

March 28, 2007

FY 2006 Results



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FY 2006 Group Results



FY 2006 Highlights

 AuA	€ 33.5 bn	+10%
 Profit before Tax	€ 285 mn	-2%
 Performance Fees	€ 83 mn	-46%
 Profit before Tax excl. Performance Fees	€ 202 mn	+47%
 Net Income	€ 224 mn	-4%
 Gross Inflows	€ 8,176 mn	+30%
 Net Inflows	€ 2,469 mn	+27%
 Embedded Value	€ 3,122 mn	+6%
 EV Earnings	€ 312 mn	-49%
 New Business Value	€ 274 mn	+22%



Income Statement

€mn

	FY06	FY05	Change
Net premiums written	3,344.3	2,448.7	+37%
Total commission income	582.6	576.8	+1%
Net financial income	93.8	77.2	+21%
Net income on other investments*	30.8	27.0	+14%
Other revenues	25.6	29.5	-13%
Total Revenues	4,077.1	3,159.3	+29%
Amounts paid & change in technical reserves	(3,112.1)	(2,267.4)	-37%
Acquisition costs & other commission expenses	(356.1)	(275.5)	-29%
G&A expenses	(279.9)	(256.5)	-9%
Other	(43.8)	(70.0)	+37%
PROFIT BEFORE TAX	285.1	290.0	-2%
Income tax	(61.5)	(56.6)	-8%
NET INCOME	223.7	233.3	-4%
<i>tax rate</i>	21.6%	19.5%	

* Banca Esperia included using the equity method (€8mn)



Income Statement in detail

€mn

	FY06	FY05	Change
Net premiums written	3,344.3	2,448.7	+37%
Entry fees	56.5	43.1	+31%
Management fees	317.9	266.1	+19%
Performance fees	83.1	152.6	-46%
Banking service fees	73.6	71.4	+3%
Other fees	51.5	43.6	+18%
Total commission income	582.6	576.8	+1%
Interest income & similar income	186.3	150.3	+24%
Interest expense & similar charges	(96.5)	(83.2)	-16%
Net income on investments at fair value	4.0	10.2	-61%
Net financial income	93.8	77.2	+21%
Net income on other investments*	30.8	27.0	+14%
Other revenues	25.6	29.5	-13%
Total Revenues	4,077.1	3,159.3	+29%
Amounts paid & change in technical reserves	(3,112.1)	(2,267.4)	-37%
Acquisition costs & other commission expenses	(356.1)	(275.5)	-29%
Net impairment of financial investments	(3.6)	(18.6)	+81%
G&A expenses	(279.9)	(256.5)	-9%
Amortisation & depreciation	(23.4)	(24.5)	+5%
Provisions for risks & charges	(16.8)	(26.9)	+37%
PROFIT BEFORE TAX	285.1	290.0	-2%
Income tax	(61.5)	(56.6)	-8%
NET INCOME	223.7	233.3	-4%

* Banca Esperia included using the equity method (€8mn)

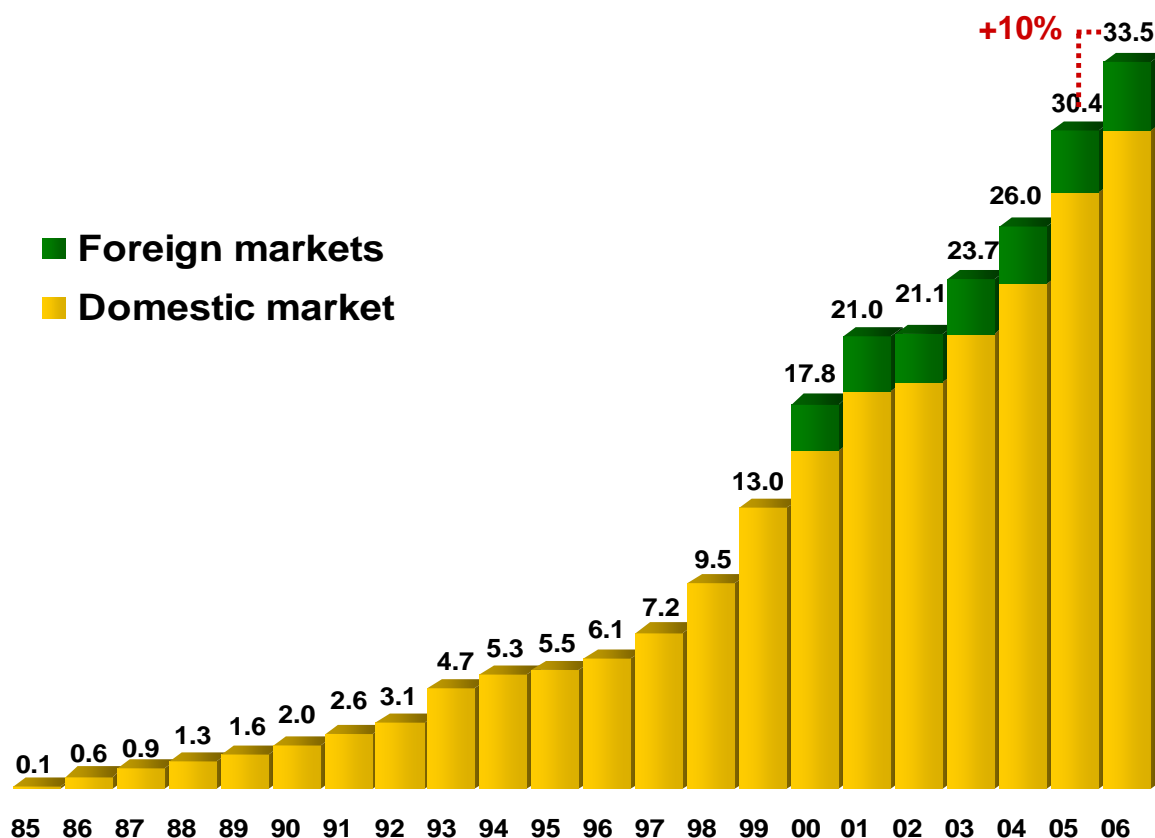


AUA Growth

€bn

7

Group



Assets under Administration

€mn

8

Group

	31/12/06	31/12/05	Change
Life	13,922.0	12,248.6	+14%
Asset management	15,467.4	14,082.7	+10%
Banking	5,181.4	4,759.6	+9%
<i>Consolidation adjustments</i>	<i>(7,626.9)</i>	<i>(6,285.2)</i>	<i>-21%</i>
'Banca Esperia' (48.5%)	3,433.8	2,761.1	+24%
Domestic Market's Assets	30,377.7	27,566.8	+10%
Life	409.4	315.7	+30%
Asset management	1,115.0	1,117.7	+0%
Banking	1,625.6	1,442.8	+13%
Other	241.0	225.4	+7%
<i>Consolidation adjustments</i>	<i>(252.3)</i>	<i>(258.2)</i>	<i>+2%</i>
Foreign Markets' Assets	3,138.7	2,843.5	+10%
AUA	33,516.4	30,410.3	+10%



Gross Inflows

€mn

	FY06	FY05	Change
Gross premiums written	3,382.3	2,577.0	+31%
Asset management products	4,139.3	3,152.8	+31%
Managed Assets Inflows	7,521.6	5,729.8	+31%
Administered Assets Inflows	654.1	544.8	+20%
GROSS INFLOWS	8,175.7	6,274.7	+30%



Net Inflows

€mn

	FY06	FY05	Change
Life premiums	1,483.5	1,045.6	+42%
Asset management products	339.1	367.0	-8%
Managed Assets Inflows	1,822.6	1,412.6	+29%
Administered Assets Inflows	646.0	530.8	+22%
NET INFLOWS	2,468.5	1,943.4	+27%






Sales Network

	31/12/06	31/12/05	Change
Italy: Banca Mediolanum	6,173	5,220	+18%
Spain: Fibanc	576	481	+20%
Germany: B.A. Lenz	42	55	-24%
Full-Time Dedicated Advisors	6,791	5,756	+18%
Spain: Fibanc part-time agents	115	134	-14%
Italy: Partner Time	163	172	-5%
Germany: Gamax	175	156	+12%
Part-Time Advisors	453	462	-2%
TOTAL SALES NETWORK	7,244	6,218	+17%



