

# **Built around the future**

## **The UBS Italian Financial Services Conference**

Giorgio Girelli, CEO  
Milan, February 1, 2007

**Market**

**Very Favorable Long-term Outlook**

**Strategy**

**Business Model and Operative Platform Fitting with  
Market Trends**

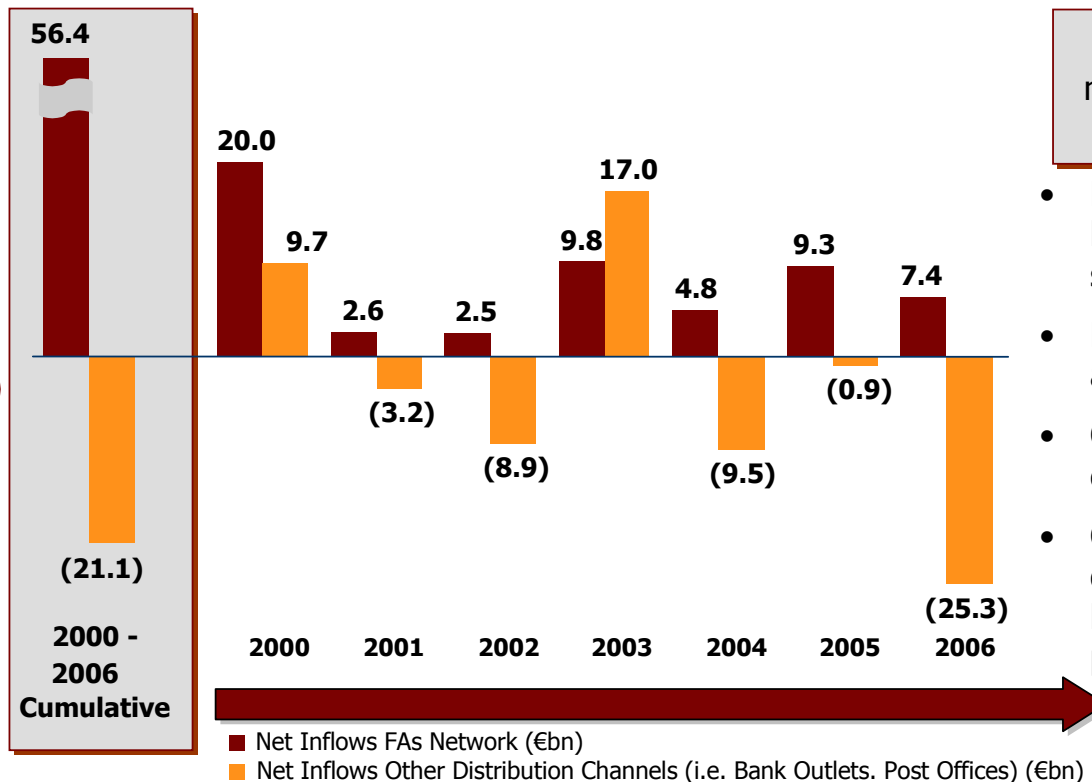
**Delivery**

**Sustainable and Non-volatile Increase of Profitability**

# The Savings Market in Italy: Increasing Demand for Professional Advice

## Asset Management Flows (€ bn)<sup>(a)</sup>

1. Ageing of Italian population
2. Unsustainable pressure on public pension system
3. Long-term savings as alternative to public pensions
4. Increasing demand of affluent clients for financial advice



What is needed to succeed

- Focused and long-term strategies
- Brand awareness
- Objective consulting
- Capacity to deliver superior long-term performances

(a) Inflows into (i) Mutual funds; (ii) SICAVs (Investment Company with Variable Capital, ICVC)  
Source: Elaborations based on Assogestioni, Assoreti data

**Market**

**Very Favorable Long-term Outlook**

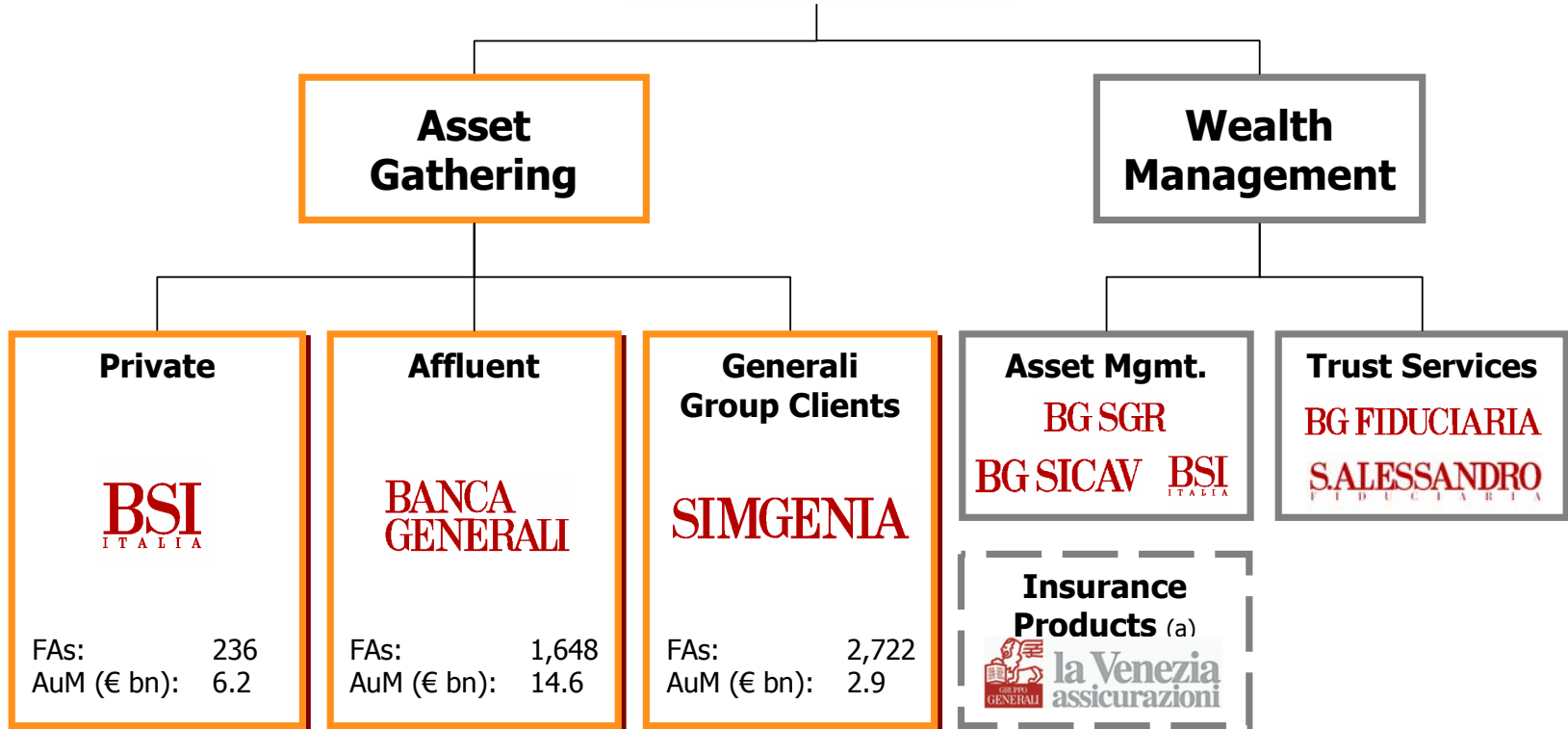
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# A Business Model Focused on the Key Drivers of the Market



