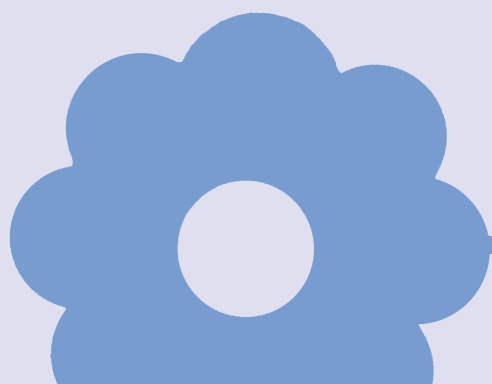


MEDIOLANUM S.P.A.

*HALF-YEAR
RESULTS
AS AT JUNE 30,
2001*



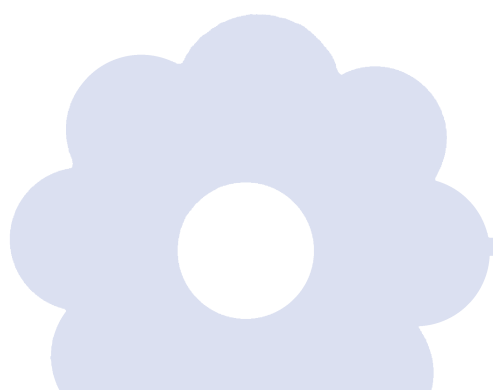
MEDIOLANUM
GRUPPO MEDIOLANUM

Summary

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MEDIOLANUM S.P.A.

*HALF-YEAR
RESULTS
AS AT JUNE 30,
2001*



MEDIOLANUM
GRUPPO MEDIOLANUM

Mediolanum S.p.A. Officers of the Company

BOARD OF DIRECTORS

Roberto Ruozzi
Alfredo Messina
Edoardo Lombardi
Ennio Doris
Marina Elvira Berlusconi
Massimo Antonio Doris
Alessandro Grimaldi
Mario Molteni
Angelo Renoldi
Paolo Sciumè
Claudio Sposito
Antonio Zunino

Chairman of the Board of Directors
Deputy Chairman
Executive Vice President
Chief Executive Officer
Director
Director
Director
Director
Director
Director
Director
Director

BOARD OF STATUTORY AUDITORS

Arnaldo Mauri
Achille Frattini
Francesco Antonio Giampaolo
Ferdinando Gatti
Francesco Vittadini

Chairman of the Board of Statutory Auditors
Statutory Auditor
Statutory Auditor
Substitute Statutory Auditor
Substitute Statutory Auditor

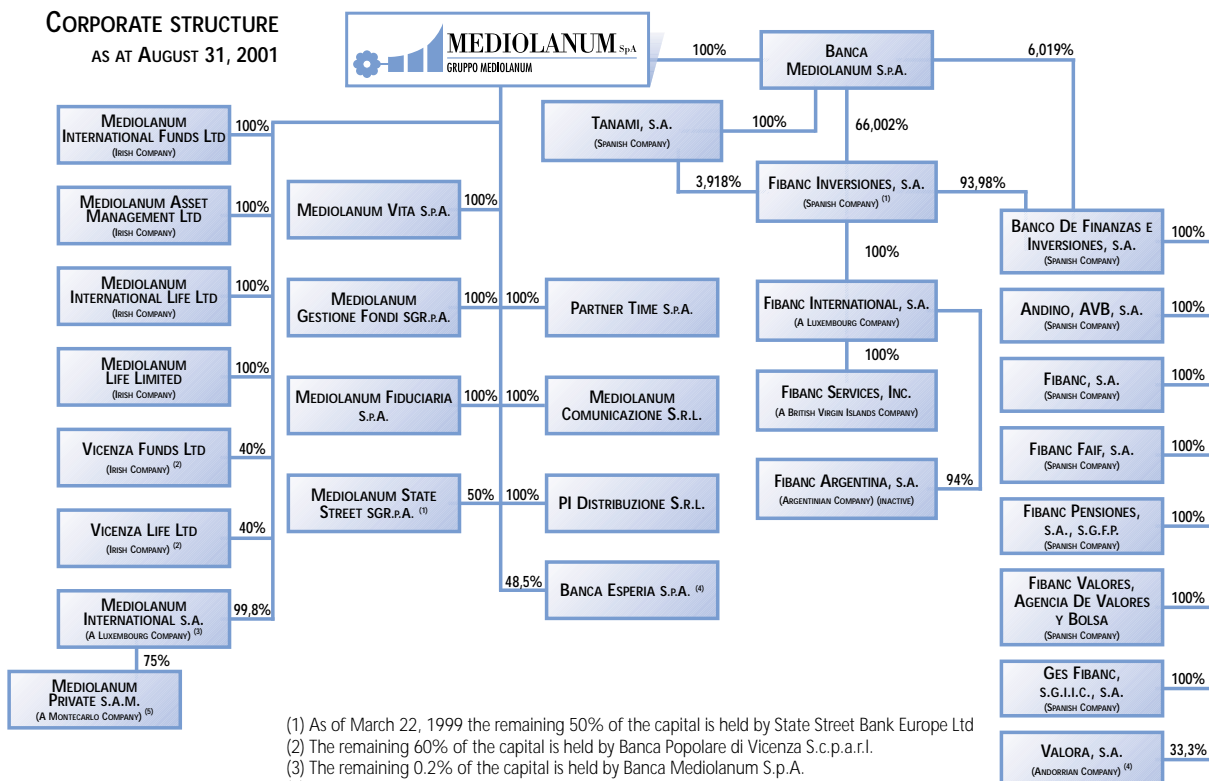
SECRETARY OF THE BOARD

Sebastiano Unali

INDEPENDENT AUDITORS

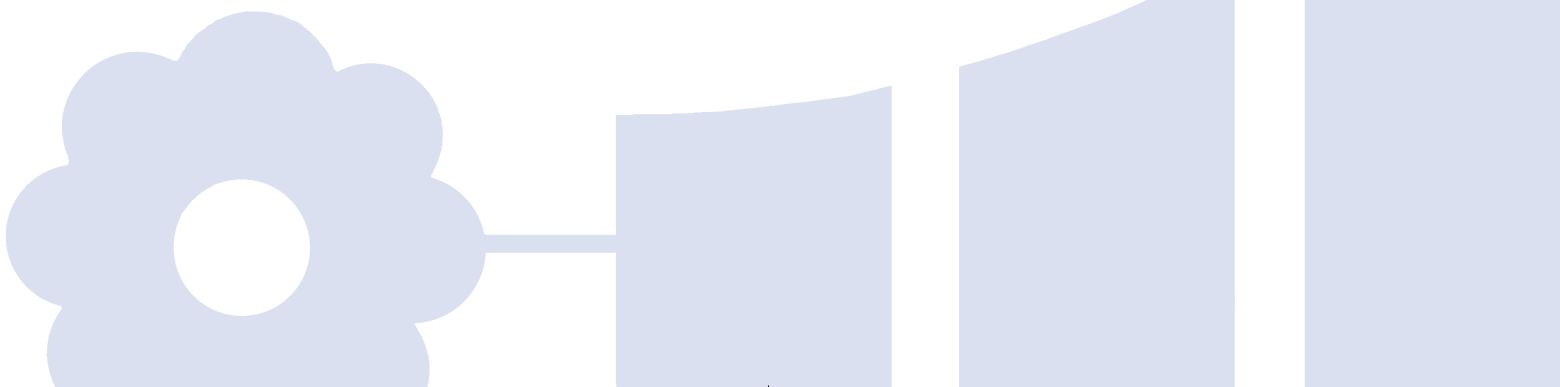
Arthur Andersen S.p.A.

CORPORATE STRUCTURE AS AT AUGUST 31, 2001



GRUPPO MEDIOLANUM

*CONSOLIDATED
FINANCIAL STATEMENTS
AS AT JUNE 30,
2001*



Balance sheet

ASSETS

	<i>Euro in thousands</i>		
	30.06.2001	31.12.2000	30.06.2000
A) Due from shareholders for share capital still to be paid-in	0	0	0
B) Intangible assets			
1. Unamortised acquisition commissions	0	0	0
2. Other intangible assets	26,597	30,369	33,667
3. Consolidation difference	0	0	0
TOTAL INTANGIBLE ASSETS	26,597	30,369	33,667
C) Investments			
I - Land and buildings	79,143	80,190	81,135
II - Investment in Group companies and other companies			
1. Shares and quotas	438,508	422,570	235,029
2. Bonds	0	7,566	0
3. Financial loans	672	671	646
TOTAL INVESTMENT IN GROUP COMPANIES AND OTHER COMPANIES	439,180	430,807	235,675
III- Other financial investments			
1. Shares and quotas	3,736	256	0
2. Quotas of mutual funds	257,167	343,533	408,552
3. Bonds and other fixed income securities	1,588,879	1,769,783	1,835,576
4. Financial loans	19,919	20,794	20,794
5. Other financial investments	178,507	175,734	249,191
TOTAL OTHER FINANCIAL INVESTMENTS	2,048,208	2,310,100	2,514,113
IV- Funds held by ceding companies	0	0	0
TOTAL INVESTMENTS	2,566,531	2,821,097	2,830,923
D) Investments allocated to life policyholders carrying the relevant risk and from pension fund management	4,208,916	3,669,596	3,065,409
D b) Reinsurers' share of technical reserves			
I - Non-Life	0	0	0
II - Life	189,786	201,489	217,862
<i>(excluding technical reserves as per point III)</i>			
III - Life technical reserves when the risk is carried by policyholders and reserves from pension fund management	0	0	0
TOTAL REINSURERS' SHARE OF TECHNICAL RESERVES	189,786	201,489	217,862
E) Receivables			
I - Due from direct insurance operations	22,321	19,501	18,655
II - Due from reinsurance operations	978	4	222
III - Other receivables	49,390	47,632	50,303
TOTAL RECEIVABLES	72,689	67,137	69,180
F) Other assets			
I - Tangible assets	4,222	3,461	3,776
II - Liquid assets	207,390	159,841	246,779
III - Own shares or quotas	4,202	4,094	840
IV - Other assets	17	17	273
TOTAL OTHER ASSETS	215,831	167,413	251,668
G) Pre-payments and accrued income	22,893	24,938	23,986
TOTAL ASSETS	7,303,243	6,982,039	6,492,695

Euro in thousands

30.06.2001 31.12.2000 30.06.2000

**SHAREHOLDERS'
EQUITY AND
LIABILITIES****A) Capital and reserves**

I - Pertaining to the Group:			
1. Subscribed capital or equivalent	72,502	74,883	74,883
2. Net equity reserves	103,650	99,632	102,886
3. Consolidation reserve	103,775	95,715	95,715
4. Reserve for difference in valuation regarding companies invested in and not included in the consolidation area	109,505	73,096	73,096
5. Reserve for exchange rate difference	0	0	0
6. Reserves for own shares and shares of the parent company	4,202	4,094	840
7. Profit (loss) for the period	50,264	115,443	63,455
TOTAL GROUP SHAREHOLDERS' EQUITY	443,898	462,863	410,875
II - Minority interests			
1. Share capital and reserves	0	0	0
2. Profit (loss) for the period	0	0	0
TOTAL MINORITY INTERESTS	0	0	0
TOTAL CAPITAL AND RESERVES	443,898	462,863	410,875

B) Subordinated liabilities**C) Technical reserves**

I - Non-life			
1. Premiums reserve	0	0	0
2. Claims reserve	0	0	0
3. Equalisation provision	0	0	0
4. Other	0	0	0
TOTAL NON-LIFE	0	0	0
II - Life			
1. Actuarial reserve	2,127,392	2,303,912	2,598,292
2. Reserve for amounts to be paid	30,964	40,652	22,819
3. Other	39,688	51,532	47,837
TOTAL LIFE	2,198,044	2,396,096	2,668,948
TOTAL TECHNICAL RESERVES	2,198,044	2,396,096	2,668,948

D) Technical reserves when the risk is carried by policyholders and reserves from pension fund management

	4,208,916	3,669,596	3,065,409
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E) Provisions for risks and charges

	25,994	21,818	30,230
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F) Deposits received from reinsurers

	188,444	198,010	216,245
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G) Payables and other liabilities

