

# Generali Group 2009 Results



March 18, 2010

 **I. Strategic Overview & 2009 at a Glance**

 **II. Group Financials**

 **III. Final Remarks**

 **IV. Backup**

# ■ I. Strategic Overview & 2009 at a Glance

## 2009: solid results in a challenging environment



Premiums above Euro 70 bn (+6.2%)



Life net inflows more than doubled at Euro 16 bn



Shareholders' Equity at Euro 16.7 bn (+47.2%)



Net result at Euro 1,309 m (+ 52.1%)



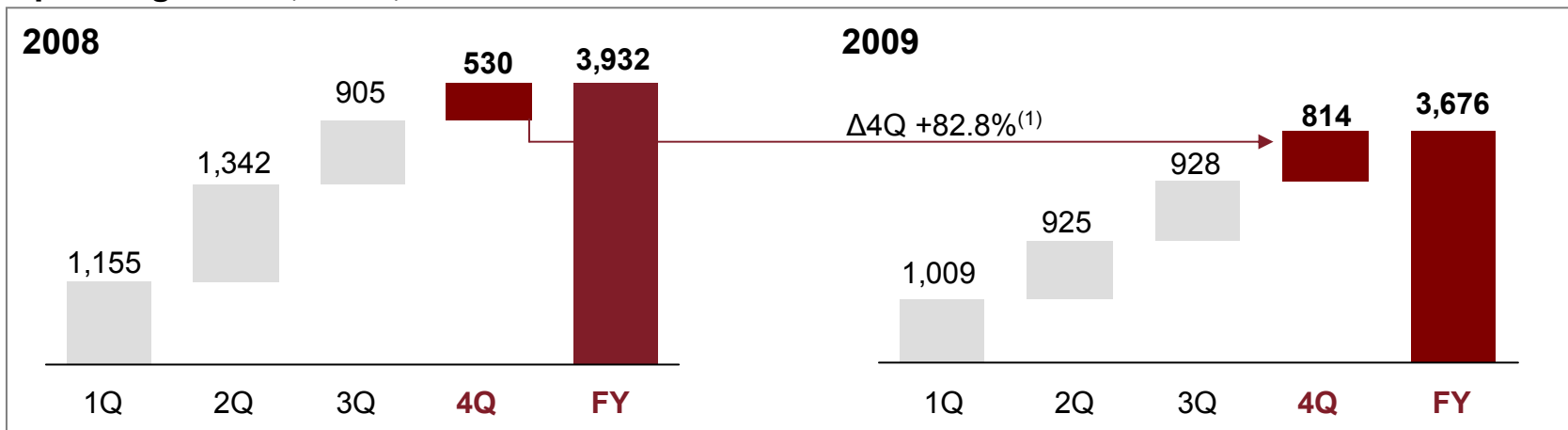
Cash dividend per share at Euro 0.35 (+133%)



Embedded Value at Euro 27.3 bn; Economic Solvency at 187%

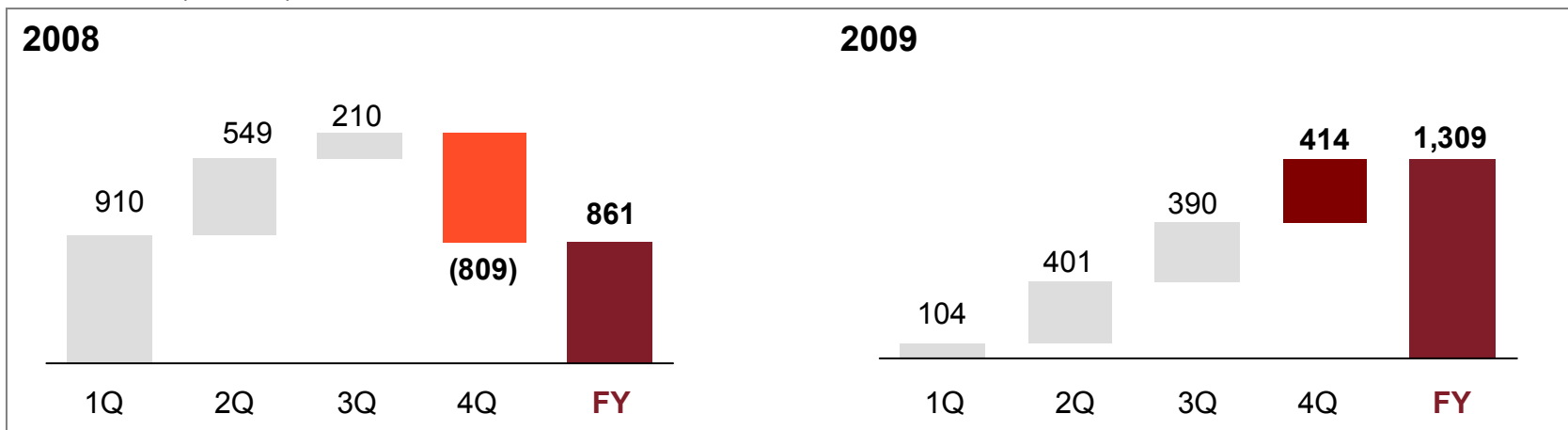
# Restoring profitability from 2H09

## Operating result (Euro m)



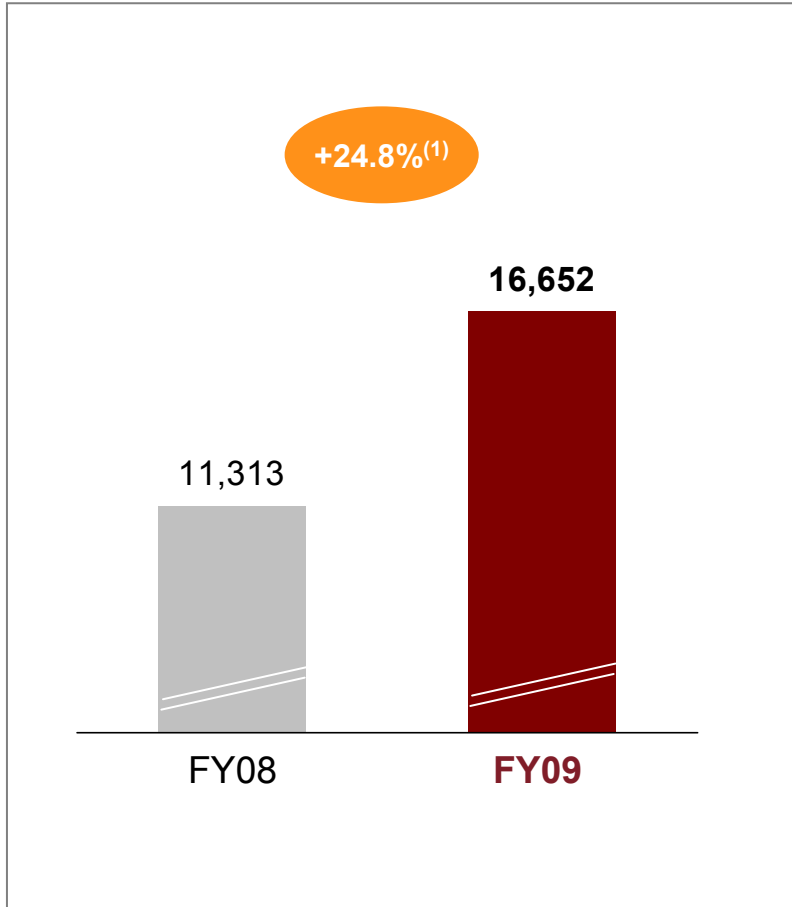
(1) Excluding Intesa Vita in 4Q08 and 4Q09, according to IFRS 5 treatment for discontinued operations. On historical terms the variation would be +53.7%

## Net result (Euro m)



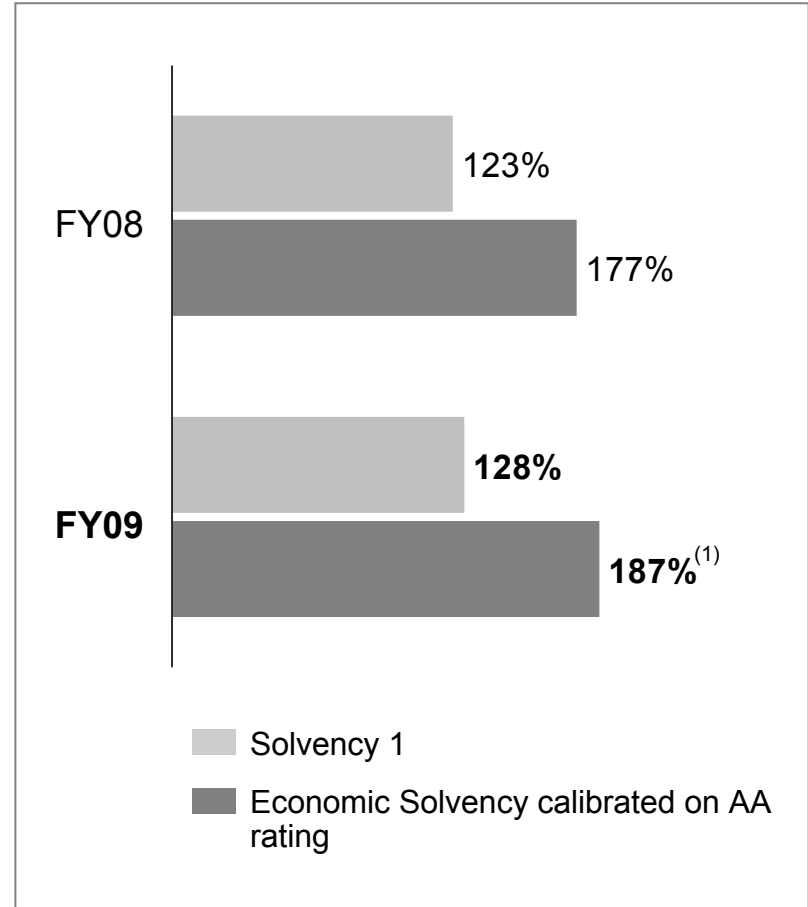
# A solid capital structure

## Shareholders' Equity (Euro m)



(1) On like for like basis, considering the merger with Alleanza; +47.2% on historical basis

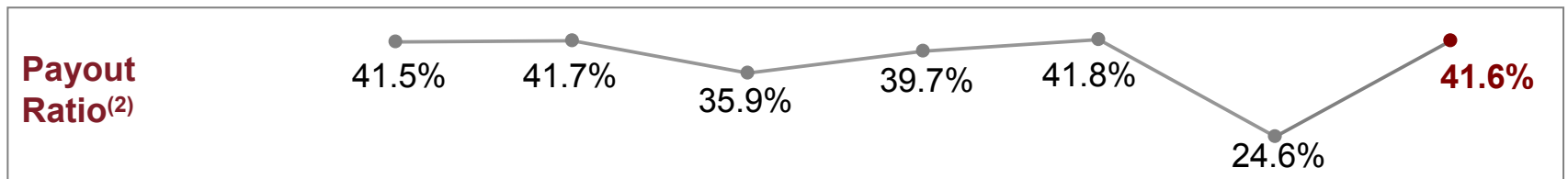
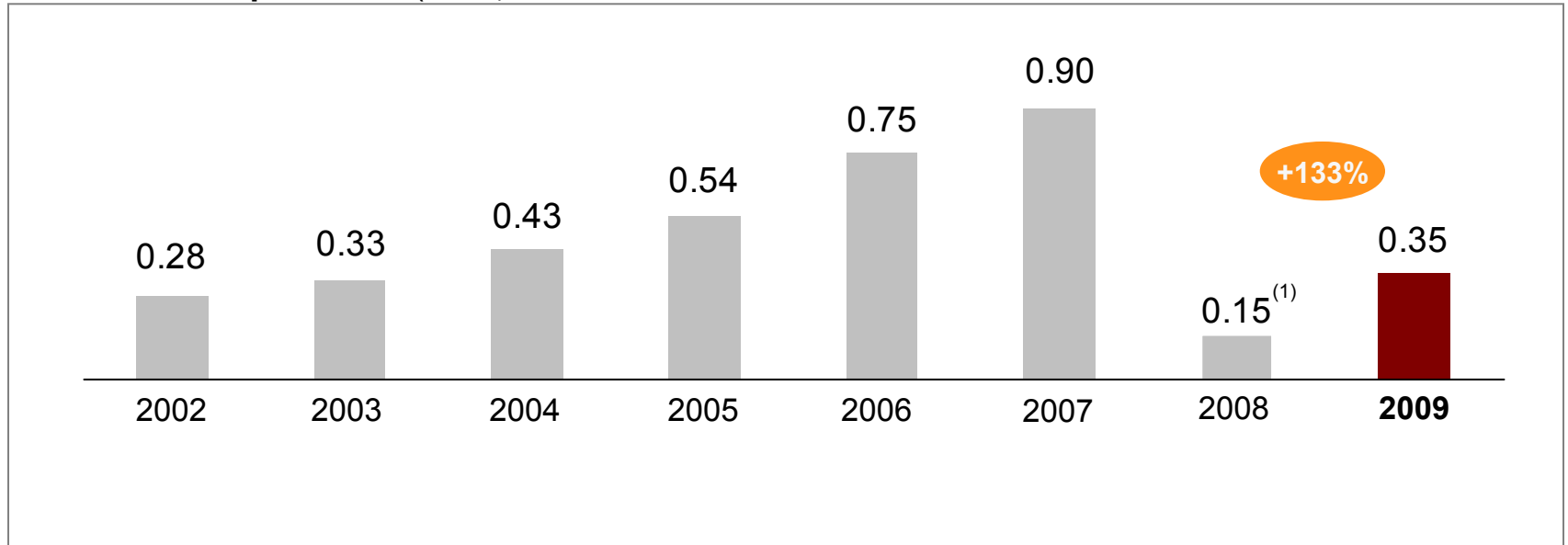
## Solvency Margin (%)



(1) The merger with Alleanza added about 7%pts. to the ratio

# Proposed cash dividend

## Cash dividend per share (Euro)



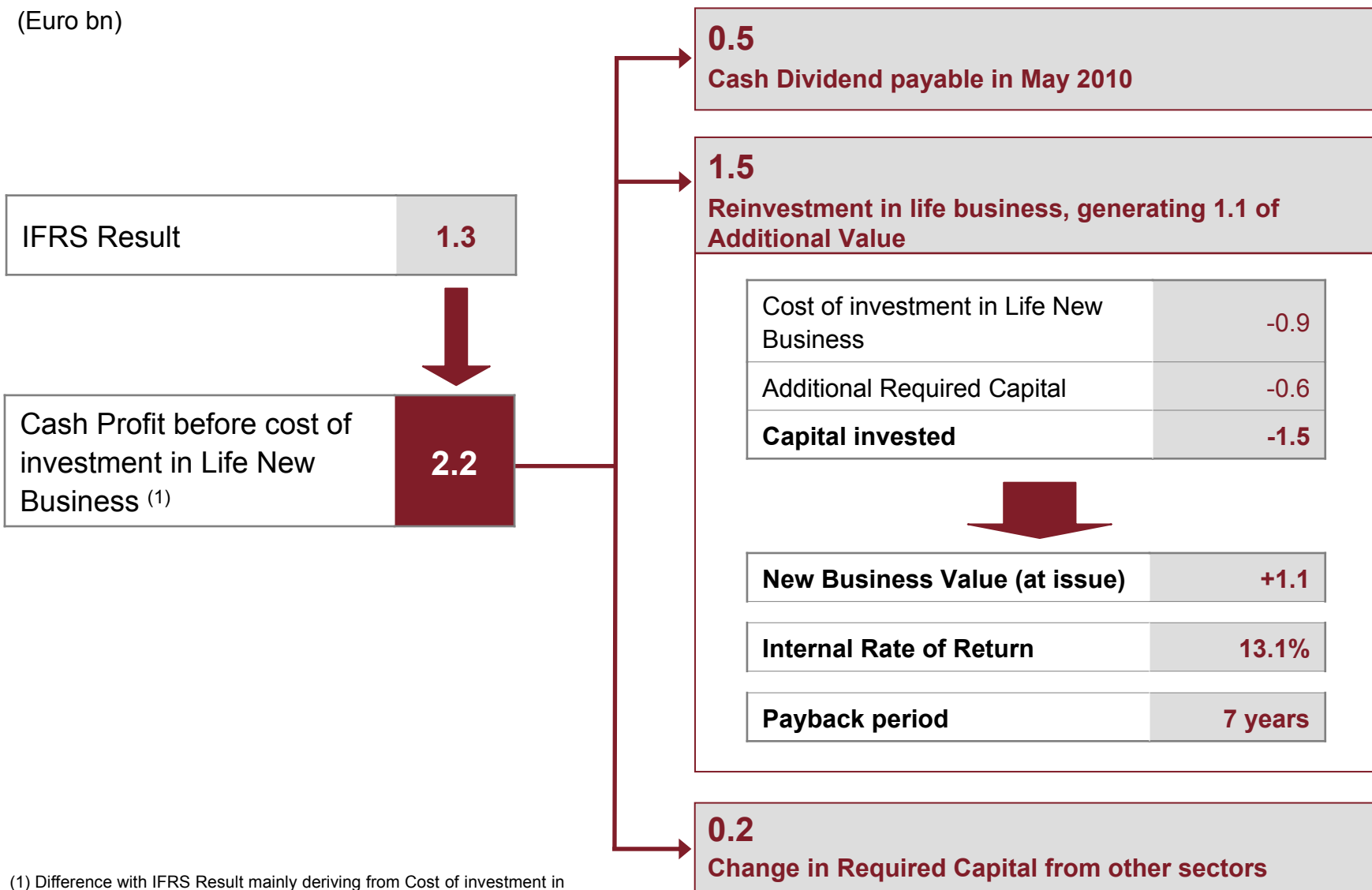
(1) 2008 dividend included also Euro 0.63=dividend in shares, corresponding to 1/25 of the share, at the official price of 21 May 2009 (dividend payment date), leading to a total dividend per share of Euro 0.78

(2) Payout ratio = total distributed dividend / net Group result of the period



# 2009 IFRS Result allocation: Cash Dividend and Reinvestment

(Euro bn)



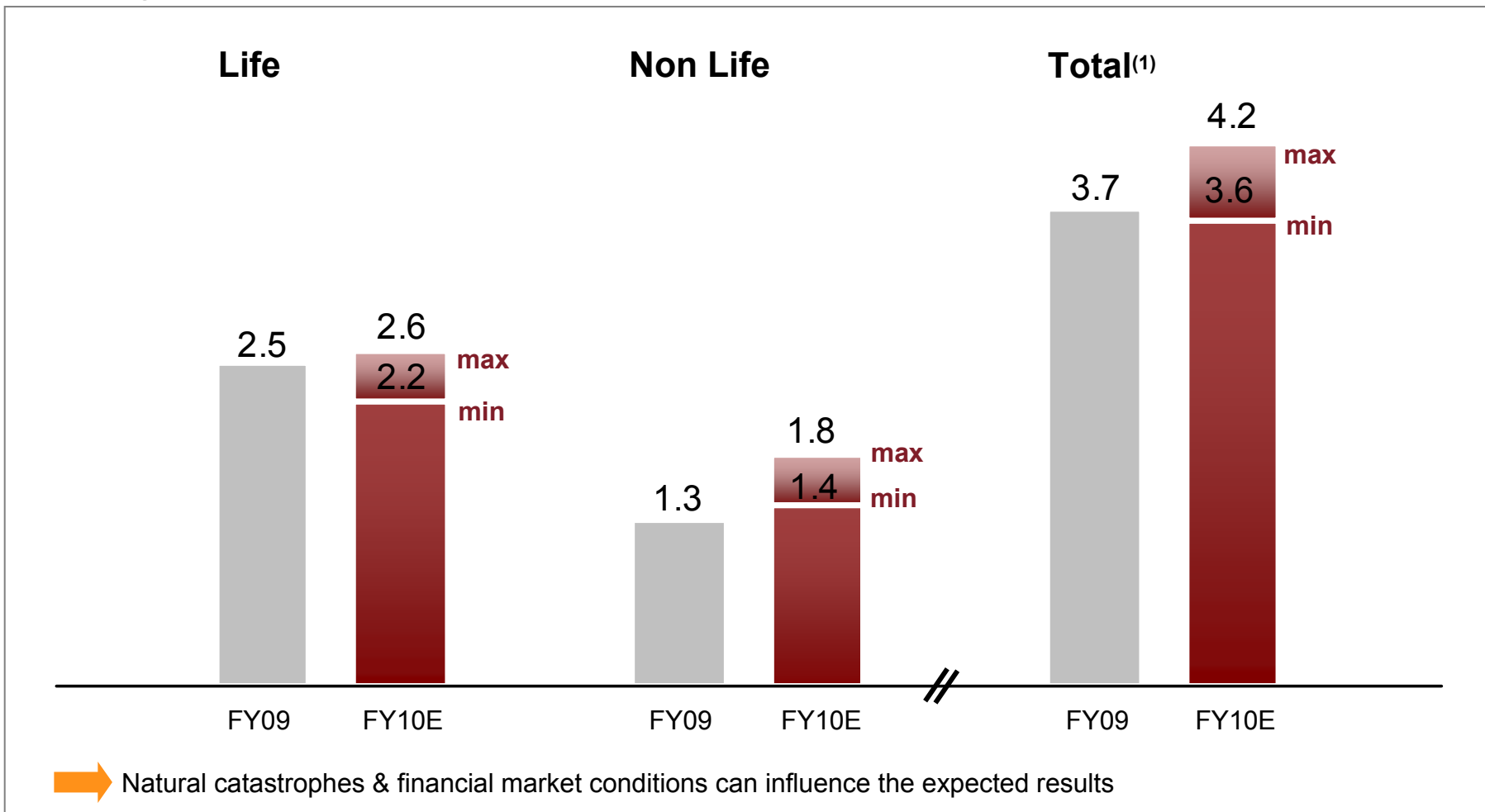
(1) Difference with IFRS Result mainly deriving from Cost of investment in Life New Business and marginally from DAC and VoBA variation.





