



27/11/2013
PRESS RELEASE

GENERALI INVESTOR DAY

Reshaping Generali: delivering the strategy at rapid pace

Driving profitability through financial discipline and a focus on technical and operational excellence

FINANCIAL TARGETS:

Operating RoE of 13% by 2015 confirmed

Confirmed Solvency 1 ratio above 160% by 2015, with an “AA” approach to managing capital and leverage

Total gross operating improvement to €1.6 bln by 2015

- Upgraded gross cost savings¹ reaching €750 mln by 2015 and €1 bln by 2016
- Expected gross benefit² from technical excellence initiatives of €750 mln by 2015
- New treasury and centralized reinsurance will bring €100 mln of benefits by 2015

New debt leverage ratio target below 35% by 2015

Net free surplus generation above €2 bln by 2015 confirmed; new remittance ratio³ of at least 75%

Generali's Group CEO, Mario Greco, stated: *“Ten months into our three year turnaround plan and the discipline, simplicity and focus with which we are revolutionizing our business are taking hold. We have made excellent progress in rebuilding our capital, with more than 60% of our targeted €4 billion in asset sales completed and a greater focus on our core insurance business. In this second 2013 Investor Day we confirm our existing targets and provide additional ones so that our shareholders can see a clear roadmap to greater returns in the near term.”*

London - Today Generali is holding an Investor Day in London to update the market on the progress made towards the strategic initiatives announced in January. This strategy is designed to improve shareholder returns and overall profitability by refocusing on the

¹ Before the effect of inflation and growth investments

² Before market momentum effects: Regulation changes, market cycle deterioration

³ 75% of gross free surplus generated by operating units remitted to the Holding company

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Group's core insurance business, building capital strength, enhancing technical excellence and cost control, and adopting a more client focused approach.

RESHAPING GENERALI: DELIVERING THE STRATEGY AT A RAPID PACE

Over the last ten months the Group has made significant progress in the execution of this strategy. Generali has been relentlessly focusing on the core insurance business and has disposed of €2.4 billion of non-core assets with attractive multiples, reaching 60% of its €4 billion 2015 target. Additionally, the Group has invested for the full control of operations in strategic areas: 49% of GPH in Central-Eastern Europe, 7% of Generali Deutschland Holding in Germany, and 40% of Generali Asia.

There has also been solid progress in the introduction of greater financial discipline. During the year Generali has withdrawn from eight shareholders' pacts and will continue to unwind the remaining ones, exiting at the appropriate time.

Since January, Generali has further simplified and improved its internal governance completing the composition of the Group Management Committee with new managers of international standing and implementing a new regional structure of its operations across the globe.

Thanks to strong commitment in executing the strategy, Generali reconfirms today its 2015 key target **to achieve an Operating RoE of 13%**.

The Group also confirms its 2015 targets of Solvency 1 ratio above 160% and Net Free Surplus above €2 bln; introduces a new 2015 leverage ratio target below 35%; upgrades its gross cost savings target to €750 million in 2015 and €1 billion by 2016.

ENHANCING PROFITABILITY THROUGH GROSS OPERATIONAL IMPROVEMENT REACHING €1.6 BLN BY 2015

"In recent months – Group CEO, Mario Greco, added – the Group has worked hard on its cost base. A series of simple and effective actions have been identified to keep the cost base flat by initiating, in particular, non compensation-related items".

To enhance the profitability of the Group in this challenging operating environment, Generali has launched strategic initiatives focused on expense reduction through **operational excellence**. The Group has identified 9 programs ranging from sales support to procurement, IT infrastructure, facility and claims management. 120 initiatives, accounting for 60% of total expected savings, have been launched in the last months, allowing Generali to capture €200 million in 2013.

The Group's goal is to reach €750 million of cost savings by 2015 and €1 billion by 2016, of which 40% is in the Life business and 60% in P&C and other operations. The saving will allow Generali to keep the cost base flat providing enough room for the embedded inflation and to fund profitable business investments.



Moreover, the programs presented in January 2013 to gain **technical excellence** are well underway. Technical excellence is meant to strengthen the core business of insurance by leveraging from initiatives ranging from P&C pricing techniques to Life in-force book management and new business steering, claims management, distribution efficiency, retention and cross-selling techniques. The launched initiatives will bring **gross benefits totaling €750 million by 2015** (€900 million by 2016).

Two additional programs will produce further benefits by 2015. On the one hand, the strengthening of centralization of treaty reinsurance purchasing, through which the parent company will become the single provider of internal treaty reinsurance for all the Group's units. This will generate more than €50 million of operating profit. On the other, the centralization of treasury, through which cash pockets across the Group will be pooled, which will also allow the Group to gain over €50 million incremental earnings before tax as well as pursue a better use of internal resources.

Thanks to all these actions, **Generali aims to reach an overall benefit of €1.6 billion of gross operational improvement by 2015** and €2 billion by 2016.

IMPROVE CAPITAL BASE: DEBT LEVERAGE RATIO BELOW 35% BY 2015

The goal of the Group is to reduce debt leverage to strengthen its capital base. Generali expects its stock of debt to significantly decrease over the next years. Borrowings have fallen by more than €500 million in 2013, and the Group already has sufficient resources to repay, rather than refinance, one third of the €2.25 billion of senior debt maturing in 2014. The proceeds from above mentioned disposals will be used to repay debt and finance the second tranche of the GPH acquisition.

Generali today is announcing **a target debt leverage ratio of below 35% by 2015**, and to be maintained beyond (vs a current ratio of over 40%, in line with the average of the last seven years).

EXCELLENCE IN INVESTMENT MANAGEMENT

Generali manages almost €500 billion of assets and presents today the measures to reach its vision of being a world-class liability-driven investor. Through improved investment processes Generali will maximize risk-adjusted investment returns, executing through centralized investment procedures and specialized global implementation, and run a cost-efficient model of primarily European Fixed Income and Equities.

The portfolio strategy is focused on **maintaining stable fixed income and equity exposure** with an expansion in European private placement markets and direct investments in loans and an increase in secured credit exposure. Generali will focus on exiting and replacing underperforming assets, **and further reducing liquidity with the target of a 3% cash weight on total portfolio**. At the same time, investment opportunities with higher returns will be pursued, including alternative fixed income assets. Generali wants also to **increase its exposure in good real estate assets** in core markets and diversify outside the Eurozone.



NOTE TO EDITORS

Generali Investor Day will be chaired by the Group CEO Mario Greco. The event will start at 10:00 am GMT and last until 3:30 pm GMT.

Agenda of the event:

10:00 GMT Mario Greco, Group CEO. Nikhil Srinivasan, Group CIO and Carsten Schildknecht, Group COO, will follow.

2:00 pm GMT Alberto Minali, Group CFO

3:15 pm GMT Mario Greco, Group CEO, closing remarks

Members of the media are invited to follow the event via webcast on www.generali.com or by dialing:

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THE GENERALI GROUP

The Generali Group is one of Europe's largest insurance providers and the biggest European life insurer, with 2012 total premium income of € 70 billion.

With 80,000 employees worldwide and 65 million clients in more than 60 countries, the Group occupies a leadership position on Western European markets and an increasingly important place in Central and Eastern Europe and Asia.