2006 Dividend Proposal

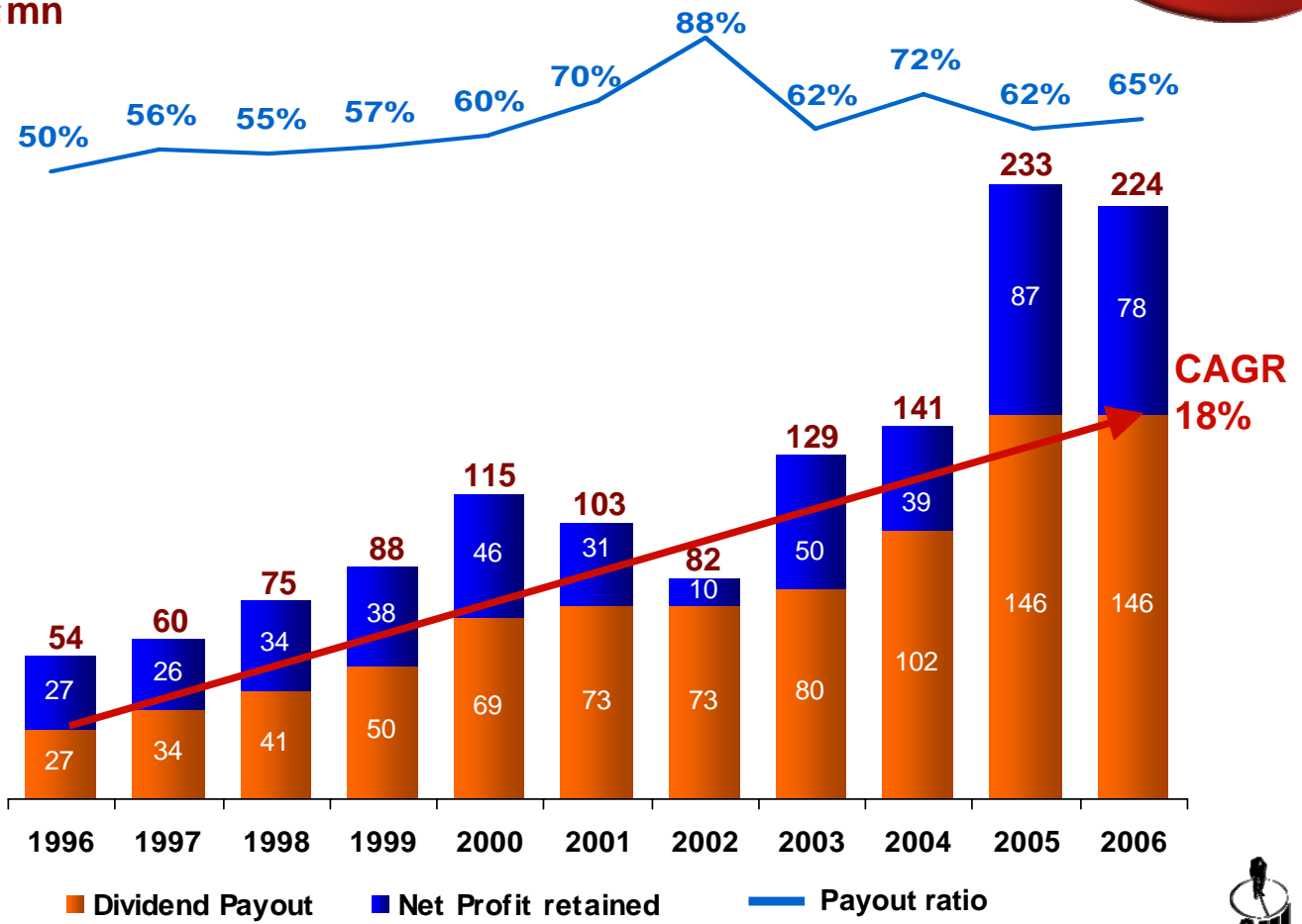
-  Dividend per share **0.20 €**
-  Total amount of dividends to be paid **146 €mn**
-  Dividend payout ratio **65%**



Dividend payout trend

€mn

13 Group



14 Domestic Market

FY 2006 Results: Domestic Market



Assets under Administration

€mn

	31/12/06	31/12/05	Change
Life	13,922.0	12,248.6	+14%
Asset management	15,467.4	14,082.7	+10%
<i>Consolidation adjustments</i>	<i>(7,626.9)</i>	<i>(6,285.2)</i>	<i>-21%</i>
Managed Assets	21,762.5	20,046.1	+9%
Banking	5,181.4	4,759.6	+9%
Administered Assets	5,181.4	4,759.6	+9%
BANCA MEDIOLANUM	26,943.9	24,805.7	+9%
BANCA ESPERIA (48.5%)	3,433.8	2,761.1	+24%



Gross Inflows

€mn

	FY06	FY05	Change
Gross premiums written	3,214.6	2,456.8	+31%
Asset management products	2,569.0	1,927.4	+33%
Managed Assets Inflows	5,783.5	4,384.2	+32%
Securities in custody	133.0	61.6	+116%
Cash deposits	271.4	336.6	-19%
Repurchase agreements	166.6	46.5	+258%
Administered Assets Inflows	571.0	444.7	+28%
Other	21.0	21.2	-1%
BANCA MEDIOLANUM	6,375.5	4,850.1	+31%
BANCA ESPERIA (48.5%)	1,229.5	899.0	+37%



Net Inflows

€mn

	FY06	FY05	Change
Life premiums	1,403.2	963.6	+46%
Asset management products	(169.6)	137.4	n.s.
Managed Assets Inflows	1,233.6	1,100.9	+12%
Securities in custody	133.0	61.6	+116%
Cash deposits	271.4	336.6	-19%
Repurchase agreements	166.6	46.5	+258%
Administered Assets Inflows	571.0	444.7	+28%
BANCA MEDIOLANUM	1,804.6	1,545.7	+17%
BANCA ESPERIA (48.5%)	672.8	351.1	+92%



Income Statement

€mn

	FY06	FY05	Change
Net premiums written	3,196.1	2,432.0	+31%
Total commission income	511.6	503.8	+2%
Net financial income	82.4	66.7	+23%
Net income on other investments*	30.7	25.9	+18%
Other revenues	24.6	28.4	-13%
Total Revenues	3,845.4	3,056.9	+26%
Amounts paid & change in technical reserves	(2,982.0)	(2,250.3)	-33%
Acquisition costs & other commission expenses	(304.9)	(237.4)	-28%
G&A expenses	(238.1)	(214.1)	-11%
Other	(38.1)	(50.9)	+25%
PROFIT BEFORE TAX	282.2	304.3	-7%
Income tax	(59.2)	(54.4)	-9%
NET INCOME	223.0	249.9	-11%
<i>tax rate</i>	21.0%	17.9%	



* Banca Esperia included using the equity method (€8mn)

Income Statement in detail

€mn

	FY06	FY05	Change
Net premiums written	3,196.1	2,432.0	+31%
Entry fees	48.8	37.7	+29%
Management fees	299.0	248.1	+21%
Performance fees	80.5	146.1	-45%
Banking service fees	39.7	39.1	+2%
Other fees	43.6	32.9	+33%
Total commission income	511.6	503.8	+2%
Interest income & similar income	173.4	125.9	+38%
Interest expense & similar charges	(94.5)	(69.4)	-36%
Net income on investments at fair value	3.4	10.2	-66%
Net financial income	82.4	66.7	+23%
Net income on other investments*	30.7	25.9	+18%
Other revenues	24.6	28.4	-13%
Total Revenues	3,845.4	3,056.9	+26%
Amounts paid & change in technical reserves	(2,982.0)	(2,250.3)	-33%
Acquisition costs & other commission expenses	(304.9)	(237.4)	-28%
Net impairment of financial investments	(2.5)	(4.0)	+37%
G&A expenses	(238.1)	(214.1)	-11%
Amortisation & depreciation	(20.2)	(20.8)	+3%
Provisions for risks & charges	(15.3)	(26.2)	+41%
PROFIT BEFORE TAX	282.2	304.3	-7%
Income tax	(59.2)	(54.4)	-9%
NET INCOME	223.0	249.9	-11%

* Banca Esperia included using the equity method (€8mn)



Profit by Segment

€mn

	FY06	FY05	Change
Life	155.7	169.3	-8%
Asset Management	107.8	127.5	-15%
Banking	5.1	2.5	+99%
Other	13.7	4.9	+179%
PROFIT BEFORE TAX	282.2	304.3	-7%



Life Gross Premiums Written

21

Domestic
Market

€mn

	FY06	FY05	Change
U-L Pension plans*	120.2	110.8	+8%
U-L Investment policies (Alternative Funds, Life Funds)	97.7	71.4	+37%
Recurring policies (AP)	217.9	182.3	+20%
Trad/Group/Investment policies	6.5	6.4	+2%
U-L policies (Alternative Funds, Life Funds)	525.7	325.5	+61%
I-L policies (Dipiù)	1,319.5	959.4	+38%
Single premium policies (SP)	1,851.7	1,291.4	+43%
TOTAL NEW BUSINESS	2,069.5	1,473.6	+40%
Pension plans in-force	824.5	759.2	+9%
Investment policies in-force	320.6	223.9	+43%
TOTAL IN-FORCE BUSINESS	1,145.0	983.1	+16%
TOTAL GROSS PREMIUMS WRITTEN	3,214.6	2,456.8	+31%
<i>o/w Life financial contracts</i>	12.4	17.5	-29%

* Includes automatic increase in premiums & discretionary increases paid



Life Recurring Policies in detail

22

Domestic
Market

€mn

	FY06	FY05	Change
U-L Pension plans (My Pension)	73.1	62.4	+17%
<i>o/w automatic increase in premiums</i>	11.2	10.5	+6%
<i>o/w discretionary increase in premiums already paid</i>	12.6	9.4	+34%
U-L Pension plans (Europension)	44.0	44.1	+0%
<i>o/w automatic increase in premiums</i>	16.1	16.6	-3%
<i>o/w discretionary increase in premiums already paid</i>	11.0	11.5	-5%
Traditional Pension plans	3.0	4.3	-30%
<i>o/w automatic increase in premiums</i>	1.4	2.3	-38%
Total Pension plans	120.2	110.8	+8%
U-L Investment policies (Alternative Funds, Life Funds)	97.7	71.4	+37%
<i>o/w automatic increase in premiums</i>	5.2	3.9	+34%
RECURRING POLICIES	217.9	182.3	+20%
<i>- o/w automatic increase in premiums</i>	33.9	33.3	+2%
<i>- o/w discretionary increase in premiums already paid*</i>	23.5	20.9	+13%
Total increase in premiums	57.4	54.2	+6%

* discretionary increase in premiums of €10,8mn not yet paid are not included



Life Policyholders' Assets

23

Domestic Market

€mn

	31/12/06	31/12/05	Change
Traditional	1,280.4	1,212.9	+6%
Index-linked*	5,212.1	4,862.9	+7%
Unit-linked	7,429.6	6,172.8	+20%
<i>o/w equity</i>	78.0%	77.3%	+1%
LIFE ASSETS	13,922.0	12,248.6	+14%

* Life financial contracts - 2006: €782mn, 2005: €1,111mn



Life Commission Income

24

Domestic Market

€mn

	Unit-linked Products Commission Income			Total Commission Income*		
	FY06	FY05	Change	FY06	FY05	Change
Entry fees	---	---	---	48.8	37.7	+29%
Management fees	145.6	111.6	+30%	299.0	248.1	+21%
Performance fees	39.1	68.5	-43%	80.5	146.1	-45%
TOTAL	184.7	180.1	+3%	428.3	431.9	-1%

* on all products with mutual funds underlying



Life Amounts Paid & Change in Reserves

€mn

	FY06	FY05	Change
Claims & maturities	1,038.1	944.4	+10%
Natural surrenders	670.8	512.5	+31%
Surrenders from transformation	102.5	36.4	+182%
Amounts paid	1,811.4	1,493.2	+21%
Change in technical reserves	1,178.6	765.3	+54%
Recovery from reinsurance	(8.0)	(8.3)	+4%
AMOUNTS PAID & CHANGE IN RESERVES	2,982.0	2,250.3	+33%



