

MEDIOLANUM S.P.A.

*QUARTERLY REPORT
AS AT SEPTEMBER 30,
2004*

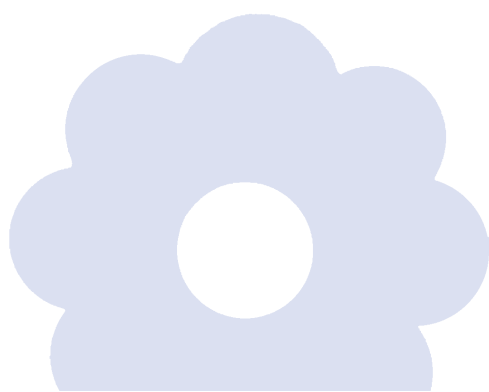


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MEDIOLANUM S.P.A.

*QUARTERLY REPORT
AS AT SEPTEMBER 30,
2004*



MEDIOLANUM
MEDIOLANUM GROUP

Mediolanum S.p.A. Officers of the Company

BOARD OF DIRECTORS

Roberto Ruozì	Chairman of the Board of Directors
Alfredo Messina	Deputy Chairman
Edoardo Lombardi	Executive Vice President
Ennio Doris	Chief Executive Officer
Marina Elvira Berlusconi	Director
Pasquale Cannatelli	Director
Massimo Antonio Doris	Director
Mario Molteni	Director
Angelo Renoldi	Director
Paolo Sciumè	Director
Claudio Sposito	Director
Antonio Zunino	Director

BOARD OF STATUTORY AUDITORS

Arnaldo Mauri	Chairman of the Board of Statutory Auditors
Achille Frattini	Statutory Auditor
Francesco Antonio Giampaolo	Statutory Auditor
Ferdinando Gatti	Alternate Statutory Auditor
Francesco Vittadini	Alternate Statutory Auditor

SECRETARY TO THE BOARD

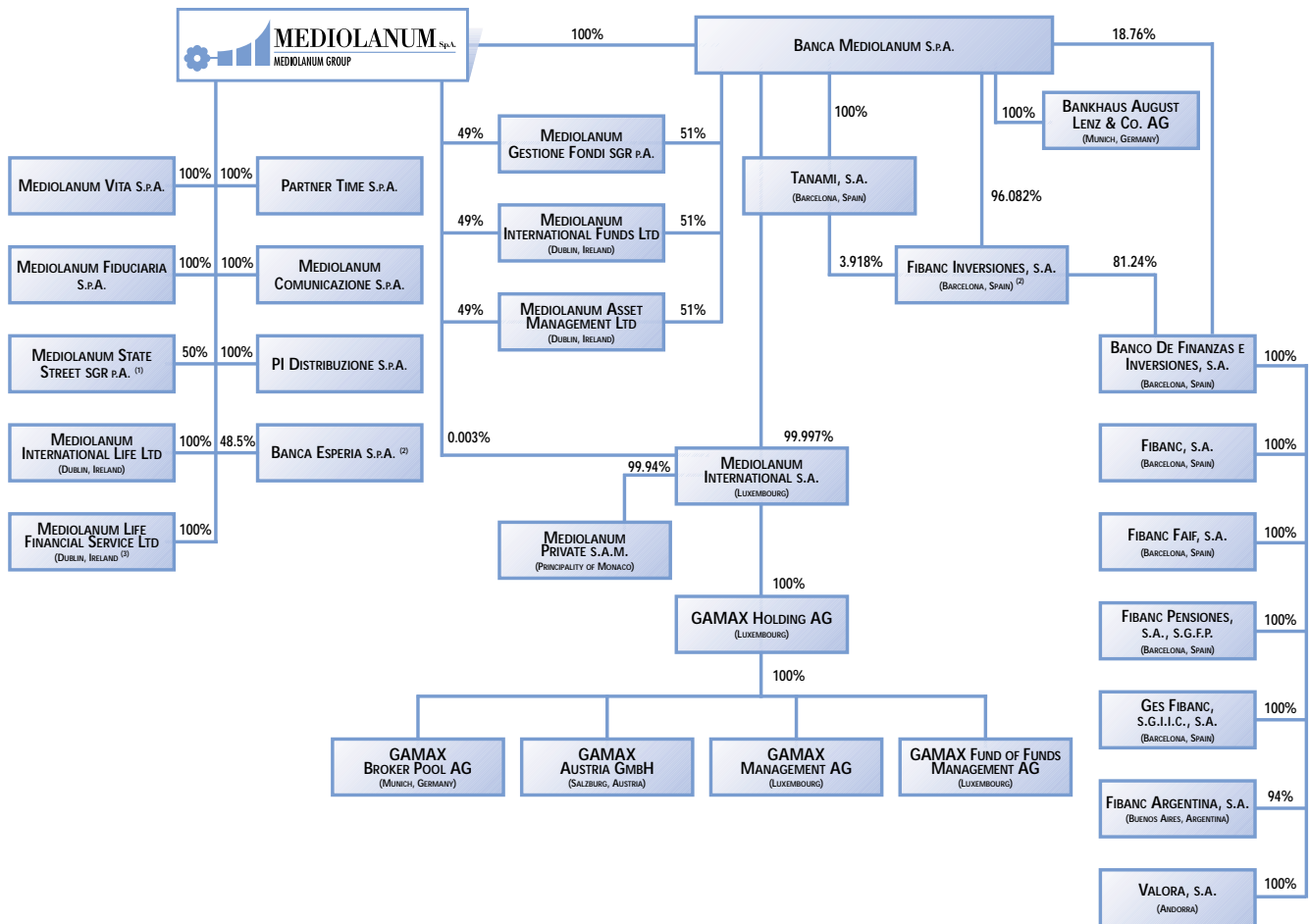
Luca Maria Rovere

INDEPENDENT AUDITORS

Reconta Ernst & Young S.p.A.

Corporate structure

UPDATED TO SEPTEMBER 30, 2004



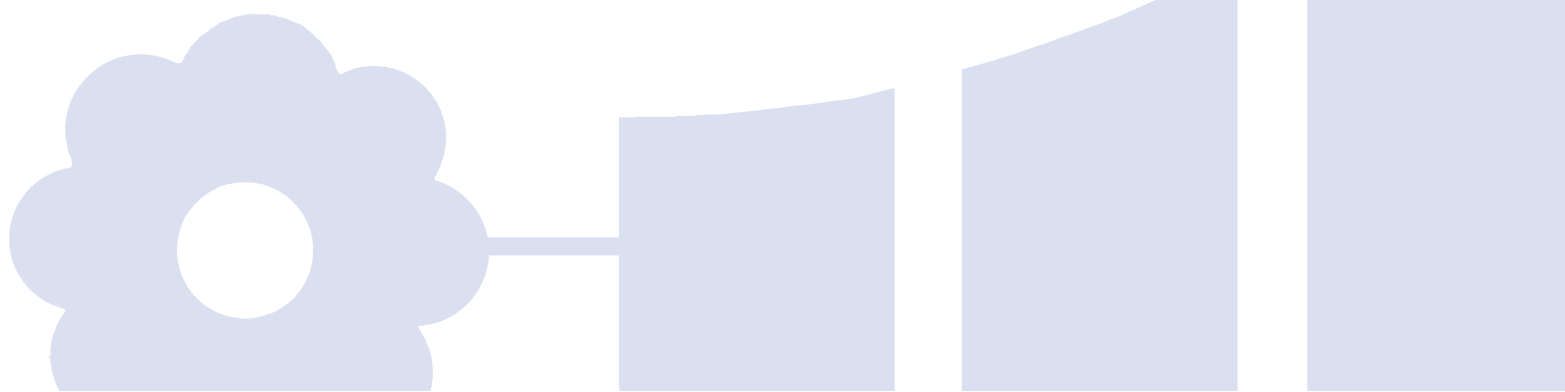
(1) As of October 7, 2004 the 50% of Mediolanum State Street SGR p.A. was transferred to State Street Bank Europe LTD.

(2) The remaining capital is held by third parties.

(3) Winding-up company.

MEDIOLANUM S.P.A.

*CONSOLIDATED
FINANCIAL STATEMENTS
AS AT SEPTEMBER 30,
2004*



Balance sheet

ASSETS

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
A) Due from shareholders for share capital still to be paid in	0	0	0	0
B) Intangible assets				
1. Unamortised acquisition commissions	0	0	0	0
2. Other intangible assets	6,314	7,020	8,566	10,519
3. Consolidation difference	114	118	126	130
TOTAL	6,428	7,138	8,692	10,649
C) Investments				
I - Land and buildings	69,079	69,694	70,800	70,917
II - Investments in Group companies and other shareholdings				
1. Shares and quotas	657,905	634,307	671,843	634,064
2. Bonds	0	0	0	0
3. Financial loans	0	0	50,489	1,291
TOTAL INVESTMENT IN GROUP COMPANIES AND OTHER COMPANIES	657,905	634,307	722,332	635,355
III - Other financial investments				
1. Shares and quotas	1	0	0	3,001
2. Mutual fund shares	58,590	49,586	46,862	43,797
3. Bonds and other fixed income securities	1,127,935	1,175,326	1,017,041	1,043,511
4. Financial loans	12,070	12,113	13,181	15,346
5. Other financial investments	29,729	24,879	2,246	5,381
TOTAL OTHER FINANCIAL INVESTMENTS	1,228,324	1,261,904	1,079,330	1,111,036
IV - Funds held by ceding companies	0	0	0	0
TOTAL INVESTMENTS	1,955,308	1,965,905	1,872,462	1,817,308
D) Investments on behalf of Life policyholders, carrying the risk and from pension fund management	8,404,751	8,204,692	7,187,635	6,504,200
D bis) Reinsurers' share of technical reserves				
I - Non-Life	0	0	0	0
II - Life	109,175	109,449	111,525	114,221
<i>(excluding technical reserve as per point III)</i>				
III - Technical reserves when the risk is carried by policyholders and reserves from pension fund management	0	0	0	0
TOTAL REINSURERS' SHARE OF TECHNICAL RESERVES	109,175	109,449	111,525	114,221
E) Receivables				
I - Due from direct insurance operations	20,123	10,804	6,287	31,501
II - Due from reinsurance operations	333	785	3	1,336
III - Other receivables	82,793	81,267	114,797	98,358
TOTAL RECEIVABLES	103,249	92,856	121,087	131,195
F) Other assets				
I - Tangible assets	1,658	1,885	2,231	2,453
II - Liquid assets	222,748	170,162	284,177	238,460
III - Own shares or quotas	1,904	2,035	2,092	2,092
IV - Other assets	481	564	321	502
TOTAL OTHER ASSETS	226,791	174,646	288,821	243,507
G) Prepayments and accrued income	17,472	22,741	20,698	16,884
TOTAL ASSETS	10,823,174	10,577,427	9,610,920	8,837,964

