Mediolanum Group

INTERIM FINANCIAL REPORT AS AT 31 MARCH 2024

Banca Mediolanum S.p.A.

Parent Company of the Mediolanum Banking Group, listed in the Register of Banking Groups
Bank listed in the Register of Banks - Member of the National Guarantee Fund and the Interbank Deposit Protection Fund
Share capital €600,669,028.40 fully paid up - Tax code and Milan Companies Register No. 02124090164 - VAT No. 10540610960 of the Banca Mediolanum VAT Group

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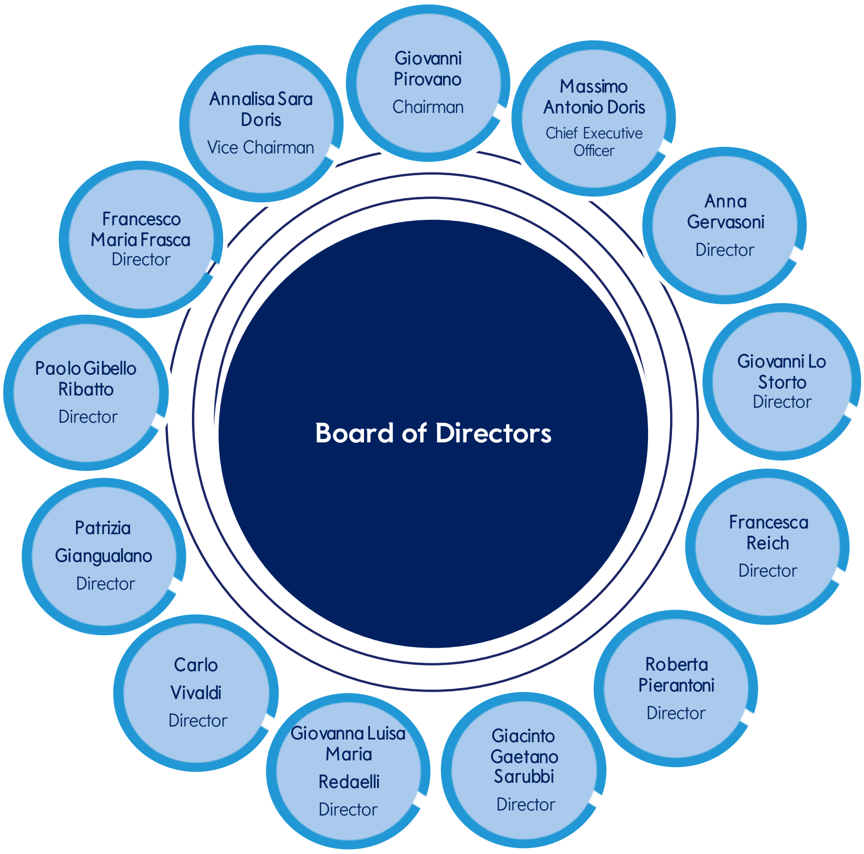
CORPORATE OFFICERS



Board of Statutory Auditors

Francesco Schiavone Panni	Chairman of the Board of Statutory Auditors
Teresa Naddeo	Standing Auditor
Gian Piero Sala	Standing Auditor

General Manager

Igor Garzesi

Financial Reporting Officer

Angelo Lietti

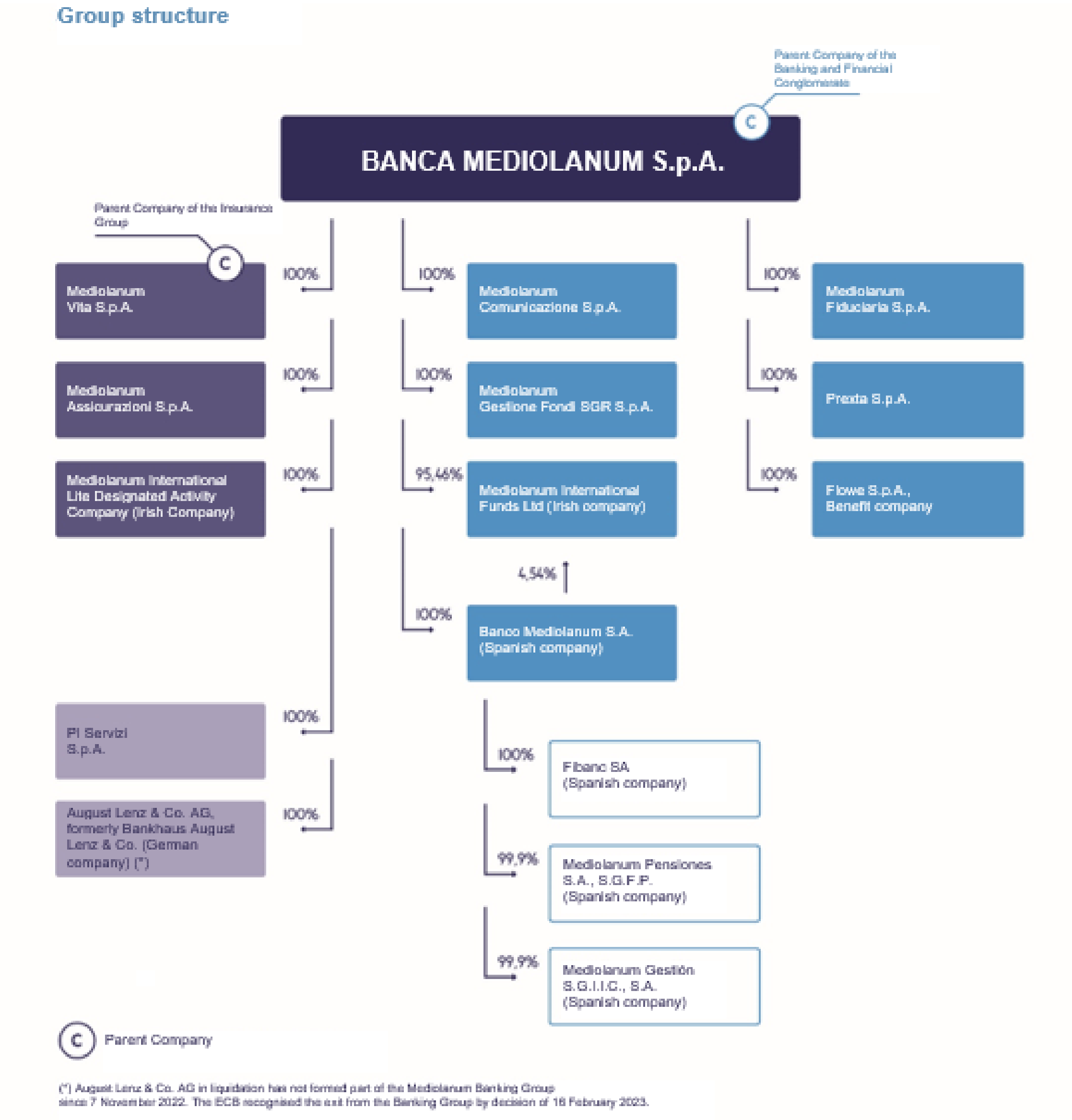
Board Secretary

Luca Maria Rovere

Independent Auditor

PricewaterhouseCoopers S.p.A.

GROUP STRUCTURE



CONSOLIDATED HIGHLIGHTS

Highlights of the Mediolanum Group at the end of the first quarter of 2024

ECONOMIC PERFORMANCE

The Mediolanum Group closed the period ended 31 March 2024 with net income of €220.5 million, compared with €178.3 million for the comparative period.

The operating margin for the reporting period grew by 24% compared to 31 March 2023 thanks to the increase in the contribution margin (+€95.1 million), mainly attributable to the increase in net interest income, which contributed +€62.3 million compared to the comparative period thanks to the favourable trend in interest rates and the increase in net commissions of +€29.0 million compared to the comparative period due to the increase in the average assets under management.

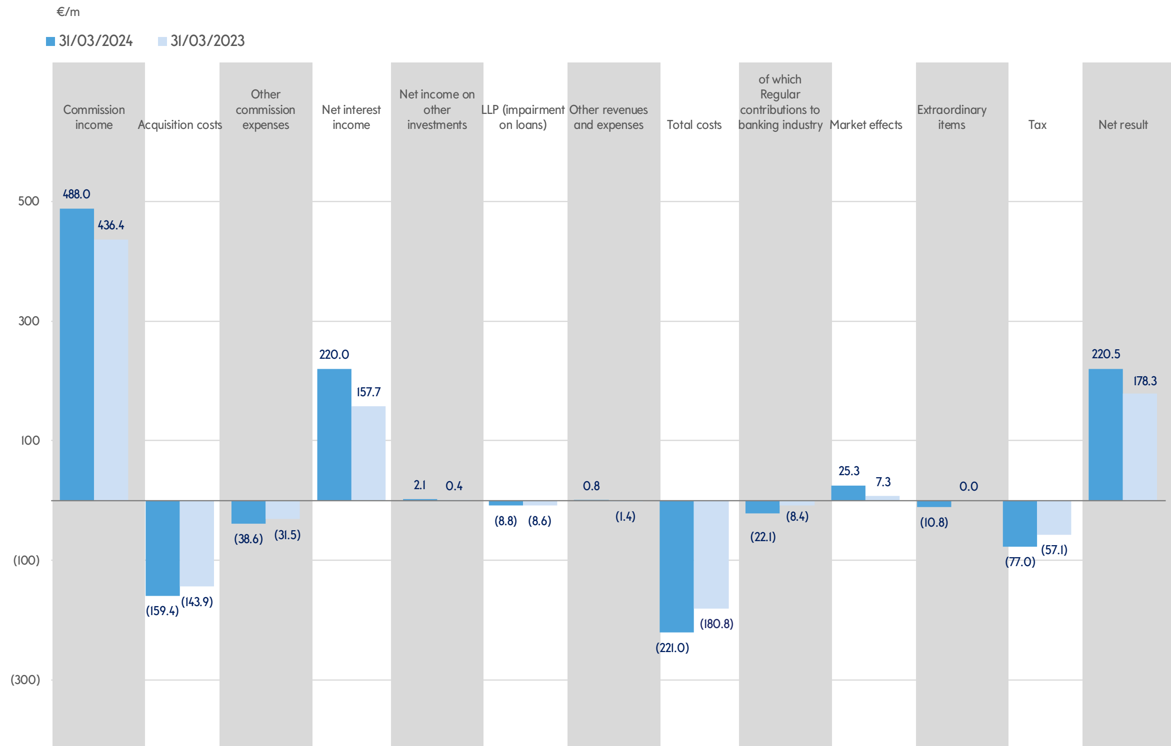
The period saw positive market effects of €18.0 million, attributable to performance fees that increased by €29.3 million compared with the comparative period and the balance of gains and losses at fair value, down by €11.3 million compared with 31 March 2023.

General and administrative expenses for the period increased by 12% to -€176.1 million (31 March 2023: -€157.8 million), mainly due to higher expenses related to commercial development and support activities and higher operating functioning costs.

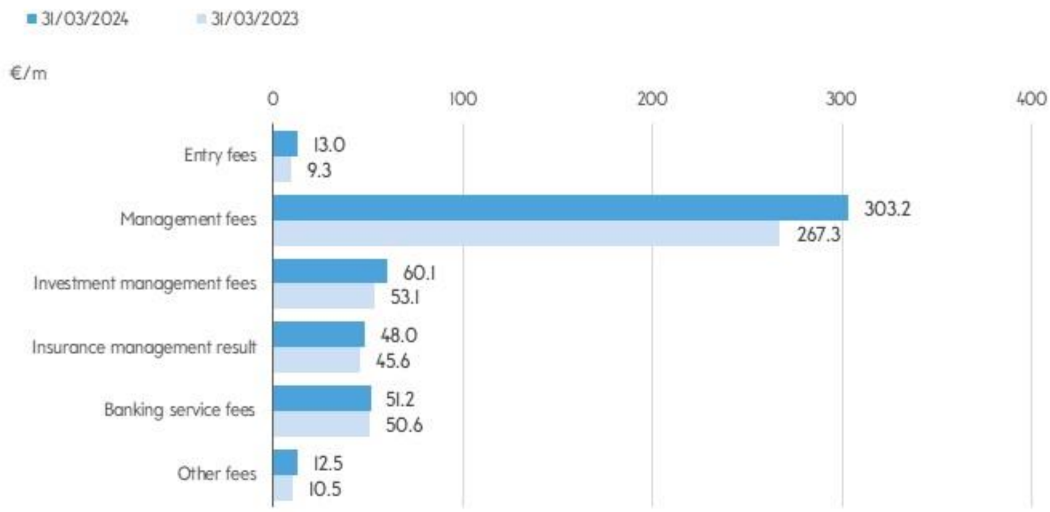
Ordinary and extraordinary contributions and guarantee funds recorded an increase of -€24.5 million on the comparative quarter. The higher cost for ordinary contributions -€13.7 million is to be attributed for -€4.3 million to the recognition of the estimated contribution to the Life Guarantee Fund established by the 2023 Budget Law, as better represented below, and the remaining -€9.4 million to the advance of the provision with respect to the previous year of the annual contribution fee to the Deposit Guarantee Scheme ("DGS") (the final expected contribution, as the Fund is expected to achieve its target objective by 2024), totalling -€17.6 million, offset by the lower provision attributable to the contribution to the Single Resolution Fund ("SRF") (+€8.2 million) following the early achievement of the target at the end of 2023.
The higher cost of extraordinary contributions (included in the item "extraordinary effects") of -€10.8 million was due to the allocation, brought forward compared with the comparative period, of the contributions paid to bail out struggling banks.

CONSOLIDATED INCOME STATEMENT DATA

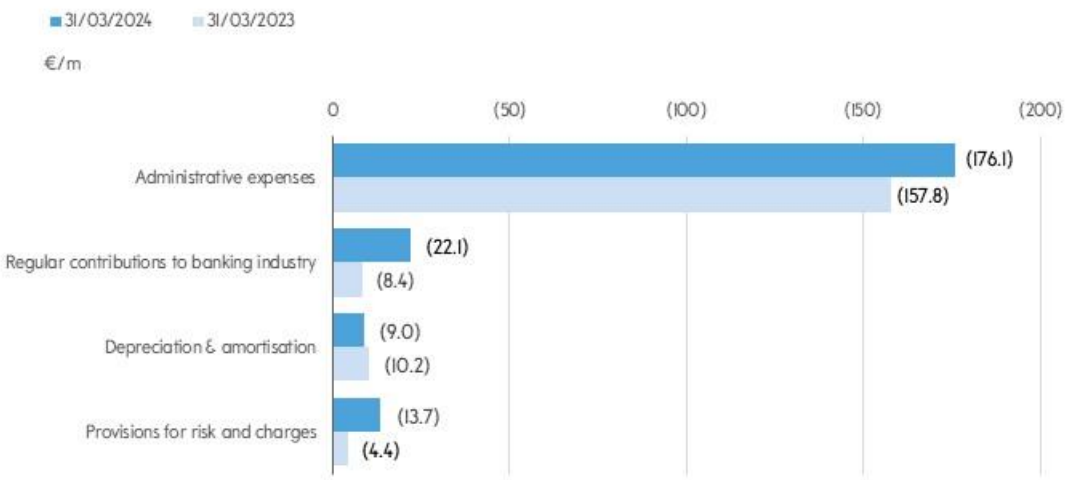
Main items in the reclassified consolidated income statement



