

May 7, 2019



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Q1 2019 Group Results

Delivering on promises: stabilizing revenues & containing costs

Operating Margin: +43% significant gain demonstrates capacity to strengthen operating efficiency

Net Commission Income: +21% largely due to the increase of recurring fees: Mgmt fees + Investment Mgmt fees (accounted for in Other Fees)

Recurring Fees: +12% reached €281 mn vs. €250 mn in Q118 thanks to the modification of the pricing structure on IRL-based funds

Net Interest Income: +27% due to treasury activity & continuous growth of retail credit book
N.B. In Q1 front-loaded entire €3 bn in govies due to mature at year-end > guidance change to +20% vs FY18

G&A Expenses: flat with a 4% increase by year-end confirmed

Net Inflows: +14% with a good quality mix, €795 mn in managed assets

Lending: +23% contributed to broadening & stabilizing revenue streams. Credit Book now at €8.4 bn (+13%)

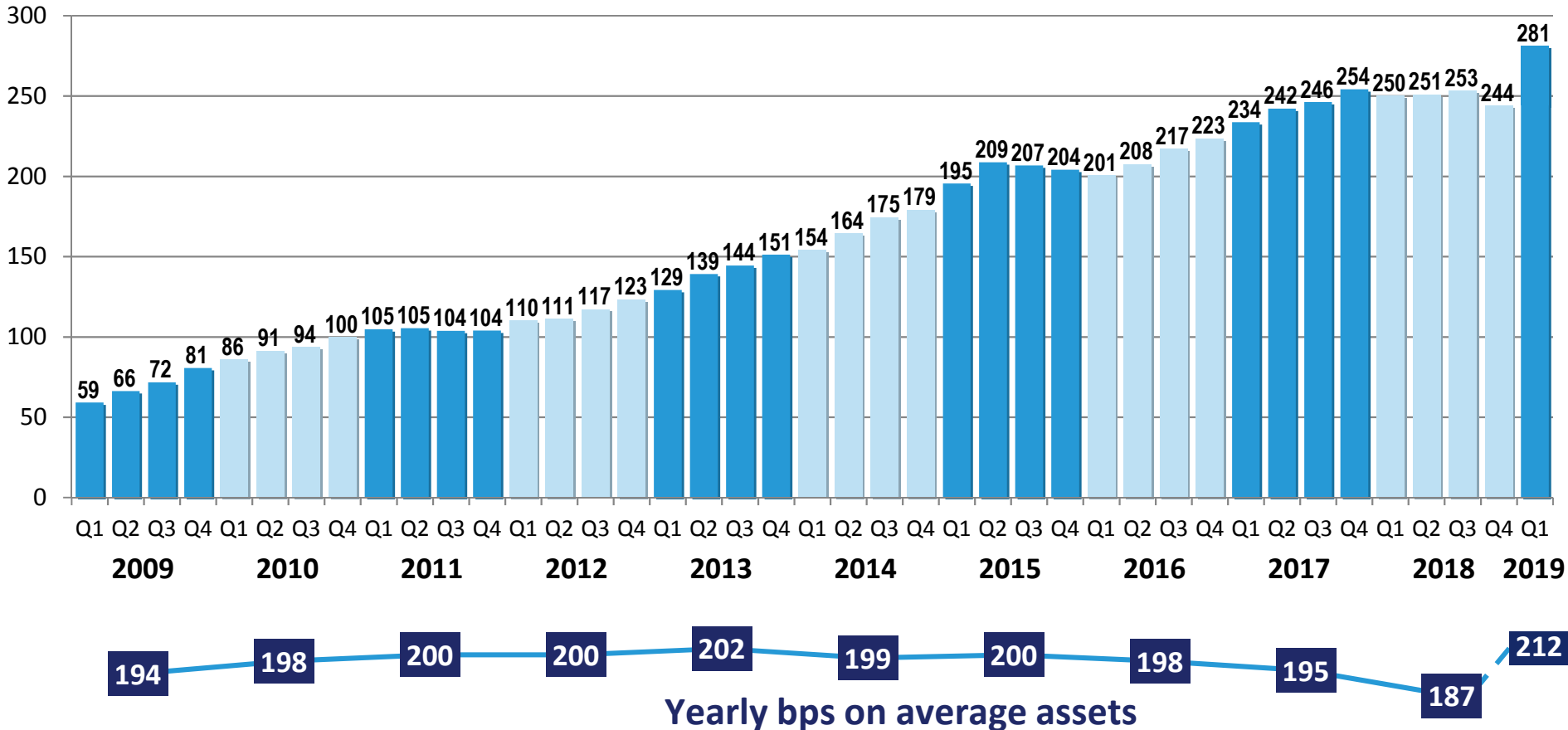
General Insurance: 10% with new business +54%: new program rolling-out to increase cross-selling to current customer base

	Q119	Q118	Change
Entry fees	8.8	14.1	-37%
Management fees	244.5	250.3	-2%
Net Insurance revenues ex U-L commissions	7.1	6.3	+13%
Banking service fees	36.4	24.0	+52%
Other fees	47.0	12.1	+288%
Gross Commission income	343.7	306.8	+12%
Acquisition costs	(128.8)	(128.6)	+0%
Other commission expenses	(19.0)	(16.1)	+18%
Net Commission Income	196.0	162.0	+21%
Net interest income	51.4	40.5	+27%
Equity contribution	0	0	n.s.
Net income on other investments	(11.5)	3.7	n.s.
<i>o/w Impairment on loans</i>	(7.2)	(6.1)	+17%
Other revenues	6.7	12.3	-46%
Contribution Margin	242.5	218.5	+11%
G&A expenses	(131.4)	(131.6)	-0%
Regular Contributions to Banking Industry	(5.0)	(5.2)	-5%
Amortization & Depreciation	(9.1)	(9.0)	+1%
Provisions for risks & charges	(8.2)	(10.4)	-21%
Operating Margin	88.9	62.3	+43%
Performance fees	7.2	21.5	-66%
Net income on investments at fair value	(2.7)	(3.0)	-11%
Market Effects	4.5	18.5	-75%
PROFIT BEFORE TAX	93.5	80.8	+16%
Income tax	(21.3)	(21.3)	+0%
NET INCOME	72.1	59.5	+21%

	Q118	Q218	Q318	Q418	Q119
Entry fees	14.1	11.6	9.0	10.0	8.8
Management fees	250.3	250.9	253.3	243.9	244.5
Net Insurance revenues ex U-L commissions	6.3	9.4	8.4	3.4	7.1
Banking service fees	24.0	23.1	22.4	40.6	36.4
Other fees	12.1	13.5	13.0	13.1	47.0
Gross Commission income	306.8	308.4	306.1	311.0	343.7
Acquisition costs	(128.6)	(129.4)	(125.9)	(132.6)	(128.8)
Other commission expenses	(16.1)	(17.7)	(18.6)	(17.5)	(19.0)
Net Commission Income	162.0	161.4	161.5	160.9	196.0
Net interest income	40.5	46.6	49.0	56.3	51.4
Equity contribution	0	6.8	14.2	7.1	0
Net income on other investments	3.7	10.3	(2.7)	(4.1)	(11.5)
<i>o/w Impairment on loans</i>	(6.1)	(1.0)	(1.6)	(2.1)	(7.2)
Other revenues	12.3	7.4	5.4	6.2	6.7
Contribution Margin	218.5	232.5	227.5	226.3	242.5
G&A expenses	(131.6)	(138.9)	(122.2)	(140.7)	(131.4)
Regular Contributions to Banking Industry	(5.2)	(0.7)	(7.7)	(2.5)	(5.0)
Amortization & Depreciation	(9.0)	(9.5)	(9.4)	(9.3)	(9.1)
Provisions for risks & charges	(10.4)	(6.6)	(6.4)	(6.7)	(8.2)
Operating Margin	62.3	76.9	81.8	67.1	88.9
Performance fees	21.5	63.1	37.2	18.5	7.2
Net income on investments at fair value	(3.0)	(6.3)	2.9	21.9	(2.7)
Market Effects	18.5	56.8	40.1	40.5	4.5
One-offs	0	(1.8)	0	(109.0)	0
PROFIT BEFORE TAX	80.8	131.9	121.9	(1.4)	93.5
Income tax	(21.3)	(16.1)	(25.1)	(15.0)	(21.3)
NET INCOME	59.5	115.8	96.7	(16.4)	72.1

Commission Income from Recurring Fees

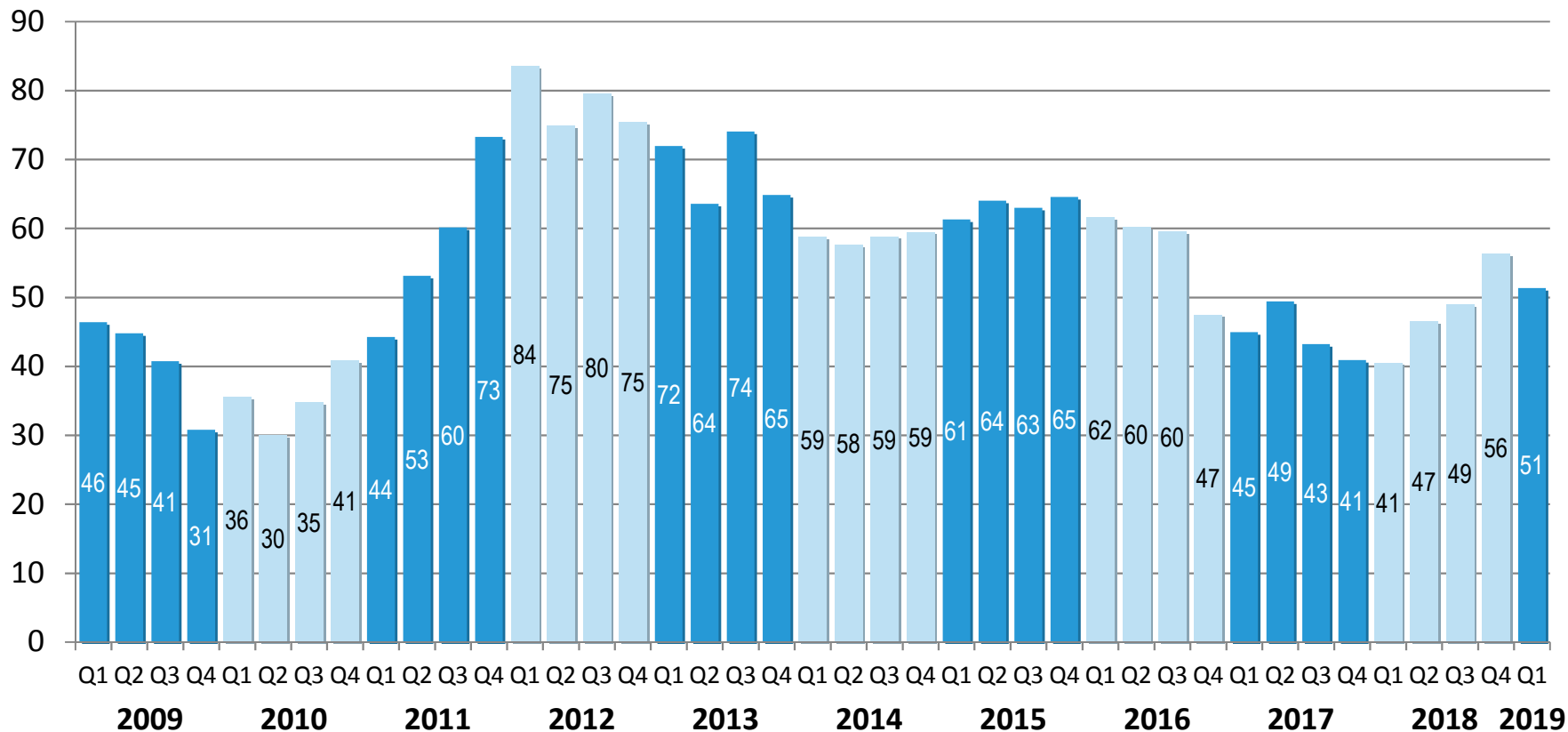
€ mn – quarterly figures

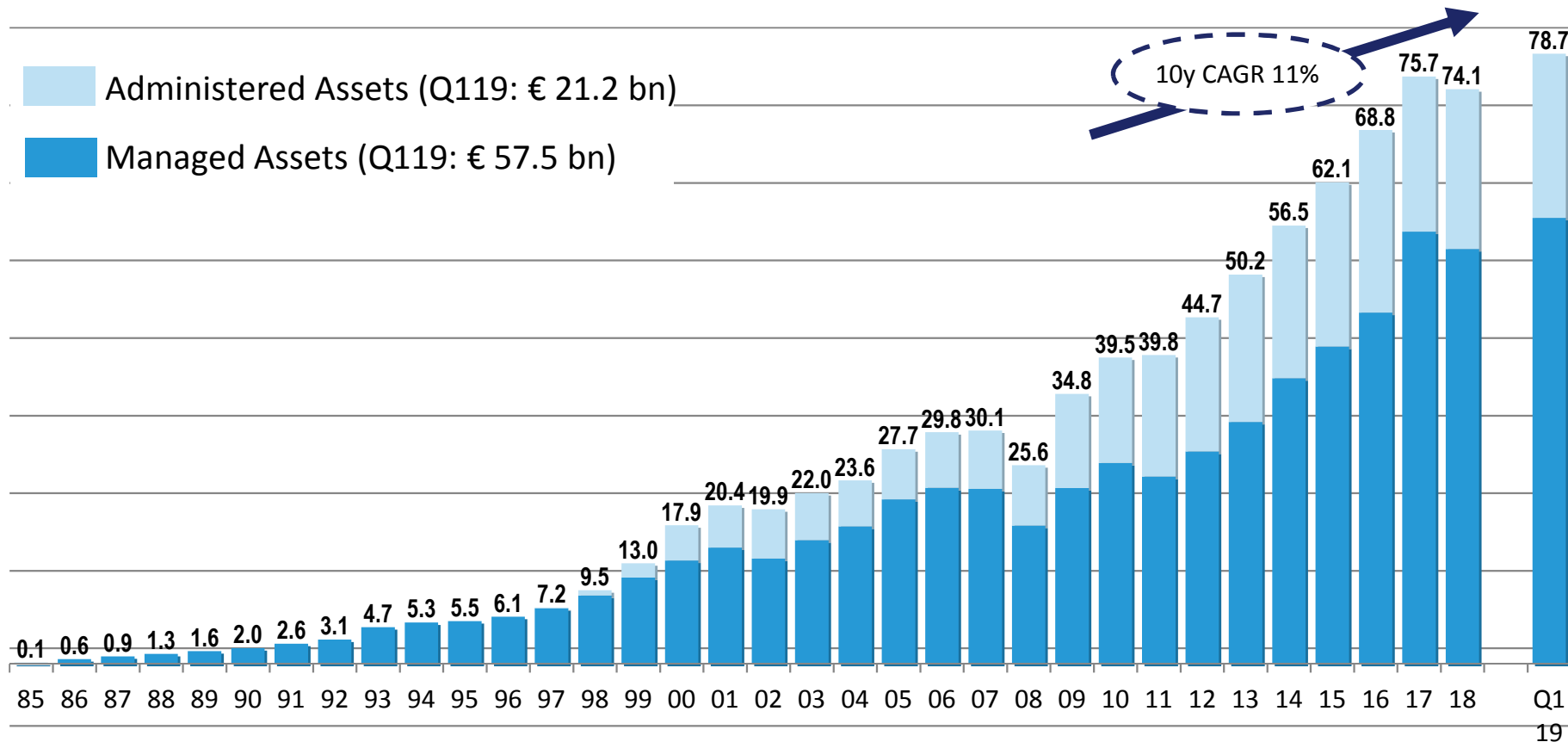


* Management Fees + Investment Management Fees

Net Interest Income

€ mn – quarterly figures





10 Assets under Administration/Management

€ mn



Q1 2019
Group

	31/03/19	31/12/18	Change	31/03/18	Change
Mutual Funds & U-L Policies	51,069.4	47,608.0	+7%	49,074.6	+4%
'Freedom' Life Policies	0	33.4	n.s.	181.8	n.s.
Other Life Insurance products	1,487.4	1,477.5	+1%	1,425.4	+4%
Banking	20,232.4	19,526.5	+4%	18,912.8	+7%
Italy – Banca Mediolanum	72,789.2	68,645.5	+6%	69,594.5	+5%
Mutual Funds & U-L Policies	3,675.4	3,367.6	+9%	3,289.5	+12%
Other Insurance Products	47.1	56.1	-16%	65.1	-28%
Banking	1,496.5	1,417.8	+6%	1,326.7	+13%
Spain – Banco Mediolanum	5,219.0	4,841.4	+8%	4,681.2	+11%
Mutual Funds & U-L Policies	484.2	434.7	+11%	463.3	+5%
Other Insurance Products	10.2	9.9	+3%	12.5	-19%
Banking	150.2	153.3	-2%	147.3	+2%
Germany – B. A. Lenz & Gamax	644.5	597.9	+8%	623.1	+3%
TOTAL AUA/AUM	78,652.7	74,084.9	+6%	74,898.9	+5%