I - Due to direct insurance operations	1,928	3,691	2,228
II - Due to reinsurance operations	1,054	5,764	7,616
III - Debenture loans	0	0	0
IV - Amounts owed to credit institutions	170,882	172,939	56,209
V - Other loans and other financial debt	0	0	0
VI - Employee termination indemnity	4,096	4,004	3,581
VII - Other liabilities	57,516	46,588	30,532
TOTAL PAYABLES AND OTHER LIABILITIES	235,476	232,986	100,166

H) Accruals and deferred income

	2,471	670	822
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TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES

	7,303,243	6,982,039	6,492,695
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Off balance sheet items

I - Guarantees given	3,042	2,516	2,974
II - Guarantees given or received by third parties	12,455	12,455	12,455
III - Obligations	0	1	24
IV - Pension fund assets managed on behalf of third parties	0	0	0
V - Other off balance sheet items	5,825,677	5,371,504	4,771,601
TOTAL OFF BALANCE SHEET ITEMS	5,841,174	5,386,476	4,787,054

Income statement

TECHNICAL ACCOUNT OF LIFE BUSINESS

<i>Euro in thousands</i>	30.06.2001	31.12.2000	30.06.2000
1. Earned premiums, net of reinsurance	696,022	671,622	1,516,082
2. (+) allocated investment return transferred from the non-technical account	46,918	61,053	105,511
3. Unrealised gains on investments allocated to life policyholders carrying the relevant risk and from pension fund management	170,088	166,913	266,291
4. Other technical income, net of reinsurance	12,630	3,676	9,546
5. Claims incurred, net of amounts recovered and reinsurance	(243,419)	(262,731)	(587,140)
6. Change in mathematical reserves and other technical reserves, net of reinsurance			
a) Mathematical reserves, premium reserves of complementary insurance and other technical reserves	179,062	309,232	581,364
b) Life insurance reserves when the risk is carried by policyholders and from pension fund management	(539,321)	(731,130)	(1,335,317)
TOTAL CHANGE IN NET RESERVES	(360,259)	(421,898)	(753,953)
7. Refunds and profit sharing, net of reinsurance	0	0	0
8. Operating expenses			
a) Acquisition costs net of reinsurers' commissions and profit sharing	(82,664)	(50,517)	(155,854)
b) Administrative expenses	(8,502)	(6,837)	(13,183)
TOTAL OPERATING EXPENSES	(91,166)	(57,354)	(169,037)
9. Unrealised losses on investments allocated to life policyholders carrying the relevant risk and from pension fund management	(191,792)	(129,546)	(333,601)
10. Other technical charges, net of reinsurance	(2,568)	(208)	(1,066)
11. Total technical account of life business	36,454	31,526	52,633

<i>Euro in thousands</i>	30.06.2001	31.12.2000	30.06.2000
1. Total technical account of non-life business	0	0	0
2. Total technical account of life business	36,454	31,526	52,633
3. Investment income			
a) Investment income	104,373	129,043	238,452
b) Adjustments to the value of financial investments	1,278	686	949
c) Gains on the realisation of investments	1,586	8,401	7,094
TOTAL INVESTMENT INCOME	107,237	138,131	246,496
4. Financial burden and losses on assets			
a) Investment management expenses and interest on bank loans	(10,009)	(9,321)	(18,627)
b) Adjustments to the value of investments	(7,914)	(11,021)	(13,915)
c) Losses on the realisation of investments	(411)	(378)	(1,975)
TOTAL FINANCIAL PAYABLES AND LOSSES ON ASSETS	(18,334)	(20,720)	(34,517)
5. (-) allocated investment return transferred to the technical account of life business	(46,918)	(61,053)	(105,511)
6. Other revenues	4,239	4,124	8,457
7. Other charges	(27,093)	(22,124)	(47,576)
8. Total ordinary operations	55,585	69,884	119,981
9. Extraordinary income	3,309	7,070	11,877
10. Extraordinary charges	(403)	(1,559)	(1,889)
11. Total extraordinary operations	2,906	5,511	9,988
12. Profit before taxes	58,491	75,395	129,969
13. Income taxes for the period	(8,227)	(11,940)	(14,527)
14. Consolidated results	50,264	63,455	115,443
15. Profit (loss) for the period from minority interests	0	0	0
16. Group profit (loss) for the period	50,264	63,455	115,443

NON-TECHNICAL ACCOUNT

Explanatory
and integrative
consolidated notes
as at June 30,
2001

A) INFORMATION
ON OPERATIONS

CONSOLIDATED
VALUES ACCORDING
TO THE
ACCOUNTING
METHOD FOR
INSURANCE
COMPANIES

Dear Shareholders,

This half year report is drawn up according to the accounting method for insurance companies, excluding the companies carrying out banking and asset management activities or activities from the consolidation. Therefore, we deemed it appropriate, as in the full year financial statements, to provide a clear, overall profile of the Group's activities, with the intent of highlighting the general financial and asset data of the Group in a consistent way.

Mediolanum S.p.A. and the controlled companies Mediolanum Vita S.p.A. and Partner Time S.p.A. were consolidated on a line-by-line basis.

The controlled companies Banca Mediolanum S.p.A., Mediolanum Gestione Fondi SGR.p.A., Mediolanum International Funds Ltd, PI Distribuzione S.r.l., Mediolanum Comunicazione S.r.l., Mediolanum Fiduciaria S.p.A., Mediolanum State Street SGR.p.A., Mediolanum Asset Management Ltd were consolidated with the equity method.

Likewise, the Fibanc Group companies in which Banca Mediolanum acquired a controlling interest last year were consolidated using the equity method, as were the investment shares in the associated companies Vicenza Life Ltd and Vicenza Funds Ltd.

The controlled companies Mediolanum International S.A. and Mediolanum Life Ltd were valued at cost since the former had only marginal operations during the half-year and the latter is not yet operational.

The associated company Banca Esperia S.p.A. (formerly DueMme S.p.A.) was valued at cost since the company's operations and those of controlled companies were only marginal during the half-year.

The net profit of the Group for the period was 50,264,000 Euro (30.06.00: 63,455,000 Euro).

Gross premiums amounted to 702,002,000 Euro (30.06.00: 679,152,000 Euro).

Investment income totalled 107,237,000 Euro (30.06.00: 138,131,000 Euro).

Claims incurred, net of amounts recovered and reinsurance, totalled 243,419,000 Euro (30.06.00: 262,731,000 Euro).

Operating costs amounted to 91,166,000 Euro (30.06.00: 57,354,000 Euro).

The most significant economic and financial interactions between the Group companies not included in the consolidation area and with other companies are covered in sections C) D) and E).

In the first half-year 2001, the Group achieved very satisfactory results in spite of the negative trends in the main financial markets.

The international financial markets went from an unprecedented peak registered in February last year, to a crisis lasting through the first half of 2001. This should be taken into consideration when comparing the first half results for 2001 with those of the same period the prior year.

The financial market trends negatively influenced the results for the period, with performance commissions lower than those recorded in the previous half-year.

The Group once again demonstrated its ability to react and grow in such a market situation.

During the first half, new products were launched - in particular, a new version of a managed account product and two new Life policies which were well received by customers.

These high added-value products, apart from better satisfying the customers' requirements, guarantee a higher return over time. Although the effects of these products cannot be seen in the current income statement, they are revealed in the embedded value analysis that follows.

Total revenues, in the form of insurance premiums and management commissions, totalled 865,539,000 Euro (30.06.00: 853,511,000 Euro).

Total assets under administration as at June 30, 2001, amounted to 19,823,300,000 Euro, a 34.6% increase over the same period of the previous year (30.06.00: 14,732,500,000 Euro) and a 11% increase over December 31, 2000 (17,852,200,000 Euro).

The Fibanc Group was consolidated as of July 2000. Therefore, in order to make a comparison with the prior year's results easier, and to better understand the operational aspects, the following discussion of the Mediolanum Group's performance excludes the Fibanc Group.

The performance and results of the Fibanc Group are reviewed in a separate section.

The results achieved in the first half of 2001 by the Mediolanum Group are viewed positively considering the ongoing crises faced by international financial markets and the negative net balance of overall sales for the asset management sector in Italy.

THE BANKING ACTIVITY

The performance of Banca Mediolanum S.p.A. was very good; as at June 30, 2001, there were 266,073 current accounts (30.06.00: 183,877). There were a total of 101,952 safe-custody accounts at the same date (30.06.00: 75,732).

Profits of companies operating in the banking sector in which investments are held, valued on an equity basis

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Banca Mediolanum S.p.A.	1,936	332	5,773

MUTUAL FUNDS AND MANAGED ACCOUNTS

Total gross inflows for the mutual funds and managed accounts business amounted to 1,859,500,000 Euro (30.06.00: 1,991,600,000 Euro), whereas net inflows were positive, contrary to the trend in the market, at 539,400,000 million Euro (30.06.00: 588,100,000 Euro). Total assets under administration as at June 30, 2001 rose to 9,653,300,000 Euro (31.06.00: 8,423,600,000 Euro).

Profits of companies operating in the asset management sector in which investments are held, valued on an equity basis:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Mediolanum Gestione Fondi SGR.p.A	7,601	11,211	19,835
Mediolanum International Funds Ltd	35,583	37,514	72,128
Vicenza Funds Ltd	58	7	114

The companies' results for the period were primarily influenced by the lower performance fee levels due to the aforementioned trends in the international financial markets.

LIFE BUSINESS

The capacity of the Life business for market penetration was confirmed. Total inflows for the half-year totalled 702 million Euro, thus a 3.3% increase over the first half of 2000 (679.1 million Euro).

New business totalled 447.9 million Euro (30.06.00: 466.9 million Euro).

Recurring premiums reached 86.9 million Euro, an 88% increase over the same period of the previous year (46.3 million Euro).

Profits of companies in which investments are held operating in the Life insurance sector, valued on an equity basis:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Vicenza Life Ltd	380	776	1,469

During the first half of 2001, the Group increased its presence in the sector of pension funds management and closed-end mutual funds intended for institutional investors through the companies Mediolanum State Street SGR.p.A., Mediolanum Gestione Fondi SGR.p.A. and Mediolanum Vita S.p.A. As at June 30, 2001, assets under management totalled 387 million Euro (31.06.00: 300.1 million Euro).

OTHER PRODUCTS

Profits for the year of other companies operating in the banking and securities sector in which investments are held, valued on an equity basis:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Mediolanum State Street SGR.p.A.	256	(227)	62
Mediolanum Asset Management Ltd	3	(56)	(51)
Mediolanum Comunicazione S.r.l.	(67)	(801)	(42)
Mediolanum Fiduciaria S.p.A.	(4)	2	(21)
PI Distribuzione S.r.l.	(151)	(101)	(258)

It should be noted that Mediolanum Fiduciaria S.p.A. is now inactive and its future utilisation is under evaluation.

The loss relating to PI Distribuzione S.r.l is attributable to the stagnation of the hotel and tourist resort market and the resulting drop in volume.

VOLUME

Inflows of Managed Savings Products (*)

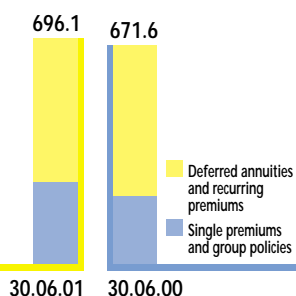
Volume is broken down by the main business lines:

<i>Euro in millions</i>	30.06.01	30.06.00	Change %	31.12.00
Life insurance products				
<i>New business</i>				
- Recurring premiums	86.9	46.3	88	137.5
- Single premiums and group policies	360.9	420.7	(14)	920.7
TOTAL NEW BUSINESS	447.9	466.9	(4)	1,058.2
<i>Business in force</i>				
- Pension plans	238.8	192.2	24	435.5
- Investment policies in force	15.3	19.8	(23)	38.7
TOTAL BUSINESS IN FORCE	254.1	212.1	20	474.2
GROSS PREMIUMS WRITTEN	702	679.1	3	1,532.5
(less) Premiums ceded	(5.9)	(7.5)	(21)	(16.4)
NET LIFE PREMIUMS	696.1	671.6	4	1,516
Financial products				
<i>Mutual funds and managed accounts</i>				
- Gross consolidated inflows	1,859.5	1,991.6	(6.6)	3,270.8
- Net consolidated inflows	539.4	588.1	(8.3)	1,116.4

(*) The data above do not include the Fibanc Group.

