

**Generali Group
2011 First-Half Results**



August 5, 2011

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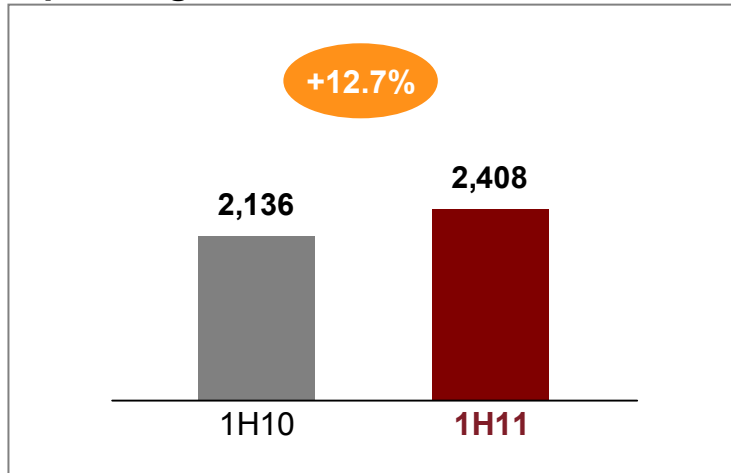


I. Overview

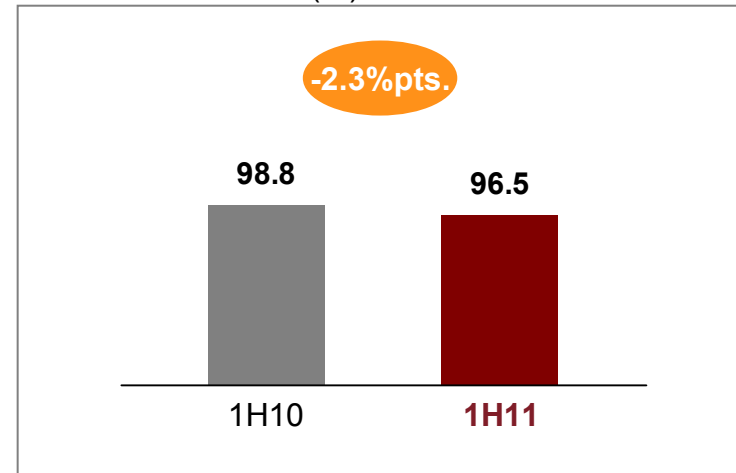
1H 2011 results at a glance

1H 2011 results at a glance

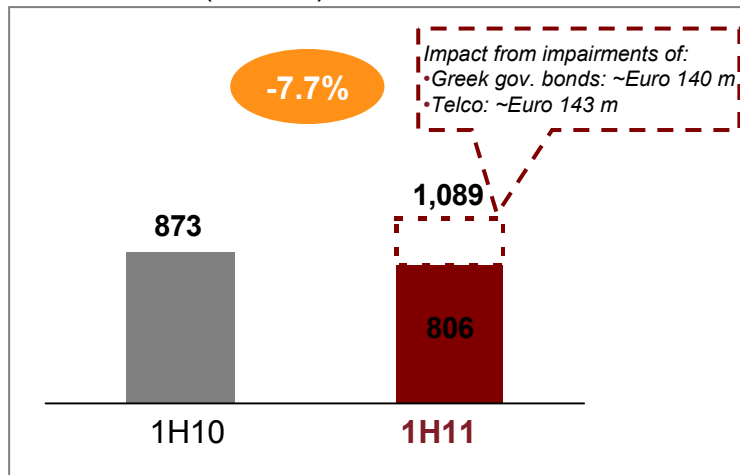
Operating result (Euro m)



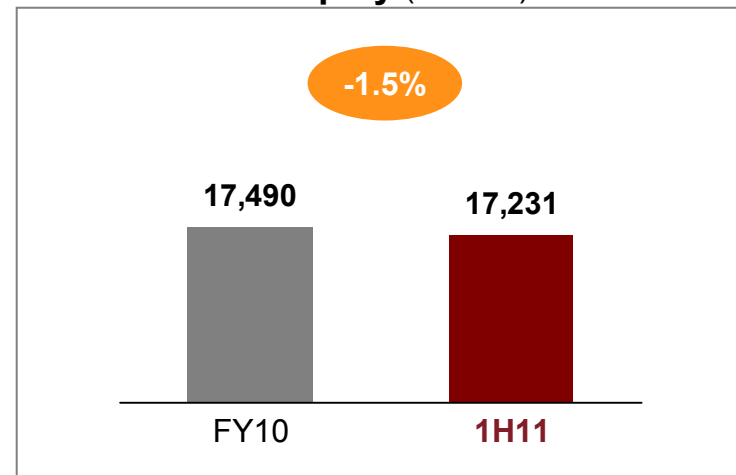
Combined ratio (%)



Net result (Euro m)



Shareholders' equity (Euro m)



II. Group Financials

Profit & loss review

Shareholders equity

Life & P&C profitability

Capital update

Revenue development by segment

| (Euro m) | 1H11 | Δ historical (%) | Δ like for like (%) | 2Q11 | Δ like for like (%) |
|---|---------------|------------------|---------------------|---------------|---------------------|
| Gross written premiums | 35,853 | -6.0% | -6.3% | 16,722 | -2.9% |
| Life ⁽¹⁾ | 23,842 | -9.5% | -9.8% | 11,503 | -5.1% |
| P&C | 12,011 | +2.0% | +1.6% | 5,219 | +2.1% |
| Life annual premium equivalent⁽²⁾ | 2,513 | -9.8% | -9.4% | 1,201 | -3.2% |

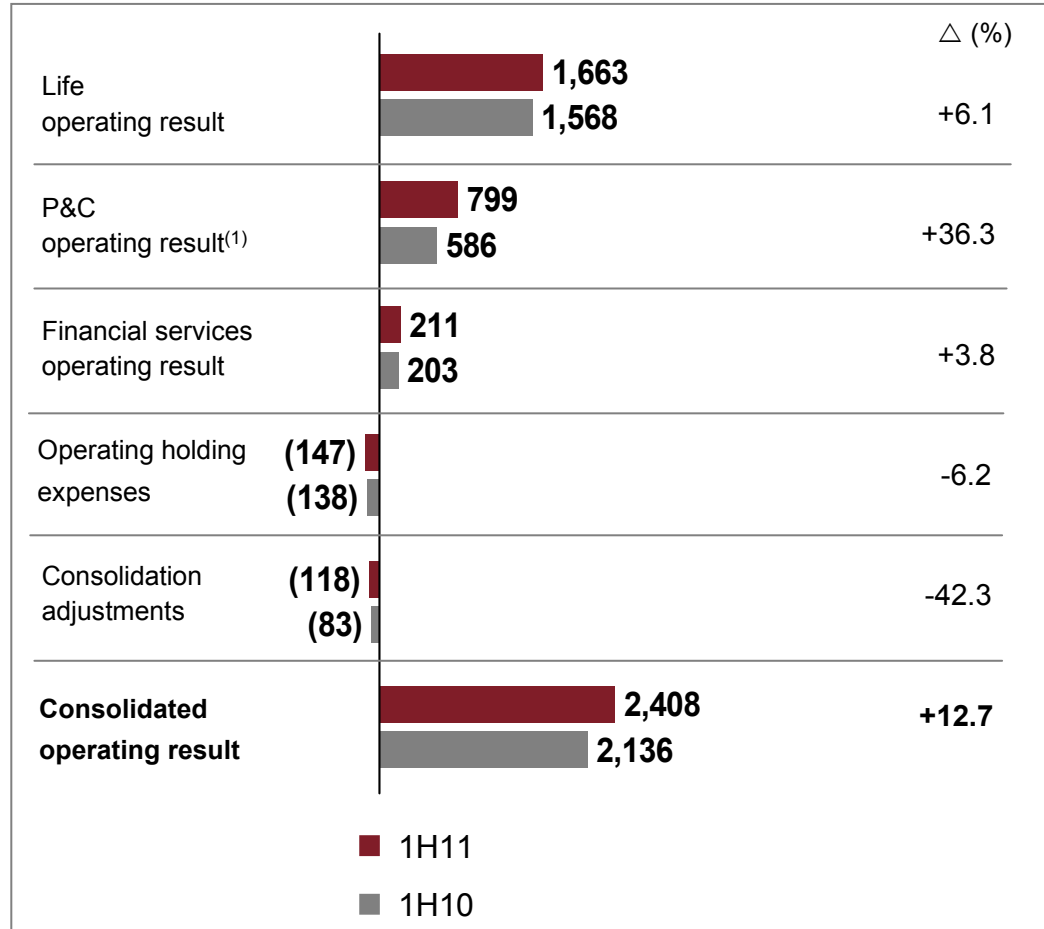
(1) Including investment contracts for Euro 1,529.6 m in 1H11

(2) For the definitions refer to the related section within the backup

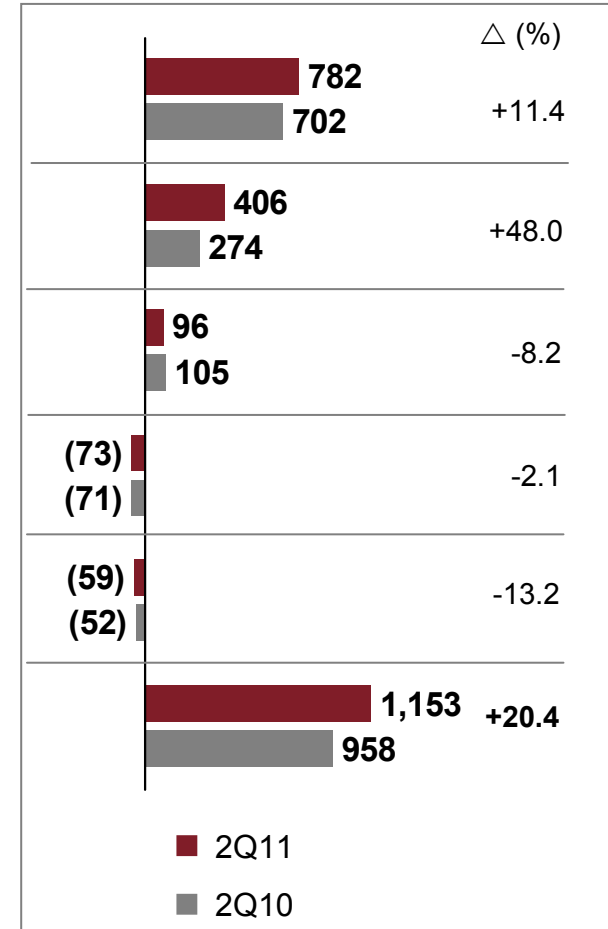


Operating result by segment

1H11 operating result (Euro m)



2Q11 operating result (Euro m)



(1) As of FY10, there was a change in the definition of P&C Operating Result; all comparative figures have been consistently restated. Please refer 'Methodological note on alternative performance measures' included in the Management Report

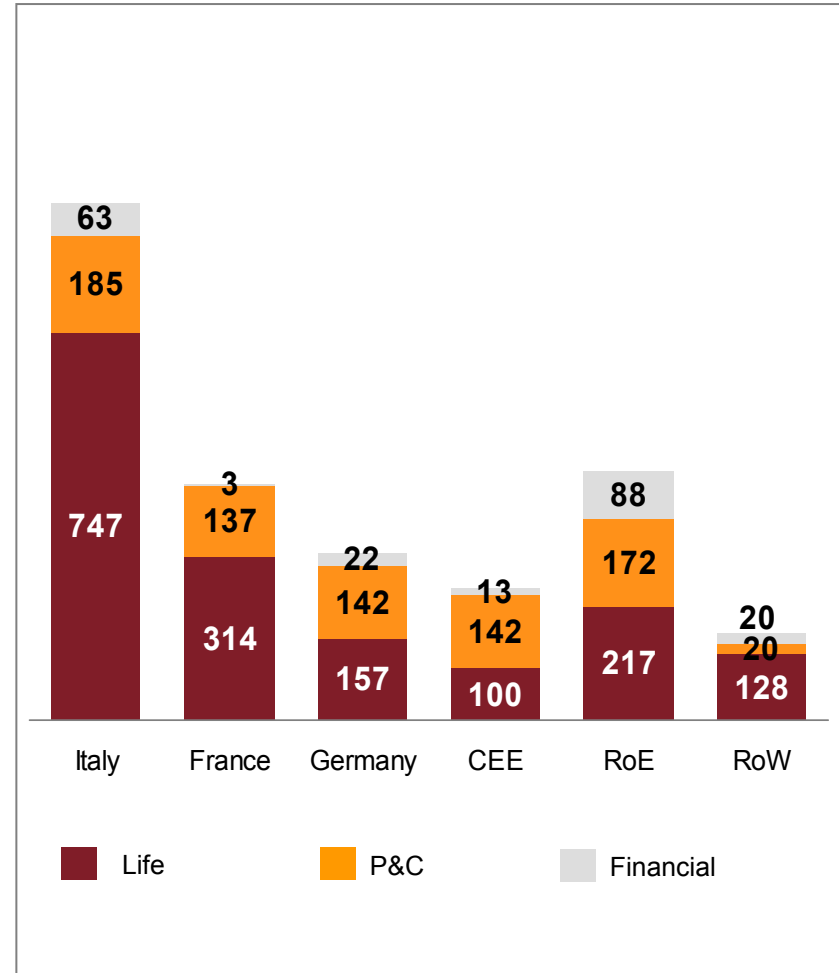


Focus on operating result

Operating result by country⁽¹⁾

| (Euro m) | 1H10 | 1H11 | Δ % |
|---------------------------------------|--------------|--------------|---------------|
| Italy | 932 | 996 | +6.9% |
| France | 344 | 454 | +32.0% |
| Germany | 364 | 321 | -11.9% |
| CEE | 216 | 256 | +18.5% |
| RoE | 371 | 478 | +28.9% |
| RoW | 130 | 168 | +29.2% |
| Operating result⁽¹⁾ | 2,357 | 2,673 | +13.4% |
| <i>Op. holding expenses</i> | <i>(138)</i> | <i>(147)</i> | -6.2% |
| <i>Consolidation Adj.</i> | <i>(83)</i> | <i>(118)</i> | -42.3% |
| Total operating result | 2,136 | 2,408 | +12.7% |

Operating result breakdown⁽¹⁾ (Euro m)



(1) Operating result = operating result of life, P&C and financial segments, before holding expenses and consolidation adjustments



From operating result to net result

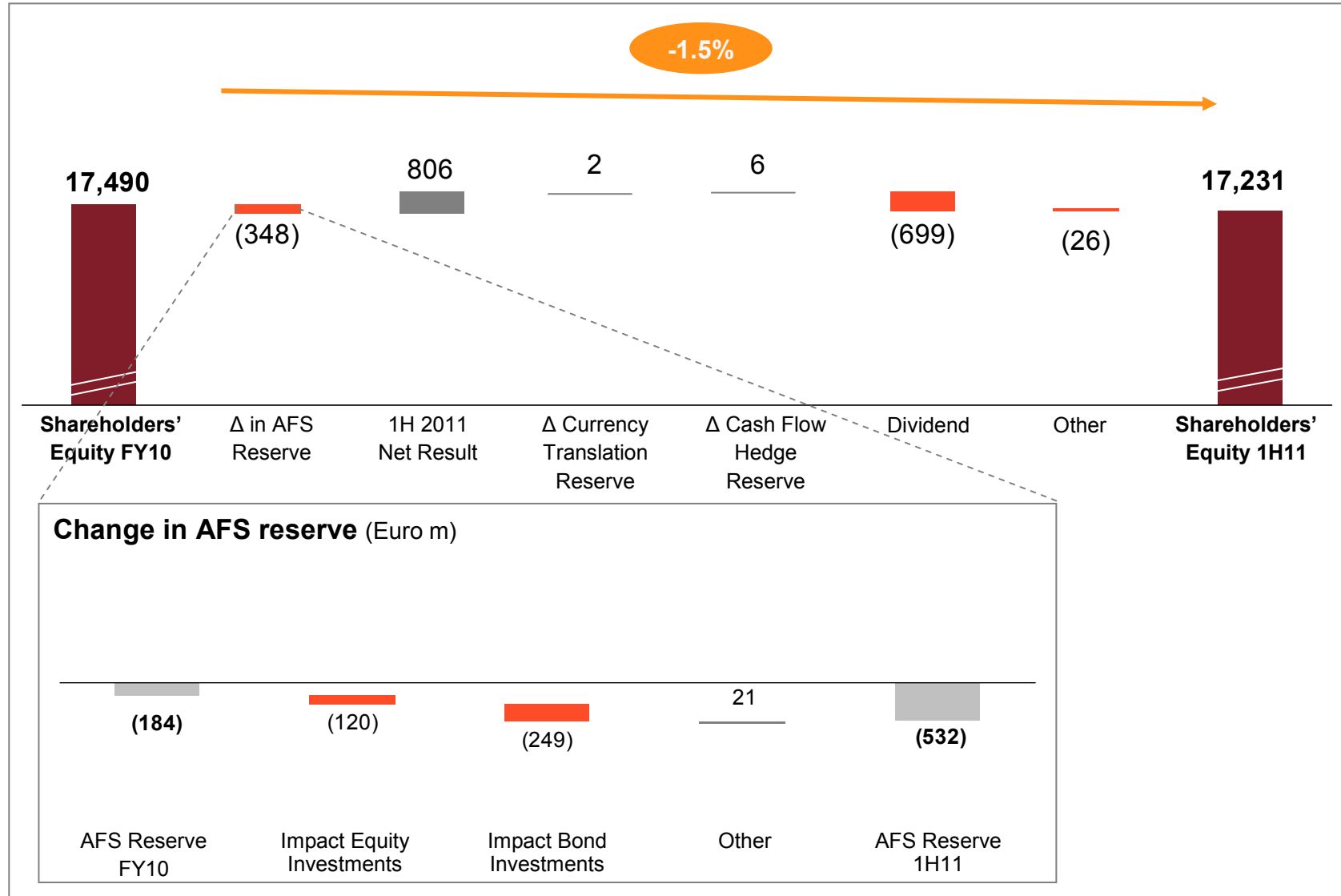
| (Euro m) | 1H10 | 1H11 | △ (%) |
|--|--------------|--------------|---------------|
| Total operating result | 2,136 | 2,408 | +12.7% |
| Non operating investment income ⁽¹⁾ | (96) | (487) | |
| <i>Income and exp. from fin. assets at FV thr. P&L</i> | 91 | 2 | |
| <i>Income and exp. from other financial instruments</i> | (187) | (489) | |
| Non-operating holding expenses | (383) | (330) | |
| Net other non operating expenses | (251) | (141) | |
| Total non operating result | (730) | (957) | -31.1% |
| Consolidated result of the period before taxes and minority interests | 1,406 | 1,451 | +3.2% |
| Income taxes | (405) | (481) | |
| <i>Result from discontinued operations</i> | 17 | (1) | |
| Minority interests | (144) | (163) | |
| Net result of the period | 873 | 806 | -7.7% |

