April 28, 2016

BANCA mediolanum

Q1 2016 RESULTS & BUSINESS UPDATE

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and colour key

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Q1 2016 Group Results

Income Statement

€ mn

	Q116	Q115	Change
Entry fees	17.6	27.8	-37%
Management fees	200.5	195.5	+3%
Performance fees	50.4	132.9	-62%
Banking service fees	20.4	22.1	-8%
Other fees	8.1	9.6	-15%
Total commission income	**297.1**	**387.9**	**-23%**
Net interest income	61.6	61.3	+0%
Net income on investments at fair value	(10.6)	(3.4)	+212%
Net financial income	**51.0**	**57.9**	**-12%**
Insurance revenues ex U-L commissions	**7.4**	**17.5**	**-57%**
Equity contribution (Mediobanca & Banca Esperia)	0.6	(0.9)	n.s.
Net income on other investments	(3.3)	(2.7)	+22%
o/w Impairment on loans	*(4.0)*	*(5.1)*	*-20%*
Other revenues	5.7	6.1	-8%
Total Revenues	**358.5**	**465.8**	**-23%**
Acquisition costs	(109.8)	(123.3)	-11%
Other commission expenses	(13.4)	(17.9)	-25%
G&A expenses	(122.3)	(120.9)	+1%
Amortisation & depreciation	(7.2)	(5.6)	+27%
Provisions for risks & charges	(12.5)	(24.9)	-50%
Total Costs	**(265.1)**	**(292.5)**	**-9%**
PROFIT BEFORE TAX	**93.3**	**173.3**	**-46%**
Income tax	(20.2)	(35.9)	-44%
NET INCOME	**73.2**	**137.4**	**-47%**

Income Statement Salient Points

YoY comparison

Entry fees (€ 10 mn lower YoY)
reflected the lower gross inflows into mutual funds due to a sluggish start to the year

Management fees (€ 5 mn higher YoY)
increased slightly despite the market downturn in Q1

Performance fees (€ 82 mn lower YoY)
were impacted by an entirely different market situation compared to Q115, however registered a decent quarter thanks to a strong March

Net Interest Income was flat YoY
thanks to lower cost of funding & increase in loan book still offsetting negative impact from lower fixed-income yields

Net Income on Investments at FV (€ 7 mn lower YoY)
were mainly impacted by the MtoM of derivatives originally hedging fixed-rate mortgages no longer in our books

G&A expenses were up 1% YoY,
largely in line with guidance

Provisions for risks & charges (€ 12 mn lower YoY)
returned to normal levels not including any one-offs
(N.B. provision made in Q115 related to the inherited Fibanc's lawsuit)

Income Tax includes € 11 mn of taxes paid on intercompany dividends, as always accounted for in Q1

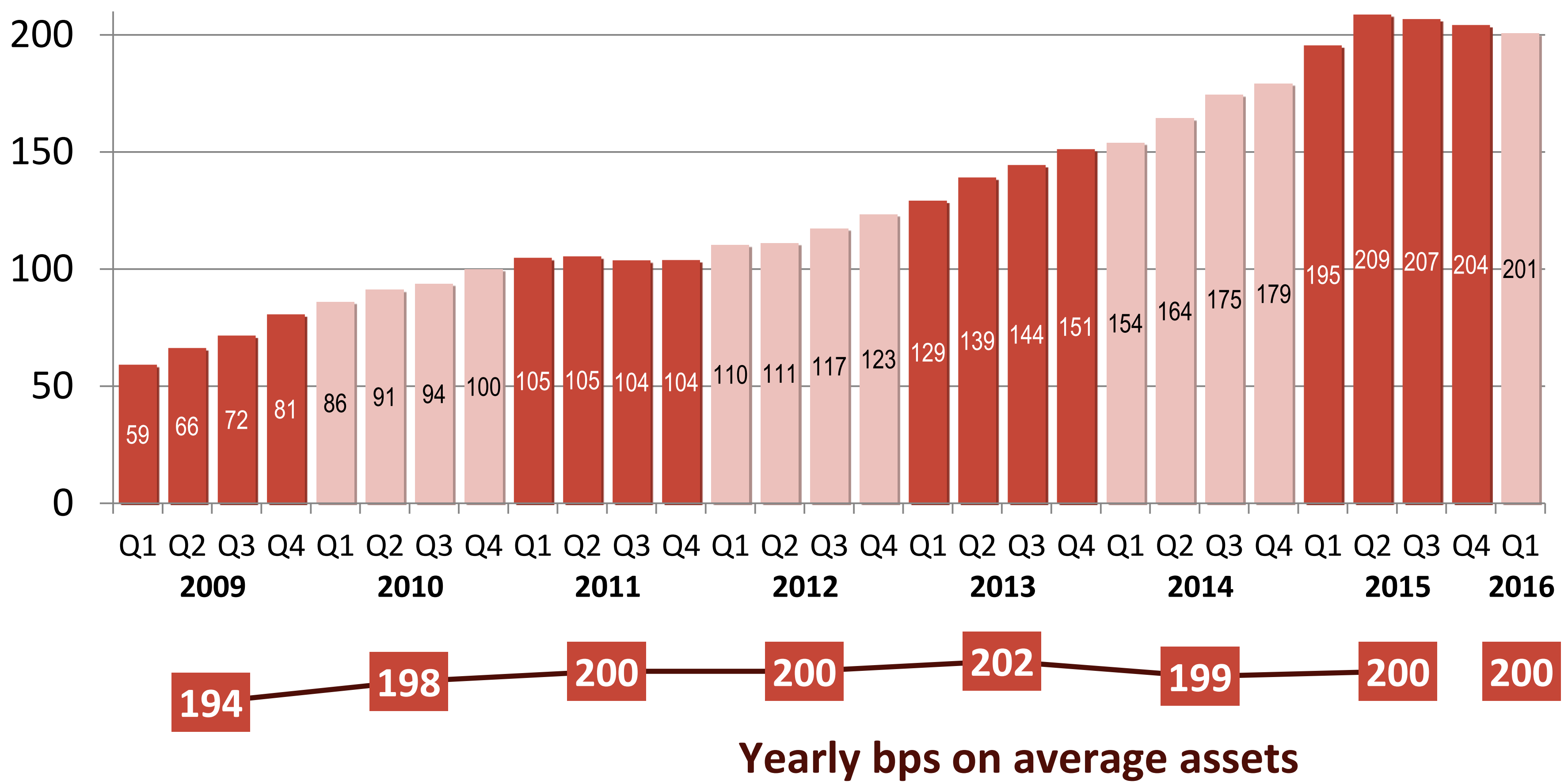
Income Statement by Quarter

€ mn

	Q115	Q215	Q315	Q415	Q116
Entry fees	27.8	31.3	21.9	21.0	17.6
Management fees	195.5	208.7	206.8	204.2	200.5
Performance fees	132.9	26.4	19.5	147.2	50.4
Banking service fees	22.1	21.0	22.1	21.2	20.4
Other fees	9.6	10.5	8.1	8.9	8.1
Total commission income	**387.9**	**297.8**	**278.3**	**402.4**	**297.1**
Net interest income	61.3	64.0	63.0	64.6	61.6
Net income on investments at fair value	(3.4)	3.6	(2.2)	0.9	(10.6)
Net financial income	**57.9**	**67.6**	**60.7**	**65.5**	**51.0**
Insurance revenues ex U-L commissions	**17.5**	**11.7**	**5.9**	**8.8**	**7.4**
Equity contribution (Mediobanca & Banca Esperia)	(0.9)	7.7	12.3	3.1	0.6
Net income on other investments	(2.7)	(2.0)	(0.5)	(3.5)	(3.3)
o/w Impairment on loans	*(5.1)*	*(1.1)*	*(2.8)*	*(4.2)*	*(4.0)*
Other revenues	6.1	6.7	7.7	6.1	5.7
Total Revenues	**465.8**	**389.5**	**364.5**	**482.4**	**358.5**
Acquisition costs	(123.3)	(130.5)	(116.9)	(125.0)	(109.8)
Other commission expenses	(17.9)	(12.8)	(13.2)	(13.7)	(13.4)
G&A expenses	(120.9)	(124.7)	(112.8)	(146.3)	(122.3)
Amortisation & depreciation	(5.6)	(6.4)	(6.2)	(7.8)	(7.2)
Provisions for risks & charges	(24.9)	(9.5)	(12.9)	(9.7)	(12.5)
Total Costs	**(292.5)**	**(283.9)**	**(262.1)**	**(302.6)**	**(265.1)**
PROFIT BEFORE TAX	**173.3**	**105.7**	**102.4**	**179.8**	**93.3**
Income tax	(35.9)	(15.6)	(18.5)	(52.6)	(20.2)
NET INCOME	**137.4**	**90.0**	**84.0**	**127.2**	**73.2**

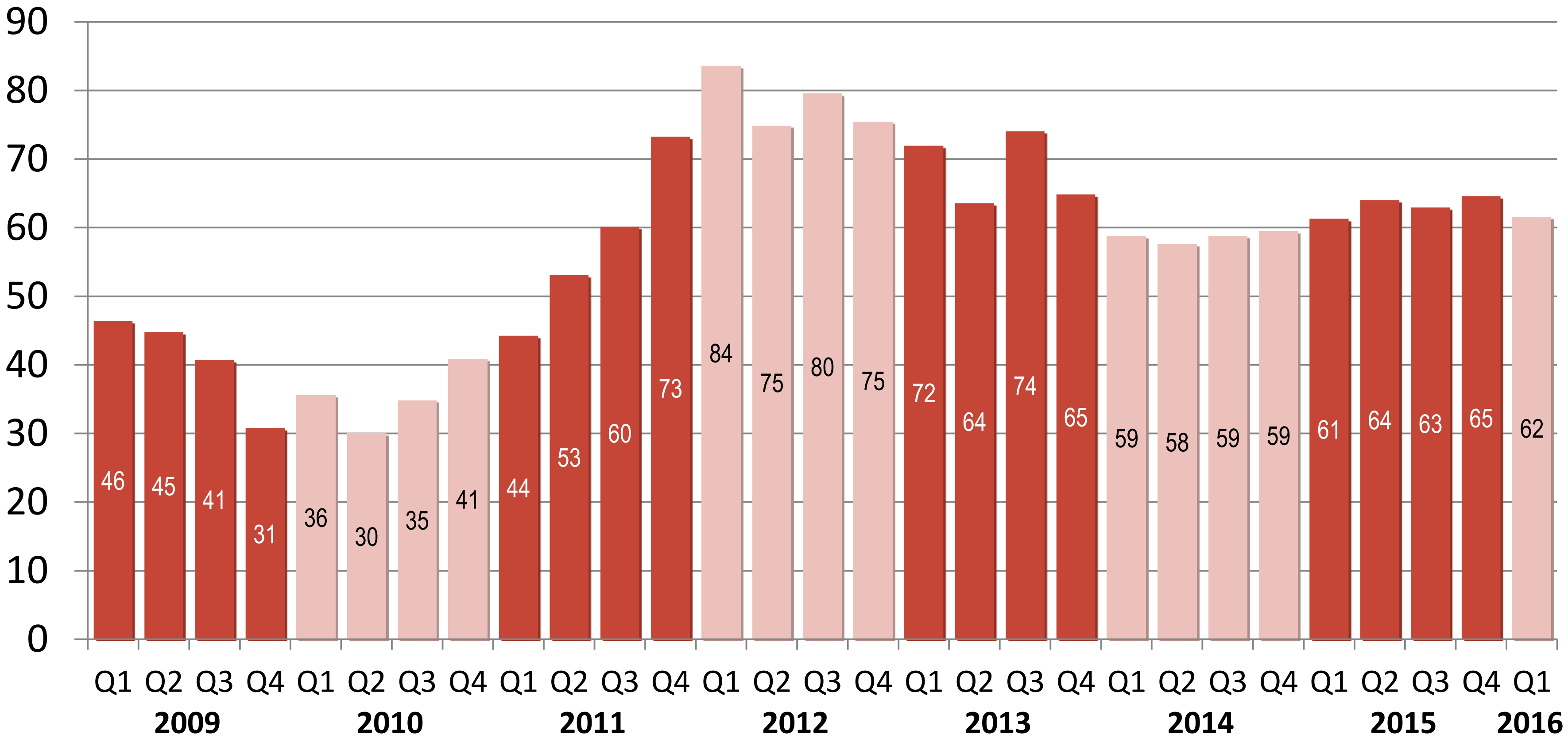
Quarterly Commission Income from Mgmt Fees

