

INVESTOR PRESENTATION

1H 2019 RESULTS



**BANCA
GENERALI**

Our Mission:
Being the
No.1 Private
Bank
by Value of
Service,
Innovation and
Sustainability



Strategy and business update



Commercial trend



1H 2019 results



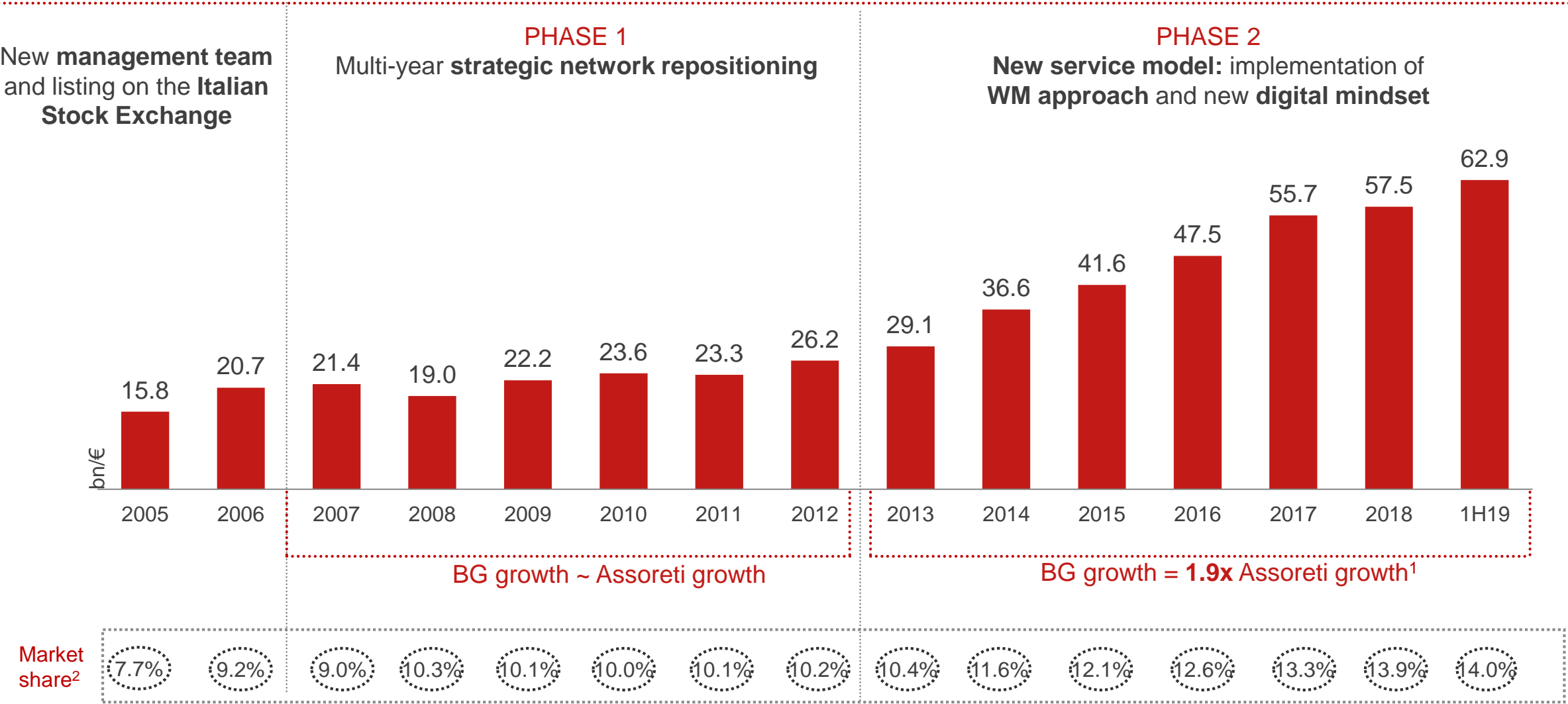
Appendix: Financials



Appendix: Sector Trend

BANCA GENERALI: A GROWTH STORY

ONE OF THE FASTEST GROWING COMPANIES IN THE ASSET GATHERING BUSINESS

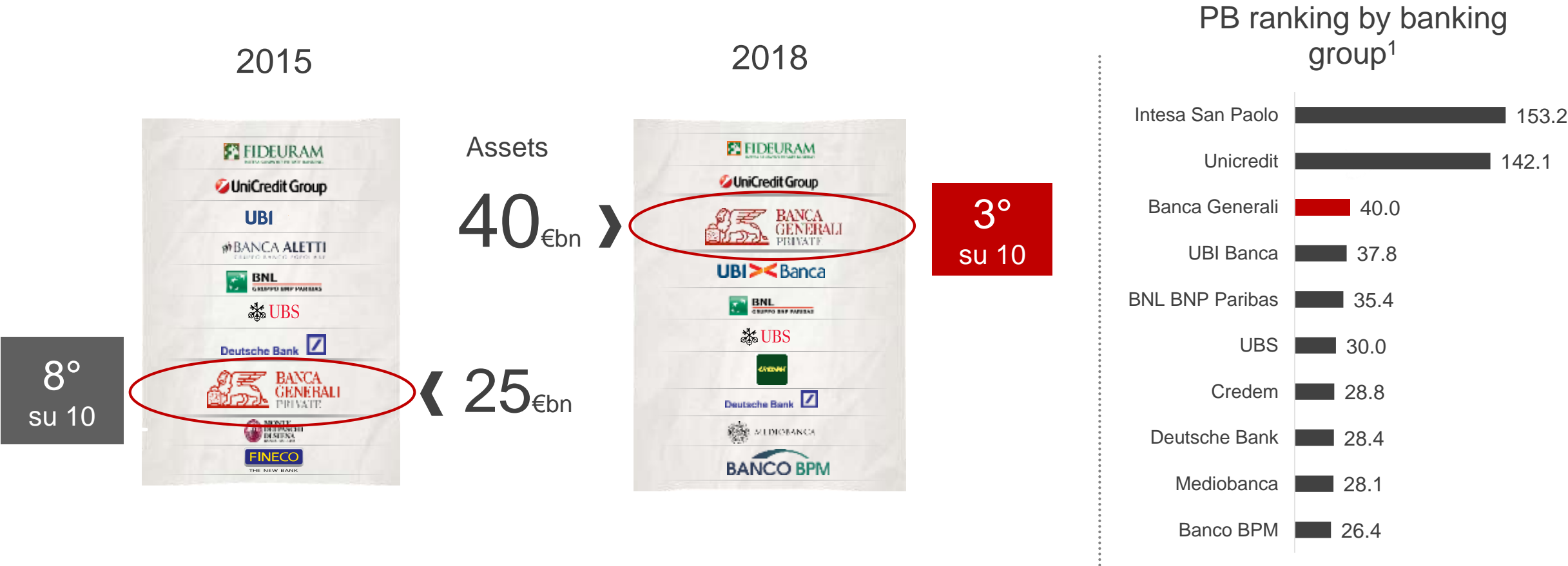


3 NOTE: 1) ex ISPB and BG; 2) Market share ex-ISPB and like-for like basis;
SOURCE: Assoreti

BANCA GENERALI: A GROWTH STORY

A LEADING PLAYER IN THE ITALIAN PRIVATE BANKING SPACE

Ranking in the private banking in Italy



4 SOURCE: Magstat - Il Private Banking in Italia 2019; NOTE 1: ranking by Banking Groups as of 31.12.2018 of which Unicredit including PB+Finecobank WM+Cordusio SIM; UBI Top Private+IW Bank WM, Credem PB+B.Euromobiliare, Mediobanca PB+Che Banca! WM +Spafid F.O. Sim; Banco BPM= Banca Aletti

QUALITY OF THE NETWORK

NETWORK ORGANIZATION DRIVEN BY PORTFOLIO SIZE AND SKILLS

	Clusters	(% of Assets)	Numbers of FAs	Assets per capita
Financial Advisors	Wealth Managers	34%	307 ¹	76.7 m/€ ²
	Private Bankers	51%	1,174 ¹	28.0 m/€ ²
	Financial Planners	7%	401 ¹	10.9 m/€ ²
Employees	Relationship Managers	8%	72 ¹	69.9 m/€ ²

Advisors organized in **three main networks by portfolio size and needs**, with bespoke supports to each cluster

