

November 2016



**9M 2016 RESULTS & BUSINESS UPDATE**

**9M 2016 Group Results**

**3**

**9M 2016 Domestic Market Results**

**15**

**9M 2016 Foreign Markets Results**

**39**

**Business Update**

**44**

**Mediolanum Facts**

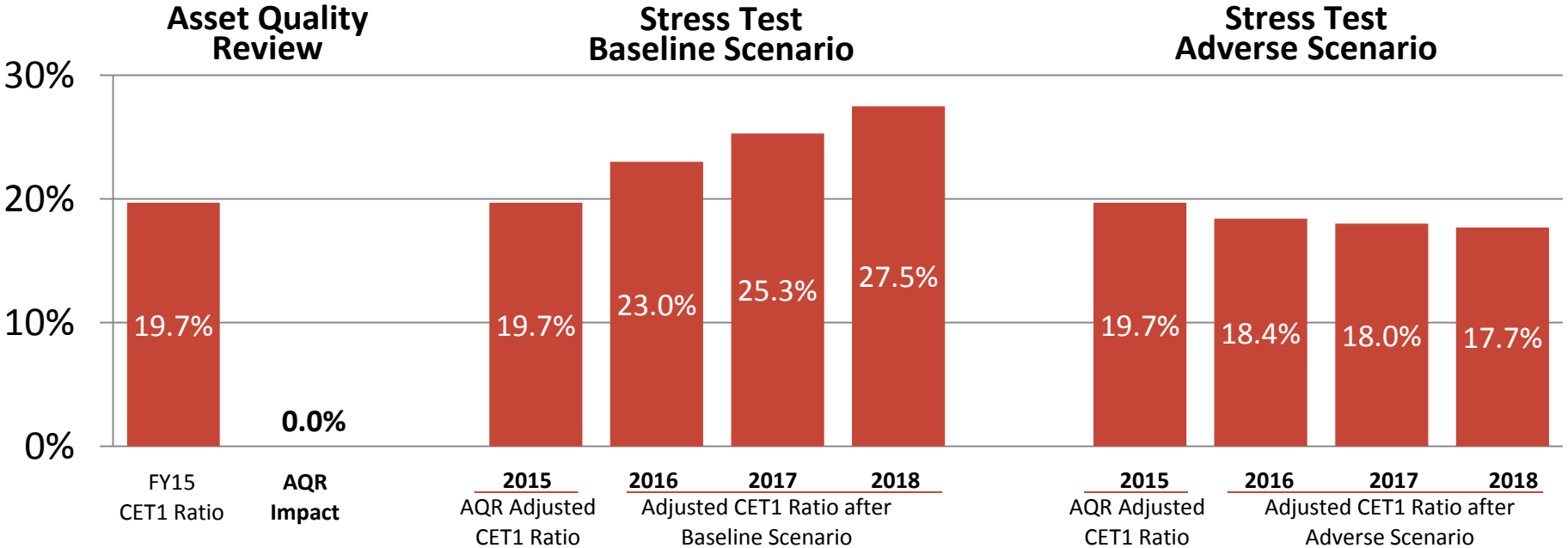
**52**



# 9M 2016 Group Results

# 4 ECB Comprehensive Assessment: BMED Solidity Confirmed

- Asset Quality Review indicated 'no impact' on FY15 CET1 Ratio, confirmed as starting point for Stress Test
- The Bank found to be extremely resilient under the Stress Test, primarily due to reliability of recurring commission income over time



	9M16	9M15	Change
Entry fees	52.5	81.0	-35%
Management fees	625.3	610.9	+2%
Performance fees	158.0	178.8	-12%
Banking service fees	60.3	65.2	-8%
Other fees	25.6	28.1	-9%
<b>Total commission income</b>	<b>921.7</b>	<b>964.0</b>	<b>-4%</b>
Net interest income	181.3	188.3	-4%
Net income on investments at fair value	(17.6)	(2.0)	n.s.
<b>Net financial income</b>	<b>163.7</b>	<b>186.3</b>	<b>-12%</b>
<b>Insurance revenues ex U-L commissions</b>	<b>18.3</b>	<b>35.1</b>	<b>-48%</b>
Equity contribution (Mediobanca & Banca Esperia)	21.7	19.1	+14%
Net income on other investments	15.7	(5.3)	n.s.
<i>o/w Impairment on loans</i>	(9.2)	(9.0)	+2%
Other revenues	18.2	20.6	-11%
<b>Total Revenues</b>	<b>1,159.4</b>	<b>1,219.9</b>	<b>-5%</b>
Acquisition costs	(344.5)	(372.3)	-7%
Other commission expenses	(41.3)	(43.7)	-6%
G&A expenses	(359.7)	(355.5)	+1%
Contribution to SRF, DGS & similar	(13.6)	(1.5)	n.s.
Amortisation & depreciation	(22.7)	(18.3)	+24%
Provisions for risks & charges	(27.2)	(47.2)	-42%
<b>Total Costs</b>	<b>(809.0)</b>	<b>(838.5)</b>	<b>-4%</b>
<b>PROFIT BEFORE TAX</b>	<b>350.4</b>	<b>381.4</b>	<b>-8%</b>
Income tax	(45.4)	(70.0)	-35%
<b>NET INCOME</b>	<b>305.0</b>	<b>311.4</b>	<b>-2%</b>

**Interim Dividend per share**

**16 eurocents**

**Total amount of dividends**

**€ 118 mn**

**Ex-dividend date**

**November 21**

**Payment date**

**November 23**

# 7 Income Statement Salient Points

## YoY comparison



9M 2016  
Group

### **Entry Fees** (€ 29 mn lower YoY)

reflected lower gross inflows into Mutual Funds

### **Management Fees** (€ 14 mn higher YoY)

benefitted from solid contribution in Q3 (highest Q ever): strong inflows in M.F. & high equity component, despite volatile markets

### **Performance Fees** (€ 21 mn lower YoY)

impacted by a much less favourable market situation vs. 9M15, though returning to decent levels in Q3

### **Net Interest Income** (€ 7 mn lower YoY)

negative impact from lower fixed-income yields offset by lower cost of funding & increasing loan book

### **Net Income on Investments at FV** (€ 16 mn lower YoY)

impacted by the MtoM of derivatives originally hedging fixed-rate mortgages no longer on our books

### **Net Income on Other Investments** (€ 21 mn higher YoY)

lifted by capital gains realised on shareholdings in CartaSi (Italy) and Visa Europe (Germany & Spain)

### **Insurance Rev. ex U-L Commissions** (€ 17 mn lower YoY)

due to lower My-Life gross inflows & adjustments made to technical reserves

### **G&A expenses** (€ 4 mn higher YoY)

due to an additional advertising campaign to take advantage of momentum

### **Provisions for risks & charges** (€ 20 mn lower YoY)

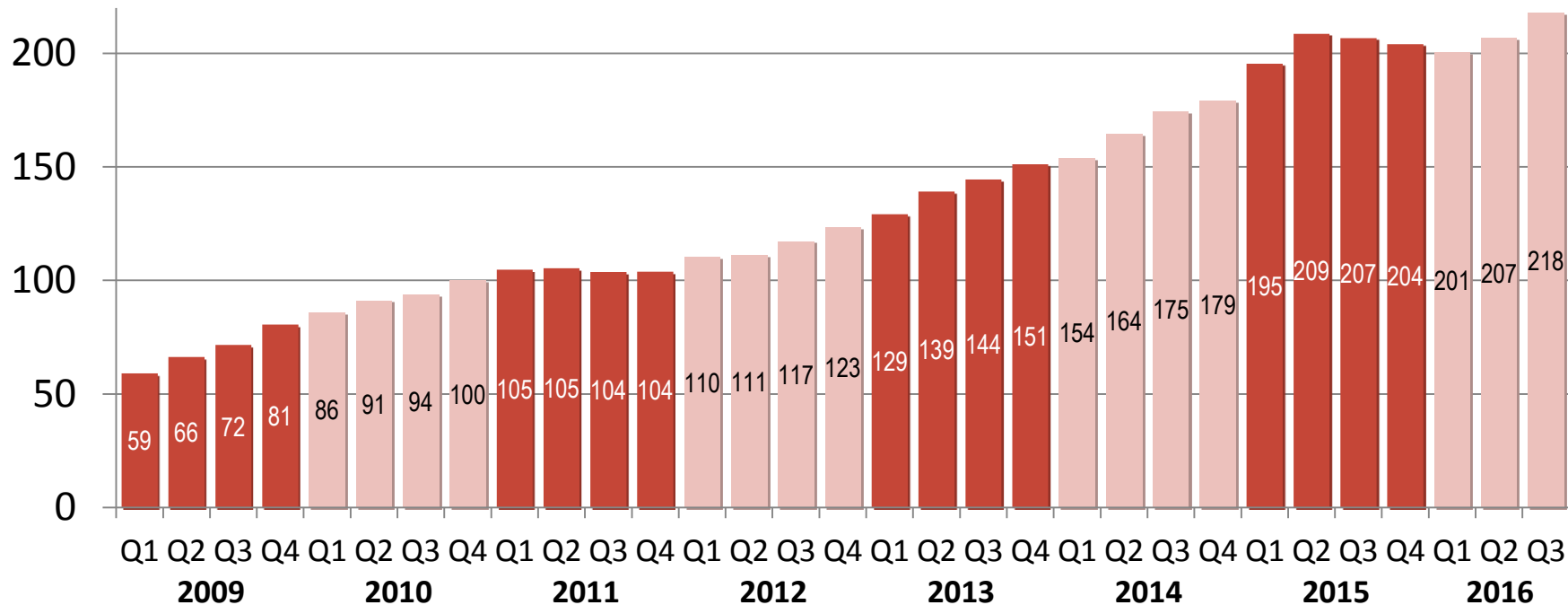
thanks to our successful appeal on the inherited Fibanc lawsuit in Spain, 7 € mn were removed from the original provision (11 € mn)

€ mn

	Q115	Q215	Q315	Q415	Q116	Q216	Q316
Entry fees	27.8	31.3	21.9	21.0	17.6	17.8	17.1
Management fees	195.5	208.7	206.8	204.1	200.5	206.9	217.9
Performance fees	132.9	26.4	19.5	147.2	50.4	32.2	75.3
Banking service fees	22.1	21.0	22.1	21.2	20.4	20.2	19.7
Other fees	9.6	10.5	8.1	8.9	8.1	8.9	8.6
<b>Total commission income</b>	<b>387.9</b>	<b>297.8</b>	<b>278.3</b>	<b>402.3</b>	<b>297.1</b>	<b>286.0</b>	<b>338.7</b>
Net interest income	61.3	64.0	63.0	64.6	61.6	60.2	59.5
Net income on investments at fair value	(3.4)	3.6	(2.2)	0.9	(10.6)	(4.8)	(2.2)
<b>Net financial income</b>	<b>57.9</b>	<b>67.6</b>	<b>60.7</b>	<b>65.5</b>	<b>51.0</b>	<b>55.4</b>	<b>57.4</b>
<b>Insurance revenues ex U-L commissions</b>	<b>17.5</b>	<b>11.7</b>	<b>5.9</b>	<b>8.8</b>	<b>7.4</b>	<b>3.7</b>	<b>7.1</b>
Equity contribution (Mediobanca & Banca Esperia)	(0.9)	7.7	12.3	3.1	0.6	4.9	16.2
Net income on other investments	(2.7)	(2.0)	(0.5)	(3.5)	(3.3)	18.7	0.3
<i>o/w Impairment on loans</i>	<i>(5.1)</i>	<i>(1.1)</i>	<i>(2.8)</i>	<i>(4.2)</i>	<i>(4.0)</i>	<i>(4.5)</i>	<i>(0.6)</i>
Other revenues	6.1	6.7	7.7	6.1	5.7	6.4	6.2
<b>Total Revenues</b>	<b>465.8</b>	<b>389.5</b>	<b>364.5</b>	<b>482.3</b>	<b>358.5</b>	<b>375.1</b>	<b>425.8</b>
Acquisition costs	(123.9)	(131.1)	(117.4)	(125.6)	(110.4)	(113.0)	(121.2)
Other commission expenses	(17.8)	(12.8)	(13.2)	(13.3)	(12.8)	(14.0)	(14.4)
G&A expenses	(119.8)	(123.7)	(111.9)	(126.7)	(118.0)	(132.9)	(108.8)
Contribution to SRF, DGS & similar	(0.5)	(0.5)	(0.5)	(19.3)	(4.3)	(1.4)	(7.9)
Amortisation & depreciation	(5.6)	(6.4)	(6.2)	(7.8)	(7.2)	(7.7)	(7.8)
Provisions for risks & charges	(24.9)	(9.5)	(12.9)	(9.7)	(12.5)	(2.2)	(12.5)
<b>Total Costs</b>	<b>(292.5)</b>	<b>(283.9)</b>	<b>(262.1)</b>	<b>(302.5)</b>	<b>(265.1)</b>	<b>(271.2)</b>	<b>(272.6)</b>
<b>PROFIT BEFORE TAX</b>	<b>173.3</b>	<b>105.7</b>	<b>102.4</b>	<b>179.8</b>	<b>93.3</b>	<b>103.9</b>	<b>153.2</b>
Income tax	(35.9)	(15.6)	(18.5)	(52.6)	(20.2)	(6.7)	(18.5)
<b>NET INCOME</b>	<b>137.4</b>	<b>90.0</b>	<b>84.0</b>	<b>127.2</b>	<b>73.2</b>	<b>97.1</b>	<b>134.7</b>