€ mn



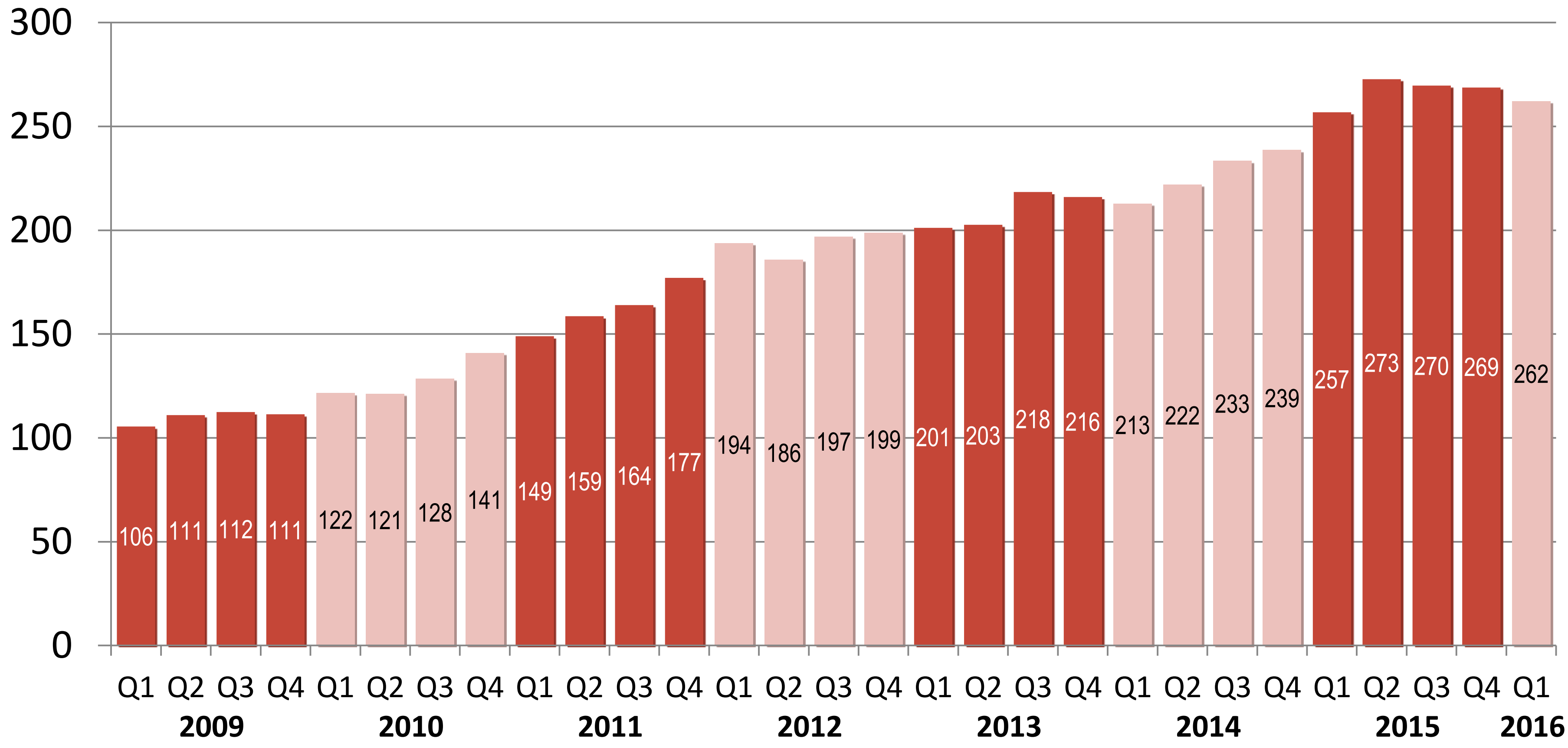
Quarterly Net Interest Income

€ mn



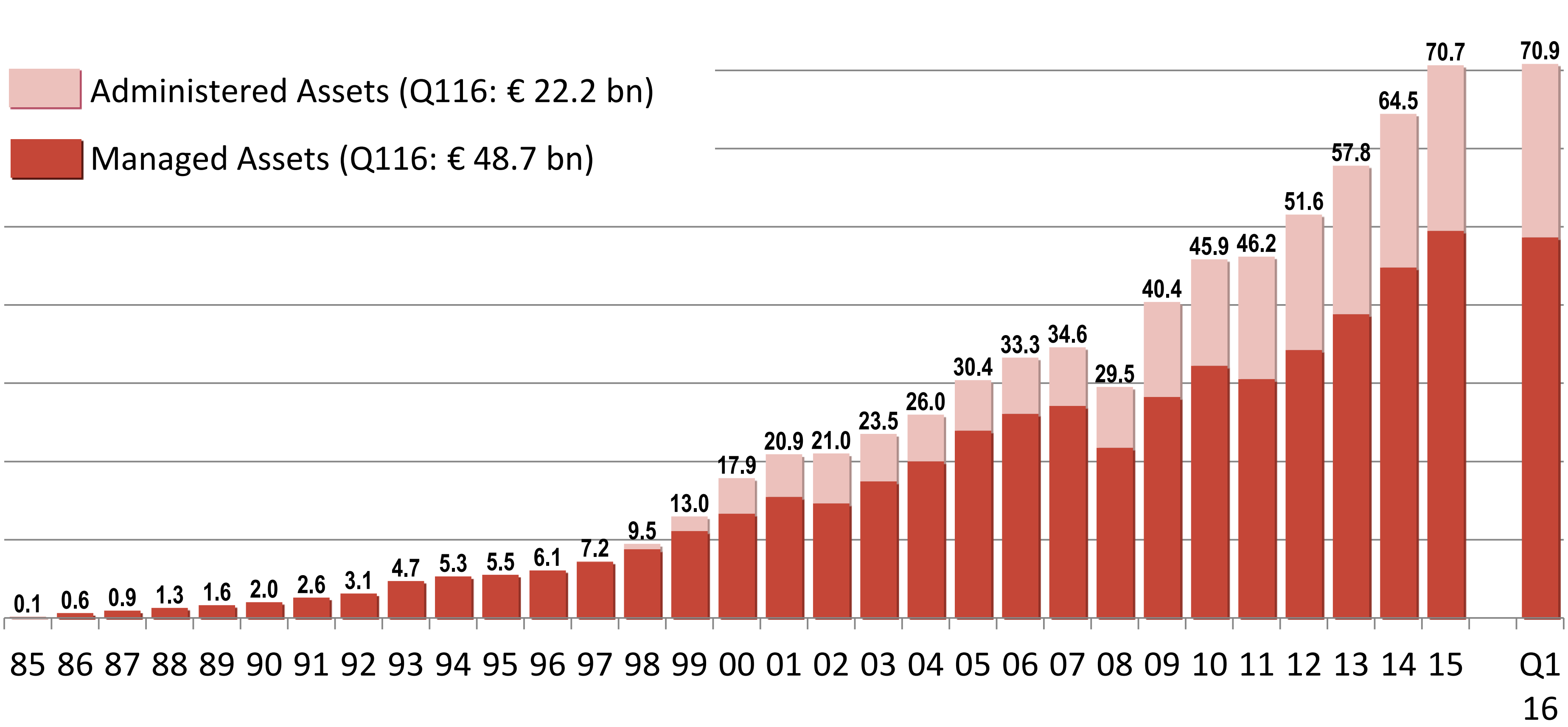
Quarterly Recurring Revenues

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



AUA/AUM Trend

€ bn



Assets under Administration/Management

€ mn

	31/03/16	31/12/15	Change	31/03/15	Change
Mutual Funds & U-L Policies	39,143.1	39,820.7	-2%	39,052.0	+0%
'Freedom' Life Policies	437.6	503.1	-13%	908.6	-52%
Other Life Insurance products	1,655.9	1,730.9	-4%	2,038.3	-19%
Banking*	17,086.3	15,979.4	+7%	14,941.7	+14%
Italy – Banca Mediolanum	**58,322.8**	**58,034.2**	**+0%**	**56,940.6**	**+2%**
Italy – Banca Esperia (Mediolanum's share)	**8,547.6**	**8,595.6**	**-1%**	**8,979.0**	**-5%**
Mutual Funds & U-L Policies	2,020.2	1,984.9	+2%	1,708.1	+18%
Other Insurance Products	216.7	238.1	-9%	367.5	-41%
Banking*	1,246.0	1,323.1	-6%	1,224.7	+2%
Spain – Banco Mediolanum	**3,482.9**	**3,546.0**	**-2%**	**3,300.3**	**+6%**
Mutual Funds & U-L Policies	378.7	386.3	-2%	403.6	-6%
Other Insurance Products	25.5	26.5	-4%	39.6	-36%
Banking	96.2	92.9	+4%	80.6	+19%
Germany – B. A. Lenz & Gamax	**500.5**	**505.8**	**-1%**	**523.7**	**-4%**
TOTAL AUA/AUM	**70,853.9**	**70,681.6**	**+0%**	**69,743.6**	**+2%**

* Retail only

Capital Adequacy

€ mn – as at 31/03/2016 – preliminary data

	Q116	FY15
Total Regulatory Capital Held*	**1,871**	**1,484**
Total Required Capital	**1,465**	**1,159**
o/w Required Capital – Banks**	919	920
o/w Solvency Capital Requirements – Insurance companies*	546	239
EXCESS CAPITAL	**406**	**325**

GROUP CAPITAL RATIOS		
Total Capital Ratio	19.8%	19.7%
Common Equity Tier 1 Ratio	19.7%	19.7%

* Q116 reconciliation reserve (part of total regulatory capital held) & solvency capital requirements are calculated according to the Solvency II framework as at 31/12/2015

** Banks' required capital amounts to 13.1% (minimum total capital ratio as per SREP) of consolidated RWA (€ 7,602 mn as at 31/03/2016), excluding stakes in insurance companies

Q1 2016 Domestic Market Results

Income Statement

€ mn

	Q116	Q115	Change
Entry fees	14.3	24.9	-43%
Management fees	189.5	186.1	+2%
Performance fees	47.6	123.3	-61%
Banking service fees	15.7	17.5	-11%
Other fees	7.7	9.2	-16%
Total commission income	**274.7**	**361.0**	**-24%**
Net interest income	56.9	56.1	+1%
Net income on investments at fair value	(10.6)	(3.7)	+187%
Net financial income	**46.3**	**52.4**	**-12%**
Insurance revenues ex U-L commissions	**5.3**	**11.8**	**-55%**
Equity contribution (Mediobanca & Banca Esperia)	0.6	(0.9)	n.s.
Net income on other investments	(3.2)	(2.8)	+12%
o/w Impairment on loans	*(3.8)*	*(5.1)*	*-25%*
Other revenues	5.1	5.7	-11%
Total Revenues	**328.8**	**427.1**	**-23%**
Acquisition costs	(101.8)	(114.4)	-11%
Other commission expenses	(8.7)	(12.6)	-31%
G&A expenses	(109.1)	(107.6)	+1%
Amortisation & depreciation	(6.7)	(5.2)	+28%
Provisions for risks & charges	(12.2)	(13.5)	-9%
Total Costs	**(238.4)**	**(253.3)**	**-6%**
PROFIT BEFORE TAX	**90.4**	**173.8**	**-48%**
Income tax	(19.2)	(37.2)	-48%
NET INCOME	**71.1**	**136.6**	**-48%**

Income Statement by Quarter

€ mn

	Q115	Q215	Q315	Q415	Q116
Entry fees	24.9	27.5	18.1	17.3	14.3
Management fees	186.1	198.3	196.1	192.9	189.5
Performance fees	123.3	24.3	18.6	140.0	47.6
Banking service fees	17.5	16.5	17.2	16.0	15.7
Other fees	9.2	10.1	7.7	8.4	7.7
Total commission income	**361.0**	**276.5**	**257.8**	**374.6**	**274.7**
Net interest income	56.1	58.6	57.9	59.7	56.9
Net income on investments at fair value	(3.7)	3.6	(2.2)	0.7	(10.6)
Net financial income	**52.4**	**62.2**	**55.7**	**60.4**	**46.3**
Insurance revenues ex U-L commissions	**11.8**	**7.6**	**3.9**	**4.9**	**5.3**
Equity contribution (Mediobanca & Banca Esperia)	(0.9)	7.7	12.3	3.1	0.6
Net income on other investments	(2.8)	(1.8)	(0.4)	(3.2)	(3.2)
o/w Impairment on loans	*(5.1)*	*(0.9)*	*(2.7)*	*(3.9)*	*(3.8)*
Other revenues	5.7	5.7	6.8	6.1	5.1
Total Revenues	**427.1**	**357.9**	**336.1**	**446.0**	**328.8**
Acquisition costs	(114.4)	(121.7)	(108.6)	(116.8)	(101.8)
Other commission expenses	(12.6)	(9.6)	(9.1)	(8.8)	(8.7)
G&A expenses	(107.6)	(110.9)	(99.4)	(133.2)	(109.1)
Amortisation & depreciation	(5.2)	(5.9)	(5.8)	(7.3)	(6.7)
Provisions for risks & charges	(13.5)	(8.7)	(12.5)	(9.4)	(12.2)
Total Costs	**(253.3)**	**(256.8)**	**(235.5)**	**(275.4)**	**(238.4)**
PROFIT BEFORE TAX	**173.8**	**101.1**	**100.6**	**170.5**	**90.4**
Income tax	(37.2)	(14.9)	(17.5)	(50.9)	(19.2)
NET INCOME	**136.6**	**86.2**	**83.1**	**119.6**	**71.1**

Acquisition Costs in detail

€ mn

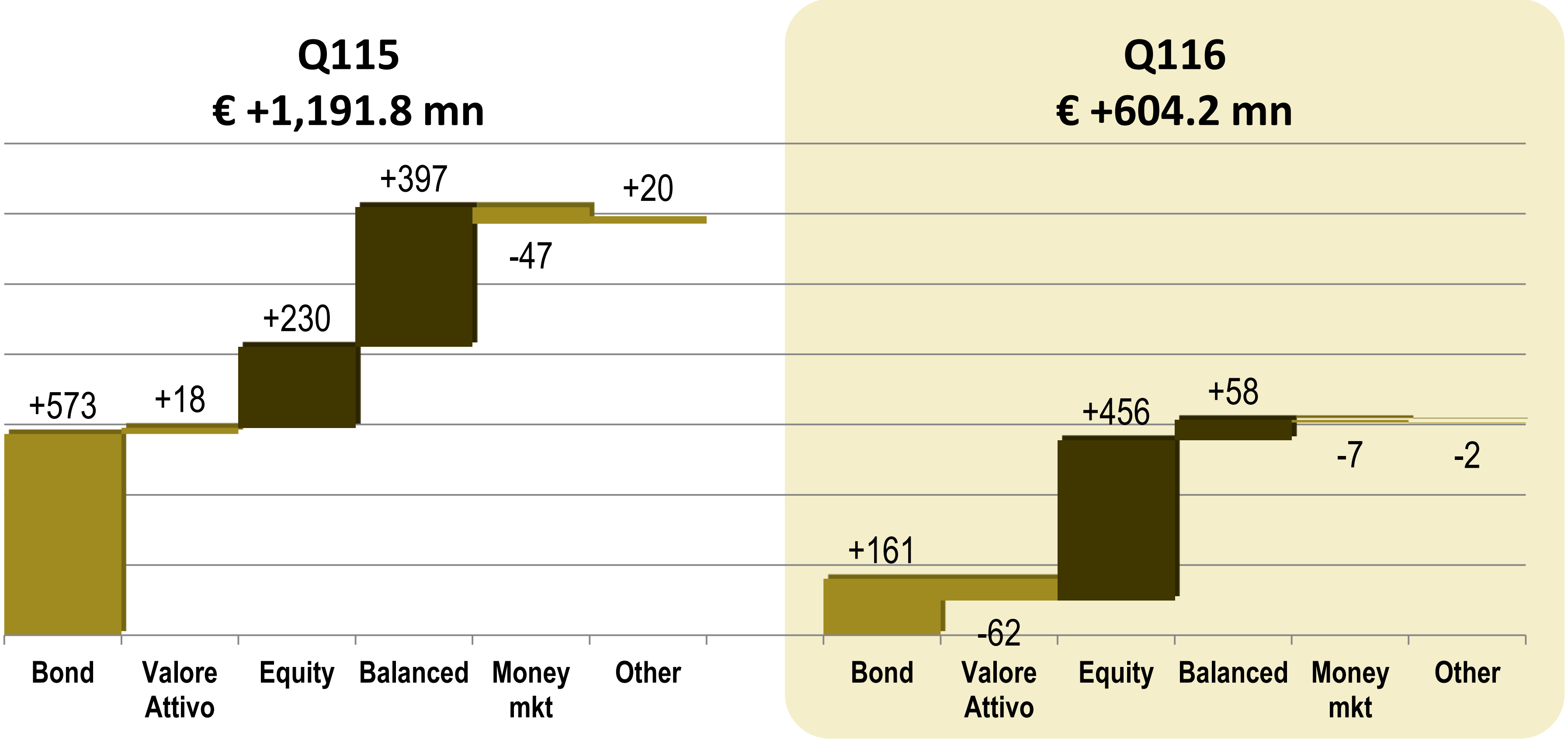
	Q116	Q115	Change
One-time commissions	18.4	27.4	-33%
Ongoing commissions	63.7	61.7	+3%
Total commissions	**82.0**	**89.1**	**-8%**
Incentives on individual net inflows	7.1	6.8	+4%
Contests & bonuses	2.3	3.1	-26%
Reimbursement of costs for customer events	3.3	4.9	-33%
Total incentives & bonuses	**12.7**	**14.8**	**-14%**
Costs related to the agency agreement	**7.0**	**10.5**	**-33%**
TOTAL ACQUISITION COSTS	**101.8**	**114.4**	**-11%**

Total Net Inflows

€ mn

	Q116	Q115	Change
directly into Mutual Funds	+391.1	+654.0	-40%
through 'MyLife' U-L policy	+145.5	+602.7	-76%
through other U-L policies	+67.6	-64.9	n.s.
Mutual Funds Inflows	**+604.2**	**+1,191.8**	**-49%**
Other Life Insurance policies	-93.3	-150.8	-38%
Managed Assets Inflows	**+510.9**	**+1,041.0**	**-51%**
3rd-party Structured Bonds	-42.3	-38.1	+11%
Managed Assets incl. Structured Bonds	**+468.6**	**+1,002.9**	**-53%**
Cash deposits	+1,186.1	+169.0	n.s.
Repurchase agreements	+30.2	+30.1	+1%
Mediolanum bonds	-14.0	-9.2	+53%
Other securities under custody	+117.2	-86.5	n.s.
Administered Assets Inflows	**+1,319.5**	**+103.4**	**n.s.**
'Freedom' Life Policies (change in assets)	-65.5	-65.7	-0%
Administered Assets incl. 'Freedom' accts.	**+1,254.0**	**+37.7**	**n.s.**
BANCA MEDIOLANUM	**+1,722.6**	**+1,040.6**	**+66%**
BANCA ESPERIA (Mediolanum's share)	**+34.6**	**-37.0**	**n.s.**
TOTAL NET INFLOWS	**+1,757.2**	**+1,003.5**	**+75%**

Mutual Funds
Net Inflows by Category
€ bn – including Unit-Linked policies



Mutual Funds
Net Inflows by Product
€ mn

	Q116	Q115	Change
’Best Brands’ funds of funds (IRL)	+309.2	+415.1	-26%
’Challenge’ mutual funds (IRL)	+17.8	-12.2	n.s.
’Fondi Italia’ mutual funds (ITA)	+16.6	+165.1	-90%
3rd-party stand-alone funds	+49.5	+95.2	-48%
Other	-2.0	-9.1	-77%
DIRECT NET INFLOWS INTO MUTUAL FUNDS	**+391.1**	**+654.0**	**-40%**
’MyLife’ U-L policy	+145.5	+602.7	-76%
Other U-L policies	+67.6	-64.9	n.s.
TOTAL NET INFLOWS INTO MUTUAL FUNDS	**+604.2**	**+1,191.8**	**-49%**

Mutual Funds

Gross Inflows by Product

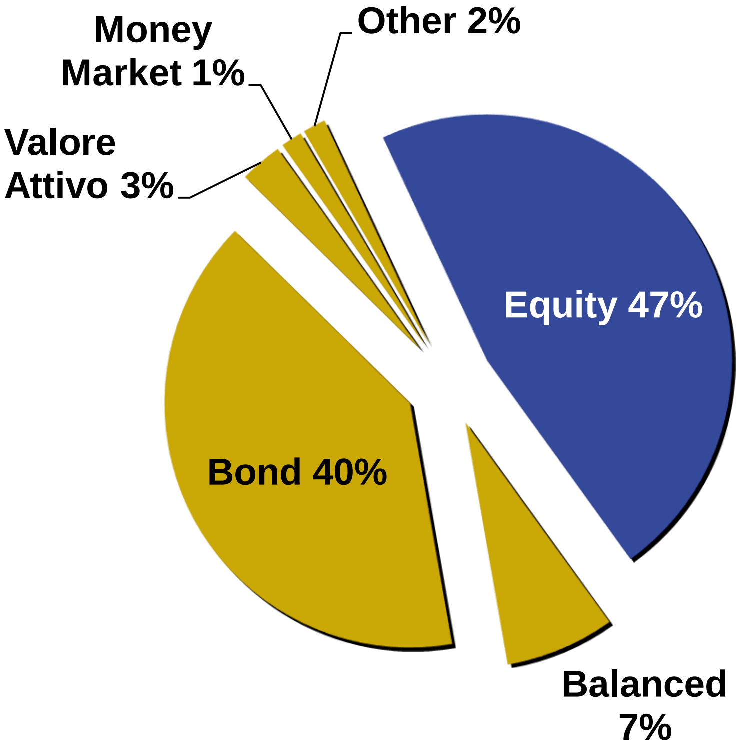
€ mn

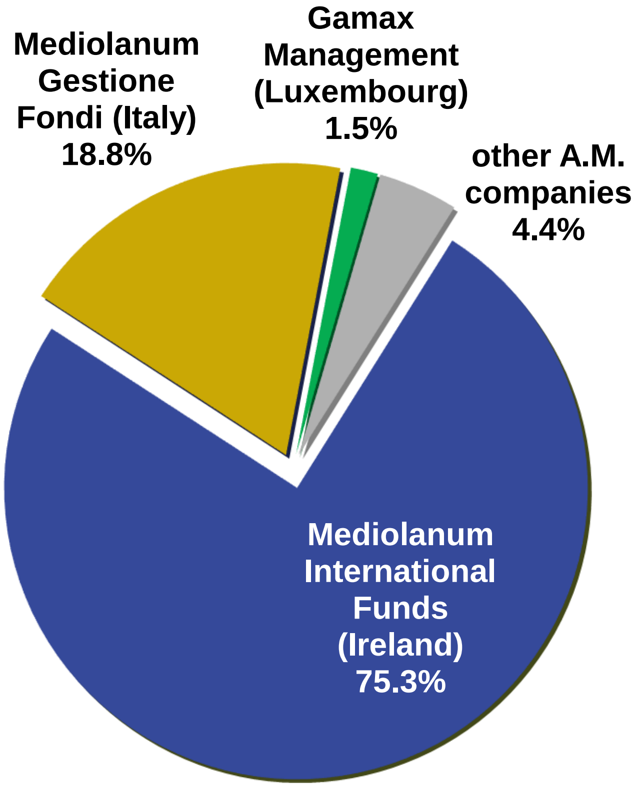
	Q116	Q115	Change
'Best Brands' funds of funds (IRL)	753.9	1,586.4	-52%
'Challenge' mutual funds (IRL)	137.3	252.0	-46%
'Fondi Italia' mutual funds (ITA)	277.2	583.8	-53%
3rd-party stand-alone funds	69.4	114.5	-39%
Other	7.6	38.8	-80%
DIRECT GROSS INFLOWS INTO MUTUAL FUNDS	**1,245.3**	**2,575.6**	**-52%**
'MyLife' U-L policy	217.6	619.5	-65%
Other U-L policies	287.0	255.0	+13%
TOTAL GROSS INFLOWS INTO MUTUAL FUNDS	**1,749.9**	**3,450.1**	**-49%**

