

January 9-10, 2008



## European & Asian Insurance Conference

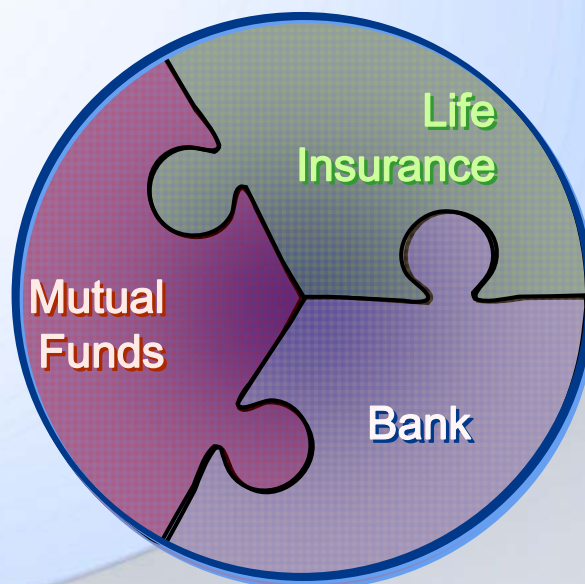


2

CA Cheuvreux  
Conference  
2008

## Mediolanum integrated structure

We integrate the asset gathering business of  
Life & mutual funds with the banking business...



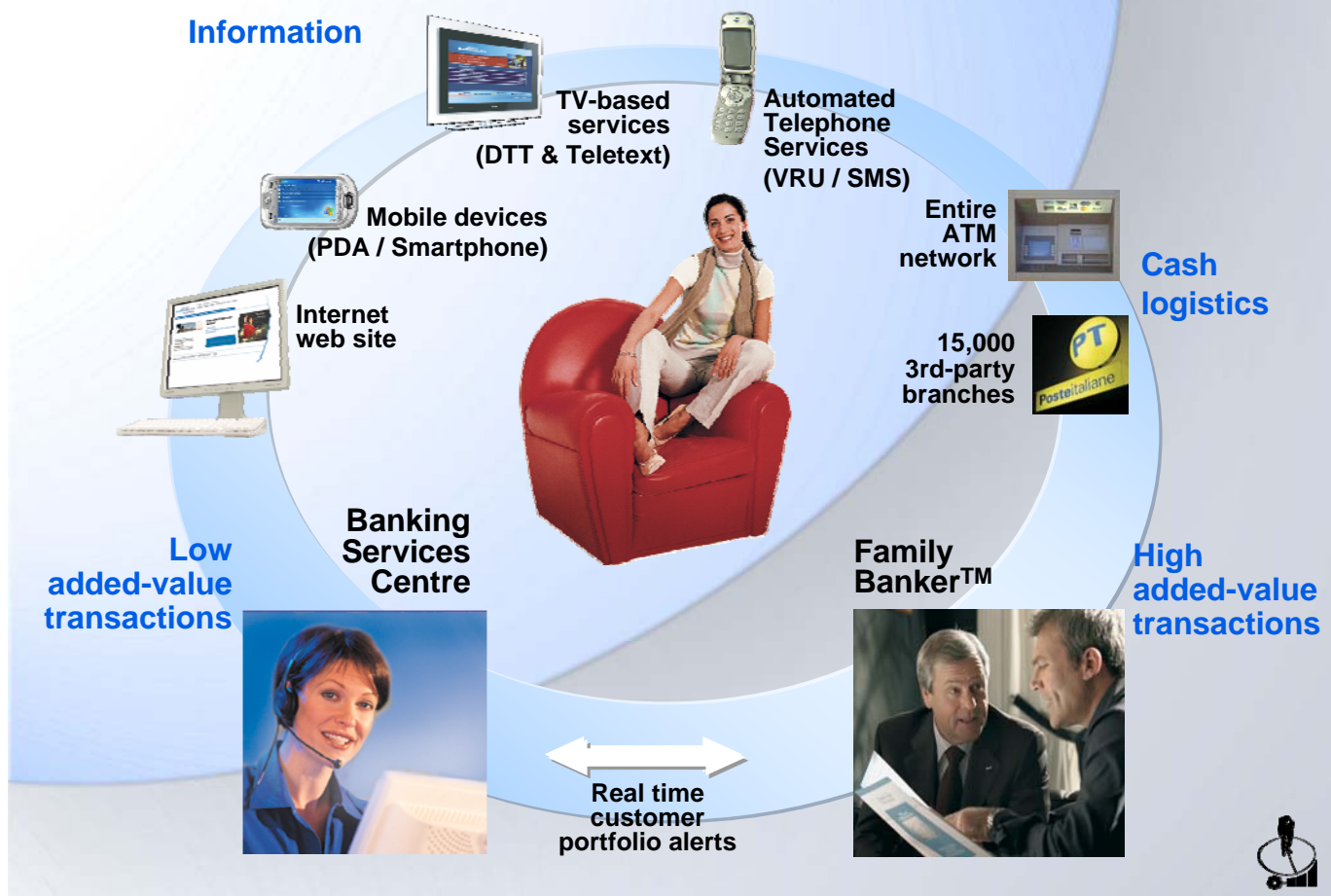
...on the strength of an **avant-garde model**



