

**MEDIOLANUM**

**GRUPPO MEDIOLANUM**

**2003 Customer Base**  
**Demographic & Asset Profile**

# Primary Customer Base

as at December 31, 2003

Customer  
Base

|   | 2003           | 2002           | Change       |
|---|----------------|----------------|--------------|
| <b>Primary Account Holders<br/>(unduplicated)</b> | <b>778,200</b> | <b>761,300</b> | <b>+2.2%</b> |
| Life  | 581,800        | 547,800        | +6.2%        |
| Mutual Funds & Managed Accounts                   | 287,500        | 282,400        | +1.8%        |
| Bank  | 299,200        | 304,600        | -1.8%        |
| Other   | 64,100         | 70,000         | -8.4%        |



# Customer Retention

|                | 2003  | 2002  |
|----------------|-------|-------|
| Retention Rate | 94.9% | 95.2% |

- ✓ The customer retention rate remained very stable at the same high levels typical for Mediolanum



# Customer Assets

|                              | 2003   | 2002   |
|------------------------------|--------|--------|
| Average AUM per Customer (€) | 23,975 | 22,000 |



The 9% increase from 2002 is not only substantial, but also rewarding, considering the market sentiment during the year



# Total Customers

## Segmented by Assets

Customer  
Base

|                             |   | December 2003     |      |             |      | December 2002     |      |             |      | Change      |              |
|-----------------------------|---|-------------------|------|-------------|------|-------------------|------|-------------|------|-------------|--------------|
|                             | AUM per customer<br>(Medianum)<br>(€/000) | # of<br>Customers |      | AUM         |      | # of<br>Customers |      | AUM         |      | Customers   | AUM          |
|                             |   | (,000)            | %    | (€ bn)      | %    | (,000)            | %    | (€ bn)      | %    | %           | %            |
| <b>High Net Worth</b>       | (>1,000)                                  | <b>0.4</b>        | 0.1  | <b>1.4</b>  | 7.4  | <b>0.4</b>        | 0.0  | <b>1.3</b>  | 7.9  |             |              |
| <b>Affluent Upper Scale</b> | (350-1,000)                               | <b>3.2</b>        | 0.4  | <b>1.6</b>  | 8.8  | <b>2.7</b>        | 0.3  | <b>1.4</b>  | 8.2  | +14.9       | +13.5        |
| <b>Affluent Lower Scale</b> | (100-350)                                 | <b>29.5</b>       | 3.8  | <b>4.9</b>  | 26.1 | <b>25.8</b>       | 3.4  | <b>4.3</b>  | 25.3 |             |              |
| <b>Upper Mass</b>           | (50-100)                                  | <b>49.5</b>       | 6.4  | <b>3.4</b>  | 18.4 | <b>44.0</b>       | 5.8  | <b>3.0</b>  | 18.1 | +1.7        | +9.2         |
| <b>Mass</b>                 | (<50)                                     | <b>695.6</b>      | 89.4 | <b>7.3</b>  | 39.3 | <b>688.4</b>      | 90.4 | <b>6.8</b>  | 40.5 |             |              |
| <b>TOTAL</b>                |   | <b>778.2</b>      | 100  | <b>18.7</b> | 100  | <b>761.3</b>      | 100  | <b>16.8</b> | 100  | <b>+2.2</b> | <b>+11.0</b> |
| <b>AUM per Customer (€)</b> |   | <b>23,975</b>     |      |             |      | <b>22,088</b>     |      |             |      |             |              |



# Bank Customers

|  | 2003  | 2002  |
|--|-------|-------|
| Share of HNW & Affluent segments who are also Bank Customers | 86.4% | 87.5% |

Share of HNW & Affluent segments who are also Bank Customers

Growth Rate of Bank Customers: - 2%

- ✓ Loss in bank customers regards marginal customers both in terms of lower assets and cross-selling
- ✓ Related to the decrease in interest rate paid & flat numbers in the sales network



