

**Speech by Chairman**  
**Antoine Bernheim**

Dear Shareholders,

Today's General Meeting has been called, among other things, to approve the accounts for the 2006 financial year and to appoint the members of the Board of Directors who will take office today.

To begin with the accounts, the results are excellent, far exceeding the budget forecasts. Never in the recent history of Generali has such a large profit been made as last year: € 2.4 billion, a result which enables us to propose a very large increase (around 40%) in the dividend payable to shareholders.

However, if we compare this result with those of other companies, the figures can only be described as satisfactory. The reason is that our Company's situation in 2002 was very precarious in all respects: starting from that year it was decided to "relaunch" the company, and this has certainly been achieved.

As you all know, we celebrate the 175th anniversary of the foundation of Generali this year. I mention this with some regret because, if the Group had always been properly managed, it would be the largest in the world by now, which sadly is not the case.

As I have been a Director of the company for 34 years, I have seen at first hand the chaotic way in which its business has sometimes been conducted. During my first chairmanship, from 1995 to 1999, Generali recorded a very satisfactory trend, doubling its consolidated profit worldwide and tripling its stock-market capitalisation. When my period of office ended the situation deteriorated considerably, as a result of chaotic management once again, until the present management took charge of the company in September 2002.

The following measures therefore need to be taken over the next few years:

- tackling the obstacles to the company's development deriving from the antitrust legislation and above all from the "Bersani decrees", which are designed to turn sole general agents into brokers. In my opinion, this measure will partly destroy our

company's business activity, without bringing any real advantage to anyone;

- in order to safeguard the Group's independence, performing not only systematic growth operations but also external growth, bearing in mind that we are prohibited from taking the steps we would like to in Italy.

One of these operations is the joint venture entered into with Czech company Ceska, which will shortly be illustrated in detail by the Managing Directors; this agreement will guarantee a magnificent future for Generali in Central Europe, where we believe that our Group can recover the very important position it held in the distant past.

Nevertheless, we should still seek out new fields of development of insurance business and new products to be introduced onto our markets.

These in a nutshell are the specific tasks that the directors appointed at the forthcoming elections will be required to perform in addition to the company's ordinary management.

To ensure that the desired results are achieved, I hope that the present Managing Directors will be reappointed. As regards the position of Chairman, whose responsibilities are largely executive under the present corporate governance system, it is not for me to make any proposal. It is the task of the General Meeting and the Board of Directors elected to make the decision they think wisest.

Thank you.