

MEDIOLANUM S.p.A.

**Interim
Report and
Accounts at
March 31,
2012**

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The English version of the Annual Report is a translation of the Italian text provided for the convenience of international readers.

**Interim
Report and
Accounts at
March 31,
2012**

Registered Office: Meucci Building, Via F. Sforza – Basiglio – Milano Tre (Milan)
Share capital € 73,384,716.10 – fully paid up
Tax, VAT and Milan Register of Companies Registration No. 11667420159

Corporate Governance Officers

BOARD OF DIRECTORS

Roberto Ruozi	Chairman of the Board*
Alfredo Messina	Deputy Chairman of the Board
Massimo Antonio Doris	Executive Deputy Chairman
Ennio Doris	Chief Executive Officer
Luigi Berlusconi	Director
Pasquale Cannatelli	Director
Maurizio Carfagna	Director
Bruno Ermolli	Director
Edoardo Lombardi	Director
Mario Molteni	Director
Danilo Pellegrino	Director
Angelo Renoldi	Director
Paolo Sciumè	Director
Maria Alessandra Zunino De Pignier	Director

BOARD OF STATUTORY AUDITORS

Ezio Simonelli	Chairman
Riccardo Perotta	Standing Auditor
Francesco Vittadini	Standing Auditor
Ferdinando Gatti	Standing Auditor
Antonio Marchesi	Standing Auditor

BOARD SECRETARY

Luca Maria Rovere

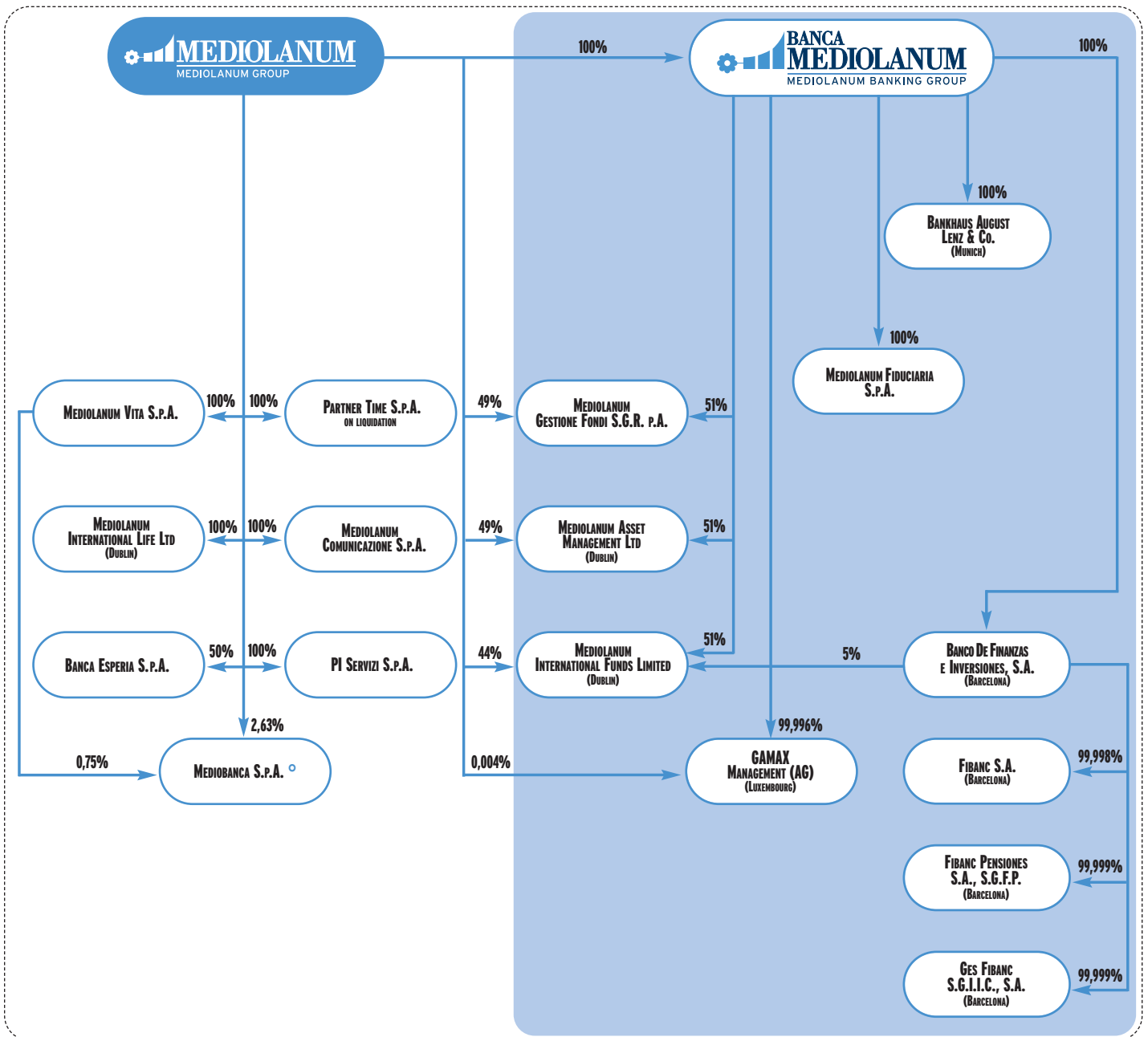
OFFICER RESPONSIBLE FOR PREPARING ACCOUNTING AND FINANCIAL REPORTING DOCUMENTS

Luigi Del Fabbro

* Board Chairman Professor Roberto Ruozi resigned on April 26, 2012

Group structure

As of March 31, 2012



• MEDIOLANUM FINANCIAL CONGLOMERATE

• MEDIOLANUM BANKING GROUP

◦ Since Mediobanca holds treasury shares, total shareholding amounts to 3.447% of voting rights.

Mediolanum Group's Financial Highlights

€/million	March 31, 2012	March 31, 2011	Change%
Assets under management and administration ^(*)	49,177.6	46,206.8	6%

€/million	March 31, 2012	March 31, 2011	Change%
Net inflows	728.5	452.6	61%
<i>of which managed assets</i>	<i>160.0</i>	<i>(79.2)</i>	<i>n/s</i>
Profit before tax	244.4	91.2	168%
Income Tax	(65.7)	(22.6)	191%
Net profit	178.6	68.6	160%

€/million	March 31, 2012	March 31, 2011	Change%
Earnings per share	0.243	0.094	159%

(*) The figures relate to retail customers only.

A stylized graphic of an eye, composed of concentric shapes. The outermost shape is a dark blue arc. Inside it is a light blue arc. The center of the eye is a white circle, and within that is a dark blue circle. The text "Interim management report" is written in yellow inside the dark blue circle.

**Interim
management
report**

Interim management report

For the first quarter 2012 the Mediolanum Group reported net profit of €178.6 million, up €110 million (160%) compared to €68.6 million in the same period of the prior year.

The bottom line benefitted from the good performance of recurring revenue items (management fees and net interest income), performance fees, which confirmed the positive trend seen in the fourth quarter of 2011, as well as investments at fair value whose recovered value more than offset the losses recorded for the full year 2011.

● The macroeconomic environment

Q4 2011 statistics showed sluggish growth in the Euro zone and the negative trend is confirmed by the results of economic surveys released in the first quarter of 2012. Conversely, recent surveys and statistics from the US seem to exclude the risk of a double dip in that country, in spite of the stall in residential investments and consumers continuing to cut down on their debts.

Q4 2011 GDP data tells a different story for the US and the Euro zone: up 3% (annualised) in the US, but shrinking by 0.3% (non annualised) in the Euro zone. Specifically, GDP was up 0.2% in France but fell in Germany (-0.2%), Italy (-0.7%) and Spain (-0.3%). In the UK, GDP shrank too by 0.3%.

In the US, unemployment stands at 8.2% and consumer confidence is not significantly improving. In the Eurozone, unemployment has reached 10.8%.

Movements in oil prices seem not to be entirely reflected in retail prices. In February 2012, production prices and consumer prices rose by 2.8% and 2.7% in the US, and by 3.6% and 2.7% in the Euro zone, respectively.

In the first quarter 2012, both the ECB and the Fed kept the refinancing rates unchanged at 1% and 0-0.25%, respectively. Last February 29 through a second Long-Term Refinancing Operation (LTRO) the ECB injected additional €529.5 billion into the financial system after the €489.2 billion provided under the first LTRO in December 2011. With these non-standard measures the ECB reached its goal of providing the required liquidity to the banking system.

○ Financial markets

The overall performance of financial markets in the first months of 2012 indicates the risk propensity of investors has improved. As to the sovereign debt crisis in peripheral Euro zone countries, yields on Italian and Spanish treasuries have shown historic declines since November 2011. Fears that Portugal may be unable in the short term to raise funds in the marketplace and be forced again to seek help from international institutions have continued to weigh down on that country. In the first quarter of 2012, the Greek bond swap agreement was finalised. The yield curve for German government bonds was essentially stable, while yields on Italian treasuries declined from 5.12% at December 30, 2011 to 2.92% at March 30, 2012 on 2-year notes, and from 7.11% at December 30, 2011 to 5.12% at March 30, 2012 on 10-year notes. Notably yields on 1-year Italian treasuries fell from 4.14% to 1.73% over the same period.

In the quarter under review, global stock markets progressed by 11.7% (MSCI World in USD). In the US, the S&P 500 was up 12%, and the NASDAQ Composite soared 18.7%. In Europe stock markets rose too (up 7.7%). The Italian stock market grew 5.9% underperforming the German DAX that was up 17.8%, while the Spanish stock market was down 6.5%. Emerging markets were up 13.6% (MSCI EM in USD). The US dollar marginally weakened against the European single currency with the Euro/USD exchange rate moving from 1.30 at the beginning of the year to 1.33 at March 31, 2012.

○ The Insurance Market

In the first three months of 2012, new business written under individual policies amounted to €12.4 billion, down 27% over the same period of the prior year. Including EU companies conducting business in Italy, new business written was down 16.9% compared to the same month of 2011 to €5.4 billion, and down 31.2% over the same quarter of the prior year to €13.3 billion for the quarter under review.

The analysis by type of product/class shows new premiums written were down across the board. For life policies (class I) new business written was €9.4 billion, down 30.6%, and accounted for 75.4% of total new business written in the period.

New premiums written under unit-linked and index-linked policies (class III) declined 6.1% over the same period of the prior year, and new business written under class V products amounted to €0.25 billion down 52.5%.

The analysis by distribution channel relative to Italian and non-EU companies shows the decline was mostly in new business written through banks and post offices that gathered €8.1 billion, down 36.7% over the same period of the prior year. New business written through agents and subsidiary agencies aggregated to €1.7 billion down 20% over the same period of 2011, with a market share of about 14%.

New business written through financial advisors amounted to €2.5 billion up 28.8%, with a market share of 20%.

