



FY 2015 Results and Business Outlook

10 February 2016

BOOMING BUSINESS VOLUMES

- Record net inflows at **€4.6bn** (+37% on a LfL basis)
- Highest assets ever at **€41.6bn** (+14% yoy)
- Size of the network at **1,715** (+4% yoy, +18% 3yrs)

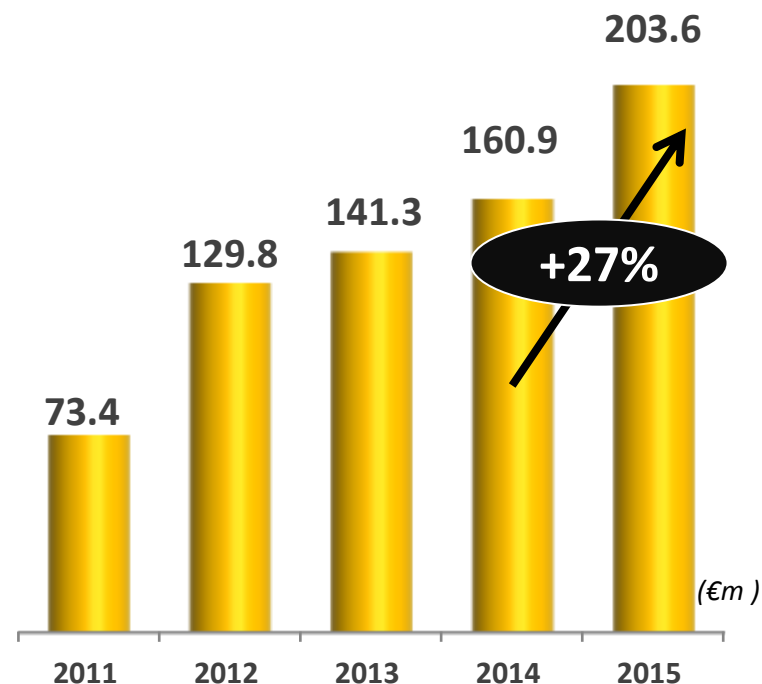
RECORD FINANCIAL RESULTS

- Solid revenue growth at **€465.9m** (+11%)
- Strong management fees at **€459.1m** (+28%)
- Cost/income ratio at **36.5%** (34.7% ex one-off costs for regional banks rescue)

STRONG CAPITAL POSITION

- Outstanding asset quality (0.16% NPL/total loans)
- Capital ratios well above SREP requirements
- Excess Capital at **€213m** (+35%)

Best net profit ever



(€ m)	12M14	12M15	% Chg
Net Interest Income	107.0	66.2	-38.1%
Gross fees	484.6	652.0	34.5%
Fee expenses	-227.4	-281.2	23.7%
Net Fees	257.3	370.8	44.1%
Net income (loss) from trading activities	52.4	25.8	-50.8%
Dividends	2.6	3.1	21.4%
Net income (loss) from trading activities and Dividends	54.9	28.9	-47.4%
Total Banking Income	419.2	465.9	11.1%
Staff expenses	-74.2	-80.9	9.1%
Other general and administrative expense	-128.5	-134.0	4.3%
Depreciation and amortisation	-4.4	-5.3	20.1%
Other net operating income (expense)	41.3	44.7	8.4%
Total costs	-165.8	-175.6	5.9%
<i>Cost /Income Ratio</i>	<i>38.5%</i>	<i>36.5%</i>	<i>-2 p.p.</i>
Operating Profit	253.4	290.3	14.6%
Net adjustments for impair.loans and other assets	-11.0	-6.5	-41.1%
Net provisions for liabilities and contingencies	-40.3	-45.6	13.2%
Profit Before Taxation	202.1	238.3	17.9%
Direct income taxes	-44.3	-34.7	-21.7%
<i>Tax rate</i>	<i>21.9%</i>	<i>14.6%</i>	<i>-7.3 p.p.</i>
Income/(losses) after tax on assets held for sales	3.1	0.0	n.m.
Net Profit	160.9	203.6	26.5%

Total Banking income up by 11% driven by:

- **Solid trend in management fees (€459.1m, +28%)** reflecting higher asset base and the improvement in product mix occurred in the period
- **NII and trading activity** in line with guidance

Effective cost management (+0.7%, net of one-off contribution to bank rescue funds)

- **€8.7m one-off payment to resolution fund (BRRD) and deposit guarantee scheme (DGS/FITD)** included within G&A costs
- **G&A costs** fell in absolute value (ex-one off) due to operating leverage
- **Overall costs increased significantly less than revenues** even accounting for higher staff costs

Slight increase in provisions, lower write-offs

- Trend in provisioning reflects higher business volumes and solid recruiting trend of top professionals

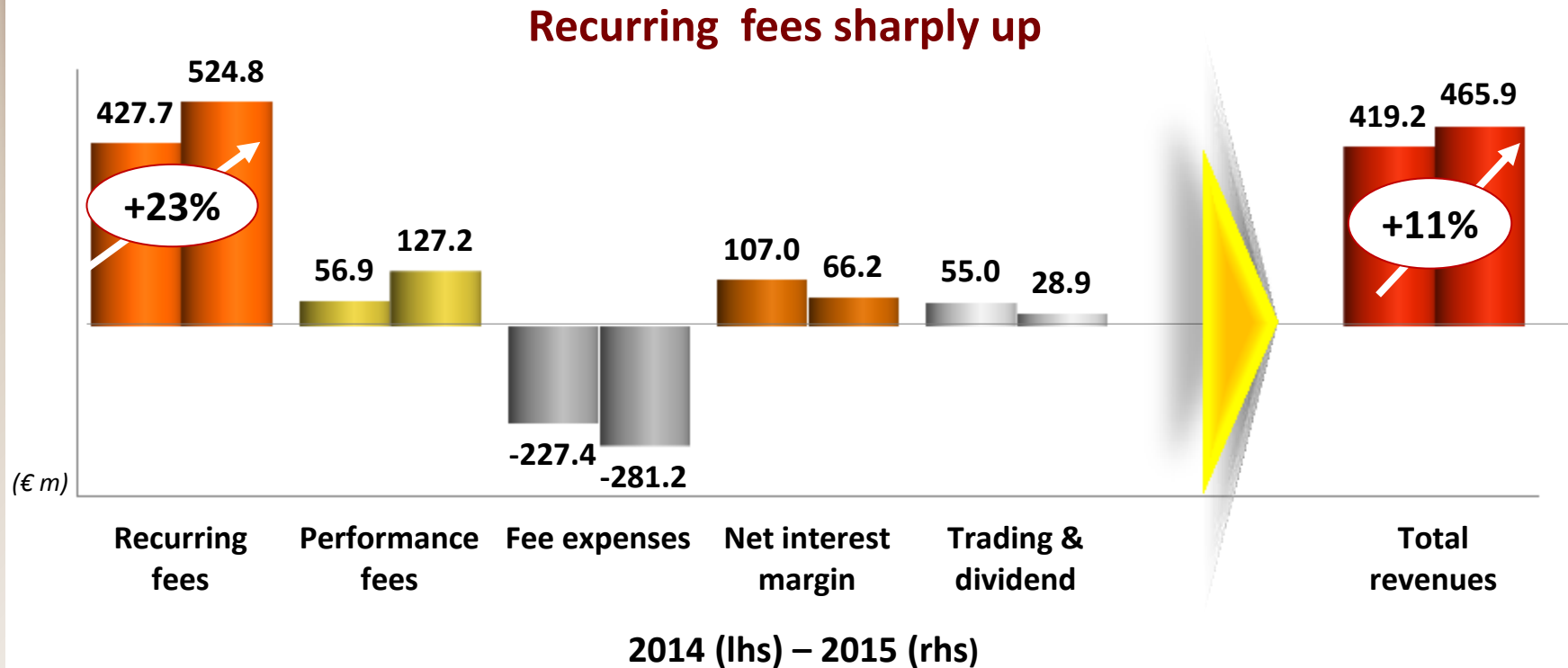
Net profit at €203.6m, (+27%), best ever

