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GENERALI GROUP CONSOLIDATED RESULTS¹

Strong recovery in the third quarter. Shareholders' equity up by € 2 billion to € 13.6 billion (+16.9%)

Net profit for the nine months at € 894 million, exceeding 2008 full-year profit thanks to the significant rebound in third-quarter net profit from € 210 million to € 390 million

Production growth resumes, premiums for the nine months total € 50.4 billion (+1.5%). Life net inflows reach € 11.1 billion (+22%)

RESULTS FOR THIRD QUARTER 2009

- Total premiums € 15.7 billion (+8.9%); Life € 11.1 billion (+12.3%), Non-Life € 4.6 billion (+1.7%)
- New Life production in APE rebounds, reaching € 1,033 million (+11.1%)
- Life net technical reserves up by € 7.7 billion in the 3 months to € 278.6 billion (+2.8% from end of June)
- Overall operating result up to € 928 million (+4.7%) thanks to strong improvement in Life result (+31.1%)
- Net profit rises to € 390 million from € 210 million (+85.4%)

RESULTS FOR THE NINE MONTHS 2009

- Overall premiums € 50.4 billion (+1.5%); Life € 34.2 billion (+2.3%) and Non-Life € 16.2 billion (-0.2%)
- New Life production in APE € 3.4 billion (-5%), a significant recovery compared with end of June
- Life net technical reserves grow by more than € 17 billion from the end of 2008 (+6.6%)
- Combined ratio 97.9% from 95.1%. Impact of catastrophic events 1.7 p.p.
- Consolidated operating result € 2.9 billion (-14.2%), an improvement from the 21% decline reported at the end of June
- Expenses and operating charges down 3.8% to € 8.5 billion
- Net profit € 894 million (-46.4%). Confirmation of recovery trend since the second quarter

Commenting on the results, **Antoine Bernheim** said: *"We are satisfied to report strong growth in the third quarter despite the macroeconomic backdrop, with a healthy recovery in both Life and Non-Life production. We achieved this significant result thanks to our widespread distribution networks, geographical diversification and the attainment of important cost-reduction targets. On this last point, we are reaping the benefits of the investments made in the last few years to boost Group efficiency. This suggests we can expect a higher net profit for the full year compared with 2008."*

¹ The change in premiums is stated on a like-for-like basis, at constant size and exchange rates with respect to the year-earlier period. The changes in Life premiums, operating result, expenses and technical reserves do not include Intesa Vita in the first nine months of 2008: in compliance with IFRS 5, Intesa Vita assets and liabilities have been classified in separate items on the balance sheet and the net profit for the nine months in a specific posting on the income statement.

Milan, 5 November 2009. At a meeting today chaired by Antoine Bernheim, the Board of Directors of Assicurazioni Generali approved the consolidated results at 30 September 2009.

The period closed with a strong improvement in **net profit for the third quarter to € 390 million**, from € 210 million in the third quarter of 2008. This healthy growth enabled the Group to report a net profit of € 894 million for the nine months, a figure that still reflects the net impact of approximately € 240 million of impairments recorded at the end of June. The upward revaluations related to these impairments, recorded at the end of September, are accounted for directly in the shareholders' equity, in accordance with current accounting policies.

Net profit for the nine months exceeded that for the full-year 2008 and confirms the recovery trend that began in the second quarter with a slower pace of decline at 46.4% compared to first-half drop.

The third-quarter net profit benefited from the improvement in the operating result of the Life segment – which is better than the same period in 2007 – and of the financial segment, the recovery of the financial markets, which meant there were no significant impairments after the end of June, and additional reductions in expenses. The result was impacted by the trend in the Non-life segment, still influenced by the macroeconomic backdrop and the recessionary environment.

Overall, the trends described above generated a **significant recovery in profitability**, with the third-quarter operating result rising to € 928 million (+4.7% compared to the year-earlier period). Consequently, the operating result for the nine months was € 2,862 million (-14.2% compared to the year-earlier nine months), an improvement from the 21% decline reported at the end of the first half.

Looking at production, in the third quarter the Group reported a **recovery in premium growth** to € 15.7 billion (+8.9% from the year-earlier period). **Life business** premiums jumped by 12.3% from the third quarter of 2008, reaching € 11.1 billion, thanks to the contribution of France, Germany and China. Strong growth was achieved in third-quarter Life new production in terms of APE, which amounted to € 1,033 million (+11.1% compared to the year-earlier period), confirming the recovery trend since the beginning of the year. The **Non-Life business** recorded a significant turnaround in premiums, with an increase of 1.7% from the third quarter of 2008 to € 4.6 billion, despite the negative macroeconomic environment.

