



# GENERALI GROUP 2015 Results

*The like for like change of written premiums, life net inflows, APE and NBV is on equivalent terms (on equivalent exchange rates and consolidation area).*

# Agenda

## I. Business Overview

Gabriele Galateri di Genola – Chairman

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## II. 2015 Group Financials

Alberto Minali – Group CFO

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# Agenda

## I. Business Overview

**Gabriele Galateri di Genola – Chairman**

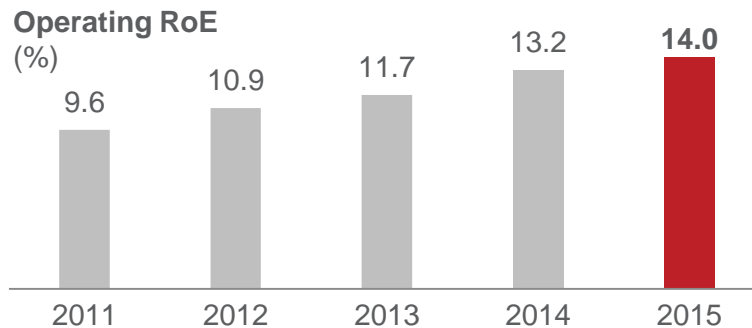
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# Overview of FY15 performance

Further profitability improvements despite weak external context

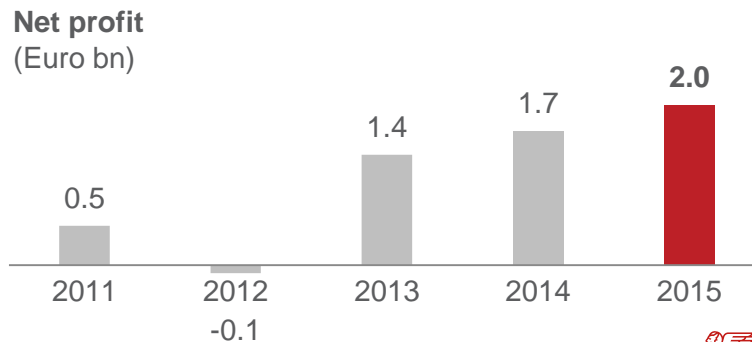
## Operating RoE

- Improved further above long term target level of 13%
- Reflects good performances from all divisions



## Net profit

- Further strong momentum from 2014



# Proposed dividend at Euro 0.72 per share

Strong financials provide sound basis for further growth

## Best in class profitability

- Combined ratio 93.1%, lowest of major peers
- Attractive life new business margin 21.0%
- Operating RoE 14.0%



+

## Strong growth in cashflow

- Net operating cash flow +30% YoY to €1.6bn



+

## Sound solvency position

- 202% solvency ratio under internal model
- High level of organic capital generation



**Proposal for 2015: €0.72 per share (+20%)  
On track to achieve target of €5bn cumulatively by 2018**

# Full commitment to delivering our strategy...

## Retail Leader in Europe

- Build on our existing strengths:
  - European retail focus
  - Powerful distribution capabilities
- Best customer insights, strengthen relationships with distributors
- Creating a distinctive brand

## Fast, Lean, Agile

- Strong and effective governance & organisation
- Continued rigorous execution on efficiency to fund business transformation
- Focused on cash generation

## Simple & Smart

- Solution vs. product focus
- Ease of access across the customer journey

## Leveraging on technology & partnerships

- Further develop “connected” insurance
- New partnerships to complement existing capabilities
  - E.g. acquisition of MyDrive

## ...and financial targets

### Cash Generation > €7bn (cumulative 2015-2018)



- c. 50% more cash than FY14 starting point
- 30% growth in FY15 to €1.6bn

### Dividends > €5bn (cumulative 2015-2018)



- Progressively increasing; 20% growth in FY15
- Average yield c. 5.9%<sup>(1)</sup>

### Cost savings totalling €1.5bn by 2018<sup>(2)</sup>



- Fully on track to achieve targets

### Operating RoE > 13% on average



- Maintained commitment to attractive returns
- 14.0% achieved in 2015

(1) Based on closing share price on 15 March 2016

(2) Since programme commencement in 2013

# Agenda

## II. 2015 Group Financials

### Alberto Minali – Group CFO

- Profit & Loss and Balance Sheet

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## Key 2015 financials at a glance

- **Operating Result:** Positive development (+6.1%) mainly driven by P&C underwriting result
- **Operating RoE:** At 14%, up 80 bps, and well above strategic target of 13%
- **Net Result:** Increasing (+21.6%) thanks to both the operating and non operating performance
- **Net Operating Cash generation:** Up 30% to Euro 1.6bn
- **Solvency II ratio (internal model view):** Up to 202% (+16%pts), driven by strong organic capital generation

	FY14	FY15	Δ	4Q14	4Q15	Δ
Operating result (Euro m)	4,508	<b>4,785</b>	+6.1%	840	<b>946</b>	+12.5%
Operating RoE	13.2%	<b>14.0%</b>	+0.8%pts	2.3%	<b>2.5%</b>	+0.2%pts
Net result (Euro m)	1,670	<b>2,030</b>	+21.6%	81	<b>304</b>	n.m.
EPS (Euro)	1.07	<b>1.30</b>	+21.6%	0.05	<b>0.20</b>	n.m.
Shareholders' equity	23,204	<b>23,565</b>	+1.5%			
Net operating cash generation (Parent view, Euro bn)	1.2	<b>1.6</b>	+30%			
Solvency II ratio (internal model view) (%)	186%	<b>202%</b>	+16%pts.			

# Solvency II: Internal Model View

Strong development, driven by organic capital generation

	Excess Own Funds <sup>(1)</sup> (Euro bn)	Solvency II ratio (%)
<b>FY 2014</b>	17.7	<b>186%</b>
Perimeter & FX	0.5	+2%pts.
Normalised capital generation	3.1	+16%pts.
Variances and other movements	0.6	+3%pts.
Dividends (proposed for FY15)	(1.1)	-5%pts.
<b>FY 2015</b>	<b>20.9</b>	<b>202%</b>

- Strong contribution of normalised earnings to increased ratio

- Total proposed dividend cost of 5%pts: Dividend covered 2.8x by normalised capital generation

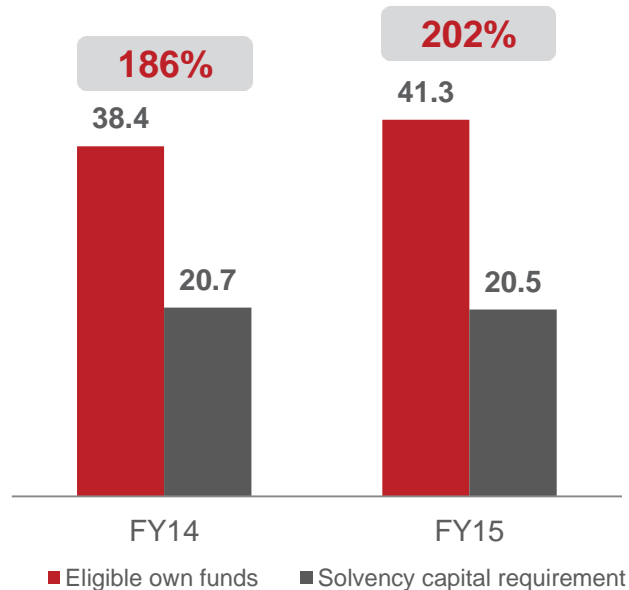
<sup>(1)</sup> Eligible Own Funds in excess of Solvency Capital Requirement (full internal model view)

# Solvency II: Internal Model View

Solvency position able to withstand significant market stresses

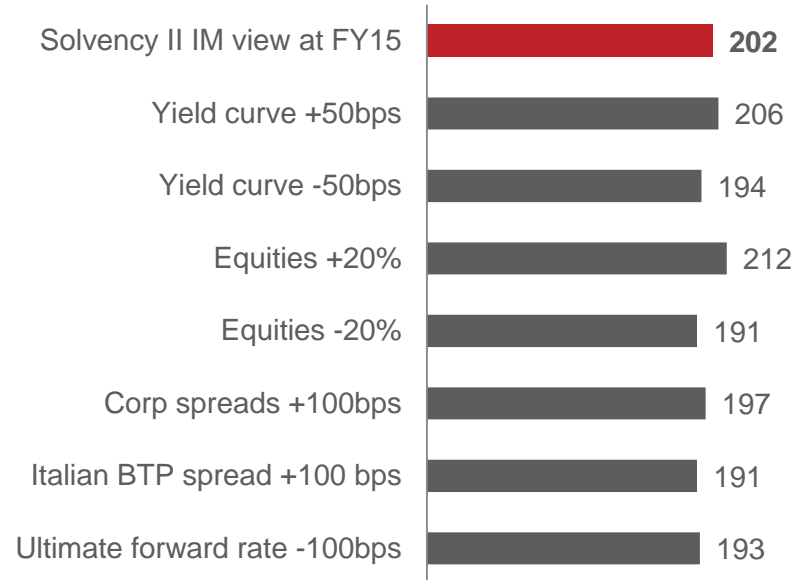
## Eligible own funds vs. Required capital

(Internal model view, Euro bn)



## Key sensitivities

(%)



# Tiering of Own Funds

Eligible Own Funds comprised 89% of Tier 1 capital

		Solvency II Limits		Generali Own Funds structure <sup>(1)</sup>	
				€ bn	% of total
Unrestricted Tier 1	Restricted Tier 1 (Hybrid)	Unlimited	Tier 1	32.2	78%
		<20% of Total Tier 1		4.6	11%
			<b>Total Tier 1</b>	<b>36.8</b>	<b>89%</b>
Tier 2 (Hybrid)		Tier 2 + Tier 3 <50% SCR	Tier 2	4.5	11%
Tier 3		<15% SCR	Tier 3	0.1	0%
			<b>Total Own Funds</b>	<b>41.3</b>	<b>100%</b>

<sup>(1)</sup> Based on Internal Model View. Difference to own funds under provisional Regulatory view is approximately €0.5bn, related to unrestricted T1

# Focus on SCR

## FY15 SCR (Euro bn, Full internal model view)

FY15 SCR before diversification **31.1**

Diversification (5.7)

Taxes (6.2)

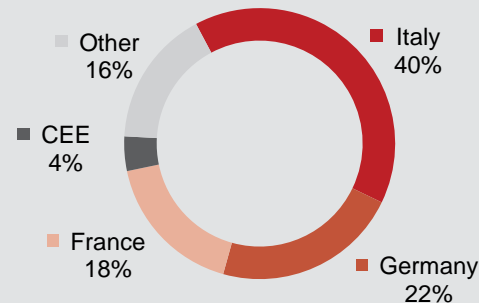
FY15 SCR excl. Other regimes **19.2**

Other regimes<sup>(1)</sup> 1.3

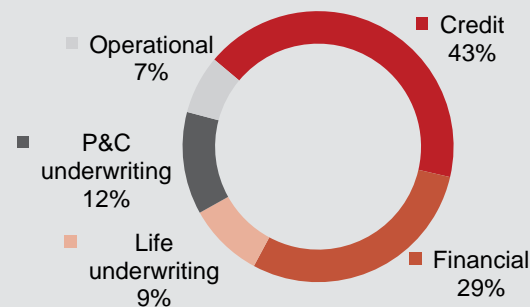
SCR 2015 **20.5**

(1) IORP in France, Asset Management, Banking

### Pre-diversification SCR by region (%)



### Pre-diversification SCR by type of risk (%)



Note: "Credit" risk includes default, spread widening, and rating migration risks

