Milan, May 29-30, 2008

Deutsche Bank
9th Italian Conference

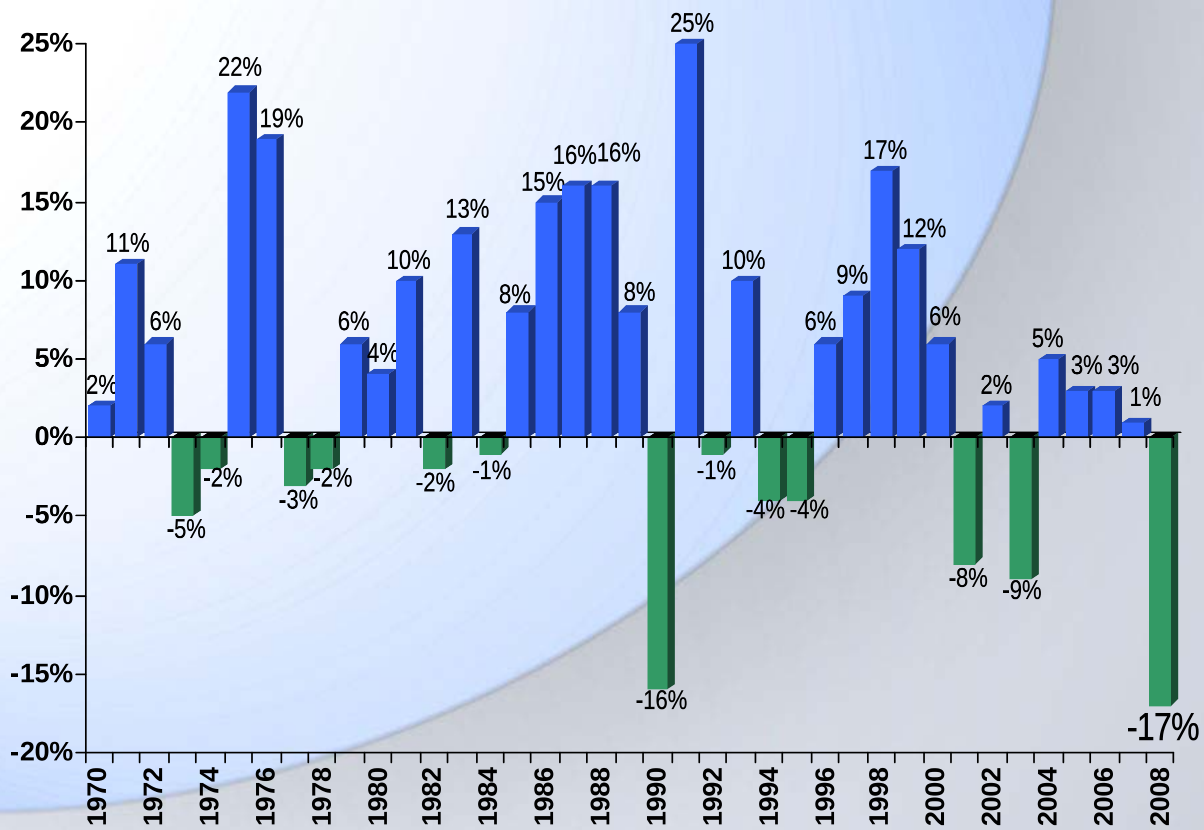
# *Looking for Italian sunshine in a stormy world*

MEDIOLANUM
MEDIOLANUM GROUP

# Table of Contents

# The Worst Q1 in the History of MSCI World…

**MSCIW in € - price index performance Dec. 31 to March 31**




source: Datastream

# …and the Fall-out on our Profits



**Adverse short-term impact in two key areas (vs. very strong Q107)**

- **Managed asset revenues**
  - Depressed management fees on devalued assets
  - Paltry contribution from performance fees
  
  } € -27 mn

- **Net Income on Investments at fair value**
  - Absence of capital gains (substantial in Q107)
  - HFT portfolio: unrealised capital losses at fair value (MtM)
  
  } € -15 mn

**No write-downs from sub-prime or MBS**

**ABS portfolio: only Italian securities, AA or better**

# Q108 Income Statement

## Mediolanum Group - € mn



| | Q108 | Q107 | Change |
|---|---|---|---|
| Net premiums written | 784.3 | 912.9 | -14% |
| Amounts paid & change in technical reserves | (748.1) | (858.3) | -13% |
| Life revenues ex-commission | 36.2 | 54.6 | -34% |
| Entry fees | 12.8 | 14.4 | -11% |
| Management fees | 75.2 | 83.5 | -10% |
| Performance fees | 5.0 | 14.6 | -66% |
| Banking service fees | 16.9 | 19.6 | -14% |
| Other fees | 8.0 | 12.4 | -35% |
| Total commission income | 117.9 | 144.5 | -18% |
| Interest income & similar income | 83.1 | 60.4 | +38% |
| Interest expense & similar charges | (44.8) | (30.6) | +47% |
| Net income on investments at fair value | (10.2) | 5.0 | n.s. |
| Net financial income | 28.1 | 34.8 | -19% |
| Net income on other investments | 1.3* | 6.9 | -80% |
| Other revenues | 6.2 | 7.0 | -11% |
| **Total Revenues** | **189.7** | **247.8** | **-23%** |
| | | | |
| Acquisition costs & other commission expenses | (65.6) | (79.8) | -18% |
| G&A expenses | (78.9) | (78.0) | +1% |
| Amortisation & depreciation | (3.8) | (6.3) | -39% |
| Provisions for risks & charges | (1.1) | (3.4) | -66% |
| Total Costs | (149.4) | (167.4) | -11% |
| | | | |
| **PROFIT BEFORE TAX** | **40.3** | **80.4** | **-50%** |
| Income tax | (9.4) | (19.4) | -51% |
| | | | |
| **NET INCOME** | **30.9** | **61.1** | **-49%** |

* includes Mediolanum's share of both Banca Esperia net profit (€ 1.2 mn) & stock option plan (€ 0.194 mn)

# Weathering Tricky Markets: the Good News



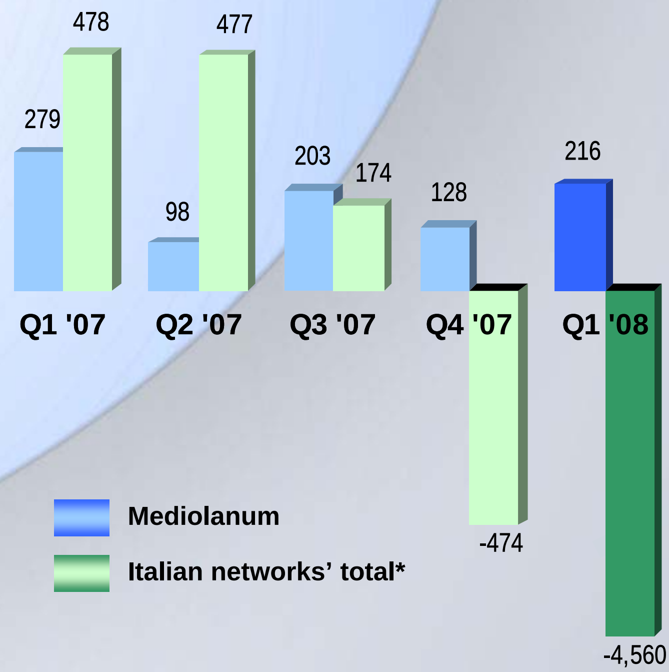
## Key drivers strongly resilient in all core business projects (domestic market)

- **Exceptional performance in Banca Mediolanum Net Inflows**
  - Total Net Inflows: € 506.5 mn (+21%)
  - Inflows into Managed Assets: € 215 mn vs. € -4.5 bn market (Assoreti)
  - Inflows into Mutual Funds: € 155 mn vs. € -36.8 bn market (Assogestioni)
- **Individual Pension Plan business well ahead of the market**
  - New business: € 65 mn
  - New policies: 9,200 vs. 5,100 in Q1 2006
- **Continued growth in our Banking activity**
  - Bank Accounts increased by 12%
  - Bank Customers up 15%
- **Resilient Sales Network,** with Licensed Family Bankers actually increased even from year-end
- **Cost containment:** 3% decrease in G&A Expenses + Depreciation
- **Improvement in Surrenders:** 14% decrease for investment policies confirming the counter-trend behaviour of our customers & advisors

# Banca Mediolanum
# Net Inflows Trends

## Total net inflows (€ mn)


## Managed Assets net inflows (€ mn)
## Banca Mediolanum vs. Italian networks

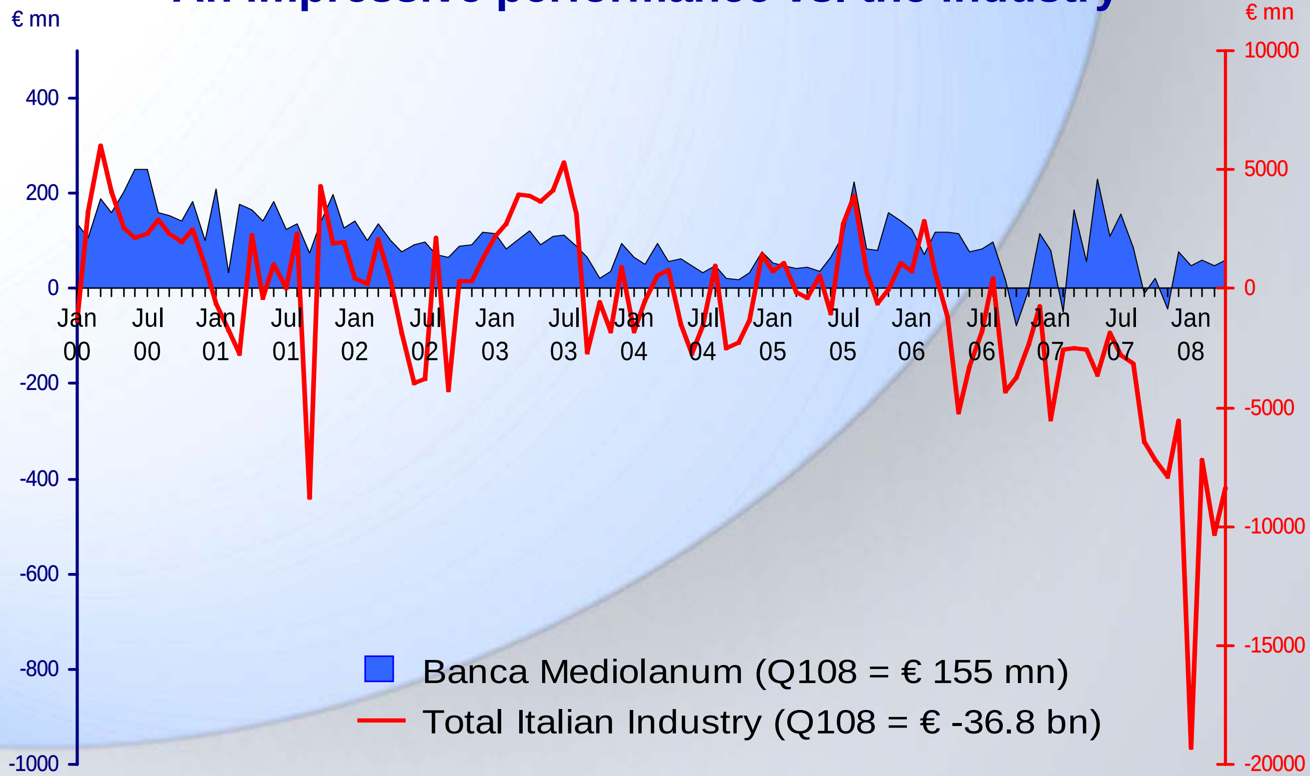



* source: Assoreti



# Banca Mediolanum
# Net Inflows into Mutual Funds*

## An impressive performance vs. the industry

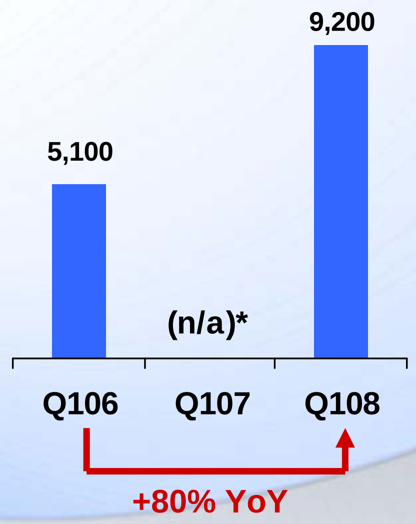



* including Managed Accounts & Unit-linked policies
source: Assogestioni

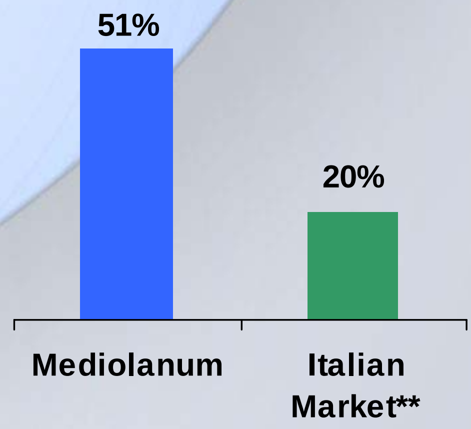
# Banca Mediolanum
## Individual Pension Plans