# Bank Customers

## Segmented by Assets

Customer  
Base

|                             |   | December 2003     |      |             |      | December 2002     |      |             |      | Change      |             |
|-----------------------------|---|-------------------|------|-------------|------|-------------------|------|-------------|------|-------------|-------------|
|                             | AUM per customer<br>(Medianum)<br>(€/000) | # of<br>Customers |      | AUM         |      | # of<br>Customers |      | AUM         |      | Customers   | AUM         |
|                             |   | (,000)            | %    | (€ bn)      | %    | (,000)            | %    | (€ bn)      | %    | %           | %           |
| <b>High Net Worth</b>       | (>1,000)                                  | <b>0.4</b>        | 0.1  | <b>1.3</b>  | 10.0 | <b>0.3</b>        | 0.1  | <b>1.3</b>  | 10.3 |             |             |
| <b>Affluent Upper Scale</b> | (350-1,000)                               | <b>3.0</b>        | 1.0  | <b>1.5</b>  | 11.6 | <b>2.5</b>        | 0.8  | <b>1.3</b>  | 10.6 | +12.9       | +12.1       |
| <b>Affluent Lower Scale</b> | (100-350)                                 | <b>25.2</b>       | 8.4  | <b>4.2</b>  | 32.0 | <b>22.5</b>       | 7.4  | <b>3.7</b>  | 30.6 |             |             |
| <b>Upper Mass</b>           | (50-100)                                  | <b>37.1</b>       | 12.4 | <b>2.6</b>  | 19.6 | <b>34.1</b>       | 11.2 | <b>2.4</b>  | 19.5 | -3.1        | +3.3        |
| <b>Mass</b>                 | (<50)                                     | <b>233.5</b>      | 78.0 | <b>3.5</b>  | 26.8 | <b>245.2</b>      | 80.5 | <b>3.5</b>  | 29.0 |             |             |
| <b>TOTAL</b>                |   | <b>299.2</b>      | 100  | <b>13.2</b> | 100  | <b>304.6</b>      | 100  | <b>12.2</b> | 100  | <b>-1.8</b> | <b>+7.8</b> |
| <b>AUM per Customer (€)</b> |   | <b>44,084</b>     |      |             |      | <b>40,147</b>     |      |             |      |             |             |



# Financial Executives' Customers

Customer  
Base

|                                  | 2003  | 2002  | Change |
|----------------------------------|-------|-------|--------|
| Share of Total Customers         | 11.6% | 10.0% | +16.0% |
| Share of HNW & Affluent segments | 19.3% | 18.1% | +6.6%  |
| Share of New Customers acquired  | 19.1% | 19.6% | -2.6%  |

Growth rate of Financial Executives: - 2.6%

✓ Despite the modest decline in the number of Financial Executives, they increasingly represent a strong factor in the quality of the customer base