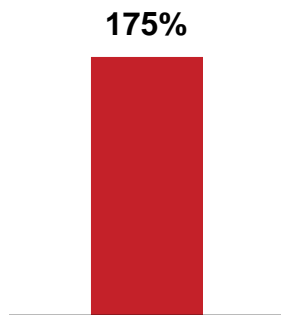
# Internal Model View: The Framework

<b>Scope</b>	<ul style="list-style-type: none"> <li>For all material insurance operations, Own Funds and SCR are calculated using internal model</li> <li>For other business, (e.g. Banking, French IORP), solvency is calculated under applicable regulatory regime</li> </ul>
<b>Operational risk</b>	<ul style="list-style-type: none"> <li>Capital charge of operational risk is based on Standard Formula, but allowance is made for diversification of Operational Risk with other risks</li> </ul>
<b>Sovereign risk</b>	<ul style="list-style-type: none"> <li>Capital charges for default, credit rating migration and spread risk applied for all sovereigns (domestic and non-domestic)</li> </ul>
<b>Dynamic volatility adjuster</b>	<ul style="list-style-type: none"> <li>Dynamic VA calculated according to EIOPA formula, with specific assumptions about reference portfolio based on Generali's exposures</li> </ul>
<b>SCR loss absorbing capacity of deferred tax</b>	<ul style="list-style-type: none"> <li>SCR loss absorbing capacity is limited to the existing net deferred tax liabilities already recognised in the Solvency II balance sheet</li> <li>Allowance for tax group consolidation for entities as permitted by local tax regulation</li> </ul>
<b>Risk margin</b>	<ul style="list-style-type: none"> <li>6% cost of capital added to best estimate liability in line with EIOPA guidance</li> </ul>
<b>Transitional measures</b>	<ul style="list-style-type: none"> <li>No use of transitional measures</li> </ul>
<b>Grandfathering</b>	<ul style="list-style-type: none"> <li>Grandfathering rules applied to our existing Tier 1 and Tier 2 bonds (excluding Euro 1.25 bn Tier 2 issued in October 2015, which is Solvency 2 compliant)</li> </ul>
<b>Fungibility</b>	<ul style="list-style-type: none"> <li>Surplus Funds in excess of entity's contribution to Group SCR, and minority interests in excess of their SCR coverage are the key adjustments</li> </ul>

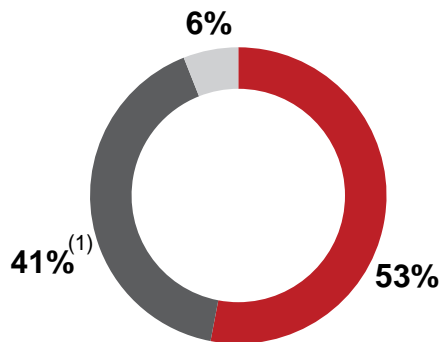
# Regulatory approval status

Partial internal model approved as expected. Progressive approval of remaining business

## FY15 Solvency II Regulatory ratio



## FY15 SCR, Regulatory view (Split by calculation basis)



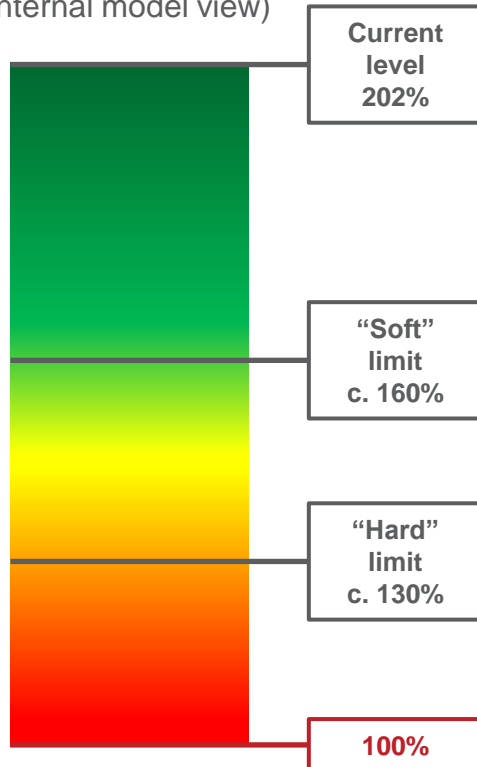
- Approved Internal Model
- Standard Formula
- Other regimes

<sup>(1)</sup> Including operational risk of the entities in in the Internal Model application scope

- **Partial internal model approved, and applicable at 1 January 2016 as planned.** Covers Italy, Germany, French P&C operations, and Czech Republic
- **Progressive widening of approved scope:**
  - French Life
  - Other European Operations
  - Operational risk
- **No material difference expected between full internal model and regulatory views by end of the process**

# Pro-active solvency management framework in place

**Solvency Ratio**  
(Group level,  
Internal model view)

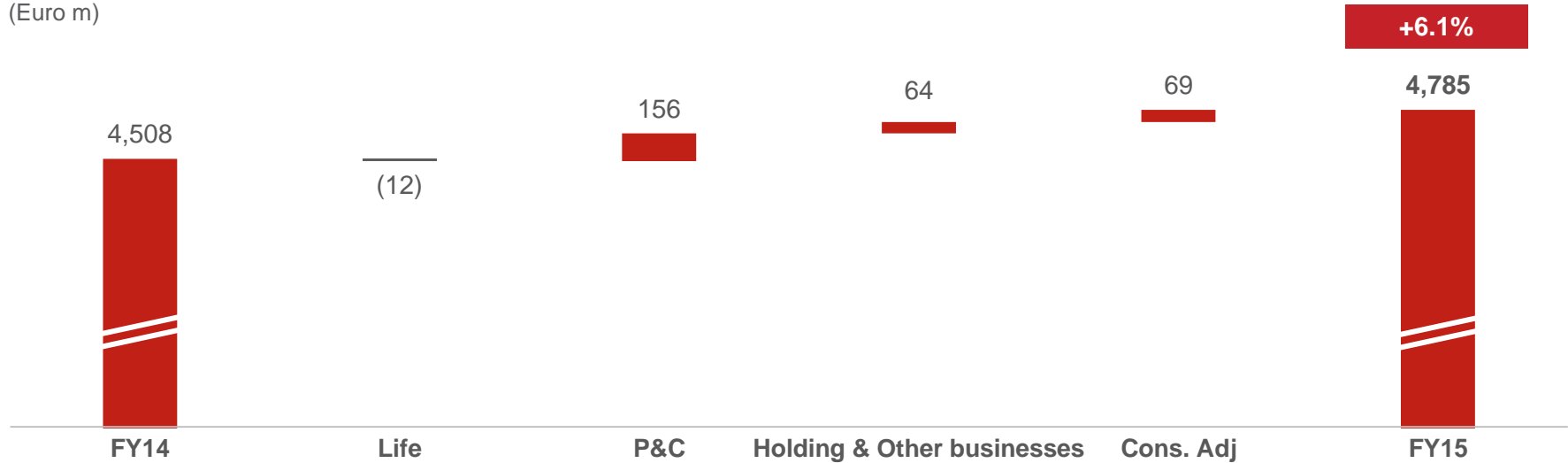


- Escalation mechanisms at Local and Group level in case of limit breach, up to Board depending on severity
- Potential actions could be taken around “Soft” limit to restore solvency and mitigate further downside risk. Examples include
  - Hedging, other asset risk reduction (e.g. sales, change in mix)
  - Reinsurance / risk transfer
  - Securitisation / monetisation of other assets disallowed under Solvency II
  - Expected organic capital generation also restores capital over time
- Firm actions to be taken at “Hard” limit to restore solvency
  - Tools above are still applicable
  - Address dividend level
  - No payout on senior management incentive schemes can be executed, if solvency is below the hard limit



# Operating result by segment

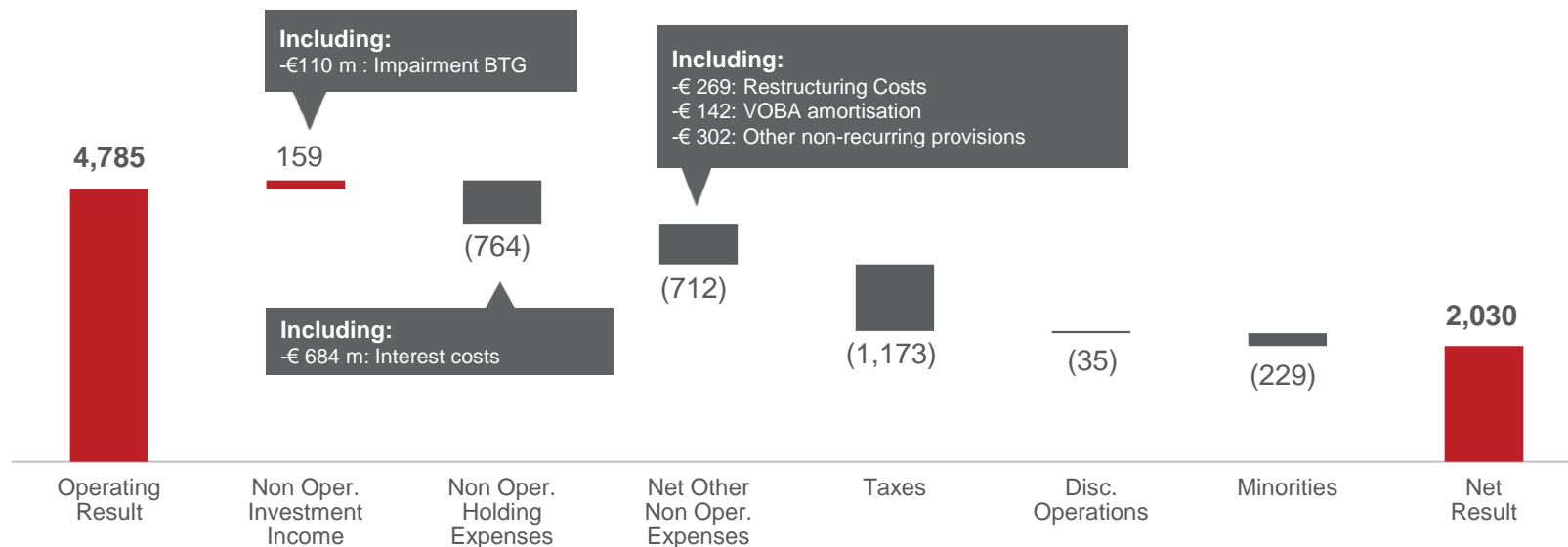
(Euro m)



<b>FY 15</b>	<b>2,965</b>	<b>1,987</b>	<b>59</b>	<b>(226)</b>	<b>4,785</b>
<b>FY 14</b>	2,978	1,831	(5)	(295)	4,508
<b>Δ</b>	-0.4%	+8.5%	n.m.	-23.5%	+6.1%

# From operating result to net profit

(Euro m)



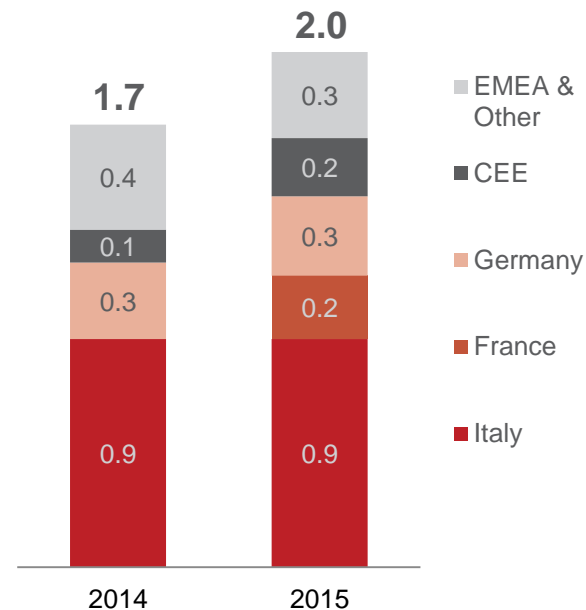
<b>FY 15</b>	<b>4,785</b>	<b>159</b>	<b>(764)</b>	<b>(712)</b>	<b>(1,173)</b>	<b>(35)</b>	<b>(229)</b>	<b>2,030</b>
FY 14	4,508	(203)	(819)	(441)	(1,124)	(69)	(182)	1,670
Δ	+6.1%	n.m.	-6.7%	+61.4%	+4.3%	-48.7%	+25.7%	+21.6%