# The all-around bank

3

CA Cheuvreux  
Conference  
2008



## Five-star service delivery

4

CA Cheuvreux  
Conference  
2008

- ★ A great degree of **flexibility**
- ★ Total **integration** of the different channels
- ★ Extremely quick **response time**
- ★ **Rapid handling** of issues in the Banking Services Center
- ★ Peerless **competency** of the Family Banker

# Drivers of growth

**Asset growth is fuelled by:**

## **1. Development of customers' 'share of wallet'**




Growth in the number of advisors



## **2. Increase in the number of new customers**








# Our strategic growth projects

-  **'4Freedoms'** customer acquisition project
-  **'ICoNA'** network recruiting project
-  **'Pension Reform'** I.P.P. market leadership project



# '4Freedoms'

## Customer acquisition project

-  **Comprehensive marketing plan:** to increase number of customers who have a bank account with us & use it actively
-  **Fact:** Italians invest their money where they keep their bank account(s)
-  **Our model:** multi-channel, branchless yet incorporating the human touch, offers a 'low or no-cost' account, a high level of service delivery & flexibility, and no dependence on proximity
-  **Experience:** after a few months active customers close their other accounts and shift their assets to us
-  **Rationale:** active bank customers have 4 to 6 times greater assets than customers without the bank account

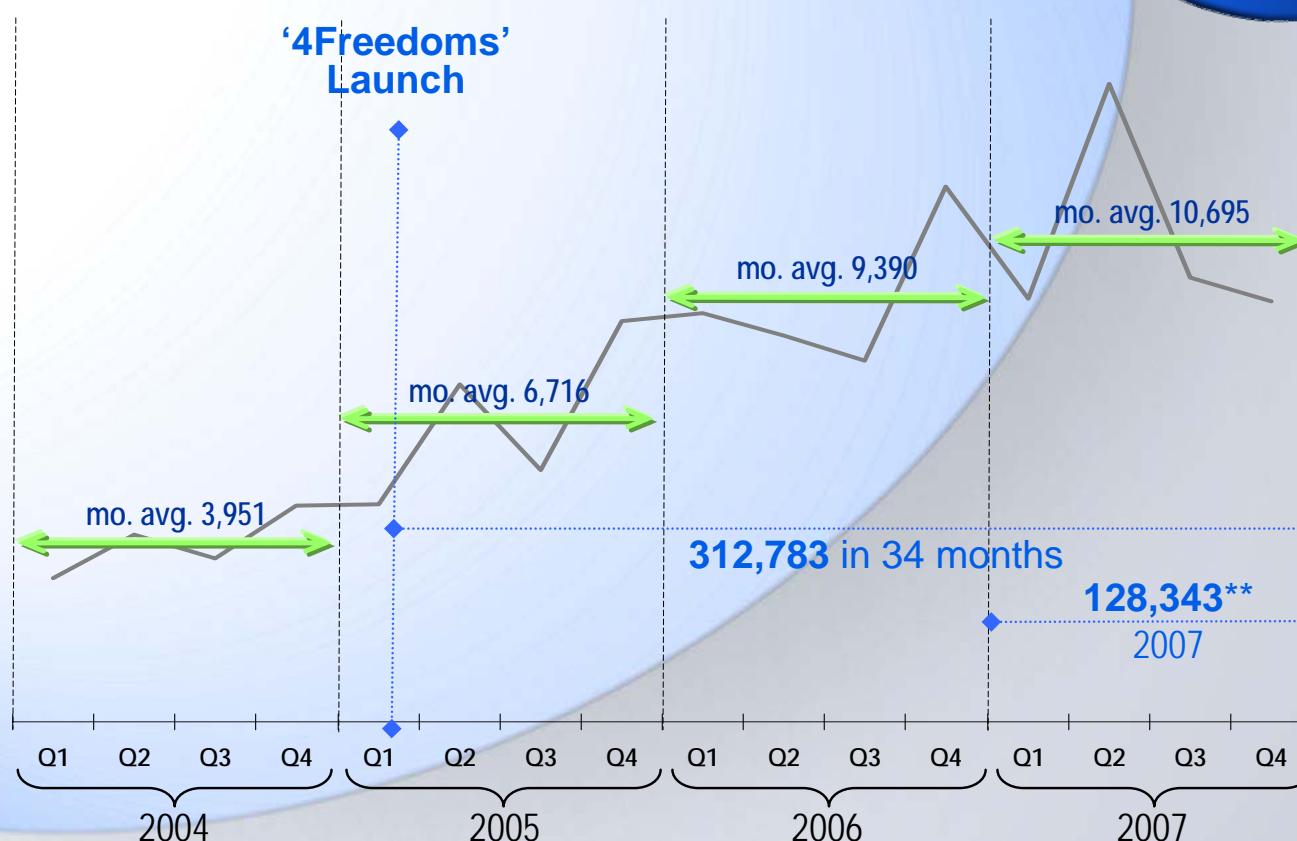


**The banking business is the key to asset growth**

Our competitors are the traditional banks that hold 94% of Italian household assets



