



# GENERALI GROUP

## 2019 Results

*The like for like change of written premiums and life net cash inflows is on equivalent terms (on equivalent exchange rates and consolidation area). Operating result, Asset Under Management and Life technical provisions exclude assets under disposals or disposed during the period. 2018 numbers for PVNBP, NBV and NBM are presented on historical basis, without excluding asset disposals. The like for like change are on equivalent terms.*

# Agenda

- |  |         |
|--|---------|
| <b>I. Strategy Overview</b><br>Philippe Donnet – Group CEO         | Page 3  |
| <b>II. 2019 Business Review</b><br>Frederic de Courtois – Group GM | Page 10 |
| <b>III. 2019 Group Financials</b><br>Cristiano Borean – Group CFO  | Page 19 |
| <b>IV. Backup</b>  | Page 43 |

# Agenda

## I. Strategy Overview

**Philippe Donnet – Group CEO** page 4

# Key messages

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Record operating result at € 5.2 billion and strong normalized<sup>(1)</sup> net result growth at 6.6%

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Strengthened capital position with Solvency Ratio at 224%

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Dividend<sup>(2)</sup> increased by 6.7% to € 0.96 per share

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On track to deliver Generali 2021

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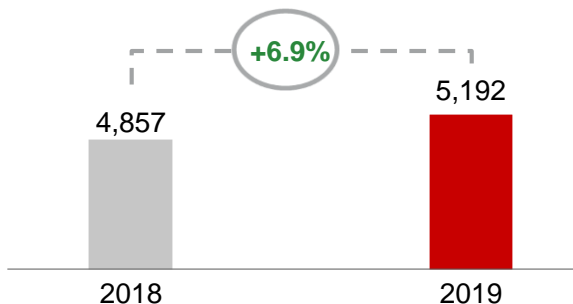
(1) Net of Liability Management loss

(2) Subject to the approval of shareholders at the Annual General Meeting on April 30, 2020

# 2019: significant growth across key indicators

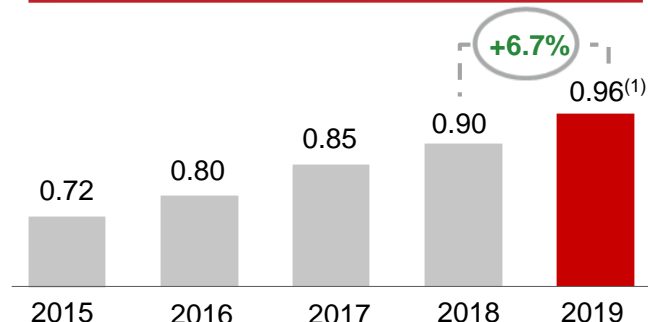
## OPERATING RESULT

(Euro mn)



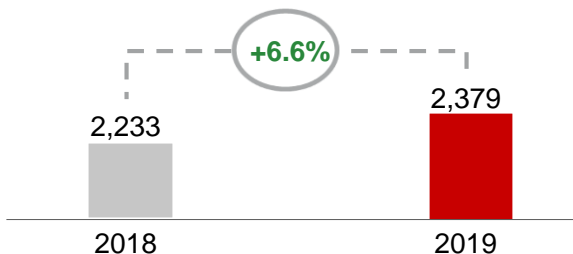
## DIVIDEND PER SHARE

(Euro)



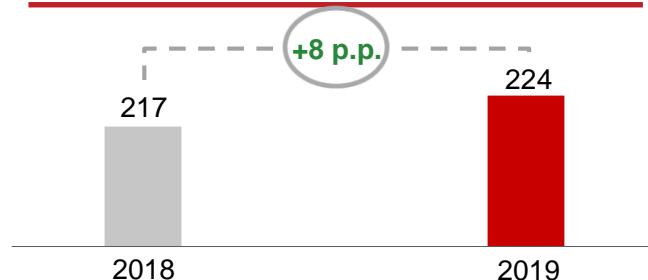
## NORMALISED NET RESULT<sup>(2)</sup>

(Euro mn)



## SOLVENCY II

(Regulatory view, %)



(1) Subject to the approval of shareholders at the Annual General Meeting on April 30, 2020

(2) Net of Liability Management loss

# Generali 2021 ambition

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Generali will be a life-time partner to its customers, offering innovative, personalized solutions thanks to its unmatched distribution network.

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Generali will lead the European insurance market for individuals, professionals and SMEs, while building a focused, global asset management platform and pursuing opportunities in high potential markets.

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# Generali 2021: significant results already achieved for each pillar of the strategy

## STRATEGY PILLARS

### PROFITABLE GROWTH

- **Strengthen leadership** in Europe
- Focus on **high potential** insurance markets
- Develop a **global Asset Management platform**

### CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- Increase **capital generation**
- Enhance **cash remittance**
- **Reduce debt** amount and cost

### INNOVATION AND DIGITAL TRANSFORMATION

- Become a **life-time partner** to customers
- Enable **digital transformation of distribution**
- **Transform and digitalize** operating model

### ENABLED BY EMPOWERED PEOPLE, STRONG BRAND, SUSTAINABILITY COMMITMENT

## 2019 ACHIEVEMENTS

- **Strengthened leadership** in Europe:
  - 2<sup>nd</sup> non-life player in Portugal through acquisition of **Seguradoras Unidas**
  - Acquisition of **AdvanceCare**
  - Acquisitions in Central & Eastern Europe
- Further broadened global **AM platform**, today comprising **16 boutiques**
- Launch of **new insurance offers** (e.g. Arte Generali)

**Target overachieved**

- **Strong** capital generation at **€ 3.5 bn**
- **Increased and more diversified** cash remittances
- **Reduced** outstanding **financial debt by €1.75 bn<sup>(1)</sup>** and gross **cost of debt by €164 mn**

- Customer and distributor **hallmarks** and digital **enablers in place** across all Business Units to drive transformation
- **Innovation and digitalization** of the operating model **ongoing** (e.g. launch of the **Mobility Platform**; agreement with **Mercado Libre** in Argentina)
- Relationship **Net Promoter Score**: +3 points, narrowing the gap with our international European peers

# Generali 2021: strong commitment to sustainable growth as one of the three key enablers of the strategy

## TARGETS

MAIN TARGETS FOR RESPONSIBLE BUSINESS

**+7-9% GWP GROWTH IN GREEN AND SOCIAL PRODUCTS 2018-2021**

**€4.5 BN NEW GREEN & SUSTAINABLE INVESTMENTS BY 2021<sup>(1)</sup>**

## PROGRESS AT YEAR-END 2019

**+19.8% GWP** in green and social products

**€ 2.7 bn invested**

INITIATIVES WITH STRONG SUSTAINABILITY FOOTPRINT & POSITIVE IMPACT ON BUSINESS

**EXPAND THE HUMAN SAFETY NET BEYOND EXISTING 18 COUNTRIES**

**AWARD THE BEST SUSTAINABLE SMEs THROUGH EnterPrize AWARD**

**CREATE DISTINCTIVE AND CUSTOMIZED PRODUCT OFFERING FOR RESPONSIBLE CONSUMERS**

**THSN active in 21 countries**

**Main European countries setting up local awards**

**Building an ecosystem of sustainable solutions for the Responsible Consumers**

## ADDITIONAL KEY ACHIEVEMENTS



First European insurer to issue a green bond



In 2019 confirmed in the Dow Jones Sustainability World Index (DJSI) and added to the DJSI Europe






Generali joined the Net-zero Asset Owner Alliance continues to implement its Climate Change Strategy





# Generali 2021: 2019 results in line with financial targets

	TARGETS		PROGRESS AT YEAR-END 2019	
GROWING EARNINGS PER SHARE	6%-8% EPS CAGR RANGE 2018-2021	>	6.3% <sup>(1)</sup>	 ON TRACK
INCREASING DIVIDEND	55%-65% DIVIDEND PAY-OUT RANGE <sup>(2)</sup> 2019-2021	>	63.6%	 ON TRACK
HIGHER RETURNS FOR SHAREHOLDERS	>11.5% AVERAGE RETURN ON EQUITY <sup>(3)</sup> 2019-2021	>	12.4%	 ON TRACK

(1) 3 year CAGR; adjusted for impact of gains and losses related to disposals and Liability Management loss

(2) Adjusted for impact of gains and losses related to disposals

(3) Based on IFRS Equity excluding OCI and on total net result

# Agenda

## II. 2019 Business Review

### Frederic de Courtois – Group GM

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# Key messages

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Successful implementation of Generali 2021 strategy

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Profitable & diversified growth with confirmed focus on technical excellence

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Very solid capital position also thanks to strong capital generation

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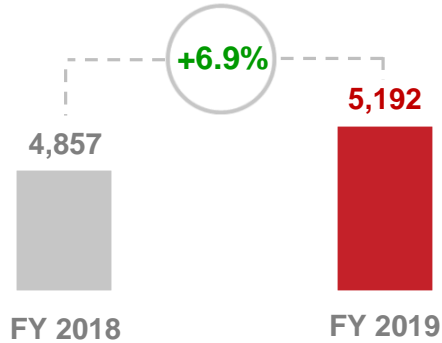
Generali 2021 debt related targets already achieved

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# Profitable growth driven by resilient technical performance

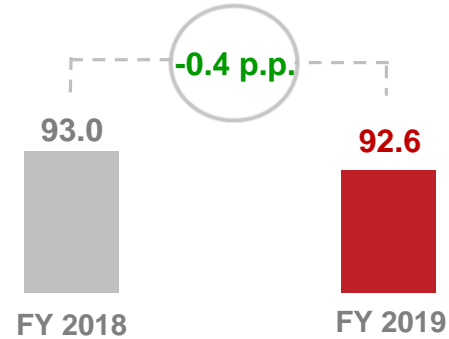
## OPERATING RESULT

(€ m)



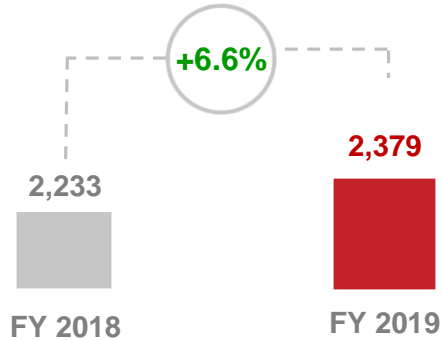
## P&C COMBINED RATIO

(%)



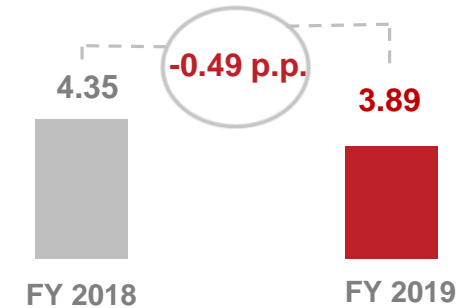
## NORMALISED NET RESULT<sup>(1)</sup>

(€ m)



## LIFE NEW BUSINESS MARGIN

(%)

