Società Cattolica di Assicurazione - Co-operative company
Headquarters in Verona, Lungadige Cangrande no.16
C.F. 00320160237 – entered in the Verona companies register, no. 00320160237
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PRESS RELEASE

CATTOLICA GROUP 2009 RESULTS APPROVED:

- **TOTAL PREMIUMS PAID EUR 4,357 MILLION (UP 20.4% ON THE PREVIOUS YEAR)**
- **MARKED IMPROVEMENT IN PROFIT:**
  - **Combined Ratio 97.5% from 99.4% at end 2008**
- **NET CONSOLIDATED PROFIT EUR 68 MILLION (UP +223.8% ON 2008)**
- **ASSET STRENGTH CONFIRMED: SOLVENCY RATIO 1.78 TIMES THE REGULATORY MINIMUM BEFORE PROPOSED DIVIDEND**
- **PROPOSED DIVIDEND EUR 0.85 PER SHARE**

Verona, 24 March 2010. The board of directors of Cattolica Assicurazioni, chaired by Paolo Bedoni, today approved the parent company's consolidated accounts and draft 2009 annual results.

The year 2009 saw further confirmation of the group's positive business performance, despite the difficult macroeconomic conditions and recession. Business efficiency was most marked in the non-life segment, with a combined ratio[1] of 97.5% (99.4% at end 2008).

The figures at 31 December 2009 confirm excellent asset strength, with **consolidated net assets** of 1,620 million, up 28.1% on 31 December 2008 (1,265 million), chiefly as a result of improvement in the AFS (available for sale)[2] reserve, which went from EUR -124 million to EUR +93 million – an improvement of 217 million. The group's **solvency ratio** was up from 31 December 2008, from 1.55 times to 1.78 times the regulatory minimum[3].

[1] Combined ratio of retained work: 1 - (underwriting activity/net premiums), including other underwriting items.
[2] Net of shadow accounting and tax effects.
[3] Before dividends proposed by the parent company and companies included in the consolidation to the tune of stakes held by third parties. Taking into account the proposed dividend, the solvency margin is 1.68 times the regulatory minimum.

Total premiums[4] from direct and indirect activities stood at EUR 4,357 million, up from EUR 3,620 million in the same period of 2008 – a 20.4% improvement[5].

The group ended the year with **net consolidated profit** of EUR 68 million, up from 21 million the previous year (an increase of 223.8%); **group net profit** was EUR 58 million, up from 29 the previous year (an increase of 100%).

Non-life performance
Total premiums from direct activities went from EUR 1,506 million at 31 December 2008 to EUR 1,531 million at the end of 2009 – an improvement of 1.7%. In the car segment premiums were EUR 852 million, a fall of 2.5% from the end of 2008. The group continued to strengthen performance in non-car segments, which saw an increase of 7.4% from the previous year, with premiums totalling EUR 679 million. The total ratio of payouts to premiums[6] was better than the previous year, at 70.7%.

Life performance
Total premiums from direct activities[7] increased significantly on the previous year, reaching EUR 2,812 million, up from 2,103 million at the end of 2008 (an increase of 33.7%). The sharp reduction in interest rates contributed to a further increase in premiums in the traditional products of divisions I and V (up 126%) and to a fall in index and unit-linked products in division III (down 76.8%). Pension funds increased by 34.2%.

Financial performance
Profit on investments[8] was 352 million (up from 234 million at 31 December 2008). The figure was affected by impairments on shares and, to a lesser extent, on bonds, to the tune of a total EUR 34 million[9].

Branch network
At the end of 2009 this numbered 1,463 branches (1,472 at the end of 2008) distributed as follows: 54.8% in northern Italy, 23.5% in the centre, and 21.7% in the south and islands. Bank branches that offer group products numbered 5,503 at 31 December 2009 (2,647 at the end of 2008). The partnership with ICCREA Holding came into effect on 1 July 2009 and, in terms of potential, will enable the Cattolica groups to access, through BCC Vita, a network of more than 4,000 bank branches. At year end the network of Cattolica Previdenza numbered 419 consultants (296 at the start of 2009).