Mutual Funds

Assets* by category and A.M. company

as at 31/03/2016 – including U-L assets



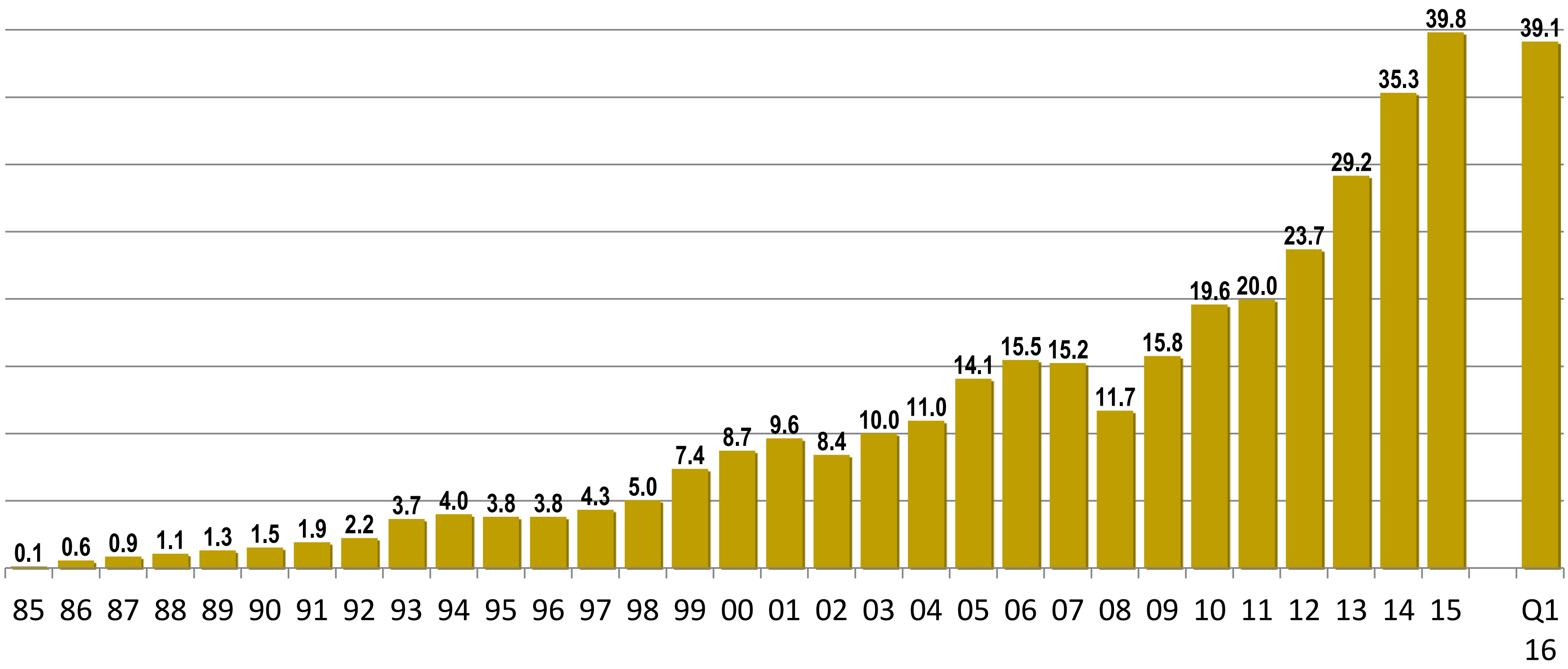


*Flexible funds are classified according to their equivalent risk level

Mutual Funds

AUM Trend

€ bn – including U-L assets



Mutual Funds
Assets under Management
€ mn

	31/03/16	31/12/15	Change	31/03/15	Change
'Best Brands' funds of funds (IRL)	16,257.8	16,403.4	-1%	15,375.2	+6%
'Portfolio' funds of funds (IRL)	365.0	383.8	-5%	442.9	-18%
'Challenge' mutual funds (IRL)	12,893.6	13,369.0	-4%	14,278.6	-10%
Funds of Hedge Funds (IRL)	111.6	121.9	-8%	162.8	-31%
'Fondi Italia' mutual funds (ITA)	6,887.9	7,003.8	-2%	6,878.5	+0%
'Real estate' fund (ITA)	310.5	315.0	-1%	412.7	-25%
3rd-party stand-alone funds	678.4	611.5	+11%	272.0	+149%
Other	787.4	792.8	-1%	833.7	-6%
Adj. for own mutual funds in FoFs & Managed accts.	*(437.8)*	*(458.0)*	*-4%*	*(530.8)*	*-18%*
'MyLife' U-L policy	3,475.6	3,434.9	+1%	2,260.3	+54%
Other U-L policies	11,199.6	11,612.2	-4%	12,397.0	-10%
Adj. for own mutual funds in U-L policies	*(13,386.5)*	*(13,769.7)*	*-3%*	*(13,731.0)*	*-3%*
ASSETS IN MUTUAL FUNDS & U-L	**39,143.1**	**39,820.7**	**-2%**	**39,052.0**	**+0%**

Banking
Revenues
€ mn

	Q116	Q115	Change
Securities trading fees	3.1	5.3	-40%
o/w 3rd-party structured bonds	*1.1*	*2.6*	*-59%*
Service fees	12.5	12.2	+2%
Fee income	**15.7**	**17.5**	**-11%**
Net Interest Income	53.8	52.9	+2%
Net income on investments at fair value	(11.5)	(6.9)	+67%
o/w unrealised	*(8.4)*	*(6.3)*	*+34%*
Net financial income	**42.4**	**46.0**	**-8%**
Net income on other investments	**(2.5)**	**(4.6)**	**-46%**
Other fees & Other revenues	**2.1**	**2.3**	**-10%**
BANKING REVENUES	**57.6**	**61.2**	**-6%**

Banking
Interest Spread

	Q116	FY15
Total Cost of Funding	**0.53%**	**0.66%**
Retail Cost of Funding	0.84%	1.09%
Total Interest Income	**1.48%**	**1.59%**
Retail Interest Income	2.55%	2.75%
TOTAL SPREAD	**0.95%**	**0.92%**
Spread on Retail	1.70%	1.66%

Banking
Credit Quality
€ mn – as at 31/03/2016

	31/03/16	31/12/15	Change	31/03/15	Change
Mortgages	4,838	4,757	+2%	4,288	+13%
Personal & Commercial Loans	1,144	1,127	+2%	911	+26%
Lines of credit	417	418	-0%	406	+3%
Total Loans	**6,399**	**6,302**	**+2%**	**5,605**	**+14%**

% on total loans	B.Mediolanum	Italian Banks*
Gross non-performing loans	1.44%	17.0% as at 31/12/2015
Net non-performing loans	0.77%	10.9% as at 30/06/2015 last available update

*** Source: Bank of Italy – Statistical Bulletin I 2016 & Financial Stability Report No. 2 2015**

Banking
Mortgage Update
€ mn

	Q116	FY15	Q115
Mortgage Portfolio			
Total Value	4,838	4,757	4,288
Average rate	2.27%	2.49%	2.64%
Average residual LTV	58%	58%	57%
New Business			
Total amount granted	217	1,001	210
Average rate	1.73%	2.07%	2.33%
Average amount granted	143	143	143
Average initial LTV	62%	62%	62%

Banking
Assets under Administration

€ mn

	31/03/16	31/12/15	Change	31/03/15	Change
Cash Deposits	14,040.9	12,854.8	+9%	11,548.8	+22%
Repurchase agreements	30.2	0	n.s.	30.4	-1%
Mediolanum bonds	140.5	154.7	-9%	263.8	-47%
3rd-party structured bonds	816.1	885.4	-8%	1,052.2	-22%
Other securities under custody	2,058.6	2,084.6	-1%	2,046.5	+1%
BANKING ADMINISTERED ASSETS	**17,086.3**	**15,979.4**	**+7%**	**14,941.7**	**+14%**

Balance Sheet Highlights

€ mn – as at 31/03/2016

	Liabilities	Assets
Retail	**14,280**	**6,399**
Treasury	**7,948**	**15,734**
o/w interbank / intra-group deposits & repos	1,368	965
o/w ECB refinancing	0	0
o/w MTS refinancing	6,580	6,777
o/w securities (bonds)		7,992
Other liabilities / assets	**2,911**	**3,005**
TOTAL	**25,139**	**25,139**

Operating Liquidity (24hr) : € 9,726 mn

Mediolanum Group
Bond Portfolio
€ mn – as at 31/03/2016

	Mediolanum Group		Banca Mediolanum		Mediolanum Vita	
	Book value	AD	Book Value	AD	Book Value	AD
Italian Govies	**16,755**	**0.9**	15,497	0.7	1,096	3.5
Italian Financials	**646**	**2.5**	401	1.3	237	4.4
Spanish Govies	**803**	**1.7**	717	1.9	86	0.9
Spanish Financials	**7**	**5.7**	0		5	7.0
Core Europe Govies*	**-401**	**2.0**	-426	1.9	0	
Greek Govies	**0**		0		0	
Portuguese, Irish Govies	**0**		0		0	
Other Financials	**111**	**1.7**	53	0.9	58	2.5
Other Corporate	**44**	**3.7**	10	0.8	33	4.7
Other ABS	**5**	**1.7**	5	1.7	0	
TOTAL	**17,970**	**1.0**	**16,257**	**0.7**	**1,515**	**3.5**

AD = average duration weighted by absolute nominal value

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

Mediolanum Group

Focus on Financial Bonds*

€ mn – as at 31/03/2016

	TOTAL	Covered	Senior	Subordinated	Other	*Avg Length to Maturity*
INTESA SANPAOLO	**206.3**	15.0	175.4	15.9	-	***2.6***
UNICREDIT	**145.6**	10.0	121.1	14.5	-	***2.2***
BANCO POPOLARE	**76.0**	2.5	73.5	-	-	***2.4***
MONTE DEI PASCHI SIENA	**75.0**	65.0	10.0	-	-	***2.3***
MEDIO CREDITO CENTRALE	**37.1**		37.1	-	-	***5.9***
UBI BANCA	**29.4**	13.0	12.0	-	4.4	***2.6***
CREDIT SUISSE	**20.0**		20.0	-	-	***2.1***
HSBC FRANCE	**16.0**		16.0	-	-	***3.7***
DEXIA	**15.0**		12.0	-	3.0	***6.1***
BANCA IMI	**14.2**		14.2	-	-	***2.6***
ROYAL BANK OF SCOTLAND	**13.8**		13.8	-	-	***4.3***

* Most significant long positions (> € 10 mn)

Insurance
Revenues
€ mn

	Q116	Q115	Change
Premiums less Amounts paid & change in reserves	**5.3**	**11.8**	**-55%**
Commission income	**95.6**	**132.2**	**-28%**
Net Interest Income	3.1	3.1	-2%
Net income on investments at fair value	0.9	3.2	-73%
o/w unrealised	*0.8*	*1.9*	*-58%*
Net financial income	**3.9**	**6.3**	**-38%**
Net income on other investments	**(0.8)**	**1.8**	**n.s.**
Other revenues	**3.0**	**3.3**	**-11%**
INSURANCE REVENUES	**107.0**	**155.5**	**-31%**

Insurance

Life – Policyholders' Assets

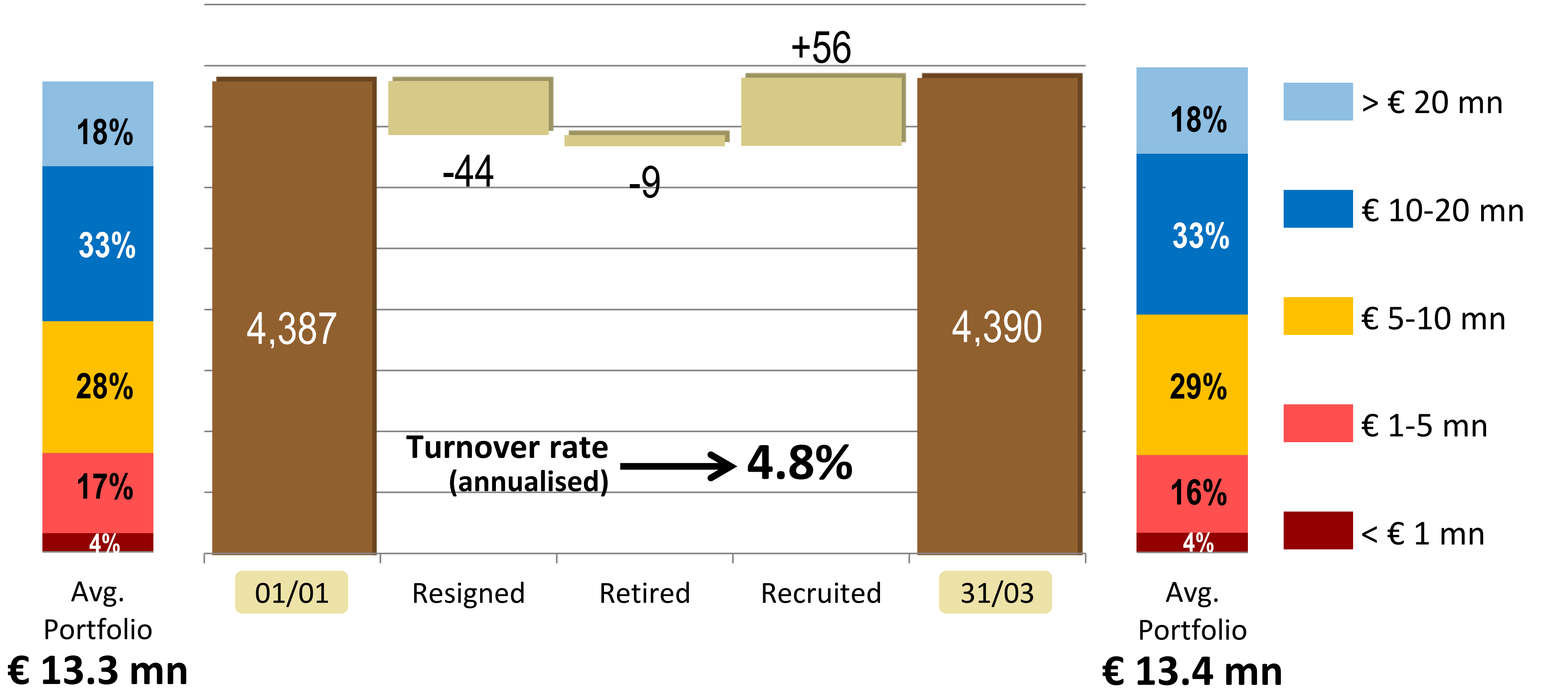
€ mn

	31/03/16	31/12/15	Change	31/03/15	Change
Traditional	**1,315.7**	**1,326.0**	**-1%**	**1,269.5**	**+4%**
Index-linked	**340.2**	**404.9**	**-16%**	**768.8**	**-56%**
Unit-linked pension plans	5,265.1	5,427.0	-3%	5,584.2	-6%
Unit-linked endowment policies	3,648.6	3,829.8	-5%	4,195.5	-13%
Unit-linked investment policies	5,761.6	5,790.3	-0%	4,877.6	+18%
Unit-linked	**14,675.3**	**15,047.1**	**-2%**	**14,657.3**	**+0%**
o/w equity	*60.8%*	*63.5%*	*-4%*	*67.9%*	*-10%*
LIFE ASSETS (EX-'FREEDOM')	**16,331.1**	**16,778.0**	**-3%**	**16,695.6**	**-2%**
'Freedom' Life policies	**437.6**	**503.1**	**-13%**	**908.6**	**-52%**