### Our I.P.P. business is well ahead of the market

**Sales results**
**Number of I.P.P. sign-ups**




**Business results**
**I.P.P. new business**
**Q108 as a % of FY07**




* sign-ups for I.P.P. were not allowed in Q107, pending approval of the new compliant products

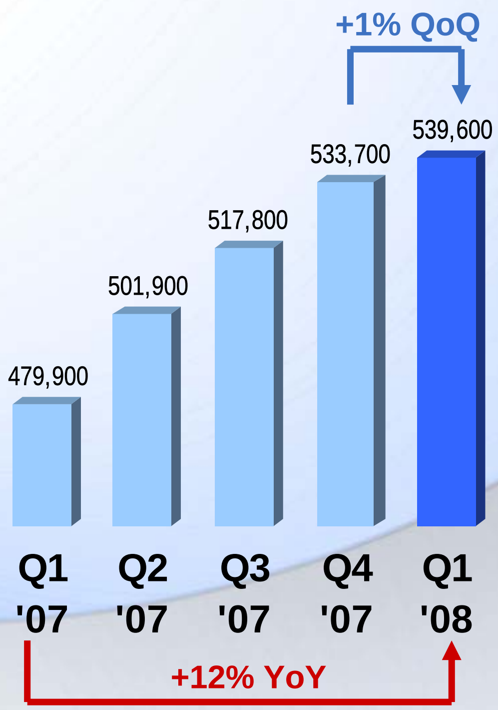
** source: ANIA



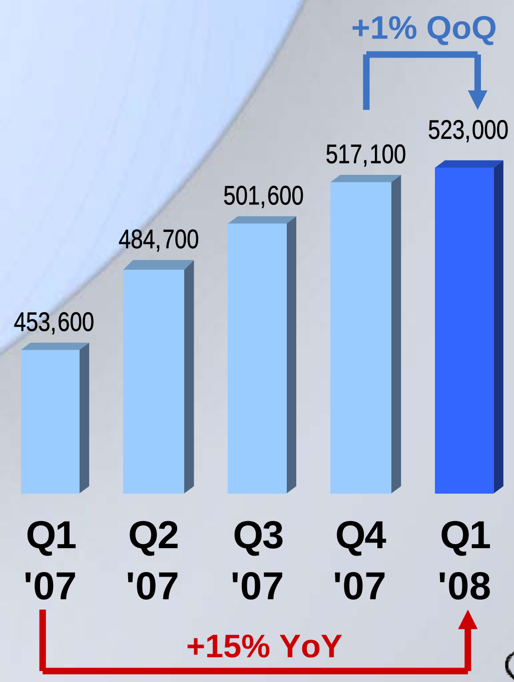
# Banca Mediolanum
## Bank Accounts & Bank Customers

### The building blocks of our underlying business

**Bank accounts**

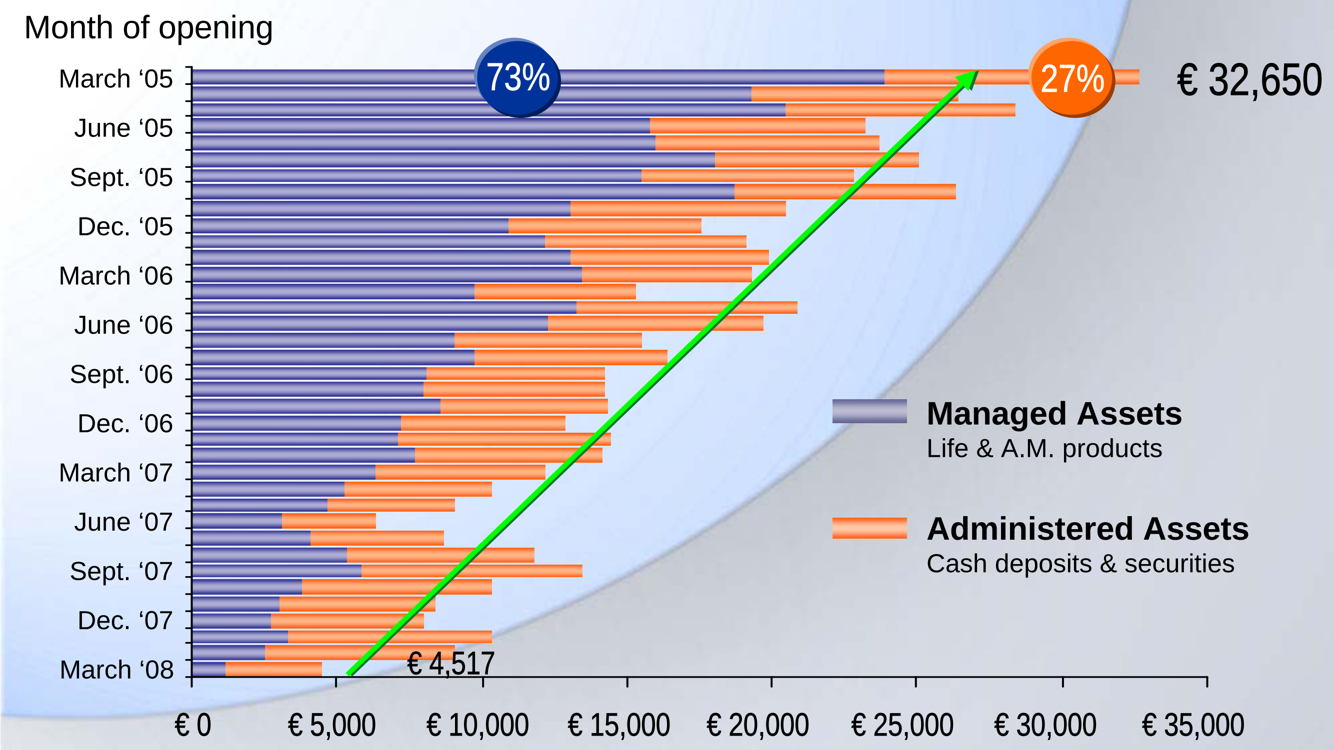



**Bank customers**
**(primary account holders)**



# Banca Mediolanum
## Bank Customer* Development

### Managed assets trend up over time
### & represent the largest slice of customer assets after one year




* all households with an open account as at 31.03.2008



# Banca Mediolanum
## Network of Family Bankers

### Demonstrating tenacity in a tough context

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Licensed | 5,096 | 4,036 | +26% |
| Non-licensed | 1,260 | 2,439 | -48% |
| FAMILY BANKERS | 6,356 | 6,475 | -2% |

# Costs: G&A+Depreciation Trend

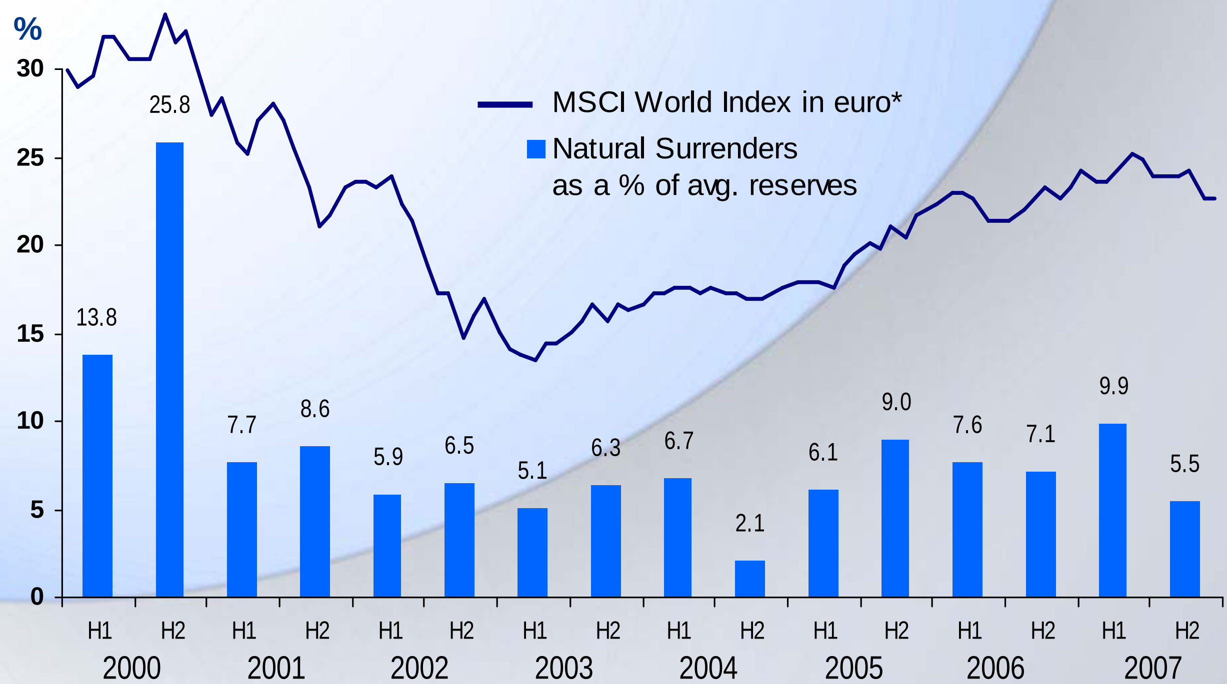
## 3% decrease reflects effort to contain costs




# Natural Surrenders Trend
# U-L Investment Policies

## 14% decrease confirms our customers' countertrend behaviour

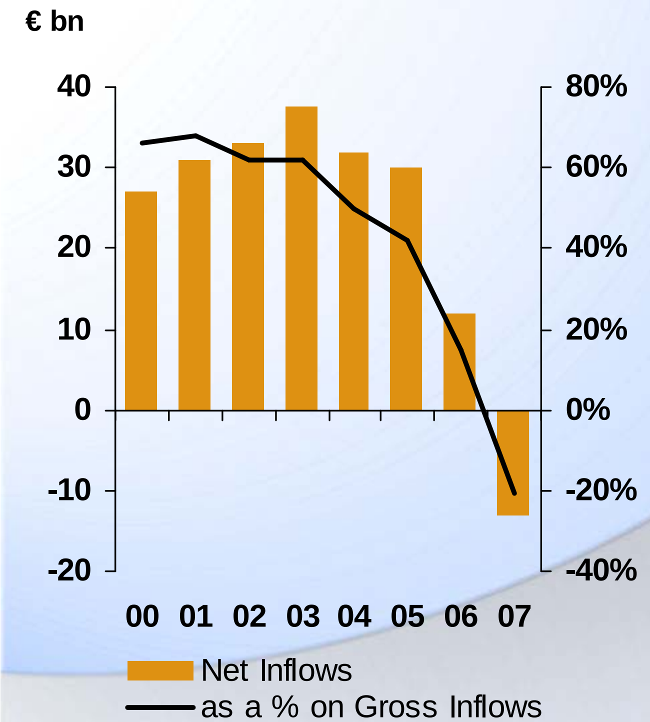
| | Q108 | Q107 | Change |
|---|---|---|---|
| **U-L Investment policies natural surrenders** (surrenders from guided product transformation not included) | 3.7% | 4.2% | -14% |




* source: Datastream

# Italian Life Insurance Industry

**Net inflows trend:**
**"the balance becomes negative" ***

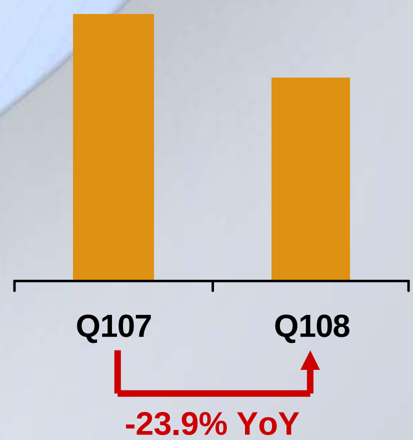



* Source: Plus - 'il Sole-24 Ore', May 24 2008

**Surrenders:**
**the main culprit**

- **Total 2007 GPW: € 61.4 bn**
- **2007 Surrenders: € 48.0 bn**
  (78% of GPW)

**New Business:**
**a disappointing start for 2008**






# Q108 Profit by Segment

**Domestic market - € mn**

| | Q108 | Q107 | Change |
|---|---|---|---|
| Life | 22.9 | 43.6 | -48% |
| Asset Management | 15.5 | 24.7 | -37% |
| Banking | 7.0 | 7.1 | -1% |
| Other | -2.5 | 1.9 | n.s. |
| **PROFIT BEFORE TAX** | **42.9** | **77.3** | **-44%** |