# Outlook 2010: improving results

## Operating results outlook (Euro bn)

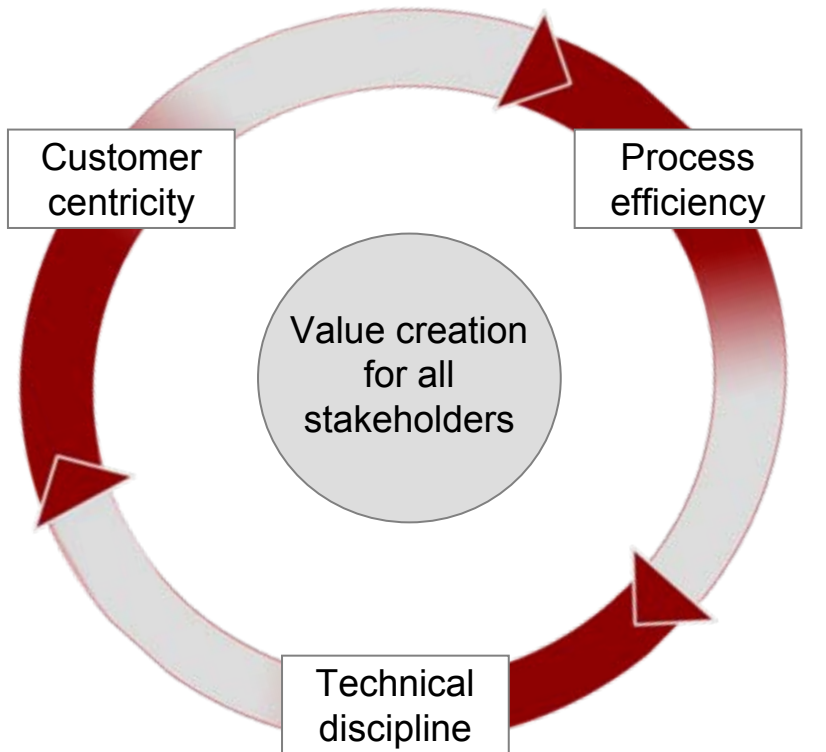


(1) Sum of Life, Non Life, Financial, Holding Expenses and Consolidation Adjustments

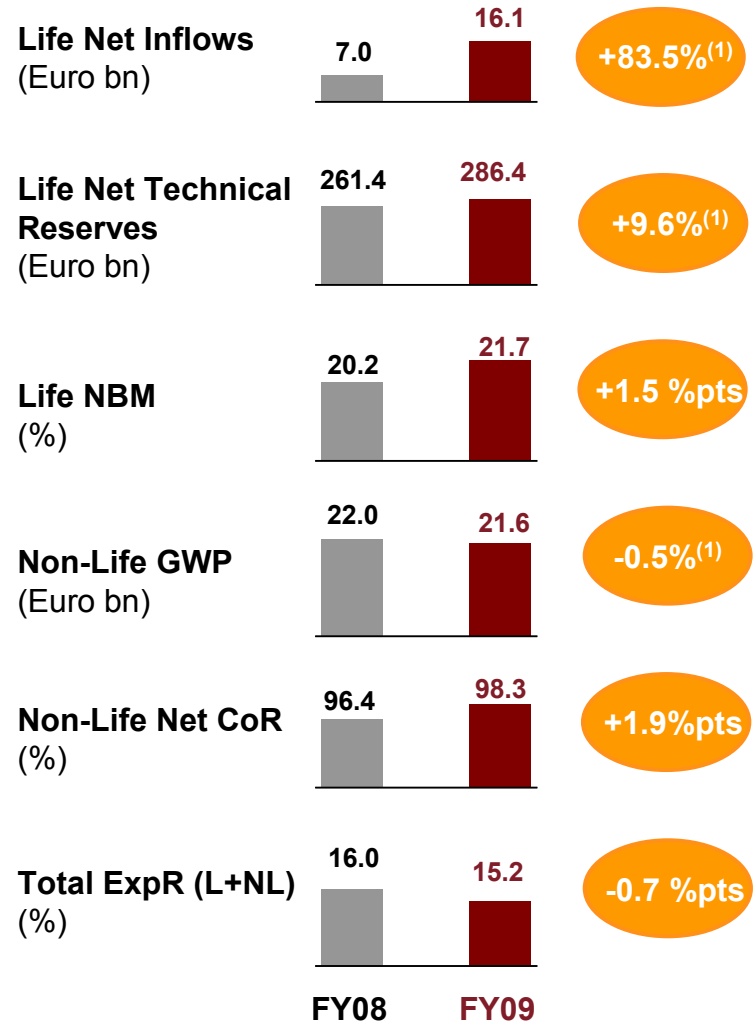


# 2009: Creating value in a challenging environment

## 2009 Strategic priorities



## Main deliverables



(1) On like for like basis

# Strategic overview: focus on our main geographies – Italy

## Further consolidation of operations, exploit innovative distribution opportunities, attention to portfolio protection

	2009 Initiatives	2009 Results	2010 Actions
<b>Customer centricity</b>	<ul style="list-style-type: none"> <li>Protection of portfolio through up-selling initiatives</li> <li>Integration of life-non life offer</li> <li>Strong attention on retirement business</li> </ul>	<ul style="list-style-type: none"> <li>Life net inflows to Euro 1,182 m vs Euro -884 m<sup>(1)</sup> in 2008</li> <li>Life New Production of traditional network: +4.6% vs 2008</li> <li>GWP Individual Pension Plan: +15.4% vs 2008</li> </ul>	<ul style="list-style-type: none"> <li>Specific portfolio reform activities (health, illness): profitability vs volumes</li> <li>Efficiency improvement in portfolio management</li> <li>Strengthening of loss prevention activity in Corporate business</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>Centralization of accounting, administrative and portfolio services completed;</li> <li>Merger of claims management service in Generali Business Solutions completed;</li> <li>Alleanza - Toro activity started on October 1 2009</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of general expenses: Euro -100 m vs 2008</li> <li>Confirmed benefits from group and local programs</li> <li>Sale of non life products by ex-Alleanza network started</li> </ul>	<ul style="list-style-type: none"> <li>Further concentration of operations</li> <li>Increase efficiency of traditional networks (agencies)</li> <li>Further acceleration of specialization in claims management</li> <li>Strengthening of IT cross-border synergies</li> <li>Alleanza – Toro fully operational</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>Development of product lines dedicated to young age and third age segments</li> <li>Focus on retail/middle market segments through development of life-non life solutions for SME and use of salaried network to offer products dedicated to households</li> <li>Actions on tariff and flexibility</li> </ul>	<ul style="list-style-type: none"> <li>Creation of Genertellife (specialized in low cost products sold by web)</li> <li>GWP non life retail segment: +2.5% vs 2008</li> <li>Strong recovery of motor average premium in 4Q2009</li> <li>Average cost of motor claims under control</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of product offer: joining life, accident, health and assistance products</li> <li>Increased customization of motor tariff and product range</li> <li>Rationalization/simplification of our products catalogue</li> </ul>

(1) On like for like basis; Euro -2,645 m on historical terms



# Strategic overview: focus on our main geographies – France

## Enhance profitability through selective growth, technical discipline and efficiency measures

	2009 Initiatives	2009 Results	2010 Actions
<b>Customer centricity</b>	<ul style="list-style-type: none"> <li>▪ Leverage on multi-distribution competitive advantage</li> <li>▪ Retention initiatives in Life (Savings) and in Non-Life (Household protection [MRH] and Health)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Life net inflows: +114.7% to Euro 5,841 m</li> <li>▪ Life surrender rate on average reserves: 6.1% vs 9.8% in 2008</li> <li>▪ Internet Life GWP &gt; Euro 1 bn</li> <li>▪ Non-Motor portfolio defence (+1.0% retail contracts, of which: +1.8% MRH; +6.5% A&amp;H)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Cross-selling and up-selling initiatives; additional retention initiatives</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>▪ Progress on Group programs and on Local programs (Claims Factory and Multi-Distribution)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reduction of general expenses (i.e. without taxes): Euro -13 m to Euro 673 m</li> <li>▪ Expense ratio life: from 8.1% to 6.7% (-1.3%pts vs. 2008)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Extending responsible and lean management across the Company</li> <li>▪ Distribution network monitoring (discounts, delegation principles)</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>▪ Focus on LoBs with higher margins in Life (Risk, UL) and in Non-Life (Retail, A&amp;H)</li> <li>▪ Disciplined profit sharing policy</li> <li>▪ Non-Life tariff increases</li> </ul>	<ul style="list-style-type: none"> <li>▪ Profit policyholders' participation: 60 bps reduction</li> <li>▪ CoR at 99% (97.5% without storms) vs market at 105% (103% without storms)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Focus on LoB with higher margins and technical discipline</li> <li>▪ Additional tariff increases: Retail MTPL +3-4%; MRH +2%; Health +7%</li> </ul>

# Strategic overview: focus on our main geographies – Germany

## Delivering our promises in efficiency enhancement and exploiting the outstanding distribution power

	2009 Initiatives	2009 Results	2010 Actions
<b>Customer centricity</b>	<ul style="list-style-type: none"> <li>Exploit distribution competitive advantage</li> <li>Leverage customer base loyalty</li> <li>Enhance cross-selling</li> </ul>	<ul style="list-style-type: none"> <li>+Euro 694 m L&amp;H Net Inflows (+20.5%)</li> <li>-0.2%pts. cancellation rate Life</li> <li>-0.5%pts. cancellation rate P&amp;C</li> <li>+1.4% P&amp;C Non Motor premium income</li> </ul>	<ul style="list-style-type: none"> <li>Group program on cross selling</li> <li>Focus on ptf retention</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>Accelerating reorganization:               <ul style="list-style-type: none"> <li>MOVE completed</li> <li>Merger ahead of original schedule w/o mkt share loss</li> <li>Material cost reduction program</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>From 14.0% General Expenses/GWP in 2005 to 10.6% in 2009.</li> <li>Euro 291 m impact of restructurings (vs 2005)</li> <li>Euro 83 m cost savings impact in 2009: already achieved &gt; 80% of the mid-term target announced in 2007</li> </ul>	<ul style="list-style-type: none"> <li>Merger: focus on IT migration and distribution</li> <li>Euro -53 m material costs (2010 vs 2008)</li> <li>Widespread extension to all business units of the on going value chain re-engineering aiming at further increase both efficiency and service quality</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>Improving business mix profitability</li> <li>Focus on Motor profitability enhancement</li> </ul>	<ul style="list-style-type: none"> <li>NBM: +0.8%pts. increase</li> <li>CoR: -0.3%pts. Improvement to 95.6%</li> <li>+8.8%pts. Health share in Life NP mix;</li> <li>+1.4 p.p. Non-Motor share in P&amp;C GWP mix</li> <li>Motor Pricing: +3.0% ptf tariff increase at JW08/09</li> </ul>	<ul style="list-style-type: none"> <li>Further increase of Non-Motor share in P&amp;C (+1%pts.)</li> <li>Motor Strategy to improve profitability:               <ul style="list-style-type: none"> <li>+2.3% ptf tariff increase at JW 09/10</li> </ul> </li> </ul>

# Strategic overview: focus on our main markets – CEE

**High profitability. Growth above market. The region confirms untapped potential**

	Initiatives 2009	Results 2009	Actions 2010
<b>Customer centricity</b>	<ul style="list-style-type: none"> <li>Focus on Client retention</li> </ul>	<ul style="list-style-type: none"> <li>Total GWP: +1.4%vs market decrease (-7.2%)</li> <li>Positive net inflows in Life business (Euro 700 m)</li> </ul>	<ul style="list-style-type: none"> <li>Increase of cross selling ratio: targets +10% on avg per each market</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>Economic slowdown as opportunity to streamline organization in mature companies leveraging on competence centre activities</li> </ul>	<ul style="list-style-type: none"> <li>Administrative costs reduction (in particular: Slovakia: -25%; Hungary: -10%)</li> <li>Savings on claims Euro 4 m</li> </ul>	<ul style="list-style-type: none"> <li>Rollover of claims competence centre (CC)activity in further countries (expected saving Euro 10 m)</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>Product enhancement in Retail               <ul style="list-style-type: none"> <li>Push on riders in Life, Tariff diversification in Motor</li> </ul> </li> <li>Deployment of a centralized and optimized capacity for underwriting on corporate and large risks</li> </ul>	<ul style="list-style-type: none"> <li>CoR at 87.9%</li> <li>NBM increased by 4.6%pts. to 39.1%</li> <li>Penetration of riders on life policies +16%</li> <li>Corporate risks premium +12% and CoR 70%</li> </ul>	<ul style="list-style-type: none"> <li>Continuous leverage of CC activities (targeted benefits in Motor Euro 24 m, in Life +3%pts NBM)</li> <li>Newly established CC in Non-Life retail to increase margins across countries</li> </ul>

# Strategic overview: focus on growth options – China

## Pursuing a sustainable growth

	2009 Initiatives	2009 Results	2010 Actions
<b>Customer centricity</b>	<ul style="list-style-type: none"> <li>Re-focus on traditional products to respond to Regulator's tightening on UL products and to clients' request for safe investments</li> </ul>	<ul style="list-style-type: none"> <li>Life GWP growth: +113% (vs. 10.4% of foreign JV's)</li> <li>APE growth: +82.3% (vs. +33% of foreign JV's)</li> <li>Life: Number of individual customers increased by 10.3% to 573,169</li> </ul>	<ul style="list-style-type: none"> <li>Re-balance of Individual Life portfolio to capture customers' increasing appetite for pension products and investment linked products</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>Active cost containment without compromising production through:               <ul style="list-style-type: none"> <li>Continuing in back-office centralization process</li> <li>Optimization of agency network</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Life Total General Expenses/GWP ratio down 5.8 %pts (from 16.1% in 2008 to 10.3%)</li> <li>Life GWP per employee up to RMB 3.8 m from RMB 2 m in 2008 (+ 90%)</li> <li>Life Agents New Business production up 24% notwithstanding number of agents decreased by 23% to reach 5,641</li> </ul>	<ul style="list-style-type: none"> <li>Continued effort to improve productivity of Agency network</li> <li>Temporary stop to geographic expansion in new provinces to allow deeper penetration in existing ones</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>Focus on profitability with emphasis on traditional and pension products</li> </ul>	<ul style="list-style-type: none"> <li>NBM: 12.7%</li> <li>Life Portfolio mix: 91%/9% Traditional/UL vs. 44%/56% of 2008</li> </ul>	<ul style="list-style-type: none"> <li>Further increase regular premium component in bancassurance channel</li> <li>Extend average duration of individual contracts</li> <li>Expand pension and protection product range</li> </ul>

# Update on Group programs and country initiatives (2007-2009 Strategic Plan)

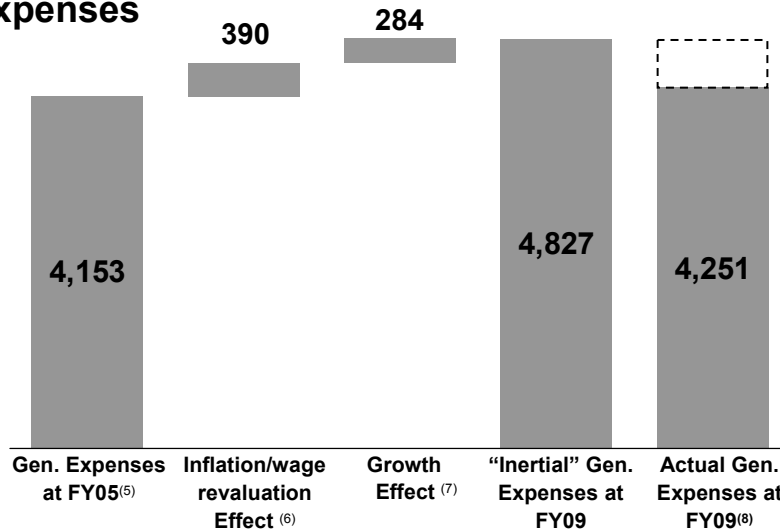
(Euro m)	Benefits Achieved		Impact on		
	Target at FY09	Actual at FY09	Technical margin	Investment income	General expenses
Group programs	835	904	466 <sup>(1)</sup>	177 <sup>(2)</sup>	261 <sup>(3)</sup>
Country initiatives <sup>(4)</sup>	340	369	82	23	264
<b>Total</b>	<b>1,175</b>	<b>1,273</b>	<b>548</b>	<b>200</b>	<b>525</b>

2.7%pts. of CoR offset by P&C cycle

7 b.p. on total investments

## Focus on General Expenses

(Euro m)



- 576** Total savings
- From 2007-2009 Strategic plan initiatives
- 525**
- From other cost-cutting initiatives
- 51**

(1) Motor pricing, Claims management, Risk and capital management (5) Including Toro *pro forma*, excluding Intesa Vita and Financial segment units  
 (2) Asset management integration, Group treasury (6) OECD data for labour cost growth rate and Eurostat for inflation rate; combined average revaluation rate of 2.3%  
 (3) Operational excellence, IT consolidation (7) Impact of premium growth in real terms  
 (4) Toro integration, GBS integration, German restructuring (8) Excluding Ceska and Financial segment units





## II. Group Financials

Profit & loss review

Shareholders equity & Solvency I

Life & P&C profitability

RoEV

Capital update

## Revenue development by segment

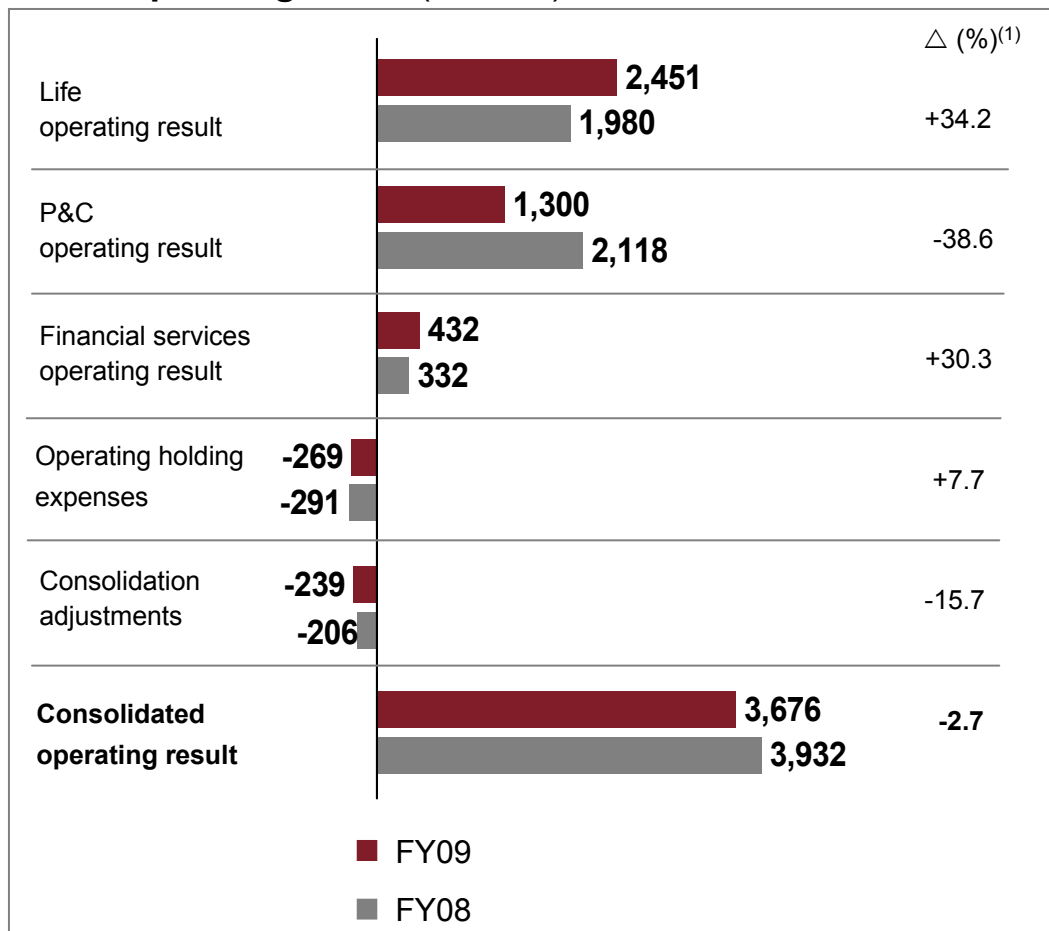
(Euro m)	<b>FY09</b>	$\Delta$ like for like (%)	<b>4Q09</b>	$\Delta$ like for like (%)
<b>Gross written premiums</b>	<b>70,530</b>	<b>+6.2</b>	<b>20,252</b>	<b>+20.1</b>
Life <sup>(1)</sup>	48,894	+9.5	14,764	+30.9
P&C	21,636	-0.5	5,488	-1.7
<b>Life annual premium equivalent<sup>(2)</sup></b>	<b>5,188</b>	<b>+3.8</b>	<b>1,622</b>	<b>+29.2</b>

(1) Including investment contracts for Euro 4,017.5 m in FY09

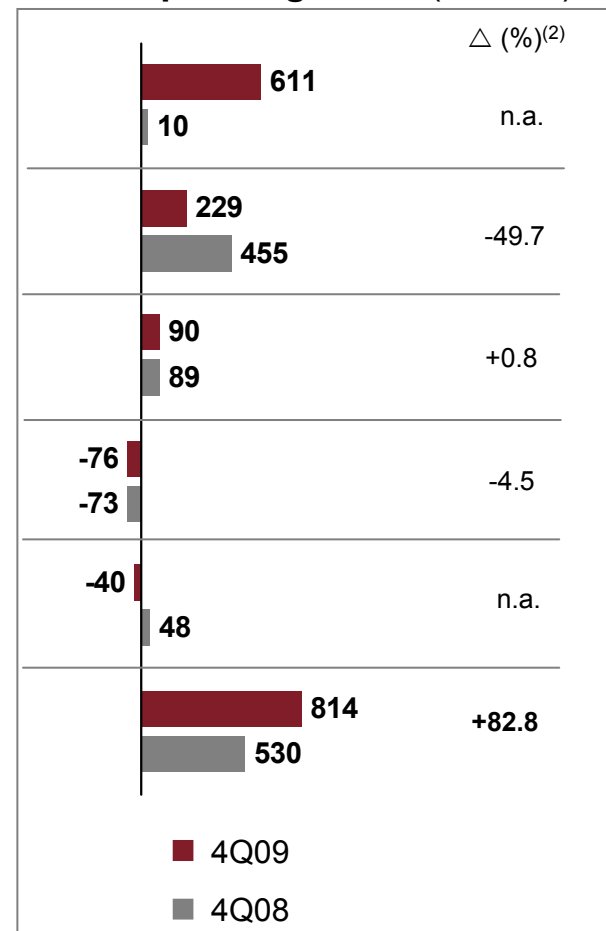
(2) APE amounts are calculated with end of period perimeter and exchange rates – like for like variations neutralise impacts of variations of perimeter and exchange rates

# Operating result by segment

## FY09 operating result (Euro m)



## 4Q09 operating result (Euro m)



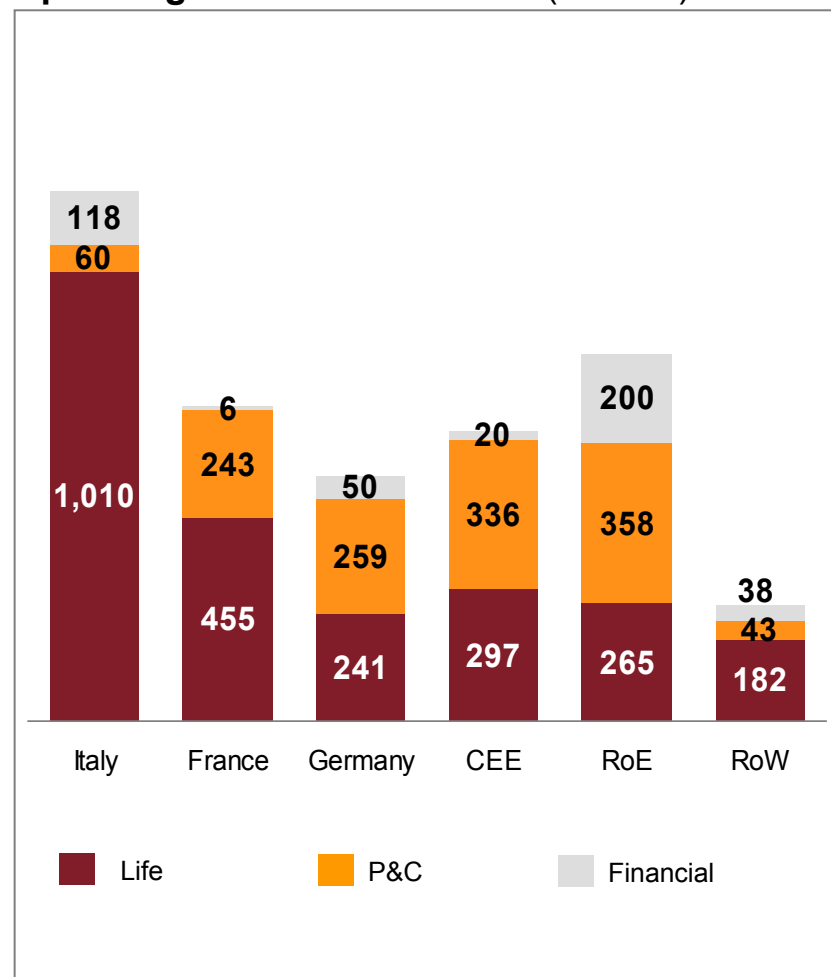
(1) Excluding Intesa Vita in FY08 and FY09, according to IFRS 5 treatment for discontinued operations. On historical terms, the variations would be +23.8% for the life operating result and -6.5% for the consolidated operating result

(2) Excluding Intesa Vita in 4Q08 and 4Q09, according to IFRS 5 treatment for discontinued operations. On historical terms, the variations would be 6,214.8% for the life operating result and +53.7% for the consolidated operating result

## Focus on operating result

Operating result by country<sup>(1)</sup>

(Euro m)	FY08	FY09	Δ %
Italy	1,758	1,188	-25.9 <sup>(2)</sup>
France	688	704	+2.3
Germany	505	551	+8.9
CEE	591	653	+10.5
RoE	781	823	+5.3
RoW	106	264	+149.1
<b>Operating result<sup>(1)</sup></b>	<b>4,429</b>	<b>4,183</b>	<b>-2.2<sup>(2)</sup></b>
<i>Op. holding expenses</i>	<i>(291)</i>	<i>(269)</i>	+7.7
<i>Consolidation Adj.</i>	<i>(206)</i>	<i>(239)</i>	-15.7
<b>Total operating result</b>	<b>3,932</b>	<b>3,676</b>	<b>-2.7<sup>(2)</sup></b>

Operating result breakdown<sup>(1)</sup> (Euro m)

(1) Operating result = operating result of life, P&C and financial segments, before holding expenses and consolidation adjustments

(2) On like for like basis, excluding Intesa Vita in 2008

## From operating result to net result

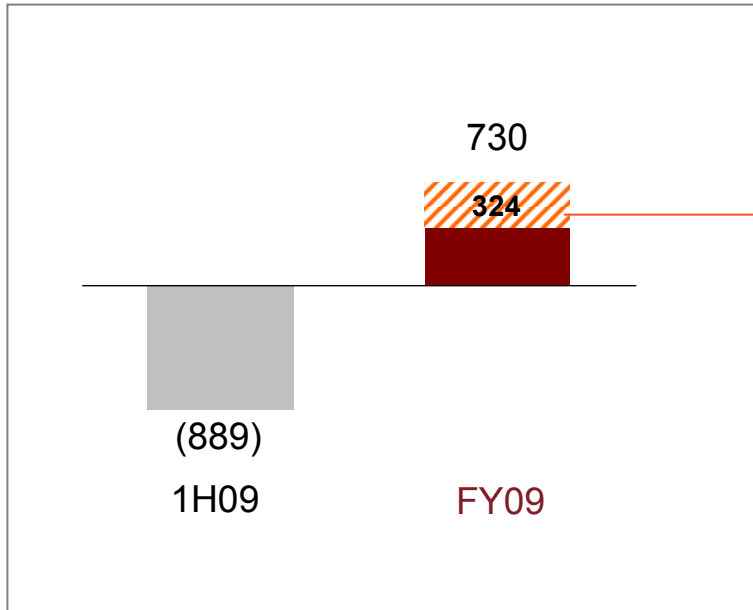
(Euro m)	FY08	FY09	△ (%)
<b>Total operating result</b>	<b>3,932</b>	<b>3,676</b>	<b>-2.7<sup>(1)</sup></b>
Non operating investment income	(1,204)	(526)	
Non-operating holding expenses <sup>(2)</sup>	(701)	(737)	
Net other non operating expenses	(491)	(245)	
<b>Total non operating result</b>	<b>(2,396)</b>	<b>(1,507)</b>	<b>+37.1</b>
<b>Consolidated result of the period before taxes and minority interests</b>	<b>1,537</b>	<b>2,168</b>	<b>+41.1</b>
Income taxes	(473)	(498)	
<i>Result from discontinued operations (Intesa Vita)</i>	-	96	
Minority interests	(203)	(457)	
<b>Net result of the period</b>	<b>861</b>	<b>1,309</b>	<b>+52.1</b>

