



Q1 2021 Results & Business Update

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Q1 2021 Group Results

4 Q1 2021 Takeaways

Q1 2021
Group

One of the best quarters ever in the history of Banca Mediolanum

- **Net Income: +85% - €133.4 mn**, thanks to solid 26% increase in Operating Margin & positive contribution from Market effects *
- **Management Fees: +14%** - over **€296 mn** thanks to greater assets overall
- **Acquisition Costs: +11%** - perfectly in line with double digit increase of Entry & Management Fee income, as well as Insurance Revenues
- **Net Interest Income: +14%** - thanks to strong & ever-increasing lending activities, and lower retail cost of funding
- **G&A Expenses: +3%** - in presence of double-digit increase in revenues. Cost/Income Ratio ex mkt effects down from 54% in FY 2020 to 51%
- **Net Inflows** (first 4 months): **€3.1 bn** of extreme high-quality: **€2.1 bn** into managed assets, **+108%** YoY, with 80% earmarked for equity, directly or indirectly through automatic investment services
- **Loans** (first 4 months): **€ 1.2 bn, +50%** - Credit Book close to €12.6 bn
- **General Insurance** (first 4 months: **€48 mn, +41%** - showing outstanding growth in New Business of Stand-alone Policies (+45%)
- **CET1 Ratio: 20.7%** - includes the entire distribution of dividends (€573 mn) - does not capitalize Q1 Net Income

* includes €30.5 mn of SIA shareholding write up in Fair Value

Income Statement

€ mn

Q1 2021
Group

	Q1 2021	Q1 2020	Change
Entry fees	15.9	13.5	+17%
Management fees	296.3	260.7	+14%
Investment Management fees	45.7	38.6	+18%
Net Insurance revenues ex U-L commissions	16.2	11.0	+47%
Banking service fees	30.3	38.3	-21%
Other fees	11.6	10.3	+12%
Gross Commission Income	415.9	372.5	+12%
Acquisition costs	(156.9)	(141.6)	+11%
Other commission expenses	(24.4)	(21.0)	+16%
Net Commission Income	234.5	209.9	+12%
Net interest income	64.8	57.0	+14%
Net income on other investments	(6.5)	(9.1)	-29%
- o/w Impairment on loans	(7.3)	(6.2)	+17%
Other revenues & expenses	3.4	4.3	-22%
Contribution Margin	296.3	262.1	+13%
G&A expenses	(142.1)	(138.3)	+3%
Regular Contributions to Banking Industry	(8.4)	(4.9)	+70%
Depreciation & Amortization	(9.3)	(8.7)	+7%
Provisions for risk & charges	(11.1)	(10.6)	+5%
Operating Margin	125.3	99.5	+26%
Market effects	49.3	(11.8)	n.s.
- o/w Performance fees	10.2	7.1	+42%
- o/w Net income on investments at fair value	39.1	(19.0)	n.s.
Extraordinary items	0.0	0	n.s.
PROFIT BEFORE TAX	174.6	87.7	+99%
Income tax	(41.2)	(15.4)	+167%
NET INCOME	133.4	72.2	+85%

6 Income Statement by Quarter

€ mn

Q1 2021
Group

	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21
Entry fees	13.5	12.7	10.8	13.6	15.9
Management fees	260.7	249.2	269.6	281.9	296.3
Investment Management fees	38.6	37.0	40.6	42.6	45.7
Net Insurance revenues ex U-L commissions	11.0	15.9	12.5	18.5	16.2
Banking service fees	38.3	36.1	30.1	32.0	30.3
Other fees	10.3	10.3	11.7	9.8	11.6
Gross Commission Income	372.5	361.2	375.3	398.4	415.9
Acquisition costs	(141.6)	(140.1)	(140.5)	(159.5)	(156.9)
Other commission expenses	(21.0)	(18.6)	(20.3)	(24.1)	(24.4)
Net Commission Income	209.9	202.5	214.5	214.9	234.5
Net interest income	57.0	56.1	64.7	69.9	64.8
Net income on other investments	(9.1)	(8.0)	(0.5)	(2.7)	(6.5)
- o/w <i>Impairment on loans</i>	(6.2)	(7.2)	(0.8)	(5.6)	(7.3)
Other revenues & expenses	4.3	3.9	1.2	(11.4)	3.4
Contribution Margin	262.1	254.4	279.8	270.7	296.3
G&A expenses	(138.3)	(137.0)	(122.1)	(159.9)	(142.1)
Regular Contributions to Banking Industry	(4.9)	(3.3)	(11.8)	(2.0)	(8.4)
Depreciation & Amortization	(8.7)	(8.7)	(9.2)	(10.1)	(9.3)
Provisions for risk & charges	(10.6)	(11.7)	(14.1)	(24.9)	(11.1)
Operating Margin	99.5	93.7	122.6	73.8	125.3
Market effects	(11.8)	6.1	5.7	149.9	49.3
- o/w <i>Performance fees</i>	7.1	0.5	3.3	142.6	10.2
- o/w <i>Net income on investments at fair value</i>	(19.0)	5.6	2.4	7.2	39.1
Extraordinary items	0	(2.6)	(5.2)	(0.2)	0.0
PROFIT BEFORE TAX	87.7	97.2	123.1	223.4	174.6
Income tax	(15.4)	(19.0)	(23.7)	(38.8)	(41.2)
NET INCOME	72.2	78.3	99.3	184.6	133.4

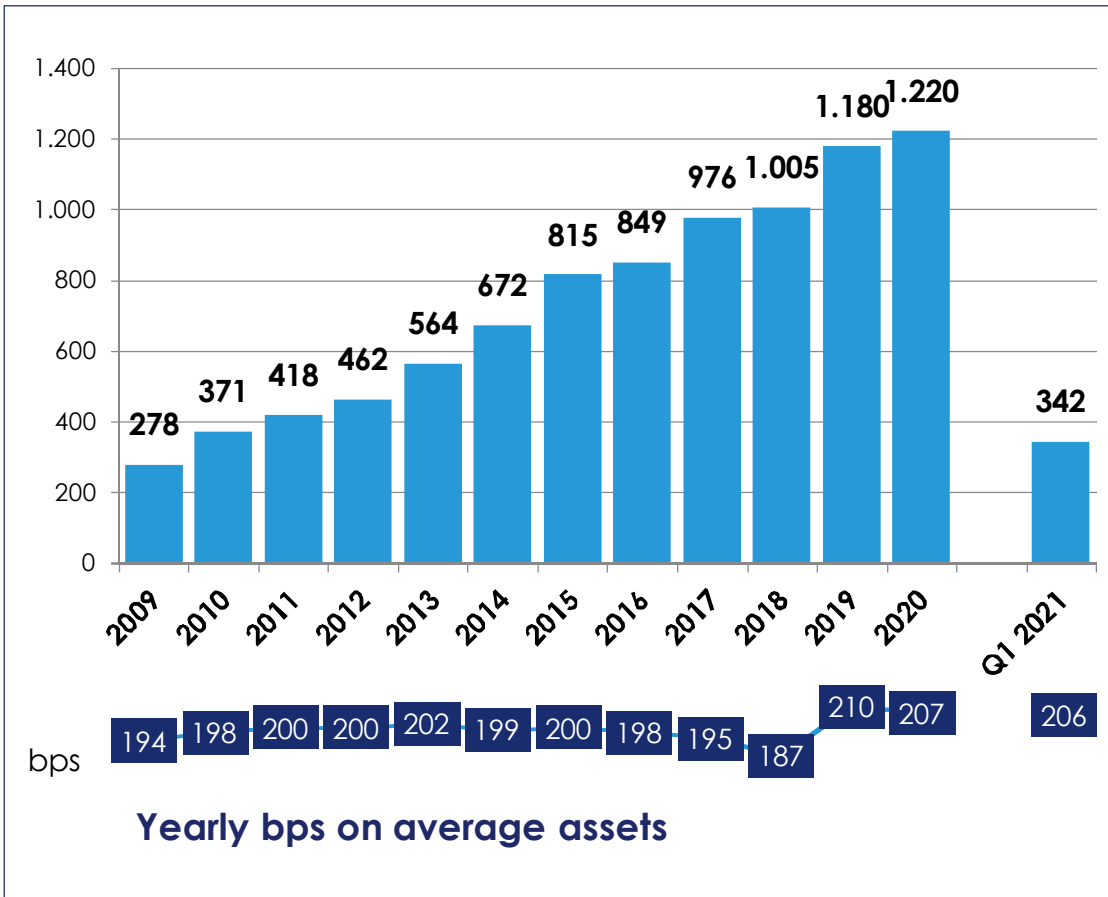
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Commission Income from Recurring Fees*

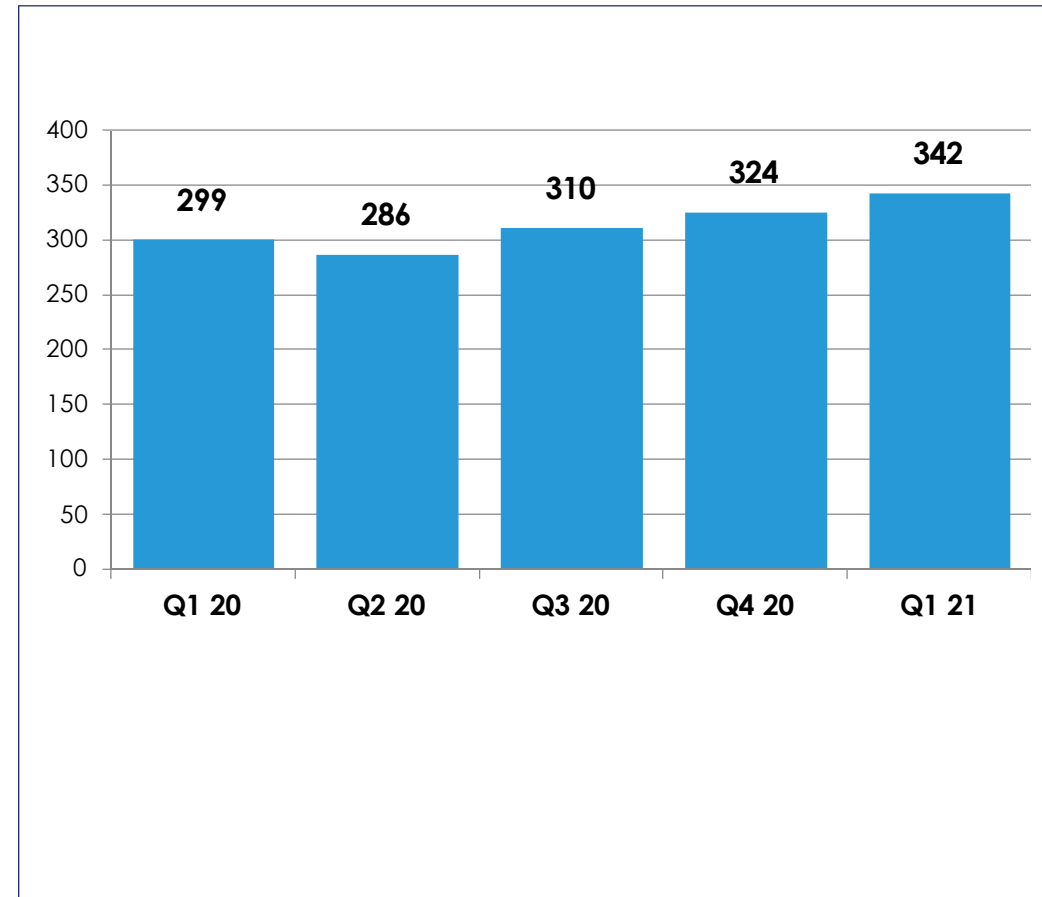
€ mn

Q1 2021
Group

YoY Trend



QoQ Trend



* Management Fees + Investment Management Fees

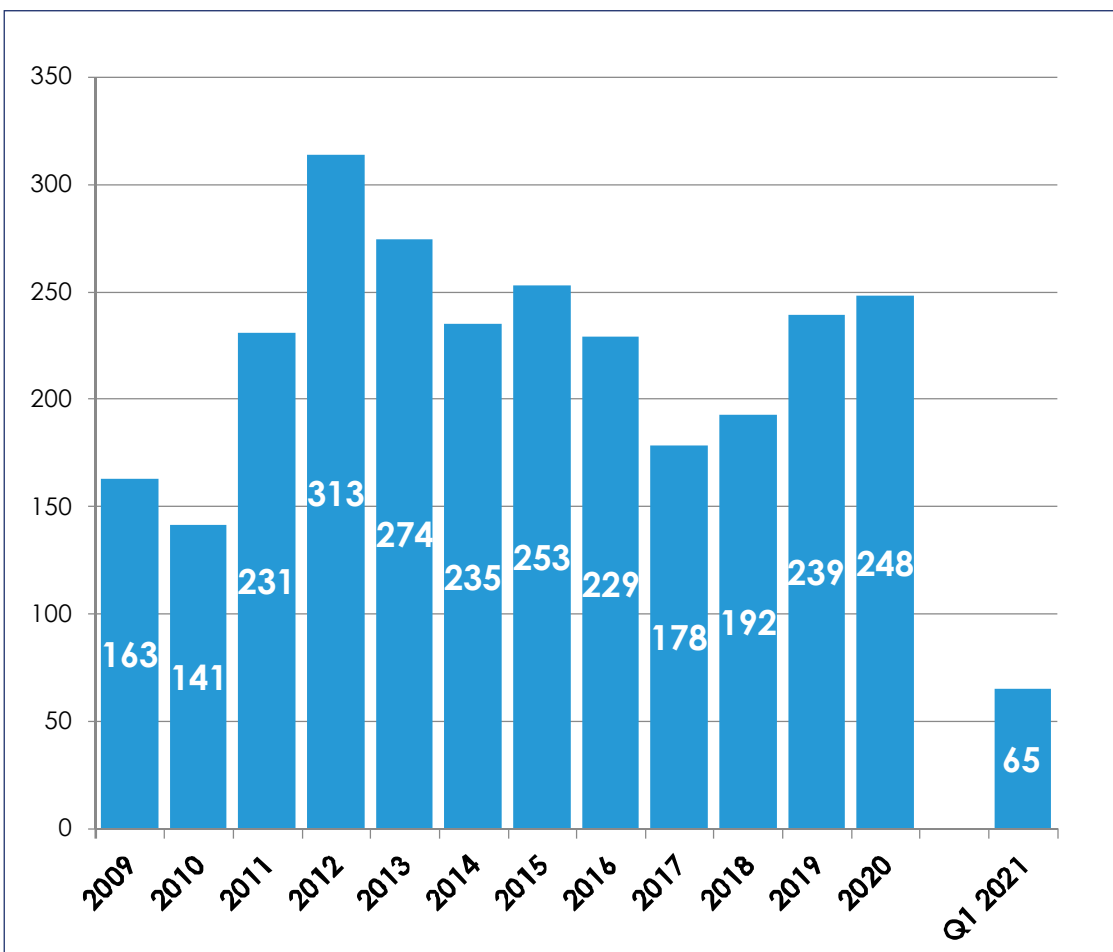
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Net Interest Income

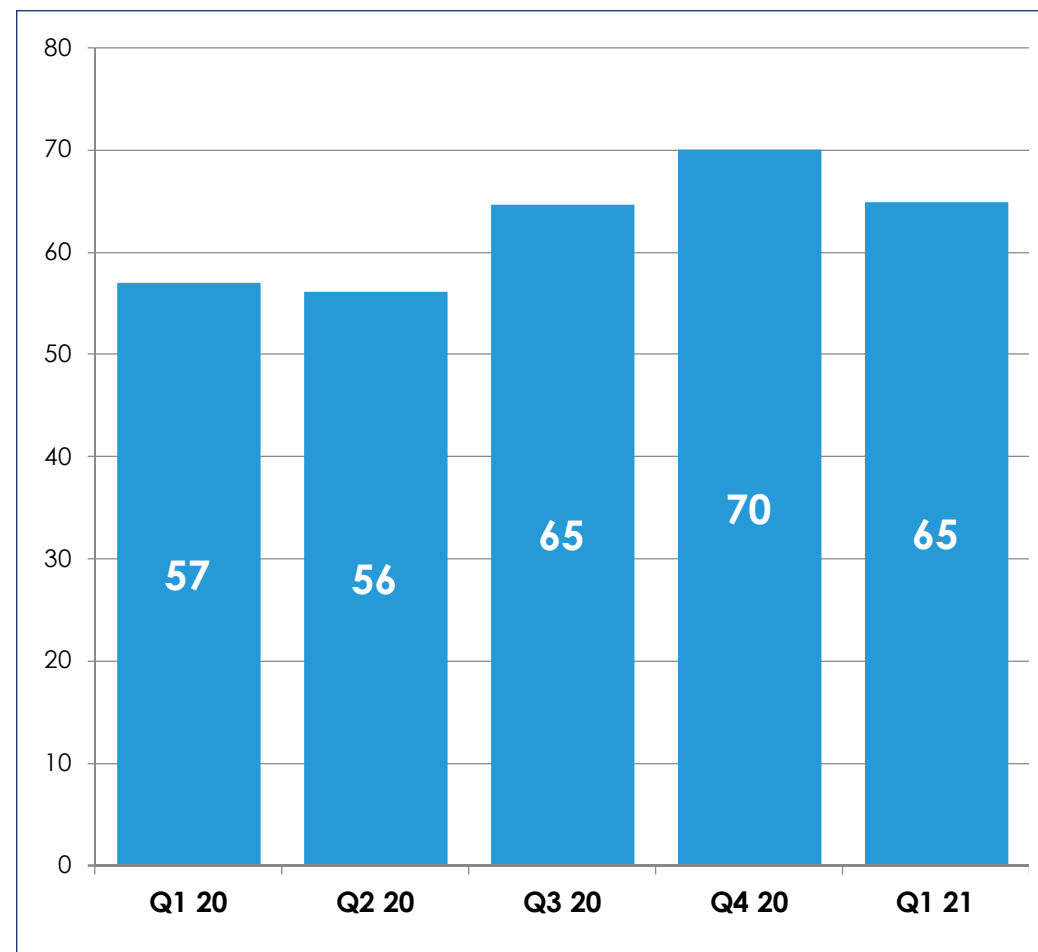
€ mn

Q1 2021
Group

YoY Trend



QoQ Trend



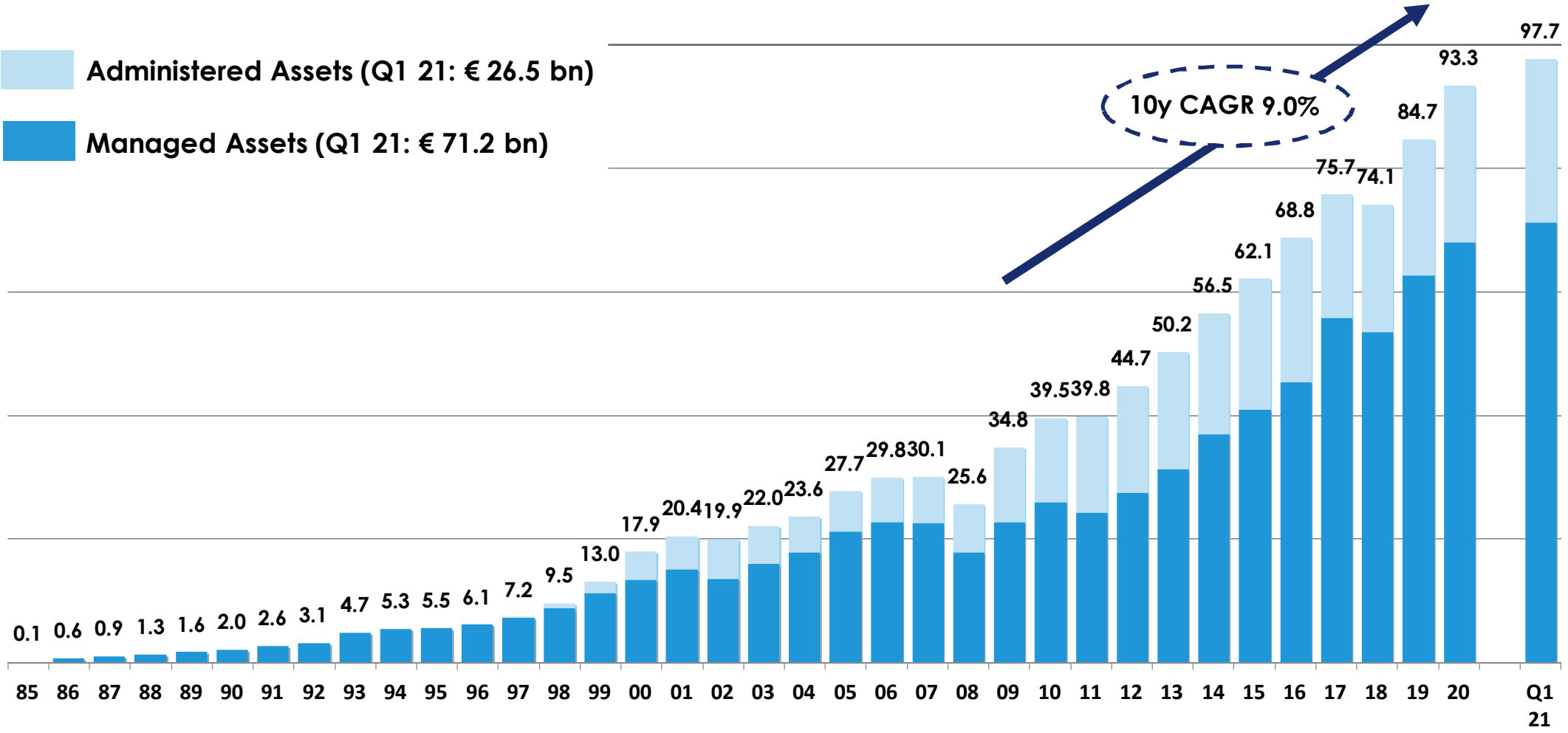
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AUA/AUM Trend

