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**PRESS  
RELEASE**

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## Generali to take full control of Generali Deutschland Holding, Germany's second-largest insurer

- Agreement to purchase a 3% stake in Generali Deutschland Holding from private investors; squeeze-out of the outstanding 4% stake to be launched
- Delisting of Generali Deutschland expected in the first half of 2014
- To support the deal, placement of 15.5 mln Assicurazioni Generali treasury shares, consistent with the strategic focus on efficient capital and liquidity management

Trieste – The Generali Group intends to take full control of Generali Deutschland Holding, the management holding company of Germany's second-largest insurance group, by purchasing the 7% minority stake.

Generali has agreed to acquire a 3% stake in Generali Deutschland Holding from a group of private investors, which will take it beyond the 95% equity stake threshold. Consequently, Generali intends to exercise its right and start the squeeze-out procedure of the outstanding 4% stake in order to take full equity control of the company.

Following this transaction, which is expected to be completed by the end of the first semester 2014, Generali will retain the entire net result of Generali Deutschland Holding, equal to €504 million in 2012<sup>1</sup>. In addition, after the transaction and the delisting of Generali Deutschland Holding's shares, Generali expects to achieve tax efficiencies, arising from a fiscal unity to be subsequently implemented in Germany, and additional operational synergies. Including these efficiencies and depending on the squeeze-out price, the investment is expected to be accretive on an earnings per share basis.

To support the deal, today Generali started the placement of up to 15.5 million own shares, equating to approximately 1% of the share capital, in line with the Group's goal to manage its capital and liquidity efficiently. Together with this placement, the acquisition of 7% of Generali Deutschland Holding will be broadly neutral in terms of Solvency I.

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The Group CEO of Generali, Mario Greco, said: *"The acquisition of the minority interest in Generali Deutschland Holding is consistent with our aim to have full control of all our strategic business units and is part of our plan to simplify the Group. This will be a value-accretive investment which will generate a return above the profitability target outlined in our strategic plan."*

<sup>1</sup> Total net profit as published in the Generali Deutschland Holding's 2012 consolidated annual report.

With a premium income totaling €17.6 billion in 2012 and 13.5 million customers, Generali Deutschland is the second-largest insurance provider in Germany and the leading operator in direct channels. It offers a complete range of Life, Property&Casualty and Health products and services through a multi-channel distribution approach.

### **PURCHASE OF 3% AND STRUCTURE OF THE SQUEEZE-OUT**

Generali has agreed to acquire a 3% stake in the company from a group of private investors at an initial price of €105 per share, resulting in a total consideration of €171 million, subject to a potential top up depending on the evaluation in the squeeze-out proceeding.

Pursuant to the applicable laws in case of squeeze-out, Generali will offer the minority shareholders a cash compensation per share calculated on the basis of the highest of the Generali Deutschland Holding weighted average market price over the last three months and the intrinsic value of the Generali Deutschland Holding shares as per the German valuation standard.

The squeeze-out is subject to the approval of Generali Deutschland Holding shareholders, who will meet in an extraordinary session which is expected to be held by the end of this year. Upon closing of the squeeze-out procedure, Generali Deutschland Holding will be delisted from the regulated market.

UBS Investment Bank acted as financial advisor for Generali in the transaction.

### **PLACEMENT OF TREASURY SHARES**

Assicurazioni Generali announces the launch of a placement of up to 15.5 million treasury shares, equal to approximately 1% of its share capital, currently held by Generali Group companies. The purpose of the transaction is to provide the liquidity for the squeeze-out and further optimize the capital structure of the Group.

The placement is addressed to eligible institutional investors with final terms to be determined through an accelerated bookbuilding process. Bookbuilding will commence immediately, although the right is reserved to close the books at any time. The Generali Group has further agreed to other market terms and conditions for the placement.

BNP Paribas, Morgan Stanley and UBS Investment Bank have been appointed by Generali to act as Joint Global Coordinators and Joint Bookrunners for the placement. Disclosure regarding the results of the placement will be made upon its completion.

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*Each of the Managers and any of their respective affiliates may participate in the placement for their own account on a proprietary basis.*

#### **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.**