

Information on consolidation area and group companies

1. Consolidation area

Based on the IFRS 10, the Consolidated financial statements include the figures for both the Parent company and the subsidiaries directly or indirectly controlled.

As at 31 December 2018, the consolidation area went from 423 to 455 companies, of which 419 are subsidiaries consolidated line by line and 36 associated companies valued at equity.

Changes in the consolidation area compared to the previous year and the table listing companies included in the consolidation area are attached to these Notes, in the Appendix related to the change in the consolidation area, compared to 2017.

2. Disclosures on interests in other entities

2.1 Interests in Subsidiaries

Non-controlling-interests

A summary of the financial information relating to each subsidiary that have non-controlling interests material for the Group is provided here below. The amounts disclosed are before inter-company eliminations (except for the item “Cumulated non controlling interests of the subsidiary” and “profit or loss attributable to non-controlling interests” that are disclosed from a consolidated perspective).

Non-controlling interests

Principal place of business (€ million)	Banca Generali Group Italy		Generali China Life Insurance Co. Ltd China	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
BALANCE SHEET				
Investments	7,763	7,655	7,252	6,686
Other assets	712	678	336	333
Cash and cash equivalents	1,315	804	83	94
TOTAL ASSETS	9,790	9,137	7,671	7,113
Technical provisions	-	-	5,710	5,300
Financial liabilities	8,609	7,851	960	868
Other liabilities	487	541	365	376
Net Assets	694	745	636	570
TOTAL NET ASSETS AND LIABILITIES	9,790	9,137	7,671	7,113
NET ASSETS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	335	357	318	285
INCOME STATEMENT				
Net earned premiums	-	-	1,657	1,110
Fee and commission income	840	869	3	3
NET RESULT	334	406	71	51
OTHER COMPREHENSIVE INCOME	-78	13	26	-170
TOTAL COMPREHENSIVE INCOME	256	419	97	-119
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	92	102	33	23
DIVIDENDS PAID TO NON-CONTROLLING INTERESTS	73	62	15	15
CASH FLOW				
cash flow from operating activities	448	371	68	133
cash flow from investing activities	136	-259	-160	95
cash flow from financing activities	-158	-132	81	-176

Transactions with non controlling interests

No relevant transactions with minority shareholders occurred during 2018.

Significant restrictions

In relation to the Group's interests in subsidiaries, no significant restrictions exist on the Group's ability to access or use its assets and settle its liabilities. For further details regarding restrictions on Group assets, please refer to paragraph *Contingent liabilities, commitments, guarantees, pledged assets and collaterals* in *Additional information section*.

2.2 Interest in Associates

The Group has material interests into two associates that are accounted for according to the equity method.

Material Group associates

Company	Deutsche Vermögensberatung Aktiengesellschaft DVAG	Guotai Asset Management Company
Nature of the relationship with the Group	DVAG is the leading sales network for financial services in Germany and has an exclusive distribution partnership with a company held by Generali Deutschland Group	Guotai is one of the first professional fund management companies in China. The company manages mutual funds and several Social Security Fund (SSF) portfolios adding up to approximately 60 billion of renmimbi (approximately € 8 billion) value of assets under management
Principal Place of business	Germany	China
Profit rights/voting rights held (if different)	30% / 40%	30%

The summarised financial information relating to the most material associates in which the Group has an interest including the reconciliation with the related carrying amounts (including goodwill, where present) are provided here below.