(1) Excluding Intesa Vita in FY08 and FY09, according to IFRS 5 treatment for discontinued operations. On historical terms, the variation would be -6.5%

(2) Including interest expenses on financial debt

# Net result without IFRS accounting mismatch

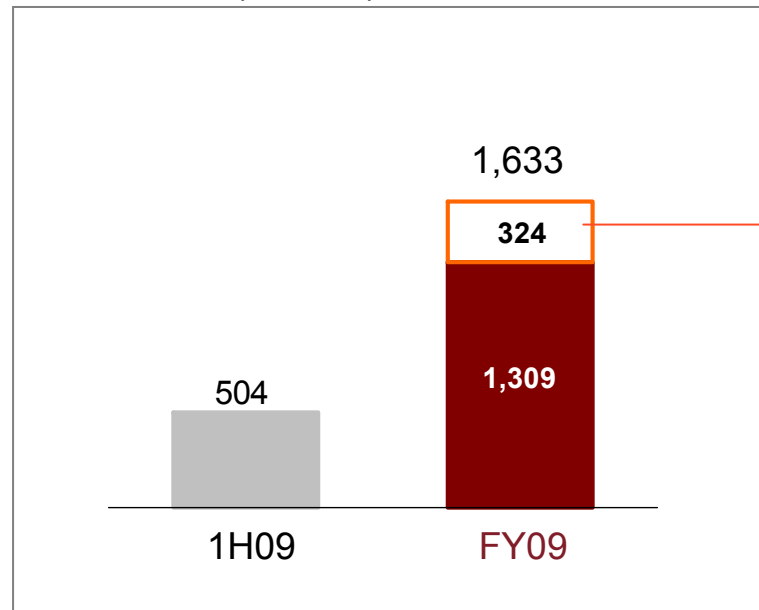
## AFS reserve (Euro m)



### IFRS accounting mismatch:

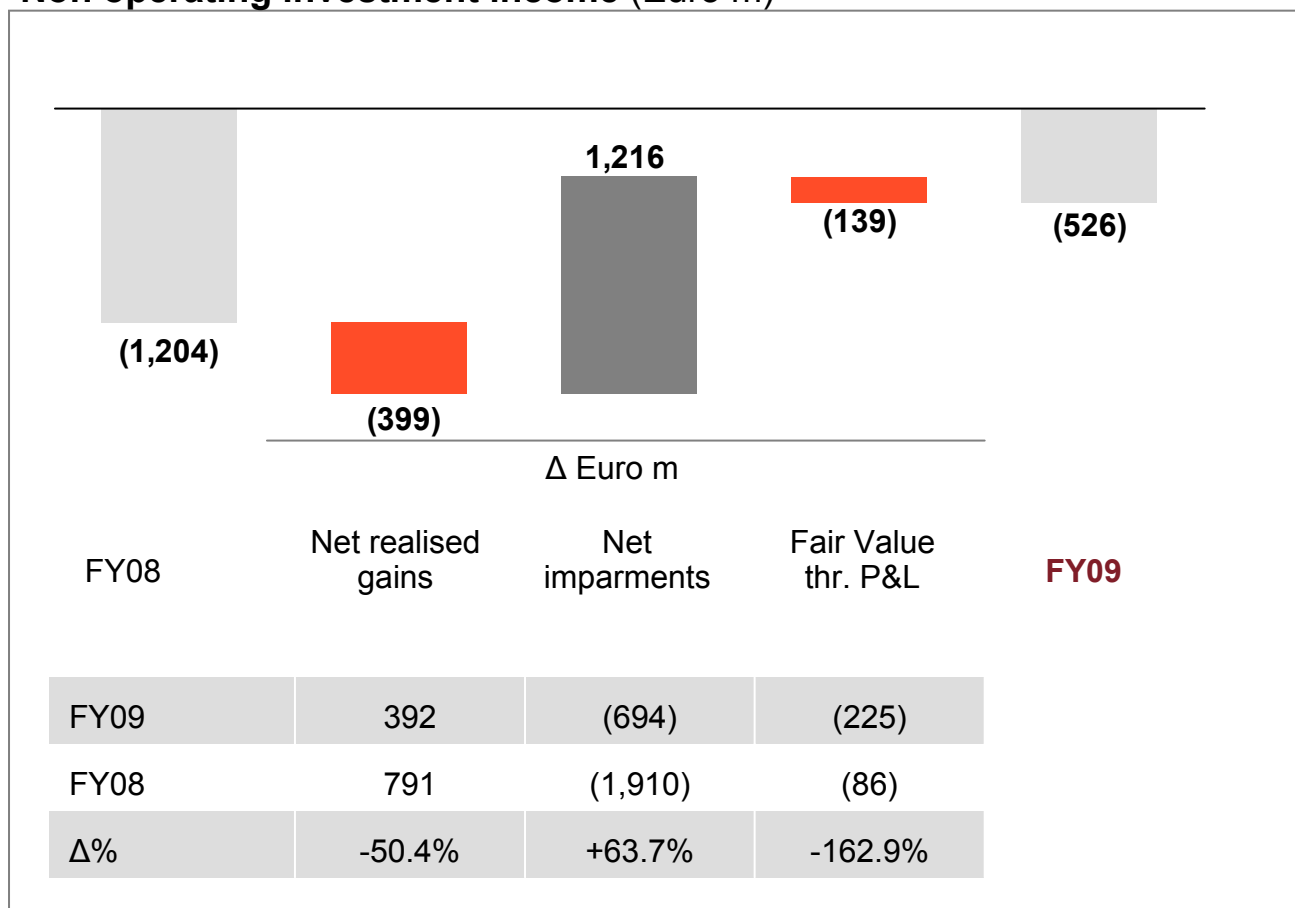
- Recovery of 1H09 impaired assets reported in AFS reserve (Euro 186 m)
- Unrealised gains on hedged AFS equities (Euro 138 m)

## Net result w.o. IFRS accounting mismatch (Euro m)



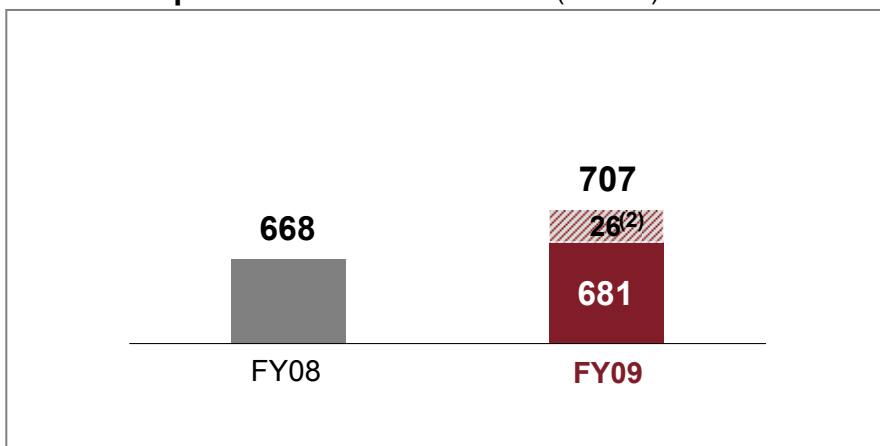
# Focus on non operating items: non operating investment income

Non operating investment income (Euro m)

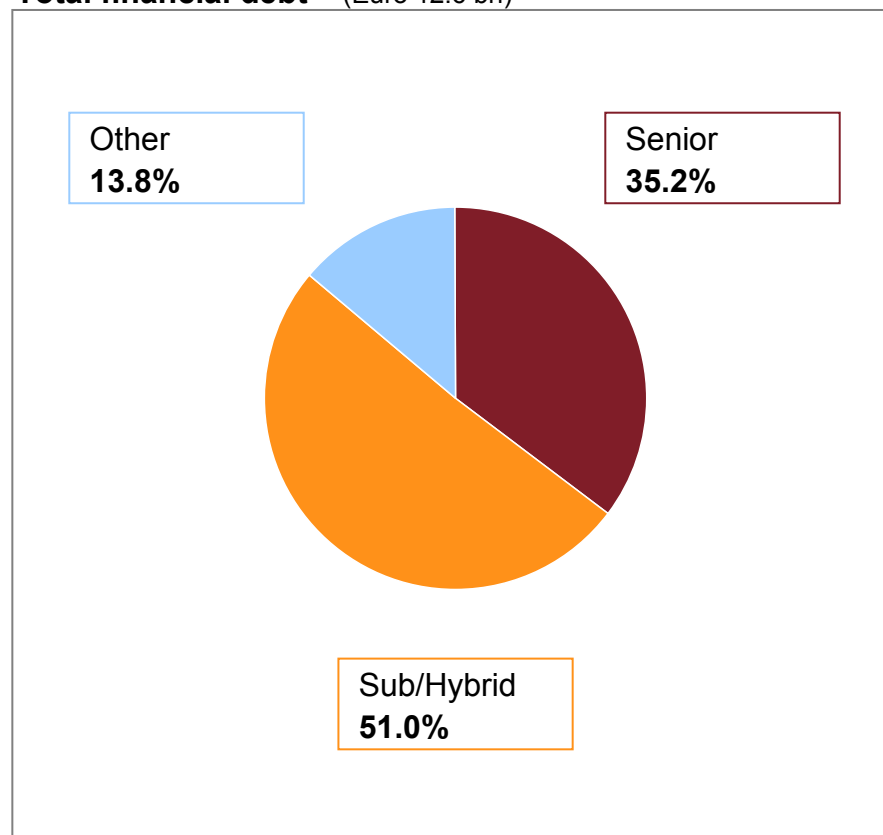


# Focus on non operating items: interest expenses on financial debt

**Interest expenses on financial debt** (Euro m)



**Total financial debt<sup>(1)</sup>** (Euro 12.6 bn)



**Average cost & maturity of financial debt<sup>(1)</sup>** (%)

	FY08	FY09
Average cost (%)	5.36	5.35 <sup>(1)</sup>
Average maturity (years)	5.84	7.83 <sup>(1)</sup>

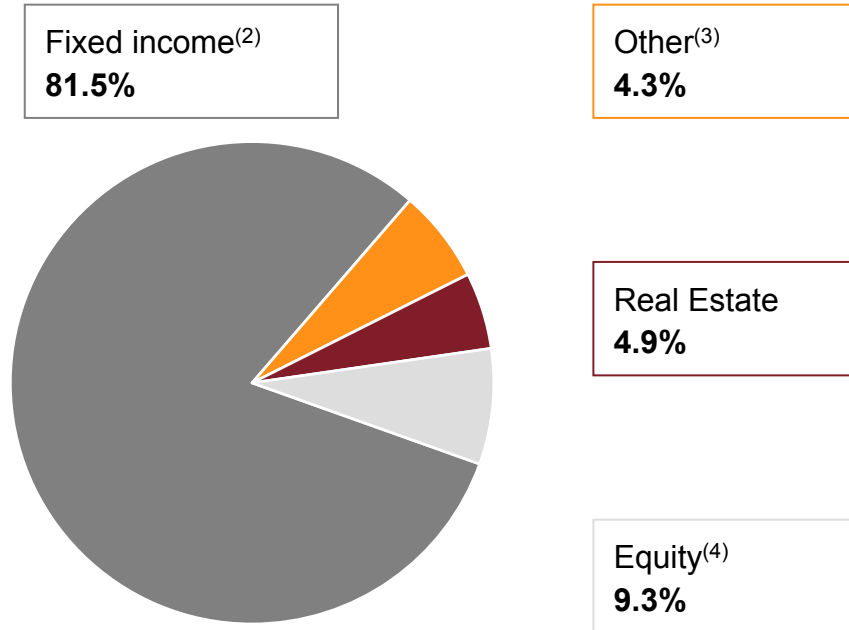
(1) Net of Euro 1,750 m senior bond refinanced in September 2009

(2) Interest related to Euro 1,750 m senior bond refinanced in September 2009



# A balanced investment<sup>(1)</sup> portfolio

## Own investments (Euro 299.0 bn) at 31.12.09

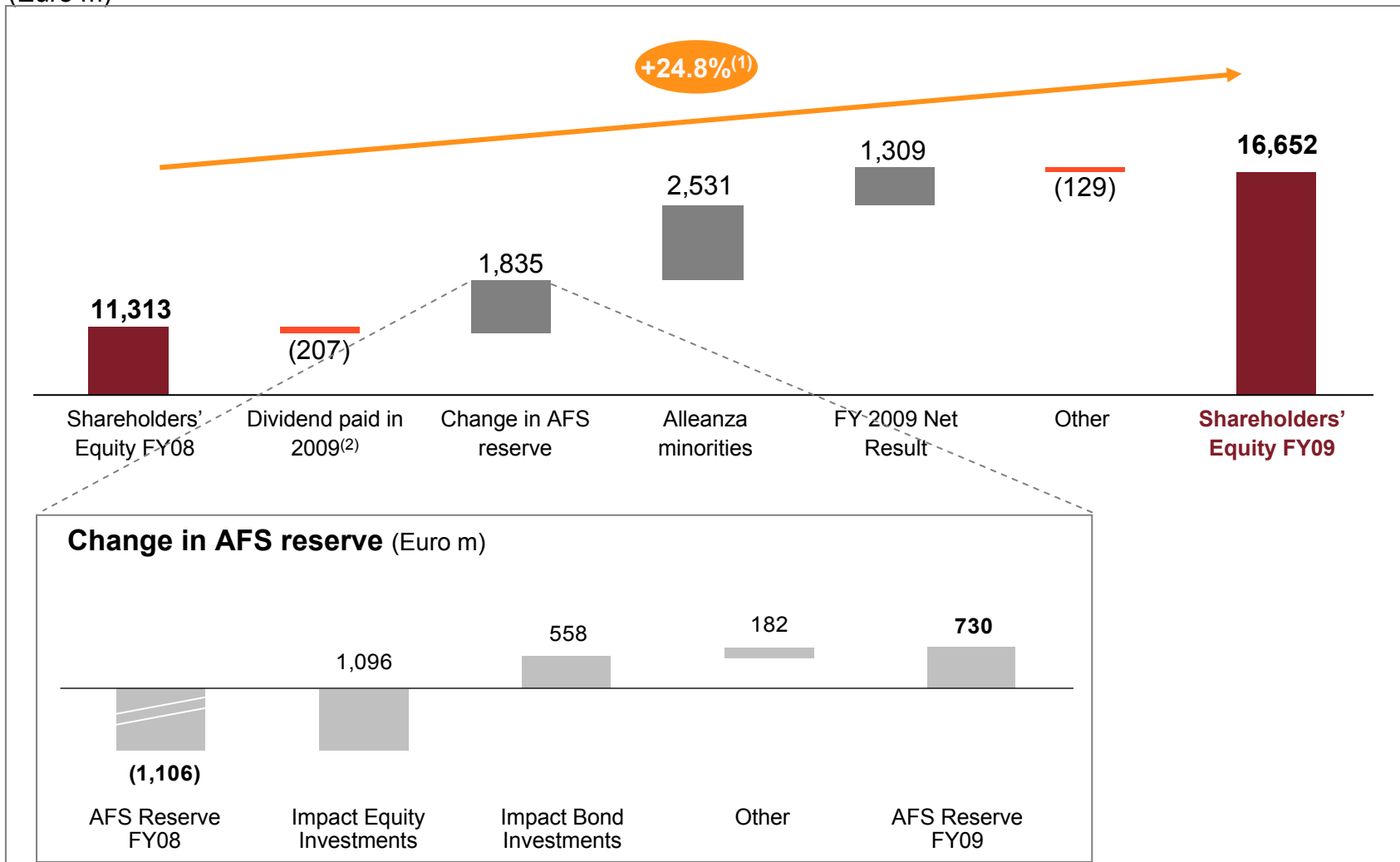


- Government bonds represent 54.7% of total bond portfolio
- High quality corporate bond portfolio. 84.3% rated  $\geq$  A
- Equity portfolio benefited from markets recovery and active management

(1) Own investments Including own capital and insurance funds (i.e. unit linked excluded)  
 (2) Including some IFUs for 0.4%pts., previously included in "Other"  
 (3) Including investments in subsidiaries, associated companies and JVs, derivatives, receivables from banks or customers  
 (4) Including some private equities and hedge funds for 0.9%pts., previously included in "Other"

# IFRS Shareholders' Equity roll forward

(Euro m)



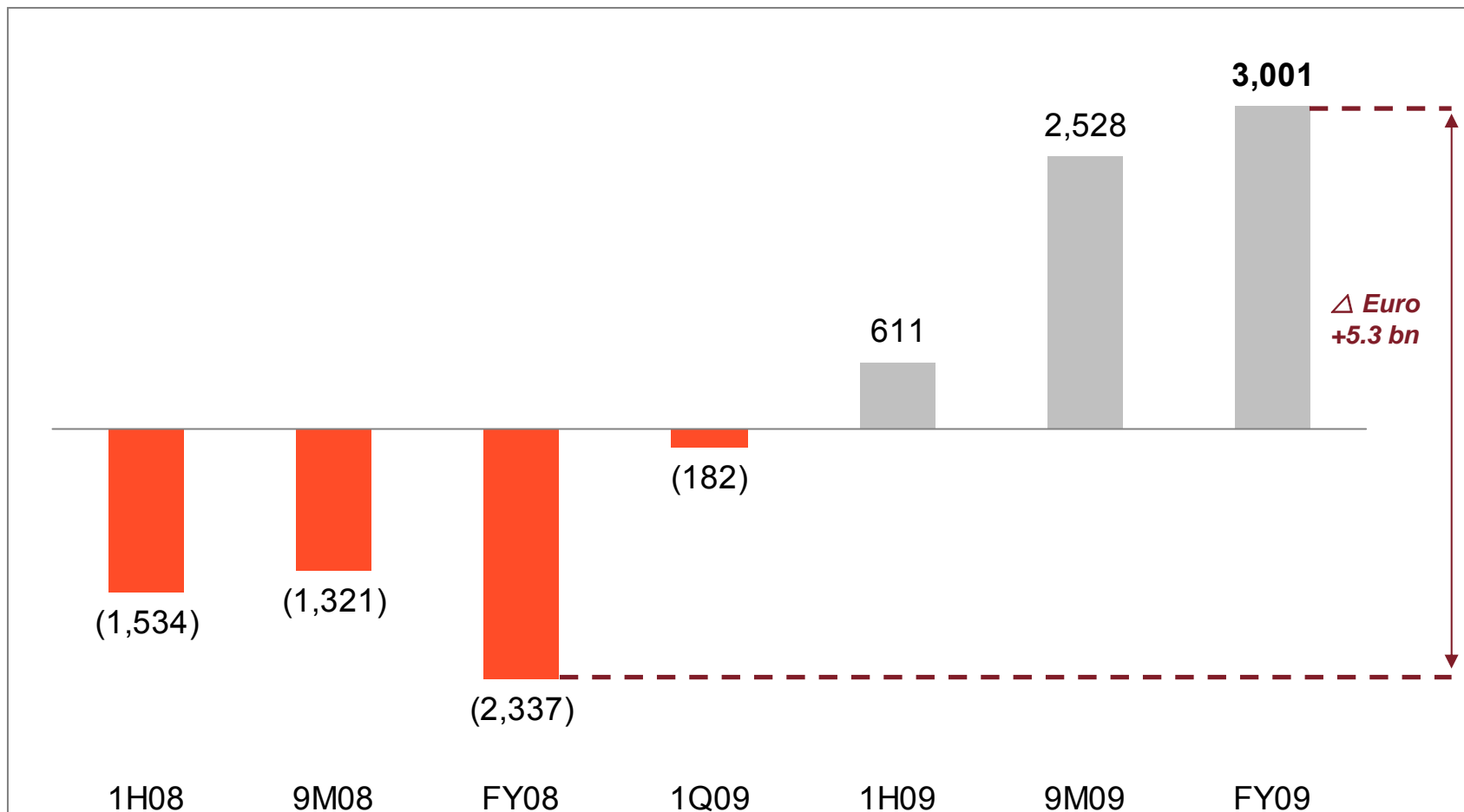
(1) On like for like basis, considering the merger with Alleanza; +47.2% on historical basis

(2) Cash part of 2008 dividend



# Total comprehensive income<sup>(1)</sup>

(Euro m)

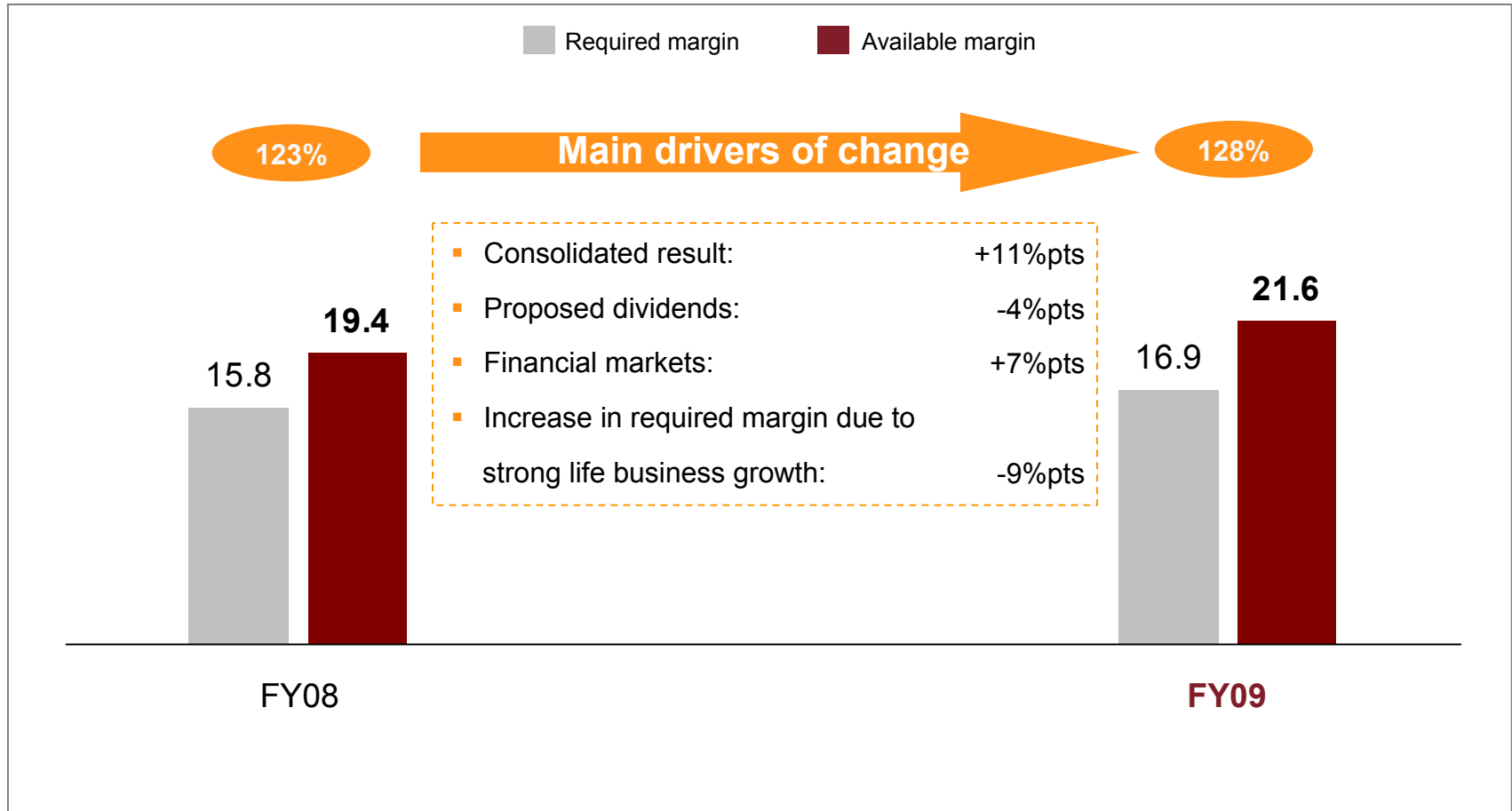


(1) Total Comprehensive Income = Change in shareholders' equity during the period related to income and expenses recognized in profit or loss or directly in shareholders' equity resulting from transactions and events other than transactions with equity owners



# Solvency I update<sup>(1)</sup>

(Euro bn)



(1) Preliminary Group cover ratio, net of proposed dividend

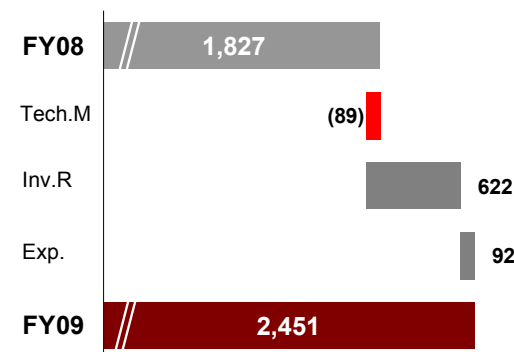


# Life profitability - operating result

## Strong recovery of Operating result driven by investment driver

### Life Operating Result by driver

(Euro m)	<b>FY08</b> Like for like <sup>(1)</sup>	<b>FY09</b>	$\Delta$ (%) Like for like <sup>(1)</sup>
Technical Margin	6,073	5,984	-1.5
Investment Result	1,005	1,627	+61.9
Expenses	(5,251)	(5,159)	+1.7
<b>Operating Result</b>	<b>1,827</b>	<b>2,451</b>	<b>+34.2</b>