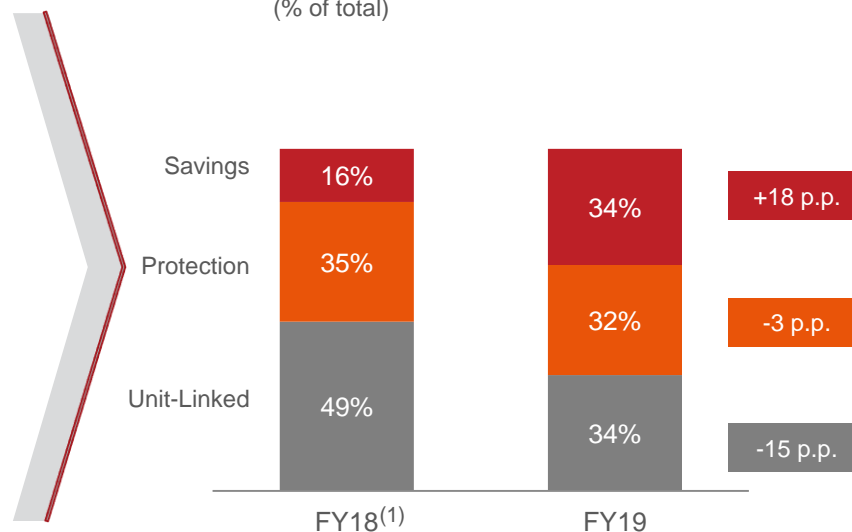


# Strong growth of life net inflows, mix impacted by risk appetite

**NET INFLOW BY COUNTRY**  
(€ m)

	FY18 <sup>(1)</sup>	FY19	%
Italy	4,769	6,070	+27.3%
France	1,571	2,097	+33.5%
Germany	3,197	3,344	+4.6%
ACEER	312	254	-27.0%
International	1,453	1,820	+24.6%
Group Holding	67	48	-28.4%
<b>TOTAL</b>	<b>11,369</b>	<b>13,632</b>	<b>+19.6%</b>

**NET INFLOW MIX**  
(% of total)

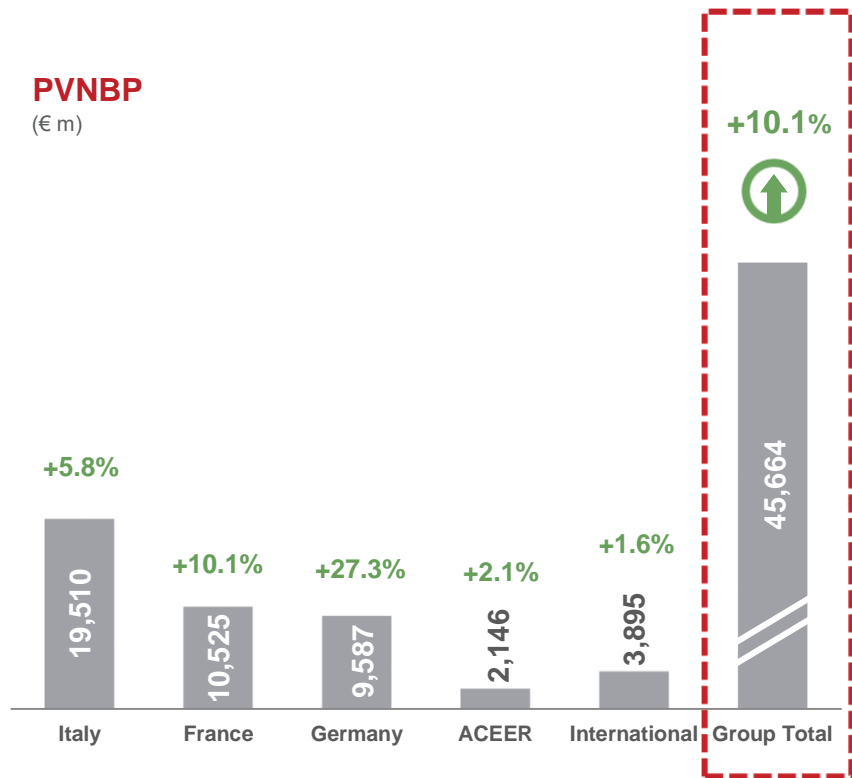


(1) The breakdown by lines of business at FY18 has been restated to be more coherent with the features of some products in Germany and Asia

# Good growth in volumes, profitability relatively resilient

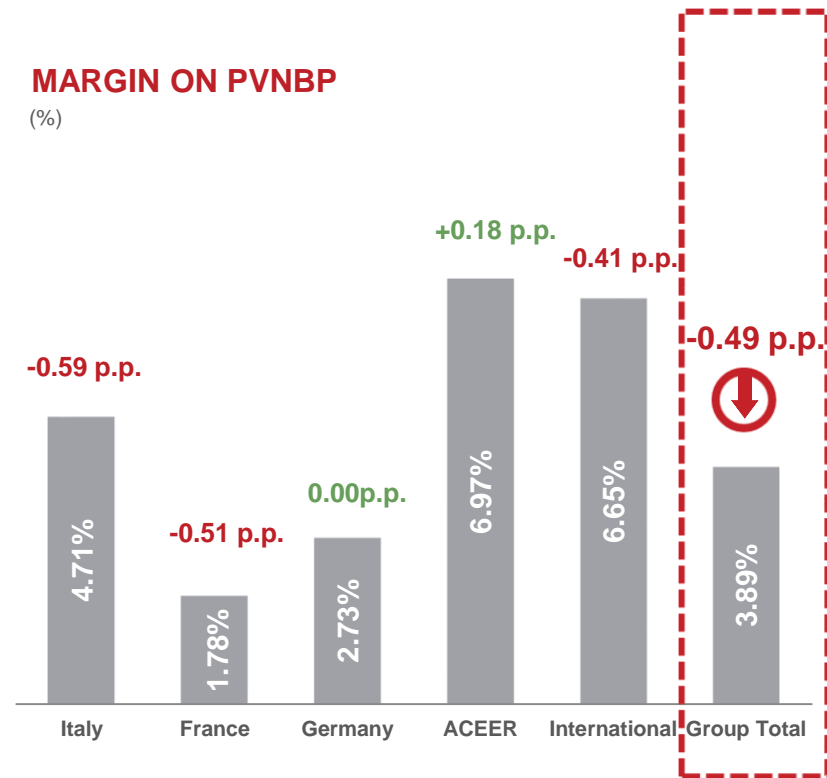
## PVNB

(€ m)



## MARGIN ON PVNB

(%)



Note: the arrow represents the variation vs FY18 numbers

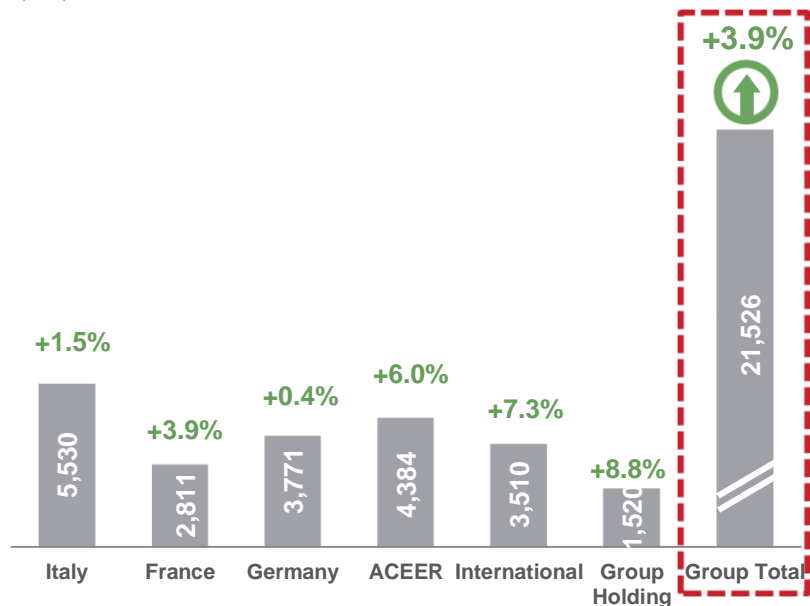
# Strong growth in P&C volumes coupled with high technical profitability

## GROSS WRITTEN PREMIUMS

(€ m)

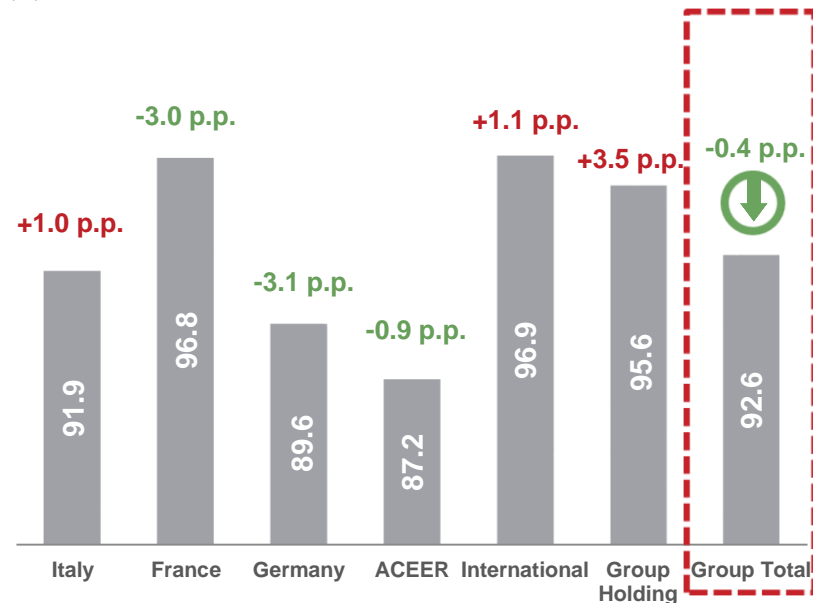
### Total variation due to:

Primary Motor	+2.4%
Primary Non-Motor	+3.8%



## COMBINED RATIO

(%)



Note: the arrow represents the variation vs FY18 numbers

# Asset Management Global: KPIs on track

	FY18	FY19	Target 2021
<b>KPIs</b>			
Net result A.M. Global (€ m)	235	<b>280</b>	<b>&gt;400</b>
External Clients Revenues (% of operating revenues)	13%	<b>33%</b>	<b>&gt;35%</b>
Operating Margin (%) <sup>(1)</sup>	55%	<b>52%</b>	<b>&gt;45%</b>

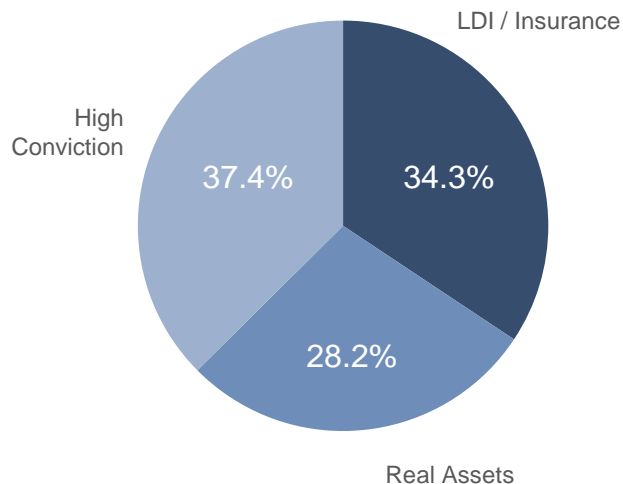
(1) Calculated as (1- cost income ratio)



# Asset Management Global: focus on revenues contribution and external clients AuM

## Breakdown of revenues by Asset Management expertise

Total revenues (FY19): € 813 m



(1) M&A includes Sycomore, Lumyna, KD Skladi and Union Poland

(2) Assets from partnerships do not include the real estate portfolio of Viridium

## Breakdown of External Clients Assets (€ bn)

<b>AuM (as of December 2018)</b>	<b>27.2</b>
Assets from M&A <sup>(1)</sup>	+ 20.5
Assets from Partnerships <sup>(2)</sup>	+49.6
Net inflows Jan – Dec 19	+3.0
Market effect Jan – Dec 19 & Others	+5.4
<b>AuM (as of December 2019)</b>	<b>105.7</b>