Summarised financial information - material associates

(€ million)	Deutsche Vermögensberatung Aktiengesellschaft DVAG		Guotai Asset Management Company	
	31/12/2017(*)	31/12/2016(*)	31/12/2018	31/12/2017
INCOME STATEMENT				
Revenues	1,371	1,350	185	169
Profit from continuing operations	196	189	51	58
Profit from discontinued operations after taxes	-	-	-	-
OTHER COMPREHENSIVE INCOME	-	-	9	3
TOTAL COMPREHENSIVE INCOME	196	189	42	62
BALANCE SHEET				
Current assets	408	385	302	260
Non-current assets	748	776	26	19
Current liabilities	308	333	50	47
Non-current liabilities	211	203	56	38
NET ASSETS	636	626	221	194

(*) The financial information are referred to the last approved financial statements by the Shareholders meeting of the associated company Deutsche Vermögensberatung Aktiengesellschaft DVAG

Carrying amount reconciliation - material associates

(€ million)	Deutsche Vermögensberatung Aktiengesellschaft DVAG		Guotai Asset Management Company	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Carrying amount of interest in immaterial associates	234	234	155	145
Total comprehensive income attributable to the Group	53	51	12	16
Dividends received during the year	-141	-52	-4	-6
Carrying amount in investee at the end of the year	146	234	163	155

As part of the commercial relationships in the German area with the distribution partner DVAG, we inform that the current controlling shareholder hold a put option exercisable in respect of Generali Group.

At the reporting date no liability has been accounted for because the put option refers to an associate and therefore it does not fall into the category of the options on non-controlling interests referred to in par. 23 of IAS 32.

The potential outflow of resources will be defined by the parties when and if the option is exercised on the basis of the fair value measurement criteria of the option itself.

Furthermore, the Group holds interests in associates which are not individually material that, as mentioned above, are accounted for according to the equity method. The associates in which the Group has interest mainly operate in the insurance and financial services industries.

For these associates aggregated summarised financial information are provided here below:

Summarized financial information - immaterial associates

(€ million)	31/12/2018	31/12/2017
Carrying amount of interests in immaterial associates	432	420
Aggregated Group's share of:		
Profit from continuing operations	10	5
Profit from discontinued operations after taxes	-	-
Other comprehensive income	2	8
Total comprehensive income	13	12

In relation to the Group's interests in associates, no significant contractual, legal or regulatory restrictions exist on the Group's ability to access or use its assets and settle its liabilities. With respect to contingent liabilities,

please refer to paragraph *Contingent liabilities, commitments, guarantees, pledged assets and collaterals* in *Additional information* section.

2.3 Joint ventures

Here below please find the information on Group joint ventures:

Aggregated information on immaterial joint ventures

(€ million)	31/12/2018	31/12/2017
Carrying amount of interests in immaterial joint ventures	218	224
Aggregated Group's share of:		
Aggregated Group's share of:	51	19
Profit from continuing operations	-	-
Profit from discontinued operations after taxes	-1	-12
Total comprehensive income	50	7

Significant restrictions

In relation to the Group's interests in joint ventures, no significant contractual, legal or regulatory restrictions exist on the Group's ability to access or use its assets and settle its liabilities, nor significant commitments exist. For further details regarding restrictions on Group assets, please refer to paragraph *Contingent liabilities, commitments, guarantees, pledged assets and collaterals* in *Additional information* section

2.4 Unconsolidated Structured Entities

As of 31 December 2018, Generali Group holds no interests in unconsolidated structured entities that expose the Group to the variability of returns arising from their performance.

However, please find below the following cases:

- In 2016 Generali Group stipulated a contract with Horse Capital I, an Irish designated activity company, to protect the aggregate motor third party liability (MTPL) loss ratio of 12 of its subsidiaries that write business in the 7 European countries in which Generali has a relevant market share in motor business (Italy, Germany, France, Austria, Czech Republic, Spain and Switzerland)
- Generali Group is considered a sponsor because it originated the insurance risk of the structured entity. The Group transfers, by this protection, part of the risk

linked to unexpected fluctuations of the MTPL loss ratio. Generali pays a different premium every year depending on the subscribed tranche - being 4% on Class A, 6,25% on Class B and 12% on Class C - on the amount of cover provided corresponding to each tranche amounting to € 85 million. The related cost is presented within "The Earned premiums cede" line in the statement of Profit or loss.

