

E-MARKET  
SDIR  
CERTIFIED



40<sup>th</sup> anniversary 2.2.22



**BANCA**  
**mediolanum**

H1 2022 Results & Business Update

# Table of content

and colour key

**H1 2022 Group Results**

**3**

**H1 2022 Domestic Market Results**

**21**

**H1 2022 Foreign Markets Results**

**36**

**Business Update**

**38**

**Mediolanum Facts**

**56**



# H1 2022 Group Results

# 4 Business Results Highlights



## Unmatched strength in delivering business performance in tough times

€ bn	H1 2022	H1 2021	Change	FY 2021	Change
<b>Total Net Inflows</b>	4.35	4.67	-7%		
<b>Net Inflows into Managed Assets</b>	3.12	3.30	-5%		
<b>Total AUA/AUM</b>	100.75	102.18	-1%	108.36	-7%
<b>Loans Granted</b>	1.91	1.90	+0%		
<b>Credit Book</b>	15.37	13.22	+16%	14.38	+7%
<b>General Insurance Gross Premiums (€ mn)</b>	88	77	+14%		

Ability to withstand adverse conditions proven once again. Negligible impact on flows from macro backdrop thanks to sound investment strategy, automatic investment services & close contact with customers, who are looking beyond current market decline effectively

No change in the flows mix – 100% going directly & indirectly (IIS) into equity. Ambition to reach € 6 bn despite macro uncertainty

Marked AUM decline, yet our customers are seizing the opportunity to average down their investments with their strong flows into managed assets

Healthy growth of loans & mortgages continues on, thanks to our unwavering commitment to serve our customer base made up of households

Credit book mainly consists of variable-rate mortgages & loans. Ready to benefit even more from rate increase as EUR3M turned positive, w/o affecting our outstanding asset quality

Solid growth in general insurance, especially stand-alone policies with annual premiums, which have high-margin modest capital requirements

# 5 Economic & Financial Highlights



## Diversified business model fuels Operating Margin. NII boost from rate hike

€ mn	H1 2022	H1 2021	Change	
Net Commission Income	512.9	476.8	+8%	Positive progression of core business w/ resilient average AUM, well above our record year 2021
Net Interest Income	163.8	129.9	+26%	Further acceleration of NII thanks to higher yield on rolled-over maturities, front-loading in Q1 & strong portfolio sensitivity to rates (floaters & inflation-linked BTP). Positive EUR3M sets the stage for further growth of interest income from mortgage book in 2023
Contribution Margin	673.1	596.7	+13%	
Operating Margin	307.5	245.3	+25%	Unprecedented Operating Margin thanks to a Q1 & Q2 performance at all-time-highs
Market Effects	-9.2	106.3	n.s.	Tough comparison on Market Effects, due to lack of performance fees in H1 22 & positive FV one-off in H1 21
Net Income	237.9	268.7	-11%	Net income impacted by lower Market Effects but efficiency of core operations keeps increasing

Key ratios	H1 2022	FY 2021	H1 2021	
Cost/Income Ratio*	49.1%	50.6%	50.8%	C/I ratio well under control, with expenses back to normal in Q2
Acquisition costs/Gross commission income Ratio	37.7%	39.6%	38.8%	Payout ratio steady and seasonally increasing towards year-end
Annualised Cost of risk (bps)	10	15	15	CoR reflects once again the outstanding asset quality of the bank
Average Recurring Fee (bps)	203	205	206	Recurring fees stable QoQ as our customers do not change their asset allocation according to market fluctuations

\* G&A expenses & Regular contribution to banking industry / Contribution margin

## Undisputed capital strength enables organic growth & sound shareholders return

	H1 2022	FY 2021
<b>CET1 Ratio</b>	<b>21.1%</b>	20.9%
<b>Risk-weighted assets (€ bn)</b>	<b>11.71</b>	11.27
<b>Leverage Ratio</b>	<b>6.1%</b>	6.0%
<b>Loan/Deposit Ratio</b>	<b>59.8%</b>	57.6%

Robust capital position, with very low volatility of CET1 ratio given the limited size of HTCS portfolio

Leverage ratio well above Basel III requirements & compliant with MREL for 2024 (5.33% of LRE)

Solid & simple balance sheet structure, with very safe approach to lending (mainly households, Cost of Risk at 10 bps)

## All drivers continue to perform despite macro uncertainties

	30/06/2022	31/12/2021	Change
<b>Bank Customers</b>	1,642,500	1,586,600	+4%
<b>Bank Customer Acquisition</b>	91,700	170,000	
<b>Family Bankers</b>	5,947	5,762	+3%
<b>o/w Private Bankers &amp; Wealth Advisors</b>	783	787	-1%
<b>AUM - Private Bankers &amp; Wealth Advisors</b>	€ 27.03 bn	€ 30.38 bn	-11%
<b>I.I.S. – Money market AUM</b>	€ 4.37 bn	€ 5.40 bn	-19%
<b>Double Chance – Assets in deposit accounts</b>	€ 1.53 bn	€ 1.51 bn	+1%
<b>Instalment Plans – Annualised yearly flows</b>	€ 1.62 bn		

Bank customer acquisition progressing with robust organic increase

FB network continues to grow with top-tier banker headcount stable

Automatic investment services as main gateway to achieving max. return - fully exploiting BMED investment strategy via managed asset products

I.I.S. money market AUM down due to automatic step-ins (see slide 45) with customers buying even more equity in H1

**Intelligent Investment Strategy** shifts from money market to equity over 3-5 yrs.

**Double Chance** shifts from deposit accounts to equity over 3-24 months

**Instalment plans** shifts from current accounts to equity on a monthly basis

	H1 2022	H1 2021	Change
Entry fees	24.1	29.6	-19%
Management fees	637.1	605.1	+5%
Investment Management fees	97.7	93.0	+5%
Net Insurance revenues ex U-L commissions	35.5	35.6	-0%
Banking service fees	84.2	70.0	+20%
Other fees	21.7	22.5	-4%
<b>Gross Commission Income</b>	<b>900.3</b>	<b>855.8</b>	<b>+5%</b>
Acquisition costs	(339.5)	(331.7)	+2%
Other commission expenses	(47.8)	(47.3)	+1%
<b>Net Commission Income</b>	<b>512.9</b>	<b>476.8</b>	<b>+8%</b>
Net interest income	163.8	129.9	+26%
Net income on other investments	(0.7)	0.3	n.s.
LLP (Impairment on loans)	(7.9)	(13.9)	-43%
Other revenues & expenses	5.0	3.5	+43%
<b>Contribution Margin</b>	<b>673.1</b>	<b>596.7</b>	<b>+13%</b>
G&A expenses	(320.1)	(294.1)	+9%
Regular Contributions to Banking Industry	(10.3)	(9.3)	+11%
Depreciation & Amortization	(20.3)	(19.3)	+5%
Provisions for risk & charges	(15.0)	(28.7)	-48%
<b>Operating Margin</b>	<b>307.5</b>	<b>245.3</b>	<b>+25%</b>
Market effects	(9.2)	106.3	n.s.
- o/w Performance fees	6.6	17.5	-62%
- o/w Net income on investments at fair value	(15.8)	88.8	n.s.
Extraordinary items	(0.4)	(2.3)	-82%
<b>PROFIT BEFORE TAX</b>	<b>297.9</b>	<b>349.3</b>	<b>-15%</b>
Income tax	(60.0)	(80.6)	-26%
<b>NET INCOME</b>	<b>237.9</b>	<b>268.7</b>	<b>-11%</b>



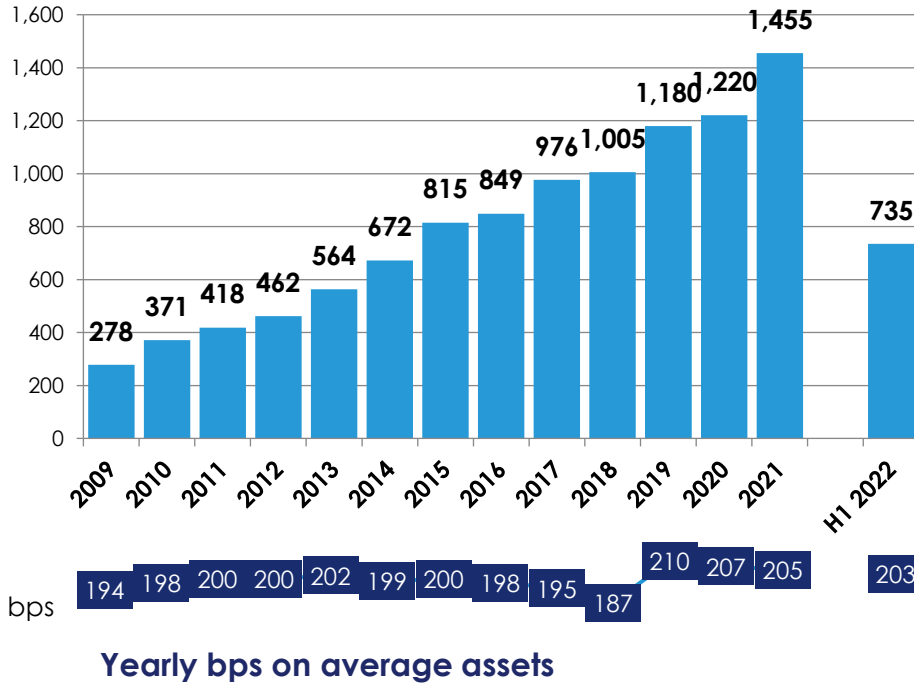
# 9 Income Statement by Quarter

€ mn

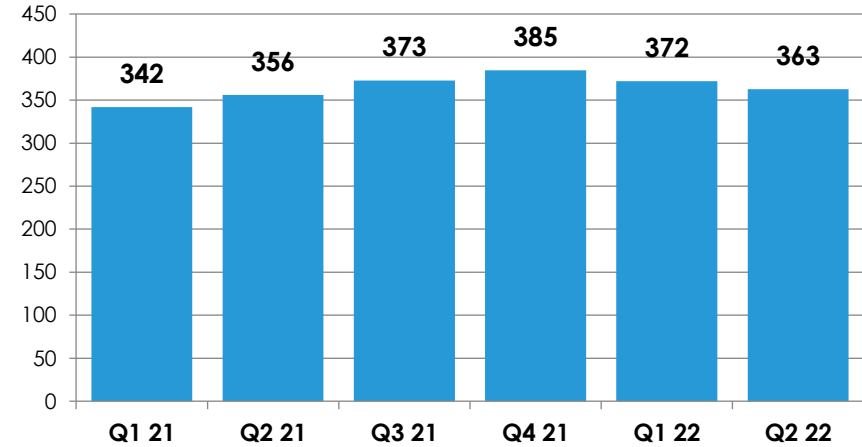


	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
Entry fees	15.9	13.8	11.4	12.9	13.5	10.6
Management fees	296.3	308.8	323.4	333.9	322.6	314.5
Investment Management fees	45.7	47.3	49.2	50.7	49.3	48.3
Net Insurance revenues ex U-L commissions	15.8	19.8	14.0	10.9	14.9	20.6
Banking service fees	30.3	39.8	32.7	47.6	48.9	35.3
Other fees	11.6	10.9	10.7	12.6	11.0	10.6
<b>Gross Commission Income</b>	<b>415.5</b>	<b>440.3</b>	<b>441.3</b>	<b>468.7</b>	<b>460.2</b>	<b>440.0</b>
Acquisition costs	(156.3)	(175.4)	(171.0)	(195.7)	(172.6)	(166.9)
Other commission expenses	(23.8)	(23.5)	(28.4)	(32.6)	(26.1)	(21.7)
<b>Net Commission Income</b>	<b>235.5</b>	<b>241.4</b>	<b>241.9</b>	<b>240.3</b>	<b>261.6</b>	<b>251.4</b>
Net interest income	64.8	65.1	67.3	73.0	70.4	93.4
Net income on other investments	1.4	(1.0)	(0.1)	18.9	(0.2)	(0.5)
LLP (Impairment on loans)	(7.3)	(6.6)	(3.8)	(5.2)	(3.2)	(4.6)
Other revenues & expenses	1.8	1.7	1.7	2.2	2.0	3.0
<b>Contribution Margin</b>	<b>296.2</b>	<b>300.5</b>	<b>307.1</b>	<b>329.1</b>	<b>330.6</b>	<b>342.5</b>
G&A expenses	(141.7)	(152.4)	(134.9)	(165.5)	(154.6)	(165.5)
Regular Contributions to Banking Industry	(8.4)	(0.9)	(13.4)	(5.3)	(8.1)	(2.2)
Depreciation & Amortization	(9.3)	(10.0)	(9.5)	(10.2)	(10.2)	(10.1)
Provisions for risk & charges	(11.4)	(17.3)	(15.6)	(24.5)	(15.6)	0.6
<b>Operating Margin</b>	<b>125.3</b>	<b>120.0</b>	<b>133.7</b>	<b>123.6</b>	<b>142.0</b>	<b>165.4</b>
Market effects	49.3	57.0	1.4	306.6	2.0	(11.2)
- o/w Performance fees	10.2	7.3	15.9	314.3	5.9	0.7
- o/w Net income on investments at fair value	39.1	49.7	(14.5)	(7.7)	(4.0)	(11.9)
Extraordinary items	0.0	(2.3)	(4.9)	(19.3)	(0.4)	0.0
<b>PROFIT BEFORE TAX</b>	<b>174.6</b>	<b>174.8</b>	<b>130.3</b>	<b>410.8</b>	<b>143.6</b>	<b>154.3</b>
Income tax	(41.2)	(39.4)	(23.2)	(73.6)	(29.3)	(30.7)
<b>NET INCOME</b>	<b>133.4</b>	<b>135.4</b>	<b>107.1</b>	<b>337.2</b>	<b>114.3</b>	<b>123.6</b>

