

July 30, 2013

MEDIOLANUM H1 2013 RESULTS



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H1 2013 Group Results



H1 2013
Group

Income Statement - Group

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€ mn

	H113	H112	Change
Net premiums written	2,709.5	3,914.8	-31%
Amounts paid & change in technical reserves	(2,686.9)	(3,896.1)	-31%
Insurance revenues ex U-L commissions	22.6	18.7	+21%
Entry fees	76.6	53.9	+42%
Management fees	273.7	226.4	+21%
Performance fees	84.3	75.4	+12%
Banking service fees	49.5	47.1	+5%
Other fees	18.2	20.7	-12%
Total commission income	502.2	423.5	+19%
Net interest income	135.5	158.4	-14%
Net income on investments at fair value	8.9	80.1	-89%
Net financial income	144.4	238.5	-39%
Equity Contribution (Mediobanca & Banca Esperia)	0.6	2.0	-68%
Net income on other investments	36.6	(1.6)	n.s.
Other revenues	9.8	14.4	-32%
Total Revenues	716.2	695.5	+3%
Acquisition costs	(215.5)	(176.7)	+22%
Other commission expenses	(25.3)	(20.9)	+21%
G&A expenses	(198.8)	(185.7)	+7%
Amortisation & depreciation	(9.4)	(6.7)	+40%
Provisions for risks & charges	0.1	(14.1)	n.s.
Total Costs	(448.9)	(404.1)	+11%
PROFIT BEFORE TAX	267.3	291.4	-8%
Income tax	(67.8)	(73.9)	-8%
NET INCOME	199.5	217.5	-8%



Income Statement by Quarter

€ mn

	Q112	Q212	Q312	Q412	Q113	Q213
Insurance revenues ex U-L commissions	13.4	5.3	8.0	6.5	9.9	12.7
Entry fees	26.1	27.8	25.0	36.8	34.5	42.1
Management fees	112.8	113.6	119.9	126.0	131.9	141.8
Performance fees	61.8	13.6	58.5	38.1	59.3	25.0
Banking service fees	22.5	24.6	24.8	23.9	25.5	24.0
Other fees	8.5	12.3	8.5	9.2	9.8	8.3
Total commission income	231.7	191.8	236.6	233.9	260.9	241.3
Net interest income	83.5	74.9	79.5	76.7	71.9	63.6
Net income on investments at FV	95.5	(15.4)	30.1	7.9	3.8	5.1
Net financial income	179.0	59.5	109.7	84.6	75.8	68.7
Equity contribution	1.4	0.5	(58.9)	1.7	1.8	(1.2)
Net income on other investments	(0.9)	(0.7)	2.2	(4.4)	37.8	(1.2)
Other revenues	6.4	8.1	5.7	6.3	4.6	5.2
Total Revenues	431.0	264.4	303.4	328.4	390.8	325.5
Acquisition costs	(81.5)	(95.2)	(83.3)	(104.1)	(103.4)	(112.0)
Other commission expenses	(10.2)	(10.8)	(12.1)	(8.2)	(11.9)	(13.5)
G&A expenses	(86.5)	(99.1)	(86.3)	(109.1)	(91.6)	(107.2)
Amortisation & depreciation	(3.2)	(3.5)	(3.7)	(3.8)	(3.8)	(5.6)
Provisions for risks & charges	(5.3)	(8.8)	(4.5)	(7.5)	(3.0)	3.1
Total Costs	(186.7)	(217.4)	(189.9)	(232.8)	(213.7)	(235.2)
PROFIT BEFORE TAX	244.4	47.0	113.5	95.7	177.1	90.2
Income tax	(65.7)	(8.1)	(39.5)	(36.2)	(40.4)	(27.4)
NET INCOME	178.6	38.9	74.0	59.5	136.7	62.8



Income Statement Salient Points

YoY comparison



Entry Fees (€ 23 mn higher YoY) and **Management Fees** (€ 47 mn higher YoY) reflect the unprecedented acceleration of net inflows into mutual funds experienced since the last months of 2012.
Increasing trend of management fees is particularly significant



Performance Fees (€ +9 mn YoY) , though scanty in Q2, are higher than H1 last year, exclusively due to the growth in the asset base



Net Interest Income (€ 23 mn lower YoY) reflects the lower interest rate environment and incorporates our investment in growth: assets attracted by the high interest rates offered last year on bank deposits are fuelling today's inflows into managed products



Net Income on Other Investments (€ 38 mn higher YoY) includes € 44 mn of capital gains realised in Q1 on Italian govies to offset the lower yields



Acquisition Costs (€ 39 mn higher YoY): another facet of our investment in growth.
See slide 15 for a detailed breakdown at the domestic level



Quarterly Commission Income from Management Fees

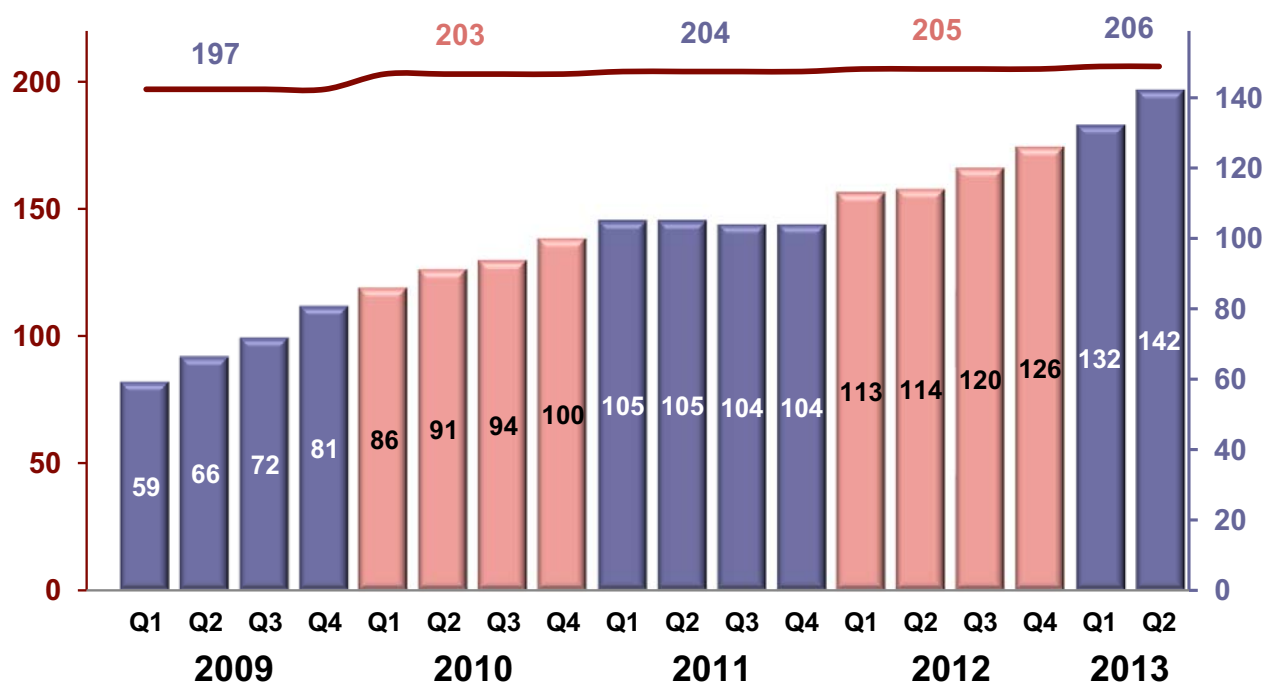
€ mn



Management fees (€ mn)

