

Milan, Jan. 29 - 30, 2009






# **The Italian Financial Services Conference 2009**

**'Weathering the Storm'**



## **Table of Contents**

 Weathering the Storm	pg. 3
 Mediolanum New Products - 2008	pg. 26
 Mediolanum Facts	pg. 32



# 2008: Worst Year Ever Financial Services Industry

3

Weathering  
the Storm

The business model makes the difference  
in times of crisis

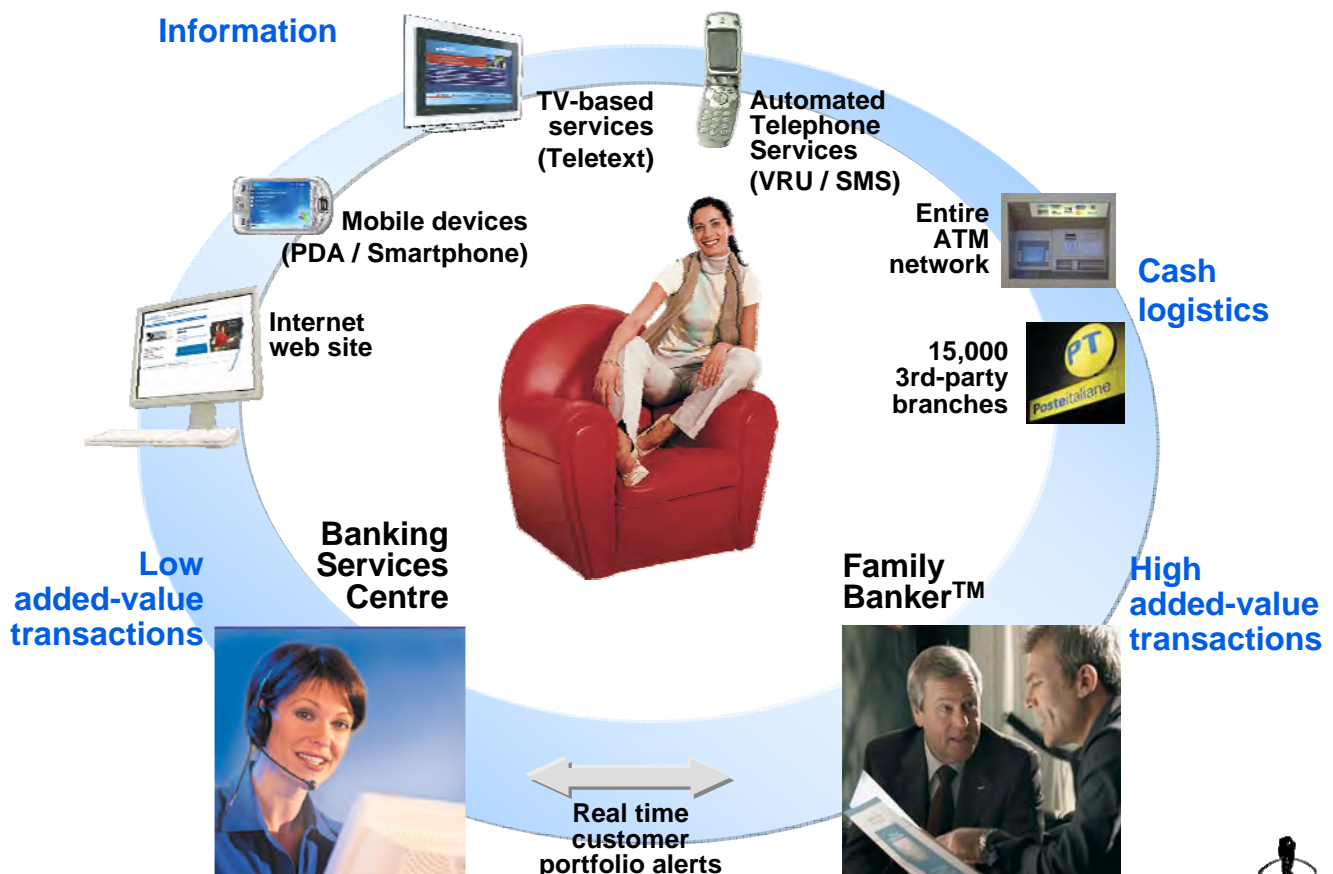
1. Some companies will come out of the crisis with broken bones
  - they don't protect their customers
  - their customers are consolidating a lot of losses
  - getting back any kind of trust will take time
2. Other companies will be positioned to take off
  - they are focused on managing the panic & emotions of their customers
  - their customers' trust was never lost



## Our Integrated & Comprehensive Retail Banking Model

4

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the Storm





# Mediolanum's Strategic Choices

5

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the Storm

Two long-term oriented decisions made a few years ago  
were not understood nor appreciated at the time

-  To grow our overall business capitalising on the retail banking offer as 'entry point'
-  To develop our network based on the concept of the 'Family Banker', a new figure that changes the image & the role of the financial advisor, in line with our new strategy

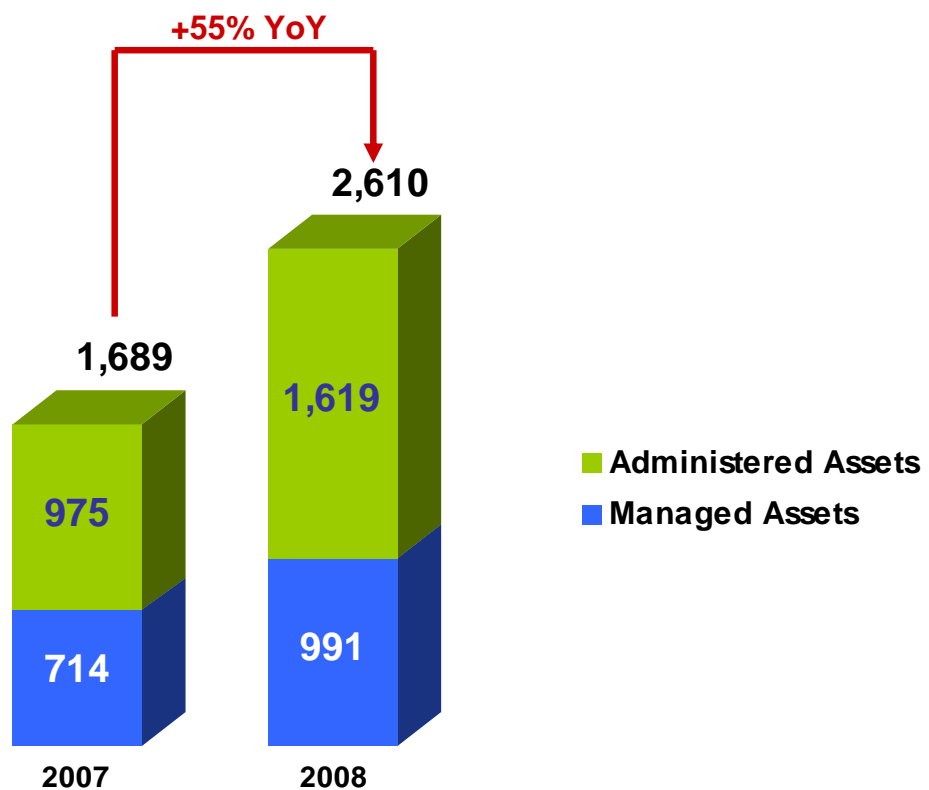


## Banca Mediolanum Net Inflows

€mn

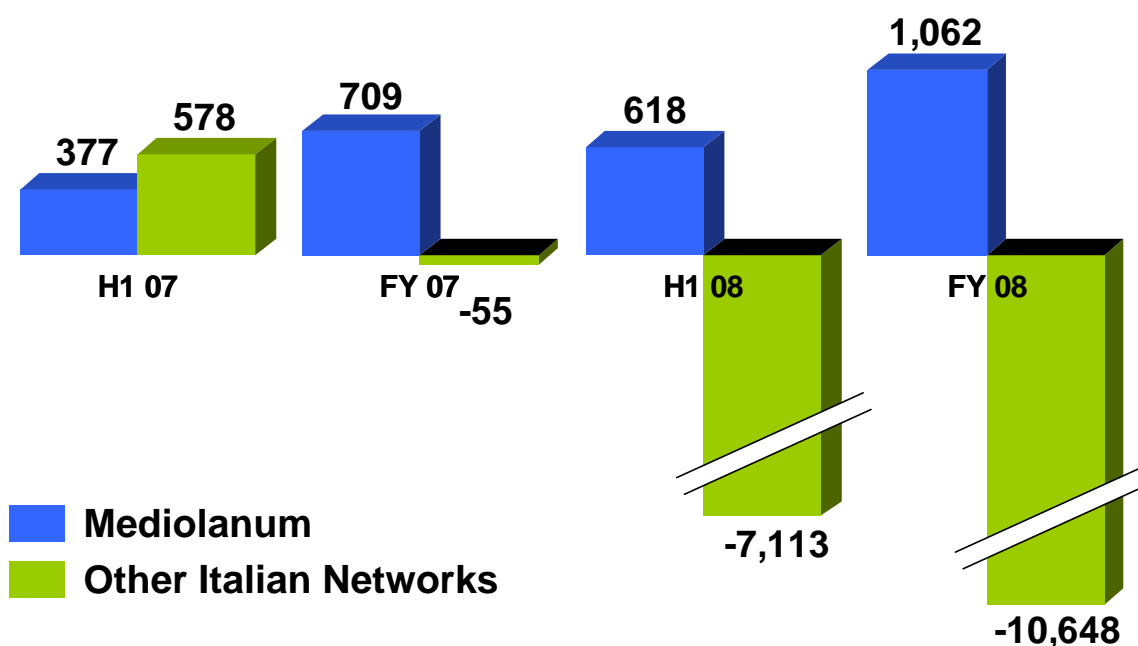
6

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# Net Inflows into Managed Assets

