



CREDEMVITA

FINANCIAL STATEMENTS
2015 HALF-YEAR

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2015 HALF- YEAR FINANCIAL STATEMENTS

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Company: **CREDEMVITA**

Subscribed share capital €

Paid up €

Registered office in

HALF-YEARLY REPORT
AS AT 2015

(Figures in €thousand)

BUSINESS: **CREDEMVITA**

BALANCE

ASSETS	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
A. Unpaid subscribed share capital	1	75	149
B. Intangible assets			
1. Acquisition expenses to be amortised	2	76	150
2. Other assets	3	77	151
		925	944
Total	4	78	152
		925	944
C. Investments			
I - Land and buildings	5	79	153
II - Investments in group companies and other investees			
1. Shares and units	6	80	154
2. Bonds	7	81	155
3. Loans	8	82	156
Total investments in group companies and other investees	9	83	157
III - Other financial investments			
1. Shares and units	10	84	158
2. Units of mutual investment funds	11	85	159
3. Bonds and other fixed-income securities	12	86	160
4. Loans	13	87	161
5. Others	14	88	162
Total other financial investments	15	89	163
IV - Deposits with assignor companies	16	90	164
Total	17	91	165
		2,618,009	2,805,662
D. Investments benefiting life policyholders who bear the risk and from pension fund management			
I - Investments related to benefits linked to investment funds and market indices	18	92	166
II - Investments from pension fund management	19	93	167
		141,033	162,008
Total	20	94	168
		1,186,226	1,432,964
D.bis Technical reserves attributable to reinsurers			
I - Non-life technical reserves	21	95	169
II - Life technical reserves (excluding the technical reserves set forth in point III)	22	96	170
III - Life technical reserves where the investment risk is borne by policyholders and reserves from pension fund management	23	97	171
Total	24	98	172
		2,291	2,419
E. Receivables			
I - Receivables deriving from direct insurance transactions	25	99	173
II - Receivables deriving from reinsurance transactions	26	100	174
III - Other receivables	27	101	175
		55,667	73,223
Total	28	102	176
		58,087	73,347
F. Other asset items			
I - Property, plant and equipment and stock	29	103	177
II - Cash and cash equivalents	30	104	178
III - Own shares or quotas	31	105	179
IV - Other assets	32	106	180
		22,388	20,882
Total	33	107	181
		74,783	60,926
G. Accruals and deferrals	34	108	182
		20,081	23,116
TOTAL ASSETS	35	109	183
		3,960,402	4,399,378

SHEET

LIABILITIES	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
A. Shareholders' equity			
I - Subscribed share capital or equivalent provision	36 71,600	110 71,600	184 71,600
II - Share premium reserve	37	111	185
III - Legal reserve	38 6,552	112 5,668	186 5,668
IV - Other capital reserves	39 78,523	113 61,726	187 61,726
V - Profit (loss) carried forward	40	114	188
VI - Net profit (loss) for the period	41 6,188	115 8,565	189 17,681
Total	42 162,863	116 147,559	190 156,675
B. Subordinated liabilities	43	117	191
C. Technical reserves			
I - Non-life segments			
1. Premium reserve	44	118	192
2. Claims reserve	45	119	193
3. Other technical reserves	46	120	194
4. Equalisation reserves	47	121	195
Total non-life technical reserves	48	122	196
II - Life segments			
1. Mathematical reserves	49 3,001,813	123 2,556,308	197 2,717,920
2. Reserve for amounts to be paid	50 28,357	124 23,219	198 22,553
3. Other technical reserves	51 11,663	125 11,503	199 11,760
Total life technical reserves	52 3,041,833	126 2,591,030	200 2,752,233
Total	53 3,041,833	127 2,591,030	201 2,752,233
D. Technical reserves where the investment risk is borne by policyholders and reserves from pension fund management			
I - Reserves related to contracts linked to investment funds and market indices	54 1,772,238	128 1,043,567	202 1,267,511
II - Reserves from pension fund management	55 174,549	129 141,033	203 162,008
Total	56 1,946,787	130 1,184,600	204 1,429,519
E. Provisions for risks and charges	57 114	131 273	205 174
F. Deposits received by reinsurers	58	132	206
G. Payables and other liabilities			
I - Payables resulting from direct insurance transactions	59 13,929	133 10,084	207 17,976
II - Payables resulting from reinsurance transactions	60 547	134 463	208 350
III - Bonds	61	135	209
IV - Due to banks and financial institutions	62	136	210
V - Other payables and loans	63 12,804	137 10,594	211 33,024
VI - Provision for employee severance pay	64 316	138 301	212 313
VII - Other liabilities	65 17,005	139 15,488	213 9,114
Total	66 44,601	140 36,930	214 60,777
H. Accruals and deferrals	67	141 10	215
TOTAL LIABILITIES	68 5,196,198	142 3,960,402	216 4,399,378

GUARANTEES, COMMITMENTS AND OTHER MEMORANDUM ACCOUNTS

I. Guarantees given	69	143	217
II. Guarantees received or given by third parties in the interest of the company	70	144	218
III. Commitments	71	145	219
IV. Assets pertaining to pension funds managed in the name and on behalf of third parties	72	146	220
V. Others	73 4,957,471	147 3,791,473	221 4,217,676
TOTAL MEMORANDUM ACCOUNTS	74 4,957,471	148 3,791,473	222 4,217,676

INCOME

	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
I. NON-LIFE TECHNICAL ACCOUNT			
1. Premiums, net of reinsurance transfers	1	57	113
2. (+) Share of profit from investments transferred from the non-technical account (item III. 6)	2	58	114
3. Other technical income, net of reinsurance transfers	3	59	115
4. Charges for claims, net of recoveries and reinsurance transfers	4	60	116
5. Change in other technical reserves, net of reinsurance transfers	5	61	117
6. Reversals and participation in profits, net of reinsurance transfers	6	62	118
7. Management costs:			
a) Acquisition expenses net of commissions and profit sharing received by reinsurers	7	63	119
b) Administration costs	8	64	120
Total	9	65	121
8. Other technical charges, net of reinsurance transfers	10	66	122
9. Changes in equalisation reserves	11	67	123
10. Profit of the non-life technical account	12	68	124
II. LIFE TECHNICAL ACCOUNT			
1. Premiums for the year, net of reinsurance transfers	13 979,618	69 747,039	125 1,275,215
2. Income from investments			
a) Income from investments	14 32,691	70 36,536	126 76,565
b) Write-backs on investments	15 154	71 58	127 27
c) Profit on investment disposals	16 66,445	72 45,190	128 68,901
Total	17 99,290	73 81,784	129 145,493
3. Unrealised income and capital gains relating to investments benefiting policyholders who bear the risk and investments from pension fund management	18 63,432	74 40,879	130 76,954
4. Other technical income, net of reinsurance transfers	19 7,467	75 6,595	131 13,532
5. Charges for claims, net of reinsurance transfers	20 256,408	76 217,450	132 373,341
6. Change in mathematical reserves and other technical reserves, net of reinsurance transfers			
a) Mathematical reserves, premium reserve for supplementary insurance and other technical reserves	21 283,536	77 466,814	133 628,575
b) Technical reserves where the investment risk is borne by policyholders and from pension fund management	22 517,269	78 135,325	134 380,244
Total	23 800,805	79 602,139	135 1,008,819
7. Reversals and participation in profits, net of reinsurance transfers	24	80	136
8. Management costs			
a) Acquisition expenses net of commissions and profit sharing received by reinsurers	25 7,539	81 5,932	137 12,423
b) Administration costs	26 2,968	82 2,756	138 5,678
Total	27 10,507	83 8,688	139 18,101