### Life operating ratio on Investments

0.7%

0.9%

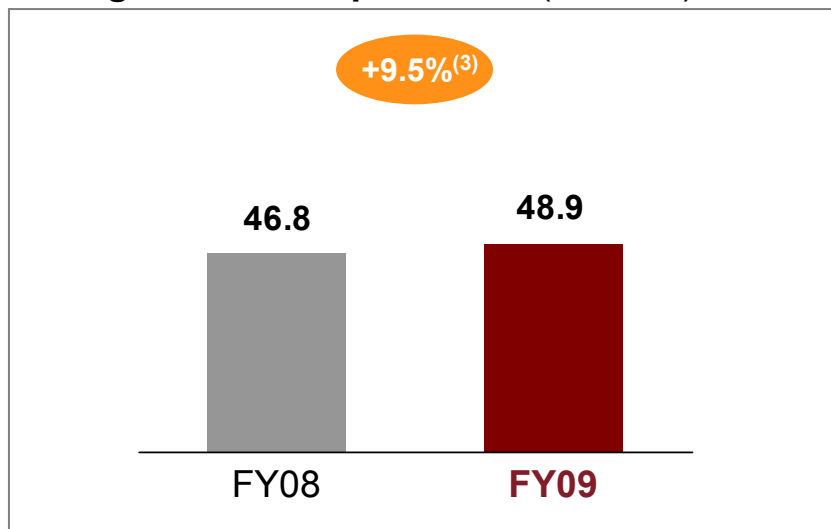
(1) Excluding Intesa Vita

#### Definitions:

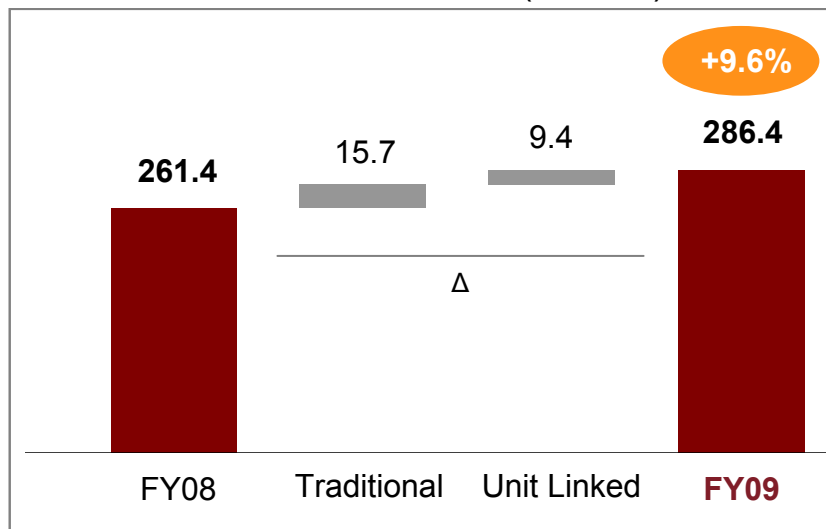
- "Technical Margin" includes loadings, risk result, surrender result; it is gross of acquisition and administration costs
- "Investment Result" includes interests and dividends, interest expenses on operating debt, G/L on foreign currency and investment expenses, net of policyholder benefits; it includes also operating realised and unrealised G/L, net of policyholder benefits
- "Expenses" include acquisition and administration costs and other net operating items (it does not consider any loading charged to policyholders)
- "Operating ratio on Investments" is calculated as Operating result on the average of Investments at book value

# Strong growth in life business

## Life gross written premiums (Euro bn)



## Life net technical reserves<sup>(2)</sup> (Euro m)



## Life net inflows by country<sup>(1)</sup> (Euro m)

Country	FY08	FY09	$\Delta\%$ <sup>(3)</sup>
Italy	(2,645)	1,182	n. a.
France	2,721	5,841	+114.7%
Germany	3,383	4,077	+20.5%
CEE	782	700	-10.5%
<b>TOTAL</b>	<b>7,004</b>	<b>16,083</b>	<b>+83.5%</b>

FY 2009	243.8	42.6
FY 2008	228.2	33.2
$\Delta\%$	+6.9%	+28.3%

(1) Net inflow: premiums written in the period less surrenders and maturity. It does not include revaluation of mathematical reserves

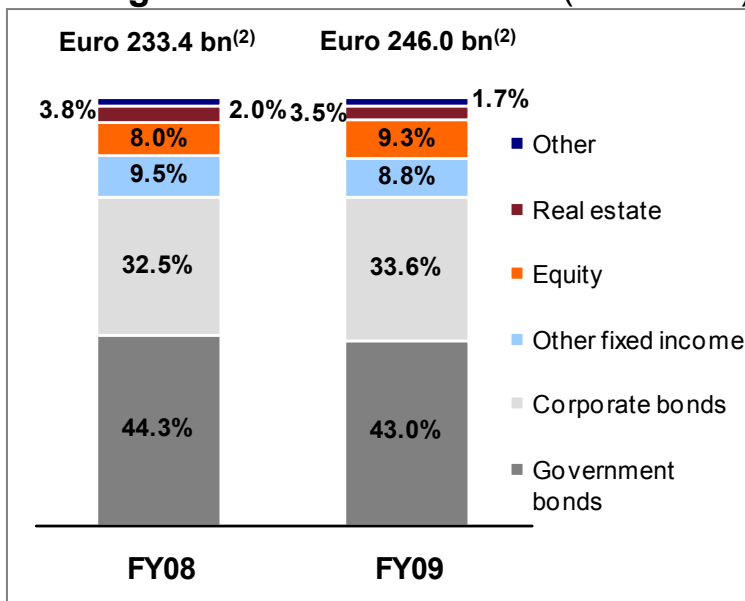
(2) Including investment contracts; excluding Intesa Vita in FY08 and FY09, according to IFRS 5 treatment for discontinued operations

(3) On like for like basis

# Life investment strategy and yields<sup>(1)</sup>

- Bond duration remains stable at 6
- Slight increase of the exposure to corporate bonds
- Increased equity exposure due to market rebound
- Preference for stocks with high dividend and/or exposed to emerging markets

## Life segment own investments (% on total)



Current return <sup>(1)</sup>	Fixed income		Equity		Real estate	
	08	09	08	09	08	09
Euro m	9,587	<b>9,108</b>	1,014	<b>602</b>	390	<b>415</b>
%	4.8	<b>4.5</b>	4.1	<b>3.1</b>	4.8	<b>4.8</b>

(1) Current return: interest, dividends and similar income / Quarterly average asset base at book value (excluding income related to unit/index linked investments)  
 (2) Net of consolidation adjustments



## Life & Health EV: New business value and profitability

- Despite the difficult year APE increases by 3.8% on a like for like basis (+6.6% net of the extraordinary Riester production in Germany in 2008)
- New Business Value over 1.1 bn, despite the negative impact of the adoption of swap rates instead of government bond rates in Italy
- Higher volumes accompanied by resilient solid profitability, with margins on APE increased by 1.5 pts to 21.7%

(Euro m)	APE				NBV				Margins on APE		
	FY08	FY09	Historical △%	Like for like △%	FY08	FY09	Historical △%	Like for like △%	FY08	FY09	△ %pts
Italy	1,534	1,704	+11.1	-1.2	360	486	+35.1	-5.6	23.5%	28.5%	5.1
Germany	1,091	984	-9.8	-10.7	184	174	-5.6	-6.6	16.9%	17.7%	0.8
France	1,056	1,225	+16.0	+16.3	125	127	+1.7	+1.9	11.8%	10.3%	-1.5
CEE	166	158	-5.0	-5.3	57	62	+7.5	+6.6	34.5%	39.1%	4.6
RoE	572	740	+29.4	+27.2	134	173	+29.3	+21.9	23.4%	23.3%	0.0
RoW	379	377	-0.7	+1.4	111	106	-4.4	-2.0	29.3%	28.2%	-1.1
<b>Total</b>	<b>4,798</b>	<b>5,188</b>	<b>+8.1</b>	<b>+3.8</b>	<b>971</b>	<b>1,128</b>	<b>+16.1</b>	<b>-0.5</b>	<b>20.2%</b>	<b>21.7%</b>	<b>1.5</b>

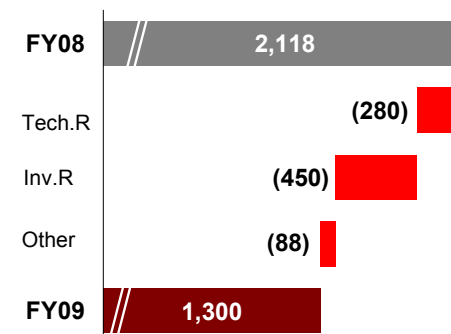


## P&amp;C profitability - operating result

## P&amp;C Operating result affected by loss ratio worsening and lower current yields

## P&amp;C Operating Result by driver

(Euro m)	FY08	FY09	Δ(%)
Technical Result	554	274	-50.6
Investment Result	1,702	1,252	-26.5
Other	(138)	(226)	-63.3
<b>Operating Result</b>	<b>2,118</b>	<b>1,300</b>	<b>-38.6</b>



## P&amp;C operating ratio on Investments

5.6%

3.7%

## Definitions:

- "Technical Result" is net of acquisition and administration costs
- "Investment Result" includes interests and dividends, interest expenses on operating debt, G/L on foreign currency and investment expenses
- "Other" includes other net operating items not considered in Technical Result and in Investment Result
- "Operating ratio on Investments" is calculated as Operating result on the average of Investments at book value

## P&C Gross Written Premiums

- Stable premiums thanks to our strong and diversified distribution networks
- Growth in Non Motor business; decelerating Motor contraction

(Euro m)	FY08	FY09	Historical △%	Like for like <sup>(1)</sup> △%
Italy	7,495	7,353	-1.9	-1.9
France	3,730	3,754	+0.7	+0.7
Germany	3,061	3,034	-0.9	-0.9
CEE	2,385	2,204	-7.6	-1.0
RoE	4,238	4,160	-1.8	-2.2
RoW	1,081	1,130	+4.6	+13.2
<b>Total</b>	<b>21,990</b>	<b>21,636</b>	<b>-1.6</b>	<b>-0.5</b>

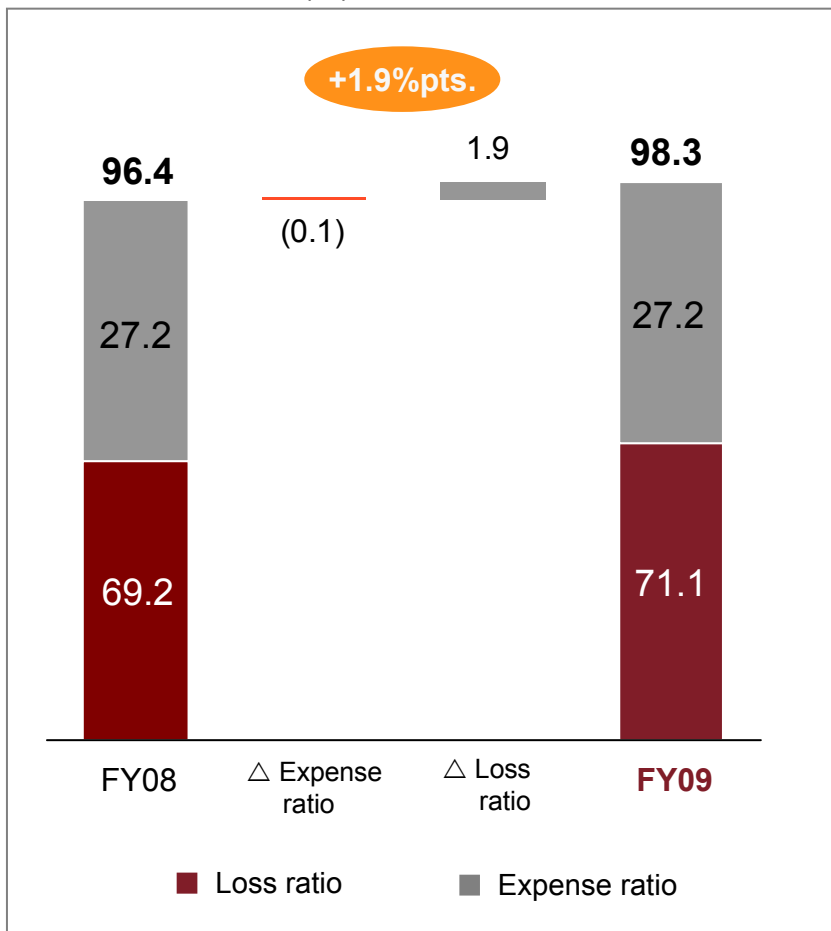
(1) Calculated considering equivalent exchange rates and scope of consolidation



# P&C profitability – Net combined ratio

(1/2)

Combined ratio (%)



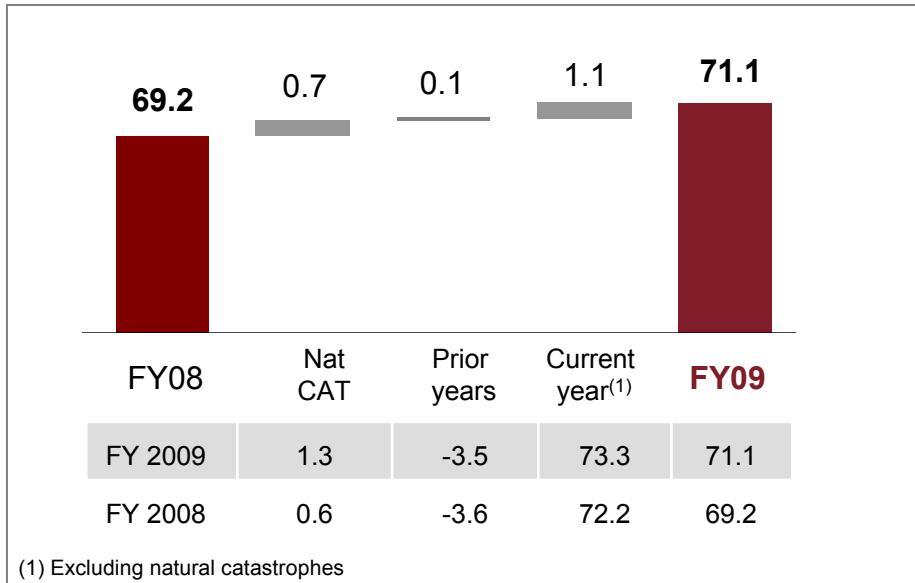
Combined ratio by country (%)

	FY08	FY09	Δ %pts.
Italy	98.9	102.4	+3.5
France	97.9	99.0	+1.1
Germany	95.9	95.6	-0.3
CEE	84.6	87.9	+3.3
RoE	95.4	96.8	+1.4
RoW	104.3	102.7	-1.6
<b>Total</b>	<b>96.4</b>	<b>98.3</b>	<b>+1.9</b>

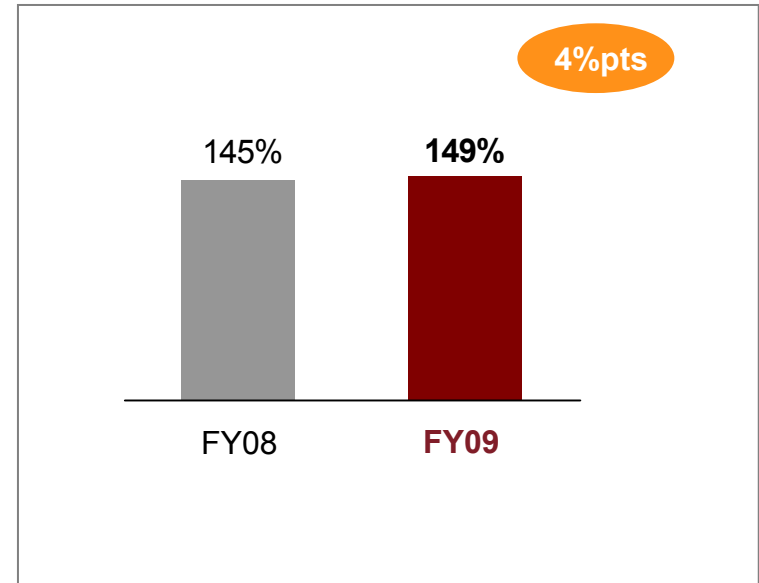
# P&C profitability – Net combined ratio

(2/2)

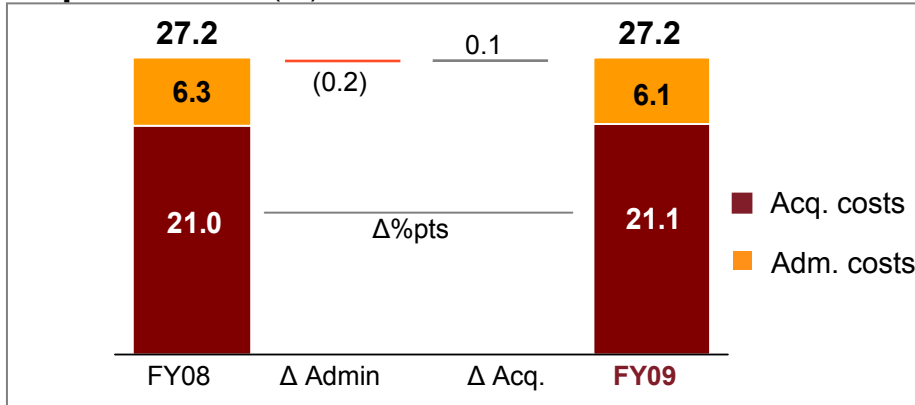
## Loss ratio (%)



## Reserving ratio (%)



## Expense ratio (%)



- Year 2009 highly impacted by natural catastrophes
- Generali's prudent reservation policy confirmed
- Current year loss ratio impacted by strong competition in Motor market

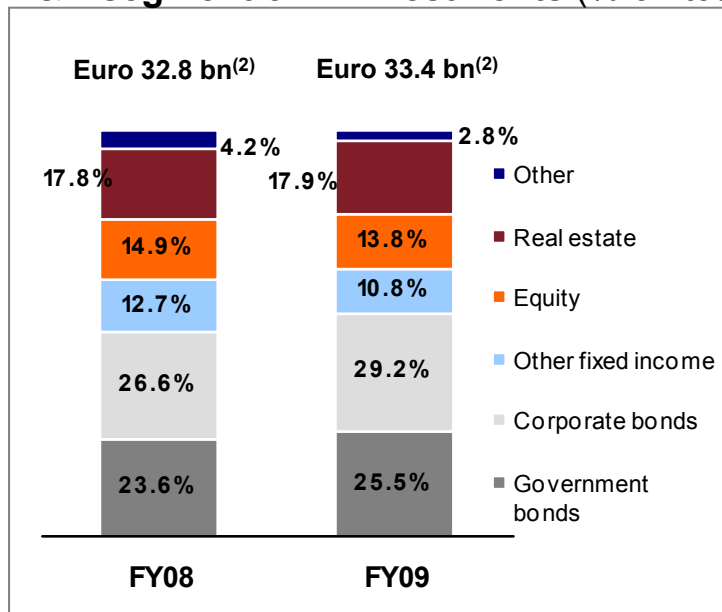


# P&C investment strategy and yields<sup>(1)</sup>

Enhancing current return:

- Lengthening duration strategy on government bonds from 4 to 4.6 years implemented in 2H09 improves current income by 16 bps
- Increase corporate bonds and BBB exposures in 2H09 produces a benefit on current income of 10 bps
- Duration target on bonds is 5 years based on a ongoing portfolio approach

## P&C segment own investments (% on total)



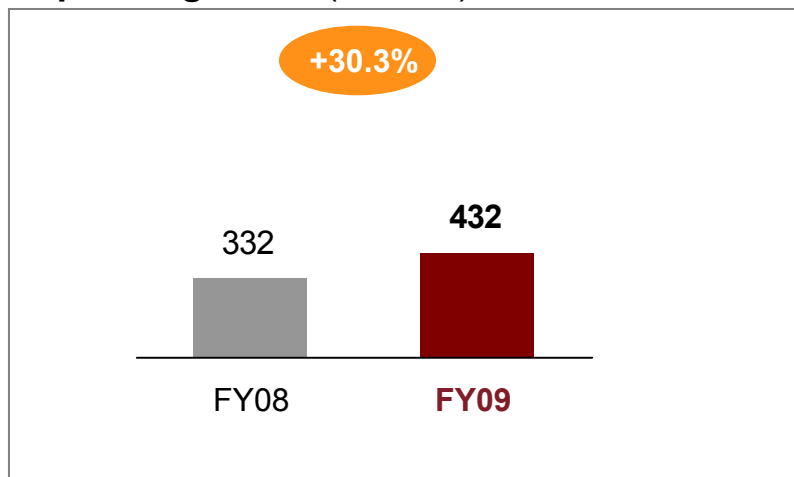
Current return <sup>(1)</sup>	Fixed income		Equity		Real estate	
	08	09	08	09	08	09
Euro m	1,068	861	258	167	282	318
%	4.9	4.0	4.3	3.5	5.0	5.4

(1) Current return: interest, dividends and similar income / Quarterly average asset base at book value (excluding income related to unit/index linked investments)  
 (2) Net of consolidation adjustments

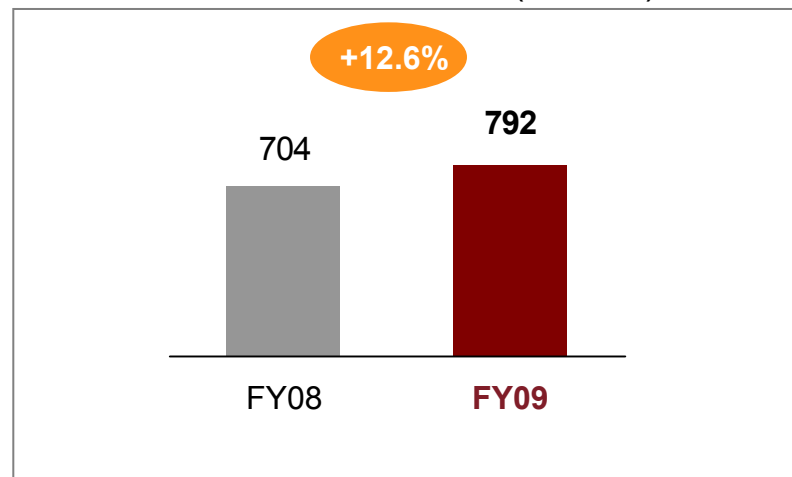


## Financial segment

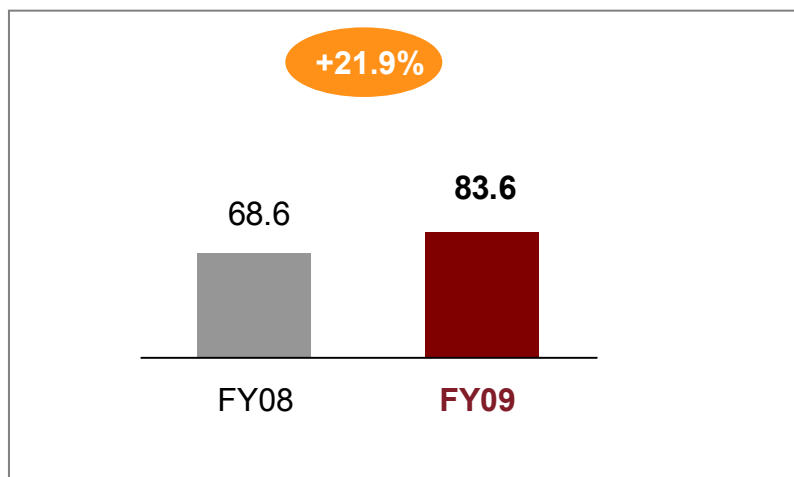
## Operating result (Euro m)



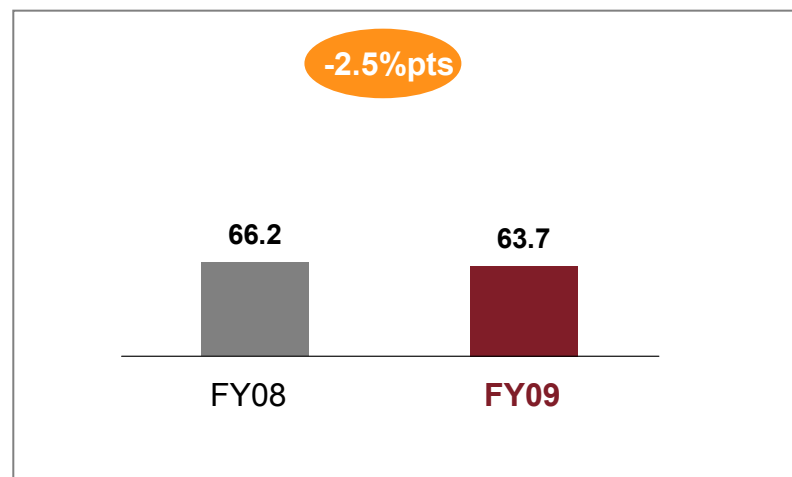
## Net fees and commissions (Euro m)