Banca Mediolanum vs. other Italian Networks - €mn



source: Assoreti (as of 2008 Life claims are not included)



## ‘Il Sole-24 Ore’: Italian Networks ranked by Net Inflows

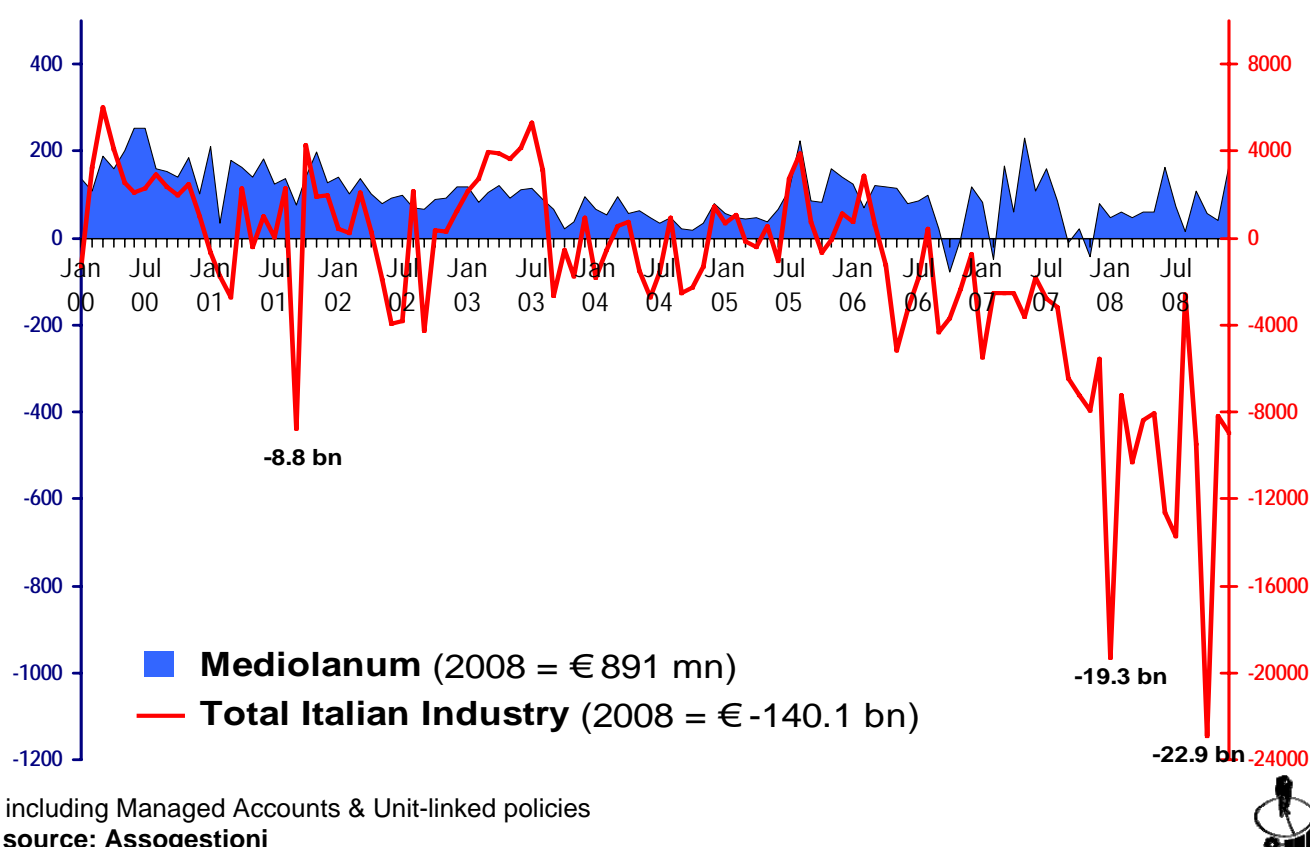
		Raccolta netta (novembre 2008)	
		Totale da inizio anno	Mensile
			Totale Di cui risparmio gestito
1	Banca Mediolanum	2.260.274,8	276.436,9 78.638,6
2	Fincobank (Gr. Unicredit)	1.297.223,8	52.418,5 -114.854,7
3	Credem (Gr. Credito Emiliano)	742.471,7	71.639,6 2.711,1
4	Banca Bsi Italia (Gr. Banca Generali)	583.790,0	5.652,2 17.472,6
5	Mps Banca Personale	399.363,6	31.520,5 23.705,2
6	Az Investimenti Sim (Gr. Azimut)	276.803,9	27.020,3 40.559,4
7	Banca Network Investimenti	268.218,7	20.781,0 24.627,8
8	Sanpaolo Invest Sim	178.369,8	-78.606,0 48.296,3
9	Finanza & Futuro Banca (Gr. Deutsche Bank)	168.998,8	2.734,6 3.637,4
10	Ubi Banca Priv. Inv.	127.974,7	16.324,3 -22.415,9
11	Alto Adige Banca - Sudtirol Bank	110.464,0	411,0 105,0
12	Banca Nuova (Gr. Banca Pop. Vicenza)	98.538,0	100,0 -2.737,0
13	Allianz Bank F.A.	67.658,9	56.462,1 92.998,7
14	Hypo Alpe-Adria-Bank	65.672,4	-641,2 -32,1
15	Intra Private Bank (Gr. Veneto Banca)	65.447,3	1.907,2 -5.207,8
16	Banca Generali	57.375,1	279,2 54.245,4
17	Veneto Banca	48.353,2	-4,2 2.011,6
18	Banca Fideuram (Gr. Intesa Sanpaolo)	15.697,6	-95.573,0 25.669,4
19	Groupama Sim	-11.585,1	375,1 -129,3
20	Bancapulia	6.739,6	3.529,2 -428,8
21	Consultinvest Investim. Sim	-23.922,0	-812,0 -819,0
22	Unipol Banca	-27.391,5	-4.706,6 -4.706,6
23	Investitori Sgr (Gr. Allianz)	-53.086,7	-11.765,0 -11.765,0
24	Banca Sai (Gr. Fondiaria-Sai)	-114.746,3	-21.531,6 -8.642,5
25	Azimut	-133.649,8	-27.642,0 -22.194,0
26	Banca Sara	-157.617,7	-15.521,8 -36.065,1
27	Simgenia Sim (Gr. Banca Generali)	-177.060,4	-16.586,8 -12.858,3
28	Banca Cr Firenze (Gr. Intesa Sanpaolo)	-188.366,5	-9.061,8 -8.863,2

(27/12/2008)



# Net Inflows into Mutual Funds\*

Banca Mediolanum Group - €mn



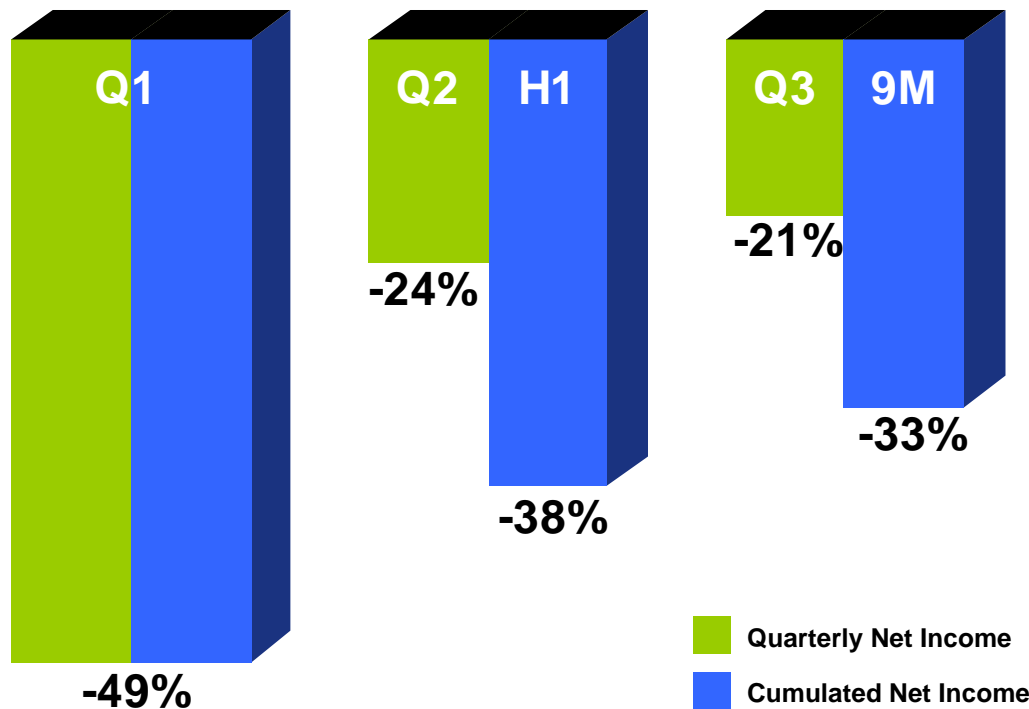
## Italian A.M. Groups ranked by Mutual Funds Assets

