



# GENERALI GROUP

## 2018 Results

*The like for like change of written premiums, life net cash inflows is on equivalent terms (on equivalent exchange rates and consolidation area). 2017 numbers for operating result, investments and operating RoE are restated due to assets disposals. 2017 numbers for new business volumes and value are presented on historical basis*

# Agenda

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|--|----------------|
| <b>I. Strategy Overview</b><br>Philippe Donnet – Group CEO         | <b>Page 3</b>  |
| <b>II. 2018 Business Review</b><br>Frederic de Courtois – Group GM | <b>Page 11</b> |
| <b>III. 2018 Group Financials</b><br>Cristiano Borean – Group CFO  | <b>Page 25</b> |
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# Agenda

## I. Strategy Overview

**Philippe Donnet – Group CEO** page 3

# Key messages

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2015-2018 financial targets exceeded

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Strong net result increased by 9.4%

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Dividend <sup>(1)</sup> increased by 5.9% to €0.90 per share

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Well positioned to deliver Generali 2021

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(1) Subject to the approval of shareholders at the Annual General Meeting on May 7, 2019

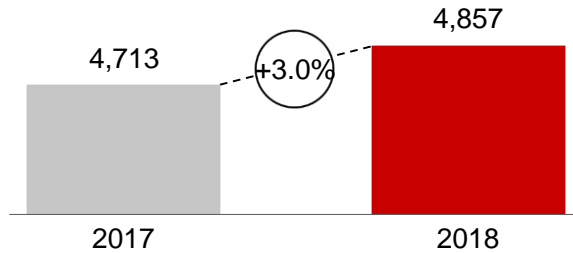
## 2015-2018 financial targets exceeded

	<u>TARGETS</u>	<u>ACTUAL</u>	
Cumulative Net Operating Cash	> €7bn	€8bn	
Cumulative dividends	> €5bn	€5.1bn <sup>(1)</sup>	
Average Operating RoE	> 13%	13.4%	

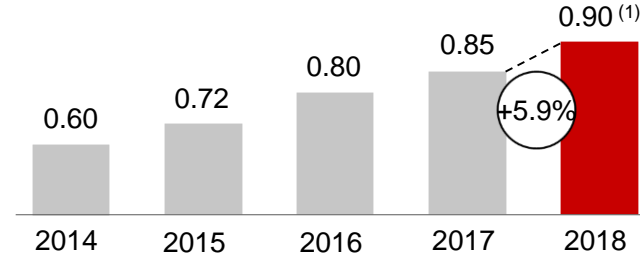
(1) Including 2018 proposed dividend subject to the approval of shareholders at the Annual General Meeting on May 7, 2019

# 2018: increased net result and dividend

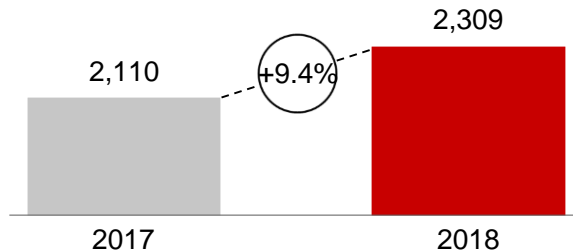
## OPERATING RESULT (Euro m)



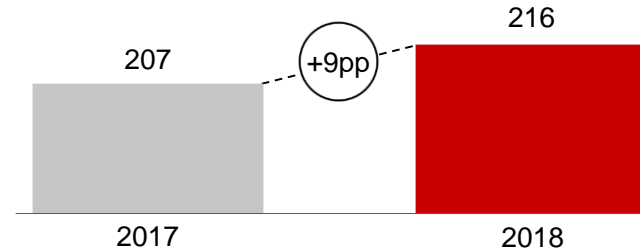
## DIVIDEND PER SHARE (Euro)



## NET RESULT (Euro m)



## SOLVENCY II (Regulatory view, %)



(1) Subject to the approval of shareholders at the Annual General Meeting on May 7, 2019

# Generali 2021 ambition

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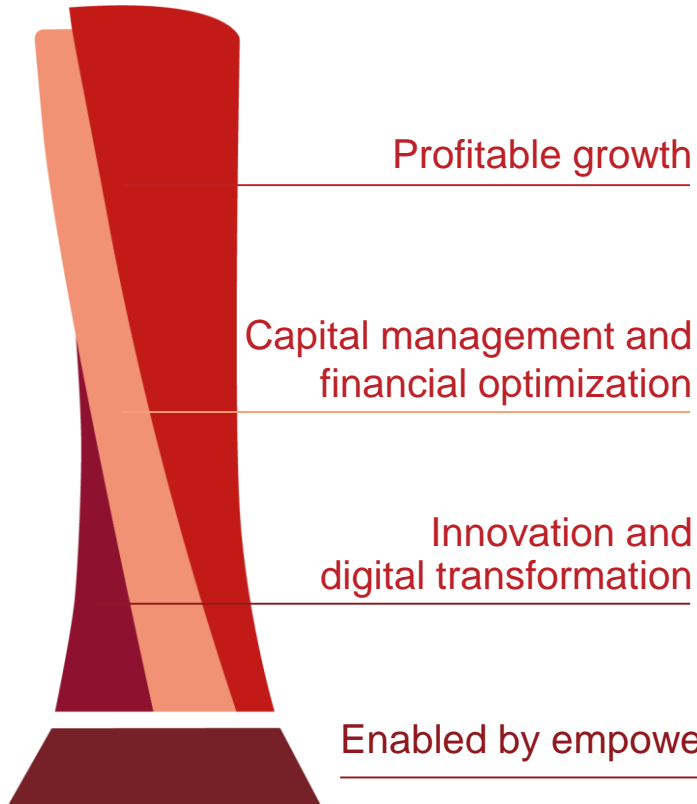
Generali will be a life-time partner to its customers, offering innovative, personalized solutions thanks to its unmatched distribution network.

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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: A strategy built on three pillars



- Strengthen leadership in Europe
- Focus on high potential insurance markets
- Develop a global asset management platform
  
- Increase capital generation
- Enhance cash remittance
- Reduce debt amount and cost
  
- Become a life-time partner to customers
- Enable digital transformation of distribution
- Transform and digitalize operating model



# Generali 2021: robust financial targets

GROWING EARNINGS PER SHARE

INCREASING DIVIDEND

HIGHER RETURNS FOR SHAREHOLDERS



**6%-8%**  
**EPS CAGR RANGE (1)**  
2018-2021

**55%-65%**  
**DIVIDEND PAY-OUT RANGE (2)**  
2019-2021

**>11.5%**  
**AVERAGE RETURN ON EQUITY (3)**  
2019-2021

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

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

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

# Generali actions driven by a long-term purpose

To enable people to shape a safer future  
by caring for their lives and dreams



# Agenda

## II. 2018 Business Review

**Frederic de Courtois – Group GM** page 12

# 2018: Growth, technical excellence and cost discipline

## BEST TECHNICAL EXCELLENCE

- **Life: robust growth of Net Inflows** and confirmed business mix shift towards Capital Light Products with strong new business value and margin growth
- **P&C: accelerated growth** and strong discipline on margins leading to stable combined ratio (93%) despite man made / cat events

## ASSET MANAGEMENT GROWTH

- **Asset management: business development and profitability in line** with plan

## CONTINUOUS COST DISCIPLINE

- **Strong cost discipline** with general expenses evolution under control

## NON OPERATING ITEMS

- **Realized gains further decreased** in 2018 vs. 2017

# 2015-2018 plan: all targets successfully delivered

## (1 of 2)

### IMPROVE OPERATING PERFORMANCE



#### Optimise international footprint

At least **€1bn** cash proceeds from disposals



- Cash proceeds of **€1.5bn** received



#### Rationalise the operating machine

**€200m** net reduction in nominal operating expenses in mature markets



- Target exceeded by **€90m** as at year-end 2018



#### Enhance Technical capabilities

**Best Combined Ratio**, further improve performance vs. peers <sup>(1)</sup>



- **93.0%** at FY18, average outperformance through plan period: **4 p.p.**

Guarantees maximum **0%** on retail New Business Eurozone



- 12bps at FY18 (-10bps vs. FY17), 0bps at FY18 in Euro-area
- **-4bps** at FY18 in retail Euro-area

(1) Selected peers = Allianz, AXA, Zurich

## 2015-2018 plan: all targets successfully delivered

(2 of 2)

## CREATE LONG-TERM VALUE



### Rebalance our portfolio

**30bps** reduction of avg. portfolio guarantee to **1.5%**



- **1.36%** at FY18, **-44bps** over the plan period (-20bps impact from the **Generali Leben** agreement and the geographical optimization program)

**+6 p.p.** capital light reserves as % of total



- **+8.6 p.p.** shift to capital-light reserves (+3.2 p.p. impact from the **Generali Leben** agreement and the geographical optimization program)

**€150m** additional Net Result from Asset Management in 2020



- **€57m** increase of net result from AM Europe in FY18 vs. FY17, €124m vs. FY16



### Customer & distributor innovation

**+2 p.p.** increase in retention



- T-NPS program live in **58** Business Units (+18% promoters, -23% detractors)
- **Mobile Hub** successfully rolled out in Italy, France, Spain and Switzerland



### Strengthen the brand

**+3%** mature market brand preference



- Brand strengthened (+**3.15%**)
- Important **deal with DVAG** in Germany to distribute Generali brand exclusively

# 2015-2018 international footprint optimization successfully completed

(€ bn)



(1) The value is related to the purchase price on 100% basis and it is excluding the reimbursement of the subordinated loans

# Disciplined approach towards M&A – fully aligned with strategy

## INSURANCE

<b>CEE Partnership with Unicredit</b>	Exclusive partner for distribution of CPI <sup>(1)</sup>
<b>Concordia in Poland - Acquired</b>	330k clients with €120m of GWP
<b>Strengthening of the partnership in India</b>	Committed up to €120m for step up in JVs
<b>TripMate by Europ Assistance - Acquired</b>	Leader in tour operator travel insurance in US
<b>Adriatic Slovenica - Acquired</b>	500k clients with €300m of GWP

(1) Credit Protection Insurance

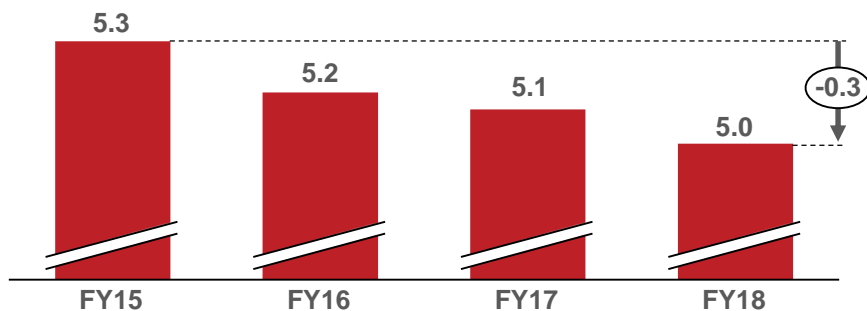
## ASSET MANAGEMENT

<b>Union Investment in Poland</b>	€3.3bn of AuM
<b>CM Investment Solutions</b>	\$11bn of AuM
<b>Sycomore in France</b>	€8.3bn of AuM
<b>KD Funds in Slovenia</b>	€0.75bn of AuM



