

PRESS RELEASE

Interim results**SOLIDITY OF REVENUES****NET PROFIT AT €37.4 MILLION (-14.4% YOY),
BUT IN LINE WITH LAST YEAR (-0.8% YOY)
NET OF EXTRAORDINARY ITEMS****FUTHER STRENGHTENING OF CAPITAL
RATIOS: TIER 1 CAPITAL AT 12.2%**

The improvement in the quality of profits continues through the growth in recurring commissions and cost control measures ¹

- Management fees at €131.7 million (+20% yoy)
- Operating costs at €75.8 million (-3% yoy)

The recurring share of AUM profitability further increases ¹

- The recurring component of AUM profitability is at 1.55% (+2 bps YTD)
- Significant increase of management fees profitability, now at 1.12% (+15 bps yoy)

The growth in net inflows and AUM continues, particularly the managed assets component

- Net inflows gathered in the first half of 2011 are equal to €579 million, net inflows in managed assets to €604 million
- Total assets under management at €23.7 billion (+4% yoy, +0.5% YTD), managed assets at €16.9 billion (+6% yoy). Managed assets now represent 71% of the total

CONTACTS:www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

The capital position is further strengthened

- Tier 1 Capital at 12.2% (11% at the end of 2010) and Total Capital Ratio at 14.6% (13.3% at the end of 2010)

The sustainability report of Banca Generali is approved

¹The financial figures commented upon are reported on a like-for-like basis with respect with the previous year, that is net of the consolidation of Generali Investment Luxembourg ("GIL")

PRESS RELEASE

Trieste, 29 July 2011 – The Board of Directors of Banca Generali, chaired by Giovanni Perissinotto, approved the consolidated financial results for the first half of 2011.

Consolidated financial results at 30 June 2011

For the six-month period ending on June 30, 2011, Banca Generali reported a **consolidated net profit of €37.4 million, opposed to a net profit of €43.7 million posted in the first half of 2010, which however included the benefit deriving from the extraordinary tax credit of €6 million from the enfranchisement of goodwill and intangible assets²**. Net of this extraordinary component the net profit of Banca Generali is substantially stable (€37.4 million in the first half of 2011 vs. €37.7 million of the first half of 2010, -0.8% yoy), a very positive result in light of the financial markets' trend occurred during this first part of 2011.

These results are very satisfactory as they are almost entirely generated by recurring items and by cost control actions, while the more volatile items, tied to the trend of financial markets, provided for the smallest contribution this year, contrary to last year when their contribution was particularly substantial. Therefore the quality of profit, and consequently their sustainability, increased significantly.

Net interest income was €21.5 million, slightly down by 3.9% compared to €22.4 million of the previous year, due mainly to a reduction in the assets held in current accounts which are now equal to €1.6 billion, down by 11% yoy and down by 7% since the start of 2011. It should be recalled that the investment policy of Banca Generali is marked by the highest prudence: the investment portfolio of the Bank is in fact characterised by a very short duration (less than 1) and the lack of both financial leverage and mismatch in the duration of assets and liabilities.

Gross commissions were €181.3 million, compared to €183.1million of the previous year (€166.5 million, -2.3% yoy excluding the contribution of Generali Investment Luxembourg "GIL"). The trend in management fees was particularly positive, as they reported an increase of 20.3% yoy to €146.3 million (€131.7 million, +20.4% yoy ex-GIL). Thanks to the contribution from management fees, the share of recurring commissions, calculated ex-GIL on a like-for-like basis, increased to 97% of the total, up by 10 percentage points compared to the same period of the previous year.

Net commissions were slightly lower compared to the previous year and amounted to €100.1 million, -6.4% yoy (€96.6 million, -6.8% yoy ex-GIL), a dynamic that mainly reflects the trend of performance fees, which are suffering from the particularly volatile financial markets situation of these recent months.

Net banking income, even if it benefitted from the significant increase in the recurring commissions, was equal to €127.4 million, down by 10.7% yoy (€123.9 million, -11.1% yoy ex-GIL) as a result of the already mentioned lower contribution from the more volatile items linked to the financial markets, such as performance fees (€5.1 million, -77% yoy) and trading income (€5.8 million, -56% yoy). It should be highlighted that the recurring items now represent 91% of total

2 This fiscal benefit was generated by the difference between the substitute tax paid on goodwill and intangible assets of the acquired company Banca del Gottardo Italia and the deferred taxes of the relative amortization expenses of future periods

CONTACTS:

www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

PRESS RELEASE

revenues ex-GIL, a sensible improvement compared to the 74% share for the same period of last year.