The strength of the third quarter fuelled a **return to production growth for the nine months, with premiums totalling € 50.4 billion** (+1.5% from the same period last year).

The Group confirmed the improvement in its operating efficiency, with a **reduction in expenses and operating charges** of 3.8% to € 8.5 billion (-4.3% on historical basis). It also confirmed the reduction in the holding's operating costs, which fell by 11.7% in comparison with the same period a year ago to € 193 million.

Generali's capital position continued to strengthen, with a **16.9% increase in shareholders' equity** to € 13.6 billion (€ 11.6 billion at 30 June 2009). This rebound was a result of the improvement in the reserve for unrealised gains and losses on available-for-sale financial assets (AFS) and the third-quarter net profit. The increase in the AFS reserve, equal to € 1,630 million, was due to the improvement in both the equity and bond holdings. The improvement of the equity component is a result of the decision taken at the beginning of the year not to reduce net exposure given the good quality of our investments and the weight of this asset class on the Group's economic capital. The bond component has improved thanks to rising prices, particularly in the third quarter, in both government and corporate bonds.

The **Solvency I** ratio also strengthened, rising by 7 p.p. in three months to 132%, from 125% at 30 June 2009.

The Group maintained an **investment policy** focused on balancing risk and medium/long-term profitability. Overall, investments where risk is borne by the company increased by 7.6% to € 293.1 billion, with fixed-income financial instruments accounting for 81.1%, equity securities for 8.4%, real estate for 4.9% and other investments for 5.5%.

» Outlook

Against the current backdrop, the Group's objective is to maintain positive Non-Life technical margins through specific actions on rates as set out at the beginning of the year and the achievement of further operating efficiencies. In the Life business, the Company expects a further recovery in new production to reach the level of 2008 volumes, as well as positive Life net inflows and a continued improvement in the Life result thanks to high-quality growth and investment policies. In the current financial situation, the investment policy will be to maintain prudent asset allocation.

In this context, the Group expects to post a net profit for the fourth quarter of the year and consequently a 2009 full-year net profit higher than 2008.

» Life segment

Total Life premiums in the nine months were € 34,237 million (+2.3%; € 35,235 million at 30 September 2008). The performance was positively influenced by the growth of Life net inflows (+22%), thanks to the new production in terms of APE and the reduced number of surrenders given the portfolio quality.

Geographical highlights include strong premium growth in France (+13.3%), in Germany (+4.9%) and in China (+84.4%), favoured, in particular, by the positive trend in single premium individual policies.

Premiums fell in Italy (-9.5% from 30 September 2008), although the trend improved with respect to the end of June. This trend was affected by the performance of the financial advisors channel which was affected by the comparison with a strong first half in 2008 - even though the third quarter of 2009 already shows a growth in premiums compared with the same period in 2008 - and the decision to focus on the sale of higher value-added products even at the expense of volumes. Premium collection generated from the other proprietary networks, thanks to growth in the third quarter, was substantially stable.

Life new business in terms of APE for the nine months was € 3,375 million (€ 3,590 million at 30 September 2008), a decrease of 5% (-1.5% net of the extraordinary effect of Riester pension plans in Germany, which in 2008 benefited from the German government's decision to increase the state contribution). Performance was positive for traditional policies (+4.5%), while the sharp decline in unit-linked policies was a negative factor (-29.5%).

The quality of Group business is reflected in the **strong growth (+22%) in Life net inflows** – premium income less payments for maturities and surrenders – which reached € 11.1 billion, from € 8.1 billion at 30 September 2008.

Life net technical reserves, including investment contracts, gained 6.6% from the end of 2008 to reach € 278.6 billion (€ 261.4 billion at end of 2008), thanks to the growth in the third quarter. Specifically, **Life traditional reserves** rose by 5% to € 239.6 billion (€ 228.2 billion at the end of 2008).

Life operating expenses decreased by 5.2% to € 3,597 million. Specifically, operating expenses for insurance operations declined on both an historical basis (-6%) and on a like-for-like basis (-4%) to € 3,650 million.

Consequently, the Group reported a strong improvement in the **Life operating result** for the third quarter (+31.1%), with the Life operating result for the nine months at € 1,840 million (-3.2%), because of lower financial profitability in the first half of the year.