(1) Including interest expenses on financial debt



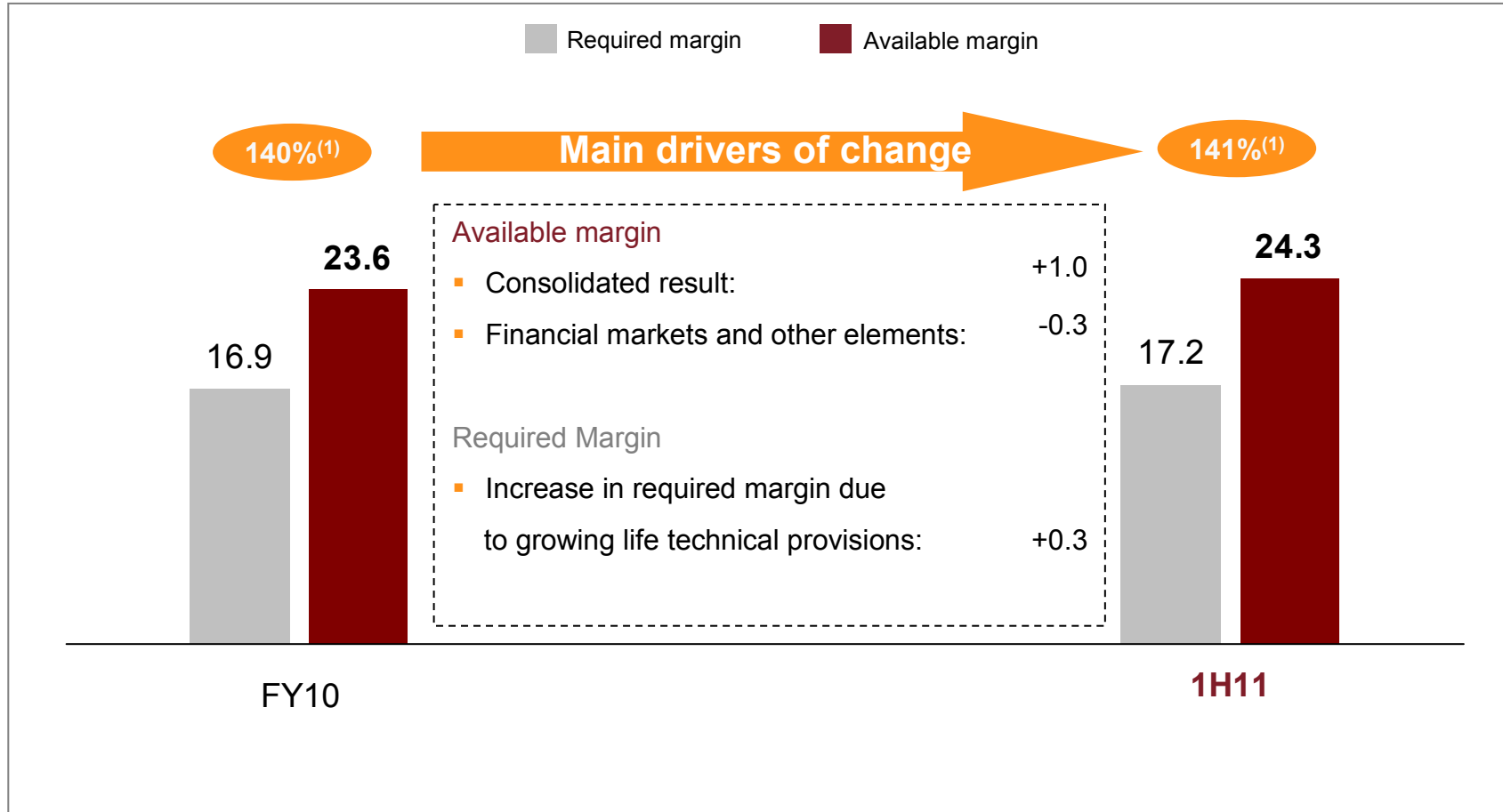
IFRS Shareholders' equity roll forward

(Euro m)



Solvency I update

(Euro bn)



(1) Including off balance sheet unrealized gains on real estate, 8%pts of which subject to authorities' authorization

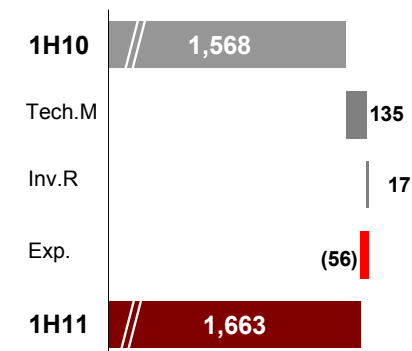


Strong life operating profitability driven by annual premiums development

Life Operating Result by driver ⁽¹⁾

| (Euro m) | 1H10 | 1H11 | △(%) |
|-------------------------|--------------|--------------|-------------|
| Technical Margin | 2,958 | 3,093 | +4.6% |
| Investment Result | 1,190 | 1,206 | +1.4% |
| Expenses | (2,580) | (2,636) | -2.2% |
| Operating Result | 1,568 | 1,663 | +6.1 |

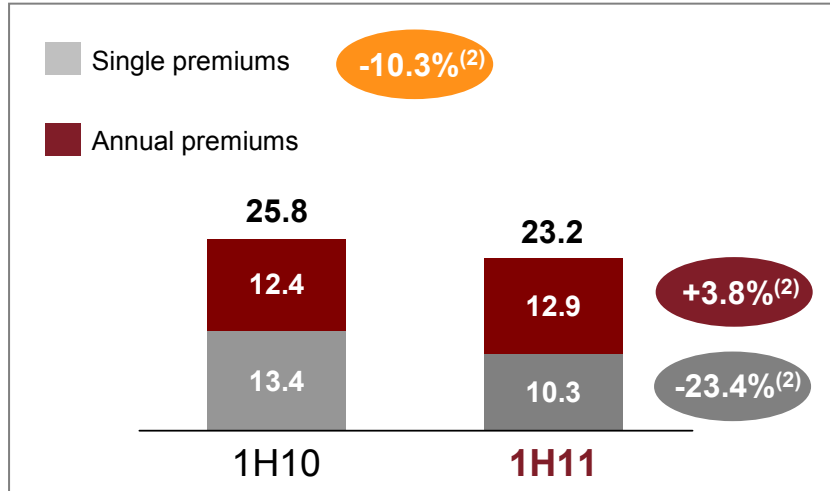
| | | |
|--|--------------|--------------|
| Life half – year operating ratio on Investments | 0.51% | 0.52% |
|--|--------------|--------------|



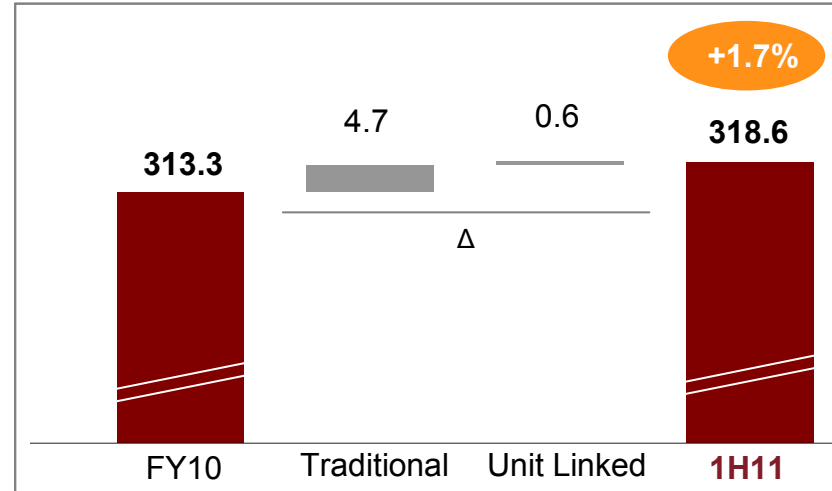
(1) For the definitions refer to the related section within the backup

Life business development

Life gross direct premiums (Euro bn)



Life net technical reserves (Euro bn)



Life net inflows by country⁽¹⁾ (Euro m)

| Country | 1H10 | 1H11 | Δ% ⁽²⁾ |
|--------------|--------------|--------------|-------------------|
| Italy | 1,145 | 362 | -68.3% |
| France | 2,882 | 629 | -78.2% |
| Germany | 2,788 | 2,158 | -22.6% |
| CEE | 165 | 215 | +26.2% |
| RoE | 1,758 | 733 | -59.6% |
| RoW | 863 | 722 | -16.2% |
| TOTAL | 9,601 | 4,818 | -50.1% |

| | | |
|---------|-------|-------|
| 1H 2011 | 267.6 | 51.1 |
| FY 2010 | 262.9 | 50.5 |
| Δ% | +1.8% | +1.2% |

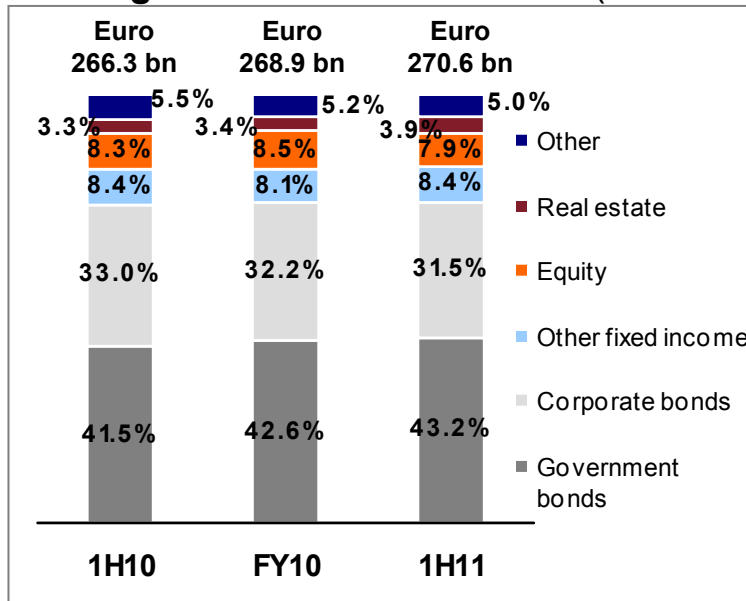
(1) For the definitions refer to the related section within the backup
 (2) On like for like basis



Life investment strategy and yields⁽¹⁾

- Country allocation of government bond coherent with liabilities breakdown by area
- Continuing gradual increase of Real Estate exposure
- Active portfolio management looking at market timing
- Confirmed strong current profitability even in volatile environment

Life segment own investments⁽¹⁾ (% on total)



| Half Year Current return ⁽¹⁾ | Fixed income | | Equity | | Real Estate ⁽²⁾ | | Total ⁽³⁾ | |
|---|--------------|-------|--------|------|----------------------------|------|----------------------|-------|
| | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 |
| Euro m | 4,675 | 4,868 | 464 | 452 | 288 | 352 | 5,587 | 5,893 |
| % | 2.2 | 2.2 | 2.0 | 2.0 | 3.3 | 3.5 | 2.1 | 2.2 |

(1) For the definitions refer to the related section within the backup

(2) Real estate current returns are gross of related expenses

(3) Refer to slide 55 of the back up for full disclosure



Life New Business valuation

- APE over Euro 2.5 bn, with positive annual premiums performance (+2.9%) driving the recovery of the year on year variation (from -14.5% at 1Q to -9.4% at 1H)
- NBM improves by 1.2%pts. from year-end 2010 to 20.9%, mainly thanks to more favourable business and product mix
- NBV at Euro 525 m, up 7.3% from 1H10

| (Euro m) | APE | | | NBV | | | Margins on APE | | |
|--------------|--------------|--------------|---------------------|------------|------------|---------------------|----------------|--------------|--------------|
| | 1H10 | 1H11 | Like for like △% | 1H10 | 1H11 | Like for like △% | 1H10 | FY10 | 1H11 |
| Italy | 860 | 863 | +0.3% | 139 | 180 | +29.4% | 16.2% | 18.4% | 20.9% |
| France | 671 | 532 | -20.7% | 70 | 75 | +6.9% | 10.5% | 12.5% | 14.1% |
| Germany | 520 | 488 | -6.3% | 82 | 84 | +3.2% | 15.7% | 17.7% | 17.3% |
| CEE | 78 | 81 | -1.5% | 28 | 25 | -15.0% | 35.8% | 32.3% | 31.1% |
| RoE | 433 | 325 | -25.5% | 107 | 86 | -20.4% | 24.7% | 24.9% | 26.4% |
| RoW | 222 | 224 | +9.8% | 68 | 75 | +22.3% | 30.8% | 33.5% | 33.4% |
| Total | 2,784 | 2,513 | -9.4% | 494 | 525 | +7.3% | 17.8% | 19.7% | 20.9% |

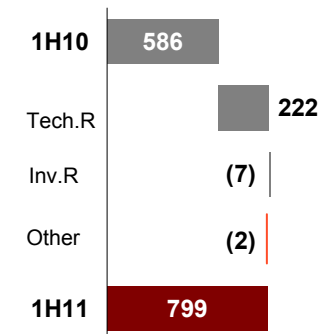


P&C profitability - Operating result

Strong increase of P&C operating result driven by technical profitability

P&C Operating Result by driver⁽¹⁾

| (Euro m) | 1H10 | 1H11 | Δ(%) |
|-------------------------|------------|------------|---------------|
| Technical Result | 108 | 330 | +204.9% |
| Investment Result | 584 | 577 | -1.2% |
| Other | (106) | (108) | -2.0% |
| Operating Result | 586 | 799 | +36.3% |



| | | |
|---|--------------|--------------|
| P&C half-year operating ratio on Investments | 1.58% | 2.17% |
|---|--------------|--------------|

(1) For the definitions refer to the related section within the backup

P&C Gross Written Premiums

1H11 development

| (Euro m) | 1H10 | 1H11 | Historical △% | Like for like △% |
|--------------|---------------|---------------|------------------|------------------------|
| Italy | 3,610 | 3,614 | +0.1% | +0.1% |
| France | 2,128 | 2,184 | +2.6% | +2.6% |
| Germany | 1,828 | 1,855 | +1.5% | +1.5% |
| CEE | 1,159 | 1,176 | +1.4% | -0.2% |
| RoE | 2,401 | 2,451 | +2.1% | +0.2% |
| RoW | 653 | 732 | +12.1% | +15.0% |
| Total | 11,778 | 12,011 | +2.0% | +1.6% |

2Q11 development

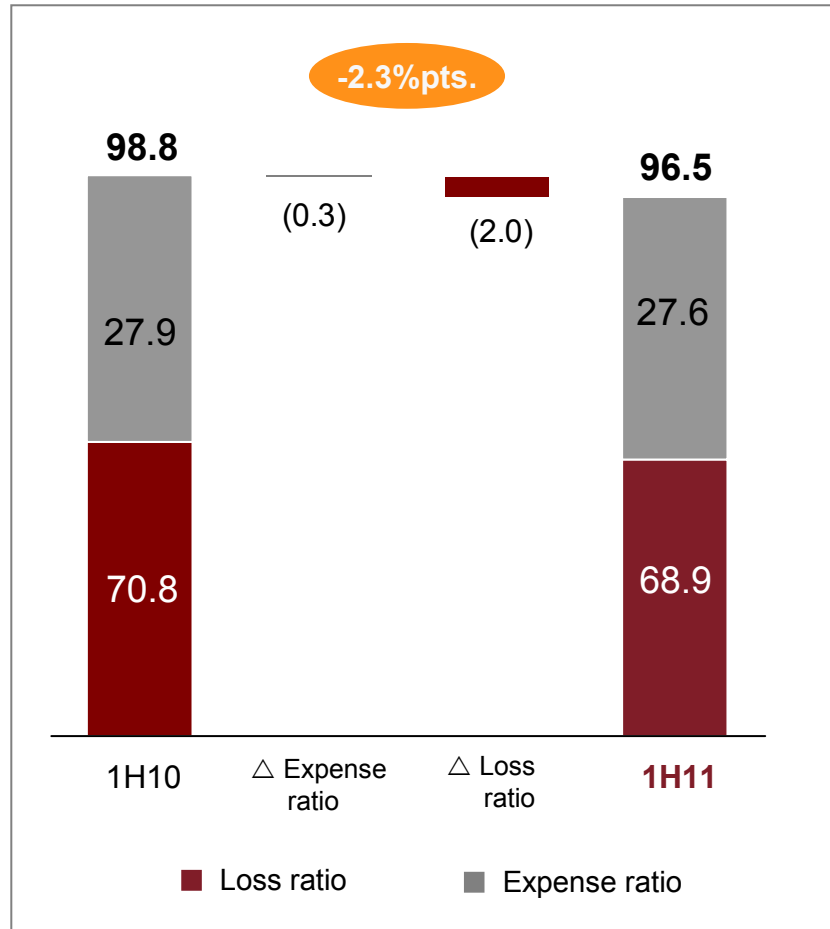
| (Euro m) | 2Q10 | 2Q11 | Historical △% | Like for like △% |
|--------------|--------------|--------------|------------------|------------------------|
| Italy | 1,895 | 1,913 | +1.0% | +1.0% |
| France | 905 | 920 | +1.7% | +1.7% |
| Germany | 536 | 530 | -1.1% | -1.1% |
| CEE | 546 | 558 | +2.2% | +0.7% |
| RoE | 912 | 950 | +4.2% | +4.0% |
| RoW | 334 | 347 | +3.9% | +12.4% |
| Total | 5,128 | 5,219 | +1.8% | +2.1% |



P&C profitability – Net combined ratio

(1/2)

Combined ratio (%)



Combined ratio by country (%)