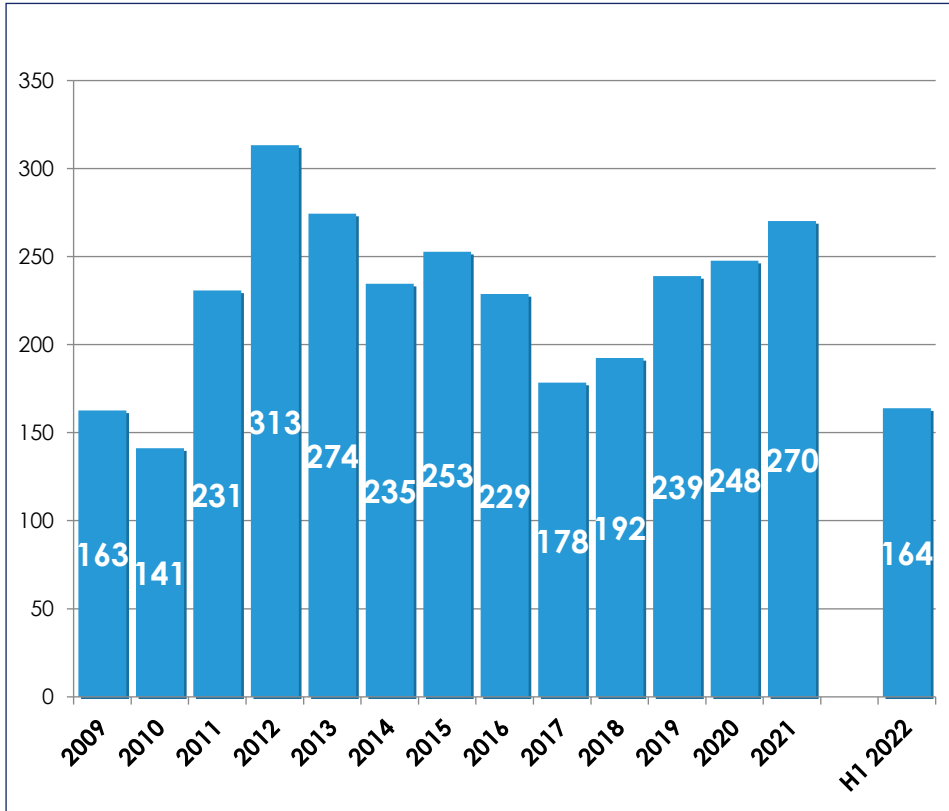
## YoY Trend



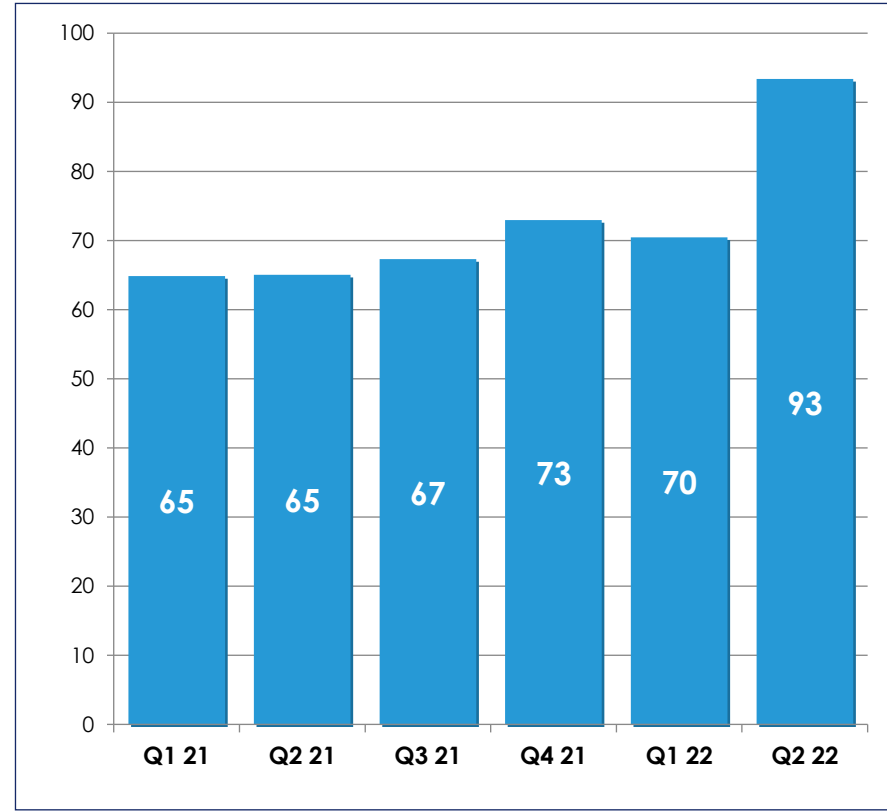
## QoQ Trend



YoY Trend



QoQ Trend



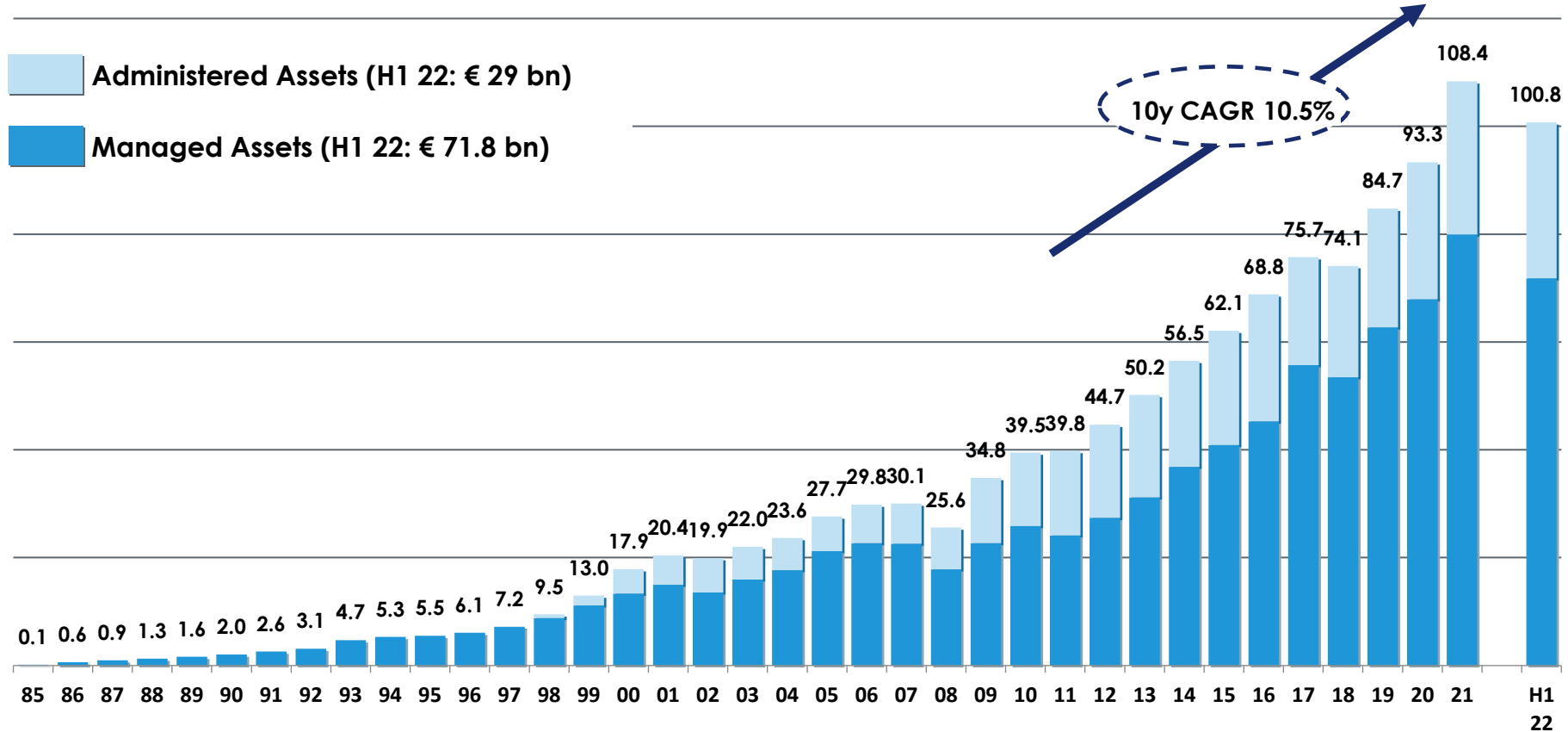


	H1 2022	H1 2021
<b>GROUP TOTAL NET INFLOWS</b>	<b>+4,345</b>	<b>+4,673</b>
Managed Assets	+3,122	+3,299
- o/w Mutual Funds, U/L & Managed Accounts	+2,638	+3,333
Administered Assets	+1,223	+1,374

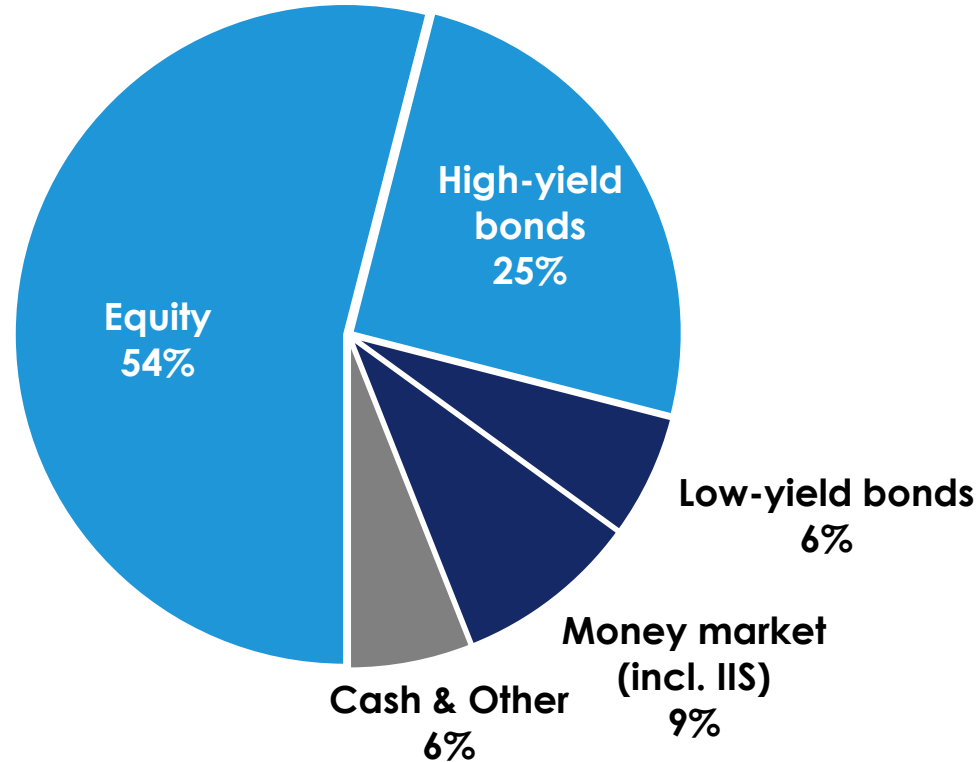
<b>Italy - Banca Mediolanum Total Net Inflows</b>	<b>+3,720</b>	<b>+3,955</b>
Managed Assets	+2,733	+2,819
- o/w Mutual Funds, U/L & Managed Accounts	+2,254	+2,842
Administered Assets	+987	+1,137

<b>Spain - Banco Mediolanum Total Net Inflows</b>	<b>+638</b>	<b>+736</b>
Managed Assets	+402	+498
- o/w Mutual Funds & U/L	+397	+509
Administered Assets	+236	+237

<b>Germany</b>	<b>-13</b>	<b>-18</b>
Managed Assets	-13	-18
- o/w Mutual Funds & U/L	-13	-18
Administered Assets	+0	+0



	30/06/2022	31/12/2021	Change	30/06/2021	Change
<b>Italy - Banca Mediolanum</b>	<b>91,737</b>	<b>98,943</b>	<b>-7%</b>	<b>93,407</b>	<b>-2%</b>
Mutual Funds & U-L Policies	62,080	69,743	-11%	65,376	-5%
Other Life Insurance Products	1,819	1,778	+2%	1,696	+7%
Banking	27,837	27,422	+2%	26,335	+6%
<b>Spain - Banco Mediolanum</b>	<b>8,624</b>	<b>8,937</b>	<b>-3%</b>	<b>8,284</b>	<b>+4%</b>
Mutual Funds & U-L Policies	5,862	6,456	-9%	5,881	-0%
Other Life Insurance Products	70	68	+3%	69	+1%
Banking	2,692	2,413	+12%	2,334	+15%
<b>Germany</b>	<b>394</b>	<b>481</b>	<b>-18%</b>	<b>493</b>	<b>-20%</b>
Mutual Funds & U-L Policies	394	481	-18%	490	-20%
Other Life Insurance Products	0	0	n.s.	0	n.s.
Banking	0	0	n.s.	3	n.s.
<b>TOTAL AUA/AUM</b>	<b>100,755</b>	<b>108,360</b>	<b>-7%</b>	<b>102,183</b>	<b>-1%</b>

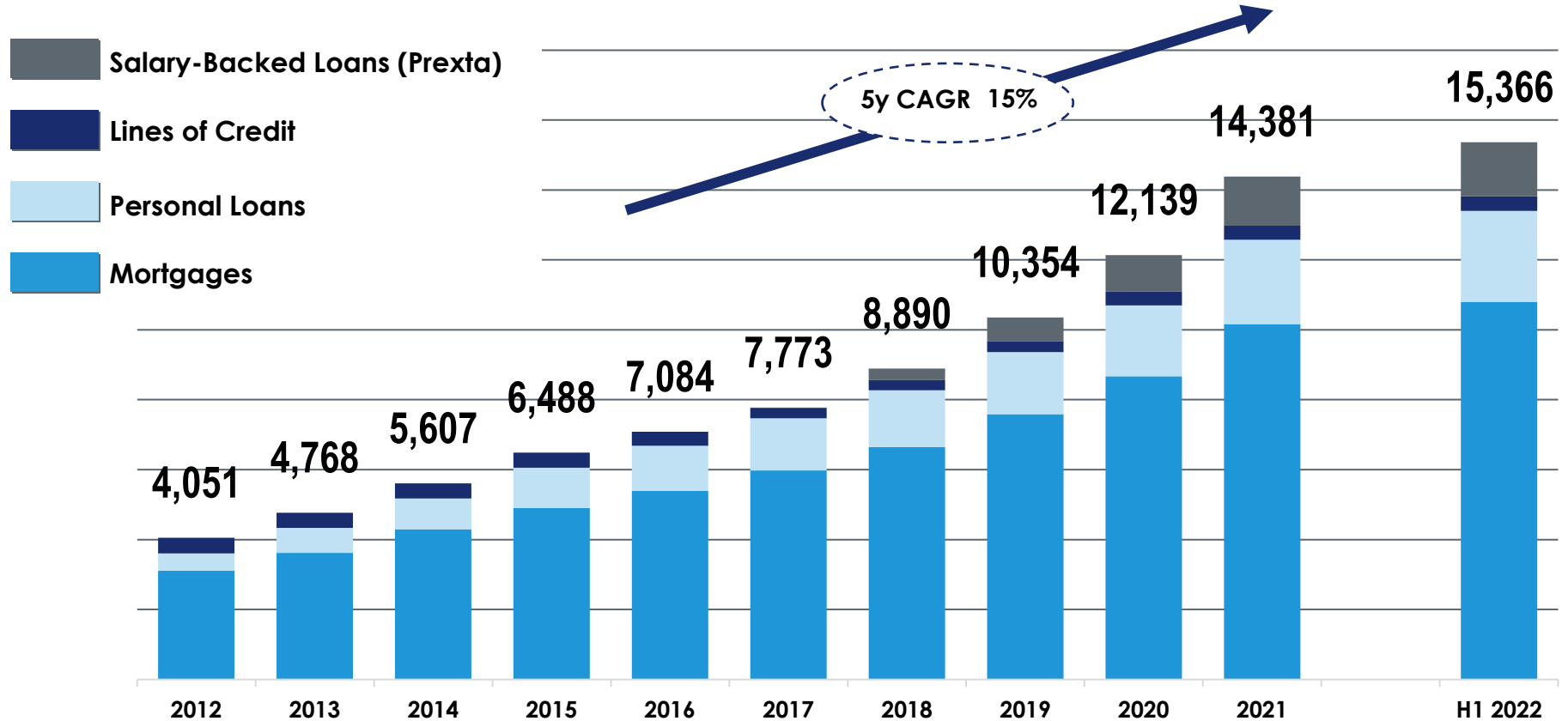


Certificates not included. **Low-yield bonds**: Eurozone + Japan govies. **Money market**: originating funds in IIS & other. **Cash**: liquidity not invested. **Other**: may include hedging derivatives.

	H1 2022	H1 2021	Change
Mortgages	1,090	1,110	-2%
Personal Loans	578	536	+8%
Salary-backed Loans (Prexta) <sup>1</sup>	244	258	-5%
<b>TOTAL</b>	<b>1,913</b>	<b>1,904</b>	<b>+0%</b>
3rd-party Loans	12	11	+10%

1. Includes Prexta unsecured loans





	30/06/2022	31/12/2021	Change	30/06/2021	Change
Mortgages	10,804	10,162	+6%	9,369	+15%
Personal Loans	2,593	2,417	+7%	2,232	+16%
Lines of Credit	421	394	+7%	375	+12%
Salary-backed loans (Prexta) <sup>1</sup>	1,547	1,408	+10%	1,243	+24%
<b>TOTAL</b>	<b>15,366</b>	<b>14,381</b>	<b>+7%</b>	<b>13,220</b>	<b>+16%</b>

	30/06/2022
Gross NPL	1.32%
Net NPL	0.72%
Annualised Cost of risk	0.10%

1. Includes Prexta unsecured loans

	H1 2022	H1 2021	Change
<b>Stand-alone policies</b>	<b>54.4</b>	<b>43.6</b>	<b>+25%</b>
New business	13.0	13.9	-6%
In-force business	41.4	29.7	+39%
<b>Loan protection policies</b>	<b>30.9</b>	<b>30.8</b>	<b>+0%</b>
<b>Group health policies</b>	<b>2.3</b>	<b>2.4</b>	<b>-5%</b>
<b>GROSS PREMIUMS</b>	<b>87.5</b>	<b>76.7</b>	<b>+14%</b>

	H1 2022	FY 2021
Common Equity Tier 1	2,469	2,361
Risk-Weighted Assets	11,710	11,274
<b>COMMON EQUITY TIER 1 RATIO</b>	<b>21.1%</b>	<b>20.9%</b>
<b>LEVERAGE RATIO</b>	<b>6.1%</b>	<b>6.0%</b>
<b>SREP</b>	<b>12.4%</b>	<b>12.2%</b>

H1 2022 Total Capital Ratio: 21.1%

Leverage Ratio = CET1 / Banking Group Assets



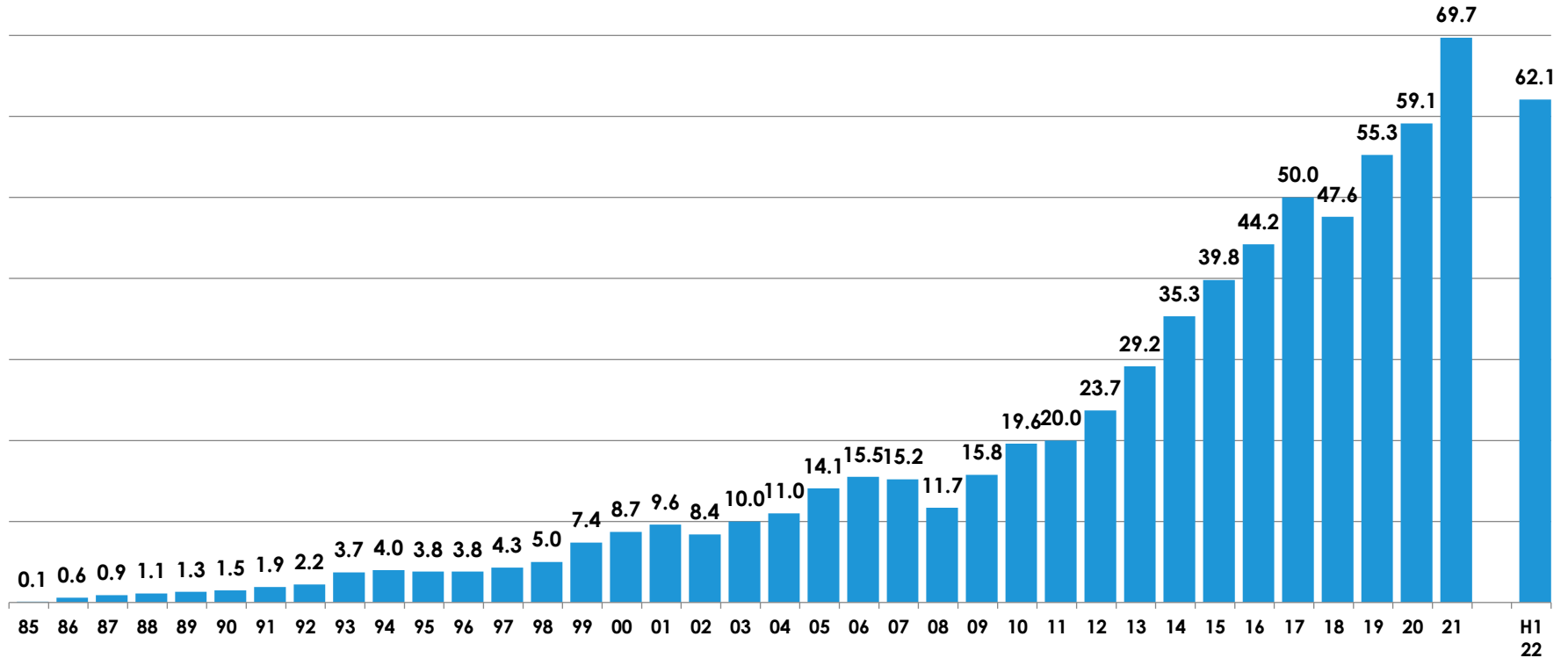
# H1 2022 Domestic Market Results

	H1 2022	H1 2021	Change
Entry fees	16.3	21.1	-22%
Management fees	584.6	557.1	+5%
Investment Management fees	89.8	85.7	+5%
Net Insurance revenues ex U-L commissions	20.9	25.2	-17%
Banking service fees	80.1	63.3	+27%
Other fees	20.3	21.2	-4%
<b>Gross Commission Income</b>	<b>812.0</b>	<b>773.5</b>	<b>+5%</b>
Acquisition costs	(302.3)	(297.1)	+2%
Other commission expenses	(41.8)	(38.7)	+8%
<b>Net Commission Income</b>	<b>467.9</b>	<b>437.6</b>	<b>+7%</b>
Net interest Income	150.8	121.5	+24%
Net income on other investments	(0.8)	0.3	n.s.
LLP (Impairment on loans)	(7.4)	(13.8)	-46%
Other revenues & expenses	2.9	1.7	+75%
<b>Contribution Margin</b>	<b>613.5</b>	<b>547.3</b>	<b>+12%</b>
G&A expenses	(289.1)	(264.9)	+9%
Regular Contributions to Banking Industry	(9.3)	(7.5)	+24%
Depreciation & Amortization	(17.2)	(16.2)	+7%
Provisions for risk & charges	(13.5)	(28.2)	-52%
<b>Operating Margin</b>	<b>284.3</b>	<b>230.5</b>	<b>+23%</b>
Market effects	(9.1)	104.9	n.s.
- o/w Performance fees	6.5	16.1	-59%
- o/w Net income on investments at fair value	(15.6)	88.8	n.s.
Extraordinary items	(0.4)	(2.3)	-82%
<b>PROFIT BEFORE TAX</b>	<b>274.9</b>	<b>333.1</b>	<b>-17%</b>
Income tax	(56.0)	(76.7)	-27%
<b>NET INCOME</b>	<b>218.9</b>	<b>256.4</b>	<b>-15%</b>

