

March 26, 2014

# **MEDIOLANUM FY 2013 RESULTS**



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## FY 2013 Group Results



FY 2013  
Group

### Income Statement - Group

4







€ mn

	FY13	FY12	Change
Net premiums written	4,873.8	8,053.7	-39%
Amounts paid & change in technical reserves	(4,815.3)	(8,009.4)	-40%
Insurance revenues ex U-L commissions	58.5	44.2	+32%
Entry fees	136.9	115.6	+18%
Management fees	563.9	462.0	+22%
Performance fees	181.6	171.9	+6%
Banking service fees	95.1	94.6	+0%
Other fees	32.6	38.5	-15%
Total commission income	1,010.1	882.7	+14%
Net interest income	274.4	313.3	-12%
Net income on investments at fair value	19.9	118.1	-83%
Net financial income	294.3	431.4	-32%
Equity Contribution (Mediobanca & Banca Esperia)	0.8	(55.2)	n.s.
Net income on other investments	70.0	(2.6)	n.s.
Other revenues	23.9	26.8	-11%
<b>Total Revenues</b>	<b>1,457.5</b>	<b>1,327.3</b>	<b>+10%</b>
Acquisition costs	(435.4)	(364.4)	+19%
Other commission expenses	(51.6)	(41.2)	+25%
G&A expenses	(399.5)	(380.7)	+5%
Amortisation & depreciation	(21.5)	(14.3)	+51%
Provisions for risks & charges	(5.5)	(26.1)	-79%
<b>Total Costs</b>	<b>(913.5)</b>	<b>(826.7)</b>	<b>+10%</b>
<b>PROFIT BEFORE TAX</b>	<b>544.1</b>	<b>500.6</b>	<b>+9%</b>
Income tax	(207.5)	(149.6)	+39%
<b>NET INCOME</b>	<b>336.6</b>	<b>351.0</b>	<b>-4%</b>



# Income Statement Salient Points

## YoY comparison

-  **Entry fees** (€ 21 mn higher YoY) reflect the unprecedented levels of inflows into mutual funds
-  **Management fees** (€ 102 mn higher YoY) grew in line with average managed assets
-  **Net Interest Income** (€ 39 mn lower YoY) reflects the lower interest rate environment, mitigated by a lower cost of funding
-  **Net Income on Investments at Fair Value** (€ 98 mn lower YoY) are at normal levels again, in contrast to the huge recuperation in value of 2012 (Q1)
-  **Net Income on Other Investments** (€ 73 mn higher YoY) include € 84 mn of realised capital gains on the treasury's AFS portfolio
-  **One-off additions to Income Tax** (€ 58 mn higher YoY):
  - € 20 mn additional corporate tax ('IRES') on Italy-based companies
  - € 53 mn provision related to tax litigation (included in Income Tax as per IAS12)



# Income Statement by Quarter

€ mn

	Q112	Q212	Q312	Q412	Q113	Q213	Q313	Q413
Insurance revenues ex U-L commissions	15.5	8.5	11.0	9.3	13.2	14.8	17.4	13.1
Entry fees	26.1	27.8	25.0	36.8	34.5	42.1	28.0	32.3
Management fees	110.3	111.1	117.3	123.3	129.2	139.1	144.4	151.1
Performance fees	61.8	13.6	58.5	38.1	59.3	25.0	44.9	52.4
Banking service fees	22.1	24.2	24.5	23.8	25.4	23.9	21.8	24.0
Other fees	8.5	12.3	8.5	9.2	9.1	8.3	7.0	8.2
<b>Total commission income</b>	<b>228.8</b>	<b>188.9</b>	<b>233.7</b>	<b>231.2</b>	<b>257.4</b>	<b>238.4</b>	<b>246.2</b>	<b>268.1</b>
Net interest income	83.5	74.9	79.5	75.4	71.9	63.6	74.0	64.9
Net income on investments at FV	95.5	(15.4)	30.1	7.9	3.8	5.1	4.8	6.2
<b>Net financial income</b>	<b>179.0</b>	<b>59.5</b>	<b>109.7</b>	<b>83.3</b>	<b>75.8</b>	<b>68.7</b>	<b>78.8</b>	<b>71.1</b>
Equity contribution	1.4	0.5	(58.9)	1.7	1.8	(1.2)	(4.7)	4.8
Net income on other investments	(0.9)	(0.7)	2.2	(3.2)	37.8	(1.2)	(2.6)	36.0
Other revenues	7.2	7.7	5.7	6.2	4.9	5.9	5.4	7.7
<b>Total Revenues</b>	<b>431.0</b>	<b>264.4</b>	<b>303.4</b>	<b>328.4</b>	<b>390.8</b>	<b>325.4</b>	<b>340.5</b>	<b>400.8</b>
Acquisition costs	(81.5)	(95.2)	(83.3)	(104.5)	(103.5)	(112.3)	(99.2)	(120.4)
Other commission expenses	(10.2)	(10.7)	(12.1)	(8.2)	(11.9)	(13.5)	(13.2)	(13.1)
G&A expenses	(86.5)	(99.1)	(86.3)	(108.8)	(91.6)	(106.9)	(93.0)	(107.9)
Amortisation & depreciation	(3.2)	(3.5)	(3.7)	(3.8)	(3.8)	(5.6)	(5.8)	(6.3)
Provisions for risks & charges	(5.3)	(8.8)	(4.5)	(7.5)	(3.0)	3.1	(2.3)	(3.3)
<b>Total Costs</b>	<b>(186.7)</b>	<b>(217.4)</b>	<b>(189.9)</b>	<b>(232.8)</b>	<b>(213.7)</b>	<b>(235.2)</b>	<b>(213.6)</b>	<b>(251.0)</b>
<b>PROFIT BEFORE TAX</b>	<b>244.3</b>	<b>47.1</b>	<b>113.5</b>	<b>95.7</b>	<b>177.1</b>	<b>90.2</b>	<b>127.0</b>	<b>149.8</b>
Income tax	(65.7)	(8.1)	(39.5)	(36.2)	(40.4)	(27.4)	(25.2)	(114.4)
<b>NET INCOME</b>	<b>178.6</b>	<b>38.9</b>	<b>74.0</b>	<b>59.5</b>	<b>136.7</b>	<b>62.8</b>	<b>101.7</b>	<b>35.4</b>



# Quarterly Commission Income from Management Fees

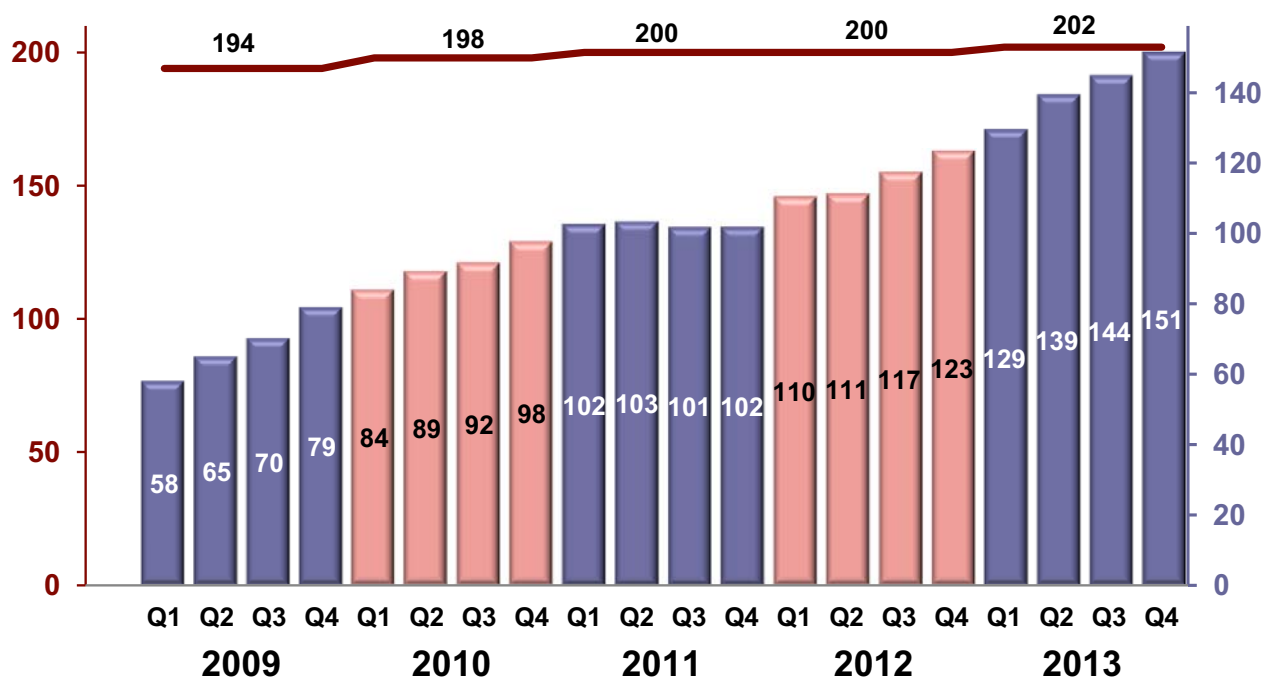
€ mn



Management fees (€ mn)

