

# Investor's Info



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## Excellent 2016 results, dividend per share 11.1% higher

“ *The excellent results confirm Generali as an industry leader in terms of profitability and performance. These results demonstrate our ability to deliver on our commitments. Operating result and cash generation are the highest ever driven by further improvements in the performance across the whole Group. I'm encouraged by Generali's progress in last year. We are already seeing the early results of our “Simpler, Smarter. Faster” plan, announced in November 2016. We will build further on these achievements and we have the best possible team to accelerate the execution of our current strategy. We are proud of these results, but we consider them only a first step in a journey to become the best insurance company for clients, distributors, employees and investors and we look to the future with confidence, as an independent, Italian, international Group. In the light of our excellent results and the solid capital position of the Group, we have recommended a dividend of € 0.80 an increase of 11.1% over the previous year.* ”

Philippe Donnet, Generali Group CEO



Philippe Donnet, Group CEO

Generali closed the year 2016 with excellent results, confirming the strength of the strategy and the effectiveness of the implementation of the plan presented at the last Investor Day. The operating result has reached the best performance ever, thanks to the strong performance of both Life and P&C segments, driven by further improved technical performances and even greater discipline on Opex costs, while the net profit and dividend are the best of the last 9 years. The actions undertaken by the Group have resulted in: excellent operating income, which remains above target; technical profitability which steadily improved; an increased product profitability and a confirmed capital strength. The operating result reaches € 4,830 million (+0.9%). Thanks further improvements both in Life (+5.5%) and P&C (+2.9%). Operat-

ing RoE, the main profitability target, stood at 13.5%, meeting the strategic objective for the third consecutive year (>13%). The net profit grew by 2.5%, reaching € 2,081 million, thanks to the improvement in the operating performance, despite planned lower realized gains - in line with the strategy of preserving future profitability - that proves the quality of the results. On the production side, gross written premiums amounted to € 70,513 million, including premiums from investment contracts: the P&C segment grew by 2.1%, thanks to the growth recorded in the Motor and Non motor lines; the Life segment (-6.3%) reflects both the current performance of financial markets and a disciplined approach on products (aiming to optimize the return on invested capital). This disciplined approach is reflected by the excellent

quality of life net inflows, surpassing € 12 bn, higher than the average of the last five years and the best amongst its peers. The new business value (NBV) improved significantly (+14.6%), in line with the aim of creating long-term value; driven by a higher new business margin (NBM) of 25.9%. High technical profitability was confirmed in the P&C business, with a combined ratio further and constantly improving to 92.5% (-0.7 p.p.), the best ratio amongst our peers. These results are accompanied by a strengthened capital position which the Group continues to hold in a sharp focus. Shareholders' equity grew 4.2% to € 24.5bn. The Regulatory Solvency Ratio amounted to 177% and the Group Economic Solvency Ratio at 194%.

## Progress of the strategic plan “Simpler, Smarter. Faster” and confirmed 2018 targets

The Group is committed to the execution of the strategic plan presented at the last Investor Day. The results achieved in 2016 show that the plan is progressing as expected, with an acceleration on the € 200 million\* nominal costs cut in mature markets by the end of 2019: a constant discipline on cost management – for the first time decreasing almost by € 70mln – will allow to reach the € 200mln target one year ahead (2018).

The Group also confirms the main 2018 financial targets. Regarding the target of more than € 7bn of cumulative Net Operating Cash by 2018, at the end of 2016 the Group has reached € 3.5bn, whereas regarding the target of € 5bn cumulative dividends by 2018, at the end of 2016, the Group has reached € 2.4bn. Regarding the target of an operating RoE above 13%, at the end of 2016 the Group has reached an average level of 13.8% (RoE annualised at FY16 is equal to 13.5%), calculated over the 2015-2016 period.