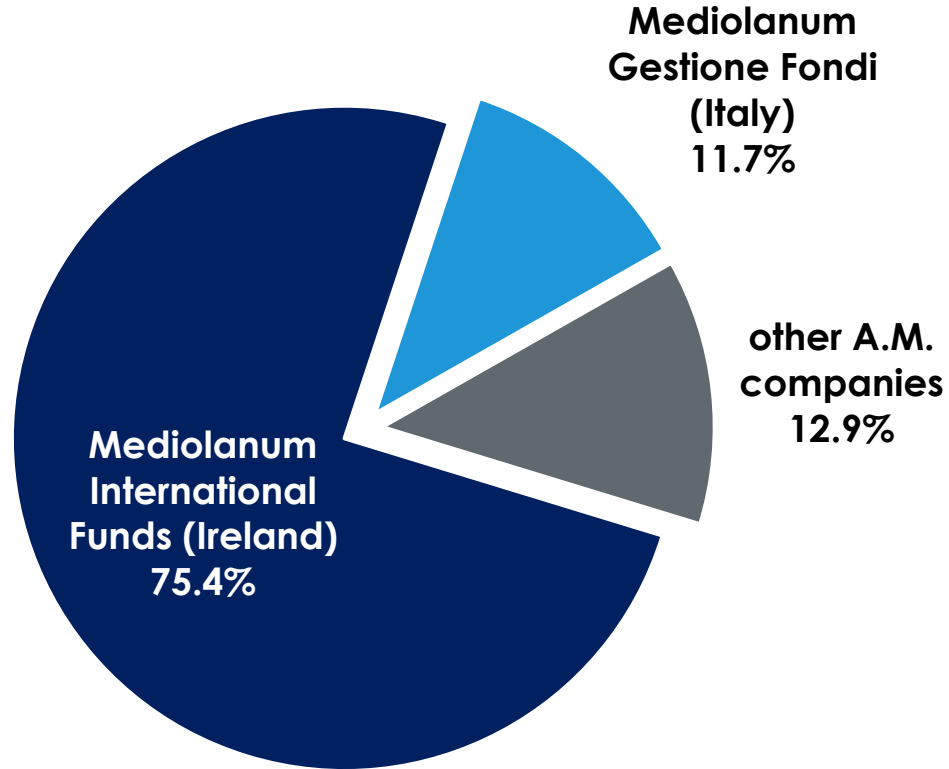
	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
Entry fees	11.3	9.8	8.2	9.0	9.0	7.3
Management fees	273.0	284.1	297.4	306.8	296.3	288.3
Investment Management fees	42.1	43.6	45.2	46.7	45.4	44.4
Net Insurance revenues ex U-L commissions	11.5	13.7	9.8	5.3	9.7	11.2
Banking service fees	27.0	36.3	28.1	42.4	44.3	35.8
Other fees	11.0	10.2	10.0	11.8	10.3	10.0
<b>Gross Commission Income</b>	<b>375.8</b>	<b>397.6</b>	<b>398.8</b>	<b>422.1</b>	<b>415.0</b>	<b>397.0</b>
Acquisition costs	(139.4)	(157.7)	(154.0)	(174.3)	(153.0)	(149.3)
Other commission expenses	(19.7)	(19.0)	(23.1)	(26.6)	(20.9)	(20.8)
<b>Net Commission Income</b>	<b>216.7</b>	<b>220.9</b>	<b>221.7</b>	<b>221.2</b>	<b>241.1</b>	<b>226.9</b>
Net interest income	60.9	60.6	62.7	67.4	65.5	85.2
Net income on other investments	1.3	(1.0)	(0.1)	18.8	(0.2)	(0.5)
LLP (Impairment on loans)	(7.3)	(6.5)	(3.5)	(5.0)	(3.1)	(4.3)
Other revenues & expenses	0.9	0.8	0.6	0.5	1.0	1.9
<b>Contribution Margin</b>	<b>272.5</b>	<b>274.8</b>	<b>281.4</b>	<b>302.9</b>	<b>304.3</b>	<b>309.2</b>
G&A expenses	(128.0)	(137.0)	(121.2)	(149.0)	(139.3)	(149.7)
Regular Contributions to Banking Industry	(7.4)	(0.1)	(12.5)	(5.1)	(8.1)	(1.2)
Depreciation & Amortization	(7.9)	(8.3)	(8.4)	(8.7)	(8.7)	(8.5)
Provisions for risk & charges	(11.1)	(17.1)	(15.2)	(23.8)	(15.3)	1.7
<b>Operating Margin</b>	<b>118.1</b>	<b>112.4</b>	<b>124.0</b>	<b>116.3</b>	<b>132.8</b>	<b>151.5</b>
Market effects	48.4	56.4	(0.7)	282.8	2.0	(11.0)
- o/w Performance fees	9.3	6.7	14.6	290.5	5.9	0.6
- o/w Net income on investments at fair value	39.1	49.7	(15.3)	(7.7)	(3.9)	(11.7)
Extraordinary items	0.0	(2.3)	(4.9)	(15.4)	(0.4)	0.0
<b>PROFIT BEFORE TAX</b>	<b>166.5</b>	<b>166.6</b>	<b>118.4</b>	<b>383.8</b>	<b>134.4</b>	<b>140.4</b>
Income tax	(39.3)	(37.4)	(21.3)	(68.8)	(27.8)	(28.2)
<b>NET INCOME</b>	<b>127.2</b>	<b>129.2</b>	<b>97.2</b>	<b>315.0</b>	<b>106.6</b>	<b>112.3</b>

	H1 2022	H1 2021	Change
<b>Total commissions</b>	<b>257.4</b>	<b>246.9</b>	<b>+4%</b>
One-time commissions	47.4	49.6	-4%
Ongoing commissions	210.0	197.3	+6%
<b>Total incentives &amp; bonuses</b>	<b>30.6</b>	<b>38.7</b>	<b>-21%</b>
Incentives on individual net inflows	19.8	26.6	-25%
Contests & bonuses	9.9	11.6	-15%
Reimbursement of costs for customers events	0.9	0.6	+63%
<b>Costs related to the agency agreement</b>	<b>12.0</b>	<b>8.5</b>	<b>+42%</b>
<b>Prexta agent commissions</b>	<b>2.3</b>	<b>3.0</b>	<b>-22%</b>
<b>TOTAL ACQUISITION COSTS</b>	<b>302.3</b>	<b>297.1</b>	<b>+2%</b>





	30/06/2022	31/12/2021	Change	30/06/2021	Change
'Best Brands' funds on funds (IRL)	23,640	26,212	-10%	24,455	-3%
'Challenge' mutual funds (IRL)	17,587	19,699	-11%	18,800	-6%
Funds of Hedge Funds (IRL)	38	40	-6%	41	-7%
'Fondi Italia' mutual funds (ITA)	6,754	8,386	-19%	8,482	-20%
'Real estate' fund (ITA)	243	244	-1%	264	-8%
3rd-party stand-alone funds	3,675	4,207	-13%	3,994	-8%
Other	2,502	2,610	-4%	1,907	+31%
<i>Adj. for own mutual funds in FoFs &amp; Managed accts</i>	<i>(387)</i>	<i>(409)</i>	<i>-5%</i>	<i>(343)</i>	<i>+13%</i>
MyLife' U-L policy	11,843	12,750	-7%	11,221	+6%
Other U-L policies	17,538	19,665	-11%	18,265	-4%
<i>Adj. for own mutual funds in U-L policies</i>	<i>(21,354)</i>	<i>(23,661)</i>	<i>-10%</i>	<i>(21,710)</i>	<i>-2%</i>
<b>ASSETS IN MUTUAL FUNDS &amp; U-L</b>	<b>62,080</b>	<b>69,743</b>	<b>-11%</b>	<b>65,376</b>	<b>-5%</b>



	30/06/2022	31/12/2021	Change	30/06/2021	Change
Cash deposits	23,011	22,388	+3%	21,416	+7%
Repurchase agreements	10	18	-44%	35	-71%
Mediolanum bonds	0	0	n.s.	0	n.s.
3rd-party structured bonds	1,559	1,432	+9%	1,538	+1%
Other securities	3,257	3,583	-9%	3,347	-3%
<b>BANKING ADMINISTERED ASSETS</b>	<b>27,837</b>	<b>27,422</b>	<b>+2%</b>	<b>26,335</b>	<b>+6%</b>

	30/06/2022	31/12/2021	Change	30/06/2021	Change
Mortgages	9,948	9,383	+6%	8,689	+14%
Personal loans	2,381	2,223	+7%	2,057	+16%
Lines of credit	362	341	+6%	329	+10%
Salary-backed Loans (Prexta) <sup>1</sup>	1,547	1,408	+10%	1,243	+24%
<b>TOTAL CREDIT BOOK</b>	<b>14,238</b>	<b>13,355</b>	<b>+7%</b>	<b>12,318</b>	<b>+16%</b>

	Banca Mediolanum	Italian Banks
Gross NPL	1.37%	4.1% <sup>2</sup>
Net NPL	0.75%	1.7% <sup>3</sup>
Annualised Cost of risk	0.12%	

1 Includes Prexta unsecured loans

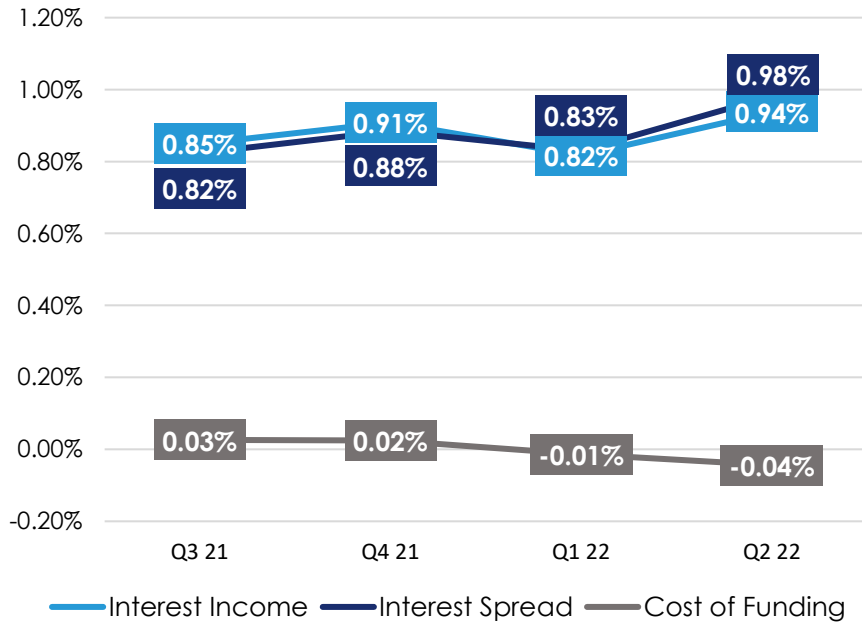
2 Bank of Italy – 'Banks and Financial Institutions: Credit Conditions and Risk by Sector and Geographical Area – Q1 2022'

3 Bank of Italy - 'Financial Stability Report No. 1 2022'

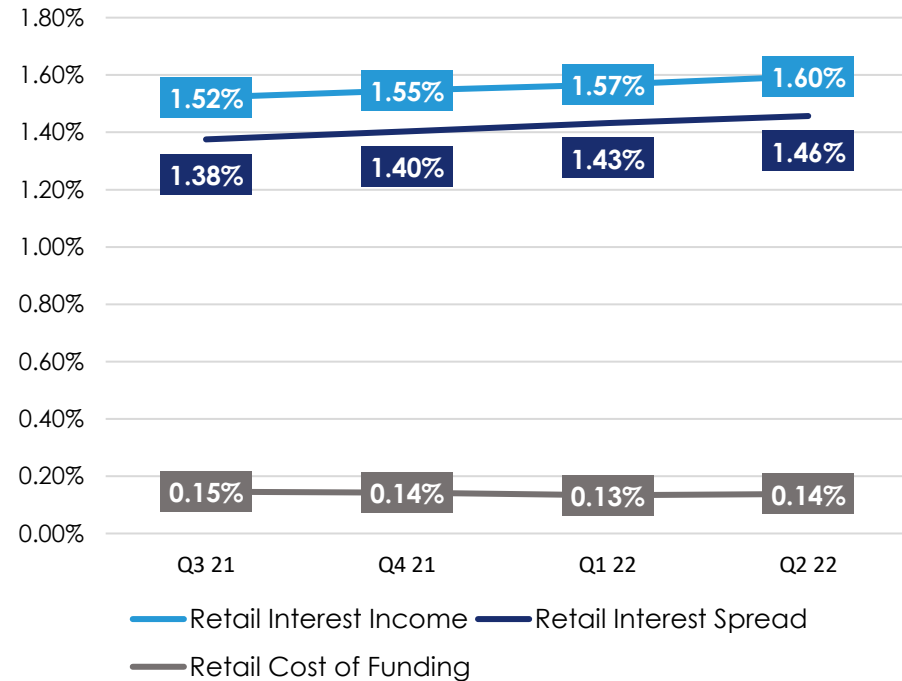
	Nominal Interest Rate	H1 2022	H1 2021	Change
Mortgages	1.27%	981	978	+0%
Personal loans	2.88%	530	484	+10%
Salary-backed Loans (Prexta) <sup>1</sup>	6.81%	244	258	-5%
<b>TOTAL</b>		<b>1,756</b>	<b>1,720</b>	<b>+2%</b>
3rd-party loans	n.s.	12	11	+10%