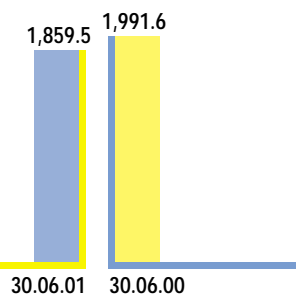
LIFE POLICIES

Total Life premiums (Euro millions)



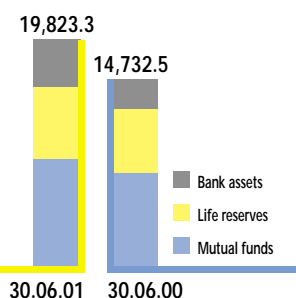
MUTUAL FUNDS

Gross consolidated inflows (Euro millions)



ASSETS UNDER ADMINISTRATION

(Euro millions)



Consolidated assets under administration

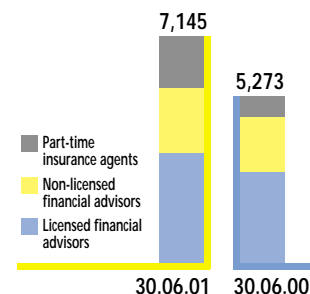
<i>Euro in millions</i>	30.06.01	30.06.00	Change %	31.12.00
Life reserves	6,513.1	5,799.3	12.3	6,162.7
Mutual funds and managed accounts	9,653.3	8,423.6	14.6	8,734.9
Direct and indirect bank inflows	4,269.9	2,617.9	63.1	3,316.5
Pension funds	387	300.1	29	286.3
Consolidation adjustments	(3,133.2)	(2,408.4)	30.1	(2,761.7)
Mediolanum total	17,690.1	14,732.5	20.1	15,738.7
Fibanc assets under administration	2,133.2	0	0	2,113.5
Consolidated total	19,823.3	14,732.5	34.6	17,852.2

The sales network

	30.06.01	30.06.00	31.12.00
Licensed financial advisors (Banca Mediolanum)	3,473	2,882	3,018
Non-licensed financial advisors (Banca Mediolanum)	2,034	1,728	2,163
Part-time insurance agents (Partner Time)	1,638	663	1,198
TOTAL	7,145	5,273	6,379

THE SALES NETWORK

THE SALES NETWORKS

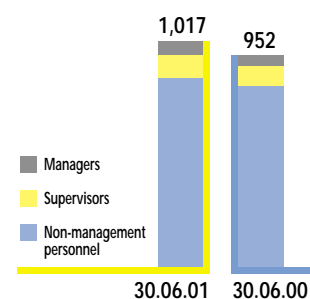


Employees

The number of employees of the Mediolanum Group developed as follows:

	30.06.01	30.06.00	31.12.00
Non-management personnel	850	815	879
Supervisors	100	86	95
Managers	67	51	60
TOTAL	1,017	952	1,034

THE EMPLOYEES



Spain was also affected by the negative trend in the international stock markets, which adversely affected the revenues of all the brokerage companies operating in the Spanish market.

Also the Fibanc Group, whose results currently depend on stock brokerage activity, recorded a drop in the volume of transactions and a consequent reduction in profits.

THE FIBANC GROUP

Volume of the Fibanc Group

<i>Euro in millions</i>	30.06.01	31.12.00
Assets under administration	2,133	2,113
Net inflows	55	185

Employees

	30.06.01	31.12.00
Non-management personnel	306	314
Managers	17	19
TOTAL	323	333

Net profit of the Fibanc Group

<i>Euro in thousands</i>	30.06.01	31.12.00
Fibanc Group	809	2,483*

* Profit for the period 21.07.00-31.12.00.

EMBEDDED VALUE

Considering the importance embedded value has for a more meaningful interpretation of the development of the Mediolanum Group, the following information regarding embedded value is provided, calculated with the assistance and advice of Tillinghast-Towers Perrin, the insurance consultancy division of Towers, Perrin, Forster & Crosby, Inc.

Embedded value is defined as the sum of shareholders' equity, taking into account the assets at market value and the value of in-force business. The value of the in-force Life business is the present value of future after-tax statutory profits that are expected to be generated from all the existing policies at the valuation date, adjusted for the cost of holding an appropriate level of solvency capital. The value of the in-force mutual fund business is calculated in a similar way to the value of in-force Life business, without the adjustment for the cost of capital because mutual funds do not require solvency margins. The following table shows the results of such a valuation for the Mediolanum Group as at June 30, 2001 along with those referring to December 31, 2000.

Embedded value

<i>Euro in millions</i>	30.06.01	31.12.00	Change %
Shareholders' net assets	438	453	(3.1)
Value of in-force Life business	985	873	12.8
Value of in-force mutual fund and managed account business	334	262	27.4
EMBEDDED VALUE INCLUDING GOODWILL FIBANC	1,757	1,588	10.7
Goodwill fibanc	(95)	(92)	2.8
EMBEDDED VALUE EXCLUDING GOODWILL FIBANC	1,662	1,496	11.2

The same economic assumptions shown in the annual report for the year ending December 31, 2000 were used to determine the embedded value as at June 30, 2001. It should be noted that a discount rate of 7.75% was applied. To allow potential investors to analyse the effect of using various discount rates, the embedded value for the Group as at June 30, 2001 was calculated to be 1,778,000,000 Euro and 1,562,000,000 Euro, at discount rates of 6.75% and 8.75%, respectively.

Embedded value earnings, which are defined as the change in embedded value for the year, adjusted for the payment of dividends and the contribution of capital, provide a measure of performance during the year.

Embedded value earnings for the year

<i>Euro in millions</i>	30.06.01	31.12.00
Change in embedded value for the year	175	309
Dividends paid	69	51
VALUE ADDED FOR THE YEAR BEFORE FIBANC	244	360
Fibanc effect on the year	(8)*	(97)
VALUE ADDED FOR THE YEAR AFTER FIBANC	236	263

(*) Due to the increase in the investment held in Fibanc Inversiones and to the fully subscribed share capital increase of Banco de Finanzas e Inversiones.

Embedded value for the first half of 2001 and for the year 2000 primarily consists of the following components:

<i>Euro in millions</i>	30.06.01	31.12.00
Expected return	49	90
Experience variances	1	(66)
Conversion of mutual funds into managed accounts in funds	(19)	0
EARNINGS ON INITIAL EMBEDDED VALUE	31	24
New Life business	102	195
New mutual fund and managed account business	35	141
New business from mutual fund conversions	76	0
VALUE ADDED BY NEW BUSINESS	213	336
VALUE ADDED FOR THE YEAR BEFORE FIBANC	244	360
Effect of fibanc on the year	(8)	(97)
VALUE ADDED FOR THE YEAR AFTER FIBANC	236	263

Sales volume of recurring life premiums, the high level of profitability of the new products and the transformation of mutual funds into managed accounts in funds led to another further significant increase in embedded value earnings for the Group for the first half of 2001.

The main reason for the variation in the assumptions is the reduction in management activities which resulted in a 22 million Euro decrease in embedded value earnings, countered by an improvement in operating assumptions beyond expectations.

EVENTS IN THIS PERIOD

The Mediolanum Channel was inaugurated on January 10, 2001 with the aim of reaching viewers consisting mainly of Mediolanum Group customers whose interest would not only be in issues related to managed savings and pension plans and asset management, but also in other areas such as travel, leisure time, well-being and so on.

In February 2001, a further share capital increase of 38.7 million Euro was subscribed and paid-in in order to provide the controlled Banca Mediolanum S.p.A. with the assets necessary to support the development of its activity.

A further investment of 15.3 million Euro was made to the associated company Banca Esperia S.p.A. (formerly DueMme S.p.A) for a share capital increase.

Also in February 2001, a new version of Chorus was launched, which is a managed account in funds, enhancing the existing lines with additional risk profiles.

The Irish funds Challenge and Top Managers were also enhanced with new compartments.

In the insurance area, Tax Benefit was launched, which is a new version of the existing product Europension and which satisfies the requirements set by the new fiscal regulation that permits the tax deduction of contributions made into Individual Pension Plans.

In June, Mediolanum Vita S.p.A. further expanded its line of products through Life Funds, a unit-linked whole life policy. Customers choose the allocation of their investments, selecting one or more of the seven internal funds available, according to their tolerance to volatility and their time horizon objectives for the investment. The customer is free at any time to request the full or partial liquidation of the capital corresponding to the counter-value of the portions of internal insurance funds allocated by the contract.

The advertising campaign was carried on with during the first half of 2001 and continued to be effective in increasing the brand awareness of Banca Mediolanum. The related advertising expenses of approximately 4.6 million Euro (30.06.00: 10.8 million Euro) were entirely expensed during the year.

In March 2001, the interest in Fibanc Inversiones S.A. was increased to 69.92% through the acquisition of minor shareholdings, entailing costs of an additional 6.5 million Euro.

Banca Mediolanum executed a fully subscribed share capital increase of Banco de Finanzas e Inversiones S.A. for a total amount of 2,000,000,000 Pesetas (equal to approximately 12 million Euro) in order to increase the TIER 1 capital of the company.

On May 7, a 10% interest was acquired in the company Tredicimarzo S.r.l. for 14 million Euro, with the intention of maintaining the Group's weight within the voting block of Mediobanca S.p.A.

On July 25, Mediolanum Private S.a.m. was set up as a joint venture with Compagnie Monégasque de Banque, obtaining all the necessary authorisations. This company provides management, brokerage and consultancy activities to private customers in Monte Carlo.

The company's share capital is 500,000 Euro, 75% of which is held by Mediolanum and 25% by CMB.

On July 27, a preliminary contract was signed for the purchase of a 100% interest in the Luxembourg company Gamax Holding AG, which controls distribution companies in Germany and Austria, Gamax Finanzdienste Vermittlungs GmbH and Gamax Austria and the management company Gamax Management AG. This entailed a 70 million Euro financial investment. In the case that the growth targets specified in the plan for the three-year period 2002/2004 are attained, this price will be increased.

The German market was the focus of another acquisition: an agreement was signed on July 30, 2001 for the acquisition of Bankhaus August Lenz & Co for 12.5 million Euro.

These two acquisitions were made with the objective of replicating the Mediolanum model both in Germany and Austria.

These transactions are subject to authorisation being obtained from the competent supervisory bodies.

On August 23, a 100% interest was acquired in Western International Life Ltd, a Dublin-based insurance company, for 3.8 million Euro.

The company, subsequently named Mediolanum International Life Ltd, was strengthened with a 11.2 million Euro share capital contribution.

In the light of the positive results of the first half of 2001, it is expected that the results for the year will be positive.

EVENTS IN SUCCESSIVE PERIODS

MEDIOLANUM S.p.A. During the first half of 2001 the activity of the parent company Mediolanum S.p.A. generated a net income of 90.7 million Euro (30.06.00: 69.8 million Euro). Operating income totalled 95.6 million Euro (30.06.00: 79.4 million Euro), of which 90.4 million Euro (30.06.00: 77.8 million Euro) came from insurance brokerage activities as an agent of the controlled company Mediolanum Vita S.p.A.

The costs associated with these operations mainly consist of commissions paid to the controlled company Banca Mediolanum S.p.A totalling 78.9 million Euro (30.06.00: 49 million Euro) largely due to a significant increase in new recurring premiums, as highlighted above.

Overhead amounted to 9.6 million Euro (30.06.00: 9.3 million Euro).

Interest payable on credit lines granted by primary bank amounts to 3.7 million Euro.

Commercial ties were maintained with the controlled companies as well as with the companies of the Fininvest Group and the Doris Group, though to a lesser extent. These were contractually defined at market value, and mostly aimed at the technical and administrative coordination of the controlled companies, and the insurance agency relationship referred to above.

On April 12, at the extraordinary meeting of Mediolanum S.p.A., the shareholders voted to convert the share capital of Lira into Euro, from 144,994,100,000 Lira to 72,497,050 Euro corresponding to 724,970,500 shares with a par value of Euro 0.1, and to allocate 2,386,153 Euro to the legal reserve coming from the reduction in share capital following the rounding down of the unit value of individual shares.