# Continued reduction in mature market operating expenses

Mature Market General Expenses development (OpEx view) <sup>(1)</sup>  
(€ bn)



- **2018 net reduction** across mature markets of **ca. € -290 m** (vs. 2015 baseline) **exceeding** the target
- **Continuous rigorous cost approach** to support business opportunities, investment in growth markets and the launch of new Group Strategy

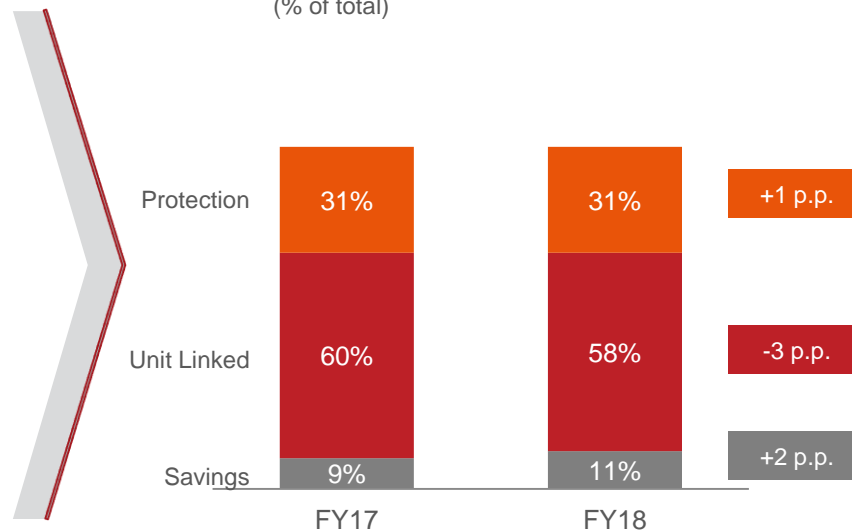
(1) Constant perimeter with carveout countries subjected to geographical footprint

# Life net inflows growing with strong capital light business component

**NET INFLOW BY COUNTRY**  
(€ m)

	FY17	FY18	%
Italy	5,703	4,769	-16.4%
France	959	1,571	+63.9%
Germany	2,966	3,197	+7.8%
ACEER	327	312	-6.3%
International	922	1,519	+74.5%
Group Holding	0	1	n.a.
<b>TOTAL</b>	<b>10,877</b>	<b>11,369</b>	<b>+5.2%</b>

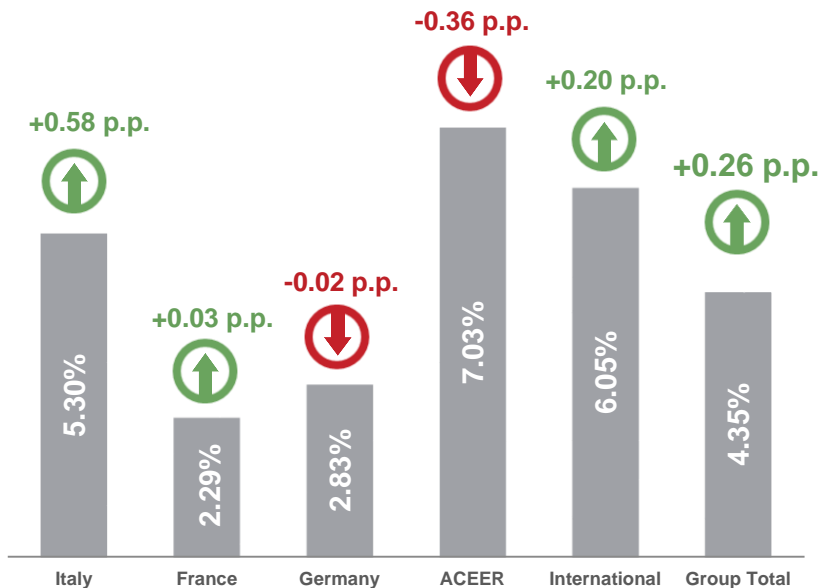
**NET INFLOW MIX**  
(% of total)



# Further improvement in Life New Business profitability

## MARGIN ON PVNBP

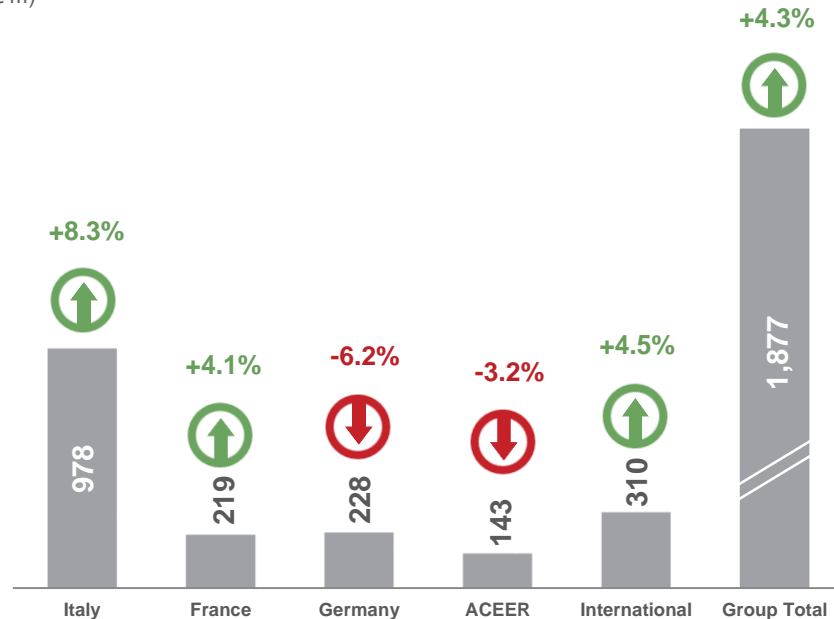
(%)



Note: the arrow represents the variation vs FY17 numbers

## NBV

(€ m)

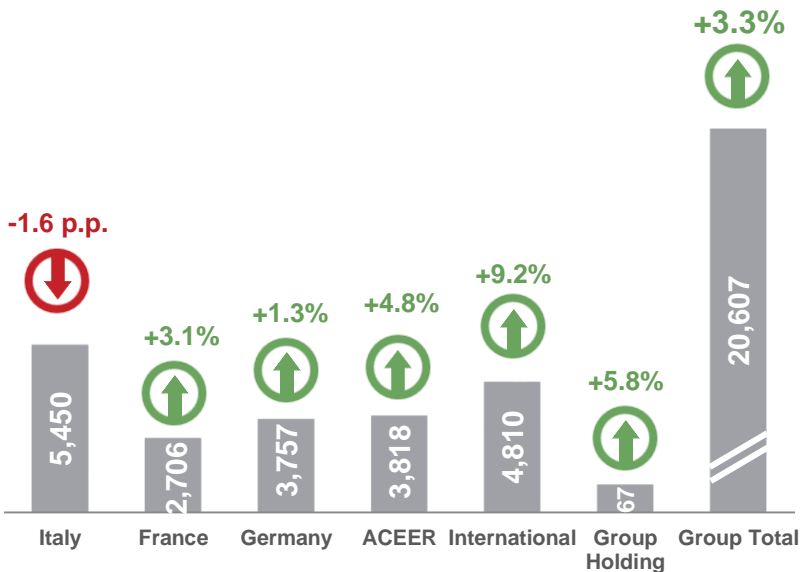


# Strong growth in P&C volumes and robust technical profitability

## GROSS WRITTEN PREMIUMS

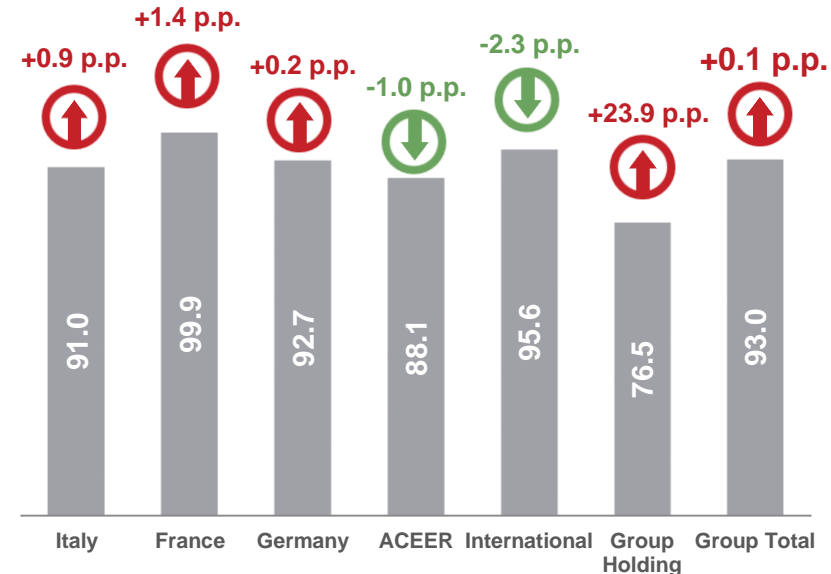
(€ m)

Total variation due to:	
Primary Motor	+3.4%
Primary Non-Motor	+2.7%



## COMBINED RATIO

(%)



Note: the arrow represents the variation vs FY17 numbers

## Solid growth in AM profit, in line with 2021 target <sup>(1)</sup>

(€)	Asset Management Europe			Total Asset Management		
	FY17	FY18	△ %	FY17	FY18	△ %
AuM	447bn	443bn	-1%	463bn	456bn	-2%
Operating result	221m	309m	+39%	261m	335m	+28%
Net result <sup>(2)</sup>	154m	212m	+38%	189m	235m	+24%
Cost / Income ratio <sup>(3)</sup>	58%	47%	-11 p.p.	54%	46%	-8 p.p.