# Life
# Gross Premiums Written
## Domestic market - € mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| U-L Pension plans (Tax Benefit, My Pension, Tax Benefit New)* | 64.6 | 8.8 | n.s. |
| *o/w Tax Benefit New* | *56.1* | *0.0* | *n.s.* |
| U-L Policies (Europension)* | 11.8 | 9.8 | +20% |
| U-L Investment policies (Alternative Funds, Life Funds)* | 15.5 | 17.7 | -13% |
| **Recurring policies (AP)** | **91.8** | **36.3** | **+153%** |
| Trad/Group/Investment policies | 4.1 | 3.8 | +9% |
| U-L policies (Alternative Funds, Life Funds, Trio) | 49.0 | 167.7 | -71% |
| I-L policies (Dipiù, Double Premium) | 332.6 | 375.7 | -11% |
| **Single premium policies (SP)** | **385.7** | **547.2** | **-30%** |
| **TOTAL NEW BUSINESS** | **477.5** | **583.5** | **-18%** |
| Pension plans in-force | 195.6 | 194.9 | +0% |
| Investment policies in-force | 86.7 | 85.9 | +1% |
| **TOTAL IN-FORCE BUSINESS** | **282.3** | **280.8** | **+1%** |
| **TOTAL GROSS PREMIUMS WRITTEN** | **759.8** | **864.3** | **-12%** |
| ***o/w Life financial contracts*** | ***0.8*** | ***1.7*** | ***-54%*** |

* includes automatic increase in premiums & discretionary increases paid



# Life
# Commission Income
## Domestic market - € mn

| | Unit-linked Products Commission Income | | | Total Commission Income* | | |
|---|---|---|---|---|---|---|
| | Q108 | Q107 | Change | Q108 | Q107 | Change |
| Entry fees | --- | --- | --- | 11.5 | 12.7 | -9% |
| Management fees | **42.0** | **41.3** | **+2%** | 71.5 | 79.1 | -10% |
| Performance fees | **2.7** | **7.7** | **-65%** | 4.9 | 13.8 | -64% |
| **TOTAL** | **44.7** | **49.0** | **-9%** | 87.9 | 105.6 | -17% |

* on all products with mutual funds underlying

# Asset Management
# Commission Income



## Domestic market - € mn

| | A.M. Products Commission Income | | | Total Commission Income* | | |
|---|---|---|---|---|---|---|
| | Q108 | Q107 | Change | Q108 | Q107 | Change |
| Entry fees | 11.5 | 12.7 | -9% | 11.5 | 12.7 | -9% |
| Management fees | 29.5 | 37.8 | -22% | 71.5 | 79.1 | -10% |
| Performance fees | 2.2 | 6.1 | -64% | 4.9 | 13.8 | -64% |
| **TOTAL** | **43.2** | **56.6** | **-24%** | 87.9 | 105.6 | -17% |

* on all products with mutual funds underlying

# Banking
# Revenues



## Domestic market - € mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Interest spread | 31.7 | 23.1 | +38% |
| Net income on investments at fair value | (1.9) | 4.7 | n.s. |
| **Banking Net Financial Income** | **29.9** | **27.8** | **+7%** |
| Securities | 2.7 | 3.5 | -24% |
| Service fees | 8.2 | 7.6 | +8% |
| *o/w fees from 3rd party mortgages* | *0.2* | *0.6* | *-68%* |
| **Fee Income** | **10.9** | **11.1** | **-2%** |
| **BANKING REVENUES** | **40.7** | **38.9** | **+5%** |

# Banca Esperia (100%)
# Highlights
## € mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Profit before Tax | 3.8 | 12.4 | -70% |
| Net Income | 2.5 | 7.2 | -65% |
| *o/w Mediolanum share* | *1.2* | *3.5* | *-65%* |
| Assets under Administration | 8,896 | 7,571 | +18% |
| *% in Managed Assets* | *85.0%* | *83.3%* | *+2%* |
| Gross Inflows | 460 | 1,235 | -63% |
| *o/w Managed Assets Inflows* | *591* | *1,243* | *-52%* |
| Net Inflows | (463) | 491 | n.s. |
| *o/w Managed Assets Inflows* | *(332)* | *499* | *n.s.* |
| Clients | 2,916 | 2,684 | +9% |
| Private Bankers | 55 | 54 | +2% |



# Q108 Income Statement
## Foreign markets - € mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Net premiums written | 26.1 | 51.3 | -49% |
| Amounts paid & change in technical reserves | (23.1) | (44.8) | -48% |
| Life revenues ex commission | 3.0 | 6.5 | -54% |
| Entry fees | 1.3 | 1.7 | -26% |
| Management fees | 3.7 | 4.4 | -16% |
| Performance fees | 0.1 | 0.8 | -89% |
| Banking service fees | 6.2 | 8.8 | -29% |
| Other fees | 0.5 | 3.2 | -83% |
| Total commission income | 11.8 | 18.8 | -37% |
| Interest income & similar income | 7.5 | 6.3 | +20% |
| Interest expense & similar charges | (4.0) | (2.9) | +36% |
| Net income on investments at fair value | (1.4) | 0.2 | n.s. |
| Net financial income | 2.2 | 3.5 | -39% |
| Net income on other investments | 0.5 | 1.2 | -53% |
| Other revenues | 0.3 | 0.4 | -23% |
| **Total Revenues** | **17.9** | **30.4** | **-41%** |
| | | | |
| Acquisition costs & other commission expenses | (9.3) | (14.5) | -36% |
| G&A expenses | (10.6) | (11.5) | -8% |
| Amortisation & depreciation | (0.6) | (1.2) | -51% |
| Provisions for risks & charges | 0.0 | 0.0 | +400% |
| **Total Cost** | **(20.5)** | **(27.2)** | **-25%** |
| | | | |
| **PROFIT BEFORE TAX** | **(2.6)** | **3.2** | **n.s.** |
| | | | |
| Income tax | 0.3 | (1.3) | n.s. |
| **NET INCOME** | **(2.3)** | **1.9** | **n.s.** |

# Spain
## Highlights
€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Net Income | (0.6) | 2.3 | n.s. |
| Assets under Administration | 2,070.4 | 2,741.9 | -24% |
| *o/w Managed Assets* | *1,030.6* | *1,193.3* | *-14%* |
| Gross Inflows | 40.6 | 170.5 | -76% |
| *o/w Managed Assets Inflows* | *98.6* | *197.1* | *-50%* |
| Net Inflows | (92.5) | 22.1 | n.s. |
| *o/w Managed Assets Inflows* | *(34.5)* | *48.7* | *n.s.* |
| Dedicated sales network | 679 | 588 | +15% |
| *o/w FA (Mediolanum model)* | *638* | *539* | *+18%* |
| Customers | 64,605 | 59,446 | +9% |



# Spain
## Inflows by Distribution Model
as of 31.03.08 - € mn

| | Mediolanum model Advisors | Pre-existing Agents | Total |
|---|---|---|---|
| Managed Assets | 69.0 | 29.6 | 98.6 |
| **SPAIN GROSS INFLOWS** | **69.0** | **29.6** | **98.6** |
| Managed Assets | 0.6 | (35.0) | (34.5) |
| Administered Assets | (23.8) | (34.3) | (58.0) |
| **SPAIN NET INFLOWS** | **(23.2)** | **(69.3)** | **(92.5)** |

# Germany - B.A. Lenz
## Highlights
€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Net Income | (2.1) | (2.3) | -9% |
| Assets under Administration | 96.9 | 57.4 | +69% |
| *o/w Managed Assets* | *49.9* | *44.5* | *+12%* |
| Gross Inflows | 24.5 | 4.9 | +400% |
| Net Inflows | 22.3 | 2.4 | n.s. |
| *o/w Managed Assets Inflows* | *3.3* | *2.1* | *+54%* |
| *o/w Administered Assets Inflows* | *19.1* | *0.2* | *n.s.* |
| Financial Advisors | 38 | 41 | -7% |
| Customers | 4,383 | 4,038 | +9% |



# Health of our business

# 2008 Ongoing & Upcoming



**Strategic projects on track**
Growth in Bank Accounts, Pension Business & Network

New A.M. service launched
**'Mediolanum Global Selection' funds of branded funds**

- In collaboration with 3 of the most important asset managers: **BlackRock, JPMorgan A.M. & Morgan Stanley Investment Mgmt.**
- **Extensive marketing campaign:** adverts across all media, special mention at Mediolanum Market Forum, a live promotional event ('100 Città') held simultaneously in 120 cities in Italy, Spain & Germany
- **Open House on May 9-10th:** at all Banca Mediolanum offices
- **Initial results encouraging**: ~€ 150 mn in two months of sales! (half directly invested, half in monetary or bond funds to be transferred directly into the FoFs – the 'Big Chance' instalment plan method)

**'Mediolanum Credit' going strong**
(powered by Santander Consumer Bank)
2,200 contracts & € 33 mn in the first three months

# The Right Ingredients

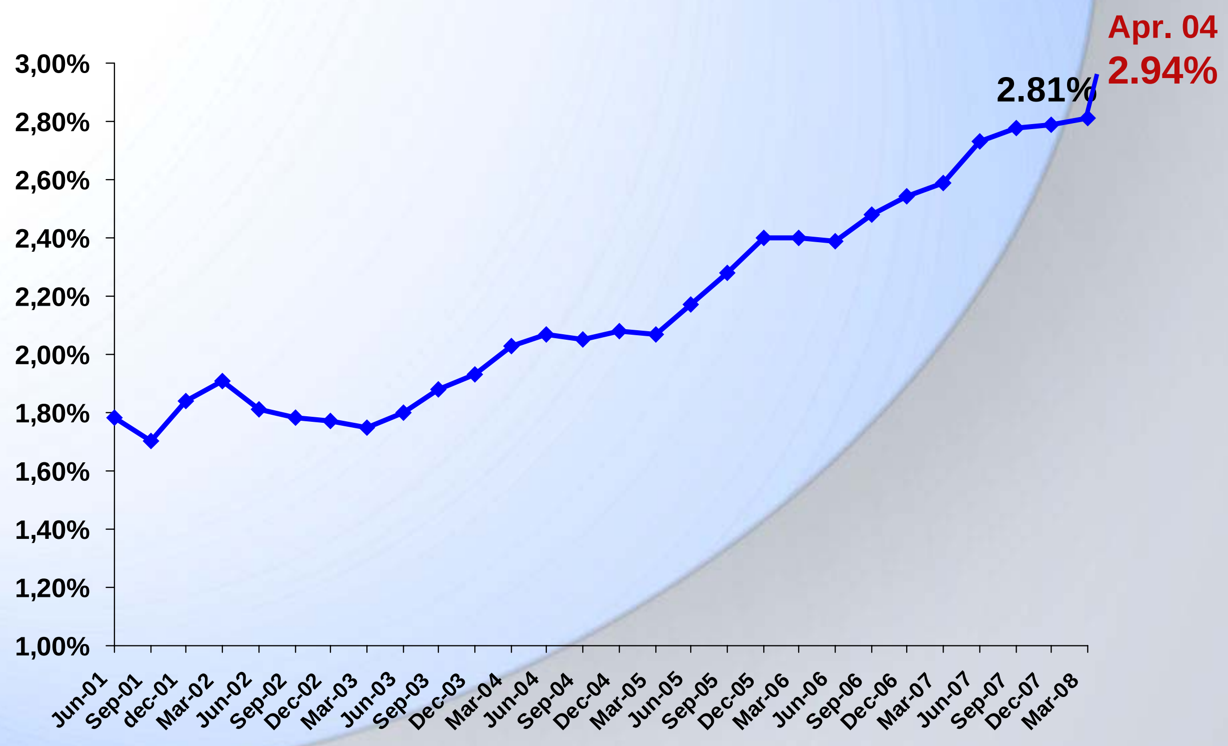


**The current challenging environment emphasises the validity of our choices**

- Relationship-centered **business model**
- Strict **risk-aversion criteria** for both corporate and customer investments
- **Company culture** fostering a strong sense of ownership in everyone in the organisation