	June 2007	December 2007	June 2008	December 2008
1.	Eurizon	Intesa Sanpaolo	Intesa Sanpaolo	Intesa Sanpaolo
2.	Pioneer	Pioneer	Pioneer	Pioneer
3.	Crédit Agricole/Intesa	UBI Banca	UBI Banca	UBI Banca
4.	UBI Banca	Arca	Arca	Arca
5.	Capitalia	Banco Popolare	MPS	MPS
6.	Arca	MPS	Banco Popolare	<b>Mediolanum</b>
7.	MPS	Crédit Agricole	Crédit Agricole	BNP Paribas
8.	JPMorgan	BNP Paribas	<b>Mediolanum</b>	Generali
9.	BNP Paribas	JPMorgan	BNP Paribas	Azimut
10.	BPVe-No	<b>Mediolanum</b>	Azimut	Banco Popolare
11.	<b>Mediolanum</b>	Azimut	JPMorgan	JPMorgan
12.	Generali	Generali	Generali	Pop. Milano
13.	Azimut	Pop. Milano	Pop. Milano	Crédit Agricole
14.	RAS	Allianz	Allianz	Allianz

# Mediolanum 2008 Net Income Trend by Quarter

11

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## The Market Crisis & Mediolanum's P&L

12

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Impact on P&L is market-related, not sub-prime related

- 🔴 unrealised losses from **investments at fair value**
- 🔴 little or no generation of **performance fees**
- 🔴 devaluation of AuM, hurting **management fees**  
(market drops have a much harder impact on our AuM due to a much higher equity content than the competition's)

but, at the same time...

- 🔴 market downturn is creating a situation where **any rebound will benefit Mediolanum more than others**  
(70% equity content & no high-water mark in most funds)



# Our Culture, Our Competitive Advantage

13

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Our ability to generate positive inflows also in bear market  
is explained by our  
**customer-oriented culture**  
especially demonstrated in two specific areas:



## **Investment strategy**

based on the concept of 'diversification'  
along with 'emotional guidance' provided by the Family Banker



effective, innovative and committed  
**Communication strategy**



# Mediolanum's Investment Strategy

14

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Transfers 'technical performance' into 'customer performance'  
Backed by proper emotional guidance from Family Bankers



Advice is not based on stock-picking, tactical asset allocation  
decisions, or market-timing



We recommend following a series of diversification criteria



The most important diversification criterion is time horizon:  
**equity is only considered for the long term (>10 years)**



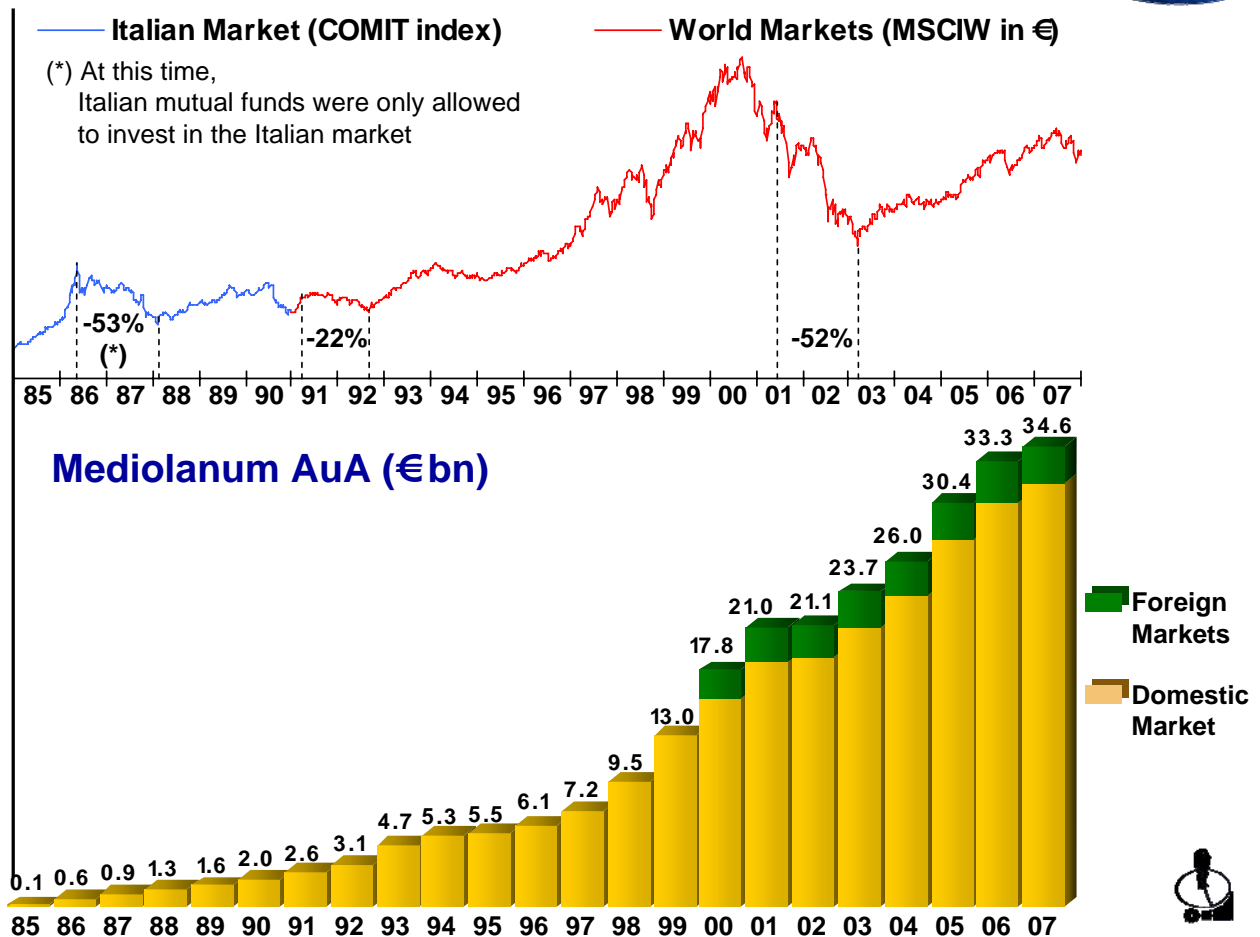
Equity investments are diversified across the global economy  
to further reduce risk






We advise investors with a longer-term outlook to view  
**market crises as buying opportunities**



# Mediolanum's Resilience in Times of Market Crisis



## Communication in Times of Crisis

-  To get customers to understand the basic principles of our investment strategy, reversing any negative mood created by the media & word-of-mouth
-  To effectively keep in touch with all our publics at all times
-  To convey the important message that in a down market a loss is incurred only if money is withdrawn from equity investments








# Communication in Times of Crisis: a Three-fold Objective

17

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-  Interpret what is really happening in the market & the opportunities involved
-  Reassure both advisors & customers and compensate for the myopic, negative messages of the media
-  Reinforce the investment strategy the company has always recommended





## Communication in Times of Crisis: TV Specials

18

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Two proprietary state-of-the-art tools

-  **Corporate TV Network** - dedicated to our internal communication
-  **Mediolanum Channel** - geared toward the customer community



- Company news
- Product information
- Online training course support
- Inspirational thoughts for personal motivation & sales techniques

On top of the **ongoing** Corporate TV offer  
2 special daily programs added  
dedicated to crisis-related topics






# Communication in Times of Crisis: Mediolanum Market Forum

19

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-  Panels of highly respected and influential entrepreneurs, economists & journalists
-  Broadcasts can be followed by the public at large on the Mediolanum Channel & over the internet in 4 languages
-  Provide insights about the crisis, with suggestions & examples of the best ways to manage



## Building Customer Trust

20

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the Storm




-  Our communication efforts - besides helping us to maintain positive net inflows - also work in the direction of keeping up a trust-based relationship with our customers
-  Our constant contact with the customers builds trust, at a time when competition tends to avoid any kind of interaction
-  Family Bankers are backed and supported by the company in the customer contact effort
-  Our ongoing investments in educating, training & supporting our Family Bankers are now showing the benefits more than ever