Operating expenses amounted to €77.0 million, down by 2.7% compared to the €79.1 million reported in the previous year. This result is particularly noteworthy when considering the fact that operating costs of this first half of 2011 already incorporate the negative impact of €1.4 million linked to the new stamp duty for securities deposits introduced with Italy's new budget bill that was approved this past July 15th. The latter is entirely recovered from clients and it is accounted in the P&L as "other income".

Total assets of Banca Generali at 30 June 2011 amounted to €3,853 million (+1.2% since the beginning of the year). **Consolidated net equity** was equal to €265.3 million (€281.2 million at the end of 2010), Tier 1 Capital is now at 12.2% (up from 11.0% of the end of last year) and Total Capital Ratio is at 14.6% (up from 13.3% of the end of 2010).

Consolidated financial results for 2nd quarter 2011

In 2Q2011, Banca Generali's **net profit** was €17.4 million vs. €24.9 million of the same period in 2010. The difference is mainly related to the extraordinary fiscal benefit of €6 million tied to the enfranchisement of goodwill which was reported last year. The difference is also attributable to the lower contribution from revenues directly linked to financial market (performance fees and trading income).

The cost control measures continued to be in place during the quarter, generating a decrease in **operating costs** of 0.7% to €40.9 million (€40.2 million, -0.4% ex-GIL).

Net inflows and AUM

Net inflows figures for the first six months of 2011 are definitely positive and are equal to €79 million, broadly in line with the good results of last year, a period that however had benefitted from a much more favourable situation in terms of financial markets.

Net inflows in managed assets were also very positive and **amounted to €604 million**. The asset gathering in managed assets was driven by the excellent numbers relative to the FoF BG Selection, which during the period gathered €417 million, and by the life insurance products with life new business equal to €628 million.

Total assets amounted to **€23.7 billion as of June 30, 2011**, up by 4% compared to the previous year and up by about 1% since the beginning of 2011. In details, the **assets invested in managed products and in life insurance reached €16.9 billion, up by 6%** compared to €15.9 billion of the previous year and now represent 71% of total assets.

BG Sicav and BG Selection Sicav reached a total AUM of €5.7 billion (equal to 24% of total AUM of €23.7 billion), driven by the large success of BG Selection that now manages €5.2 billion of assets (+22% yoy).

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari
Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

PRESS RELEASE

The assets of Banca Generali are split in three main macro-areas: managed assets products (funds/sicav, FoF and individual portfolio management) totalling €9.7 billion (41% of total assets), life insurance products of €7.2 billion (30% of total assets), with the remaining €6.8 billion represented by banking products (29% of the total).

2010 Sustainability Report

Today the Board of Directors also approved the **Sustainability Report** of Banca Generali, therefore renewing the commitment taken last year towards the adoption of business strategies aimed at achieving a sustainable growth and at creating value for all the stakeholders of the Group (Clients, Distribution Networks, Shareholders, Employees, Suppliers, the Community and the Environment).

In this regard it should be highlighted that the value created and distributed to the different stakeholders of Banca Generali in 2010 significantly increased. The **global value added (VAG)** reached €323.6 million, an increase of 15.1% compared to last year. The largest share of this value created was distributed to the Collaborators of the Group (Employees, Distribution Networks).

We should recall that, in line with the **Environmental Policy** of the Generali Group, the Bank has strengthened its commitment to the Environment by taking part in an important project, which provides for the monitoring of the energy consumption and of greenhouse gas emissions, with the goal to prevent damages and reduce the impact of banking activities on the environment. This initiative is complementary to other projects, such as the Carbon Disclosure Project (CDP) and the CDP Water Disclosure Project, that attest to the commitment of Banca Generali in the challenge posed by climate changes and in the preservation of water resources.

Business outlook

Banca Generali remains cautiously optimistic for the outlook of the business activities in the coming months, in consideration of the solidity and effectiveness of its own business model and of its own solid capital position, although well aware of the high volatility characterising the financial markets and the macroeconomic trends.