**Maximising our potential in all core markets**
**&**
**Increasing our market share even in the short term**

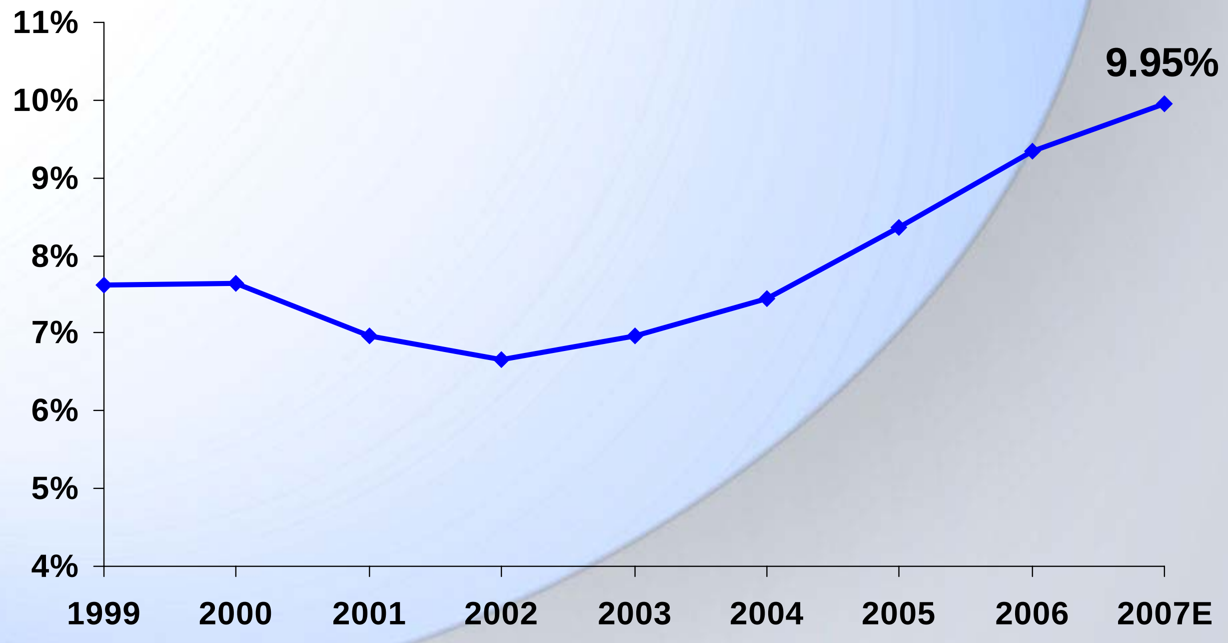
# Italian Mutual Funds AuM Mediolanum's Share




Source: Assogestioni

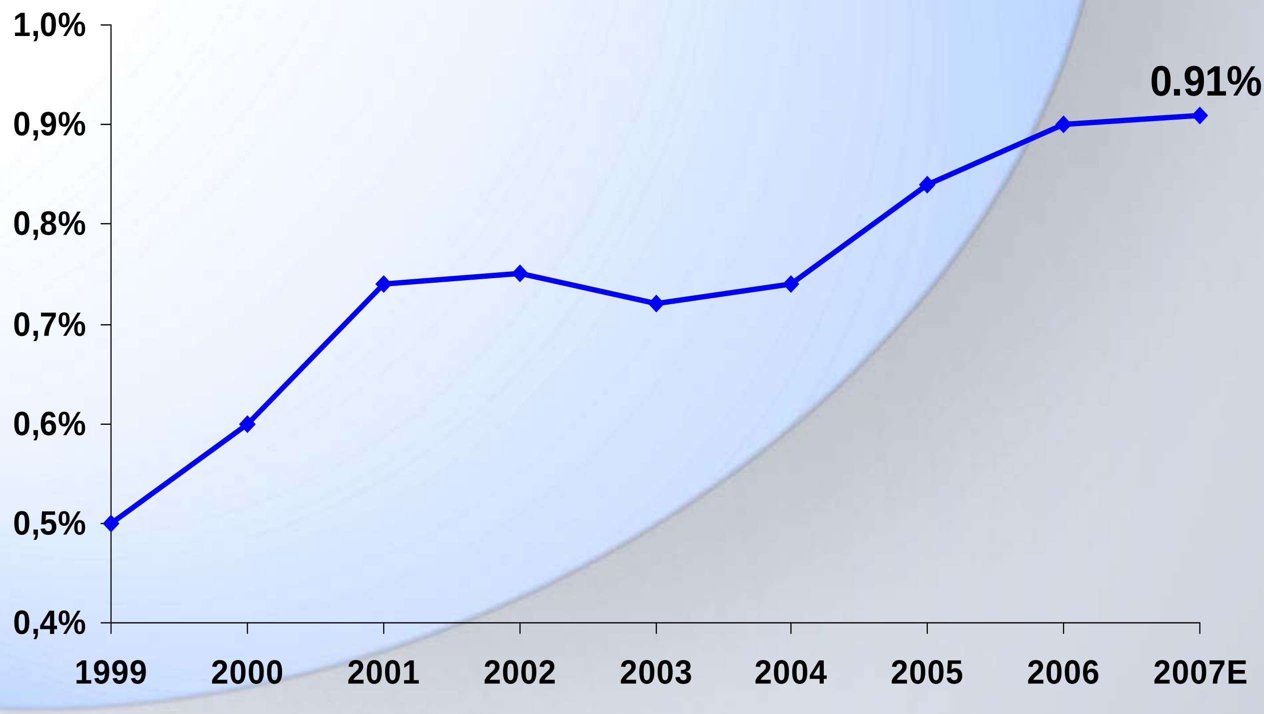


# Italian U-L & I-L Life Reserves Mediolanum's Share




Source: ANIA, Company research

# Total Italian Household Assets Mediolanum's Share




Source: Banca d'Italia, Company research



# Q1 2008 Group Results

# Assets under Administration

€ mn

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Life | 13,796.3 | 14,274.3 | -3% |
| Asset management | 13,753.8 | 15,542.8 | -12% |
| Banking* | 5,548.4 | 5,148.5 | +8% |
| *Consolidation adjustments* | *(7,421.1)* | *(7,790.9)* | *-5%* |
| 'Banca Esperia' (48.5%) | 4,314.6 | 3,671.9 | +18% |
| **Domestic Market's Assets** | **29,992.0** | **30,846.7** | **-3%** |
| Life | 359.3 | 344.8 | +4% |
| Asset management | 992.2 | 1,233.7 | -20% |
| Banking | 1,296.5 | 1,839.8 | -30% |
| Other | 1.0 | 1.4** | -27% |
| *Consolidation adjustments* | *(248.2)* | *(314.9)* | *-21%* |
| **Foreign Markets' Assets** | **2,400.8** | **3,104.8** | **-23%** |
| **AUA** | **32,392.8** | **33,951.5** | **-5%** |

* retail only

** reclassified to exclude 3rd party funds sold by Gamax Broker Pool



# Gross Inflows

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Gross premiums written | 789.7 | 920.3 | -14% |
| Asset management products | 937.9 | 1,517.2 | -38% |
| **Managed Assets Inflows** | **1,727.6** | **2,437.4** | **-29%** |
| **Administered Assets Inflows** | **186.7** | **109.7** | **+70%** |
| **GROSS INFLOWS** | **1,914.3** | **2,547.2** | **-25%** |

# Net Inflows

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Life premiums | 315.8 | 392.8 | -20% |
| Asset management products | (306.3) | 142.8 | n.s. |
| **Managed Assets Inflows** | **9.5** | **535.5** | **-98%** |
| **Administered Assets Inflows** | **186.6** | **109.7** | **+70%** |
| **NET INFLOWS** | **196.1** | **645.2** | **-70%** |



# Sales Network

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Italy: Banca Mediolanum | 6,356 | 6,475 | -2% |
| Spain: Fibanc | 679* | 588 | +15% |
| Germany: B.A. Lenz | 38 | 41 | -7% |
| **TOTAL SALES NETWORK** | **7,073** | **7,104** | **-0%** |

* 89 part-time agents not included

# Q1 2008 Results: Domestic Market



## Assets under Administration

€ mn

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Life | 13,796.3 | 14,274.3 | -3% |
| Asset management | 13,753.8 | 15,542.8 | -12% |
| *Consolidation adjustments* | *(7,421.1)* | *(7,790.9)* | *-5%* |
| **Managed Assets** | **20,129.0** | **22,026.2** | **-9%** |
| Banking* | 5,548.4 | 5,148.5 | +8% |
| **Administered Assets** | **5,548.4** | **5,148.5** | **+8%** |
| **BANCA MEDIOLANUM** | **25,677.5** | **27,174.7** | **-6%** |
| **BANCA ESPERIA (48.5%)** | **4,314.6** | **3,671.9** | **+18%** |
| **TOTAL AUA** | **29,992.0** | **30,846.7** | **-3%** |

* retail only

# Gross Inflows

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Gross premiums written | 759.8 | 864.3 | -12% |
| Asset management products | 565.0 | 748.5 | -25% |
| **Managed Assets Inflows** | **1,324.8** | **1,612.9** | **-18%** |
| Securities in custody | 215.7 | 145.4 | +48% |
| Cash deposits | (58.6) | (20.7) | +182% |
| Repurchase agreements | 132.0 | 15.3 | n.s. |
| **Administered Assets Inflows** | **289.1** | **140.0** | **+107%** |
| **Other** | **6.3** | **7.1** | **-11%** |
| **BANCA MEDIOLANUM** | **1,620.3** | **1,759.9** | **-8%** |
| **BANCA ESPERIA (48.5%)** | **223.1** | **599.0** | **-63%** |
| **TOTAL GROSS INFLOWS** | **1,843.4** | **2,358.9** | **-22%** |



# Net Inflows

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Life premiums | 306.7 | 376.9 | -19% |
| Asset management products | (91.3) | (98.0) | -7% |
| **Managed Assets Inflows** | **215.5** | **278.9** | **-23%** |
| Securities in custody | 215.7 | 145.4 | +48% |
| Cash deposits | (58.6) | (20.7) | +182% |
| Repurchase agreements | 132.0 | 15.3 | n.s. |
| **Administered Assets Inflows** | **289.1** | **140.0** | **+107%** |
| **Other** | **1.8** | **1.1** | **+67%** |
| **BANCA MEDIOLANUM** | **506.5** | **419.9** | **+21%** |
| **BANCA ESPERIA (48.5%)** | **(224.6)** | **238.1** | **n.s.** |
| **TOTAL NET INFLOWS** | **281.9** | **658.1** | **-57%** |

# Income Statement

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Net premiums written | 758.1 | 861.6 | -12% |
| Amounts paid & change in technical reserves | (725.0) | (813.5) | -11% |
| Life revenues ex-commission | 33.2 | 48.1 | -31% |
| Entry fees | 11.5 | 12.7 | -9% |
| Management fees | 71.5 | 79.1 | -10% |
| Performance fees | 4.9 | 13.8 | -64% |
| Banking service fees | 10.7 | 10.8 | -1% |
| Other fees | 7.4 | 9.3 | -20% |
| Total commission income | 106.1 | 125.8 | -16% |
| Interest income & similar income | 77.2 | 57.1 | +35% |
| Interest expense & similar charges | (42.4) | (30.6) | +39% |
| Net income on investments at fair value | (8.8) | 4.8 | n.s. |
| Net financial income | 25.9 | 31.3 | -17% |
| Net income on other investments* | 0.8 | 5.8 | -86% |
| Other revenues | 6.3 | 6.9 | -9% |
| **Total Revenues** | **172.2** | **217.8** | **-21%** |
| Acquisition costs & other commission expenses | (56.3) | (65.3) | -14% |
| G&A expenses | (68.7) | (66.8) | +3% |
| Amortisation & depreciation | (3.2) | (5.1) | -37% |
| Provisions for risks & charges | (1.1) | (3.4) | -67% |
| **Total Cost** | **(129.3)** | **(140.6)** | **-8%** |
| **PROFIT BEFORE TAX** | **42.9** | **77.3** | **-44%** |
| Income tax | (9.7) | (18.0) | -46% |
| **NET INCOME** | **33.2** | **59.2** | **-44%** |
| ***tax rate*** | ***22.6%*** | ***23.3%*** | |

* includes Mediolanum's share of both Banca Esperia net profit (€ 1.2 mn) & stock option plan (€ 0.194 mn)



# Life
# Recurring Policies in detail

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| U-L Pension plans (Tax Benefit, My Pension, Tax Benefit New) | 64.4 | 8.5 | n.s. |
| *o/w automatic increase in premiums* | *5.4* | *3.1* | *+75%* |
| *o/w discretionary increase in premiums already paid* | *3.2* | *5.4* | *-41%* |
| Traditional Pension plans | 0.1 | 0.3 | -55% |
| *o/w automatic increase in premiums* | *0.1* | *0.2* | *-9%* |
| U-L Policies (Europension) | 11.8 | 9.8 | +20% |
| *o/w automatic increase in premiums* | *8.2* | *3.9* | *+111%* |
| *o/w discretionary increase in premiums already paid* | *1.2* | *1.8* | *-36%* |
| U-L Investment policies (Alternative Funds, Life Funds) | 15.5 | 17.7 | -13% |
| *o/w automatic increase in premiums* | *2.8* | *1.5* | *+82%* |
| **RECURRING POLICIES** | **91.8** | **36.3** | **+153%** |
| *- o/w automatic increase in premiums* | *16.5* | *8.7* | *+91%* |
| *- o/w discretionary increase in premiums already paid** | *4.4* | *7.2* | *-40%* |
| **Total increase in premiums** | **20.9** | **15.9** | **+31%** |

# Life
# Policyholders' Assets
€ mn

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Traditional | 1,336.8 | 1,286.1 | +4% |
| Index-linked* | 5,151.1 | 5,346.6 | -4% |
| Unit-linked | 7,308.5 | 7,641.6 | -4% |
| *o/w equity* | *72.2%* | *77.0%* | *-6%* |
| **LIFE ASSETS** | **13,796.3** | **14,274.3** | **-3%** |



