

Milan, Jan. 31 – Feb. 1, 2008



The Italian Financial Services Conference 2008

‘Strategic prospects
in a competitive environment’



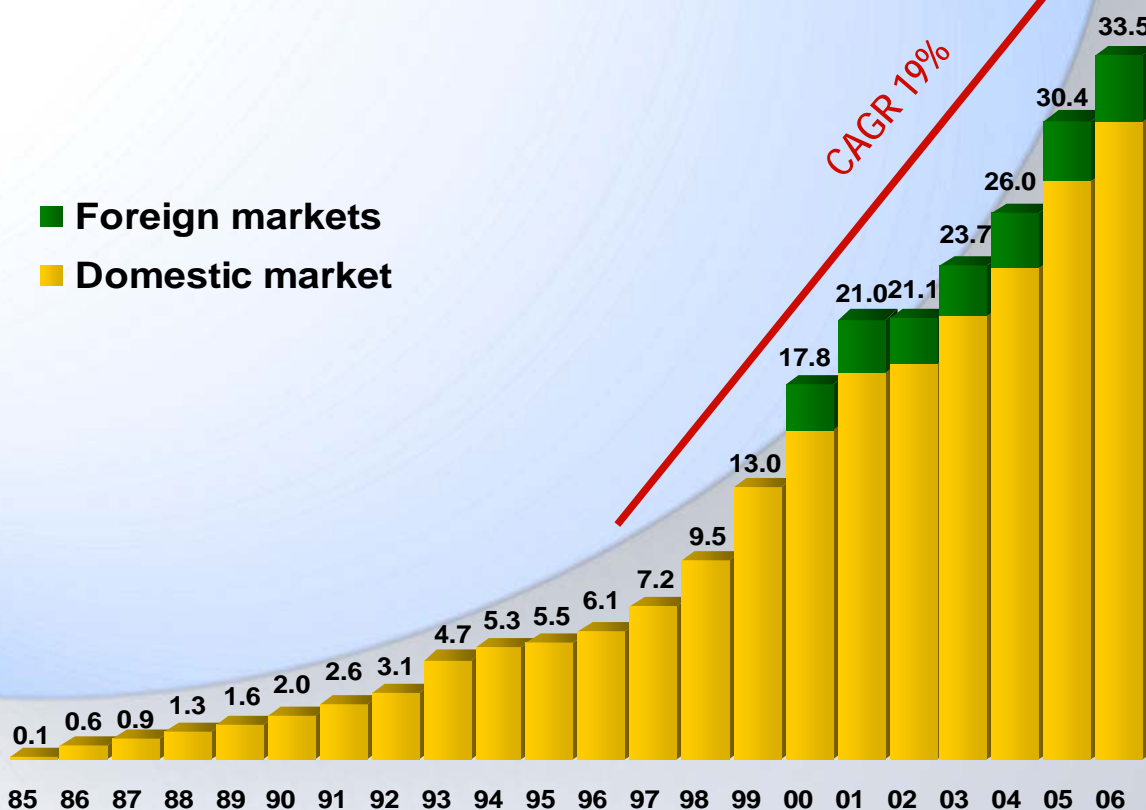
Mediolanum AuA

€ bn

2

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- Foreign markets
- Domestic market

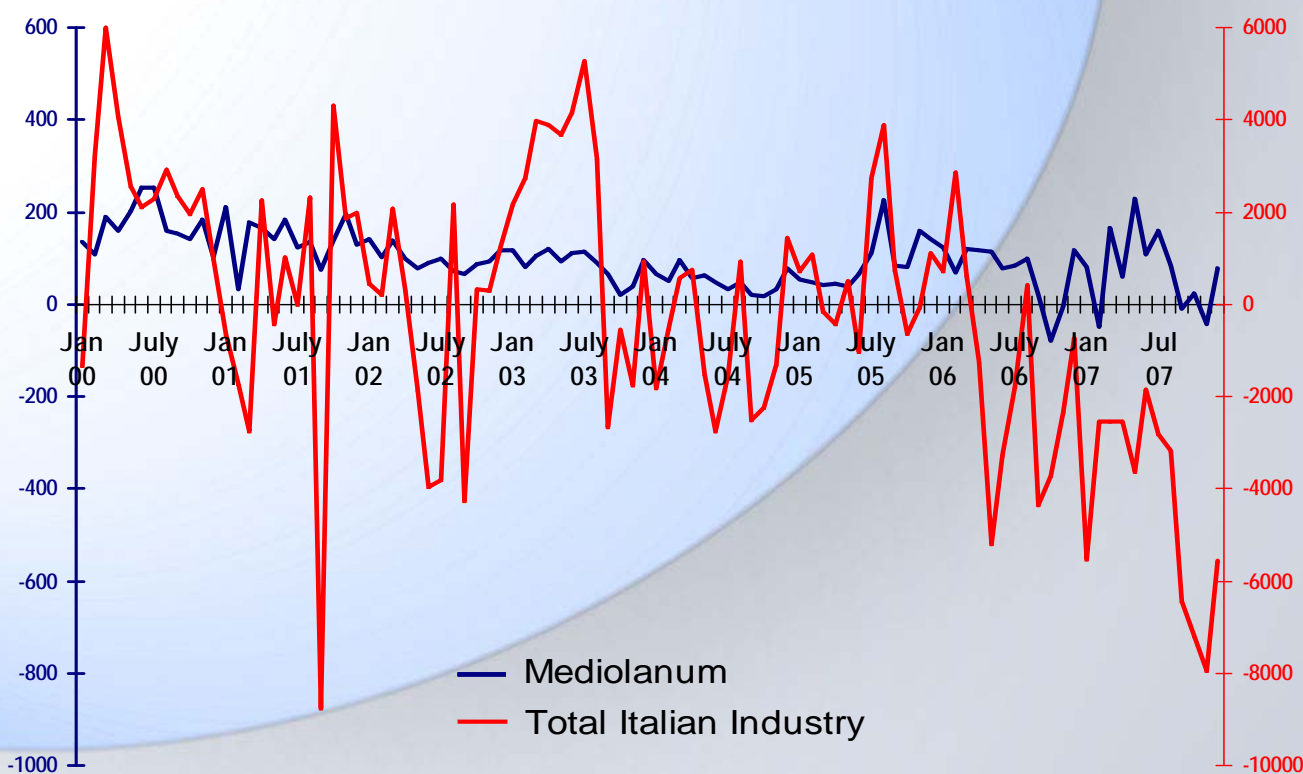


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Net inflows into mutual funds*

