

PRESS RELEASE

TECHNICAL PROFITABILITY AT AN ALL-TIME HIGH DIVIDEND AT €0.35

**Results as of December 31st, 2015 approved by the Board of Directors
Comments of the Chairman Paolo Bedoni and the Managing Director
Giovan Battista Mazzucchelli.**

Total premiums written for 5,611 million with **consolidated net profit** of 82 million and group net profit of 61 million, also in the presence of significant non-recurrent items, mainly attributable to write-downs of banking equity investments.

P&C premiums for 2,028 million and Life premiums for 3,567 million contributed to total direct business premiums written. The **combined ratio**¹ came to 91.5%. The **solvency margin** came to 1.96² times the regulatory minimum.

These are the main figures of the Consolidated financial statements as of December 31st, 2015 approved by Cattolica Assicurazioni's Board of Directors which met today in Verona under the chairmanship of Paolo Bedoni.

Verona, March 9th, 2016 – The year 2015 closed with **total premiums written for direct and indirect business** - Life and P&C³ - of € 5,611 million, mostly in line with the € 5,677 million as of December 31st, 2014 (-1.2%).

The **consolidated net profit** amounted to € 82 million, down 23.8% compared with the € 107 million in the same period of 2014. The **group net profit**⁴, amounting to € 61 million, was down 32.9% when compared with the € 91 million in December 2014.

Despite the presence of very positive business results, the 2015 profit was penalised by non-recurrent write-downs for € 114 million⁵, of which around € 84 million recorded in the fourth quarter. These items mainly refer to the write-downs on portfolio investments pertaining to the equity investments in Banca Popolare di Vicenza, Veneto Banca and Cassa di Risparmio di San Miniato. The impact deriving from the adjustment of the prepaid and deferred tax due to the decrease in the IRES (company earnings tax) from 27.5% to 24%, as from January 1st, 2017 was also negative for more than 18 million.

P&C business

Premiums written for direct business rose from € 1,853 million as of December 31st, 2014 to € 2,028⁶ million at the end of December 2015 (+9.5%) and

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

² Prior to Parent Company dividend payment. Includes the dividend payment proposals of the subsidiaries.

³ Includes insurance premiums and investment policies for life classes as defined by IFRS 4.

⁴ Net of minority interests.

⁵ Net of shadow accounting (for segregated funds securities) and the tax effects.

⁶ The contribution from Fata, acquired in June 2014, on premiums written for P&C classes as of December 31st, 2015, came to 366 million (of which 201 million motor and 165 million non-motor). Group P&C premiums written,

take into account the premiums of Fata Assicurazioni, which joined the Group in June 2014.

The **motor segment** disclosed premiums written of € 1,123 million, up 8.7% compared with December 31st, 2014. The Group also felt the effect of the generalised drop in the average premium on the market and even though it maintained prudent undertaking policies, it increased the number of customers (over 160 thousand new motor policies sold from the beginning of 2015; +5.4%⁷).

Premiums written for **non-motor classes** amounted to € 905 million (+10.4%), up with respect to December 2014 and were increasingly focused on products intended for retail customers.

The **combined ratio**⁸ was 91.5% (unchanged with respect to December 31st, 2014) and improved with respect to September 30th, 2015 (92.5%).

Despite the highly competitive context, the technical result of the motor TPL class remained positive thanks to the quality of the portfolio and the expertise in the sphere of settlement of Group claims. In the non-motor classes, thanks to the restructuring and renewal initiatives on the portfolio carried out over the last few years, the Group achieved a very profitable technical result.

Life business

In the Life sector, direct business premiums came to € 3,567 million, down with respect to December 31st, 2014 (-5.4%). The commercial choice of focusing the business mix on products with lower capital absorption continued; this gave rise to sharp growth in class III (+90.5%) and a drop by contrast in the traditional classes I and V (-16.9%). New business relating to Life with profit policies, with minimum guaranteed rates equal to zero, is permitting a progressive lowering of the average guaranteed minimum of the stock of Group mathematical provisions, benefiting the constant increase in profitability of the class.

Financial operations and statement of financial position

The **result from investments**⁹ came to € 538 million (compared with € 505 million as of December 31st, 2014). The result was affected by the afore-mentioned write-downs, but also by the capital gains generated amongst other things for around € 20 million further to the sale of the minority non-strategic equity investments in Banca di Valle Camonica, Mapfre Re and Europe Assistance.

Investments as of December 31st, 2015 amounted to € 21,391 million (compared with € 19,958 million as of December 31st, 2014).