€ mn



194

198

200

200

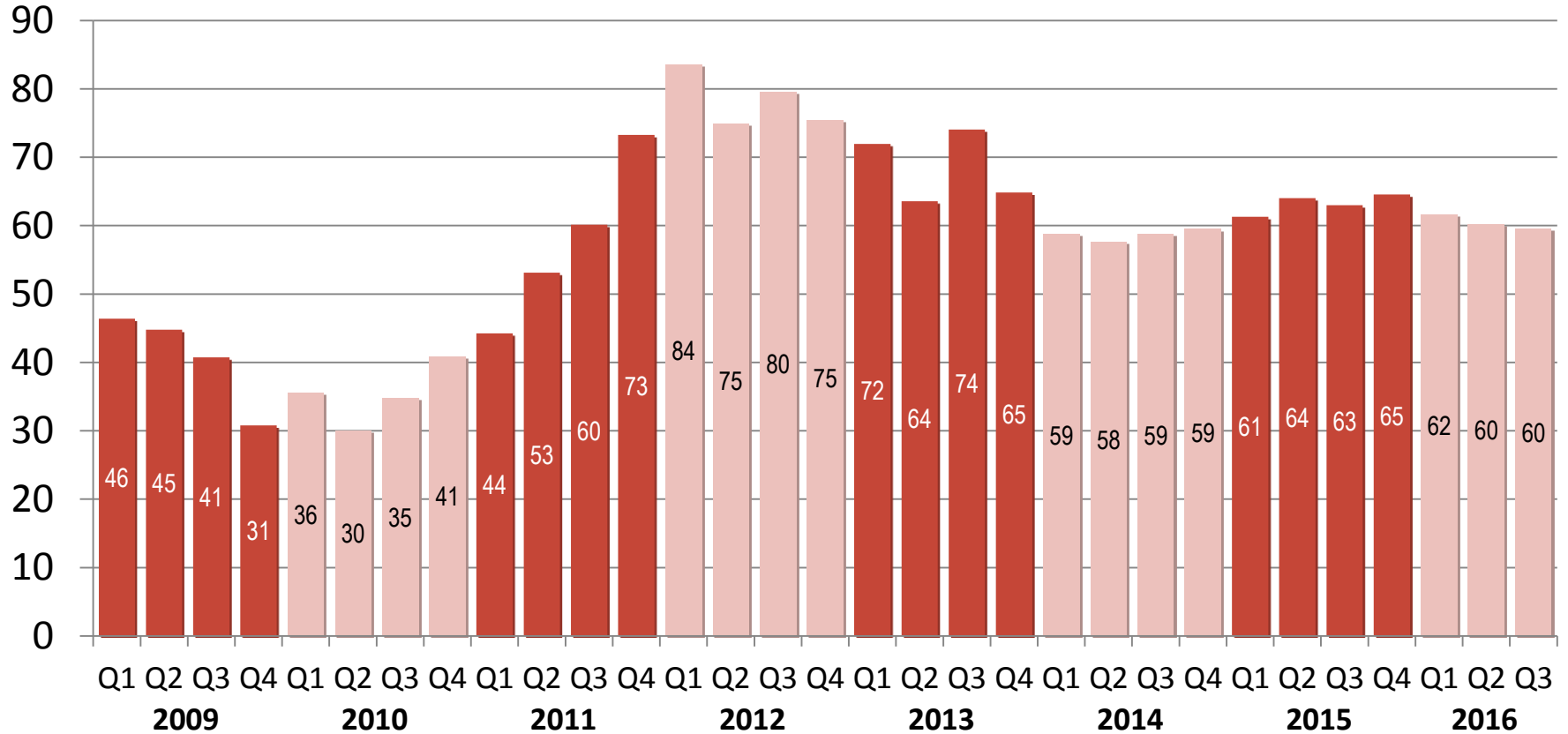
202

199

200

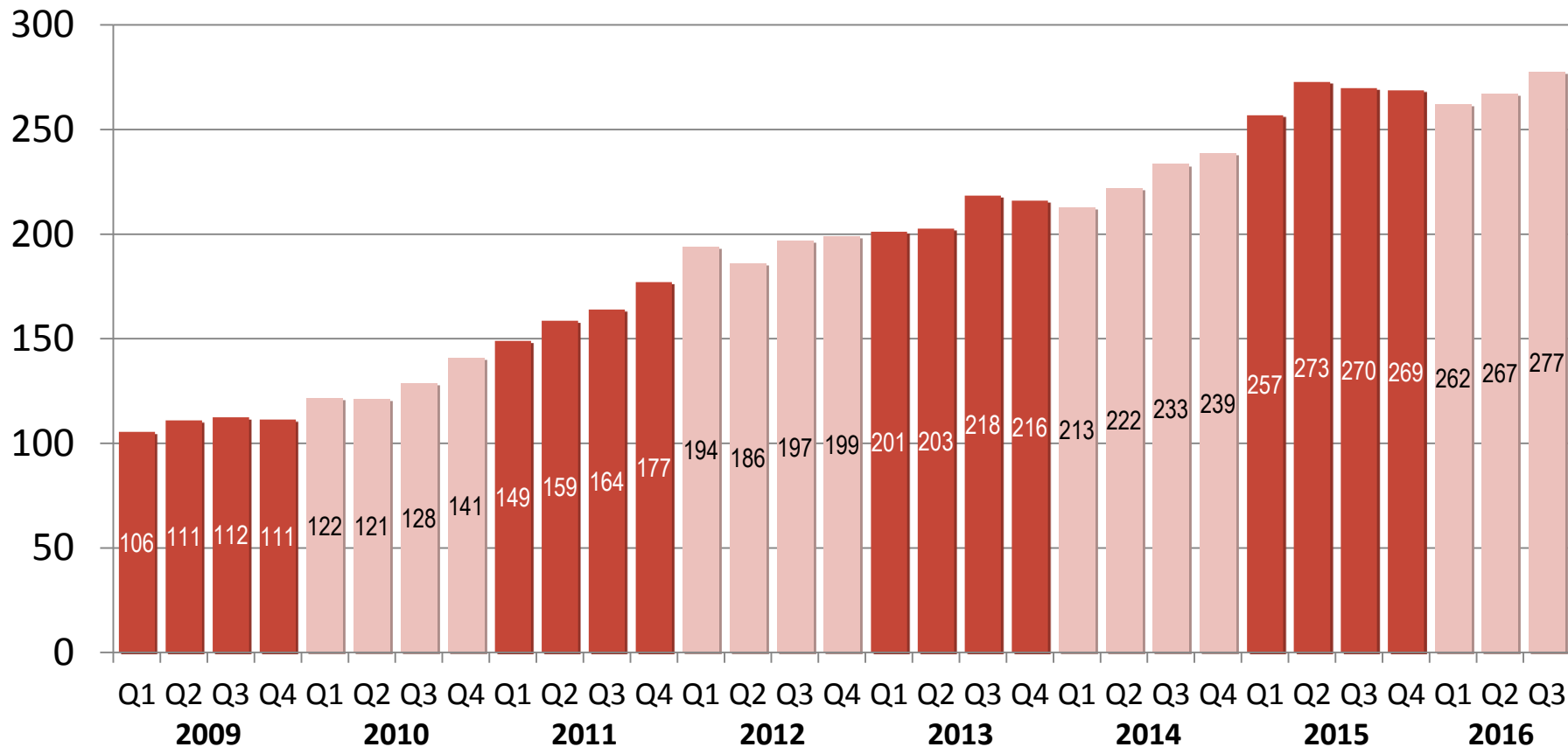
199

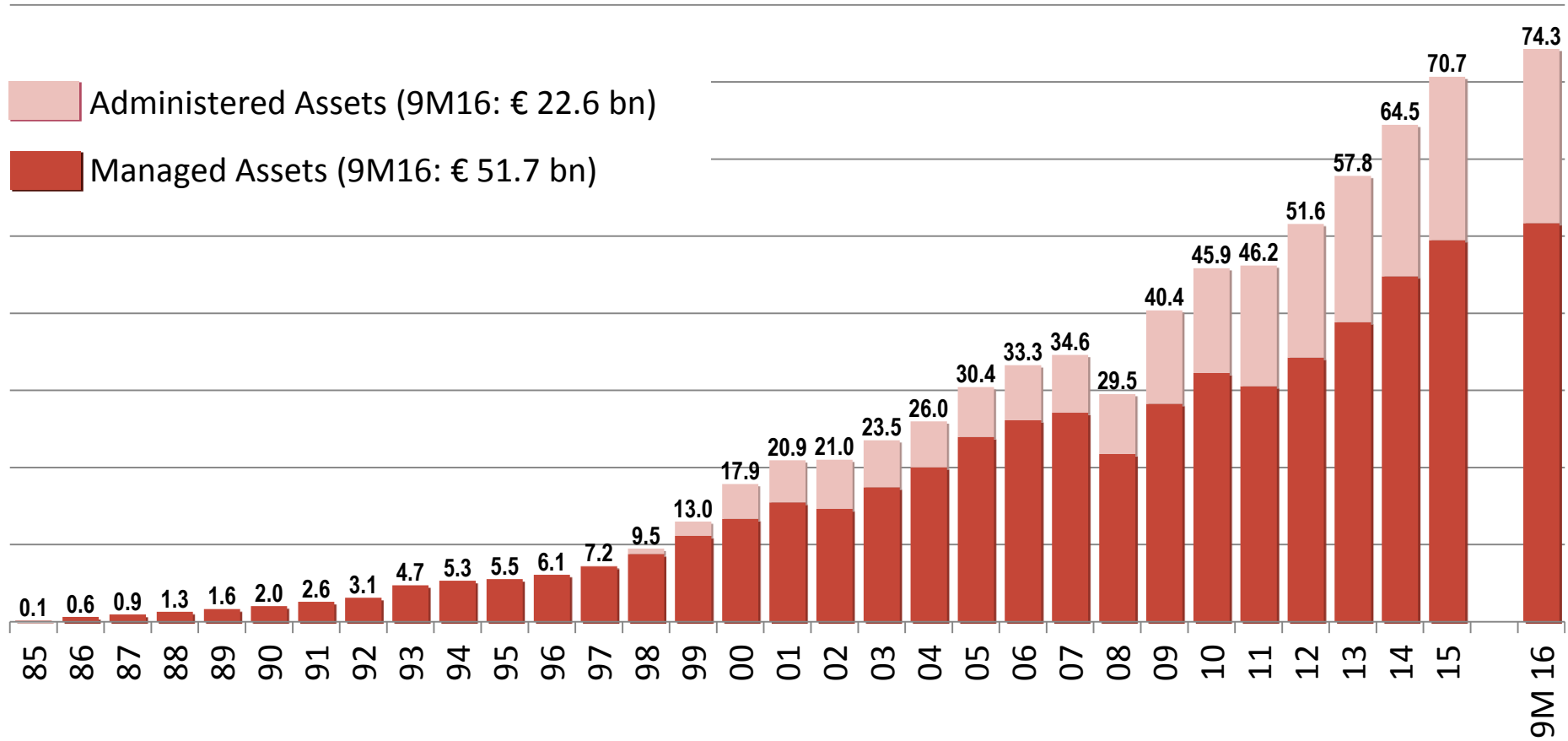
Yearly bps on average assets



# Quarterly Recurring Revenues

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





# 13 Assets under Administration/Management

€ mn



9M 2016  
Group

	30/09/16	31/12/15	Change	30/09/15	Change
Mutual Funds & U-L Policies	41,882.5	39,820.7	+5%	37,456.9	+12%
'Freedom' Life Policies	255.0	503.1	-49%	573.1	-56%
Other Life Insurance products	1,566.0	1,730.9	-10%	1,869.9	-16%
Banking*	17,587.2	15,979.4	+10%	14,968.7	+17%
<b>Italy – Banca Mediolanum</b>	<b>61,290.9</b>	<b>58,034.2</b>	<b>+6%</b>	<b>54,868.6</b>	<b>+12%</b>
<b>Italy – Banca Esperia (Mediolanum's share)</b>	<b>8,738.7</b>	<b>8,595.6</b>	<b>+2%</b>	<b>8,311.8</b>	<b>+5%</b>
Mutual Funds & U-L Policies	2,272.4	1,984.9	+14%	1,757.2	+29%
Other Insurance Products	188.2	238.1	-21%	293.5	-36%
Banking*	1,216.1	1,323.1	-8%	1,251.5	-3%
<b>Spain – Banco Mediolanum</b>	<b>3,676.7</b>	<b>3,546.0</b>	<b>+4%</b>	<b>3,302.2</b>	<b>+11%</b>
Mutual Funds & U-L Policies	409.2	386.3	+6%	360.9	+13%
Other Insurance Products	25.9	26.5	-2%	32.0	-19%
Banking	140.3	92.9	+51%	83.7	+68%
<b>Germany – B. A. Lenz &amp; Gamax</b>	<b>575.4</b>	<b>505.8</b>	<b>+14%</b>	<b>476.6</b>	<b>+21%</b>
<b>TOTAL AUA/AUM</b>	<b>74,281.7</b>	<b>70,681.6</b>	<b>+5%</b>	<b>66,959.2</b>	<b>+11%</b>

\* Retail only

9M16

FY15

## GROUP CAPITAL RATIOS

Total Capital Ratio

20.5%

19.7%

**Common Equity Tier 1 Ratio**

**20.4%**

**19.7%**

**Total Regulatory Capital Held\***

**1,794**

**1,484**

Required Capital – Banks \*\*

915

920

Solvency Capital Requirements – Insurance companies\*

472

239

**Total Required Capital**

**1,387**

**1,159**

**EXCESS CAPITAL**

**407**

**325**

\* 9M16 reconciliation reserve (part of total regulatory capital held) & solvency capital requirements are calculated according to the Solvency II framework as at 30/06/2016

\*\* Banks' required capital amounts to 13.1% (minimum total capital ratio as per SREP) of consolidated RWA (€ 7,604 mn as at 30/09/2016), excluding stakes in insurance companies



## 9M 2016 Domestic Market Results

	9M16	9M15	Change
Entry fees	44.1	70.4	-37%
Management fees	589.9	580.5	+2%
Performance fees	149.4	166.2	-10%
Banking service fees	44.6	51.2	-13%
Other fees	24.2	27.0	-10%
<b>Total commission income</b>	<b>852.2</b>	<b>895.3</b>	<b>-5%</b>
Net interest income	167.6	172.6	-3%
Net income on investments at fair value	(17.9)	(2.4)	n.s.
<b>Net financial income</b>	<b>149.7</b>	<b>170.3</b>	<b>-12%</b>
<b>Insurance revenues ex U-L commissions</b>	<b>10.9</b>	<b>23.3</b>	<b>-53%</b>
Equity contribution (Mediobanca & Banca Esperia)	21.7	19.1	+14%
Net income on other investments	7.5	(5.0)	n.s.
<i>o/w Impairment on loans</i>	(8.4)	(8.7)	-3%
Other revenues	16.1	18.2	-11%
<b>Total Revenues</b>	<b>1,058.1</b>	<b>1,121.2</b>	<b>-6%</b>
Acquisition costs	(318.8)	(344.7)	-8%
Other commission expenses	(27.4)	(31.4)	-13%
G&A expenses	(322.1)	(317.9)	+1%
Contribution to SRF, DGS & similar	(12.3)	0	n.s.
Amortisation & depreciation	(21.1)	(16.9)	+25%
Provisions for risks & charges	(33.5)	(34.7)	-4%
<b>Total Costs</b>	<b>(735.2)</b>	<b>(745.6)</b>	<b>-1%</b>
<b>PROFIT BEFORE TAX</b>	<b>322.8</b>	<b>375.6</b>	<b>-14%</b>
Income tax	(40.5)	(69.6)	-42%
<b>NET INCOME</b>	<b>282.4</b>	<b>306.0</b>	<b>-8%</b>



€ mn

	Q115	Q215	Q315	Q415	Q116	Q216	Q316
Entry fees	24.9	27.5	18.1	17.3	14.3	14.4	15.4
Management fees	186.1	198.3	196.1	192.9	189.5	195.8	204.6
Performance fees	123.3	24.3	18.6	140.0	47.6	30.6	71.2
Banking service fees	17.5	16.5	17.2	16.0	15.7	15.0	13.9
Other fees	9.2	10.1	7.7	8.4	7.7	8.3	8.2
<b>Total commission income</b>	<b>361.0</b>	<b>276.5</b>	<b>257.8</b>	<b>374.6</b>	<b>274.7</b>	<b>264.2</b>	<b>313.3</b>
Net interest income	56.1	58.6	58.0	59.7	56.9	56.2	54.4
Net income on investments at fair value	(3.7)	3.6	(2.2)	0.7	(10.6)	(5.0)	(2.2)
<b>Net financial income</b>	<b>52.4</b>	<b>62.2</b>	<b>55.7</b>	<b>60.4</b>	<b>46.3</b>	<b>51.2</b>	<b>52.2</b>
<b>Insurance revenues ex U-L commissions</b>	<b>11.8</b>	<b>7.6</b>	<b>3.9</b>	<b>4.9</b>	<b>5.3</b>	<b>1.2</b>	<b>4.4</b>
Equity contribution (Mediobanca & Banca Esperia)	(0.9)	7.7	12.3	3.1	0.6	4.9	16.2
Net income on other investments	(2.8)	(1.8)	(0.4)	(3.2)	(3.2)	10.2	0.5
<i>o/w Impairment on loans</i>	<i>(5.1)</i>	<i>(0.9)</i>	<i>(2.7)</i>	<i>(3.9)</i>	<i>(3.8)</i>	<i>(4.1)</i>	<i>(0.4)</i>
Other revenues	5.7	5.7	6.8	6.1	5.1	5.4	5.6
<b>Total Revenues</b>	<b>427.1</b>	<b>357.9</b>	<b>336.1</b>	<b>445.9</b>	<b>328.8</b>	<b>337.1</b>	<b>392.2</b>
Acquisition costs	(114.4)	(121.7)	(108.6)	(116.8)	(101.8)	(104.2)	(112.8)
Other commission expenses	(12.6)	(9.6)	(9.1)	(8.8)	(8.7)	(9.4)	(9.3)
G&A expenses	(107.6)	(110.9)	(99.5)	(113.9)	(105.2)	(121.3)	(95.7)
Contribution to SRF, DGS & similar	0	0	0	(19.2)	(3.9)	(0.9)	(7.5)
Amortisation & depreciation	(5.2)	(5.9)	(5.8)	(7.3)	(6.7)	(7.2)	(7.2)
Provisions for risks & charges	(13.5)	(8.7)	(12.5)	(9.4)	(12.2)	(8.7)	(12.5)
<b>Total Costs</b>	<b>(253.3)</b>	<b>(256.8)</b>	<b>(235.5)</b>	<b>(275.4)</b>	<b>(238.4)</b>	<b>(251.8)</b>	<b>(245.0)</b>
<b>PROFIT BEFORE TAX</b>	<b>173.8</b>	<b>101.1</b>	<b>100.6</b>	<b>170.5</b>	<b>90.4</b>	<b>85.3</b>	<b>147.2</b>
Income tax	(37.2)	(14.9)	(17.5)	(50.9)	(19.2)	(4.0)	(17.2)
<b>NET INCOME</b>	<b>136.6</b>	<b>86.2</b>	<b>83.1</b>	<b>119.6</b>	<b>71.1</b>	<b>81.2</b>	<b>130.0</b>

	9M16	9M15	Change
One-time commissions	56.5	81.2	-30%
Ongoing commissions	198.6	190.4	+4%
<b>Total commissions</b>	<b>255.1</b>	<b>271.6</b>	<b>-6%</b>
Incentives on individual net inflows	31.0	32.8	-5%
Contests & bonuses	10.6	10.3	+2%
Reimbursement of costs for customer events	9.4	12.5	-25%
<b>Total incentives &amp; bonuses</b>	<b>51.0</b>	<b>55.6</b>	<b>-8%</b>
<b>Costs related to the agency agreement</b>	<b>12.7</b>	<b>17.4</b>	<b>-27%</b>
<b>TOTAL ACQUISITION COSTS</b>	<b>318.8</b>	<b>344.7</b>	<b>-8%</b>

	9M16	9M15	Change
↓ directly into Mutual Funds	+1,659.5	+2,211.9	-25%
↓ through 'MyLife' U-L policy	+573.9	+1,699.1	-66%
↓ through other U-L policies	+267.9	-151.7	n.s.
<b>Mutual Funds Inflows</b>	<b>+2,501.3</b>	<b>+3,759.3</b>	<b>-33%</b>
Other Life Insurance policies	-214.0	-347.8	-38%
<b>Managed Assets Inflows</b>	<b>+2,287.2</b>	<b>+3,411.5</b>	<b>-33%</b>
3rd-party Structured Bonds	-138.8	-294.6	-53%
<b>Managed Assets incl. Structured Bonds</b>	<b>+2,148.4</b>	<b>+3,116.8</b>	<b>-31%</b>
Cash deposits	+1,801.2	+561.6	+221%
Repurchase agreements	+35.6	+21.6	+65%
Mediolanum bonds	-36.8	-95.7	-62%
Other securities under custody	+224.8	-188.2	n.s.
<b>Administered Assets Inflows</b>	<b>+2,024.7</b>	<b>+299.4</b>	<b>n.s.</b>
'Freedom' Life Policies (change in assets)	-247.9	-401.2	-38%
<b>Administered Assets incl. 'Freedom' accts.</b>	<b>+1,776.8</b>	<b>-101.8</b>	<b>n.s.</b>
<b>BANCA MEDIOLANUM</b>	<b>+3,925.2</b>	<b>+3,015.0</b>	<b>+30%</b>
<b>BANCA ESPERIA (Mediolanum's share)</b>	<b>+110.0</b>	<b>+164.5</b>	<b>-33%</b>
<b>TOTAL NET INFLOWS</b>	<b>+4,035.2</b>	<b>+3,179.5</b>	<b>+27%</b>

# Banca Mediolanum

## October 2016 Net Inflows

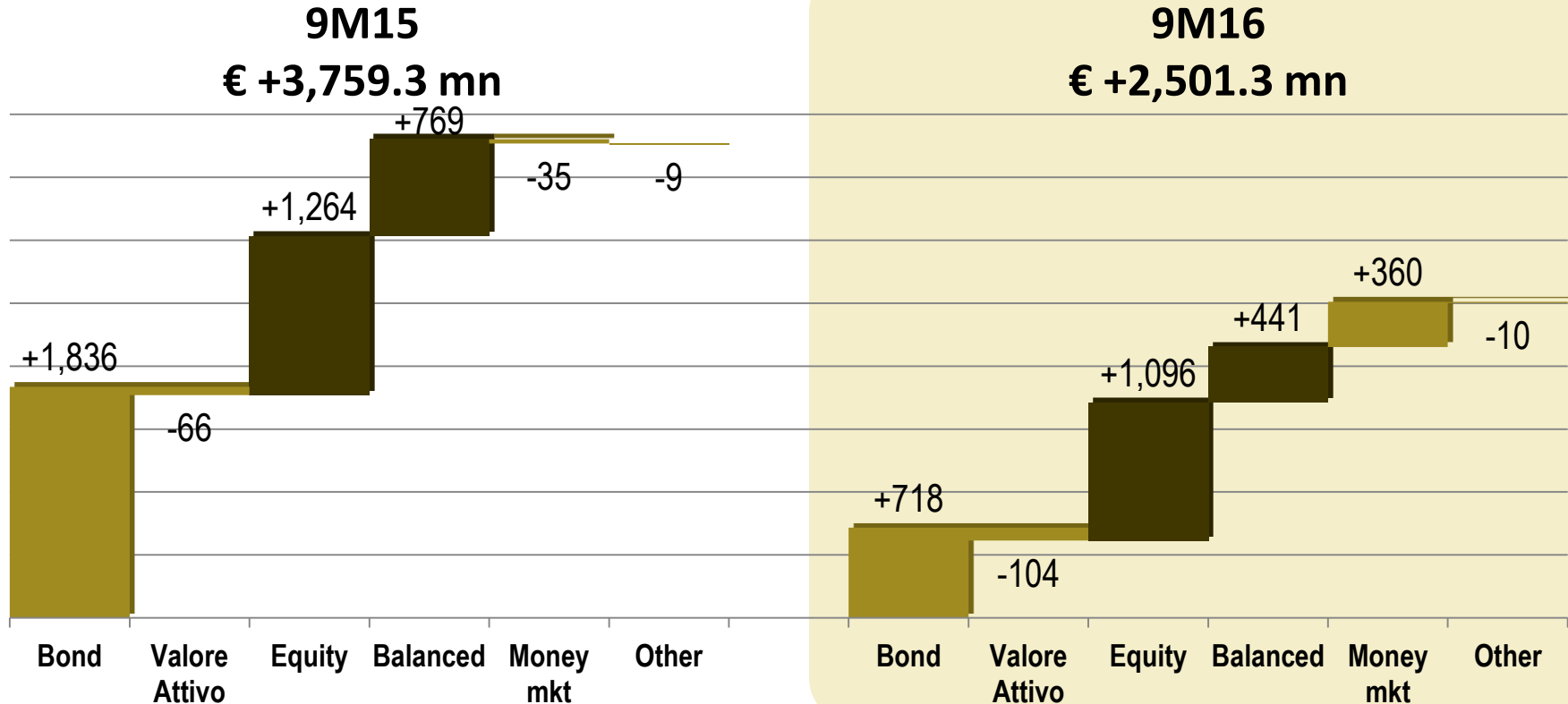
€ mn



	Oct '16	YTD '16	YTD '15
directly into Mutual Funds	+176	+1,836	+2,315
through 'MyLife' U-L policy	+53	+627	+1,753
through other U-L policies	+32	+300	-139
<b>Mutual Funds Inflows</b>	<b>+262</b>	<b>+2,763</b>	<b>+3,929</b>
Other Life insurance policies	-3	-217	-365
3rd-party Structured Bonds	-16	-155	-341
<b>Managed Assets &amp; similar inflows</b>	<b>+242</b>	<b>+2,391</b>	<b>+3,223</b>
<b>Administered Assets &amp; similar inflows</b>	<b>+79</b>	<b>+1,855</b>	<b>+40</b>
o/w 'Freedom' Life Policies (change in assets)	-14	-262	-428
<b>BANCA MEDIOLANUM</b>	<b>+321</b>	<b>+4,246</b>	<b>+3,263</b>