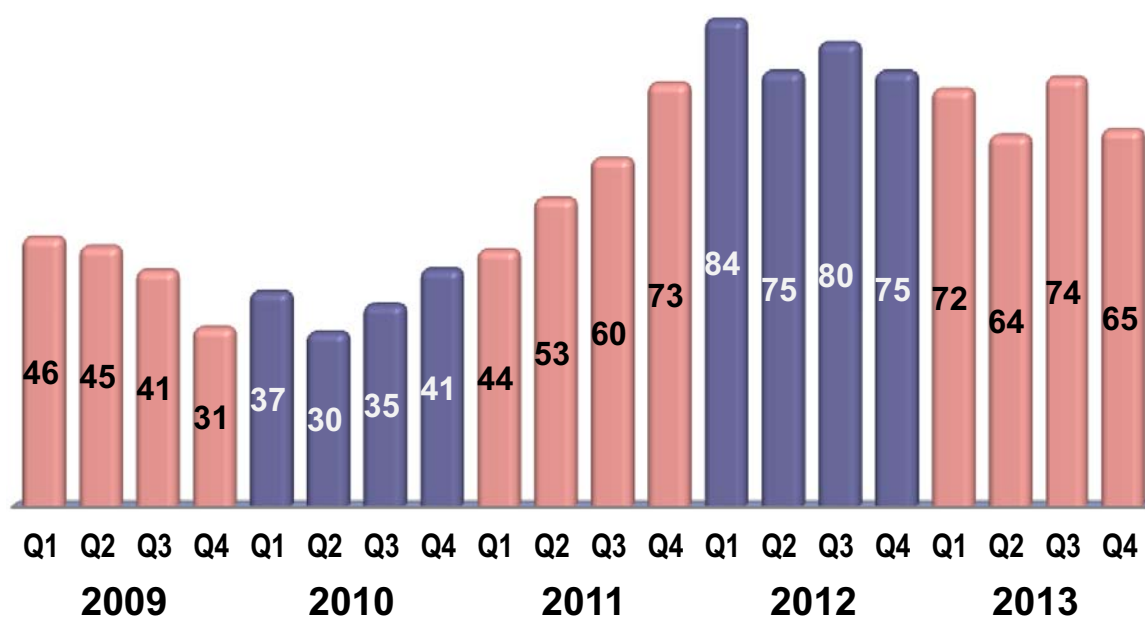


yearly bps on average assets



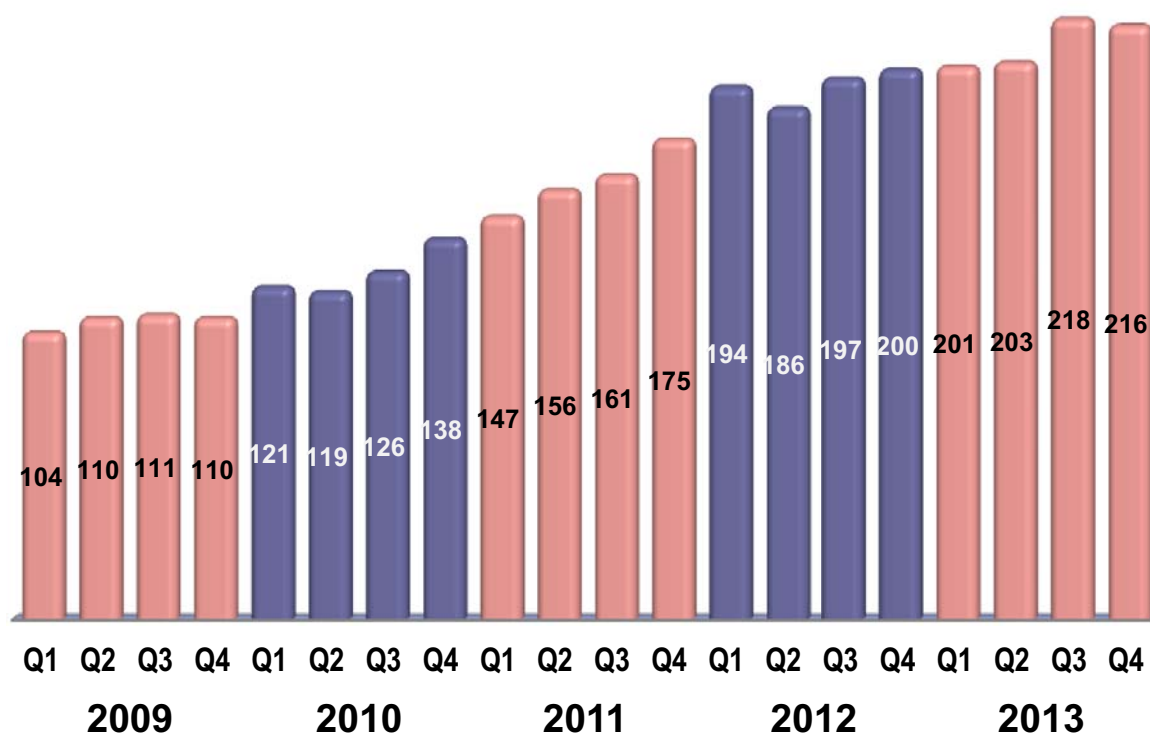
# Quarterly Net Interest Income

€ mn



# Quarterly Recurring Revenues

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



## Assets under Administration

€ mn

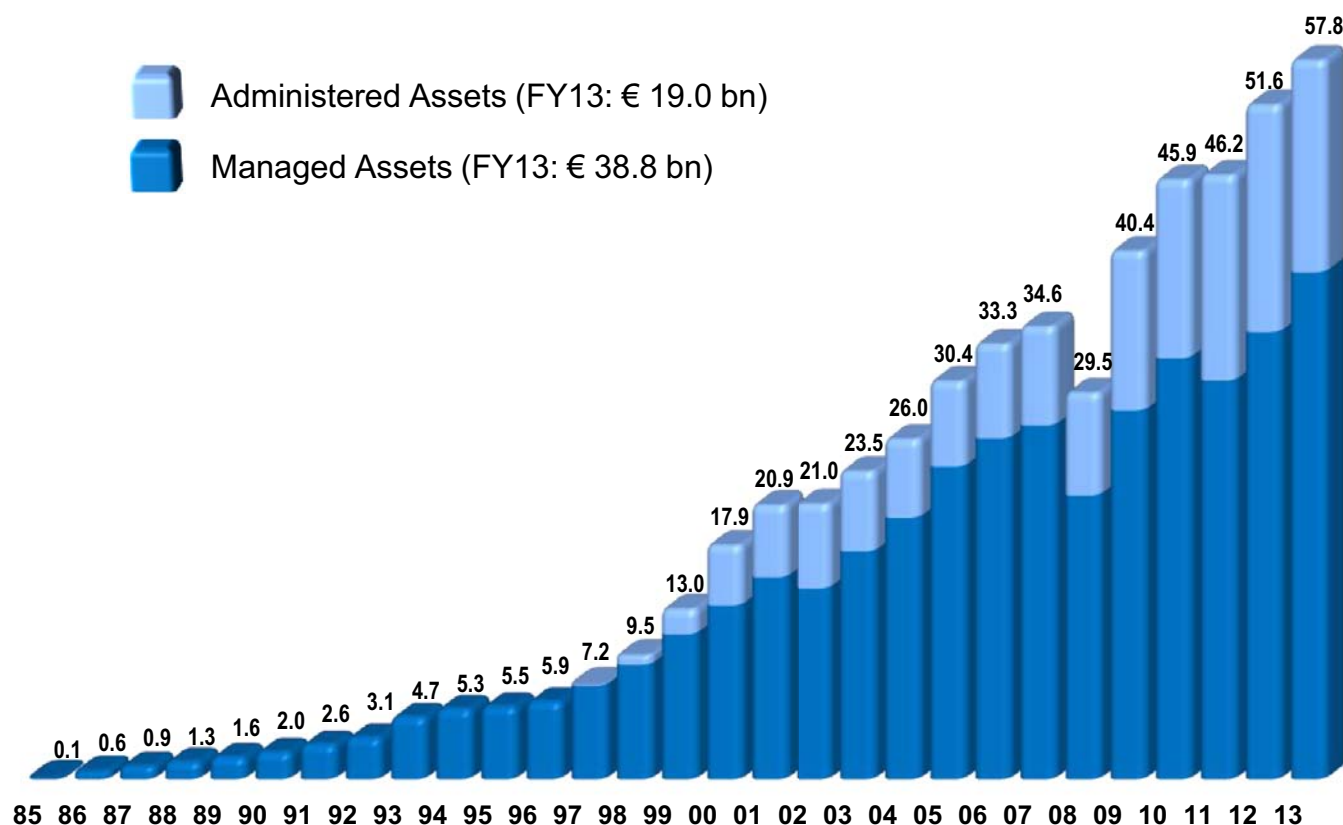
	31/12/13	31/12/12	Change
Life	13,482.6	13,795.7	-2%
'Freedom' Life Policies	1,722.3	3,433.0	-50%
Asset management	28,835.6	23,384.4	+23%
Banking*	13,690.1	11,336.5	+21%
Consolidation adjustments	(10,370.3)	(9,515.3)	+9%
<b>Italy - Banca Mediolanum</b>	<b>47,360.3</b>	<b>42,434.3</b>	<b>+12%</b>
<b>Italy - Banca Esperia (Mediolanum's share)</b>	<b>7,650.0</b>	<b>6,900.1</b>	<b>+11%</b>
Life	601.8	564.0	+7%
Asset management	1,073.1	788.2	+36%
Banking*	1,007.2	703.3	+43%
Consolidation adjustments	(305.8)	(255.9)	+19%
<b>Spain - Banco Mediolanum</b>	<b>2,376.3</b>	<b>1,799.6</b>	<b>+32%</b>
Life	119.8	102.1	+17%
Asset management	323.3	299.2	+8%
Banking	72.5	86.5	-16%
Consolidation adjustments	(70.4)	(44.9)	+57%
<b>Germany - B. A. Lenz &amp; Gamax</b>	<b>445.2</b>	<b>442.9</b>	<b>+1%</b>
<b>AUA</b>	<b>57,831.8</b>	<b>51,576.9</b>	<b>+12%</b>

\* retail only



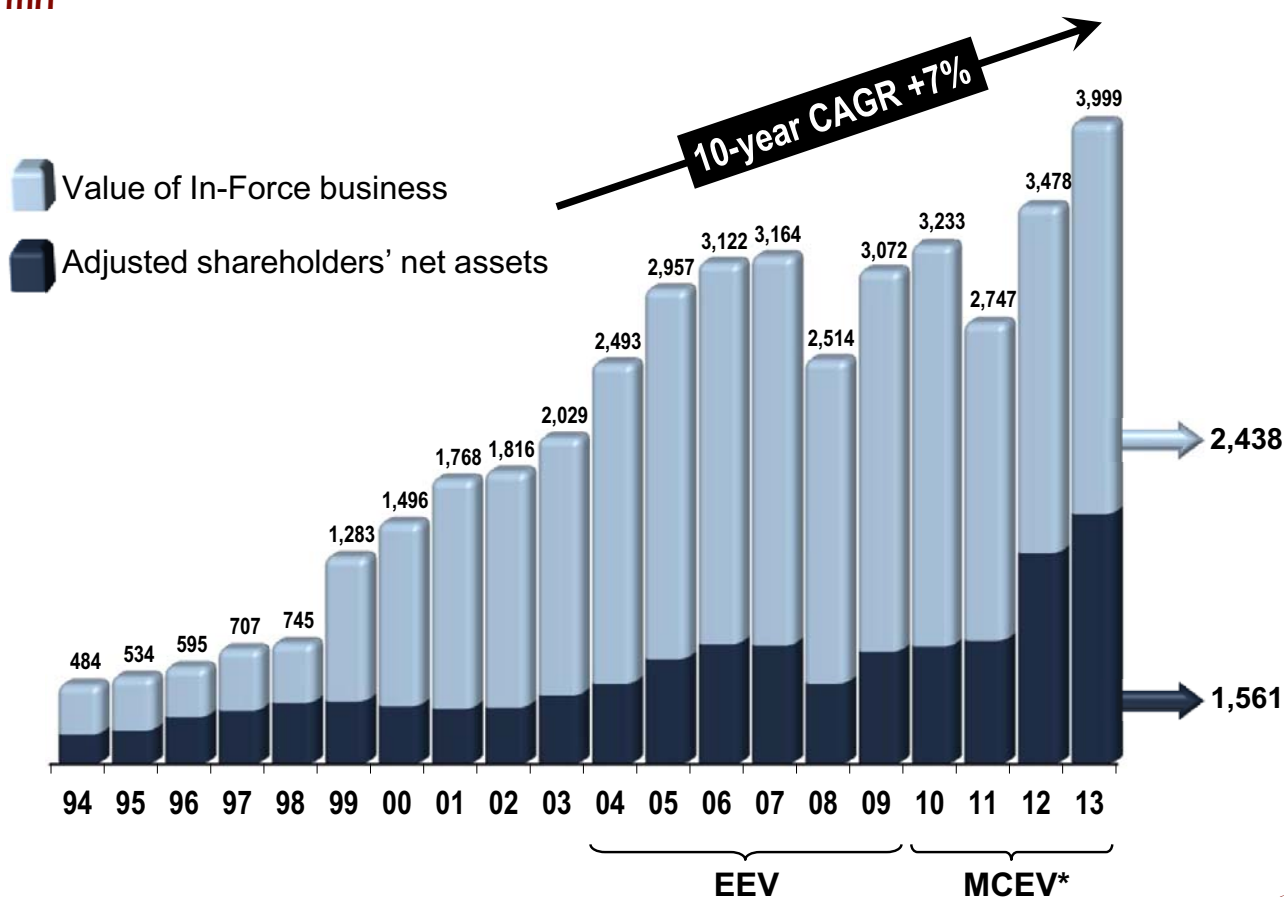
## AUA Trend

€ bn



## Embedded Value

€ mn



\* MCEV for Life business; EEV for A.M. &amp; Italian banking business





Dividend per share

**25 eurocents**

- interim dividend paid in November 2013
- balance to be paid in May 2014

10 eurocents  
15 eurocents



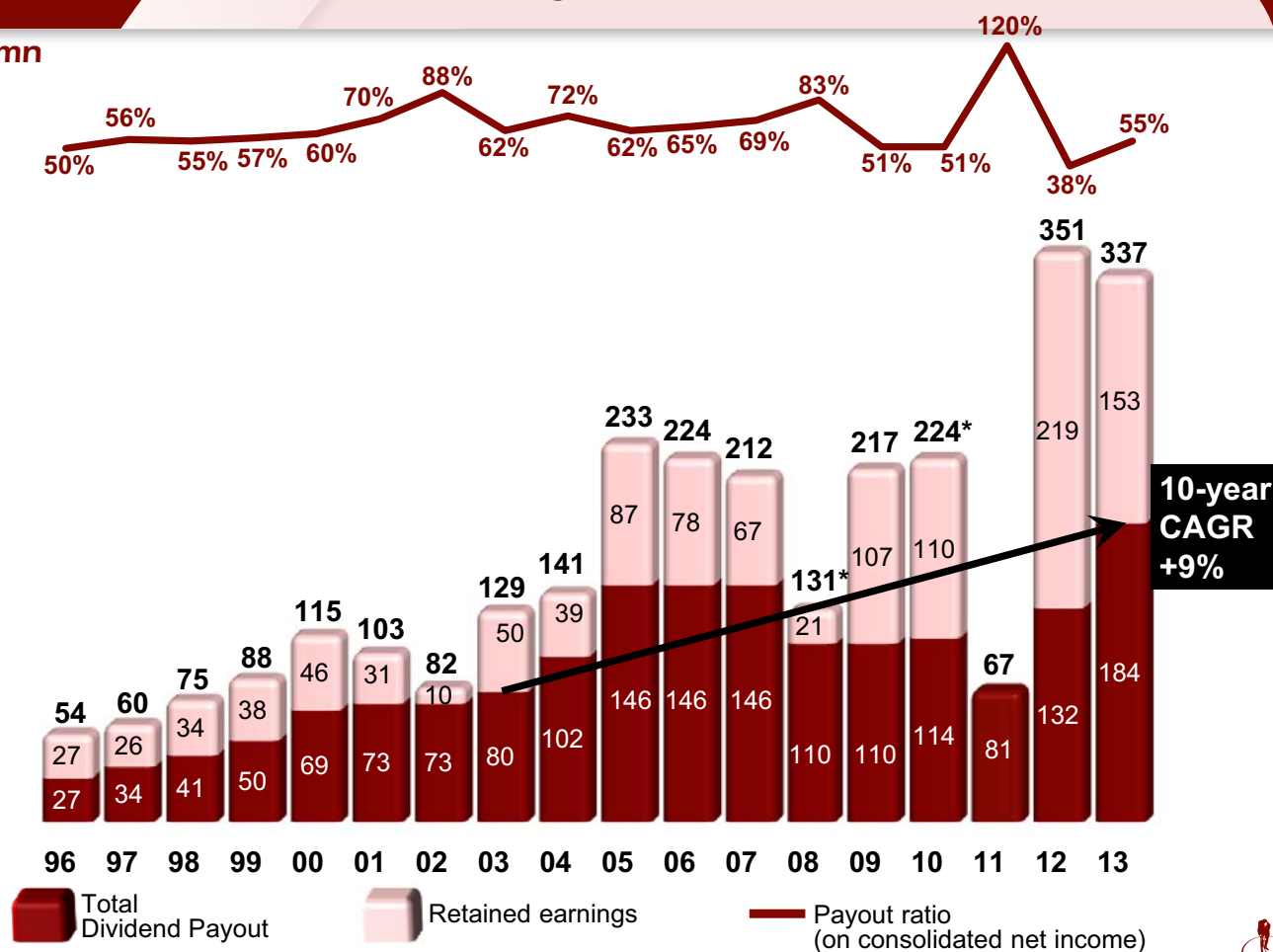
Total amount of dividends

**€ 184 mn**

Dividend payout ratio (on consolidated net income)

**55%**

€ mn



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



## FY 2013 Domestic Market Results



FY 2013  
Domestic  
Market

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## Income Statement - Domestic

€ mn

	FY13	FY12	Change
Net premiums written	4,673.1	7,925.2	-41%
Amounts paid & change in technical reserves	(4,639.1)	(7,899.1)	-41%
Insurance revenues ex U-L commissions	34.0	26.1	+30%
Entry fees	128.6	110.4	+17%
Management fees	540.8	443.7	+22%
Performance fees	174.2	167.5	+4%
Banking service fees	76.0	80.1	-5%
Other fees	31.0	37.2	-17%
Total commission income	950.7	838.9	+13%
Net interest income	250.8	278.6	-10%
Net income on investments at fair value	18.8	115.3	-84%
Net financial income	269.5	393.9	-32%
Equity contribution (Mediobanca & Banca Esperia)	0.8	(55.2)	n.s.
Net income on other investments	63.6	(2.8)	n.s.
Other revenues	22.1	24.7	-10%
<b>Total Revenues</b>	<b>1,340.8</b>	<b>1,225.6</b>	<b>+9%</b>
Acquisition costs	(406.1)	(343.0)	+18%
Other commission expenses	(36.2)	(29.6)	+22%
G&A expenses	(355.4)	(338.0)	+5%
Amortisation & depreciation	(19.4)	(12.0)	+61%
Provisions for risks & charges	(5.2)	(13.6)	-62%
<b>Total Costs</b>	<b>(822.4)</b>	<b>(736.3)</b>	<b>+12%</b>
<b>PROFIT BEFORE TAX</b>	<b>518.5</b>	<b>489.3</b>	<b>+6%</b>
Income tax	(199.4)	(140.7)	+42%
<b>NET INCOME</b>	<b>319.0</b>	<b>348.6</b>	<b>-8%</b>





# Income Statement by Quarter

€ mn

	Q112	Q212	Q312	Q412	Q113	Q213	Q313	Q413
Insurance revenues ex U-L commissions	10.3	5.0	6.9	3.9	7.6	10.6	11.5	4.3
Entry fees	25.0	26.4	23.7	35.3	32.7	39.8	26.0	30.1
Management fees	105.9	106.7	112.7	118.4	124.0	133.5	138.4	144.9
Performance fees	59.8	13.3	56.8	37.6	56.9	23.8	43.0	50.4
Banking service fees	18.6	20.2	19.9	21.4	21.4	18.9	16.8	18.9
Other fees	8.3	11.8	8.2	8.9	8.8	7.8	6.6	7.7
<b>Total commission income</b>	<b>217.6</b>	<b>178.3</b>	<b>221.4</b>	<b>221.6</b>	<b>243.8</b>	<b>223.9</b>	<b>230.9</b>	<b>252.1</b>
Net interest income	75.9	65.6	70.5	66.6	65.9	60.2	66.4	58.2
Net income on investments at FV	94.7	(16.4)	29.5	7.4	3.4	5.1	4.5	5.8
<b>Net financial income</b>	<b>170.7</b>	<b>49.2</b>	<b>100.0</b>	<b>74.0</b>	<b>69.4</b>	<b>65.3</b>	<b>70.9</b>	<b>64.0</b>
Equity contribution	1.4	0.5	(58.9)	1.7	1.8	(1.2)	(4.7)	4.8
Net income on other investments	(0.7)	(0.7)	2.3	(3.8)	28.0	(1.1)	(2.4)	39.2
Other revenues	6.5	7.4	5.4	5.4	4.3	5.8	5.1	7.0
<b>Total Revenues</b>	<b>405.8</b>	<b>239.9</b>	<b>277.2</b>	<b>302.7</b>	<b>354.8</b>	<b>303.3</b>	<b>311.3</b>	<b>371.4</b>
Acquisition costs	(76.3)	(90.5)	(78.2)	(98.1)	(97.2)	(105.5)	(92.2)	(111.2)
Other commission expenses	(7.3)	(7.4)	(8.2)	(6.6)	(8.5)	(9.2)	(9.2)	(9.3)
G&A expenses	(76.8)	(89.7)	(75.1)	(96.4)	(81.6)	(95.8)	(82.7)	(95.4)
Amortisation & depreciation	(2.7)	(2.9)	(3.2)	(3.3)	(3.3)	(5.1)	(5.3)	(5.7)
Provisions for risks & charges	(5.2)	(5.3)	(4.4)	1.3	(2.9)	2.7	(2.0)	(2.9)
<b>Total Costs</b>	<b>(168.3)</b>	<b>(195.7)</b>	<b>(169.1)</b>	<b>(203.1)</b>	<b>(193.4)</b>	<b>(212.9)</b>	<b>(191.5)</b>	<b>(224.7)</b>
<b>PROFIT BEFORE TAX</b>	<b>237.5</b>	<b>44.1</b>	<b>108.1</b>	<b>99.6</b>	<b>161.4</b>	<b>90.4</b>	<b>119.8</b>	<b>146.8</b>
Income tax	(64.3)	(7.2)	(38.1)	(31.1)	(36.2)	(27.5)	(23.5)	(112.3)
<b>NET INCOME</b>	<b>173.2</b>	<b>36.9</b>	<b>70.0</b>	<b>68.5</b>	<b>125.3</b>	<b>62.9</b>	<b>96.3</b>	<b>34.5</b>