Banca Mediolanum

Family Banker® Network

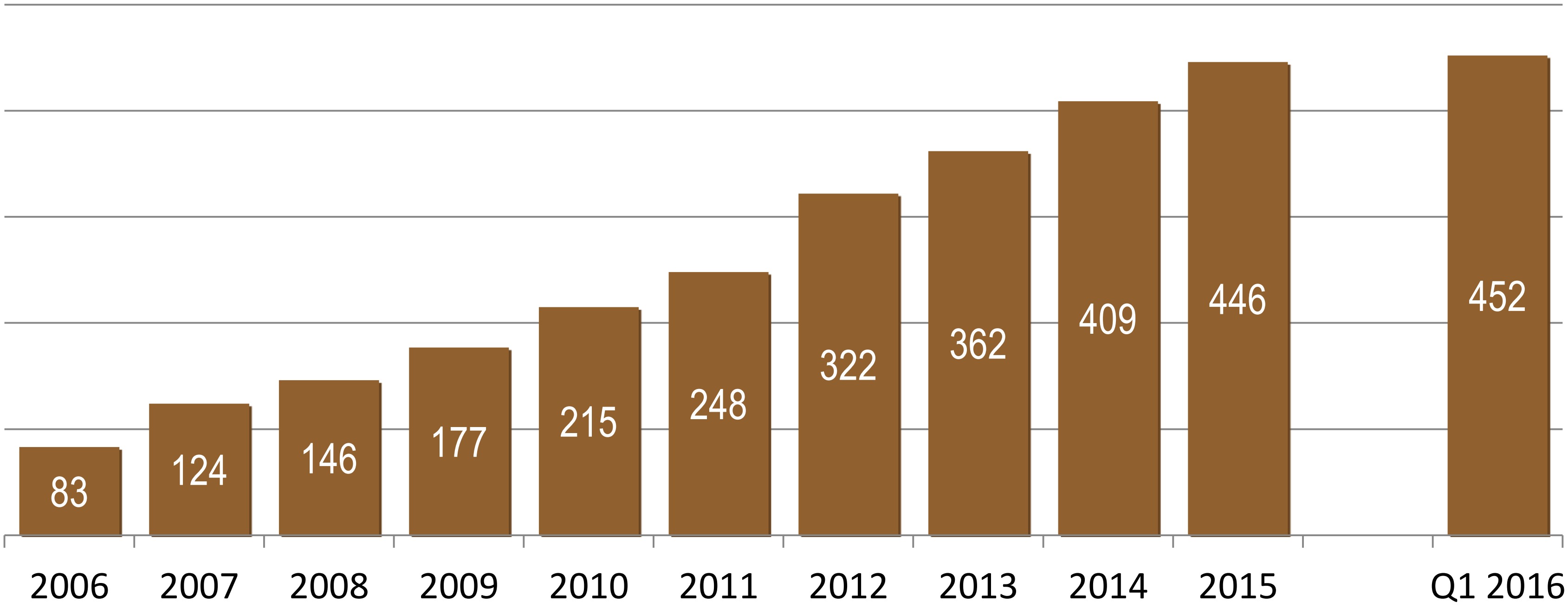
Change in headcount and split by average portfolio – Year 2016



Banca Mediolanum

Focus on 'Private Bankers'*

as at 31/03/2016



Average assets in portfolio: € 31.4 mn

o/w managed assets: € 22.3 mn

* 'Private Bankers' are a subset of Family Bankers who mainly deal with affluent & HNW customers

Banca Esperia (100%)
Highlights
€ mn

	Q116	Q115	Change	vs.FY15
Statutory Net Income	1.2	4.8	-75%	
Equity contribution in Mediolanum's P&L*	0.6	(0.9)	n.s.	
Assets under Administration/Management	17,095	17,958	-5%	-1%
% in Managed Assets	*51.5%*	*49.7%*	*+4%*	*+0%*
Net Inflows	+69	-74	n.s.	
o/w Managed Assets Inflows	*+72*	*+21*	*+246%*	
Private Bankers	90	88	+2%	+1%
Clients	4,910	4,592	+7%	+15%

*reflects adjustments to Esperia's financial statements made after the closing of BMED's accounts.

Q1 2016 Foreign Markets Results

Spain
Highlights
€ mn

	Q116	Q115	Change	vs.FY15
Net Income excluding non-recurring items	5.4	9.7	-44%	
Net impact of settlement of past (inherited) litigation		(7.8)	n.s.	
Net Income	**5.4**	**1.9**	**+189%**	
Managed Assets	2,236.9	2,075.6	+8%	+1%
Administered Assets	1,246.0	1,224.7	+2%	-6%
Total Assets	**3,482.9**	**3,300.3**	**+6%**	**-2%**
Gross Inflows into Managed Assets	**229.2**	**193.4**	**+18%**	
Net Inflows into Managed Assets	+114.7	+55.6	+106%	
Net Inflows into Administered Assets	-64.9	+92.1	n.s.	
Total Net Inflows	**+49.8**	**+147.7**	**-66%**	
Family Bankers (Mediolanum model)	760	713	+7%	+1%
Traditional agents	34	36	-6%	-0%
Total Sales Network	**794**	**749**	**+6%**	**+1%**
Total Customers	**104,822**	**98,499**	**+6%**	**+1%**

Germany – Total
Highlights
€ mn

	Q116	Q115	Change	vs.FY15
Net Income	**(3.3)**	**(1.1)**	**+198%**	
Managed Assets	404.2	443.1	-9%	-2%
Administered Assets	96.2	80.6	+19%	+4%
Total Assets	**500.5**	**523.7**	**-4%**	**-1%**
Gross Inflows into Managed Assets	**16.4**	**14.2**	**+15%**	
Net Inflows into Managed Assets	+8.4	-6.1	n.s.	
Net Inflows into Administered Assets	+3.5	+1.5	+133%	
Total Net Inflows	**+11.9**	**-4.6**	**n.s.**	
Total Sales Network	**61**	**56**	**+9%**	**+27%**
Total Customers	**4,940**	**4,452**	**+11%**	**+4%**

Germany – Bankhaus August Lenz

Highlights

€ mn

	Q116	Q115	Change	vs.FY15
Net Income	**(3.6)**	**(2.9)**	**+25%**	
Managed Assets	221.5	212.7	+4%	+3%
Administered Assets	96.2	80.6	+19%	+4%
Total Assets	**317.7**	**293.3**	**+8%**	**+3%**
Gross Inflows into Managed Assets	**15.2**	**11.1**	**+37%**	
Net Inflows into Managed Assets	+11.6	+5.2	+122%	
Net Inflows into Administered Assets	+3.5	+1.5	+133%	
Total Net Inflows	**+15.1**	**+6.7**	**+124%**	
Total Sales Network	**61**	**56**	**+9%**	**+27%**
Total Customers	**4,940**	**4,452**	**+11%**	**+4%**

Germany – Gamax
Highlights
€ mn

	Q116	Q115	Change	vs.FY15
Net Income	0.3	1.8	-83%	
Assets under Management	182.7	230.4	-21%	-7%
Gross Inflows	1.2	3.1	-63%	
Net Inflows	-3.2	-11.3	-72%	

Business Update

Banca Mediolanum

March 2016 Net Inflows

€ mn

	Mar '16	YTD '16	YTD '15
directly into Mutual Funds	+166	+391	+654
through 'MyLife' U-L policy	+51	+145	+603
through other U-L policies	+29	+68	-65
Mutual Funds Inflows	**+246**	**+604**	**+1,192**
Other Life insurance policies	-35	-93	-151
3rd-party Structured Bonds	-28	-42	-38
Managed Assets & similar inflows	**+183**	**+469**	**+1,003**
Administered Assets & similar inflows	**+390**	**+1,254**	**+38**
o/w 'Freedom' Life Policies (change in assets)	-26	-66	-66
BANCA MEDIOLANUM	**+573**	**+1,723**	**+1,041**

Customers acquired & Monthly Net Inflows

	Dec'15	vs. Dec'14	Jan'16	vs. Jan'15	Feb'16	vs. Feb'15	Mar'16	vs. Mar'15
Customers Acquired	**10,204**	+46%	**8,570**	+24%	**11,625**	+52%	**9,895**	+20%
Total Net Inflows	**982**	+68%	**502**	+79%	**648**	+68%	**573**	+53%

Italian Sales Networks Ranking by Net Inflows

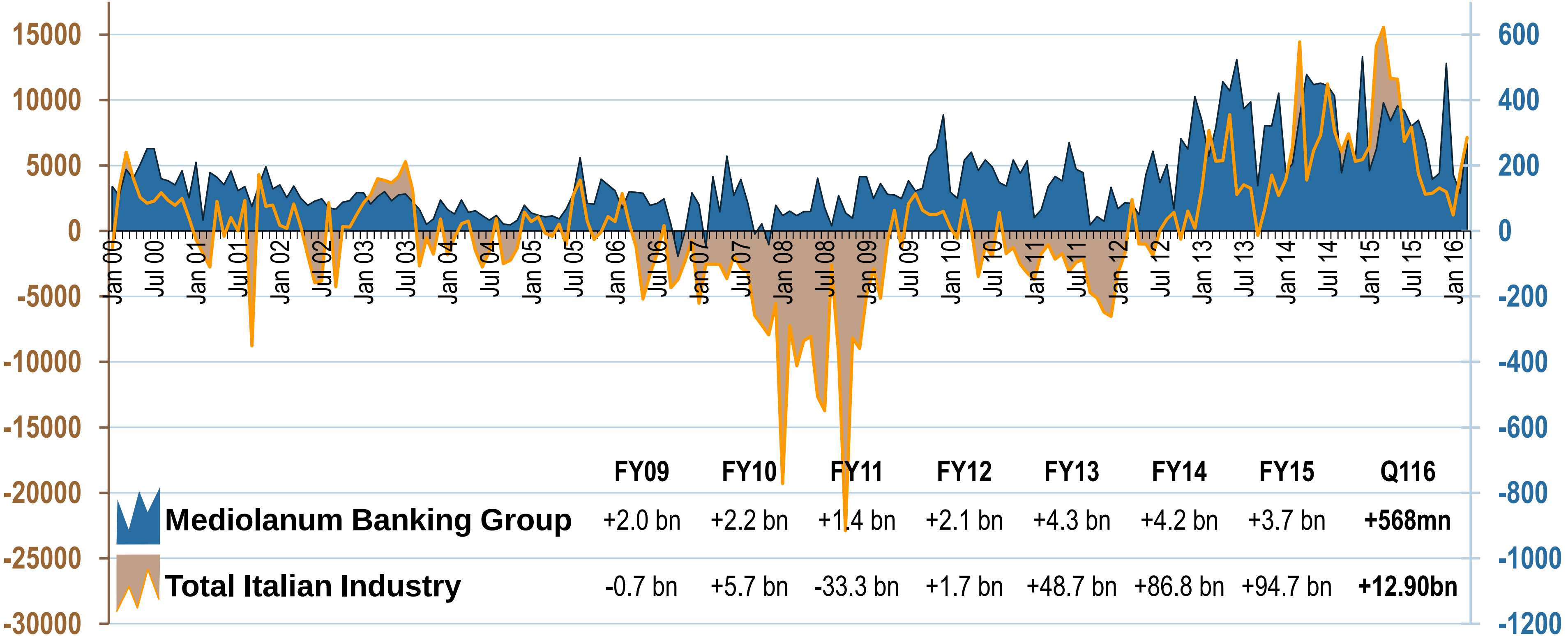
€ thousands - totals by Group

	Q1 2016	
	Total Net Inflows	o/w Managed Assets
Banca Fideuram (incl. Sanpaolo)	1.880.578	-323.078
Banca Mediolanum	**1.723.297**	**511.602**
Banca Generali	1.529.654	837.984
Finecobank	1.217.593	-42.211
Azimut	993.285	884.867
Allianz Bank	753.594	362.878
Deutsche Bank (Finanza & Futuro)	451.077	394.607
Credem	106.662	19.612
UBI (IW Bank)	106.602	62.747
Consultinvest	-9.220	-7.901
Monte dei Paschi di Siena (Widiba)	-21.774	-72.241
Veneto Banca	-22.680	-22.578
Banca Pop. Vicenza (Banca Nuova)	-65.195	-38.135

source: Assoreti

Net Inflows into Mutual Funds*

€ mn

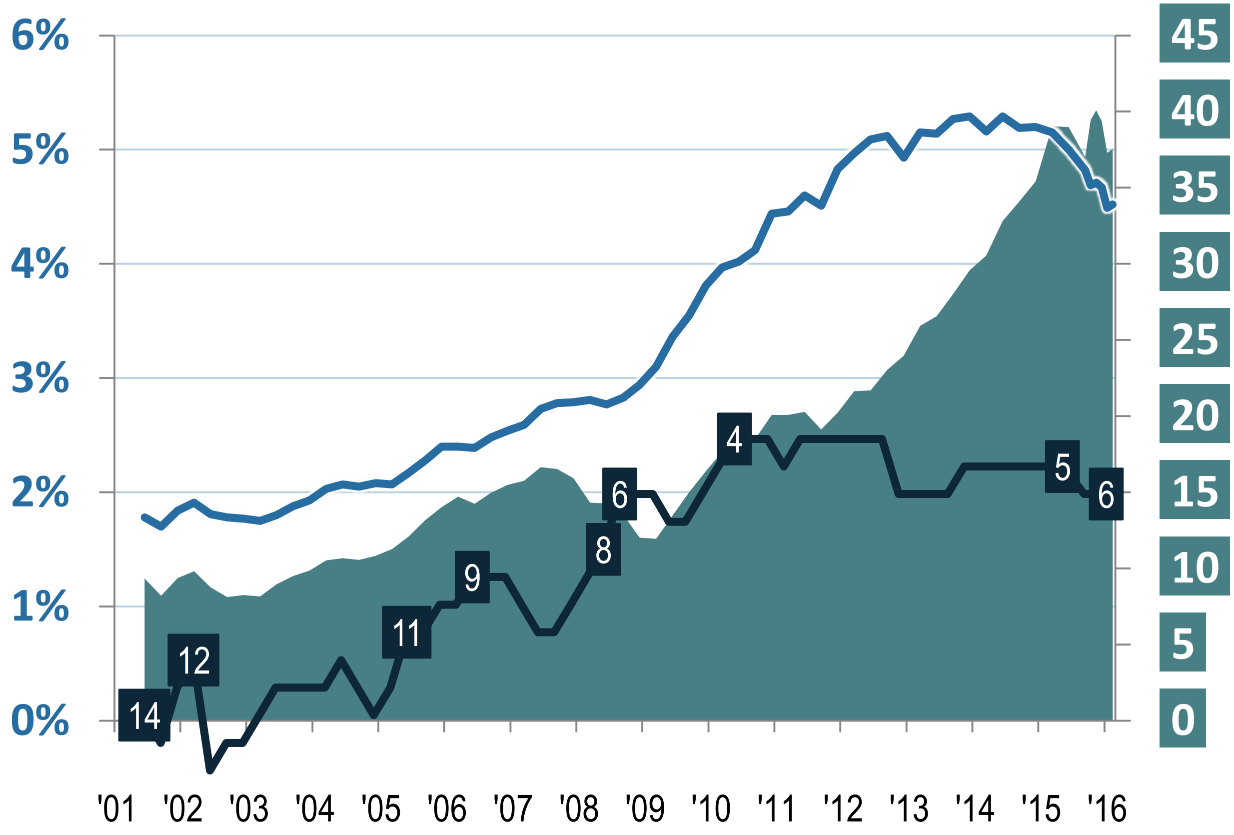


	FY09	FY10	FY11	FY12	FY13	FY14	FY15	Q116
Mediolanum Banking Group	+2.0 bn	+2.2 bn	+1.4 bn	+2.1 bn	+4.3 bn	+4.2 bn	+3.7 bn	**+568mn**
Total Italian Industry	-0.7 bn	+5.7 bn	-33.3 bn	+1.7 bn	+48.7 bn	+86.8 bn	+94.7 bn	**+12.90bn**

*including Managed Accounts & Unit-Linked policies

source: Assogestioni monthly reports; total figures integrated with quarterly reports

Mutual Funds AUM
Mediolanum's Market Share, Assets, Rank

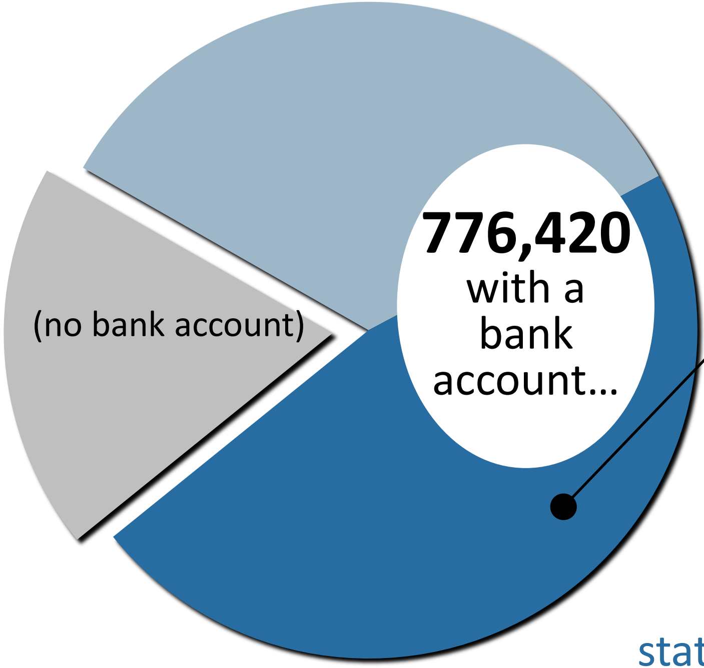


	March 2016	mkt share
	Intesa Sanpaolo	19.5%
	Pioneer	10.1%
	Generali	9.0%
	Blackrock	6.9%
	Anima	6.3%
6	**Mediolanum**	**4.6%**
	Azimut	3.5%
	UBI Banca	2.9%
	JP Morgan	2.9%
	Arca	2.8%
	Amundi	2.4%
	Invesco	2.3%
	F. Templeton	2.3%
	Deutsche A&W Mgmt.	2.1%
	Pictet	2.1%

source: Assogestioni monthly reports

Banca Mediolanum
Customer Behaviour
as at 31/03/2016

959,486 primary account holders:



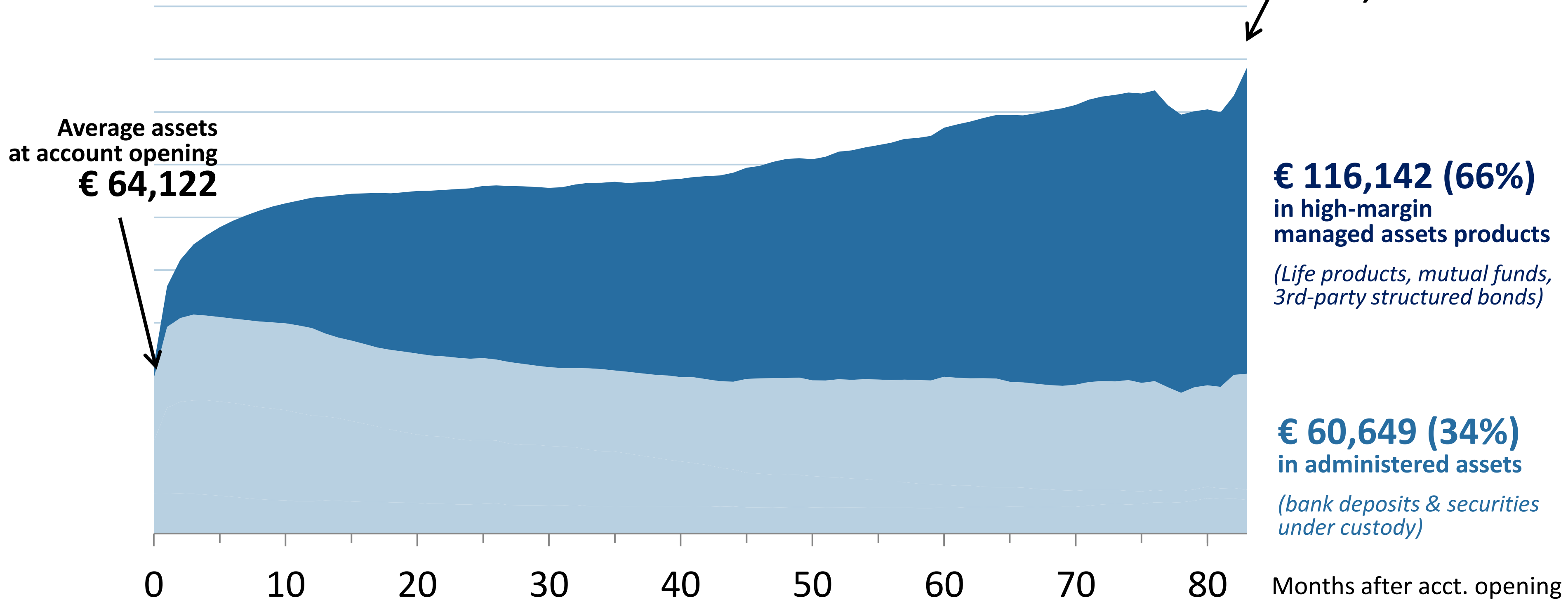
…58% of which
use Mediolanum as their primary banking institution

450,513 vs. 412,804 as at 31/03/2016

In a 2013 survey,
39% of Mediolanum customers with a bank account stated they don't have a relationship with any other bank

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

Per-capita asset growth of ‘Freedom’ account holders* (€11.7 bn in total assets as at 31/03/2016)



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

Banca Mediolanum

Focus on high-remuneration deposits

Deposits in € mn as at 31/03/2016 – rates offered as at 01/04/2016

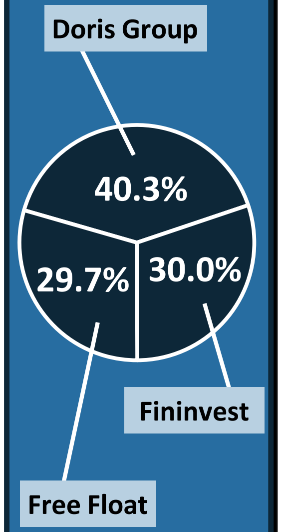
‘Freedom+’ balances above € 15,000 (current offer*: **0.70%**)	**4,370**
‘InMediolanum’ time deposits & lock-ins on current accounts (current offer*: **1.00%**)	**3,257**
Launched May 2011 as an aggressive move to acquire customers & assets. First product openable online by customer autonomously (27% of new customers).	
‘Double Chance’ accounts (current offer*: **0.75% to 3.75%** according to asset class & duration)	**586**
Temporary accounts with gradual automatic transfer of balance to a managed product. The benefit of dollar-cost averaging with a high yield on yet-to-be-invested assets.	
Total high-remuneration deposits	**8,212**
Low- or no-remuneration deposits	**5,828**
Includes ‘Freedom’ & ‘Freedom+’ assets below € 15,000 and all other current accounts	
TOTAL CASH DEPOSITS	**14,041**

* Actual impact on Net Interest Income depends upon average rates offered during the year

Mediolanum Facts

BMED Shareholders & Group Structure

as at 31/03/2016



BANKING

100%

- Banco Mediolanum
- Bankhaus August Lenz
- Mediolanum Fiduciaria

ASSET MANAGEMENT

100%
(direct & indirect ownership)

- Mediolanum Gestione Fondi — 100% Banca Mediolanum
- Mediolanum Int'l Funds — 92% Banca Mediolanum, 5% Banco Mediolanum, 3% Bankhaus A. Lenz
- Mediolanum Gestión S.A. — 100% Banco Mediolanum
- Gamax Management — 100% Banca Mediolanum

INSURANCE

100%

- Mediolanum Vita
- Mediolanum International Life
- Mediolanum Assicurazioni

OTHER

100% → Mediolanum Comunicazione

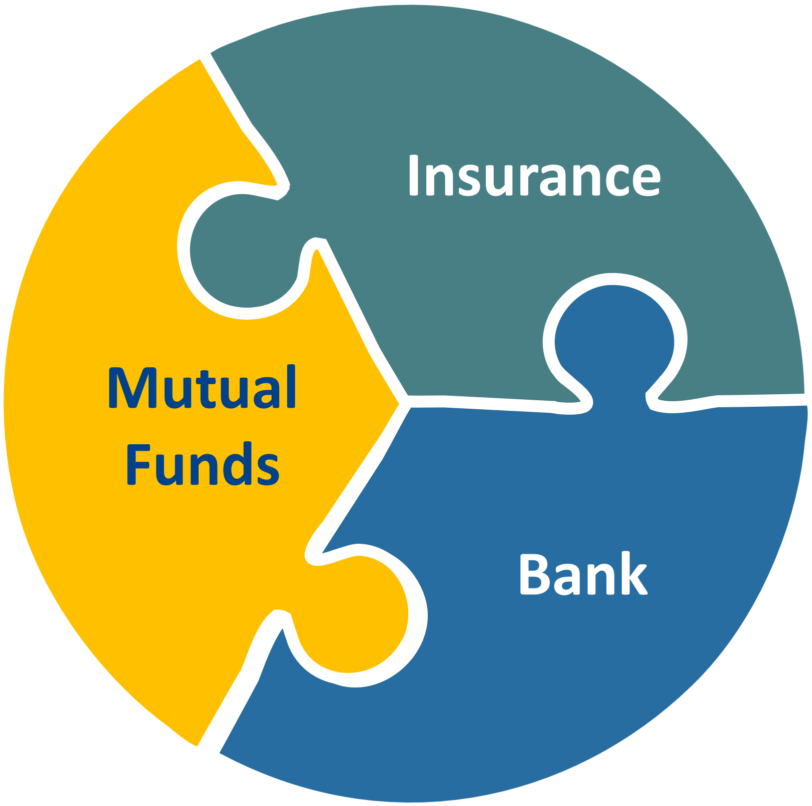
3.4% (directly & through Mediolanum Vita) → Mediobanca

50% → Banca Esperia ← 50% (Mediobanca)

All companies Italy-based unless otherwise indicated

Banca Mediolanum's Integrated Business Model

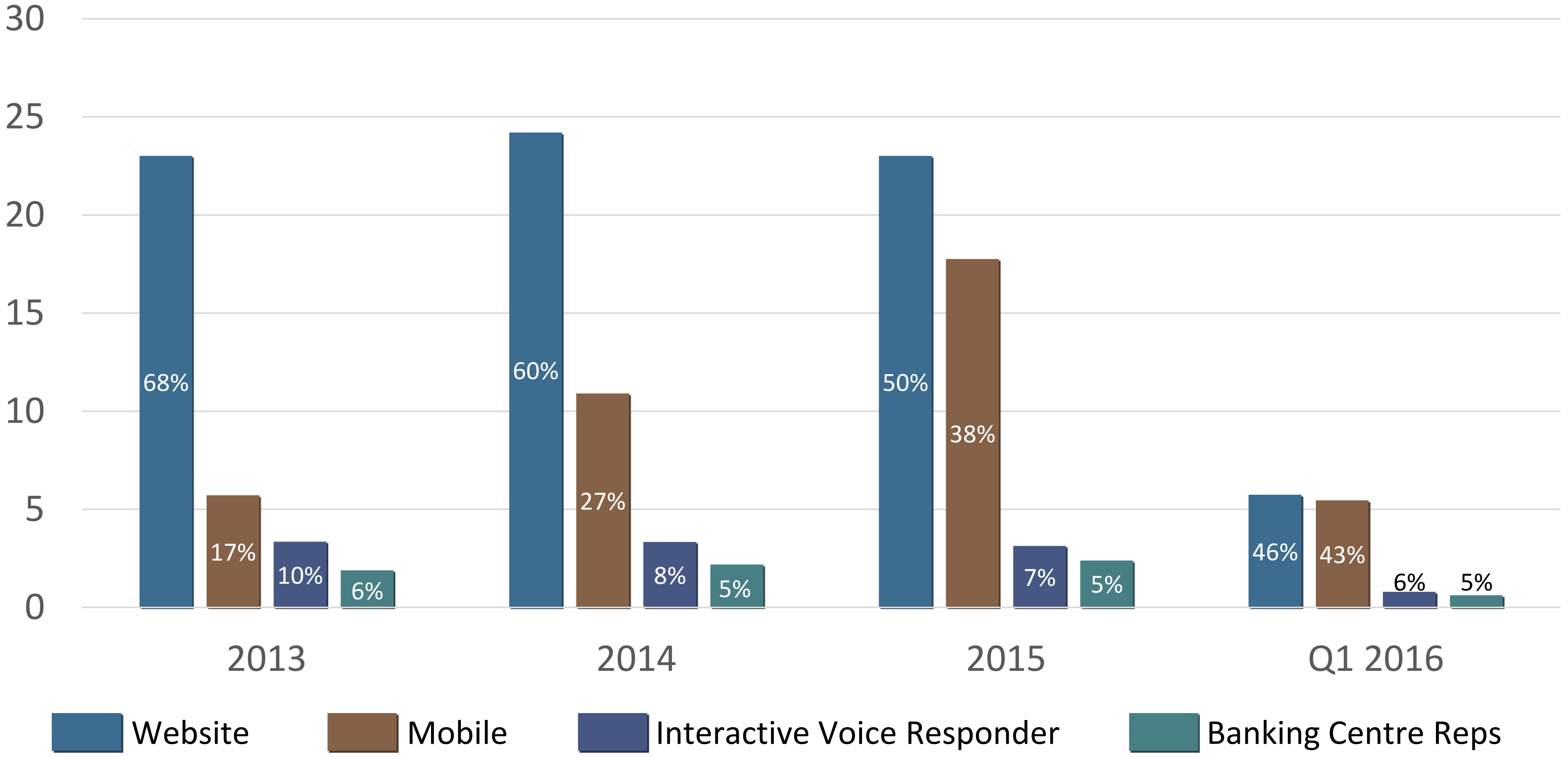
- We and our Family Bankers view the company as a single entity, providing solutions that best fit the needs of the customer, whether it be in the form of a mutual fund, an insurance policy or a bank product
- The Bank (est. 1997) has a special role as the place where customer savings are naturally built
- It is also where service quality is more readily appreciated & compared
- Therefore, it represents the mandatory point of entry for all new customers



Mediolanum's Multi-channel Banking Model

Direct Channel Access Trend

millions of accesses



Banca Mediolanum's model combines the advantages of traditional and direct banks

Family Bankers: the human touch

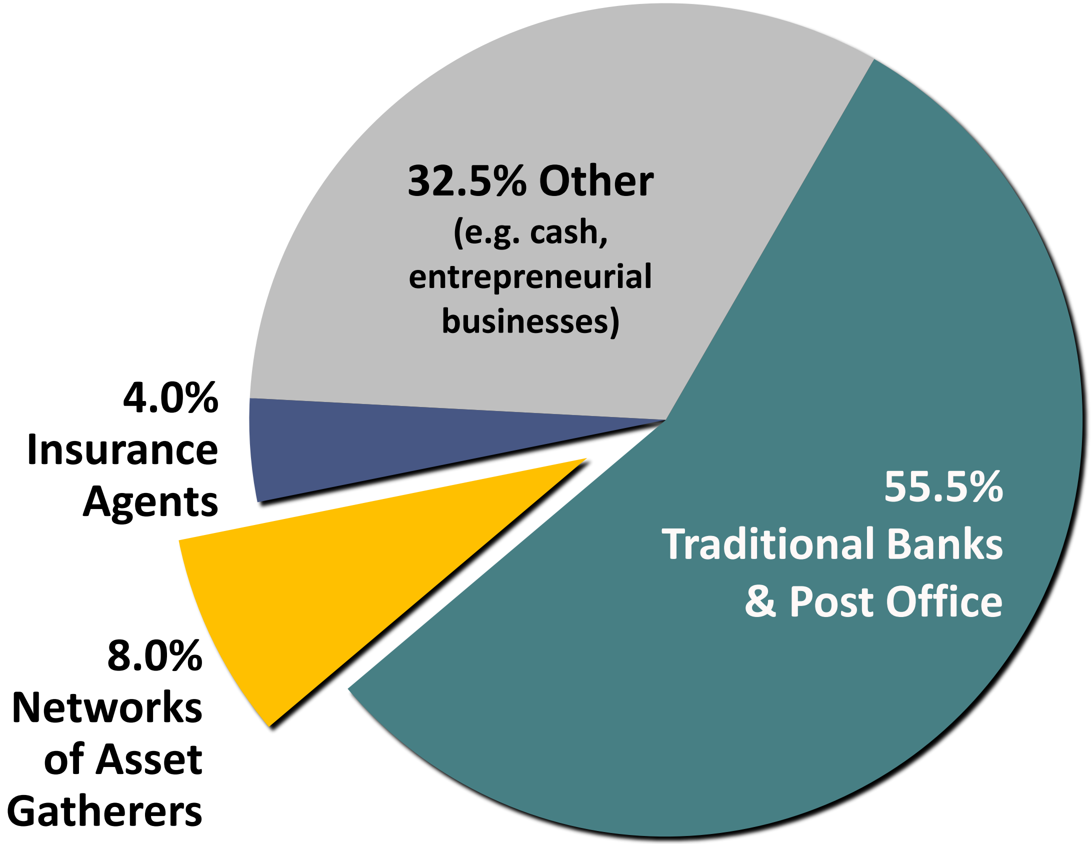
Self-employed tied agents with entrepreneurial approach	Willing to provide professional advice anytime, anywhere
Extensively trained to tackle every household financial need	Equally competent across all product lines
Share Mediolanum's view that banking services are an effective acquisition & retention tool	Unlike the typical FA, offer assistance also with everyday banking needs
Compensated even for operations performed by customers through direct channels	Synergy, not competition, between human and direct channels

Customers: freedom in banking

Top-quality and valuable direct banking services associated with a human relationship

Italian Household Financial Assets

as at 31/12/2014 – real estate not included



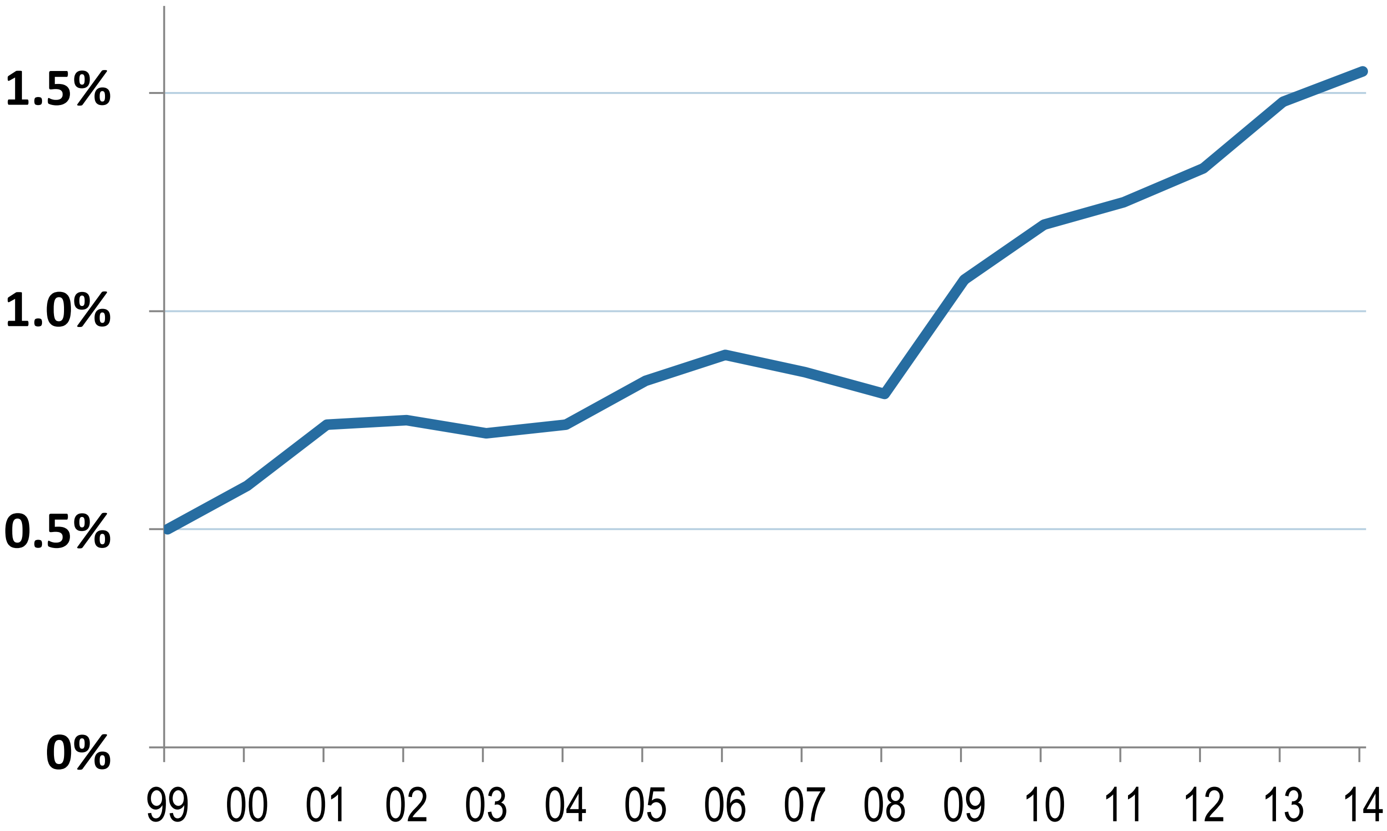
Network of Asset Gatherers have only 8% of the huge Italian HH financial assets market, although recognised as best-in-class in terms of personal service & advice, and largely immune to capital, credit quality & reputational issues