STATEMENT

	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
9. Financial and borrowing costs			
a) Investment management costs and interest expense	28 3,862 ⁸⁴	3,960 ¹⁴⁰	7,747
b) Value adjustments on investments	29 9,440 ⁸⁵	2,022 ¹⁴¹	949
c) Losses on investment disposals	30 18,323 ⁸⁶	6,184 ¹⁴²	27,716
Total	31 31,625 ⁸⁷	12,166 ¹⁴³	36,412
10. Unrealised financial and borrowing costs and capital losses relating to investments benefiting policyholders who bear the risk and to investments from pension fund management	32 19,891 ⁸⁸	6,788 ¹⁴⁴	14,314
11. Other technical charges, net of reinsurance transfers	33 19,797 ⁸⁹	13,552 ¹⁴⁵	29,728
12. (-) Share of profit from investments transferred to the non-technical account (item III.4)	34 3,740 ⁹⁰	3,994 ¹⁴⁶	6,244
13. Profit of the life technical account	35 7,034 ⁹¹	11,520 ¹⁴⁷	24,235
III. NON-TECHNICAL ACCOUNT			
1. Profit of the non-life technical account (item I. 10)	36	92	148
2. Profit of the life technical account (item II. 13)	37 7,034 ⁹³	11,520 ¹⁴⁹	24,235
3. Income from investments of the non-life segment			
a) Income from investments	38	94	150
b) Write-backs on investments	39 95	95	151
c) Profit on investment disposals	40 96	96	152
Total	41 97	97	153
4. (+) Share of profit from investments transferred from the technical account of life segments (item II. 12)	42 3,740 ⁹⁸	3,994 ¹⁵⁴	6,244
5. Financial and borrowing costs of the non-life segments			
a) Investment management costs and interest expense	43	99	155
b) Value adjustments on investments	44	100	156
c) Losses on investment disposals	45	101	157
Total	46	102	158
6. (-) Share of profit from investments transferred to the technical account of non-life segments (item I.2)	47	103	159
7. Other income	48 490 ¹⁰⁴	362 ¹⁶⁰	799
8. Other charges	49 867 ¹⁰⁵	665 ¹⁶¹	1,514
9. Profit/loss from ordinary operations	50 10,397 ¹⁰⁶	15,211 ¹⁶²	29,764
10. Extraordinary income	51 6 ¹⁰⁷	7 ¹⁶³	94
11. Extraordinary charges	52 190 ¹⁰⁸	109 ¹⁶⁴	111
12. Profit/loss from extraordinary operations	53 -184 ¹⁰⁹	-102 ¹⁶⁵	-17
13. Profit/loss before tax	54 10,213 ¹¹⁰	15,109 ¹⁶⁶	29,747
14. Tax on profit for the period	55 4,025 ¹¹¹	6,544 ¹⁶⁷	12,066
15. Net profit (loss) for the period	56 6,188 ¹¹²	8,565 ¹⁶⁸	17,681

CREDEMVITA S.p.A.

Single member company

subject to management and coordination (pursuant to art. 2497 bis of the Italian Civil Code)

by Credito Emiliano S.p.A.

Registered office in Reggio Emilia, via Mirabello 2

Share capital €71,600,160

Taxpayer's Code 01437550351

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Register of Companies

at the Reggio Emilia Chamber of Commerce and taxpayer's code 01437550351

Economic and Administrative Index no. 185343 at the Reggio Emilia Chamber of Commerce

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COMMENTS ON THE HALF-YEARLY REPORT
AS AT 30 JUNE 2015

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COMMENTS ON THE HALF-YEARLY REPORT AS AT 30 JUNE 2015

These comments have been prepared in accordance with ISVAP Regulation no. 22 of 4 April 2008. More specifically, they are organised into the following parts:

A - information on operations;

B - measurement criteria;

C - notes to the Balance Sheet;

D - notes to the Income Statement;

E - further information.

Each part of the comments is broken down, in turn, into sections, each of which uses notes, statements and details to illustrate individual aspects of the company's operations.

Furthermore, all other complementary information is provided with a view to illustrating the balance sheet and the income statement information for the half year.

The half-yearly report as at 30 June 2015 has been prepared in accordance with the statements and the procedures envisaged by the Supervisory Body for Insurance Companies.

The values referred to in this commentary, and those shown in the accounting statements, are expressed in thousands of euro.

This report has been translated from the original version of Financial Statement in Italian.

This report has been translated into the English language solely for the convenience of international readers.

PART A - INFORMATION ON OPERATIONS

a) Company situation and overall business performance

Changes in legislation in this sector

The most significant regulations and provisions issued by IVASS and other Supervisory Authorities in the first half of 2015 related to this sector are listed below along with some notes relating to their impacts on the operations of Credemvita.

IVASS – Provision no. 28 of 27 January 2015

On 27 January 2015, IVASS issued Provision no. 28/2015 containing amendments to IVASS Regulation no. 01/2013, concerning the procedure for the application of monetary administrative penalties.

IVASS – Provision no. 29 of 27 January 2015

On 27 January 2015, IVASS issued Provision no. 29/2015 containing amendments to Regulation no. 7/2007, concerning the financial statements of insurance and reinsurance companies that are required to adopt the international accounting standards pursuant to Title VIII, Chapter I, Chapter II, Chapter III and Chapter V of Legislative Decree 209/2005.

IVASS - Regulation no. 8 of 3 March 2015

On 3 March 2015, IVASS issued Provision no. 08/2015 concerning the definition of measures to simplify procedures and obligations relating to contractual relationships between Insurance Companies, Intermediaries and Customers, implementing article 22, paragraph 15 bis of Decree Law 179/2012 converted into Law 221/2012.

The Regulation envisages numerous changes, summarised as follows:

- obligation for intermediaries registered with the RUI and for insurance companies to obtain a certified electronic mail address, which must be

indicated in contracts, in correspondence and, where such exists, on its website;

- recommendation to use advanced, eligible, digital electronic signatures for the signature of policies and documents relating to insurance contracts;
- recommendation to provide customers with electronic payment instruments, including those on-line, for the payment of insurance premiums;
- the possibility of receiving/transmitting pre-contractual and contractual documents electronically;
- adoption by Companies and Intermediaries of document management procedures which enable the same to avoid, when setting up new contracts or managing claims, requests for unnecessary documents or documents that the company already has, having obtained the latter at the time of previous dealings with the same customer, and which are still valid, with a view to reducing the charges to be paid by the same customers/insured parties.

In this regard, with the coordination of the Business Support Service and the Commercial Department, as well as the involvement of other relevant company Functions, the Company has set in place a specific project related to the implementation of new mandatory regulatory provisions, in accordance with the deadlines dictated by the same Supervisory Authority.

IVASS – Provision no. 30 of 24 March 2015

On 24 March 2015, IVASS issued Provision no. 30/2015 containing amendments to IVASS Regulation no. 24/2008, concerning the procedure for the submission of claims to ISVAP and the management of claims by Insurance Companies.

In this regard, in collaboration with the Claims Function, and with the involvement of the other company functions concerned, the Company has organised the activities needed to implement the new regulatory provisions, in accordance with the deadlines dictated by the same Supervisory Authority.

COVIP - Resolution of 1 April 2015

On 1 April 2015, COVIP issued the captioned resolution concerning amendments to the method to be adopted to calculate the synthetic indicator of the costs set forth in previous resolution dated 21 October 2003 called “*Adoption of statutory and regulatory statements and information notes*”.

IVASS – Provision no. 36 of 13 July 2015

On 13 July 2015, IVASS issued Provision no. 36/2015 entitled “*Communication of certified electronic mail address by insurance intermediaries registered in sections A, B and D of the Single Register of insurance and reinsurance intermediaries*”.

Although this Provision does not directly apply to the Company, it has been included with a view to the obligations of the insurance brokers the Company uses to distribute its products.

For full disclosure purposes, in addition to the Provisions and Regulations described, the following should also be noted:

- **IVASS letter no. 49-15-000905 to the market dated 20 March 2015**, entitled “*Digital Administration Code - Use of certified electronic mail addresses in correspondence with the Institute*”;
- **IVASS letter no. 51-15-000403 to the market dated 24 March 2015**, entitled “*Solvency II - Publication of EIOPA guidelines on the system of the forward looking assessment of risks and consequent clarifications in preparation for Solvency II*” and containing, in particular, additional information on the preparation of the Forward Looking Assessment of Own Risks (FLAOR) required as at 30 June 2015;
- **IVASS letter no. 809-15 to the market dated 30 March 2015**, entitled “*Reporting Solvency II - Preparatory Phase - Further instructions on the transmission of information to IVASS*”, which also regards the specific deadlines for the submission of QRTs;
- **IVASS letter no. 89588 to the market dated 28 July 2015**, entitled “*Solvency II - Publication of EIOPA guidelines on the system of governance*”.

and consequent clarifications in preparation for Solvency II, in particular, on the actuarial function”;

- **IVASS letter no. 94336/15 to the market dated 3 August 2015**, entitled *“Solvency II: calculation of capital solvency requirement with the standard formula - adjustment for the capacity to absorb deferred tax losses”*.
- **the joint letter of IVASS and the Bank of Italy no. 0106596/15 dated 26 August 2015**, entitled *“Policies combined with loans (PPI - Payment Protection Insurance) - Measures to protect customers”*, in which the two Authorities, following problems identified during supervisory activities conducted with regard to the offer of policies sold in combination with loans, provide some recommendations for Insurance Brokers registered under letter D of the RUI and for Insurance Companies, with a view to improving the quality of the products and services offered, in order to protect the insured parties; following this letter, the Company set in place a specific Working Group in order to identify and implement measures and action to bring it in line with the recommendations of the Supervisory Authorities and, specifically, of IVASS, also in accordance with the deadlines indicated.