€ mn



* Including Managed Accounts & Unit-linked policies
Source: Assogestioni

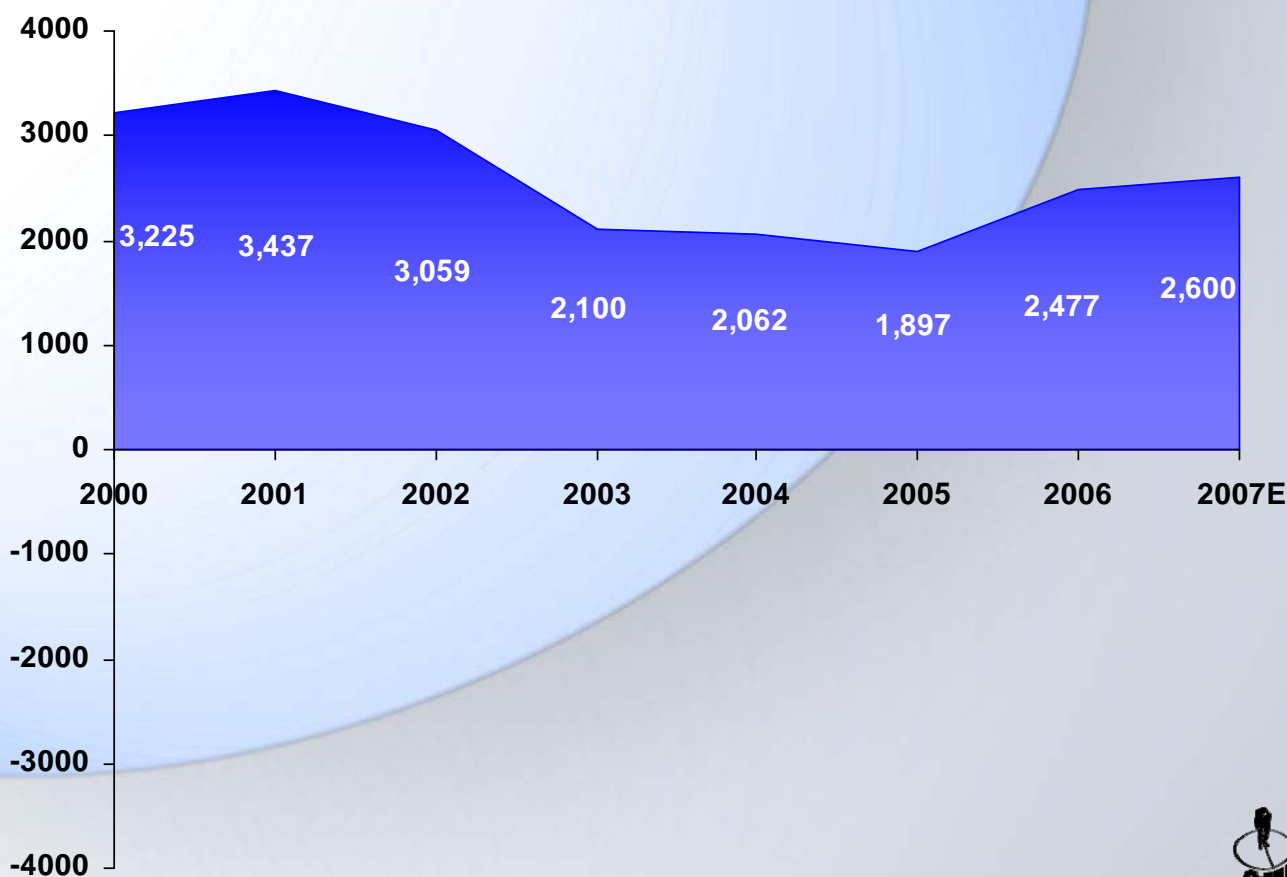


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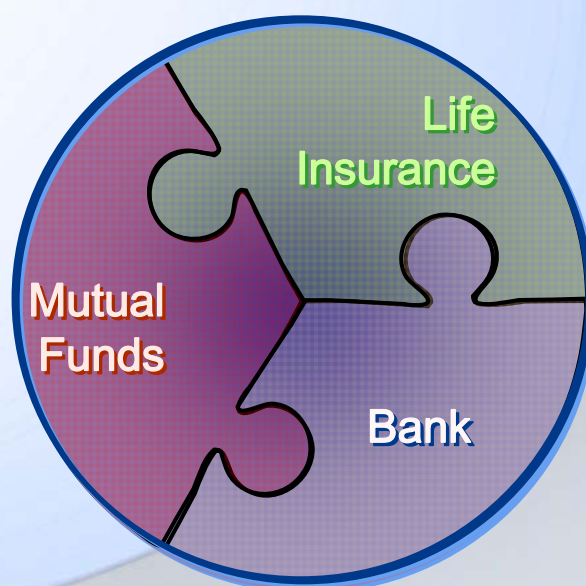
Mediolanum total net inflows

