



16/03/2011

**PRESS
RELEASE**

Consolidated results at 31 December 2010

Net profit € 1.7 billion (+30%)

Dividend rises to € 0.45 per share (+28.6%); pay-out at 41.1%

OPERATING RESULT UP TO € 4.1 BILLION (+11.7%), DRIVEN BY PROGRESS IN THE LIFE SEGMENT WHICH EXCEEDS € 3 BILLION FOR THE FIRST TIME

- Life operating result (+23.5%) buoyed by higher volumes, stable technical margins and excellent performance in financial and real estate operations
- Non-Life operating result at € 1.1 billion (-11.4%), with Combined Ratio at 98.8% (98.3% FY09) with an impact from claims related to natural catastrophes of 1.9 p.p.

EFFECTIVE DISTRIBUTION MODEL AND GEOGRAPHICAL DIVERSIFICATION PUSH PREMIUMS TO MORE THAN € 73 BILLION (+3.8%). HIGHEST LIFE PREMIUMS EVER TO MORE THAN € 50 BILLION

- Strong growth of Life production due to premium income in Italy (+6.8%), Germany (+12.5%) and Eastern Europe (+5.6%). Continued strong growth in China (+44.7%)
- Robust growth in Non-Life (+2.1%), due in particular to results in Italy and France
- Life net inflows again amongst market's highest, at more than € 16 billion (+0.3%), pushing Life net technical reserves to € 313 billion (+9.4%)

We confirm the high strategic importance of operations in Eastern European countries. Their impact on Group's operating result rose from 1.8% to 9.3% between 2007 and 2010.

Generali Group CEO **Giovanni Perissinotto** said: *"The 2010 results show that, despite continuing difficulties in the economic and financial environment, Generali is making robust progress, with its best-ever result in the Life sector, thanks in particular to its investment management performance. The key drivers behind these results are our solid distribution model based on proprietary networks, leadership in core markets – Italy, France, Germany – and excellent positioning on markets with high growth potential.*

"The strength of our distribution network, the quality of our Life and Non-Life premiums and our investment management capabilities give us confidence in our ability to forecast a continuing growth trend in our results over the medium term too, as the markets where we operate gradually stabilise and interest rates show a moderate increase", the Ceo added.

CONTACTS

www.generali.com

Press Office

T. +39.040.671085

+39.040.671171

press@generali.com

Investor Relations

T. +39.040.671202

+39.040.671347

generali_ir@generali.com

Trieste – The Board of Directors of Assicurazioni Generali is holding a meeting today, chaired by Cesare Geronzi, to approve the consolidated financial statements and the parent company preliminary financial statements for 2010.

Generali closed 2010, another year of market uncertainty and volatility, with robust growth in premiums to more than € 73 billion (+3.8%) and high profitability, as demonstrated by an operating result rising to more than € 4 billion (+11.7%), in the upper end of the range set for 2010 a year ago. Thanks to a distribution model based on strong proprietary networks, an effective geographical diversification strategy, firm control over cost dynamics and the excellent trend in technical and investment operations, Generali reported **net profit** of € 1,702 million (+30%; € 1,309 million in 2009), one of the strongest performance improvements in the insurance industry.

The **total operating result** was supported by the increase in the Life operating result to € 3,026 million (+23.5%; € 2,451 million in 2009), the largest result ever posted by the Group for this business. This outcome was obtained through a growth of premium volumes based on high value-added products and the positive contribution that investment management gave to the Life financial margin. Life results benefitted from good trends in Italy (+17.6%), Germany (+46.9%) and France (+31.1%).

In Non-Life, where a strong recovery was reported in the fourth quarter (+18.1% on 4Q09), the operating result was € 1,128 million (-11.4%; € 1,274 million in 2009). Catastrophic events – in particular in Central-Eastern Europe – were a key factor during the year, with an impact of ABOUT € 380 million (an increase of € 110 million from 2009). The result was also influenced by the trend in short-term interest rates, a significant factor in Non-Life investments, which remained at low levels for the entire year.

A prudent underwriting policy, optimisation of claims processes and control of administrative expenses enabled the Group to maintain positive technical margins in its Non-Life business. The **Combined Ratio** was 98.8%, in line with the value for the first nine months and only slightly higher than at the end of 2009 (+0.5 percentage points; 98.3% at the end of 2009), despite the impact of catastrophic events (Xynthia storm, floods in France and Central-Eastern Europe and the Chile earthquake), which accounted for 1.9 percentage points.

A positive contribution to the growth in the overall result came from the containment of Group **administrative expenses**, whose weight relative to net premiums showed a further decrease to 3.2% (3.3% at the end of 2009).

Operating result

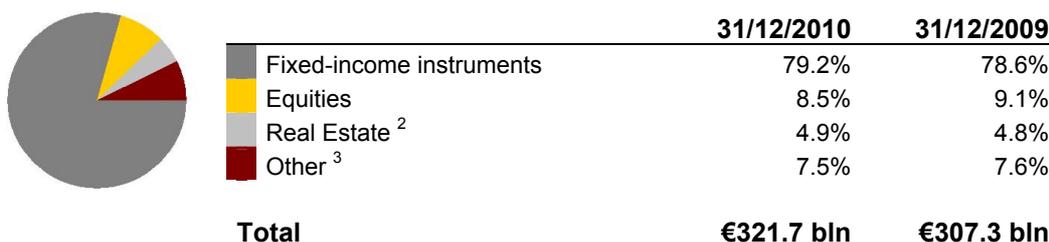
€ mln	Life		Non-Life		Total	
	operating result 31/12/2010	Δ	operating result 31/12/2010	Δ	operating result 31/12/2010	Δ
Italy	1,188	+17.6%	206	+271.4%	1,537	+29.8%
France	596	+31.1%	149	-39.3%	754	+6.8%
Germany	354	+46.9%	308	+19.2%	713	+29.6%
CEE	177	-40.4%	218	-32.2%	419	-34.5%
Total	3,026	+23.5%	1,128	-11.4%	4,077¹	+ 11.7%

¹ Group total operating result includes results of Life, Non-Life and Financial segments, holding expenses and consolidation adjustments

INVESTMENTS: HIGH PROFITABILITY AT A TIME OF LOW INTEREST RATES

Overall, investments where risk is borne by the company stood at € 322 billion, up from € 307 billion at the end of 2009, subdivided as follows: fixed-income instruments 79.2%, equities 8.5%, real estate 4.9%, other investments 3.7%, cash and cash equivalents 3.8%.