# Total dividends paid by operations

## Local business unit view

	Net Operating Result <sup>(1)</sup> (Euro bn)	Operating Profit Coverage ratio	Gross dividend paid (Euro bn)
Italy	1.2	1.3x	0.9
France	0.4	1.8x	0.2
Germany	0.5	1.7x	0.3
CEE	0.4	1.6x	0.2
EMEA	0.6	1.7x	0.3
Other <sup>(2)</sup>	0.1	n/m	0.0
<b>Total dividends paid by operations:</b>			<b>2.0</b>

## Gross dividend paid (Euro bn)



<sup>(1)</sup> Net Operating Result = Operating profit by country, after deduction of taxes at normal national rates, and minority interest. <sup>(2)</sup> Excluding parent company reinsurance result

# Net Operating Cash Generation

## Parent company view

### Net Operating Cash Generation

(Euro bn)

2014

2015

Dividends paid by subsidiaries

1.7

2.0

Result of reinsurance

0.3

0.3

Interest & holding expenses

(0.8)

(0.7)

**Net Operating Cash generation**

**1.2**

**1.6**

Group dividend paid / proposed

0.9

1.1

**Coverage ratio**

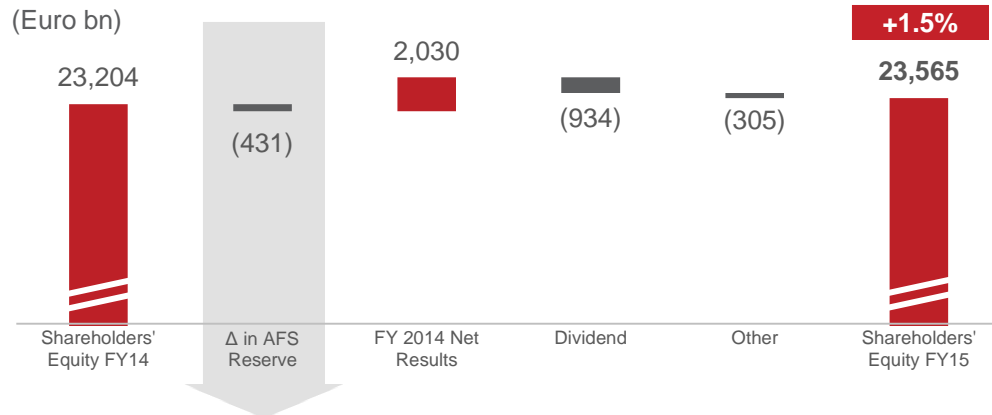
**1.4x**

**1.5x**

- Euro 0.4 bn improvement in operating cash generated:
  - Higher dividends from subsidiaries
  - Slightly lower interest expenses
- FY15 Net Operating Cash generation Euro 1.6bn, ahead of Euro1.5bn target
- Strong progress towards achieving our goal of Euro 7bn cumulatively by 2018

# Shareholders' equity

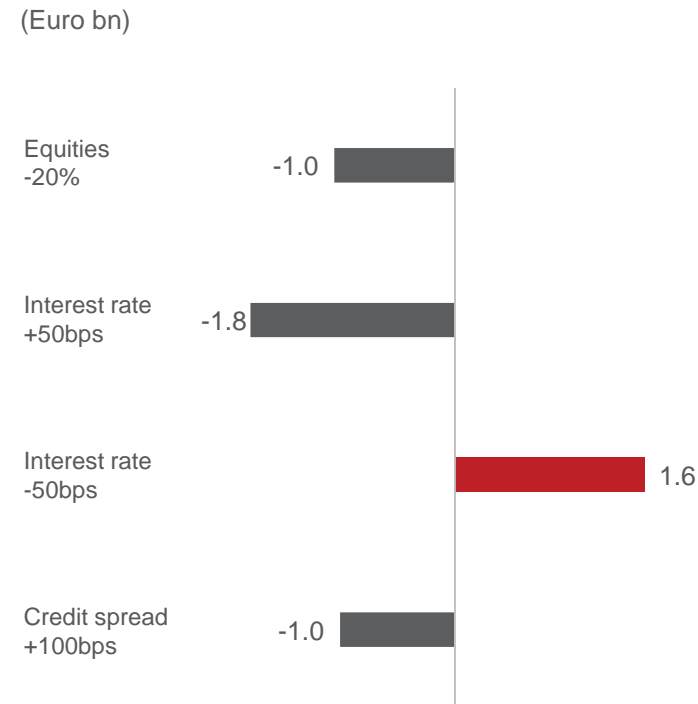
## Shareholders' equity rollforward



## Change in AFS reserve



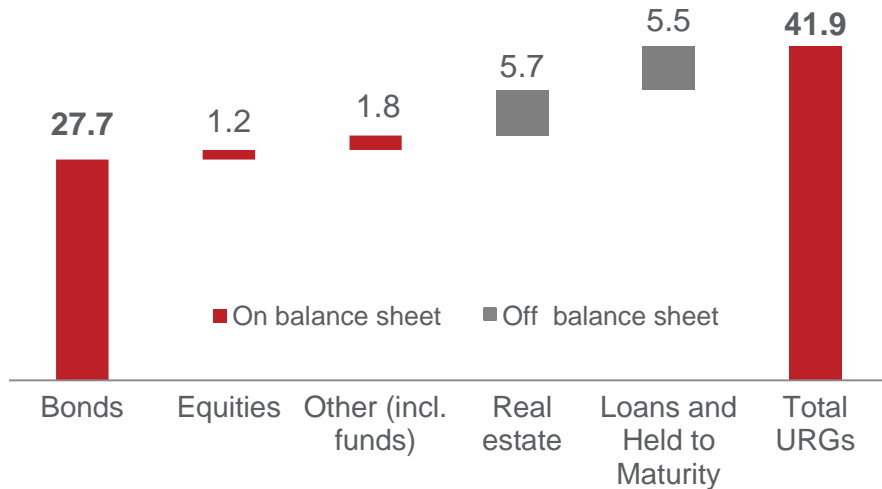
## Shareholders' equity sensitivities



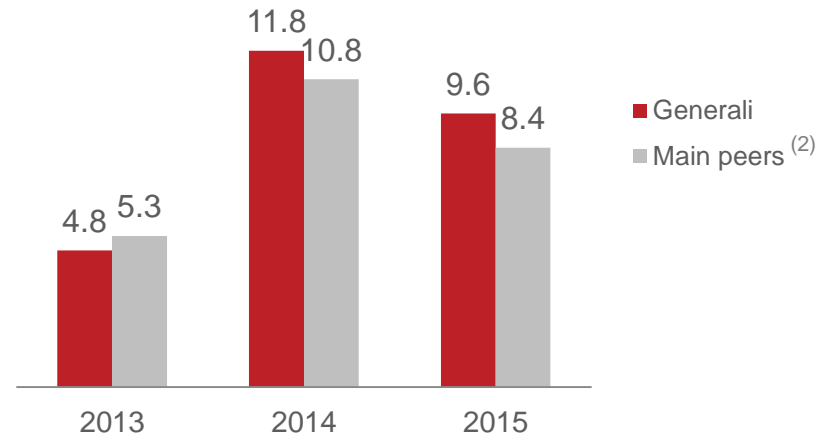
# Focus on unrealised gains

Our stock of unrealised gains has been protected

**On and off balance sheet URGs: Euro 41.9 bn**  
(IFRS FY15, Euro bn, gross of policyholder share and tax)



**Unrealised gains as % of invested assets <sup>(1)</sup>**  
(%)

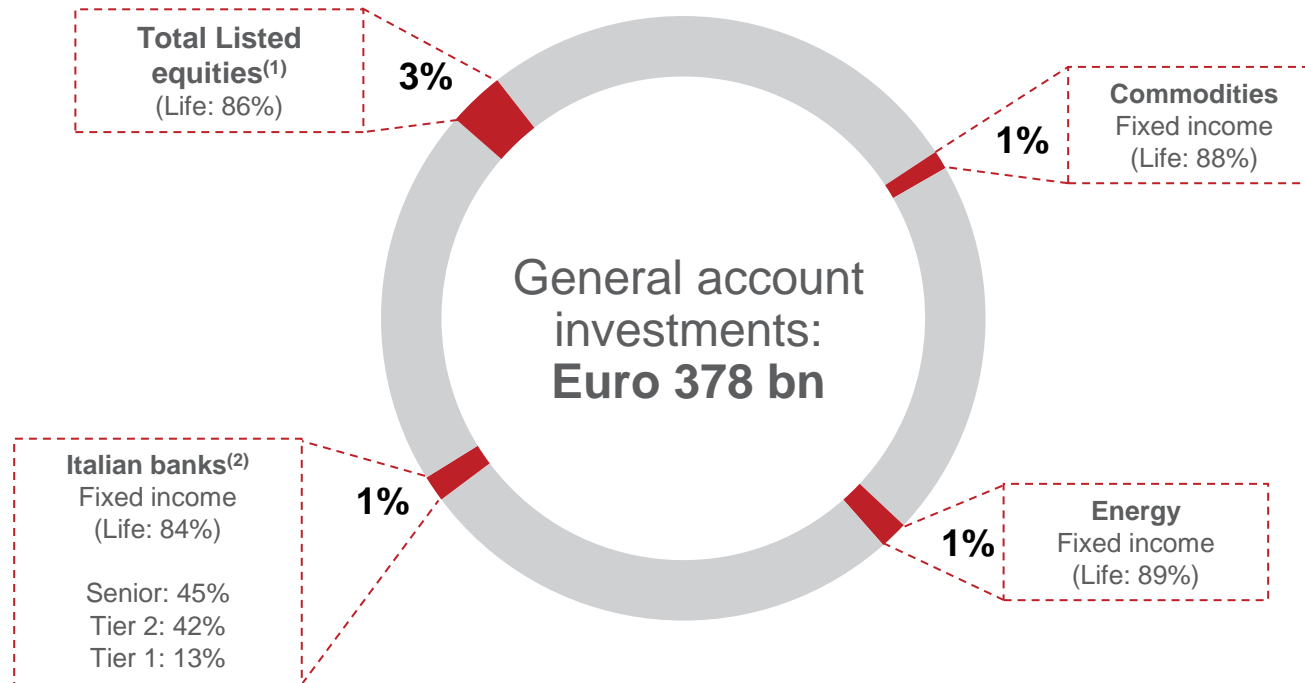


(1) Gross URGs on AFS fixed income, AFS equity, real estate (% of average general account investments book value)

(2) Main peers include: Allianz, AXA, Zurich

# Focus on specific exposures

Our asset mix is conservative (only 3% in listed equities), as it is our other exposure to “hot” sectors



(1) Including listed equity funds

(2) Split of nominal value, excluding covered bonds

# Agenda

## II. 2015 Group Financials

### Alberto Minali – Group CFO

- Profit & Loss and Balance Sheet

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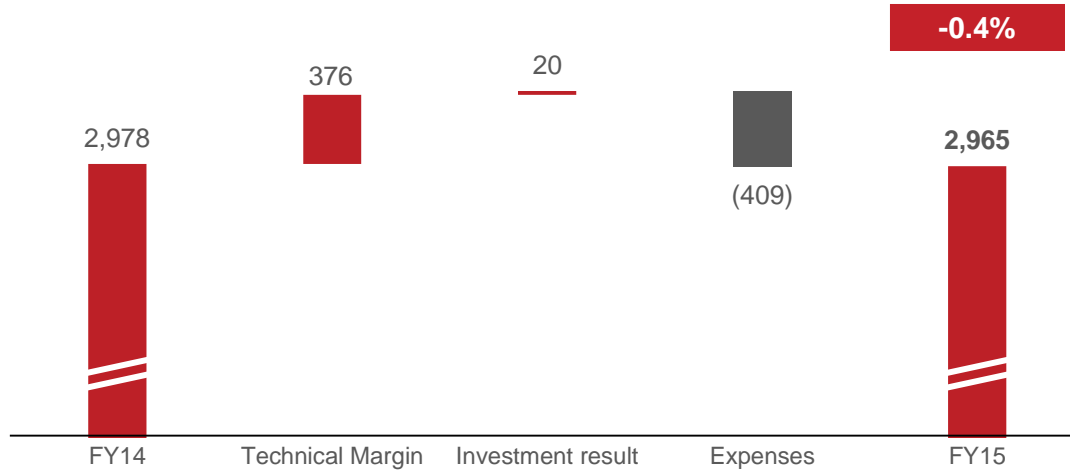
# Life key financial indicators

(Euro m)

	FY14	FY15	LFL $\Delta$	4Q14	4Q15	LFL $\Delta$
Gross written premiums	49,813	<b>53,297</b>	+6.2%	14,202	<b>14,873</b>	+4.1%
Net inflows	12,747	<b>14,920</b>	+15.5%	3,727	<b>3,912</b>	+3.4%
Life operating result	2,978	<b>2,965</b>	-0.4%	727	<b>627</b>	-13.8%
Life operating ratio on investments (bps)	81	<b>74</b>	-7	19	<b>16</b>	-3
APE	5,163	<b>5,210</b>	-0.2%	1,497	<b>1,425</b>	-5.0%
New Business Value	1,239	<b>1,097</b>	-13.0%	305	<b>340</b>	+10.8%
Margin on APE (%)	24.0%	<b>21.0%</b>	-3.1%pts.	20.4%	<b>23.8%</b>	+3.4%pts.