# 2008 Groundbreaking Initiatives: Milestones in our History

21

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-  Mortgage spread reduction, with automatic extension to all pre-existing mortgage customers
-  Protection against total permanent disability caused by injury or illness included - at no charge - for all our mortgage customers
-  Substitution of the Lehman Brothers bonds underlying our customers' I-L policies, at no charge for policyholders
- ✓ Costs of the initiative sustained by the two major shareholders
- ✓ No impact on shareholders' equity, dividend policy, nor on minority shareholders



22

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## The Mediolanum Brand is set apart

Spontaneous recall of bank advertising – Italy (%)

2008 RANKING		2007	2008	2008											
				Jan	Feb	Mar	Apr	May	Jun	Jul	Sep	Oct	Nov	Dec	
1	BANCA MEDIOLANUM	15	12	10	7	11	10	9	12	7	16	13	21	17	
2	UNICREDIT/UNICREDITO ITALIANO (NET)	8	9	9	10	10	13	11	9	9	8	9	8	8	
3	ING/ CONTO ARANCIO (NET)	9	8	12	12	9	8	6	6	11	9	7	5	7	
4	SANPAOLO	12	8	12	11	10	9	9	4	9	10	5	7	6	
5	BANCA INTESA	8	6	8	6	6	7	5	4	7	9	5	6	5	
6	INTESA SANPAOLO	3	5	7	4	5	6	4	3	6	5	3	5	5	
7	BNL	3	3	2	4	3	3	4	5	2	4	3	2	4	
8	MPS	3	3	3	3	3	3	3	4	1	3	3	4	4	
9	CHEBANCA	n.r.	2	-	-	-	-	-	2	3	2	4	6	2	
10	BCC	1	1	0,2	1	1	1	-	1	0,1	0,2	4	3	2	
11	MEDIOBANCA/GRUPPO MEDIOBANCA	n.r.	1	-	-	-	-	-	2	0,2	1	1	2	2	
12	BANCA DI ROMA	1	1	1	1	0,3	0,1	1	1	0,4	1	0,2	0,2	1	
13	BANCA POPOLARE DI MILANO/BPM	0,2	0,4	0,4	1	-	1	0,3	0,2	1	0,1	0,3	-	0,1	
14	CREDEM/CREDITO EMILIANO	0,2	0,4	0,1	1	-	-	0,3	1	0,1	1	0,1	1	0,2	
15	(NET) BANCOPOSTA/POSTE ITALIANE	0,3	0,4	0,2	0,4	1	0,5	1	0,1	0,4	1	0,1	0,2	-	
	...														
	ANY BANK CAMPAIGN	55	53	56	54	51	54	51	44	52	57	52	60	53	

1st place

2nd place

3rd place



# The Mediolanum Brand is set apart

Brand awareness – Italian banks (%)

2008 RANKING				2008											
		2006	2007	2008	Jan	Feb	Mar	Apr	May	Jun	Jul	Sep	Oct	Nov	Dec
1	UNICREDIT/ UNICREDITO ITALIANO (NET)	23	26	34	31	28	28	37	35	32	29	36	42	39	39
2	SANPAOLO	33	35	25	29	27	25	17	24	21	24	27	25	25	27
3	BANCA INTESA	35	28	22	24	22	25	21	19	21	21	26	21	24	18
4	MPS	19	19	20	21	19	16	18	23	19	18	24	18	20	27
5	BNL	19	19	18	18	22	17	15	24	26	18	18	14	15	17
6	<b>BANCA MEDIOLANUM</b>	<b>17</b>	<b>21</b>	<b>17</b>	<b>15</b>	<b>11</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>19</b>	<b>12</b>	<b>20</b>	<b>19</b>	<b>26</b>	<b>24</b>
7	INTESA SANPAOLO	n.r.	7	16	16	12	19	17	15	20	18	19	12	18	16
8	BANCA DI ROMA	17	17	16	23	12	18	12	15	17	15	19	16	16	13
9	ING/ CONTO ARANCIO (NET)	11	12	12	16	15	14	12	9	11	16	11	8	9	8
10	BCC	8	9	10	10	10	12	8	11	8	6	8	13	14	10
11	BANCO POSTA/ POSTE ITALIANE (NET)	12	10	10	14	8	10	5	10	9	9	12	8	12	10
12	BANCO DI NAPOLI	7	6	7	9	6	8	6	5	6	5	10	8	9	9
13	CARIPLO	5	4	5	5	3	8	4	5	5	4	4	5	5	3
14	BANCO DI SICILIA	5	5	4	4	5	4	6	4	4	5	4	4	5	3
15	BPV	5	5	4	5	5	2	4	2	6	3	5	4	3	3
16	BPU	-	4	4	3	2	5	4	2	5	4	5	5	4	5
17	CREDITO ITALIANO/CREDIT	5	4	4	3	3	4	4	2	5	5	4	5	3	3
18	BANCA ANTONVENETA	6	5	3	4	3	5	4	2	3	3	4	3	4	2
19	BANCA POPOLARE DI MILANO/BPM	5	5	3	4	3	3	3	1	4	3	3	1	3	4
20	BIPOP CARIRE	2	2	2	3	4	2	2	2	2	4	2	2	2	2

1st place

2nd place

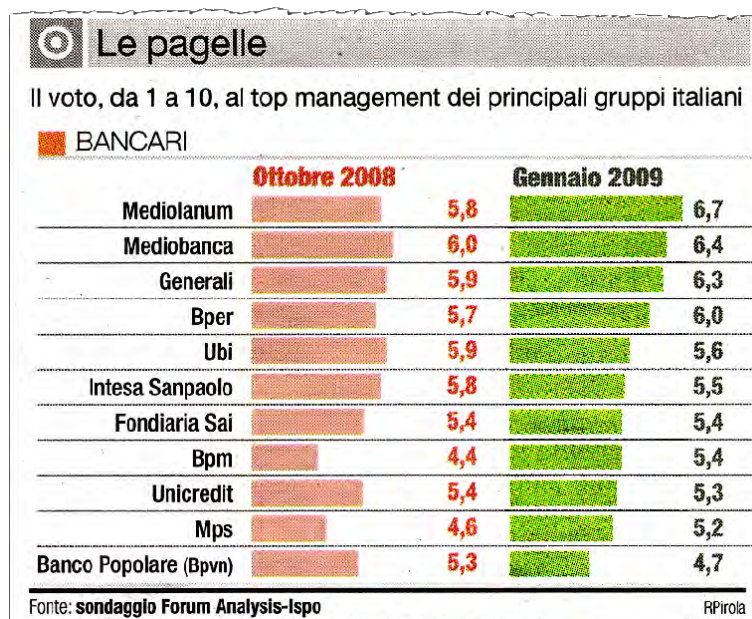
3rd place

source: GFK Eurisko







## ‘Best Managed Financial Company’ according to a financial community survey

**Sondaggi** Il voto ai top manager premia Finmeccanica.  
Tra i bancari Mediolanum passa in testa






# The Crisis Will End

## The Situation

-  **Banking crisis** is more serious than expected
-  Government measures & bail-outs so far have not resolved the problem
-  Antibodies are already at work to contrast the **consumption crisis**:
  - interest rates have fallen
  - raw material prices have gone down
  - energy prices had the biggest drop in 18 years
-  Current crisis is very different than past ones:  
**loss of trust in banks**

## The Treatment

-  Political side: President Obama apparently will over-treat the crisis
  - measures estimated at \$ 825bn
-  The Fed has drastically reduced interest rates & is considering non-conventional routes to add liquidity into the system
-  ECB seems to be willing to follow suit



## 2008 New Products











# The Mediolanum Approach vs. Open Architecture

27

2008  
New Products



-  'Best Brands' family of Funds of branded Funds unveiled in April 2008
-  Offers our customers the opportunity to further diversify their investments
-  **This is not the 'Open Architecture' approach**
-  It is impossible for a private investor to choose among a supermarket-like offer of thousands of funds, if not on the very risky basis of past performance
-  Products can be tailored to customer needs, objectives & risk profile
-  Synergy of the best A.M. companies' expertise & pursuit of quality and Mediolanum's capacity to select & coordinate managers, and give high quality advice to customers



## 'Global Selection' Funds of Branded Funds

28



2008  
New Products

3 pioneering Funds of branded Funds  
established through an exclusive international partnership

BLACKROCK

JPMorgan  
Asset Management

Morgan Stanley

-  Each 'Global Selection' fund combines the best funds of each asset manager
-  All invest in global equity, in all markets with no limits in terms of regions, sectors, investment style & market cap