Own investments ¹



¹ Own investments include own capital and insurance funds, (ie unit linked excluded)

² Including mutual funds

³ Including cash & cash equivalents, investments in subsidiaries, associated companies and JVs, derivatives, receivables from banks or customers

The Group **investment strategy** gave priority to investments intended to conserve current profitability at a time of low interest rates, especially in the short term, without altering the risk profile significantly. Dynamic management of investments generated current profitability of 4.2% computed on balance sheet-values (4.3% at the end of 2009).

As part of the strategy described above, in the first half of the year the Group raised exposure in corporate bonds and extended duration; in the second half, it took advantage of the rise in rates on government securities to reduce exposure in the corporate component and duration. Consequently, at the end of 2010, it had a small decrease in corporate bonds to 44.1% (45.3% at the end of 2009), against an increase in government instruments. Current profitability on bonds, computed on balance-sheet values, was 4.3% (4.4% at the end of 2009).

The Group also reduced the **equities component**, which generated current profitability computed on balance-sheet values of 3.2% (3.5% at the end of 2009). **Real estate** investments rose, with current profitability computed on balance-sheet values up to 7.8% (7.6% at the end of 2009).

ROBUST FINANCIAL STRENGTH: GROWTH IN SHAREHOLDERS' EQUITY

The Group flanked its performance with the continuing strength of its capital structure, reflected in the increase in **shareholders' equity** to € 17.5 billion (€ 16.7 billion at the end of 2009). Generali's capital solidity was also confirmed by its solvency ratios. The **Solvency I** ratio improved to 132% (128% at the end of 2009). Taking account of real estate capital gains available as per the authorisation of the Authority, the Solvency I ratio was 140%. The Solvency II ratio – computed using the internal Economic Balance Sheet model on an AA rating – was 160% (187% at the end of 2009), with a reduction due to the above-mentioned trend in the spreads on Italian government bonds. **Embedded Value**, an intrinsic Group value, was € 27 billion (€ 27.3 billion at the end of 2009).

DIVIDEND INCREASE

Based on these results, Generali will propose a **dividend per share** for 2010 of **€ 0.45, up by 28.6%** (€ 0.35 in 2009). The total dividend on outstanding shares amounts to € 698.75 million with a 41.1% pay-out. The dividend will be paid from 26 May and shares will trade ex dividend as from 23 May 2011.

OUTLOOK

Premiums. Given the financial and macroeconomic outlook for 2011, in the Life sector the Group expects to confirm the ambitious production levels of 2010, although it will give priority to products with lower capital absorption and higher returns in terms of new business value, consequently maintaining new business margins, also thanks to the cost containment policy. In the Non-Life business the Group expects to confirm the premium growth rates of 2010, through healthy progress in the Non Motor lines and a recovery in the Motor line.

Non-Life profitability. Assuming a normalised level of catastrophic events, the Group expects to improve its overall technical margins due to the shift in the focus of its portfolio towards retail Non Motor lines and by maintaining current operating efficiency levels and the effects of Group tariff policies.

Investments. The financial and real estate investment policy will maintain prudent asset allocation in order to consolidate current margins. Specifically, the Group investment strategy will continue to focus on higher investment in government bonds and real estate to guarantee adequate medium/long-term returns, especially in the Life sector, and limit exposure to market volatility.

Given the scenario described above, the Group expects to report higher operating margins and a larger net profit in 2011.

LIFE SEGMENT: RECORD RESULT FOR NEW BUSINESS APE

Looking at production, Life **gross premiums written** totalled € 51,098 million (+4.5%; € 48,894 million at the end of 2009), a result due in particular to excellent performance in Italy (+6.8%), Germany (+12.5%), Eastern Europe (+5.6%) and the emerging countries. Strong growth was reported in China (+44.7%) and South America (+53.3%). In France premiums fell by 7.9% as a result of the decision to raise technical margins by giving priority to higher-yield policies over volumes.

Significant progress was also reported in **new business in terms of APE**, which rose to a record € 5,333 million (2.8%) thanks to the results reported in Italy (+3.6%) and Central Eastern Europe (+8.7%).

During 2010 new business focused on products with lower capital absorption and higher value added. This choice enabled the Group to maintain a high **New Business Value** at € 1,050 million (-6.9%) with New Business Margins (NBM) at 19.7%, well up on the first half of 2010 (17.8%). The slight decrease with respect to the situation at the end of 2009 (21.7%) was largely the result of the broader spread between government rates and the swap curve (country risk perception), which had a negative impact, especially in Italy.

Life net inflows¹ were once again high at € 16.1 billion (+0.3%), driving growth in **Life net technical reserves** to € 313,348 million (+9.4%; € 286,404 million at the end of 2009).

Life gross premiums and net inflows

€ mln	Gross premiums			Net inflows		
	31/12/2010	31/12/2009	Δ	31/12/2010	31/12/2009	Δ
Italy	13,794	12,913	+6.8%	1,790	1,182	+51.4%
France	11,394	12,377	-7.9%	4,444	5,841	-23.9%
Germany ¹	13,756	12,229	+12.5%	4,923	4,077	+20.8%
CEE	1,766	1,672	+5.6%	534	700	-23.8%
Total	51,098	48,894	+4.5%	16,133	16,083	+0.3%

¹ Including Health business

NON-LIFE SEGMENT: STRONG PRODUCTION RECOVERY

In a still uncertain macroeconomic scenario, the Group reported an upturn in Non-Life premiums (+2.1% to € 22,090 million), driven in particular by France (+3.7%) and Italy (+1.2%).