Euro in thousands

30.09.04 30.06.04 31.12.03 30.09.03

**SHAREHOLDERS'
EQUITY AND
LIABILITIES****A) Capital and reserves**

I - Pertaining to the Group:

1. Subscribed capital or equivalent	72,567	72,567	72,567	72,567
2. Net equity reserves	243,844	243,844	244,397	244,396
3. Consolidation reserve	116,197	116,197	112,485	112,485
4. Reserve for difference in valuation regarding shares in non-consolidated companies	47,939	47,938	1,394	1,394
5. Reserve for exchange rate difference	77	77	77	77
6. Reserves for own shares and shares of the parent company	2,035	2,035	2,091	2,092
7. Profit (loss) for the period	110,118	76,838	129,427	90,135

TOTAL GROUP SHAREHOLDERS' EQUITY	592,777	559,496	562,438	523,146
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II - Minority interests

1. Share capital and reserves	0	0	0	0
2. Profit (loss) for the period	0	0	0	0

TOTAL MINORITY INTERESTS	0	0	0	0
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TOTAL CAPITAL AND RESERVES	592,777	559,496	562,438	523,146
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B) Subordinated liabilities

	0	0	0	0
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C) Technical reserves

I - NON-LIFE

1. Premiums reserve	0	0	0	0
2. Claims reserve	0	0	0	0
3. Equalisation provision	0	0	0	0
4. Other	0	0	0	0

TOTAL NON-LIFE	0	0	0	0
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II - LIFE

1. Mathematical reserves	1,186,642	1,184,136	1,224,294	1,236,935
2. Reserve for amounts to be paid	54,914	53,210	61,850	30,427
3. Other	55,315	56,451	56,613	53,213

TOTAL LIFE	1,296,871	1,293,797	1,342,757	1,320,575
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TOTAL TECHNICAL RESERVES	1,296,871	1,293,797	1,342,757	1,320,575
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D) Technical reserves when the risk is carried by policyholders and reserves from pension fund management

	8,402,539	8,203,307	7,187,025	6,503,615
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E) Provisions for risks and charges

	17,296	14,217	41,814	39,031
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F) Deposits received from reinsurers

	107,768	108,153	109,000	111,983
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G) Payables and other liabilities

I - Due to direct insurance operations

	1,703	2,138	3,674	2,102
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II - Due to reinsurance operations

	778	439	1,544	824
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III - Debenture loans

	0	0	0	0
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IV - Amounts owed to credit institutions

	250,000	250,000	290,000	290,000
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V - Other loans and other financial debt

	56,020	83,789	0	1,095
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VI - Employee termination indemnity

	2,810	2,712	3,103	3,110
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VII - Other liabilities

	93,476	57,737	68,152	41,913
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TOTAL PAYABLES AND OTHER LIABILITIES	404,787	396,815	366,473	339,044
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H) Accruals and deferred income

	1,136	1,642	1,413	570
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TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	10,823,174	10,577,427	9,610,920	8,837,964
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Income statement

TECHNICAL ACCOUNT OF LIFE BUSINESS

<i>Euro in thousands</i>	Q3 2004	Q3 2003	30.09.04	30.09.03
1. Earned premiums, net of reinsurance	519,040	439,028	1,713,574	1,302,263
2. Allocated investment return transferred from the Non-technical account	8,882	10,015	27,132	30,603
3. Unrealised gains on investments on behalf of Life policyholders carrying the risk and from pension fund management	46,967	228,992	579,392	638,004
4. Other technical income, net of reinsurance	14,894	14,860	46,713	41,364
5. Claims incurred, net of amounts recovered and reinsurance	(205,077)	(125,715)	(658,693)	(451,297)
6. Change in mathematical reserves and other technical reserves, net of reinsurance				
a) Mathematical reserves, premium reserves of complementary insurance and other technical reserves	13,249	5,182	57,631	108,879
b) Life insurance reserves when the risk is carried by policyholders and from pension fund management	(214,042)	(416,767)	(1,235,247)	(1,150,504)
TOTAL CHANGE IN NET RESERVES	(200,793)	(411,585)	(1,177,616)	(1,041,625)
7. Refunds and profit sharing, net of reinsurance	0	0	0	0
8. Operating expenses				
a) Acquisition costs net of reinsurers' commissions and profit sharing	(40,173)	(36,102)	(127,564)	(108,775)
b) Administrative expenses	(3,510)	(3,183)	(11,267)	(10,145)
TOTAL	(43,683)	(39,285)	(138,831)	(118,920)
9. Unrealised loss on investments on behalf of Life policyholders carrying the risk and from pension fund management	(124,465)	(108,429)	(334,347)	(364,646)
10. Other technical charges, net of reinsurance	(62)	(66)	(1,801)	(2,202)
11. Total technical account of Life business	15,703	7,815	55,523	33,544

NON-TECHNICAL ACCOUNT

<i>Euro in thousands</i>	Q3 2004	Q3 2003	30.09.04	30.09.03
1. Total technical account of Non-Life business	0	0	0	0
2. Total technical account of Life business	15,703	7,815	55,523	33,544
3. Investment income				
a) Investment income	33,874	46,914	117,522	118,547
b) Adjustments to the value of financial investments	(306)	705	1,105	2,459
c) Gains on the realisation of investments	1,601	2,328	8,590	18,775
TOTAL INVESTMENT INCOME	35,169	49,947	127,217	139,781
4. Financial burden and losses on assets				
a) Investment management expense and interest on bank loans	(2,444)	(1,447)	(6,558)	(5,036)
b) Adjustments to the value of investments	2,534	(512)	(4,334)	(3,152)
c) Losses on the realisation of investments	(2,005)	(2,533)	(3,774)	(15,953)
TOTAL FINANCIAL BURDEN AND LOSSES ON ASSETS	(1,915)	(4,492)	(14,666)	(24,141)
5. (-) allocated investment return transferred to the technical account of Life business	(8,882)	(10,015)	(27,132)	(30,603)
6. Other revenues	2,897	2,390	8,474	9,384
7. Other charges	(7,520)	(10,684)	(25,997)	(38,408)
8. Total ordinary operations	35,451	34,961	123,418	89,557
9. Extraordinary income	2,727	836	3,390	13,142
10. Extraordinary charges	(246)	(27)	(753)	(4,756)
11. Total extraordinary operations	2,481	809	2,637	8,386
12. Profit before taxes	37,932	35,770	126,055	97,943
13. Income tax for the period	(4,653)	(348)	(15,938)	(7,808)
14. Consolidated results	33,280	35,422	110,118	90,135
15. Profit (loss) for the period from minority interests	0	0	0	0
16. Group profit (loss) for the period	33,280	35,422	110,118	90,135

Notes to the consolidated financial statements as at September 30, 2004

The consolidated financial statements as at September 30, 2004 are presented in accordance with CONSOB decision 11971 of May 14, 1999 and pursuant to Italian Law 173/97.

The consolidation principles and criteria used for the controlled companies included in consolidation are consistent with those used in the preparation of the consolidated financial statements as at December 31, 2003.

The consolidation area of the Mediolanum Group includes all those companies operating in fields pertaining to insurance – and shown in the table below – in which Mediolanum S.p.A. directly holds the majority shareholder voting rights at ordinary general meetings.

List of the companies which are consolidated on a line-by-line basis:

<i>Euro in thousands</i> Company	Share capital	% holding	Office	Activity
Mediolanum Vita S.p.A.	87,720	100.00	Basiglio	Life insurance
Partner Time S.p.A.	520	100.00	Basiglio	Distribution of Life insurance products
Mediolanum International Life Ltd	1,395	100.00	Dublin	Life insurance

List of companies directly controlled by Mediolanum S.p.A. and valued using the equity method:

<i>Euro in thousands</i> Company	Share capital	% holding	Office	Activity
Banca Mediolanum S.p.A.	341,000	100.00	Basiglio	Banking
Mediolanum Comunicazione S.p.A.	775	100.00	Basiglio	Audio/Film/TV production
Mediolanum Fiduciaria S.p.A.	510	100.00	Basiglio	Trust company without discretionary power
PI Distribuzione S.p.A.	517	100.00	Basiglio	Real estate broker
Mediolanum Gestione Fondi SGR p.A.	5,165	49.00	Basiglio	Management of mutual funds
Mediolanum Asset Management Ltd	150	49.00	Dublin	Asset management and consultancy
Mediolanum International Funds Ltd	150	49.00	Dublin	Management of mutual funds
Mediolanum International S.A.	71,500	0.003	Dublin	Sub-holding company

As a consequence of the transfer agreement of June 10, 2004, authorised by Banca d'Italia the following August, Mediolanum State Street SGR p.A. has been valued in this quarterly report at its sale price. The transfer of the shareholding was completed on October 7, 2004.

List of companies indirectly controlled by Mediolanum S.p.A. through Banca Mediolanum S.p.A. and valued using the equity method:

<i>Euro in thousands</i> Company	Share capital	% holding	Office	Activity
Fibanc Inversiones S.A.	6,852	100.00	Barcelona	Investment company
Banco de Finanzas e Inversiones S.A.	14,031	100.00	Barcelona	Banking
Ges Fibanc SGIIC S.A.	2,506	100.00	Barcelona	Management of mutual funds
Fibanc S.A.	301	100.00	Barcelona	Financial advisory company
Fibanc Pensiones S.G.F.P. S.A.	902	100.00	Barcelona	Management of pension funds
Fibanc Faif S.A.	60	100.00	Barcelona	Financial advisory company
Tanami S.A.	181	100.00	Barcelona	Real estate broker
Valora S.A.	421	100.00	Andorra	Asset management
Mediolanum Gestione Fondi SGR p.A.	5,165	51.00	Basiglio	Management of mutual funds
Mediolanum Asset Management Ltd	150	51.00	Dublin	Asset management and consultancy
Mediolanum International Funds Ltd	150	51.00	Dublin	Management of mutual funds
Mediolanum International S.A.	71,500	99.997	Luxembourg	Sub-holding company
Gamax Holding AG	5,618	100.00	Luxembourg	Sub-holding company
Gamax Management AG	125	100.00	Luxembourg	Management of mutual funds
Gamax Fund of Funds Management AG	125	100.00	Luxembourg	Management of mutual funds
Gamax Broker Pool AG	500	100.00	Munich	Fund sales network
Gamax Austria GmbH	40	100.00	Salzburg	Fund sales network
Bankhaus August Lenz & Co. AG	20,000	100.00	Munich	Banking
Mediolanum Private S.A.M.	500	99.94	Munich	Asset management

List of companies directly controlled that are valued at cost:

Company	Share capital	% holding	Office	Activity
Mediolanum Life Financial Service Ltd	Euro 5	100.00	Dublin	Life insurance
Fibanc Argentina S.A.	ARS 50,000	94.00	Buenos Aires	Business representatives

List of companies associated to Mediolanum S.p.A. that are valued using the equity method:

<i>Euro in thousands</i> Company	Share capital	% holding	Office	Activity
Banca Esperia S.p.A.	13,000	48.50	Milan	Banking

The valuation criteria applied in the assessment of the consolidated financial statement items comply with the Italian law relating to financial statements (Article 16 of Italian Law 173/97, Article 2426 of the Italian Civil Code) and with the accounting standards issued by the relevant professional bodies. They are consistent with those used in the preparation of the consolidated financial statements as at December 31, 2003.