Lastly, the legislative provisions issued in the first half of 2015 that are expected to impact the Company’s operations are listed below:

- **Legislative Decree no. 66 dated 7 May 2015**, concerning amendments to Legislative Decree 252/2005 through the introduction of paragraph 5-*quinquies* to article 6, which envisages an obligation for Pension Funds to adopt adequate organisational procedures and means to assess the creditworthiness of the entities or the instrument in which they are investing, and not exclusively and automatically depending on the ratings issued by the international agencies;
- **Legislative Decree no. 74 dated 12 May 2014** which, implementing Directive 2009/138/EC regarding the access and exercise of insurance and reinsurance activities (so-called Solvency II Directive), made significant amendments to the Private Insurance Code (so-called PIC) in terms of capital

- requirements, corporate governance, system of internal audits, tasks and responsibilities of the Management Body, exercise of Supervision by IVASS;
- **Law no. 95 dated 18 June 2015**, which ratifies and executes the Agreement between the Italian and US Governments as regards “FATCA” legislation.

Development of Information Systems:

In the first half of 2015, the main developments relating to the company’s information systems regarded:

- the implementation of the infrastructure and of systems for Solvency II, and in particular those relating to PILLAR 3 of the same directive;
- the assessment of different market alternatives and the choice of a procedure to automate and manage the company’s outward reinsurance;
- the implementation of new automated processes on the “workflow” and “document management” platforms already used by the Company;
- the introduction of Business Intelligence systems and applications for the planning and control area;
- the activation of a project stream dedicated to assessing market alternatives in the area of Data Governance;
- the migration to the latest version of the Prophet application, used as a calculation engine for actuarial valuations and for risk scenarios;
- the study and introduction of new payment systems available to customers and compatible with SEPA standards;
- the reorganisation of company servers, with assessments on replacement/virtualisation, eventual relocation, reorganisation of disks and disk space;
- the launch of a project whose objective is to reduce paper as the medium for the material that is usually submitted to the Board of Directors and the use of mobile devices to view these documents digitally.

Sales performance

As at 30 June 2015, Credemvita had issued a total of 9,467 new policies (of which two CPI contracts) with 12,459 new subscriptions underlying CPI contracts; in the same period of the previous year, new contracts amounted to 9,617 (of which three CPI contracts) with 12,227 subscriptions to CPI contracts.

The details of the new contracts are provided below:

Segment	New contracts 30/06/2015	New contracts 30/06/2014
Segment I	4,520	7,932
Segment III	4,476	1,281
Segment V	0	0
Segment VI	471	404
Total	9,467	9,617

The insurance portfolio recorded an increase of 7%, rising from 103,388 contracts (of which 14 CPI contracts with 77,139 underlying subscriptions) as at 30 June 2014, to 110,801 contracts (including 15 CPI contracts with 78,434 underlying subscriptions) as at 30 June 2015.

Premiums collected by the Company, before reinsurance, amounted to € 980,528 thousand, up 31.2% compared to €747,506 thousand premiums collected in the same period of the previous year.

The second quarter of the year was characterised by a much improved sales trend compared to the previous year, due to the fact that the Group networks made decisive efforts to focus and push Unit Linked products, part of a commercial offer that has already been considerably restructured to meet the specific needs of affluent and private customers.

Once the range of these products was completed at the end of 2014 with the launch of the Unit Collection Private policy, addressed to very high profile customers from

the Group's private banking networks, they received considerable appreciation with the respective customers, seeking higher returns and better performing assets from a risk and yield perspective, with respect to the alternatives available on the market.

Collections of policies subject to revaluation recorded positive results, although without the peaks that characterised the previous year, due to lower returns offered in comparison to the end of the previous year, aligned with the trend in market interest rates.

Gross collections of around €980,528 thousand break down into €341,298 thousand for segment I and V policies subject to revaluation, down compared to June 2014 when these policies had recorded collections of €519,267 thousand, €622,295 for Linked products, exclusively relating to Unit type policies, which rose sharply against 2014 by €211,367 thousand, corresponding to an increase of 194%, and €16,936 thousand for the Pension Fund and temporary policies for coverage in the event of death, stable (+0.4%) compared to the figure for 30 June 2014. More specifically, however, in the latter regard note that the policies that more directly relate to the need for personal protection and to safeguard the quality of family life (temporary policies for coverage in the event of death and credit protection policies) rose from €6,408 thousand to €6,984 thousand, marking an increase of 9%, while collections for the Pension Fund were €9,952 thousand, down 5% against the figure recorded as at 30 June 2014.

Guaranteed-rate policies showed a steady increase, due to the good performance of policies in the "Investire Sicuro" (Safe Investments) range; the sharp rise in Unit-linked policies was instead guaranteed by the sustained flow of premiums related to the Private Collection product, which in the first six months of the year collected €223,095 thousand, as well as the continuing uptrend of the Collection and Global View products (premiums of €251,152 thousand and €146,198 thousand respectively).

These trends confirm the success of Credemvita's commercial strategy, which has focused on new and highly innovative and customisable product concepts within its

Unit-Linked line, in which active financial management is provided for the reference portfolios selected by the customer with a view to enhancing fund performance.

This unique and complete product allows customers not only to select portfolios with the asset class most suited to their investment profiles, but also to add a series of correlated services to support policy performance, such as the Stop-Loss service (investment monitoring and limitation of losses during negative market trends) and Investment Plan (which provides the possibility of changing from the initial asset class to the customer's target asset class at periodic intervals).

The balance of outward reinsurance amounted to €-275 thousand (€-441 thousand at the end of the corresponding period of last year).

The income statement recorded a net profit for the period of €6,189 thousand (€8,565 thousand as at 30 June 2014) making a fall of 27.73%.

Despite the positive performance recorded for financial management, which right from the beginning of the year further consolidated the returns achieved on Separate Portfolios (despite the significant flow of incoming assets channelled by policies subject to revaluation) and the sharp increase in volumes of segment III policies, the half year was characterised by a lower net profit than that of the same period last year.

This decrease is mainly due to net losses resulting from the valuation of securities as at 30 June 2015, which amounted to €9,286 thousand (€1,964 thousand as at 30 June 2014).

The table below illustrates the main balance sheet and income statement items compared to figures as at 31 December 2014 and 30 June 2014.

Main balance sheet items (in €thousand)

	30/06/15	31/12/14	30/06/14	Change 06/15 12/14
Assets				
. Intangible assets	1,046	944	925	102
. Investments in group companies and other investees	0	0	0	0
. Other financial investments	3,077,394	2,805,663	2,618,009	271,731
. Investments benefitting policyholders	1,948,264	1,432,964	1,186,226	515,300
. Technical reserves attributable to reinsurers	2,725	2,419	2,291	306
. Receivables, other asset items and accruals and deferrals	166,769	157,389	152,951	9,380
Total assets	5,196,198	4,399,379	3,960,402	796,819
Liabilities				
. Shareholders' equity	162,863	156,675	147,559	6,188
. Technical reserves	3,041,832	2,752,233	2,591,030	289,599
. Technical reserves where the investment risk is borne by policyholders	1,946,788	1,429,519	1,184,600	517,268
. Provisions for risks and charges	114	174	273	-60
. Payables, accruals and deferrals and other liabilities	44,601	60,778	36,940	-16,177
Total liabilities	5,196,198	4,399,379	3,960,402	796,818

Main income statement items (in €thousand)

	30/06/15	31/12/14	30/06/14	Change 06/15 06/14
. Premiums for the period, net of reinsurance transfers	979,618	1,275,215	747,039	232,579
. Income from investments	99,290	145,493	81,784	17,506
. Income relating to investments benefiting policyholders	63,432	76,954	40,879	22,553
. Technical income net of reinsurance	7,467	13,532	6,595	872
. Charges for claims, net of reinsurance	-256,408	-373,341	-217,450	-38,959
. Change in reserves	-800,804	-1,008,819	-602,140	-198,664
. Reversals and participation in profits, net of reinsurance transfers	0	0	0	0
. Management costs	-10,507	-18,101	-8,688	-1,819
. Financial and borrowing costs	-31,625	-36,412	-12,166	-19,459
. Costs relating to investments benefiting policyholders	-19,891	-14,314	-6,788	-13,103
. Other technical charges, net of reinsurance	-19,797	-29,728	-13,552	-6,245
. (-) Share of profit from investments transferred to the non-technical account	-3,740	-6,244	-3,994	254
Profit/loss of the technical account	7,035	24,235	11,519	-4,485
. (+) Share of profit from investments transferred from the technical account	3,740	6,244	3,994	-254
. Other income and charges	-378	-715	-303	-74
Profit/loss from ordinary operations	10,397	29,764	15,210	-4,813
. Extraordinary income and charges	-183	-18	-102	-81
Profit/loss before tax	10,214	29,746	15,108	-4,894
Income taxes for the period	-4,026	-12,066	-6,544	2,519
Net profit (loss) for the period	6,188	17,680	8,564	-2,375

b) Evolution of the insurance portfolio

Business increased considerably with respect to the same period of 2014, and was mainly focused on segment II products, which recorded collections accounting for 63.5% of the total.

Segments I and V represent 35.5% of total premiums, whereas they represented 70.3% of the total in the same period of the previous year.

Segment VI recorded a slight decrease in terms of its percentage of the portfolio against 2014, and represented 1.0% of the total.