	Q1 2019	Q1 2018
Managed Assets	+795	+794
<i>o/w Mutual Funds, U-L & Managed Accounts</i>	<i>+648</i>	<i>+886</i>
Administered Assets	+346	+204
GROUP TOTAL NET INFLOWS	+1,142	+998
Managed Assets	+713	+645
<i>o/w Mutual Funds, U-L & Managed Accounts</i>	<i>+557</i>	<i>+689</i>
Administered Assets	+284	+203
Italy – Banca Mediolanum Total Net Inflows	+997	+848
Managed Assets	+72	+153
<i>o/w Mutual Funds & U-L</i>	<i>+81</i>	<i>+194</i>
Administered Assets	+66	+2
Spain – Banco Mediolanum Total Net Inflows	+138	+155
Managed Assets	+10	-4
<i>o/w Mutual Funds & U-L</i>	<i>+10</i>	<i>+3</i>
Administered Assets	-3	0
Germany – B.A. Lenz & Gamax Total Net Inflows	+6	-4

Q119

FY18

GROUP CAPITAL RATIOS

Total Capital Ratio	18.6%	19.3%
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Common Equity Tier 1 Ratio	18.6%	19.2%
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Total Regulatory Capital Held	1,921	1,951
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Required Capital – Banks *	926	804
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Solvency Capital Req. – Insurance companies**	642	710
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Total Required Capital	1,568	1,514
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EXCESS CAPITAL	353	437
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* As per SREP, BMED required capital is 11.9% (min. Total Capital Ratio) of consolidated RWA (€ 8,495 mn as at 31/03/2019), excl. stakes in insurance companies

** FY18 reconciliation reserve (part of total reg. capital held) & solvency capital req. are calculated according to the Solvency II as at 31/12/2018

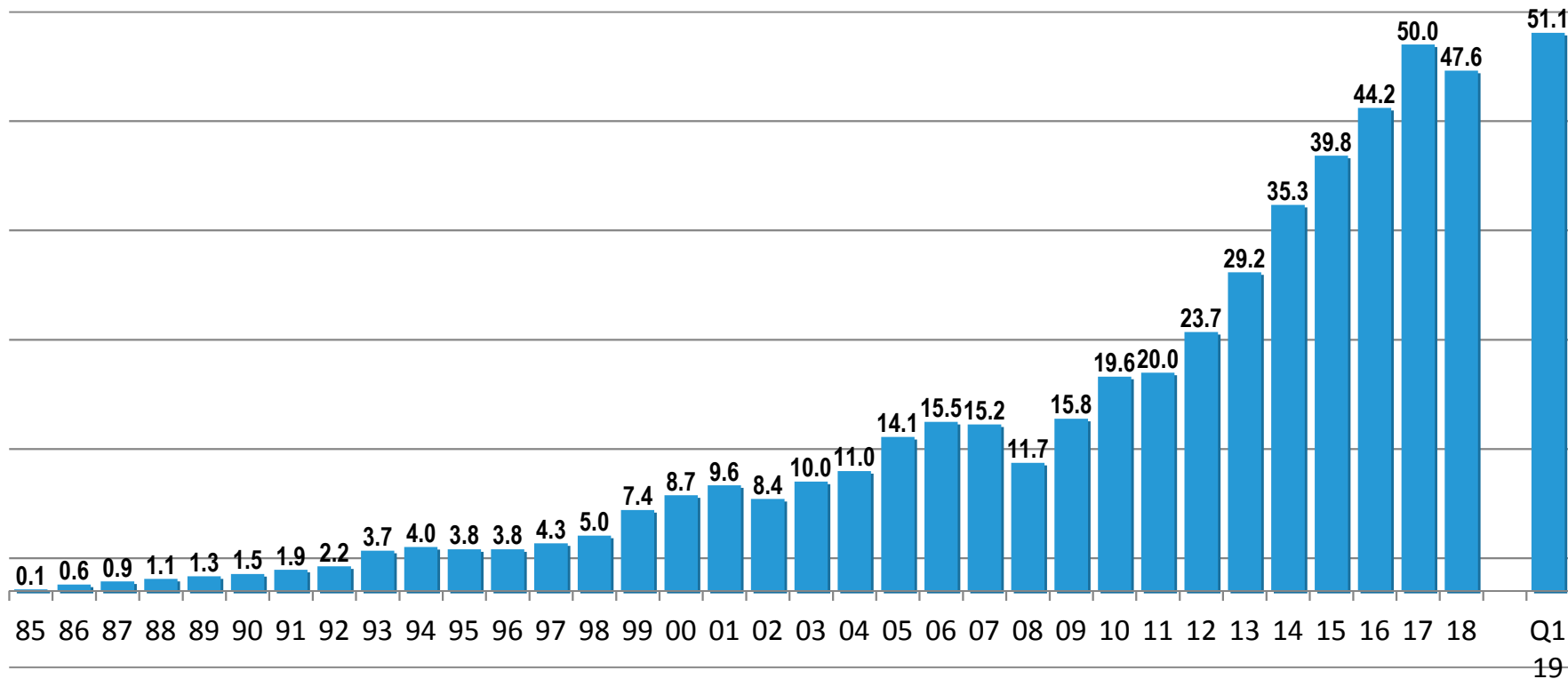


Q1 2019 Domestic Market Results

	Q119	Q118	Change
Entry fees	6.3	10.9	-42%
Management fees	227.2	233.3	-3%
Net Insurance revenues ex U-L commissions	3.8	3.5	+8%
Banking service fees	31.4	17.8	+77%
Other fees	43.9	11.6	+280%
Gross Commission income	312.6	277.0	+13%
Acquisition costs	(118.0)	(118.0)	-0%
Other commission expenses	(14.0)	(10.8)	+31%
Net Commission Income	180.6	148.2	+22%
Net interest income	49.6	39.1	+27%
Equity contribution	0	0	n.s.
Net income on other investments	(11.5)	3.7	n.s.
<i>o/w Impairment on loans</i>	(7.2)	(6.2)	+16%
Other revenues	5.9	11.5	-49%
Contribution Margin	224.6	202.5	+11%
G&A expenses	(116.6)	(116.6)	-0%
Regular Contributions to Banking Industry	(4.5)	(4.6)	-0%
Amortization & Depreciation	(7.9)	(7.9)	-1%
Provisions for risks & charges	(7.9)	(10.1)	-21%
Operating Margin	87.7	63.4	+38%
Performance fees	6.8	19.7	-65%
Net income on investments at fair value	(3.5)	(3.1)	+12%
Market Effects	3.3	16.6	-80%
PROFIT BEFORE TAX	91.0	80.0	+14%
Income tax	(20.1)	(20.1)	-0%
NET INCOME	70.9	59.9	+18%

	Q118	Q218	Q318	Q418	Q119
Entry fees	10.9	8.8	6.6	7.3	6.3
Management fees	233.3	233.9	235.9	227.0	227.2
Net Insurance revenues ex U-L commissions	3.5	6.6	6.0	1.2	3.8
Banking service fees	17.8	16.8	16.2	35.1	31.4
Other fees	11.6	12.9	12.5	12.6	43.9
Gross Commission income	277.0	279.1	277.2	283.1	312.6
Acquisition costs	(118.0)	(118.7)	(115.9)	(121.6)	(118.0)
Other commission expenses	(10.8)	(11.5)	(12.9)	(12.5)	(14.0)
Net Commission Income	148.2	148.8	148.4	149.0	180.6
Net interest income	39.1	44.6	47.4	54.3	49.6
Equity contribution	0	6.8	14.2	7.1	0
Net income on other investments	3.7	10.1	(2.4)	(4.0)	(11.5)
<i>o/w Impairment on loans</i>	(6.2)	(1.0)	(1.4)	(2.0)	(7.2)
Other revenues	11.5	6.7	4.6	5.2	5.9
Contribution Margin	202.5	217.1	212.2	211.5	224.6
G&A expenses	(116.6)	(124.1)	(108.4)	(124.6)	(116.6)
Regular Contributions to Banking Industry	(4.6)	(0.2)	(7.4)	(2.2)	(4.5)
Amortization & Depreciation	(7.9)	(8.4)	(8.3)	(8.1)	(7.9)
Provisions for risks & charges	(10.1)	(6.3)	(6.2)	(6.2)	(7.9)
Operating Margin	63.4	78.1	81.9	70.4	87.7
Performance fees	19.7	57.7	34.8	17.0	6.8
Net income on investments at fair value	(3.1)	(7.0)	2.4	22.1	(3.5)
Market Effects	16.6	50.7	37.2	39.1	3.3
One-offs	0	(1.8)	0	(109.0)	0
PROFIT BEFORE TAX	80.0	127.0	119.1	0.5	91.0
Income tax	(20.1)	(14.7)	(23.9)	(13.7)	(20.1)
NET INCOME	59.9	112.3	95.2	(13.2)	70.9

	Q119	Q118	Change
One-time commissions	16.3	15.8	+3%
Ongoing commissions	80.3	81.8	-2%
Total commissions	96.6	97.5	-1%
Incentives on individual net inflows	7.2	8.2	-12%
Contests & bonuses	1.9	2.7	-30%
Reimbursement of costs for customer events	1.5	1.5	+5%
Total incentives & bonuses	10.7	12.4	-14%
Costs related to the agency agreement	6.6	4.7	+40%
EuroCQS Agent Commissions	4.1	3.4	+21%
TOTAL ACQUISITION COSTS	118.0	118.0	-0%



Mutual Funds

Assets under Management

€ mn

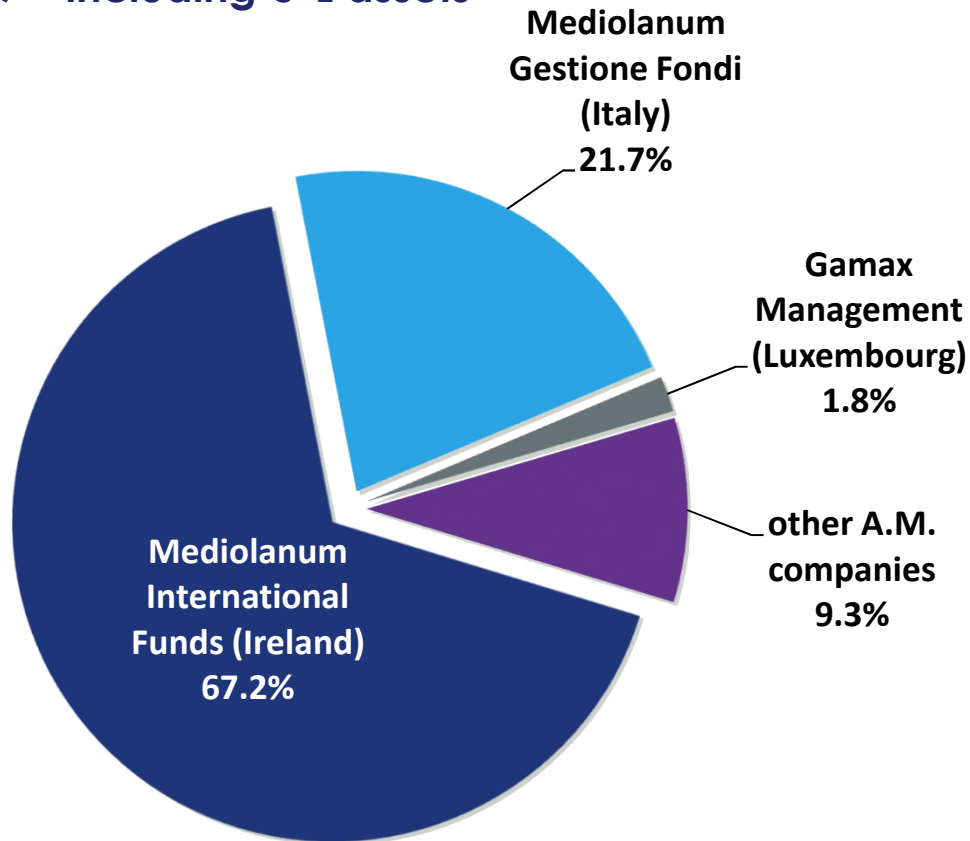


	31/03/19	31/12/18	Change	31/03/18	Change
'Best Brands' funds of funds (IRL)	18,907.4	17,857.7	+6%	18,848.6	+0%
'Portfolio' funds of funds (IRL)	0	0	n.s.	233.1	n.s.
'Challenge' mutual funds (IRL)	14,081.9	12,822.5	+10%	13,613.3	+3%
Funds of Hedge Funds (IRL)	55.6	55.0	+1%	64.0	-13%
'Fondi Italia' mutual funds (ITA)	9,949.4	9,515.6	+5%	10,091.8	-1%
'Real estate' fund (ITA)	290.2	290.2	-0%	313.0	-7%
3rd-party stand-alone funds	2,914.7	2,746.1	+6%	2,600.8	+12%
Other	1,284.7	1,210.5	+6%	1,106.8	+16%
<i>Adj. for own mutual funds in FoFs & Managed accts.</i>	<i>(207.1)</i>	<i>(196.5)</i>	<i>+5%</i>	<i>(349.3)</i>	<i>-41%</i>
'MyLife' U-L policy	6,065.3	5,595.5	+8%	5,409.4	+12%
Other U-L policies	14,125.3	12,867.6	+10%	12,684.7	+11%
<i>Adj. for own mutual funds in U-L policies</i>	<i>(16,398.0)</i>	<i>(15,156.2)</i>	<i>+8%</i>	<i>(15,541.6)</i>	<i>+6%</i>
ASSETS IN MUTUAL FUNDS & U-L	51,069.4	47,608.0	+7%	49,074.6	+4%

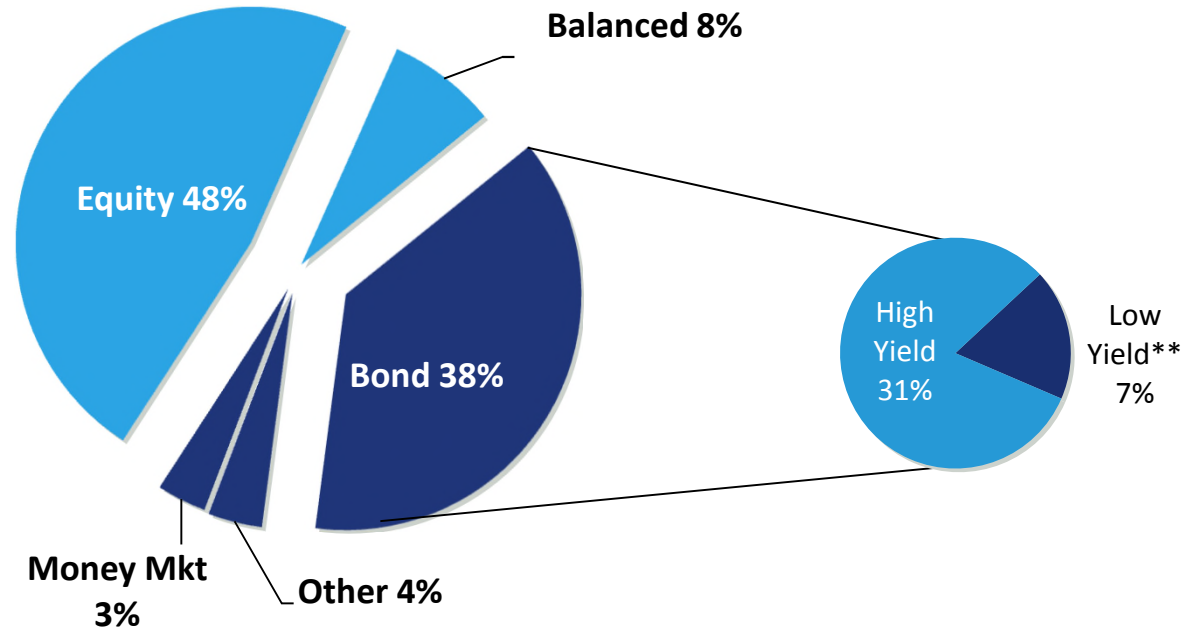
Mutual Funds

Assets by A.M. company

as at 31/03/2019 – including U-L assets



Mutual Funds Assets* by category as at 31/03/2019 – including U-L assets



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

** 'Low Yield Bond' segment includes Euro-zone + Japan govies

Banking Assets under Administration

€ mn



	31/03/19	31/12/18	Change	31/03/18	Change
Cash Deposits	15,941.9	15,842.8	+1%	15,656.0	+2%
Repurchase agreements	661.0	434.4	+52%	44.8	n.s.
Mediolanum bonds	32.7	44.4	-26%	67.9	-52%
3rd-party structured bonds	711.7	513.0	+39%	398.1	+79%
Other securities	2,885.1	2,691.8	+7%	2,746.0	+5%
BANKING ADMINISTERED ASSETS	20,232.4	19,526.5	+4%	18,912.8	+7%