● Mediolanum Group's performance

For the first quarter 2012, the Mediolanum Group reported profit before tax of €244.4 million up €153.2 million compared to €91.2 million in the same quarter of the prior year.

In the first quarter of 2012, the Group recorded notable growth in recurring revenue items, i.e. net interest income (up €39.3 million) and management fees (up €8.0 million), in performance fees, which confirmed the positive trend seen in the fourth quarter 2011 (up €48.2 million), and investments at fair value whose recovered value more than offset the losses for the entire year 2011 (up €78.6 million).

Banking services fees were down €9.7 million, especially due to reduced sales volumes of third-party structured bonds and income on investments accounted for by the equity method (down €4.7 million).

Costs for the quarter were up €5.8 million to €186.7 million compared to €180.9 million in the first quarter of 2011.

In the quarter under review, net inflows amounted to €728.5 million versus €452.6 million in the same period of the prior year (up 61%).

Banca Mediolanum's total net inflows for the first quarter of the year amounted to €915.8 million versus €506.7 million in the same period of the prior year (up 81%).

Banca Mediolanum's net inflows into asset management products and sales of third-party structured bonds aggregated to €181.5 million versus €0.3 million in the same period of the prior year.

Specifically, net inflows into mutual funds amounted to €292.9 million versus €281.0 million in the first quarter 2011, while life insurance products recorded net outflows of €157.5 million versus net outflows of €370.4 million in the same quarter of the prior year.

Net inflows generated by sales of third-party structured bonds totalled €46.2 million versus €89.7 million for the same period of the prior year.

Net inflows generated by the insurance policy associated with the *Freedom* bank account amounted to €72 million versus €345 million in March of the prior year.

Net inflows into administered assets more than trebled from €161.3 million in the first quarter 2011 to €662.4 million at March 31, 2012, thanks in particular to the positive contribution of the *InMediolanum* product range.

With over €0.9 billion net inflows in the first quarter of the year, Banca Mediolanum was again at the top of the ranking of Italian sales networks published by the financial newspaper *Il Sole 24 ore* in April 2012.

According to data released by Assogestioni, in the January-March 2012 period, Banca Mediolanum posted €0.24 billion net inflows into mutual funds versus net outflows of about €2.5 billion recorded by the whole domestic industry.

The Assogestioni ranking of top asset managers in terms of volumes shows that the Mediolanum Group was firmly in the fourth place as in December 2011 and 2010, versus sixth place in 2009 and 2008 and tenth place in December 2007; its market share grew further from 4.83% in December 2011 to 4.97% in March 2012.

At March 31, 2012, Mediolanum Group's total assets under management and administration reached €49,177.6 million, up €2,970.8 million from €46,206.8 million at year end 2011, and up €2,982.5 million from €46,195.1 million at March 31, 2011.

● Consolidated Inflows, Assets under Management and Assets under Administration

○ Net Inflows

€/million	March 31, 2012	March 31, 2011	Change
ITALY			
Life insurance products	(157.5)	(370.4)	(57%)
Asset Management Products	292.9	281.0	4%
Total managed assets inflows	135.3	(89.4)	n/s
Third-party structured bonds	46.2	89.7	(49%)
Total managed assets + third-party structured bonds	181.5	0.3	n/s
<i>Freedom</i> Life Policies	72.0	345.0	(79%)
Administered assets	662.4	161.3	311%
BANCA MEDIOLANUM	915.8	506.7	81%
BANCA ESPERIA (*)	(221.7)	(71.1)	212%
Total ITALY	694.1	435.5	59%
SPAIN	31.7	15.6	103%
GERMANY	2.7	1.4	93%
TOTAL FOREIGN MARKETS	34.4	17.0	102%
TOTAL NET INFLOWS	728.5	452.6	61%

(*) The figures relating to Banca Esperia are stated on a pro-rata basis according to the stake held by the Mediolanum Group in that entity, i.e. 50%.

○ Assets under Management and under Administration(*)

€/million	March 31, 2012	Dec 31, 2011	March 31, 2011
ITALY			
Life Products	14,268.7	13,678.5	14,593.6
<i>Freedom</i> Life Policies	4,575.8	4,503.8	5,370.3
Asset Management products	21,076.2	19,725.3	19,545.5
Banking products	9,881.9	8,925.6	7,514.1
Consolidation adjustments	(9,454.9)	(8,966.0)	(9,191.7)
BANCA MEDIOLANUM	40,347.6	37,867.2	37,831.8
BANCA ESPERIA GROUP (**)	6,781.3	6,408.5	6,359.5
Total ITALY	47,128.9	44,275.7	44,191.3
SPAIN	1,674.3	1,581.2	1,669.4
GERMANY	374.4	349.9	334.4
TOTAL FOREIGN MARKETS	2,048.7	1,931.1	2,003.8
TOTAL ASSETS UNDER MANAGEMENT & ADMINISTRATION	49,177.6	46,206.8	46,195.1

(*) The figures relate to retail customers only.

(**) The figures relating to Banca Esperia are stated on a pro-rata basis according to the stake held by the Mediolanum Group in that entity, i.e. 50%.

At March 31, 2012, total assets under management and administration amounted to €49,177.6 million up more than 6% from the year end 2011 balance of €46,206.8 million and the March 31, 2011 balance of €46,195.1 million.

The analysis of new business as well as of assets under management and administration by operating segment is set out below.

○ Italy - Life

Total life products amounted to €14,268.7 million versus €13,678.5 million at the end of the prior year and €14,593.6 million at the end of the first quarter 2011.

€/million	March 31, 2012	Dec 31, 2011	March 31, 2011
Unit-linked life products	1,305.3	1,350.7	1,332.4
Index-linked life products	3,289.5	3,171.7	4,010.5
Traditional life products	9,673.9	9,156.0	9,250.7
Total Life Products (ex-'Freedom')	14,268.7	13,678.5	14,593.6
'Freedom' Life Policies	4,575.8	4,503.8	5,370.3

○ Gross Premiums Written

€/million	March 31, 2012	March 31, 2011	Change
Recurring premiums	16.1	17.1	-6%
Single premiums and group policies	45.9	57.7	-21%
Total new business	62.0	74.8	-17%
Pension plans in force	133.7	139.1	-4%
Other business in force	127.7	148.9	-14%
Total in-force business	261.4	288.0	-9%
Total Premiums Written (ex-'Freedom')	323.4	362.8	-11%
'Freedom' Premiums Written	1,831.4	2,056.7	-11%
Total Gross Premiums Written	2,154.8	2,419.5	-11%

Gross premiums written in the first three months of the year amounted to €2,154.8 million, down 11% from €2,419.5 million in the same period of the prior year. Excluding *Freedom*, i.e. the *Mediolanum Plus* policy, also down 11% compared to the first quarter of prior year, gross premiums written in the period under review amounted to €323.4 million versus €362.8 million at March 31, 2011 (down 11%).

New business stood at €62 million, down 17% compared to €74.8 million at March 31, 2011.

Excluding *Mediolanum Plus*, single premiums and group policies amounted to €45.9 million versus €57.7 million at March 31, 2011 (down 21%).

Total in-force business amounted to €261.4 million down 9% over the same period of the prior year.

For the first three months of 2012, amounts paid amounted to €480.9 million versus €732.6 million at March 31, 2011.

€/million	March 31, 2012	March 31, 2011	Change
Claims	19.8	16.0	24%
Coupons	16.3	23.0	(29%)
Maturities	188.3	445.9	(58%)
Surrenders	256.5	247.7	4%
Amounts paid (ex-'Freedom')	480.9	732.6	(34%)
Amounts paid under 'Freedom' contracts	1,800.2	1,738.3	4%

In the quarter under review, amounts paid declined 34% over the same period of the prior year. At March 31, 2012, maturities totalled €188.3 million, of which €102.2 million relating to index-linked policies (Q1 2011: €377.6 million).

○ Italy - Asset management

The analysis of assets under management in the retail segment is set out below.

€/million	March 31, 2012	March 31, 2011	March 31, 2011
'Best brands' funds of funds	5,975.0	5,398.3	4,335.2
'Portfolio' funds of funds	675.6	680.1	761.6
'Challenge' funds	11,880.1	11,221.2	11,849.7
Funds of hedge funds	270.2	269.0	320.1
Other Italy-based mutual funds	2,220.6	2,084.5	2,202.8
'Real estate' funds	443.0	450.1	457.7
Other internationally-based mutual funds & managed accounts	304.3	300.4	384.8
Duplication adjustments	(692.5)	(678.3)	(766.4)
Total asset management products	21,076.2	19,725.3	19,545.5
of which:			
Equity	61%	61%	61%
Bond	29%	28%	27%
Money market	3%	4%	3%
Other	7%	7%	9%

At March 31, 2012 assets under management grew to €21,076.2 million from €19,725.3 million at December 31, 2011 and €19,545.5 million at March 31, 2011.

The analysis of inflows into asset management products, in the retail segment, on a management basis, is set out in the tables below.

Gross inflows

€/million	March 31, 2012	March 31, 2011	Change
`Best brands' funds of funds	745.1	700.8	6%
`Challenge' funds	261.9	287.7	(9%)
Other Italy-based mutual funds	156.1	168.3	(7%)
`Real Estate' funds	18.2	18.6	(2%)
Other funds and managed accounts	6.8	14.8	(54%)
Total asset management products	1,188.1	1,190.2	0%

Gross inflows for the period amounted to €1,188.1 million remaining essentially in line with the balance for the same quarter of the prior year of €1,190.2 million.

Net inflows

€/million	March 31, 2012	March 31, 2011	Change
`Best brands' funds of funds	299.5	385.2	(22%)
`Challenge' funds	(2.5)	(54.6)	(95%)
Other Italy-based mutual funds	24.4	(18.4)	n/s
`Real Estate' funds	0.6	6.3	(90%)
Other funds and managed accounts	(29.2)	(37.4)	(22%)
Total asset management products	292.9	281.0	4%

Net inflows for the period were up 4% to €292.9 million from the balance of €281.0 million for the same quarter of the prior year.

○ Italy - Banking

At the end of the first quarter 2012, net inflows into administered assets amounted to €662.4 million versus €161.3 million at March 31, 2011.

The analysis of assets under administration, on a management basis, is set out in the table below.

€/million	March 31, 2012	Dec 31, 2011	March 31, 2011
Customer deposits	5,344.6	5,489.2	4,119.1
Banca Mediolanum bonds	1,026.5	211.2	568.5
Third-party structured bonds	488.8	487.6	329.1
Securities in custody	946.6	805.9	932.8
Repurchase agreements	2,075.5	1,931.7	1,564.6
Total Assets under Administration	9,881.9	8,925.6	7,514.1

At March 31, 2012, Banca Mediolanum bank accounts totalled 651,546 versus 627,365 at December 31, 2011 and 567,307 at March 31, 2011 (up 14.8%). Growth was largely driven by the opening of new *InMediolanum* deposit accounts. Primary account holders were 559,120 versus 536,270 at December 31, 2011 and 542,250 at March 31, 2011.