## Net Inflows by Category

€ bn – including Unit-Linked policies



# Mutual Funds

## Net Inflows by Product

€ mn



	9M16	9M15	Change
'Best Brands' funds of funds (IRL)	+1,176.4	+1,712.0	-31%
'Challenge' mutual funds (IRL)	+17.3	-46.5	n.s.
'Fondi Italia' mutual funds (ITA)	+168.2	+223.0	-25%
3rd-party stand-alone funds	+317.6	+380.1	-16%
Other	-20.0	-56.7	-65%
<b>DIRECT NET INFLOWS INTO MUTUAL FUNDS</b>	<b>+1,659.5</b>	<b>+2,211.9</b>	<b>-25%</b>
'MyLife' U-L policy	+573.9	+1,699.1	-66%
Other U-L policies	+267.9	-151.7	n.s.
<b>TOTAL NET INFLOWS INTO MUTUAL FUNDS</b>	<b>+2,501.3</b>	<b>+3,759.3</b>	<b>-33%</b>

## Gross Inflows by Product

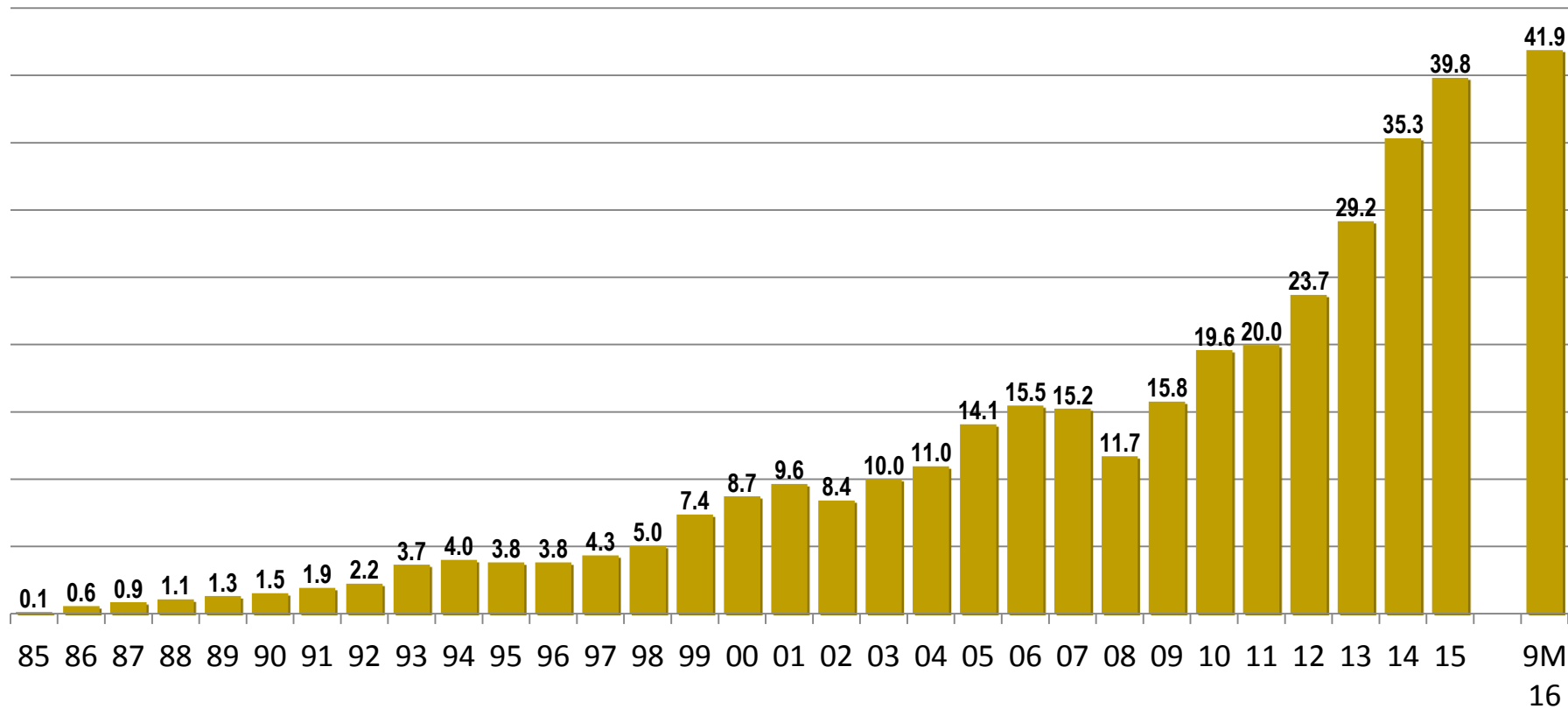
€ mn



	9M16	9M15	Change
'Best Brands' funds of funds (IRL)	2,555.6	4,349.9	-41%
'Challenge' mutual funds (IRL)	364.0	574.1	-37%
'Fondi Italia' mutual funds (ITA)	860.1	1,292.9	-33%
3rd-party stand-alone funds	391.8	429.4	-9%
Other	15.6	52.3	-70%
<b>DIRECT GROSS INFLOWS INTO MUTUAL FUNDS</b>	<b>4,187.1</b>	<b>6,698.7</b>	<b>-37%</b>
'MyLife' U-L policy	777.2	1,782.5	-56%
Other U-L policies	901.0	745.2	+21%
<b>TOTAL GROSS INFLOWS INTO MUTUAL FUNDS</b>	<b>5,865.3</b>	<b>9,226.5</b>	<b>-36%</b>

# Mutual Funds AUM Trend

€ bn – including U-L assets





## Assets under Management

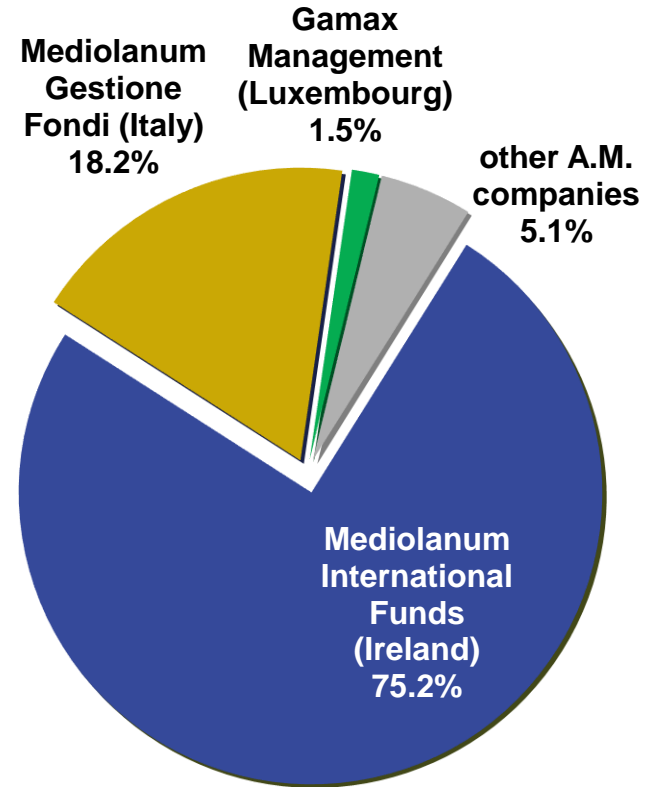
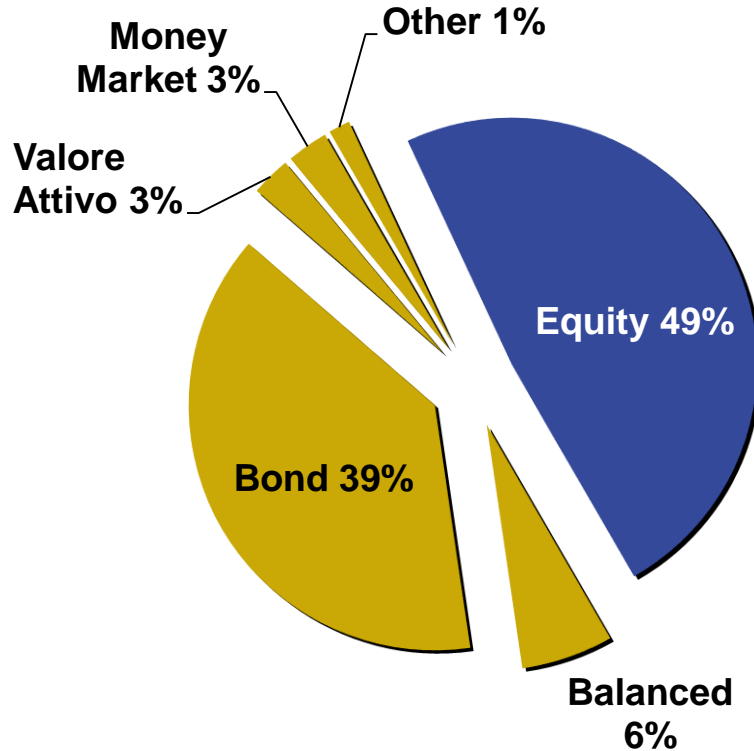
€ mn



	30/09/16	31/12/15	Change	30/09/15	Change
'Best Brands' funds of funds (IRL)	17,681.3	16,403.4	+8%	15,363.7	+15%
'Portfolio' funds of funds (IRL)	365.3	383.8	-5%	375.8	-3%
'Challenge' mutual funds (IRL)	13,407.1	13,369.0	+0%	12,475.1	+7%
Funds of Hedge Funds (IRL)	95.5	121.9	-22%	134.1	-29%
'Fondi Italia' mutual funds (ITA)	7,139.4	7,003.8	+2%	6,755.5	+6%
'Real estate' fund (ITA)	307.5	315.0	-2%	312.9	-2%
3rd-party stand-alone funds	944.2	611.5	+54%	522.3	+81%
Other	817.4	792.8	+3%	780.0	+5%
<i>Adj. for own mutual funds in FoFs &amp; Managed accts.</i>	<i>(434.1)</i>	<i>(458.0)</i>	<i>-5%</i>	<i>(436.8)</i>	<i>-1%</i>
'MyLife' U-L policy	3,997.2	3,434.9	+16%	3,063.5	+30%
Other U-L policies	11,670.1	11,612.2	+0%	10,899.2	+7%
<i>Adj. for own mutual funds in U-L policies</i>	<i>(14,108.4)</i>	<i>(13,769.7)</i>	<i>+2%</i>	<i>(12,788.4)</i>	<i>+10%</i>
<b>ASSETS IN MUTUAL FUNDS &amp; U-L</b>	<b>41,882.5</b>	<b>39,820.7</b>	<b>+5%</b>	<b>37,456.9</b>	<b>+12%</b>

## Assets\* by category and A.M. company

as at 30/09/2016 – including U-L assets



\*Flexible funds are classified according to their equivalent risk level

# Banking Revenues

€ mn



	9M16	9M15	Change
Securities trading fees	8.9	15.2	-42%
<i>o/w 3rd-party structured bonds</i>	3.0	7.8	-62%
Service fees	35.7	36.0	-1%
<b>Fee income</b>	<b>44.6</b>	<b>51.2</b>	<b>-13%</b>
Net Interest Income	157.9	164.0	-4%
Net income on investments at fair value	(19.2)	(2.3)	n.s.
<i>o/w unrealised</i>	(11.2)	(2.3)	+379%
<b>Net financial income</b>	<b>138.8</b>	<b>161.7</b>	<b>-14%</b>
<b>Net income on other investments</b>	<b>8.0</b>	<b>(5.0)</b>	<b>n.s.</b>
<b>Other fees &amp; Other revenues</b>	<b>7.4</b>	<b>9.0</b>	<b>-17%</b>
<b>BANKING REVENUES</b>	<b>198.8</b>	<b>216.9</b>	<b>-8%</b>

# Banking Interest Spread



	9M16	FY15
<b>Total Cost of Funding</b>	<b>0.46%</b>	<b>0.66%</b>
Retail Cost of Funding	0.69%	1.09%
<b>Total Interest Income</b>	<b>1.41%</b>	<b>1.59%</b>
Retail Interest Income	2.40%	2.75%
<b>TOTAL SPREAD</b>	<b>0.95%</b>	<b>0.92%</b>
Spread on Retail	1.70%	1.66%

# Balance Sheet Highlights

€ mn – as at 30/09/2016



	Liabilities	Assets
<b>Retail</b>	<b>14,878</b>	<b>6,682</b>
<b>Treasury</b>	<b>5,799</b>	<b>14,008</b>
o/w interbank / intra-group deposits & repos	1,550	1,195
o/w ECB refinancing	0	0
o/w MTS refinancing	4,250	4,165
o/w securities (bonds)		8,649
<b>Other liabilities / assets</b>	<b>2,518</b>	<b>2,505</b>
<b>TOTAL</b>	<b>23,195</b>	<b>23,195</b>

Operating Liquidity (24hr) : € 10,121 mn

# Banking Credit Quality

€ mn – as at 30/09/2016



	30/09/16	31/12/15	Change	30/09/15	Change
Mortgages	5,070	4,757	+7%	4,544	+12%
Personal & Commercial Loans	1,213	1,127	+8%	1,057	+15%
Lines of credit	399	418	-4%	416	-4%
<b>Total Loans</b>	<b>6,682</b>	<b>6,302</b>	<b>+6%</b>	<b>6,017</b>	<b>+11%</b>

## % on total loans

Gross non-performing loans

**B. Mediolanum**

1.51%

**Italian Banks\***

16.4%

as at 30/06/2016

Net non-performing loans

0.81%

10.8%

as at 31/12/2015

\* Source: Bank of Italy – Statistical Bulletin III 2016 & Financial Stability Report No. 1 2016

9M16

FY15

9M15

**Mortgage Portfolio**

Total Value	5,070	4,757	4,544
Average rate	2.14%	2.49%	2.54%
Average residual LTV	57%	58%	58%

**New Business**

Total amount granted	713	1,001	669
Average rate	1.58%	2.07%	2.20%
Average amount granted	141	143	143
Average initial LTV	59%	62%	62%

## Assets under Administration

€ mn

	30/09/16	31/12/15	Change	30/09/15	Change
Cash Deposits	14,656.0	12,854.8	+14%	11,941.4	+23%
Repurchase agreements	35.6	0	n.s.	22.0	+62%
Mediolanum bonds	116.5	154.7	-25%	171.2	-32%
3rd-party structured bonds	710.0	885.4	-20%	1,011.9	-30%
Other securities under custody	2,069.2	2,084.6	-1%	1,822.1	+14%
<b>BANKING ADMINISTERED ASSETS</b>	<b>17,587.2</b>	<b>15,979.4</b>	<b>+10%</b>	<b>14,968.7</b>	<b>+17%</b>



# Mediolanum Group Bond Portfolio

€ mn – as at 30/09/2016



	Mediolanum Group		Banca Mediolanum		Mediolanum Vita	
	Book value	AD	Book Value	AD	Book Value	AD
Italian Govies	<b>14,843</b>	<b>0.7</b>	13,702	<b>0.5</b>	1,005	<b>3.6</b>
Italian Financials	<b>470</b>	<b>2.6</b>	225	<b>1.4</b>	237	<b>3.8</b>
Spanish Govies	<b>603</b>	<b>1.5</b>	580	<b>1.5</b>	23	<b>2.8</b>
Spanish Financials	<b>8</b>	<b>7.0</b>	0	<b>0.0</b>	8	<b>7.0</b>
Core Europe Govies	<b>-339</b>	<b>1.2</b>	-359	<b>1.1</b>	0	<b>0.0</b>
Greek Govies	<b>0</b>	<b>0.0</b>	0	<b>0.0</b>	0	<b>0.0</b>
Portuguese, Irish Govies	<b>0</b>	<b>0.0</b>	0	<b>0.0</b>	0	<b>0.0</b>
Other Financials	<b>108</b>	<b>1.3</b>	54	<b>0.4</b>	54	<b>2.2</b>
Other Corporate	<b>49</b>	<b>3.8</b>	10	<b>0.3</b>	38	<b>4.7</b>
Other ABS	<b>4</b>	<b>1.6</b>	4	<b>1.6</b>	0	<b>0.0</b>
<b>TOTAL</b>	<b>15,746</b>	<b>0.8</b>	<b>14,216</b>	<b>0.6</b>	<b>1,365</b>	<b>3.6</b>

AD = average duration weighted by absolute nominal value

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

€ mn – as at 30/09/2016

	TOTAL	Covered	Senior	Subordinated	Other	Avg Length to Maturity
INTESA SANPAOLO SPA	150.4	15.0	119.7	15.7		2.8
UNICREDIT	126.5	6.0	105.5	15.0		1.5
MEDIO CREDITO CENTRALE	37.1		37.1			5.4
UBI BANCA	31.4	9.0	12.0	6.0	4.4	3.7
MONTE DEI PASCHI DI SIENA	25.3	15.3	10.0			4.7
BANCO POPOLARE	23.0	2.5	20.5			2.4
BANCA IMI SPA	14.2		14.2			2.1
ROYAL BANK OF SCOTLAND	12.5		12.5			3.5
DEXIA	12.0		12.0			6.1

\* Most significant long positions (> € 10 mn)