2015 financial results

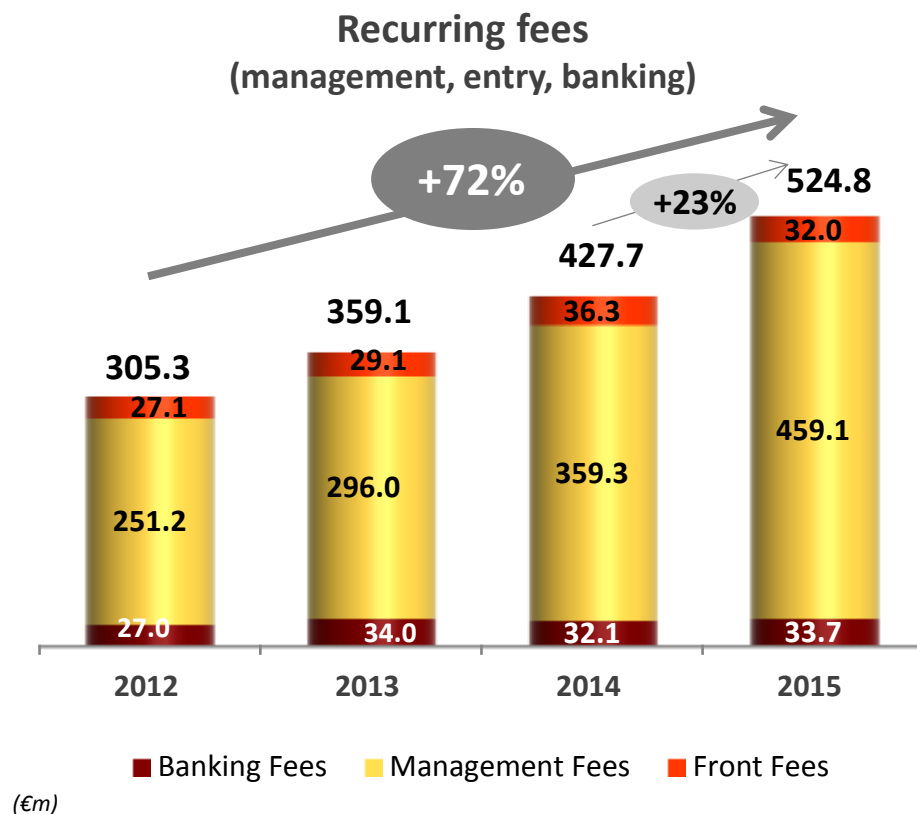
Dividend and capital position

Net inflows, assets, recruitment

2016: more to come

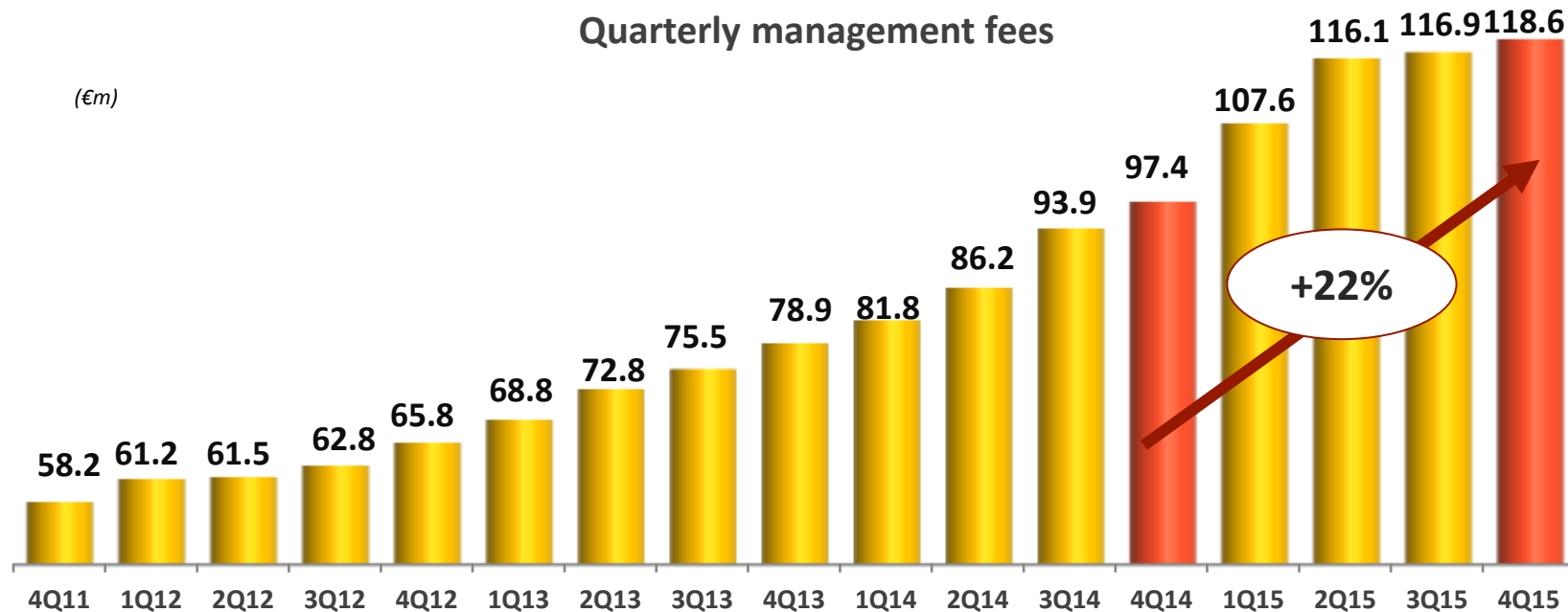


- Strong fee-income trend reflecting the significant asset expansion and the improving product mix occurred in the period



Total recurring fees up by 23% yoy in 2015 driven by:

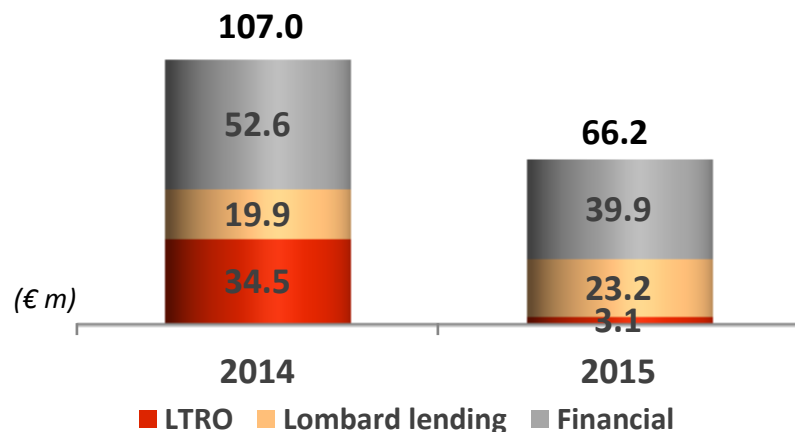
- **Management fees (88% of total)** increased by 28% driven by higher assets and better product mix
- **Banking fees (6% of total)** were up by 5% driven by higher advisory fees
- **Entry fees (6% of total)** changed for the strategic decision to slowdown offer of structured products



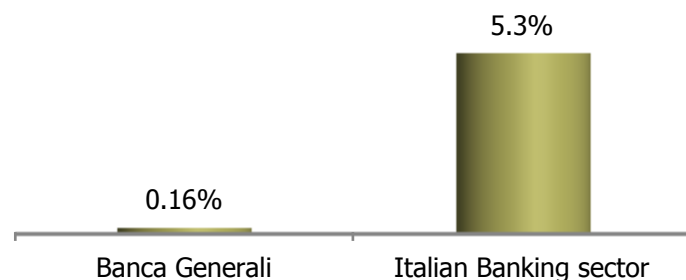
Avg. managed Assets (€bn)	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
	22.8	24.1	24.5	25.1	25.8	26.6	27.4	27.8	28.7	29.7	30.9	32.3	35.1	38.3	39.8	39.8	40.8

- Strong management fees (+22% YoY on a quarterly basis), even accounting for the sharp deterioration in the financial market trend over 2H 2015

Reported NII



Net NPL ratio



2015 NII trend in line with guidance

Sound and growing lending activity:

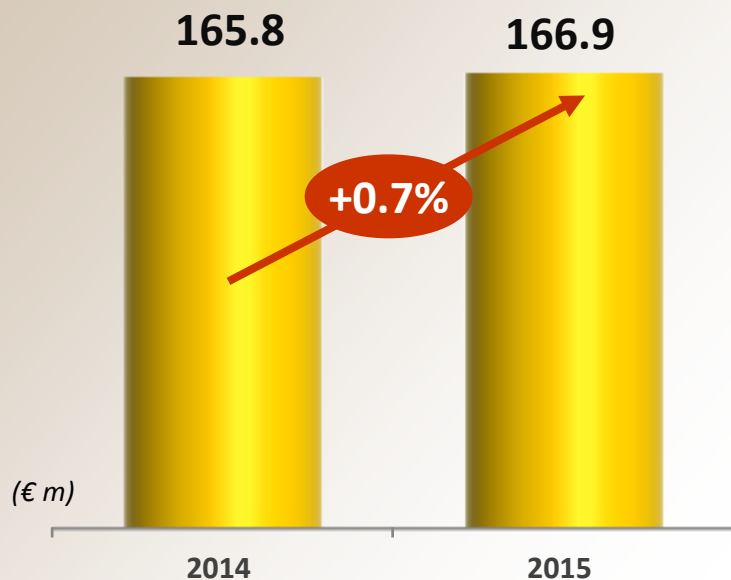
- Total revenues at €23.2million (+17%);
- Secured loans at €1.8bn with collateral assets worth €3.1bn and an outstanding asset quality with NPL at 0.16% of total loans to customers

Conservative investment and funding profile

- Business-led growth in volumes (€5.6bn, +15% ex LTRO), lower funding costs (-10 bps)
- Conservative investment profile for the banking book, 99% invested in bonds with a 1.8 yrs duration
- **No subordinated bonds at all held in the banking book (nor sold to customers!)**

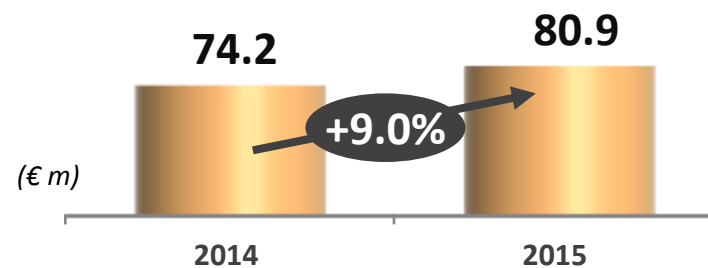
Operating expenses¹

(Staff costs, G&A ex-stamp duty, depreciation)



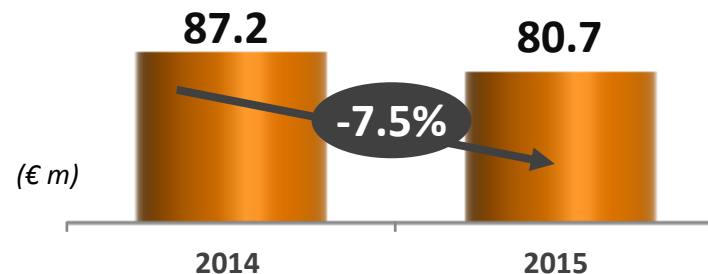
(1) - Operating costs are net of the €8.7m one-off payment to the resolution fund (BRRD) and to the deposit guarantee scheme (DGS/FITD) occurred in December 2015 to support the rescue of four regional banks

Staff costs



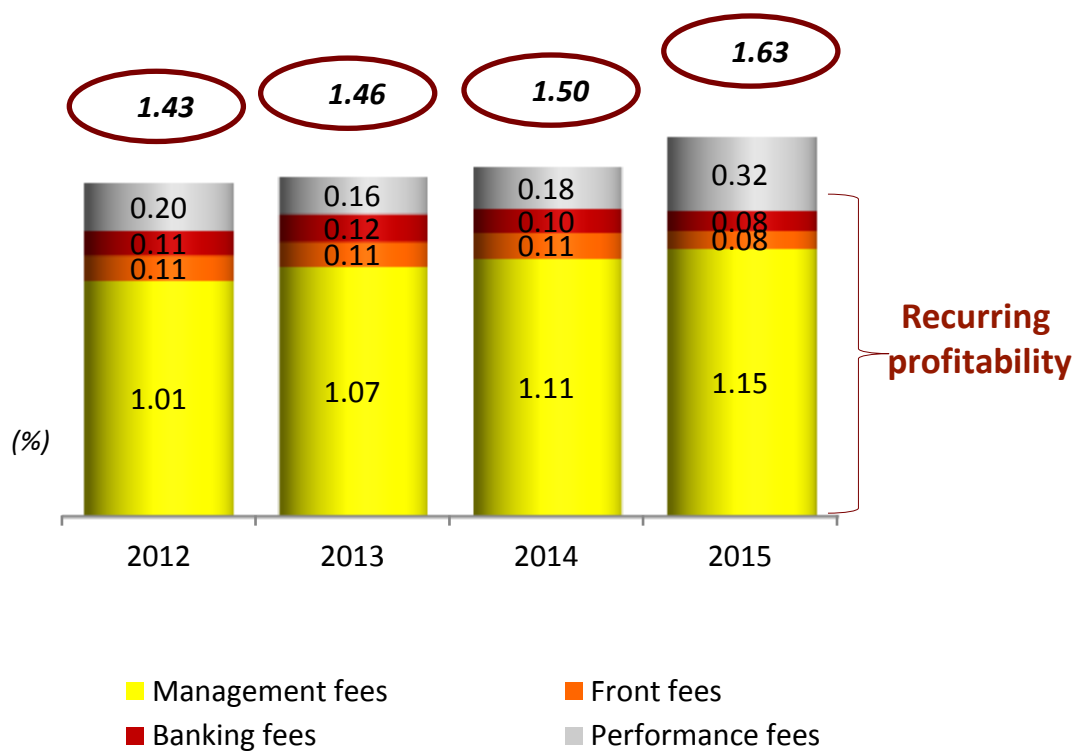
- Increase driven by the strengthening of relationship managers and support staff to FAs