# Acquisition Costs in detail

€ mn

	FY13	FY12	Change
One-time commissions	152.2	141.4	+8%
Ongoing commissions	149.5	123.4	+21%
<b>Total commissions</b>	<b>301.7</b>	<b>264.8</b>	<b>+14%</b>
<b>Costs related to the agency agreement</b>	<b>37.8</b>	<b>34.2</b>	<b>+10%</b>
Incentives on individual net inflows	31.0	18.1	+71%
Contests & bonuses	20.2	15.3	+31%
Reimbursement of costs for customer events	15.5	10.5	+47%
<b>Total incentives &amp; bonuses</b>	<b>66.6</b>	<b>44.0</b>	<b>+51%</b>
<b>TOTAL ACQUISITION COSTS</b>	<b>406.1</b>	<b>343.0</b>	<b>+18%</b>



## Total Net Inflows

€ mn

	FY13	FY12	Change
Life premiums	(1,513.9)	(991.2)	+53%
Asset management products	4,582.8	2,343.3	+96%
<b>Managed Assets Inflows</b>	<b>3,068.9</b>	<b>1,352.2</b>	<b>+127%</b>
3rd-party Structured Bonds	(67.0)	200.7	n.s.
<b>Managed Assets incl. Structured Bonds</b>	<b>3,001.9</b>	<b>1,552.9</b>	<b>+93%</b>
Cash deposits	2,306.6	2,134.0	+8%
Repurchase agreements	20.1	(198.3)	n.s.
Mediolanum bonds	(56.3)	(101.6)	-45%
Other securities under custody	(222.2)	(57.9)	+284%
<b>Administered Assets Inflows</b>	<b>2,048.2</b>	<b>1,776.3</b>	<b>+15%</b>
'Freedom' Life Policies (change in assets)	(1,710.7)	(1,070.8)	+60%
<b>Administered Assets incl. 'Freedom' accts.</b>	<b>337.5</b>	<b>705.5</b>	<b>-52%</b>
<b>BANCA MEDIOLANUM</b>	<b>3,339.4</b>	<b>2,258.3</b>	<b>+48%</b>
<b>BANCA ESPERIA (Mediolanum's share)</b>	<b>(71.2)</b>	<b>(620.5)</b>	<b>-89%</b>
<b>TOTAL NET INFLOWS</b>	<b>3,268.3</b>	<b>1,637.8</b>	<b>+100%</b>



## Profit by Segment

€ mn

	FY13	FY12	Change
Asset Management	221.8	189.1	+17%
Insurance	181.1	225.1	-20%
Banking	128.1	144.5	-11%
Other	(12.5)	(69.5)	-82%
<b>PROFIT BEFORE TAX</b>	<b>518.5</b>	<b>489.3</b>	<b>+6%</b>



# Asset Management Segment

## Gross Inflows

€ mn - U-L assets not included

	FY13	FY12	Change
'Best Brands' funds of funds (IRL)	5,880.3	3,659.0	+61%
'Challenge' mutual funds (IRL)	670.6	1,018.9	-34%
'Fondi Italia' mutual funds (ITA)	1,525.6	1,067.9	+43%
'Real estate' fund (ITA)	0.0	18.2	n.s.
Other funds & managed accounts	33.5	27.7	+21%
<b>GROSS INFLOWS INTO ASSET MANAGEMENT</b>	<b>8,110.0</b>	<b>5,791.7</b>	<b>+40%</b>



# Asset Management Segment

## Net Inflows

€ mn - U-L assets not included

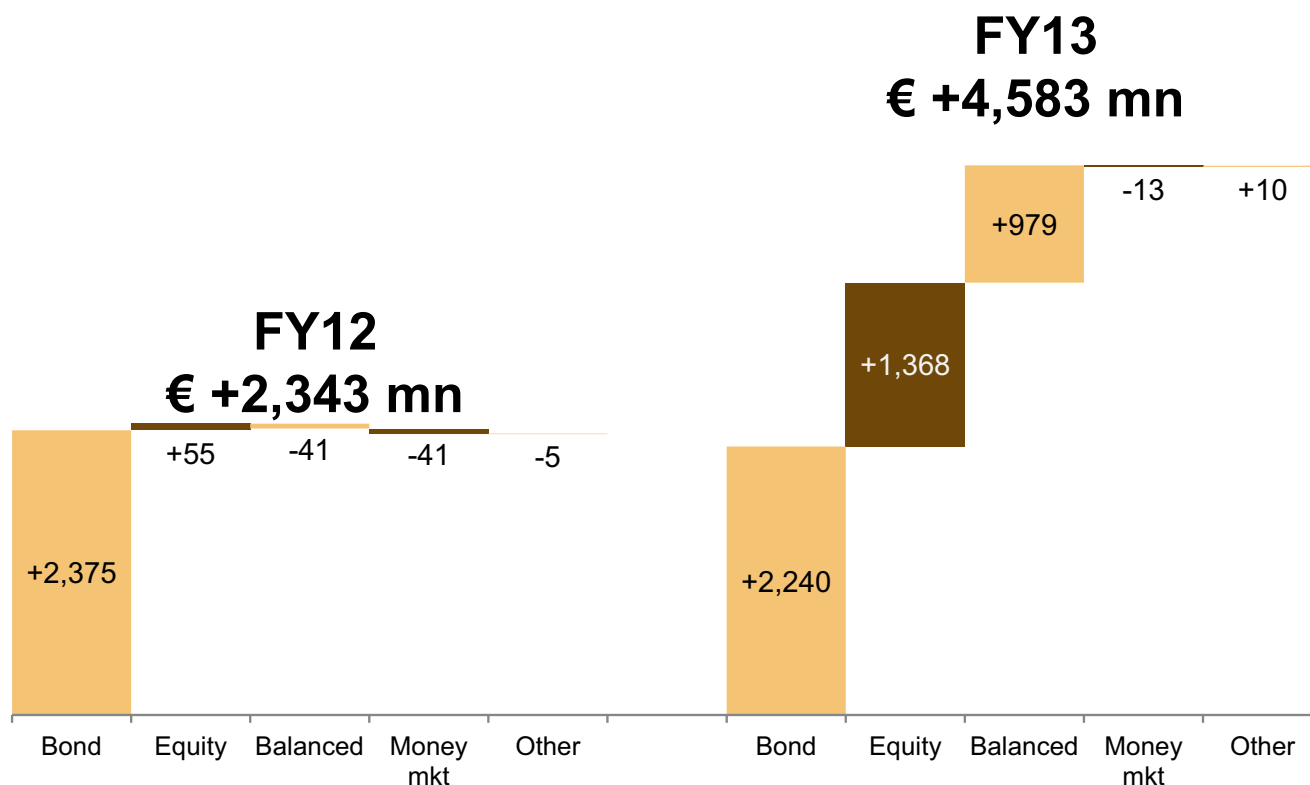
	FY13	FY12	Change
'Best Brands' funds of funds (IRL)	3,880.1	1,885.7	+106%
'Challenge' mutual funds (IRL)	(234.0)	(8.1)	n.s.
'Fondi Italia' mutual funds (ITA)	1,012.5	569.2	+78%
'Real estate' fund (ITA)	0.0	0.6	n.s.
Other funds & managed accounts	(75.9)	(104.2)	-27%
<b>NET INFLOWS INTO ASSET MANAGEMENT</b>	<b>4,582.8</b>	<b>2,343.3</b>	<b>+96%</b>



# Asset Management Segment

## Net Inflows by Category\*

€ mn



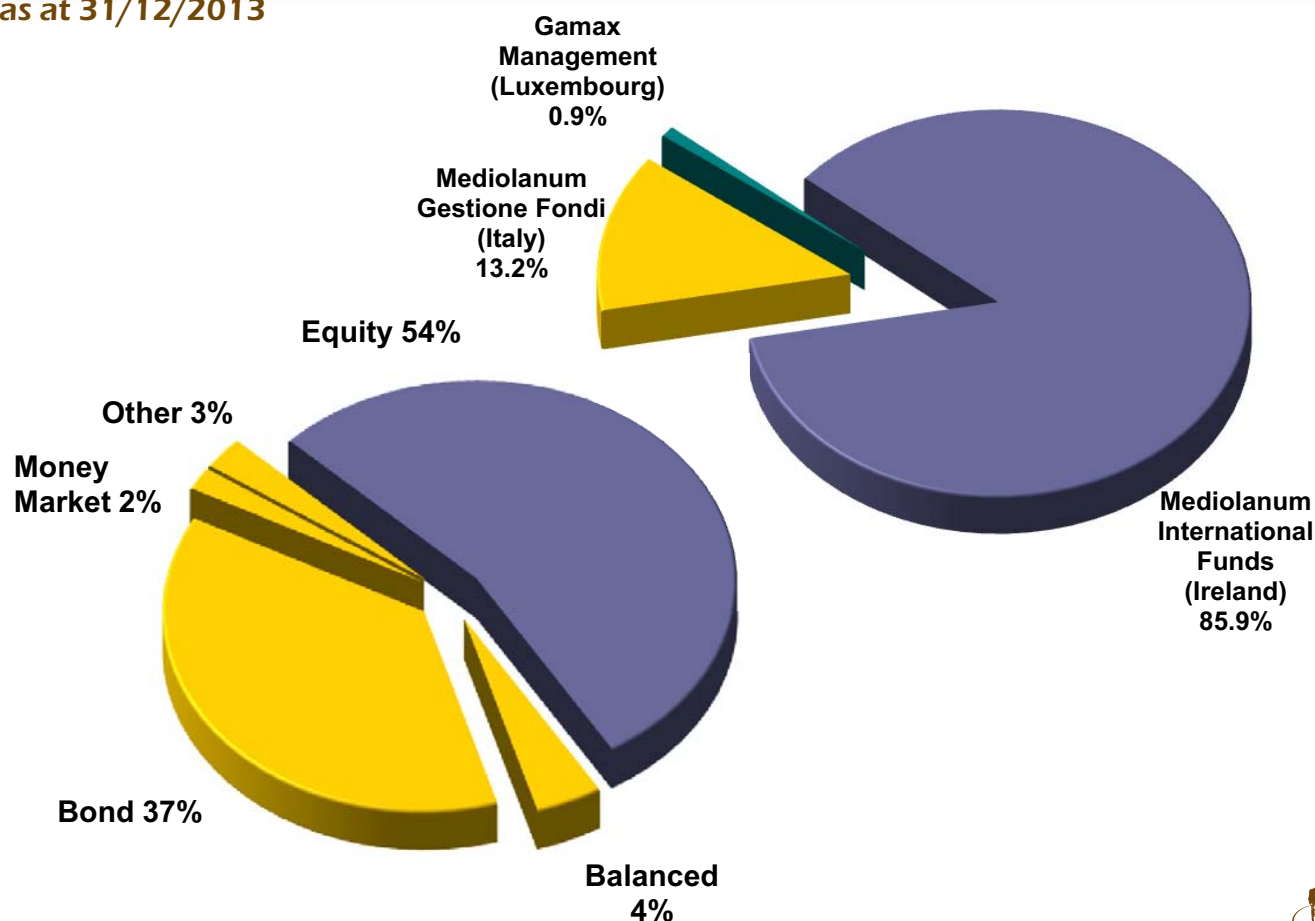
\* Flexible funds are classified according to their equivalent risk level



# Asset Management Segment

## Assets\* by category and A.M. company

as at 31/12/2013



\* including U-L assets. Flexible funds are classified according to their equivalent risk level.



# Asset Management Segment

## Assets under Management

€ mn - including U-L assets

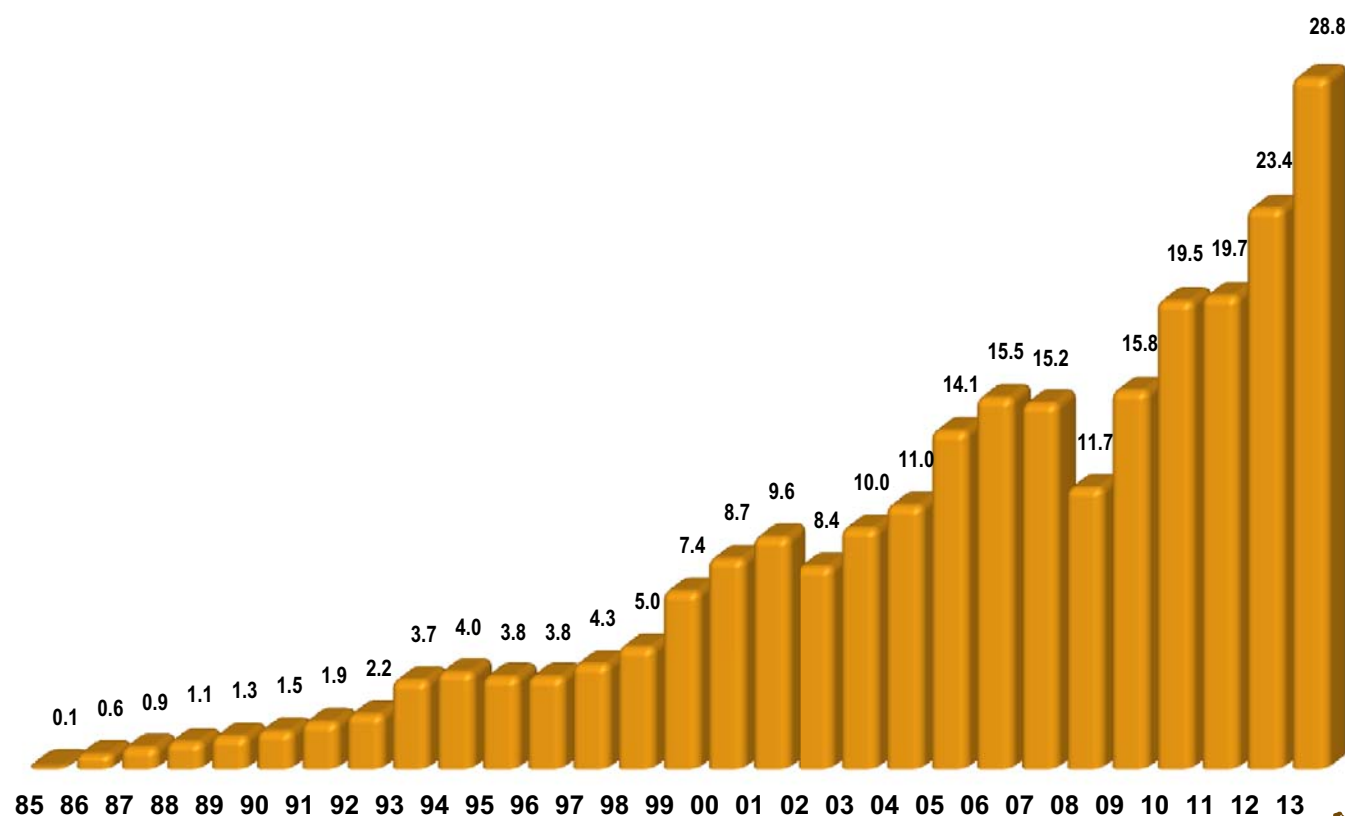
	31/12/13	31/12/12	Change
'Best Brands' funds of funds (IRL)	11,494.7	7,676.9	+50%
'Portfolio' funds of funds (IRL)	532.2	578.5	-8%
'Challenge' mutual funds (IRL)	12,541.3	11,980.7	+5%
Funds of Hedge Funds (IRL)	178.1	193.8	-8%
'Fondi Italia' mutual funds (ITA)	3,803.9	2,839.6	+34%
'Real estate' fund (ITA)	427.3	436.6	-2%
Other funds & managed accounts	424.5	321.2	+32%
<i>Adj. for own mutual funds in FoFs &amp; managed accts.</i>	(566.4)	(642.9)	-12%
<b>ASSET MANAGEMENT ASSETS</b>	<b>28,835.6</b>	<b>23,384.4</b>	<b>+23%</b>