Amounts are expressed in thousands of euro.

Some of the items shown in the quarterly report at September 30, 2003 have since been reclassified in order to provide a more precise representation of items in the balance sheet and income statement at September 30, 2004. The principal effects of these changes are described below in the comments to the individual items.

CONSOLIDATED BALANCE SHEET INFORMATION

ASSETS

INTANGIBLE ASSETS (ITEM B)

Item B2 *Other intangible assets* includes:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Start-up and expansion costs	244	415	759	2,742
Concessions, licences, trademarks and similar rights	5,937	6,450	7,477	6,820
Improvements on leased goods	102	124	167	193
Intangible assets under formation and advances	31	31	163	764
TOTAL	6,314	7,020	8,566	10,519

“Concessions, licences, trademarks and similar rights” consist primarily of software user licences.

The changes in these items are shown in detail in Attachment 1.

Item B3 *Consolidation difference* relates to the difference between the price paid by Mediolanum S.p.A. to acquire the shareholding in Mediolanum International Life Ltd and the net value of its assets and liabilities. This positive consolidation differences is being amortised over a ten-year period, considered representative of the future income flows from the acquired company. Amortisation for the positive consolidation difference for the period amounts to 12 thousand euro.

INVESTMENTS (ITEM C)

Item C I *Land and buildings* includes:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Company buildings	17,500	17,678	18,038	18,195
Residential buildings leased to third parties	47,465	47,868	48,526	48,526
Industrial buildings leased to third parties	4,022	4,065	4,153	4,196
Intangible assets under formation	92	83	83	0
TOTAL	69,079	69,694	70,800	70,917

The depreciation of industrial properties is computed at a rate of 3%, deemed representative of the useful life of the assets. The total depreciation on properties amounted to 672 thousand euro.

Regarding the real estate section, three civil units were sold during the period, which led to extraordinary income of 703 thousand euro.

In addition, preliminary contracts have been signed for the sale of 109 real estate units, which will yield an estimated net capital gain of approximately 7 million euro.

The total market value of the real estate complexes owned by Mediolanum Vita S.p.A., calculated in accordance with Art. 18 of Italian Law 173/97, amounts to 86,078 thousand euro.

Total changes in the above items are shown in detail in Attachment 2.

Item C II 1 *Shares and quotas* is analysed as follows:

a) "Shares of controlled companies": this item includes the value of Group companies valued with the equity method since their operations are not associated with insurance, the value of the investment in Mediolanum Life Financial Service Ltd, valued at cost since it is not yet fully operational, and also the value of Mediolanum State Street SGR p.A. shown at its sale value.

Detail of the shareholdings valued by the equity method:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Banca Mediolanum S.p.A.	402,409	394,371	405,209	383,889
Mediolanum International Funds Ltd	46,446	33,941	59,935	45,258
Mediolanum Gestione Fondi SGR p.A.	8,370	7,524	8,908	7,862
Mediolanum Asset Management Ltd	1,656	1,239	1,678	1,259
Mediolanum Comunicazione S.p.A.	1,156	1,183	1,098	943
Mediolanum Fiduciaria S.p.A.	497	502	513	520
PI Distribuzione S.p.A.	418	427	409	351
Mediolanum International S.A.	2	2	2	2
TOTAL	460,954	439,189	477,752	440,084

The valuation of Banca Mediolanum S.p.A. by the equity method reflects the effects of valuing its subsidiaries by the same method, so it takes into account the amortisation of goodwill attributable to the shareholdings in the Fibanc Group, Bankhaus August Lenz & Co. AG and in the Gamax Group.

Detail of the shareholdings valued by exit value:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Mediolanum State Street SGR p.A.	2,893	1,494	1,358	1,304

b) “Fininvest Group shares and quotas”

During the third quarter, Consorzio Aeromobili Fininvest, which had already been in liquidation, was dissolved and the quotas reimbursed to consortium members. This operation led to a capital loss of 36 thousand euro.

c) “Shares in associated companies” refer, for 20,483 thousand euro, to a 48.5% interest in Banca Esperia S.p.A., a 50-50 joint venture with Mediobanca S.p.A. in the private banking sector, valued using the equity method.

<i>Euro in thousands</i> Company	Share capital	% holding	Office
Banca Esperia S.p.A.	13,000	48.50	Via Del Lauro 7 Milan

d) “Shares and quotas in other companies” totalling 173,575 thousand euro relate to:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Mediobanca S.p.A.	129,907	129,907	129,907	129,907
Consortium S.r.l.	28,798	28,798	28,798	28,798
SIA S.p.A.	12,407	12,407	12,407	12,407
Cedacri S.p.A.	2,364	2,364	2,364	2,366
Nomisma Società di Studi economici S.p.A.	71	71	71	0
Rita S.r.l.	14	14	14	13
Europa Invest S.A.	14	14	14	14
TOTAL	173,575	173,575	173,575	173,505

and consist of:

<i>Euro in thousands</i> Company	Share capital	% holding	Office
Mediobanca S.p.A.	389,275	1.813	Via Filodrammatici 10 Milan
Consortium S.r.l.	561,600	3.400	Via Filodrammatici 10 Milan
SIA S.p.A.	18,124	4.999	Via Taramelli 26 Milan
Cedacri S.p.A.	12,609	3.449	Via Conventino 1 Collecchio (PR)
Nomisma Società di studi economici S.p.A.	5,345	1.320	Strada Maggiore 44 Bologna
Rita S.r.l.	5,720	0.010	P.zza S. Babila 1 Milan
Europa Invest S.A.	125	14.000	4 rue Aldringen Luxembourg

The change in the item C II 3 *Financial loans* since December 31, 2003 was due to the natural termination of repurchase agreements stipulated by Mediolanum Vita S.p.A. with the affiliated company Banca Mediolanum S.p.A..

Item C III *Other financial investments* includes, among other items, *Mutual fund shares* (item CIII 2) and *Bonds and other fixed income securities* (item C III 3). The former consist almost exclusively of Italian and foreign mutual funds managed by Mediolanum Gestione Fondi SGR p.A., for 198 thousand euro, by Mediolanum International Funds Ltd, for 54,593 thousand euro, and by affiliate Duemme Hedge SGR p.A. for 3,500 thousand euro. The latter mainly consists of fixed-income securities issued by the Government and public bodies traded on regulated markets and held by subsidiary Mediolanum Vita S.p.A..

List of financial investments split by portfolio of destination:

Euro in thousands	Long-term investments		Short-term investments		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Shares and quotas	0	0	0	0	0	0
a) shares traded on regulated markets						
b) unlisted shares						
c) quotas						
2. Mutual fund shares	0	0	58,590	58,606	58,590	58,606
3. Bonds and other fixed income securities	661,060	658,086	466,875	467,311	1,127,935	1,125,397
a1) Government securities traded on regulated markets	516,598	509,703	420,885	421,142	937,483	930,845
a2) other securities traded on regulated markets	127,560	131,221	45,988	46,167	173,548	177,388
b1) unlisted Government securities	690	690	0	0	690	690
b2) other unlisted securities	16,212	16,472	2	2	16,214	16,474
c) convertible bonds	0	0	0	0	0	0
4. Financial loans	0	0	12,070	12,070	12,070	12,070
5. Other financial investments	0	0	29,729	29,729	29,729	29,759
TOTAL	661,060	658,086	567,264	567,746	1,228,324	1,225,832

Long-term financial investments, amounting to 661,060 thousand euro and included in the item *Bonds and other fixed-income securities* (item C III 3), mainly consist of fixed-income securities issued by the Government and public bodies traded on regulated markets.

The valuation of long-term financial investments at current values reveals potential capital losses of 8,018 thousand euro and potential capital gains of 5,044 thousand euro.

The evaluation of short-term financial investments at current values shows potential capital gains of 482 thousand euro; the value adjustments to the short-term sector, net of write-backs during the period, totalled 2,558 thousand euro.

For the financial investments not intended as long-term company assets, amounting to 567,264 thousand euro, below is shown the comparison with the figures for the previous periods:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Shares and quotas	0	0	0	3,001
Mutual fund shares	58,590	49,586	46,862	43,797
Bonds and other fixed income securities	466,875	513,124	380,458	451,000
Financial loans	12,070	12,113	13,181	15,346
Deposits at credit institutions and other financial loans	29,729	24,879	2,246	5,381
TOTAL	567,264	599,702	442,747	518,525

Item C III 4 *Financial loans* mainly consists of loans on policies totalling 11,285 thousand euro.

Item C III 5 *Others* consists of demand and time deposits placed by Mediolanum International Life Ltd totalling 27,129 thousand euro and of amounts paid under derivatives of Mediolanum Vita S.p.A. (2,588 thousand euro).

**LOANS
(ITEM E)**

Item E I *Due from direct insurance operations* is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Due from policyholders in the year and from previous years' premiums	18,466	8,990	2,927	29,769
Due from intermediaries	1,652	1,808	3,349	1,718
Due from intermediaries for portfolio compensations	5	6	11	14
TOTAL	20,123	10,804	6,287	31,501

The item "due from policyholders for premiums" mainly refers to premiums in line III products (16,557 thousand euro) which were duly received during October.

Both the Policyholders and the Intermediaries items are shown net of provisions of 265 thousand euro and 459 thousand euro respectively.

Since the end of the 2003 period, the item "receivable for rights" has been classified as accrued income. Therefore, for purposes of comparison, this item was reclassified at September 30, 2003 in the amount of 7,752 thousand euro.

Item E III *Other receivables* is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Due from tax authorities	75,070	73,207	107,987	89,629
Due from Mediolanum Group companies	3,060	3,748	2,922	4,546
Due from real estate leases	1,942	1,165	995	1,472
Advances to suppliers and professionals	1,667	1,116	791	177
Due from Fininvest Group and Doris Group companies	434	405	458	1,012
Due from employees	108	123	128	150
Guarantee deposits	43	83	82	82
Other receivables	469	1,420	1,434	1,290
TOTAL	82,793	81,267	114,797	98,358

“Due from tax authorities” is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Advance payments and amounts brought forward	54,433	54,433	58,453	40,853
Tax credits on dividends and mutual funds	0	0	28,012	26,593
Tax reimbursements	14,460	14,316	14,171	14,171
Tax withholdings	5,657	3,810	6,870	5,693
Other	520	648	481	2,319
TOTAL	75,070	73,207	107,987	89,629

The item “advance payments and amounts brought forward” includes a credit accrued for payments on the tax on mathematical reserves totalling 49,405 thousand euro. This amount will become collectible as of January 1, 2005.

