

April 29, 2015



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# Q1 2015 Group Results

|  | Q115           | Q114           | Change      |
|--|----------------|----------------|-------------|
| Entry fees                                       | 27.6           | 24.1           | +15%        |
| Management fees                                  | 195.7          | 154.5          | +27%        |
| Performance fees                                 | 132.9          | 31.3           | +324%       |
| Banking service fees                             | 22.1           | 22.6           | -2%         |
| Other fees                                       | 9.6            | 8.0            | +19%        |
| <b>Total commission income</b>                   | <b>387.9</b>   | <b>240.5</b>   | <b>+61%</b> |
| Net interest income                              | 61.0           | 58.5           | +4%         |
| Net income on investments at fair value          | (3.4)          | (1.0)          | +253%       |
| <b>Net financial income</b>                      | <b>57.6</b>    | <b>57.6</b>    | <b>+0%</b>  |
| <b>Insurance revenues ex U-L commissions</b>     | <b>17.5</b>    | <b>14.8</b>    | <b>+18%</b> |
| Equity contribution (Mediobanca & Banca Esperia) | (0.9)          | 5.7            | n.s.        |
| Net income on other investments                  | (2.7)          | 17.2           | n.s.        |
| <i>o/w Impairment on loans</i>                   | (5.1)          | (2.4)          | +112%       |
| Other revenues                                   | 6.3            | 5.1            | +24%        |
| <b>Total Revenues</b>                            | <b>465.7</b>   | <b>340.8</b>   | <b>+37%</b> |
| Acquisition costs                                | (123.0)        | (102.3)        | +20%        |
| Other commission expenses                        | (17.9)         | (12.7)         | +40%        |
| G&A expenses                                     | (121.0)        | (108.1)        | +12%        |
| Amortisation & depreciation                      | (5.6)          | (4.9)          | +14%        |
| Provisions for risks & charges                   | (24.9)         | (7.1)          | +252%       |
| <b>Total Costs</b>                               | <b>(292.4)</b> | <b>(235.2)</b> | <b>+24%</b> |
| <b>PROFIT BEFORE TAX</b>                         | <b>173.3</b>   | <b>105.7</b>   | <b>+64%</b> |
| Income tax                                       | (35.9)         | (24.8)         | +45%        |
| <b>NET INCOME</b>                                | <b>137.4</b>   | <b>80.9</b>    | <b>+70%</b> |

# 5 Income Statement Salient Points

## YoY comparison



Q1 2015  
Group

### **Entry fees** (€ 4 mn higher YoY)

reflected the significantly higher inflows, offsetting the downward trend resulting from the increase in average investment size

### **Management fees** (€ 41 mn higher YoY)

our #1 revenue source showed the highest growth rate ever, benefitting from significant market appreciation as well as strong net inflows

### **Performance fees** (€ 102 mn higher YoY)

exploded, resulting from stronger equity markets as well as a stronger dollar

### **Net Interest Income** (€ 2 mn higher YoY)

due to lower cost of funding & increase in loan book offsetting negative impact from lower interest rates

### **Net Income on Investments at Fair Value** (€ 2 mn lower YoY)

due to the flattening out of the IRS curve impacting the fair value accounting of derivatives originally hedging fixed-rate mortgages no longer on our books

### **Equity contribution** (€ 7 mn lower YoY)

Mediobanca earnings to be reported in May

### **Net Income on Other Investments** (€ 20 mn lower YoY)

no capital gains were realized on the treasury's AFS portfolio compared to €16 mn in Q114

### **Provisions for risks & charges** (€ 18 mn lower YoY)

due to further decrease in the discount rate applied to funds relating to FB retirement package, as well as the unexpectedly costly outcome of a 1993 lawsuit we had inherited in Spain

# 6 Income Statement by Quarter

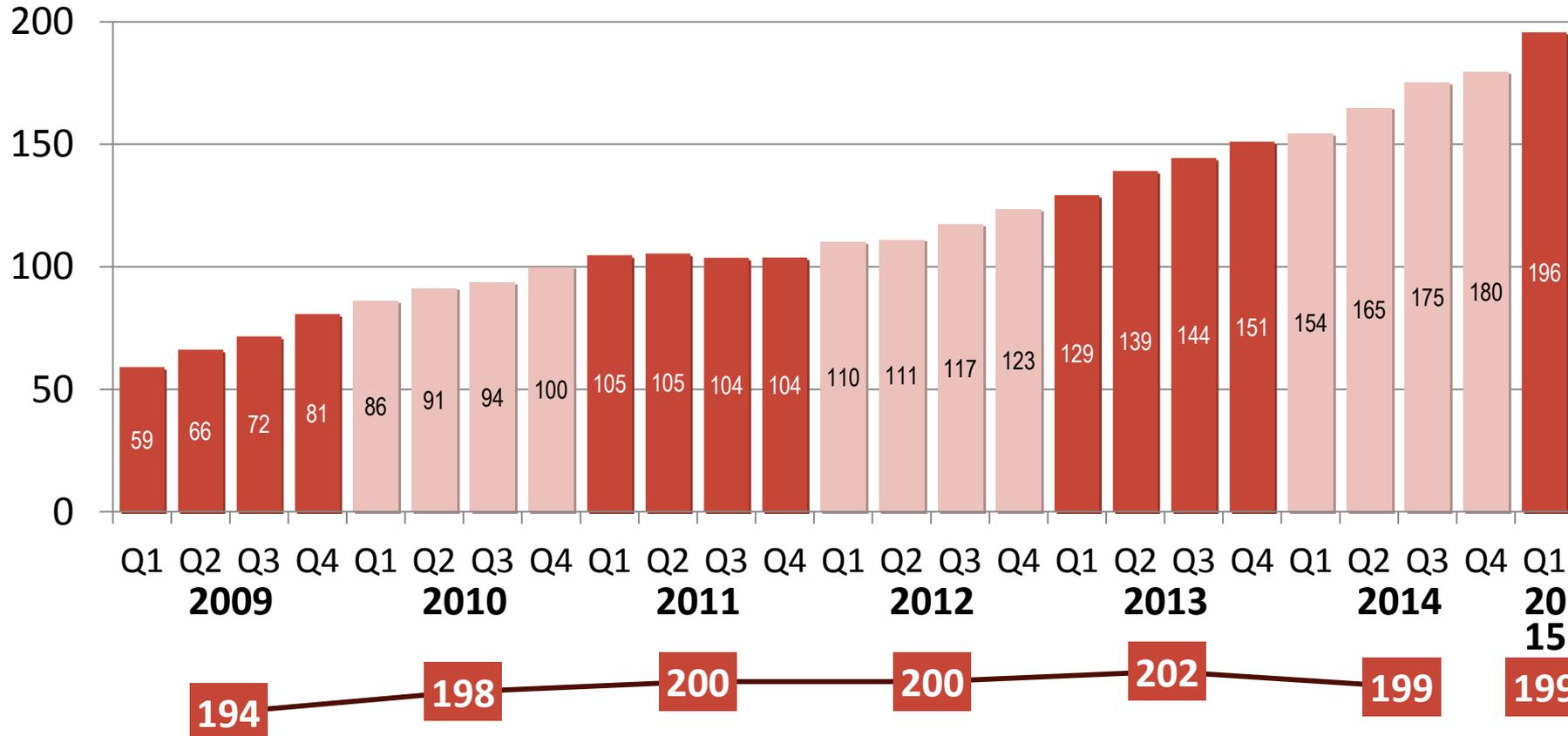
€ mn



Q1 2015  
Group

|  | Q114           | Q214           | Q314           | Q414           | Q115           |
|--|----------------|----------------|----------------|----------------|----------------|
| Entry fees                                       | 24.1           | 26.7           | 23.2           | 22.9           | 27.6           |
| Management fees                                  | 154.5          | 165.0          | 175.1          | 179.5          | 195.7          |
| Performance fees                                 | 31.3           | 55.3           | 33.3           | 56.2           | 132.9          |
| Banking service fees                             | 22.6           | 28.6           | 20.9           | 28.3           | 22.1           |
| Other fees                                       | 8.0            | 8.9            | 8.5            | 8.7            | 9.6            |
| <b>Total commission income</b>                   | <b>240.5</b>   | <b>284.5</b>   | <b>261.1</b>   | <b>295.7</b>   | <b>387.9</b>   |
| Net interest income                              | 58.5           | 57.4           | 58.6           | 59.3           | 61.0           |
| Net income on investments at fair value          | (1.0)          | 0.7            | (1.0)          | (7.3)          | (3.4)          |
| <b>Net financial income</b>                      | <b>57.6</b>    | <b>58.1</b>    | <b>57.5</b>    | <b>51.9</b>    | <b>57.6</b>    |
| <b>Insurance revenues ex U-L commissions</b>     | <b>14.8</b>    | <b>10.8</b>    | <b>17.8</b>    | <b>13.7</b>    | <b>17.5</b>    |
| Equity contribution (Mediobanca & Banca Esperia) | 5.7            | 1.4            | 8.4            | 3.2            | (0.9)          |
| Net income on other investments                  | 17.2           | 1.8            | (4.5)          | 52.5           | (2.7)          |
| <i>o/w Impairment on loans</i>                   | (2.4)          | (3.8)          | (5.8)          | (5.3)          | (5.1)          |
| Other revenues                                   | 5.1            | 8.3            | 8.3            | 6.1            | 6.3            |
| <b>Total Revenues</b>                            | <b>340.8</b>   | <b>364.9</b>   | <b>348.6</b>   | <b>423.1</b>   | <b>465.7</b>   |
| Acquisition costs                                | (102.3)        | (108.3)        | (114.3)        | (122.4)        | (123.0)        |
| Other commission expenses                        | (12.7)         | (13.5)         | (13.6)         | (13.6)         | (17.9)         |
| G&A expenses                                     | (108.1)        | (119.8)        | (112.1)        | (127.9)        | (121.0)        |
| Amortisation & depreciation                      | (4.9)          | (5.3)          | (5.4)          | (6.6)          | (5.6)          |
| Provisions for risks & charges                   | (7.1)          | (8.8)          | (5.9)          | (11.7)         | (24.9)         |
| <b>Total Costs</b>                               | <b>(235.2)</b> | <b>(255.7)</b> | <b>(251.4)</b> | <b>(282.3)</b> | <b>(292.4)</b> |
| <b>PROFIT BEFORE TAX</b>                         | <b>105.7</b>   | <b>109.1</b>   | <b>97.3</b>    | <b>140.8</b>   | <b>173.3</b>   |
| Income tax                                       | (24.8)         | (25.1)         | (15.4)         | (67.0)         | (35.9)         |
| <b>NET INCOME</b>                                | <b>80.9</b>    | <b>84.0</b>    | <b>81.9</b>    | <b>73.8</b>    | <b>137.4</b>   |

