

## Report of the Board of Directors to the General Shareholders' Meeting

### Financial Statements at 31 December 2017, Allocation of Net Profit for the Year; Presentation of the Consolidated Financial Statements at 31 December 2017 and Information on the Non-Financial Statement Pursuant to Legislative Decree No. 254/2016 (2017 Sustainability Report); Relevant and Ensuing Resolutions

Shareholders,

Net profit for the year was 206,449,393.00 euros. In submitting the Financial Statements for the year ended 31 December 2017 for your approval, we propose allocating the net profit for the year as follows:

net profit for the year	€	206,449,393.00
to legal reserve	€	41,538.00
to retained earnings	€	60,934,028.00
a dividend of 1.25 euros per each of the 116,379,062 outstanding ordinary shares, including the portion attributable to treasury shares, as per Article 2357-ter of the Italian Civil Code		
totalling	€	145,473,828.00

We also propose to pay out dividends as of 23 May 2018 (payment date), net of any legal withholdings applicable in compliance with statutory provisions, with ex-dividend date on 21 May and with payment to shares that on the record date 22 May are entitled to dividends.

An outline draft of the resolution that the General Shareholders' Meeting is invited to pass by way of approval of the aforesaid proposal is provided below.

“The General Shareholders' Meeting of Banca Generali S.p.A., held in ordinary session, at the offices of Assicurazioni Generali S.p.A. in Trieste, at Via Machiavelli 6,

- having regard to the draft Financial Statements for the year ended 31 December 2017, prepared by the Board of Directors, on the whole and in respect of each of the items included therein, and any and all provisions therein proposed;
- having acknowledged that, on this day, the authorised share capital of 119,378,836.00 euros is subscribed and paid up in the amount of 116,851,637 euros and is divided into 116,851,637 shares of a par value of 1.00 euro each, and that, as of today, treasury shares total 472,575;
- having regard to the Directors' Report on Operations, the Statutory Auditors' Report and the other documents attached to the draft Financial Statements;

resolves

- 1) to approve the Financial Statements for the year ended 31 December 2017;
- 2) to acknowledge the Consolidated Non-financial Statement prepared pursuant to Article 4 of Legislative Decree No. 254 of 2016 and specifically released as part of the 2017 Sustainability Report expressly referenced in the Directors' Report on Operations. Pursuant to Article 7 of Legislative Decree No. 254 of 30 December 2016, Banca Generali S.p.A.'s Directors are responsible for the preparation of the Non-financial Statements on a voluntary basis;
- 3) to allocate the net profit for 2017, amounting to 206,449,393.00 euros, as follows:

net profit for the year	€	206,449,393.00
to legal reserve	€	41,538.00
to retained earnings	€	60,934,028.00

distribution of a cash dividend to shareholders, in the amount of 1.25 euros per each of the 116,379,062 outstanding ordinary shares, including the portion to be assigned to treasury shares, as per Article 2357-ter of the Italian Civil Code, for a total amount of

	€	145,473,828.00
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- 4) to approve the payment of the dividend, net of any legal withholdings applicable in compliance with statutory provisions, as of payment date 23 May 2018, ex coupon 12 and ex date 21 May 2018, and entitlement to dividends set on record date 22 May 2018;
- 5) to vest the Chairman of the Board of Directors and the Chief Executive Officer/General Manager, jointly and severally, including through special attorneys-in-fact, with full powers to undertake whatsoever may be necessary or useful to ensure the execution of this resolution."

Milan, 1 March 2018

THE BOARD OF DIRECTORS