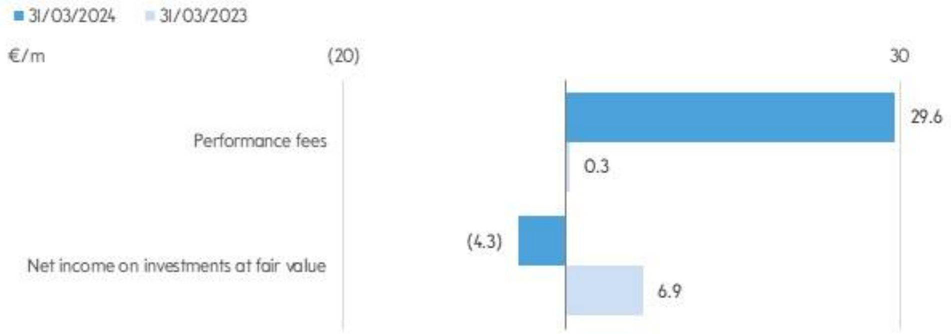
Commission income: breakdown by type



Costs: breakdown by type

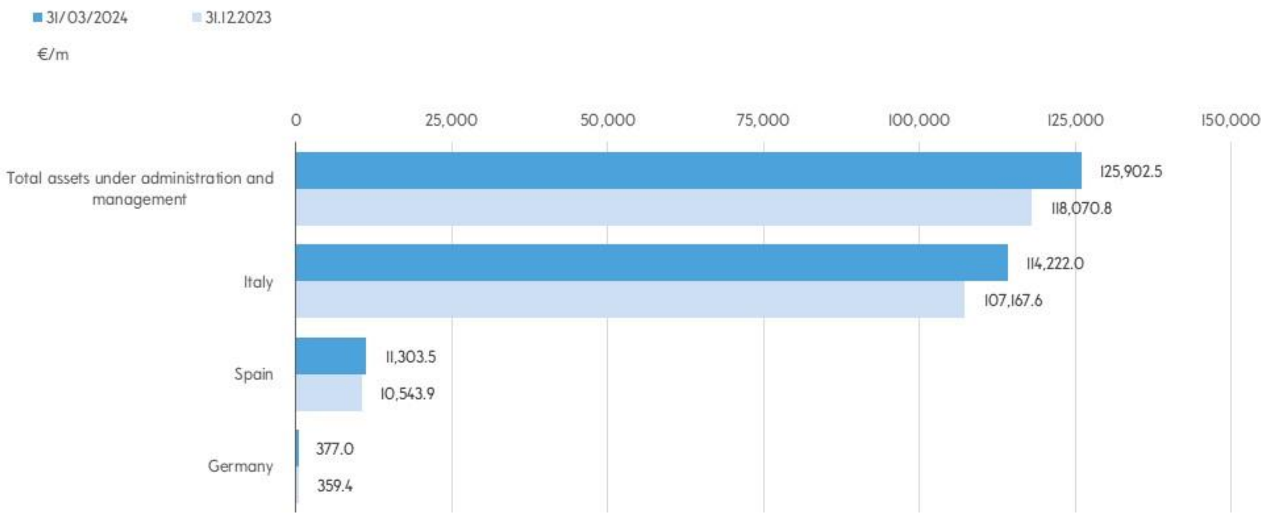


Market effects: breakdown by type

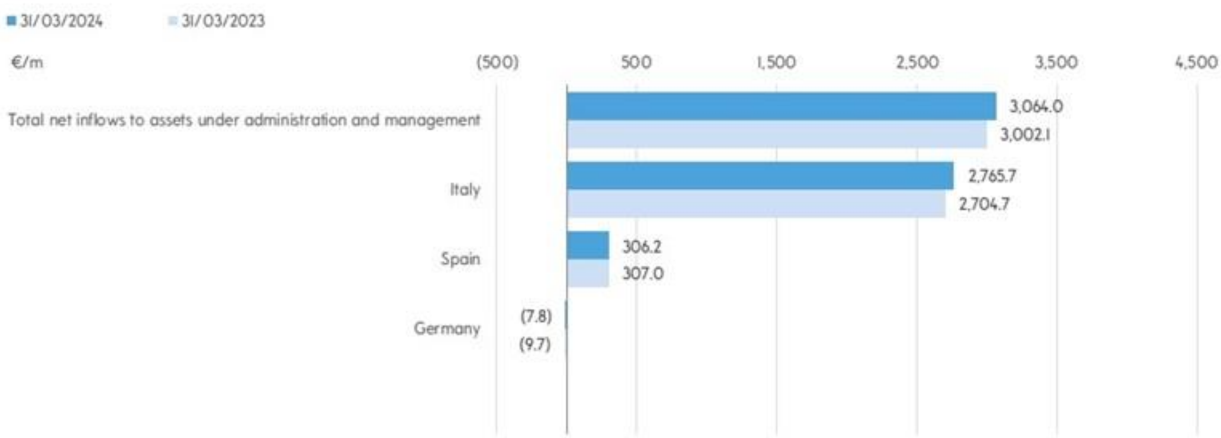


ASSETS AND NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT

Assets under administration and management

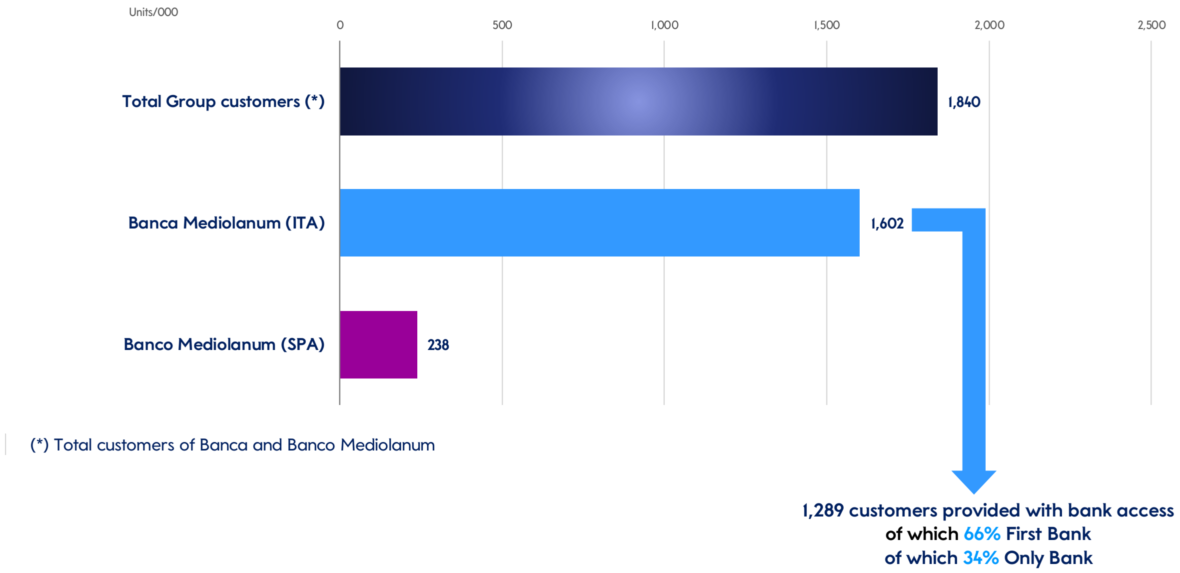


Net inflows to assets under administration and management

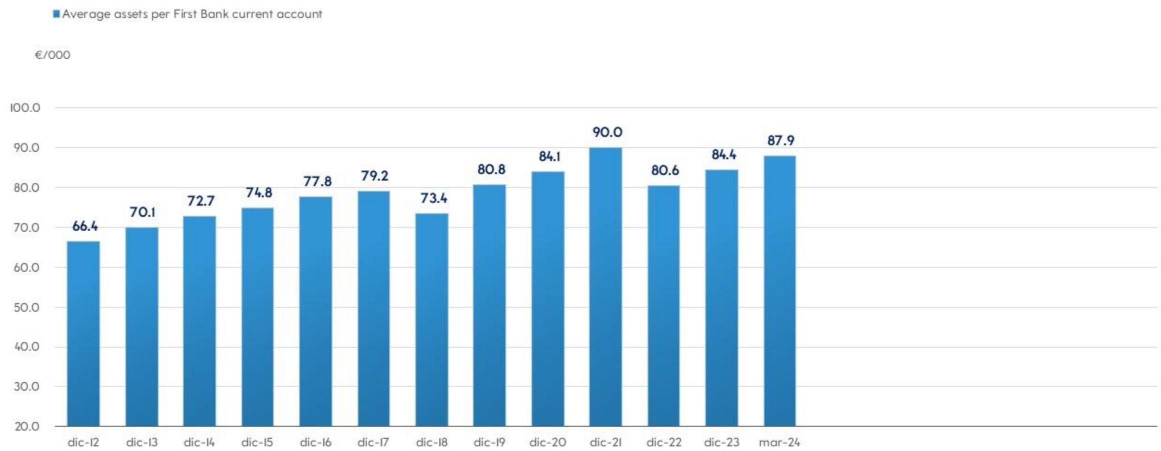


CUSTOMERS

Trends in the customer base



Average assets per customer[1]



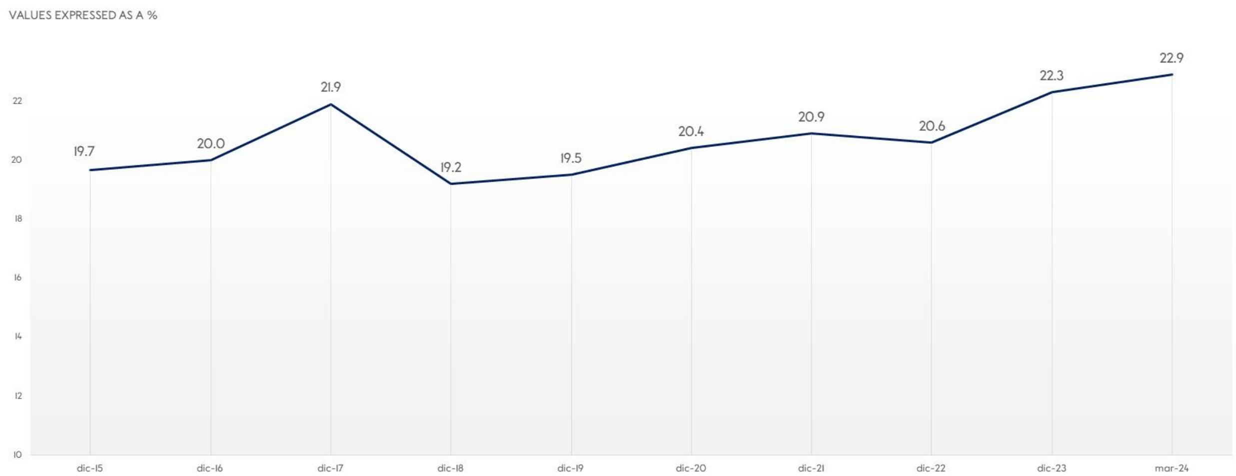
[1] Customers that are primary current account holders with Banca Mediolanum

REGULATORY CAPITAL RATIOS[2]

Consolidated capital ratios at 31 March 2024

CET 1 Ratio	Tier 1 Ratio	Total Capital Ratio
22.9%	22.9%	22.9%

Evolution of the Common Equity Tier 1 Ratio



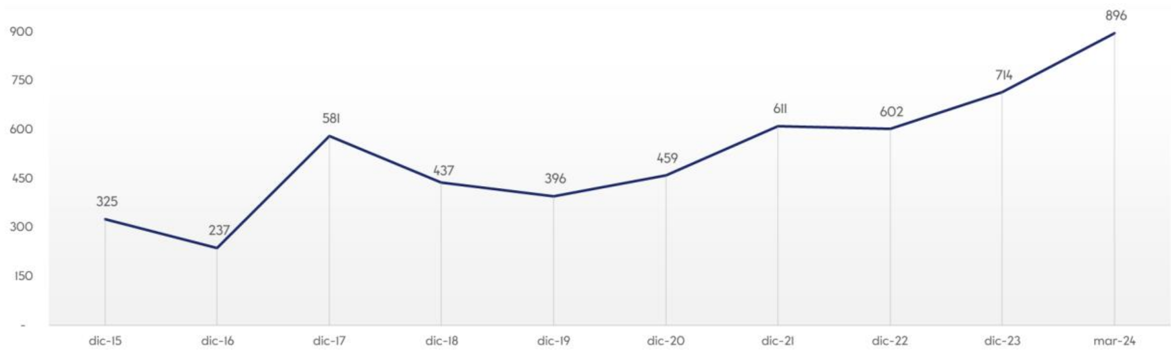
Capital adequacy of the Financial Conglomerate[2]

€/m	31.3.2024	31.12.2023
Financial conglomerate primarily engaged in banking		
Capital	3,748	3,471
Banking capital requirements	1,468	1,541
Insurance capital requirements	1,384	1,216
Capital surplus (deficit)	**896**	**714**

[2] The values set out in this report may be updated during the supervisory authority reporting phase. Capital adequacy at 31 March 2024 was calculated according to the capitalisation limits communicated by the European Central Bank based on the Supervisory Review and Evaluation Process (SREP). The insurance requirements relate to the latest quarterly report (31 December 2023) of the Mediolanum Insurance Group sent to the supervisory authority.

Changes in the capital surplus of the Financial Conglomerate[2]

Financial conglomerate primarily engaged in banking



Other indicators

Information on the stock

	31.3.2024	31.12.2023
Number of ordinary shares (units)	745,092,141	744,040,141
Price at end of period (€)	10.18	8.53
Market capitalisation (€/m)	7,585	6,347
Shareholders' equity (€/m)	3,750	3,455

Earnings per share (EPS)

Euro	31.3.2024	31.3.2023
Basic EPS	0.297	0.242
Diluted EPS	0.296	0.239

Credit indicators

	31.3.2024	31.12.2023
Gross NPLs	1.46%	1.45%
Net NPLs	0.79%	0.79%
Cost of risk*	0.19%	0.19%

*Annualised figure where necessary

Cost indicators

	31.3.2024	31.12.2023	31.3.2023
Cost/Income ratio	39.3%	39.9%	40.6%
Acquisition costs/gross commission income ratio	32.7%	33.5%	33.0%

Operational structure

Units	31.3.2024	31.12.2023	31.3.2023
Number of employees	3,702	3,635	3,513
Number of financial advisors	6,233	6,216	6,113
ITALY - BANCA MEDIOLANUM	4,616	4,576	4,483
SPAIN	1,617	1,640	1,630

For the definitions used in this summary of results, please see the **Glossary** at the end of the document.

GROUP PROFILE

Vision, Mission

Vision

We believe in a better world, built every day for people and for the planet.
We believe in human relationships and in a deep bond based on freedom.
We believe that our informed, positive view of the world and of life makes a real difference.

Mission

Building long-lasting relationships based on deep understanding, loyalty, commitment and transparency. Providing personalised, unique advice with effective, life-long solutions. Acting in an innovative and sustainable way for the well-being of people, families and the community.

… our values

There is no greater value than **FREEDOM**

It is the value through which Mediolanum changed the very notion of the bank.
The freedom of a genuine, true relationship with people.
It is feeling free to achieve your goals and make your dreams come true.

People are the focus

Human relationships are the foundation of everyone who works at Mediolanum.
Building a **RELATIONSHIP** helps us understand a person's projects, support them in managing their savings and achieving wellbeing.
Becoming a trusted partner means growing together.

RESPONSIBILITY We are people for people

We are fully aware of the social role we play.
We know how to act ethically and transparently, even when we have to go against the flow to do so.
We are committed to solidarity and to education and development projects, implementing tangible measures with a strong social impact.

We believe in constant **Improvement**

We anticipate and meet the needs of people, drawing on our history and our roots.
We develop innovative solutions to encourage sustainable behaviours in the public interest.
SUSTAINABLE INNOVATION is our commitment.

POSITIVITY is to making the seemingly impossible possible

Underpinning this philosophy of life and business is the knowledge we have acquired, our experience and confidence in our work.
It is always remaining true to this value and conveying this spirit to people.
It is being able to seize opportunities where no one sees them.

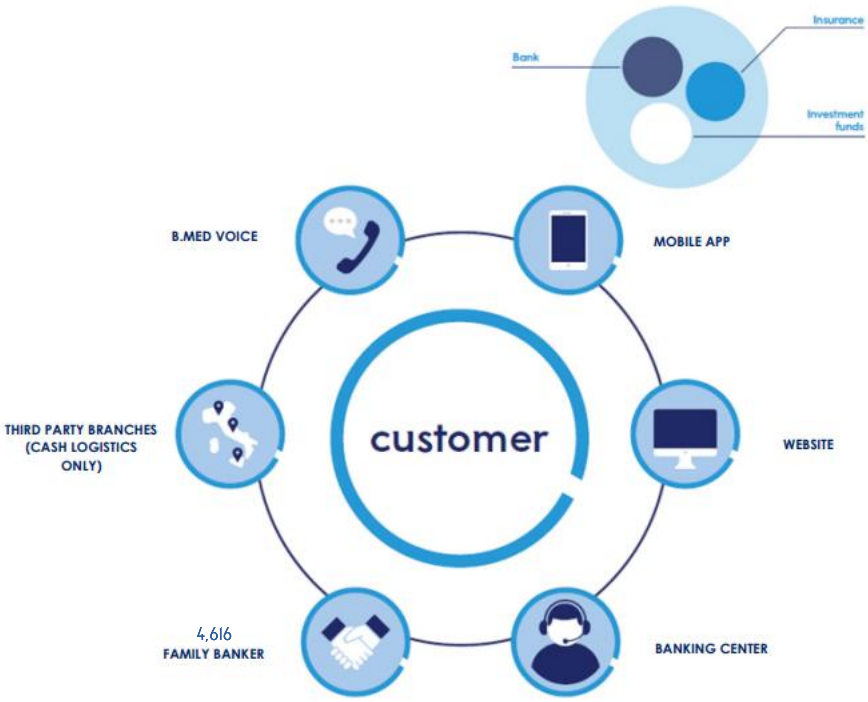
The Mediolanum Group's commercial business model

Banca Mediolanum's commercial business model is designed to meet the external and internal requirements of each customer. Thanks to its numerous communication channels, customers can choose how to "use" "their" bank, deciding on the timing and arrangements of their preferred relationship on an ad hoc basis. Banca Mediolanum offers simple, easy-to-access products and services that meet the needs of individuals and households, who are its main targets.

Through the Family Bankers®, listed in the Single Register of Financial Advisors, Banca Mediolanum helps its customers to manage their savings and provides investment advice in combination with the products and services it offers. Banca Mediolanum does not simply sell products: it offers solutions. This principle enables us to operate in the various business areas of financial services with the expertise and flexibility necessary to respond better to constant economic, taxation, financial and regulatory changes. The investment strategy is the result of careful study of the world markets and the high level of expertise that Mediolanum has developed in asset management, limiting investment concentration risk.

A Bank built around the customer

Integrated Business Model – Banca Mediolanum



INTERIM REPORT ON OPERATIONS OF THE MEDIOLANUM GROUP

Interim Report on Operations of the Mediolanum Group

The Mediolanum Group closed the period ended 31 March 2024 with net income of €220.5 million, compared with €178.3 million for the comparative period.

The macroeconomic scenario

In 2023 the global economic landscape experienced slowing growth, with signs of instability for the future. At the end of the first quarter of 2024, although there has been a slight recovery, clear elements of uncertainty remain. These include not only complex geopolitical dynamics, but also challenges associated with global supply chains and uncertainty regarding the normalisation of major central banks' monetary policies.

Subdued economic growth and persistent inflation are the main impediments to global economic recovery. Central banks face a difficult dilemma: keeping interest rates stable, but with the expected prudence regarding future cuts.

After closing 2023 with real GDP growth of 2.5%, the US economy as a whole continues to hold up, despite some weakness. For example, retail sales seemed less solid than expected already in the February figure, while continuing to grow (+0.6% compared to the previous month and +1.5% compared to a year earlier). On the other hand, the labour market continues to show a strong picture: non-agricultural employment increased by 303,000, beating forecasts and picking up pace surprisingly compared to the previous month (February: 270,000). Despite a decline in February, employment in the manufacturing sector remained stable, and the unemployment rate fell to 3.8%, after rising a tenth of a percent to 3.9% the previous month. In summary, the March employment report was stronger than expected, confirming the strength of the labour market and the importance of wage pressures, despite the slowdown. However, the resumption of labour supply could help contain these pressures. Inflation remains at the heart of the US economic scenario; in particular, the speed of its return to the 2% target will determine the timing of the first expansionary intervention by the Federal Reserve (Fed). The consumer price index for March was again above expectations, both for the headline and core index, with both rising as in February. Year-on-year, the broad price index accelerated faster than expected, rising from 3.2% to 3.5%, while core was stable (rather than slowing by a tenth of a percent as expected), at 3.8% year-on-year. Energy experienced a broad recovery for the second consecutive month, still driven by petrol, bringing the annual change in energy inflation in positive territory to 2.1% year-on-year from -1.9% the previous month. Food prices were lower than in the previous month, keeping an annual change stable at 2.2%. The sustained growth of the core index was fuelled by still very high rates for services, with a year-on-year acceleration to 5.3% from 5% the previous month. Medical services accelerated, returning to 0.6% month-on-month after a one-tenth percent decline in February, with increases in maintenance and vehicle insurance services also notable. In contrast, air fares fell again after the price increases of the previous months. In short, the data show that energy stopped contributing negatively to the annual price change, while services continue to show signs of moderation. In Europe, after a year of near-zero growth (+0.4%) confirmed by recent estimates by Eurostat, the European Union's statistics office, economic activity is expected to gradually gain momentum later this year as real disposable income rises, inflation declines and wages grow robustly, and as terms of trade improve. In a scenario where current disruptions in maritime transport in the Red Sea are unlikely to result in significant new supply constraints, export dynamics should align with stronger external demand. In the medium term, the recovery would also be supported by the gradual removal of the impact of the ECB's monetary policy

tightening. Overall, the average annual real GDP growth rate is expected to be 0.6% in 2024, before rising to 1.5% in 2025 and 1.6% in 2026. According to provisional data from the March PMI survey, the tertiary sector has gained momentum and manufacturing output has improved. Overall, economic activity in the industrial sector continues to face difficulties, while in the service sector there are more positive signs in Italy and Spain, with France and Germany showing improvements, albeit below the expansion threshold. One factor impacting the Eurozone economy is the restrictive monetary policy implemented by the European Central Bank (ECB) to counter high inflation levels. At its meeting on 7 March 2024, the ECB decided to keep interest rates in the Eurozone stable. Despite a slight decline from the previous month, March inflation remained above expectations, with headline at 2.4% and core at 2.9%; while industrial production declined, the labour market remained broadly stable, with the unemployment rate at 6.5%. The ECB revised down its inflation expectations for 2024 and beyond, but said further confirmation from the data was needed before it started to cut interest rates. However, the market expects just over three cuts in 2024, with a high probability of seeing the first cut at the June meeting. In conclusion, Europe faces major economic uncertainties, with high interest rates holding back price growth but also hampering economic activity.
In Italy, industrial activity continues to contract, affected by rising energy costs and weak trading partners. Inflation is accelerating slightly but remains below the price stability target. All in all, it can therefore be said that while economic activity remains subdued, leading to a reduction in the inflation rate, the fall in inflation together with the increase in nominal wages is translating into a recovery in household purchasing power. The cost of new loans remains high, holding back economic activity, household consumption and business investment. The International Monetary Fund's GDP growth forecast remains unchanged at 0.7% for 2024 and 1.1% for 2025, respectively, although there is greater upside uncertainty than in the past. In 2023, Italy showed greater-than-expected resilience to post-pandemic shocks, with an upward revision of GDP growth estimates and construction investment, driven by the Superbonus incentive.
In terms of government finances, the deficit for 2023 was higher than expected, but the debt-to-GDP ratio was revised down. However, this ratio is expected to recover in the coming years, although correction measures are also planned to avoid an excessive deficit procedure after the European elections. Finally, there is optimism regarding the implementation of the National Recovery and Resilience Plan (NRRP), with significant actual spending in 2023 and prospects for acceleration in the coming years, due in part to increased focus on new projects and infrastructure. The NRRP is expected to contribute significantly to economic growth in 2024-25, albeit at a slower pace than previous government forecasts.