€ mn



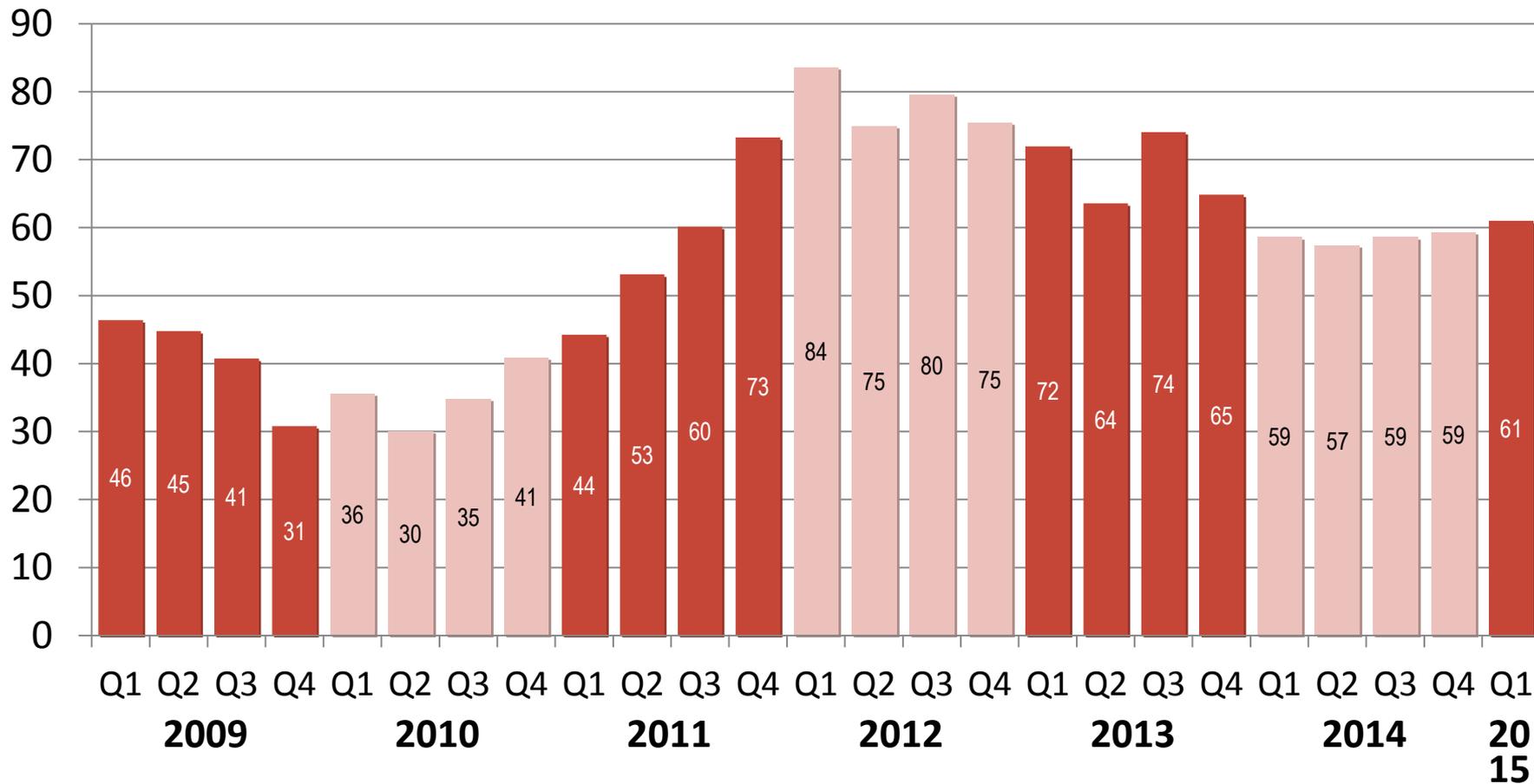
Yearly bps on average assets

# 8 Quarterly Net Interest Income

€ mn

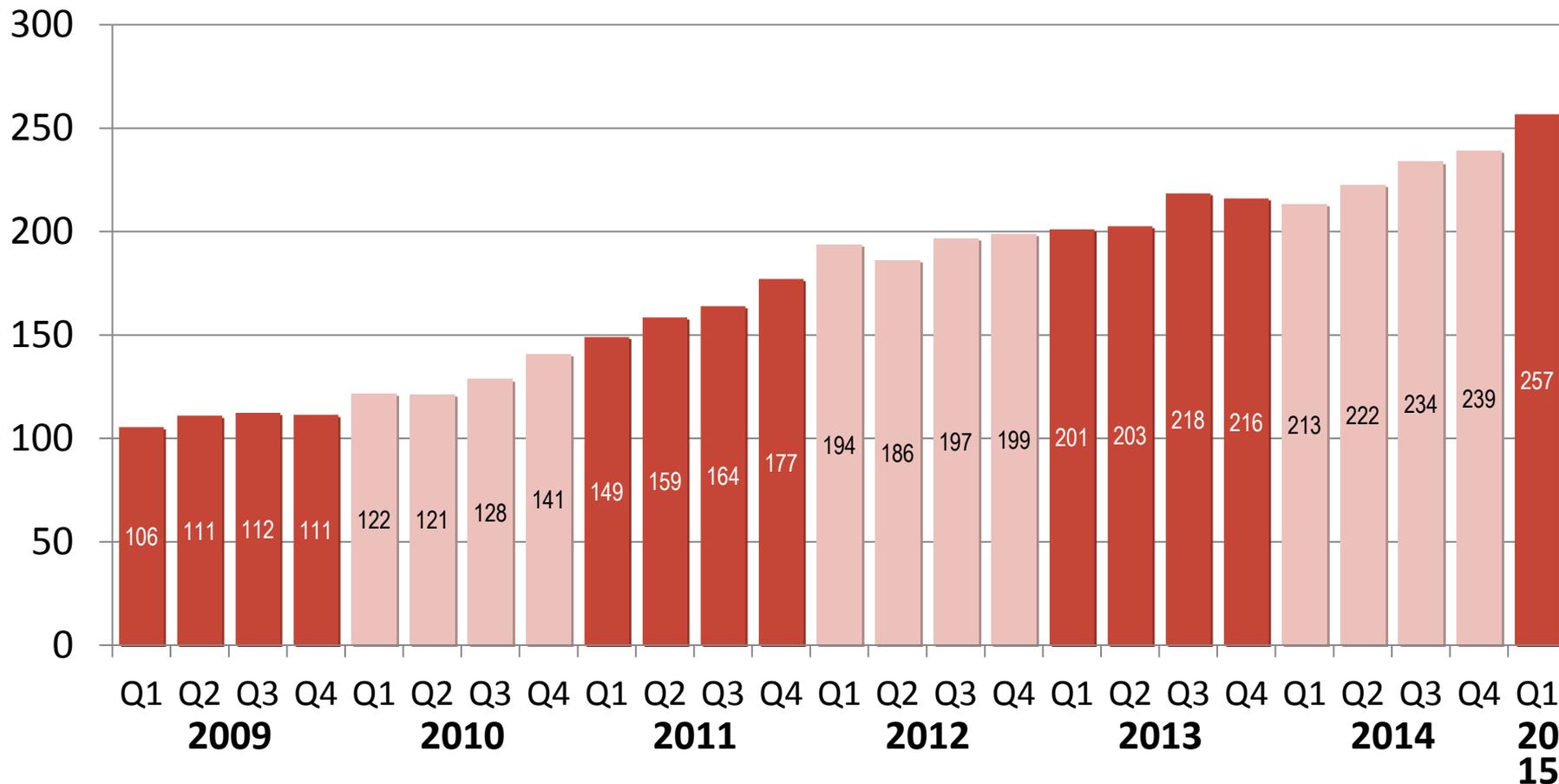


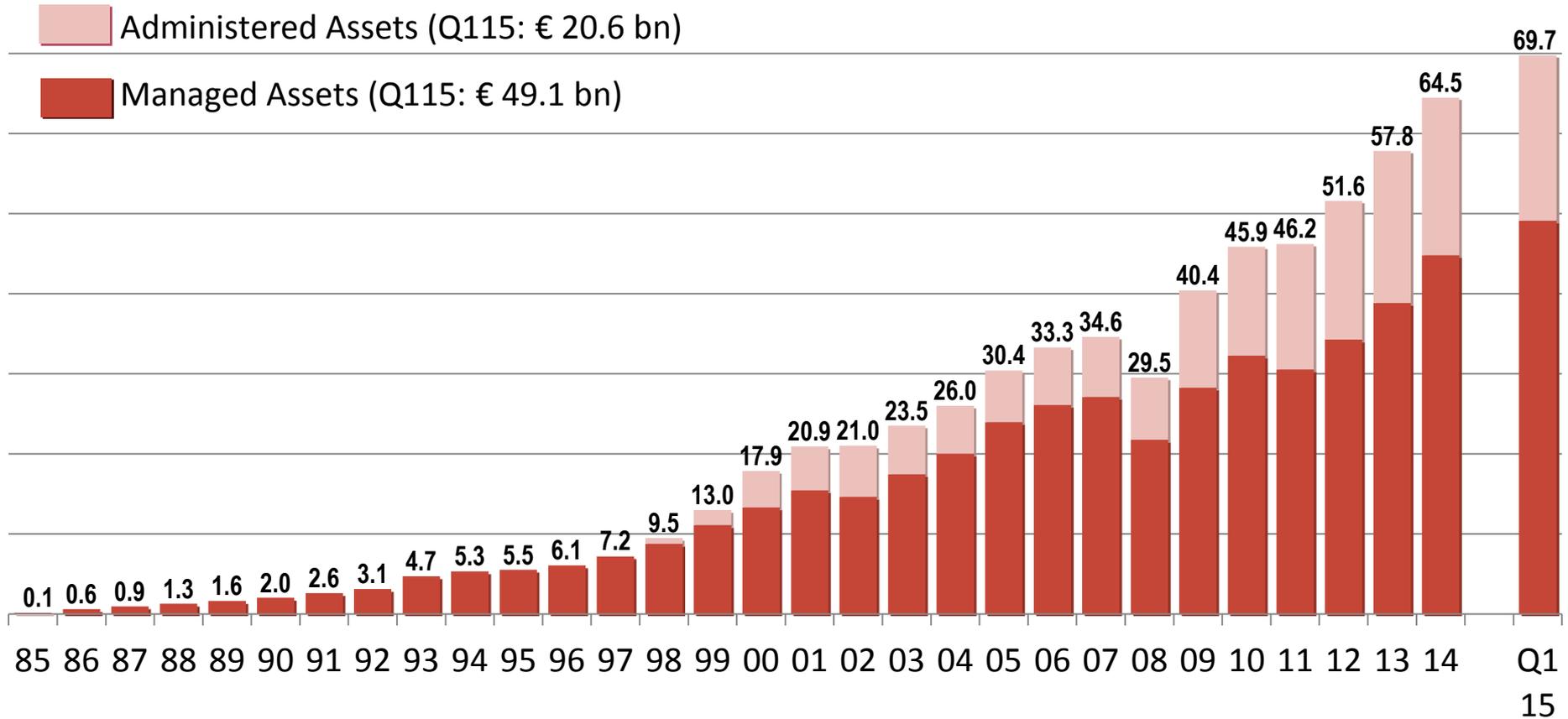
Q1 2015  
Group



# Quarterly Recurring Revenues

Commission Income from Management Fees + Net Interest Income (€ mn)





|   | 31/03/15        | 31/12/14        | Change      | 31/03/14        | Change      |
|---|-----------------|-----------------|-------------|-----------------|-------------|
| Mutual Funds & U-L Policies                       | 39,052.0        | 35,332.8        | +11%        | 30,069.2        | +30%        |
| 'Freedom' Life Policies                           | 908.6           | 974.3           | -7%         | 1,610.0         | -44%        |
| Other Life Insurance products                     | 2,038.3         | 2,147.0         | -5%         | 2,589.4         | -21%        |
| Banking*  | 14,941.7        | 14,578.9        | +2%         | 14,286.8        | +5%         |
| <b>Italy – Banca Mediolanum</b>                   | <b>56,940.6</b> | <b>53,033.0</b> | <b>+7%</b>  | <b>48,555.5</b> | <b>+17%</b> |
| <b>Italy – Banca Esperia (Mediolanum's share)</b> | <b>8,979.0</b>  | <b>7,957.0</b>  | <b>+13%</b> | <b>7,480.0</b>  | <b>+20%</b> |
| Mutual Funds & U-L Policies                       | 1,708.1         | 1,501.2         | +14%        | 1,136.2         | +50%        |
| Other Insurance Products                          | 367.5           | 386.6           | -5%         | 402.6           | -9%         |
| Banking*  | 1,224.7         | 1,095.3         | +12%        | 934.2           | +31%        |
| <b>Spain – Banco Mediolanum</b>                   | <b>3,300.3</b>  | <b>2,983.1</b>  | <b>+11%</b> | <b>2,473.0</b>  | <b>+33%</b> |
| Mutual Funds & U-L Policies                       | 403.6           | 366.0           | +10%        | 316.2           | +28%        |
| Other Insurance Products                          | 39.6            | 38.6            | +2%         | 45.0            | -12%        |
| Banking   | 80.6            | 79.4            | +2%         | 72.9            | +11%        |
| <b>Germany – B. A. Lenz &amp; Gamax</b>           | <b>523.7</b>    | <b>484.0</b>    | <b>+8%</b>  | <b>434.1</b>    | <b>+21%</b> |
| <b>ASSETS UNDER ADMINISTRATION</b>                | <b>69,743.6</b> | <b>64,457.1</b> | <b>+8%</b>  | <b>58,942.5</b> | <b>+18%</b> |

\* Retail only

|   | Q115         | FY14         |
|---|--------------|--------------|
| <b>Total Regulatory Capital Held</b>              | <b>1,098</b> | <b>1,053</b> |
| <b>Total Required Capital</b>                     | <b>782</b>   | <b>745</b>   |
| o/w Required Capital – Banks                      | 534          | 512          |
| o/w Solvency Margin – Insurance companies         | 248          | 233          |
| <b>EXCESS CAPITAL</b>                             | <b>316</b>   | <b>308</b>   |
| <b>CAPITAL RATIOS* (Mediolanum Banking Group)</b> |              |              |
| Total Capital Ratio                               | 18.5%        | 18.4%        |
| Common Equity Tier 1 Ratio                        | 18.5%        | 18.4%        |

\*Preliminary data subject to change



# Q1 2015 Domestic Market Results

|  | Q115           | Q114           | Change      |
|--|----------------|----------------|-------------|
| Entry fees                                       | 24.9           | 22.0           | +13%        |
| Management fees                                  | 186.1          | 148.4          | +25%        |
| Performance fees                                 | 123.3          | 30.1           | +309%       |
| Banking service fees                             | 17.5           | 18.3           | -4%         |
| Other fees                                       | 9.2            | 7.7            | +20%        |
| <b>Total commission income</b>                   | <b>361.0</b>   | <b>226.4</b>   | <b>+59%</b> |
| Net interest income                              | 56.1           | 52.8           | +6%         |
| Net income on investments at fair value          | (3.7)          | (1.2)          | +215%       |
| <b>Net financial income</b>                      | <b>52.4</b>    | <b>51.7</b>    | <b>+1%</b>  |
| <b>Insurance revenues ex U-L commissions</b>     | <b>11.8</b>    | <b>9.2</b>     | <b>+28%</b> |
| Equity contribution (Mediobanca & Banca Esperia) | (0.9)          | 5.7            | n.s.        |
| Net income on other investments                  | (2.8)          | 17.2           | n.s.        |
| <i>o/w Impairment on loans</i>                   | (5.1)          | (2.3)          | +122%       |
| Other revenues                                   | 5.8            | 4.6            | +25%        |
| <b>Total Revenues</b>                            | <b>427.2</b>   | <b>314.9</b>   | <b>+36%</b> |
| Acquisition costs                                | (114.6)        | (96.1)         | +19%        |
| Other commission expenses                        | (12.6)         | (9.4)          | +34%        |
| G&A expenses                                     | (107.6)        | (96.3)         | +12%        |
| Amortisation & depreciation                      | (5.2)          | (4.5)          | +15%        |
| Provisions for risks & charges                   | (13.5)         | (7.0)          | +94%        |
| <b>Total Costs</b>                               | <b>(253.4)</b> | <b>(213.3)</b> | <b>+19%</b> |
| <b>PROFIT BEFORE TAX</b>                         | <b>173.8</b>   | <b>101.6</b>   | <b>+71%</b> |
| Income tax                                       | (37.2)         | (23.6)         | +58%        |
| <b>NET INCOME</b>                                | <b>136.6</b>   | <b>78.0</b>    | <b>+75%</b> |

|  | Q114           | Q214           | Q314           | Q414           | Q115           |
|--|----------------|----------------|----------------|----------------|----------------|
| Entry fees                                       | 22.0           | 24.5           | 20.8           | 20.5           | 24.9           |
| Management fees                                  | 148.4          | 155.9          | 166.4          | 170.6          | 186.1          |
| Performance fees                                 | 30.1           | 52.9           | 31.4           | 52.5           | 123.3          |
| Banking service fees                             | 18.3           | 24.1           | 16.4           | 23.2           | 17.5           |
| Other fees                                       | 7.7            | 8.5            | 8.1            | 8.5            | 9.2            |
| <b>Total commission income</b>                   | <b>226.4</b>   | <b>265.9</b>   | <b>243.1</b>   | <b>275.4</b>   | <b>361.0</b>   |
| Net interest income                              | 52.8           | 51.2           | 52.5           | 53.8           | 56.1           |
| Net income on investments at fair value          | (1.2)          | 0.6            | (1.2)          | (7.5)          | (3.7)          |
| <b>Net financial income</b>                      | <b>51.7</b>    | <b>51.7</b>    | <b>51.3</b>    | <b>46.3</b>    | <b>52.4</b>    |
| <b>Insurance revenues ex U-L commissions</b>     | <b>9.2</b>     | <b>5.4</b>     | <b>13.3</b>    | <b>8.9</b>     | <b>11.8</b>    |
| Equity contribution (Mediobanca & Banca Esperia) | 5.7            | 1.4            | 8.4            | 3.2            | (0.9)          |
| Net income on other investments                  | 17.2           | 2.0            | (4.4)          | 49.7           | (2.8)          |
| <i>o/w Impairment on loans</i>                   | (2.3)          | (3.6)          | (5.7)          | (4.5)          | (5.1)          |
| Other revenues                                   | 4.6            | 8.5            | 7.1            | 5.5            | 5.8            |
| <b>Total Revenues</b>                            | <b>314.9</b>   | <b>334.9</b>   | <b>318.9</b>   | <b>388.9</b>   | <b>427.2</b>   |
| Acquisition costs                                | (96.1)         | (99.2)         | (106.3)        | (113.2)        | (114.6)        |
| Other commission expenses                        | (9.4)          | (9.8)          | (9.7)          | (9.8)          | (12.6)         |
| G&A expenses                                     | (96.3)         | (108.2)        | (98.1)         | (113.4)        | (107.6)        |
| Amortisation & depreciation                      | (4.5)          | (4.9)          | (5.0)          | (6.2)          | (5.2)          |
| Provisions for risks & charges                   | (7.0)          | (8.6)          | (5.4)          | (11.0)         | (13.5)         |
| <b>Total Costs</b>                               | <b>(213.3)</b> | <b>(230.8)</b> | <b>(224.6)</b> | <b>(253.4)</b> | <b>(253.4)</b> |
| <b>PROFIT BEFORE TAX</b>                         | <b>101.6</b>   | <b>104.1</b>   | <b>94.3</b>    | <b>135.5</b>   | <b>173.8</b>   |
| Income tax                                       | (23.6)         | (24.3)         | (14.1)         | (65.4)         | (37.2)         |
| <b>NET INCOME</b>                                | <b>78.0</b>    | <b>79.7</b>    | <b>80.2</b>    | <b>70.1</b>    | <b>136.6</b>   |

|  | Q115         | Q114        | Change      |
|--|--------------|-------------|-------------|
| One-time commissions                         | 27.4         | 23.3        | +17%        |
| Ongoing commissions                          | 61.7         | 48.8        | +27%        |
| <b>Total commissions</b>                     | <b>89.1</b>  | <b>72.1</b> | <b>+24%</b> |
| Incentives on individual net inflows         | 6.8          | 5.0         | +36%        |
| Contests & bonuses                           | 3.2          | 2.9         | +12%        |
| Reimbursement of costs for customer events   | 4.9          | 5.2         | -7%         |
| <b>Total incentives &amp; bonuses</b>        | <b>14.9</b>  | <b>13.1</b> | <b>+14%</b> |
| <b>Costs related to the agency agreement</b> | <b>10.6</b>  | <b>10.9</b> | <b>-3%</b>  |
| <b>TOTAL ACQUISITION COSTS</b>               | <b>114.6</b> | <b>96.1</b> | <b>+19%</b> |

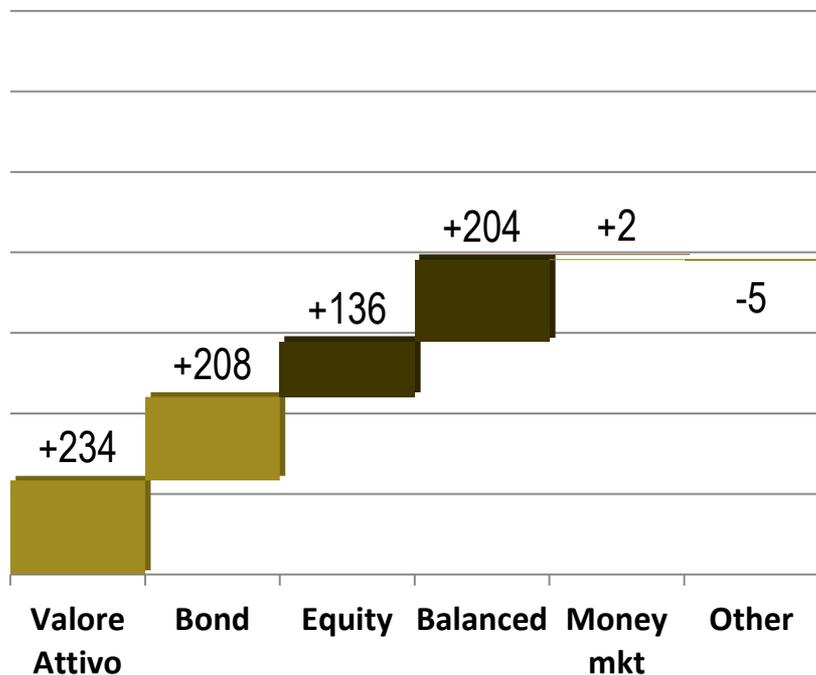
|   | Q115            | Q114          | Change      |
|---|-----------------|---------------|-------------|
| directly into Mutual Funds                        | +654.0          | +809.4        | -19%        |
| through 'MyLife' U-L policy                       | +602.7          | +7.7          | n.s.        |
| through other U-L policies                        | -64.9           | -37.7         | +72%        |
| <b>Mutual Funds Inflows</b>                       | <b>+1,191.8</b> | <b>+779.4</b> | <b>+53%</b> |
| Other Life Insurance policies                     | -150.8          | -202.8        | -26%        |
| <b>Managed Assets Inflows</b>                     | <b>+1,041.0</b> | <b>+576.5</b> | <b>+81%</b> |
| 3rd-party Structured Bonds                        | -38.1           | -25.0         | +53%        |
| <b>Managed Assets incl. Structured Bonds</b>      | <b>+1,002.9</b> | <b>+551.6</b> | <b>+82%</b> |
| Cash deposits                                     | +169.0          | +340.4        | -50%        |
| Repurchase agreements                             | +30.1           | +168.8        | -82%        |
| Mediolanum bonds                                  | -9.2            | +62.1         | n.s.        |
| Other securities under custody                    | -86.5           | -151.9        | -43%        |
| <b>Administered Assets Inflows</b>                | <b>+103.4</b>   | <b>+419.4</b> | <b>-75%</b> |
| 'Freedom' Life Policies (change in assets)        | -65.7           | -112.3        | -41%        |
| <b>Administered Assets incl. 'Freedom' accts.</b> | <b>+37.7</b>    | <b>+307.1</b> | <b>-88%</b> |
| <b>BANCA MEDIOLANUM</b>                           | <b>+1,040.6</b> | <b>+858.7</b> | <b>+21%</b> |
| <b>BANCA ESPERIA (Mediolanum's share)</b>         | <b>-37.0</b>    | <b>+75.4</b>  | <b>n.s.</b> |
| <b>TOTAL NET INFLOWS</b>                          | <b>+1,003.5</b> | <b>+934.1</b> | <b>+7%</b>  |