# Asset Management Segment

## AUM Trend

€ bn – including U-L assets



# Insurance Segment Revenues

€ mn

	FY13	FY12	Change
Premiums less Amounts paid & change in reserves	34.0	26.1	+30%
Commission income	297.1	269.4	+10%
Net Interest Income	16.3	17.1	-5%
Net income on investments at fair value	6.2	81.5	-92%
o/w unrealised	4.0	26.2	-85%
Net financial income	22.5	98.6	-77%
Net income on other investments	1.9	8.2	-77%
Other fees & Other revenues	13.5	12.5	+7%
<b>INSURANCE REVENUES</b>	<b>368.9</b>	<b>414.8</b>	<b>-11%</b>



# Insurance Segment Life - Gross Premiums Written

€ mn

	FY13	FY12	Change
U-L pension plans	15.3	25.5	-40%
U-L endowment policies	14.8	22.1	-33%
U-L whole-life investment policies	12.9	13.1	-1%
<b>Recurring policies (AP)*</b>	<b>43.1</b>	<b>60.7</b>	<b>-29%</b>
Term, Group, Investment policies	10.1	10.4	-3%
U-L whole-life investment policies	58.9	76.9	-23%
U-L 'Synergy'	9.2	37.1	-75%
'Tax Benefit New' inbound portability	21.6	22.7	-5%
<b>Single premium policies (SP)</b>	<b>99.8</b>	<b>147.2</b>	<b>-32%</b>
<b>TOTAL NEW BUSINESS</b>	<b>142.9</b>	<b>207.9</b>	<b>-31%</b>
Pension plans in force	507.0	523.4	-3%
Endowment policies in force	275.5	297.3	-7%
Whole-life investment policies in force	176.5	203.6	-13%
<b>TOTAL IN-FORCE BUSINESS</b>	<b>958.9</b>	<b>1,024.3</b>	<b>-6%</b>
<b>TOTAL GROSS PREMIUMS WRITTEN (EX-'FREEDOM')</b>	<b>1,101.8</b>	<b>1,232.2</b>	<b>-11%</b>
<b>'Freedom' Life Policies</b>	<b>3,559.1</b>	<b>6,703.8</b>	<b>-47%</b>

\* includes automatic increase in premiums & discretionary increases paid (also on discontinued products)



# Insurance Segment

## Life - Amounts Paid in detail

€ mn - ex 'Freedom' Life Policies

	FY13	FY12	Change
Claims	58.1	64.8	-10%
Coupons	54.6	64.5	-15%
Maturities	1,333.3	1,095.8	+22%
<i>o/w index-linked</i>	960.8	773.4	+24%
Surrenders	1,169.7	997.6	+17%
<b>LIFE AMOUNTS PAID</b>	<b>2,615.7</b>	<b>2,222.8</b>	<b>+18%</b>



# Insurance Segment

## Life - Surrender Rate

expressed as a % of average reserves

	FY13	FY12
U-L Individual pension plans	2.8%	3.6%
Traditional pension plans	1.6%	1.4%
U-L endowment policies	8.3%	7.8%
U-L whole-life investment policies	23.6%	22.9%
Traditional investment policies*	5.8%	4.7%

\* discontinued products, almost all of which are whole-life



# Insurance Segment

## Life - Policyholders' Assets

€ mn

	31/12/13	31/12/12	Change
Traditional	1,315.5	1,372.0	-4%
Index-linked	1,474.8	2,572.7	-43%
Unit-linked pension plans	4,421.8	3,728.2	+19%
Unit-linked endowment policies	3,772.4	3,620.7	+4%
Unit-linked investment policies	2,498.1	2,502.1	-0%
Unit-linked	10,692.3	9,851.0	+9%
o/w equity	71.4%	74.1%	-4%
<b>LIFE ASSETS (EX-'FREEDOM')</b>	<b>13,482.6</b>	<b>13,795.7</b>	<b>-2%</b>
<b>'Freedom' Life Policies</b>	<b>1,722.3</b>	<b>3,433.0</b>	<b>-50%</b>



# Banking Segment

## Revenues

€ mn

	FY13	FY12	Change
Securities trading fees	31.2	33.7	-8%
o/w 3rd-party structured bonds	21.6	23.5	-8%
Service fees	44.8	46.4	-3%
<b>Fee income</b>	<b>76.0</b>	<b>80.1</b>	<b>-5%</b>
Net interest income	247.0	275.1	-10%
Net income on investments at fair value	12.6	33.8	-63%
o/w unrealised	8.3	11.7	-29%
<b>Net financial income</b>	<b>259.5</b>	<b>308.9</b>	<b>-16%</b>
<b>Net income on other investments</b>	<b>61.7</b>	<b>(10.4)</b>	<b>n.s.</b>
<b>Other fees &amp; Other revenues</b>	<b>12.6</b>	<b>23.7</b>	<b>-47%</b>
<b>BANKING REVENUES</b>	<b>409.9</b>	<b>402.2</b>	<b>+2%</b>





# Banking Segment

## Mortgage Update

€ mn

	FY 2013	FY 2012
<b>Stock</b>		
Mortgage portfolio	3,495.8	2,991.8
Avg. spread	1,70%	1.58%
Avg. duration in yrs	20	20
Avg. initial LTV	64%	63%
<b>New business</b>		
Total amount granted	702.5	753.6
Avg. spread	2.86%	2.26%
Avg. amount granted	141	150
Avg. initial LTV	69%	69%



# Banking Segment

## Assets under Administration\*

€ mn

	31/12/13	31/12/12	Change
Cash deposits	9,929.8	7,623.1	+30%
Repurchase agreements	32.9	12.9	+156%
Mediolanum bonds	355.6	409.7	-13%
3rd-party structured bonds	1,282.8	1,216.1	+5%
Other securities under custody	2,088.9	2,074.8	+1%
<b>BANKING ADMINISTERED ASSETS</b>	<b>13,690.1</b>	<b>11,336.5</b>	<b>+21%</b>



€ mn

	FY13	FY12	Change
Net Income	1.5	5.1	-70%
<i>o/w Mediolanum share</i>	<i>0.8</i>	<i>2.5</i>	<i>-70%</i>
Assets under Administration	15,300	13,800	+11%
<i>% in Managed Assets</i>	<i>49.2%</i>	<i>55.7%</i>	<i>-12%</i>
Net Inflows	(142)	(1,241)	-89%
<i>o/w Managed Assets Inflows</i>	<i>(325)</i>	<i>(770)</i>	<i>-58%</i>
Private Bankers	78	72	+8%
Clients	3,685	3,837	-4%



## FY 2013 Foreign Markets Results



€ mn

	FY13	FY12	Change
<b>Net Income</b>	<b>26.3</b>	<b>7.2</b>	<b>+265%</b>
Managed Assets	1,462.2	1,181.2	+24%
Administered Assets	914.1	618.4	+48%
<b>Total Assets</b>	<b>2,376.3</b>	<b>1,799.6</b>	<b>+32%</b>
<b>Gross Inflows into Managed Assets</b>	<b>537.9</b>	<b>285.2</b>	<b>+89%</b>
Net Inflows into Managed Assets	237.7	88.2	+170%
Net Inflows into Administered Assets	212.8	26.2	n.s.
<b>Total Net Inflows</b>	<b>450.5</b>	<b>114.3</b>	<b>+294%</b>
Financial Advisors (Mediolanum model)	652	551	+18%
Traditional agents	38	39	-3%
<b>Total Sales Network</b>	<b>690</b>	<b>590</b>	<b>+17%</b>
<b>Total Customers</b>	<b>84,335</b>	<b>78,856</b>	<b>+7%</b>



€ mn

	FY13	FY12	Change
<b>Net Income</b>	<b>(7.0)</b>	<b>(6.5)</b>	<b>+8%</b>
Managed Assets	158.6	127.9	+24%
Administered Assets	72.5	86.5	-16%
<b>Total Assets</b>	<b>231.1</b>	<b>214.5</b>	<b>+8%</b>
<b>Gross Inflows into Managed Assets</b>	<b>53.0</b>	<b>37.1</b>	<b>+43%</b>
Net Inflows into Managed Assets	17.8	26.4	-33%
Net Inflows into Administered Assets	(13.5)	28.2	n.s.
<b>Total Net Inflows</b>	<b>4.3</b>	<b>54.6</b>	<b>-92%</b>
<b>Financial Advisors</b>	<b>46</b>	<b>46</b>	<b>--</b>
<b>Total Customers</b>	<b>4,537</b>	<b>4,533</b>	<b>+0%</b>



# Germany - Gamax Highlights

€ mn

	FY13	FY12	Change
Net Income	2.6	1.7	+47%
Assets under Administration	214.0	228.4	-6%
Gross Inflows	105.4	53.7	+96%
Net Inflows	(41.9)	(0.1)	n.s.



# Germany - Total Highlights

€ mn

	FY13	FY12	Change
Net Income before impairment	(4.5)	(4.7)	-6%
Impairment of CGU 'Germany'	(4.3)		n.s.
<b>Net Income</b>	<b>(8.7)</b>	<b>(4.7)</b>	<b>+84%</b>
Managed Assets	372.7	356.4	+5%
Administered Assets	72.5	86.5	-16%
<b>Total Assets</b>	<b>445.2</b>	<b>442.9</b>	<b>+1%</b>
<b>Gross Inflows into Managed Assets</b>	<b>158.4</b>	<b>90.8</b>	<b>+74%</b>
Net Inflows into Managed Assets	(24.1)	26.3	n.s.
Net Inflows into Administered Assets	(13.5)	28.2	n.s.
<b>Total Net Inflows</b>	<b>(37.6)</b>	<b>54.5</b>	<b>n.s.</b>
<b>Total Sales Network</b>	<b>46</b>	<b>46</b>	<b>--</b>
<b>Total Customers</b>	<b>4,537</b>	<b>4,533</b>	<b>+0%</b>



## FY 2013 Group Embedded Value



FY 2013  
Group EV

## MCEV-compliant Methodology



42

Further details available in the supplementary disclosure on the Mediolanum website

### Compliant with CFO Forum MCEV Principles

-  MCEV fully adopted for covered business (Life Insurance)

### Asset Management and Banking

-  Consistent methodology to covered business
-  Risk margins for financial & non-financial risks

### Changes in methodology for FY13 & FY12R restated figures

-  Improved modelling of Italian banking business



# Group Embedded Value

€ mn

	FY13	FY12R	FY12	Change
Published shareholders' net assets	1,651	1,420	1,420	+16%
Adjustments to net assets	(90)	(103)	(103)	-13%
<b>Adjusted shareholders' net assets</b>	<b>1,561</b>	<b>1,317</b>	<b>1,317</b>	<b>+19%</b>
Italy - VIF Life Business (MCEV)	1,262	1,294	1,294	-2%
Italy - VIF A.M. Business	910	686	686	+33%
Italy - VIF Banking Business	181	101	114	+78%
Spain - VIF Life Business (MCEV)	51	41	41	+23%
Spain - VIF A.M. Business	35	25	25	+38%
<b>Value of In-Force Business</b>	<b>2,438</b>	<b>2,148</b>	<b>2,160</b>	<b>+14%</b>
<b>Group Embedded Value</b>	<b>3,999</b>	<b>3,465</b>	<b>3,478</b>	<b>+15%</b>



# Embedded Value Earnings

€ mn

	FY13	FY12
Change in EV over the year	534*	731
Dividends paid	132	103
Other capital movements	(6)	(3)
<b>EV Earnings</b>	<b>660</b>	<b>831</b>

\* with respect to FY12R



# EV Earnings Components (1)

## Earnings on Initial EV

€ mn

	FY13	FY12
Expected return on EV - unwind	112	194
Operating assumption changes	(168)	(42)
Economic assumption changes & experience variances	338	399
Operating experience variances*	33	30
<b>Earnings on Initial EV</b>	<b>315</b>	<b>581</b>
<b>Value added by New Business</b>	<b>345</b>	<b>250</b>
<b>EV Earnings</b>	<b>660</b>	<b>831</b>

\* expanded in the next slide



# Earnings on Initial EV:

## Operating Experience Variances

€ mn

	FY13
Performance fees	59
A.M. Persistency / paid-ups	36
Life Persistency / paid-ups	(3)
Provision for tax litigation	(53)
Extraordinary expenses	(11)
Other	6
<b>Experience variances</b>	<b>33</b>



# EV Earnings Components (2)

## Value Added by New Business

€ mn

	FY13	FY12
<b>Earnings on Initial EV</b>	<b>315</b>	<b>581</b>
Life New Business	31	10
A.M. New Business	288	194
Banking New Business	26	47
<b>Value added by New Business</b>	<b>345</b>	<b>250</b>
<b>EV Earnings</b>	<b>660</b>	<b>831</b>



# Life New Business Margins (%PVNBP\*)

## Domestic Market

€ mn

	FY13	FY12	Change
<b>Unit-linked Pension Plans</b>	<b>7.9%</b>	<b>1.6%</b>	<b>+455%</b>
Value of New Business – 'moment of sale'	13	3	+406%
PVNBP	168	184	-9%
<b>Other Unit-linked policies</b>	<b>3.7%</b>	<b>1.4%</b>	<b>+158%</b>
Value of New Business – 'moment of sale'	6	4	+69%
PVNBP	170	261	-35%
<b>Life New Business Margin (ex-'Freedom')</b>	<b>5.8%</b>	<b>1.4%</b>	<b>+306%</b>
<b>'Freedom' policies</b>	<b>-0.5%</b>	<b>-0.7%</b>	<b>-28%</b>
Value of New Business – 'moment of sale'	(0)	(5)	-97%
PVNBP	35	713	-95%





# A.M. New Business Margins(%PVNBP\*)

## Domestic Market

€ mn

	FY13	FY12	Change
<b>A.M. New Business Margin</b>	<b>4.2%</b>	<b>4.0%</b>	<b>+4%</b>
Value of New Business - 'moment of sale'	280	189	+48%
PVNBP	6,681	4,687	+43%

\* Present Value of New Business Premiums



# Life New Business Margins (%APE\*)

## Domestic Market

€ mn

	FY13	FY12	Change
<b>Unit-linked Pension Plans</b>	<b>95.5%</b>	<b>18.1%</b>	<b>+432%</b>
Value of New Business - 'moment of sale'	13	3	+406%
Recurring premiums	11	12	-8%
Single premiums (inbound portability)	25	22	+13%
APE	14	14	-5%
<b>Other Unit-linked policies</b>	<b>31.1%</b>	<b>13.3%</b>	<b>+134%</b>
Value of New Business - 'moment of sale'	6	4	+69%
Recurring premiums	12	16	-22%
Single premiums	77	121	-36%
APE	20	28	-28%
<b>Life New Business Margin (ex-'Freedom')</b>	<b>57.6%</b>	<b>14.9%</b>	<b>+286%</b>

\* Annual Premium Equivalent



# A.M. New Business Margins (%APE\*)

## Domestic Market

€ mn

	FY13	FY12	Change
<b>A.M. New Business Margin</b>	<b>41.1%</b>	<b>39.1%</b>	<b>+5%</b>
Value of New Business - 'moment of sale'	280	189	+48%
Installment plans	53	61	-13%
Lump sum investments	6,286	4,219	+49%
APE	681	483	+41%

\* Annual Premium Equivalent



# Spain

## In-force & New Business Value

€ mn

	FY13	FY12
VIF Life Business	51	41
VIF A.M. Business	35	26
<b>Value of In-force Business</b>	<b>86</b>	<b>67</b>
Life New Business	11	8
A-M. New Business	8	5
<b>Value added by New Business</b>	<b>19</b>	<b>13</b>