○ Spain

€/million	March 31, 2012	Dec 31, 2011	March 31, 2011
Assets under Management & Administration	1,674.3	1,581.2	1,669.4
<i>Assets under Management</i>	<i>1,075.6</i>	<i>986.8</i>	<i>1,009.6</i>
<i>Assets under Administration</i>	<i>598.6</i>	<i>594.4</i>	<i>659.7</i>
Gross Inflows - AuM	66.2	291.1	74.6
Net Inflows	31.7	94.6	15.6
<i>Assets under Management</i>	<i>20.2</i>	<i>93.2</i>	<i>18.0</i>
<i>Assets under Administration</i>	<i>11.5</i>	<i>1.5</i>	<i>(2.4)</i>

Assets under Management and under Administration amounted to €1,674.3 million versus €1,581.2 million at year end 2011 and essentially in line with the balance for the same period of the prior year (Q1 2011: €1,669.4 million).

In the first quarter 2012, net inflows amounted to €31.7 million versus €15.6 million in the same period of the prior year. Specifically, net inflows into asset management products grew to €20.2 million compared to €18 million in the same quarter of the prior year; net inflows into administered assets amounted to €11.5 million versus net outflows of €2.4 million in the same period of the prior year.

At March 31, 2012, the number of customers was 76,815 versus 75,837 at year end 2011 and 74,809 at March 31, 2011.

○ Germany

€/million	March 31, 2012	Dec 31, 2011	March 31, 2011
Assets under Management & Administration	374.4	349.9	334.4
<i>Assets under Management</i>	317.9	291.5	299.3
<i>Assets under Administration</i>	56.5	58.4	35.1
Gross Inflows - AuM	34.4	66.9	9.4
Net Inflows	2.7	51.7	1.4
<i>Assets under Management</i>	4.5	18.4	(7.8)
<i>Assets under Administration</i>	(1.8)	33.3	9.2

Assets under Management and under Administration amounted to €374.4 million growing by 7% from €349.9 million at year end 2011, and by 12% from €334.4 million recorded for the same period of the prior year.

Net inflows for the period under review amounted to €2.7 million versus €1.4 million for the same period of the prior year. Specifically, managed assets recorded net inflows of €4.5 million versus net outflows of €7.8 million in the same quarter of the prior year, while administered assets net outflows of €1.8 million versus net inflows of €9.2 million in the first quarter 2011.

At March 31, 2012, the number of customers was 4,046 versus 3,677 at year end 2011 and 3,494 at March 31, 2011.

● The Sales Networks

Number	March 31, 2012	Dec 31, 2011	March 31, 2011
Licensed financial advisors	4,466	4,507	4,739
Non-licensed advisors / agents (*)	-	1	19
BANCA MEDIOLANUM	4,466	4,508	4,758
SPAIN	563	549	501
GERMANY	39	42	36
TOTAL	5,068	5,099	5,295

At March 31, 2012, Banca Mediolanum had 4,466 licensed financial advisors versus 4,507 at December 31, 2011.

● Reclassified Consolidated Income Statement^(*)

€/million	March 31, 2012	March 31, 2011	Change	Change%
Net premiums written	2,181.4	2,448.7	(267.4)	(11%)
Amounts paid and change in technical reserves	(2,167.9)	(2,435.3)	267.4	(11%)
Net life insurance revenues (ex-commissions)	13.4	13.4	-	n/s
Entry fees	26.1	26.4	(0.2)	(1%)
Management fees	112.8	104.8	8.0	8%
Performance fees	61.8	13.6	48.2	356%
Banking services fees	22.5	32.2	(9.7)	(30%)
Other fees	8.5	7.1	1.3	19%
Total commission income	231.7	184.1	47.6	26%
Net interest income	83.5	44.2	39.3	89%
Net income (loss) on investments at fair value	95.5	16.9	78.6	467%
Net financial income	179.0	61.1	117.9	193%
Equity contribution	1.4	6.2	(4.7)	(77%)
Realised gains (losses) on other investments	1.1	1.1	-	n/s
Impairment of loans	(2.0)	0.7	(2.7)	n/s
Impairment of other investments	(0.0)	0.9	(1.0)	n/s
Net income (loss) on other investments	(0.9)	2.7	(3.7)	n/s
Other revenues	6.4	4.7	1.7	37%
TOTAL REVENUES	431.0	272.1	158.9	58%
Acquisition costs & Sales network commission expenses	(81.5)	(80.2)	(1.3)	2%
Other commission expenses	(10.2)	(12.5)	2.3	(18%)
General and Administrative expenses	(86.5)	(82.2)	(4.4)	5%
Amortisation and depreciation	(3.2)	(3.2)	-	n/s
Net provisions for risks	(5.3)	(2.9)	(2.4)	85%
TOTAL COSTS	(186.7)	(180.9)	(5.8)	3%
PROFIT (LOSS) BEFORE TAX	244.4	91.2	153.1	168%
Income tax	(65.7)	(22.6)	(43.1)	191%
Minority interests	-	-	-	n/s
NET PROFIT (LOSS) FOR THE PERIOD	178.6	68.6	110.0	160%

(*)This consolidated income statement presents financial information in a manner that reflects the management reporting approach of the Group and entails the reclassification of income and expense items before tax by nature and the recognition of financial income/expense on policyholders' assets/liabilities relating to contracts under which the investment risk is borne by the policyholder under "Amounts paid and change in technical reserves".

For the first three months of 2012, net premiums written amounted to €2,181.4 million versus €2,448.7 million in the same period of the prior year (down 11%). The decline was due to lower new premiums written under the life policy associated with the 'Freedom' bank account, down €225.3 million (down 11%).

Total amounts paid and change in technical reserves declined 11% from €2,435.3 million at March 31, 2011 to €2,167.9 million, of which €1,800.2 million relating to the policies associated with the *Freedom* bank account (Q1 2011: €1,738.3 million).

Net life insurance revenues before acquisition costs amounted to €13.4 million, in line with the balance reported for the same period of the prior year.

Total commission income amounted to €231.7 million versus €184.1 million at March 31, 2011. The €47.6 million increase was largely driven by greater performance fees (up €48.2 million). Management fees increased too, namely by €8 million, while banking services fees declined by €9.7 million, especially due to the decrease in commissions on sales of third-party structured bonds.

Net financial income rose from €61.1 million in the first quarter 2011 to €179 million at the end of the quarter under review thanks to increased net interest income (up €39.3 million) driven by Banca Mediolanum asset growth and bigger market spreads, as well as the recovered value of investments at fair value that more than offset the losses recognised for the entire year 2011 (up €78.6 million).

'Equity contribution' amounted to €1.4 million versus €6.2 million in the same quarter of the prior year. For the period under review this account includes only the Banca Esperia Group as it was deemed appropriate not to include the share relating to Mediobanca considering this investee is carried at the value resulting from the impairment review at December 31, 2011.

Net income on other investments recorded a negative balance of €0.9 million (March 31, 2011: positive balance of €2.7 million) mainly due to net impairment of loans.

Acquisition costs & sales network commission expenses increased from €80.2 million in the first quarter 2011 to €81.5 million at the end of the quarter under review largely reflecting greater commissions paid to the sales network on management fees (up €7 million) and reduced amounts set aside under contractual obligations (down €4.7 million).

Other expenses (administrative expenses, amortisation, depreciation and provisions for risks) aggregated to €95.0 million versus €88.3 million in the prior year, up €6.7 million. Notably, in the quarter under review there was an increase in administrative expenses for provision of services (up €4.3 million) largely marketing expenses, and in net provisions for risks (up €2.4 million).

Income tax for the period amounted to €65.7 million (tax rate: 26.91%) versus €22.6 million at March 31, 2011.

The analysis of income statement data by operating segment is set out below.

○ Italy - Life

€/million	March 31, 2012	March 31, 2011	Change	Change %
Net premiums written	2,151,603	2,414,892	(263,289)	(11%)
Amounts paid & change in technical reserves	(2,143,864)	(2,407,642)	263,778	(11%)
Net life insurance revenues (ex-commissions)	7,739	7,250	489	7%
Total commission income	79,364	60,048	19,316	32%
Net interest income	1,265	7,260	(5,995)	(83%)
Net income (loss) on investments at fair value	65,812	7,621	58,191	764%
Net financial income	67,077	14,881	52,196	351%
Net income (loss) on other investments	(54)	(2,514)	2,460	(98%)
Other revenues	2,784	2,937	(153)	(5%)
TOTAL REVENUES	156,910	82,602	74,308	90%
Acquisition costs & Sales network commission expenses	(23,924)	(25,223)	1,299	(5%)
Other commission expenses	(1,331)	(1,672)	341	(20%)
General and Administrative expenses	(21,196)	(22,458)	1,262	(6%)
Amortisation and depreciation	(778)	(740)	(38)	5%
Net provisions for risks	(1,184)	(998)	(186)	19%
TOTAL COSTS	(48,413)	(51,091)	2,678	(5%)
PROFIT (LOSS) BEFORE TAX	108,497	31,511	76,986	244%

In the 'Italy – Life' segment, **profit before tax** amounted to €108.5 million, up 244% over the first quarter of the prior year. Investments at fair value contributed €77 million to such growth.

Net life insurance revenues before acquisition costs amounted to €7.7 million in line with the balance of €7.3 million recorded in the same period of the prior year.

Total commission income amounted to €79.4 million versus €60.0 million in the same quarter of the prior year, with performance fees markedly up (up €18.2 million) and management fees essentially stable.

Acquisition costs & Sales network commission expenses were down €1.3 million from €25.2 million in the first quarter of 2011 to €23.9 million at March 31, 2012 due to reduced new business compared to the same period of the prior year.

Net financial income for the period amounted to €67.1 million versus €14.9 million in the first quarter 2011. The €52.2 million increase was driven by the positive market performance as a result of which income on investments at fair value rose by €58.2 million. Conversely, net interest income declined from €7.3 million to €1.3 million due to increased expenses relating to income retroceded to policyholders.

Other expenses for the period amounted to €23.2 million versus €24.2 million at March 31, 2011.