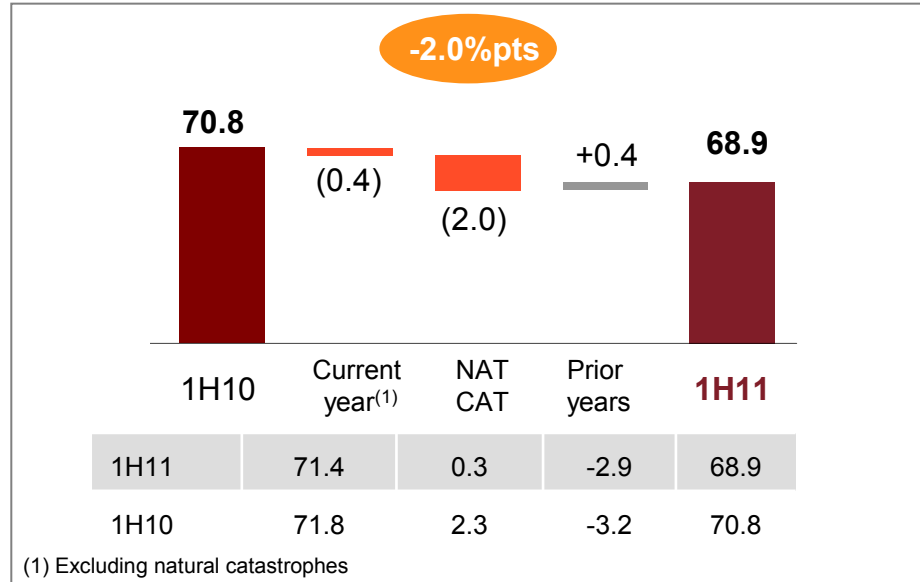
| | 1H10 | 1H11 | Δ %pts. |
|--------------|--------------|--------------|------------------|
| Italy | 99.5% | 97.2% | -2.3%pts. |
| France | 99.8% | 98.5% | -1.3%pts. |
| Germany | 95.9% | 95.3% | -0.6%pts. |
| CEE | 92.9% | 88.2% | -4.7%pts. |
| RoE | 100.5% | 96.4% | -4.1%pts. |
| RoW | 100.4% | 102.4% | +2.0%pts. |
| Total | 98.8% | 96.5% | -2.3%pts. |



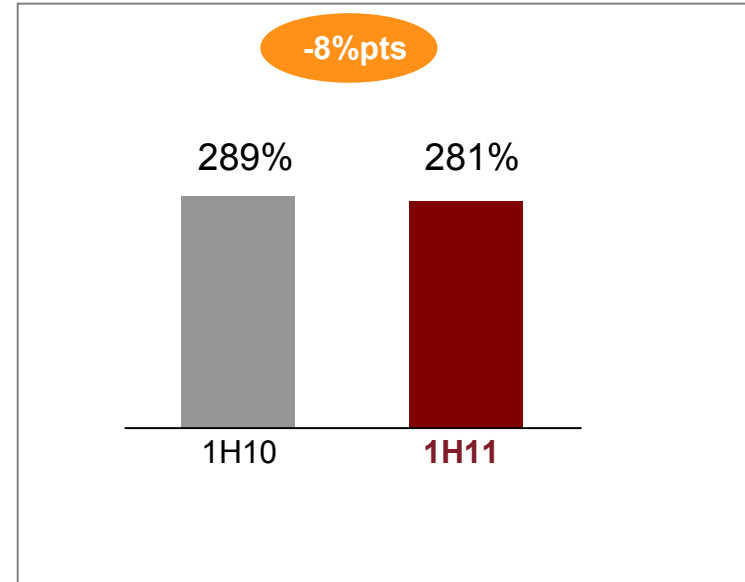
P&C profitability – Net combined ratio

(2/2)

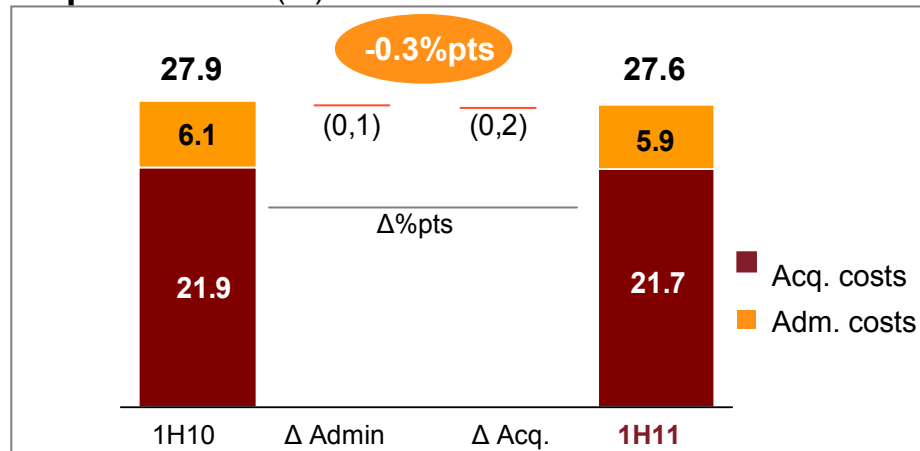
Loss ratio (%)



Reserving ratio (%)



Expense ratio (%)



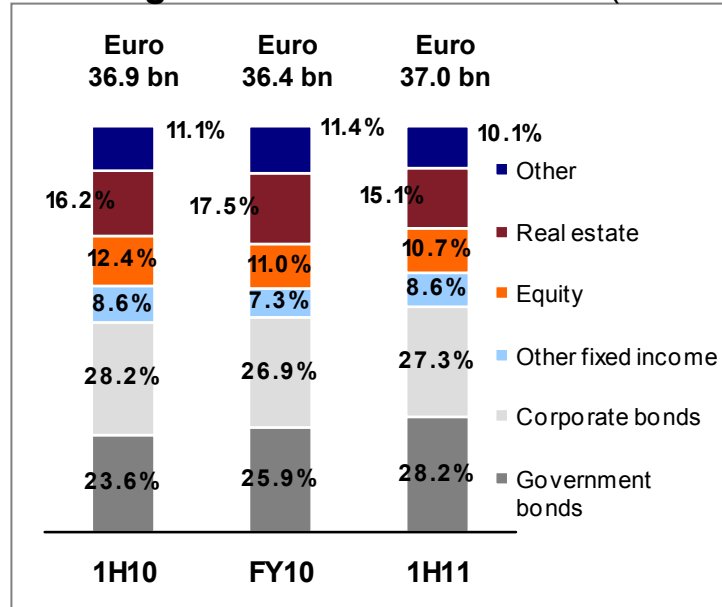
- Nat Cat particularly benign for the Group, as opposed to the sector
- Current year loss ratio improving thanks to effective pricing initiatives in Motor
- Confirmed positive prior years development and prudent reserving policy



P&C investment strategy and yields⁽¹⁾

- Continuing strategic de-risking process
- Increased government bonds exposure within fixed income instruments
- Preference for high quality and capital efficient corporate bonds
- Strategic decrease of Real Estate and Equity exposure
- Optimization of risk/return remains the target

P&C segment own investments⁽¹⁾ (% on total)



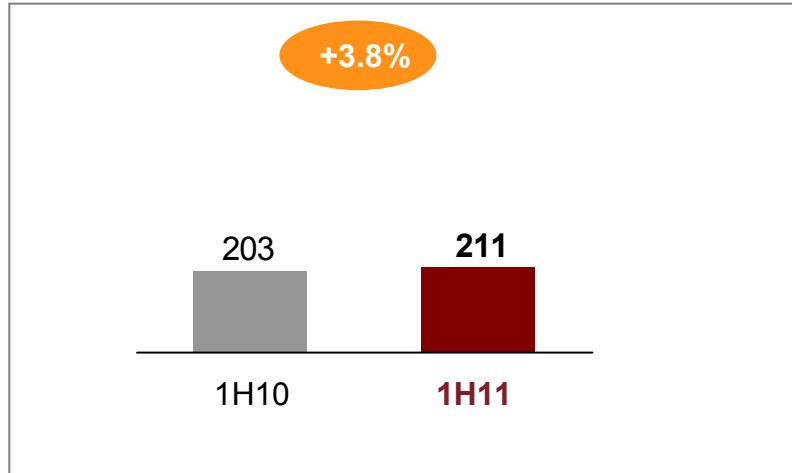
| Half Year Current return ⁽¹⁾ | Fixed income | | Equity | | Real Estate ⁽²⁾ | | Total | |
|---|--------------|------|--------|------|----------------------------|------|-------|------|
| | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 |
| Euro m | 424 | 425 | 89 | 72 | 259 | 257 | 814 | 806 |
| % | 1.9 | 1.9 | 1.9 | 1.8 | 4.3 | 4.3 | 2.2 | 2.2 |

(1) For the definitions refer to the related section within the backup
 (2) Real estate current returns are gross of related expenses
 (3) Refer to slide 55 of the back up for full disclosure

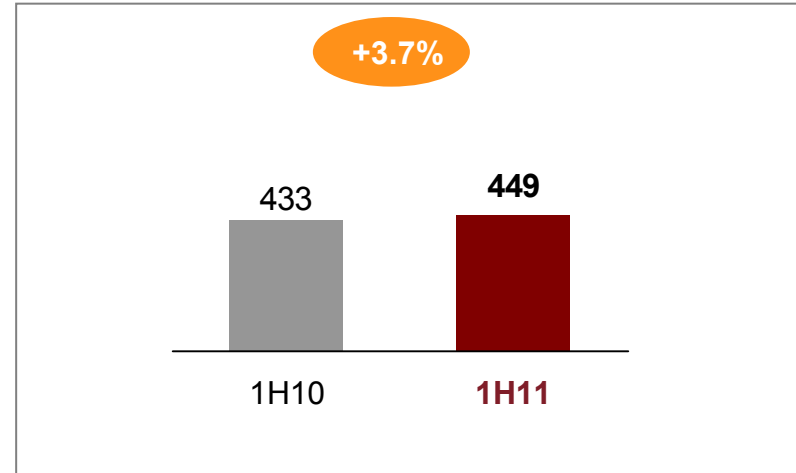


Financial segment

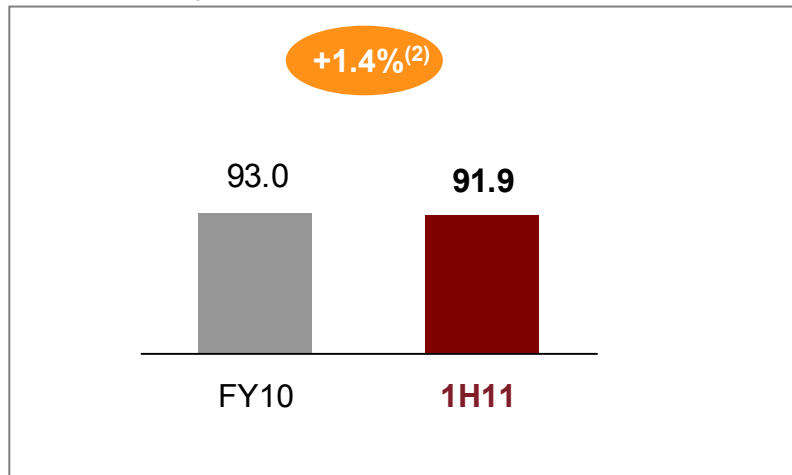
Operating result (Euro m)



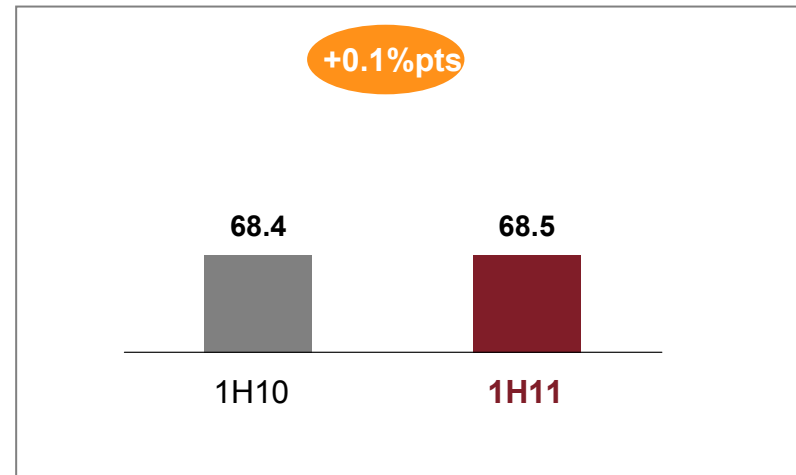
Net fees and commissions (Euro m)



Third party AUM⁽¹⁾ (Euro bn)



Cost/income ratio (%)



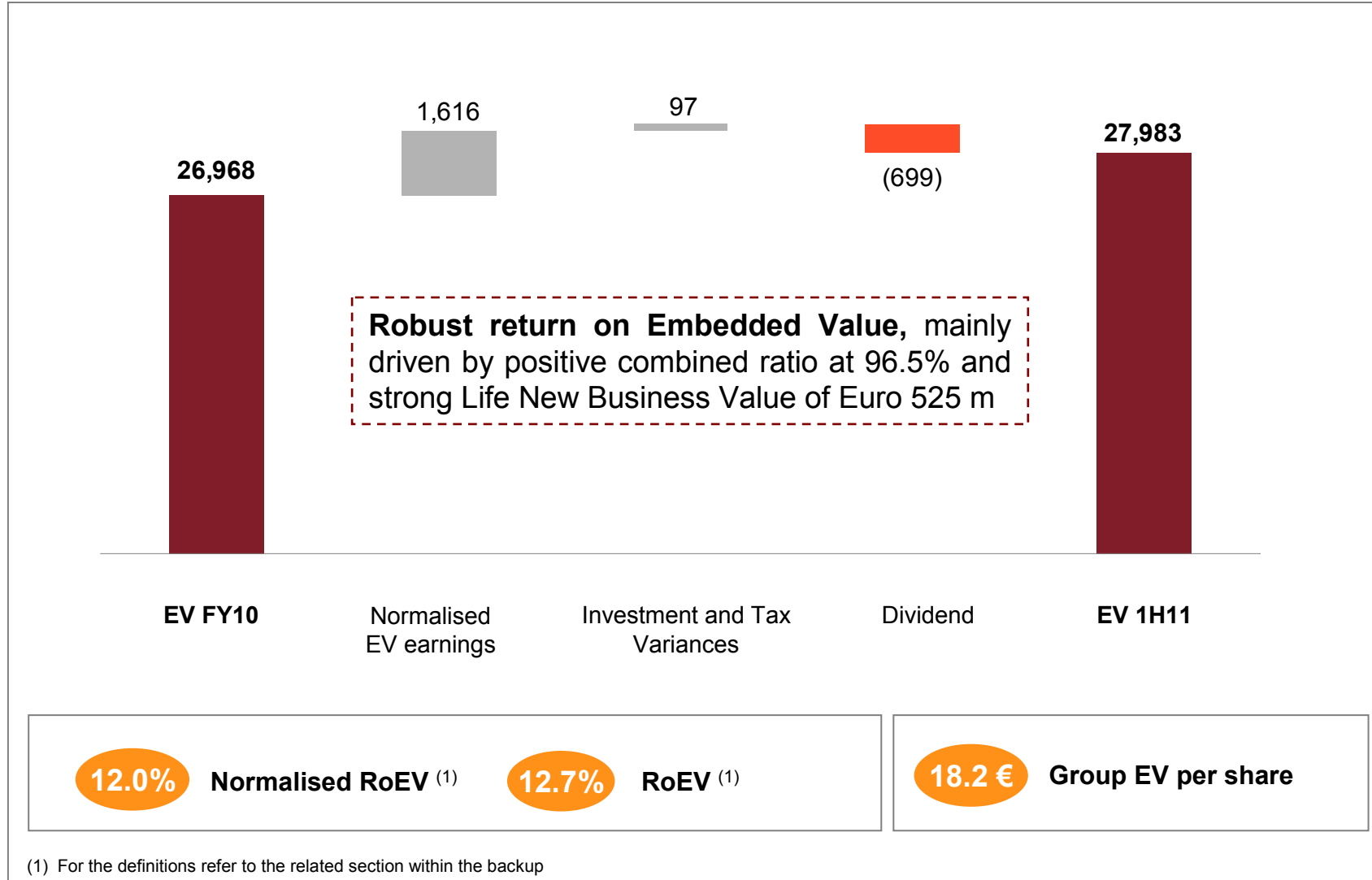
(1) Including only third party AUM related to financial segment companies

(2) On like for like basis; -1.2% on historical basis



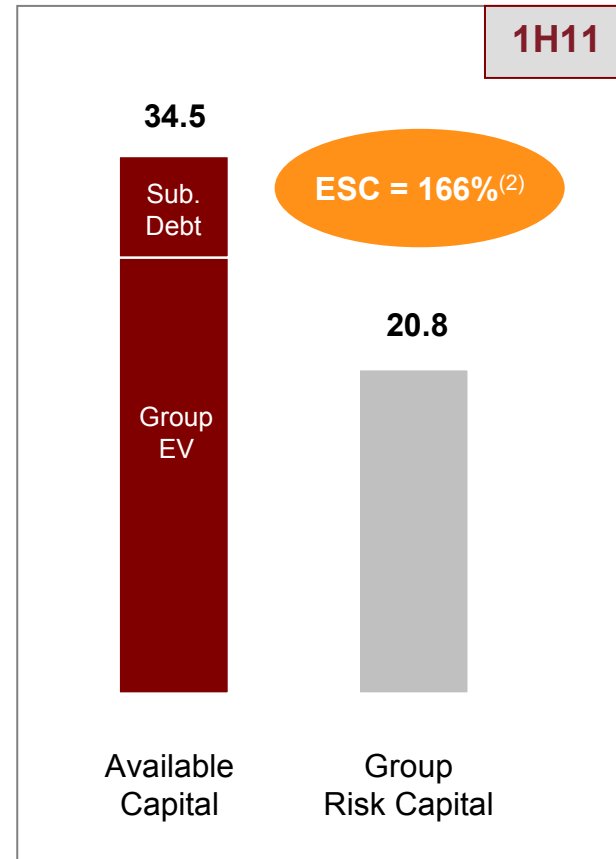
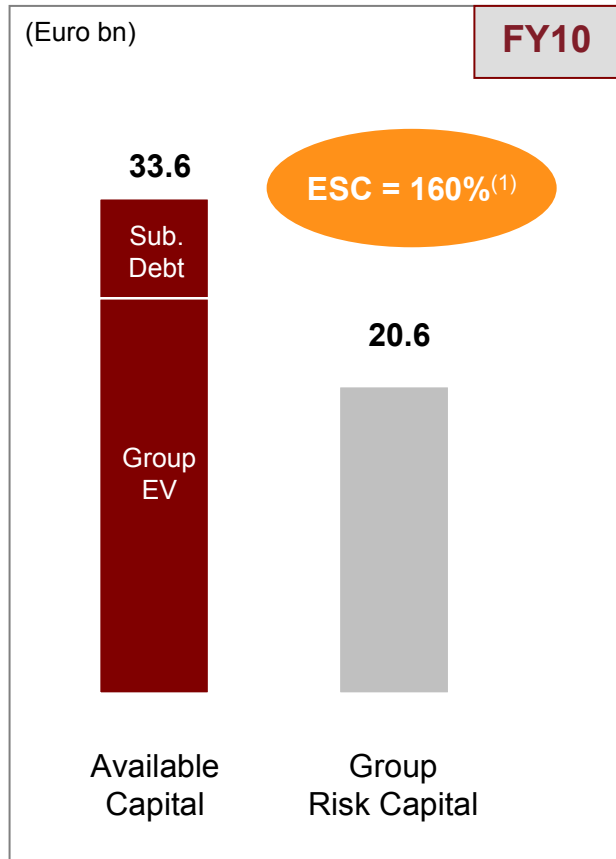
Group Embedded Value