Looking at the portfolio breakdown, where the retail component accounted for approximately 77.2%, motor premiums stood at 40.5% and non-motor premiums at 59.5%.

The reserve ratio (total net reserves/ net retained premiums) was 148.8%, substantially in line with the figure at the end of 2009 (149.1%), confirming the Group's prudent reserving policy.

Non-Life premiums and Combined Ratio

€ mln	Gross premiums			Combined Ratio		
	31/12/2010	31/12/2009	Δ	31/12/2010	31/12/2009	Δ
Italy	7,440	7,353	+1.2%	99.6%	102.4%	-2.8 p.p.
France	3,892	3,754	+3.7%	101.3%	99%	+2.3 p.p.
Germany	2,998	3,034	-1.2%	95.2%	95.6%	-0.4 p.p.
CEE	2,246	2,204	+1.9%	93.2%	87.9%	+5.3 p.p.
Total	22,090	21,636	+2.1%	98.8%	98.3%	+0.5 p.p.

FINANCIAL SERVICES

In Asset Management, assets under management totalled € 432,043 million (+6.4% from the end of 2009), with third-party assets at € 92,980 million (+17.3%).

The operating result in the Financial Services segment was € 354 million, down by 18.2% from the end of 2009, largely as a result in investments in the BSI Group expansion programmes in the Far East. Net commissions were € 894 million (+12.8%) compared with € 792 million in 2009.

¹ Premium income less maturities and surrenders

SOCIAL AND ENVIRONMENTAL PERFORMANCE INDICATORS

In 2010 for the first time the Group consolidated financial statements analyse a set of social and environmental performance indicators, relating in particular to value added, human resources, community and environment.

Specifically, Global Added Value (GAV), which reflects wealth generated by Group operations for the various stakeholder categories, rose by 7.9% from 2009. The amounts for all stakeholder categories increased, with the exception of lenders due to the fall in market rates.

Distribution of Global Added Value

€ mln	31.12.2010	31.12.2009	Δ
Group	1,003	764	+31.3%
Shareholders	1,015	1,002	+1.3%
Employees	4,144	3,931	+5.4%
Agents and advisors	5,318	5,136	+3.5%
State	869	498	+74.5%
Lenders	1,237	1,263	-2%
Community	46	41	+10.4%
Global Added Value	13,633	12,635	+7,9%

With reference to recent press reports on relations with the Czech PPF Group, we would point out that the Generali- PPF joint venture established in Central Eastern Europe is an operation of great strategic importance, and has enabled the Generali Group to become one of the leading operators in an area with high profitability and significant growth potential. The CEE countries have in fact become one of the 4 most important areas for our Group, as reflected in the growth in the weight of their operating result to the total from 1.8% in 2007 (the year before the formation of the joint venture) to 9.3% in 2010; the area's contribution to aggregate premiums has also risen, from 2.4% to 5.5%, a lower rate than the growth in the operating result, which demonstrates the excellent profitability of the area in question.

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 Generali Group is one of Europe's largest insurance providers and the biggest European Life insurer, with 2010 total premium income of more than €73 billion. It is also one of the world's top asset managers with assets of over €400 billion, and a unique real estate operator with a property portfolio of more than €24 billion.

With 85,000 employees worldwide and 70 million clients in more than 60 countries, the Group occupies a leadership position on Western European markets and an increasingly important place in Eastern Europe and Asia.

The parent company Assicurazioni Generali is listed on the Milan Stock Exchange (GASI.MI, G.IM) and has an AA- Standard & Poor's rating and an Aa3 Moody's rating.

DEFINITIONS AND GLOSSARY

Solvency II ratio = Available Financial Resources / Risk Capital – using an internal model aligned with Solvency II principles

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.

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

Embedded Value² = adjusted net asset value + value in force.

Value in force = expected present value of future profits on the Life in force portfolio net of the cost of capital.

New business value = expected present value, at issue, of future profits for the Life new business in the period, net of cost of capital.

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 and net impairment losses on investments on which the policyholder's profit sharing is not based on; in the **Non-Life segment**, all realised gains and losses and net impairment losses, including gains and losses of foreign currency; in the **Financial Services segment**, realised gains and losses and net impairment 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.

Global Added Value = the total revenues and income - the total costs and liabilities less the cost of employee and agent remuneration, open distributions and sponsorships and interest on borrowing.

Attachments: consolidated and parent company key data, income statement and balance sheet.

² Net of minority interests

GROUP HIGHLIGHTS

(€ million)	31/12/2010	31/12/2009	Change	Change like for like ^(*)
Group				
Gross written premiums ^(**)	73,187.8	70,529.7	3.8%	2.8%
Expense ratio	15.3%	15.4%	-0.1	
Consolidated operating result^(***)	4,076.6	3,649.7	11.7%	
Result of the period	1,701.9	1,309.1	30.0%	
Life segment				
Gross life written premiums ^(**)	51,098.1	48,894.1	4.5%	3.6%
Net cash inflows	16,133.0	16,082.6	0.3%	-0.9%
APE	5,332.6	5,188.3	2.8%	1,3% ^(****)
NBV	1,050.2	1,127.7	-6.9%	-8.8%
Expense ratio - life segment	10.4%	10.5%	-0.1	
Operating result - life segment	3,025.9	2,451.0	23.5%	
Non-life segment				
Gross non-life written premiums	22,089.7	21,635.6	2.1%	1.1%
Expense ratio - non-life segment	27.5%	27.2%	0.3	
Loss ratio - non-life segment	71.3%	71.1%	0.2	
Combined ratio - non-life segment	98.8%	98.3%	0.5	
Operating result - non-life segment	1,128.1	1,273.6	-11.4%	
Financial segment				
Asset under management	92,980.1	79,254.1	17.3%	
Cost income ratio	70.5%	63.7%	6.8	
Operating result - financial segment	353.6	432.2	-18.2%	

(*) On equivalent terms: on equivalent exchange rates and consolidation area compared to the same period of the previous financial year.

(**) Taking into account premiums related to investment contracts.

(***) Net of holding expenses and consolidation adjustments.

