PRESS RELEASE

CONSOLIDATED NET PROFIT AT 25 MILION IN THE FIRST QUARTER OF 2016.
THE FUTURE OF THE BANCASSURANCE PARTNERSHIP WITH BANCA POPOLARE DI VICENZA IN THE LIGHT OF THE CHANGED FRAME OF REFERENCE.

- The results for the first quarter of 2016[1], with a **consolidated net profit** of 25 million, have been approved. Total premiums written at €1,277 million, with P&C premiums at €469 million and life premiums at €805 million. The **combined ratio** stands at 92%[2]. The **Solvency II margin**[3], calculated applying the Standard Formula, is equal to 1.90 times the regulatory minimum.
- The conditions for the exercise of the right of withdrawal from the partnership, following the company transformation of BPVI, has been examined.
- The holding of 15.1% indirectly acquired by Quaestio SGR, on behalf of the Atlante fund, that Cattolica joined with a €40 million investment.

Verona, May 13th, 2016. The Board of Directors of Cattolica Assicurazioni, which met today under the chairmanship of Paolo Bedoni has approved the **Interim Management report as at March 31st, 2016**. The first three months of the year disclosed a **consolidated net profit** of €25 million. The normalised result, net of impairments, is equal to €32 million broadly in line with the €33 million in the same period of 2015.
The Group's net profit[4], equal to €24 million compared with 30 million in March 2015 (-2o.0%), was penalised by non-recurrent impairments for 7 million, mainly as a result of the alignment of the value of the equity investment in Banca Popolare di Vicenza to the subscription price of the shares within the sphere of the share capital increase transaction of the Bank by the Atlante fund on May 4th, 2016.

Total premiums written for direct and indirect business - life and P&C[5] - came to €1,277 million, down 25% compared with 1,702 million in the first quarter of 2015. This figure, in particular for the life business, has been effected by the negative effects deriving from the situation of Banca Popolare di Vicenza.

P&C Business

[1] The Interim Management report as of March 31st, 2016 has been drawn up on a voluntary basis for the purpose of ensuring continuity with the previous periodic quarterly disclosure, pending the definition of an applicable regulatory framework, since - as a result of Italian Legislative Decree No. 25/2016 implementing Directive 2013/50/EU - the obligation to provide additional periodic financial disclosure no longer applies.
[2] Combined ratio of retained business: 1-(Technical balance/net premiums), inclusive of other technical items.
[3] Net of the dividend that will be paid as from May 25th, 2016.
[4] Net of minority interests.
[5] Includes insurance premiums and investment policies for life classes as defined by IFRS 4.

Premiums written for direct business dropped from €487 million as of March 31st, 2015 to €469 million at the end of March 2016 (-3.8%).
The **motor segment** posted premiums written of €275 million, down (-5.0%) compared with March 31st, 2015. The number of customers increased (over 12 thousand new motor polices sold from the beginning of 2016; +0.4%[6]) while the average premium was affected by the continuing market phase of reductions in tariffs.
The **non-motor classes**, with premiums written for €194 million, in turn decreased 2.1% with respect to March 2015 (€198 million).
The **combined ratio**[1] fell from 93% as of March 31st, 2015 to 92%. The technical result remained positive thanks to the quality of the portfolio both in the motor classes and in the other classes, due to the initiatives on the portfolio carried out over the last few years.

Life business
In the life sector, direct business premiums came to €805 million. The drop with respect to the first quarter of 2015 (-33.5%) is mainly due to the weakness of the distribution channels linked to Banca Popolare di Vicenza. The traditional classes (I and V) fell 31.1% and unit linked products (class III) dropped 52.1%. New business relating to life with profit polices, with minimum guaranteed rates equal to zero, is permitting a progressive lowering of the average guaranteed minimum of the stock of Group mathematical provisions.

Financial operations and equity situation
The **result from investments**[7] came to €108 million (compared with €150 million as of 31st, March 2015); the negative trend of financial markets has not allowed a normal trading activity, limiting the possibility of generating capital gains.

Investments amounted to €21,528 million. **Gross technical provisions for non-life business** amounted to € 3,568 million (€3,589 million as of December 31st, 2015) and the **life provisions**, including financial liabilities, came to €16,702 million (€16,607 million as of December 31st, 2015).