(a) La Venezia is 100% owned by Assicurazioni Generali

# A Fast-Growing Company...



**Banca Generali's Mission:  
Providing high quality and sophisticated advice to affluent and high net worth individuals**

	<b>BG AuM (€ bn)</b>	<b>Mkt AuM (€ bn)</b>
• 1997: Banca Generali is founded		
• 2000: Merger of Prime into Banca Generali	7.4 <sup>(a)</sup>	153.8
• 2001: Acquisition of Altinia from Alleanza and INA Sim from INA		
• 2002: Merger of FA networks of Prime, Altinia and INA Sim into Banca Generali		
• 2003: Start-up of Simgenia and acquisition of Banca Primavera from Banca Intesa		
• 2005: Acquisition of Intesa Fiduciaria Sim from Banca Intesa		
• 2006: Acquisition of BG Sgr from Assicurazioni Generali and of Banca BSI Italia and S.Alessandro Fiduciaria from BSI SA	22.8 <sup>(b)</sup>	217.8 <sup>(b)</sup>
	<b>+208%</b>	<b>+42%</b>

**Building up a successful business model**

*(a) Pro-forma including Prime, Altinia, INA Sim*

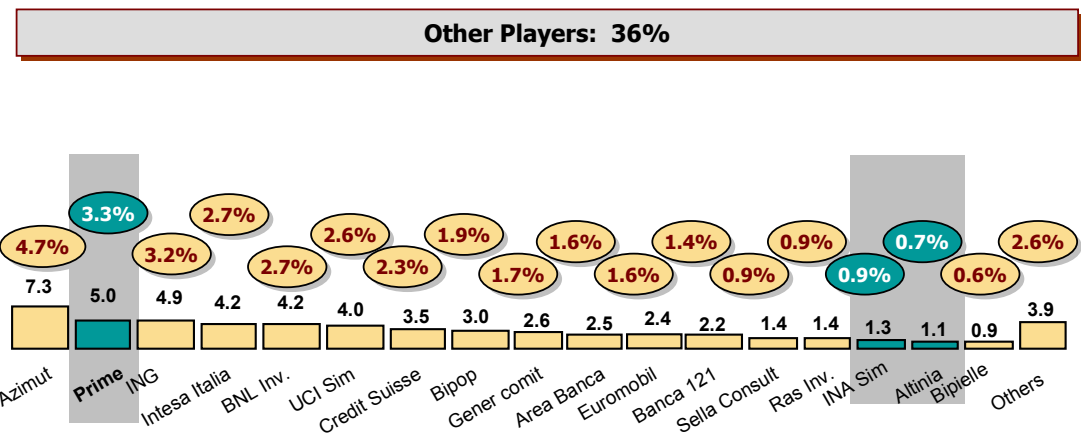
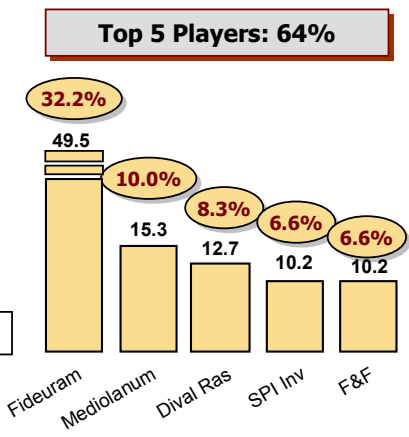
*(b) As of September 2006*

*Source: Company and Assoreti data*

# ...Becoming a Top Player in a Few Years

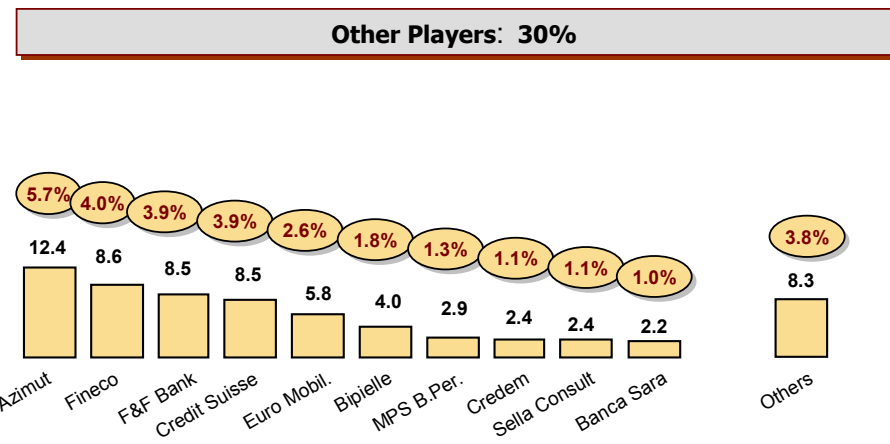
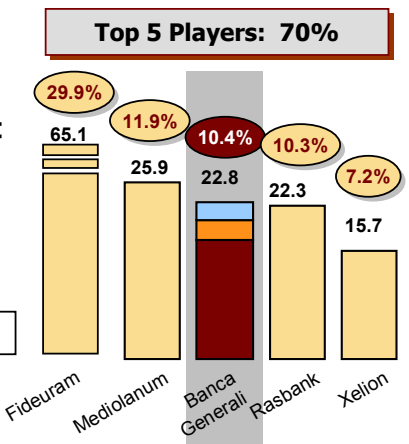
## AuM Market Shares 2000 (€ bn)

Tot AuM €154 bn



## AuM Market Shares September 2006 (€ bn)

Tot AuM €218 bn



■ Banca Generali ■ Simgenia ■ Banca BSI Italia

Source: Elaborations based on Assoreti data

## Trends and Needs

## Banca Generali's Positioning

1. Clients and FAs' segments have different and specific needs



1. **Segmented distribution channels to provide tailored advice to clients and dedicated structure to FAs**

2. Skilled and experienced FAs are a pre-requisite for effective financial advice



2. **Upgrade of FAs network ("not in the number of FAs, but in the quality of FAs")**

3. Real financial advice requires objective consulting



3. **The broadest offer relying on the most advanced open architecture model**

4. Increasing harmonisation with European trends in services and pricing



4. **Products and services fully compliant with Italian and European regulations**

5. Need of scale to grow and to consolidate



5. **Fully scalable structure with integration track record to support AuM growth**



# 1. Segmented Distribution to Provide Tailored Advice

**Customer's Needs**

**Financial Advisor's Needs**

High Net Worth

Affluent

Generali Clients

Private Banker

Financial Consultant

## Segmented Distribution

**BSI**  
ITALIA

**BANCA**  
**GENERALI**

**SIMGENIA**

**Client Target**

Private

Affluent

Generali Group Clients

**Org. Structure**

Flat

Pyramidal  
(3 managerial layers)

