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
www.cattolica.it

PRESS RELEASE

RESULTS AS AT SEPTEMBER 30th, 2012 APPROVED:

- **CONSOLIDATED NET PROFIT OF € 51 MILLION compared with € 41 million at September 2011 (+24.4%)**

- **CONSOLIDATED PREMIUMS WRITTEN € 2,622 MILLION**
  - **Direct business non-life premiums € 1,186 million (+3.7%)**
  - **Direct business life premiums € 1,421 million (-17.1%)**

- **COMBINED RATIO AT 96% (96.9% AT SEPTEMBER 30th, 2011)**

- **SOLVENCY MARGIN EQUAL TO 1.58 TIMES THE SUPERVISORY MINIMUM**

Verona, November 14th, 2012. The Board of Directors of Cattolica Assicurazioni, chaired by Paolo Bedoni, today unanimously approved the Interim Management Report as at September 30th, 2012 of the Cattolica Group[1].

The first nine months of 2012 disclosed results on the up both on an industrial and earnings level and confirm the Group's solid equity position.

The **consolidated net profit** came to € 51 million, up with respect to the € 41 million in the same period in 2011 (+24.4%). The result takes into account €16 million in writedowns[2] on portfolio investments. Net of extraordinary items, the net profit would have amounted to € 67 million.
The **Group's net result** came to € 41 million (€ 39 million at September 30th, 2011 +5.1%). Net of extraordinary items, the Group's net profit would have come to € 57 million.

Total premiums written[3] for direct and indirect business, amounted to € 2,622 million (€ 2,871 million in the same period in 2011; -8.7%).

Insurance premiums written for direct and indirect business in the non-life classes rose from € 1,144 million at September 30th, 2011 to € 1,186 million in the first nine months of 2012 (+3.7%). In the **motor insurance segment**, premiums amounted to € 715 million, up 5.1% when compared with the same period in 2011. Premiums in the **non-motor segment** were also up, amounting to € 471 million (+1.7%).

---

[1] The interim management report relating to the third quarter of 2012 has been drawn up on the basis of Article 154 *ter* of the Consolidated Finance Law 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 net of shadow accounting and tax effects.
[3] They include insurance premiums and life insurance investment policies as defined by IFRS 4.

With regard to **life business**, direct premiums written came to € 1,421 million. The decrease with respect to the previous year (-17.1%) is in line with the market trend and is essentially due to the drop in premiums written via the banking channel which, despite continuing to feel the effects of the market situation, have however revealed a progressive improvement with respect to the first part of 2012. In detail, in the third quarter of 2012 alone, life premiums rose 6.4% when compared with the same period in the previous year.

The first nine months of 2012 **confirmed the positive trend in business performance**. In detail, the **combined ratio**[4] came to 96%, a slight improvement with respect to September 2011 (96.9%) and the first half of 2012 (96.1%). Net of the effects deriving from the catastrophic events which took place in Emilia Romagna and neighbouring regions during the period, the combined ratio stands at 94.9%.

The **consolidated shareholders' equity** came to € 1,480 million as at September 30th, 2012 (€ 1,223 million at December 31st, 2011). The increase with respect to December 31st, 2011 is essentially due to the improvement of the AFS reserve, which reflects the recovery in the value of Italian government securities in the portfolio.
The Group's **solvency margin**, prior to application of the ISVAP anti-crisis Regulations, stood at 1.58 times the supervisory minimum (1.25 times as at December 31st, 2011); taking into account the application of the ISVAP anti-crisis regulations, the margin was 1.61 times the supervisory minimum (1.40 times as at December 31st, 2011).

Investments amounted to € 15,644 million. **Gross technical provisions** for non-life business amounted to € 2,976 million, while **life provisions**, inclusive of financial liabilities, came to € 12,311 million. The **result of investments**[5] net of writedowns came to € 392 million in the first nine months of 2012 (€ 285 million as at September 30th, 2011; +37.5%).

Sales Network
The process for the rationalisation of the agency network continued; at the end of September 2012, there were 1,374 agencies. Bank branches which placed Group products as at September 30th, 2012 numbered 6,007.

Outlook for business activities
With regard to the latter period of 2012, consolidation is expected of the technical results for life and non-life business, continuing with the development action in the non-life classes along with attention to the trend in the life classes in relation to the complex market situation.
The continuation of the volatility of the financial markets will lead to the need to continue with the handling of investments on a highly prudent basis.

***

The Chairman of Cattolica Assicurazioni – Paolo Bedoni – declared: "*The figures as at September 30th consolidate and strengthen the positive trends already seen in the first half of the year. These are important figures both with regard to quality and quantity. The*

[4] Combined ratio of retained business: (1 - (Technical balance / Net premiums) inclusive of other technical items.
[5] Financial assets excluding investments whose risk is borne by the policyholders, gross of the tax effects.

improvement in the consolidated net profit appears above all else to be an expression of the Company's ability to reconcile the objective of satisfactory results with that of consolidation of a solid equity position. This is the most eloquent demonstration of Cattolica's ability to bear the impact of the crisis and prepare itself to seize the opportunities provided by an economic pick-up which we hope is not far away".

