

Banca Generali

 **UBS** - The Italian Financial Services Conference
“Weathering the Storm”

Giorgio Girelli, CEO
Milan, January 29, 2009

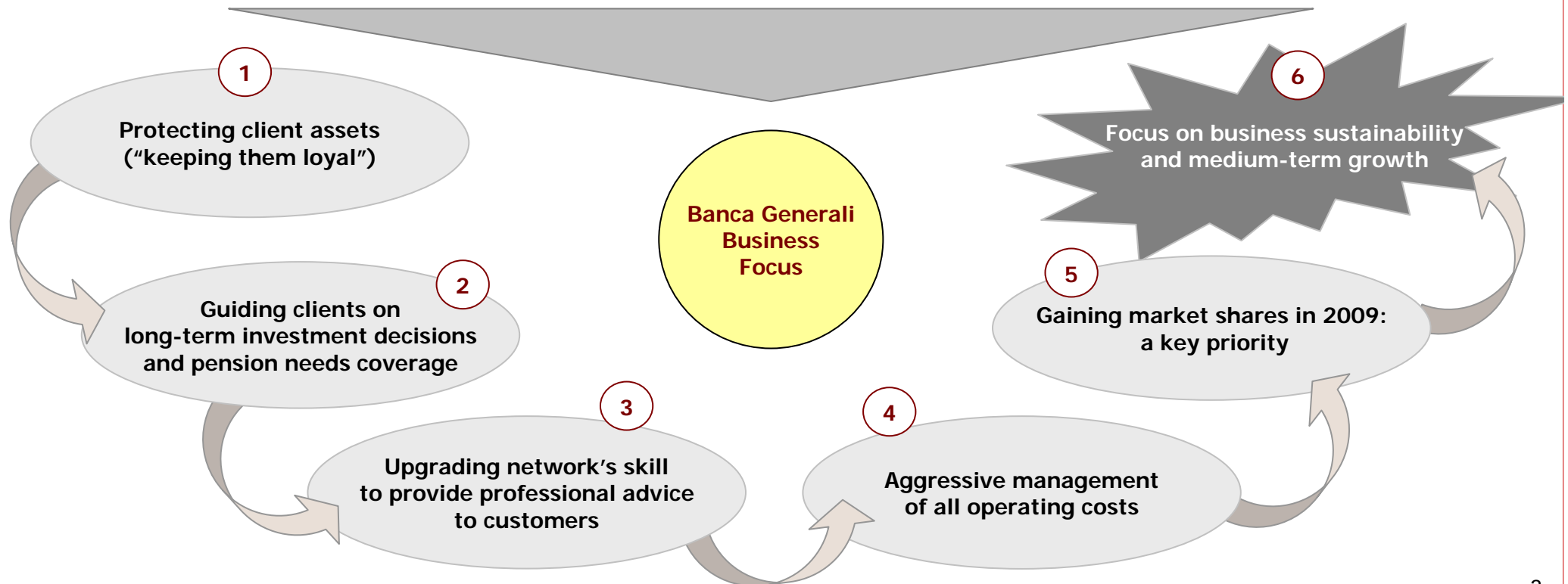
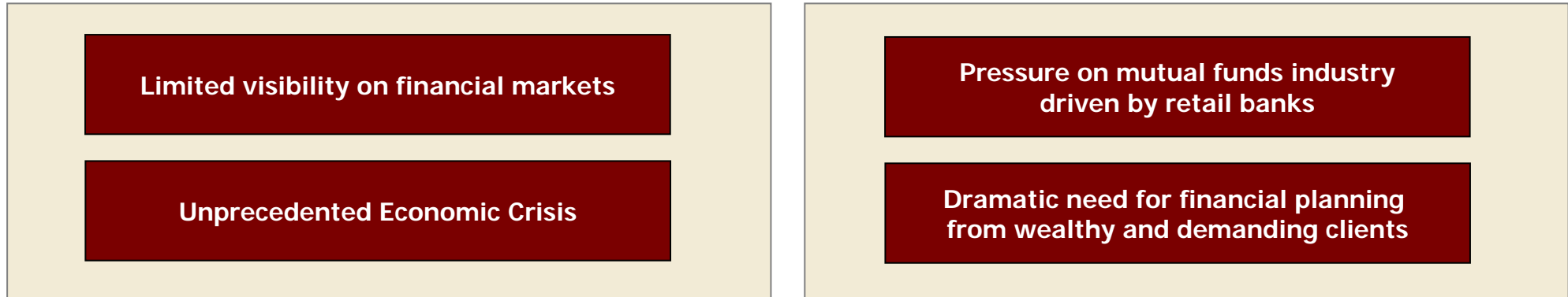
Today's Agenda