○ Italy - Asset management

€/million	March 31, 2012	March 31, 2011	Change	Change %
Entry fees	24,994	25,255	(261)	(1%)
Management fees	54,818	48,170	6,648	14%
Performance fees	34,222	5,581	28,641	513%
Other fees	5,672	5,182	490	9%
Total commission income	119,706	84,188	35,518	42%
Net interest income	246	277	(31)	(11%)
Net income (loss) on investments at fair value	1	10	(9)	(90%)
Net financial income	247	287	(40)	(14%)
Net income (loss) on other investments	154	156	(2)	n/s
Other revenues	49	70	(21)	(30%)
TOTAL REVENUES	120,156	84,701	35,455	42%
Acquisition costs & Sales network commission expenses	(38,418)	(37,799)	(619)	2%
Other commission expenses	(2,888)	(2,385)	(503)	21%
General and Administrative expenses	(17,351)	(17,792)	441	(2%)
Amortisation and depreciation	(562)	(541)	(21)	4%
Net provisions for risks	(1,109)	(1,483)	374	(25%)
TOTAL COSTS	(60,328)	(60,000)	(328)	(1%)
PROFIT (LOSS) BEFORE TAX	59,828	24,701	35,127	142%

In the 'Italy – Asset Management' segment, **profit before tax** amounted to €59.8 million, up 142% over the same period of the prior year (Q1 2011: €24.7 million).

Total commission income amounted €119.7 million versus €84.2 million in the same period of the prior year. The €35.5 million increase reflects growth in performance fees (up €28.6 million) as a result of good market performance, and in management fees (up €6.6 million) as a result of average NAV growth in the period.

Costs for the first quarter of the year remained essentially unchanged at €60.3 million versus €60.0 million in the same period of the prior year.

○ Italy - Banking

€/million	March 31, 2012	March 31, 2011	Change	Change%
Banking services fees	19,169	25,899	(6,730)	(26%)
Other fees	2,385	1,474	911	62%
Total commission income	21,554	27,373	(5,819)	(21%)
Net interest income	78,117	35,756	42,361	118%
Net income (loss) on investments at fair value	28,909	8,922	19,987	224%
Net financial income	107,026	44,678	62,348	140%
Net income (loss) on other investments	(778)	4,737	(5,515)	n/s
Other revenues	3,290	1,345	1,945	145%
TOTAL REVENUES	131,092	78,133	52,959	68%
Acquisition costs & Sales network commission expenses	(13,922)	(11,734)	(2,188)	19%
Other commission expenses	(3,112)	(2,797)	(315)	11%
General and Administrative expenses	(38,418)	(32,512)	(5,906)	18%
Amortisation and depreciation	(1,319)	(1,299)	(20)	2%
Net provisions for risks	(2,929)	(441)	(2,488)	564%
TOTAL COSTS	(59,700)	(48,783)	(10,917)	614%
PROFIT (LOSS) BEFORE TAX	71,392	29,350	42,042	143%

In the 'Italy – Banking' segment **profit before tax** rose to €71.4 million from €29.4 million in the same period of the prior year, driven by 143% growth in net financial income.

Net financial income amounted to €107.0 million versus €44.7 million in the same period of the prior year. The €62.3 million growth was driven by increased net interest income (up 118%) as a result of both higher asset volumes and bigger spreads. Net income on investments at fair value was up too (up €20 million) thanks to increased net asset value.

Total commission income amounted to €21.6 million versus €27.4 million in the first quarter of the prior year. The 21% decline was due to reduced commissions on sales of third-party structured bonds.

Acquisition costs & sales network commission expenses were up 19% (€2.2 million) to €14 million mostly owed to management fees paid out to the sales network and greater contest-related expenses.

Other expenses for the period amounted to €42.7 million versus €34.3 million in the same period of the prior year. The €8.4 million increase largely reflects greater staff costs, advertising spending and net provisions for risks (up €2.5 million).

○ Italy - Other

€/million	March 31, 2012	March 31, 2011	Change	Change%
Net interest income	(3,689)	(865)	(2,824)	326%
Net income (loss) on investments at fair value	(2)	-	(2)	n/s
Net financial income	(3,691)	(865)	(2,826)	327%
Equity contribution	1,442	6,159	(4,717)	(77%)
Net income (loss) on other investments	-	99	(99)	n/s
Other revenues	-	251	(251)	n/s
TOTAL REVENUES	(2,249)	5,644	(7,893)	n/s
PROFIT (LOSS) BEFORE TAX	(2,249)	5,644	(7,893)	n/s

The 'Italy – Other' segment recorded a loss before tax of €2.2 million versus profit of €5.6 million in the same period of the prior year.

For the first quarter of 2012, **net financial income** in this segment came in negative at €3.7 million versus a negative balance of €0.9 million in the same period of the prior year. This mostly reflects the greater interest paid on Mediolanum S.p.A.'s debt due to higher interest rates.

'**Equity contribution**' relates to the share of profits in Banca Esperia amounting to €1.4 million versus €0.8 million in the same quarter of the prior year for this entity only and €5.4 million including also the share of profits in Mediobanca at March 31, 2011.

 Spain

€/million	March 31, 2012	March 31, 2011	Change	Change%
Net premiums written	22,159	27,555	(5,396)	(20%)
Amounts paid and change in technical reserves	(17,679)	(22,777)	5,098	(22%)
Net life insurance revenues (ex-commissions)	4,480	4,778	(298)	(6%)
Total commission income	6,912	5,723	1,189	21%
Net interest income	7,308	1,722	5,586	324%
Net income (loss) on investments at fair value	482	180	302	168%
Net financial income	7,790	1,902	5,888	310%
Net income (loss) on other investments	(259)	260	(519)	n/s
Other revenues	100	87	13	15%
TOTAL REVENUES	19,023	12,750	6,273	49%
Acquisition costs & Sales network commission expenses	(4,343)	(4,461)	118	(3%)
Other commission expenses	(685)	(803)	118	(15%)
General and administrative expenses	(6,469)	(6,376)	(93)	1%
Amortisation and depreciation	(387)	(419)	32	(8%)
Net provisions for risks	(66)	69	(135)	n/s
TOTAL COSTS	(11,950)	(11,990)	40	0%
PROFIT (LOSS) BEFORE TAX	7,073	760	6,313	n/s

The 'Spain' segment recorded net life insurance revenues before acquisition costs of €4.5 million versus €4.8 million in the same period of the prior year.

Total commission income increased by €1.2 million from €5.7 million for the first three months of 2011 to €6.9 million at the end of the quarter under review (up 21%).

Other expenses remained essentially unchanged compared the same quarter of the prior year.

○ Germany

€/million	March 31, 2012	March 31, 2011	Change	Change%
Net premiums written	7,608	6,287	1,321	21%
Amounts paid and change in technical reserves	(6,400)	(4,884)	(1,516)	31%
Net life insurance revenues (ex-commissions)	1,208	1,403	(195)	(14%)
Total commission income	4,306	6,910	(2,604)	(38%)
Net interest income	276	74	202	273%
Net income (loss) on investments at fair value	299	122	177	145%
Net financial income	575	196	379	193%
Other revenues	184	25	159	636%
TOTAL REVENUES	6,273	8,534	(2,261)	(26%)
Acquisition costs & Sales network commission expenses	(879)	(993)	114	(11%)
Other commission expenses	(2,140)	(4,794)	2,654	(55%)
General and Administrative expenses	(3,253)	(3,239)	(14)	n/s
Amortisation and depreciation	(189)	(231)	42	(18%)
TOTAL COSTS	(6,461)	(9,257)	2,796	(30%)
PROFIT (LOSS) BEFORE TAX	(188)	(723)	535	(74%)

Total commission income decreased by €2.6 million (38%) from €6.9 million at March 31, 2011 to €4.3 million at the end of the period under review, mainly due to the decline in commissions on the ATM business.

Acquisition costs & Sales network commission expenses amounted to €0.9 million in line with the balance of the same period of the prior year.

● Key corporate events and performance of companies within the Group

Key information on the performance of the main companies that are part of the Mediolanum Group during the period under review is set out below.

○ Life Insurance Companies

Mediolanum Vita S.p.A. – For the first quarter of 2012 this company reported net profit of €48.6 million versus €12.2 million at March 31, 2011, with the bottom line benefitting from the recovery of Italian government bond prices.

Premiums written in the first three months of 2012 amounted to €2,112 million versus €2,368 million for the same quarter of the prior year. The 10.8% decline largely reflects the decrease in premiums written under the *Mediolanum Plus* policy (down €225 million).

New business amounted to €1,852.6 million versus €2,084.7 million at March 31, 2011.

In-force business premiums amounted to €260 million versus €283 million in Q1 2011.

At March 31, 2012, mathematical reserves and financial liabilities to policyholders aggregated to €15,985.0 million (December 31, 2011: €15,440.0 million), of which €15,916.3 million relating to individual policies (December 31, 2011: €15,371.2 million) and €68.7 million to group policies (December 31, 2011: €68.8 million).

Mediolanum International Life Ltd – For the first quarter 2012 the Irish company Mediolanum International Life Ltd reported net profit of €6.9 million, up from €4.8 million at March 31, 2011.

For the period under review the company reported premiums written of €70.3 million versus €81.8 million at March 31, 2011.

Premiums written in foreign markets (Spain and Germany) amounted to €29.8 million versus €33.9 million at March 31, 2011.

At March 31, 2012, mathematical reserves and financial liabilities to policyholders aggregated to €3,456 million, down from €3,689 million at year end 2011.

Mediolanum International Life Ltd policies are distributed in Italy by Banca Mediolanum, in Spain by Banco Mediolanum and in Germany through Bankhaus August Lenz.

○ Asset Management Companies

Mediolanum International Funds Ltd – For the first quarter 2012 this company reported net profit of €83.3 million versus €41.1 million at March 31, 2011. The €42.2 million increase was largely in connection with greater performance fees earned in the period (up €44.4 million).

For the first three months of 2012, the company recorded net inflows of €278.8 million versus €330.3 million in the same period of the prior year.

At March 31, 2012, total assets under management amounted to €19,250.2 million versus €17,975 million at December 31, 2011 (up 7.1%).

Mediolanum Gestione Fondi SGR p.A. – For the first quarter 2012 this company reported net profit of €5.7 million versus €2.9 million at March 31, 2011. The €2.8 million increase was largely in connection with greater performance fees earned in the period amounting to €3.9 million.

At March 31, 2012, the company recorded net inflows of €27.2 million versus net outflows of €9.2 million for the same period of the prior year.

At the end of the quarter under review, assets managed directly by this company amounted to €2,753.6 million versus €2,612.2 million at December 31, 2011 (up 5.4%).

Gamax Management A.G. – For the first quarter 2012 this Luxembourg-based asset management company reported net profit of €0.9 million versus €1 million in the same period of the prior year.

For the period under review, in the retail segment, the company recorded net outflows of €4.0 million versus net outflows of €11.2 million at March 31, 2011.

Total assets under management amounted to €215 million versus €205 million at March 31, 2011.

At March 31, 2012, total assets under management (retail and institutional segments) amounted to €383 million versus €378 million at December 31, 2011.

○ Banking operations (including Group product distribution)

Banca Mediolanum S.p.A. – At March 31, 2012, the Bank reported net profit of €81.5 million versus pro forma net profit at March 31, 2011 of €47.8 million (up 71%).

