Società Cattolica di Assicurazione - Società Cooperativa
Sede in Verona, Lungadige Cangrande n.16
C.F. 00320160237 – Iscritta al Registro delle Imprese di Verona al n. 00320160237
Società iscritta all'Albo delle Società Cooperative al n. A100378

PRESS RELEASE

RESULTS AS AT MARCH 31ST, 2012 APPROVED:

CONSOLIDATED NET PROFIT OF € 19 MILLION (+11.8%)

TOTAL PREMIUMS WRITTEN OF € 859 MILLION (-20.4%)

Direct non-life premiums of € 398 million (+3.2%)
Direct life premiums of € 450 million (-33.9%)

COMBINED RATIO OF 96.5% (97.7% AS AT MARCH 31ST, 2011)

SOLVENCY MARGIN 1.45 TIMES THE REGULATORY MINIMUM

ASSIGNMENT OF CORPORATE OFFICES

Verona, May 15th, 2012. The Board of Directors of Cattolica Assicurazioni, chaired by Paolo Bedoni, approved today the Interim Management Report as at March 31st, 2012 of the Cattolica Group[1].

The first quarter of 2012 improved with respect to the previous year both in economic and financial terms.

The first three months of the year showed a **consolidated net profit** of € 19 million compared with € 17 million of the same period of 2011 (+11.8%); write-downs on portfolio investments accounted for € 3 million of profit[2]. Net of extraordinary components, consolidated net profit would amount to € 22 million.
The **Group's net profit**[3] came to € 16 million compared with € 15 million last year (+6.7%). Net of the non-recurrent effects mentioned above, the Group's net profit would come to € 18 million.

Total direct and indirect business **premiums written** (life and non-life)[4] amounted to € 859 million, decreasing by 20.4% compared with € 1,080 million in the corresponding period of the previous year, of which € 409 million in the non-life segment and € 450 million in the life segment.

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[1] The interim management report relating to the first quarter of 2012 has been drawn up on the basis of Article 154 ter of the Consolidated Finance Law (TUF) and Consob Communication No. DEM/8041082 dated April 30th, 2008 and does not represent interim financial statements drawn up in pursuance of IAS 34.
[2] Impairment on bonds and shares net of tax effects.
[3] Net of minority interests.
[4] Includes life insurance premiums and investment policies as defined by IFRS 4.

Non-life business

Direct premiums written rose from € 386 million as at March 31st, 2011 to € 398 million at the end of March 2012 (+3.2%). The **motor business** reported premiums written of € 239 million, increasing by 5.3% compared to March 31st 2011. **Non-motor classes,** with premiums written of € 159 million were essentially in line with respect to the same period last year.
In the non-life business, the good industrial performance reached affected the **combined ratio**[5], which decreased from 97.7% as at March 31st, 2011 to 96.5%, showing a further improvement also compared to the end of 2011 (96.9%).

Life business

Direct life business premiums decreased compared to the previous year, coming to € 450 million compared with € 681 million at the end of March 2011 (-33.9%).
Premiums written, in particular via the banking channel, were affected, at the market level, by the difficult financial and economic situation.

Financial operations and equity position

The **result of investments**[6] amounted to € 132 million (compared with € 107 million as at March 31st, 2011). This result was obtained notwithstanding the write-downs on shares and bonds for a total of € 3 million[7].

Investments amounted to € 15,777 million (€ 15,095 million as at December 31st, 2011). **Gross non-life technical provisions** amounted to € 2,966 million and **life business provisions**, including financial liabilities, totalled € 12,680 million.

The figures as at March 31st, 2012, confirm the equity soundness of the Group with a **consolidated shareholders' equity** of € 1,361 million (€ 1,223 million as at December 31st, 2011). The increase mainly results from the reduction of hidden capital losses on securities available for sale.

At the end of March 2012, the **solvency margin** of the Group, before the application of the anti-crisis ISVAP Regulations, was 1.45 times the regulatory minimum (1.40 times as at December 31st, 2011[8]).

Sales network

The process of rationalisation of the agency network, which had 1,392 agencies at the end of March 2012 (1,398 at the end of 2011), continues. Bank branches selling the products of the Group as at March 31st, 2012 were 5,974, financial advisors were 949.

Disclosures on the current period

A further improvement of the life business and non-life business result is expected for the 2012 financial year.
A special attention will be paid to life business in relation to the complex market situation, without prejudice to the pursuit of an adequate profitability.
The management of investments will continue according to the usual criteria of prudence within a market context that remains volatile.

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[5] Combined ratio of retained business: 1-(Technical balance/net premiums), including the other technical items.
[6] With the exclusion of investments whose risk is borne by the policyholders.
[7] Net of tax effects.
[8] As at December 31st, 2011, before the application of the anti-crisis ISVAP Regulations, the solvency margin was 1.25 times the regulatory minimum.

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The **Chairman Paolo Bedoni** declared: "*Cattolica recorded good results in this first quarter of the year and showed a competitive capacity in a market strongly influenced by the recession and financial crisis. On this basis and in the light of the strategic directions of the recent Shareholders' Meeting, with the new appointments in the Board and in the Executive Committee, a governance that aims to strengthen the cooperative model and relationship with the territory is established".*

The **Managing Director Giovan Battista Mazzucchelli** declared: "*The first quarter of 2012 closed with a net profit in line with our expectations, in a particularly difficult period from the economic point of view. The positive trend in business management, which is also affected by the general drop in premiums written for life business, is accompanied by the recovery of investments, which strengthens the financial operations and equity position of the company. Within this framework, the improvement of the combined ratio and the strengthening of the solvency margin are particularly significant".*

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Partial spin-off of the Cattolica Gestione Investimenti S.p.A. company in favour of Cattolica Assicurazioni[9]

The Board of Directors of Cattolica Assicurazioni approved today the partial spin-off of Cattolica Gestione Investimenti S.p.A. in favour of Cattolica Assicurazioni. The split-up branch will be merged into Cattolica in order to concentrate the activities of the Group concerning the management of the financial assets with the Parent Company.
The transaction is subject to obtaining the necessary authorisations from the competent authorities. The documents required by the applicable legislation will be deposited under the terms and procedures established by the applicable laws and regulations.