G&A costs ex-stamp duty

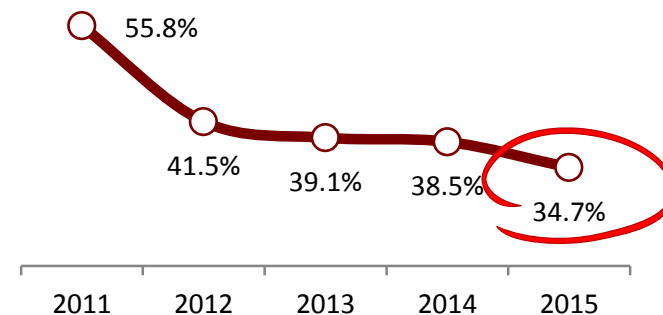


- Tight cost control and operating leverage drove G&A sharply lower than in 2014, that included one-off M&A costs

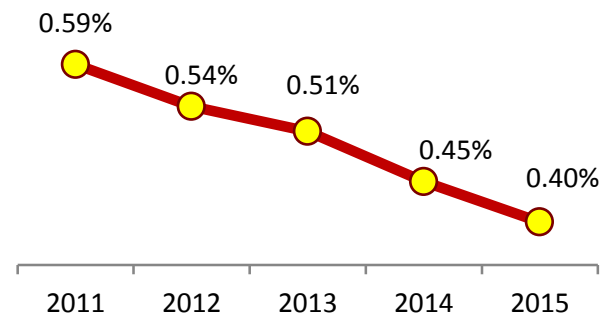
Fee-based margin



Cost/Income



Operating costs/Total assets



(excluding payment to the resolution fund (BRRD))

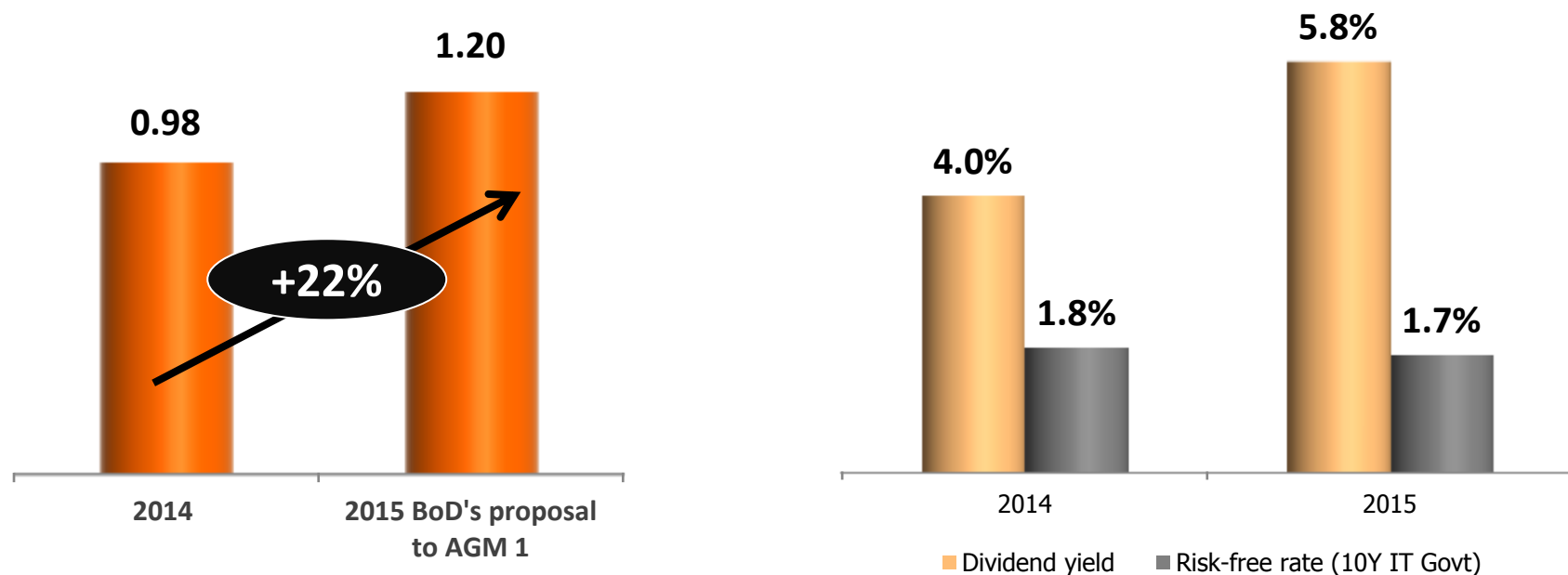
2015 financial results

Dividend and capital position

Net inflows, assets, recruitment

2016: more to come

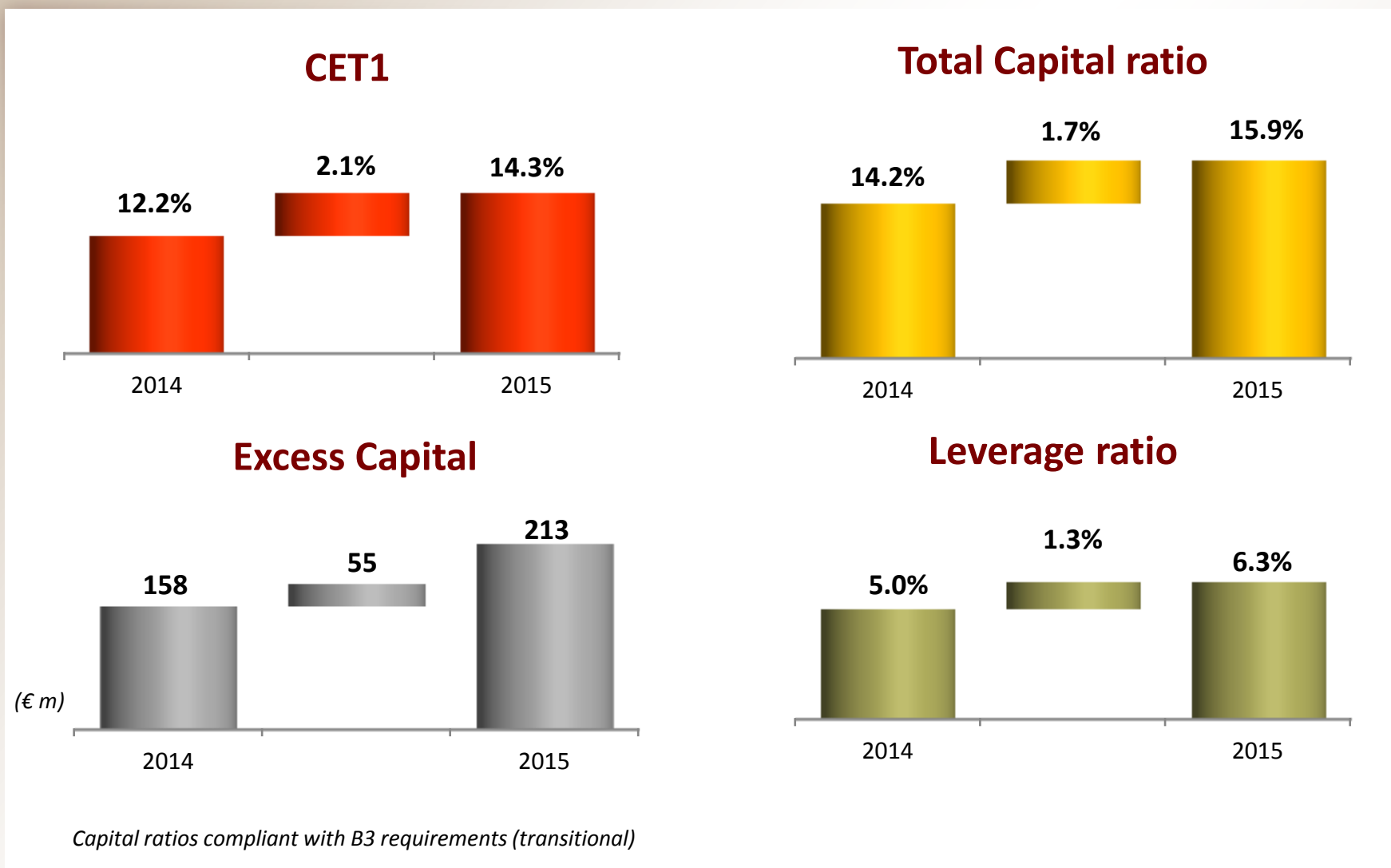
Dividend per Share (DPS)