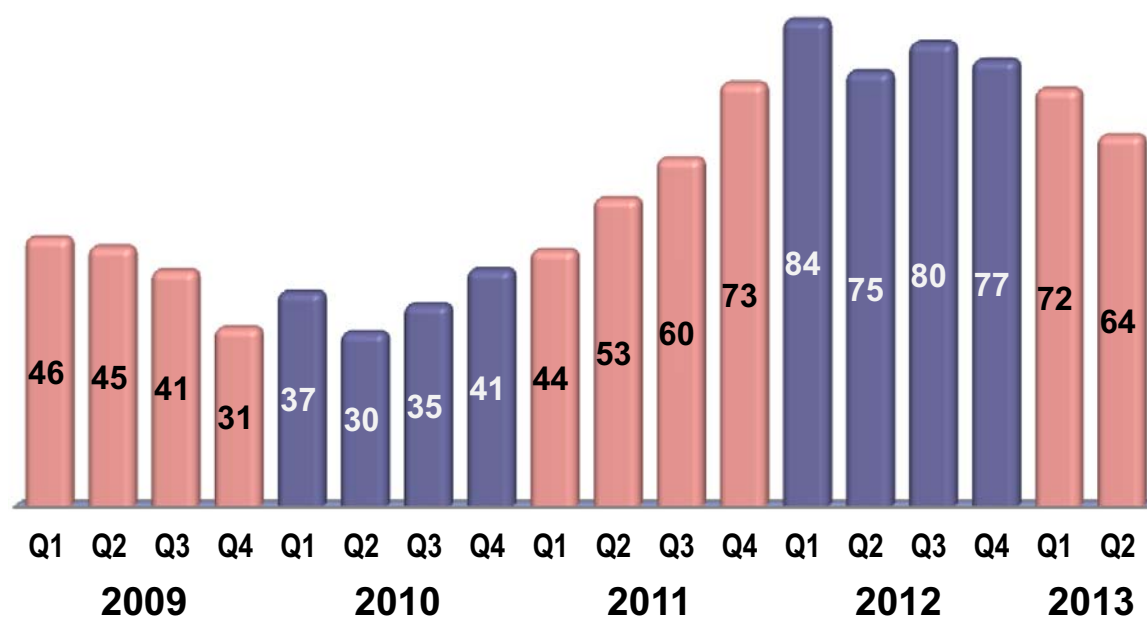


yearly bps on average assets



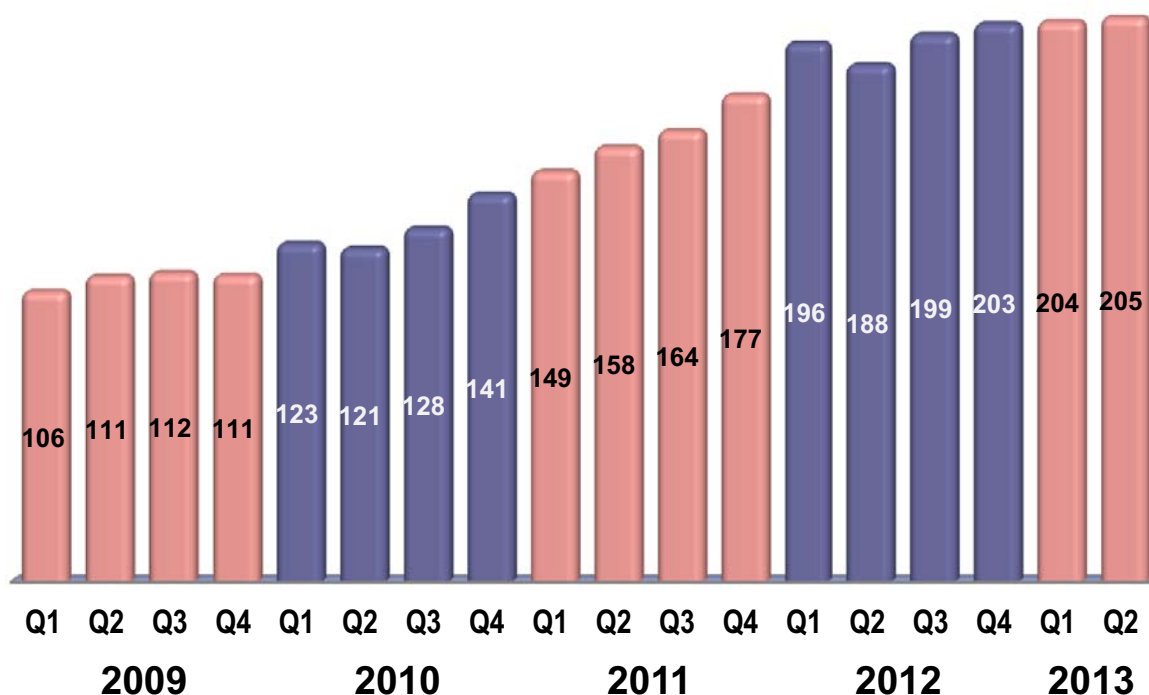
Quarterly Net Interest Income

€ mn





Recurring Revenues Trend

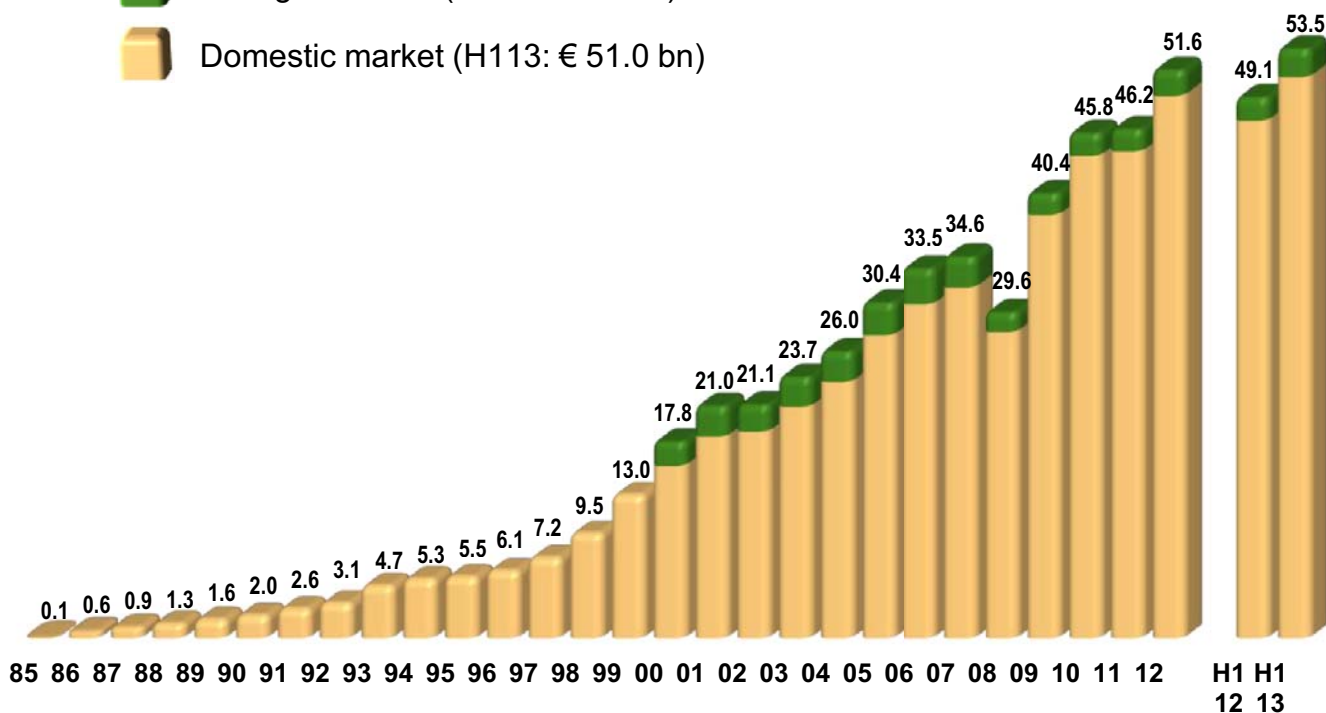
Commission Income from Management Fees + Net Interest Income (€ mn)



Assets under Administration

€ bn

-  Foreign markets (H113: € 2.5 bn)
-  Domestic market (H113: € 51.0 bn)



Assets under Administration

€ mn

	30/06/13	31/12/12	Change	30/06/12	Change
Life	13,290.4	13,795.7	-4%	13,848.0	-4%
'Freedom' Life Policies	2,037.6	3,433.0	-41%	4,081.7	-50%
Asset management	25,933.4	23,384.4	+11%	21,155.5	+23%
Banking*	12,402.5	11,336.5	+9%	10,595.5	+17%
Consolidation adjustments	(9,810.6)	(9,515.3)	+3%	(9,222.1)	+6%
Italy - Banca Mediolanum	43,853.4	42,434.3	+3%	40,458.5	+8%
Italy - Banca Esperia (Mediolanum's share)	7,166.5	6,900.1	+4%	6,612.4	+8%
Life	584.9	564.0	+4%	484.8	+21%
Asset management	903.2	788.2	+15%	718.1	+26%
Banking*	849.3	703.3	+21%	655.7	+30%
Consolidation adjustments	(266.3)	(255.9)	+4%	(228.1)	+17%
Spain - Banco Mediolanum	2,071.0	1,799.6	+15%	1,630.6	+27%
Life	115.5	102.1	+13%	80.6	+43%
Asset management	294.4	299.2	-2%	271.7	+8%
Banking	66.1	86.5	-24%	69.4	-5%
Consolidation adjustments	(56.2)	(44.9)	+25%	(38.6)	+46%
Germany - B. A. Lenz & Gamax	419.7	442.9	-5%	383.1	+10%
AUA	53,510.6	51,576.9	+4%	49,084.5	+9%

* retail only



H1 2013 Domestic Market Results



Income Statement - Domestic

€ mn

	H113	H112	Change
Net premiums written	2,640.1	3,858.7	-32%
Amounts paid & change in technical reserves	(2,627.2)	(3,849.2)	-32%
Insurance revenues ex U-L commissions	12.9	9.6	+34%
Entry fees	72.5	51.4	+41%
Management fees	262.8	217.6	+21%
Performance fees	80.7	73.1	+10%
Banking service fees	40.6	39.6	+3%
Other fees	17.0	20.0	-15%
Total commission income	473.6	401.7	+18%
Net interest income	126.2	141.5	-11%
Net income on investments at fair value	8.5	78.3	-89%
Net financial income	134.7	219.8	-39%
Equity contribution (Mediobanca & Banca Esperia)	0.6	2.0	-68%
Net income on other investments	26.8	(1.4)	n.s.
Other revenues	9.5	13.9	-32%
Total Revenues	658.1	645.6	+2%
Acquisition costs	(202.4)	(166.7)	+21%
Other commission expenses	(17.7)	(14.8)	+20%
G&A expenses	(177.6)	(166.5)	+7%
Amortisation & depreciation	(8.4)	(5.6)	+50%
Provisions for risks & charges	(0.2)	(10.5)	-98%
Total Costs	(406.3)	(364.0)	+12%
PROFIT BEFORE TAX	251.9	281.6	-11%
Income tax	(63.7)	(71.6)	-11%
NET INCOME	188.2	210.0	-10%



Income Statement by Quarter

€ mn

	Q112	Q212	Q312	Q412	Q113	Q213
Insurance revenues ex U-L commissions	7.7	1.9	3.8	0.9	4.3	8.6
Entry fees	25.0	26.4	23.7	35.3	32.7	39.8
Management fees	108.4	109.2	115.3	121.1	126.7	136.2
Performance fees	59.8	13.3	56.8	37.6	56.9	23.8
Banking service fees	19.0	20.5	20.2	21.4	21.5	19.1
Other fees	8.3	11.8	8.2	8.9	9.1	7.8
Total commission income	220.5	181.2	224.3	224.3	246.9	226.7
Net interest income	75.9	65.6	70.5	67.8	65.9	60.2
Net income on investments at FV	94.7	(16.4)	29.5	7.4	3.4	5.1
Net financial income	170.7	49.2	100.0	75.3	69.4	65.3
Equity contribution	1.4	0.5	(58.9)	1.7	1.8	(1.2)
Net income on other investments	(0.7)	(0.7)	2.3	(5.0)	28.0	(1.1)
Other revenues	6.1	7.8	5.6	5.7	4.4	5.0
Total Revenues	405.8	239.9	277.2	302.7	354.8	303.3
Acquisition costs	(76.3)	(90.5)	(78.2)	(97.8)	(97.1)	(105.2)
Other commission expenses	(7.3)	(7.4)	(8.2)	(6.6)	(8.5)	(9.2)
G&A expenses	(76.8)	(89.7)	(75.1)	(96.8)	(81.6)	(96.1)
Amortisation & depreciation	(2.7)	(2.9)	(3.2)	(3.3)	(3.3)	(5.1)
Provisions for risks & charges	(5.2)	(5.3)	(4.4)	1.3	(2.9)	2.7
Total Costs	(168.3)	(195.7)	(169.1)	(203.1)	(193.4)	(212.9)
PROFIT BEFORE TAX	237.5	44.1	108.1	99.6	161.4	90.4
Income tax	(64.3)	(7.2)	(38.1)	(31.1)	(36.2)	(27.5)
NET INCOME	173.2	36.9	70.0	68.5	125.3	62.9



Acquisition Costs in detail

€ mn

	H113	H112	Change
One-time commissions	82.4	69.0	+20%
Ongoing commissions	72.1	60.8	+19%
Total commissions	154.5	129.8	+19%
Costs related to the agency agreement	23.1	18.1	+28%
Incentives on individual net inflows	8.4	6.0	+40%
Contests & bonuses	8.4	8.3	+1%
Reimbursement of costs for customer events	8.0	4.6	+73%
Total incentives & bonuses	24.7	18.9	+31%
TOTAL ACQUISITION COSTS	202.4	166.7	+21%



Net Inflows

€ mn

	H113	H112	Change
Life premiums	(992.8)	(311.3)	+219%
Asset management products	2,577.7	868.7	+197%
Managed Assets Inflows	1,584.9	557.4	+184%
3rd-party Structured Bonds	0.7	105.2	-99%
Managed Assets incl. Structured Bonds	1,585.5	662.6	+139%
Cash deposits	1,150.5	589.5	+95%
Repurchase agreements	94.2	855.3	-89%
Mediolanum bonds	(21.6)	(29.3)	-26%
Other securities under custody	(180.3)	104.1	n.s.
Administered Assets Inflows	1,042.8	1,519.6	-31%
'Freedom' Life Policies (change in assets)	(1,395.4)	(422.1)	+231%
Administered Assets incl. 'Freedom' accts.	(352.6)	1,097.4	n.s.
BANCA MEDIOLANUM	1,233.0	1,760.1	-30%
BANCA ESPERIA (Mediolanum's share)	(145.4)	(389.1)	-63%
TOTAL NET INFLOWS	1,087.6	1,370.9	-21%



Profit by Segment

€ mn

	H113	H112	Change
Asset Management	93.5	81.3	+15%
Insurance	81.4	126.5	-36%
Banking	83.9	79.8	+5%
Other	(6.9)	(6.0)	+15%
PROFIT BEFORE TAX	251.9	281.6	-11%



Asset Management Segment Gross Inflows

€ mn - U-L assets not included

	H113	H112	Change
'Best Brands' funds of funds (IRL)	3,195.7	1,637.1	+95%
'Challenge' mutual funds (IRL)	417.5	552.3	-24%
'Fondi Italia' mutual funds (ITA)	908.7	354.3	+156%
'Real estate' fund (ITA)	0.0	18.2	n.s.
Other funds & managed accounts	11.9	16.0	-26%
GROSS INFLOWS INTO ASSET MANAGEMENT	4,533.8	2,577.8	+76%