# Financial Executives' Customers

Customer  
Base

## Segmented by Assets

|                             |   | December 2003     |      |            |      | December 2002     |      |            |      | Change      |             |
|-----------------------------|---|-------------------|------|------------|------|-------------------|------|------------|------|-------------|-------------|
|                             | AUM per customer<br>(Medianum)<br>(€/000) | # of<br>Customers |      | AUM        |      | # of<br>Customers |      | AUM        |      | Customers   | AUM         |
|                             |   | (,000)            | %    | (€ bn)     | %    | (,000)            | %    | (€ bn)     | %    | %           | %           |
| <b>High Net Worth</b>       | (>1,000)                                  | <b>0.1</b>        | 0.2  | <b>0.4</b> | 13.6 | <b>0.1</b>        | 0.1  | <b>0.4</b> | 12.2 |             |             |
| <b>Affluent Upper Scale</b> | (350-1,000)                               | <b>0.8</b>        | 0.9  | <b>0.4</b> | 13.6 | <b>0.7</b>        | 0.8  | <b>0.4</b> | 13.2 | +9.1        | +12.7       |
| <b>Affluent Lower Scale</b> | (100-350)                                 | <b>5.5</b>        | 6.1  | <b>0.9</b> | 29.4 | <b>5.0</b>        | 5.4  | <b>0.9</b> | 29.6 |             |             |
| <b>Upper Mass</b>           | (50-100)                                  | <b>7.5</b>        | 8.3  | <b>0.5</b> | 16.4 | <b>6.9</b>        | 7.5  | <b>0.5</b> | 16.7 |             |             |
| <b>Mass</b>                 | (<50)                                     | <b>76.4</b>       | 84.6 | <b>0.9</b> | 27.0 | <b>79.8</b>       | 86.1 | <b>0.8</b> | 28.4 | -3.3        | +5.5        |
| <b>TOTAL</b>                |   | <b>90.3</b>       | 100  | <b>3.2</b> | 100  | <b>92.6</b>       | 100  | <b>2.9</b> | 100  | <b>-2.6</b> | <b>+9.4</b> |
| <b>AUM per Customer (€)</b> |   | <b>35,269</b>     |      |            |      | <b>31,412</b>     |      |            |      |             |             |



# Assets by Customer Type

|                                   | 2003   | 2002   | Change |
|-----------------------------------|--------|--------|--------|
| Average AUM per Bank Customer (€) | 44,000 | 40,150 | +9.6%  |
| Average AUM per F.E. Customer (€) | 35,200 | 31,400 | +12.1% |
| Average AUM per Customer (€)      | 23,975 | 22,088 | +8.5%  |

- ✓ Bank customers continue to have a significantly higher AUM than average, with a higher growth rate
- ✓ Financial Executive customers also have a higher AUM than average, indicating that F.E. are important to the development of the HNW & Affluent segments





# Cross-selling Product Categories - 2003

Customer  
Base

Bank Account  
Credit Cards  
Stock Portfolio  
Mutual Funds  
Managed Accounts  
Index-linked Policies  
Pension Plans  
Other Life Products  
Non-Life Products  
Home Mortgages

Direct Channels

 10 points  
based on  
products owned

 2 points  
based on  
Intensity of use



# % Customers per Business Line

by Segment

Customer  
Base

|                             |                                 | December 2003     |      |             |      |                          |                   |                 |                  |
|-----------------------------|---------------------------------|-------------------|------|-------------|------|--------------------------|-------------------|-----------------|------------------|
|                             | AUM per customer<br>(Medolanum) | # of<br>Customers |      | AUM         |      | Securities<br>& accounts | Life<br>Insurance | Mutual<br>Funds | Managed<br>Accts |
|                             | (€/000)                         | (,000)            | %    | (€ bn)      | %    | %                        | %                 | %               | %                |
| <b>High Net Worth</b>       | (>1,000)                        | <b>0.4</b>        | 0.1  | <b>1.4</b>  | 7.4  | 95.1                     | 80.6              | 67.8            | 57.2             |
| <b>Affluent Upper Scale</b> | (350-1,000)                     | <b>3.2</b>        | 0.4  | <b>1.6</b>  | 8.8  | 92.9                     | 87.0              | 70.1            | 57.9             |
| <b>Affluent Lower Scale</b> | (100-350)                       | <b>29.5</b>       | 3.8  | <b>4.9</b>  | 26.1 | 85.5                     | 85.4              | 69.7            | 40.5             |
| <b>Upper Mass</b>           | (50-100)                        | <b>49.5</b>       | 6.4  | <b>3.4</b>  | 18.4 | 74.9                     | 82.9              | 68.4            | 15.9             |
| <b>Mass</b>                 | (<50)                           | <b>695.6</b>      | 89.4 | <b>7.3</b>  | 39.4 | 33.6                     | 73.7              | 31.8            | 0.3              |
| <b>ALL CUSTOMERS</b>        |                                 | <b>778.2</b>      | 100  | <b>18.7</b> | 100  | 49.3                     | 74.7              | 35.7            | 3.1              |
| <b>AUM per Customer (€)</b> |                                 | <b>23,975</b>     |      |             |      |                          |                   |                 |                  |