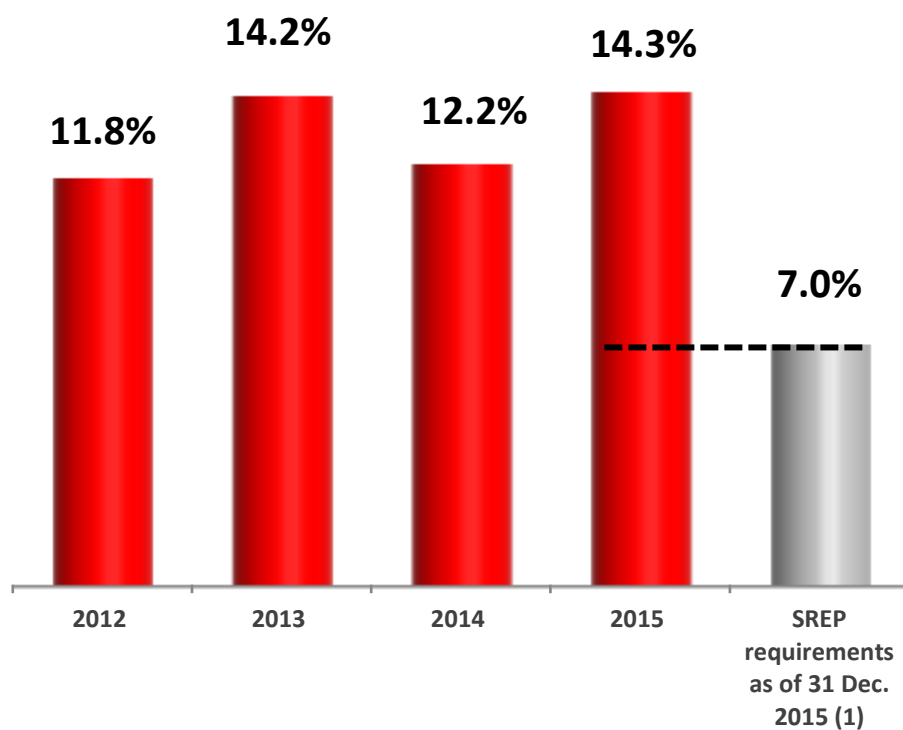
**2006-2015
Div. Yield**

1.0% 2.6% 2.2% 5.3% 6.1% 7.6% 7.0% 4.2% 4.0% 5.8%²

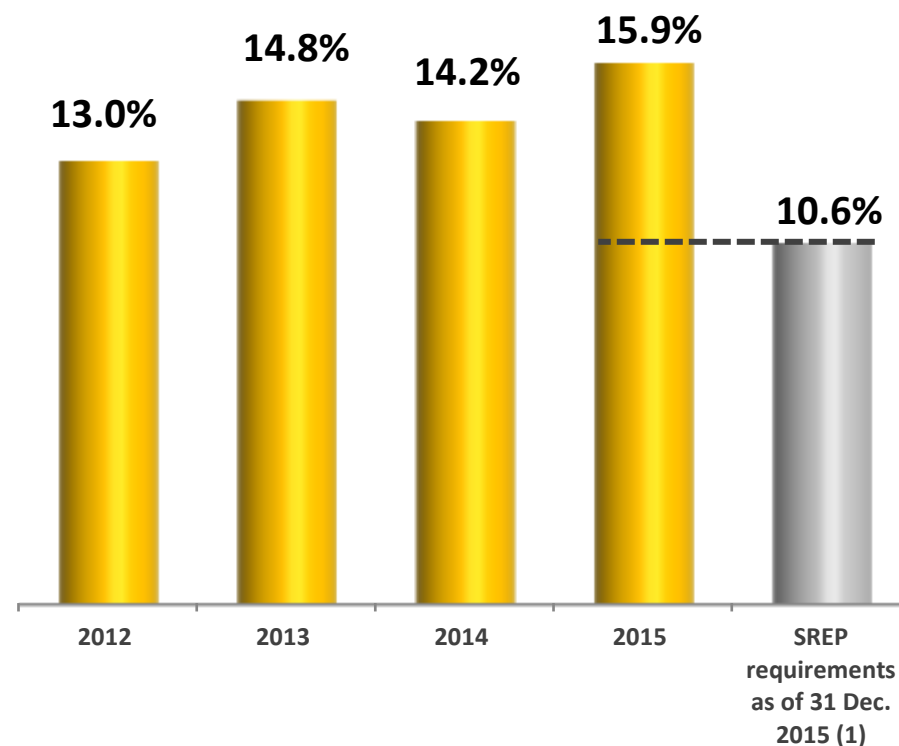
⁽¹⁾ AGM scheduled for 21/22 April 2016 - ⁽²⁾ Based on closing price of €20.53 of 9 Feb. 2016



CET1 1 ratio



Total Capital ratio



(1) Minimum capital requirements specified for Banca Generali by the Bank of Italy as a result of the Supervisory Review and Evaluation Process (SREP).

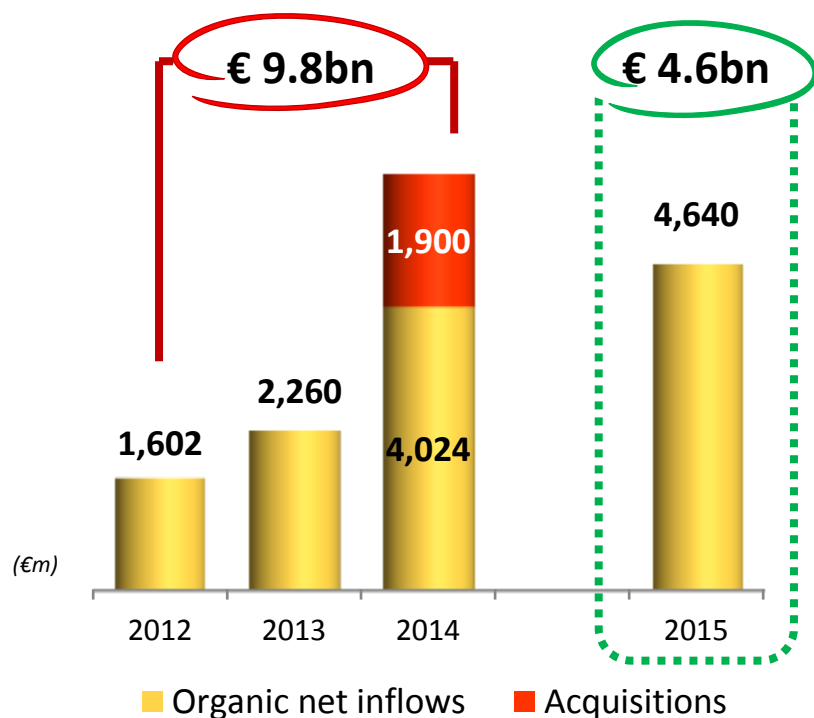
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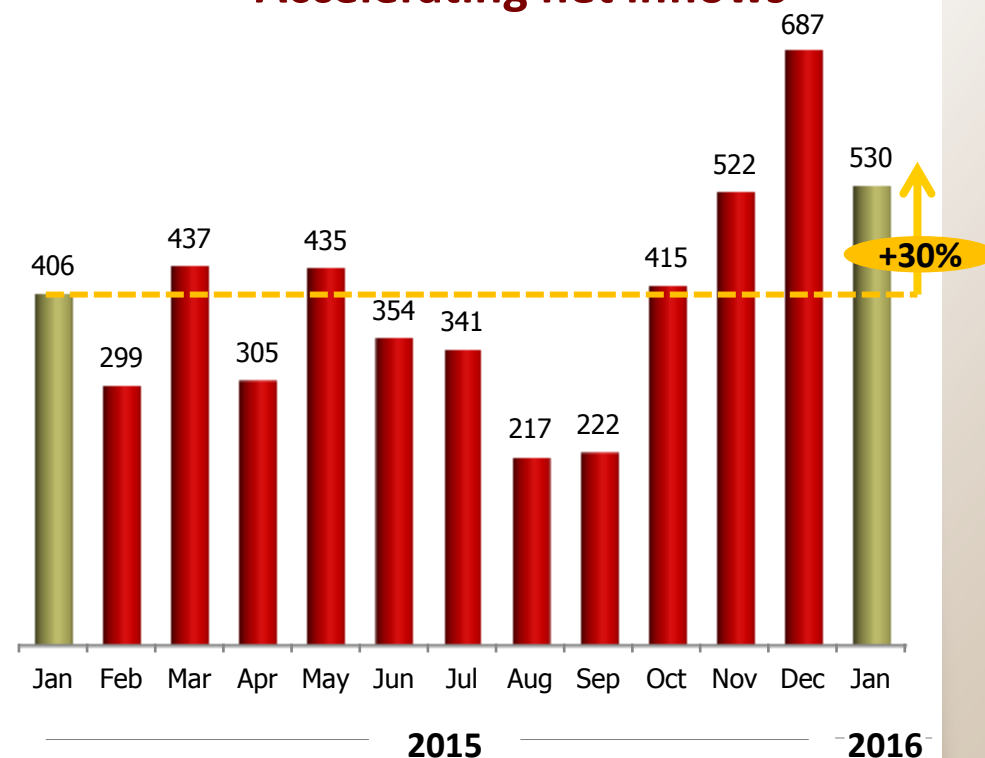
Net inflows, assets, recruitment

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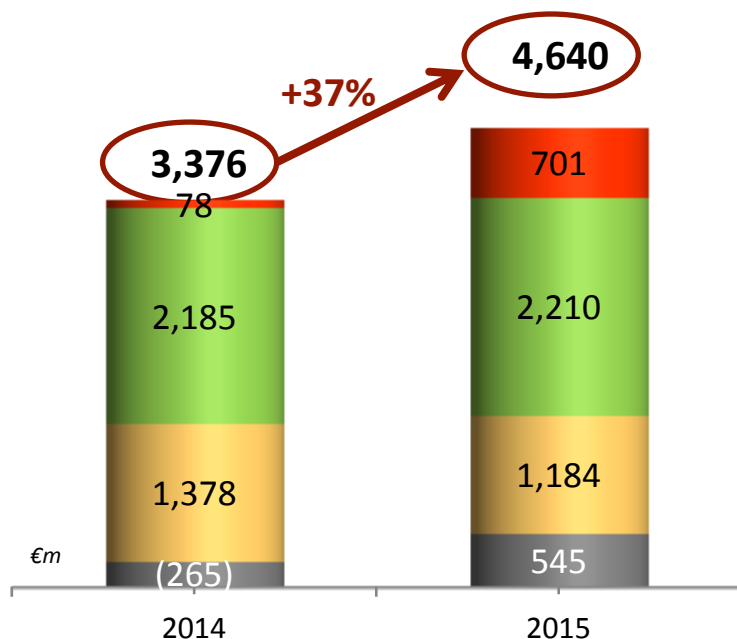
Total Net Inflows



Accelerating net inflows



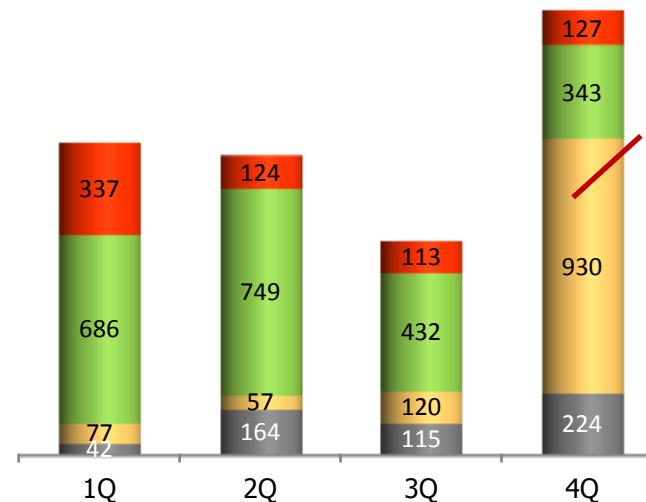
Total Net Inflows mix



- SICAV & PM
- Multi-line & Unit-linked
- Traditional life policies
- Banking products

(excluding the jumbo recruitment from former-Simgenia)