The financial markets

	Change (bps)	Yield	
Bond markets	**Q1**	**28.3.2024**	**30.12.2023**
GOVERNMENT YIELDS			
United States			
2 years	37.01	4.62%	4.25%
5 years	36.54	4.21%	3.85%
10 years	32.12	4.20%	3.88%
30 years	31.45	4.34%	4.03%
Germany			
2 years	44.40	2.85%	2.40%
5 years	37.30	2.32%	1.95%
10 years	27.40	2.30%	2.02%
30 years	19.20	2.46%	2.26%
Italy			
2 years	44.60	3.43%	2.99%
5 years	16.50	3.23%	3.07%
10 years	(1.90)	3.68%	3.70%
30 years	(13.00)	4.24%	4.37%

	Change (bps)	Yield	
Bond markets	**Q1**	**28.3.2024**	**30.12.2023**
SPREADS			
Italy - Germany			
2 years	0.18	0.58%	0.58%
10 years	(29.27)	1.38%	1.68%
Spain - Germany			
2 years	(39.06)	0.16%	0.55%
10 years	(10.45)	0.86%	0.97%

	Change (bps)	Yield	
Bond markets	**Q1**	**28.3.2024**	**30.12.2023**
HY and EM			
High yield bonds			
BBG Barclays US Corporate High Yield Yield To Worst	7.0	7.66%	7.59%
Emerging bonds			
J.P. Morgan EMBI Global Sovereign Yields	-	7.21%	7.21%

		Change (%)	Level	
Equity markets		**Q1**	**28.3.2024**	**30.12.2023**
World indices				
	MSCI All Country World	7.73%	783.17	727.00
	MSCI World	8.44%	3,436.78	3,169.18
US indices				
	Dow Jones I.A.	5.62%	39,807.37	37,689.54
	S&P 500	10.16%	5,254.35	4,769.83
	Nasdaq Comp.	9.11%	16,379.46	15,011.35
European indices				
	STOXX Europe 600	7.03%	512.67	478.99
	EURO STOXX	9.72%	520.21	474.14
	FTSE MIB	14.49%	34,750.35	30,351.62
	DAX	10.39%	18,492.49	16,751.64
	CAC 40	8.78%	8,205.81	7,543.18
	AEX	12.07%	881.78	786.82
	IBEX 35	9.63%	11,074.60	10,102.10
	SMI	5.32%	11,730.43	11,137.79
	FTSE 100	2.84%	7,952.62	7,733.24
Asian indices				
	NIKKEI 225	20.03%	40,168.07	33,464.17
	S&P/ASX 200	4.03%	7,896.86	7,590.82
	Hang Seng	(2.97%)	16,541.42	17,047.39
Emerging market indices				
	MSCI Emerging Markets	1.63%	1,040.39	1,023.74

	Change (%)	Level	
Currency	**Q1**	**28.3.2024**	**30.12.2023**
EUR USD	(2.26%)	1,08	1.10
EUR GBP	(1.42%)	0.85	0.87
EUR JPY	4.85%	163.27	155.72

	Change (%)	Level	
Commodities	**Q1**	**28.3.2024**	**30.12.2023**
Oil (Brent)	12.06%	86.96	77.60
Gold	8.09%	2,229.87	2,062.98

	Change (%)	Level	
Sectors (MSCI World AC)	Q1	28.3.2024	30.12.2023
Info Tech	11.74%	657.08	588.06
Healthcare	6.57%	372.97	349.97
Industrial	8.64%	369.47	340.09
Material	1.15%	344.14	340.23
Cons. Discr.	5.63%	374.15	354.22
Financials	8.60%	161.24	148.47
Cons. Staples	2.18%	273.68	267.84
Utilities	0.80%	149.16	147.98
Real Estate	(1.64%)	939.92	955.61
Tel. Services	11.18%	106.68	95.95
Energy	8.47%	264.54	243.89
VIX Index	4.50%	13.01	12.45

The banking market[3]

BANK FUNDING

According to initial estimates by SI-ABI, in February 2024, customer funding of all banks operating in Italy – represented by deposits of resident customers (current account deposits, term deposits net of deposits related to loan assignments, notice deposits and repurchase agreements; deposits are net of transactions with central counterparties) and bonds (net of those repurchased by banks) – amounted to €2,019 billion, up 0.9% compared with the same period of the previous year (+0.5% the previous month).
In detail, resident customer deposits (current account deposits, deposits with agreed maturity net of those related to sale of loans, deposits refundable at notice, repurchase agreements net of transactions with central counterparties) in the same month stood at €1,767 billion and decreased by 1.1% (-1.8% in the previous month).
Medium- and long-term funding through bonds increased compared with a year earlier (+18%; +21.0% in the previous month). Bonds amounted to €252 billion.
Foreign deposits increased in January 2024 year on year: in particular, Italian bank deposits amounted to approximately €410 billion, 21.4% more than a year earlier. Foreign deposits accounted for 14.8% of total inflows (12.5% a year earlier). Net funding inflows from abroad between January 2023 and January 2024 were positive for around €72.1 billion.
In January 2024, net foreign deposits (foreign deposits minus foreign loans) amounted to approximately €156.1 billion (+75.4%). They represented 9.2% of total domestic lending (5.1% a year earlier), while foreign loans – on the same date – amounted to approximately €253.9 billion. The ratio of foreign loans to foreign deposits was 61.9% (73.7% a year earlier).
According to initial SI-ABI estimates, the average rate on bank funding from customers (covering the return on deposits, bonds and repurchase agreements in euro applied to households and non-financial corporations) was 1.21% in February 2024 (the same as the previous month). In particular, the Euro deposit rate applied to households and non-financial companies was 1.00% (as in the previous month; 0.32% in June 2022) and that for bonds was 2.78% (2.80% in the previous month). The current account deposit rate alone was 0.54%, bearing in mind that the current account allows various services to be used and does not have an investment function.
In new business, SI-ABI estimates indicate that the average rate on bank funding from customers (which includes the return on inflows to current account deposits, fixed-term deposits, deposits redeemable at notice, bonds and euro repos applied to households and non-financial companies) stood at 3.66% in February 2024 (0.61% in June 2022, the last month before official interest rate hikes began). In particular, the rate on term deposits in Euro applied to households and non-financial companies was 3.61% (0.29% in June 2022, an increase of 332 basis points). In January 2024 this rate was 3.71% in Italy, higher than the average rate in the euro area (3.50%). The bond rate is 4.03% (1.31% in June 2022 with an increase of 272 basis points).
On the secondary market for government securities, the Rendistato index stood at 3.59% in February 2024, 11 basis points higher than in the previous month and 21 basis points lower than a year earlier (3.80%). In that same month, the gross yield on the secondary market for CCTs (treasury credit certificates) was 4.94% (4.94% also in the previous month and 2.70% a year earlier). The average yield on BTPs was 3.63% (3.56% in the previous month; 3.77% a year earlier). Finally, the annualised gross annual return on BOTs (Italian Treasuries) stood at 3.64% (3.58% in the previous month; 2.94% a year earlier).

[3] Source: ABI Monthly Outlook – March 2024 – Summary.

BANK LENDING

According to initial SI-ABI estimates, total loans to Italian residents (private sector plus general governments, net of repurchase agreements with central counterparties) stood at €1,655.9 billion in February 2024, with an annual decrease of -2.8% (-3.1% the previous month), calculated including loans not recognised in bank balance sheets because they are securitised and net of changes in amounts not linked to transactions (for example, changes due to exchange rate fluctuations, value adjustments or reclassifications).

In the same month, loans to Italian residents in the private sector amounted to €1,415 billion, down by 2.5% compared with a year earlier.

Loans to households and non-financial corporations amounted to €1,279 billion, with a year-on-year change of -2.7% (-2.6% in the previous month) – calculated with the inclusion of loans not reported in bank balance sheets as they are securitised, and net of changes in amounts not related to transactions (e.g. changes due to exchange rate fluctuations, value adjustments or reclassifications). The decline in credit volumes is consistent with slowing economic growth, which is dampening demand for loans.

INTEREST RATE SPREADS

With regard to flows, the margin calculated as the difference between assets and liabilities on new transactions, with households and non-financial corporations, in February 2024, in Italy was 189 basis points (143 basis points in June 2022, before the increase in official interest rates).

The spread between the average rate on interest-bearing assets denominated in euro relating to households and non-financial corporations and the average rate in euro on customer deposits (held by households and non-financial corporations) was 2.96 percentage points in the same month (as in the previous month).

The spread on bank loans to businesses in the main European countries (calculated as the difference between bank interest rates for new loans and a weighted average rate of new deposits of households and non-financial corporations) was 177 bps in Italy in January 2024, narrower than the 180 bps in Germany, but wider than the 92 bps in France and 172 bps in Spain.

NON-PERFORMING BANK LOANS

Non-performing loans, net of write-downs and provisions already made by banks with their own resources, amounted to €17.5 billion in January 2024 (€16.7 billion in the previous month), around €2.2 billion higher (14.2%) than a year earlier.

The decrease was around €71.3 billion (-80.3%) compared with the highest level of net non-performing loans reached in November 2015 (€88.8 billion).

The ratio of net non-performing loans to total loans stood at 1.04% (compared with 0.98% in the previous month and 4.89% in November 2015).

SECURITIES PORTFOLIO

Based on SI-ABI initial estimates in February 2024, the total securities in the portfolio of banks operating in Italy amounted to €539.4 billion, up from the previous month (€536 billion).

According to official Bank of Italy figures, updated in January 2024, the value of government bonds on bank balance sheets was €347.8 billion, corresponding to approximately 64.9% of the total portfolio.

HARMONISED INTEREST RATES IN ITALY AND THE EURO AREA

The latest available data on interest rates applied in the euro area indicate that the rate on new bank loans of up to €1 million granted to non-financial corporations was 5.53% in January 2024 (5.40% in the previous month; 4.01% in January 2023), compared with the 5.78% recorded in Italy (5.71% in the previous month; 4.15% a year earlier).
The rates applied to new loans to non-financial corporations of amounts in excess of €1 million in the same month were 4.99% on average in the euro area (5.07% in the previous month; 3.46% a year earlier), compared with 5.30% in Italy (5.28% in the previous month; 3.42% a year earlier).
Finally, in the same month, the rate on current accounts and revolving loans to households was 8.15% in the euro area (8.04% in the previous month and 6.32% a year earlier) and 6.38% in Italy (6.30% in the previous month; 4.75% a year earlier).

The insurance market

LIFE PREMIUMS[4]

In February, the new individual life policies written in Italy by Italian companies and agencies of non-EU companies, including additional single premiums, amounted to €7.5 billion, up significantly for the second consecutive month compared to the same month of 2023 (+12.1%), when the volume of new business contracted by 12.2% year on year. In the first two months of 2024, new life premiums written thus amounted to €13.9 billion, 11.6% higher than in the same period of 2023, when an annual decrease of 9.7% was observed.
In February 63% of companies, representing 53% of the market in terms of premiums, recorded higher premium income than in the same month of 2023, and 55% of companies (with a 51% share of total premiums) achieved a better result than the average recorded by all Italian and non-EU companies (+12.1%).
Including the new life premiums of the sample of EU company agencies, which amounted to €733 million – up 30.4% compared with the same month in 2023 – total new life business in February came in at €8.2 billion (+13.5%), while in the year to date it is €15.1 billion, up 11.7% compared with the first two months of the previous year.

With regard to premiums by class, the volume of new Class I premiums for individual policies for Italian and non-EU companies amounted to €5.7 billion in February (nearly three-quarters of total new life business), up 11.3% compared with the same month in 2023. Of this figure, 22% came from new premiums invested in separate management of multi-class products (policies combining Class I and Class III components), which was down further (-19.1%) compared with the same month in 2023. Also taking into account the month of January, total Class I premiums amounted to €10.9 billion, 13.4% higher than in the same period of the previous year (when there was an increase of +16.0%).
Premium income from Class V policies was negative, meanwhile (-34.4% compared with February 2023), compared with €20 million, reaching a total of €73 million from January, with a decrease of -46.1% compared with the first two months of 2023.

[4] Source: ANIA Trend – New life business – figures as at 28 February 2024

The remaining share of new life business, equal to 23% of the total, related to Class III (exclusively unit-linked) for €1.7 billion, up, for the first time since February 2022, compared with the same month of the previous year (+15.8%); 44% of new Class III premiums collected were invested in the unit-linked component of multi-class contracts, which in turn declined by 8.5%. As a result, year-to-date revenues for the new Class III business were €2.9 billion, 7.9% more than in the first two months of 2023, when the amount was down 50%.

For long-term sickness policies (class IV), in the first two months of the new year new premiums were €11 million, up by 12.5% on the corresponding period of 2023, while new contributions relating to the management of open-ended pension funds, with an amount of €23 million, were also up (+5.4%).
In the first two months of 2024, the number of new policies/enrolments totalled 488 thousand, down by 1.0% compared to the same period in 2023.

With regard to the various types of products marketed, in February new premiums/contributions relating to individual pension schemes amounted to €102 million, down by 1.4% compared with the same month in 2023, recording an inflow volume of €223 million, a year-on-year decrease of 2.0%. Just 10% of this total concerned new contributions relating to the management of open-ended pension funds (Class VI), with individual pension plans (PIPs) accounting for the remainder. Of these PIPs, half were subscribed through multi-class products (-8.2% compared with the first two months of 2023).
New premiums relating to forms of pure risk continued to rise in February compared with the same month of 2023 (+26.6%), reaching €158 million since January (of which more than two-thirds relating to policies not associated with mortgages or consumer credit), 20.8% more than in the same period of 2023.
New premiums relating to multi-class products, excluding pension products and PIRs (individual savings plans), amounted to €2.0 billion, down again compared with the same month in 2023 (-15.4%). Of this amount, 62% related to Class I (65% in February 2023), equal to 27% of total new business for the month (35% in February 2023). In the first two months of 2024, these products reached €3.6 billion, an annual decrease of 21.6%. The volume of new premiums relating to PIR contracts, mostly brokered through bank and post office branches of a limited number of companies, was €19 million in February (+4.8% compared to February 2023), which, added to the previous month, reached €32 million (0.2% of the total new business), an annual increase of 19.8%.

With regard to premiums broken down by premium and channel type as regards Italian and non-EU companies, since January single-premium policies have continued to constitute the most popular option among policyholders, accounting for 95% of total premiums and 60% of the number of policies; also in the same period, the average amount of single premiums was around €45,450, while annual and recurring premiums averaged €700 and €5,400, respectively.
In the year to date, the bulk of new business has come from the banking, postal and financial networks, which accounted for 82% of the new premiums written, two percentage points less than that calculated in the same period of 2023.

NON-LIFE PREMIUMS[5]

At the end of the fourth quarter of 2023, the total premiums (Italian companies and representative offices) of the Italian direct portfolio in the non-life sector amounted to €44.7 billion, up 7.7% compared with the end of the fourth quarter of 2022, when the sector recorded growth of 6.0%. This was the third consecutive year that ended with an increase and saw premium income rise above €44 billion for the first time at the end of the year. The increase in total non-life premiums at the end of December 2023 was due to both the development

[5] Source: ANIA Trends - Quarterly Non-Life Premiums – Q4 2023 data.

of the Non-Motor segment, which recorded an increase of 7.4%, and the Motor segment (+8.0%), mainly due to the increase in premiums for the Land Vehicle class (+13.6%) and, in part, the premiums for Motor TPL, which recorded an increase of 6.3%.

For all companies (Italian, agencies of EU and non-EU companies), the premiums recognised at the end of the fourth quarter of 2023 amounted to €44,650 million, up 7.7% compared with the end of the fourth quarter of 2022, when premiums written amounted to €41,548 million, increasing by 6.0% year on year. In particular, Italian and non-European companies grew by 6.6%, while EU company agencies more than double that growth of over 14%.

In 2023, the following contributed to the growth of total non-life premiums:

- an 8.0% increase in the Motor segment, just above the 7.0% increase recorded at the end of September 2023;
- significant growth in the non-life classes other than the Motor sector, whose premiums fell by +7.4%, down from the end of the previous three quarters (+13.8% in March, +9.1% in June and +8.0% at the end of September).

More specifically, in the Motor segment, at the end of 2023, premiums increased by 6.3% for Motor TPL and the particularly positive trend (+13.6%) in premiums for the Land Vehicles class was confirmed.

Growth in Motor TPL can be explained, to a large extent, by the high growth in general inflation over the last two years which, as a factor external to the insurance sector, resulted in an increase in the cost of claims in terms of both labour and spare parts (+5.9% in 2023) and in terms of a slight adjustment of reimbursement for biological damage (+7.9% in 2023).
The Land Vehicle class (i.e. fire/theft and all risk cover), with €4,412 million in premiums collected at the end of 2023, grew by 13.6% on the previous year, just short of the end of the first quarter of 2023 (+15.8%) but up compared to the two previous quarters (+12.9% at the end of June and +12.1% at the end of September), thanks to the recovery in new car registrations registered at the end of the year (+18%). With regard to the other non-life classes, overall growth compared with the end of 2022 was 7.4% (+13.8% at the end of March 2023). All the most representative lines of insurance in terms of premiums contributed to this increase: the Accident class, with a premium volume of €4.1 billion, grew by 3.7%; the General TPL class, with a premium volume of approximately €5.4 billion, grew by 7.0%; Other Damage to Property grew by 7.4%, achieving a premium volume of €4,4 billion; the Fire class, with €3.5 billion, grew by 8.5%; and, lastly, the Sickness class, with approximately €4.2 billion, grew by 11.6%. Although the weight of the Non-Motor business was small, the Aircraft Hull class (+27.9%), Surety class (+12.2%), Goods in Transit class (+12.0%) and Aircraft TPL class (+10.8%) all grew. At the end of 2023, the growth in the Miscellaneous Financial Loss, Legal Protection and Assistance classes continued.
Only the agencies of companies with registered offices in European countries in 2023 booked premiums of €6.6 billion, up 14.2% compared with 2022. The percentage weight of premiums booked by representation offices of European companies was 14.8% of the total: specifically, they constituted 9.5% of the Motor class and 18.4% of the other Non-Life classes. For some classes, the proportion was more than 40%: Goods in Transit (42.7%), Aircraft TPL (47.8%) and Credit, for which the incidence of these companies was more than 86%. It remains particularly low and below 10% in the Railway Rolling Stock classes, where it is absent, in Sickness (6.1%), in Motor TPL (9.3%), Fire (9.4%) and Land Vehicles (9.9%). Motor premium income increased by 29.9% (+47% at the end of 2022). Both Motor TPL premiums (+30.4%) and Land Vehicle premiums (+28.3%) increased. Non-Motor premiums increased by around 10%. In particular, General TPL, whose premiums from representative companies

makes up about a quarter (€1.4 billion) of total premiums, recorded an increase of about 7% at the end of 2023. Among the most representative classes, which account for more than €500 million, there was an increase in the Accident class (€552 million, +13.1%), the Other Damage to Property class (€598 million, +7.4%) and the Credit class (€778 million, +7.0%). With regard to Italian and non-EU companies, the main form of brokerage in terms of market share was the agency channel (72.9%), slightly down on the figure for the end of 2022 (73.3%). In particular, the agency channel is most developed in Marine Vehicle TPL (93.9%), Motor TPL (85.1%), Other Damage to Property (80.1%), General TPL (78.3%), Suretyship (77.8%), Legal Protection (75.8%), Fire (73.0%) and Assistance (72.7%). Business volumes were very low for agents in the Aircraft (13.8%) and Martine Vehicles (17.8%) classes, where there is a very strong presence of brokers with market shares of 85.6% and 81.4%, respectively. With regard to representative offices of EU companies, the main channels of distribution were agents and brokers, with shares of 47.2% and 41.6%, respectively. In particular, in the Motor segment, the agency channel was the most widely used distribution channel, with a 80.3% share, while in the other Non-Life insurance classes brokers were the most widely used (52.3%). Bank branches are the third-largest sales channel with a share of 5.4% (2.5% in the Motor sector and 6.4% in the remaining classes). Direct sales accounted for 4.6% overall.

New products and main initiatives in the first quarter

Banking services

The first quarter of 2024 was characterised by the renewal of promotional initiatives that provide for favourable conditions on term deposits.
The promotional rate of 5% per annum gross on the amounts of six month time deposits was granted to prospects and existing customers meeting the "PrimaBanca" requirement or belonging to the BEP category ("Black", "Elite" and "Privilege") who, during the period of validity of the promotion (10/01/2024 – 31/03/2024), contributed "new liquidity" to the current account (minimum time deposit amount €100 – maximum €500,000).

The promotion on the "Double Chance" investment strategy was also renewed, providing clients:

- a lending rate of 5% gross per annum on 3-, 6- and 12-month durations and 4% on 18- and 24-month durations in the equities segment;
- a lending rate of 4% gross per annum on 3-, 6- and 12-month durations and 3% on 18- and 24-month durations in the bond segment;

To stay on the subject of rates, from 1 January to 30 June 2024 Mediolanum offered:

- a gross annual creditor rate of 0.20% on the free current account balances for the Black and Elite profiles of the M4Y programme.
- Gross annual creditor interest rate of 2.5% for 6 months for the Black, Elite and Privilege profiles for standard time deposits and a gross annual rate of 2% for 6 months for the remaining profiles (with a minimum time deposit of €5,000).

In commercial initiatives, in order to encourage customers to use the bank channel to access the service for issuing new Telepass devices, during the first quarter natural persons (who did not already own a device) were offered the possibility of having their fees waived for the first six months on the "Base Telepass". Duration of promotion: 22 February 2024 – 30 April 2024.

E-money

The gradual replacement of the Bancomat/Maestro debit cards in the portfolio in favour of the new Mediolanum Card, the advanced and sustainable debit card issued in collaboration with Nexi Payments on the Mastercard system, continued during the first few months of the year. The new Mediolanum Card is sent to the customer's home at the Bank's initiative, at no additional cost, and has the same PIN as the replaced card.