The figures as of March 31st, 2016 confirm the Group's equity soundness with **consolidated shareholders' equity** of €2,164 million (€2,159 million as of December 31st, 2015).
The **Solvency II margin** of the Group was 1.90 times the regulatory minimum[8]. The ratio was calculated according to the Solvency II principles, applying the Standard Formula. The Group is preparing the application to the Supervisory Authority to use Undertaking Specific Parameters (USP) for the quantification of the solvency capital requirement for the P&C technical-insurance risks. The use of the USPs will permit the Company to represent its risk profile in a more precise manner and further confirm its equity soundness.

Sales network
The agency network at the end of March 2016 was made up of 1,497 agencies and the bank branches which place Group products as of March 31st, 2016 numbered 5,912.

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[6] Figure relating to the period between December 31st, 2015 and April 30th, 2016.
[7] Financial assets excluding investments whose risk is borne by the policyholders, gross of the tax effects.
[8] Already net of the dividend of € 0.35 which will be paid as from May 25th 2016, with coupon detachment date on the 23rd of said month and record date on May 24th, 2016, as already communicated.

Outlook for business activities
The Group continues its action for achieving the objectives of the 2014-2017 Business Plan despite the continuation of a context of sharp competition on the insurance market and despite the ongoing phase of strong volatility and of low rates of financial return.

The activities aimed at finalizing the merging of Fata Assicurazioni into Cattolica will continue within the frame of the Plan, as their main purpose is that of growing in the agricultural and agrifood sectors as well as of reaching further cost synergies and a better efficiency in capital management.

The Board of Directors of Cattolica Assicurazioni also examined the new situation that arose within the context of the partnership with Banca Popolare di Vicenza, in the light of the outcome of the global offer for the subscription of the Bank's shares, which caused the Atlante fund, that Cattolica joined with an investment of €40 million, to fully subscribe the capital increase.
As a consequence of such subscription, the Atlante fund, on behalf also of Quaestio SGR, has disclosed to Consob, and consequently to Cattolica, its indirect acquisition of the 15,1% stake held by Banca Popolare di Vicenza in Cattolica's share capital.

The Board has especially given consideration to the unilateral right of withdrawal that the partnership agreements recognise to Cattolica after the transformation of Banca Popolare di Vicenza from a cooperative company into a company limited by shares. The Framework Agreement, which rules the partnership and was renewed on December 14th 2012, provides that Cattolica may, at any time and stage of the partnership, "withdraw unilaterally" whether BPVI would either "resolve to transform its cooperative legal form or would merge by incorporation into another bank or financial entity not established in the cooperative form".
The Board of Directors deemed it necessary to re-examine the state and the prospects of the partnership in the near future, within a due time period in order to allow the needed enquiries, with the help of advisors and also in consideration of the developments in the situation of BPVI and by taking into account the strategic relevance of the subject as well as the deadline for the possible exercise of the right of withdrawal that the contract now envisages by September 1st, 2016.

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Cattolica Assicurazioni's **Chairman**, **Paolo Bedoni**, declared: "*The change of scenario within the framework of the relationship with Banca Popolare di Vicenza, after the intervention of the Atlante fund, that Cattolica joined with a significant stake, requires a reflection on the progress of the bancassurance partnership under the Framework Agreement of 2012. We will decide what to do after evaluating the developments with regard to Atlante, especially taking into consideration the Bank's concrete recovery prospects within a reasonable recovery time and the performance of the bancassurance business of the three subsidiaries*".

The **Managing Director** of Cattolica Assicurazioni, **Giovanni Battista Mazzucchelli**, declared: "*In an extremely difficult market environment, mainly caused by interest rate movements, which significantly reduce the contribution of the financial component and particularly affect the life business, the result for the first quarter, although lowered by 6 million after aligning the value of the holding in BPVI to the actual share price, allows* *us to confirm the targets set for the end of 2016 as envisaged in the Business Plan, also counting on a further development of the proprietary networks by focusing on pension and welfare products, and on the recovery of the banking networks for which signs of recovery are already visible in the months of April and May, as well as on the expansion of activities linked to the Click2go platform with the Cooperative Banks. The good combined ratio and the confirmed Solvency II ratio at 1.90 times the regulatory minimum demonstrate the soundness of the Group and its ability to cope with difficult situations, especially thanks to the efficiency and profitability of the P&C business.*"

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The executive appointed to draw up the corporate accounting documents, Giuseppe Milone, declares pursuant to Article 154 *bis*, paragraph 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 considering the offices assigned in the meantime - checked the independence requirements of the Directors on the basis of the matters envisaged by the Code of Conduct as adopted by the Company, qualifying the non-executive directors Luigi Baraggia, Bettina Campedelli, Lisa Ferrarini, Paola Ferroli, Paola Grossi, Giovanni Maccagnani, Luigi Mion, Angelo Nardi and Eugenio Vanda, as independent[9].