## Bank account openings\*



\* excluding conversions

\*\* o/w 75% opened by customers new to Mediolanum



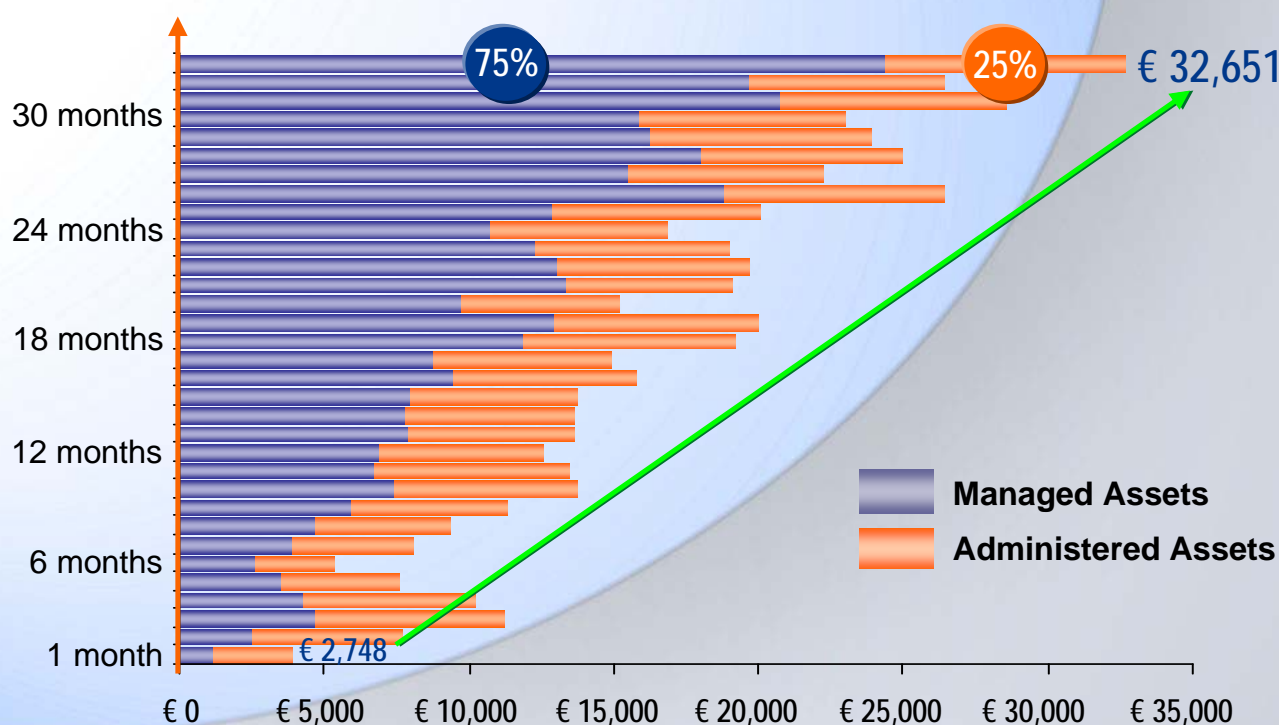


# Average assets of bank customers

By length of time as account holder (as at 30/11/07)

9

CA Cheuvreux  
Conference  
2008







## ‘ICoNA’ Network recruiting project

10

CA Cheuvreux  
Conference  
2008

**A systematic recruiting approach  
introducing the image of the ‘Family Banker’:**

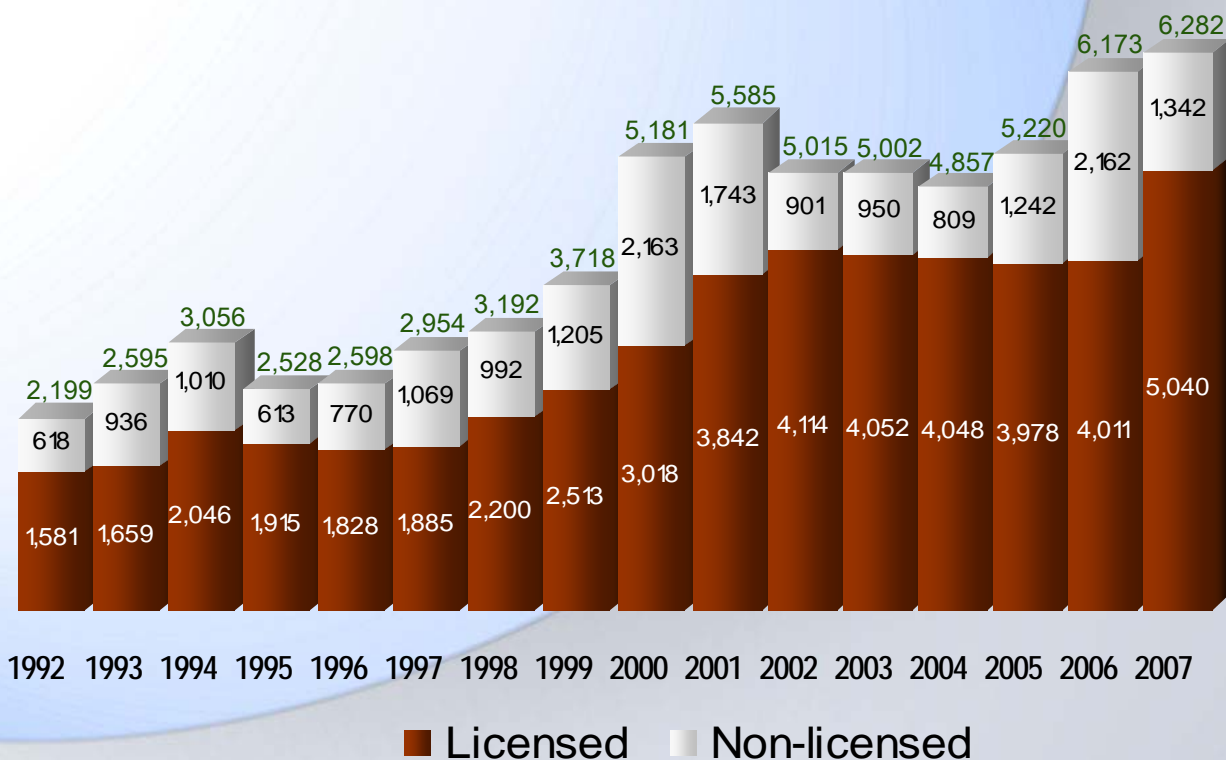
‘bank executive’ vs. ‘asset gatherer’  
small business owner vs. bank employee