€ mn

Q1 2021
Group

Administered Assets (Q1 21: € 26.5 bn)
Managed Assets (Q1 21: € 71.2 bn)



10y CAGR 9.0%

10 Assets under Administration/Management

€ mn

Q1 2021
Group

	31/03/2021	31/12/2020	Change	31/03/2020	Change
Italy - Banca Mediolanum	89,446	85,640	+4%	72,397	+24%
Mutual Funds & U-L Policies	62,025	59,124	+5%	47,557	+30%
Other Life Insurance Products	1,667	1,631	+2%	1,554	+7%
Banking	25,754	24,885	+3%	23,287	+11%
Spain - Banco Mediolanum	7,780	7,185	+8%	5,463	+42%
Mutual Funds & U-L Policies	5,471	5,060	+8%	3,798	+44%
Other Life Insurance Products	77	77	-0%	68	+13%
Banking	2,232	2,047	+9%	1,597	+40%
Germany	492	522	-6%	609	-19%
Mutual Funds & U-L Policies	486	509	-4%	453	+7%
Other Life Insurance Products	0	0	n.s.	0	n.s.
Banking	6	14	-57%	156	-96%
TOTAL AUA/AUM	97,718	93,347	+5%	78,469	+25%

Q1 2021 Net Inflows

€ mn

Q1 2021
Group

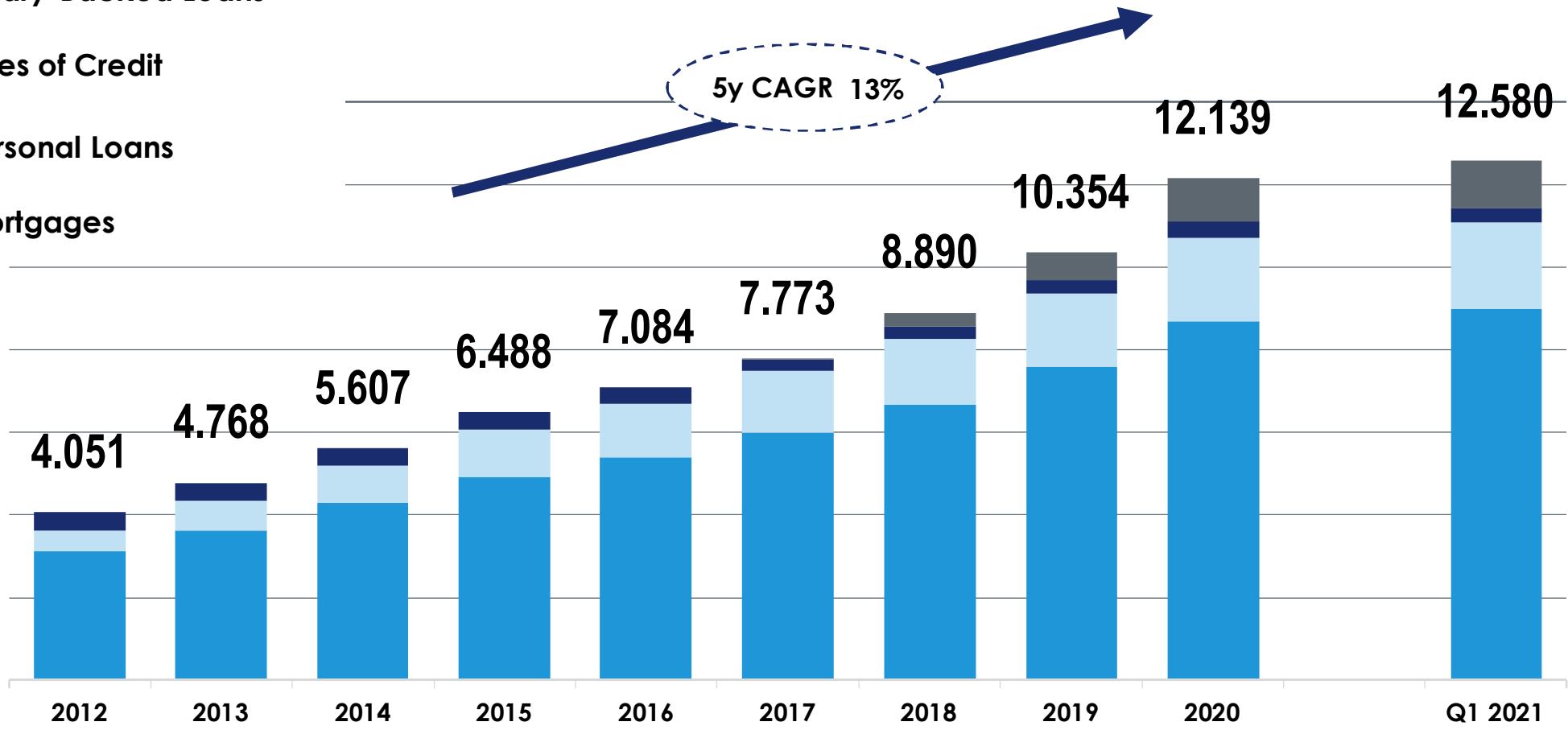
	Q1 2021	Q1 2020
GROUP TOTAL NET INFLOWS	+2,188	+3,294
Managed Assets	+1,384	+404
- o/w Mutual Funds, U/L & Managed Accounts	+1,446	+354
Administered Assets	+804	+2,890
Italy - Banca Mediolanum Total Net Inflows	+1,785	+3,068
Managed Assets	+1,135	+234
- o/w Mutual Funds, U/L & Managed Accounts	+1,196	+167
Administered Assets	+650	+2,834
Spain - Banco Mediolanum Total Net Inflows	+408	+233
Managed Assets	+254	+169
- o/w Mutual Funds & U/L	+254	+186
Administered Assets	+154	+64
Germany	-5	-7
Managed Assets	-5	+1
- o/w Mutual Funds & U/L	-5	+2
Administered Assets	+0	-8

Credit Book Trend

€ mn

Q1 2021
Group

- Salary-Backed Loans
- Lines of Credit
- Personal Loans
- Mortgages



13 Credit Book & Quality

€ mn

Q1 2021
Group

	31/03/2021	31/12/2020	Change	31/03/2020	Change
Mortgages	8,971	8,672	+3%	7,767	+16%
Personal Loans	2,099	2,026	+4%	1,802	+16%
Lines of Credit	361	391	-8%	311	+16%
Salary-backed Loans	1,148	1,050	+9%	758	+51%
TOTAL	12,580	12,139	+4%	10,638	+18%

	31/03/2021
Gross NPL	1.24%
Net NPL	0.63%
Cost of risk	0.16%

Cost of Risk as at 31/12/2020

14 Loans Granted

€ mn

Q1 2021
Group

	Q1 2021	Q1 2020	Change
Mortgages	498	348	+43%
Personal Loans	225	177	+27%
Salary-backed Loans	130	96	+35%
TOTAL	853	622	+37%
3rd-party Loans	5	7	-30%

15 General Insurance Gross Premiums

€ mn

Q1 2021
Group

	Q1 2021	Q1 2020	Change
Stand-alone policies	19.5	14.1	+39%
New business	6.2	4.7	+33%
In-force business	13.3	9.4	+42%
Loan protection policies	13.3	11.8	+13%
Group health policies	2.4	0.0	n.s.
GROSS PREMIUMS	35.2	25.8	+36%

Capital Adequacy

Banking Group - € mn

Q1 2021
Group

	Q1 2021	FY 2020
Common Equity Tier 1	2,123	2,001
Risk-Weighted Assets	10,234	9,810
COMMON EQUITY TIER 1 RATIO	20.7%*	20.4%
LEVERAGE RATIO	6.0%	6.3%
SREP	12.2%	12.2%

* After payment of € 573 million dividend. Q1 21 Net Income not included
 Total Capital Ratio as at 31/03: 20.7%
 Leverage Ratio = CET1 / Banking Group Assets



Q1 2021 Domestic Market Results

	Q1 2021	Q1 2020	Change
Entry fees	11.3	9.1	+24%
Management fees	273.0	241.5	+13%
Investment Management fees	42.1	35.7	+18%
Net Insurance revenues ex U-L commissions	11.8	8.1	+46%
Banking service fees	27.0	32.9	-18%
Other fees	11.0	9.8	+12%
Gross Commission Income	376.2	337.1	+12%
Acquisition costs	(140.1)	(127.8)	+10%
Other commission expenses	(20.3)	(15.6)	+30%
Net Commission Income	215.8	193.7	+11%
Net interest Income	60.9	53.9	+13%
Net income on other investments	(6.5)	(8.9)	-26%
- o/w Impairment on loans	(7.3)	(6.2)	+19%
Other revenues & expenses	2.5	3.7	-32%
Contribution Margin	272.6	242.3	+12%
G&A expenses	(128.4)	(123.6)	+4%
Regular Contributions to Banking Industry	(7.4)	(4.2)	+76%
Depreciation & Amortization	(7.9)	(7.2)	+9%
Provisions for risk & charges	(10.9)	(10.3)	+5%
Operating Margin	118.1	96.9	+22%
Market effects	48.4	(12.0)	n.s.
- o/w Performance fees	9.3	6.8	+36%
- o/w Net income on investments at fair value	39.1	(18.8)	n.s.
Extraordinary items	0.0	0	n.s.
PROFIT BEFORE TAX	166.5	85.0	+96%
Income tax	(39.3)	(14.1)	+179%
NET INCOME	127.2	70.9	+79%

Income Statement by Quarter

€ mn

Q1 2021
Italy

	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21
Entry fees	9.1	8.8	7.6	9.7	11.3
Management fees	241.5	230.2	248.8	260.2	273.0
Investment Management fees	35.7	34.2	37.4	39.3	42.1
Net Insurance revenues ex U-L commissions	8.1	11.1	9.7	15.6	11.8
Banking service fees	32.9	32.7	25.8	27.9	27.0
Other fees	9.8	9.7	11.1	9.2	11.0
Gross Commission Income	337.1	326.6	340.4	361.9	376.2
Acquisition costs	(127.8)	(126.4)	(128.1)	(142.2)	(140.1)
Other commission expenses	(15.6)	(14.9)	(15.4)	(19.8)	(20.3)
Net Commission Income	193.7	185.4	196.9	199.9	215.8
Net interest income	53.9	52.1	59.8	65.6	60.9
Net income on other investments	(8.9)	(7.9)	(0.5)	(1.4)	(6.5)
- o/w Impairment on loans	(6.2)	(7.0)	(0.7)	(4.1)	(7.3)
Other revenues & expenses	3.7	3.0	0.4	(12.7)	2.5
Contribution Margin	242.3	232.5	256.6	251.4	272.6
G&A expenses	(123.6)	(120.6)	(108.0)	(144.8)	(128.4)
Regular Contributions to Banking Industry	(4.2)	(2.7)	(11.3)	(1.2)	(7.4)
Depreciation & Amortization	(7.2)	(7.1)	(7.7)	(7.8)	(7.9)
Provisions for risk & charges	(10.3)	(11.2)	(13.8)	(24.6)	(10.9)
Operating Margin	96.9	90.8	115.7	72.9	118.1
Market effects	(12.0)	6.0	5.5	131.9	48.4
- o/w Performance fees	6.8	0.5	3.0	124.8	9.3
- o/w Net income on investments at fair value	(18.8)	5.5	2.4	7.2	39.1
Extraordinary items	0	(2.6)	(5.2)	(0.2)	0.0
PROFIT BEFORE TAX	85.0	94.2	115.9	204.7	166.5
Income tax	(14.1)	(17.6)	(22.3)	(34.7)	(39.3)
NET INCOME	70.9	76.6	93.7	170.0	127.2

Acquisition Costs in detail

€ mn

Q1 2021
Italy

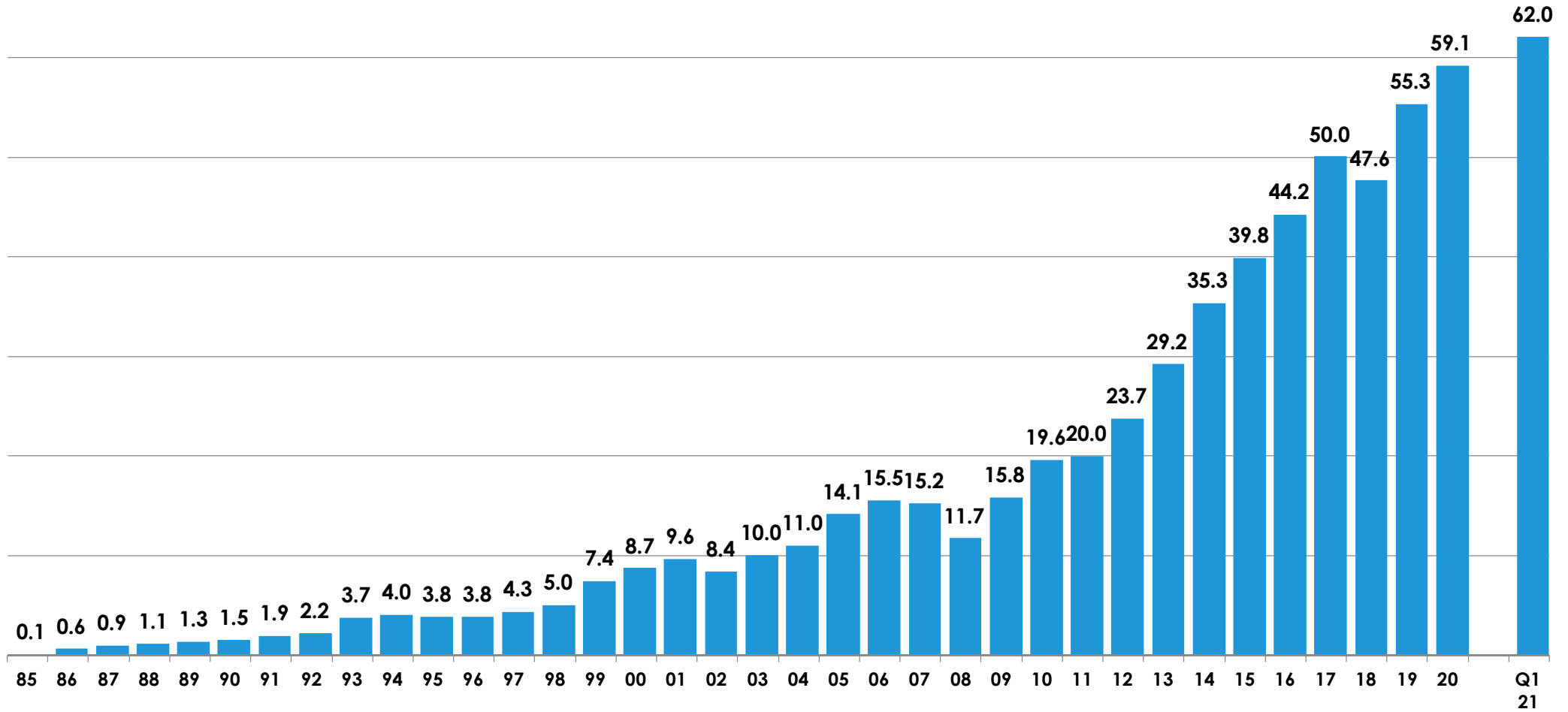
	Q1 2021	Q1 2020	Change
Total commissions	119.7	102.7	+17%
One-time commissions	23.3	19.9	+17%
Ongoing commissions	96.4	82.8	+16%
Total incentives & bonuses	13.1	12.6	+4%
Incentives on individual net inflows	9.0	9.2	-2%
Contests & bonuses	3.7	2.3	+59%
Reimbursement of costs for customers events	0.3	1.0	-68%
Costs related to the agency agreement	5.6	7.6	-27%
EuroCQS agent commissions	1.8	4.9	-63%
TOTAL ACQUISITION COSTS	140.1	127.8	+10%

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Mutual Funds - AUM Trend

€ bn – including U-L assets

Q1 2021
Italy



22 Mutual Funds - Assets under Management

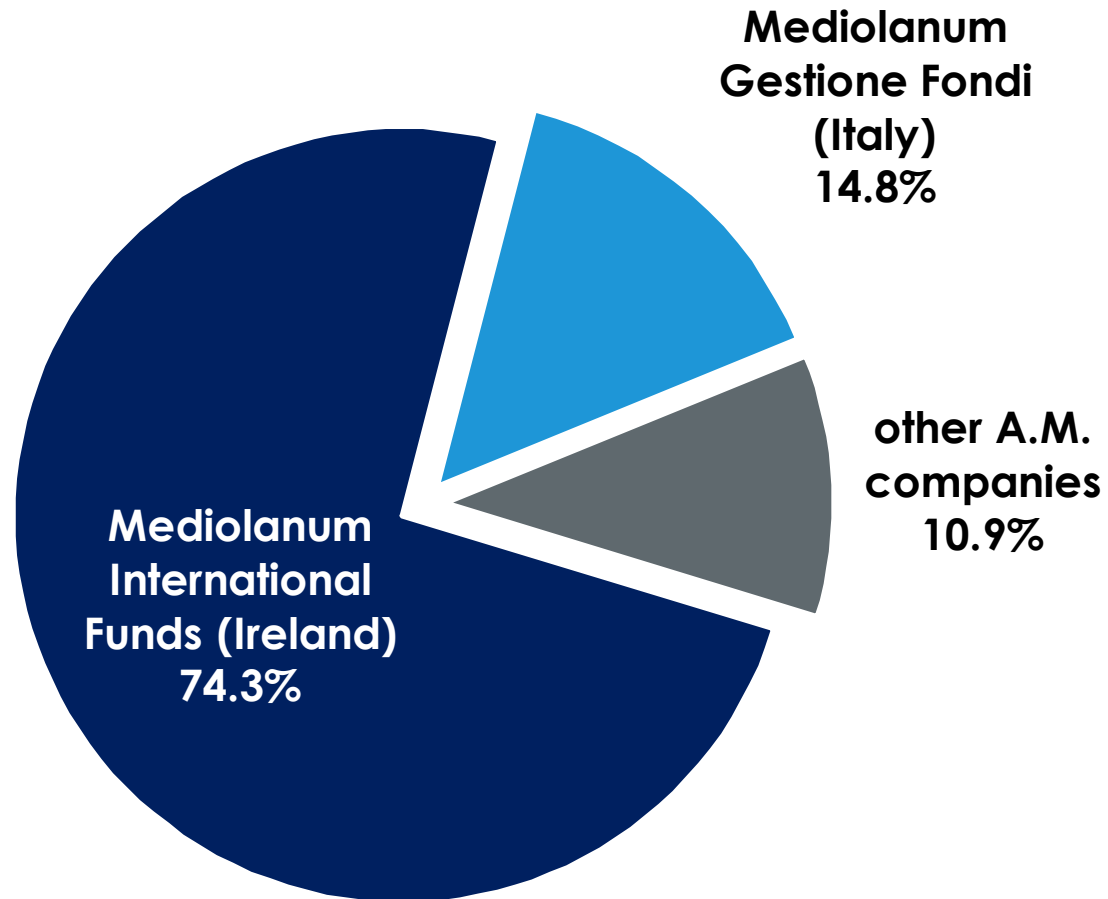
€ mn

Q1 2021
Italy

	31/03/2021	31/12/2020	Change	31/03/2020	Change
'Best Brands' funds on funds (IRL)	23,157	22,089	+5%	17,071	+36%
'Challenge' mutual funds (IRL)	17,914	16,864	+6%	13,351	+34%
Funds of Hedge Funds (IRL)	50	50	+0%	53	-5%
'Fondi Italia' mutual funds (ITA)	8,614	8,937	-4%	8,312	+4%
'Real estate' fund (ITA)	277	277	+0%	292	-5%
3rd-party stand-alone funds	3,701	3,448	+7%	2,730	+36%
Other	1,725	1,582	+9%	1,276	+35%
<i>Adj. for own mutual funds in FoFs & Managed accts</i>	<i>(316)</i>	<i>(290)</i>	<i>+9%</i>	<i>(248)</i>	<i>+27%</i>
MyLife' U-L policy	10,121	9,109	+11%	6,684	+51%
Other U-L policies	17,375	16,398	+6%	13,504	+29%
<i>Adj. for own mutual funds in U-L policies</i>	<i>(20,593)</i>	<i>(19,340)</i>	<i>+6%</i>	<i>(15,468)</i>	<i>+33%</i>
ASSETS IN MUTUAL FUNDS & U-L	62,025	59,124	+5%	47,557	+30%