(Euro m)



Economic Solvency Coverage

Economic Solvency Coverage (ESC)



(1) ESC FY10 = AC FY10 (net of proposed dividend 2010 equal to Euro 0.7 bn) divided by Risk Capital FY10

(2) ESC 1H11 = AC 1H11 divided by Risk Capital 1H11



III. Final remarks



Strong development of operating result driven by positive results in all business lines



Very positive P&C technical result



Confirmed top level of life operating profitability



Outlook of 2011 Operating Result confirmed although current financial turmoil could impact bottom line



■ IV. Backup

P&L

Balance sheet

Life

Definitions

■ IV. Backup

P&L

Balance sheet

Life

Definitions

1H11 Total gross written premiums

| Euro (m) | Total gross written premiums | | | Gross life written premiums ⁽¹⁾ | | | Gross P&C written premiums | | | |
|--------------------|------------------------------|--------------|----------------|--|--------------|----------------|----------------------------|--------------|----------------|------------------------|
| | Country | GWP | YoY % increase | Weight on consolidated | GWP | YoY % increase | Weight on consolidated | GWP | YoY % increase | Weight on consolidated |
| | | (2) | | | (2) | | | (2) | | |
| Italy | 9,922 | -4.3% | 27.7 | 6,309 | -6.6% | 17.6 | 3,614 | +0.1% | 10.1 | |
| France | 7,480 | -13.4% | 20.9 | 5,296 | -18.6% | 14.8 | 2,184 | +2.6% | 6.1 | |
| Germany | 8,585 | +0.2% | 23.9 | 6,730 | -0.2% | 18.8 | 1,855 | +1.5% | 5.2 | |
| CEE | 2,009 | -1.1% | 5.6 | 834 | -2.5% | 2.3 | 1,176 | -0.2% | 3.3 | |
| RoE | 5,184 | -16.3% | 14.5 | 2,733 | -27.1% | 7.6 | 2,451 | +0.2% | 6.8 | |
| <i>Of which:</i> | | | | | | | | | | |
| <i>Spain</i> | 1,303 | -1.2% | 3.6 | 531 | +1.0% | 1.5 | 772 | -2.6% | 2.2 | |
| <i>Austria</i> | 1,405 | +0.5% | 3.9 | 632 | +1.5% | 1.8 | 773 | -0.3% | 2.2 | |
| <i>Switzerland</i> | 938 | -0.5% | 2.6 | 497 | -2.0% | 1.4 | 441 | +1.4% | 1.2 | |
| RoW | 2,673 | +8.3% | 7.5 | 1,941 | +6.0% | 5.4 | 732 | +15.0% | 2.0 | |
| Total | 35,853 | -6.3% | 100.0 | 23,842 | -9.8% | 66.5 | 12,011 | +1.6% | 33.5 | |

(1) Including investment contracts

(2) On like for like basis with constant exchange rates



Life premiums by country & business line

Life 1H11

| (Euro m) | Savings and protection | Unit/index linked | Health | Group | Total |
|---|------------------------|-------------------|--------------|--------------|---------------|
| Italy | 85.2% | 1.9% | 0.0% | 12.9% | 6,174 |
| France | 68.8% | 15.4% | 8.8% | 7.0% | 5,194 |
| Germany | 50.1% | 24.9% | 18.1% | 7.0% | 6,729 |
| CEE | 64.1% | 23.2% | 11.2% | 1.5% | 834 |
| RoE | 36.1% | 42.7% | 5.0% | 16.1% | 2,721 |
| <i>Of which:</i> | | | | | |
| <i>Spain</i> | <i>61.5%</i> | <i>1.3%</i> | <i>0.0%</i> | <i>37.2%</i> | <i>531</i> |
| <i>Austria</i> | <i>60.4%</i> | <i>20.7%</i> | <i>18.9%</i> | <i>0.0%</i> | <i>625</i> |
| <i>Switzerland</i> | <i>23.5%</i> | <i>75.5%</i> | <i>0.9%</i> | <i>0.1%</i> | <i>497</i> |
| RoW | 37.7% | 0.8% | 12.2% | 49.3% | 1,572 |
| Total life gross direct premiums | 61.6% | 17.1% | 9.0% | 12.3% | 23,224 |



P&C premiums by country & business line

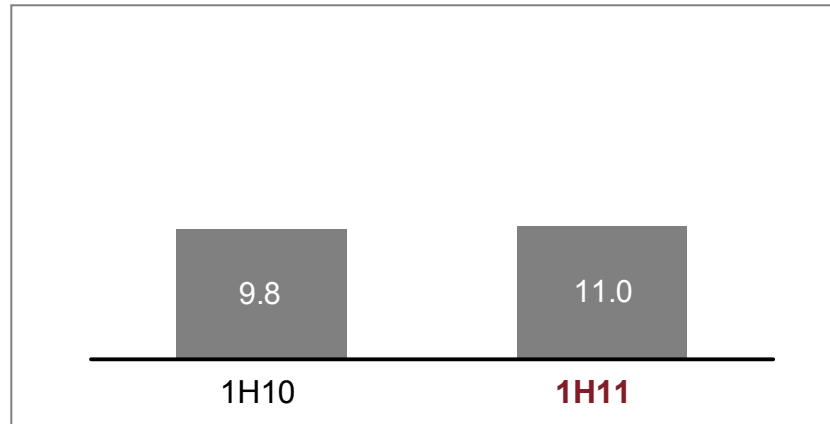
P&C 1H11

| (Euro m) | Motor ⁽¹⁾ | Accident/ Health | Personal | Commercial | Total |
|--|----------------------|---------------------|--------------|--------------|---------------|
| Italy | 47.8% | 17.1% | 11.9% | 23.3% | 3,574 |
| France | 29.4% | 11.9% | 35.8% | 22.8% | 2,044 |
| Germany | 41.3% | 12.9% | 36.6% | 9.2% | 1,852 |
| CEE | 47.4% | 11.5% | 15.3% | 25.8% | 1,152 |
| RoE | 36.6% | 16.3% | 21.8% | 25.3% | 2,389 |
| <i>Of which:</i> | | | | | |
| <i>Spain</i> | <i>24.5%</i> | <i>14.6%</i> | <i>25.7%</i> | <i>35.2%</i> | <i>761</i> |
| <i>Austria</i> | <i>39.7%</i> | <i>10.0%</i> | <i>21.3%</i> | <i>29.0%</i> | <i>760</i> |
| <i>Switzerland</i> | <i>49.4%</i> | <i>25.7%</i> | <i>24.4%</i> | <i>0.5%</i> | <i>439</i> |
| RoW | 61.7% | 6.5% | 4.0% | 27.9% | 705 |
| Total P&C gross direct premiums | 42.1% | 14.2% | 21.8% | 21.9% | 11,716 |

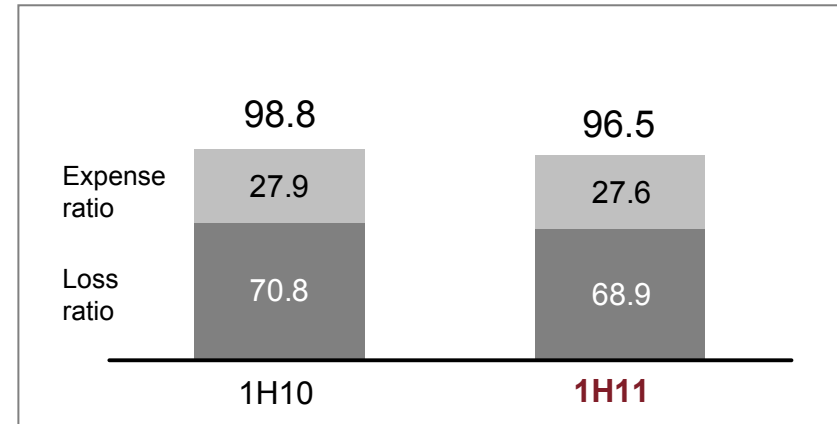
(1) Including fleets



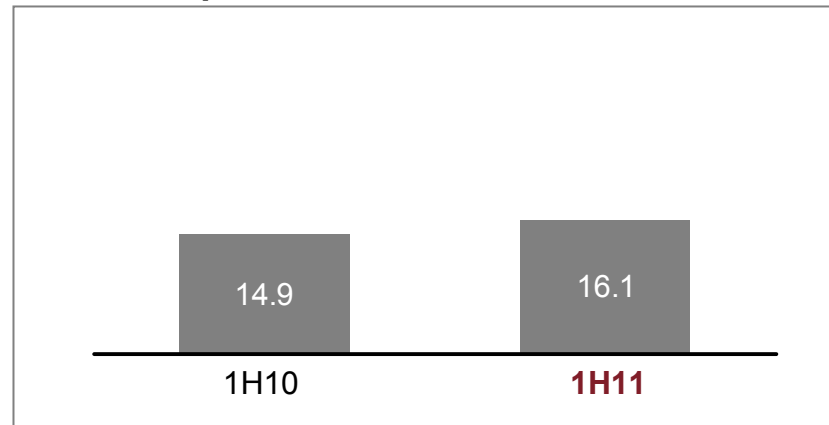
Life - Expense ratio (%)



P&C - Combined ratio (%)



Total - Expense ratio (%)



1H11 combined ratio reconciliation

(Euro m)

| | | |
|----------------|---|-----------------|
| A | Net earned premiums (net of consolidation adjustments) | 10,308.2 |
| B | Consolidated net insurance benefits and claims | 7,099.0 |
| | Consolidated acquisition costs | 2,236.5 |
| | Consolidated administration costs | 640.1 |
| | Non insurance related administration costs ⁽¹⁾ | 28.2 |
| | Insurance related consolidated administration costs | 612.0 |
| C | Total acquisition and insurance related administration costs | 2,848.4 |
| B/A | Loss ratio | 68.9% |
| C/A | Expense ratio | 27.6% |
| (B+C)/A | Combined ratio | 96.5% |
| D | Other technical items | 31.1 |
| A-B-C-D | Technical result | 329.7 |

(1) Administration expenses related to service companies, real estates and other companies not belonging to P&C segment



Ratios by country

| (%) | ITA | FRA | GER | CEE | SPA | AUT | SWI | Consolidated |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| P&C Loss ratio | | | | | | | | |
| 1H11 | 75.0 | 71.3 | 66.3 | 54.7 | 66.6 | 67.2 | 70.5 | 68.9 |
| 1H10 | 77.1 | 71.3 | 66.4 | 61.3 | 69.8 | 67.0 | 70.0 | 70.8 |
| P&C Expense ratio | | | | | | | | |
| 1H11 | 22.1 | 27.1 | 29.1 | 33.5 | 26.8 | 28.4 | 26.4 | 27.6 |
| 1H10 | 22.4 | 28.5 | 29.5 | 31.5 | 26.6 | 29.0 | 26.1 | 27.9 |
| P&C Combined ratio | | | | | | | | |
| 1H11 | 97.2 | 98.5 | 95.3 | 88.2 | 93.5 | 95.6 | 96.9 | 96.5 |
| 1H10 | 99.5 | 99.8 | 95.9 | 92.9 | 96.5 | 96.0 | 96.1 | 98.8 |
| Life Expense ratio | | | | | | | | |
| 1H11 | 9.7 | 8.2 | 12.1 | 18.9 | 4.5 | 13.5 | 19.9 | 11.0 |
| 1H10 | 8.3 | 7.3 | 12.4 | 17.8 | 7.0 | 12.4 | 20.3 | 9.8 |

Reclassified P&L account

| (Euro m) | Total | |
|--|--------------|--------------|
| | 1H10 | 1H11 |
| Operating result | 2,136 | 2,408 |
| Net earned premiums | 33,174 | 32,072 |
| Net insurance benefits and claims | (33,060) | (29,289) |
| Acquisition and administration costs | (5,748) | (5,835) |
| Net fee and commission income and net income from financial service activities | 433 | 478 |
| Operating income from other financial instruments | 6,233 | 5,683 |
| Operating income from financial instruments at fair value through profit or loss | 1,455 | (353) |
| <i>Of which net income from fin. assets and liabilities where the risk is borne by the policyholders</i> | 719 | (392) |
| Operating holding expenses | (138) | (147) |
| Net other operating expenses | (212) | (200) |
| Non-operating result | (730) | (957) |
| Non-operating income from other financial instruments | (187) | (489) |
| Non-operating income from financial instruments at fair value through profit or loss | 91 | 2 |
| Non-operating holding expenses | (383) | (330) |
| <i>Interest expenses on financial debt</i> | (371) | (319) |
| <i>Other non-operating holding expenses</i> | (12) | (11) |
| Net other non-operating expenses | (251) | (141) |
| Earnings before taxes | 1,406 | 1,451 |
| Income taxes | (405) | (481) |
| Result from discontinued operations | 17 | (1) |
| Consolidated result of the period | 1,017 | 969 |
| Result of the period attributable to minority interests | (144) | (163) |
| Result of the period | 873 | 806 |



Reclassified P&L account by segment - 1H 2010

| (Euro m) | Life | Non life | Financial ⁽¹⁾ | Unallocated holding expenses | Consolidation adjustments | Total |
|--|----------------|--------------|--------------------------|------------------------------|---------------------------|----------------|
| Operating result | 1,568 | 586 | 203 | (138) | (83) | 2,136 |
| Net earned premiums | 23,147 | 10,027 | 0 | - | - | 33,174 |
| Net insurance benefits and claims | (25,957) | (7,104) | 0 | - | - | (33,060) |
| <i>of which var. of provisions related to unit linked business</i> | <i>(1,901)</i> | - | - | - | - | <i>(1,901)</i> |
| Acquisition and administration costs | (2,495) | (2,811) | (442) | - | - | (5,748) |
| Net fee and commission income and net income from financial service activities | 59 | 0 | 433 | - | (59) | 433 |
| Operating income from other fin. Instruments | 5,528 | 566 | 163 | - | (24) | 6,233 |
| Operating income from fin. Instruments at fair value through profit or loss | 1,371 | 18 | 66 | - | - | 1,455 |
| <i>of which net income from fin. assets and liabilities where the risk is borne by the policyholders</i> | <i>719</i> | - | - | - | - | <i>719</i> |
| Operating holding expenses | - | - | - | (138) | - | (138) |
| Net other operating expenses | (84) | (110) | (18) | - | - | (212) |
| Non-operating result | (180) | (134) | (35) | (383) | 2 | (730) |
| Non-operating income from other fin. instr. | (97) | (92) | (1) | - | 3 | (187) |
| Non-operating income from fin. instr. at fair value through profit or loss | 0 | 91 | - | - | - | 91 |
| Non-operating holding expenses | - | - | - | (383) | - | (383) |
| Net other non-operating expenses | (83) | (133) | (34) | - | (1) | (251) |
| Earnings before taxes | 1,388 | 452 | 168 | (521) | (81) | 1,406 |

(1) Not reclassified according to the new layout based on operating margins and presented in the Consolidated Report



Reclassified P&L account by segment - 1H 2011

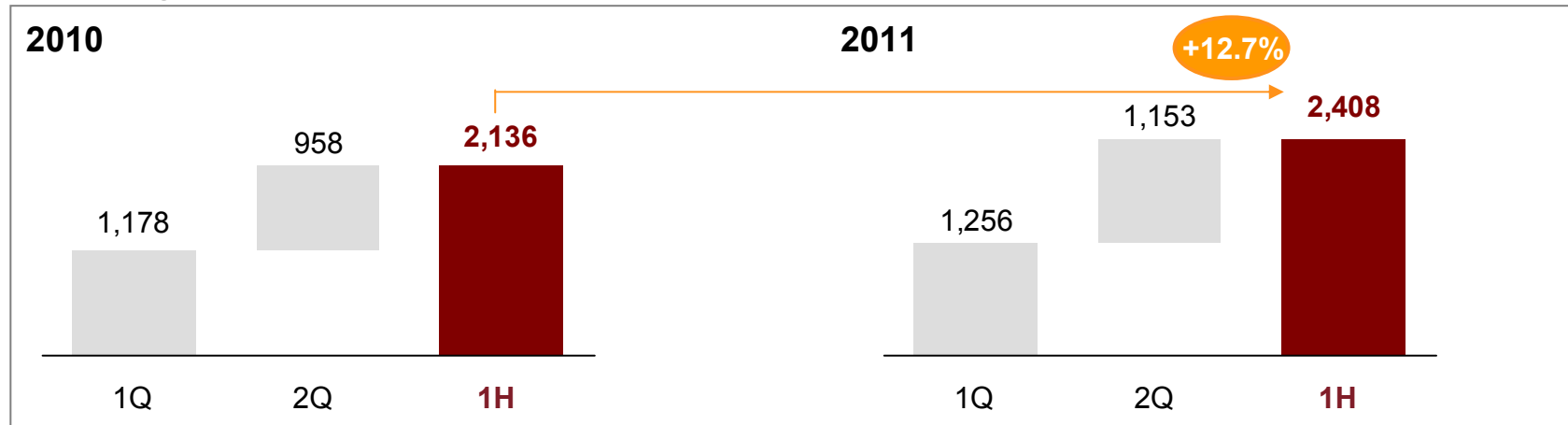
| (Euro m) | Life | Non life | Financial ⁽¹⁾ | Unallocated holding expenses | Consolidation adjustments | Total |
|--|--------------|--------------|--------------------------|------------------------------|---------------------------|--------------|
| Operating result | 1,663 | 799 | 211 | (147) | (118) | 2,408 |
| Net earned premiums | 21,764 | 10,308 | 0 | - | - | 32,072 |
| Net insurance benefits and claims | (22,175) | (7,099) | 0 | - | (15) | (29,289) |
| <i>of which var. of provisions related to unit linked business</i> | (342) | - | - | - | - | (342) |
| Acquisition and administration costs | (2,527) | (2,856) | (453) | - | - | (5,835) |
| Net fee and commission income and net income from financial service activities | 89 | 0 | 449 | - | (60) | 478 |
| Operating income from other fin. Instruments | 5,001 | 563 | 153 | - | (34) | 5,683 |
| Operating income from fin. Instruments at fair value through profit or loss | (439) | 14 | 72 | - | - | (353) |
| <i>of which net income from fin. assets and liabilities where the risk is borne by the policyholders</i> | (392) | - | - | - | - | (392) |
| Operating holding expenses | - | - | - | (147) | - | (147) |
| Net other operating expenses | (50) | (132) | (10) | - | (8) | (200) |
| Non-operating result | (301) | (301) | (23) | (330) | (2) | (957) |
| Non-operating income from other fin. instr. | (236) | (254) | 1 | - | - | (489) |
| Non-operating income from fin. instr. at fair value through profit or loss | 0 | 2 | - | - | - | 2 |
| Non-operating holding expenses | - | - | - | (330) | - | (330) |
| Net other non-operating expenses | (65) | (49) | (24) | - | (2) | (141) |
| Earnings before taxes | 1,362 | 498 | 188 | (477) | (120) | 1,451 |