## Net Inflows by Category

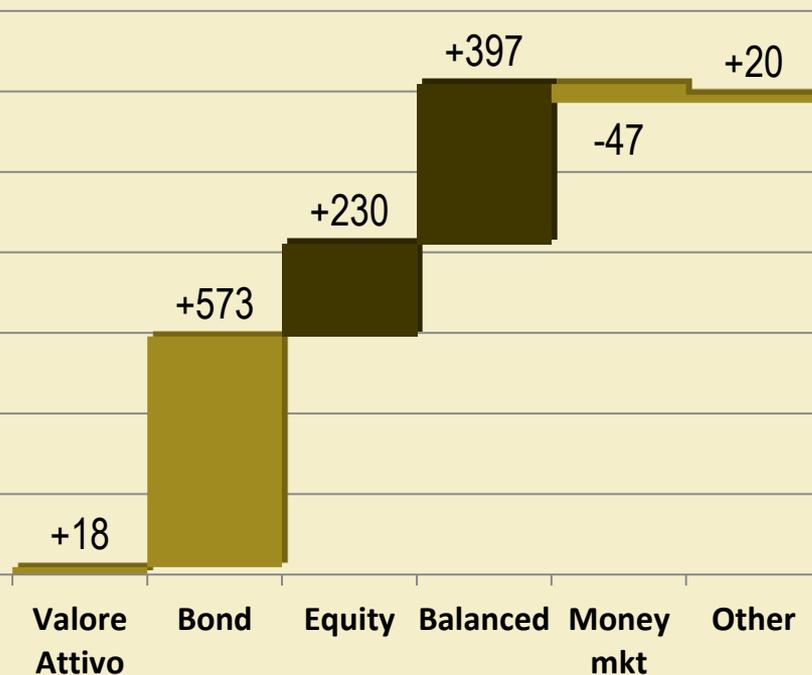
€ bn – including Unit-Linked policies



Q114  
€ +779.4 mn



Q115  
€ +1,191.8 mn



# Mutual Funds

## Net Inflows by Product

€ mn



|   | Q115            | Q114          | Change      |
|---|-----------------|---------------|-------------|
| 'Best Brands' funds of funds (IRL)          | +415.1          | +364.4        | +14%        |
| 'Challenge' mutual funds (IRL)              | -12.2           | -63.7         | -81%        |
| 'Fondi Italia' mutual funds (ITA)           | +165.1          | +515.6        | -68%        |
| Other & 3rd-party funds                     | +86.1           | -7.0          | n.s.        |
| <b>DIRECT NET INFLOWS INTO MUTUAL FUNDS</b> | <b>+654.0</b>   | <b>+809.4</b> | <b>-19%</b> |
| 'MyLife' U-L policy                         | +602.7          | +7.7          | n.s.        |
| Other U-L policies                          | -64.9           | -37.7         | +72%        |
| <b>TOTAL NET INFLOWS INTO MUTUAL FUNDS</b>  | <b>+1,191.8</b> | <b>+779.4</b> | <b>+53%</b> |

## Gross Inflows by Product

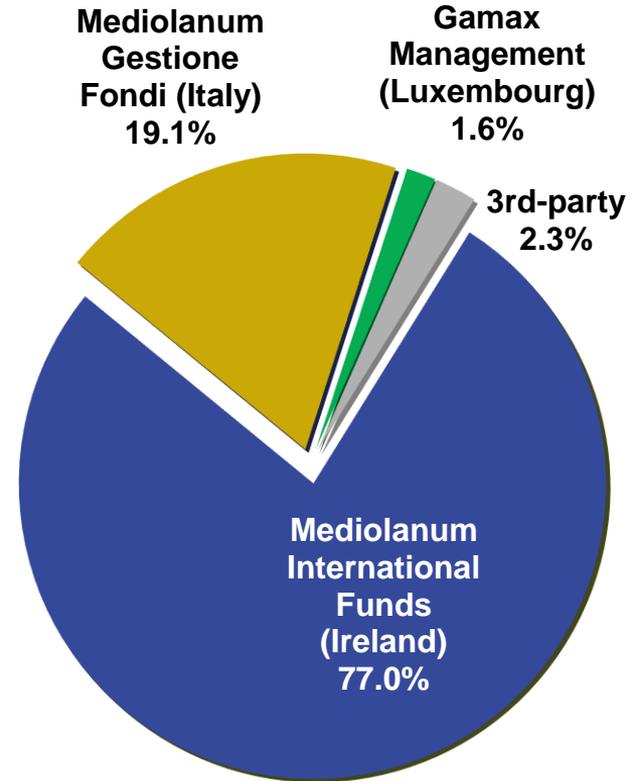
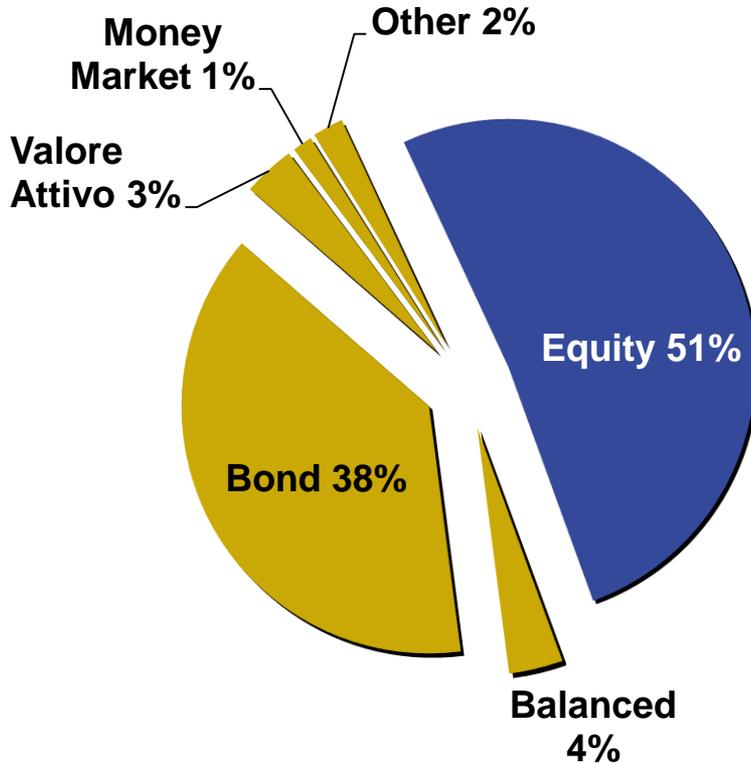
€ mn



|   | Q115           | Q114           | Change      |
|---|----------------|----------------|-------------|
| 'Best Brands' funds of funds (IRL)            | 1,586.4        | 1,004.1        | +58%        |
| 'Challenge' mutual funds (IRL)                | 252.0          | 128.6          | +96%        |
| 'Fondi Italia' mutual funds (ITA)             | 583.8          | 667.0          | -12%        |
| Other & 3rd-party funds                       | 153.3          | 23.3           | n.s.        |
| <b>DIRECT GROSS INFLOWS INTO MUTUAL FUNDS</b> | <b>2,575.6</b> | <b>1,823.0</b> | <b>+41%</b> |
| 'MyLife' U-L policy                           | 619.5          | 7.7            | n.s.        |
| Other U-L policies                            | 255.0          | 257.6          | -1%         |
| <b>TOTAL GROSS INFLOWS INTO MUTUAL FUNDS</b>  | <b>3,450.1</b> | <b>2,088.2</b> | <b>+65%</b> |

## Assets\* by category and A.M. company

as at 31/03/2015 – including U-L assets



\*Flexible funds are classified according to their equivalent risk level

# Mutual Funds

## Assets under Management

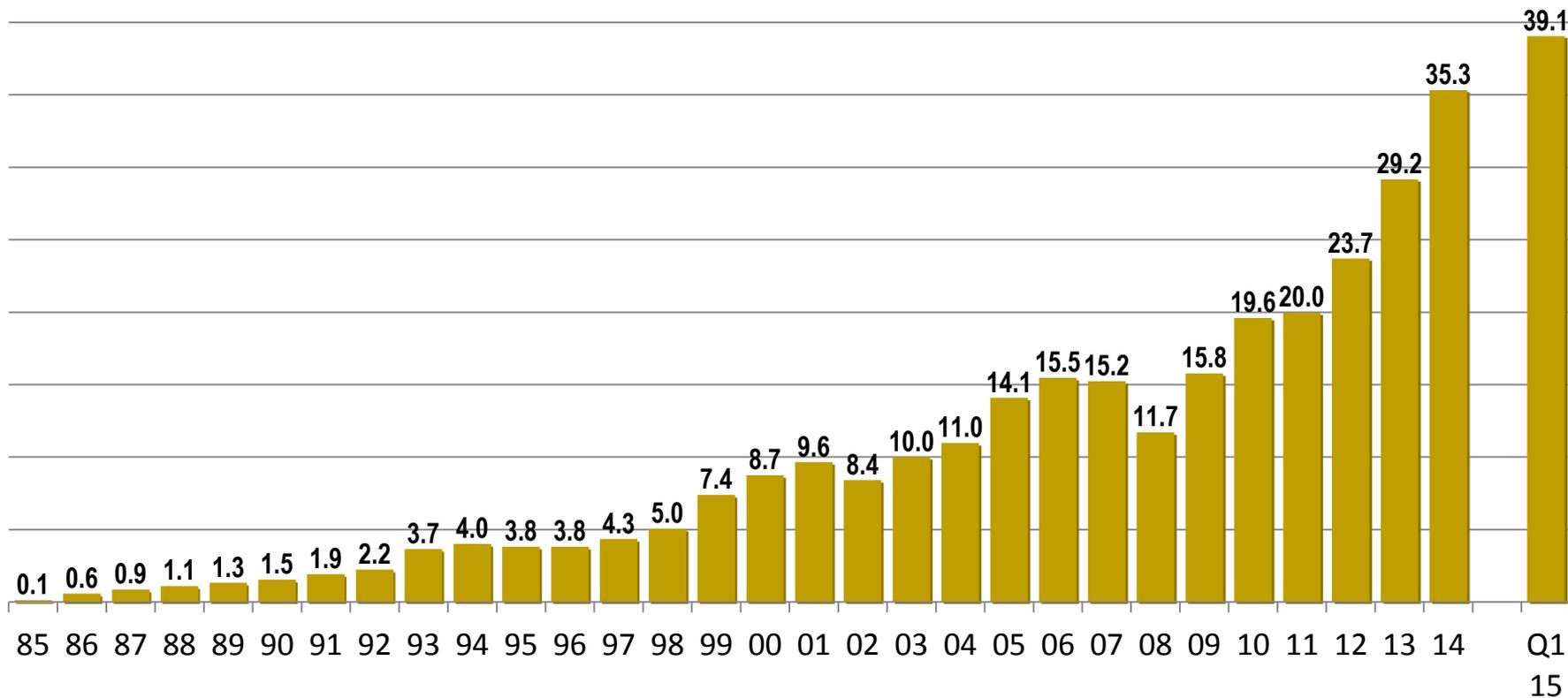
€ mn



|   | 31/03/15          | 31/12/14          | Change      | 31/03/14          | Change      |
|---|-------------------|-------------------|-------------|-------------------|-------------|
| 'Best Brands' funds of funds (IRL)                            | 15,375.2          | 13,819.0          | +11%        | 11,932.7          | +29%        |
| 'Portfolio' funds of funds (IRL)                              | 442.9             | 459.8             | -4%         | 511.2             | -13%        |
| 'Challenge' mutual funds (IRL)                                | 14,278.6          | 13,386.6          | +7%         | 12,475.2          | +14%        |
| Funds of Hedge Funds (IRL)                                    | 162.8             | 166.2             | -2%         | 174.7             | -7%         |
| 'Fondi Italia' mutual funds (ITA)                             | 6,878.5           | 6,311.8           | +9%         | 4,378.9           | +57%        |
| 'Real estate' fund (ITA)                                      | 412.7             | 416.2             | -1%         | 423.0             | -2%         |
| Other & 3rd-party funds                                       | 1,105.8           | 528.7             | +109%       | 426.2             | +159%       |
| <i>Adj. for own mutual funds in FoFs &amp; Managed accts.</i> | <i>(530.8)</i>    | <i>(508.9)</i>    | <i>+4%</i>  | <i>(550.8)</i>    | <i>-4%</i>  |
| 'MyLife' U-L policy   | 2,260.3           | 1,539.9           | +47%        | 7.6               | n.s.        |
| Other U-L policies  | 12,397.0          | 11,374.3          | +9%         | 10,664.3          | +16%        |
| <i>Adj. for own mutual funds in U-L policies</i>              | <i>(13,731.0)</i> | <i>(12,160.8)</i> | <i>+13%</i> | <i>(10,373.8)</i> | <i>+32%</i> |
| <b>ASSETS IN MUTUAL FUNDS &amp; U-L</b>                       | <b>39,052.0</b>   | <b>35,332.8</b>   | <b>+11%</b> | <b>30,069.2</b>   | <b>+30%</b> |

# Mutual Funds AUM Trend

€ bn – including U-L assets



# Banking Revenues

€ mn



|   | Q115         | Q114        | Change      |
|---|--------------|-------------|-------------|
| Securities trading fees                 | 5.3          | 6.6         | -20%        |
| <i>o/w 3rd-party structured bonds</i>   | 2.6          | 3.8         | -31%        |
| Service fees                            | 12.2         | 11.7        | +4%         |
| <b>Fee income</b>                       | <b>17.5</b>  | <b>18.3</b> | <b>-4%</b>  |
| Net Interest Income                     | 53.2         | 51.9        | +3%         |
| Net income on investments at fair value | (6.9)        | (2.2)       | +218%       |
| <i>o/w unrealised</i>                   | (6.3)        | (1.5)       | +310%       |
| <b>Net financial income</b>             | <b>46.3</b>  | <b>49.7</b> | <b>-7%</b>  |
| <b>Net income on other investments</b>  | <b>(4.6)</b> | <b>14.4</b> | <b>n.s.</b> |
| <b>Other fees &amp; Other revenues</b>  | <b>2.4</b>   | <b>1.3</b>  | <b>+82%</b> |
| <b>BANKING REVENUES</b>                 | <b>61.6</b>  | <b>83.8</b> | <b>-26%</b> |

# Banking Interest Spread



|                              | Q115         | FY14         |
|------------------------------|--------------|--------------|
| <b>Total Cost of Funding</b> | <b>0.74%</b> | <b>1.07%</b> |
| Retail Cost of Funding       | 1.25%        | 1.63%        |
| <b>Total Interest Income</b> | <b>1.67%</b> | <b>2.08%</b> |
| Retail Interest Income       | 2.91%        | 3.03%        |
| <b>TOTAL SPREAD</b>          | <b>0.93%</b> | <b>1.01%</b> |
| <u>Spread on Retail</u>      | <u>1.66%</u> | <u>1.39%</u> |

# Banking

## Credit Quality

€ mn – as at 31/03/2015



|                             | Q115         | Q114         | Change      |
|-----------------------------|--------------|--------------|-------------|
| Mortgages                   | 4,288        | 3,640        | +18%        |
| Personal & Commercial Loans | 911          | 704          | +29%        |
| Lines of credit             | 406          | 398          | +2%         |
| <b>Total Loans</b>          | <b>5,605</b> | <b>4,742</b> | <b>+18%</b> |

### % on total loans

|                            | B.Mediolanum | Italian Banks*                            |
|----------------------------|--------------|---|
| Gross non-performing loans | 1.4%         | 17.1%                                     |
|                            |              | as at 31/12/2014                          |
| Net non-performing loans   | 0.7%         | 10.5%                                     |
|                            |              | as at 30/06/2014<br>last available update |

\* Sources: Bank of Italy – Statistical Bulletin I 2015 & Financial Stability Report No. 2 2014

Q115

FY14

**Mortgage Portfolio**

|                      |         |         |
|----------------------|---------|---------|
| Total Value          | 4,288.4 | 4,161.1 |
| Average rate         | 2.64%   | 2.75%   |
| Average residual LTV | 57%     | 56%     |

**New Business**

|                        |       |       |
|------------------------|-------|-------|
| Total amount granted   | 209.9 | 907.8 |
| Average rate           | 2.33% | 2.85% |
| Average amount granted | 143   | 132   |
| Average initial LTV    | 62%   | 59%   |

## Assets under Administration

€ mn

|                                    | 31/03/15        | 31/12/14        | Change     | 31/03/14        | Change     |
|------------------------------------|-----------------|-----------------|------------|-----------------|------------|
| Cash Deposits                      | 11,548.8        | 11,379.8        | +1%        | 10,270.2        | +12%       |
| Repurchase agreements              | 30.4            | 0.4             | n.s.       | 201.7           | -85%       |
| Mediolanum bonds                   | 263.8           | 272.1           | -3%        | 422.3           | -38%       |
| 3rd-party structured bonds         | 1,052.2         | 1,044.2         | +1%        | 1,274.7         | -17%       |
| Other securities under custody     | 2,046.5         | 1,882.4         | +9%        | 2,117.9         | -3%        |
| <b>BANKING ADMINISTERED ASSETS</b> | <b>14,941.7</b> | <b>14,578.9</b> | <b>+2%</b> | <b>14,286.8</b> | <b>+5%</b> |

# Banca Mediolanum

## Balance Sheet

€ mn – as at 31/03/2015



|  | Liabilities   | Assets        |
|--|---------------|---------------|
| <b>Retail</b>                                | <b>11,859</b> | <b>5,605</b>  |
| <b>Treasury</b>                              | <b>11,931</b> | <b>17,849</b> |
| o/w interbank / intra-group deposits & repos | 2,496         | 882           |
| o/w ECB refinancing                          | 0             | 0             |
| o/w MTS refinancing                          | 9,435         | 9,718         |
| o/w securities (bonds)                       |               | 7,249         |
| <b>Other liabilities / assets</b>            | <b>2,030</b>  | <b>2,366</b>  |
| <b>TOTAL</b>                                 | <b>25,820</b> | <b>25,820</b> |