Asset Management Segment

Net Inflows

€ mn - U-L assets not included

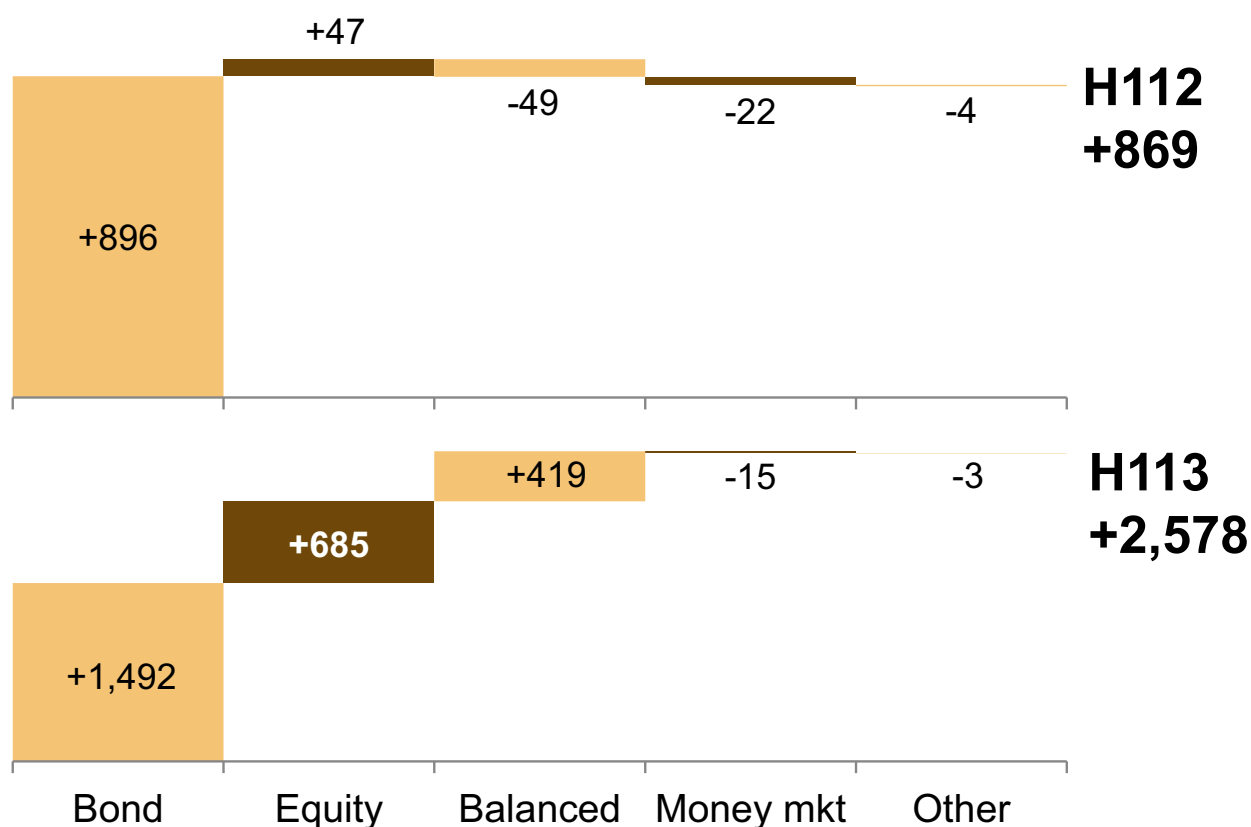
	H113	H112	Change
'Best Brands' funds of funds (IRL)	2,152.9	780.9	+176%
'Challenge' mutual funds (IRL)	(154.8)	35.1	n.s.
'Fondi Italia' mutual funds (ITA)	636.2	105.1	n.s.
'Real estate' fund (ITA)	0.0	0.6	n.s.
Other funds & managed accounts	(56.6)	(53.1)	+7%
NET INFLOWS INTO ASSET MANAGEMENT	2,577.7	868.7	+197%



Asset Management Segment

Net Inflows by Category*

€ mn



* Flexible funds are represented according to the actual investment type as at 30/06/2013



Asset Management Segment

Assets under Management

€ mn - including U-L assets

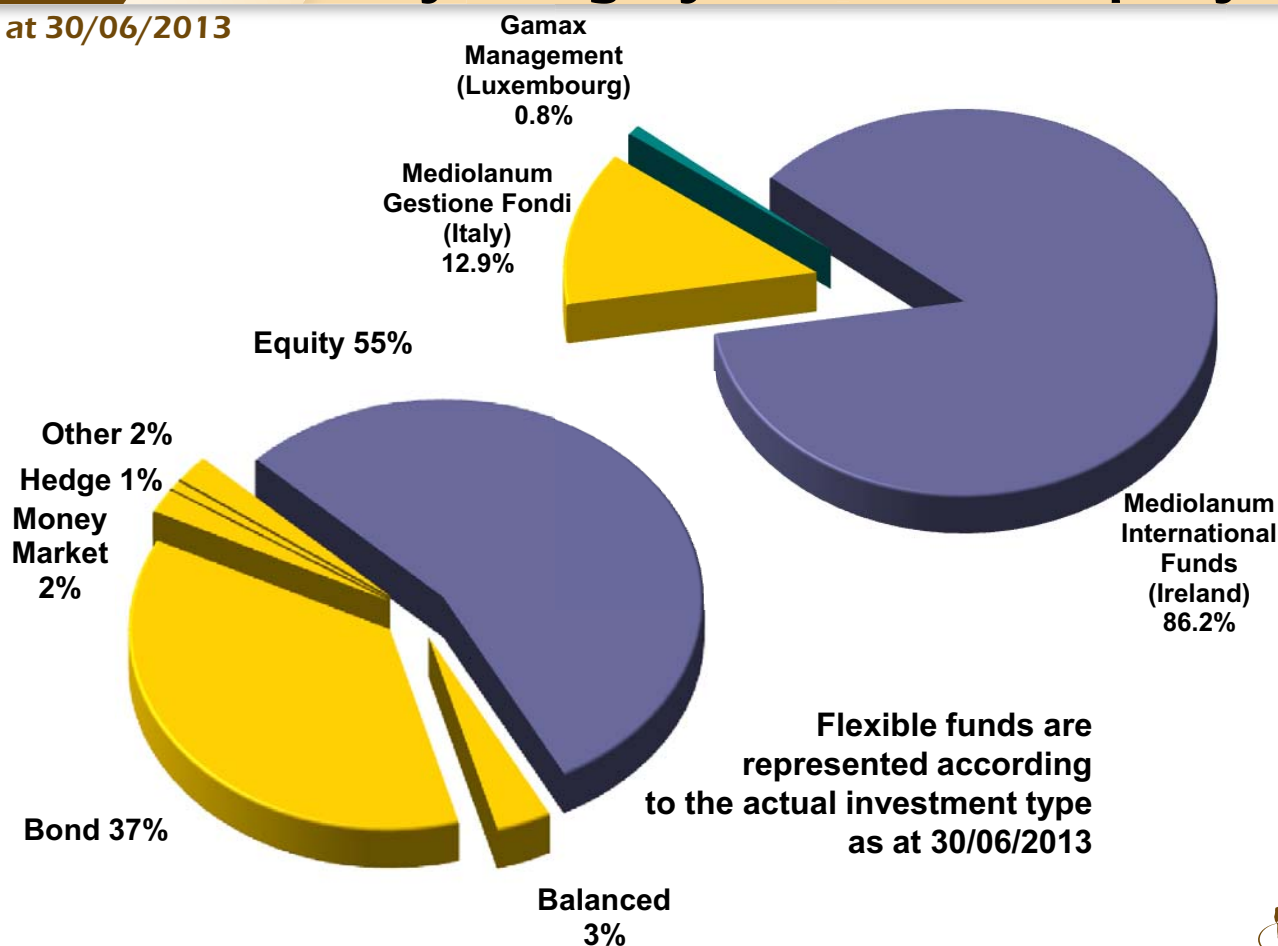
	30/06/13	31/12/12	Change	30/06/12	Change
'Best Brands' funds of funds (IRL)	9,597.3	7,676.9	+25%	6,353.7	+51%
'Portfolio' funds of funds (IRL)	543.9	578.5	-6%	644.4	-16%
'Challenge' mutual funds (IRL)	12,036.1	11,980.7	+0%	11,575.1	+4%
Funds of Hedge Funds (IRL)	184.2	193.8	-5%	253.6	-27%
'Fondi Italia' mutual funds (ITA)	3,346.7	2,839.6	+18%	2,265.4	+48%
'Real estate' fund (ITA)	432.0	436.6	-1%	436.5	-1%
Other funds & managed accounts	362.2	321.2	+13%	283.6	+28%
<i>Adj. for own mutual funds in FoFs & managed accts.</i>	(568.9)	(642.9)	-12%	(656.9)	-13%
ASSET MANAGEMENT ASSETS	25,933.4	23,384.4	+11%	21,155.5	+23%



Asset Management Segment

Assets* by category and A.M. company

as at 30/06/2013



* including U-L assets



Insurance Segment Revenues

€ mn

	H113	H112	Change
Premiums less Amounts paid & change in reserves	12.9	9.6	+34%
Commission income	154.3	139.0	+11%
Net Interest Income	12.1	2.5	+393%
Net income on investments at fair value o/w unrealised	0.8 (0.3)	62.6 30.5	-99% n.s.
Net financial income	12.9	65.0	-80%
Net income on other investments	(3.3)	6.0	n.s.
Other fees & Other revenues	5.9	5.8	+0%
INSURANCE REVENUES	182.6	225.5	-19%



Insurance Segment Life - Gross Premiums Written

€ mn

	H113	H112	Change
U-L pension plans	10.9	12.1	-10%
U-L endowment policies	9.5	11.2	-15%
U-L whole-life investment policies	6.0	7.0	-14%
Recurring policies (AP)*	26.4	30.3	-13%
Term, Group, Investment policies	6.7	6.4	+5%
U-L whole-life investment policies	26.7	18.8	+42%
U-L 'Synergy'	0.0	37.1	n.s.
'Tax Benefit New' inbound portability	13.0	12.3	+5%
Single premium policies (SP)	46.4	74.7	-38%
TOTAL NEW BUSINESS	72.8	105.0	-31%
Pension plans in force	240.1	255.9	-6%
Endowment policies in force	133.7	146.5	-9%
Whole-life investment policies in force	91.4	104.8	-13%
TOTAL IN-FORCE BUSINESS	465.2	507.3	-8%
TOTAL GROSS PREMIUMS WRITTEN (EX-'FREEDOM')	538.0	612.3	-12%
'Freedom' Life Policies	2,100.7	3,252.2	-35%

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



Insurance Segment

Life - Amounts Paid in detail

€ mn - ex 'Freedom' Life Policies

	H113	H112	Change
Claims	27.9	37.9	-26%
Coupons	32.7	29.8	+9%
Maturities	751.6	349.2	+115%
<i>o/w index-linked</i>	542.1	178.1	+204%
Surrenders	718.5	506.7	+42%
LIFE AMOUNTS PAID	1,530.7	923.8	+66%



Insurance Segment

Life - Surrender Rate

expressed as a % of average reserves

	H113	H112
U-L Individual pension plans	2.0%	1.9%
Traditional pension plans	0.8%	0.7%
U-L endowment policies	4.4%	4.2%
U-L whole-life investment policies	12.6%	11.3%
Traditional investment policies*	3.6%	2.6%

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



Insurance Segment

Life - Policyholders' Assets

€ mn

	30/06/13	31/12/12	Change	30/06/12	Change
Traditional	1,277.0	1,372.0	-7%	1,302.5	-2%
Index-linked	1,896.0	2,572.7	-26%	3,081.5	-38%
Unit-linked pension plans	4,012.3	3,728.2	+8%	3,410.6	+18%
Unit-linked endowment policies	3,654.7	3,620.7	+1%	3,534.6	+3%
Unit-linked investment policies	2,450.4	2,502.1	-2%	2,518.9	-3%
Unit-linked	10,117.5	9,851.0	+3%	9,464.0	+7%
o/w equity	72.9%	74.1%	-2%	74.3%	-2%
LIFE ASSETS (EX-'FREEDOM')	13,290.4	13,795.7	-4%	13,848.0	-4%
'Freedom' Life Policies	2,037.6	3,433.0	-41%	4,081.7	-50%



Banking Segment

Revenues

€ mn

	H113	H112	Change
Securities trading fees	17.3	15.0	+15%
o/w 3rd-party structured bonds	12.3	9.6	+28%
Service fees	23.3	24.6	-5%
Fee income	40.6	39.6	+3%
Net interest income	121.4	145.8	-17%
Net income on investments at fair value	7.7	15.8	-51%
o/w unrealised	6.2	11.9	-48%
Net financial income	129.2	161.5	-20%
Net income on other investments	30.2	(5.9)	n.s.
Other fees & Other revenues	7.7	13.9	-45%
BANKING REVENUES	207.6	209.1	-1%



Banking Segment

Mortgage Update

€ mn

Stock

	2012	H1 2013
Mortgage portfolio	2,991.8	3,216.4
Avg. spread	1.58%	1,60%
Avg. duration in yrs	20	20
Avg. LTV	63%	62%

New business

Total amount granted	753.6	319.9
Avg. spread	2.26%	2.88%
Avg. amount granted	150	141
Avg. LTV	69%	66%



