



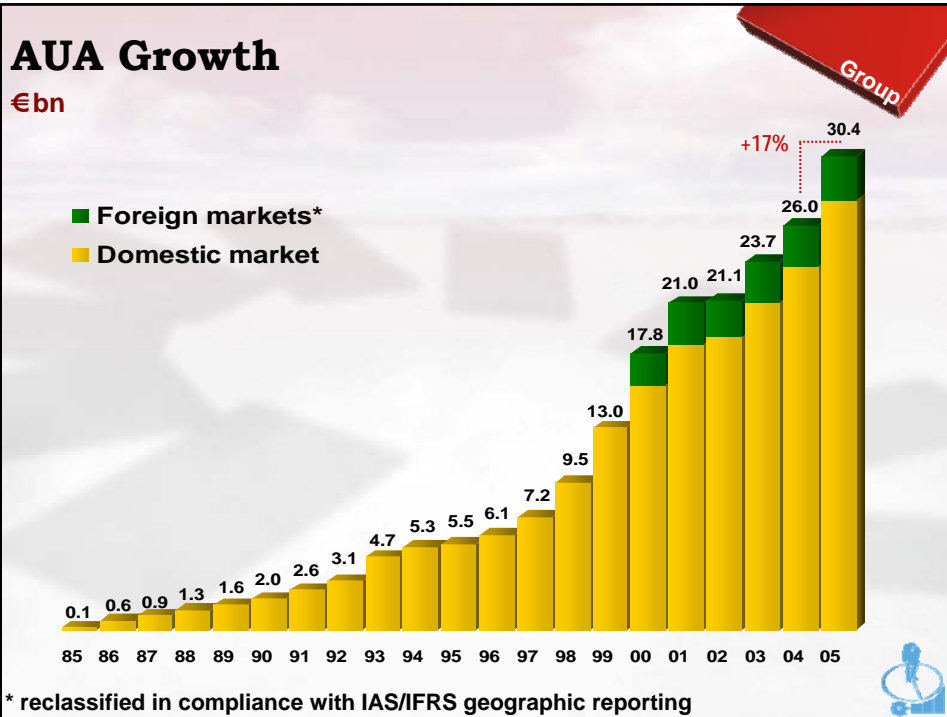
## Annual General Meeting FY 2005 Results

April 27, 2006

### FY 2005 Group Highlights

<b>AuA</b>	<b>30.4 €bn</b>	<b>+17%</b>
<b>Profit before Tax</b>	<b>290 €mn</b>	<b>+35%</b>
<b>Net Income</b>	<b>233 €mn</b>	<b>+42%</b>
<b>Embedded Value</b>	<b>2,951 €mn</b>	<b>+18%</b>
<b>New Bank Accounts</b>	<b>81,000</b>	<b>+65%</b>