Mutual Funds - Assets by A.M. Company

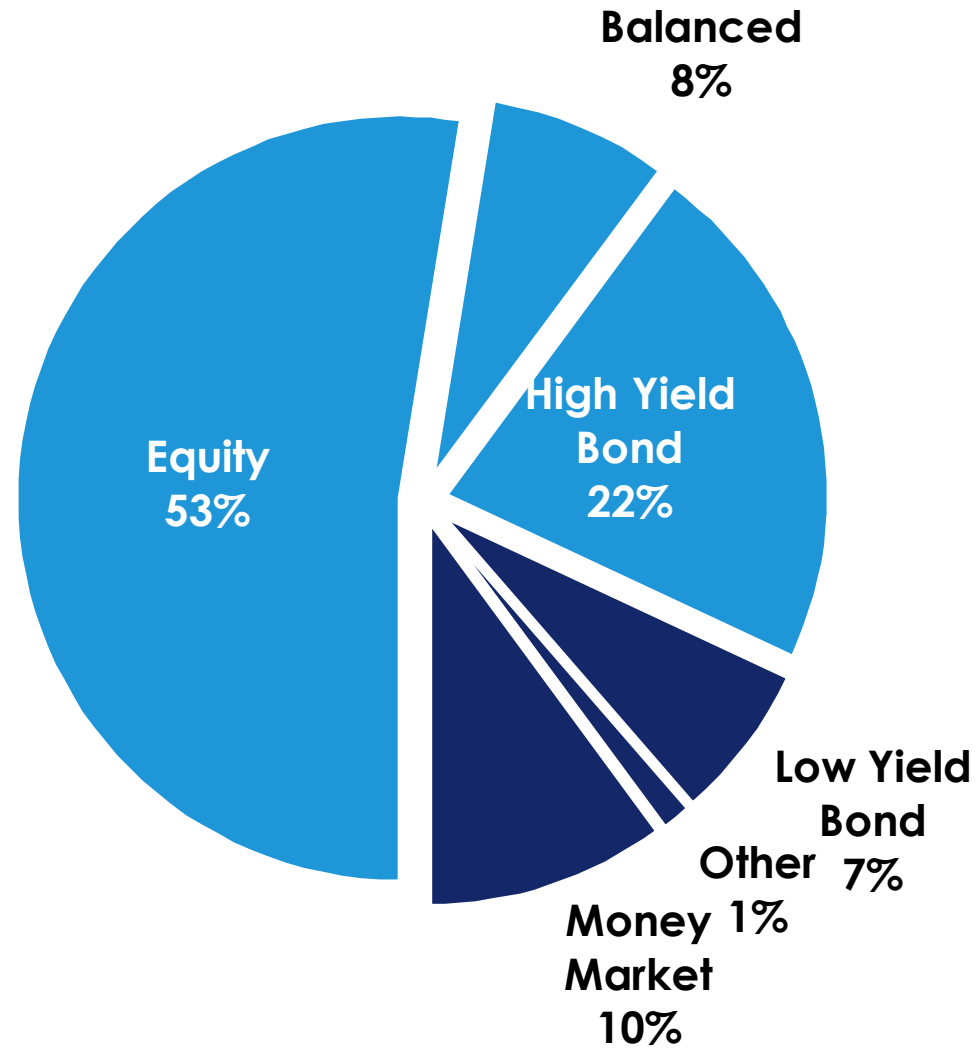
as at 31/03/2021 - including U-L assets



24 Mutual Funds - Assets by Category

as at 31/03/2021 - including U-L assets

Q1 2021
Italy



25 Banking - Assets under Administration

€ mn

Q1 2021
Italy

	31/03/2021	31/12/2020	Change	31/03/2020	Change
Cash deposits	20,984	20,308	+3%	19,999	+5%
Repurchase agreements	26	21	+19%	37	-31%
Mediolanum bonds	0	0	n.s.	0	n.s.
3rd-party structured bonds	1,489	1,499	-1%	807	+84%
Other securities	3,255	3,056	+7%	2,443	+33%
BANKING ADMINISTERED ASSETS	25,754	24,885	+3%	23,287	+11%

	31/03/2021	31/12/2020	Change	31/03/2020	Change
Mortgages	8,364	8,112	+3%	7,323	+14%
Personal loans	1,947	1,883	+3%	1,689	+15%
Lines of credit	316	348	-9%	278	+14%
Salary-backed loans	1,148	1,050	+9%	758	+51%
TOTAL CREDIT BOOK	11,775	11,394	+3%	10,048	+17%

	Banca Mediolanum	Italian Banks
Gross NPL	1.27%	5.2% ¹
Net NPL	0.64%	2.2% ²
Cost of risk	0.15% ³	

¹ Bank of Italy – 'Banks and Financial Institutions: Credit Conditions and Risk by Sector and Geographical Area – Q4 2020'

² Bank of Italy - 'Financial Stability Report No. 1 2021'

³ Cost of Risk as at 31/12/2020

27 Banking - Loans Granted

€ mn

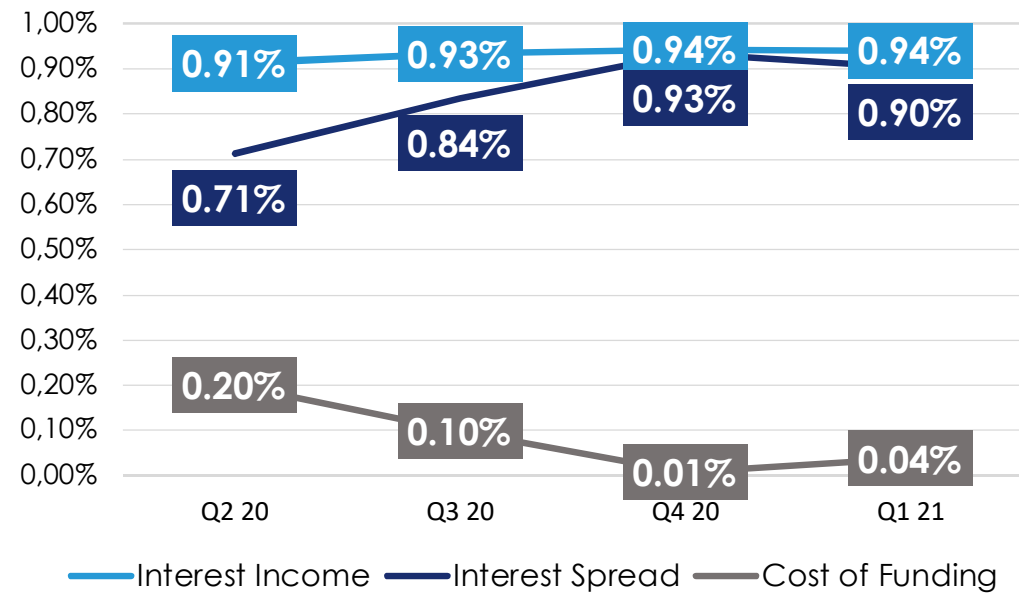
Q1 2021
Italy

	Nominal Interest Rate	Q1 2021	Q1 2020	Change
Mortgages	1.15%	442	319	+39%
Personal loans	2.62%	204	164	+24%
Salary-backed loans	5.51%	130	96	+35%
TOTAL		777	580	+34%
3rd-party loans	n.s.	5	7	-30%

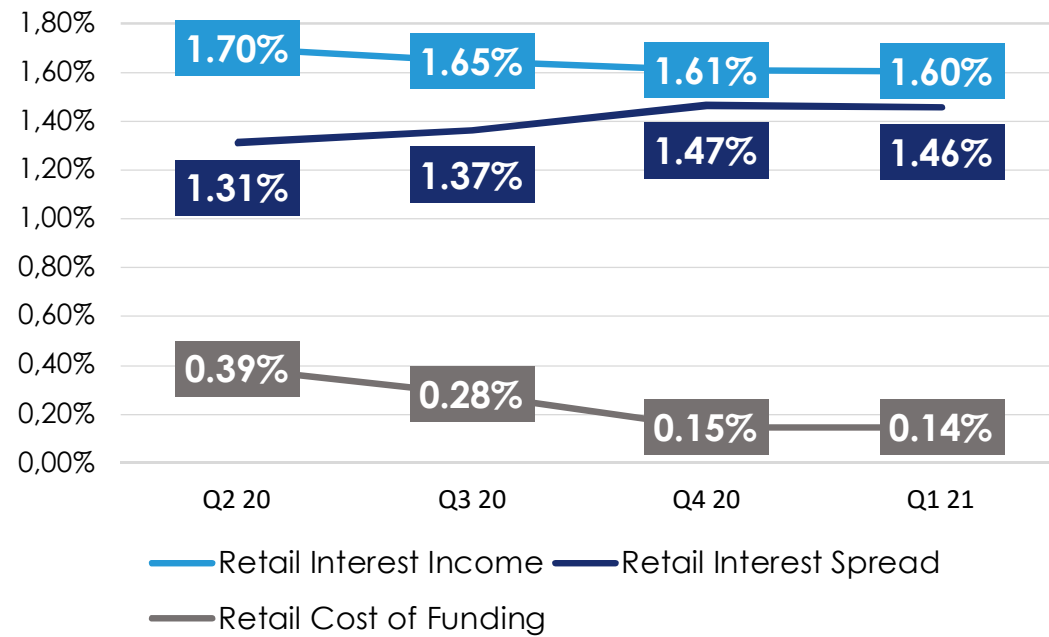
28 Banking - Interest Spread

Q1 2021
Italy

Total Book



Retail Book



Bank Balance Sheet Highlights

€ mn – as at 31/03/2021

Q1 2021
Italy

	Liabilities	Assets
Retail	21,054	11,775
Treasury	6,081	16,222
Interbank / intra-group deposits & repos	1,069	1,720
ECB refinancing	1,050	1,992
MTS refinancing	3,546	0
Securities (bonds)	416	12,510
Other liabilities / assets	4,240	3,378
TOTAL	31,375	31,375

Operating Liquidity (24hr): 11,742

30 Insurance - Life – Policyholders' Assets

€ mn

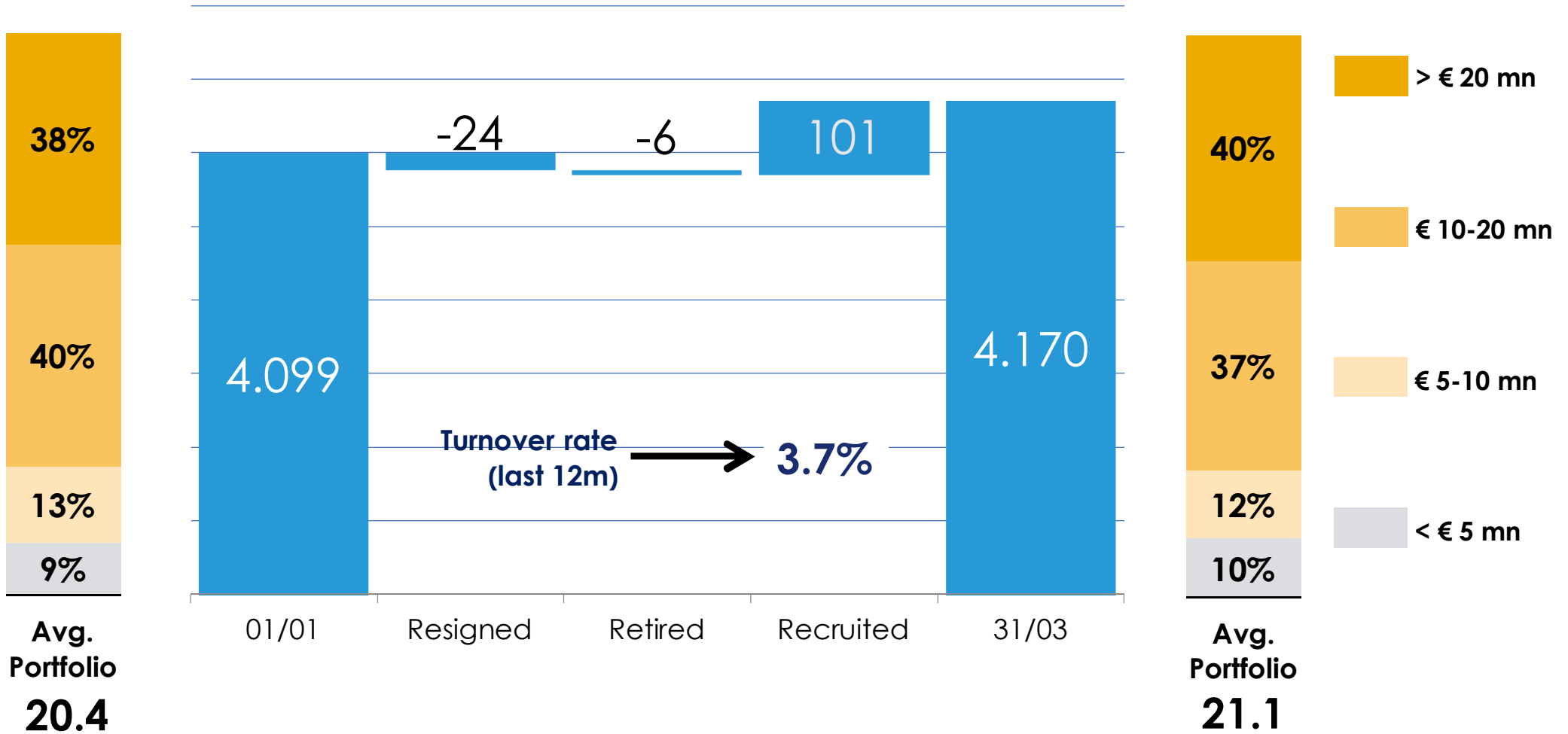
Q1 2021
Italy

	31/03/2021	31/12/2020	Change	31/03/2020	Change
Traditional	1,667	1,631	+2%	1,554	+7%
Unit-linked	27,496	25,507	+8%	20,188	+36%
<i>o/w equity</i>	50.8%	51.6%	-2%	49.6%	2%
U-L pension plans	7,839	7,430	+6%	6,131	+28%
U-L endowment policies	3,720	3,618	+3%	3,210	+16%
U-L investment policies	15,937	14,459	+10%	10,847	+47%
LIFE ASSETS	29,163	27,138	+7%	21,742	+34%

31 Family Banker Network - Italy

Change in headcount & Split by Average Portfolio Year 2021

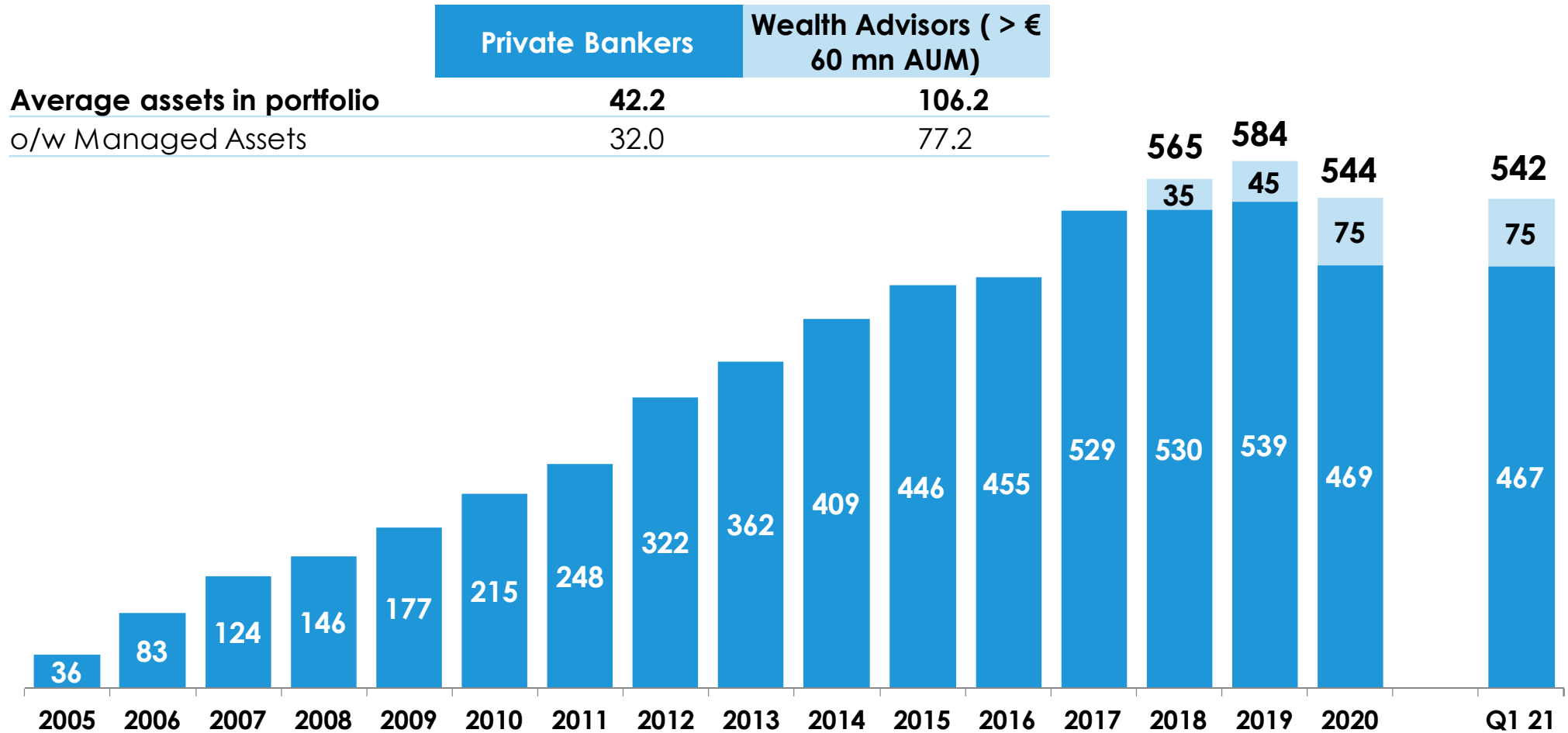
Q1 2021
Italy



'Private Bankers' & 'Wealth Advisors'* - Italy

as at 31/03/2021

Q1 2021
Italy



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



Q1 2021 Foreign Markets Results

	Q1 2021	Q1 2020	Change	vs. FY
Net Income	7.7	5.3	+46%	
Total Assets	7,780	5,463	+42%	+8%
Managed Assets	5,548	3,866	+43%	+8%
Administered Assets	2,232	1,597	+40%	+9%
Total Net Inflows	408	233	+75%	
Net Inflows into Managed Assets	254	169	+51%	
Net Inflows into Administered Assets	154	64	+139%	
Credit Book	805	590	+36%	+8%
Family Bankers	1,360	1,058	+29%	+3%
Customers	164,715	140,994	+17%	+5%