» **Non-Life segment**

Despite the recessionary global environment, **overall Non-Life premiums in the nine months** remained stable at € 16,175 million (-0.2%; € 16,426 million at 30 September 2008) thanks to the third-quarter recovery fuelled by the positive performance in non-motor policies in France, Germany, Austria and Switzerland. Italy reported a reduction of 1.9%, reflecting the impact of the performance in third-party motor liability covers. This segment is, however, beginning to feel the benefits of the rate policy introduced at the beginning of the year, with an increase in the average premium in new production, and of the measures to improve the efficiency of the claims process, which had a positive impact on the average cost of claims.

The **combined ratio** for the nine months was 97.9% (95.1% at 30 September 2008). The third quarter combined ratio at 97.9% shows a recovery from the second quarter figure (99.4%). The performance in the nine months was affected by the increase in the loss ratio in the Group's main countries, the continuing unfavourable cycle in the motor segment and extraordinary events such as the earthquake in Abruzzo and storms in Europe, which had a negative effect of approximately € 250 million and an impact of approximately 1.7 percentage points on the loss ratio. The loss ratio was 71.3%, compared with 68.3% at 30 September 2008.

The **Non-Life operating result** at 30 September 2009 was down by 35.6% to € 1,071 million, due to the deterioration in technical results and the contraction in current financial profitability, while the improvement in the segment's operating expenses contributed positively to the result.

» **Financial segment**

The **operating result** for the nine months in the financial segment rose by 41.2% to € 342 million, from € 242 million at 30 September 2008, largely thanks to the strong performance in the third quarter. Specifically, in Italy, the Banca Generali group reported a better operating result reflecting an improvement in net commissions and intermediation income, while in Switzerland the BSI group raised its operating result mainly thanks to the positive contribution of intermediation operations and the containment of operating expenses. In Germany, Badenia Bausparkasse also reported growth in its operating result.

In Asset Management, the assets under management totalled € 385.5 billion, up by 9.1% from the end of 2008, thanks in particular to the increase in Group assets under management. Third-party assets increased by 10.6% to € 74.8 billion.

The manager in charge of preparing the company's financial reports, Mr Raffaele Agrusti, declares, pursuant to paragraph 2 article 154-bis of the Consolidated Law on Finance, that the accounting information in this press release corresponds to the document results, books and accounting entries.

The report for the nine months and the presentation of results will be available on the website www.generali.com. A conference call on the results at 30 September 2009 will be held tomorrow, 6 November 2009, at 10:00 hours (CET) at: +39 02 8058827.

DEFINITIONS AND GLOSSARY

Annual Premium Equivalent (APE) = the sum of the initial premium on new annual-premium policies, plus one-tenth of premiums on new single-premium policies. This is the premium base used to compute Life new business value.

Combined Ratio = loss ratio plus expense ratio (acquisition expenses + general expenses) divided by retained premiums.

Operating result was obtained by reclassifying the components making up the pre-tax profit for the year in each line of business on the basis of the specific characteristics of each segment, and taking account of the recurring expenses of the holding.

In particular, all profit and loss items were considered, with the exception of net non-operating costs: results of discontinued operations, corporate restructuring costs, amortisation of portfolios acquired directly or through acquisition of control of insurance companies or companies in the financial sector (value of business acquired or VOBA) and other net non-recurring costs. The following are also considered as non-operating items: in the **Life segment**, realised gains and losses not included in the computation of profits attributable to policyholders and net measurement losses not included in determination of profits attributed to policyholders; in the **Non-Life segment**, all realised gains and losses and measurement gains and losses; in the **Financial Services segment**, realised gains and losses and net measurement losses on strategic equity investments and investments. The total operating result does not include non-operating holding costs such as interest expense on borrowings and costs arising from implementation of parent company stock option plans and stock grants.

Attachment: key figures and the consolidated balance sheet and consolidated income statement.