# Life Operating result by driver

(Euro m)



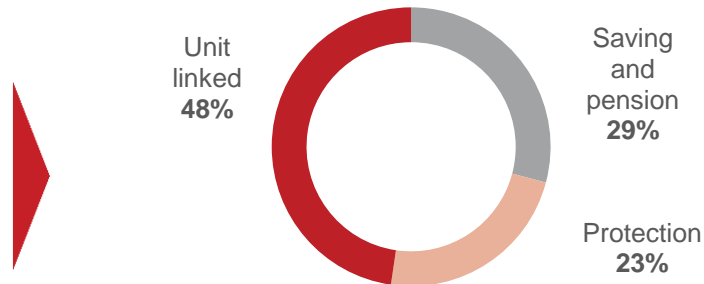
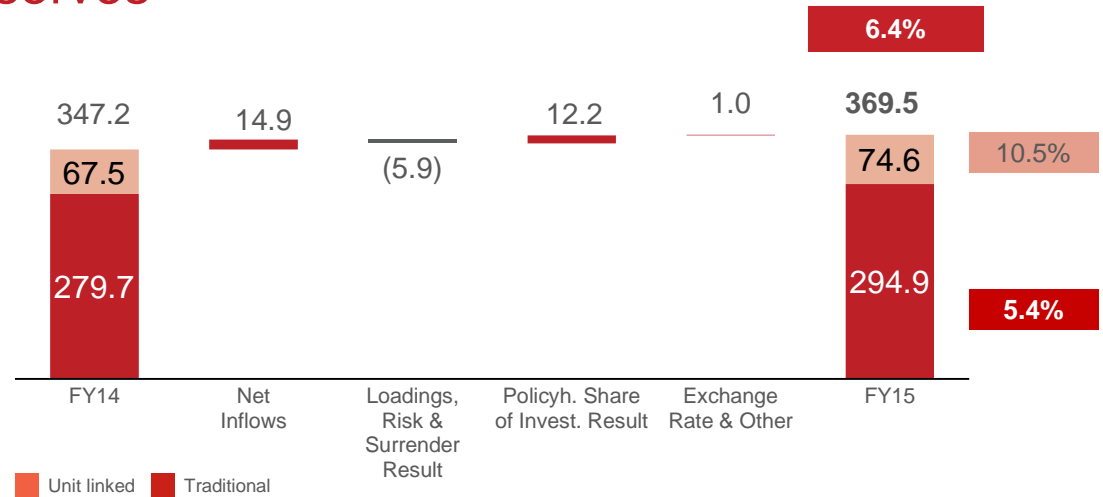
- Excellent technical margin thanks to all sources of profit
- Expense result mainly reflecting higher volumes

<b>FY 15</b>	<b>5,909</b>	<b>2,260</b>	<b>(5,204)</b>
FY 14	5,532	2,240	(4,795)
Δ %	+6.8%	+0.9%	+8.5%

# Life inflows and technical reserves<sup>(1)</sup>

(Euro m)

	FY14	FY15
Italy	5,699	7,646
France	615	1,147
Germany	2,958	2,997
CEE	425	589
EMEA	2,703	1,444
Americas	118	142
Asia	197	924
International	32	31
<b>TOTAL</b>	<b>12,747</b>	<b>14,920</b>

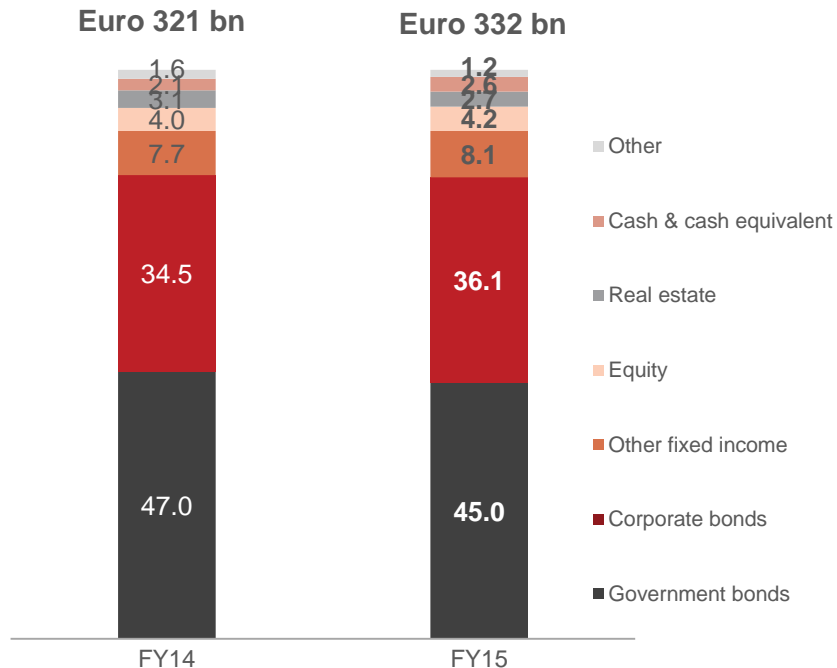


(1) Including liabilities related to investment contracts

# Life investment breakdown and performance

## Life segment general account

(%)



## Current returns

		Euro m	%
Fixed income	FY14	9,588	3.6
	<b>FY15</b>	<b>9,877</b>	<b>3.4</b>
Equity	FY14	449	3.5
	<b>FY15</b>	<b>416</b>	<b>3.0</b>
Real Estate <sup>(1)</sup>	FY14	547	5.6
	<b>FY15</b>	<b>526</b>	<b>5.5</b>
Total <sup>(1)</sup>	FY14	10,907	3.6
	<b>FY15</b>	<b>11,112</b>	<b>3.4</b>

(1) Net of depreciation expenses

## Life new business analysis

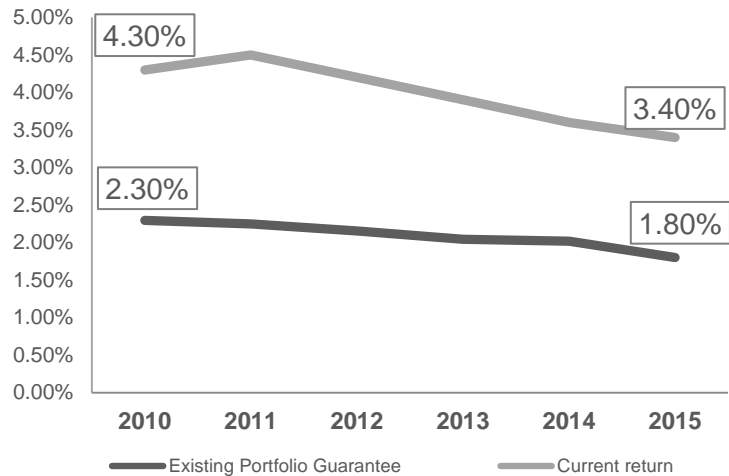
- Stable APE growth driven by unit linked (+14.6%) and protection business (+22.4%), while saving business shows a decline (-9.8%); good progress in Single Premium (+8.3%)
- Strong improvement NBM in the last two quarters (26.2% at 3Q, 23.8% at 4Q), driving the FY15 margin to 21.0%, despite the overall negative financial situation of first half of the year 2015
- Further marked reduction of level of guarantees (in Euro area from 0.91% at FY14 to 0.60% at FY15)

(Euro m)

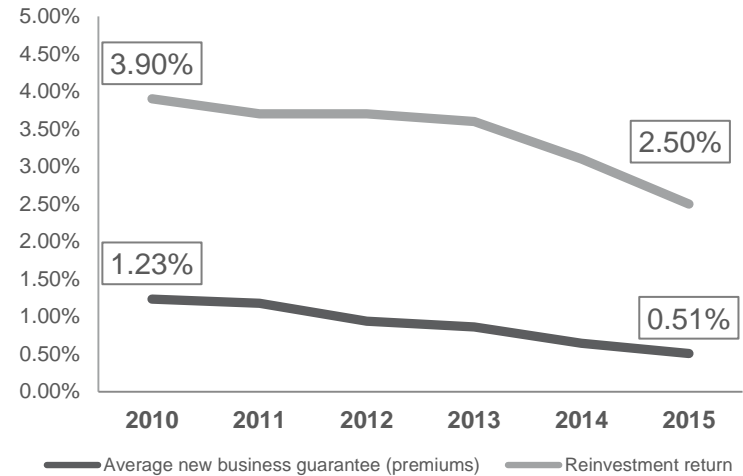
	APE			NBV			MARGIN ON APE		
	FY14	FY15	LFL Δ	FY14	FY15	LFL Δ	FY14	FY15	LFL Δ
Italy	2,492	2,322	-6.8%	641	589	-8.0%	25.7%	25.4%	-0.3%pts.
France	817	944	+16.0%	89	62	-30.1%	10.9%	6.5%	-4.3%pts.
Germany	862	826	-5.0%	265	191	-28.7%	30.7%	23.1%	-7.7%pts.
CEE	148	165	-3.2%	49	39	-30.2%	32.8%	23.7%	-9.2%pts.
EMEA	684	645	-7.2%	177	174	-6.4%	25.9%	27.0%	0.2%pts.
Americas & Asia	159	308	+71.2%	19	42	+88.6%	11.8%	13.5%	1.3%pts.
<b>TOTAL</b>	<b>5,163</b>	<b>5,210</b>	<b>-0.2%</b>	<b>1,239</b>	<b>1,097</b>	<b>-13.0%</b>	<b>24.0%</b>	<b>21.0%</b>	<b>-3.1%pts.</b>

