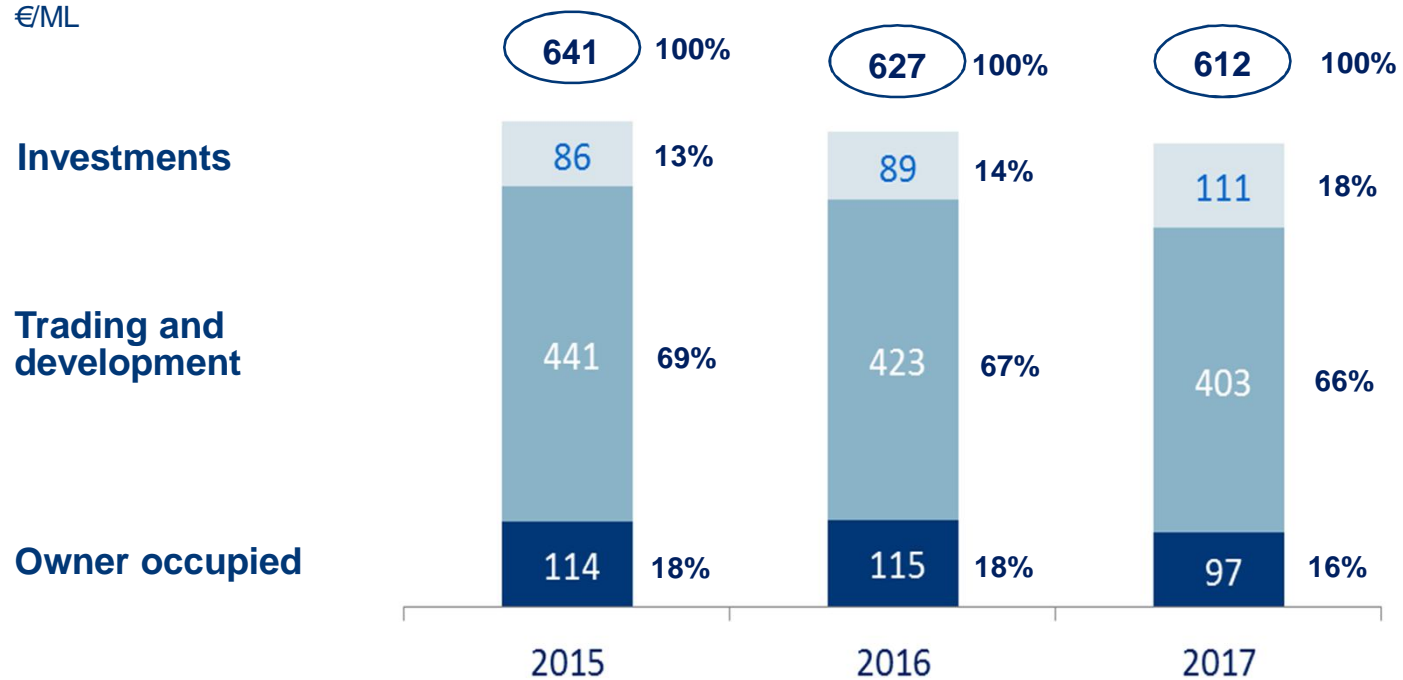
(2) Includes the extraordinary capital gain on sale of italian government bonds in the non life portfolio

(3) Net of the extraordinary capital gains on non-life italian government bonds, the 2016 ROE is 14.6%

(4) Loss from Discontinued Operation

(5) Estimated with Standard Formula using Undertakings Specific Parameters

€/ML



Trend sales of Subsidiaries (of which Acacia)



2017 RESULTS VS PLAN 2017-2019

GROWTH

TECHNICAL RESULT

PROFITABILITY AND CAPITAL ADEQUACY

BUDGET 2018

	Budget 2018	Plan 2017-2019
Non-life Premium	3.3%	3.0%
ROE	10.6%	>9.0%
Dividend Pay-out	>20.0%	>20.0%
Solvency II ratio	>180%	>180%