The Mediolanum Group, following the enactment of Legislative Decree no.173/97 (specifically article 58, point 2), has the obligation of drawing up the consolidated financial statements according to the accounting method for insurance companies. Since it was not possible to consolidate the companies belonging to the Mediolanum Group on a line-by-line basis due to the presence of companies whose activity is not insurance related within the framework of their institutional tasks (Banca Mediolanum S.p.A., Mediolanum Gestioni Fondi SGR.p.A., Mediolanum International Funds Ltd, Fibanc Inversiones S.A. and its controlled companies), the consolidated financial statements contain insurance information, which calls for consolidating the above companies operating in the banking and financial

fields on an equity basis. Since we felt it was fundamental to provide the reader an overall profile of the Group, we have also provided an appendix that is consolidated on a line-by-line basis: this allows a comparison of the most significant Income Statement items, reclassified using management criteria. The goal was to provide a clear, easily read document for a more accurate comprehension of the Mediolanum Group; it is not intended to provide information about the changes between the accounting balances.

Reclassified Income Statement in Euro

(Euro in thousands)

	30.06.2001 *	30.06.2001 **	30.06.2000	31.12.2000 *	31.12.2000 **
Premiums from insurance activities					
Gross premiums written	702,002	702,002	679,152	1,532,608	1,532,608
Reinsurance ceded	(5,980)	(5,980)	(7,530)	(16,440)	(16,440)
Commission income from financial activities and other income					
Underwriting commissions	27,841	27,841	58,505	94,496	94,496
Management commissions	85,867	79,072	89,522	174,163	170,127
Bank service margin	21,754	21,237	20,868	49,942	37,787
Bank interest spread	22,130	16,205	9,993	25,830	20,857
Other commissions	11,484	2,835	2,494	11,264	5,370
Other revenues	440	250	506	3,539	3,369
TOTAL REVENUES	865,539	843,462	853,511	1,875,402	1,848,174
Claims and benefits paid, changes in Life insurance reserves, net of reinsurance and investment returns allocated to policy holders					
	(575,005)	(575,005)	(593,308)	(1,302,902)	(1,302,902)
Acquisition costs, net of reinsurance	(111,388)	(105,494)	(108,689)	(239,171)	(232,580)
Overhead	(100,058)	(87,538)	(76,663)	(170,741)	(156,012)
Amortisation/depreciation and provisions	(24,840)	(16,700)	(12,909)	(38,050)	(30,820)
Net investment and asset income	22,750	22,390	36,549	45,241	44,341
Adjustments to the value of financial investments	(7,491)	(7,491)	(11,019)	(11,488)	(11,536)
OPERATING PROFIT	69,506	73,625	87,472	158,289	158,664
Non-recurring extraordinary income and charges	72	0	1,570	732	695
PROFIT BEFORE TAXES	69,579	73,625	89,042	159,022	159,359
Taxes for the period	(19,136)	(18,718)	(25,587)	(42,764)	(41,443)
Minority interest in profits	178	0	0	815	0
PROFIT FOR THE PERIOD PERTAINING TO THE GROUP	50,264	54,907	63,455	115,443	117,916

(*) Consolidated Mediolanum Group and Fibanc Group

(**) Consolidated Mediolanum Group for the purpose of comparison with the previous year.

The consolidated financial statements as at June 30, 2001 are presented in accordance with the CONSOB deliberation No. 11971 of May 14, 1999, amended by deliberation No. 12475 of April 6, 2000, and as per the requirements of Law Decree no. 173/97.

The consolidation principles and criteria used for the controlled companies included in the consolidation are consistent with those used in the preparation of the consolidated financial statements as at December 31, 2000. The valuation criteria were laid out in accordance with the Italian law relating to financial statements (Article 16 of Law Decree no. 173/97, Article 2426 of the Italian Civil Code) and with the accounting standards issued by the relevant professional bodies. They are consistent with those used in the preparation of the consolidated financial statements as at December 31, 2000.

Amounts are expressed in thousands of Euro.

Value adjustments and provisions exclusively made in accordance to fiscal laws were not recorded.

Other intangible assets include:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Start-up and expansion costs	20,410	24,113	27,823
Concessions, licences, trademarks and similar rights	5,605	5,783	5,353
Improvements on third party properties	451	380	445
Intangible assets under formation and advances	93	93	46
Other intangible assets	38	0	0
TOTAL	26,597	30,369	33,667

“Start-up and expansion costs “ are as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Sales network contests	5,962	7,149	8,341
Commissions to be returned to reinsurers	14,401	16,824	19,072
Other start-up and expansion costs	47	140	410
TOTAL	20,410	24,113	27,823

The item “Sales network contests” and “Commissions to be returned to reinsurers” constitute charges relating to the transformation of the traditional portfolio of Mediolanum Vita S.p.A. into unit-linked policies.

These costs were capitalised in compliance with accounting principle No. 24 C.N.D.C. since this is a one-time charge to account for the change in the type of business activity - from one producing financial income to one producing operating income.

B) VALUATION CRITERIA

C) CONSOLIDATED BALANCE SHEET INFORMATION

ASSETS

INTANGIBLE ASSETS (ITEM B)

These costs for the renewal of the portfolio are systematically amortized over a period of five years, which is shorter than the period of the inflows of benefits associated with the transformation of the operation.

“Other start-up costs” largely concerns the costs incurred for the share capital increase of Mediolanum Vita S.p.A.

“Concessions, licences, trademarks and similar rights” mainly consists of software used under licence, for the development of software for the management of new insurance products, as well as for the implementation of further SAP R3 modules.

Total movements in the above items are shown in detail in Attachment 1.

INVESTMENTS (ITEM C)

Item C I *Land and buildings* includes:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Company buildings	19,807	20,167	20,509
Residential buildings leased to third parties	48,338	48,808	49,193
Industrial buildings leased to third parties	10,998	11,215	11,433
TOTAL	79,143	80,190	81,135

All buildings owned by the company Mediolanum Vita S.p.A. were subject to valuation resulting in a total market value of 97,636,000 Euro. For all buildings subject to valuation, the market value proved higher than the accounting value.

In residential buildings leased to third parties, part of a residential complex owned was sold for 470 thousand Euro during the half-year, leading to a capital gain of 98 thousand Euro which is posted in the income statement.

In accordance with Italian law 413/1991, the net book value of monetary revaluations made in previous years in the item *Land and buildings* is 406,000 Euro.

No consolidation differences were recorded.

Depreciation of industrial buildings is calculated using the fiscal depreciation rate of 3% which is considered representative of the useful life of these assets.

Total movements in the above items are shown in detail in Attachment 2.

Item C II 1 *Shares and quotas* is analysed as follows:

a) “Shares of controlled companies”: 499,000 Euro relates to Mediolanum International S.A. and Mediolanum Life Ltd, based in Luxembourg and Dublin respectively and entirely controlled by Mediolanum S.p.A., valued at

cost since not yet fully operational, while 264,305,000 Euro relates to Group companies listed in the following table that are not engaged in insurance related activities and were therefore valued using the equity method.

<i>Euro in thousands</i>	30.06.01
Banca Mediolanum S.p.A.	203,183
Mediolanum State Street SGR.p.A.	1,541
Mediolanum Comunicazione S.r.l.	805
Mediolanum Fiduciaria S.p.A.	551
Mediolanum Gestione Fondi SGR.p.A.	18,811
Mediolanum International Funds Ltd	38,148
Mediolanum Asset Management Ltd	828
PI Distribuzione S.r.l.	438
TOTAL	264,305

Shareholders' equity of Banca Mediolanum S.p.A. takes into account the increase in the share capital of Mediolanum S.p.A. on February 15, 2001, and the amortisation of goodwill relating to the investment held in Fibanc Inversiones S.A..

b) "Fininvest Group shares and quotas" of 99,000 Euro relates to:

<i>Euro in thousands</i>			
Company	Share capital	% holding	Head office
Consorzio Aeromobili Fininvest	520	15	Via Paleocapa 3 Milano

c) "Shares and quotas in associated companies": 25,811,000 Euro concerns the 48.5% share in Banca Esperia S.p.A. (formerly DueMme S.p.A.), a 50-50 joint-venture with Mediobanca S.p.A. operating in the private banking sector, valued at cost since not yet fully operational, and 5,306,000 Euro relates to companies listed in the following table, and are valued using the equity method:

<i>Euro in thousands</i>	30.06.01
Vicenza Life Ltd	5,231
Vicenza Funds Ltd	75
TOTAL	5,306

d) "Shares and quotas of other companies in which investments are held" of 142,488,000 Euro relates to:

<i>Euro in thousands</i> Company	Share capital	% holding	Head office
Cedacri Ovest S.p.A.	Lira 14,448,000,000	10	Via Liguria 33 Castellazzo B.da (AL)
Europa Invest S.A.	125	14	4 rue Aldringen Luxembourg
Mediobanca S.p.A.	Lira 642,163,615,000	1.99	Piazzetta Cuccia, 1 Milan
Tredicimarzo S.r.l.	10	10	Galleria del Corso, 2 Milan
SIA S.p.A.	18,124	4.999	Viale Certosa 218 Milan
Rita S.r.l.	6	0.239	P.zza S. Babila 1 Milan

and consists of:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Cedacri Ovest S.p.A.	1,007	1,007	1,007
Europa Invest S.A.	14	14	14
Mediobanca S.p.A.	115,045	115,045	115,045
Tredicimarzo S.r.l.	14,002	0	0
SIA S.p.A.	12,407	12,407	12,407
Rita S.r.l.	13	13	13
TOTAL	142,488	128,486	128,486

On May 4, 2001, a 10% interest was acquired in the company Tredicimarzo S.r.l. with the objective of maintaining the Group's weight within the voting block of Mediobanca S.p.A.

Debt securities issued by the affiliated company Banca Mediolanum S.p.A. and posted under Bonds C.II.2 as at December 31, 2000 were reimbursed in the initial months of 2001.

Loans relates to a credit line falling due December 31, 2001, given to PI Distribuzione S.r.l. by Mediolanum S.p.A., a controlled company valued using the equity method.

Item C III *Other financial investments* includes:

Shares of foreign mutual funds managed by Mediolanum International Funds Ltd totalling 257,056,000 Euro. Investment bonds also include convertible bonds in foreign currency totalling 250,000 Euro.

Loans (item III. 4) is as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Secured loans against life insurance policies	19,202	20,037	20,028
Loans to consultants	397	397	524
Other loans	320	360	242
TOTAL	19,919	20,794	20,794

Other loans (item III 5) consists of deposits with credit institutions subject to a duration of more than 15 days.

Changes are a result of the current cash investment strategy.

The other long-term financial investments, all included in *Bonds and other fixed income securities*, amount to 1,359,196,000 Euro and mostly concern fixed income securities issued by the Government and public entities.

The other financial investments which will not remain in company assets amount to 669,093,000 Euro and consist of:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Shares and quotas	3,736	256	0
Mutual fund shares	257,167	343,533	408,552
Bonds and other fixed income securities	229,683	287,534	243,036
Deposits with credit institutions	178,507	175,734	249,192
TOTAL	669,093	807,057	900,780

<i>Euro in thousands</i>	Long-term securities portfolio		Short-term securities portfolio		Total	
	Value	Current value	Value	Current value	Value	Current value
1. Shares and quotas of companies:	13	13	3,736	3,736	3,749	3,749
a) listed shares			3,736	3,736	3,736	3,736
b) unlisted shares						
c) quotas	13	13			13	13
2. Quotas of mutual funds			257,167	257,535	257,167	257,535
3. Bonds and other fixed income securities	1,359,196	1,287,295	229,683	231,239	1,588,879	1,518,534
a1) Government securities traded on regulated markets	1,228,896	1,162,467	144,445	145,211	1,373,341	1,307,678
a2) Other securities traded on regulated markets	108,725	103,172	84,988	85,778	193,713	188,950
b1) unlisted Government securities	800	800			800	800
b2) other unlisted securities	20,775	20,856			20,775	20,856
c) convertible bonds			250	250	250	250
4. Loans			19,426	19,426	19,426	19,426
5. Other			178,506	178,506	178,506	178,506
TOTAL	1,359,209	1,287,308	688,518	690,442	2,047,727	1,977,750

The evaluation at current value of financial investments which will not remain in Groups assets shows a potential gain of 1,924,000 Euro, and adjustments to the value net of increases shown in accounts totalled 6,831,000 Euro.