The Company's portfolio, with premiums collected during the period amounting to € 980,528 thousand, showed uptrends for the main product lines with respect to 30 June 2014, as illustrated in the table below.

Gross premiums for Unit Linked policies recorded a significant rise, with an increase in absolute terms of €410,928 thousand (+194.4%) and a decrease in guaranteed-rate policies of €177,969 thousand (-34.3%).

Summary of gross premiums in the first half of 2015 (in €/thousand)

Products	30/06/2015	30/06/2014	% Change
Unit-Linked linked to external funds	475,499	195,468	+143.3%
Guaranteed-rate policies	341,298	519,267	-34.3%
Unit-Linked linked to internal funds	146,795	15,898	+823.3%
Death cover	6,984	6,408	+9.0%
Pension Funds	9,952	10,465	-4.9%
Total	980,528	747,506	+31.2%

c) Trend of claims in the main segments in which the company operates

The breakdown of the amounts paid and the change in the reserve for amounts to be paid is illustrated in the table below (in €thousand):

	30/06/15	30/06/14	Change
Claims:			
. Segment I	36,117	31,002	5,115
. Segment III	14,943	9,463	5,480
<i>Total claims</i>	<i>51,060</i>	<i>40,465</i>	<i>10,595</i>
Maturity			0
. Segment I	6,490	3,891	2,599
. Segment III	35,938	1,040	34,898
. Segment V	89	146	-57
. Segment VI	1,045	617	428
<i>Total maturity</i>	<i>43,562</i>	<i>5,694</i>	<i>37,868</i>
Surrenders			0
. Segment I	62,228	68,260	-6,032
. Segment III	88,134	96,269	-8,135
. Segment V	3,105	1,182	1,923
. Segment VI	2,766	3,337	-571
<i>Total surrenders</i>	<i>156,233</i>	<i>169,048</i>	<i>-12,815</i>
<i>Annuity (Segment I)</i>	<i>18</i>	<i>11</i>	<i>7</i>
<i>Settlement expenses</i>	<i>108</i>	<i>68</i>	<i>40</i>
<i>Change in reserve for amounts to be paid</i>	<i>5,804</i>	<i>2,260</i>	<i>3,544</i>
<i>Claims attributable to reinsurers</i>	<i>-332</i>	<i>-23</i>	<i>-309</i>
<i>Change in reserve for amounts to be paid by reinsurers</i>	<i>-45</i>	<i>-73</i>	<i>28</i>
Total charges for claims	256,408	217,450	38,958

As the table below shows, charges relating to claims, net of reinsurance, rose in all segments, increasing from € 217,450 thousand as at 30 June 2014 to € 256,408 thousand as at 30 June 2015 (+17.9%).

If we look at the ratio of claims to premiums, in comparison to the same period of the previous year, the figure has substantially improved.

	30/06/2015	30/06/2014	Change
Total charges for claims:			
. Segment I	105,562	99,766	5,796
. Segment III	143,557	112,264	31,293
. Segment V	3,033	1,227	1,806
. Segment VI	4,256	4193	63
Total charges for claims	256,408	217,450	38,958
Ratio of claims to premiums:			
. Segment I	30.91%	19.21%	
. Segment III	23.07%	53.11%	
. Segment V	51.89%	20.60%	
. Segment VI	42.76%	40.07%	
Ratio of claims to premiums	26.17%	29.11%	

d) Performance of insurance business exercised as the liberal provision of services and through secondary offices in EU and third countries

The company does not have any business abroad.

e) Fundamental aspects of the reinsurance policy with specific regard to changes in the most significant types of reinsurance adopted

In accordance with the framework agreement for outward reinsurance of the Board of Directors dated 19 April 2007, the company has two “risk premium” reinsurance agreements in place with the Munich Re reinsurance company and one with commercial premiums with RGA International Reinsurance Company, all of which regard coverage in the event of death.

The technical balance of reinsurance in the first half of 2015 was a loss of €275 thousand.

f) Research and development and the main new insurance products introduced into the market

In the first half of 2015, the following new products were added to the catalogue:

- **INVESTIRE SICURO (Rate 60089):**
Assurance on survival to a stipulated age or an earlier death, subject to revaluation, with a single premium (segment I), with benefits linked to the return of the “Credemvita II” separate portfolio. The rate has duration of 4 years, with an “automatic” extension: after the first year, full or partial surrender is allowed with a surrender penalty applied for the transactions carried out in the second and third year of its duration. Annual management cost: 1.80%
- **INVESTIRE SICURO CEDOLA (Rate 60090):**
This is a segment I product with an annual revaluation recognised in the form of a dividend for the customer.
Without reference to the methods for recognising annual revaluations (coupons), the product has the same characteristics as the “Investire Sicuro - Rate 60089” product (assurance on survival to a stipulated age or an earlier death, subject to revaluation, with a single premium (segment I), with benefits linked to the return of the “Credemvita II” separate portfolio) currently being placed:
 - duration of 4 years with automatic deferment;
 - single minimum premium of €5,000.00;
 - surrender permitted after one year from commencement (with exit penalties in the 2nd and 3rd year);
 - annual management cost of 1.80%
- During the half year, the Products already in the catalogue and the above two products were updated (for the latter the minimum rate recognised for the revaluation as at 31 December 2015 was revised: from 29 June it fell from 1.25% to 1.00%).

Fundamental aspects of the investment policy and returns achieved

As regards class “C”, the investment policy continued to favour Government bonds (54.3% of the portfolio against 61.2% as at 31 December 2014), in particular Italian Government bonds represent 79.9% of the portfolio. The component invested in corporate bonds fell slightly (19.9% of the portfolio against 21.1% as at 31 December 2014) while the mutual fund and SICAV component of the portfolio rose (25.8% against 17.7% as at 31 December 2014). All of the corporate bonds in separate portfolios have been issued by “investment grade” issuer and are highly liquidable. In separate portfolios, the financial duration of the asset is maintained temporarily lower than the financial duration of the liability (“Credemvita” 5.6 years against 7.5 years and “Credemvita II” 3.1 years against 3.8 years), due to expectations of a rise in market interest rates in coming months.

As regards class “D” the investment policy was consistent with the characteristics of Unit-Linked internal and external funds and with the regulation of the open-end pension fund “Credemprevidenza”.

The following table summarises the distribution of the investments belonging to class “C” of the Balance Sheet (amounts in €thousand), compared to 31 December 2014.

Investment type	30/06/2015	%	31/12/2014	%	% Change
. Government bonds	1,670,384	54.3%	1,716,730	61.2%	-2.7%
. Bonds	613,629	19.9%	593,084	21.1%	3.5%
. Mutual funds and SICAVs	793,381	25.8%	495,848	17.7%	60.0%
Total	3,077,394	100.0%	2,805,662	100.0%	9.7%

The difference between accounting values and spot market values as at 30 June 2015 is as follows (in €thousand):

Investment type	Book value	Present value	Difference
. Government bonds	1,670,384	1,826,748	156,364
. Bonds	613,629	619,193	5,564
. Mutual funds and SICAVs	793,381	806,188	12,807
Total	3,077,394	3,252,129	174,735

As at 30 June 2015, the net income generated by these investment (without considering the general expenses allocated to financial management, which as at 30 June 2015 amounted to around €442 thousand) was €68,108 thousand. This income, relating to an average capital of €2,941,528 thousand, gave an annualised rate of return of 4.67%, as shown in the table below:

Investment type	Average capital employed	%	Net income generated	Annualised rate of return
. Government bonds and bonds	2,296,914	78.1%	44,380	3.90
. Mutual funds and SICAVs	644,615	21.9%	23,728	7.42
Total	2,941,528	100.0%	68,108	4.67

This result (without considering the general expenses allocated to financial management, which as at 30 June 2015 amounted to around €442 thousand) was influenced by write-downs of €9,286 thousand, net of write-backs.

With regard to the split between the portfolio for long-term use and that for shorter-term use, please refer to point 4) in part C below.

The distribution of investments relating to Unit-Linked policies as at 30 June 2015 is shown below (amounts in €thousand):

Investment type	30/06/2015	%	31/12/2014	%	% Change
. Government bonds and bonds	9,973	0.6%	11,791	0.9%	-15.4%
. Mutual funds and SICAVs	1,701,494	95.9%	1,245,224	98.0%	36.6%
. Liquidity and other assets	62,248	3.5%	13,942	1.1%	346.5%
Total	1,773,715	100.0%	1,270,957	100.0%	39.6%

These investments are measured at market prices as at 30 June 2015. At said date, the income generated by these investments, including income and losses from trading and the valuation of bonds with respect to their book value, was €36,386 thousand.