Insurance-like  
Organisation

**AuM per FA**  
**(€ m)**

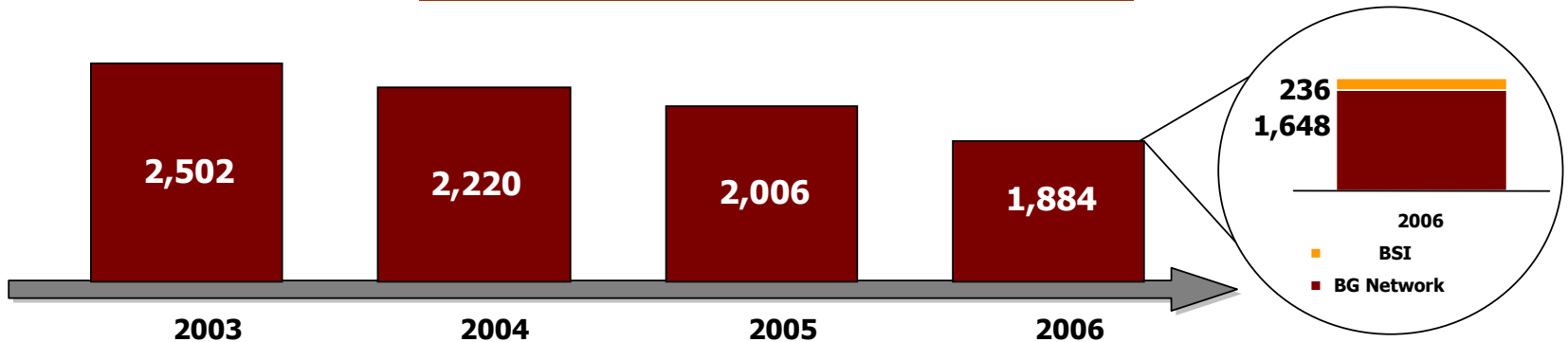
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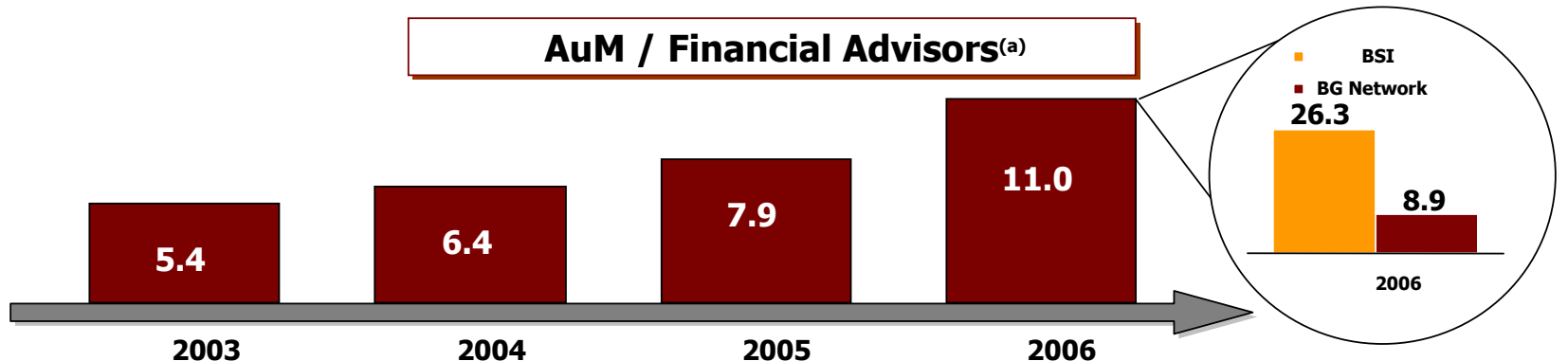
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## 2. Increasingly Efficient Financial Advisor Network

**# of Financial Advisors<sup>(a)</sup>**



**AuM / Financial Advisors<sup>(a)</sup>**



*(a) Excluding Financial Advisors and AuM of Simgenia*

### 3. Wide Offer Relying on Open Architecture and Banking Services

(All data in € bn)

Asset Management <sup>(a)</sup>	Life Insurance	Administered Funds	Total AUM
13.1	4.6	6.0	23.7

of which Equity 7.5

In-House Products	4.7	36%
Generali Group Products	2.9	22%
Third Parties Products	5.5	42%

Weighted Average Performance		
(%)	2006	2005
Azimut Sgr	5.46	9.89
<b>BG Sgr</b>	<b>5.44</b>	<b>10.69</b>
Anima Sgr	2.98	8.31
Fideuram Investimenti Sgr	2.79	8.73
Mediolanum Gestione Fondi Sgr	0.58	14.61

16 Third Parties	854 Products

(a) Includes mutual funds, SICAV, GPM and GPF  
 Source: Research published on "Il Mondo", January 26, 2007

## 4. Products/Services Offer Compliant with Italian and European Regulations

### *Some Examples:*

1. European regulation on performance fees



**BG fully compliant with European regulation (IOSCO standards) since January 2006**

2. Third-parties in wrapper products



**GPF  
MultiModus**



3. Objective consulting on the whole client's wallet



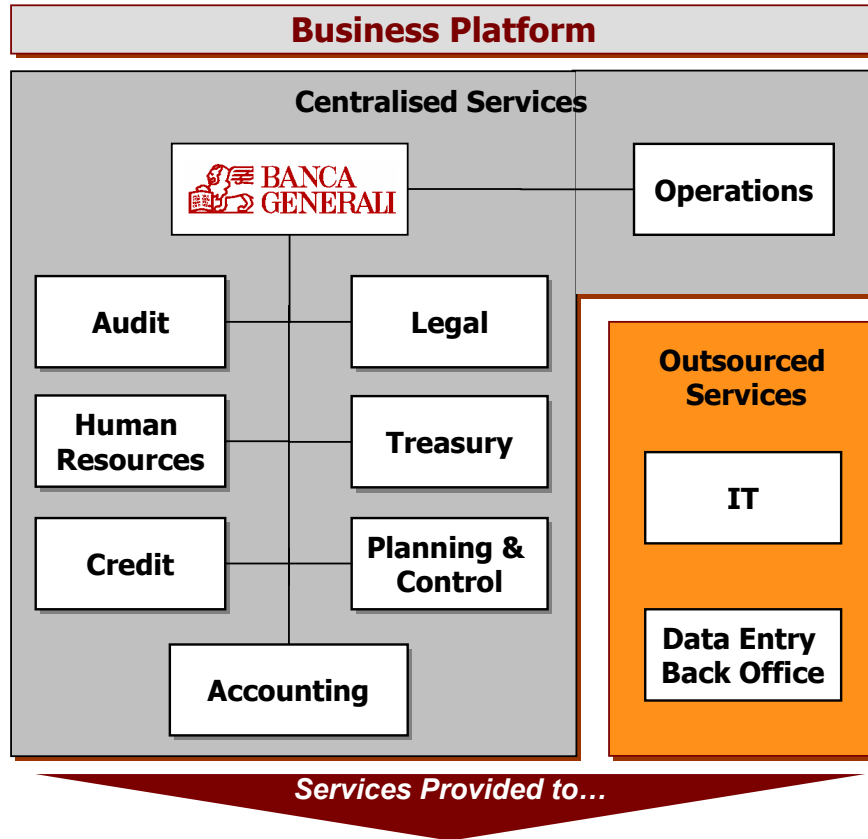
- **Open Architecture**
- **Powerful Banking platform**
- **Financial Advice contract (to be launched in Feb. 2007)**