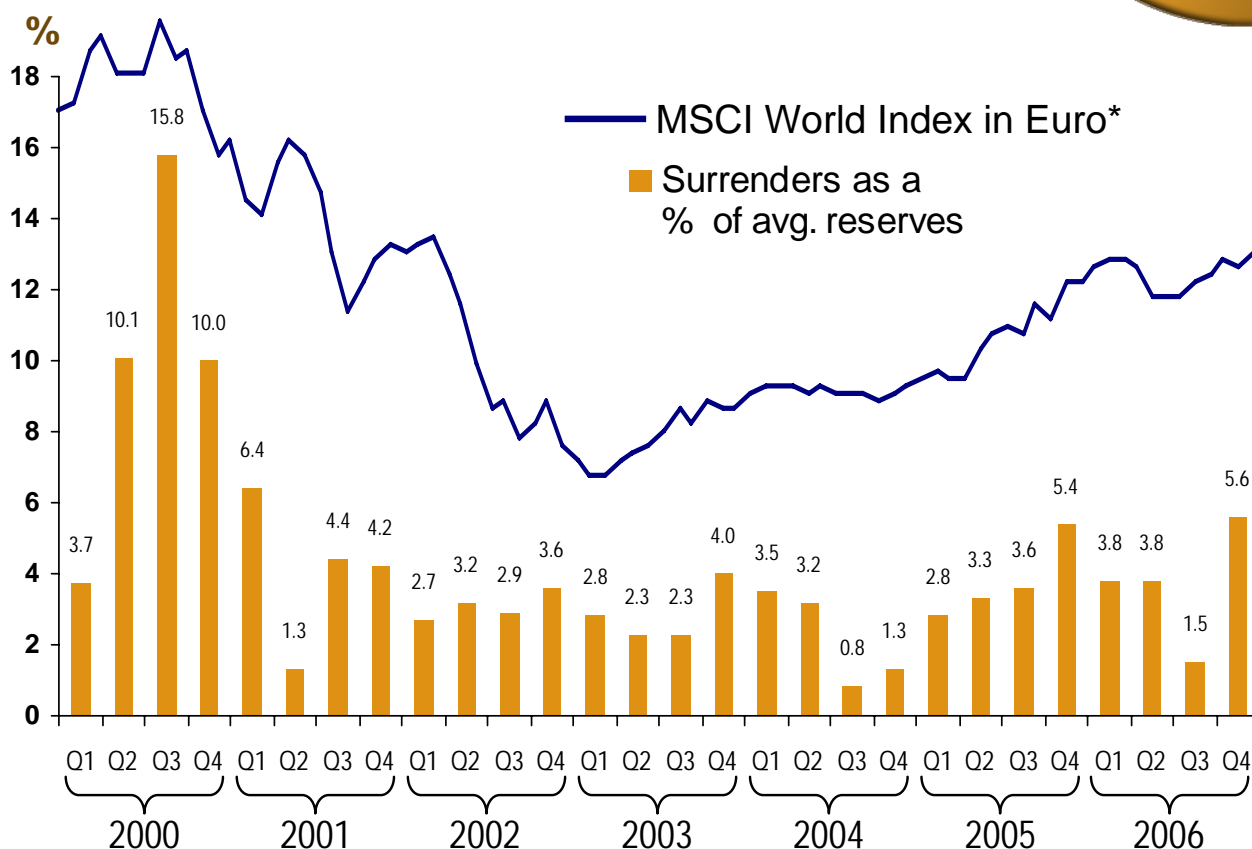
Life Surrender Rate

expressed as a % of the reserves

	FY06	FY05	Change
Traditional Investment policies <i>o/w natural surrenders</i>	9.3% 9.3%	8.5% 7.4%	+9% +26%
U-L Investment policies <i>o/w natural surrenders</i>	19.1% 14.7%	16.0% 16.0%	+19% -8%
INVEST. POLICIES	18.4%	15.2%	+21%
<i>o/w natural surrenders</i>	14.3%	15.1%	-5%
Traditional Pension plans <i>o/w natural surrenders</i>	1.8% 1.8%	2.8% 1.9%	-36% -5%
U-L Pension plans <i>o/w natural surrenders</i>	5.1% 4.6%	4.1% 3.4%	+24% +35%
PENSION PLANS	4.5%	3.8%	+18%
<i>o/w natural surrenders</i>	4.1%	3.2%	+28%



Life - Surrender trend U-L investment policies



* source: Datastream



Profit by Segment

€mn

	FY06	FY05	Change
Life	155.7	169.3	-8%
Asset Management	107.8	127.5	-15%
Banking	5.1	2.5	+99%
Other	13.7	4.9	+179%
PROFIT BEFORE TAX	282.2	304.3	-7%



Asset Management Gross Inflows

29

Domestic
Market

€mn

	FY06	FY05	Change
Equity funds	775.1	672.5	+15%
Bond funds	367.0	348.7	+5%
Monetary funds	451.8	463.2	-2%
Total 'unbundled' mutual funds	1,593.9	1,484.4	+7%
'Elite' funds of funds	78.2	60.1	+30%
'Mix' accounts	198.1	156.4	+27%
'Chorus' managed accounts	48.7	70.5	-31%
'Portfolio' funds of funds	429.8	156.1	+175%
Total 'bundled' mutual funds	754.7	443.1	+70%
<i>o/w equity</i>	481.2	300.1	+60%
Real Estate	220.3	---	
TOTAL GROSS INFLOWS INTO A. M. PRODUCTS	2,569.0	1,927.4	+33%
<i>o/w equity</i>	53.5%	50.5%	+6%



Asset Management Assets*

30

Domestic
Market

€mn

	31/12/06	31/12/05	Change
Equity funds	9,602.3	8,855.7	+8%
Bond funds	2,143.9	2,105.4	+2%
Monetary funds	1,095.1	981.4	+12%
Total 'unbundled' mutual funds	12,841.3	11,942.5	+8%
'Elite' funds of funds	174.2	142.0	+23%
'Mix' accounts	1,519.6	1,600.8	-5%
'Chorus' managed accounts	1,225.1	1,636.3	-25%
'Portfolio' funds of funds	536.3	198.5	+170%
Funds of hedge funds	419.3	143.4	+192%
Total 'bundled' mutual funds	3,874.5	3,720.9	+4%
<i>o/w equity</i>	2,593.5	2,658.7	-2%
Real estate related funds & 'other'	320.2	92.9	+245%
<i>Adj. for own mutual funds in managed accts</i>	(1,568.6)	(1,673.6)	+6%
ASSET MANAGEMENT ASSETS	15,467.4	14,082.7	+10%
<i>o/w equity</i>	72.9%	73.5%	-1%

* including U-L assets

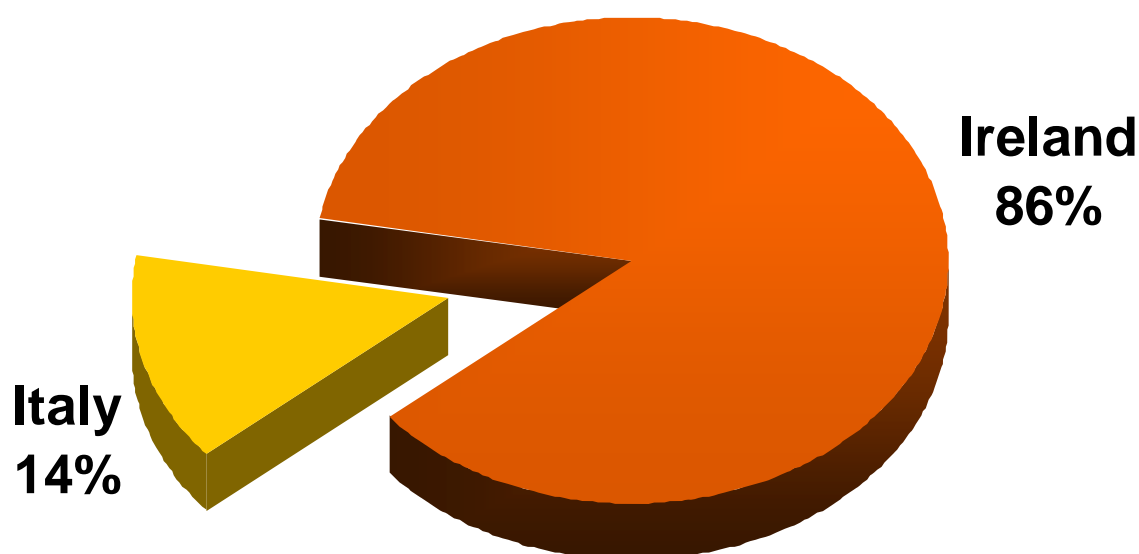


Asset Management Assets* by Location

as at 31.12.06

31

Domestic
Market



Asset Management Commission Income

€mn

32

Domestic
Market

	A.M. Products Commission Income			Total Commission Income*		
	FY06	FY05	Change	FY06	FY05	Change
Entry fees	48.8	37.7	+29%	48.8	37.7	+29%
Management fees	153.4	136.5	+12%	299.0	248.1	+21%
Performance fees	41.3	77.6	-47%	80.5	146.1	-45%
TOTAL	243.5	251.8	-3%	428.3	431.9	-1%

* on all products with mutual funds underlying



Profit by Segment

€mn

	FY06	FY05	Change
Life	155.7	169.3	-8%
Asset Management	107.8	127.5	-15%
Banking	5.1	2.5	+99%
Other	13.7	4.9	+179%
PROFIT BEFORE TAX	282.2	304.3	-7%



Banking Assets

€mn

	31/12/06	31/12/05	Change
Cash deposits	3,183.4	2,912.1	+9%
Securities in custody	1,664.3	1,680.4	-1%
Repurchase agreements	333.7	167.1	+100%
BANKING ASSETS	5,181.4	4,759.6	+9%