Business Update

	Apr 2021	YTD 2021	YTD 2020
GROUP TOTAL NET INFLOWS	956	3,144	4,033
Managed Assets	672	2,056	989
- o/w Mutual Funds, U-L & Managed Accounts	677	2,122	889
Administered Assets	283	1,088	3,044
GROUP LOANS GRANTED	340	1,193	796
GENERAL INSURANCE PREMIUMS	13	48	34

37

Italian FA Networks - Ranking by M.F. Net Inflows

€ thousands – totals by Group

Business
Update

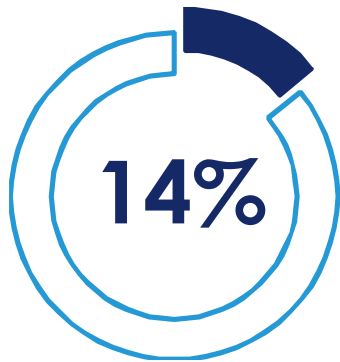
	Q1 2021		
	Mutual Funds	Managed Assets	Total Net Inflows
Banca Fideuram (incl. Sanpaolo Invest)	1,802	1,729	2,268
Allianz Bank	1,346	1,338	1,627
Banca Mediolanum	1,194	1,201	1,775
Fincobank	1,096	1,848	2,998
Azimut	734	915	964
Banca Generali	699	1,056	1,661
Credem	311	303	346
Che Banca!	163	236	299
Banca Widiba	156	163	221
BNL - BNP Paribas	141	276	401
Banca Euromobiliare	96	58	65
Deutsche Bank (Finanza & Futuro)	26	160	283
Consultinvest	13	13	19
IW Bank	-40	0	-86

* including Unit-Linked policies & Managed Accounts

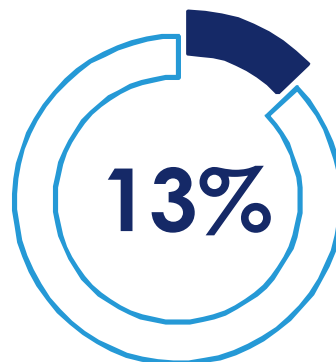
Source: Assoreti

■ BMED □ Other FA networks

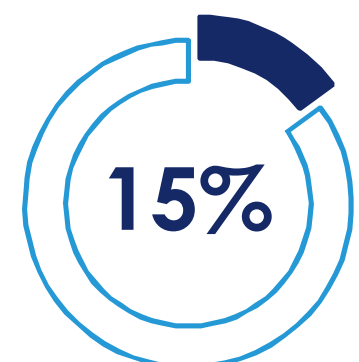
Total Net Inflows



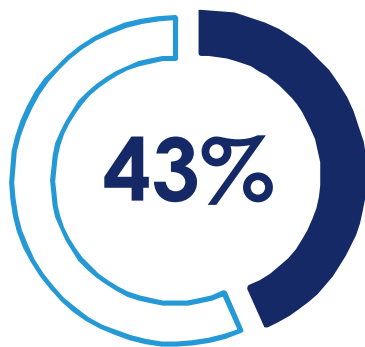
Net Inflows into
Managed Assets



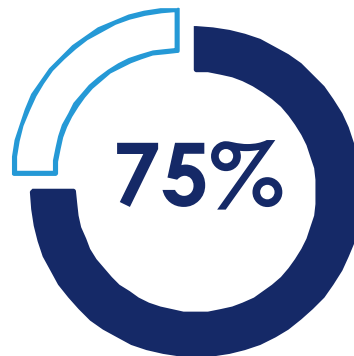
Net Inflows into
Mutual Funds*



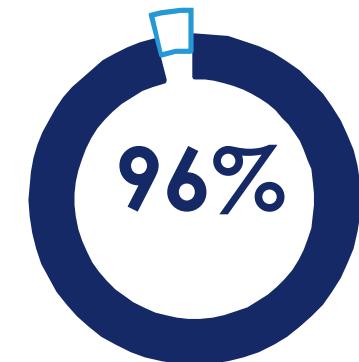
Mortgages Granted



Personal Loans
Granted



General Insurance
Gross Premiums



* including Unit-Linked policies & Managed Accounts

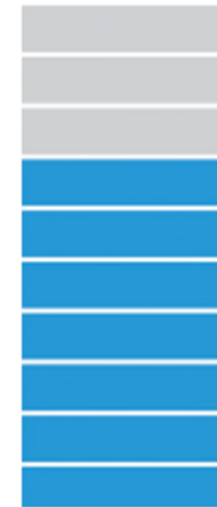
39 The 'Double Chance' Service

Launched June 2008

Business
Update

- An investment strategy/service that allows the retail investor to **gradually enter the global financial markets** via Mediolanum investment products, while mitigating the effects of volatility & taking advantage of dollar-cost-averaging
- Capital is initially parked in a **highly-remunerated deposit account** (rates currently offered: 0.50% to 1.25% according to selected duration & asset class)
- Allows customer gradual investment into **equity or high-yield funds** over **3/24-month** period, automatically transferring the established amount 2 or 4 times a month
- Interests of the deposit account automatically credited to the customer's checking account

Double Chance
Deposit Account
(Adm Assets)



Instalment Plan Duration:
3 to 24 Months
2 or 4 Automatic
Transfers per Month

Equity Investment
Product of choice
(Mngd Assets)



40 The 'Intelligent Investment Strategy' Service (IIS)

Launched June 2016

Business Update

- A long-term investment strategy (10+ yrs, € 30k+) that allows our customers to **gradually enter the 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 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 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

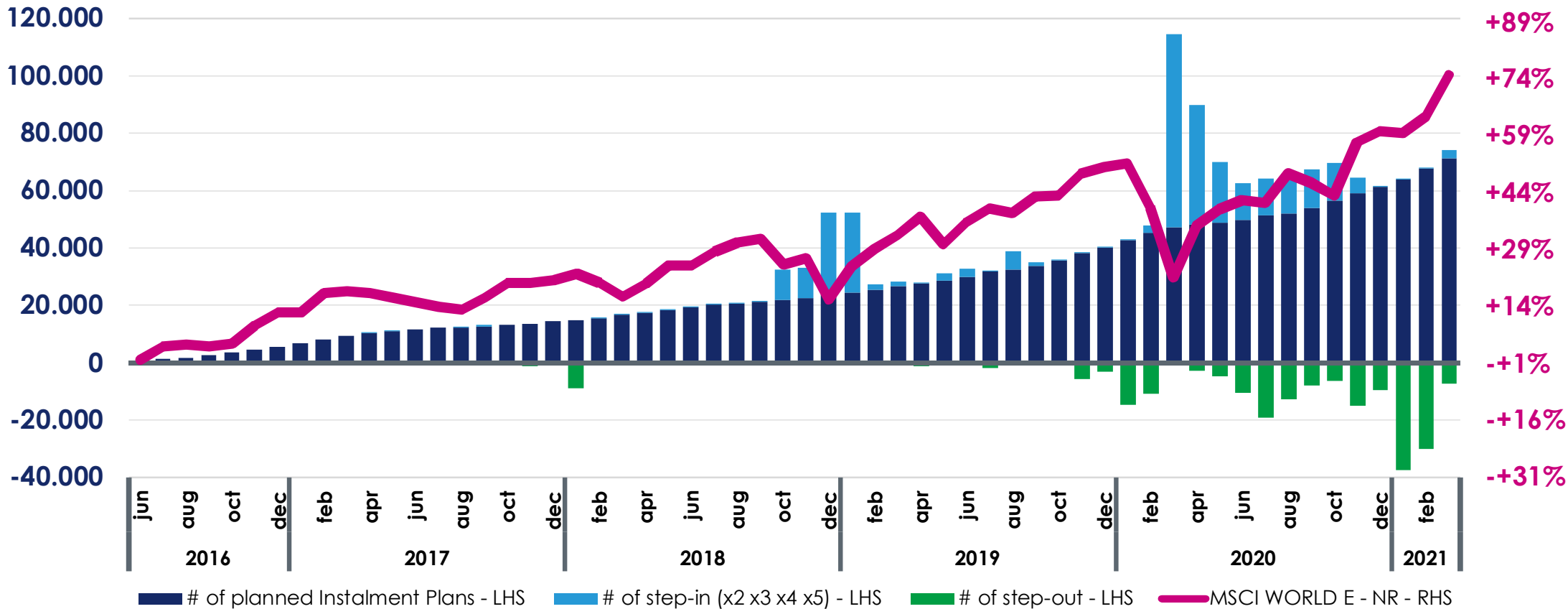
Equity Fund Unit Price	Installment amount
5% to 10% decrease	X2
10% to 15% decrease	X3
15% to 20% decrease	X4
20% or more decrease	X5

The 'Intelligent Investment Strategy' Service (IIS)

Launched June 2016

'Market crises are buying opportunities': not just a slogan

Since launch of **IIS** in 2016 400,000 step-in/step-outs automatically multiplied the transferred amount to & from selected Global Equity Investments, allowing **customers to fully benefit from market volatility**



42 Automatic Investment Services

Investment services featuring automatic gradual switch into equity funds allowing customers to take advantage of dollar-cost averaging

- **Big Chance (2001)**
 - Capital is initially invested in money market fund
 - A portion of the assets is switched twice monthly into equity funds, investing the entire amount over 3/12-month period
- **Double Chance (2008)**
 - Capital is initially parked in a highly-remunerated deposit account
 - Allows customer gradual entry into equity & fixed-income funds, investing the entire amount over 3/24-month period
- **Intelligent Investment Strategy (2016)**
 - Capital is initially invested in money market fund
 - A portion of the assets is switched once or twice monthly into equity funds or U-L policy, investing the entire amount over 3/5-year period
 - Instalment amount automatically increases if equity fund value drops. 5% to 10% capital gains on equity are switched back into money market fund to be reinvested over time.
- **Intelligent Accumulation Plan (2020)**
 - Long-term instalment plan that shifts small amount of savings from current account to mutual funds monthly
 - Allows customers to gradually enter BMED equity & fixed-income funds
 - Instalment amount automatically doubled each month the fund unit price is 5% below the avg unit price of a customer



THE OPPORTUNITY

- Historically Italy is an **under-insured Country** (Premiums/Italian GDP ratio is 0.9% vs 2.2% European avg)
- Addressable market for BMED: **cross-selling to the existing customer base**
- **Revenue diversification** through General Insurance: not related to financial market volatility, good margins (Combined Ratio <70%) & fully covered customers tend to be more invested into AM

THE RESULTS SO FAR

- **New Business Premiums** increased by **59%** in 2020

THE PRODUCTS

EXTENSIVE PRODUCT RANGE – COMPETITIVE PRICING

- **Term-Life:** *Personal Life Serenity*
- **Health & Disability:** *Capitale Umano; Capitale Salute*
- **Property & Casualty:** *Capitale casa; RC capofamiglia*
- **Long-term care:** *'Capitale Autonomia'*
- **Travel:** *'Vacanze Protette'*, testing blockchain technology with BMED employees

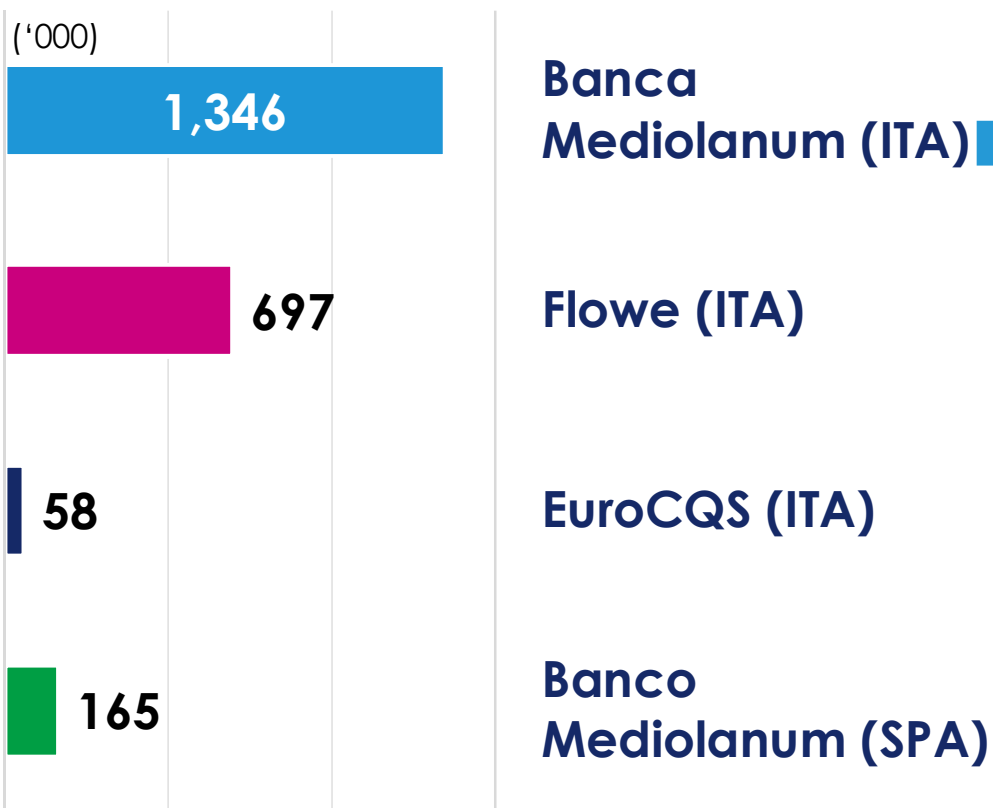
THE PROJECT

- A new role: **Family Protection Specialist** – Over 100 specialised advisors whose objective is to increase the General Insurance portfolio & to assist Family Bankers on policy technicalities
- FPS & FB share the customer on the sale - no competition on fees
- Initial results: **Closure rate on appointments >56%**

44 Group Customer Base

as at 31/03/2021

Group Total Customers* 2,234,338



End Goal:
to be the Customer's Primary Bank

1,032k hold a bank account

- **62%** use BMED as **Primary Bank** (internal data analytics)
- **38%** use BMED as the **Only Bank** (2020 survey)

* Group Total Customers net of double counting

45 Creating the NEXT Generation of the Network



Pairing high potential new graduates to work as **junior assistants** ('Banker Consultant') with **senior Private Bankers**

- Banker Consultants initially receive **dedicated training programme** provided by Mediolanum Corporate University & supported with a **scholarship**
- Once fully licensed, the BCs get **extensive on-the-job training**, manage Private Banker's **day-to-day duties** & operations & take care of the **smaller customers**
- The BCs **free up time for the senior PBs** to focus on larger customers & new business development
- As remuneration they receive a **percentage of the senior PBs commission**, and a 3-year minimum monthly compensation
- This project assures an **increase in productivity** in the Network and **organic growth** plus **generational renewal**
- **1st class of junior assistants currently training** in Lombardy, 2nd starting mid-May in Tuscany

46

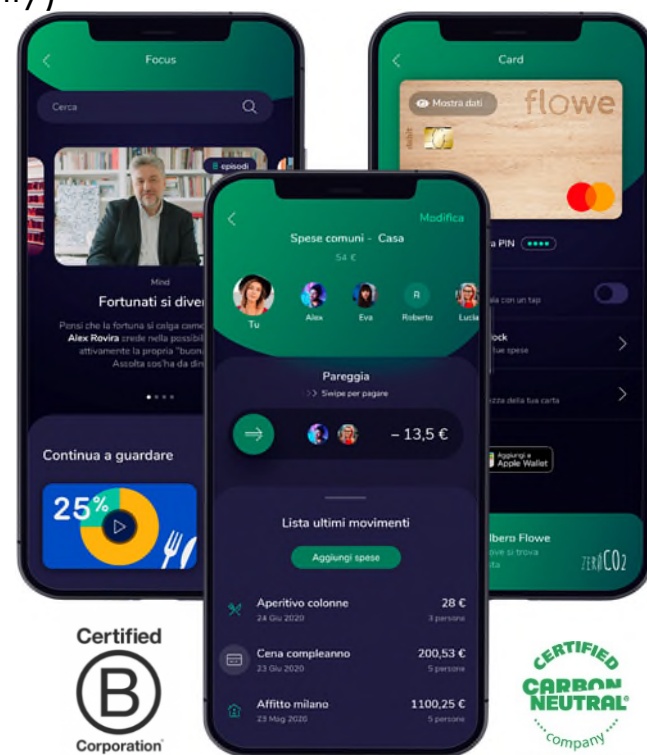
Our new strategic venture: **flowe**

Launched June 2020

Business
Update

E-money institution for younger generations' needs: ease in banking, 'innovability' & better-being

- **Scalable & open banking platform** (cloud-native, API-based, mobile-only)
- Putting together **banking services, finance, education, entertainment & empowerment**
- Socially relevant content: **carbon footprint, environmental impact of shopping & reforestation**
- Certified **B-Corp** pending
- Available ages **12 yrs+** on the Italian market (for now)



Results & ambitions

- **Users: 697,000. Avg. age: 30**
- **Trees planted: >35,000. 1,300 Tons of CO2 compensated**
- Avg. **deposits** small, **consistent with target & business model**
- 2021-22: focus on **increasing usage & upselling** of services
- **Expected break-even by FY 2023**

47 The development of the digital customer: selfy

Launched January 2021

Business
Update

A **totally digital Bank account** addressing the needs of **'digital young adults'**

- For those who require a full-service account, but **aren't in the market for advice** like the typical BMED customer
- Not only an account but a **comprehensive offer of banking services**
- **Credit & managed assets products** available
- Able to be managed on a 'do-it-yourself' basis, **'à la carte'**
- **"Banca Mediolanum come vuoi tu"**, in other words, "Banca Mediolanum as YOU want it"

Massimo Doris
Amministratore Delegato
Banca Mediolanum

**NASCE SELFY,
MEDIOLANUM COME VUOI TU.**

Carta di debito gratuita | Principali Operazioni Bancarie gratuite | SelfyCredit Instant il prestito in un tap | Trading | Investimenti

Apri SelfyConto. Canone gratis per un anno e se accrediti lo stipendio hai in regalo 100GB al mese per 12 mesi con TIM.