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

(€ million)	31/12/2010	31/12/2009	Change
Total investments	372,073.5	349,752.0	6.4%
Insurance provisions ⁽¹⁾	339,222.2	315,421.1	7.5%
Shareholders' equity attributable to the Group	17,489.8	16,652.3	5.0%
Solvency I ratio	132%	128%	4.0

(1) Taking into account financial liabilities related to policies of the life segment.

	31/12/2010	31/12/2009	Change
Global Added Value (€ million)	13,632.7	12,635.1	7.9%
Number of employees	85,368	85,322	0.1%
Allocation to community-benefit initiatives (€ million)	45.5	41.2	10.4%
Per capita electrical energy consumption (kWh) ^(*)	5,150.8	4,989.5	3.2%
Paper consumption (quintals) ^(*)	72,267.4	70,321.0	2.8%

(*) The amount refers to the countries included in the Environmental Management System.

BALANCE SHEET - ASSETS		
	31/12/2010	31/12/2009
1	INTANGIBLE ASSETS	10,670.4
1.1	Goodwill	7,415.4
1.2	Other intangible assets	3,255.1
2	TANGIBLE ASSETS	3,796.2
2.1	Land and buildings (self used)	3,211.7
2.2	Other tangible assets	584.5
3	AMOUNTS CEDED TO REINSURERS FROM INSURANCE PROVISIONS	5,765.3
4	INVESTMENTS	364,243.3
4.1	Land and buildings (investment properties)	13,232.7
4.2	Investments in subsidiaries, associated companies and joint ventures	2,439.2
4.3	Held to maturity investments	4,544.9
4.4	Loans and receivables	79,740.4
4.5	Available for sale financial assets	188,928.5
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	75,357.6
		50,344.0
5	RECEIVABLES	11,468.0
5.1	Receivables arising out of direct insurance operations	8,643.1
5.2	Receivables arising out of reinsurance operations	889.1
5.3	Other receivables	1,935.9
6	OTHER ASSETS	15,505.8
6.1	Non-current assets or disposal groups classified as held for sale	198.2
6.2	Deferred acquisition costs	1,885.6
6.3	Deferred tax assets	3,596.3
6.4	Tax receivables	2,626.8
6.5	Other assets	7,198.9
7	CASH AND CASH EQUIVALENTS	10,990.3
	TOTAL ASSETS	422,439.4
		423,816.9

BALANCE SHEET - SHAREHOLDERS' EQUITY AND LIABILITIES			
		31/12/2010	31/12/2009
1	SHAREHOLDERS' EQUITY	20,064.5	19,924.3
1.1	Shareholders' equity attributable to the Group	17,489.8	16,652.3
1.1.1	Share capital	1,556.9	1,556.9
1.1.2	Other equity instruments	0.0	0.0
1.1.3	Capital reserves	7,098.3	7,090.8
1.1.4	Revenue reserves and other reserves	7,289.1	6,602.4
1.1.5	(Own shares)	-403.3	-403.5
1.1.6	Reserve for currency translation differences	557.2	-109.0
1.1.2	Reserve for unrealized gains and losses on available for sale financial assets	-184.4	729.6
1.1.8	Reserve for other unrealized gains and losses through equity	-125.8	-123.9
1.1.3	Result of the period	1,701.9	1,309.1
1.2	Shareholders' equity attributable to minority interests	2,574.7	3,272.0
1.2.1	Share capital and reserves	2,170.3	2,706.1
1.2.2	Reserve for unrealized gains and losses through equity	88.0	108.6
1.2.3	Result of the period	316.4	457.3
2	OTHER PROVISIONS	1,496.5	1,490.5
3	INSURANCE PROVISIONS	329,616.3	309,593.5
	of which insurance provisions for policies where the investment risk is borne by the policyholders and related to pension funds	38,956.1	34,122.0
4	FINANCIAL LIABILITIES	53,903.8	50,386.5
4.1	Financial liabilities at fair value through profit or loss	13,702.1	10,294.5
	of which financial liabilities where the investment risk is borne by the policyholders and related to pension funds	11,206.1	8,271.9
4.2	Other financial liabilities	40,201.7	40,092.1
	of which subordinated liabilities	6,492.9	6,422.3
5	PAYABLES	7,650.0	7,381.4
5.1	Payables arising out of direct insurance operations	3,917.0	3,602.0
5.2	Payables arising out of reinsurance operations	691.7	763.5
5.3	Other payables	3,041.3	3,015.8
6	OTHER LIABILITIES	9,708.4	35,040.8
6.1	Liabilities directly associated with non-current assets and disposal groups classified as held for sale	0.0	25,307.4
6.2	Deferred tax liabilities	3,753.3	3,908.0
6.3	Tax payables	1,607.1	1,348.6
6.4	Other liabilities	4,348.0	4,476.7
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	422,439.4	423,816.9

