

November 13, 2014

MEDIOLANUM 9M 2014 RESULTS



Table of Contents

2

9M 2014 Group Results

3

9M 2014 Domestic Market Results

13

9M 2014 Foreign Markets Results

34

Business Update

39

Mediolanum Facts

55



9M 2014 Group Results



9M 2014
Group

Income Statement - Group

4







€ mn

	9M14	9M13	Change
Entry fees	74.0	104.6	-29%
Management fees	494.6	412.8	+20%
Performance fees	119.9	129.2	-7%
Banking service fees	75.5	71.0	+6%
Other fees	25.4	24.4	+4%
Total commission income	789.4	742.0	+6%
Net interest income	174.5	209.5	-17%
Net income on investments at fair value	(1.3)	13.7	n.s.
Net financial income	173.2	223.2	-22%
Insurance revenues ex U-L commissions	43.4	45.4	-4%
Equity Contribution (Mediobanca & Banca Esperia)	15.5	(4.0)	n.s.
Net income on other investments	14.4	34.0	-58%
Other revenues	21.7	16.2	+34%
Total Revenues	1,057.7	1,056.8	+0%
Acquisition costs	(337.6)	(315.0)	+7%
Other commission expenses	(43.1)	(38.6)	+12%
G&A expenses	(340.0)	(291.5)	+17%
Amortisation & depreciation	(15.7)	(15.2)	+3%
Provisions for risks & charges	(9.2)	(2.2)	+318%
Total Costs	(745.6)	(662.5)	+13%
PROFIT BEFORE TAX	312.1	394.3	-21%
Income tax	(65.2)	(93.0)	-30%
NET INCOME	246.9	301.2	-18%



Income Statement Salient Points

YoY comparison

-  **Entry fees** (€ 31 mn less YoY) reflect a different mix in favour of 'Valore Attivo' (low entry fee) and 'My Life' (front fees included in Insurance Revenues)
-  **Management fees** (€ 82 mn higher YoY) grew in line with average assets in mutual funds, following the continued strong net inflows
-  **Performance Fees** were weak (€ 9 mn lower YoY), due to a much lower contribution in bps (42 vs. 55), mitigated by higher average assets
-  **Net Interest Income** (€ 35 mn lower YoY) was impacted by the lower interest-rate environment and the selling of some securities in Q1 (see below), but benefitted from lower cost of funding and increase in loan book
-  **Net Income on Other Investments** (€ 20 mn lower YoY) includes € 19 mn of realised capital gains in the bank's treasury portfolio (on govies maturing within the year, replaced with others with a lower yield), versus € 44 mn realised in H1 2013. Increase in loans also brought about higher provisions
-  **G&A expenses** were 17% up YoY (€ 48 mn higher YoY), reflecting our focus on strategic projects and associated costs



Income Statement by Quarter

€ mn

	Q113	Q213	Q313	Q413	Q114	Q214	Q314
Entry fees	34.5	42.1	28.0	32.3	24.1	26.7	23.2
Management fees	129.2	139.1	144.4	151.1	155.6	163.9	175.1
Performance fees	59.3	25.0	44.9	52.4	31.3	55.3	33.3
Banking service fees	25.4	23.9	21.8	24.0	23.4	29.8	22.3
Other fees	9.1	8.3	7.0	8.2	8.0	8.9	8.5
Total commission income	257.4	238.4	246.2	268.1	242.4	284.6	262.4
Net interest income	71.9	63.6	74.0	64.9	58.5	57.4	58.6
Net income on investments at FV	3.8	5.1	4.8	6.2	(1.0)	0.7	(1.0)
Net financial income	75.8	68.7	78.8	71.1	57.6	58.1	57.5
Insurance revenues ex U-L commissions	13.2	14.8	17.4	13.1	14.4	11.2	17.8
Equity contribution	1.8	(1.2)	(4.7)	4.8	5.7	1.4	8.4
Net income on other investments	37.8	(1.2)	(2.6)	36.0	17.1	1.8	(4.5)
Other revenues	4.9	5.9	5.4	7.7	5.1	8.3	8.3
Total Revenues	390.8	325.4	340.5	400.8	342.3	365.4	350.0
Acquisition costs	(103.5)	(112.3)	(99.2)	(120.4)	(105.3)	(111.5)	(120.8)
Other commission expenses	(11.9)	(13.5)	(13.2)	(13.1)	(13.3)	(14.8)	(15.0)
G&A expenses	(91.6)	(106.9)	(93.0)	(107.9)	(107.8)	(120.1)	(112.1)
Amortisation & depreciation	(3.8)	(5.6)	(5.8)	(6.3)	(4.9)	(5.3)	(5.4)
Provisions for risks & charges	(3.0)	3.1	(2.3)	(3.3)	(5.3)	(4.6)	0.6
Total Costs	(213.7)	(235.2)	(213.6)	(251.0)	(236.6)	(256.3)	(252.7)
PROFIT BEFORE TAX	177.1	90.2	127.0	149.8	105.7	109.1	97.3
Income tax	(40.4)	(27.4)	(25.2)	(114.4)	(24.8)	(25.1)	(15.4)
NET INCOME	136.7	62.8	101.7	35.4	80.9	84.0	81.9



Quarterly Commission Income from Management Fees

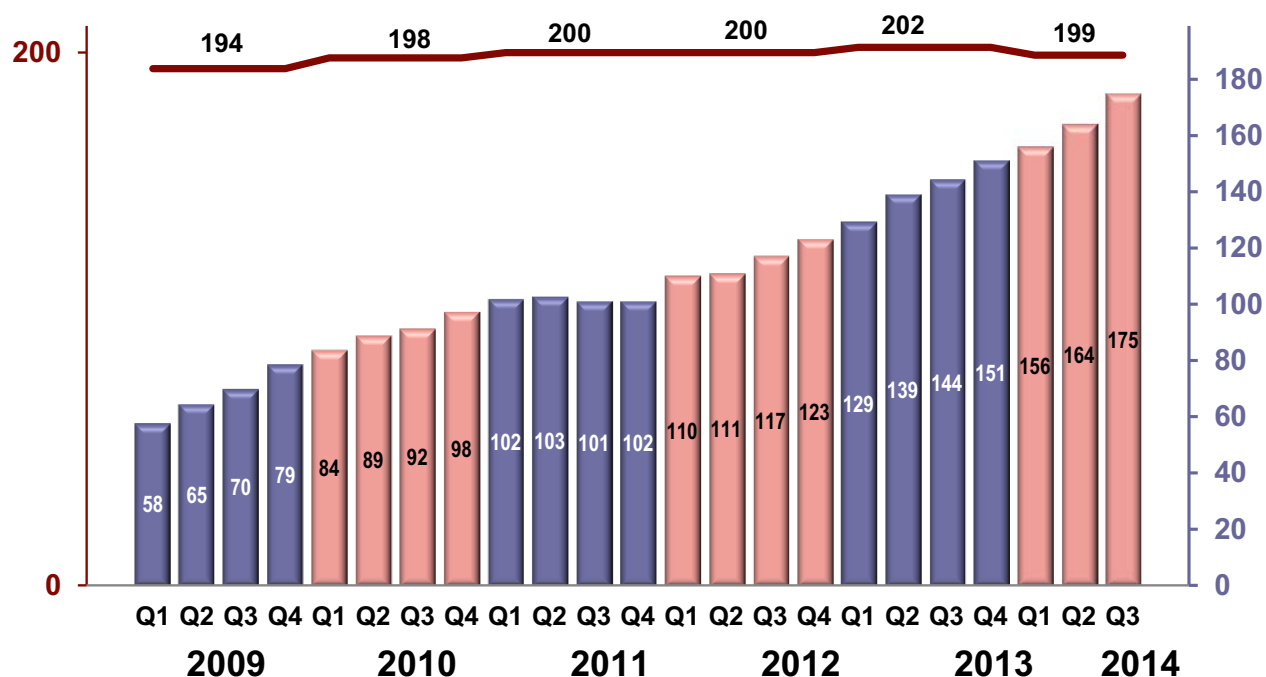
€ mn



Management fees (€ mn)