Company reviews its 2018 targets due to the foreseeable improvement in the technical result



GROWTH

- The traditional network remains a key priority
- New sales channels for life business
- Focus on portfolio mix (stable MTPL)
- Possible growth also of the traditional agencies channel



*TECHNICAL
RESULT*

- Improvement of the average MTPL premium and growth of claims frequencies below the market
- Increase in claims settlement speed with a decline in MTPL high value claims compared to 2017
- Cost Ratio substantially stable in the Non-life business



PROFITABILITY

- Overall improvement of consolidated result
- Break-even in the Real estate and service companies business
- ROE higher than 10%



INVESTMENTS

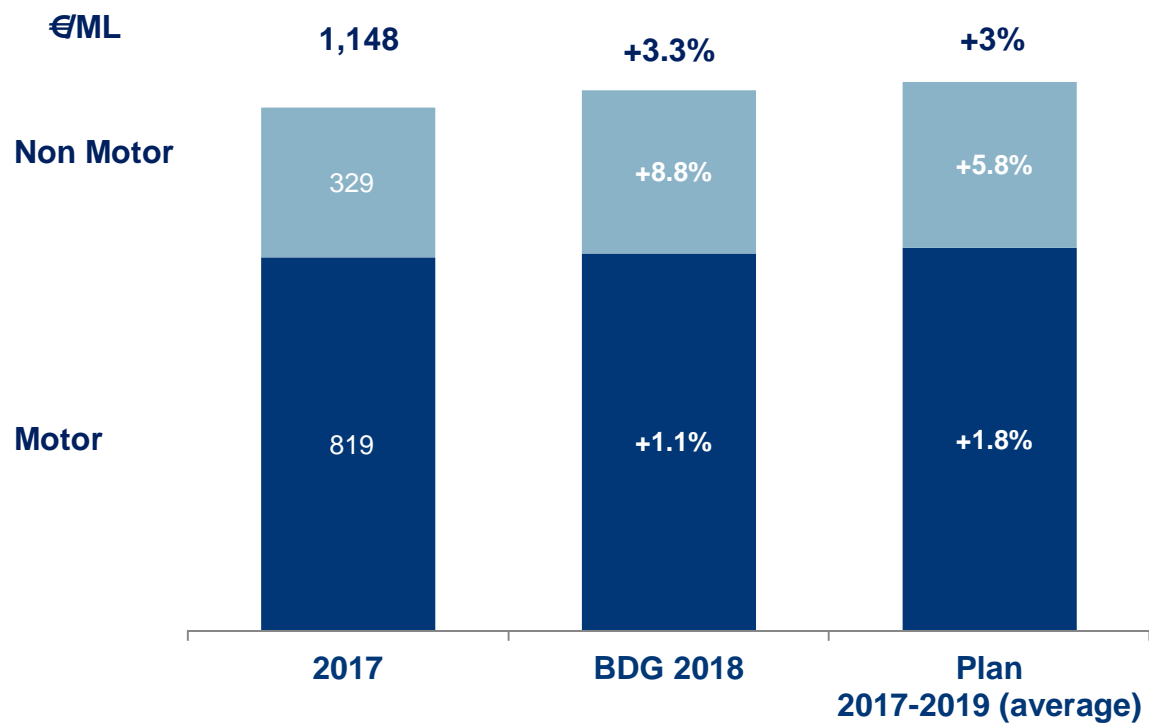
- Improve the portfolio risk/return through investment in alternative and real asset.
- Improvement of Capital Allocation Efficiency
- Maintaining a broad diversification of risk