Operating Liquidity (24hr) : € 9,091 mn

€ mn – as at 31/03/2015

|                          | Mediolanum Group |            | = |  | Banca Mediolanum |            | + |  | Mediolanum Vita |            |
|--------------------------|------------------|------------|---|--|------------------|------------|---|--|-----------------|------------|
|                          | Book value       | AD         |   |  | Book Value       | AD         |   |  | Book Value      | AD         |
| Italian Govies           | <b>18,787</b>    | <b>1.1</b> |   |  | 17,185           | 0.9        |   |  | 1,480           | 2.9        |
| Italian Financials       | <b>941</b>       | <b>2.0</b> |   |  | 673              | 1.0        |   |  | 250             | 4.6        |
| Spanish Govies           | <b>368</b>       | <b>1.9</b> |   |  | 325              | 1.7        |   |  | 41              | 3.7        |
| Spanish Financials       | <b>14</b>        | <b>1.8</b> |   |  | 0                |            |   |  | 14              | 1.8        |
| Core Europe Govies*      | <b>-80</b>       | <b>2.5</b> |   |  | -104             | 2.2        |   |  | 0               |            |
| Greek Govies             | <b>0</b>         |            |   |  | 0                |            |   |  | 0               |            |
| Portuguese, Irish Govies | <b>0</b>         |            |   |  | 0                |            |   |  | 0               |            |
| Other Financials         | <b>83</b>        | <b>2.1</b> |   |  | 29               | 1.9        |   |  | 54              | 2.1        |
| Other Corporate          | <b>37</b>        | <b>3.9</b> |   |  | 10               | 1.8        |   |  | 26              | 4.7        |
| Other ABS                | <b>7</b>         | <b>3.8</b> |   |  | 7                | 3.8        |   |  | 0               |            |
| <b>TOTAL</b>             | <b>20,157</b>    | <b>1.2</b> |   |  | <b>18,125</b>    | <b>0.9</b> |   |  | <b>1,865</b>    | <b>3.1</b> |

AD = average duration weighted by absolute nominal value

\* includes: Austria, Belgium, Finland, France, Germany, Luxembourg & Holland

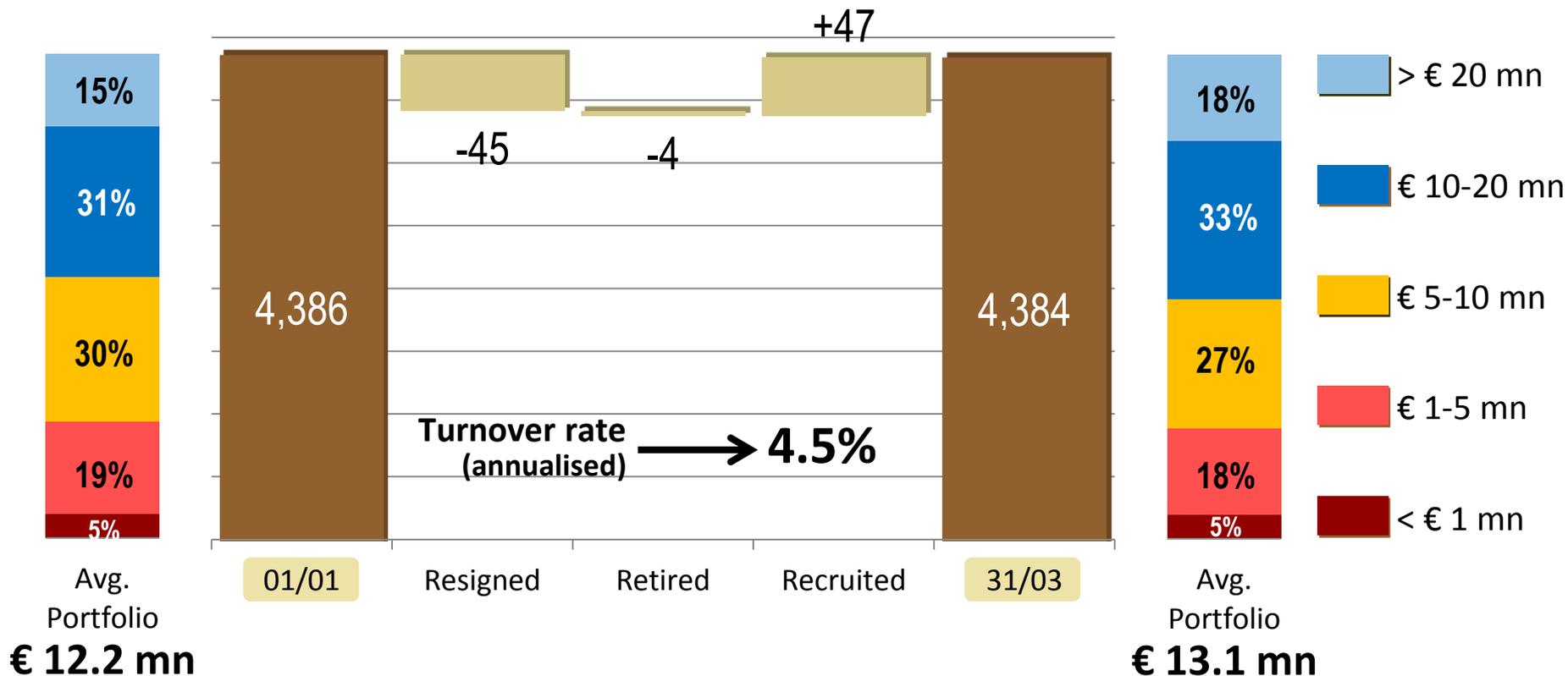
|   | Q115         | Q114        | Change      |
|---|--------------|-------------|-------------|
| Premiums less Amounts paid & change in reserves | 11.8         | 9.2         | +28%        |
| Commission income                               | 132.2        | 69.3        | +91%        |
| Net Interest Income                             | 3.1          | 2.9         | +7%         |
| Net income on investments at fair value         | 3.2          | 1.0         | +222%       |
| <i>o/w unrealised</i>                           | 1.9          | 2.0         | -3%         |
| <b>Net financial income</b>                     | <b>6.3</b>   | <b>3.9</b>  | <b>+61%</b> |
| Net income on other investments                 | 1.8          | 2.8         | -38%        |
| Other fees & Other revenues                     | 3.7          | 3.7         | +2%         |
| <b>INSURANCE REVENUES</b>                       | <b>155.5</b> | <b>88.6</b> | <b>+76%</b> |

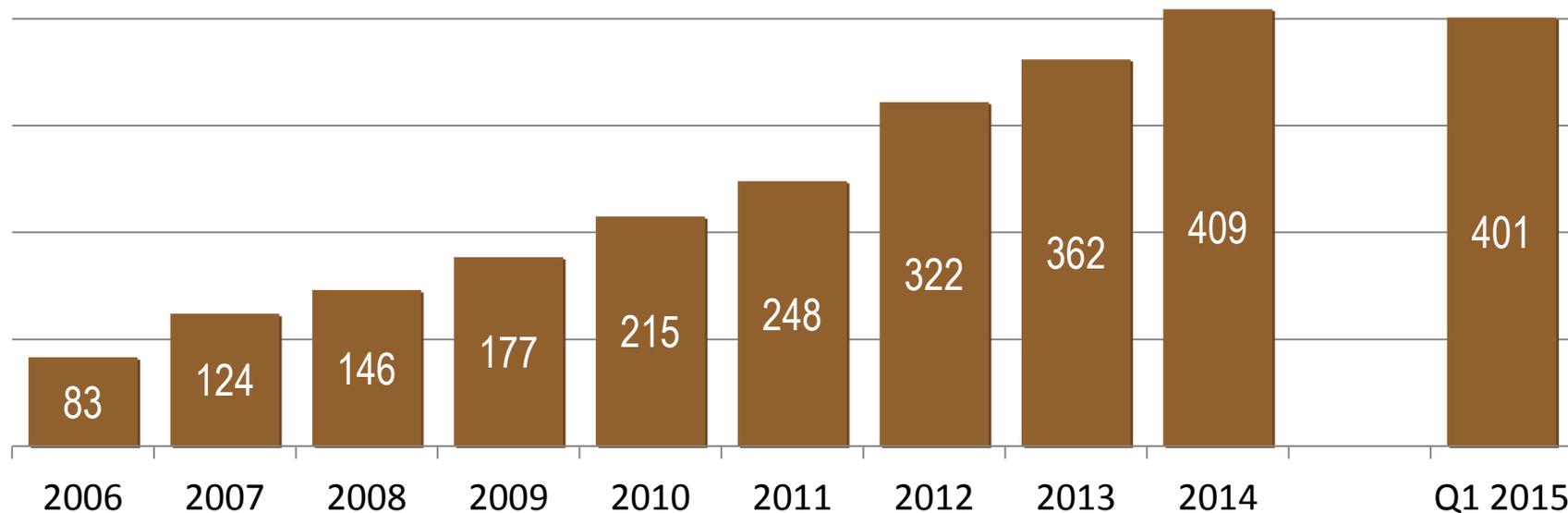
## Life – Policyholders' Assets

€ mn



|                                   | 31/03/15        | 31/12/14        | Change      | 31/03/14        | Change      |
|-----------------------------------|-----------------|-----------------|-------------|-----------------|-------------|
| Traditional                       | 1,269.5         | 1,265.2         | +0%         | 1,269.2         | +0%         |
| Index-linked                      | 768.8           | 881.8           | -13%        | 1,320.2         | -42%        |
| Unit-linked pension plans         | 5,584.2         | 5,025.7         | +11%        | 4,476.5         | +25%        |
| Unit-linked endowment policies    | 4,195.5         | 3,896.3         | +8%         | 3,728.5         | +13%        |
| Unit-linked investment policies   | 4,877.6         | 3,992.2         | +22%        | 2,466.9         | +98%        |
| <b>Unit-linked</b>                | <b>14,657.3</b> | <b>12,914.2</b> | <b>+13%</b> | <b>10,671.9</b> | <b>+37%</b> |
| <i>o/w equity</i>                 | 67.9%           | 68.6%           | -1%         | 70.8%           | -4%         |
| <b>LIFE ASSETS (EX-'FREEDOM')</b> | <b>16,695.6</b> | <b>15,061.3</b> | <b>+11%</b> | <b>13,261.4</b> | <b>+26%</b> |
| 'Freedom' Life policies           | 908.6           | 974.3           | -7%         | 1,610.0         | -44%        |





**Average assets in portfolio: € 32.6 mn**  
o/w managed assets: € 23.6 mn

\* 'Private Bankers' are a subset of Family Bankers who mainly deal with affluent & HNW customers

## Highlights

€ mn



|  | Q115   | Q114   | Change | vs.FY14 |
|--|--------|--------|--------|---------|
| Statutory Net Income                     | 4.8    | 4.8    | +1%    |         |
| Equity contribution in Mediolanum's P&L* | (0.9)  | 2.6    | n.s.   |         |
| Assets under Administration              | 17,958 | 14,960 | +20%   | +13%    |
| <i>% in Managed Assets</i>               | 49.7%  | 51.5%  | -3%    | -0%     |
| Net Inflows                              | -74    | +151   | n.s.   |         |
| <i>o/w Managed Assets Inflows</i>        | +21    | +67    | -69%   |         |
| Private Bankers                          | 88     | 78     | +13%   | +4%     |
| Clients                                  | 4,592  | 3,778  | +22%   | +8%     |

\*reflects adjustments to Esperia's financial statements made after the closing of Mediolanum's FY accounts.



# Q1 2015 Foreign Markets Results

|   | Q115           | Q114           | Change      | vs.FY14     |
|---|----------------|----------------|-------------|-------------|
| Net Income excluding non-recurring items                | 9.7            | 4.9            | +98%        |             |
| Net impact of settlement of past (inherited) litigation | (7.8)          |                | n.s.        |             |
| <b>Net Income</b>                                       | <b>1.9</b>     | <b>4.9</b>     | <b>-62%</b> |             |
| Managed Assets  | 2,075.6        | 1,538.8        | +35%        | +10%        |
| Administered Assets                                     | 1,224.7        | 934.2          | +31%        | +12%        |
| <b>Total Assets</b>                                     | <b>3,300.3</b> | <b>2,473.0</b> | <b>+33%</b> | <b>+11%</b> |
| <b>Gross Inflows into Managed Assets</b>                | <b>193.4</b>   | <b>189.0</b>   | <b>+2%</b>  |             |
| Net Inflows into Managed Assets                         | +55.6          | +71.9          | -23%        |             |
| Net Inflows into Administered Assets                    | +92.1          | +7.8           | n.s.        |             |
| <b>Total Net Inflows</b>                                | <b>+147.7</b>  | <b>+79.7</b>   | <b>+85%</b> |             |
| Financial Advisors (Mediolanum model)                   | 713            | 686            | +4%         | +0%         |
| Traditional agents                                      | 36             | 39             | -8%         | -3%         |
| <b>Total Sales Network</b>                              | <b>749</b>     | <b>725</b>     | <b>+3%</b>  | <b>-0%</b>  |
| <b>Total Customers</b>                                  | <b>98,499</b>  | <b>86,953</b>  | <b>+13%</b> | <b>+3%</b>  |

|  | Q115         | Q114         | Change      | vs.FY14    |
|--|--------------|--------------|-------------|------------|
| <b>Net Income</b>                        | <b>(1.1)</b> | <b>(2.0)</b> | <b>-44%</b> |            |
| Managed Assets                           | 443.1        | 361.2        | +23%        | +10%       |
| Administered Assets                      | 80.6         | 72.9         | +11%        | +2%        |
| <b>Total Assets</b>                      | <b>523.7</b> | <b>434.1</b> | <b>+21%</b> | <b>+8%</b> |
| <b>Gross Inflows into Managed Assets</b> | <b>14.2</b>  | <b>15.8</b>  | <b>-10%</b> |            |
| Net Inflows into Managed Assets          | -6.1         | -8.2         | -25%        |            |
| Net Inflows into Administered Assets     | +1.5         | +0.1         | n.s.        |            |
| <b>Total Net Inflows</b>                 | <b>-4.6</b>  | <b>-8.0</b>  | <b>-43%</b> |            |
| <b>Total Sales Network</b>               | <b>56</b>    | <b>48</b>    | <b>+17%</b> | <b>-7%</b> |
| <b>Total Customers</b>                   | <b>4,452</b> | <b>4,499</b> | <b>-1%</b>  | <b>+1%</b> |

€ mn



|  | Q115         | Q114         | Change       | vs.FY14    |
|--|--------------|--------------|--------------|------------|
| <b>Net Income</b>                        | <b>(2.9)</b> | <b>(2.3)</b> | <b>+26%</b>  |            |
| Managed Assets                           | 212.7        | 161.6        | +32%         | +9%        |
| Administered Assets                      | 80.6         | 72.9         | +11%         | +2%        |
| <b>Total Assets</b>                      | <b>293.3</b> | <b>234.5</b> | <b>+25%</b>  | <b>+7%</b> |
| <b>Gross Inflows into Managed Assets</b> | <b>11.1</b>  | <b>13.0</b>  | <b>-15%</b>  |            |
| Net Inflows into Managed Assets          | +5.2         | +3.2         | +62%         |            |
| Net Inflows into Administered Assets     | +1.5         | +0.1         | n.s.         |            |
| <b>Total Net Inflows</b>                 | <b>+6.7</b>  | <b>+3.3</b>  | <b>+101%</b> |            |
| <b>Total Sales Network</b>               | <b>56</b>    | <b>48</b>    | <b>+17%</b>  | <b>-7%</b> |
| <b>Total Customers</b>                   | <b>4,452</b> | <b>4,499</b> | <b>-1%</b>   | <b>+1%</b> |

|                                | Q115         | Q114         | Change       | vs.FY14     |
|--------------------------------|--------------|--------------|--------------|-------------|
| <b>Net Income</b>              | <b>1.8</b>   | <b>0.3</b>   | <b>+461%</b> |             |
| <b>Assets under Management</b> | <b>230.4</b> | <b>199.6</b> | <b>+15%</b>  | <b>+10%</b> |
| <b>Gross Inflows</b>           | <b>3.1</b>   | <b>2.8</b>   | <b>+12%</b>  |             |
| <b>Net Inflows</b>             | <b>-11.3</b> | <b>-11.4</b> | <b>-1%</b>   |             |



# Business Update

# Banca Mediolanum

## March 2015 Net Inflows

€ mn



|   | Mar '15     | 2015 YTD      | 2014 YTD    |
|---|-------------|---------------|-------------|
| directly into Mutual Funds                        | +288        | +654          | +809        |
| through 'MyLife' U-L policy                       | +273        | +603          | +8          |
| through other U-L policies                        | -49         | -65           | -38         |
| <b>Mutual Funds Inflows</b>                       | <b>+512</b> | <b>+1,192</b> | <b>+779</b> |
| Other Life Insurance policies                     | -49         | -151          | -203        |
| <b>Managed Assets Inflows</b>                     | <b>+464</b> | <b>+1,041</b> | <b>+577</b> |
| 3rd-party Structured Bonds                        | -29         | -38           | -25         |
| <b>Managed Assets incl. Structured Bonds</b>      | <b>+435</b> | <b>+1,003</b> | <b>+552</b> |
| <b>Administered Assets Inflows</b>                | <b>-47</b>  | <b>+103</b>   | <b>+419</b> |
| 'Freedom' Life Policies (change in assets)        | -13         | -66           | -112        |
| <b>Administered Assets incl. 'Freedom' accts.</b> | <b>-60</b>  | <b>+38</b>    | <b>307</b>  |
| <b>BANCA MEDIOLANUM</b>                           | <b>+375</b> | <b>+1,041</b> | <b>859</b>  |