# Generali 2021 execution: on track

STRATEGIC ITEM	MAIN INDUSTRIAL KPIs	GOAL	STATUS
PROFITABLE GROWTH	▪ Earnings CAGR 2018-2021 insurance markets Europe	3% - 6%	✓ On track
	▪ Earnings CAGR 2018-2021 service-based revenue streams	7% - 10%	✓ On track
	▪ Earning CAGR 2018-2021 high potential insurance markets	20% - 25%	✗ Impairments in Argentina
	▪ Earning CAGR 2017-2021 Asset Management	>20% <sup>(1)</sup>	✓ On track
CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION	▪ Cumulative Capital Generation 2019-2021	> € 10.5 billion	✓ On track
	▪ Net cash remittance to Holding 2019-2021	> € 7 billion	✓ On track
	▪ Debt Reduction by 2021	€ 1.5 - 2 billion	Achieved
	▪ Gross Interest Expense Reduction 2021 vs. 2017	€ 70 - 140 million	Over-achieved
INNOVATION AND DIGITAL TRANSFORMATION	▪ Total Investments toward internal strategic initiatives 2019-2021	€ 1 billion	✓ On track
	▪ Cumulative expense reduction Insurance Europe 2018-2021	€ 200 million	✓ On track
	▪ New Green and Sustainable Investments by 2021	€ 4.5 billion	✓ On track
	▪ Relationship NPS by 2021	Best among international peers	✓ On track
PEOPLE, BRAND AND SUSTAINABILITY	▪ Reskilled employees by 2021	50%	✓ On track
	▪ Entities with Smart Working by 2021	100%	✓ On track

## KPIs PUBLICLY DISCLOSED AND HARDWIRED IN MANAGEMENT REMUNERATION




(1) Including inorganic growth

# Agenda

## III. 2019 Group Financials

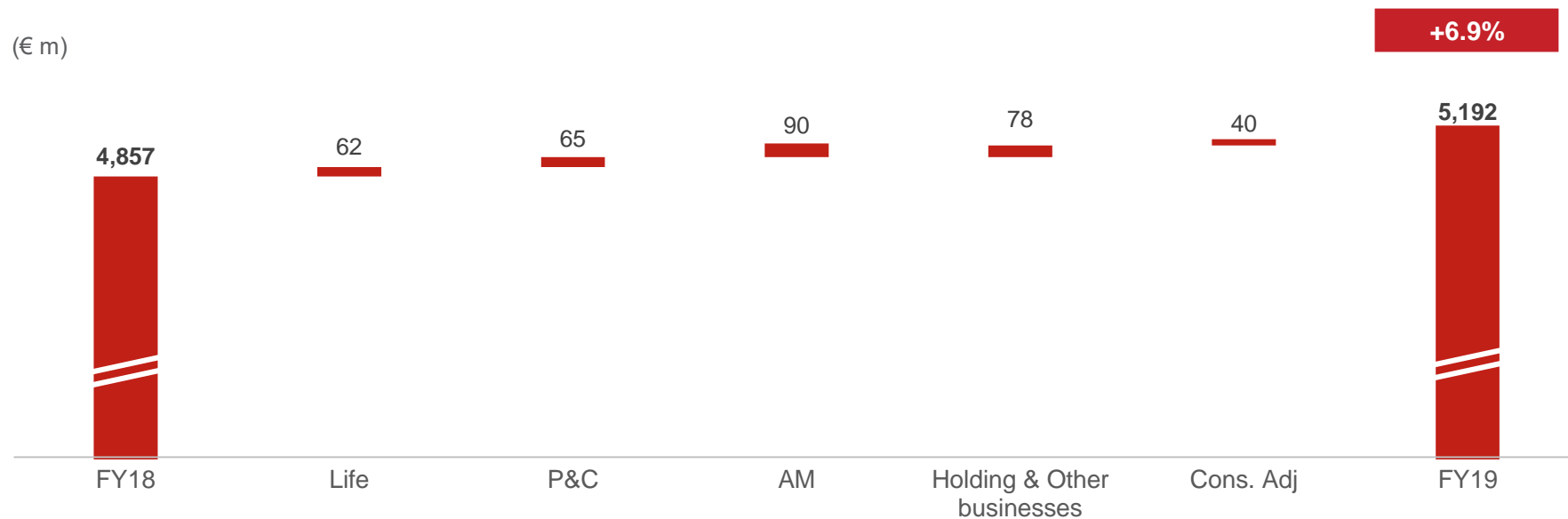
**Cristiano Borean – Group CFO** page 20

# 2019 results: successful start in Generali 2021 plan implementation

	FY18	FY19	Δ (LFL <sup>(1)</sup> )
<b>VOLUMES</b>			
 Gross Written Premiums (€ m)	66,691	<b>69,785</b>	+4.3%
Life (€ m)	46,084	<b>48,260</b>	+4.5%
P&C (€ m)	20,607	<b>21,526</b>	+3.9%
Life Net Inflows (€ m)	11,369	<b>13,632</b>	+19.6%
Life Reserves (€ bn)	343.4	<b>369.4</b>	+7.6%
<b>PROFITABILITY</b>			
 Operating result (€ m)	4,857	<b>5,192</b>	+6.9%
Net result (€ m)	2,309	<b>2,670</b>	+15.7%
Normalized net result, net of LM loss (€ m)	2,233	<b>2,379</b>	+6.6%
Normalized EPS, net of LM loss (€)	1.43	<b>1.52</b>	+6.3%
RoE (%)	11.3%	<b>12.4%</b>	+1.10 p.p.
New Business Margin (% PVNBP)	4.35%	<b>3.89%</b>	-0.49 p.p.
Combined Ratio (%)	93.0%	<b>92.6%</b>	-0.4 p.p.
Combined Ratio excl. Nat Cat (%)	91.2%	<b>90.6%</b>	-0.7 p.p.
<b>CAPITAL, CASH &amp; DIVIDENDS</b>			
 Shareholders' equity (€ m)	23,601	<b>28,360</b>	+20.2%
Solvency II ratio (regulatory view, %)	217%	<b>224%</b>	+8 p.p.
Net holding cash flow	1,952	<b>2,142</b>	+10.3%
Dividend per share (€)	0.90	<b>0.96</b>	+6.7%

# Operating Result growth across all business lines

(€ m)



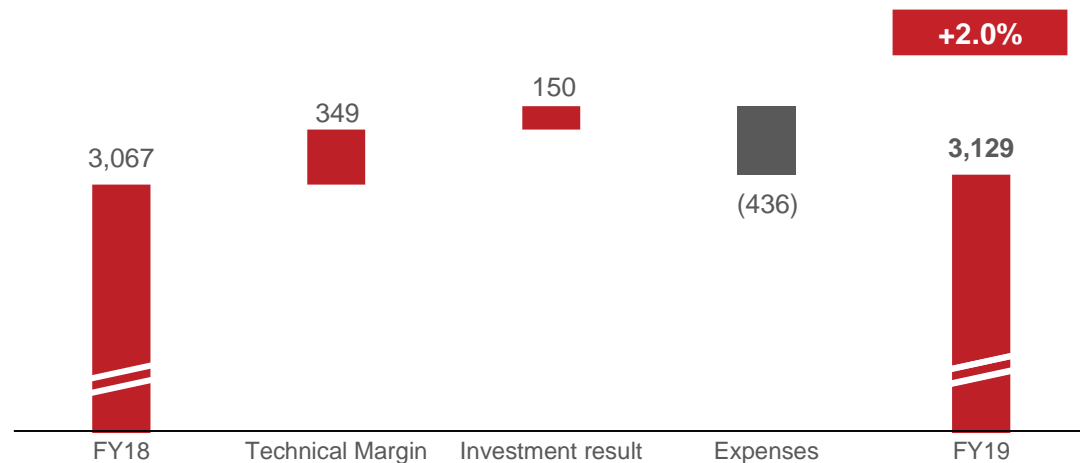
<b>FY 19</b>	<b>3,129</b>	<b>2,057</b>	<b>425</b>	<b>8</b>	<b>(427)</b>	<b>5,192</b>
<b>FY 18</b>	3,067	1,992	335	(70)	(467)	4,857
<b>Δ</b>	+2.0%	+3.3%	+26.9%	n.m.	-8.5%	+6.9%

# Growth in both Life volumes and earnings

(€ m)	FY18	FY19	LFL Δ
<b>VOLUMES</b>			
Gross written premiums	46,084	<b>48,260</b>	+4.5%
Net inflows	11,369	<b>13,632</b>	+19.6%
PVNBP	43,202	<b>45,664</b>	+10.1%
<b>PROFITABILITY</b>			
Life operating result	3,067	<b>3,129</b>	+2.0%
Life operating ratio on investments (bps)	83	<b>79</b>	-4 p.p.
New Business Value	1,877	<b>1,777</b>	-2.2%
Margin on PVNBP (%)	4.35%	<b>3.89</b>	-0.49 p.p.

# Improved technical profitability and investment result




(€ m)

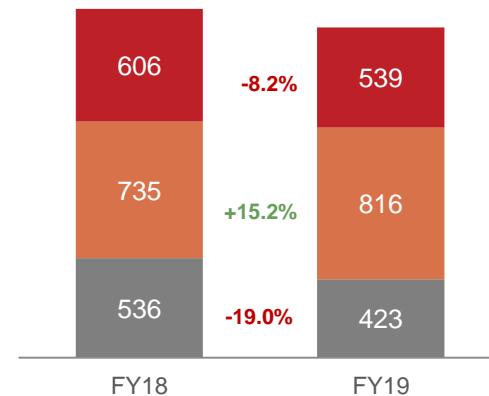
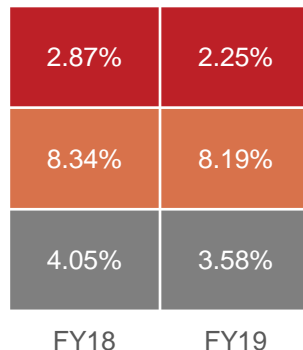
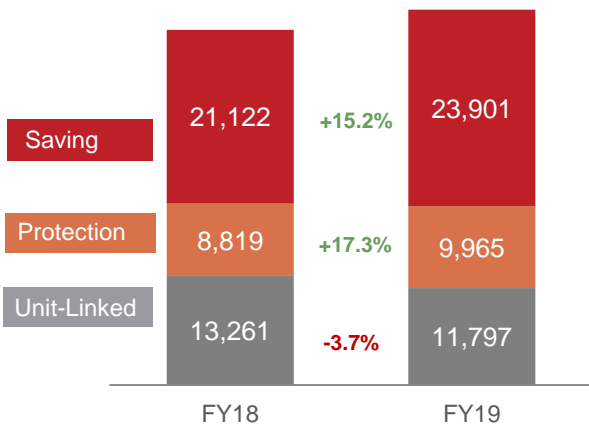


- Growth in technical margins reflecting good developments in Italy, Germany and ACEER
- Investment result improving thanks to lower impairments and higher realized gains
- Increase in expenses reflects higher acquisition costs in Italy, Germany and France for new production

<b>FY 19</b>	<b>6,168</b>	<b>1,985</b>	<b>(5,024)</b>
FY 18	5,819	1,835	(4,587)
Δ %	+6.0%	+8.2%	+9.5%

# Healthy new business value generation

PVNB <sup>1</sup> (€ m)	X	MARGIN ON PVNB <sup>1</sup> (%)	=	NEW BUSINESS VALUE (€ m)
43,202  +10.1%		4.35%  3.89% -0.49 p.p.		1,877  -2.2% 1,777