INCOME STATEMENT

		31/12/2010	31/12/2009
1.1	Net earned premiums	65,726.5	64,036.1
1.1.1	Gross earned premiums	68,400.3	66,589.7
1.1.2	Earned premiums ceded	-2,673.8	-2,553.6
1.2	Fee and commission income and income from financial service activities	1,324.2	1,189.1
1.3	Net income from financial instruments at fair value through profit or loss	4,781.6	7,497.0
	investment risk is borne by the policyholders and related to pension funds	2,901.8	5,150.7
1.4	Income from subsidiaries, associated companies and joint ventures	110.2	85.1
1.5	Income from other financial instruments and land and buildings (investment properties)	16,204.3	15,477.4
1.5.1	Interest income	10,207.7	9,678.8
1.5.2	Other income	2,141.8	2,046.5
1.5.3	Realized gains	3,647.6	3,567.7
1.5.4	Unrealized gains and reversal of impairment losses	207.3	184.3
1.6	Other income	2,632.3	2,375.0
1	TOTAL INCOME	90,779.2	90,659.7
2.1	Net insurance benefits and claims	-67,720.0	-68,187.5
2.1.1	Claims paid and change in insurance provisions	-69,541.0	-69,945.8
2.1.2	Reinsurers' share	1,821.0	1,758.4
2.2	Fee and commission expenses and expenses from financial service activities	-455.9	-406.7
2.3	Expenses from subsidiaries, associated companies and joint ventures	-23.9	-60.0
2.4	Expenses from other financial instruments and land and buildings (investment properties)	-4,034.7	-5,277.8
2.4.1	Interest expense	-1,237.1	-1,262.7
2.4.2	Other expenses	-382.9	-320.1
2.4.3	Realized losses	-1,305.0	-1,828.3
2.4.4	Unrealized losses and impairment losses	-1,109.8	-1,866.7
2.5	Acquisition and administration costs	-11,892.3	-11,474.5
2.5.1	Commissions and other acquisition costs	-8,423.9	-8,135.8
2.5.2	Investment management expenses	-208.6	-252.5
2.5.3	Other administration costs	-3,259.8	-3,086.2
2.6	Other expenses	-3,815.6	-3,084.9
2	TOTAL EXPENSES	-87,942.4	-88,491.3
	EARNINGS BEFORE TAXES	2,836.8	2,168.4
3	Income taxes	-869.3	-498.1
	EARNINGS AFTER TAXES	1,967.5	1,670.3
4	RESULT OF DISCONTINUED OPERATIONS	50.8	96.1
	CONSOLIDATED RESULT OF THE PERIOD	2,018.3	1,766.4
	Result of the period attributable to the Group	1,701.9	1,309.1
	Result of the period attributable to minority interests	316.4	457.3
	EARNINGS PER SHARE:		
	Earnings per share (in €)	1.10	0.93
	from continuing operation	1.10	0.91
	Diluted earnings per share (in €)	1.10	0.93
	from continuing operation	1.10	0.91

Parent Company highlights

(in million euro)	2010 Financial Statements	2009 Financial Statements	2008 Financial Statements
Net profits	633.8	555.7	828.3
Aggregate dividend	700.6	544.9	203.4
<i>Increase</i>	28.6%	167.9%	-84.0%
Total net premiums	8,731.4	8,428.5	8,745.4
Total gross premiums	9,617.5	9,270.9	9,659.9
Total gross premiums from direct business	7,114.0	7,003.0	7,363.9
<i>Increase on equivalent terms ^(a)</i>	1.3%	-4.9%	-1.8%
Total gross premiums from indirect business	2,503.5	2,267.9	2,296.1
<i>Increase on equivalent terms ^(a)</i>	6.9%	-1.6%	2.7%
Acquisition and administration costs	1,273.1	1,271.6	1,308.5
<i>Expense ratio ^(b)</i>	14.6%	15.1%	15.0%
Life business			
Total net premiums	5,499.0	5,267.6	5,514.9
Life gross premiums	5,689.6	5,426.5	5,698.4
<i>Increase on equivalent terms ^(a)</i>	3.7%	-5.0%	-1.7%
Life gross premiums from direct business	3,867.6	3,742.6	3,967.6
<i>Increase on equivalent terms ^(a)</i>	3.2%	-5.8%	-2.8%
Life gross premiums from indirect business	1,822.0	1,683.9	1,730.8
<i>Increase on equivalent terms ^(a)</i>	4.9%	-3.4%	0.6%
Life acquisition and administration costs	574.4	569.7	572.6
<i>Expense ratio ^(b)</i>	10.4%	10.8%	10.4%
Non life business			
Total net premiums	3,232	3,160.9	3,230.5
Non-life gross premiums	3,927.9	3,844.4	3,961.5
<i>Increase on equivalent terms ^(a)</i>	1.1%	-2.7%	0.7%
Non-life gross premiums from direct business	3,246.4	3,260.4	3,396.3
<i>Increase on equivalent terms ^(a)</i>	-0.4%	-3.8%	-0.7%
Non-life gross premiums from indirect business	681.5	584.0	565.2
<i>Increase on equivalent terms ^(a)</i>	12.8%	4.1%	9.8%
Non-life acquisition and administration costs	698.7	701.9	735.9
<i>Expense ratio ^(b)</i>	21.7%	22.2%	22.8%
<i>Non-life loss ratio ^(c)</i>	77.5%	78.2%	77.1%
<i>Non-life net combined ratio ^(d)</i>	99.2%	100.4%	99.9%
Current financial result	2,504.4	2,136.8	2,030.1

(in million euro)	2010	2009	2008
	Financial Statements	Financial Statements	Financial Statements
Technical provisions	40,689.1	39,832.2	39,092.9
Technical provisions life	33,898.0	32,962.2	31,944.2
Technical provisions non life	6,791.1	6,870.0	7,148.7
Investments	64,405.2	63,588.2	57,220.0
Capital and reserves	14,324.8	13,247.4	9,798.9

(a) At equivalent exchange rates.

(b) Acquisition and administration costs on total premiums.

(c) Claims, maturities and surrenders on earned premiums.

(d) Sum of (b) and (c).