The evaluation at current value of long-term financial investments shows a potential loss of 78,004,000 Euro and a potential gain of 6,103,000 Euro.

Item E I *Due from direct insurance operations* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Due from policyholders during the year	19,269	8,792	14,213
Due from policyholders from previous years premiums	389	389	378
Due from agents	2,638	10,146	3,879
Due from agents for portfolio compensations	25	26	34
Other receivables from agents	0	148	151
TOTAL	22,321	19,501	18,655

Due from policyholders during the year was mostly generated in June and received in July.

Since December 31, 2000, due from agents fell significantly due to the sums received during the half-year.

Item E III *Other receivables* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Due from real estate leases	1,353	767	692
Due from Mediolanum Group companies	2,498	1,009	847
Due from Fininvest Group and Doris Group companies	2,619	1,462	1,268
Due from tax authorities	40,321	43,430	46,383
Due from employees	0	37	92
Guarantee deposits	80	80	80
Advances to suppliers and professionals	199	128	61
Other receivables	2,320	719	880
TOTAL	49,390	47,632	50,303

“Due from Mediolanum Group companies” consists of the recharge of costs for employees of Mediolanum S.p.A. seconded to controlled companies, as well as amounts concerning the funds of employees transferred from other Group companies.

“Due from Fininvest Group and Doris Group companies” consists of an amount due from Mediolanum Assicurazioni S.p.A. and relates to the recharge of costs for seconded employees and to commissions for the sales of insurance policies.

“Due from tax authorities” is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Tax reimbursements	13,369	13,186	13,276
Advance payments and amounts carried forward	10,140	11,430	16,864
Tax withholding	2,462	3,020	1,132
Tax credits on dividends and mutual funds	14,041	15,411	14,438
Other	309	383	673
TOTAL	40,321	43,430	46,383

Item F I *Tangible assets* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Furniture and fittings	1,421	1,525	1,989
Facility systems	54	67	53
Equipment	644	453	313
Electric and electronic equipment	2,071	1,329	1,325
Other	32	87	96
TOTAL	4,222	3,461	3,776

Depreciation is calculated using the following fiscal depreciation rates, considered to be representative of the useful life of each asset category:

Plant and machinery	15%
Equipment	20% - 30%
Other	12% - 18% - 20% - 25%

Item F II *Liquid assets* represents the balance of 157,129,000 Euro in ordinary current accounts with Banca Mediolanum S.p.A. while the remaining amount is held at other credit institutions. It is mainly employed in hot money operations with a duration of less than 15 days.

Item F III Own shares consists of 340,000 shares of Mediolanum S.p.A. at a par value of 34,000 Euro.

Item G *Prepayments and accrued income* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Accrued interest on securities	21,321	24,343	23,479
Other accrued income	1,204	453	312
Prepayments for insurance	116	73	115
Prepayments for leases and rentals	12	8	0
Other prepayments	240	61	80
TOTAL	22,893	24,938	23,986

SHAREHOLDERS' EQUITY AND LIABILITIES

CAPITAL AND RESERVES (ITEMS A - B)

CHANGES IN CONSOLIDATED
CAPITAL AND RESERVES IN THE
YEAR

Changes in consolidated capital and reserves are in Attachment No. 3.

RECONCILIATION BETWEEN THE
FINANCIAL STATEMENTS OF THE
PARENT COMPANY AND THE
CONSOLIDATED FINANCIAL
STATEMENTS

<i>Euro in thousands</i>	Capital and reserves	Profit for the year	Total shareholders' equity
Parent company financial statements as at June 30, 2000	178,610	69,850	248,460
Subsequent changes in carrying value and shareholders' equity in companies included in consolidation	95,706	5,167	100,873
Difference in investments valued by the equity method	14,890	48,301	63,191
Infra-group dividends	59,702	(59,702)	0
Application of Group-wide accounting policies	(798)	(43)	(841)
Elimination infra-group transactions	(690)	(117)	(807)
Consolidated financial statements as at June 30, 2000	347,420	63,456	410,876

<i>Euro in thousands</i>	Capital and reserves	Profit for the year	Total shareholders' equity
Parent company financial statements as at December 31, 2000	178,610	79,974	249,584
Subsequent changes in carrying value and shareholders' equity of companies included in consolidation	95,706	9,421	105,127
Difference in investments valued by the equity method	14,890	99,674	114,564
Infra-group dividends	59,702	(59,702)	0
Application of Group-wide accounting policies	(798)	(678)	(1,476)
Elimination infra-group transactions	(690)	(127)	(817)
Amortization of consolidation differences in the company's equity investments valued by the equity method	0	(4,021)	(4,021)
Amortization of capital gains attributed to buildings at the date of acquisition of the company, valued by the equity method	0	(99)	(99)
Consolidated financial statements as at December 31, 2000	347,421	115,443	462,863

<i>Euro in thousands</i>	Capital and reserves	Profit for the year	Total shareholders' equity
Parent company financial statements as at June 30, 2001	180,355	90,749	271,104
Subsequent changes in carrying value and shareholders' equity of companies included in consolidation	101,274	14,833	116,107
Differences in investments valued by the equity method	21,856	45,876	67,732
Infra-group dividends	96,561	(96,561)	0
Application of Group-wide accounting policies	(1,476)	688	(788)
Elimination infra-group transactions	(816)	(7)	(823)
Amortization of consolidation differences in the company's equity investments valued by the equity method	(4,021)	(5,208)	(9,229)
Amortization of capital gains attributed to buildings at the date of acquisition of the company, valued by the equity method	(99)	(106)	(205)
Consolidated financial statements as at June 30, 2001	393,634	50,264	443,898

Item CII 3 "Other" under "Life technical reserves" as at June 30, 2001 is analysed as follows:

**TECHNICAL RESERVES
AND OTHER PROVISIONS
(ITEMS C - D - E)**

<i>Euro in thousands</i>	30.06.01
Reserve for future expenses - I	3,002
Reserve for future expenses - III	36,274
Reserve for future expenses - V	412
TOTAL	39,688

Technical reserves were calculated using methods in line with those implemented in the preparation of the financial statements as at December 31, 2000. As is the usual procedure, the information resulting from an analysis of the insurance portfolio was taken into account, with particular emphasis put on the estimates regarding insurers' potential income and the level of operating expenses for index-linked products. The parameters applied to the calculation of technical reserves were aligned with the information gathered. With respect to the obligations already undertaken at the beginning of the year, the calculation of technical reserves as at June 30, 2001 resulted in a positive variation of 27.7 million Euro of such reserves.

Item D *Technical reserves when the risk is carried by policyholders and provisions for pension fund management* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Technical reserves on unit-linked products	2,484,974	2,141,278	1,682,127
Technical reserves on index-linked products	1,722,412	1,527,129	1,382,636
Technical reserves resulting from pension fund management	1,530	1,189	646
TOTAL	4,208,916	3,669,596	3,065,409

Item E *Provision for risks and charges* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Provision for taxes	23,434	19,732	28,210
Other provisions	2,560	2,086	2,020
TOTAL	25,994	21,818	30,230

The “Provision for taxes” is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Provision for Irpeg-Irap (corporate income tax-tax on productive activities)	20,921	15,842	24,610
Provision for assessment taxes	220	219	220
Provision for deferred taxes	2,293	3,671	3,380
TOTAL	23,434	19,732	28,210

Deferred taxes are net of tax advances and amounted to 541,000 Euro.

“Other provisions” is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Provision for future risks	405	405	413
Provision for illegal acts by agents	125	125	125
Staff loyalty provision	125	108	58
Employee holiday pay accrual	1,891	1,434	1,410
Sundry provisions	14	14	14
TOTAL	2,560	2,086	2,020

Changes in “Other provisions” are analysed as follows:

<i>Euro in thousands</i>	31.12.00	Accrued	Utilisations	Recl	30.06.01
Provision for future risks	405	0	0	0	405
Provision for illegal acts by agents	125	0	0	0	125
Staff loyalty provision	108	17	0	0	125
Employee holiday pay accrual	1,434	620	(163)	0	1,891
Sundry provisions	14	0	0	0	14
TOTAL	2,086	637	(163)	0	2,560

Item G IV *Amounts owed to credit institutions* is due to the utilisation of credit granted to Mediolanum S.p.A. by primary banks.

Changes in *Employee termination indemnity* (item G VII) are analysed as follows:

Euro in thousands

Opening balance at 31.12.00	4,004
Provision for the period	501
Adjustments to contracts	0
Transfers from Mediolanum Group and Fininvest Group companies	36
Utilisation	(339)
Advances to employees	(98)
Transfers to Fininvest Group and Doris Group companies	(8)
Closing balance at 30.06.01	4,096

Item G VII *Other liabilities* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Taxes allocated to policyholders	1,173	4,296	4,940
Other taxes	3,592	3,982	3,945
Due to social security institutions	952	891	737
Trade accounts payable	6,792	6,445	5,273
Due to Mediolanum Group companies	31,929	20,956	8,477
Due to Fininvest Group and companies connected to Doris Group	1,022	817	1,316
Other accounts payable	5,860	3,388	2,939
Other liabilities	6,196	5,813	2,905
TOTAL	57,516	46,588	30,532

“Other taxes” for the current year mainly relates to advance withholding tax.

“Due to social security institutions” pertains to social security contributions for June wages paid in July.

“Trade accounts payable” is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Services received	3,448	3,442	3,210
Invoices to be received	3,092	2,600	1,433
Emoluments of Directors and Statutory Auditors	211	311	395
Professional services	41	92	235
TOTAL	6,792	6,445	5,273

“Due to Mediolanum Group companies” relates almost entirely to commissions paid by Mediolanum S.p.A. to Banca Mediolanum S.p.A. for the marketing of insurance products in July.

“Due to Fininvest Group and Doris Group companies” consists mainly of amounts due to Mediolanum Assicurazioni S.p.A. for recharge costs for seconded employees.

“Other accounts payable” mainly relates to amounts payable to shareholders for a total of 1,942,000 Euro for dividends paid in July, as well as to amounts payable to employees of 43,000 Euro and for down payments of 516,000 Euro.

“Other liabilities” relates to:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Commissions for unearned premiums	4,563	1,608	2,455
Earned premiums outstanding	952	3,682	0
Provision for 14th month salary and production premiums	546	523	450
Other	135	0	0
TOTAL	6,196	5,813	2,905

Item H *Accruals and deferred income* is analysed as follows:

<i>Euro in thousands</i>	30.06.01	31.12.00	30.06.00
Deferred income	1,869	588	822
Deferred income on lease instalments	602	82	0
TOTAL	2,471	670	822

**GUARANTEES,
COMMITMENTS AND
OTHER OFF BALANCE
SHEET ITEMS**

Guarantees given

Guarantees given include:

Guarantees given to Fininvest Group companies refers to counter-guarantees issued to Fininvest S.p.A. totalling 63,000 Euro.

Guarantees given to other companies mainly relates to guarantees of 516,000 Euro for contracts between the financial consultants and Origin Italia S.r.l. for the rental of computer equipment and the telephonic link with Banca Mediolanum. 124,000 Euro was given to the Lombardy Region as a guarantee for the proper use of funds paid to projects it co-funds with the European Social Fund, 1,808,000 Euro went to Yond S.p.A. on behalf of the controlled company Mediolanum Comunicazione S.r.l. as a guarantee for this company’s contractual obligations, and 531,000 Euro went to the Gorgonzola District Office for Direct Taxation for arrears relating to the ongoing proceedings before the competent fiscal commission for a dispute arising in 1997.

Guarantees Received

Guarantees received are policies received from third parties as guarantees for the correct fulfilment of contractual obligations related to real estate investments of Mediolanum Vita S.p.A.

Other off balance sheet items

These are mainly *Securities in the hands of third parties* and refer to the nominal value of other financial investments, including securities deposited at Banca Mediolanum S.p.A. at a par value of 1,459,875,000 Euro.