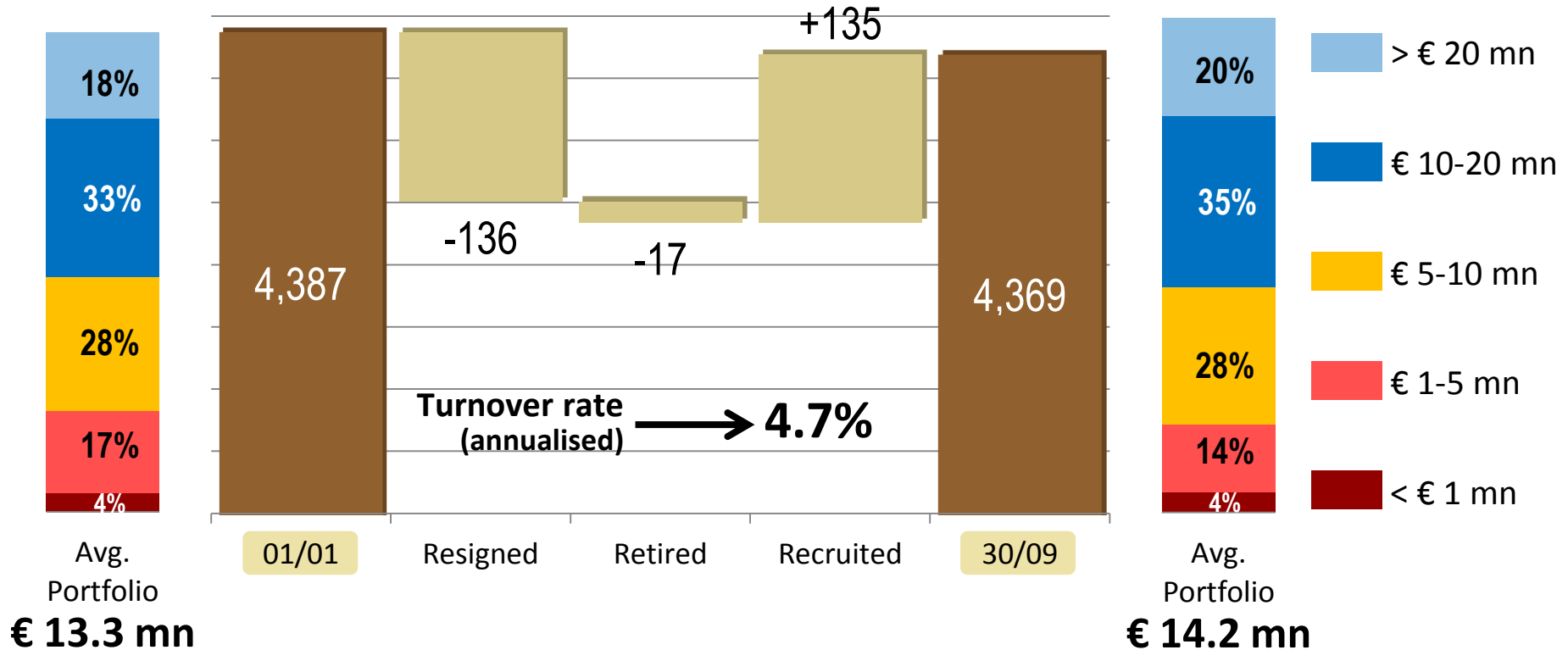
	9M16	9M15	Change
Premiums less Amounts paid & change in reserves	10.9	23.3	-53%
Commission income	296.0	316.8	-7%
Net Interest Income	9.7	8.5	+14%
Net income on investments at fair value	1.3	(0.1)	n.s.
<i>o/w unrealised</i>	1.1	0.3	+295%
<b>Net financial income</b>	<b>11.0</b>	<b>8.5</b>	<b>+30%</b>
Net income on other investments	(0.7)	0	n.s.
Other revenues	8.7	9.2	-6%
<b>INSURANCE REVENUES</b>	<b>325.9</b>	<b>357.8</b>	<b>-9%</b>

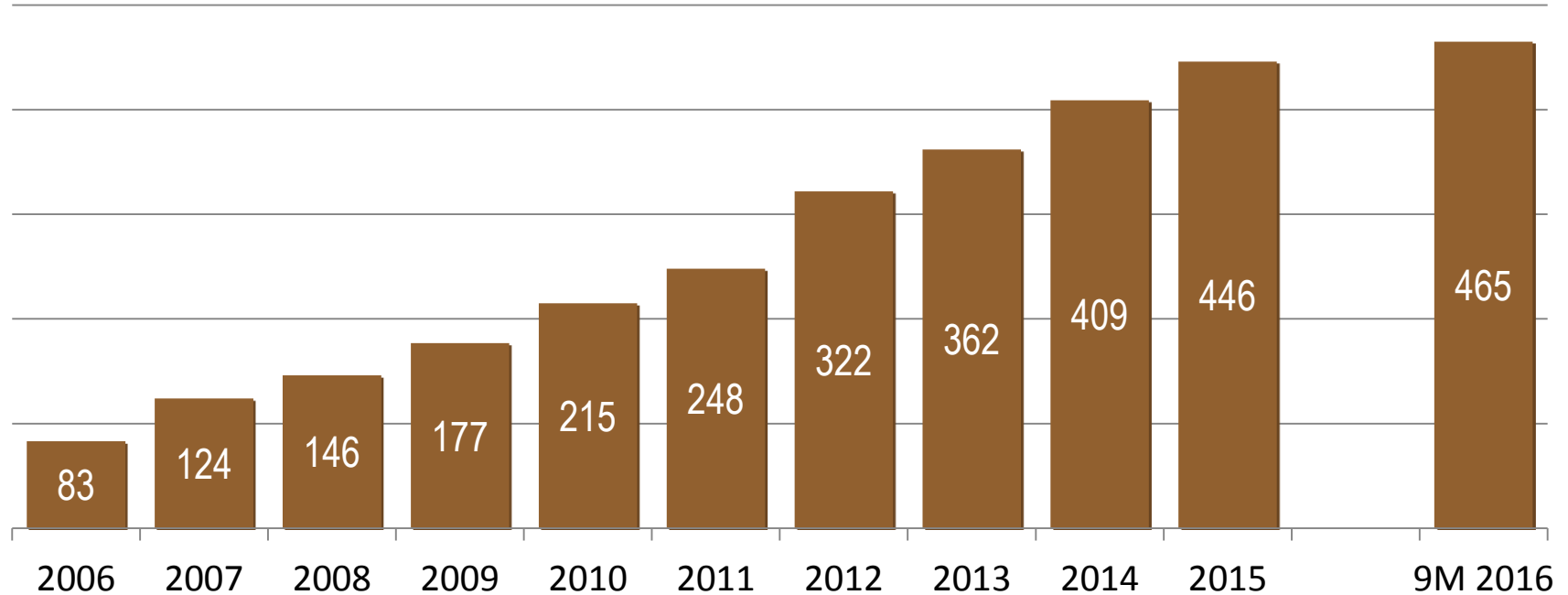
## Life – Policyholders' Assets

€ mn



	30/09/16	31/12/15	Change	30/09/15	Change
Traditional	1,328.5	1,326.0	+0%	1,293.4	+3%
Index-linked	237.5	404.9	-41%	576.6	-59%
Unit-linked pension plans	5,525.7	5,427.0	+2%	5,023.0	+10%
Unit-linked endowment policies	3,669.1	3,829.8	-4%	3,643.1	+1%
Unit-linked investment policies	6,472.5	5,790.3	+12%	5,296.5	+22%
<b>Unit-linked</b>	<b>15,667.3</b>	<b>15,047.1</b>	<b>+4%</b>	<b>13,962.7</b>	<b>+12%</b>
<i>o/w equity</i>	<i>61.3%</i>	<i>63.5%</i>	<i>-3%</i>	<i>62.0%</i>	<i>-1%</i>
<b>LIFE ASSETS (EX-'FREEDOM')</b>	<b>17,233.3</b>	<b>16,778.0</b>	<b>+3%</b>	<b>15,832.6</b>	<b>+9%</b>
'Freedom' Life policies	255.0	503.1	-49%	573.1	-56%





**Average assets in portfolio: € 33.2 mn**  
o/w managed assets: € 23.8 mn

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

## Highlights

€ mn



	9M16	9M15	Change	vs.FY15
Statutory Net Income	5.8	5.4	+7%	
Equity contribution in Mediolanum's P&L*	2.9	(0.5)	n.s.	
Assets under Administration/Management	17,477	16,624	+5%	+2%
<i>% in Managed Assets</i>	53.2%	49.4%	+8%	+4%
Net Inflows	+220	+329	-33%	
<i>o/w Managed Assets Inflows</i>	+258	+151	+71%	
Private Bankers	91	88	+3%	+2%
Clients	4,998	4,392	+14%	+17%

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



# 9M 2016 Foreign Markets Results



	9M16	9M15	Change	vs.FY15
Net Income excluding non-recurring items	17.9	18.8	-5%	
Net impact of settlement of past (inherited) litigation	4.8	(7.8)	n.s.	
<b>Net Income</b>	<b>22.7</b>	<b>11.0</b>	<b>+107%</b>	
Managed Assets	2,460.6	2,050.7	+20%	+11%
Administered Assets	1,216.1	1,251.5	-3%	-8%
<b>Total Assets</b>	<b>3,676.7</b>	<b>3,302.2</b>	<b>+11%</b>	<b>+4%</b>
<b>Gross Inflows into Managed Assets</b>	<b>700.8</b>	<b>647.6</b>	<b>+8%</b>	
Net Inflows into Managed Assets	+306.7	+265.0	+16%	
Net Inflows into Administered Assets	-122.3	+182.5	n.s.	
<b>Total Net Inflows</b>	<b>+184.5</b>	<b>+447.4</b>	<b>-59%</b>	
Family Bankers (Mediolanum model)	833	739	+13%	+10%
Traditional agents	34	35	-3%	-0%
<b>Total Sales Network</b>	<b>867</b>	<b>774</b>	<b>+12%</b>	<b>+10%</b>
<b>Total Customers</b>	<b>107,837</b>	<b>102,782</b>	<b>+5%</b>	<b>+4%</b>

€ mn



	9M16	9M15	Change	vs.FY15
Net Income excluding non-recurring items	(8.4)	(5.6)	+52%	
Net impact of sale of Visa EU shares	8.4	0	n.s.	
<b>Net Income</b>	<b>0</b>	<b>(5.6)</b>	<b>-99%</b>	
Managed Assets	435.1	392.9	+11%	+5%
Administered Assets	140.3	83.7	+68%	+51%
<b>Total Assets</b>	<b>575.4</b>	<b>476.6</b>	<b>+21%</b>	<b>+14%</b>
<b>Gross Inflows into Managed Assets</b>	<b>47.0</b>	<b>50.3</b>	<b>-7%</b>	
Net Inflows into Managed Assets	+22.2	-13.4	n.s.	
Net Inflows into Administered Assets	+47.7	+4.3	n.s.	
<b>Total Net Inflows</b>	<b>+69.8</b>	<b>-9.2</b>	<b>n.s.</b>	
<b>Total Sales Network</b>	<b>66</b>	<b>49</b>	<b>+35%</b>	<b>+38%</b>
<b>Total Customers</b>	<b>5,341</b>	<b>4,618</b>	<b>+16%</b>	<b>+13%</b>

## Highlights

€ mn



	9M16	9M15	Change	vs.FY15
Net Income excluding non-recurring items	(9.5)	(9.4)	+1%	
Net impact of sale of Visa EU shares	8.4	0	n.s.	
<b>Net Income</b>	<b>(1.1)</b>	<b>(9.4)</b>	<b>-89%</b>	
Managed Assets	239.2	201.2	+19%	+11%
Administered Assets	140.3	83.7	+68%	+51%
<b>Total Assets</b>	<b>379.4</b>	<b>284.9</b>	<b>+33%</b>	<b>+23%</b>
<b>Gross Inflows into Managed Assets</b>	<b>36.6</b>	<b>37.3</b>	<b>-2%</b>	
Net Inflows into Managed Assets	+24.3	+16.5	+48%	
Net Inflows into Administered Assets	+47.7	+4.3	n.s.	
<b>Total Net Inflows</b>	<b>+72.0</b>	<b>+20.8</b>	<b>+247%</b>	
<b>Total Sales Network</b>	<b>66</b>	<b>49</b>	<b>+35%</b>	<b>+38%</b>
<b>Total Customers</b>	<b>5,341</b>	<b>4,618</b>	<b>+16%</b>	<b>+13%</b>

	9M16	9M15	Change	vs.FY15
<b>Net Income</b>	1.0	3.8	-73%	
<b>Assets under Management</b>	195.9	191.7	+2%	-1%
<b>Gross Inflows</b>	10.4	13.0	-20%	
<b>Net Inflows</b>	-2.2	-29.9	-93%	



# Business Update

# Banca Mediolanum

## October 2016 Net Inflows

€ mn



	Oct '16	YTD '16	YTD '15
directly into Mutual Funds	+176	+1,836	+2,315
through 'MyLife' U-L policy	+53	+627	+1,753
through other U-L policies	+32	+300	-139
<b>Mutual Funds Inflows</b>	<b>+262</b>	<b>+2,763</b>	<b>+3,929</b>
Other Life insurance policies	-3	-217	-365
3rd-party Structured Bonds	-16	-155	-341
<b>Managed Assets &amp; similar inflows</b>	<b>+242</b>	<b>+2,391</b>	<b>+3,223</b>
<b>Administered Assets &amp; similar inflows</b>	<b>+79</b>	<b>+1,855</b>	<b>+40</b>
o/w 'Freedom' Life Policies (change in assets)	-14	-262	-428
<b>BANCA MEDIOLANUM</b>	<b>+321</b>	<b>+4,246</b>	<b>+3,263</b>

# Italian Sales Networks Ranking by Net Inflows

€ thousands - totals by Group

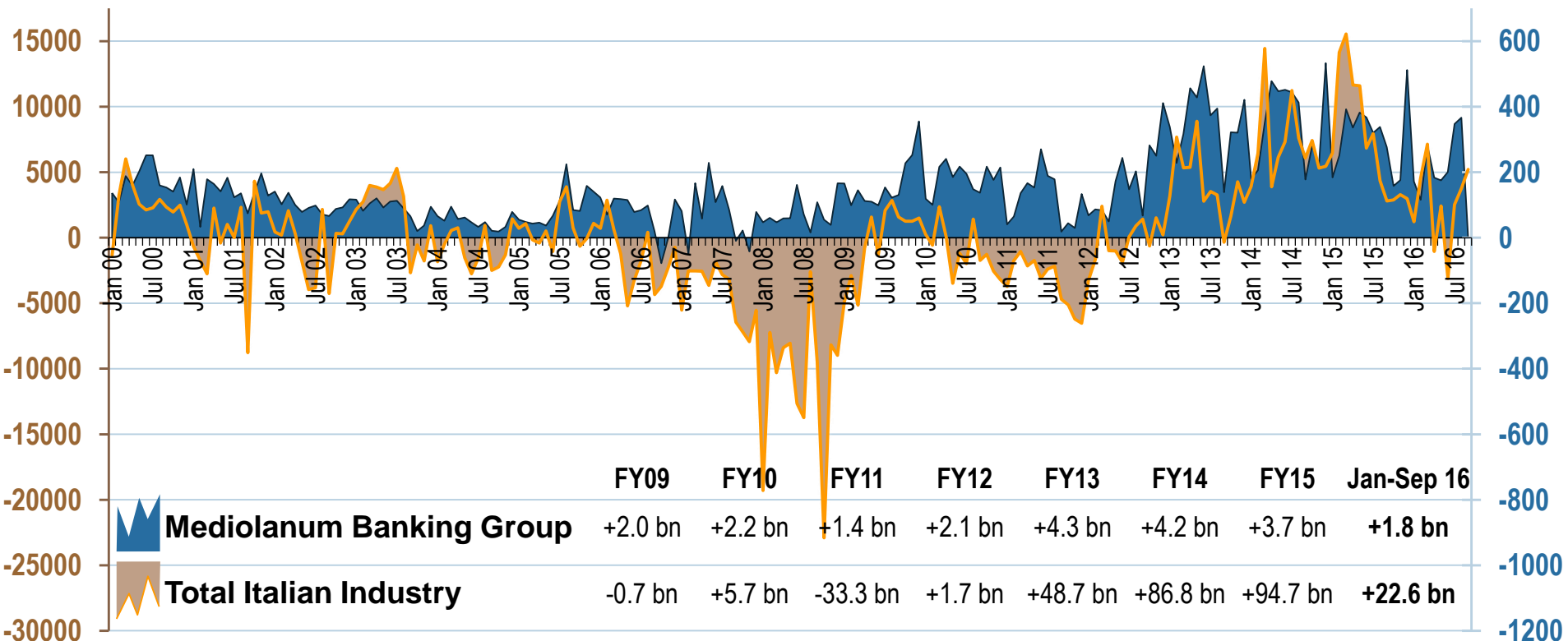


January – September 2016

Total Net Inflows

o/w Managed Assets

Banca Fideuram (incl. Sanpaolo)	5,411,649.09	1,213,688.47
Banca Generali	4,087,323.90	2,806,125.12
<b>Banca Mediolanum</b>	<b>3,927,986.96</b>	<b>2,289,998.41</b>
Finecobank	3,124,826.48	1,112,552.26
Allianz Bank	2,541,473.80	1,737,778.83
Azimut	2,358,325.15	1,866,775.65
Deutsche Bank (Finanza & Futuro)	632,206.39	500,137.89
Credem	416,399.67	322,367.92
UBI (IW Bank)	402,766.97	231,621.60
Monte dei Paschi di Siena (Widiba)	130,757.09	33,494.72
Consultinvest	5,554.00	4,047.00
Veneto Banca	- 136,002.14	- 118,724.39
Banca Pop. Vicenza (Banca Nuova)	- 139,713.64	- 72,268.64



