

Generali Group



Austria, CEE & Russia Region

generalicee.com



GENERALI

OCTOBER 2018

Generali Group at a glance

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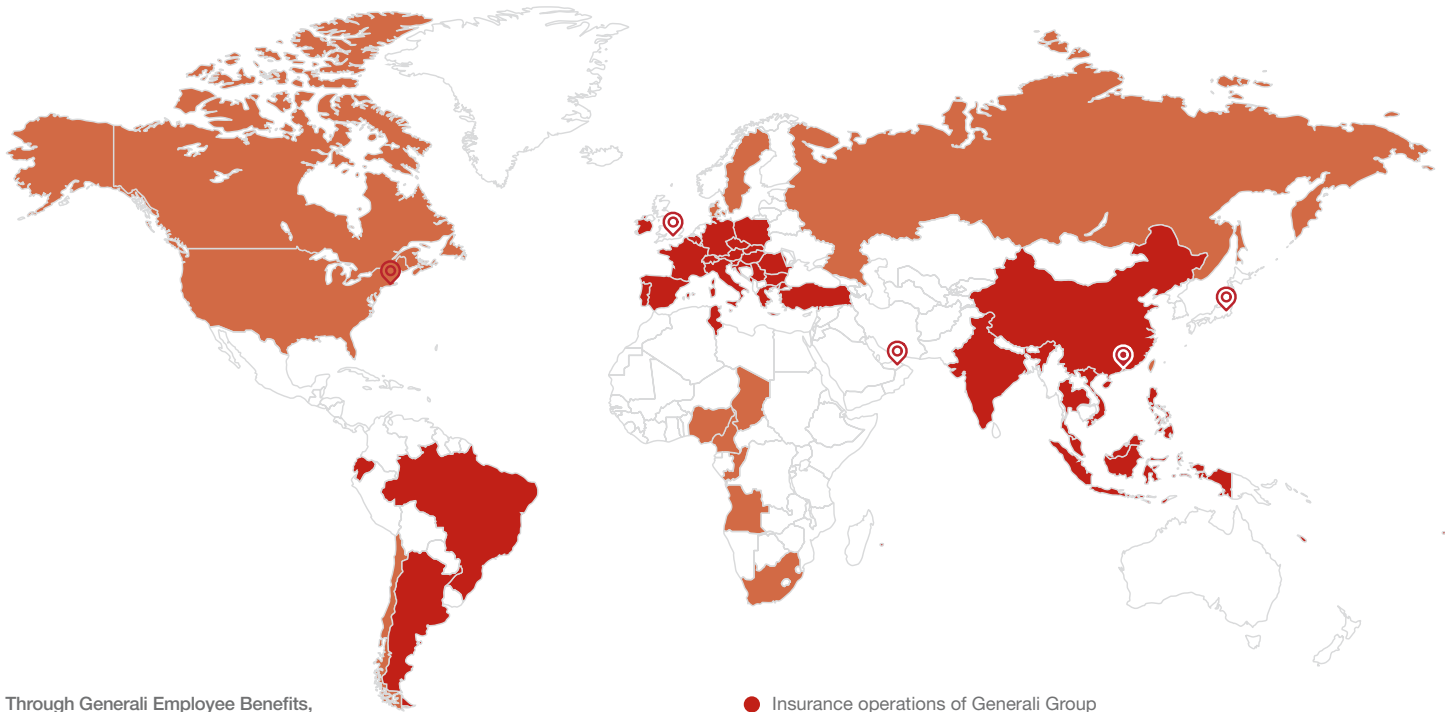
**One of the leading insurers
in the world**



* MIT Technology Review (2015)

** Fortune Global 500 – ranked 57th

Generali Group at a glance



Through Generali Employee Benefits,
the Group operates
in more than 100 countries

- Insurance operations of Generali Group
- Branches: New York, United Kingdom, Hong Kong, Tokyo, Dubai
- Other countries in which Europ Assistance operates

The Core Insurance business



An extensive line of products in the **Life and Property & Casualty** segments to meet all the clients' needs.

LIFE AND P&C

In the Life segment, its offer ranges from savings and family protection policies to unit-linked policies and complex plans for multinationals.

In the P&C segment, the well-balanced portfolio goes from mass-market coverage such as Car, Home, Accident & Health, to sophisticated commercial and industrial risk coverage.

The Group is committed to achieving the optimal client segmentation and enhancing product innovation in order to deliver a targeted approach to clients. Generali aims to be best-in-class for client retention and satisfaction.

