

PRESS RELEASE

PREMIUMS, PROFITABILITY AND CAPITAL SOUNDNESS ARE INCREASING

DIVIDEND AT EURO 0.35

*The results for 2014 approved by the Board of Directors.
The comments of the Chairman Paolo Bedoni and the Managing Director Giovan Battista Mazzucchelli.*

Total premiums written amounting to € 5,677 million (+29.5% compared with December 2013) with a **net consolidated profit** of € 107 million, up 66.9% when compared with December 2013, making it possible to propose a **dividend** to the Shareholders' Meeting of € 0.35 per share. Total premiums for direct business were made up of P&C premiums for € 1,853 million (+8.0%) and life premiums for € 3,769 million (+41.9%). The **combined ratio** once again improved to 91.5%¹ when compared with December 2013 (93.5%). The **solvency margin** stood at 1.96 times the regulatory minimum².

These are the highlights of the 2014 draft financial statements approved by the Board of Directors of Cattolica Assicurazioni, which met today in Verona under the chairmanship of Paolo Bedoni.

The dividend will be paid as from May 20th, 2015 after the approval of the Shareholders' Meeting called in Verona on April 25th 2015.

Verona, March 18th, 2015. 2014³ closed with a significant increase for the Cattolica Group. The **consolidated net profit**, € 107 million, was up by 66.9%, compared with € 64 million in the same period of 2013.

Also the **Group net profit**⁴, amounting to € 91 million, disclosed an increase of 104.9% when compared with the € 44 million reported in December 2013.

This makes it possible to propose the distribution of a **dividend** to the Shareholders' Meeting of € 0.35 per share.

Total premiums written for direct and indirect life and P&C business⁵ amounted to € 5,677 million, up 29.5% with respect to the € 4,384 million in 2013.

¹ Combined ratio of retained business: 1 - (Technical balance / Net premiums) inclusive of other technical items. Inclusive of the technical balance of Fata Assicurazioni from the acquisition, in June.

² The figure takes into account both the acquisition of Fata Assicurazioni in June 2014 and the share capital increase which was finalised on December 4th, 2014. Before dividend distribution of the Parent Company. Includes the dividend distribution proposals of the subsidiaries.

³ The figures as at December 31st, 2014 include those relating to FATA Assicurazioni acquired in June.

⁴ Net of minority interests.

⁵ They include insurance premiums and life investment contracts as defined by IFRS 4.

P&C business

Premiums written for direct business, including the premiums of Fata Assicurazioni as from the date of acquisition for € 158 million, rose from € 1,715 million as at December 31st, 2013 to € 1,853 million as at December 31st, 2014 (+8.0%.) Excluding the premiums of Fata Assicurazioni, premiums written fell from € 1,715 million as at December 31st, 2013 to € 1,695 million at the end of December 2014 (-1.2%.) The trend registered at the end of 2014 with respect to the previous year, improved on that for the first nine months of 2014, reducing the decrease from -2.7% to -1.2%, and continues to feel the effect of the rising competition between operators and the weakness of demand associated with the overall economic situation.

In the **motor segment**, including Fata Assicurazioni premiums, those written came to € 1,033 million (+3.4% with respect to December 31st, 2013), while excluding Fata Assicurazioni premiums, they amounted to € 938 million, down 6.1% with respect to December 31st, 2013, against market figures that showed a decline in motor premiums of 6.2% solely for the first nine months of 2014.⁶ The Group countered the drop in the average premium generalised on the market, acquiring new customers (at the end of December new motor policies increased by more than 119 thousand; +5.5%⁷), despite maintaining the usual prudent approach in terms of risk selection.

Non-motor classes, with premiums written for € 820 million also including Fata Assicurazioni, increased with respect to December 2013 (€ 716 million, +14.6%). Excluding Fata Assicurazioni premiums, those written in the non-motor classes amounted to € 757 million, up 5.7% with respect to 2013. This increase is the result of specific assumptive choices, which favour premiums relating to retail customers' policies, rather than a clear market trend; by contrast, policies intended for the corporate segment were down.

The combined ratio⁸ fell from 93.5% as at December 31st, 2013 to 91.5%⁹ at the end of 2014.