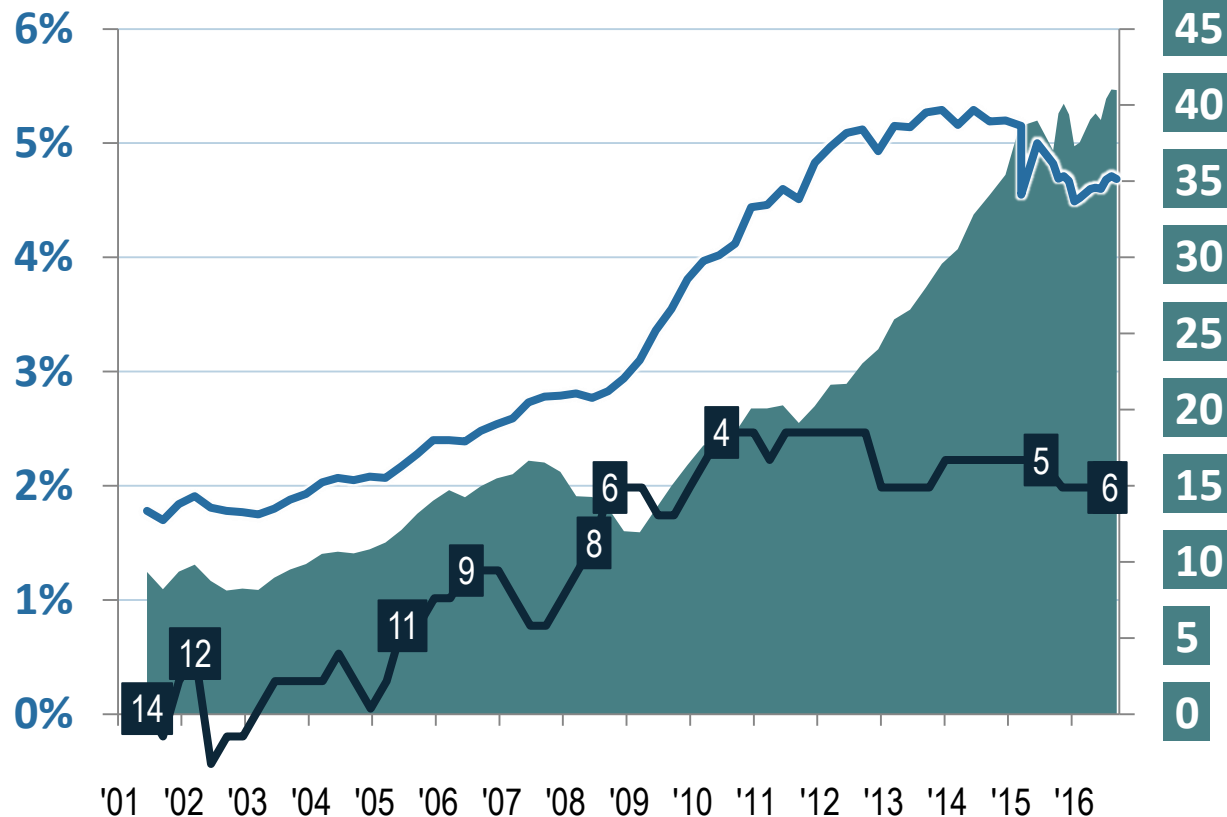
\*including Managed Accounts & Unit-Linked policies

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



# Mutual Funds AUM

## Mediolanum's Market Share, Assets, Rank

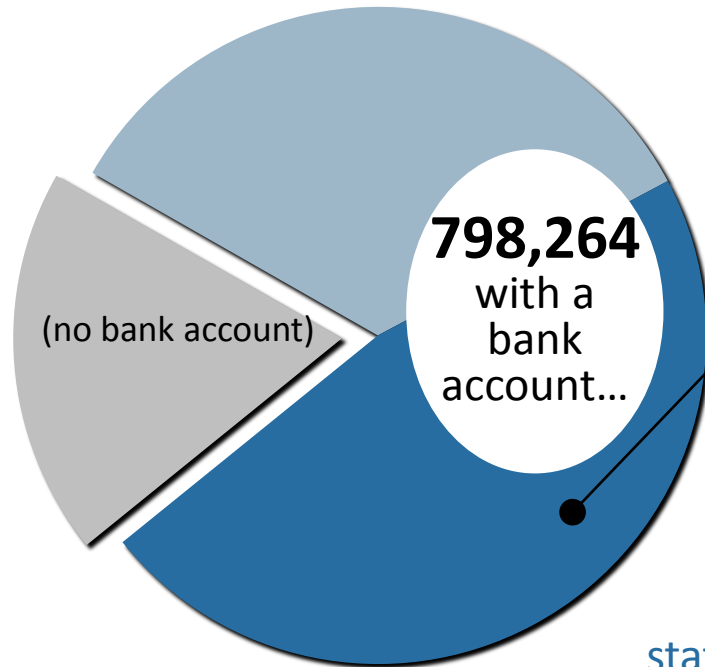


Sep 2016	mkt share
Intesa Sanpaolo	25.0%
Pioneer	10.0%
Generali	8.2%
Anima	6.5%
Blackrock	6.4%
<b>6 Mediolanum</b>	<b>4.7%</b>
Azimut	3.5%
UBI Banca	3.1%
JP Morgan	3.1%
Arca	2.9%
Amundi	2.6%
Invesco	2.4%
Pictet	2.2%
Deutsche A&W Mgmt.	2.1%
Schroders	2.1%

# Banca Mediolanum Customer Behaviour

as at 30/09/2016

**974,158** primary account holders:



...**59%** of which  
use Mediolanum as their primary  
banking institution

469,403 vs. 440,650 as at 31/12/2015

In a 2015 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\*  
(€12.5 bn in total assets as at 30/09/2016)



Average assets  
after 90 months

**€ 188,035**

**€ 136,715 (73%)**  
in high-margin  
managed assets products

*(Life products, mutual funds,  
3rd-party structured bonds)*

**€ 51,320 (27%)**  
in administered assets

*(bank deposits & securities  
under custody)*

Average assets  
at account opening

**€ 74,271**

1

11

21

31

41

51

61

71

81

Months after acct. opening

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

## Focus on high-remuneration deposits

Deposits in € mn as at 30/09/2016 – rates offered as at 01/11/2016

**'Freedom+' balances above € 15,000** (current offer\*: 0.50% to 0.80% according to cluster) **5,015**

**'InMediolanum' time deposits & lock-ins on current accounts** (current offer\*: 0.05% to 0.80%) **2,476**

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) **581**

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** **8,072**

**Low- or no-remuneration deposits** **6,584**

Includes 'Freedom' & 'Freedom+' assets below € 15,000 and all other current accounts

**TOTAL CASH DEPOSITS** **14,656**

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

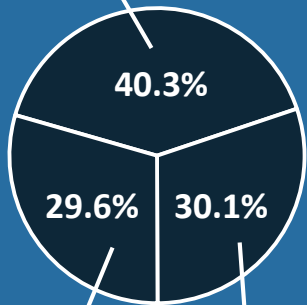


# Mediolanum Facts

as at 30/06/2016



Doris Group



Free Float

Fininvest

Approximate data

## BANKING

100%



Banco  
Mediolanum



Bankhaus  
August Lenz

Mediolanum  
Fiduciaria

## ASSET MANAGEMENT

100%

(direct & indirect  
ownership)



Mediolanum  
Gestione Fondi

100% Banca Mediolanum

Gamax  
Management

100% Banca Mediolanum



Mediolanum  
International Funds

92% Banca Mediolanum  
5% Banco Mediolanum  
3% Bankhaus A. Lenz



Mediolanum  
Gestione S.A.

100% Banco 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%



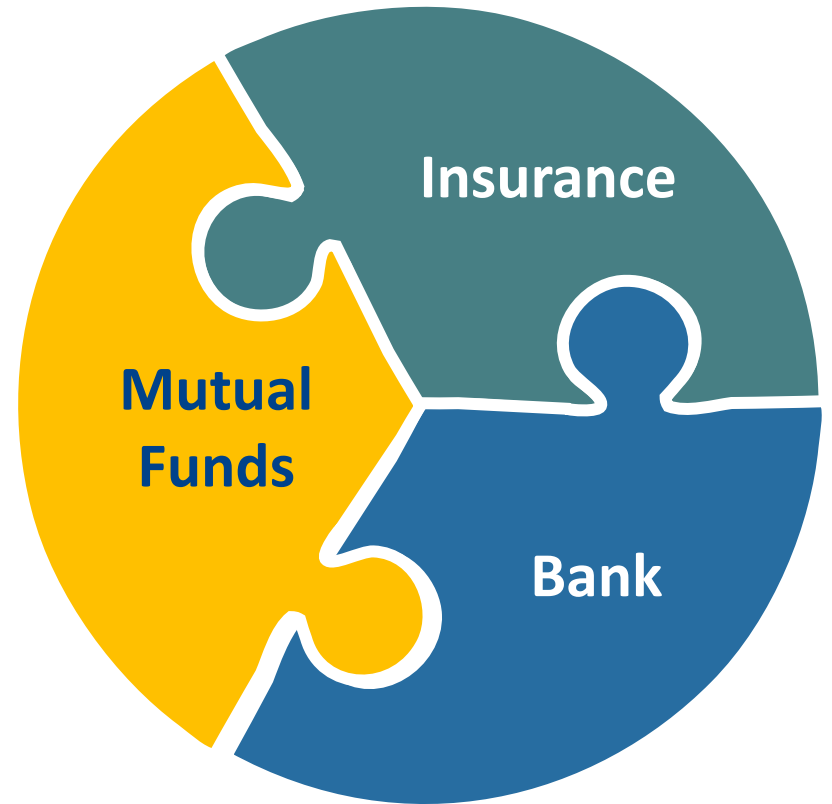
All companies  
Italy-based unless  
otherwise indicated

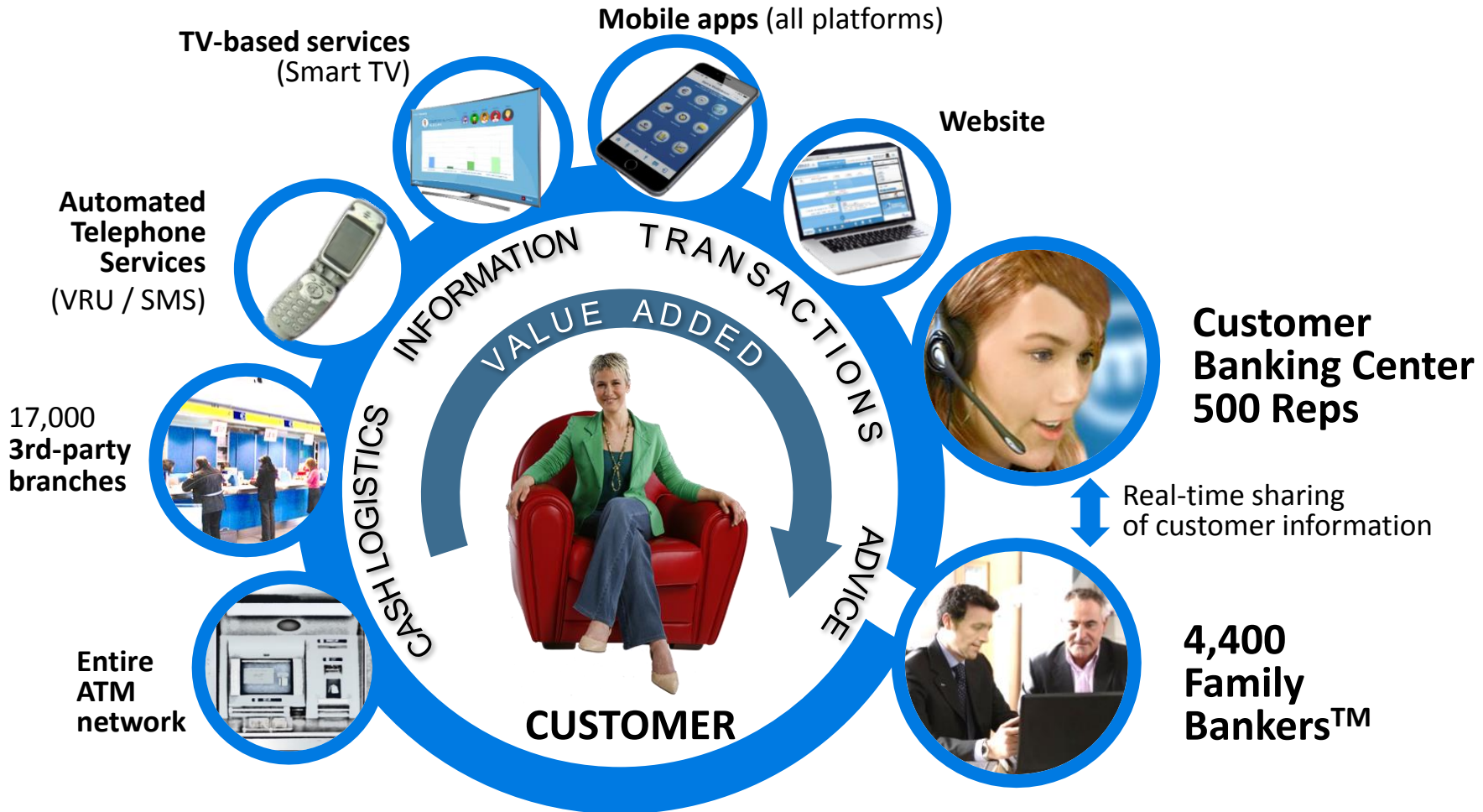
We and our Family Bankers view the company as a single entity, providing solutions that best fit the needs of the customer, whether it be in the form of a mutual fund, an insurance policy or a bank product

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







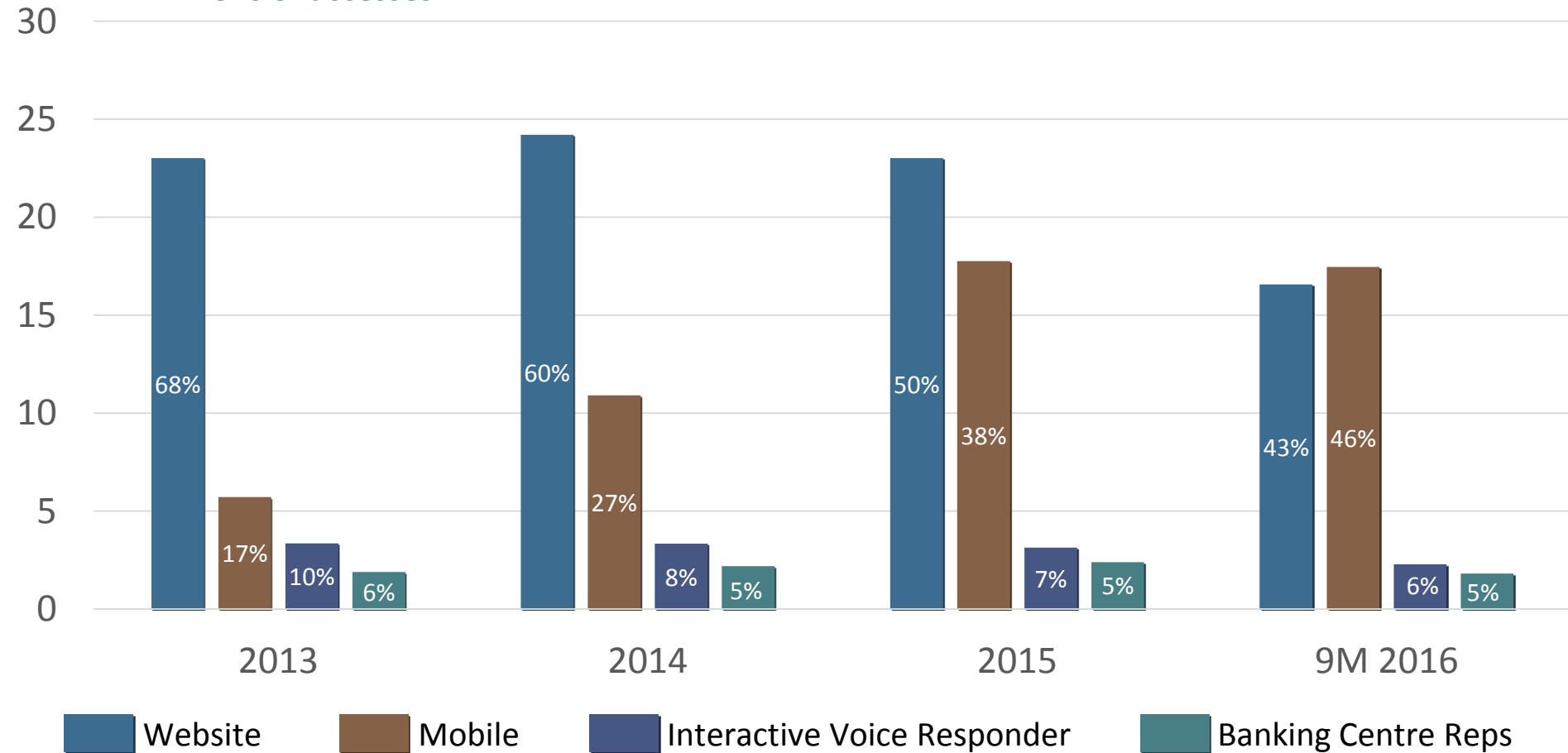
57

# Direct Channel Accesses

millions of accesses



Mediolanum  
Facts



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



## Family Bankers: the human touch

Self-employed tied agents with entrepreneurial approach

Extensively trained to tackle every household financial need

Share Mediolanum's view that banking services are an effective acquisition & retention tool

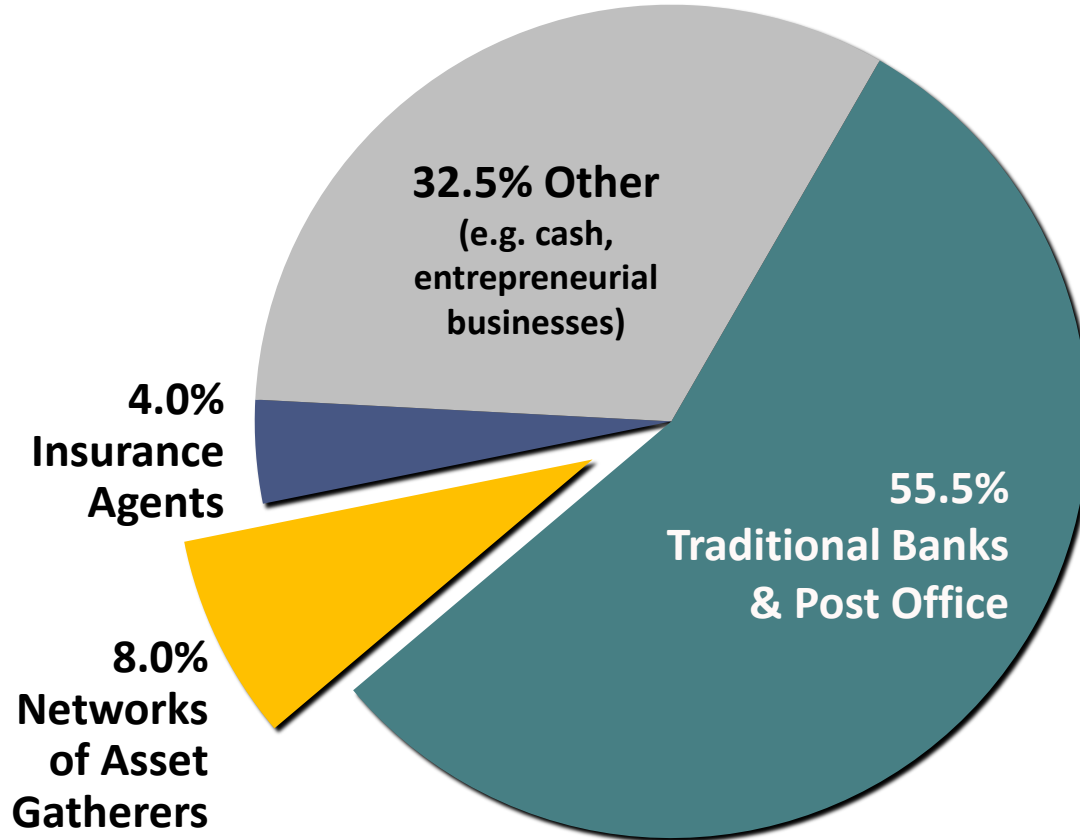
Compensated even for operations performed by customers through direct channels

- Willing to provide professional advice anytime, anywhere
- Equally competent across all product lines
- Unlike the typical FA, offer assistance also with everyday banking needs
- Synergy, not competition, between human and direct channels