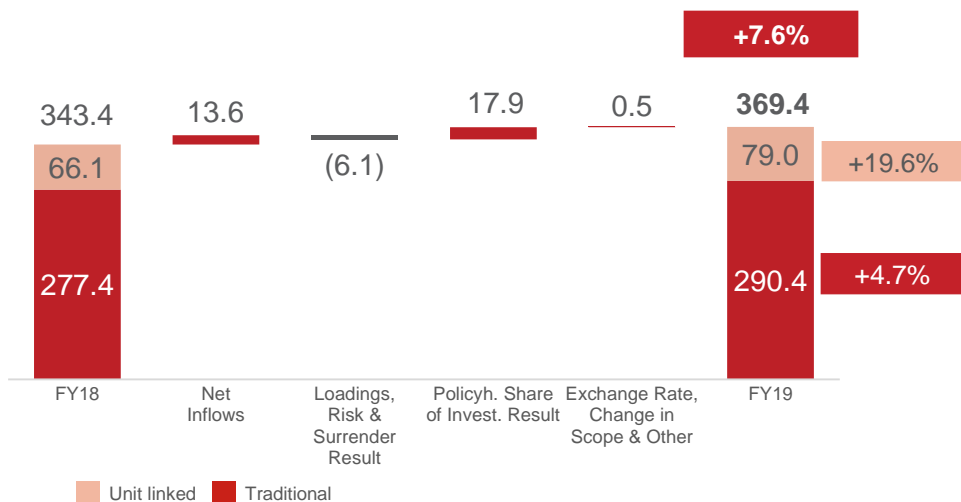


(1) The breakdown by lines of business at FY18 has been restated to be more coherent with the features of some products in Germany and Asia

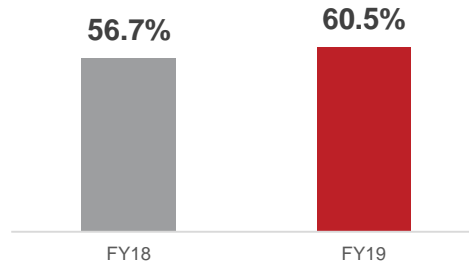


# Net inflows drive strong growth in reserves

## TOTAL LIFE RESERVES (€ bn)



## CAPITAL LIGHT RESERVES ON TOTAL<sup>(1)</sup> (%)

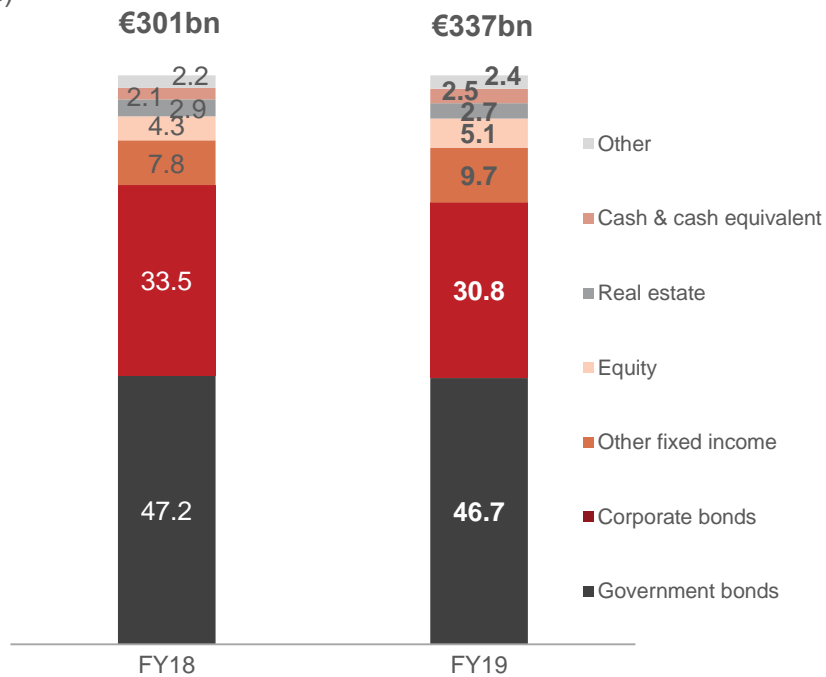


(1) Reserves without interest rate guarantees or with guarantees equal to or lower than 0%. Please note that 2018 comparative figure has been marginally restated to reflect a methodological refinement  
 Note: The percentages shown on the right are calculated on reserves net of minorities. Where appropriate they exclude certain policyholder surplus reserves (e.g. RfB, PPE) and minor German and Czech pension funds outside of the Solvency II scope

# Resilient life investment return

## Life segment general account

(%)



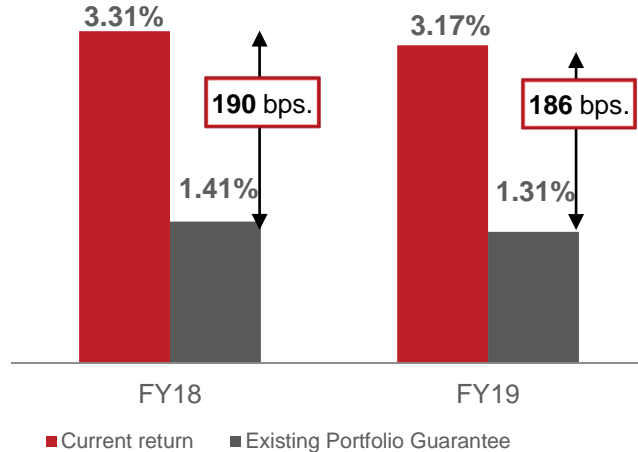
(1) Net of depreciation expenses

## Current returns

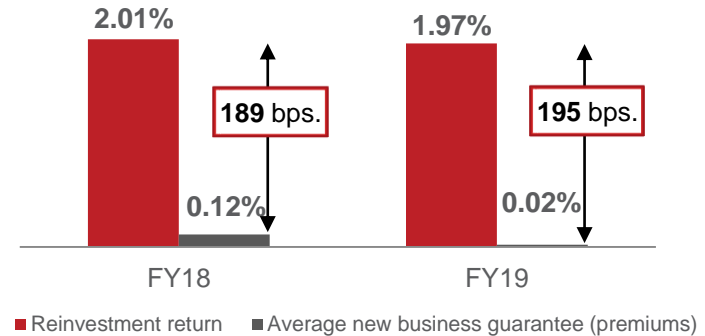
		€ m	%
Fixed income	FY18	8,025	3.0%
	<b>FY19</b>	<b>7,991</b>	<b>2.8%</b>
Equity	FY18	569	4.3%
	<b>FY19</b>	<b>582</b>	<b>3.8%</b>
Real Estate <sup>(1)</sup>	FY18	484	5.6%
	<b>FY19</b>	<b>515</b>	<b>5.7%</b>
Total <sup>(1)</sup>	FY18	9,375	3.1%
	<b>FY19</b>	<b>9,393</b>	<b>2.9%</b>

# Further decrease in in-force guarantees

Current return <sup>(1)</sup> vs existing portfolio guarantee<sup>(2)</sup>  
(%)



Reinvestment return vs average new business guarantee  
(based on premiums)  
(%)



(1) Calculated at amortized cost

(2) Please note that 2018 comparative guarantee figure has been marginally restated to reflect a methodological refinement

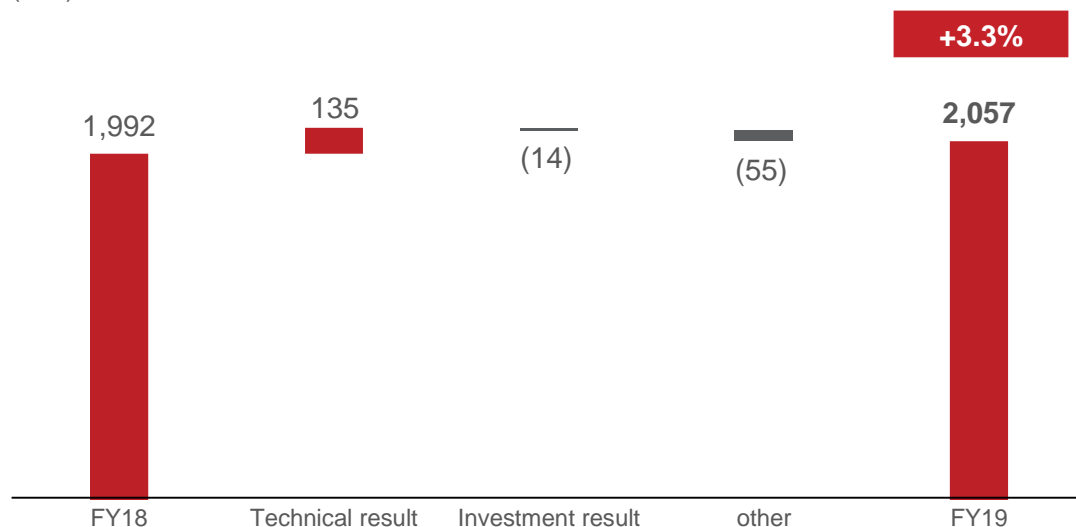
# Strong growth in P&C volumes, excellent technical profitability

(€ m)

	FY18	FY19	LFL $\Delta$
<b>VOLUMES</b>			
<b>Gross written premiums, of which:</b>	20,607	<b>21,526</b>	+3.9%
Primary Motor	7,780	<b>7,878</b>	+2.4%
Primary Non Motor	12,009	<b>12,672</b>	+3.8%
<b>PROFITABILITY</b>			
Combined ratio (%)	93.0%	<b>92.6%</b>	-0.4 p.p.
Nat Cat impact (%)	1.7%	<b>2.0%</b>	+0.3 p.p.
P&C operating result	1,992	<b>2,057</b>	+3.3%

# Improved technical profitability coupled with stable investment result

(€ m)

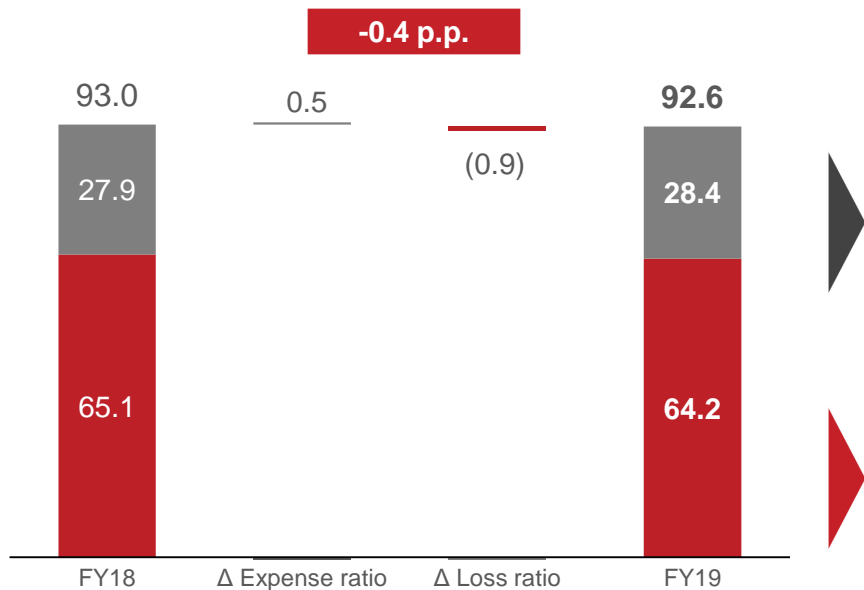


- Strongly improved technical result, driven by better combined ratio and volume growth
- Investment result slightly decreased due to lower net current income from bonds and equities
- Other result includes costs related to reorganization of German operations