Gross premiums is analysed as follows:

<i>Euro in thousands</i>	Direct operations	Reinsurance	Total
I - Life insurance	71,574	14	71,588
II - Marriage and birth insurance	0	0	0
III - Unit-linked insurance as per I and II	626,284	0	626,284
IV - Health insurance	0	0	0
V - Capitalisation operations	3,731	0	3,731
VI - Fund management	399	0	399
GROSS PREMIUMS	701,988	14	702,002

Premiums are collected entirely in Italy and are analysed as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
First year premiums	132,290	57,098	158,084
Subsequent year premiums	208,570	201,416	454,285
Single premiums	361,128	420,638	920,123
Indirect premiums	14	0	30
(less) Premiums ceded to reinsurers	(5,980)	(7,530)	(16,440)
NET PREMIUMS	696,022	671,622	1,516,082

The *Return on investments transferred from the Non-life technical account* is determined as per the ISVAP Provision dated March 8, 1999 No. 1140 G.

Commissions paid by Mediolanum Vita S.p.A. to Mediolanum S.p.A. and Partner Time S.p.A. for their insurance brokerage activities totalling 104,592,000 Euro were not included in the consolidation, and the relevant commissions paid were fully adjusted. This elimination explains the better result in the Life technical account of the consolidated financial statements compared to the result of Mediolanum Vita S.p.A.

“Other technical income, net of reinsurance” relates to 1st-year premiums of unit-index linked policies.

Acquisition commissions left over after elimination for consolidation were the commissions paid to Banca Mediolanum S.p.A. totalling 78,244,000 Euro.

D) CONSOLIDATED INCOME STATEMENT INFORMATION

INFORMATION ON TECHNICAL ACCOUNTS

**INFORMATION ON THE
NON-TECHNICAL
ACCOUNTS**

Investment income (item 3 a) is analysed as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Results for the year on investments valued by the equity method	40,555	48,301	95,499
Other investment income	223	0	1,658
Income from land and buildings	1,370	1,267	3,088
Quotas in mutual funds	11,078	21,393	23,302
Bonds and other fixed income securities	42,368	44,740	90,795
Financial loans	533	603	1,580
Deposits with credit institutions	8,246	7,605	17,391
Other financial investments	0	5,134	5,139
TOTAL	104,373	129,043	238,452

Income from “deposits with credit institutions” includes interest from deposits at Banca Mediolanum S.p.A. for 3,146,000 Euro.

Adjustments to the value of financial investments (item 3 b) is analysed as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Quotas in mutual funds	38	0	47
Bonds and other fixed income securities	1,240	686	902
TOTAL	1,278	686	949

Gains on the realisation of investments (item 3 c) is set out below:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Shares and quotas	784	2,862	3,759
Bonds and other fixed income securities	801	559	757
Other financial investments	1	4,980	2,578
TOTAL	1,586	8,401	7,094

Investment management expense and interest on bank loans (item 4 a) is as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Expense for the management of real estate investments	624	550	604
Other expenses for management of investments	158	290	874
Interest on deposit accounts with reinsurance companies	5,211	8,345	12,934
Interest payable on financial debt	3,788	128	4,202
Interest payable on other financial debt	228	8	13
TOTAL	10,009	9,321	18,627

Adjustments to the value of financial investments (item 4 b) is shown below:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Fixed asset depreciation	578	575	1,150
Shares and quotas	367	0	27
Mutual funds	4,687	8,507	3,604
Bonds and other fixed income securities	2,282	1,939	9,134
TOTAL	7,914	11,021	13,915

Losses on the realisation of investments (item 4 c) is shown below:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Mutual funds	383	148	833
Bonds and other fixed income securities	5	227	1,137
Other financial investments	23	3	5
TOTAL	411	378	1,975

Other revenues (item 6) is analysed as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Commission income for the sale of non-Life policies	2,098	2,073	4,488
Recharge of cost of employees seconded to Mediolanum Group companies valued by the equity method	1,419	864	1,974
Recharge of cost of employees seconded to Fininvest Group and Doris Group companies	281	170	368
Recovery of sustained costs	256	249	719
Interest from tax authorities	185	285	418
Utilisation of provision for specific risks	0	0	4
Other revenues	0	483	486
TOTAL	4,239	4,124	8,457

“Commission income for the sale of non-Life policies”, calculated at market rate, relates to the sale of insurance policies by Mediolanum Assicurazioni S.p.A., which is jointly owned (50-50) by the Fininvest Group and the Doris Group. These commissions are also entered at the same amount in item 7 “Other charges” since they are re-assigned from Mediolanum S.p.A. to Banca Mediolanum S.p.A, a company valued using the equity method.

“Recharge of cost of employees seconded to the Fininvest Group and Doris Group companies” relates to Mediolanum Assicurazioni S.p.A., which is jointly owned (50-50) by the Fininvest Group and the Doris Group.

Other costs (item 7) consists of:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Commission income for the sale of non-Life policies	2,098	2,073	4,488
Cost of Mediolanum S.p.A. employees	10,676	7,162	15,564
Other administrative expenses of Mediolanum S.p.A.	8,899	7,336	16,022
Amortisation of intangible assets	5,382	5,518	11,339
Accruals to the provision for the write-down of debt	0	0	25
Accruals to the provision for specific risks	38	0	0
Other costs	0	35	138
TOTAL	27,093	22,124	47,576

Extraordinary income (item 9) is as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Gain on the sale of long-term investments	98	0	3,662
Gain on the sale of assets	59	8	75
Gain on the sale of bonds and other fixed income securities	3,042	6,613	7,409
Out of period revenues	110	449	731
TOTAL	3,309	7,070	11,877

Extraordinary charges (item 10) are analysed as follows:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Loss on the sale of assets	2	0	2
Loss on the sale of bonds and other fixed income securities	0	1,284	1,387
Out of period expenses	401	275	500
TOTAL	403	1,559	1,889

E) OTHER INFORMATION

Employee information

The average number of employees of the Group during the year was as follows:

	30.06.01	30.06.00	31.12.00
Managers	51	39	42
Non-management personnel	247	213	230
TOTAL	298	252	272

As at June 30, 2001, there was an average of 1,030 employees of the Mediolanum Group comprised of 67 managers and 963 non-management personnel.

Directors' and statutory auditors' emoluments

The "emoluments" paid to directors and statutory auditors of Mediolanum S.p.A. as well as in other companies included in consolidation to carry out their tasks are as follows:

<i>Euro in thousands</i>	For services rendered to the parent company	For services rendered to other companies
Directors	528	400
Statutory auditors	36	45
TOTAL	564	445

Information on the size and activity of controlled companies

Commissions for the management of mutual funds of Mediolanum Gestioni Fondi SGR.p.A. and Mediolanum International Funds Ltd, which are companies valued by the equity method, totalled:

<i>Euro in thousands</i>	30.06.01	30.06.00	31.12.00
Underwriting commissions	27,841	58,505	94,496
Management commissions	79,072	89,522	170,127
TOTAL	106,913	148,027	264,623

The administered assets of the two companies amounted to 9,505,000,000 Euro (31.12.00: 8,668,000,000 Euro) including investments made by Mediolanum Vita S.p.A.

Assets under administration by the companies belonging to the Fibanc group amount to 2,133,000,000 Euro.

Assets under administration by the pension fund Previgest Fund Mediolanum, introduced on the market in the first half of 2000 by Mediolanum Gestione Fondi SGR.p.A., amounted to 9,813,000 Euro (31.12.00: 8,780,000 Euro).

Mediolanum State Street SGR.p.A. carried out pension fund and closed-end mutual fund management activities and is valued according to the equity method.

Assets under administration came to 377,170,000 Euro. Management commissions were 838,000 Euro with 102,000 Euro for underwriting commissions relating to the closed-end mutual fund "Fondamenta".

Direct and indirect inflows of Banca Mediolanum S.p.A. on 266,073 current accounts reached 4,270,000,000 Euro (31.12.00: 3,317,000,000 Euro). They generated an interest margin of 16,205,000 Euro, and were valued according to the equity method.

Securities under deposit amounted to 3,577,993,000 Euro at market prices.

The service margin is 21,237,000 Euro.

<i>Euro in thousands</i>	Fininvest Group and affiliated companies	Doris Group
Financial receivables	0	0
Commercial receivables	1,475	1,144
Financial payables	0	0
Commercial payables	895	127

ACCOUNTS RECEIVABLE AND PAYABLE WITH REFERENCE TO THE FININVEST GROUP AND DORIS GROUP COMPANIES

"Commercial receivables" mainly refers to the recharge of personnel costs and insurance commissions of 2,289,000 Euro to Mediolanum Assicurazioni S.p.A.

“Commercial payables” mainly consist of provisions under contract: computer services, telecommunications, services used by Fininvest Group companies and their associated companies, as well as costs recharged by Mediolanum Assicurazioni S.p.A., which is jointly owned (50-50) by the Fininvest Group and the Doris Group.

REVENUES/COSTS WITH FININVEST GROUP AND DORIS GROUP COMPANIES	Euro in thousands	Fininvest Group and affiliated companies	Doris Group
Commercial revenues		1,551	1,265
Commercial expenses		1,063	58
Investment income		0	0
Investment charges		0	0
Extraordinary income		0	0
Extraordinary charges		0	0

“Commercial revenues” mainly relates to real estate lease instalments totalling 119,000 Euro, recharged personnel costs and recovery costs of 281,000 Euro, commissions on the sale of non-Life insurance policies of 2,098,000 Euro for Mediolanum Assicurazioni S.p.A which is jointly owned (50-50) by the Fininvest Group and the Doris Group, and to real estate lease instalments of 287,000 Euro from R.T.I. S.p.A.

“Commercial expenses” mainly relates to advertising and property management services provided by Fininvest Group companies (Mondadori Pubblicità 67,000 Euro, Publitalia'80 S.p.A 22,000 Euro, Arcus Immobiliare S.p.A. 65,000 Euro, Edilnord Gestioni S.p.A 116 thousand Euro, Alba Servizi Aerotrasporti S.p.A. 127,000 Euro), and to an insurance policy taken out with Mediolanum Assicurazioni S.p.A., which is jointly owned (50-50) by the Fininvest Group and the Doris Group.

F) CONSOLIDATION AREA

The consolidation area of the Mediolanum Group includes all companies that are engaged in the transaction of insurance related business, and are included in the list below of the companies which are consolidated on a line-by-line basis, of which the parent company Mediolanum S.p.A. directly holds the majority of voting rights which are exercisable at ordinary shareholders' meetings.

List of the companies which are consolidated on a line-by-line basis:

<i>Euro in thousands</i> Company	Share capital	% holding	Head office	Activity
Mediolanum Vita S.p.A.	87,720	100	Basiglio	Life insurance
Partner Time S.p.A.	520	100	Basiglio	Distribution of Life insurance products

List of the companies directly controlled by Mediolanum S.p.A. which are consolidated on a line-by-line basis:

<i>Euro in thousands</i> Company	Share capital	% holding	Head office	Activity
Banca Mediolanum S.p.A.	195,000	100	Basiglio	Banking
Mediolanum State Street SGR,p.A.	2,600	50	Basiglio	Stockbrokerage company
Mediolanum Comunicazione S.r.l.	775	100	Basiglio	Audio/Film/TV production
Mediolanum Fiduciaria S.p.A.	510	100	Basiglio	Trust compan
Mediolanum Gestione Fondi SGR.p.A.	5,165	100	Basiglio	Management of mutual funds
PI Distribuzione S.r.l.	517	100	Basiglio	Real estate
Mediolanum Asset Management Ltd	150	100	Dublin	Asset management and consultancy
Mediolanum International Funds Ltd	152	100	Dublin	Management of mutual funds

List of the companies indirectly controlled by Mediolanum S.p.A. which are consolidated on a line-by-line basis:

<i>Euro in thousands</i> Company	Share capital	% holding	Head office	Activity
Fibanc Inversiones S.A.	6,852	69.92	Barcelona	Investment company
Banco de Fianzas e Inversiones S.A..	12,130	71.73	Barcelona	Banking
Ges.Fibanc SGIC S.A.	2,506	71.73	Barcelona	Mutual fund Management
Fibanc S.A.	301	71.73	Barcelona	Financial advisory company
Fibanc Pensiones S.A. S.G.F.P.	902	71.73	Barcelona	Mutual fund management
Fibanc Faif S.A.	60	71.73	Barcelona	Financial consulting company
Andino AVB S.A.	902	71.73	Madrid	Stockbrokerage company
Fibanc International S.A.	USD 50,000	69.92	Luxembourg	In liquidation
Fibanc Services Inc.	Euro 19,110	69.92	B.V.I.	In liquidation
Fibanc Argentina S.A.	USD 50,000	65.72	Buenos Aires	Business representatives
Valora S.A. *	421	23.90	Andorra	Asset management services
Tanami S.A.	181	100	Barcelona	Real estate

*(formerly Ranking Capital S.A.)

