



7 MARCH 2012

**PRESS
RELEASE**

Generali sells 69.1% of Migdal for € 835 mln

- Sale agreement signed with Shlomo Eliahu, controlling shareholder of the Israeli financial Group Eliahu.

Trieste – The Generali Group signed an agreement today to sell its entire 69.1% holding in Migdal Insurance and Financial Holdings to Shlomo Eliahu, founder and controlling shareholder of the Israeli financial Group Eliahu. The sale is subject to approvals by the competent Israeli authorities.

The consideration for the transaction is € 835 million and will be settled entirely in cash. This corresponds to an implied premium of approximately 12.6% with respect to Migdal share price on the Tel Aviv stock exchange as of 6 March 2012.

IMPACTS FOR GENERALI AND TRANSACTION RATIONALE

The transaction should generate a capital gain of approximately € 103 million on a consolidated basis. As a consequence of the sale, the Solvency I ratio improves by approximately 2.4 percentage points.

The transaction will increase the liquidity of the available capital, as the Generali Group withdraws from a market which, in the last few years, has no longer been of core importance in its expansion strategy, which focuses on geographical markets with high growth potential and low insurance penetration, such as Eastern Europe, Asia and Brazil.

Listed on the Tel Aviv stock exchange since 1997, **Migdal Insurance and Financial Holdings** operates in the life, health, pension funds and non-life insurance segments through Migdal Insurance Co with a distribution network of independent agents and brokers and proprietary distribution companies. The Migdal Group is also active in the financial services business through Migdal Capital Markets. In the first nine months of 2011, the Migdal Group reported gross premiums earned of approximately € 1.3 billion (€ 1.6 billion at 2010 year-end) with a net income of € 57 million (€ 158 million at 2010 year-end) and a shareholders' equity of approximately € 888 million (€ 934 million at 2010 year-end).

The Israeli businessman **Shlomo Eliahu** is the founder, chairman and controlling shareholder of the Shlomo Eliahu Holdings Ltd (together with its subsidiaries, the "Eliahu Group"). The Eliahu Group is active in the financial services, insurance and real estate sectors. Shlomo Eliahu, through his Group, holds a stake of approximately 10% in Bank Leumi.

CONTACTS

www.generali.com

Press Office

T. +39.040.671085
press@generali.com

Investor Relations

T. +39.040.671202
+39.040.671347

generali_ir@generali.com

The Generali Group is one of Europe's largest insurance providers and the biggest European Life insurer, with 2011 total premium income of almost € 70 billion. It is also one of the world's top asset managers and a unique real estate operator. With 82,000 employees worldwide and 70 million clients in more than 60 countries, the Group occupies a leadership position on Western European markets and an increasingly important place in Eastern Europe and Asia.