



24/04/2014
PRESS RELEASE

Fitch assigns rating BBB to April 23 subordinated bond

Trieste. Generali announced that Fitch, the rating agency, assigned a BBB Rating to the subordinated bond issued on April 23, 2014.

Please find attached the original Fitch press release.

Media Relations

T +39.040.671085
press@generali.com

Investor Relations

T +39.040.671202
+39.040.671347
generali_ir@generali.com

www.generali.com

THE GENERALI GROUP

The Generali Group is one of the largest global insurance providers with 2013 total premium income of €66 billion. With 77,000 employees worldwide serving 65 million clients in more than 60 countries, the Group occupies a leadership position on West European markets and an increasingly important place on markets in Central Eastern Europe and Asia.

FITCH RATES GENERALI'S EUR1BN SUBORDINATED NOTES FINAL 'BBB'

Fitch Ratings-London-24 April 2014: Fitch Ratings has assigned Assicurazioni Generali SpA's (Generali) issue of EUR1bn senior dated subordinated notes a final 'BBB' rating .

The notes were issued by Generali under a EUR10bn euro medium-term note (EMTN) programme renewed in April 2014. The proceeds are being used to refinance a EUR500m subordinated loan from Mediobanca Spa repaid on 7 April 2014 and EUR500m senior notes maturing on 6 May 2015.

The senior dated subordinated notes have a contractual maturity of 12 years and pay a coupon of 4.125%. The notes are eligible for regulatory treatment of the required solvency margin and are grandfathered as Tier 2 capital under Solvency 2.

KEY RATING DRIVERS

The notes are rated one notch below Generali's Issuer Default Rating of 'BBB+', reflecting below-average recovery prospects.

Fitch views this issue as neutral for Generali's financial leverage and marginally positive for its capital adequacy, as the new notes are refinancing debt of similar equity treatment in Fitch's leverage calculations but receive a favourable treatment in Fitch's capital assessment.

The Tier 2 eligible notes, which are subject to regulatory override, receive 100% equity credit in Fitch's internal risk-based capital calculation. However, being non-perpetual the notes are treated as 100% debt in financial leverage calculation by Fitch.

Fitch views positively that interest expenses are likely to decrease after 2015 - the new notes have lower interest payments than the subordinated loan from Mediobanca and senior notes - and that the issue lengthens the maturity profile of the group's financial debt. Moreover, this placement further reinforces Generali's financial flexibility, removing refinancing risk in 2015.

RATING SENSITIVITIES

Changes to the subordinated notes' rating would result from similar changes to Generali's rating.

Fitch currently rates Generali as follows:

- Insurer Financial Strength 'A-'/Negative
- Issuer Default Rating 'BBB+'/Negative

Contact:

Primary Analyst
Federico Faccio
Senior Director
+44 20 3530 1394
Fitch Ratings Limited
30 North Colonnade

Canary Wharf
London
E14 5GN

Secondary Analyst
Harish Gohil
Managing Director
+44 20 3530 1257

Committee Chairperson
David Prowse
Senior Director
+44 20 3530 1250

Media Relations: Hannah Huntly, London, Tel: +44 20 3530 1153, Email:
hannah.huntly@fitchratings.com.

Additional information is available on www.fitchratings.com

Applicable criteria, 'Insurance Rating Methodology', dated 13 November 2013, are available at www.fitchratings.com.

Applicable Criteria and Related Research:

Insurance Rating Methodology

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=723072

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.