	Nominal Interest Rate	31/03/2019	31/03/2018	Change
Mortgages	1.25%	296	281	+6%
Personal & Commercial Loans	2.95%	189	125	+51%
Salary-backed Loans (EuroCQS)	5.50%	90	46	+98%
Total		576	451	+27%
3rd-party loans	n.s.	9	6	+35%

Banking Credit Book & Quality

€ mn – as at 31/03/2019



	31/03/19	31/12/18	Change	31/03/18	Change
Mortgages	6,459	6,305	+2%	5,855	+10%
Personal & Commercial Loans	1,588	1,542	+3%	1,452	+9%
Lines of credit	279	264	+6%	281	-0%
Salary-backed Loans (EuroCQS)	405	321	+26%	57	n.s.
Total Credit Book	8,731	8,432	+4%	7,644	+14%

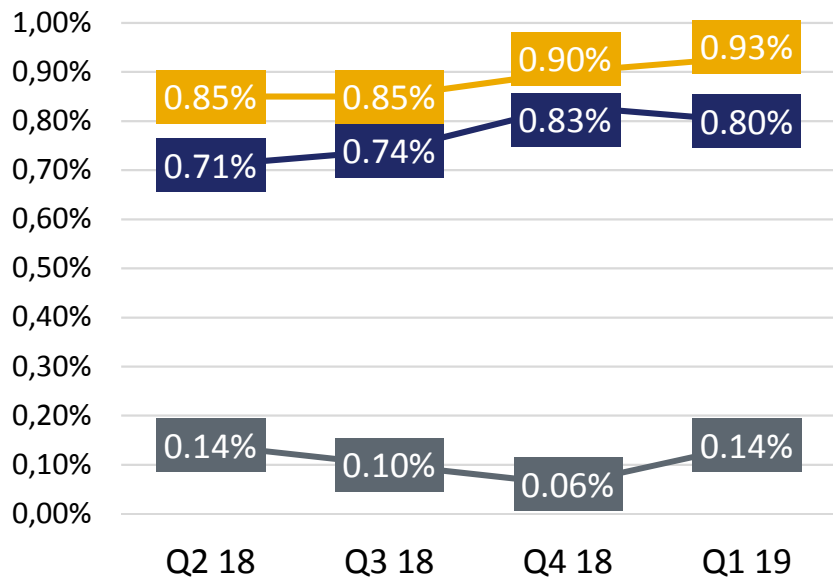
% on total loans

Banca Mediolanum

Italian Banks*

Gross non-performing Loans	1.36%	9.4% as at 31/12/2018
Net non-performing Loans	0.69%	5.0% as at 30/06/2018
Cost of Risk	0.12% as at 31/12/2018	

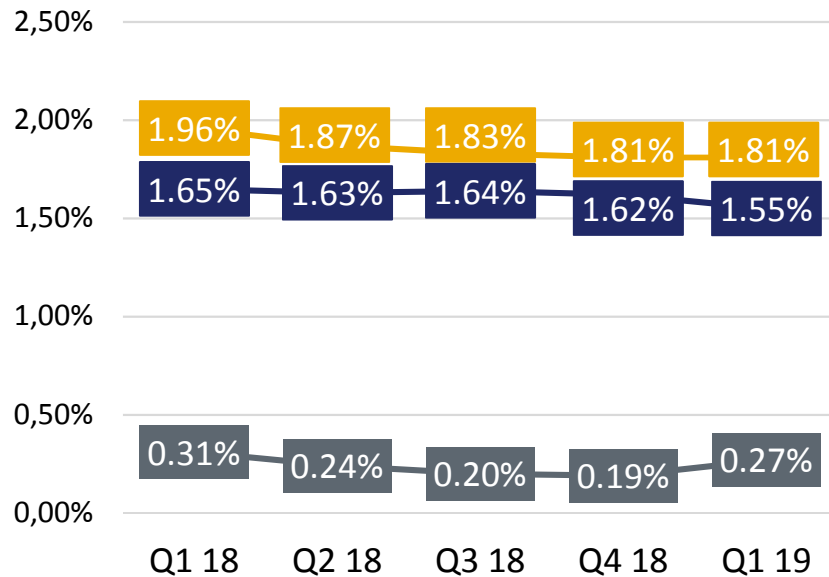
Total Book



Interest Income
 Interest Spread

Cost of Funding

Retail Book



Q1 18 Q2 18 Q3 18 Q4 18 Q1 19

Bank Balance Sheet Highlights

€ mn – as at 31/03/2019



	Liabilities	Assets
Retail	16,735	8,326
Treasury	9,476	17,847
o/w interbank / intra-group deposits & repos	1,070	1,021
o/w ECB refinancing	0	0
o/w MTS refinancing	8,406	658
o/w securities (bonds)		16,168
Other liabilities / assets	2,658	2,696
TOTAL	28,869	28,869

Operating Liquidity (24hr) : € 7,664 mn

Insurance

Life – Policyholders' Assets

€ mn



	31/03/19	31/12/18	Change	31/03/18	Change
Traditional	1,487.4	1,477.5	+1%	1,425.4	+4%
Index-linked	0	0	n.s.	0	n.s.
Unit-linked pension plans	6,510.7	6,026.6	+8%	6,042.0	+8%
Unit-linked endowment policies	3,599.6	3,373.5	+7%	3,606.0	-0%
Unit-linked investment policies	10,080.3	9,062.9	+11%	8,446.2	+19%
Unit-linked	20,190.6	18,463.1	+9%	18,094.2	+12%
<i>o/w equity</i>	52.2%	51.1%	+2%	54.1%	-3%
LIFE ASSETS (EX-'FREEDOM')	21,677.9	19,940.6	+9%	19,519.6	+11%
'Freedom' Life policies	0	33.4	n.s.	181.8	n.s.

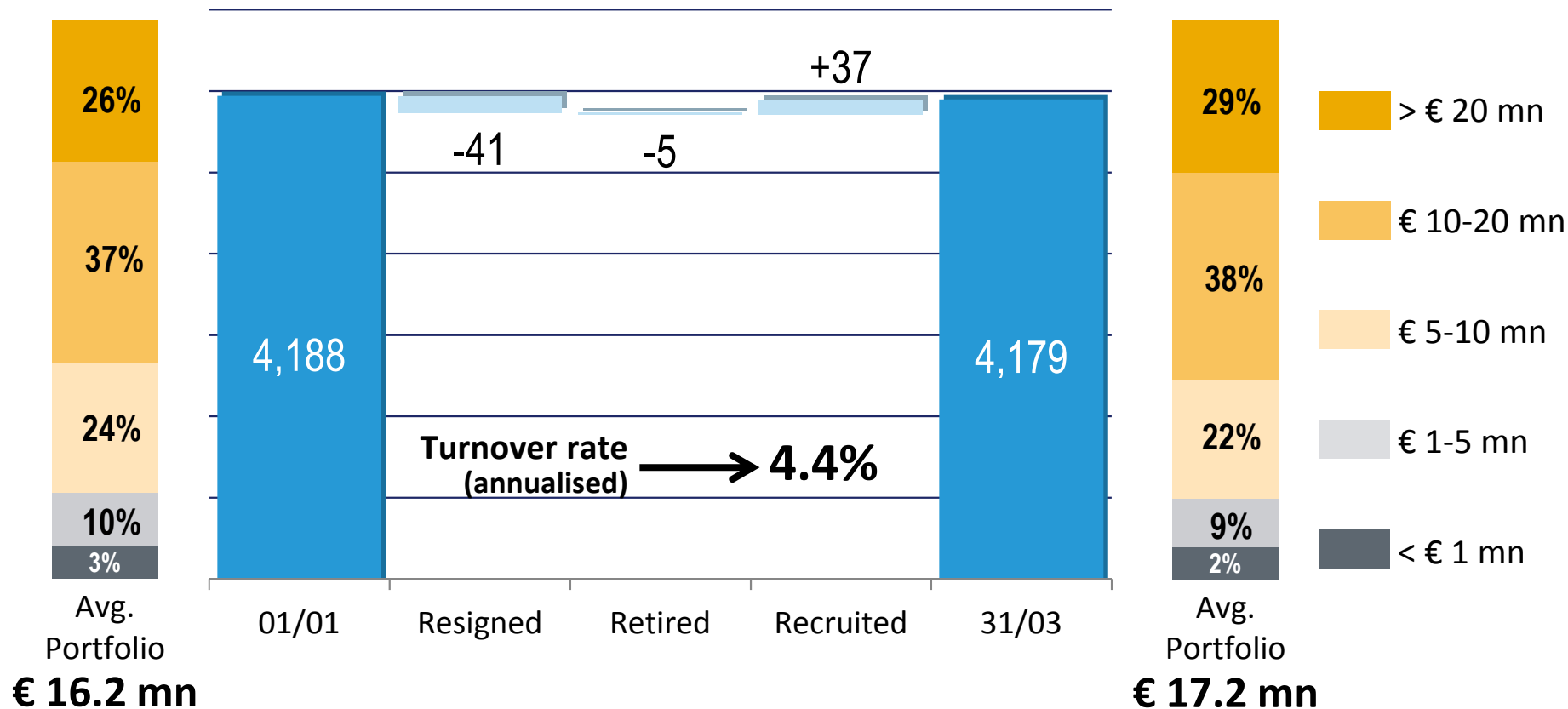
Insurance

Non-Life - Gross Premiums Written

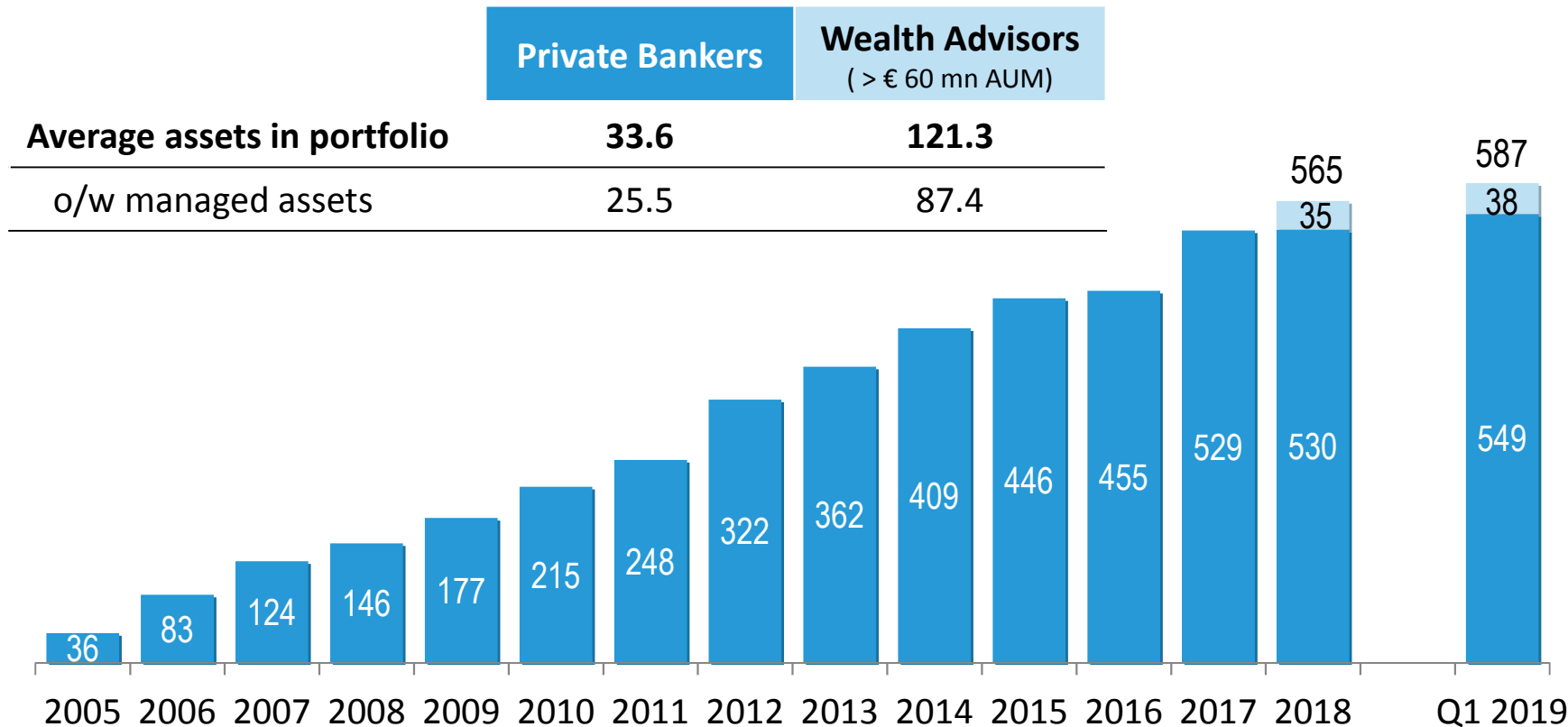
€ mn



	Q119	Q118	Change
New Business	2.1	1.4	+54%
In-Force Business	7.9	7.3	+8%
Stand-Alone Policies	10.0	8.7	+15%
Loan Protection Policies	10.4	9.9	+6%
NON-LIFE – GROSS PREMIUMS WRITTEN	20.5	18.6	+10%



29 'Private Bankers' & 'Wealth Advisors'* - Italy as at 31/03/2019



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



Q1 2019 Foreign Markets Results

	Q119	Q118	Change	vs.FY18
Net Income	4.1	2.7	+51%	
Managed Assets	3,722.5	3,354.5	+11%	+9%
Administered Assets	1,496.5	1,326.7	+13%	+6%
Total Assets	5,219.0	4,681.2	+11%	+8%
Net Inflows into Managed Assets	+72.4	+153.1	-53%	
Net Inflows into Administered Assets	+65.5	+1.5	n.s.	
Total Net Inflows	+138.0	+154.7	-11%	
Family Bankers (Mediolanum model)	982	913	+8%	-1%
Traditional agents	26	30	-13%	-13%
Total Sales Network	1,008	943	+7%	-2%
Total Customers	128,415	119,574	+7%	+2%

	Q119	Q118	Change	vs.FY18
Net Income	(2.9)	(3.1)	-6%	
Managed Assets	494.3	475.8	+4%	+11%
Administered Assets	150.2	147.3	+2%	-2%
Total Assets	644.5	623.1	+3%	+8%
Net Inflows into Managed Assets	+9.6	-4.1	n.s.	
Net Inflows into Administered Assets	-3.2	-0.3	n.s.	
Total Net Inflows	+6.4	-4.3	n.s.	
Total Sales Network	45	53	-15%	-6%
Total Customers	5,920	5,781	+2%	+1%

	Q119	Q118	Change	vs.FY18
Net Income	(3.1)	(3.7)	-16%	
Managed Assets	294.5	276.2	+7%	+9%
Administered Assets	150.2	147.3	+2%	-2%
Total Assets	444.7	423.5	+5%	+5%
Net Inflows into Managed Assets	+7.0	-2.9	n.s.	
Net Inflows into Administered Assets	-3.2	-0.3	n.s.	
Total Net Inflows	+3.8	-3.2	n.s.	
Total Sales Network	45	53	-15%	-6%
Total Customers	5,920	5,781	+2%	+1%

	Q119	Q118	Change	vs.FY18
Net Income	0.2	0.6	-66%	
Assets under Management	199.8	199.6	+0%	+14%
Net Inflows	+2.6	-1.1	n.s.	



