Annex I

Speech of the General Manager and Group CFO
Alberto Minali

Shareholders,

Good morning to all of you. This year, I have the honour to present the financial statements of Assicurazioni Generali. First of all, I wish to thank the Board of Directors for their trust, as I was appointed General Manager and I will be able to support Philippe Donnet in the new journey that Generali will embark upon in the next few years. As you can tell from the tone of my voice, I'm very honoured and moved to take this role, especially as I've been with the Company since 1st May 1991 and I rose through the ranks. I remember that, at the time, the Managing Director told me: "Don't worry, you'll get there." And I did.

Key results in 2015

Talking about figures. I wish to report to you what we have done over the past year, pointing out that the position of our Group is very sound, thought financial markets, especially the share market, have not rewarded us as we deserve.
The operating profits have grown by 6%, and it's good, as our markets are very competitive. As Mr Donnet said, a high degree of innovation is required, but skills and fast innovation are needed to keep the pace with the market and serve our customers at best.
The operating return on equity is excellent, i.e. 14%. In the next few years, this index will be very challenging, as the Group will generate organic equity and it will be increasingly difficult to remunerate it in clearly complex markets.
The net result has grown by 21%. Let me point out that this is free from non-recurrent components, contrary to the 2014 financial statements, as this is the result of the operating and revenue-generation capacity of Generali.

Operating profits by segment

The operating profits are divided into a number of components, also as compared to 2014. The life business contribution is almost null in differential terms. In the negative differential, though, a remarkable trend is emerging.
The technical result is very sound, and growing by 7%, but it has been almost completely offset by the acquisition costs to finance the new production. To some extent, it's a time exchange: the new life business production has been financed, considering the remarkable margins that will be achieved in the future financial statements.
As for non-life business, there has been an increase of 156 million euros vs. 2014. This is the result of our good underwriting capacity, i.e. previous business generation and current business generation. Though it was complicated to access markets with high competitive pressure and a sharp price drop, the Group has retained a combined ration of 93% without amending the appropriation policy. At Group level, claim reserves have been increased also in view of any future issue.
The holding contribution has been positive. Costs for the Parent Company in Trieste have risen, as our structure has been enhanced in 2015. Regional offices have also been reinforced, as they are valuable tools for the Head Office in all continents. For the first time, profits have been achieved in the P&L account of the holding, as all Group companies have been requested to pay a sort of royalty to the Parent Company for the use of the Generali brand. There are many reasons for this. The brand is a major intangible asset, especially in the insurance industry and our brand is valuable and it

cannot be granted for free. Tax risks resulting from the use of the brand have also been prevented, also in the light of the transfer price regulation requiring companies using assets to pay for the relevant cost.

From operating profits to net profits

At a first glance, the Group might be seen as losing value in the shift from operating profits, i.e. 4.785 million euros, to net profits, i.e. 2.30 million euros. In fact, it's not a loss of value, it's an erosion resulting from the Group business in particularly complex markets.

Investment results include both the capital gains in 2015 supporting financial profitability of products as well as the devaluations in the financial statements under the applicable standards. This item will steadily decrease: the management has not real control, as it depends on financial markets.

The second negative item, i.e. 764 million euros, includes the debt cost, equal to 684 million euros, i.e. the cost of accrued interests that the Group paid in 2015 for the overall debt stock, equal to 12 billion euros. The average debt cost amounts to 5,6%, with an average maturity of 7 years. Over the past three years, the debt has also be transformed into a capital item, with the shift of senior components to subordinated components.

Finally, non operating net costs amount to 712 millions, that includes some major restructuring projects that have already been launched in Italy and Germany and others will be launched in other areas: these projects require some costs that are disclosed in the financial statements in this item.

As for taxes, the average tax rate is between 33% and 35%, as it is determined on the basis of the type of sold assets, the taxable revenue and the type of revenue. Overall, about one third of our value is paid as taxes.

Therefore, the net profit is equal to 2.030 million euros.