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Assignment of corporate offices

The Board of Directors of Cattolica Assicurazioni assigned during today's meeting the following corporate offices: Giulio Magagni as Senior Vice President, Aldo Poli as Secretary, and also appointed Pilade Riello and Giovannimaria Seccamani Mazzoli as members of the Executive committee.

[9] Note that the share capital of the company being split-up is wholly owned by Cattolica Assicurazioni and, therefore, the Procedure for the handling of related party transactions - approved by the Board of Directors of Cattolica on November 29th, 2010 - does not apply with reference to the approval of the transaction at issue, in that this Procedure contemplates, among other things, the exclusion of infragroup transactions (as in this case) provided that in the companies involved there are no significant interests of other related parties. This transaction is of minor importance in accordance with CONSOB Regulation no. 17221 of March 12th, 2011

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The Executive appointed to draw up the corporate accounting documents, Giuseppe Milone, hereby declares that pursuant to Article 154 bis, paragraph 2, of the Consolidated Finance Law, the accounting information provided in this release matches the information reported on the company's documents, books and accounting records.

The Company informs that the Interim Management Report as at March 31st, 2012 of the Cattolica Group will be at the disposal of the public at the Registered Office, at Borsa Italiana S.p.A. and on the Web site of the company at www.cattolica.it with the procedures and terms contemplated by the laws and regulations in force.

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The reclassified balance sheet and income statement as at March 31st, 2012 are herewith enclosed.

SOCIETA' CATTOLICA DI ASSICURAZIONE

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Cattolica Group - Interim Management Report as at March 31st, 2012

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

Reclassified Balance Sheet *(€ millions)*	**31/03/2012**	**31/12/2011**	*Items from obligatory statements (*)*
Assets			
Property investments and property	176	177	*4.1 + 2.1*
Equity investments in subsidiary and associated companies and joint ventures	102	103	*4.2*
Loans and receivables	1.633	1.518	*4.4*
Investments held to maturity	286	285	*4.3*
Financial assets available for sale	9.016	8.512	*4.5*
Financial assets at fair value recorded in the income statement	4.089	4.093	*4.6*
Cash and cash equivalents	475	407	*7*
Investments	**15.777**	**15.095**	
Intangible assets	322	328	*1*
Technical provisions - reinsurance amount	652	640	*3*
Other assets net of other liabilities	822	996	*(**)*
ASSETS	**17.573**	**17.059**	
Liabilities and shareholders' equity			
Share capital and reserves	1.342	1.181	
Consolidated result	19	42	
Consolidated shareholders' equity	**1.361**	**1.223**	*1*
Provision for unearned premiums	624	626	
Provision for outstanding claims	2.342	2.331	
Gross technical provisions - non-life	**2.966**	**2.957**	*3*
Gross technical provisions - life	**11.656**	**11.299**	*3*
Other gross non-life technical provisions	2	2	*3*
Other gross life technical provisions	316	324	*3*
Financial liabilities	1.272	1.254	*4*
of which deposits from policyholders	*1.024*	*1.004*	
SHAREHOLDERS' EQUITY AND LIABILITIES	**17.573**	**17.059**	

Reclassified Income Statement *(€ millions)*	**31.03.2012**	**31.03.2011**	*Items from obligatory statements (*)*
Revenues and income			
Net premiums	740	942	*1.1*
Commission income	0	1	*1.2*
Income and charges deriving from financial instruments valued at fair value recorded in the	115	-2	*1.3*
of which class D	*103*	*-6*	
Income deriving from equity investments in subsidiary and associated companies and joint	0	0	*1.4*
Income deriving from other financial instruments and property investments	170	119	*1.5*
Other revenues	7	12	*1.6*
Total revenues and income	**1.032**	**1.072**	
Costs and charges			
Net charges relating to claims	-810	-880	*2.1*
Commission expense	0	-1	*2.2*
Charges deriving from equity investments in subsidiary and associated companies and joint	-3	0	*2.3*
Charges deriving from other financial instruments and property investments	-43	-12	*2.4*
Operating expenses	-112	-114	*2.5*
Commission and other acquisition costs	*-75*	*-77*	
Operating expenses relating to investments	*-4*	*-4*	
Other administrative expenses	*-33*	*-33*	
Other costs	-31	-35	*2.6*
Total costs and charges	**-999**	**-1.042**	
Pre-tax results	**33**	**30**	
Taxation	-14	-13	*3*
Net profit for the period	**19**	**17**	
Profit from discontinued operations	**0**	0	*4*
CONSOLIDATED PROFIT FOR THE PERIOD	**19**	**17**	
Net income pertaining to minority shareholders	3	2	
NET INCOME PERTAINING TO THE GROUP	**16**	**15**	

(*) Indicates the items on 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 (balance sheet items under assets = 5 + 6 + 2.2) net of allowances, payables and other liability items (balance sheet items under liabilities = 2 + 5 + 6)