(1) AM net result target for 2021: € 400 m

(2) FY17 restated excluding € 2 m Holding expenses

(3) Including non-operating expenses. Managerial data – including a reclassification of distribution costs in Switzerland for 2017, leading to a 3 p.p. Cost/Income decrease

Note: Net Result including net income attributable to non-controlling interests; Guotai net income contribution evaluated through Generali Equity ownership. Total Asset Management scope also includes Generali Investment Asia, Generali China Asset Management Company and Guotai

# Ready for Generali 2021

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STRONG FOUNDATIONS

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AMBITIOUS AND CREDIBLE PLAN

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CLEAR FRAMEWORK FOR ACCOUNTABILITY

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# Generali 2021 strictly monitored strategy execution



STRATEGY ITEM	MAIN INDUSTRIAL KPI	AMBITION
<b>Profitable Growth</b>	Earnings CAGR 2018-2021 insurance markets Europe	3% - 6%
	Earnings CAGR 2018-2021 service-based revenue streams	7% - 10%
	Earning CAGR 2018-2021 high potential insurance markets	20% - 25%
	Earning CAGR 2017-2021 Asset Management	15% - 20%
<b>Capital Management and Financial Optimization</b>	Cumulative Capital Generation 2019-2021	> €10.5bn
	Net cash remittance to Holding 2019-2021	> €7bn
	Debt Reduction by 2021	€1.5 – 2bn
	Gross Interest Expense Reduction 2021 vs. 2017	€70 – 140m
<b>Innovation and Digital Transformation</b>	Total Investments toward internal strategic initiatives 2019-2021	€1bn
	Cumulative expense reduction Insurance Europe 2018-2021	€200m
<b>People, Brand and Sustainability</b>	New Green and Sustainable Investments by 2021	€4.5bn
	Relationship NPS by 2021	Best among international peers
	Reskilled employees by 2021	50%
	Entities with Smart Working by 2021	100%

## 2018 baseline for Generali 2021 strategy

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2018 Adjusted <sup>(1)</sup> Net Result (EPS)	€2,233m (€1.43)
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2018 Financial Debt	€11.5bn
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(1) Adjusted for impact of gains and losses related to disposals







# Agenda

## III. 2018 Group Financials

**Cristiano Borean – Group CFO** page 26

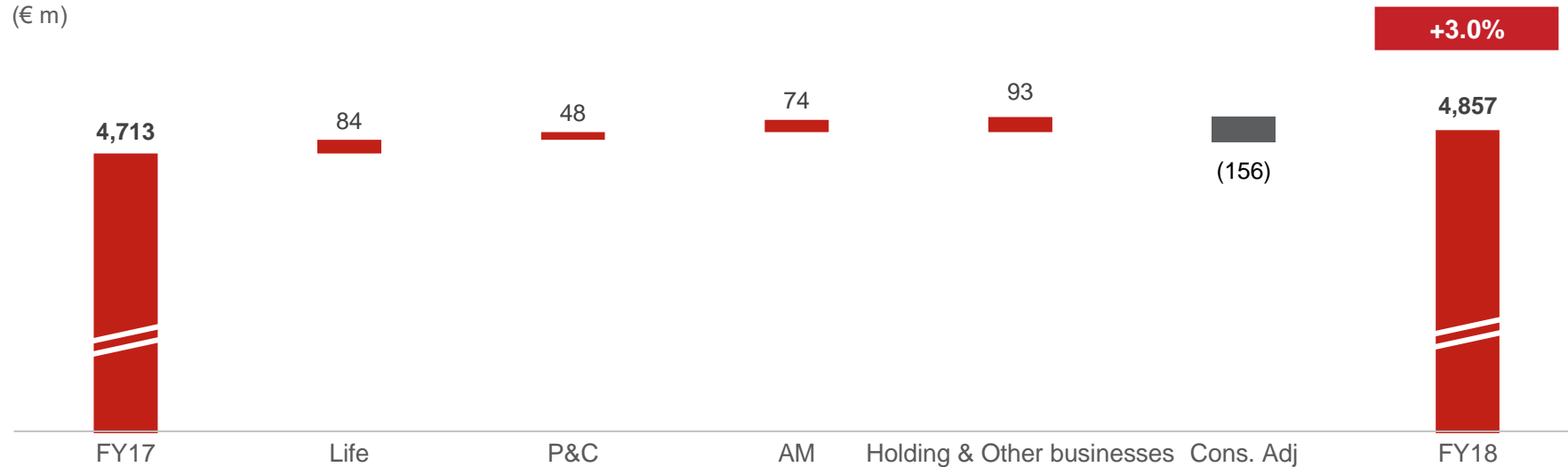
# 2018 top and bottom line growth delivered

	FY17	FY18	Δ (LFL <sup>(1)</sup> )
<b>VOLUMES</b>			
 Gross Written Premiums (€ m)	64,381	<b>66,691</b>	+4.9%
Life (€ m)	43,832	<b>46,084</b>	+5.7%
P&C (€ m)	20,548	<b>20,607</b>	+3.3%
Life Net Inflows (€ m)	10,877	<b>11,369</b>	+5.2%
Life Reserves (€ bn)	336.1	<b>343.4</b>	+2.2%
<b>PROFITABILITY</b>			
 Operating result (€ m)	4,713	<b>4,857</b>	+3.0%
Operating RoE (%)	12.8%	<b>12.6%</b>	-0.2 p.p.
Net result (€ m)	2,110	<b>2,309</b>	+9.4%
New Business Margin (% PVNBP)	4.01%	<b>4.35%</b>	+0.26 p.p.
Combined Ratio (%)	92.9%	<b>93.0%</b>	+0.1 p.p.
Combined Ratio excl. Nat Cat (%)	90.7%	<b>91.2%</b>	+0.5 p.p.
<b>CASH &amp; DIVIDENDS</b>			
 Net operating cash generation (Parent view, € m)	2,231	<b>2,188</b>	-2%
Dividend per share (€)	0.85	<b>0.90</b>	+5.9%
<b>CAPITAL</b>			
 Shareholders' equity (€ m)	25,079	<b>23,601</b>	-5.9%
Solvency II ratio (regulatory view, %)	207%	<b>216%</b>	+9 p.p.

(1) Constant perimeter and exchange rates

# Operating Result improved across all business lines

(€ m)



<b>FY 18</b>	<b>3,067</b>	<b>1,992</b>	<b>335</b>	<b>-70</b>	<b>-467</b>	<b>4,857</b>
<b>FY 17</b>	2,982	1,944	261	-163	-311	4,713
<b>Δ</b>	+2.8%	+2.5%	+28.2%	-57.1%	+50.0%	+3.0%

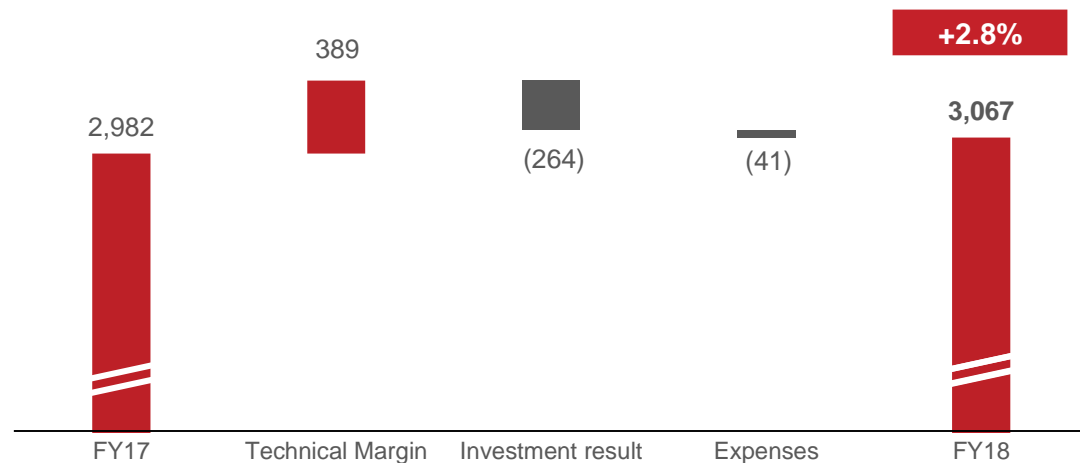
# Growth in both Life margins and volumes

(€ m)

	FY17	FY18	LFL Δ
<b>VOLUMES</b>			
Gross written premiums	43,832	<b>46,084</b>	+5.7%
Net inflows	10,877	<b>11,369</b>	+5.2%
PVNBP	45,429	<b>43,202</b>	-1.8%
<b>PROFITABILITY</b>			
Life operating result	2,982	<b>3,067</b>	+2.8%
Life operating ratio on investments (bps)	82	<b>83</b>	+1 p.p.
New Business Value	1,820	<b>1,877</b>	+4.3%
Margin on PVNBP (%)	4.01%	<b>4.35%</b>	+0.26 p.p.

# Improved technical profitability more than offsets lower investment result

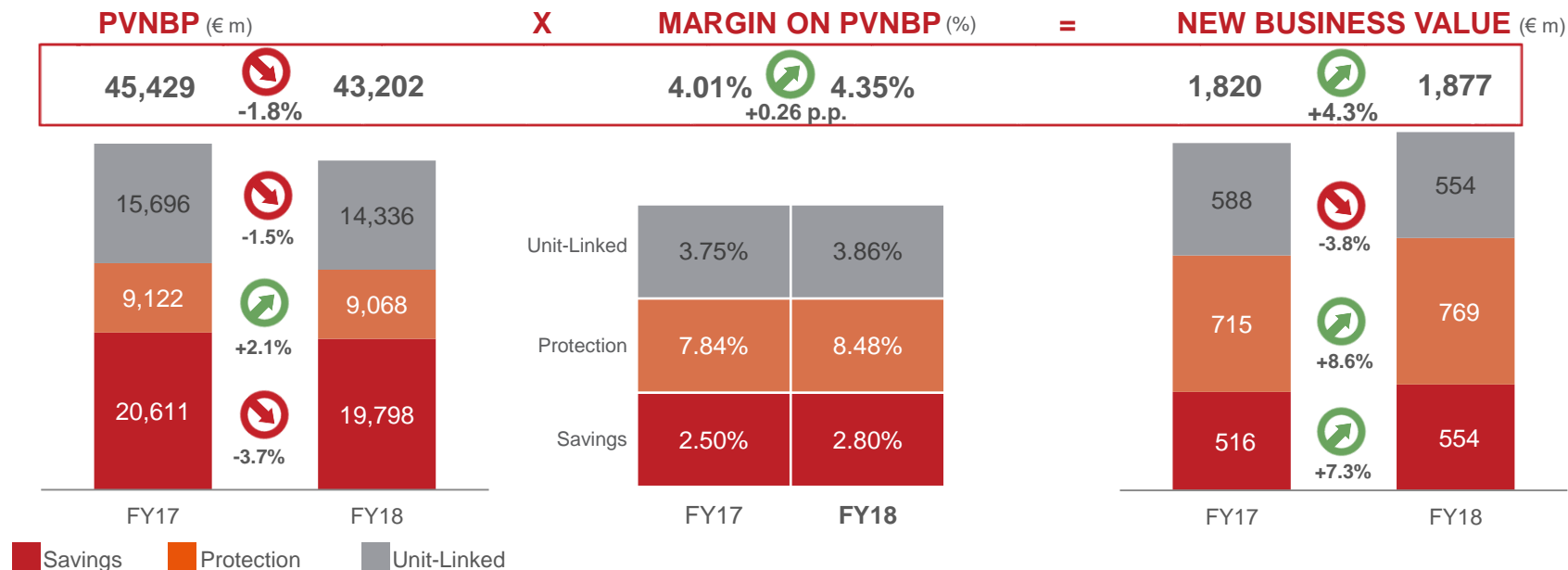
(€ m)



- Overall improved quality of operating result, with greater share of technical margin vs. investment result
- Growth in technical margins reflecting good developments in Italy, France and Asia
- Investment result declining due to lower current income, higher impairments and lower realized gains

<b>FY 18</b>	<b>5,819</b>	<b>1,835</b>	<b>(4,587)</b>
FY 17	5,430	2,098	(4,546)
Δ %	+7.2%	-12.6%	+0.9%