Banking Segment

Assets under Administration*

€ mn

	30/06/13	31/12/12	Change	30/06/12	Change
Cash deposits	8,773.6	7,623.1	+15%	6,078.6	+44%
Repurchase agreements	107.1	12.9	n.s.	1,066.5	-90%
Mediolanum bonds	386.5	409.7	-6%	466.6	-17%
3rd-party structured bonds	1,231.9	1,216.1	+1%	956.5	+29%
Other securities under custody	1,903.3	2,074.8	-8%	2,027.4	-6%
BANKING ADMINISTERED ASSETS	12,402.5	11,336.5	+9%	10,595.5	+17%



€ mn

	H113	H112	Change	vs. FY12
Net Income	7.2	3.8	+87%	
<i>o/w Mediolanum share</i>	3.6	1.9	+87%	
Assets under Administration	14,333	13,225	+8%	+4%
<i>% in Managed Assets</i>	52.7%	58.7%	-10%	
Net Inflows	(291)	(778)	-63%	
<i>o/w Managed Assets Inflows</i>	(288)	(390)	-26%	
Private Bankers	79	81	-2%	+10%
Clients	3,676	3,901	-6%	-4%



H1 2013 Foreign Markets Results



€ mn

	H113	H112	Change	vs. FY12
Net Income	13.5	9.2	+46%	
Managed Assets	1,298.0	1,047.3	+24%	+10%
Administered Assets	772.9	583.2	+33%	+25%
Total Assets	2,071.0	1,630.6	+27%	+15%
Gross Inflows into Managed Assets	231.7	128.8	+80%	
Net Inflows into Managed Assets	112.9	34.5	+227%	
Net Inflows into Administered Assets	143.5	26.8	+436%	
Total Net Inflows	256.3	61.2	+319%	
Financial Advisors (Mediolanum model)	592	513	+15%	+7%
Traditional agents	38	42	-10%	
Total Sales Network	630	555	+14%	+7%
Total Customers	80,911	77,572	+4%	+3%



€ mn

	H113	H112	Change	vs. FY12
Net Income	(3.3)	(2.6)	+28%	
Managed Assets	146.2	104.2	+40%	+14%
Administered Assets	66.1	69.4	-5%	-24%
Total Assets	212.3	173.6	+22%	-1%
Gross Inflows into Managed Assets	21.0	16.7	+26%	
Net Inflows into Managed Assets	12.7	12.8	-0%	
Net Inflows into Administered Assets	(20.4)	10.5	n.s.	
Total Net Inflows	(7.7)	23.3	n.s.	
Financial Advisors	45	43	+5%	-2%
Total Customers	4,526	4,121	+10%	-0%



Germany - Gamax
Highlights

€ mn

	H113	H112	Change	vs. FY12
Net Income	1.1	0.8	+40%	
Assets under Administration	207.4	209.5	-1%	-9%
Gross Inflows	90.5	32.0	+182%	
Net Inflows	(31.7)	(4.1)	n.s.	

Germany - Total
Highlights

€ mn

	H113	H112	Change	vs. FY12
Net Income	(2.2)	(1.8)	+23%	
Managed Assets	353.6	313.7	+13%	-1%
Administered Assets	66.1	69.4	-5%	-24%
Total Assets	419.7	383.1	+10%	-5%
Gross Inflows into Managed Assets	111.5	48.7	+129%	
Net Inflows into Managed Assets	(19.0)	8.7	n.s.	
Net Inflows into Administered Assets	(20.4)	10.5	n.s.	
Total Net Inflows	(39.5)	19.2	n.s.	
Total Sales Network	45	43	+5%	-2%
Total Customers	4,526	4,121	+10%	-0%



Business Update

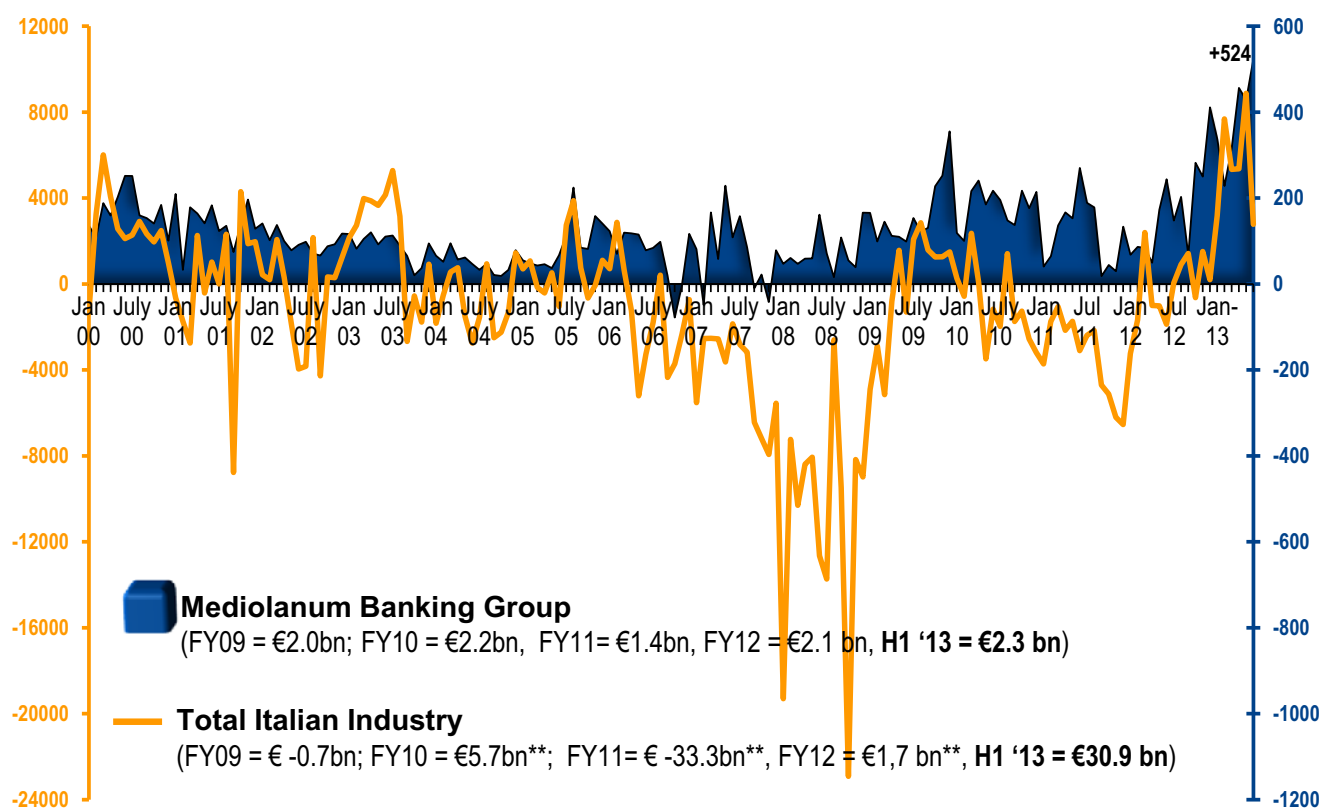


Business
Update

38

Net Inflows into Mutual Funds*

€ mn



* including Managed Accounts & Unit-linked policies

source: Assogestioni monthly reports; **integrated with quarterly reports



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

Source: Assogestioni

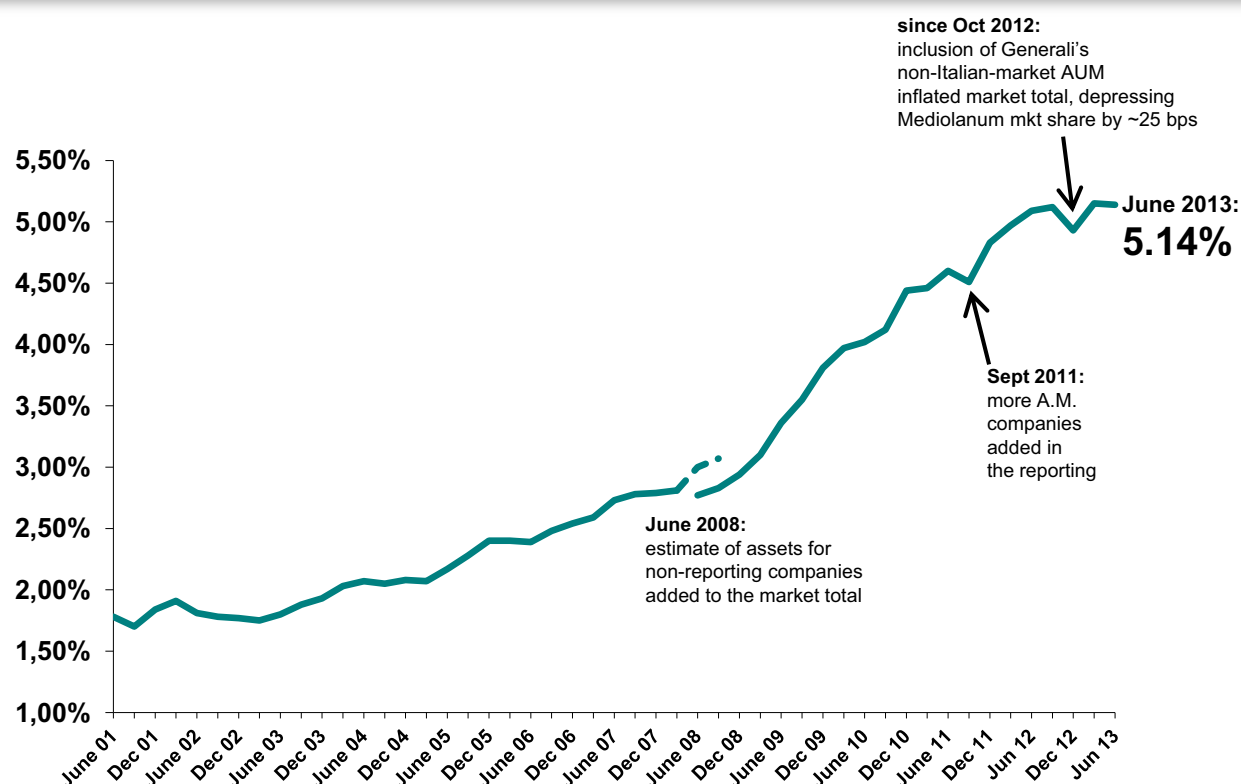
(M&A operations)

	December 2007	December 2008	December 2009	December 2010	December 2011	December 2012	June 2013
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	AM Holding	AM Holding
5. Banco Popolare	MPS	Arca	Bipiemme/Anima	F. Templeton	F. Templeton	F. Templeton	F. Templeton
6. MPS	Mediolanum	Mediolanum	Arca	Generali	Mediolanum	Mediolanum	Mediolanum
7. Crédit Agricole	BNP Paribas	Prima	BNP Paribas	BNP Paribas	Ubi Banca	Ubi Banca	Ubi Banca
8. BNP Paribas	Generali	BNP Paribas	Prima	UBI Banca	Azimut	Azimut	Azimut
9. JPMorgan	Azimut	Azimut	Generali	Azimut	Arca	Arca	Arca
10. Mediolanum	Banco Popolare	Generali	Azimut	Arca	BNP Paribas	BNP Paribas	BNP Paribas
11. Azimut	JPMorgan	JPMorgan	Amundi	Amundi	Amundi	Amundi	JPMorgan
12. Generali	Bipiemme	Crédit Agricole	JPMorgan	JPMorgan	JPMorgan	JPMorgan	Amundi
13. Bipiemme	Crédit Agricole	Credem	Credem	Schroders	Schroders	Schroders	Pictet
14. Allianz	Allianz	Banco Popolare	Banco Popolare	Pictet	Pictet	Pictet	Schroders
15. Anima	Credem	Allianz	Allianz	Société Générale	Banco Popolare	Banco Popolare	Banco Popolare
Market share:	2.79%	2.94%	3.81%	4.44%	4.83%	4.93%	5.14%
Assets (€ bn)	15.9	12.0	16.4	20.1	20.2	24.0	26.6