## 1. The 'Collection Series': a new agreement with 15 more of the world's largest A.M. companies

 Aberdeen	 ALLIANCEBERNSTEIN	 Rosenberg <small>An AXA Investment Managers Company</small>	 Goldman Sachs Asset Management	 Henderson Global Investors	 Investec Asset Management
 BLACKROCK	 BNP PARIBAS INVESTMENT PARTNERS	 BNY MELLON ASSET MANAGEMENT	 JPMorgan Asset Management	 LEGG MASON	 M F S INVESTMENT MANAGEMENT
 CREDIT SUISSE	 Fidelity INTERNATIONAL	 FRANKLIN TEMPLETON INVESTMENTS	 Morgan Stanley	 Schroders	 T. Rowe Price INVEST WITH CONFIDENCE



8 new FoFs in the 'Mediolanum Best Brands' family



Associated with a pool of A.M. companies instead of a single brand as it is the case with the 'Global Selection' FoFs

## 2. The 'Multimanager Series': Major transformation of our existing 'Top Managers' funds into FoFs utilising the institutional classes of 60 leading A.M. companies worldwide (Aug. 2008)



## 'Double Chance'

Investment service for 'Best Brands' FoFs

New '**Double Chance**' service  
allows customers to enter equity markets  
with dollar-cost averaging  
& to generate high yields on yet-to-be invested funds



Funds to be invested are parked in a high-yield deposit account (remunerated at EURIBOR - with a guaranteed minimum - for the entire duration of the instalment phase of the plan - max. 2 years)



'Double Chance' service shifts bi-monthly instalments into equity 'Global Selection' funds of branded funds

Contributing to inflows into 'Best Brands' FoFs  
(accounted for as administered savings in instalment phase)







# **‘Premium Plan’**

## **Unit-linked Investment Policy**

31

2008  
New Products

### **Invests in ‘Best Brands’ Funds of branded Funds**

-  Harnesses the technical skills of leading A.M. companies
-  Maintains the benefits typical of an insurance product
-  Whole-life policy with 10,12 or 15 years of instalments
-  Gives a rich bonus at maturity, equal to at least all loadings paid, to further reinforce customer loyalty



32

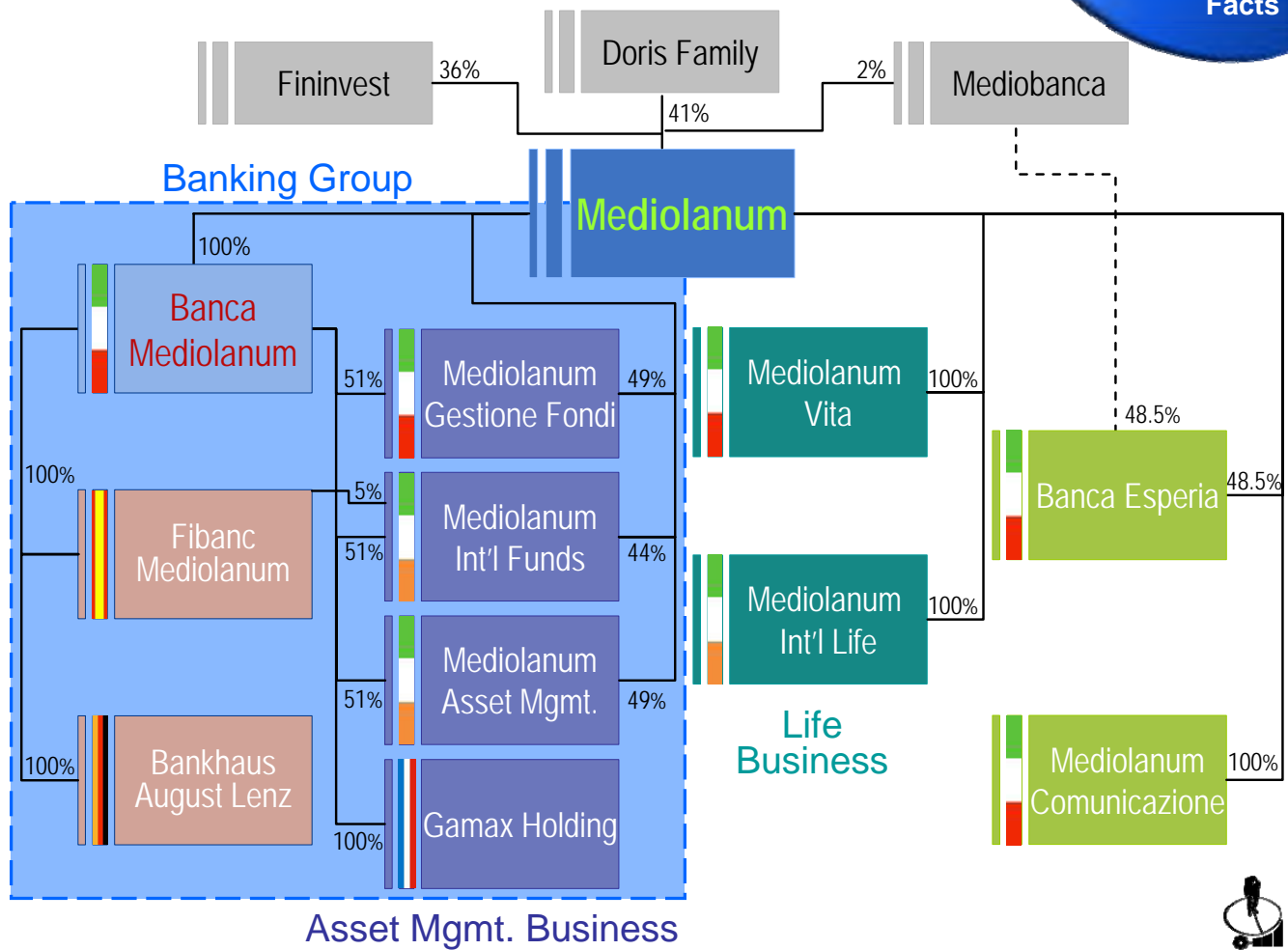
Mediolanum  
Facts

## **Mediolanum Facts**



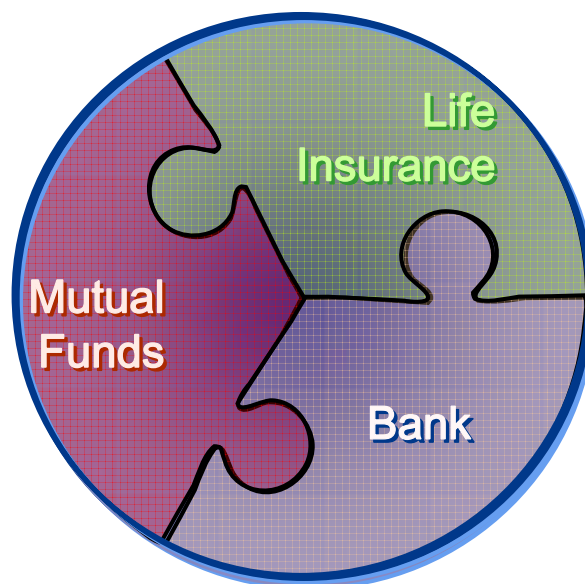


# Mediolanum Group Structure



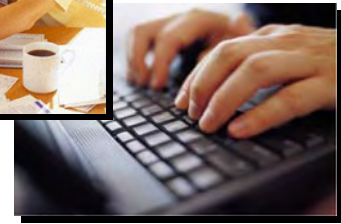
# Mediolanum Integrated Structure

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



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



# Mediolanum vs. Current Bank Models



**Traditional bank**  
(the human relationship)

**On-line bank**  
(freedom)

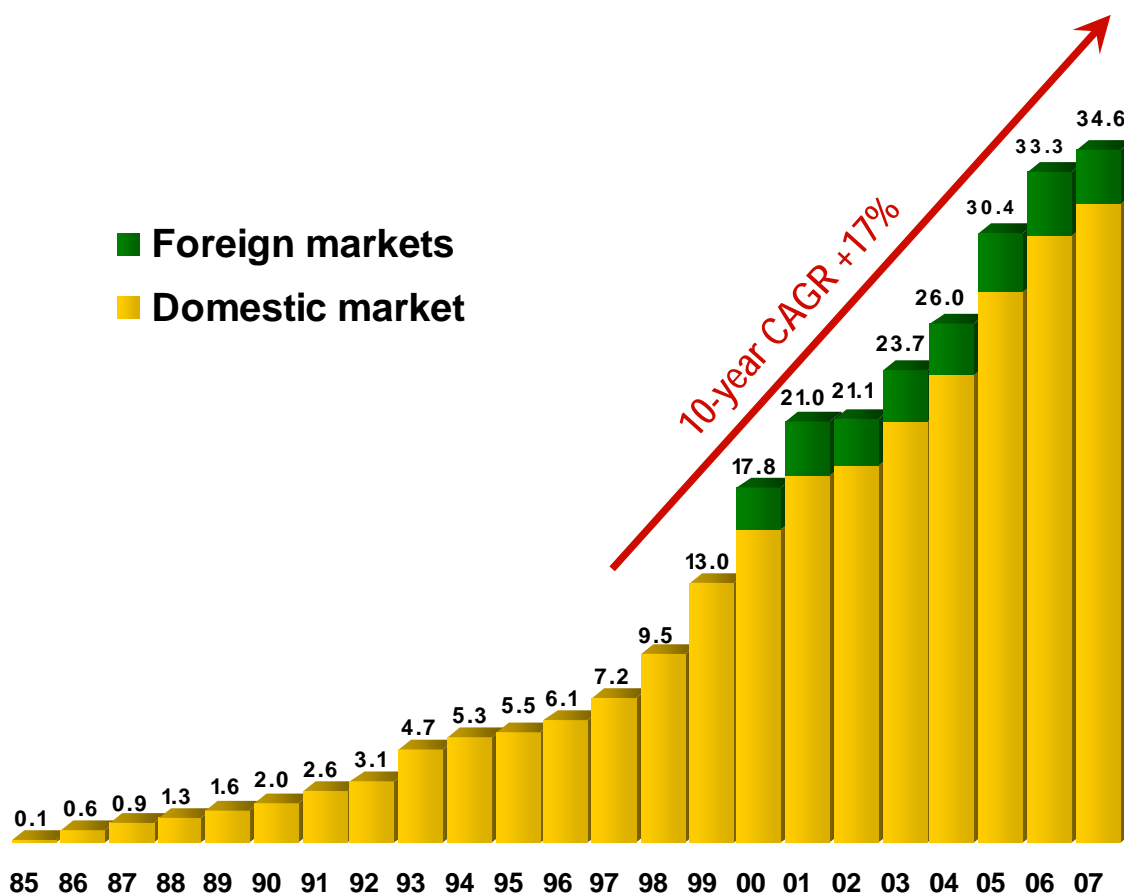
**The Mediolanum model unifies the advantages of the on-line with the traditional**