Domestic market, € mn



Mediolanum integrated structure

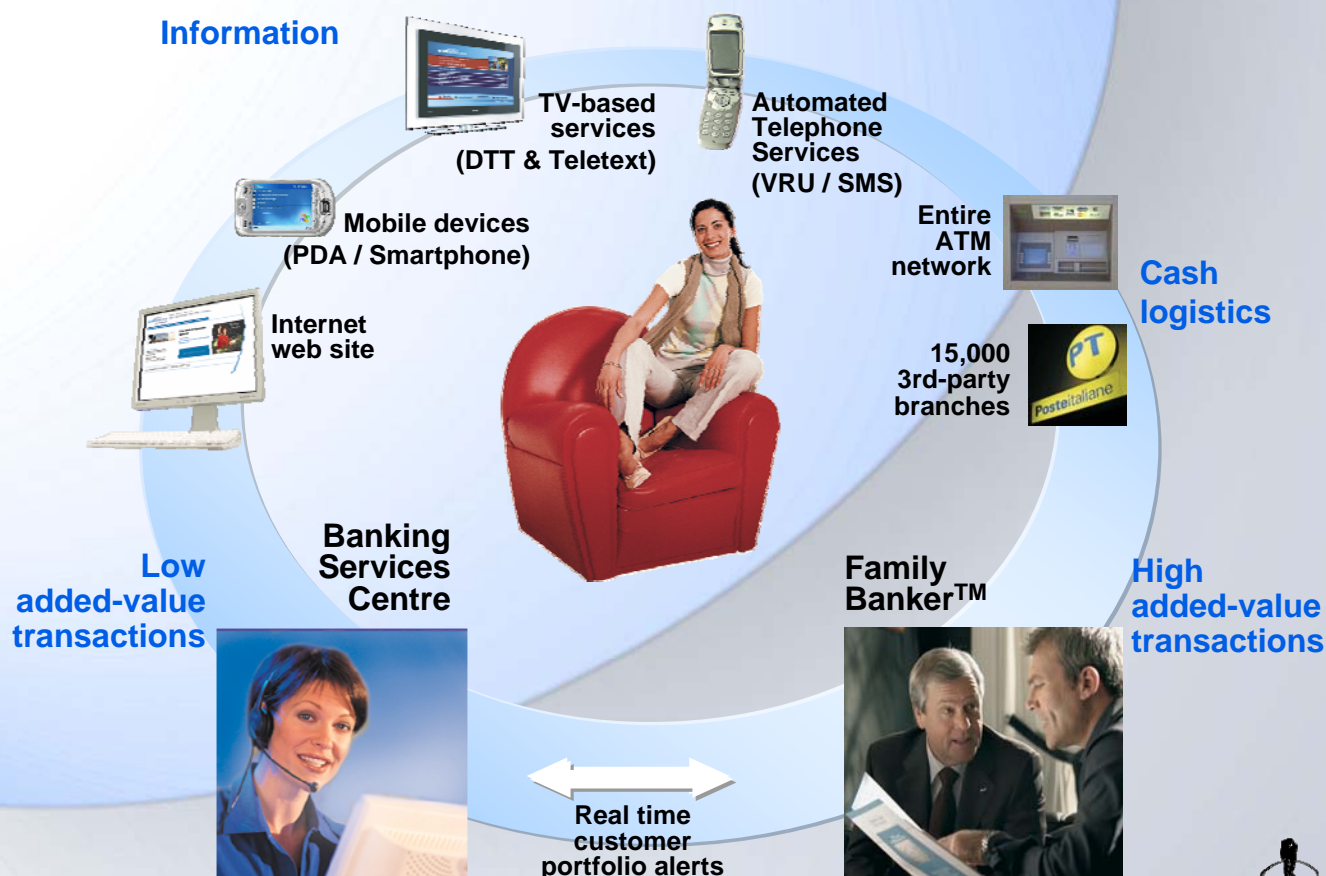
We integrate the asset gathering business of Life & mutual funds with the banking business...



...on the strength of an **avant-garde model**



Mediolanum model The all-around bank



Five-star service delivery

- ★ A great degree of **flexibility**
- ★ Total **integration** of the different channels
- ★ Extremely quick **response time**
- ★ **Rapid handling** of issues in the Banking Services Center
- ★ Peerless **competency** of the Family Banker



Drivers of growth

Asset growth is fuelled by:

1. Development of customers' 'share of wallet'

Growth in the number of advisors



2. Increase in the number of new customers



Our strategic growth projects

- 🛋️ '4Freedoms' customer acquisition project
- 🛋️ 'ICoNA' network recruiting project
- 🛋️ 'Pension Reform' I.P.P. market leadership project



'4Freedoms' Customer acquisition project

- 🛋️ **Comprehensive marketing plan:** to increase number of customers who have a bank account with us & use it actively
- 🛋️ **Fact:** Italians invest their money where they keep their bank account(s)
- 🛋️ **Our model:** multi-channel, branchless yet incorporating the human touch, offers a 'low or no-cost' account, a high level of service delivery & flexibility, and no dependence on proximity
- 🛋️ **Experience:** after a few months active customers close their other accounts and shift their assets to us
- 🛋️ **Rationale:** active bank customers have 4 to 6 times greater assets than customers without the bank account