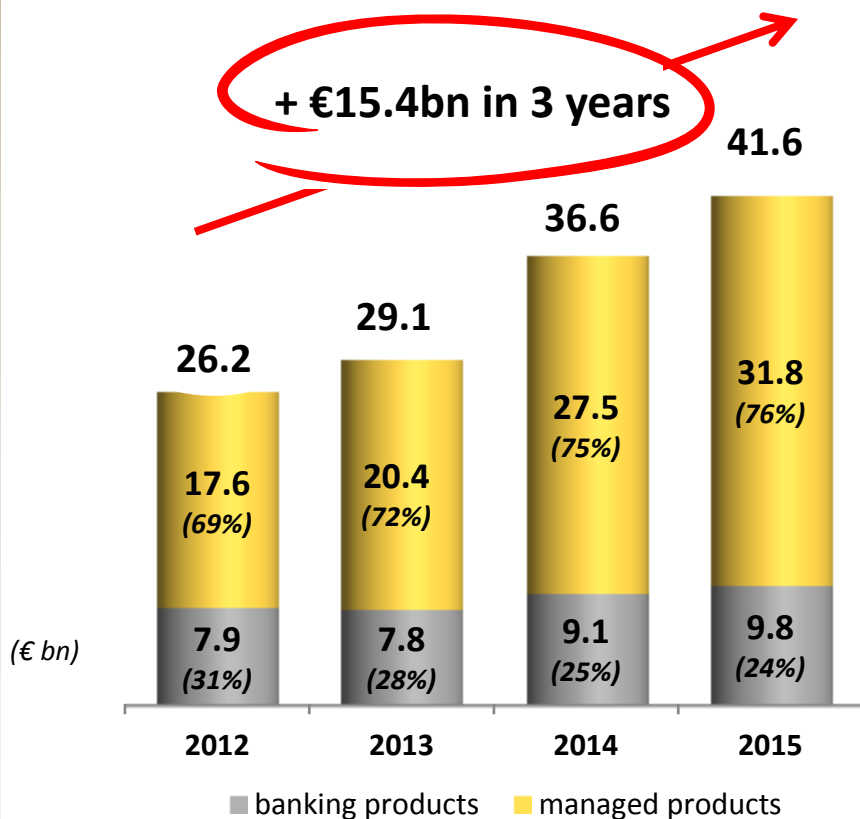
Net Inflows mix by quarter



- Banking products
- Traditional life policies
- Multi-line & Unit-linked
- SICAVs & PM

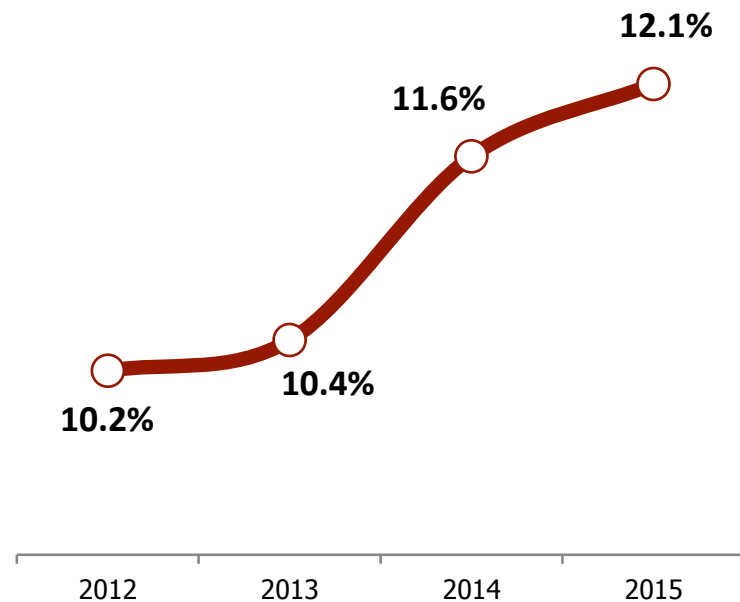
Managing customer expectation while anticipating higher market volatility

Total assets



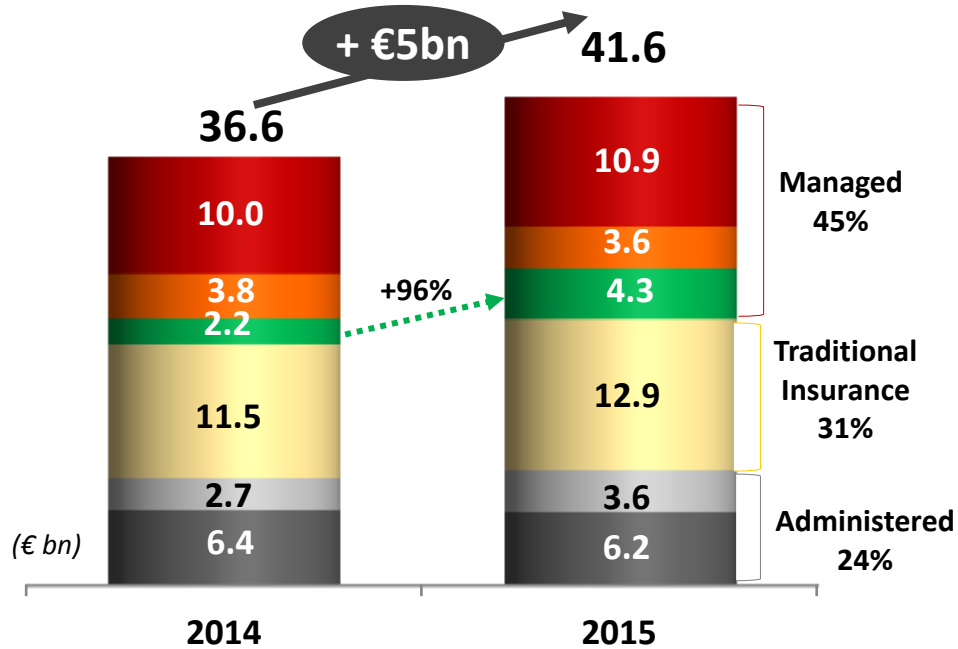
Market Share

Banca Generali's market share on total Assoreti's assets

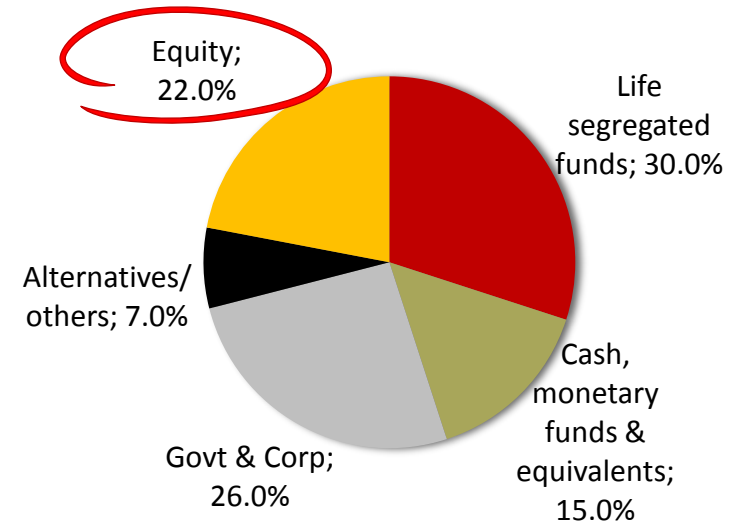


(1) 2015 on a like-for-like basis, excluding ISPB whose data for the 2012-2014 period are not available

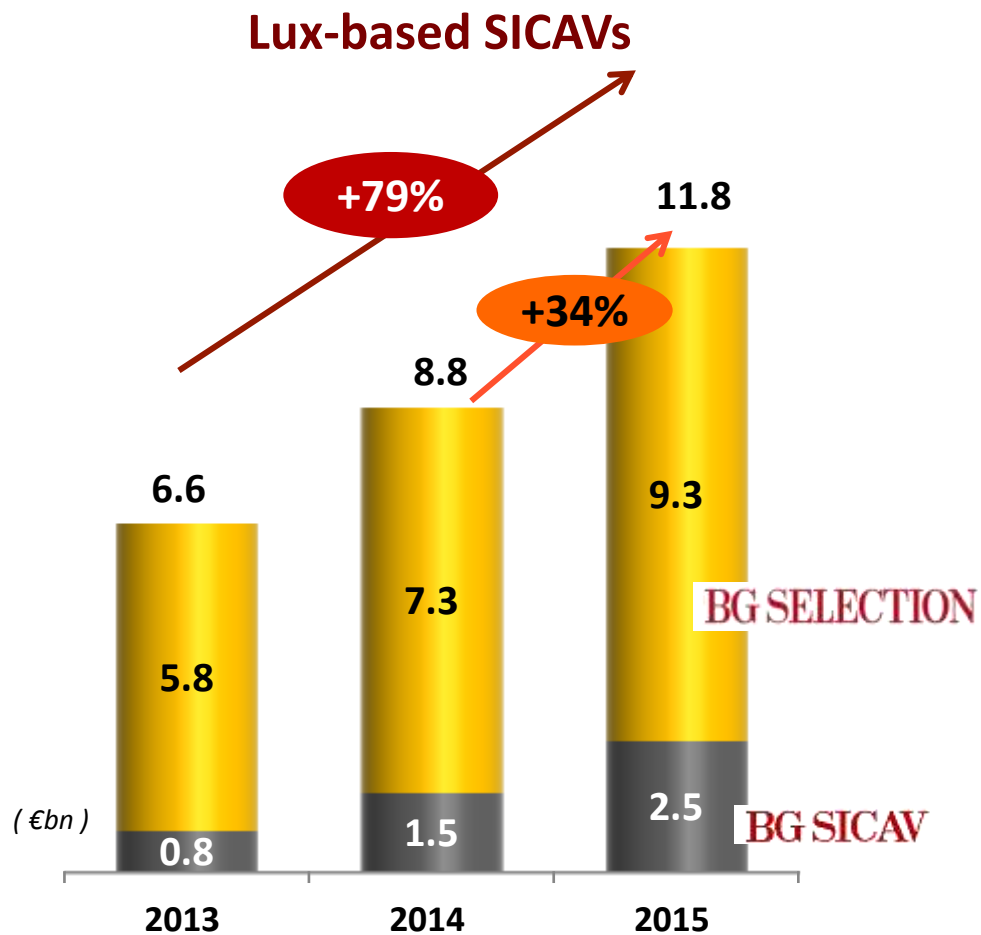
Product Mix



Asset Mix

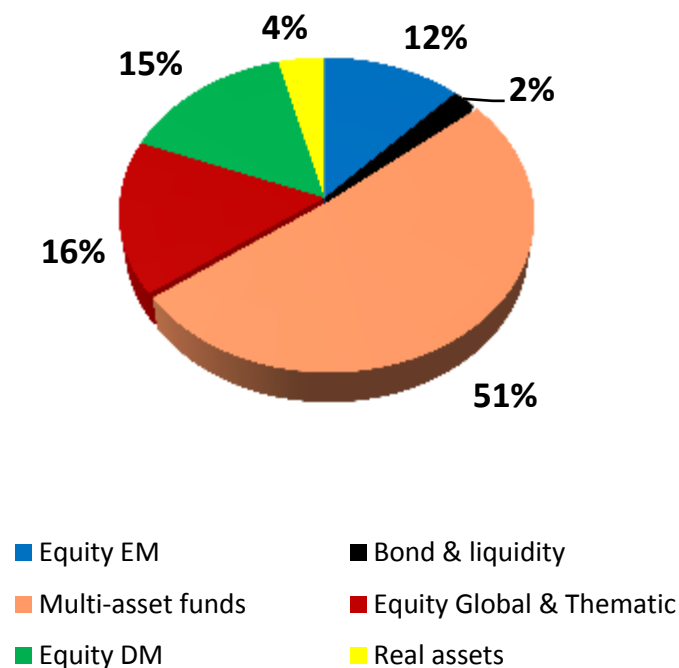


- Funds/SICAVs
- Portfolio management
- Multiline insurance & unit-linked
- Traditional life
- Current accounts
- Security accounts