# Update on Guarantees

**Current return vs existing portfolio guarantee (%)**



**Reinvestment return vs average new business guarantee (based on premiums) (%)**



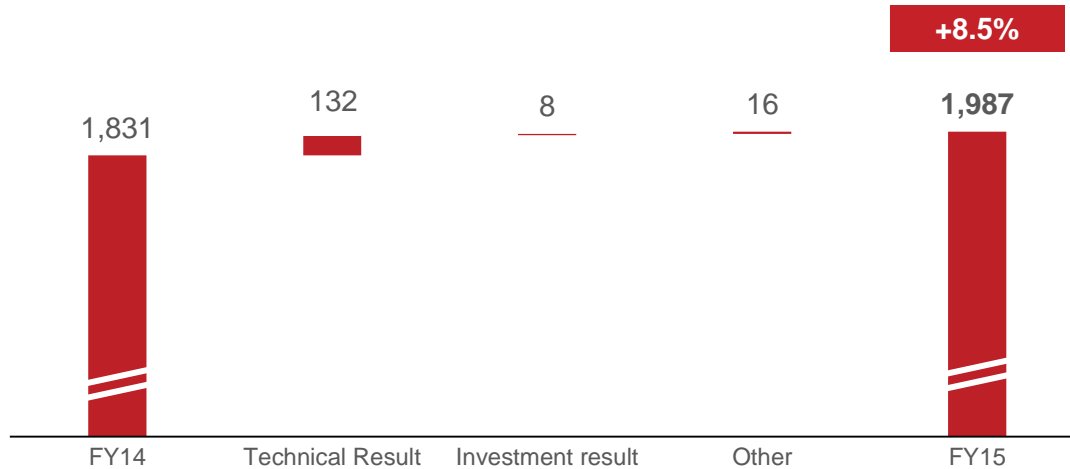
# P&C key financial Indicators

(Euro m)

	FY14	FY15	LFL Δ	4Q14	4Q15	LFL Δ
<b>Gross written premiums, of which:</b>	20,617	<b>20,868</b>	+0.8%	5,053	<b>5,093</b>	+1.1%
Primary Motor	8,062	<b>8,129</b>	+0.2%	1,743	<b>1,796</b>	+4.0%
Primary Non Motor	11,859	<b>12,009</b>	+1.1%	3,111	<b>3,094</b>	-0.6%
<b>Combined ratio (%)</b>	93.8%	<b>93.1%</b>	-0.6%pts.	94.8%	<b>94.5%</b>	-0.2%pts.
<b>Nat Cat impact (%)</b>	1.2%	<b>1.6%</b>	+0.4%pts.	1.3%	<b>1.6%</b>	+0.3%pts.
<b>P&amp;C operating result</b>	1,831	<b>1,987</b>	+8.5%	300	<b>382</b>	+27.3%

# P&C Operating result by driver

(Euro m)



- Excellent technical performance thanks to the decline in the loss ratio, despite higher Nat Cat impact
- Investment result and Other slightly increasing

<b>FY 15</b>	<b>1,213</b>	<b>1,015</b>	<b>(242)</b>
FY 14	1,082	1,007	(258)
<b>Δ %</b>	<b>+12.2%</b>	<b>+0.8%</b>	<b>-6.2%</b>



# P&C gross written premiums trends

(Euro m)

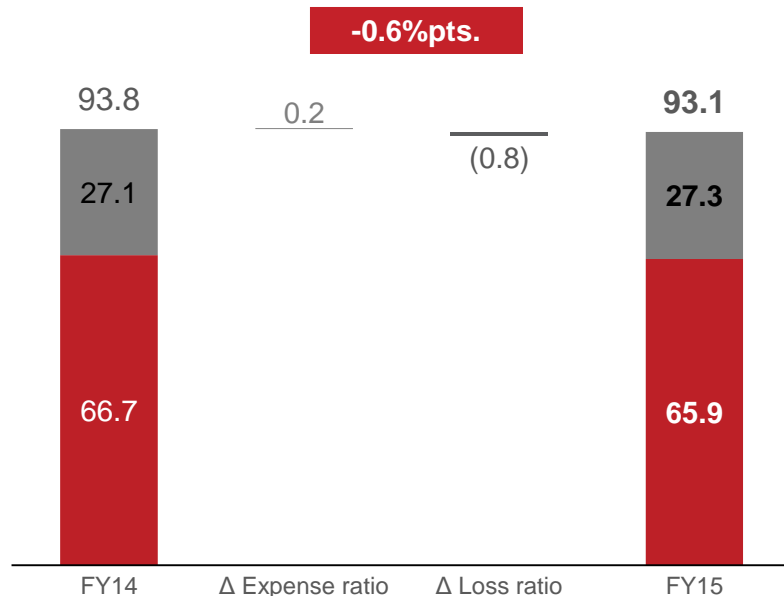
	FY14	FY15	LFL $\Delta$
Italy	6,132	5,947	-3.0%
France	2,545	2,538	-0.3%
Germany	3,547	3,608	+1.7%
CEE	1,884	1,976	+4.6%
EMEA	4,246	4,410	+1.8%
Americas	1,057	1,156	+7.3%
Asia	103	128	+22.5%
International	1,102	1,106	+3.9%
<b>Total</b>	<b>20,617</b>	<b>20,868</b>	<b>+0.8%</b>

## Overall increase of premiums (+0.8%), confirming a positive quarterly development (+1.1% in 4Q15)

- -3.0% decline in **Italy** mainly driven by Motor (-7.3%, due to the intensified price competition). Non Motor -0.7%
- -0.3% decline in **France** due to Motor (-3.8%, due to the recovery measures on the portfolio), partially offset by the increase in Non Motor (+1.4%, driven by Personal lines)
- +1.7% increase in **Germany** due to both Motor (+2.7%, due to continuing market momentum) and Non Motor (+1.1%)

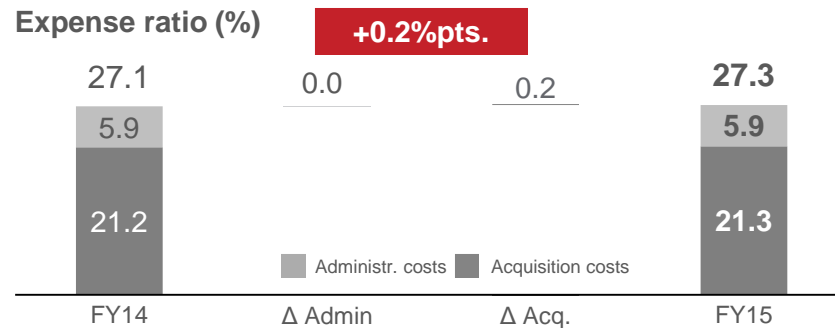
# Combined ratio analysis

## Combined ratio (%)

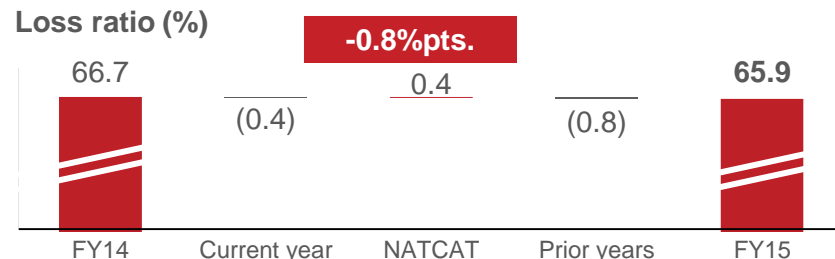


■ Expense ratio ■ Loss ratio

## Expense ratio (%)



## Loss ratio (%)



FY 15	68.9	1.6	-4.6	65.9
FY 14	69.3	1.2	-3.8	66.7

## Combined ratio by country

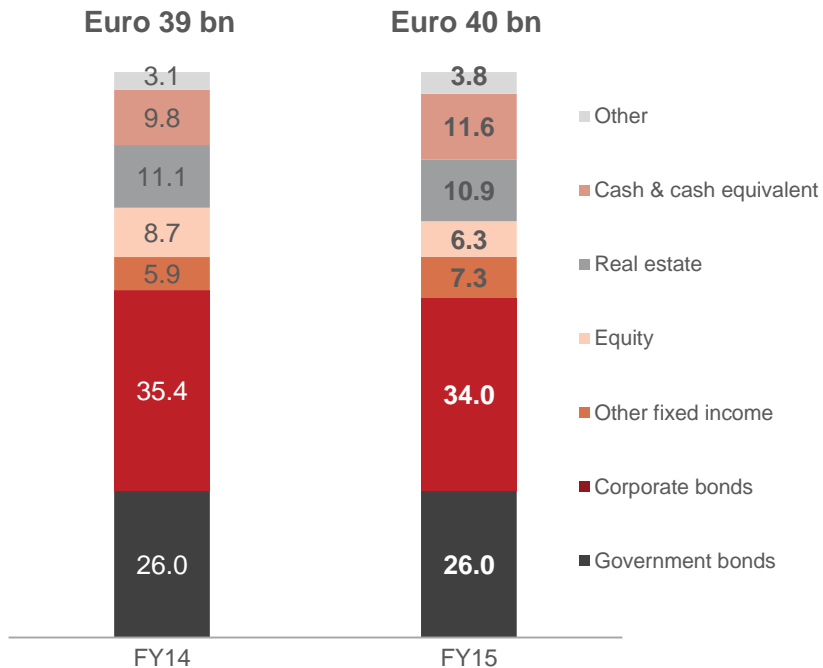
(%)

	FY14	FY15	LFL $\Delta$
Italy	89.2%	89.1%	-0.2%pts.
France	104.9%	100.2%	-4.7%pts.
Germany	92.6%	92.4%	-0.2%pts.
CEE	87.7%	90.1%	+2.4%pts.
EMEA	95.5%	95.2%	-0.3%pts.
Americas	113.3%	106.1%	-7.2%pts.
Asia	97.6%	94.4%	-3.2%pts.
International Operations	83.7%	85.9%	+2.2%pts.
<b>Total</b>	<b>93.8%</b>	<b>93.1%</b>	<b>-0.6%pts.</b>

- **Italy** remains at an excellent level, despite heavier Nat Cat impact (2.1%pts. against 1.7%pts. reported at FY14). Improvement in Non-Motor combined ratio offset the deteriorating trend seen in Motor
- Strong improvement in **France** both in Motor and Non-Motor. The decrease by 4.7%pts. is mainly driven by the successful portfolio restructuring, and lower Nat Cat (-0.5%pts. vs. FY14)
- Combined ratio substantially stable in **Germany**, despite heavier Nat Cat impact (2.3%pts. against 1.1%pts. at FY14), thanks to strong positive development in Non Motor
- Combined ratio in **CEE** increased by 2.4%pts. due a deterioration in Motor (regulatory changes in Poland) and higher Nat Cat (+0.6%pts. vs. FY14) partially counterbalanced by improving Non Motor

# P&C investment breakdown and performance

## P&C segment general account (%)



## Current returns

		Euro m	%
Fixed income	FY14	861	3.4
	<b>FY15</b>	<b>856</b>	<b>3.2</b>
Equity	FY14	121	3.6
	<b>FY15</b>	<b>96</b>	<b>3.1</b>
Real Estate <sup>(1)</sup>	FY14	268	5.9
	<b>FY15</b>	<b>256</b>	<b>6.0</b>
Total <sup>(1)</sup>	FY14	1,307	3.5
	<b>FY15</b>	<b>1,267</b>	<b>3.2</b>

(1) Net of depreciation expenses

# Focus on Holding & Other businesses segment

(Euro m)

	FY14	FY15	△	4Q14	4Q15	△
Financial	374	434	+16.0%	82	115	+39.6%
<i>of which Banca Generali<sup>(1)</sup></i>	221	252	+14.0%	44	47	+7.0%
Operating holding expenses	(418)	(429)	+2.6%	(128)	(71)	-44.4%
Other businesses <sup>(2)</sup>	40	55	+37.4%	(47)	(40)	-14.0%
<b>Total</b>	<b>(5)</b>	<b>59</b>	<b>n.m.</b>	<b>(92)</b>	<b>4</b>	<b>n.m.</b>

(1) Banca Generali's operating contribution as per Generali's view

(2) Including pure financial holdings, international service activities and any other non-core businesses