* 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



Net inflows and sales networks: Mediolanum in the top of the ranking

Italian Networks by group - € thousands

	H1 2013		
	Total Net Inflows	o/w Managed Assets	o/w Mutual Funds
Banca Fideuram (incl. Sanpaolo)	1.647.367	3.889.604	1.038.904
Unicredit (Finecobank)	1.543.345	1.516.981	1.657.002
Banca Generali	1.411.990	1.586.786	1.019.916
Allianz Bank	1.376.762	1.443.289	164.069
Azimut	1.365.593	1.360.766	316.707
Banca Mediolanum	1.260.823*	1.612.822*	2.580.335
Deutsche Bank (Finanza & Futuro)	381.689	475.695	257.165
Credem	209.590	192.850	151.159
Veneto Banca	82.080	137.255	57.543
UBI	3.888	176.916	218.439
Banca Pop. Vicenza (Banca Nuova)	-11.289	27.938	25.837
Consultinvest	-28.772	-13.209	-32.572
Hypo Alpe-Adria-Bank	-31.949	8.620	20.019
Monte dei Paschi di Siena	-208.429	13.347	34.098

* accounts for approximately € -542 mn in maturities of discontinued Index-Linked policies

source: Assoreti






'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 13 funds (o/w 6 funds with 30% to 90% equity content) are now available in the service

In the first eight months:

€ 3.6 bn net inflows into the funds used in 'OgniMese'





€1.1 bn from customers fully compliant with the
service's strategy (i.e. 4 or more funds)



'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 (2.80% through August 2013)
-  May-September 2013 Promo: simultaneous underwriting of managed products can raise the interest rate by up to 50 bps
-  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 30/06/2013 – also includes other locked-in products






New customers	42,056
<i>o/w direct access</i>	70%
<i>o/w through Family Banker</i>	30%
Total assets from new customers (€ mn)	979
Existing customers	97,685
Total assets from existing customers (€ mn)	2,223
Total customers	139,741
Total assets in locked-in products (€ mn)	3,202



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 2.80% (no need to open a separate InMediolanum deposit account)



as at 30/6/2013 – locked-in amounts not included

Total Accounts**187,939****Total assets in 'Freedom' & 'Freedom+'****€ 5.02 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

€ 2.04 bn

€ 1.44 bn

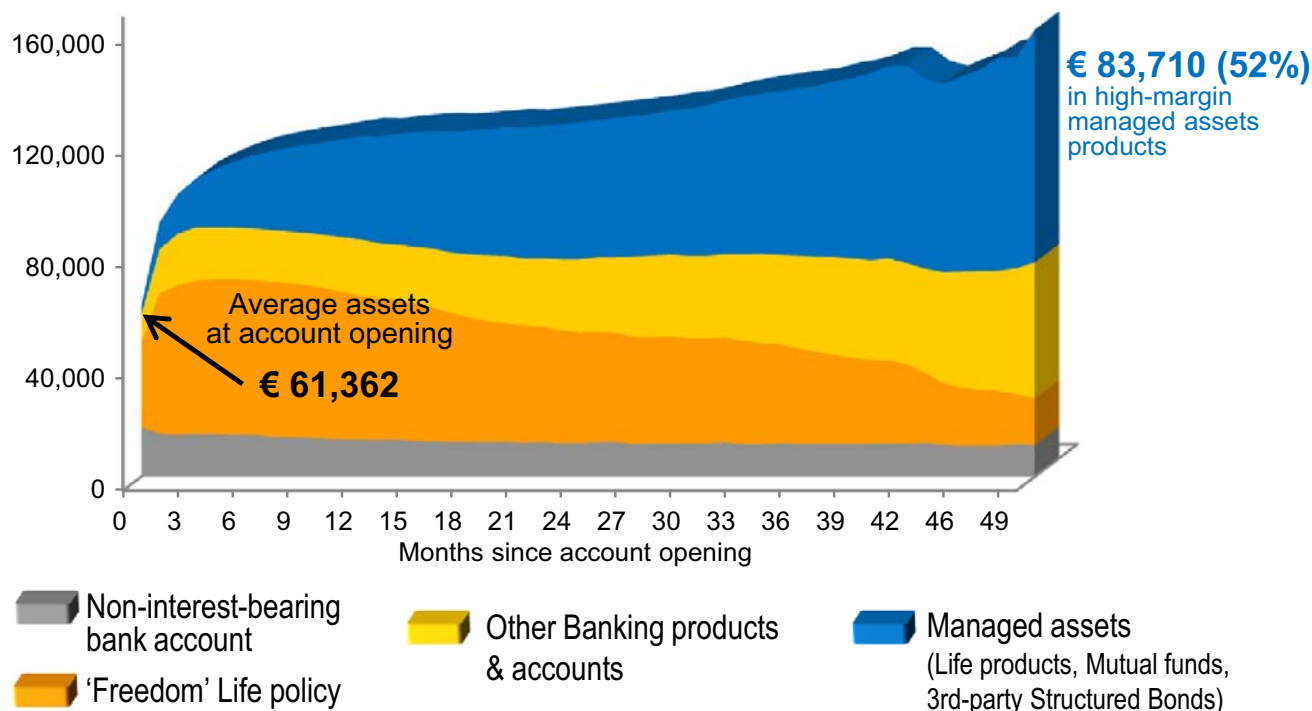


'Freedom' account customers: Cross-selling into managed products

Per-capita asset growth of 'Freedom' account holders*
(€ 6.7 bn in total assets as at 30/06/2013)

Average assets
after 50 months

€ 160,681



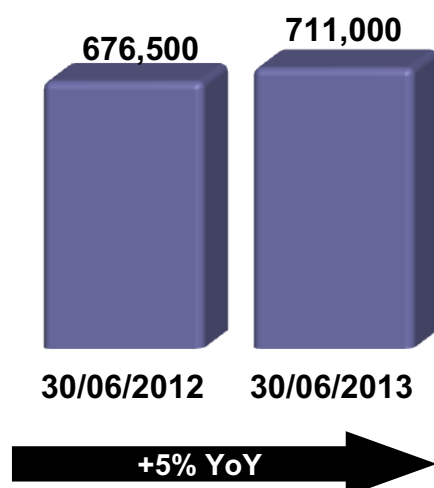
*all households who opened 'Freedom' or 'Freedom+' as their first current account with Mediolanum, excluding those with a balance permanently below €15,000



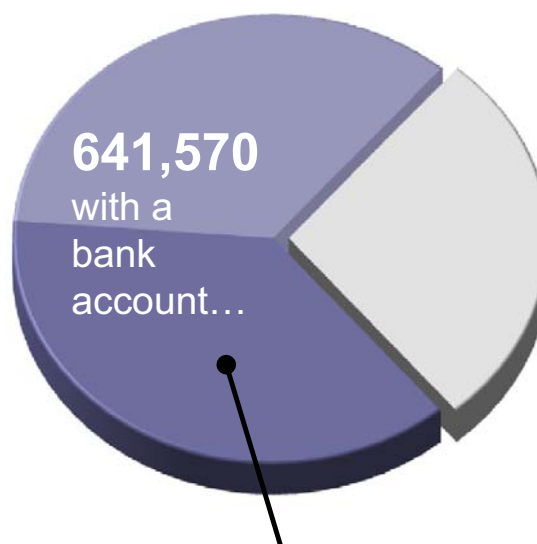
Banca Mediolanum Bank Accounts & Bank Customers

as at 30/06/2013

Bank Accounts (including deposit accounts)



Customers (868,970 primary account holders)



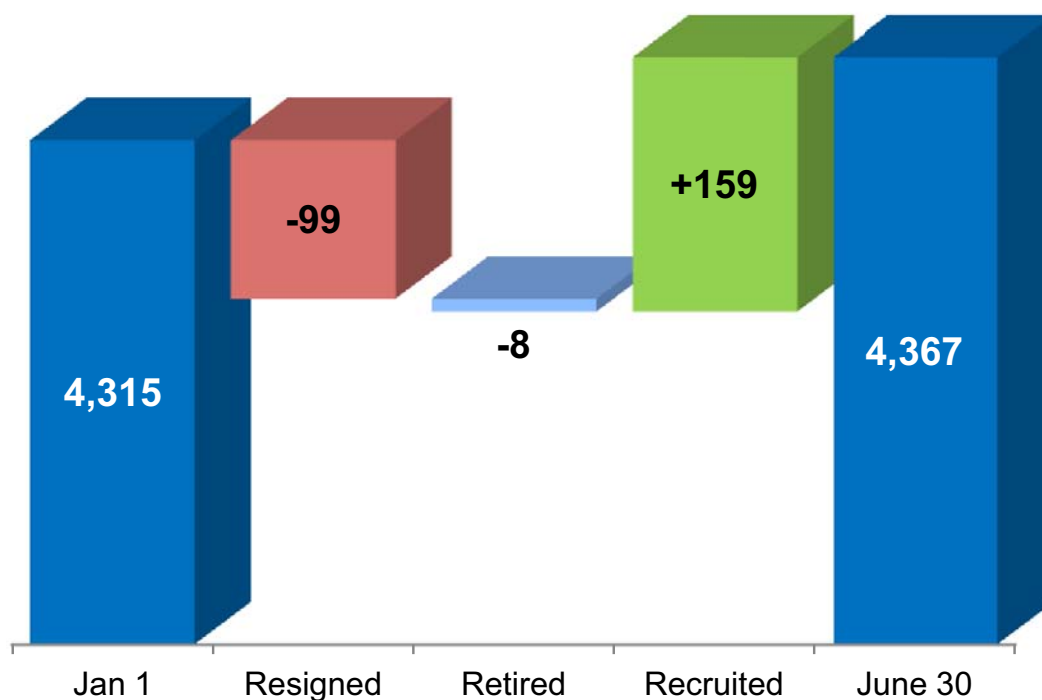
...55% of which use Mediolanum as
their primary banking institution:
350,270, up 17% vs. 30/06/2012



Banca Mediolanum

Network of Family Bankers

Change in headcount, January- June 2013



Turnover rate: **8.3%** → **4.9%**
(annualised)



Mediolanum Group

Bond Portfolio

€ mn – as at 30/06/2013

	Financial Conglomerate = Banking Group* + Mediolanum Vita					
	Book Value	AD	Book Value	AD	Book Value	AD
Italian Govies	15,353	1.3	13,531	1.2	1822	2.3
Italian Financials	2,085	1.1	1,235	0.7	850	1.7
Spanish Govies	597	1.1	476	1.1	121	1.1
Spanish Financials	57	1.0	37	0.6	20	1.9
Core Europe Govies**	-30	2.0	-30	2.0	0	
Greek Govies	0		0		0	
Portuguese, Irish Govies	0		0		0	
Other Financials	128	2.3	32	3.6	96	1.9
Other Corporate	20	3.4	10	3.2	10	3.7
Bond issued by EFSF	13	4.9	13	4.9	0	
Other ABS	12	4.3	12	4.3	0	
Other Supranational	6	8.8	6	8.8	0	
TOTAL	18,241	1.3	15,322	1.2	2919	2.1

AD = average duration weighted by absolute nominal value

* includes: Banca Mediolanum, Banco Mediolanum, Bankhaus August Lenz

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



Banca Mediolanum

Balance Sheet

€ mn – as at 30/06/2013

	Liabilities	Assets
Retail	9,080	4,210
Treasury	10,681	15,642
o/w interbank / intra-group deposits & repos	1,423	951
o/w ECB (LTRO & other refinancing)	3,000	3,090
o/w MTS (collateral-backed financing)	6,258	6,477
o/w Securities (bonds)		5,124
Other Liabilities / Assets	1,682	1,591
TOTAL	21,443	21,443

Operating Liquidity (24 hr)

4,945



Banca Mediolanum

Interest Spread

€ mn

	H1 2013	FY 2012
Total Cost of Funding	1.14%	1.30%
Retail	1.91%	1.90%
ECB/MTS (collateral-backed)	0.33%	0.55%
Total Interest Income	2.45%	3.08%
Retail Interest Income	2.89%	3.11%
TOTAL SPREAD	1.31%	1.79%
Spread on Retail	0.98%	1.22%