In terms of commercial initiatives, in the quarter Banca Mediolanum continued to hold promotional offers implemented through its collaboration with Nexi and American Express, aimed at encouraging the penetration and use of digital payments across the entire customer base.

Online trading and securities trading

In the first quarter of 2024, in view of the good response from customers, the promotion of special pricing for securities trading through online channels was extended again until 30/06.

The promotional pricing, aimed at clients who perform more than 10 transactions during the month, new customers and customers under 30 years of age, provides for a flat fee of €7 (compared to a percentage fee of 0.19% with minimum of €7 and maximum of €29) on the Italian financial markets and a reduced fee of 0.10% (compared to 0.19%, minimum of €7, maximum of €29) with a minimum of €7 and maximum of €19 for all foreign, American and European financial markets.

In addition, in order to stimulate the acquisition and increase net assets under administration, a promotion was launched in January, ending in a May, to encourage the transfer of Italian government bonds to Banca Mediolanum with an Amazon purchase voucher.

As a result of the transfer, the promotion involves awarding the customer a digital purchase voucher - which can be spent on the Amazon website – for an amount that increases as the value of the transferred government bonds increases. Seven value brackets were available, corresponding to seven increasing values of the digital voucher, from a minimum of €100 to a maximum of €15,000 for customers transferring government securities worth more than €5,000,000.

Credit services

In the first quarter of 2024, Banca Mediolanum proposed commercial initiatives designed to enhance the product offering and support families during a period in which market interest rates remained high and a complex macroeconomic environment.

Mortgages

In the first quarter of 2024, in order to sustain the overall loans paid out and to support customers during this difficult period, Banca Mediolanum implemented the following series of initiatives:

- The Bank renewed the promotions “reduction of cap mortgage overspread” (reduction zero for specific customer clusters), “Step 10 mixed rate”, “reduction to zero of subrogation overspreads” (for some customer clusters), “12-month pre-amortisation period” and “5 year term extension promo”;
- First Home Guarantee Fund Loan (Consap) reactivated with repricing of the price list;
- With the aim of improving market positioning, in view of the still high level of market rates, during the first quarter of 2024 Banca Mediolanum repriced the Mediolanum Mortgage, with changes in the spread in favour of customers;
- Unilateral improvement change for loans disbursed before September 2023, which provides for an increase in options to skip payments (from 2 times per year to 6, from 6 overall in the life cycle of the loan to 18).

Loans

In the first quarter of 2024, in order to sustain the overall loans and credit facilities paid out and to support customers during this difficult period, Banca Mediolanum implemented the following series of initiatives:

- With the aim of improving market positioning, and in view of the still high level of market rates, during the first quarter of 2024 Banca Mediolanum carried out a series of repricing measures for customers, particularly on the list of secured loans;
- NewCash Loan campaign renewal;
- Renewal of the promotion Mediolanum Credit Line with maturity for customers with assets exceeding €350K, which provides for the application of the zero spread and waiver of commitment fee;
- Reformulation of the partially secured Mediolanum Loan, by increasing the maximum term from 7 to 10 years and increasing the maximum amount that may be applied for from €50K to €75K;
- Introduction, for loans disbursed before March 2022, of the option to skip payments (once a year and 3 times over the life cycle of the loan);
- Promo to extend the term of existing loans by 2 years;
- Extension of loans to companies guaranteed by the MCC Fund in support of companies.

Investment services

Asset management products area

In order to keep Mediolanum My Style management up to date, the new funds of Mediolanum International Funds, i.e. new UCIs from prestigious global investment houses, were included in the service.

In order to expand the offering of management lines, two new lines, "Global Trends Opportunity" and "Conservative Bond Solution" of the Opportunity Family, in the Satellite Component, were presented to its sales network. More specifically:

- the line "Global Trends Opportunity" seeks a long-term return by investing in companies operating in sectors focused on the environmental and social transformation of the world in which we live, in accordance with article 8 of the EU Regulation 2019/2088 "Sustainable Finance Disclosure Regulation".
- the “Conservative Bond Solution” line seeks medium-term returns by investing in a highly diversified bond portfolio composed of financial instruments issued or guaranteed by governments and/or supranational bodies and/or corporate entities worldwide, and can invest predominantly in government bonds issued by the Italian government.

In addition, alongside the new solutions and with the aim of offering customers greater freedom of portfolio allocation, changes were also made to the minimum and maximum rates of allocation between the Strategic Component and the Satellite Component of the Portfolio Management Service "Mediolanum My Style" and "Mediolanum My Style Wealth". These changes, together with the opportunity to subscribe to the new management lines, will be valid from April 2024.

Insurance products area

In January 2024, taking advantage of the market context, Banca Mediolanum began the placement of a new "buy & hold" insurance policy belonging to Mediolanum International Life's Double Target family called "Growth & Income 2030", which sets the unsecured dual objective of:

- protecting the capital at maturity, and
- providing a service consisting of participation at maturity in the positive performance of the financial markets and the payment of a periodic annual sum.

In response to the success of the initiative, in March Banca Mediolanum began marketing a new structure, similar to the first, called "Growth & Income 2030/I".

Investment products in combination with banking products

Mediolanum Medplus Certificate

The sale of certificates continued throughout 2024, with various pay-offs and different durations, in order to give customers the possibility of receiving a specific service within an equally well-defined time frame.

Protection services

In the first quarter of the year, Banca Mediolanum continued its usual commitment to activities aimed at fostering such sensitivity, bringing the public closer to the world of Protection, and promoting a focus on Protection as the basis of effective asset planning that, based on a precise identification of the need for safeguarding, enables customers to achieve their life objectives. These activities concerned the integration of support and the efficiency of processes, communication and digitalisation.

With regard to the first point, two new digital tools were made available in support of the Sales Network's technical and relational skills in the placement activity. The first of these tools, through the Life Planning approach, facilitates the Sales Network in first identifying the life objectives of the customers - taking into account their personal, family and/or relational situation - and their respective priorities over a time horizon consistent with these objectives; and then in defining integrated solutions for all aspects of assets: protection, credit, investments. The other tool, through a streamlined and efficient placement process, supports a rapid analysis of the customer's lifestyle and needs and offers a combination of hedges against the main risks (pre-decease and permanent disability) that can compromise an individual's "human capital" and therefore also his or her ability to generate income and achieve his or her life projects.

With the aim of offering customers a service that increasingly meets their real needs, Mediolanum Vita increased the efficiency of the underwriting process for the life insurance policy Mediolanum Personal Life Serenity in the case of insured capital over €400,000 or insurance policyholders aged over 65 years. In such cases, signing the policy requires the completion of a medical examination report by the attending physician to proceed with the insured's health assessment and any investigations requested. In order to assist the customer in managing his or her time and daily commitments, in view of the increasing difficulty of contacting one's doctor complained of by the market, the Company has made available a medical advisory service that, through a telephone interview requested by the customer, collects all the information necessary for the compilation of the Medical Visit Report, useful for the Company's assessments.

Finally, with a further view to optimising processes, in the first part of the year the Bank continued to consolidate and streamline the activities of the Protection Center, the group of operators specialising in the Protection business in support of the Sales Network and of the best customers for technical and operational assistance in relation to the policies underwritten.

In communication activities, mention should firstly be made of the Banca Mediolanum National Convention held in Turin in March, in which the entire sales network participated. The central theme of the event was the consistency of the actions of the Bank and its Family Bankers ® towards customers with the values long promoted by the Mediolanum Group. This value-based approach gives rise to the centrality of protection in comprehensive financial advice and the importance of having all the tools and support needed to assist customers in meeting their needs over time; this was the backdrop for the presentation of the new placement tools described above.
Various commercial initiatives during the quarter supported, in terms of communication, the proposal and placement of protection insurance products, the enhancement of such products by providing customers with dedicated advantages and benefits, and the promotion of the theme of the importance of the concept of protection as a foundation for family wealth planning.
The launch of the new digital instruments was accompanied by a reward mechanism to support the placement of Mediolanum Personal Life Serenity policies, covering the risk of death for any reason, for a capital of at least €200,000, and Mediolanum Human Capital, covering the risk of permanent disability, both as a result of accident and illness. This mechanism, in place until 31 May 2024, subject to possible extensions, is intended for customers who take out both policies on the same day. The dedicated rewards, available in the catalogue on the Website and app, are provided to encourage the customers to pay attention to adequate insurance coverage from the main risks relating to the "personal" area.
During the quarter, promotions and activities launched last year in support of home protection, human capital and health were extended.
The "Protect Your Future" promotion rewarded new customers who immediately showed sensitivity to the value of protection, which is fundamental for the Bank, by subscribing for a personal or home protection product.
The "Mediolanum Human Capital: a better way to protect your family" campaign, dedicated to customers with children under the age of 20, promoted the protection of their ability to produce income and therefore to defend their family's financial stability and the possibility of achieving their life goals. In addition, Banca Mediolanum continued to focus on the health of its customers through the presence of an innovative caring tool, the "Health Corner", at various Family Banker Offices throughout Italy. This tool enables a set of measurements to explore the customer's lifestyle with a "receipt" issued at the end that summarises the parameters of the measurements performed and a QR Code to access a detailed report on them. To boost turnout at Health Corner events since January, a prize draw competition was held among participants who completed the appropriate digital postcard.
The existing reward schemes continued, including the "Virtual Hospital", which gives the best customers with a stand-alone personal protection policy free access to the Bank's channels and to a package of services provided by the partner, Blue Assistance, such as video/teleconsults, a 24/7 general practitioner, access to a network of contracted health and well-being facilities, home services at negotiated rates and home delivery of medicines.
As confirmation of Banca Mediolanum's interest in the well-being of its customers, video consultations with

specialist doctors for customers and their families was also maintained, with a special rate for the best customers who have not taken out a personal protection product and for those with certain promotional profiles.
On the subject of service differentials for the best customers, a free annual health check-up continued to be offered at affiliated Blue Assistance facilities.
Finally, in support of the need to respond adequately to customer needs, the usual training meetings of the Sales Network also continued, supplemented by classrooms dedicated to the in-depth analysis of the digital tools made available during the quarter, in support of a technical and commercial offer for customers supported by awareness of the importance of protection as a basis for family wealth planning and life projects.

OPERATING PERFORMANCE

Equity and net inflows

Group assets under administration and management

€/m	31.3.2024	31.12.2023	31.3.2023	Chg. vs. Dec-2023	Chg (%) vs. Dec-2023
ASSET MANAGEMENT	**46,526.1**	**43,603.7**	**40,094.7**	**2,922.4**	**6.7%**
Own funds	35,912.4	33,730.1	31,126.9	2,182.3	6.5%
Third-party funds	4,664.8	4,352.4	4,015.0	312.4	7.2%
Financial Containers	5,948.9	5,521.2	4,952.9	427.7	7.7%
INSURANCE	**39,709.2**	**37,240.6**	**34,084.3**	**2,468.5**	**6.6%**
Insurance Containers	37,575.0	35,138.9	32,048.4	2,436.1	6.9%
Other Insurance Assets	2,134.2	2,101.8	2,035.9	32.5	1.5%
OTHER MANAGED	**3,300.3**	**2,988.4**	**2,465.9**	**311.9**	**10.4%**
Third-party structured notes	3,300.3	2,988.4	2,465.9	311.9	10.4%
TOTAL MANAGED	**89,535.6**	**83,832.8**	**76,644.9**	**5,702.8**	**6.8%**
TOTAL ADMINISTERED	**36,366.9**	**34,238.1**	**32,089.2**	**2,128.8**	**6.2%**
Direct Collection	27,350.2	26,186.8	26,461.4	1,163.4	4.4%
Indirect funding	9,016.6	8,051.3	5,627.8	965.4	12.0%
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**125,902.5**	**118,070.8**	**108,734.2**	**7,831.6**	**6.6%**

At 31 March 2024, the total assets under administration and management of the Mediolanum Group were €125,902.5 million, up compared with the end of 2023 (31/12/2023: €118,070.8 million), due to net inflows for the period and the positive performance of the financial markets in the first quarter of the year.

Assets under administration and management Italy

€/m	31.3.2024	31.12.2023	31.3.2023	Chg. vs. Dec-2023	Chg (%) vs. Dec-2023
ASSET MANAGEMENT	**39,766.1**	**37,426.7**	**34,502.2**	**2,339.4**	**6.3%**
Own funds	33,474.5	31,553.7	29,206.5	1,920.7	6.1%
Third-party funds	4,664.8	4,352.4	4,015.0	312.4	7.2%
Financial Containers	1,626.8	1,520.6	1,280.8	106.2	7.0%
INSURANCE	**38,094.7**	**35,778.9**	**32,852.3**	**2,315.8**	**6.5%**
Insurance Containers	36,128.9	33,823.1	30,949.2	2,305.8	6.8%
Other Insurance Assets	1,965.8	1,955.8	1,903.1	10.1	0.5%
OTHER MANAGED	**3,300.3**	**2,988.4**	**2,465.9**	**311.9**	**10.4%**
Third-party structured notes	3,300.3	2,988.4	2,465.9	311.9	10.4%
TOTAL MANAGED	**81,161.1**	**76,194.0**	**69,820.4**	**4,967.1**	**6.5%**
TOTAL ADMINISTERED	**33,060.9**	**30,973.6**	**29,132.8**	**2,087.3**	**6.7%**
Direct Collection	24,647.7	23,524.0	23,984.5	1,123.7	4.8%
Indirect funding	8,413.2	7,449.6	5,148.3	963.6	12.9%
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT ITALY	**114,222.0**	**107,167.6**	**98,953.2**	**7,054.4**	**6.6%**

Total assets relating to the Italian market amounted to €114,222.0 million at 31 March 2024, up by €7,054.4 million compared with the balance at 31 December 2023 (31.12.2023: €107,167.6 million).

Assets under administration and management Spain

€/m	31.3.2024	31.12.2023	31.3.2023	Chg. vs. Dec-2023	Chg (%) vs. Dec-2023
ASSET MANAGEMENT	**6,522.8**	**5,949.9**	**5,342.3**	**572.9**	**9.6%**
Own funds	2,200.7	1,949.3	1,670.2	251.4	12.9%
Financial Containers	4,322.1	4,000.6	3,672.1	321.5	8.0%
INSURANCE	**1,474.7**	**1,329.5**	**1,105.4**	**145.2**	**10.9%**
Insurance Containers	1,306.3	1,183.5	972.5	122.9	10.4%
Other Insurance Assets	168.4	146.0	132.9	22.4	15.3%
TOTAL MANAGED	**7,997.5**	**7,279.4**	**6,447.7**	**718.1**	**9.9%**
TOTAL ADMINISTERED	**3,306.0**	**3,264.5**	**2,956.4**	**41.5**	**1.3%**
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT OF SPAIN	**11,303.5**	**10,543.9**	**9,404.1**	**759.6**	**7.2%**

Total assets relating to the Spanish market amounted to €11,303.5 million at 31 March 2024, up by €759.6 million compared with the balance at 31 December 2023 (31.12.2023: €10,543.9 million).

Assets under administration and management Germany

€/m	31.3.2024	31.12.2023	31.3.2023	Chg. vs. Dec-2023	Chg (%) vs. Dec-2023
ASSET MANAGEMENT	**237.3**	**227.1**	**250.2**	**10.2**	**4.5%**
Own funds	237.3	227.1	250.2	10.2	4.5%
INSURANCE	**139.7**	**132.3**	**126.7**	**7.4**	**5.6%**
Insurance Containers	139.7	132.3	126.7	7.4	5.6%
TOTAL MANAGED	**377.0**	**359.4**	**376.9**	**17.7**	**4.9%**
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT GERMANY	**377.0**	**359.4**	**376.9**	**17.7**	**4.9%**

Total assets relating to the German market amounted to €377.0 million at 31 March 2024, up by €17.7 million compared with the balance at 31 December 2023 (31.12.2023: €359.4 million).

Group net inflows

€/m	31.3.2024	31.3.2023	Change	Chge (%)
ASSET MANAGEMENT	**653.0**	**568.8**	**84.2**	**14.8%**
Own funds	481.2	305.4	175.8	57.6%
Third-party funds	112.4	85.2	27.3	32.0%
Financial Containers	59.4	178.2	(118.8)	(66.7%)
INSURANCE	**323.6**	**458.9**	**(135.3)**	**(29.5%)**
Insurance Containers	312.6	450.1	(137.5)	(30.6%)
Other insurance products	11.0	8.8	2.2	25.5%
OTHER MANAGED	**202.9**	**326.4**	**(123.5)**	**(37.8%)**
Third-party structured notes	202.9	326.4	(123.5)	(37.8%)
TOTAL MANAGED	**1,179.4**	**1,354.0**	**(174.6)**	**(12.9%)**
TOTAL ADMINISTERED	**1,884.6**	**1,648.0**	**236.6**	**14.4%**
Direct Collection	1,164.4	712.5	451.9	63.4%
Indirect funding	720.2	935.5	(215.3)	(23.0%)
TOTAL NET INFLOWS	**3,064.0**	**3,002.1**	**62.0**	**2.1%**

Total net inflows at 31 March 2024 amounted to €3,064.0 million, substantially in line with the comparative period of €3,002.1 million.

Italy net inflows

€/m	31.3.2024	31.3.2023	Change	Chge (%)
ASSET MANAGEMENT	**464.3**	**463.8**	**0.4**	**0.1%**
Own funds	320.5	296.3	24.2	8.2%
Third-party funds	112.4	85.2	27.3	32.0%
Financial Containers	31.4	82.4	(51.0)	(61.9%)
INSURANCE	**259.2**	**401.0**	**(141.8)**	**(35.4%)**
Insurance Containers	265.3	408.5	(143.2)	(35.0%)
Other insurance products	(6.1)	(7.5)	1.4	(18.3%)
OTHER MANAGED	**202.9**	**326.4**	**(123.5)**	**(37.8%)**
Third-party structured notes	202.9	326.4	(123.5)	(37.8%)
TOTAL MANAGED	**926.3**	**1,191.2**	**(264.9)**	**(22.2%)**
TOTAL ADMINISTERED	**1,839.3**	**1,513.5**	**325.8**	**21.5%**
Direct Collection	1,123.4	627.8	495.6	78.9%
Indirect funding	715.9	885.7	(169.8)	(19.2%)
TOTAL NET INFLOWS ITALY	**2,765.7**	**2,704.7**	**60.9**	**2.3%**

Spain net inflows

€/m	31.3.2024	31.3.2023	Change	Chge (%)
ASSET MANAGEMENT	**196.7**	**111.3**	**85.5**	**76.8%**
Own funds	168.7	15.5	153.3	n.a.
Financial Containers	28.0	95.8	(67.8)	(70.8%)
INSURANCE	**64.2**	**61.2**	**3.0**	**4.9%**
Insurance Containers	47.1	44.9	2.1	4.8%
Other insurance products	17.1	16.2	0.9	5.3%
TOTAL MANAGED	**260.9**	**172.5**	**88.5**	**51.3%**
TOTAL ADMINISTERED	**45.3**	**134.5**	**(89.2)**	**(66.3%)**
Direct Collection	41.0	84.7	(43.8)	(51.6%)

Indirect funding	4.3	49.8	(45.5)	(91.4%)
TOTAL NET INFLOWS SPAIN	**306.2**	**307.0**	**(0.8)**	**(0.3%)**

Net inflows Germany

€/m	31.3.2024	31.3.2023	Change	Chge (%)
ASSET MANAGEMENT	**(8.0)**	**(6.3)**	**(1.7)**	**26.1%**
Own funds	(8.0)	(6.3)	(1.7)	**26.1%**
INSURANCE	**0.2**	**(3.3)**	**3.5**	**n.a.**
Insurance Containers	0.2	(3.3)	3.5	n.a.
TOTAL MANAGED	**(7.8)**	**(9.7)**	**1.8**	**(19.1%)**
TOTAL NET INFLOWS GERMANY	**(7.8)**	**(9.7)**	**1.8**	**(19.1%)**

Protection premium income figures

Group

€/m	31.3.2024	31.3.2023	Change	Chge (%)
Combination	5.8	13.1	(7.2)	(55.3%)
Stand alone	**36.5**	**31.1**	**5.4**	**17.4%**
New Business Stand-Alone Products	7.2	6.6	0.7	10.1%
Stand-Alone Portfolio	29.3	24.6	4.8	19.4%
TOTAL GROUP PROTECTION PREMIUM INCOME	**42.4**	**44.2**	**(1.8)**	**(4.1%)**

Total premium income was in line with the comparative period and stood at €42.4 million.