-  The new ‘Family Banker’ image cuts the link between the appeal of the advisor profession & the behaviour of financial markets
-  The recruiting process strongly accelerated in 2006 & 2007
-  Much higher quality of new hires (greater selection pool)
-  Faster & more efficient conversion of new recruits into licensed financial advisors due to a stronger commitment to the training & preparation for the State licensing exam

# Network of Family Bankers

11

CA Cheuvreux  
Conference  
2008



## ‘Pension Reform’ I.P.P. market leadership project

12

CA Cheuvreux  
Conference  
2008

### Opportunities

- 📌 Reform enacted in January 2007
- 📌 Substantial tax advantages attached to pension products
- 📌 Possibility to divert employee TFR funds into pension products

### Objectives







- 📌 To hold onto our leadership in the I.P.P. market
- 📌 To get a clear first-mover advantage in a segment that is set to gain the greatest slice of household assets

### Challenge

- 📌 Pension Reform laws required changes in all aspects of I.P.P. business
  - no double commissions
  - drastically reduced loadings, thus reduced incentives to the sales network




## Our response to the Pension Reform




-  U-L policy investing directly into properly designed Irish funds
-  Enhanced life-cycle feature
-  Automatic mechanisms maximise investment effectiveness
-  Designed with the idea of protecting margins, yet very competitive in terms of pricing
-  New compensation structure for Family Bankers: high volumes compensate for lower unit commissions
-  Q2 '07: organised network action plan focusing on collecting sign-ups as our first priority



## Our performance in I.P.P. sign-ups

-  Total sign-ups for 'Tax Benefit New' by June 30, 2007 deadline **89,000**

### Preliminary data for 2007:

-  Total sign-ups received in 2007 **103,000**  
*in 2006* **23,000**
-  o/w transformed into contracts as at December 2007 **79,000**
-  Funds received as at December 2007 **€85 mn**  
*2006* **€ 42 mn**



# The near future

- 📦 Markets recently volatile and declining
- 📦 Increasing price of oil
- 📦 Risk of increasing inflation

## Short-term prospects look rather gloomy

however, our history demonstrates that  
**Mediolanum** is capable of doing well  
even when market conditions are difficult

**We have the flexibility & capacity to react**



# Our strengths

- 📦 **Our people** regard Mediolanum as *their* company, and give the best of themselves to contribute to its growth
- 📦 **Our commercial structure** has the capacity to face any challenge laid out by the company
- 📦 The power of **our corporate culture** makes it very difficult for our competitors to 'play on our turf'
- 📦 The history of **our results** demonstrates that once a strategy is established, success is certain







# Our ambitions

17

CA Cheuvreux  
Conference  
2008

-  To become the #1 asset gatherer in Italy in terms of assets & profits within a decade
-  To be among the 'big' retail banks in Italy, also present in the most important European markets