<b>FY 19</b>	<b>1,391</b>	<b>918</b>	<b>(251)</b>
FY 18	1,256	932	(196)
Δ %	+10.7%	-1.5%	+28.1%

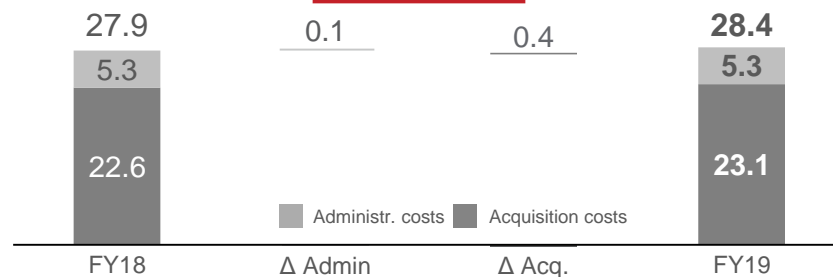
# Excellent P&C technical profitability in spite of higher Nat Cat

## Combined ratio (%)

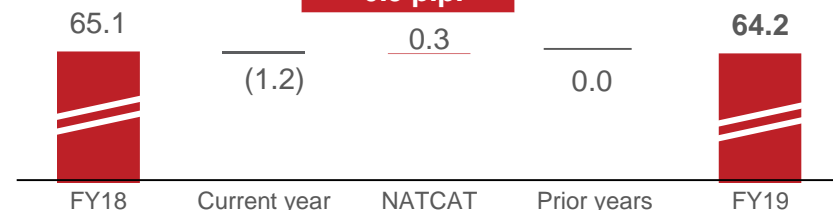


■ Expense ratio ■ Loss ratio

## Expense ratio (%)



## Loss ratio (%)

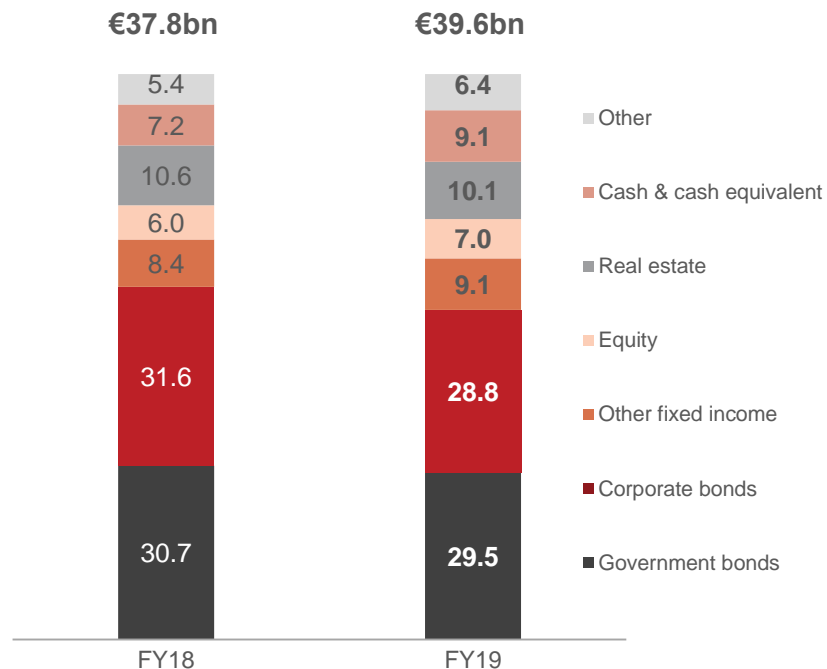


	FY 19	FY 18
Loss ratio (%)	64.2%	65.1%
Expense ratio (%)	28.4%	27.9%
Combined ratio (%)	92.6%	93.0%

FY19 man made losses € 217 m (€ 284 m at FY18) impacting for 1.1 p.p (-0.4 p.p. vs FY18)

# Stable P&C investment return

## P&C segment general account (%)



(1) Net of depreciation expenses

## Current returns

		Euro m	%
Fixed income	FY18	719	2.7%
	<b>FY19</b>	<b>716</b>	<b>2.6%</b>
Equity	FY18	114	4.8%
	<b>FY19</b>	<b>90</b>	<b>3.4%</b>
Real Estate <sup>(1)</sup>	FY18	213	5.5%
	<b>FY19</b>	<b>226</b>	<b>5.6%</b>
Total <sup>(1)</sup>	FY18	1,180	3.1%
	<b>FY19</b>	<b>1,183</b>	<b>3.0%</b>

# Asset Management Global: growth is on track

	FY18	FY19	Δ / %
<b>Key Financials<sup>(1)</sup> (€ m)</b>			
Operating Revenues	606	813	+34%
<i>o/w management and other fees</i>	545	738	+35%
<i>o/w performance fees</i>	0	11	<i>n.m.</i>
Operating Expenses	-271	-388	+43%
<b>Operating Result</b>	<b>335</b>	<b>425</b>	<b>+27%</b>
<hr/>			
<b>Net result (Asset Management Global)</b>	<b>235</b>	<b>280</b>	<b>+19%</b>
<i>o/w Europe</i>	212	260	+23%
<i>o/w Rest of the World</i>	23	20	-16%
<hr/>			
Cost / Income ratio (%)	45%	48%	+3 p.p.
AuM (€ bn)	463	531	+15%

(1) Managerial view



# Improved contribution from Financial and Other Businesses

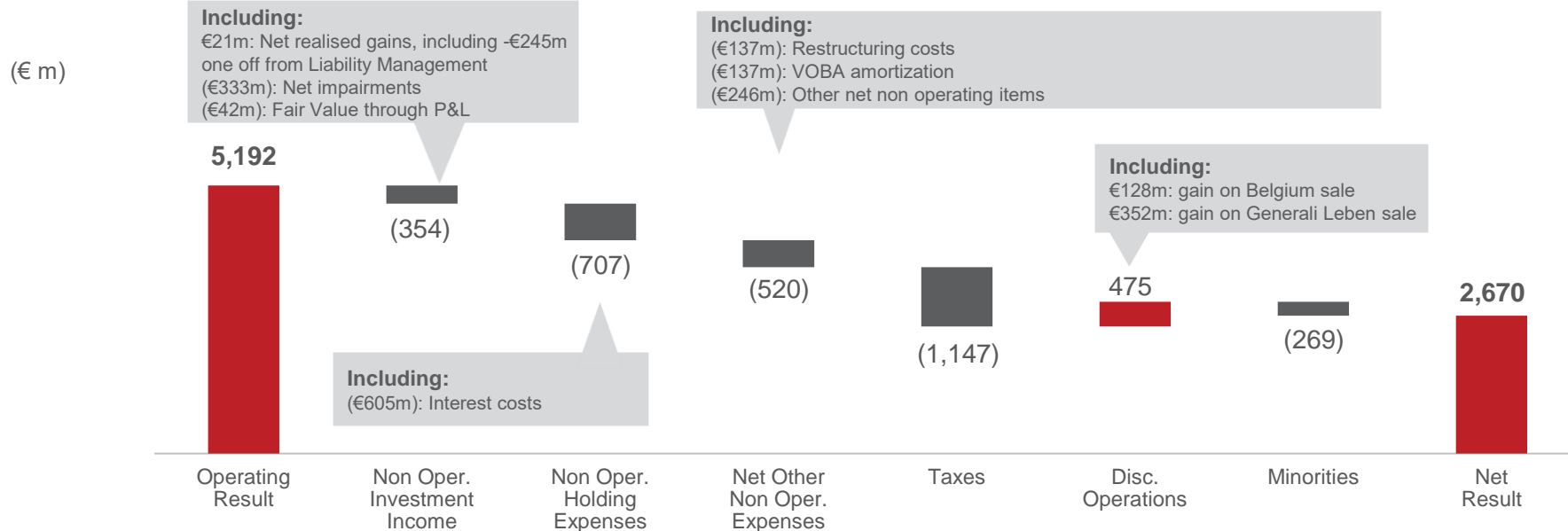
(€ m)

	FY18	FY19	△ %
Financial and Other Businesses	397	538	+35.3%
<i>of which Banca Generali <sup>(1)</sup></i>	233	327	+40.7%
<i>of which other businesses <sup>(2)</sup></i>	165	210	+27.7%
Operating holding expenses	(467)	(529)	+13.3%
<b>Total</b>	<b>(70)</b>	<b>8</b>	<b>n.m.</b>

(1) Banca Generali's operating contribution as per Generali's view

(2) Including other financial businesses, pure financial holdings, international service activities and any other non-core businesses

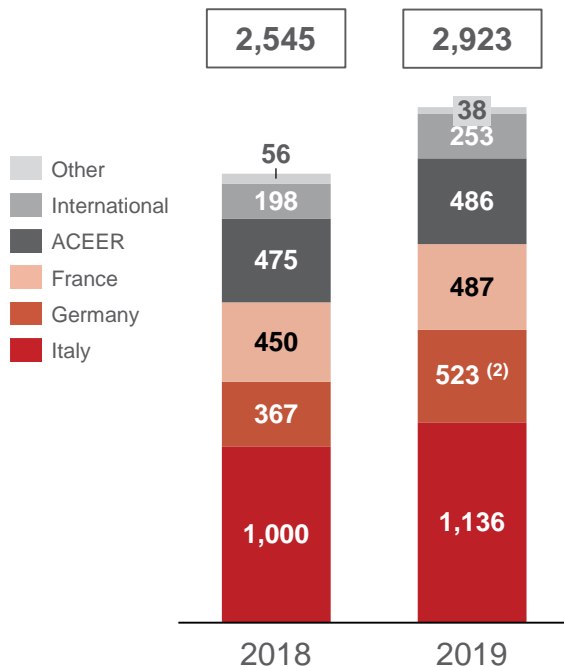
# From operating to net result



<b>FY 19</b>	<b>5,192</b>	<b>(354)</b>	<b>(707)</b>	<b>(520)</b>	<b>(1,147)</b>	<b>475</b>	<b>(269)</b>	<b>2,670</b>
<b>FY 18</b>	4,857	(155)	(795)	(411)	(1,172)	173	(189)	2,309
<b>Δ</b>	+6.9%	n.m.	-11.0%	+26.3%	-2.1%	n.m.	+42.6%	+15.7%

# Increased and more diversified remittances

## REMITTANCE FROM OPERATIONS <sup>(1)</sup> (€ m)



## REMITTANCE RATIO ON DISTRIBUTABLE BUS' IFRS NET RESULT (%)

	2018	2019
<b>Remittance ratio</b>	<b>ca. 90%</b>	<b>ca. 105%</b>
<b>Of which capital management</b>	<b>ca. 5%</b>	<b>&lt; 15%</b>

(1) Excluding proceeds from geographical footprint optimization

(2) Excluding € 0.9 billion Generali Leben price. Including € 0.1 billion related to net debt reimbursement

# Growing Net Holding Cash Flow in line with targets

## Net Holding Cash Flow (€ m)

2018

2019

Remittance from subsidiaries <sup>(1)</sup>

2,545

2,923

Result of reinsurance

260

197

Interest & holding expenses <sup>(2)</sup>

(853)

(979)

### Net Holding Cash Flow

1,952

2,142

Group dividend paid / proposed (€ bn)

1.4

1.5

Coverage ratio

1.4x

1.4x

- Net Holding Cash Flow up 10% thanks to higher remittances
- Growth in net holding cash flows well underpins the increase in dividends