Group's highlights

(€ million)	30/09/2009	30/09/2008	Three months ended 30/09/2009	Three months ended 30/09/2008
Result of the period	894.2	1,669.8	390.2	210.3
Consolidated operating result	2,861.7	3,402.3	928.2	904.7
Net earned premiums	46,923.4	46,375.4	15,157.5	14,011.8
Premiums related to investment contracts	1,619.0	3,156.6	631.8	936.7
Net earned premiums including premiums related to investment contracts	48,542.3	49,532.0	15,789.3	14,948.6
Gross premiums written	50,412.0	51,660.6	15,729.5	14,868.1
Change on equivalent terms ^(*)	1.5%	4.4%	8.9%	3.0%
Acquisition and administration costs related to insurance business	7,602.2	7,860.3	2,409.2	2,504.2
Expense ratio	15.7%	15.9%	15.3%	16.8%
Operating result - life segment ^(**)	1,839.9	1,970.1	570.7	453.9
Net life premiums	32,066.5	31,516.6	10,285.4	9,129.6
Premiums related to investment contracts	1,619.0	3,156.6	631.8	936.7
Net life premiums including premiums related to investment contracts	33,685.5	34,673.2	10,917.2	10,066.4
Gross life premiums written	34,236.8	35,235.1	11,112.7	10,233.0
Change on equivalent terms ^(*)	2.3%	5.1%	12.3%	4.0%
Acquisition and administration costs - life segment	3,650.0	3,882.2	1,197.3	1,272.3
Expense ratio - life segment	10.8%	11.2%	11.0%	12.6%
APE	3,375.0	3,589.8	1,033.0	937.0
Change on equivalent terms ^(***)	-5.0%	10.5%	11.1%	-
Operating result - non-life segment ^(**)	1,070.7	1,662.5	360.7	502.1
Net non-life earned premiums	14,856.9	14,858.8	4,872.2	4,882.2
Gross non-life premiums written	16,175.2	16,425.5	4,616.9	4,635.2
Change on equivalent terms ^(*)	-0.2%	2.7%	1.7%	0.9%
Acquisition and administration costs - non-life segment	3,952.3	3,978.1	1,211.9	1,231.9
Expense ratio - non-life segment	26.6%	26.8%	24.9%	25.2%
Loss ratio - non-life segment	71.3%	68.3%	73.0%	70.8%
Combined ratio - non-life segment	97.9%	95.1%	97.9%	96.0%
Operating result - financial segment ^(**)	342.0	242.2	119.5	46.7
Total income - financial segment	1,379.5	1,602.4	411.9	489.3
Total expenses - financial segment	1,121.6	1,430.2	341.0	490.9
Operating holding expenses	192.8	218.3	65.8	63.9

(€ million)	30/09/2009	30/06/2009	31/12/2008
Investments	331,736.0	313,026.2	327,134.9
Net insurance provisions ⁽¹⁾	298,428.6	286,532.7	295,755.3
Net insurance provisions - life segment ⁽¹⁾	268,553.8	256,099.5	266,509.3
Net insurance provisions - non-life segment ⁽¹⁾	29,874.8	30,433.2	29,246.0
Provisions for outstanding claims and other insurance provisions	24,452.2	24,341.2	23,925.8
Provisions for unearned premiums	5,422.7	6,092.0	5,320.2
Shareholders' equity attributable to the Group ⁽²⁾	13,577.2	11,611.7	11,312.8

(*) On equivalent terms: on equivalent exchange rates and consolidation area compared to the same period of the previous financial year, and taking into account premiums related to investment contracts.

(**) The amounts are calculated gross of consolidation adjustments.

(***) On equivalent terms: on equivalent exchange rates, consolidation area and share attributable to the Group.

(1) The amounts are calculated net of consolidation adjustments.

(2) The result of the period is included in shareholders' equity attributable to the Group.

Consolidated balance sheet and profit and loss account

BALANCE SHEET - ASSETS			
	30/09/2009	30/06/2009	31/12/2008
1 INTANGIBLE ASSETS	9,003.8	9,024.7	9,293.0
1.1 Goodwill	5,793.8	5,781.8	5,739.1
1.2 Other intangible assets	3,210.0	3,242.9	3,553.9
2 TANGIBLE ASSETS	3,652.9	3,837.0	3,792.7
2.1 Land and buildings (self used)	3,109.3	3,290.6	3,235.5
2.2 Other tangible assets	543.6	546.3	557.2
3 AMOUNTS CEDED TO REINSURERS FROM INSURANCE PROVISIONS	5,879.4	5,877.0	6,005.5
4 INVESTMENTS	331,736.0	313,026.2	327,134.9
4.1 Land and buildings (investment properties)	12,484.9	12,312.7	12,473.3
4.2 Investments in subsidiaries, associated companies and joint ventures	2,115.2	2,049.2	2,568.4
4.3 Held to maturity investments	2,830.5	2,803.5	1,798.0
4.4 Loans and receivables	82,917.9	82,463.7	69,192.5
4.5 Available for sale financial assets	169,503.2	155,359.2	173,701.1
4.6 Financial assets at fair value through profit or loss of which financial assets where the investment risk is borne by the policyholders and related to pension funds	61,884.3	58,037.9	67,401.7
	38,608.9	35,112.7	41,351.4
5 RECEIVABLES	12,599.9	14,612.1	11,454.9
5.1 Receivables arising out of direct insurance operations	9,203.8	11,116.5	8,507.4
5.2 Receivables arising out of reinsurance operations	938.3	953.5	945.0
5.3 Other receivables	2,457.7	2,542.1	2,002.6
6 OTHER ASSETS	40,041.5	39,201.1	15,720.3
6.1 Non-current assets or disposal groups classified as held for sale	26,210.3	24,289.3	41.1
6.2 Deferred acquisition costs	1,757.9	1,741.9	1,712.7
6.3 Deferred tax assets	3,954.5	4,611.8	5,011.5
6.4 Tax receivables	2,085.3	2,149.9	2,615.6
6.5 Other assets	6,033.5	6,408.1	6,339.4
7 CASH AND CASH EQUIVALENTS	11,105.6	11,917.6	10,537.2
TOTAL ASSETS	414,019.1	397,495.6	383,938.4