## Business Update



Business  
Update

## Mediolanum: the Market Leader in 2013 Net Inflows

54

Italian Networks by group - € thousands

	FY 2013		
	Total Net Inflows	o/w Managed Assets	o/w Mutual Funds
<b>Banca Mediolanum</b>	<b>3,397,417*</b>	<b>3,126,980*</b>	<b>4,585,255</b>
Azimut	2,777,687	2,737,974	914,456
Unicredit (Finecobank)	2,549,330	2,390,765	2,542,023
Allianz Bank	2,458,850	2,455,553	309,271
Banca Fideuram (incl. Sanpaolo)	2,441,277	5,493,876	1,142,940
Banca Generali	2,260,128	2,768,519	1,489,083
Deutsche Bank (Finanza & Futuro)	772,571	852,705	370,943
Credem	362,228	389,382	295,245
Veneto Banca	135,288	208,371	82,326
UBI	6,492	233,501	268,072
Banca Pop. Vicenza (Banca Nuova)	-11,352	66,626	62,669
Consultinvest	-110,817	-84,977	-15,293
Monte dei Paschi di Siena	-395,572	-94,538	-35,934

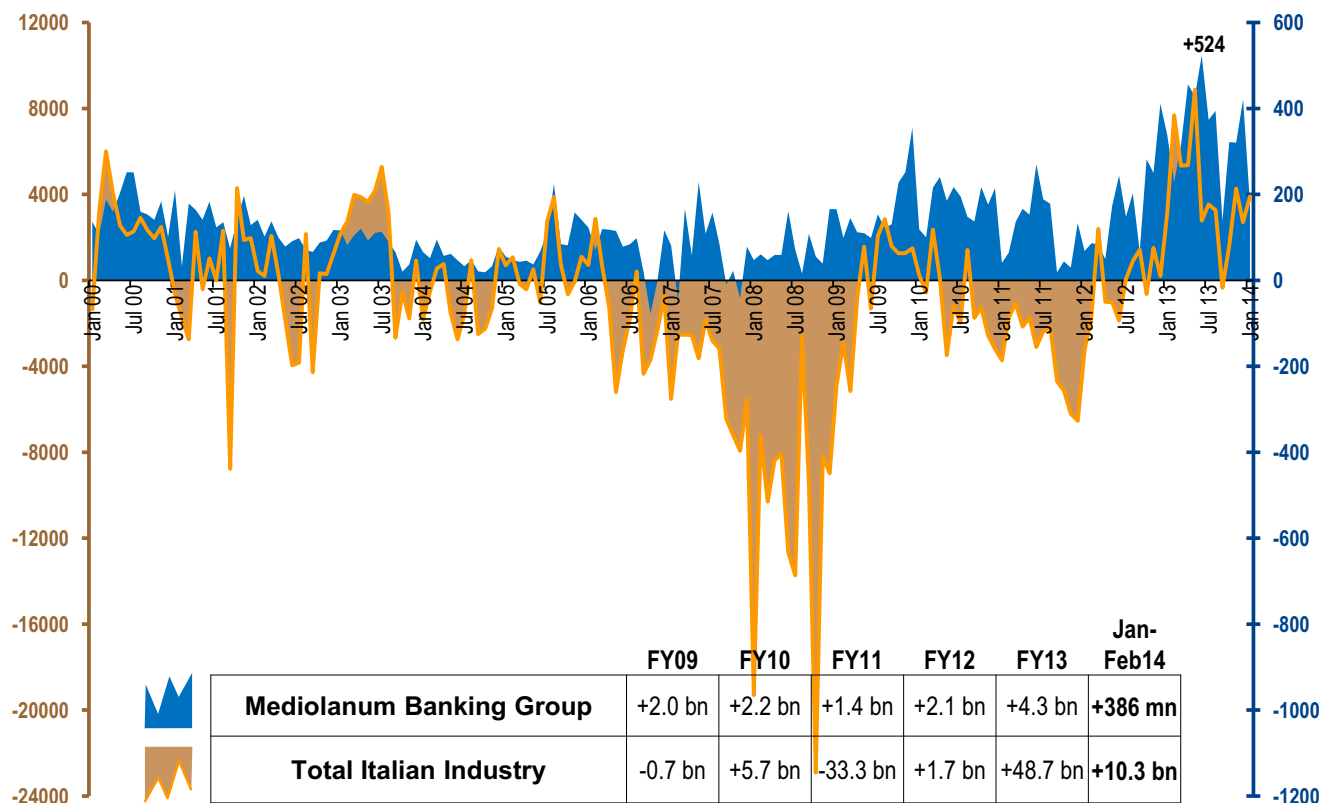
\* accounts for approximately € -961 mn in maturities of discontinued Index-Linked policies

source: Assoreti



# Net Inflows into Mutual Funds\*

€ mn



\* including Managed Accounts &amp; Unit-linked policies

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



## Banca Mediolanum February 2014 Net Inflows

€ mn

	Feb '14	Jan-Feb'14	Jan-Feb'13
Life premiums	(87)	(170)	(252)
Asset management products	240	413	619
<b>Managed Assets Inflows</b>	<b>153</b>	<b>243</b>	<b>367</b>
3rd-party Structured Bonds	(15)	(18)	12
<b>Managed Assets incl. Structured Bonds</b>	<b>138</b>	<b>225</b>	<b>379</b>
<b>Administered Assets Inflows</b>	<b>220</b>	<b>307</b>	<b>1,001</b>
'Freedom' Life Policies (change in assets)	(49)	(77)	(852)
<b>Administered Assets incl. 'Freedom' accts.</b>	<b>171</b>	<b>230</b>	<b>148</b>
<b>BANCA MEDIOLANUM</b>	<b>309</b>	<b>454</b>	<b>528</b>



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

Source: Assogestioni

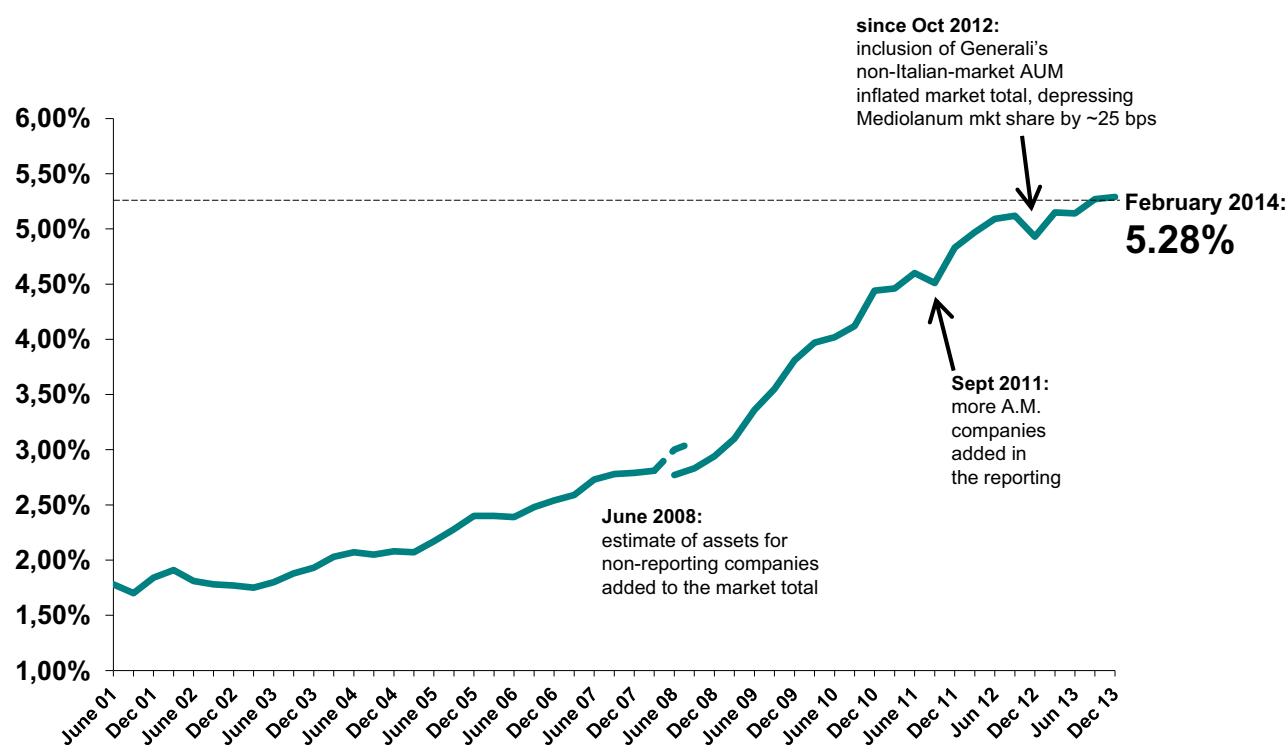
(M&amp;A operations)

	December 2007	December 2008	December 2009	December 2010	December 2011	December 2012	February 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	UBI Banca	AM Holding	Generali *	Generali *
4. Arca	Arca	Bipiemme/Anima	Mediolanum	Mediolanum	AM Holding	Anima Holding	
5. Banco Popolare	MPS	Arca	Bipiemme/Anima	F. Templeton	F. Templeton	Mediolanum	
6. MPS	Mediolanum	Mediolanum	Arca	Generali	Mediolanum	F. Templeton	
7. Crédit Agricole	BNP Paribas	Prima	BNP Paribas	BNP Paribas	Ubi Banca	Arca	
8. BNP Paribas	Generali	BNP Paribas	Prima	UBI Banca	Azimut	Azimut	
9. JPMorgan	Azimut	Azimut	Generali	Azimut	Arca	BNP Paribas	
10. Mediolanum	Banco Popolare	Generali	Azimut	Arca	BNP Paribas	JPMorgan	
11. Azimut	JPMorgan	JPMorgan	Amundi	Amundi	Amundi	BNP Paribas	
12. Generali	Bipiemme	Crédit Agricole	JPMorgan	JPMorgan	JPMorgan	Banco Popolare	
13. Bipiemme	Crédit Agricole	Credem	Credem	Schroders	Schroders	Amundi	
14. Allianz	Allianz	Banco Popolare	Banco Popolare	Pictet	Pictet	Schroders	
15. Anima	Credem	Allianz	Allianz	Société Générale	Banco Popolare	Pictet	
Market share:	2.79%	2.94%	3.81%	4.44%	4.83%	4.93%	5.28%
Assets (€ bn)	15.9	12.0	16.4	20.1	20.2	24.0	30.3

\* 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, with access to 100+ funds: all Mediolanum funds plus a selection from well-known A.M. companies (up to 40% of total assets)



**Legal protection of investments:** assets cannot be seized or frozen



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



**Tax efficiency:** when switching among funds within the policy or requesting periodic advance payments, 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



Periodic coupon-like payments can be requested at any time, with a choice of duration (5-15 yrs) and frequency



Basic Term guarantee included (paying up to an additional 2.5% depending on age of deceased). 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** (2.25% spread over Euribor, lower than any competitor) **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

Requests for € 270 million in the first six months

43% of mortgage applications come from perspective customers



# '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 (2.50% through March 2014)



Dec 2013 – Mar 2014 Promo: up to 3.30% when a customer also invests in managed products and/or transfers securities under custody



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 28/02/2014 – also includes other locked-in products

New customers	49,067
o/w direct access	28%
o/w through Family Banker	72%
<b>Total assets from new customers (€ mn)</b>	<b>1,407</b>
Existing customers	102,587
<b>Total assets from existing customers (€ mn)</b>	<b>2,477</b>
Total customers	151,654
<b>Total assets in locked-in products (€ mn)</b>	<b>3,884</b>








## '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 2.00%) higher than the original 'Freedom' account to encourage switching into 'Freedom+'
-  Optional: 1-yr locked-in amounts are remunerated at 2.50% (no need to open a separate InMediolanum deposit account)





as at 28/02/2014 – locked-in amounts not included

## Total Accounts

194,148

## Total assets in 'Freedom' & 'Freedom+'

€ 5.04 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

€ 1.65 bn

€ 1.86 bn



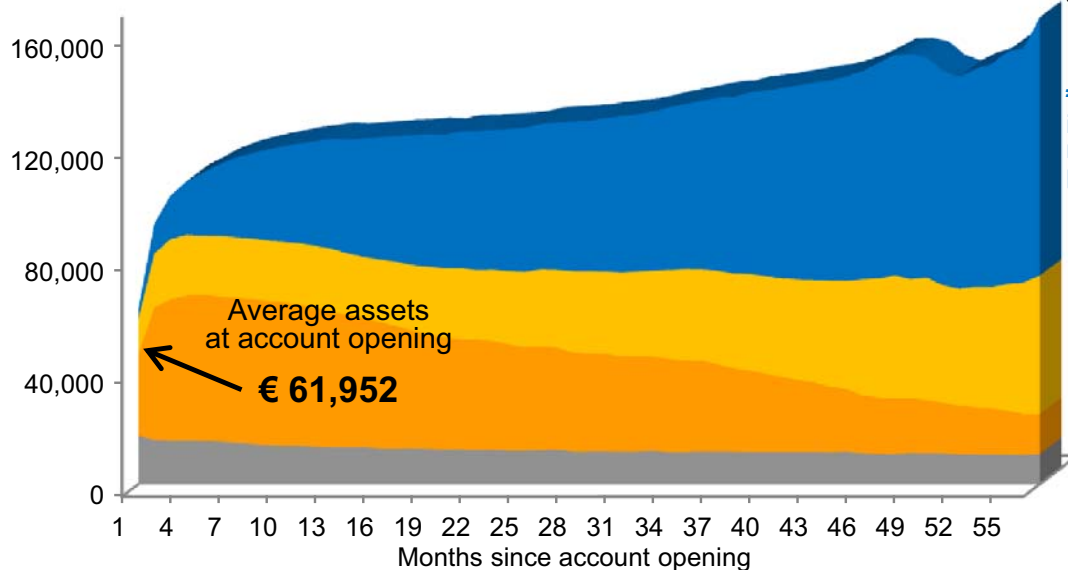
# 'Freedom' account customers: Cross-selling into managed products

Per-capita asset growth of 'Freedom' account holders\*  
(€ 7.6 bn in total assets as at 31/12/2013)

Average assets  
after 56 months

€ 165,672

€ 91,745 (55%)  
in high-margin  
managed assets  
products



Non-interest-bearing  
bank account

Other Banking products  
& accounts

Managed assets  
(Life products, Mutual funds,  
3rd-party Structured Bonds)

'Freedom' Life policy

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



# Banca Mediolanum

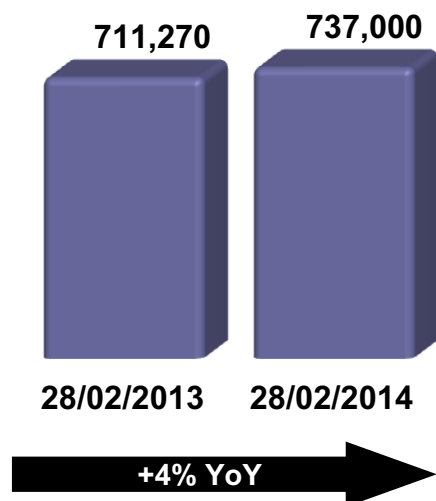
## Bank Accounts & Bank Customers

67

as at 28/02/2014

### Bank Accounts

(including deposit accounts)



### Customers

(883,123 primary account holders)



...56% of which use Mediolanum as their primary banking institution: 371,959, up 11% vs. 28/02/2013