Business Update

	Apr '19	YTD '19	YTD '18
Managed Assets	+275	+1,071	+1,057
<i>o/w Mutual Funds, U-L & Managed Accounts</i>	<i>+232</i>	<i>+880</i>	<i>+1,148</i>
Administered Assets	+68	+414	+335
GROUP TOTAL NET INFLOWS	+343	+1,485	+1,392
Managed Assets	+250	+964	+868
<i>o/w Mutual Funds, U-L & Managed Accounts</i>	<i>+206</i>	<i>+764</i>	<i>+910</i>
Administered Assets	+54	+338	+336
Italy – Banca Mediolanum Total Net Inflows	+304	+1,301	+1,203
Managed Assets	+27	+100	+197
<i>o/w Mutual Funds & U-L</i>	<i>+28</i>	<i>+109</i>	<i>+239</i>
Administered Assets	+13	+78	-2
Spain – Banco Mediolanum Total Net Inflows	+40	+178	+195
Managed Assets	-2	+7	-8
<i>o/w Mutual Funds & U-L</i>	<i>-2</i>	<i>+7</i>	<i>-1</i>
Administered Assets	+1	-2	+1
Germany – B.A. Lenz & Gamax Total Net Inflows	-1	+5	-7

37 Italian Sales Networks Ranking by Net Inflows into Mutual Funds

€ thousands - totals by Group

Q1 2019

Mutual Funds*

Managed Assets

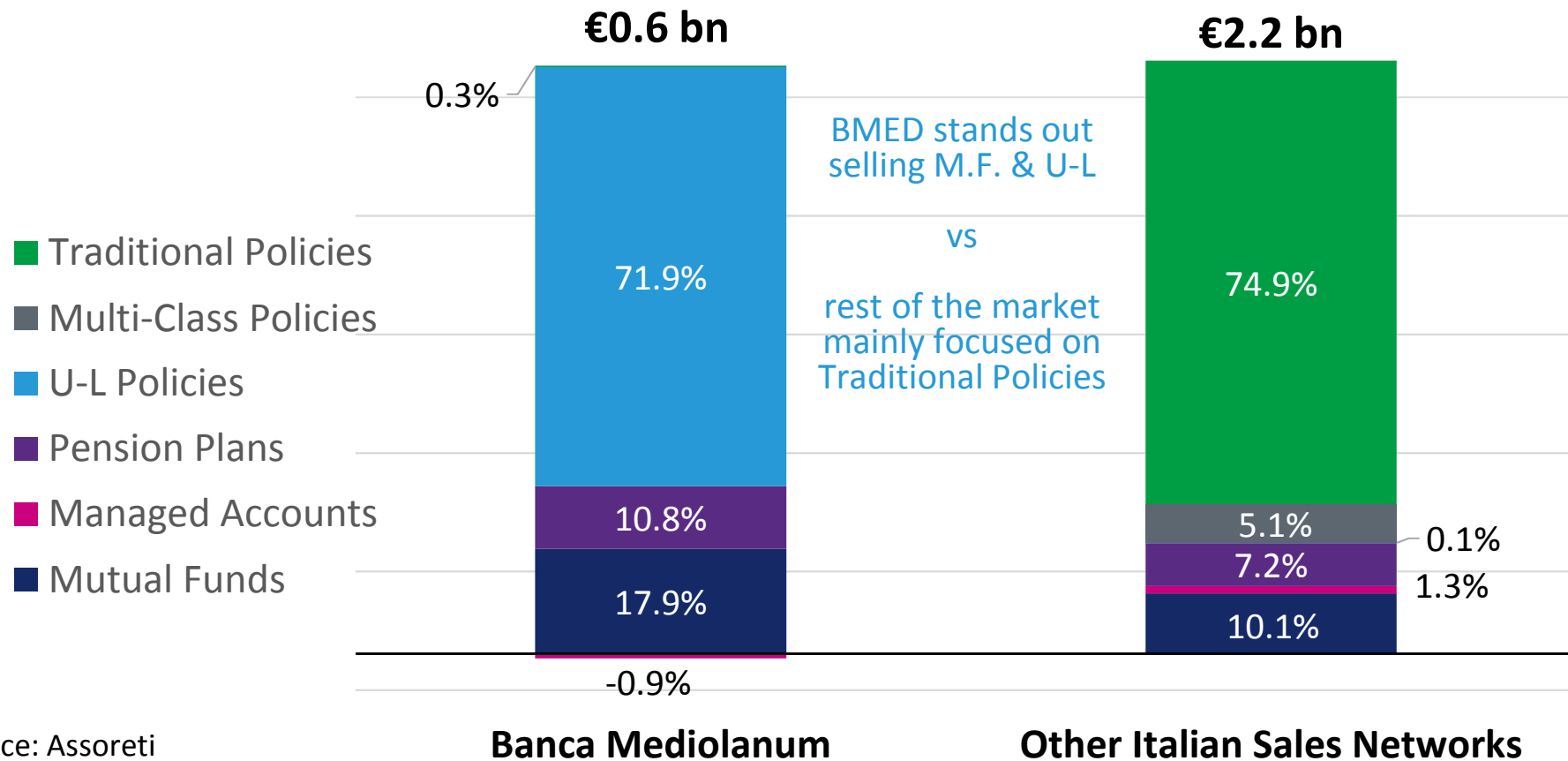
Total Net Inflows

	Mutual Funds*	Managed Assets	Total Net Inflows
Banca Mediolanum	554	555	984
Che Banca!	210	242	398
Banca Generali	152	610	1411
Fincobank	139	532	1533
Allianz Bank	135	309	602
BNL - BNP Paribas	134	216	276
Azimut	100	253	464
IW Bank	-1	-2	213
Consultinvest	-24	-24	-24
Credem	-58	-2	121
Banca Widiba	-107	-121	-44
Deutsche Bank (Finanza & Futuro)	-137	73	205
Banca Fideuram (incl. Sanpaolo Invest)	-232	520	976

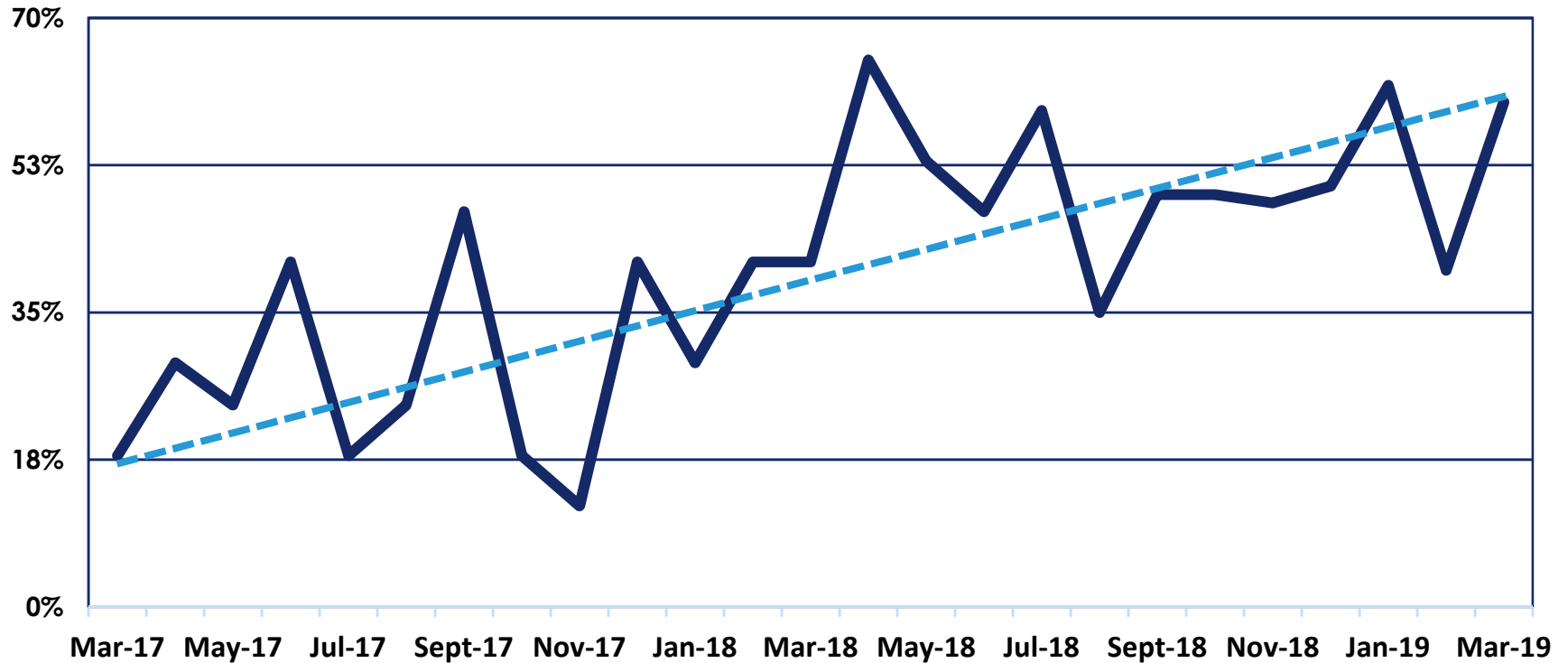
* including those underlying Unit-Linked policies & Managed Accounts

source: Assoreti

Quality of Net Inflows into Managed Assets



Significant improvement of fund performance since streamlining of product structure & strenghtening of the Dublin AM Team



Sustainable growth supported by different business lines

despite challenging macro & regulatory environment

Operating Margin trend inverted

thanks to operating leverage and picking up of NII

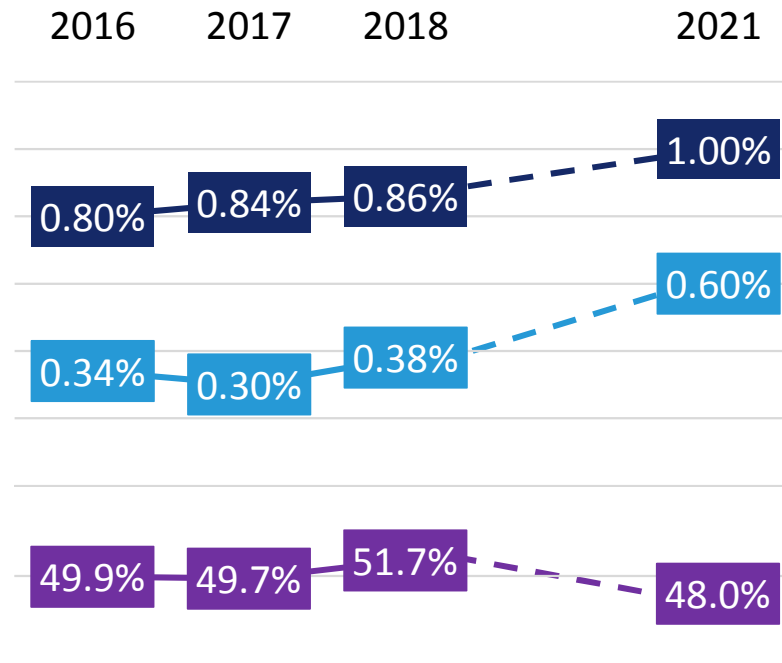
C/I ratio

impacted by 2018 new initiatives that will start **contributing to P&L in 2019**

— Net Commission
Income / Tot Assets

— Operating Margin /
Tot Assets

— Cost / Income*



BMED is a vertically integrated model offering advice, products, services, an advanced digital platform, high interest rates on deposits

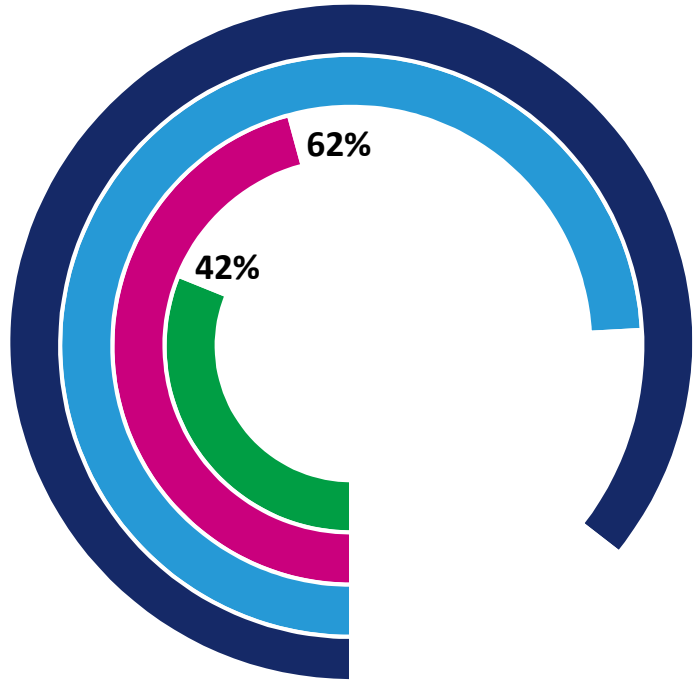
Overall TER must account for everything the customers are getting through their relationship with BMED

TER on Managed assets in line with the rest of the industry

Even lower on tot. assets due to highly diversified investments & attractive rates paid on deposits

More competitive TER for HNWI thanks to dedicated offers & more defensive asset mix

	Weighted Average TER	
	All Customers	HNWI
Managed Assets (M.F., U-L Policies & 3rd-party Funds)	2.40%	2.17%
Total Assets	1.71%	1.23%



1,261,499 Total Customers

5Y CAGR: 4%

■ 1,078,295 Primary Account Holders

■ 935,168 Bank Account Holders:

■ 62% o/w use BMED as Primary Bank

■ 42% o/w use BMED as the Only Bank
(according to 2018 Customer Survey)

43 The 'Intelligent Investment Strategy' Service

launched June 2016

A long-term investment strategy (10+ yrs, € 30k+) that allows our customers to **gradually enter the 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 a money market fund, and then **fully converted into Mediolanum equity funds or MyLife U-L wrap account** over 3-4-5 years through automatic transfers 1-2 times per month

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

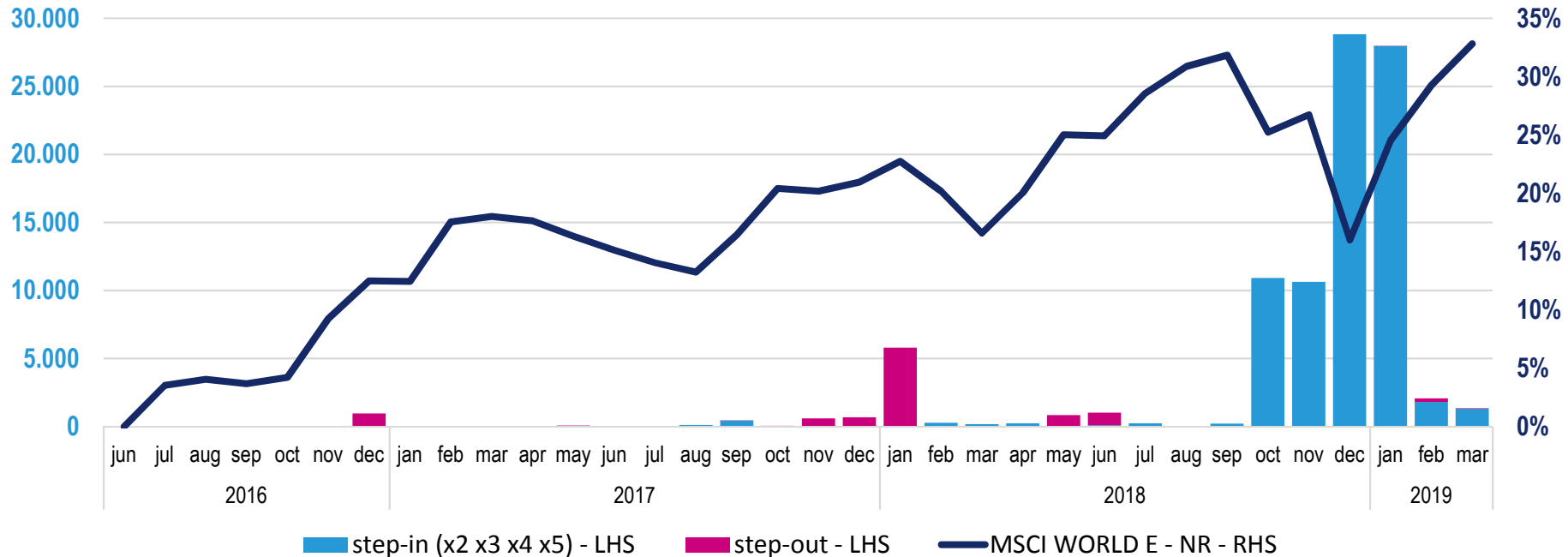
* versus each customer's average purchase price.