# Advisor's Customer Portfolio

Customer  
Base

Average No. of Customers  
per Advisor

| 2003 | 2002 | Change |
|------|------|--------|
|------|------|--------|

|     |     |       |
|-----|-----|-------|
| 145 | 143 | +1.4% |
|-----|-----|-------|



# Customer Demographics

Customer  
Base

|                   | 2003 | 2002 |
|-------------------|------|------|
| Average Age       | 46.0 | 45.6 |
| Average Seniority | 6.8  | 6.2  |

✓ Average seniority posted an increase, reflecting a positive trend in customer loyalty

✓ The increase in average age is less than the increase in seniority



# Demographics & Cross-Selling

Customer  
Base

by Segment

December 2003

|                             | AUM per customer<br>(Medianum)<br>(€/000) | No. of<br>Customers |      | AUM         |      | Age<br>years | Seniority<br>years | *                                       |  |   |
|-----------------------------|---|---------------------|------|-------------|------|--------------|--------------------|---|--|---|
|                             |   | (,000)              | %    | (€ bn)      | %    |              |                    | Business<br>Lines<br>(out of 4)<br>avg. | Product<br>Categories<br>(out of 12)<br>avg. | Products<br>(no. of<br>contracts)<br>avg. |
| <b>High Net Worth</b>       | (>1,000)                                  | <b>0.4</b>          | 0.1  | <b>1.4</b>  | 7.4  | <b>60.4</b>  | 6.9                | 26                                      | <b>5.9</b>                                   | 16.3                                      |
| <b>Affluent Upper Scale</b> | (350-1,000)                               | <b>3.2</b>          | 0.4  | <b>1.6</b>  | 8.8  | <b>58.8</b>  | 8.0                | 2.7                                     | 5.9  | 13.4                                      |
| <b>Affluent Lower Scale</b> | (100-350)                                 | <b>29.5</b>         | 3.8  | <b>4.9</b>  | 26.1 | <b>55.7</b>  | 8.4                | 2.6                                     | 5.1  | 9.3                                       |
| <b>Upper Mass</b>           | (50-100)                                  | <b>49.5</b>         | 6.4  | <b>3.4</b>  | 18.4 | <b>52.8</b>  | 8.3                | 2.4                                     | 4.3  | 6.9                                       |
| <b>Mass</b>                 | (<50)                                     | <b>695.6</b>        | 89.4 | <b>7.3</b>  | 39.3 | <b>45.1</b>  | 6.6                | 1.5                                     | <b>2.2</b>                                   | 2.4                                       |
| <b>ALL CUSTOMERS</b>        |   | <b>778.2</b>        | 100  | <b>18.7</b> | 100  | <b>46.0</b>  | 6.8                | 1.6                                     | 2.4  | 3.0                                       |

AUM per Customer (€)

**23,975**

\* Banking Products, Life Insurance, Mutual Funds, Non-Life Insurance



# Customer Demographics 2003

by Profession

Customer  
Base



- Employees: 43.9%
- Self-employed: 31.6%
- Retired: 13.1%
- Homemakers / students: 11.4%