- In 2017 Assicurazioni Generali stipulated a reinsurance contract in the current year with Lion II Re DAC, an Irish special purpose company, which for a period of four years will cover the possible catastrophic losses suffered by the Generali Group following storms and floods in Europe and earthquakes in Italy. The Lion II Re transaction transfers part of the risk to bond investors, thus optimizing the Group's protection against disasters. The positive outcome of the placement of ILS debt securities on the capital market has made it possible to guarantee the protection provided by Lion II Re DAC to Generali with an annual premium of 3% for a total of € 200 million of reinsurance coverage. This amount will be returned by Lion II Re DAC to investors if during the 4 years of operation of the transaction no events occurred on the Generali Group, deriving respectively from storms or floods in Europe or earthquake in Italy, in excess of pre-established damage thresholds each type of risk.

The aforementioned vehicles are not consolidated as the Generali Group has no control over the entities and is not exposed to the resulting variable returns.

3 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures

(€ million)	31/12/2018	31/12/2017
Investments in non-consolidated subsidiaries	192	127
Investments in associated companies valued at equity	741	810
Investments in joint ventures	218	224
Investments in other associated companies	170	9
Total	1,320	1,171

4 Goodwill

Goodwill

(€ million)	31/12/2018	31/12/2017
Gross book value as at 31 December previous year	6,679	6,664
Accumulated depreciation and impairment as at 31 December previous year	0	0
Carrying amount as at 31 December previous year	6,679	6,664
Changes in consolidation scope	8	0
Other variations	-7	15
Gross book value as at the end of the period	6,680	6,679
Accumulated depreciation and impairment as at the end of the period	-0	-0
Carrying amount as at the end of the period	6,680	6,679

As at 31 December 2018 Group's goodwill amounted to € 6,680 million.

The table below details the goodwill by relevant companies:

Goodwill: details

(€ million)	31/12/2018	31/12/2017
Generali Deutschland Holding	2,179	2,179
Alleanza Assicurazioni	1,461	1,461
Generali Italia	1,332	1,332
Generali CEE Holding Group	629	625
Generali France Group	415	415
Generali Schweiz Holding AG	309	296
Generali Holding Vienna AG	153	153
Other	201	218
Total goodwill	6,680	6,679

The goodwill booked was subject to impairment tests as stated by IAS 36.

Cash generating units were established in accordance with the Group's participation structure and considering the IFRS 8 requirements relating to operating segments, which Assicurazioni Generali identified as Life and Non-Life.

The table below shows the details of the Group's goodwill by cash generating unit:

Goodwill by cash generating unit

(€ million)	Life	Non Life	Total
Generali Deutschland Holding	562	1,617	2,179
Alleanza Assicurazioni	1,461	0	1,461
Generali Italia	640	692	1,332
Generali CEE Holding Group	405	224	629
Generali France Group	319	96	415
Generali Schweiz Holding AG	87	221	309
Generali Holding Vienna AG	76	77	153
Europ Assistance Group	0	97	97
Other			103
Goodwill	3,551	3,026	6,680

The cash generating units have been defined consistently with IAS 36; with regard to the measurement of the recovery value, of the cash generating unit (CGU) of Generali Italia, Alleanza Assicurazioni, Generali Deutschland Holding, Generali CEE Holding Group, Generali Schweiz Holding AG, Europ Assistance, Generali Holding Vienna and Generali France the Dividend Discount Model (DDM) has been used, as described in the basis of presentation and accounting principles, for the determination of the recovery value.

This method represents a variant of the method of cash flows. In particular, the Excess Capital variant, defines the entity's economic value as the discounted dividend maintaining an appropriate capital structure taking into consideration the capital constraints imposed by the Supervisor as the solvency margin. This method results in the sum of discounted value of future dividends and the cash generating unit terminal value.

