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**COMUNICATO  
STAMPA**

## Moody's rivede rating Generali a Baa1 da A1, a seguito downgrade Italia

Trieste – Moody's ha rivisto il rating di Generali a Baa1 da A1, con outlook negativo, a seguito del downgrade del rating dello Stato italiano.

Il rating di Generali rimane superiore a quello sovrano italiano grazie "all'ampia diversificazione e alle caratteristiche di prodotto flessibili, le quali – spiega l'agenzia - servono a ridurre l'impatto sul Gruppo delle tensioni sul debito sovrano italiano".

Segue il comunicato originale emesso da Moody's.

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### Rating Action:

#### Moody's downgrades the ratings of three Italian insurance groups

##### Global Credit Research - 17 Jul 2012

London, 17 July 2012 -- Moody's Investors Service has today announced the following actions on three Italian insurance groups and related entities:

- Assicurazioni Generali S.p.A. and subsidiaries (see debt list below): parent company insurance financial strength rating (IFSR) downgraded to Baa1 from A1 and senior debt to Baa2 from A2, negative outlook; French subsidiaries' IFSRs downgraded to Baa1 from A1; German subsidiaries' IFSRs downgraded to A3 from A1

- Allianz S.p.A.: IFSR downgraded to A3 from A1, negative outlook

- Unipol Assicurazioni S.p.A.: IFSR downgraded to Baa2 from A3 and remains on review for downgrade

Today's actions reflect the weakening of the Italian government's creditworthiness, as indicated by Moody's downgrade of Italy's government bond ratings to Baa2 from A3 on 13th July 2012. For more details on the rationale for the sovereign downgrade, please refer to the press release [http://www.moody.com/research/Moodys-downgrades-Italys-government-bond-rating-to-Baa2-from-A3--PR\\_250567](http://www.moody.com/research/Moodys-downgrades-Italys-government-bond-rating-to-Baa2-from-A3--PR_250567). The downgrades reflect Moody's view that these insurance groups' key credit fundamentals (asset quality, capitalisation, profitability and financial flexibility) are correlated with -- and thus linked to -- the economic and market conditions in Italy, where they are domiciled and have significant operations.

However, Moody's notes that the IFSRs of both Assicurazioni Generali S.p.A. and Allianz S.p.A. remain above the sovereign rating, reflecting in the former the significant geographical diversification of the Generali Group, and in the latter the benefits of ownership from a strong parent (Allianz SE, Aa3 IFSR, negative).

For additional information on insurance ratings, please refer to the webpage containing Moody's related announcements <http://www.moody.com/eusovereign>.

#### RATINGS RATIONALE

--- ASSICURAZIONI GENERALI S.P.A.: IFSR of Assicurazioni Generali downgraded to Baa1, negative outlook

Moody's has downgraded the IFSR of Assicurazioni Generali (Generali) by three notches to Baa1, negative outlook, and all associated debt ratings have similarly been downgraded by three notches. Moody's says that the downgrade of Generali reflects the insurer's direct exposure to

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Italian sovereign risk in terms of both investment portfolio and business profile. As at year-end 2011, Italian government bonds represented 19% (EUR46 billion) of Generali's total fixed-income portfolio, or 253% of shareholders' equity (gross, before policyholders' participation), and 29% of its gross written premiums (GWP) were sourced in Italy in 2011.

As part of this action, Moody's reduced the notching differential between Generali's IFSR and the Italian sovereign rating to one notch from two notches. The one notch differential continues to reflect the insurer's broad diversification and flexible product characteristics, which serve to reduce the impact to the group from stress related to the Italian sovereign. In particular, Generali group's non-Italian businesses accounted for over 70% of GWP in 2011, and Moody's believes that the risk-sharing mechanism of the insurer's Italian life insurance products somewhat mitigates its exposure to Italian sovereign credit risk.

This mechanism offers a relatively high ability to share asset losses with policyholders by reducing future credited returns, given the current spread between investment returns and average guarantees. However, the positioning of the rating at one notch, rather than the prior two notches, above the sovereign, reflects Moody's view that as the Italian economic environment deteriorates 1) Generali's ability to share further asset losses with policyholders diminishes with increasing investment losses across the portfolio and reduced policy sales, and 2) Generali's domestic life businesses become increasingly pressured by a weakening domestic economic environment.

Generali's negative outlook mirrors the negative outlook on Italy's government bond rating and reflects the uncertainties around the economic and financial environment in Italy.