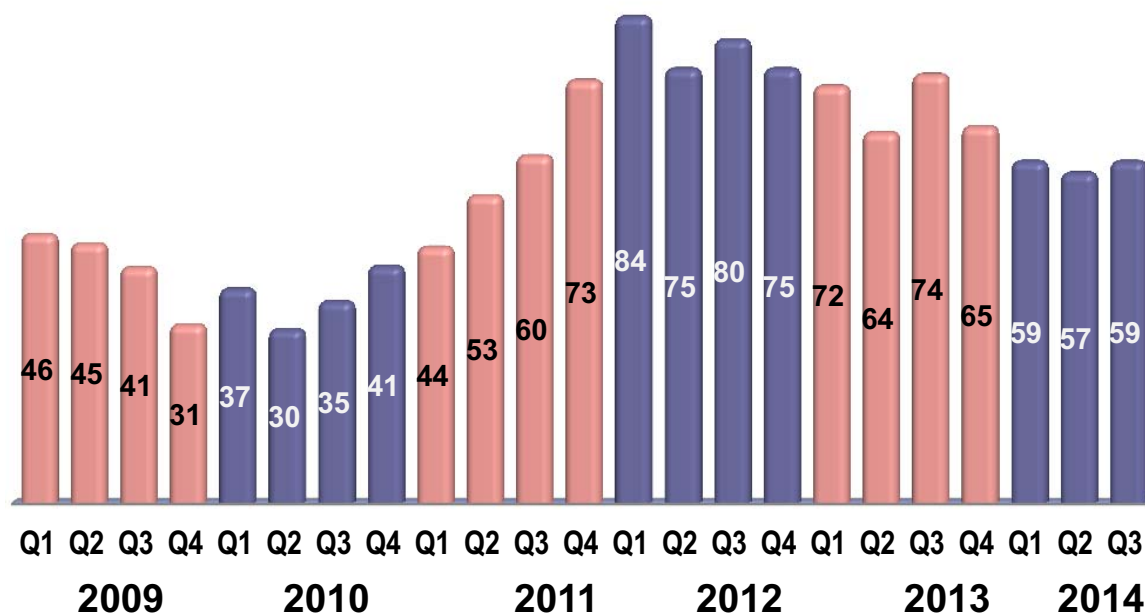


yearly bps on average assets



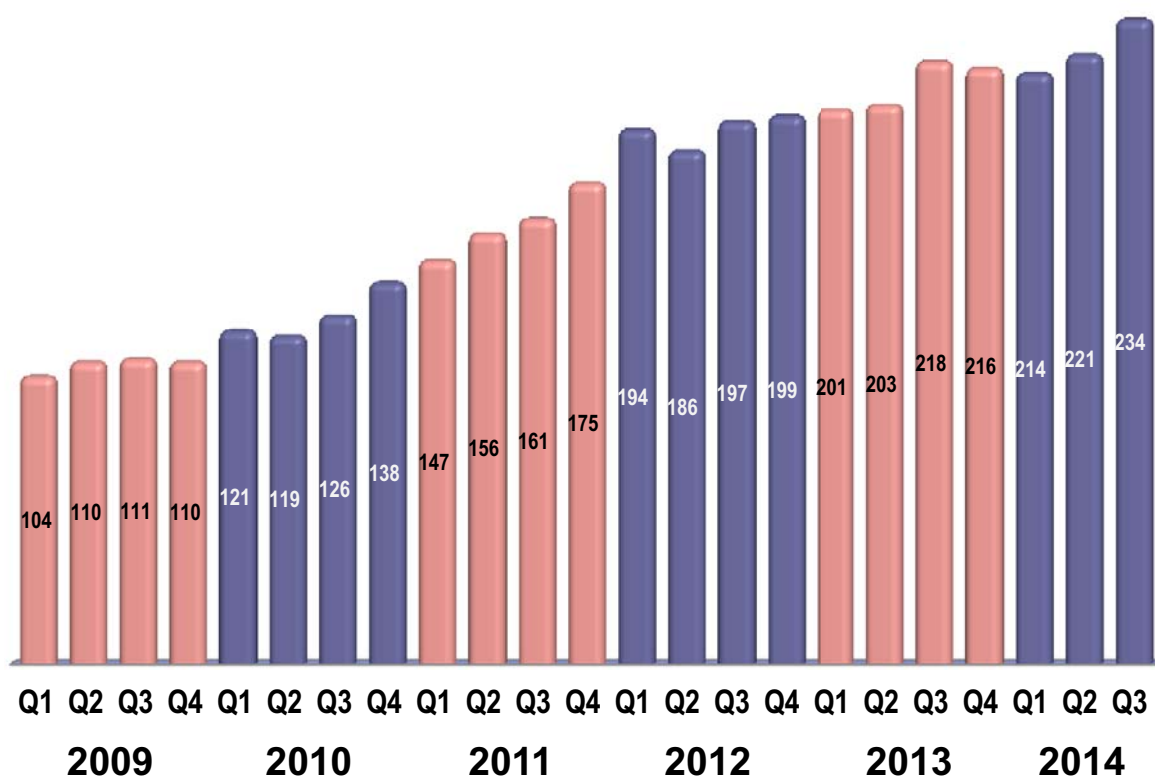
Quarterly Net Interest Income

€ mn



Quarterly Recurring Revenues

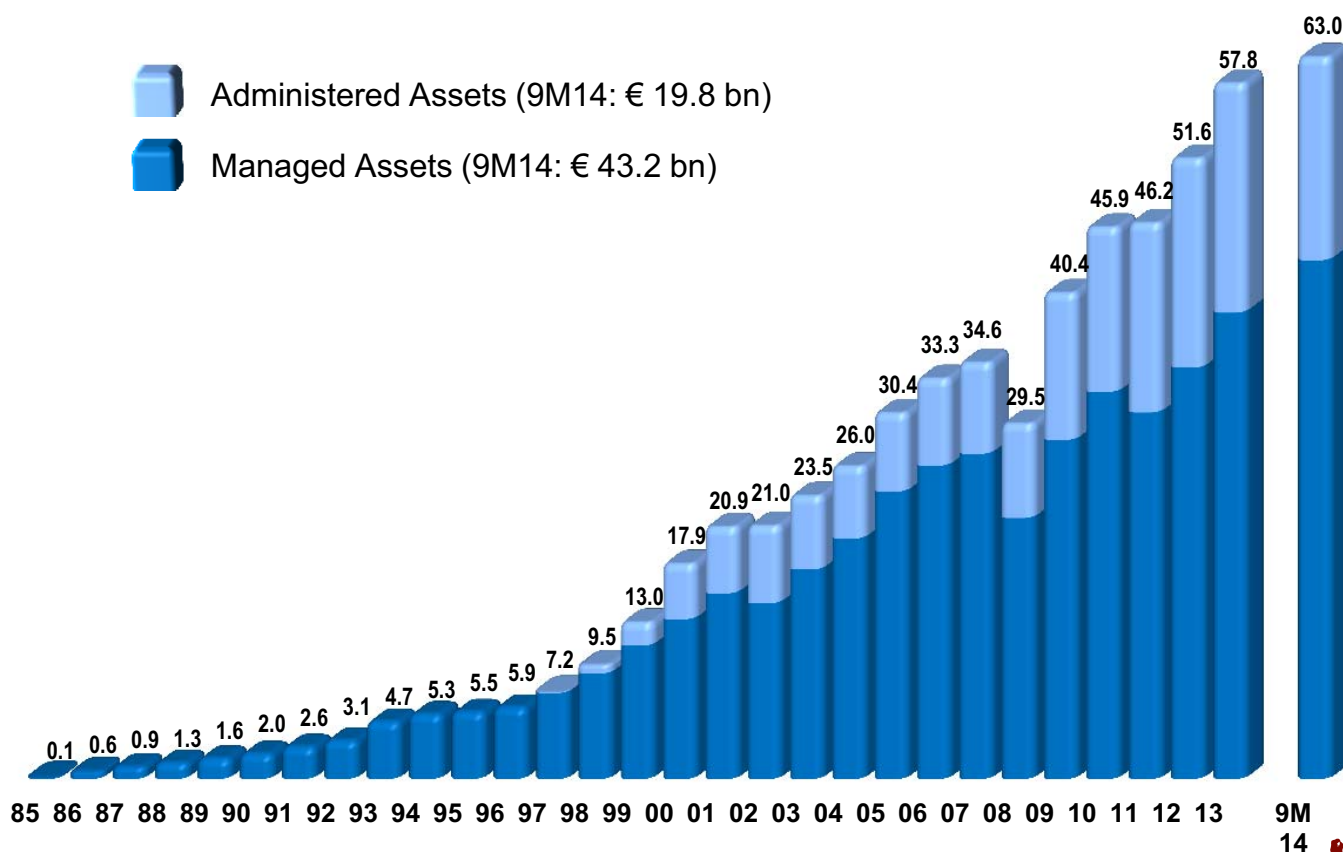
Commission Income from Management Fees + Net Interest Income (€ mn)



AUA Trend

€ bn

- Administered Assets (9M14: € 19.8 bn)
- Managed Assets (9M14: € 43.2 bn)



Assets under Administration

€ mn

	30/09/14	31/12/13	Change	30/09/13	Change
Mutual Funds & U-L Policies	33,765.1	29,157.7	+16%	27,641.6	+22%
'Freedom' Life Policies	1,095.3	1,722.3	-36%	1,889.8	-42%
Other Life Insurance products	2,277.8	2,790.3	-18%	3,012.6	-24%
Banking*	14,599.1	13,690.1	+7%	12,577.6	+16%
Italy - Banca Mediolanum	51,737.3	47,360.3	+9%	45,121.6	+15%
Italy - Banca Esperia (Mediolanum's share)	7,969.1	7,650.0	+4%	7,506.7	+6%
Mutual Funds & U-L Policies	1,424.3	1,021.9	+39%	941.5	+51%
Other Insurance Products	372.4	440.3	-15%	445.2	-16%
Banking*	1,144.7	1,007.2	+14%	934.9	+22%
Consolidation adjustments	(145.2)	(93.1)	+56%	(95.5)	+52%
Spain - Banco Mediolanum	2,796.2	2,376.3	+18%	2,226.0	+26%
Mutual Funds & U-L Policies	346.4	324.1	+7%	310.7	+11%
Other Insurance Products	37.2	48.6	-23%	54.7	-32%
Banking	85.3	72.5	+18%	69.2	+23%
Germany - B. A. Lenz & Gamax	469.0	445.2	+5%	434.6	+8%
AUA	62,971.5	57,831.8	+9%	55,288.9	+14%

* retail only



Capital Adequacy

€ mn – as at 30/09/2014

	30/09/2014	31/12/2013
Total Regulatory Capital Held	1,240	1,075
Total Required Capital	755	612
o/w Required Capital – Banks	526	391
o/w Solvency Margin – Insurance companies	229	221
EXCESS CAPITAL	485	463

CAPITAL RATIOS* (Mediolanum Banking Group)

Total Capital Ratio

19.16%

Common Equity Tier 1 Ratio

18.08%

* Preliminary data subject to adjustment



9M 2014 Domestic Market Results



9M 2014
Domestic
Market

Income Statement - Domestic

14

€ mn

	9M14	9M13	Change
Entry fees	67.2	98.5	-32%
Management fees	470.7	395.9	+19%
Performance fees	114.4	123.8	-8%
Banking service fees	58.8	57.2	+3%
Other fees	24.3	23.3	+4%
Total commission income	735.4	698.6	+5%
Net interest income	156.5	192.6	-19%
Net income on investments at fair value	(1.8)	13.0	n.s.
Net financial income	154.7	205.6	-25%
Insurance revenues ex U-L commissions	27.9	29.7	-6%
Equity contribution (Mediobanca & Banca Esperia)	15.5	(4.0)	n.s.
Net income on other investments	14.8	24.4	-40%
Other revenues	20.3	15.1	+34%
Total Revenues	968.6	969.4	-0%
Acquisition costs	(314.3)	(294.8)	+7%
Other commission expenses	(29.0)	(26.9)	+8%
G&A expenses	(302.6)	(260.0)	+16%
Amortisation & depreciation	(14.4)	(13.7)	+5%
Provisions for risks & charges	(8.5)	(2.3)	+270%
Total Costs	(668.6)	(597.7)	+12%
PROFIT BEFORE TAX	300.0	371.7	-19%
Income tax	(62.1)	(87.2)	-29%
NET INCOME	237.9	284.5	-16%



Income Statement by Quarter

€ mn

	Q113	Q213	Q313	Q413	Q114	Q214	Q314
Entry fees	32.7	39.8	26.0	30.1	22.0	24.5	20.8
Management fees	124.0	133.5	138.4	144.9	148.4	155.9	166.4
Performance fees	56.9	23.8	43.0	50.4	30.1	52.9	31.4
Banking service fees	21.4	18.9	16.8	18.9	18.3	24.1	16.4
Other fees	8.8	7.8	6.6	7.7	7.7	8.5	8.1
Total commission income	243.8	223.9	230.9	252.1	226.4	265.9	243.1
Net interest income	65.9	60.2	66.4	58.2	52.8	51.2	52.5
Net income on investments at FV	3.4	5.1	4.5	5.8	(1.2)	0.6	(1.2)
Net financial income	69.4	65.3	70.9	64.0	51.7	51.7	51.3
Insurance revenues ex U-L commissions	7.6	10.6	11.5	4.3	8.8	5.8	13.3
Equity contribution	1.8	(1.2)	(4.7)	4.8	5.7	1.4	8.4
Net income on other investments	28.0	(1.1)	(2.4)	39.2	17.2	2.0	(4.4)
Other revenues	4.3	5.8	5.1	7.0	4.6	8.5	7.1
Total Revenues	354.8	303.3	311.3	371.4	314.5	335.3	318.9
Acquisition costs	(97.2)	(105.5)	(92.2)	(111.2)	(97.9)	(103.5)	(112.8)
Other commission expenses	(8.5)	(9.2)	(9.2)	(9.3)	(9.2)	(10.0)	(9.7)
G&A expenses	(81.6)	(95.8)	(82.7)	(95.4)	(96.0)	(108.5)	(98.1)
Amortisation & depreciation	(3.3)	(5.1)	(5.3)	(5.7)	(4.5)	(4.9)	(5.0)
Provisions for risks & charges	(2.9)	2.7	(2.0)	(2.9)	(5.1)	(4.4)	1.1
Total Costs	(193.4)	(212.9)	(191.5)	(224.7)	(212.8)	(231.2)	(224.6)
PROFIT BEFORE TAX	161.4	90.4	119.8	146.8	101.6	104.1	94.3
Income tax	(36.2)	(27.5)	(23.5)	(112.3)	(23.6)	(24.3)	(14.1)
NET INCOME	125.3	62.9	96.3	34.5	78.0	79.7	80.2



Acquisition Costs in detail

€ mn

	9M14	9M13	Change
One-time commissions	97.7	114.3	-15%
Ongoing commissions	133.8	109.2	+23%
Total commissions	231.6	223.5	+4%
Incentives on individual net inflows	22.1	18.9	+17%
Contests & bonuses	13.1	12.6	+3%
Reimbursement of costs for customer events	14.8	11.3	+32%
Total incentives & bonuses	50.0	42.7	+17%
Costs related to the agency agreement	32.7	28.6	+15%
TOTAL ACQUISITION COSTS	314.3	294.8	+7%



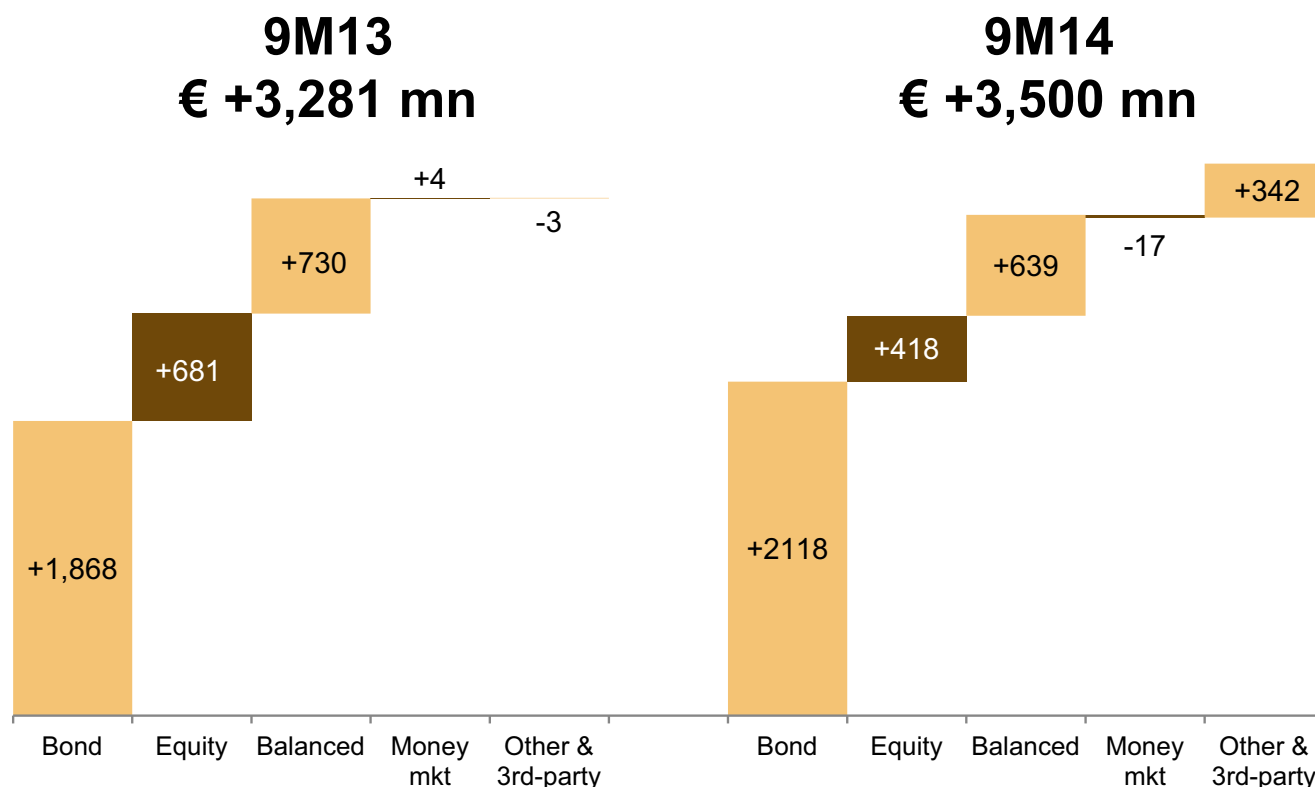
Total Net Inflows

€ mn

	9M14	9M13	Change
directly into Mutual Funds	2,766.2	3,482.0	-21%
through 'MyLife' U-L policy	913.2	0.0	n.s.
through other U-L policies	(179.4)	(201.3)	-11%
Mutual Funds Inflows	3,500.0	3,280.7	+7%
Other Life Insurance policies	(590.2)	(1,012.5)	-42%
Managed Assets Inflows	2,909.8	2,268.2	+28%
3rd-party Structured Bonds	(250.4)	(19.4)	n.s.
Managed Assets incl. Structured Bonds	2,659.4	2,248.9	+18%
Cash deposits	1,231.4	1,173.0	+5%
Repurchase agreements	90.1	122.6	-27%
Mediolanum bonds	(19.6)	17.9	n.s.
Other securities under custody	(357.1)	(249.1)	+43%
Administered Assets Inflows	944.8	1,064.4	-11%
'Freedom' Life Policies (change in assets)	(627.0)	(1,543.2)	-59%
Administered Assets incl. 'Freedom' accts.	317.8	(478.9)	n.s.
BANCA MEDIOLANUM	2,977.2	1,770.0	+68%
BANCA ESPERIA (Mediolanum's share)	426.0	(12.5)	n.s.
TOTAL NET INFLOWS	3,403.2	1,757.5	+94%

Mutual Funds
Net Inflows by Category*

€ mn – including U-L inflows



* Flexible funds are classified according to their equivalent risk level



Mutual Funds

Net Inflows by Product

€ mn

	9M14	9M13	Change
'Best Brands' funds of funds (IRL)	945.1	3,019.1	-69%
'Challenge' mutual funds (IRL)	(118.9)	(203.5)	-42%
'Fondi Italia' mutual funds (ITA)	1,937.4	737.6	+163%
'Real estate' fund (ITA)	0.0	0.0	n.s.
Other & 3rd-party funds	2.6	(71.2)	n.s.
DIRECT NET INFLOWS INTO MUTUAL FUNDS	2,766.2	3,482.0	-21%
'MyLife' U-L policy	913.2	0.0	n.s.
Other U-L policies	(179.4)	(201.3)	-11%
TOTAL NET INFLOWS INTO MUTUAL FUNDS	3.500,0	3.280,7	+7%