# Italian Sales Networks Ranking by Net Inflows

€ thousands - totals by Group



|                                    | Q1 2015            |                    |                   |
|------------------------------------|--------------------|--------------------|-------------------|
|                                    | Total Net Inflows  | o/w Managed Assets | o/w Mutual Funds* |
| Finecobank                         | 1.446.965          | 1.149.723          | 927.286           |
| Banca Generali                     | 1.141.857          | 1.099.155          | 298.103           |
| Banca Fideuram (incl. Sanpaolo)    | 1.083.360          | 1.263.992          | -1.523.754        |
| <b>Banca Mediolanum</b>            | <b>1.041.457**</b> | <b>1.041.848**</b> | <b>632.673</b>    |
| Azimut                             | 1.017.576          | 1.035.766          | 516.598           |
| Allianz Bank                       | 928.496            | 917.219            | -34.479           |
| Deutsche Bank (Finanza & Futuro)   | 501.311            | 243.649            | 134.447           |
| Credem                             | 141.921            | 165.743            | 47.643            |
| UBI                                | 138.466            | 191.051            | 154.112           |
| Banca Pop. Vicenza (Banca Nuova)   | 57.099             | 47.446             | 40.122            |
| Veneto Banca                       | 37.731             | 81.623             | 45.145            |
| Consultinvest                      | 21.771             | 21.828             | 25.060            |
| Monte dei Paschi di Siena (Widiba) | -40.573            | -105.236           | -81.414           |

\* not including those underlying Unit-Linked policies

\*\* accounts for approximately € -134 mn in maturities of discontinued Index-Linked policies

source: Assoreti

# Italian Sales Networks Ranking by Net Inflows

€ thousands - totals by Group



FY 2014

Total Net Inflows

o/w Managed Assets

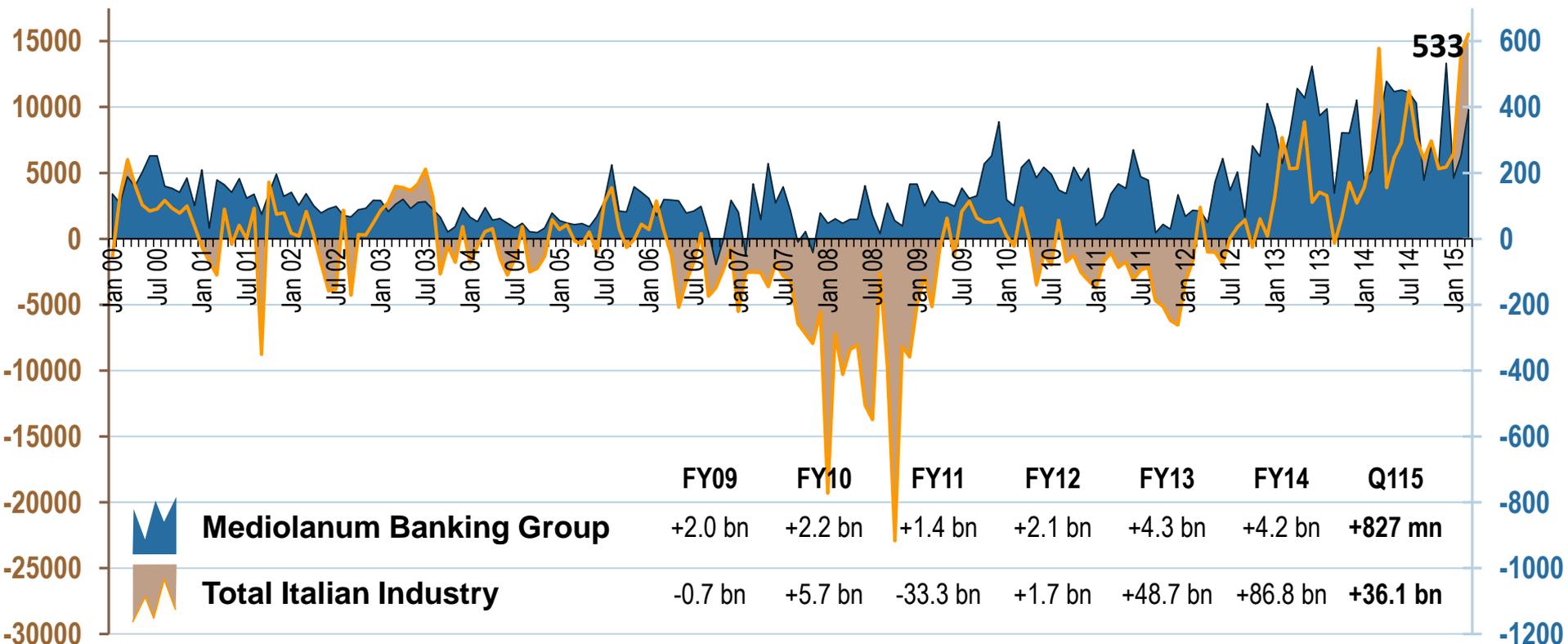
o/w Mutual Funds\*

| <b>Banca Mediolanum</b>          | <b>4,140,178**</b> | <b>4,153,558**</b> | <b>3,480,548</b> |
|----------------------------------|--------------------|--------------------|------------------|
| Banca Generali                   | 4,023,691          | 4,188,990          | 554,873          |
| Azimut                           | 3,615,021          | 3,525,833          | 1,288,317        |
| Unicredit (Finecobank)           | 3,598,368          | 2,989,628          | 2,446,576        |
| Allianz Bank                     | 3,006,698          | 2,781,215          | -120,345         |
| Banca Fideuram (incl. Sanpaolo)  | 2,462,645          | 3,725,723          | -1,393,990       |
| Deutsche Bank (Finanza & Futuro) | 1,912,312          | 1,430,741          | 996,694          |
| UBI                              | 666,445            | 452,517            | 403,108          |
| Credem                           | 548,665            | 560,523            | 330,413          |
| Veneto Banca                     | 191,729            | 168,128            | 44,499           |
| Banca Pop. Vicenza (Banca Nuova) | 95,918             | 101,635            | 94,586           |
| Consultinvest                    | 76,133             | 75,077             | 140,208          |
| Monte dei Paschi di Siena        | -697,283           | -446,125           | -312,422         |

\* not including those underlying Unit-Linked policies

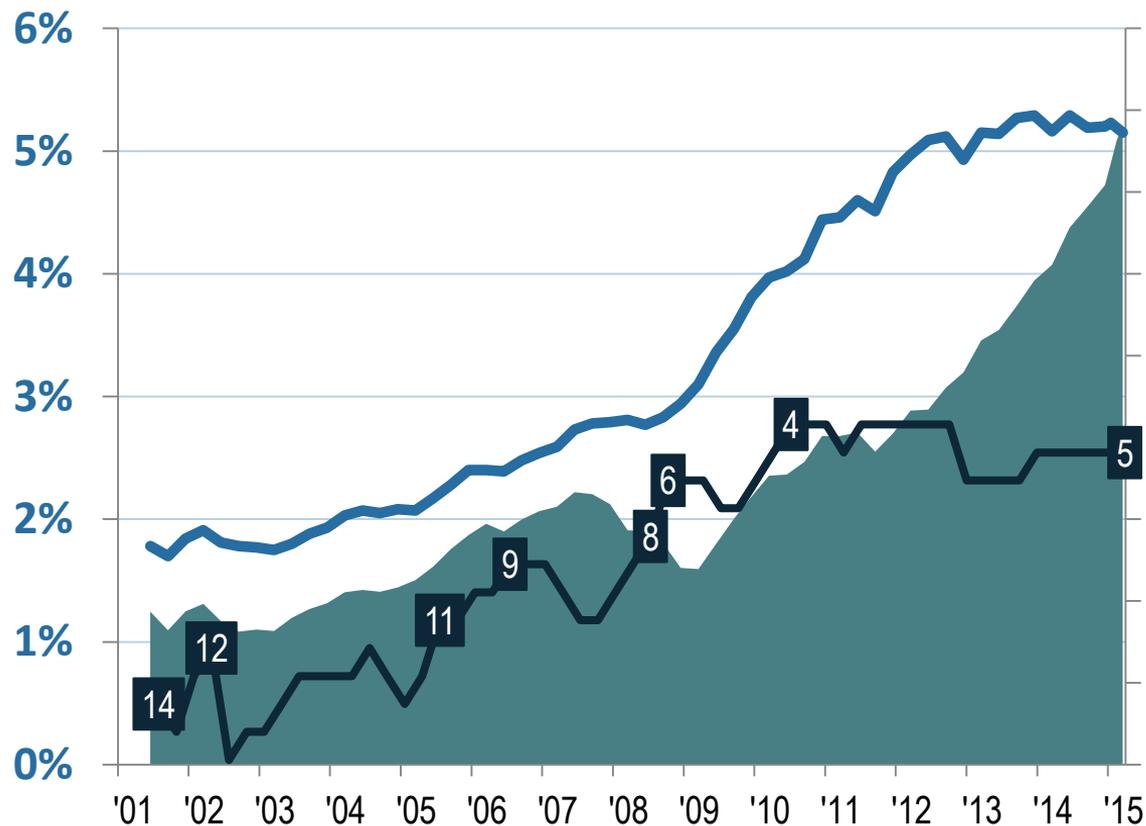
\*\* accounts for approximately € -601 mn in maturities of discontinued Index-Linked policies

source: Assoreti



\*including Managed Accounts & Unit-Linked policies

source: Assogestioni monthly reports; total figures integrated with quarterly reports

Mediolanum's Market Share, **Assets**, **Rank**

45

40

35

30

25

20

15

10

5

0

March 2015

mkt share

Intesa Sanpaolo

20.7%

Pioneer

11.3%

Generali

8.4%

Anima Holding

6.3%

**5 Mediolanum****5.2%**

Azimut

3.6%

F. Templeton

3.6%

Arca

3.4%

JPMorgan

3.2%

UBI Banca

3.1%

Invesco

2.6%

Schroders

2.3%

Amundi

2.3%

Deutsche A&amp;W Mgmt.

2.3%

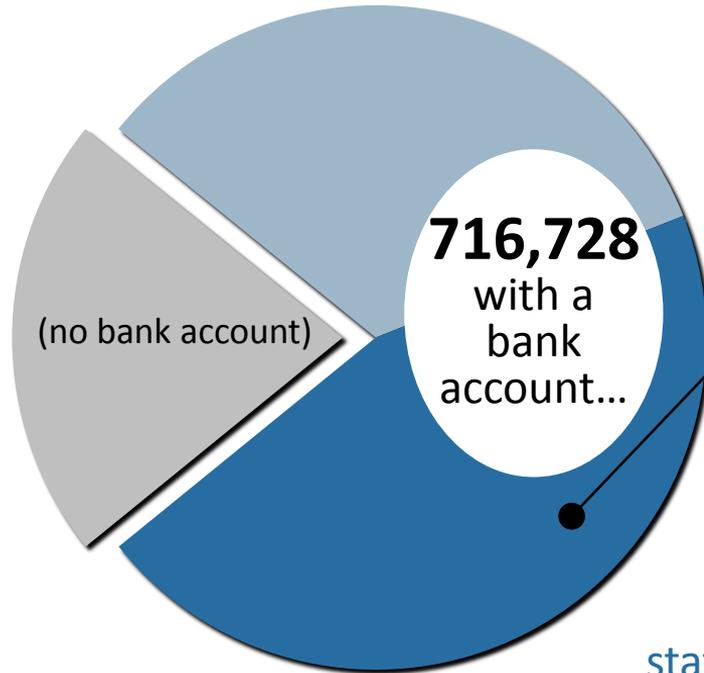
M&amp;G

2.1%

# Banca Mediolanum Customer Behaviour

as at 31/03/2015

**914,593** primary account holders:



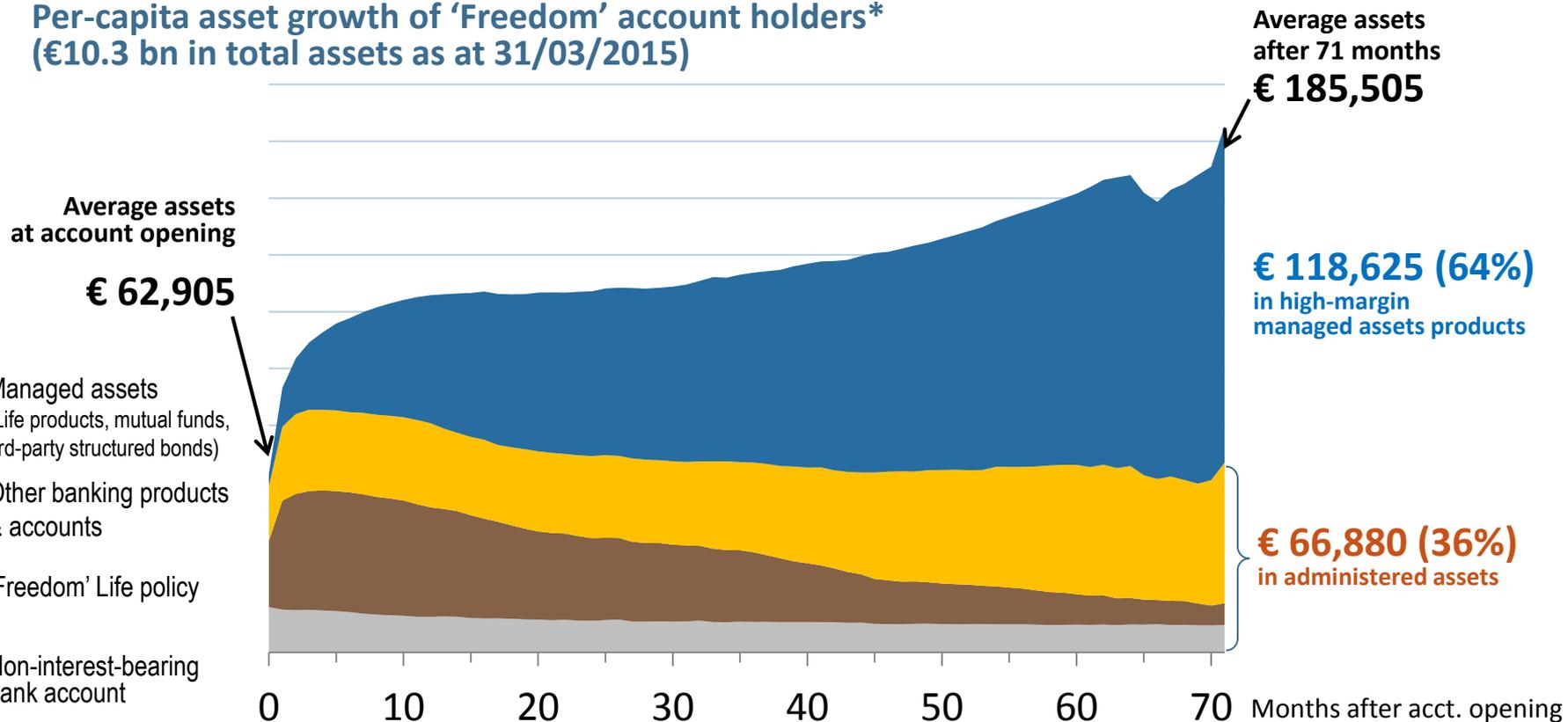
...**58%** of which  
use Mediolanum as their primary  
banking institution

412,805 vs. 375,316 as at 31/03/2014

In a 2013 survey,  
**39%** of Mediolanum customers with a bank account  
stated they don't have a relationship with any other bank

# 'Freedom' account customers: Cross-selling into managed products

Per-capita asset growth of 'Freedom' account holders\*  
(€10.3 bn in total assets as at 31/03/2015)



\*all households who opened a 'Freedom' or 'Freedom+' as their first current account with Mediolanum, excluding those with a balance permanently below € 15,000

## Focus on high-remuneration deposits

€ mn – as at 31/03/2015

**‘Freedom+’ balances above € 15,000** (current offer\*: 1.25%) **2,555**

**‘InMediolanum’ time deposits & lock-ins on current accounts** (current offer\*: 1.70%) **3,826**

Launched May 2011 as an aggressive move to acquire customers & assets.

First product openable online by customer autonomously (27% of new customers).

**‘Double Chance’ accounts** (current offer\*: 2.00% to 3.50% according to destination asset class) **313**

Temporary accounts with gradual automatic transfer of balance to a managed product.

The benefit of dollar-cost averaging with a high yield on yet-to-be-invested assets.

**Total high-remuneration deposits** **6,694**

**Low- or no-remuneration deposits** **4,855**

Includes ‘Freedom’ & ‘Freedom+’ assets below € 15,000 and all other current accounts

**TOTAL CASH DEPOSITS** **11,549**

\* Actual impact on Net Interest Income depends upon average rates offered during the year



## Mediolanum Facts

Doris Group

40.4%

29.5%

30.1%

Fininvest

Free Float

**BANKING**

100%

Banca  
Mediolanum

100%

Banco  
MediolanumBankhaus  
August LenzMediolanum  
Fiduciaria**ASSET  
MANAGEMENT**

100%

(direct & indirect  
ownership)Mediolanum  
Gestione Fondi51% Banca Mediolanum  
49% Mediolanum SpAMediolanum Int'l  
Funds48% Banca Mediolanum  
44% Mediolanum SpA  
5% Banco Mediolanum  
3% Bankhaus A. LenzMediolanum  
Gestion S.A.