SCOPRI DI PIÙ SU [BANCAMEDIOLANUM.IT](https://www.bancamediolanum.it)



selfy | BANCA mediolanum

48 Top Performer in Customer Experience

Doxa Survey 2020

Business Update

Solid customer relationship is built on best-in-class service delivery both human & digital

Overall Satisfaction	Perceived Value	Digital Platform	Financial Advisor Interaction
<p>Customer Satisfaction</p> <p>97%</p> <p>1st Bank in Italy - Market Avg: 89%</p>	<p>Comprehensiveness of Offer</p> <p>79.1</p> <p>Trad. Banks: 66.2 Online Banks: 72.1</p>	<p>Mobile App Satisfaction</p> <p>82%</p> <p>1st Bank in Italy - Market Avg: 71%</p>	<p>Overall Satisfaction</p> <p>91%</p> <p>Market Avg: 66%</p>
<p>Net Promoter Score</p> <p>71.6</p> <p>1st Bank in Italy</p> <p>Trad. Banks: 12.4 Online Banks: 45.3</p>	<p>Value for Money</p> <p>70.7</p> <p>Trad. Banks: 59.5 Online Banks: 70.6</p>	<p>App Store Rating</p> <p> 4.7 ★★★★★</p> <p> 4.4 ★★★★★</p>	<p>Availability</p> <p>In 2020, Family Bankers had 10 contacts with their customers</p>
<p>Customer Retention</p> <p>95.8%</p>	<p>Focus on Sustainability</p> <p>78.2</p> <p>Trad. Banks: 61.5 Online Banks: 68</p>		

Source: BMED; Doxa Survey 2020; Play Store & Apple Store

49 Focus on Sustainability

Business
Update

«BMED is committed to create stakeholder value through ethical & sustainable business practices, with the aim of having an ongoing positive impact on society»



- MSCI ESG Rating: **A**
- Standard Ethics ESG Rating: **E+** (long term: EE)
- ESG S&P Global: **48**

flowe

- **Certified B-Corp** Pending
- Certified **Carbon Neutral** Co.
- **Recycled wood** debit cards



Sustainability-oriented products



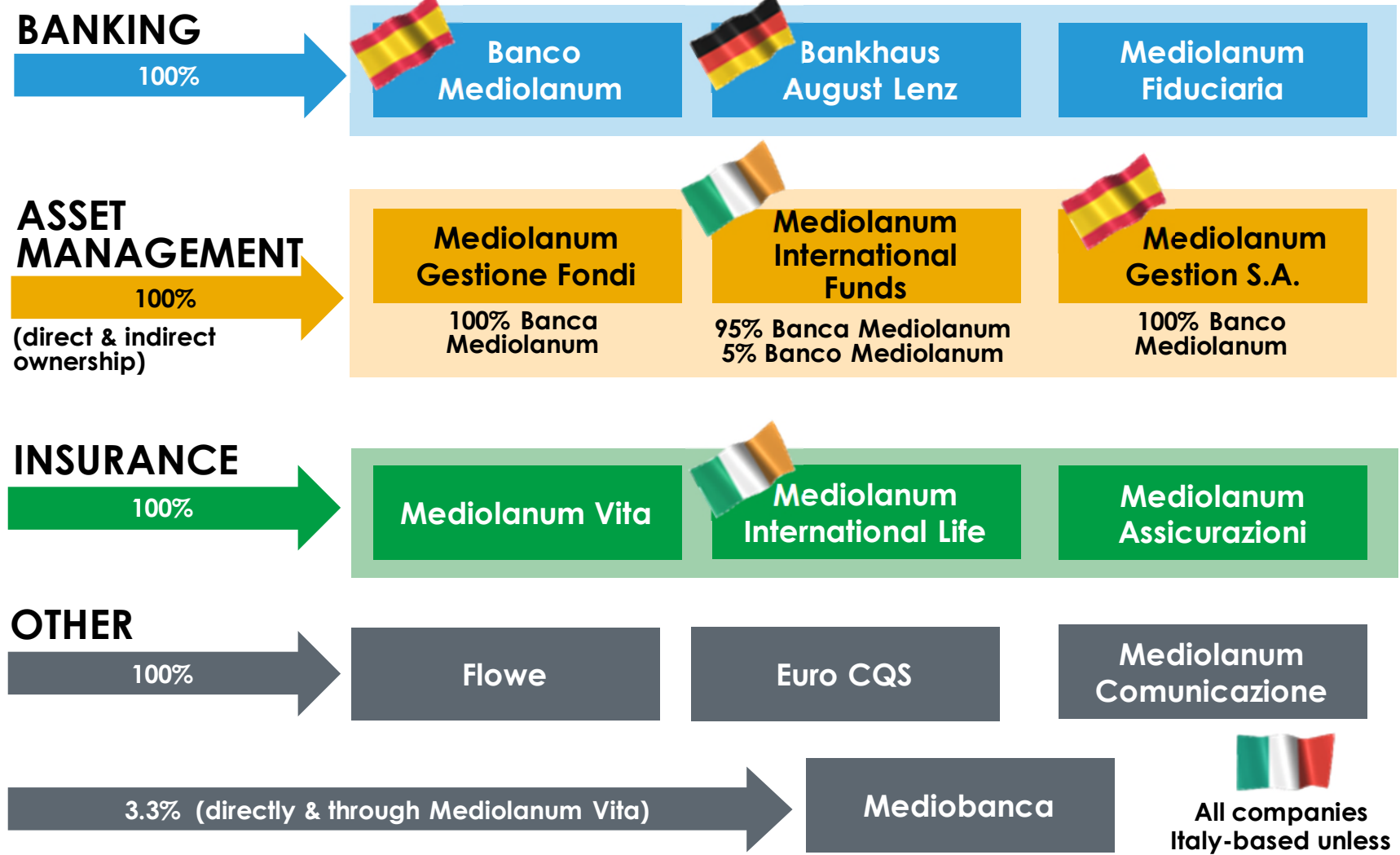
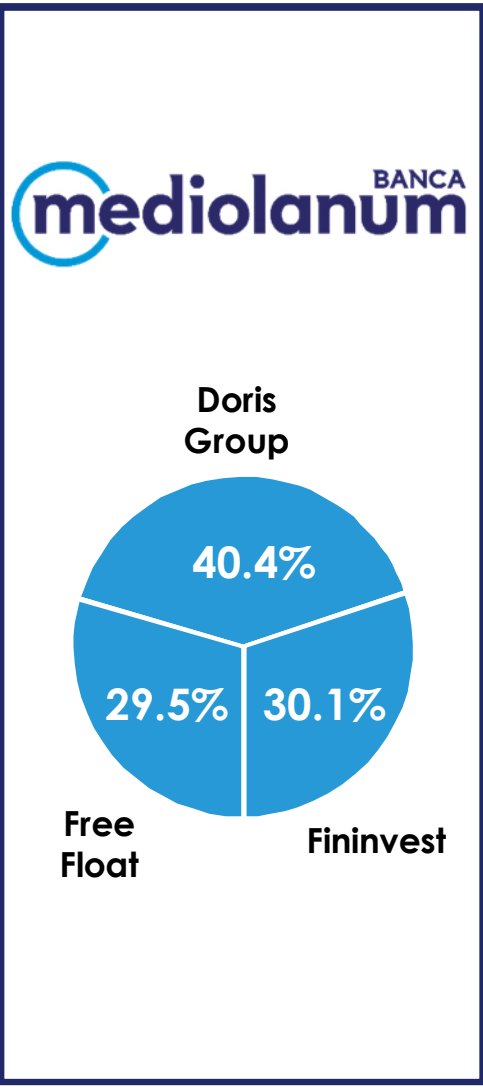
- BMED **fully compliant** w/ **Sustainable Finance Disclosure Reg.** (EU/2019/2088 Reg.)
- **ESG rating** by **MSCI** on **98%** of captive mutual fund **AUM**, o/w **99.9%** rated '**Leaders**' or '**Average**'
- **4 captive SRI mutual funds:**
 - 'BB Socially Responsible Collection', 'BB Innovative Thematic Opportunities', 'Flessibile Globale Futuro Sostenibile' compliant w/ art. 8 SFDR (*promote environmental or social characteristics; sustainability risks integrated into investment decisions*)
 - 'BB Global Impact' compliant w/ art. 9 SFDR (*measurable sustainability-related impacts of financial product*)
- '**CASA+**' & '**ECO+**': advantageous terms & reduced spread on loans & mortgages to enhance RE sustainability, purchase of hybrid & electric vehicles, etc.
- All new **debit cards** made of **bioplastic (PLA)** - **Paperless onboarding** of customers



Mediolanum Facts

51 BMED Shareholders & Group Structure

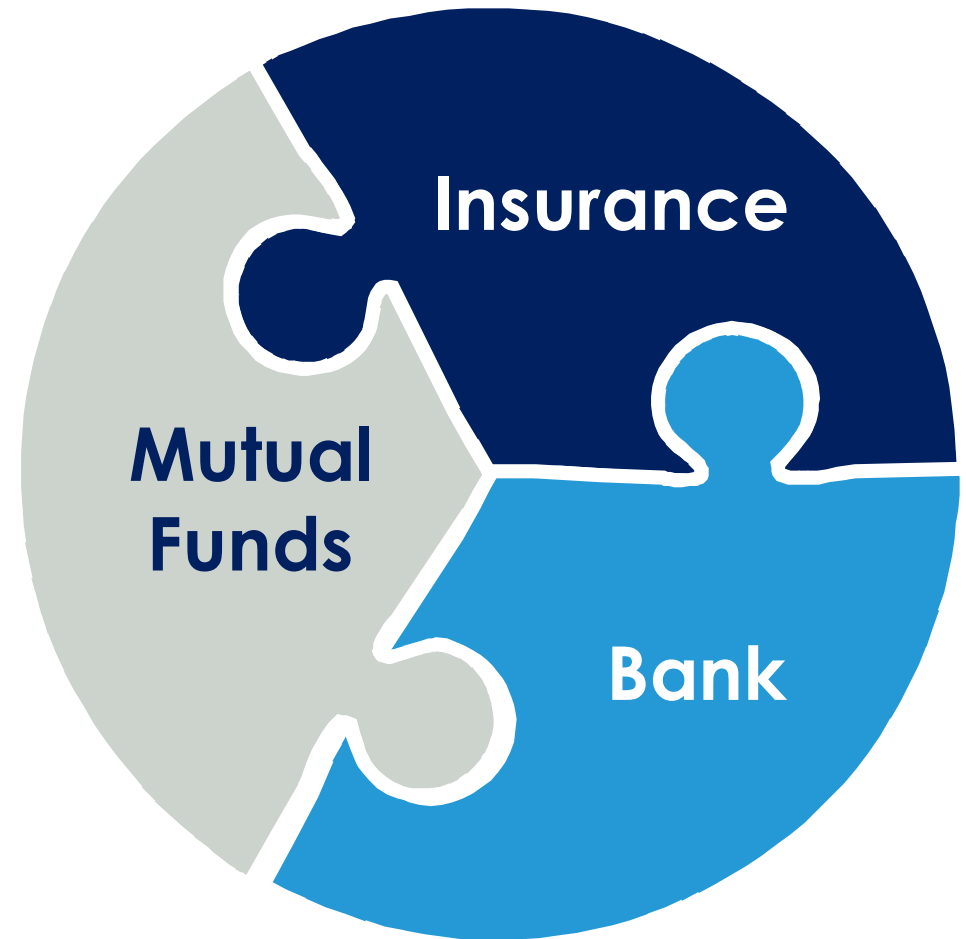
as at 31/03/2021



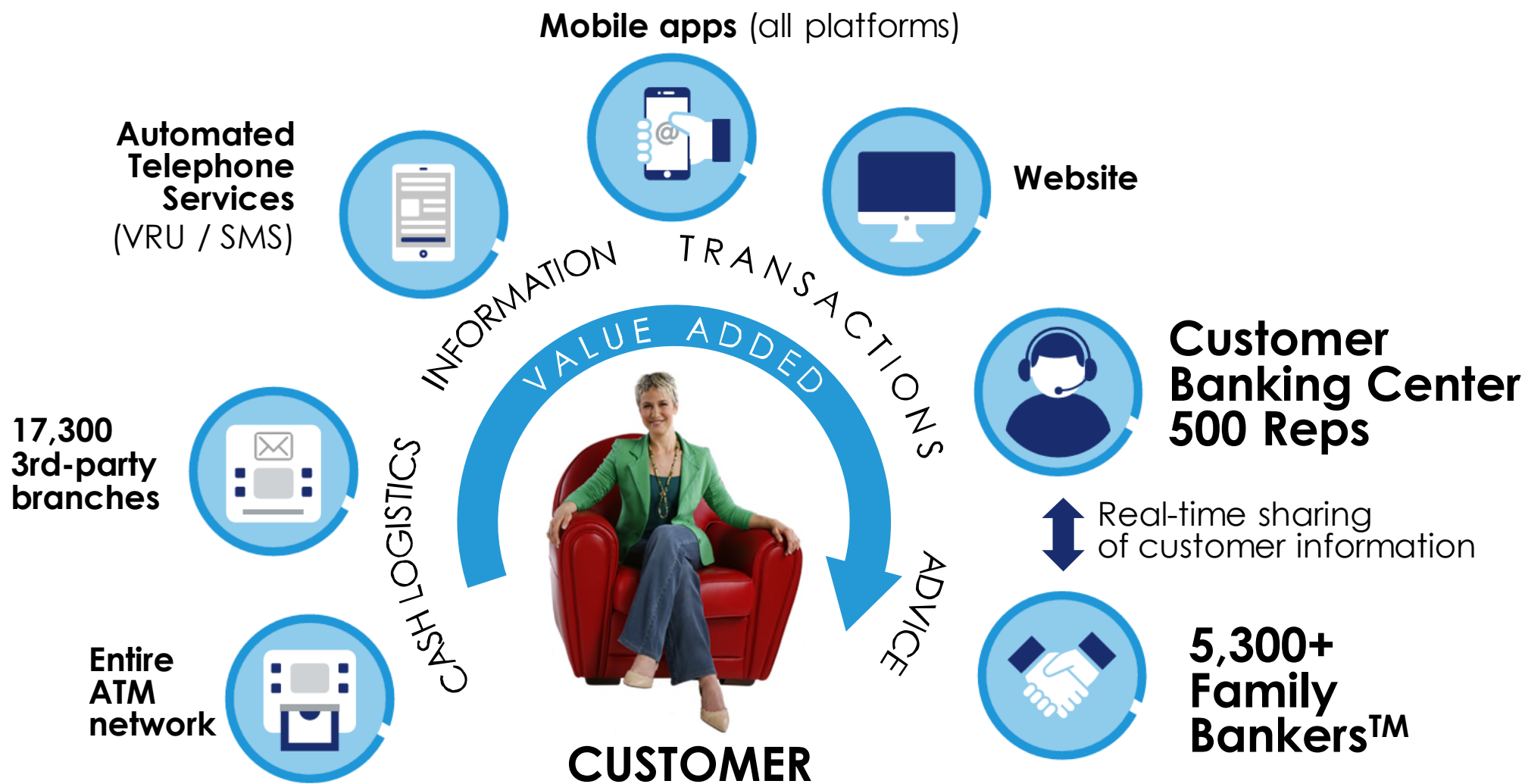
All companies Italy-based unless otherwise indicated

52 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



53 Banca Mediolanum's Multi-channel Model



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 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



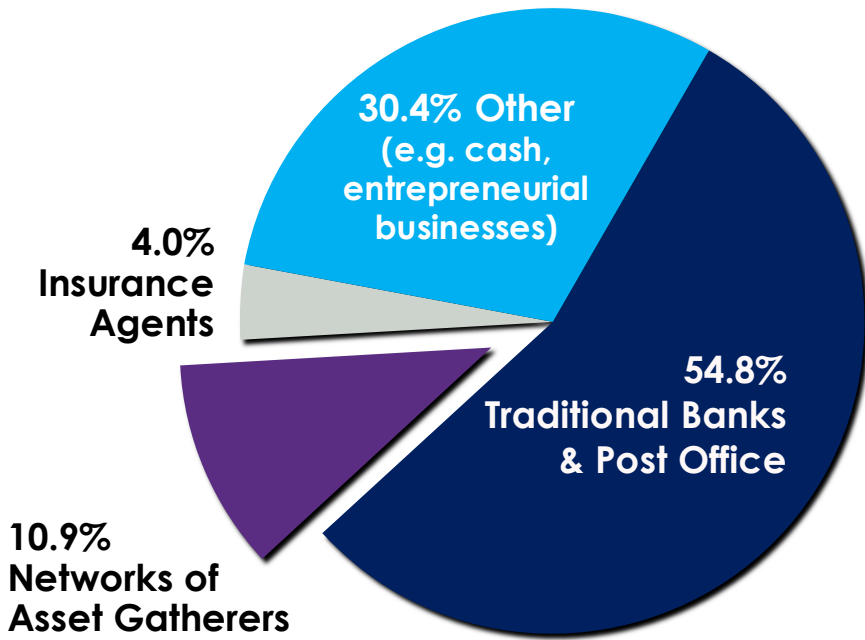
Customers: freedom in banking

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

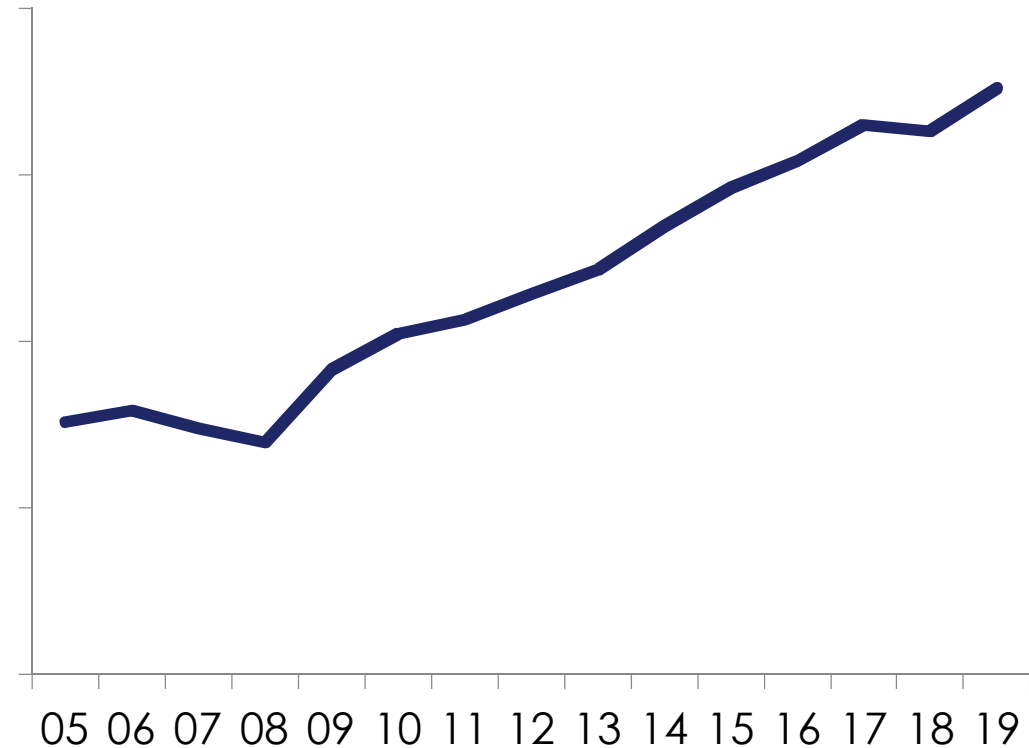
55 Italian Household Financial Assets

As at 31/12/2019 – Real Estate not included

Total HH Assets: € 4,445 bn



BMED Market Share: 1.76%



Network of Asset Gatherers have only 10.6% 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