<sup>1</sup> Includes Prexta unsecured loans

## Total Book



## Retail Book

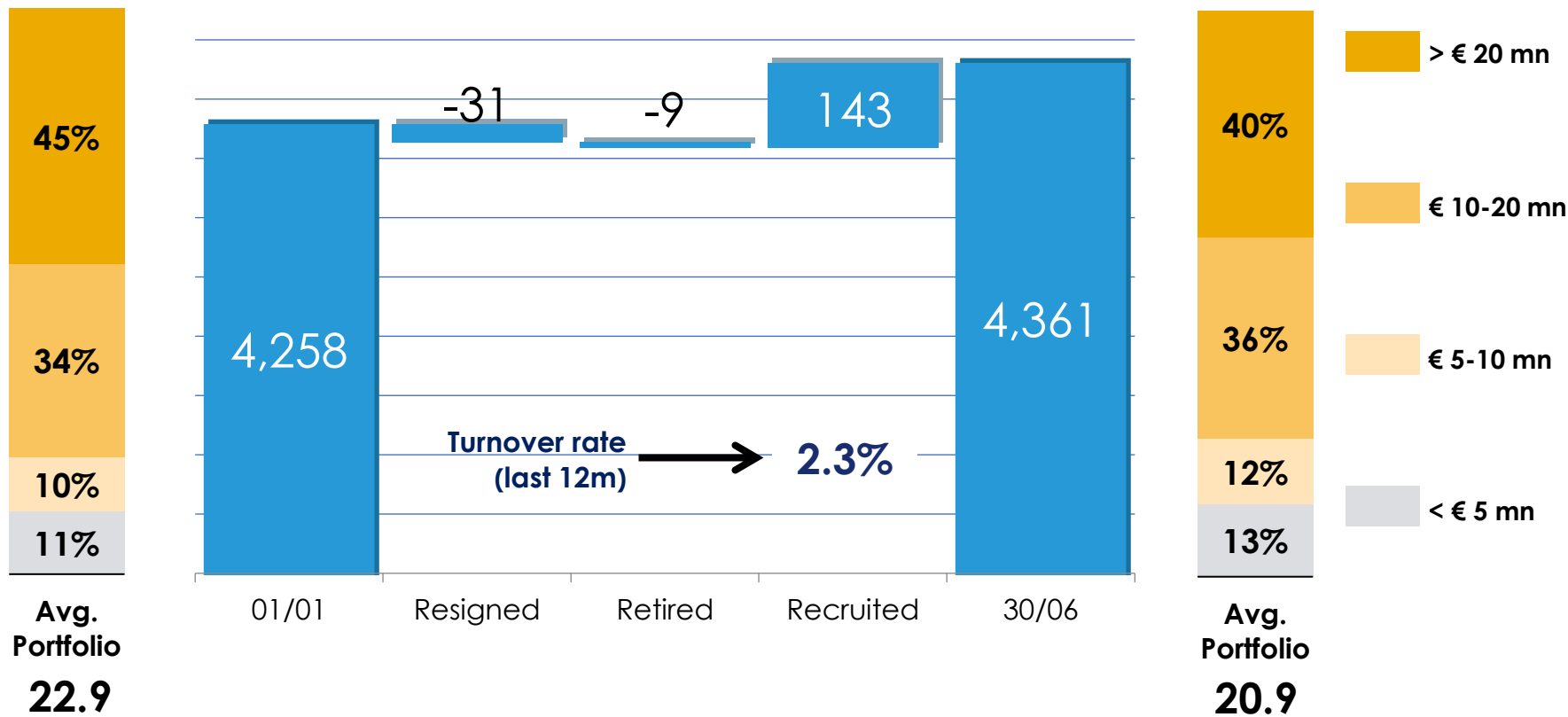


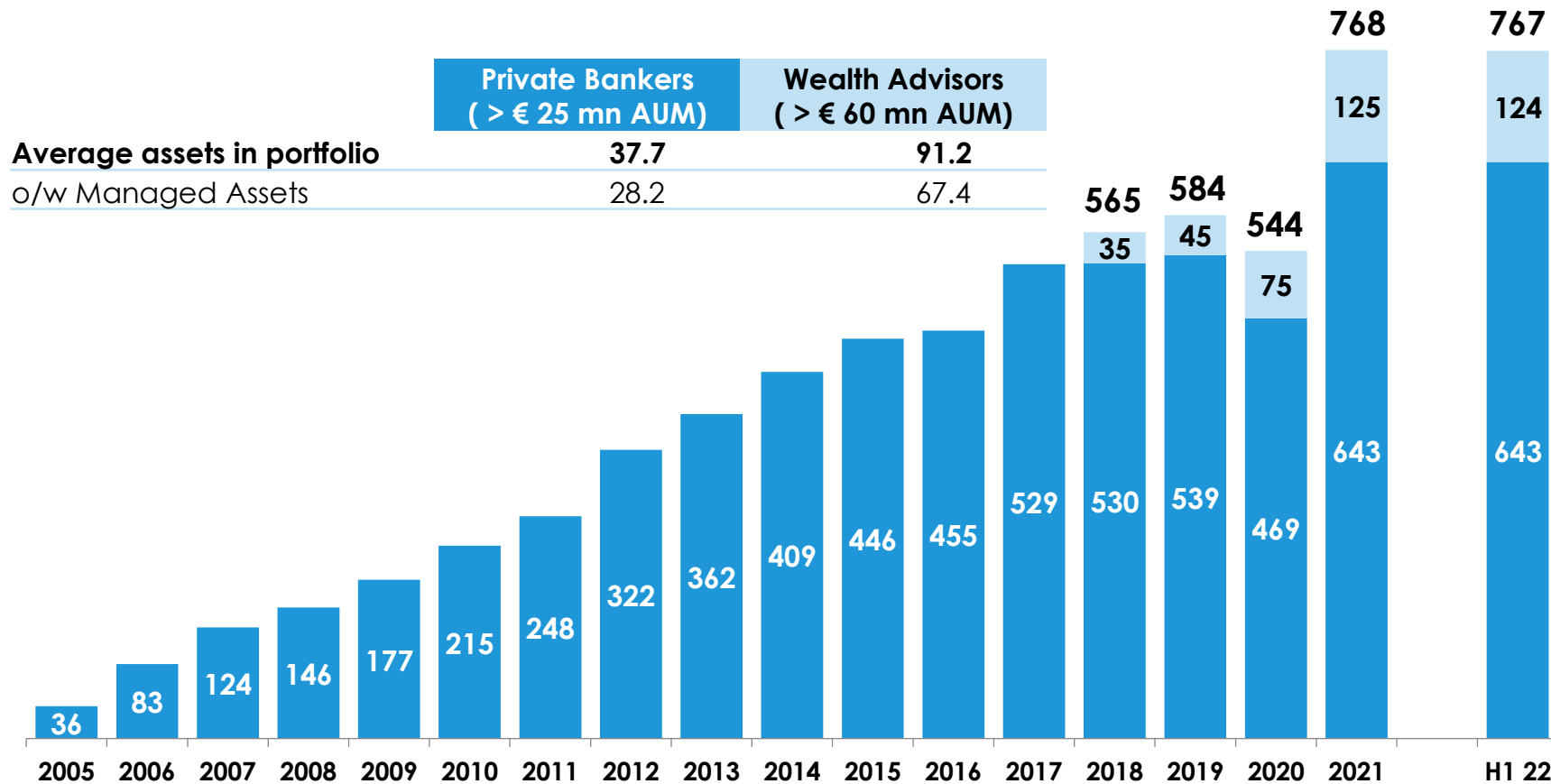
	Liabilities	Assets
<b>Retail</b>	<b>23,078</b>	<b>13,805</b>
<b>Treasury</b>	<b>8,315</b>	<b>17,985</b>
Interbank / intra-group deposits & repos	1,231	664
ECB refinancing	1,050	386
MTS refinancing	5,574	0
Securities (bonds)	460	16,935
<b>Other liabilities / assets</b>	<b>4,226</b>	<b>3,829</b>
<b>TOTAL</b>	<b>35,619</b>	<b>35,619</b>

Operating Liquidity (24hr): 10,779



	30/06/2022	31/12/2021	Change	30/06/2021	Change
<b>Traditional</b>	1,819	1,778	+2%	1,696	+7%
<b>Unit-linked</b>	29,382	32,415	-9%	29,486	-0%
<i>o/w equity</i>	51.4%	51.2%	0%	52.0%	-1%
U-L pension plans	7,745	8,806	-12%	8,149	-5%
U-L endowment policies	3,326	3,884	-14%	3,769	-12%
U-L investment policies	18,311	19,725	-7%	17,568	+4%
<b>LIFE ASSETS</b>	<b>31,201</b>	<b>34,193</b>	<b>-9%</b>	<b>31,182</b>	<b>+0%</b>





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



# H1 2022 Foreign Markets Results

	H1 2022	H1 2021	Change	vs. FY
<b>Net Income</b>	19.7	15.4	+28%	
<b>Total Assets</b>	8,624	8,284	+4%	-3%
Managed Assets	5,932	5,950	-0%	-9%
Administered Assets	2,692	2,334	+15%	+12%
<b>Total Net Inflows</b>	638	736	-13%	
Net Inflows into Managed Assets	402	498	-19%	
Net Inflows into Administered Assets	236	237	-1%	
<b>Credit Book</b>	1,128	902	+25%	+10%
<b>Family Bankers</b>	1,586	1,404	+13%	+5%
<b>Customers</b>	198,930	172,700	+15%	+7%



# Business Update

	Jul 2022	YTD 2022	YTD 2021
<b>GROUP TOTAL NET INFLOWS</b>	<b>745</b>	<b>5,090</b>	<b>5,476</b>
<b>Managed Assets</b>	<b>419</b>	<b>3,541</b>	<b>3,863</b>
- o/w Mutual Funds, U-L & Managed Accounts	371	3,009	3,921
<b>Administered Assets</b>	<b>326</b>	<b>1,549</b>	<b>1,614</b>
<b>GROUP LOANS GRANTED</b>	<b>375</b>	<b>2,288</b>	<b>2,120</b>
<b>GENERAL INSURANCE PREMIUMS</b>	<b>17</b>	<b>104</b>	<b>93</b>

	H1 2022		
	Mutual Funds*	Managed Assets	Total Net Inflows
<b>Banca Mediolanum</b>	<b>2,329</b>	<b>2,370</b>	<b>3,671</b>
Allianz Bank	1,775	1,847	2,944
Gruppo Fideuram (ex. ISPB)	896	1,321	4,254
Finecobank	480	1,657	4,935
Banca Generali	458	872	3,047
Deutsche Bank (Finanza & Futuro)	217	488	606
BNL - BNP Paribas	205	426	829
Banca Widiba	103	122	347
Che Banca!	95	226	517
Azimut	48	162	282
Banca Euromobiliare	38	43	417
Consultinvest	13	11	14
Credem	-76	10	518

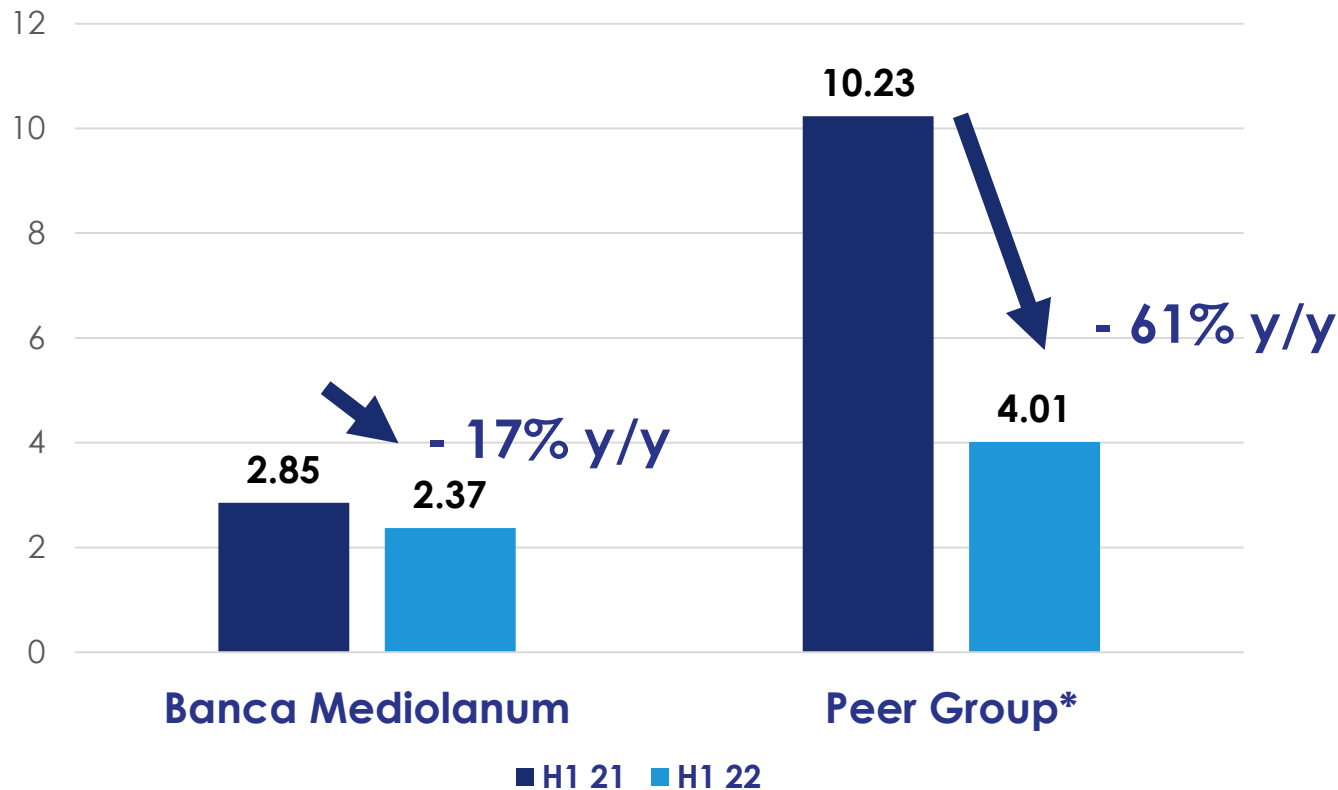
\* including Unit-Linked policies & Managed Accounts

Source: Assoreti



# 41 Net Inflows into Managed Assets

€ mn

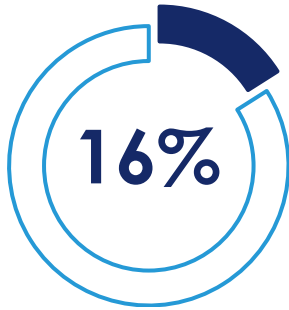


\* Fideuram, Fineco, Banca Generali & Azimut

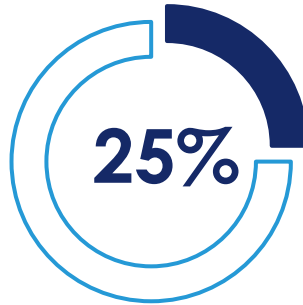
Source Assoreti

■ BMED    □ Other FA networks

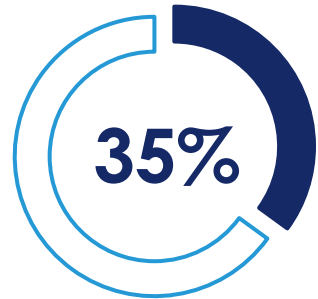
### Total Net Inflows



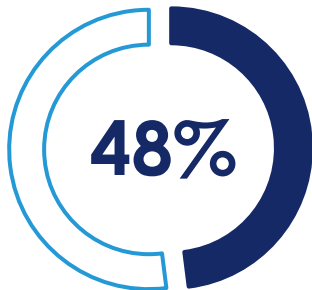
### Net Inflows into Managed Assets



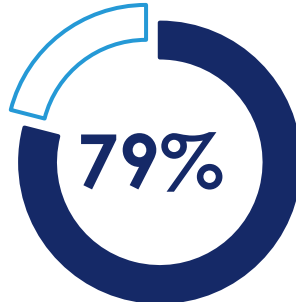
### Net Inflows into Mutual Funds\*



### Mortgages Granted



### Personal Loans Granted



### General Insurance Gross Premiums



\* including Unit-Linked policies & Managed Accounts

Source: Assoreti

## 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)**

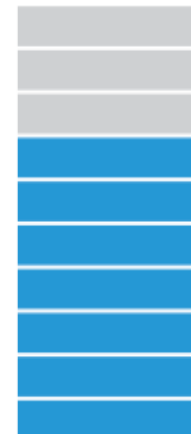
- Capital is initially invested in money market fund
- A portion of the assets is switched once or twice monthly into equity funds or U-L policy, investing the entire amount over 3/5-year period
- Instalment amount automatically increases if equity fund value drops. Capital gains on equity >10% are switched 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

- A **long-term 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: 1% to 2% 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)



- A **long-term investment strategy**/service (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

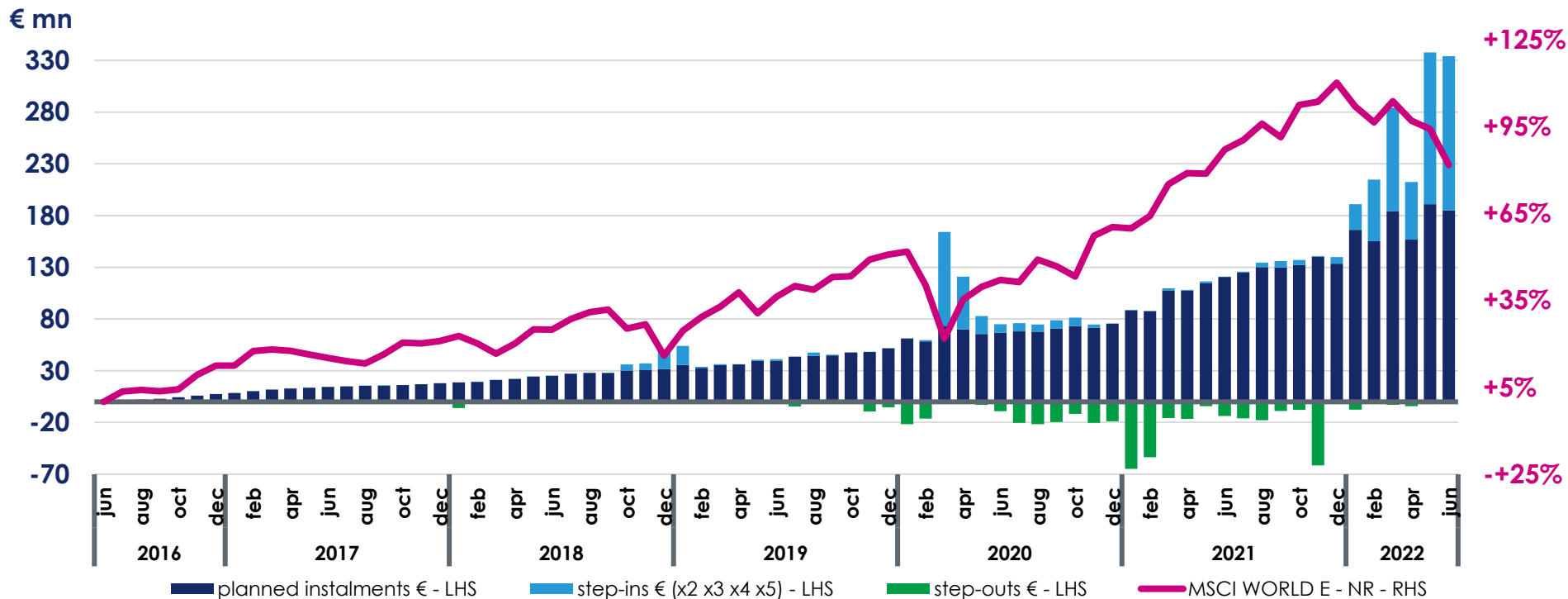


STRATEGY

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

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

**Step ins & step outs** reduce avg unit price on investments, allowing **customers to benefit from market volatility**. Over **€ 500 mn** of managed assets were **automatically invested in equity** through **step-ins in H1**. More than € 5 bn to be transferred from monetary funds over the next 3-5 years.



## Group Total Customers\*

### 2,352k

('000)

1,444

199

677

70

Banca  
Mediolanum (ITA)

Banco  
Mediolanum (SPA)

Flowe (ITA)

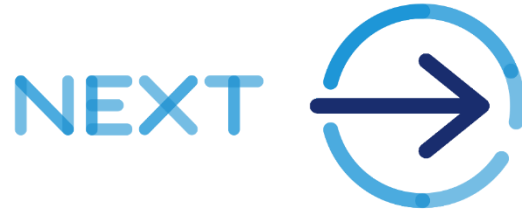
Prexta (ITA)

### End Goal:

## to be the Customer's Primary Bank

### 1,133k hold a bank account

- **63%** use BMED as **Primary Bank**  
(internal data analytics)
- **39%** use BMED as the **Only Bank**  
(2021 survey)



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

- '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/WAs** to focus on larger customers & new business development
- As remuneration they receive a **percentage of the senior PBs/WAs commission**, with a 3-year minimum monthly compensation
- This project assures an **increase in productivity** in the Network and **organic growth** plus **generational renewal**
- **61 'Banker Consultants' already joined the Network**; 80 'BCs' currently training

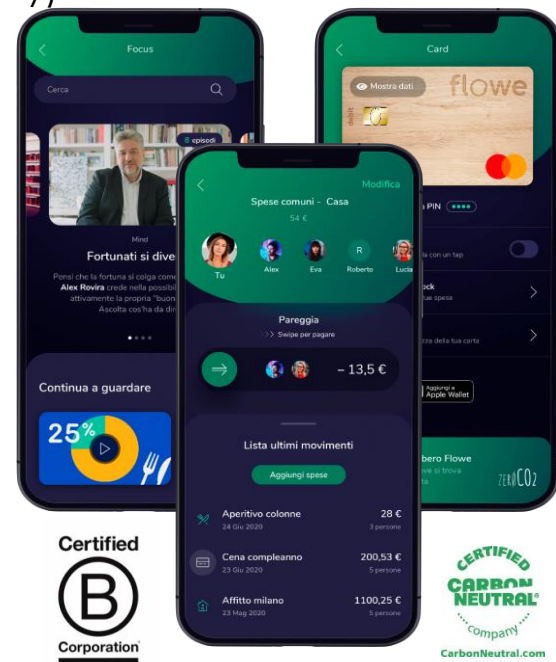


## E-money institution for younger generations' needs: ease in banking, 'innovability' & better-being

- **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**
- Available ages **12 yrs+** on the Italian market (for now)

### Results & ambitions

- **Users: 677,000. Avg. age: 30**
- Avg. **deposits** small, **consistent with target & business model**
- 2021-22: focus on **increasing usage & upselling** of services
- 2022-23: development of **innovative trading activities**



## 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 & general insurance products** available
- Able to be managed on a 'do-it-yourself' basis, **'à la carte'**
- **Over 27,500 customers acquired** since launch
- **Cross-selling activity growing** according to expectations



### SELFYCARE TRAVEL. PROTEGGI LE TUE VACANZE.

Con SelfyCare Travel puoi mettere le tue vacanze al sicuro. La polizza garantisce l'assistenza e la copertura dei rischi che possono insorgere durante i tuoi viaggi e quelli delle persone a te care, in Italia e all'estero. Attiva SelfyCare Travel direttamente dall'app Mediolanum in pochi semplici passaggi e goditi ogni momento della tua vacanza senza pensieri.