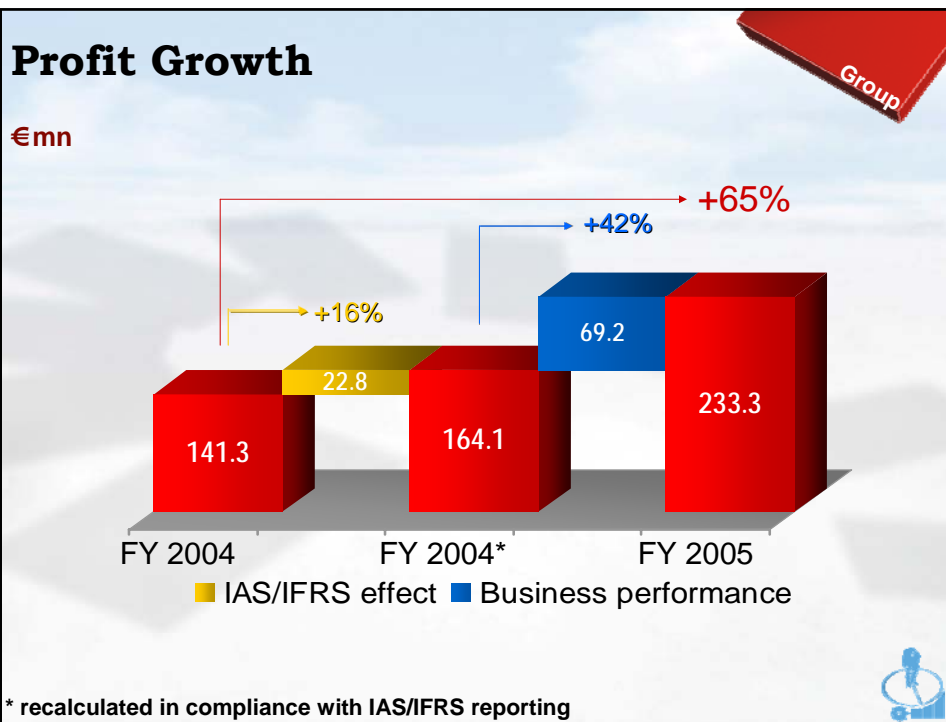




## Assets under Administration

€mn

	31/12/05	31/12/04	Change
Life	12,248.6	10,106.8	+21%
Asset management	14,082.7	10,962.2	+28%
Bank	4,759.6	4,424.1	+8%
Consolidation adjustments	(6,285.2)	(4,499.0)	-40%
'Banca Esperia' (48.5%)	2,750.0	2,340.6	+17%
<b>Domestic Market's Assets</b>	<b>27,555.6</b>	<b>23,334.7</b>	<b>+18%</b>
Life	315.7	223.1	+42%
Asset management	1,117.7	1,099.7	+2%
Bank	1,442.8	1,332.0	+8%
Other	225.4	256.4	-12%
Consolidation adjustments	(258.2)	(269.9)	+4%
<b>Foreign Markets' Assets</b>	<b>2,843.5</b>	<b>2,641.4</b>	<b>+8%</b>
<b>AUA</b>	<b>30,399.1</b>	<b>25,976.1</b>	<b>+17%</b>



## Income Statement

€mn

	FY05	FY04	Change
Net premiums written	2,448.7	2,295.2	+7%
Total commission income	576.8	424.8	+36%
Financial margin	77.2	65.8	+17%
Net income on other investments*	27.0	19.3	+40%
Other revenues	29.5	27.8	+6%
<b>Total Revenues</b>	<b>3,159.3</b>	<b>2,832.8</b>	<b>+12%</b>
Amounts paid & change in reserves	(2,267.4)	(2,119.9)	-7%
Commission expense & acquisition costs	(277.2)	(229.1)	-21%
G&A expenses	(256.5)	(229.3)	-12%
Other	(68.2)	(38.7)	-76%
<b>PROFIT BEFORE TAX</b>	<b>290.0</b>	<b>215.8</b>	<b>+34%</b>
Tax	(56.6)	(51.7)	-10%
<b>NET INCOME</b>	<b>233.3</b>	<b>164.1</b>	<b>+42%</b>

\* Banca Esperia included using the equity method (7.7 mn euro)

## 2005 Dividend Proposal

Group

**Dividend per share** 0.20 €

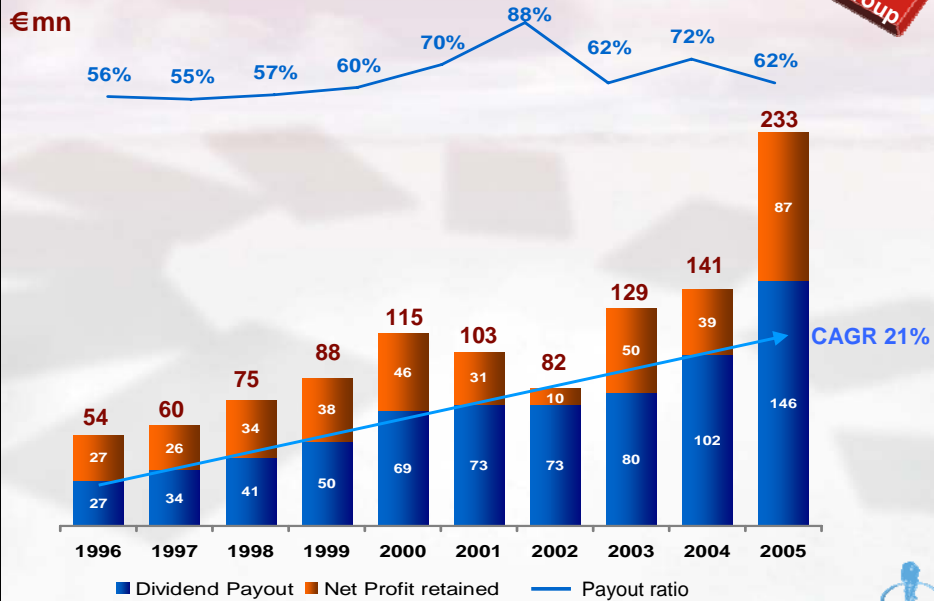
**Total amount of dividends to be paid** 146 € mn

**Dividend payout ratio** 62%



## Dividend Payout Trend

Group



Domestic  
Market

## FY 2005 Results: Domestic Market

*NB: In compliance with the IAS/IFRS accounting standards,  
Banca Esperia data are included in Domestic figures.  
A detailed presentation is provided in Banca Esperia Highlights.*