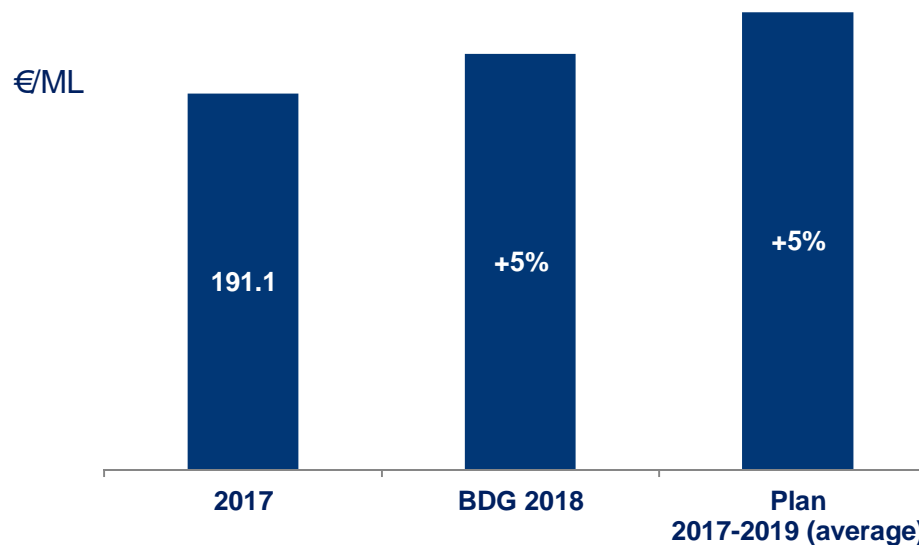
INNOVATION

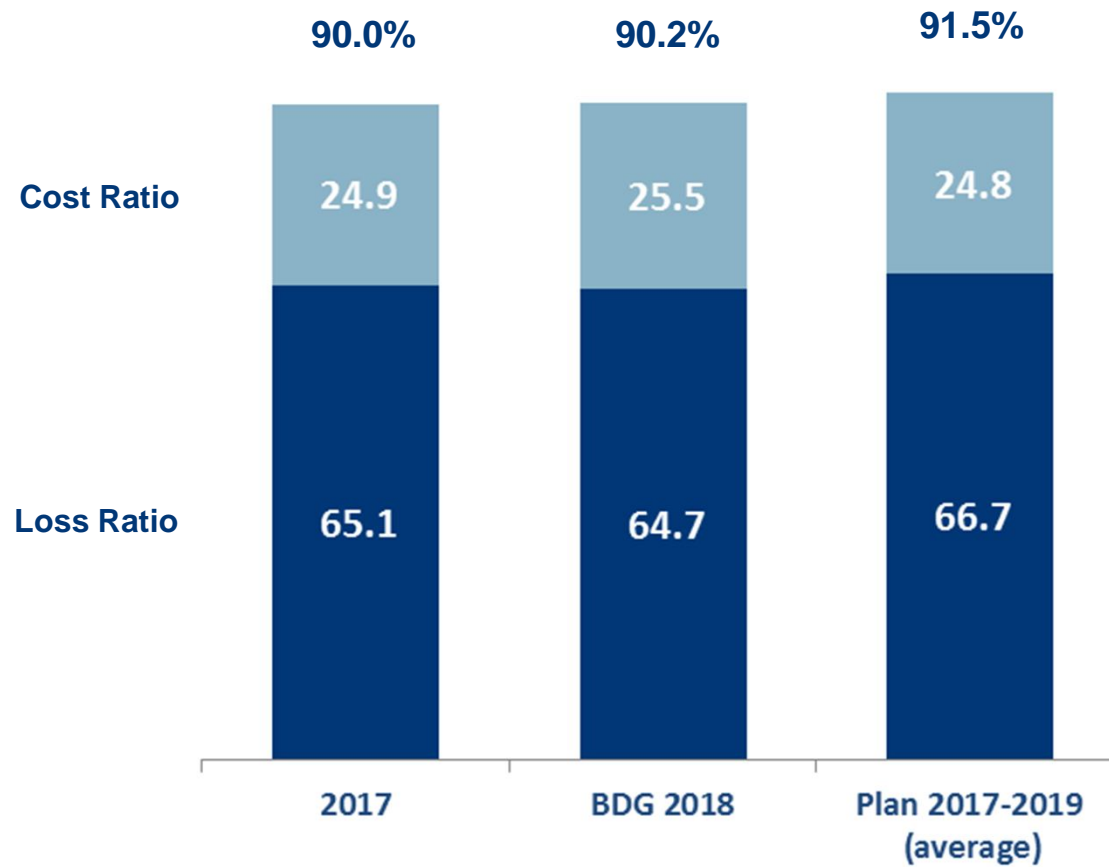
- Further increase in the use of the graphometric signature (now 42%)
- Completion of the " Agenzia Snella " project (to date 82% of the network has been involved)
- Improve of the claims management process and settlement speed through the " Artificial Intelligence " and " Robot Liquidator " system
- Development of new sales initiatives for customers