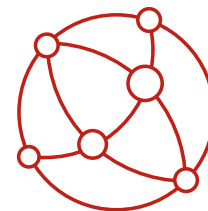
PRODUCT INNOVATION

Generali relies on innovation as a key driver for future growth. Innovation allows for more tailored solutions and quicker product development. Through innovation, Generali will achieve product excellence.

In the Life segment, every new product is approved ex-ante by the Group's Head Office. Products are assessed periodically to ensure Group's standards are met.

In the P&C segment, Generali is committed to enhancing the performance of the P&C offer, by improving the sophistication of its products and services for a better definition of clients' profiles, and its claims management services.

Generali is a leader in the retail segment and it is increasing the contribution of the Commercial business, in which it serves from small to large companies at international level leveraging the Group's global reach and its strong ties with international brokers.



The Generali Group operates in the insurance sector with a multichannel distribution strategy through a global proprietary sales network of agents and financial advisors, supported by brokers, bancassurance and direct channels.

TRADITIONAL CHANNELS

Traditional channels account for most of the Group's premium collection.

Generali relies on agencies, financial advisors, brokers and other partners to distribute its products and solutions with a view to providing a convenient and excellent service to clients.

Generali adopts optimised sales processes to increase sales effectiveness and profitability. In particular, the Group is streamlining the structure with simplified and modern processes tailored to the clients' needs.

DIRECT CHANNELS

Generali is Europe's leader in direct channels (internet and telephone) and intends to further improve its position by launching new initiatives in high-growth markets.

- ▶ Leader in Italy, where it created, through Genertel, the first Italian online Life, P&C and Pension insurance portal
- ▶ Leader in Germany, where it has been present since 1982 through COSMOS Direkt
- ▶ Leader in France in the online Life insurance segment
- ▶ First operator in Hungary, where Genertel.hu was launched in 2007
- ▶ Rapidly growing in Slovakia, where Genertel.sk was launched in 2010, and in Turkey, where the multi-access platform started in 2014.

BANCASSURANCE

Generali plans to enhance its bancassurance channel by maximising the full potential of the existing partnerships as well as exploring new initiatives. Bancassurance will be key in the Life segment to increase the share of capital-light products and in the P&C segment to boost sales.

Key figures / Generali Group

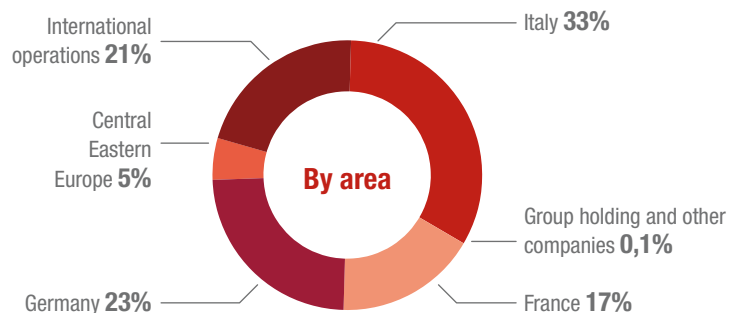


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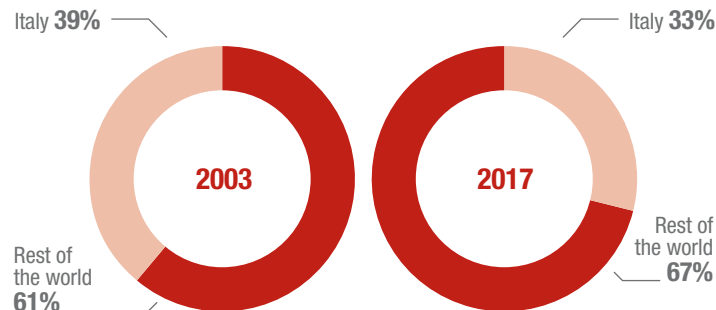
GROUP'S KEY FIGURES (€ MLN)

| | 2016 | 2017 |
|------------------------------------|--------|--------|
| GROSS WRITTEN PREMIUMS | 70,513 | 68,537 |
| OPERATING RESULT | 4,830 | 4,895 |
| NET RESULT OF THE PERIOD | 2,081 | 2,110 |
| SHAREHOLDERS' EQUITY AT BOOK VALUE | 24,545 | 25,079 |

2017 GROSS WRITTEN PREMIUMS: € 68 BLN



PREMIUM INCOME EVOLUTION BY GEOGRAPHIC REGION



Austria, CEE & Russia Region



Austria, CEE & Russia Regional Office

Generali CEE Holding
Generali Investments CEE

Companies in 12 markets

Austria
Bulgaria
Croatia
Czech Republic
Hungary
Montenegro
Poland
Romania
Russia
Serbia
Slovakia
Slovenia

In recent years

1832

Start operating

1989

Expansion plan
launched in the area

2008

Creation of Generali PPF Holding,
JV between Generali
and PPF Group

2015

Full control of GPH.
Company name changed
into Generali CEE Holding

2018

Austria becoming part
of Austria, CEE & Russia
Region

**€ 6.2 bln premium
income in 2017**



GENERALI LEADER IN CEE

The Group is an undisputed leader
in the Region in terms of profitabili-
ty, with a combined ratio among the
best in the sector.