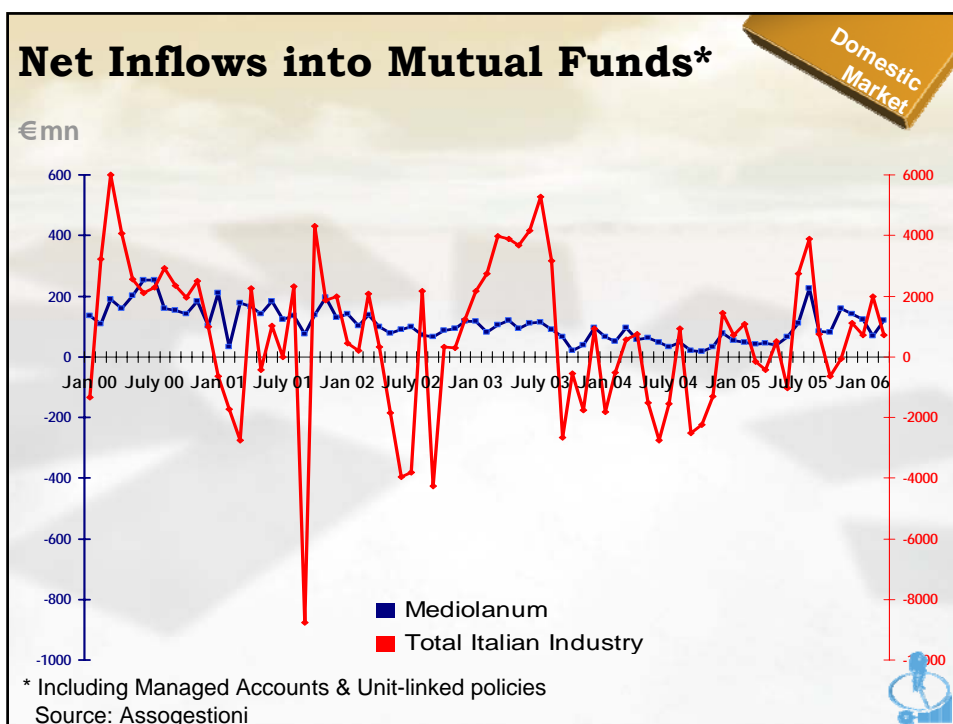
## Income Statement

€ mn

	FY05	FY04	Change
Net premiums written	2,432.0	2,284.3	+6%
Total commission income	503.8	375.5	+34%
Financial margin	66.7	58.0	+15%
Net income on other investments*	25.9	15.3	+70%
Other revenues	28.4	26.9	+6%
<b>Total Revenues</b>	<b>3,056.9</b>	<b>2,759.9</b>	<b>+11%</b>
Amounts paid & change in reserves	(2,250.3)	(2,108.9)	-7%
Commission expense & acquisition costs	(239.1)	(204.3)	-17%
G&A expenses	(214.1)	(190.5)	-12%
Other	(49.2)	(32.8)	-50%
<b>PROFIT BEFORE TAX</b>	<b>304.3</b>	<b>223.5</b>	<b>+36%</b>
Tax	(54.4)	(50.7)	-7%
<b>NET INCOME</b>	<b>249.9</b>	<b>172.8</b>	<b>+45%</b>

\* Banca Esperia included using the equity method (7.7 mn €)





## Life Gross Premiums Written

Domestic Market

€mn

	FY05	FY04	Change
U-L Pension plans*	110.8	104.6	+6%
U-L Investment policies (Life Funds, Alternative Funds)	99.5	71.0	+40%
<b>Recurring policies (AP)</b>	<b>210.3</b>	<b>175.6</b>	<b>+20%</b>
Trad/Group/Investment policies	6.4	8.3	-23%
U-L policies (Alternative Funds, Life Funds)	325.5	225.9	+44%
I-L policies (Dipiù)	805.4	1,048.6	-23%
I-L policies (Dipiù w/promo loadings)	154.0	---	n.s.
<b>Single premium policies (SP)</b>	<b>1,291.4</b>	<b>1,282.8</b>	<b>+1%</b>
<b>TOTAL NEW BUSINESS</b>	<b>1,501.7</b>	<b>1,458.4</b>	<b>+3%</b>
Pension plans in-force	759.2	700.8	+8%
Investment policies in-force	195.9	149.9	+31%
<b>TOTAL IN-FORCE BUSINESS</b>	<b>955.1</b>	<b>850.7</b>	<b>+12%</b>
<b>TOTAL GROSS PREMIUMS WRITTEN</b>	<b>2,456.8</b>	<b>2,309.1</b>	<b>+6%</b>
<i>o/w Life financial contracts</i>	<i>17.5</i>	<i>17.8</i>	<i>-2%</i>
<i>o/w equity on U-L products</i>	<i>70%</i>	<i>68%</i>	<i>+3%</i>


\* Includes automatic increase in premiums & discretionary increases paid

**Life**  
**Commission Income on U-L**  
€mn

Domestic Market

	U-L products			Total*		
	'05	'04	Change	'05	'04	Change
Entry fees	---	---	---	37.7	24.9	+51%
Management fees	111.6	85.6	+30%	248.1	210.5	+18%
Performance fees	68.5	20.1	+241%	146.1	55.4	+164%
<b>TOTAL</b>	<b>180.1</b>	<b>105.7</b>	<b>+70%</b>	<b>431.9</b>	<b>290.8</b>	<b>+49%</b>