NON SEI ANCORA CLIENTE?

ENTRA IN BANCA MEDIOLANUM

SCARICA L'APP MEDIOLANUM



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

Overall Satisfaction	Perceived Value	Digital Platform	Financial Advisor Interaction
<p><b>Customer Satisfaction</b></p> <p><b>97%</b></p> <p>Market Avg: 90%</p>	<p><b>Comprehensiveness of Offer</b></p> <p><b>84.4</b></p> <p>Trad. Banks: 73.1   Online Banks: 80.3</p>	<p><b>Mobile App Satisfaction</b></p> <p><b>85%</b></p> <p>Market Avg: 66%</p>	<p><b>Overall Satisfaction</b></p> <p><b>91%</b></p> <p>Market Avg: 60%</p>
<p><b>Net Promoter Score</b></p> <p><b>68.3</b></p> <p> <b>1<sup>st</sup> Bank in Italy</b></p> <p>Trad. Banks: 7.1   Online Banks: 49.3</p>	<p><b>Value for Money</b></p> <p><b>77.5</b></p> <p>Trad. Banks: 65.0   Online Banks: 79.2</p>	<p><b>App Store Rating</b></p> <p> <b>4.7</b> </p> <p> <b>4.5</b> </p>	<p><b>Availability</b></p> <p>In 2021, Family Bankers had <b>9 contacts</b> on average with their customers</p>
<p><b>Customer Retention</b></p> <p><b>95%</b></p>	<p><b>Focus on Sustainability</b></p> <p><b>84.6</b></p> <p>Trad. Banks: 66.2   Online Banks: 76.1</p>		

## BMED announces its inaugural credit ratings

- The **BBB level** achieved on the long term ratings by S&P and Fitch represent the **maximum level achievable** by an Italian bank and are in line with the Republic of Italy and the national champions operating in the banking space
- The two agencies underline **BMED strengths** in their rating reports: **Business Model, Capitalisation** and **low Credit Risk**

STANDARD  
& POOR'S

FitchRatings

Long Term Issuer credit Rating	BBB	BBB
Short Term Issuer credit Rating	A-2	F3
Outlook	Stable	Stable
Credit Highlights	<p>“BMED benefits from its <b>agile, diversified business model</b>, with an <b>established franchise</b> in the <b>attractive wealth management business</b> in Italy”</p> <p>“In addition, the bank is significantly <b>less exposed than domestic commercial banks to the high credit risk</b> we see in Italy and has a <b>strong track record of effectively managing operational and reputational risks</b>”</p>	<p>“BMED ratings reflect the bank's business profile with <b>adequate domestic franchise, and stable client base</b>, which have ensured <b>resilient net new money</b> flows and <b>earnings</b> throughout economic cycles.</p> <p>Traditional lending activities are ancillary to BMED core asset management business.</p> <p>The ratings also consider the bank's <b>sound funding and liquidity and adequate capitalisation</b>”</p>

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



- Euronext MIB ESG Component
- Signatory of U.N. Principles for Responsible Banking




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



## BMED working continuously to qualify product offer from ESG standpoint

	H1 2022 AUM		
<ul style="list-style-type: none"> <li>● <b>7 Captive SRI Mutual Funds</b> (4 Art. 8, 3. Art. 9)</li> </ul>	€ 2.58 bn	€ 7.81 bn	11% of total M.F. AUM
<ul style="list-style-type: none"> <li>● <b>Over 2,400 3<sup>rd</sup> Party ISINs</b> (both Art. 8 &amp; Art. 9)</li> </ul>	€ 5.23 bn		45% of Net Inflows into M.F

- **'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
- **Product lines 100% paperless** (SelfyConto, Instant Credit, etc.)

## BMED first bank to build ESG ratings for all lines of products

- Asset management products rated by a third-party provider, **MSCI ESG Research**:
  - **100%** of captive mutual fund **AUM** rated, o/w **99.95%** scored 'Leaders' or 'Average'
- Rest of the offer: we created – together with Cattolica University - **the first ESG rating model for banking, credit & general insurance products**

**MSCI**  
ESG RATINGS



Asset management

Banking

General Insurance

Lending

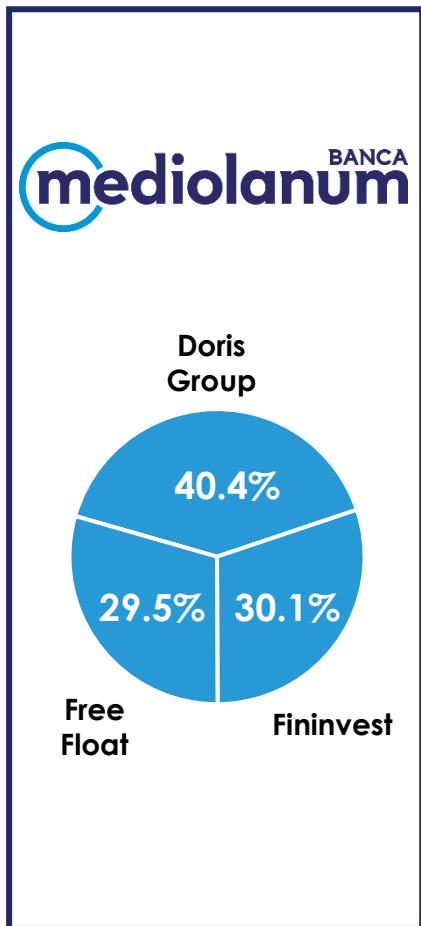


- Eco Sustainability
- Toxic emissions & waste
- Promoting Eco-Values
- Data security & Privacy
- Access & Affordability
- Promoting Social-Values
- Business ethics
- Institutional fairness
- Risk management



# Mediolanum Facts





## BANKING

100%



Banco  
Mediolanum



Bankhaus  
August Lenz

Mediolanum  
Fiduciaria

## ASSET MANAGEMENT

100%

(direct &amp; indirect ownership)



Mediolanum  
Gestione Fondi

100% Banca  
Mediolanum


Mediolanum  
International  
Funds

95% Banca Mediolanum  
5% Banco Mediolanum


Mediolanum  
Gestio S.A.

100% Banco  
Mediolanum

## INSURANCE

100%



Mediolanum Vita



Mediolanum  
International Life

Mediolanum  
Assicurazioni

## OTHER

100%

Flowe

Prexta

Mediolanum  
Comunicazione

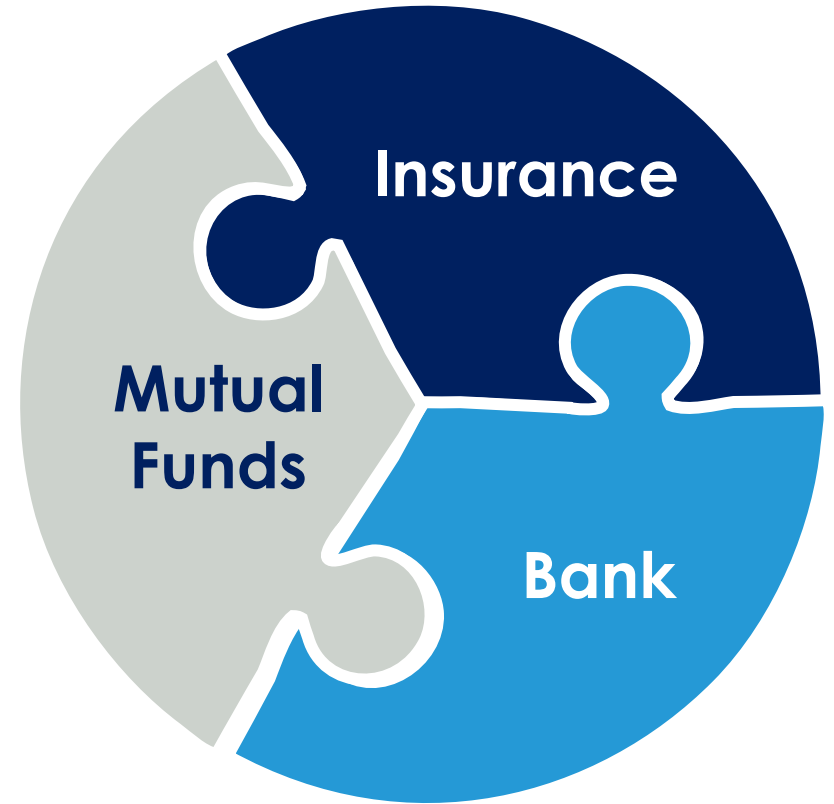
3.3% (directly &amp; through Mediolanum Vita)

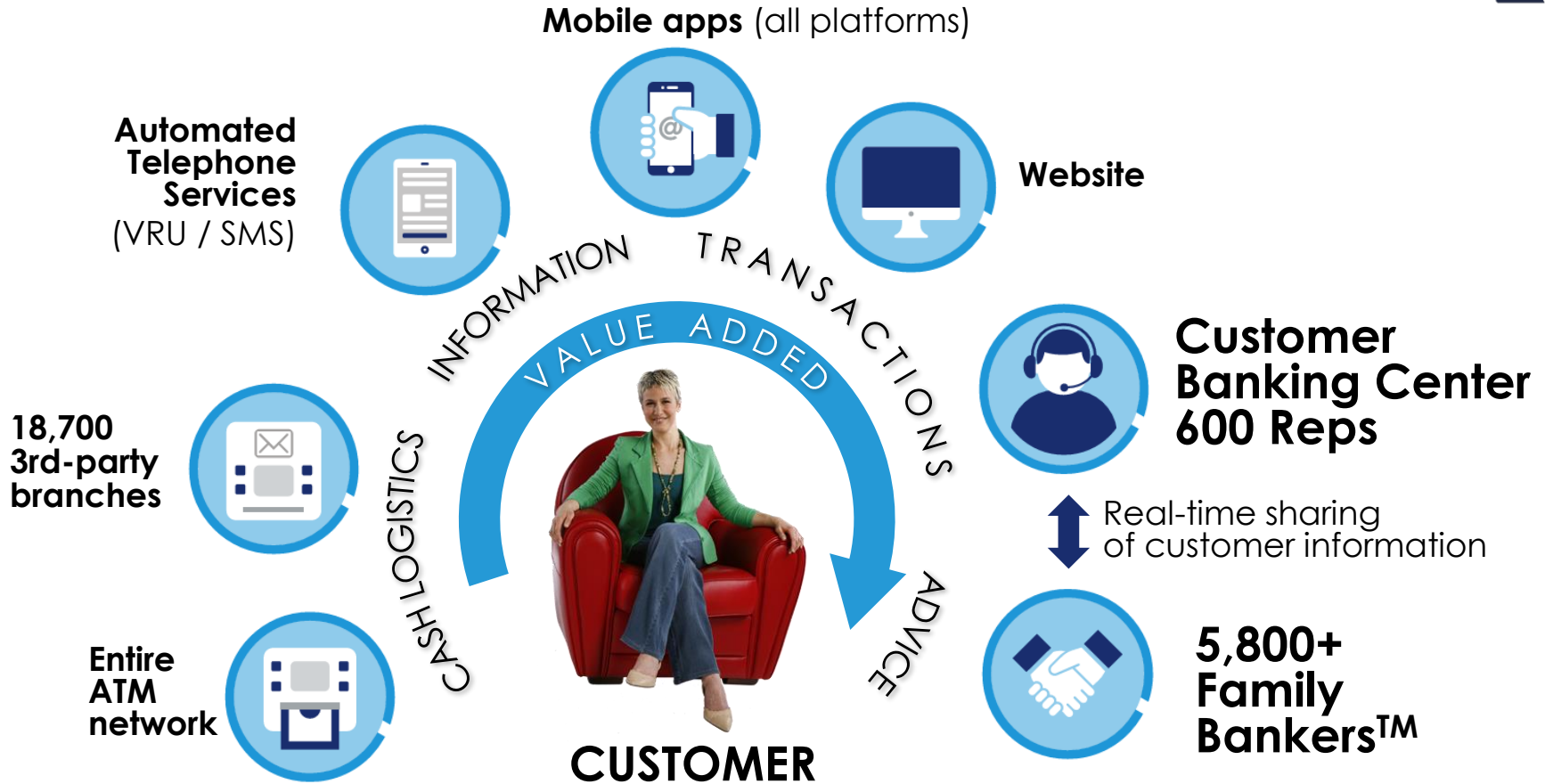


Mediobanca

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





- 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

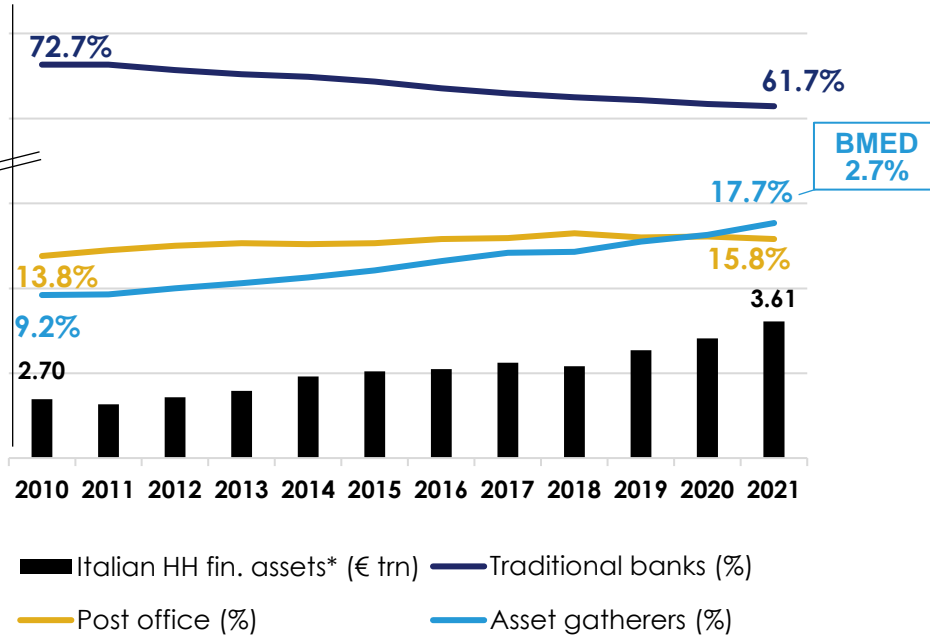


## Customers: freedom in banking

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

## Over the last few years asset gatherers have increased market share to the detriment of traditional banks

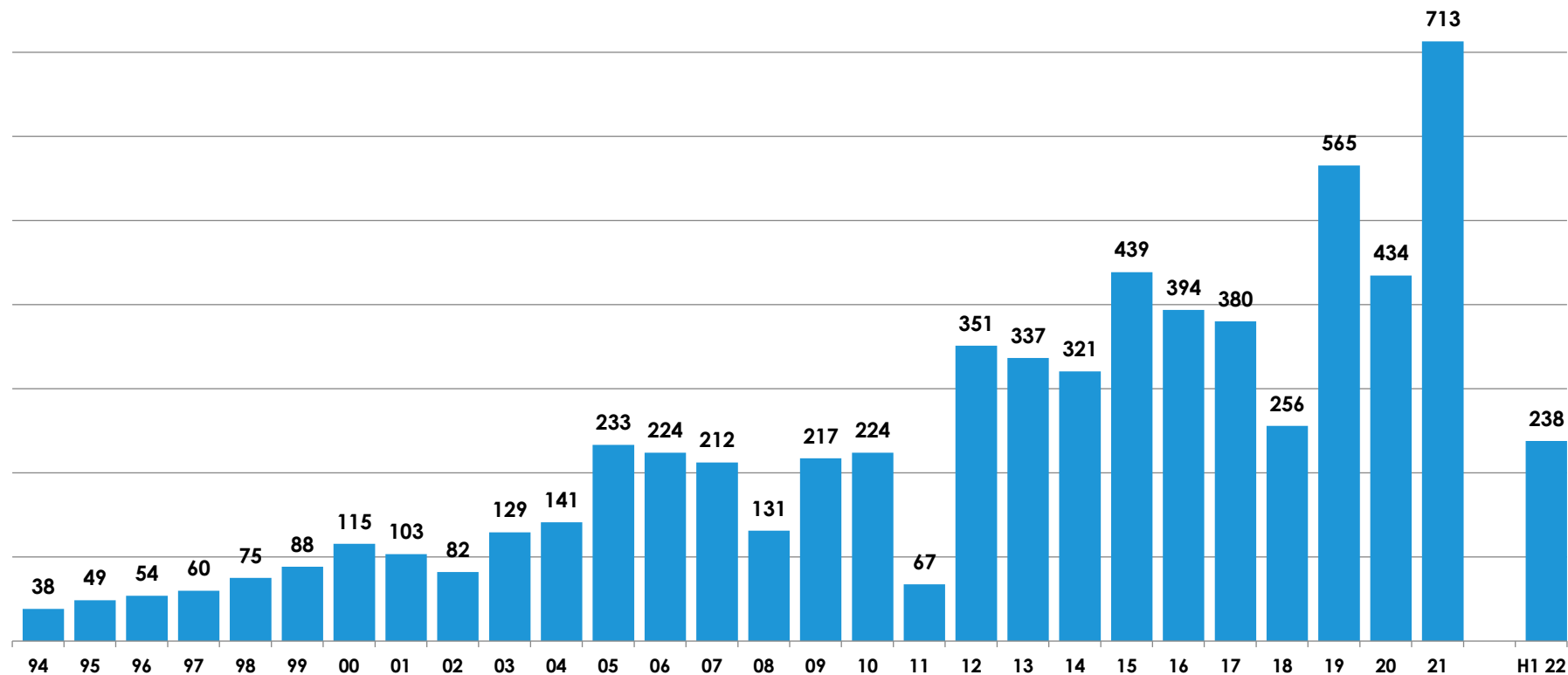
Total HH Assets: € 5.08 trillion



Asset gatherers growing mainly thanks to:

- Demand for **specialised advice**
- **Products & services tailored** on customer needs
- Better **product performance**
- **Recruiting** of traditional bank professionals

(\* ) Includes deposits, administered & managed assets. Does not include real estate, shares of unlisted companies, TFR (end-of-service pay) & cash, as these assets are a non-addressable market for financial institutions. Total wealth of Italian households – all items included - is equal to € 5.08 trn in 2021.