PROFIT AND LOSS ACCOUNT

in euro	Year 2010		Year 2009	
I. TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS				
1. EARNED PREMIUMS, NET OF REINSURANCE:				
a) Gross premiums written	3,927,851,388			
b) (-) Outward reinsurance premiums	695,495,630			
c) Change in the gross provision for unearned premiums	37,687,046			
d) Change in the provision for unearned premiums, reinsurers' share	-20,593,923	3,174,074,789	3,277,525,622	
2. (+) ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE NON-TECHNICAL ACCOUNT (ITEM I		277,953,996	313,107,966	
3. OTHER TECHNICAL INCOME, NET OF REINSURANCE		63,238,832	69,283,780	
4. CLAIMS INCURRED, NET OF RECOVERIES AND REINSURANCE				
a) Claims paid				
aa) Gross amount	3,101,807,094			
bb) (-) Reinsurers' share	354,296,843	2,747,510,251		
b) Recoveries net of reinsurance				
aa) Gross amount	111,139,638			
bb) (-) Reinsurers' share	44,151	111,095,487		
c) Change in the provision for claims outstanding				
aa) Gross amount	-138,060,875			
bb) (-) Reinsurers' share	38,068,045	-176,128,920	2,460,285,844	2,551,602,314
5. CHANGE IN OTHER TECHNICAL PROVISIONS, NET OF REINSURANCE		-95,419	-162,449	
6. PREMIUM REFUNDS AND PROFIT SHARING, NET OF REINSURANCE		103,605	11,700,523	
7. OPERATING EXPENSES				
a) Acquisition commissions	407,631,076			
b) Other acquisition costs	90,760,134			
c) Change in commissions and other acquisition costs to be amortised	0			
d) Collecting commissions	136,229,347			
e) Other administrative expenses	156,905,446			
f) (-) Reinsurance commissions and profit sharing	92,810,967	698,715,036	701,899,432	
8. OTHER TECHNICAL CHARGES, NET OF REINSURANCE		138,606,186	145,161,809	
9. CHANGE IN THE EQUALISATION PROVISION		1,279,612	468,444	
10. BALANCE ON THE TECHNICAL ACCOUNT FOR NON-LIFE BUSINESS		216,372,753	249,247,295	

in euro	Year 2010		Year 2009	
II. TECHNICAL ACCOUNT - LIFE ASSURANCE BUSINESS				
1. PREMIUMS WRITTEN, NET OF REINSURANCE				
a) Gross premiums written	5,689,628,636			
b) (-) Outward reinsurance premiums	<u>190,603,999</u>	5,499,024,637		5,267,572,849
2. INVESTMENT INCOME:				
a) From participating interests	352,249,163			
(of which, income from Group companies	<u>285,489,573</u>)			
b) From other investments				
aa) income from land and buildings	0			
bb) from other investments	<u>1,473,046,690</u>	1,473,046,690		
(of which, income from Group companies	<u>381,688,448</u>)			
c) Value re-adjustments on investment	<u>102,608,348</u>			
d) Gains on the realisation of investments	<u>397,031,018</u>			
(of which, income from Group companies	<u>1,003,113</u>)	2,324,935,219		2,559,639,081
3. INCOME AND UNREALISED GAINS ON INVESTMENTS FOR THE BENEFIT OF POLICYHOLDERS WHO BEAR THE INVESTMENT RISK AND ON INVESTMENT RELATING TO THE ADMINISTRATION OF PENSION FUNDS		329,178,188		120,988,667
4. OTHER TECHNICAL INCOME, NET OF REINSURANCE		16,501,605		14,807,885
5. CLAIMS INCURRED, NET OF REINSURANCE				
a) Claims paid				
aa) gross amount	4,836,855,830			
bb) (-) reinsurers' share	<u>125,655,840</u>	4,711,199,990		
b) Change in the provision for claims outstanding				
aa) gross amount	<u>94,670,166</u>			
bb) (-) reinsurers' share	<u>5,897,513</u>	88,772,653	4,799,972,643	4,987,135,300
6. CHANGE IN THE PROVISION FOR POLICY LIABILITIES AND IN OTHER TECHNICAL PROVISIONS, NET OF REINSURANCE				
a) Provisions for policy liabilities				
aa) gross amount	1,045,778,921			
bb) (-) reinsurers' share	<u>-1,187,141</u>	1,046,966,062		
b) Change in the provision for claims outstanding				
aa) gross amount	<u>-102,398</u>			
bb) (-) reinsurers' share	<u>-1,078,005</u>	975,607		
c) Other provisions				
aa) gross amount	<u>-7,759,448</u>			
bb) (-) reinsurers' share	<u>0</u>	-7,759,448		
d) Provisions for policies where the investment risk is borne by the shareholders and relating to the administration of pension funds				
aa) gross amount	<u>91,613,785</u>			
bb) (-) reinsurers' share	<u>0</u>	91,613,785	1,131,796,006	743,335,601

in euro	Year 2010		Year 2009
7. PREMIUM REFUNDS AND PROFIT-SHARING, NET OF REINSURANCE		62,383,141	59,700,364
8. OPERATING EXPENSES			
a) Acquisition commissions	395,639,269		
b) Other acquisition costs	88,483,224		
c) Change in commissions and other acquisition costs to be amortised	0		
d) Collecting commissions	24,981,739		
e) Other administrative expenses	96,397,775		
f) (-) Reinsurance commissions and profit sharing	31,088,152	574,413,855	569,743,055
9. INVESTMENT CHARGES			
a) Investment administration charges, including interest	158,905,380		
b) Value adjustments on investments	136,156,490		
c) Losses on the realisation of investments	235,817,511	530,879,381	1,139,118,000
10. EXPENSES AND UNREALISED LOSSES ON INVESTMENTS FOR THE BENEFIT OF POLICYHOLDERS WHO BEAR THE INVESTMENT RISK AND ON INVESTMENT RELATING TO THE ADMINISTRATION OF PENSION FUNDS		270,834,678	60,131,813
11. OTHER TECHNICAL CHARGES, NET OF REINSURANCE		31,647,662	38,352,054
12. (-) ALLOCATED INVESTMENT RETURN TRANSFERRED TO THE NON-TECHNICAL ACCOUNT (item III. 4)		415,969,786	176,854,013
13. BALANCE ON THE TECHNICAL ACCOUNT FOR LIFE BUSINESS (item III.2)		351,742,497	188,638,282
III. NON TECHNICAL ACCOUNT			
1. BALANCE ON THE TECHNICAL ACCOUNT FOR NON-LIFE BUSINESS (Item I.10)		216,372,753	249,247,295
2. BALANCE ON THE TECHNICAL ACCOUNT FOR LIFE BUSINESS (Item I.13)		351,742,497	188,638,282
3. NON-LIFE INVESTMENT INCOME			
a) From participating interests	526,735,270		
(of which, income from Group companies	512,986,705)		
b) From other investments			
aa) income from land and buildings	28,568,820		
bb) from other investments	127,827,758	156,396,578	
(of which, income from Group companies	17,761,147)		
c) Value re-adjustments on investment	77,225,471		
d) Gains on the realisation of investments	61,055,478		
(of which, income from Group companies	767,075)	821,412,797	1,064,542,843