The application of this criterion entailed in general the following phases:

- explicit forecast of the future cash flows to be distributed to the shareholders in the planned time frame, taking into account the limit due to the necessity of maintaining an adequate capital level;
- calculation of the cash generating unit's terminal value, that was the foreseen value of the cash generating unit at the end of the latest year planned.

The expected cash flows used in the analysis for each CGU, were those detailed in the Strategic Plan 2019-2021, presented to the Board of Directors in December 2018 and any significant subsequent events. In order to extend the analysis horizon to a 5 years period, the main economic and financial data were estimated for a further two years (2022 and 2023). The net result (2022 and 2023) was calculated using a sustainable growth rate for each CGU.

The table below shows the evaluation parameters used for the main CGU:

A) Nominal growth rate (g):

Goodwill: Nominal growth rate (g)

	g scelto
Generali Deutschland Holding	2.00%
Alleanza Assicurazioni	2.00%
Generali Italia	2.00%
Generali CEE Holding Group	2.50%
Generali France Group	2.00%
Generali Schweiz Holding AG	1.00%
Generali Holding Vienna AG	2.00%
Europ Assistance Group	2.00%

B) Cost of equity (Ke) of the company net of taxes:

Goodwill: cost of equity (Ke) net of taxes

	ke
Generali Deutschland Holding	
Life Companies	7.70%
Non Life Companies	6.70%
Alleanza Assicurazioni	
Life Companies	10.10%
Generali Italia	
Life Companies	10.10%
Non Life Companies	9.10%
Generali CEE Holding Group	
Life Companies	9.30%
Non Life Companies	8.40%
Generali France Group	
Life Companies	7.60%
Non Life Companies	6.50%
Generali Schweiz Holding AG	
Life Companies	6.80%
Non Life Companies	5.80%
Generali Holding Vienna AG	
Life Companies	7.40%
Non Life Companies	6.40%
Europ Assistance Group AG	
Non Life Companies	8.30%

The cost of equity (Ke) for each entity is extrapolated based on the Capital Asset Pricing Model (CAPM) formula.

In detail:

- the risk free rate was defined as the average value - observed during the last three months of 2018 of the 10-years government bond of the reference country of operation of the CGU, on which the goodwill has been allocated;
- the Beta coefficient was determined based on a homogeneous basket of securities of the non-life and life insurance sectors, which was compared to market indexes. The observation period was 5 years with weekly frequency;
- the market risk premium amounts to 5.5% for all Group's CGUs.

All CGUs passed the impairment test, being their recoverable amounts higher than their carrying amounts. Furthermore a sensitivity analysis was performed on the results changing the cost of own capital of the company (Ke) (+/-1%) and the perpetual growth rate of distributable future cash flows (g) (+/-1%) and for Non-life segment also for the main non-financial assumptions. This sensitivity did not highlight any negative difference between the carrying amount and the recoverable amount.

5 Non-current assets or disposal group classified as held for sale

With reference to policy of divestment of non-core and not strategic assets set by Generali Group, please note the following:

- Colombia

In April 2018, the Group finalized the sale of insurance activities held in Guatemala undertaken in 2016, following the release of the necessary regulatory authorizations. Therefore, the related investment and the related assets and liabilities, profits and losses are no longer recorded in the Group financial statements.

The consideration for the sale is € 27 million with a consequent realized profit of € 8 million, net of taxes.

- The Netherlands

In February 2018, the Group finalized the sale of its entire investment in The Netherlands. Therefore, the related investment and the related assets and liabilities, profits and losses are no longer recorded in the Group financial statements.

The consideration for the sale is € 143 million. The related economics effects have been accounted for in 2017.

- Ireland

In June 2018, the Group finalized also the sale of its entire investment in Generali Pan Europe. Therefore, the related investment and the related assets and liabilities, profits and losses are no longer recorded in the Group financial statements.

The consideration for the sale is € 233 million with an overall impact on the result of the period of € 49 million, net of taxes.