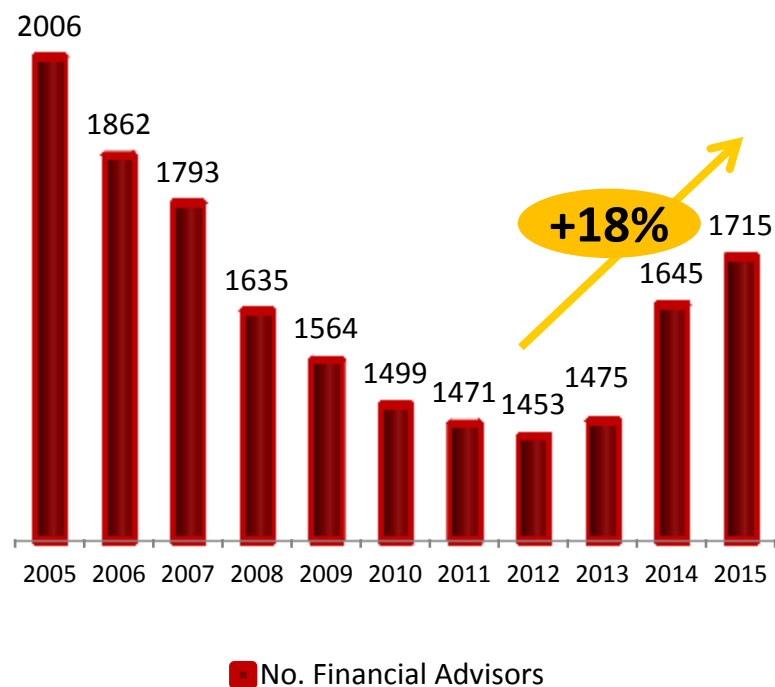


Data as of December, 31 2015

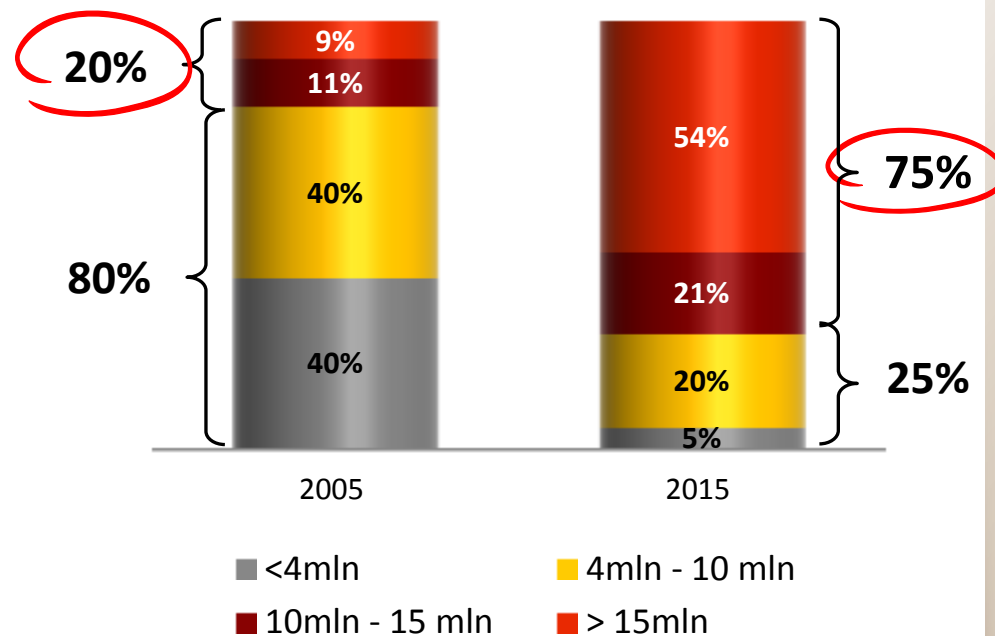
BG Selection: assets split by investment strategy



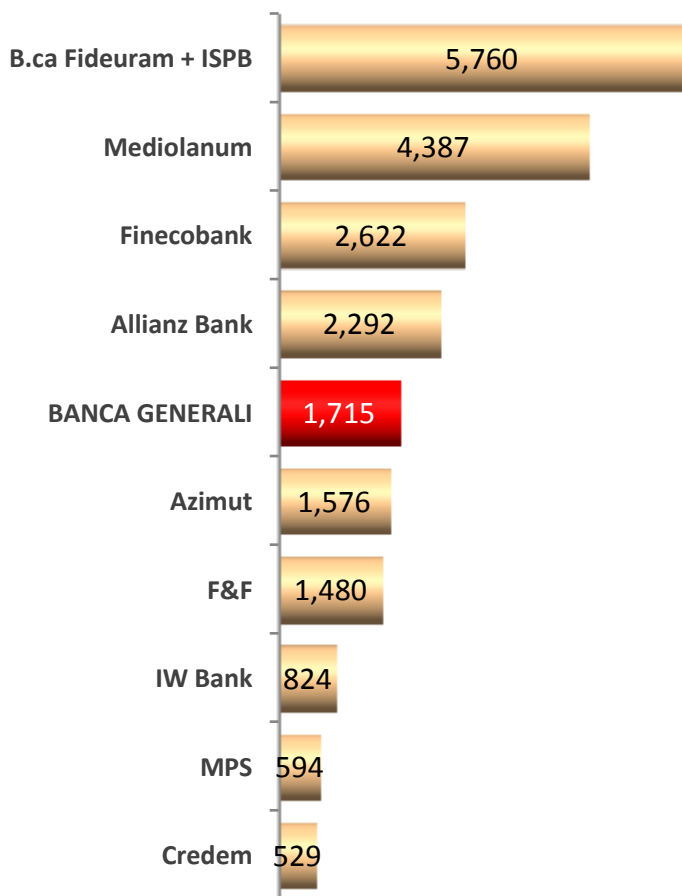
No. of Financial Advisors (FAs)



FAs split by portfolio

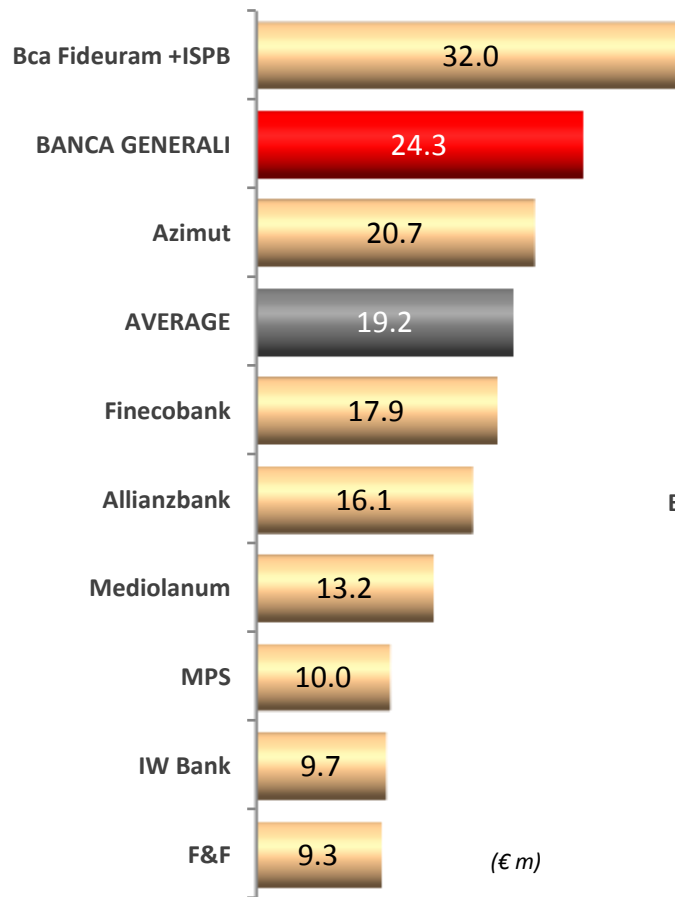


Sector Ranking by No. of FA



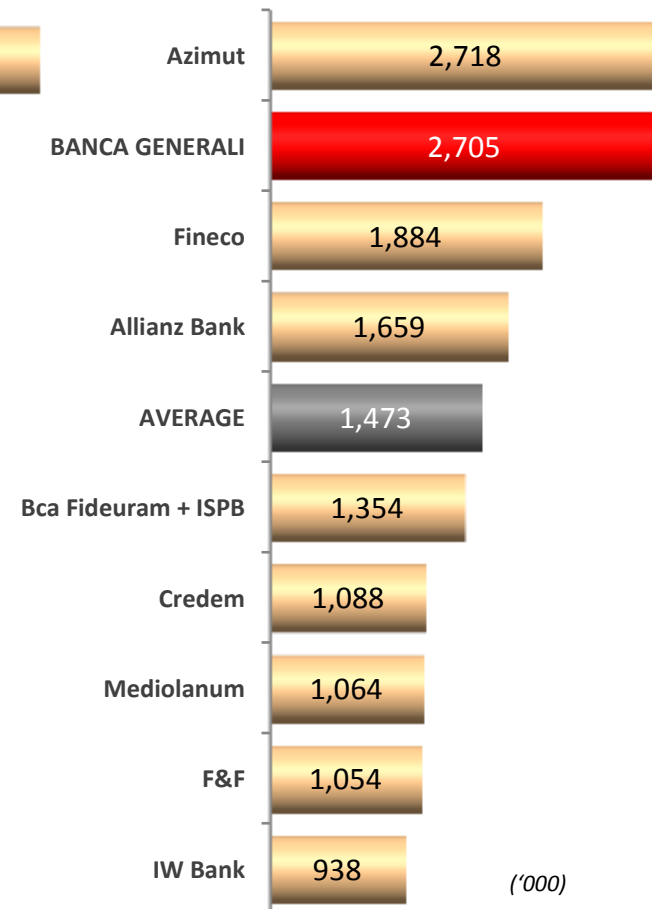
Source: Assoreti, figures at 31 December 2015

Sector Ranking by Portfolio size (Assets/FA)