## Third party AUM (Euro bn)

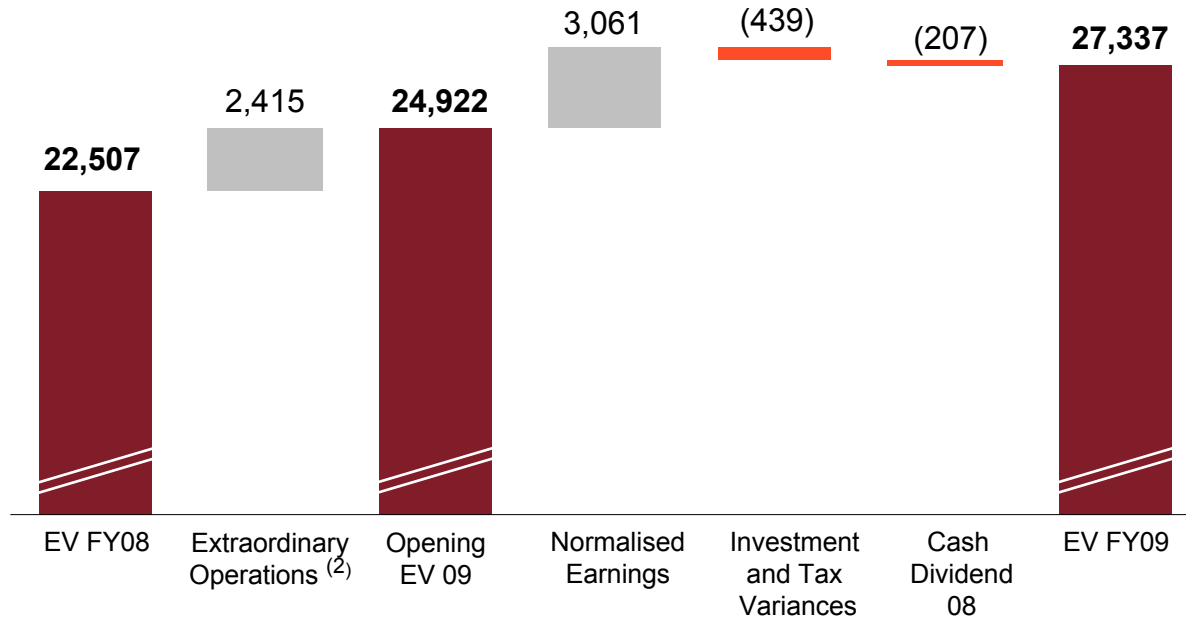


## Cost/income ratio (%)



# Group Embedded Value roll-forward

(Euro m)



## Return on embedded value

Robust Group embedded value earnings at Year End (2,622 m) significantly contributes to EV per share increase (from 16.7 €ps FY08)

**12.3%**

**Normalised RoEV <sup>(1)</sup>**

**10.5%**

**RoEV <sup>(1)</sup>**

## Group embedded value

Group EV FY09

**17.7€**

**Group EV per share**

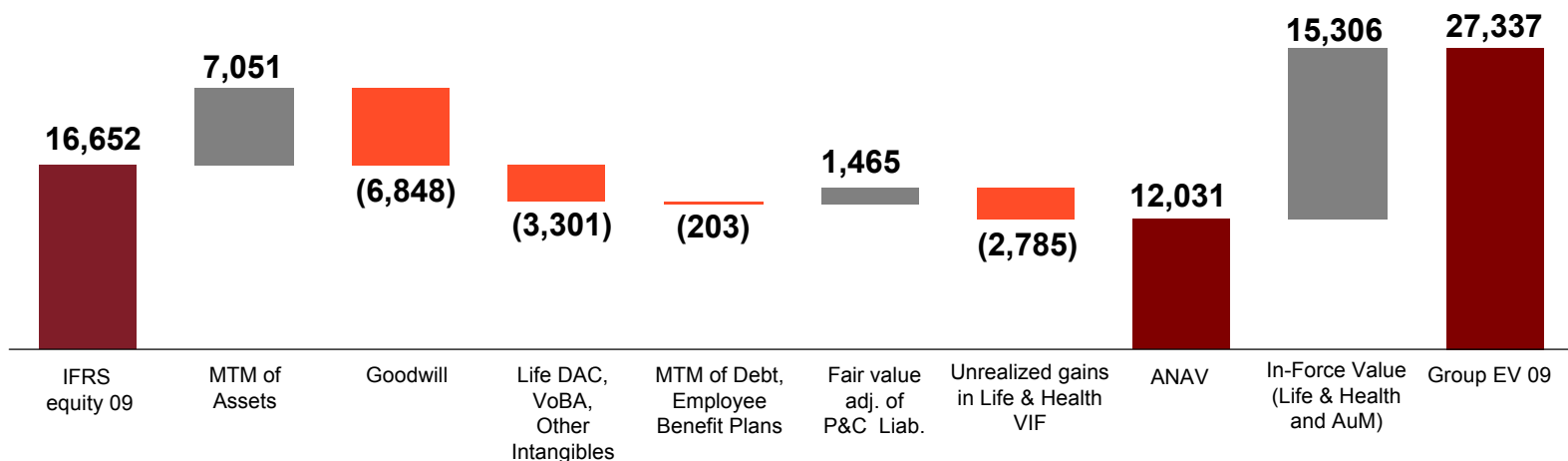
(1) RoEV = Annualised EV earnings on opening EV and Normalised RoEV = Annualised and Normalised Earnings on opening EV

(2) Alleanza/Intesa Vita deal



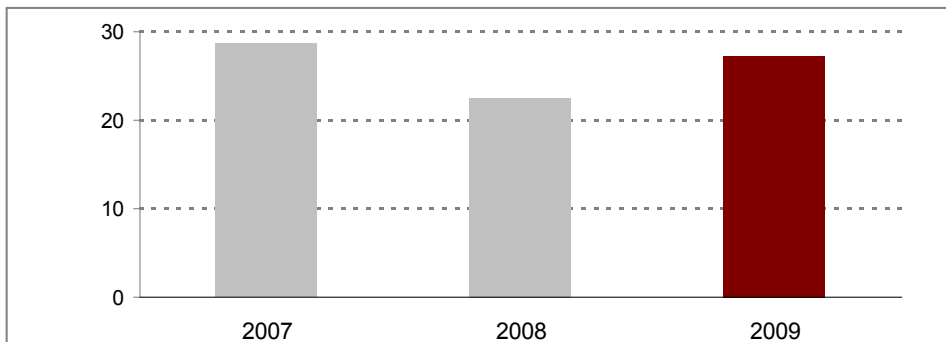
# From IFRS Equity to Group Embedded Value

- High level of Adjusted Net Asset Value, showing the strength of our tangible equity
- Limited volatility of our Embedded Value over time
- Quality of business justifies higher P/EV ratios



Embedded Value trend (Euro bn)

MULTIPLES <sup>(1)</sup>	
P/ANAV	2.32x
P/EV	1.02x



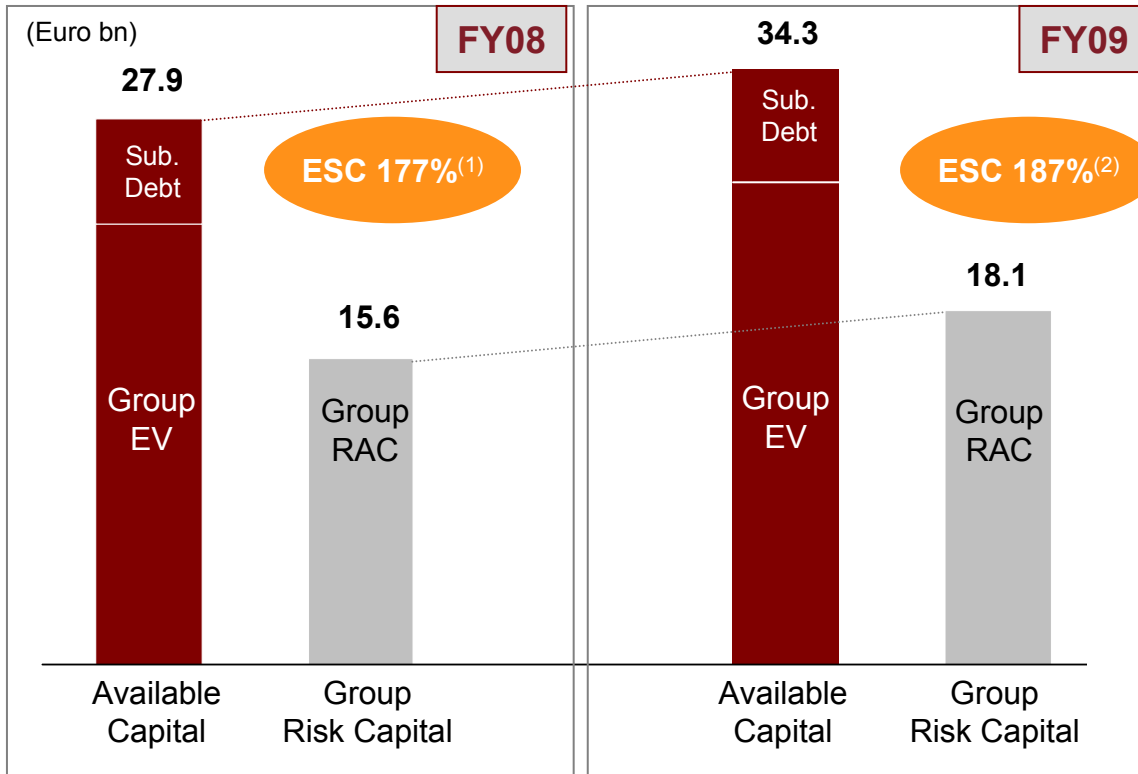
(1) Calculated using price of Euro 18.11 as at March 16





# Economic Solvency and Capital Allocation

## Economic Solvency Coverage (ESC)



(1) ESC FY08 = AC FY08 (net of cash dividend 2008 equal to 0.2 bn) divided by Risk Capital FY08  
 (2) ESC FY09 = AC FY09 (net of proposed dividend 2009 equal to 0.5 bn) divided by Risk Capital FY09

**Solid Economic Solvency<sup>(3)</sup> position evolves in parallel with volume increase, and improves after HY09**

**(3) based on Group Internal Model calibrated on 1y VaR at 99.95%**

## Economic Capital (EC)

(Euro bn)	FY08	FY09
<i>EC Life</i>	18.4	23.0
<i>EC P&amp;C</i>	7.1	7.1
<i>EC Financial</i>	1.9	1.9
<b>EC total</b>	<b>27.4</b>	<b>31.9</b>

## Economic Capital definition

Capital allocated to the Business Units, allowing for risk and local regulatory requirements, equal to the sum of:

- Maximum between solvency I requirement and risk capital
- Other Available Capital held in the BU, including Value of In-Force and Non-Life Fair Value adjustment



## III. Final Remarks

## 2009: solid results in a challenging environment



Premiums above Euro 70 bn (+6.2%)



Life net inflows more than doubled at Euro 16 bn



Shareholders' Equity at Euro 16.7 bn (+47.2%)



Net result at Euro 1,309 m (+ 52.1%)



Cash dividend per share at Euro 0.35 (+133%)



Embedded Value at Euro 27.3 bn; Economic Solvency at 187%

## ■ IV. Backup

P&L

Balance sheet

Life & health MCEV

Capital

## ■ IV. Backup

**P&L**

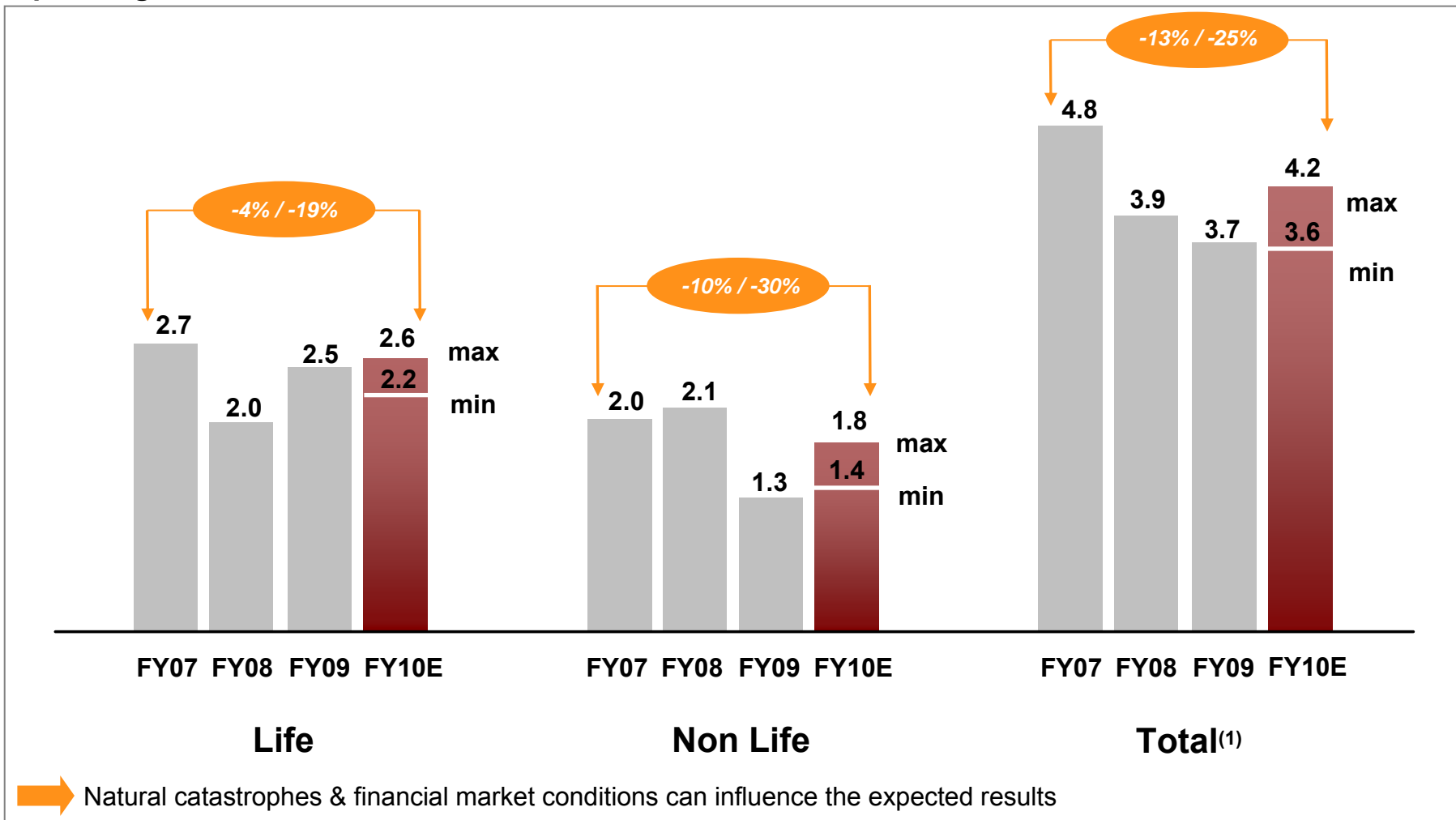
Balance sheet

Life & health MCEV

Capital

# Outlook 2010

## Operating results outlook (Euro bn)



(1) Sum of Life, Non Life, Financial, Holding Expenses and Consolidation Adjustments



## FY09 Total gross written premiums

Euro (m)	Total gross written premiums			Gross life written premiums <sup>(1)</sup>			Gross P&C written premiums		
Country	GWP	YoY % increase	Weight on consolidated	GWP	YoY % increase	Weight on consolidated	GWP	YoY % increase	Weight on consolidated
		(2)			(2)			(2)	
Italy	20,266	-0.4	28.7	12,913	+0.4	18.3	7,353	-1.9	10.4
France	16,131	+12.6	22.9	12,377	+16.9	17.5	3,754	+0.7	5.3
Germany	15,264	+3.3	21.6	12,229	+4.3	17.3	3,034	-0.9	4.3
CEE	3,876	+1.4	5.5	1,672	+4.7	2.4	2,204	-1.0	3.1
RoE	10,985	+15.9	15.6	6,824	+30.7	9.7	4,161	-2.2	5.9
<i>Of which:</i>									
<i>Spain</i>	<i>2,569</i>	<i>-7.2</i>	<i>3.6</i>	<i>1,128</i>	<i>-7.4</i>	<i>1.6</i>	<i>1,441</i>	<i>-7.1</i>	<i>2.0</i>
<i>Austria</i>	<i>2,461</i>	<i>-1.3</i>	<i>3.5</i>	<i>1,115</i>	<i>-2.2</i>	<i>1.6</i>	<i>1,345</i>	<i>-0.5</i>	<i>1.9</i>
<i>Switzerland</i>	<i>1,409</i>	<i>+0.5</i>	<i>2.0</i>	<i>897</i>	<i>-0.7</i>	<i>1.3</i>	<i>512</i>	<i>+2.6</i>	<i>0.7</i>
RoW	4,009	+10.6	5.7	2,879	+9.6	4.1	1,130	+13.2	1.6
<b>Total</b>	<b>70,530</b>	<b>+6.2</b>	<b>100.0</b>	<b>48,894</b>	<b>+9.5</b>	<b>69.3</b>	<b>21,636</b>	<b>-0.5</b>	<b>30.7</b>

(1) Including investment contracts

(2) On like for like basis with constant exchange rates

## Life premiums by country & business line

### Life FY09

(Euro m)	Traditional	Unit/index linked	Health	Group	Total
Italy	87.3%	2.1%	0.0%	10.6%	<b>12,656</b>
France	76.4%	10.7%	6.5%	6.4%	<b>12,204</b>
Germany	50.6%	26.0%	16.6%	6.7%	<b>12,228</b>
CEE	70.0%	19.5%	9.3%	1.2%	<b>1,672</b>
RoE	29.8%	55.5%	3.7%	11.1%	<b>6,809</b>
<i>Of which:</i>					
<i>Spain</i>	<i>65.3%</i>	<i>1.9%</i>	<i>0.0%</i>	<i>32.8%</i>	<b><i>1,128</i></b>
<i>Austria</i>	<i>51.0%</i>	<i>29.7%</i>	<i>19.3%</i>	<i>0.0%</i>	<b><i>1,105</i></b>
<i>Switzerland</i>	<i>20.6%</i>	<i>78.2%</i>	<i>1.0%</i>	<i>0.2%</i>	<b><i>897</i></b>
RoW	35.0%	1.5%	10.0%	53.4%	<b>2,265</b>
<b>Total life gross direct premiums</b>	<b>63.9%</b>	<b>18.6%</b>	<b>7.2%</b>	<b>10.3%</b>	<b>47,834</b>



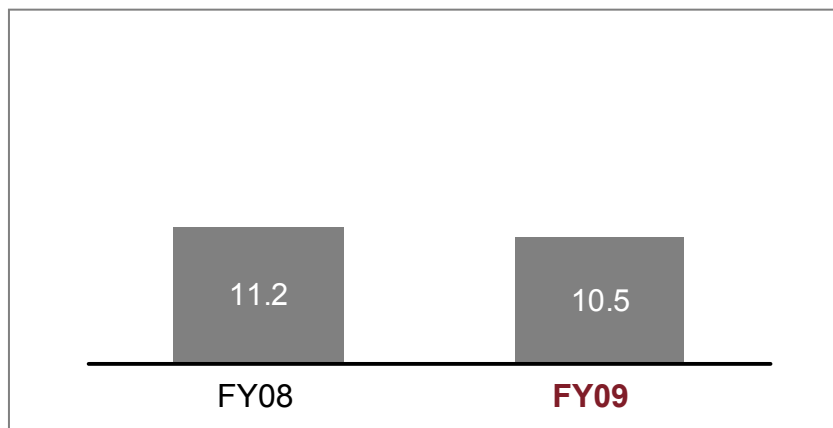
## P&C premiums by country & business line

### P&C FY09

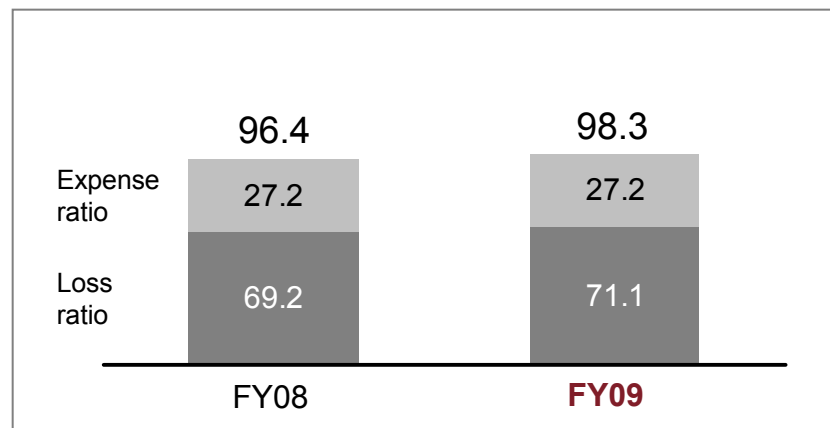
(Euro m)	Motor <sup>(1)</sup>	Accident/ Health	Personal	Commercial	Total
Italy	43.2%	18.7%	11.3%	26.8%	<b>7,271</b>
France	29.9%	13.2%	38.6%	18.4%	<b>3,541</b>
Germany	36.8%	15.2%	38.6%	9.4%	<b>3,031</b>
CEE	54.6%	10.7%	14.0%	20.8%	<b>2,182</b>
RoE	41.0%	13.7%	18.7%	26.6%	<b>4,047</b>
<i>Of which:</i>					
<i>Spain</i>	<i>33.7%</i>	<i>11.0%</i>	<i>20.3%</i>	<i>35.0%</i>	<b><i>1,431</i></b>
<i>Austria</i>	<i>45.4%</i>	<i>10.7%</i>	<i>17.0%</i>	<i>26.9%</i>	<b><i>1,313</i></b>
<i>Switzerland</i>	<i>50.7%</i>	<i>21.3%</i>	<i>27.5%</i>	<i>0.5%</i>	<b><i>510</i></b>
RoW	60.7%	5.5%	3.9%	29.9%	<b>1,096</b>
<b>Total P&amp;C gross direct premiums</b>	<b>41.7%</b>	<b>14.8%</b>	<b>21.1%</b>	<b>22.4%</b>	<b>21,168</b>

(1) Including fleets

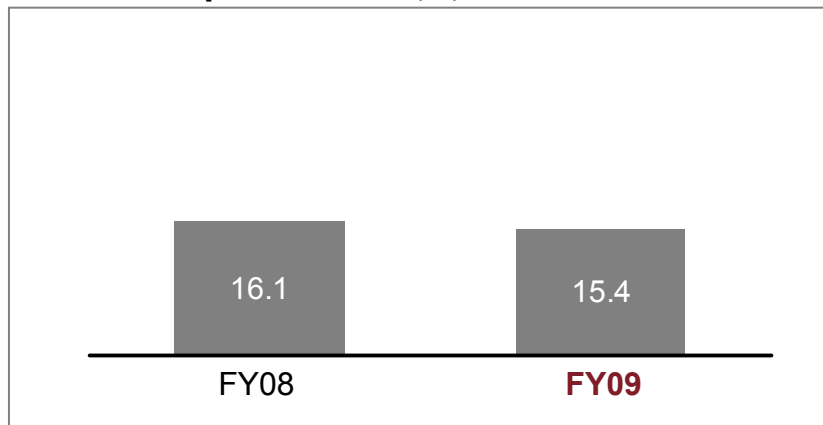
**Life – Expense ratio (%)**



**P&C – Combined ratio (%)**



**Total – Expense ratio (%)**



# FY09 combined ratio reconciliation

(Euro m)

<b>A</b>	<b>Net earned premiums (net of consolidation adjustments)</b>	<b>19,932.7</b>
<b>B</b>	<b>Consolidated net insurance benefits and claims</b>	<b>14,176.7</b>
	<b>Consolidated acquisition costs</b>	<b>4,197.2</b>
	Consolidated administration costs	1,290.8
	Non insurance related administration costs <sup>(1)</sup>	72.3
	<b>Insurance related consolidated administration costs</b>	<b>1,218.5</b>
<b>C</b>	<b>Total acquisition and insurance related administration costs</b>	<b>5,415.7</b>
<b>B/A</b>	<b>Loss ratio</b>	<b>71.1</b>
<b>C/A</b>	<b>Expense ratio</b>	<b>27.2</b>
<b>(B+C)/A</b>	<b>Combined ratio</b>	<b>98.3</b>
<b>D</b>	<b>Other technical items</b>	<b>66.8</b>
<b>A-B-C-D</b>	<b>Technical result</b>	<b>273.5</b>

(1) Administration expenses related to service companies, real estates and other companies not belonging to P&C segment

# Ratios by country

(%)	ITA	FRA	GER	CEE	SPA	AUT	SWI	Consolidated
<b>P&amp;C Loss ratio</b>								
<b>FY09</b>	<b>79.9</b>	<b>70.8</b>	<b>65.6</b>	<b>58.1</b>	<b>69.5</b>	<b>68.9</b>	<b>64.8</b>	<b>71.1</b>
FY08	75.8	70.5	65.1	55.5	69.8	68.5	65.1	69.2
<b>P&amp;C Expense ratio</b>								
<b>FY09</b>	<b>22.5</b>	<b>28.2</b>	<b>30.0</b>	<b>29.8</b>	<b>25.1</b>	<b>27.1</b>	<b>29.5</b>	<b>27.2</b>
FY08	23.1	27.3	30.9	29.1	23.7	27.6	29.3	27.2
<b>P&amp;C Combined ratio</b>								
<b>FY09</b>	<b>102.4</b>	<b>99.0</b>	<b>95.6</b>	<b>87.9</b>	<b>94.6</b>	<b>95.9</b>	<b>94.3</b>	<b>98.3</b>
FY08	98.9	97.9	95.9	84.6	93.5	96.1	94.5	96.4
<b>Life expense ratio by country</b>								
<b>FY09</b>	<b>9.2</b>	<b>6.7</b>	<b>14.3</b>	<b>18.7</b>	<b>5.2</b>	<b>13.7</b>	<b>17.4</b>	<b>10.5</b>
FY08	8.9 <sup>(1)</sup>	8.1	15.4	20.4	4.9	14.7	20.1	11.2