Banking Revenues

35

Domestic Market

€mn

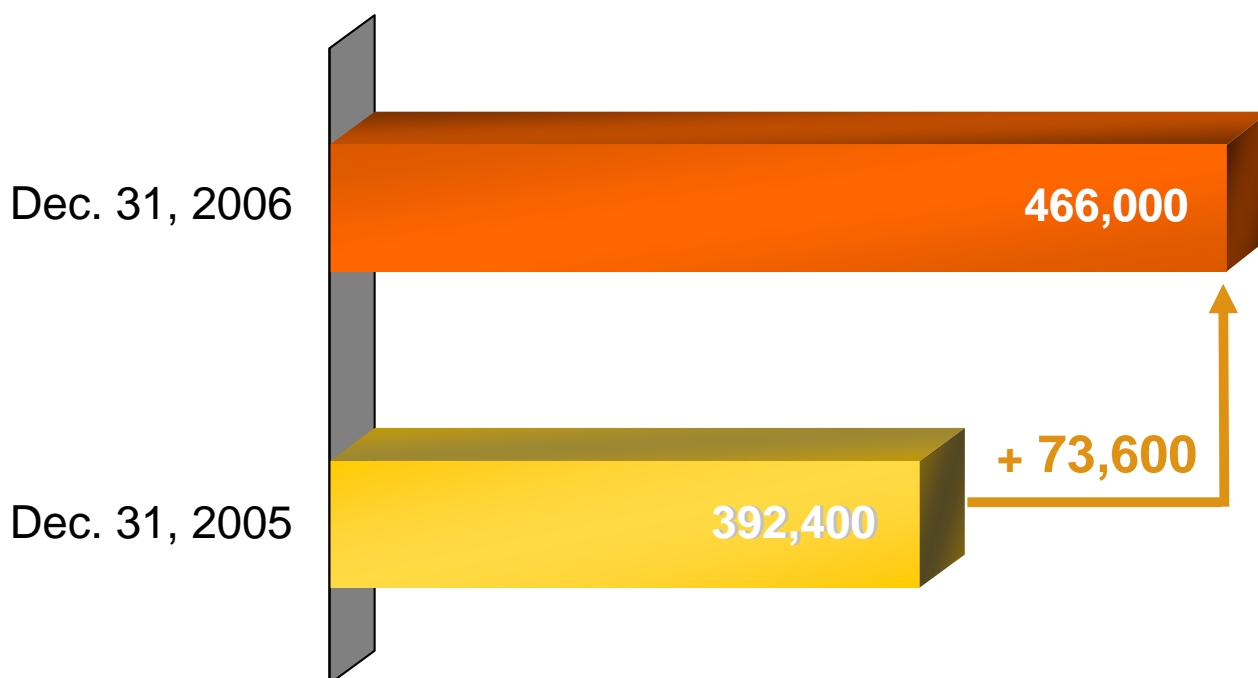
	FY06	FY05	Change
Banking Net Financial Income	80.0	58.2	+38%
Securities	12.0	12.0	+0%
Service fees <i>o/w fees from 3rd party mortgages</i>	29.0 3.2	28.4 5.1	+2% -38%
Fee Income	41.1	40.4	+2%
Other Income	3.8	7.5	-50%
BANKING REVENUES	124.9	106.2	+18%



Banking Bank Accounts

36

Domestic Market



Costs

€mn

	FY06	FY05	Change
Amounts paid & change in technical reserves	(2,982.0)	(2,250.0)	-33%
Commission expense & acquisition costs*	(275.4)	(214.2)	-29%
3rd party A.M. fees & other expenses	(29.6)	(23.2)	-28%
Net impairment of financial investments	(2.5)	(4.0)	+37%
G&A expenses*	(238.1)	(214.1)	-11%
Depreciation, amortisation & provisions	(35.6)	(46.9)	+24%

* includes '4Freedoms' expenses



Net Financial Income & Net Income on Other Investments

€mn

	FY06	FY05	Change
Banking	80.0	58.2	+38%
Life	9.4	13.7	-32%
Other	(7.0)	(5.1)	-37%
NET FINANCIAL INCOME	82.4	66.7	+23%
Banking	0.1	0.1	-8%
Life	9.7	12.7	-23%
Other*	20.8	13.1	+59%
NET INCOME ON OTHER INVESTMENTS	30.7	25.9	+18%

* Banca Esperia included using the equity method (€8mn)



Dedicated Sales Network

39

Domestic
Market

	31/12/06	31/12/05	Change
Licensed Financial Advisors	4,011	3,978	+1%
Non-licensed Financial Advisors	2,162	1,242	+74%
TOTAL FAMILY BANKERS	6,173	5,220	+18%



Banca Esperia (100%) Highlights

40

Domestic
Market

€mn

	FY06	FY05	Change
Profit before Tax	28.1	23.9	+18%
Net Income	16.6	14.8	+12%
<i>o/w Mediolanum share</i>	8.0	7.2	+12%
Assets under Administration	7,080	5,693	+24%
<i>% in Managed Assets</i>	82.1%	82.3%	+0%
Gross Inflows	2,535	1,854	+37%
<i>o/w Managed Assets Inflows</i>	2,272	1,695	+34%
Net Inflows	1,387	724	+92%
<i>o/w Managed Assets Inflows</i>	1,124	565	+99%
Clients	2,492	2,082	+20%
Private Bankers	57	54	+6%



FY 2006 Results: Foreign markets



Income Statement

€mn

	FY06	FY05	Change
Net premiums written	148.2	16.7 *	+787%
Total commission income	71.6	73.5 *	-3%
Net financial income	11.4	10.5	+8%
Net income on other investments	0.1	1.1	-90%
Other revenues	1.6	1.1	+49%
Total Revenues	232.9	102.9	+126%
Amounts paid & change in technical reserves	(130.2)	(17.2)*	-659%
Acquisition costs & other commission expenses	(51.7)	(38.6)*	-34%
G&A expenses	(42.5)	(42.4)	+0%
Other	(5.6)	(4.2)	-33%
PROFIT BEFORE TAX	2.9	0.5	+496%
Net adjustment to Gamax value	0.0	(14.8)	n.s.
Income tax	(2.3)	(2.3)	+1%
NET INCOME	0.7	(16.6)	n.s.

*€91.2mn reclassified as Life Financial Contracts in accordance with IFRS - impacting 'Commission income' & indicated costs



Income Statement in detail

€mn

	FY06	FY05	Change
Net premiums written	148.2	16.7*	+787%
Entry fees	7.8	5.4	+44%
Management fees	18.8	18.0	+5%
Performance fees	2.7	6.5	-59%
Banking service fees	33.9	32.3	+5%
Other fees	8.4	11.3*	-26%
Total commission income	71.6	73.5	-3%
Interest income & similar income	20.8	18.8	+11%
Interest expense & similar charges	(10.0)	(8.3)	-21%
Net income on investments at fair value	0.6	0.0	n.s.
Net financial income	11.4	10.5	+8%
Net income on other investments	0.1	1.1	-90%
Other revenues	1.6	1.1	+49%
Total Revenues	232.9	102.9	+126%
Amounts paid & change in technical reserves	(130.2)	(17.2)*	-659%
Acquisition costs & other commission expenses	(51.7)	(38.6)*	-34%
Net impairment of financial investments	(1.0)	0.2	n.s.
G&A expenses	(42.5)	(42.4)	+0%
Amortisation & depreciation	(3.1)	(3.7)	+16%
Provisions for risks & charges	(1.5)	(0.7)	-100%
PROFIT BEFORE TAX	2.9	0.5	+496%
Net adjustment to Gamax value	0.0	(14.8)	n.s.
Income tax	(2.3)	(2.3)	+1%
NET INCOME	0.7	(16.6)	n.s.

*€91.2mn reclassified as Life Financial Contracts in accordance with IFRS - impacting 'Other fees' & indicated costs



Spain Income Statement

€mn

	FY06	FY05	Change
Total revenues	187.9	62.5	+201%
Total costs	(179.2)	(59.4)	-202%
Operating Result	8.7	3.1	+185%
Capital gain	0.1	1.0	-90%
Profit before Tax	8.8	4.0	+118%
Income tax	(2.0)	(0.6)	-212%
SPAIN NET INCOME	6.8	3.4	+101%



Spain Assets under Administration

€mn

	31/12/06	31/12/05	Change
Life & pension funds	382.1	295.7	+29%
Asset Management	752.8	713.2	+6%
Banking	1,610.7	1,417.1	+14%
<i>Consolidation adjustments</i>	<i>(252.3)</i>	<i>(258.2)</i>	+2%
SPAIN AUA	2,493.3	2,167.8	+15%



Spain Gross Inflows

€mn

	FY06	FY05	Change
Gross premiums written	156.1	114.3	+37%
<i>o/w recurring policies (AP)</i>	13.2	8.5	+56%
<i>o/w single premium policies (SP)</i>	143.0	105.8*	+35%
Asset management products	322.5	280.1	+15%
Managed Assets Inflows	478.6	394.4	+21%
Securities in custody	(98.3)	41.4	n.s.
Cash deposits	66.1	(11.8)	n.s.
Administered Assets Inflows	(32.2)	29.5	n.s.
SPAIN GROSS INFLOWS	446.4	423.9	+5%

* of which 91.2 €mn Life financial contracts



Spain Net Inflows

47

Foreign
Markets

€mn

	FY06	FY05	Change
Life premiums	71.8	76.5	-6%
Asset management products	4.0	2.1	+90%
Managed Assets Inflows	75.8	78.6	-4%
Securities in custody	(98.3)	41.4	n.s.
Cash deposits	58.0	(25.9)	n.s.
Administered Assets Inflows	(40.4)	15.5	n.s.
SPAIN NET INFLOWS	35.4	94.1	-62%



Spain Dedicated Sales Network

48

Foreign
Markets

	31/12/06	31/12/05	Change
Financial Advisors (Mediolanum model)	524	419	+25%
Commercial Agents (Traditional model)	52	62	-16%
FIBANC	576	481	+20%



Spain Embedded Value

€mn

49

Foreign
Markets

	FY06	H106	FY05
VIF Life Business	21	11	8
VIF A.M. Business	14	13	11
Value of In-force Business	35	24	19
Life New Business	17	8	8
A.M. New Business	1	1	1
Value-Added New Business	18	9	9