The balance of “receivables by Mediolanum Group companies” mainly refers to the amount due to Mediolanum International Funds Ltd for management and performance fees referring to September 2004 and totalling 2,082 thousand euro.

“Receivables by the Fininvest Group and Doris Group companies” consist of credits owed by Mediolanum Assicurazione S.p.A., held jointly by the Fininvest and Doris Groups, regarding recharging of costs for seconded personnel and for commissions for the sale of insurance policies.

**OTHER ASSETS
(ITEM F)**

Item F I *Tangible assets* is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Systems	13	15	17	21
Equipment	424	459	531	561
Furniture and fittings	345	409	568	658
Electric and electronic equipment	871	992	1,111	1,205
Other assets	5	6	0	8
Intangible assets under formation and advances	0	4	4	0
TOTAL	1,658	1,885	2,231	2,453

All changes in the above items are shown in detail in Attachment 2.

203,594 thousand euro of *Liquid assets* (item F II) represents the balance in ordinary current accounts with Group companies (of which 144,355 thousand euro with Banca Mediolanum S.p.A.) while 19,068 thousand euro is held with other credit institutions and is mainly employed in hot money operations of duration under 15 days.

Item F III *Own shares* consists of 385,000 shares in Mediolanum S.p.A. for a par value of 38.5 thousand euro.

**PREPAYMENTS AND
ACCRUED INCOME
(ITEM G)**

Item G *Prepayments and accrued income* is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Accrued interest on securities	8,184	14,257	12,691	7,570
Accrued rights	8,540	7,593	7,485	7,752
Other accrued income	528	584	195	1,004
Prepayments for insurance	21	25	129	215
Prepayments for rent	2	8	15	13
Other prepayments	197	274	183	330
TOTAL	17,472	22,741	20,698	16,884

As mentioned at the item *Receivables due from policyholders*, since the end of the 2003 period, the “coming to maturity rights” have been classified as accrued income, and therefore the relative amount as at September 30, 2003 has been reclassified.

SHAREHOLDERS' EQUITY AND LIABILITIES

CAPITAL AND RESERVES (ITEMS A - B)

RECONCILIATION BETWEEN THE FINANCIAL STATEMENTS OF THE PARENT COMPANY AND THE CONSOLIDATED FINANCIAL STATEMENTS

Changes in consolidated capital and reserves for the period are detailed in Attachment 3.

<i>Euro in thousands</i>	Capital and reserves	Profit for the period	Total Shareholders' equity
Parent company financial statements at September 30, 2004	343,398	(3,099)	340,299
Subsequent changes in carrying value and Shareholders' equity of companies included in consolidation	128,717	29,320	158,037
Differences in investments valued by the equity method	68,909	99,263	168,172
Conversion difference of companies included in consolidation	77	0	77
Application of Group-wide accounting policies	(2,666)	(455)	(3,121)
Elimination of inter-company transactions	(752)	(12)	(764)
Amortisation of consolidation differences in the company's equity investments valued using the equity method	(54,227)	(14,681)	(68,908)
Amortisation of capital gains attributed to buildings as at the date of acquisition of the company valued using the equity method	(760)	(206)	(966)
Amortisation of consolidation difference of companies consolidated on a line-by-line basis	(37)	(12)	(49)
Consolidated financial statements at September 30, 2004	482,659	110,118	592,777

<i>Euro in thousands</i>	Capital and reserves	Profit for the period	Total Shareholders' equity
Parent company financial statements at June 30, 2004	343,398	(2,517)	340,881
Subsequent changes in carrying value and Shareholders' equity of companies included in consolidation	128,717	19,158	147,875
Differences in investments valued by the equity method	68,908	70,263	139,171
Conversion difference of companies included in consolidation	77	0	77
Application of Group-wide accounting policies	(2,666)	(282)	(2,948)
Elimination of inter-company transactions	(752)	(8)	(760)
Amortisation of consolidation differences in the company's equity investments valued using the equity method	(54,227)	(9,648)	(63,875)
Amortisation of capital gains attributed to buildings as at the date of acquisition of the company valued using the equity method	(760)	(120)	(880)
Amortisation of consolidation difference of companies consolidated on a line-by-line basis	(37)	(8)	(45)
Consolidated financial statements at June 30, 2004	482,658	76,838	559,496

<i>Euro in thousands</i>	Capital and reserves	Profit for the period	Total Shareholders' equity
Parent company financial statements for the year 2003	319,126	104,054	423,180
Subsequent changes in carrying value and Shareholders' equity of companies included in consolidation	110,944	17,774	128,718
Differences in investments valued by the equity method	42,072	140,118	182,190
Conversion difference of companies included in consolidation	77	0	77
Inter-company dividends	389	(389)	0
Inter-company dividends for accrual	0	(113,285)	(113,285)
Other consolidation adjustments	(3,239)	573	(2,666)
Elimination of inter-company transactions	(735)	(17)	(752)
Amortisation of consolidation differences in the company's equity investments valued using the equity method	(35,078)	(19,149)	(54,227)
Amortisation of capital gains attributed to buildings as at the date of acquisition of the company valued using the equity method	(524)	(236)	(760)
Amortisation of consolidation difference of companies consolidated on a line-by-line basis	(21)	(16)	(37)
Consolidated financial statements for the year 2003	433,011	129,427	562,438

<i>Euro in thousands</i>	Capital and reserves	Profit for the period	Total Shareholders' equity
Parent company financial statements at September 30, 2003	319,126	(9,111)	310,014
Subsequent changes in carrying value and Shareholders' equity of companies included in consolidation	110,944	16,756	127,700
Differences in investments valued by the equity method	42,072	101,317	143,390
Conversion difference of companies included in consolidation	77	0	77
Inter-company dividends	389	(389)	0
Application of Group-wide accounting policies	(3,196)	(3,860)	(7,056)
Elimination of inter-company transactions	(735)	(12)	(747)
Amortisation of consolidation differences in the company's equity investments valued using the equity method	(35,078)	(14,362)	(49,440)
Amortisation of capital gains attributed to buildings as at the date of acquisition of the company valued using the equity method	(567)	(191)	(758)
Amortisation of consolidation difference of companies consolidated on a line-by-line basis	(21)	(13)	(34)
Consolidated financial statements at September 30, 2003	433,011	90,135	523,146

The amortisation of the positive consolidation difference of shareholdings owned by companies valued by the equity method refers, for 9,840 thousand euro, to the interest in the Fibanc Group, for 362 thousand euro, to the interest held in Bankhaus August Lenz & Co. AG and, for 4,479 thousand euro, to the interest held in the Gamax Group.

Such consolidation differences are amortised over a ten-year period, which is considered to be representative of the future profitability of the companies purchased. They also take into account the life span of the investment as well as the sectors and markets in which the companies operate.

Item C II *Technical reserves* is composed of:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Mathematical reserves	1,186,642	1,184,136	1,224,294	1,236,935
Reserves for amounts to be paid	54,914	53,210	61,850	30,427
Other	55,315	56,451	56,613	53,213
TOTAL	1,296,871	1,293,797	1,342,757	1,320,575

TECHNICAL RESERVES
(ITEMS C – D)

The actuarial methods used and the underlying assumptions are unchanged from those applied at the end of the 2003 period.

The *Mathematical reserves* are lower than those recorded at December 31, 2003 due to the reduced inflow from *traditional business* and to the natural maturing of existing contracts.

However, the *Other technical reserves* have remained similar to those recorded at the end of 2003.

Item D *Technical reserves when the risk is carried by policyholders and reserves from pension fund management* is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Technical reserves on unit-linked products	4,137,937	4,356,069	3,706,657	3,354,817
Technical reserves on index-linked products	4,260,385	3,843,215	3,477,137	3,146,141
Technical reserves resulting from pension fund management	4,217	4,023	3,231	2,657
TOTAL	8,402,539	8,203,307	7,187,025	6,503,615

**PROVISIONS FOR
RISKS AND CHARGES
(ITEM E)**

Item E *Provisions for risks and charges* is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Provision for taxes	16,631	13,558	40,868	38,114
Other provisions	665	659	946	917
TOTAL	17,296	14,217	41,814	39,031

Provision for taxes is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Provision for IRPEG-IRAP (corporate income tax-tax on productive activities)	16,513	13,145	39,587	36,138
Provision for taxes for assessments	258	279	320	340
Provision for deferred taxes	(140)	134	961	1,636
TOTAL	16,631	13,558	40,868	38,114

“Provision for deferred taxes” was determined by offsetting the prepaid and deferred taxes deriving from the companies consolidated using the line-by-line method and the consolidation adjustments, since a legal right to offsetting balances exists, as contemplated by accounting principle No. 25 set out by the National Councils of Professional Accountants and Bookkeepers, as illustrated in the following table:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Deferred taxes	585	832	1,923	2,184
Prepaid taxes	(725)	(698)	(962)	(548)
TOTAL	(140)	134	961	1,636

“Other provisions” is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Provision for future risks	200	200	464	405
Agents premium loyalty provision	447	426	324	353
Sundry provisions	18	33	158	159
TOTAL	665	659	946	917

**PAYABLES AND
OTHER LIABILITIES
(ITEM G)**

Item G IV *Amounts owed to credit institutions* was due to the utilisation of credit lines granted to Mediolanum S.p.A. by leading banks.

Item G V *Other loans and other financial debt* includes the financial debts related to repurchase agreements entered into by Mediolanum Vita S.p.A. with a leading credit institution, totalling 53,876 thousand euro.

Other payables (item G VII) is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Payable to Mediolanum Group companies	27,552	29,891	34,069	26,291
Dividends due to shareholders	7,434	7,434	0	0
Taxes	3,600	2,932	19,669	2,799
Trade accounts	4,106	4,408	6,617	5,612
Taxes charged to policyholders	932	1,158	1,933	964
Payable to Fininvest Group and associated companies and Doris Group companies	273	258	731	404
Payable to social security institutions	280	409	509	349
Other	40,878	4,512	1,765	2,041
Other liabilities	8,421	6,735	2,859	3,453
TOTAL	93,476	57,737	68,152	41,913

The “Payable to Mediolanum Group companies” item refers almost entirely to commissions owed by Mediolanum S.p.A. to Banca Mediolanum S.p.A. for the marketing of insurance products, paid in October.

“Taxes” for the current period mainly consists of withholding tax.