Mediolanum Group

Capital Adequacy

€ mn

	30/06/2013	31/12/2012
Total Regulatory Capital Held	1,382	1,252
Total Required Capital	845	896
o/w Required Capital – Banks	614	615
o/w Solvency Margin – Insurance companies	231	281
EXCESS CAPITAL	537	356



Mediolanum Banking Group

Capital Ratios

as at 30/06/2013 - subject to adjustment

	Mediolanum Banking Group
Total Capital Ratio	16.1%
Tier 1 Capital Ratio	13.2%
Core Tier 1 Ratio	13.2%



Mediolanum Facts

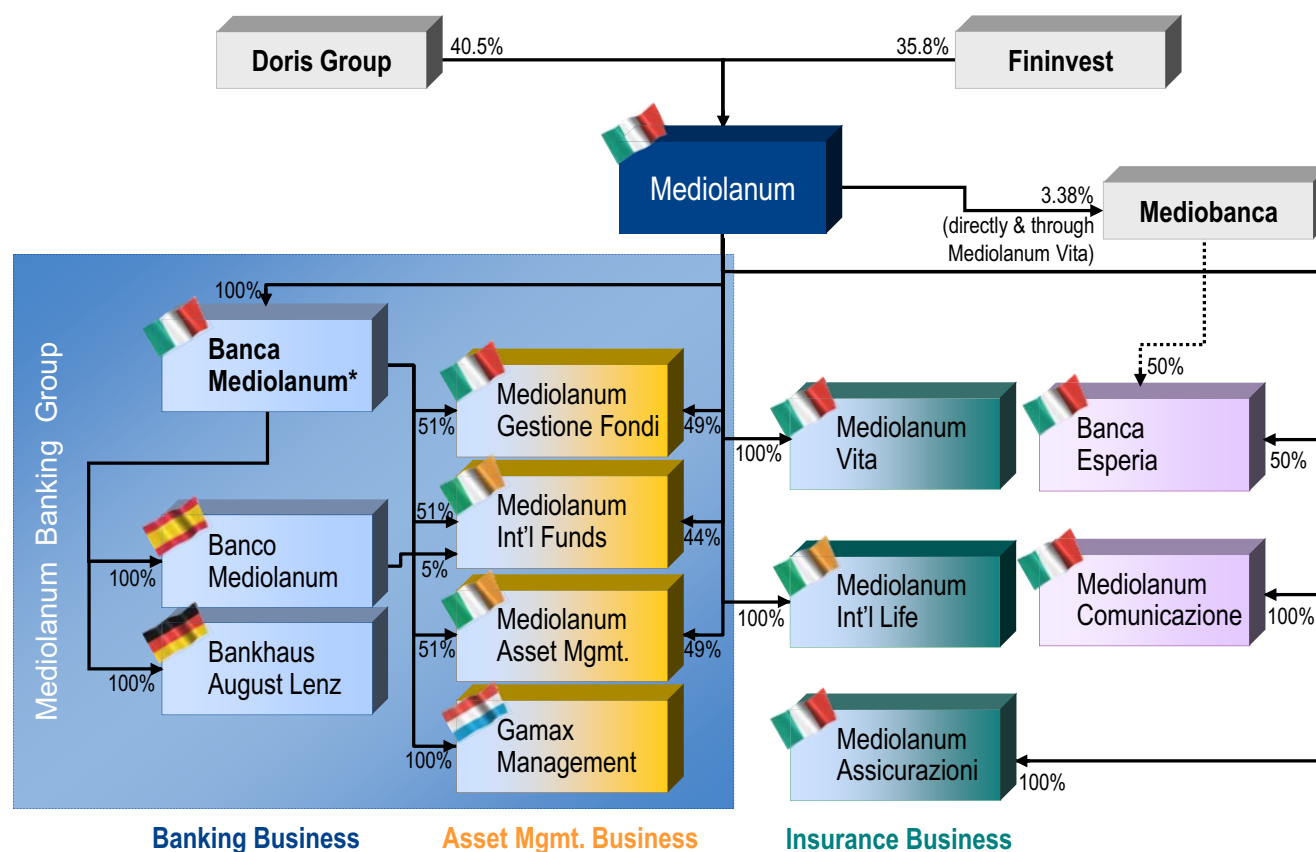


Mediolanum
Facts

Mediolanum Group Structure

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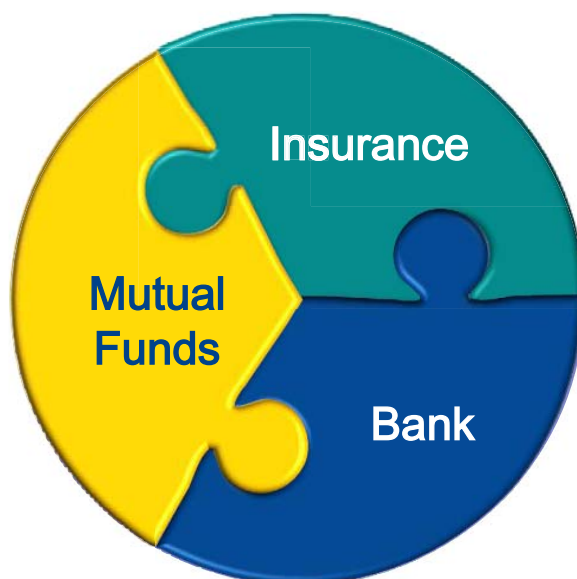
as at 30/06/2013



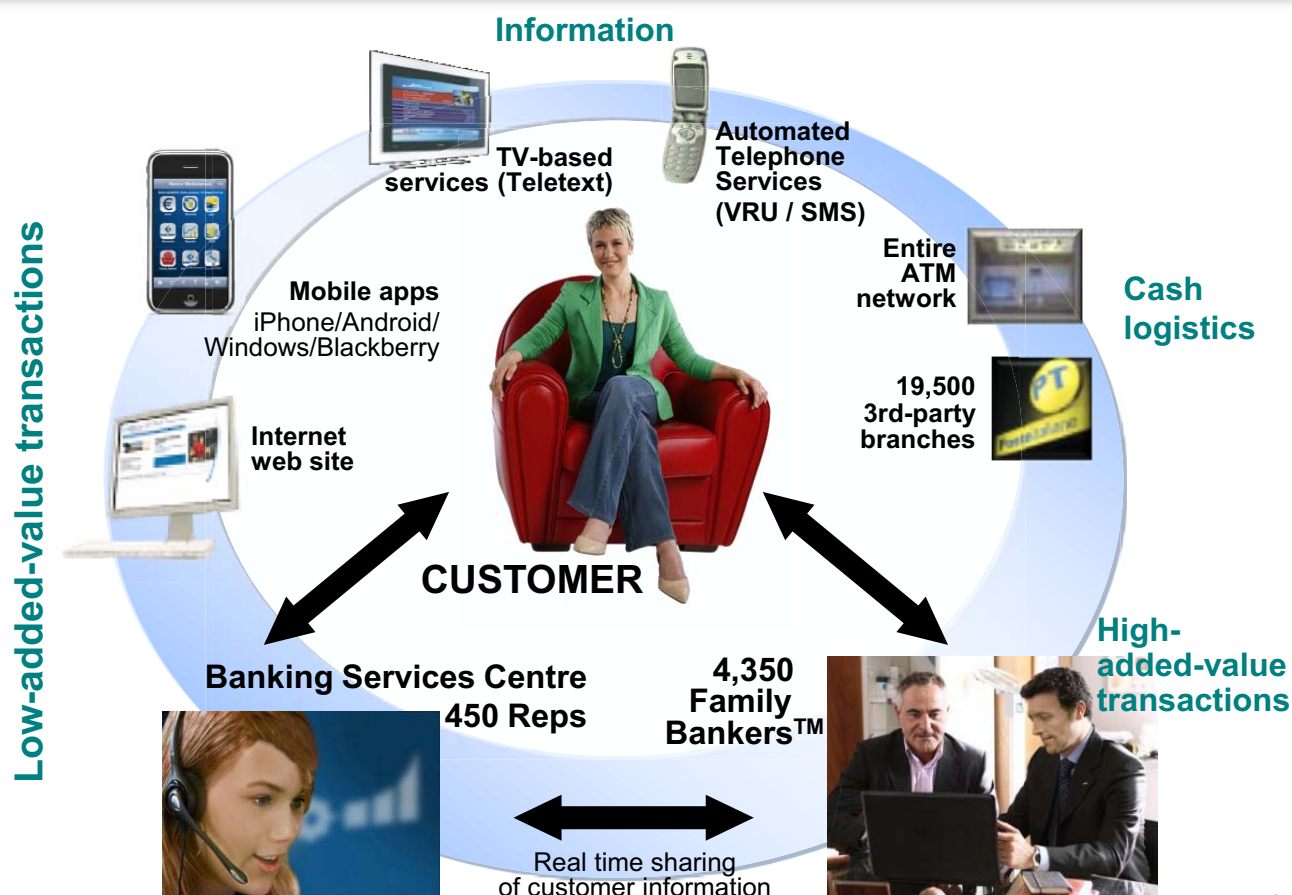
* Includes Mediolanum Corporate University