Mutual Funds

Gross Inflows by Product

€ mn

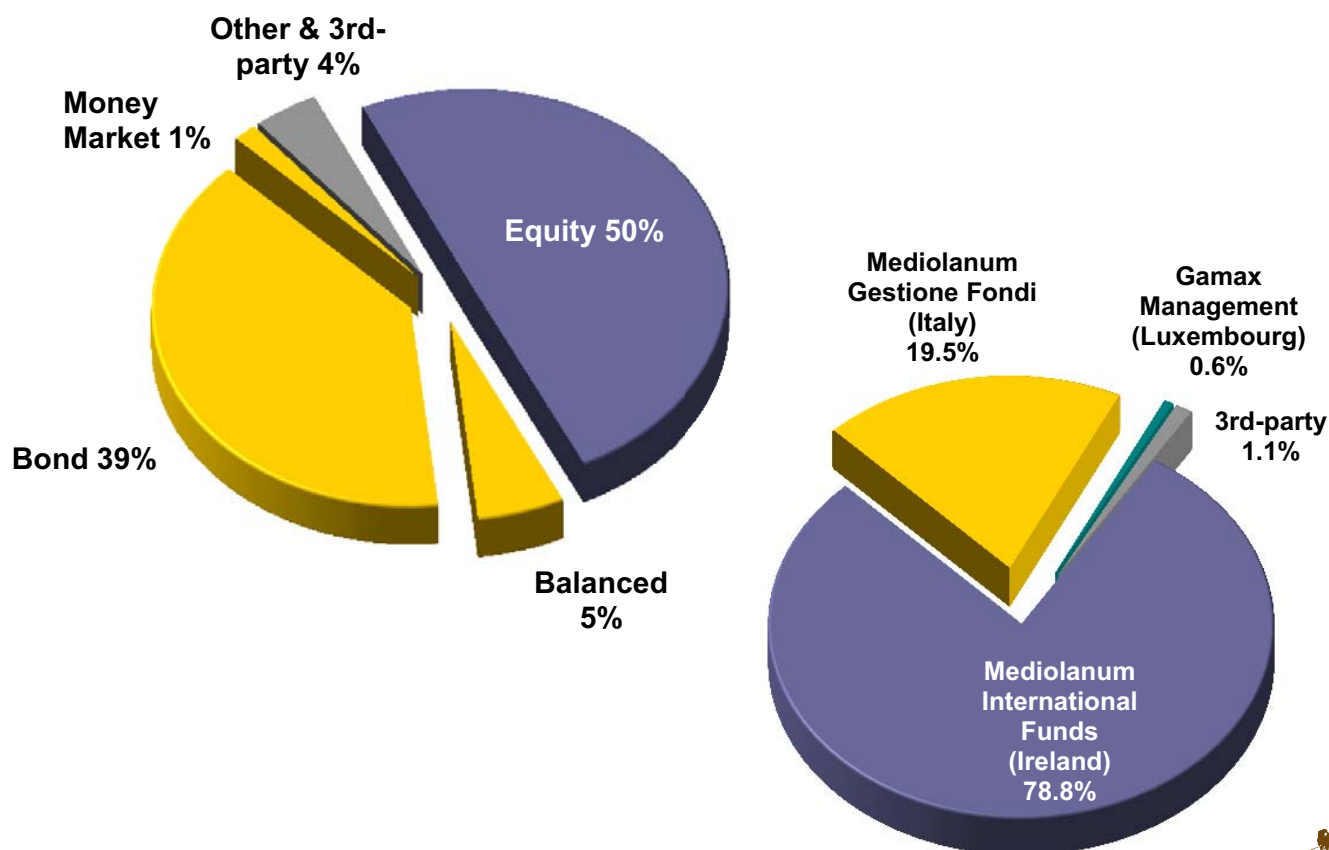
	9M14	9M13	Change
'Best Brands' funds of funds (IRL)	2,940.9	4,487.5	-34%
'Challenge' mutual funds (IRL)	413.3	524.6	-21%
'Fondi Italia' mutual funds (ITA)	2,488.7	1,113.0	+124%
'Real estate' fund (ITA)	0.0	0.0	n.s.
Other & 3rd-party funds	99.1	16.1	n.s.
DIRECT GROSS INFLOWS INTO MUTUAL FUNDS	5,941.9	6,141.2	-3%
'MyLife' U-L policy	915.3	0.0	n.s.
Other U-L policies	741.4	767.7	-3%
TOTAL GROSS INFLOWS INTO MUTUAL FUNDS	7.598,70	6.908,86	+10%



Mutual Funds

Assets* by category and A.M. company

as at 30/09/2014 – including U-L assets



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



Mutual Funds

Assets under Management

€ mn

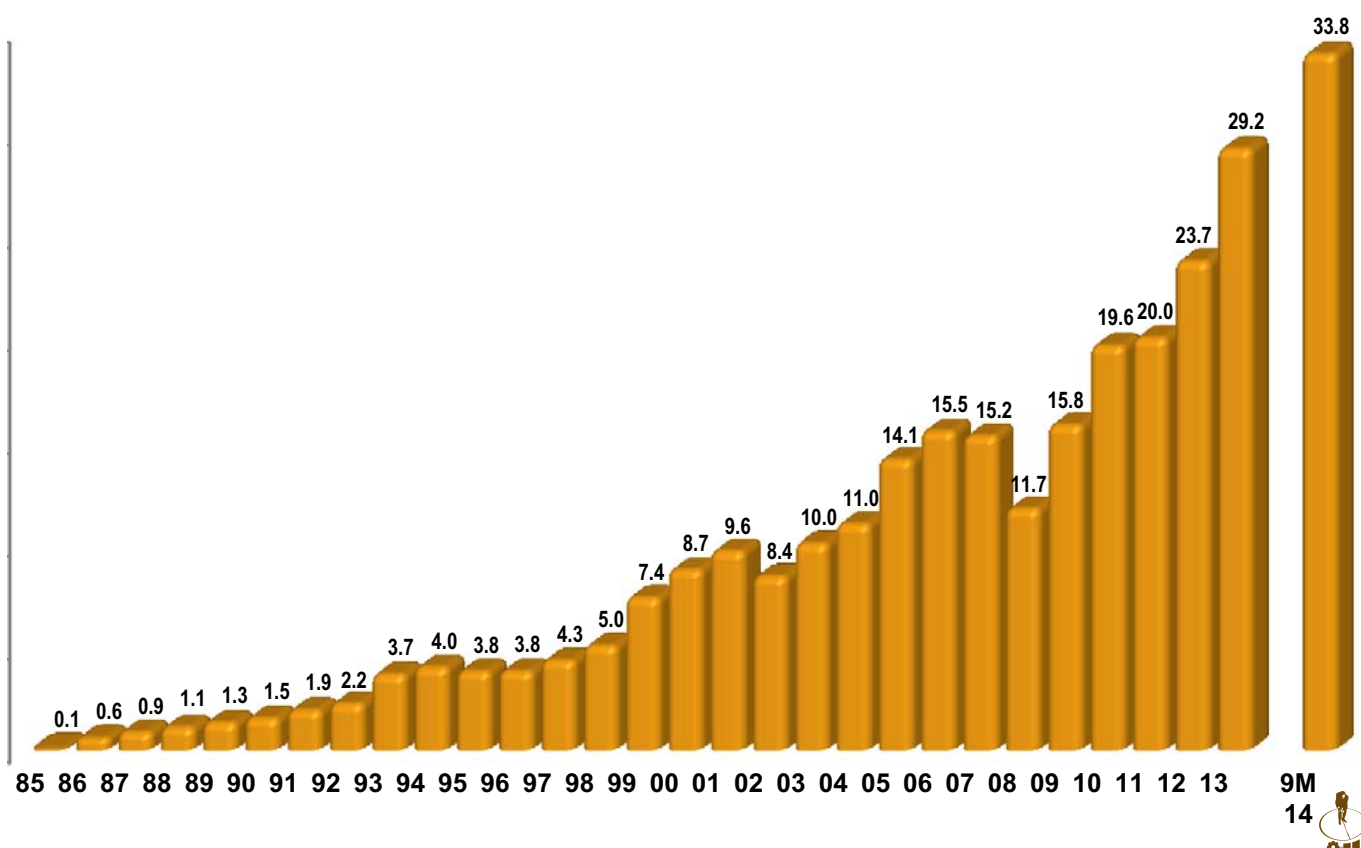
	30/09/14	31/12/13	Change	30/09/13	Change
'Best Brands' funds of funds (IRL)	13,181.6	11,494.7	+15%	10,563.5	+25%
'Portfolio' funds of funds (IRL)	469.6	532.2	-12%	538.7	-13%
'Challenge' mutual funds (IRL)	13,091.7	12,541.3	+4%	12,329.3	+6%
Funds of Hedge Funds (IRL)	174.5	178.1	-2%	173.7	+0%
'Fondi Italia' mutual funds (ITA)	5,954.9	3,803.9	+57%	3,460.2	+72%
'Real estate' fund (ITA)	422.0	427.3	-1%	426.8	-1%
Other & 3rd-party funds	463.8	424.5	+9%	402.5	+15%
<i>Adj. for own mutual funds in FoFs & managed accts.</i>	<i>(522.3)</i>	<i>(566.4)</i>	<i>-8%</i>	<i>(572.3)</i>	<i>-9%</i>
'MyLife' U-L policy	908.2	0.0	n.s.	0.0	n.s.
Other U-L policies	11,122.2	10,692.3	+4%	10,441.1	+7%
<i>Adj. for own mutual funds in U-L Policies</i>	<i>(11,501.0)</i>	<i>(10,370.3)</i>	<i>+11%</i>	<i>(10,121.8)</i>	<i>+14%</i>
ASSETS IN MUTUAL FUNDS & U-L	33,765.1	29,157.7	+16%	27,641.6	+22%



Mutual Funds

AUM Trend

€ bn – including U-L assets



Banking

Revenues

€ mn

	9M14	9M13	Change
Securities trading fees	25.6	22.8	+12%
o/w 3rd-party structured bonds	17.7	15.7	+13%
Service fees	33.2	34.3	-3%
Fee income	58.8	57.2	+3%
Net interest income	151.7	186.8	-19%
Net income on investments at fair value	(7.0)	10.8	n.s.
o/w unrealised	(7.7)	9.1	n.s.
Net financial income	144.7	197.6	-27%
Net income on other investments	11.9	26.4	-55%
Other fees & Other revenues	9.0	9.6	-6%
BANKING REVENUES	224.4	290.7	-23%

Banking Interest Spread

€ mn

	9M 2014	FY 2013
Total Cost of Funding	1.14%	1.14%
Retail	1.69%	1.85%
ECB/MTS (collateral-backed)	0.15%	0.30%
Total Interest Income	2.18%	2.42%
Retail Interest Income	3.07%	2.93%
TOTAL SPREAD	1.04%	1.28%
Spread on Retail	1.37%	1.08%



Banking Mortgage Update

€ mn

	9M 2014	FY 2013
Stock		
Mortgage portfolio	3,973.7	3,495.8
Avg. rate	2.80%	2.66%
Avg. residual LTV	55%	57%
New business		
Total amount granted	650.6	702.5
Avg. rate	3.00%	3.26%
Avg. amount granted	130	141
Avg. initial LTV	59%	62%



Banking Assets under Administration

€ mn - retail only

	30/09/14	31/12/13	Change	30/09/13	Change
Cash deposits	11,161.1	9,929.8	+12%	8,796.1	+27%
Repurchase agreements	123.3	32.9	+274%	135.5	-9%
Mediolanum bonds	337.3	355.6	-5%	427.8	-21%
3rd-party structured bonds	1,052.8	1,282.8	-18%	1,279.7	-18%
Other securities under custody	1,924.9	2,088.9	-8%	1,938.4	-1%
BANKING ADMINISTERED ASSETS	14,599.3	13,690.1	+7%	12,577.6	+16%



Banca Mediolanum Balance Sheet

€ mn – as at 30/09/2014

	Liabilities	Assets
Retail	11,592	5,159
Treasury	10,325	16,767
o/w interbank / intra-group deposits & repos	2,068	592
o/w ECB LTRO	3,000	3,090
o/w other financing (ECB & MTS)	5,257	5,441
o/w Securities (bonds)		7,644
Other Liabilities / Assets	1,992	1,983
TOTAL	23,909	23,909

Operating Liquidity (24 hr)

7,621



Insurance
Revenues

€ mn

	9M14	9M13	Change
Premiums less Amounts paid & change in reserves	27.9	29.7	-6%
Commission income	225.1	224.3	+0%
Net Interest Income	9.4	16.0	-41%
Net income on investments at fair value	5.2	2.2	+135%
o/w unrealised	1.4	0.6	+124%
Net financial income	14.6	18.2	-20%
Net income on other investments	2.9	(2.0)	n.s.
Other fees & Other revenues	12.5	9.1	+38%
INSURANCE REVENUES	282.9	279.2	+1%