4. European pricing levels



- Full alignment in:**
- **Mutual Funds**
  - **Life Insurance**
  - **Banking Services**

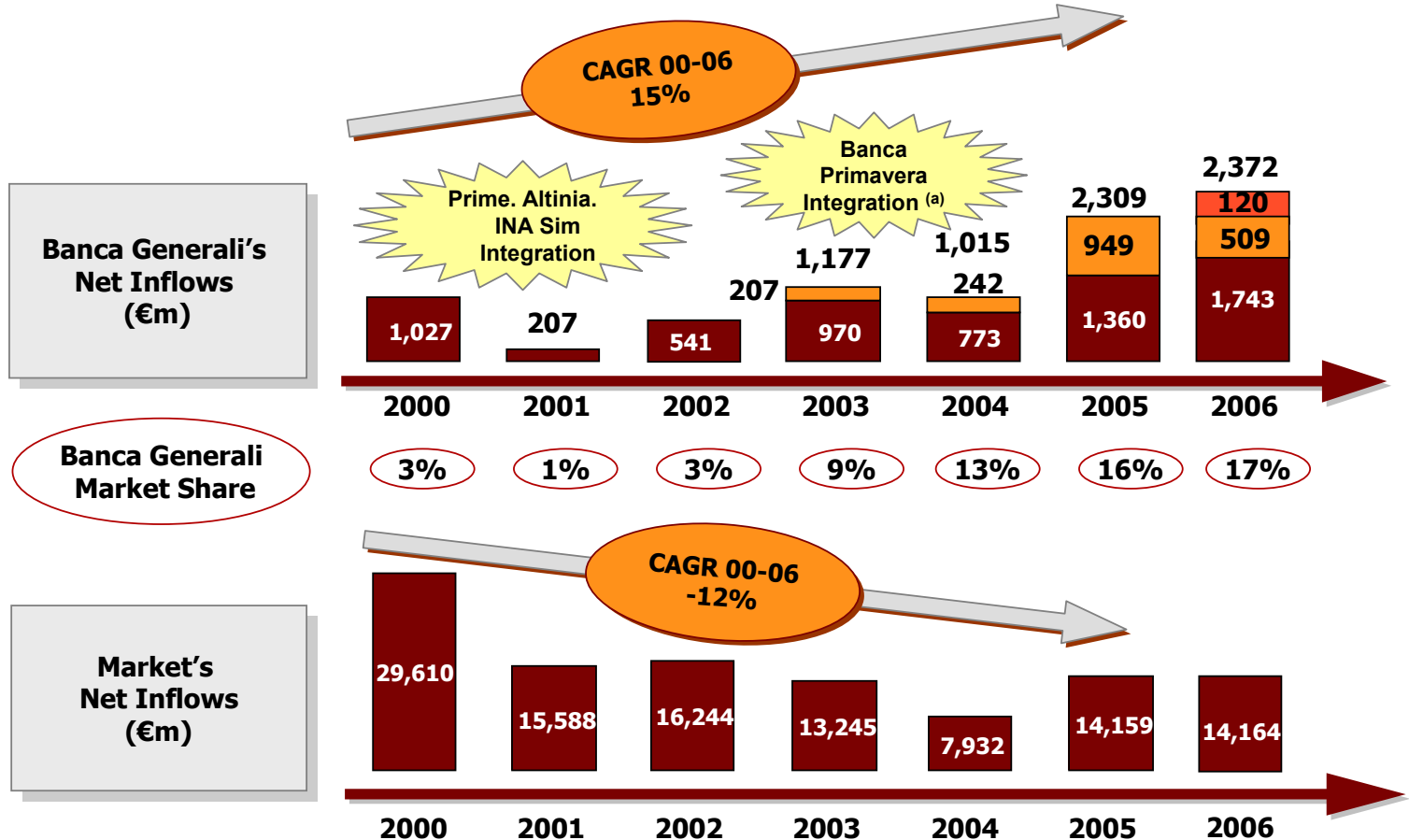
# 5. Fully Scalable Business Platform



- Key internal functions fully integrated after recent acquisitions
- Current platform ready to sustain further growth
- 85% of cost base is fixed

**BSI SIMGENIA BG SGR**  
**BG FIDUCIARIA SALESSANDRO**

# Banca Generali's Robust Platform Leading to Resilient Net Inflows ...



Note: Total inflows to mutual funds, SICAVs, GPMs, GPFs, insurance and administered funds

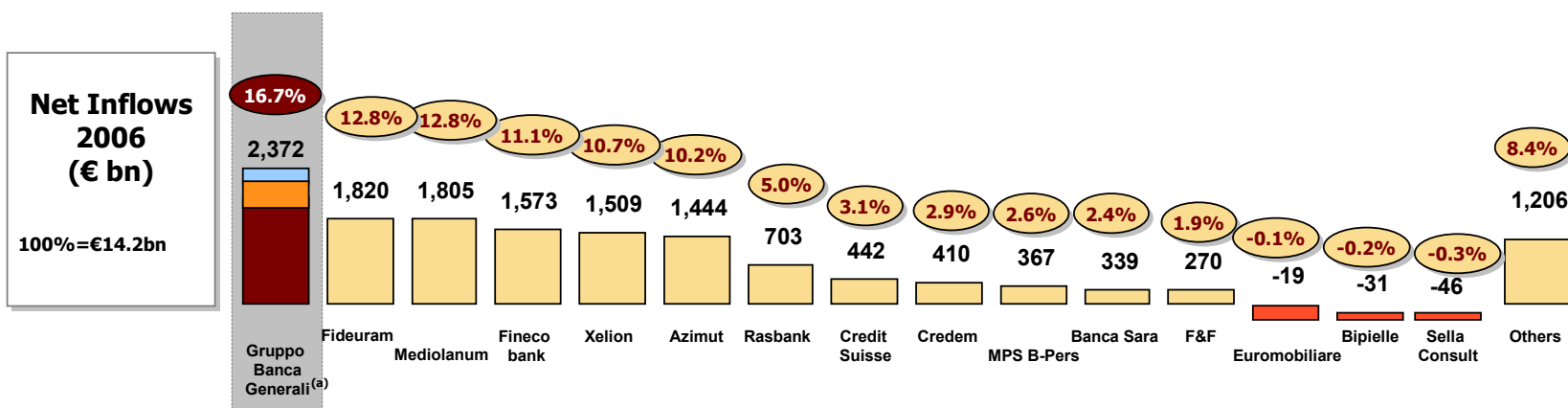
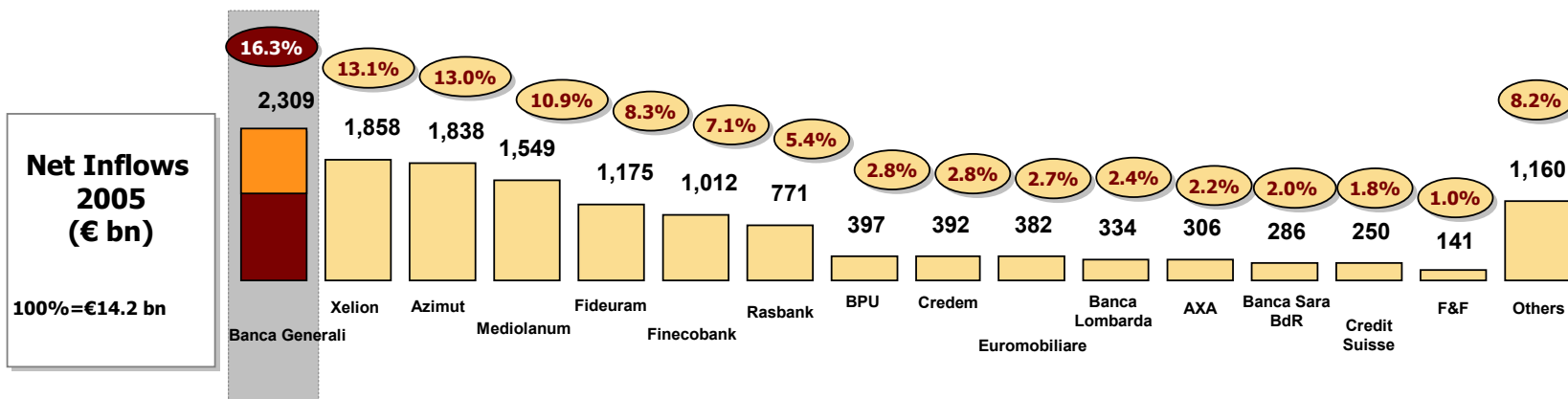
(a) Net inflows from Banca Primavera starting from October 2003