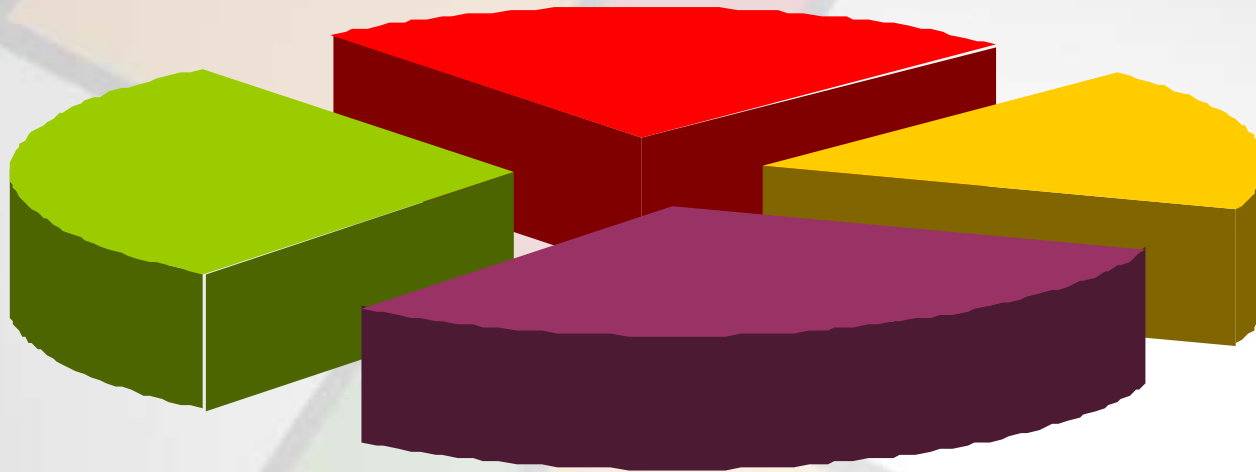




# Customer Demographics 2003

by Territory

Customer  
Base



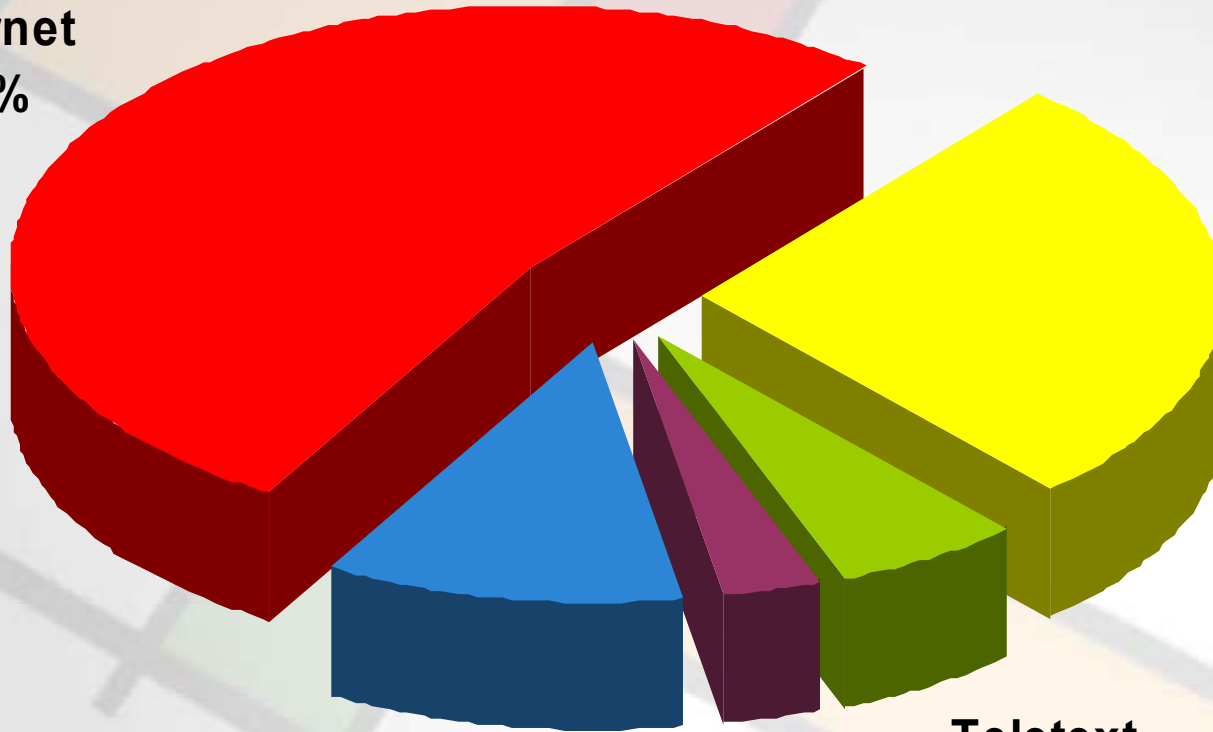
- Northwest: 30%
- Northeast: 29%
- Centre: 23%
- South & Islands: 18%