➤ **Preliminary Comments**

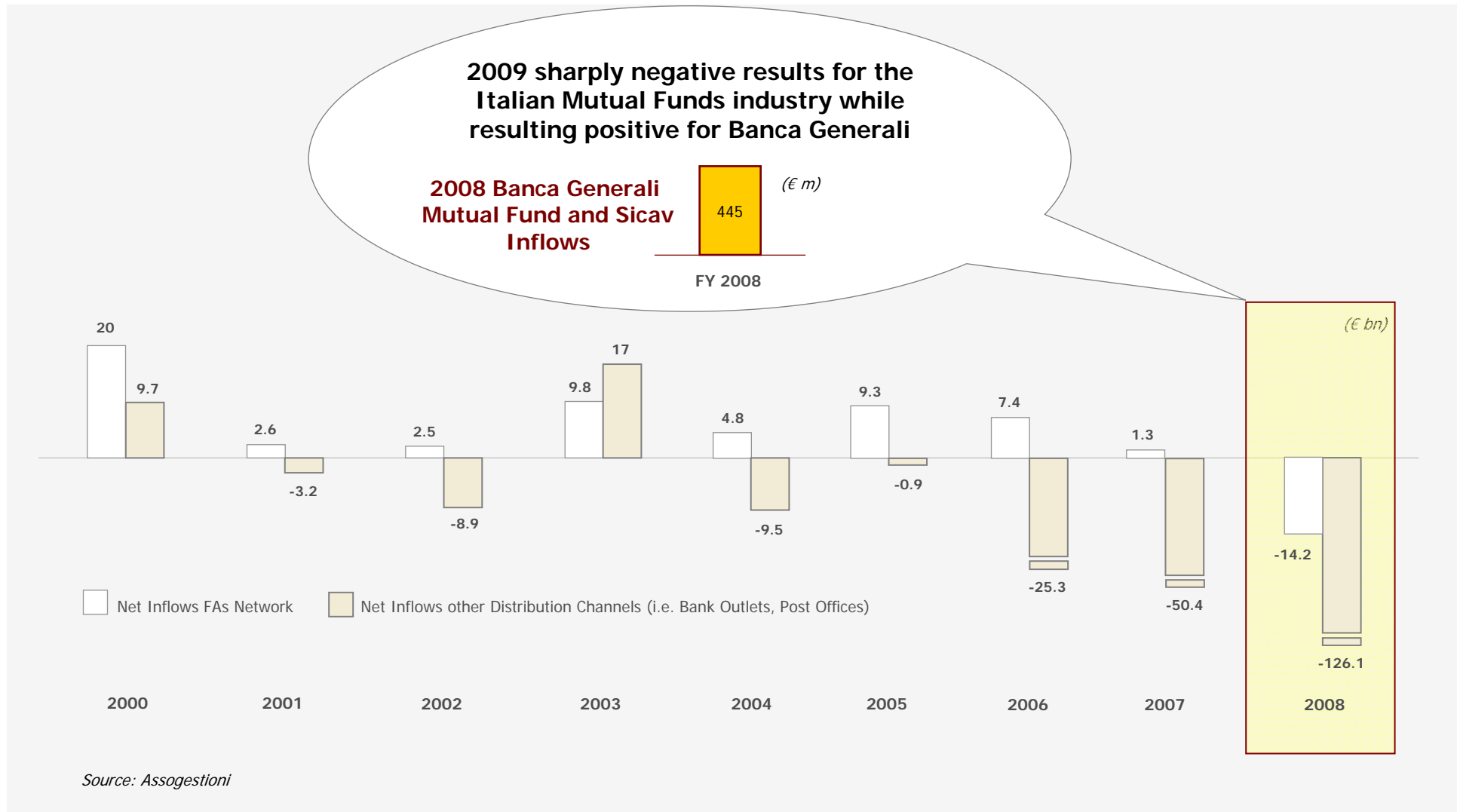
➤ **2009 Business Guidelines**

➤ **Closing Remarks**

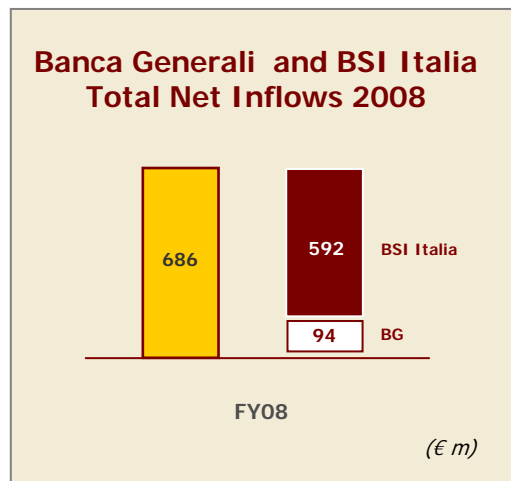
Banca Generali key guidelines for "Weathering the Storm"