- Liechtenstein

The Group no longer considers this Company as "non-current assets classified as held for sale". Consequently, assets in Liechtenstein are presented within individual items of the balance sheet.

- Belgium

In April 2018, Generali has signed an agreement for the sale of its investment in Generali Belgium SA.

Pending the release of the necessary regulatory authorisation, in accordance with IFRS 5, Generali Belgium SA was classified as disposal group held for sale. As a result, this investment was not excluded from consolidation, but both the total assets and liabilities and the related profit or loss, net of tax effects, have been recorded separately in the specific lines of the financial statements.

The comparative data of the comprehensive income statement and the cash flow statement have been restated. In line with this adjustment, also the tables related to the statement of comprehensive income and the cash flow statement have been restated.

The following tables show a condensed indication of the balance sheet and income statement of discontinued operations.

Non current assets held for sale in Belgium: Assets

(€ million)	31/12/2018	31/12/2017
1 INTANGIBLE ASSETS	1	2
2 TANGIBLE ASSETS	8	9
3 INSURANCE PROVISIONS CEDED	36	35
4 INVESTMENTS	6,267	6,234
5 RECEIVABLES	107	96
6 OTHER ASSETS	113	118
7 CASH AND CASH EQUIVALENTS	36	68
TOTAL ASSETS	6,568	6,562

Non current liabilities held for sale in Belgium: Liabilities

(€ million)	31/12/2018	31/12/2017
2 OTHER PROVISIONS	22	20
3 INSURANCE PROVISIONS	4,931	5,390
4 FINANCIAL LIABILITIES	795	640
5 PAYABLES	98	75
6 OTHER LIABILITIES	163	225
TOTAL LIABILITIES	6,010	6,350

Non current assets held for sale in Belgium: Revenues and Costs

(€ million)	31/12/2018	31/12/2017
Revenues	650	626
Expenses	-611	-579
Profit before tax of discontinued operations	39	48
Income taxes	-9	-8
Result of the year from discontinued operations	30	40

With reference to the statement of cash flows, the above information will not be considered for the purposes of the cash flow for the year. In particular, with reference to 31 December 2018 these activities reduced cash for

€ 32 million (€ 84 million from operating activities, € -127 million from investing activities and € 11 million from financing activities).

Finally, the following table shows the fair value hierarchy of assets and liabilities at fair value held by discontinued operations as at 31 December 2018.

(€ million)	Level 1	Level 2	Level 3	Total
Available for sale financial assets	4,632	440	0	5,073
Equities	56	0	0	57
Bonds	4,495	440	0	4,935
Investment fund units	81	0	0	81
Other assets available for sale	0	0	0	0
Financial assets at fair value through profit or loss	917	1	0	918
Equities	0	0	0	0
Bonds	0	0	0	0
Investment fund units	167	0	0	167
Derivatives	0	1	0	1
Hedging derivatives	0	0	0	0
Investments back to policies where the investment risk is borne by the policyholders	750	0	0	750
Other assets at fair value through profit or loss	0	0	0	0
Total assets at fair value	5,549	441	0	5,990
Financial liabilities at fair value through profit or loss	750	20	0	770
Financial liabilities related to investment contracts issued by insurance companies	750	0	0	750
Derivatives	0	0	0	0
Hedging derivatives	0	20	0	20
Other financial liabilities	0	0	0	0
Total liabilities at fair value	750	20	0	770

– Guernsey

In July 2018, Generali has signed an agreement for the sale of its investment in Generali Worldwide Insurance Company Limited, located in Guernsey.

Pending the release of the necessary regulatory authorisation, in accordance with IFRS 5, these activities were classified as disposal group held for sale. As a result, this investment was not excluded from consolidation, but both the total assets and liabilities and the related profit or loss, net of tax effects, have been recorded separately in the specific lines of the financial statements.

The comparative data of the comprehensive income statement and the cash flow statement have been restated. In line with this adjustment, also the tables related to the statement of comprehensive income and the cash flow statement have been restated.