Life business

With regard to life business, direct premiums written came to € 3,769 million, up sharply with respect to the end of 2013 (+41.9%): the traditional classes rose (Class I, +45.9% and Class V, +10.4%) along with Class III (+83%). The constantly growing trend led to a flow, net of amounts settled, which was positive with a consequent increase in the overall technical provisions.

Financial operations and statement of financial position

The **result of investments**¹⁰ came to € 505 million (compared with € 501 million as at December 31st, 2013). Investments as at December 31st, 2014 amounted to € 19,958 million¹¹.

⁶ Source: IVASS Circular dated January 7th, 2015.

⁷ Figure relating to the period as from January 1st, 2014 until December 31st, 2014 (excluding Fata Assicurazioni).

⁸ Combined ratio of retained business: 1 - (Technical balance / Net premiums) inclusive of other technical items.

⁹ Inclusive of the technical balance of Fata Assicurazioni from the acquisition, in June. Excluding the technical balance of Fata the Combined Ratio stands at 91.5% anyway.

¹⁰ Financial assets excluding investments whose risk is borne by the policyholders, gross of the tax effects. The result takes into account impairment for € 7 million, net of taxation and shadow accounting.

¹¹ The amount of the investments net of the figure related to Fata Assicurazioni totals € 19,357 million.

Gross **technical provisions** for non-life business amounted to € 3,583 million (€ 3,072 million as at December 31st, 2013)¹². The considerable increase in premiums written resulted in life business provisions, which include financial liabilities, rising to € 15,218 million (€ 13,165 million as at December 31st, 2013).

The figures as at December 31st, 2014 confirm the Group's statement of financial position solidity with **consolidated shareholders' equity** of € 2,188 million¹³ (€ 1,561 million as at December 31st, 2013).

The Group's **solvency margin** came to 1.96 times the regulatory minimum (1.66 times as at December 31st, 2013 and 1.46 times as at September 30th, 2014¹⁴). This value takes into account both the acquisition of Fata Assicurazioni in June and the share capital increase transaction which was finalised on December 4th, 2014. Taking into account the dividend proposal, the solvency margin comes to 1.90 times the regulatory minimum.

Sales Network

The agency network at the end of December 2014 had 1,588 agencies (of which 169 agencies of Fata Assicurazioni) and bank branches which place Group products as at December 31st, 2014 numbered 5,985.

The Parent Company

Gross premiums written for direct and indirect business of the Parent Company amounted to € 2,367 million (€ 2,171 million as at December 31st, 2013; +9.1%), of which € 1,414 million for direct P&C business (€ 1,457 million as at December 31st, 2013; -2.9%) and € 877 million for life business (€ 686 million as at December 31st, 2013; +27.9%). The **net profit** on the basis of the Italian accounting standards amounted to € 109 million.

Shareholder remuneration

The Board of Directors will propose the distribution of a **dividend** to the Shareholders' Meeting of € 0.35 per share.

The dividend proposed will be payable as from May 20th 2015, with coupon detachment date on the 18th of said month (coupon number 25) and record date as at May 19th, 2015, in compliance with Borsa Italiana's calendar.

Indications from the first few months of 2015

In an economic scenario which starts to show some signs of recovery, albeit in a context of sharp competition on the insurance market and very low rates of financial return, the Group continues its action aimed at achieving the growth objectives already shared with the market in the 2014 - 2017 Business Plan.

The process for the integration of Fata Assicurazioni within the Group continues with success and within the pre-established timescales.

The **Chairman** of Cattolica Assicurazioni, **Paolo Bedoni**, declared: *"The 2014 financial results show the vitality of our business structure which, last September,*

¹² Gross technical provisions for non-life business without Fata Assicurazioni amounted to € 3,085 million.

¹³ Figure post-share capital increase finalised on December 4th, 2014.