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

ROE

19.4%

2011-2020 10y avg

Retail Deposits

€ 22.8 bn

% Gross NPLs

1.24%

LCR

374%

CET1

20.7%

Retail Credit Book

€12.6 bn

% Net NPLs

0.63%

NSFR

183%

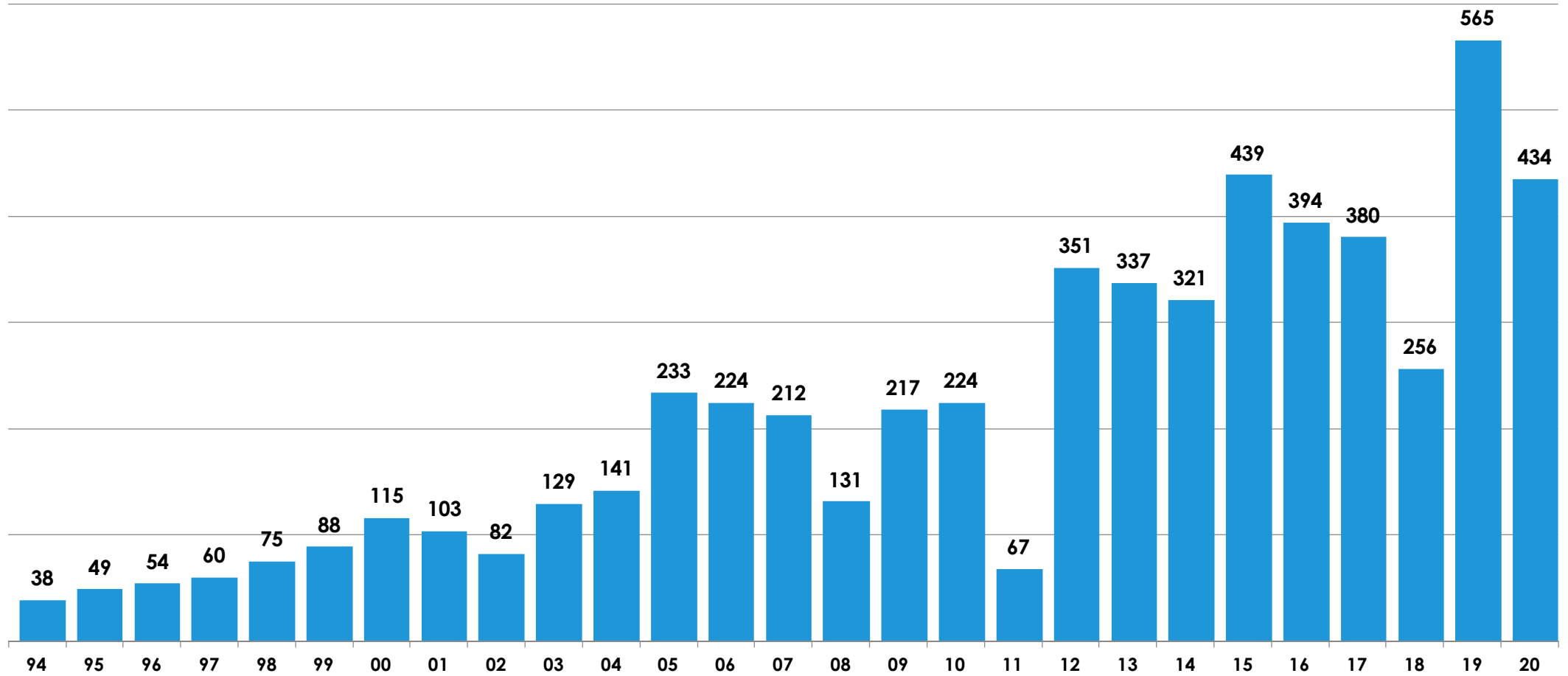
as at 31/12/2020

57

Net Income Trend

€ mn

Mediolanum
Facts



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

58 Dividend Payout

€ mn

Mediolanum
Facts

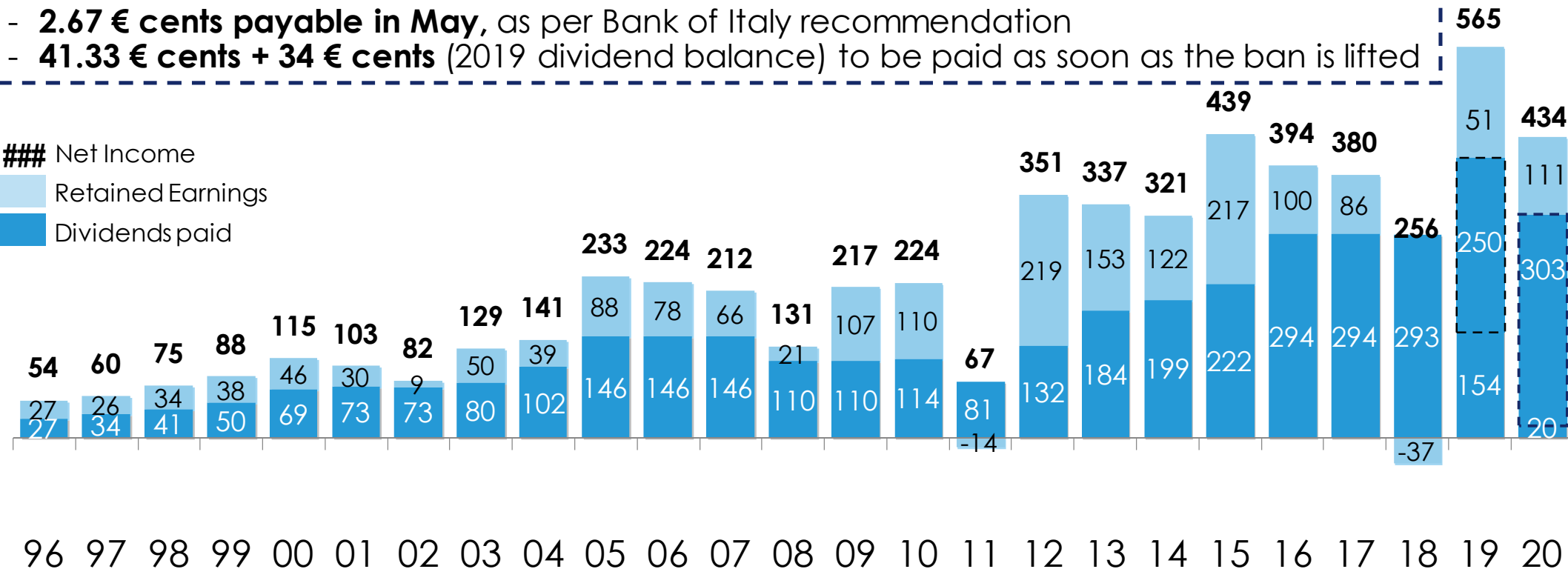
2020 dividend of **78 € cents** includes:

- **2.67 € cents payable in May**, as per Bank of Italy recommendation
- **41.33 € cents + 34 € cents** (2019 dividend balance) to be paid as soon as the ban is lifted

Net Income

Retained Earnings

Dividends paid



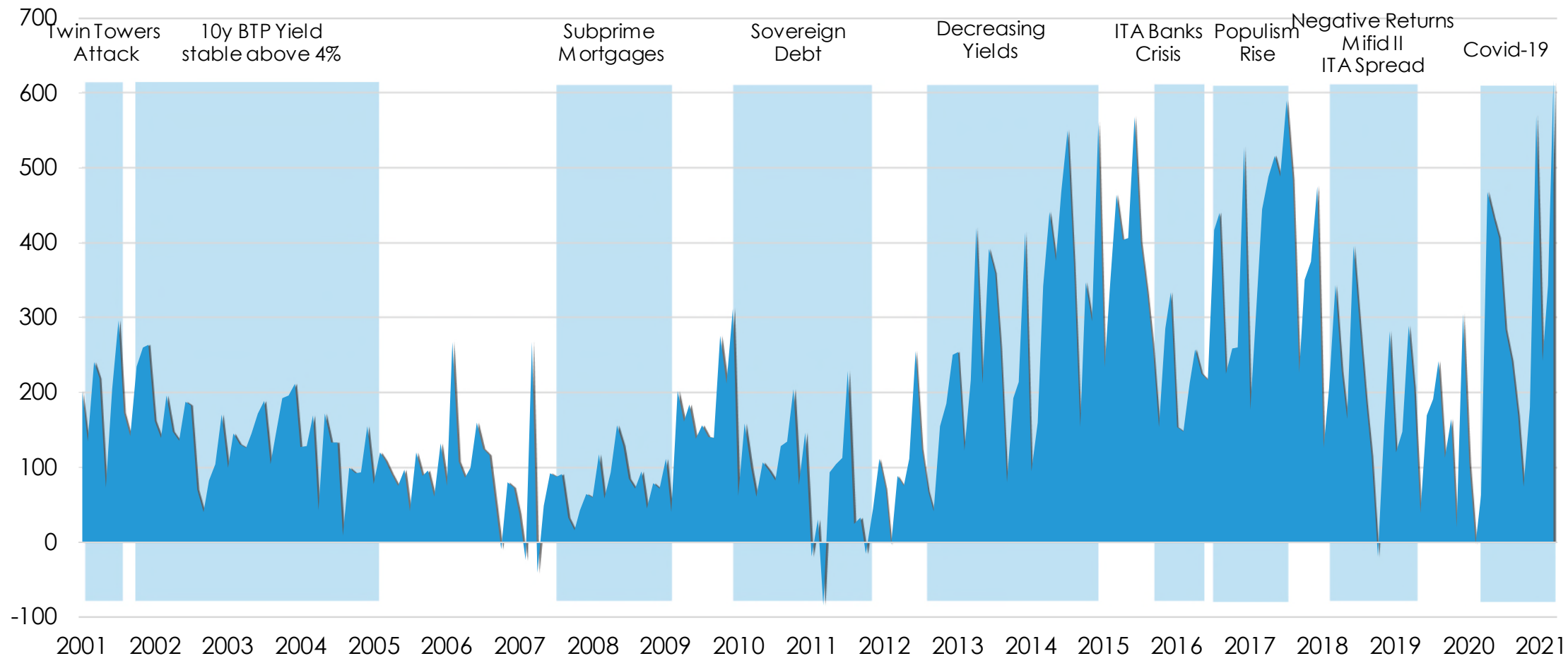
DPS (€ cents)