The following tables show a condensed indication of the balance sheet and income statement of discontinued operations.

Non current assets held for sale in Guernsey: Assets

(€ million)	31/12/2018	31/12/2017
1 INTANGIBLE ASSETS	3	9
2 TANGIBLE ASSETS	1	2
3 INSURANCE PROVISIONS CEDED	14	20
4 INVESTMENTS	4,381	4,657
5 RECEIVABLES	24	24
6 OTHER ASSETS	24	23
7 CASH AND CASH EQUIVALENTS	55	49
TOTAL ASSETS	4,502	4,784

Non current assets held for sale in Guernsey: Liabilities

(€ million)	31/12/2018	31/12/2017
2 OTHER PROVISIONS	47	0
3 INSURANCE PROVISIONS	717	722
4 FINANCIAL LIABILITIES	3,196	3,531
5 PAYABLES	63	76
6 OTHER LIABILITIES	72	78
TOTAL LIABILITIES	4,094	4,408

Non current assets held for sale in Guernsey: Revenues and Costs

(€ million)	31/12/2018	31/12/2017
Revenues	183	276
Expenses	-184	-219
Profit before tax of discontinued operations	-1	57
Income taxes	-0	-1
Result of the year from discontinued operations	-1	56

With reference to the statement of cash flows, the above information will not be considered for the purposes of the cash flow for the year. In particular, with reference to 31 December 2018 these activities increased cash for

€ 5 million (€ -281 million from operating activities, € 657 million from investing activities and € -371 million from financing activities).

Finally, the following table shows the fair value hierarchy of assets and liabilities at fair value held by discontinued operations as at 31 December 2018.

(€ million)	Level 1	Level 2	Level 3	Totale
Available for sale financial assets	317	0	0	317
Equities	0	0	0	0
Bonds	282	0	0	282
Investment fund units	35	0	0	35
Other assets available for sale	0	0	0	0
Financial assets at fair value through profit or loss	3,829	224	8	4,060
Equities	0	0	0	0
Bonds	688	0	1	689
Investment fund units	141	0	0	141
Derivatives	0	0	0	0
Hedging derivatives	0	0	0	0
Investments back to policies where the investment risk is borne by the policyholders	3,000	224	6	3,230
Other assets at fair value through profit or loss	0	0	0	0
Total assets at fair value	4,146	224	8	4,377
Financial liabilities at fair value through profit or loss	3,057	139	0	3,196
Financial liabilities related to investment contracts issued by insurance companies	3,057	139	0	3,196
Derivatives	0	0	0	0
Hedging derivatives	0	0	0	0
Other financial liabilities	0	0	0	0
Total liabilities at fair value	3,057	139	0	3,196

– Generali Leben

In July 2018, Generali has also started the procedure for the sale of its investment in Generali Leben.

Pending the release of the necessary regulatory authorisation, in accordance with IFRS 5, Generali Leben was classified as disposal group held for sale. As a result, this investment was not excluded from consolidation, but both the total assets and liabilities and the related profit or loss, net of tax effects, have been recorded separately in the specific lines of the financial statements.

The comparative data of the comprehensive income statement and the cash flow statement have been restated. In line with this adjustment, also the tables related to the statement of comprehensive income and the cash flow statement have been restated.

The following tables show a condensed indication of the balance sheet and income statement of discontinued operations.