¹⁴ Figures as at December 31st, 2013 and December 31st, 2014 prior to dividend distribution. Figure as of September 30th, 2014 after dividend distribution.

enabled the Cattolica Group to make choices of strategic importance like the acquisition of Fata, the 2014-2017 Business Plan and the €500 million share capital increase. These choices, which were positively received by the financial market, have enabled, already in 2014, a new phase of development for the Group and the setting of growth targets for 2017, which shall make the Group stronger and more competitive within the insurance market, also thanks to a greater capital soundness that is reflected in a significant increase of the solvency margin. These targets are linked to a further strengthening of the business model, which allowed Cattolica to withstand the impact of the crisis and puts it in a position of taking full advantage of the opportunities that may be offered by the economic recovery with investments in innovation, a cornerstone of the Plan, and the introduction of new management energies, thanks to the new organisational structure. We have many reasons to say to our members and our shareholders that they can confidently look forward to Cattolica's future".

Cattolica Assicurazioni's Managing Director, Giovan Battista Mazzucchelli, declared: *"2014 results are fully part of the growth path that we have started planning last September with the approval of the 2014-2017 Business Plan. Consolidated net profit (+66.9%) is in line with the targets of the Plan and is the result of a combination of factors affirming, at the same time, the strength and the dynamism of the Group. A proof of this is the further improvement in the combined ratio to 91.5% and the increase in the solvency margin to 1.96. The decision to propose to the next General Shareholders' Meeting the distribution of a dividend of €0.35 per share fits in this context. These figures positively reflect both the acquisition of Fata, who has placed Cattolica in a leadership position in the field of the agriculture insurance business, and the share capital increase which was warmly welcomed by the financial market and that increased the Group's capitalization. The increased efficiency and productivity enabled the Group to absorb the effects of the economic difficulties that caused the contraction, generalised in the market, of written premiums in the P&C business and in particular in the Motor sector, in which Cattolica was able to rebalance the decline in the average premium with a significant increase of clients. Life premiums are still strongly growing (+41.9%) which contributes significantly to the increase of total premiums written by 29.5%. All this is fully in line with the growth targets we have set ourselves in the Business Plan".*

The Executive appointed to draw up the corporate accounting documents, Giuseppe Milone, declares in pursuance of Article 154 *bis*, section 2 of the "Testo Unico della Finanza" (Consolidated Law on Finance) that the accounting disclosure contained in this press release complies with the documental results, the books and ledgers and the accounting entries.

The Board of Directors has also checked the independence requisites of the Directors on the basis of the matters envisaged by the Code of Conduct. Cattolica's Board of Directors has therefore qualified the following non-executive directors as independent: Luigi Baraggia, Bettina Campedelli, Lisa Ferrarini, Paola Feroli, Giovanni Maccagnani, Luigi Mion, Angelo Nardi, Domingo Sugranyes Bickel and Enrico Zobebe¹⁵.

¹⁵ You are hereby reminded that on May 8th, 2013 Cattolica's Board of Directors resolved the non-application of the independence requirement envisaged by point 3.C.1 e) of the Code of Conduct in compliance with the recognised need to show preference with regard to an essential valuation.

Cattolica Assicurazioni's Board of Directors resolved the calling of the shareholders' meeting, in ordinary and extraordinary session, for **April 24th and 25th, 2015**, in first and **second calling** respectively.

The agenda of the Shareholders' Meeting is as follows:

Ordinary session

1. Approval of the 2014 financial statements and the accompanying report, with consequent and related resolutions.
2. Decisions relating to the remuneration policies, in compliance with the legislative and Article of Association provisions.
3. Appointment, pursuant to art. 2386 of the Italian Civil Code and to art. 33.5 of the Bylaws, of one member of the Board of Directors.
4. Appointment of the Board of Statutory Auditors, of its Chairman and determination of its the remuneration policy.
5. Amendments to the General Meeting Regulations. Inherent and consequent resolutions
6. Authorisation to purchase and sell own shares in accordance with the law. Inherent and consequent resolutions.

Extraordinary session

1. Articles of Association: amendments to articles 6, 9-bis, 22, 20, 24, 30, 43 and 45. Inherent and consequent resolutions.

The reports on the business of the agenda will be made available care of the Registered Offices and on the website www.cattolica.it by the deadlines envisaged by current legislation.