Life business: key financial indicators

The Group gross premiums have been growing by 6,2%. I wish to point out that an effort was made to channel production into unit-linked policies that require less capital and are very profitable. For instance, traditional policies have a performance of 9%, while unit-linked policies have a performance rate of 27% and protection policies have a performance rate of 54%. This is the result of the capital allocation and requirement. As agreed with the Group CEO and the Technical Team, the Group will be re-oriented to products that are satisfactory for customers, but which also require less capital with the highest profitability for shareholders. Therefore, the production of traditional business with minimum guaranteed rates has been limite4d, focusing on unit linked and protection business.

The amount of the net premium income is an excellent sign of the health status of the agency network, supported with innovative products. There has been a sharp increase in Italy, in France and in many other areas of the Group. However, net premium income must not be over-inflated considering capital and cash constraints. We have been very careful to pilot the life business development focussing on products with less capital requirement and higher profitability to foster future profitability of the Group and shareholders.

Life business profits, measured on the basis of investment points, amounts to 74. As the Managing Director pointed out, the Group is doing business in difficult markets and we might be tempted to use latent capital gains to generate profitability. Thus, however, we would jeopardise future profits. I believe it is important to re-invest this cash quickly, especially with a re-investment rate for this market that has gone from 3.2% in 2014 to 2.5% in 2015, i.e. 70 basis points.

The Investment Team is looking to cash re-investment opportunities to support profitability. I wish to point out that the portfolio risk profile and the average duration, i.e. 10 years, have not been excessively increased. We focused to keep the liability structure in line with investments, and we were aware that the investor risk profile would decrease. It's a

complicated situation for investment management, but we need to avoid the temptation to use the significant latent capital gains that have been accumulated over the years, i.e. 9% of the market latent capital gains, to prevent jeopardising the Group profitability.
The value of the new production has been decreasing by 13%, but it's a calculation effect, on a quarterly basis, considering that the second quarter of last year was particularly negative. The actual value of the new life business production is positive and it's a good basis for the future profitability of the Group.

Non-life business: key financial indicators
Premium growth in non-life business have been quite uneven. In some markets, business has decreased substantially (Italy and France, for instance), while in other markets (especially in Germany and in Central and Eastern European countries) business has improved. In all area, the portfolio and the number of contracts have been preserved, trying to improve the customer service.
At strategic level, Generali notoriously does not participate to rate wars in the market. On the contrary, Generali aims at improving the customer service both in terms of product design and in claim settlement.
The Group combined ratio amounts to 93,3% without any change to the cautious appropriation policy that has been implemented so far. This also includes the substantial impact of natural catastrophes, i.e. 1,6%, for instance the tornado in Dolo and in the French Riviera. In this respect, the Group reinsurance policy has been very effective to offset significant claim shares resulting from natural catastrophes and man-made catastrophes. Therefore, non-life business operating profit is about 2 billion euros. Considering that life business accounts for 70% of the Group business, and non-life business accounts for 30%. It's noteworthy that the operating profit is about 3 billion euros in life business and about 2 billion euro in non-life business. Therefore, the relevance of non-life business for future profitability is clear. On this point, together with Mr Donnet, I will aim at defending margins and the future combined ratio.

Holding segment and other actions
The holding has been receiving the contribution of Banca Generali, an exceptional distributor of asset management products, but also life product in the Italian network. We are still distraught for the sudden departure of Mr Piermario Motta, but we have a quality management team, Mr Mossa in particular who together with other colleagues is supporting this good work. Therefore, Banca Generali will keep operating efficiently for the Group.

Total dividend per area
I have just outlined the operating scenario of the Group, now I will give you an insight on the cash, providing the dividend that we are suggesting and that will be paid out in a few weeks.
For the fist time in the Shareholders' Meeting, we are presenting the list of the most important companies of the Group, specifying the net operating result and the amount of dividends, and the relevant ratio. Therefore, the Group still has an untapped revenue-generating potential in terms of dividends. A good financial planning and increased innovation will convert this potential in future dividends. This is the challenge of the industrial plan, adopted last year that I and Mr Donnet will pursue.