Parent company
Net profit of the **parent company** on the basis of Italian accounting principles stood at EUR 125 million, and **total premiums** from direct and indirect activity stood at EUR 1,640 million (up 16.1% from 31 December 2008), of which 921 million from direct activity in the **non-life divisions** (up 2.7%) and 700 million in **life** (up 39.7%).

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[4] Includes insurance and investment premiums in the life divisions as defined by IFRS 4.
[5] Change from the previous year excluding BCC Vita was +9%.
[6] Ratio of payouts to premiums for retained work: net charges relating to payouts/net premiums
[7] Group life premiums excluding BCC Vita stood at EUR 2,401 million di euro, or 14.2% up on 2008.
[8] Rxcluding investments where the insured bears the risk.
[9] The impact of impairment on consolidated profit, net of tax, was 23 million.

Dividend
The board of directors will propose the members' meeting that total **dividends** of EUR **46 million** be paid which, taking into account that in 2009 a free share was issued for every 20 held, **equals EUR 0.85 per share**. The proposed dividend will be payable from 13 May 2010, with the coupon being detached on the 10th of the same month.

Pointers from the first few months of 2010
Forecasts for 2010 confirm that business performance is continuing to improve, especially thanks to moves by the group to increase efficiency and profitability.
In the non-life divisions business performance is expected to be consolidated, against the background of a market that, however, remains tough.
In the life divisions, the first few months of the year have shown the growth in premiums continuing.
Financial management will continue to be run along traditionally prudent lines, bearing in mind the present low level of interest rates.

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The chairman of the board of Cattolica Assicurazioni, Paolo Bedoni, commented: "*The brilliant results of the Cattolica group are both a culmination and a point of departure. They are the culmination of a process begun in 2007, with a new strategy and management, which enable us, today, to present our members and shareholders with an extremely positive picture. It is certainly extremely significant that these results have been achieved in a period marked by the most serious financial crisis of recent decades, and by the resulting recession. These figures are also clearly the point of departure of a new phase, since they put our group in a position where it can draw up a new strategic plan which is innovative and dynamic, which opens up new development prospects, consolidates our geographic spread, and relaunches the efficacy and originality of the co-operative model which it embodies.*"

The chief executive of Cattolica Assicurazioni, Giovan Battista Mazzucchelli, said: "*The 2009 results are the result of a combination of positive factors which enable us to propose to the next members' meeting a dividend of EUR 0.85 per share, consolidating and strengthening the already good solvency margin of our company and the group it leads. All this is the fruit of a business and financial performance that is neither the result of chance nor provisional – all the more because it has been achieved in extremely difficult macroeconomic and market conditions. Rather, it is the result of many years of development and consolidation of our technical assets and investment portfolio. In this way we have built the foundations for organic growth – but also growth through acquisitions, depending on opportunities – which enables Cattolica Assicurazioni to look to the future with great confidence.*"

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The manager who drew up the company accounts, Alessandro Silvestrelli, declares in compliance with paragraph 2 of article 154bis of the finance ministry's single text that the accounts information in this report is drawn from documents, the company books, and other accounting documentation.

The board of directors has also certified the required independence of the directors as demanded by the self-regulation code. From the checks in question it has emerged that the directors who make up the Cattolica board who are at present non-executive and independent are Giuseppe Manni, Aldo Poli, Pilade Riello, Domingo Sugranyes Bickel, and Antonio Tessitore.

The board of directors has also approved the report on the company's governance and the ownership structure for the year 2009.

The Cattolica accounts, consolidated accounts, report on company governance, and ownership structure will be made available in the manner and within the terms demanded by the laws and regulations now in force.

You are reminded that the Cattolica Assicurazioni members' meeting, in its ordinary and extraordinary sections, has been called for 23 and **24 April 2010**, respectively the first and **second session**.