# Strong growth in life new business value driven by margin improvement

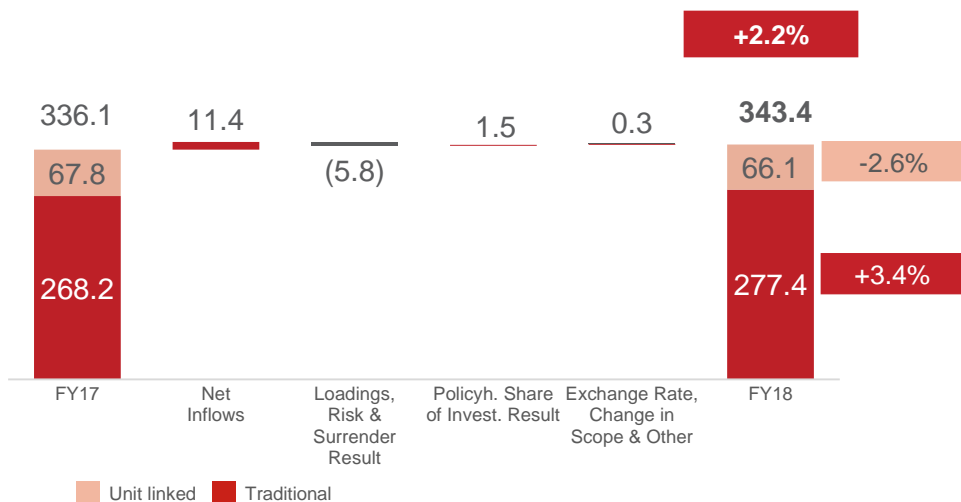


# Reserves mix shift towards capital light: 2018 target achieved

(€ bn)

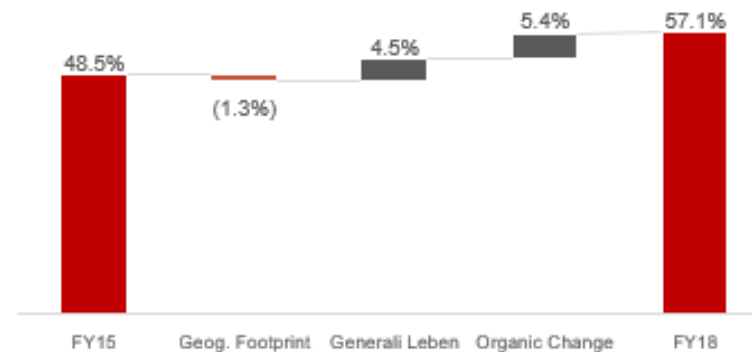
## TOTAL LIFE RESERVES

€ bn



## CAPITAL LIGHT <sup>(1)</sup> RESERVE MIX DEVELOPMENT OVER PLAN PERIOD

(% of total)



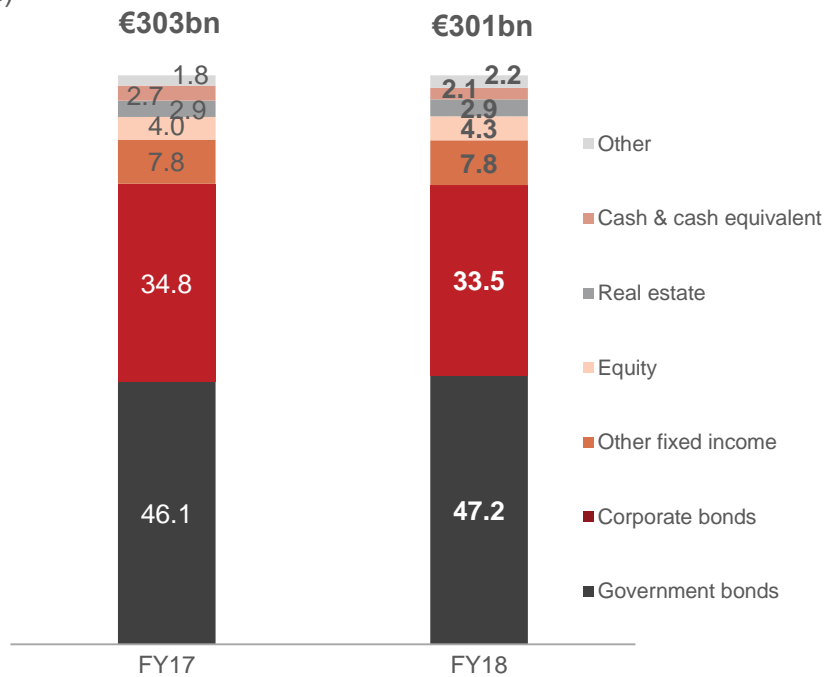
(1) Reserves without interest rate guarantees or with guarantees equal to or lower than 0%

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

# Life investment return resilient

## Life segment general account

(%)



(1) Net of depreciation expenses

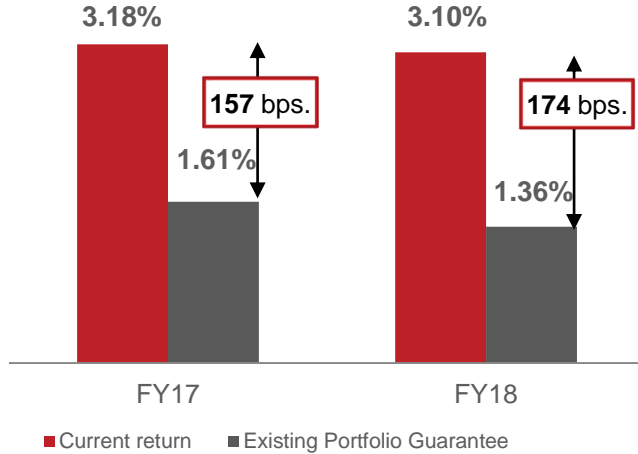
## Current returns

		€ m	%
Fixed income	FY17	8,397	3.1%
	<b>FY18</b>	<b>8,025</b>	<b>3.0%</b>
Equity	FY17	421	3.5%
	<b>FY18</b>	<b>569</b>	<b>4.3%</b>
Real Estate <sup>(1)</sup>	FY17	489	5.7%
	<b>FY18</b>	<b>484</b>	<b>5.6%</b>
Total <sup>(1)</sup>	FY17	9,563	3.2%
	<b>FY18</b>	<b>9,375</b>	<b>3.1%</b>

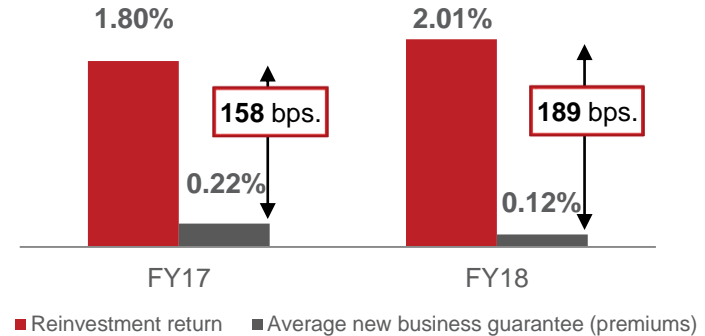


# Further decrease in guarantees, down by 25 basis points

Current return vs existing portfolio guarantee  
(%)



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



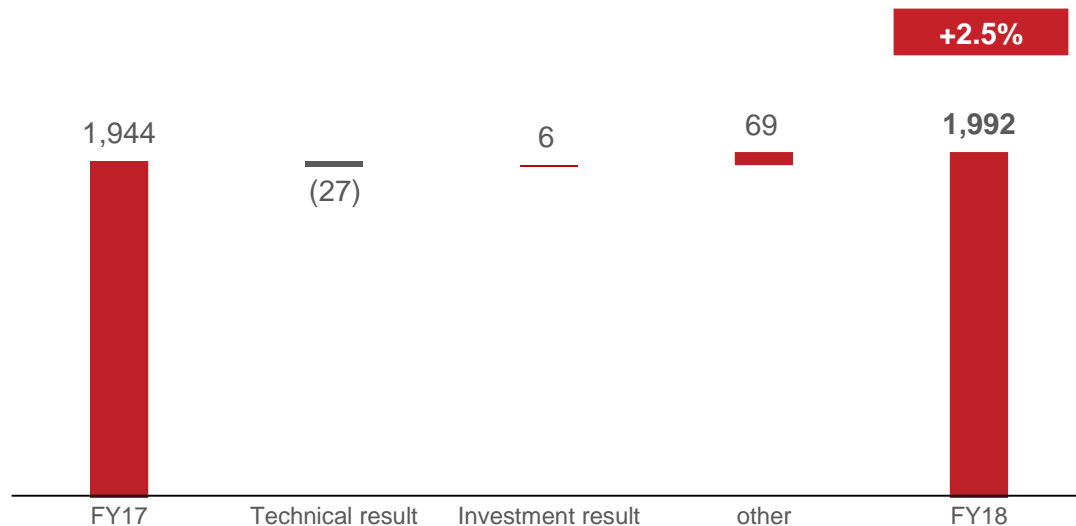
# Strong growth in P&C volumes, resilient technical profitability

(€ m)

	FY17	FY18	LFL $\Delta$
<b>VOLUMES</b>			
<b>Gross written premiums, of which:</b>	20,548	<b>20,607</b>	+3.3%
Primary Motor	7,984	<b>7,780</b>	+3.4%
Primary Non Motor	11,832	<b>12,009</b>	+2.7%
<b>PROFITABILITY</b>			
Combined ratio (%)	92.9%	<b>93.0%</b>	+0.1 p.p.
Nat Cat impact (%)	2.1%	<b>1.7%</b>	-0.4 p.p.
P&C operating result	1,944	<b>1,992</b>	+2.5%

# Resilient P&C Operating result

(€ m)

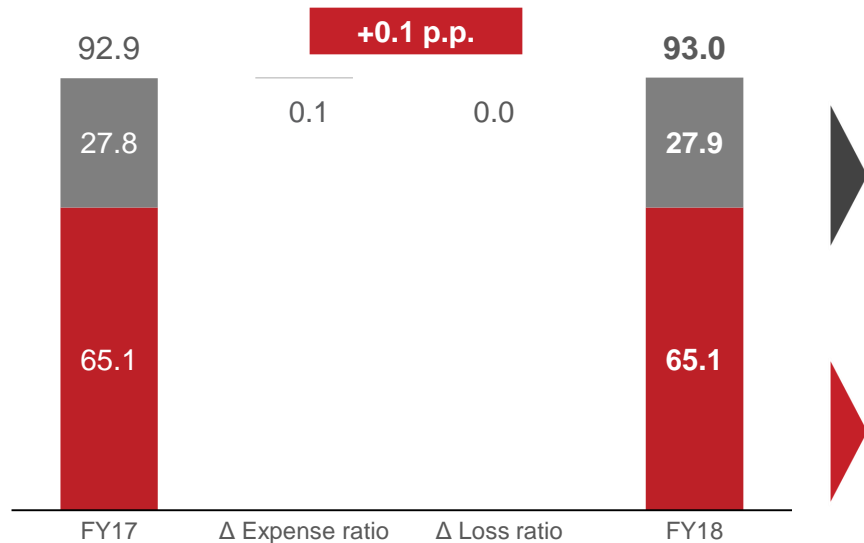


- Lower technical margin reflecting higher acquisition costs
- Higher dividends more than compensates lower current income from bonds
- Improved Other result mainly due to lower non-technical provisions, in particular in Germany