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

Presentation to the Financial Community

The financial results of the first half of 2011 and the business update of Banca Generali will be presented to the financial community today at 2 pm CEST (1 pm GMT; 8:00 am EAST; 5:00 am PST) during a conference call. It will be possible to follow the event by dialling the following telephone numbers: from Italy + 39 02 805 88 11; from UK + 44 203 147 47 96; from USA (toll-free) + 1 866 63 203 28, +1 718 70 587 94.

* * *

PRESS RELEASE

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

G. Fancel, CFO of Banca Generali

* * *

Annexes:

- 1) Banca Generali – Consolidated Profit and Loss Statement at June 30, 2011
- 2) Banca Generali – Consolidated Profit and Loss Statement at June 30, 2011 (on a like-for-like basis)
- 3) Banca Generali – Consolidated Profit and Loss Statement for the 2nd quarter 2011
- 4) Banca Generali – Consolidated Profit and Loss Statement for the 2nd quarter 2011 (on a like-for-like basis)
- 5) Banca Generali – Reclassified Consolidated Balance Sheet at June 30, 2011
- 6) Total Assets under Management (AUM) at June 30, 2011

* * *

CONTACTS:

www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

PRESS RELEASE

**1) BANCA GENERALI – CONSOLIDATED PROFIT AND LOSS STATEMENT AT
JUNE 30, 2011**

| (€ mil.) | 1H10 (reported) | 1H11 (reported) | % Chg |
|--|--------------------|--------------------|-----------------|
| Net Interest Income | 22.4 | 21.5 | -3.8% |
| Commission income | 183.1 | 181.3 | -1.0% |
| Commission expense | -76.2 | -81.2 | 6.7% |
| Net Commission | 106.9 | 100.1 | -6.4% |
| Net income (loss) from trading activities | -31.0 | -51.9 | 67.1% |
| Dividends | 44.4 | 57.7 | 29.8% |
| Net income (loss) from trading activities and Dividends | 13.4 | 5.8 | -56.5% |
| Net Banking Income | 142.6 | 127.4 | -10.7% |
| Staff expenses | -33.8 | -34.3 | 1.5% |
| Other general and administrative expense | -43.3 | -40.8 | -5.9% |
| | -77.1 | -75.1 | -2.7% |
| Depreciation and amortisation | -2.0 | -1.9 | -4.5% |
| Net Operating Expenses | -79.1 | -77.0 | -2.7% |
| Other net operating income (expense) | 6.0 | 5.8 | -3.0% |
| Operating Profit | 69.5 | 56.2 | -19.1% |
| Net adjustments for impair.loans and other assets | -2.2 | -1.7 | -23.3% |
| Net provisions for liabilities and contingencies | -20.9 | -9.9 | -52.7% |
| Profit Before Taxation | 46.4 | 44.6 | -3.9% |
| Direct income taxes | -0.9 | -5.0 | 479.7% |
| Minorities interest | -1.8 | -2.2 | 17.6% |
| Net Profit | 43.7 | 37.4 | -14.4% |
| Cost /Income Ratio | 49.9% | 54.4% | 4.5 p.p. |
| EBITDA | 71.5 | 58.1 | -18.7% |
| Tax rate | 1.9% | 11.3% | 9.4 p.p. |

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

PRESS RELEASE

**2) BANCA GENERALI- CONSOLIDATED PROFIT AND LOSS STATEMENT AT
JUNE 30, 2011 (EX-GIL) ³**

| (€ mil.) | 1H10 (adjusted) | 1H11 (adjusted) | % Chg |
|--|--------------------|--------------------|-----------------|
| Net Interest Income | 22.4 | 21.5 | -3.9% |
| Commission income | 170.4 | 166.5 | -2.3% |
| Commission expense | -66.8 | -69.9 | 4.6% |
| Net Commission | 103.6 | 96.6 | -6.8% |
| Net income (loss) from trading activities | -31.0 | -51.8 | 67.0% |
| Dividends | 44.4 | 57.7 | 29.8% |
| Net income (loss) from trading activities and Dividends | 13.4 | 5.8 | -56.3% |
| Net Banking Income | 139.3 | 123.9 | -11.1% |
| Staff expenses | -32.8 | -33.3 | 1.6% |
| Other general and administrative expense | -43.1 | -40.6 | -5.8% |
| | -75.9 | -73.9 | -2.6% |
| Depreciation and amortisation | -2.0 | -1.9 | -4.6% |
| Net Operating Expenses | -77.8 | -75.8 | -2.6% |
| Other net operating income (expense) | 6.0 | 5.8 | -3.0% |
| Operating Profit | 67.4 | 53.9 | -20.0% |
| Net adjustments for impair. loans and other assets | -2.2 | -1.7 | -23.3% |
| Net provisions for liabilities and contingencies | -20.9 | -10.0 | -52.0% |
| Profit Before Taxation | 44.4 | 42.2 | -4.8% |
| Direct income taxes | -0.7 | -4.8 | 612.9% |
| Minorities interest | 0.0 | 0.0 | |
| Net Profit | 43.7 | 37.4 | -14.4% |
| Cost /Income Ratio | 50.2% | 55.0% | 4.8 p.p. |
| EBITDA | 69.4 | 55.8 | -19.6% |
| Tax rate | 1.5% | 11.4% | 9.9 p.p. |