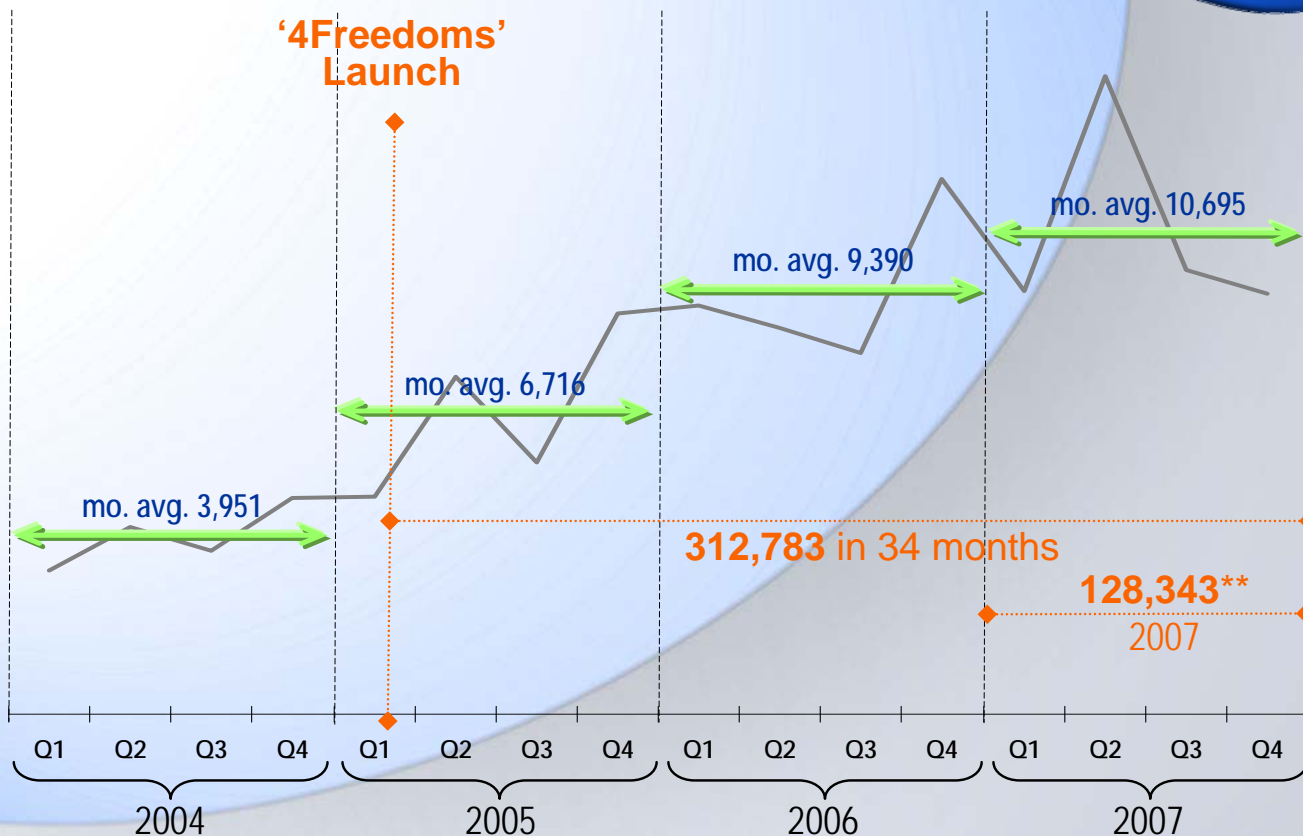


The banking business is the key to asset growth

Our competitors are the traditional banks that hold
94% of Italian household assets



Mediolanum bank account openings*



* excluding conversions

** o/w 75% opened by customers new to Mediolanum



Mediolanum bank account stock



Spontaneous recall Italian banking ad campaigns

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2007 Ranking Spontaneous recall of advertising campaign

Advertising spend Jan 2006 – Oct 2007 (€mn)

1. Mediolanum	23.6
2. Sanpaolo	77.7 *
3. ING / Conto Arancio	39.3
4. Banca Intesa	77.7 *
5. Unicredit	48.7

* estimated combined advertising spend for Banca Intesa & Sanpaolo

Source: Eurisko, Nielsen



Brand awareness Italian banks

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2007 Ranking Spontaneous recall of brand

1. Sanpaolo
2. Banca Intesa
3. Unicredit
4. Banca Mediolanum
5. BNL
6. Monte dei Paschi di Siena

Source: Eurisko

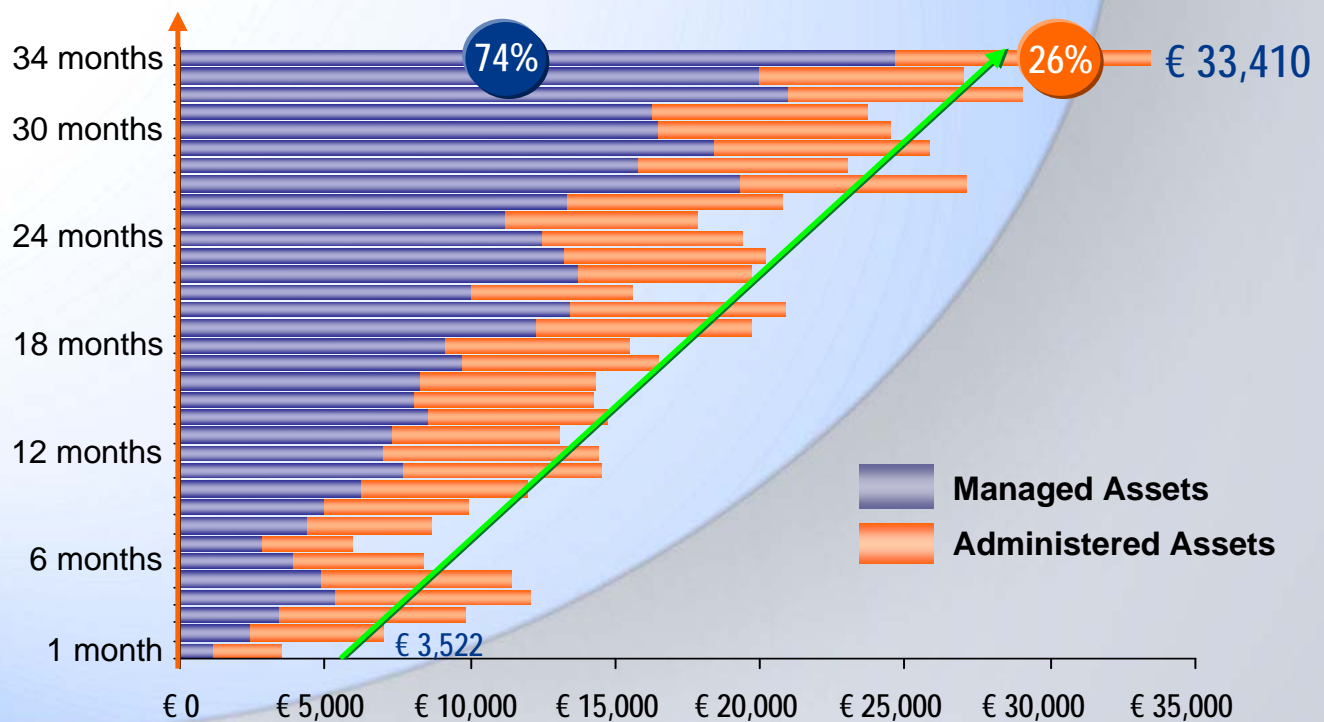


Average assets of bank customers

By length of time as account holder (as at 31/12/07)

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Impact of weak equity markets on '4Freedoms' project (1)

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We don't expect any significant slowdown
in **new customer acquisition**
via the bank account

An unsatisfactory performance of stock markets...

- ...reduces the already unstable satisfaction of potential customers with their current bank
- ...is unrelated to the motivation involved with opening a bank account with Mediolanum: the quality service is not negatively affected by any equity market crisis

Impact of weak equity markets on '4Freedoms' project (2)

We don't expect any significant slowdown
in **cross selling**

Our investment strategy leads...