Cattolica Assicurazioni's Managing Director – Giovan Battista Mazzucchelli – maintained: "*Naturally we are satisfied with the first nine months of 2012 which reward the Group's ability to register further growth in net profit under particular adverse financial and economic cycle conditions. It is important to emphasise that the profitability grows within a reference framework where the structural ratios (from the combined ratio to the solvency margin) consolidate further. All this reveals dynamism and a competitive ability which are the expression of great propensity towards innovation".*

***

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

The Company hereby discloses that the Cattolica Group's Interim management report at September 30th, 2012 shall be made available to the public at the registered offices and on the company's website www.cattolica.it, as per the formalities and by the deadlines envisaged by current legal and regulatory provisions.

The reclassified consolidated balance sheet and income statement schedules at September 30th, 2012 are enclosed.

SOCIETÀ CATTOLICA DI ASSICURAZIONE

CONTACT INFORMATION

Investor Relations Officer
Carlo Ferraresi
Tel. No. 0039 045 8391202
Investor.relations@cattolicaassicurazioni.it

Institutional Communications
Giovanni Grazioli
Tel. No. 0039 335 1027474
giovanni.grazioli@cattolicaassicurazioni.it

Cattolica Group - INTERIM MANAGEMENT REPORT AS OF SEPTEMBER 30th, 2012

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

Reclassified balance sheet *(€ millions)*	Sept. 30th, 2012	Dec. 31st, 2011	*Items from obligatory statements (*)*
Assets			
Investment property	179	177	*4.1 + 2.1*
Investments in subsidiaries, associates and joint ventures	76	103	*4.2*
Loans and receivables	1.379	1.518	*4.4*
Held to maturity investments	286	285	*4.3*
Available for sale financial assets	9.266	8.512	*4.5*
Financial assets at fair value through profit or loss	3596	4.093	*4.6*
Cash and cash equivalents	862	407	*7*
Investments	**15.644**	**15.095**	
Intangible assets	332	328	*1*
Technical provisions - reinsurance amount	679	640	*3*
Other assets net of other liabilities	770	996	*(**)*
ASSETS	**17.425**	**17.059**	
Liabilities and shareholders' equity			
Capital and reserves	1.429	1.181	
Consolidated result	51	42	
Consolidated shareholders' equity	**1.480**	**1.223**	*1*
Provision for unearned premiums	588	626	
Provision for outstanding claims	2.388	2.331	
Gross technical provisions - non-life	**2.976**	**2.957**	*3*
Gross technical provisions - life	**11.357**	**11.299**	*3*
Other gross non-life technical provisions	2	2	*3*
Other gross life technical provisions	405	324	*3*
Financial liabilities	1.205	1.254	*4*
of which deposits from policyholders	*954*	*1.004*	
LIABILITIES AND SHAREHOLDERS' EQUITY	**17.425**	**17.059**	

Reclassified income statement *(€ millions)*	Sept. 30th, 2012	Sept. 30th, 2011	*Items from obligatory statements (*)*
Revenues and income			
Net premiums	2.333	2.556	*1.1*
Commission income	2	4	*1.2*
Income and charges deriving from financial instruments at fair value through profit or loss	176	-9	*1.3*
of which class D	*174*	*-10*	
Income from investments in subsidiaries, associates and joint ventures	-	-	*1.4*
Income from other financial instruments and investment property	579	410	*1.5*
of which changes in other financial liabilities	*20*	*3*	
Other revenues	20	33	*1.6*
Total revenues and income	**3.110**	**2.994**	
Costs and charges			
Net charges relating to claims	-2.429	-2.371	*2.1*
Commission expense	-2	-3	*2.2*
Charges from investments in subsidiaries, associates and joint ventures	-4	-2	2.3
Charges from other financial instruments and investment properties	-153	-111	*2.4*
Operating expenses	-344	-335	*2.5*
Commission and other acquisition costs	*-233*	*-224*	
Operating expenses relating to investments	*-12*	*-11*	
Other administrative expenses	*-99*	*-100*	
Other costs	-86	-90	*2.6*
Total costs and charges	**-3.018**	**-2.912**	
Pre-tax profit for the period	**92**	**82**	
Taxation	-41	-41	*3*
Net profit for the period	**51**	**41**	
Profit (loss) from discontinued operations	**-**	**-**	*4*
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	**51**	**41**	
Profit pertaining to minority shareholders	10	2	
PROFIT PERTAINING TO THE GROUP	**41**	**39**	

(*) Indicates the items of 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 provisions, payables and other liability items (balance sheet items under liabilities = 2 + 5 + 6).