<b>FY 18</b>	<b>1,256</b>	<b>932</b>	<b>(196)</b>
FY 17	1,283	926	(265)
Δ %	-2.1%	+0.7%	-26.0%

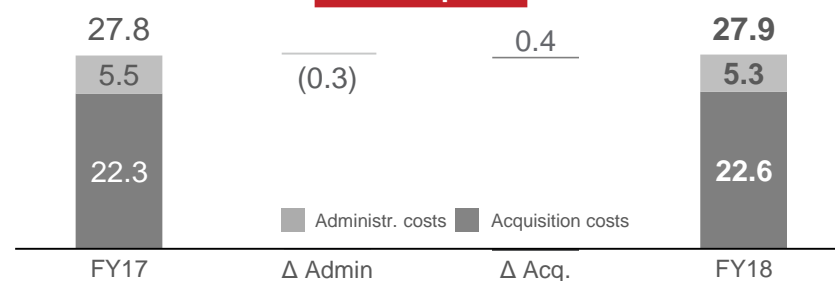
# Resilient P&C technical profitability

## Combined ratio (%)

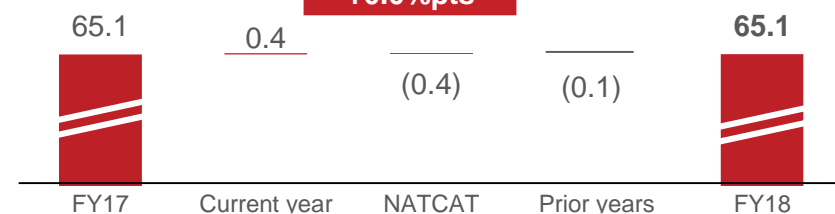


■ Expense ratio ■ Loss ratio

## Expense ratio (%)



## Loss ratio (%)

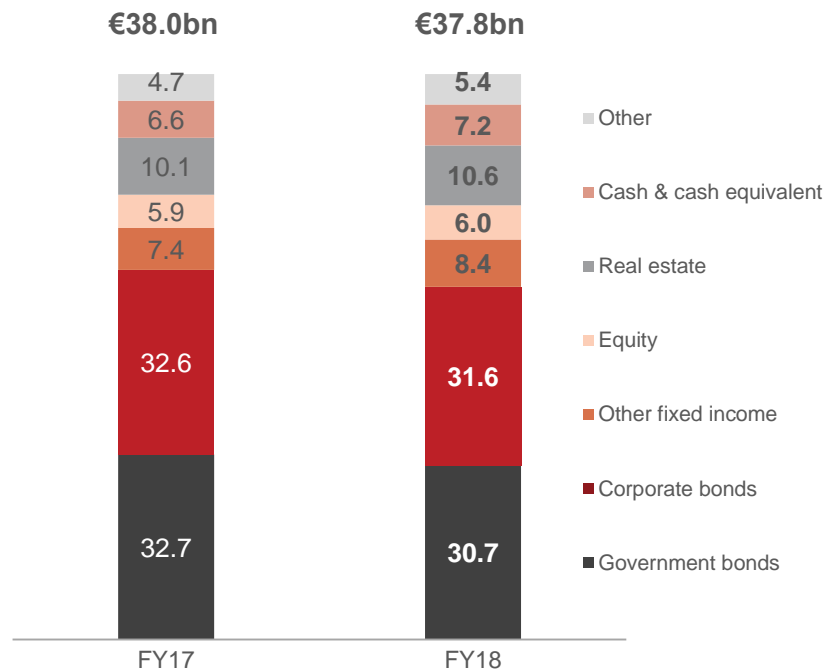


	FY 18	FY 17
Loss ratio (%)	65.1%	65.1%
Expense ratio (%)	69.0%	68.5%
Administrative costs (%)	1.7%	2.1%
Acquisition costs (%)	(-5.6)%	(-5.6)%

FY18 man made losses € 284 m (€ 159 m at FY17) impacting for 1.5 p.p (+0.6 p.p. vs FY17)

# Stable P&C investment return

## P&C segment general account (%)



(1) Net of depreciation expenses

## Current returns

		Euro m	%
Fixed income	FY17	748	2.7%
	<b>FY18</b>	<b>719</b>	<b>2.7%</b>
Equity	FY17	114	4.7%
	<b>FY18</b>	<b>114</b>	<b>4.8%</b>
Real Estate <sup>(1)</sup>	FY17	218	5.9%
	<b>FY18</b>	<b>213</b>	<b>5.5%</b>
Total <sup>(1)</sup>	FY17	1,154	3.0%
	<b>FY18</b>	<b>1,180</b>	<b>3.1%</b>

## Reduced negative contribution from Holding and other businesses

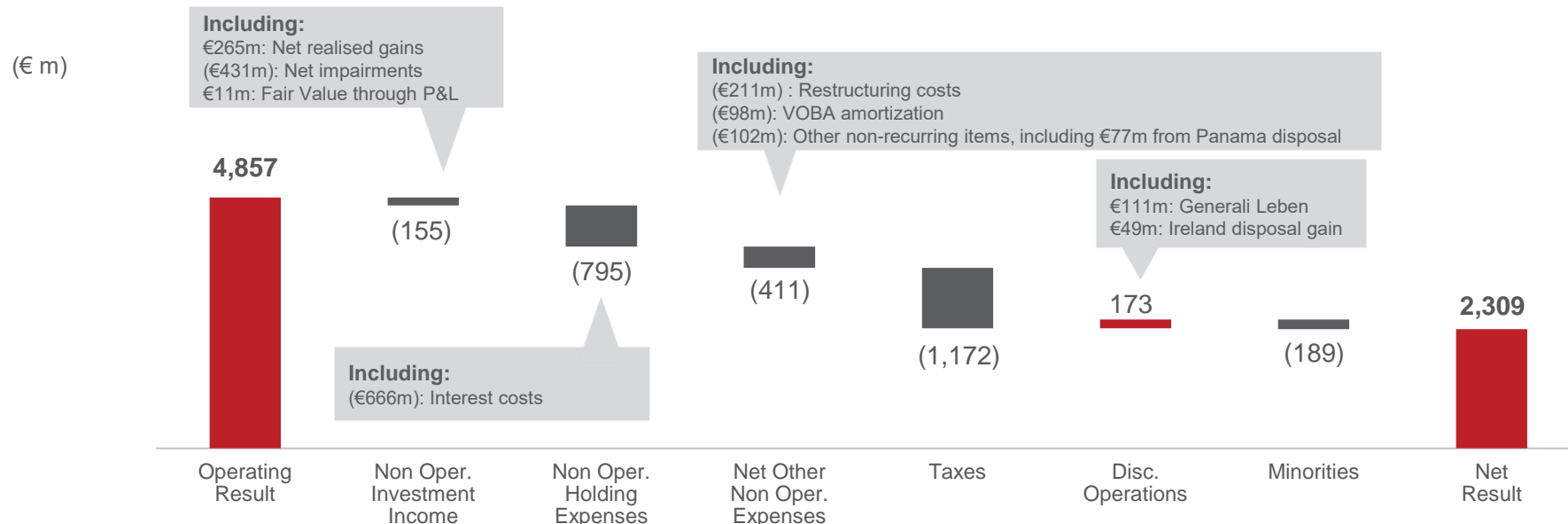
(€ m)

	FY17	FY18	△ %
Financial and Other Businesses	291	397	+36.3%
<i>of which Banca Generali <sup>(1)</sup></i>	241	233	-3.6%
<i>of which other businesses <sup>(2)</sup></i>	50	165	n.m.
Operating holding expenses	(454)	(467)	+2.9%
<b>Total</b>	<b>(163)</b>	<b>(70)</b>	<b>-57.1%</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

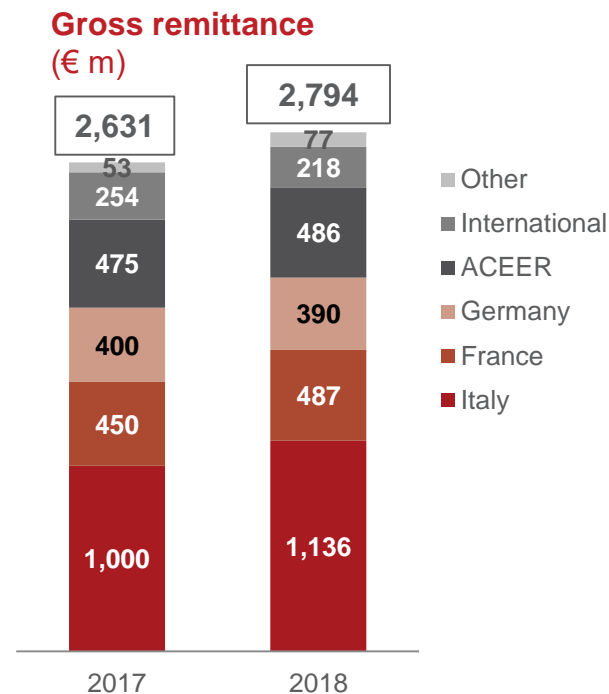
# Improved transformation between operating and net result



	Operating Result	Non Oper. Investment Income	Non Oper. Holding Expenses	Net Other Non Oper. Expenses	Taxes	Disc. Operations	Minorities	Net Result
<b>FY 18</b>	<b>4,857</b>	<b>(155)</b>	<b>(795)</b>	<b>(411)</b>	<b>(1,172)</b>	<b>173</b>	<b>(189)</b>	<b>2,309</b>
FY 17	4,713	65	(755)	(419)	(1,241)	(68)	(185)	2,110
Δ	+3.0%	n.m.	+5.2%	-1.8%	-5.6%	n.m.	+1.8%	+9.4%

# Improved gross remittance from operations

	Net Operating Result <sup>(1)</sup> (€ m)	Operating Profit Coverage ratio	Gross remittance <sup>(4)</sup> (€ m)
Italy	1,249	1.1x	1,136
France <sup>(2)</sup>	458	0.9x	487
Germany	538	1.4x	390
ACEER	631	1.3x	486
International	604	2.8x	218
Other <sup>(3)</sup>	297	n/m	77
<b>Total remittance from operations:</b>			<b>2,794</b>



(1) Net Operating Result = Operating profit by country, after deduction of taxes at normal national rates, and minority interest

(2) Higher contribution from France (overall 0.1 € bn) due to excess capital upstream performed through loan repayments

(3) Excluding parent company reinsurance result

(4) The amounts indicate the remittance towards dividend payments expected from each country to its direct shareholder. Occasionally, for capital management purposes, liquidity may be up-streamed by other means, such as loan repayments



## Net operating cash generation in line with plan

### Net Operating Cash Generation (€ m)

	2017	2018
Remittance from subsidiaries	2,631	2,794
Result of reinsurance <sup>(1)</sup>	341	145
Interest & holding expenses <sup>(1)</sup>	(741)	(752)