- ...customers who have assimilated our L-T approach to equity markets to increase the equity content in their portfolio
- ...other customers to find refuge in capital-protected products (DiPiù index-linked)

Product innovation also has a determining role in cross selling performance



'ICoNA' Network recruiting project

**A systematic recruiting approach
introducing the image of the 'Family Banker':**

'bank executive' vs. 'asset gatherer'
small business owner vs. bank employee

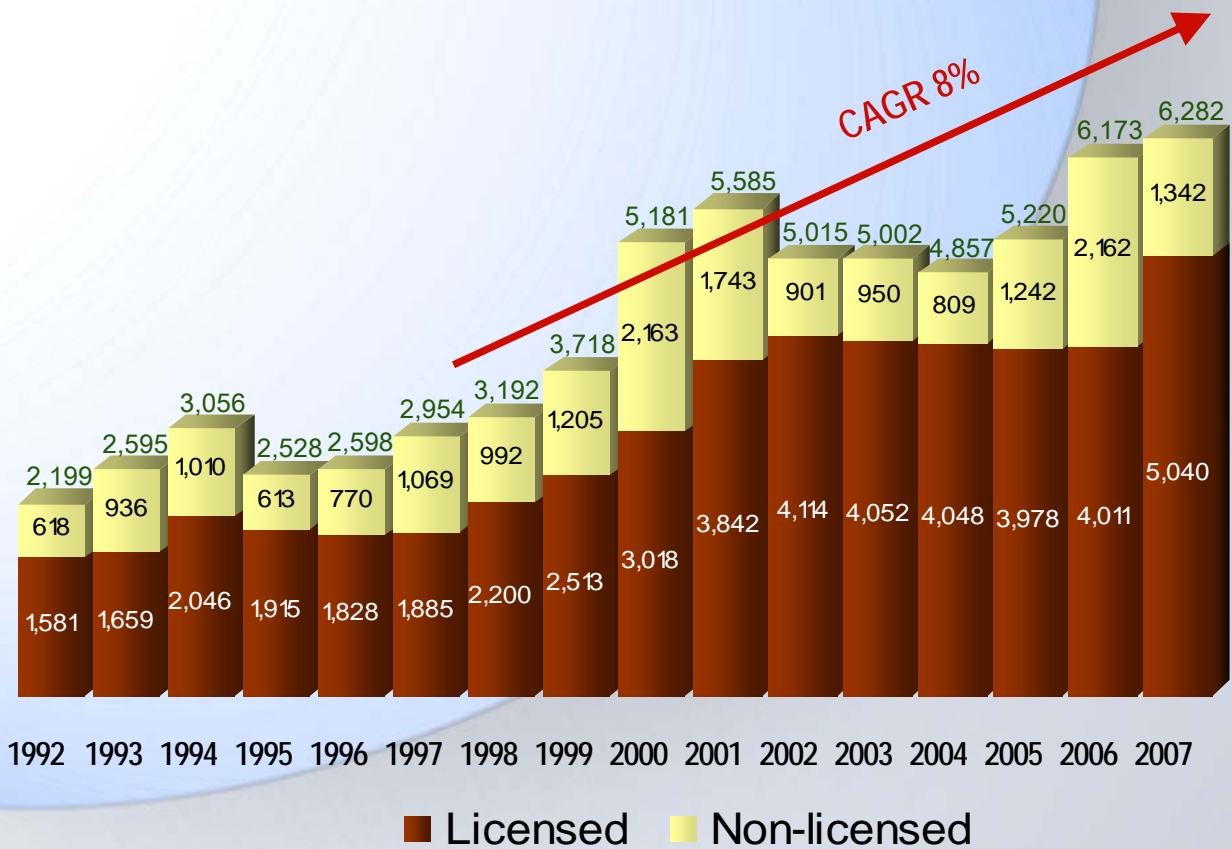
- The new 'Family Banker' image cuts the link between the appeal of the advisor profession & the behaviour of equity markets
- The recruiting process strongly accelerated in 2006 & 2007
- Much higher quality of new hires (greater selection pool)
- Faster & more efficient conversion of new recruits into licensed financial advisors due to a stronger commitment to the training & preparation for the State licensing exam



Network of Family Bankers

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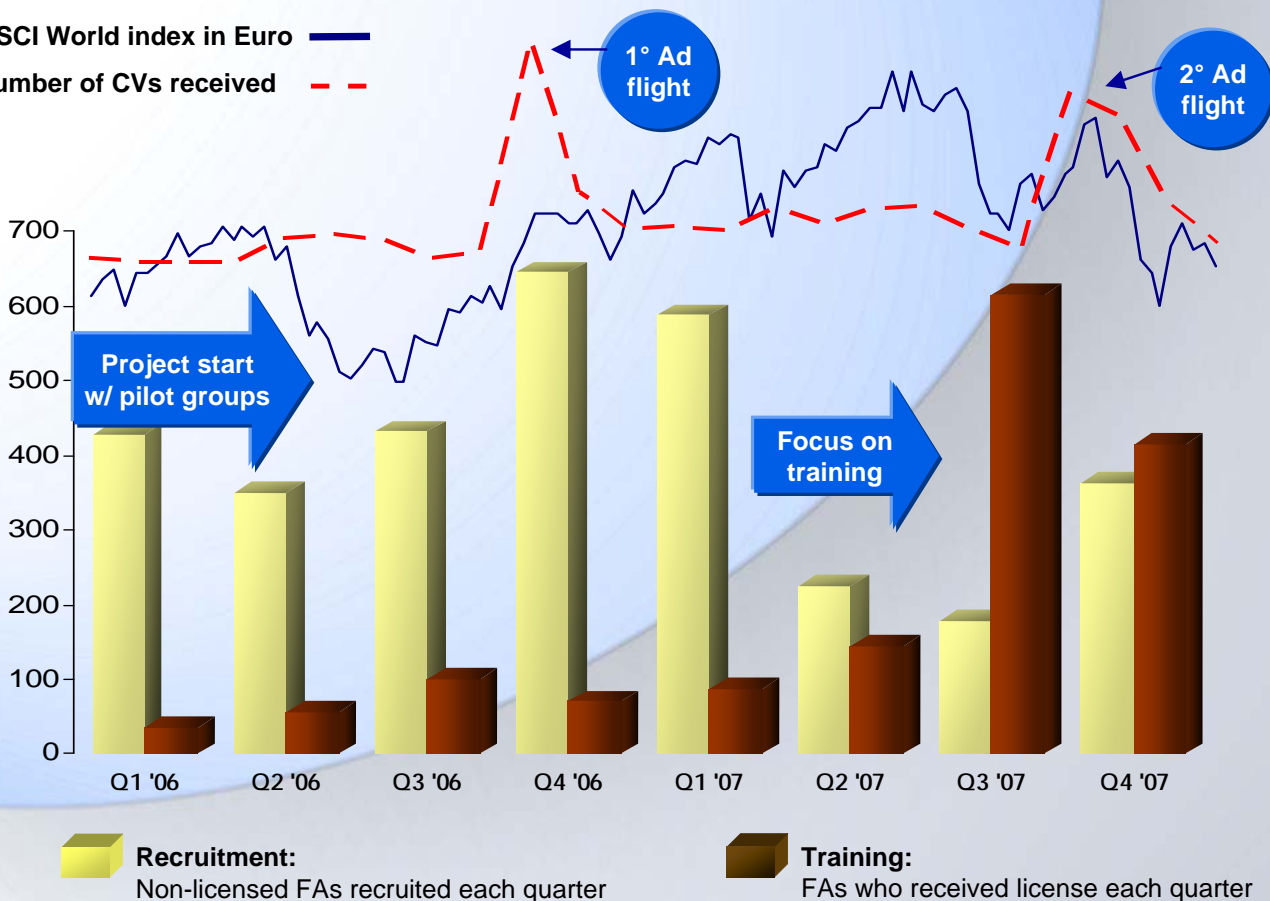