On December 31, 2000, the list of the companies indirectly controlled by the parent company during the half-year changed due to the transfer to third parties of the interest held in Fibanc Valores Avb S.A.. This transaction is currently suspended awaiting authorisations by the competent supervisory authorities.

List of the controlled companies valued at cost, since they are not yet fully operational:

<i>Euro in thousands</i> Company	Share capital	% holding	Head office	Activity
Mediolanum International S.A.	500	100	Luxembourg	Sub-holding company
Mediolanum Life Ltd	1ep 1	100	Dublin	Life insurance

List of the companies associated to Mediolanum S.p.A. which are consolidated using the equity method:

<i>Euro in thousands</i> Company	Share capital	% holding	Head office	Activity
Vicenza Life Ltd	635	40	Dublin	Life insurance/reinsurance
Vicenza Funds Ltd	127	40	Dublin	Management of mutual funds

List of associated companies valued at cost since they are not yet fully operational:

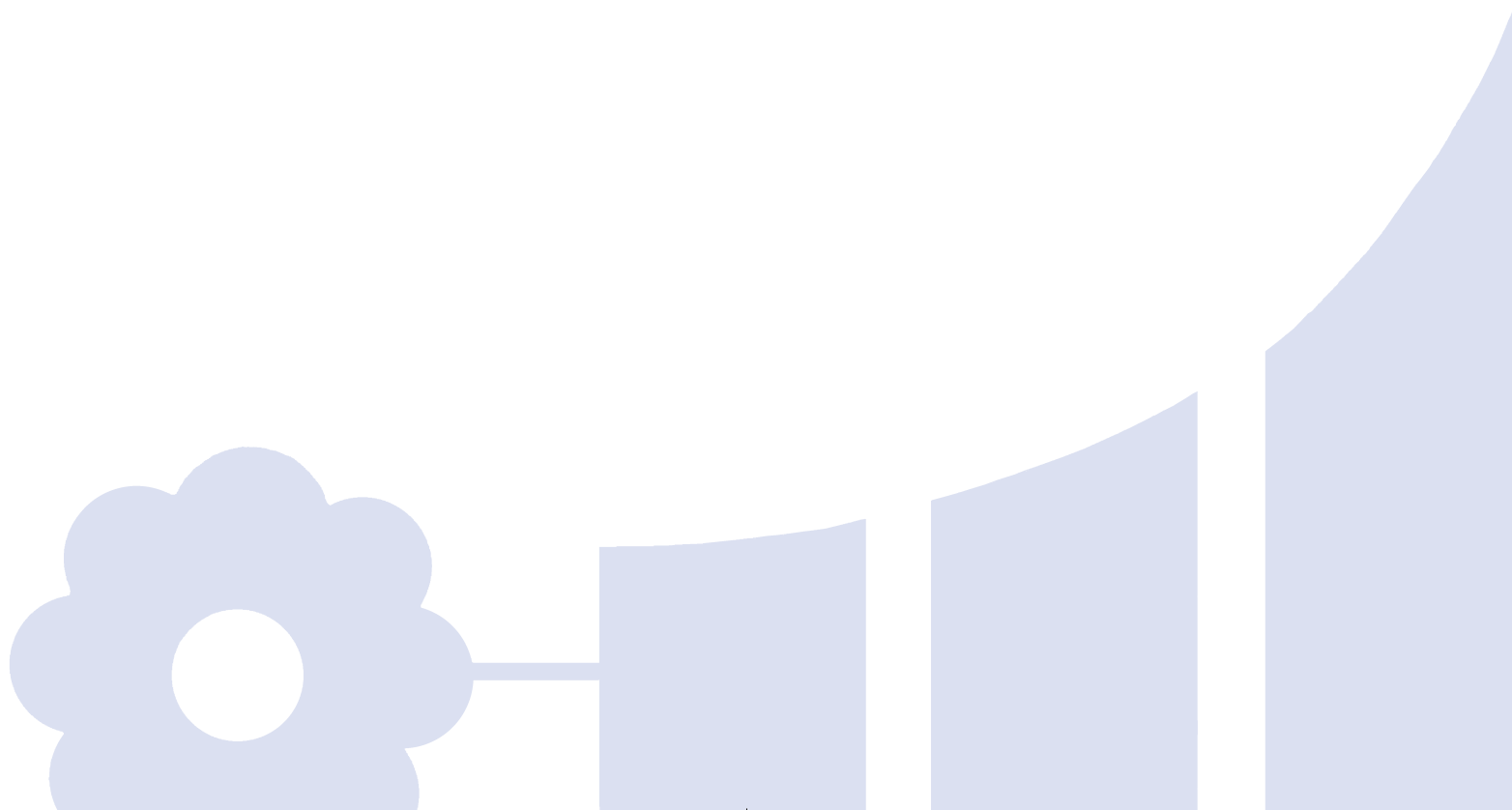
<i>Euro in thousands</i> Company	Share capital	% holding	Head office	Activity
Banca Esperia S.p.A.*	12,911	48.5	Milan	Banking

* (formerly DueMme S.p.A.)

For the Board of Directors
The Chairman
Prof. Roberto Ruozi

MEDIOLANUM GROUP

*CONSOLIDATED
ATTACHMENTS*



ATTACHMENT 1

ANALYSIS OF CHANGES IN INTANGIBLE ASSETS AS AT JUNE 30, 2001

Euro in thousands

Intangible assets	Opening situation			
	Historic cost	Accum. amortization	Opening balance	Additions
Start-up and expansion costs	44,243	(20,130)	24,112	334
Concessions, licences, trademarks and similar rights	12,134	(6,351)	5,783	1,262
Improvements on leased properties	2,355	(1,974)	380	231
Assets under formation and advances	93	0	93	0
TOTAL	58,824	(28,456)	30,369	1,827

ATTACHMENT 2

ANALYSIS OF CHANGES IN TANGIBLE FIXED ASSETS AS AT JUNE 30, 2001

Euro in thousands

Tangible fixed assets	Opening situation			
	Historic cost	Accum. amortization	Opening balance	Additions
Land and buildings	87,345	(7,154)	80,191	0
Plant and machinery	190	(124)	66	0
Industrial and trade equipment	1,233	(780)	453	260
Other tangible fixed assets	12,359	(9,418)	2,941	1,360
Assets under formation and advances	0	0	0	0
TOTAL	101,127	(17,477)	83,650	1,620

Movements for the period			Closing situation		
Net disposals	Amortisation	Net reclassification	Historic cost	Accum. amortisation	Closing balance
0	(4,037)	0	44,577	(24,167)	20,409
(217)	(1,224)	0	13,179	(7,575)	5,604
0	(120)	0	2,586	(2,094)	491
0	(1)	0	93	(1)	92
(217)	(5,382)	0	60,434	(33,838)	26,597

Movements for the period			Closing situation		
Net disposals	Amortisation	Net reclassification	Historic cost	Accum. amortisation	Closing balance
(470)	(578)	0	86,875	(7,732)	79,143
0	(12)	0	190	(136)	54
0	(69)	0	1,493	(849)	644
(43)	(734)	0	13,676	(10,152)	3,524
0	0	0	0	0	0
(513)	(1,393)	0	102,234	(18,869)	83,365

ATTACHMENT 3

ANALYSIS OF CHANGES IN CONSOLIDATED CAPITAL AND RESERVES AS AT JUNE 30, 2001

<i>Euro in thousands</i>	Share capital	Net equity reserves	Consolidation reserve
Consolidated balance as at 31.12.00	74,883	99,632	95,715
Increase of paid-in share capital	5	10	
Decrease of share capital	(2,386)	2,386	
Allocation of profit for the period:			
- for payout of dividends			
- for reserve		1,730	8,060
Creation of reserve for own shares		(108)	
Profit (loss) for the period			
Consolidated balance as at 30.06.01	72,502	103,650	103,775

Reserve diff. val. companies not incl. in consol. area	Reserve for exchange rate difference	Reserve for own shares and shares of parent company	Consolidated profit	Total shareholder's equity
73,096	0	4,094	115,443	462,863
				15
				0
				0
			(69,244)	(69,244)
36,409			(46,199)	0
		108		0
			50,264	50,264
109,505	0	4,202	50,264	443,898

ATTACHMENT 4

Euro in thousands

30.06.2001

CONSOLIDATED CASH FLOW STATEMENT AS OF JUNE 30, 2001

Opening cash	159,841
Group profit (loss) for the period	50,264
Net amortisation, depreciation and provisions for risks and charges	7,750
Net gains on the disposal of fixed assets	(157)
Change in technical reserves net of reinsurance	352,971
Change in tax provision and other specific provisions	3,702
Net change in employee termination indemnity	(409)
Net change in payables and receivables with insurers and reinsurers	(19,833)
Net change in other receivables and payables and other assets and liabilities	9,170
Net change in accruals and prepayments and deferrals	3,847
Cash flow from operating activities	407,305
Net investments in intangible assets	(1,610)
Net investments in tangible fixed assets	(951)
Net increase in equity interests held	(15,938)
Own shares acquired	(108)
Net increase in other financial investments	(269,863)
Cash flow from investing activities	(288,470)
Utilisation of credit lines	(2,057)
Share capital increase	15
Cash flow from financing activities	(2,042)
Dividends distributed	(69,244)
Cash flow for the period	47,549
Closing cash and cash equivalents	207,390

MEDIOLANUM S.P.A.

*FINANCIAL STATEMENTS
AS AT JUNE 30,
2001*



Balance sheet

ASSETS	<i>Euro</i>	30.06.2001	31.12.2000	30.06.2000
A) Due from shareholders for share capital still to be paid in		0.00	0.00	0.00
B) Fixed assets				
I - Intangible assets:				
Start-up and expansion costs		289.72	48,014.74	280,128.05
Patents and intellectual property rights		0.00	0.00	0.00
Concessions, licences, trademarks and similar rights		1,330,629.59	1,532,546.79	820,446.30
Other intangible assets		344,833.20	273,403.42	330,042.10
Intangible assets under formation and advances		92,962.24	92,962.24	46,481.14
TOTAL INTANGIBLE ASSETS		1,768,714.75	1,946,927.19	1,477,097.59
II - Tangible fixed assets				
Plant and machinery		0.00	0.00	2,243.24
Other assets		2,841,574.51	1,876,342.17	1,881,224.63
Assets under formation/Payments on account		0.00	0.00	0.00
TOTAL TANGIBLE FIXED ASSETS		2,841,574.51	1,876,342.17	1,883,467.87
III - Financial assets				
Investments in:				
Controlled companies		324,909,128.31	286,174,860.88	156,310,636.11
Affiliated companies		30,941,174.19	15,608,860.00	5,129,588.00
Other companies		142,572,956.63	128,550,625.15	128,550,625.16
Paid into fund for investment		0.00	0.00	0.00
Accounts receivable:				
Due from subsidiary companies		707,132.62	707,132.62	680,920.01
Due from other companies		570,066.27	598,580.72	603,139.69
TOTAL FINANCIAL ASSETS		499,700,458.02	431,640,059.38	291,274,908.97
TOTAL FIXED ASSETS		504,310,747.28	435,463,328.74	294,635,474.43
C) Current assets				
I - Inventory		0.00	0.00	0.00
II - Accounts receivable:				
Due from customers		165,739.04	292,209.04	152,765.65
Due from controlled companies		27,202,236.02	17,315,899.30	10,868,325.14
Due from associated companies		189,204.89	163,309.85	0.00
Due from Fininvest Group and Doris Group companies		2,271,382.22	1,453,538.89	806,620.90
Due from shareholders		22,592.85	0.00	0.00
Due from others		19,174,286.45	17,039,408.71	13,907,667.83
TOTAL ACCOUNTS RECEIVABLE		49,025,441.47	36,264,365.78	25,735,379.52
III - Current financial assets				
Other investments		588.76	588.76	588.76
Own shares held (overall nom. value 68,000,000 Lira)		4,202,049.16	4,094,299.11	840,384.31
Other securities		0.00	0.00	0.00
TOTAL FINANCIAL ASSETS		4,202,637.92	4,094,887.87	840,973.07
IV - Liquid assets				
Bank and postal deposits		3,474,919.42	2,612,201.73	3,781,773.91
Cash		12,572.78	10,179.08	6,204.15
TOTAL LIQUID ASSETS		3,487,492.20	2,622,380.82	3,787,978.06
TOTAL CURRENT ASSETS		56,715,571.59	42,981,634.47	30,364,330.66
D) Prepayments and accrued income				
Accrued income		108,517.47	6,880.89	43,261.40
Prepayments		330,044.95	92,996.53	167,640.46
TOTAL PREPAYMENTS AND ACCRUED INCOME		438,562.42	99,877.42	210,901.86
TOTAL ASSETS		561,464,881.29	478,544,840.63	325,210,706.95