Traditional Banks still hold nearly 7x more

Total HH Assets: € 3,934 bn

Source: Bank of Italy / Assoreti / ANIA / Prometeia / Mediolanum estimates

Italian Household Financial Assets
Banca Mediolanum's Market Share

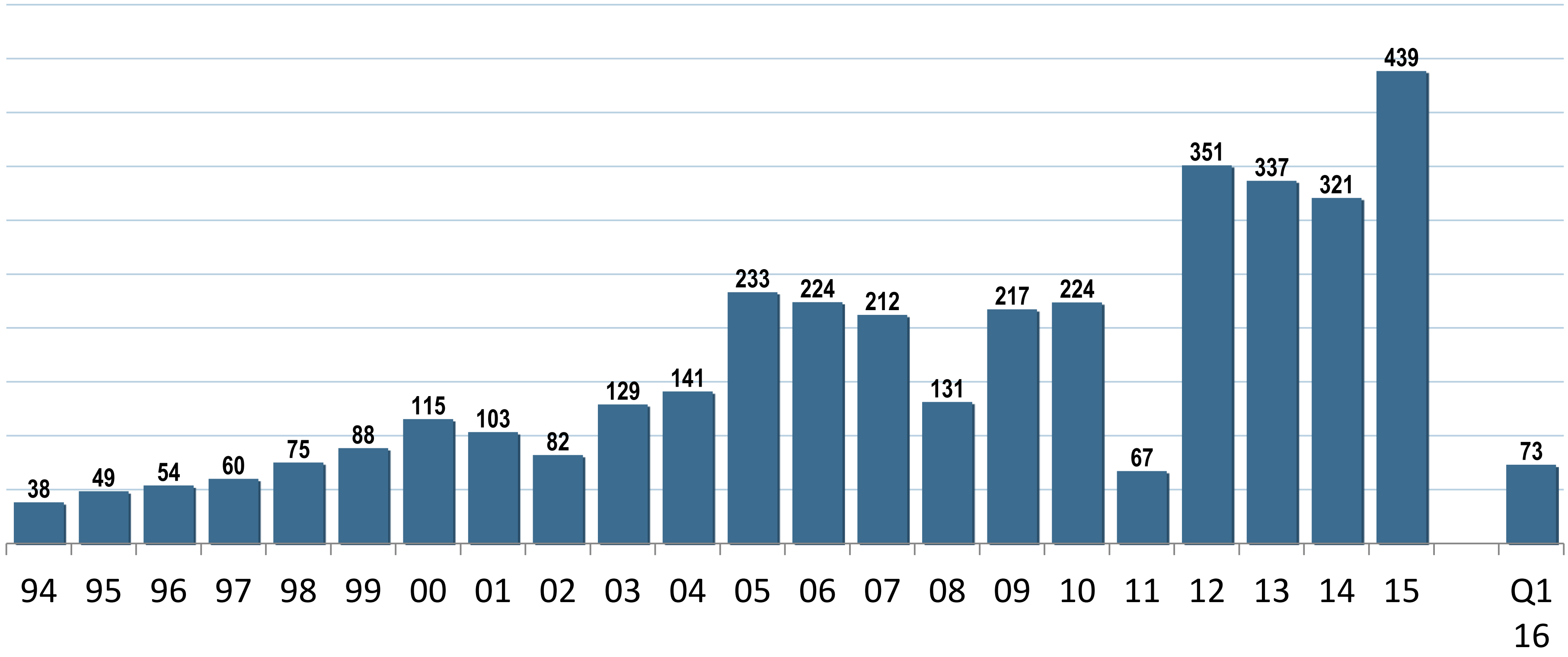


1.55%

on a total of
€ 3,934 bn reported
by Banca d'Italia

Net Income Trend

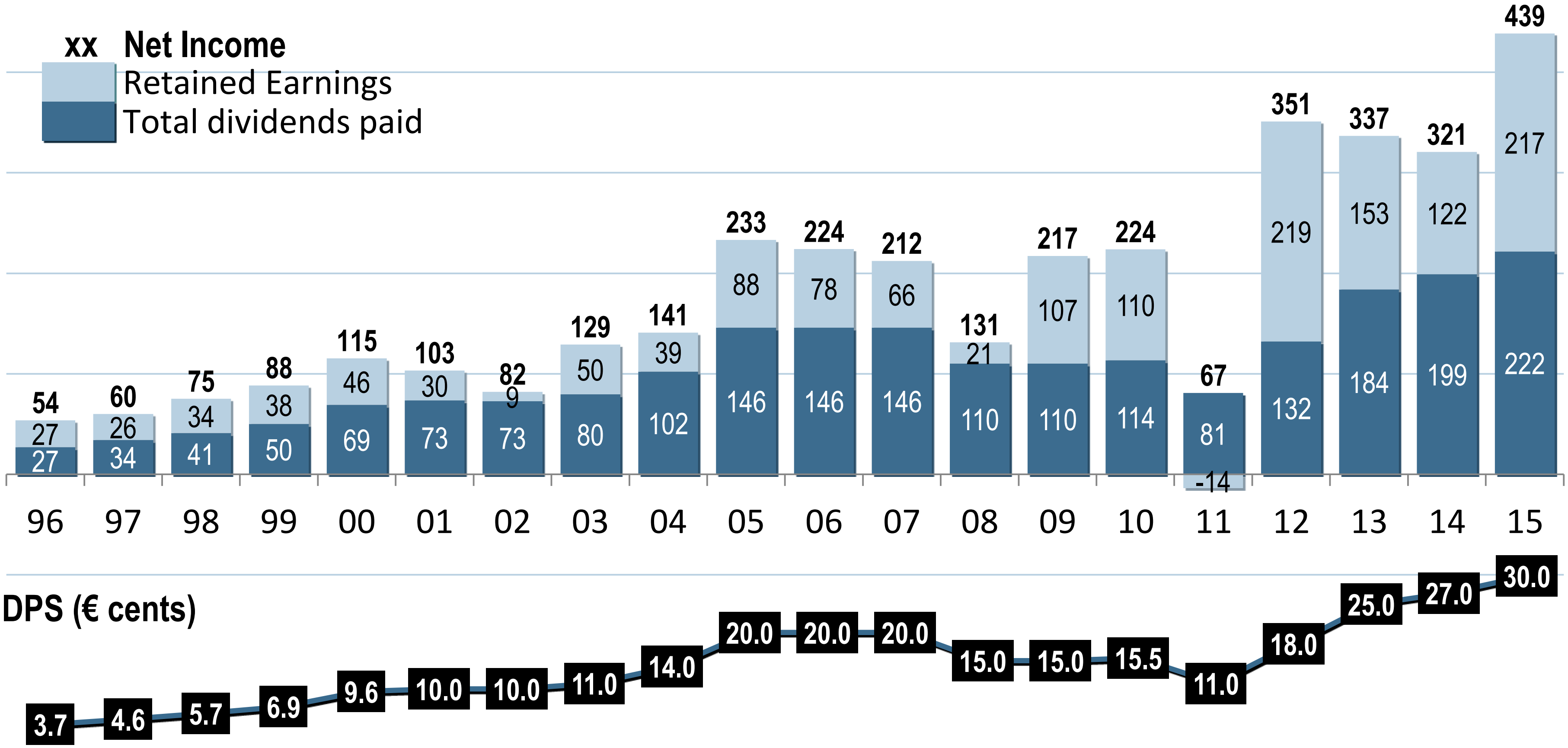
€ mn



2008 & 2010: adjusted net income excluding effects of 'Lehman Brothers' operation

Dividend Payout

Mediolanum S.p.A. + Banca Mediolanum S.p.A. (€ mn)

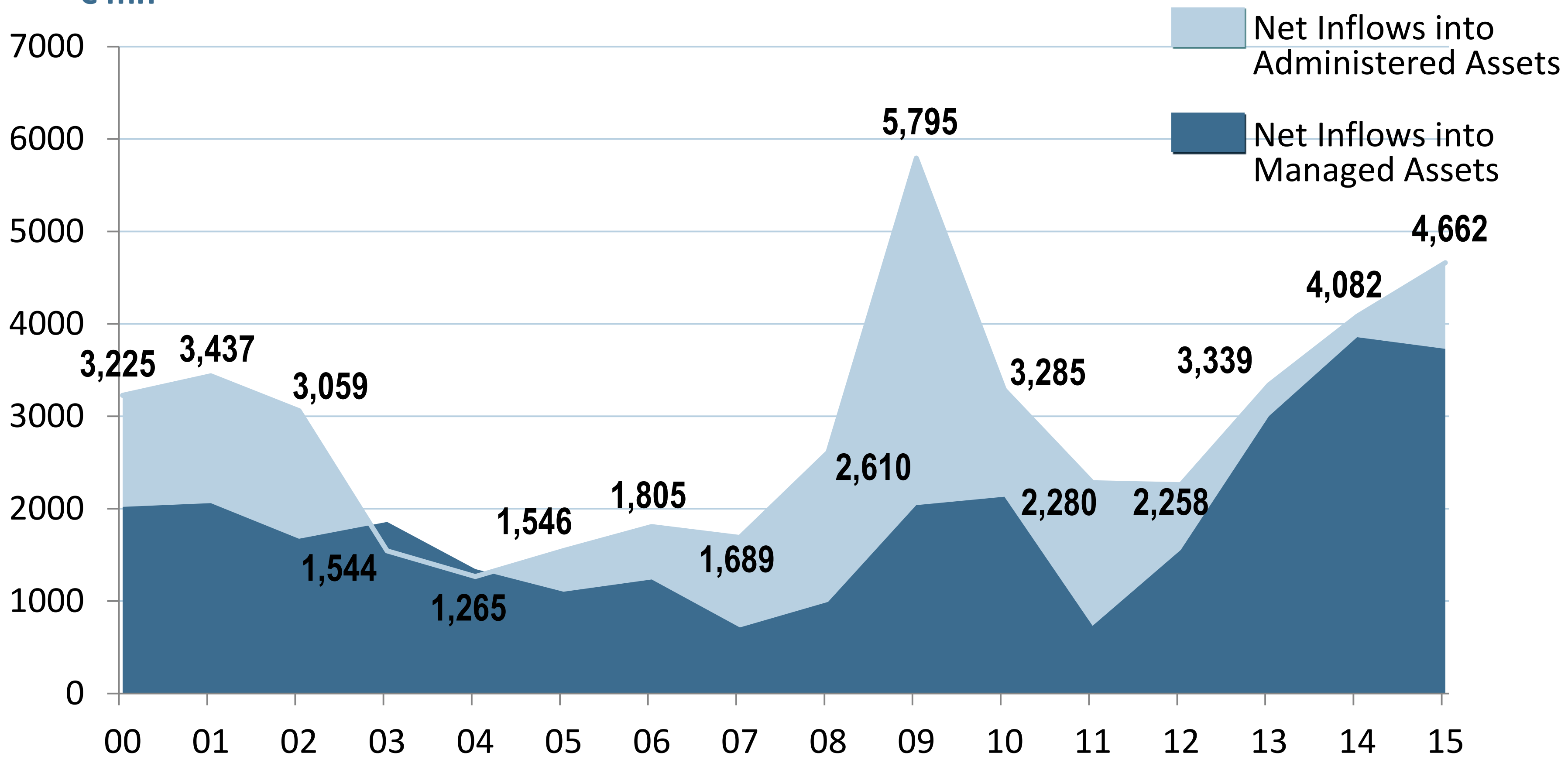


2008 & 2010: adjusted net income excluding effects of ‘Lehman Brothers’ operation