Gross **technical provisions** for P&C business amounted to € 3,589 million (€ 3,583 million as of December 31st, 2014). Provisions for Life business, which include financial liabilities, amounted to € 16,607 million (€ 15,218 million as of December 31st, 2014).

As of December 31st, 2015, the **consolidated shareholders' equity** amounted to € 2,159 million (€ 2,188 million as of December 31st, 2014, prior to distribution of dividends of the Parent Company and minority interests).

without the inclusion of Fata, came to 1,662 million (-2.0%), of which motor 922 million (-1.8%) and non-motor 740 million (-2.2%).

⁷ Figure relating to the period between January 1st and December 31st 2015.

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

⁹ Financial assets excluding investments whose risk is borne by the policyholders, gross of the tax effects.

The Group's **solvency margin** came to 1.96 times the regulatory minimum². Taking into account the dividend proposal, the solvency margin comes to 1.89 times the regulatory minimum.

Sales network

The agency network at the end of December 2015 was made up of 1,516 agencies (of which 178 Fata Assicurazioni agencies) and the bank branches that placed Group products as of December 31st, 2015 were 5,744.

The Parent Company

The Parent Company gross premiums written¹⁰ for direct and indirect business came to 2,414 million (2,622 million as of December 31st, 2014; -7.9%), of which 1,355 million for direct P&C business (1,418 million as of December 31st, 2014; -4.5%) and 1,010 million for Life business (1,128 million as of December 31st, 2014; -10.5%). The **net profit** on the basis of the Italian accounting standards amounted to 44 million.

Shareholder remuneration

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

The proposed dividend will be payable as from May 25th 2016, with coupon detachment date on the 23rd of same month (coupon number 26) and record date on May 24th, 2016, in accordance with Borsa Italiana's calendar.

Indications relating to the first few months of 2016

During the year underway, the Group will proceed according to the guidelines of the "2014-2017 Business plan", both in terms of projects and in terms of insurance business profitability, despite the presence of a highly competitive context.

In the current phase of high volatility of the financial markets and of low yields, the Group will pay particular attention to seize any return opportunity, while maintaining its traditional prudence in the management of assets.

With regard to the enforcement of the Solvency II Directive, the Group has been committed for a long time to the adoption of the new legislation. The solidity of the Group and its prudent risk profile are confirmed also at Solvency II level, as was the case under the previous regulatory regime.

Cattolica Assicurazioni's **Chairman, Paolo Bedoni**, declared: *"The financial statements approved today by the Board of Directors show that, thanks to sound fundamentals and continuity of industrial performance, Cattolica is producing good results and is able to propose to the next Shareholders' Meeting the approval of a significant dividend, in a financial year penalised by heavy write-downs, which became necessary after the loss in value of bank holdings.*

Cattolica is therefore in a position to confirm the Business Plan's targets and to focus on innovation choices and investment strategies for the purpose of improving and qualifying its position within the Italian insurance market, especially in the production sectors and in the social fields in which Cattolica excels thanks to its competence and quality of partnerships.

¹⁰ The figures, both as of December 31st, 2014 and December 31st, 2015 also include the Cattolica Previdenza premiums.

In an insurance market that tends to generalize, Cattolica is able to qualify its growth path thanks to the choices made in recent years and to the strength of its social and cultural roots".

The **Managing Director** of Cattolica Assicurazioni, **Giovan Battista Mazzucchelli**, declared: *"We close this year with a set of good results and an industrial performance full in line with the Business Plan, in spite of non recurrent charges affecting the financial statements caused by write-downs on bank holdings (114 million of which 84 recorded in the fourth quarter) and by the adjustment of deferred tax assets (18 million). Excluding these negative extraordinary items, but also the extraordinary gains (53 million) realised on the sale of specific portfolio securities, among which minority interests of non-strategic investments (Banca di Valle Camonica, Mapfre RE and Europe Assistance), the Group's consolidated net profit for 2015 would have been of 161 million.*

Life and P&C Non-motor premiums are continuously growing and strengthening, while in the Motor business the Group offsets the decline in the average motor premium, generalized on the market, by increasing the number of customers. Both the combined ratio and the Solvency I margin, the latter almost as much as twice the regulatory minimum, are confirmed at an excellent level. Investments and provisions are both growing.

If we consider such sound fundamentals and the positive results of the financial management, Cattolica is able to give a strong impulse to the productive investments planned for 2016-2017, which will lead the Group to grow significantly in strategic sectors in which the Group aims to strengthen its competitiveness and leadership".