\* on all mutual fund underlying products



**Asset Management**  
**Gross Inflows**  
€mn

Domestic Market

	FY05	FY04	Change
Equity funds	672.5	448.9	+50%
Bond funds	348.7	189.7	+84%
Monetary funds	463.2	408.6	+13%
<b>Total 'unbundled' mutual funds</b>	<b>1,484.4</b>	<b>1,047.3</b>	<b>+42%</b>
'Elite' funds of funds	60.1	48.7	+23%
'Mix' accounts	156.4	215.4	-27%
'Chorus' managed accounts	70.5	98.5	-28%
'Portfolio' funds of funds	156.1	---	n.s.
<b>Total 'bundled' mutual funds</b>	<b>443.1</b>	<b>362.7</b>	<b>+22%</b>
<i>o/w equity</i>	300.1	263.4	+14%
<b>TOTAL GROSS INFLOWS INTO A. M. PRODUCTS</b>	<b>1,927.4</b>	<b>1,409.9</b>	<b>+37%</b>
<i>o/w equity</i>	50.5%	50.5%	+0%



## Asset Management Commission Income

€mn

Domestic  
Market

	A.M.			Total*		
	'05	'04	Change	'05	'04	Change
Entry fees	37.7	24.9	+51%	37.7	24.9	+51%
Management fees	136.5	124.9	+9%	248.1	210.5	+18%
Performance fees	77.6	35.3	+120%	146.1	55.4	+164%
<b>TOTAL</b>	<b>251.8</b>	<b>185.1</b>	<b>+36%</b>	<b>431.9</b>	<b>290.8</b>	<b>+49%</b>

\* on all mutual fund underlying products



## Bank Accounts & Account Holders

Domestic  
Market

	31/12/05	31/12/04	Change
Active bank accounts	392,400	344,000	+14%
Primary bank account holders	362,600	312,500	+16%






**Bank Revenues**  
€mn

Domestic Market


	FY05	FY04	Change
<b>Financial Margin</b>	<b>58.2</b>	<b>52.3</b>	<b>+11%</b>
Securities	12.0	12.0	+0%
Other service fees	28.4	41.1	-31%
<i>o/w fees from 3rd party mortgages</i>	<i>5.1</i>	<i>19.4</i>	<i>-74%</i>
<b>Service Margin</b>	<b>40.4</b>	<b>53.1</b>	<b>-24%</b>
<b>BANK REVENUES</b>	<b>98.6</b>	<b>105.4</b>	<b>-6%</b>

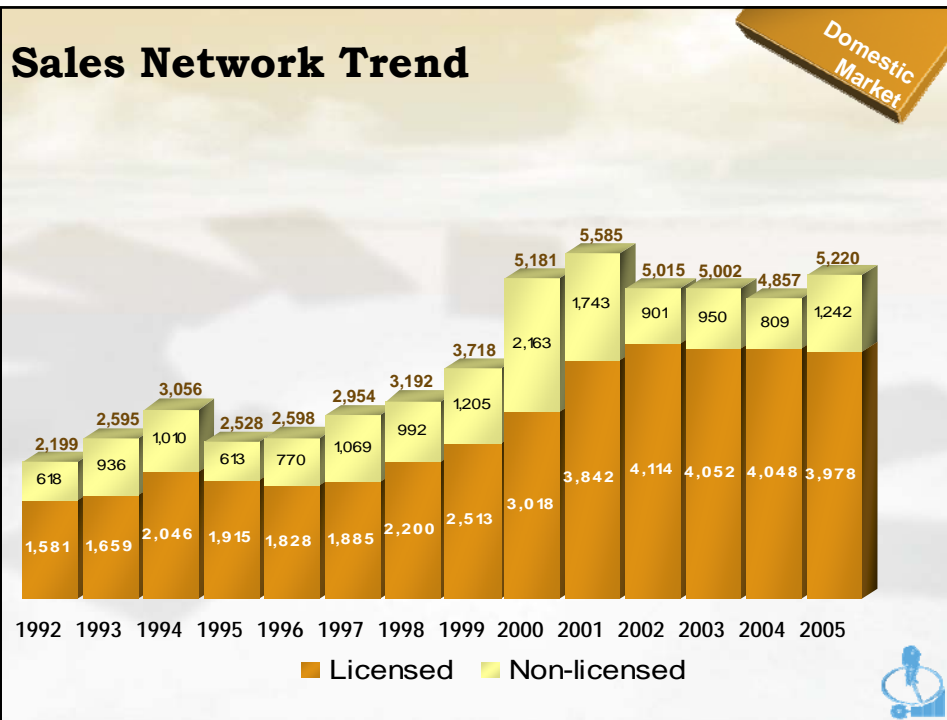


**Sales Network**

Domestic Market

	31/12/05	31/12/04	Change
Licensed Financial Advisors	3,978	4,048	-2%
Non-licensed Financial Advisors	1,242	809	+54%
<b>Banca Mediolanum</b>	<b>5,220</b>	<b>4,857</b>	<b>+7%</b>
<i>o/w Financial Executives</i>	<i>705</i>	<i>782</i>	<i>-10%</i>
<b>Partner Time</b>	<b>616</b>	<b>628</b>	<b>-2%</b>
<b>TOTAL NETWORK</b>	<b>5,836</b>	<b>5,485</b>	<b>+6%</b>