# Direct Channel Contacts - 2003

Customer  
Base

Internet  
53%



Automated  
System  
27%

Call Centre  
Operators  
11%

SMS  
3%

Teletext  
6%



# Customer Rating by Assets

Primary Account Holders – physical persons only

Customer  
Base



Statistical rating of customers in terms of assets they could give to Mediolanum in the future:  
1 (highest) to 3 (lowest)

## December 2003

|                             | AUM per customer<br>(Mediolanum)<br>(€/000) | # of<br>Customers<br>(,000) | Rating of Potential |                |                | % of Clients<br>w/ Rating 1 or 2 |
|-----------------------------|---|-----------------------------|---------------------|----------------|----------------|----------------------------------|
|                             |   |                             | 1                   | 2              | 3              |                                  |
|                             |   |                             | # of customers      |                |                |                                  |
| <b>High Net Worth</b>       | (>1,000)                                    | <b>0.4</b>                  | 207                 | 84             | 102            | <b>74%</b>                       |
| <b>Affluent Upper Scale</b> | (350-1,000)                                 | <b>3.1</b>                  | 1,459               | 679            | 998            | <b>69%</b>                       |
| <b>Affluent Lower Scale</b> | (100-350)                                   | <b>29.3</b>                 | 10,729              | 7,188          | 11,405         | <b>62%</b>                       |
| <b>Upper Mass</b>           | (50-100)                                    | <b>49.3</b>                 | 14,929              | 13,293         | 21,119         | <b>57%</b>                       |
| <b>Mass</b>                 | (<50)                                       | <b>658.6</b>                | 138,747             | 185,093        | 334,795        | <b>49%</b>                       |
| <b>TOTAL CUSTOMERS</b>      |   | <b>740.8</b>                | <b>166,071</b>      | <b>206,337</b> | <b>368,419</b> | <b>50%</b>                       |



# Customer Satisfaction Survey

Customer  
Base

2002 figures

- ✓ Mediolanum has been tracking customer satisfaction for more than 10 years
- ✓ The survey is carried out by an outside market research agency – ‘Unicab’ – specialised in quantity measurements
- ✓ The research was based on 9,981 telephone interviews in 2002
- ✓ Unicab measures the level of satisfaction of customers with respect to their financial advisor and to the company



# Customer Satisfaction

with Company & with Advisor

Customer  
Base

|   | 2002  | 2001  |
|---|-------|-------|
| Customers 'Satisfied' with the Company      | 62.7% | 70.8% |
| Customers 'Satisfied' with their Advisor    | 78.9% | 80.8% |
| Customers 'Dissatisfied' with the Company   | 9.4%  | 6.1%  |
| Customers 'Dissatisfied' with their Advisor | 5.8%  | 5.2%  |



# Customer Satisfaction

Customer  
Base

## Satisfaction with Results Achieved

|   | 2002         | 2001         |
|---|--------------|--------------|
| <b>Satisfaction with Results Achieved<br/>(all Customers)</b> | <b>71.4%</b> | <b>86.3%</b> |
| among those contacted by the Advisor<br>every week            | 79.9%        | 91.2%        |
| among those contacted by the Advisor<br>less than once a year | 48.8%        | 69.0%        |

✓ Frequency of contact with the Financial Advisor remains the main driver of satisfaction

✓ The same holds for the degree of sense of security in the investments