# Final remarks



- **Operating RoE up to 14%; Net Result up 22%**



- **Net operating cash generation up 30% to €1.6bn**



- **Strong and resilient capital: S-II internal model at 202%**



- **20% increase in dividend, to €0.72**

# Agenda

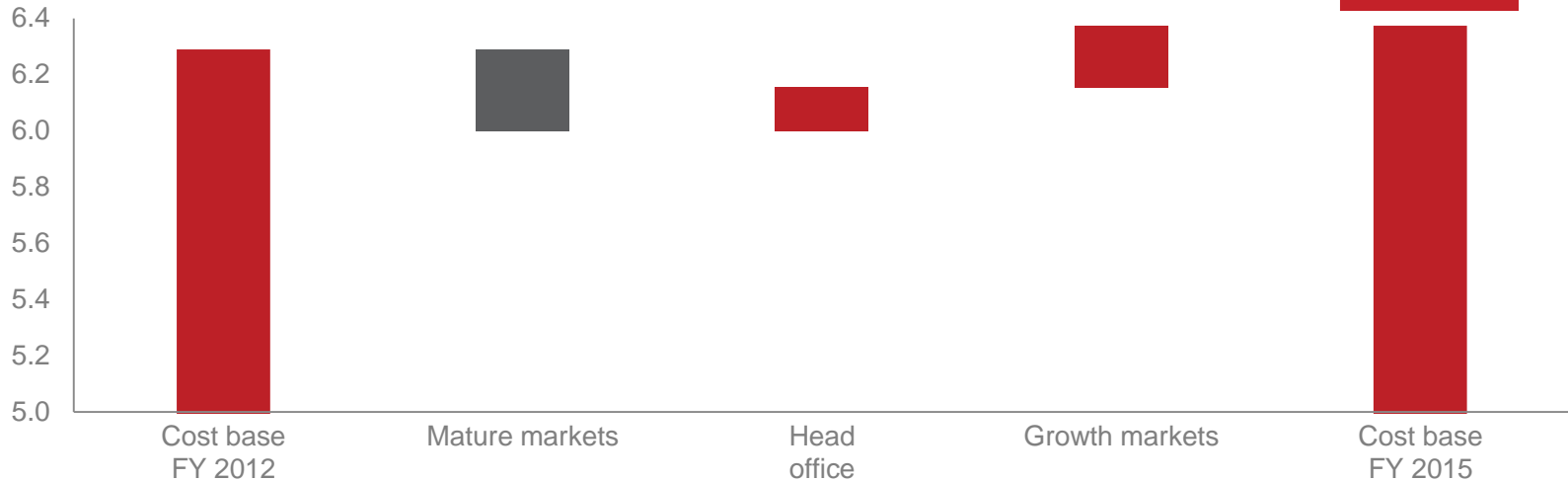
## III. Backup

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# FY 2015 Cost development

Group operating expense development, relative to 2012 baseline (OpEx view)

(Euro bn)

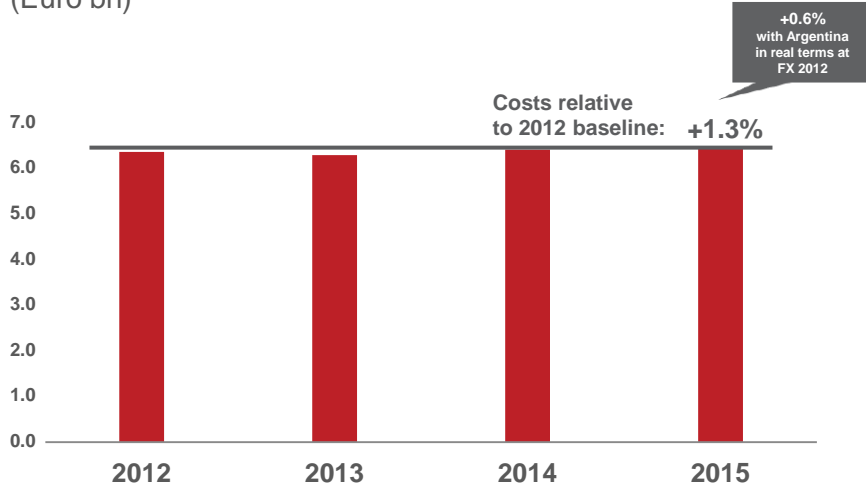


- Gross savings reached more than Euro 0.8 bn at FY2015, in line with expectations and on track to achieve Euro 1 bn planned by FY16
- Net costs show 1.3% increase vs. 2012 baseline, driven by Asia growth, with significant savings in mature markets that cover investments in growth markets and Head Office build-out



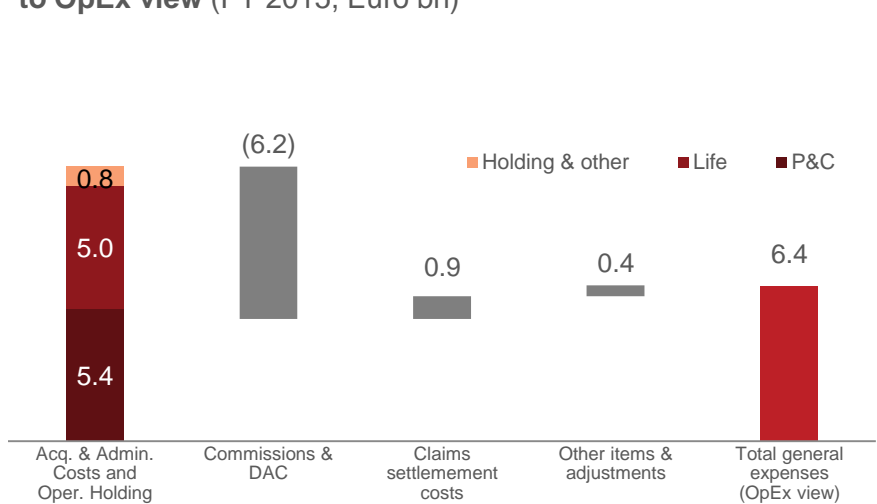
# FY 2015 Cost development

Group operating expense development (OpEx view)  
(Euro bn)



- Overall costs broadly in line with ambition of remaining flat at 2012 baseline (+1.3% deviation)
- The reduction of costs in Mature markets has guaranteed to maintain flat the 2012 baseline during the year, allowing the increase in investment in Asia and HO build-out

Reconciliation of general expenses from IFRS view to OpEx view (FY 2015, Euro bn)



- Acquisition & Admin costs and Oper. Holding expenses, accounting view (per segmental operating profit analysis)
- Adjustments from accounting view
- Adjusted general expense base

# Agenda

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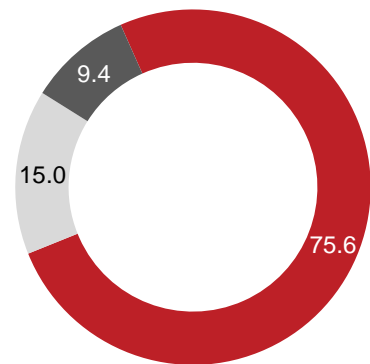
Life EV page **51**

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# Assets under management

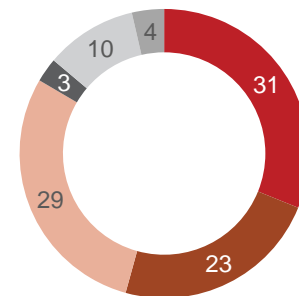
**Total Portfolio: Euro 500 bn**  
(%)

- General account
- Unit Linked
- Third party investments



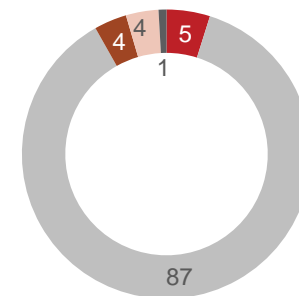
**Breakdown by region and asset class**  
(%)

By Region



- Italy
- France
- Germany
- CEE
- EMEA
- RoW and other operations

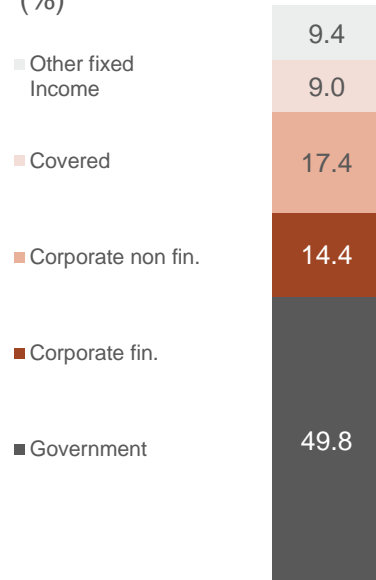
By Asset Class



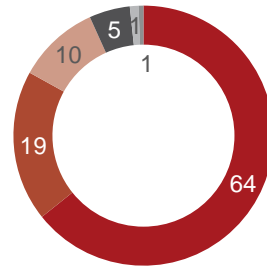
- Equity
- Fixed income
- Real estate
- Cash & Cash Equivalent
- Other

# Fixed Income Portfolio

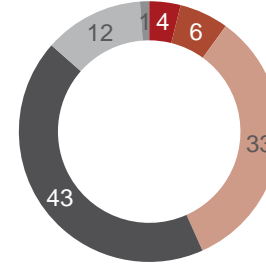
## Total Portfolio Euro 328 bn (%)



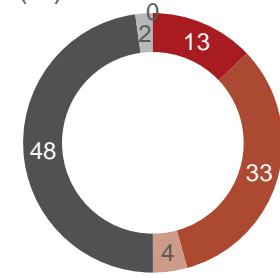
## Covered Euro 29 bn (%)



## Corporate Euro 105 bn (%)



## Government Euro 163 bn<sup>(1)</sup> (%)



■ AAA ■ AA ■ A ■ BBB ■ Not Investment Grade ■ Not Rated

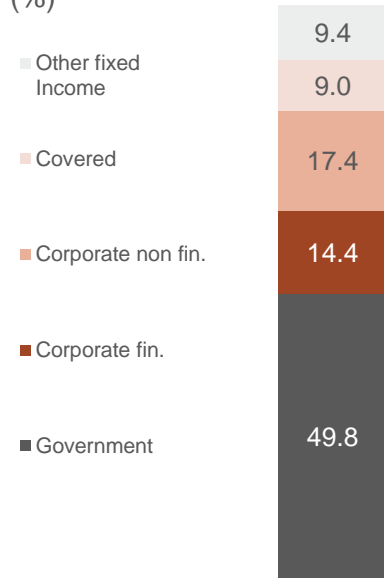
Bond duration	FY14	FY15
Life	8.2	8.0
P&C	4.6	5.0
Life duration Gap <sup>(2)</sup>	FY14	FY15
	-1.0	-1.0

(1) Italian government bond exposure is 81% of BBB

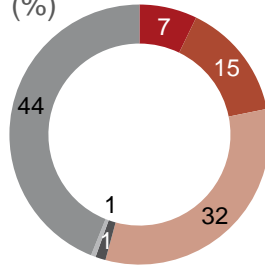
(2) Duration gap = duration of fixed income assets – duration of liabilities x (Best estimate liabilities/Market Value of fixed income assets)

# Fixed Income Portfolio by country

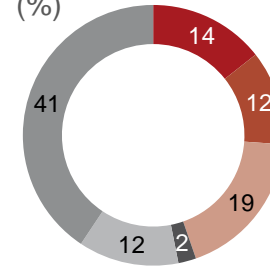
**Total Portfolio**  
Euro 328 bn  
(%)



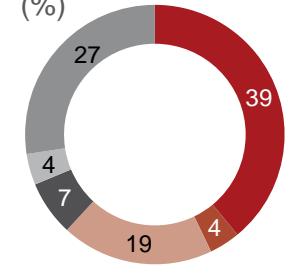
**Covered**  
Euro 29 bn  
(%)