# Life
# Amounts Paid & Change in Reserves
€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Claims & maturities | 261.8 | 158.4 | +65% |
| Natural surrenders | 179.5 | 208.1 | -14% |
| Surrenders from transformation | 11.8 | 121.0 | -90% |
| **Amounts paid** | **453.1** | **487.4** | **-7%** |
| **Change in technical reserves** | **273.4** | **327.4** | **-16%** |
| **Recovery from reinsurance** | **(1.5)** | **(1.4)** | **+11%** |
| **AMOUNTS PAID & CHANGE IN RESERVES** | **725.0** | **813.5** | **-11%** |

# Life
# Surrender Rate
## expressed as a % of average reserves

| | Q108 | Q107 | Change |
|---|---|---|---|
| Traditional Pension Plans | 0.4% | 0.5% | -7% |
| **Traditional Pension Plans natural surrenders*** | **0.4%** | **0.5%** | **-7%** |
| U-L IPP | 0.5% | 0.4% | +23% |
| **U-L IPP natural surrenders*** | **0.4%** | **0.4%** | **+0%** |
| U-L 'Europension' | 1.4% | 1.9% | -24% |
| **U-L 'Europension' natural surrenders*** | **1.3%** | **1.7%** | **-20%** |
| U-L Investment Policies | 4.0% | 5.4% | -25% |
| **U-L Investment Policies natural surrenders*** | **3.7%** | **4.2%** | **-14%** |
| Traditional Investment Policies | 3.0% | 1.8% | +70% |
| **Traditional Invest. Pol. natural surrenders*** | **3.0%** | **1.8%** | **+70%** |

* surrenders from guided product transformation not included



# Asset Management
# Gross Inflows
## € mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Equity funds | 176.0 | 186.8 | -6% |
| Bond funds | 109.7 | 103.6 | +6% |
| Monetary funds | 153.9 | 151.1 | +2% |
| Flexible funds | 5.7 | 90.6 | -94% |
| **Total 'unbundled' mutual funds** | **445.3** | **532.2** | **-16%** |
| 'Global Selection' funds of branded funds | 11.0 | 0.0 | n.s. |
| 'Elite' funds of 3rd-party funds | 6.7 | 11.9 | -44% |
| 'Mix' accounts | 33.1 | 40.7 | -19% |
| 'Chorus' managed accounts | 1.6 | 3.0 | -49% |
| 'Portfolio' funds of funds | 53.2 | 123.4 | -57% |
| **Total 'bundled' mutual funds** | **105.5** | **179.1** | **-41%** |
| ***o/w equity*** | ***89.6*** | ***115.6*** | ***-22%*** |
| 'Real Estate' | 14.2 | 37.2 | -62% |
| **TOTAL GROSS INFLOWS INTO A. M. PRODUCTS** | **565.0** | **748.5** | **-25%** |
| ***o/w equity*** | ***46.2%*** | ***42.5%*** | ***+9%*** |

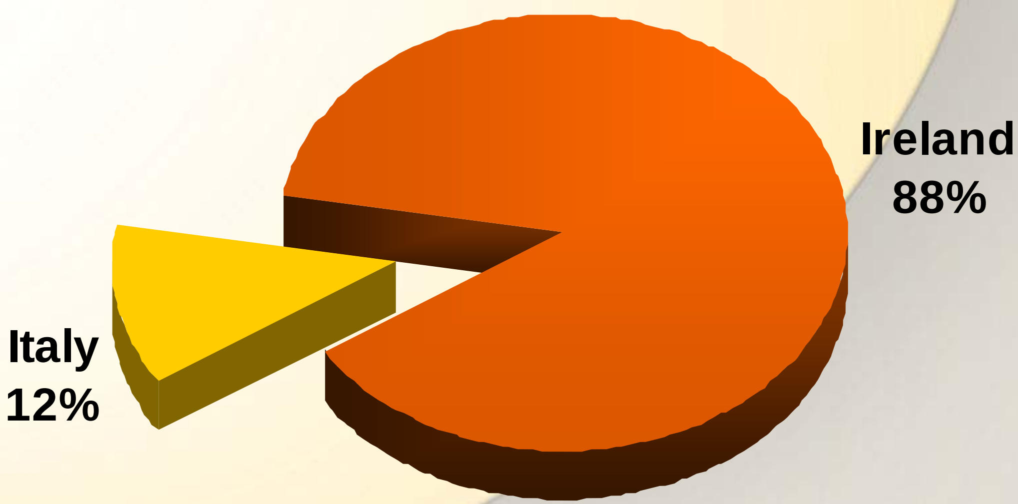
# Asset Management
## Assets*
€ mn

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Equity funds | 7,635.3 | 9,518.4 | -20% |
| Bond funds | 1,937.6 | 2,141.2 | -10% |
| Monetary funds | 1,223.4 | 1,121.3 | +9% |
| Flexible funds | 574.3 | 122.8 | +368% |
| **Total 'unbundled' mutual funds** | **11,370.7** | **12,780.9** | **-11%** |
| 'Global Selection' funds of branded funds | 12.4 | 0.0 | n.s. |
| 'Elite' funds of 3rd-party funds | 125.9 | 169.2 | -26% |
| 'Mix' accounts | 1,001.1 | 1,459.2 | -31% |
| 'Chorus' managed accounts | 168.6 | 1,058.3 | -84% |
| 'Portfolio' funds of funds | 1,036.9 | 591.2 | +75% |
| Funds of hedge funds | 574.3 | 441.9 | +30% |
| **Total 'bundled' mutual funds** | **2,919.2** | **3,719.9** | **-22%** |
| ***o/w equity*** | ***1,695.9*** | ***2,094.9*** | ***-19%*** |
| Real estate related funds & 'other' | 376.8 | 349.5 | +8% |
| *Adj. for own mutual funds in bundle products* | *(917.5)* | *(1,439.0)* | *-36%* |
| **ASSET MANAGEMENT ASSETS** | **13,753.8** | **15,537.2** | **-11%** |
| ***o/w equity*** | ***65.1%*** | ***69.8%*** | ***-7%*** |

* including U-L assets



# Asset Management
## Assets* by Location
as of 31.03.2008




* including U-L assets

# Banking Assets*

€ mn

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Cash deposits | 3,469.5 | 3,162.7 | +10% |
| Securities in custody | 1,692.6 | 1,791.8 | -6% |
| Repurchase agreements | 386.3 | 194.0 | +99% |
| **BANKING ASSETS** | **5,548.4** | **5,148.5** | **+8%** |

* retail only



# Costs

€ mn

| | Q108 | Q107 | Change |
|---|---|---|---|
| Amounts paid & change in technical reserves | (725.0) | (813.5) | -11% |
| Commission expense & acquisition costs | (48.8) | (57.8) | -16% |
| 3rd party A.M. fees & other expenses | (7.5) | (7.5) | -1% |
| G&A expenses | (68.7) | (66.8) | +3% |
| Depreciation, amortisation & provisions | (4.3) | (8.5) | -49% |

# Net Financial Income & Net Income on Other Investments

€ mn

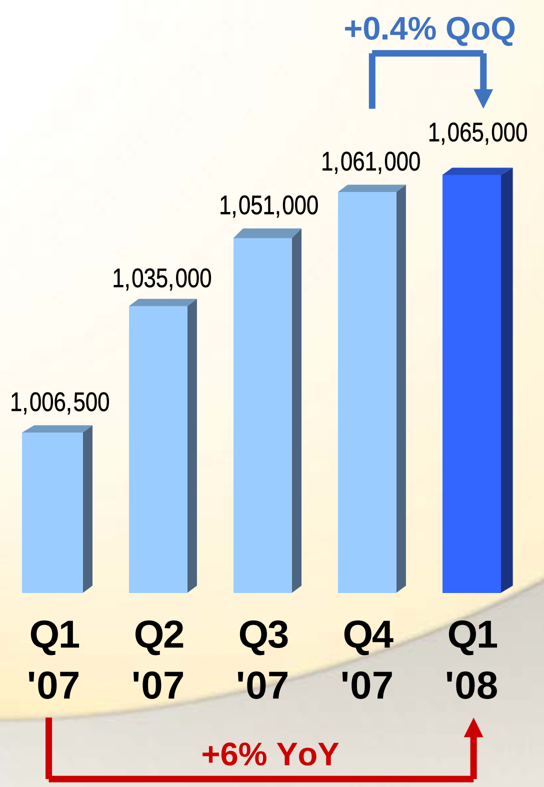
| | Q108 | Q107 | Change |
|---|---|---|---|
| Interest spread | 31.7 | 23.1 | +38% |
| Net income on investments at fair value | (1.9) | 4.7 | n.s. |
| Banking | 29.9 | 27.8 | +7% |
| Life | (0.7) | 5.4 | n.s. |
| Other | (3.2) | (1.9) | +73% |
| **NET FINANCIAL INCOME** | **25.9** | **31.3** | **-17%** |
| Banking | 0.2 | 0.6 | -59% |
| Life | (0.5) | 1.3 | n.s. |
| Other | 1.1* | 3.8 | -72% |
| **NET INCOME ON OTHER INVESTMENTS** | **0.8** | **5.8** | **-86%** |

* includes Mediolanum's share of both Banca Esperia net profit (€ 1.2 mn) & stock option plan (€ 0.194 mn)

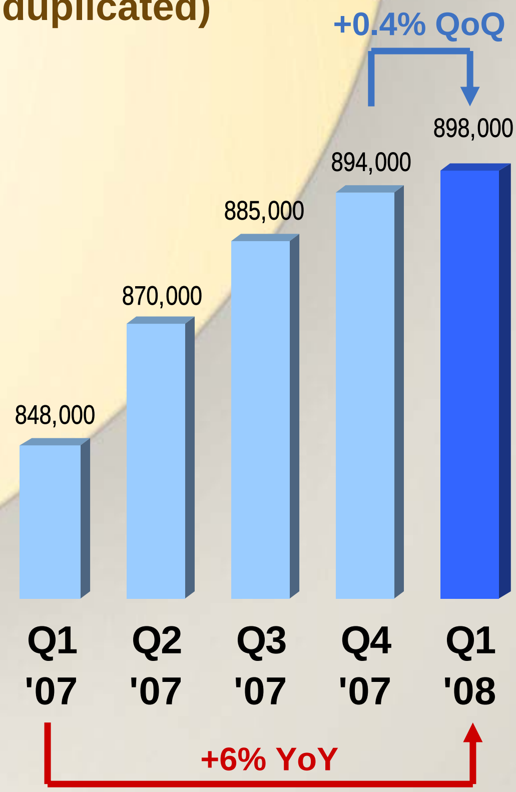


# Banca Mediolanum Customer Growth Trend

## Total Customers




## Primary account holders (unduplicated)



# Q1 2008 Results: Foreign markets



## Spain
## Income Statement
**€ mn**

| | Q108 | Q107 | Change |
|---|---|---|---|
| Total revenues | 11.3 | 22.1 | -49% |
| Total costs | (12.2) | (18.5) | -34% |
| **Profit before Tax** | **(0.9)** | **3.6** | **n.s.** |
| Income tax | 0.3 | (1.2) | n.s. |
| **SPAIN NET INCOME** | **(0.6)** | **2.3** | **n.s.** |

# Spain
# Assets under Administration

€ mn

| | 31/03/08 | 31/03/07 | Change |
|---|---|---|---|
| Life & pension funds | 329.3 | 316.7 | +4% |
| Asset Management | 738.8 | 911.9 | -19% |
| Banking | 1,244.7 | 1,826.1 | -32% |
| *Consolidation adjustments* | *(242.4)* | *(312.8)* | *-23%* |
| **SPAIN AUA** | **2,070.4** | **2,741.9** | **-24%** |