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

The Board of Directors also checked the independence requirements of the Directors on the basis of the matters envisaged by the Code of Conduct, qualifying the non-executive directors Luigi Baraggia, Bettina Campedelli, Lisa Ferrarini, Paola Feroli, Alessandro Lai, Giovanni Maccagnani, Luigi Mion, Angelo Nardi, and Enrico Zobe, as independent¹¹. The Board of Directors also formally acknowledged that the Board of Statutory Auditors, on conclusion of the same acknowledgment process, has certified the possession of the independence requirements for each of its members, as well as the absence of any situation of forfeiture.

Cattolica Assicurazioni's Board of Directors resolved the calling of the ordinary shareholders' meeting for **April 15th and 16th, 2016**, respectively in first and **second calling**.

The agenda of the shareholders' meeting is as follows:

1. Approval of the 2015 annual financial statements and the accompanying reports, with consequent and correlated resolutions.

¹¹ You are hereby reminded that during the meeting 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.

2. Appointment of the Board of Directors.
3. Appointment of the Ethics and Disciplinary Board.
4. Decisions relating to the remuneration policies, in compliance with the current legislative and Articles of Association provisions.
5. Determination, for the three-year period 2016-2018, of the remuneration of the members of the Board of Directors and the Executive Committee and the related attendance fee.
6. Authorisation to purchase and sell own shares in accordance with the law. Inherent and consequent resolutions.

The reports on the agenda business will be made available at 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 of December 31st, 2015, shall be available to the general public care of the Registered offices and on the company website at the following address www.cattolica.it and on the storage mechanism authorised by Consob known as “NIS-Storage”, managed by Bit Market Services S.p.a. and accessible from the website www.emarketstorage.com, as per the formalities and within the timescales envisaged by current legal and regulatory provisions.

The results as of December 31st, 2015 shall be presented to the financial community at 9.30 a.m. tomorrow, March 10th, 2016 during a conference call (with dual Italian/English audio facilities). The numbers to call are as follows: + 39 02 805 88 11 from Italy, + 44 1 212818003 from the United Kingdom and +1 718 7058794 from the United States. The presentation relating to the results will be available on the homepage of the website www.cattolica.it in the Investor Relations section.

The reclassified consolidated and Parent Company Statement of Financial Position and Income Statement as of December 31st, 2015 are attached, with indication that the annual and consolidated financial statements and the related documentation have not yet been certified by the independent auditing firm.

SOCIETÀ CATTOLICA DI ASSICURAZIONI

CONTACT INFO

Investor Relations Officer

Carlo Ferraresi

Tel. 045 8391202

investor.relations@cattolicaassicurazioni.it

Institutional Communications

Aldo Canale

Tel. 045 8391666

comunicazione@cattolicaassicurazioni.it

Cattolica Group - Consolidated financial statements as of December 31st, 2015

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

Reclassified statement of financial position (€ millions)	2015	2014	<i>Items from obligatory statements (*)</i>
Assets			
Investment property and properties	505	485	4.1 + 2.1
Investments in subsidiaries, associated companies and joint ventures	35	88	4.2
Loans and receivables	876	968	4.4
Held to maturity investments	247	253	4.3
Available for sale financial assets	15.841	14.543	4.5
Financial assets at fair value through profit or loss	3.365	3.200	4.6
Cash and cash equivalents	522	421	7
Investments	21.391	19.958	
Intangible assets	321	315	1
Technical provisions - reinsurance amount	730	727	3
Other assets net of other liabilities	521	605	(**)
ASSETS	22.963	21.605	
Shareholders' equity and liabilities			
Group capital and reserves	1.851	1.872	
Group profit (loss)	61	91	1.1.9
Group shareholders' equity	1.912	1.963	1.1
Shareholders' equity pertaining to minority interests	247	225	1.2
Consolidated shareholders' equity	2.159	2.188	1
Premium provision	769	773	
Provision for outstanding claims	2.820	2.810	
Gross technical provisions - non-life	3.589	3.583	3
Gross technical provisions - life	14.984	13.928	3
Other gross non-life technical provisions	2	2	3
Other gross life technical provisions	324	299	3
Financial liabilities	1.905	1.605	4
<i>of which deposits from policyholders</i>	<i>1.623</i>	<i>1.290</i>	
SHAREHOLDERS' EQUITY AND LIABILITIES	22.963	21.605	
Reclassified income statement (€ millions)	2015	2014	<i>Items from obligatory statements (*)</i>
Revenues and income			
Net premiums	4.851	5.051	1.1
Commission income	6	3	1.2
Income and charges from financial instruments at fair value through profit and loss	48	88	1.3
<i>of which class D</i>	<i>42</i>	<i>84</i>	
Income from investments in subsidiaries, associated companies and joint ventures	0	3	1.4
Income from other financial instruments and investment property	806	626	1.5
<i>of which changes in other financial liabilities</i>	<i>0</i>	<i>0</i>	
Other revenues	94	92	1.6
Total revenues and income	5.805	5.863	
Costs and charges			
Net charges relating to claims	-4.521	-4.807	2.1
Commission expense	-1	-1	2.2
Charges from investments in subsidiaries, associated companies and joint ventures	-50	-5	2.3
Charges from other financial instruments and investment properties	-204	-101	2.4
Operating expenses	-588	-532	2.5
<i>Commission and other acquisition costs</i>	<i>-409</i>	<i>-363</i>	
<i>Operating expenses relating to investments (***)</i>	<i>-27</i>	<i>-24</i>	
<i>Other administrative expenses</i>	<i>-152</i>	<i>-145</i>	
Other costs	-216	-204	2.6
Total costs and charges	-5.580	-5.650	
Pre-tax profit (loss) for the period	225	213	
Taxation	-143	-106	3
Net profit (loss) for the period	82	107	
Profit (loss) from discontinued operations	0	0	4
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	82	107	
Profit (loss) pertaining to minority interests	21	16	
PROFIT (LOSS) PERTAINING TO THE GROUP	61	91	