(1) Not reclassified according to the new layout based on operating margins and presented in the Consolidated Report

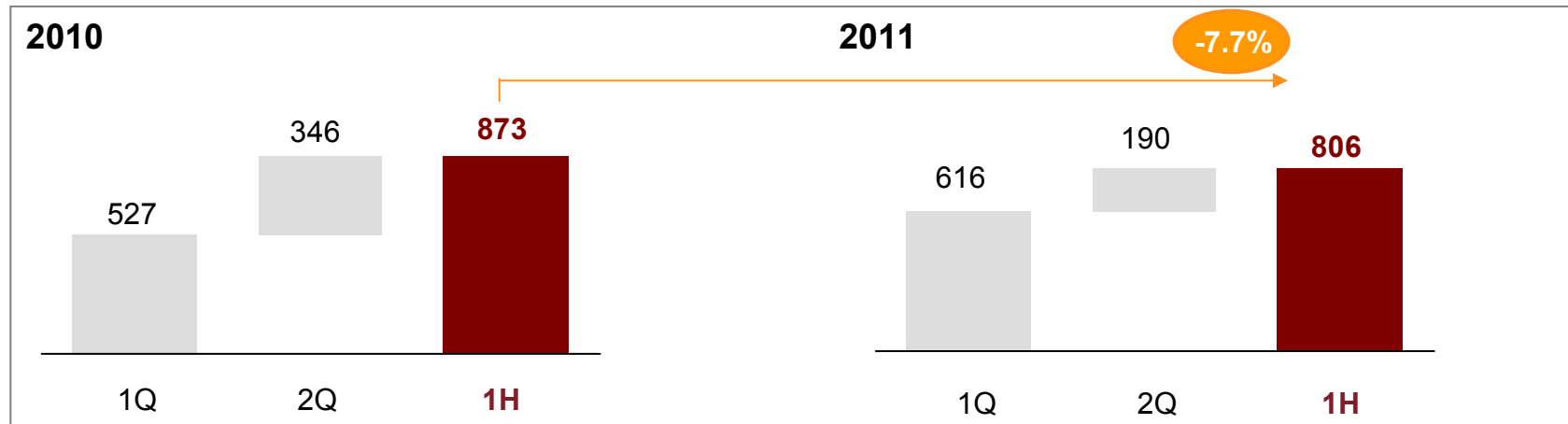


Results progression

Operating result (Euro m)

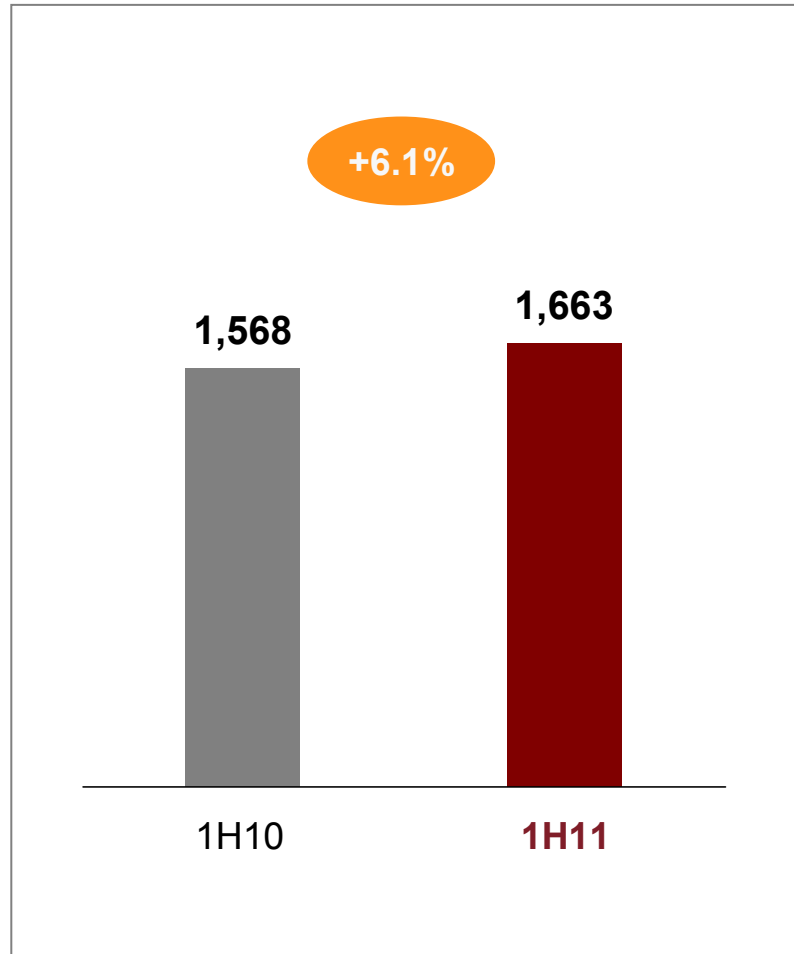


Net result (Euro m)



Life operating result

Life operating result (Euro m)



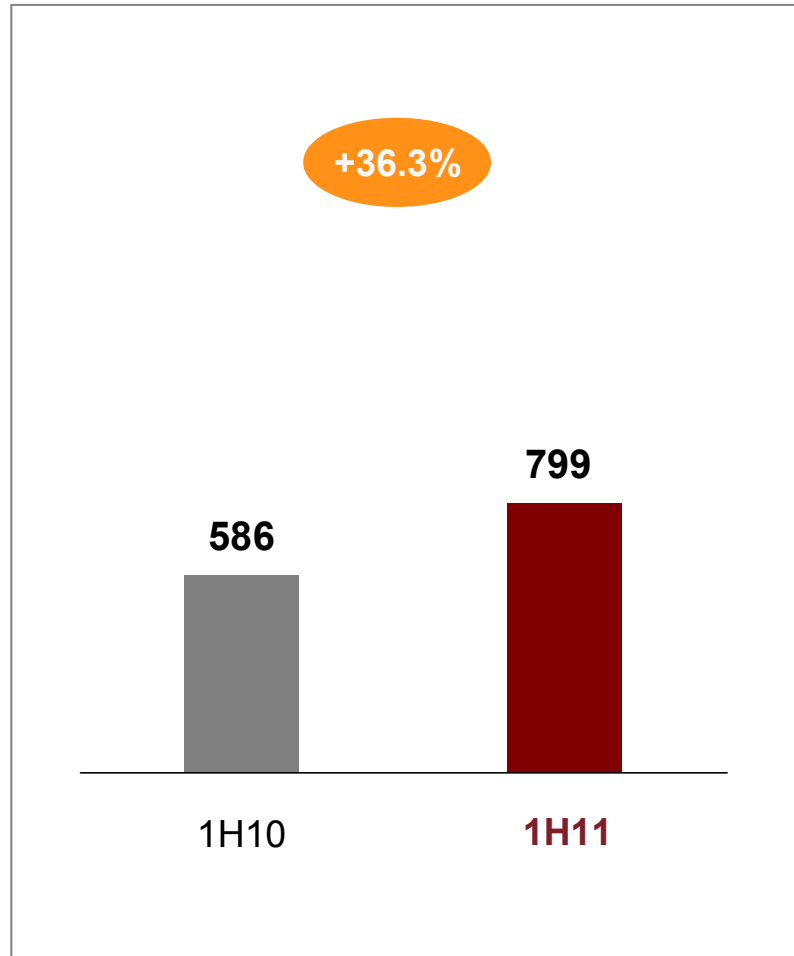
Life Operating result by country (Euro m)

| (Euro m) | 1H10 | 1H11 | △% |
|--------------------|--------------|--------------|--------------|
| Italy | 743 | 747 | +0.6% |
| France | 229 | 313 | +36.8% |
| Germany | 190 | 157 | -17.2% |
| CEE | 94 | 100 | +6.7% |
| RoE | 221 | 217 | -1.9% |
| <i>Of which:</i> | | | |
| <i>Spain</i> | 49 | 51 | +5.2% |
| <i>Austria</i> | 50 | 29 | -41.7% |
| <i>Switzerland</i> | 55 | 66 | +19.9% |
| RoW | 91 | 128 | +41.0% |
| Total | 1,568 | 1,663 | +6.1% |



P&C operating result

P&C operating result (Euro m)



P&C Operating result by country (Euro m)

| (Euro m) | 1H10 | 1H11 | △% |
|--------------------|------------|------------|---------------|
| Italy | 123 | 185 | +50.1% |
| France | 111 | 137 | +24.2% |
| Germany | 144 | 142 | -1.5% |
| CEE | 110 | 142 | 29.6% |
| RoE | 81 | 172 | +112.3% |
| <i>Of which:</i> | | | |
| <i>Spain</i> | 63 | 80 | +26.5% |
| <i>Austria</i> | 46 | 55 | +18.4% |
| <i>Switzerland</i> | 22 | 22 | -2.0% |
| RoW | 17 | 20 | +14.8% |
| Total | 586 | 799 | +36.3% |



Other operating and non operating costs by segment

| | Life | | Non Life | | Financial | | Total | |
|---|--------|---------------|----------|----------------|-----------|---------------|---------|----------------|
| (Euro m) | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 |
| TOTAL NET OPERATING EXPENSES | (84.2) | (49.9) | (109.9) | (131.5) | (18.2) | (10.5) | (211.6) | (200.1) |
| Restructuring costs | (2.8) | (3.2) | (24.4) | (28.9) | (10.3) | (5.9) | (37.6) | (37.9) |
| Other net non operating expenses ⁽¹⁾ | (79.8) | (61.4) | (108.4) | (20.3) | (24.0) | (18.0) | (213.4) | (102.8) |
| TOTAL NET NON OPERATING EXPENSES | (82.7) | (64.5) | (132.7) | (49.2) | (34.3) | (23.9) | (250.9) | (140.7) |

(1) Other non operating expenses include mainly amortization of VOBA, run-off business and other non operating allocation to provisions

Focus on impairments⁽¹⁾

| (Euro m) | Life | | P&C | | Financial | | Total | |
|--------------------------------------|------------|--------------|------------|------------|-----------|----------|------------|--------------|
| | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 |
| Net impairments | | | | | | | | |
| Equity instruments | 359 | 147 | 101 | 66 | 1 | 1 | 461 | 214 |
| Fixed income | 6 | 934 | 24 | 129 | 5 | 3 | 35 | 1,066 |
| Real estate | 39 | 5 | (2) | - | - | - | 37 | 5 |
| Other investments ⁽²⁾ | 14 | 317 | 103 | 104 | 5 | (1) | 122 | 419 |
| Total net impairments | 418 | 1,404 | 227 | 299 | 10 | 2 | 655 | 1,704 |
| <i>Of which</i> | | | | | | | | |
| Operating net impairments | 311 | 1,223 | - | - | 10 | 3 | 321 | 1,225 |
| Non operating net impairments | 106 | 181 | 227 | 299 | - | (1) | 333 | 479 |

(1) Net of reverse impairments

(2) Including subsidiaries and associated companies



Focus on realised gains⁽¹⁾

| (Euro m) | Life | | P&C | | Financial | | Total | |
|---|------------|------------|------------|-----------|-----------|----------|--------------|-------------|
| | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 |
| Net realized gains | | | | | | | | |
| Equity instruments | 302 | 451 | 32 | 31 | 2 | 1 | 336 | 483 |
| Fixed income | 588 | 447 | 57 | 11 | 15 | 2 | 660 | 461 |
| Real estate | 14 | 8 | 52 | 41 | - | - | 65 | 49 |
| Other investments ⁽²⁾ | 12 | 17 | (5) | (39) | - | - | 7 | (22) |
| Total net realized gains | 916 | 923 | 135 | 45 | 17 | 3 | 1,068 | 971 |
| <i>Of which</i> | | | | | | | | |
| Operating net realized gains | 908 | 979 | - | - | 17 | 3 | 924 | 982 |
| Non operating net realized gains | 9 | (55) | 135 | 45 | - | - | 143 | (11) |

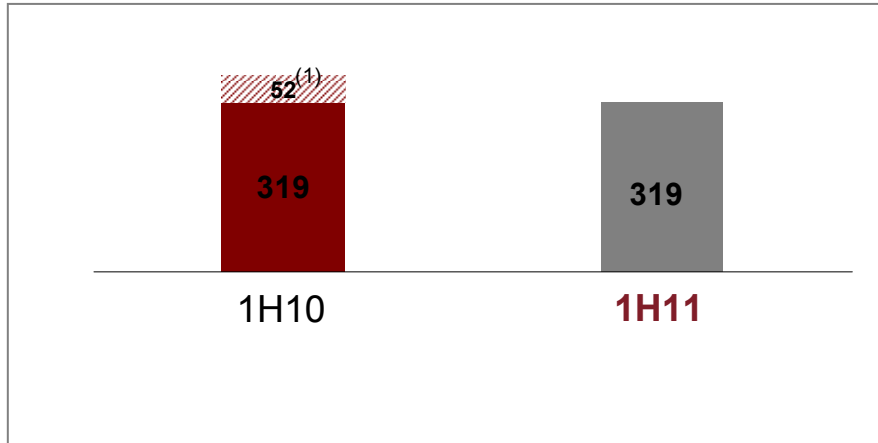
(1) Excluding financial instruments at fair value through profit and loss

(2) Including subsidiaries and associated companies



Focus on non operating items: interest expenses on financial debt

Interest expenses on financial debt (Euro m)

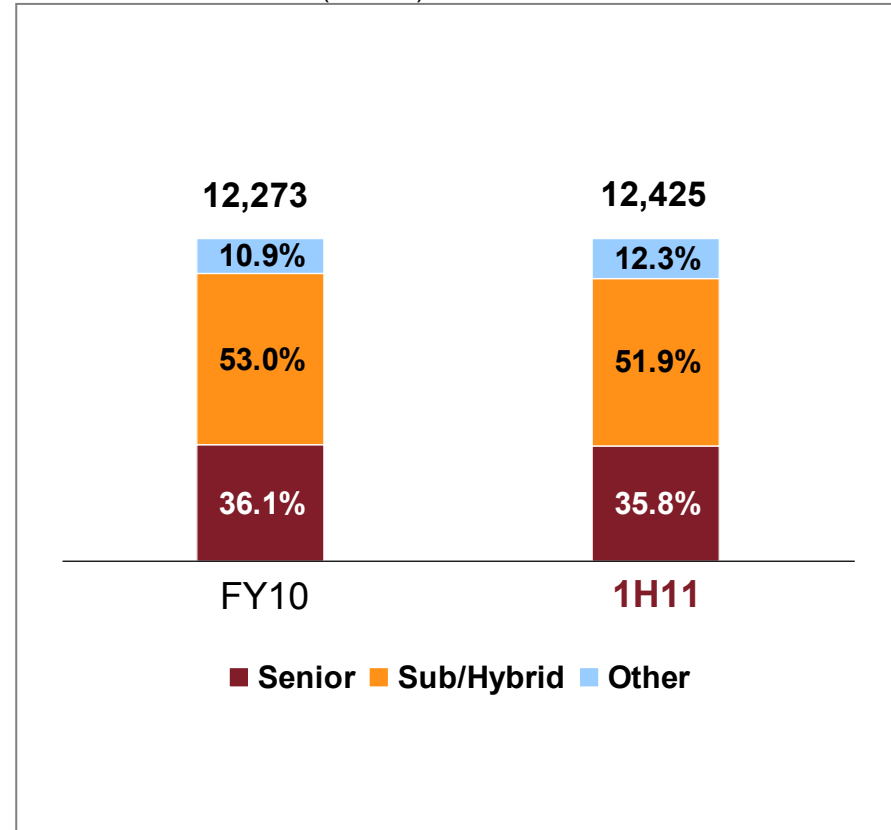


Average cost & maturity of financial debt (%)

| | 1H10 | 1H11 |
|--------------------------|-------|-------|
| Average cost (%) | 5.35% | 5.39% |
| Average maturity (years) | 7.37 | 6.25 |

(1) Interest expenses of Euro 1,750 m senior bond repaid on 20/07/2010

Total financial debt (Euro m)



■ IV. Backup

P&L

Balance sheet

Life

Definitions

Consolidated balance sheet

Assets

| (Euro bn) | FY10 | 1H11 |
|-----------------------------|--------------|--------------|
| Intangible assets | 10.7 | 10.6 |
| Investments | 364.2 | 365.1 |
| Cash | 11.0 | 13.2 |
| Other receivables | 11.5 | 13.8 |
| Tangible assets | 3.8 | 3.6 |
| Other assets ⁽¹⁾ | 21.3 | 21.4 |
| Total Assets | 422.4 | 427.7 |