The Company hereby discloses that the annual financial statements of Cattolica Assicurazioni, the consolidated financial statements of the Cattolica Group and the Report on Corporate Governance and the ownership structures as at December 31st, 2014, shall be made available to the public at the registered offices and on the company's website www.cattolica.it and on the authorised storage mechanism www.emarketstorage.com, as per the formalities and by the deadlines envisaged by current legal and regulatory provisions.

A conference call has been organised for the presentation of the results at 9.30 a.m. tomorrow, March 19th, 2015 (with double Italian/English audio). The telephone numbers to call are: + 39 02 805 88 11 from Italy, + 44 1212 818003 from the United Kingdom and +1 718 7058794 from the United States. The presentation relating to the results will be available, in Italian and English, on the home page of the website www.cattolica.it in the Investor Relations section.

The reclassified consolidated statement of financial position and income statement schedules as at December 31st 2014 are enclosed, with indication that the annual and

consolidated financial statements and related documentation have not yet been certified by the independent auditing firm.

SOCIETÀ CATTOLICA DI ASSICURAZIONE

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Cattolica Group - Consolidated financial statements as at December 31st, 2014

(drawn up on the basis of the international accounting standards)

Items from
obligatory
statements (*)

Reclassified statement of financial position (€ millions)	2014	2013	
Assets			
Investment property and properties	485	395	4.1 + 2.1
Investments in subsidiaries, associates and joint ventures	88	83	4.2
Loans and receivables	968	1.172	4.4
Held to maturity investments	253	270	4.3
Available for sale financial assets	14.543	11.235	4.5
Financial assets at fair value through profit and loss	3.200	3.267	4.6
Cash and cash equivalents	421	505	7
Investments	19.958	16.927	
Intangible assets	315	289	1
Technical provisions - reinsurance amount	727	681	3
Other assets net of other liabilities	605	628	(**)
ASSETS	21.605	18.525	
Liabilities and shareholders' equity			
Group capital and reserves	1.872	1.290	
Group profit (loss)	91	44	1.1.9
Group shareholders' equity	1.963	1.334	1.1
Shareholders' equity pertaining to minority interests	225	227	1.2
Consolidated shareholders' equity	2.188	1.561	1
Provision for unearned premiums	773	671	
Provision for outstanding claims	2.810	2.401	
Gross technical provisions - non-life	3.583	3.072	3
Gross technical provisions - life	13.928	12.167	3
Other gross non-life technical provisions	2	2	3
Other gross life technical provisions	299	360	3
Financial liabilities	1.605	1.363	4
<i>of which deposits from policyholders</i>	<i>1.290</i>	<i>998</i>	
LIABILITIES AND SHAREHOLDERS' EQUITY	21.605	18.525	

Items from
obligatory
statements (*)

Reclassified income statement (€ millions)	2014	2013	
Revenues and income			
Net premiums	5.051	3.933	1.1
Commission income	3	2	1.2
Income and charges deriving from financial instruments at fair value through profit and loss	88	75	1.3
<i>of which class D(***)</i>	<i>84</i>	<i>69</i>	
Income from investments in subsidiaries, associates and joint ventures	3	2	1.4
Income from other financial instruments and investment property	626	640	1.5
<i>of which changes in other financial liabilities</i>	<i>0</i>	<i>0</i>	
Other revenues	92	70	1.6
Total revenues and income	5.863	4.722	
Costs and charges			
Net charges relating to claims	-4.807	-3.731	2.1
Commission expense	-1	-5	2.2
Charges from investments in subsidiaries, associates and joint ventures	-5	0	2.3
Charges from other financial instruments and investment property	-101	-128	2.4
Operating expenses	-532	-475	2.5
<i>Commission and other acquisition costs</i>	<i>-363</i>	<i>-327</i>	
<i>Operating expenses relating to investments</i>	<i>-24</i>	<i>-16</i>	
<i>Other administrative expenses</i>	<i>-145</i>	<i>-132</i>	
Other costs	-204	-210	2.6
Total costs and charges	-5.650	-4.549	
Pre-tax profit for the period	213	173	
Taxation	-106	-109	3
Net profit for the period	107	64	
Profit (loss) from discontinued operations	0	0	4
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	107	64	
Profit pertaining to minority shareholders	16	20	
PROFIT PERTAINING TO THE GROUP	91	44	

(*) Indicates the items of the statements in the consolidated financial statements as per ISVAP regulation No. 7 of July 13th, 2007.