Italy

€/m	31.3.2024	31.3.2023	Change	Chge (%)
Combination	5.8	13.1	(7.2)	(55.3%)
Stand-alone	**35.5**	**30.3**	**5.2**	**17.1%**
New Business Stand-Alone Products	6.9	6.2	0.7	10.8%
Stand-Alone Portfolio	28.5	24.0	4.5	18.8%
TOTAL ITALY PROTECTION PREMIUM INCOME	**41.3**	**43.3**	**(2.0)**	**(4.7%)**

Total premium income for the Italian market was in line with the comparative period and stood at €41.3 million.

Breakdown of loans

Group disbursed

€/m	31.3.2024	31.3.2023	Change	Chge (%)
Mortgage loans	250.4	524.8	**(274.4)**	**(52.3%)**
Personal loans	164.1	195.8	**(31.8)**	**(16.2%)**
Prexta	146.2	120.0	**26.2**	**21.8%**
GROUP DISBURSED TOTAL	**560.6**	**8406**	**(280.0)**	**(33.3%)**

The amount disbursed in the period under review decreased by €280.0 million to €560.6 million. This was almost entirely due to the reduction in mortgage loans due to the contraction in demand in light of the increase in interest rates recorded in the last year.

Italy disbursed

€/m	31.3.2024	31.3.2023	Change	Chge (%)
Mortgage loans	192.5	451.7	**(259.2)**	**(57.4%)**
Personal loans	147.1	178.4	**(31.2)**	**(17.5%)**
Prexta	146.2	120.0	**26.2**	**21.8%**
ITALY DISBURSED TOTAL	**485.8**	**750.0**	**(264.2)**	**(35.2%)**

Spain disbursed

€/m	31.3.2024	31.3.2023	Change	Chge (%)
Mortgage loans	57.8	73.1	**(15.3)**	**(20.9%)**
Personal loans	16.9	17.5	**(0.5)**	**(3.1%)**
SPAIN DISBURSED TOTAL	**74.7**	**90.5**	**(15.8)**	**(17.5%)**

Group Portfolio

€/m	31.3.2024	31.12.2023	Change	Chge (%)
Mortgage loans	12,061.2	12,114.0	**(52.8)**	**(0.4%)**
Personal loans	2,379.3	2,443.7	**(64.4)**	**(2.6%)**
Credit facilities	530.9	601.5	**(70.6)**	**(11.7%)**
Prexta	1,934.1	1,868.7	**65.4**	**3.5%**
GROUP PORTFOLIO TOTAL	**16,905.5**	**17,027.9**	**(122.4)**	**(0.7%)**

The Group's total stock of employment at 31 March 2024 stood at €16,905.5 million, down by €122.4 million compared to 31 December 2023 (31.12.2023: €17,027.9 million).

Italy Portfolio

€/m	31.3.2024	31.12.2023	Change	Chge (%)
Mortgage loans	10,974.3	11,048.7	**(74.3)**	**(0.7%)**
Personal loans	2,185.9	2,247.7	**(61.8)**	**(2.7%)**
Credit facilities	450.1	513.6	**(63.5)**	**(12.4%)**
Prexta	1,934.1	1,868.7	**65.4**	**3.5%**
ITALY PORTFOLIO TOTAL	**15,544.5**	**15,678.7**	**(134.2)**	**(0.9%)**

Spain Portfolio

€/m	31.3.2024	31.12.2023	Change	Chge (%)
Mortgage loans	1,086.8	1,065.3	**21.5**	**2.0%**
Personal loans	193.4	196.0	**(2.6)**	**(1.3%)**
Credit facilities	80.8	87.9	**(7.1)**	**(8.1%)**
SPAIN PORTFOLIO TOTAL	**1,361.0**	**1,349.2**	**11.8**	**0.9%**

THE SALES NETWORKS

Units	31.3.2024	31.12.2023	31.3.2023	Chg vs. Mar-2023	Chge (%) vs Mar-2023
ITALY - BANCA MEDIOLANUM	4,616	4,576	4,483	133	**2.97%**
SPAIN	1,617	1,640	1,630	(13)	**(0.80%)**
Total	**6,233**	**6,216**	**6,113**	120	1.96%

Overall, the sales network comprises 6,233 individuals as at 31.3.2024 (31.12.2023: 6,216 individuals; 31.03.2023: 6,113 individuals).
Banca Mediolanum's financial advisors were 4,616, up compared to the same period of comparison (31.3.2023: 4,483 individuals) and the end of 2023 (31.12.2023: 4,576 individuals).

Reclassified income statement[6]

€/000	31.3.2024	31.3.2023	Change	
			value	%
	a	b	c=a-b	c/b
Entry fees	12,977	9,315	3,662	39.3%
Management fees	303,237	267,306	35,931	13.4%
Investment management fees	60,113	53,112	7,001	13.2%
Insurance management result	47,956	45,591	2,365	5.2%
Banking service fees	51,151	50,627	524	1.0%
Other fees	12,572	10,472	2,100	20.1%
Total commission income	**488,006**	**436,422**	**51,584**	**11.8%**
Acquisition costs	(159,406)	(143,919)	(15,487)	10.8%
Other commission expenses	(38,614)	(31,498)	(7,116)	22.6%
Total commission expense	**(198,020)**	**(175,417)**	**(22,603)**	**12.9%**
Net commission expense	**289,986**	**261,005**	**28,981**	**11.1%**
Net interest income	**219,980**	**157,661**	**62,319**	**39.5%**
Net income on other investments	**2,134**	**370**	**1,764**	**n.a.**
LLP (impairment on loans)	**(8,837)**	**(8,639)**	**(198)**	**2.3%**
Other revenues and expenses	**753**	**(1,433)**	**2,186**	**n.a.**
CONTRIBUTION MARGIN	**504,016**	**408,964**	**95,052**	**23.2%**
G&A expenses	(176,091)	(157,834)	(18,257)	11.6%
Regular contributions to banking industry	(22,073)	(8,381)	(13,692)	n.a.
Depreciation & amortisation	(9,042)	(10,226)	1,184	(11.6%)
Provisions for risk and charges	(13,749)	(4,378)	(9,371)	n.a.
TOTAL COSTS	**(220,955)**	**(180,819)**	**(40,136)**	**22.2%**
OPERATING MARGIN	**283,061**	**228,145**	**54,916**	**24.1%**
Performance fees	29,605	307	29,298	n.a.
Net income on investments at fair value	(4,327)	6,949	(11,276)	n.a.
MARKET EFFECTS	**25,278**	**7,256**	**18,022**	**n.a.**
Extraordinary contributions and guarantee funds	(10,795)	0	(10,795)	n.a.
EXTRAORDINARY ITEMS	**(10,795)**	**0**	**(10,795)**	**n.a.**
PROFIT BEFORE TAX	**297,544**	**235,401**	**62,143**	**26.4%**
Income tax	**(77,031)**	**(57,126)**	**(19,905)**	**34.8%**
NET INCOME	**220,513**	**178,275**	**42,238**	**23.7%**

[6] This reclassified income statement was prepared using a schedule that reflects the Group's management system, which provides for the reclassification of the components of profit before tax by type. It should also be noted that for a correct reading of the tables relating to economic performance, an increase in cost items will have an absolute negative change and a positive percentage change; conversely, a decrease in cost items will have an absolute positive change and a negative percentage change.

Summary of reclassified income statement performance at 31 March 2024

€/m	31.3.2024	31.3.2023	Change	Change (%)
Net income	**220.5**	**178,3**	**42.2**	**23.7%**
of which:				
Commission income	488.0	436.4	51.6	11.8%

Commission income for the period was €488.0 million, up by €51.6 million from €436.4 million in the comparative period. In particular, recurring commissions increased by €42.9 million compared to the comparative period (i) due to an increase in the average customer assets invested in funds and units, (ii) due to an increase in the average percentage commission and (iii) due to an increase in the insurance management result on higher net revenues from insurance products classified under IFRS 17. The Contractual Service Margin (CSM) relating to insurance products increased by €386 million, mainly due to new business and favourable market dynamics, to €2,382 million at 31 March 2024.

Commission expense	(198.0)	(175.4)	(22.6)	12.9%
of which:				
Acquisition costs	(159.4)	(143.9)	(15.5)	10.8%
Other fees	(38.6)	**(31.5)**	**(7.1)**	**22.6%**

Network commission expense amounted to -€159.4 million, up 10.8% compared to the comparative period (31.03.2023: -€143.9 million) primarily due to higher recurring commissions (-€11.2 million) attributable to the growth of management fees, higher upfront fees (-€2.8 million) consistent with the load fees and higher supplementary fees relating to higher remuneration (-€2.1 million). The increase in other fees by -€7.1 million compared with the comparative period was due to higher credit card charges (-€2.0 million) and higher ATM/POS, mobile and instant credit transfer fees (-€1.5 million), as well as to the increase in the cost of managers due to an increase in pricing and an increase in the amounts under delegation (-€2.3 million).

Net interest income	220.0	157.7	62.3	39.5%

Net interest income increased by +€62.3 million compared to 31 March 2023, mainly due to the favourable trend in interest rates, which increased by +€119.0 million, partially offset by the increase in interest expenses of -€64.0 million.

G&A expenses	(176.1)	(157.8)	(18.3)	11.6%

G&A expenses increased by -€18.3 million compared with the comparative period. In particular, higher expenses related to development and commercial support activities (-€6.5 million compared with the comparative period) and higher operating operating costs (-€7.3 million), mainly attributable to the IT area.

Contributions to banking industry	(32.9)	(8.4)	(24.5)	n.a.
of which:				
Ordinary contributions	(22.1)	(8.4)	(13.7)	n.a.
Extraordinary contributions	(10.8)	-	(10.8)	n.a.

The higher cost relating to ordinary contributions -€13.7 million is to be attributed by -€4.3 million to the payment of the estimated contribution to the Life Guarantee Fund established by the 2023 Budget Law and the remaining -€9.4 million to the advance of the provision with respect to the previous year of the annual contribution fee to the Deposit Guarantee Scheme (DGS) (the final expected contribution, as the Fund is expected to achieve its target objective by 2024), totalling -€17.6 million, offset by the lower provision attributable to the contribution to the Single Resolution Fund (SRF) (+€8.2 million) following the early achievement of the target at the end of 2023. The higher cost of extraordinary contributions (included in the item "extraordinary effects") of -€10.8 million was due to the allocation, brought forward compared with the comparative period, of the contributions paid to bail out struggling banks.

Provisions for risk and charges	(13.7)	(4.4)	(9.3)	n.a.

The item **Net provisions for risks and charges** showed an increase of -€9.3 million compared with the comparative period, mainly due to the reduction in discount rates compared with the comparative period.

Market effects	25.3	7.3	18.0	n.a.
of which:				
Performance fees	29.6	0.3	29.3	n.a.
Net income (losses) on investments at fair value	(4.3)	7.0	(11.3)	n.a.

Market effects recorded a sharp increase (+€18.0 million) compared to the comparative period.

Performance fees amounted to €29.6 million, compared with €0.3 million in the prior year. The amount at 31 March 2024 is attributable to the Irish subsidiary Mediolanum International Fund for €8.7 million and to the Italian subsidiary Mediolanum Gestione Fondi for €20.9 million.

The decrease in net income (losses) on investments at fair value was mainly due to the negative impact of the valuation of Nexi stock (-€12.2 million) compared with the positive impact of the same period of the previous year (€0.9 million).

For further details please refer to the next section.

Income statement at 31 March 2024 by country and business area

Comments on the changes in the income statement by country and business area, with any reclassification of comparatives, are provided below. While revenues can be originally and directly allocated to products and, through aggregation, to the Result Areas, costs underwent an allocation process according to the varying degrees to which they could be assigned to the products and the nature of the underlying processes:

- Direct costs: costs directly attributed to a product or a homogeneous category of products;
- Allocated indirect costs; costs subject to the allocation process through the use of drivers that divide the cost between different products and/or different product categories;
- Non-allocated indirect costs: costs of a strictly administrative nature or related to control or infrastructure processes, for which, based on the characteristics of the cost allocation model, no allocation is made

The details of IFRS 8 are set out in the relevant section Operating data by business area.

ITALY – BANKING SEGMENT

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Banking service fees	48,675	48,499	176	0.4%
Other fees	102	944	(842)	(89.2%)
Total commission income	**48,777**	**49,443**	**(666)**	**(1.3%)**
Acquisition costs	(28,966)	(27,400)	(1,566)	5.7%
Other commission expenses	(18,742)	(14,255)	(4,487)	31.5%
Total commission expense	**(47,708)**	**(41,655)**	**(6,053)**	**14.5%**
Net commission income	**1,069**	**7,788**	**(6,719)**	**(86.3%)**
Net interest income	**185,116**	**137,594**	**47,521**	**34.5%**
Net income on other investments	1,770	157	1,613	**n.a.**
LLP (impairment on loans)	**(8,708)**	**(8,486)**	**(222)**	**2.6%**
Other revenues and expenses	**(1,268)**	**(1,782)**	514	**(28.8%)**
LEVEL I CONTRIBUTION MARGIN	**177,979**	**135,271**	**42,708**	**31.6%**
Allocated costs	**(60,612)**	**(54,589)**	**(6,023)**	**11.0%**
Regular contributions to banking industry	**(17,815)**	**(8,381)**	**(9,434)**	**n.a.**
LEVEL II CONTRIBUTION MARGIN	**99,551**	**72,301**	**27,250**	**37.7%**
OPERATING MARGIN	**99,551**	**72,301**	**27,250**	**37.7%**
Net income (losses) on investments at fair value	(4,960)	6,825	(11,785)	n.a.
MARKET EFFECTS	**(4,960)**	**6,825**	**(11,785)**	**n.a.**
Extraordinary contributions and guarantee funds	(10,795)	-	(10,795)	n.a.
EXTRAORDINARY ITEMS	**(10,795)**	**-**	**(10,795)**	**n.a.**
SEGMENT MARGIN BEFORE TAX	**83,797**	**79,126**	**4,670**	**5.9%**

Profit before tax for the Italy – Banking segment was €83,8 million, compared with €79.1 million in the first quarter of 2023. The segment under analysis grew favourably due to the net interest income of +€47.5 million, mitigated by the negative effect of items measured at fair value and by the growth in costs charged to the segment.

Commission income stood at €48.8 million, down by -€0.7 million year on year.

Network fees and commissions were up by -€1.6 million due to the higher costs allocated, which reflect the performance of inflows to asset under administration products.

Other commission expense increased by -€4.5 million attributable to interbank charges due to higher volumes on cards.

Net interest income, which amounted to €185.1 million, was up compared to the comparative period, driven by the increase in interest income in light of the increase in market interest rates.

Allocated costs increased by -€6 million, reflecting an increase in the costs of trade volumes of -€3.8 million and the costs of IT enhancement and oversight (-€2.4 million).

The item ***Ordinary contributions and guarantee funds*** increased by -€9.4 million. The higher cost is due to the advance of the provision compared with the previous year for the annual contribution fee to the Deposit Guarantee Scheme (DGS) (the final expected contribution, as the Fund is expected to achieve its target objective by 2024), totalling -€17.6 million, offset by the lower provision attributable to the contribution to the Single Resolution Fund (SRF) (+€8.2 million) following the early achievement of the target at the end of 2023.

Market effects were approximately -€5.0 million, down by -€11.8 million compared with the first quarter of 2023. The decrease is mainly due to the change in the value of the NEXI stock by -€12.2 million compared with the comparative period, where there was a valuation gain of approximately +€0.9 million.

The increase in the item ***Extraordinary effects*** of -€10.8 million was due to the allocation, brought forward compared with the comparative period, of extraordinary contributions paid to bail out struggling banks.

ITALY – ASSET MANAGEMENT SEGMENT

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Entry fees	8,499	6,570	1,929	29.4%
Management fees	165,353	149,766	15,587	10.4%
Investment management fees	32,179	30,080	2,099	7.0%
Other fees	7,003	5,805	1,197	20.6%
Total commission income	**213,033**	**192,221**	**20,812**	**10.8%**
Acquisition costs	(70,883)	(63,690)	(7,192)	11.3%
Other commission expenses	(9,058)	(7,946)	(1,112)	14.0%
Total commission expense	**(79,940)**	**(71,636)**	**(8,304)**	**11.6%**
Net commission expense	**133,093**	**120,585**	**12,508**	**10.4%**
Net interest income	**1,782**	**(4,106)**	**5,888**	**n.a.**
Net income on other investments	**32**	**(1)**	**33**	**n.a.**
Other revenues and expenses	**148**	**132**	**16**	**12.1%**
LEVEL I CONTRIBUTION MARGIN	**135,054**	**116,610**	**18,445**	**15.8%**
Allocated costs	(25,309)	(21,259)	(4,050)	19.1%
LEVEL II CONTRIBUTION MARGIN	**109,745**	**95,351**	**14,394**	**15.1%**
OPERATING MARGIN	**109,745**	**95,351**	**14,394**	**15.1%**
Performance fees	19,997	122	19,874	n.a.
Net income on investments at fair value	32	(41)	73	n.a.
MARKET EFFECTS	**20,028**	**81**	**19,947**	**n.a.**
SEGMENT MARGIN BEFORE TAX	**129,774**	**95,432**	**34,342**	**36.0%**

The **profit before tax** of the Italy - Asset Management segment came in at €129.8 million, compared with the previous year's result of +€95.4 million. The increase in the period was mainly due to +€19.9 million to performance fees and +€12.5 million to net commission income.

Commission income for the period was €213.0 million, an increase of €20.8 million compared with the first quarter of 2023. This increase was mainly due to higher recurring fees, influenced by the higher assets under management compared with the comparative period.

Acquisition costs consistent with commission income were up by -€7.2 million compared to the first quarter of 2023. The increase was mainly due to the increase in the management fee of -€7.0 million.

Allocated costs increased by -€4.1 million compared with the comparative period. The main change is due to the increase in marketing and support costs to the Sales Network by -€3.3 million in line with the commercial dynamics for the period.

Market effects increased by €19.9 million compared with the same period a year earlier were due to higher performance fees during the period.

ITALY – INSURANCE SEGMENT

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Management fees	109,302	94,045	15,257	16.2%
Investment management fees	22,808	18,600	4,208	22.6%
Net insurance revenues (ex U-L commissions)	44,930	42,741	2,189	5.1%
Other fees	3,399	2,829	570	20.2%
Total commission income	**180,439**	**158,215**	**22,224**	**14.0%**
Acquisition costs	(44,404)	(41,049)	(3,355)	8.2%
Other commission expenses	(6,922)	(6,269)	(653)	10.4%
Total commission expense	**(51,326)**	**(47,319)**	**(4,008)**	**8.5%**
Net commission expense	**129,113**	**110,896**	**18,216**	**16.4%**
Net interest income	**14,459**	**7,901**	**6,558**	**83.0%**
Net income on other investments	**237**	**(116)**	**353**	**n.a.**
Other revenues and expenses	**(411)**	**(531)**	**121**	**(22.7%)**
LEVEL I CONTRIBUTION MARGIN	**143,398**	**118,150**	**25,248**	**21.4%**
Allocated costs	(25,486)	(21,275)	(4,211)	19.8%
Regular contributions to banking industry	(4,258)	0	(4,258)	n.a.
LEVEL II CONTRIBUTION MARGIN	**113,654**	**96,875**	**16,779**	**17.3%**
OPERATING MARGIN	**113,654**	**96,875**	**16,779**	**17.3%**
Performance fees	8,964	168	8,797	n.a.
Net income on investments at fair value	170	(161)	331	n.a.
MARKET EFFECTS	**9,134**	**7**	**9,127**	**n.a.**
SEGMENT MARGIN BEFORE TAX	**122,788**	**96,882**	**25,907**	**26.7%**

The segment margin before tax of the Italy – Insurance segment came in at €122.8 million, an increase of €25.9 million compared with the result of €96.9 million for the first half of 2023. This increase was due to the growth in net commission income (+€18.2 million) and the higher performance fees recorded in the period under review (+€8.8 million).

Commission income for the period was +€180.4 million, an increase of €22.2 million compared with the first quarter of 2023. Of the increase of €19.4 million, recurring fees were due to the increase in assets under management and to the increase in insurance management profit in relation to higher net revenues from insurance products classified pursuant to IFRS 17.

Acquisition costs rose by -€3.4 million compared with the comparative period. This increase is primarily attributable to higher maintenance fees in the face of portfolio growth.