Insurance
Life - Policyholders' Assets

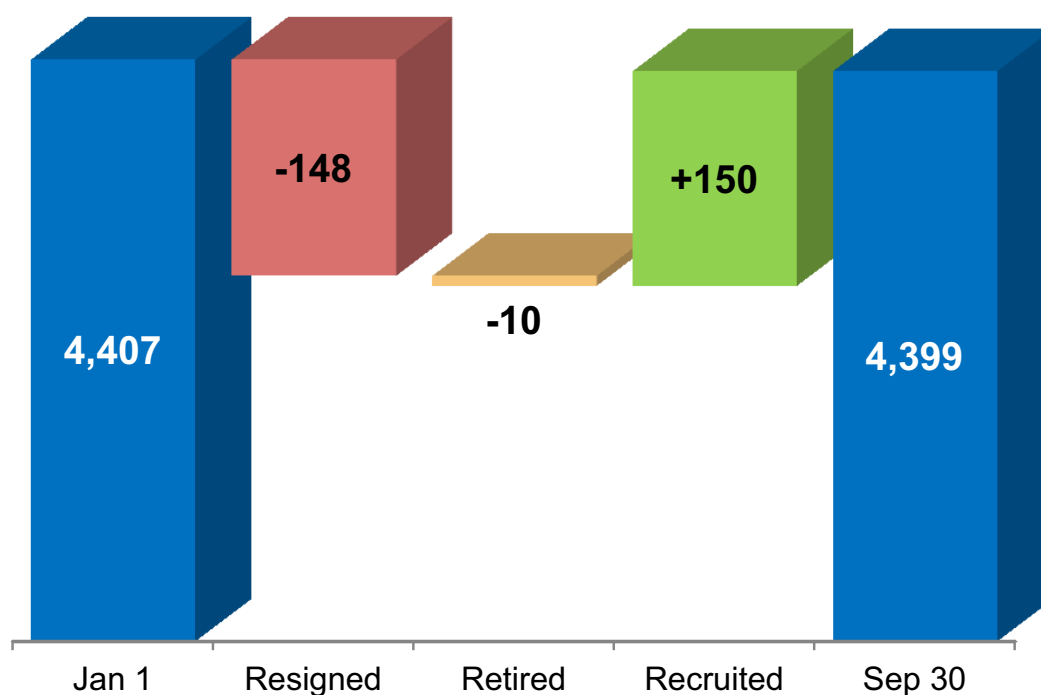
€ mn

	30/09/14	31/12/13	Change	30/09/13	Change
Traditional	1,241.9	1,315.5	-6%	1,242.4	-0%
Index-linked	1,035.9	1,474.8	-30%	1,770.2	-41%
Unit-linked pension plans	4,836.5	4,421.8	+9%	4,227.5	+14%
Unit-linked endowment policies	3,845.9	3,772.4	+2%	3,724.1	+3%
Unit-linked investment policies	3,347.9	2,498.1	+34%	2,489.5	+34%
Unit-linked	12,030.4	10,692.3	+13%	10,441.1	+15%
o/w equity	68.7%	71.4%	-4%	72.9%	-6%
LIFE ASSETS (EX-'FREEDOM')	14,308.2	13,482.6	+6%	13,453.7	+6%
'Freedom' Life Policies	1,095.3	1,722.3	-36%	1,889.8	-42%



Banca Mediolanum Network of Family Bankers

Change in headcount, Jan 1 – Sep 30 2014

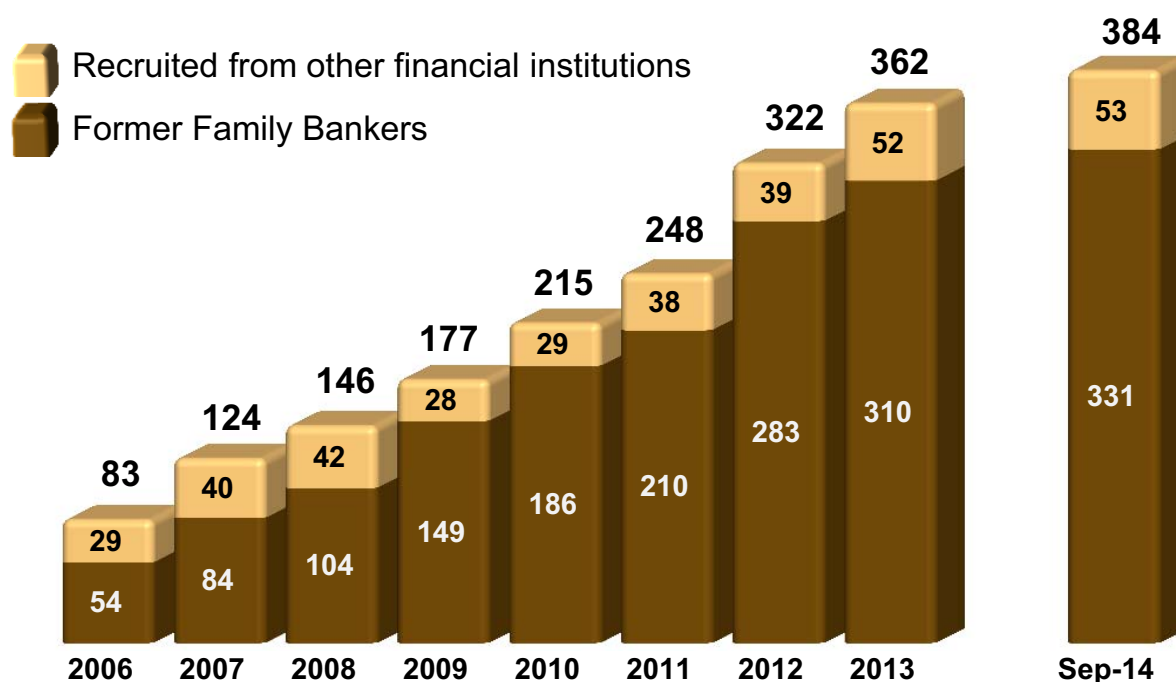


Turnover rate: (annualised) → 4.8%



Banca Mediolanum 'Private Banker' Network*

as at 30/09/2014



Average assets in portfolio: € 29.3 mn
o/w managed assets: € 20.8 mn

*Private Bankers are part of the Mediolanum Family Banker Network



€ mn

	9M14	9M13	Change	vs. FY13
Net Income	8.7	1.1	n.s.	
<i>o/w Mediolanum share</i>	4.4	0.5	n.s.	
Assets under Administration	15,938	15,013	+6%	+4%
<i>% in Managed Assets</i>	48.6%	51.5%	-6%	
Net Inflows	852	(25)	n.s.	
<i>o/w Managed Assets Inflows</i>	363	(208)	n.s.	
Private Bankers	80	76	+5%	+3%
Clients	3,976	3,684	+8%	+8%



9M 2014 Foreign Markets Results



€ mn

	9M14	9M13	Change	vs. FY13
Net Income	15.2	20.0	-24%	
Managed Assets	1,796.6	1,386.7	+30%	+23%
Administered Assets	999.6	839.3	+19%	+9%
Total Assets	2,796.2	2,226.0	+26%	+18%
Gross Inflows into Managed Assets	595.8	356.2	+67%	
Net Inflows into Managed Assets	282.9	177.4	+60%	
Net Inflows into Administered Assets	39.9	168.7	-76%	
Total Net Inflows	322.8	346.1	-7%	
Financial Advisors (Mediolanum model)	709	613	+16%	+9%
Traditional agents	38	37	+3%	
Total Sales Network	747	650	+15%	+8%
Total Customers	92,490	82,688	+12%	+10%



€ mn

	9M14	9M13	Change	vs. FY13
Net Income	(7.5)	(4.7)	+61%	
Managed Assets	180.6	151.0	+20%	+14%
Administered Assets	85.3	69.2	+23%	+18%
Total Assets	265.9	220.2	+21%	+15%
Gross Inflows into Managed Assets	43.2	31.7	+36%	
Net Inflows into Managed Assets	15.1	12.7	+19%	
Net Inflows into Administered Assets	12.0	(15.3)	n.s.	
Total Net Inflows	27.1	(2.6)	n.s.	
Financial Advisors	53	46	+15%	+15%
Total Customers	4,475	4,493	-0%	-1%



Germany - Gamax
Highlights

€ mn

	9M14	9M13	Change	vs. FY13
Net Income	1.2	1.4	-11%	
Assets under Administration	203.1	214.4	-5%	-5%
Gross Inflows	7.3	98.7	-93%	
Net Inflows	(25.4)	(32.3)	-22%	

Germany - Total
Highlights

€ mn

	9M14	9M13	Change	vs. FY13
Net Income	(6.3)	(3.3)	+92%	
Managed Assets	383.7	365.4	+5%	+3%
Administered Assets	85.3	69.2	+23%	+18%
Total Assets	469.0	434.6	+8%	+5%
Gross Inflows into Managed Assets	50.5	130.4	-61%	
Net Inflows into Managed Assets	(10.3)	(19.7)	-48%	
Net Inflows into Administered Assets	12.0	(15.3)	n.s.	
Total Net Inflows	1.7	(35.0)	n.s.	
Total Sales Network	53	46	+15%	+15%
Total Customers	4,475	4,493	-0%	-1%



Business Update



Business
Update

Banca Mediolanum October 2014 Net Inflows

40

€ mn

	Oct'14	Jan-Oct'14	Jan-Oct'13
directly into Mutual Funds	163	2,929	3,820
through 'MyLife' U-L policies	216	1,129	--
through other U-L policies	(12)	(192)	(221)
Mutual Funds Inflows (UCITS & Unit-Linked)	367	3,867	3,599
Other Life products	(25)	(616)	(1,146)
Managed Assets Inflows	341	3,251	2,453
3rd-party Structured Bonds	8	(242)	(31)
Managed Assets incl. Structured Bonds	349	3,009	2,422
Administered Assets Inflows	73	1,018	1,369
'Freedom' Life Policies (change in assets)	(53)	(680)	(1,582)
Administered Assets incl. 'Freedom' accts.	20	338	(213)
BANCA MEDIOLANUM	369	3,347	2,209



Italian Sales Networks Ranking by Net Inflows

Italian Networks by group - € thousands

	Jan - Sept 2014		
	Total Net Inflows	o/w Managed Assets	o/w Mutual Funds*
Banca Generali	3,085,171	2,914,657	588,325
Banca Mediolanum	3,019,855**	2,952,469**	2,766,234
Azimut	2,701,814	2,751,557	1,142,897
Unicredit (Finecobank)	2,505,847	2,124,342	1,839,468
Allianz Bank	1,912,025	1,734,172	-139,838
Banca Fideuram (incl. Sanpaolo)	1,853,120	2,704,945	-1,029,758
Deutsche Bank (Finanza & Futuro)	1,506,446	956,125	639,322
UBI	527,615	347,950	317,164
Credem	439,322	443,241	268,987
Veneto Banca	154,919	129,080	25,470
Banca Pop. Vicenza (Banca Nuova)	62,322	75,353	68,192
Consultinvest	57,507	60,699	112,430
Monte dei Paschi di Siena	-585,124	-387,057	-257,778

*not including those underlying U-L policies

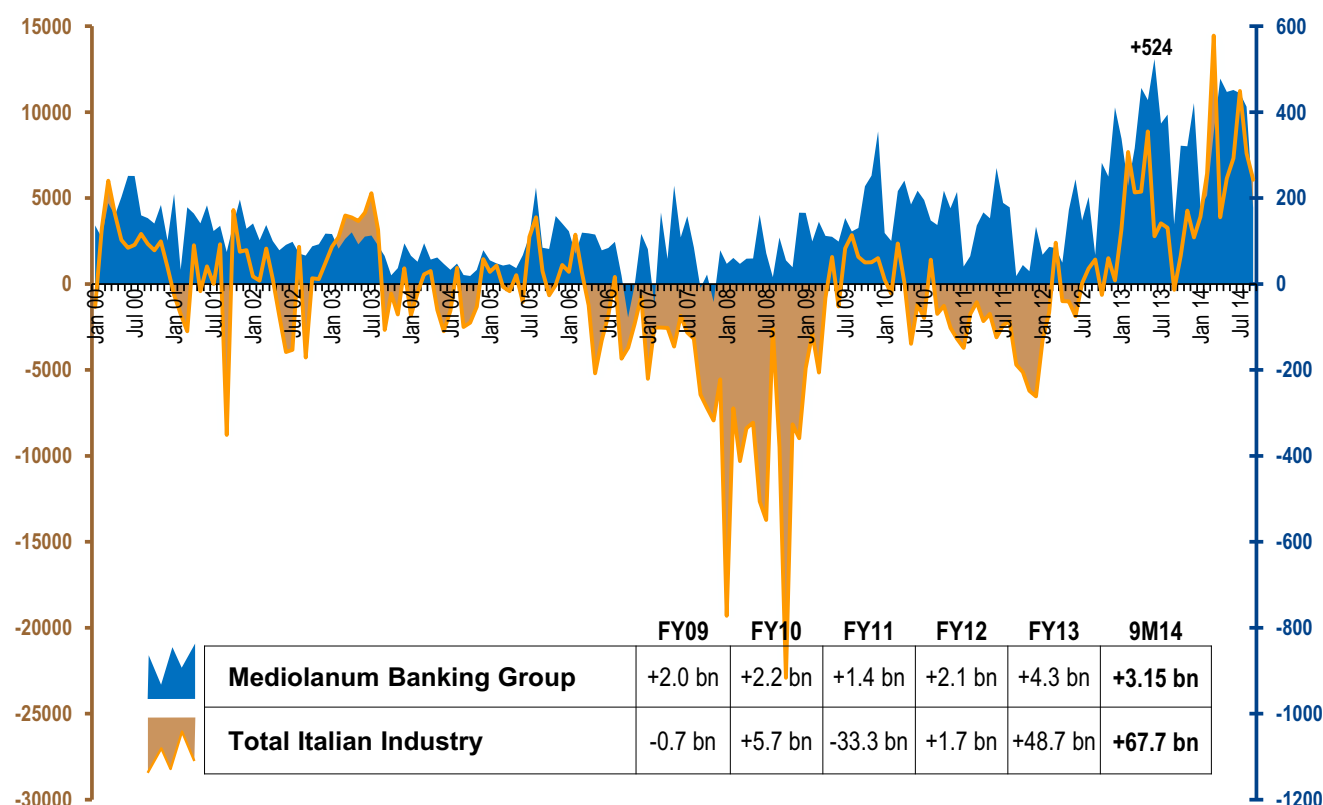
**accounts for approximately € -486 mn in maturities of discontinued Index-Linked policies