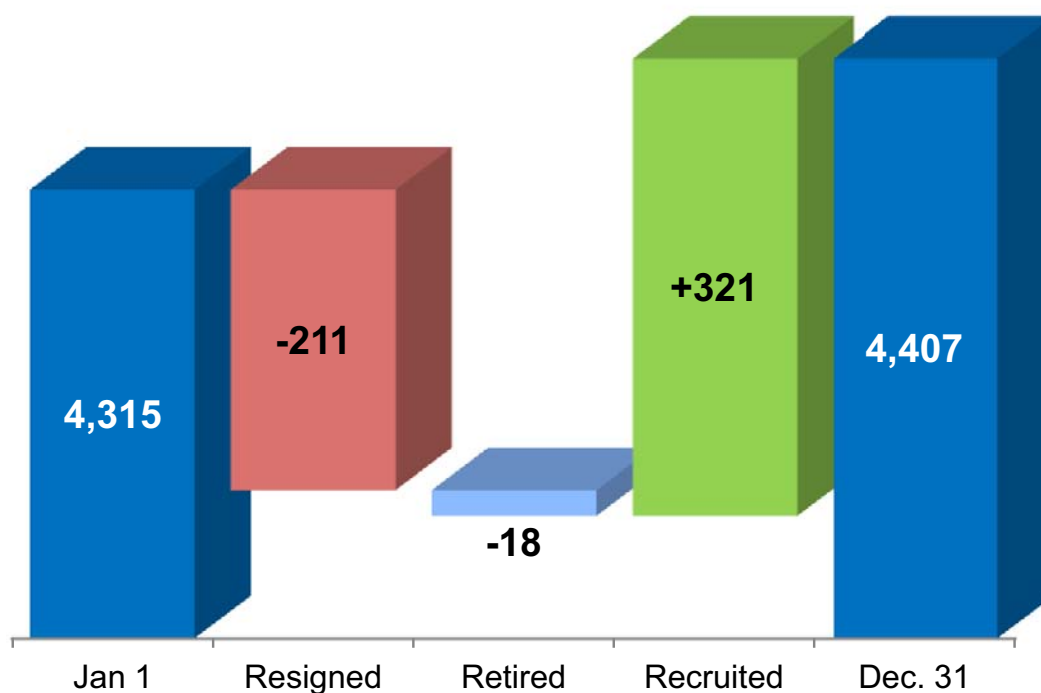


# Banca Mediolanum

## Network of Family Bankers

68

Change in headcount, year 2013



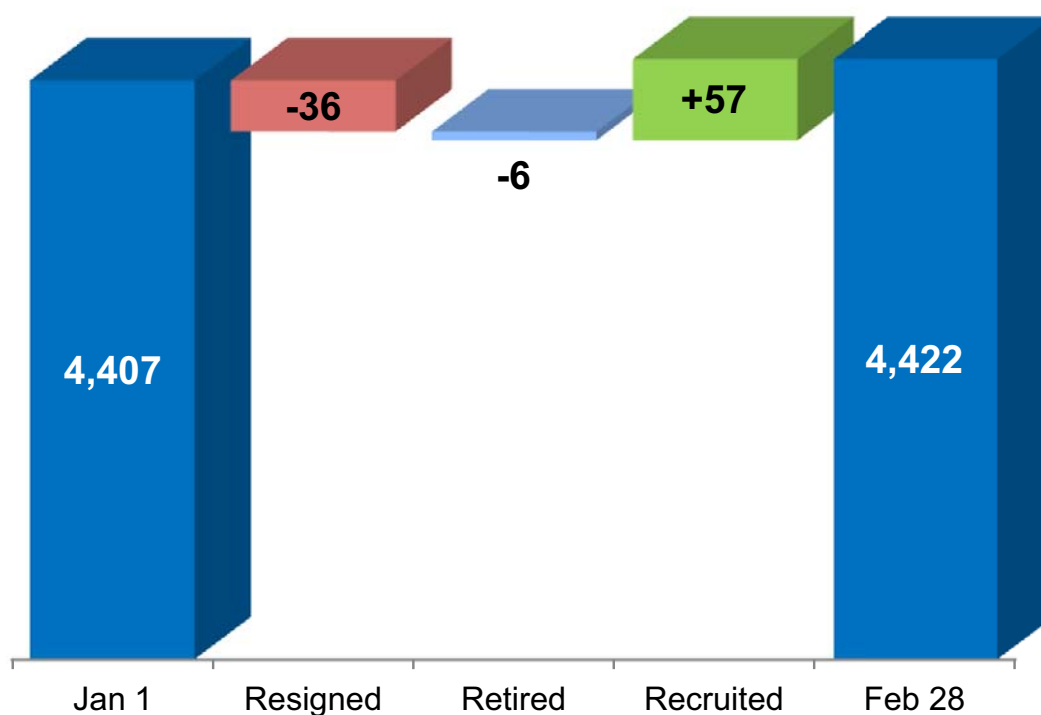
Turnover rate: 8.3% → 5.3% (annualised)



# Banca Mediolanum

## Network of Family Bankers

Change in headcount, Jan 1 – Feb 28 2014



Turnover rate: (annualised) → 5.7%



# Mediolanum Group

## Bond Portfolio

€ mn – as at 31/12/2013

	Financial Conglomerate = Banking Group + Mediolanum Vita					
	Book Value	AD	Book Value	AD	Book Value	AD
Italian Govies	14,249	1.2	12,266	1.0	1,821	2.3
Italian Financials	1,246	1.5	687	0.7	531	2.4
Spanish Govies	596	1.5	543	1.5	51	2.1
Spanish Financials	34	1.2	14	0.9	20	1.5
Core Europe Govies*	-12	3.5	-23	1.9	0	
Greek Govies	0		0		0	
Portuguese, Irish Govies	0		0		0	
Other Financials	121	1.9	32	3.1	89	1.5
Other Corporate	45	4.5	10	2.7	26	4.8
Bond issued by EFSF	11	4.6	11	4.6	0	
Other ABS	10	3.9	10	3.9	0	
Other Supranational	4	3.5	4	3.5	0	
<b>TOTAL</b>	<b>16,304</b>	<b>1.2</b>	<b>13,554</b>	<b>1.0</b>	<b>2,538</b>	<b>2.3</b>

AD = average duration weighted by absolute nominal value

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



# Banca Mediolanum

## Balance Sheet

€ mn – as at 31/12/2013

	Liabilities	Assets
<b>Retail</b>	<b>10,150</b>	<b>4,605</b>
<b>Treasury</b>	<b>7,754</b>	<b>13,689</b>
o/w interbank / intra-group deposits & repos	1,669	1,152
o/w ECB (LTRO & other refinancing)	3,000	3,090
o/w MTS (collateral-backed financing)	3,085	3,193
o/w Securities (bonds)		6,254
<b>Other Liabilities / Assets</b>	<b>1,736</b>	<b>1,346</b>
<b>TOTAL</b>	<b>19,640</b>	<b>19,640</b>
<b>Operating Liquidity (24 hr)</b>		<b>6,856</b>



# Banca Mediolanum

## Interest Spread

€ mn

	FY 2013	FY 2012
<b>Total Cost of Funding</b>	<b>1.14%</b>	<b>1.36%</b>
Retail	1.85%	1.90%
ECB/MTS (collateral-backed)	0.30%	0.55%
<b>Total Interest Income</b>	<b>2.42%</b>	<b>3.15%</b>
Retail Interest Income	2.93%	3.11%
<b>TOTAL SPREAD</b>	<b>1.28%</b>	<b>1.79%</b>
Spread on Retail	1.08%	1.22%



# Mediolanum Group

## Capital Adequacy

€ mn

Excess capital calculation criteria have changed after regulators' recognition of Banking as prevailing business

	31/12/2013	31/12/2012
	Banking prevalence	Insurance prevalence
<b>Total Regulatory Capital Held</b>	<b>1,075</b>	<b>1,252</b>
<b>Total Required Capital</b>	<b>612</b>	<b>896</b>
o/w Required Capital – Banks	391	615
o/w Solvency Margin – Insurance companies	221	281
<b>EXCESS CAPITAL</b>	<b>463</b>	<b>356</b>



# Mediolanum Banking Group

## Capital Ratios

as at 31/12/2013

	Mediolanum Banking Group
Total Capital Ratio	18.02%
Tier 1 Capital Ratio	14.36%
<b>Core Tier 1 Ratio</b>	<b>14.36%</b>



## Mediolanum Facts

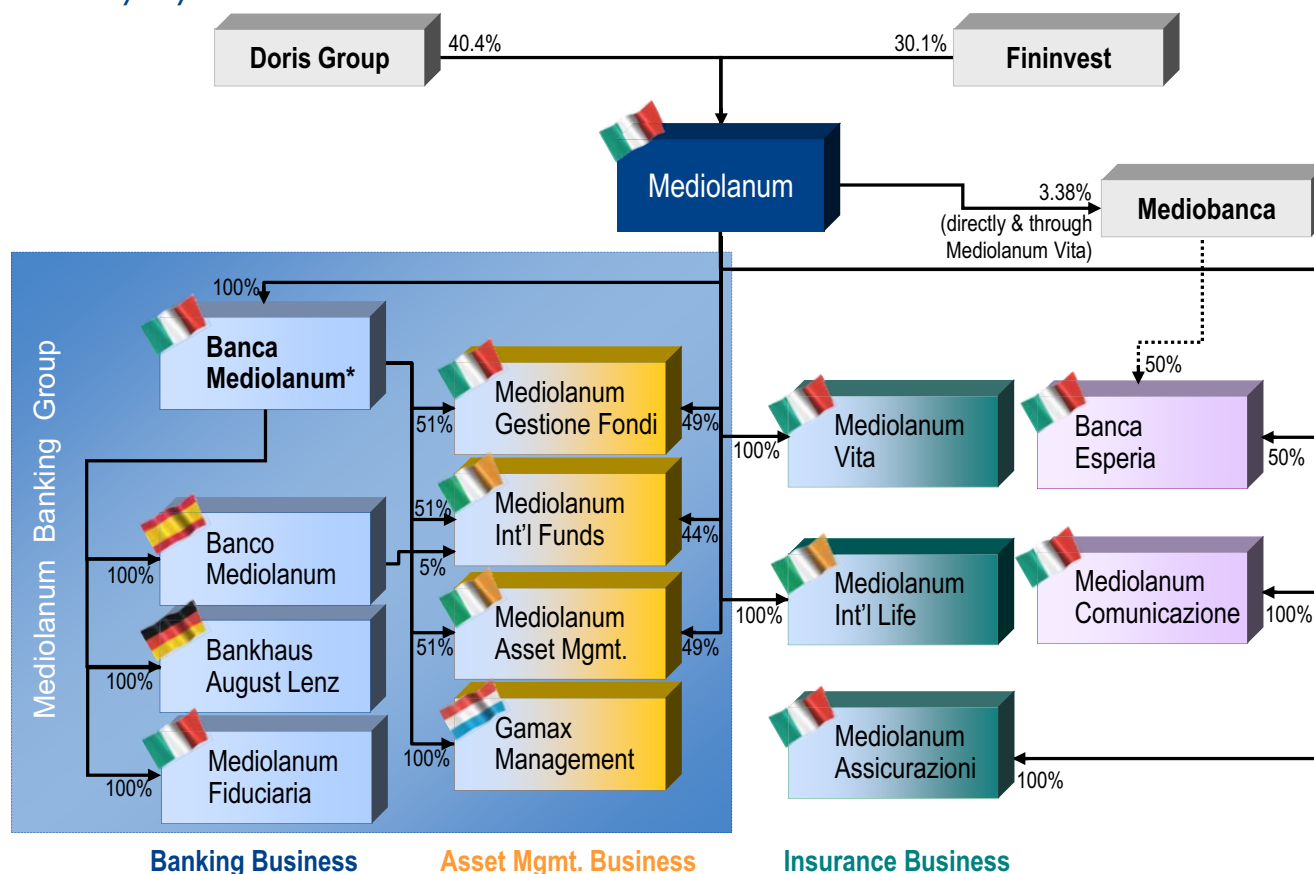


Mediolanum  
Facts

## Mediolanum Group Structure

76

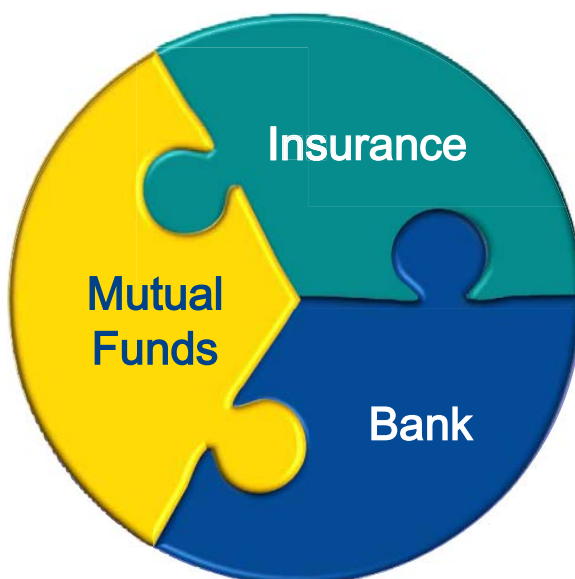
as at 31/12/2013



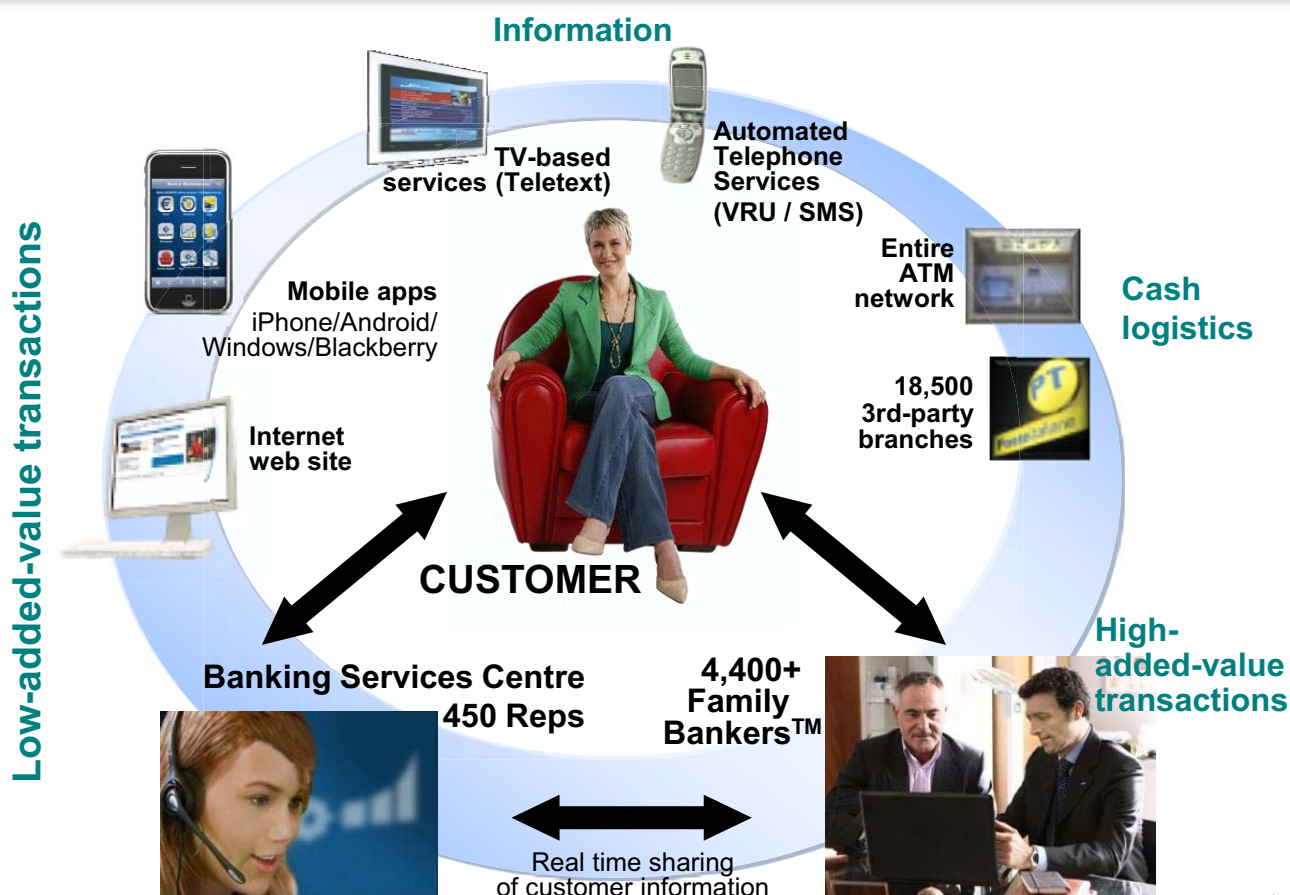
\* includes Mediolanum Corporate University