BALANCE SHEET - SHAREHOLDERS' EQUITY AND LIABILITIES

		30/09/2009	30/06/2009	31/12/2008
1	SHAREHOLDERS' EQUITY	18,056.8	15,808.6	15,473.1
1.1	Shareholders' equity attributable to the Group	13,577.2	11,611.7	11,312.8
1.1.1	Share capital and reserves	11,942.1	11,996.4	11,557.7
1.1.2	Reserve for unrealized gains and losses on available for sale financial assets	740.9	-888.7	-1,105.7
1.1.3	Result of the period	894.2	504.0	860.9
1.2	Shareholders' equity attributable to minority interests	4,479.6	4,196.9	4,160.3
2	OTHER PROVISIONS	1,884.2	1,982.9	1,948.3
3	INSURANCE PROVISIONS	304,308.0	292,409.7	301,760.7
	of which insurance provisions for policies where the investment risk is borne by the policyholders and related to pension funds	32,596.7	29,805.7	34,965.2
4	FINANCIAL LIABILITIES	47,327.5	44,539.5	46,730.5
4.1	Financial liabilities at fair value through profit or loss	8,487.2	7,946.4	9,773.3
	of which financial liabilities where the investment risk is borne by the policyholders and related to pension funds	6,151.4	5,621.4	6,547.5
4.2	Other financial liabilities	38,840.3	36,593.1	36,957.2
	of which subordinated liabilities	6,396.2	6,368.3	6,041.0
5	PAYABLES	7,631.1	9,339.9	7,179.9
5.1	Payables arising out of direct insurance operations	3,705.9	5,125.1	3,601.4
5.2	Payables arising out of reinsurance operations	828.7	943.5	893.6
5.3	Other payables	3,096.5	3,271.3	2,684.8
6	OTHER LIABILITIES	34,811.6	33,415.0	10,845.9
6.1	Liabilities directly associated with non-current assets and disposal groups classified as held for sale	24,544.4	22,806.1	0.0
6.2	Deferred tax liabilities	4,610.0	5,174.2	5,461.0
6.3	Tax payables	1,134.4	1,036.4	893.1
6.4	Other liabilities	4,522.8	4,398.2	4,491.8
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	414,019.1	397,495.6	383,938.4

PROFIT AND LOSS ACCOUNT

	30/09/2009	30/09/2008	Third quarter 2009	Third quarter 2008
1.1	46,923.4	46,375.4	15,157.6	14,011.8
1.1.1	48,729.4	48,177.6	15,775.2	14,557.9
1.1.2	-1,806.0	-1,802.2	-617.6	-546.0
1.2	825.4	846.7	282.6	274.9
1.3	5,394.7	-6,364.8	3,093.8	-2,630.5
	4,014.0	-5,531.0	2,515.6	-2,126.6
1.4	85.9	446.6	7.2	94.2
1.5	11,235.9	11,889.7	4,010.6	3,733.8
1.6	1,889.9	1,873.3	765.9	556.3
1	66,355.2	55,067.0	23,317.8	16,040.4
2.1	49,950.3	36,290.3	18,001.9	9,994.9
2.1.1	51,187.0	37,351.7	18,438.2	10,326.3
2.1.2	-1,236.7	-1,061.4	-436.3	-331.4
2.2	262.0	338.9	97.9	126.5
2.3	38.1	2.7	2.6	0.0
2.4	3,879.5	4,525.4	1,140.0	2,158.0
2.5	8,383.4	8,510.1	2,647.8	2,717.8
2.6	2,320.0	2,660.8	794.1	680.0
2	64,833.3	52,328.4	22,684.3	15,677.3
	1,521.9	2,738.6	633.4	363.1
3	337.0	699.9	172.2	94.9
	1,184.9	2,038.7	461.2	268.2
4	86.4	0.0	46.9	0.0
	1,271.3	2,038.7	508.1	268.2
	894.2	1,669.8	390.2	210.3
	377.1	368.9	117.9	57.9