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## **Approval of the plan for the merger by incorporation of Alleanza and Toro in Generali.**

Venice, 20<sup>th</sup> march 2009 - The Board of Directors, in line with the announcement made on 23 February 2009, has today examined and **approved the plan relating to the merger by incorporation of Alleanza and Toro into Generali**, following the contribution of the insurance activities of Toro and Alleanza into a newly incorporated company, named Alleanza Toro S.p.A., which as a result of the merger will be wholly controlled by Generali. It is expected that the contributions will take effect substantially at the same time as the merger.

The Chairman of Generali has been given the authority to set the dates for the extraordinary shareholders' meeting that will be convened to approve the merger plan, once the required authorisations have been received from the competent authorities. Within the time limits provided for by the applicable law, all of the documentation, under Article 2501-*septies* of the Italian Civil Code, will be made available to the shareholders and the public, and at least 10 days before the extraordinary shareholders' meeting convened for the approval of the merger plan, the information document relating to the transaction will also be lodged and made public, as provided for by Consob regulation no. 11971/1999.

It is expected that the shareholders' meeting will be held before the end of July 2009. The completion of the transaction, through the execution of the contribution deeds and the merger deed, is expected to take place by the end of the third quarter of this financial year.

***Strategic rationale for the transaction:*** as communicated to the market on 23 February 2009, the planned transaction aims to: create a stronger competitive advantage in the domestic market; guarantee, through the new distribution structure, a complete insurance product offering capable of fully satisfying the insurance and pension needs of families; realise, by 2012, significant synergies of €200 million gross per year; and increase flexibility in the use of Alleanza's assets for the purposes of better capital allocation.

**Economic, financial and balance sheet effects of the transaction:** as already widely publicised in the joint press release of 23 February 2009, the reorganisation plan, which includes the contributions and the merger, will generate value both for the Alleanza shareholders and for the Generali shareholders. In particular, for Generali, the transaction will lead to an increase both in terms of Embedded Value per share (even without the synergies) and in forecasted profits per share. As regards solvency, the transaction will have a neutral impact on the Solvency I index whereas it will generate benefits for the Group in respect of the Solvency II index. The transaction will have no impact on the Group's indebtedness.

**Exchange ratio relating to the merger of Alleanza into Generali:** the applicable exchange ratio for the incorporation of Alleanza into Generali has been set at 0.33 ordinary shares in Generali for each ordinary share in Alleanza, thus confirming the exchange ratio approved and announced to the market on 23 February 2009. The exchange ratio has been determined on the basis of evaluations, information and historical and forecasted data available to date; reflected also in the evaluation analysis carried out by the advisers and confirmed in the fairness opinions given by such advisers to the Board of Directors of Generali.

In determining the exchange ratio, the following valuation methods have been taken into consideration: the sum of the parts, the historical averages of market prices, the market multiples of comparable companies and target price method published by financial analysts. In this respect, the Board of Directors of Generali was advised by Mediobanca and UBS Investment Bank. Mediobanca, UBS Investment Bank and Morgan Stanley have also given fairness opinions to the Board of Directors attesting the fairness of the exchange ratio from a financial point of view. The fairness of the exchange ratio will be evaluated, pursuant to Article 2501-*sexies* of the Italian Civil Code, by Deloitte & Touche S.p.A., in its role of independent expert, as appointed by the Court of Trieste upon the joint request of Generali and Alleanza.

**No withdrawal right:** as indicated in the joint press release of 23 February 2009, the shareholders of Alleanza shall not be entitled to exercise a right of withdrawal since none of the conditions, provided for by Articles 2437 and 2437-*quinquies* of the Italian Civil Code, are met.

**Related parties and directors' interests:** the merger qualifies as a related party transaction, according to Article 2391-*bis* of the Italian Civil Code and Article 71-*bis* of Consob regulation no. 11971/1999, since Generali is the entity controlling Alleanza as it holds (directly and indirectly) a total stake of approximately 50.4% in the share capital of Alleanza, and it is the sole shareholder of Toro. In the preparation and approval of the transaction, Generali has

complied with the principles set forth in the guidelines concerning related party transactions approved by the company's Board of Directors, also taking into account the recommendations contained in the "Code of Self-Conduct of Listed Companies" (*Codice di Autodisciplina delle Società Quotate*). As detailed in the press release issued on 23 February 2009, Generali is advised by its financial advisers, Mediobanca and UBS Investment Bank. The Boston Consulting Group advises on the industrial aspects. Freshfields Bruckhaus Deringer LLP advises on the legal aspects. Some of the directors of Generali have interests pursuant to Article 2391 of the Italian Civil Code, as directors of one or both the other companies involved in the transaction. In this respect, during today's meeting of the Board of Directors, these directors renewed the required declarations, in accordance with the applicable laws and the governance principles of the company. As a result of the transaction, no changes to the remuneration of the members of the Board of Directors of Generali, nor amendments to the current governance structure, are envisaged.

*The implementation of the proposed merger will not make use of mails or any means or instrumentality (including, without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States. Accordingly, copies of this press release are not being, and must not be, mailed or otherwise forwarded, distributed or sent in or into or from the United States and persons receiving this press release (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it into or from the United States.*

*The securities to be issued pursuant to the merger have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), nor under any laws of any state of the United States, and may not be offered, sold, resold, or delivered, directly or indirectly, in or into the United States, except pursuant to an exemption from the registration requirements of the US Securities Act and the applicable state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or in any other jurisdiction in which such an offer or solicitation would be unlawful.*