Banca Mediolanum

Total Net Inflows Trend

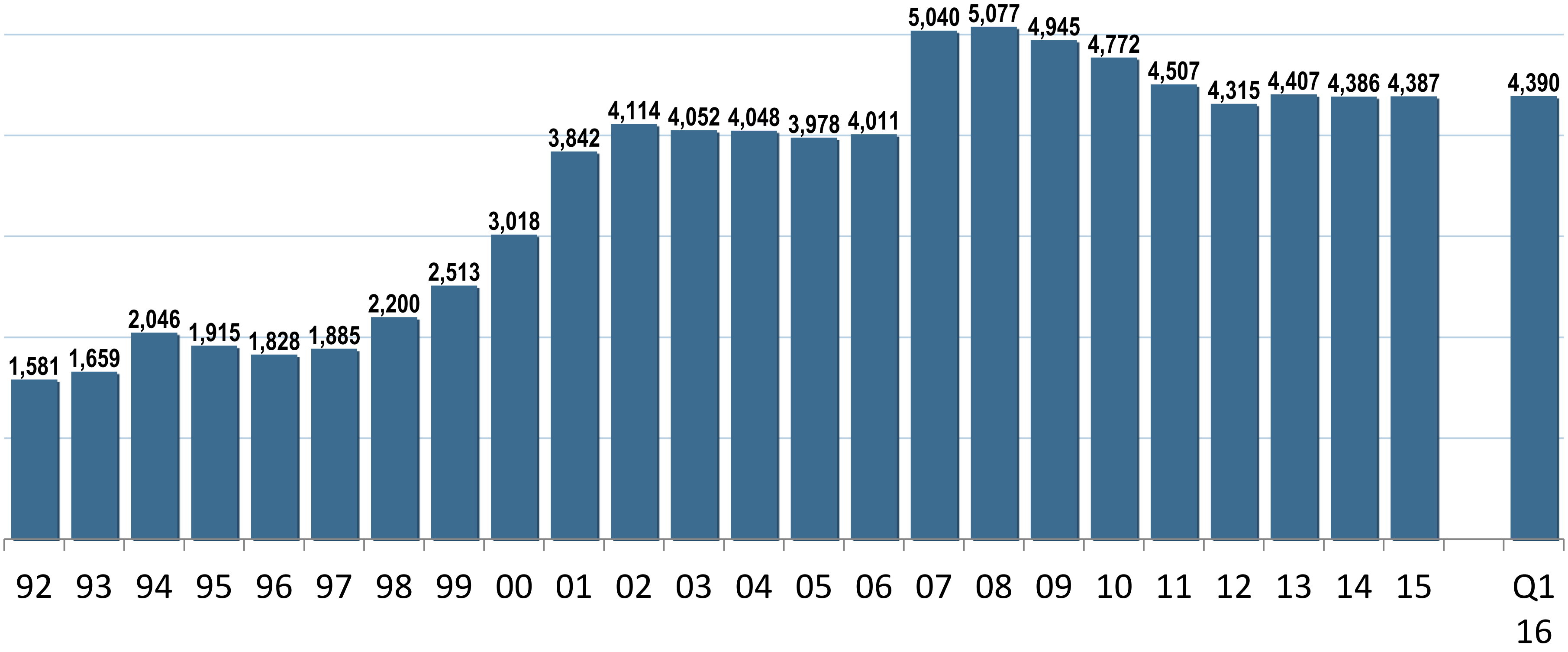
€ mn



Banca Mediolanum

Family Banker® Network

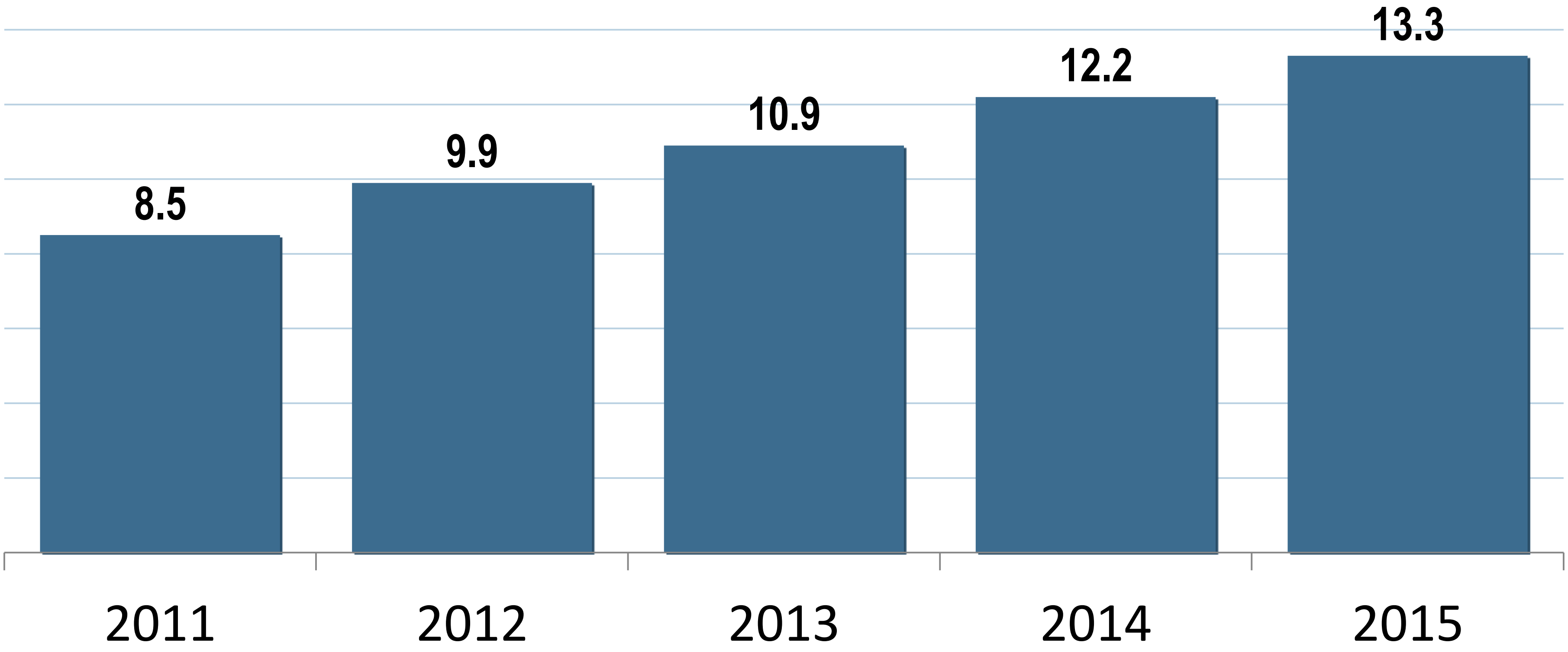
Licensed Financial Advisors



Banca Mediolanum

Average Assets per Family Banker

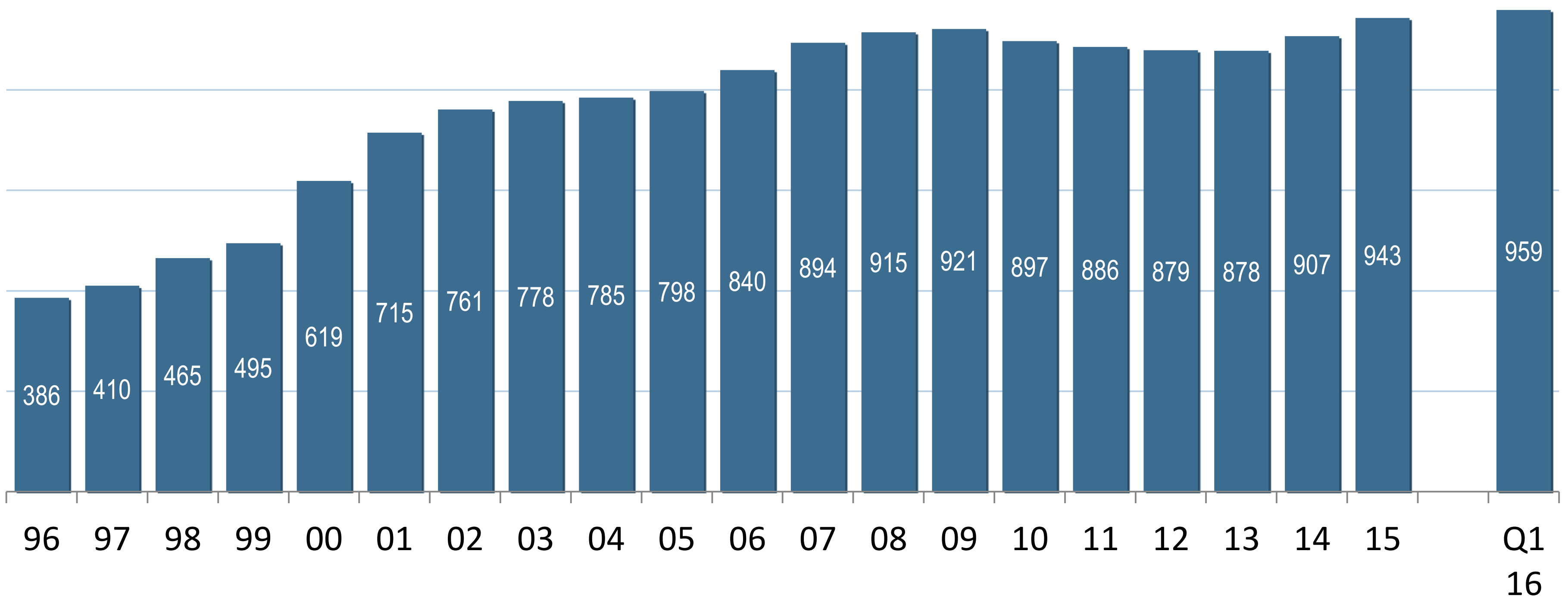
€ mn



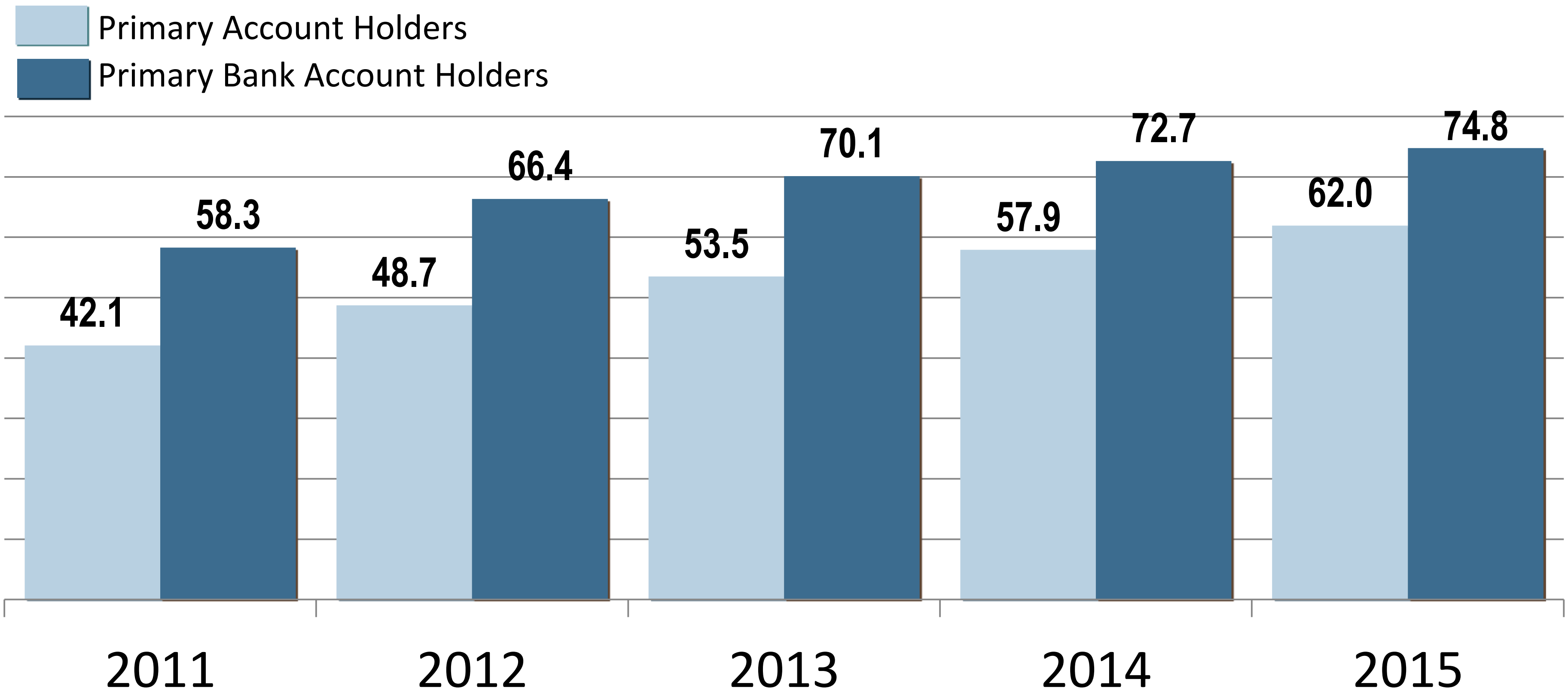
Banca Mediolanum

Customers

Primary account holders (thousands)

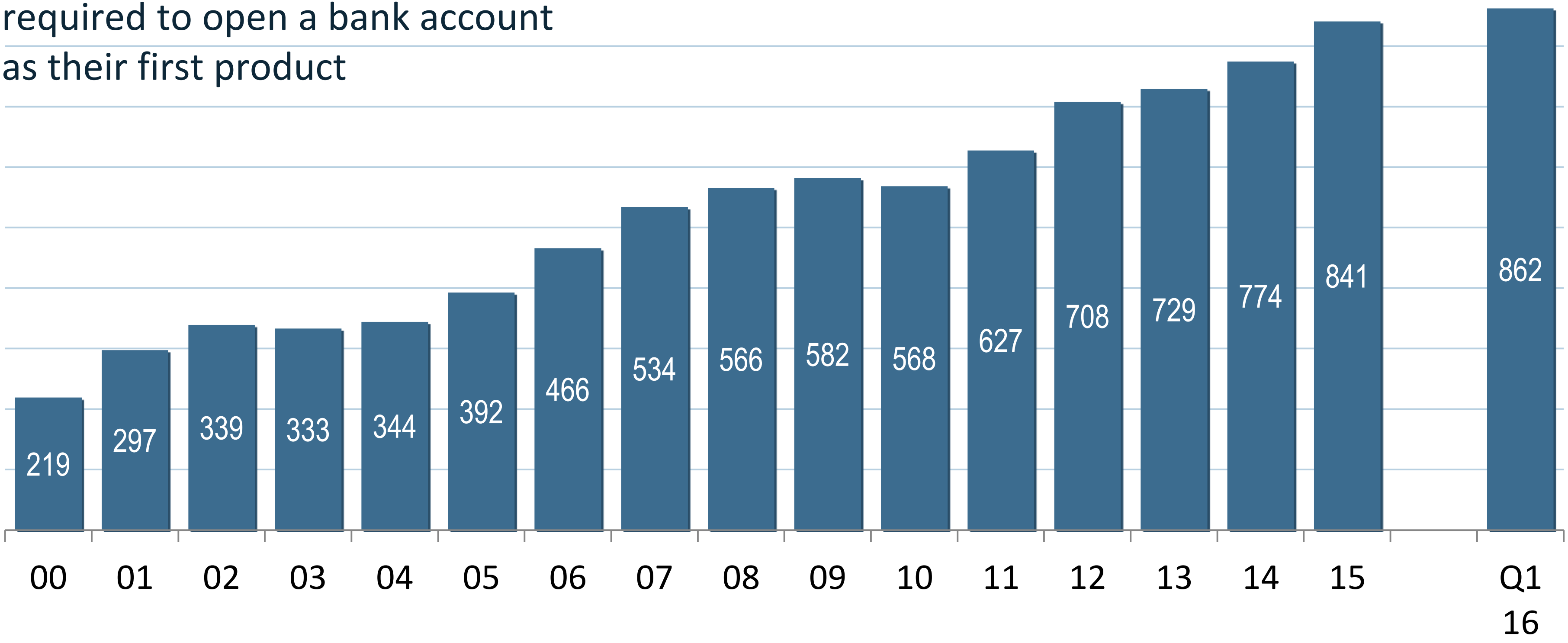


Banca Mediolanum
Average Assets per Customer
€ thousands



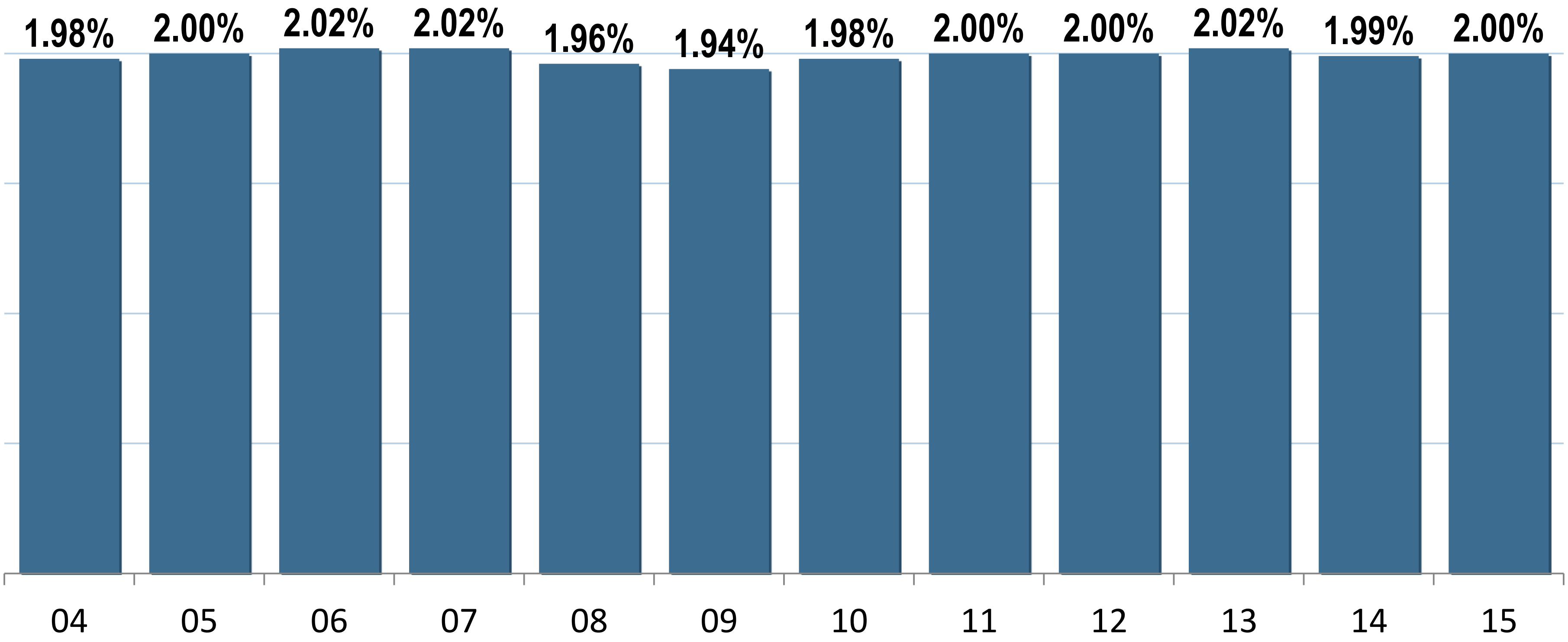
Banca Mediolanum
Bank Accounts
thousands

Since March 2005: all new customers are required to open a bank account as their first product



Management Fees* History

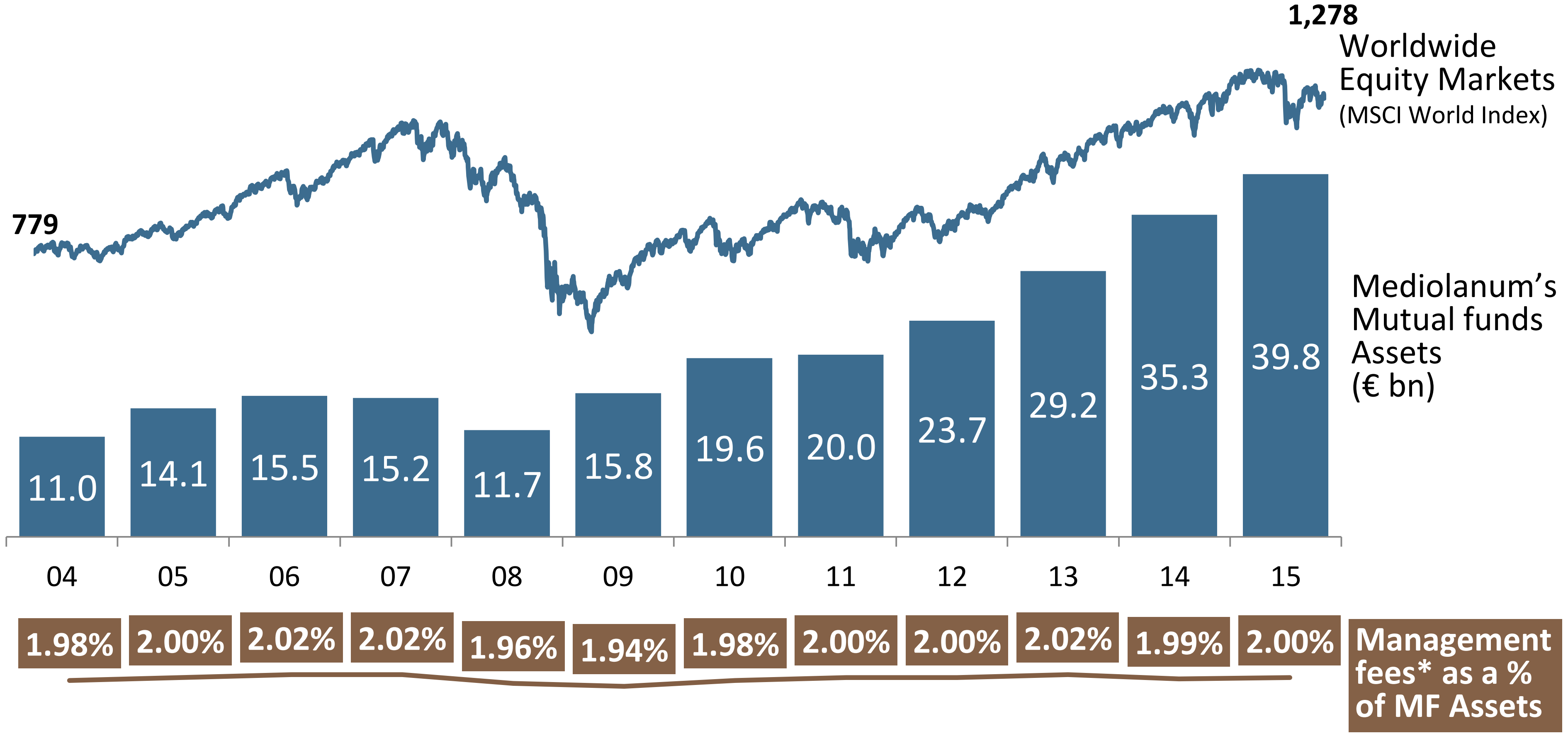
expressed as a % of average managed assets in the period