Net interest income, which came to +€14.5 million, was up compared with the comparative period, mainly due to the higher yields of the companies' portfolio invested in bonds.

Allocated costs mainly reflect the increase in marketing costs and support for the Sales Network, in line with the commercial dynamics for the period of -€3.3 million.

Contributions to funds and guarantees include -€4.3 million in provisions made in compliance with legislation to protect beneficiaries and those entitled to insurance benefits deducted from life policies if the insurance company is subject to insolvency proceedings (the Life Guarantee Fund). Please refer to the report on operations for further information.

Market effects were up by +€9.1 million, mainly due to higher performance fees recorded during the period.

ITALY – OTHER SEGMENT

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Other fees	1,170	153	1,017	n.a.
Acquisition costs	1,203	861	342	39.8%
Net commission expense	**2,373**	**1,014**	**1,359**	**n.a.**
Net interest income	**28**	**8**	**20**	**n.a.**
Net income on other investments	**37**	**331**	**(294)**	**(88.7%)**
Other revenues and expenses	**2,136**	**391**	**1,745**	**n.a.**
LEVEL I CONTRIBUTION MARGIN	**4,575**	**1,744**	**2,830**	**n.a.**
Allocated costs	(1,605)	(1,195)	(410)	34.3%
LEVEL II CONTRIBUTION MARGIN	**2,970**	**549**	**2,420**	**n.a.**
OPERATING MARGIN	**2,970**	**549**	**2,420**	**n.a.**
SEGMENT MARGIN BEFORE TAX	**2,970**	**549**	**2,420**	**n.a.**

The **Italy – Other segment** comprises miscellaneous financial items not directly attributable to the other lines of business or relating to common activities.

Other fees recorded an increase of +€1.0 million in revenues relating to investment banking. Last year, this item was recognised from the second quarter.

SPAIN SEGMENT

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Entry fees	4,478	2,745	1,733	63.1%
Management fees	27,037	22,833	4,204	18.4%
Investment management fees	4,781	4,096	685	16.7%
Insurance management result	2,792	2,310	482	20.9%
Banking service fees	2,476	2,128	348	16.4%
Other fees	839	684	155	22.7%
Total commission income	**42,403**	**34,795**	**7,608**	**21.9%**
Acquisition costs	(15,433)	(12,146)	(3,287)	27.1%
Other commission expenses	(3,731)	(2,861)	(870)	30.4%
Total commission expense	**(19,164)**	**(15,007)**	**(4,157)**	**27.7%**
Net commission expense	**23,239**	**19,788**	**3,450**	**17.4%**
Net interest income	18,202	16,051	**2,151**	**13.4%**
Net income on other investments	58	(1)	**59**	**n.a.**
LLP (impairment on loans)	(129)	(129)	**0**	**n.a.**
Other revenues and expenses	137	295	**(158)**	**(53.6%)**
LEVEL I CONTRIBUTION MARGIN	**41,507**	**36,005**	**5,502**	**15.3%**
Allocated costs	(15,933)	(14,030)	(1,903)	13.6%
LEVEL II CONTRIBUTION MARGIN	**25,574**	**21,975**	**3,599**	**16.4%**
Depreciation & amortisation	(1,918)	(1,630)	(288)	17.7%
Provisions for risk and charges	(492)	(500)	8	(1.6%)
OPERATING MARGIN	**23,164**	**19,845**	**3,319**	**16.7%**
Performance fees	584	16	568	n.a.
Net income on investments at fair value	403	306	97	31.7%
MARKET EFFECTS	**987**	**322**	**665**	**n.a.**
SEGMENT MARGIN BEFORE TAX	**24,151**	**20,167**	**3,984**	**19.8%**

The **margin before tax** for the Spain segment was +€24.2 million, compared with the previous year's result of €20.2 million.

Commission income rose from +€34,8 million in the first half of 2023 to +€42.4 million in the reporting period. This performance was mainly due to the increase in recurring commissions (+€4.9 million) deriving from the increase in assets under management due to the net inflows and the positive effects deriving from the performance of the financial markets.

Acquisition costs were up by -€3.3 million.

Net interest income amounted to approximately +€18.2 million, up +€2.2 million compared with the comparative period, driven by the trend in average yields and growth in the credit portfolio.

Allocated costs, which represent the total general and administrative expenses for the segment, increased by -€1.9 million on the previous quarter. This difference is mainly attributable to: -€1.1 million to higher personnel costs (48 more average individuals), -€0.4 million for IT services, and the remainder attributable to regulatory projects and supporting volume growth.

GERMANY SEGMENT

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Management fees	1,545	662	883	n.a.
Investment management fees	345	336	9	2.7%
Net insurance revenues (ex U-L commissions)	234	540	(306)	(56.6%)
Other fees	60	57	3	5.3%
Total commission income	**2,184**	**1,595**	**589**	**37.0%**
Acquisition costs	(924)	(495)	(429)	86.7%
Other commission expenses	(161)	(167)	6	(3.6%)
Total commission expense	**(1,085)**	**(662)**	**(423)**	**63.9%**
Net commission expense	**1,099**	**933**	**166**	**17.8%**
Net interest income	**393**	**212**	**181**	**85.4%**
LLP (impairment on loans)	**0**	**(24)**	**24**	**n.a.**
Other revenues and expenses	**11**	**63**	**(52)**	**(82.5%)**
LEVEL I CONTRIBUTION MARGIN	**1,503**	**1,184**	**319**	**27.0%**
Allocated costs	(553)	(1,068)	515	(48.2%)
LEVEL II CONTRIBUTION MARGIN	**950**	**116**	**834**	**n.a.**
Depreciation & amortisation	(6)	(62)	56	(90.3%)
OPERATING MARGIN	**944**	**54**	**890**	**n.a.**
Performance fees	60	1	59	n.a.
Net income on investments at fair value	28	20	8	40.0%
MARKET EFFECTS	**88**	**21**	**67**	**n.a.**
SEGMENT MARGIN BEFORE TAX	**1,032**	**75**	**957**	**n.a.**

The ***margin before tax*** of the Germany segment was +€1.032 million.

Companies operating in the banking and financial sector

Banca Mediolanum S.p.A.

Banca Mediolanum ended the first quarter of 2024 with net income of +€225.0 million, compared with +€180.5 million at 31 March 2023.
The sales network comprised 4,616 individuals (31.03.2023: 4,483 individuals).

Banco Mediolanum S.A. Group

The Spanish banking group ended the period under review with consolidated profit of +€15.5 million (€14.1 million at 31 March of the previous year).
The sales network consists of 1,617 individuals (31.03.2023: 1,630 individuals).
Banco Mediolanum collected dividends from the subsidiary Mediolanum International Fund for €6.8 million and paid dividends to the parent company for €22.5 million.

Prexta S.p.A.

The Company's accounts at 31 March 2024 showed a positive result of +€0.8 million compared with +€1.0 million in the comparative period.

Banca Mediolanum approved capital contributions to the subsidiary for 2024 up to a maximum of €15.0 million and the payment was made in early April.

FloWe S.p.A. – S.B.

The result for the first quarter of 2024 was a net loss of -€5.2 million, compared with a net loss of -€7.3 million in the same period of the previous year.
Banca Mediolanum also approved measures in favour of the subsidiary to cover the losses expected for 2024 up to a maximum of €15.0 million; the first tranche of €7.5 million was paid on 4 April 2024.

Companies operating in the asset management sector

Mediolanum International Funds Ltd

The Irish fund company reported a net income of +€174.4 million as at 31 March 2024 (31.03.2023: +€116.1 million). The Mediolanum International Fund paid dividends to the parent company Banca Mediolanum for €142.4 million and to Banco Mediolanum for €6.8 million.

Mediolanum Gestione Fondi SGR p.A.

The financial statements for the period ended 31 March 2024 show net income of €22.2 million, up by €15.5 million compared with the same period a year earlier (31/03/2023: €6.7 million).
Mediolanum Gestione Fondi distributed dividends to the parent company for €39.1 million.

Mediolanum Fiduciaria S.p.A.

The financial statements at 31 March 2024 show a net loss of -€0.2 million, in line with the loss recorded in the comparative period.

Banca Mediolanum also approved measures in favour of the subsidiary to cover the losses expected for 2024 up to a maximum of €900 thousand; the first tranche of €450 thousand was paid on 4 April 2024.

Companies operating in the insurance sector

Mediolanum Vita S.p.A.

The Company's financial statements, prepared on the basis of IAS/IFRS as at 31 March 2024, show a net profit of +€35.1 million, up +€3.0 million compared with the result of +€32.1 million in the same period of the previous year.

Net income for the period, determined according to Italian GAAP, was +€33.7 million, compared with +€32.3 million in the same period of the previous year.

Mediolanum Vita paid dividends to the parent company of €108.0 million.

Mediolanum International Life Dac

At the end of the first quarter of 2024, the Irish company recorded net income of +€5.2 million (31/03/2023: +€3 million).

Net income for the period, determined according to Italian GAAP, was +€6.9 million, compared with +€5 million in the same period of the previous year.

Mediolanum Assicurazioni S.p.A.

The Company's financial statements, prepared on the basis of IAS/IFRS as at 31 March 2024, show a net profit of +€5.9 million, up +€0.4 million compared with the result of +€5.5 million in the same period of the previous year.

Meanwhile, the net income for the first three months of 2024, calculated according to national GAAP, was +€5,1 million, compared with €4.9 million for the same period of the previous year.
Mediolanum Assicurazioni paid dividends to the parent company of €16.3 million.

Other companies

August Lenz & Co. AG

The German company closed the first quarter of 2024 with a net loss of -€0.1 million (-€1.4 million at 31.03.2023); on 1 July 2023 the company commenced the liquidation process, which is still in progress.

Shareholders’ equity and treasury shares

At 31 March 2024, the share capital of Banca Mediolanum was €600,669,028.4, divided into 745,092,141 shares with no par value of which 2,899,295 treasury shares.
Consolidated shareholders’ equity amounted to €3,750.1 million at 31 March 2024, compared with €3,454.7 million at 31 December 2023.

With regard to the allocation of earnings for 2023, it should be noted that on 18 April, the Shareholders’ Meeting approved the financial statements of Banca Mediolanum for the year ended 31 December 2023, which showed a net income of €833,706,693.59. The allocation of earnings was as follows:

- distribution to shareholders of a dividend of €0.70 for 2023, of which €0.28 was distributed as an interim dividend in November 2023 by Banca Mediolanum S.p.A., and of €0.42 per share distributed in April 2024;
- establishment of the unavailable reserve, the “Extraordinary tax reserve on net interest income” within the time limits established in the Decree, amounting to €67,354,404.30;
- the remainder to the Extraordinary Reserve.

Earnings per share (EPS) for the period amounted to €0.296 compared to €0.242 for March 2023.

Capital adequacy of the Mediolanum financial conglomerate[7]

The calculation of the capital adequacy of the Mediolanum Financial Conglomerate at 31 March 2024, in accordance with the additional supervisory provisions in force, showed that, with the capital requirements of the conglomerate of €2,852 million, the capital resources of the conglomerate to cover the required margin amounted to €3,748 million, with a surplus of €896 million:

€/m	31.3.2024	31.12.2023
Financial conglomerate primarily engaged in banking		
Capital	3,748	3,471
Banking capital requirements	1,468	1,541
Insurance capital requirements	1,384	1,216
Capital surplus (deficit)	**896**	**714**

Own funds and capital ratios at 31 March 2024[8]

Banca Mediolanum S.p.A. has calculated the consolidated own funds for supervisory purposes and the relative capital ratios in accordance with the regulations in force (Regulation (EU) No 575/2013 (Basel 3)).
The consolidated profit for the period of €220.5 million has not been included in the calculation of own funds.
In light of the above, the Common Equity Tier I Ratio (CETI) at 31 March 2024 was 22.90% compared to 22.3% at 31 December 2023.
The leverage ratio was 7.4% (31/12/2023: 6.95%).

[7] Capital adequacy at 31 March 2024 was calculated according to the capitalisation limits communicated by the European Central Bank based on the Supervisory Review and Evaluation Process (SREP). The insurance requirements relate to the latest quarterly report (31 December 2023) of the Mediolanum Insurance Group sent to the supervisory authority.
[8] It should be noted that these data may be updated during the Supervisory Authority reporting phase.

Guarantee fund for life insurance policies

The Budget Law (Law No. 213 of 30 December 2023), approved on 30 December 2023, introduced a new Chapter VI-bis to the Private Insurance Code establishing and regulating the Guarantee Fund for Life Policies (the "Guarantee Fund" or "Fund"), whose function will be to intervene to protect beneficiaries and those entitled to insurance benefits under life policies if the insurance company is subject to insolvency proceedings. To this end, the Guarantee Fund will have an independent endowment, financed by insurance companies and participating intermediaries, based on the amount of these companies' technical provisions.

The Guarantee Fund has a financial allocation established through contributions from members, which must be proportionate to the liabilities of the Guarantee Fund and in any case equal to at least 0.4% (the "target level") of the amount of the technical provisions of the life business of the member companies which will be due from 1 January 2024. This objective must be achieved gradually by 31 December 2035, with the possibility of extension in accordance with the provisions of the Ministry of Economy and Finance.

With regard to the establishment and investment of the funds collected, Article 274-quinquies of the Private Insurance Code provides that, in order to establish the financial resources of the Guarantee Fund, members make contributions at least once a year, as determined by the Fund in the following terms. In particular, contributions due from member undertakings are proportionate to the amount of commitments made to policyholders and to the risk profile of the undertakings and represent at least four-fifths of the annual contribution of members. These contributions may be determined by the Fund on the basis of its internal risk assessment methods, approved by IVASS. During the first application phase, the contributions due from participating insurance companies are equal to 0.4 per thousand of the amount of the technical provisions of the life business.

The contributions required of insurance intermediaries are determined in relation to the total volume of life products distributed and the revenues associated with them, it being understood that the contribution imposed on them should not exceed one-fifth of the annual contribution. However, during the first application phase, the contributions due from the intermediaries entered in section D of the Register are equal to 0.1 per thousand

the amount of the life technical reserves intermediated, while those due from the other participating intermediaries are equal to 0.1 per thousand of the life premium income intermediated in the previous year.

In view of the state of uncertainty in the regulatory environment and pending the publication of the Fund's Regulations and further instructions from the Supervisory Body, the Mediolanum Group considered the policies issued in Italy by the Compagnie Mediolanum Vita S.p.A. and Mediolanum International Life DAC and the intermediation activity carried out by Banca Mediolanum as part of its scope of interest, and therefore recorded a charge of €4.2 million in the first quarter.

Tax dispute

With reference to the Mutual Agreement Procedure pursuant to the |Treaty of 23 July 1990 no. 90/436/EEC on the elimination of double taxation in the event of adjustment of the profits of associated companies and Article 24 of the agreement between Italy and Ireland for the avoidance of double taxation and the prevention of tax evasion with regard to income taxes (tax period 2014-2015-2016), already referred to in the 2023 Consolidated Annual Financial Report, at the end of April 2024 Banca Mediolanum signed an agreement containing the conclusions reached by the Italian and Irish tax authorities on the determination of transfer prices to be applied to transactions between Banca and Mediolanum International Funds for the 2014-2016 tax periods. The same agreement was in the process of being finalised by the tax authorities in respect of Mediolanum Vita.

The agreement would provide for a retrocession rate of management fees to Banca Mediolanum of 59.65% and a retrocession rate of performance fees to Banca Mediolanum of 7.7%. With regard to Mediolanum Vita, the conditions would be the same subject to payment of performance fees.

In addition, following the signing of this agreement, on the days immediately thereafter, the revenue authorities formulated a Settlement Proposal for the 2017 tax period with reference to both Banca Mediolanum and Mediolanum Vita under the conditions defined in the aforementioned Mutual Agreement Procedure. In particular, under the settlement proposal, the Group paid higher IRES and IRAP taxes totalling €8.6 million, including interest.

Therefore, in the light of the above, the Group has updated the estimate of the liability recognised for the aforementioned tax risk based on the conditions provided for in the Mutual Agreement Procedure described above and the consequent expenses, booking a positive economic effect in the period of €2.3 million.

SIGNIFICANT EVENTS AFTER THE END OF THE FIRST QUARTER

No events that could have a significant effect on the Group's financial position and results of operations took place after 31 March 2024 beyond those indicated in the previous paragraph.

Business outlook

The global economy has recently shown, and continues to show, resilience far in excess of the expectations – which were very widespread until a few months ago – of a rather marked slowdown in activity levels: on the contrary, the gradual reduction of imbalances in global production chains, the maintenance of enormous tax incentives and the partial decline in inflation have helped to support corporate profits, thereby supporting the labour market and, ultimately, household consumption. All this took place alongside the widespread tightening by central banks over the past two years, which has led to a significant rise in the cost of borrowing. At present, the likelihood of a significant slowdown in growth in the short term is very small, while two alternative scenarios seem more plausible: the first, a "soft landing", would imply moderate growth and a further relatively rapid decline in inflation, while the second – which gained more credence in the light of the most recent data– – would even imply a "non-landing", i.e. continued growth at good levels and, consequently, more persistent inflation. These two scenarios are not opposite, but certainly different in terms of central bank moves: in the latter case, the path of monetary easing should be taken more cautiously. Indeed, the market's expectations for rate cuts in 2024 have fallen sharply over the last period, from 6-7 rate cuts (from 25 basis points) expected at the beginning of the year to 2-3 for the Federal Reserve and 3-4 for the European Central Bank. In short, what seems to be expected in the coming months is a modest fall in returns, which would remain relatively high for longer than initially thought: to use market jargon, "higher-for-longer".

Looking at the possible implications of this environment for major asset classes, bond markets could benefit from a lower boost than that given by a more aggressive monetary easing phase. However, continuing higher yields than in the past would not necessarily be bad news for investors, as long as interest rates stay higher but do not rise further – a view that seems unlikely at this stage. Account must also be taken of a greater "carry effect" than in the past, i.e. the accumulation over time of larger coupons – with regard to newer issues, or the tendency to return to par for pre-existing securities that have seen their prices fall significantly over the last two years as a result of the rise in rates. Finally, with inflation getting back under control, a lower, if not negative, correlation between equities and bonds is also expected again, with the resulting benefit in terms of portfolio diversification from combining the two asset classes.

Equity markets could continue to be supported by economic data, and thus the resilience of earnings, to the extent that earnings do not suffer too much from the persistence of relatively tight financial conditions.

So far, the signs have been encouraging, thanks to the progress made in recent months in terms of the resolution of post-Covid supply-demand imbalances, but also as a result of the recovery in productivity compared to the 2021-2022 period. This is closely related to the many transitions in progress, especially energy and digital transitions, and related technological innovations.

Technological innovation, artificial intelligence, digital and the energy transition are central themes that lead to the important issue of market concentration. The second quarter begins with the same questions as the first – which in some ways had already characterised 2023 – regarding the obvious driving effect on the entire market of some larger companies, particularly those known as the "Magnificent 7" (Apple, Microsoft, Alphabet, Amazon,

Nvidia, Tesla and Meta). While the phenomenon raises doubts as to the sustainability of market hikes and suggests an appropriate level of portfolio diversification. However, there may be fundamental justification for such stocks to be particularly strong at present: they are large earnings-generating companies in an economy – the US economy – which, as already highlighted, has proven to be particularly resilient.
In addition, despite the concentration of the US equity market at its highest level in decades, major company stocks are trading at much more moderate valuations than previously seen, such as at the peak of the tech bubble. Finally, in the most recent period, investors' interest in sectors other than those linked to technology, with an even more cyclical vocation, is increasing, as shown by recent data on performance and investment flows. This represents not only a healthy development within the market, but also further confirmation of the prevailing optimism regarding the resilience of the global business cycle, all of which should be taken into account in order to guide the most appropriate portfolio allocation choices.

Considering the risks typical of the sector, and barring the occurrence of exceptional events that may entail a significant deterioration of the current situation (not subject to the Directors' control and currently not foreseeable by the management), a positive profit performance is expected for 2024.