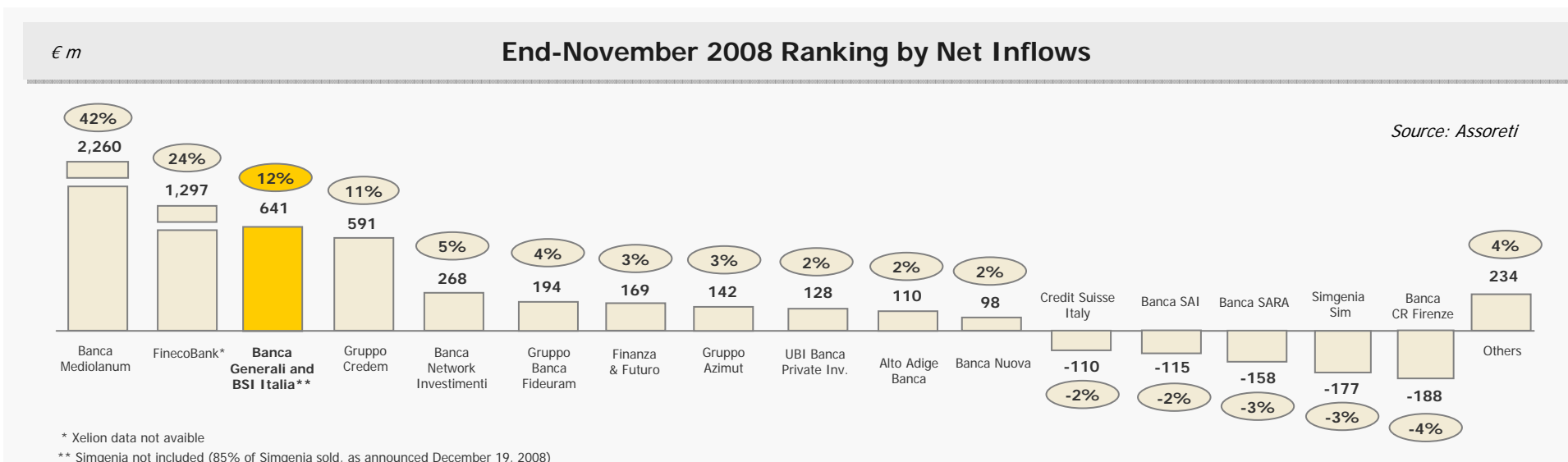
Banca Generali managed to post positive net inflows in the troubled Italian Mutual Fund industry in 2008 ...