Attached are the updated figures, as at 31 December 2009, for the consolidated balance sheet and profit and loss account of the parent company. We bring to your attention that the consolidated accounts and relevant documentation have not yet been certified by the auditors.

THE CATTOLICA INSURANCE COMPANY

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Gruppo Cattolica -consolidated financial report

(drawn up according to international accounting principles)

Adjusted balance sheet (figures in millions)	2009	2008	*Obligatory items*
Assets			
Property investments and buildings	78	79	*4.1 + 2.1*
Stakes in subsidiaries, linked companies, and joint ventures	119	122	*4.2*
Loans and credits	1.344	1.186	*4.4*
Investments owned until their expiry	0	0	*4.3*
Financial assets available for sale	8.724	6.375	*4.5*
Fair value financial assets in the profit and loss account	5.499	5.690	*4.6*
Available cash and equivalents	580	546	*7*
Investments	**16.344**	**13.998**	
Intangible assets	314	266	*1*
Technical reserves with reinsurers	529	487	*3*
Other assets net of other liabilities	500	605	*(**)*
of which assets of a group being sold, available for sale	*6*	*0*	*(***)*
of which liabilities of a group being sold available for sale	*-5*	*0*	*(***)*
ASSETS	**17.687**	**15.356**	
Net assets and liabilities			
Capital and reserves	1.552	1.244	
Consolidated profit	68	21	
Net consolidated assets	**1.620**	**1.265**	*1*
Premiums reserve	568	552	
Payouts reserve	2.338	2.379	
Gross non-life technical reserves	**2.906**	**2.931**	*3*
Gross life technical reserves	**11.528**	**9.717**	*3*
Other gross non-life technical reserves	2	2	*3*
Other gross life technical reserves	311	222	*3*
Financial liabilities	1.320	1.219	*4*
of which deposits with policyholders	*1.206*	*1.101*	
NET ASSETS AND LIABILITIES	**17.687**	**15.356**	

Adjusted profit and loss account (figures in millions)	2009	2008	*Obligatory items*
INSURANCE RESULTS			
Net premiums	3.838	3.024	*1.1*
Net charges relating to claims	-4.105	-2.483	*2.1*
Running costs	-434	-411	
of which provisions and other acquisition costs	*-290*	*-265*	*2.5.1*
of which other administrative expenses	*-144*	*-146*	*2.5.3*
Other revenue net of other costs; other technical income and charges	-50	-57	*1.6 + 2.6*
FINANCIAL PERFORMANCE			
Net income from fair value financial instruments on the profit and loss account	579	-228	*1.3*
of which class D	*545*	*-213*	
Net income from stakes in subsidiaries, linked companies, and joint ventures	2	-2	*1.4 + 2.3*
Net income from other financial instruments and property investment	326	263	*1.5 + 2.4*
of which net interest	*326*	*330*	*1.5.1 + 2.4.1*
of which other income net of other charges	*22*	*38*	*1.5.2 + 2.4.2*
of which unrealised net profit	*15*	*-16*	*1.5.3 + 2.4.3*
of which net profit to be valued	*-37*	*-89*	*1.5.4 + 2.4.4*
Commission assets net of commission liabilities	-1	-2	*1.2 + 2.2*
Investment management expenses	-9	-10	*2.5.2*
Profit on financial activities	**897**	**21**	
PROFIT ON FINANCIAL AND INSURANCE ACTIVITIES	**146**	**94**	
Other revenue net of other costs (excluding other technical income and charges included in insurance activity)	-33	-32	*1.6 + 2.6*
PROFIT FOR THE YEAR BEFORE TAX	**113**	**62**	
Tax	-44	-40	*3*
PROFIT FOR THE YEAR NET OF TAX	**69**	**22**	
PROFIT ON DISCONTINUED OPERATIONS	**-1**	**-1**	*4 (***)*
CONSOLIDATED PROFIT FOR THE YEAR	**68**	**21**	
Profit relating to third parties	10	-8	
GROUP PROFIT	**58**	**29**	