“Trade accounts” is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Services received	2,400	2,337	4,125	3,126
Invoices to be received	1,208	1,681	2,118	1,922
Emoluments to Directors and Statutory Auditors	270	212	218	318
Professional services	228	178	156	246
TOTAL	4,106	4,408	6,617	5,612

“Payable to Fininvest Group and Doris Group companies” mainly consists of recharge costs due to Mediolanum Assicurazione S.p.A. for seconded employees, and amounts due to companies linked to the Fininvest Group for contractually defined services.

“Payable to social security institutes” relates to the social security obligations on September salaries, duly paid in October.

All services are in line with the best market conditions.

“Other payables” mostly refers – for 32,384 thousand euro – to purchasing of index-linked products by Mediolanum International Life Ltd in September which were paid in October and, for 6,104 thousand euro, to debts for confirmatory deposits received by Mediolanum Vita S.p.A..

“Other liabilities” relates to:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Outstanding earned premiums	5,108	960	1,265	702
Commissions for unearned premiums	1,792	1,329	654	1,376
Provision for 13 th /14 th month salary and production premiums	483	225	254	588
Vacation time accrued by employees	511	706	636	652
Other	528	3,515	50	135
TOTAL	8,422	6,735	2,859	3,453

At June 30, 2004, the “other liabilities” item included swap operations transacted by Mediolanum Vita S.p.A., for a total of 3,353 thousand euro, which terminated in the third quarter.

ACCRUALS AND DEFERRED INCOME (ITEM H)

Accruals and deferred income (item H) is analysed as follows:

<i>Euro in thousands</i>	30.09.04	30.06.04	31.12.03	30.09.03
Accrued expenses	904	1,565	1,286	467
Deferred income on lease instalments	232	77	127	103
TOTAL	1,136	1,642	1,413	570

CONSOLIDATED INCOME STATEMENT INFORMATION

INFORMATION ON TECHNICAL ACCOUNTS

The *Gross premiums written* is analysed as follows:

<i>Euro in thousands</i>	Direct operations	Reinsurance operations	Total
I - Life insurance	44,253	11	44,264
II - Marriage and birth insurance	0	0	0
III - Unit-linked insurance as per I and II	1,669,433	0	1,669,433
IV - Health insurance	0	0	0
V - Capitalisation operations	3,427	0	3,427
VI - Fund management	937	0	937
GROSS PREMIUMS	1,718,050	11	1,718,061

Premiums were collected mainly in Italy, as well as in Spain and Ireland, and are analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Single premiums	291,976	244,212	1,012,098	704,930
First year premiums	49,463	42,044	170,477	145,661
Subsequent year premiums	178,925	154,367	535,475	456,785
Indirect premiums	3	5	11	15
(less) Reinsurance ceded	(1,327)	(1,600)	(4,487)	(5,128)
NET PREMIUMS	519,040	439,028	1,713,574	1,302,263

Allocated investment return transferred from the non-technical Life account is determined based on the criteria indicated in ISVAP Provision 1140 G of March 8, 1999.

Item *Other technical revenues, net of reinsurance* includes revenues deriving from management fees within the unit-linked funds and the management fees paid by controlled company Mediolanum International Funds Ltd to Mediolanum Vita S.p.A.. Compared to the same period of 2003, this item increases by 5,349 thousand euro due to the increase in management fees generated by greater assets under management.

It is to be noted that, starting from the end of 2003, this item also includes the management fee paid to the company for managing the unit-linked funds. For purposes of comparison, the relative amount for the third quarter 2003 has been shown (11,875 thousand euro).

In addition, this item also now includes the management fees paid by Mediolanum International Funds Ltd to Mediolanum Vita S.p.A. which, at September 30, 2003, were reported under *Other revenues* and totalled 16,887 thousand euro. Therefore, for purposes of comparison, the amounts for the previous year have been reclassified.

The increase in *Claims incurred, net of amounts recovered and reinsurance* compared to the previous quarter was the result of portfolio maturity, with a consequent increase in the amount of matured policies, and an increase in surrenders.

Acquisition commission net of reinsurer's commissions and profit sharing (item 8a) consist of 115,968 thousand euro related to Banca Mediolanum S.p.A., 5,648 thousand euro related to Banco de Finanzas e Inversiones S.A., 523 thousand euro related to Bankhaus August Lenz & Co. AG and 9 thousand euro to Mediolanum International Funds Ltd.

Regarding the item *Administration expenses* (item 8b), it is to be noted that, at September 30, 2004, the cost personnel on loan was deducted from the other administrative expenses and included in the item "other charges". To ensure the correct presentation, also the comparative values have been reclassified.

**INFORMATION ON THE
NON-TECHNICAL ACCOUNT**

Investment income (item 3 a) is analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Quotas in results for the year on investments valued by the equity method	22,176	36,458	82,372	82,202
Other investment income	130	0	322	64
Income from land and buildings	610	722	1,606	2,008
Shares in mutual funds	471	1	471	35
Bonds and other fixed income securities	10,142	8,384	30,446	29,884
Financial loans	95	153	370	467
Deposits at credit institutions	250	1,222	1,935	3,887
Other financial investments	0	(26)	0	0
TOTAL	33,874	46,914	117,522	118,547

The revenues from “bank deposits” include 1,107 thousand euro in interest on deposits with Banca Mediolanum S.p.A..

Adjustments to the value of financial investments (item 3 b) is analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Shares	0	82	0	257
Mutual fund shares	(293)	297	320	609
Other financial investments (derivatives)	13	0	255	0
Bonds and other fixed income securities	(26)	326	530	1,593
TOTAL	(306)	705	1,105	2,459

Gains on the realisation of investments (item 3 c) is set out below:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Bonds and other fixed income securities	466	1,113	6,710	14,499
Other financial investments	1,135	1,215	1,880	4,276
TOTAL	1,601	2,328	8,590	18,775

Investment management expenses and interest on bank loans (item 4 a) is as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Other investment management expenses	1,292	264	3,114	1,242
Interest on deposit accounts for reinsurance and other	1,152	1,183	3,444	3,794
TOTAL	2,444	1,447	6,558	5,036

The increase in investment management expenses arises from increased charges for managing real estate investments (+614 thousand euro) and from management fees delegated by Mediolanum Vita S.p.A. to Mediolanum Gestione Fondi SGR p.A. (+1,109 thousand euro).

Adjustments to the value of investments (item 4 b) is analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Building depreciation	224	223	672	671
Shares and quotas	131	(135)	188	86
Mutual funds	82	3	93	81
Bonds and other fixed income securities	(3,759)	208	1,770	1,446
Futures	788	213	1,611	868
TOTAL	(2,534)	512	4,334	3,152

The *Adjustments to the value of bonds and other fixed income securities* have been positively influenced in the third quarter by a recovery in the market of the securities held.

Losses on the realisation of investments (item 4 c) is shown below:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Bonds and other fixed income securities	430	1,311	1,541	6,034
Other financial investments	1,575	1,222	2,233	9,919
TOTAL	2,005	2,533	3,774	15,953

Other revenues (item 6) is analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Commission income for the sale of Non-Life policies	918	1,011	2,936	2,949
Recharge of cost of employees seconded to Mediolanum Group companies valued by the equity method	747	665	2,123	4,105
Recharge of cost of employees seconded to Fininvest Group and Doris Group companies	59	60	175	257
Recovery of costs	7	87	65	309
Interest from the tax authorities	144	146	290	304
Utilisation of provision for specific risks	22	12	891	12
Other revenues	1,000	409	1,994	1,448
TOTAL	2,897	2,390	8,474	9,384

As pointed out in the item *Other technical revenues, net of reinsurance* of the technical account, the amount for management fees which Mediolanum Vita S.p.A. received from Mediolanum International Funds Ltd (16,887 thousand euro) at September 30, 2003 has been reclassified.

“Commission income for the sale of non-Life policies”, determined at market conditions, relates to the sale of insurance policies by Mediolanum Assicurazioni S.p.A., which is jointly owned (50-50) by the Fininvest and Doris Groups. These commissions are also entered under item 7 “other costs” since they are retroceded by Mediolanum S.p.A. to Banca Mediolanum S.p.A., a company valued using the equity method.

“Recharge of cost of employees seconded to the Fininvest Group and Doris Group companies” relates to Mediolanum Assicurazioni S.p.A..

The “other revenues” item at September 30, 2004 mainly relates to interest receivable on current accounts, totalling 1,604 thousand euro.

Other costs (item 7) consist of:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Commission income for the sale of non-Life policies	917	1,013	2,936	2,949
Other administrative expenses of Mediolanum S.p.A.	2,217	3,192	8,185	11,031
Cost of Mediolanum S.p.A. employees	1,717	1,755	5,355	9,127
Amortisation of intangible assets	975	2,849	2,926	8,351
Other costs	1,694	1,875	6,595	6,950
TOTAL	7,520	10,684	25,997	38,408

Extraordinary income (item 9) is analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Gain on the sale of long-term investments	1,535	0	1,535	0
Gain on sale of real estate	329	0	703	0
Gain on sale of other assets	30	0	94	0
Gain on sale of bonds and other long-term securities	6	820	136	12,944
Other extraordinary income	827	16	922	198
TOTAL	2,727	836	3,390	13,142

The “gain on the sales of long-term investments” refers to the capital gain made through selling the equity investment in Mediolanum State Street SGR p.A..

The out of period revenues result from greater allocations to reserves for taxes of the previous period.

Extraordinary charges (item 10) is analysed as follows:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Extraordinary loss	210	27	603	340
Loss on sale of long-term securities	36	0	36	292
Other extraordinary charges	0	0	114	4,124
TOTAL	246	27	753	4,756

The decrease in *Extraordinary charges* compared to last year is mainly due to the charges incurred in 2003 for the “tax amnesty” procedure for the previous periods, totalling 3,153 thousand euro.

In view of the positive results of the three quarterly periods, it is expected that the full year performance will be positive.