## Banca Esperia (100%) Highlights

Domestic Market

€mn

	FY05	FY04	Change
Profit before Tax	23.2	10.6	+119%
Net Income	15.0	8.5	+76%
<i>o/w Mediolanum share</i>	7.3	4.1	+76%
Assets under Administration	5,670	4,826	+17%
<i>% in Managed Assets</i>	82.2%	82.4%	+0%
Gross Inflows	1,854	2,531	-27%
<i>o/w Managed Savings</i>	1,695	2,277	-26%
Net Inflows	701	1,643	-57%
<i>o/w Managed Savings</i>	542	1,389	-61%
Private Bankers	54	48	+13%
Clients	2,082	1,804	+15%

## FY 2005 Results: Foreign markets

*NB: In compliance with the IAS/IFRS accounting standards,  
Banca Esperia data are now included in Domestic figures.  
FY 2004 figures are restated accordingly.*



## Income Statement

€mn


	FY05	FY04	Change
Net premiums written	16.7	10.9	+53%
Total commission income	73.5	50.0	+47%
Financial margin	10.5	7.8	+35%
Net income on other investments	1.1	4.0	-73%
Other revenues	1.1	1.3	-18%
<b>Total Revenues</b>	<b>102.9</b>	<b>74.1</b>	<b>+39%</b>
Amounts paid & change in reserves	(17.2)	(11.0)	-56%
Commission expense & acquisitions costs	(38.6)	(25.6)	-51%
G&A expenses	(42.4)	(39.3)	-8%
Other	(4.2)	(5.9)	+28%
<b>PROFIT BEFORE TAX</b>	<b>0.5</b>	<b>(7.7)</b>	<b>n.s.</b>
Net adjustment to Gamax value	(14.8)	---	n.s.
Tax	(2.3)	(1.1)	-111%
<b>NET INCOME</b>	<b>(16.6)</b>	<b>(8.7)</b>	<b>-89%</b>



**Spain**  
**Income Statement**  
€mn

Foreign Markets


	FY05	FY04	Change
Total revenues	62.5	50.7	+23%
Total costs	(59.4)	(52.5)	-13%
<b>Operating Result</b>	<b>3.1</b>	<b>(1.8)</b>	<b>+271%</b>
Capital gain	1.0	3.9	-75%
<b>Profit before Tax</b>	<b>4.0</b>	<b>2.1</b>	<b>+88%</b>
Tax	(0.6)	(0.6)	-1%
<b>SPAIN NET INCOME</b>	<b>3.4</b>	<b>1.5</b>	<b>+125%</b>



**Spain**  
**Network**

Foreign Markets

	31/12/05	31/12/04	Change
Financial Advisors (Mediolanum model)	419	453	-8%
Commercial Agents & Employees (Traditional model)	62	63	-2%
<b>Spain: Fibanc</b>	<b>481</b>	<b>516</b>	<b>-7%</b>
<b>Part-time Agents</b>	<b>134</b>	<b>110</b>	<b>+22%</b>
<b>SPAIN TOTAL NETWORK</b>	<b>615</b>	<b>626</b>	<b>-2%</b>



## Germany - B.A. Lenz Highlights



€mn	FY05	FY04	Change
Net Income	(9.2)	(10.8)	+15%
Assets under Administration	56.9	53.3	+7%
<i>o/w Managed Savings</i>	29.8	17.4	+71%
Gross Inflows	6.4	(16.0)	+140%
Net Inflows	2.3	(19.6)	+112%
<i>o/w Managed Savings</i>	8.8	12.9	-32%
<i>o/w Administered Savings</i>	(6.5)	(32.5)	+80%
Financial Advisors	55	98	-44%
<i>Productivity (€)</i>	1,264	896	+41%
Customers	4,661	5,679	-18%

## Gamax Highlights



€mn	FY05	FY04	Change
Net Income	4.9	1.6	+196%
Assets under Administration	618.7	571.8	+8%
<i>o/w 3rd party funds</i>	224.0	185.0	+21%
Gross Inflows	95.3	95.0	+0%
<i>o/w 3rd party funds</i>	45.9	31.8	+44%
Net Inflows	(63.5)	(44.3)	-43%





## '4Freedoms' Project

**Mediolanum's strategic priority**

Our most important strategic priority is to develop into a **large retail bank**

We are changing **emphasis** from being a pure asset gatherer to being a fully fledged bank