--- GENERALI FRANCE : IFSRs downgraded to Baa1, negative outlook

The IFSRs of Generali Vie and Generali IARD -- the main operating companies of the Generali Group in France -- have been downgraded by three notches to Baa1, negative outlook. The downgrade of these operations mirrors the downgrade of the parent company, Assicurazioni Generali S.p.A., even though Generali's French operations have little direct exposure to Italian bonds or the Italian economy. For these operations, Moody's believes that the contagion risk stemming from a weakening of the Generali Group overall, mainly through pressure on the Group's financial flexibility and franchise, increases the risk of outflows and the knock-on effects on their profitability and capitalisation.

--- GENERALI DEUTSCHLAND : IFSRs downgraded to A3, negative outlook

The IFSRs of Generali Deutschland's main operations (see list at the end of the press release) have been downgraded by two notches to A3, negative outlook. The downgrade of these operations also reflects the downgrade of the parent company. However, Moody's believes that the contagion risk induced by a weakening of the Generali Group is lower for Generali's German operations than for its French operations. Notably, Moody's says the broader challenges within the Generali Group are mitigated for the German franchise due to (i) Generali Deutschland has a multi-brand strategy (with around 40% of the business written under the AachenMuenchener brand and 15% of the business written under the CosmosDirekt brand); and (ii) Generali Deutschland exerts a higher control of its distribution networks, relative to Generali in France.

Moody's assigned a negative outlook to all the ratings of Generali's insurance subsidiaries, mirroring the negative outlook on the parent company.

--- ALLIANZ S.P.A.: IFSR downgraded to A3, negative outlook

The IFSR of Allianz S.p.A. (Allianz Italy), which is fully owned by Allianz SE, has been downgraded by two notches to A3, negative outlook. Moody's says that the downgrade of Allianz Italy reflects the insurer's direct exposure to Italian sovereign risk in terms of both investment portfolio and business profile. Italian government bonds represented around 60% of Allianz Italy's total fixed-income portfolio, over 500% of shareholders' equity, and 100% of its GWP were sourced in Italy in 2011. Nonetheless, Moody's continues to rate Allianz Italy's IFSR two notches above the Italian sovereign rating, reflecting the benefit of potential parental support from Allianz SE. Allianz Italy is the second-largest operation outside Germany for Allianz SE, and is consistently one of the largest contributors in terms of premiums and operating profit.

Allianz Italy's negative outlook mirrors both the negative outlook of the parent company Allianz SE, as well that on Italy's Baa2 government bond rating.

--- UNIPOL: IFSR downgraded to Baa2, on review for further possible downgrade

The IFSR of Unipol Assicurazioni S.p.A. (Unipol) has been downgraded by two notches to Baa2 (on review for further downgrade). Moody's says that the downgrade of Unipol reflects the insurer's direct exposure to Italian sovereign risk in terms of both investment portfolio and business profile. As of year-end 2011, Italian government bonds represented 47% (EUR7.1 billion) of Unipol's total fixed-income portfolio and around 222% of shareholders' equity, and 100% of its GWP were sourced in Italy in 2011. As a result, Unipol's IFSR is constrained by Italy's sovereign rating.

Unipol's IFSR remains on review for further downgrade to reflect the risks inherent in the Group's proposed acquisition of Fondiaria-SAI (unrated). The review will focus on the analysis of (i) the capital strength of the new group; (ii) the quality of the investment portfolio of the enlarged group; (iii) the financial leverage of the enlarged group; (iv) the quality of the reserves of Fondiaria Sai SpA; and (v) the execution risk of integrating multiple large insurance operations. Additionally, a further downgrade of Italy would likely prompt a downgrade of Unipol.

#### WHAT COULD MOVE THE RATINGS UP/DOWN

--- ASSICURAZIONI GENERALI S.P.A

Given the negative outlook on Generali's ratings, Moody's says that upwards ratings pressure is currently limited.

Further downwards pressure on Generali's ratings could develop following (i) a further downgrade of Italy's sovereign rating; (ii) a material deterioration of the group's solvency and/or operating performance; and/or (iii) material deterioration of the group's financial flexibility.

--- ALLIANZ S.P.A.

Given the negative outlook on Allianz Italy's ratings, Moody's says that upwards ratings pressure is currently limited.

Further downwards pressure on Allianz Italy's ratings could develop following (i) a downgrade of Italy's sovereign rating; (ii) a downgrade of Allianz SE, or a change in the status of the company within the German group; and/or (iii) material deterioration in the company's standalone solvency, earnings, operating performance, or capitalisation levels.