# Germany - Gamax
# Highlights

€ mn

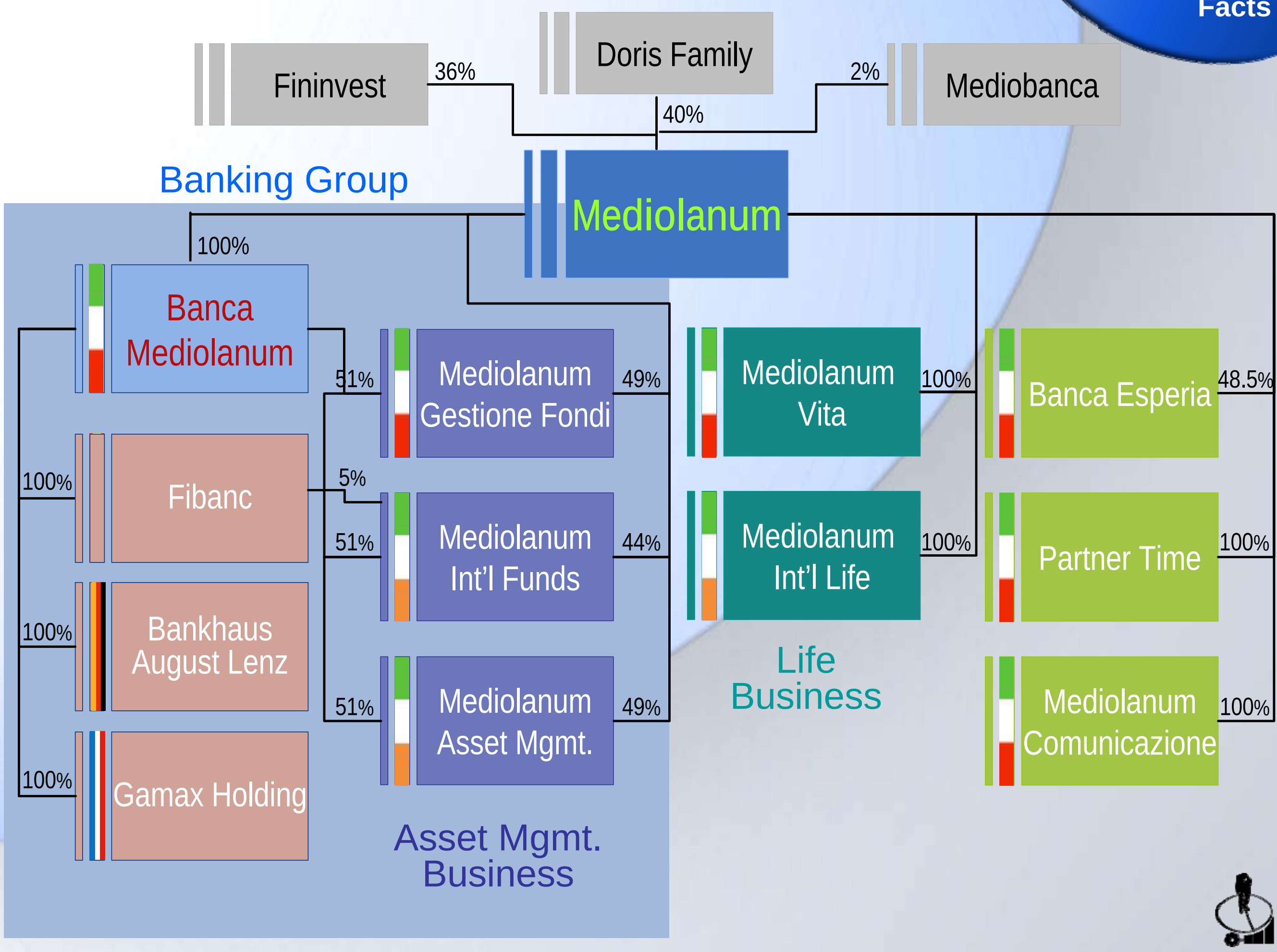
| | Q108 | Q107 | Change |
|---|---|---|---|
| Net Income | 0.4 | 1.8* | -80% |
| Assets under Administration | 233.5 | 305.4 | -24% |
| Gross Inflows | 5.8 | 12.8 | -55% |
| Net Inflows | (15.6) | (37.3) | -58% |

* o/w 1.1 mn capital gain of Mediolanum International

# Mediolanum Facts

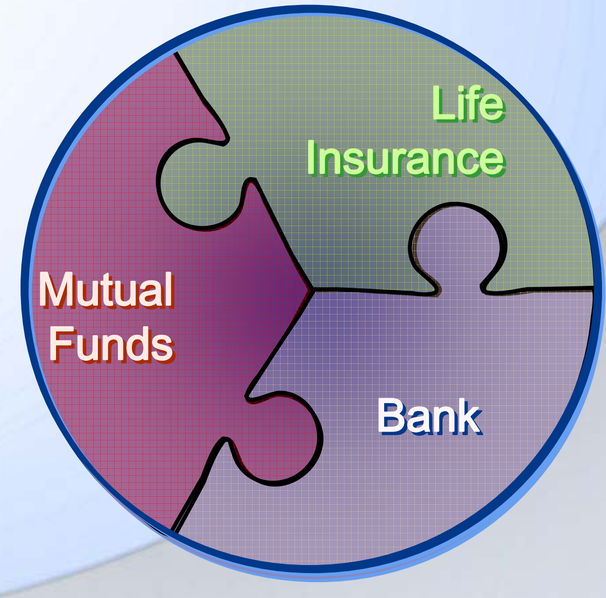


## Mediolanum Group Structure



# Mediolanum integrated structure

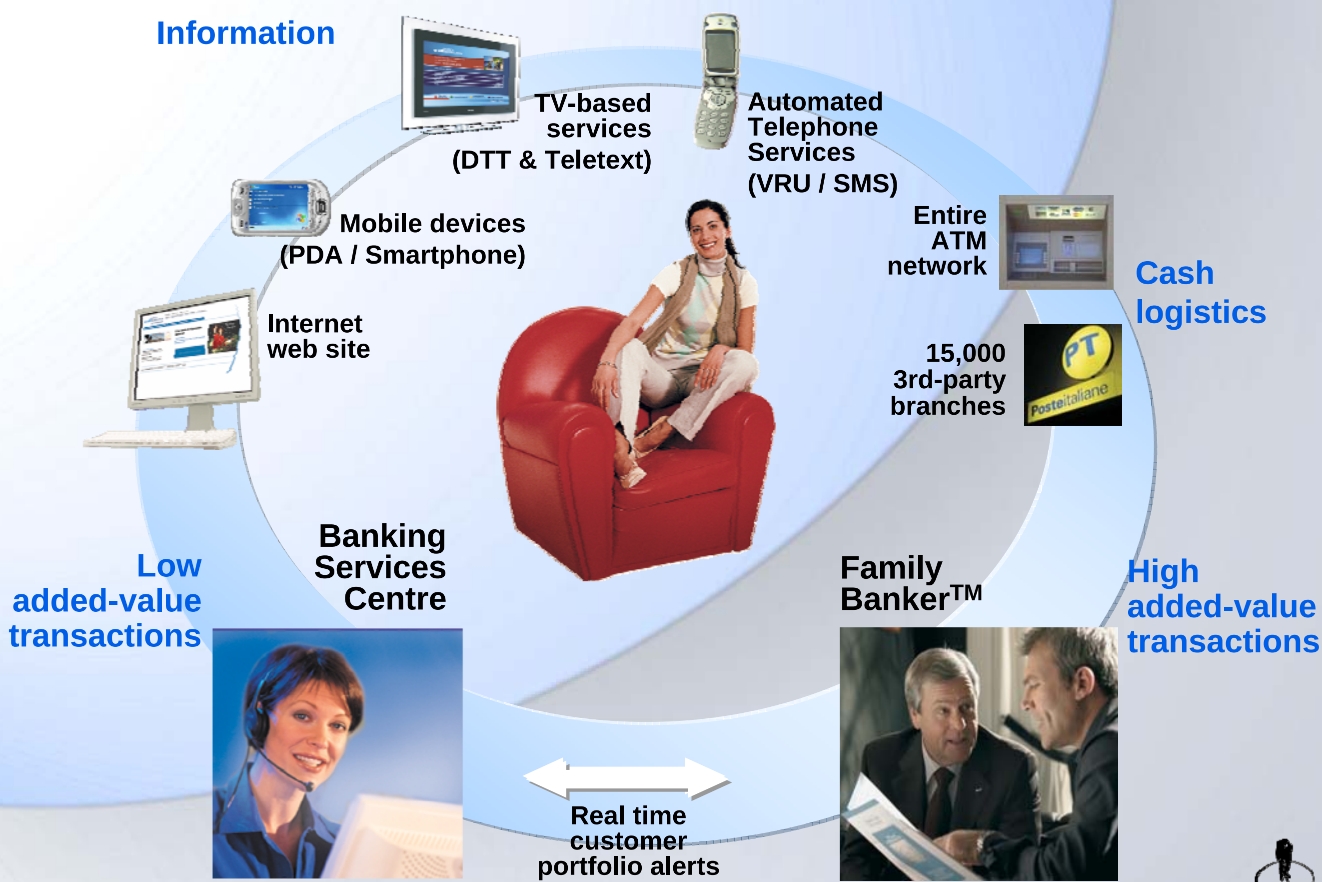
We integrate the asset gathering business of Life & mutual funds with the banking business…




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



# Mediolanum model
# The all-around bank



# Five-star service delivery

- 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



# Mediolanum vs. current bank models


**Traditional bank**
(the human relationship)

**On-line bank**
(freedom)

**The Mediolanum model unifies the advantages of the on-line with the traditional**

- invalidating the concept of branch proximity
  -> 'Freedom in Banking'
- at the same time enhancing the 'human touch'
  -> one-to-one relationship with the Family Banker™

# Italian banks
# Ranking by brand awareness

**2007 Spontaneous recall of brand**

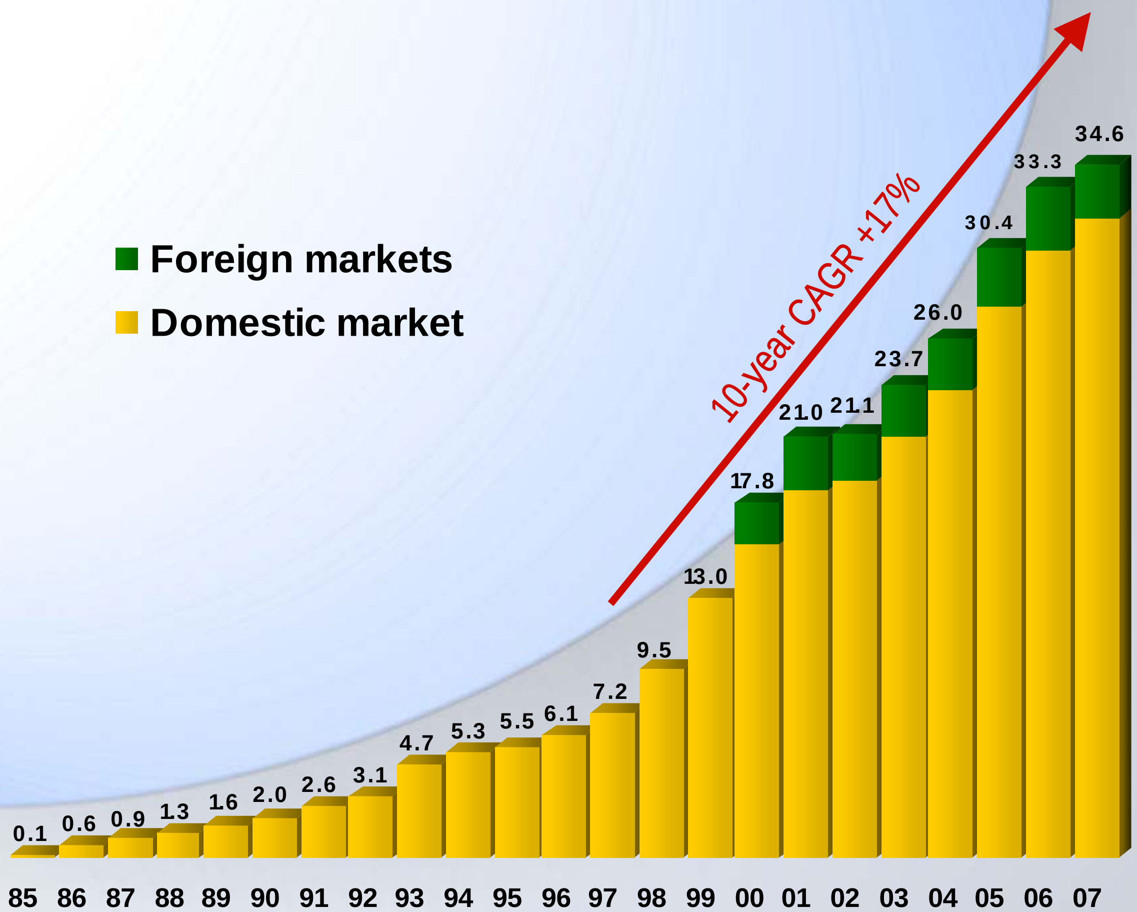
1. Sanpaolo
2. Banca Intesa
3. Unicredit
4. Banca Mediolanum
5. BNL
6. Monte dei Paschi di Siena