## Customers: freedom in banking

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

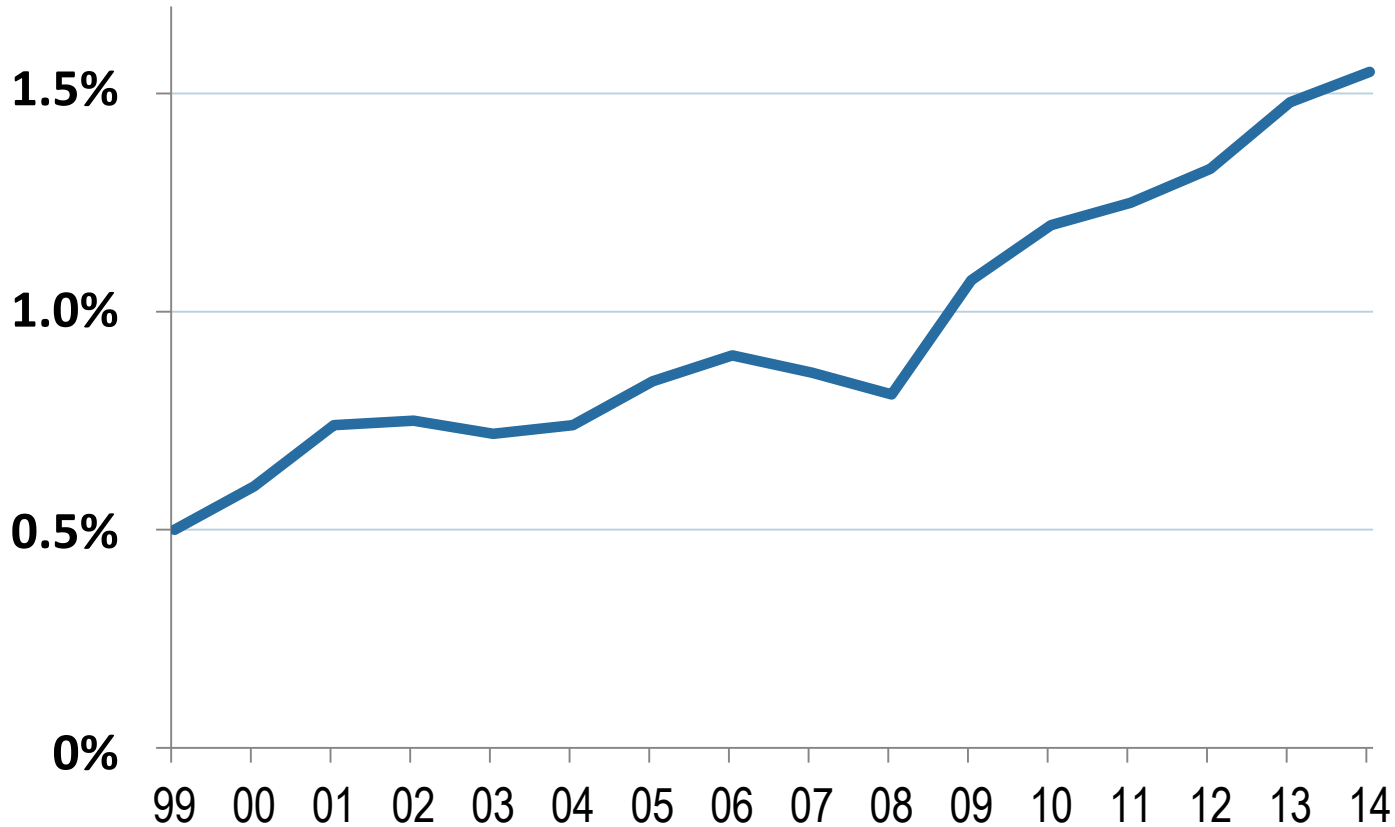


**Network of Asset Gatherers** have only 8% of the huge Italian HH financial assets market, although recognised as best-in-class in terms of personal service & advice, and largely immune to capital, credit quality & reputational issues

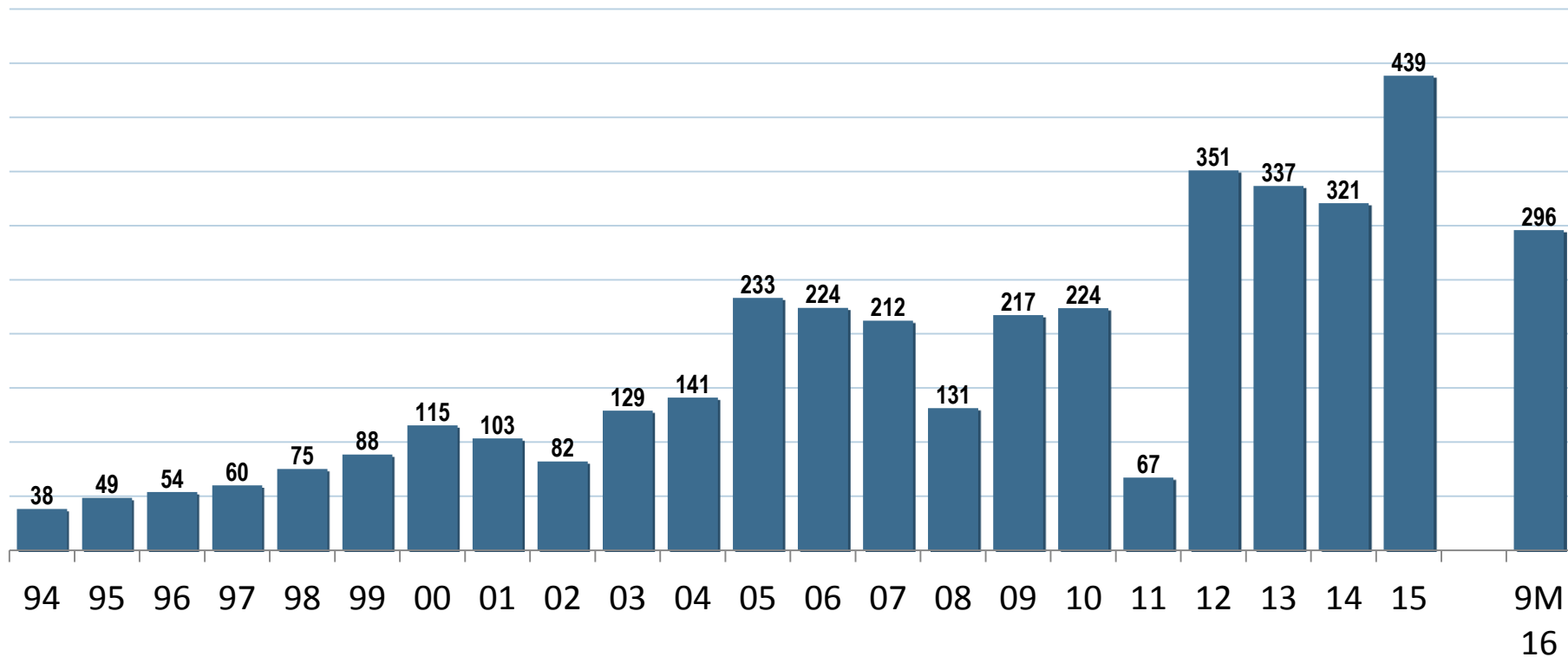
**Traditional Banks** still hold nearly 7x more

**Total HH Assets:**  
**€ 3,934 bn**

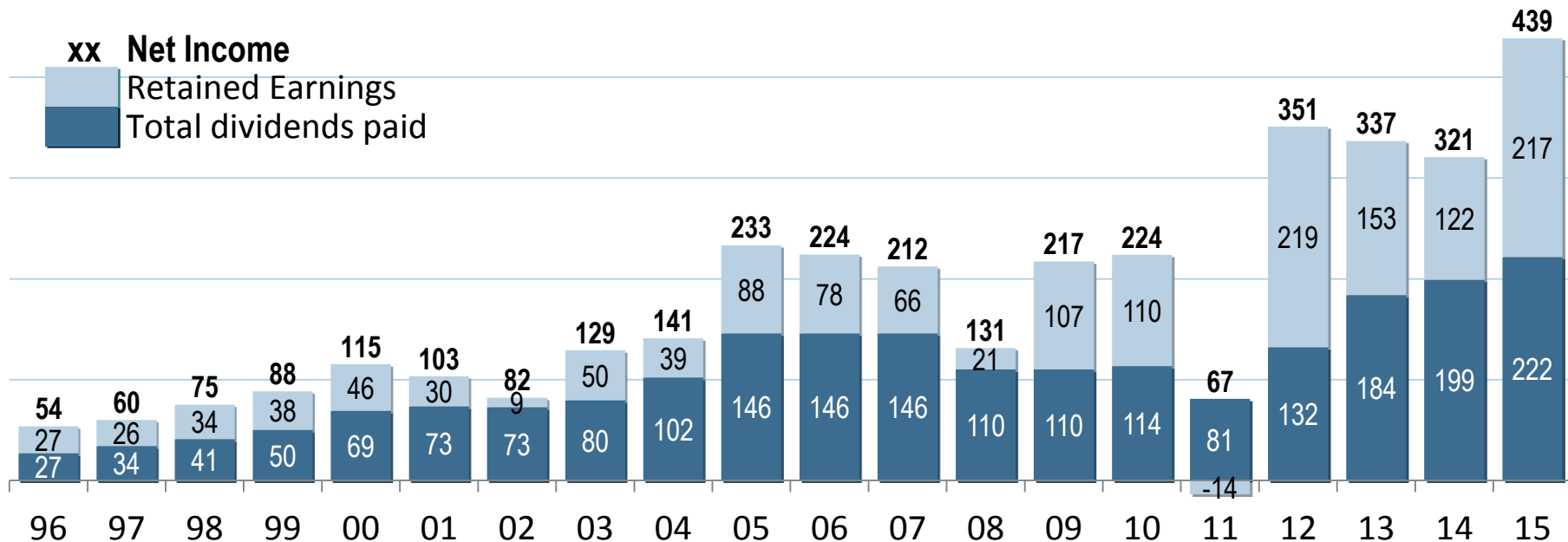
# Italian Household Financial Assets Banca Mediolanum's Market Share

**1.55%**

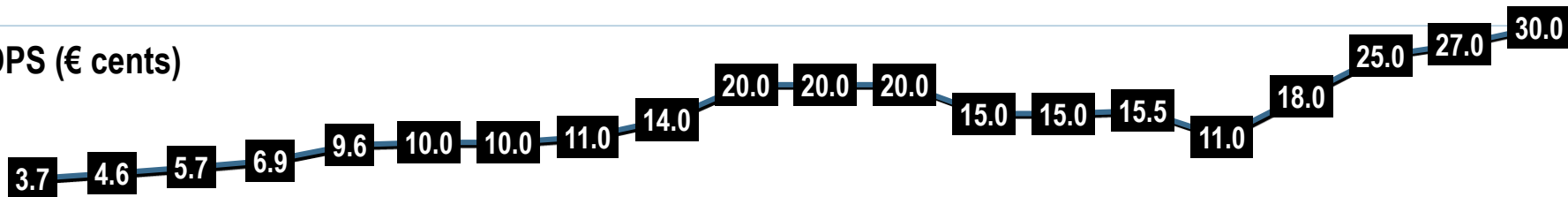
on a total of  
€ 3,934 bn reported  
by Banca d'Italia



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



DPS (€ cents)



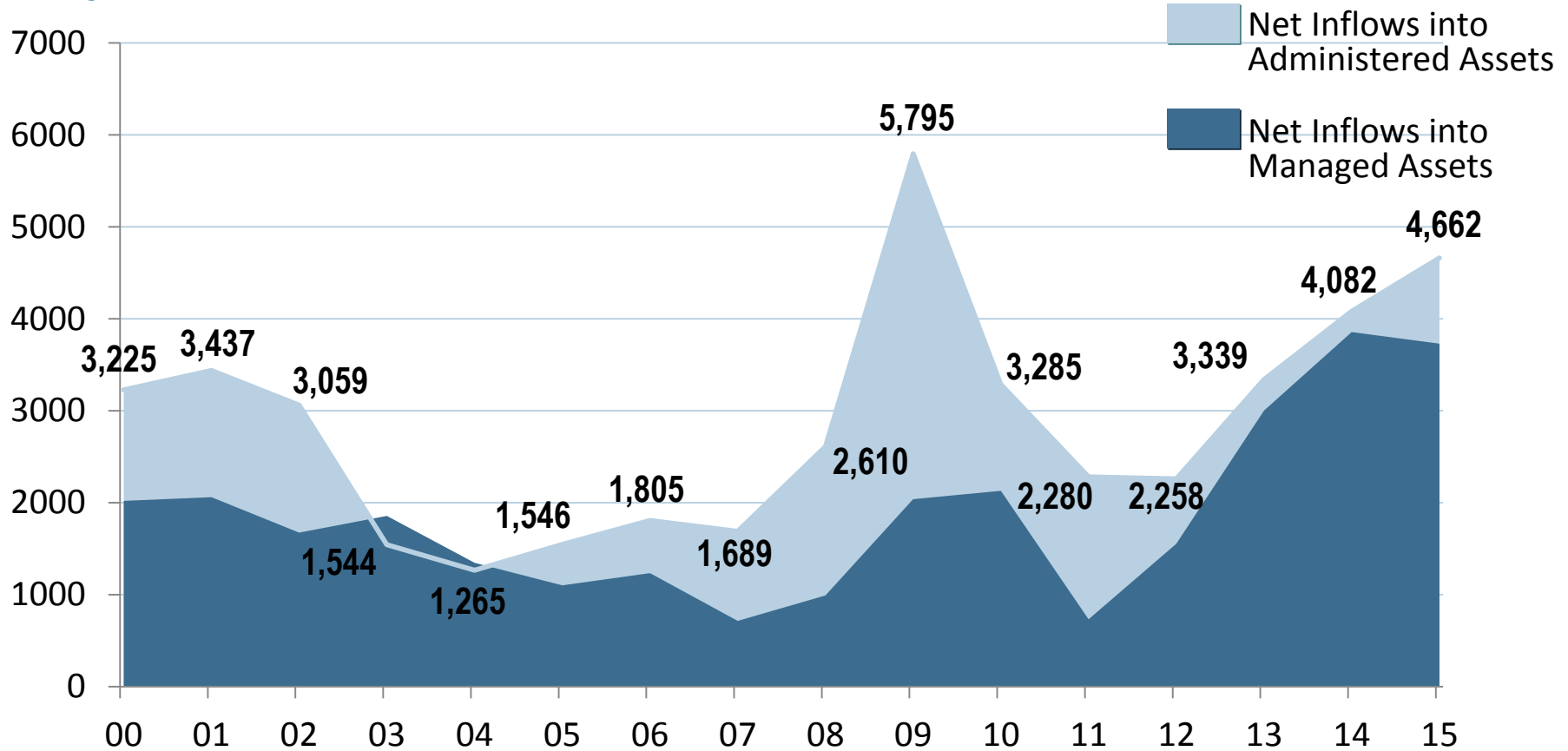
2008 &amp; 2010: adjusted net income excluding effects of 'Lehman Brothers' operation