Profit before tax was €105.2 million versus €55.2 in the same period of the prior year. The €50 million increase in profit before tax reflects strong growth in net financial income (up €59.9 million) partly offset by reduced net commission income (down €11.2 million).

Growth in net financial income was largely driven by the notable increase in net interest income (up €42.2 million) as a result of higher asset volumes and bigger market spreads, as well as improved income from trading (up €21.1 million) principally reflecting unrealised gains for the quarter.

The decline in net commission income reflects greater commissions (up €7 million) paid out to the sales network as a result of changes in the compensation policy and reduced commission income (down €4.3 million) principally due to decreased sales of third-party structured bonds.

At March 31, 2012, direct funding from customers amounted to €7,671.6 million versus €7,163.4 million at year end 2011.

Lending to customers grew to €4,669.3 million from €4,067.3 million at December 31, 2011, largely due to increased hot money transactions (up €122 million), deposits with *Cassa di Compensazione e Garanzia* (up €250 million), residential mortgage loans (up €135 million). Securities lending remained essentially unchanged (€754.7 million at March 31, 2012).

The balance on the securities accounts of retail customers increased from €3,154.6 million at year end 2011 to €3,435.6 million at the end of the quarter under review (Q1 2011: €2,761.2 million).

Banco Mediolanum S.A. (formerly Banco de Finanzas e Inversiones S.A.) – For the quarter under review the Spanish group reported consolidated net profit of €6.1 million versus pro forma net profit of €2.8 million at March 31, 2011.

Managed assets recorded net inflows of €20.2 million versus €18 million in the same period of the prior year. Administered assets recorded net inflows of €11.5 million versus net outflows of 2.4 million in the same period of the prior year.

At March 31, 2012, assets under management and administration amounted to €1,674.3 million versus €1,581.2 million at December 31, 2011.

At the end of March 2012, the sales network consisted of 563 people (549 at year end 2011), of whom 519 tied advisors (505 at year end 2011).

Bankhaus August Lenz & Co. – For the first quarter 2012 the German bank reported a net loss of €1.7 million, improving by €0.5 million compared to the €2.2 million net loss reported for the same period of the prior year.

Managed assets recorded net inflows of €8.5 million versus €3.4 million in the same quarter of the prior year. Administered assets recorded net outflows of €1.8 million versus net inflows of 9.2 million in the same period of the prior year.

At March 31, 2012, assets under management and administration amounted to €159.1 million versus €145.1 million at December 31, 2011.

At the end of the quarter under review, the sales force consisted of 39 people (42 at year end 2011).

○ Joint ventures

For the first quarter 2012 the **Banca Esperia** Group reported consolidated net profit of €2.7 million versus €1.6 million at March 31, 2011.

In the quarter under review the Group recorded net outflows of €443.4 million versus net outflows of €142.2 million in the same quarter of the prior year.

At the end of the quarter under review, total assets under management and administration amounted to €13,562.6 million versus €12,817 million at December 31, 2011.

○ Associates

For the first nine months of its financial year **Mediobanca S.p.A.** reported net profit of €104.9 million versus €418.9 million for the same period of the prior year. For the third quarter (January through March 2012) this entity reported net profit of €41.5 million versus €156 million in the same quarter of the prior year.

Financial results for the first nine months indicate revenues essentially held up at €1,537.4 million versus €1,554.3 million at March 31, 2011. However, poor market performance impacted equity investments and the securities portfolio with losses rising from €8.1 million to €404.1 million, of which €179.5 million unrealised losses on the AFS portfolio, €56.1 million realised losses on disposal and €168.5 million impairment of equity investments.

Operating costs declined by 2.9% from €613.1 million to €595.1 million largely reflecting reduced personnel costs.

At March 31, 2012, consolidated shareholders' equity after minority interests and net profit for the year amounted to €6,318.9 million, up €269.1 million from €6,049.8 million at December 31, 2011.

At December 31, 2011, the Mediolanum Group's investment in Mediobanca S.p.A. was tested for impairment with the assistance of an independent valuer. The recoverable amount of the stake in Mediobanca resulting from the application of the Dividend Discount Model (DDM) in the Excess Capital variant was €11.1 per share and sensitivity analysis showed values ranging between €10.3 and €11.7 per share.

Based on said valuations, the Board of Directors of Mediolanum S.p.A. at its meeting of last March 22 resolved to proceed to write down the value of the stake in Mediobanca S.p.A. to €11.1 per share.

In the light of the foregoing, first quarter 2012 accounts do not include the positive results from the evaluation of the stake in Mediobanca S.p.A. at March 31, 2012 since the investment is already carried at its recoverable amount as determined following the impairment review at December 31, 2011.

The impact of entities accounted for by the equity method on the consolidated income statement at March 31, 2012 is a positive balance of €1.4 million which relates to Banca Esperia only versus €6.2 million in the same period of the prior year which included also Mediobanca S.p.A.

● Exposure to Greek sovereign debt

In March 2012 the Greek bond swap (Private Sector Involvement) agreement to which the Mediolanum Group adhered kicked in.

At the date of the swap the Mediolanum Group's holdings of Greek sovereign debt aggregated to €166.5 million (nominal value), of which €109 million held by Banca Mediolanum and €57.5 million by Mediolanum Vita. Prior to the swap, these holdings were recognised on the balance sheet in accordance with IAS/IFRS as available-for-sale financial instruments (nominal value: €146.5 million) and as held-to-maturity investments (nominal value: €20 million).

Due to the significant extension of their maturity, up till 2042, the original features of the Greek government bonds recognised in the HTM portfolio changed and accordingly also the intention to hold them. Being the swap an isolated, non-recurring, unforeseeable event outside the control of the Mediolanum Group, the requirements under IAS 39 and the resolutions passed by the subsidiaries involved in the operation for the reclassification of said holdings to the available-for-sale portfolio were satisfied.

● Tax Police Field Audit

Readers are referred to the Annual Report and Accounts at December 31, 2011 as disclosures therein contain all information on this matter to-date.

● Post Balance Sheet Date Events

On April 17, 2012, the Board of Directors of the subsidiary Mediolanum Gestione Fondi resolved to start the procedures for listing class A and class B shares in the closed-end real estate fund named 'Real Estate' on the Italian Stock Exchange. Listing procedures should be completed by next September.

Financial market tensions in April (widening of the yield spreads between Italian and German government bonds) have brought about declines in the market price of treasuries with ensuing adverse impact on the valuation of positions in financial instruments.

Based on evidence as of April 30, 2012, the AFS valuation equity reserve declined by about €79 million from a positive balance of €33 million at March 31, 2012 to a negative balance of €46 million at April 30, 2012. The effect of the decline in the market value of securities classified as held for trading on the income statement is estimated at €7 million after taxation.

After March 31, 2012, there was no other event which could have a significant impact on the financial position, result of operations and cash flows of the Mediolanum Group.

● Outlook

The financial crisis, the impact of the necessary fiscal measures on the economic cycle and of unemployment on consumer confidence and spending may push the Euro zone into recession.

The gradual solution of the crisis in 2012 is therefore key to the improvement of the overall economic outlook. The sovereign debt crisis has driven European governments to make deep structural reforms that can reduce the current fiscal imbalances in coming years. The Euro zone governments' agreement to adopt common fiscal and economic policies and the ECB refinancing operations have reverberated positively both on the equity and government bond markets in the first quarter of the year. Notably, with respect to Italian government bonds, the implementation of structural reforms in our country may favour the gradual reduction of yields required by investors and markets as long as the measures taken do not produce negative effects on the economic cycle and are accompanied with measures that stimulate growth.

Considering the risks that are inherent in the business of the Group, barring any exceptional events or circumstances that depend on variables essentially outside the control of Directors and Senior Management – and not in the offing at present – the Group's outlook for 2012 is positive.

Basiglio, May 10, 2012

For the Board of Directors
The Deputy Chairman
Alfredo Messina



**Consolidated
Accounts
at March 31,
2012**

Balance Sheet

Assets

€/’000	March 31, 2012	Dec. 31, 2011
1. Intangible assets		
1.1 Goodwill	149,864	149,864
1.2 Other intangible assets	16,457	17,057
Total intangible assets	166,321	166,921
2. Tangible assets		
2.1 Property	59,708	60,061
2.2 Other tangible assets	9,618	9,899
Total tangible assets	69,326	69,960
3. Reinsurers’ share of technical reserves	85,407	89,273
4. Investments		
4.1 Investment property	107,696	108,041
4.2 Investments in subsidiaries, associates and joint ventures	408,112	404,493
4.3 Held to maturity investments	946,768	1,005,949
4.4 Loans and receivables	6,912,036	6,245,884
4.5 Available for sale financial assets	12,868,876	9,062,406
4.6 Financial assets at fair value through profit or loss	16,176,820	15,639,522
Total investments	37,420,308	32,466,295
5. Receivables		
5.1 Arising out of direct insurance business	5,713	5,512
5.2 Arising out of reinsurance business	-	-
5.3 Other receivables	895	229
Total receivables	6,608	5,741
6. Other assets		
6.1 Non current assets or assets of disposal groups held for sale	769	747
6.2 Deferred acquisition costs	-	-
6.3 Deferred tax assets	137,963	252,201
6.4 Current tax assets	286,455	278,313
6.5 Other assets	365,371	303,923
Total other assets	790,558	835,184
7. Cash and cash equivalents	137,590	338,386
TOTAL ASSETS	38,676,118	33,971,760