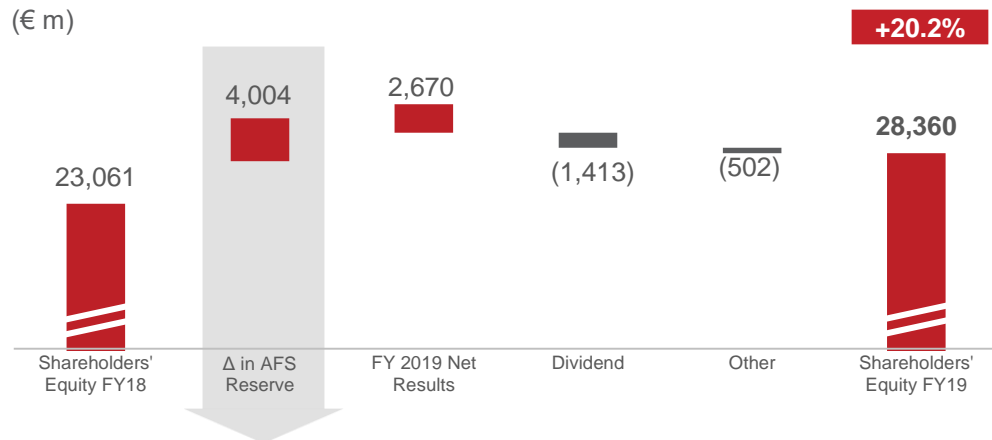
(1) Excluding proceeds from geographical footprint optimization

(2) Including free cash upstream

# Shareholders' equity up thanks to net results and AFS reserve

## Shareholders' equity rollforward

(€ m)



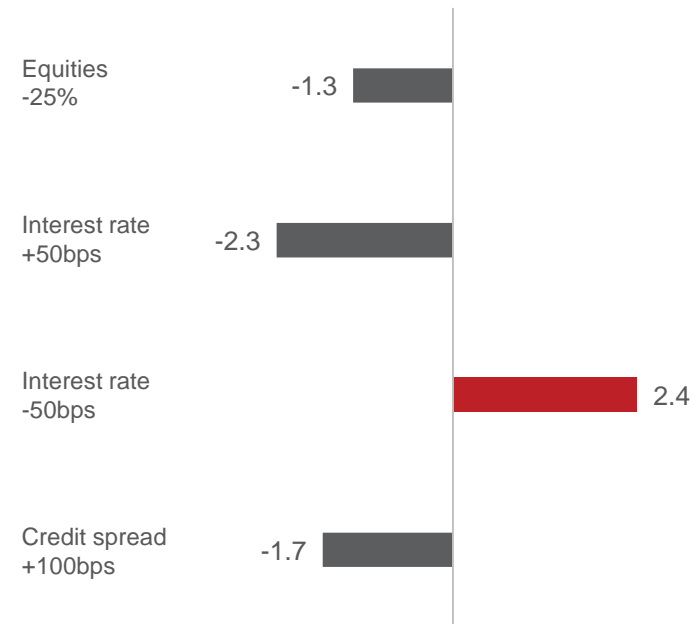
## Change in AFS reserve

(€ m)



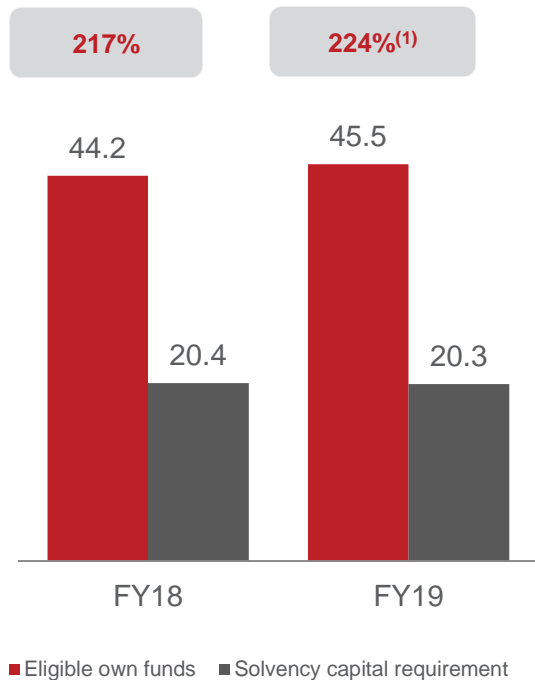
## Shareholders' equity sensitivities

(€ bn)



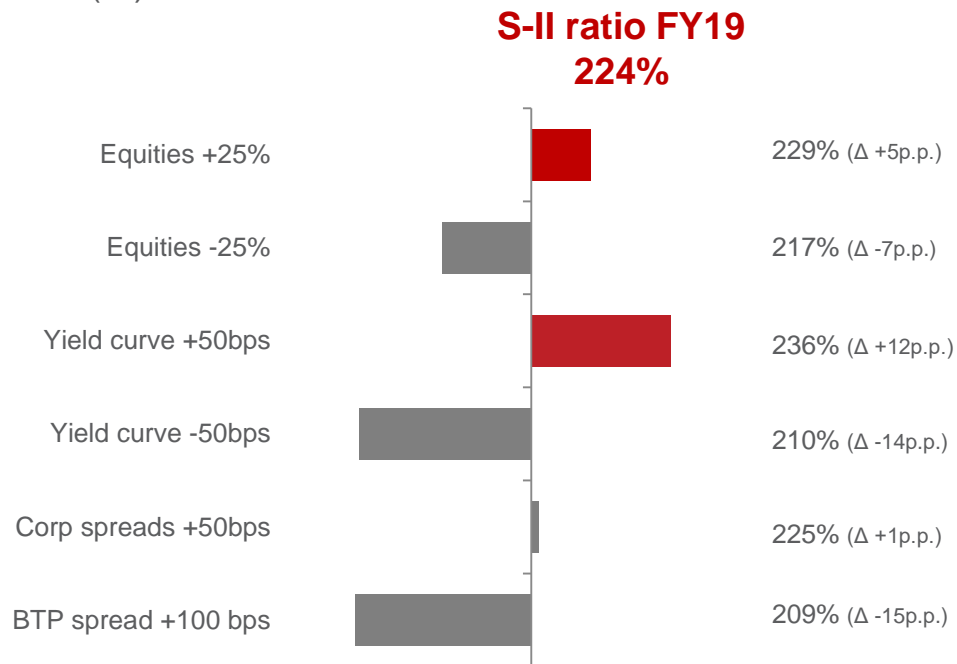
# Solvency II regulatory ratio <sup>(1)</sup> up by 8 p.p. vs. 2018

## Eligible own funds vs. Required capital (€ bn)



(1) Preliminary Regulatory Ratio

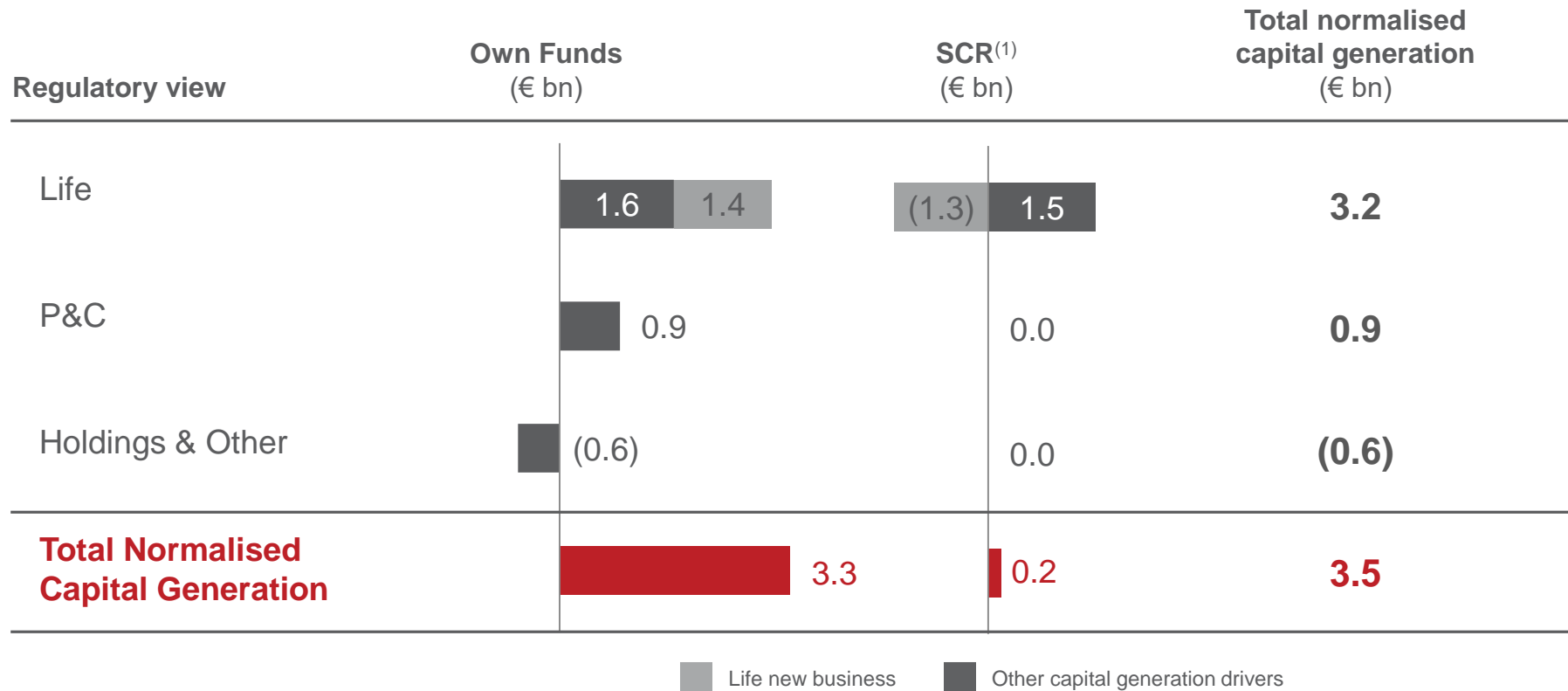
## Key sensitivities (%)



## Strong positive contribution from normalized capital generation

	Own Funds (€ bn)	SCR (€ bn)	Excess Own Funds <sup>(1)</sup> (€ bn)	Solvency II ratio (%)
<b>FY 2018</b>	<b>44.2</b>	<b>20.4</b>	<b>23.8</b>	<b>217%</b>
Regulatory Model Changes	(0.3)	(0.1)	(0.1)	0%pts
Normalised capital generation	3.3	(0.2)	3.5	+18%pts
Variances and other movements	2.0	1.3	0.7	-3%pts
M&A	(1.5)	(1.0)	(0.5)	+3%pts
Redemption of subordinated bonds eligible in BOF	(0.7)		(0.7)	-3%pts
Foreseeable dividend	(1.5)		(1.5)	-7%pts
<b>FY 2019</b>	<b>45.5</b>	<b>20.3</b>	<b>25.2</b>	<b>224%</b>

## 2019 capital generation totaling €3.5bn



(1) Positive numbers indicate positive capital generation (i.e. reduction in SCR), and negative numbers indicate negative capital generation (i.e. an increase in SCR)



# High quality capital mix: Tier 1 capital 87% of total

## Tiering of Solvency II Capital (FY19)

	Generali Regulatory view	
	€ bn	% of total
Tier 1	39.5	87%
Unrestricted Tier 1	37.2	82%
Restricted Tier 1 (Hybrid)	2.3	5%
Tier 2	6.0	13%
Tier 3	0.1	0%
<b>Total Own Funds</b>	<b>45.5</b>	