# Banca Mediolanum

## Total Net Inflows Trend

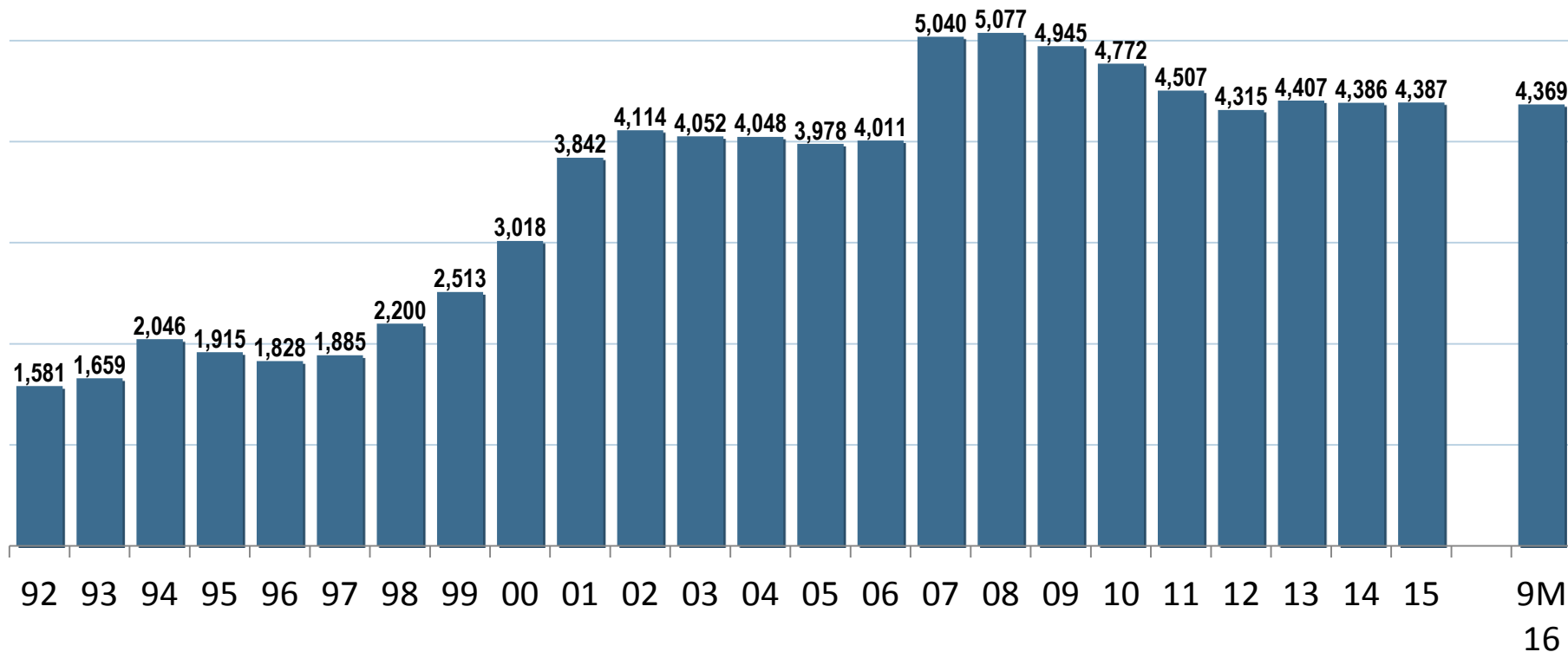


€ mn



# Banca Mediolanum Family Banker<sup>®</sup> Network

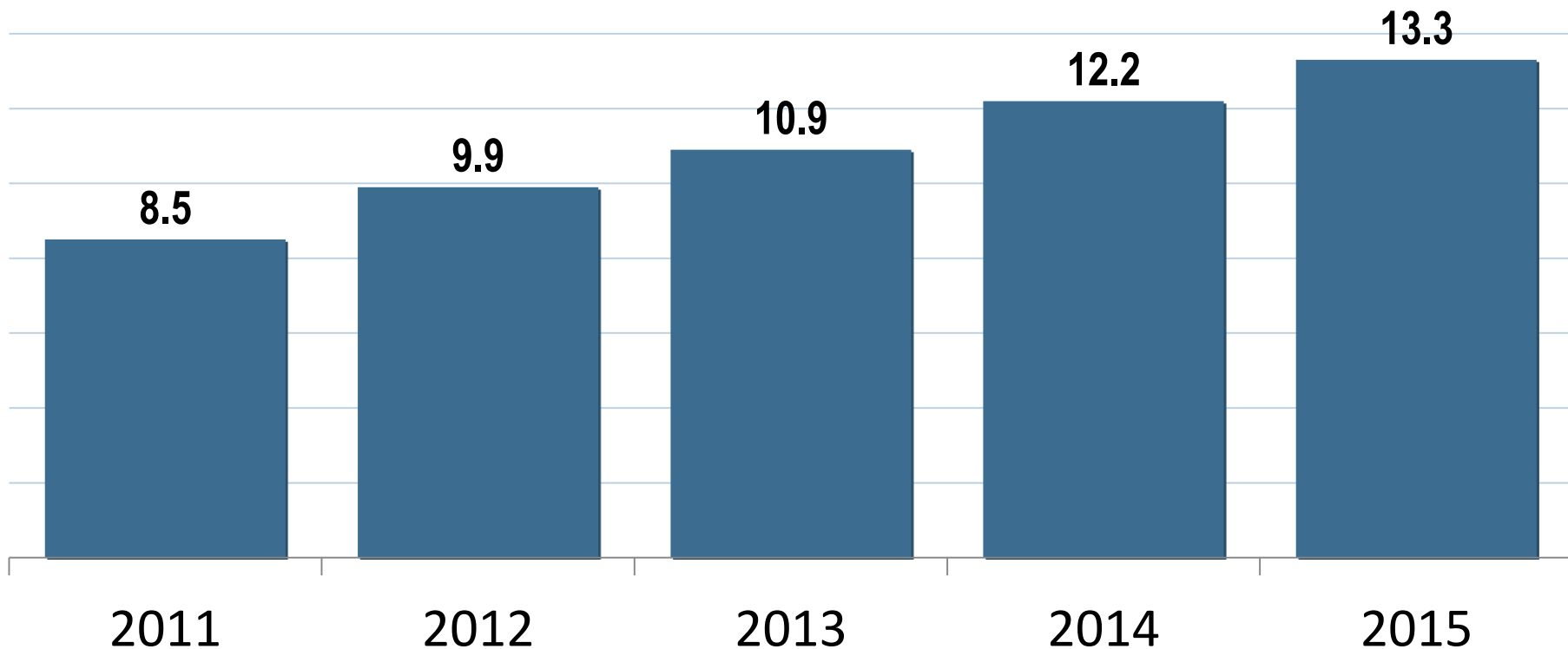
Licensed Financial Advisors





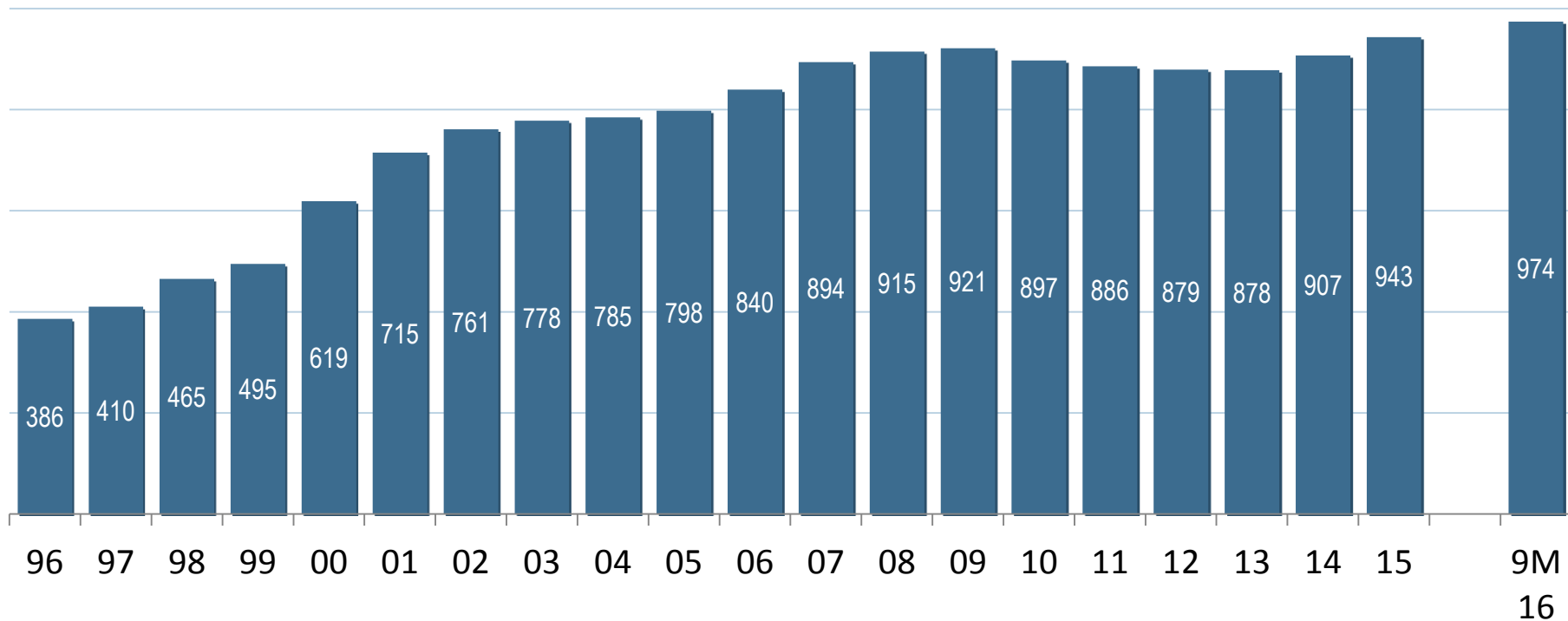
## Average Assets per Family Banker

€ mn



## Customers

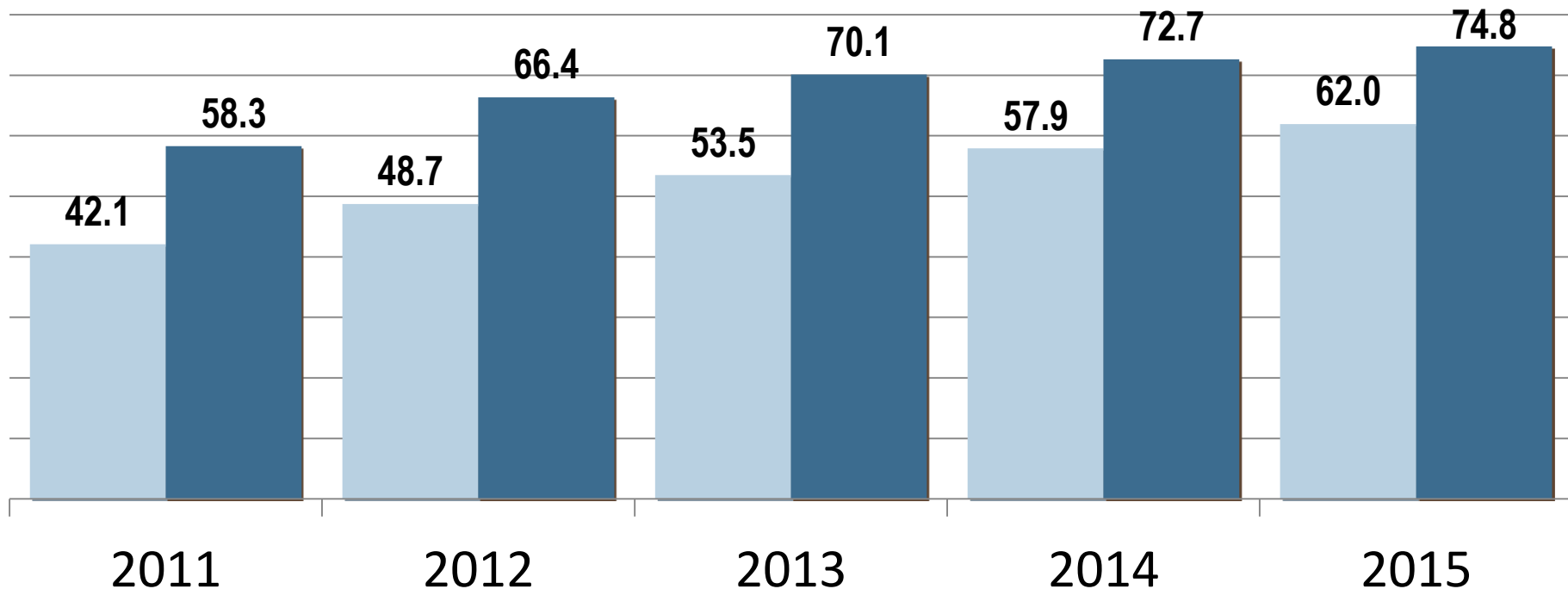
Primary account holders (thousands)



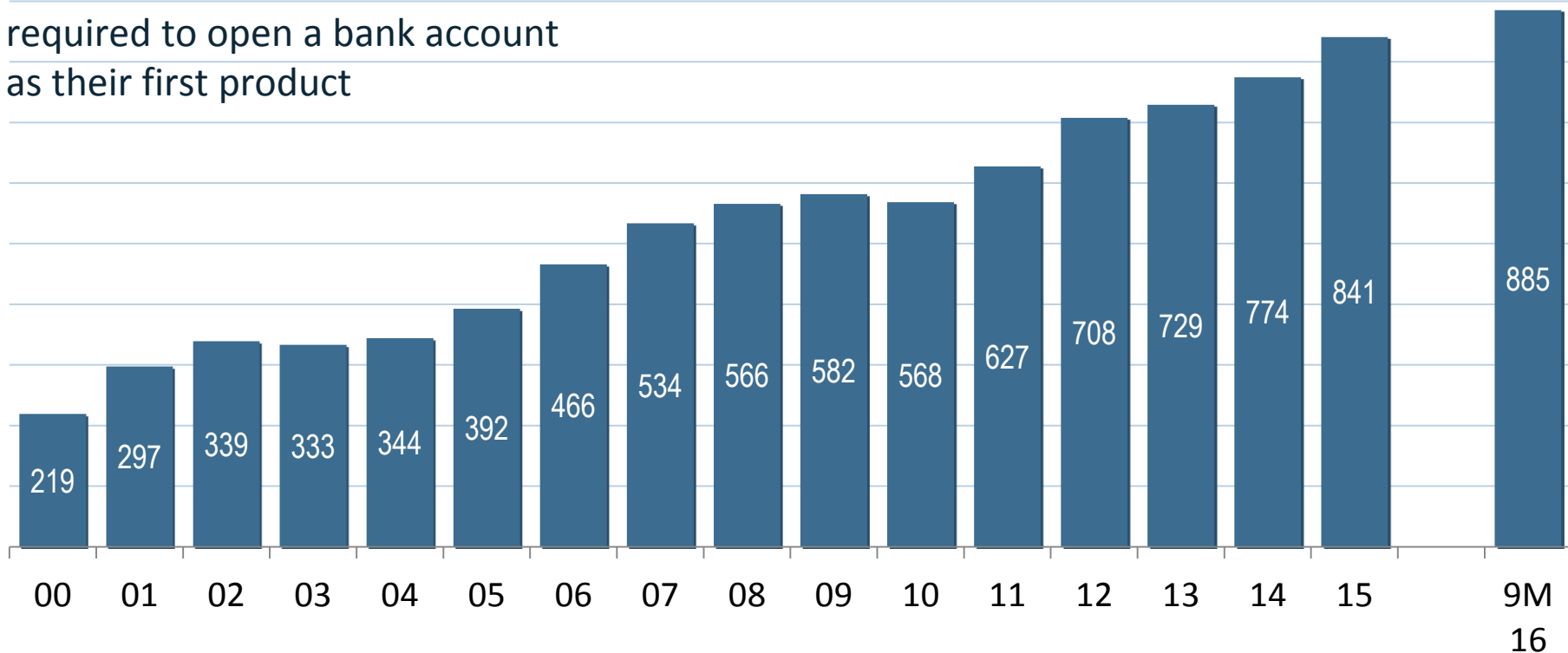
## Average Assets per Customer

€ thousands

- Primary Account Holders
- Primary Bank Account Holders

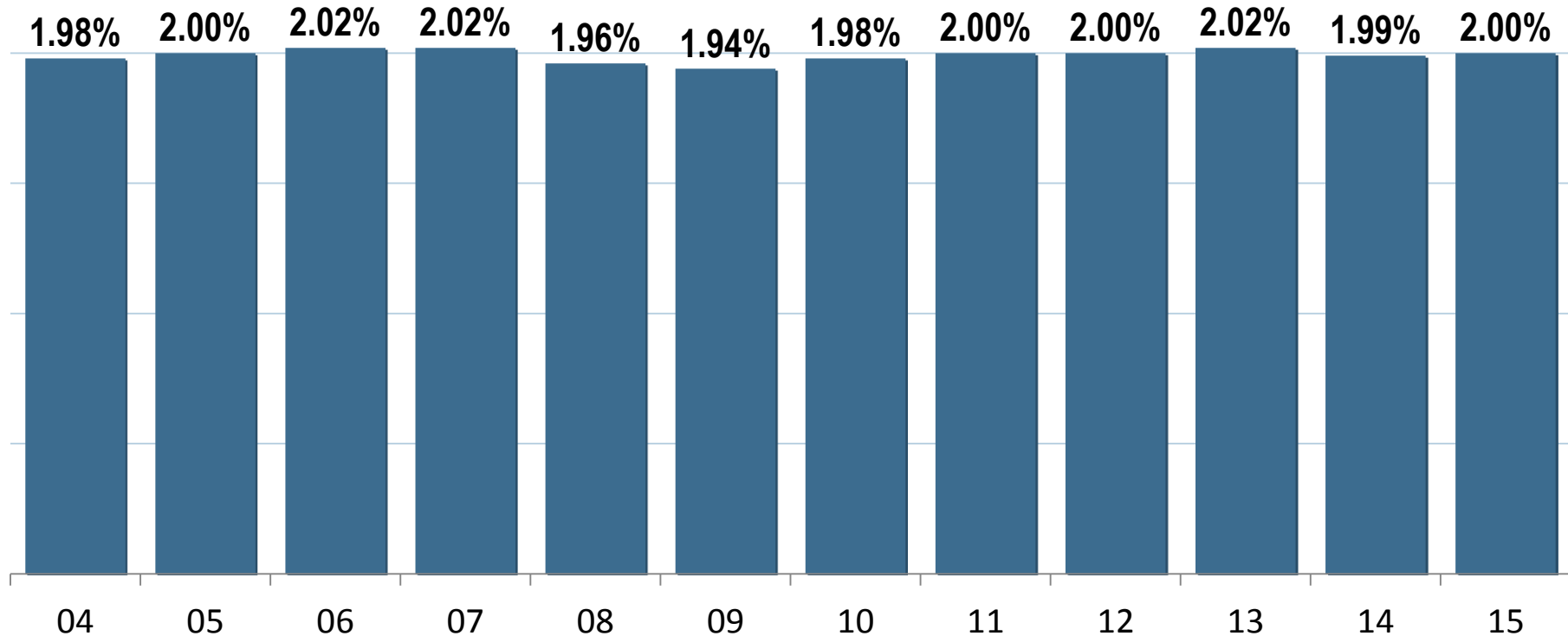


Since March 2005: all new customers are required to open a bank account as their first product



# Management Fees\* History

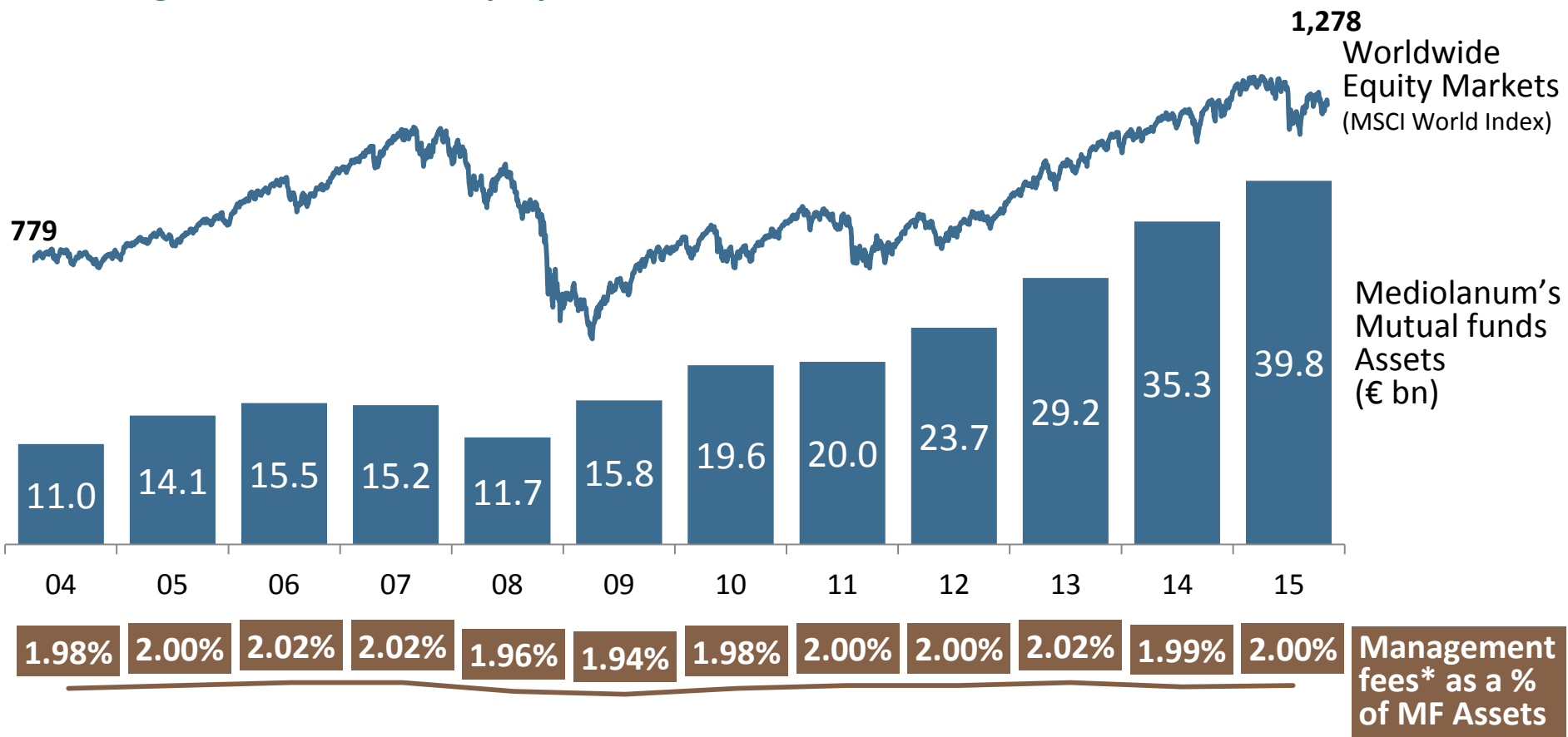
expressed as a % of average managed assets in the period