(*) Indicates items in the consolidated accounts not complying with ISVAP regulation of 13 July 2007, no. 7

(**) Indicates various credits, other elements of the assets, and other tangible assets (assets in the balance sheet = 5 + 6 + 2.2) net of provisions, debts, and other liabilities (liabilities in the balance sheet = 2 + 5 + 6)

(***) Following the signing on 19 February 2010 of the preliminary contract for the purchase of the stake in Apogeo Consulting SIM, in compliance with IFRS 5 (paragraphs 33 and 35), the relevant assets and liabilities have been entered under the appropriate headings, balance sheet assets item "6.1 Assets that are non-current or part of a group that is being sold owned for sale", balance sheet liabilities item "6.1 Liabilities of a group being sold owned for sale, and "profit and loss account item "4 Profit (loss) on discontinued operations". This reclassification has also been undertaken with regard to figures for the same period the previous year, in compliance with IFRS 5, paragraph 34

BCC Vita data were included starting from July 2009

Cattolica Assicurazioni Soc. Coop Accounts drawn up according to Italian principles

Adjusted balance sheet (figures in millions)	2009	2008	*Obligatory items*
Assets			
Land and buildings	39	40	*C.I*
Shares and stakes in companies	1.087	1.047	*C.II.1 + CIII.1*
Bonds and other fixed-interest securities	3.400	3.031	*C.II.2 + C.III.3*
Shares in common investment funds	128	85	*C.III.2*
Loans and other investments	48	65	*C.II.3 + C.III.4 + C.III.6 + C.III.7*
Deposits with other companes	9	9	*C.IV*
Class D investments	1.036	941	*D*
Cash	123	182	*F.II*
Investments	**5.870**	**5.400**	
Intangible assets	47	56	*B*
Technical reserves with reinsurers	313	281	*D.bis*
Other credits and assets net of other debts and liabilities	302	364	*(1)*
ASSETS	**6.532**	**6.101**	
Net assets and liabilities			
Share capital and reserves	1.141	1.228	
Profit for the year	125	-87	
Net assets and liabilities	**1.266**	**1.141**	*A*
Technical non-life gross reserves (premiums and payouts)	1.812	1.828	*C.I.1 + C.I.2*
Technical life reserves (mathematical and class D)	3.340	3.034	*C.II.1 + D*
Other technical non-life gross reserves	6	6	*C.I.4 + C.I.5*
Other technical life gross reserves	108	92	*(2)*
NET ASSETS AND LIABILITIES	**6.532**	**6.101**	

Profit and loss account (figures in millions)	2009	2008	*Obligatory items*
Premiums	1.476	1.280	*I.1 + II.1*
Payouts and changes in technical reserves	1.402	1.048	*I.4 + II.5 + II.6*
Running expenses	235	230	*I.7 + II.8*
Other technical items	-22	-22	*(3)*
Net income from class C investments	287	-82	*II.2 - II.9 + III.3 - III.5*
Net income from class D investments	116	-23	*II.3 - II.10*
Other income net of other charges	-10	-5	*III.7 - III.8*
PROFIT	**210**	**-130**	***III.9***
Extraordinary income	-9	2	*III.12*
PROFIT BEFORE TAX	**201**	**-128**	***III.13***
Tax for the year	76	-41	*III.14*
PROFIT FOR THE YEAR	**125**	**-87**	***III.15***

(1) Other creditrs and other assets (balance sheet assets = E + F.I + F.III + F.IV + G) net of other debts and other liabilities (balance sheet liabilities = E + F + G + H)

(2) Other gross technical life reserves (balance sheet = C.II.2 + C.II.3 + C.II.4 + C.II.5)

(3) Other technical items (profit and loss account = I.3 + I.5 + I.6 + I.8 + I.9 + II.4 + II.7 + II.11)