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

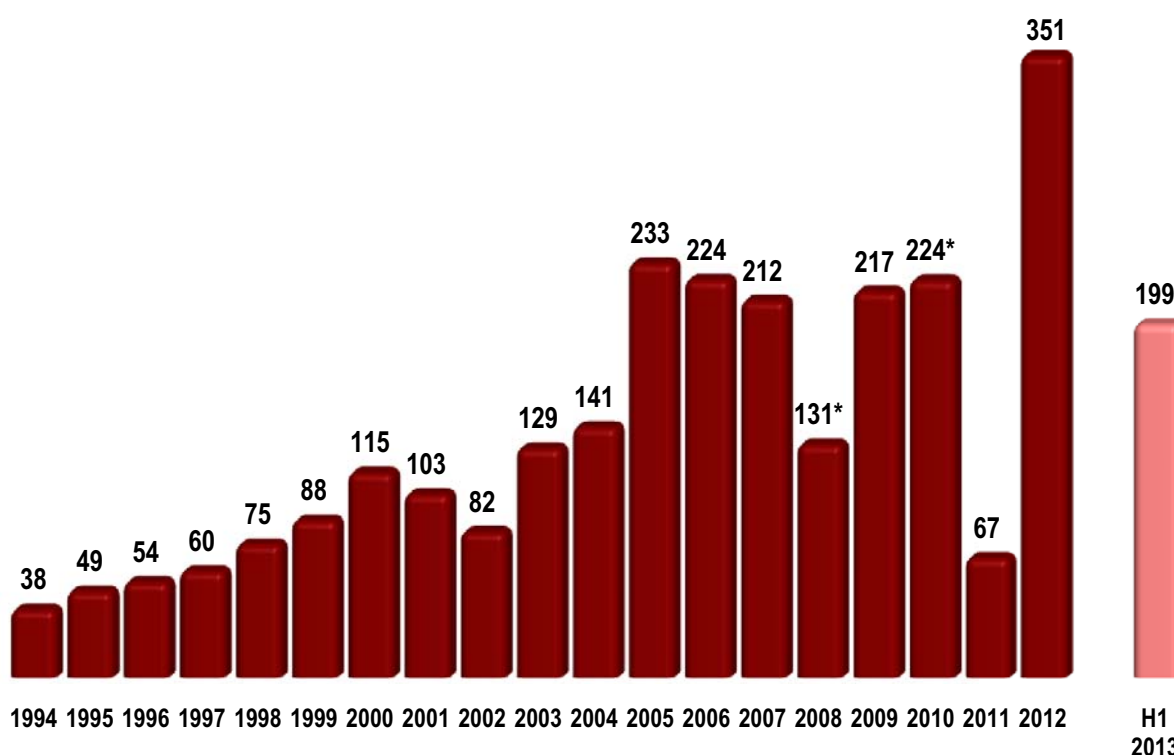
Freedom of use

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



Net Profit

€ mn

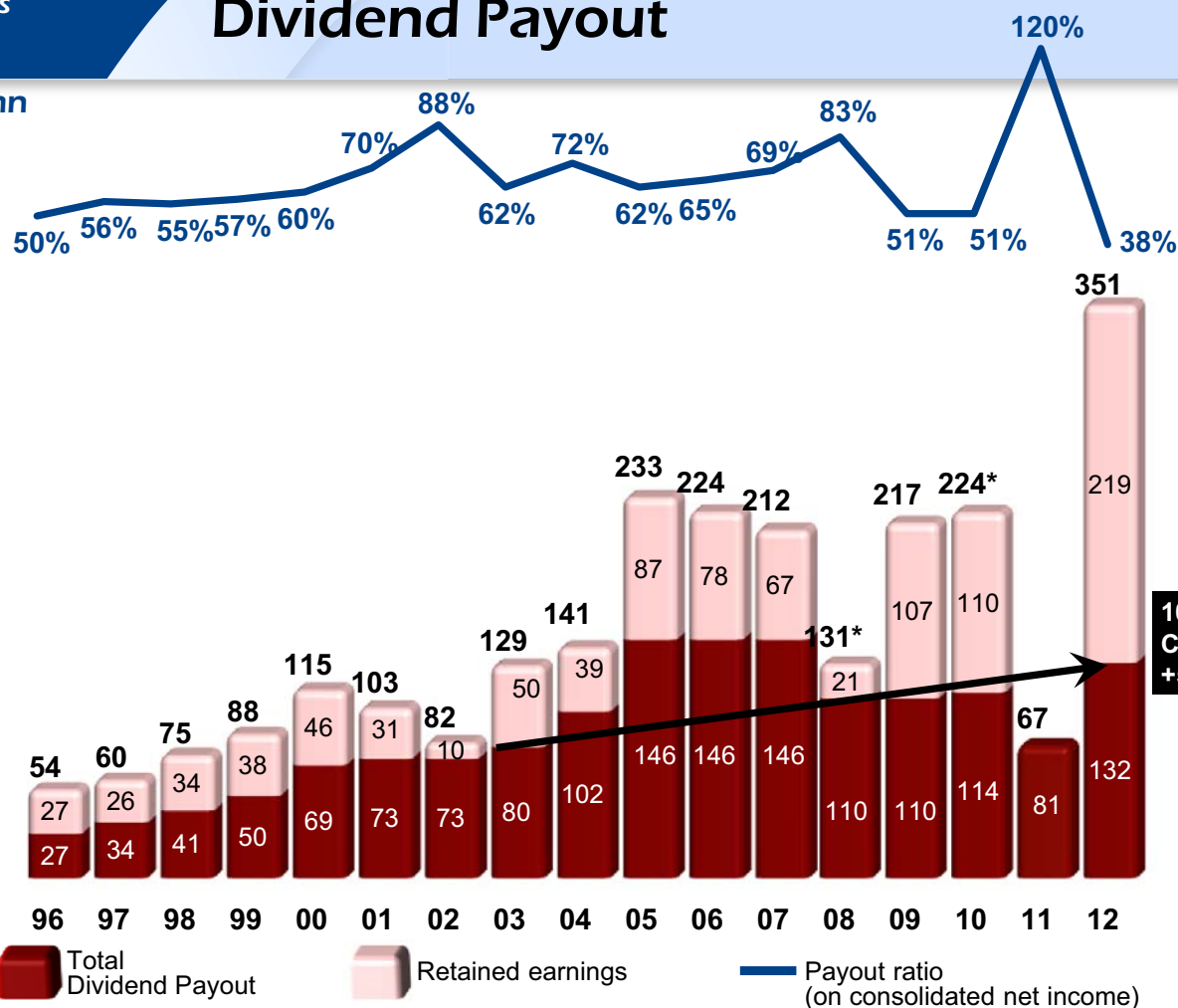


* 2008 & 2010 Adjusted Net Income ex 'Lehman Bros.'



Dividend Payout

€ mn

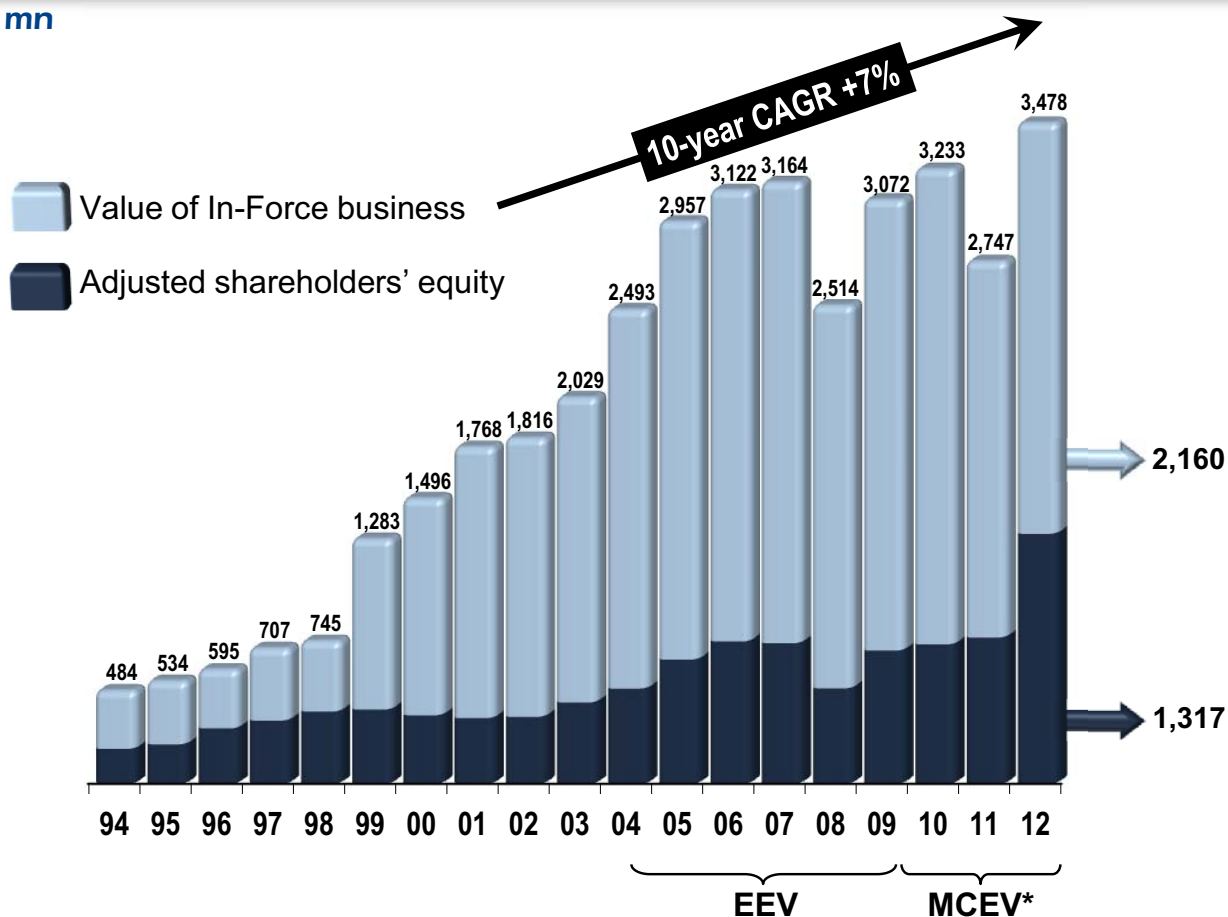


* 2008 & 2010 Adjusted Net Income ex 'Lehman Bros.'