59 20 Years of Consistent Net Inflows

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

Mediolanum
Facts

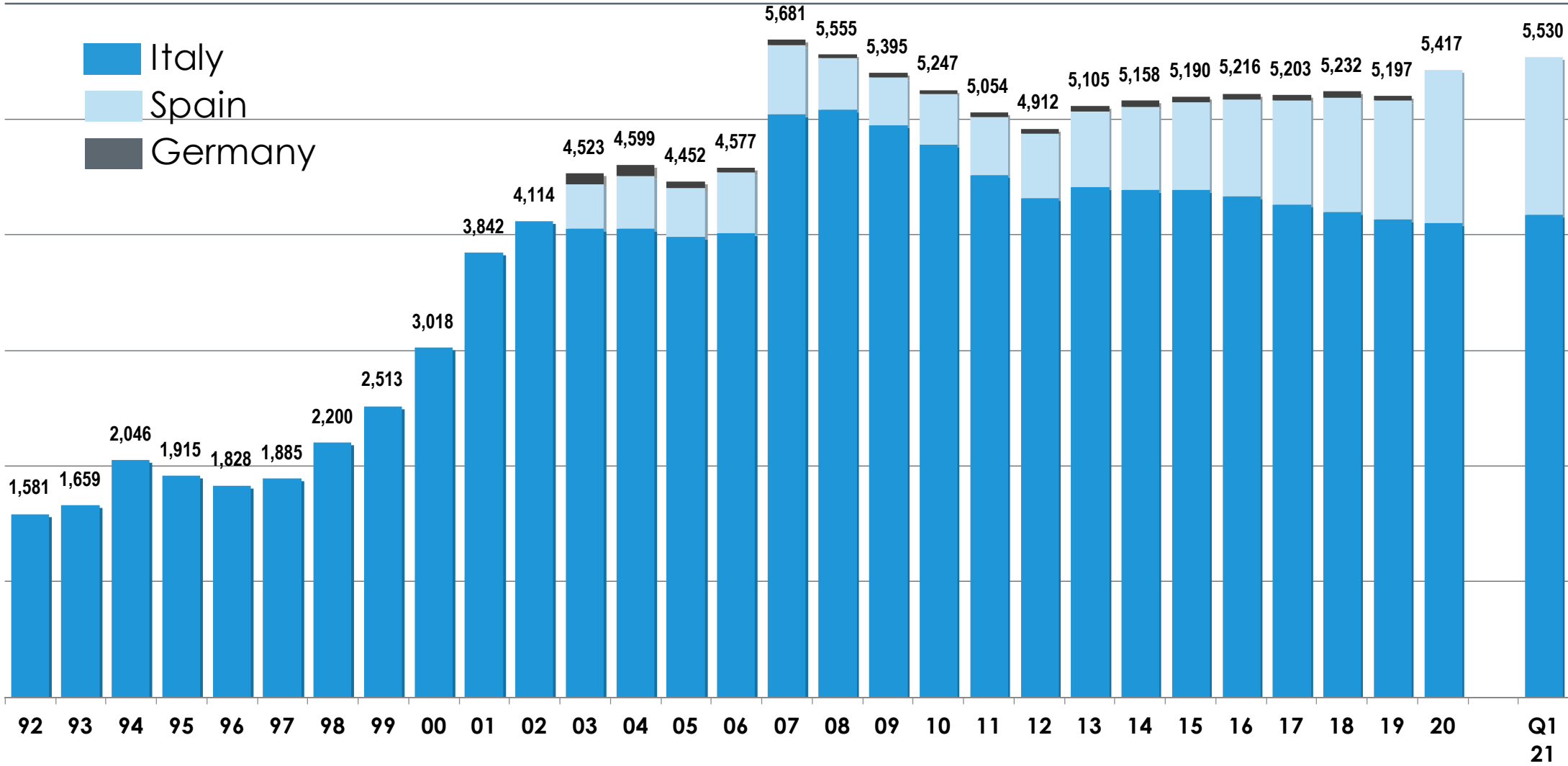


■ Net Inflows into Managed Assets

Source: Assoreti

Family Banker Network

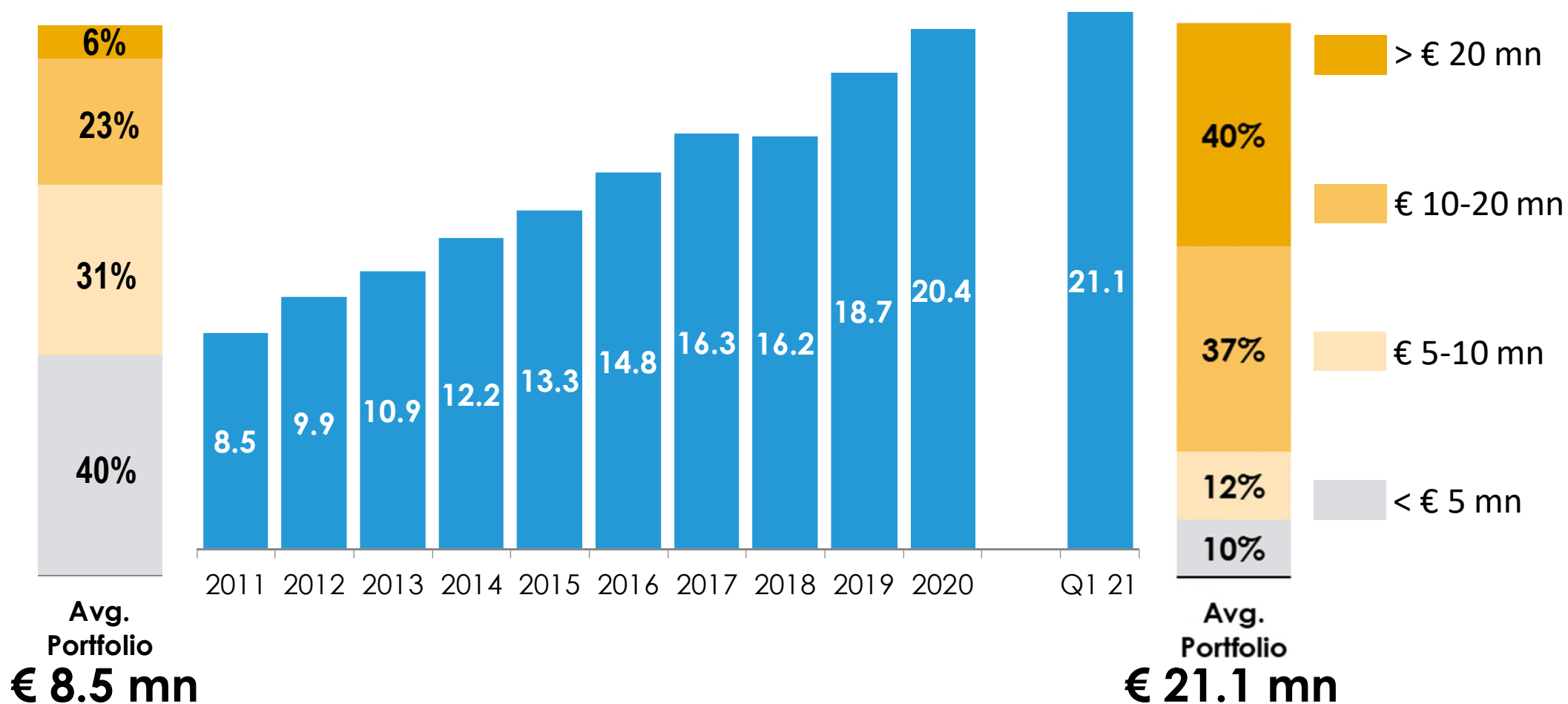
Group Licensed Financial Advisors



61 Italy - Average Assets per Family Banker

€ mn

Mediolanum
Facts

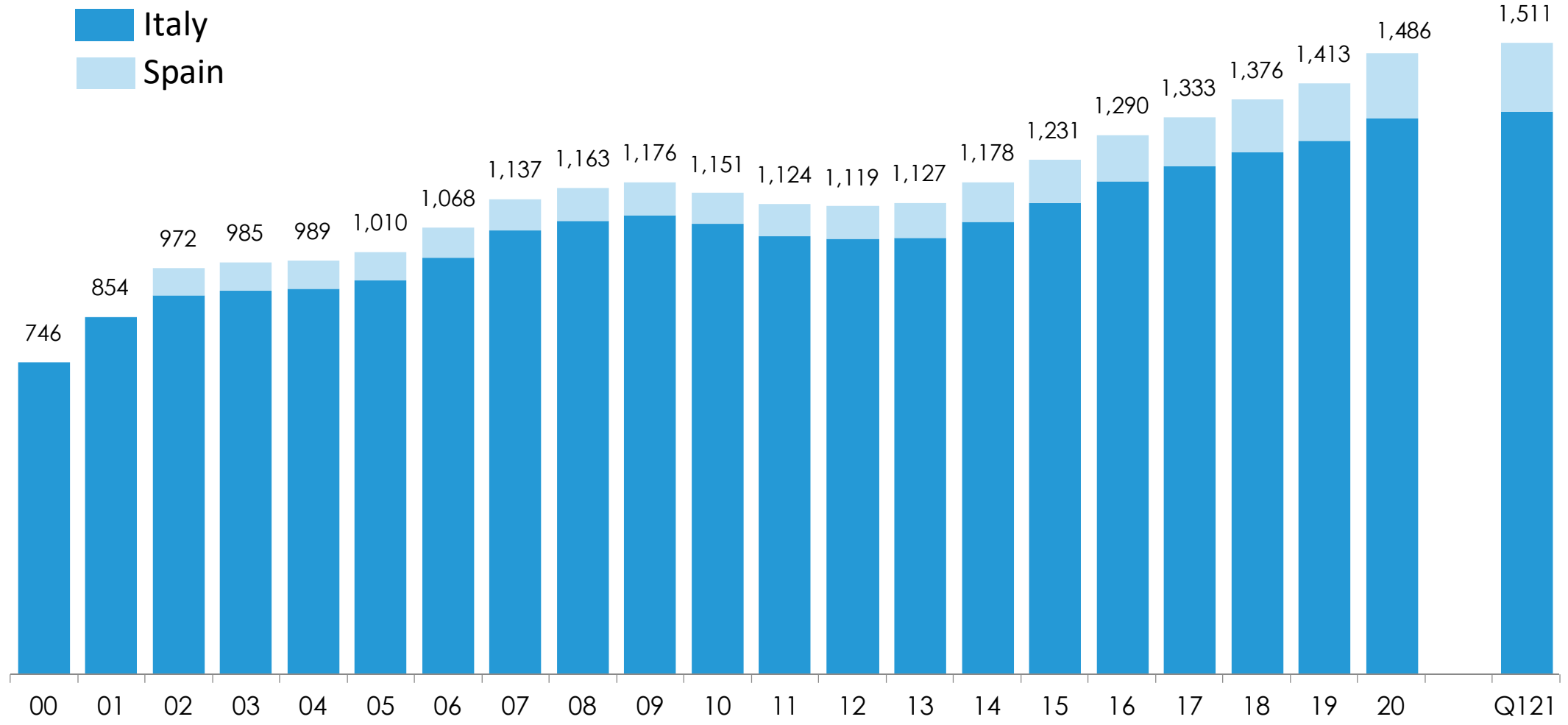


62

Total Customers

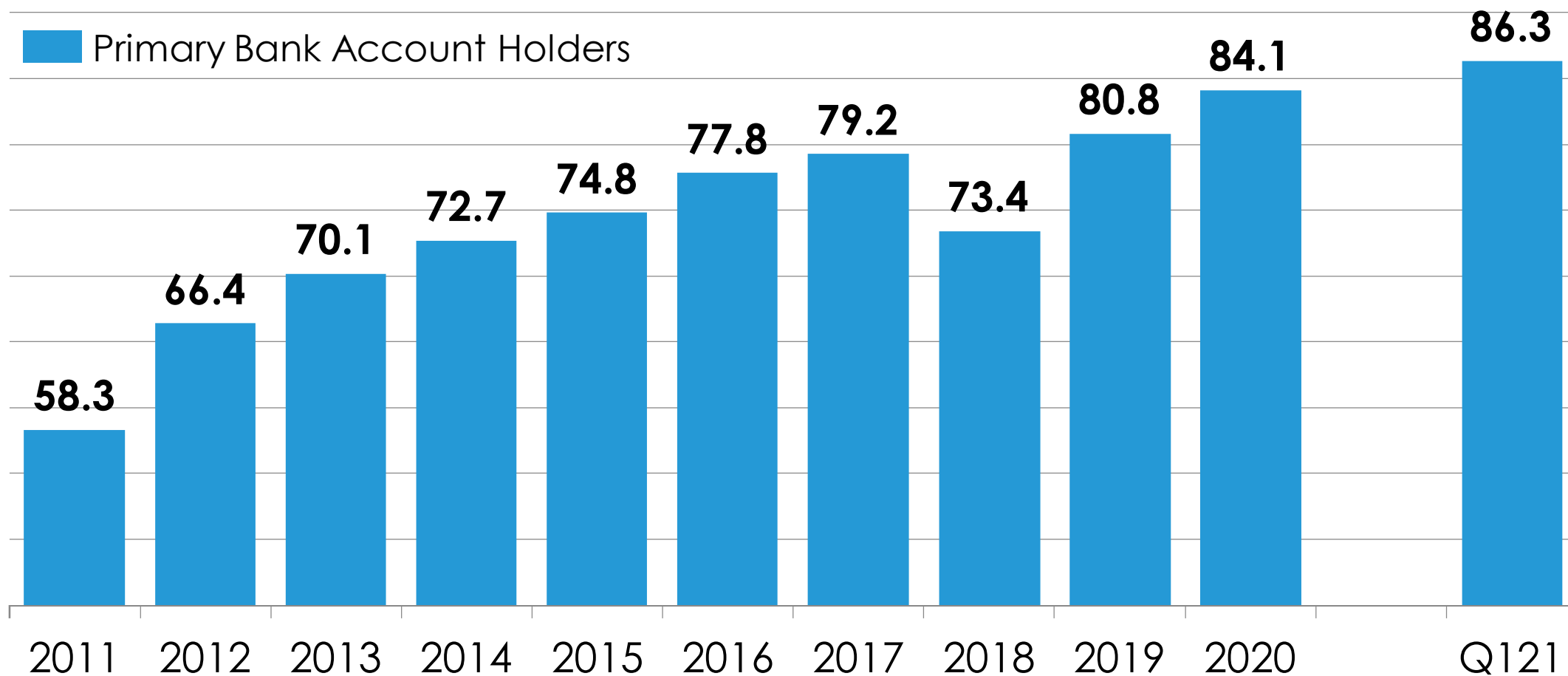
('000) excludes EuroCQS & Flowe

Mediolanum
Facts



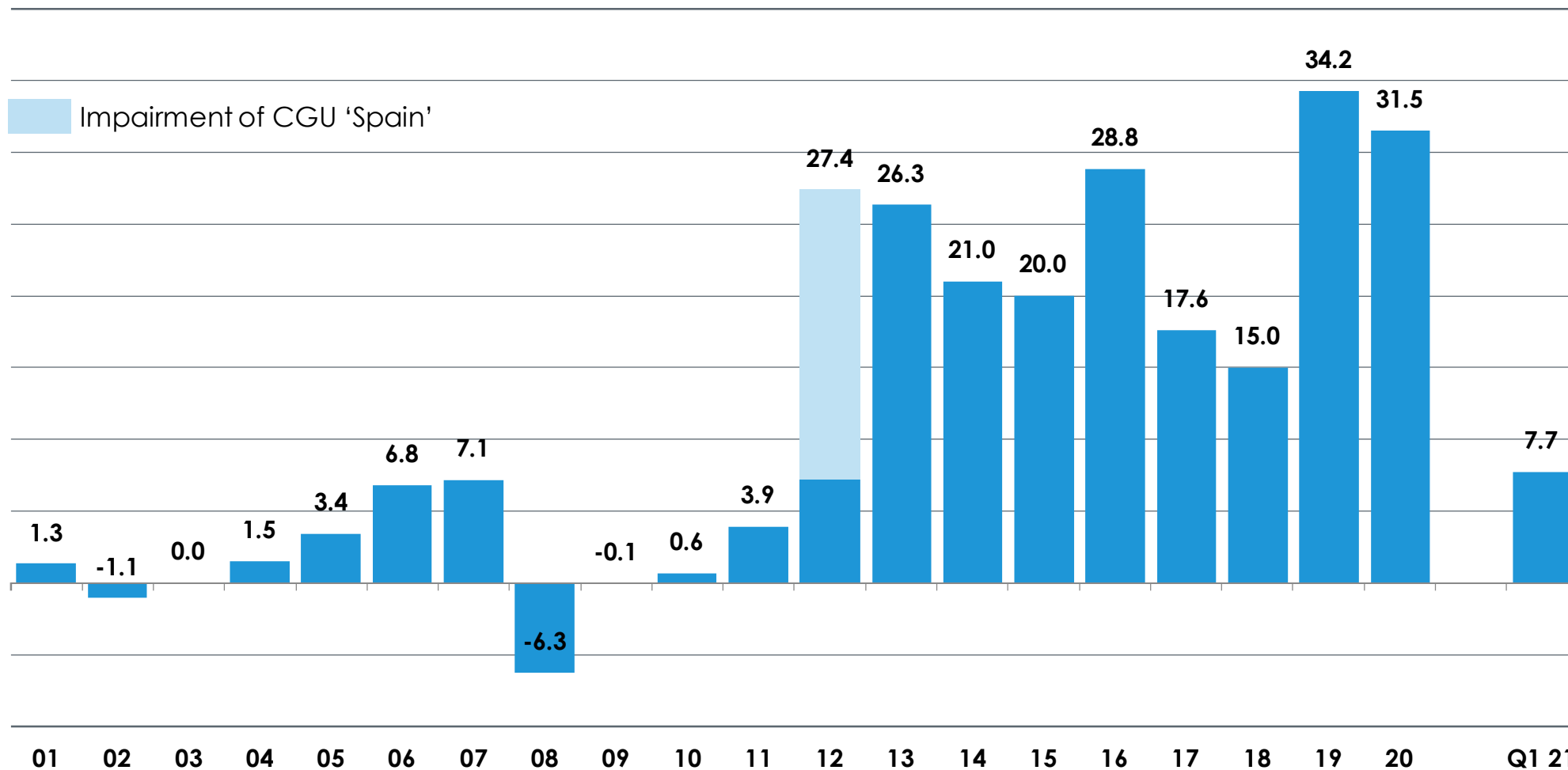
63 Italy - Average Assets per Customer

€ thousands



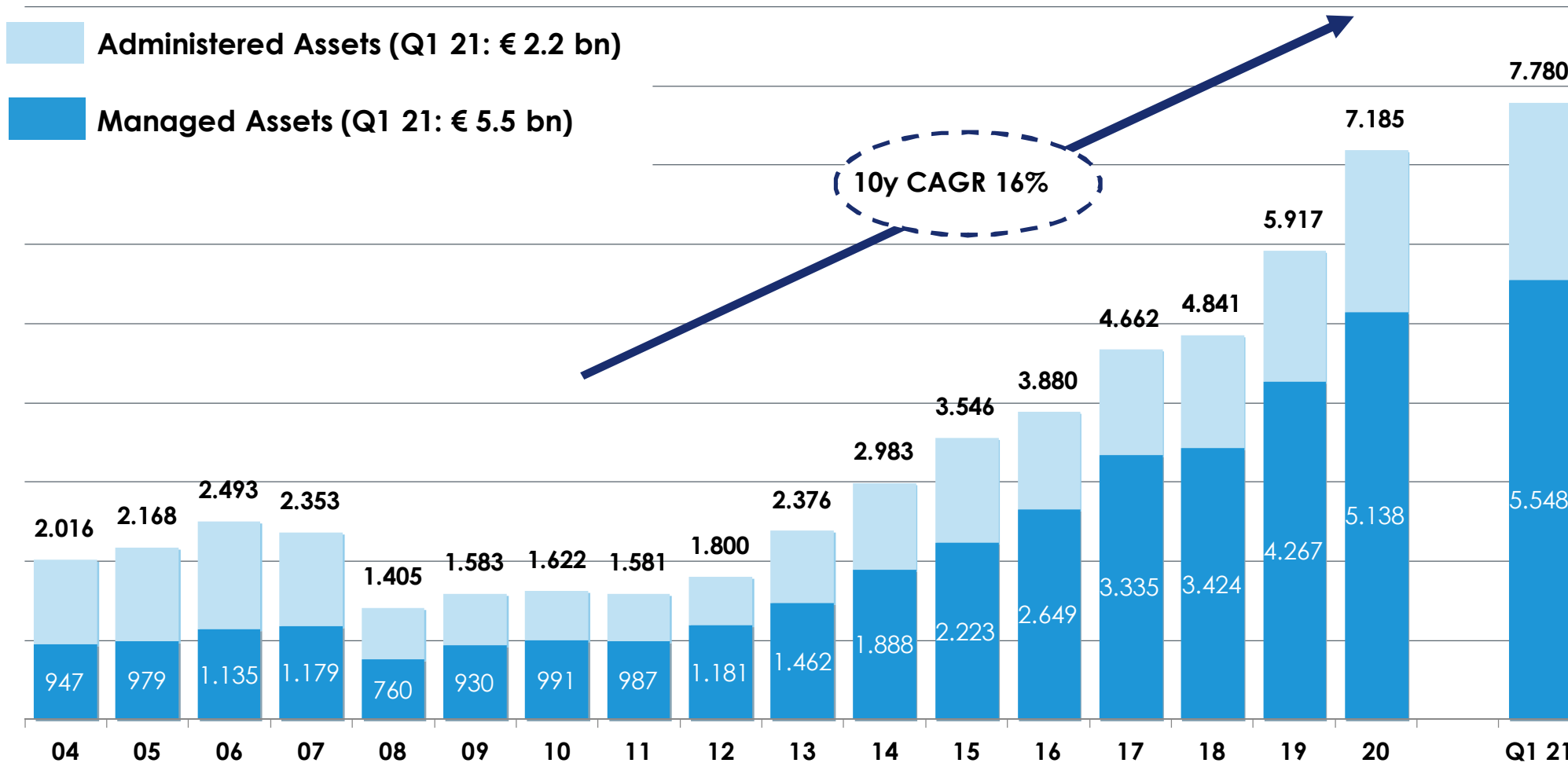
64 Spain - Net Income

€ mn



65 Spain - Assets under Administration

€ mn



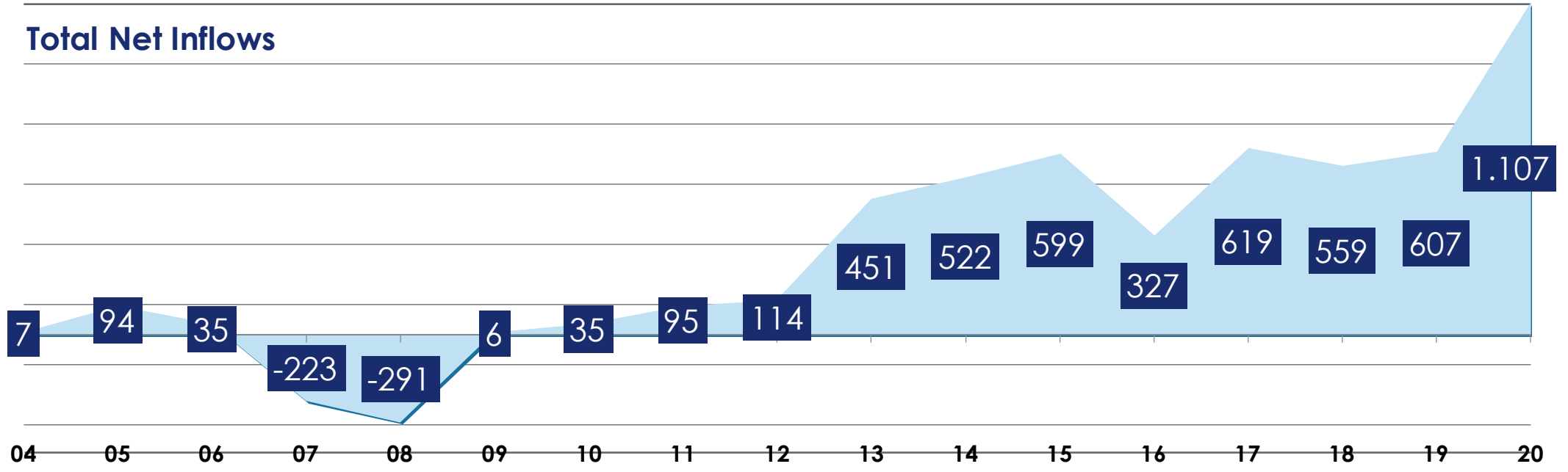
66

Spain - Net Inflows Trend

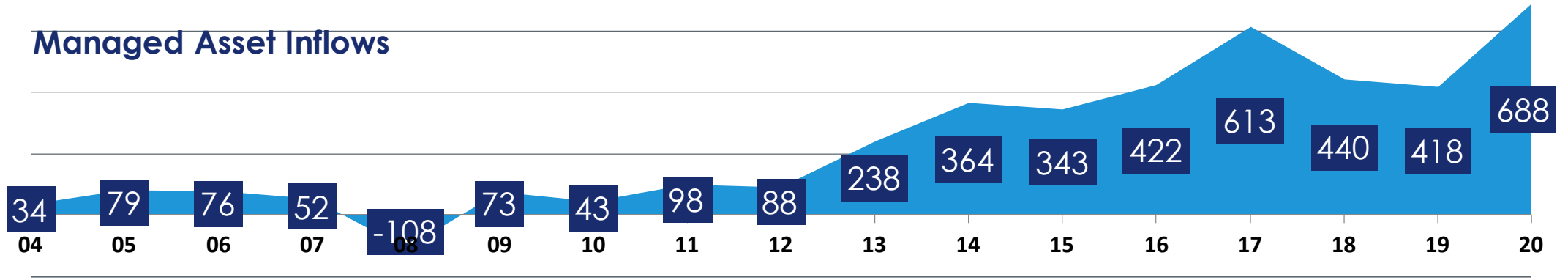
€ mn

Mediolanum
Facts

Total Net Inflows

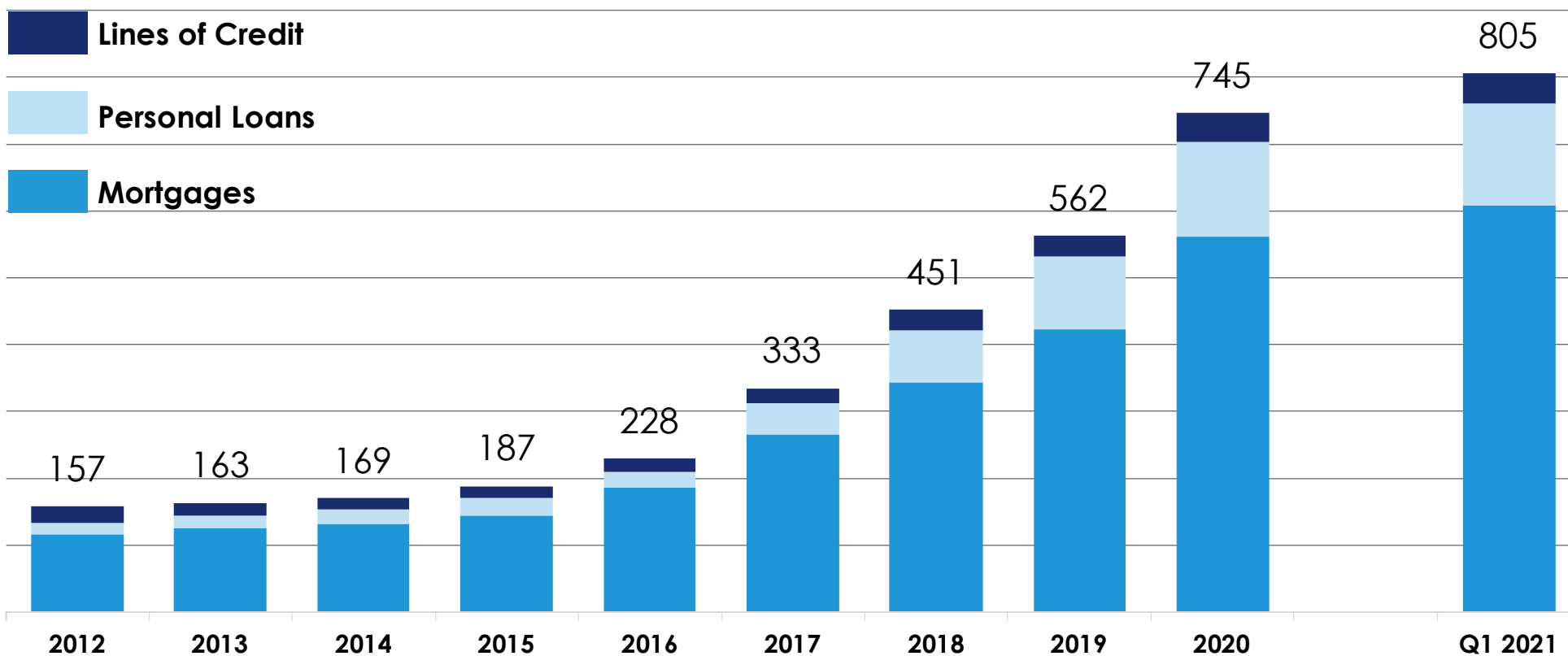


Managed Asset Inflows



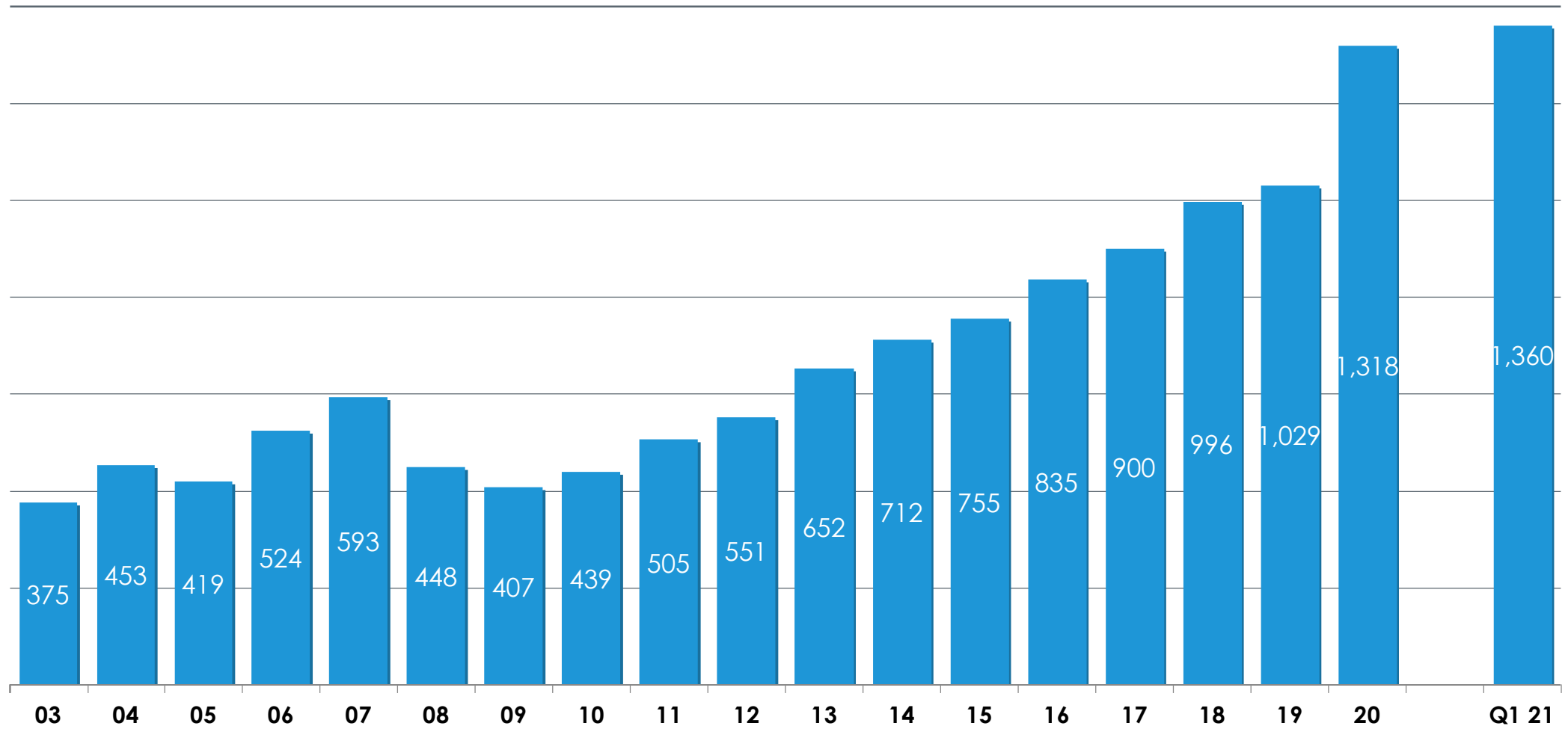
67 Spain - Credit Book

€ mn



68 Spain – Family Banker Network

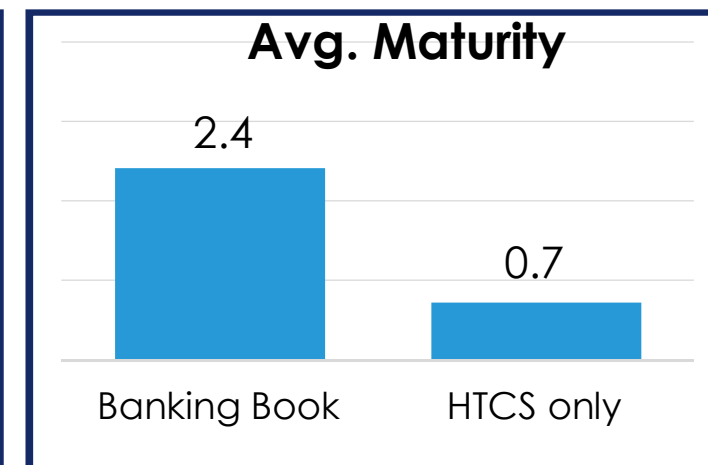
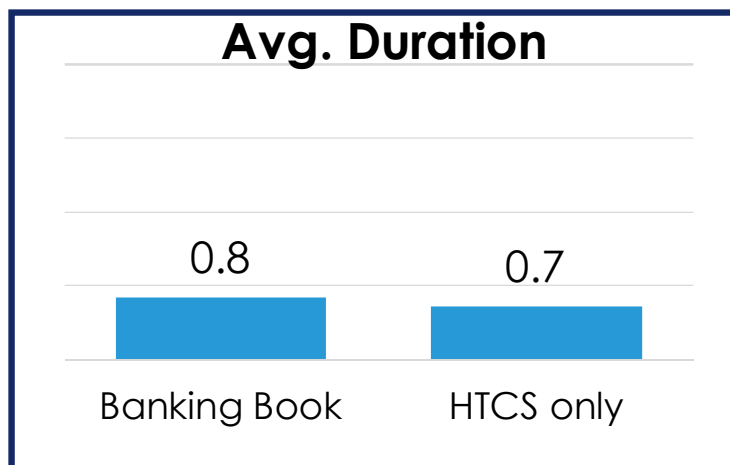
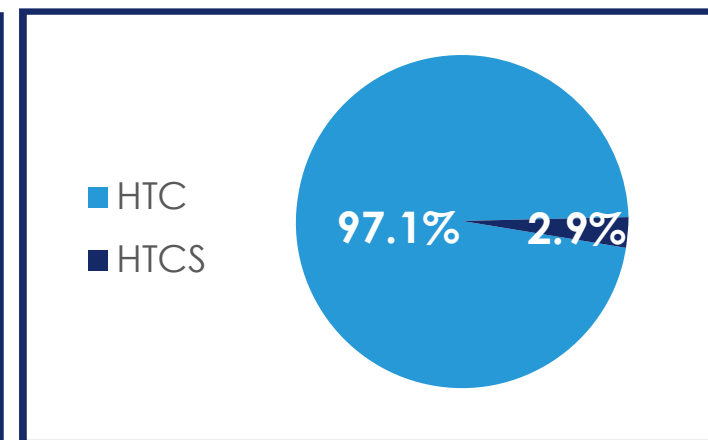
Mediolanum
Facts



Banking Book: € 13.7 bn (nom. values)

- **Low sensitivity to volatility** of Italian govies
- **Limited weight** of HTCS book
- **Prudent & flexible approach** thanks to very **short Avg. Duration** (approx. **1 year**)

Sector	%
Government	99.3%
Financial	0.7%
Govies	%
Italy	98.5%
Spain	1.5%



70 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**

71 Training & Communication Mediolanum Corporate University

Mediolanum
Facts



- 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



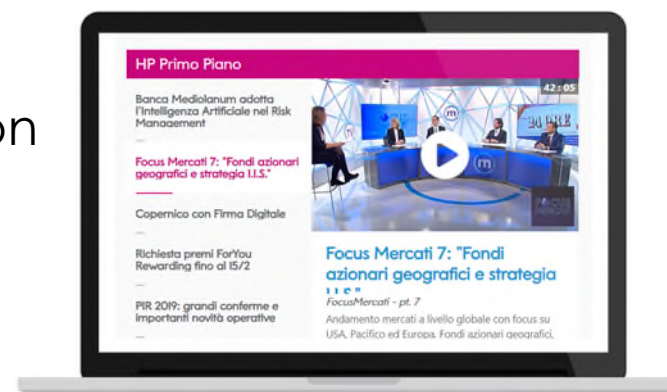
72 Training & Communication Corporate TV Channel