CONTACTS:
www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

³ The financial figures are reclassified excluding the contribution from Generali Investments Luxembourg ("GIL")

PRESS RELEASE

**3) BANCA GENERALI-CONSOLIDATED P&L STATEMENT FOR THE 2ND QUARTER
2011**

| (€ mil.) | 2 Q 10 | 2 Q 11 | % Chg |
|---|---------------|--------------|-----------------|
| Net Interest Income | 11.4 | 10.4 | -8.9% |
| Commission income | 94.5 | 89.5 | -5.3% |
| Commission expense | -38.8 | -40.9 | 5.4% |
| Net Commission | 55.8 | 48.7 | -12.7% |
| Net income (loss) from trading activities | -40.5 | -54.3 | 34.2% |
| Dividends | 44.4 | 57.7 | 29.8% |
| Net income (loss) from trading activities and Dividends | 3.9 | 3.3 | -15.7% |
| Net Banking Income | 71.1 | 62.4 | -12.2% |
| Staff expenses | -17.1 | -17.3 | 1.3% |
| Other general and administrative expense | -22.9 | -22.6 | -1.5% |
| | -40.0 | -39.9 | -0.3% |
| Depreciation and amortisation | -1.1 | -1.0 | -13.3% |
| Net Operating Expenses | -41.1 | -40.9 | -0.7% |
| Other net operating income (expense) | 4.0 | 4.2 | 5.9% |
| Operating Profit | 34.0 | 25.8 | -24.1% |
| Net adjustments for impair.loans and other assets | -1.1 | -1.6 | 51.3% |
| Net provisions for liabilities and contingencies | -9.3 | -4.6 | -51.1% |
| Profit Before Taxation | 23.6 | 19.6 | -16.8% |
| Direct income taxes | 2.5 | -1.3 | -152.7% |
| Minorities interest | -1.2 | -1.0 | -20.2% |
| Net Profit | 24.9 | 17.4 | -30.1% |
| Cost /Income Ratio | 50.6% | 57.1% | 6,5 p.p. |
| EBITDA | 35.1 | 26.8 | -23.8% |
| Tax rate | -10.4% | 6.6% | 17 p.p. |

CONTACTS:
www.bancagenerali.com

 Media Relations
 Michele Seghizzi
 Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

 Investor Relations
 Giuliana Pagliari
 Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

PRESS RELEASE

4) BANCA GENERALI- CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE 2ND QUARTER 2011 (EX-GIL) ⁴

| (€ mil.) | 2 Q 10 (adjusted) | 2 Q 11 (adjusted) | % Chg |
|---|----------------------|----------------------|-----------------|
| Net Interest Income | 11.4 | 10.4 | -9.0% |
| Commission income | 87.3 | 82.4 | -5.6% |
| Commission expense | -33.5 | -35.2 | 5.0% |
| Net Commission | 53.7 | 47.1 | -12.3% |
| Net income (loss) from trading activities | -40.5 | -54.3 | 34.2% |
| Dividends | 44.4 | 57.7 | 29.8% |
| Net income (loss) from trading activities and Dividends | 3.9 | 3.3 | -14.8% |
| Net Banking Income | 69.1 | 60.9 | -11.9% |
| Staff expenses | -16.5 | -16.8 | 2.0% |
| Other general and administrative expense | -22.8 | -22.5 | -1.5% |
| | -39.3 | -39.3 | 0.0% |
| Depreciation and amortisation | -1.1 | -0.9 | -13.4% |
| Net Operating Expenses | -40.4 | -40.2 | -0.4% |
| Other net operating income (expense) | 4.0 | 4.2 | 5.9% |
| Operating Profit | 32.7 | 24.9 | -23.9% |
| Net adjustments for impair.loans and other assets | -1.1 | -1.6 | 51.3% |
| Net provisions for liabilities and contingencies | -9.4 | -4.7 | -49.7% |
| Profit Before Taxation | 22.3 | 18.6 | -16.7% |
| Direct income taxes | 2.6 | -1.2 | -146.2% |
| Minorities interest | 0.0 | 0.0 | |
| Net Profit | 24.9 | 17.4 | -30.1% |
| Cost /Income Ratio | 51.1% | 57.6% | 6,5 p.p. |
| EBITDA | 33.8 | 25.8 | -23.5% |
| Tax rate | -11.6% | 6.4% | 18 p.p. |