Germany - B.A. Lenz Highlights

€mn

50

Foreign
Markets

	FY06	FY05	Change
Net Income	(7.8)	(9.2)	+15%
Assets under Administration	55.2	56.9	-3%
<i>o/w Managed Assets</i>	40.3	29.8	+35%
Gross Inflows	8.1	6.4	+28%
Net Inflows	(2.0)	2.3	n.s.
<i>o/w Managed Assets Inflows</i>	10.3	8.8	+16%
<i>o/w Administered Assets Inflows</i>	(12.2)	(6.5)	-87%
Financial Advisors	42	55	-24%
<i>Productivity* (€)</i>	2,135	1,264	+69%
Customers	4,127	4,661	-11%
<i>with Managed Assets products</i>	2,373	2,294	+3%

* monthly average of generated fees per advisor



Germany - Gamax Highlights

51

Foreign Markets

€mn

	FY06	FY05	Change
Net Income	2.0	4.9	-60%
Assets under Administration <i>o/w Gamax funds</i>	590.2 349.0	618.7 394.7	-5% -12%
Gross Inflows <i>o/w Gamax funds</i>	116.2 39.3	95.3 49.3	+22% -20%
Net Inflows <i>o/w Gamax funds</i>	(42.4) (51.2)	(49.8) (63.5)	+15% +19%



52

EEV

FY 2006 Results: European Embedded Value

*Bottom-up, market consistent approach,
with explicit allowances for both financial and non-financial risks,
considering the cost of holding required capital.*

*Further details are available in the supplementary disclosure
available on the Mediolanum website*



Economic Assumptions

	FY06	FY05
Investment return (pre-tax)		
Liquidity	3.65%	2.40%
Long-term bonds	4.17%	3.50%
Equity	6.96%	6.30%
Own portfolio		
Segregated funds	4.00%	3.70%
Unit-linked funds	5.75%	5.00%
Asset management	5.95%	5.20%
Inflation		
CPI	1.75%	1.75%
Expenses	2.25%	2.25%
Tax rate		
Italy	38.25%	38.25%
Ireland	12.50%	12.50%
Spain	35.00%	35.00%
Avg. Risk Discount Rate (In-force Business)	6.73%	5.80%



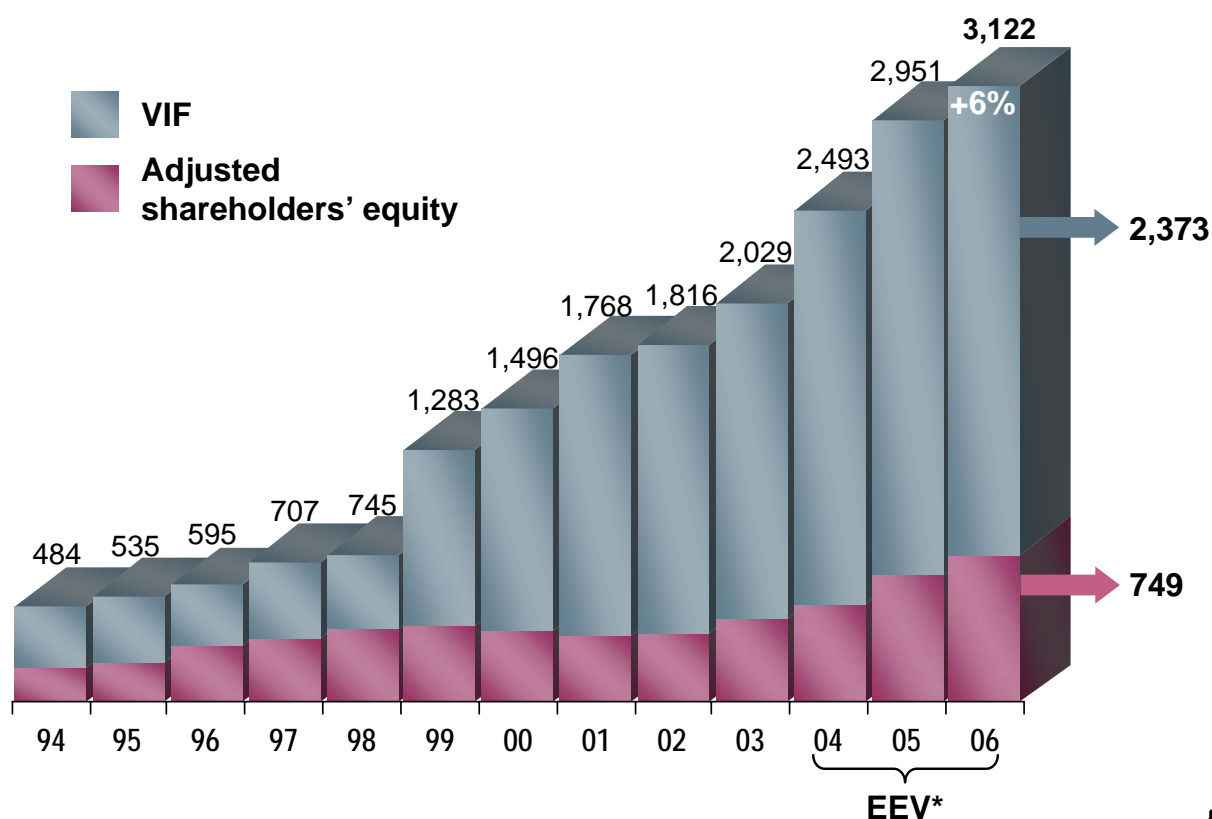
Components of the EEV Derived Risk Discount Rates

	FY06	FY05
Unit-linked		
Risk-free rate	4.25%	3.60%
Margin for financial risk	0.95%	0.85%
Margin for non-financial risk	1.40%	1.20%
RISK DISCOUNT RATE	6.60%	5.65%
Asset Management		
Risk-free rate	4.20%	3.40%
Margin for financial risk	2.30%	2.30%
Margin for non-financial risk	1.10%	0.80%
RISK DISCOUNT RATE	7.60%	6.50%
Bank		
Risk-free rate	4.21%	3.45%
Margin for financial risk	---	---
Margin for non-financial risk	2.19%	2.15%
RISK DISCOUNT RATE	6.40%	5.60%



Embedded Value Growth

€mn



* including Spain & Italian banking business



Embedded Value

€mn

	FY06	FY05	Change
Published shareholders' net assets	904	808	+12%
Adjustments to net assets	(155)	(160)	+3%
Adjusted shareholders' net assets	749	648	+16%
Italy - VIF Life Business	1,874	1,785	+5%
Italy - VIF A.M. Business	332	399	-17%
Italy - VIF Banking Business	132	100	+32%
Spain - VIF Life Business	21	8	n.s.
Spain - VIF A.M. Business	14	11	n.s.
Value of In-force Business	2,373	2,303	+3%
EMBEDDED VALUE	3,122	2,951	+6%



Embedded Value Earnings

€mn

	FY06	FY05
Change in EV over the year	171	458
Dividends paid	146	163
Other capital movements	(5)	(7)
EV EARNINGS	312	614



EV Earnings Components (1): Earnings on Initial EV

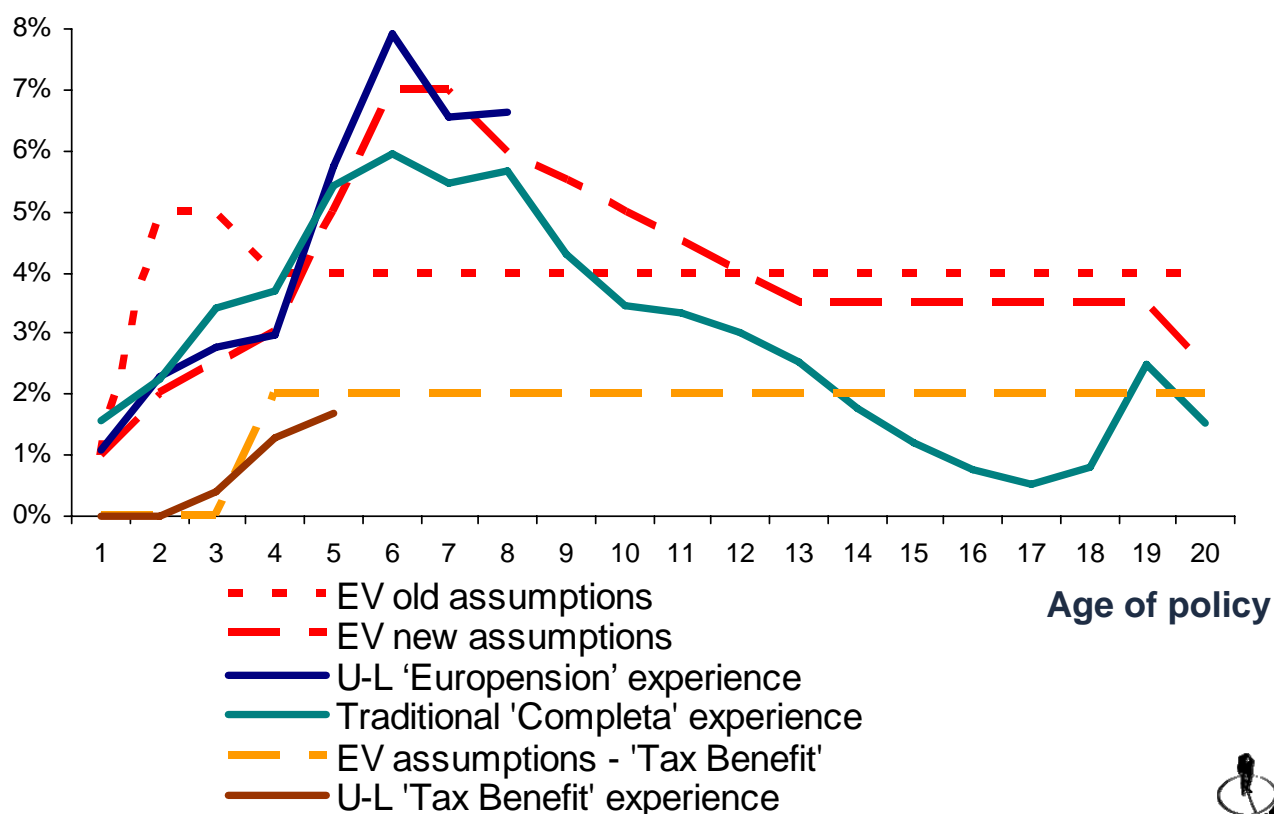
€mn

	FY06	FY05
Expected return on EV - unwind	153	143
Operating assumption changes	(57)	(43)
Economic assumption changes	(39)	31
Experience variances	(19)	259
Earnings on Initial EV	38	390
Value-added New Business	274	224
EV EARNINGS	312	614