18

Mediolanum  
Facts

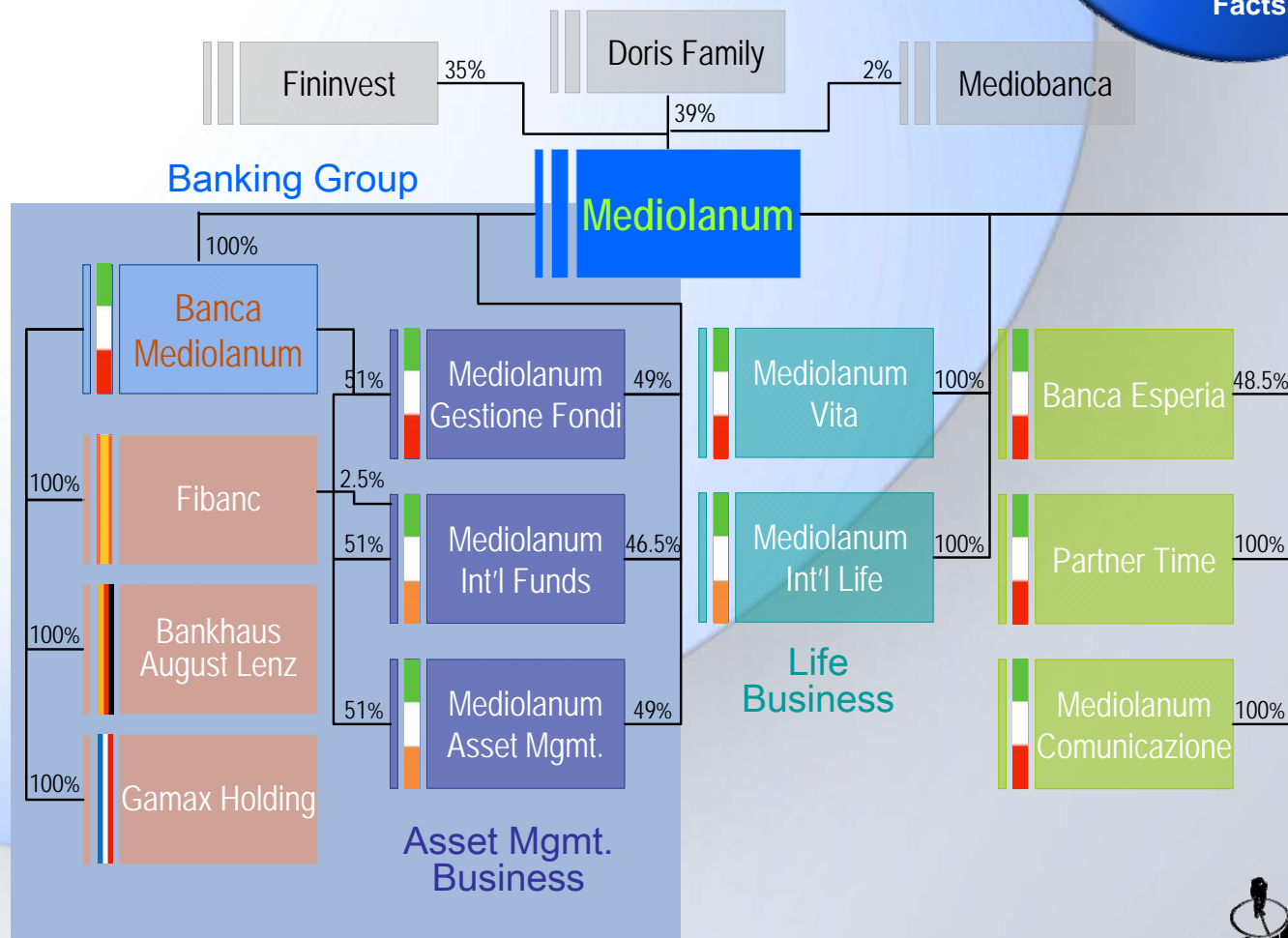
## Mediolanum Facts



# Mediolanum Group Structure

19

Mediolanum  
Facts

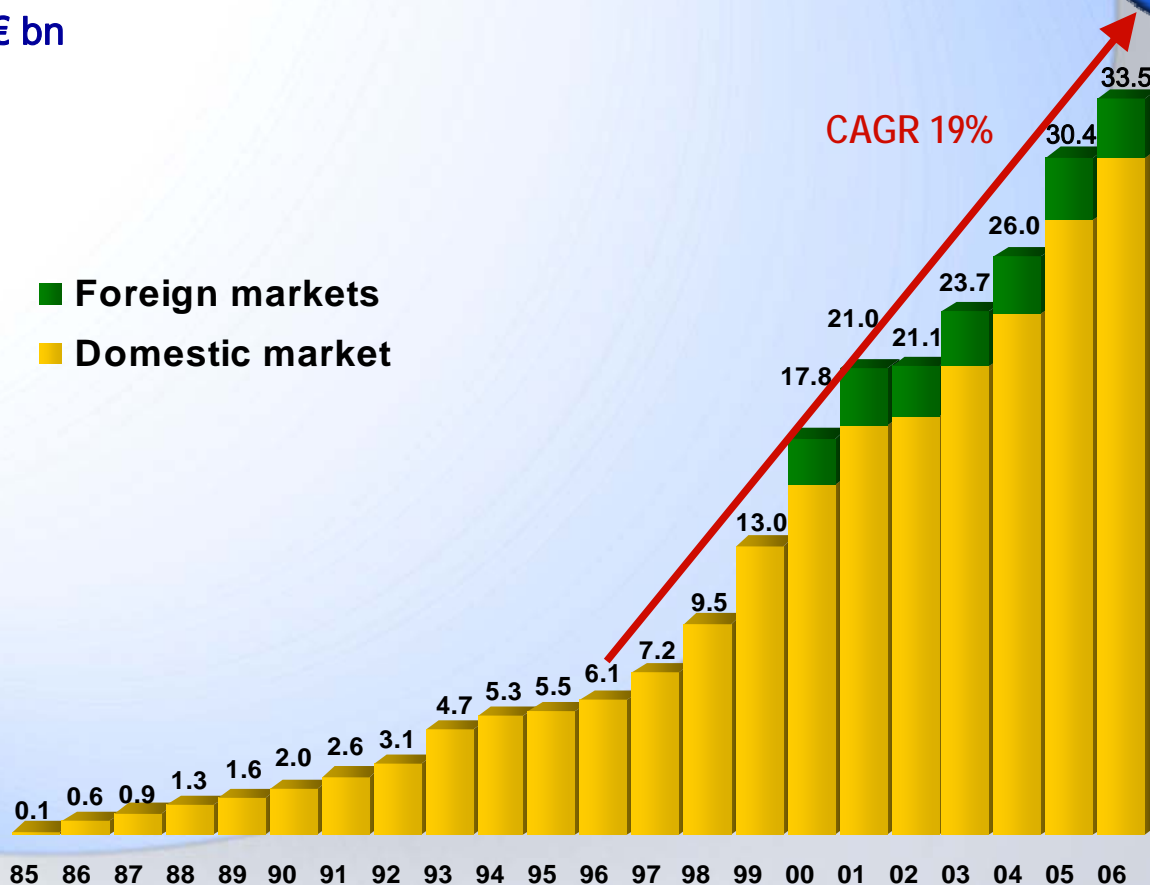


## AuA 10-year CAGR

€ bn

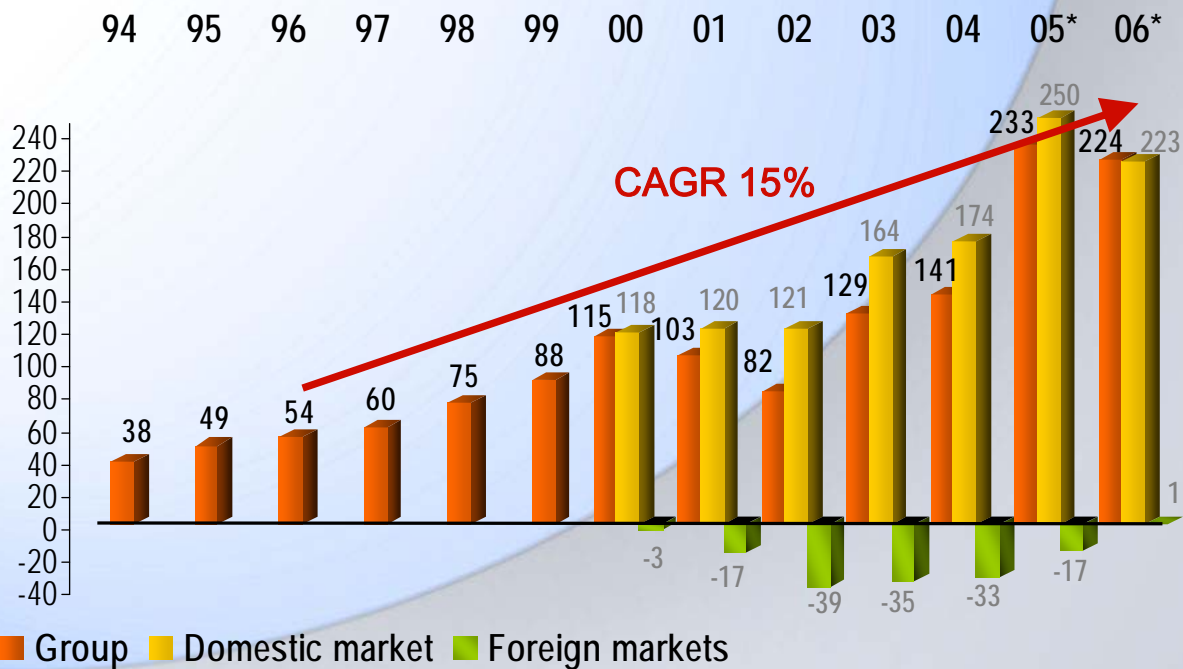
20

Mediolanum  
Facts



# Net Profit 10-year CAGR

€ mn

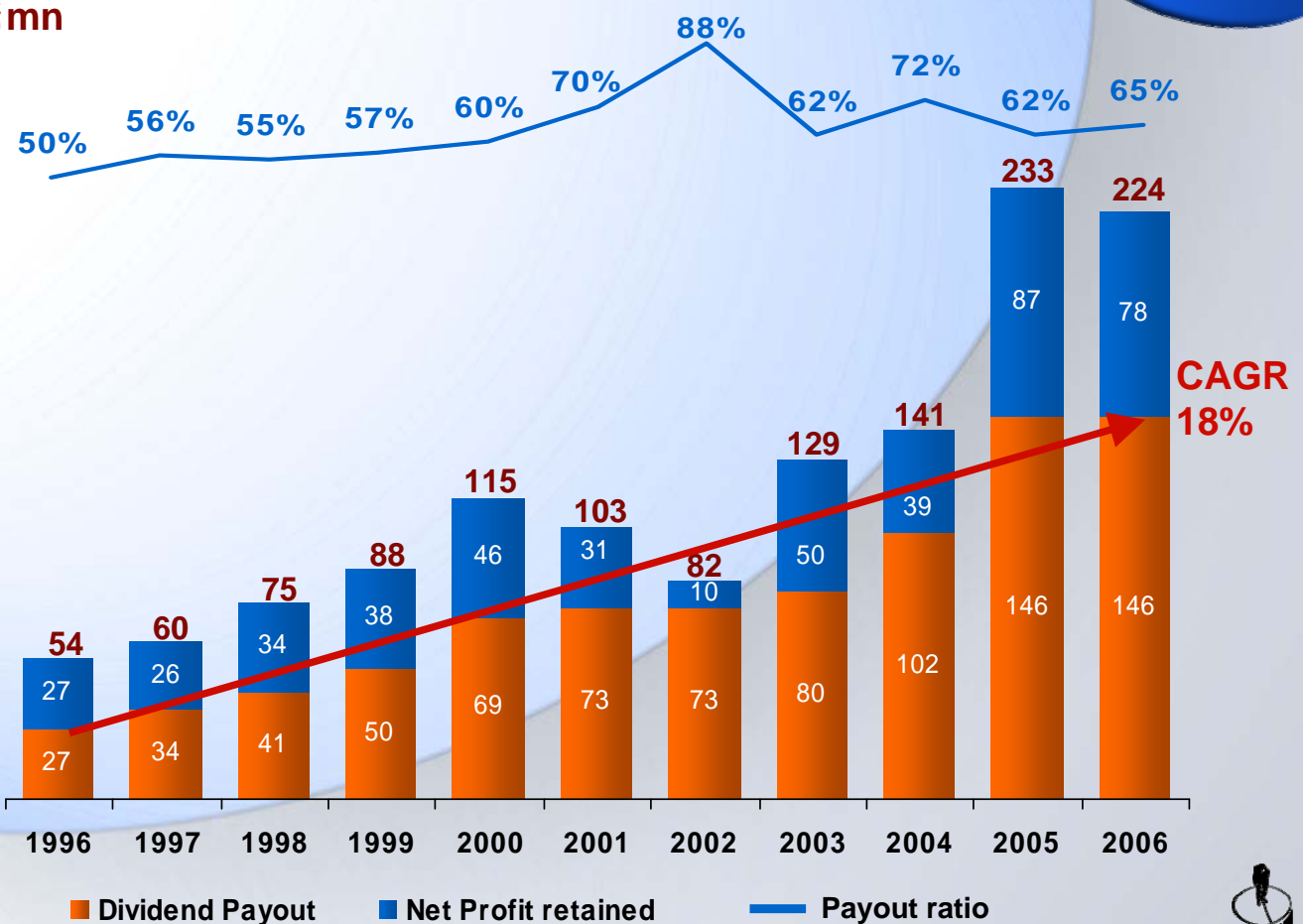


\* IAS/IFRS



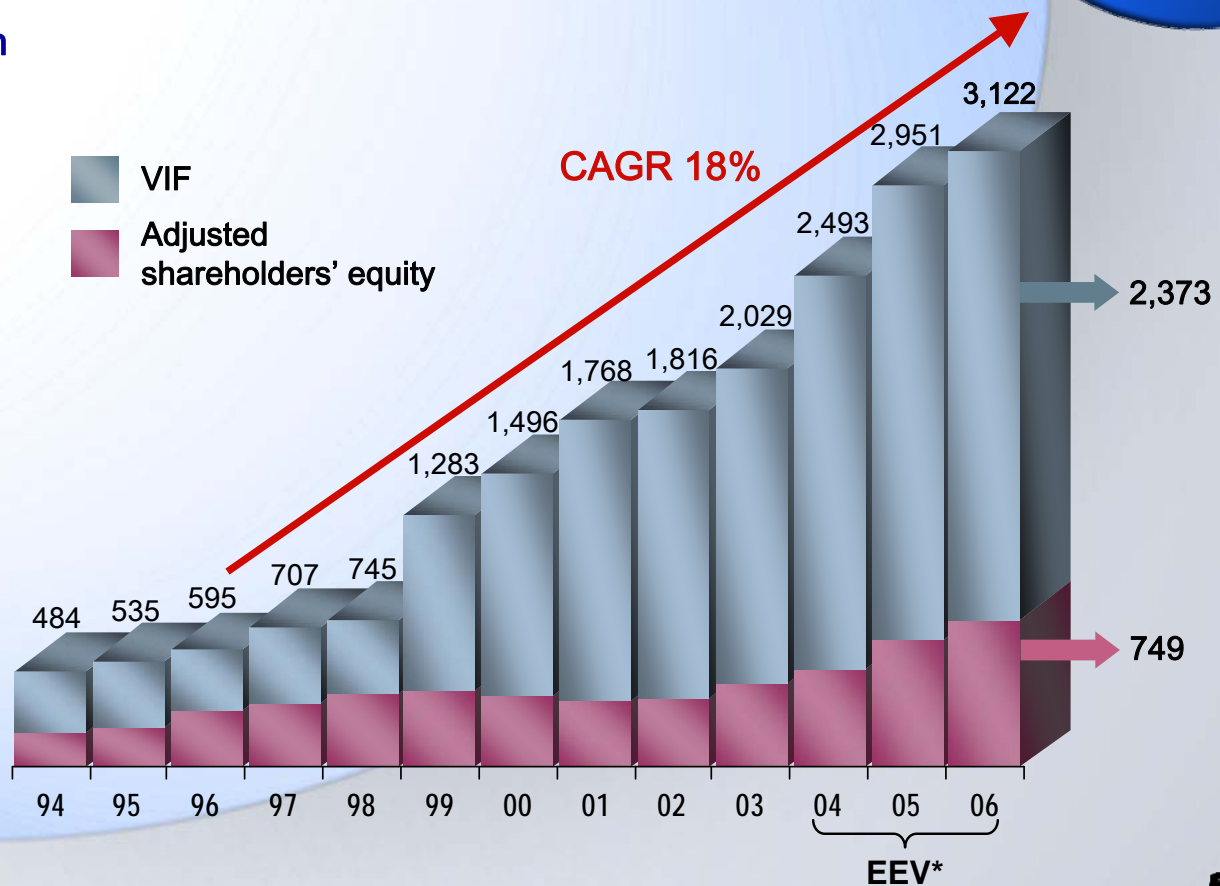
# Dividend payout 10-year CAGR

€ mn



# Embedded value 10-year CAGR

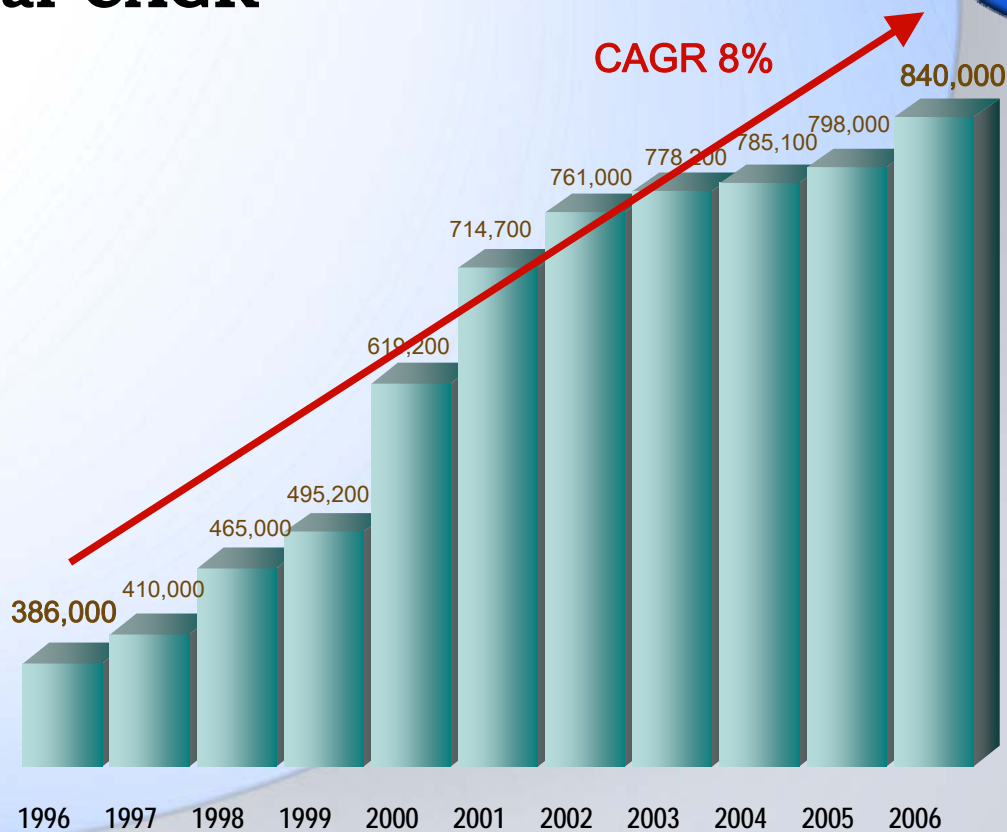
€ mn



\* including Spain & Italian banking business



# Primary account holders 10-year CAGR



Surpassed 1 million total customers in Q1 2007





