

## PRESS RELEASE

### A.M. BEST CONFIRMS “A” RATING (EXCELLENT) AND IMPROVES OUTLOOK FOR CATTOLICA ASSICURAZIONI GROUP

Verona, 25 January 2011. A.M. Best, in confirming its rating of the Cattolica Group at **A**, i.e. “**Excellent**”, as regards financial soundness and the ability to fulfil obligations to policyholders, has improved its rating of outlook from negative to **stable**.

The agency maintains that the Group’s capitalization is in line with the present rating, also following renewal in 2010 of bancassurance partnerships.

Revision of outlook by the rating agency reflects the significant development of performance by the Non-Life business, which, notwithstanding the market’s challenging competitive environment, in the last two years has achieved a sustainable level of technical profitability.

The development of **Non-Life technical profitability**, with a projected loss ratio in the 70-73% range, is mainly due to a change in product mix accompanied by improvement of claims frequency, which has benefited from the geographical distribution of Cattolica business. In addition, A.M. Best expects further improvement of the expense ratio, which should benefit from the corporate simplification underway.

As regards the **Life business**, the rating agency forecasts that future profitability will basically depend on improvement of ALM (Asset-Liability Management), since the product mix has changed with an increase of traditional products with minimum guarantees to the detriment of linked products.

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