Source: GFK Eurisko



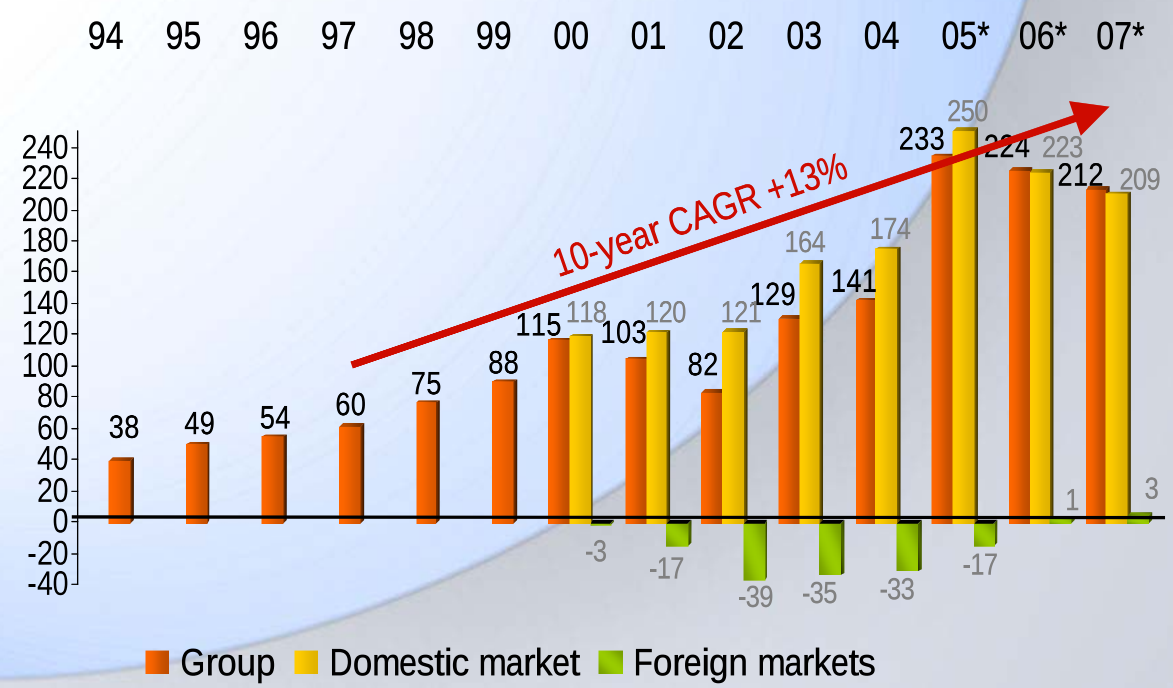
# Assets under Administration

**€ bn**



# Net Profit

€ mn

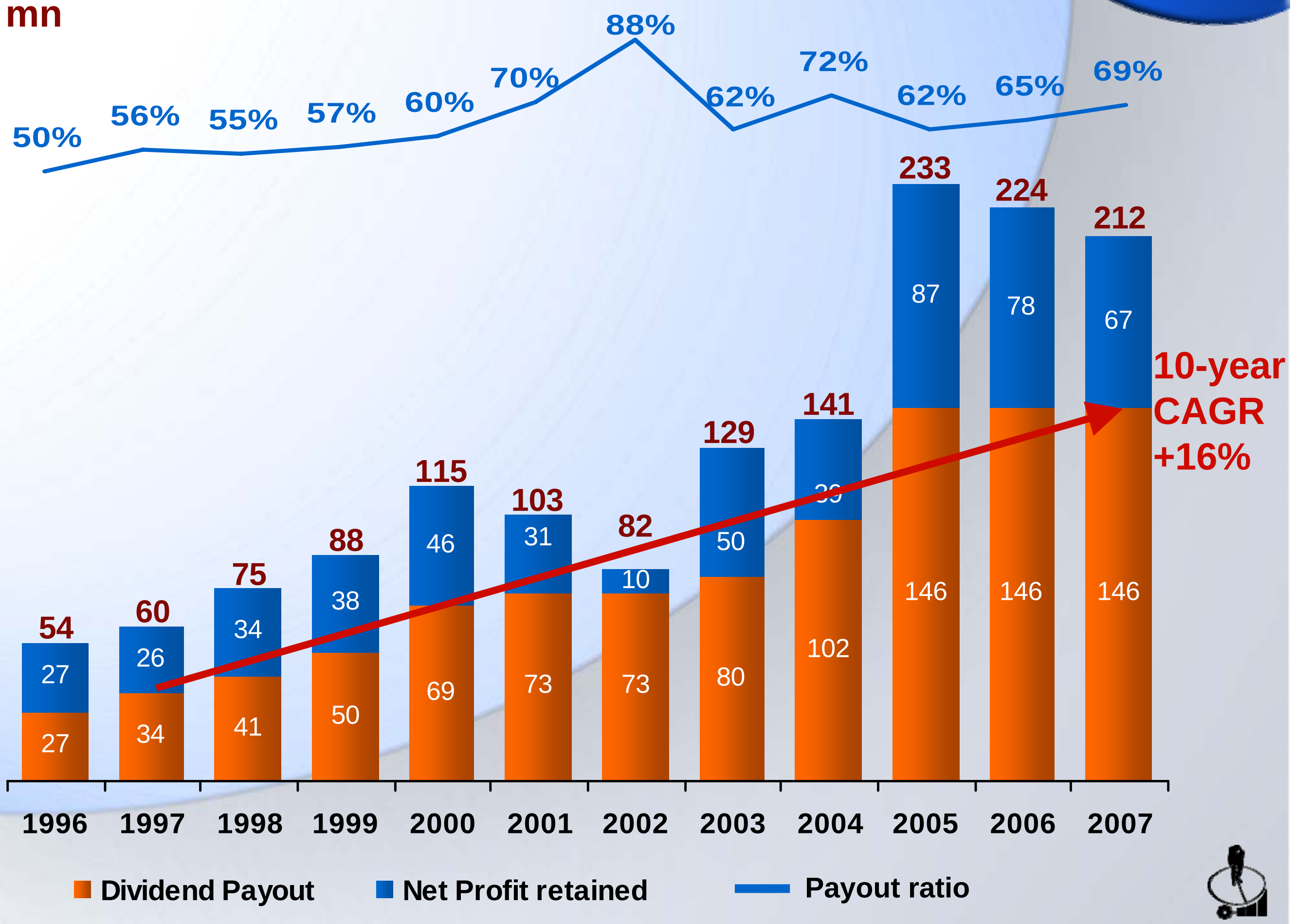



* IAS/IFRS



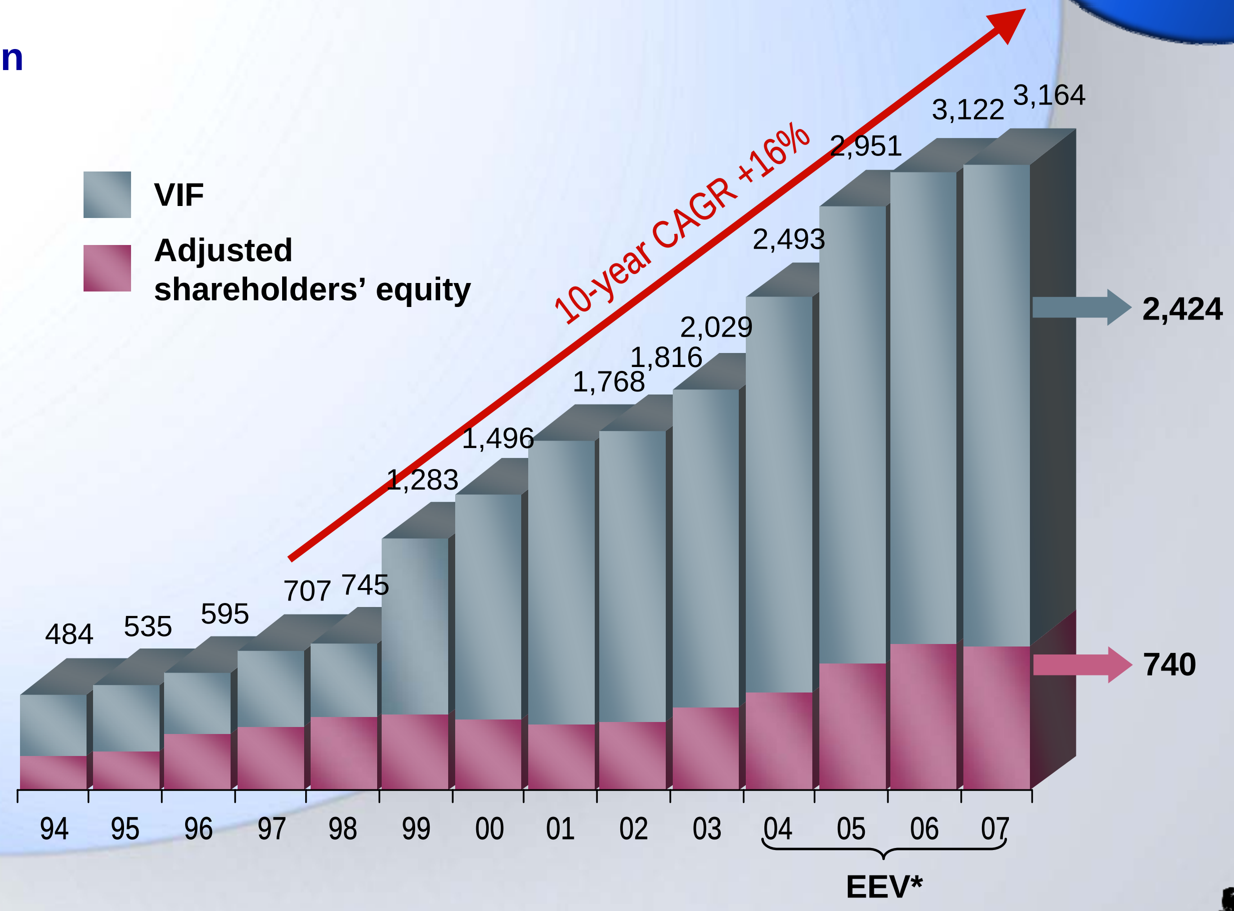
# Dividend payout

€ mn



# Embedded value

**€ mn**




* including Spain & Italian banking business



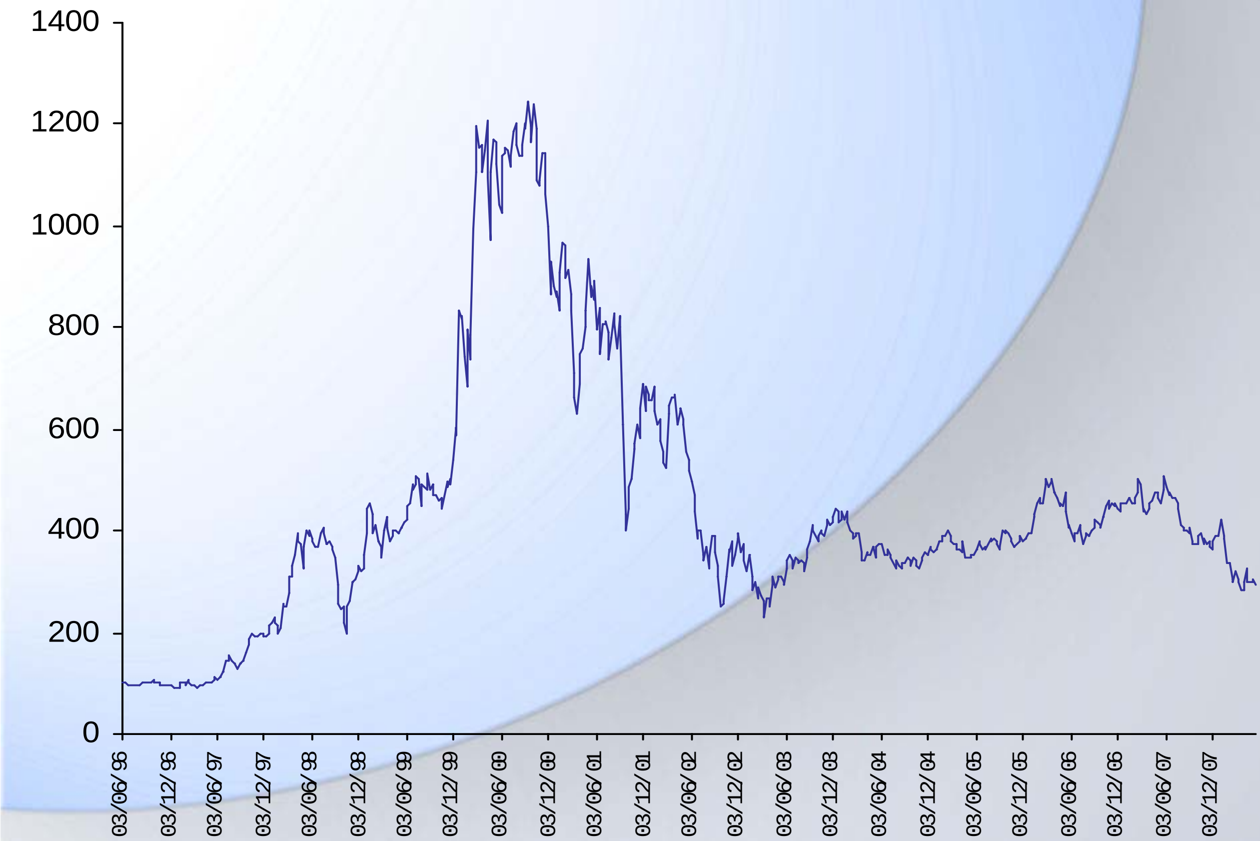
# Embedded Value Multiples

| | Mediolanum | Alleanza | B. Fideuram (de-listed) | Generali |
|---|---|---|---|---|
| **31.12.2000** | | | | |
| P/EV | 6.5 | 3.1 | 3.2 | 2.3 |
| P/EVNB | 28.9 | 70.4 | 17.6 | 75.7 |
| **31.03.2008** | | | | |
| P/EV* | 0.9 | 1.1 | --- | 1.4 |
| P/EVNB* | 7.3 | 21.6 | --- | 33.5 |