'ICoNA' results independent from market ups & downs

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MSCI World index in Euro —
Number of CVs received - - -



The competitive environment Italian distribution networks

Growth in the number of licensed Financial Advisors

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	CAGR 2006-2007
Banca Mediolanum	+12.6%
Azimut Consulenza SIM	+5%
Fideuram (incl. Sanpaolo)	+1.7%
Banca Generali S.p.A.	-12.5%
Italian industry ex- Mediolanum	-5.2%

source: Mediolanum estimates based on company & Assoreti data.



Impact of weak equity markets on 'ICoNA' project

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We don't expect any significant impact
on our **recruiting & training cycle**

- ...contrary to what our competitors will likely experience
- We believe we have cut the tight historical link between the number of new recruits & the trend in the equity markets



'Pension Reform' I.P.P. market leadership project

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Opportunities

- 📺 Reform enacted in January 2007
- 📺 Substantial tax advantages attached to pension products
- 📺 Possibility to divert employee TFR funds into pension products

Objectives

- 📺 To get a clear first-mover advantage in a segment that is set to gain the greatest slice of household assets
- 📺 To hold onto our leadership in the I.P.P. market

Challenge

- 📺 Pension Reform laws required changes in all aspects of I.P.P. business
 - no double commissions
 - drastically reduced loadings, thus reduced incentives to the sales network



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Our response to the Pension Reform

- 📺 U-L policy investing directly into properly designed Irish funds
- 📺 Enhanced life-cycle feature
- 📺 Automatic mechanisms maximise investment effectiveness
- 📺 Designed with the idea of protecting margins, yet very competitive in terms of pricing
- 📺 New compensation structure for Family Bankers: high volumes compensate for lower unit commissions
- 📺 Q2 '07: organised network action plan focusing on collecting sign-ups as our first priority






Mediolanum performance 'Tax Benefit New' I.P.P. sign-ups

Total TBN sign-ups received in 2007	103,200
TBN sign-ups converted into contracts as at Dec. 2007 (a sign-up becomes a contract upon partial or full receipt of funds)	79,000
TBN funds received as at Dec. 2007 (re: 2007 IFRS) (includes voluntary contribution + avg. 6 months of TFR funds)	~ €94 mn
Additional pension plan business (re: 2007 IFRS) (‘Europension’ + premium increases on ‘MyPension’ & pre-existing ‘Tax Benefit’)	~ €36 mn
Total pension plan business (re: 2007 IFRS)	~ €130 mn
TBN 2007 sign-ups not yet converted into contracts (TFR flows pertaining to 2007 are due by Feb.15, 2008)	24,000
Balance of TFR flows due by Feb.15 (re: 2008 IFRS)	~ €21 mn(E)



Impact of weak equity markets on ‘Pension Reform’ project

We don't expect any significant impact
on our **I.P.P. new business**

-  Lower stock prices could provide, if anything, additional motivation to invest for retirement purposes
-  The availability of TFR funds is not at all related to equity markets
-  Organised action plans already in place to guide the network in the identification & profiling of the best prospects



The near future (2008)

- 📦 Equity markets recently volatile & declining
- 📦 Increased price of oil
- 📦 Risk of increasing inflation
- 📦 US recession expected in H1

The sector sees a challenging environment for inflows

if retail investors stay away from equity markets as expected



Our view of the short term future

We are not particularly worried

- 📦 Modest or null effect of equity crises on our strategic projects
- 📦 We expect strong net inflows thanks to the new fund products & pension business
- 📦 Any performance fee weakness & devaluation of assets compensated by net inflows & cost savings projects
- 📦 Our history demonstrates that Mediolanum is capable of doing well even when market conditions are difficult & the financial community has negative expectations for companies like ours



We have the flexibility & capacity to react



Our ambitions for the long term

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-  To become the #1 asset gatherer in Italy in terms of assets & profits within a decade
-  To be among the 'big' retail banks in Italy, also present in the most important European markets