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

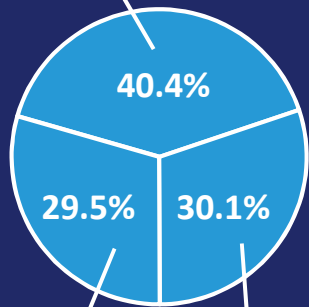
«Market crises are buying opportunities»: not just a slogan

Since launch of **IIS** in 2016 over 100,000 step-in/step-outs automatically multiplied the transferred amount to & from selected Global Equity Funds, allowing **customers to fully benefit from market volatility**





Mediolanum Facts

Doris Group

Free Float
Fininvest

BANKING

100%

**Banco
Mediolanum**

**Bankhaus
August Lenz**
**Mediolanum
Fiduciaria**

ASSET MANAGEMENT

100%

 (direct & indirect
ownership)

**Gamax
Management**

100% Banca Mediolanum


**Mediolanum
International Funds**

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

**Mediolanum
Gestio S.A.**

100% Banco Mediolanum

INSURANCE

100%

Mediolanum Vita

**Mediolanum
International Life**
**Mediolanum
Assicurazioni**

OTHER

100%
**Mediolanum
Comunicazione**
Euro CQS
3.4% (directly & through Mediolanum Vita)
Mediobanca

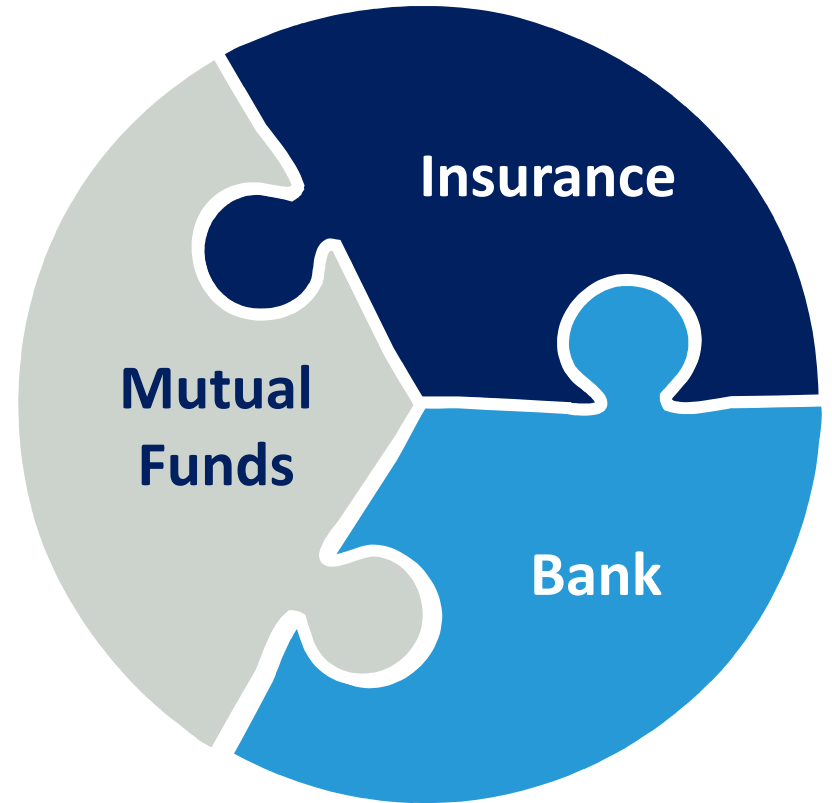
**All companies
Italy-based unless
otherwise indicated**

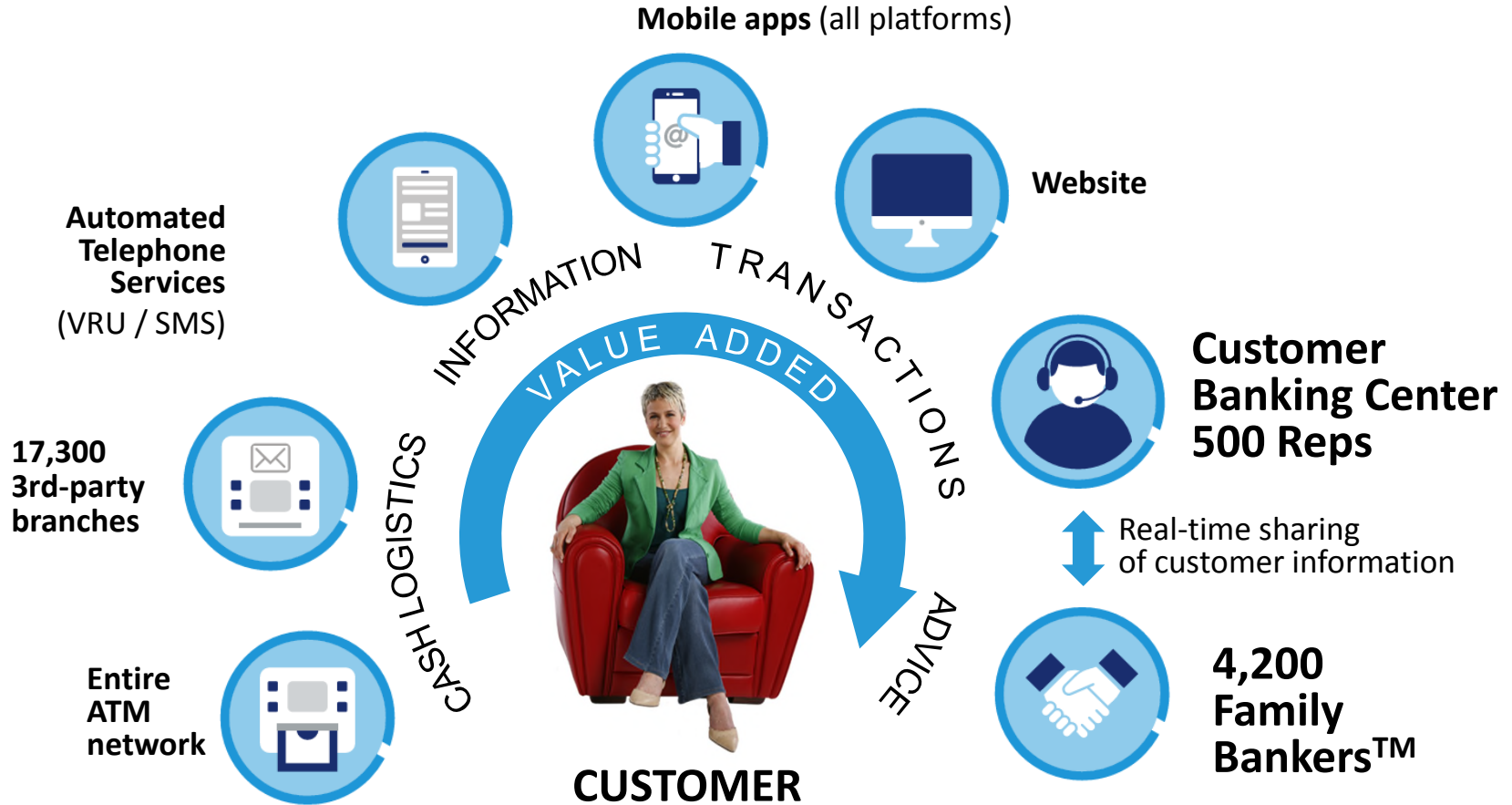
We and our Family Bankers view the company as a single entity, providing solutions that best fit the needs of the customer, whether it be in the form of a mutual fund, an insurance policy or a bank product

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





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 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

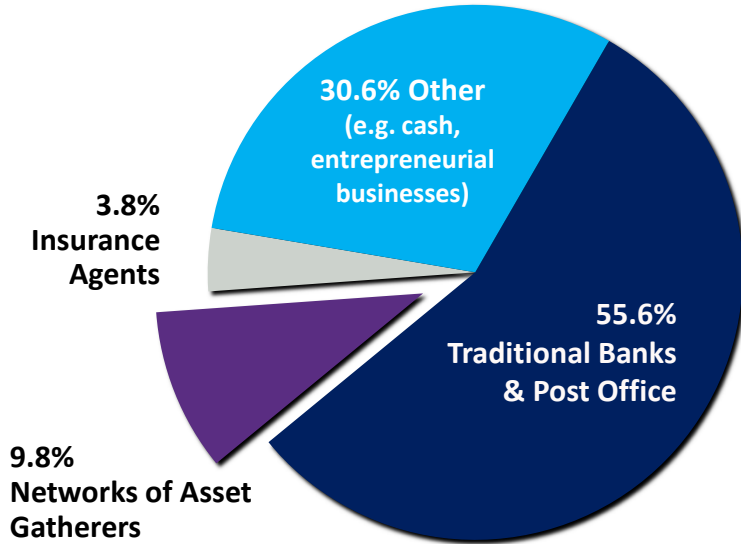
Top-quality and valuable direct banking services associated with a human relationship

Italian Household Financial Assets

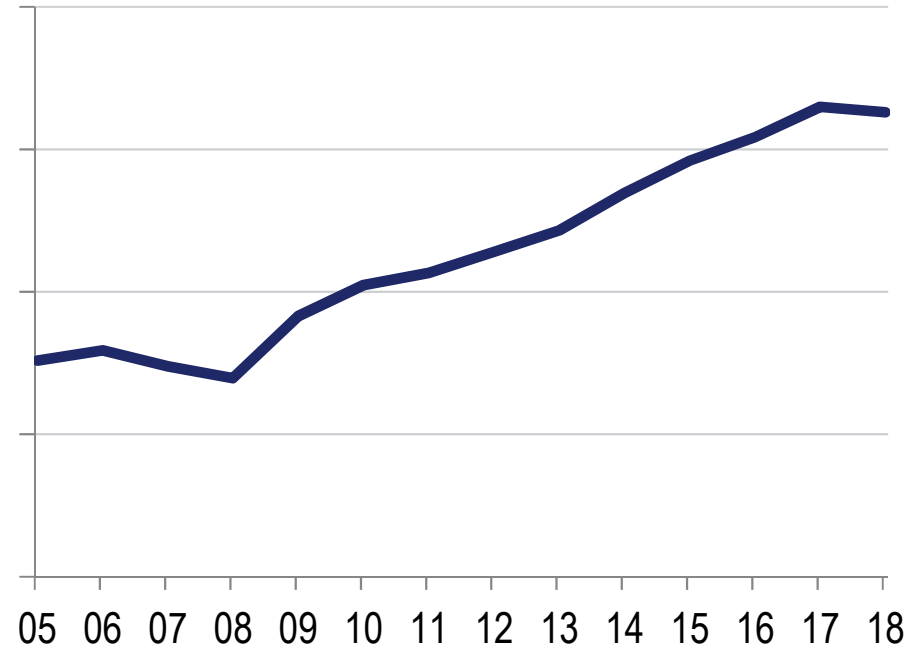
as at 31/12/2018 – real estate not included



Total HH Est. Assets: € 4,210 bn



BMED Market Share: 1.63%



Network of Asset Gatherers have only 10% 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