Euro	30.06.2001	31.12.2000	30.06.2000
A) Capital and reserves			
I - Share capital	72,502,050.00	74,883,203.27	74,883,203.27
II - Share premium reserve	45,619,052.97	45,609,052.97	45,609,052.97
III - Revaluation reserve	0.00	0.00	0.00
IV - Legal reserve	17,362,793.92	14,083,944.40	14,083,944.40
V - Reserve for company's own shares	4,202,049.16	4,094,299.11	840,384.31
VI - Statutory reserve	0.00	0.00	0.00
VII - Other reserves:			
extraordinary reserve	40,668,706.44	39,939,033.93	43,192,948.69
VIII - Retained earnings (loss)	0.00	0.00	0.00
IX - Profit (loss) for the period	90,748,880.87	70,974,150.61	69,850,501.78
TOTAL CAPITAL AND RESERVES	271,103,533.36	249,583,684.29	248,460,035.42
B) Provisions for risks and charges			
Provision for taxes			
Provision for deferred taxes	0.00	0.00	0.00
Other	2,057,765.72	1,666,422.47	1,613,631.48
TOTAL PROVISIONS FOR RISKS AND CHARGES	2,057,765.72	1,666,422.47	1,613,631.48
C) Employee termination indemnity	2,984,887.32	2,850,567.54	2,465,246.12
D) Accounts payable			
Bank debt	170,881,717.65	172,939,231.90	56,209,244.92
Due to trade accounts	3,678,862.22	3,756,299.99	2,697,271.00
Due to controlled companies	102,749,801.18	43,682,460.43	8,265,466.34
Due to Fininvest Group and Doris Group companies	1,258,074.64	386,855.15	702,053.07
Due to shareholders	21,635.48	4,930.11	45,840.12
Due to tax authorities	1,777,906.63	2,124,387.09	3,479,370.13
Due to social security institutions	854,198.80	794,050.22	649,753.23
Other accounts payable	1,999,559.54	152,520.39	103,476.45
TOTAL ACCOUNTS PAYABLE	283,221,756.14	223,840,735.29	72,152,475.26
E) Accruals and deferred income			
Accrued expenses	2,096,938.75	603,431.04	519,822.67
Deferred charges	0.00	0.00	0.00
TOTAL ACCRUALS AND DEFERRED INCOME	2,096,938.75	603,431.04	519,822.67

SHAREHOLDERS' EQUITY AND LIABILITIES

TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	561,464,881.29	478,544,840.63	325,211,210.95
OFF BALANCE SHEET ITEMS	3,977,203.32	2,566,481.28	3,137,315.40

Income statement

Euro	30.06.2001	31.12.2000	30.06.2000
A) Value of production			
1) Revenues from sales and services	93,266,830.65	77,777,179.71	195,207,388.45
5) Other revenues	2,322,233.35	1,631,072.49	3,728,125.65
TOTAL VALUE OF PRODUCTION	95,589,064.00	79,408,252.20	198,935,514.10
B) Cost of production			
6) Raw, ancillary and consumable materials and goods:			
purchase of miscellaneous and consumable materials	(175,788.19)	(184,642.33)	(355,249.02)
7) Services received	(85,786,400.65)	(54,510,489.82)	(159,976,444.26)
8) Leases and rentals	(1,903,596.70)	(1,037,912.46)	(2,493,858.62)
9) Personnel costs:			
wages and salaries	(6,860,334.56)	(5,148,569.52)	(10,811,193.15)
social security contributions	(2,308,087.56)	(1,675,077.76)	(3,810,986.45)
employee termination indemnity	(522,206.50)	(338,305.09)	(864,625.32)
other personnel costs	(22,377.45)	0.00	(77,322.06)
10) Depreciation, amortisation and write-downs:			
amortisation of intangible assets	(383,769.72)	(671,936.20)	(1,375,900.20)
depreciation of tangible fixed assets	(444,246.54)	(329,496.08)	(710,669.51)
14) Sundry operating costs	(738,660.31)	(664,583.77)	(855,219.66)
TOTAL COST OF PRODUCTION	(99,145,468.18)	(64,561,013.03)	(181,331,468.23)
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION	(3,556,404.18)	14,847,239.17	17,604,045.87
C) Investment income and charges			
15) Income from investments:			
in controlled companies	109,969,816.18	74,140,218.06	76,771,072.46
in associated companies	501,339.84	0.00	0.00
in other companies	276,612.42	0.00	0.00
gain on disposal of non-investment securities included in current assets	672,351.93	1,848,790.66	2,698,218.34
16) Other investment income			
from receivables from controlled companies included in fixed assets	16,144.09	15,251.48	29,218.17
from non-investment securities included in current assets	0.00	608,319.04	608,319.04
other financial income	948,216.68	1,315,084.92	1,490,899.85
17) Interest and other investment charges			
paid to banks	(5,163,785.83)	(118,867.72)	(4,173,096.46)
discounts and other investment charges	(25,309.08)	(54,901.05)	(57,307.38)
TOTAL INVESTMENT INCOME AND CHARGES	107,195,386.23	77,753,895.39	77,367,324.02
D) Adjustments to the value of financial investments			
19) Write-downs			
of non-investment financial assets	(37,701.35)	0.00	0.00
of non-investment securities included in current assets	(2,788.00)	0.00	0.00
TOTAL ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(40,489.35)	0.00	0.00
E) Extraordinary income and charges			
20) Income:			
gain on disposals	24,180.35	6,538.42	6,979.19
out of period revenues	70,927.43	604,869.11	719,981.25
other	0.00	0.00	0.00
21) Charges:			
loss on disposals	(1,402.30)	(635.22)	(1,981.38)
out of period expenses	(265,580.75)	(335,174.24)	(348,586.47)
TOTAL EXTRAORDINARY ITEMS	(171,875.27)	275,598.07	376,392.59
PROFIT BEFORE TAXES	103,426,617.43	92,876,732.63	95,347,762.48
22) Income taxes for the period	(12,677,736.56)	(23,026,230.85)	(24,373,610.87)
PROFIT (LOSS) FOR THE PERIOD	90,748,880.87	69,850,501.78	70,974,151.61

MEDIOLANUM S.P.A.

ATTACHMENTS



TABLE OF SHAREHOLDINGS
AS PER ART. 125
OF CONSOB REGULATION
NO. 11971/1999
REFERENCE DATE
JUNE 30, 2001

Company Name	Country	Total % Holding
Andino AVB, S.A.	Spain	100
Banca Esperia SpA (formerly DueMme SpA)	Italy	48.5
Banca Mediolanum S.p.A.	Italy	100
Banco de Finanzas e Inversiones, S.A.	Spain	100
Europa Invest S.A.	Luxembourg	14
Fibanc Argentina S.A.	Argentina	94
Fibanc Faif, S.A.	Spain	100
Fibanc International, S.A.	Luxembourg	100
Fibanc Inversiones, S.A.	Spain	69.92
Fibanc Pensiones S.G.F.P., S.A.	Spain	100
Fibanc Services Inc.	British Virgin Islands	100
Fibanc Valores, Agencia de Valores Y Bolsa, S.A.	Spain	100
Fibanc, S.A.	Spain	100
Ges Fibanc, S.G.I.I.C., S.A.	Spain	100
Mediolanum Asset Management Ltd	Ireland	100
Mediolanum Comunicazione S.r.l.	Italy	100
Mediolanum Fiduciaria S.p.A.	Italy	100
Mediolanum Gestione Fondi SGR p.A.	Italy	100
Mediolanum International Funds Ltd	Ireland	100
Mediolanum International S.A.	Luxembourg	100
Mediolanum Life Limited	Ireland	100
Mediolanum State Street SGR p.A.	Italy	50
Mediolanum Vita S.p.A.	Italy	100
Partner Time S.p.A.	Italy	100
PI Distribuzione S.r.l.	Italy	100
Tanami SA	Spain	100
Valora SA (formerly Ranking Capital, S.A.)	Andorra La Vella	33.33
Vicenza Funds Limited	Ireland	40
Vicenza Life Limited	Ireland	40

Kind of control	Holding Company	Interest %
indirect control	Banco de Finanzas e Inversiones, S.A.	100
direct control	Mediolanum S.p.A.	48.5
direct control	Mediolanum S.p.A.	100
indirect control	Fibanc Inversiones, S.A.	93.98
indirect control	Banca Mediolanum S.p.A.	6.02
direct control	Mediolanum S.p.A.	14
indirect control	Fibanc International, S.A.	94
indirect control	Banco de Finanzas e Inversiones, S.A.	100
indirect control	Fibanc Inversiones, S.A.	100
indirect control	Banca Mediolanum S.p.A.	66.002
indirect control	Tanami SA	3.918
indirect control	Banco de Finanzas e Inversiones, S.A.	100
indirect control	Fibanc International, S.A.	100
indirect control	Banco de Finanzas e Inversiones, S.A.	100
indirect control	Banco de Finanzas e Inversiones, S.A.	100
indirect control	Banco de Finanzas e Inversiones, S.A.	100
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	99.8
indirect control	Banca Mediolanum S.p.A.	0.2
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	50
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	100
direct control	Mediolanum S.p.A.	100
indirect control	Banca Mediolanum S.p.A.	100
indirect control	Banco de Finanzas e Inversiones, S.A.	33.33
direct control	Mediolanum S.p.A.	40
direct control	Mediolanum S.p.A.	40



**Report of the independent auditors on the review
of the six-months report**
(Translation from the Original issued in Italian)

Arthur Andersen SpA
Via della Moscova 3
20121 Milano

To the Shareholders of
Mediolanum S.p.A.:

1. We have performed a review of the consolidated accounting schedules and the related explanatory notes included in the six-month report as of June 30, 2001 of Mediolanum S.p.A. We have also checked the part of the report related to the information on operations with the sole purpose of verifying the consistency thereof with the rest of the six-month report.
2. Our review was made in accordance with the criteria for reviews recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“Consob”) under Resolution No. 10867 of July 31, 1997. Our review consisted principally of obtaining the information regarding the items reported in the accounting schedules and the consistency of the valuation criteria through discussion with company management and of applying analytical procedures to the data contained in the accounting schedules. Our review did not include those audit procedures such as compliance tests and substantive tests of assets and liabilities and was significantly less in scope than an audit conducted in accordance with generally accepted auditing standards. As a consequence, unlike the auditors’ report accompanying the annual consolidated financial statements, we do not express an opinion on the six-month report.
3. With regard to the comparative information related to the annual consolidated financial statements and to the prior year six-month report, reference should be made to our reports issued respectively on March 27, 2001 and on September 29, 2000.
4. Based on our review, we are not aware of any material modifications or additions that should be made to the consolidated accounting schedules and related explanatory notes identified in paragraph 1 of this report, for them to be in conformity with the reporting standards set out by the Consob regulation related to six-month reports as approved by Resolution No. 11971 of May 14, 1999, and subsequent amendments.

Milan, Italy
September 21, 2001

Arthur Andersen SpA

s/Riccardo Azzali – Partner

Note: The six-month report has been translated into English from the original version in Italian. It has been prepared in accordance with the Consob regulation related to interim reports, interpreted and integrated by the accounting principles established or adopted by the Italian Accounting Profession. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Italy, may not conform with generally accepted accounting principles in other countries.

Graphic design

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