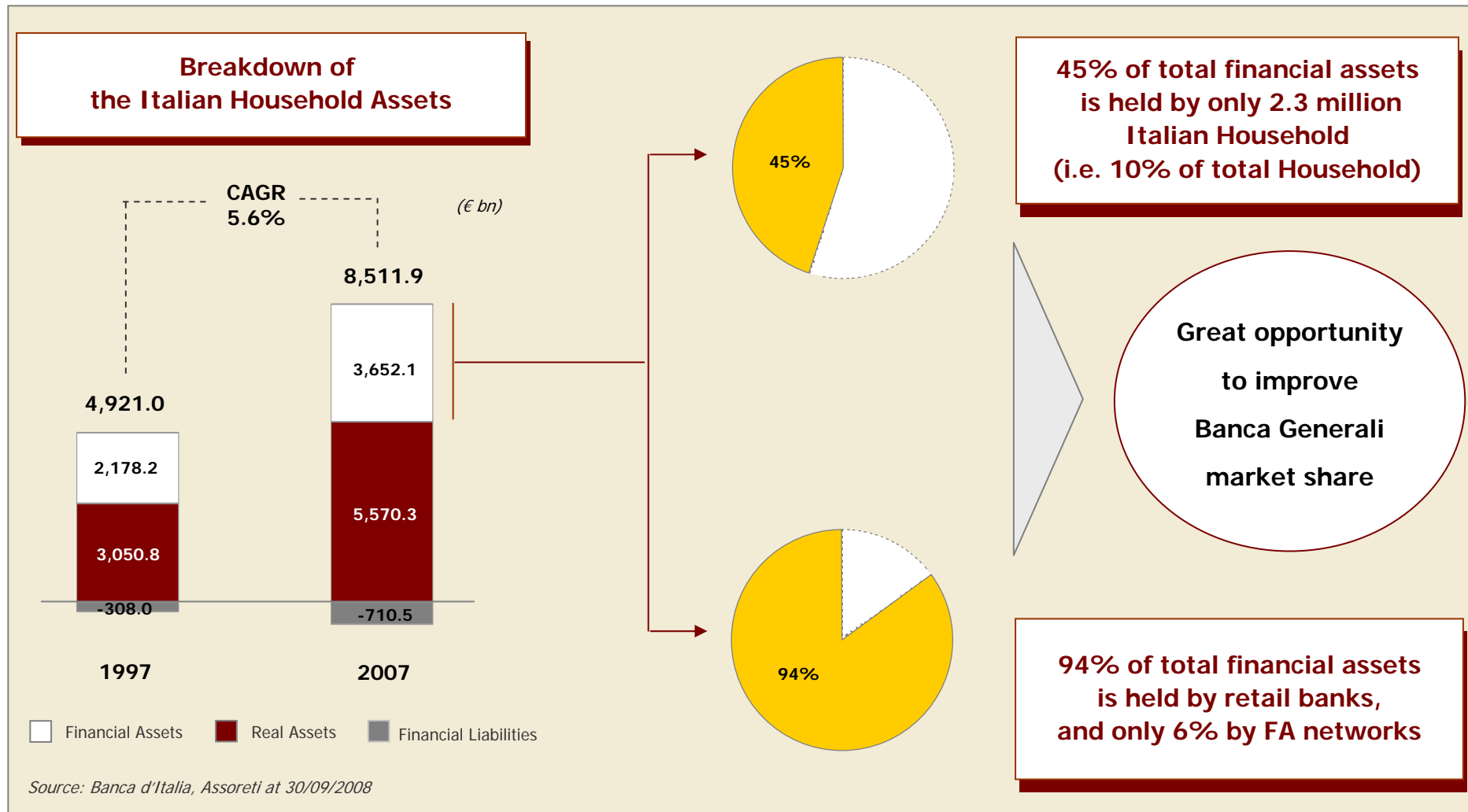
... to be ranked third in terms of total Net Inflows amongst Italian Financial Advisors Network ...



- Banca Generali ranked third in terms of net inflows amongst Italian Financial Advisors (“Promotori”) Networks
- Net Inflows were driven by the strong contribution of the private banking unit, BSI Italia, confirming that the strategic choice made by Banca Generali in this sector was good



... to see further growth opportunities based on the size of the financial assets of the Italian household and of the disappointment of Italian investors



Two main strategic guidelines driving 2009 business actions

1. Gaining Market Shares



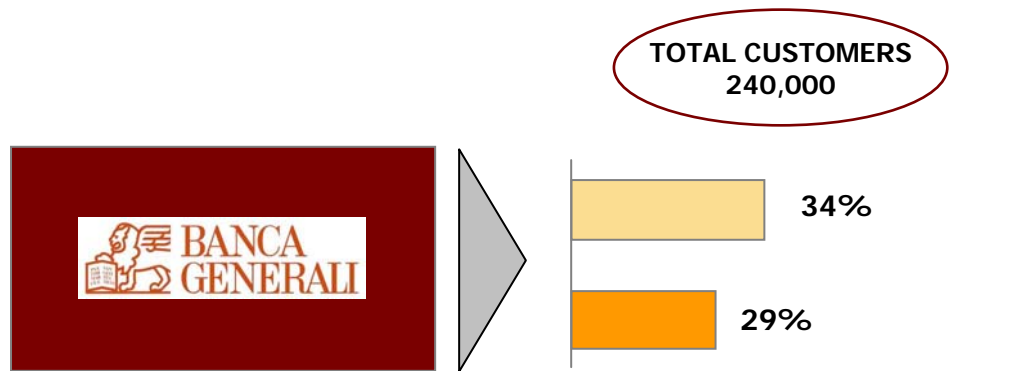
- Acquiring new clients through the existing network while exploiting the existing platform and the strength of Generali brand
- Increasing the share of wallet of existing clients
- New dedicated actions to revamp sales on "sleeping" and "marginal" customers
- Recruiting of top professional