Source: Assoreti, figures at 31 December 2015

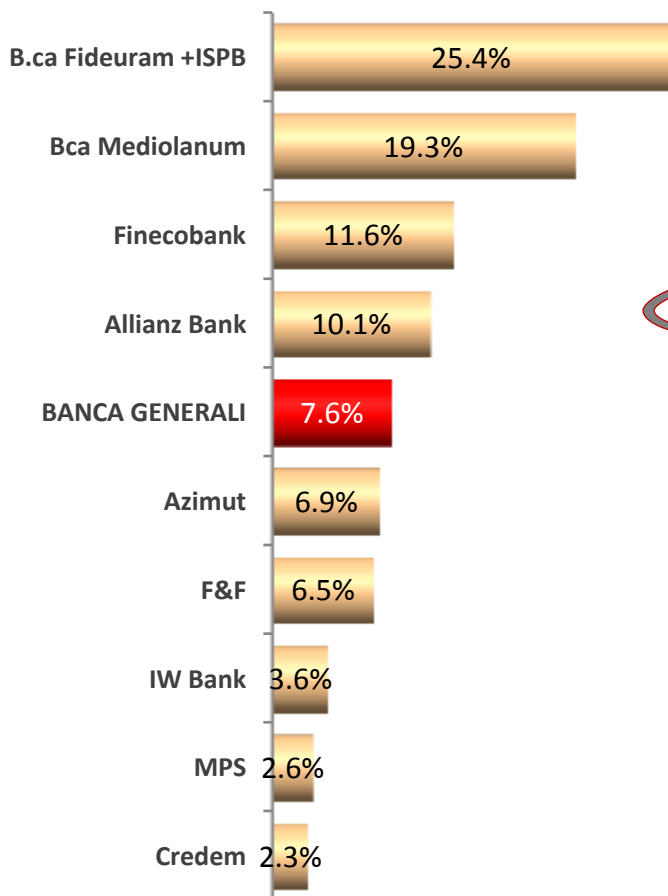
Sector Ranking by Productivity (Net Inflows/FA)



Source: Assoreti, figures at 31 December 2015

Sector Ranking by No. FA

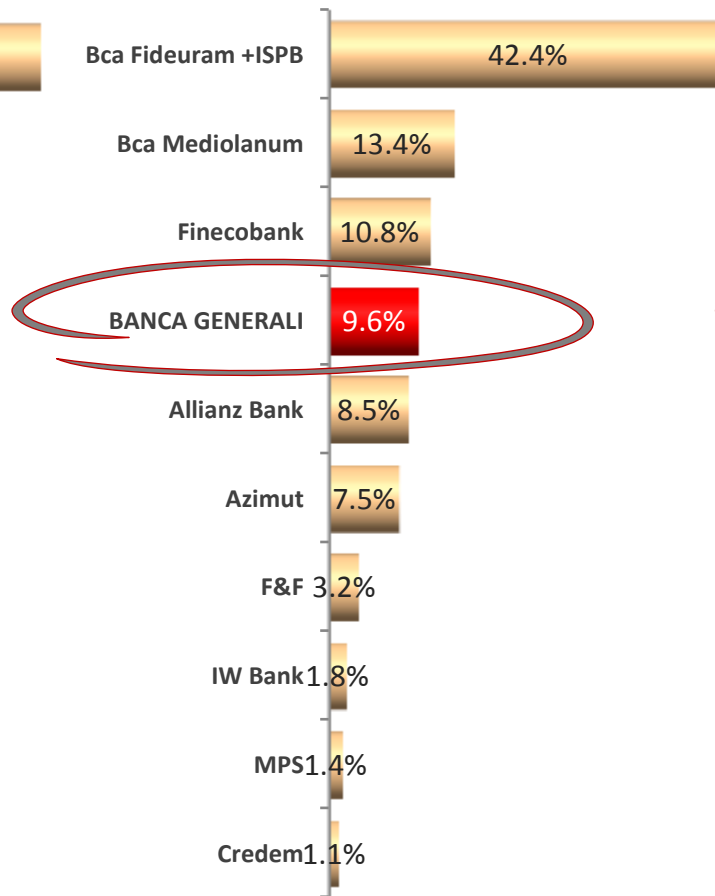
(FY 2015, mkt share)



Source: Assoreti, figures at 31 December 2015

Sector Ranking by Assets

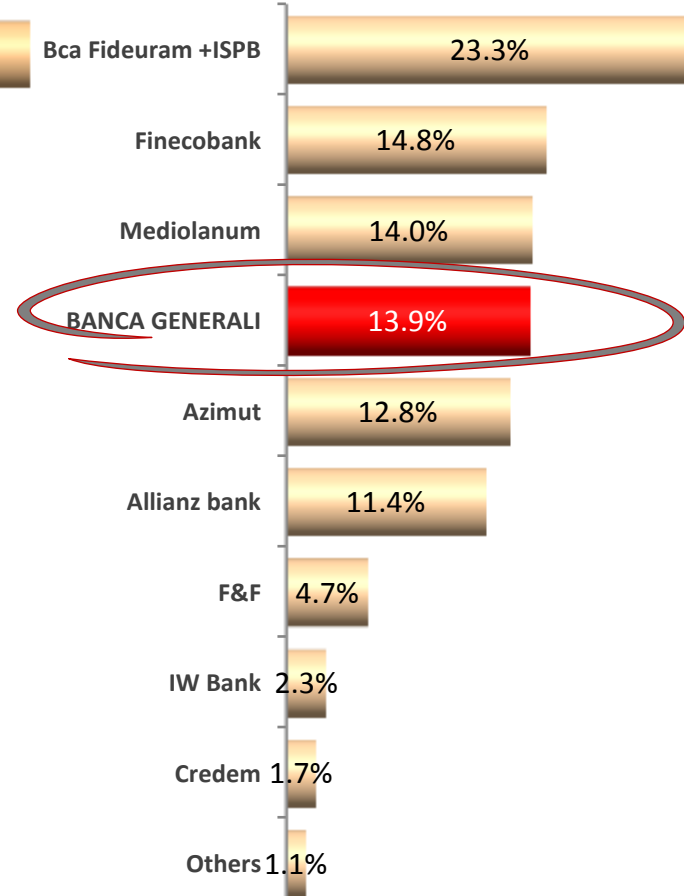
(FY2015, mkt share)



Source: Assoreti, figures at 31 December 2015

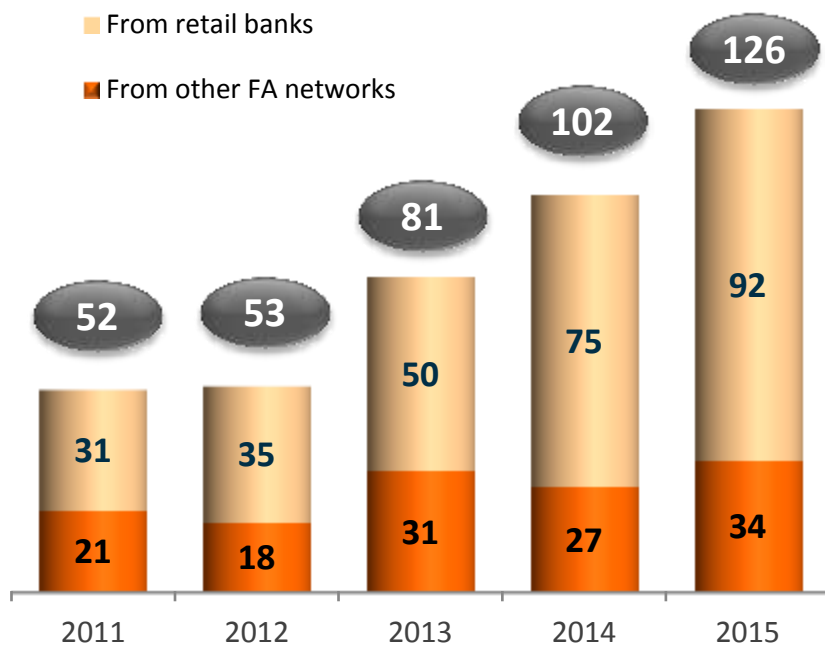
Sector Ranking by Net Inflows

(FY2015, mkt share)

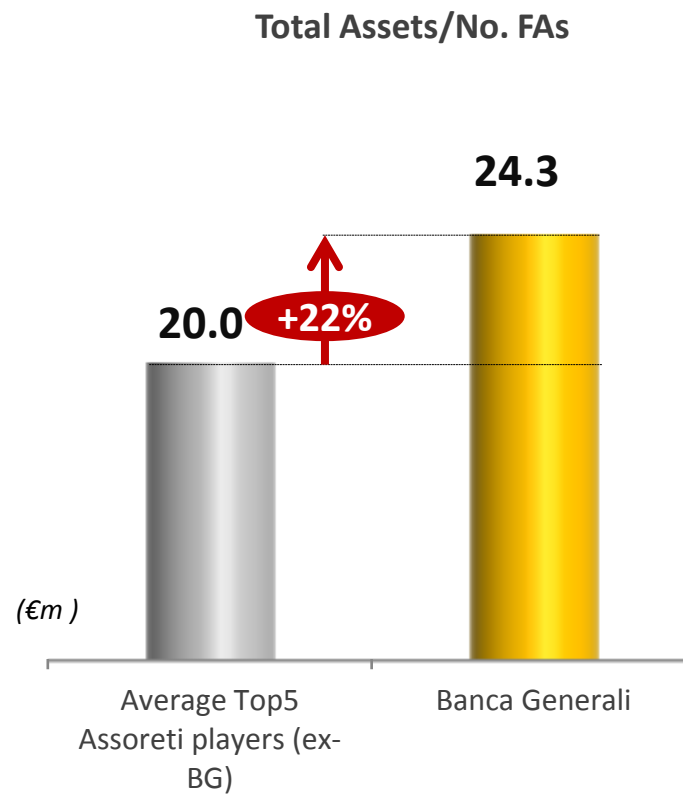


Source: Assoreti, figures at 31 December 2015

No. of new recruits



Banca Generali vs. Top 5 Assoreti



Milano Finanza: “Atlante delle Banche Leader”



“No. 1 Bank in terms
of profitability, solidity
and returns over the
past two years”

Professional Wealth Management Financial Times



“Highly
Recommended”

Osservatorio Finanziario



“Best home
banking
service”

German institute for quality and finance



“Best network
of financial
advisors by
customer
satisfaction”

Le Fonti



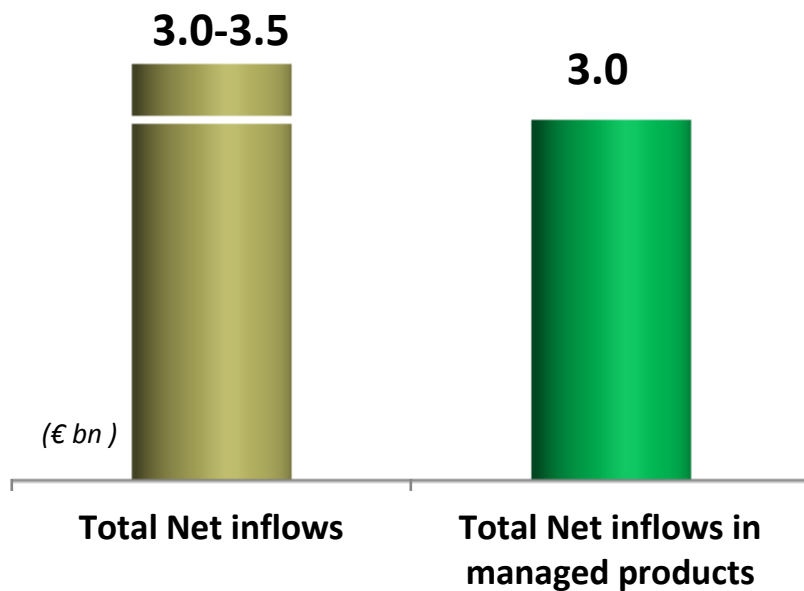
“Best Bank by
innovation”