<b>Net Operating Cash generation</b>	<b>2,231</b>	<b>2,187</b>
Group dividend paid / proposed (€ bn)	1.3	1.4
<b>Coverage ratio</b>	<b>1.7x</b>	<b>1.6x</b>

(1) Operating results, net of normalized taxes and minorities

- Lower Reinsurance Result compared to the exceptionally positive result in 2017
- Stable Group dividend coverage ratio

**NOCG 2015-2018 = 7,952**

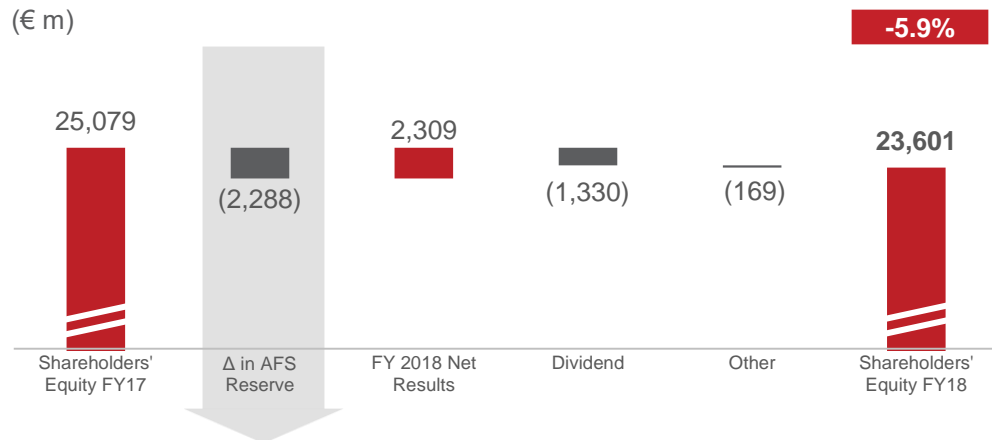


**7 bln target achieved** 

# Shareholders' equity negatively impacted by change in AFS reserve

## Shareholders' equity rollforward

(€ m)



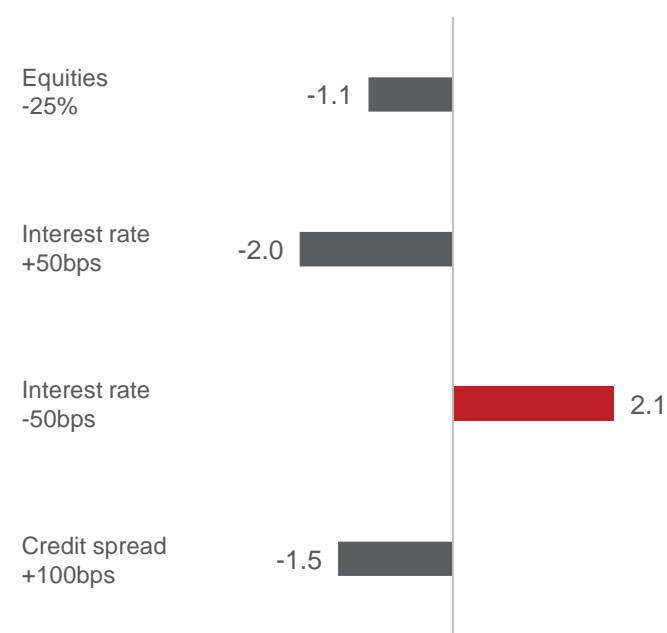
## Change in AFS reserve

(€ m)



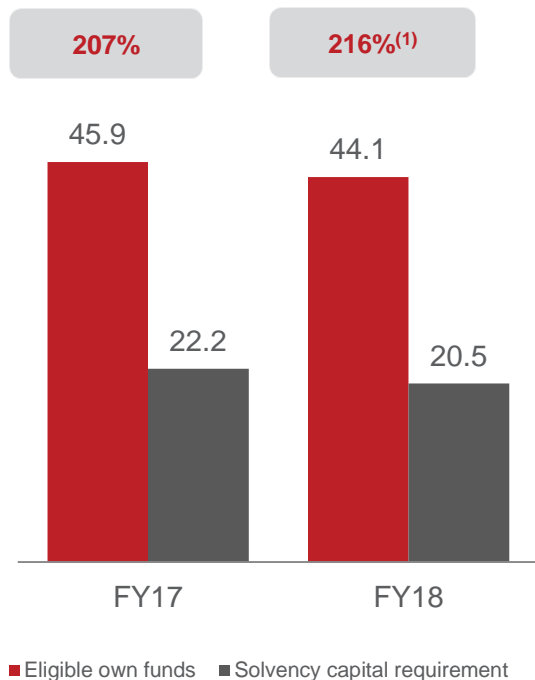
## Shareholders' equity sensitivities

(€ bn)



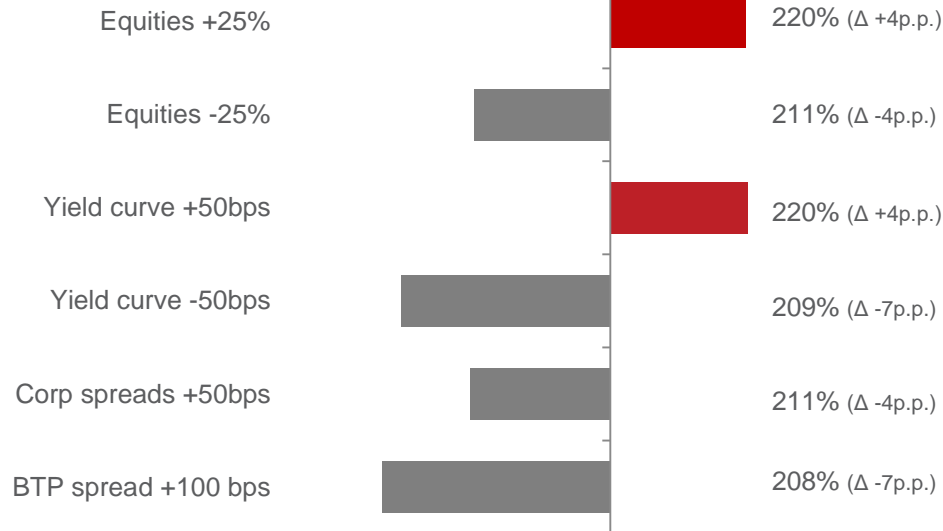
# Solvency II regulatory ratio <sup>(1)</sup> up by 9 p.p. vs. 2017

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



(1) Preliminary Regulatory Ratio

## Key sensitivities (%)



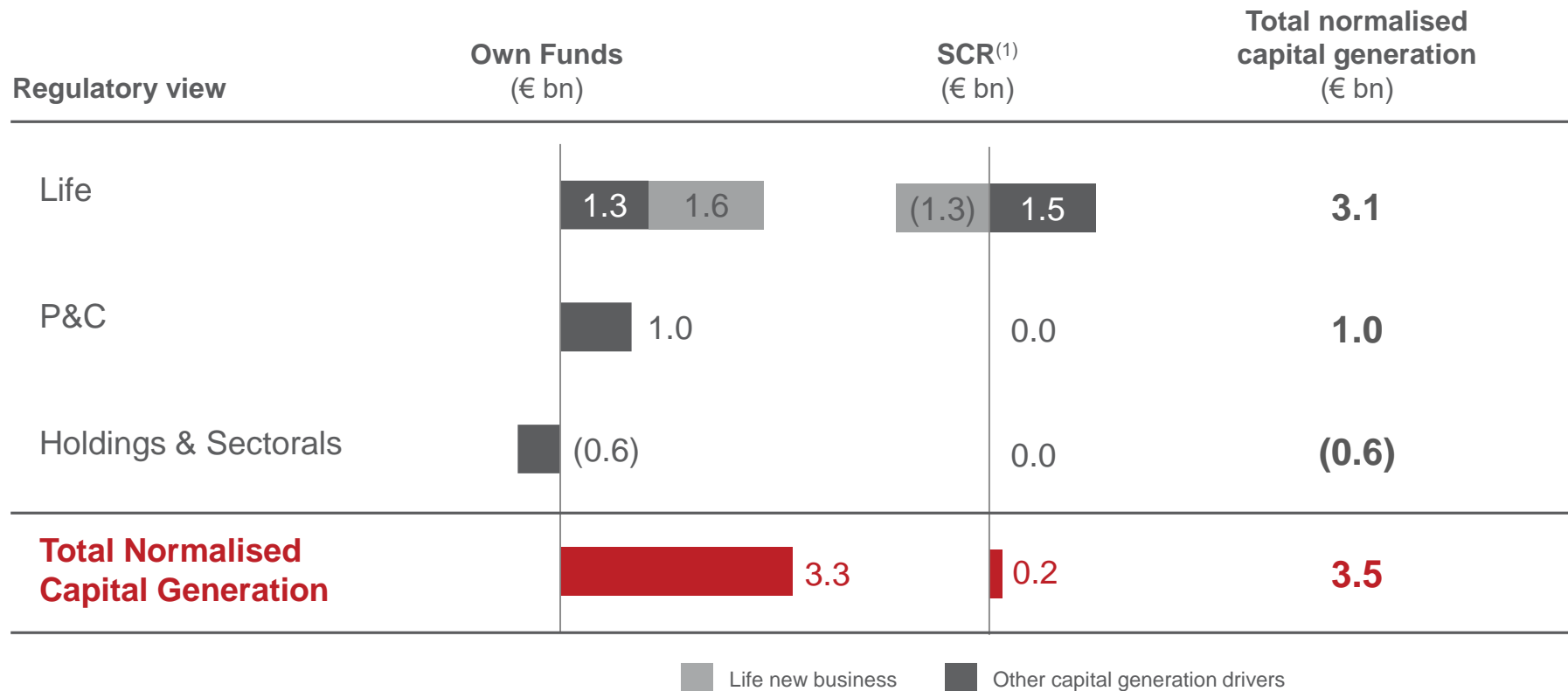
## S-II ratio FY18 216%

## Strong positive contribution from normalized capital generation

	Own Funds (€ bn)	SCR (€ bn)	Excess Own Funds <sup>(1)</sup> (€ bn)	Solvency II ratio (%)	
<b>FY 2017</b>	<b>45.9</b>	<b>22.2</b>	<b>23.7</b>		<b>207%</b>
Regulatory Model Changes and opening adjustments	0.4	(1.4)	1.8		+16%pts
Normalised capital generation	3.3	(0.2)	3.5		+18%pts
Variiances and other movements	(3.8)	(0.1)	(3.6)		-17%pts
Redemption of subordinated bonds eligible in BOF	(0.3)		(0.3)		-1%pts
Foreseeable dividend	(1.4)		(1.4)		-7%pts
<b>FY 2018</b>	<b>44.1</b>	<b>20.5</b>	<b>23.7</b>		<b>216%</b>

(1) Eligible Own Funds in excess of Solvency Capital Requirement

## 2018 capital generation totalling €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 88% of total

## Tiering of Solvency II Capital (FY18)

	Generali Regulatory view	
	€ bn	% of total
Tier 1	38.7	88%
Unrestricted Tier 1	35.5	80%
Restricted Tier 1 (Hybrid)	3.3	7%
Tier 2	5.3	12%
Tier 3	0.1	0%
<b>Total Own Funds</b>	<b>44.1</b>	