source: Assoreti



Net Inflows into Mutual Funds*

€ mn



* including Managed Accounts & Unit-linked policies

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



Ranking of Italian A.M. Groups by Mutual Funds Assets

Source: Assogestioni

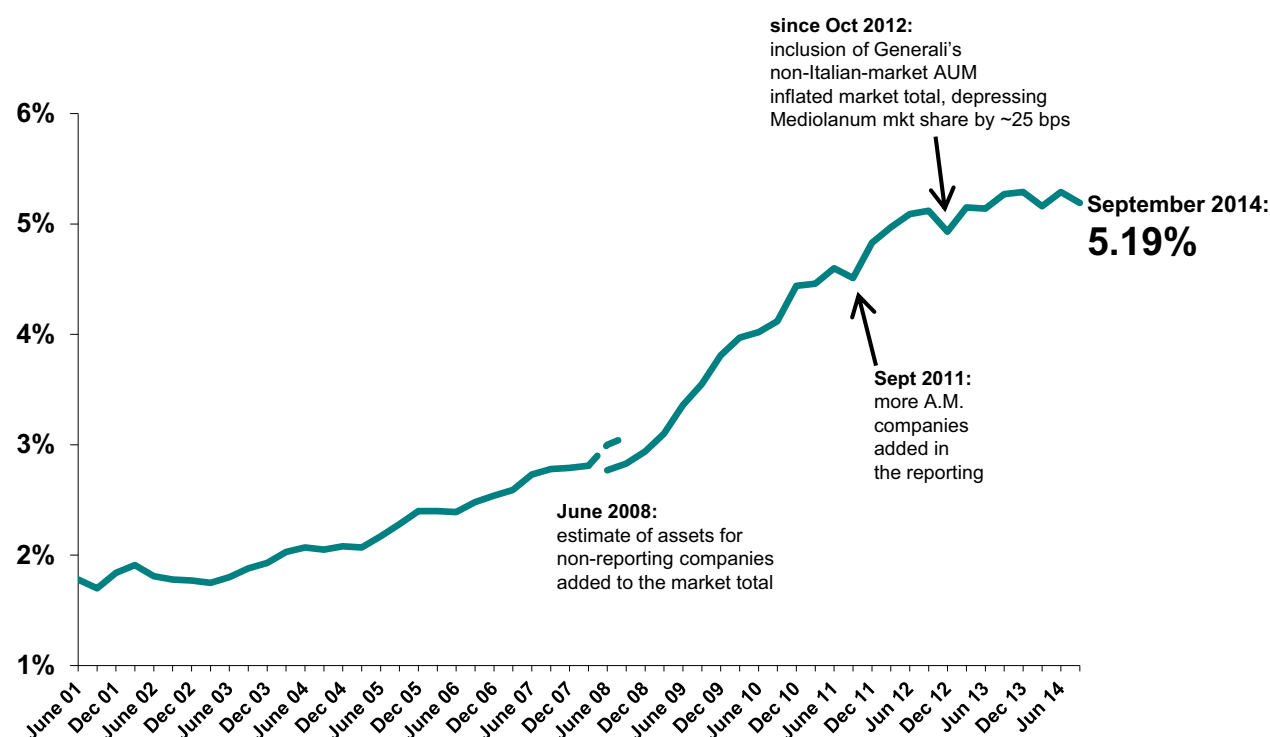
(M&A operations)

	Dec 2007	Dec 2008	Dec 2009	Dec 2010	Dec 2011	Dec 2012	Dec 2013	Sept 2014
1	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo
2	Pioneer	Pioneer	Pioneer	Pioneer	Pioneer	Pioneer	Pioneer	Pioneer
3	UBI Banca	UBI Banca	UBI Banca	UBI Banca	AM Holding	Generali *	Generali *	Generali *
4	Arca	Arca	Bipiemme/Anima	Mediolanum	Mediolanum	AM Holding	Anima Holding	Anima Holding
5	Banco Popolare	MPS	Arca	Bipiemme/Anima	F. Templeton	F. Templeton	Mediolanum	Mediolanum
6	MPS	Mediolanum	Mediolanum	Arca	Generali	Mediolanum	F. Templeton	F. Templeton
7	Crédit Agricole	BNP Paribas	Prima	BNP Paribas	BNP Paribas	Ubi Banca	Azimut	Azimut
8	BNP Paribas	Generali	BNP Paribas	Prima	UBI Banca	Azimut	UBI Banca	Arca
9	JPMorgan	Azimut	Azimut	Generali	Azimut	Arca	Arca	UBI Banca
10	Mediolanum	Banco Popolare	Generali	Azimut	Arca	BNP Paribas	JPMorgan	JPMorgan
11	Azimut	JPMorgan	JPMorgan	Amundi	Amundi	Amundi	BNP Paribas	Invesco
12	Generali	Bipiemme	Crédit Agricole	JPMorgan	JPMorgan	JPMorgan	Amundi	Schroders
13	Bipiemme	Crédit Agricole	Credem	Credem	Schroders	Schroders	Banco Popolare	Banco Popolare
14	Allianz	Allianz	Banco Popolare	Banco Popolare	Pictet	Pictet	Pictet	BNP Paribas
15	Anima	Credem	Allianz	Allianz	Société Générale	Banco Popolare	Schroders	Amundi
Market share:	2.79%	2.94%	3.81%	4.44%	4.83%	4.93%	5.29%	5.19%
Assets (€ bn)	15.9	12.0	16.4	20.1	20.2	24.0	29.6	34.1

* October 2012: change in Assogestioni criteria allowed the newly created Generali Investments Europe to report all AUM, a majority of which is not related to the Italian market



Mutual Funds AuM – Italian Market Mediolanum's Market Share



'MyLife' Whole-life Unit-linked Policy

launched March 2014

State-of-the-art insurance wrapper for mutual funds addresses all needs of HNW investors



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



Legal protection of investments: assets cannot be seized or frozen



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



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

Additional features



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



Basic **Death Benefit** included (up to 2.5% of assets depending on age at death). Supplementary coverage also available (up to 20%)



Mediolanum's trademark **investment optimization features:** yields over a pre-set threshold can be automatically set aside and reinvested during market drops



'MyLife' Whole-life Unit-linked Policy

launched March 2014

Pricing



€50,000 initial investment minimum (lump-sum or through 'Double Chance' programmed accumulation plan)



Up-front fee: 3% to 0% depending on size of investment (0% above € 1mn)



Insurance fee: 1.75% annually



Management fees on underlying funds are reduced by either using institutional classes or through a 50% rebate



3 free switch operations per year; 50€ each thereafter



'Riparti Italia' Home Remodeling Mortgages

launched September 2013

MEDIOLANUM



RIPARTI ITALIA

Helping Italy's recovery
by stimulating demand in the construction industry



Government reimburses 50% of spending for home remodeling (65% when improving energy efficiency), in the form of tax deductions over 10 years



Mediolanum's newly launched **home remodeling mortgages** (2.00 % spread over Euribor, among the lowest in the market) **enhance tax advantages** allowing customers to spread payments over the same time frame, save on energy costs and increase the value of their property, making remodeling incredibly inexpensive & attractive



"The best investment you can make is in your home"

Extensive TV advertising campaign to spread awareness of a little-known opportunity

Priceless return in terms of image and credibility



'InMediolanum' Deposit Account An aggressive move to amass assets

launched May 2011



No-cost deposit account for both new & existing customers of Mediolanum with a competitive interest rate paid when money is locked in for one year (1.70% throughout October 2014)



Dec 2013 – Nov 2014 Promo: up to 2.20% when a customer simultaneously invests € 100,000 in managed products



Lower, competitive rates offered for 3- and 6-month lock-in



Quarterly interest payments introduced in 2012

No sales network involvement necessary

Can be opened via internet (**direct access**)

The Family Banker steps in later to develop the customer



'InMediolanum' Results

from 07/05/2011 to 30/09/2014 – also includes other locked-in products

New customers	54,283
<i>o/w direct access</i>	27%
<i>o/w through Family Banker</i>	73%
Total assets from new customers (€ mn)	1,861
Existing customers	102,202
Total assets from existing customers (€ mn)	2,693
Total customers	156,485
Total assets in locked-in products (€ mn)	4,555








'Freedom+' Current Account The New Generation

launched March 2012

Now a pure banking product

Maintains its role as
strategic tool to acquire high quality customers
through competitive remuneration of liquidity

-  Fiscal advantages of the existing bank account + life policy combo were greatly reduced by 2012 reform
-  New product brings about significant reduction of administrative costs
-  Non-interest-bearing threshold kept at € 15,000
-  Interest paid quarterly, rate offered (currently 1.50%) higher than the original 'Freedom' account to encourage switching into 'Freedom+'
-  Optional: 1-yr locked-in amounts are remunerated at 1.70% (no need to open a separate InMediolanum deposit account)



as at 30/09/2014 – locked-in amounts not included

Total Accounts

201,652

Total assets in 'Freedom' & 'Freedom+'

€ 4.77 bn

Asset split:

- non-interest-bearing current account (< € 15,000)
- high-yield Life policy ('Freedom')
- high-yield portion of the current account ('Freedom+')

€ 1.54 bn

€ 1.10 bn

€ 2.13 bn

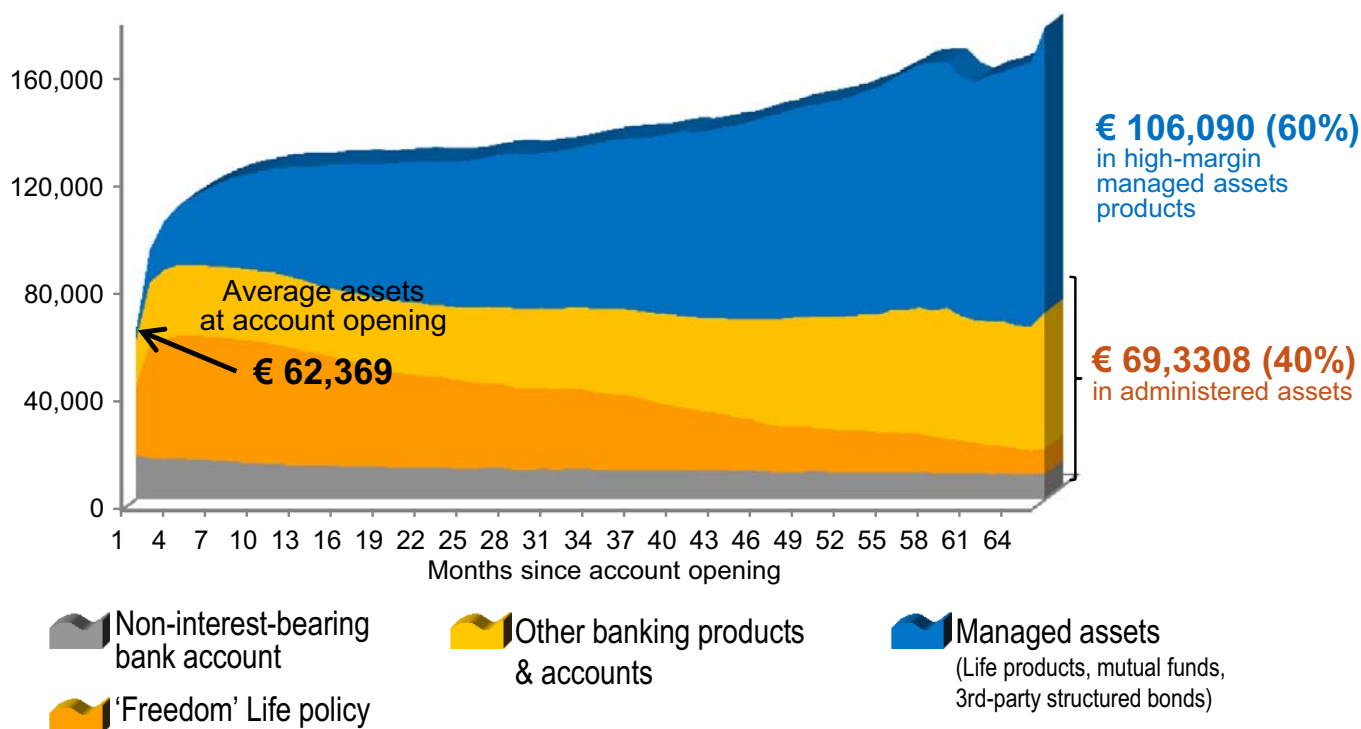


'Freedom' account customers: Cross-selling into managed products

Per-capita asset growth of 'Freedom' account holders*
(€ 8.9 bn in total assets as at 30/09/2014)

Average assets
after 65 months

€ 175,420



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



as at 30/09/2014

900,617 primary account holders



...57% of which
use Mediolanum as their
primary banking institution:
393,573, up 11% vs. 31/09/2013

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



€ mn – as at 30/09/2014

	Financial Conglomerate = Banking Group + Mediolanum Vita					
	Book Value	AD	Book Value	AD	Book Value	AD
Italian Govies	18,199	1.1	16,453	1.0	1,633	2.6
Italian Financials	607	2.7	326	1.4	262	4.3
Spanish Govies	578	1.3	545	1.2	31	2.5
Spanish Financials	24	0.7	5	0.2	19	0.9
Core Europe Govies*	9	1.8	9	1.8	0	
Greek Govies	0		0		0	
Portuguese, Irish Govies	0		0		0	
Other Financials	72	2.0	18	2.7	54	1.8
Other Corporate	48	4.2	10	2.2	37	4.7
Bond issued by EFSF	23	7.3	23	7.3	0	
Other ABS	8	4.0	8	4.0	0	
Other Supranational	9	4.7	9	4.7	0	
TOTAL	19,577	1.2	17,406	1.0	2,036	2.9