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

**2021 Dividend of € 0.58:**

- € 0.46 Base dividend (new floor)

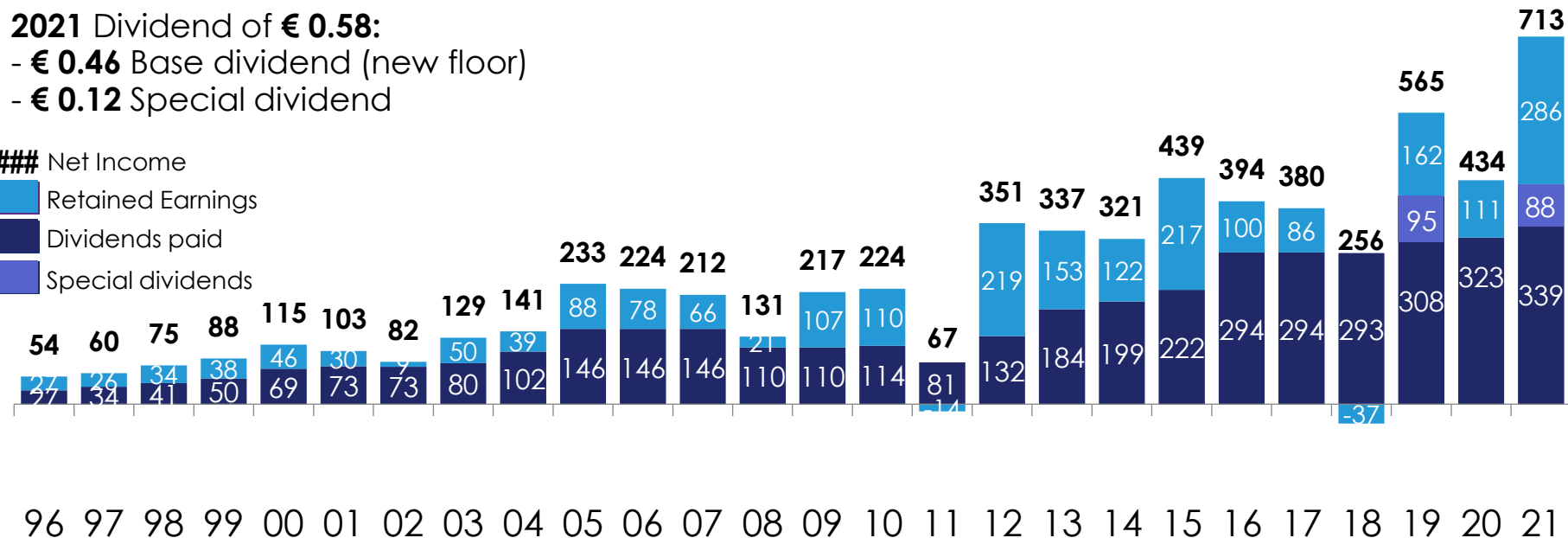
- € 0.12 Special dividend

### Net Income

Retained Earnings

Dividends paid

Special dividends



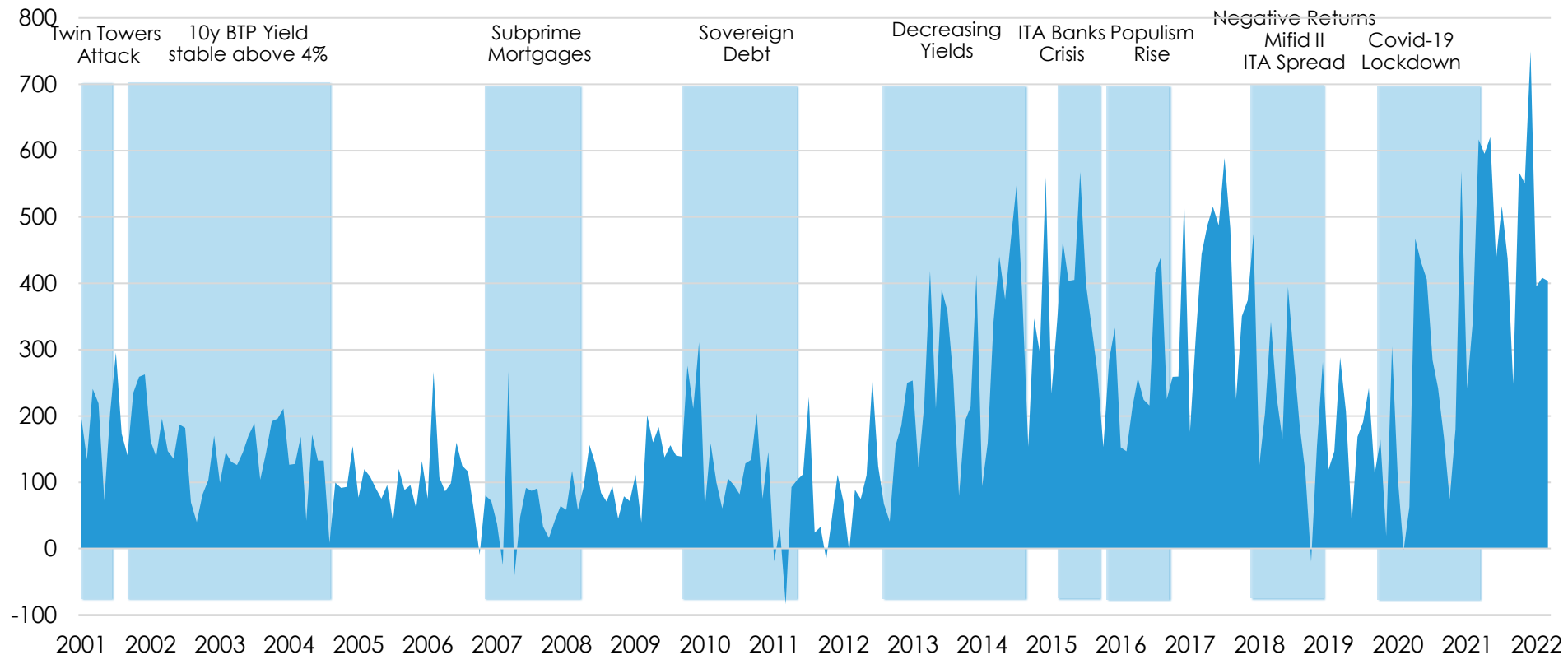
DPS (€ cents)



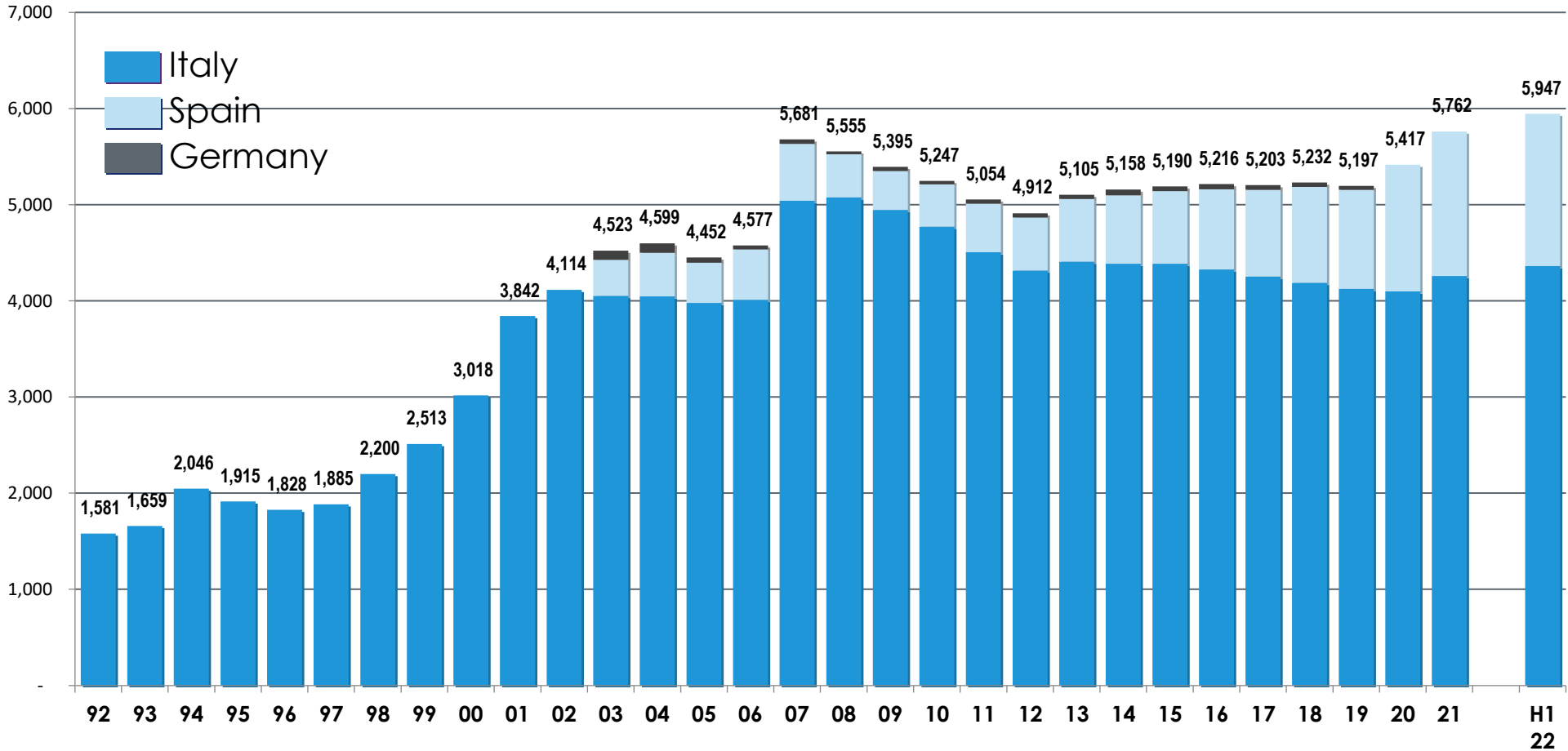
2019 & 2020:

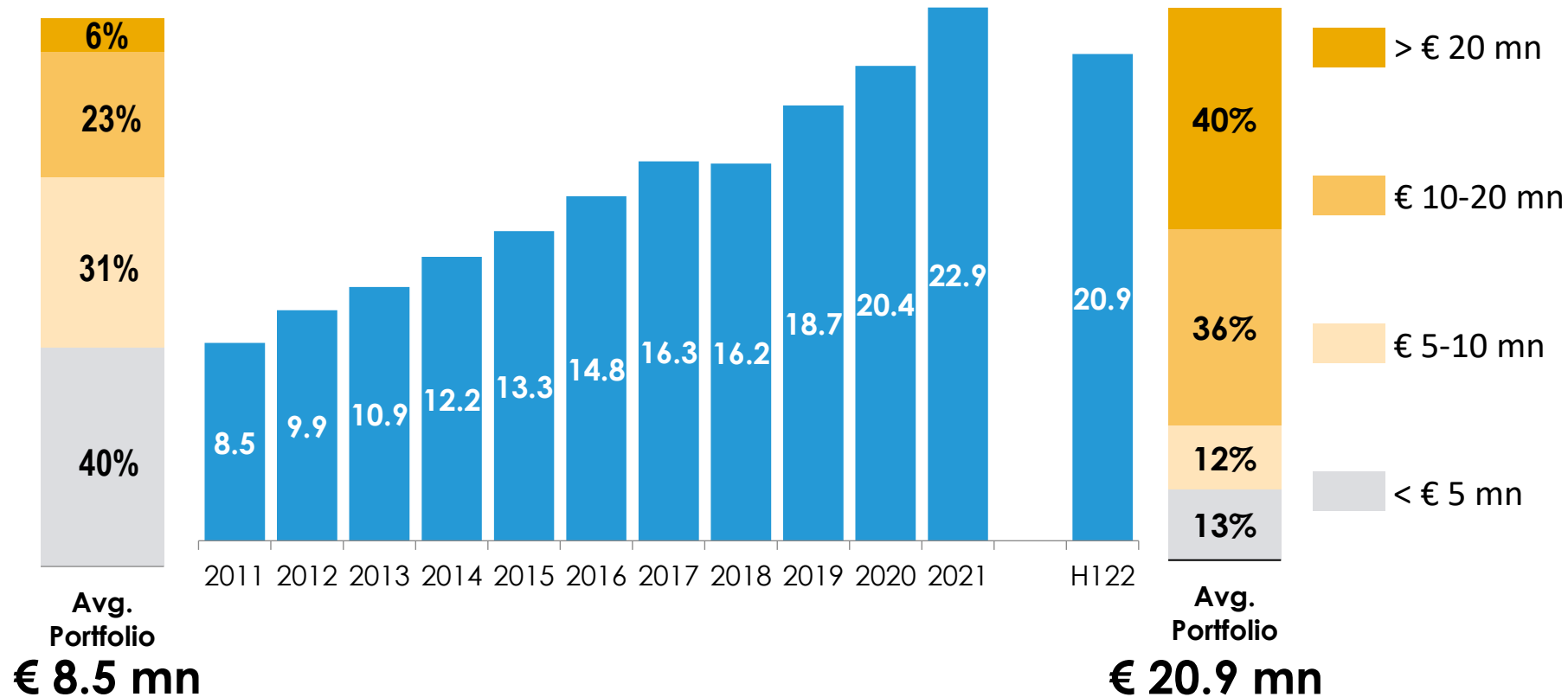
DPS approved by AGM

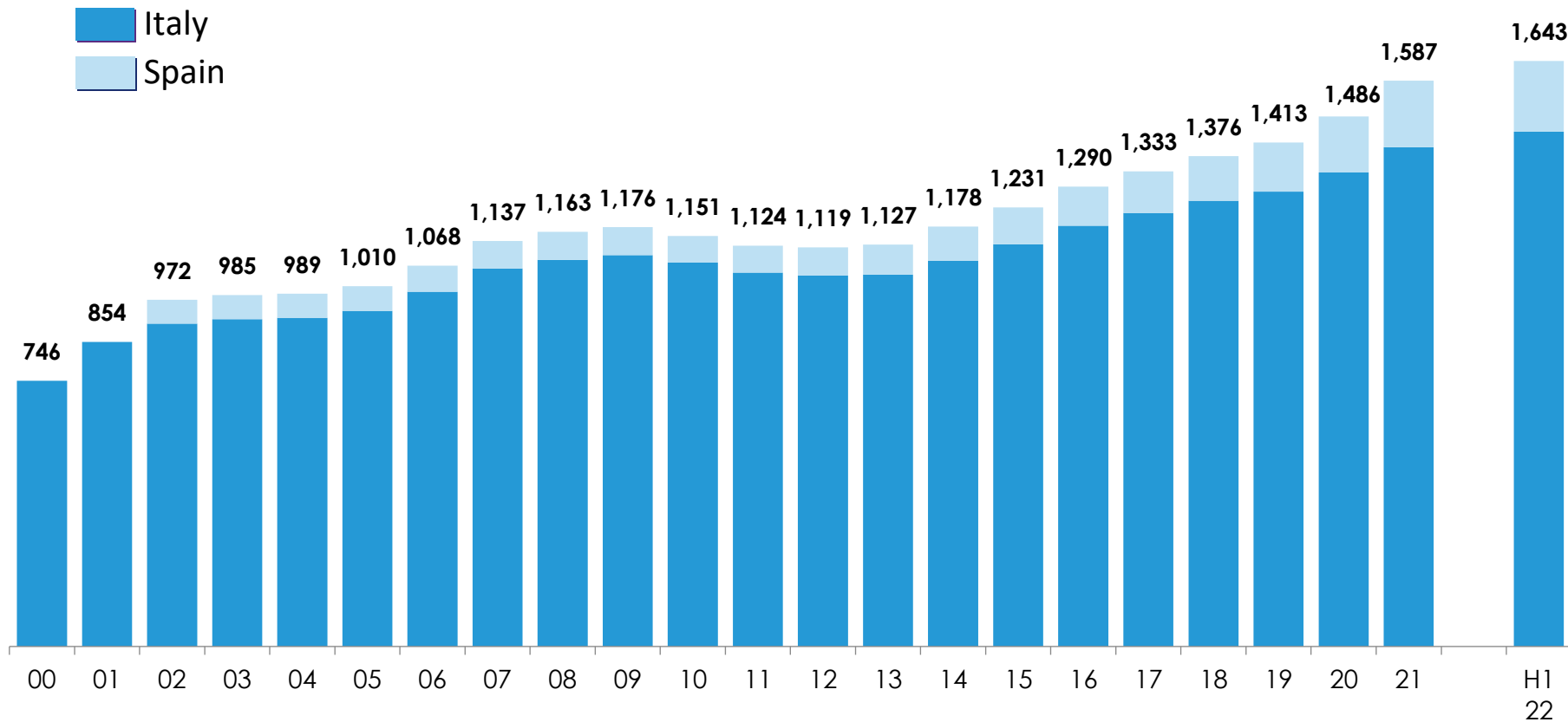
Actual DPS paid following Covid-19 ECB ban











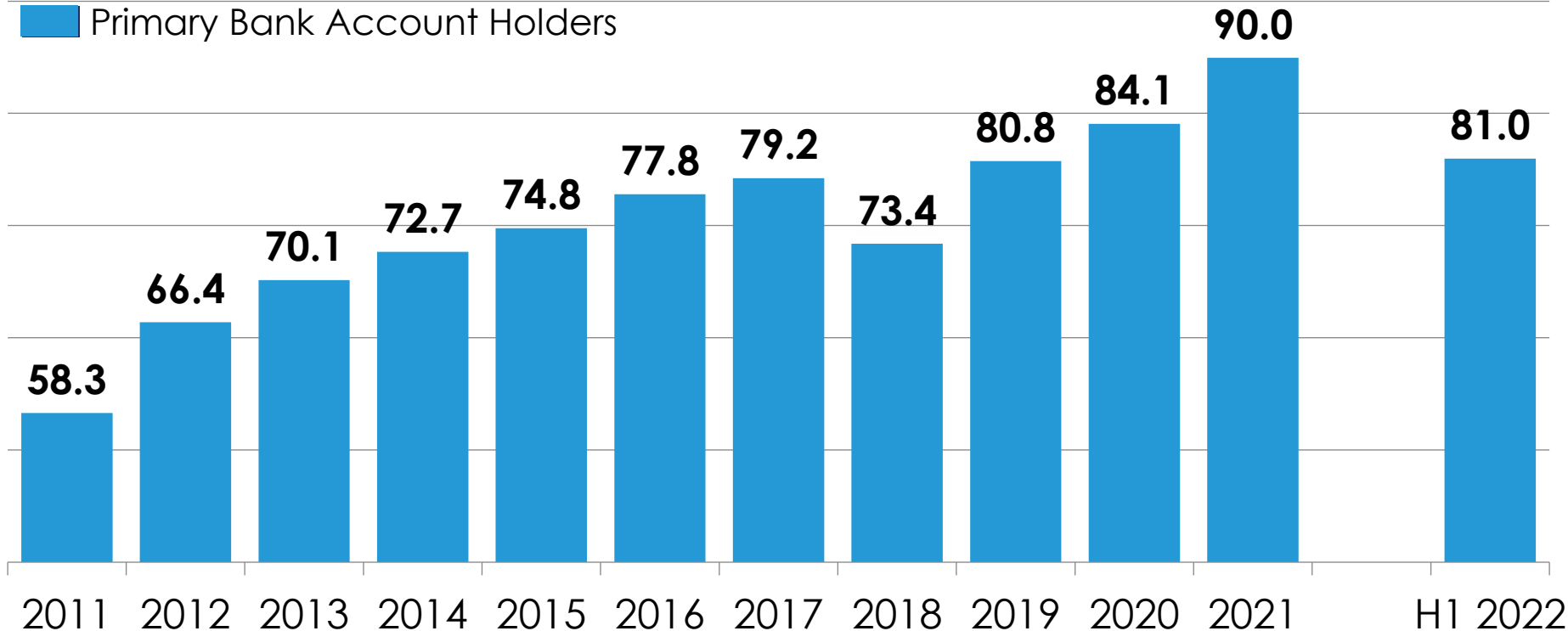
# 68 Italy - Average Assets per Customer