* EV data referring to FY 2007

**Source: company data, Datastream**

# MED.MI
# Total return index*

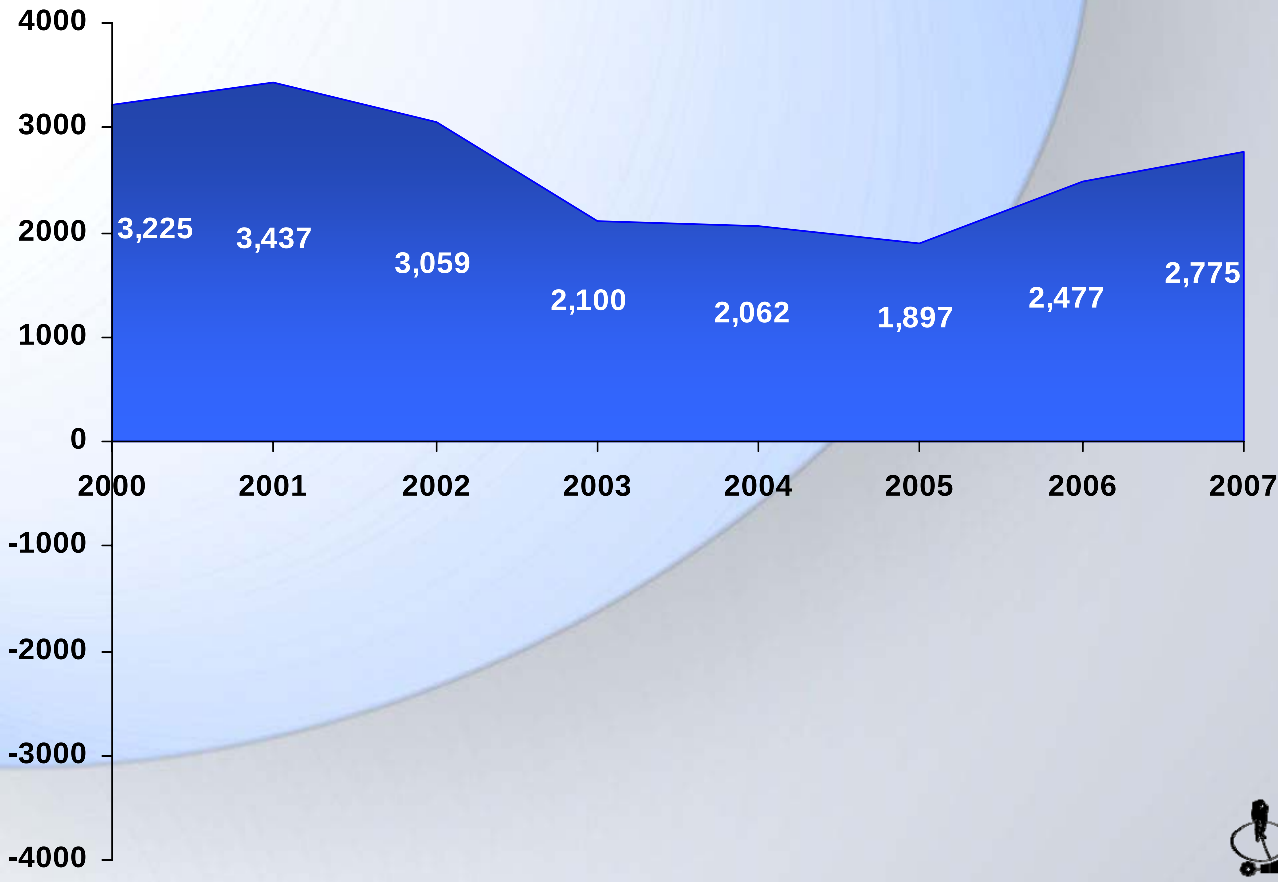



* includes dividend reinvestment, June 3, 1996 – May 12, 2008
**Source: Datastream**



# Total net inflows
## Domestic operations

**€ mn**



# Italian networks
# Ranking by net inflows

| | | 2007 (€ mn) |
|---|---|---|
| 1. | Finecobank | 2,181 |
| **2.** | **Banca Mediolanum*** | **1,685** |
| 3. | Azimut Consulenza | 1,282 |
| 4. | BSI | 835 |
| 5. | Banca Fideuram | 825 |
| 6. | Xelion Banca | 802 |
| 7. | San Paolo Invest | 768 |
| 8. | MPS Banca Personale | 505 |
| 9. | Carifirenze | 430 |
| 10. | Banca Generali | 411 |
| 11. | Simgenia | 316 |
| 12. | Finanza Futuro | 277 |
| 13. | AZ Investimenti | 275 |
| 14. | Credem | 248 |
| 15. | Banca della Rete | 233 |
| [...] | | |
| **Total - all Italian networks** | | **11,449** |

Source: Assoreti ( *does not include Banca Esperia)

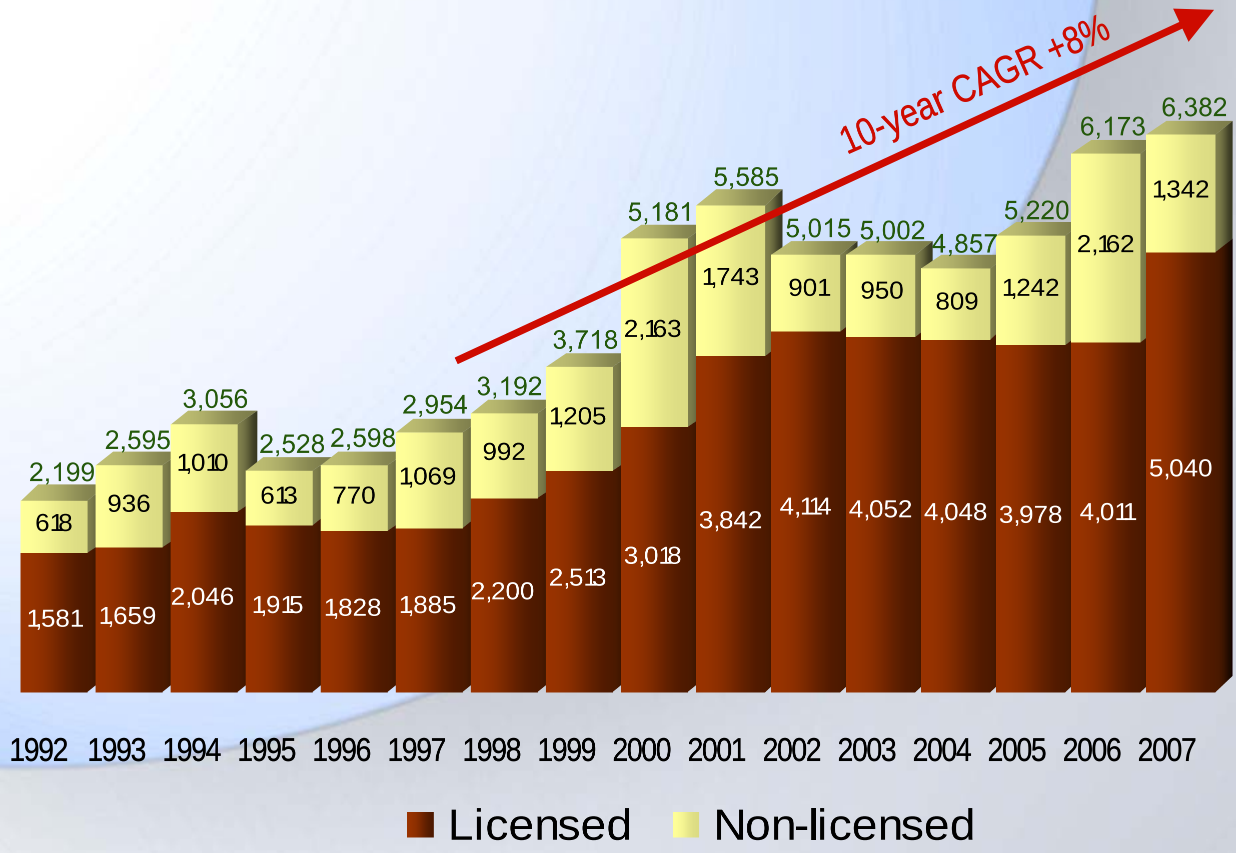


# Italian asset management groups
# Ranking by net inflows into M.F.

| | | 2007 (€ mn) |
|---|---|---|
| 1. | Azimut | 1,397 |
| 2. | JPMorgan AM | 1,266 |
| **3.** | **Mediolanum** | **886** |
| 4. | Kairos | 706 |
| 5. | Generali | 340 |
| 6. | Credito Emiliano | 104 |
| 7. | Ersel | -60 |
| 8. | Cassa di Risparmio di Firenze | -635 |
| 9. | Anima | -1,267 |
| 10. | Deutsche Bank | -1,340 |
| 11. | Bipiemme | -1,433 |
| 12. | Allianz | -1,745 |
| 13. | Monte dei Paschi di Siena | -1,780 |
| 14. | BNP Paribas | -1,852 |
| 15. | UBI Banca | -2,876 |
| 16. | Arca | -2,906 |
| 17. | Banco Popolare / PopVe-No | -3,455 |
| 18. | CAAM / Polaris | -11,216 |
| 19. | Intesa Sanpaolo | -11,432 |
| 20. | Pioneer / Unicredito / Capitalia | -13,664 |
| | [...] | |
| **Total - Italian mutual fund market** | | **-53,078** |

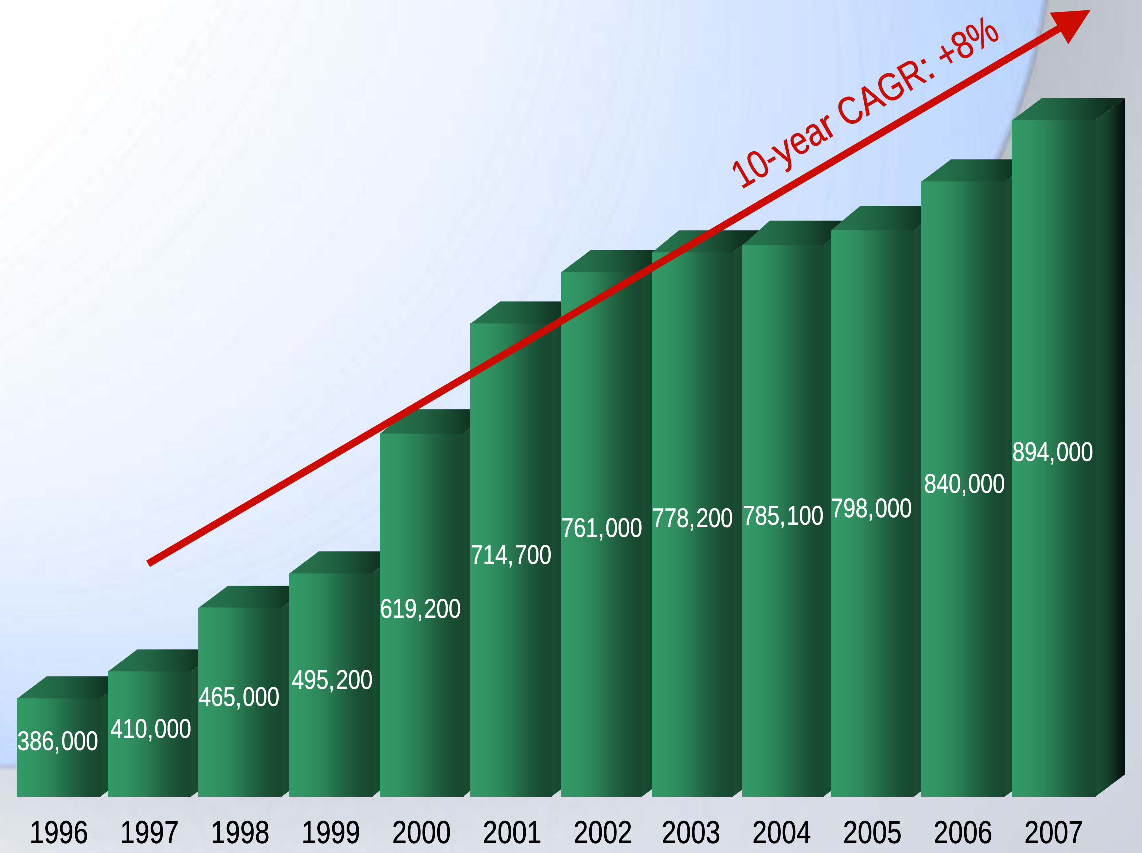
Source: Assogestioni

# Banca Mediolanum
## Family Banker network






# Banca Mediolanum
## Customers
### Primary account holders



# Banca Mediolanum
## Bank accounts

75
Mediolanum Facts


* all new customers are acquired through the bank account

# Thank you!

Any questions?

# Disclaimer

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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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