(b) Banca BSI Italia since July 2006

Source: Elaborations based on Assoreti data

- Banca Generali
- Simgenia
- BSI Italia (b)

# ...and n. 1° Rank in 2005-06



■ Banca Generali 
 ■ Simgenia 
 ■ Banca BSI Italia

(a) Banca BSI Italia since July 2006

Source: Elaborations based on Assoreti data

# A Long-term Business Model supported by Strong Operative Features

**Low Exposure to Volatility**

**High Potential for New Asset Gathering**

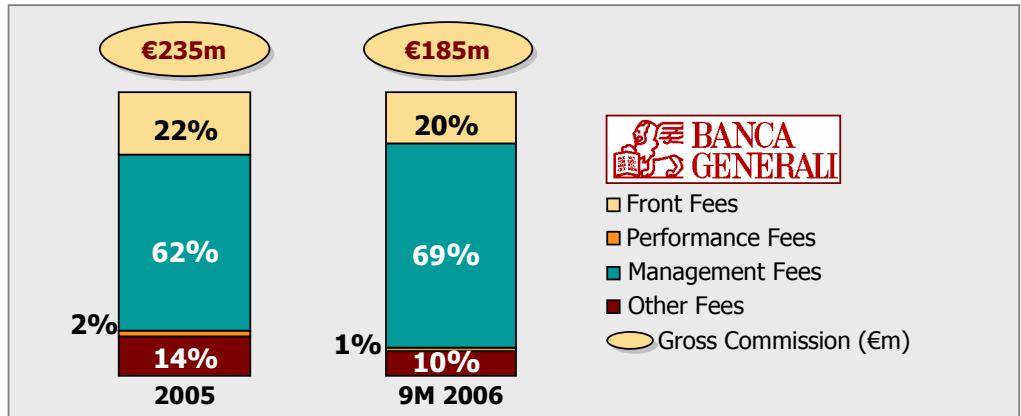
**Brand New Tools for a More Effective  
Financial Advice**



# Low Exposure to Market Volatility and In-house Performance

**Immaterial impact of performance fees on BG's P&L**

**In market downturns**



- Life insurance and banking services enhancing stability of assets and net inflows
- Migration from more equity-oriented products to capital-protection products, while maintaining similar fee profile

**Wide range of top-quality products to be offered to clients**

Products	N. of funds 5 stars	Weight	N. of funds 4 stars	Weight	N. of funds 3 stars	Weight	Total of products
In-House*	1	6%	1	6%	7	44%	16
Generali Group**	0	--	6	19%	7	23%	31
Third Parties	29	3%	124	15%	236	28%	846
<b>Total of products</b>	<b>30</b>	<b>3%</b>	<b>131</b>	<b>15%</b>	<b>250</b>	<b>28%</b>	<b>893</b>

Source: Morningstar, Rating Overall at 31st December 2006

\* Not including BG Sicav (10 subfunds without rating)  
 \*\* Including Fondi Alleanza SGR and Generali Investments Sicav

# A Long-term Business Model supported by Strong Operative Features

**Low Exposure to Volatility**

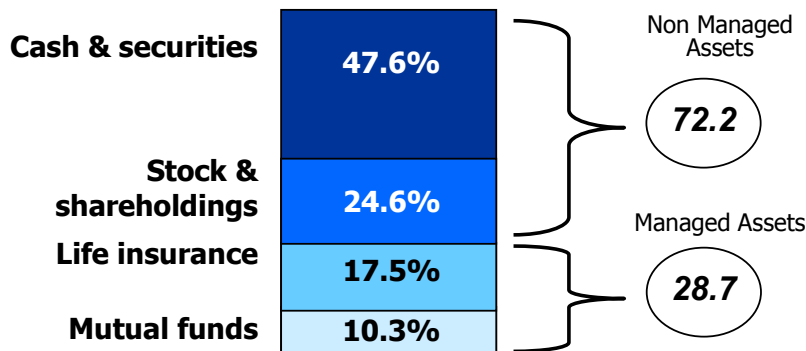
**High Potential for New Asset Gathering**