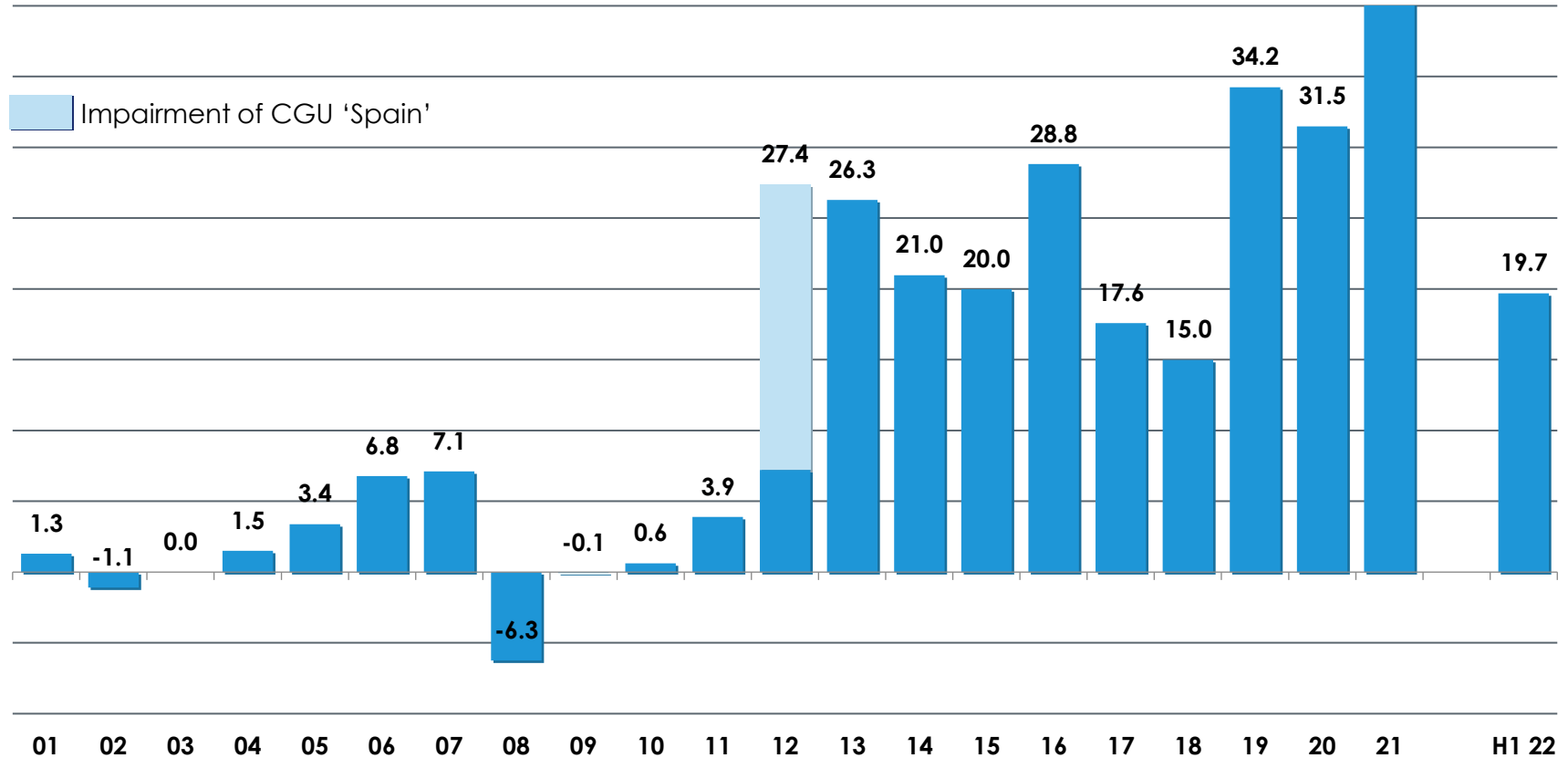
€ thousands

Medio



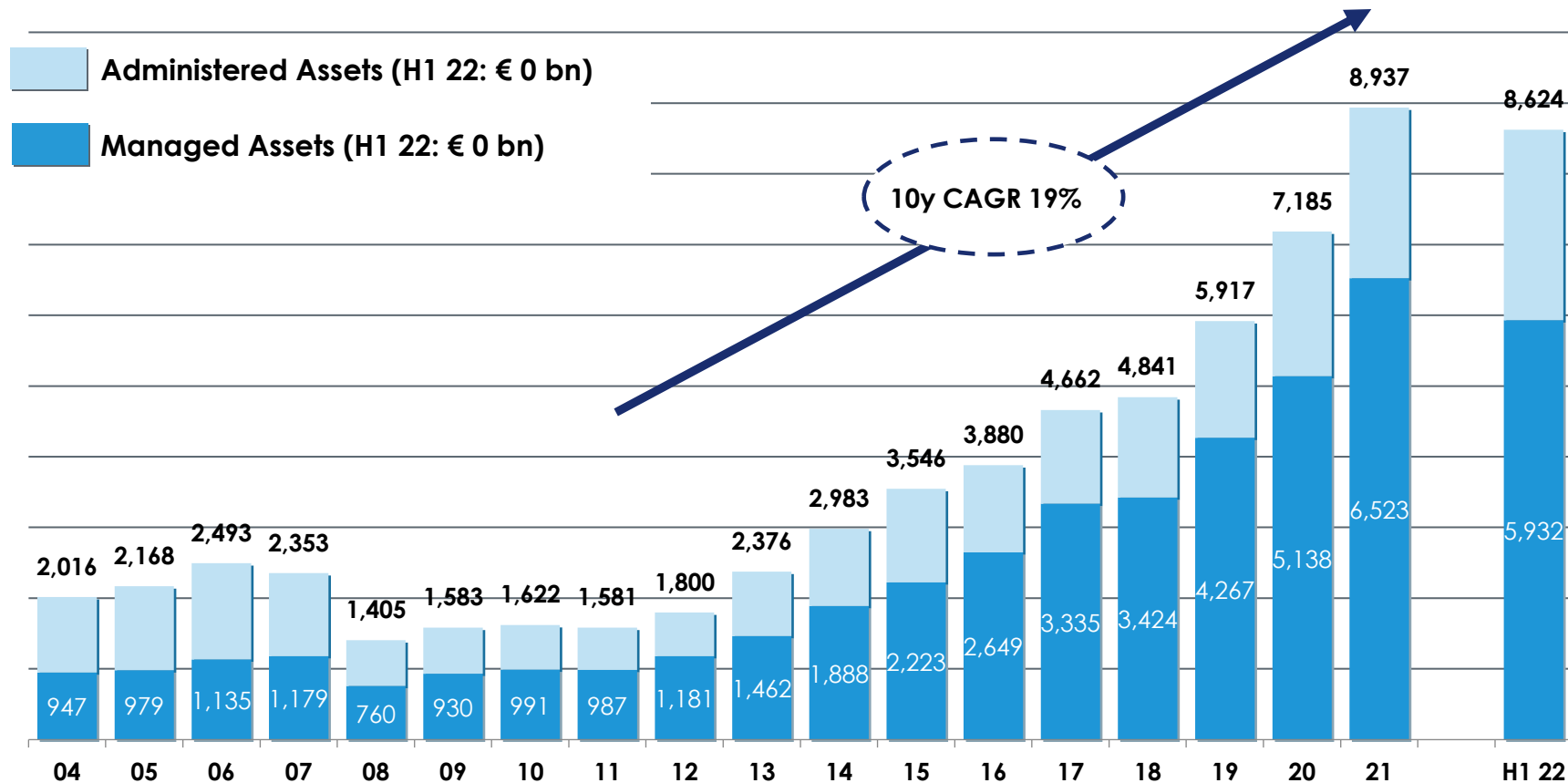
Primary Bank Account Holders



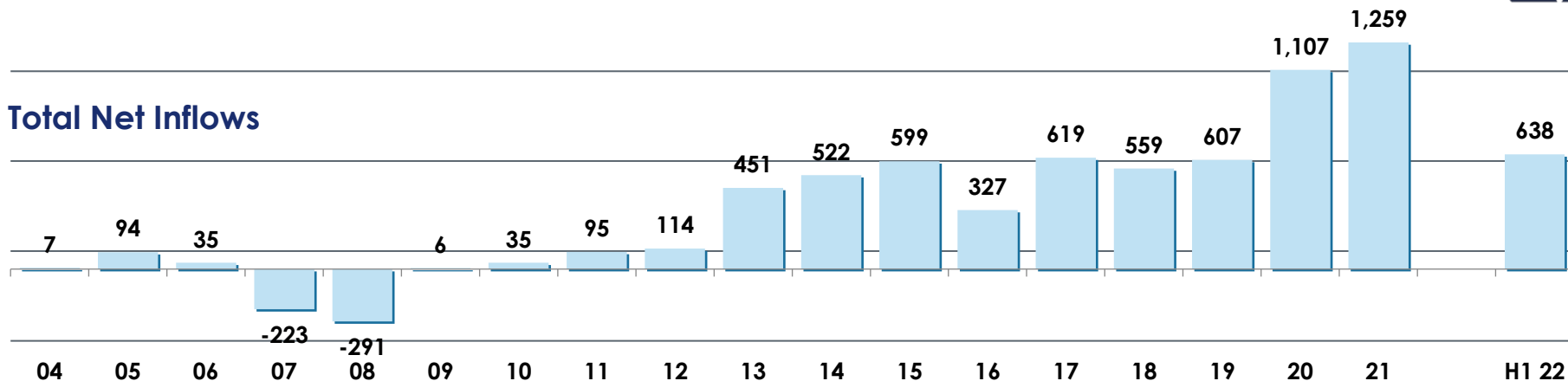


# 70 Spain - Assets under Administration

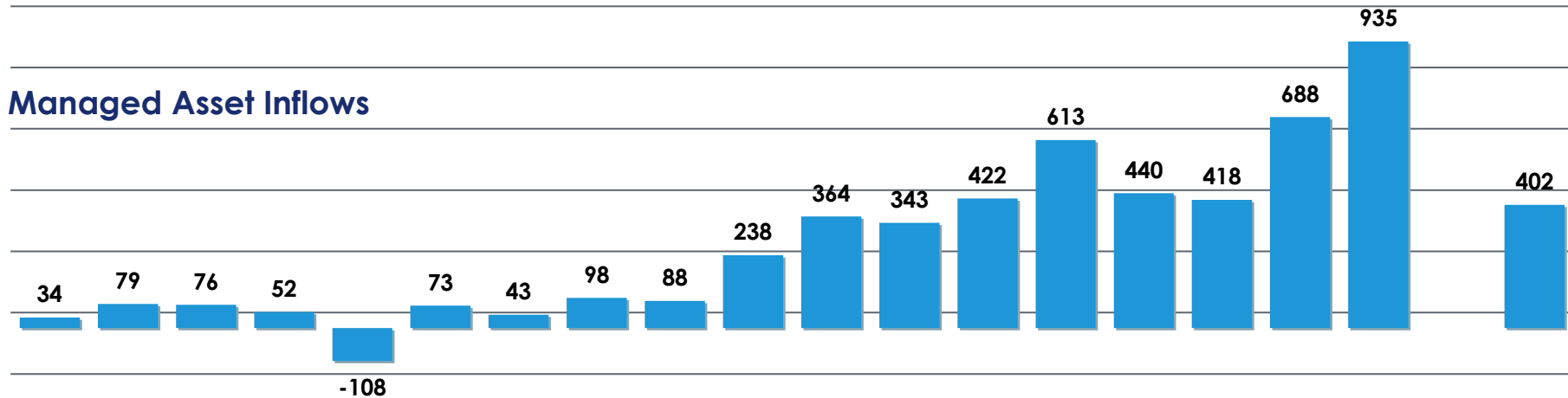
€ mn

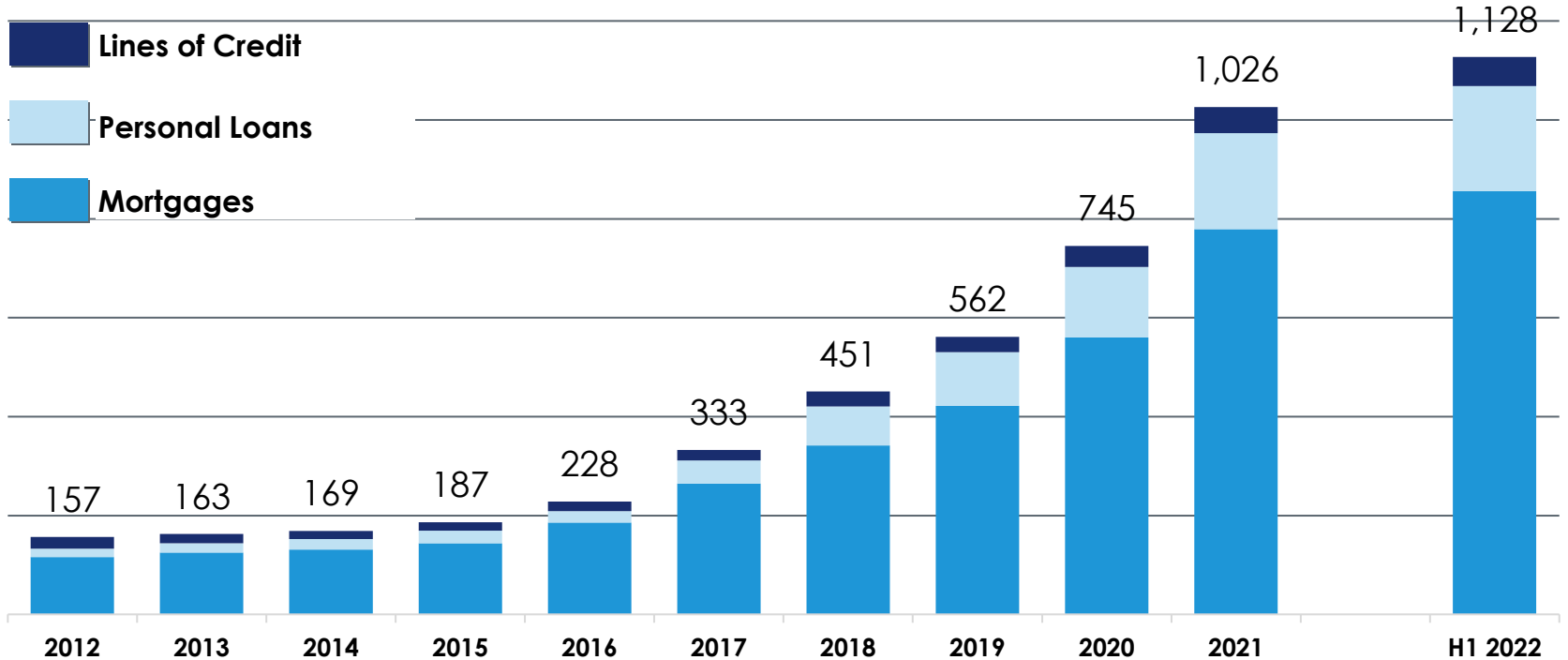


## Total Net Inflows



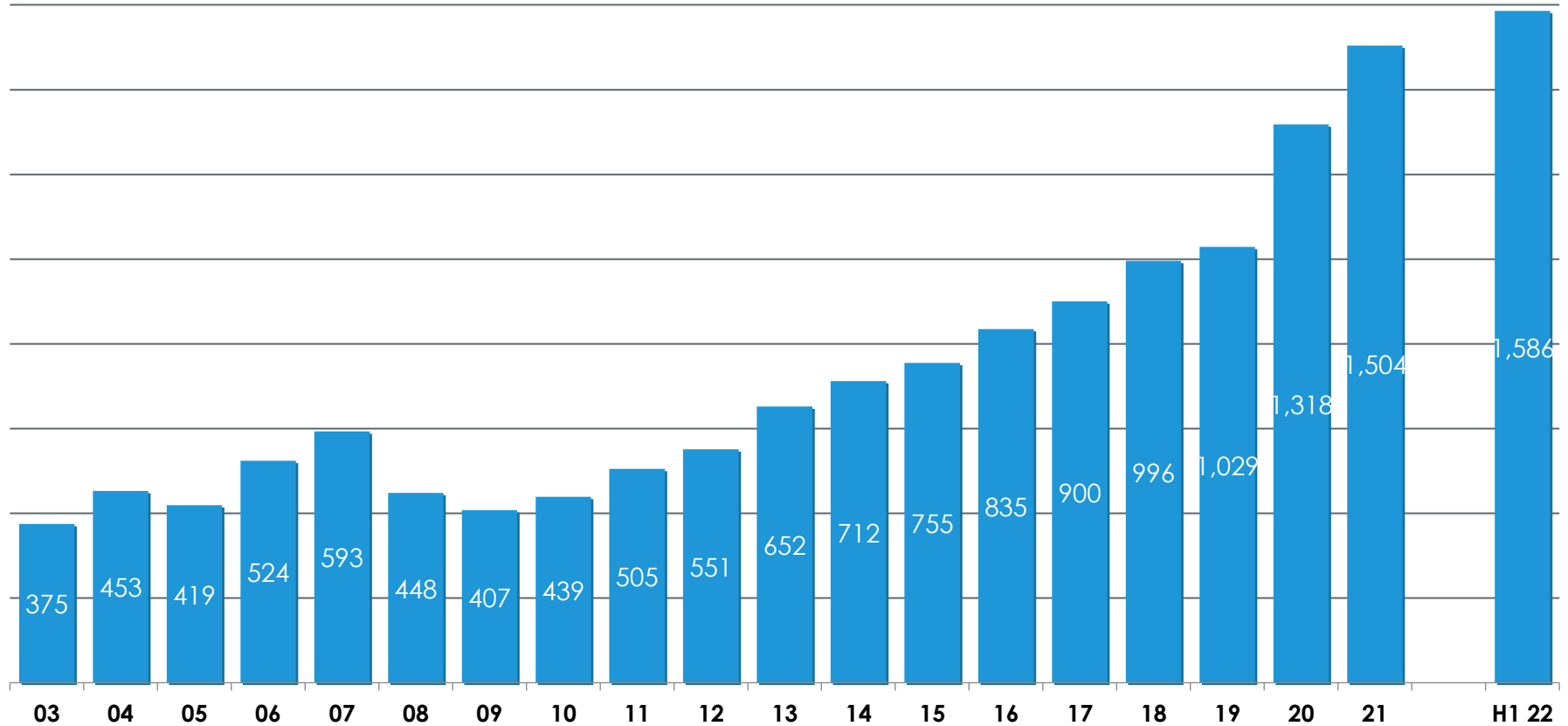
## Managed Asset Inflows







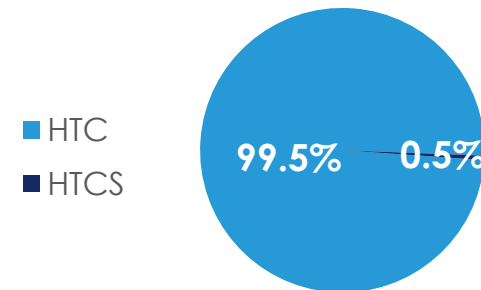
# 73 Spain – Family Banker Network



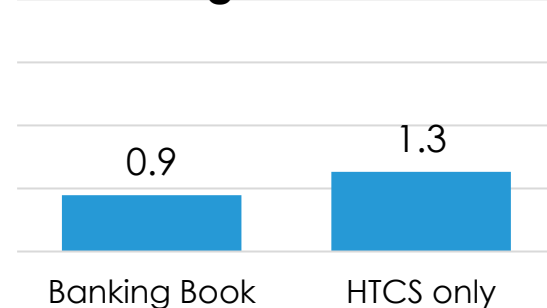
## Banking Book: € 17.7 bn (nom. values)

