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PRESS RELEASE





Generali consolidates its presence in Greece with the acquisition of AXA's Greek operations and extension of a bancassurance agreement with Alpha Bank until 2040

- Generali strengthens its strategic position in Greece, becoming a leading player (#2) in non-life and (#3) health
- The transaction provides Generali with a unique opportunity to access the important banking distribution channel in the Greek market by partnering with Alpha Bank on an exclusive basis
- The deal is in line with Generali's strategy of strengthening its leadership in Europe and offers meaningful synergies

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Trieste - Generali has signed an agreement for the acquisition of all of the shares currently owned by AXA Group in its Greek subsidiary AXA Insurance S.A. ("AXA Greece") for a consideration of € 165 million, representing a multiple of 12.2 times 2019 earnings, subject to closing adjustments. Furthermore, Generali has renegotiated the distribution agreement currently in place between AXA Greece and Alpha Bank expiring in March 2027 by extending it for twenty years from the closing of the acquisition, which entails certain future payments by the Greek Generali companies to Alpha Bank, the amount of which will vary based on the performance of the partnership.

The acquisition is in line with Generali's strategy of strengthening its leadership in Europe and gaining further exposure to non-life and health business, thus allowing Generali to secure a leading role in the Greek insurance market with top-3 positions in the non-life and health segments, while also strengthening its presence in the life segment.

AXA Greece is a profitable top-10 composite insurance company in Greece with strong market positions in the non-life and health segments and a well-established presence in life insurance. In 2019, AXA Greece posted total gross insurance premiums of approximately € 168 million. AXA Greece distributes its products mainly through Alpha Bank and a network of more than 600 agents.

Alpha Bank is a leading bank in Greece, serving approximately 3.1 million customers in Greece through a network of 347 bank branches. In its strategic plan announced in November 2019, Alpha Bank identified bancassurance distribution as one of the key levers for revenue growth. The renewed partnership with Alpha Bank is in line with Generali's ambition to enhance its bancassurance channel in order to boost non-life sales.

The acquisition of the company and the extension of the distribution agreement is consistent with Generali's capital redeployment strategy in disciplined M&A to support profitable growth.

Jaime Anchústegui Melgarejo, CEO International of Generali, said: *"This acquisition is fully aligned with the 'Generali 2021' strategy, which aims to strengthen our leadership in Europe. With the purchase of AXA Greece and the exclusive long-term distribution agreement with Alpha Bank, Generali decidedly strengthens its position in the local market, becoming the second largest group in the non-life and the third in the health sector in Greece. The transaction will enable us to optimize our strategic positioning in the country, allowing for a multi-channel, dynamic business and securing valuable, significant economies of scale for a more effective and efficient overall operation."*

Vassilios Psaltis, CEO of Alpha Bank, said: *"The new agreement with Generali is testament to the focus of Alpha Bank on improving its competitive position in the*



bancassurance space. Setting in place and nurturing strategic partnerships with global market players has been a core strength of Alpha Bank for the past two decades. We welcome Generali and look forward to a mutually beneficial partnership.”

Generali has been active in Greece since 1886 and is the 6th largest insurance company in the country, with a 5.3% market share. Generali offers comprehensive solutions in the non-life, health and life insurance sectors to its more than 305,000 clients across Greece. The company’s extensive sales network is composed of almost 3,000 intermediaries and insurance agents nationwide and is supported by 268 highly skilled employees. In 2019, total gross premiums written amounted to approximately € 218 million.

The penetration ratio of the Greek insurance market, expressed as Gross Written Premium/ GDP, is one of the lowest in the European Union, providing relevant potential for growth. According to the OECD, Greece’s economy is set to contract in 2020 and recover gradually in 2021, in the context of ongoing virus outbreaks and restrictions. In 2022, the recovery is projected to accelerate, as the virus is better controlled with a vaccine having become more generally deployed, restrictions being eased globally and the government implementing new investment projects. In line with these developments, GDP is expected to increase by about 2% and 7% in 2021 and 2022, respectively.

The acquisition is subject to regulatory approvals, as customarily required for transactions of this type.

Nomura acted as exclusive financial advisor to Generali on the transaction. The law firm Kyriakides Georgopoulos acted as legal advisor.

THE GENERALI GROUP

Generali is one of the largest global insurance and asset management providers. Established in 1831, it is present in 50 countries in the world, with a total premium income of more than € 69.7 billion in 2019. With nearly 72,000 employees serving 61 million customers, the Group has a leading position in Europe and a growing presence in Asia and Latin America. Generali’s ambition is to be the life-time partner to its customers, offering innovative and personalized solutions thanks to an unmatched distribution network.