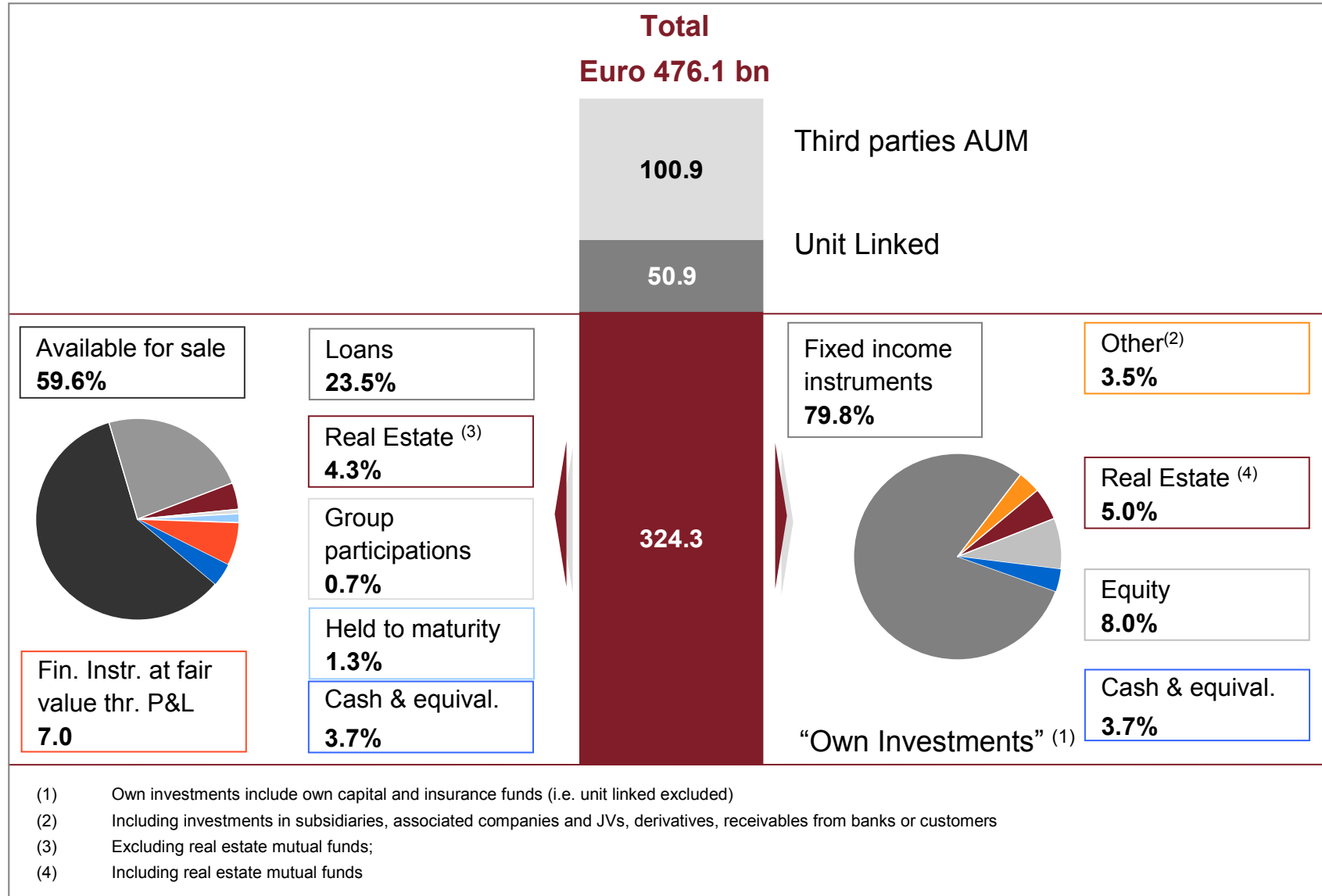
(1) Including reinsurance amounts of technical reserve

Liabilities

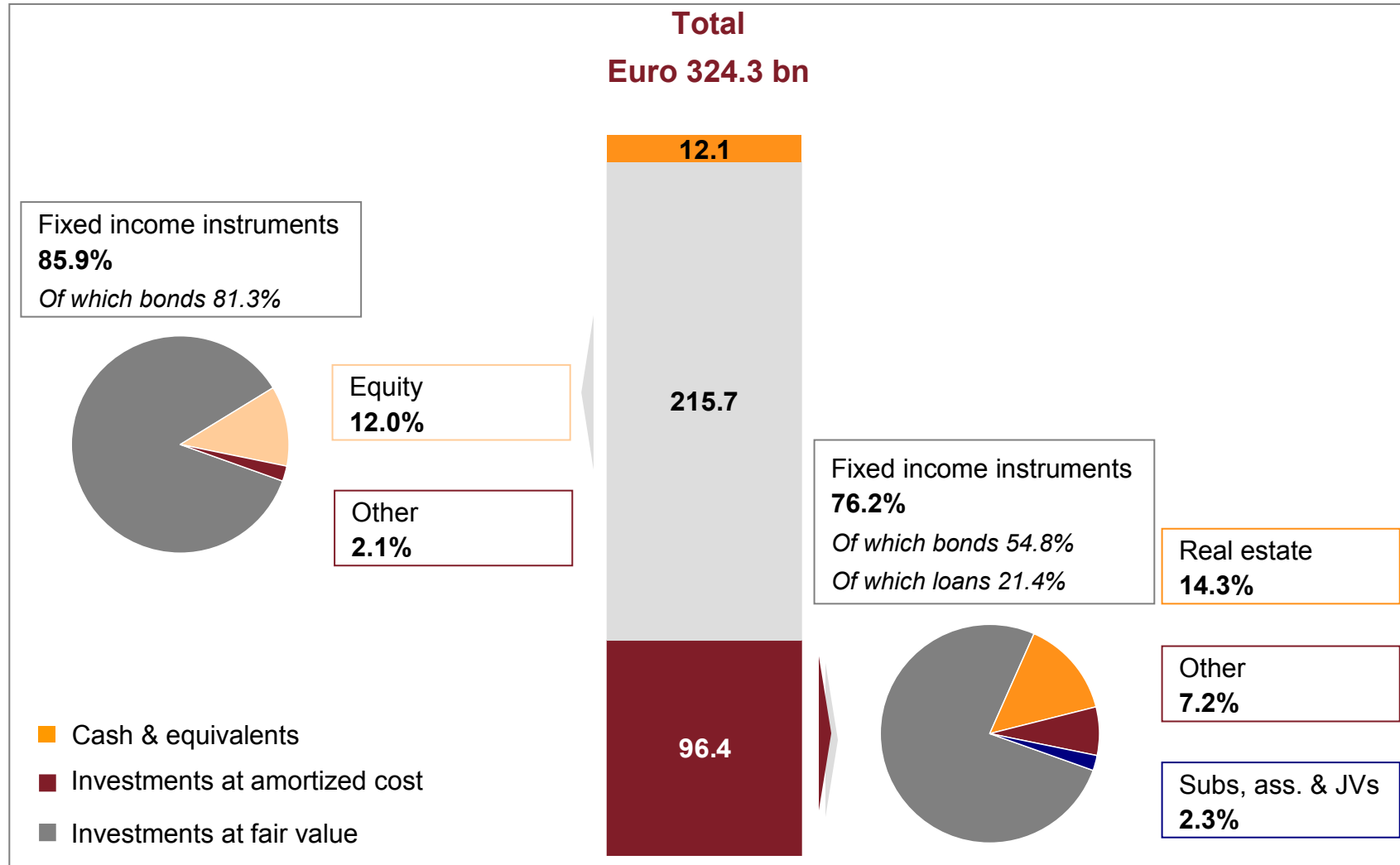
| (Euro bn) | FY10 | 1H11 |
|---|--------------|--------------|
| Shareholders' Equity (Group share) | 17.5 | 17.2 |
| Minority interests | 2.5 | 2.6 |
| Shareholders' Equity | 20.0 | 19.8 |
| Subordinated and financial liabilities | 53.9 | 54.8 |
| Technical reserves | 329.6 | 333.0 |
| Other debts and allowances | 9.1 | 9.8 |
| Other liabilities | 9.7 | 10.2 |
| Total Liabilities and Shareholders' Equity | 422.4 | 427.7 |



1H11 Assets Under Management



1H11 Own Investments at amortized cost and fair value⁽¹⁾



(1) Excluding unit linked and third parties



1H11 book value & market value of Own Investments⁽¹⁾

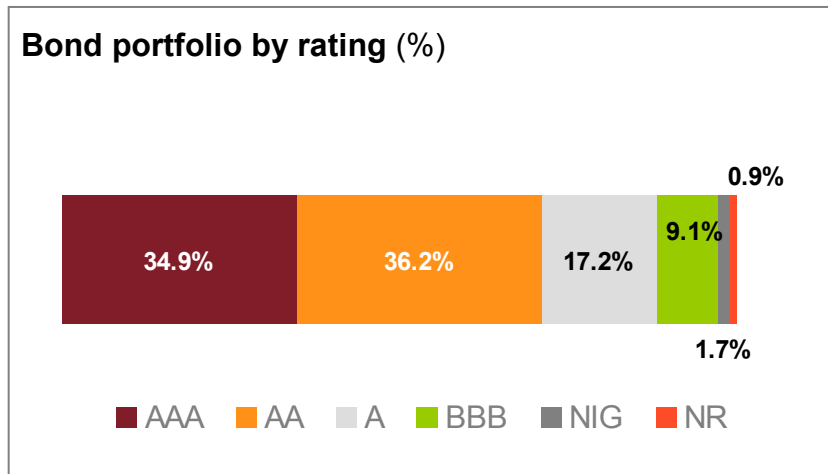
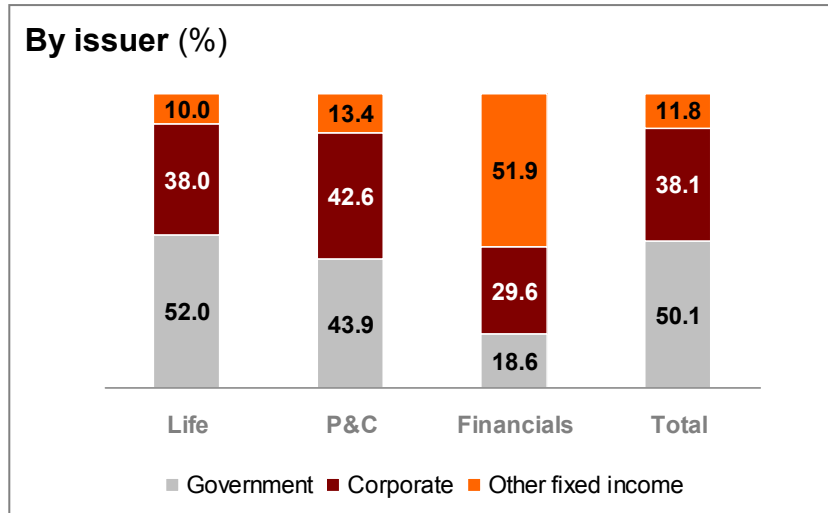
| (Euro m) | Life | | P&C | | Financial | | Total ⁽²⁾ | |
|---------------------------|---------|---------|--------|--------|-----------|--------|----------------------|----------------|
| Asset classes | BV | MV | BV | MV | BV | MV | BV | MV |
| Equity | 21,491 | 21,491 | 3,964 | 3,964 | 493 | 493 | 25,947 | 25,947 |
| Fixed income instruments | 224,887 | 227,080 | 23,728 | 23,833 | 12,149 | 12,266 | 258,730 | 261,145 |
| <i>Government</i> | 116,871 | 118,080 | 10,424 | 10,443 | 2,255 | 2,251 | 129,550 | 130,773 |
| <i>Corporate</i> | 85,358 | 86,162 | 10,114 | 10,126 | 3,595 | 3,579 | 98,596 | 99,396 |
| <i>Other fixed income</i> | 22,657 | 22,838 | 3,190 | 3,264 | 6,300 | 6,437 | 30,585 | 30,976 |
| Real estate | 10,606 | 12,929 | 5,577 | 8,751 | 25 | 36 | 16,208 | 21,716 |

(1) Excluding unit linked and third parties
(2) Net of consolidation adjustments



Quality of 1H11 fixed income portfolio

Fixed income portfolio composition (Euro 258.7 bn)



Average bond portfolio duration by segment (years)

| | Life | P&C |
|-------------------|------|-----|
| Government | 7.2 | 5.4 |
| Corporate | 5.3 | 3.4 |

| | % Current return by segment | % Comprehensive return by segment |
|----------------|-----------------------------|-----------------------------------|
| Life | 2.2 | 1.2 |
| P&C | 1.9 | 1.4 |

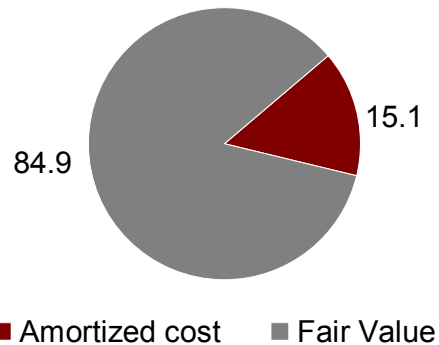


Focus on 1H11 government bond portfolio

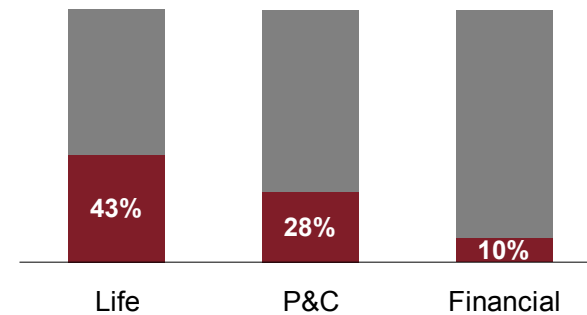
(Euro 129.6 bn, 50.1% of total fixed income portfolio)

| % Split by rating | Total | % Split by country | Total |
|----------------------|-------|--------------------|-------|
| AAA | 35.9 | Italy | 39.3 |
| AA | 52.9 | Germany | 13.4 |
| A | 4.9 | France | 11.3 |
| BBB | 4.5 | CEE | 6.5 |
| Not investment grade | 1.5 | RoE | 19.6 |
| Not rated | 0.2 | RoW | 9.8 |

% Split by accounting treatment



% of segmental own investments



Focus on Greece Sovereign exposure

- Government bond within European Union restructuring plan (maturities \leq 2020): 72% based on nominal value⁽¹⁾, not covered by the plan (maturities $>$ 2020): 28%
- Greek bonds expiring after 2020, have not been impaired, but their unrealised losses, based on market values at 30 June 2011, are included in the available for sale reserve

| As of 30 June 2011 ⁽¹⁾ | Before P&L impairment | | | | | Net P&L impact | Net unrealised losses in Afs reserves ⁽²⁾ after net P&L impact |
|-----------------------------------|-----------------------|------------------------|-----------------------|-------------------------------|-----------------------|----------------|---|
| | Gross book value (a) | Gross market value (b) | % of book value (b/a) | Gross unrealised losses (b-a) | Net unrealized losses | | |
| Maturity \leq 2020 | 2,141 | 1,139 | 53.1% | -1,002 | -140 | -140 | 0 |
| Maturity $>$ 2020 | 833 | 400 | 48.0% | -433 | -68 | 0 | -68 |
| Total | 2,974 | 1,539 | 51.7% | -1,435 | -208 | -140 | -68 |

(1) Nominal Value of Greek bond before impairment Euro 2,161 m (maturities \leq 2020) and Euro 840 m (maturities $>$ 2020)

(2) Net of policyholder's participation and taxes



Exposure to peripheral Europe Government Bonds as at 30.06.2011

| (Euro bn) | Gross ⁽¹⁾ | Net ⁽²⁾ |
|-----------------------------|----------------------|--------------------|
| Portugal | 3.4 | 0.6 |
| Spain | 5.1 | 1.9 |
| Ireland | 1.7 | 0.3 |
| Greece⁽³⁾ | 2.0 | 0.4 |
| Total | 12.2 | 3.1 |

(1) Nominal value

(2) Net of Policyholder's participation and taxes

(3) Post impairment

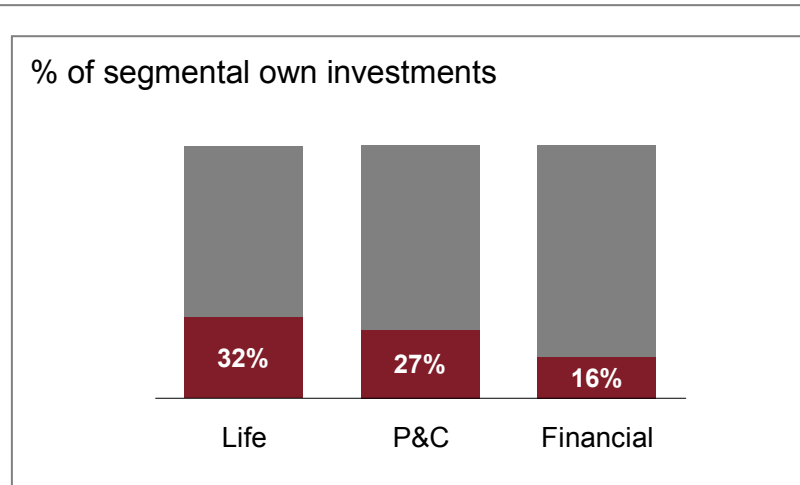
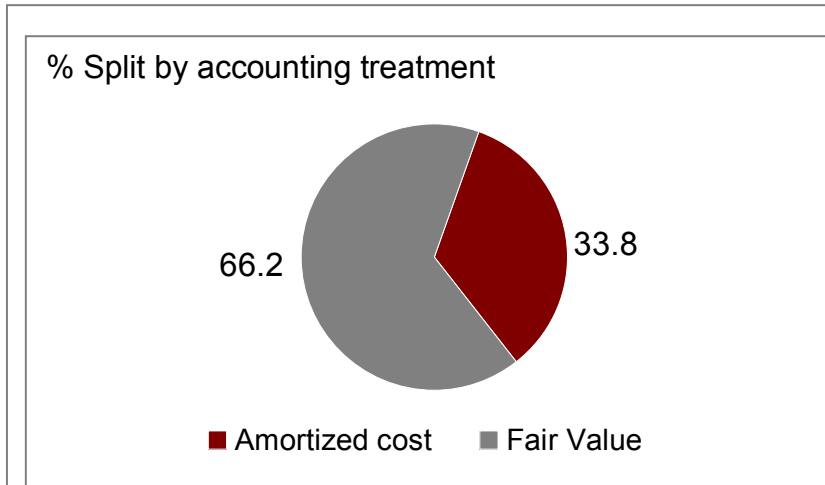


Focus on 1H11 corporate bond portfolio

(Euro 98.6 bn, 38.1% of total fixed income portfolio)