Pension Plans Assumptions & Experience

Surrender rate



Earnings on Initial EV: Operating Assumption Changes

€mn

	FY06
Europension	(19)
Tax Benefit	0
My Pension	10
U-L Investments Policies	(10)
Managed Accounts	(38)
Mutual Funds	(7)
Surrender	(64)
Mortality	15
Expenses	(10)
Fibanc: Tax	2
Other	7
OPERATING ASSUMPTION CHANGES	(57)

Earnings on Initial Ev: Experience Variances

61

EEV

€mn

	FY06
Investment return variance on NAV	20
Assets mix variance	(15)
Banking mix variance	1
Performance fees variance	46
Expenses variance	(9)
Persistency/paid-ups variance	(44)
Other operation net profit/loss variance	(3)
Product restructuring / repricing	(5)
Other	(10)
EXPERIENCE VARIANCES	(19)



EV Persistency Variances

62

EEV

€mn

Product Category	FY05	H106	FY06
U-L Pension Plans	(11)	(11)	(5)
<i>o/w surrenders</i>	(21)	(20)	(20)
<i>o/w paid-ups</i>	10	9	15
U-L Investments Policies	0	(8)	(15)
Mutual Funds	0	(1)	(4)
Managed Accounts	(17)	(11)	(20)
PERSISTENCY VARIANCES	(28)	(31)	(44)



EV Earnings Components (2): Value-added New Business

63

EEV

€mn

	FY06	FY05
Earnings on Initial EV	38	390
Life New Business	211	162
<i>o/w AP</i>	131	115
<i>o/w SP</i>	80	47
A.M. New Business	46	52
Banking New Business	15	10
Product transformation	2	---
Value-Added New Business	274	224
EV EARNINGS	312	614



Life New Business Margins Domestic Market*

64

EEV

€mn

	FY06	FY05	Change
Unit-Linked			
Value of New Business - 'moment of sale'	154	129	+20%
Net present value NB (PVNBP)	1,876	1,551	+21%
U-L NEW BUSINESS MARGIN (%PVNBP)	8.2%	8.3%	-1%
Index-Linked			
Value of New Business - 'moment of sale'	34	21	+61%
Net present value NB (PVNBP)	1,175	835	+41%
I-L NEW BUSINESS MARGIN (%PVNBP)	2.9%	2.5%	+15%
Life			
Value of New Business - 'moment of sale'	188	150	+25%
Net present value NB (PVNBP)	3,051	2,386	+28%
LIFE NEW BUSINESS MARGIN (%PVNBP)	6.2%	6.3%	-2%

* Banca Esperia not included



A.M. New Business Margins

Domestic Market*

65

EEV

€mn

	FY06	FY05	Change
Value of New Business - 'moment of sale'	43	49	-12%
Net present value NB (PVNBP)	1,760	1,891	-7%
A.M. NEW BUSINESS MARGIN (%PVNBP)	2.4%	2.6%	-7%

* Banca Esperia not included



Life APE Margins

Domestic Market*

66

EEV

€mn

	FY06	FY05	Change
Unit-linked			
Value of New Business - 'moment of sale'	154	129	+20%
Recurring premiums	185	145	+28%
Single premiums	516	311	+66%
APE	237	176	+35%
U-L NEW BUSINESS MARGIN (%APE)	65.1%	73.3%	-11%
Index-linked			
Value of New Business - 'moment of sale'	34	21	+61%
Single premiums	1,175	835	+41%
APE	118	84	+41%
I-L NEW BUSINESS MARGIN (%APE)	28.8%	25.1%	+15%
Life			
Value of New Business - 'moment of sale'	188	150	+25%
APE	354	260	+37%
LIFE NEW BUSINESS MARGIN (%APE)	53.1%	57.8%	-8%

* Banca Esperia not included



A.M. APE Margins

Domestic Market*

67

EEV

€mn

	FY06	FY05	Change
Value of New Business - 'moment of sale'	43	49	-12%
Installment plans	70	85	-17%
Lump sum investments	1,354	1,408	-4%
APE	206	226	-9%
A.M. NEW BUSINESS MARGIN (%APE)	20.9%	21.7%	-4%

* Banca Esperia not included



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Growth
Project
Update

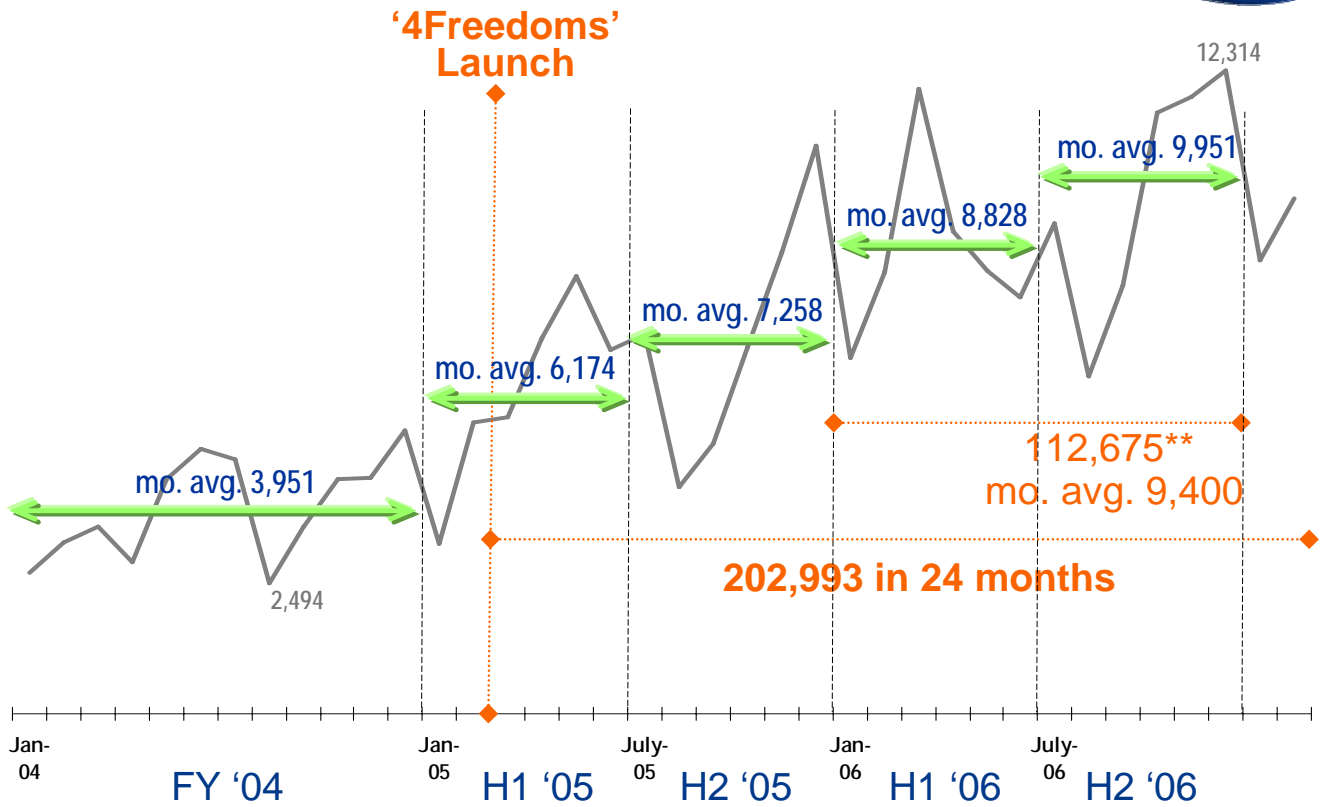
Growth Project Update



New bank accounts trend*

69

Growth Project Update



* all account types, excluding conversions

** 66.5% opened by customers new to Mediolanum

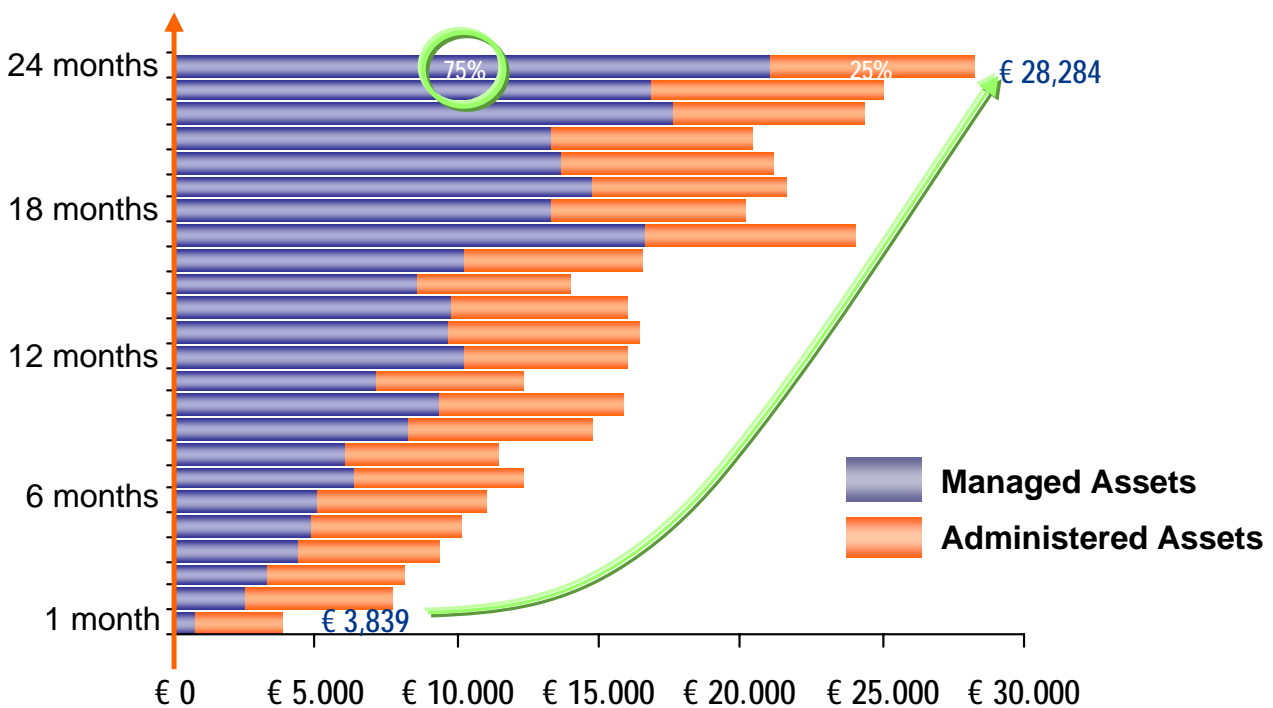


Average assets of bank customers

70

Growth Project Update

By length of time as account holder (as at 28/02/07)