The Company hereby discloses that the Interim Management report as of March 31st, 2016 of the Cattolica Group 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, by May 15^{th}, 2016.

The results for the first quarter of 2016 shall be presented to the financial community at 9.30 a.m., on Monday May 16th, 2016 during the conference call. The telephone numbers to call are as follows: + 39 02 8058811 from Italy, + 44 1212818003 from the United Kingdom and +1 718 7058794 (or 1 855 2656959 toll free) 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 just before the start of the conference call.

The reclassified consolidated Statement of Financial Position and Income Statement as of March 31^{st}, 2016 are attached.

SOCIETÁ CATTOLICA DI ASSICURAZIONI

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[9] 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.

Cattolica Group – CONSOLIDATED INTERIM MANAGEMENT REPORT AS OF MARCH 31st, 2016

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

Reclassified statement of financial position (€ millions)	31.03.2016	31.12.2015	*Items from obligatory statements (*)*
Assets			
Investment property and properties	506	505	*4.1 + 2.1*
Investments in subsidiaries, associated companies and joint ventures	35	35	*4.2*
Loans and receivables	859	876	*4.4*
Held to maturity investments	245	247	*4.3*
Available for sale financial assets	16.265	15.841	*4.5*
Financial assets at fair value through profit and loss	3.291	3.365	*4.6*
Cash and cash equivalents	327	522	*7*
Investments	**21.528**	**21.391**	
Intangible assets	317	321	*1*
Technical provisions - reinsurance amount	727	730	*3*
Other assets net of other liabilities	429	521	*(**)*
ASSETS	**23.001**	**22.963**	
Shareholders' equity and liabilities			
Group capital and reserves	1.892	1.851	
Group profit (loss)	24	61	*1.1.9*
Group shareholders' equity	**1.916**	**1.912**	*1.1*
Shareholders' equity pertaining to minority interests	248	247	*1.2*
Consolidated shareholders' equity	**2.164**	**2.159**	*1*
Premium provision	760	769	
Provision for outstanding claims	2.808	2.820	
Gross technical provisions - non-life	**3.568**	**3.589**	*3*
Gross technical provisions - life	**15.227**	**14.984**	*3*
Other gross non-life technical provisions	2	2	*3*
Other gross life technical provisions	284	324	*3*
Financial liabilities	1.756	1.905	*4*
of which deposits from policyholders	*1.475*	*1.623*	
SHAREHOLDERS' EQUITY AND LIABILITIES	**23.001**	**22.963**	

Reclassified income statement (€ millions)	31.03.2016	31.03.2015	*Items from obligatory statements (*)*
Revenues and income			
Net premiums	1.152	1.482	*1.1*
Commission income	2	2	*1.2*
Income and charges from financial instruments at fair value through profit and loss	-16	76	*1.3*
of which class D (***)	*-14*	*74*	
Income from investments in subsidiary companies, associated companies and joint ventures	0	1	*1.4*
Income from other financial instruments and investment property	158	192	*1.5*
of which changes in other financial liabilities	*0*	*0*	
Other revenues	29	16	*1.6*
Total revenues and income	**1.325**	**1.769**	
Costs and charges			
Net charges relating to claims	-1.047	-1.485	*2.1*
Commission expense	0	0	*2.2*
Charges from investments in subsidiary companies, associated companies and joint ventures	-1	0	*2.3*
Charges from other financial instruments and investment properties	-44	-41	*2.4*
Operating expenses	-143	-143	*2.5*
Commission and other acquisition costs	*-99*	*-102*	
Operating expenses relating to investments	*-6*	*-6*	
Other administrative expenses	*-38*	*-35*	
Other costs	-46	-41	*2.6*
Total costs and charges	**-1.281**	**-1.710**	
Pre-tax profit (loss) for the period	**44**	**59**	
Taxation	-19	-26	*3*
Net profit (loss) for the period	**25**	**33**	
Profit (loss) from discontinued operations	**0**	**0**	*4*
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	**25**	**33**	
Profit (loss) pertaining to minority interests	1	3	
PROFIT (LOSS) PERTAINING TO THE GROUP	**24**	**30**	

(*) 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 the Class D profits recognised in the revenues for commission amounting to € 1 million.