Liabilities

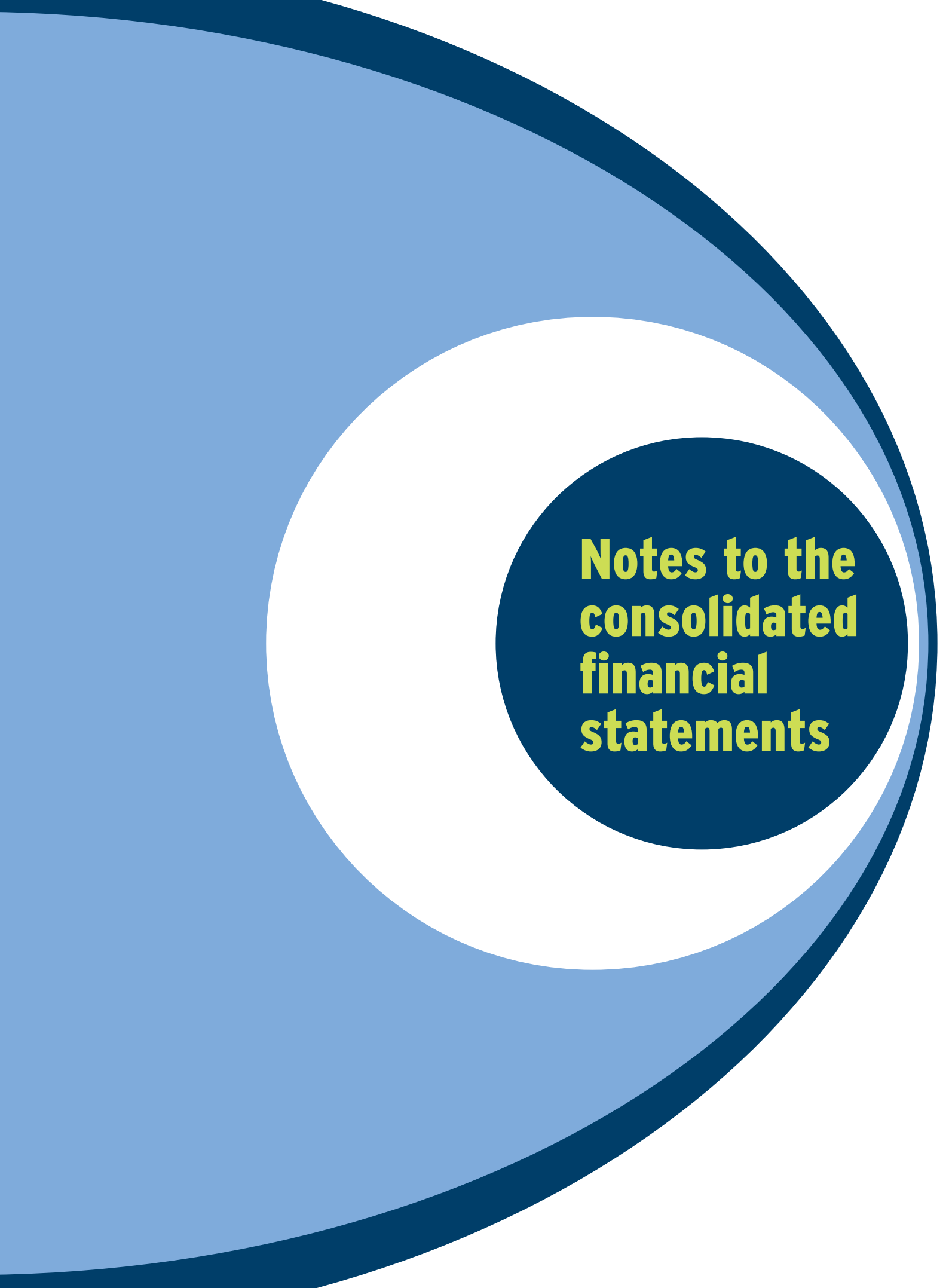
€/000	March 31, 2012	Dec. 31, 2011
1. Capital and reserves		
1.1 Group shareholders' equity		
1.1.1 Share capital	73,385	73,382
1.1.2 Other equity instruments	-	-
1.1.3 Capital reserves	56,042	56,013
1.1.4 Retained earnings and other equity reserves	915,599	847,716
1.1.5 Treasury shares (-)	(2,045)	(2,045)
1.1.6 Exchange difference reserves	-	-
1.1.7 Gains or losses on available for sale financial assets	33,035	(283,184)
1.1.8 Other gains or losses recognised directly in equity	5,275	3,201
1.1.9 Profit (loss) for the period attributable to the group	178,604	67,267
Total capital and reserves attributable to the group	1,259,895	762,350
1.2 Attributable to minority interest		
1.2.1 Capital and reserves attributable to minority interests	-	-
1.2.2 Gains (losses) recognised directly in equity	-	-
1.2.3 Net profit (loss) attributable to minority interests	-	-
Total capital and reserves attributable to minority interest	-	-
Total capital and reserves	1,259,895	762,350
2. Provisions	161,792	160,693
3. Technical reserves	19,356,323	18,632,275
4. Financial liabilities		
4.1 Financial liabilities at fair value through profit or loss	529,640	489,624
4.2 Other financial liabilities	16,786,216	13,369,539
Total financial liabilities	17,315,856	13,859,163
5. Payables		
5.1 Arising out of direct insurance business	6,177	5,229
5.2 Arising out of reinsurance business	28	2,387
5.3 Other payables	190,267	217,638
Total payables	196,472	225,254
6. Other liabilities		
6.1 Liabilities of disposal groups held for sale	957	968
6.2 Deferred tax liabilities	97,327	41,018
6.3 Current tax liabilities	77,231	15,082
6.4 Other liabilities	210,265	274,957
Total other liabilities	385,780	332,025
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	38,676,118	33,971,760

Income Statement

€/000	March 31, 2012	Dec. 31, 2011
1. Revenues		
1.1 Net premiums written		
1.1.1 Gross premium written	2,182,139	2,449,612
1.1.2 Reinsurance premiums	(769)	(878)
Net premiums written	2,181,370	2,448,734
1.2 Commission income	231,536	183,886
1.3 Net income on financial instruments at fair value through profit or loss	930,643	(35,528)
1.4 Income on investments in subsidiaries, associates and joint ventures	1,442	6,159
1.5 Income on other financial instruments and investment property		
1.5.1 Interest income	163,735	86,876
1.5.2 Other income	2,764	2,798
1.5.3 Realised gains	3,827	9,300
1.5.4 Unrealised gains	1,757	3,484
Total income on other financial instruments and investment property	172,083	102,458
1.6 Other revenues	6,387	4,675
Total revenues	3,523,461	2,710,384
2. Costs		
2.1 Net claims and benefits		
2.1.1 Amounts paid and change in technical reserves	(3,034,310)	(2,400,187)
2.1.2 Reinsurers' share/recoveries from reinsurers	693	1,200
Net claims and benefits	(3,033,617)	(2,398,987)
2.2 Commission expense	(69,788)	(66,134)
2.3 Loss on investments in subsidiaries, associates and joint ventures	-	-
2.4 Loss on other financial instruments and investment property		
2.4.1 Interest expense	(50,840)	(26,784)
2.4.2 Other expenses	(95)	(14)
2.4.3 Realised losses	(4,449)	(10,998)
2.4.4 Unrealised losses	(4,156)	(2,130)
Loss on other financial instruments and investment property	(59,540)	(39,926)
2.5 Operating expenses		
2.5.1 Agents' commissions and other acquisition costs	(20,852)	(20,315)
2.5.2 Investment management expenses	(80)	(103)
2.5.3 Other administrative expenses	(81,918)	(77,217)
Total operating expenses	(102,850)	(97,635)
2.6 Other costs	(13,311)	(16,457)
Total costs	(3,279,106)	(2,619,139)
Profit (loss) before tax for the period	244,355	91,245
3. Income tax	(65,749)	(22,600)
Net profit (loss) for the period	178,606	68,645
4. Profit (loss) from discontinued operations	(2)	(2)
Group net profit (loss) for the period	178,604	68,643
of which attributable to the Group	178,604	68,643
Earnings per share (in euro)	0.243	0.094

Statement of Comprehensive Income

€/000	March 31, 2012	Dec. 31, 2011
CONSOLIDATED NET PROFIT (LOSS) FOR THE PERIOD	178,604	68,643
Changes in net exchange differences reserve	-	-
Profit (loss) on available for sale financial assets	316,219	32,220
Profit (loss) on cash flow hedges	-	-
Profit (loss) on hedges of investments in foreign operations	-	-
Changes in the equity of investees	2,074	4,121
Changes in intangible assets revaluation reserve	-	-
Changes in tangible assets revaluation reserve	-	-
Gains (losses) on non-current assets or disposal groups held for sale	-	-
Actuarial gains (losses) and adjustments on defined benefit plans	-	-
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME	318,293	36,341
TOTAL CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD	496,897	104,984
of which attributable to the Group	496,897	104,984
of which attributable to minority interest	-	-



**Notes to the
consolidated
financial
statements**

Notes to the consolidated financial statements

ACCOUNTING POLICIES

● General

These interim report and accounts at March 31, 2012 were prepared in compliance with section 154-ter of Legislative Decree 58/98 (Consolidated Finance Act) entitled "*Relazioni finanziarie*" (Financial Reporting), as amended by Legislative Decree 195/2007 (Transparency), and Consob Regulations for Issuers.

● Accounting standards

The international accounting and financial reporting standards (IAS/IFRS) applied in the preparation of the consolidated financial statements for the quarter ended March 31, 2012 with respect to the consolidation, measurement and recognition of balance sheet and income statement items are consistent with those applied in the preparation of the consolidated financial statements for the year ended December 31, 2011.

For a detailed presentation of the accounting policies applied in the preparation of these consolidated interim report and accounts, readers are referred to part B 'Notes to the consolidated annual financial statements' in the annual report and accounts 2011.

The consolidated balance sheet and the income statement were prepared also in accordance with ISVAP Regulation No. 7 of July 13, 2007, as subsequently amended by ISVAP Regulation 2784 of March 8, 2010.

For the measurement of certain items reasonable estimates were made to ensure the consistent application of accounting policies. Said estimates do not compromise the reliability of interim financial reporting.

The report and the accounts include prior periods' comparative information (at March 31, 2011 and December 31, 2011). Certain reclassifications were made with respect to prior reporting periods, where necessary, for the sake of consistency of financial information.

In accordance with art. 5 of Legislative Decree No. 38 of February 28, 2005 these interim report and accounts were prepared using the euro as reporting currency. Except where otherwise stated the amounts set out herein are presented in thousands of euro.

● Scope of consolidation

The consolidated interim financial statements include the accounts of Mediolanum S.p.A. and those of its directly or indirectly controlled subsidiaries.