2. Enhancing Profitability Levels

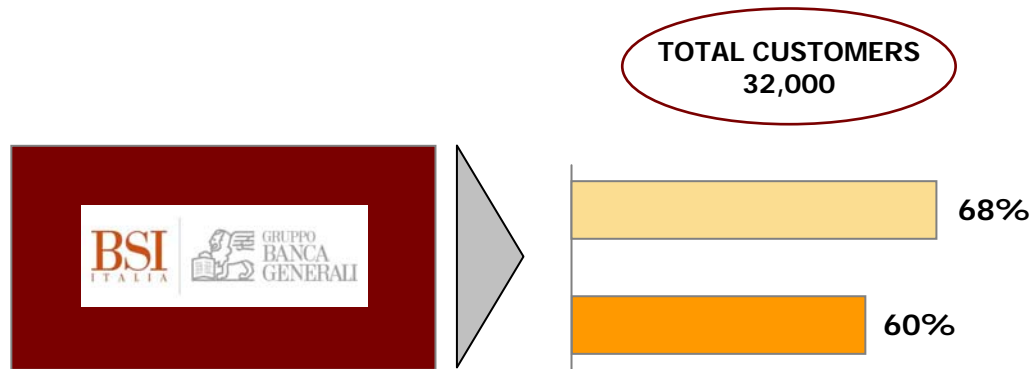


- New protected capital and insurance products, new third-party funds of funds, new advisory service
- Aggressive Cost Management

Increasing the share of wallet through dedicated actions to transfer Security Deposits and to increase Bank Account Penetration with existing and new clients



➤ Penetration of banking products within “Banca Generali” customers has large room for improvement



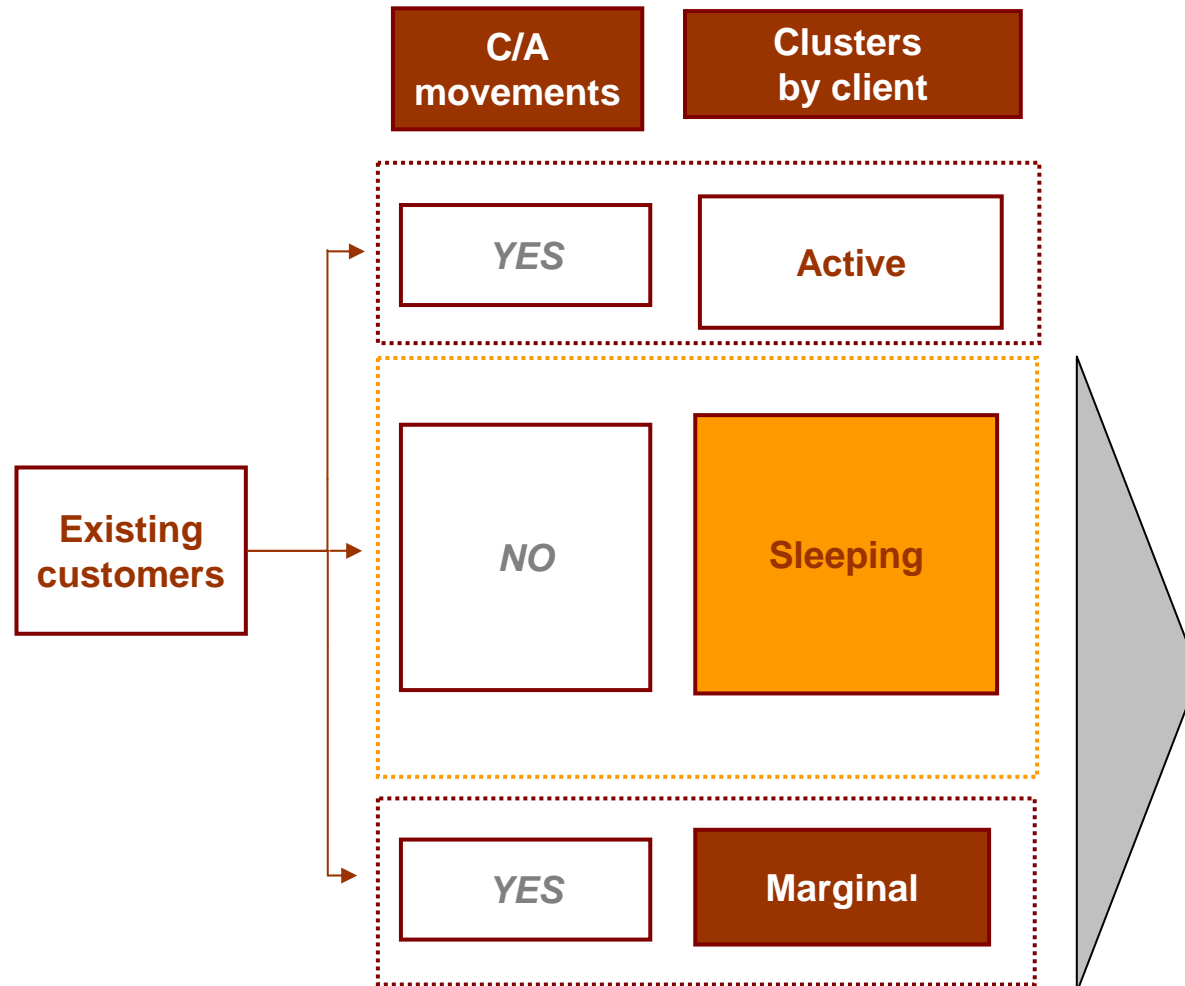
➤ Penetration of Banking Products and Security Deposits is well above average, even though BG goal is approaching 100%