Professione Finanza

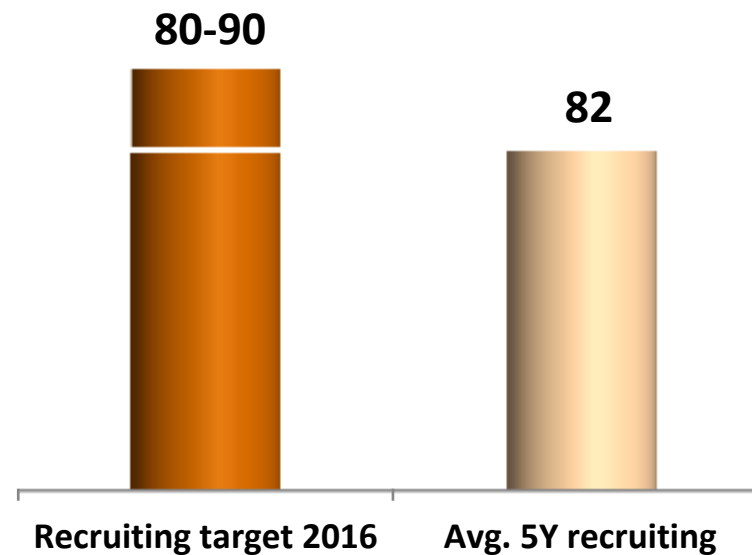


“Best network
by Wealth
Protection
Expertise”

2016 target of Net inflows



2016 target of new recruits



2015 financial results

Dividend and capital position

Net inflows, assets, recruitment

2016: more to come

OUR GOAL

Private banking service...

**...with an high-standard
digital support**



vs. BUSINESS LANDSCAPE

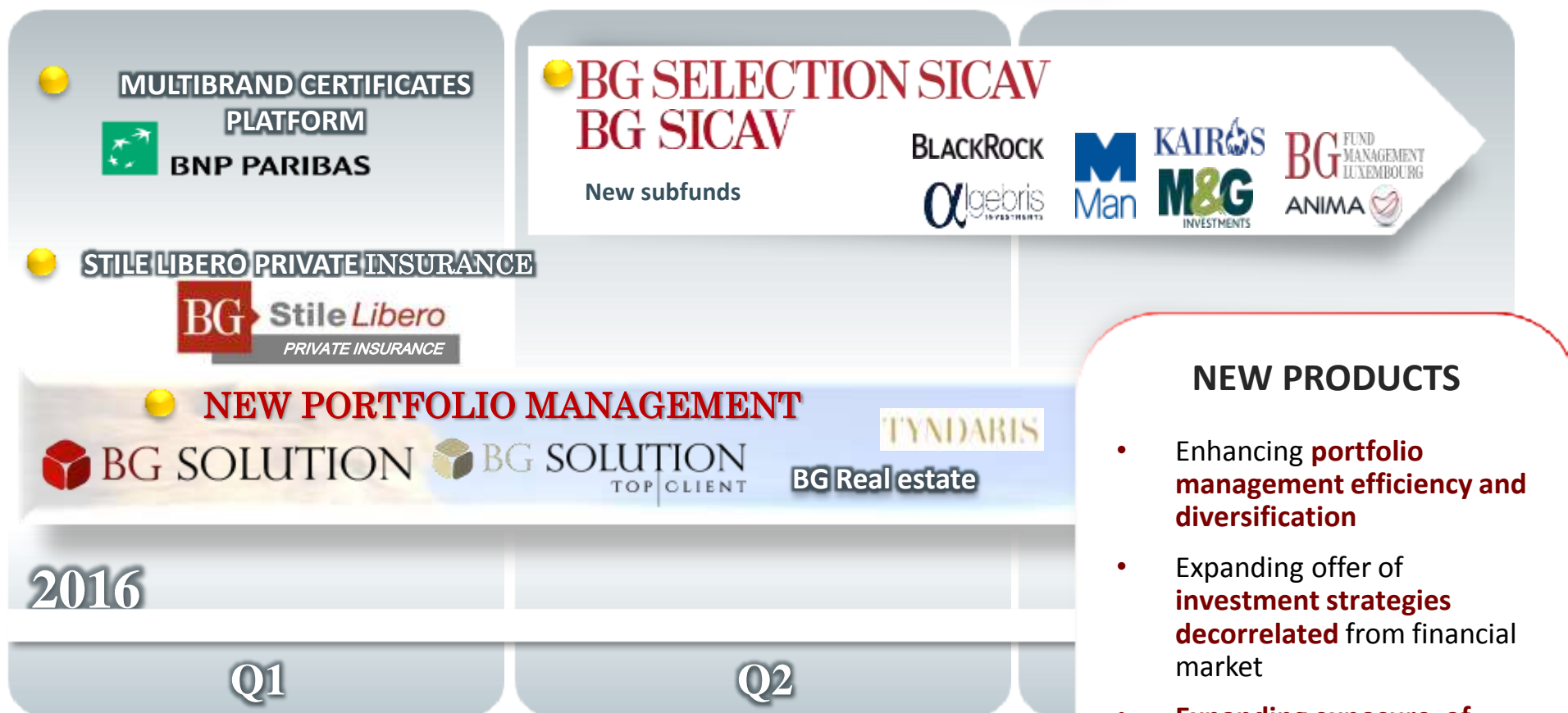
**ULTRA-LOW YIELDS,
VOLATILE FINANCIAL MARKETS**

ONGOING PRODUCT LAUNCH

**DIGITAL REVOLUTION,
FASTER TIME TO MARKET**

**DIGITAL FA'S TOOLKIT
DIGITAL OPERATIONS**

FIRST HALF 2016 PRODUCT PIPELINE



NEW PRODUCTS

- Enhancing **portfolio management efficiency and diversification**
- Expanding offer of **investment strategies decorrelated** from financial market
- **Expanding exposure of Alternatives** leveraging from current favorable asset mix

DIGITAL FA'S TOOLKIT



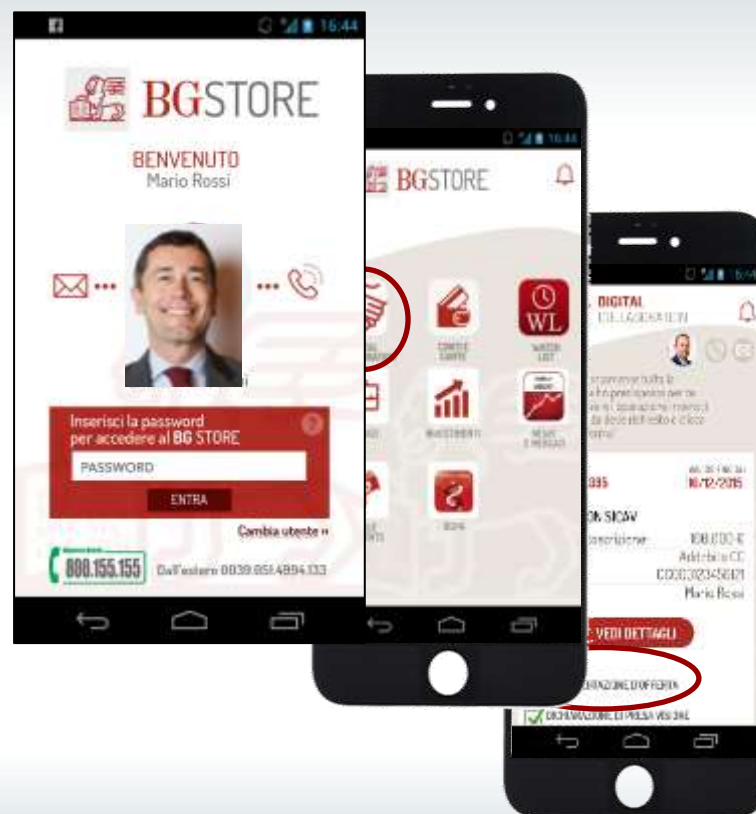
BG Personal Store

- **Investment analysis** - Tools allowing portfolio and risk analysis, exploring investment options, checking market trend and
- **Supporting tools** for recruiting, training and sales monitoring
- User interface designed to support FA's **interaction with customers**

DIGITAL OPERATIONS

BG STORE

- **DIGITAL COLLABORATION – APP** allowing to check portfolio position, receiving investment proposals, confirming investment operations
- **FA-CENTRIC** - Advisors proving central for any investment decision, so their details are always front-line allowing instant contact/messaging with customers
- **APP MOBILE BANKING** and other dedicated APPs also available



Mobile Banking & Portfolio monitoring

Overview of accounts, transaction details

Information on investment portfolio

Securities trading

LA BANCA SEMPRE CON TE

Entra in Banca Generali in modo semplice e sicuro con il tuo smartphone

Scarica subito da Google Play o iTunes la nuova APP gratuita per il tuo Android o iPhone



Mobile payment

Contactless Debit cards

Contactless Credit Card

E-commerce Debit Cards

E-wallet MasterPass (with Mastercard)

Send and receive QR payments

P2P services



E-payment

Paying Bills (Income tax, car tax, fines,

MAV/RAV/POSTAL (pre-printed payment slip)



Online security

Banking Alerts Credit Card Alerts

Strong & Light Authentication

AFFRETTATI, ATTIVA SECURE CALL

Secure Call è lo strumento all'avanguardia per confermare le tue operazioni online.

Gratuito

A tua disposizione 24 ore su 24

Nessuna procedura di installazione

Non devi ricordare nessuna password

ENTRA IN BANCA E RICHIEDI SECURE CALL



A distinctive business model

**Able to achieve
SUSTAINABLE RESULTS**

**Able to attract top Professionals,
PEOPLE OF VALUE**

A clear mission:

**PRIVATE BANKING SERVICE
with an HIGH-STANDING
DIGITAL SUPPORT**

**UNIQUE BY BUSINESS MODEL,
SOLIDITY, QUALITY, VALUE
PROPOSITION, INNOVATION**



The manager responsible for preparing the company's financial reports (Stefano Grassi) declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law of Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

S. Grassi, CFO

Certain statements contained herein are statements of future expectations and other forward-looking statements.

These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

The user of such information should recognize that actual results, performance or events may differ materially from such expectations because they relate to future events and circumstances which are beyond our control including, among other things, general economic and sector conditions.

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