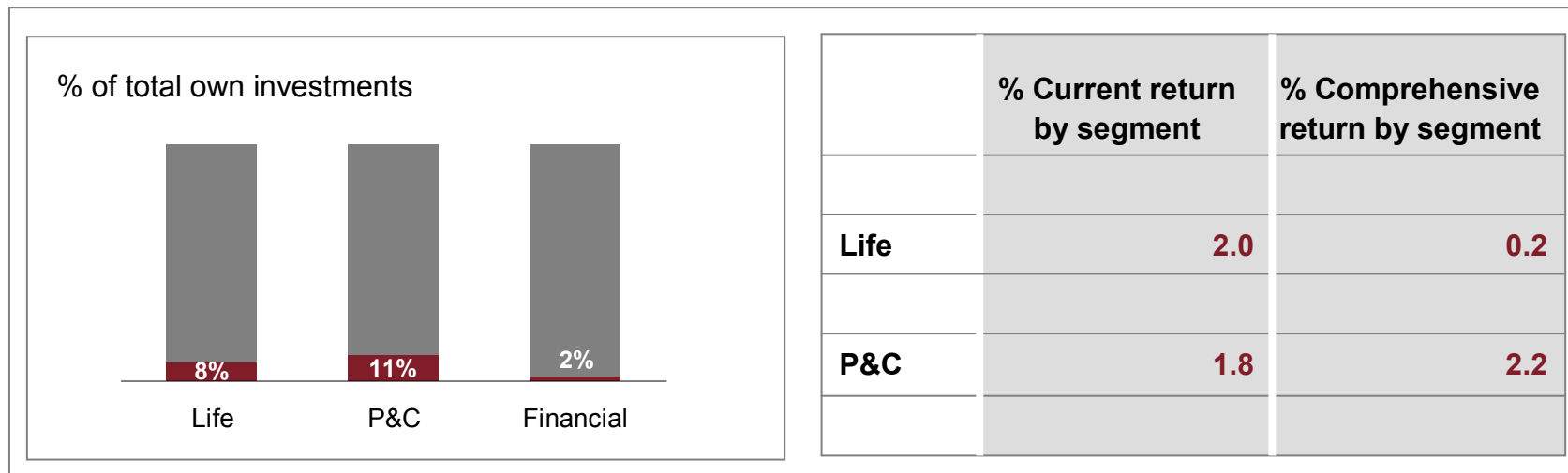
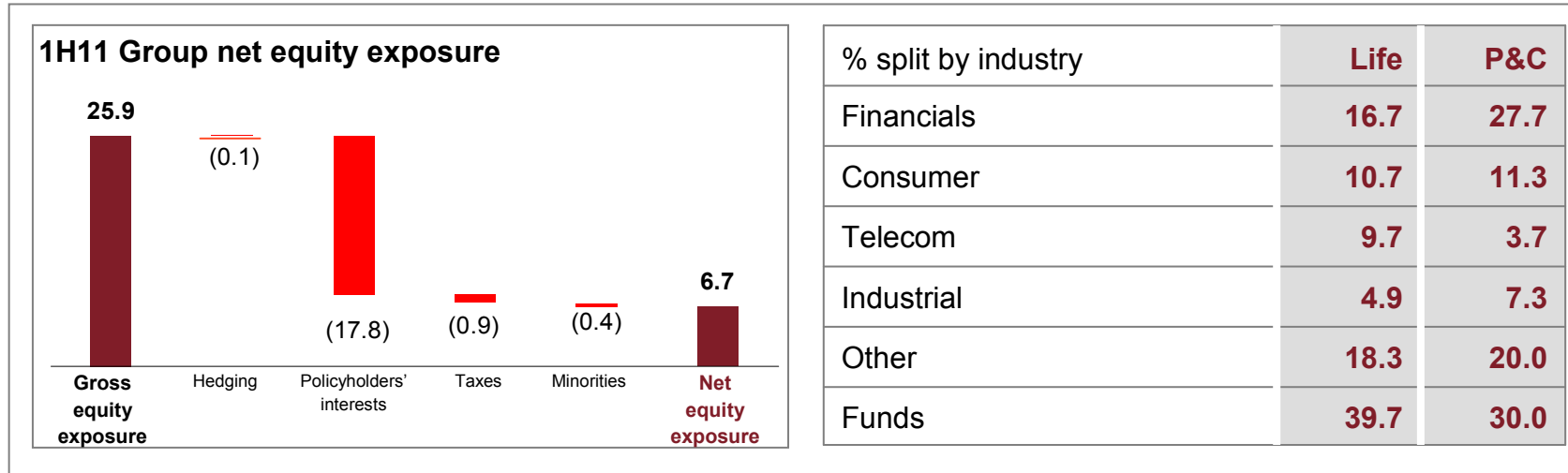
| % Split by rating | Total | % Split by industry | Life | P&C |
|----------------------|-------|---------------------------|------|------|
| AAA | 33.4 | Financials ⁽¹⁾ | 70.0 | 70.1 |
| AA | 14.2 | Utilities | 7.0 | 4.5 |
| A | 33.5 | ABS | 3.0 | 4.6 |
| BBB | 15.2 | Telecom | 3.9 | 4.7 |
| Not investment grade | 1.9 | Industrial | 6.5 | 4.7 |
| Not rated | 1.8 | Other | 9.6 | 11.4 |

(1) Including covered bonds: 20.2% in life, 12.6% in P&C



Focus on 1H11 equity portfolio

(Euro 25.9 bn)



Own investment yields⁽¹⁾

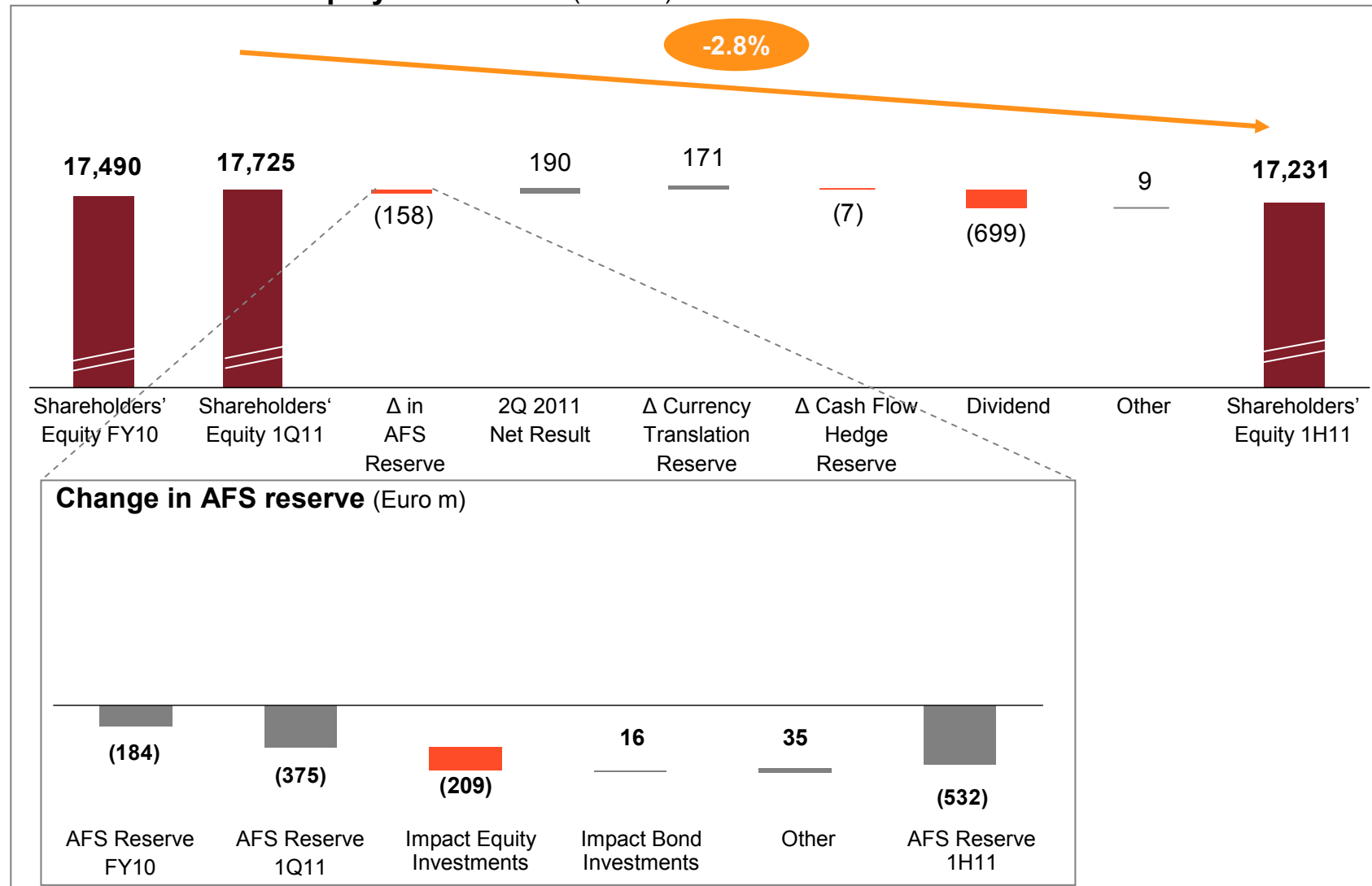
| | Bonds and Loans | | Equities | | Investment properties | | Other | | Total | |
|-----------------|-----------------|------|----------|------|-----------------------|------|-------|-------|-------|------|
| | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 | 1H10 | 1H11 |
| % return | | | | | | | | | | |
| LIFE | | | | | | | | | | |
| Current | 2.2 | 2.2 | 2.0 | 2.0 | 3.3 | 3.5 | 1.2 | 1.6 | 2.1 | 2.2 |
| Total P&L | 2.6 | 1.9 | 1.7 | 1.9 | 2.3 | 2.6 | (0.1) | (0.1) | 2.4 | 1.8 |
| Comprehensive | 2.4 | 1.2 | -4.0 | 0.2 | 2.2 | 2.9 | (0.1) | (0.1) | 1.8 | 1.0 |
| NON LIFE | | | | | | | | | | |
| Current | 1.9 | 1.9 | 1.9 | 1.8 | 4.3 | 4.3 | 1.0 | 1.4 | 2.2 | 2.2 |
| Total P&L | 2.2 | 1.4 | 0.4 | 1.1 | 3.3 | 3.0 | 0.8 | 0.9 | 2.1 | 1.4 |
| Comprehensive | 2.7 | 1.4 | (3.7) | 2.2 | 3.2 | 3.0 | 0.8 | 0.9 | 1.8 | 1.5 |
| TOTAL | | | | | | | | | | |
| Current | 2.1 | 2.1 | 2.1 | 2.2 | 3.7 | 3.8 | 0.8 | 1.1 | 2.1 | 2.1 |
| Total P&L | 2.5 | 1.9 | 1.4 | 1.8 | 2.7 | 2.7 | 0.2 | 0.2 | 2.3 | 1.8 |
| Comprehensive | 2.4 | 1.2 | -4.0 | 0.5 | 2.6 | 2.9 | 0.2 | 0.2 | 1.8 | 1.1 |

(1) Certain comparative figures have been restated in order to reflect a better assets allocation among the asset class. For the definitions refer to the related section within the backup.



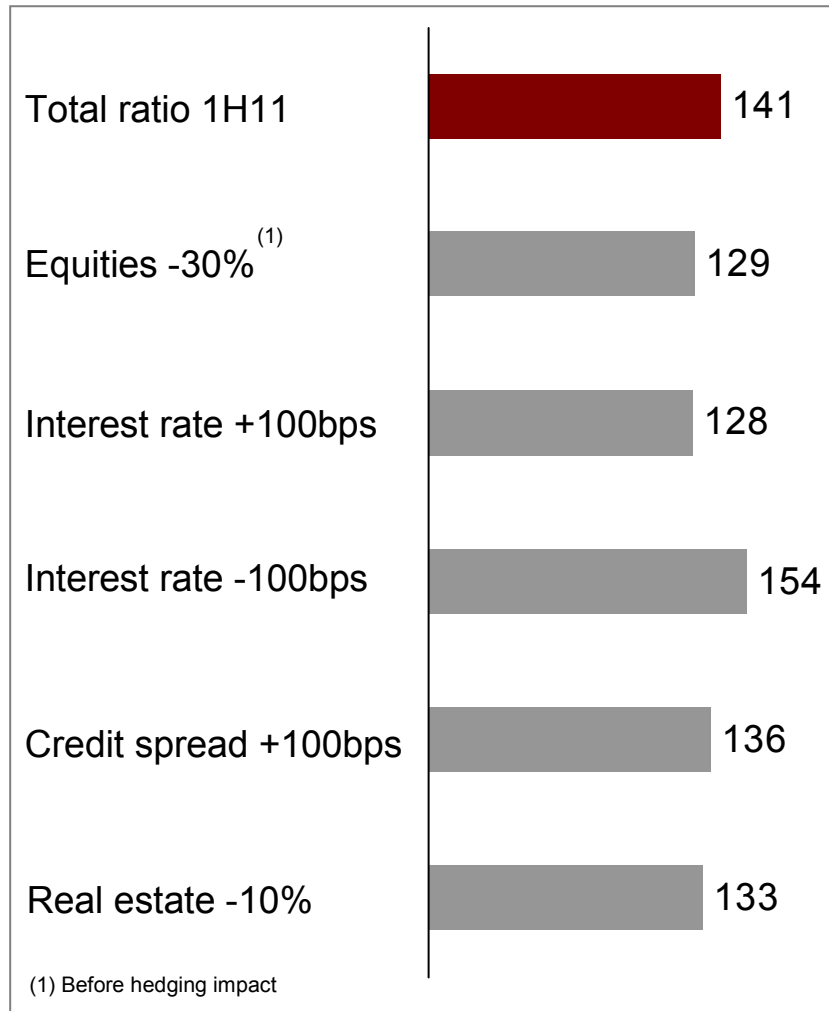
IFRS Shareholders' equity roll forward

IFRS Shareholders' equity roll forward (Euro m)

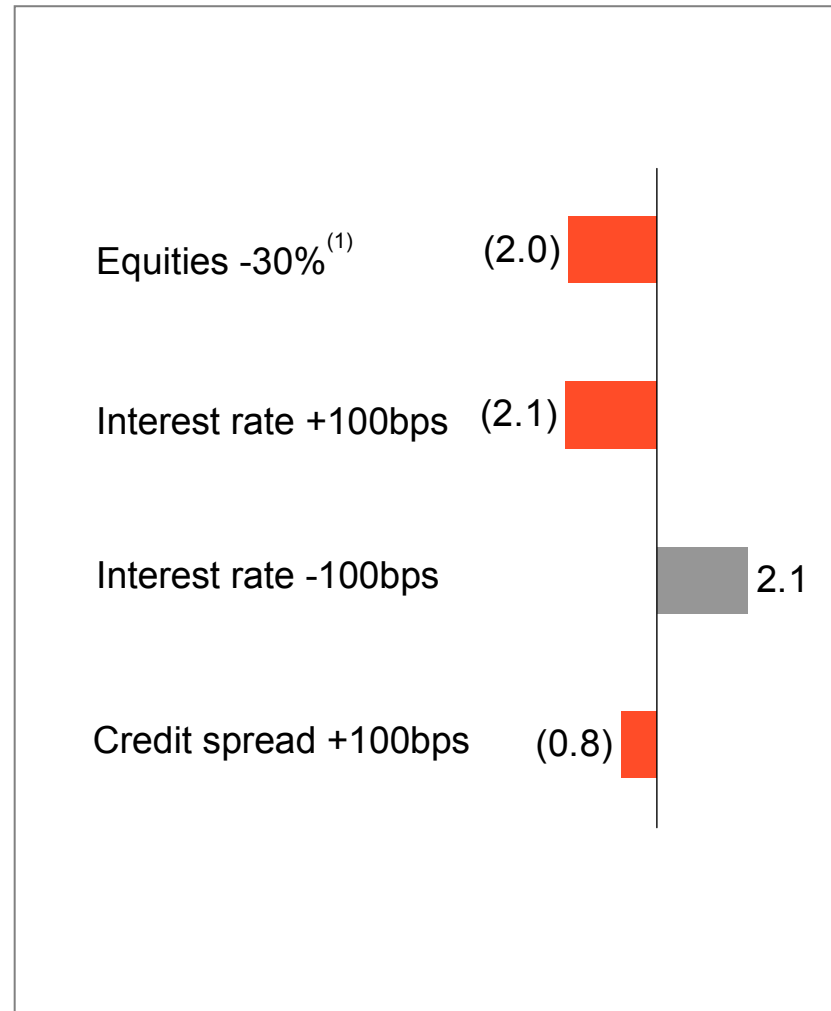


Stress tests on Solvency I and Shareholders' equity

Impact on regulatory solvency ratio (%)



Impact on 1H11 Shareholders' equity (Euro bn)



Total comprehensive income⁽¹⁾

(Euro m)

| 1Q08 | 2Q08 | 3Q08 | 4Q08 | 1Q09 | 2Q09 | 3Q09 | 4Q09 | 1Q10 | 2Q10 | 3Q10 | 4Q10 | 1Q11 | 2Q11 |
|---------|---------|---------|---------|-------|------|-------|-------|-------|-------|-------|-------|------|------|
| | | | | | | | | | | | | | |
| 1Q08 | 1H08 | 9M08 | FY08 | 1Q09 | 1H09 | 9M09 | FY09 | 1Q10 | 1H10 | 9M10 | FY10 | 1Q11 | 1H11 |
| (1,031) | (1,536) | (1,354) | (2,365) | (178) | 616 | 2,532 | 2,990 | 1,308 | 1,063 | 2,096 | 1,452 | 270 | 466 |

(1) For the definitions refer to the related section within the backup



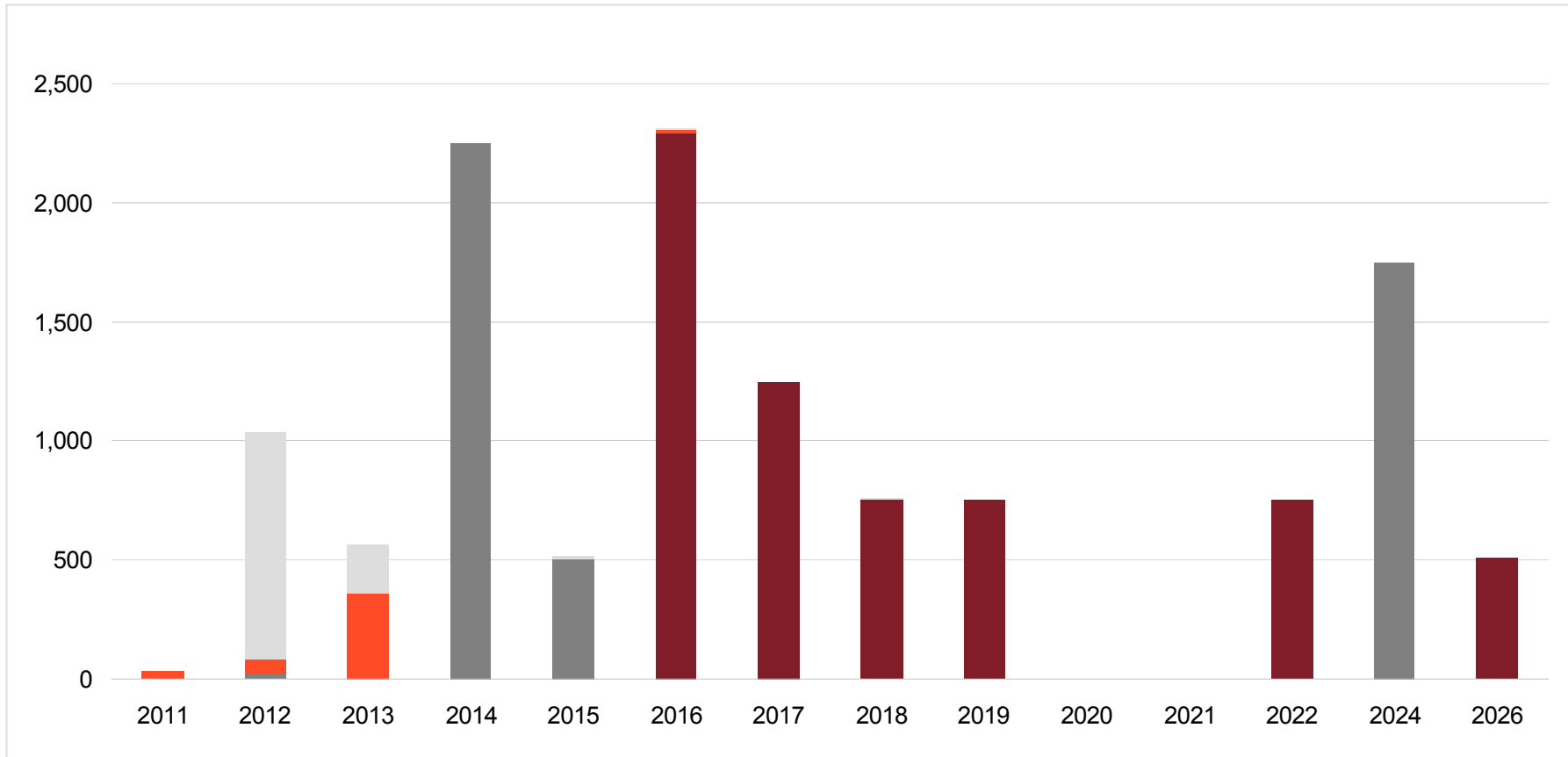
AFS reserve breakdown

| (Euro m) | 1H10 | FY10 | 1H11 |
|-----------------------------------|------------|--------------|--------------|
| Fixed income instruments | 360 | (562) | (811) |
| <i>Government</i> | 197 | (396) | (601) |
| <i>Corporate</i> | 163 | (166) | (210) |
| Equity | (0.2) | 277 | 158 |
| Investment funds and other | (53) | 101 | 121 |
| TOTAL | 307 | (184) | (532) |