■ Share of customers holding current accounts

■ Share of customers holding security deposits

○ Primary accounts, only. Banca del Gottardo excluded

Revamping Sales of existing "Sleeping" and "Marginal" Customers

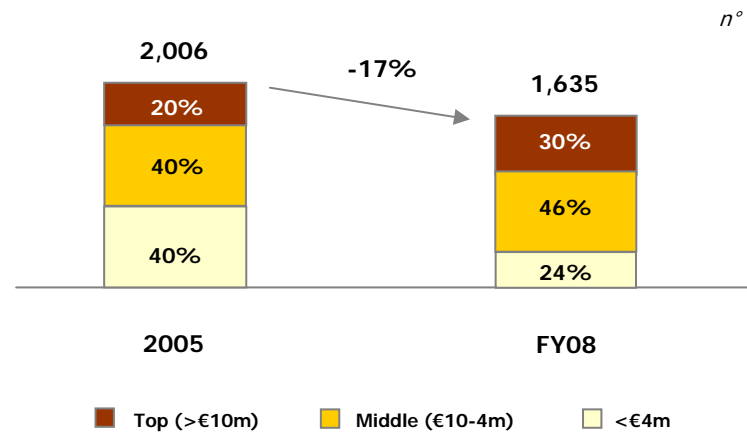


- According to Banca Generali's estimates 1/3 of existing clients is largely unexploited
- Launch of a new range of products dedicated to these marketing actions (a bank account at special conditions, a free bonus trading, top Repo's, Life policy)

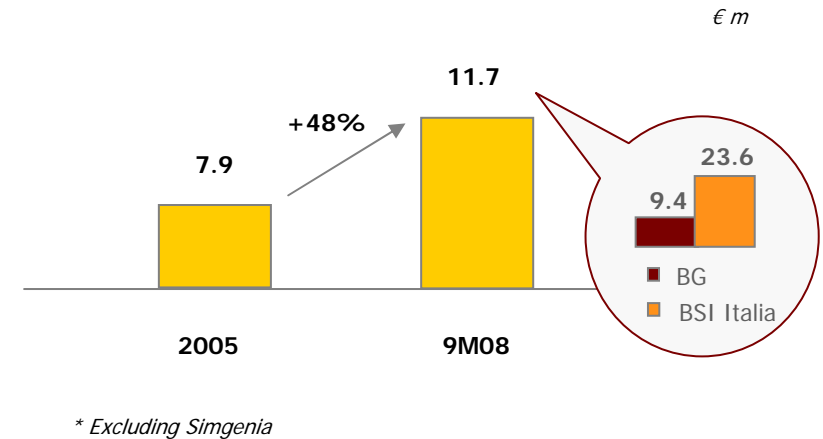
2009 recruiting goals: further focussing on networks upgrading and exploiting retail banks and competitors weakness to recruit top professionals