(1) Excluding Intesa Vita. On historical terms, the ratio would be 8.1%

## Reclassified P&amp;L account

(Euro m)	Total	
	FY 08 <sup>(1)</sup>	FY 09
<b>Operating result</b>	<b>3,932</b>	<b>3,676</b>
Net earned premiums	61,982	64,036
Net insurance benefits and claims	(44,540)	(68,188)
Acquisition and administration costs <sup>(2)</sup>	(11,183)	(11,166)
Net fee and commission income and net income from financial service activities	695	791
Operating income from investments <sup>(2)</sup>	(2,395)	18,874
Operating holding expenses	(291)	(269)
Net other operating expenses	(337)	(403)
<b>Non-operating result</b>	<b>(2,396)</b>	<b>(1,507)</b>
Non-operating income from investments	(1,204)	(526)
Non-operating holding expenses	(701)	(737)
<i>Interest expenses on financial debt</i>	<i>(668)</i>	<i>(707)</i>
<i>Other non-operating holding expenses</i>	<i>(33)</i>	<i>(30)</i>
Net other non-operating expenses	(491)	(245)
<b>Earnings before taxes</b>	<b>1,537</b>	<b>2,168</b>
<b>Income taxes</b>	<b>(473)</b>	<b>(498)</b>
<b>Result from discontinued operations (Intesa Vita)</b>	<b>-</b>	<b>96</b>
<b>Consolidated result of the period</b>	<b>1,064</b>	<b>1,766</b>
Result of the period attributable to minority interests	(203)	(457)
<b>Result of the period</b>	<b>861</b>	<b>1,309</b>

(1) FY 2008 operating result has been restated to conform to the current definition of the operating result (refer to Appendix to the Consolidated Report 'Methodology Note on Alternative Performance Measures')

(2) Including administration cost for real estate companies (refer to Appendix to the Consolidated Report 'Methodology Note on Alternative Performance Measures')

## Reclassified P&amp;L account by segment – FY08

(Euro m)	Life	Non life	Financial <sup>(1)</sup>	Unallo- cated holding expenses	Consolidation adjustments	Total
<b>Operating result</b>	<b>1,980</b>	<b>2,118</b>	<b>332</b>	<b>(291)</b>	<b>(206)</b>	<b>3,932</b>
Net earned premiums	42,035	19,948	0	-	-	61,982
Net insurance benefits and claims	(30,788)	(13,807)	0	-	54	(44,540)
Acquisition and administration costs	(5,032) <sup>(2)</sup>	(5,458) <sup>(2)</sup>	(692)	-	-	(11,183) <sup>(2)</sup>
Net fee and commission income and net income from financial service activities	90	0	704	-	(99)	695
Operating income from investments	(4,243) <sup>(2)</sup>	1,702 <sup>(2)</sup>	358	-	(212)	(2,395) <sup>(2)</sup>
Operating holding expenses	-	-	-	(291)	-	(291)
Net other operating expenses	(83)	(267)	(38)	-	51	(337)
<b>Non-operating result</b>	<b>(1,016)</b>	<b>(586)</b>	<b>(91)</b>	<b>(701)</b>	<b>(2)</b>	<b>(2,396)</b>
Non-operating income from investments	(800)	(415)	13	-	(2)	(1,204)
Non-operating holding expenses	-	-	-	(701)	-	(701)
Net other non-operating expenses	(215)	(171)	(105)	-	-	(491)
<b>Earnings before taxes</b>	<b>964</b>	<b>1,531</b>	<b>240</b>	<b>(992)</b>	<b>(208)</b>	<b>1,537</b>

(1) Not reclassified according to the new layout, based on operating margins and presented in the 2008 full year Consolidated Report

(2) Including administration cost for real estate companies (refer to Appendix to the Consolidated Report 'Methodology Note on Alternative Performance Measures')

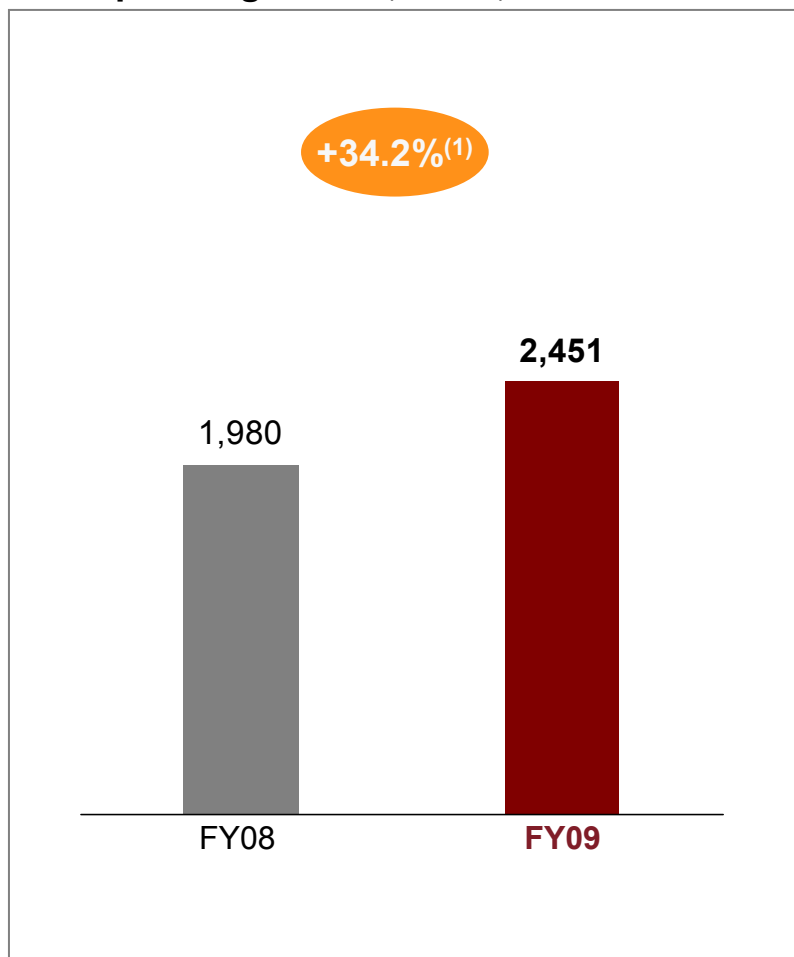
## Reclassified P&L account by segment – FY09

(Euro m)	Life	Non life	Financial <sup>(1)</sup>	Unallocated holding expenses	Consolidation adjustments	Total
<b>Operating result</b>	<b>2,451</b>	<b>1,300</b>	<b>432</b>	<b>(269)</b>	<b>(239)</b>	<b>3,676</b>
Net earned premiums	44,103	19,933	0	-	-	64,036
Net insurance benefits and claims	(54,001)	(14,177)	0	-	(10)	(68,188)
Acquisition and administration costs	(4,961)	(5,436)	(768)	-	(1)	(11,166)
Net fee and commission income and net income from financial service activities	109	0	792	-	(110)	791
Operating income from investments	17,285	1,252	460	-	(123)	18,874
Operating holding expenses	-	-	-	(269)	-	(269)
Net other operating expenses	(83)	(272)	(52)	-	4	(403)
<b>Non-operating result</b>	<b>(236)</b>	<b>(459)</b>	<b>(76)</b>	<b>(737)</b>	<b>1</b>	<b>(1,507)</b>
Non-operating income from investments	(188)	(333)	(5)	-	-	(526)
Non-operating holding expenses	-	-	-	(737)	-	(737)
Net other non-operating expenses	(48)	(125)	(71)	-	1	(245)
<b>Earnings before taxes</b>	<b>2,215</b>	<b>841</b>	<b>356</b>	<b>(1,006)</b>	<b>(238)</b>	<b>2,168</b>

(1) Not reclassified according to the new layout, based on operating margins and presented in the 2008 full year Consolidated Report

# Life operating result

## Life operating result (Euro m)



## Life Operating result by country (Euro m)

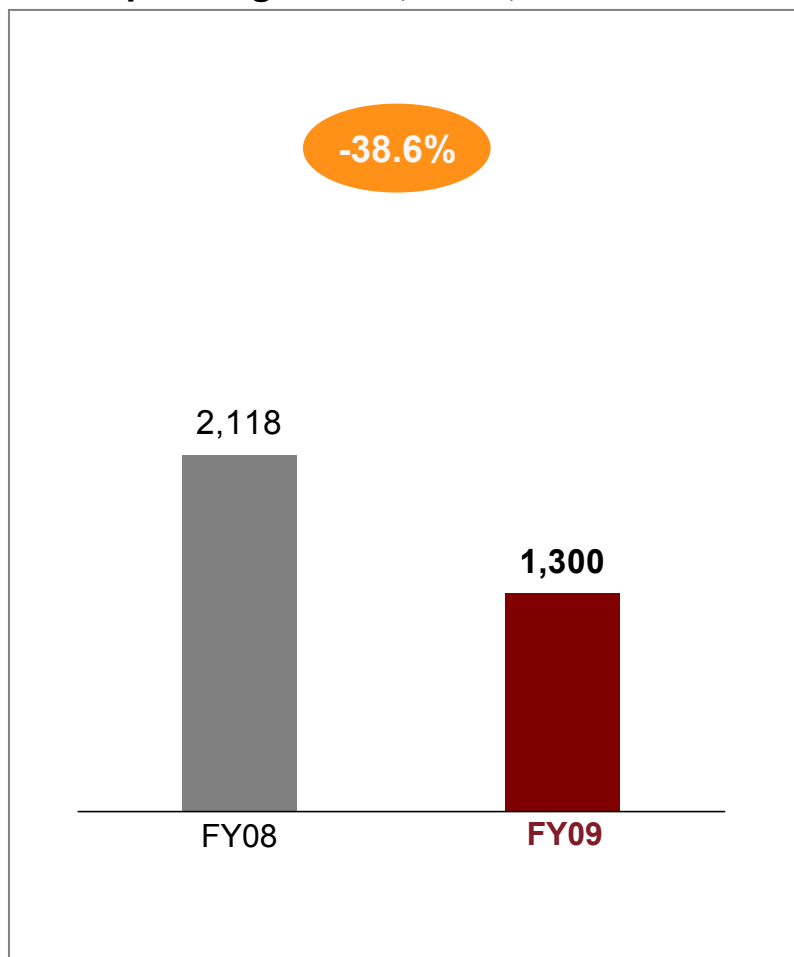
(Euro m)	FY08	FY09	Δ% <sup>(1)</sup>
Italy	1,207	1,010	-4.2
France	346	455	+31.5
Germany	140	241	+72.1
CEE	125	297	+137.6
RoE	117	265	+126.5
<i>Of which:</i>			
<i>Spain</i>	100	89	-11.0
<i>Austria</i>	15	34	+126.7
<i>Switzerland</i>	57	71	+24.6
RoW	45	183	+306.7
<b>Total</b>	<b>1,980</b>	<b>2,451</b>	<b>+34.2</b>

(1) Excluding Intesa Vita in FY08 and FY09, according to IFRS 5 treatment for discontinued operations. On historical terms, the variations would be +23.8% for the total life operating result and -16.3% for the Italian life operating result



# P&C operating result

## P&C operating result (Euro m)



## P&C Operating result by country (Euro m)

(Euro m)	FY08	FY09	△%
Italy	493	60	-87.8
France	332	243	-26.8
Germany	317	259	-18.3
CEE	450	336	-25.3
RoE	483	358	-25.9
<i>Of which:</i>			
<i>Spain</i>	172	151	-12.2
<i>Austria</i>	106	92	-13.2
<i>Switzerland</i>	61	49	-19.7
RoW	42	44	+4.8
<b>Total</b>	<b>2,118</b>	<b>1,300</b>	<b>-38.6</b>

## Other operating and non operating costs by segment

(Euro m)	Life		Non Life		Financial	
	FY08	FY09	FY08	FY09	FY08	FY09
<b>TOTAL NET OPERATING EXPENSES</b>	(82.6)	<b>(83.4)</b>	(267.4)	<b>(271,7)</b>	(37.6)	<b>(51.8)</b>
Restructuring costs	(13.1)	<b>(15.2)</b>	(66.8)	<b>(76.3)</b>	(60.8)	<b>(44.8)</b>
Other net non operating expenses <sup>(1)</sup>	(202)	<b>(32.9)</b>	(104.1)	<b>(49)</b>	(43.7)	<b>(26.4)</b>
<b>TOTAL NET NON OPERATING EXPENSES</b>	(215.1)	<b>(48)</b>	(170.9)	<b>(125.3)</b>	(104.5)	<b>(71.2)</b>

(1) Other non operating expenses include mainly amortization of VOBA

Focus on impairments<sup>(1)</sup>

(Euro m)	Life		P&C		Financial		Total	
	FY08	FY09	FY08	FY09	FY08	FY09	FY08	FY09
<b>Net impairments</b>								
Equity instruments	2,988	857	730	248	1	4	<b>3,719</b>	<b>1,108</b>
Fixed income	455	37	105	26	33	3	<b>592</b>	<b>67</b>
Real estate	59	240	12	27	-	-	<b>70</b>	<b>267</b>
Other investments <sup>(2)</sup>	432	31	220	191	8	29	<b>660</b>	<b>250</b>
<b>Total net impairments</b>	<b>3,934</b>	<b>1,165</b>	<b>1,066</b>	<b>491</b>	<b>42</b>	<b>36</b>	<b>5,041</b>	<b>1,692</b>
<i>Of which</i>								
<b>Operating net impairments</b>	3,090	962	-	-	42	36	<b>3,132</b>	<b>998</b>
<b>Non operating net impairments</b>	844	203	1,066	491	-	-	<b>1,910</b>	<b>694</b>

(1) Net of reverse impairments

(2) Including subsidiaries and associated companies

## ■ **IV. Backup**

P&L

**Balance sheet**

Life & health MCEV

Capital

# Consolidated balance sheet

## Assets

(Euro bn)	FY08	FY09
Intangible assets	9.3	10.4
Investments	327.1	341.5
Cash	10.5	10.5
Other credits	11.5	11.3
Tangible assets	3.8	3.8
Other assets <sup>(1)</sup>	21.7	46.3 <sup>(2)</sup>
<b>Total Assets</b>	<b>383.9</b>	<b>423.8</b>

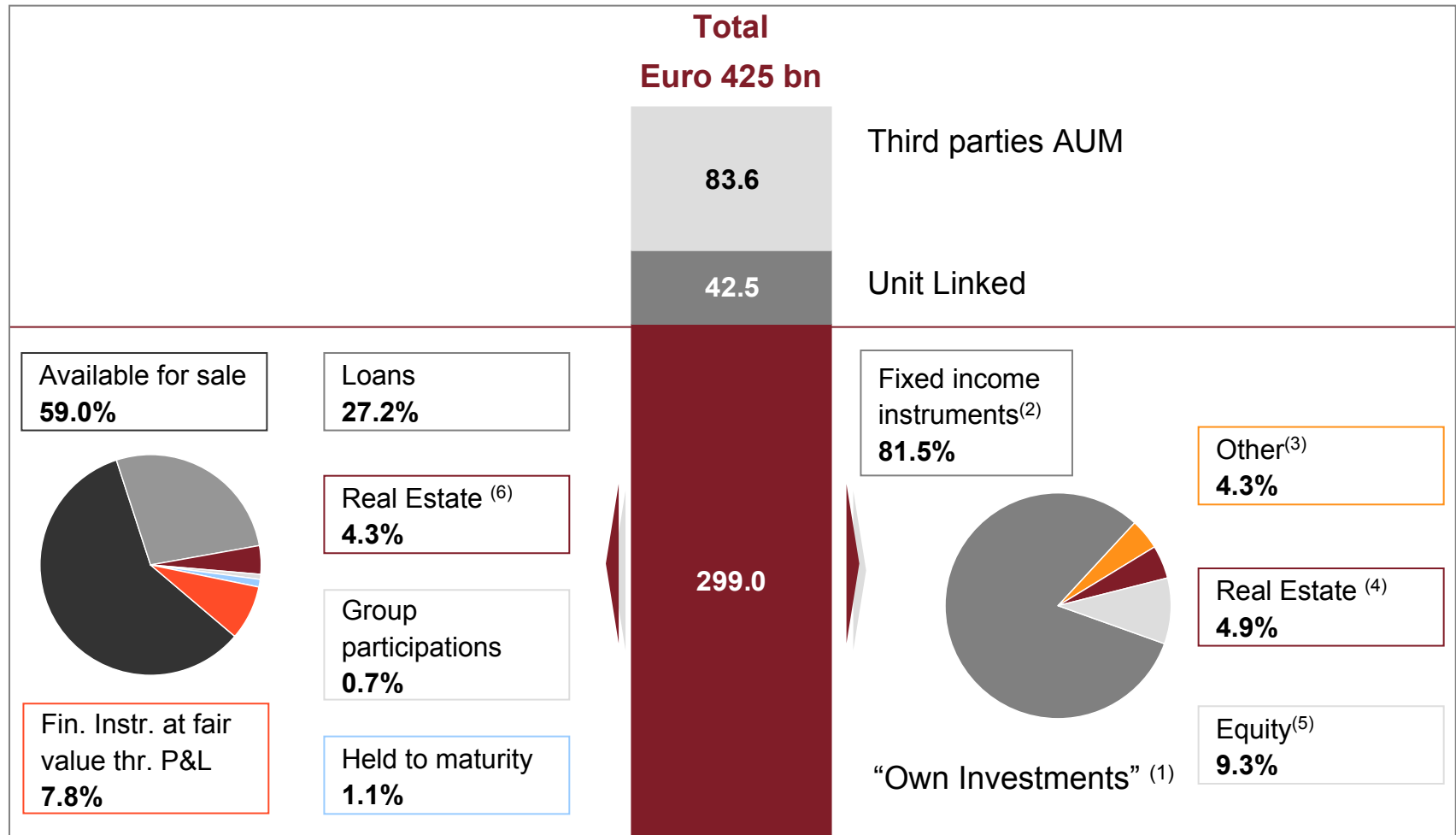
(1) Including reinsurance amounts of technical reserve

(2) Including assets and liabilities related to discontinued operations (Intesa Vita)

## Liabilities

(Euro bn)	FY08	FY09
Shareholders' Equity (Group share)	11.3	16.7
Minority interests	4.2	3.3
<b>Shareholders' Equity</b>	<b>15.5</b>	<b>20.0</b>
Subordinated and financial liabilities	46.7	50.4
Technical reserves	301.8	309.6
Other debts and allowances	9.1	9.2
Other liabilities	10.8	34.7 <sup>(2)</sup>
<b>Total Liabilities and Shareholders' Equity</b>	<b>383.9</b>	<b>423.8</b>

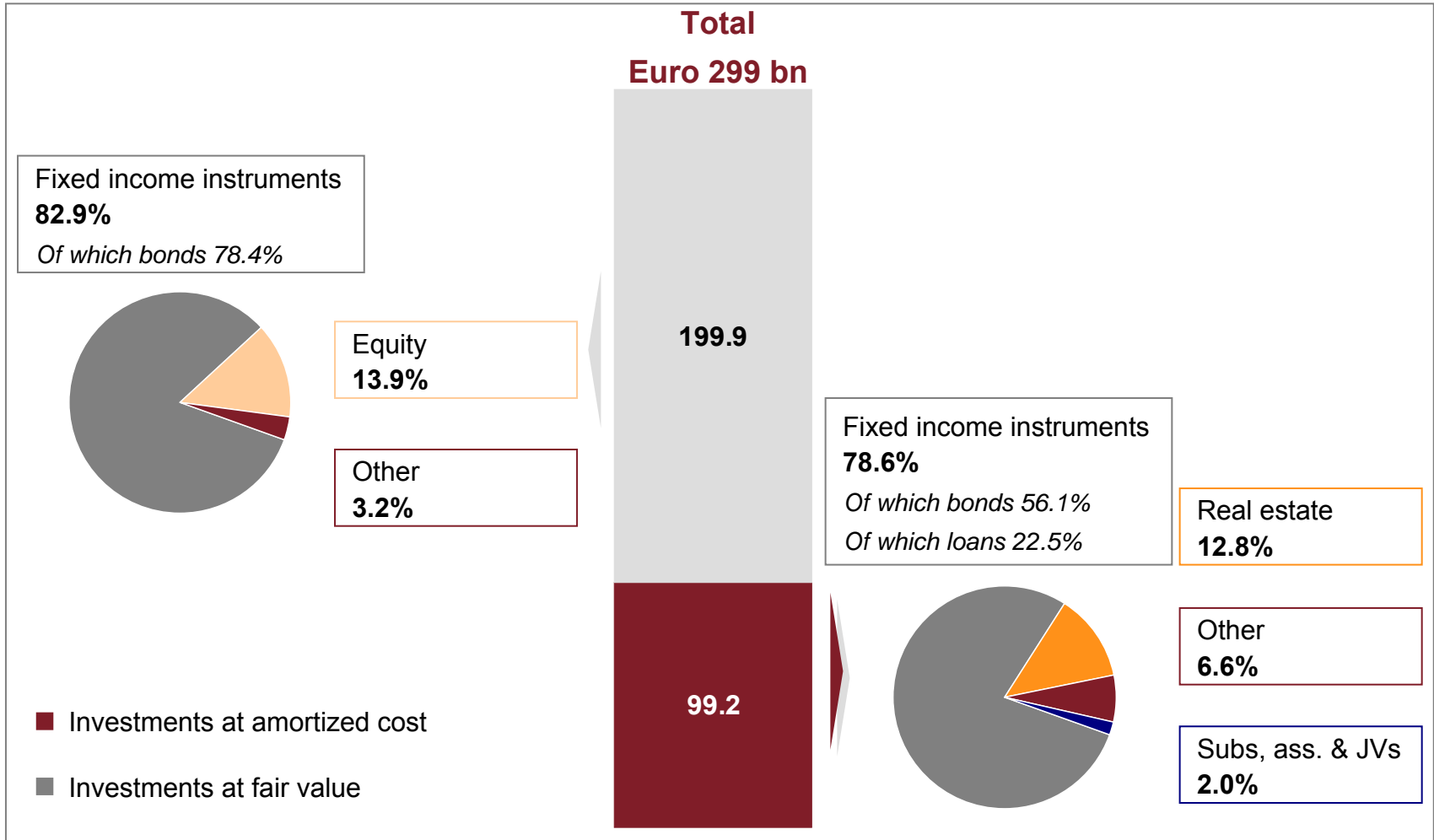
# FY09 Assets Under Management



- (1) Own investments Including own capital and insurance funds (i.e. unit linked excluded)
- (2) Including some IFUs for 0.4%pts., previously included in "Other"
- (3) Including investments in subsidiaries, associated companies and JVs, derivatives, receivables from banks or customers
- (4) Real estate including mutual funds;
- (5) Including some private equities and hedge funds for 0.9%pts., previously included in "Other"
- (6) Excluding real estate mutual funds



# FY09 Own Investments at amortized cost and fair value<sup>(1)</sup>



(1) Excluding unit linked and third parties

FY09 book value & market value of Own Investments<sup>(1)</sup>

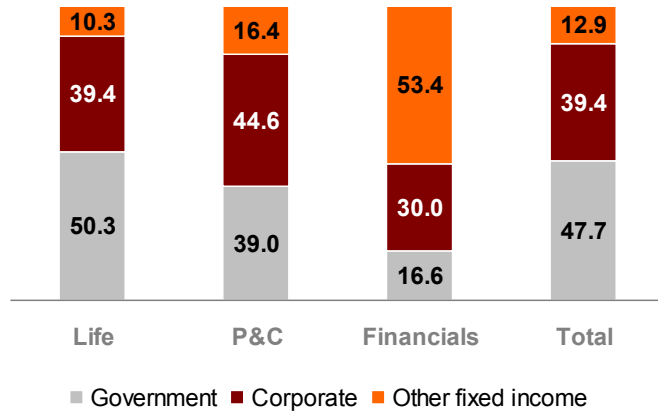
(Euro m)	Life		P&C		Financial		Total <sup>(2)</sup>	
	BV	MV	BV	MV	BV	MV	BV	MV
<b>Asset classes</b>								
Equity	22,948	22,948	4,598	4,598	335	335	<b>27,881</b>	<b>27,881</b>
Fixed income instruments	210,180	212,755	21,874	22,101	12,051	12,201	<b>243,948</b>	<b>246,900</b>
<i>Government</i>	105,760	106,032	8,523	7,532	2,001	1,999	116,284	115,564
<i>Corporate</i>	82,778	84,886	9,753	10,834	3,610	3,602	96,141	99,322
<i>Other fixed income</i>	21,642	21,837	3,599	3,734	6,440	6,600	31,523	32,013
Real estate	8,703	10,876	5,974	9,012	22	22	<b>14,700</b>	<b>19,910</b>
<p>(1) Excluding unit linked and third parties  (2) Net of consolidation adjustments</p>								



# Quality of FY09 fixed income portfolio

## Fixed income portfolio composition (Euro 243.9 bn)

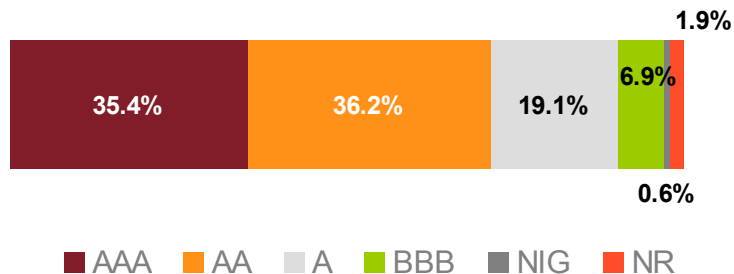
By issuer (%)



Average bond portfolio duration by segment (years)

Life	6.0
P&C	4.0

Bond portfolio by rating (%)