in euro	Year 2010		Year 2009
4. (+) ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE LIFE TECHNICAL ACCOUNT (item iL 2)		415,969,786	176,854,013
5. INVESTMENT CHARGES FOR NON-LIFE BUSINESS			
a) Investment administration charges, including interest	88,440,626		
b) Value adjustments on investments	46,046,538		
c) Losses on realisation of investments	34,941,218	169,428,382	409,135,046
6. (-) ALLOCATED INVESTMENT RETURN TRANSFERRED TO THE NON-LIFE TECHNICAL ACCOUNT (item I.		277,953,996	313,107,966
7. OTHER INCOME		414,128,526	321,046,704
8. OTHER CHARGES		1,377,834,834	1,447,398,711
9. RESULT FROM ORDINARY ACTIVITY		394,409,147	-169,312,586
10. EXTRAORDINARY INCOME		348,069,564	640,894,354
11. EXTRAORDINARY CHARGES		156,243,138	101,202,481
12. EXTRAORDINARY PROFIT OR LOSS		191,826,426	539,691,873
13. RESULT BEFORE TAXATION		586,235,573	370,379,287
14. INCOME TAXES		-47,553,974	-185,303,217
15. PROFIT (LOSS) FOR THE YEAR		633,789,547	555,682,504

BALANCE SHEET
ASSETS

ASSETS in euro	Year 2010		Year 2009
A. SUBSCRIBED CAPITAL UNPAID			0
of which called-up capital	0		0
B. INTANGIBLE ASSETS			
1. Acquisition commissions to be amortised			
a) life business	0		
b) non-life business	0	0	
2. Other acquisition costs		0	
3. Formation and development expenses		0	
4. Goodwill		0	
5. Other intangible assets	138,550,978		157,290,071
C. INVESTIMENTI			
I Land and Buildings			
1. Property used for own activities	308,454,064		
2. Property used by third parties	1,119,848,608		
3. Other properties	0		
4. Other realty rights	0		
5. Assets in progress and payments on account	17,849,205	1,446,151,877	
II Investments in affiliated companies and other shareholdings			
1. Interests in			
a) parent companies	0		
b) affiliated companies	27,683,142,707		
c) affiliates of parent companies	0		
d) associated companies	319,143,642		
e) other	1,292,767,959	29,295,054,308	
2. Debt securities issued by			
a) parent companies	0		
b) affiliated companies	51,605,868		
c) affiliates of parent companies	0		
d) associated companies	0		
e) other	526,412,579	578,018,447	
3. Loans to			
a) parent companies	0		
b) affiliated companies	0		
c) affiliates of parent companies	0		
d) associated companies	309,071		
e) other	0	309,071	29,873,381,826
	carried forward		138,550,978
			157,290,071

ASSETS in euro	Year 2010		Year 2009
	brought forward		138,550,978
			157,290,071
C. INVESTMENTS (follows)			
III Other financial investments			
1. Equities			
a) quoted shares	1,259,093,614		
b) unquoted shares	58,236,201		
c) other interests	234,115,502	1,551,445,317	
2. Shares in common investment funds		1,989,774,795	
3. Debt securities and other fixed-income securities			
a) quoted	18,760,727,046		
b) unquoted	544,247,624		
c) convertible bonds	397,168,540	19,702,143,210	
4. Loans			
a) mortgage loans	3,639,748		
b) loans on policies	180,579,348		
c) other loans	6,810,785	191,029,881	
5. Participation in investment pools		0	
6. Deposits with credit institutions		62,535,220	
7. Other		608,765,362	24,105,693,785
IV Deposits with ceding companies		8,980,006,490	64,405,233,978
			63,588,182,764
D. INVESTMENTS FOR THE BENEFIT OF LIFE-ASSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK AND RELATING TO THE ADMINISTRATION OF PENSION FUNDS			
I - Investments relating to contracts linked to investments funds and market index		675,223,366	
II - Investments relating to the administration of pension funds		469,744,922	1,144,968,288
			1,053,796,902
D.bis REINSURANCE AMOUNTS OF TECHNICAL PROVISIONS			
I NON-LIFE INSURANCE BUSINESS			
1. Provision for unearned premiums		254,882,658	
2. Provision for claims outstanding		1,103,992,315	
3. Provision for profit sharing and premium refunds		0	
4. Other technical provisions		0	1,358,874,973
II - LIFE INSURANCE BUSINESS			
1. Mathematical provision		89,759,252	
2. Unearned premium provision for supplementary coverage		1,927,967	
3. Provision for claims outstanding		130,294,213	
4. Provision for profit sharing and premium refunds		52,429	
5. Other provisions		0	
6. Provisions for policies where the investment risk is borne by the policyholders and relating to the administration of pension funds		0	222,033,861
			1,580,908,834
			1,526,716,387
		67,269,662,078	66,325,986,124
		carried forward	

ASSETS in euro	Year 2010		Year 2009	
	brought forward		67,269,662,078	66,325,986,124
E. DEBTORS				
I Debtors arising out of direct insurance operations				
1. Policyholders				
a) for premiums - current year	858,505,770			
b) for premiums - previous years	119,291,356	977,797,126		
2. Insurance intermediaries		149,491,336		
3. Current accounts with insurance companies		94,212,231		
4. Policyholders and third parties for recoveries		174,202,478	1,395,703,171	
II Debtors arising out of reinsurance operations				
1. Reinsurance companies		597,362,462		
2. Reinsurance intermediaries		11,123,116	608,485,578	
III - Other debtors		1,731,660,480	3,735,849,229	3,444,815,165
F. OTHER ASSETS				
I - Tangible assets and stocks				
1. Furniture, office equipment, internal transport vehicles		3,025,081		
2. Vehicles listed in public registers		0		
3. Equipment and appliances		0		
4. Stocks and other goods		287,476	3,312,557	
II - Cash at bank and in hand				
1. Bank and postal deposits		1,037,492,051		
2. Cheques and cash in hand		11,533,514	1,049,025,565	
III - Own shares			116,459,879	
IV - Other				
1. Deferred reinsurance items		5,466,316		
2. Miscellaneous assets		155,374,638	160,840,954	1,329,638,955
1,807,925,747				
G. PREPAYMENTS AND ACCRUED INCOME				
1. Interests		370,764,437		
2. Rents		1,283,408		
3. Other prepayments and accrued income		203,190,615	575,238,460	614,714,931
614,714,931				
TOTAL ASSETS			72,910,388,722	72,193,441,967