Account activation & asset growth

Account activation is key:
assets of active new customers are 51% higher





New customers acquired Mar. 05 - Feb. 07

	number	%	Avg. Assets	Index 1
Non-active	36,200	35%	10,785 €	100
Active	68,500	65%	16,263 €	151
TOTAL	104,700	100%	14,368 €	133






'ICoNA': network recruiting project

**New systematic recruiting approach
centered on the image of the 'Family Banker'**

-  Rationale: profile of 'banker' much more appealing than 'plain' asset gatherer
-  Project status: roll-out completed in January 2007
-  Impact: strong acceleration in recruiting & much higher quality of new hires (greater selection pool)
-  Result: 6,478 Family Bankers at the end of February 2007



Pressure moves from Recruiting to Training




-  A new **Training Centre** on the Mediolanum premises will be ready by end 2007
-  The **Training Organisation** has been enhanced with a substantial increase in dedicated staff
-  Steps have been taken to increase the number of **Supervisors**, whose role include training tasks



Looking Forward






Pension Reform

-  **January 1st, 2007:** 'old' pension products **no longer qualified** to be underwritten
-  New **COVIP-compliant** pension products awaiting green light
-  **Employees** will be able to divert their funds into the new products starting **July 1st, 2007**



**No expectation of pension plan
premium income in Q107
& modest volume in Q207**



-  'Pre-sales' phase began in March
-  U-L policy investing *directly* into properly designed Irish funds
-  Enhanced 'Life Cycle' feature & other sophisticated built-in mechanisms for investment optimisation



**Designed with the idea of protecting margins
yet highly competitive & appealing**



Pension Reform The Opportunity

77

Looking
Forward

-  Positive pre-sales feedback for 'Tax Benefit New', especially with regard to employees' TFR funds
-  Enormous market potential






**We expect volumes of IPP products in 2007
to be much higher than in 2006
despite a weak H1**



78

Looking
Forward

-  New product successfully introduced to the sales network in February 2007
-  Incentive plan takes into account extensive changes in loadings & network commissions
-  Network has bought into the new rules of the game: emphasis on volumes rather than on unit commissions



Overall earnings can be substantially greater



Banca Mediolanum Customer Base 2006



Total Account Holders

	31/12/06	31/12/05	Change
Life	611,000	602,700	+1%
Asset Management	397,600	412,200	-4%
Banking	650,000	548,500	+19%
Other	62,500	63,800	-2%
Total account holders	995,300	941,000	+6%

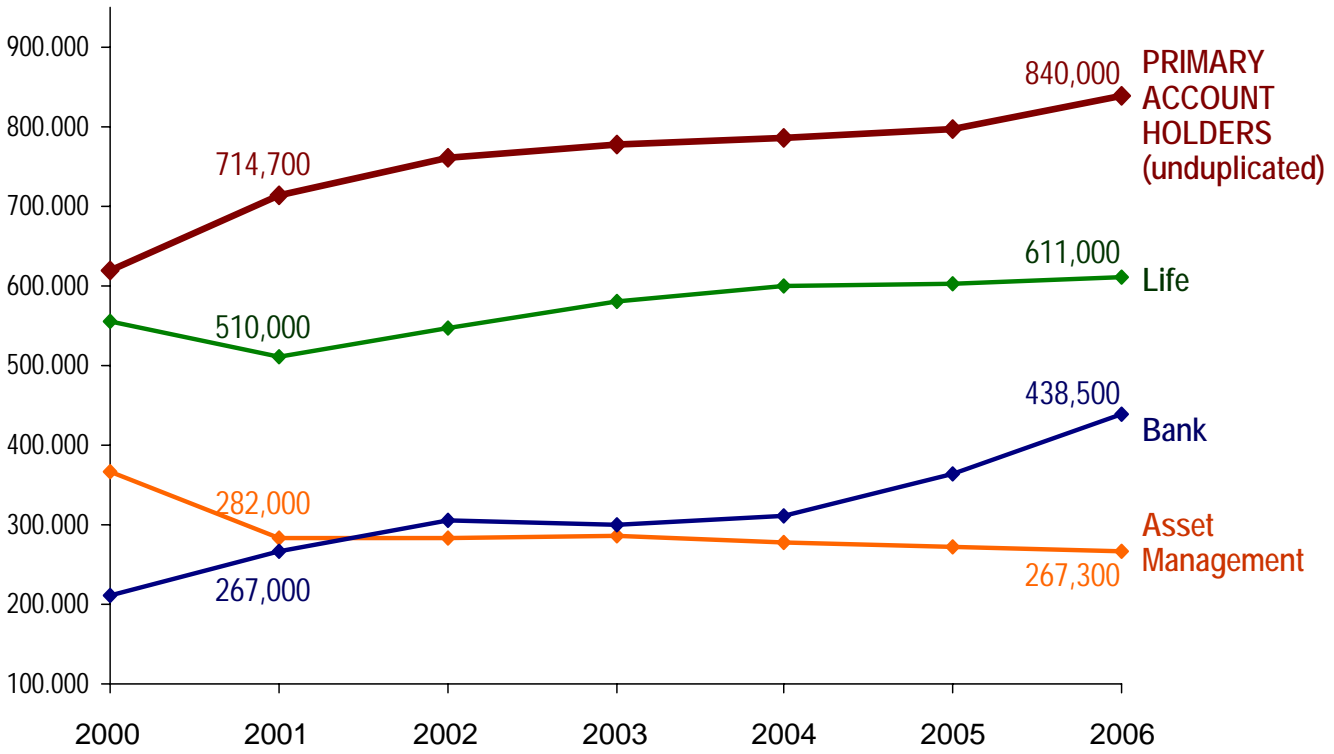


Primary Account Holders

	31/12/06	31/12/05	Change
Life	611,000	602,700	+1%
Asset Management	267,300	272,900	-2%
Banking	438,500	362,600	+21%
Other	60,100	61,400	-2%
Primary account holders (unduplicated)	840,000	798,000	+5%



Primary Account Holders Trend by segment



Customer Retention

	2006	2005
Retention Rate	93.7%	94.0%



Calculation method:

$$\frac{(\text{Customers at year-end 2006}) - (\text{Customers added during 2006})}{(\text{Customers at beginning of 2006})}$$



AUM* per Customer Segment Primary Account Holders

	AUM per customer with Mediolanum (€/000)	31/12/2006				31/12/2005				Change	
		# of Customers		AUM		# of Customers		AUM		# of Customers	AUM
		(,000)	%	(€ bn)	%	(,000)	%	(€ bn)	%	%	%
High Net Worth	(>1,000)	0.8	0.1	2.2	8.2	0.7	0.1	1.8	7.6		
Affluent Upper Scale	(350-1,000)	5.6	0.7	2.9	11.0	5.0	0.6	2.6	10.7	+12	+13
Affluent Lower Scale	(100-350)	46.3	5.5	7.7	29.3	41.5	5.2	6.9	28.7		
Upper Mass	(50-100)	70.4	8.4	4.9	18.5	64.6	8.1	4.5	18.6	+5	+7
Mass	(<50)	716.9	85.4	8.7	33.0	686.2	86.0	8.3	34.4		
TOTAL		840.0	100	26.4	100	798.0	100	24.1	100	+5	+10

AUM per Customer (€) 31,446 30,219 +4%

* represents customers' assets currently with Mediolanum,
not customers' total assets ("potential")



AUM* per Customer Segment

€bn

	2006	2005	Change
Total AUM in HNW & Affluent segments	12.8	11.3	+13%
Total AUM in 'mass' segments	13.6	12.8	+7%



The highest segments demonstrated the greatest growth
(+13%)

* represents bank customers' assets currently with Mediolanum,
not bank customers' total assets ("potential")



AUM* per Customer Segment

Bank Customers

	AUM per customer with Mediolanum (€/000)	31/12/2006				31/12/2005				Change	
		# of Customers		AUM		# of Customers		AUM		# of Customers	AUM
		(,000)	%	(€ bn)	%	(,000)	%	(€ bn)	%	%	%
High Net Worth	(>1,000)	0.7	0.2	1.4	7.1	0.6	0.2	1.2	6.8		
Affluent Upper Scale	(350-1,000)	5.2	1.2	2.7	13.8	4.7	1.3	2.4	14.0	+13	+13
Affluent Lower Scale	(100-350)	40.7	9.3	6.9	35.2	36.1	10.0	6.1	35.2		
Upper Mass	(50-100)	55.9	12.8	3.9	20.0	49.9	13.8	3.5	20.1	+22	+12
Mass	(<50)	335.1	76.6	4.7	23.9	270.9	74.7	4.2	23.9		
TOTAL		437.6	100	19.5	100	362.6	100	17.4	100	+21	+13

AUM per Bank Customer (€) 44,638 47,919 -7%

* represents bank customers' assets currently with Mediolanum,
not bank customers' total assets ("potential")




Bank Customers

87

Customer
Base

	2006	2005	Change
Number of Bank Customers	437,600	362,600	+21%
Share of HNW & Affluent segments who are also Bank Customers	89%	88%	

-  The **21%** increase in the number of Bank customers reflects our objective to grow the number of bank accounts among our both existing and newly acquired customers




Average AUM per Customer Type


€

88

Customer
Base

	2006	2005	Change
Non-Bank Customers	15,122	14,167	+7%
Bank Customers	44,638	47,919	-7%
Active* Bank Customers	52,107	55,660	-6%

-  Bank customers, particularly those using our bank account as their primary one, give us 4 to 6 times more assets than non-bank customers