CONTACTS:

www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

⁴ The financial figures are reclassified excluding the contribution from Generali Investments Luxembourg ("GIL")

PRESS RELEASE

5) BANCA GENERALI- RECLASSIFIED CONSOLIDATED BALANCE SHEET AT JUNE 30, 2011

(€millions)

| Assets | June 30, 2011 | Dec 31, 2010 | Change | % Change |
|--|----------------|----------------|-------------|-------------|
| Financial assets held for trading | 61.0 | 120.0 | -59.0 | -49.1% |
| Financial assets available for sale | 1,640.0 | 1,533.3 | 106.8 | 7.0% |
| Financial assets held to maturity | 529.6 | 608.1 | -78.5 | -12.9% |
| Loans to banks | 519.6 | 475.6 | 44.0 | 9.3% |
| Loans to customers | 892.4 | 852.0 | 40.3 | 4.7% |
| Property equipment and intangible assets | 53.0 | 53.3 | -0.2 | -0.5% |
| Tax receivables | 60.7 | 71.0 | -10.3 | -14.5% |
| Other assets | 96.7 | 94.6 | 2.1 | 2.2% |
| Total Assets | 3,853.1 | 3,807.9 | 45.2 | 1.2% |

| Liabilities and Shareholders' Equity | June 30, 2011 | Dec 31, 2010 | Change | % Change |
|--|----------------|----------------|-------------|-------------|
| Due to banks | 605.1 | 450.4 | 154.7 | 34.3% |
| Direct inflows | 2,771.0 | 2,910.9 | -139.9 | -4.8% |
| Financial liabilities held for trading | 0.8 | 6.5 | -5.7 | -88.1% |
| Tax payables | 18.7 | 18.3 | 0.4 | 2.1% |
| Other liabilities | 129.8 | 82.8 | 47.0 | 56.8% |
| Special purpose provisions | 62.4 | 57.8 | 4.6 | 8.0% |
| Valuation reserves | -17.6 | -23.7 | 6.1 | -25.6% |
| Reserves | 126.0 | 105.4 | 20.6 | 19.5% |
| Additional paid-in capital | 3.1 | 0.0 | 3.1 | |
| Share capital | 111.7 | 111.4 | 0.3 | 0.3% |
| Treasury shares (-) | -0.2 | -0.7 | 0.4 | -62.4% |
| Shareholders' equity attributable to minority interest | 5.1 | 6.6 | -1.6 | -23.6% |
| Net income (loss) for the period (+/-) | 37.4 | 82.2 | -44.8 | -54.5% |
| Total Liabilities and Shareholders' Equity | 3,853.1 | 3,807.9 | 45.2 | 1.2% |

CONTACTS:

www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it

PRESS RELEASE

6) TOTAL ASSETS UNDER MANAGEMENT (AUM) AS OF JUNE 30, 2011

| <i>Billion of Euros</i> | Jun 2011 | Dec 2010 | Abs. Chg |
|-----------------------------|-----------------|-----------------|-----------------|
| Mutual Funds | 6.50 | 6.59 | -0.09 |
| Asset Management | 3.16 | 3.37 | -0.21 |
| Managed Assets | 9.66 | 9.96 | -0.30 |
| Life Insurance | 7.21 | 6.82 | 0.39 |
| Non Managed Assets | 6.83 | 6.82 | 0.01 |
| <i>of which: Securities</i> | 5.25 | 5.12 | 0.13 |
| Total | 23.70 | 23.60 | 0.10 |

CONTACTS:

www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 6076 5683

michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 6076 5548

giuliana.pagliari@bancagenerali.it