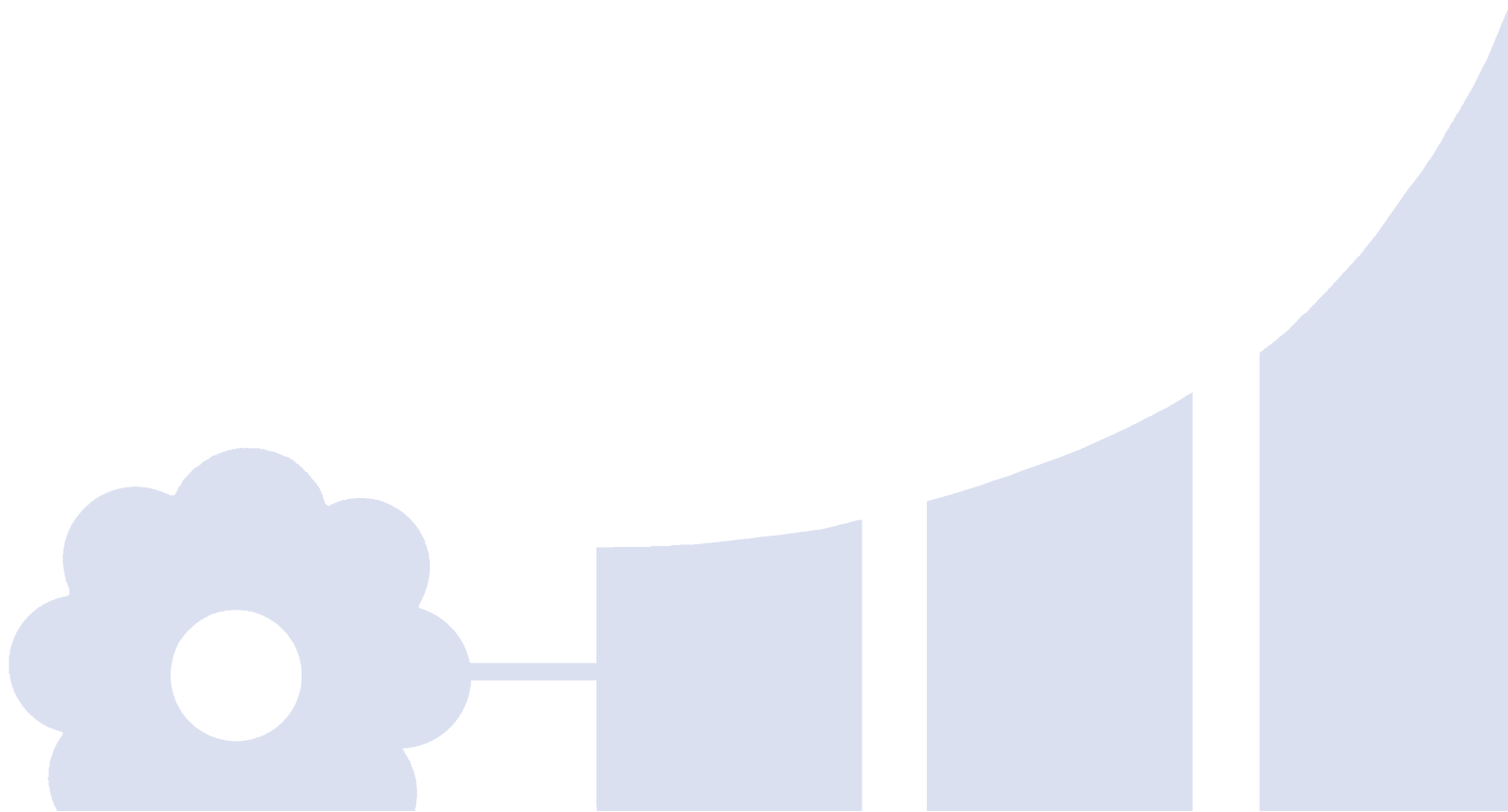
For the Board of Directors

Roberto Ruozi

Chairman

MEDIOLANUM S.P.A.

ATTACHMENTS



ATTACHMENT 1

ANALYSIS OF CHANGES IN OTHER INTANGIBLE ASSETS AS AT SEPTEMBER 30, 2004

Euro in thousands

Intangible assets	Opening situation			
	Historic cost	Accum. Amortis.	Balance as at 01.01.2004	Additions
Start-up and expansion costs	44,791	(44,032)	759	0
Concessions, licences, trademarks and similar rights	23,140	(15,663)	7,477	757
Improvements on leased properties	2,673	(2,506)	167	0
Intangible assets in progress	163	0	163	0
Consolidation difference	164	(38)	126	0
TOTAL	70,931	(62,239)	8,692	757

ATTACHMENT 2

ANALYSIS OF CHANGES IN TANGIBLE FIXED ASSETS AS AT SEPTEMBER 30, 2004

Euro in thousands

Land and buildings	Opening situation			
	Historic cost	Accum. Amortis.	Balance as at 01.01.2004	Additions
Land and buildings	78,385	(7,668)	70,717	4
Tangible assets in progress	83	0	83	9
TOTAL LAND AND BUILDINGS	78,468	(7,668)	70,800	13

Euro in thousands

Other tangible assets	Opening situation			
	Historic cost	Accum. Amortis.	Balance as at 01.01.2004	Additions
Plant and machinery	221	(204)	17	3
Industrial and trade equipment	1,728	(1,197)	531	5
Other tangible fixed assets	14,181	(12,502)	1,679	198
Fixed assets in progress	4	0	4	0
TOTAL OTHER TANGIBLE FIXED ASSETS	16,134	(13,903)	2,231	206

Movements for the period

Closing situation

Net disposals	Amortisation	Net reclassifications	Historic cost	Accum. Amortis.	Balance as at 30.09.2004
0	(515)	0	44,791	(44,547)	244
(71)	(2,335)	108	23,935	(17,998)	5,937
0	(65)	0	2,673	(2,571)	102
(23)	0	(108)	31	0	31
0	(12)	0	164	(50)	114
(94)	(2,928)	0	71,594	(65,167)	6,428

Movements for the period

Closing situation

Net disposals	Amortisation	Net reclassifications	Historic cost	Accum. Amortis.	Balance as at 30.09.2004
(1,062)	(672)	0	77,327	(8,340)	68,987
0	0	0	92	0	92
(1,062)	(672)	0	77,419	(8,340)	69,079

Movements for the period

Closing situation

Net disposals	Amortisation	Net reclassifications	Historic cost	Accum. Amortis.	Balance as at 30.09.2004
0	(7)	0	224	(211)	13
0	(112)	0	1,733	(1,309)	424
0	(656)	0	14,379	(13,158)	1,221
(4)	0	0	0	0	0
(4)	(775)	0	16,336	(14,678)	1,658

ATTACHMENT 3

ANALYSIS OF CHANGES IN CONSOLIDATED CAPITAL AND RESERVES AS AT SEPTEMBER 30, 2004

<i>Euro in thousands</i>	Share capital	Net equity reserves	Consolidation reserve
Consolidated balance as at December 31, 2003	72,567	244,397	112,485
Allocation of profit for the period:			
- payment of dividends out of profits			
- reserve		(653)	3,712
Creation of reserve for own shares		100	
Other variations			
Profit (loss) for the period			
Consolidated balance as at September 30, 2004	72,567	243,844	116,197

Reserve diff. val. of non-consolidated companies	Reserve for exchange rate difference	Reserve for own shares and shares of parent company	Consolidated profit	Total shareholders' equity
1,394	77	2,091	129,427	562,438
			(79,824)	(79,824)
46,544			(49,603)	0
		(56)		44
1				1
			110,118	110,118
47,939	77	2,035	110,118	592,777

ATTACHMENT 4

Euro in thousands

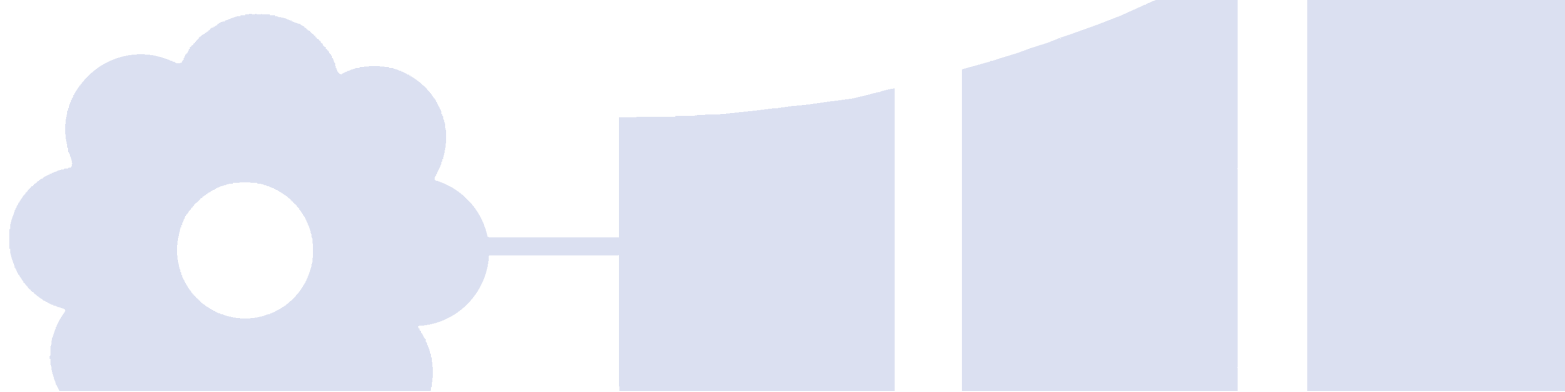
30.09.2004

CONSOLIDATED CASH FLOW STATEMENT AS AT SEPTEMBER 30, 2004

A) SOURCE OF FINANCE	
Cash flows generated by operations:	
Group profit (loss) for the period	110,118
Change in technical reserves net of reinsurance	1,171,978
Amortisation, depreciation of tangible and intangible assets	4,375
Net provision for risks and charges	(24,518)
Net change in employee termination indemnity	(293)
Net change in other receivables and payables and other assets and liabilities	55,108
TOTAL CASH FLOW GENERATED BY OPERATIONS	1,316,768
Decrease in tangible and intangible assets	1,160
Decrease own shares	188
Decrease in other financial investments	16,832
Share capital increase	44
TOTAL CASH FLOW GENERATED	1,334,992
B) APPLICATION OF FUNDS	
Increase in tangible and intangible assets	976
Increase in other financial investments	1,315,621
Distributed dividends	79,824
TOTAL APPLICATION OF FUNDS	1,396,421
C) CASH FLOW FOR THE PERIOD (A-B)	(61,429)
D) Cash and liquid assets (opening balance)	284,177
E) Cash and liquid assets (closing balance)	222,748
F) CHANGE IN CASH AND LIQUID ASSETS (E-D)	(61,429)

MEDIOLANUM S.P.A.

*DIRECTORS' REPORT
ON OPERATIONS
AS AT SEPTEMBER 30,
2004*



The Mediolanum Group in the 3rd quarter 2004

PERFORMANCE OF THE GROUP

The Mediolanum Group closed the third quarter 2004 recording net profits of 110,918 thousand euro for the first nine months compared to 90,135 thousand euro last year (+23%). On its own, the third quarter showed a positive result of 33,280 thousand euro, down from 35,422 thousand euro in the same period of 2003.

The Group's increased profits are largely a result of an increase in premiums on Life policies and the increased commissions in the home mortgage and asset management sector. The decrease in the third quarter is due to the reduction in performance fees in the period compared to a year earlier.

Net inflows for the Group in the first nine months of the year were positive and amounted to a total of approximately 1.5 billion euro, offering a substantial contribution to the growth of administered assets.

The total assets under administration at September 30, 2004 amounted to 24,997.6 million euro, showing an increase of 8.9% year on year (22,950.7 million euro at September 30, 2003) and up 6.3% since December 31, 2003 (23,513.8 million euro).