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Facts

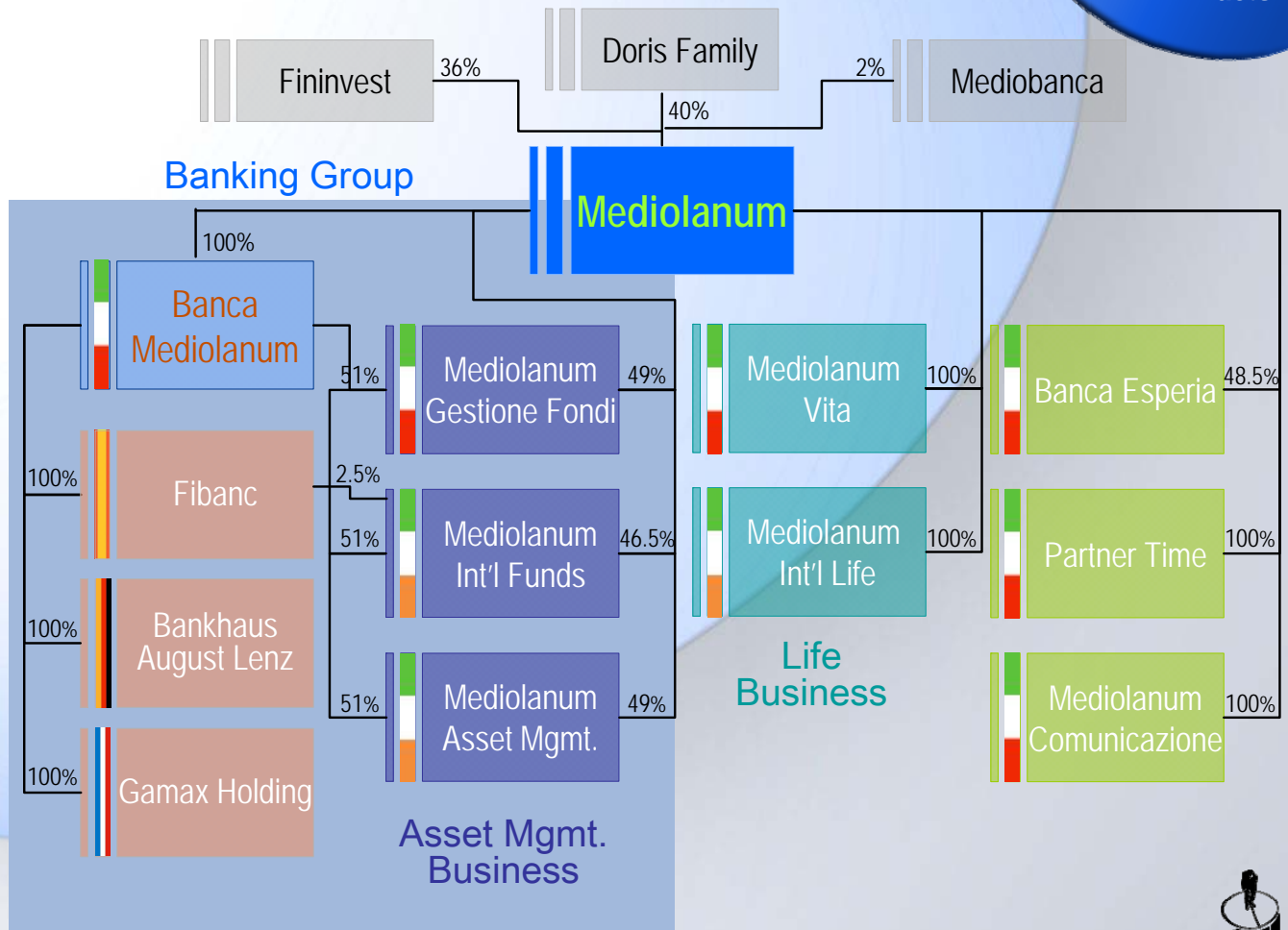
Mediolanum Facts



Mediolanum Group Structure

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Mediolanum
Facts

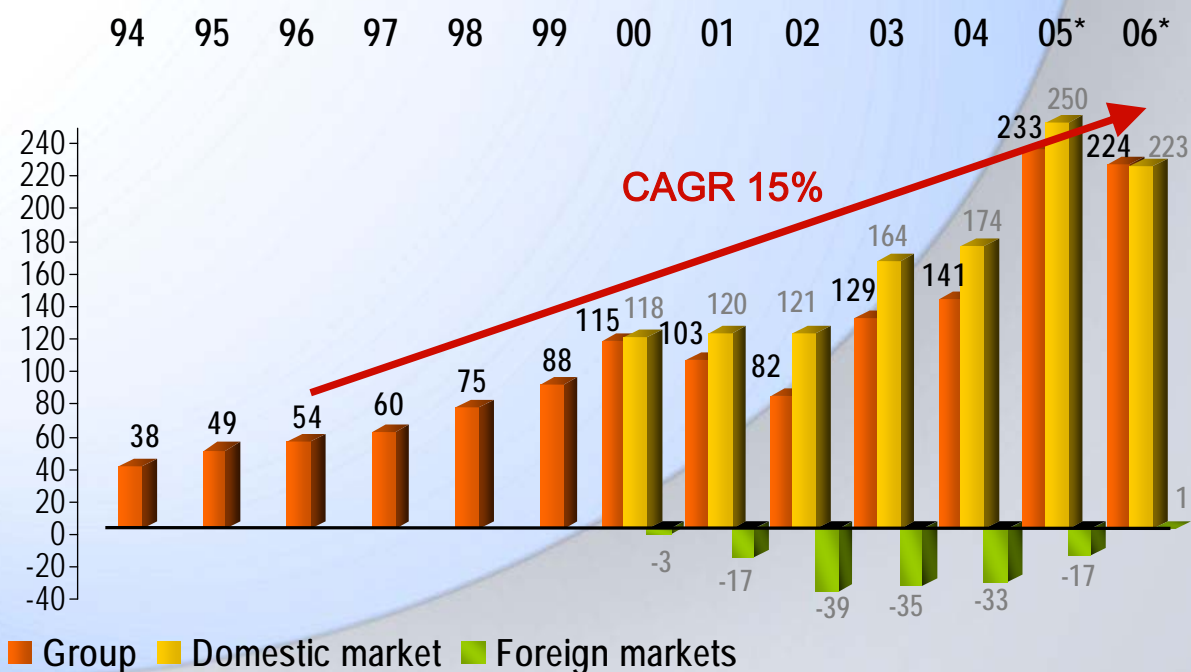


Net Profit 10-year CAGR

€ mn

32

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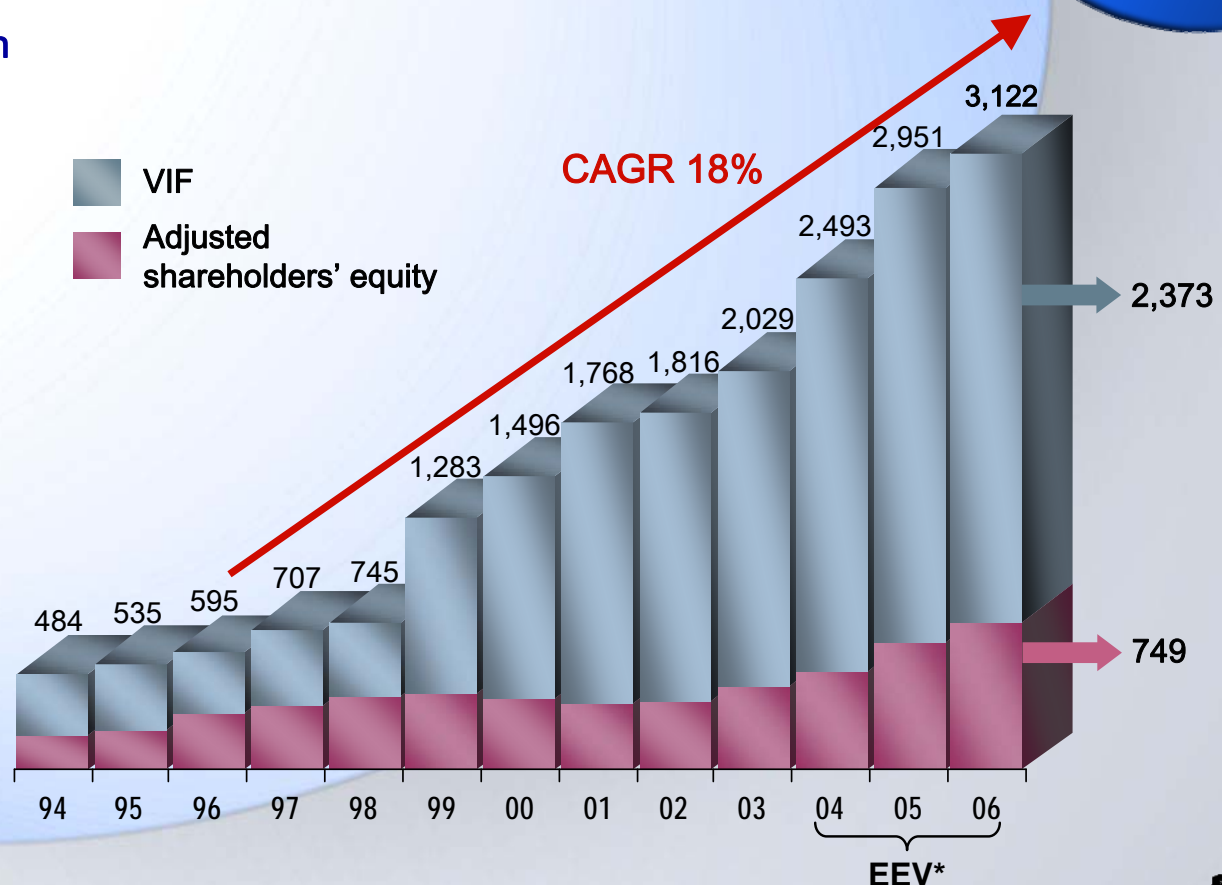
Dividend payout 10-year CAGR

€mn



Embedded value 10-year CAGR

€ mn