Change in the portfolio mix will increase the Non-Motor business thanks to cross-selling and new product development

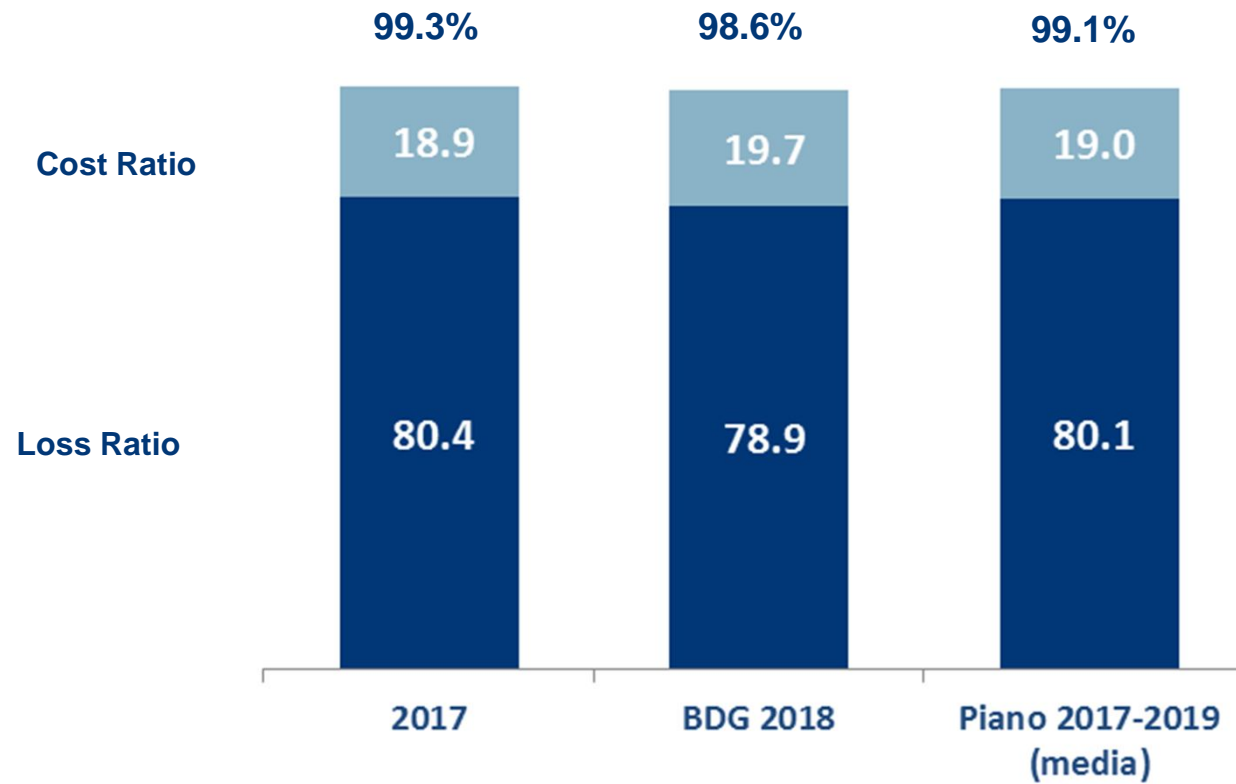


Development of new sales channels and mix improvement

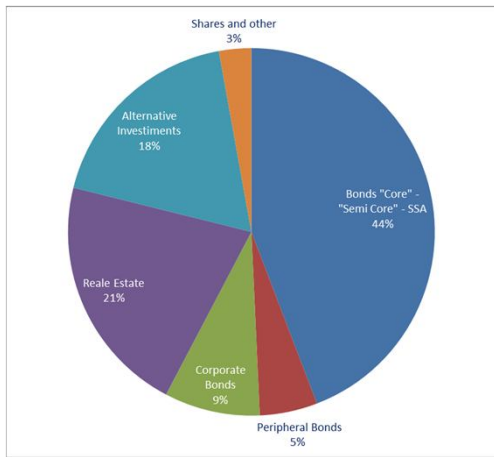
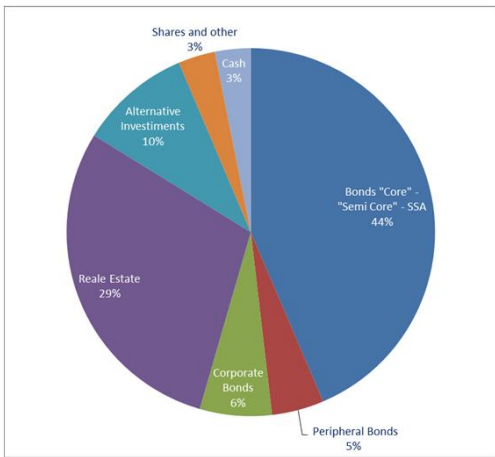




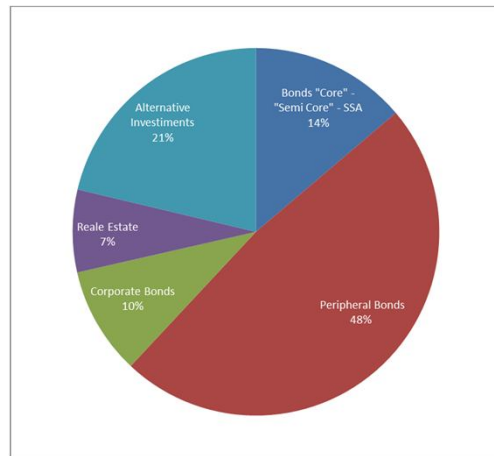
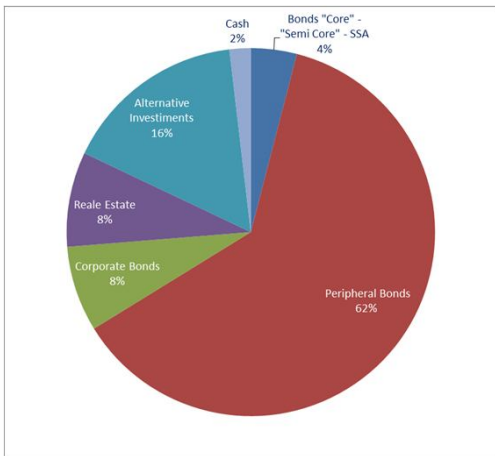
MTPL average premium improvement and stable average cost of claims



Asset Allocation NON LIFE



Asset Allocation LIFE



SALES



Discounts policy review
Channels used: current sales team and mandates to third-party companies
Promotional marketing and communication activities