-  invalidating the concept of branch proximity  
-> 'Freedom in Banking'
-  at the same time enhancing the 'human touch'  
-> one-to-one relationship with the Family Banker™



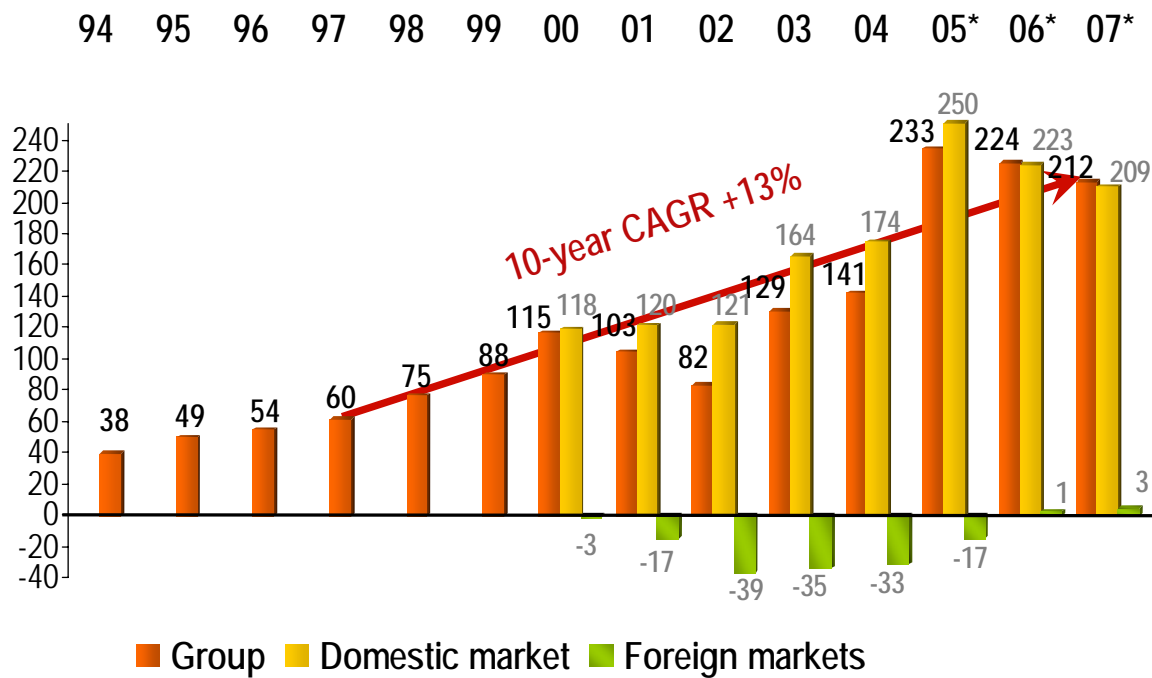
## Assets under Administration

€bn



# Net Profit

€mn

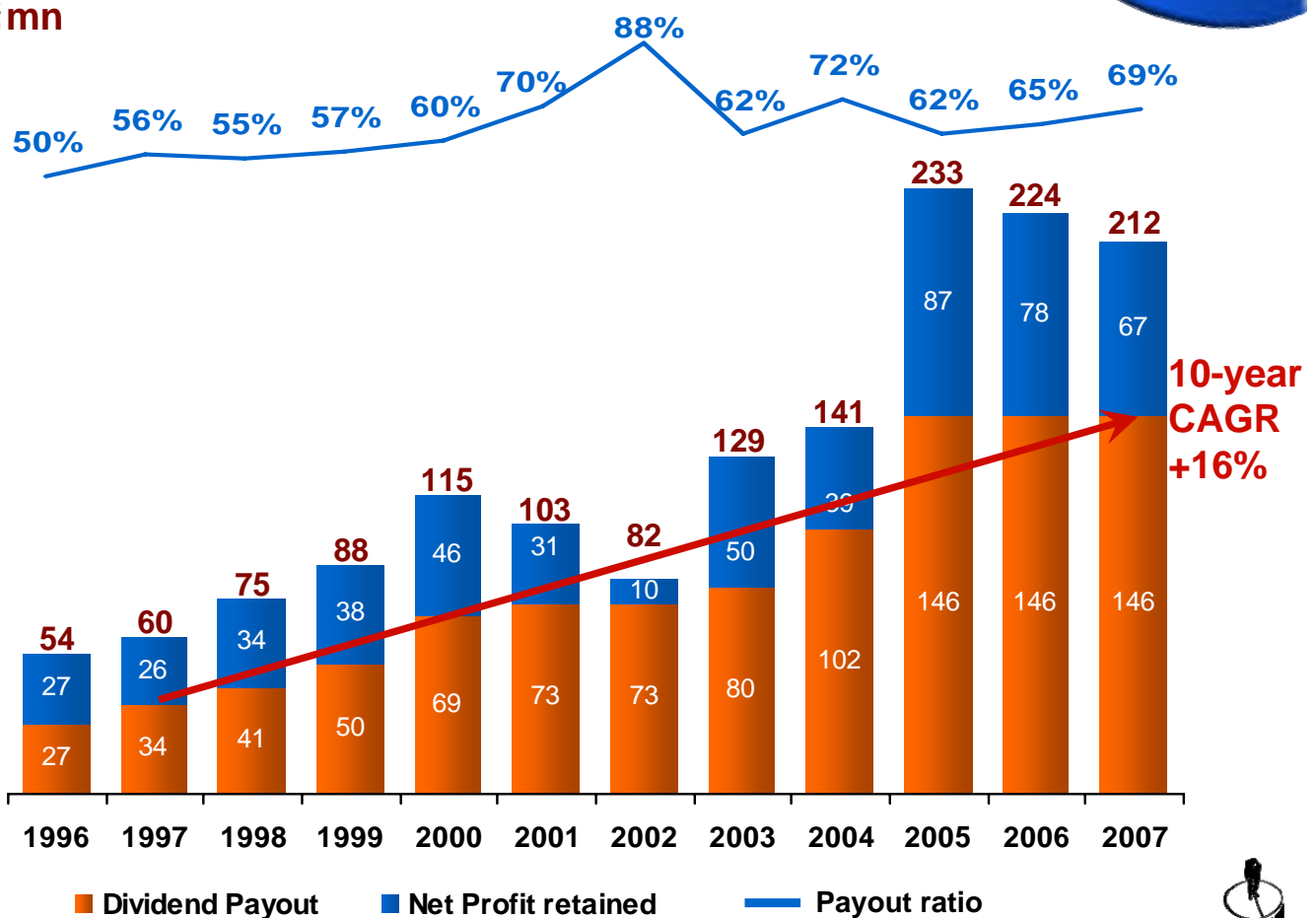


\* IAS/IFRS



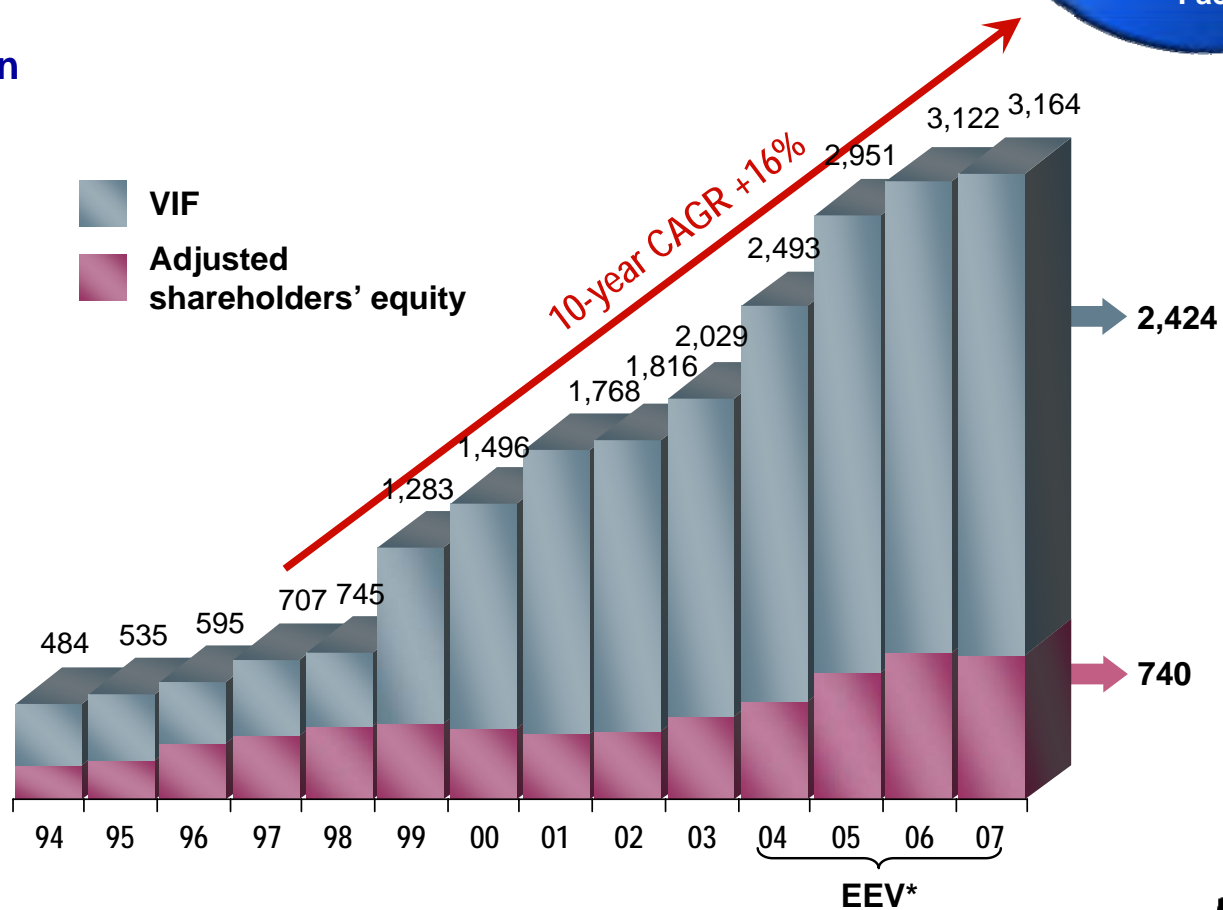
# Dividend Payout

€mn



# Embedded Value

€mn



\* including Spain & Italian banking business



# MED.MI Total Return Index\*



\* includes dividend reinvestment, June 3, 1996 – December 29, 2008

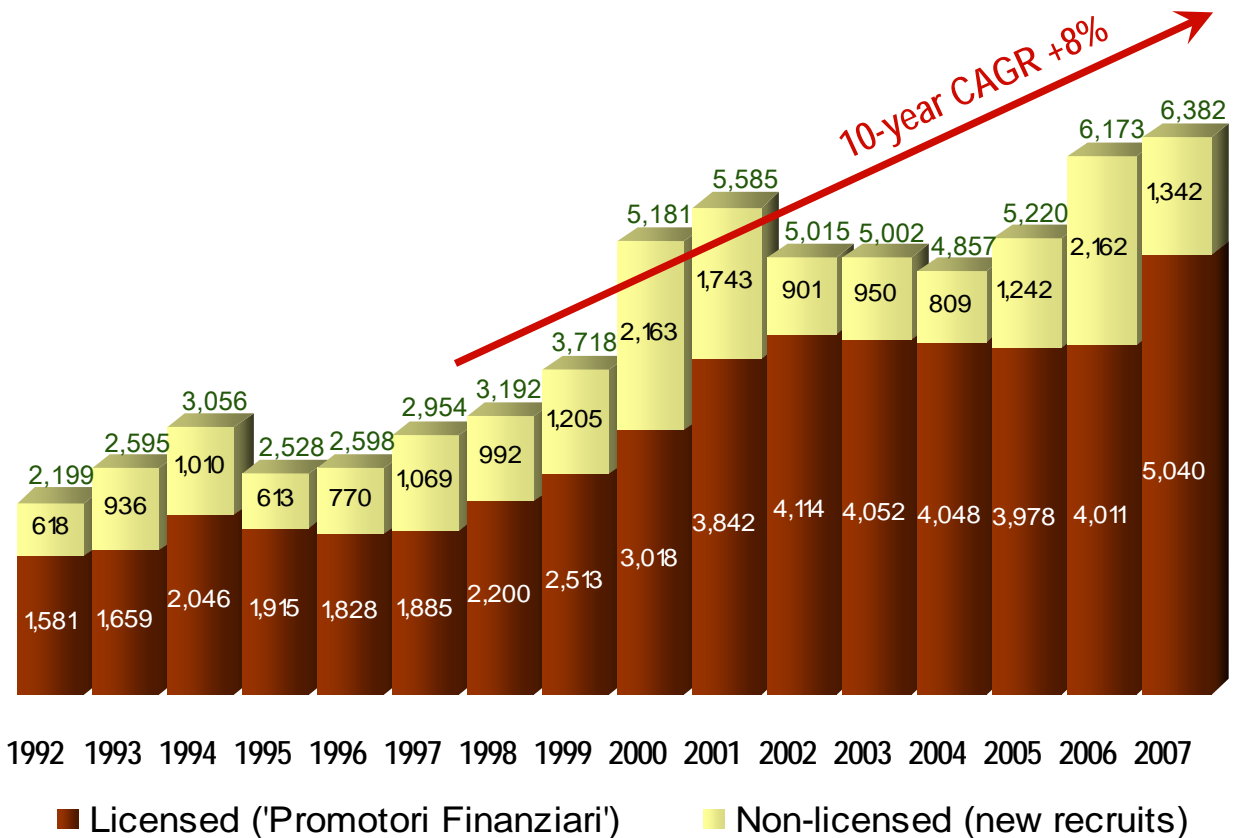
source: Datastream



# Banca Mediolanum Family Banker Network

41

Mediolanum  
Facts

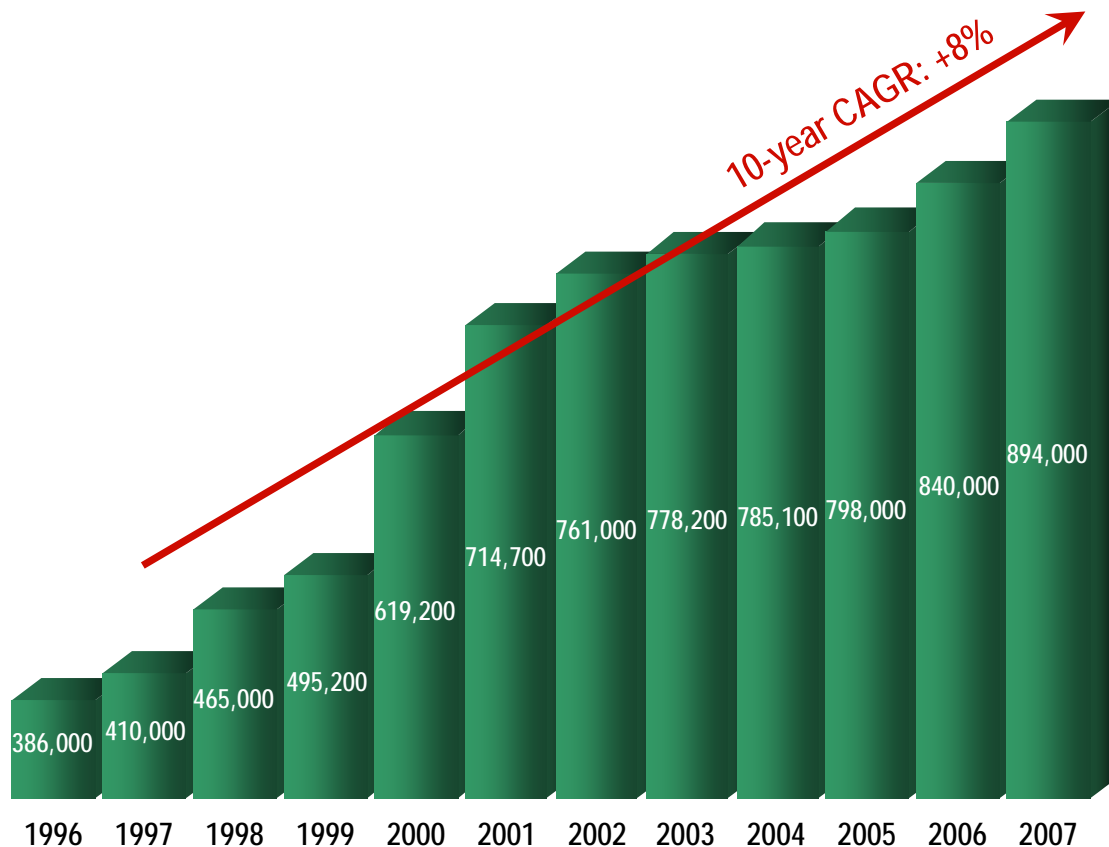