Non current assets held for sale of Generali Leben: Assets

(€ million)	31/12/2018	31/12/2017
1 INTANGIBLE ASSETS	40	40
2 TANGIBLE ASSETS	121	243
3 INSURANCE PROVISIONS CEDED	34	32
4 INVESTMENTS	43,441	44,176
5 RECEIVABLES	231	216
6 OTHER ASSETS	762	948
7 CASH AND CASH EQUIVALENTS	258	305
TOTAL ASSETS	44,888	45,960

Non current assets held for sale of Generali Leben: Liabilities

(€ million)	31/12/2018	31/12/2017
2 OTHER PROVISIONS	4	5
3 INSURANCE PROVISIONS	44,138	45,729
4 FINANCIAL LIABILITIES	140	140
5 PAYABLES	221	344
6 OTHER LIABILITIES	280	359
TOTAL LIABILITIES	44,782	46,578

Non current assets held for sale of Generali Leben: Revenues and Costs

(€ million)	31/12/2018	31/12/2017
Revenues	4,659	4,903
Expenses	-4,476	-4,821
Profit before tax of discontinued operations	183	83
Income taxes	-72	-30
Profit of the year from discontinued operations	111	53

With reference to the statement of cash flows, the above information will not be considered for the purposes of the cash flow for the year. In particular, with reference to 31 December 2018 these activities reduced cash for

€ 47 million (€ -182 million from operating activities, € 252 million from investing activities and € -117 million from financing activities).

Finally, the following table shows the fair value hierarchy of assets and liabilities at fair value held by discontinued operations as at 31 December 2018.

(€ million)	Level 1	Level 2	Level 3	Totale
Available for sale financial assets	27,348	4,021	104	31,472
Equities	188	94	16	298
Bonds	26,966	3,719	0	30,684
Investment fund units	193	203	74	471
Other assets available for sale	0	4	13	18
Financial assets at fair value through profit or loss	4,490	239	0	4,729
Equities	0	0	0	0
Bonds	0	223	0	223
Investment fund units	1,348	0	0	1,348
Derivatives	0	15	0	15
Hedging derivatives	0	2	0	2
Investments back to policies where the investment risk is borne by the policyholders	3,143	0	0	3,143
Other assets at fair value through profit or loss	0	0	0	0
Total assets at fair value	31,838	4,259	104	36,201
Financial liabilities at fair value through profit or loss	0	111	0	111
Financial liabilities related to investment contracts issued by insurance companies	0	0	0	0
Derivatives	0	15	0	15
Hedging derivatives	0	96	0	96
Other financial liabilities	0	0	0	0
Total liabilities at fair value	0	111	0	111

6 Related parties disclosure

With regard to transactions with related parties, the main intra-group activities, conducted at market prices or at cost, were undertaken through relations of insurance, reinsurance and co-insurance, administration and management of securities and real estate assets, leasing, loans and guarantees, IT and administrative services, personnel secondment and claims settlement.

These services substantially aim at guaranteeing the streamlining of operational functions, greater economies in overall management, appropriate levels of service and an exploitation of Group-wide synergies.

For further information regarding related parties transactions - and in particular regarding the procedures adopt-

ed by the Group to ensure that these transactions are performed in accordance with the principles of transparency and substantive and procedural correctness - please refer to the paragraph 'Related Party Transaction Procedures' included in section 'Internal control and risk management system' of the 'Corporate governance and share ownership report'.

The most significant economic and financial transactions with Group companies that are not included in the consolidation area and other related parties are listed below.

As shown in the table below, the impact of such transactions, if compared on a Group basis, is not material.

Related parties

(€ million)	Subsidiaries with significant control not consolidated	Associated companies	Other related parties	Total	% on balance - sheet item
Loans	4	334	77	414	0.1%
Loans issued	-5	-1	-92	-99	0.3%
Interest income	0	4	9	13	0.2%
Interest expense	0	0	-2	-2	0.2%

The subtotal **associated companies** includes loans to Group companies valued with equity method for € 334 million, mostly related to real estate French companies

The subtotal **other related parties** includes the transactions with Mediobanca Group regarding investment bonds for € 77 million and financial liabilities amounting to € 92 million.

With reference to the paragraph 18 of Related Party Transactions Procedures adopted by the Board of Directors in November 2010 there were no (i) Operations of major importance concluded during the reporting period (ii) Related Party Transactions, concluded during the reference period, which influenced the Group's financial statements or profit to a significant extent.