**3,800 salaried sales
professionals
and 11,290 agents**



MARKET RANKING

| | |
|---|--------------|
| Hungary | #2 |
| Czech Republic | #2 |
| Serbia | #2 |
| Slovakia | #3 |
| Austria | #3 |
| Romania, Bulgaria, Poland Croatia, Slovenia, Montenegro | Among Top 10 |

12,5 million clients



GENERALI IN CEE - 2007 VS 2017

■ early 2007 ■ end 2017

Premium income

1 bln → **3.6 bln**

Clients

4 mln → **> 10 mln**

As from January 1st 2018, Austria is part of the Austria, CEE & Russia Region. The Austria, CEE & Russia Regional Office is also responsible for the Russian market. Russia is not included into the numbers shown on this page.

Key figures / Generali CEE Holding



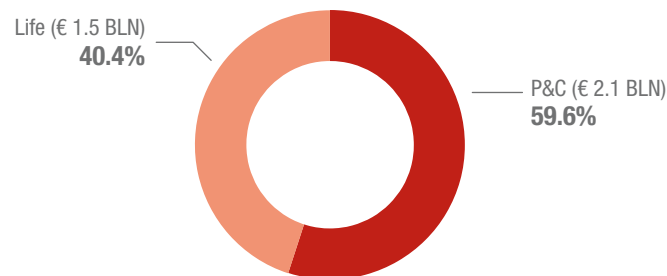
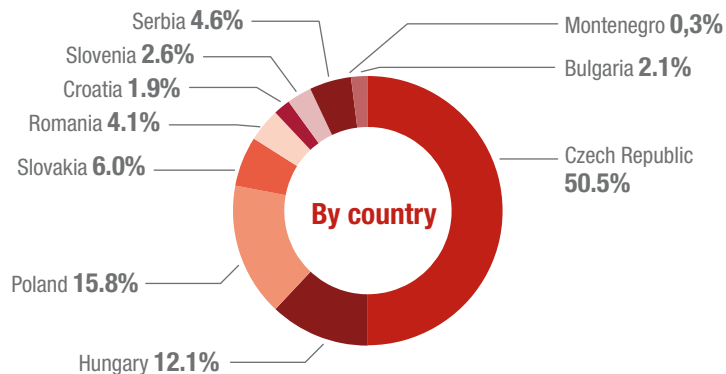
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GENERALI CEE KEY FIGURES (€ MLN) ¹

| | 2016 | 2017 |
|------------------------|-------|-------|
| GROSS WRITTEN PREMIUMS | 3,490 | 3,600 |
| OPERATING RESULT | 461 | 481 |
| NET PROFIT OF THE YEAR | 301 | 317 |

¹ Historical figures: 2016 based on average FX rates at 31.12.2016 and 2017 based on average FX rates at 31.12.2017

2017 GROSS WRITTEN PREMIUMS: € 3.6 BLN²



² Romania includes also Fata Asigurari

As from January 1st 2018, Austria is part of the Austria, CEE & Russia Region. The Austria, CEE & Russia Regional Office is also responsible for the Russian market. Austria and Russia are not included into the numbers shown on this page.

Austria

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In recent years

1831

Foundation of Assicurazioni Generali Austro- Italiane

1882

Erste Allgemeine is set up

1989

Generali Austria manages return to Hungary as first CEE market

2004

Merger of Generali Versicherung and Interunfall Versicherung

2018

Austria joins Generali's Austria, CEE & Russia Region

€ 2.6 billion premium income in 2017



One of the country's three **leading insurance** providers



Main companies

- ▲ Generali Versicherung
- ▲ BAWAG P.S.K. Versicherung (BPV)
- Europäische Reiseversicherung (ERV)
- ◆ BONUS Pensionskassen
- ★ BONUS Vorsorgekasse
- Europ Assistance

- ▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS
- COMPANY OPERATING IN NON-LIFE SEGMENT
- ◆ COMPANY OPERATING IN PENSION SEGMENT
- ★ FINANCIAL SERVICES COMPANY
- SERVICE COMPANY