The relevant macro-economic situation in the third quarter of 2004 showed no substantial changes: the world economy is in a period of moderate growth, stronger in the USA and the emerging Asian countries, while in Japan and Europe the general improvement continues to be more limited.

To date, this recovery has not ushered in an inflationary trend, except for the costs of basic raw materials which have risen as a result of demand from emerging economies, particularly China and India.

The negative impact of the soaring prices of energy products on economic growth and inflation is one of the most worrying elements for savers who, faced with such elements of uncertainty, have reacted by abandoning investments in stocks and bonds, particularly in countries of continental Europe.

During this period, share prices have fluctuated wildly every day, although the accumulated variations of the indices have been limited. Yields on bonds have further reduced, particularly in the mid-long term on the rates curve. The US dollar further weakened against the euro and the main Asian currencies.

To facilitate a comparison with the first half-year results and to better understand the operational aspects, the following discussion Mediolanum Group performance excludes the Fibanc Group, Mediolanum International S.A., Mediolanum Private S.A.M., Bankhaus August Lenz & Co. AG, the Gamax Group and Banca Esperia S.p.A..

The performance and results of those companies, the so-called “New Ventures”, will be examined later in a specific section.

Banca Mediolanum S.p.A. closed the quarter at September 30, 2004 showing a negative progressive result of 5,090 thousand euro, compared to the positive result of the previous year at 6,391 thousand euro.

The accounts of the Bank as at September 30, 2004 – which do not reflect the dividends from subsidiaries, reported on a time-accrual basis in the absence of the conditions necessary for registering them – shows a profit before taxes of 2,511 thousand euro as compared to 10,633 euro of the previous year, a fall of 8,122 thousand euro. This decrease was caused primarily by value adjustments to financial fixed assets for payments to subsidiary Bankhaus August Lenz & Co. AG (8,200 thousand euro) to cover period losses.

The number of active current accounts at September 30, 2004 was 338,150 (331,111 at 30.09.03).

In total, the assets under administration September 30, 2004 amounted to 4,475 million euro, as against 5,129 million euro a year earlier (-13%). This decrease relates to the commercial action to promote greater diversification of investments by placing a greater emphasis on assets management.

Despite the decline in balances in customer accounts, the interest margin has remained largely unchanged. As at September 30, 2004, it totalled 34,758 thousand euro (30.09.2003: 35,299 thousand euro).

Commissions earned totalled 214,749 thousand euro, an 8.5% increase year on year (30.09.2003: 197,855 thousand euro). Commissions paid to the sales network have grown at a slower rate than the commissions earned, going from 127,539 thousand euro last year to 136,520 thousand euro (+7%).

PERFORMANCE
OF THE SECTORS WHERE
THE GROUP OPERATES

**MEDIOLANUM
GROUP, EXCLUDING
NEW VENTURES
(CORE BUSINESS)**

BANKING ACTIVITY

The total number of customers – holders of current accounts or financial/insurance products placed by Banca Mediolanum – was approximately 782,200 at the end of September 2004 (30.09.2003: 768,700).

Net profits of companies operating in the banking field in which investments are held

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Banca Mediolanum S.p.A.	(1,404)	3,161	(5,090)	6,391

**MUTUAL FUNDS AND
MANAGED ACCOUNTS**

In the first nine months of 2004, the total gross inflows to mutual funds and managed accounts amounted to 1,104 million euro (3rd quarter 2004: 263 million euro) compared to 1,238 million euro at September 30, 2003 (3rd quarter 2003: 417 million euro). The balance of net inflows totalled 30 million euro (3rd quarter 2004: -46 million euro), compared to 453 million euro last year (3rd quarter 2003: 134 million euro).

Total assets under management at September 30, 2004 amounted to 10,686 million euro (30.09.2003: 9,633 million euro), while the third quarter showed a decrease of 126 million euro (3rd quarter 2003: +543 million euro).

Net profits of companies operating in the Management field in which investments are held

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Mediolanum Gestione Fondi SGR p.A.	1,727	2,935	5,796	4,762
Mediolanum International Funds Ltd	25,520	34,557	92,248	89,823

THE LIFE BUSINESS

During the quarter, the insurance business continued to generate the good result shown at the end of the first six months thanks to the substantial growth in inflows together with an increase in total assets under administration.

Gross inflows for the quarter totalled 501 million euro, showing a 16% increase over the third quarter 2003 (432 million euro).

New business amounted to 296 million euro, which is a 13.8% rise on the comparable period (3rd quarter 2003: 260 million euro).

In the first nine months of 2004, total inflows rose by about 30%, to total 1,648 million euro (30.09.2003: 1,269 million euro) while new business leapt forward by 39% and totalled 1,036 million euro (30.09.2003: 745 million euro).

Life reserves at the end of the period totalled 9,557.6 million euro, showing an increase of 23% year on year (30.09.2003: 7,768.4 million euro; 31.12.2003: 8,447 million euro, +13.1%).

Net profit for the period of companies operating in the Life Insurance sector in which investments are held

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Mediolanum Vita S.p.A.	7,951	945	24,789	16,570
Partner Time S.p.A.	(529)	179	(678)	1,083
Mediolanum International Life Ltd	2,739	(436)	5,208	(897)

The result for Partner Time S.p.A. for the period reflects the decrease in policy placement activity, and inflows from new business fell from 5.6 million euro at September 30, 2003 to 2.5 million euro at September 30, 2004.

Total inflows for Mediolanum International Life in the period were 238.8 million euro, of which 70 million euro (30.09.2003: 37.9 million euro +84.7%) related to insurance products distributed in Spain and Germany through the sales networks of the Fibanc and Gamax Groups and Bankhaus August Lenz & Co. AG.

Profits for the period of other companies (valued on an equity basis):

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Mediolanum Asset Management Ltd	851	730	2,481	1,669
Mediolanum Comunicazione S.p.A.	(26)	(84)	58	(42)
Mediolanum Fiduciaria S.p.A.	(5)	(5)	(15)	(19)
PI Distribuzione S.p.A.	(8)	(76)	10	(53)

OTHER PRODUCTS

NEW VENTURES

FIBANC GROUP

The consolidated result of the Fibanc Group at September 30, 2004 shows a profit of 254 thousand euro (30.09.2003: profit of 477 thousand euro).

At the end of the quarter, the sales network totalled 578 consultants, of which 406 Global Consultants, showing an increase of 22.4% over last year's figure, when there were 472 consultants of which 322 Global Consultants.

Volumes of the Fibanc Group

<i>Euro in millions</i>	Q3 04	Q3 03	30.09.04	30.09.03
Assets under administration	47	(35)	2,000	1,909
Gross inflows	91	77	258	347
Net inflows	14	(11)	25	92

Employees

<i>Units</i>	Q3 04	Q3 03	30.09.04	30.09.03
Clerical personnel	1	(4)	218	242
Managers	0	(1)	13	17
TOTAL	1	(5)	231	259

Net profit of the Fibanc Group

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Fibanc Group	(408)	17	254	477

GAMAX GROUP

At September 30, 2004, the Gamax Group had consolidated net earnings of 1,269 thousand euro, against a loss of 222 thousand euro in the same period of last year. Earnings before taxes and exceptional items stood at a positive 1,990 thousand euro compared to a negative value of 281 thousand euro in Q3 2003. This improvement was brought about by the low structural costs resulting from the optimisation policies adopted last year, and to the increased revenues generated by the performance fees on funds managed by Gamax.

Volumes of the Gamax Group

<i>Euro in millions</i>	Q3 04	Q3 03	30.09.04	30.09.03
Assets under administration	(25)	4	395	424
Gross inflows	20	20	76	75
Net inflows	(9)	(3)	(34)	(11)

Employees

<i>Units</i>	Q3 04	Q3 03	30.09.04	30.09.03
Clerical personnel	1	7	22	25
Managers	0	0	5	5
TOTAL	1	7	27	30

Net profit of the Gamax Group

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Gamax Group	469	486	1,269	(222)

Bankhaus August Lenz & Co. AG is the multi-channel bank based in Munich which replicates the Banca Mediolanum model on the German market.

At September 30, 2004 Bankhaus August Lenz & Co. AG recorded a progressive loss of 8,063 thousand euro (30.09.2003: 6,055 thousand euro). These operating losses were covered by a payment of 8,200 thousand euro (30.09.2003: 4,000 thousand euro).

The results, once again negative, were caused by the insufficient revenues to cover the structural and start-up costs. The development plan for introducing and training new resources with a high potential for becoming Global Consultants continued during the quarter.

At the end of the quarter, the sales network consisted of 74 exclusive agents (30.09.2003: 99 agents).

Volumes of Bankhaus August Lenz & Co. AG

<i>Euro in millions</i>	Q3 04	Q3 03	30.09.04	30.09.03
Assets under administration	(82)	30	87	35
Gross inflows	(80)	30	17	35
Net inflows	(82)	30	14	35

Employees

<i>Units</i>	Q3 04	Q3 03	30.09.04	30.09.03
Clerical personnel	(2)	5	32	28
Managers	1	0	5	2
TOTAL	(1)	5	37	30

Net profit of Bankhaus August Lenz & Co. AG

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Bankhaus August Lenz & Co. AG	(2,539)	(2,141)	(8,063)	(6,055)

The Banca Esperia Group (50-50 joint venture between Mediobanca and Mediolanum) comprises the parent company Banca Esperia S.p.A. (bank specialised in private banking) and its subsidiaries Duemme SGR p.A. (a funds management firm) and Duemme Hedge SGR p.A. (a hedge funds management company).

The progressive increase in assets under administration by the Banca Esperia Group already resulted last year in attaining break-even. The positive growth trend resulted in a net profit of 2,935 thousand euro at September 30, 2004, which is 47% higher than in the same period last year (30.09.2003: 1,997 thousand euro).

At September 30, 2004, the number of private bankers was 44.

Volumes of the Banca Esperia Banking Group (*)

<i>Euro in millions</i>	Q3 04	Q3 03	30.09.04	30.09.03
Assets under administration	467	352	4,176	2,806
Gross inflows	605	287	1,687	1,750
Net inflows	438	226	1,007	707

(*) The value of administered assets is shown net of SICAVs subscribed by Banca Esperia clients within their individual accounts.

Net profit of the Banca Esperia Banking Group

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Banking Group Banca Esperia	1,129	5,305	2,935	1,997

OTHER "NEW VENTURES"

Results for the period from other equity investments:

<i>Euro in thousands</i>	Q3 04	Q3 03	30.09.04	30.09.03
Mediolanum International S.A.	(119)	(134)	(406)	(324)
Mediolanum Private S.A.M.	(78)	(114)	(435)	(357)

As of May, Mediolanum Private S.A.M. ceased trading operations and is gradually closing all its existing administration accounts with customers.