Financial debt schedule

Financial debt breakdown by expiry date/call date (Euro m)



Bonds



1H11 technical reserves

| (Euro m) | Traditional | Linked | TOTAL |
|--|----------------|---------------|----------------|
| Life net technical reserves⁽¹⁾ | | | |
| Italy | 77,866 | 6,143 | 84,010 |
| France | 68,732 | 15,386 | 84,118 |
| Germany | 74,117 | 12,587 | 86,704 |
| CEE | 5,768 | 1,403 | 7,172 |
| GROUP TOTAL | 267,572 | 51,066 | 318,638 |

(1) Including investment contracts for Euro 15,735 million

| (Euro m) | Motor | Non Motor | TOTAL |
|---------------------------------------|---------------|---------------|---------------|
| P&C net technical reserves | | | |
| Italy | 4,898 | 6,829 | 11,727 |
| France | 2,311 | 3,312 | 5,623 |
| Germany | 2,007 | 2,434 | 4,441 |
| CEE | 1,211 | 852 | 2,063 |
| GROUP TOTAL | 14,008 | 17,174 | 31,183 |



Operating ratio on investments⁽¹⁾

Life operating ratio on investments (%)

| | 1H10 (%) | 1H11(%) | △(%pts.) |
|--------------------|-------------|-------------|--------------|
| Italy | 0.91 | 0.90 | +0.01 |
| France | 0.30 | 0.38 | +0.08 |
| Germany | 0.24 | 0.18 | -0.05 |
| CEE | 1.37 | 1.34 | -0.03 |
| GROUP TOTAL | 0.51 | 0.52 | +0.01 |

P&C operating ratio on investments (%)

| | 1H10 (%) | 1H11 (%) | △(%pts.) |
|--------------------|-------------|-------------|--------------|
| Italy | 0.97 | 1.51 | +0.53 |
| France | 2.04 | 2.55 | +0.51 |
| Germany | 2.29 | 2.35 | +0.06 |
| CEE | 3.54 | 4.20 | +0.67 |
| GROUP TOTAL | 1.58 | 2.17 | +0.59 |

(1) For the definitions refer to the related section within the backup



Number of shares⁽¹⁾

| | Ordinary Shares issued (1) | Own shares (2) | Shares outstanding (1-2) |
|--|----------------------------------|----------------------|--------------------------------|
| Weighted number of shares outstanding in year ending 12.31.2010 | | | 1,540,850,443 |
| shares outstanding at 12.31.2010 | 1,556,873,283 | 15,999,446 | 1,540,873,837 |
| Capital increase | - | - | - |
| Stock grant plan | - | - | - |
| Exercise of stock options | - | - | - |
| Generali shares purchase | - | (1,615) | 1,615 |
| Change in scope | - | - | - |
| shares outstanding at 06.30.2011 | 1,556,873,283 | 15,997,831 | 1,540,875,452 |
| Weighted number of shares outstanding in year ending 06.30.2011 | | | 1,540,874,660 |
| Potential (dilutive) shares: | | | |
| Stock options | - | - | - |
| Weighted number of shares outstanding in year ending 06.30.2011 adjusted for the effects of all dilutive potential ordinary shares. | | | 1,540,874,660 |
| Weighted number of shares outstanding in year ending 06.30.2010 adjusted for the effects of all dilutive potential ordinary shares. | | | 1,540,840,351 |

(1) Calculation based on IAS 33



■ IV. Backup

P&L

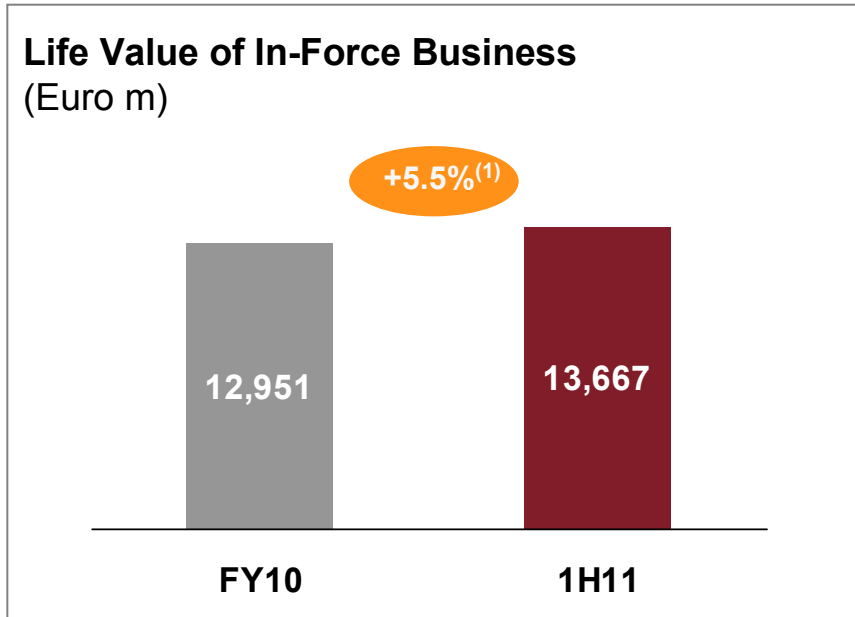
Balance sheet

Life

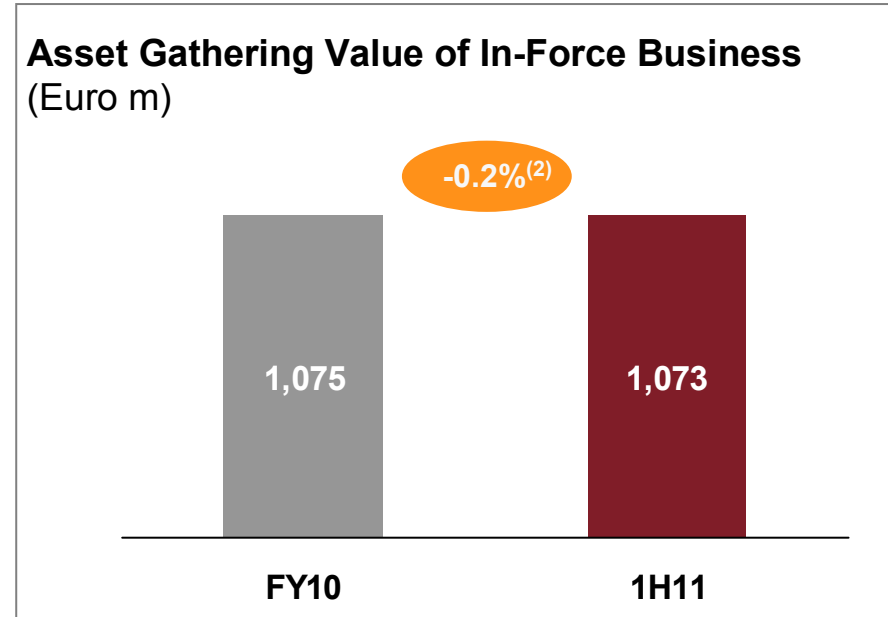
Definitions

Life new business APE

| (Euro m) | APE | | | Annual Premiums | | | Single Premiums | | |
|--------------------|--------------|--------------|---------------------|-----------------|--------------|---------------------|-----------------|--------------|---------------------|
| | 1H10 | 1H11 | Like for like △% | 1H10 | 1H11 | Like for like △% | 1H10 | 1H11 | Like for like △% |
| Italy | 860 | 863 | +0.3% | 507 | 570 | +12.3% | 3,530 | 2,934 | -16.9% |
| France | 671 | 532 | -20.7% | 155 | 144 | -7.2% | 5,151 | 3,876 | -24.8% |
| Germany | 520 | 488 | -6.3% | 388 | 352 | -9.4% | 1,323 | 1,360 | +2.8% |
| CEE | 78 | 81 | -1.5% | 65 | 68 | -0.7% | 130 | 129 | -5.0% |
| RoE | 433 | 325 | -25.5% | 216 | 225 | 3.0% | 2,174 | 1,001 | -54.0% |
| <i>Austria</i> | 53 | 65 | +22.2% | 39 | 52 | +34.6% | 144 | 128 | -10.9% |
| <i>Spain</i> | 64 | 60 | -6.9% | 29 | 29 | -0.6% | 352 | 309 | -12.1% |
| <i>Switzerland</i> | 42 | 39 | -12.3% | 38 | 37 | -9.7% | 39 | 27 | -37.0% |
| <i>Ireland</i> | 127 | 31 | -75,3% | 9 | 5 | -40,5% | 1,180 | 262 | -77,8% |
| RoW | 222 | 224 | +9.8% | 172 | 182 | 14.5% | 494 | 422 | -6.8% |
| Total | 2,784 | 2,513 | -9.4% | 1,504 | 1,540 | +2.9% | 12,801 | 9,721 | -23.9% |



(1) +6.0% on a like for like basis



(2) -1.7% on a like for like basis

1H11 VIF and NBV valuation based on:

- same market consistent methodology applied at FY10
- 1H11 actual economic scenario (interest rates, volatilities, market value of assets and asset-mix)
- FY10 operating assumptions (mortality, surrender, expenses)



■ IV. Backup

P&L

Balance sheet

Life

Definitions

Definitions: P&L and balance sheet (1/2)

| | |
|------------------------------|--|
| Investments Returns | <p>are calculated on quarterly average asset base at IFRS book value and are defined as follows:</p> <p>Current return: interest, dividends and similar income</p> <p>Total P&L return: = current return + harvesting return (net realized gains, net impairments and net unrealized gains reported in P&L), net of investment expenses</p> <p>Comprehensive return:</p> <ul style="list-style-type: none"> i) for fair value investment (AFS, FVthPL) = current return + total change in fair value, net of investment expenses; ii) for investment at amortised cost (Real estates, loans, HtM) = Total P&L return <p>Investment returns for Life segment income from bonds and loans issued by Group companies and investments in consolidated subsidiaries backing policyholders' liabilities.</p> |
| Life Net Inflows | <p>Premiums inflows in the period less benefits paid to the policyholders. It does not include revaluation of mathematical reserves</p> |
| Life Operating Result | <p>consists of the following elements:</p> <ul style="list-style-type: none"> i) "Technical Margin" includes loadings, risk result, surrender result; it is gross of acquisition and administration costs ii) "Investment Result" includes interests and dividends, interest expenses on operating debt, G/L on foreign currency and investment expenses, net of policyholder benefits; it includes also operating realised and unrealised G/L, net of policyholder benefits iii) "Expenses" include acquisition and administration costs and other net operating items (it does not consider any loading charged to policyholders) <p>"Operating ratio on Investments" is calculated as Operating result on the average of Investments at book value</p> |
| Like for Like changes | <p>calculated considering equivalent exchange rates and scope of consolidation</p> |
| Operating Result | <p>Operating result of life, P&C and financial segments, before holding expenses and consolidation adjustments</p> |

Definitions: P&L and balance sheet (2/2)

| | |
|--|--|
| <p>Own Investments</p> | <p>does not include unit/index linked investments and consist of the following asset class (*):</p> <ul style="list-style-type: none"> i) Fixed income instruments include quoted and unquoted bonds, loans including deposits under reinsurance business accepted, term deposits with credit institutions; ii) Equity-like instruments include quoted and unquoted equities and alternative investments; iii) Real estate investments excluding own used properties; iv) Cash and cash equivalent including Repo and Reverse repo v) Other investments include investments in non-consolidated subsidiaries, derivatives, receivables from banks or customers <p>(*): Investment fund units are allocated to each asset class on a look through basis,</p> <p>Own investments for life segment include bonds and loans issued by Group companies and investments in consolidated subsidiaries backing policyholders' liabilities. They are net of consolidation adjustments.</p> |
| <p>P&C Operating Result</p> | <p>consists of the following elements:</p> <ul style="list-style-type: none"> i) "Technical Result" is net of acquisition and administration costs ii) "Investment Result" includes interests and dividends, interest expenses on operating debt and investment expenses iii) "Other" includes other net operating items not considered in Technical Result and in Investment Result <p>"Operating ratio on Investments" is calculated as Operating result on the average of Investments at book value</p> |
| <p>Total Comprehensive Income</p> | <p>Change in shareholders' equity during the period related to income and expenses recognized in profit or loss or directly in shareholders' equity resulting from transactions and events other than transactions with equity Owners.</p> |
| <p>Total Operating Result</p> | <p>Operating result of life, P&C and financial segments, after holding expenses and consolidation adjustments. Operating result is a non-GAAP indicator and may differ from similar measure presented by other companies. Management uses this non-GAAP measure as key indicator in assessing Generali's performance and believes that the presentation of these KPI provide useful and relevant information's to shareholders and users on Generali's performance. Please refer to the 'Methodological note on alternative performance measures' included in the Management Report for details on operating result methodology."</p> |



Definitions: Life EV (1/2)

| | |
|--|---|
| Adjusted Net Asset Value (ANAV) | corresponds to the consolidated market value of the assets backing the shareholders' funds, net of taxes and policyholder interests on any unrealised capital gains and losses, after the elimination of goodwill and DAC, net of other adjustments required to maintain consistency with the valuation of the in-force business, and before the payment of dividends from profits of the year. |
| Annual Premium Equivalent (APE) | is defined as new business annualised regular premiums plus 10% of single premiums. |
| Embedded Value Earnings | correspond to the difference between the closing and the opening EV, excluding adjustments to opening EV and capital movements. |
| Internal Rate of Return (IRR) | is defined as the rate that makes equal to zero the present value of new business distributable profits (therefore allowing for new business first year strain and required capital absorption) calculated using "real-world" best estimate assumptions. |
| Life Embedded Value (EV) | is an actuarially determined estimate of the value of a company, excluding any value attributable to future new business. With reference to the covered business, and to the relevant consolidation perimeter (i.e. the operating life, health and pension companies of the group), the EV is equal to the sum of the Adjusted Net Asset Value and the Value In-Force. |

Definitions: Life EV (2/2)

| | |
|---|--|
| New Business Value (NBV) | <p>is the present value, at the point of sale, of the projected stream of after tax industrial profits expected to be generated by the covered new business written in the year, taking into account the actual acquisition costs incurred in the year of sale, after allowance for:</p> <ul style="list-style-type: none"> ▪ the cost of financial guarantees and options granted to policyholders; ▪ the frictional costs of setting up and holding the required capital; ▪ the cost of non hedgeable risks. <p>NBV is calculated according to year-end economic and operating assumptions.</p> |
| Normalised Embedded Value Earnings | <p>correspond to Embedded Value Earnings, net of economic variances and extraordinary expenses.</p> |
| Payback Period | <p>is the period of time (in years, from issue date) required to recover the cost of the initial investment in new business (i.e. new business first year strain and required capital absorption) calculated by means of a deterministic projection based on “real-world” best estimate assumptions.</p> |
| Present Value of New Business Premiums (PVNBP) | <p>is defined as the present value of the future new business premiums, calculated using year-end assumptions for lapses and other exits and discounted to point of sale using the reference rates.</p> |
| Value In-Force (VIF) | <p>is the present value of the projected stream of after tax industrial profits that are expected to be generated by the covered business in force at the valuation date, after allowance for:</p> <ul style="list-style-type: none"> ▪ the cost of financial guarantees and options granted to policyholders; ▪ the frictional costs of holding the required capital; ▪ the cost of non hedgeable risks. |

Definitions: Group EV

| | |
|--|---|
| Available Capital (AC) | It is internally defined as the available financial resources covering the totality of risks of an insurance company, business unit or group. It is equal to the sum of Embedded Value and Hybrid Capital (Subordinated Debt). It corresponds to the Basic own funds. |
| Economic Balance Sheet (EBS) | <p>I) General definition: Balance sheet statement based on one of those accounting approaches using market-consistent values for all current assets and current obligations relating to in-force business, including off-balance sheet items.</p> <p>II) Within the Generali Group: common Group framework (methodology, models and tools) to assess and report market (or fair) values of all assets and liabilities, of available capital and risk capital, both at entity and Group level.</p> |
| Embedded Value (EV) | <p>An estimate of the value to shareholders of a book of insurance business at a given date, consisting of the following components:</p> <ul style="list-style-type: none"> ▪ Free surplus allocated to the covered business; ▪ Required capital, less the cost of holding required capital; ▪ Value of future shareholder cash flows from in-force covered business. <p>The embedded value concept is applicable to general insurance, although it is more commonly encountered in the life and health context. The value of renewals of existing contracts is included, but the value of future new contracts is excluded.</p> |
| Normalised RoEV | Annualised and normalised earnings on opening Embedded Value |
| Risk Capital or Risk adjusted capital (RAC) | Within the EBS framework of the Generali Group, it is the capital necessary to absorb the maximum loss of available capital, identified according to a 1-year value-at-risk approach, at a specified confidence level consistent with the risk appetite (defined at 99,5% for Solvency II purposes and at higher level for Group internal and rating purposes). It corresponds to the SCR calculated with the internal model. |
| RoEV | Embedded Value earnings on opening Embedded Value |



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These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

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The manager in charge of preparing the company's financial reports, Raffaele Agrusti, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Financial Intermediation, that the accounting information contained in this presentation corresponds to document results, books and accounts records.

**Generali Group
2011 First-Half Results**



August 5, 2011