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

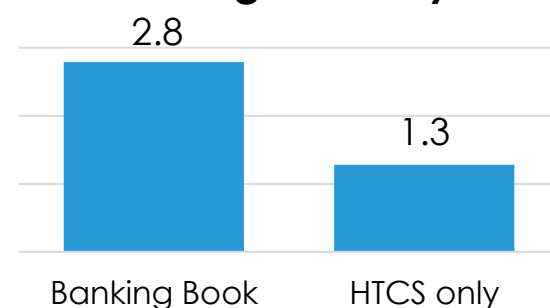
Sector	%
Government	99.5%
Financial	0.5%
<b>Govies</b>	
Italy	99.3%
Spain	0.7%



### Avg. Duration



### Avg. Maturity



## 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** (5D Strategy)
- **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**

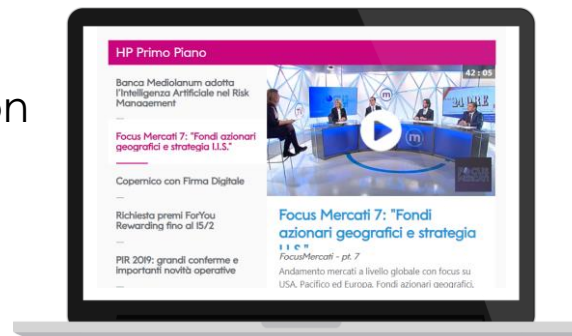
- Inaugurated March 2009
- Centralises our training know-how, in coordination with top universities, professors and individuals who are experts in the field
- Provides our Family Bankers & employees with a resource for life-long education
- Develops financial education programs dedicated to our customers & 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, 2020 & 2022**

## 2021:

- **3 nation-wide digital events**, streaming live to over **95,000 viewers**
- Over **1,000 digital events** & **200 in-person events** organised by Family Bankers: over **80,000 attendees**

## Pre-Covid-19:

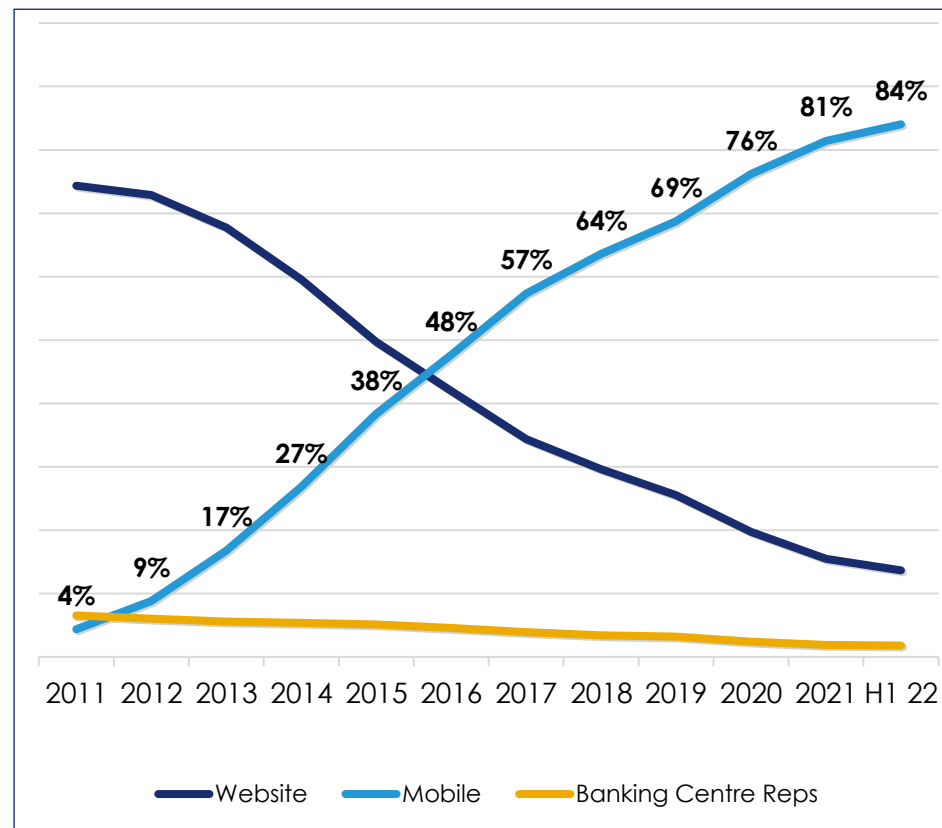
- Approximately **2,500 events** held in 2019: local & high-level events, sports events (e.g. Giro d'Italia), talk shows, etc.
- Over **130,000 customers & prospects** attending



- 84% of total accesses via mobile app in 2022
- 52% of transactions via mobile app in 2022
- 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



## Direct Channel Accesses



INTESA  SANPAOLO 64%

 UniCredit 56%

 **mediolanum** <sup>BANCA</sup> 49%

Banco**Posta** 29%

 **MONTE  
DEI PASCHI  
DI SIENA**  
BANCA DAL 1472 27%

 **BNL**  
GRUPPO BNP PARIBAS 23%

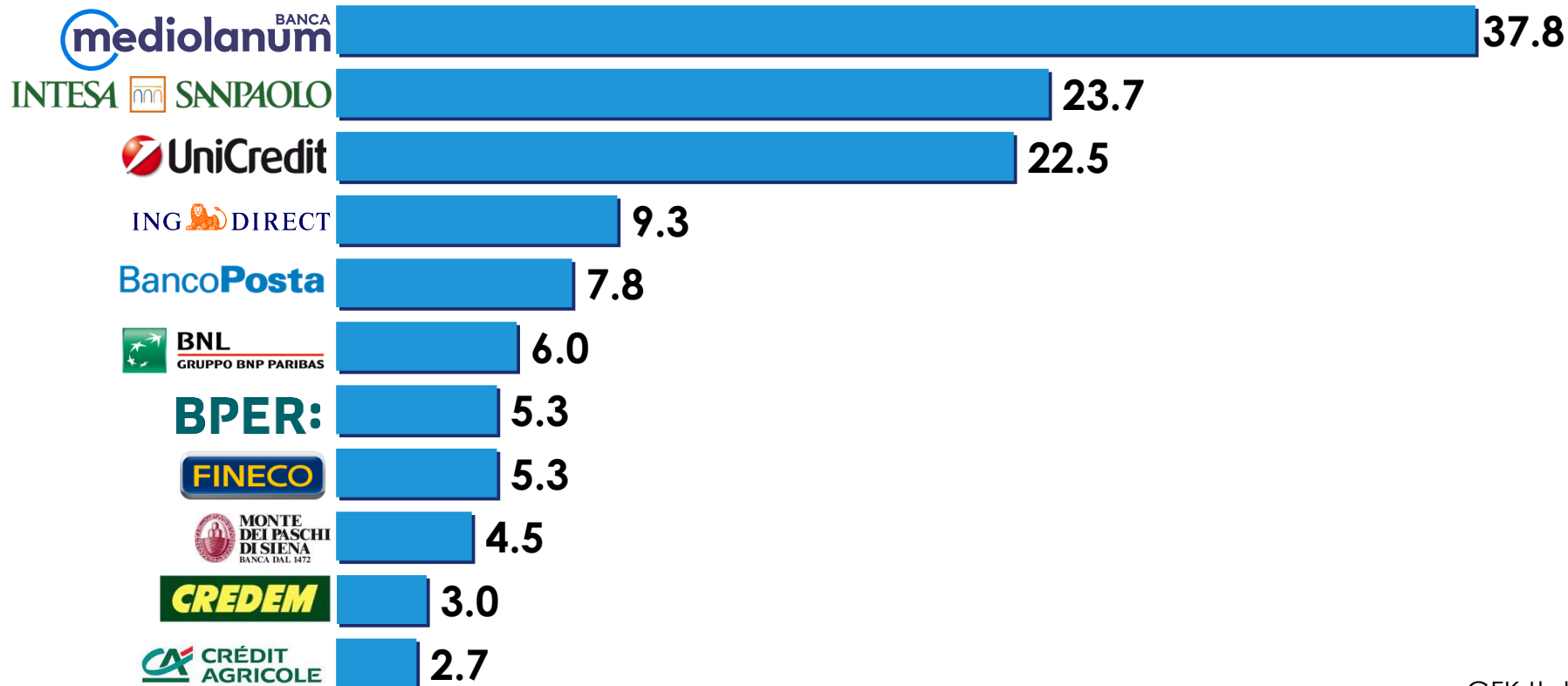
 **BCC**  
CREDITO COOPERATIVO 17%

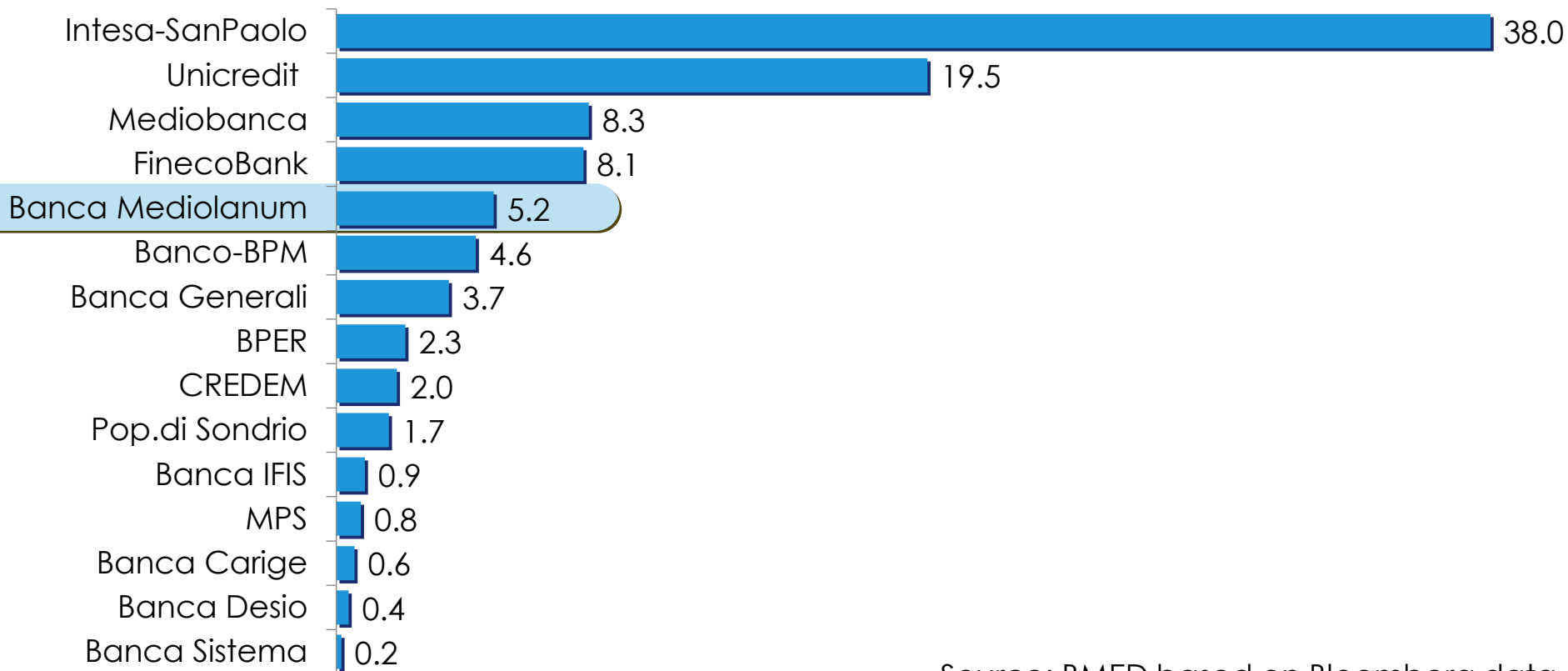
ING  DIRECT 16%

**BPER:** 12%  
Banca

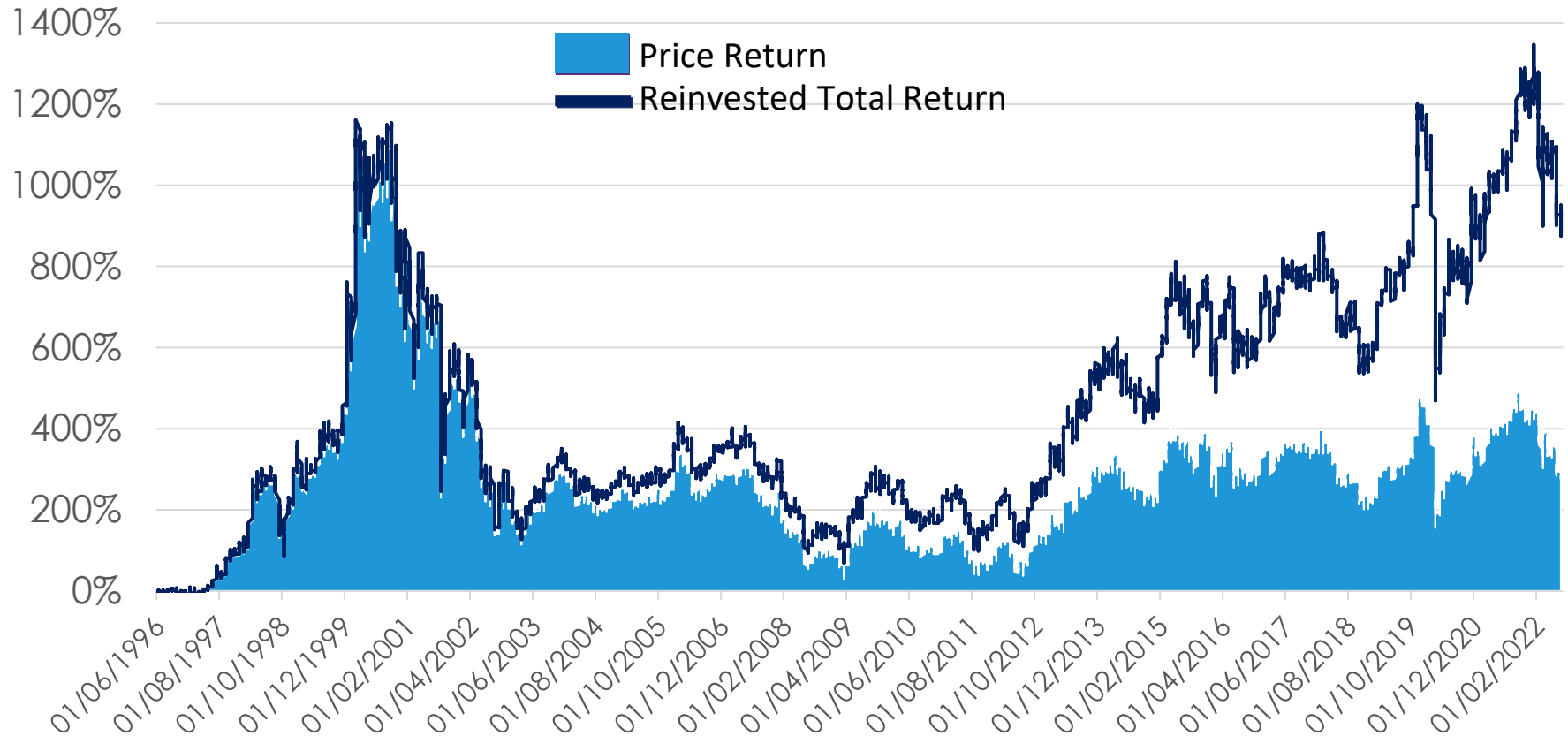
 **FINECO** 12%







Source: BMED based on Bloomberg data



\* Total Return Index includes dividend reinvestments, June 3, 1996 – Jul. 15, 2022

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

Figures contained in this document are rounded for presentation purposes.

- **Alessandra Lanzone**

+39-02-9049.2039

alessandra.lanzone@mediolanum.it

- **Lisa Maxon**

+39-02-9049.2997

lisa.maxon@mediolanum.it

- **Luca Pugliese**

+39-02-9049.2721

luca.pugliese@mediolanum.it

## **Banca Mediolanum S.p.A.**

Via Francesco Sforza 15  
20080 Basiglio MI – Italy

<http://www.bancamediolanum.it>