AD = average duration weighted by absolute nominal value

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



Mediolanum Facts

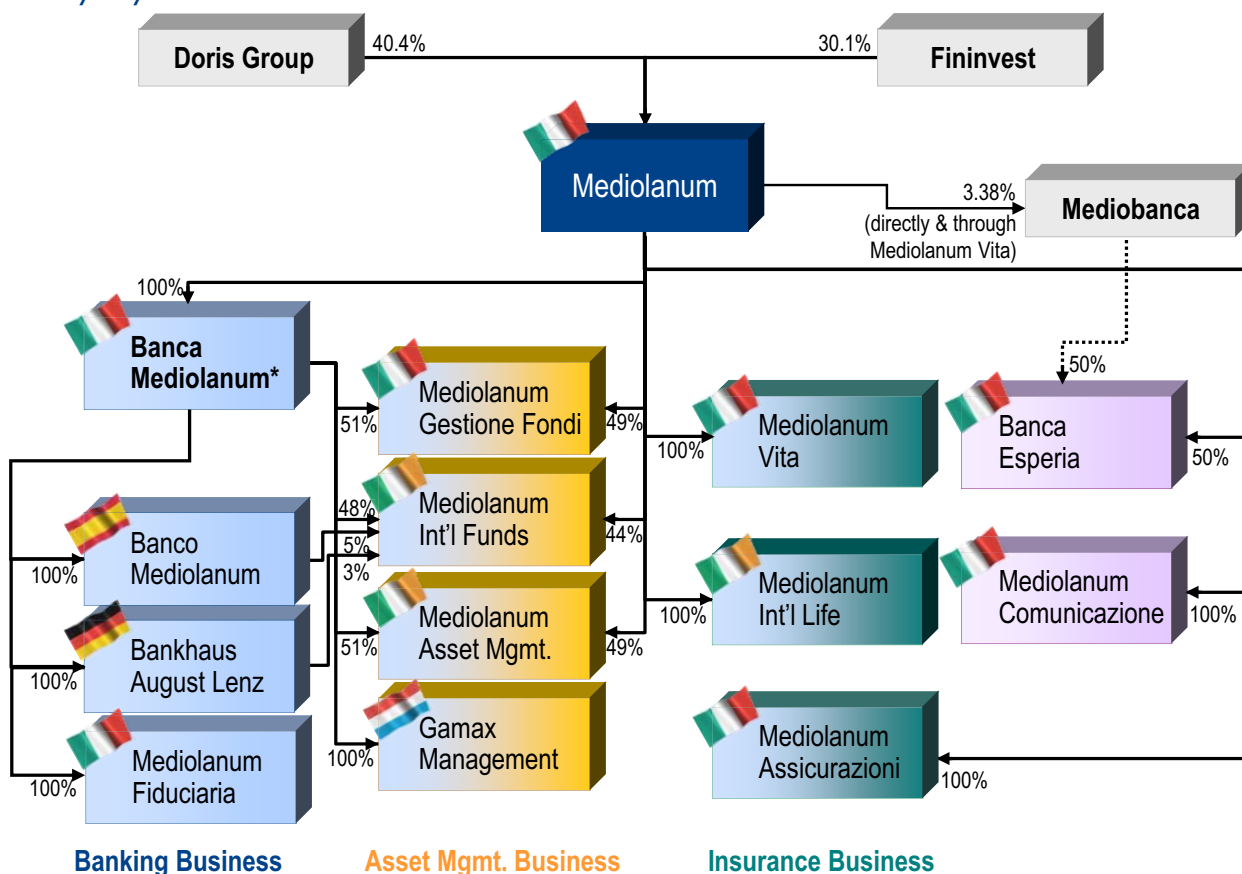


Mediolanum
Facts

Mediolanum Group Structure

56

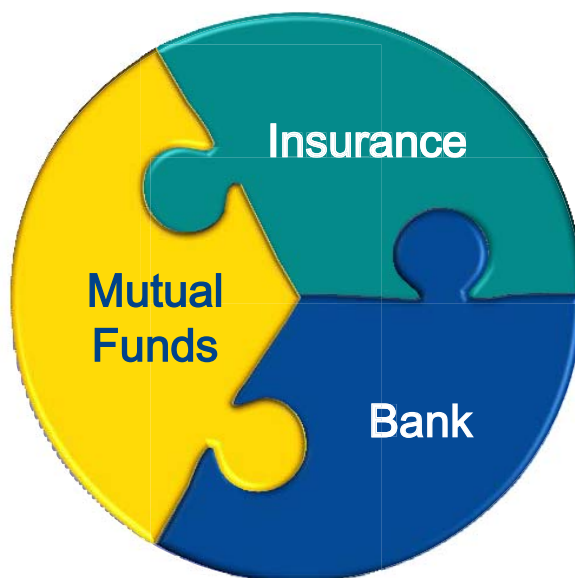
as at 30/09/2014



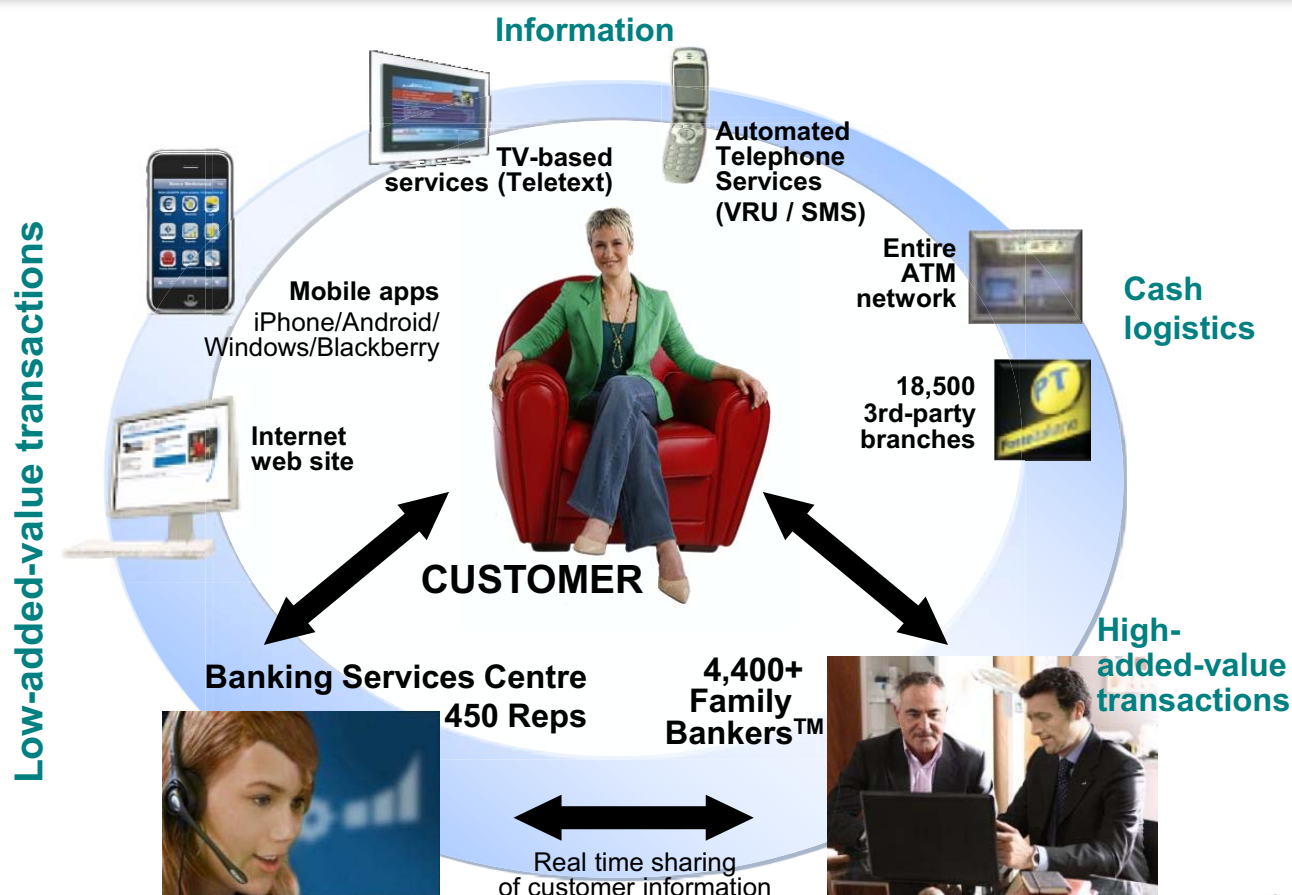
* includes Mediolanum Corporate University



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



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



Mediolanum vs. Current Bank Models

Traditional bank



On-line bank



The human relationship

high prices << **Customer** >> low prices

high costs *but* high revenues << **Bank** >> low costs *but* low revenues

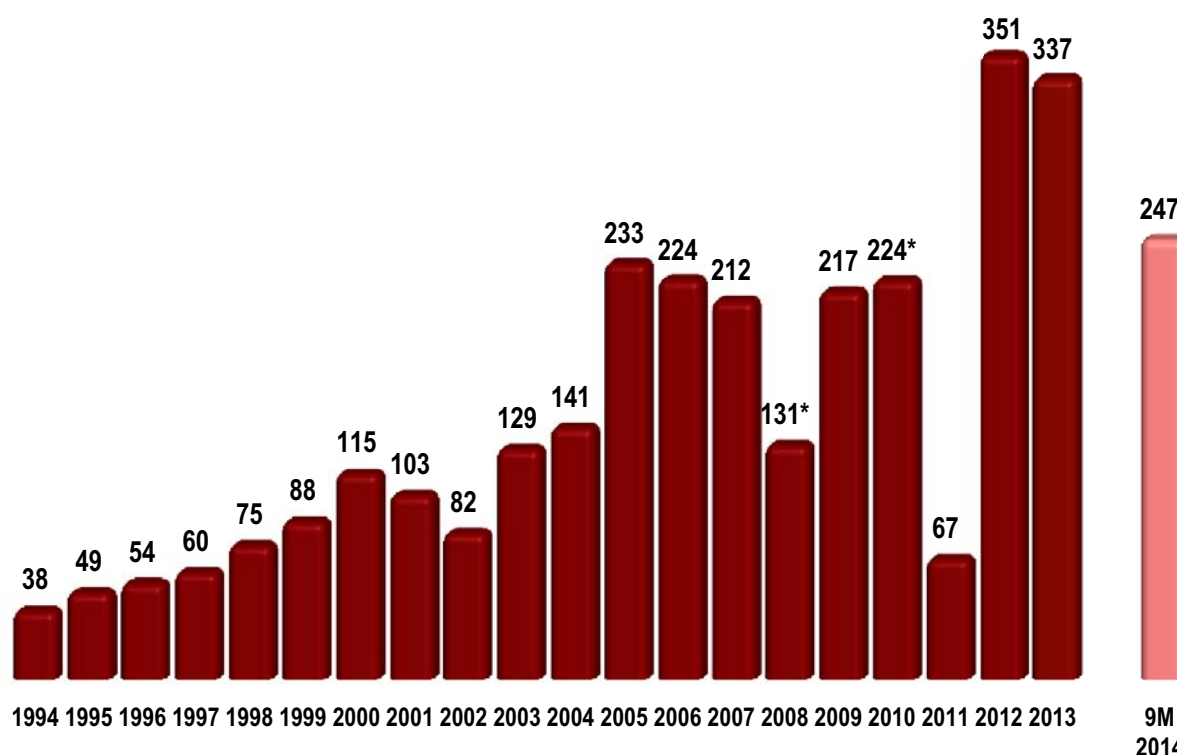
Freedom of use

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



Net Profit

€ mn

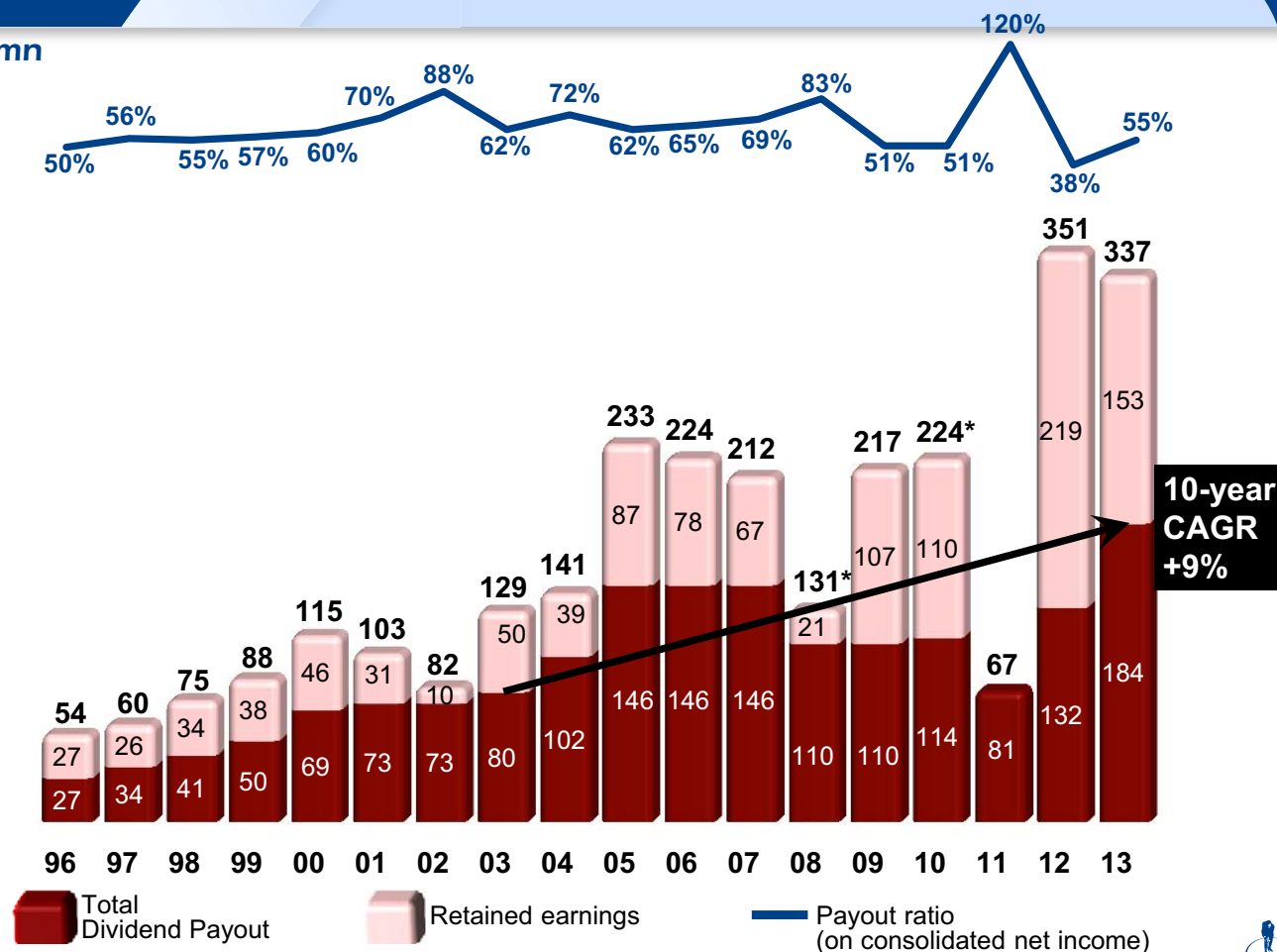


* 2008 & 2010 Adjusted Net Income ex 'Lehman Bros.'