The distribution of investments relating to the open-end pension fund “Credemprevidenza” as at 30 June 2015 is shown below (amounts in €thousand):

Investment type	30/06/2015	%	31/12/2014	%	% Change
. Government bonds and bonds	57,633	33.0%	58,894	36.4%	-2.1%
. Mutual investment funds	110,977	63.6%	96,104	59.3%	15.5%
. Liquidity and other assets/liabilities	5,938	3.4%	7,009	4.3%	-15.3%
Total	174,548	100.0%	162,007	100.0%	7.7%

These investments are measured at market prices as at 30 June 2015. At said date, the income generated by these investments, including income and losses from trading and the valuation of bonds with respect to their book value, was €7,154 thousand.

h) Illustration of the main equity and economic relations with Group companies and other investees

The subscribed and paid up share capital amounts to €71,600,160, divided into 13,876,000 shares with a nominal value of €5.16 each. At present, the share capital is held in its entirety by Credito Emiliano S.p.A., which is therefore the direct parent company.

The following transactions have been set in place with Credem Group companies at arm's length value: commercial agreements for the distribution of insurance products; current account agreements; agreements for the retrocession of management commissions on UCITS; securities deposit and portfolio management agreements; planning and capital management activities; real estate leasing; payroll and salary services; various consulting services; postal services; process analysis and internal audit consulting services; personnel secondment. The Company does not

control other companies and it has no equity investments in other companies. The Company does not hold own shares either directly or through third parties or trust companies. During the period, it has not purchased or sold own shares either directly or through third parties or trust companies.

The following revenues generated by relations with group companies are relevant to the first half of the year: interest income on current accounts of € 2 thousand, retrocessions of management commissions of €346 thousand, recovery of expenses for seconded personnel of € 236 thousand (of which € 221 thousand to Credemassicurazioni) and administrative-technical-organisational services of €175 thousand (Credemassicurazioni).

The following costs relating to relations with Group companies are relevant to the first half of the year: maintenance fees and commission of € 24,930 thousand, management and guarantee costs of € 309 thousand, interest expense on current accounts of €2 thousand, IT support and technological outsourcing of €85 thousand, rental costs of €33 thousand, outsourced work of €41 thousand, reimbursement of postal expenses of €66 thousand, reimbursement of the cost of seconded personnel of € 114 thousand (of which € 53 thousand Credemassicurazioni), various and reception services of €75 thousand, commercial expenses of €9 thousand and bank fees of €22 thousand.

For an illustration of the main equity relations with Group companies and other investees, please refer to point 1 of Part C - Notes to the Balance Sheet in this report.

i) Events occurring after the end of the half year

Between the end of the first half of 2015 and until the date of approval of this Report by the Company's Board of Directors, the activities related to the issue of the aforementioned subordinated loan are worth mentioning.

On 14 July 2015, Credemvita sent IVASS an application to include a Subordinate Loan in its available solvency margin (and subsequently in its Tier 2 capital).

The loan will possess the necessary characteristics for inclusion:

- until 31 December 2015, in the available solvency margin of the Company up to a limit of 25% of the lower value between the available margin and the required solvency margin, in compliance with articles 44 and 45 of the Private Insurance Code and article 15 of ISVAP Regulation no. 19 of 14 March 2008;
- starting from 1 January 2016, in Tier 2 capital to cover an amount no greater than 50% of the solvency capital requirement and no more than 20% of the minimum capital requirement, according to the provisions of article 82 of Delegated Regulation (EU) 2015/35 of the Commission dated 10 October 2014, which supplements Directive 2009/138/EC of the European Parliament and Council regarding the access and exercise of insurance and reinsurance activities - Solvency II).
- The transaction was approved by the Company's Board of Directors at the meeting held on 12 March 2015 and further resolutions were subsequently passed at the meeting held on 16 June 2015.

To this end, said Board conferred an extensive mandate to the Chairman, Vice Chairman and the General Manager, including severally, to fulfil all necessary obligations for issuing the loan, including through the convocation, where necessary, of the specific Board meeting at which the final resolution for the issue will be passed according to the terms and formalities referred to in art. 2410, paragraph 2 of the Italian Civil Code and in compliance with the authorisation and provisions issued by the Supervisory Authority, following the transmission of the necessary application, as well as the signing of all necessary documentation to that end.

At the meeting held on 16 June 2015, the General Manager deemed it appropriate to provide an update of the characteristics of the Bond Loan in question, on which a resolution had already been passed, reminding those present that following assessments made by all of the company functions involved, and also considering the outcome of discussions with the arranger engaged (HSBC), as regards, specifically,

an analysis of placement expectations with potentially interested eligible investors and furthermore, based on current market conditions and the consequent conditions that will regulate any loan arranged in the coming months, of the two remuneration alternatives identified at the time of the cited resolution (fixed rate or floating rate 6-month Euribor + spread), the option of the fixed interest rate appears to be the preferred one. Also at the same meeting, the General Manager also updated the estimate made at the Board Meeting held in March in terms of the annual interest expense that the Company will be required to pay in the event of the effective issue of the Subordinated Loan. The revised estimate was required to take the following into account:

- the current situation of the financial markets and possible future developments;
- the reference macroeconomic scenario;

It is clear that the effective amount of the fixed interest rate to be recognised can only be established when the issue actually takes place due to the market situation and to placement expectations with the eligible investors who will subscribe at the time and also considering that the Board of Directors, at that time, may make further resolutions which will be passed pursuant to article 2410, paragraph 2 of the Italian Civil Code, and may make a new evaluation of the economic profile, depending on the continuing sustainability of the operation in question, as well as review the transaction in question, including the right not to proceed with the same, informing the Supervisory Authority as necessary.

On 22 July 2015, Credemvita received a note (Ref. no. 0086168/15) from IVASS, in which the Supervisory Authority (after having ascertained the formal completeness of the documents sent) advised that the application procedure had commenced on 14 July.

The situation of the securities portfolio as at 31 August 2015 shows latent gains of € 191,423 thousand for the long-term use segment and latent losses of € 4,596 thousand for the shorter-term use segment.

j) General comments on business performance from the end of the half year and expected results for the current year

Business performance appears to indicate that the year will close with premium collections of over €1,500,000 thousand (€1,275,899 thousand as at 31 December 2014) as approved by the Company's Board of Directors in a meeting held on 5 August 2015.

From an economic perspective, a better result than that recorded at the end of last year is expected as at 31 December 2015; note that as at June 2015, the option granted by the so-called anti-crisis decree, assimilated by ISVAP regulation no. 43 (which permits the lower write-down of financial instruments which are not expected to remain in the portfolio for the long term, within the limits permitted by law), has not been utilised and is not expected to be utilised between the present time and the end of the year, and that any turbulence in the financial markets may have a significant influence on the results for the year, as well as the amount of available solvency margin.

Lastly, the overall structure of the securities portfolio is expected to vary in line with the premiums collected and claims paid, while its asset allocation is not expected to change significantly.

PART B - MEASUREMENT CRITERIA

The criteria adopted to measure balance sheet items and the methods used to apply measurement criteria to technical reserves are unchanged with respect to those used

at the time of preparation of the financial statements as at 31 December 2014, and readers should refer to the same.

PART C - NOTES TO THE BALANCE SHEET

1. Amount and type of assets, liabilities and guarantees, commitments and other memorandum accounts, separately for parent companies, subsidiaries, associated companies, affiliated companies and other investees

The amount and type of assets, liabilities and other memorandum accounts, separately for parent companies, subsidiaries, associated companies, affiliated companies and other investees is summarised in the following statements (amounts in €thousand):

Assets

	Parent companies	Affiliated companies	Total
Class “C” investments			
Class “D” investments	58,570		58,570
Receivables and other asset items	72,091	888	72,979
Total	130,661	888	131,549

Class “D” investments are comprised by the liquidity on the current accounts of the parent company Credito Emiliano SpA.

“Receivables and other asset items” due from parent companies are comprised by the liquidity on current accounts held at Credito Emiliano of €72,091 thousand. The corresponding item due from affiliated companies includes liquidity on current accounts of €331 thousand relating to an account with Banca Euromobiliare and various receivables of €557 thousand, of which €474 thousand for administrative-accounting services and seconded personnel provided to Credemassicurazioni SpA.

Liabilities

	Parent companies	Affiliated companies	Total
Payables due to brokers	12,254	1,676	13,930
Other payables and other liabilities	160	136	296
Total	12,414	1,812	14,226

“Payables due to brokers” represents amounts due for commission, while “other payables and other liabilities” is comprised by payables for various services. Note that at today’s date, €6,132 thousand of the payables due to brokers has been paid. The amount still to be paid almost entirely regards maintenance commissions relating to segments I and V, which will be paid after the end of the year as per the contractual agreements.

Guarantees, commitments and other memorandum accounts

	Parent companies	Affiliated companies	Total
Securities deposited with third parties	4,557,059	-	4,557,059
Total	4,557,059	-	4,557,059

The value of securities deposited was measured at the book value of both the debt securities and the quotas of Mutual funds and SICAV.

Note also that no dividends were paid during the period.

2. List of investee companies

The company does not control other companies and it has no equity investments in parent companies or associates.