100% Banco Mediolanum

Gamax  
Management

100% Banca Mediolanum

**INSURANCE**

100%

Mediolanum Vita

Mediolanum  
International LifeMediolanum  
Assicurazioni**OTHER**

100%

Mediolanum  
Comunicazione

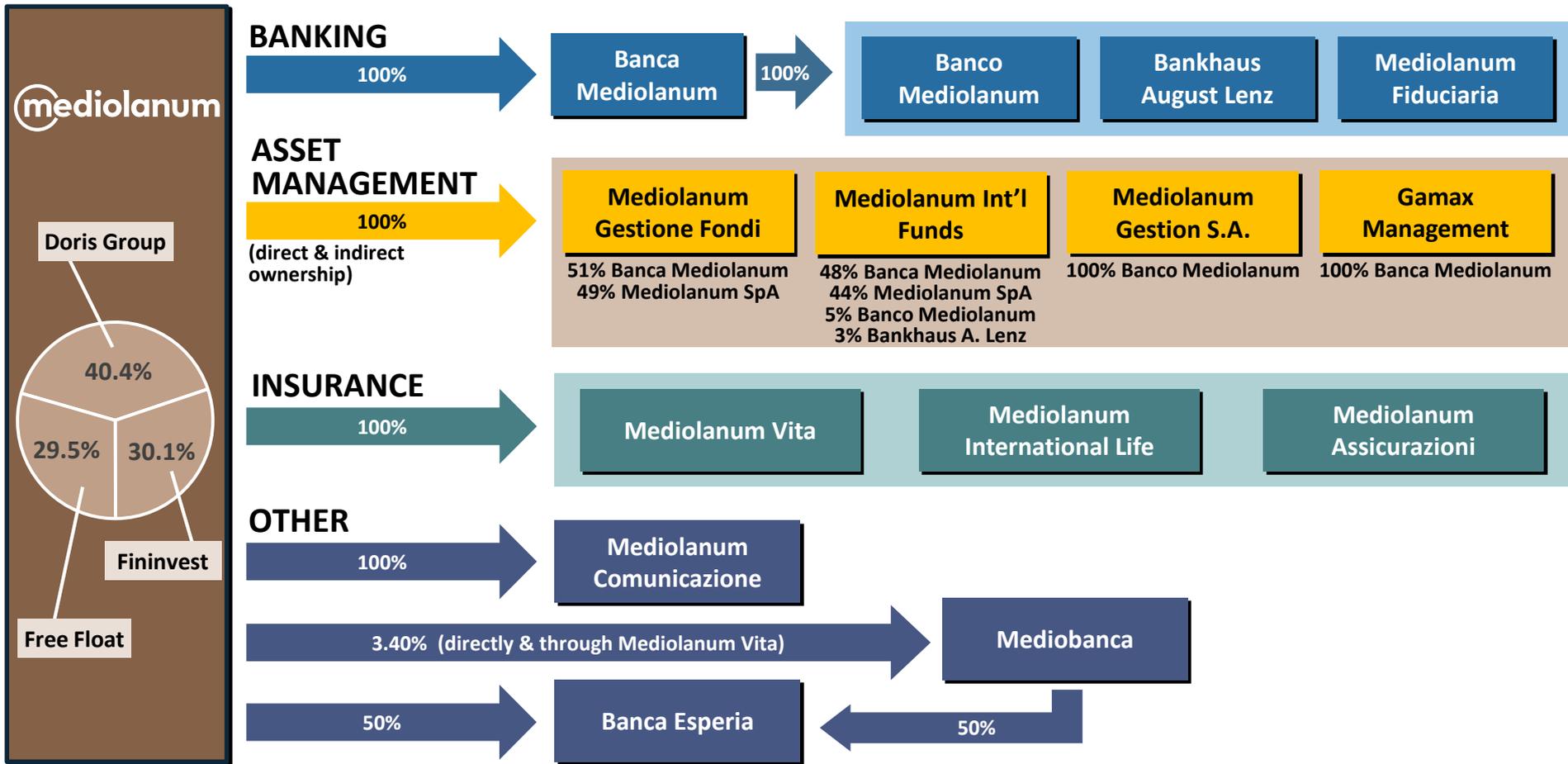
3.40% (directly &amp; through Mediolanum Vita)

Mediobanca

50%

Banca Esperia

50%

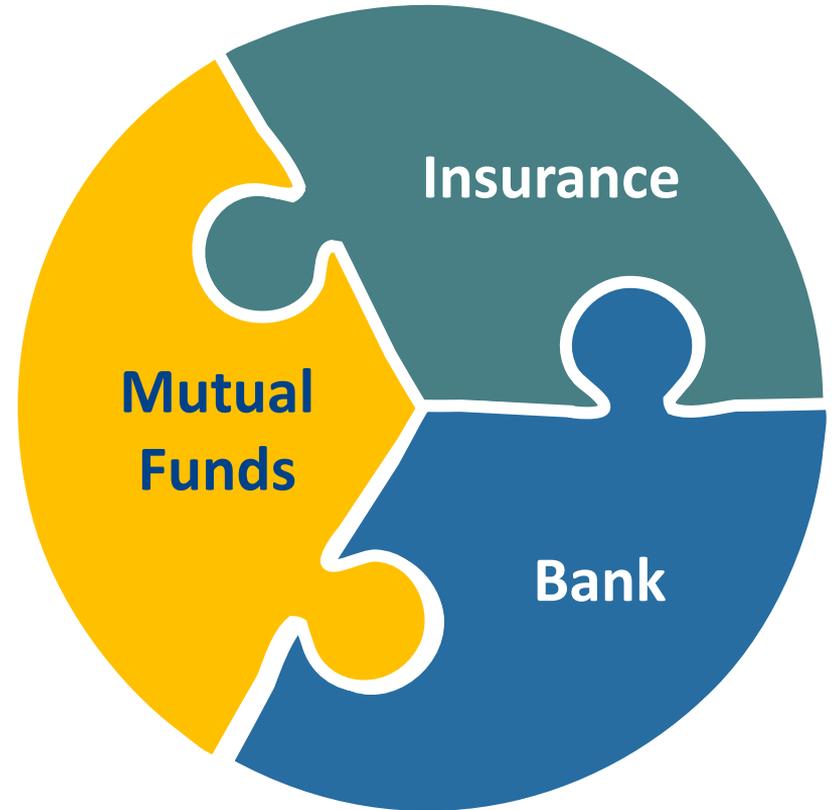


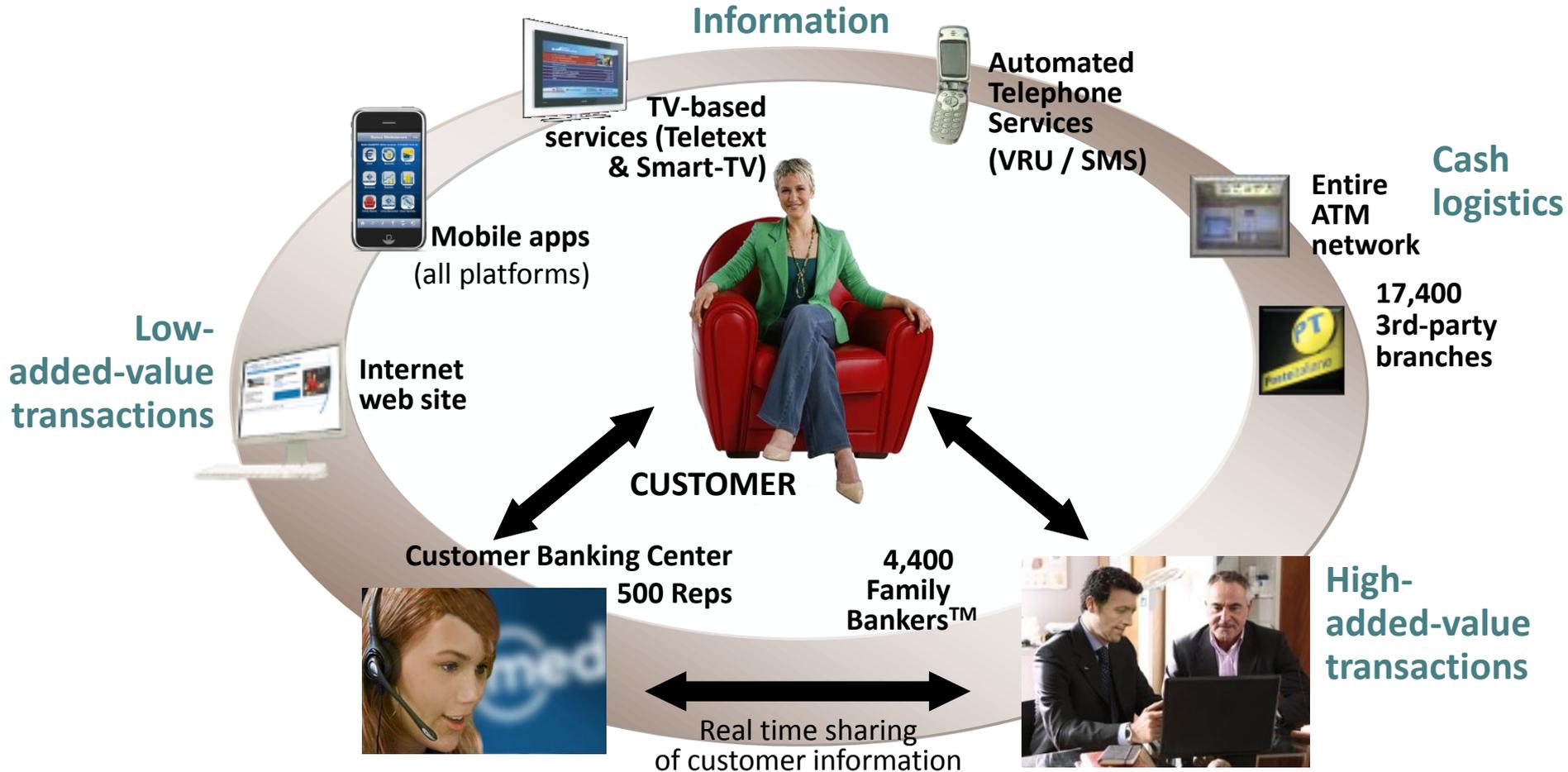
We and our Family Bankers view the company as a single entity, providing solutions that best fit the needs of the customer, whether it be in the form of a mutual fund, an insurance policy or a bank product

The Bank (est. 1997) has a special role as the place where customer savings are naturally built

It is also where service quality is more readily appreciated & compared

Therefore, it represents the mandatory point of entry for all new customers





# Mediolanum's model combines the advantages of traditional and direct banks



## Family Bankers: the human touch

Self-employed tied agents with entrepreneurial approach

Extensively trained to tackle every household financial need

Share Mediolanum's view that banking services are an effective acquisition & retention tool

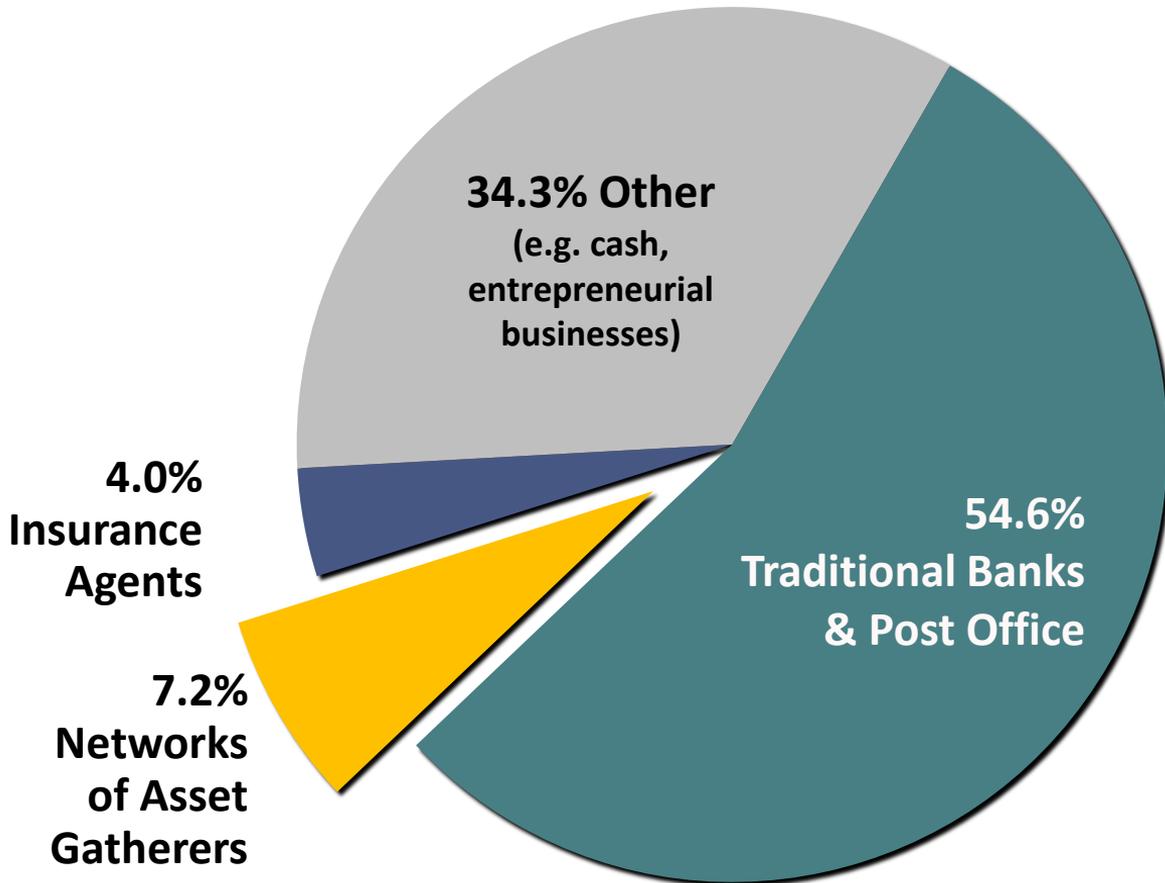
Compensated even for operations performed by customers through direct channels

- Willing to provide professional advice anytime, anywhere
- Equally competent across all product lines
- Unlike the typical FA, offer assistance also with everyday banking needs
- Synergy, not competition, between human and direct channels

## Customers: freedom in banking

Top-quality and valuable direct banking services associated with a human relationship



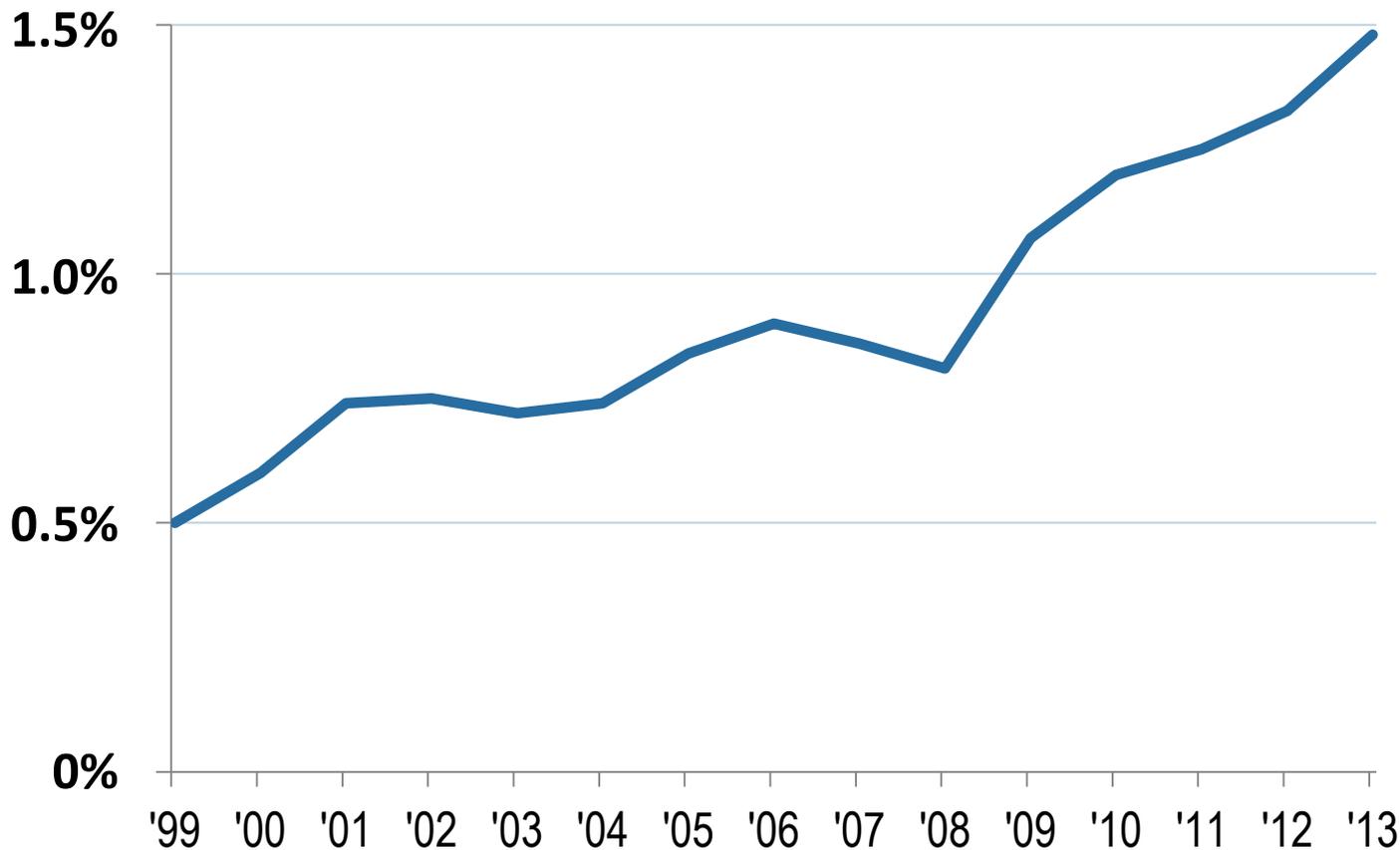


**Network of Asset Gatherers** have only 7.2% of the huge Italian HH financial assets market, although recognised as best-in-class in terms of personal service & advice, and largely immune to capital, credit quality & reputational issues