Dividend Payout

€ mn

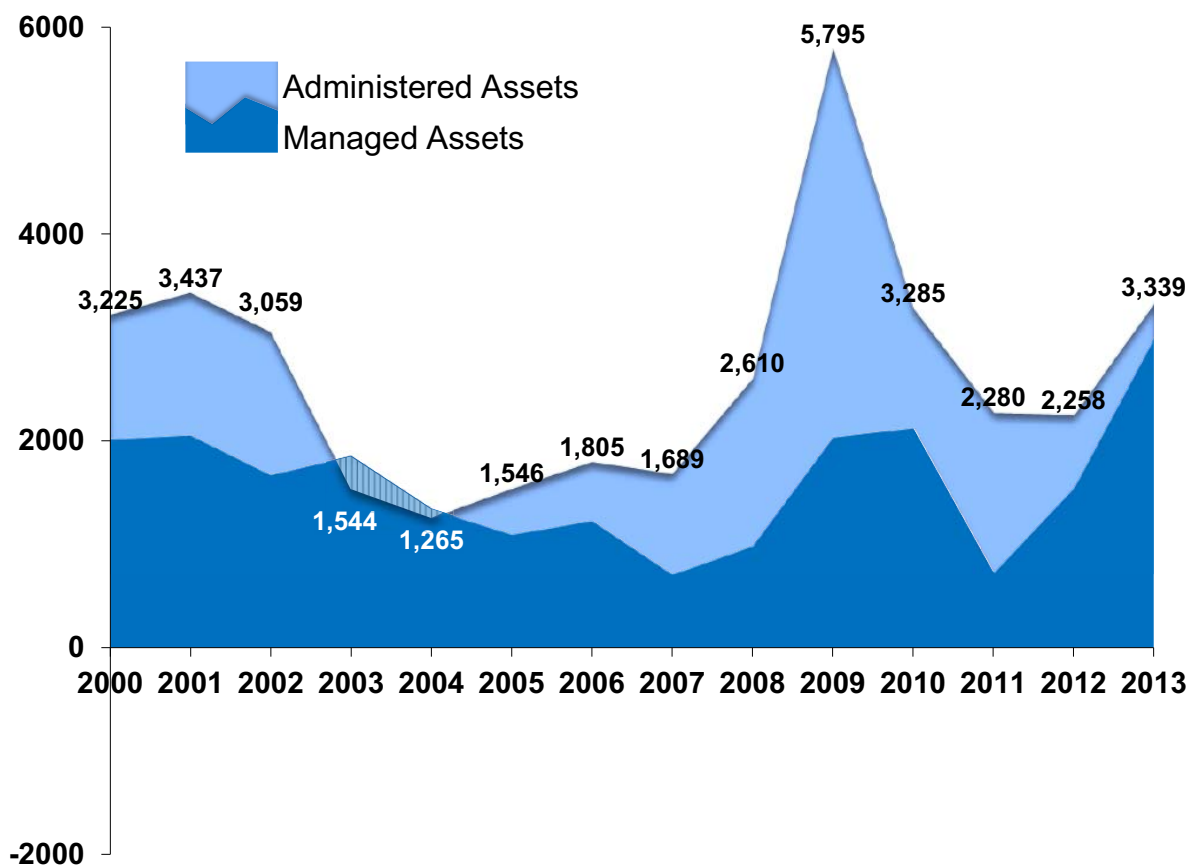


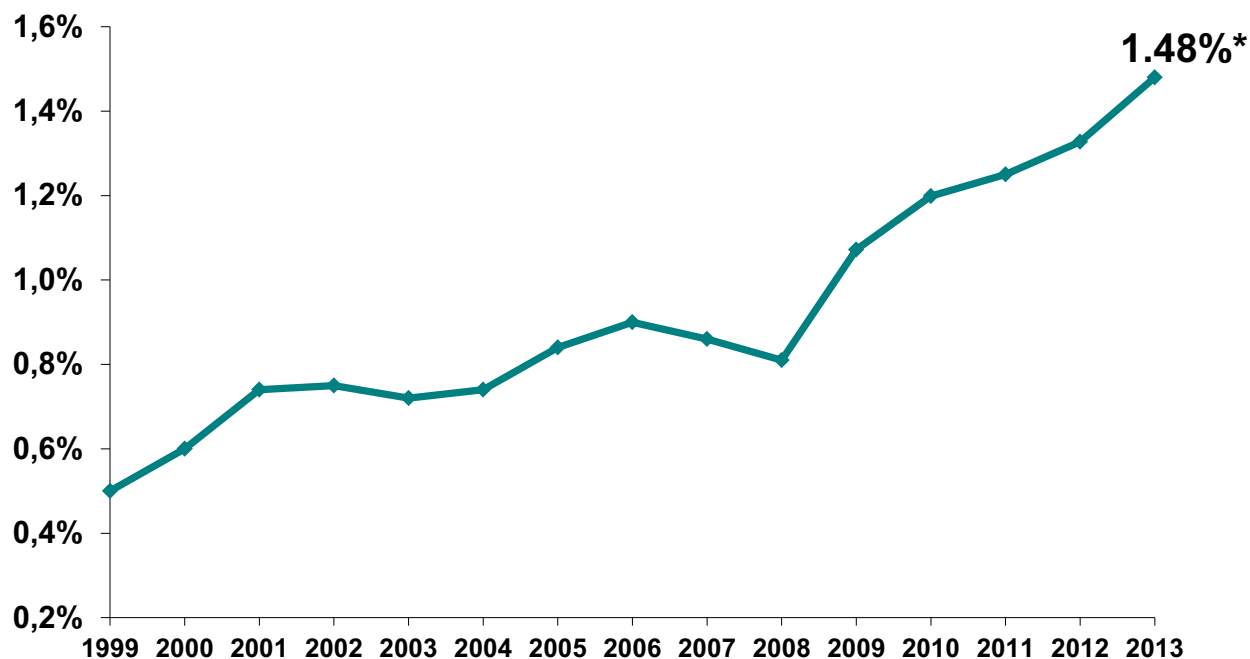
* 2008 & 2010 Adjusted Net Income ex 'Lehman Bros.'



Banca Mediolanum Total Net Inflows Trend

€ mn

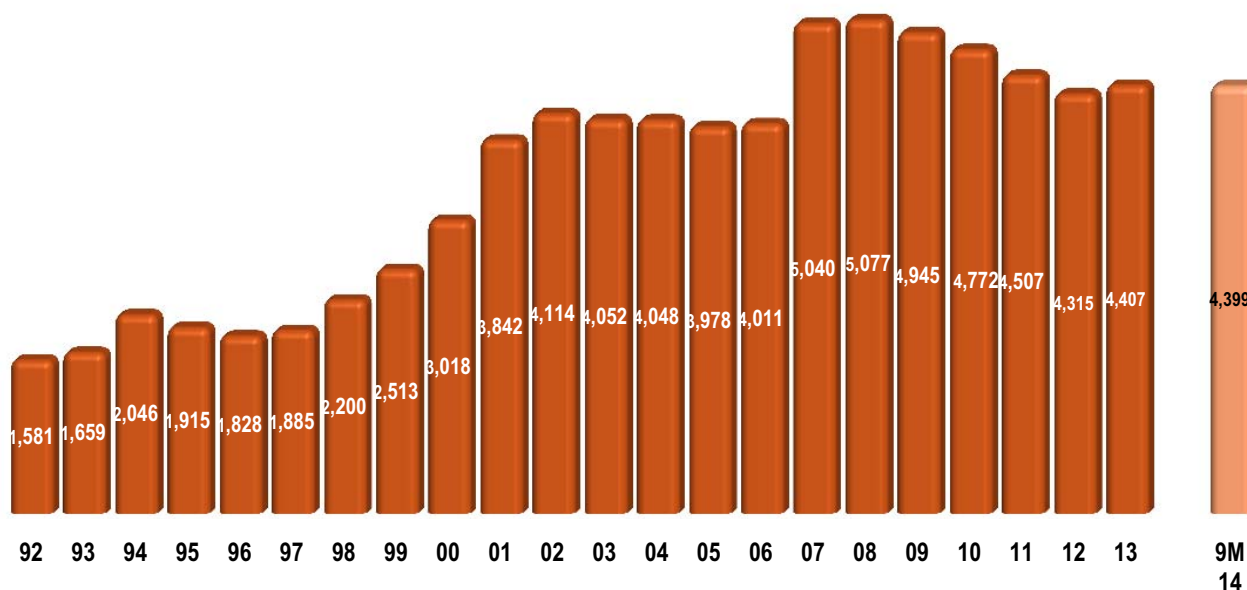




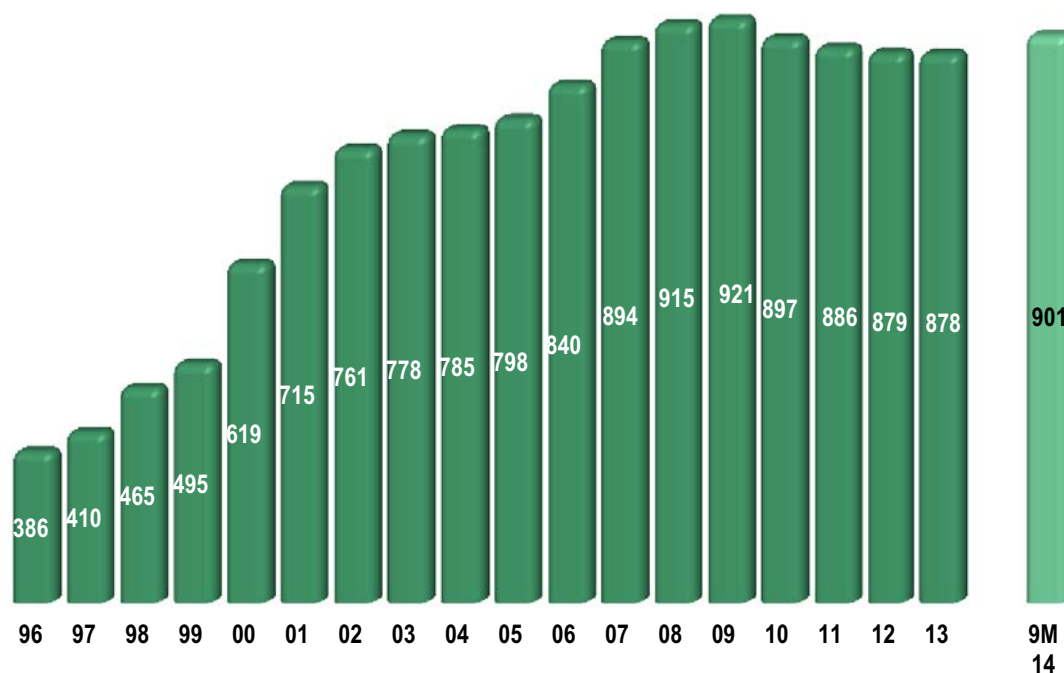
* based on a total of € 3.9 trillion calculated by Banca d'Italia



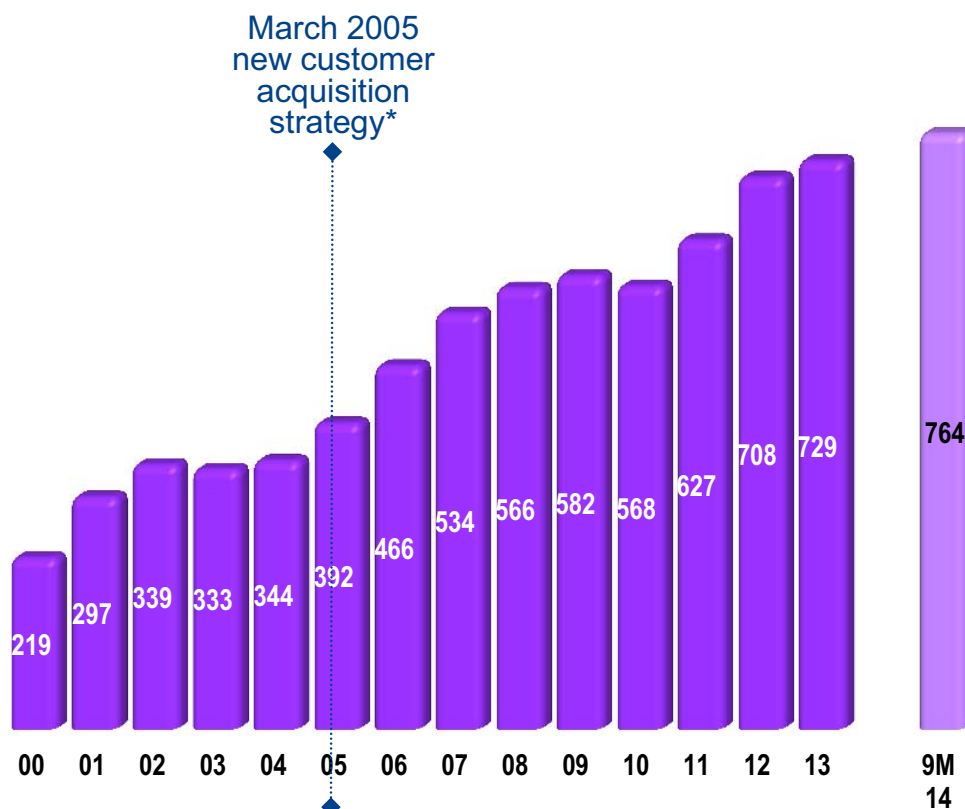
Licensed Advisors



Primary account holders (thousands)