Group companies that are directly owned by Mediolanum S.p.A. and consolidated on a line-by-line basis

€/000 Company	Share capital	% holding	Registered office	Business
Mediolanum Vita S.p.A.	87,720	100.00%	Basiglio	Life Insurance
Mediolanum Comunicazione S.p.A.	775	100.00%	Basiglio	Audio/film/TV production
PI Servizi S.p.A.	517	100.00%	Basiglio	Real estate brokerage
Mediolanum International Life Ltd	1,395	100.00%	Dublin	Life Insurance
Banca Mediolanum S.p.A.	475,000	100.00%	Basiglio	Banking
Mediolanum Gestione Fondi SGR p.A.	5,165	49.00%	Basiglio	Fund management
Mediolanum International Funds Ltd	150	44.00%	Dublin	Fund management
Mediolanum Asset Management Ltd	150	49.00%	Dublin	Asset management and advice
Gamax Management (AG)	7,161	0.004%	Luxembourg	Fund management

Group companies that are indirectly owned by Mediolanum S.p.A. through Banca Mediolanum S.p.A. and consolidated on a line-by-line basis

€/000 Company	Share capital	% holding	Registered office	Business
Mediolanum Gestione Fondi SGR p.A.	5,165	51.00%	Basiglio	Fund management
Mediolanum Fiduciaria S.p.A.	240	100.00%	Basiglio	Trust company
Mediolanum International Funds Ltd	150	51.00%	Dublin	Fund management
Mediolanum Asset Management Ltd	150	51.00%	Dublin	Asset management and advice
Gamax Management AG	7,161	99.996%	Luxembourg	Fund management
Banco de Finanzas e Inversiones S.A.	86,032	100.00%	Barcelona	Banking
Bankhaus August Lenz & Co. AG	20,000	100.00%	Munich	Banking

Group companies that are indirectly owned by Banca Mediolanum S.p.A. through Banco de Finanzas e Inversiones S.A. and consolidated on a line-by-line basis

€/000 Company	Share capital	% holding	Registered office	Business
Ges Fibanc SGIIC S.A.	2,506	100.00%	Barcelona	Fund management
Fibanc S.A.	301	100.00%	Barcelona	Financial Advice
Fibanc Pensiones S.G.F.P. S.A.	902	100.00%	Barcelona	Pension Fund management
Mediolanum International Funds Ltd	150	5.00%	Dublin	Fund management

Mediolanum S.p.A. associates accounted for using the equity method:

€/000 Company	Share capital	% holding	Registered office	Business
Mediobanca S.p.A.	430,565	3.44%	Milan	Banking

Mediolanum S.p.A. jointly owned entities accounted for using the equity method

€/000 Company	Share capital	% holding	Registered office	Business
Banca Esperia S.p.A.	63,000	50.00%	Milan	Banking

KEY BALANCE SHEET INFORMATION

● Investment, Cash and Cash Equivalents

€/000	March 31, 2012	%	Dec. 31, 2011	%
Investment property	107,696	0.3	108,041	0.3
Investments in subsidiaries, associates and JVs	408,112	1.1	404,493	1.2
Held to Maturity investments	946,768	2.5	1,005,949	3.1
Loans and Receivables	6,912,036	18.4	6,245,884	19.0
Available for sale financial assets	12,868,876	34.2	9,062,406	27.6
Financial assets at fair value through profit or loss	16,176,820	43.0	15,639,522	47.6
Total investments	37,420,308	99.5	32,466,295	98.8
Tangible assets: property and other tangible assets	69,326	0.2	69,960	0.2
Cash and cash equivalents	137,590	0.4	338,386	1.0
Total investments, cash and cash equivalents	37,627,224	100.0	32,874,641	100.0

● Investments in subsidiaries, associates and joint ventures

€/000	March 31, 2012	Dec. 31, 2011
Mediobanca S.p.A.	322,955	322,955
Banca Esperia S.p.A.	85,157	81,538
Total	408,112	404,493

The movement in this account in the quarter under review relates to the investment in Banca Esperia accounted for by the equity method in accordance with the share of equity included in the consolidated accounts at March 31, 2012. With respect to the investment in Mediobanca, considering that it is carried at the recoverable amount resulting from the impairment review at December 31, 2011, it was deemed appropriate not to include the positive difference in the share of equity of this investee.

The impact on the income statement of the investment in Banca Esperia S.p.A was a positive balance of €1.4 million (€0.8 million at March 31, 2011) versus a positive balance of €6.2 million in the same period of the prior year which included also Mediobanca S.p.A. The impact of other gains or losses recognised directly in equity was positive for €2 million and related to Banca Esperia only compared to a positive balance of €4.1 million in the first quarter 2011 when it had included also Mediobanca S.p.A.

The analysis of **Loans and Receivables** is set out in the table below.

€/000	March 31, 2012	Dec. 31, 2011
Banks	1,924,120	1,866,543
Time deposits	411,898	213,081
Repurchase agreements	293,419	313,058
Other loans	18,832	17,145
Debt securities	1,048,172	1,242,907
Reserve requirements	151,799	80,352
Banking customers	4,979,404	4,370,481
Current accounts	379,266	380,697
Repurchase agreements	71,543	9,884
Mortgage loans	2,727,724	2,583,084
Debt securities	931,231	936,722
Other	869,640	460,094
Other loans & receivables	8,512	8,860
Total	6,912,036	6,245,884

At March 31, 2012, Loans and Receivables amounted to €6,912.0 million, growing by €666.1 million from the year end 2011 balance of €6,245.9 million.

Growth was largely in loans to and receivables from banking customers (up €608.9 million), especially mortgage loans and other transactions, in particular hot money transactions and deposits with *Cassa Compensazione e Garanzia*.

The analysis of **Held-to-Maturity Investments, Available-for-Sale Financial Assets and Financial Assets at fair value through profit or loss** is set out in the table below.

€/000	March 31, 2012	Dec. 31, 2011
Held to Maturity investments	946,768	1,005,949
Debt securities	946,768	1,005,949
Available for sale financial assets	12,868,876	9,062,406
Debt securities	12,642,227	8,847,747
Equities	34,574	34,387
Holdings in UCITS	192,075	180,272
Financial assets at fair value through profit or loss	16,176,820	15,639,522
Debt securities	6,703,438	6,679,871
Equities	4	3
Holdings in UCITS	9,465,012	8,954,121
Trading derivatives	8,366	5,527
Total	29,992,464	25,707,877

Available for sale financial assets increased by €3,806 million mainly due to the purchase of government bonds.

● Net technical reservers

€/000	March 31, 2012	Dec, 31, 2011
Mathematical reserves	5,815,568	5,755,113
Reserve for outstanding claims	95,351	134,529
Technical reserves for contracts under which the investment risk is borne by the policyholder and in connection with pension fund management	13,438,528	12,735,460
Other reserves	6,876	7,173
Total Life Business reserves	19,356,323	18,632,275

● Financial Liabilities

Financial liabilities at fair value through profit or loss

€/000	March 31, 2012	Dec, 31, 2011
Total financial liabilities at fair value through profit or loss	529,640	489,624
Short positions on debt securities	351,877	320,066
Trading derivatives	23,271	21,087
Hedging derivatives	69,835	67,896
Other financial liabilities	152	192
Financial liabilities on contracts under which the investment risk is borne by the policyholder and in connection with pension fund management	84,505	80,383

Financial liabilities at fair value through profit or loss amounted to €529.6 million, up €40 million from the year end 2011 balance of €489.6 million. The increase almost entirely related to short positions on Banca Mediolanum debt securities (up €31.8 million).

The analysis of **Other Financial Liabilities** is set out below.

€/000	March 31, 2012	Dec, 31, 2011
Banks	4.326.798	5.602.538
Central Banks	3.086.429	4.494.571
Current accounts and demand deposits	243.582	177.686
Time deposits	454.303	340.930
Loans	301.046	401.215
Repurchase agreements	240.707	187.116
Other liabilities	731	1.020
Banking customers	11.637.690	6.942.439
Bank accounts	5.745.776	5.992.339
Repurchase agreements	5.862.666	923.457
Other liabilities	29.248	26.643
Securities issued	517.212	524.884
Collaterals	205.028	197.143
Deposits from reinsurers	84.590	87.565
Others	14.898	14.970
Total	16.786.216	13.369.539

At March 31, 2012, **Other Financial Liabilities** amounted to €16,786.2 million versus €13,369.5 million at December 31, 2011. The increase was largely due to repurchase agreements with *Cassa di Compensazione e Garanzia* classified under 'banking customers' (up €4,149.9 million).

● Shareholders' equity

€/000	March 31, 2012	Dec, 31, 2011
Share capital	73,385	73,382
Equity reserves	56,042	56,013
Retained earnings and other reserves (Treasury shares)	915,599 (2,045)	847,716 (2,045)
Gains (losses) on available for sale financial assets	33,035	(283,184)
Other gains (losses) recognised directly in equity	5,275	3,201
Net profit (loss) for the period attributable to the Group	178,604	67,267
Total capital and reserves attributable to the Group	1,259,895	762,350

At March 31, 2012, total capital and reserves attributable to the Group amounted to €1,259.9 million up €497.5 million over the 2011 year end balance of €762.4 million.

Gains (losses) on available for sale financial assets improved by €316.2 million from a negative balance of €283.2 million at year end 2011 to a positive balance of €33.0 million at March 31, 2012.

● Shadow Accounting

Shadow accounting is used to limit the effects of stock volatility on equity and earnings.

Use of shadow accounting at March 31, 2012 entailed a negative effect on the income statement for the period of €6,055 thousand and a positive effect of the same amount on equity reserves.

KEY INCOME STATEMENT INFORMATION

● Technical account - Life insurance

€/000	Gross	Reinsurance	March 31, 2012	Dec, 31, 2011
Gross premiums written less reinsurance premiums				
- Premiums written	2,182,139	(769)	2,181,370	2,448,734
Total premiums written	2,182,139	(769)	2,181,370	2,448,734
Gross amounts paid less recoveries from reinsurers				
- Amounts paid	(2,297,803)	4,559	(2,293,244)	(2,486,739)
- Change in reserve for outstanding claims	39,179	(891)	38,288	(19,079)
- Change in mathematical reserves	(59,246)	(2,975)	(62,221)	(344,955)
- Change in other technical reserves	(8,339)	-	(8,339)	(9,754)
- Change in technical reserves for contracts under which the investment risk is borne by the policyholder and reserves relating to pension fund management	(708,101)	-	(708,101)	461,540
Total amounts paid and change in reserves	(3,034,310)	693	(3,033,617)	(2,398,987)
Life Insurance net income (expense)	(852,171)	(76)	(852,247)	49,747

● Commission income

€/000	March 31, 2012	March 31, 2011
Management, brokerage and consulting services	216,510	167,241
Collection and payment services	4,305	6,950
Loadings on investment contracts	90	157
Other services	10,631	9,538
Total	231,536	183,886

The increase in commission income from €183.9 million in the first quarter 2011 to €231.5 million for the quarter under review was largely in connection with growth in performance fees (up €48.2 million) and in management fees (up €8 million), offset in part by decreased banking services fees (down €9.7 million).

● Commission expenses

€/000	March 31, 2012	March 31, 2011
Management, brokerage and consulting services	56,844	50,768
Collection and payment services	4,633	7,120
Acquisitions of investment contracts	52	93
Other services	8,259	8,153
Total	69,788	66,134

The increase in commission expenses from €66.1 million in the first quarter 2011 to €69.8 million at March 31, 2012 was largely due to the changes in the sales network compensation policy.

● Net income from financial instruments at fair value through profit or loss

€/000	March 31, 2012	March 31, 2011
Financial assets		
Interest income and other investment income:		
- from financial assets held for trading	18,287	24,334
- from financial assets at fair value through profit or loss	18,792	23,629
Net income (loss) on financial assets held for trading	107,819	19,510
Net income (loss) on financial assets at fair value through profit or loss	785,374	(106,369)
Financial liabilities		
Interest expense and similar charges:		
- on financial liabilities held for trading	(2,876)	(6,036)
- on financial liabilities at fair value through profit or loss	(41)	(53)
Net income (loss) on financial liabilities held for trading	156	9,365
Net income (loss) on financial liabilities at fair value through profit or loss	3,132	92
Total	930,643	(35,528)

At March 31, 2012, these financial instruments generated net income of €930.6 million (Q1 2011: net loss of €35.5 million).