But we are **not negating** our mission of gathering assets

▼

**Rather, as a 'full status' bank we are in the strategic position to facilitate the acquiring of assets**

## Traditional banks & asset growth

'4 Freedoms'

Italians invest their money where they have a bank account, with assets often distributed among more than one bank

Traditional banks **can do very little** to use this situation to their advantage in order to increase customers & assets

Their only option is to **'reproduce' proximity** to the customer by opening new branches



**But this proposition is not at all practical**



## Technology's effect on bank customers

'4 Freedoms'

There is a growing **frustration** towards the traditional structure of branches tightly linked to 'time & place'

The consumers' use of **technology** in everyday life is accelerating rapidly



**Customers are starting to demand freedom in the full use of banking services**



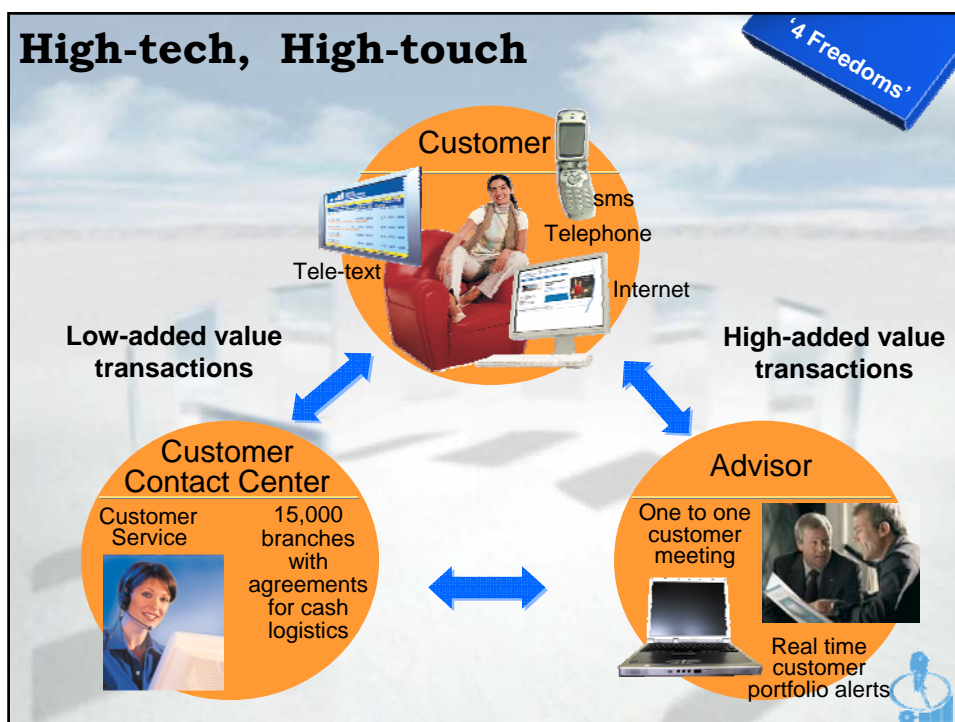
**Mediolanum offers 'freedom in banking'**

The Mediolanum model invalidates the concept of proximity

With our bank **total proximity is always 'on'**

Freedom in Banking

'4 Freedoms'





## Drivers of our strategic priority

'4 Freedoms'



**New customer acquisition**  
via the bank account,  
with aggressive pricing



**Development of the customer**  
via cross selling,  
where we have unparalleled skill



## Rationale of our strategic priority

'4 Freedoms'

**Bank customers who use our bank account  
as their primary account give us 4 to 6 times  
more assets than non-bank customers**

	as at February 28, 2006	
	Avg. AUA €	Cross-Selling*
Non-bank customers	14,534	1.42
Bank customers	48,199	3.90
Bank customers/active users**	55,927	4.92
Non-bank customers > age 55	21,065	1.37
Bank customers/active users > age 55	116,315	4.84

\* out of 12 products; bank accounts, credit cards, stock portfolio, mutual funds, managed accounts, index-linked policies, pension plans, other life products, non-life products, home mortgages, direct channels (0-2)

\*\* 12 non-automatic transactions/operations per quarter



## '4 Freedoms' project

'4 Freedoms'

**Objective: significantly increase bank customers via opening of bank accounts**

-  **New competitive product:**  
Riflex account & Riflex card
-  **Clear promise:** simplicity, full transparency & great convenience at no cost. No asterisks
-  **Memorable & convincing Advertising Campaign,** run on all media
-  Thousands of **Collective Sales Efforts**
-  **Promotional Events** at a grass-root level held in towns all over Italy
-  **Network incentives**