**Corporate**  
Euro 105 bn  
(%)



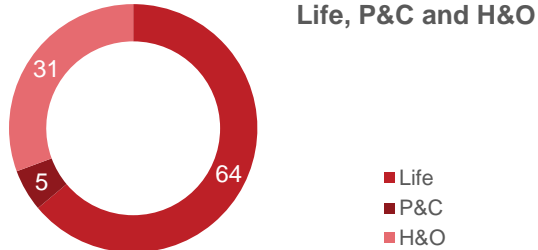
**Government**  
Euro 163 bn  
(%)



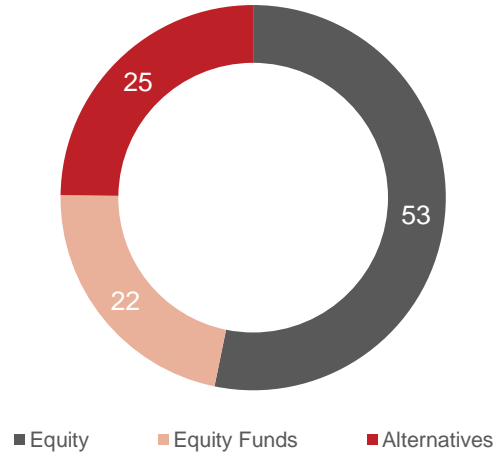
■ Italy ■ Germany ■ France ■ CEE ■ USA ■ Other

# Equity & Equity-like

**Alternative funds: Euro 5 bn**  
(%)



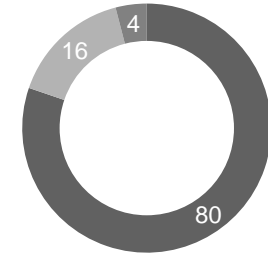
**Total Portfolio: Euro 18 bn**  
(%)



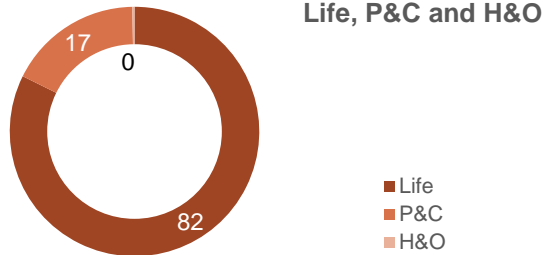
**Equity: Euro 10 bn**  
(%)

**Life, P&C and Financial**

- Life
- P&C
- H&O

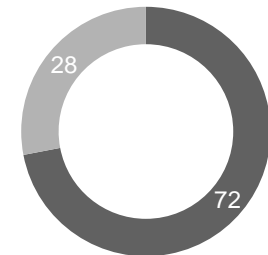


**Equity funds: Euro 4 bn**  
(%)



**Listed and Unlisted**

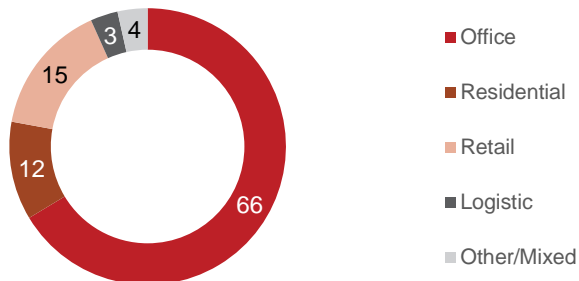
- Quoted
- Unquoted



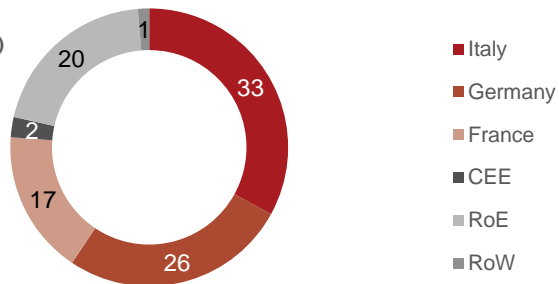
# Asset Allocation: Real Estate<sup>1</sup>

Total Portfolio: Euro 24 bn<sup>(1)</sup>

Breakdown  
by use<sup>2</sup>  
(%)



Breakdown  
by country<sup>(2)</sup>  
(%)



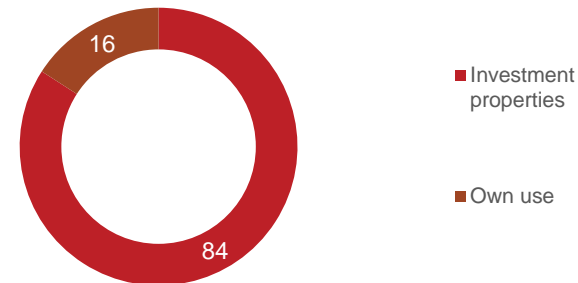
(1) Data, at fair value, includes investment properties, own use assets and properties inventory

(2) Detail referred to direct investments in real estate only

Off balance sheet gains  
(Euro m)

	FY14	FY15
Gross Unrealised Gains and Losses (UGL)	5,437	5,728
Shareholders' share of UGL (after P/H share, tax & minorities)	3,444	3,614

Breakdown  
by utilization<sup>2</sup>  
(%)



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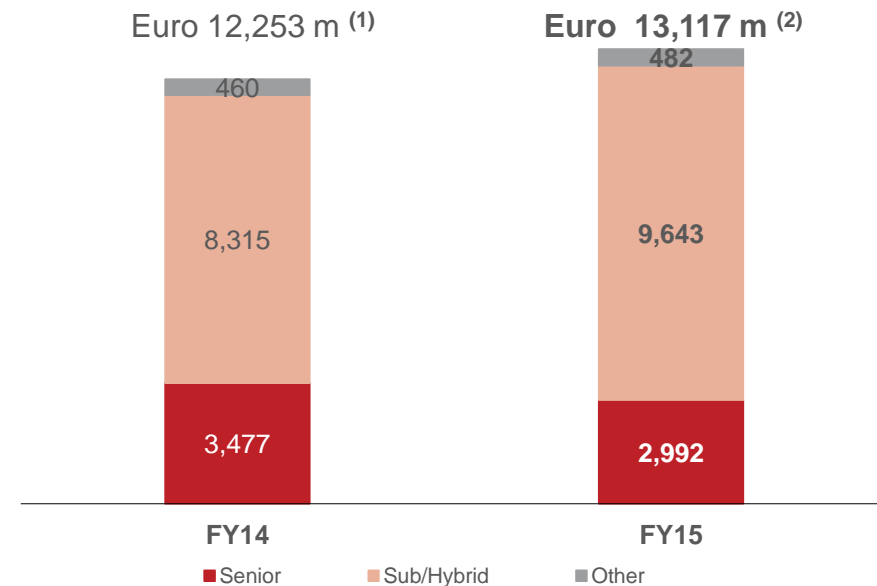


# Focus on financial debt

## Average cost & maturity of financial debt (%)

	FY14	FY15
<b>Average cost (%)</b>	5.62%	<b>5.65%</b>
Subordinated/Hybrid	6.21%	<b>6.13%</b>
Senior	4.13%	<b>4.21%</b>
<b>Average maturity (years)</b>	6.87	<b>6.68</b>

## Total financial debt (Euro bn)

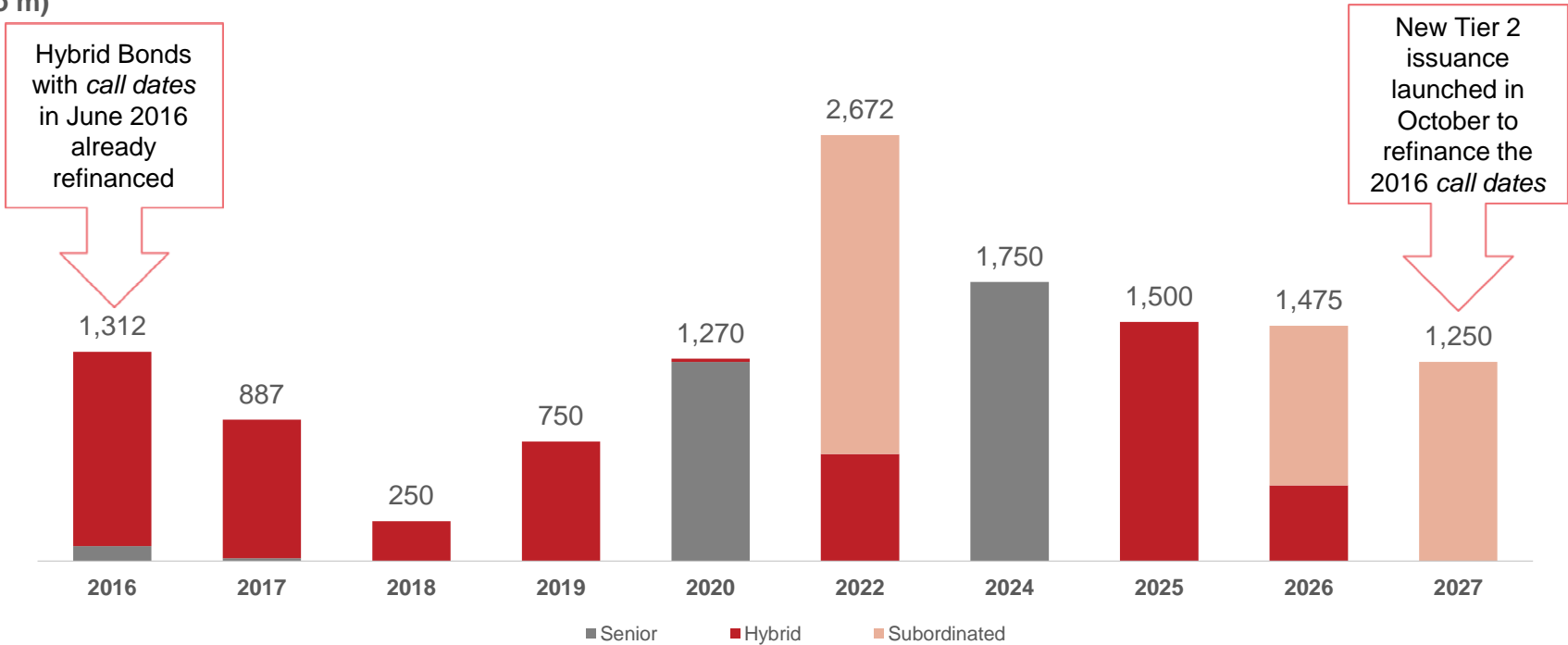


(1) The amount of financial debt as of 2014 December, 31, includes the subordinated bond issued in May 2014 for a nominal amount of € 1 bn to refinance part of the 2015 maturities

(2) The amount of financial debt as of 2015 December, 31, includes the subordinated bond issued in October 2015, for a nominal amount of Euro 1.25 bn, to refinance 2016 callable hybrid bonds

# Financial debt breakdown by expiry date/call date

(Euro m)



# Agenda

## III. Backup

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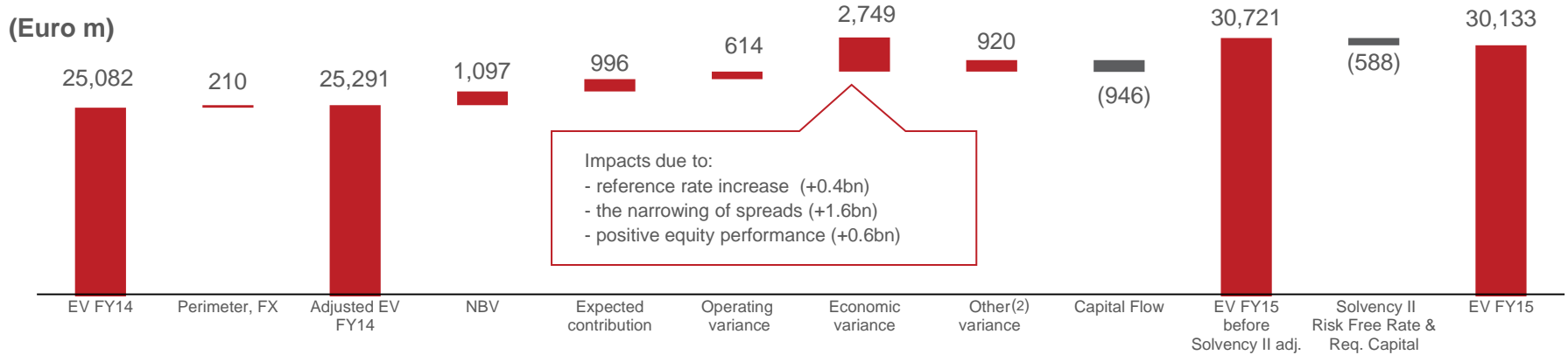
Investments page **42**