-  Average assets for bank customers decreased as a consequence of the opening of an extremely high number of new bank accounts



Cross-selling Product Categories - 2006

89

Customer Base



10 points based on products owned

Bank Account
Credit Cards
Stock Portfolio
Mutual Funds
Managed Accounts
Index-linked Policies
Pension Plans
Other Life Products
Non-Life Products
Home Mortgages



2 points based on Intensity of use

Direct Channels



AUM* per Customer Segment by Business Line

90

Customer Base

		31/12/2006							
	AUM per customer with Mediolanum (€/000)	# of Customers		AUM		Securities & accounts	Life Insurance	Mutual Funds	Managed Accts
		(,000)	%	(€ bn)	%	%	%	%	%
High Net Worth	(>1,000)	0.8	0.1	2.2	8.2	96.9	87.8	76.3	30.2
Affluent Upper Scale	(350-1,000)	5.6	0.7	2.9	11.0	93.5	90.8	79.6	28.4
Affluent Lower Scale	(100-350)	46.3	5.5	7.7	29.3	88.1	90.0	74.3	17.1
Upper Mass	(50-100)	70.4	8.4	4.9	18.5	79.5	87.5	66.6	5.0
Mass	(<50)	716.9	85.4	8.7	33.0	46.8	70.0	24.5	0.1
ALL CUSTOMERS		840.0	100	26.4	100	52.2	72.7	31.2	1.7

AUM per Customer (€)

31,446

* represents customers' assets currently with Mediolanum, not customers' total assets ("potential")



Average Customers per Family Banker

91

Customer Base

	2006	2005	Change
Licensed advisors	190	190	+0%
Non-licensed advisors	25	15	+67%



Demographics & Cross-Selling Primary Account Holders

92

Customer Base

		31/12/2006								
	AUM per customer with Mediolanum (€000)	# of Customers		AUM		Age years	Seniority years	Business Lines (out of 4) *	Product Categories (out of 12) avg.	# of Products (contracts) avg.
		(,000)	%	(€ bn)	%					
High Net Worth	(>1,000)	0.8	0.1	2.2	8.2	60.8	9.0	2.8	6.5	16.7
Affluent Upper Scale	(350-1,000)	5.6	0.7	2.9	11.0	58.3	9.9	2.8	6.1	12.3
Affluent Lower Scale	(100-350)	46.3	5.5	7.7	29.3	55.1	9.8	2.6	5.2	8.2
Upper Mass	(50-100)	70.4	8.4	4.9	18.5	52.0	9.5	2.4	4.3	5.8
Mass	(<50)	716.9	85.4	8.7	33.0	45.3	7.2	1.5	2.3	2.4
ALL CUSTOMERS		840.0	100	26.4	100	46.5	7.6	1.6	2.7	3.1

AUM per Customer (€)

31,446

* Banking Products, Life Insurance, Mutual Funds, Non-Life Insurance



Demographics & Cross-Selling

93

Customer Base

	2006	2005
Average Age	46.5	46.9
Average Seniority	7.6	7.9
Product categories / HNW	6.5	6.4
Products categories / Upper Affluent	6.1	6.1



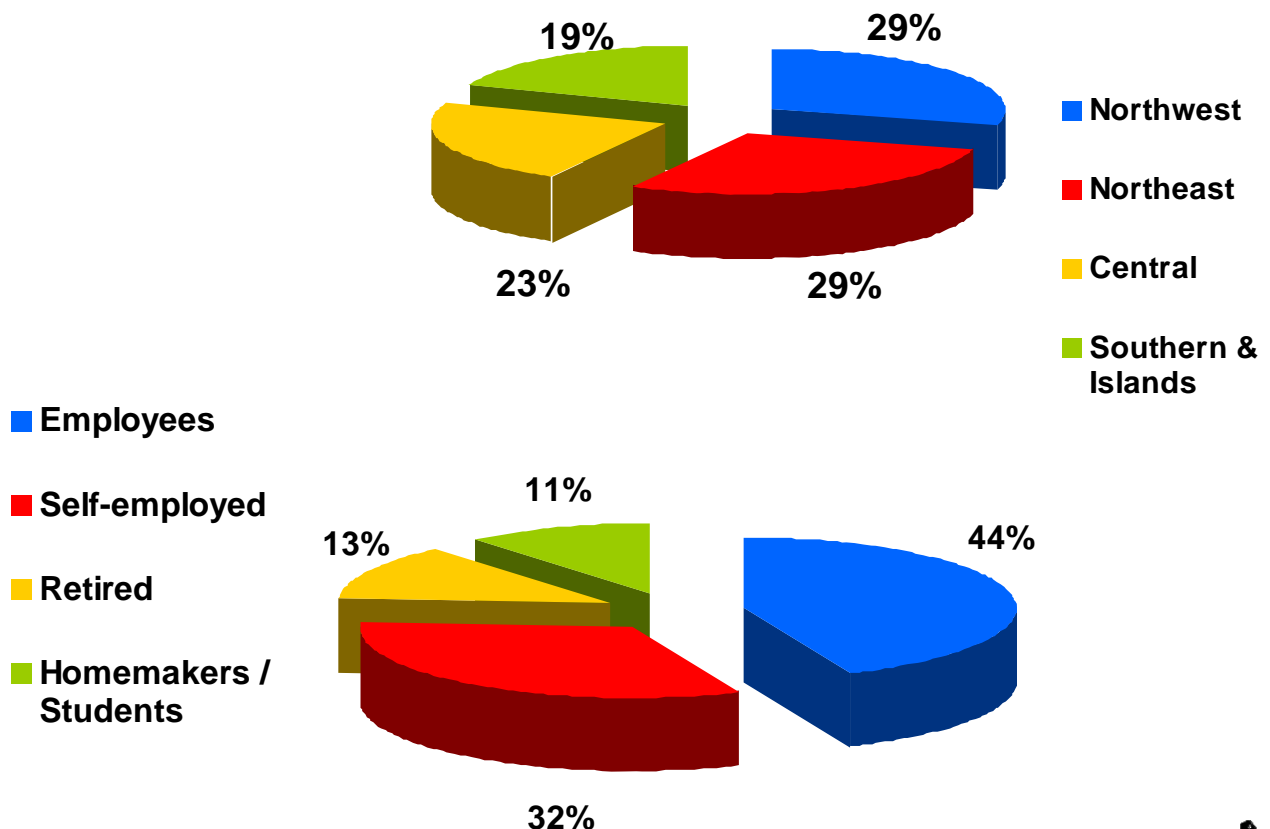
Decreased average age and seniority are a result of the acquisition of a very large number of new customers



Customer Demographics by Territory & Profession

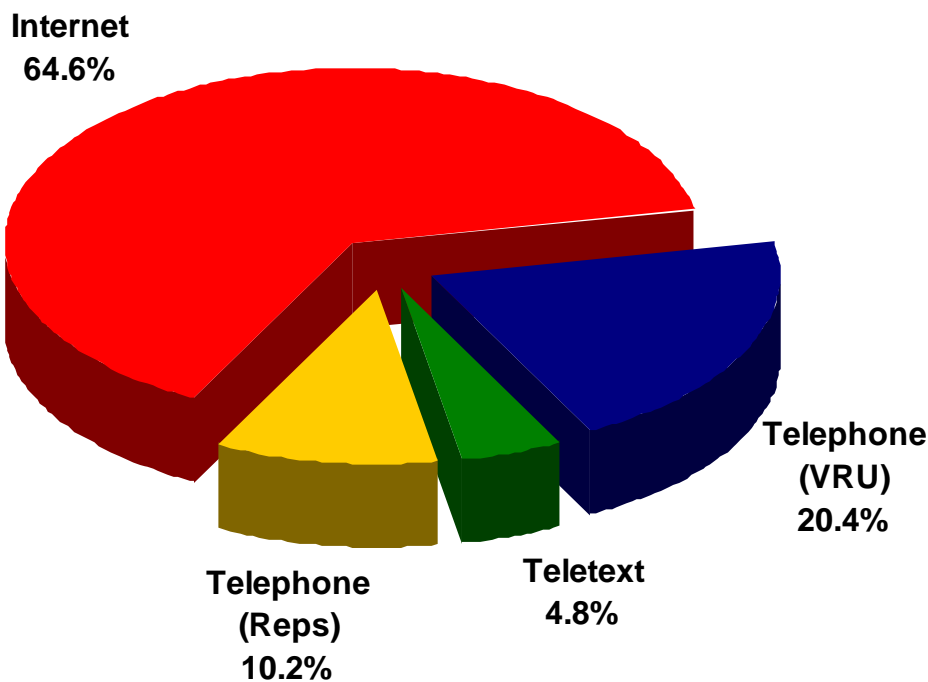
94

Customer Base



Direct Channel Contacts 2006

95
Customer
Base



Additionally, over 10.5 million text messages sent with information and security alerts



Customer Rating by Assets Primary Account Holders

96
Customer
Base



Our efforts to improve our relationship with high potential “mass” customers are paying off

31/12/2006

	AUM per customer (Mediolanum) (€/000)	# of Customers (,000)	Rating of Potential			% of Clients w/ Rating 1 or 2
			1	2	3	
			# of customers			
High Net Worth	(>1,000)	0.7	484	156	90	88%
Affluent Upper Scale	(350-1,000)	5.6	2,990	1,641	944	83%
Affluent Lower Scale	(100-350)	46.3	17,712	15,857	12,717	73%
Upper Mass	(50-100)	70.5	20,662	23,851	25,976	63%
Mass	(<50)	716.9	138,202	187,188	391,529	45%
TOTAL CUSTOMERS		840.0	180,050	228,693	431,257	49%

* statistical rating of customers in terms of asset “potential”, i.e assets they could give to Mediolanum in the future - Potential: 1 (highest) to 3 (lowest)







Customer Satisfaction Survey

2005 figures

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Customer
Base

-  Mediolanum has now been tracking customer satisfaction for 13 years
-  The survey is carried out by an outside market research agency – 'Unicab' – specialised in quantity measurements
-  The research was based on 10,000 telephone interviews in 2005
-  Unicab measures the level of satisfaction of customers with respect to both their financial advisor and the company

	2005	2004
Total Customer Satisfaction Index	69.7	67.6



Thank you!

Any questions?



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