Net operating cash generation
The Parent Company vision is very interesting. It received dividend flows from peripheral entities and a major contribution from reinsurance at central level. The Parent Company bears the cost of the debt, the holding expenses. The amount of the net operating cash, equal to 1,6 billion euros, is a technically distributable dividend. The actually distributed

amount is equal to 1,1 billion euro, with a coverage ration (i.e. the ratio between the inflows of the Parent Company in Trieste and the flow that is distributed to shareholders) is equal to 1,5x. If this exceeds the unit value, future dividends are likely to increase substantially.

Net equity and Solvency 2: Internal Model

The Group net equity has grown by 1,5% in 2015. The better capital view is offered by the Solvency 2 internal model. In March 2016, IVASS and the College of supervisors adopted the Solvency 2 internal model at the end of a process that was launched in 2014.

This model has a fundamental role in the Group business vision, as it provides insights on major risk sources. It's an extremely important model to define capital allocation. In this respect, the available capital has been equal to 202% of the required capital. It's fundamental for this figure to keep exceeding the threshold defined by the Board of Directors. If this figure fell at 160%, the Board of Director would implement de-risking policies; and if it dropped to 130%, the capital position of the Company would be substantially jeopardised.

70% of the risk capital is based on financial risk, especially credit risk and interest rate risk. Therefore, we need to be very careful to investment management, considering the impact that market volatility can have on the capital position.

The risk capital is consistently allocated in the Group in line with competitive positioning: 40% in Italy, 22% in Germany and 18% in France.

It must be noted that the model is very dynamic. In this respect, the impact on the capital position has been estimated on unforeseen market events. If the rate curve should rise of 50 bps, we would gain 8 capital point. If BTP spread increased by 100 bps, we would lose 8 capital points. This model shows where risk sources are and how the financial policy must be arranged to generate profits for shareholders, preventing non remunerated risks.

Each year, the Group generates capital for the underwritten business, part of it is distributed to shareholders as dividends. For each dividend unit, 3 capital units are generated. Therefore, we are in a position to identify a dividend of 72 cents, in line with our cash position and with our capital position, in spite of market issues.

Regulatory adoption status

The above mentioned Solvency 2 ration of 202% is the result of the full application of Generali internal model. The applicable regulation specifies a ratio of 175%. The are two visions that so far are different, but the management aims at achieving this goal in the next few years. In the meantime, the perimeter of the model is expected to increase, as it will include the French life business, and the life business of some European countries, thus completing the operating risk.

Definition of the Group new People Strategy

The real Group capital is the human capital. We have been working a lot in 2014 and 2015 on this. It's not an accounting item, but it has a central role in our business.

We have been working on two areas; the team involvement and talent development. We are very proud for our talent creation activity, training people who will progressively replace us in the management.

To achieve this goal, we have assessed our human capital, surveying the employees on the management. A survey was launched on the corporate climate, responders were anonymous, on 70.000 employees in 42 countries and 170 companies. 34.000 feedbacks were collected: one employee out of two provided his/her feedback. Therefore, some actions were launched to improve processes, increase engagement and identify future managers.

The Group already has many talents. However, considering the market issues, we need to improve on a continuous basis. As you can see, 85% of employees are proud to work in

the Group; 86% of employees believe in their objectives. And this makes us very proud. This positive attitude must translate into our daily work, especially in the customer care service.
This overview is very positive, but if we look at the performance of shares, we have not performed well. We are glad, as the market is not rewarding us as we deserve. We underperformed other insurers and the stock exchange index. This is totally unsatisfactory. Some financial analyst issue recommendation to sell Generali shares and for each recommendation of sale, three recommendation of purchase are issued.
Our target price is equal to 16.50 euro, therefore we expect a potential 20% increase in the current listing price in the next few months. To this end, we need to work on communication, but especially with figures to provide the marked with a real glimpse on Generali potential and to attract new investors.
Overall we are not satisfied, and we are very transparent about it with you. However, the financial communication has reached 664 investors in 2015 in a number of markets and companies, both in the analysis and the investment sectors.
This is the result of the marked downturn. Our exposure in life business is quite significant, and the low level of interest rate is a disadvantage for the Company. Perhaps we should do more and better to increase performance. This is the answer that Mr Donnet and I have provided: we have not yet found a solution, but we will surely do in the next few years with our work and the passion we've had so fare, focussing on communicating the market that Generali has an untapped potential.

Thank you for your attention.