Financial assets/liabilities held for trading generated net income of €108 million (Q1 2011: net income of €28.9 million), mostly on debt securities, benefitting from the increase in government bond prices at the end of the quarter under review.

Financial assets/liabilities at fair value through profit or loss generated net income for the period of €788.5 million (Q1 2011: net loss of €106.2 million), largely due to changes in the value of assets underlying index-linked and unit-linked policies under which the investment risk is borne by the policyholder.

Net income on other financial instruments and investment property

€/000	March 31, 2012	March 31, 2011
Interest income and other income	166,499	89,674
Realised gains	3,827	9,300
Unrealised gains	1,757	3,484
Total income	172,083	102,458
Interest expense and other charges	(50,935)	(26,798)
Realised losses	(4,449)	(10,998)
Unrealised losses	(4,156)	(2,130)
Total expense	(59,540)	(39,926)
Total net income on investments	112,543	62,532

Net income on

€/000	March 31, 2012	March 31, 2011
Investment property	1,565	1,312
Available-for-sale financial assets	106,495	29,743
Held-to-maturity investments	11,360	13,468
Loans and receivables	43,963	44,780
Financial liabilities	(50,840)	(26,771)
Total net income on investments	112,543	62,532

Net income from investment property

€/000	March 31, 2012	March 31, 2011
Other income	2,030	1,626
Other expenses	(95)	(14)
Unrealised losses	(370)	(300)
Total	1,565	1,312

Net income from held-to-maturity investments

€/000	March 31, 2012	March 31, 2011
Interest income and other income	11,360	12,422
Realised gains	-	1,046
Total	11,360	13,468

Net income from available-for-sale financial assets

€/000	March 31, 2012	March 31, 2011
Interest income and other income	107,232	31,579
Realised gains	3,712	8,203
Unrealised gains	-	916
Realised losses	(4,449)	(10,955)
Total	106,495	29,743

Net income from loans and receivables

€/000	March 31, 2012	March 31, 2011
Interest income and other income	45,877	44,047
Realised gains	115	51
Unrealised gains	1,757	2,555
Realised losses	-	(43)
Unrealised losses	(3,786)	(1,830)
Total	43,963	44,780

Net expense from financial liabilities

€/000	March 31, 2012	March 31, 2011
Interest expense and other charges	(50,840)	(26,784)
Unrealised gains	-	13
Total	(50,840)	(26,771)

Operating expenses

€/000	March 31, 2012	March 31, 2011
Commissions and other expenses relating to the acquisition of insurance contracts	20,852	20,315
Investment management expenses	80	103
Other administrative expenses	81,918	77,217
Total	102,850	97,635

INCOME STATEMENT INFORMATION BY OPERATING SEGMENT

This section presents consolidated financial information by operating segment. In compliance with IFRS 8, segment reporting reflects the management reporting approach of the Mediolanum Group, and is consistent with the information disclosed to the market and to the various stakeholders.

For the sake of comparability some March 31, 2011 figures were reclassified.

● Note on the method applied to segment reporting

Pursuant to IFRS 8, for the purpose of segment reporting of consolidated results the Mediolanum Group identified the following operating segments:

- ITALY – LIFE
- ITALY – ASSET MANAGEMENT
- ITALY – BANKING
- ITALY – OTHER
- SPAIN
- GERMANY

For the purpose of segment reporting income and expense items were directly assigned to the various segments by product type. Indirect costs and other residual items were spread over the various segments applying allocation policies.

FINANCIAL INFORMATION BY OPERATING SEGMENT AT MARCH 31, 2012

€/000	ITALY					Consolidation adjustments	Total
	Life	Banking	Asset Management	Other			
Net premiums written	2,151,603	-	-	-	-	-	2,151,603
Amounts paid and change in technical reserves	(2,143,864)	-	-	-	-	-	(2,143,864)
Life revenues (ex-commission)	7,739	-	-	-	-	-	7,739
Entry fees	-	-	24,994	-	-	-	24,994
Management fees	53,574	-	54,818	-	-	-	108,392
Performance fees	25,592	-	34,222	-	-	-	59,814
Banking services fees	-	19,169	-	-	-	(147)	19,022
Other fees	198	2,385	5,672	-	-	-	8,255
Total commission income	79,364	21,554	119,706	-	-	(147)	220,477
Net interest income	1,265	78,117	246	(3,689)	-	-	75,939
Net income on investments at fair value	65,812	28,909	1	(2)	-	-	94,720
Net financial income	67,077	107,026	247	(3,691)	-	-	170,659
Equity contribution	-	-	-	1,442	-	-	1,442
Realised gains (losses) on other investments	(54)	1,205	154	-	-	-	1,305
Impairment of loans	-	(1,955)	-	-	-	-	(1,955)
Impairment of other investments	-	(28)	-	-	-	-	(28)
Net income (loss) on other investments	(54)	(778)	154	-	-	-	(678)
Other revenues	2,784	3,290	49	-	-	-	6,123
TOTAL REVENUES	156,910	131,092	120,156	(2,249)	(147)	(147)	405,762
Acquisition costs and sales network commission expenses	(23,924)	(13,922)	(38,418)	-	-	-	(76,264)
Other commission expenses	(1,331)	(3,112)	(2,888)	-	-	-	(7,331)
General and administrative expenses	(21,196)	(38,418)	(17,351)	-	147	-	(76,818)
Amortisation and depreciation	(778)	(1,319)	(562)	-	-	-	(2,659)
Net provisions for risks	(1,184)	(2,929)	(1,109)	-	-	-	(5,222)
TOTAL COSTS	(48,413)	(59,700)	(60,328)	-	147	-	(168,294)
PROFIT BEFORE TAX	108,497	71,392	59,828	(2,249)	-	-	237,468
Income tax	-	-	-	-	-	-	(64,305)
NET PROFIT FOR THE PERIOD	-	-	-	-	-	-	173,163

FOREIGN		Consolidation adjustments	Total
Spain	Germany		
22,159	7,608	-	2,181,370
(17,679)	(6,400)	-	(2,167,943)
4,480	1,208	-	13,427
1,073	64	-	26,131
3,081	1,329	-	112,802
1,474	495	-	61,783
1,035	2,459	(1)	22,515
249	(41)	-	8,463
6,912	4,306	(1)	231,694
7,308	276	-	83,523
482	299	-	95,501
7,790	575	-	179,024
-	-	-	1,442
(213)	-	-	1,092
(46)	-	-	(2,001)
-	-	-	(28)
(259)	-	-	(937)
100	184	(20)	6,387
19,023	6,273	(21)	431,037
(4,343)	(879)	1	(81,485)
(685)	(2,140)	-	(10,156)
(6,469)	(3,253)	20	(86,520)
(387)	(189)	-	(3,235)
(66)	-	-	(5,288)
(11,950)	(6,461)	21	(186,684)
7,073	(188)	-	244,353
(1,330)	(114)	-	(65,749)
5,743	(302)	-	178,604

FINANCIAL INFORMATION BY OPERATING SEGMENT AT MARCH 31, 2011

€/000	ITALY					Total
	Life	Banking	Asset Management	Other	Consolidation adjustments	
Net premiums written	2,414,892	-	-	-	-	2,414,892
Amounts paid and change in technical reserves	(2,407,642)	-	-	-	-	(2,407,642)
Life revenues (ex-commission)	7,250	-	-	-	-	7,250
Entry fees	-	-	25,255	-	-	25,255
Management fees	52,481	-	48,170	-	-	100,651
Performance fees	7,405	-	5,581	-	-	12,986
Banking services fees	-	25,899	-	-	(178)	25,721
Other fees	162	1,474	5,182	-	-	6,818
Total commission income	60,048	27,373	84,188	-	(178)	171,431
Net interest income	7,260	35,756	277	(865)	-	42,428
Net income on investments at fair value	7,621	8,922	10	-	-	16,553
Net financial income	14,881	44,678	287	(865)	-	58,981
Equity contribution	-	-	-	6,159	-	6,159
Realised gains (losses) on other investments	(2,514)	4,049	156	97	-	1,788
Impairment of loans	-	677	-	-	-	677
Impairment of other investments	-	11	-	2	-	13
Net income (loss) on other investments	(2,514)	4,737	156	99	-	2,478
Other revenues	2,937	1,345	70	251	-	4,603
TOTAL REVENUES	82,602	78,133	84,701	5,644	(178)	250,902
Acquisition costs and sales network commission expenses	(25,223)	(11,734)	(37,799)	-	-	(74,756)
Other commission expenses	(1,672)	(2,797)	(2,385)	-	-	(6,854)
General and administrative expenses	(22,458)	(32,512)	(17,792)	-	178	(72,584)
Amortisation and depreciation	(740)	(1,299)	(541)	-	-	(2,580)
Net provisions for risks	(998)	(441)	(1,483)	-	-	(2,922)
TOTAL COSTS	(51,091)	(48,783)	(60,000)	-	178	(159,696)
PROFIT BEFORE TAX	31,511	29,350	24,701	5,644	-	91,206
Income tax	-	-	-	-	-	(22,771)
NET PROFIT FOR THE PERIOD	-	-	-	-	-	68,435

FOREIGN				
Spain	Germany	Consolidation adjustments	Total	
27,555	6,287	-	2,448,734	
(22,777)	(4,884)	-	(2,435,303)	
4,778	1,403	-	13,431	
1,060	54	-	26,369	
2,827	1,295	-	104,773	
259	314	-	13,559	
1,314	5,211	(1)	32,245	
263	36	-	7,117	
5,723	6,910	(1)	184,063	
1,722	74	-	44,224	
180	122	(1)	16,854	
1,902	196	(1)	61,078	
-	-	-	6,159	
(704)	-	-	1,084	
48	-	-	725	
916	-	-	929	
260	-	-	2,738	
87	25	(40)	4,675	
12,750	8,534	(42)	272,144	
(4,461)	(993)	1	(80,209)	
(803)	(4,794)	-	(12,451)	
(6,376)	(3,239)	41	(82,158)	
(419)	(231)	-	(3,230)	
69	-	-	(2,853)	
(11,990)	(9,257)	42	(180,901)	
760	(723)	-	91,243	
253	(82)	-	(22,600)	
1,013	(805)	-	68,643	



**Responsibility
Statement**

Responsibility Statement

I, the undersigned Luigi Del Fabbro, Chief Financial Officer responsible for Mediolanum S.p.A. accounting and financial reporting, pursuant to section 154 *bis*, second paragraph, of Legislative Decree 58 of February 24, 1998 (Consolidated Finance Act)

HEREBY CONFIRM

that the financial information contained in the Consolidated Interim Report and Accounts at March 31, 2012, reflects the accounting entries, records and books.

Basiglio, May 10, 2012

The Chief Financial Officer
(Luigi Del Fabbro)