UPGRADING
EXISTING
NETWORK
PROFILE

Number of Financial Advisors *

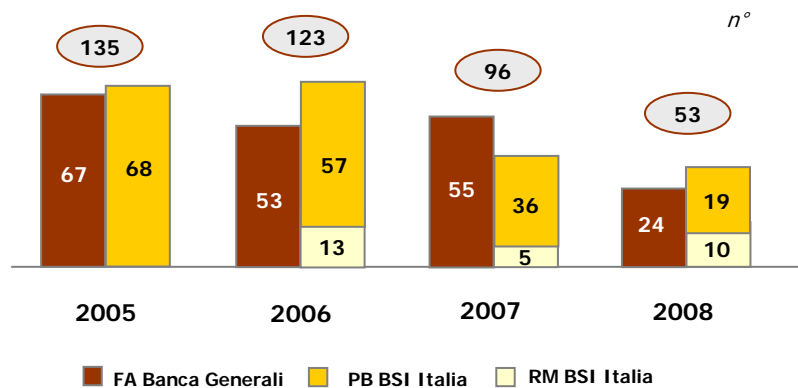


AUM/Financial Advisor *

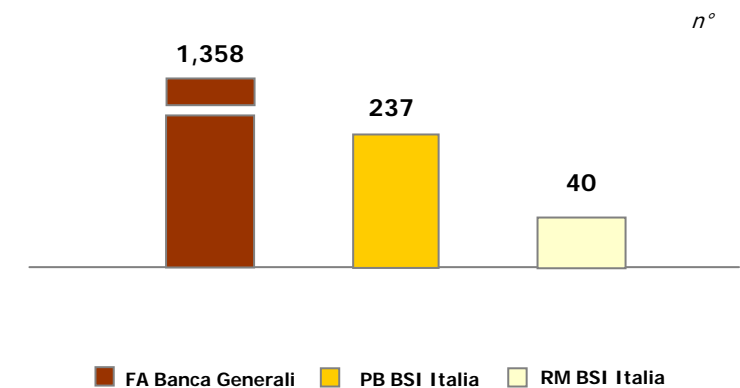


FOCUS ON
RM
(Relationship
Managers)