--- UNIPOL

Unipol's ratings are under review for possible downgrade, and further downwards pressure on the ratings could develop in the event that Moody's concludes that the proposed acquisition of Fondiaria-SAI leads to a weakening in the Group's capital strength, investment quality, financial leverage or reserve adequacy, as well as due to the integration risks of the transaction. The rating could also be pressurized by a further downgrade of Italy.

#### SUMMARY PROFILES OF AFFECTED GROUPS

Generali Assicurazioni S.p.A., headquartered in Trieste, Italy, is a major international multi-line insurer. It reported gross premiums written of EUR69.2 billion in 2011, total assets of EUR453 billion and shareholders' equity including minorities of EUR18.1 billion at 31 December 2011.

Allianz S.p.A., headquartered in Trieste, Italy, is a major Italian multi-line insurer. It reported gross premiums written of EUR7.7 billion, total assets of EUR58.6 billion in 2011 and shareholders' equity including minorities of EUR3.7 billion at 31 December 2011.

Unipol Gruppo Finanziario S.p.A., based in Bologna, Italy, is the parent company of Unipol Assicurazioni S.p.A. and Unipol Banca. Unipol Gruppo Finanziario S.p.A. reported a consolidated net loss of EUR94 million in 2011, total assets of EUR39.6 billion and shareholders' equity of EUR3.2 billion, as of 30 December 2011.

The following ratings were downgraded with a negative outlook:

Assicurazioni Generali S.p.A -- insurance financial strength rating: to Baa1 from A1

Generali Deutschland Holding AG -- insurance financial strength rating: to A3 from A1

AachenMuenchener Lebensversicherung AG -- insurance financial strength rating: to A3 from A1

AachenMuenchener Versicherung AG -- insurance financial strength rating: to A3 from A1

Generali Lebensversicherung AG -- insurance financial strength rating: to A3 from A1

Generali Versicherung AG -- insurance financial strength rating: to A3 from A1

Advocard Rechtsschutzversicherung AG -- insurance financial strength rating: to A3 from A1

Generali Deutschland Pensionskasse AG -- insurance financial strength rating: to A3 from A1

Central Krankenversicherung AG -- insurance financial strength rating: to A3 from A1

Cosmos Lebensversicherungs-AG -- insurance financial strength rating: to A3 from A1

Cosmos Versicherung AG -- insurance financial strength rating: to A3 from A1

Dialog Lebensversicherungs-AG -- insurance financial strength rating: to A3 from A1

Envivas Krankenversicherung AG -- insurance financial strength rating: to A3 from A1

Generali IARD -- insurance financial strength rating: to Baa1 from A1

Generali Vie -- insurance financial strength rating: to Baa1 from A1

Assicurazioni Generali S.p.A., -- Senior debt rating: to Baa2 from A2

Assicurazioni Generali S.p.A. -- Subordinated debt rating: to Baa3 (hyb) from A3 (hyb)

Assicurazioni Generali S.p.A. -- Preferred stock debt rating: to Ba1 (hyb) from Baa1 (hyb)

Generali Finance B.V. -- Senior debt rating: to Baa2 from A2

Generali Finance B.V. -- Subordinated debt rating: to (P) Baa3 from (P) A3

Generali Finance B.V. -- Preferred stock debt rating: to Ba1 (hyb) from Baa1 (hyb)

Allianz S.p.A -- insurance financial strength rating: to A3 from A1

The following ratings were downgraded and remain on review for possible downgrade:

Unipol Assicurazioni S.p.A. -- insurance financial strength rating to Baa2 from A3;

Unipol Assicurazioni S.p.A. -- subordinated debt rating to Ba1 from Baa2;

Unipol Gruppo Finanziario SpA -- senior rating to Ba2 from Baa3;

Unipol Gruppo Finanziario SpA -- senior MTN rating to (P)Ba2 from (P)Baa3;

Unipol Gruppo Finanziario SpA -- long term issuer rating to Ba2 from Baa3.

#### METHODOLOGY USED

The methodologies used in these ratings were Moody's Global Rating Methodology for Life Insurers published in May 2010, Moody's Global Rating Methodology for Property and Casualty Insurers published in May 2010 and Moody's Guidelines for Rating Insurance Hybrid Securities and Subordinated Debt published in January 2010. Please see the Credit Policy page on [www.moody.com](http://www.moody.com) for a copy of these methodologies.

## REGULATORY DISCLOSURES

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