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## AM Best Affirms Credit Ratings of Assicurazioni Generali S.p.A. and Its Main Subsidiaries

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### Related Companies

For information about each company, including the Best's Credit Reports, group members (where applicable) and news stories, click on the company name. An additional purchase may be required.

AMB#	Company Name		
085124	Assicurazioni Generali S.p.A.		
085071	Assicurazioni Generali S.p.A.		
090532	Assicurazioni Generali S.p.A. JPB		
085304	COSMOS Lebensversicherungs-AG		
085382	COSMOS Versicherung AG		
1	2	3	4

### FOR IMMEDIATE RELEASE

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**AM Best** has affirmed the Financial Strength Rating (FSR) of A (Excellent) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of "a+" of Assicurazioni Generali S.p.A. (Generali) (Italy) and its main rated subsidiaries. Concurrently, AM Best has affirmed the Long-Term Issue Credit Ratings (Long-Term IRs) of debt instruments issued or guaranteed by Generali. The outlook of the Credit Ratings (ratings) is stable.

The ratings reflect Generali's balance sheet strength, which AM Best categorises as strong, as well as its strong operating performance, very favourable business profile and appropriate enterprise risk management.

Generali's balance sheet strength is underpinned by risk-adjusted capitalization that is considered to be at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). The group had a regulatory solvency ratio of 203% as at 30 September 2020 (YE 2019: 224%). Offsetting factors in the assessment include the group's significant exposure to Italian sovereign bonds, amounting to EUR 62.8 billion, or 214% of shareholders' equity, as of year-end 2019. While the debt is mostly held against participating life contracts, the position introduces potential volatility to the regulatory solvency and risk-adjusted capitalisation levels.

Generali's strong operating performance is driven by solid technical performance. Technical results are underpinned by the group's non-life business, which produced average combined ratios of 92.9% over the five-year period ending in 2019, as calculated by AM Best. The group's life technical results remain impacted by legacy products with elevated interest rate guarantees, but AM Best expects the group's sustained focus on capital efficient, low guarantee products to improve this line's profitability. While the COVID-19 pandemic impacted Generali's profitability, results are expected to revert to historic norms. Losses related to the pandemic were primarily driven by non-operating results, mainly on investments. The group's net profit was EUR 1.3 billion for the first nine months of 2020, down 40% from the same period in 2019.

Generali's very favourable business profile is underpinned by its leading and defensible positions in its core markets. The group has a solid franchise, reinforced by its excellent access to markets through its strong proprietary network and its multichannel distribution strategy. The group has continued to expand its asset management business, with third party assets under management remaining flat through the pandemic at EUR 161 billion through Sept. 30, 2020. The business provides the group with a diversified source of revenue.

The FSR of A (Excellent) and the Long-Term ICRs of "a+" have been affirmed with stable outlooks for Assicurazioni Generali S.p.A. and its following subsidiaries:

- Generali Italia S.p.A.
- Generali Deutschland AG
- COSMOS Lebensversicherungs AG
- COSMOS Versicherung AG
- Generali Vie S.A.
- Generali IARD S.A.
- Generali Česká Pojišťovna, a.s.
  
- Generali España, Sociedad Anonima de Seguros y Reaseguros
- Generali Deutschland Versicherung AG
- Generali Deutschland Krankenversicherung AG
- Generali Deutschland Lebensversicherung AG

The Long-Term ICR of “bbb+” with a stable outlook has been affirmed for Generali France S.A.

The following Long-Term IRs have been affirmed with a stable outlook:

Assicurazioni Generali S.p.A.—

- “a-” on EUR 1,750 million 5.125% senior unsecured notes, due 2024
- “a-” on EUR 1,250 million 5.5% fixed/floating rate senior dated subordinated notes, due 2047 (callable in 2027)
- “a-” on EUR 850 million 5% fixed/floating rate senior dated subordinated notes, due 2048 (callable in 2028)
- “a-” on EUR 1,000 million 4.125% fixed rate senior dated subordinated notes, due 2026
- “a-” on EUR 1,250 million 7.75% fixed/floating rate senior subordinated notes, due 2042 (callable in 2022) (of which EUR 467 million remains outstanding)
- “a-” on EUR 750 million 10.125% fixed/floating rate senior subordinated notes, due 2042 (callable in 2022) (of which EUR 302 million remains outstanding)
- “a-” on EUR 500 million, 3.875% fixed rate senior dated subordinated notes, due 2029
- “a-” on EUR 750 million, 2.124% fixed rate senior dated subordinated notes, due 2030
- “bbb+” on GBP 495 million 6.416% fixed/floating rate junior subordinated perpetual debentures, callable in 2022 (of which GBP 167 million remains outstanding)
- “bbb+” on GBP 350 million 6.269% fixed/floating rate junior subordinated perpetual debentures, callable in 2026
- “bbb+” on EUR 1,500 million 4.596% fixed/floating rate more deeply subordinated perpetual notes (originally issued by Generali Finance B.V.)

The following indicative Long-Term IRs on securities available under the EUR 15 billion medium-term note programme have been affirmed as indicated, with a stable outlook:

Assicurazioni Generali S.p.A.—

- “a-” on all senior unsecured notes to be issued under the programme
- “a-” on all senior subordinated notes to be issued under the programme

— “bbb+” on all junior subordinated notes to be issued under the programme

**This press release relates to Credit Ratings that have been published on AM Best’s website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best’s Recent Rating Activity web page. For additional information regarding the use and limitations of Credit Rating opinions, please view Guide to Best’s Credit Ratings. For information on the proper media use of Best’s Credit Ratings and AM Best press releases, please view Guide for Media - Proper Use of Best’s Credit Ratings and AM Best Rating Action Press Releases.**

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