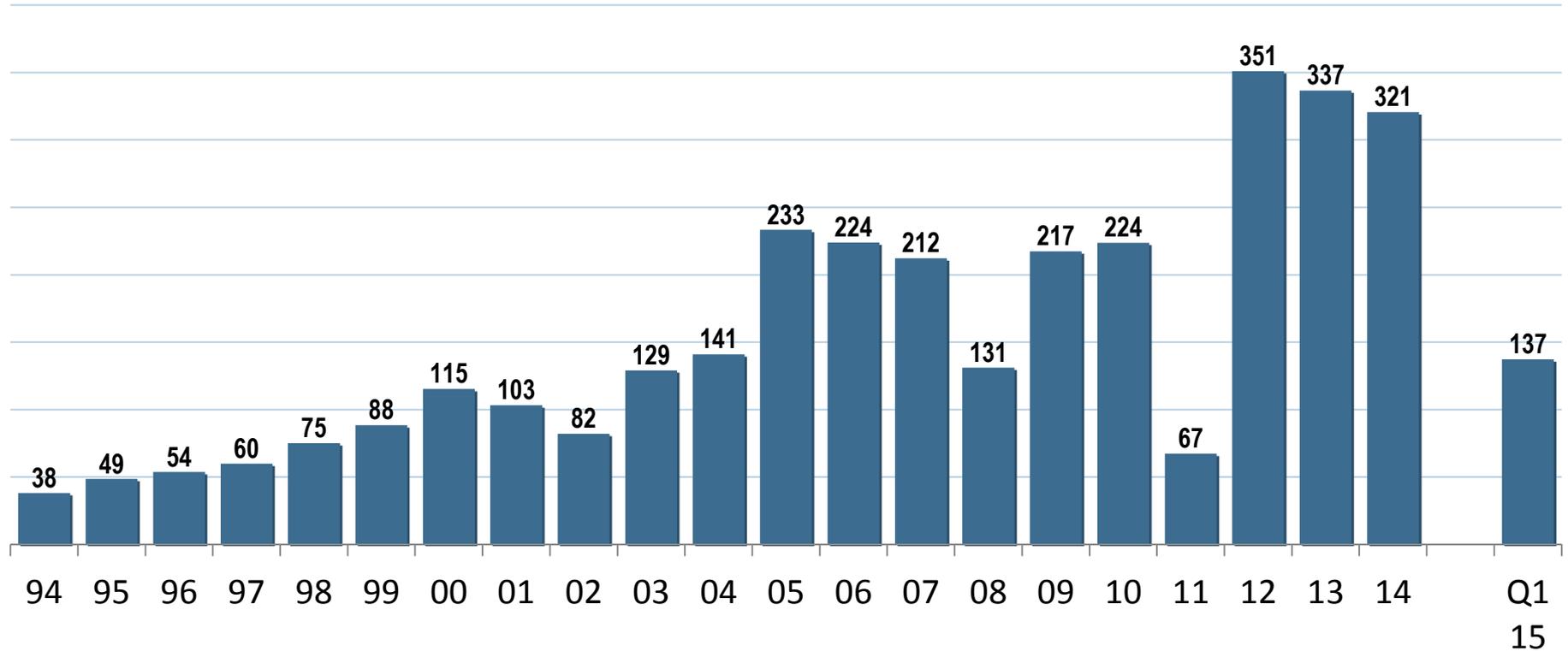
**Traditional Banks** still hold nearly 8x more

**Total HH Assets:**  
**€ 3,897 bn**

# Italian Household Financial Assets Mediolanum's Market Share

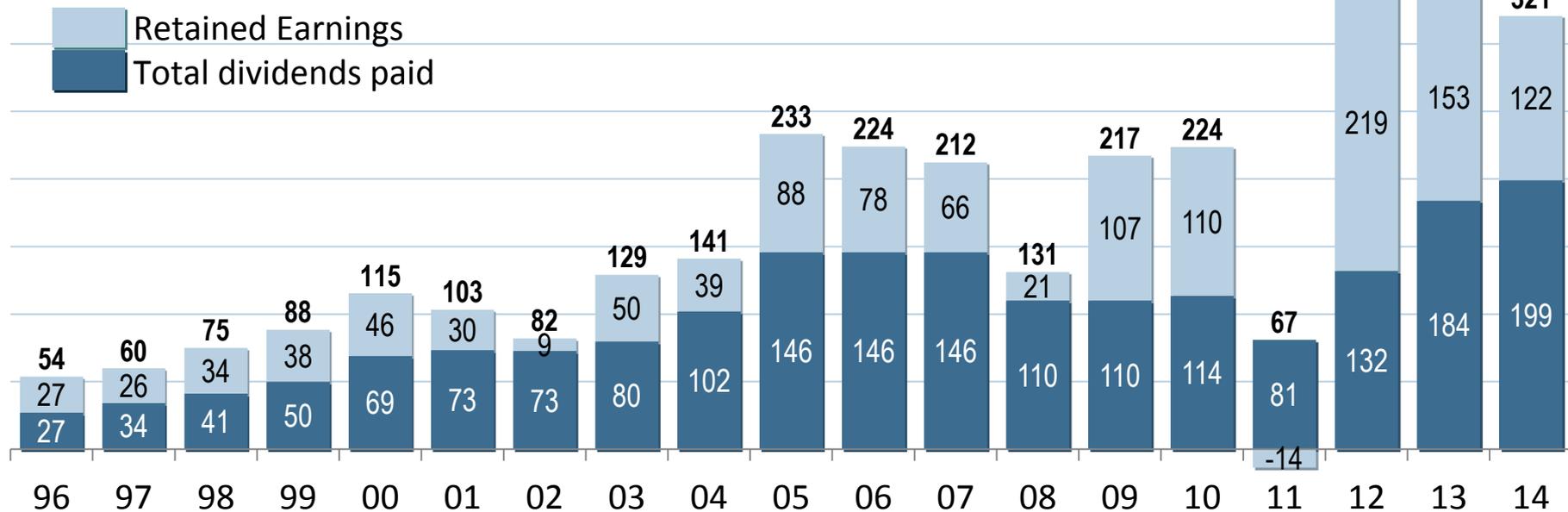
**1.48%**

on a total of  
€ 3,897 bn reported  
by Banca d'Italia

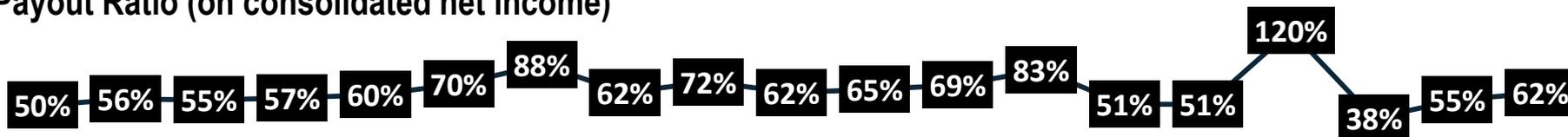


2008 & 2010: adjusted net income excluding effects of 'Lehman Brothers' operation

## Net Income



## Payout Ratio (on consolidated net income)



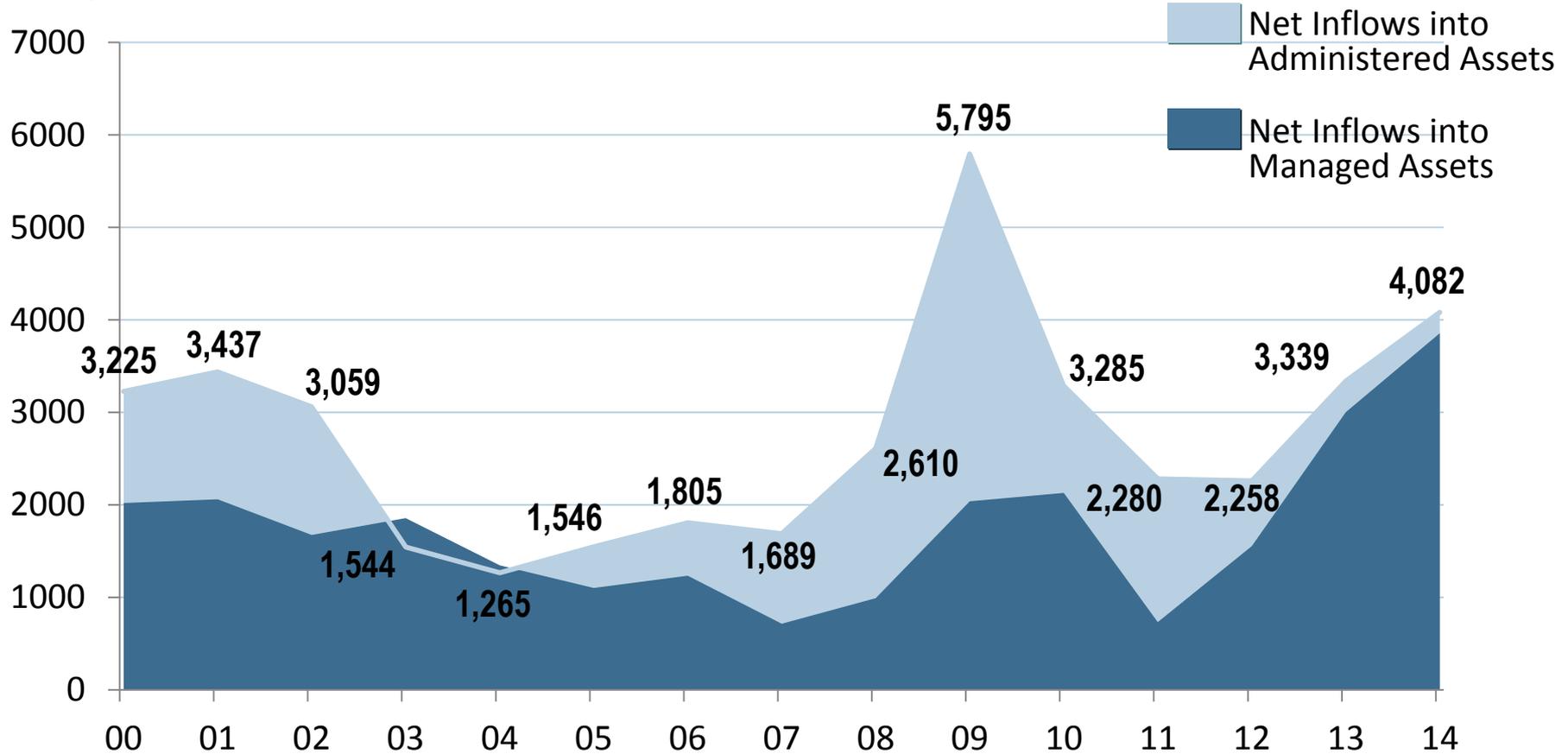
2008 & 2010: adjusted net income excluding effects of 'Lehman Brothers' operation

# Banca Mediolanum

## Total Net Inflows Trend



€ mn



# Italian Sales Networks Ranking by Net Inflows

€ mn - totals by Group



6-YRS PERIOD, 2009 to 2014

Total Net Inflows

o/w Managed Assets

o/w Mutual Funds\*

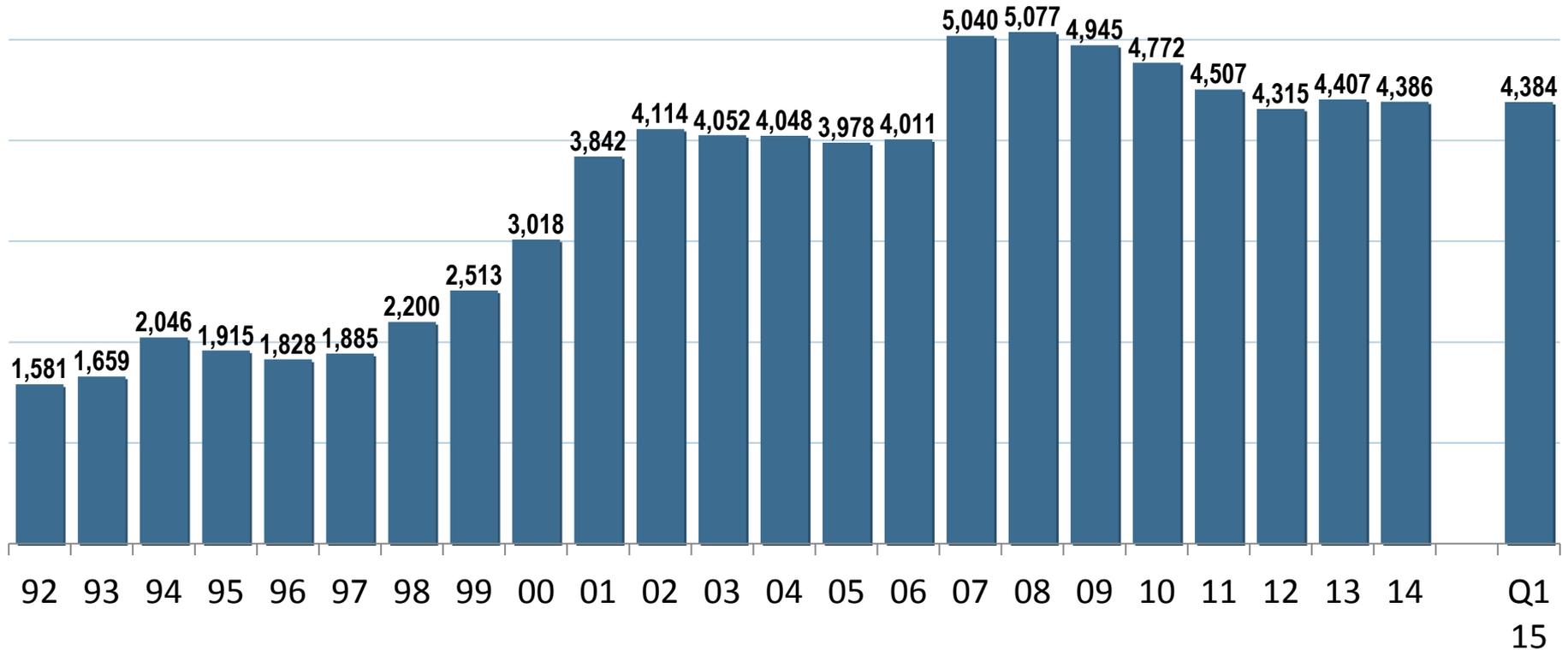
| Mediolanum                       | 21.443        | 12.777        | 15.369        |
|----------------------------------|---------------|---------------|---------------|
| Fideuram (incl. Sanpaolo Invest) | 13.642        | 19.100        | 9.092         |
| Unicredit (Fineco)               | 12.986        | 9.457         | 10.450        |
| Banca Generali                   | 12.493        | 12.398        | 3.307         |
| Allianz Bank                     | 10.074        | 10.465        | 1.532         |
| Azimut                           | 9.656         | 9.464         | 4.733         |
| Deutsche Bank (Finanza&Futuro)   | 5.410         | 5.196         | 2.490         |
| Veneto Banca                     | 1.736         | 1.365         | 773           |
| Credito Emiliano                 | 1.722         | 1.758         | 1.225         |
| UBI                              | 1.537         | 1.272         | 1.177         |
| Monte dei Paschi di Siena        | 535           | 1.096         | 789           |
| Consultinvest                    | 255           | 142           | -16           |
| [...]                            |               |               |               |
| <b>TOTAL ITALIAN NETWORKS</b>    | <b>92.622</b> | <b>85.412</b> | <b>51.913</b> |

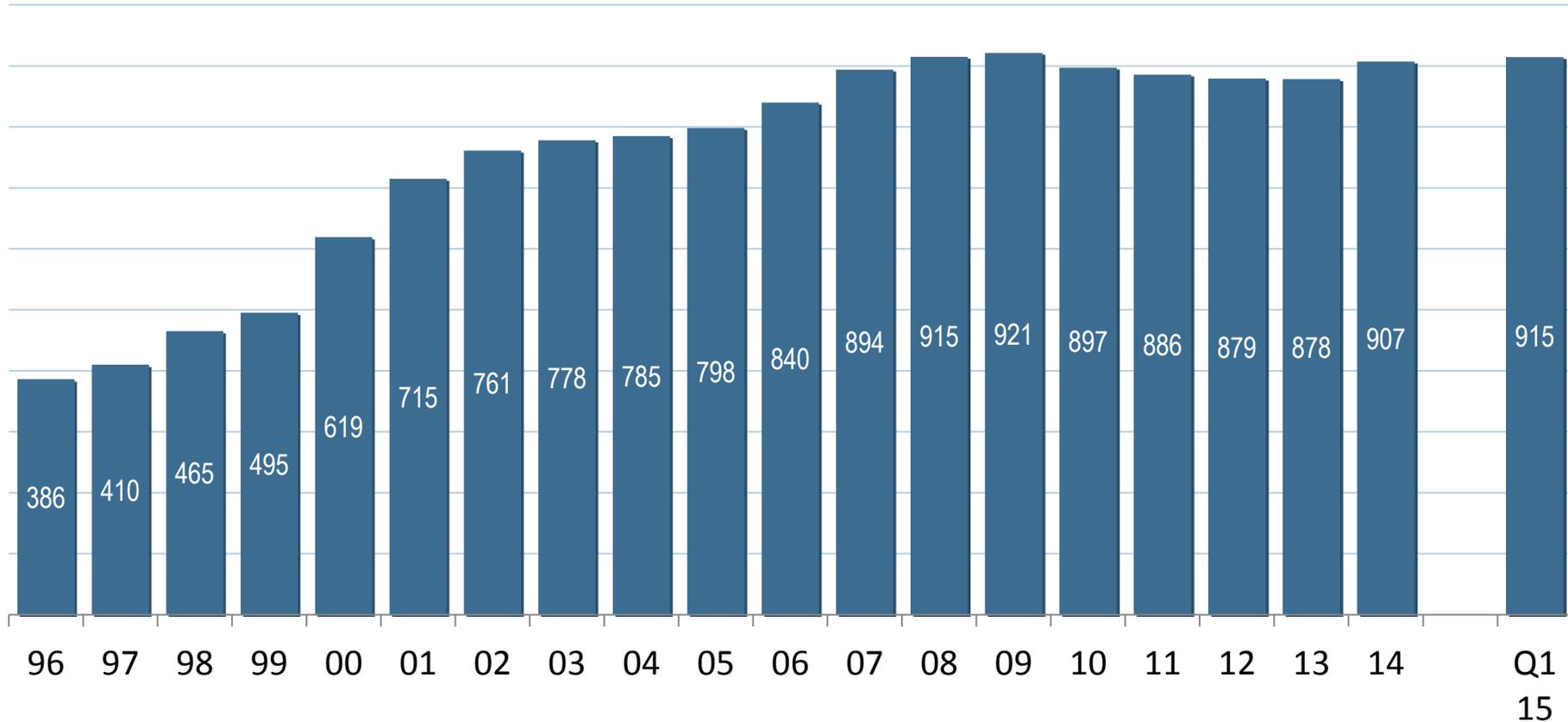
\* not including those underlying Unit-Linked policies