Regulatory SCR covered 1.7x by  
Unrestricted Tier 1

## Applicable Solvency II limits (FY18)

	Solvency II limits	FY18 Generali Regulatory view
Restricted Tier 1	< 20% of total Tier 1	8% of total Tier 1
Tier 2 + Tier 3	< 50% of SCR	26% of SCR
Tier 3	< 15% of SCR	0.3% of SCR

Quality of capital far in excess of Solvency II  
requirements: Euro ~9 bn of headroom against  
maximum limits

# Generali 2021: robust financial targets

GROWING EARNINGS PER SHARE

INCREASING DIVIDEND

HIGHER RETURNS FOR SHAREHOLDERS



**6%-8%**  
**EPS CAGR RANGE (1)**  
2018-2021

**55%-65%**  
**DIVIDEND PAY-OUT RANGE (2)**  
2019-2021

**>11.5%**  
**AVERAGE RETURN ON EQUITY (3)**  
2019-2021

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

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

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

### III. Backup

- **Investments**

Financial debt

page **49**

Solvency 2

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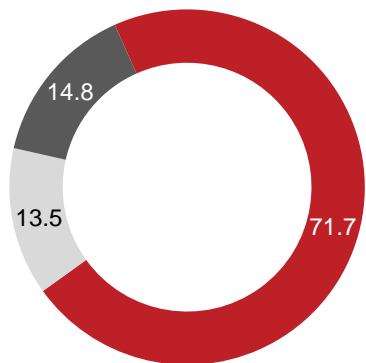
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# Assets under management

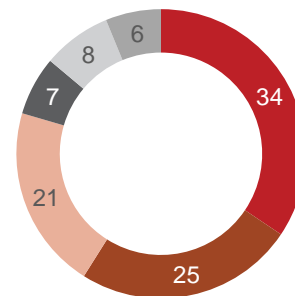
**Total Portfolio: €488bn**  
(%)

- General account
- Unit Linked
- Third party investments



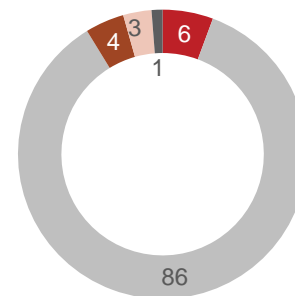
**Breakdown by region and asset class**  
(%)

By Region



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

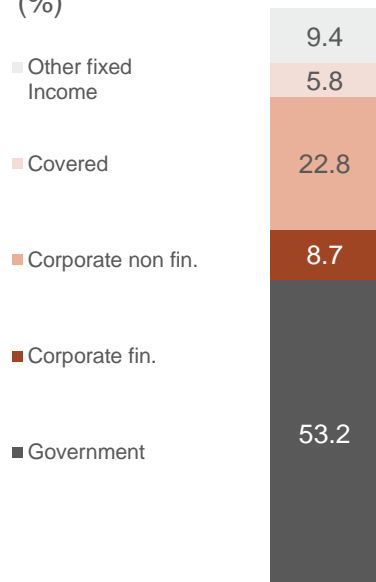
By Asset Class



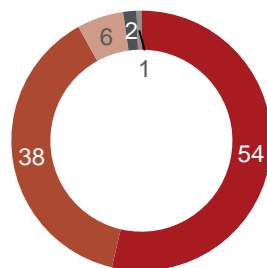
- Equity
- Fixed income
- Real estate
- Cash & Cash Equivalent
- Other

# Fixed Income Portfolio

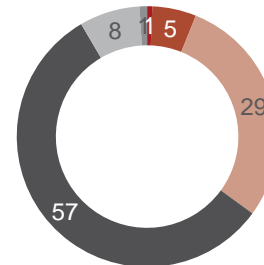
## Total Portfolio €300bn (%)



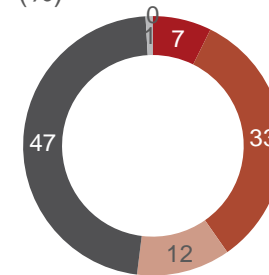
## Covered €17bn (%)



## Corporate €95bn (%)



## Government €159bn<sup>(1)</sup> (%)



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

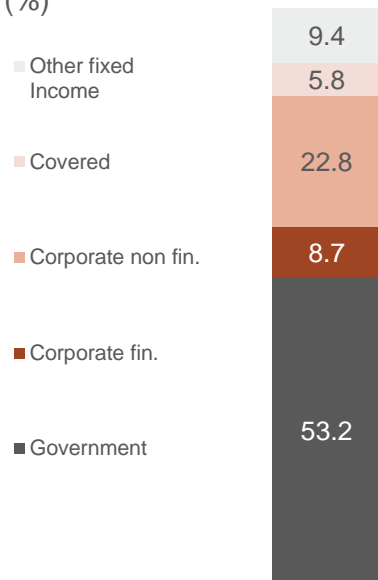
Bond duration	FY17	FY18
Life	8.8	8.4
P&C	5.5	5.5
Life duration Gap <sup>(2)</sup>	FY17	FY18
	0.1	0.0

(1) Italian government bond exposure is 87% of BBB

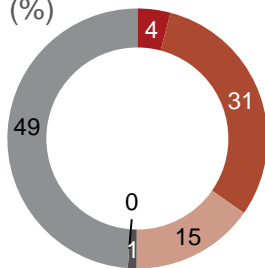
(2) Duration gap = duration of fixed income assets – duration of liabilities x (Best estimate liabilities/Market Value of fixed income assets)

# Fixed Income Portfolio by country

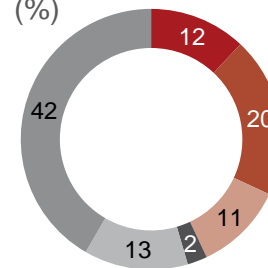
**Total Portfolio**  
€300bn  
(%)



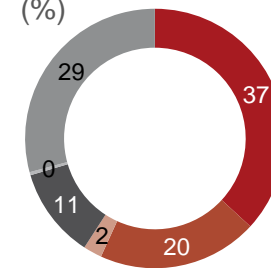
**Covered**  
€17bn  
(%)



**Corporate**  
€95bn  
(%)



**Government**  
€159bn  
(%)

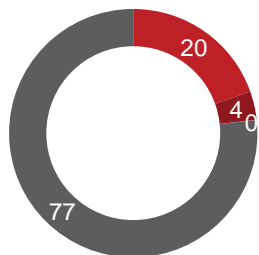


■ Italy ■ France ■ Germany ■ CEE ■ USA ■ Other

Reinvestment yield	FY17	FY18
Life	1.8%	2.0%
P&C	1.6%	1.7%

# Equity & Equity-like

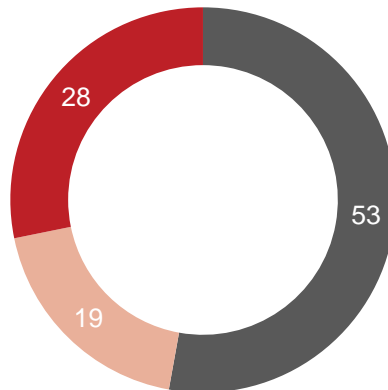
**Alternative funds: €6bn**  
(%)



Life, P&C, AM and Other



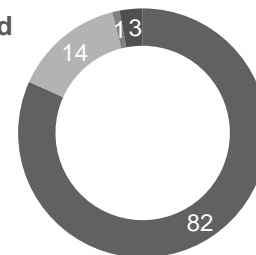
**Total Portfolio: €20bn**  
(%)



Life, P&C, AM and Other



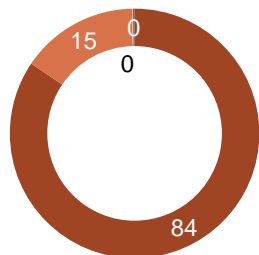
**Equity: €10bn**  
(%)



Life, P&C, AM and Other



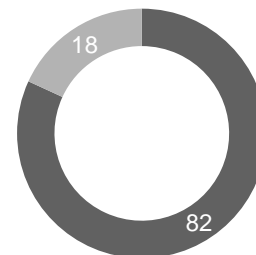
**Equity funds: €4bn**  
(%)



Life, P&C, AM and Other



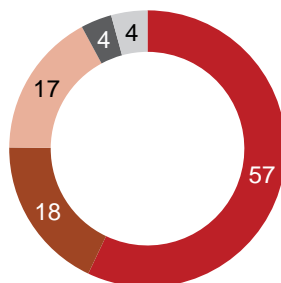
Listed and Unlisted



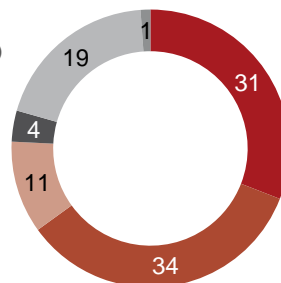
# Asset Allocation: Real Estate (1)

Total Portfolio: €26bn (1)

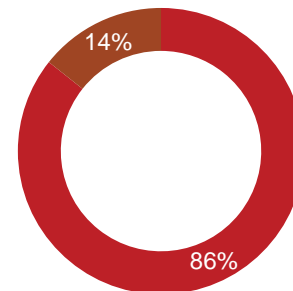
Breakdown  
by use (2)  
(%)



Breakdown  
by country (2)  
(%)



Breakdown  
by utilization (2)  
(%)