Volume is broken down by main business lines and developed as follows:

VOLUMES

Inflows of managed account products

<i>Euro in millions</i>	Q3 04	Q3 03	30.09.04	30.09.03
"Core Business"				
MANAGED SAVINGS				
Life insurance products				
<i>NEW BUSINESS</i>				
- Deferred annuities and recurring premiums	23.0	21.0	92.1	76.9
- Single premiums and group policies	273.2	238.7	943.9	668.1
TOTAL NEW BUSINESS	296.2	259.7	1,036.0	745.0
<i>IN-FORCE BUSINESS</i>				
- Deferred annuities	167.1	148.9	503.8	451.5
- Recurring single premiums	38.2	24.6	108.3	72.9
TOTAL IN-FORCE BUSINESS	205.3	173.5	612.1	524.4
TOTAL PREMIUMS WRITTEN	501.5	433.2	1,648.1	1,269.4
Less premiums ceded	(1.3)	(1.5)	(4.5)	(5.0)
TOTAL LIFE PREMIUMS	500.2	431.7	1,643.6	1,264.4
Financial products				
<i>MUTUAL ACCOUNTS FUNDS AND MANAGED ACCOUNTS</i>				
- Gross inflows	262.9	416.6	1,104.0	1,237.6
- Net inflows	(45.8)	133.6	30.0	453.1
ADMINISTERED SAVINGS				
<i>CURRENT ACCOUNTS AND SECURITIES</i>				
- Gross inflows	62.0	(35.8)	(12.7)	115.8
- Net inflows	62.0	(35.8)	(12.7)	115.8
"New Ventures" *				
Life insurance products				
<i>NEW BUSINESS</i>				
- Premiums written	19,1	7.4	70.0	38.0
Financial products				
<i>MUTUAL ACCOUNTS FUNDS AND MANAGED ACCOUNTS</i>				
- Gross inflows	368.5	149.8	1,030.7	809.3
- Net inflows	167.8	51.3	370.4	285.2
ADMINISTERED SAVINGS				
<i>CURRENT ACCOUNTS AND SECURITIES</i>				
- Gross inflows	(64.3)	111.4	69.0	464.2
- Net inflows	(51.4)	70.5	52.0	143.1

(*) The figures relating to the Bank Esperia Group are shown in proportion to the holding.

Consolidated assets under administration

<i>Euro in millions</i>	Q3 04	Q3 03	30.09.04	30.09.03
Life reserves *	187.0	401.4	9,557.6	7,768.4
Mutual funds and managed accounts	(126.0)	543.0	10,686.0	9,633.0
Direct and indirect bank flows	(28.3)	(41.4)	4,474.7	5,128.6
Pension funds	(144.9)	0.4	18.0	164.6
Consolidation adjustments	5.0	(227.5)	(4,248.9)	(3,484.5)
TOTAL "CORE BUSINESS"	(107.2)	675.09	20,487.4	19,210.1
Fibanc assets under administration **	46.4	(35.0)	1,999.6	1,908.9
Gamax assets under administration	(25.2)	4.0	394.6	424.3
Bankhaus August Lenz assets under administration ***	(82.3)	30.0	86.8	34.7
Banca Esperia assets under administration ****	226.5	170.8	2,025.4	1,360.8
Mediolanum Private assets under administration	(6.9)	2.9	3.8	11.9
TOTAL "NEW VENTURES"	158.5	172.7	4,510.2	3,740.6
TOTAL MEDIOLANUM GROUP	51.3	847.8	24,997.6	22,950.7

(*) The result includes the value of assets managed by Mediolanum International Life Ltd and placed through the Banca Mediolanum network for 222.3 million euro.

(**) The result includes the value of assets managed by Mediolanum International Life Ltd and placed through the Fibanc network for 125.2 million euro.

(***) The result includes the value of assets managed by Mediolanum International Life Ltd and placed through the Bankhaus August Lenz & Co. AG network for 12.1 million euro.

(****) The figures relating to the Banca Esperia Group are shown in proportion to the holding.

The sales network

<i>Units</i>	Q3 04	Q3 03	30.09.04	30.09.03
Licensed financial advisors (Banca Mediolanum)	23	(38)	4,078	4,091
Non-licensed financial advisors (Banca Mediolanum)	(22)	191	781	917
Partner Time insurance agents	(281)	(213)	658	954
TOTAL "CORE BUSINESS"	(280)	(60)	5,517	5,962
Fibanc Group network *	10	67	578	472
Gamax Group network	(59)	(106)	514	786
Bankhaus August Lenz network	(12)	15	74	99
TOTAL "NEW VENTURES"	(61)	(24)	1,166	1,357
TOTAL MEDIOLANUM GROUP	(341)	(84)	6,683	7,319

(*) The data indicated in the quarterly report at September 30, 2003 included values referring to the role of Introducers, who are no longer considered in representing the size of the sales network. For purposes of comparison, the values included in the previous report were adjusted (30.09.2003: 115). In addition, as at September 30, 2004 the staff no longer included commercial employees (30.9.2003: 6).

Employees

<i>Units</i>	Q3 04	Q3 03	30.09.04	30.09.03
Managers	(2)	(3)	69	64
Supervisory personnel	4	(1)	151	115
Clerical personnel	12	(35)	914	814
TOTAL "CORE BUSINESS" PERSONNEL	14	(39)	1,134	993
Managers	1	(1)	25	26
Clerical personnel	(1)	3	275	293
TOTAL "NEW VENTURES" PERSONNEL	0	2	300	319
TOTAL MEDIOLANUM GROUP	14	(37)	1,434	1,312

On August 13, authorisation was received from Banca d'Italia to proceed with the sale of the equity investment in Mediolanum State Street SGR p.A.. In accordance with the agreement signed by the parties on June 10, 2004, the equity investment was sold for 2,893 thousand euro, resulting in a consolidated capital gain of 1,535 thousand euro. The formal procedure for sale was concluded on October 7.

EVENTS IN THIS PERIOD

In August, subsidiary Bankhaus August Lenz & Co. AG approved an increase in share capital by 12 million euro and completed the operation in September.

September 15 saw the finalising of Banca Mediolanum's acquisition of 171,451 shares in Fibanc Inversiones S.A. for a total value of 39.6 million euro, thereby increasing its interest in this Spanish Group to 100%.

No significant events occurred after the closing of the 3rd quarter that could have a substantial effect on the financial and asset situation or the Group's consolidated economic results.

SIGNIFICANT POST-PERIOD EVENTS

The trends observed in the first nine months of 2004 lead us to believe that the consolidated performance of the year will be positive.

EXPECTED FUTURE TRENDS

For the Board of Directors

Roberto Ruozi

Chairman

The Mediolanum Group, following the enactment of Law Decree No.173/97 (specifically article 58, point 2), has the obligation of drawing up the consolidated financial statements according to the accounting method for insurance companies. Since it was not possible to consolidate the companies belonging to the Mediolanum Group on a line-by-line basis due to the presence of companies whose activity is not insurance related within the framework of their institutional tasks (Banca Mediolanum S.p.A., Mediolanum Gestioni Fondi SGR.p.A., Mediolanum International Funds Ltd, Fibanc Inversiones S.A. and its controlled companies, Gamax Holding and its controlled companies, Bankhaus August Lenz & Co. AG), the consolidated financial statements contain insurance information, which calls for consolidating the above companies operating in the banking and financial fields on an equity basis. Since we felt it was fundamental to provide the reader an overall profile of the Group, we have also provided an appendix that is consolidated on a line-by-line basis: this allows a comparison of the most significant Income Statement items, reclassified using management criteria. The goal was to provide a clear, easily read document for a more accurate comprehension of the Mediolanum Group; it is not intended to provide information about the changes between the accounting balances.

Consolidated financial statement of the Group, including the statements of subsidiaries excluded from consolidation drawn up on a line-by-line basis according to the accounting method for insurance companies

RECLASSIFIED INCOME STATEMENT

Euro in thousands	Mediolanum Group			Core Business		
	30.09.2004 (*)	30.09.2003 (*)	31.12.2003 (*)	30.09.2004 (* *)	30.09.2003 (* *)	31.12.2003 (* *)
Premiums from insurance activities						
Gross premiums written	1,718,062	1,307,391	2,132,664	1,648,054	1,269,435	2,062,828
Reinsurance ceded	(4,487)	(5,128)	(7,687)	(4,470)	(5,119)	(7,675)
Commission income from financial activities and other income						
Entry fees	21,465	25,657	34,676	18,911	23,169	31,477
Management fees	138,728	117,406	161,183	125,204	103,850	142,811
Performance fees	46,059	67,495	85,435	44,928	67,495	84,496
Bank service margin	63,448	59,178	80,657	53,608	48,333	69,779
Bank interest spread	43,398	51,801	69,609	37,886	43,587	54,897
Other commissions	7,977	4,033	13,156	7,575	6,281	9,827
Other revenues	5,388	5,545	6,705	5,962	6,138	7,980
TOTAL REVENUES	2,040,038	1,633,378	2,576,398	1,937,658	1,563,169	2,456,420
Change in Life insurance reserves and service to policyholders, net of reinsurance						
Acquisition costs, net of reinsurance	(1,536,088)	(1,165,579)	(1,923,018)	(1,474,302)	(1,131,754)	(1,861,135)
General costs	(163,417)	(163,532)	(228,672)	(135,763)	(132,939)	(187,245)
Amortisation/depreciation and provisions	(45,683)	(54,765)	(75,264)	(24,136)	(33,804)	(46,818)
Net investment and asset income	10,497	21,797	24,308	5,876	15,730	17,589
Figurative proceeds from shareholdings in New Ventures ***	0	0	0	6,062	6,184	8,103
Adjustments to the value of financial investments	(2,552)	(1,208)	(686)	(2,540)	(1,208)	(686)
OPERATING PROFIT	146,810	122,397	163,105	171,954	148,948	197,155
Non-recurring extraordinary income and charges	2,060	(6,436)	(12,332)	3,026	(5,168)	(8,629)
PROFIT BEFORE TAXES	148,870	115,961	150,773	174,980	143,780	188,526
Taxes for the year	(38,752)	(25,955)	(21,360)	(40,333)	(28,053)	(24,109)
Profits from minority interests	0	(129)	(15)	0	0	0
PROFIT FOR THE YEAR PERTAINING TO THE GROUP	110,118	90,135	129,398	134,647	115,727	164,417

(*) Consolidated Mediolanum Group (also including the "New Ventures" Fibanc Group, Gamax Group, Banca Esperia, Bankhaus August Lenz & Co. AG, Mediolanum Private S.A.M., Mediolanum International Life Ltd, Mediolanum International S.A.).

(**) Consolidated Mediolanum Group - "Core Business".

(***) For the purpose of drawing up the consolidated income statement relating to the "Core Business", these proceeds are figurative. The amount is equal to the financial burden coming from the related investment.