# Thank you!

## Any questions?



## Disclaimer

This document has been prepared by Mediolanum S.p.A. for the sole purpose of providing information and presenting the Group's strategies.

The information, opinions, valuations and forecasts it contains have not been audited by any independent body; they may be altered at any time without notice.

No guarantee, express or implicit, is given by Mediolanum S.p.A. or by any of the Mediolanum Group companies as to the reliability, completeness or accuracy of the information or opinions in the present document.

Publication, communication to others, and reproduction of all or any of this document's contents are forbidden, except with the express written consent of Mediolanum S.p.A.

Neither Mediolanum S.p.A., nor the companies belonging to the Mediolanum Group, nor their representatives, managers or employees accept liability for any losses directly or indirectly resulting in any manner whatsoever from use of the present document or of information in any way attributable thereto.

Forecasts in this document have been prepared with the greatest care, but are nevertheless based on assumptions which could prove wrong because of risk factors outside the control of Mediolanum S.p.A. and the Mediolanum Group companies. There is no guarantee that present forecasts will match future performance.

This document is not a recommendation to invest in any financial instrument, nor an invitation to subscribe or purchase shares, nor is any part thereof intended to serve as a basis or reference source for any contract or undertaking whatsoever on the part of Mediolanum S.p.A. or any of the companies belonging to the Mediolanum Group.

Receipt of this document implies acceptance of its limitations as described above.

### 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



# Investor Relations Contacts

## **Alessandra Lanzone**

tel.: +39-02-9049-2039

e-mail: [investor.relations@mediolanum.it](mailto:investor.relations@mediolanum.it)

## **Lisa Maxon**

tel.: +39-02-9049-2997

e-mail: [investor.relations@mediolanum.it](mailto:investor.relations@mediolanum.it)

## **Luca Mirabelli**

tel.: +39-02-9049-2721

e-mail: [investor.relations@mediolanum.it](mailto:investor.relations@mediolanum.it)

## **Valentina Assiso**

tel.: +39-02-9049-2337

e-mail: [investor.relations@mediolanum.it](mailto:investor.relations@mediolanum.it)