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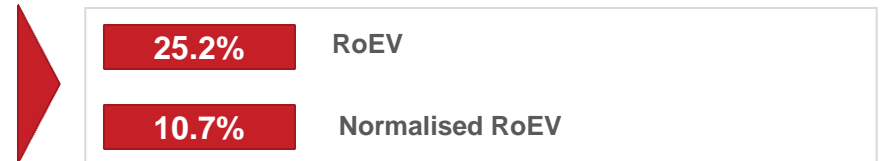
# Life EV<sup>(1)</sup> roll-forward



## Life embedded value earnings (Euro m)

Adjusted embedded value FY14	25,291
Embedded value earnings	6,375
Normalised EV earnings <sup>(3)</sup>	2,706

## Return on Life embedded value



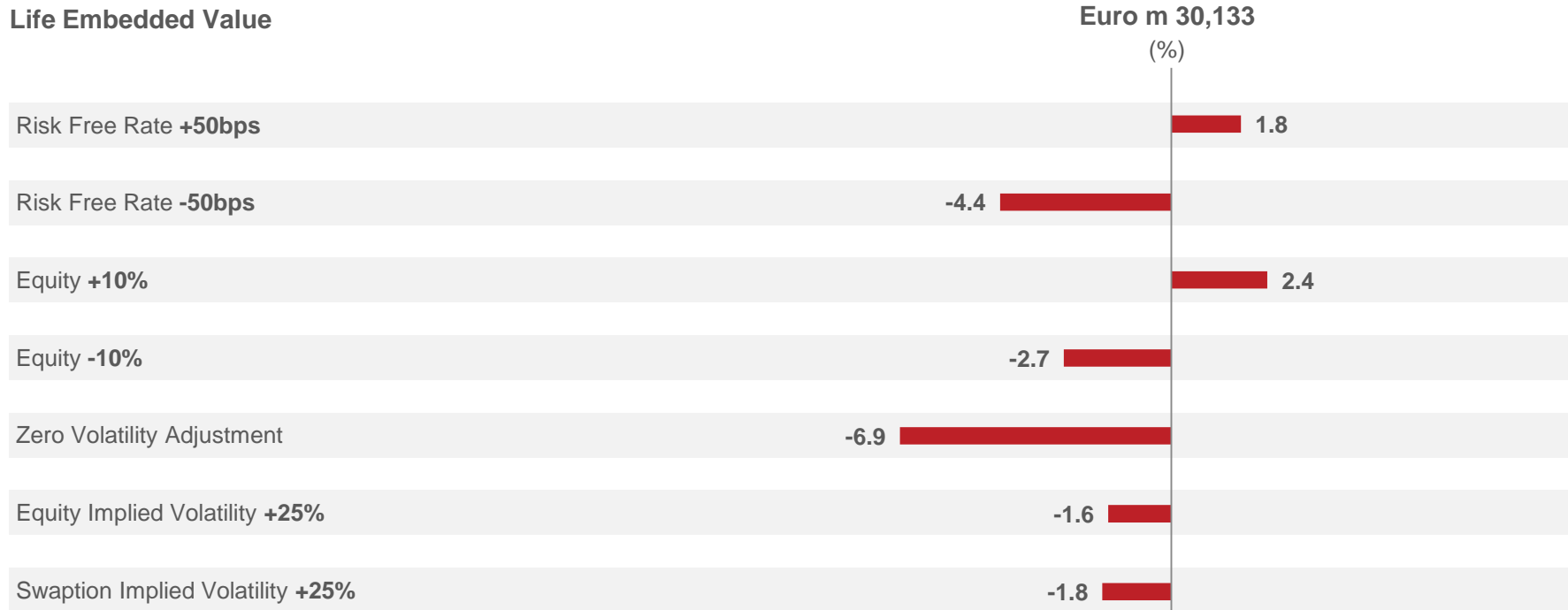
(1) Calculated with methodology and assumptions compliant with "Market Consistent Embedded Value Principles" as defined by CFO Forum

(2) "Other variance" includes model changes, extraordinary expenses and residual variance

(3) "Normalised EV earnings" defined as NBV + Expected contribution + Operating variance

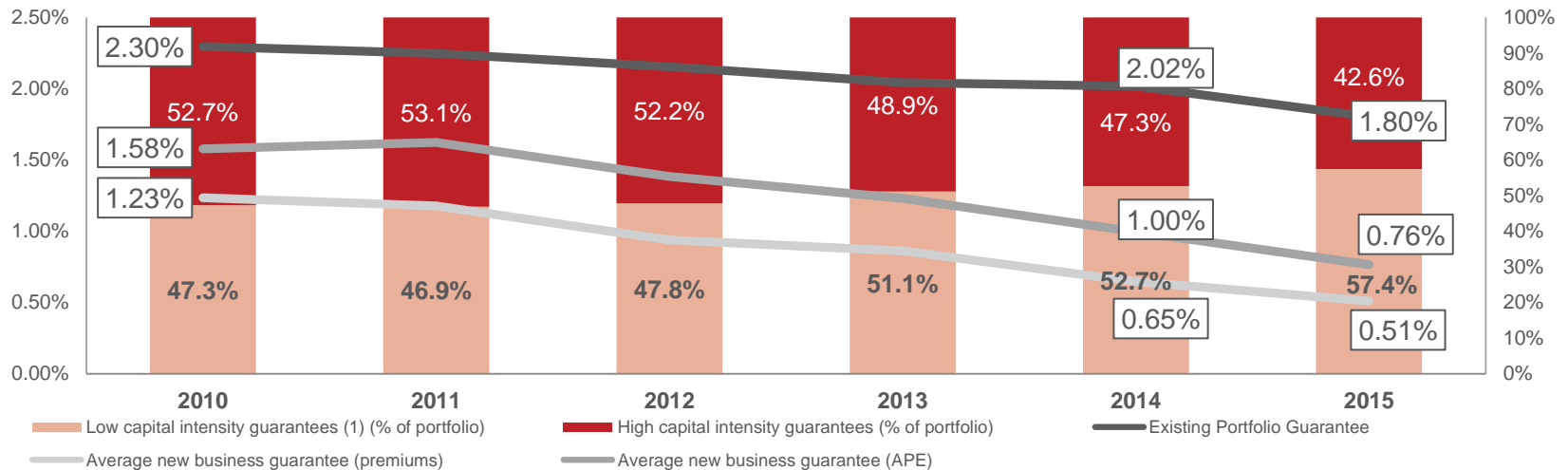
# FY15 Life Embedded Value sensitivities

## Life Embedded Value



# Update on Guarantees

- Portfolio guarantee profile continues to improve in terms of type (57.4% of reserves is made of low capital intensity guarantees) and average guarantee (currently 1.80%)
- Improvements driven by new business: in 2015, 81.1% of total new business APE is made of low capital intensity guarantees and the average guarantee is 0.76% (0.51% on new business premiums)



(1) Low capital intensity guarantees = no guarantees, matched, at maturity guarantees and yearly 0% guarantees

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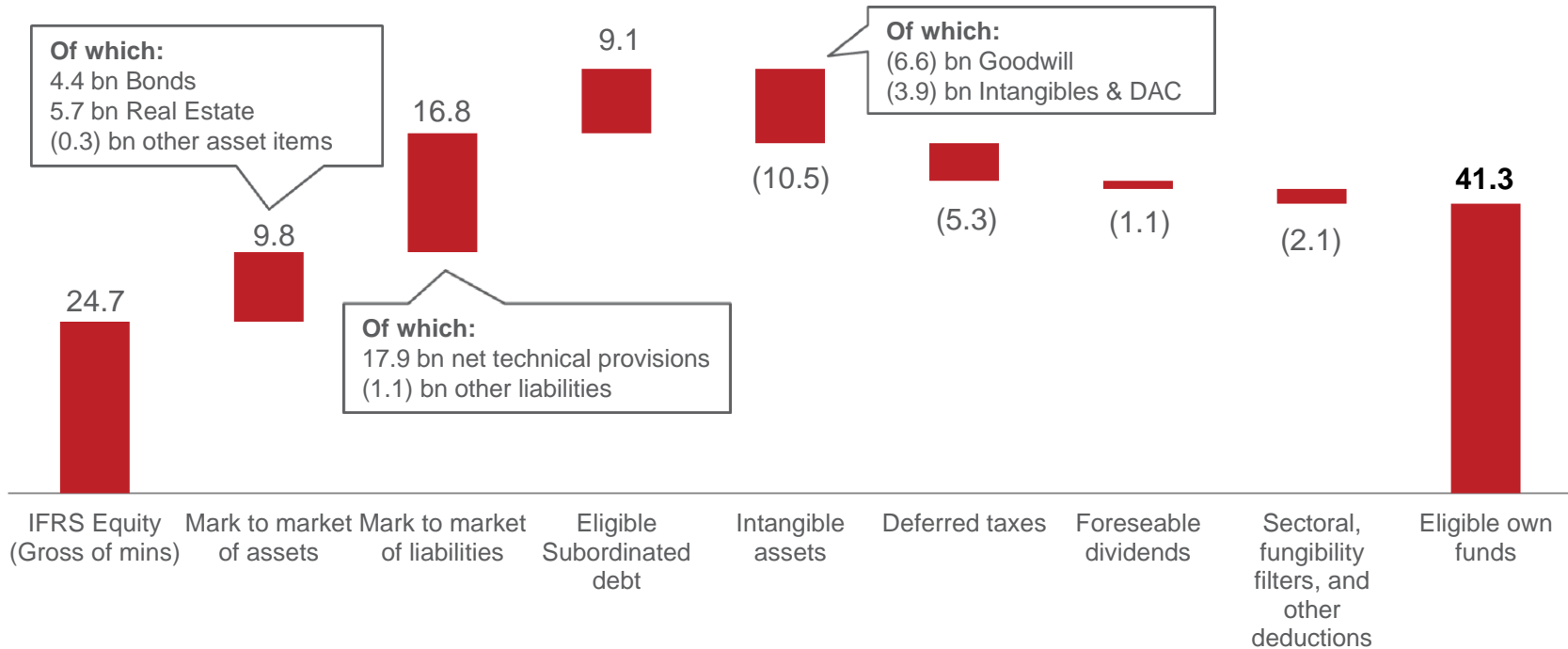
Life EV page **51**

• **Solvency 2** page **55**

# Reconciliation of IFRS equity to Solvency II Eligible Own Funds

## Solvency II Eligible own funds

(FY15, Euro bn, Internal model view)





# Disclaimer

Certain of the statements contained herein are statements of future expectations and other forward-looking statements.

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

The user of such information should recognise that actual results, performance or events may differ materially from such expectations because they relate to future events and circumstances which are beyond our control including, among other things, general economic and sector conditions.

Neither **Assicurazioni Generali SpA** nor any of its affiliates, directors, officers employees or agents owe any duty of care towards any user of the information provided herein nor any obligation to update any forward-looking information contained in this document.

The manager charged with preparing the company's financial reports, Alberto Minali, 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.

## Next Events

28 April 2016  
**Annual General Meeting**

12 May 2016  
**1Q 2016 results reporting**

29 July 2016  
**1H 2016 results reporting**

10 November 2016  
**9M 2016 results reporting**

23 November 2016  
**Investor Day**



2016

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# Thank you



# GENERALI GROUP 2015 Results