(**) Sundry receivables, other asset items, and other tangible assets (statement of financial position items under assets = 5 + 6 + 2.2) net of provisions, payables and other liability items (statement of financial position items under liabilities = 2 + 5 + 6).

(***) Includes the Class D profits recognised in the operating expenses relating to investments amounting to less than € 2 million.

The balances as at December 31st, 2014 include those relating to FATA Assicurazioni Danni consolidated in June 2014.

Cattolica Assicurazioni Soc. Coop. - Annual financial statements
(drawn up in accordance with the international accounting standards)

Reclassified statement of financial position (€ millions)	2014	Items from 2013 obligatory statements
Assets		
Land and buildings	40	40 <i>C.I</i>
Shares and holdings	1.255	1.069 <i>C.II.1 + C.III.1</i>
Bonds and other fixed income securities	5.207	4.708 <i>C.II.2 + C.III.3</i>
Units of mutual investment funds	449	397 <i>C.III.2</i>
Loans and other investments	11	11 <i>C.II.3 + C.III.4 + C.III.6 + C.III.7</i>
Deposits with ceding companies	8	8 <i>C.IV</i>
Class D investments	1.003	892 <i>D</i>
Cash in bank and cash equivalent	129	243 <i>F.II</i>
Investments	8.102	7.368
Intangible assets	180	180 <i>B</i>
Technical provisions - reinsurance amount	546	544 <i>D.bis</i>
Own shares	5	9 <i>F.III</i>
Other receivables and other assets net of other payables and other liabilities	331	298 <i>(1)</i>
ASSETS	9.164	8.399
Liabilities and shareholders' equity		
Share capital and equity reserves	1.816	1.258
Profit (loss) for the year	109	83
Shareholders' equity	1.925	1.341 <i>A</i>
Gross technical provisions - non-life (premiums and claims)	2.819	2.809 <i>C.I.1 + C.I.2</i>
Gross technical provisions - life (actuarial and class D)	4.278	4.050 <i>C.II.1 + D</i>
Other gross non-life technical provisions	12	12 <i>C.I.4 + C.I.5</i>
Other gross life technical provisions	130	187 <i>(2)</i>
LIABILITIES AND SHAREHOLDERS' EQUITY	9.164	8.399

Reclassified income statement (€ millions)	2014	Items from 2013 obligatory statements
Premiums written	2.143	2.010 <i>I.1 + II.1</i>
Claims for the period and change in technical provisions	1.905	1.732 <i>I.4 + II.5 + II.6</i>
Operating expenses	348	347 <i>I.7 + II.8</i>
Other technical items	-10	-20 <i>(3)</i>
Net income from class C investments	279	264 <i>II.2 - II.9 + III.3 - III.5</i>
Net income from class D investments	76	41 <i>II.3 - II.10</i>
Other income net of other charges	-58	-58 <i>III.7 - III.8</i>
RESULT OF ORDINARY ACTIVITIES	177	158 <i>III.9</i>
Profit (loss) from extraordinary operations	-8	-10 <i>III.12</i>
PRE-TAX PROFIT (LOSS)	169	148 <i>III.13</i>
Income taxes for the year	60	65 <i>III.14</i>
PROFIT (LOSS) FOR THE YEAR	109	83 <i>III.15</i>

(1) Other receivables and other assets (statement of financial position asset items = E + F.I + F.IV + G) net of other payables and other liabilities (statement of financial position liability items = B + E + F + G + H)

(2) Other gross life technical provisions (statement of financial position items = C.II.2 + C.II.3 + C.II.4 + C.II.5)

(3) Other technical items (income statement items = I.3 + I.5 + I.6 + I.8 + I.9 + II.4 + II.7 + II.11)

You are hereby informed that the statement of financial position data as at December 31st, 2013 includes the business segment acquired from Risparmio & Previdenza effective as at December 31st, 2013.