## New bank accounts opened\*

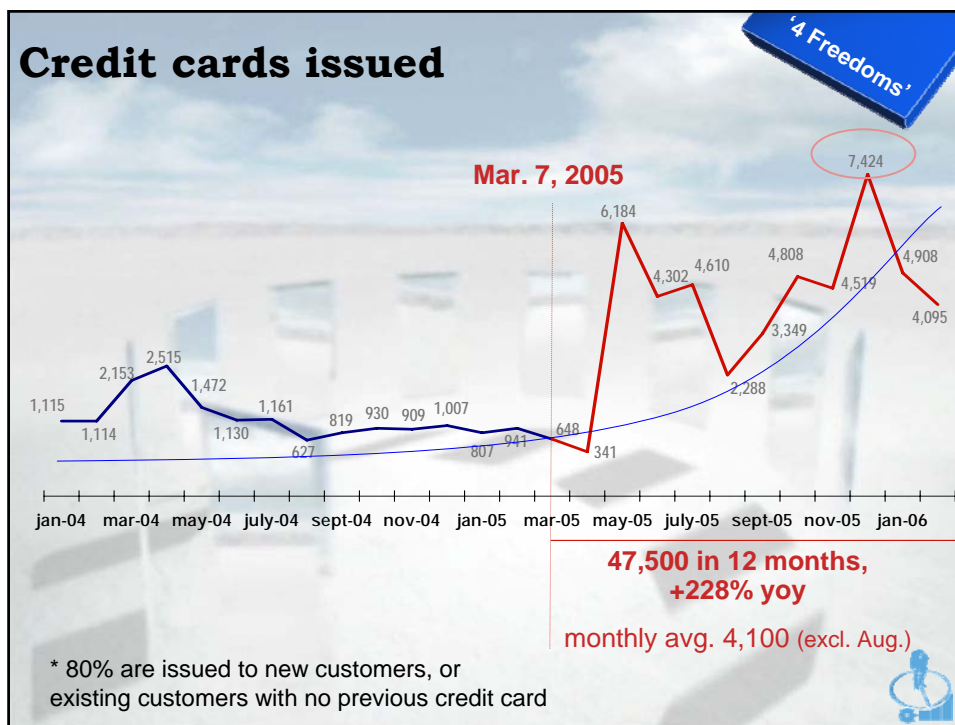
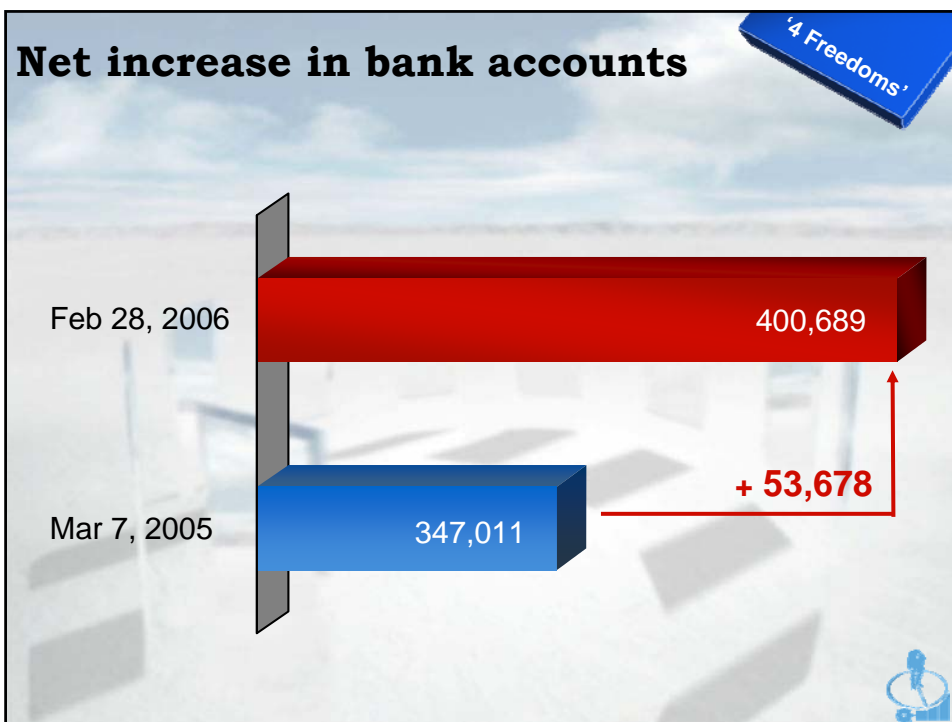
All account types, excluding conversions