51 A 'real' Bank with a Solid Set of Numbers

as at 31/03/2019



ROE

20%

10 Y avg. 2009- 2018

CET1

18.6%

Retail Deposits

€ 16.7 bn

Retail Credit Book

€ 8.7 bn

% Gross NPLs

1.36%

vs 9.4% Italian Banks*

% Net NPLs

0.69%

vs 5.0% Italian Banks*

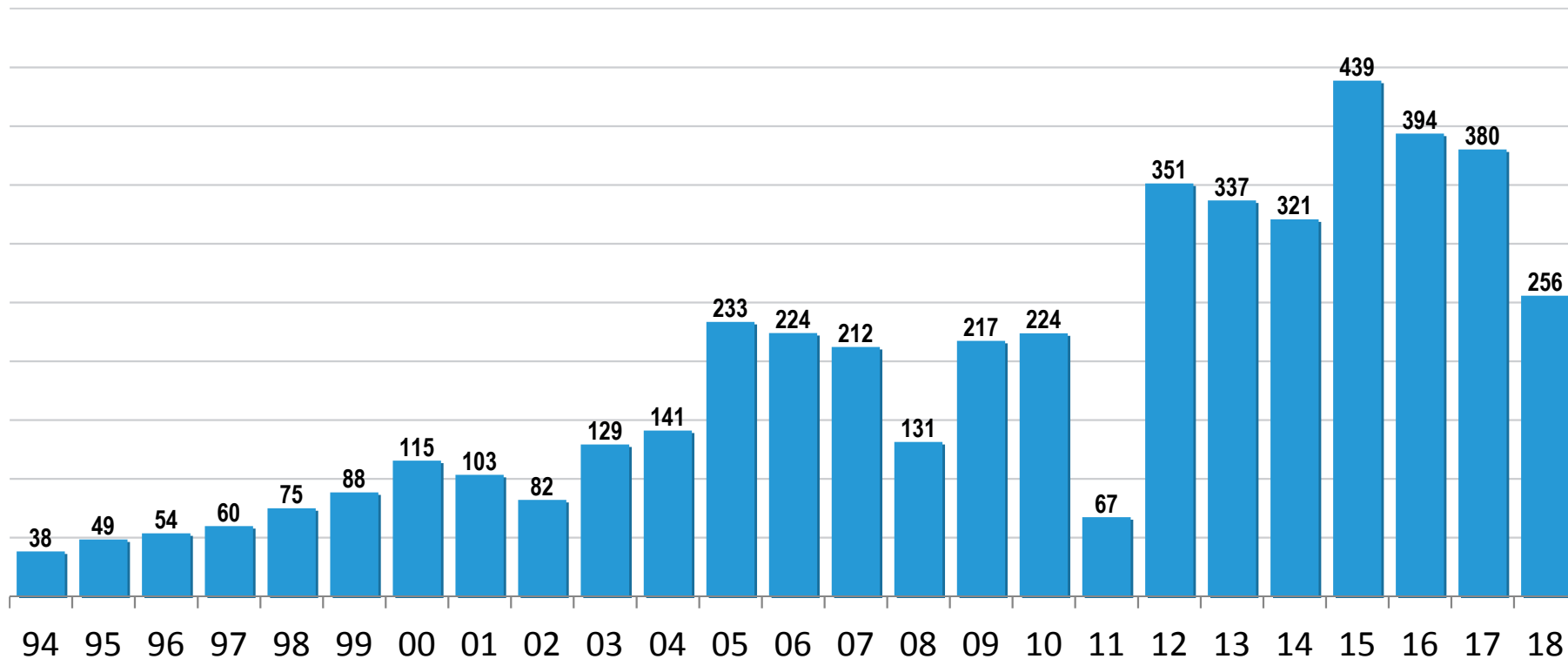
LCR

358%

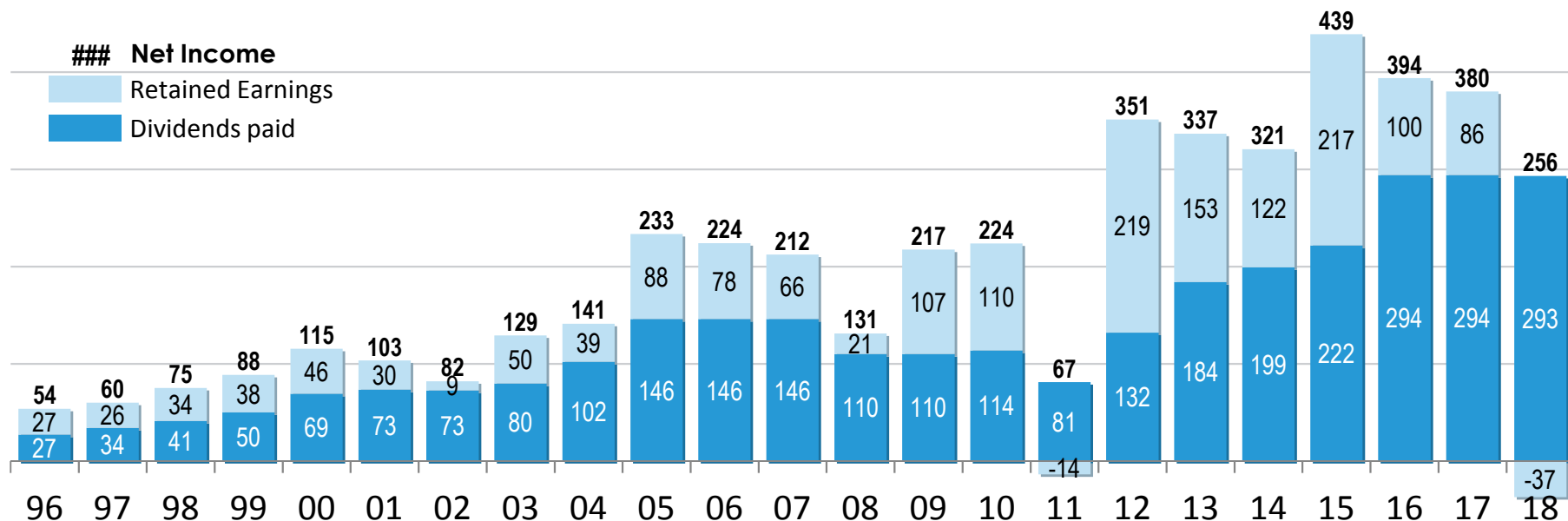
NSFR

178%

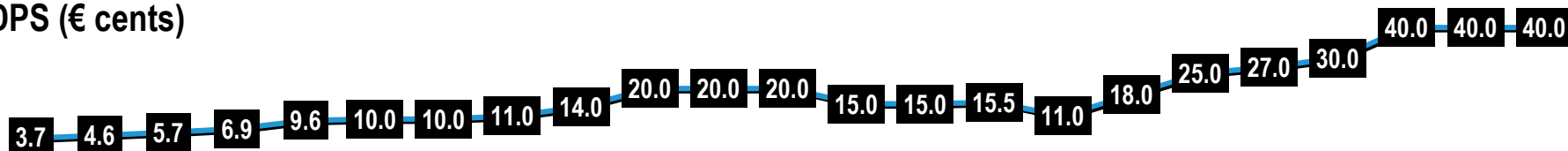
as at 31/12/2018



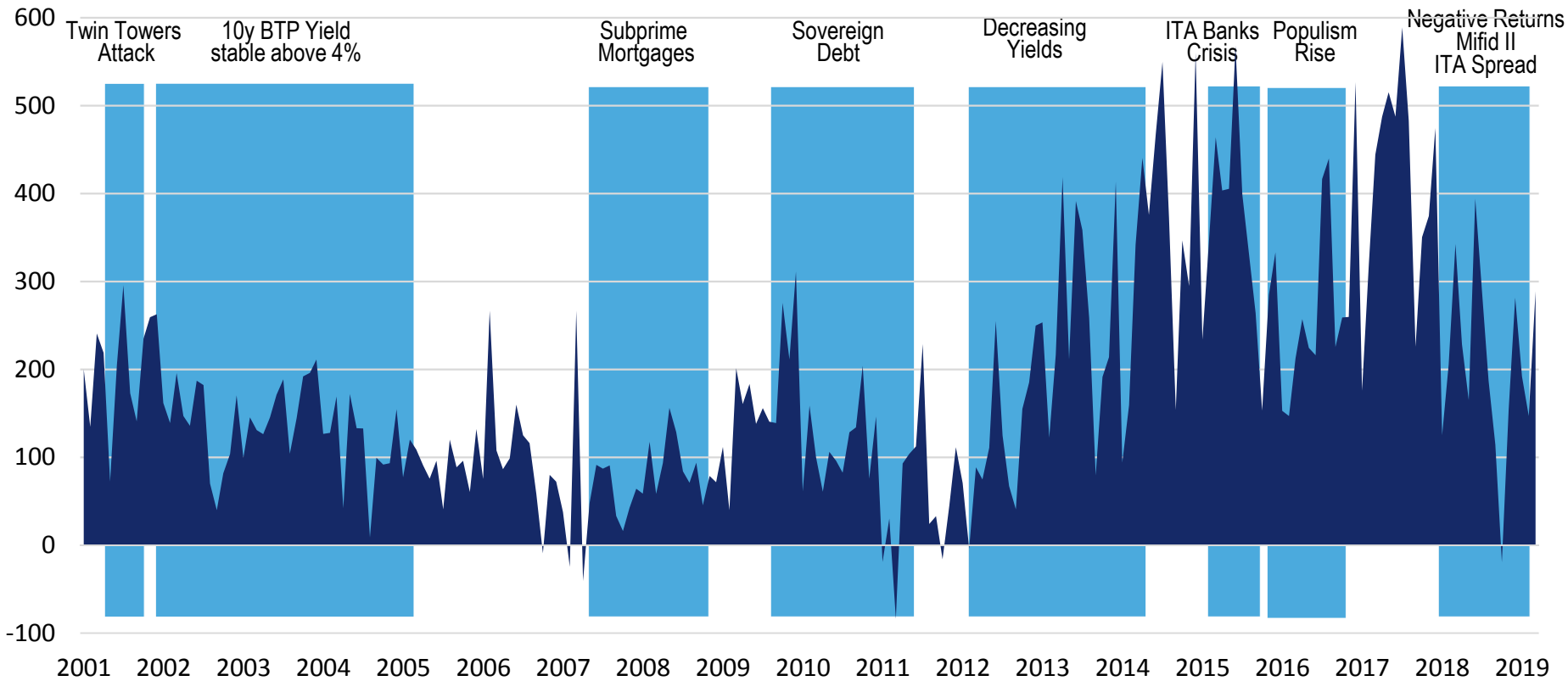
2008 & 2010: adjusted net income excluding effects of 'Lehman Brothers' operation



DPS (€ cents)



Anti-cyclical flows mean better performance for customers thanks to dollar-cost-averaging

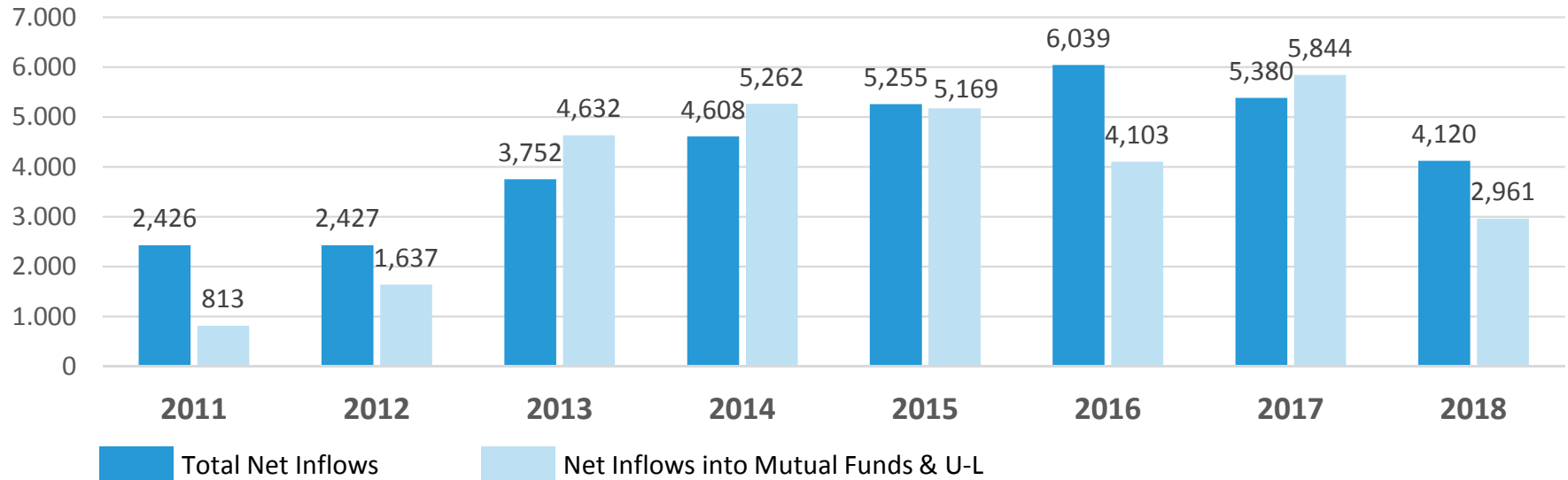


Source: Assoreti

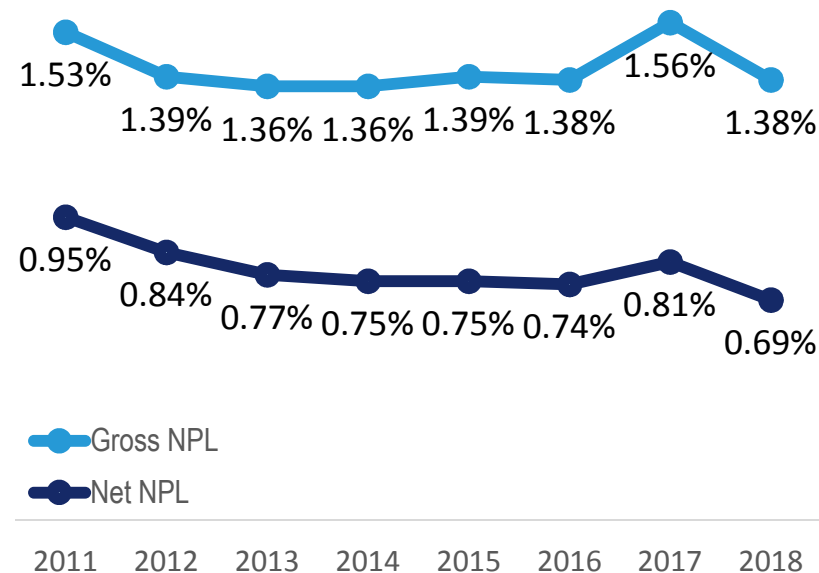
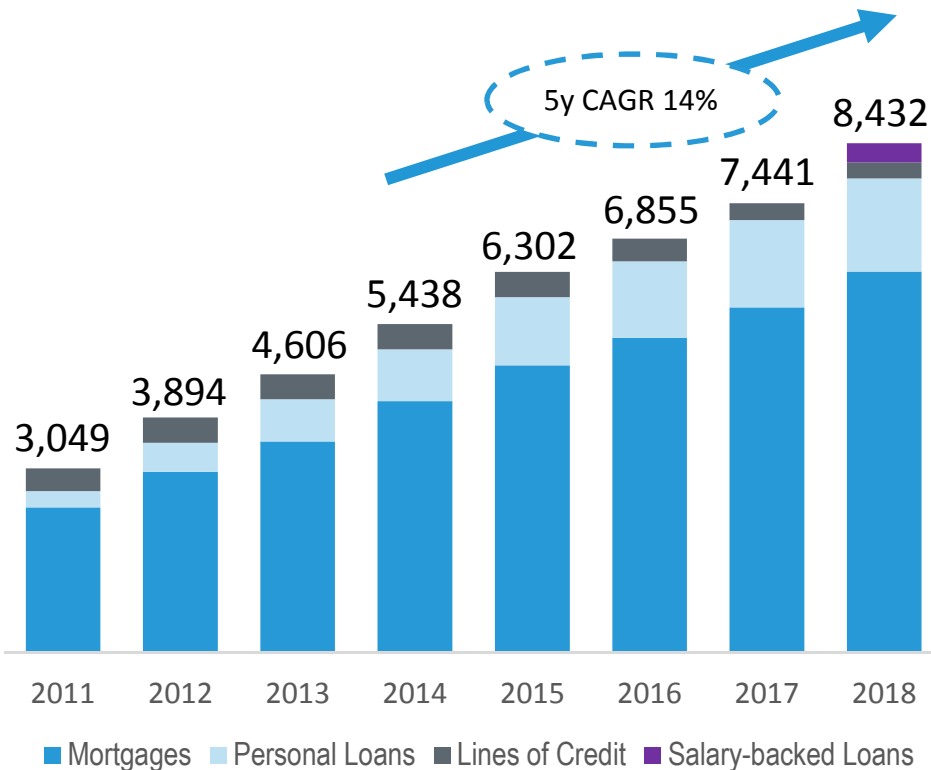
■ Net Inflows into Managed Assets

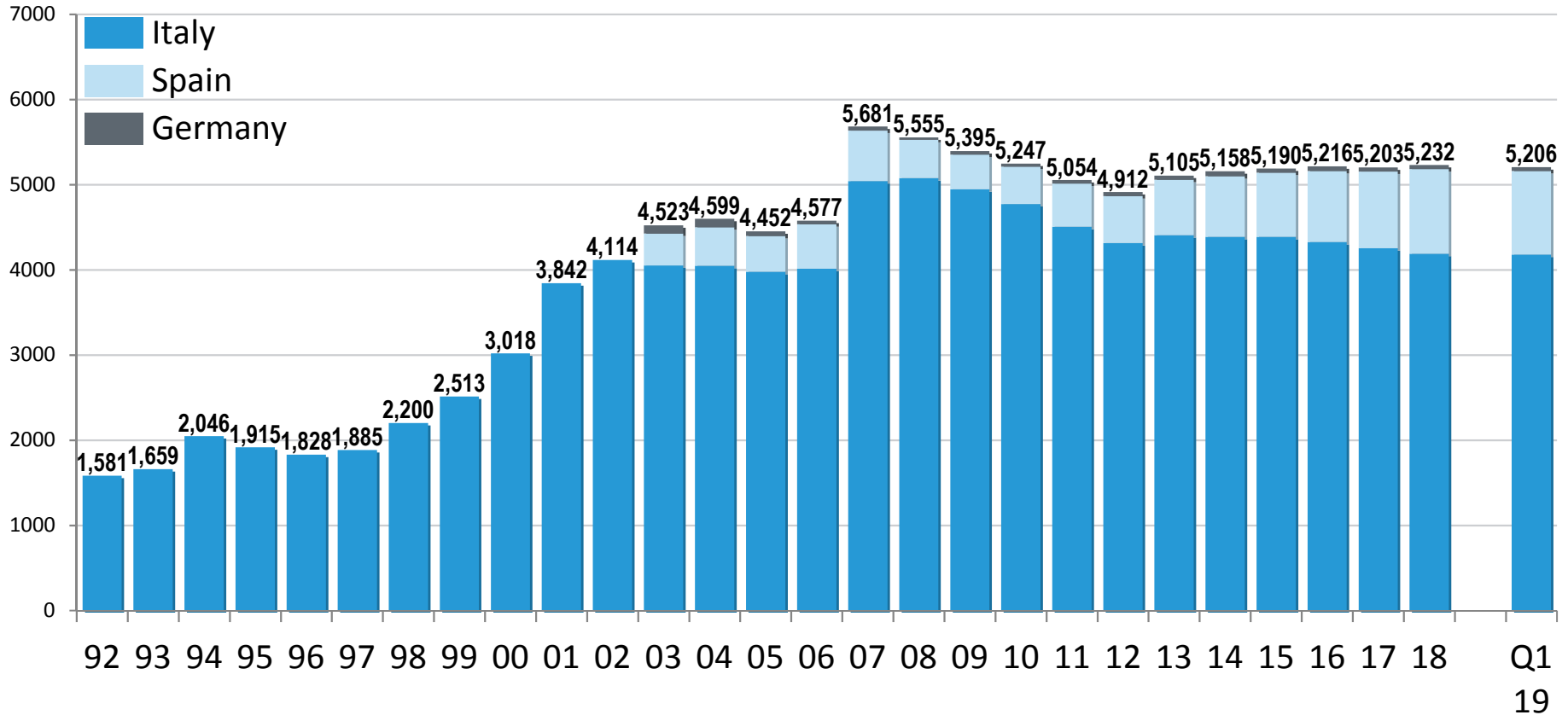
A proven ability to convert administered inflows into managed assets