source: Assoreti

# Banca Mediolanum Family Banker<sup>®</sup> Network

Licensed Financial Advisors



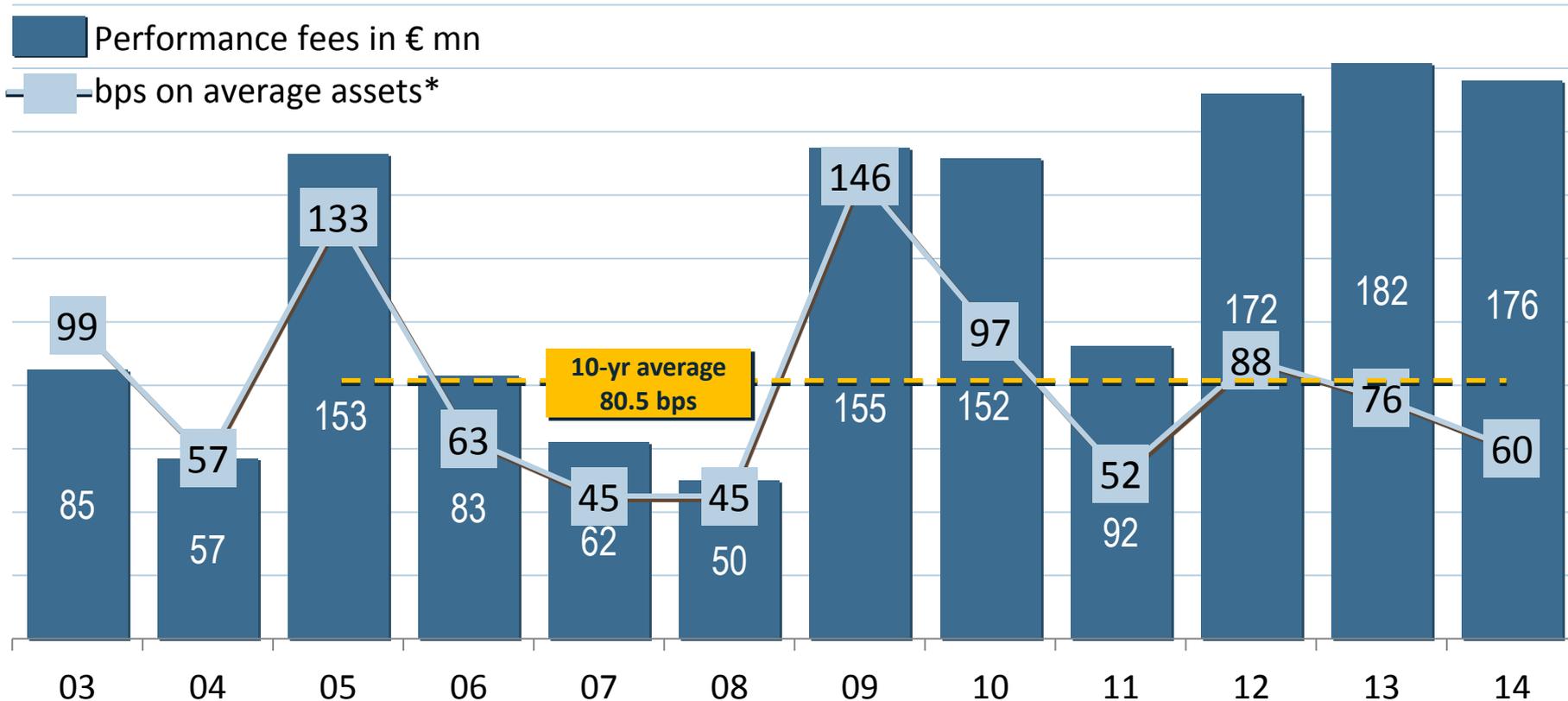


Since March 2005: all new customers are  
required to open a bank account  
as their first product



# Commission Income from Performance Fees

including Unit-Linked policies



\* Calculated only on those funds subject to performance fees

- Launched in the wake of the Lehman Bros. bankruptcy, exploited **Mediolanum's unique situation** in terms of high liquidity & good reputation
- Designed to be the best account in the market for HNW individuals:  
**no remuneration** of deposits **up to € 15,000**; **very appealing interest** paid **on the excess** balance
- Rate offered is **advertised in advance** for each quarter
- In the original 'Freedom', the interest was actually paid on a **Life policy** connected to the current account; this resulted in a **tax rate of 12.5% instead of 27%** for the customer
- Mediolanum's integrated structure & sophisticated software architecture allowed the entire balance to be available to the customer at any time, by **seamlessly moving money** back and forth between the bank account and the Life policy
- After tax reform of 2012 'Freedom' became '**Freedom+**' - a pure banking product
- Switching to 'Freedom+' is encouraged – delivers the same product promise, but entails **lower G&A expenses** and **capital absorption** for Mediolanum



# 'MyLife' Unit-Linked Policy Insurance wrapper for mutual funds

launched March 2014



## Addresses all needs of HNW investors

**Financial planning:** flexible, hassle-free diversification across all investment classes; access to 100+ funds (up to 40% picked from a selection of 3<sup>rd</sup>-party funds)

**Legal protection of investments:** assets cannot be seized or frozen

**Succession planning:** one or more beneficiaries, irrespective of applicable inheritance laws; can be easily modified at any time

**Tax efficiency:** capital gains tax is deferred to the time of policy liquidation.  
No inheritance / income tax is due on amounts received by beneficiaries

## Additional features

### Income drawdown

can be requested at any time; choice of duration (5-15 yrs) & frequency

### Basic Death Benefit included

up to 2.5% of assets depending on age at death. Supplementary coverage also available

### Mediolanum's trademark **investment optimization:**

yields over a pre-set threshold can be automatically set aside and reinvested during market drops

## 'MyLife' Unit-Linked Policy Pricing

- Initial investment:** € 50,000 minimum  
(lump-sum or through 'Double Chance' programmed accumulation plan)
- Up-front fee:** 3% to 0% depending on size of investment (0% above € 1 mn)
- Insurance fee:** 1.75% annually
- Management fees on underlying funds:**  
reduced by using institutional classes wherever available, or through a 50% rebate
- Switch operations** are free up to 3 per year; €50 each thereafter

68 The 4th best known bank brand in Italy

Total brand awareness – Italian banks – 2014

 **UniCredit** 47%

ING  DIRECT 13%

INTESA  SANPAOLO 43%

 **BCC** 13%  
CREDITO COOPERATIVO

 **MONTE  
DEI PASCHI  
DI SIENA** 28%  
BANCA DAL 1472

**BancoPosta** 9%

 **mediolanum** BANCA 20%

**CheBanca!** 7%  
Gruppo Mediobanca

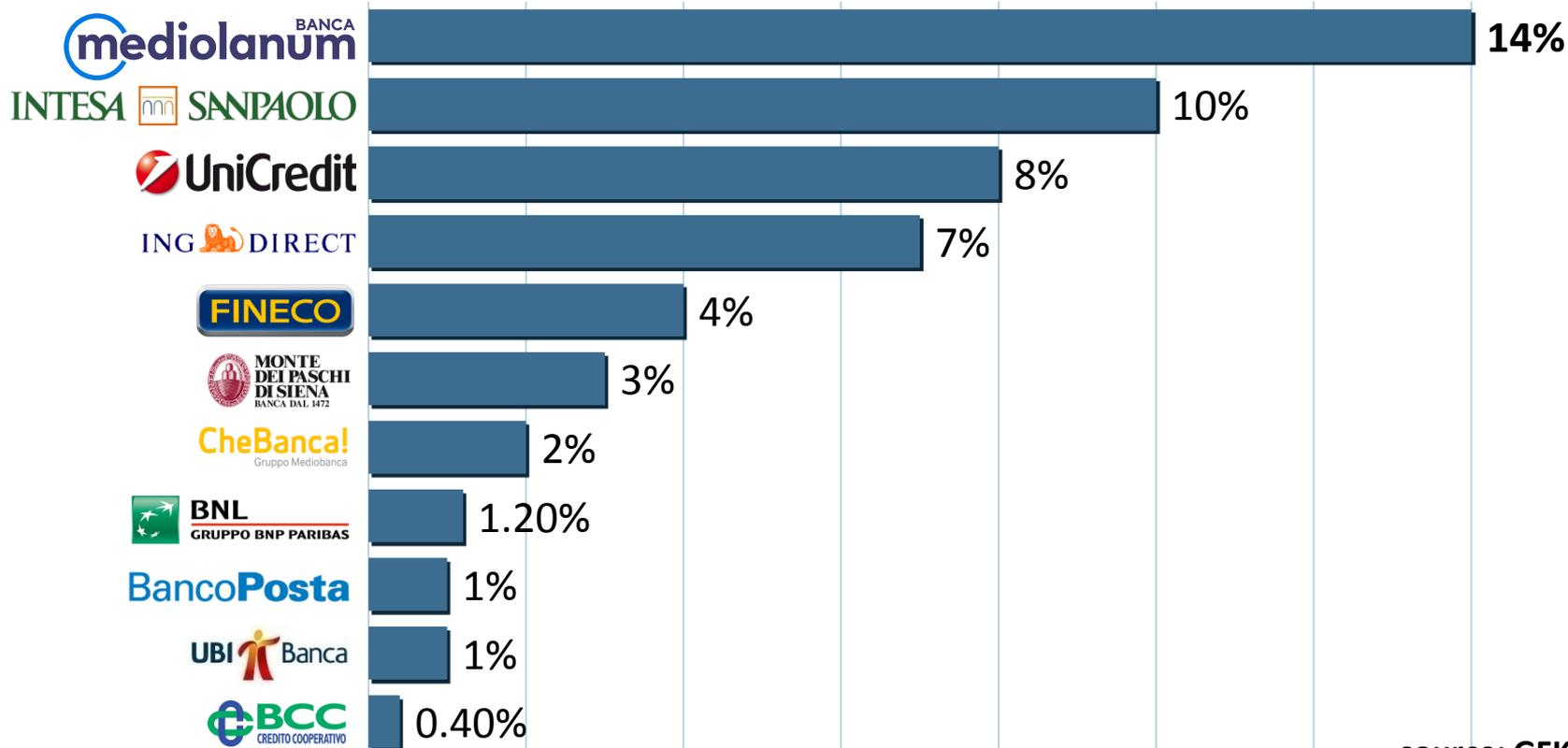
UBI  Banca 5%

 **BNL** 17%  
GRUPPO BNP PARIBAS

 **FINECO** 4%  
THE NEW BANK

# Mediolanum's advertising The most memorable in the banking industry

Spontaneous recall of bank advertising in Italy – 2014



Our ability to generate positive inflows also in bear markets is explained by our **customer-oriented culture** especially embodied in two specific areas:

- The **Investment strategy** we advocate to our customers, providing solutions according to an analysis of each customer's **needs** and based on the concept of '**diversification**'
- Our effective, innovative and committed **Training & Communication strategy**

Our investment strategy  
explains the consistency of our inflows  
& transfers 'technical performance' into 'customer performance'

- We advise our customers proposing products & services that correspond to each of their **specific needs**
- Investor needs remain fundamentally the same, they are **not influenced by market crises**
- We do not engage in stock-picking, tactical asset allocation decisions, or market-timing
- We recommend a series of **diversification** criteria, the most important being time horizon
- **Equity** investments are only considered for the **long term** (>10 yrs) and are diversified across the global economy to further reduce risk
- We strongly advise investors who have a long-term outlook to view **market crises as buying opportunities**

'Best Brands' family of **Funds of branded Funds** unveiled in April 2008

**This is not the 'Open Architecture' approach**

It is impossible for a private investor to choose among a supermarket-like offer of thousands of funds, if not on the very risky basis of past performance

Synergy of the best A.M. companies' expertise & pursuit of quality and Mediolanum's capacity to select & coordinate asset managers & give high quality advice to customers

Funds of **single-brand** funds (the 'Selection' series) are Mediolanum products but also carry the name of the underlying funds' asset manager

Funds of **multi-brand** funds (the 'Collection' series) do not utilise the underlying brands in the fund name, however they are used in marketing and advertising material

## Training & Communication: Mediolanum Corporate University



- Inaugurated March 2009
- Centralises our training know-how, in coordination with top universities, professors and individuals who are experts in the field
- Provides our Family Bankers & employees with a resource for life-long education
- Develops financial education programs dedicated to our customers & the community



## A proprietary state-of-the-art tool established in 1989

Encrypted programs to train, motivate & communicate with our Family Bankers

- Financial news commented by top company executives
- Company news & product information
- Online training course support
- Inspirational thoughts for personal motivation & sales techniques



**Daily specials dedicated to crisis-related topics  
were added to the ongoing programming  
in 2008, 2009 & 2011**

- **10,238 events** held in 2014 (+26% vs. 2013):  
local & high-level events, sports events (e.g. Giro d'Italia), talk shows, etc.
- 430,000 participants (customers and perspective customers) per year

### Results are measurable:

- Net inflows into managed assets of invited customers in the 3 months post-event
- expenses are reimbursed to Family Bankers only if set commercial target is met (84% of the times in 2014)
- Average commercial value of media coverage is also regularly tracked

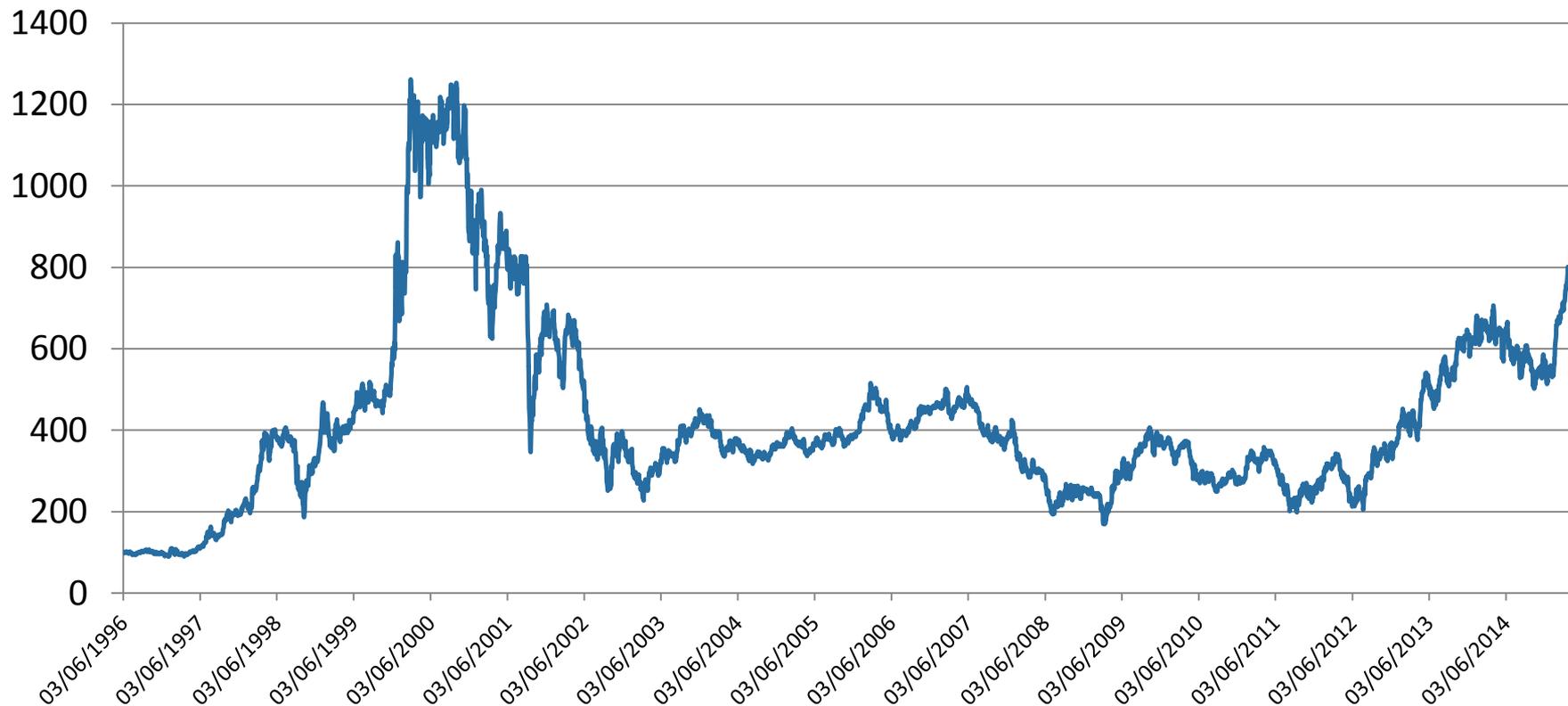


# Ranking of Italian Banking Groups by Market Capitalisation

as at 24/04/2015



# Total Return Index\*



\* includes dividend reinvestment, June 3, 1996 – April 24, 2015

source: Datastream



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## **DECLARATION BY THE SENIOR MANAGER IN CHARGE OF DRAWING UP COMPANY ACCOUNTS**

The undersigned, Mr. Luigi Del Fabbro, declares, pursuant to Section 154 bis (2) of Legislative Decree 58/98 "*Testo Unico della Finanza*", that the accounting data set out in this presentation agree with the documentary records, books and accounting entries.

The senior manager in charge of drawing up Company Accounts

Luigi Del Fabbro

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