RENT / RENT TO BUY



Identification of buildings to lease
Formula used: Traditional rent / rent to buy at 3 and 5 years
Intermediaries: specialized operators in the sector

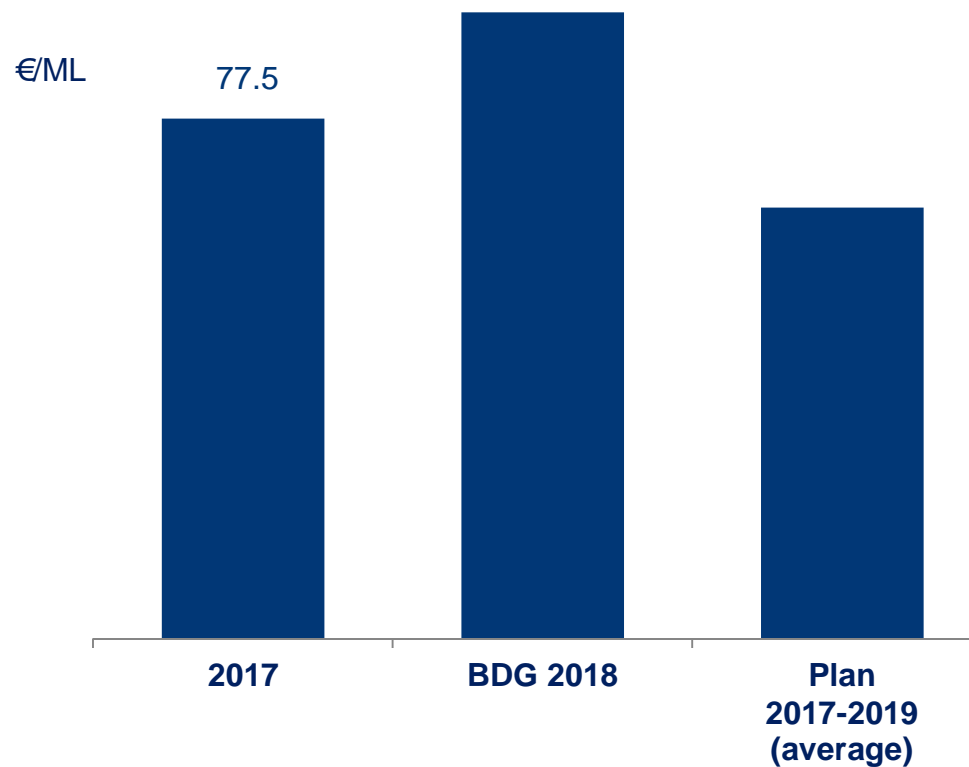
COSTS



No additional costs related to the reorganization
No extraordinary costs expected

ROE	10.8%	10.6%	>9%
------------	--------------	--------------	---------------

Net Consolidated Result growth due to the technical improvement of core business and the positive contribution from real estate and service companies



- ✓ **PREMIUM**
Written premium direct business - Classified by Local Gaap
- ✓ **LOSS RATIO – RETAINED BUSINESS**
Incurred claims / Earned premium
- ✓ **COST RATIO – RETAINED BUSINESS**
Total expenses (no investment and settlement costs) + amortisation + other technical charges / Earned premium
- ✓ **COMBINED RATIO – RETAINED BUSINESS**
(Incurred claims + Total Expenses (no investment) + amortisation + other technical charges) / Earned premium
- ✓ **CONSOLIDATED ROE**
Group net profit for the year / Group average shareholders' equity (group opening shareholders' equity + closing shareholders' equity / 2). Equity is net of reserves for unrealised gains / losses
- ✓ **SOLVENCY II RATIO**
Own Funds / Solvency Capital Requirement (SCR) after dividend distribution
- ✓ **TECHNICAL RESERVES**
Gross Mathematical Reserves (Classe C + Classe D)
- ✓ **USP**
Undertaking Specific Parameters (for the non-life risks)