2011-2018:
€ 31.6 bn of Total Net Inflows,
o/w **€ 29.6 bn** into Mutual Funds & Unit-Linked policies



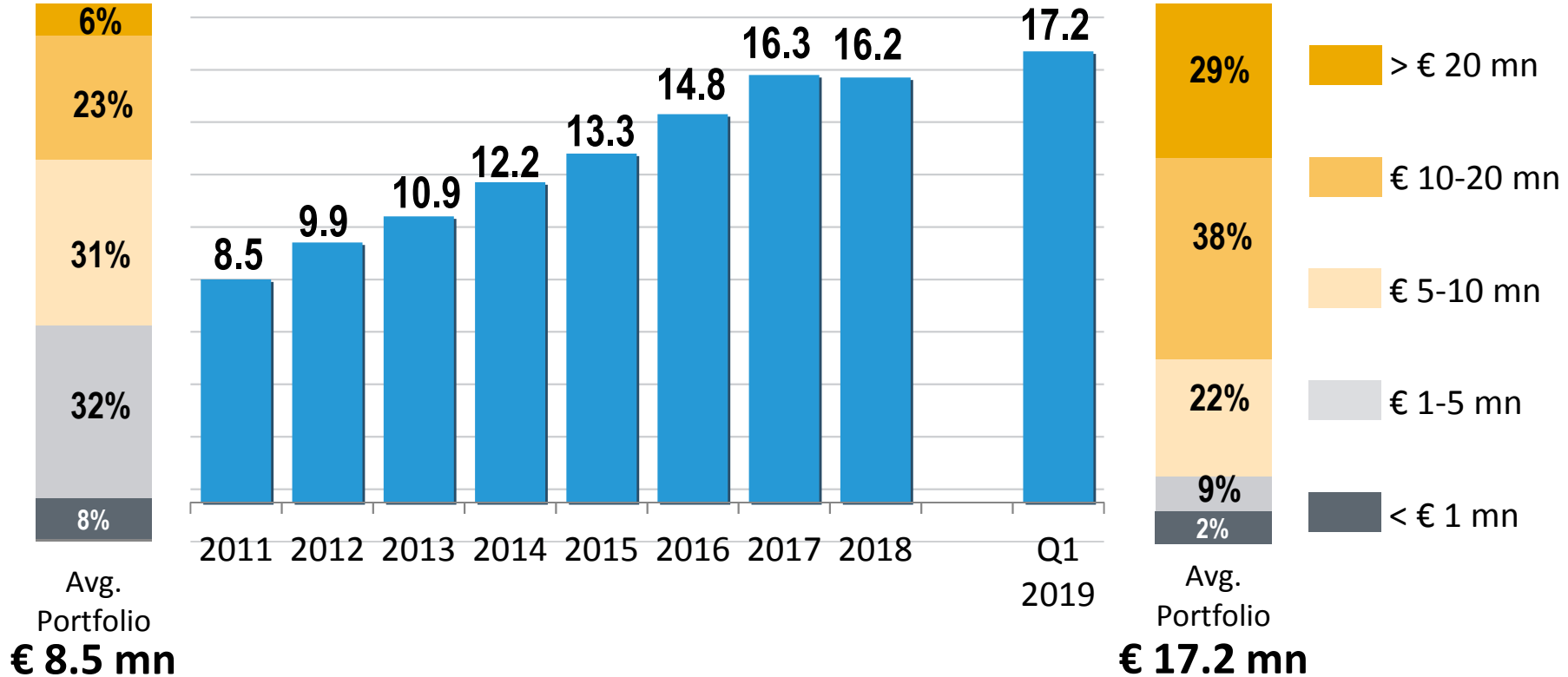
Steady growth & top-notch quality of Credit Book regardless of macro-economic conditions

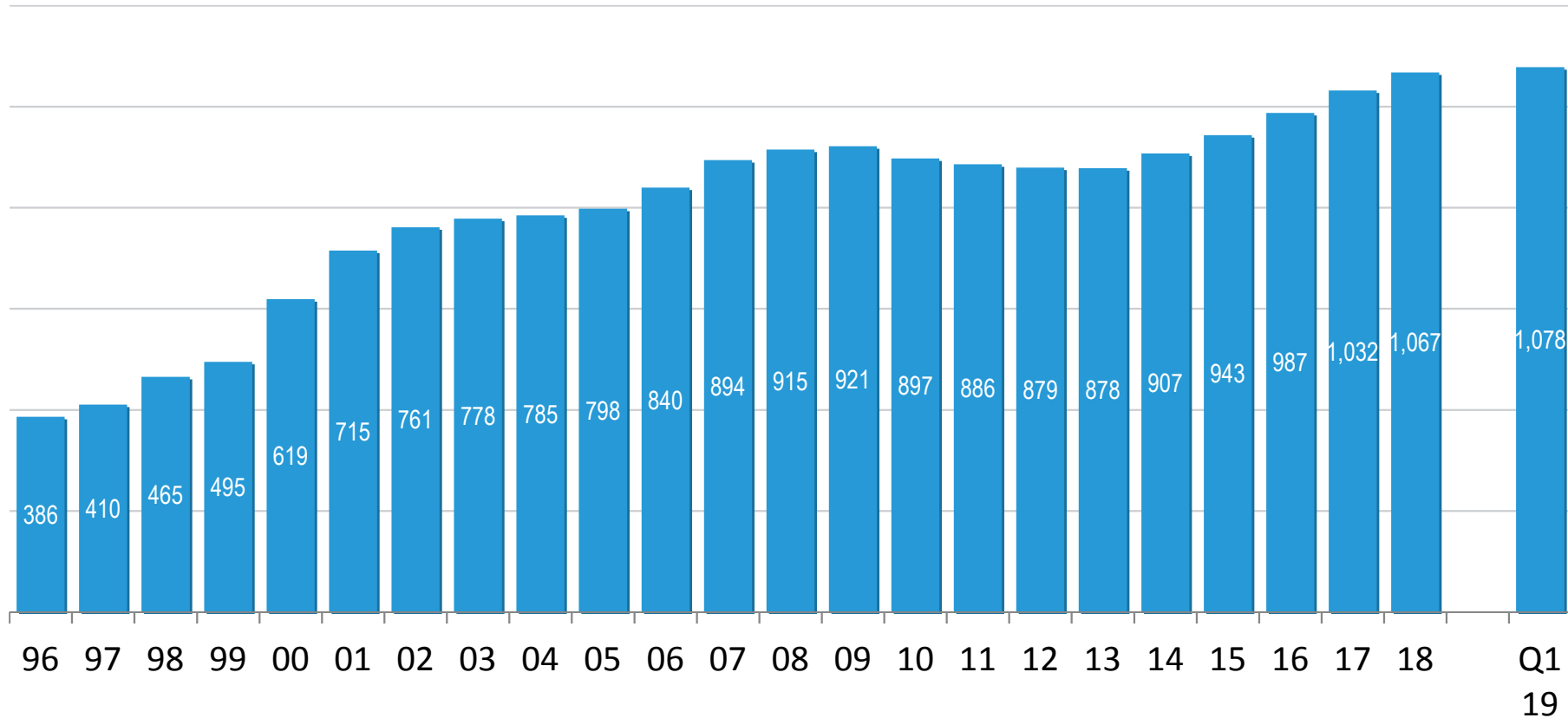


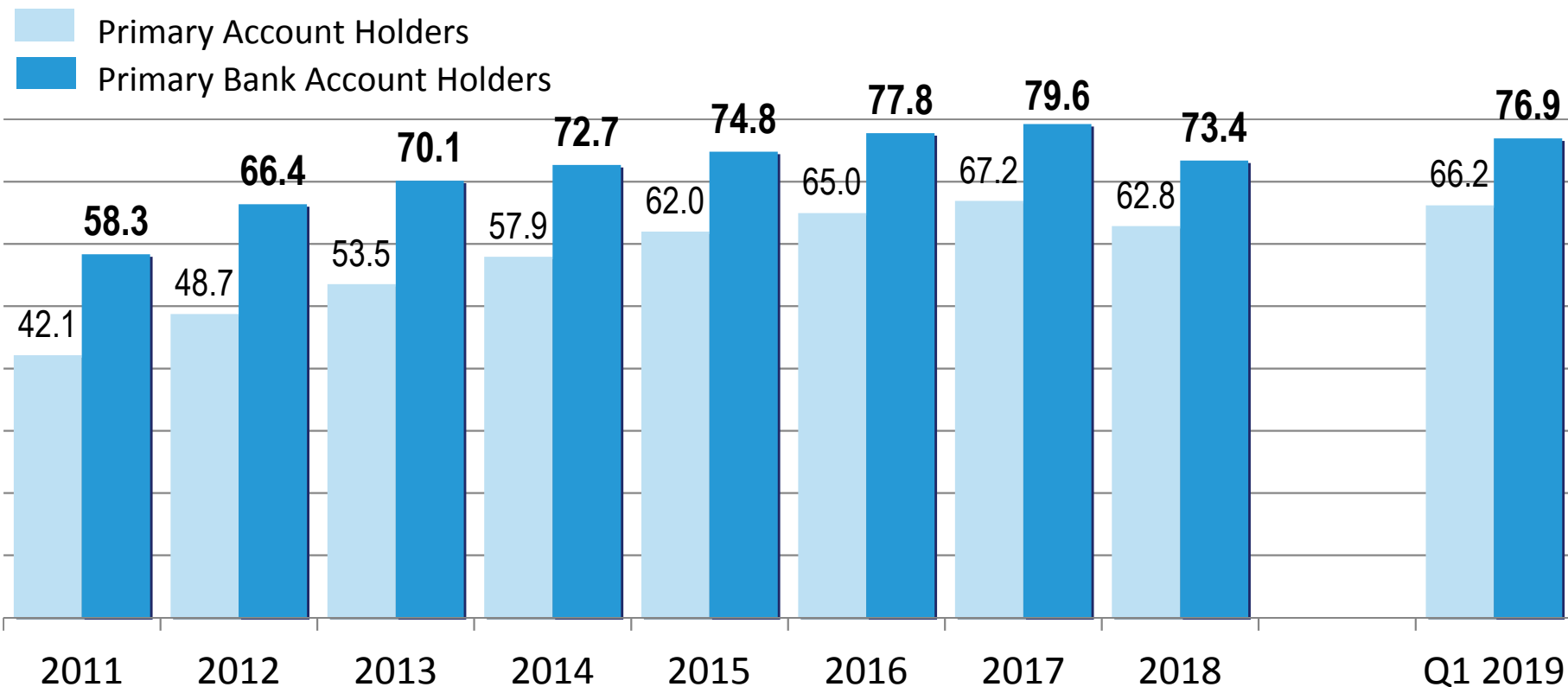


58 Average Assets per Family Banker - Italy

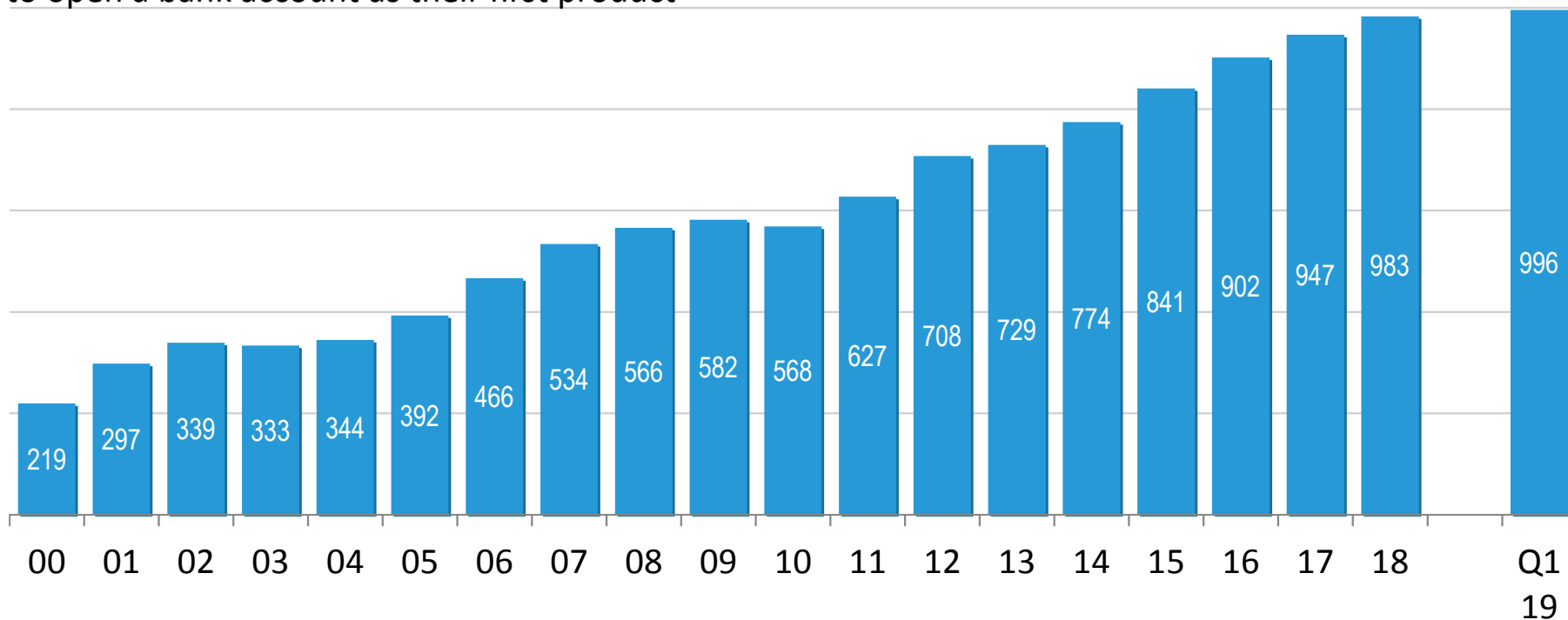
€ mn







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



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**

- 10 years in the Industry, acquired by Banca Mediolanum in **December 2017**
- Operates separately with **EuroCCQS name** to avoid brand confusion
- Network of **50 agents + 40 in back office**. Recent agreement w/ **over 250 individual distributors**
- **3-year target: €1 bn book** by EOY 2020. Q1 2019 Book at €405 mn
- **Loans granted in 2018: €290 mn**
- **New Business Market Share Q1 2019: 6%**

Healthy-Margin, Low-Risk Business

Salary-backed Loans

- Monthly loan payments deducted directly from the paycheck for up to 1/5 of the salary
- Designed for individuals with few or no assets
- 85% of the market consist of state employees (incl. teachers) & retirees on a pension
- Mandatory-by-law insurance policy attached to the loan covers the risk of job loss or company bankruptcy

‘End-of-service’ Payment Advance Loans

- Launched in June 2018
- Intended for newly-retired public employees
- Loan paid back by the State
- Designed to cover the typically long waiting period (2-3 yrs) to receive ‘end-of-service pay’

To assist SME entrepreneurs (both customers & prospects) with corporate finance needs in order to grow their business

- **Financial advisory services**, such as general financial health check-ups, M&A consulting, corporate sales, access to private equity funding, bond issuing, advisory role for potential IPO on the AIM/STAR exchanges

- **NOMAD** (Nominated Advisor) certified by June 2018.

- **Partnership agreements** with selected Italian Investment Banks for downstream activities, such as **direct placement**

- BMED IB exploits our widespread presence all over Italy, proximity to & knowledge of the SME customer. Provides **leverage & prestige** to our Family Bankers **to strengthen the relationship** with these customers

- **Instrumental to our core business** of asset gathering.
Ultimate objective: to have access to & manage entrepreneurs' assets

- **18 WIPs** as at March 2019

- Expected break-even: end of 2019

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

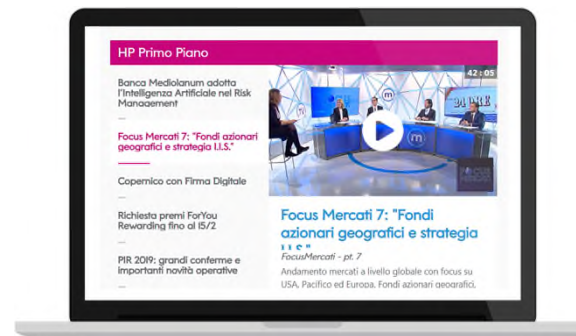
Online programs to train, motivate & communicate with our Family Bankers

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 **3,000 events** held in 2018:
local & high-level events, sports events (e.g. Giro d'Italia), talk shows, etc.