	% Current return by segment	% Comprehensive return by segment
Life	4.5	7.0
P&C	4.0	6.8

# Focus on FY09 government bond portfolio

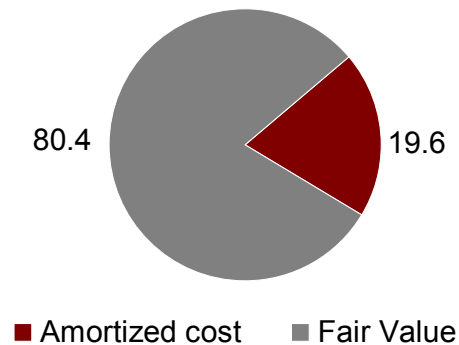
(Euro 116.3 bn, 47.7% of total fixed income portfolio)

% Split by rating	Total
AAA	40.4
AA	51.6
A	3.9
BBB	3.1
Not investment grade	0.1
Not rated	0.9

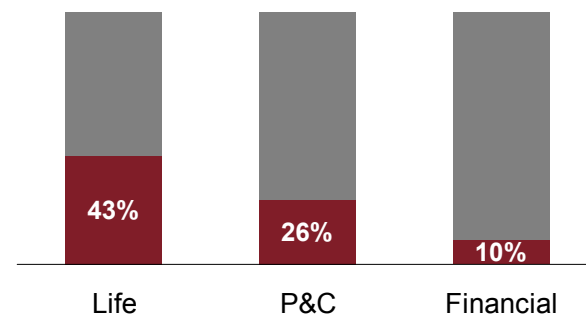
% Split by country	Total
Italy	40.0
Germany	17.0
France	8.9
RoE	28.6
RoW	3.7
Supranational	1.8

Limited net exposure to Portugal, Ireland, Greece and Spain: Euro 2.7 bn

% Split by accounting treatment



% of segmental own investments



# Focus on FY09 corporate bond portfolio

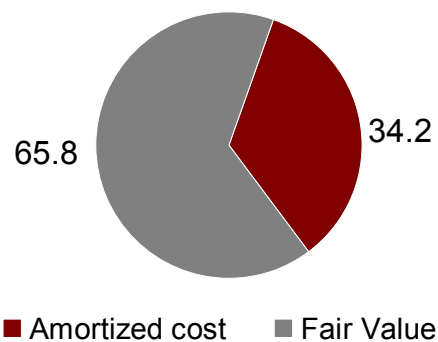
(Euro 96.1 bn, 39.4% of total fixed income portfolio)

% Split by rating	Total
AAA	29.3
AA	17.5
A	37.4
BBB	11.4
Not investment grade	1.3
Not rated	3.1

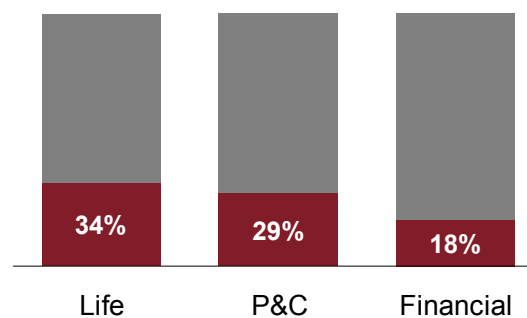
% Split by industry	Total
Financials <sup>(1)</sup>	67.8
Utilities	7.8
ABS	4.1
Telecom	3.8
Industrial	4.0
Other	12.5

(1) Net exposure to Tier 1 is Euro 0.5 m

% Split by accounting treatment



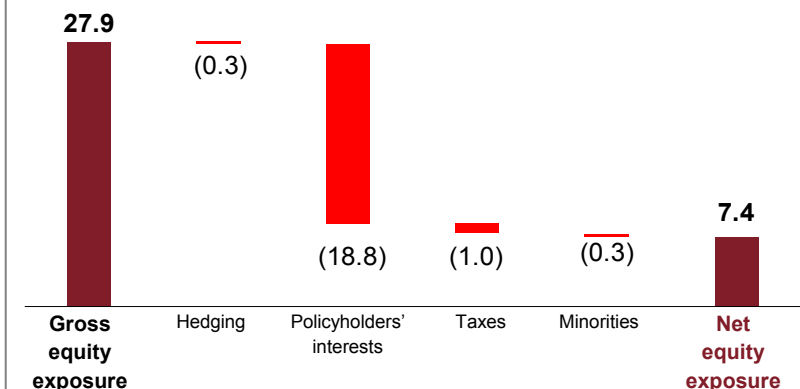
% of segmental own investments



# Focus on FY09 equity portfolio

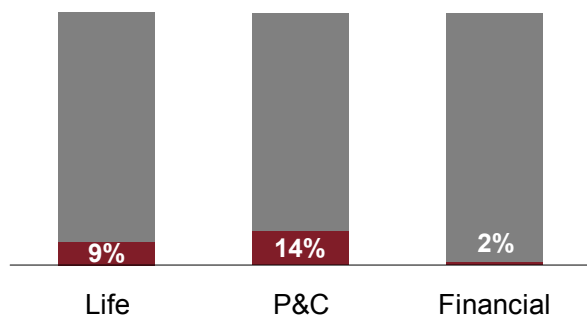
(Euro 27.9 bn)

## FY09 Group net equity exposure



% split by industry	Total
Financials	24.9
Consumer	10.4
Telecom	8.8
Industrial	7.2
Other	20.2
Funds	28.5

## % of total own investments



	% Current return by segment	% Comprehensive return by segment
Life	3.1	22.4
P&C	3.5	15.9



## FY09 Group real estate assets

(1/2)

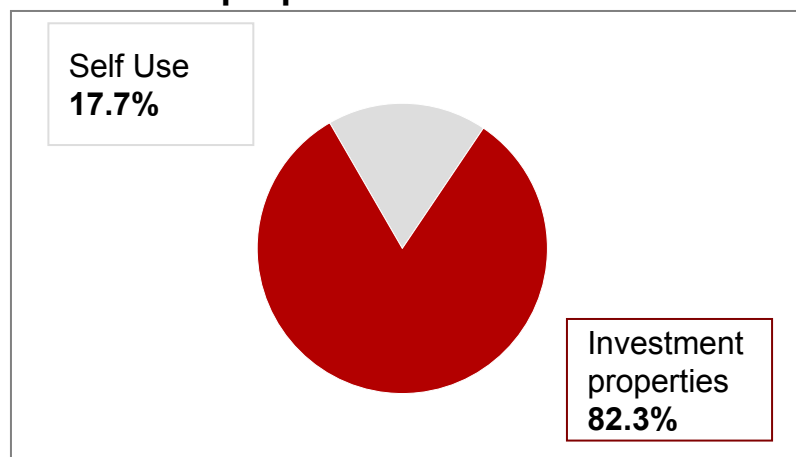
69

Country	Total Inv. BV (Euro bn)	% of the total	Total Inv. MV (Euro bn)	% of the total
Italy	6.4	36%	9.6	41%
France	4.0	22%	5.2	22%
Germany	3.8	21%	3.9	16%
CEE	0.1	1%	0.1	1%
RoE <sup>(1)</sup>	3.5	20%	4.8	20%
RoW <sup>(2)</sup>	0.1	1%	0.1	0%
<b>Total</b>	<b>17.9</b>	<b>100%</b>	<b>23.8</b>	<b>100%</b>

(1) RoE includes Austria, Spain, Israel, Switzerland, Belgium and Netherlands

(2) RoW includes Latin America and Far East

## Investment properties vs self use



## Yield on investment properties

% Current return by segment	Total
<b>Life</b>	<b>4.8</b>
<b>P&amp;C</b>	<b>5.4</b>

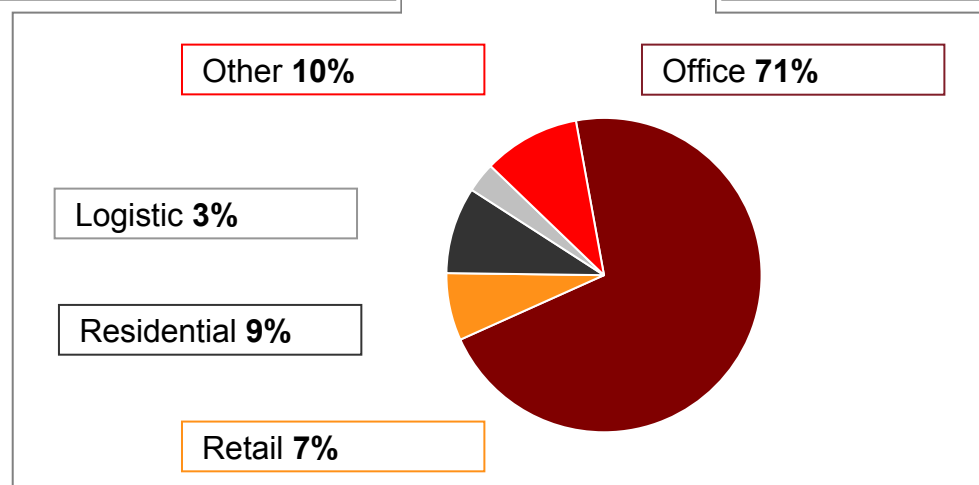
## FY09 Group real estate assets

(2/2)

70

## Direct Investments in leader countries

Country	Area (sqm m)	% of total area	MV (Euro bn)	% of Total MV
Italy	2.3	34%	8.4	39%
France	1.4	12%	5.2	24%
Germany	1.2	17%	3.2	15%
CEE	0.1	2%	0.1	1%
RoE	1.8	26%	4.7	22%
RoW	0.0	0%	0.1	0%
<b>Total</b>	<b>6.8</b>	<b>100%</b>	<b>21.8</b>	<b>100%</b>



## Investment yields

	Bonds and Loans		Equities		Investment properties	
	FY08	FY09	FY08	FY09	FY08	FY09
(%)						
<b>LIFE</b>						
Current return <sup>(1)</sup>	4.8	4.5	4.1	3.1	4.8	4.8
Total P&L return <sup>(2)</sup>	4.0	5.5	-14.9	3.4	9.0	4.7
Comprehensive return <sup>(3)</sup>	4.4	6.9	-49.8	22.4	-	-
<b>NON LIFE</b>						
Current return <sup>(1)</sup>	4.9	4.0	4.3	3.5	5.0	5.4
Total P&L return <sup>(2)</sup>	4.3	4.9	-9.3	-2.5	8.8	7.2
Comprehensive return <sup>(3)</sup>	3.6	6.8	-44.7	15.9	-	-
<b>TOTAL</b>						
Current return <sup>(1)</sup>	4.8	4.4	4.3	3.5	4.8	5.0
Total P&L return <sup>(2)</sup>	3.9	5.3	-14.1	2.7	8.9	5.6
Comprehensive return <sup>(3)</sup>	4.2	6.8	-48.4	21.4	-	-

(1) Current return: interest, dividends and similar income / Quarterly average asset base at book value (excluding income related to unit/index linked investments)

(2) Total P&L return: = current return + realised gains/losses + net impairments, net of investment expenses / Quarterly average asset base at book value (excluding income related to unit/index linked investments)

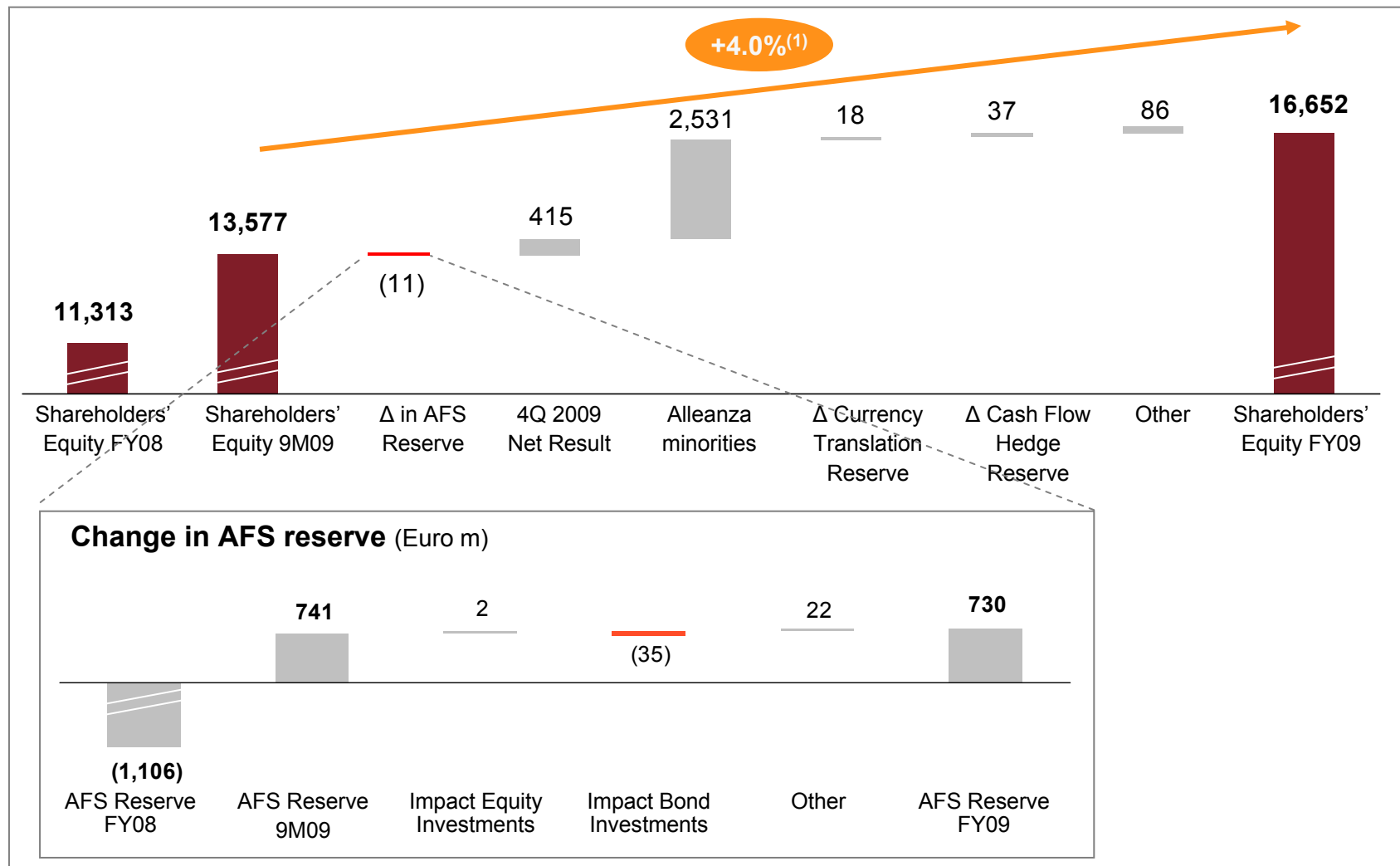
(3) Comprehensive return:

a. for fair value investment (AFS, FVthPL) = current return + total change in fair value, net of investment expenses / average asset base at fair value (excluding income related to unit/index linked investments)

b. for investment at amortised cost (Real estates, loans, HtM) = current return + realised gains/losses + net impairments, net of investment expenses / quarterly average asset base at AC

# IFRS Shareholders' equity roll forward

## IFRS Shareholders' equity roll forward (Euro m)



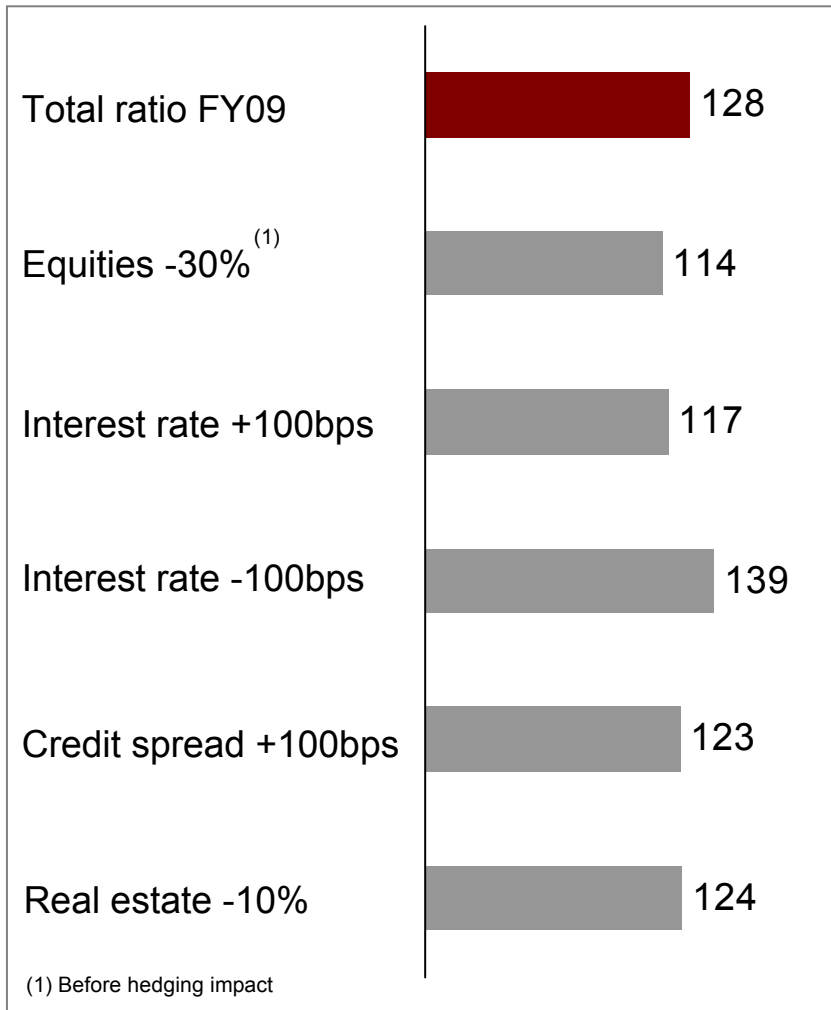
(1) On like for like basis, considering the merger with Alleanza; +22.6% on historical basis.



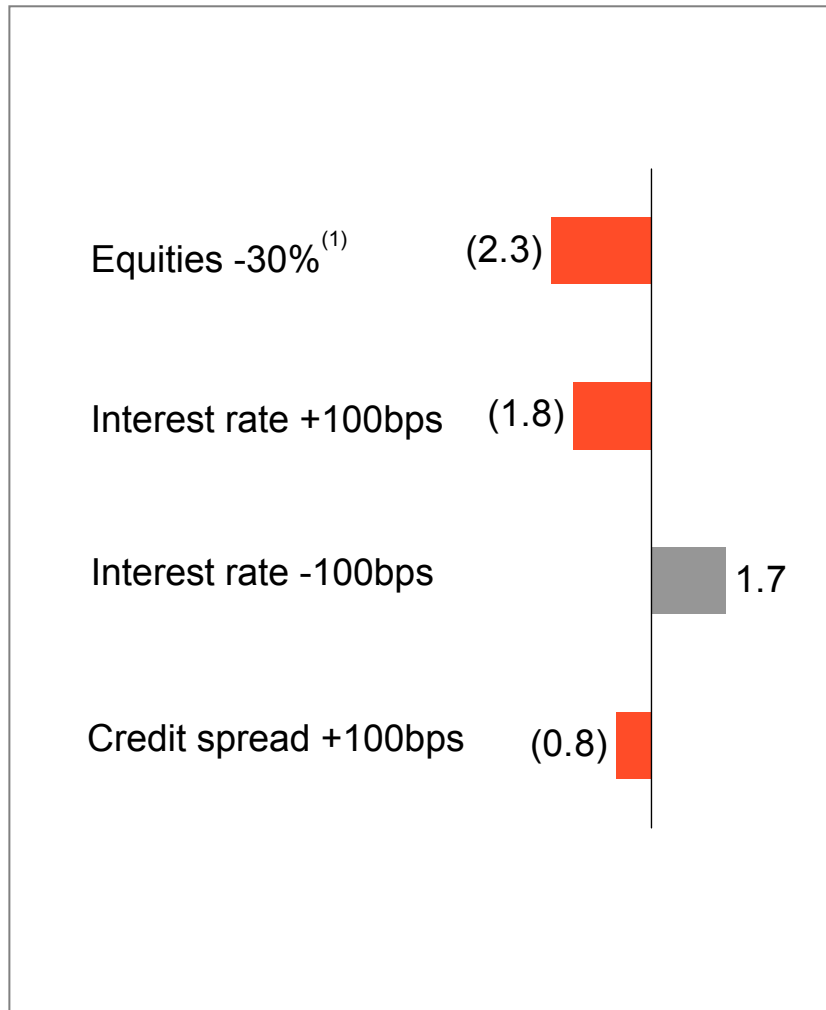


# Stress tests on Solvency I and Shareholders' equity

## Impact on regulatory solvency ratio (%)



## Impact on FY09 Shareholders' equity (Euro bn)

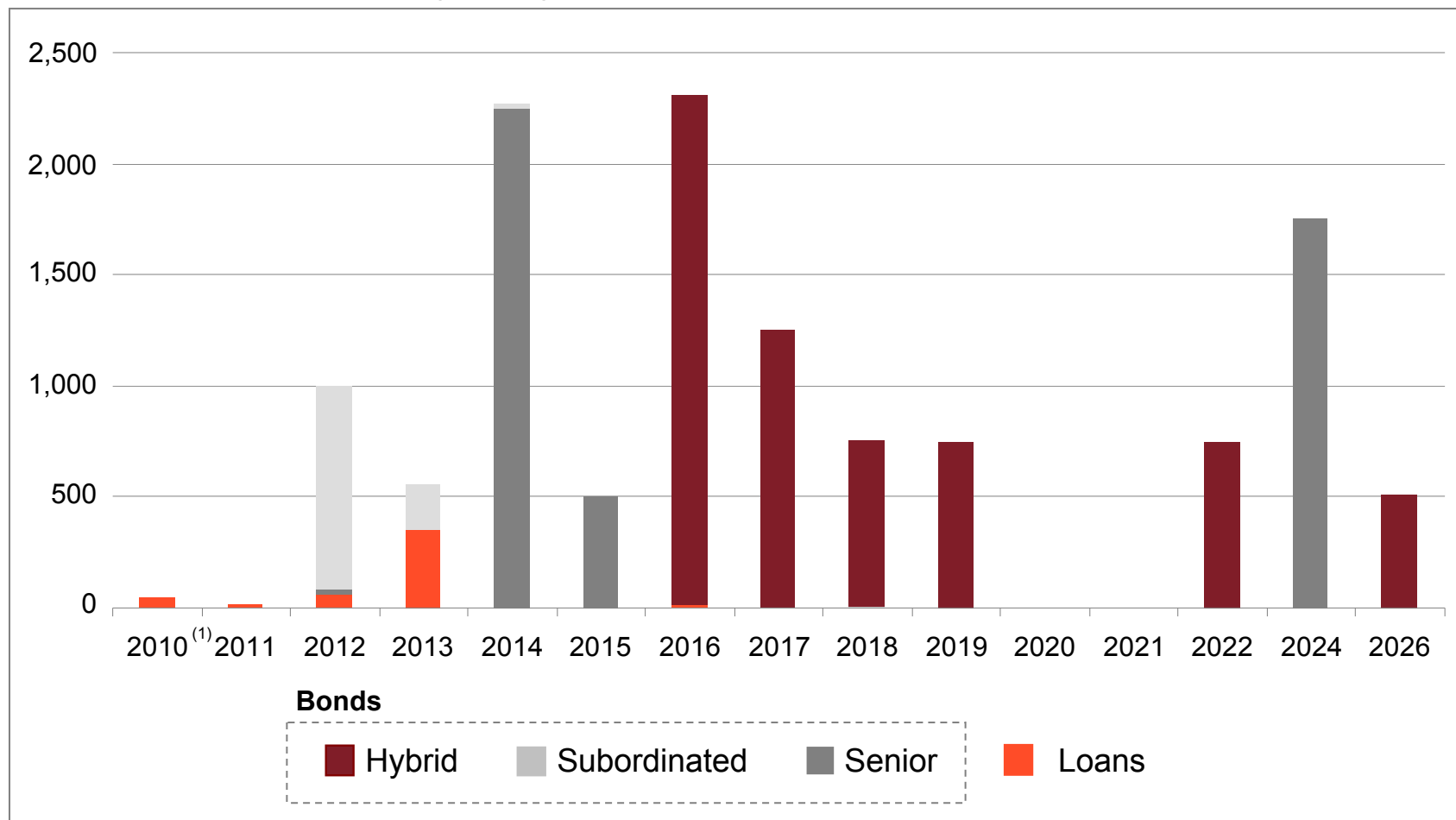


## AFS reserve breakdown

(Euro m)	FY08	1H09	FY09
<b>Fixed income instruments</b>	(333)	(454)	225
<i>Government</i>	446	(38)	281
<i>Corporate</i>	(779)	(416)	(56)
<b>Equity</b>	(621)	(263)	475
<b>Investment funds and other</b>	(152)	(172)	29
<b>TOTAL</b>	<b>(1,106)</b>	<b>(889)</b>	<b>730</b>

# Financial debt schedule

**Financial debt breakdown by expiry date/call date (Euro m)**



(1) Pro forma including refinancing of Euro 1,750 senior bond maturing in July 2010 already completed



## FY09 technical reserves

(Euro m)	Traditional	Linked	TOTAL
<b>Life net technical reserves<sup>(1)</sup></b>			
Italy	73,839	6,930	<b>80,769</b>
France	61,465	13,096	<b>74,561</b>
Germany	68,783	10,105	<b>78,888</b>
CEE	5,244	1,070	<b>6,314</b>
<b>GROUP TOTAL</b>	<b>243,812</b>	<b>42,951</b>	<b>286,404</b>