Mediolanum
Facts

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 & 2020**

73 Marketing Events

2019: a 'normal' year

- Approximately **2,500 events** held in 2019: local & high-level events, sports events (e.g. Giro d'Italia), talk shows, etc.
- Over **130,000 customers & prospects** attending

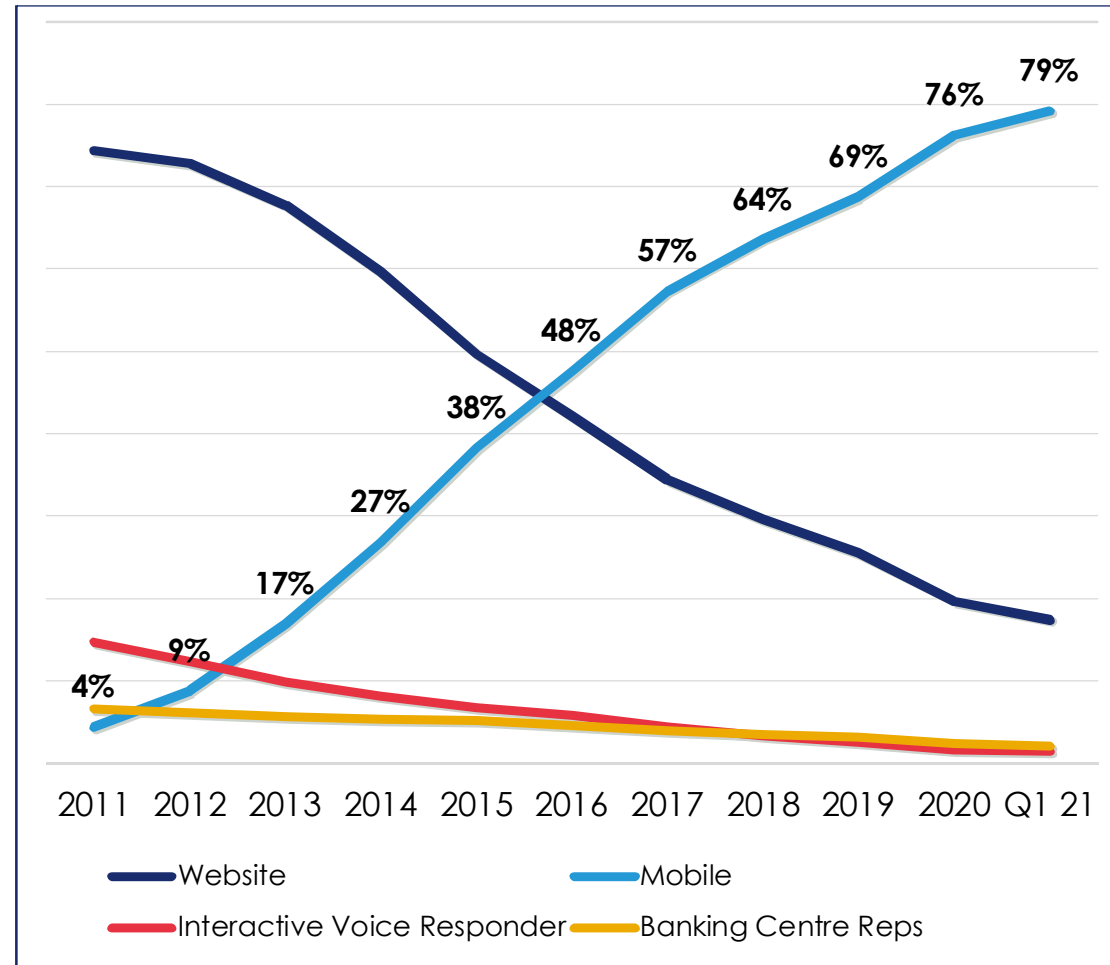
2020:

- **300 in-person events: 15.000 attendees**
- **9 live TV shows** streamed on BMED social media channels: **570.000 viewers**
- **400 events** organised by Family Bankers: **23.000 attendees**



74 Technological Platform Growing the Digital Customer Base

Direct Channel Accesses (mn)



- 79% of total accesses via mobile app in 2021
- 47% of transactions via mobile app in 2021
- 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 5 main mobile payment solutions

75 The 3rd best known bank brand in Italy

Spontaneous brand awareness – Italian banks – Mar. 2021

Mediolanum
Facts

INTESA  SANPAOLO 57%

 UniCredit 55%

 **mediolanum** BANCA 41%

Banco**Posta** 25%

 **MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472 23%

 **BNL**
GRUPPO BNP PARIBAS 22%

ING  DIRECT 19%

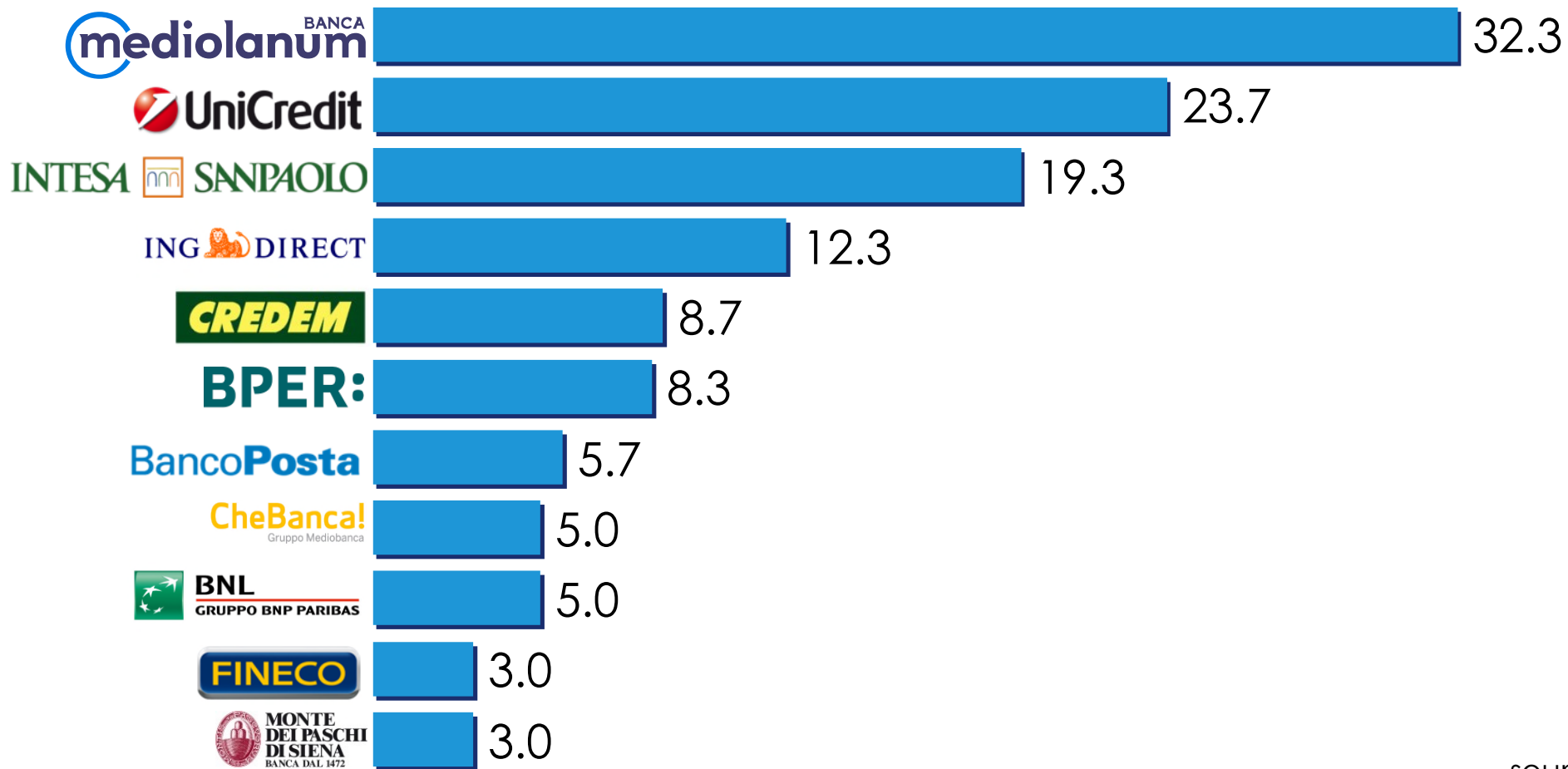
BPER: 15%
Banca

 **BCC**
CREDITO COOPERATIVO 13%

 **FINECO** 13%

The most memorable adv in the banking industry

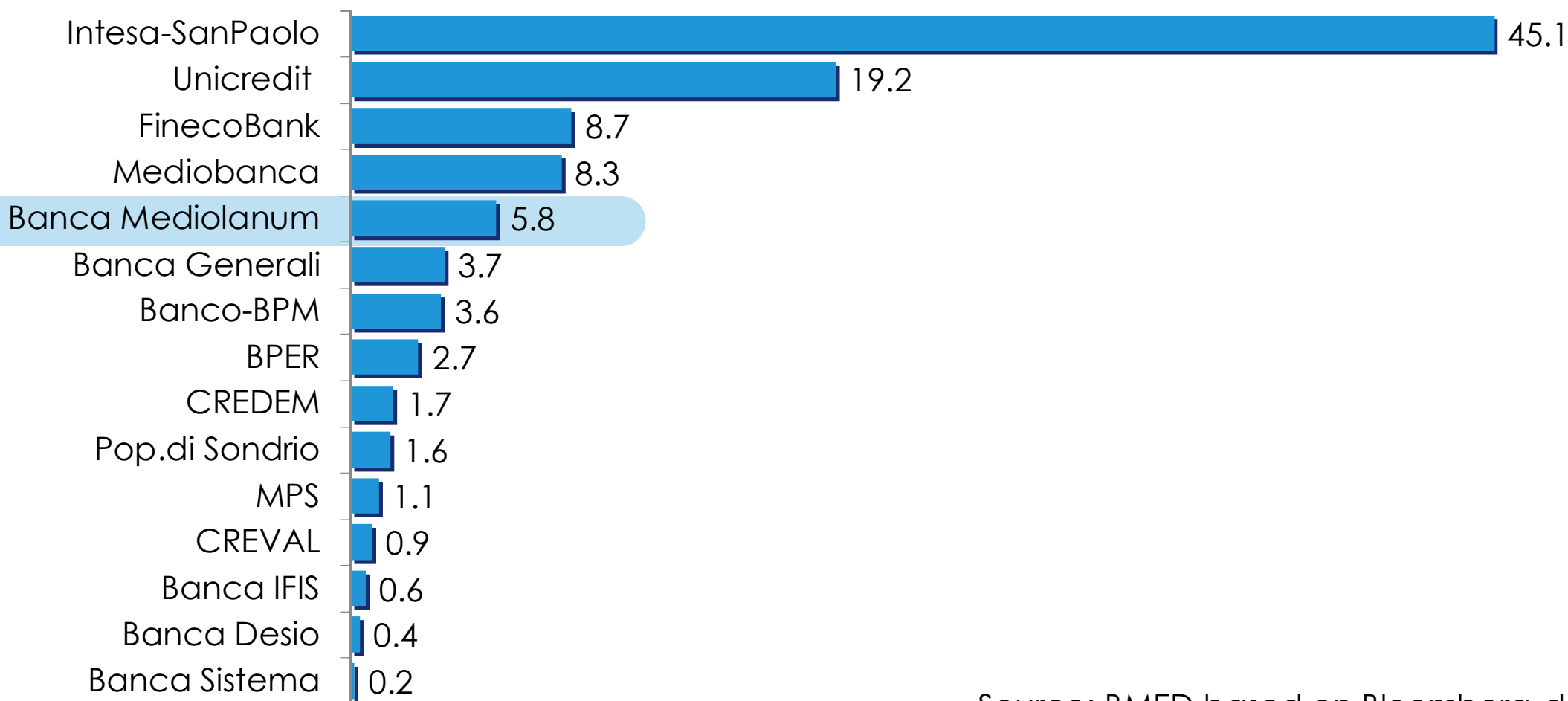
Spontaneous brand awareness – Italian banks – Q1 2021



source: GFK Italia

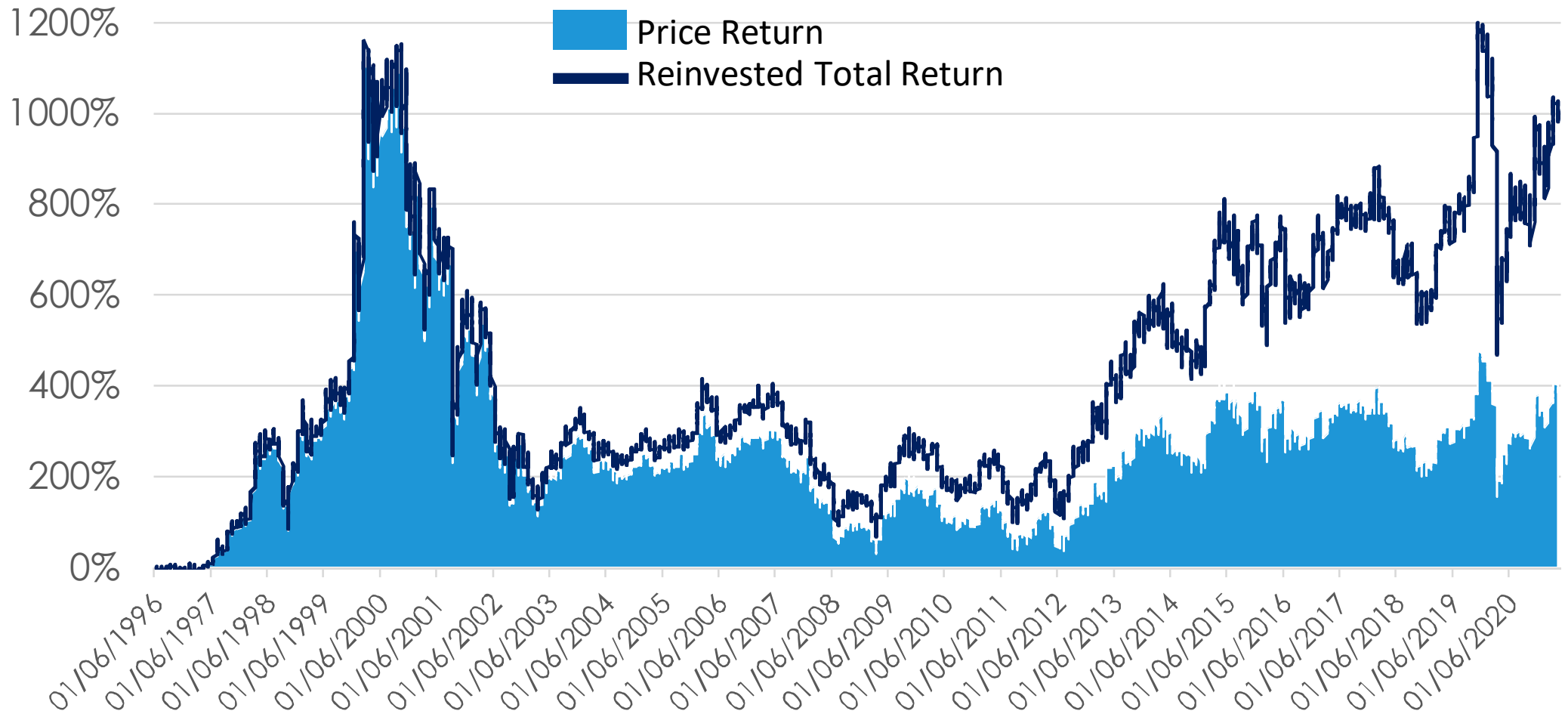
Ranking of Italian Banking Groups by Market Cap

€ bn – as at 30/04/2021



Source: BMED based on Bloomberg data

MED.MI / BMED.MI Price Return & Total Return Index*



* Total Return Index includes dividend reinvestments, June 3, 1996 – Apr. 30, 2021

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

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