**Brand New Tools for a More Effective  
Financial Advice**

# High Potential for New Asset Gathering

... to acquire new clients and/or enhance actual assets

## 2005 Italian households' financial assets

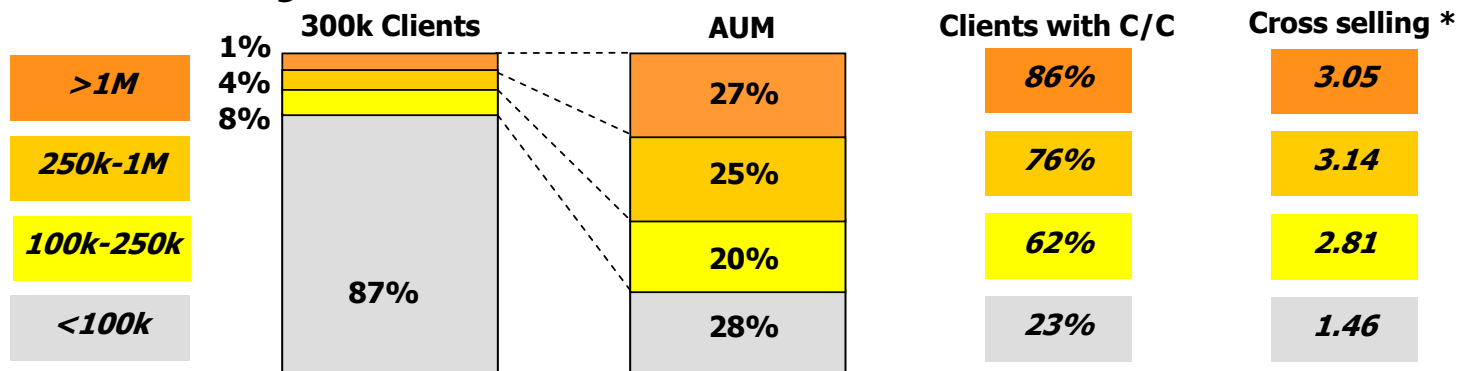


Source: Bank of Italy

## K.F.S.

- Banking platform
  - FAs network skilled in banking activity
  - Competitive products/services
  - Brand awareness
- 
- Objective consulting
  - Full offer in asset management/life insurance
  - Performance delivery

... to increase existing client's share of wallet



Note: Excluding Simgenia

\* Cross selling ratio is based on 5 product's asset types (Mutual Funds, Wrappers, Insurance Products, Bank Accounts, Securities)

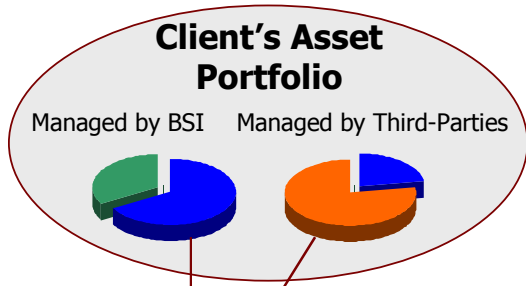
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**High Potential for New Asset Gathering**

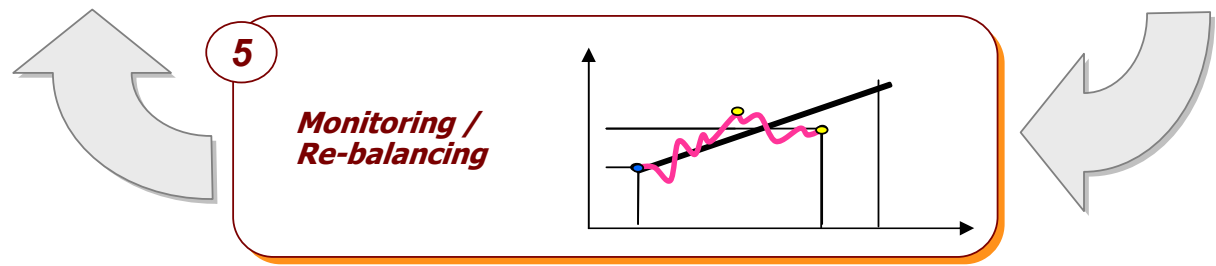
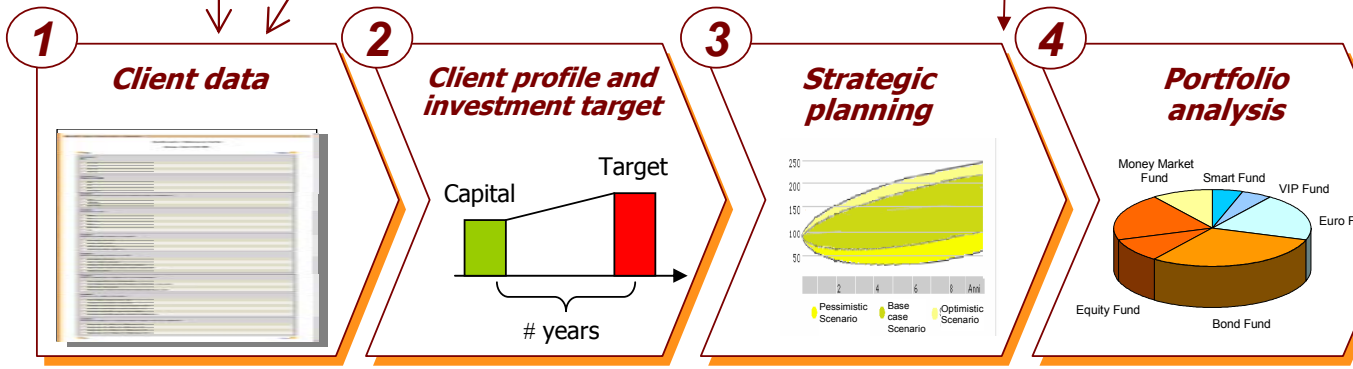
**Brand New Tools for a More Effective  
Financial Advice**