(1) Including investment contracts for € 11,404 million

(Euro m)	Motor	Non Motor	TOTAL
<b>P&amp;C net technical reserves</b>			
Italy	5,262	7,744	<b>13,006</b>
France	1,963	3,082	<b>5,045</b>
Germany	1,819	2,294	<b>4,114</b>
CEE	1,202	635	<b>1,838</b>
<b>GROUP TOTAL</b>	<b>13,508</b>	<b>16,069</b>	<b>29,577</b>



# Operating ratio on investments

## Life operating ratio on investments (%)

	FY08 (%)	<b>FY09 (%)</b>	Δ(%pts.)
Italy	1.2	<b>1.3</b>	0.1
France	0.5	<b>0.7</b>	0.2
Germany	0.2	<b>0.3</b>	0.1
CEE	2.9	<b>4.8</b>	2.0
<b>GROUP TOTAL</b>	<b>0.7</b>	<b>0.9</b>	<b>0.2</b>

## P&C operating ratio on investments (%)

	FY08 (%)	<b>FY09 (%)</b>	Δ(%pts.)
Italy	3.7	<b>0.5</b>	-3.2
France	5.7	<b>4.6</b>	-1.1
Germany	5.2	<b>4.3</b>	-0.9
CEE	15.2	<b>12.4</b>	-2.8
<b>GROUP TOTAL</b>	<b>5.6</b>	<b>3.7</b>	<b>-2.0</b>

Definition: "Operating ratio on Investments" is calculated as Operating result on the average of Investments at book value

Number of shares<sup>(1)</sup>

	Ordinary Shares issued (1)	Own shares (2)	Shares outstanding (1-2)
<b>Weighted number of shares outstanding in year ending 12.31.2008</b>			<b>1,348,892,498</b>
<b>shares outstanding at 12.31.2008</b>	<b>1,410,113,747</b>	<b>64,176,653</b>	<b>1,345,937,094</b>
Capital increase	146,746,842	-	146,746,842
Stock grant plan	-	-	-
Exercise of stock options	3,894	-	3,894
Generali shares purchase	-	-48,144,893	48,144,893
<b>shares outstanding at 12.31.2009</b>	<b>1,556,864,483</b>	<b>16,031,760</b>	<b>1,540,832,723</b>
<b>Weighted number of shares outstanding in year ending 12.31.2009</b>			<b>1,414,072,429</b>
Potential (dilutive) shares:			
Stock options	-	-	-
<b>Weighted number of shares outstanding in year ending 12.31.2009 adjusted for the effects of all dilutive potential ordinary shares.</b>			<b>1,414,072,429</b>
<b>Weighted number of shares outstanding in year ending 12.31.2008 adjusted for the effects of all dilutive potential ordinary shares.</b>			<b>1,349,350,692</b>

(1) Calculation based on IAS 33

Per share<sup>(1)</sup> indicators

(Euro)	FY09
Earnings per share <sup>(1)</sup>	0.93
Dividend per share	0.35
Book Value per share <sup>(2)</sup>	10.8
ANAV per share <sup>(2)</sup>	7.8
Embedded Value per share <sup>(2)</sup>	17.7

(1) Calculated on the basis of weighted shares outstanding during (1,414,072,429)

(2) Calculated on the basis of shares outstanding at 31.12.2009 (1,540,832,723)

## ■ **IV. Backup**

P&L

Balance sheet

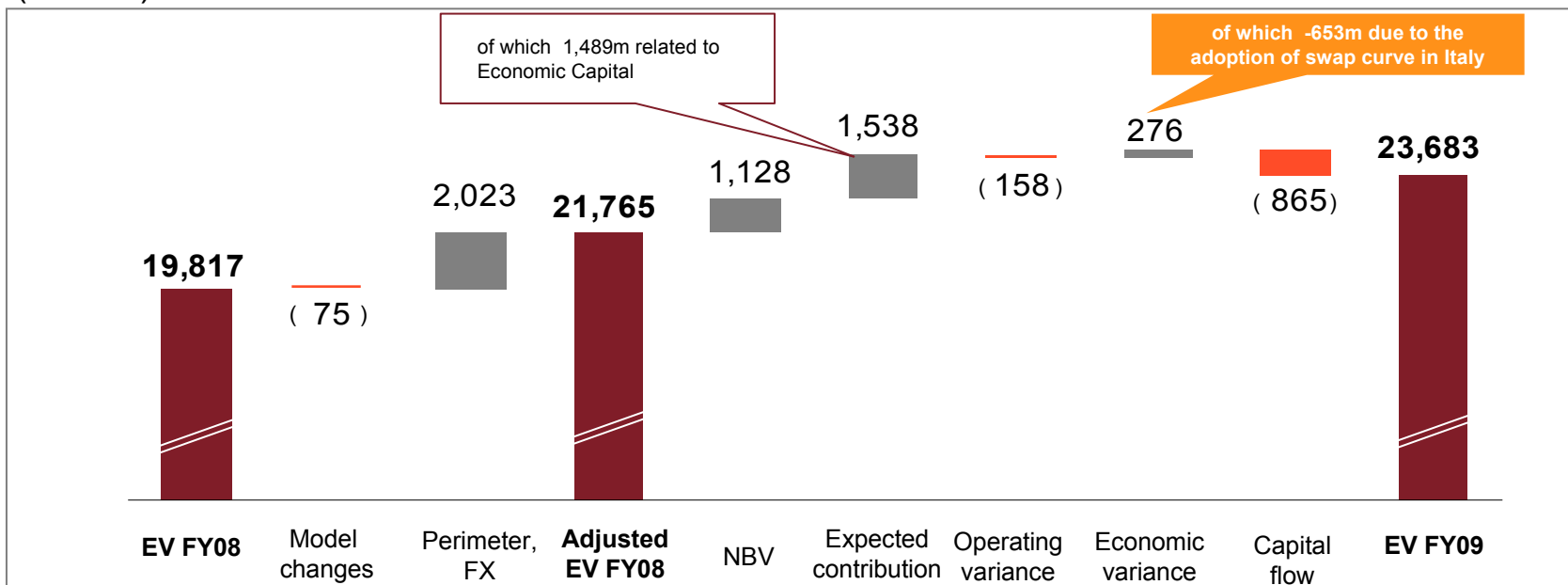
**Life & health MCEV**

Capital



# Life & health EV roll-forward

(Euro m)



## Life & health embedded value earnings (Euro m)

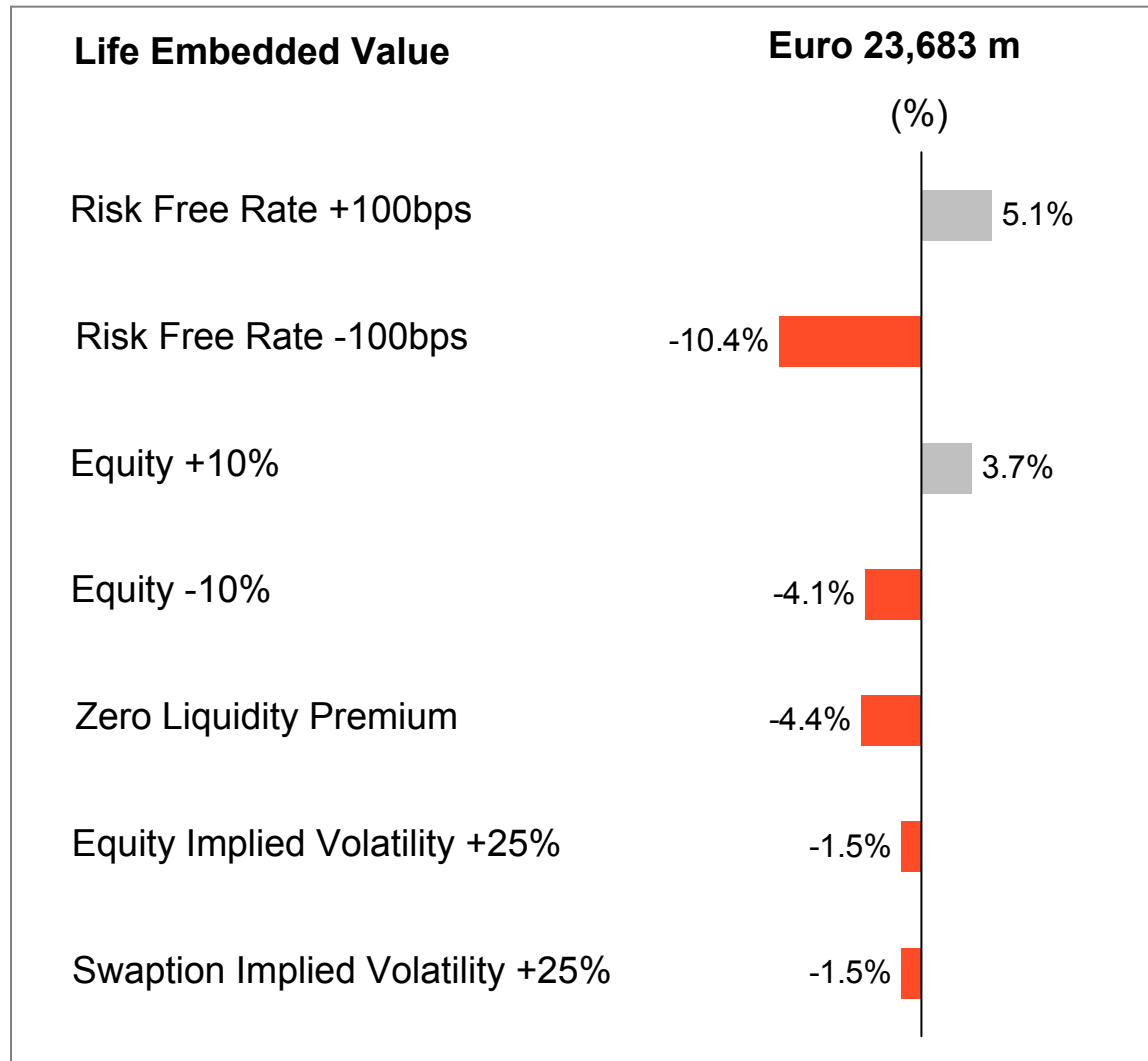
Adjusted embedded value FY08	21,765
Embedded value earnings	2,783
Normalised economic capital earnings <sup>(1)</sup>	2,459

## Return on embedded value

<b>12.8%</b>	Life & health RoEV
<b>11.9%</b>	Life & health RoEC

(1) Economic Capital defined as Required Capital + Value In Force  
Normalised EC Earnings: NBV + EC unwind + Operating variance

## FY09 Life Embedded Value sensitivity



## Life &amp; health new business: APE

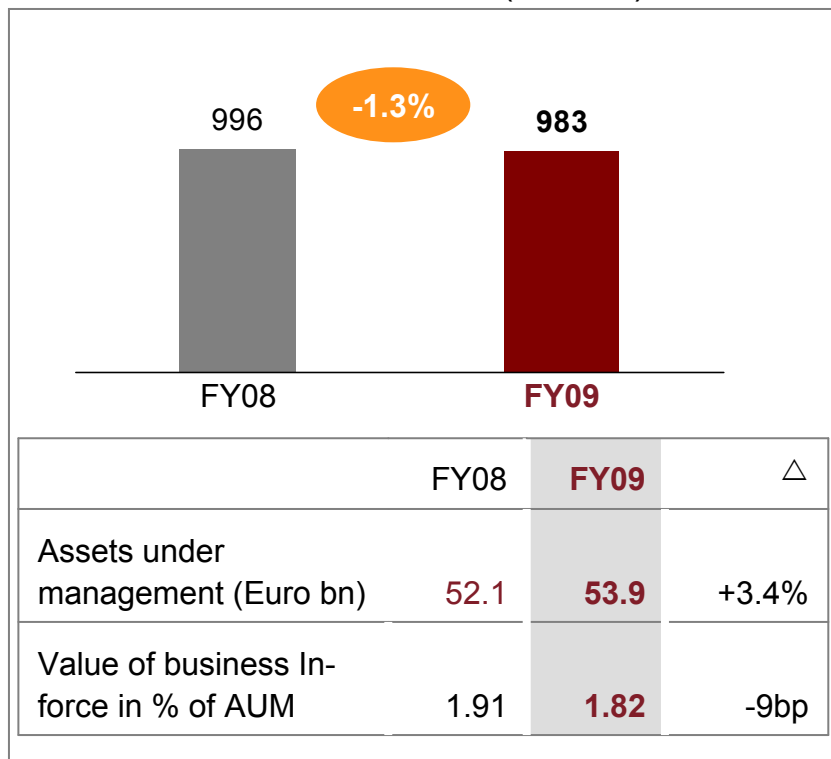
(Euro m)	APE			Annual Premiums			Single Premiums		
	FY08	FY09	Like for like △%	FY08	FY09	Like for like △%	FY08	FY09	Like for like △%
Italy	1,534	1,704	-1.2	916	1,102	-2.3	6,175	6,022	0.9
Germany	1,091	984	-10.7	994	838	-16.5	964	1,460	50.0
France	1,056	1,225	16.3	266	254	-4.4	7,898	9,712	23.2
CEE	166	158	-5.3	149	134	-10.4	170	237	39.1
RoE	572	740	27.2	359	364	-1.3	2,131	3,758	76.5
<i>Austria</i>	82	83	-9.4	65	67	-10.2	172	161	-6.3
<i>Spain</i>	138	128	-7.7	51	50	-2.9	869	778	-10.5
<i>Switzerland</i>	85	90	6.4	76	83	8.7	85	73	-14.4
RoW	379	377	1.4	346	318	1.5	333	586	0.9
<b>Total</b>	<b>4,798</b>	<b>5,188</b>	<b>3.8</b>	<b>3,031</b>	<b>3,011</b>	<b>-6.8</b>	<b>17,671</b>	<b>21,775</b>	<b>23.0</b>

## Life &amp; health new business: Value and margins

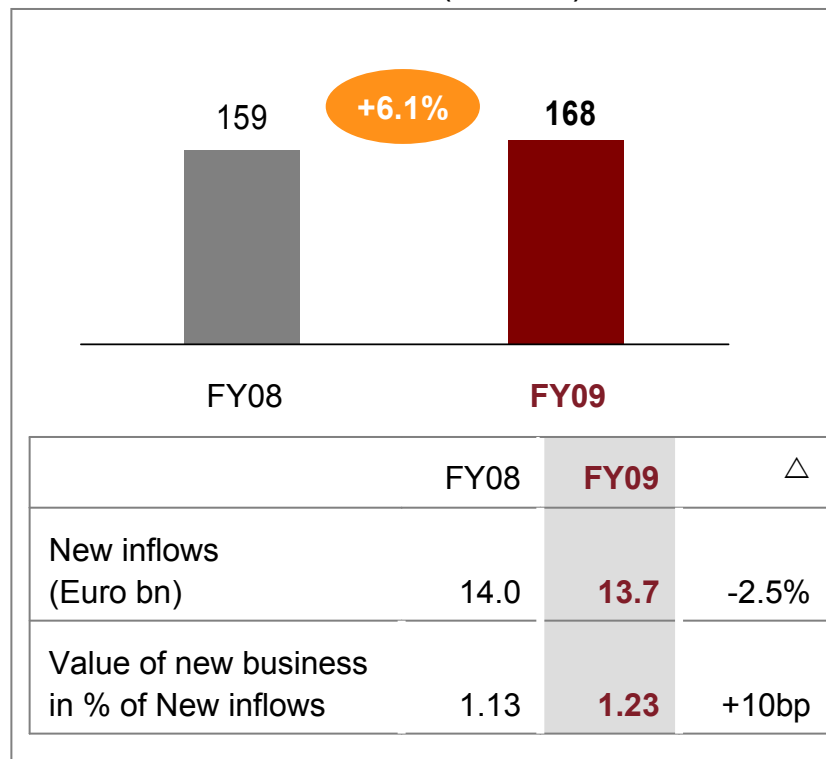
(Euro m)		NBV			Margins on APE			Margins on PVNBP		
	FY08	FY09	Historical Δ%	Like for like Δ%	FY08	FY09	Δ% pts	FY08	FY09	Δ %pts
Italy	360	486	35.1	-5.6	23.5%	28.5%	5.1	2.8%	3.3%	0.6
Germany	184	174	-5.6	-6.6	16.9%	17.7%	0.8	1.7%	1.6%	-0.2
France	125	127	1.7	1.9	11.8%	10.3%	-1.5	1.2%	1.1%	-0.2
CEE	57	62	7.5	6.6	34.5%	39.1%	4.6	4.7%	5.1%	0.4
RoE	134	173	29.3	21.9	23.4%	23.3%	0.0	2.7%	2.6%	-0.2
<i>Austria</i>	19	23	21.4	-15.1	22.9%	27.2%	4.4	2.5%	2.7%	0.2
<i>Spain</i>	19	30	61.7	61.7	13.6%	23.8%	10.2	1.6%	2.7%	1.1
<i>Switzerland</i>	34	41	19.6	19.9	40.1%	45.2%	5.1	4.2%	4.9%	0.7
RoW	111	106	-4.4	-2.0	29.3%	28.2%	-1.1	3.0%	3.3%	0.3
<b>Total</b>	<b>971</b>	<b>1,128</b>	<b>16.1</b>	<b>-0.5</b>	<b>20.2%</b>	<b>21.7%</b>	<b>1.5</b>	<b>2.2%</b>	<b>2.3%</b>	<b>0.1</b>

# Value of asset gathering

## Value of In-force business (Euro m)



## Value of new business (Euro m)



Retail asset gathering business relates to the group's two primary asset gatherers, BSI and Banca Generali. The value of in-force asset gathering business in BSI is the present value of the projected stream of future after-tax profits that are expected to be generated by the private banking arrangements which are in force at the valuation date. For Banca Generali, the value of in-force business is the present value of the projected stream of distribution margins and fee income, net of costs, that are expected to arise in Banca Generali and in the group's asset management companies, which is associated with the retail asset management products in force at the valuation date. Note that from 2008, the value arising in Banca Generali relating to insurance business has been considered as a look through in the Life Embedded Value. New asset management business comprises the amount of new money collected, net of switches within different classes of asset management products. The value added by new business allows for the actual acquisition costs incurred, using end-year assumptions, including projected future investment returns in the year of sale. Valuation according to traditional EV methodology and reviewed by Towers Watson.

## IV. Backup

P&L

Balance sheet

Life & health MCEV

**Capital**

## Key performance indicators: RoEC and RoEV

## Net of taxes and minorities (Euro m)

	<b>FY08 Returns</b>	<b>FY09 Returns</b>	FY09 Earnings
Property & Casualty	19.3%	14.3%	1,023
Life & Health	15.0%	11.9%	2,459
Asset Management (Third Party)	7.5%	9.9%	188
Corporate segment			-176
<b>Return on Economic Capital</b>	<b>14.9%</b>	<b>11.8%</b>	<b>3,494</b>
Excess Capital	4.7%	3.8%	15
Senior Debt			-184
Subordinated Debt	3.8%	4.1%	-264
<b>Normalised Return on Group EV</b>	<b>14.8%</b>	<b>12.3%</b>	<b>3,061</b>
Investment and Tax variances	-30.0%	-1.8%	-439
<b>Total Return on Group Embedded Value</b>	<b>-15.1%</b>	<b>10.5%</b>	<b>2,622</b>
of which Life & Health RoEV	-9.8%	12.8%	2,783

## FY09 reconciliation of life & health MCEV with group EV (EBS basis)

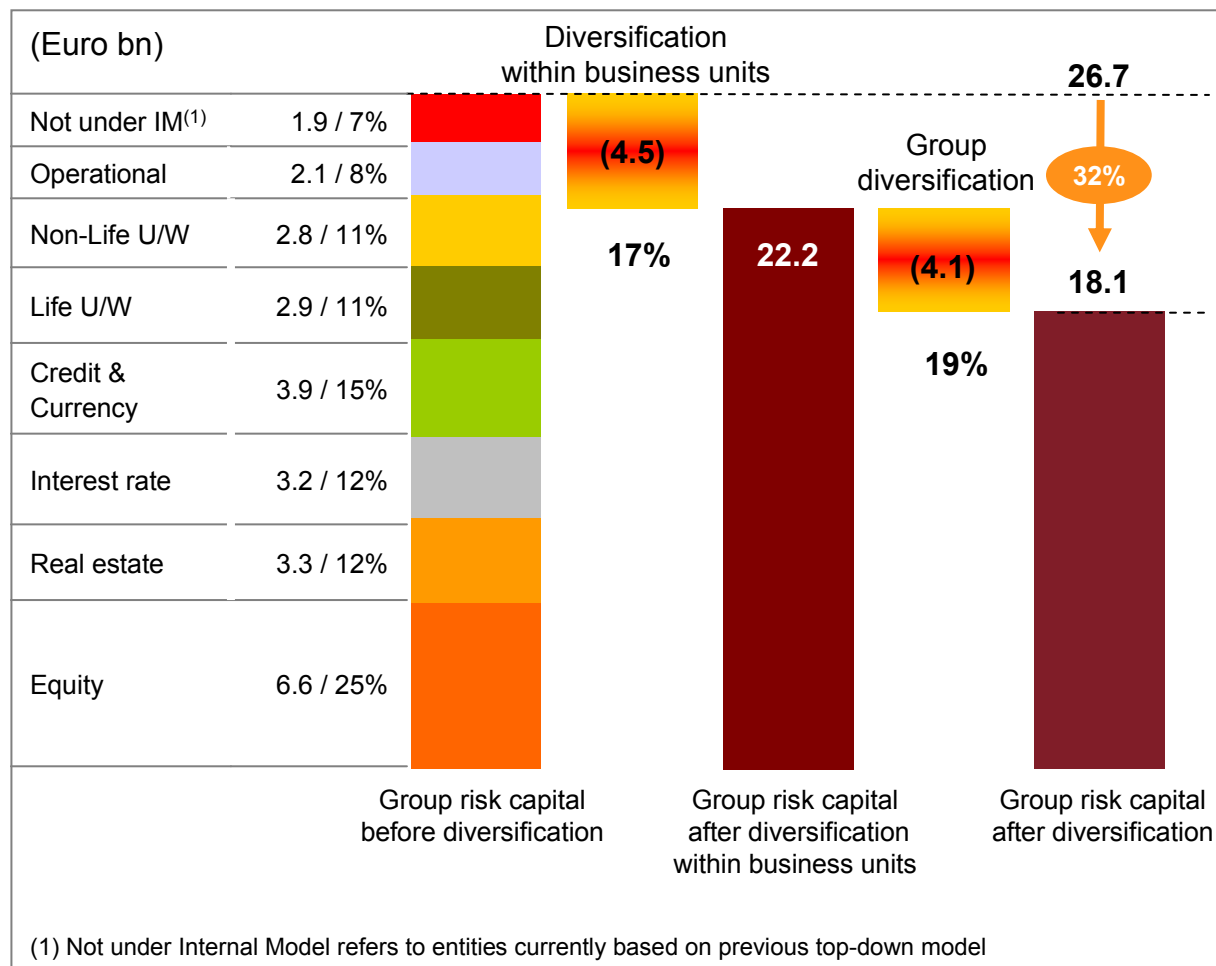
(Euro m)	Life & Health MCEV	Other	GROUP
IFRS equity	11.128	5.524	<b>16.652</b>
MTM of Assets	3.734	3.318	<b>7.051</b>
Goodwill	(299)	(6.549)	<b>(6.848)</b>
Life DAC, VoBA and other adjustments	(2.378)	(924)	<b>(3.301)</b>
MTM of Debt and Employee Benefit Plans	(40)	(163)	<b>(203)</b>
Fair Value adj. of P&C Liabilities	-	1.465	<b>1.465</b>
Unrealised Gains included in L&H VIF	(2.785)	0	<b>(2.785)</b>
<b>Adjusted Net Asset Value</b>	<b>9.359</b>	<b>2.672</b>	<b>12.031</b>
In-force value (Life & AuM)	14.323	983	<b>15.306</b>
<b>Embedded Value (EBS basis)</b>	<b>23.683</b>	<b>3.655</b>	<b>27.337</b>



# EBS results: Risk capital diversification

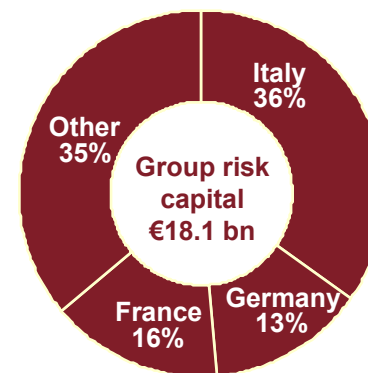
## Diversification

Total diversification benefit at 32% considering both diversification within Business Units and Group diversification



## Breakdown of Group risk capital after diversification

### Geographic breakdown



**Property & Casualty:** Resulting at 32.5% of Net Earned Premiums

**Life & Health:** Resulting at 4.5% of Net Technical Provisions

**Financial:** Resulting at 1.3% of AuM



April 24, 2010 – General Shareholders' Meeting

May 12, 2010 - 1Q 2010 Results

August 5, 2010 - 1H 2010 Results

November 11, 2010 - 9M 2010 Results

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Certain of the statements contained herein are statements of future expectations and other forward-looking statements.

These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

The user of such information should recognise that actual results, performance or events may differ materially from such expectations because they relate to future events and circumstances which are beyond our control including, among other things, general economic and sector conditions.

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The manager in charge of preparing the company's financial reports, Raffaele Agrusti, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Financial Intermediation, that the accounting information contained in this presentation corresponds to document results, books and accounts records.

# Generali Group 2009 Results



March 18, 2010