Partners to **millions of customers:**
1.6 million – Generali
200,000 – BPV
2 million – ERV



Certified employer:
Audit berufundfamilie (workandfamily)
Career's Best Recruiters



Strong **sales force** of 1,800 employed field staff, 280 group agents, 135 agencies and 2,290 brokers

Czech Republic



Main companies

- ▲ Ceska pojistovna
- ▲ Generali pojistovna
- CP ZDRAVI
- ◆ Penzijní společnost Ceske pojistovny
- ★ Generali Investments CEE

▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS

◆ COMPANY OPERATING IN PENSION SEGMENT

■ COMPANY OPERATING IN NON-LIFE SEGMENT

★ ASSET MANAGER

In recent years

1827

Approval of the articles of association of Ceska pojistovna's predecessor

1832

Generali's branch commences operations

1993

Generali return to the market

2008

Generali CEE Holding (previously GPH) is set up to steer all the CEE companies, including Ceska pojistovna and Generali pojistovna

€ 1,813 mln premium income in 2017



More than **900 branches** and **5,000 agents**



Over **5.3 mln clients** with roughly **11.0 mln policies**



Rated as top brands during the **Best Insurance Company Awards¹**



Ceska pojistovna - market leader in the Czech Republic.

¹ As rated by the 'Hospodarske noviny' business daily: Ceska pojistovna – 'Best Life Insurance Company 2017'; Generali pojistovna – 2nd place in category 'Clients Most Friendly Life Insurance Company 2017'.

Poland



Main companies

- Generali TU SA
- ◆ Generali Zycie TU SA
- ♦ Generali PTE
- ▲ Generali Finance

- COMPANY OPERATING IN NON-LIFE SEGMENT
- ◆ COMPANY OPERATING IN LIFE SEGMENT
- ♦ COMPANY OPERATING IN PENSION SEGMENT
- ▲ SERVICE COMPANY

In recent years

1837

Operations commence

1998

Generali comes back to Poland

1999

Generali TU SA and Generali Zycie TU SA are set up

2002

Generali takes over the Zurich companies in Poland

2012

Acquisition of Proama

2016

Integration of Generali TU SA and Proama

€ 550 mln premium
income in 2017



€ 3.7 bln assets under
management



The country's **best**
home insurance¹



A partner to more than
2.7 million customers



18 Regional offices with over **4,400** multiagents

¹ According to "Rzeczpospolita" (daily) and the Polish Institute for Quality Research

Hungary

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Main companies

- ▲ Generali Biztosító
- Genertel Biztosító
- Europai Utazási Biztosító

- ▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS
- COMPANY OPERATING IN NON-LIFE SEGMENT

In recent years

1832

Operations commence

1989

Return to the Hungarian market

1999

Merge of the Generali and Providencia insurance companies

2007

Genertel is rolled out as Hungary's first direct insurance company

2016

Generali becomes "The Financial Institution of the Year"

€ 452 millions premium income in 2017



Hungary's **second biggest insurance group** with a market share of 14.7%



4x Hungarian Insurance Product Grand Prizes¹



1,350 sales agents and over 1 000 000 clients



¹ Generali was ranked by Association of Hungarian Insurance Brokers (MABIASZ) to be the best in motor insurance and in small business property and liability insurance categories, and received silver awards in home insurance and in private health insurance categories.

Slovakia

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Main company

▲ Generali Poistovna

▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS

In recent years

1833

Operations commence through six agencies of Assicurazioni Generali

1996

Generali Poistovna is set up

2008

Generali Poistovna and Ceska poistovna Slovensko are merged

2015

Integration of Europska cestovna poistovna and Genertel's Slovakian branch into Generali Poistovna

€ 225 mln premium income in 2017



One of the market's **top three insurers** with a market of share 9,6%



Over **100 branches** serving nearly **640,000 clients**



Market leader in travel insurance with a strong position in **direct and online sales**



Serbia / Montenegro



Main companies

- ▲ Generali Osiguranje Srbija
 - ★ Generali Reosiguranje Srbija
 - ◆ Generali Voluntary Pension Fund Management Company
 - Generali Osiguranje Montenegro
- ▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS
- COMPANY OPERATING IN NON-LIFE SEGMENT
- ★ COMPANY OPERATING IN REINSURANCE SEGMENT
- ◆ COMPANY OPERATING IN PENSION SEGMENT

In recent years

2006

Commencement of operations in Serbia as the majority shareholder of the Delta-Generali joint venture