(*) Indicates the items of the statements in the consolidated financial statements as per ISVAP Regulation No. 7 dated 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 the provisions, payables and other liability items (statement of financial positions under liabilities = 2 + 5 + 6).

(***) Includes operating expenses relating to class D investments amounting to less than € 2 million.

The financial data as at December 31, 2014 include those of FATA Assicurazioni Danni, with reference to the period after its acquisition which took place in the month of June 2014.

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

Reclassified statement of financial position (€ millions)	2015	2014	<i>Items from obligatory statements</i>
Assets			
Land and buildings	39	40	<i>C.I</i>
Shares and holdings	1.161	1.255	<i>C.II.1 + C.III.1</i>
Bonds and other fixed income securities	6.072	5.207	<i>C.II.2 + C.III.3</i>
Units of mutual investment funds	521	449	<i>C.III.2</i>
Loans and other investments	19	11	<i>C.II.3 + C.III.4 + C.III.6 + C.III.7</i>
Deposits with ceding companies	11	8	<i>C.IV</i>
Class D investments	1.177	1.003	<i>D</i>
Cash in bank and cash equivalent	146	129	<i>F.II</i>
Investments	9.146	8.102	
Intangible assets	207	180	<i>B</i>
Technical provisions - reinsurance amount	552	546	<i>D.bis</i>
Own shares or holdings	24	5	<i>F.III</i>
Other receivables and assets net of other payables and other liabilities	289	331	<i>(1)</i>
ASSETS	10.218	9.164	
Shareholders' equity and liabilities			
Share capital and equity reserves	1.865	1.816	
Profit (loss) for the year	44	109	
Shareholders' equity	1.909	1.925	<i>A</i>
Gross technical provisions - non-life (premiums and claims)	2.773	2.819	<i>C.I.1 + C.I.2</i>
Gross technical provisions - life (mathematical reserves and class D)	5.373	4.278	<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	151	130	<i>(2)</i>
SHAREHOLDERS' EQUITY AND LIABILITIES	10.218	9.164	

Reclassified income statement (€ millions)	2015	2014	<i>Items from obligatory statements</i>
Premiums written	2.215	2.143	<i>I.1 + II.1</i>
Claims for the period and change in technical provisions	1.907	1.905	<i>I.4 + II.5 + II.6</i>
Operating expenses	378	348	<i>I.7 + II.8</i>
Other technical items	-26	-10	<i>(3)</i>
Net income from class C investments	235	279	<i>II.2 - II.9 + III.3 - III.5</i>
Net income from class D investments	34	76	<i>II.3 - II.10</i>
Other income net of other charges	-56	-58	<i>III.7 - III.8</i>
RESULT OF ORDINARY ACTIVITIES	117	177	<i>III.9</i>
Profit (loss) from extraordinary operations	16	-8	<i>III.12</i>
PRE-TAX PROFIT (LOSS)	133	169	<i>III.13</i>
Income taxes for the year	89	60	<i>III.14</i>
PROFIT (LOSS) FOR THE YEAR	44	109	<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)

It is hereby stated that the figures as of December 31st, 2015 include the segment acquired by means of spin-off of Cattolica Previdenza in 2015, with booking for accounting purposes as from January 1st, 2015.