Home · Printer-friendly PDF

Liquidity risk

Financial liabilities · Insurance liabilities

The Group manages liquidity risk in order to meet its expected obligations as well as its cash commitments eve
By constantly monitoring cash flows, the Group aims at maintaining high financial strength position, in a short a
At Group level the liquidity risk is defined as the risk of not being able to efficiently meet expected and unexpec
The liquidity risk is primarily monitored and managed at local level by the single business units belonging to the
In addition, with regard to entities operating in Non-life segment, reinsurance treaties towards the Head Office a
At Head Office level, Assicurazioni Generali S.p.A., liquidity is periodically monitored in order to ensure that all
The Head Office also monitors cash flows generated by the main Group?s companies on a quarterly basis, toge
On a half-yearly basis, with regard to the main Group?s companies, the Head Office supervises the adequacy a
dividends paid by the subsidiaries, the intra-group loans and asset sales and the quick and efficient debt marke
Thanks to a continuous supervising of the overall Group cash flows, the Generali Group is able to maintain a sh

Financial liabilities

In order to achieve such results the Group set up a careful analysis of its cash flows. Financial liabilities are ma
Liquidity risk is also managed through the placement of different kinds of financial instruments into the market;

Financial liabilities at amortized cost

Subordinated liabilities
Deposits received from reinsurers
Other liabilities related to investment contracts issued by insurance companies
Liabilities to banks or customers
Liabilities to customers

(1) Including senior bond issued in May 2010 to fund the tax recognition of goodwill related to the extraordinary ope

The main Group?s financial liabilities at amortized cost are represented by senior bonds and subordinated liabi
Starting from the Risk Report 2012 the methodology has been changed in order to allocate to each maturity bu

Subordinated liabilities

Senior subordinated liabilities

During 2012 the company issued two subordinated bonds that modified the maturity and cash flows profile com

- a first issuance of 750 million euro with maturity of thirty years and first call date in 10 July 2022. The p
- a second subordinated issuance of 1.250 million euro issued last December, with maturity of thirty yea

Debts to banks or bank customers primarily relate to the ordinary activities of Banca Generali and BSI and are

Insurance liabilities

The Group?s Capital Risk takes into account sensitivities reported in the paragraph related to the market risk, and c
The liquidity risk arises from a mismatch between liabilities and assets cash flows. The Group manages this risk
In particular, in the phase of product design, penalties for surrenders are allowed, calculated in order to partially
The table here below shows the amount of the life gross direct insurance provisions broken down by expected

Life insurance provisions and financial liabilities related to investment contracts: contractual term to maturity

The total amount of insurance provisions and financial liabilities related to investment contracts is the same as
Note that the provision for outstanding claims (not included in the table), which at 31 December 2012 amounted
With reference to non-life segment, the table here below shows the amount of gross direct claims and unearned

Non-life insurance provisions: maturity