# Brand New Tools for a Real Financial Advice



**Optimisation and what-if models**

*To be launched in Feb 07*



**Market**

**Very Favorable Long-term Outlook**

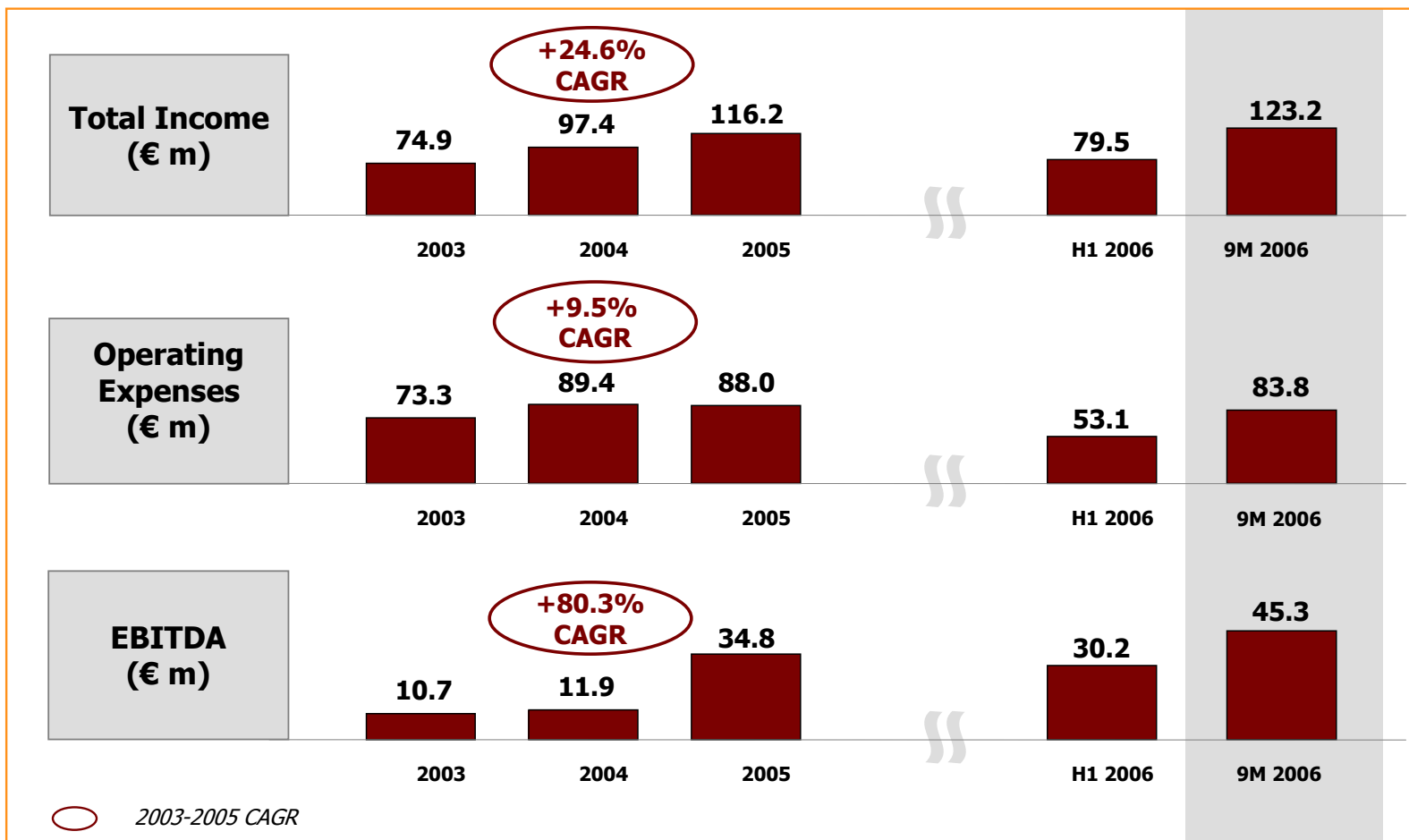
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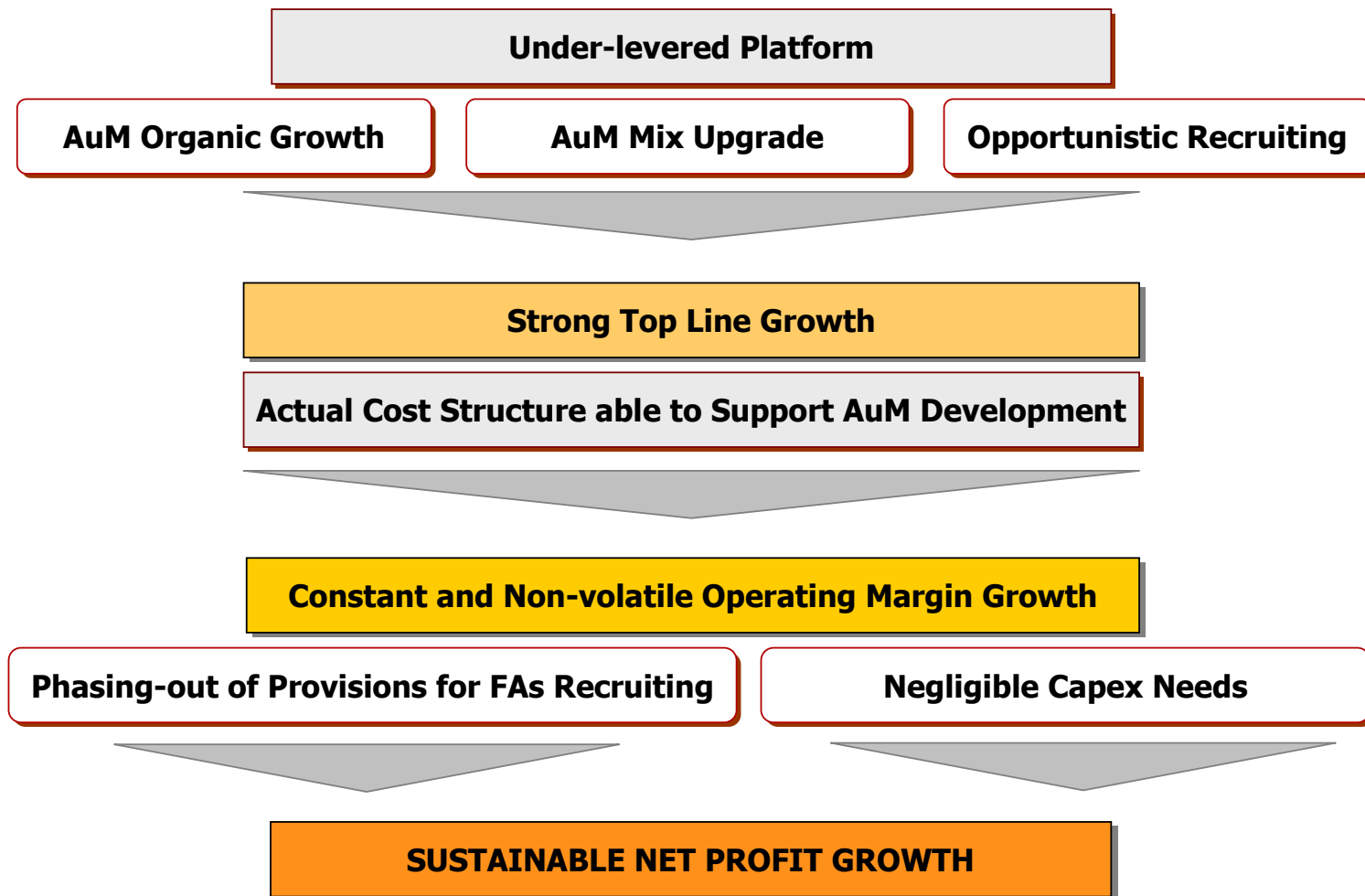
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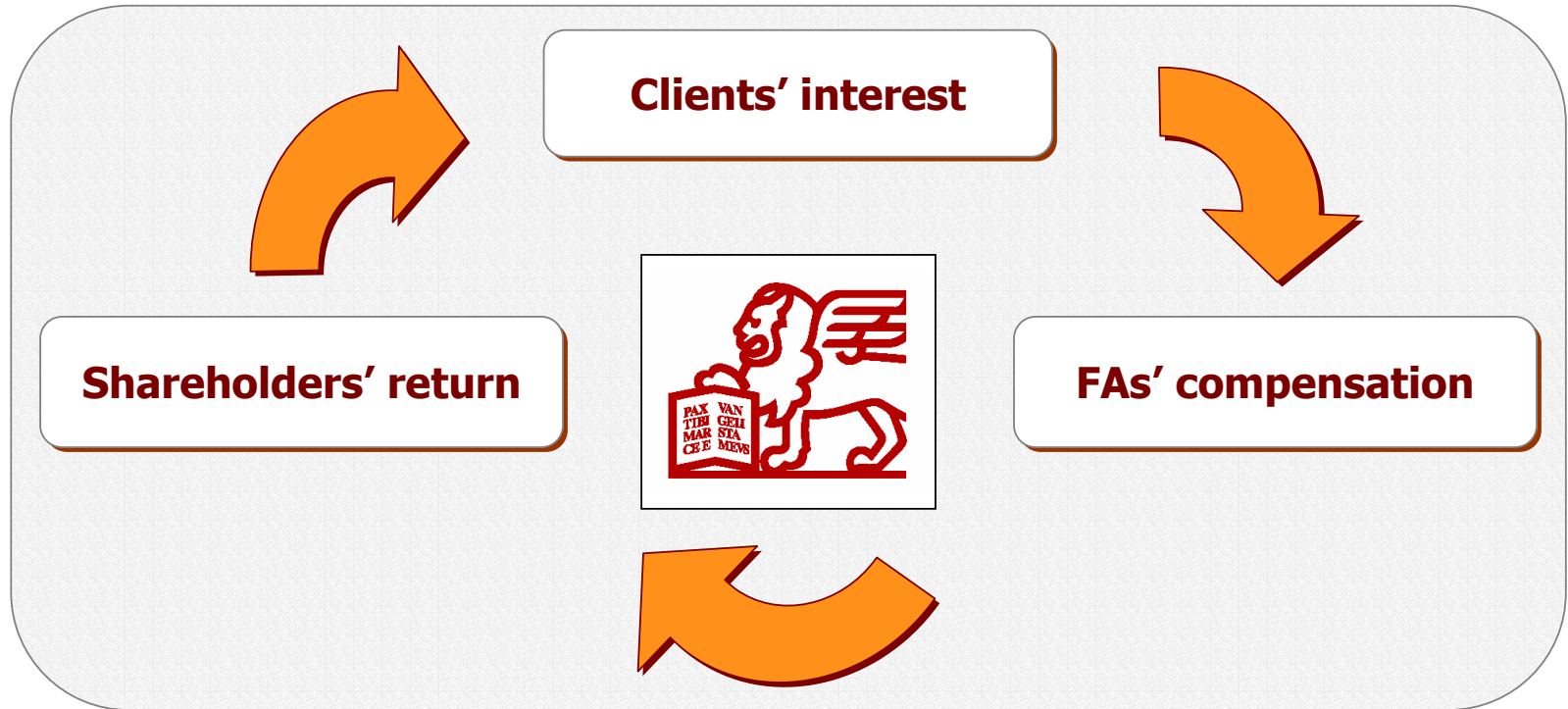
# Financials Benefiting from Strong Inflows and Leveraging Existing Platform