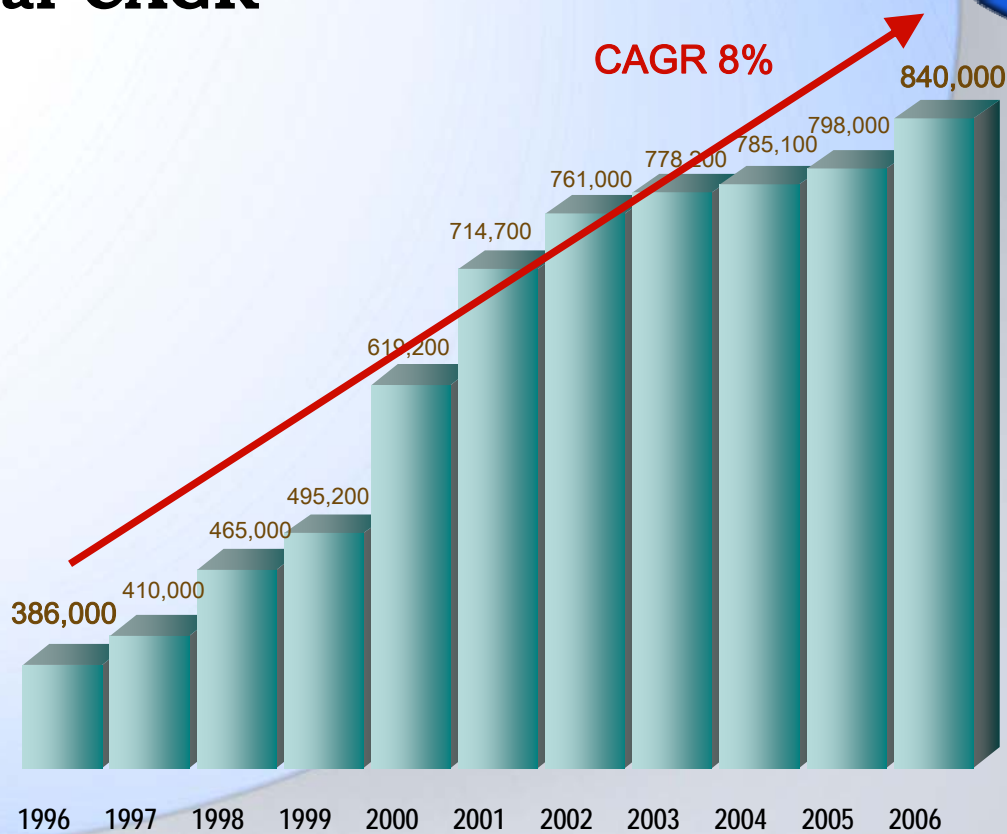


* including Spain & Italian banking business

Primary account holders 10-year CAGR

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Surpassed 1 million total customers in Q1 2007



Thank you!

Any questions?



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

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

The senior manager in charge of drawing up Company Accounts

Luigi Del Fabbro



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