Regulatory SCR covered 1.8x by  
Unrestricted Tier 1

## Applicable Solvency II limits (FY19)

	Solvency II limits	FY19 Generali Regulatory view
Restricted Tier 1	< 20% of total Tier 1	6% of total Tier 1
Tier 2 + Tier 3	< 50% of insurance entities SCR	31% of SCR
Tier 3	< 15% of insurance entities SCR	0% of SCR

Quality of capital far in excess of Solvency II  
requirements: Euro ~10 bn of headroom against  
maximum limits

# Final remarks

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Profitable growth at excellent technical margins

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Net result, RoE, dividend and net holding cash flow in line with targets

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Strong Solvency 2 position, supported by strong capital generation

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Successful and disciplined implementation of Generali 2021 plan

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### III. Backup

- **Costs** page **44**
  - Investments page **46**
  - Financial debt page **52**
  - Solvency 2 page **56**

# On track to deliver additional € 200 million total expense reduction in Insurance Europe

## AMBITION

### € 200 million total expense reduction

(including Cost to Achieve<sup>(1)</sup>) in Insurance Europe by restructuring/simplification of local operations

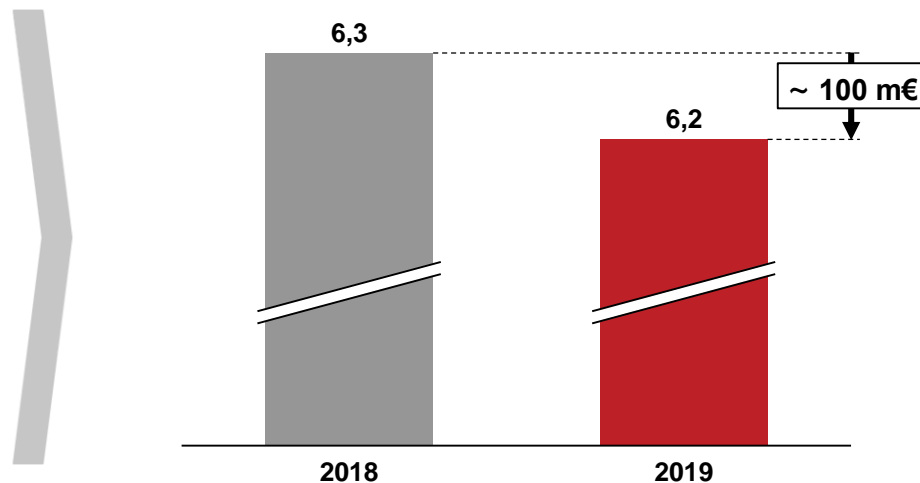
*on track* ✓

**Including € 1 billion investments (cumulated cash)**  
in internal strategic initiatives across the Group

*on track* ✓

## TOTAL EXPENSES REDUCTION

Insurance Europe<sup>(2)</sup>, € billion



### III. Backup

Costs

page **44**

- **Investments**

page **46**

Financial debt

page **52**

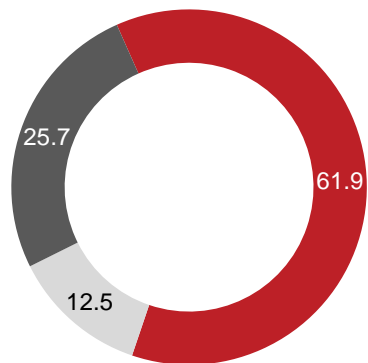
Solvency 2

page **56**

# Assets under management

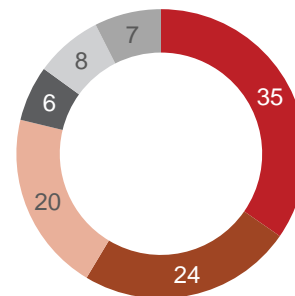
**Total Portfolio: €630bn**  
(%)

- General account
- Unit Linked
- Third party investments



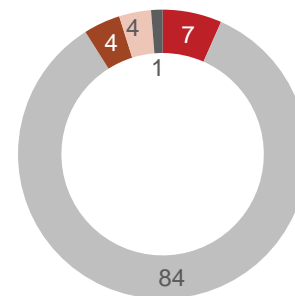
**Breakdown by region and asset class**  
(%)

By Region



- Italy
- France
- Germany
- CEE
- International
- Other

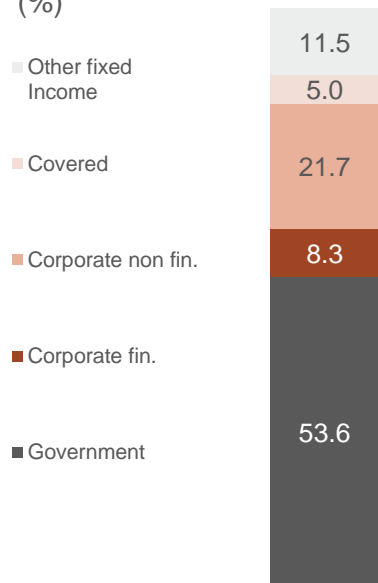
By Asset Class



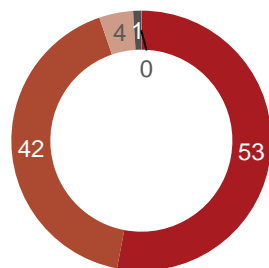
- Equity
- Fixed income
- Real estate
- Cash & Cash Equivalent
- Other

# Fixed Income Portfolio

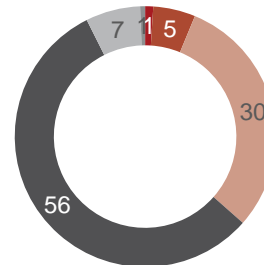
**Total Portfolio**  
**€329bn**  
 (%)



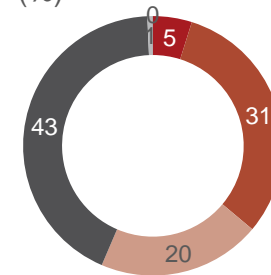
**Covered**  
**€16bn**  
 (%)



**Corporate**  
**€99bn**  
 (%)



**Government**  
**€176bn<sup>(1)</sup>**  
 (%)



■ AAA   
 ■ AA   
 ■ A   
 ■ BBB   
 ■ Not Investment Grade   
 ■ Not Rated

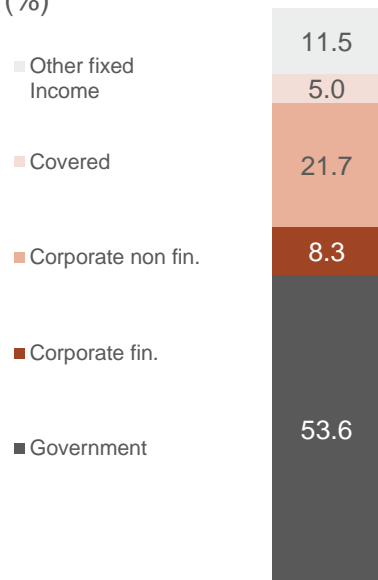
Bond duration	FY18	FY19
Life	8.4	8.9
P&C	5.5	5.5
<b>Life duration Gap<sup>(2)</sup></b>	<b>FY18</b>	<b>FY19</b>
	0.0	-1.0

(1) Italian government bond exposure is 83% of BBB

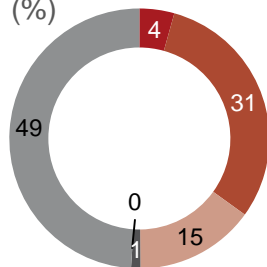
(2) Duration gap = duration of fixed income assets – duration of liabilities x (Best estimate liabilities/Market Value of fixed income assets)

# Fixed Income Portfolio by country

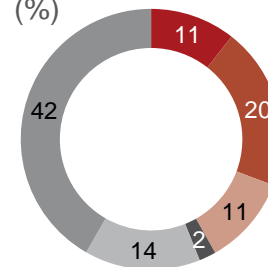
**Total Portfolio**  
**€329bn**  
 (%)



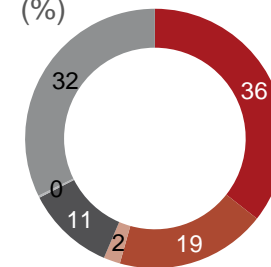
**Covered**  
**€16bn**  
 (%)



**Corporate**  
**€99bn**  
 (%)



**Government**  
**€176bn**  
 (%)



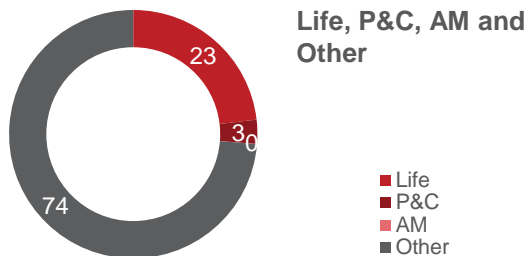
■ Italy ■ France ■ Germany ■ CEE ■ USA ■ Other

Reinvestment yield	FY18	FY19
Life	2.0%	2.0%
P&C	1.7%	1.7%

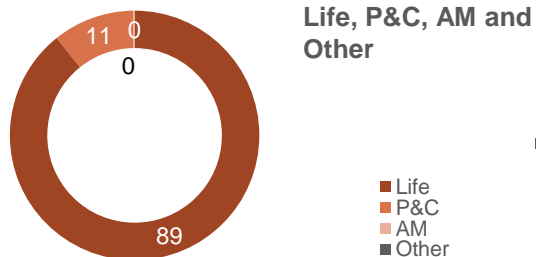


# Equity & Equity-like

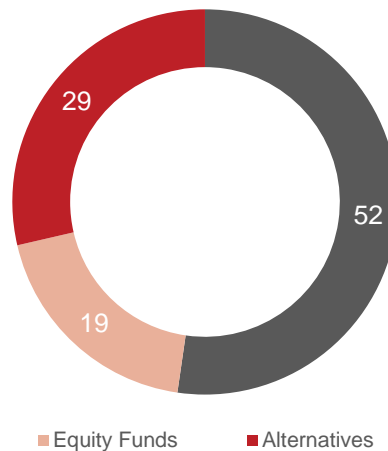
**Alternative funds: €7bn**  
(%)



**Equity funds: €5bn**  
(%)

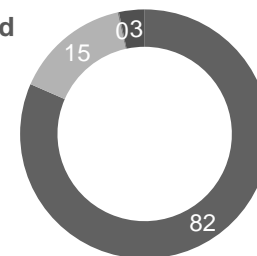


**Total Portfolio: €26bn**  
(%)

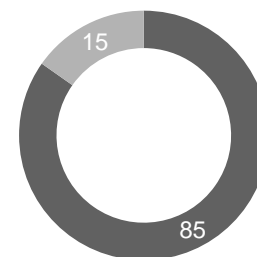


**Equity: €13bn**  
(%)

**Life, P&C, AM and Other**



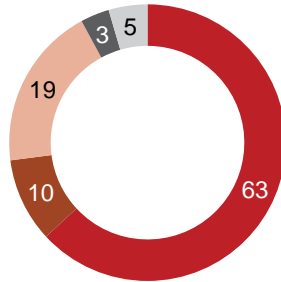
**Listed and Unlisted**



# Asset Allocation: Real Estate (1)

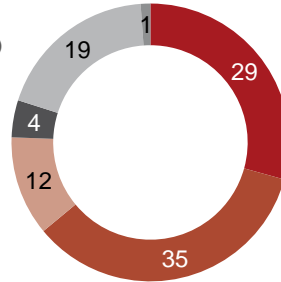
Total Portfolio: €29bn (1)