# Pushing Growth into the Bottom Line



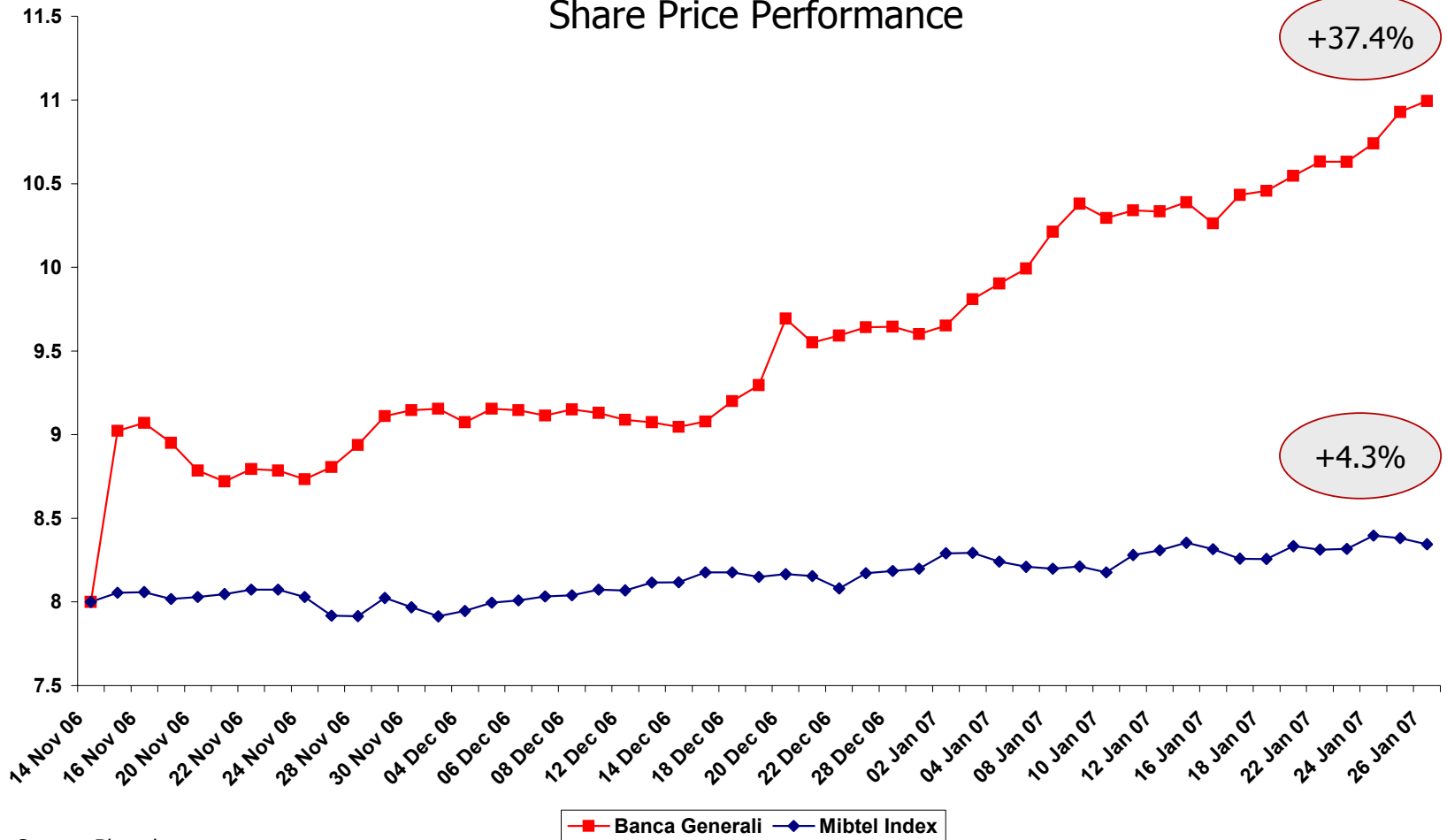




**Long term growth and sustainability**

# A Successful IPO

## Share Price Performance



Source: Bloomberg

- ***Wednesday March 14, 2007:***

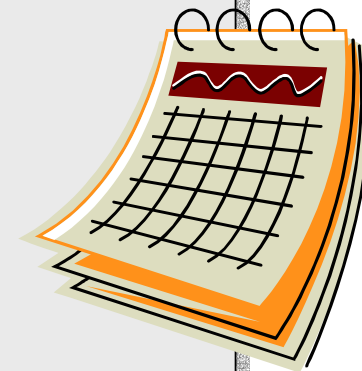
10.00 am Board Meeting to approve 2006 results

3.00 pm Analyst Meeting & Conference Call

- ***Monday May 7, 2007:***

2.30 pm Board Meeting to approve Q1 2007 results

5.00 pm Conference Call



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