Basiglio, 9 May 2024

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

€/000			31.3.2024	31.12.2023
10.	Cash and cash equivalents		522,284	188,134
20.	Financial assets at fair value through profit or loss		38,189,577	36,196,039
	a)	financial assets held for trading	536,332	999,295
	b)	financial assets designated at fair value	37,448,334	34,990,416
	c)	other financial assets mandatorily measured at fair value	204,911	206,328
30.	Financial assets measured at fair value through other comprehensive income		2,049,652	2,033,758
40.	Financial assets measured at amortised cost		35,872,133	36,920,252
	a)	loans to banks	534,569	160,702
	b)	loans to customers	35,337,564	36,759,550
50.	Hedging derivatives		15	53
80.	Insurance assets		75,039	78,227
	a) insurance contracts written that are classified as assets		-	-
	b) reinsurance cessions that are classified as assets		75,039	78,227
90.	Tangible assets		210,466	212,514
100.	Intangible assets		205,562	206,869
	of which:			
	- goodwill		125,625	125,625
110.	Tax assets		692,599	663,588
	a) current		532,721	501,782
	b) deferred		159,878	161,806
120.	Non-current assets and disposal groups		-	56
130.	Other assets		1,291,726	1,331,361
TOTAL ASSETS			**79,109,053**	**77,830,851**

Liabilities and shareholders' equity

€/000		31.3.2024	31.12.2023
10.	Financial liabilities measured at amortised cost	33,610,649	35,225,709
	a) payables to banks	1,922,789	1,184,872
	b) payables to customers	31,386,005	33,727,721
	c) debt securities in issue	301,855	313,116
20.	Financial liabilities held for trading	6,903	8,458
30.	Financial liabilities designated at fair value	16,139,429	15,011,219
40.	Hedging derivatives	-	3,605
60.	Tax liabilities	416,863	309,931
	a) current	334,517	229,608
	b) deferred	82,346	80,323
80.	Other liabilities	1,124,059	1,094,079
90.	Employee severance benefits	12,128	11,876
100.	Provisions for risk and charges	305,699	309,958
	a) commitments and guarantees given	1,405	1,490
	b) pensions and similar obligations	109	109
	c) other provisions for risk and charges	304,185	308,359
110.	Insurance liabilities	23,743,181	22,401,276
	a) insurance contracts written that are classified as liabilities	23,743,181	22,401,276
120.	Valuation reserves	107,940	39,315
150.	Reserves	3.039.531	2,213,256
155	Interim dividends	(207,519)	(207,519)
160.	Issue premiums	8,789	7,035
170.	Capital	600,669	600,564
180.	Treasury shares (-)	(19,781)	(19,781)
200.	Net income for the period (+/-)	220,513	821,870
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**79,109,053**	**77,830,851**

Basiglio, 9 May 2024

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED INCOME STATEMENT

€/000		31.3.2024	31.3.2023
10.	Interest income and similar income	375,391	253,166
	of which: interest income calculated using the effective interest method	352,402	233,070
20.	Interest expense and similar expenses	(138,958)	(77,841)
30.	**Net interest income**	**236,433**	**175,325**
40.	Commission income	500,779	421,836
50.	Commission expense	(200,515)	(177,808)
60.	**Net commission expense**	**300,264**	**244,028**
70.	Dividends and similar income	798	606
80.	Net gains (losses) from trading	(6,872)	7,767
90.	Net gains (losses) from hedging	42	(263)
100.	Gains (losses) from disposal or repurchase of:	256	(55)
	a) financial assets measured at amortised cost	-	4
	b) financial assets measured at fair value through other comprehensive income	256	(59)
110.	Net gain (loss) from other financial assets and liabilities at fair value through profit or loss	1,298,698	411,772
	a) financial assets and liabilities designated at fair value	1,296,157	412,346
	b) other financial assets mandatorily measured at fair value	2,541	(574)
120.	**Operating income**	**1,829,619**	**839,180**
130.	Credit-risk induced net value adjustments/write-backs relating to:	(6,328)	(8,232)
	a) financial assets measured at amortised cost	(7,077)	(8,420)
	b) financial assets measured at fair value through other comprehensive income	749	188
150.	**Net gain (loss) from financial operations**	**1,823,291**	**830,948**
160.	Result of insurance services	48,743	43,811
	a) insurance revenues deriving from insurance contracts written	105,451	93,719
	b) costs of insurance services deriving from insurance contracts written	(54,130)	(47,502)
	c) insurance revenues deriving from reinsurance cessions	7,414	7,709
	d) costs of insurance services deriving from reinsurance cessions	(9,992)	(10,115)
170.	Balance of revenues and financial costs relating to insurance management	(1,343,289)	(459,563)
	a) net financial costs/revenues relating to insurance contracts written	(1,343,049)	(459,576)
	b) net financial revenues/costs relating to reinsurance cessions	(240)	13
180.	**Net gain (loss) from financial and insurance operations**	**528,745**	**415,196**
190.	Administrative expenses:	(210,159)	(163,060)
	a) staff costs	(79,063)	(66,186)
	b) other administrative expenses	(131,096)	(96,874)
200.	Net provisions for risk and charges	(12,624)	(4,425)
	a) commitments and guarantees given	(291)	(105)
	b) other net provisions	(12,333)	(4,320)
210.	Net value adjustments/write-backs of tangible assets	(4,151)	(4,260)
220.	Net value adjustments/write-backs of intangible assets	(7,471)	(8,516)
230.	Other operating income/expenses	3,148	465
240.	**Operating costs**	**(231,257)**	**(179,796)**
280.	Gains (losses) on disposal of investments	57	-
290.	**Net income from continuing operations before tax**	**297,545**	**235,400**
300.	Taxes on income from continuing operations	(77,032)	(57,125)
310.	**Net income from continuing operations after tax**	**220,513**	**178,275**
330.	**Net income for the period**	**220,513**	**178,275**
350.	**Net income for the period attributable to the Parent Company**	**220,513**	**178,275**

Basiglio, 9 May 2024

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€/000		31.3.2024	31.3.2023
10.	**Net income for the period**	**220,513**	**178,275**
	Other income net of taxes without reversal to the income statement	**70,455**	**7,522**
20.	Equity securities designated at fair value through other comprehensive income	70,367	8,262
70.	Defined benefit plans	88	(740)
90.	Share of valuation reserves of equity investments measured at equity		
100.	Financial revenues or costs relating to insurance contracts written		
	Other income net of taxes with reversal to the income statement	**(1,830)**	**2,389**
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	(629)	18,106
170.	Share of valuation reserves of equity investments measured at equity		
180.	Financial revenues or costs relating to insurance contracts written	(933)	(16,447)
190.	Financial revenues or costs relating to reinsurance cessions	(268)	730
170.	**Total other income net of taxes**	**68,625**	**9,911**
180.	**Comprehensive income (Item 10+170)**	**289,138**	**188,186**
190.	Consolidated comprehensive income attributable to minority interests		
200.	**Consolidated comprehensive income attributable to the Parent Company**	**289,138**	**188,186**

Basiglio, 9 May 2024

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 MARCH 2024

€/000				Allocation of previous year's result		Changes in the period								Shareholders' equity at 31.3.2024
							Transactions on shareholders' equity							
	Balances at 31.12.2023	Change in opening balances	Balances at 1.1.2024	Reserves	Dividends and other destinations	Changes in reserves	Issue of new shares	Share buybacks	Extraordinary dividend distribution	Change in equity instruments	Derivatives on treasury shares	Stock options and performance shares	Comprehensive income at 31.3.2024	
Capital:														
a) ordinary shares	600,564		600,564				105							600,669
b) other shares	-													-
Issue premiums	7,035		7,035				1,754							8,789
Reserves:														
a) earnings	2,143,371		2,143,371	821,870										2,965,241
b) other	69,885		69,885									4,405		74,290
Valuation reserves	39,315		39,315										68,625	107,940
Equity instruments	-		-											-
Interim dividends	(207,519)		(207,519)											(207,519)
Treasury shares	(19,781)		(19,781)											(19,781)
Net income for the period	821,870		821,870	(821,870)									220,513	220,513
Shareholders' equity attributable to the Group	**3,454,740**	**-**	**3,454,740**	**-**	**-**	**-**	**1,859**	**-**	**-**	**-**	**-**	**4,405**	**289,138**	**3,750,142**

Basiglio, 9 May 2024

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 MARCH 2023

€/000				Allocation of previous year's result		Changes in the period								
							Transactions on shareholders' equity							
	Balances at 31.12.2022	Change in opening balances	Balances at 01.01.2023	Reserves	Dividends and other destinations	Changes in reserves	Issue of new shares	Share buybacks	Extraordinary dividend distribution	Change in equity instruments	Derivatives on treasury shares	Stock options and performance shares	Comprehensive income at 31.3.2023	Shareholders' equity at 31.3.2023
Capital:														
a) ordinary shares	600,452		600,452				6							600,458
b) other shares	-													-
Issue premiums	5,297		5,297				69							5,366
Reserves:														
a) earnings	1,989,434	1,679	1,991,113	521,803	-				-					2,512,916
b) other	69,781	-	69,781									3,247		73,028
Valuation reserves	(41,109)	10,932	(30,177)										9,911	(20266)
Equity instruments	-		-											-
Interim dividends	(177,133)		(177,133)						-					(177,133)
Treasury shares	(33,146)		(33,146)				-	-						(33,146)
Net income for the period	521,803		521,803	(521,803)									178,275	178,275
Shareholders' equity attributable to the Group	**2,935,379**	**12,611**	**2,947,990**	**-**	**-**	**-**	**75**	**-**	**-**	**-**	**-**	**3,247**	**188,186**	**3,139,498**

Basiglio, 9 May 2024

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

NOTES

PART A – ACCOUNTING POLICIES

A.1 – GENERAL PART

Section 1 – Declaration of Compliance with International Accounting Standards

The Interim Financial Report at 31 March 2024 has been prepared in application of Legislative Decree No. 38 of 28 February 2005, in accordance with the accounting standards issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and approved by the European Commission, as established in Community Regulation No. 1606 of 19 July 2002, as amended.

This Interim Financial Report at 31 March 2024 does not constitute interim financial statements in accordance with IAS 34.

The Mediolanum Group, in accordance with the provisions of Legislative Decree No. 142 of 30 May 2005, is a financial conglomerate primarily engaged in banking.

The Directors of Banca Mediolanum S.p.A. believe that they may reasonably expect that the Group will continue to operate as a going concern for the foreseeable future, and therefore this Interim Financial Report has been prepared on a going concern basis. They also specify that they have not found any cause for doubt regarding the going concern principle in the Group's financial position or operating performance.

Section 2 – General basis of preparation

The statement of financial position and income statement at 31 March 2024 were prepared applying the IAS/IFRS international accounting standards, measurement criteria and consolidation principles consistent with those used to prepare the consolidated financial statements at 31 December 2023.
For a detailed description of the accounting principles applied in the preparation of this Interim Financial Report and the contents of the items of the accounting schedules, please refer to the part of the annual consolidated financial statements.
Reasonable estimation processes were used to determine certain items, with the aim of ensuring the consistent application of the standard, which therefore did not affect the reliability of the interim reporting.

This statement of account has been drawn up using the euro as the currency of account.
The consolidated financial statements and the notes present, in addition to amounts for the reporting period, comparative data relating to statement of financial position data as at 31 December 2023 and to income statement data as at 31 March 2023. For the purposes of a better representation, the balances for the comparative period may have been reclassified where appropriate.
The consolidated financial statements have been prepared with reference to the instructions contained in Bank of Italy Circular no. 262 "Banking financial statements: formats and compilation rules".

Section 3 –Scope and methods of consolidation

The consolidated interim financial report at 31 March 2024 includes Banca Mediolanum S.p.A. and its directly or indirectly controlled companies.
The following table shows the equity investments included in the scope of full consolidation following the adoption of the international accounting standards.

List of equity investments in Group companies owned directly by Banca Mediolanum S.p.A., included in the consolidation on a line-by-line basis:

Company	Share capital (€/000)	Percent interest	Registered office/Operational HQ	Type of relationship*	Business conducted
Mediolanum Vita S.p.A.	207,720	100.00%	Basiglio	1	Life insurance
Mediolanum Comunicazione S.p.A.	775	100.00%	Basiglio	1	Audiovisual production
PI Servizi S.p.A.	517	100.00%	Basiglio	1	Real estate activity
Mediolanum International Life DAC	1,395	100.00%	Dublin	1	Life insurance
Mediolanum Assicurazioni S.p.A.	25,800	100.00%	Basiglio	1	Non-life insurance
Mediolanum Gestione Fondi SGR p.A.	5,165	100.00%	Basiglio	1	Mutual fund management
Mediolanum International Funds Ltd**	165	95.46%	Dublin	1	Mutual fund management
Mediolanum Fiduciaria S.p.A.	240	100.00%	Basiglio	1	Trust management
Prexta S.p.A.	2,040	100.00%	Basiglio	1	Financial intermediation
FLOWE S.p.A.	10,000	100.00%	Basiglio	1	Payment services
August Lenz & Co. AG***	20,000	100.00%	Munich	1	Residual assets
Banco Mediolanum S.A.	86,032	100.00%	Valencia/Barcelona	1	Banking

(**) The remaining 4.54% interest is held indirectly by Banca Mediolanum through Banco Mediolanum.
(***) The German subsidiary is in liquidation.

List of equity investments in Group companies owned indirectly by Banca Mediolanum S.p.A., through Banco Mediolanum S.A., included in the consolidation on a line-by-line basis:

Company	Share capital (€/000)	Ownership %	Registered office/Operational HQ	Type of relationship*	Business
Mediolanum Gestión S.A. S.G.I.I.C.	2,506	100.00%	Valencia/Barcelona	1	Mutual fund management
Fibanc S.A.	301	100.00%	Valencia/Barcelona	1	Financial advice
Mediolanum Pensiones S.A. S.G.F.P.	902	100.00%	Valencia/Barcelona	1	Pension fund management
Mediolanum International Funds Ltd	165	4.54%	Dublin	1	Mutual fund management

(*) Type of relationship:
1 = majority of voting rights at the ordinary shareholders' meeting
2 = dominant influence at the ordinary shareholders' meeting
3 = agreements with other shareholders
4 = other forms of control
5 = single management pursuant to Article 26, paragraph 1, of "Legislative Decree No. 87/92"
6 = single management pursuant to Article 26, paragraph 2, of "Legislative Decree No. 87/92"

Consolidation methods

Equity investments in subsidiaries are consolidated on a line-by-line basis.

Line-by-line consolidation

Full consolidation is the line-by-line acquisition of the aggregates of the subsidiaries' statements of financial position and income statements. Following the allocation to minority shareholders of their interests, where present, in a specific item, in equity and in the result for the year, the value of the equity investment is eliminated against the residual value of the subsidiary's equity. Any resulting difference, if positive – after allocation to the assets or liabilities of the subsidiary, where applicable – is recognised as goodwill under Intangible assets or fair value differences on assets and liabilities still carried on the date of initial consolidation and under Other reserves thereafter. Negative differences on the date of initial consolidation are taken to the income statement.
Assets, liabilities, income and expenses between consolidated companies are fully eliminated.
The subsidiaries are consolidated as of the date on which the Group acquires control, according to the purchase method, and cease to be consolidated when the situation of control no longer exists.

Significant valuations and assumptions for determining the scope of consolidation

A summary of the main assessments performed in determining the scope of consolidation is provided below.
The Mediolanum Group does not believe that it controls the "unit-linked" internal insurance funds (of which it holds 100% of the outstanding units) and the promoted funds (investment, real estate and SICAVs) because not all the conditions provided by IFRS 10 are simultaneously met. With regard to the unit-linked funds, the Mediolanum Group believes that:

- it does not exercise full power over the unit-linked entity as it is limited by the requirements of the fund regulations in terms of asset allocation and management policies;
- it is not significantly exposed to the variable returns of the investee entity.

In fact, the gains or losses relating to the valuation of assets in the unit-linked funds are fully attributed to policyholders through the change in financial liabilities, with the only change still attributable to the Group being the related impact on commissions (impact related to the variability of the flows of the entity and assessed as insignificant).

With regard to the funds, the Mediolanum Group believes that:

- it does not own the majority of the outstanding units and does not bear their investment risk (e.g. unit funds holding units in managed funds the risk of which is borne by policyholders);
- it does not exercise full power over the investee entity (the funds) as it is limited by the requirements of the fund regulations in terms of asset allocation and management policies;
- it is not significantly exposed to the variable returns of the investee entity as it does not hold, or holds only marginal units of the funds, or holds units the risk of which it does not bear.

The exposure to changes in the value of the funds, i.e. gains or losses relating to the valuation of the assets, is attributable to the investors, while the Group remains solely responsible for the change in the related impact on commissions. In particular, the Group is exposed to the risk of fluctuations in entry fees and premium loading related to inflow performance, management fees relating to assets under management and incentive fees associated with the performance of the funds under management, as well as operational, compliance and reputational risks typical of the sector in which the Group operates.

Section 4 – Other aspects

Use of estimates

This Interim Financial Report entailed the use of complex valuations and estimates which had an impact on the assets, liabilities, costs and revenues recognised as well as on the identification and quantification of contingent assets and liabilities. These estimates mainly concerned:

- the estimates and assumptions used to determine the fair value of financial instruments that are not quoted in an active market (fair value hierarchy levels 2 and 3);
- the identification of loss events as per IAS 36;
- the assumptions used to identify any impairment of intangible assets recognised in the financial statements;
- the quantification of impairment on loans and receivables and other financial assets in general, as well as stage allocation;
- the estimate of insurance liabilities and related economic effects;
- the quantification of provisions for risks, including the estimated discount rate and other key parameters (network turnover rate) of the provisions for risk on the sales network;
- the estimate of tax liabilities and the assessment of the related risk of an unfavourable outcome;
- estimates and assumptions regarding the recoverability of deferred tax assets;

- the assumptions used to determine the costs associated with incentive plans.

The directors periodically check the estimates and assessments made on the basis of their historical experience and other factors deemed reasonable. Due to the uncertainty inherent in these financial statement items, the relative actual values may differ from estimates made due to unexpected elements or changes in operating conditions.

Financial assets and liabilities

€/000	31.3.2024	31.12.2023
Financial assets at fair value through profit or loss	**38,189,577**	**36,196,039**
a) Financial assets held for trading	536,332	999,295
b) Financial assets designated at fair value	37,448,334	34,990,416
c) Other financial assets mandatorily measured at fair value	204,911	206,328
Financial assets measured at fair value through other comprehensive income	**2,049,652**	**2,033,758**
Financial assets measured at amortised cost	**35,872,133**	**36,920,252**
a) Loans to banks	534,569	160,702
b) Loans to customers	35,337,564	36,759,550
Total	**76,111,362**	**75,150,049**

Financial liabilities measured at amortised cost	**33,610,649**	**35,225,709**
a) payables to banks	1,922,789	1,184,872
b) payables to customers	31,386,005	33,727,721
c) debt securities in issue	301,855	313,116
Financial liabilities held for trading	**6,903**	**8,458**
Financial liabilities designated at fair value	**16,139,429**	**15,011,219**
Insurance liabilities	**23,743,181**	**22,401,276**
Total	**73,500,162**	**72,646,662**

Financial assets measured at amortised cost

Loans to banks

€/000	Total			Total		
	31.3.2024			31.12.2023		
	Carrying amount			Carrying amount		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	Stages 1 and 2	Stage 3	Purchased or originated impaired
A. Loans to central banks	**271,167**	**-**	**-**	**26,645**	**-**	**-**
1. Deposits at notice	-	-	-	-	-	-
2. Mandatory reserve	271,167	-	-	26,645	-	-
3. Repurchase agreements	-	-	-	-	-	-
4. Other	-	-	-	-	-	-
B. Loans to banks	**263,402**	**-**	**-**	**134,057**	**-**	**-**
1. Loans	142,218	-	-	88,307	-	-
1.1 Current accounts	-	-	-	-	-	-
1.2. Deposits at notice	130,497	-	-	50,175	-	-
1.3. - Other loans:	11,721	-	-	38,132	-	-
- Reverse repurchase agreements	-	-	-	-	-	-
- Leasing loans	-	-	-	-	-	-
- Other	11,721	-	-	38,132	-	-
2. Debt securities	121,184	-	-	45,750	-	-
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	121,184	-	-	45,750	-	-
Total	**534,569**	**-**	**-**	**160,702**	**-**	**-**

At 31 March 2024, loans to banks amounted to €534.6 million, compared with €160.7 million at the end of 2023. The change is mainly attributable to the mandatory reserves of Banca Mediolanum, which increased by €244.5 million in the period under review compared with the comparative period, and to an increase in term deposits (+€80.3 million compared with the comparative period).