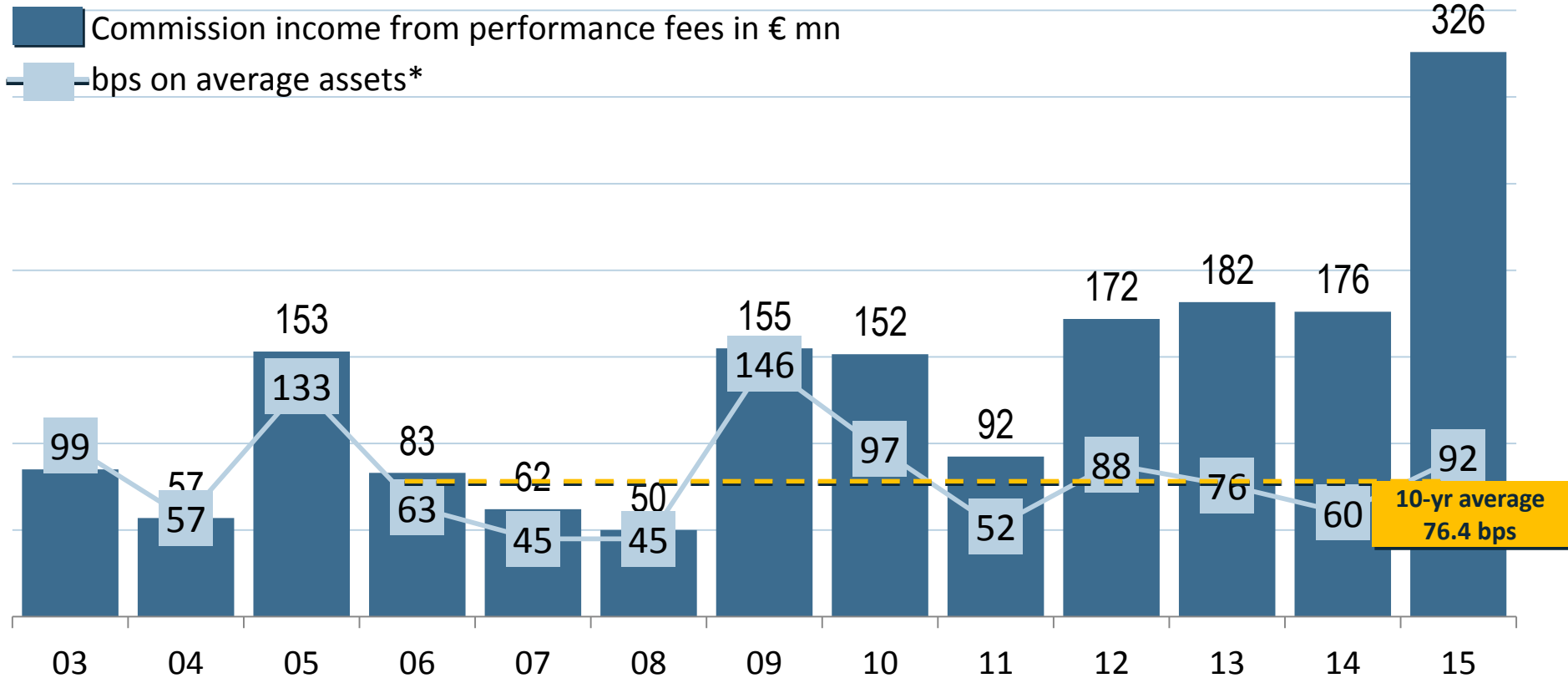
\* including insurance commissions on U-L policies

# Resilience of Mediolanum's Management Fees\*

regardless of trends in equity markets worldwide



\* including insurance commissions on U-L policies



\* 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**



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 3<sup>rd</sup>-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

- 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



A long-term investment strategy (10+ yrs) that allows our customers to **gradually enter equity markets** in order to take advantage of the overall growth of the world economy

**Designed to remove emotional barriers** associated with equity investments by making rational choices at the beginning of the plan rather than during crises or volatile markets

The amount invested is first put into our 'Euro Fixed-Income A' money market fund, and then **fully converted into Mediolanum global equity funds** over 3-4-5 years through automatic monthly transfers

Thanks to the **Automatic Step-In/Step-Out** feature, when the **unit price of equity funds has a strong decrease\*** the **transferred amount is multiplied accordingly**.

Vice versa, in the case of an extraordinary increase (+10% or 20%), the capital gains are shifted back into the money market fund

\* versus each customer's average purchase price.

INTELLIGENT  
INVESTMENT



STRATEGY

Equity Fund Unit Price

Instalment amount

5% to 10% decrease

**X2**

10% to 15% decrease

**X3**

15% to 20% decrease

**X4**

20% or more decrease

**X5**

# 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



## 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**

Approximately **4,300 events** held in 9M 2016:  
local & high-level events, sports events (e.g. Giro d'Italia), talk shows, etc.

Over **218,000 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





81 **The 3th best known bank brand in Italy**  
Total brand awareness – Italian banks – Sep 2016

 **UniCredit** 42%

 **BCC** 10%  
CREDITO COOPERATIVO

**INTESA**  **SANPAOLO** 41%

**ING**  **DIRECT** 9%

 **MONTE DEI PASCHI DI SIENA** 21%  
BANCA DAL 1472

**BancoPosta** 8%

 **mediolanum** <sup>BANCA</sup> 18%

**UBI**  **Banca** 6%

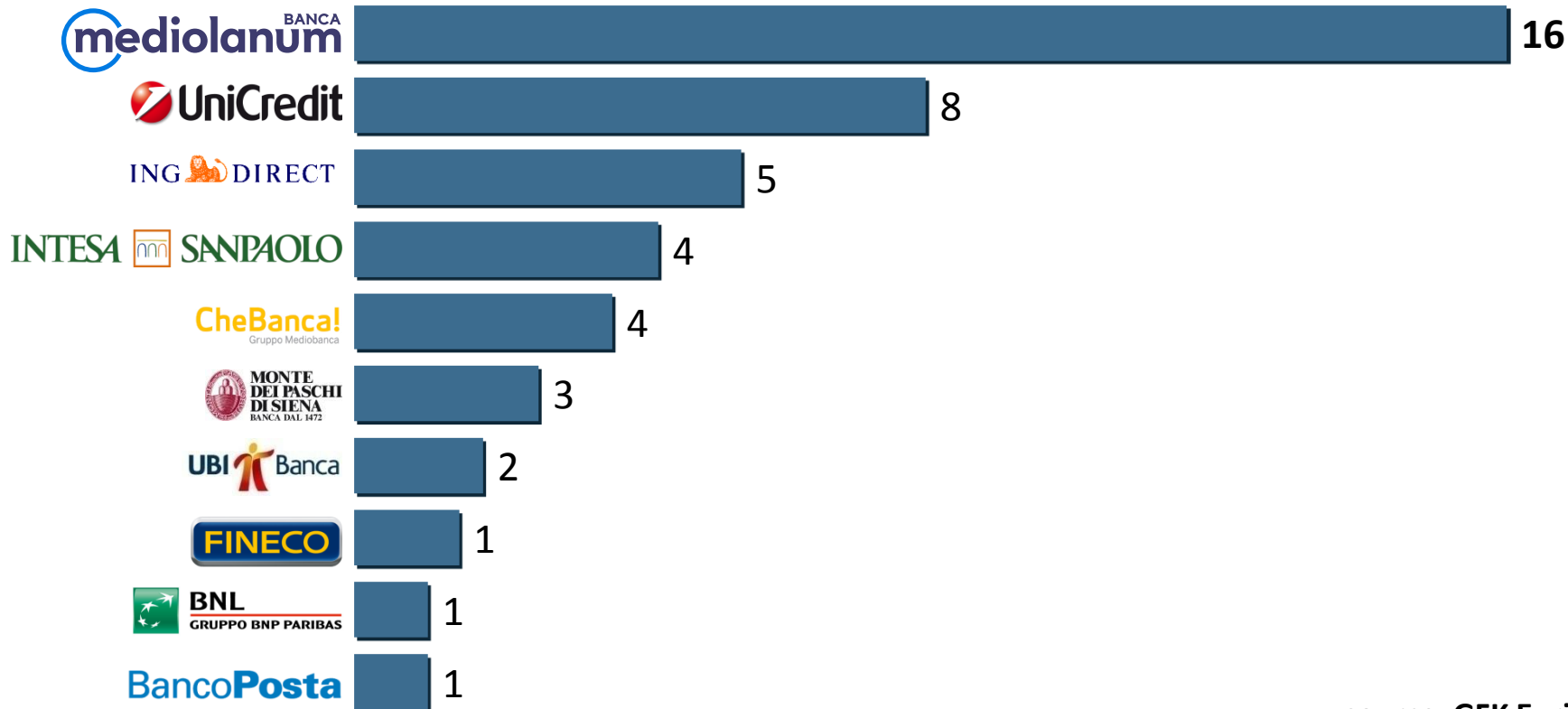
**CheBanca!** 5%  
Gruppo Mediobanca

 **BNL** 14%  
GRUPPO BNP PARIBAS

 **FINECO** 4%  
THE NEW BANK

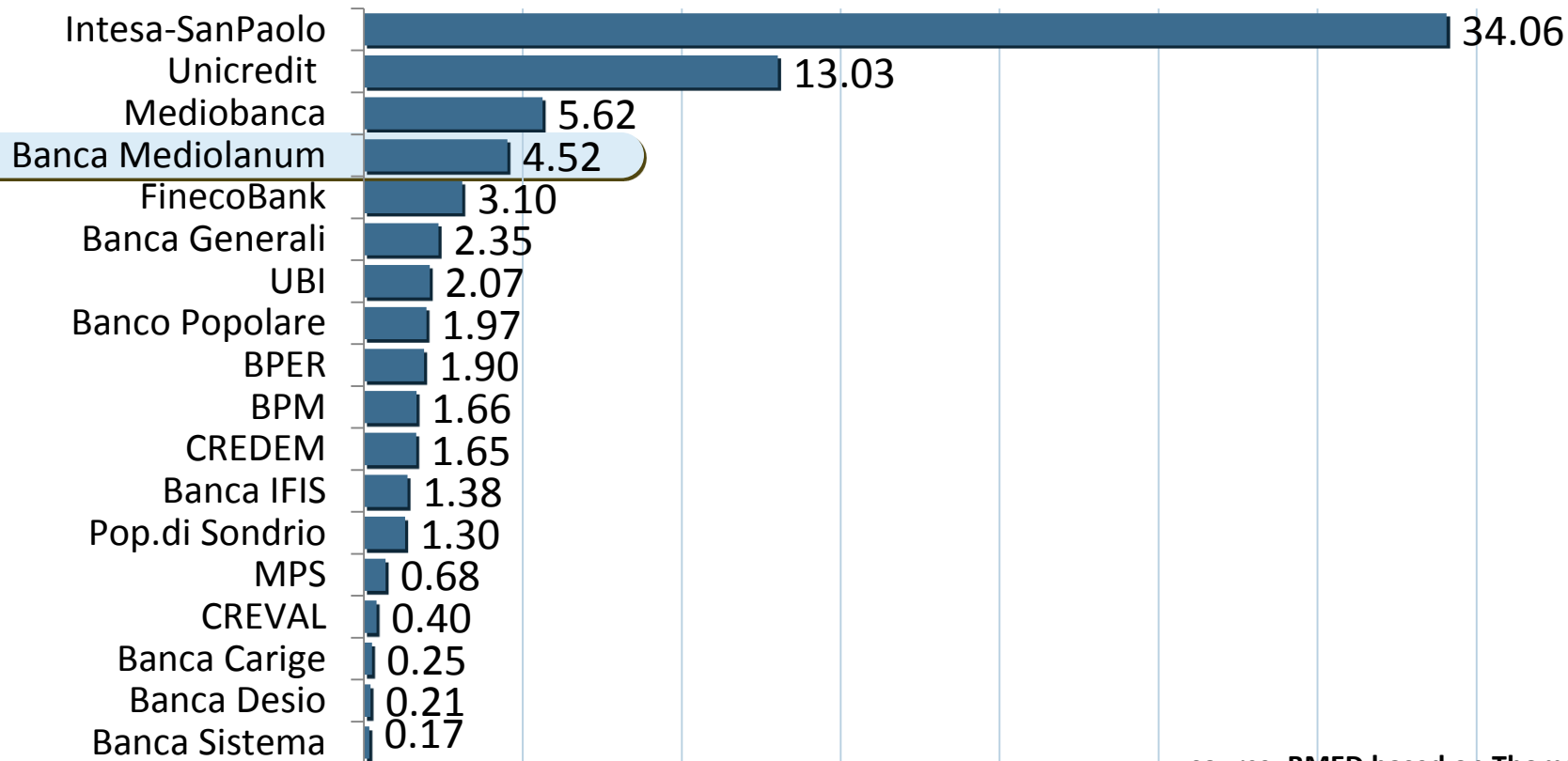
# Banca Mediolanum's advertising The most memorable in the banking industry

Spontaneous recall of bank advertising in Italy – Jan-Sep 2016



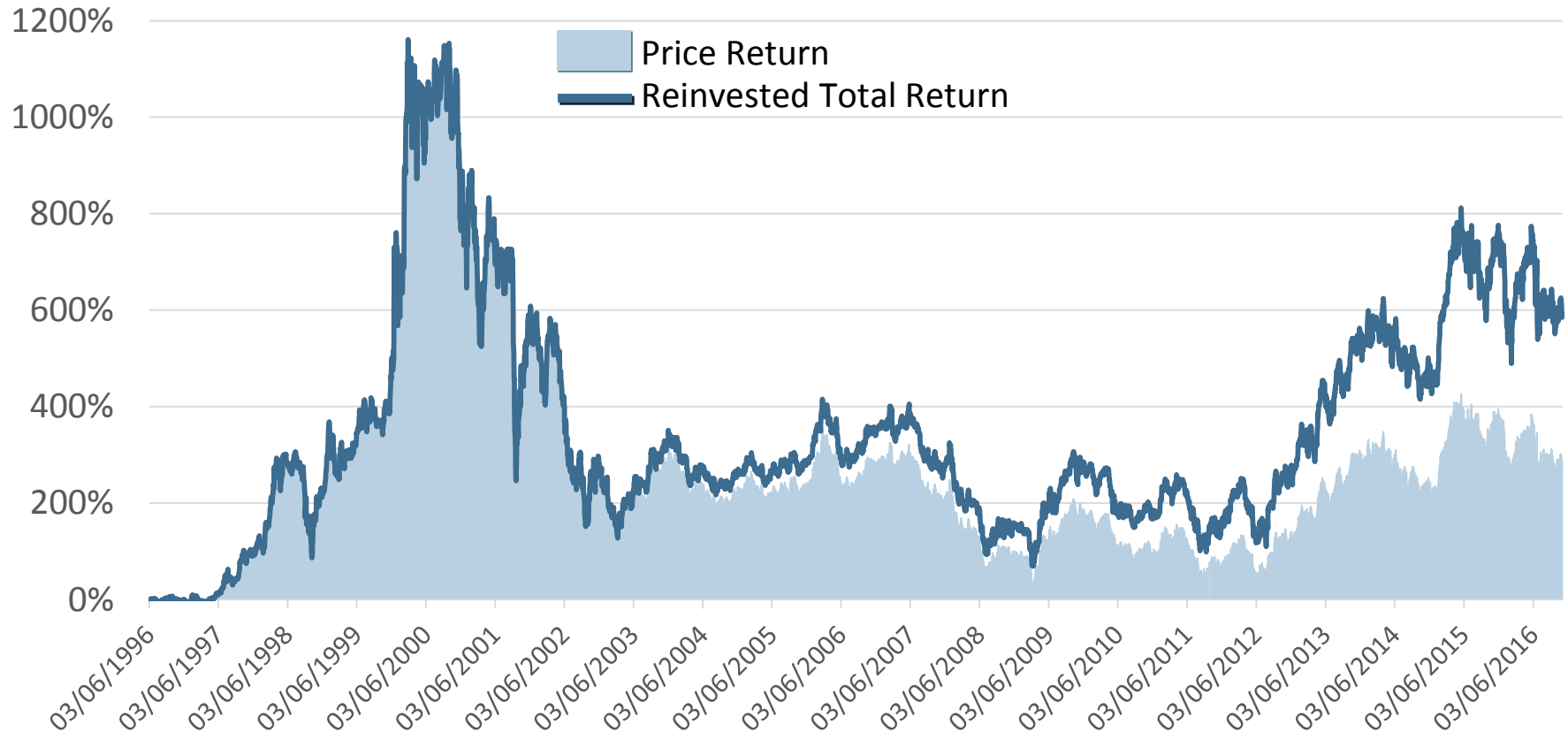
# Ranking of Italian Banking Groups by Market Capitalisation

as at 03/11/2016



source: BMED based on Thomson Reuters data

## Price Return &amp; Total Return Index\*



\* Total Return Index includes dividend reinvestment, June 3, 1996 – November 3, 2016

source: Datastream



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

The information, opinions, valuations and forecasts it contains have not been audited by any independent body; they may be altered at any time without notice.

No guarantee, express or implicit, is given by Banca Mediolanum S.p.A. or by any of the Mediolanum Group companies as to the reliability, completeness or accuracy of the information or opinions in the present document.

Publication, communication to others, and reproduction of all or any of this document's contents are forbidden, except with the express written consent of Banca Mediolanum S.p.A.

Neither Banca Mediolanum S.p.A., nor the companies belonging to the Mediolanum Group, nor their representatives, managers or employees accept liability for any losses directly or indirectly resulting in any manner whatsoever from use of the present document or of information in any way attributable thereto.

Forecasts in this document has been prepared with the greatest care, but is nevertheless based on assumptions which could prove wrong because of risk factors outside the control of Banca Mediolanum S.p.A. and the Mediolanum Group companies. There is no guarantee that present forecasts will match future performance.

This document is not a recommendation to invest in any financial instrument, nor an invitation to subscribe or purchase shares, nor is any part thereof intended to serve as a basis or reference source for any contract or undertaking whatsoever on the part of Banca Mediolanum S.p.A. or any of the companies belonging to the Mediolanum Group.

Receipt of this document implies acceptance of its limitations as described above.

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

The undersigned, Mr. Angelo Lietti, 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

Angelo Lietti

## Alessandra Lanzone

+39-02-9049.2039

[alessandra.lanzone@mediolanum.it](mailto:alessandra.lanzone@mediolanum.it)

## Lisa Maxon

+39-02-9049.2997

[lisa.maxon@mediolanum.it](mailto:lisa.maxon@mediolanum.it)

## Luca Pugliese

+39-02-9049.2721

[luca.pugliese@mediolanum.it](mailto:luca.pugliese@mediolanum.it)

## Banca Mediolanum S.p.A.

Via Francesco Sforza 15  
20080 Basiglio MI – Italy

<http://www.bancamediolanum.it>