Breakdown by use (2)  
(%)



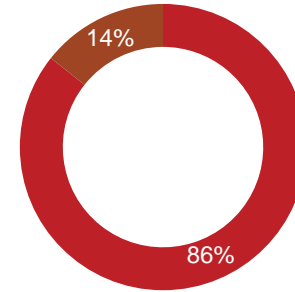
- Office
- Residential
- Retail
- Logistic
- Other/Mixed

Breakdown by country (2)  
(%)



- Italy
- France
- Germany
- CEE
- RoE
- RoW

Breakdown by utilization (2)  
(%)



- Investment properties
- Own use

(1) Data, at fair value, includes investment properties, own use assets, properties inventory and Real Estate indirect investment

(2) Detail referred to direct investments in real estate only

### III. Backup

Costs page **44**

Investments page **46**

• **Financial debt** page **52**

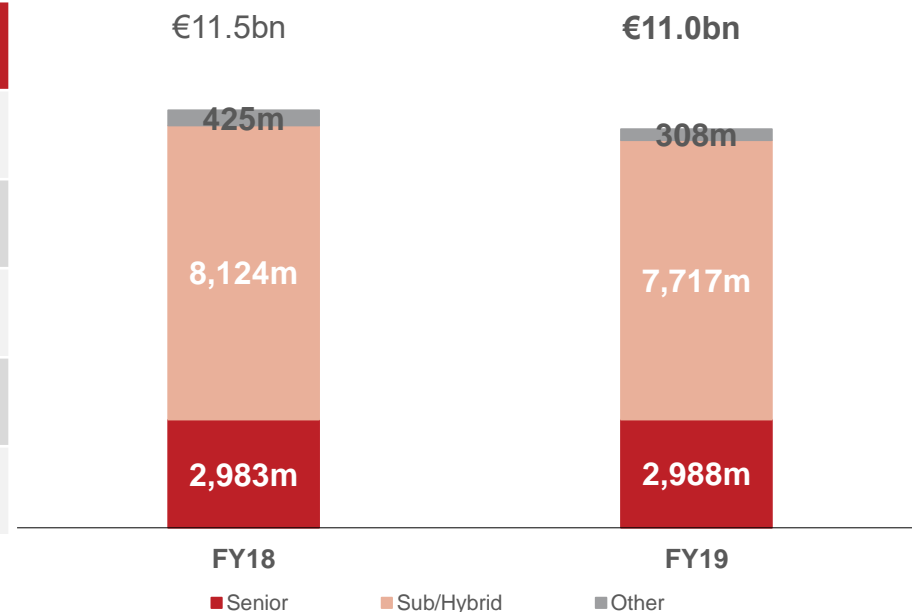
Solvency 2 page **56**

# Focus on financial debt

## Average cost & maturity of financial debt (%)

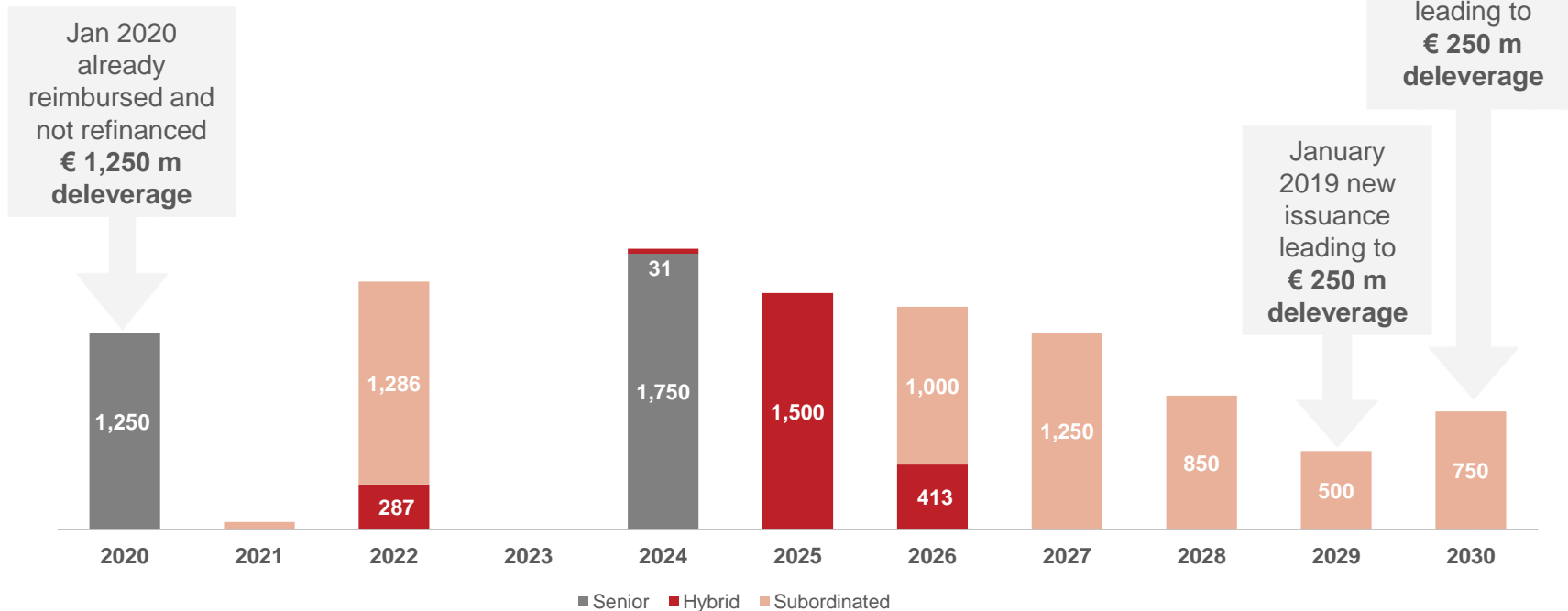
	FY18	FY19
<b>Average cost (%)</b>	5.66%	4.95%
Subordinated/Hybrid	6.18%	5.23%
Senior	4.19%	4.19%
<b>Average maturity (years)</b>	5.34	5.52
<b>Interest expenses on financial debt (€ m)</b>	666	605

## Total financial debt



# Debt issuances breakdown by expiry date/call date

(Nominal value - € m)



# Financial leverage: peer<sup>(1)</sup> comparison

	FY19
<b>Financial leverage= financial debt/(S2 Unrestricted Tier 1 + financial debt)</b>	
Generali	22.8% <sup>(2)</sup>
Peer 1	24.4%
Peer 2	31.9%
Peer 3	36.8%

(1) Peers considered in the comparison are Allianz, Aviva and Axa

(2) Including the reimbursement of senior debt in January 2020, the ratio would be 20.8%

### III. Backup

Costs page **44**

Investments page **46**

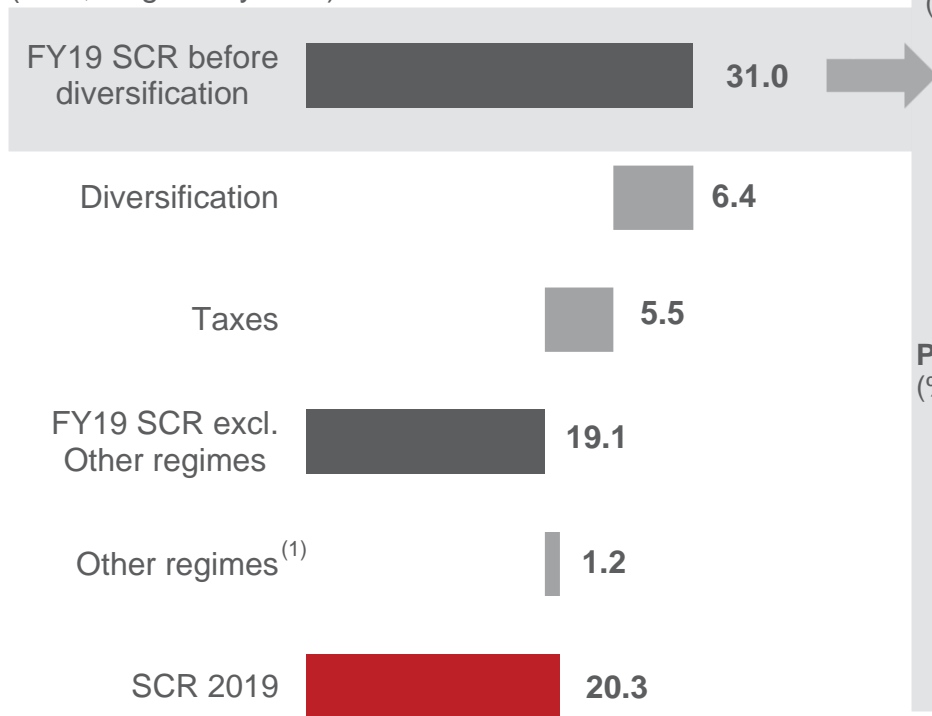
Financial debt page **52**

• **Solvency 2** page **56**

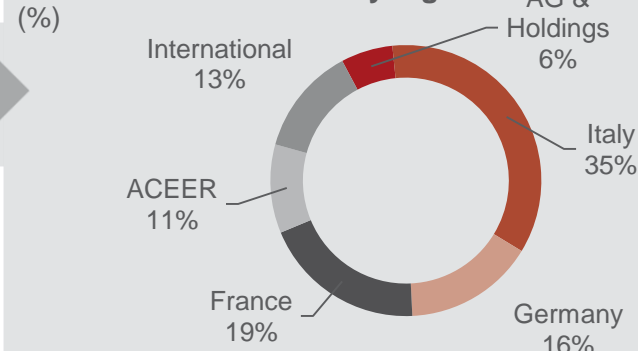
# Focus on SCR

## FY19 SCR

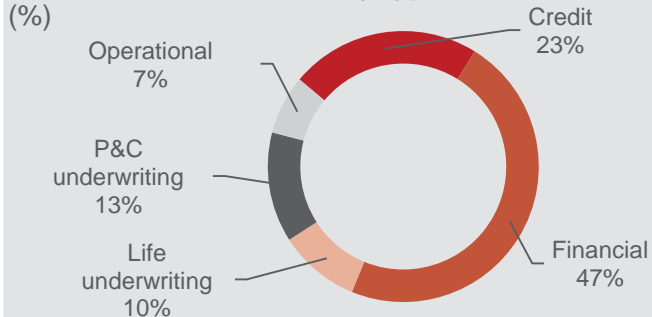
(€ bn, Regulatory view)



### Pre-diversification SCR by region (%)



### Pre-diversification SCR by type of risk (%)



(1) IORP in France, Asset Management, Banking

Note: "Credit" risk includes default risk, spread widening and rating migration risks from IM "Financial risk includes Standard Formula Spread risk accounting for 21%



## Disclaimer

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.

Neither **Assicurazioni Generali SpA** nor any of its affiliates, directors, officers employees or agents owe any duty of care towards any user of the information provided herein nor any obligation to update any forward-looking information contained in this document.

The manager charged with preparing the company's financial reports, Cristiano Borean, 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.

# Next Events

13 March 2020  
**FY 2019  
results  
reporting**

30 April 2020  
**Annual  
General  
Meeting**

21 May 2020  
**1Q 2020  
results  
reporting**

30 July 2020  
**1H 2020  
results  
reporting**

12 November 2020  
**9M 2020  
results  
reporting**

18 November 2020  
**Investor Day**



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**Thank you**



# GENERALI GROUP 2019 Results