2008

Operations commence in Montenegro

2008

Launch of Serbia's first online shop for travel and household insurance

2014

Minority buyout in Serbia and Montenegro

€ 175 mln premium
income in 2017



Second-largest
insurance company in
the Serbian market



Market leader in life
and voluntary health
insurance in Serbia



One of the **leading**
insurance providers
in Montenegro



More than **1,100**
points of sale



Best Insurance
Company in Serbia
2017¹



¹ According to Global Banking & Finance Review

Romania

15



Main companies

- ▲ Generali Romania
- ◆ Generali Pensii

- ▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS
- ◆ COMPANY OPERATING IN PENSION SEGMENT

In recent years

1835

Operations commence

1993

Return to the Romanian market after 45 years

2007

Launch of private pensions

2011

Merger with Ardaf and renaming as Generali Romania

€ 134 mln premium income in 2017



Among the **three most prestigious and trusted** insurance companies in the market



1,200 agents and **more than 100 agencies** and points of sale



Leading position in terms of operational efficiency with a combined ratio below **90% for several years in a row**



Slovenia

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In recent years

1997

Generali commences operations with a 50% stake in its joint venture with SKB Bank

2001

Generali becomes sole owner

2006

Ranked 1st among the international insurance companies in the market

2012

Launch of the G24 online motor insurance sales channel

€ 98 mln premium income in 2017



One of the country's six leading insurance providers and the **leading international insurance company** in the market



Main company

▲ Generali zavarovalnica

▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS

11 offices, more than **360 agencies** and **9 damage claim centres**



Customer satisfaction leader for several years in a row ¹



¹ According to independent research: IMDS study by GfK 2016.

Bulgaria



Main companies

- Generali Insurance
- Generali Medical-Dental Center
- ★ GP Reinsurance

- COMPANY OPERATING IN NON-LIFE SEGMENTS
- ★ COMPANY OPERATING IN REINSURANCE SEGMENT

In recent years

2006

Commencement of operations through the acquisition of a 51% stake in Orel-G Holding

2007

Insurance company Victoria becomes a member of the Generali Group

2008

GP Reinsurance is set up as a captive reinsurer

2015

Completion of the merger of Generali Bulgaria and Victoria

€ 77 mln premium income in 2017 ¹



More than **114 outlets**,
and 51 client desks
630 agents and 307 brokers



Among the **market leaders**
in accident insurance



15 claim handling centers



Among the market's **top six** insurers

¹ Without GP Re.

Croatia

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In recent years

1832

Operations commence

2002

Return to the Croatian market and setting up of Generali životno osiguranje (life insurance)

2003

Generali osiguranje d.d. is set up

2006

Acquisition of Libertas osiguranje

2016

Launch of the 'Growth Strategy' to take advantage of Croatia's MTPL liberalization process

€ 76 mln premium
income in 2017



The only insurance company to record **premium growth** for the ninth year in a row



Main company

▲ Generali osiguranje

A leading player in the **bancassurance market**



Over **80 outlets** servicing more than **197,000 clients**



▲ COMPANY OPERATING IN BOTH LIFE AND NON-LIFE SEGMENTS



Among TOP 5 insurance Groups in the market

Russia



Main company

■ Generali Russia & CIS

■ REPRESENTATIVE OFFICE

In recent years

2013

Generali Group acquires minority in Ingosstrakh Insurance

2017

Generali's Regional Office in Prague takes over responsibility for the Russian market

2018

Regional Office in Prague renamed Austria, CEE & Russia Regional Office

2018

Registration of Generali Russia & CIS

Huge potential

in a market of 146 mln people



Low insurance density

of 123 USD premiums per capita¹



38.5% shareholding

of Generali Group in Ingosstrakh Insurance



Long history

of Generali's involvement in the Russian market dating back to the 1830s



¹ Source: Swiss Re Institute – sigma No. 03/2017

Russia is not included into the numbers of Austria, CEE & Russia Region on other pages of this presentation.

Generali Investments CEE



In recent years

1991

Investments company CP INVEST commences operations

2003

PPF Asset Management starts operating as an asset manager of PPF Group

2008

CP INVEST and PPF Asset Management (newly named Generali PPF Asset Management, GPAM) become part of the joint venture Generali PPF

2015

Both companies fully owned by Generali CEE Holding – GPAM renamed as Generali Investments CEE

2016

Merger of CP INVEST with Generali Investments CEE

Almost **€ 17 billion** assets under management



Among the **biggest asset managers** in Central and Eastern Europe



Over **100,000** clients



A full range of products and services for **individual and institutional** investors in both the fund product and asset management fields

Contacts

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