

PRESS RELEASE

INTESA SANPAOLO VITA TAKES CONTROL OF RBM INDEPENDENT LEADER OF INTEGRATIVE HEALTH CARE

- **"Intesa Sanpaolo RBM Salute" is established, with €606 million of premiums in the health sector and a market share of 20.8%**
- **A transaction of strategic importance, in line with Intesa Sanpaolo's growth objectives in the non-life sector**
- **The agreement will give customers access to quality health care and state-of-the-art services, with distribution and product integration between the banking group and insurance channels**

Milan, 20 December 2019 - The Boards of Directors of Intesa Sanpaolo and Intesa Sanpaolo Vita approved **the acquisition of a controlling stake in the share capital of RBM Assicurazione Salute**, wholly owned by the Favaretto family's RBH Group. The company, founded in 2007, **is the third largest operator on Italy's health insurance market** with a share of 17.7%; the only independent player, it recorded €515 million euros in gross premiums, a net profit of around €37 million and has almost 5 million customers. It also has partnerships with over 130 supplementary health and assistance funds in Italy, 55 employees and a solid track record in terms of premium growth and profitability¹.

Once the necessary authorisations have been received from IVASS and AGCM, **by July 2020, Intesa Sanpaolo Vita will acquire 50% + 1 of the shares in cash, for a price of €300 million**. Subsequently, it will **progressively increase its shareholding to 100% of the share capital from 2026 to 2029**, at a purchase price to be determined according to a mixed formula of equity and income, based on the achievement of pre-established growth targets.

Through the acquisition of RBM Assicurazione Salute, which will be renamed **"Intesa Sanpaolo RBM Salute"**, the **Intesa Sanpaolo Group will significantly strengthen its domestic positioning in the high value added "non-motor damages" sector**, which grew by 8.8%² in Italy between 2015-18 and is expected to grow further in the coming years.

The new company, with RBM's collective policies for a total of **€606 million in health sector premiums and a market share of 20.8%**³, will meet the needs of both its traditional customers (health funds, companies and public bodies) and Intesa Sanpaolo's retail and business customers, integrating the current "XME Protezione" product, developed by Intesa Sanpaolo Assicura, with its healthcare services.

¹ source: company figures at 31/12/2018 and ANIA

² source: ANIA

³ source: company figures at 31/12/2018

The Intesa Sanpaolo Insurance Division will benefit from numerous growth factors:

- **the driving force of the RBM direct channel** (through its consolidated relationships with social partners, companies, professional orders and funds and the public administration),
- **an integrated offer with RBM's collective health policies;**
- **the full development of the bancassurance distribution model**, to small-medium corporate and retail customers;
- **the establishment of an Insurance Agency to sell customised products**, mainly dedicated to large corporate customers;

A servicing agreement will be developed with strategic partner Previmedical to give Intesa Sanpaolo RBM Salute's customers access to **the largest medical network in Italy (with over 113,000 facilities)**, providing high quality services and advantageous prices compared to the market average. Customers will have access to the Previmedical operations centre, open 24/7, 365 days a year, which will manage health services.

Finally, **the transaction will allow the pooling of specialist expertise, experience and instruments, providing solutions for new health needs.** Intesa Sanpaolo RBM Salute will mainly deal with: contractual health funds, large companies, small and medium enterprises, professional funds, public bodies and families, in order to ensure adequate health protection for all citizens.

Nicola Fioravanti, CEO of Intesa Sanpaolo Vita and Head of the Intesa Sanpaolo Group Insurance Division, who will become Chairman of the new Company, said: *“This transaction will allow us to accelerate development of the non-life sector and brings us closer to our Business Plan objectives. We will be able to offer RBM's health guarantees to Intesa Sanpaolo's retail customers and welfare products and collective policies, including tailored products, to companies. We will take full advantage of the opportunities for cross-selling, by offering new services from all our Companies, and make our commercial offers even more efficient in new market segments. Intesa Sanpaolo RBM Salute will be a centre of excellence, able to offer a qualified consulting service to all customers, especially on a market such Italy's, where the ratio between brokered insurance and direct private spending is lower than the European average”*

Marco Vecchietti, CEO of RBM Health Insurance and set to become the CEO of the new company, due to his extensive experience in the sector, said: *“Today's agreement guarantees fundamental support for the development of the Company, the entire health insurance sector and that of supplementary health, which is often vaunted as the solution to the Italian health care system's problems. “Private” health care expenditure, 1/4 of the entire national health expenditure, has now reached over €40 billion euro per year; this is an increasing cost for families, who directly finance 87.4% of the amount. Despite progress in recent years, the spread of supplementary healthcare (which finances only 9% of private care for Italians) and health insurance (financing 3.6%) is limited due to a regulatory framework that does not allow all individuals to have a second pillar to support their National Health Service coverage. The challenge is to manage the treatment paid directly by individuals, through a full integration of health structures, expansion of partnerships with the main supplies manufacturers (drugs, prostheses, glasses) and an ever greater use of technological innovation”⁴.*

⁴ Source: ANIA, Bank of Italy, Italian National Institute of Statistics

RBH was assisted by KPMG Corporate Finance as financial advisor and the Chinaglia Law Firm in legal matters; Intesa Sanpaolo Vita was assisted by the Pedersoli Law Firm and Deloitte.

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The Intesa Sanpaolo Vita Insurance Group was established in January 2012, through the merger of several companies into the Intesa Sanpaolo Group and has the widest experience and skill set on the market. It is the leader of Bancassurance and in supplementary pensions in Italy, offering insurance investment and retirement saving solutions, with a constant focus on high level service and an increasingly efficient process in the various phases of the contract life. The service includes insurance and pension products that are tailored and easy to understand, in the areas of investment and savings, protection and social security: a wide and complete range of products able to meet the needs of all the customers who rely on a group that is renowned for being secure and stable.

RBM Health Insurance is the leading Italian health insurance specialist company in terms of premium collections and numbers of insured. It looks after the largest Italian companies, the main supplementary contractual health funds, welfare funds, public bodies, professional funds and of all the individuals who choose it to protect their health. In 2018, premiums collected by RBM Assicurazione Salute amounted to €515 million, with 5 million policyholders and a solvency ratio of 176%. RBM Health Insurance is part of the RBHold Group, one of Italy's leaders in the field of supplementary and contractual welfare.