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

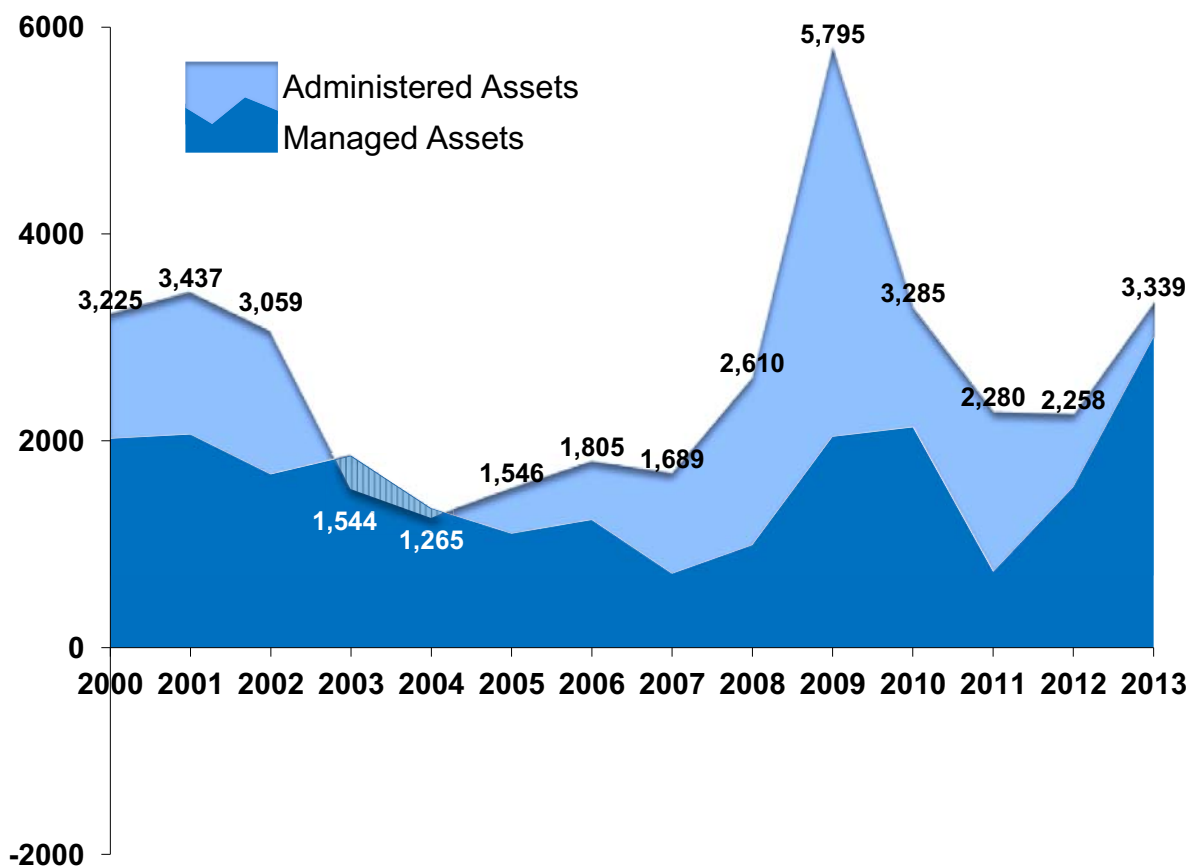
### Freedom of use

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

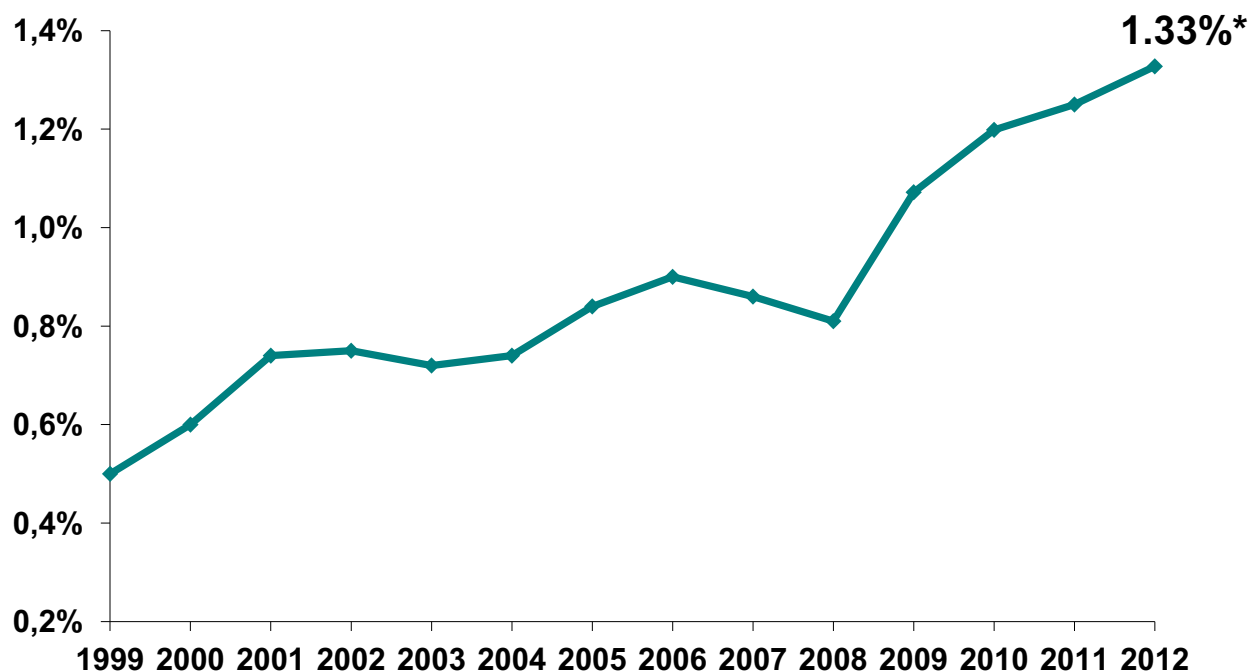


## Banca Mediolanum Total Net Inflows Trend

€ mn



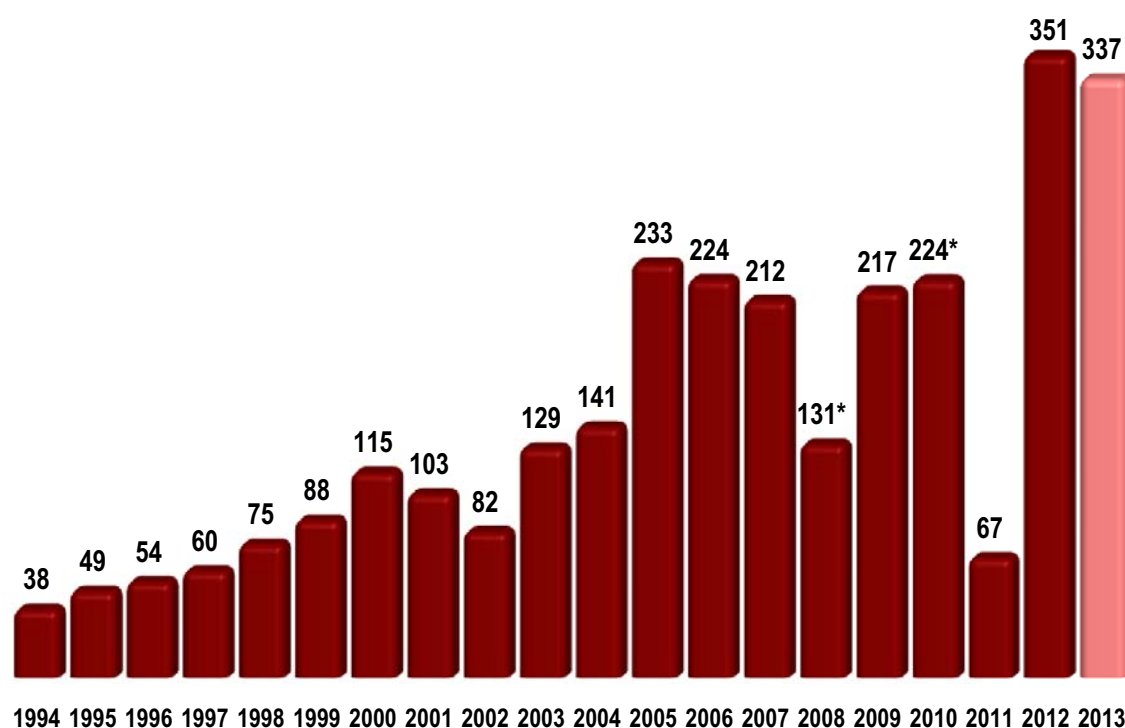




\* based on a total of € 3.7 trillion calculated by Banca d'Italia



€ mn

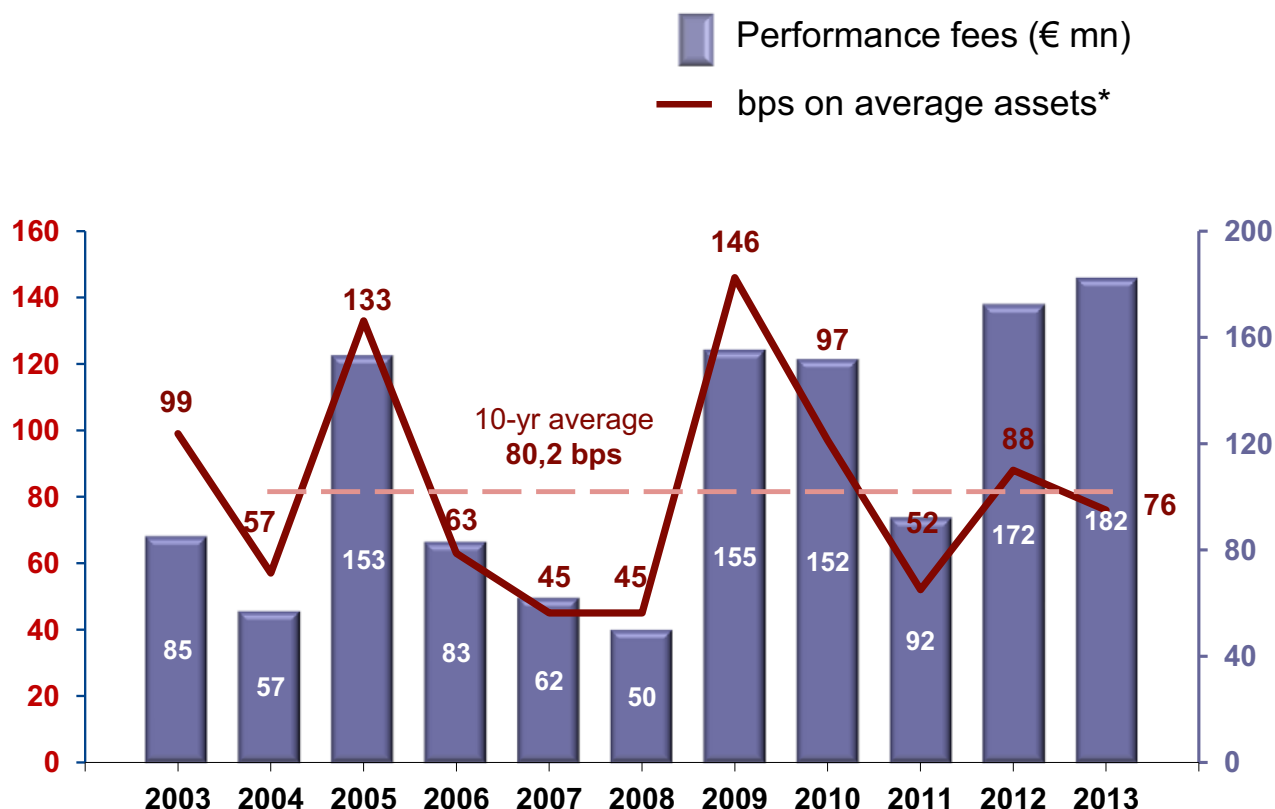


\* 2008 & 2010 Adjusted Net Income ex 'Lehman Bros.'