Loans to customers

€/000	Total			Total		
	31.3.2024			31.12.2023		
	Carrying amount			Carrying amount		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	Stages 1 and 2	Stage 3	Purchased or originated impaired
1. Loans	**17,301,010**	**134,462**	**2,925**	**17,707,579**	**133,120**	**2,919**
1.1. Current accounts	433,646	4,972	368	493,362	5,257	389
1.2. Reverse repurchase agreements	-	-	-	-	-	-
1.3. Mortgages	11,993,714	65,925	-	12,047,317	64,999	-
1.4. Credit cards, personal loans and salary-backed loans	3,052,150	33,035	2,467	3,027,503	32,403	2,441
1.5 Leasing loans	-	-	-	-	-	-
1.6. Factoring	-	-	-	-	-	-
1.7. Other loans	1,821,500	30,530	90	2,139,397	30,461	89
2. Debt securities	**17,899,167**	**-**	**-**	**18,915,932**	**-**	**-**
2.1. Structured notes	-	-	-	-	-	-
2.2. Other debt securities	17,899,167	-	-	18,915,932	-	-
Total	**35,200,177**	**134,462**	**2,925**	**36,623,511**	**133,120**	**2,919**

Loans to customers came to €35,337.6 million, down compared with December 2023 by -€1,422.0 million. The change was due to the decrease in the item debt securities of -€1,016.8 million and the decrease in loans of -€405.2 million.

Financial liabilities measured at amortised cost

Payables to banks

€/000	31.3.2024	31.12.2023
1. Payables to central banks	**-**	**-**
2. Payables to banks	**1,922,789**	**1,184,872**
2.1 Current accounts and demand deposits	186,264	83,556
2.2 Term deposits	12,516	3,030
2.3 Loans	1,718,441	1,092,810
2.3.1 Repurchase agreements	1,718,441	1,092,810
2.3.2 Other	-	-
2.4 Payables for commitments to repurchase own shares	-	-
2.5 Lease liabilities	855	915
2.6 Other payables	4,713	4,561
TOTAL	**1,922,789**	**1,184,872**

Payables to banks amounted to €1,922.8 million (31.12.2023: €1,184.9 million). The change is mainly due to the increase in repurchase agreements payable (+625.6 million compared to 31 December 2023) and the increase in “current accounts and demand deposits” (+€102.7 million euro compared to 31 December 2023).

Payables to customers

€/000	31.3.2024	31.12.2023
1. Current accounts and demand deposits	24,114,744	24,318,416
2. Deposits at notice	3,444,712	2,027,515
3. Loans	3,537,637	7,072,112
3.1 Repurchase agreements	3,524,092	7,062,375
3.2 Other	13,545	9,737
4. Payables for commitments to repurchase own shares	-	-
5. Lease liabilities	59,501	62,230
6. Other payables	229,411	247,448
TOTAL	**31,386,005**	**33,727,721**

The balance of payables to customers decreased by €2,341.7 million to €31,386.0 million; the increase in deposits at notice by €1,417.2 million was accompanied by a decrease of €3,538.3 million in repurchase agreements.

Insurance liabilities

This item includes "**Insurance liabilities**" determined on the basis of the new IFRS 17 accounting standard and amounts to €23,743.2 million, up by €1,341.9 million compared to the figure at 31 December 2023 (31.12.2023: €22,401.3 million).
In particular, it includes the "Liability for remaining coverage - LRC" line, which breaks down as follows:

- cash flows relating to future services (Fulfilment Cash Flows – FCF), i.e. all expected future cash flows associated with discounted insurance contracts adjusted for time value and risk;
- the contractual service margin (CSM), which represents the expected profit of the group of contracts released over the life of the contracts;
- the risk adjustment to take account of "non-financial" risks.

The change in the contractual services margin (CSM) in the first three months of 2024.

€/m

Initial CSM 1.1.2024	**2,191**
Movements	238
Release	(47)
Final CSM 31.3.2024	**2,382**

Shareholders’ equity

€/000	31.3.2024	31.12.2023
1. Capital	600,669	600,564
2. Issue premiums	8,789	7,035
3. Reserves	3,039,531	2,213,256
4. Interim dividends (-)	(207,519)	(207,519)
5. Treasury shares	(19,781)	(19,781)
6. Valuation reserves	107,940	39,315
8. Net profit (loss) for the period	220,513	821,870
Total	**3,750,142**	**3,454,740**

The share capital of Banca Mediolanum is €600.7 million, divided into 745,092,141 shares with no par value. The Company holds 2,899,295 treasury shares with a value of €19.8 million. No own shares were purchased during the period under review.
Consolidated shareholders’ equity amounted to €3,750.1 million at 31 March 2024, compared with €3,454.7 million at 31 December 2023.

INFORMATION ON THE MAIN INCOME STATEMENT AGGREGATES

Net interest income

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Interest income and similar income	375,391	253,166	122,225	48.3%
Interest expense and similar expenses	(138,958)	(77,841)	(61,117)	78.5%
Net interest income	**236,433**	**175,325**	**61,108**	**34.9%**

Net commission income

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Commission income	500,779	421,836	78,943	18.7%
Commission expense	(200,515)	(177,808)	(22,707)	12.8%
Net commission expense	**300,264**	**244,028**	**56,236**	**23.0%**

Operating income

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Net interest income	236,433	175,325	61,108	34.9%
Net commission expense	300,264	244,028	56,236	23.0%
Dividends and similar income	798	606	192	31.7%
Net gains (losses) from trading	(6,872)	7,767	(14,639)	n.a.
Net gains (losses) from hedging	42	(263)	305	n.a.
Gains (losses) from disposal or repurchase	256	(55)	311	n.a.
Net gain (loss) from other financial assets and liabilities at fair value through profit or loss	1,298,698	411,772	886,926	n.a.
Operating income	**1,829,619**	**839,180**	**990,439**	**n.a.**

The change in operating income (+€990.4 million) is mainly attributable to the change in the item "Net gain (loss) from other financial assets and liabilities at fair value through profit or loss" (+€886.9 million), which was positively affected by the market performance observed in 2024.

At the end of the period under review, Net gains (losses) from trading amounted to -€6.9 million (31.03.2023: €7.7 million); this change was mainly due to a deterioration in the valuation of equity securities; in particular, the valuation of the equity security of NEXI S.p.A. worsened by -€12.2 million.

Result of insurance services

€/000	31.3.2024	31.3.2023	Change	Chge (%)
A. Life class				
a) insurance revenues deriving from insurance contracts written	105,451	93,719	11,732	12.5%
b) costs of insurance services from insurance contracts issued	(54,130)	(47,502)	(6,628)	14.0%
c) insurance revenues deriving from reinsurance cessions	7,414	7,709	(295)	(3.8%)
d) costs of insurance services deriving from reinsurance cessions	(9,992)	(10,115)	123	(1.2%)
Total	**48,743**	**43,811**	**4,932**	**11.3%**

The item "**Result of insurance services**" amounted to €48.7 million, up €4.9 million compared with the comparative period. The overall net effect is mainly attributable to higher profitability due to the increase in the portfolio compared to the comparative period and to the positive effect of the financial markets on unit-linked products.

Balance of revenues and financial costs relating to insurance management

€/000	31.3.2024	31.3.2023	Change	Chge (%)
a) net financial costs/revenues relating to insurance contracts written	(1,343,049)	(459,576)	(883,473)	n.a.
b) net financial revenues/costs relating to reinsurance cessions	(240)	13	(253)	n.a.
Total	**(1,343,289)**	**(459,563)**	**(883,726)**	**n.a.**

This item amounts to -€1,343.3 million and mainly includes changes in the fair value of the assets underlying the insurance contracts issued, measured using the variable fee approach.

Administrative expenses

€/000	31.3.2024	31.3.2023	Change	Chge (%)
Staff costs	(79,063)	(66,186)	(12,877)	19.5%
Other administrative expenses	(131,096)	(96,874)	(34,222)	35.3%
Total	**(210,159)**	**(163,060)**	**(47,099)**	**28.9%**

Specifically, personnel expenses increased by -€12.8 million compared with the comparative period, mainly due to the increase in the average number of employees. Other administrative expenses recorded an increase of -€34.2 million compared to the period of comparison mainly due to operating costs in particular for IT costs and to costs dedicated to development and commercial support.

The table below shows the Group's average operating personnel at 31 March 2024 and 31 March 2023.

Average operating employees

Units	31.3.2024	31.3.2023
1) Employees	**3,343**	**3,193**
a) executives	120	117
b) management	621	588
c) other employees	2,602	2,489
2) Other staff	**329**	**306**
Total	**3,672**	**3,499**

OPERATING DATA BY BUSINESS AREA

This section presents the consolidated segment results which, pursuant to IFRS 8, were prepared using a format that reflects the management system of the Mediolanum Group (the "management reporting approach"), in line with all of the information provided by the market and the various stakeholders.
This representation of the breakdown of the consolidated result for the period makes it possible to assess the quality and sustainability over time of the results generated by the Mediolanum Group in the various operating segments.

The income statement by segment, pursuant to IFRS 8, shows the consolidated results of the Mediolanum Group in relation to the following operating segments:

›› ITALY - BANKING
›› ITALY - ASSET MANAGEMENT
›› ITALY - INSURANCE
›› ITALY - OTHER
›› SPAIN
›› GERMANY

The income statement by segment, or by Result Area, was prepared by allocating costs and revenues to the various segments according to a hybrid model, half-way between the Direct Costing and Full Costing models, given the essentially indirect nature of the operating activities carried out by the Mediolanum Group.
While revenues can be originally and directly allocated to products and, through aggregation, to the Result Areas, costs underwent an allocation process according to the varying degrees to which they could be assigned to the products and the nature of the underlying processes:

- Direct costs: costs directly attributed to a product or a homogeneous category of products;
- Allocated indirect costs; costs subject to the allocation process through the use of drivers that divide the cost between different products and/or different product categories;
- Non-allocated indirect costs: costs of a strictly administrative nature or related to control or infrastructure processes, for which, based on the characteristics of the cost allocation model, no allocation is made

Operating data by business area at 31.3.2024

MEDIOLANUM GROUP	ITALY					ABROAD		TOTAL
Data in €/000	BANKING	ASSET MANAGEMENT	INSURANCE	OTHER	TOTAL	SPAIN	GERMANY	
Entry fees	0	8,499	0	0	8,499	4,478	0	12,977
Management fees	0	165,353	109,302	0	274,655	27,037	1,545	303,237
Investment management fees	0	32,179	22,808	0	54,987	4,781	345	60,113
Insurance management result	0	0	44,930	0	44,930	2,792	234	47,956
Banking service fees	48,675	0	0	0	48,675	2,476	0	51,151
Other fees	102	7,003	3,399	1,170	11,673	839	60	12,572
Commission income	**48,777**	**213,033**	**180,439**	**1,170**	**443,419**	**42,403**	**2,184**	**488,006**
Acquisition costs	(28,966)	(70,883)	(44,404)	1,203	(143,049)	(15,433)	(924)	(159,406)
Other commission expenses	(18,742)	(9,058)	(6,922)	0	(34,722)	(3,731)	(161)	(38,614)
Commission expense	**(47,708)**	**(79,940)**	**(51,326)**	**1,203**	**(177,771)**	**(19,164)**	**(1,085)**	**(198,020)**
Net commission expense	**1,069**	**133,093**	**129,113**	**2,373**	**265,648**	**23,239**	**1,099**	**289,986**
Net interest income	**185,116**	**1,782**	**14,459**	**28**	**201,385**	**18,202**	**393**	**219,980**
Net income on other investments	**1,770**	**32**	**237**	**37**	**2,076**	**58**	**0**	**2,134**
LLP (impairment on loans)	**(8,708)**	**0**	**0**	**0**	**(8,708)**	**(129)**	**0**	**(8,837)**
Other revenues and expenses	**(1,268)**	**148**	**(411)**	**2,136**	**605**	**137**	**11**	**753**
LEVEL I CONTRIBUTION MARGIN	**177,979**	**135,054**	**143,398**	**4,575**	**461,006**	**41,507**	**1,503**	**504,016**
Allocated costs	(60,612)	(25,309)	(25,486)	(1,605)	(113,012)	(15,933)	(553)	(129,498)
Regular contributions to banking industry	(17,815)	0	(4,258)	0	(22,073)	0	0	(22,073)
LEVEL II CONTRIBUTION MARGIN	**99,551**	**109,745**	**113,654**	**2,970**	**325,920**	**25,574**	**950**	**352,445**
Unallocated costs	0	0	0	0	(46,593)	0	0	(46,593)
Depreciation & amortisation	0	0	0	0	(7,118)	(1,918)	(6)	(9,042)
Net provisions for risk and charges	0	0	0	0	(13,257)	(492)	0	(13,749)
OPERATING MARGIN	**99,551**	**109,745**	**113,654**	**2,970**	**258,953**	**23,164**	**944**	**283,061**
Performance fees	0	19,997	8,964	0	28,961	584	60	29,605
Net income (losses) on investments at fair value	(4,960)	32	170	0	(4,758)	403	28	(4,327)
MARKET EFFECTS	**(4,960)**	**20,028**	**9,134**	**0**	**24,203**	**987**	**88**	**25,278**
Extraordinary contributions and guarantee funds	(10,795)	0	0	0	(10,795)	0	0	(10,795)
Other extraordinary items	0	0	0	0	0	0	0	0
EXTRAORDINARY ITEMS	**(10,795)**	**0**	**0**	**0**	**(10,795)**	**0**	**0**	**(10,795)**
PROFIT BEFORE TAX	**83,797**	**129,774**	**122,788**	**2,970**	**272,361**	**24,151**	**1,032**	**297,544**
Income tax	0	0	0	0	(71,574)	(5,285)	(172)	(77,031)
NET INCOME	**83,797**	**129,774**	**122,788**	**2,970**	**200,787**	**18,865**	**860**	**220,513**

Operating data by business area at 31.3.2023

MEDIOLANUM GROUP	ITALY					ABROAD		TOTAL
Data in €/000	BANKING	ASSET MANAGEMENT	INSURANCE	OTHER	TOTAL	SPAIN	GERMANY	
Entry fees	0	6,570	0	0	6,570	2,745	0	9,315
Management fees	0	149,766	94,045	0	243,812	22,833	662	267,306
Investment management fees	0	30,080	18,600	0	48,680	4,096	336	53,112
Insurance management result	0	0	42,741	0	42,741	2,310	540	45,591
Banking service fees	48,499	0	0	0	48,499	2,128	0	50,627
Other fees	944	5,805	2,829	153	9,731	684	57	10,472
Commission income	**49,443**	**192,221**	**158,215**	**153**	**400,032**	**34,795**	**1,595**	**436,422**
Acquisition costs	(27,400)	(63,690)	(41,049)	861	(131,279)	(12,146)	(495)	(143,919)
Other commission expenses	(14,255)	(7,946)	(6,269)	0	(28,470)	(2,861)	(167)	(31,498)
Commission expense	**(41,655)**	**(71,636)**	**(47,319)**	**861**	**(159,748)**	**(15,007)**	**(662)**	**(175,417)**
Net commission expense	**7,788**	**120,585**	**110,896**	**1,014**	**240,283**	**19,788**	**933**	**261,005**
Net interest income	**137,594**	**(4,106)**	**7,901**	**8**	**141,398**	**16,051**	**212**	**157,661**
Net income on other investments	**157**	**(1)**	**(116)**	**331**	**371**	**(1)**	**0**	**370**
LLP (impairment on loans)	**(8,486)**	**0**	**0**	**0**	**(8,486)**	**(129)**	**(24)**	**(8,639)**
Other revenues and expenses	**(1,782)**	**132**	**(531)**	**391**	**(1,791)**	**295**	**63**	**(1,433)**
LEVEL I CONTRIBUTION MARGIN	**135,271**	**116,610**	**118,150**	**1,744**	**371,775**	**36,005**	**1,184**	**408,964**
Allocated costs	(54,589)	(21,259)	(21,275)	(1,195)	(98,318)	(14,030)	(1,068)	(113,416)
Regular contributions to banking industry	(8,381)	0	0	0	(8,381)	0	0	(8,381)
LEVEL II CONTRIBUTION MARGIN	**72,301**	**95,351**	**96,875**	**549**	**265,076**	**21,975**	**116**	287,167
Unallocated costs	0	0	0	0	(44,418)	0	0	(44,418)
Depreciation & amortisation	0	0	0	0	(8,534)	(1,630)	(62)	(10,226)
Net provisions for risk and charges	0	0	0	0	(3,878)	(500)	0	(4,378)
OPERATING MARGIN	**72,301**	**95,351**	**96,875**	**549**	**208,246**	**19,845**	**54**	**228,145**
Performance fees	0	122	168	0	290	16	1	307
Net income (losses) on investments at fair value	6,825	(41)	(161)	0	6,623	306	20	6,949
MARKET EFFECTS	**6,825**	**81**	**7**	**0**	**6,913**	**322**	**21**	**7,256**
Extraordinary contributions and guarantee funds	0	0	0	0	0	0	0	0
Other extraordinary items	0	0	0	0	0	0	0	0
EXTRAORDINARY ITEMS	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
PROFIT BEFORE TAX	**79,126**	**95,432**	**96,882**	**549**	**215,159**	**20,167**	**75**	**235,401**
Income tax	0	0	0	0	(52,775)	(4,239)	(112)	(57,126)
NET INCOME	**79,126**	**95,432**	**96,882**	**549**	**162,384**	**15,928**	**(37)**	**178,275**

DECLARATION OF THE FINANCIAL REPORTING OFFICER

DECLARATION OF THE FINANCIAL REPORTING OFFICER

The Financial Reporting Officer, Angelo Lietti,

DECLARES

pursuant to Article 154-bis, second paragraph, of Legislative Decree 58 of 24 February 1998, the "Consolidated Law on Financial Intermediation", that the accounting information contained in this Interim Report on Operations at 31 March 2024 corresponds to the documentary records, books and accounting entries.

Basiglio, 9 May 2024

Financial reporting officer
(Angelo Lietti)

GLOSSARY

Assets Under Management

These consist of: - managed assets, which include the assets of mutual funds and pension funds and the assets under management and technical provisions of the Life class; - non-managed assets, which include securities in custody (net of shares in the Group's funds), the technical provisions of the Non-Life class and the debit balances of current accounts.

Common Equity Tier 1 or CET 1

The highest quality capital component pursuant to the Basel III regulations, mainly consisting of ordinary paid-up capital, the relative share premium reserves, calculable net income for the period, reserves and shareholders' equity of minority interests (calculable within certain limits), net of certain regulatory adjustments, as provided for by Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, as subsequently updated.

Common Equity Tier 1 Ratio or CET 1 Ratio

The solvency ratio expressed by the relationship between Common Equity Tier I and risk weighted assets (RWAs, as defined below) calculated on the basis of Basel III regulations in application of the provisions of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 and of Directive 2013/36/EU (CRD IV) as subsequently updated.

Family Bankers

The figurative wordmark used to describe the financial advisors of Banca Mediolanum.

Own funds

Own funds are made up of a series of items (net of negative items to be deducted) classified on the basis of capital quality and the ability to absorb losses determined pursuant to Part Two of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 as amended. Own funds consist of Tier I and Tier 2 capital.

Net inflows

Amount of inflows into net of outflows from asset management (including insurance) and administered products.

RWAs or risk-weighted assets

This is the risk-weighted value of on- and off-balance sheet assets. Depending on the types of assets concerned, bank assets are weighted by factors representing their risk level and default potential in order to calculate a capital adequacy indicator.

Total Capital Ratio

Solvency ratio expressed by the relationship between Total Capital and RWAs calculated on the basis of the Basel regulation.

Basic earnings per share (EPS)

Ratio of consolidated net income to the weighted average number of ordinary shares outstanding.

Diluted earnings per share (EPS)

Diluted earnings per share are determined by dividing net income by the weighted average number of shares outstanding in the period, excluding treasury shares, plus the number of shares that could potentially be added to those outstanding as a result of the assignment or disposal of treasury shares under equity-based remuneration plans.

Gross NPL Ratio

The ratio of total gross non-performing loans to total item 40 “Financial assets measured at amortised cost” b) loans to customers, gross of value adjustments and net of debt securities.

Net NPL Ratio

The ratio of total net non-performing loans to total item 40 “Financial assets measured at amortised cost” b) loans to customers, net of debt securities.

Annualised cost of risk

The indicator represents the ratio of value adjustments included in item 130 of the income statement to the total of item 40 “Financial assets measured at amortised cost” b) loans to customers, gross of value adjustments and net of debt securities.

Cost/income ratio

An indicator that expresses the ratio of operating costs (general and administrative expenses and contributions and ordinary guarantee funds) to the contribution margin.

Acquisition costs/gross commission income ratio

Indicator that expresses the ratio of "Acquisition costs" to "Gross commission income".