3. Amount and nature of increases and decreases of investments in group companies and in other investees

Class “D” investments include liquidity on the current accounts of the parent company Credito Emiliano SpA amounting to €58,570 thousand. This figure is €44,312 thousand higher than that as at 31 December 2014 due to higher amounts held in current accounts.

4. Breakdown of other financial investments based on long-term and shorter-term use

The table below shows a breakdown of other financial investments based on long-term and shorter-term use (in €thousand):

Investment type	Book value	Present value	Difference
<i>Other financial investments for long-term use:</i>			
Bonds and other fixed-income securities:			
. Government bonds	881,438	1,037,802	-156,364
. Other securities	72,576	76,603	-4,027
<i>Total other financial investments for long-term use</i>	<i>954,014</i>	<i>1,114,405</i>	<i>-160,391</i>
<i>Other financial investments for shorter-term use:</i>			
Mutual funds and SICAVs	793,381	806,188	-12,807
Bonds and other fixed-income securities:			0
. Government bonds	788,946	788,946	0
. Other securities	541,053	542,590	-1,537
<i>Total other financial investments for shorter-term use</i>	<i>2,123,380</i>	<i>2,137,724</i>	<i>-14,344</i>
Total other financial investments	3,077,394	3,252,129	-174,735

This breakdown is consistent with the framework resolution on investments, which sets the following limits for investments for long-term use:

- separate portfolios and free portfolio: 80%.

The Company did not write down any securities classified as investments for long-term use, as it retains that at today's date there are no grounds to indicate a lower value for said investments in terms of impairment.

5. The illustration of transactions for significant amounts regards the transfer of securities from one segment (long-term or shorter-term) to the other, namely the early disposal of securities classified as long-term, of an exceptional and extraordinary nature, indicating the grounds and the influence of the same on the balance sheet and income statement.

During the period, no early disposals of securities for long-term use were made and no transfers of securities from the shorter-term segment to the long-term segment were carried out.

6. Indication of write-downs of receivables during the period

The Company did not make any write-downs in the first half of the year insofar as no events arose that required measures of this nature.

7. Indication of the amount of receivables due from registered policyholders in the last approved financial statements

As at 31 December 2014, receivables due from policyholders amounted to € 124 thousand. These receivables were almost entirely received during the course of the first half.

8. Separate indication of the amount of receivables due from policyholders and due from insurance brokers

As at 30 June 2015, receivables due from policyholders amounted to € 1,732 thousand, almost entirely settled (at today's date, receivables amounting to € 34 thousand are still outstanding).

There are no receivables due from insurance brokers.

9. Breakdown of the subordinated liabilities recorded under item B of liabilities

As at 30 June 2015, there were no subordinated liabilities.

10. Indication of the components of “other technical reserves”

As at 30 June 2015, “other technical reserves” amounted to €11,663 thousand and was entirely comprised by reserves for future expenses. The breakdown by segment is provided below:

Segment	30/06/2015	31/12/2014	Change
Reserve for future expenses Segment I	11,425	11,501	-76
Reserve for future expenses Segment III	225	246	-21
Reserve for future expenses Segment V	13	14	-1
Total	11,663	11,761	-98

As shown in the table above, the significant increase in mathematical reserves does not entail an increase in reserves for future expenses (which remain at the same level as at the end of the previous year) insofar as for almost all new contracts, annual management costs are covered by part of the commission withheld on the return of Separate Portfolios (for policies subject to revaluation) or on the return of the financial investment (for segment III contracts).

11. Indication of the amount of payables due to insurance brokers

As at 30 June 2015, payables due to insurance brokers for commission and maintenance fees, amounted to €13,929 thousand. To date €6,132 thousand has been paid, €4,713 thousand of which to Credito Emiliano, €1,402 thousand to Banca Euromobiliare and €17 to Creacasa. The outstanding amount almost entirely refers to maintenance fees, the payment of which is envisaged after the end of the year as per contractual agreement.

12. Breakdown of payables with collateral

The Company does not have any payables supported by collateral.

13. Indication of the main components of the item payables due to banks and financial institutions

As at 30 June 2015, the Company does not have any payables due to banks and financial institutions.

14. Breakdown and nature of items relating to guarantees, commitments and other memorandum accounts

Memorandum accounts are comprised by the value of own securities, which are deposited under administration at the shareholder bank Credito Emiliano SpA, and at BNP Paribas and Banca Intesa SpA. The value of securities deposited was measured at the book value of both the debt securities and the quotas of Mutual investment funds and SICAVs.

The amounts resulting from said assessment are shown in the following table (in €thousand):

Custodian bank	Amount
Credito Emiliano SpA	4,557,059
Bnp Paribas	400,191
Banca Intesa SpA	220
Total	4,957,471

15. Individual pension funds, as set forth in article 13, paragraph 1, letters a) and b) of Legislative Decree no. 252 of 5 December 2005, established during the half year

In 2015, no individual pension funds, as set forth in article 13, paragraph 1, letters a) and b) of Legislative Decree no. 252 of 5 December 2005, were established. The

Company established the Open-end Pension Fund Credempvidenza (previously Azurprevidenza) in December 1998.

16. Illustration of transactions performed on derivative contracts

During the period no transactions were performed on derivative contracts.

Indication of the main components of asset and liability items on the balance sheet of a residual nature

Item “E-III - Other receivables” amounts to € 55,775 thousand and substantially includes receivables due from Inland Revenue or Social Security institutions for:

- tax on reserves pursuant to Legislative Decree no. 209/2002 for the amount of € 51,252 thousand, net of the breakdown for the half year of € 8,560 thousand, mainly represented by uses for payments of withholding tax set forth in art. 6 of Law no. 482/85 and substitute tax set forth in art. 26-ter of Italian Presidential Decree 600/73 and for the payment of the annual balance of the same tax on reserves and income tax, in accordance with the procedures envisaged by the cited laws regarding the use of the so-called “further credit”;
- advance payments for income taxes - IRES: € 980 thousand, IRAP: € 715 thousand;
- advance taxes of € 325 thousand;
- advance tax withholdings on the proceeds of SICAVs of € 500 thousand;
- residual portion of the advance paid for insurance tax of € 135 thousand;
- credit balances of € 151 thousand on form 770;
- IRAP credit of € 76 thousand following the claim sent in application of Decree Law 201/11;
- tax credit for international conventions of € 5 thousand;
- advances and prepayments for stamp duty of € 1,043 thousand.

Item E-III also includes receivables for retrocessions on commissions on investments of €65 thousand.

The remainder of “Other receivables” is comprised mainly by €493 thousand in receivables due from customers, €22 thousand in advance payments on the 2015 health policy and €5 thousand of receivables for liquidity to be received from the assets of the Unit-linked and pension funds.

Item F “Other asset items” amounted to €88,126 thousand and includes moveable assets and office machines of €65 thousand, net of the relative depreciation allowances, cash and cash equivalents of €72,421 thousand and other assets for:

- receivables due from policyholders for management commissions on Unit-Linked policies of €15,234 thousand, which as envisaged by the contractual conditions will be settled when the policy expires; note that, considering the existing technical reserves on the relative policies, there are no problems in terms of recovering said receivables;
- receivables due from policyholders for withholding tax paid in advance on commercial entities before 1996 of €406 thousand;

Item G “Accrued income and prepayments” includes:

- accrued income for interest on securities of €20,653 thousand;
- other prepayments of €302 thousand;
- prepaid costs of €54 thousand.

“Other liabilities” (Item G-IX) includes:

- the balancing entry of the amounts paid into current accounts by policyholders for premiums relating to the second half of the year of €9,704 thousand;
- payables due to policyholders for retrocessions on commissions of €7,206 thousand;
- payables due to Credito Emiliano for Credito Emiliano shares benefitting key personnel of €96 thousand.

The reasons for any significant changes to balance sheet items recorded during the half year

The company's shareholders' equity has increased in line with standard practice following the calculation of the profit for the period (€6,188 thousand).

Class C investments rose against 31 December 2014, from €2,805,663 thousand to €3,077,394 thousand due to the positive balance between premiums collected and amounts paid on segment I products (policies subject to revaluation). Class D investments rose against 31 December 2014, from €1,432,964 thousand to €1,948,264 thousand due to the positive balance between premiums collected and amounts paid on segment III products (unit-linked) and segment VI products (pension funds).

As regards payables due to policyholders, the increase against the same period of last year refers to receivables for premiums issued at the end of June 2015 which were almost entirely collected in July.

The increase of around €283,893 million in item C.II.1., mathematical reserves, is related to the increase in premiums collected for segment I and V products, with specific reference to net collections relating to policies subject to revaluation (the premiums issued relating to said policies amounted to €341,298 thousand).

The change in the item "other liabilities" is mainly due to the increase of payables for collections of premiums made at the end of June 2015, relating to policies valid after 30 June 2015 (€+9,576 thousand compared to 31 December 2014) and to the fall in payables due to policyholders for retrocessions on commissions (€-1,705 thousand compared to 31 December 2014).