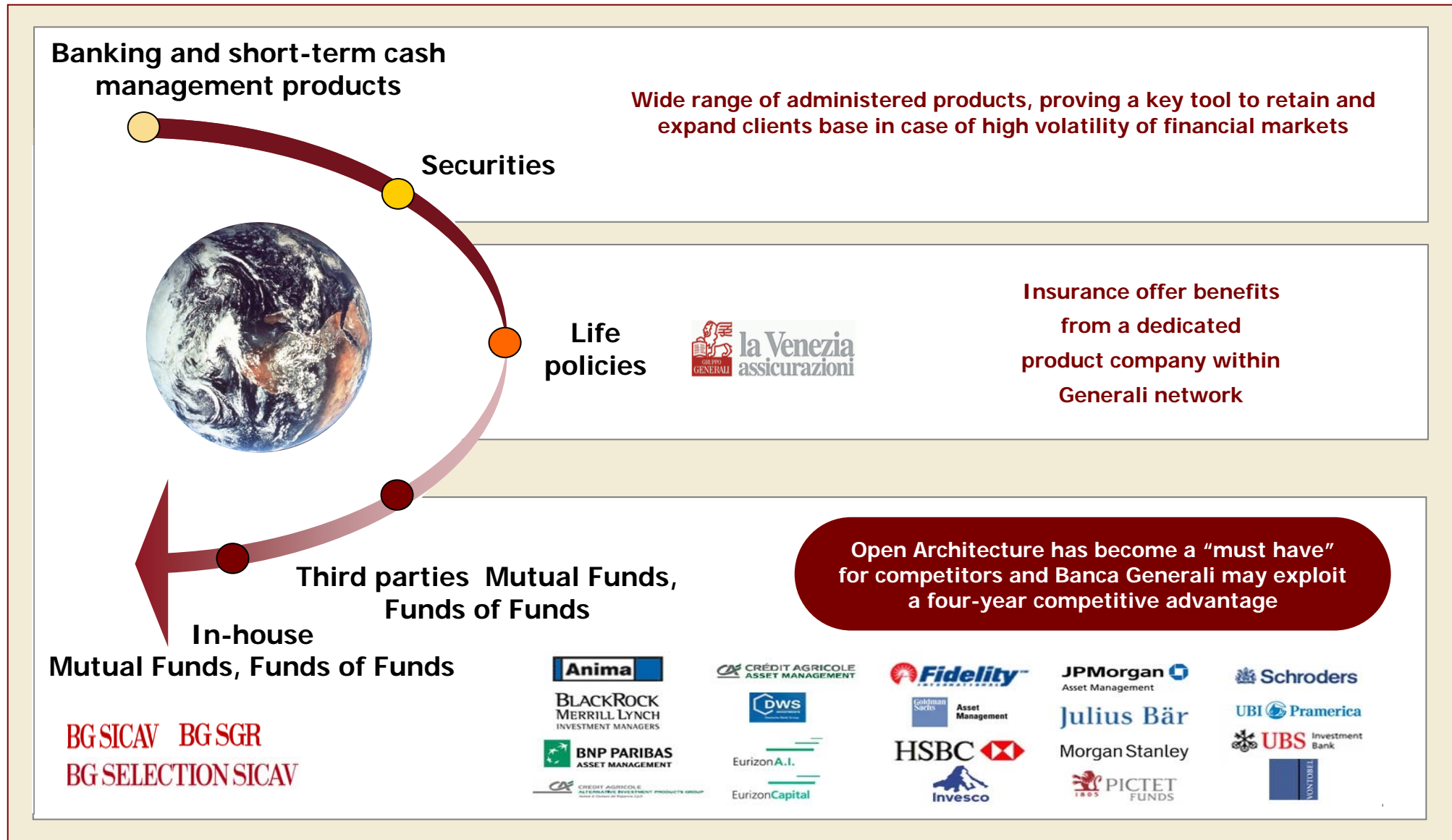
2005-08 Total Recruiting



2008 Total Network



Banca Generali's product offer is the most appropriate to face such a stormy environment



2009 product strategy will continue along with the successful guidelines started in 2006, namely protection of clients' investments and capability to generate positive returns

Insurance Products

BG Valore

Traditional policy linked to a new segregated fund investing up to 60% of its total assets in corporate bond

BG InDollari New

Traditional policy linked to a segregated funds investing in US\$ to catch a potential change in the exchange rates

Capital Protected Products

BG Evolution

New capital protected unit-linked with 100% multibrand and ETF underlying funds

BG TARGET

Individual Portfolio Management with capital protection

Flexible/Total Return funds

BG SELECTION_{SICAV}

Third party FoF

BG SGR

In-house flexible funds

BG SICAV

Product Innovation

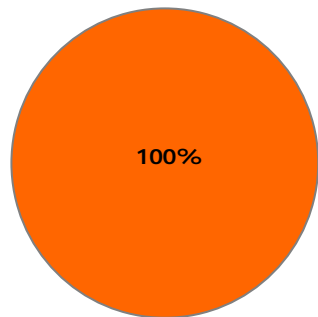
BG SELECTION_{SICAV} NEW

FoF entirely managed by third parties

Disposal of Simgenia Sim, a first step for a more comprehensive efficiency programme

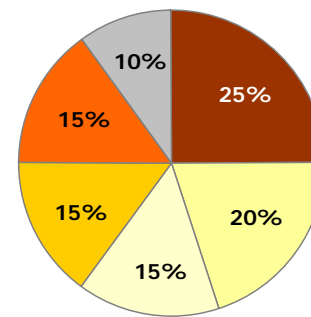
End-December 2008, Banca Generali sold 85% of Simgenia to other Generali Group Companies

Simgenia shareholders structure (before)



■ Banca Generali

Simgenia shareholders structure (after)



- Assicurazioni Generali
- Alleanza Assicurazioni
- INA Assitalia
- TORO Assicurazioni
- Banca Generali
- FATA Assicurazioni

WHY

- 1) Banca Generali is increasing focus on affluent and private clients;
- 2) Simgenia low profitability level due to its high exposure to institutional assets (60% of total)

CASH-IN

85% of Simgenia has been sold at € 13.3 m with an implied capital gain of € 8.7 m, which will be taken through shareholders' equity, thus reinforcing BG balance sheet.

BUSINESS IMPLICATIONS

Simgenia will continue to distribute BG banking products (on an exclusive basis) and BG in-house investment products

Key Guidelines for 2009:

The main goal

Exploiting, as in 2008, another tough year to reinforce the company, by:

- Increasing market shares
- Enhancing the efficiency of both network and company

In more details:

Interest Margin

- Decreasing contribution reflecting the on-going decline in 3M Euribor partially offset by the growth of clients' assets

Net Commissions

- Actions to increase recurring commissions (as already done in 2008) through a better asset and product mix
- Review of the distribution costs (incentives and premises)

Operating Costs

- Aggressive cost management, with most of the benefits arising in 2010-11

Closing Remarks

2009 Banca Generali Strategy

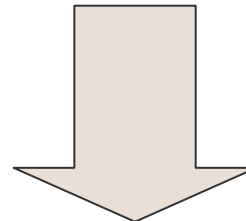
Market Outlook

We can't predict the remaining duration and intensity of this horrible period

Increase in Market Share
Profitability Enhancement

BG Mission

Increasing and protecting customers' savings in the long term



Banca Generali will definitely come out stronger from this turbulence and we're managing the company with this medium term goal

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Disclaimer

The manager responsible for preparing the company's financial reports (Giancarlo Fancel) declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law of Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

G. Fancel, CFO

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These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

The user of such information should recognize that actual results, performance or events may differ materially from such expectations because they relate to future events and circumstances which are beyond our control including, among other things, general economic and sector conditions.

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