# Banca Mediolanum Customers

Primary account holders

42

Mediolanum  
Facts

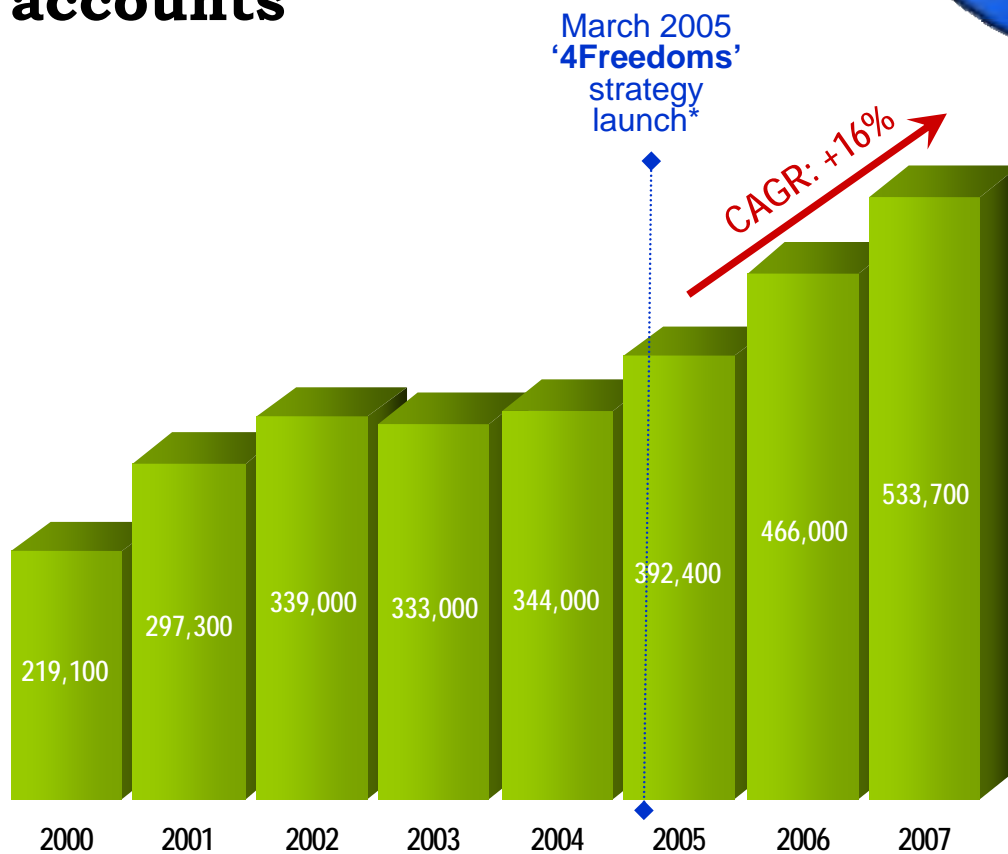


# Banca Mediolanum

## Bank accounts

43

Mediolanum  
Facts



\* all new customers are acquired through the bank account



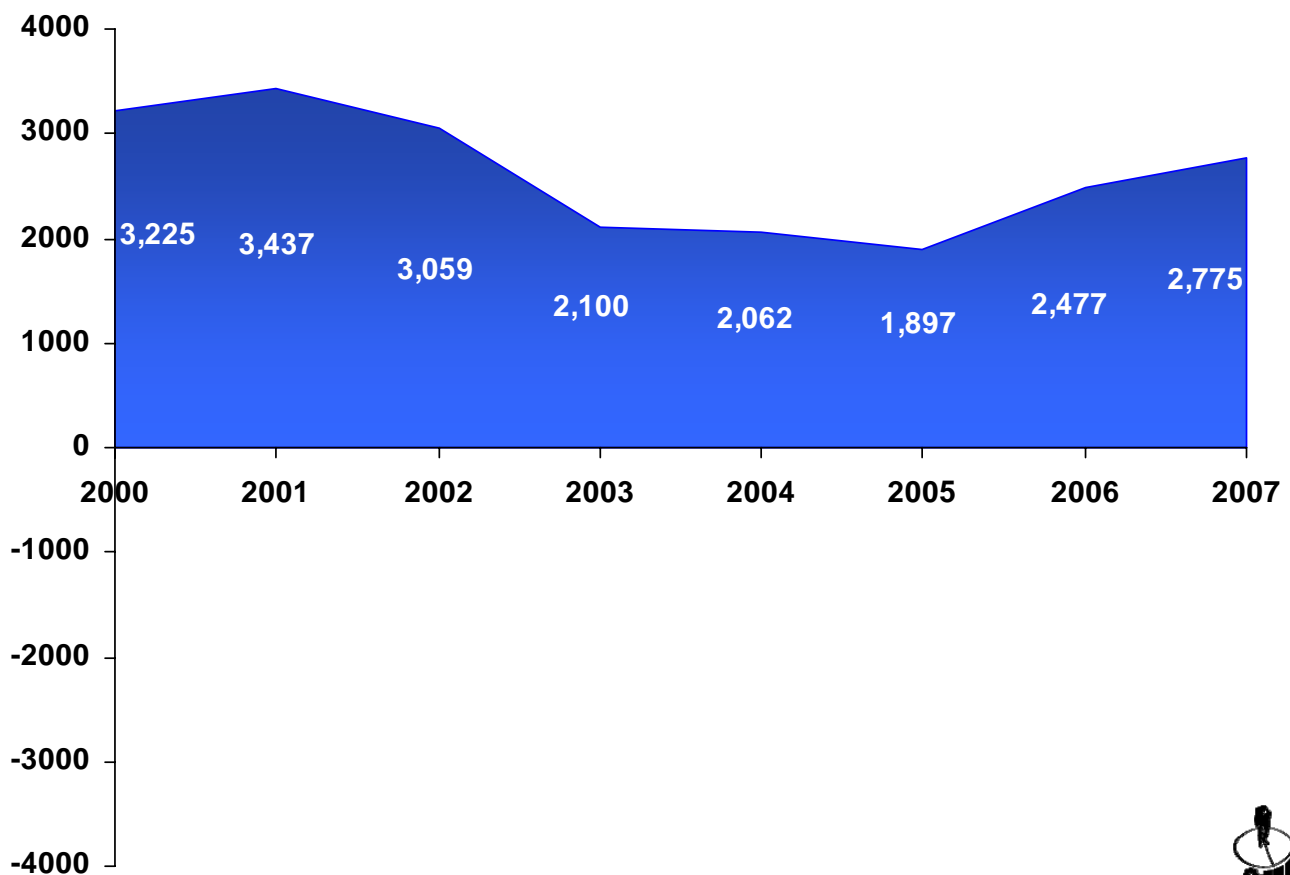
# Banca Mediolanum

## Total Net Inflows

€mn

44

Mediolanum  
Facts



# Italian A.M. Companies Funds Average Return

45

Mediolanum  
Facts

NAV-weighted average on a monthly basis\*

	3 yr. (2005-2007)		5 yr. (2003-2007)
<b>Mediolanum (all A.M. companies)</b>	<b>19.06%</b>	<b>Mediolanum (all A.M. companies)</b>	<b>30.88%</b>
Monte Paschi	16.28%	Azimut	28.14%
Azimut	15.41%	Allianz	26.17%
Allianz	15.34%	Monte Paschi	25.59%
Pioneer	13.58%	Pioneer	24.02%
UBI	11.38%	UBI	19.38%
Aletti	10.37%	Anima	19.01%
Bipiemme	10.07%	Bipiemme	17.67%
Arca	9.64%	Alleanza	17.64%
Anima	9.24%	Arca	17.34%
CAAM	9.17%	Euromobiliare	16.58%
Alleanza	9.07%	Aletti	15.99%
Eurizon	8.93%	Eurizon	15.25%
Euromobiliare	8.29%	CAAM	15.19%
BNL	7.98%	Capitalia	14.57%
Capitalia	7.93%	BNL	13.71%
Capitalgest	7.67%	Capitalgest	13.20%
Carige	7.37%	Carige	11.95%

\* influenced by both technical performance & monthly NAV changes due to inflows / outflows  
source: Money mate



# Thank you!

Any questions?



# Disclaimer

This document has been prepared by Mediolanum S.p.A. for the sole purpose of providing information and presenting the Group's strategies.

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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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