* including insurance commissions on U-L policies

Resilience of Mediolanum's Management Fees*

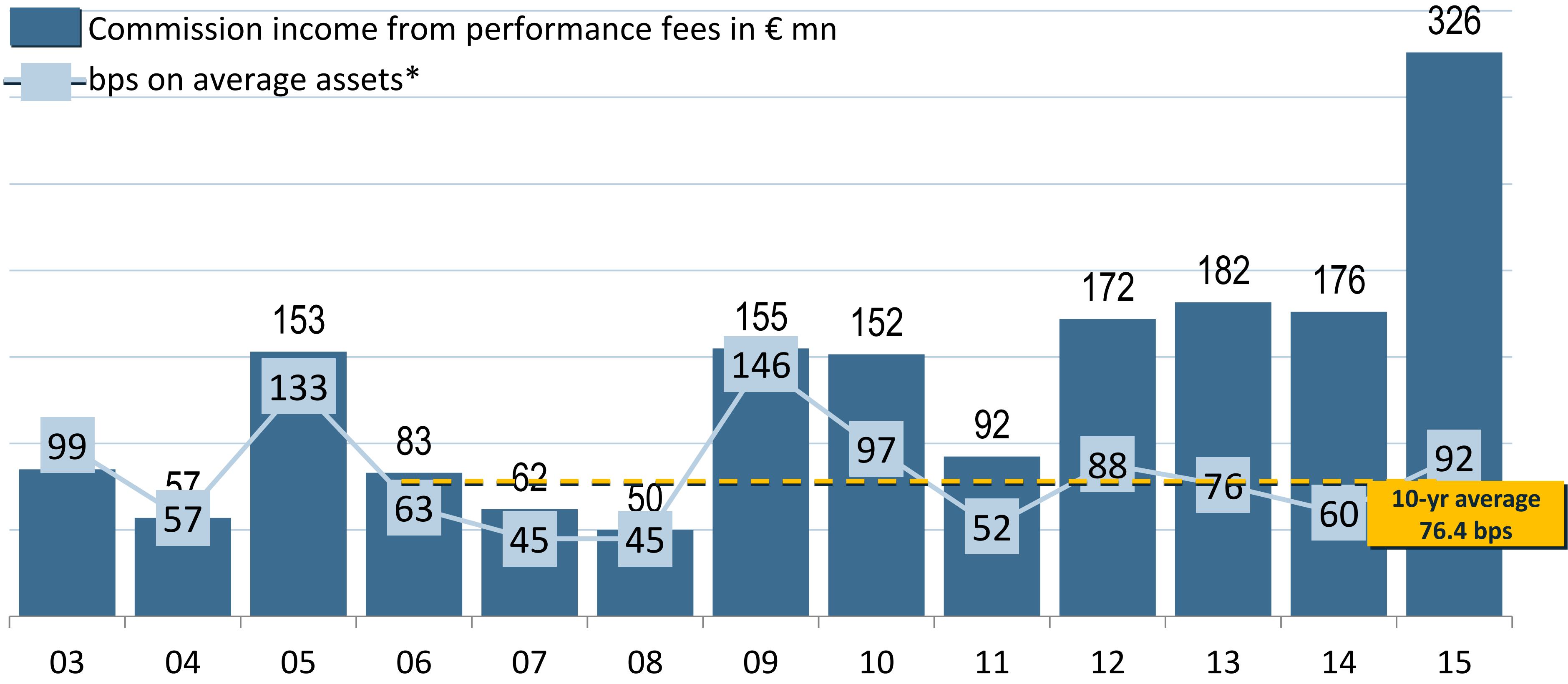
regardless of trends in equity markets worldwide



* including insurance commissions on U-L policies

Performance Fees History

including Unit-Linked policies



* calculated only on those funds subject to performance fees

Mediolanum's Culture
Our Competitive Advantage

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

- The **Investment strategy** we advocate to our customers, providing solutions according to an analysis of each customer's **needs** and based on the concept of **'diversification'**
- Our effective, innovative and committed **Training & Communication strategy**

Investment Advisory Strategy

Our investment strategy explains the consistency of our inflows & transfers ‘technical performance’ into ‘customer performance’

- We advise our customers proposing products & services that correspond to each of their **specific needs**
- Investor needs remain fundamentally the same, they are **not influenced by market crises**
- We do not engage in stock-picking, tactical asset allocation decisions, or market-timing
- We recommend a series of **diversification** criteria, the most important being time horizon
- **Equity** investments are only considered for the **long term** (>10 yrs) and are diversified across the global economy to further reduce risk
- We strongly advise investors who have a long-term outlook to view **market crises as buying opportunities**

The Mediolanum Approach vs. Open Architecture

- ‘Best Brands’ family of **Funds of branded Funds** unveiled in April 2008
- **This is not the ‘Open Architecture’ approach**
- It is impossible for a private investor to choose among a supermarket-like offer of thousands of funds, if not on the very risky basis of past performance
- Synergy of the best A.M. companies’ expertise & pursuit of quality and Mediolanum’s capacity to select & coordinate asset managers & give high quality advice to customers
- Funds of **single-brand** funds (the ‘Selection’ series) are Mediolanum products but also carry the name of the underlying funds’ asset manager
- Funds of **multi-brand** funds (the ‘Collection’ series) do not utilise the underlying brands in the fund name, however they are used in marketing and advertising material

'MyLife' Unit-Linked Policy Insurance wrapper for mutual funds

launched March 2014

Addresses all needs of HNW investors

- **Financial planning:** flexible, hassle-free diversification across all investment classes; access to 100+ funds (up to 40% picked from a selection of 3rd-party funds)
- **Legal protection of investments:** assets cannot be seized or frozen
- **Succession planning:** one or more beneficiaries, irrespective of applicable inheritance laws; can be easily modified at any time
- **Tax efficiency:** capital gains tax is deferred to the time of policy liquidation. No inheritance / income tax is due on amounts received by beneficiaries

Additional features

- **Income drawdown**
  can be requested at any time; choice of duration (5-15 yrs) & frequency
- **Basic Death Benefit** included
  up to 2.5% of assets depending on age at death. Supplementary coverage also available
- Mediolanum's trademark **investment optimization:**
  yields over a pre-set threshold can be automatically set aside and reinvested during market drops

The 'Freedom' Current Account

launched March 2009, reengineered March 2012

- Launched in the wake of the Lehman Bros. bankruptcy, exploited **Mediolanum's unique situation** in terms of high liquidity & good reputation
- Designed to be the best account in the market for HNW individuals: **no remuneration** of deposits **up to € 15,000; very appealing interest** paid **on the excess** balance
- Rate offered is **advertised in advance** for each quarter
- In the original 'Freedom', the interest was actually paid on a **Life policy** connected to the current account; this resulted in a **tax rate of 12.5% instead of 27%** for the customer
- Mediolanum's integrated structure & sophisticated software architecture allowed the entire balance to be available to the customer at any time, by **seamlessly moving money** back and forth between the bank account and the Life policy
- After tax reform of 2012 'Freedom' became **'Freedom+'** - a pure banking product
- Switching to 'Freedom+' is encouraged – delivers the same product promise, but entails **lower G&A expenses** and **capital absorption** for Mediolanum

CONTO Mediolanum Freedom

Training & Communication: Mediolanum Corporate University

- Inaugurated March 2009
- Centralises our training know-how, in coordination with top universities, professors and individuals who are experts in the field
- Provides our Family Bankers & employees with a resource for life-long education
- Develops financial education programs dedicated to our customers & the community

Training & Communication: Corporate TV Channel

A proprietary state-of-the-art tool established in 1989

Encrypted programs to train, motivate & communicate with our Family Bankers

- Financial news commented by top company executives
- Company news & product information
- Online training course support
- Inspirational thoughts for personal motivation & sales techniques

Daily specials dedicated to crisis-related topics were added to the ongoing programming in 2008, 2009 & 2011

Marketing Events

- **8,130 events** held in 2015 (-21% vs. 2014):
  local & high-level events, sports events (e.g. Giro d'Italia), talk shows, etc.
- Over 350,000 customers and prospects attending

Results are measurable:

- Net inflows into managed assets of invited customers in the 3 months post-event
- expenses are reimbursed to Family Bankers only if set commercial target is met (80% of the times in 2015)
- Average commercial value of media coverage is also regularly tracked

The 4th best known bank brand in Italy

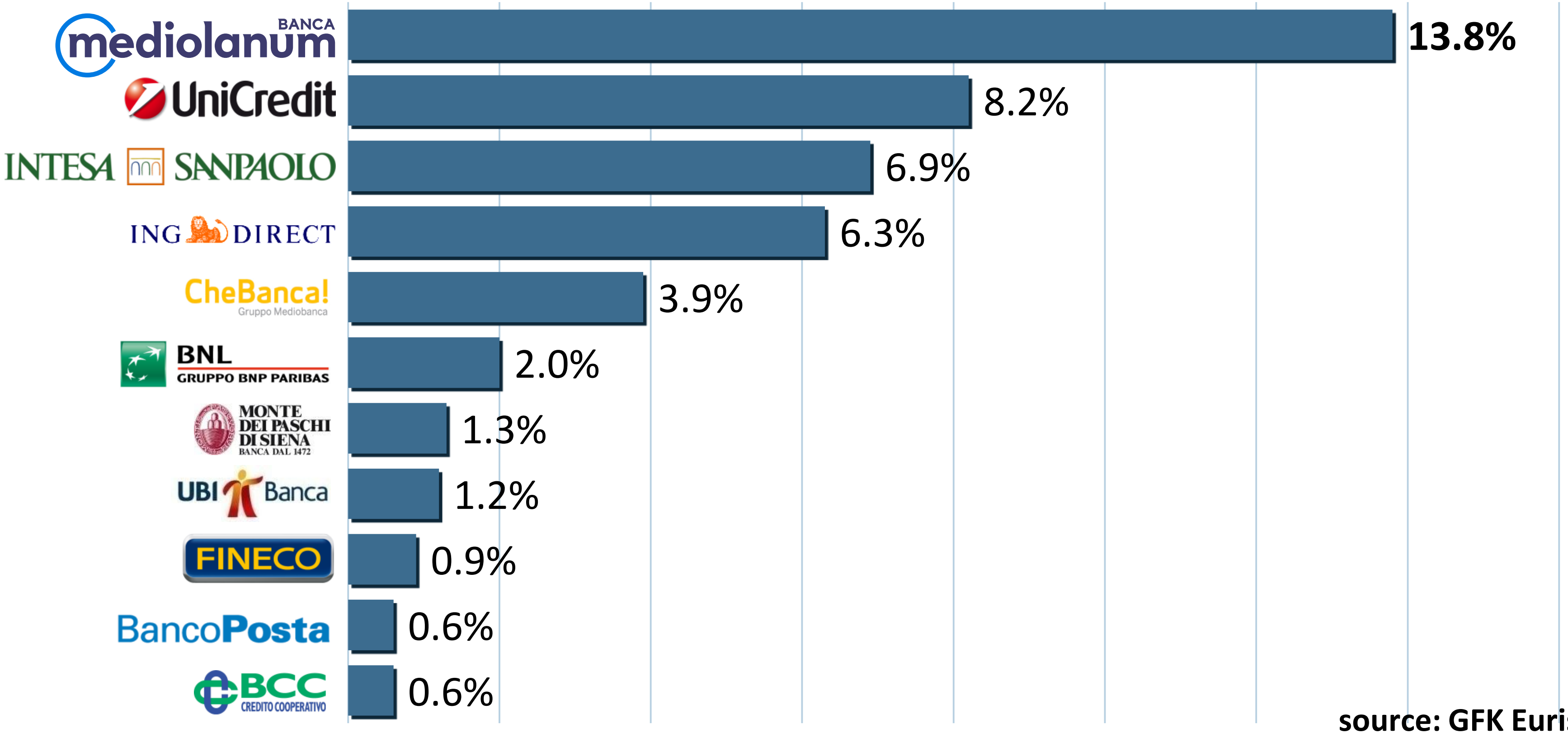
Total brand awareness – Italian banks – year 2015

UniCredit	45%
INTESA SANPAOLO	41%
MONTE DEI PASCHI DI SIENA BANCA DAL 1472	25%
BANCA mediolanum	21%
BNL GRUPPO BNP PARIBAS	17%
BCC CREDITO COOPERATIVO	12%
ING DIRECT	12%
BancoPosta	9%
CheBanca! Gruppo Mediobanca	7%
UBI Banca	6%
FINECO THE NEW BANK	4%

source: GFK Eurisko

Banca Mediolanum's advertising
The most memorable in the banking industry

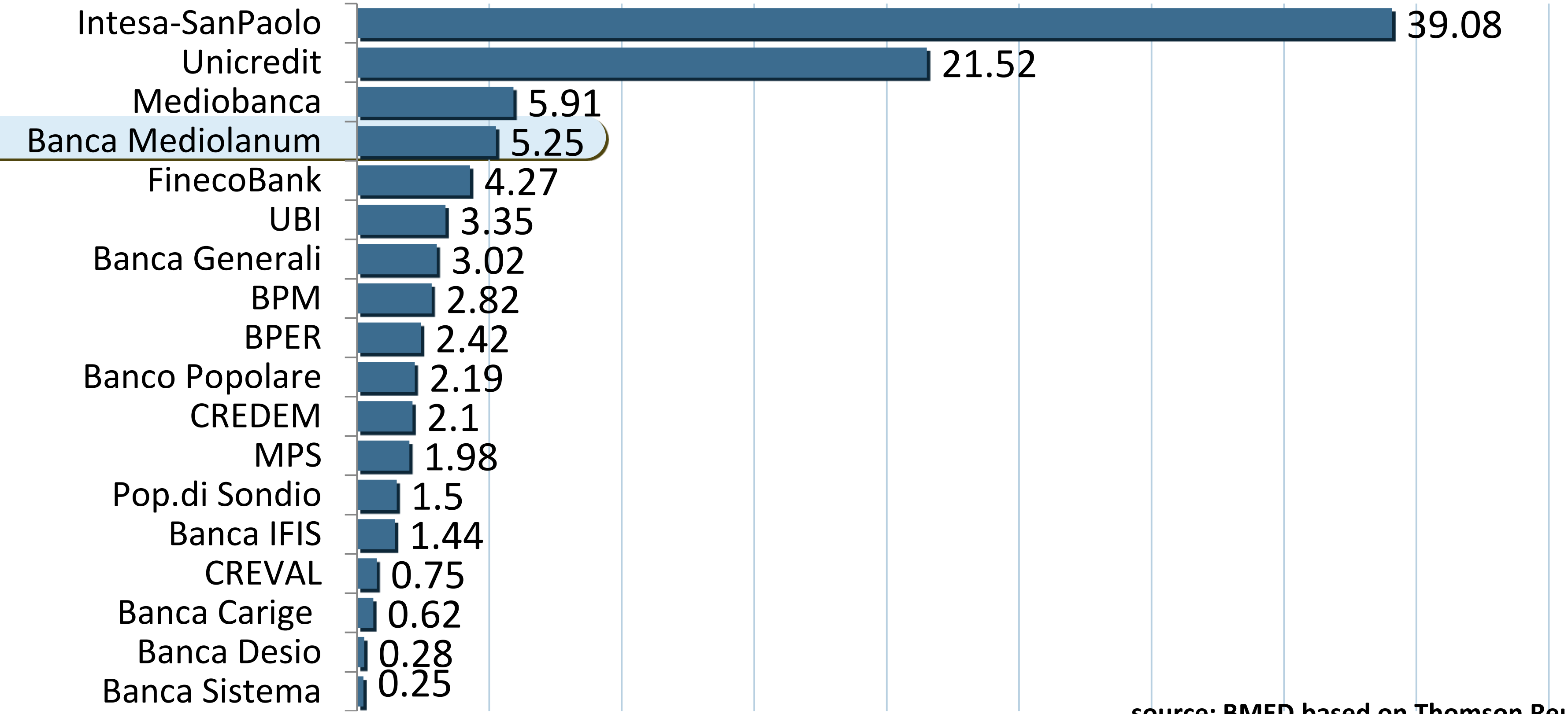
Spontaneous recall of bank advertising in Italy – year 2015



source: GFK Eurisko

Ranking of Italian Banking Groups by Market Capitalisation

as at 21/04/2016



source: BMED based on Thomson Reuters data

MED.MI / BMED.MI
Total Return Index*

* includes dividend reinvestment, June 3, 1996 – February 16, 2016

source: Datastream

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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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