Embedded Value

€ mn

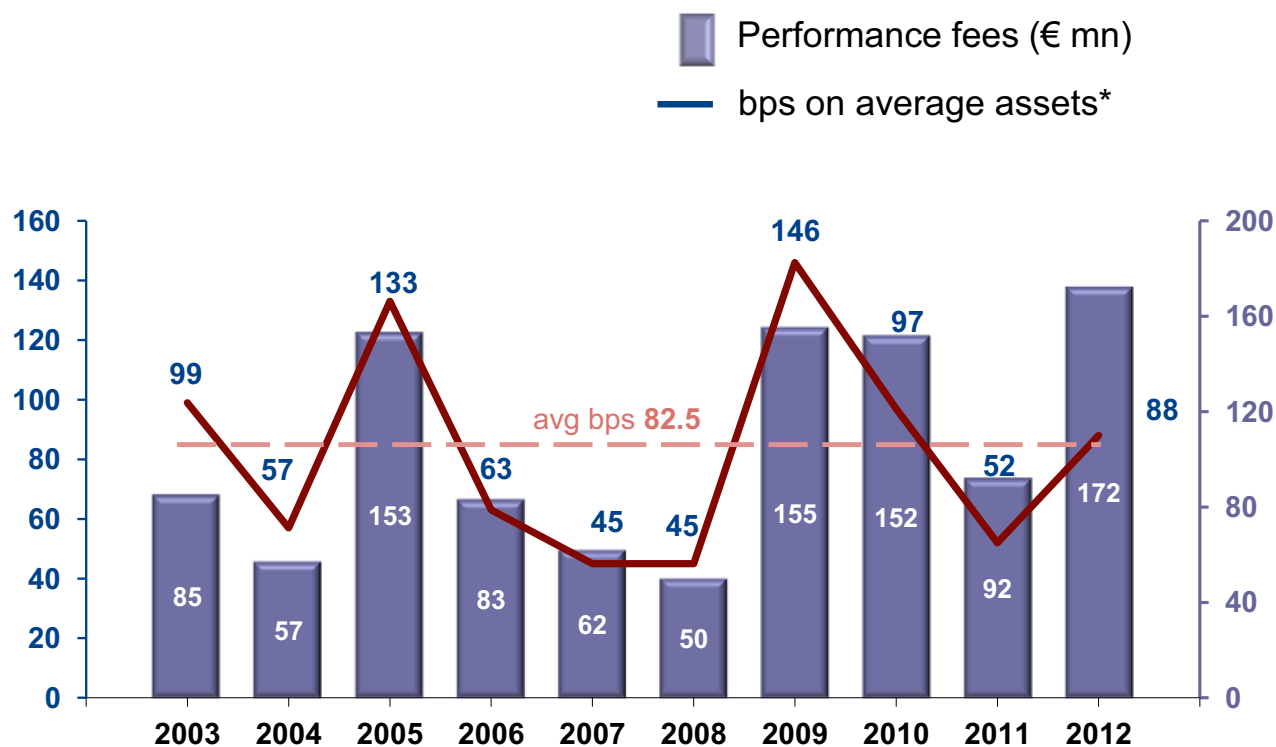


* MCEV for Life business; EEV for A.M. & Italian banking business



Yearly Commission Income from Performance Fees

Including Managed Accounts & Unit-linked policies

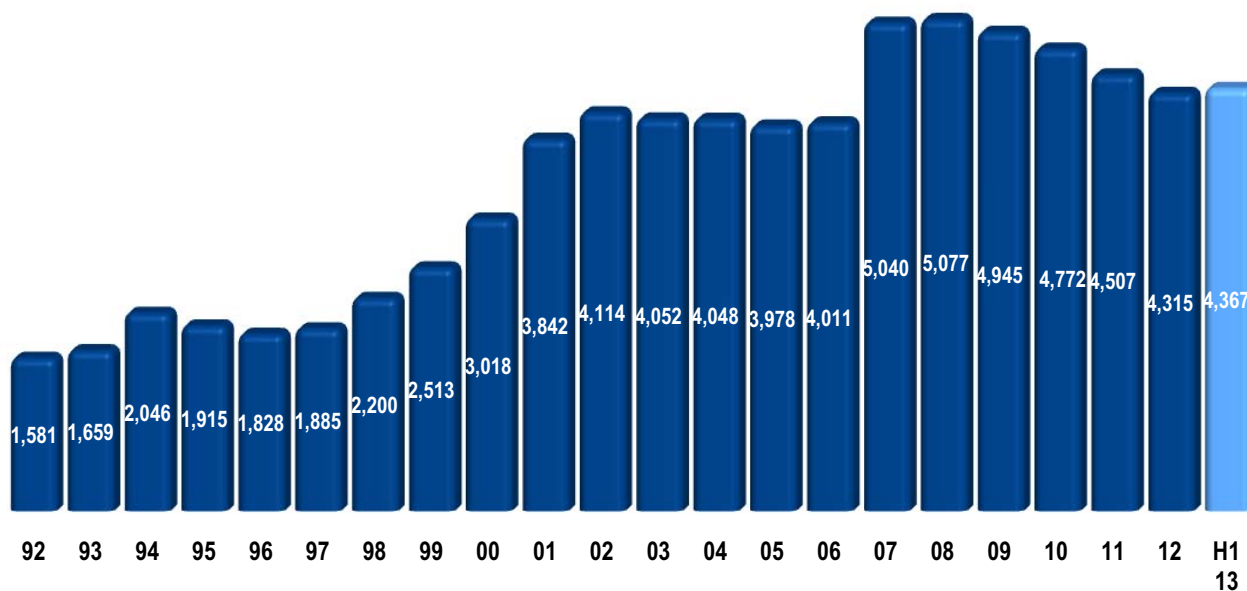


* calculated only on those funds subject to performance fees

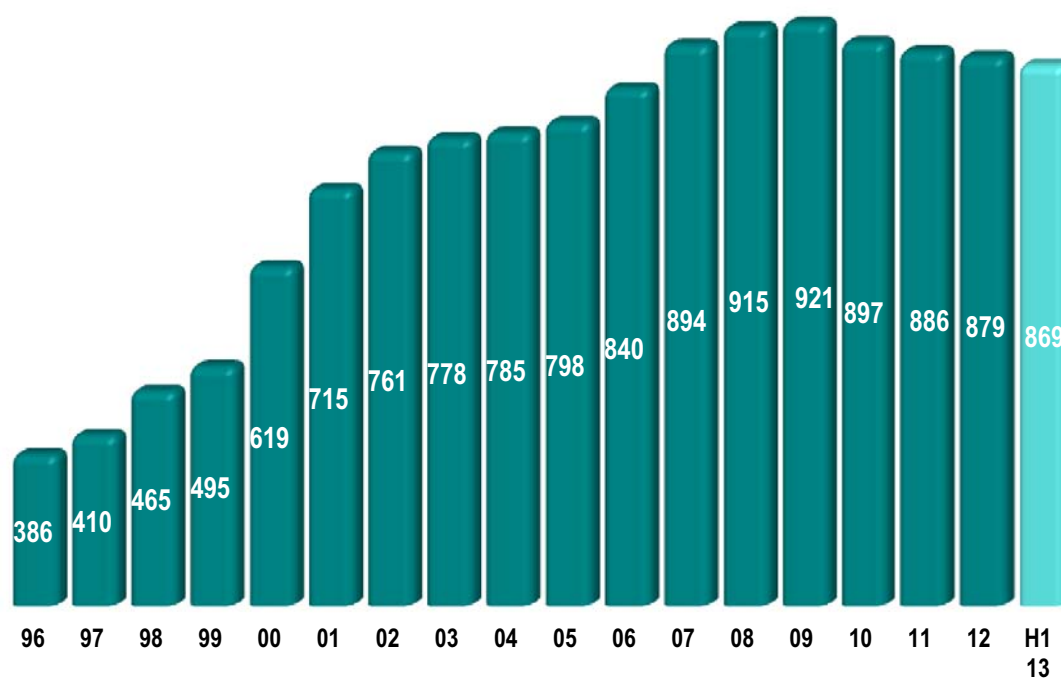


Banca Mediolanum Family Banker Network

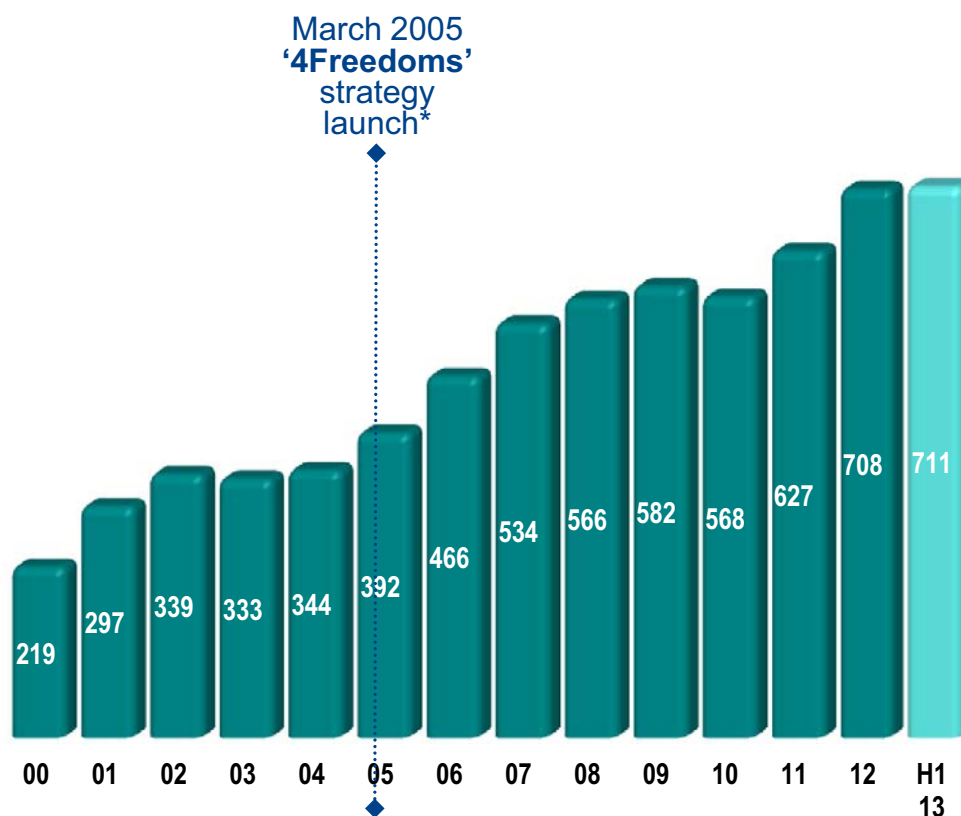
Licensed Advisors



Primary account holders (thousands)



Thousands



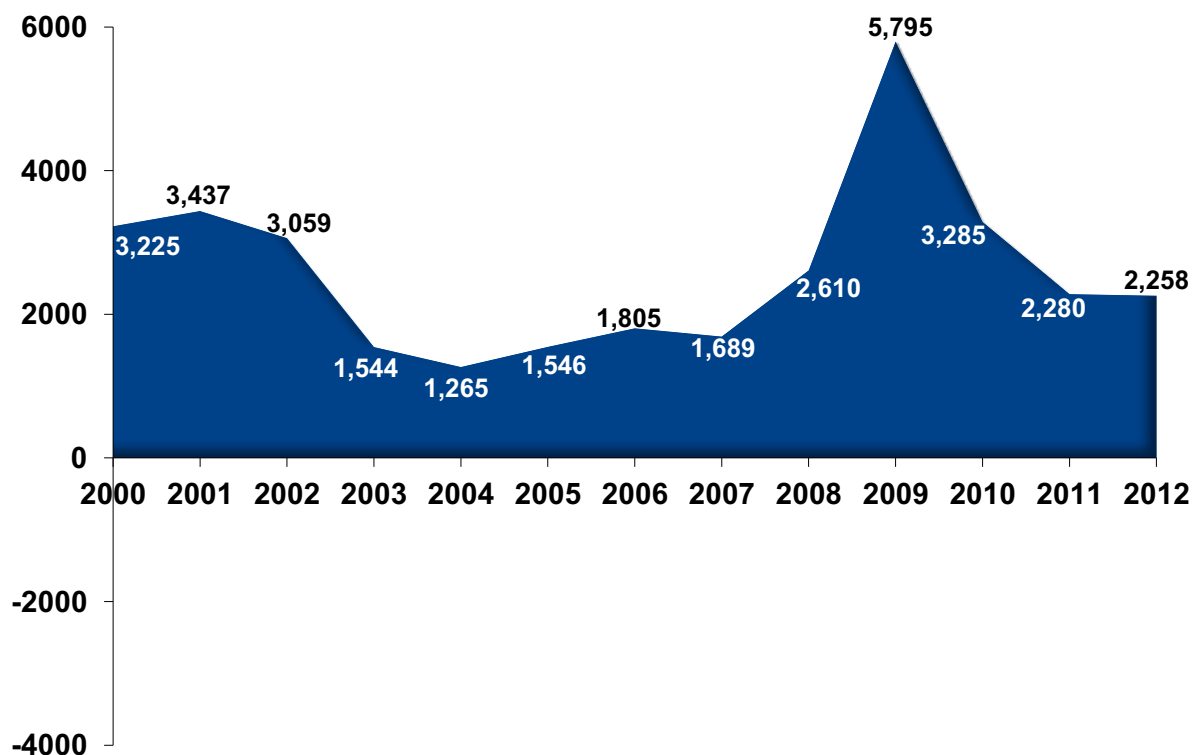
* all new customers are acquired through the bank account



Banca Mediolanum Total Net Inflows Trend

67

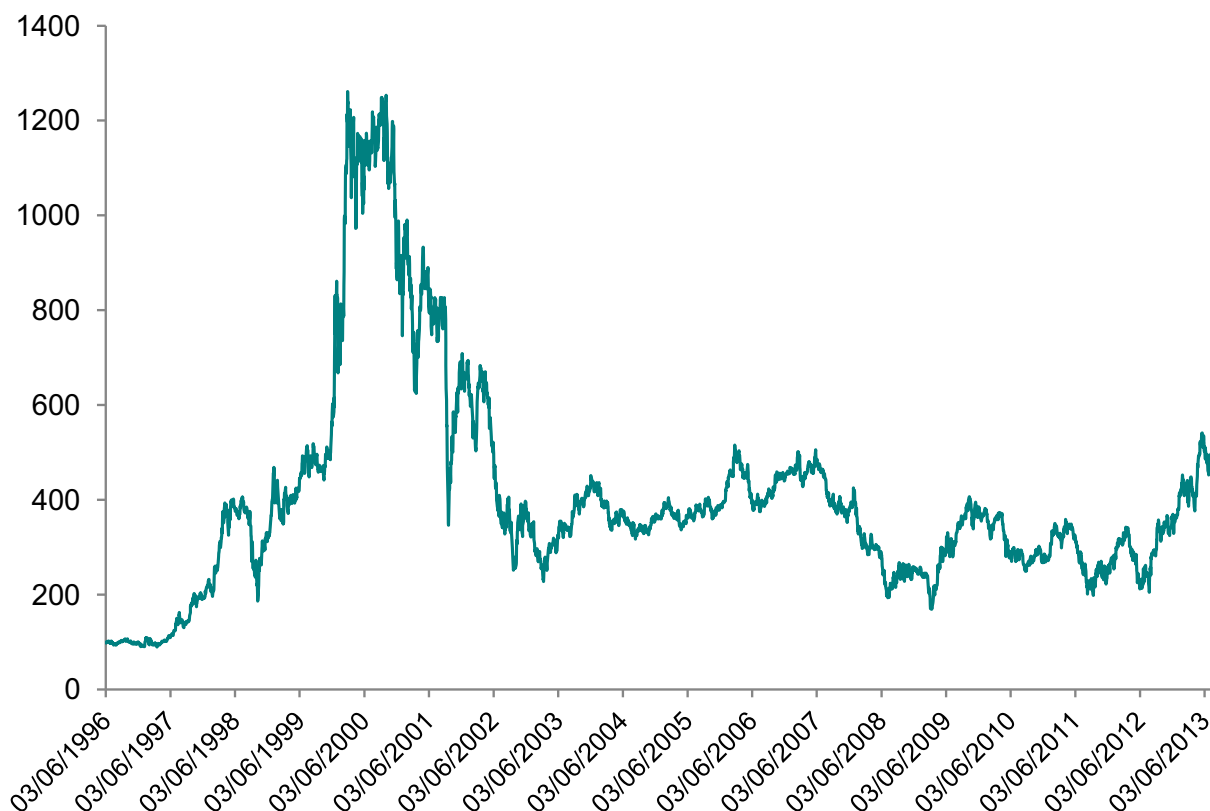
€ mn



Italian Households' Financial Assets Mediolanum's Market Share

68





* includes dividend reinvestment, June 3, 1996 – July 26, 2013

source: Datastream



Our 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



Our 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





-  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



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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.

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

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

The senior manager in charge of drawing up Company Accounts

Luigi Del Fabbro



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