Indication of credit and debit positions, recorded under items C and E of assets and F and G of liabilities, due beyond 30 June of the following year

There are no credit or debit positions, recorded under items C and E of assets or F and G of liabilities, due beyond 30 June 2015, with the exception of receivables for

prepaid taxes, which amount to €325 thousand and credit with the Inland Revenue for the prepayment of taxes pursuant to Legislative Decree no. 209/2002, which may be partially eligible from financial year 2005 onwards, amounting to € 51,252 thousand. Receivables due from policyholders for management commission and payables due to the same policyholders for retrocessions on commissions received from UCITs, may be collected when the relative policies expire.

PART D - NOTES TO THE INCOME STATEMENT

17. Gross premiums written

The breakdown of gross premiums written by segment, with an indication of the reinsurance premiums paid and the amount of the gross premiums related to direct business, are summarised in the table below (amounts in €thousand):

Gross premiums written for direct business

Segment	Gross premiums written	Gross premiums for direct business	Reinsurance premiums paid
Segment I	342,436	342,436	-910
Segment III	622,295	622,295	
Segment V	5,845	5,846	
Segment VI	9,952	9,952	
Total	980,528	980,529	-910

Reinsurance premiums paid

Segment	30/06/2015	30/06/2014	Change
Segment I	910	468	442
Total	910	468	442

The Company does not have any indirect business.

18. Change in the premium reserve in non-life segments

The Company only operates in the life insurance sector.

19. Claims paid and change in the claims reserve in non-life segments

The Company only operates in the life insurance sector.

20. Income and costs relating to investments

The table below shows the income and the costs relating to investments (in €thousand) compared with the figures for the same period of the previous year:

Class C

Item	30/06/15	30/06/14	Change
<i>Income from investments:</i>			
Income from investments	32,691	36,535	-3,844
Write-backs on investments	154	58	96
Profit on investment disposals	66,445	45,190	21,255
Total income from investments	99,290	81,783	17,507
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	-3,862	-3,960	98
Value adjustments on investments	-9,440	-2,022	-7,418
Losses on investment disposals	-18,323	-6,184	-12,139
Total financial and borrowing costs	-31,625	-12,166	-19,459

Class D (Unit-Linked and Index-Linked)

Item	30/06/2015	30/06/2014	Change
<i>Income from investments:</i>			
Income from investments	192	230	-38
Gains on valuations	27,105	28,472	-1,367

Profit on investment disposals	23,367	2,571	20,796
Total income from investments	50,664	31,273	19,391
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	4,574	2,604	1,970
Losses on valuations	8,731	736	7,995
Losses on investment disposals	963	1,716	-753
Total financial and borrowing costs	14,268	5,056	9,212

Class D (Pension Fund)

Item	30/06/15	30/06/14	Change
<i>Income from investments:</i>			
Income from investments	1,312	1,296	16
Gains on valuations	7,700	7,747	-47
Profit on investment disposals	3,756	563	3,193
Total income from investments	12,768	9,606	3,162
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	3,717	1,673	2,044
Losses on valuations	1,858	30	1,828
Losses on investment disposals	39	28	11
Total financial and borrowing costs	5,614	1,731	3,883

21. Extraordinary income and charges

The table below shows extraordinary income and charges (in €thousand) compared with the figures for the same period of the previous year:

	30/06/15	30/06/14	Change
<i>Extraordinary income</i>			

. Contingent assets	4	7	-3
. Income from disposal of durable goods			0
. Other extraordinary income			0
<i>Total extraordinary income</i>	4	7	-3
<i>Extraordinary charges</i>			0
. Contingent liabilities	-43	-103	60
. Other	-147	-6	-141
<i>Total extraordinary charges</i>	-190	-109	-81

22. Indication of the influence of transactions for significant amounts on the economic situation, regarding the transfer of securities from one segment (long-term or shorter-term) to the other, namely the early disposal of securities classified as long-term, of an exceptional and extraordinary nature

During the period, no early disposals of securities for long-term use were made and no transfers of securities from the shorter-term segment to the long-term segment were carried out.

23. Illustration of the results recorded in the half year for transactions in derivative financial instruments, with reference to the various product categories and with an indication of the transactions completed and those still underway.

During the period no transactions were performed on derivative contracts.

Other income statement items

“Other technical income” amounted to €7,467 thousand and breaks down as follows:

“Other technical income”	30/06/15	30/06/14	Change
Retrocessions on commission for subscriptions of Mutual funds and SICAVs	726	1,207	-481
Other Unit-linked policy management commissions relating to external funds	1,241	2,126	-885
Other Unit-linked policy management commissions relating to internal funds	3,569	2,392	1,177
Other Pension fund management commissions relating to internal funds	913	660	253
Overperformance commissions relating to Unit-Linked policies	1,003	210	793
Income for withdrawal rights	4	0	4
Other technical income	11	1	10
Total	7,467	6,596	871

The “Retrocessions on commission for subscriptions of Mutual funds and SICAVs”, relating to Unit-Linked policies related to external funds, were recognised to policyholders, in accordance with the law and contractual conditions.

These commissions, along with the item “Other Unit-linked policy management commissions relating to external funds” recorded a downtrend with respect to the same period of the previous year consistent with the trend of new policies which originated them. In fact, collections for these policies were negative for the half year, and represent products that have reached their nature expiry and which are not particularly attractive to customers.

The higher collections recorded in the Unit-Linked segment mainly regard policies from the “Collection” range, where management commissions are recognised as a reversal of the quota by means of a change in mathematical reserves.

“Other technical charges” amounted to € 19,797 thousand and broke down as follows:

“Other technical charges”	30/06/15	30/06/14	Change
Bank charges for portfolio management	612	241	371
Cancellation of backdated premiums from previous years	163	12	151
Retrocessions on commission paid to policyholders	846	1,203	-357
Maintenance commissions	18,011	11,974	6,037
Other charges	161	117	44
Interest on payables due to reinsurance companies	4	4	0
Total	19,797	13,551	6,246

As shown in the table above, the increase in technical charges is due to the considerable increase of maintenance commissions with respect to the same period of the previous year: this increase is related to the positive trend in the collection of premiums already illustrated in this report.

Taxes for the period amounted to € 4,025 thousand: note that this provision decreased by € 1,170 thousand due to higher taxes related to the temporary non-deductibility of the mathematical reserves present as at 30 June 2015.

E. FURTHER INFORMATION

24. Solvency margin

If the commercial performance forecast is confirmed, as approved by the Board of Directors on 5 August 2015, the solvency margin to be formed at the end of the year would be around €156.1 million. At the end of the year, the constituting elements are expected to amount to €179.2 million, including the net profit for 2015, which is expected to be allocated to capital reserves (excluding capitalisation measures).

The table below illustrates the solvency margin envisaged for the end of this year, compared to the previous year:

Solvency margin envisaged as at 31 December 2015 - Summary data

Description	Forecast 31/12/2015	31/12/2014
Constituting elements of the margin	179,152	155,731
Margin to be formed	156,114	131,056
Excess	23,038	24,675

The constituting elements of the solvency margin were determined on the basis of the last Forecast for 2015, as approved at the Board of Directors' Meeting cited above, on the assumption of not distributing the profit to the shareholder and not considering the contribution of the Bond Loan currently being set in place.

As can be seen from the table, the expected margin to be formed as at 31 December 2015 is covered by future constituting elements, with a coverage ratio of 115.0%.

25. Technical reserves and relative assets covering the reserves

The table below shows the amount of technical reserves as at 30 June 2015 and the type and value of the relative assets covering the same:

Class C	Values
Technical reserves	3,041,832
Assets covering the reserves:	
Government bonds and listed bonds	2,284,013
Mutual funds and SICAVs	793,381
Total assets covering the reserves	3,077,394
Class D	
Technical reserves	1,946,787
Assets covering the reserves:	

Government bonds and listed bonds	67,606
Mutual funds and SICAVs	1,812,471
Liquidity available in current accounts and other assets	68,186
Total assets covering the reserves	1,948,263

26. Information relating to exemption from the obligation to prepare consolidated financial statements

As the circumstance set forth in articles 19 and 20 (title III) of ISVAP Regulation no. 7 of 13 July 2007, which refer to articles 95 and 96 of Legislative Decree no. 209 of 7 September 2005, does not exist, Credemvita S.p.A. is not required to prepare annual consolidated financial statements or a consolidated half-yearly report.

The Company has no equity investments and it does not directly or indirectly control other companies.

27. Indication of any advances on dividends paid or resolved upon

No advances on dividends have been resolved upon.

28. Statement of cash flows

The change in cash and cash equivalents during the half year is shown in the statement of cash flows below.