(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

Investments

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- **Financial debt**

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Solvency 2

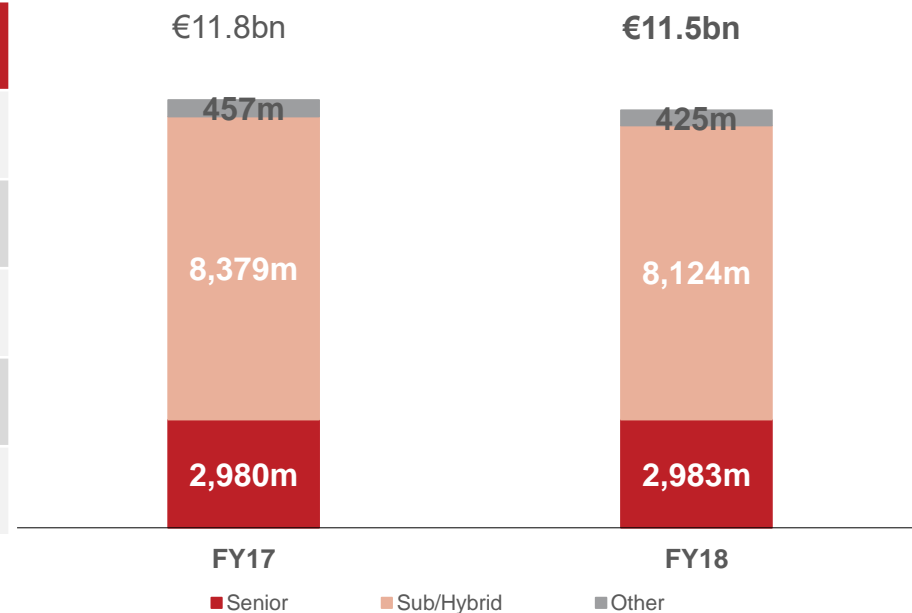
page **58**

# Focus on financial debt

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

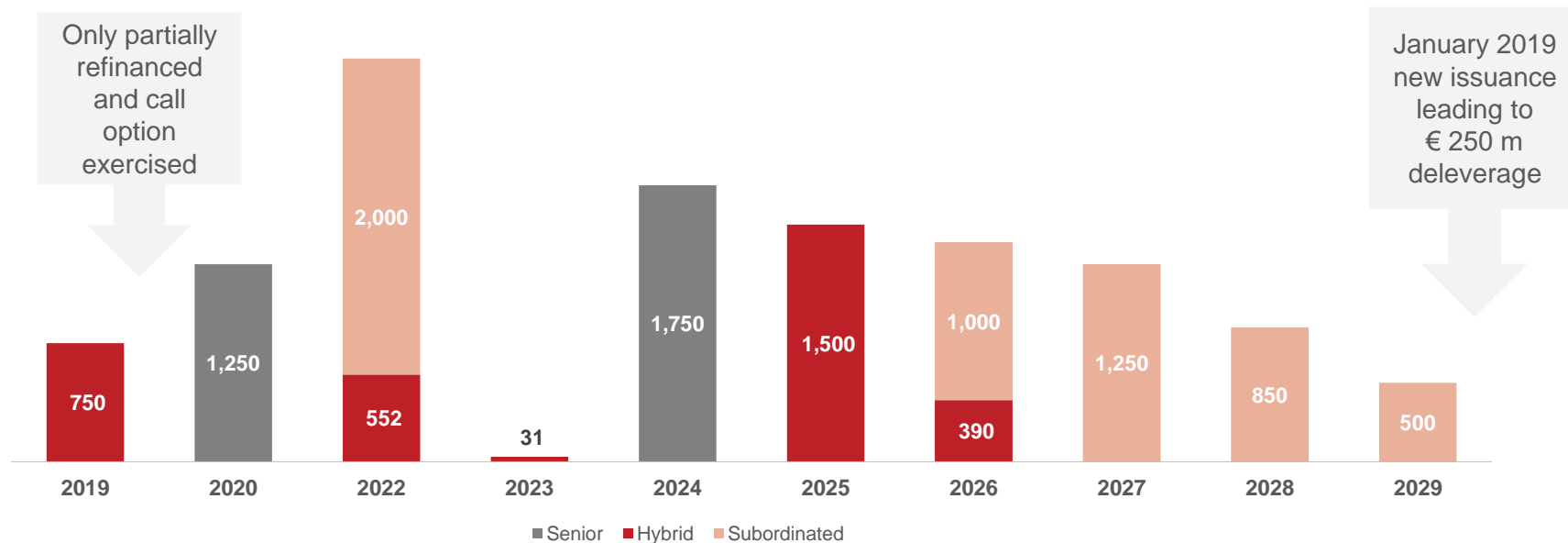
	FY17	FY18
<b>Average cost (%)</b>	5.71%	5.66%
Subordinated/Hybrid	6.22%	6.18%
Senior	4.19%	4.19%
<b>Average maturity (years)</b>	6.22	5.34
<b>Interest expenses on financial debt (€ m)</b>	673	666

## Total financial debt



# Financial debt breakdown by expiry date/call date

(Nominal value - € m)





### III. Backup

Investments

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Financial debt

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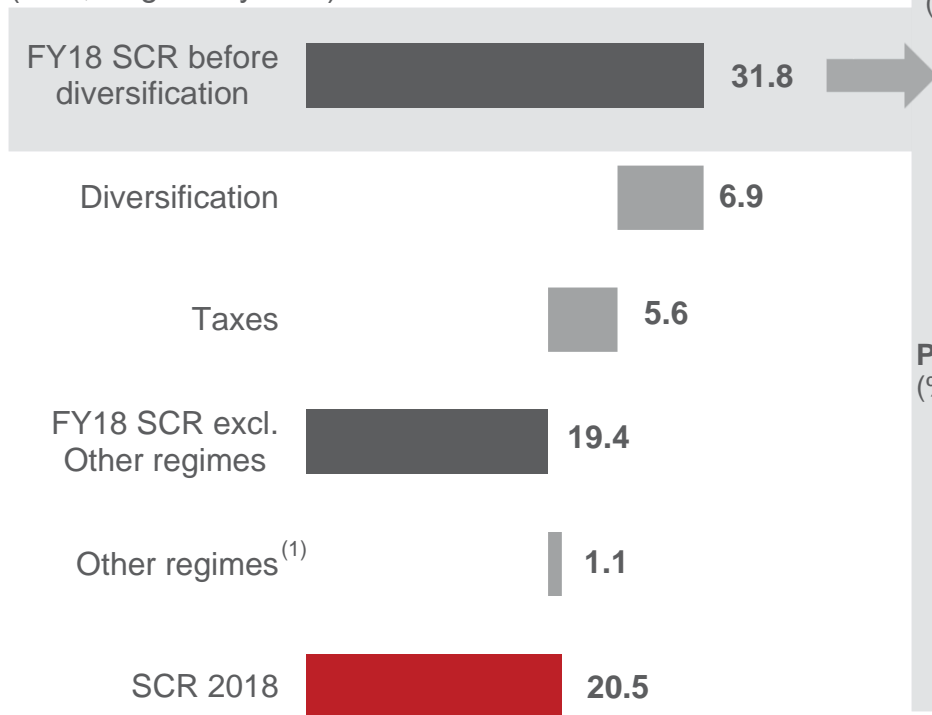
• **Solvency 2**

page **58**

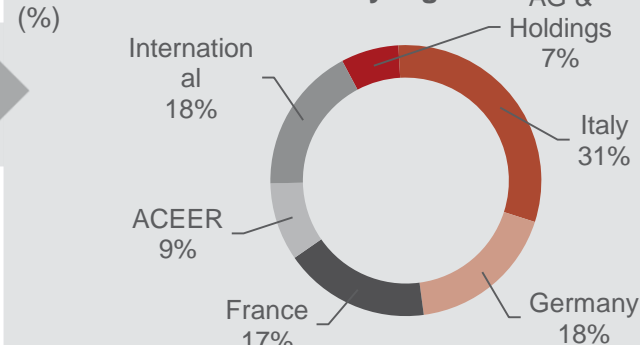
# Focus on SCR

## FY18 SCR

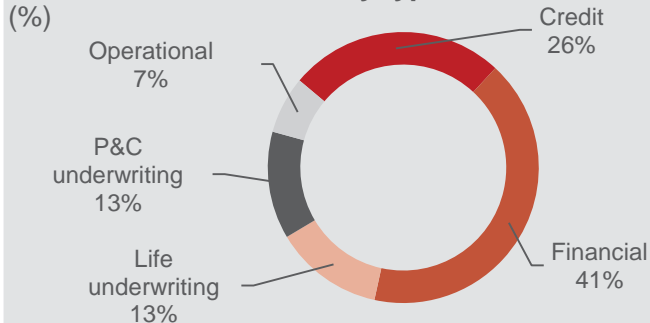
(€ bn, Regulatory view)



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



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



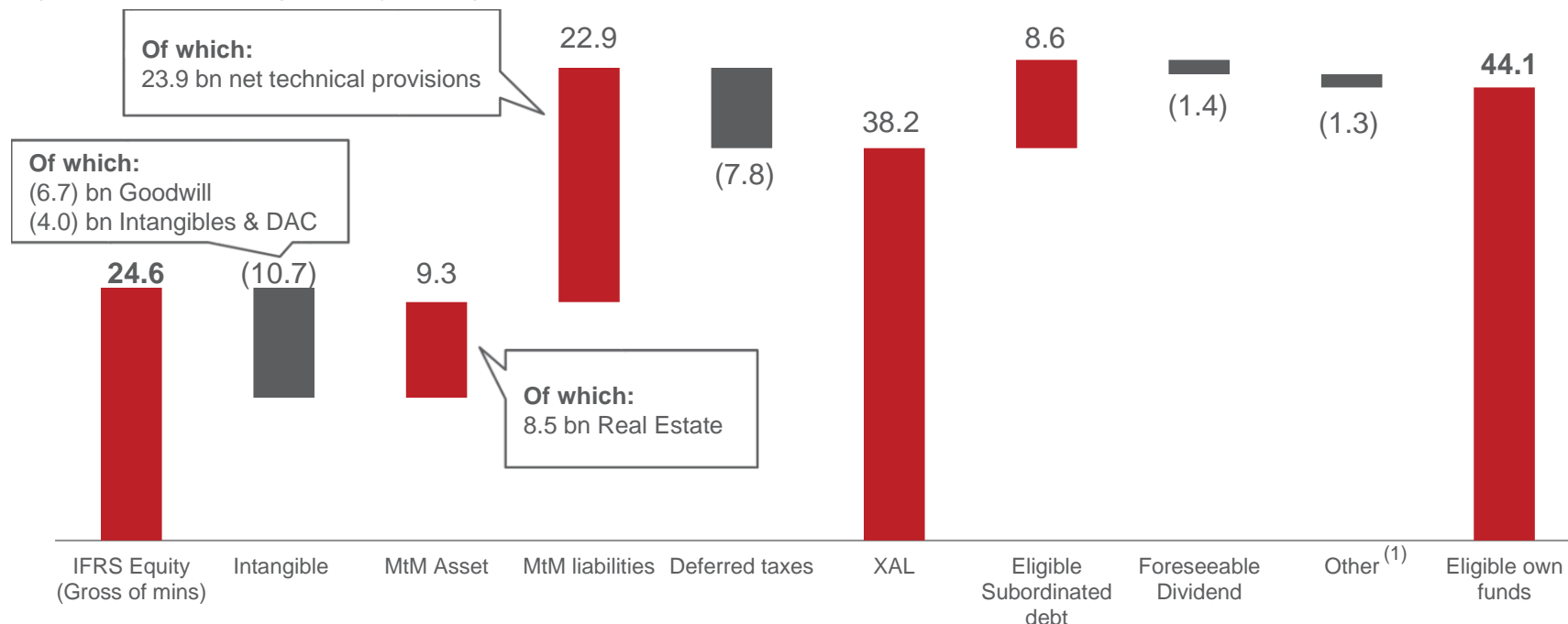
(1) IORP in France, Asset Management, Banking

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

# Reconciliation of IFRS equity to Solvency II Eligible Own Funds

## Solvency II Eligible own funds

(FY18, € bn, Regulatory view)



(1) Including unrealised gains on French pension business under IORP transitional measures, impact of filter for non availability & minorities and other deductions, contribution of sectoral entities (after deduction of participations)

## 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

14 March 2019  
**FY 2018**  
results  
reporting

7 May 2019  
**Annual**  
**General**  
**Meeting**

16 May 2019  
**1Q 2019**  
results  
reporting

24 May 2019  
***Exploring***  
**Generali – 2019**  
edition

1 August 2019  
**1H 2019**  
results  
reporting

7 November 2019  
**9M 2019**  
results  
reporting



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**Thank you**



# GENERALI GROUP 2018 Results