### On Track to deliver financial targets

Key mid-term financial targets  
2015-2018

Delivery to date  
2015-2016

> € 7 bn

of cumulative Net Operating Cash (2015-2018)



€ 3.5 bn

delivered cumulatively  
as at end 2016



> € 5 bn

of cumulative dividends (2015-2018)



€ 2.4 bn

delivered cumulatively  
as at end 2016



> 13%

of Operating RoE on average (2015-2018)



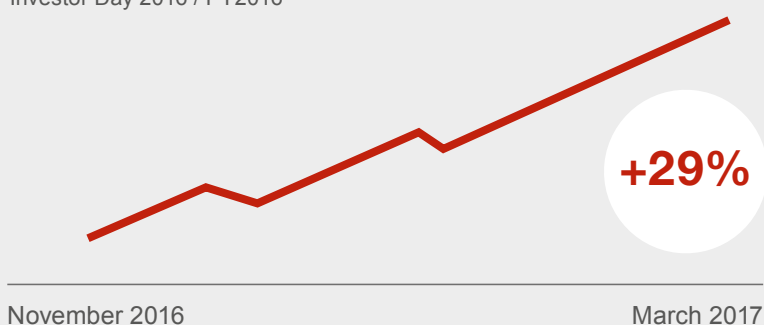
13.8%

delivered on average  
by end 2016



### Share performance

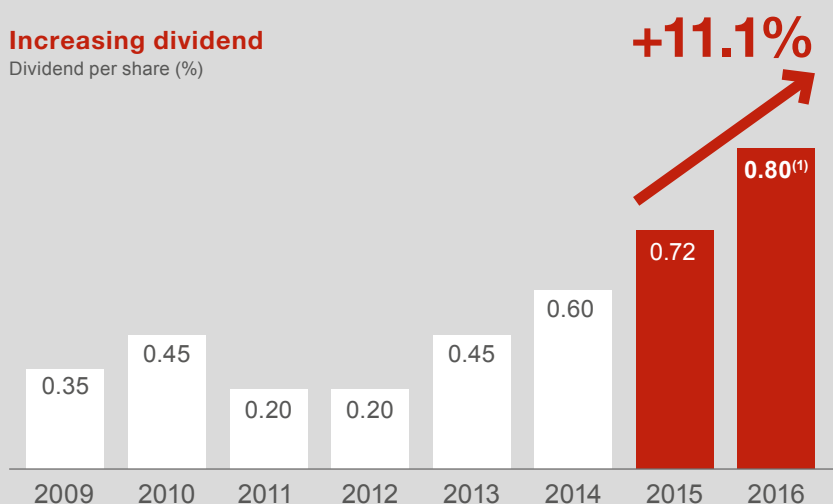
Investor Day 2016 / FY2016



\*Net reduction in nominal OpEx cost base in mature markets by 2019 (as stated during the last Investor Day)

### Increasing dividend

Dividend per share (%)



### Dividend

Considering the excellent results and the solid capital position of the Group, the dividend per share to be proposed is € 0.80, up by € 0.08 cents, an increase of 11.1% over the previous year (€ 0.72 FY2105).

### Shareholders' Meeting

The Shareholders' Meeting will be held on April 27th in Trieste. The balance sheet and the Board of Directors reports, the Shareholder's Guide, the video and the Shareholder's Meeting Kit as well as further information are available on the website [www.generali.com](http://www.generali.com). Documents can also be requested by e-mail at [shareholders@generali.com](mailto:shareholders@generali.com) or by phone at +39 040 671621. Assicurazioni Generali S.p.A., data owner, uses your personal data, transferred by intermediaries, to fulfill all legal obligations deriving from your position as shareholder, as well as to send you dedicated publications. You can access, update and amend your data at any time, as well as object to receiving any publications by addressing the Corporate Affairs - Shareholders & Governance (Piazza Duca degli Abruzzi 2, 34132 Trieste, ph. +39 040 671621, fax +39 041 3362876, e-mail [shareholders@generali.com](mailto:shareholders@generali.com)), which will answer any further questions concerning the treatment of your personal data.

At the entrance of the Shareholders' Meeting, Conference Center of Stazione Marittima, in Trieste, Molo Bersaglieri 3 motion disabled people will easily find their dedicated path and some specific services. Other services will be provided to overcome any physical, communication and sensorial barriers: some services require advance booking, according to the terms and conditions published