BALANCE SHEET
LIABILITIES AND SHAREHOLDERS' FUNDS

LIABILITIES AND SHAREHOLDERS' FUNDS	Year 2010		Year 2009
A. SHAREHOLDERS' FUNDS			
I - Subscribed capital or equivalent funds	<u>1,556,873,283</u>		
II - Share premium account	<u>3,568,250,216</u>		
III - Revaluation reserve	<u>2,010,834,652</u>		
IV - Legal reserve	<u>311,372,897</u>		
V - Statutory reserve	<u>0</u>		
VI - Reserve for own shares	<u>116,459,879</u>		
VII - Other reserve	<u>6,761,008,140</u>		
VIII - Profit or loss brought forward	<u>0</u>		
IX - Profit or loss for the financial year	<u>633,789,547</u>	14,958,588,614	13,803,124,676
B. SUBORDINATED LIABILITIES		<u>4,826,307,843</u>	4,776,911,334
C. TECHNICAL PROVISIONS			
I - NON-LIFE INSURANCE BUSINESS			
1. Provision for unearned premiums	<u>1,629,525,246</u>		
2. Provision for claims outstanding	<u>6,669,160,714</u>		
3. Provision for profit sharing and premium refunds	<u>8,900,000</u>		
4. Other provisions	<u>5,531,954</u>		
5. Equalisation provision	<u>11,017,347</u>	8,324,135,261	
II - LIFE INSURANCE BUSINESS			
1. Mathematical provision	<u>31,890,318,685</u>		
2. Unearned premium provision for supplementary coverage	<u>15,580,466</u>		
3. Provision for claims outstanding	<u>915,343,226</u>		
4. Provision for profit sharing and premium refunds	<u>65,160,085</u>		
5. Other provisions	<u>92,499,765</u>	32,978,902,227	41,303,037,488
D. PROVISIONS FOR POLICIES WHERE THE INVESTMENT RISK IS BORNE BY THE POLICYHOLDER AND RELATING TO THE ADMINISTRATION OF PENSION FUNDS			
I - Provisions relating to contracts linked to investments funds and market index	<u>671,376,424</u>		
II - Provisions relating to the administration of pension funds	<u>469,744,921</u>	1,141,121,345	1,050,782,208
carried forward		<u>62,229,055,290</u>	60,108,214,423

LIABILITIES AND SHAREHOLDERS' FUNDS	Year 2010		Year 2009
	brought forward	62,229,055,290	60,108,214,423
E. PROVISIONS FOR OTHER RISKS AND CHARGES			
1. Provision for pensions and similar obligations	3,600,000		
2. Provisions for taxation	68,573,000		
3. Other provisions	204,282,306	276,455,306	104,887,640
F. DEPOSITS RECEIVED FROM REINSURERS		187,210,266	170,894,469
G. CREDITORS			
I - Creditors arising out of direct insurance operations			
1. Insurance intermediaries	45,063,305		
2. Current accounts with insurance companies	38,321,914		
3. Premium deposits and premiums due to policyholders	96,676,540		
4. Guarantee funds in favour of policyholders	2,746,671	182,808,430	
II - Creditors arising out of reinsurance operations			
1. Reinsurance companies	289,778,160		
2. Reinsurance intermediaries	17,221,535	306,999,695	
III - Debenture loans		3,060,000,000	
IV - Amounts owed to credit institutions		16,710,365	
V - Loans guaranteed by mortgages		0	
VI - Other financial liabilities		4,870,830,413	
VII - Provisions for severance pay		23,183,156	
VIII - Other creditors			
1. Premium taxes	58,864,368		
2. Other tax liabilities	196,594,912		
3. Social security	12,993,846		
4. Sundry creditors	385,776,005	654,229,131	
IX - Altre passività			
1. Deferred reinsurance items	5,409,372		
2. Commissions for premiums in course of collection	100,797,569		
3. Miscellaneous liabilities	518,361,914	624,568,855	9,739,330,045
	carried forward	72,432,050,907	71,648,090,193
LIABILITIES AND SHAREHOLDERS' FUNDS	Year 2010		Year 2009
	brought forward	72,432,050,907	71,648,090,193
H. ACCRUALS AND DEFERRED INCOME			
1. Interests	325,062,974		
2. Rents	65,315		
3. Other accruals and deferred income	153,209,526	478,337,815	545,351,774
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		72,910,388,722	72,193,441,967

BALANCE SHEET
GUARANTEES, COMMITMENTS AND OTHER EVIDENCE ACCOUNTS

GUARANTEES, COMMITMENTS AND OTHER EVIDENCE ACCOUNTS in euro	Year 2010	Year 2009
GUARANTEES, COMMITMENTS AND OTHER EVIDENCE ACCOUNTS		
I Guarantees issued		
1. Fidejussions	5,417,596,301	5,388,971,159
2. Endorsements	0	0
3. Other personal guarantees	0	0
4. Guarantees secured by mortgages	913,205	0
II - Guarantees received		
1. Fidejussions	3,874,241	3,687,860
2. Endorsements	0	0
3. Other personal guarantees	0	0
4. Guarantees secured by mortgages	0	0
III - Guarantees issued by third parties in the interest of the Company	0	0
IV - Commitments	5,568,189,597	16,132,761,214
V - Assets deposited with the Company	9,997,721	12,377,973
VI - Assets belonging to pension funds managed in the name and in the interest	804,421,916	1,131,413,544
VII - of third parties	28,603,839,321	25,333,920,608
VIII - Securities deposited with third parties	1,450,619,370	3,730,866,520