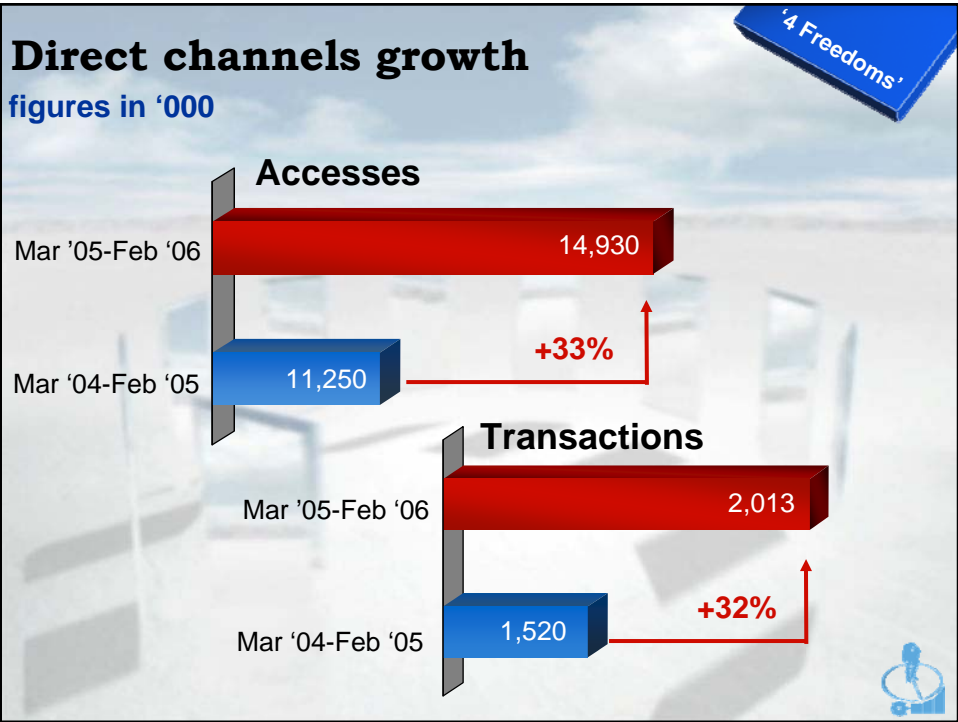
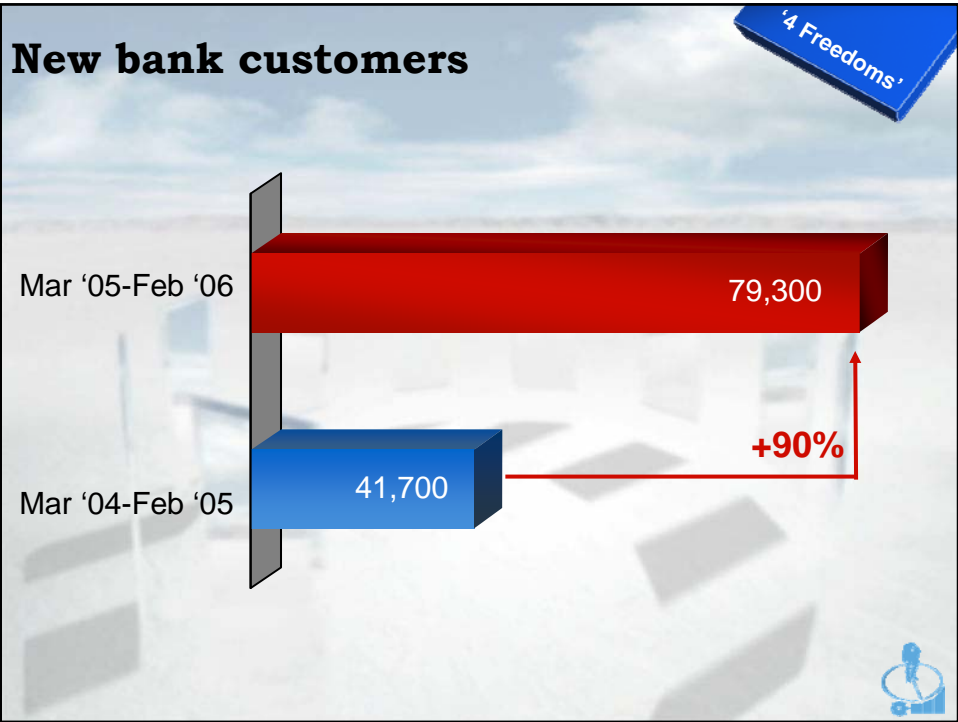
'4 Freedoms'



\* 54% are opened by new customers







## Increase in Assets

New Bank Customers acquired in Mar/Apr '05



€ avg.

	28/02/06	30/04/05	Change
<b>Total no. customers: 5,064</b>			
Bank account	4,840	4,668	+4%
Securities	2,290	699	+228%
Managed savings products	13,393	5,090	+163%
<b>Total assets per customer</b>	<b>20,523</b>	<b>10,457</b>	<b>+96%</b>
<b>Active no. customers*: 1,884</b>			
Bank account	6,613	4,696	+41%
Securities	2,210	678	+226%
Managed savings products	10,148	2,649	+283%
<b>Total assets per customers</b>	<b>18,971</b>	<b>8,023</b>	<b>+136%</b>
<b>Non-active no. customers*: 3,180</b>			
Bank account	3,789	4,651	-19%
Securities	2,337	711	+229%
Managed savings products	14,687	6,537	+125%
<b>Total assets per customer</b>	<b>20,813</b>	<b>11,899</b>	<b>+75%</b>

\* in the period Dec '05 - Feb '06