Over **157,000 customers & 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 2017)

Average commercial value of media coverage is also regularly tracked





BMED solid customer relationship built on best-in-class service delivery both human & digital

Overall Satisfaction

Customer Satisfaction

98%

Traditional Banks: 86% | Online Banks: 96%

Net Promoter Score

67.0%

Traditional Banks: 11.1 | Online Banks: 52.4

Customer Retention

95.4%

Digital Platform

Digital Services

89%

of customers w/more than 1 bank relationship stated our services are BETTER than or EQUAL to other banks

Mobile Payments

FIRST BANK

to offer ALL PLATFORMS

Apple Pay – Samsung Pay – Google Pay

Increased Stickiness

1.2MN CLIENTS

>60 MN INTERACTIONS

o/w 92% through digital channels

Financial Advisor Interaction

Professionalism

88.3

Traditional Banks: 74.7 | Online Banks: 80.2

Relationship Quality

89.7

Traditional Banks: 79.7 | Online Banks: 84.9

Availability

In 2017 65% OF CUSTOMERS met with their Family Banker

MORE THAN 4 TIMES

64% of total accesses via mobile app in 2018

40% of transactions via mobile app in 2018

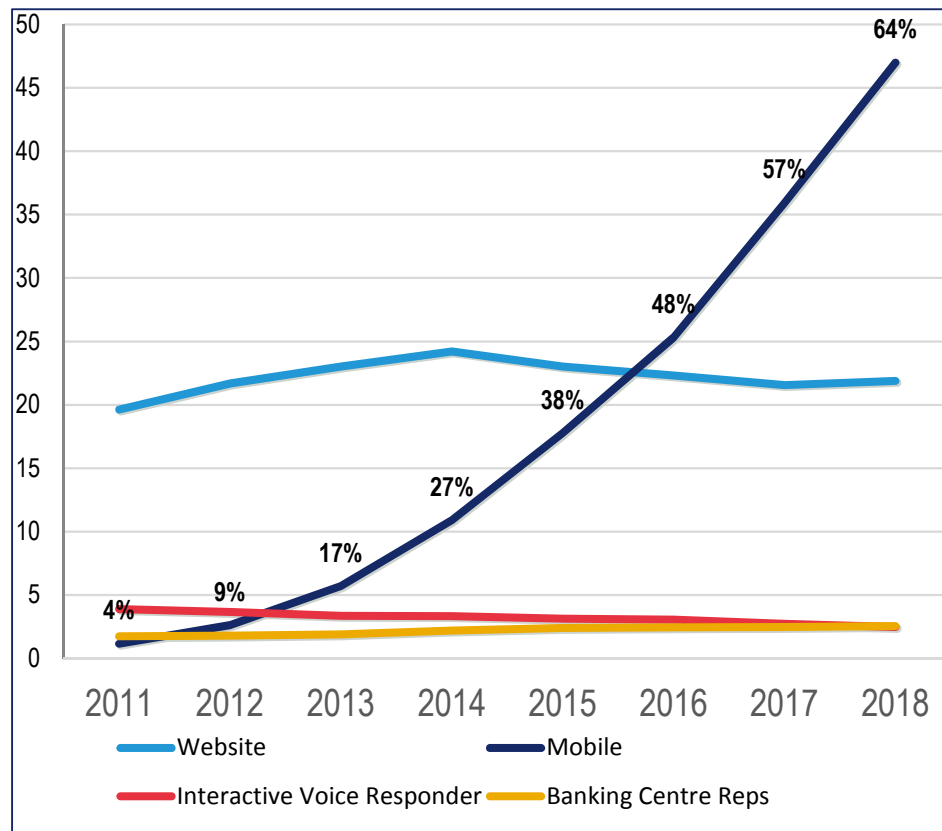
BMED app features all of the main banking & investment operations

IT Investments mean the latest technology, best-in-class banking platform & stickier customers

First bank in Italy to launch the 3 main mobile payment solutions



Direct Channel Accesses (mn)



70 The 3rd best known bank brand in Italy

Spontaneous brand awareness – Italian banks – March 2018

INTESA  SANPAOLO 57%

 UniCredit 54%

 ^{BANCA} mediolanum 41%

BancoPosta 30%

 MONTE
DEI PASCHI
DI SIENA
BANCA DAL 1472 26%

ING  DIRECT 26%

 **BNL**
GRUPPO BNP PARIBAS 21%

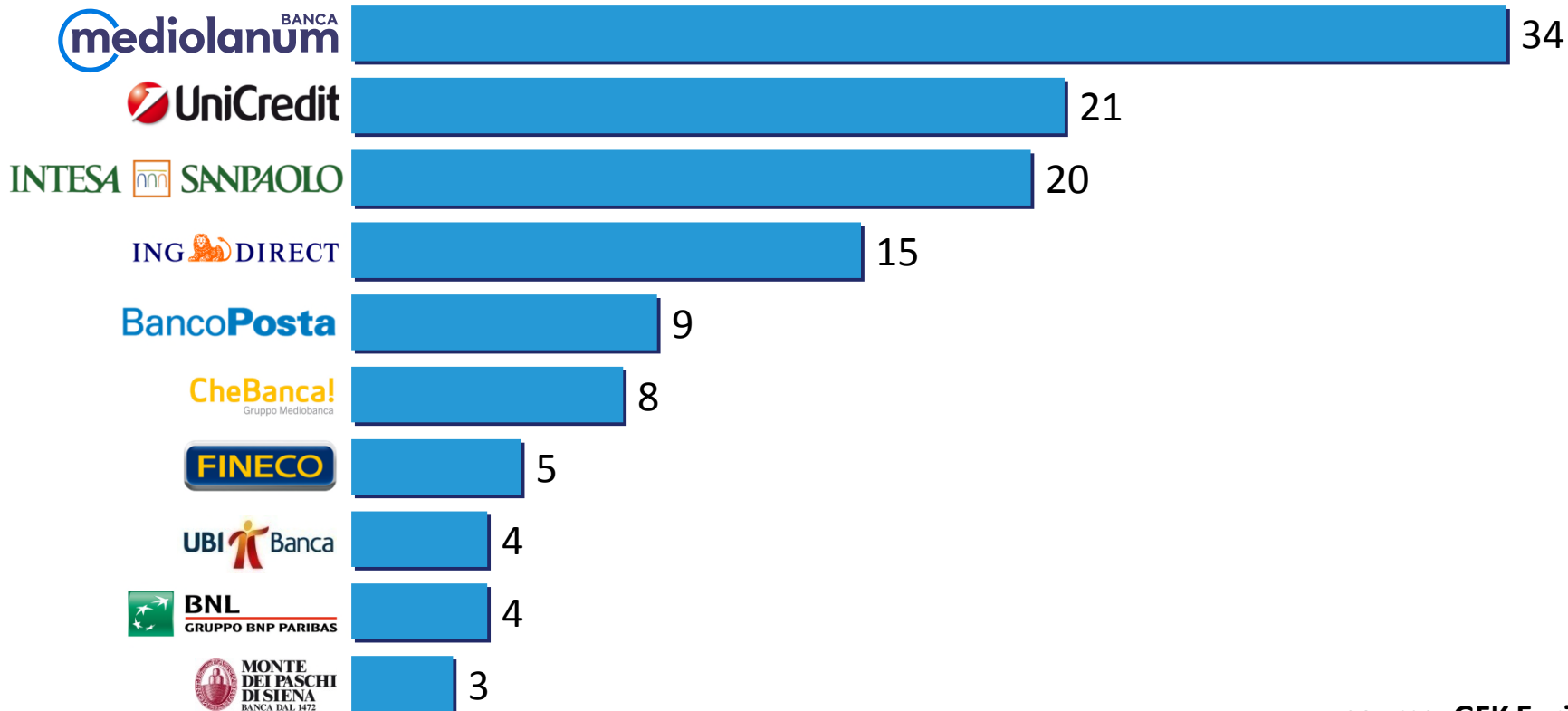
UBI  Banca 16%

 **BCC**
CREDITO COOPERATIVO 15%

CheBanca!
Gruppo Mediobanca 14%

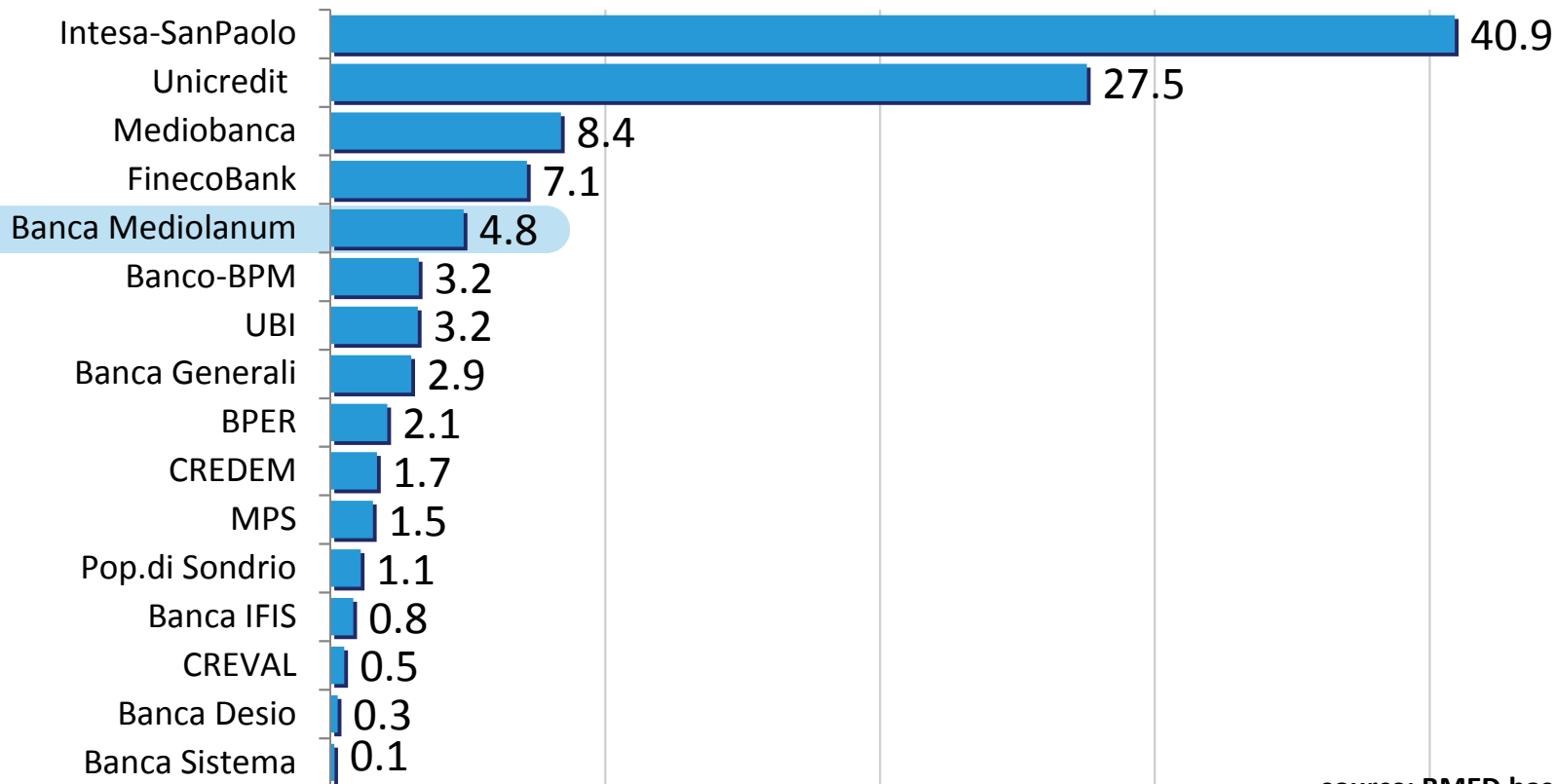
Banca Mediolanum's advertising The most memorable in the banking industry

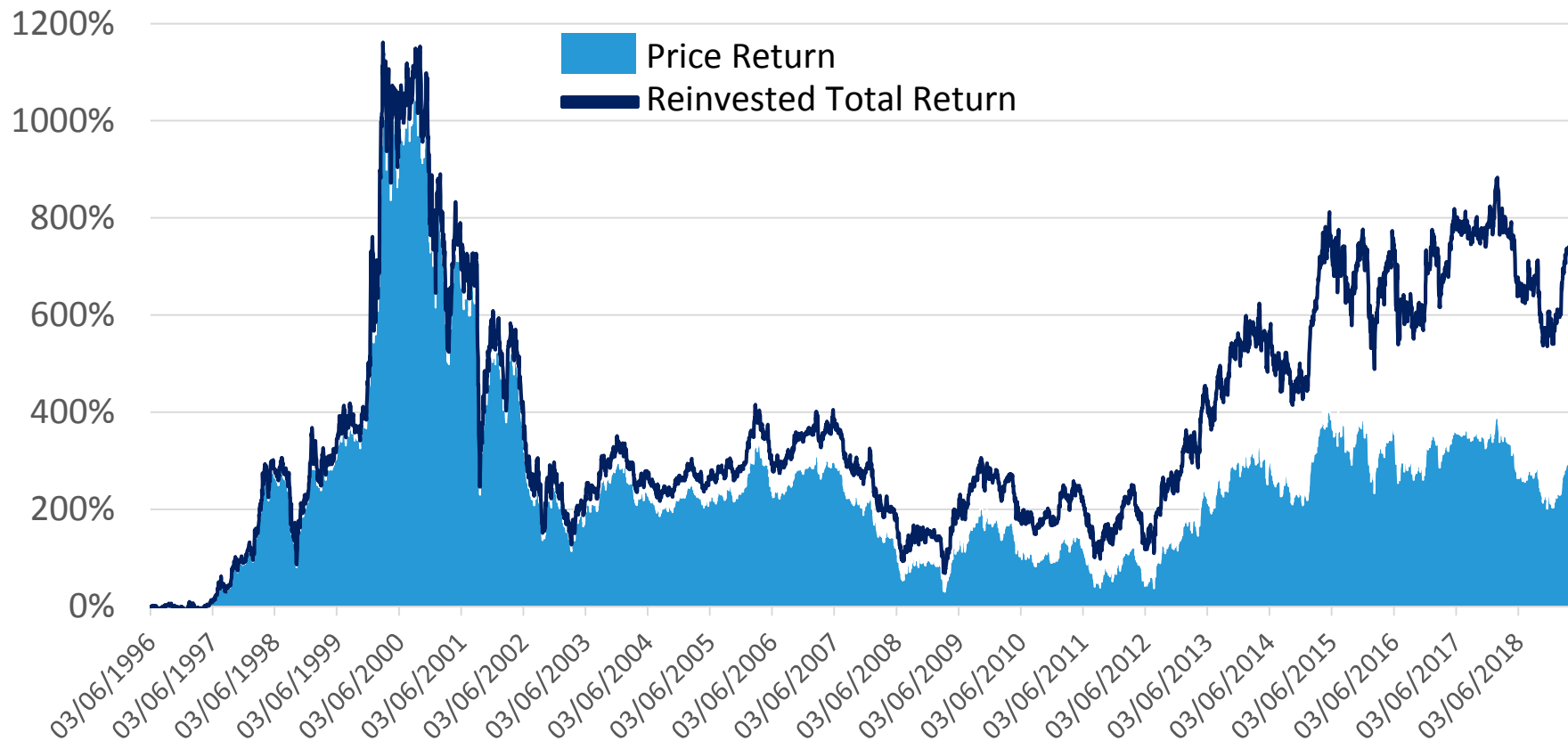
Spontaneous recall of bank advertising in Italy – Q1 2019



Ranking of Italian Banking Groups by Market Capitalisation

€ bn - as at 30/04/2019





* Total Return Index includes dividend reinvestments, June 3, 1996 – Jan 31, 2019

source: Datastream

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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

Figures contained in this document are rounded for presentation purposes.

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