A. Cash flows from operating activities (indirect method)	
Net profit (loss) for the period	6,188
Income taxes	4,025
Interest expense/(interest income)	- 2
(Dividends)	-
	-
1. Profit (loss) for the year before income taxes, interest, dividends and capital gains and losses from disposal	10,211
Net change in technical reserves	806,563
Allocations to provisions	- 60
Allocations to provision for employee severance pay	81
Depreciation of tangible fixed assets	12
Amortisation of intangible fixed assets	271
Write-downs due to impairment	-
Other adjustments for non-monetary elements	11,194
<i>Total adjustments for non-monetary elements</i>	<u>818,062</u>
2. Cash flow before other adjustments	828,273
Loans	-
Receivables deriving from insurance transactions	- 1,608
Receivables deriving from reinsurance transactions	- 126
Other receivables	22,689
Accruals and deferrals	- 331
Payables deriving from insurance transactions	- 4,047
Payables deriving from reinsurance transactions	197
Other amounts due	49
(Income taxes paid)	- 16,479
Dividends collected	-
(Use of provisions)	-
<i>Total Other adjustments</i>	<u>343</u>
3. Cash flow after other adjustments	828,616
Cash flow from operating activities (A)	828,616

B. Cash flow from investment activities	-
<i>Fixed assets</i>	-
Tangible assets	- 18
Intangible assets	- 374
<i>Financial assets</i>	-
Other financial investments – Group company investments	-
Other financial investments - Sundry	- 297,533
Other financial investments – Fixed-income bonds and securities	17,044
Investments relating to services connected with mutual investment funds	- 502,758
Investments from pension fund management	- 12,541
	-
Cash flow from investment activities (B)	- 796,181

C. Cash flows from financing activities	-
<i>Third-party financing</i>	-
Increase (decrease) in short-term bank borrowings	-
Loans taken out	-
Loans repaid	-
<i>Own equity</i>	-
Paid share capital increase	-
Dividends (and advances on dividends) paid	-
Cash flow from financing activities (C)	
Increase (decrease) in cash and cash equivalents (A ± B ± C)	32,435
Opening cash and cash equivalents	39,986
Closing cash and cash equivalents	72,422
Increase/Decrease in cash and cash equivalents	32,435

29. Relations with shareholders

The Company is controlled by a sole shareholder, Credito Emiliano SpA. Therefore, the Company is subject to management and coordination pursuant to art. 2497 of the Italian Civil Code by Credito Emiliano SpA.

As indicated previously, as at 30 June 2015, the fully paid-up Share Capital amounted to €71,600,160 and was represented by 13,876,000 shares with a nominal value of €5.16.

Reggio Emilia, 15 September 2015

The General Manager
(Carlo Antonio Menozzi)

COMPANY: **CREDEMVITA**

Information about participating interests (*)

Reference date: June 30 2015

Ord No.	Type (1)	Listed or carried out (2)	Assets Amount (3)	Name and registered offices	Currency	Share capital		Shareholders' equity (5)		Percentage Interest (7)		
						Amount (4)	Number shares	(6) D/V	Amount	Direct %	Indirect %	Total %

(*) Group companies and other companies in which a direct interest is held also through trust companies or through a third party must be listed

(1) Type

- a = Parent company
- b = Subsidiaries
- c = Affiliated
- d = Associated
- e = Others

(3) Business

- 1 = Insurance company
- 2 = Finance company
- 3 = Credit institution
- 4 = Real property company
- 5 = Trust company
- 6 = Unit trust management or distribution company
- 7 = Consortium
- 8 = Industrial company

(2) Indicate Q for securities traded
on regulated market

(4) Amounts in original currency

(5) Amount stated in the Financial Statement

(6) Indicate:

- D for investments assigned to Non-life business (item C.II.1)
- V for investments assigned to Life business (item C.II.1)
- V1 for investments assigned to Life business (item D.I)
- V2 for investments assigned to Life business (item D.2)

51 The same number must be assigned to the shareholding
even if split

Company: CREDEMVITA

**Assets - Changes of investments in affiliated companies and other shareholdings:
equities (item C.II.1), debt securities (item C.II.2) and loans (item C.II.3)**

Reference date June 30, 2015

		Equities C.II.1	Debt securities C.II.2	Loans C.II.3
Gross initial goodwill	+	1	21	41
Increases in the period:	+	2	22	42
for: acquisitions, subscriptions, payments		3	23	43
reversal of write offs		4	24	44
revaluations		5		
other variations		6	26	46
Decreases in the period:	-	7	27	47
for: sales and redemptions		8	28	48
devaluations		9	29	49
other variations		10	30	50
Book Value		11	31	51
Current value		12	32	52
Total revaluations		13		
Total devaluations		14	34	54

(*) D= reporting scheme relating to the Non Life business

V= reporting scheme relating to the Life business

Company: CREDEMVITA

**Assets - Changes of investments in affiliated companies and other shareholdings:
equities (item C.II.1), debt securities (item C.II.2) and loans (item C.II.3)**

Reference data

June 30, 2015

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(*) D= reporting scheme relating to the Non Life business

V= reporting scheme relating to the Life business

Company: CREDEMVITA

Breakdown of other financial investments according to the portfolio classification: shares and interests in companies, units of mutual investment funds, Bonds and other fixed-income securities, and other financial investments (items C.III.1, 2, 3, 5)

Reference date:

June 30, 2015

I – Non-life business

	Long-term investment portfolio		Short-term financial assets portfolio		Total	
	Carrying amount (1)	Market Value	Carrying amount (1)	Market Value	Carrying amount (1)	Market Value
1. Shares and interests in	1	13	25	37	49	61
a) Listed shares	2	14	26	38	50	62
b) Unlisted shares	3	15	27	39	51	63
c) Interests	4	16	28	40	52	64
2. Units of mutual investment funds	5	17	29	41	53	65
3. Bonds and other fixed-income securities:	6	18	30	42	54	66
a1) listed Government securities	7	19	31	43	55	67
a2) other listed securities	8	20	32	44	56	68
b1) unlisted Government securities	9	21	33	45	57	69
b2) other unlisted securities	10	22	34	46	58	70
c) convertible bonds	11	23	35	47	59	71
5. Other financial investments	12	24	36	48	60	72

II – Life business

	Long-term investment portfolio		Short-term financial assets portfolio		Total	
	Carrying amount (1)	Market Value	Carrying amount (1)	Market Value	Carrying amount (1)	Market Value
1. Shares and interests in	73	85	97	109	121	133
a) Listed shares	74	86	98	110	122	134
b) Unlisted shares	75	87	99	111	123	135
c) Interests	76	88	100	112	124	136
2. Units of mutual investment funds	77	89	101	793,381	113	806,188
3. Bonds and other fixed-income securities:	78	954,014	90	1,114,405	102	1,329,999
a1) listed Government securities	79	881,438	91	1,037,802	103	788,946
a2) other listed securities	80	72,576	92	76,603	104	541,053
b1) unlisted Government securities	81	93	105	117	129	141
b2) other unlisted securities	82	94	106	118	130	142
c) convertible bonds	83	95	107	119	131	143
5. Other financial investments	84	96	108	120	132	144

(1) amounts presented in the half year statutory reporting

The General Manager

Carlo Antonio Menozzi	(**)
	(**)
	(**)
	(**)
	(**)

Review report on the half yearly report pursuant to article 27 of the Regulation No.
22/2008 of ISVAP
(Translation from the original Italian text)

To the Board of Directors of
Credemvita S.p.A.

Introduction

We have reviewed the attached statements (balance sheet and income statement) and the related comments (parts A, B and C) included in the half yearly report of Credemvita S.p.A. as of June 30, 2015. The Directors of Credemvita S.p.A. are responsible for the preparation of the half yearly report in conformity with the Regulation No. 22/2008 of ISVAP. Our responsibility is to express a conclusion on this half yearly report based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. A review of half yearly report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the half yearly report.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the attached statements and the related comments of Credemvita S.p.A. as of June 30, 2015 are not prepared, in all material respects, in conformity with the Regulation No. 22/2008 of ISVAP for the preparation of the half yearly report.

Other matters

The financial statements for the year ended December 31, 2014 and the half yearly report as of June 30, 2014 have been respectively audited and reviewed by another auditor who expressed an unqualified opinion on the financial statements on March 30, 2015 and expressed an unqualified conclusion on the half yearly report on September 24, 2014.

Intervention of the actuary auditor

In performing our work, with regard to the technical provisions recorded in the liability section of the balance sheet, we were assisted by an actuary auditor in accordance with article 27 of the Regulation No. 22/2008 of ISVAP.

Limitation of distribution and use*

This review report is issued pursuant to article 27 of the Regulation No. 22/2008 of ISVAP and therefore it shall not be used nor divulged to third parties without our prior written consent.

Milan, September 28, 2015

Reconta Ernst & Young S.p.A.
Signed by: Paolo Ancona, partner

- This limitation does not apply to the publication of this review report in connection with certain capital markets transactions of Credemvita S.p.A.

This report has been translated into the English language solely for the convenience of international readers