Thousands

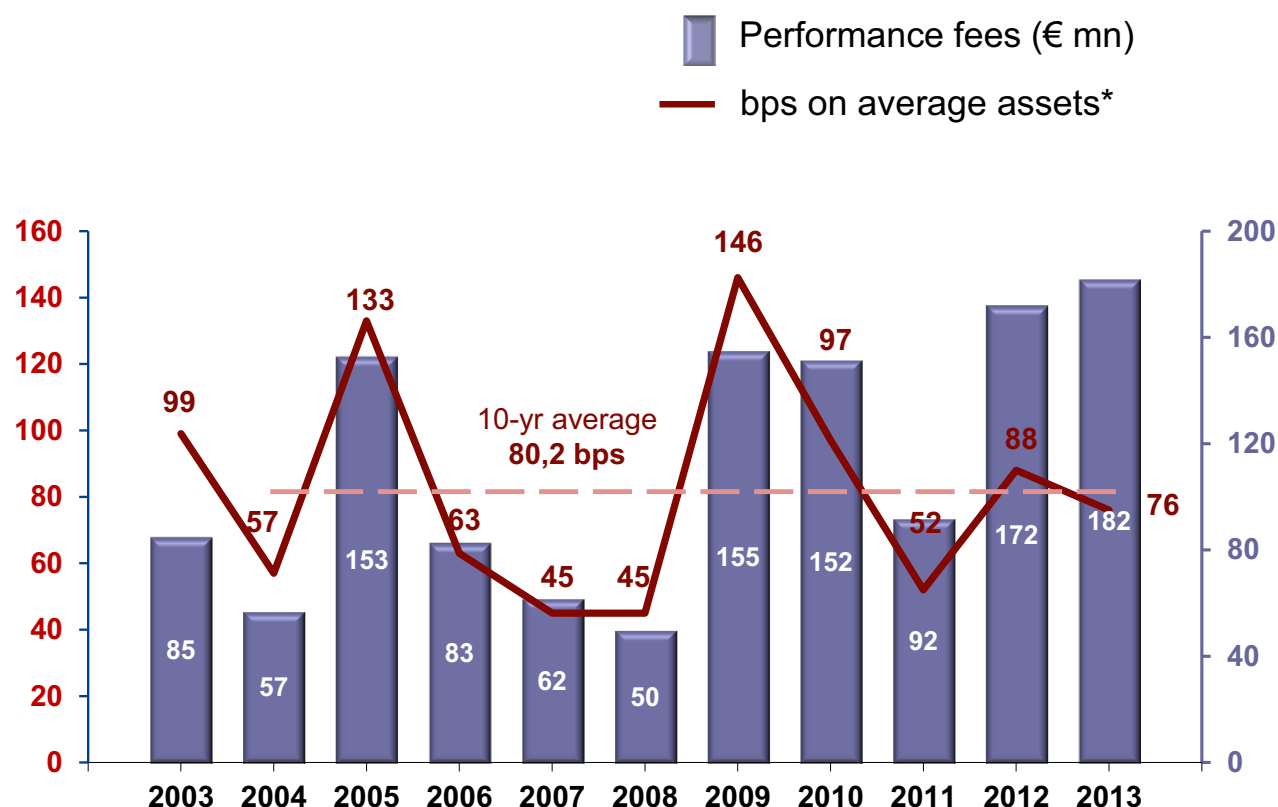


* all new customers must be acquired through the bank account



Yearly Commission Income from Performance Fees

Including Managed Accounts & Unit-linked policies



* calculated only on those funds subject to performance fees



Total Net Inflows by Group: Mediolanum in the top of the ranking

Italian Networks - € mn

	2009 - 2013		
	Total Net Inflows	o/w Managed Assets	o/w Mutual Funds*
Mediolanum	17,303	8,623	11,888
Fideuram (incl. Sanpaolo Invest)	11,179	15,374	10,486
Unicredit (Fineco)	9,388	6,467	8,003
Banca Generali	8,469	8,209	2,752
Allianz Bank	7,067	7,684	1,652
Azimut	6,041	5,938	3,445
Deutsche Bank (Finanza&Futuro)	3,498	3,765	1,493
Veneto Banca	1,544	1,197	729
Monte dei Paschi di Siena	1,232	1,542	1,101
Credito Emiliano	1,173	1,197	895
UBI	871	819	774
Consultinvest	179	67	-156

[...]

TOTAL ITALIAN NETWORKS	68,981	61,705	43,960
-------------------------------	---------------	---------------	---------------

*not including those underlying U-L policies

source: Assoreti



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



The **Investment strategy** we advocate to our customers that provides solutions according to an analysis of each customer's **needs** & is based on the concept of '**diversification**'



Our effective, innovative and committed
Training & Communication strategy



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



We advise our customers proposing products & services that correspond to each of their **specific needs**



Investor needs remain fundamentally the same, they are **not influenced by market crises**



We do not engage in stock-picking, tactical asset allocation decisions, or market-timing



We recommend a series of **diversification** criteria, the most important being time horizon



Equity investments are only considered for the **long term** (>10 yrs) and are diversified across the global economy to further reduce risk



We strongly advise investors who have a long-term outlook to view **market crises as buying opportunities**





- ① 'Best Brands' family of **Funds of branded Funds** unveiled in April 2008
- ① **This is not the 'Open Architecture' approach**
- ① It is impossible for a private investor to choose among a supermarket-like offer of thousands of funds, if not on the very risky basis of past performance
- ① Synergy of the best A.M. companies' expertise & pursuit of quality and Mediolanum's capacity to select & coordinate asset managers & give high quality advice to customers
- ① Funds of **single-brand** funds (the 'Selection' series) are Mediolanum products but also carry the name of the underlying funds' asset manager
- ① Funds of **multi-brand** funds (the 'Collection' series) do not utilise the underlying brands in the fund name, however they are used in marketing and advertising material



- ① Inaugurated March 2009
- ① Centralises our training know-how, in coordination with top universities, professors and individuals who are experts in the field
- ① Provides our Family Bankers & employees with a resource for life-long education
- ① Develops financial education programs dedicated to our customers & the community



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

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



- Company news
- Product information
- Online training course support
- Inspirational thoughts for personal motivation & sales techniques

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



8,136 events held in 2013 (+53% vs. 2012):
local & high-level events, sports events
(e.g. Giro d'Italia), talk shows, etc.

7,015 events for the period Jan-Oct 2014



400,000 participants (customers and
perspective customers) per year



Results are measurable:



Net inflows into managed assets of invited customers are measured
for 3 months post-event: expenses are reimbursed to Family Bankers only if
set commercial target is met
(84% of the times in 2014)



Average commercial value
of media coverage
is also regularly tracked



Mediolanum is now the 4th best known Bank Brand in Italy

Total Brand awareness – Italian banks (%)

				2014						
	2011	2012	2013	Jan	Feb	Mar	Apr	May	Jun	Jul
UNICREDIT	47	47	43	42	48	50	49	46	43	48
INTESA SANPAOLO	42	44	41	45	46	46	46	42	45	43
MPS	23	28	32	28	29	25	26	22	31	29
BANCA MEDIOLANUM	17	17	20	18	17	20	20	20	20	26
BNL	15	18	18	17	19	17	21	18	20	20
CONTO ARANCIO / ING	15	19	16	10	14	10	9	14	12	10
BCC	10	11	11	9	11	11	16	17	12	12
BANCOPOSTA	9	9	9	7	12	9	10	11	9	8
CHEBANCA!	10	7	5	6	5	4	9	9	9	7
UBI BANCA	3	3	4	4	3	3	3	7	8	7
FINECO	2	2	3	5	4	4	5	4	3	4

source: GFK Eurisko



Mediolanum Advertising is the most memorable in banking industry

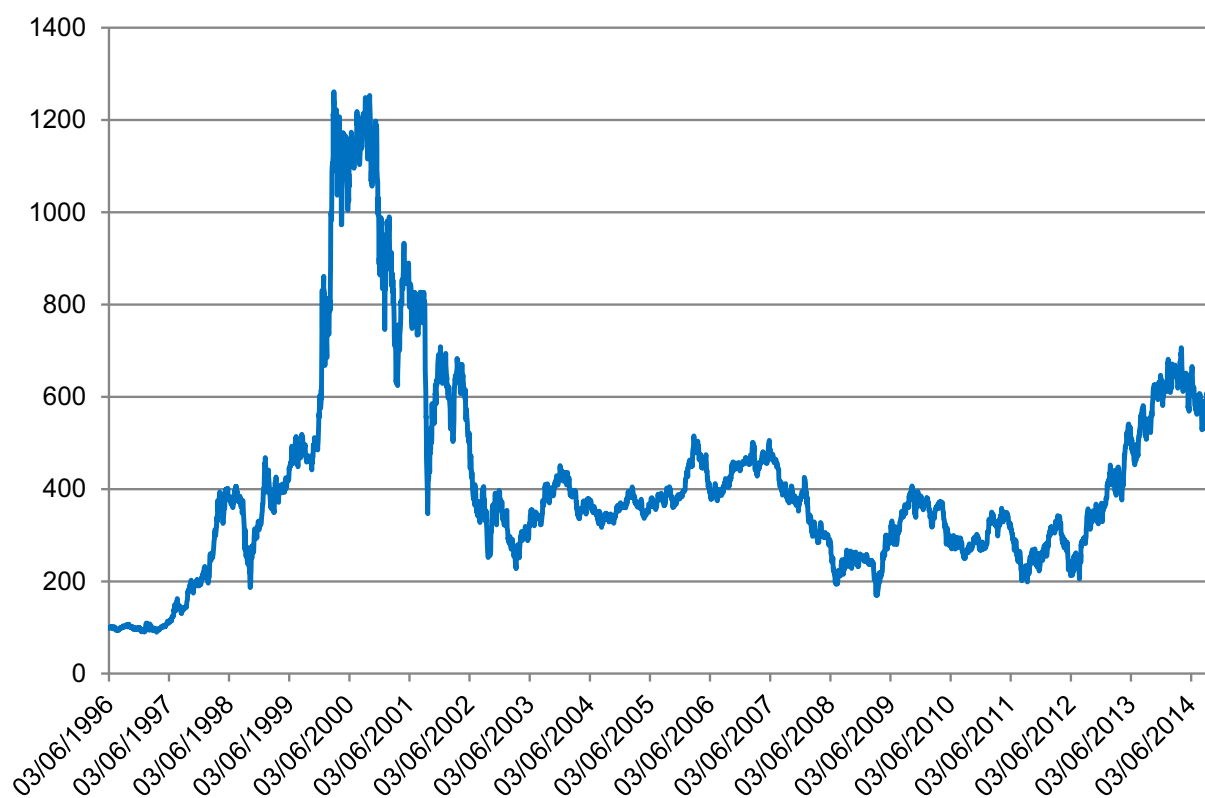
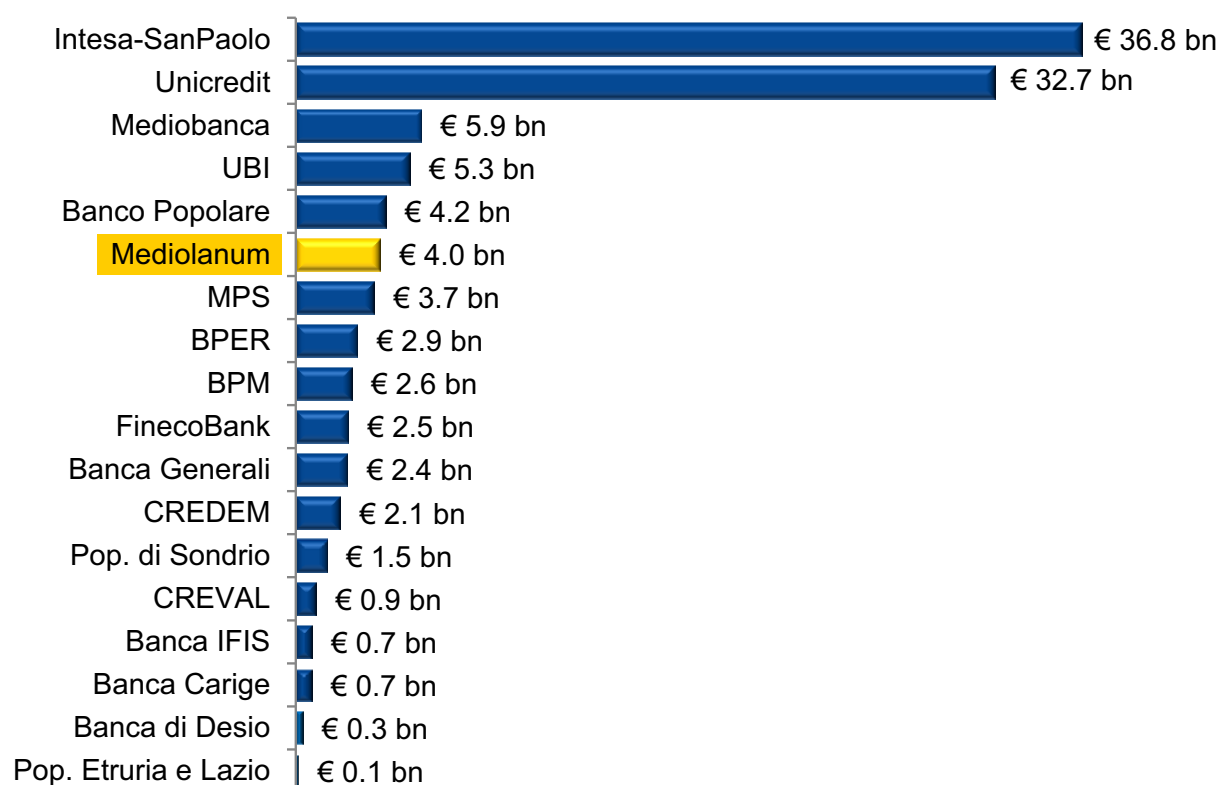
Spontaneous recall of bank advertising – Italy (%)

				2014						
	2011	2012	2013	Jan	Feb	Mar	Apr	May	Jun	Jul
ANY BANK	46	50	49	46	44	50	49	46	45	49
BANCA MEDIOLANUM	12	12	15	13	12	15	16	14	12	20
CONTO ARANCIO/ING	10	14	11	7	8	5	5	7	7	5
INTESA SANPAOLO	7	9	9	12	11	14	12	6	10	8
UNICREDIT	6	8	6	7	7	12	9	9	7	5
MPS	4	5	5	3	3	1	3	3	3	4
CHEBANCA!	8	5	4	4	3	3	5	6	5	4
BNL	2	2	2	1	1	1	3	2	2	4
BCC	0.4	0.5	1	0	1	0	1	1	1	1
FINECO	0.4	1	1	1	1	2	1	1	1	0.5
UBI BANCA	0.4	0.2	0.8	0.3	1	1	0.2	3	3	3
BANCOPOSTA	0.2	1	0.3	1	1	0	0.2	0.2	0.4	0.1

source: GFK Eurisko



October 2014



* includes dividend reinvestment, June 3, 1996 – November 12, 2014

source: Datastream



Disclaimer

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

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

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

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

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

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

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

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

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

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

The senior manager in charge of drawing up Company Accounts

Luigi Del Fabbro



Investor Relations Contacts

e-mail: investor.relations@mediolanum.it

Alessandra Lanzone

tel.: +39-02-9049-2039

e-mail: alessandra.lanzone@mediolanum.it

Lisa Maxon

tel.: +39-02-9049-2997

e-mail: lisa.maxon@mediolanum.it

Luca Mirabelli

tel.: +39-02-9049-2721

e-mail: luca.mirabelli@mediolanum.it