# Yearly Commission Income from Performance Fees

Including Managed Accounts & Unit-linked policies

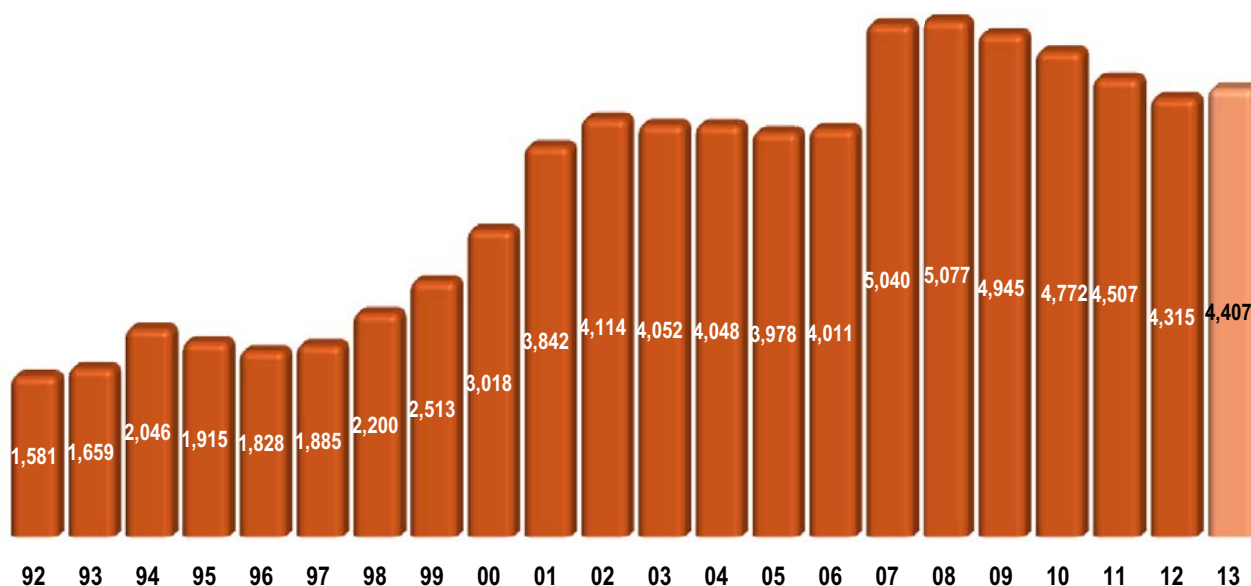


\* calculated only on those funds subject to performance fees

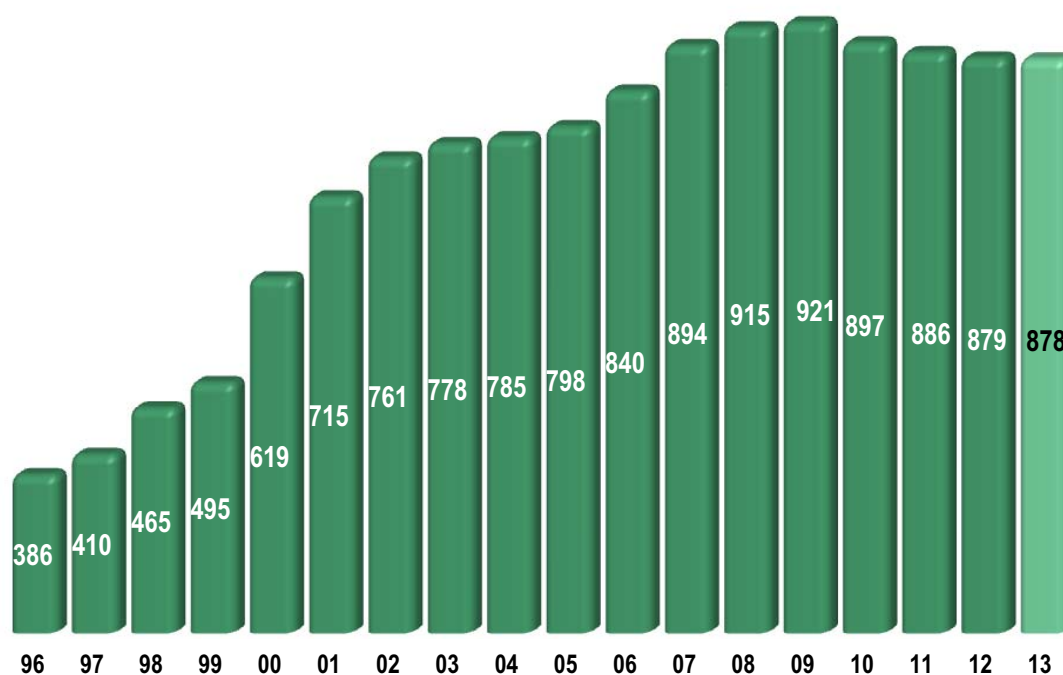


## Banca Mediolanum Family Banker Network

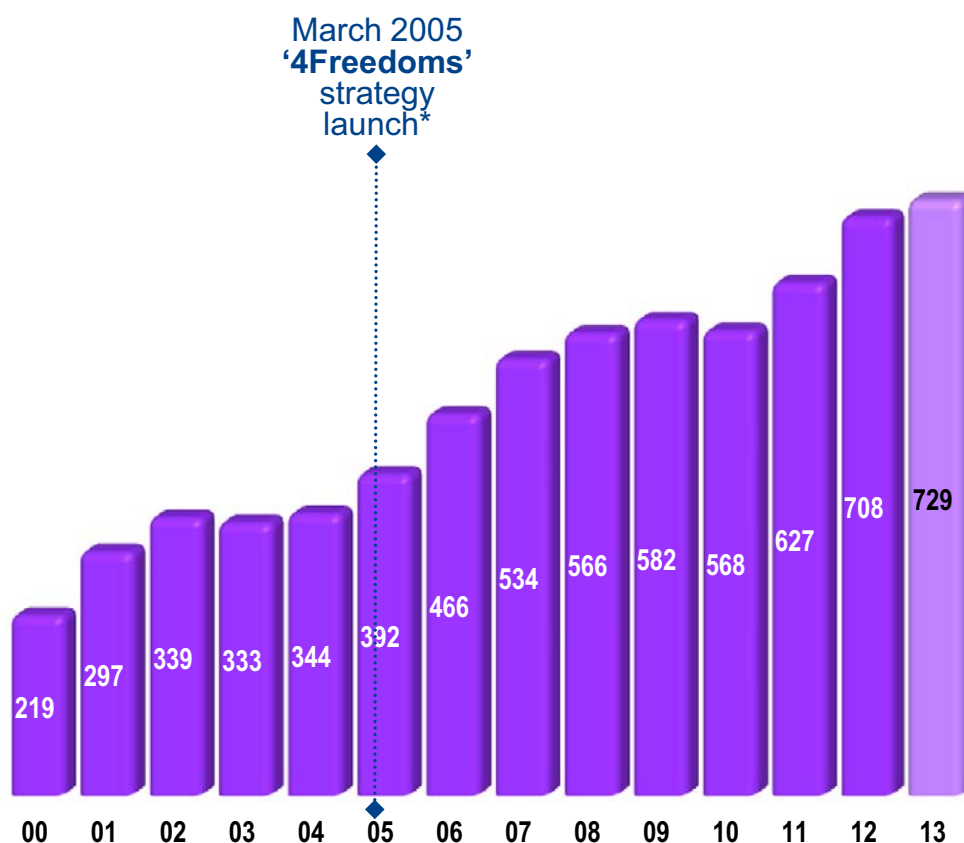
Licensed Advisors



Primary account holders (thousands)



Thousands



\* all new customers are acquired through the bank account



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

Italian Networks - € thousands

	2009 - 2013		
	Total Net Inflows	o/w Managed Assets	o/w Mutual Funds
<b>Mediolanum</b>	<b>17.303</b>	<b>8.623</b>	<b>11.888</b>
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
Banca Popolare Vicenza	-1	27	86
<b>TOTAL ITALIAN NETWORKS</b>	<b>68.981</b>	<b>61.705</b>	<b>43.960</b>

source: Assoreti



## Mediolanum's Culture Our Competitive Advantage

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**



# Investment Advisory 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**



## The Mediolanum Approach vs. Open Architecture



-  'Best Brands' family of **Funds of branded Funds** unveiled in April 2008
-  **This is not the 'Open Architecture' approach**
-  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
-  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
-  Funds of **single-brand** funds (the 'Selection' series) are Mediolanum products but also carry the name of the underlying funds' asset manager
-  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






# 'OgniMese Mediolanum'

launched November 2012







A timely new service  
for investors who want  
a monthly income stream

-  Money is invested in a bouquet of at least 4 funds, with different strategies and belonging to different categories to ensure real diversification
-  Coupon dates are arranged so that investors receive at least one payment per month (two in January and July)
-  A total of 14 funds (o/w 6 funds with 30% to 90% equity content) are now available in the service



## Training & Communication: Mediolanum Corporate University

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



## Marketing Events



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



400,000 participants (customers and  
perspective customers)



### 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  
(81% of the times in 2013)



Average commercial value  
of media coverage  
is also regularly tracked



# Mediolanum is now the 4<sup>th</sup> best known Bank Brand in Italy

Total Brand awareness – Italian banks (%)

				2013										
	2011	2012	2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Sep	Oct	Nov	Dic
UNICREDIT	47	47	43	40	46	40	41	43	44	45	39	42	46	46
INTESA SANPAOLO	42	44	41	39	39	37	44	40	42	37	40	39	45	46
MPS	23	28	32	37	42	41	35	30	31	25	23	29	31	28
<b>BANCA MEDIOLANUM</b>	<b>17</b>	<b>17</b>	<b>20</b>	<b>13</b>	<b>16</b>	<b>23</b>	<b>22</b>	<b>23</b>	<b>22</b>	<b>15</b>	<b>14</b>	<b>28</b>	<b>20</b>	<b>19</b>
BNL	15	18	18	18	20	17	20	21	17	17	18	16	17	22
CONTO ARANCIO/ING	15	19	16	20	17	17	18	12	11	17	16	20	13	11
BCC	10	11	11	11	10	11	11	11	12	9	11	9	9	12
BANCOPOSTA	9	9	9	9	13	11	7	7	9	10	8	6	7	9
BANCO DI NAPOLI	8	8	8	8	9	7	8	9	9	9	8	7	11	6
CHEBANCA!	10	7	5	4	8	6	4	5	5	5	5	7	7	5
BANCA POPOLARE DI MILANO/BPM	5	5	4	5	4	3	4	3	3	4	5	5	6	5
FINECO	2	2	3	3	3	2	5	6	5	3	3	3	3	3

source: GFK Eurisko



# Mediolanum Advertising is the most memorable in banking industry

Spontaneous recall of bank advertising – Italy (%)

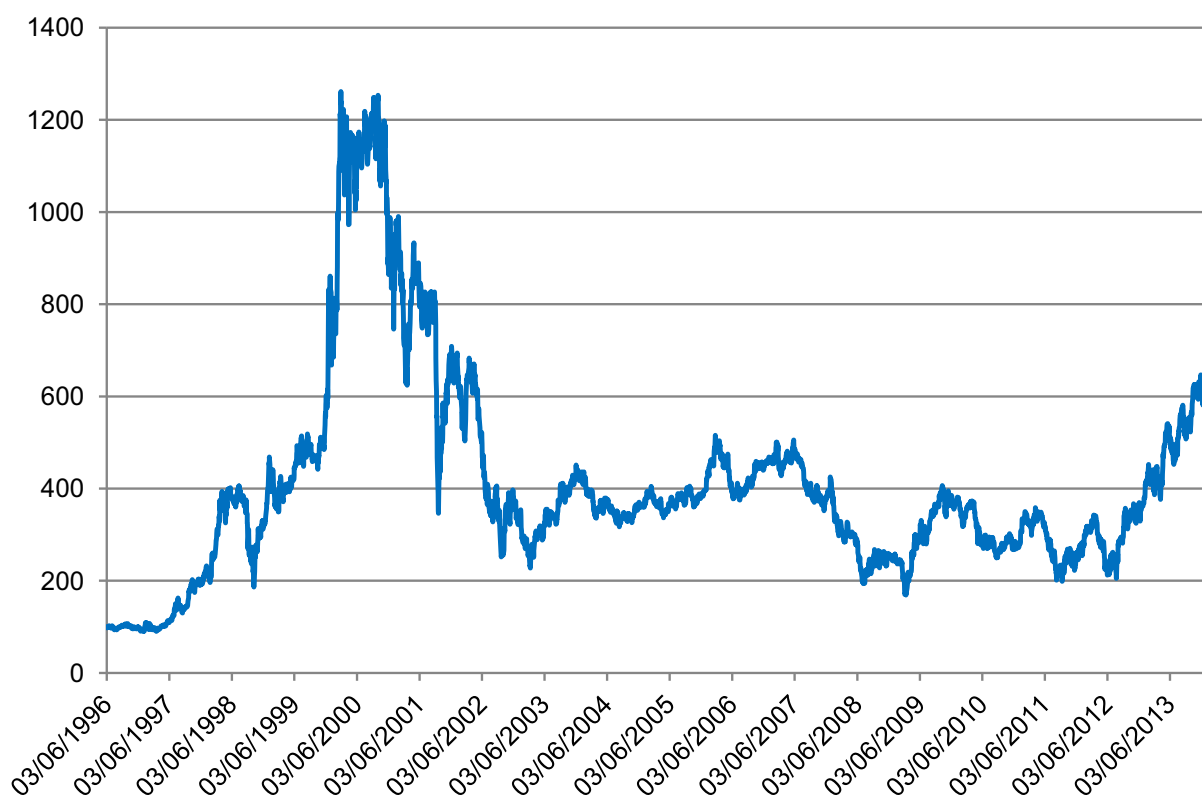
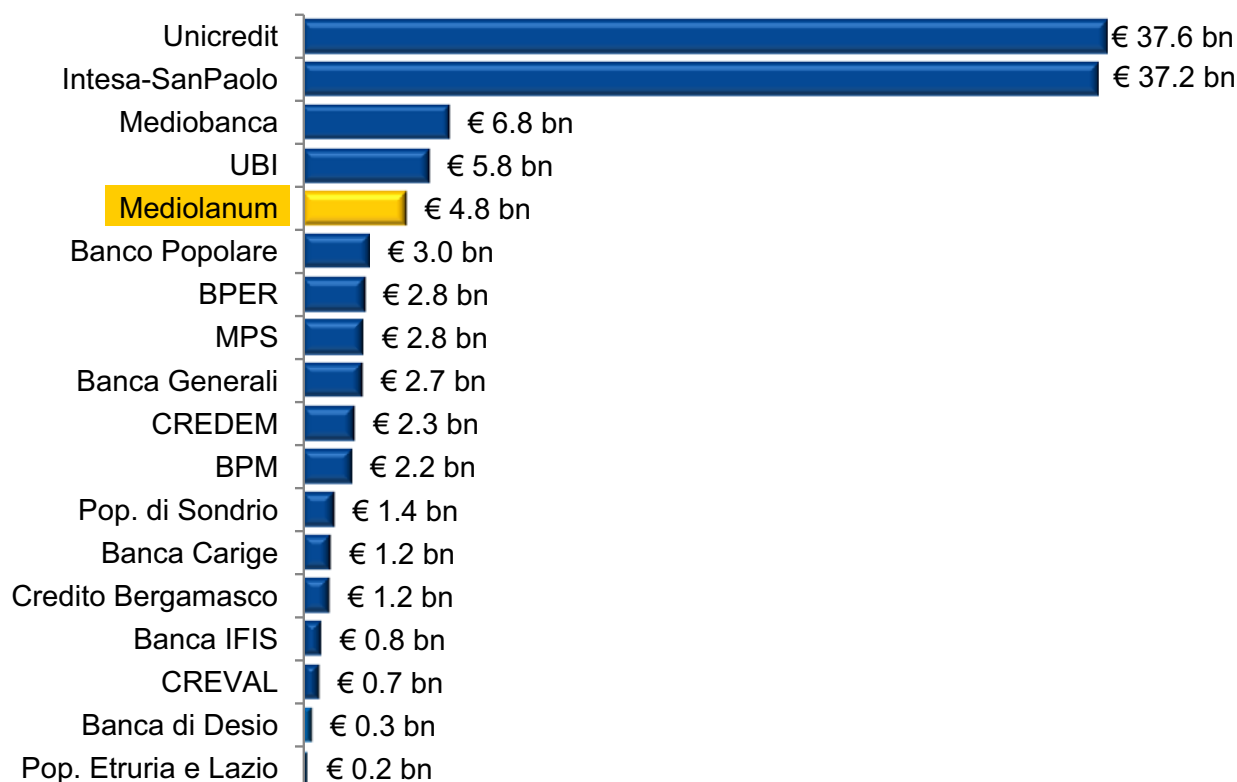
				2013										
	2011	2012	2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Sep	Oct	Nov	Dic
ANY BANK	46	50	49	52	50	54	52	48	51	44	36	50	48	52
<b>BANCA MEDIOLANUM</b>	<b>12</b>	<b>12</b>	<b>15</b>	<b>10</b>	<b>12</b>	<b>18</b>	<b>17</b>	<b>19</b>	<b>17</b>	<b>10</b>	<b>9</b>	<b>21</b>	<b>15</b>	<b>13</b>
CONTO ARANCIO/ING	10	14	11	14	13	13	11	8	8	12	11	13	8	7
INTESA SANPAOLO	7	9	9	11	9	11	10	8	7	7	7	6	13	14
UNICREDIT	6	8	6	6	4	3	6	5	11	9	5	4	5	8
MPS	4	5	5	9	9	6	5	3	4	3	3	2	3	3
CHEBANCA!	8	5	4	3	7	4	3	3	2	3	3	6	6	4
BNL	2	2	2	3	3	2	2	3	3	2	2	1	2	5
FINECO	0.4	1	1	1	1	1	2	3	1	1	0	0.5	1	1
BCC	0.4	0.5	1	1	0	0	1	0	1	0	0	0.2	0.4	1
BANCO DI NAPOLI	0.2	0.4	0.5	0.2	1	1	1	1	0	0	0	0.1	1	0.3
BANCA POPOLARE DI MILANO/BPM	0.3	0.1	0.4	0.5	1	0	0	0	0	1	0	0.4	1	0.4
BANCOPOSTA	0.2	1	0.3	0.2	1	1	0	0	0	0	0	0.2	1	0.2

source: GFK Eurisko





March 2014



\* includes dividend reinvestment, June 3, 1996 – February 24, 2014

source: Datastream



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

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

The senior manager in charge of drawing up Company Accounts

Luigi Del Fabbro



# Investor Relations Contacts

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

**Alessandra Lanzone**

tel.: +39-02-9049-2039

e-mail: [alessandra.lanzone@mediolanum.it](mailto:alessandra.lanzone@mediolanum.it)

**Lisa Maxon**

tel.: +39-02-9049-2997

e-mail: [lisa.maxon@mediolanum.it](mailto:lisa.maxon@mediolanum.it)

**Luca Mirabelli**

tel.: +39-02-9049-2721

e-mail: [luca.mirabelli@mediolanum.it](mailto:luca.mirabelli@mediolanum.it)