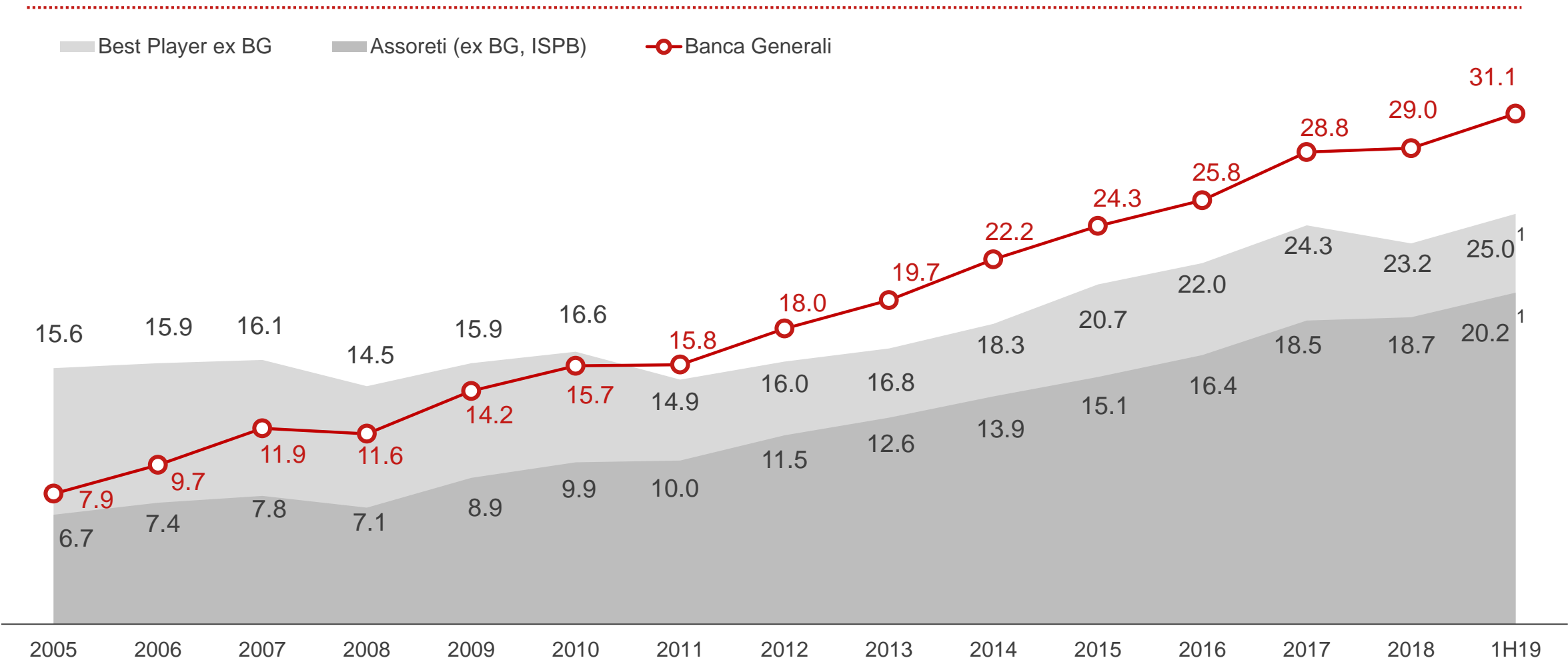
The most radical **reorganization completed in the Italian FAs industry** in years

Perfect alignment of interests between FAs and BG

BEST FAS QUALITY IN THE INDUSTRY

CONSTANT GROWTH IN FAS PORTFOLIO

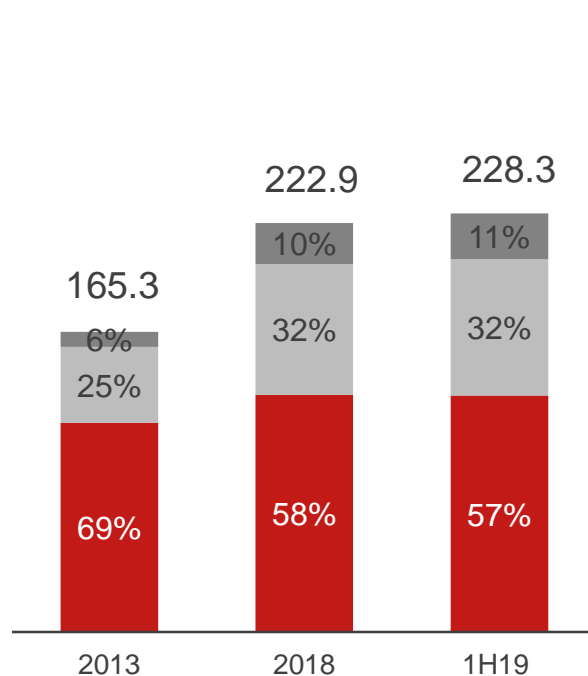
Average FAs portfolio (Asset per Financial Advisor) m/€



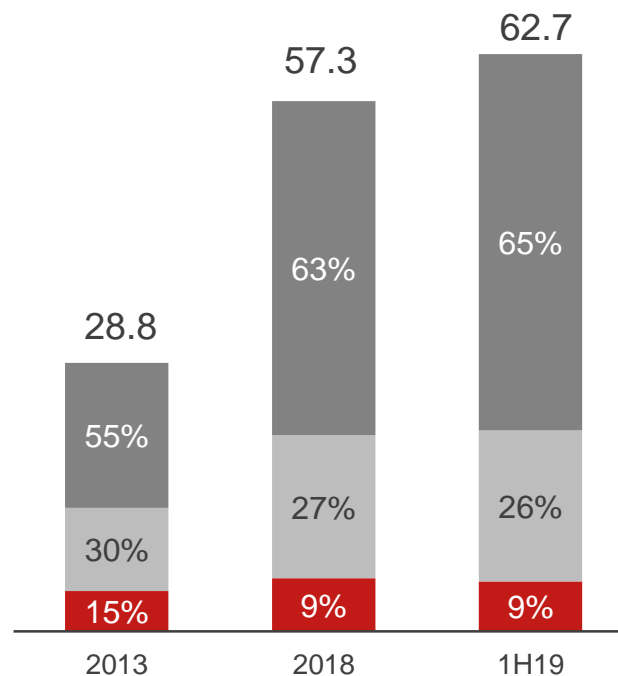
CLIENTS OVERVIEW

STEADY GROWTH IN THE PRIVATE SEGMENT

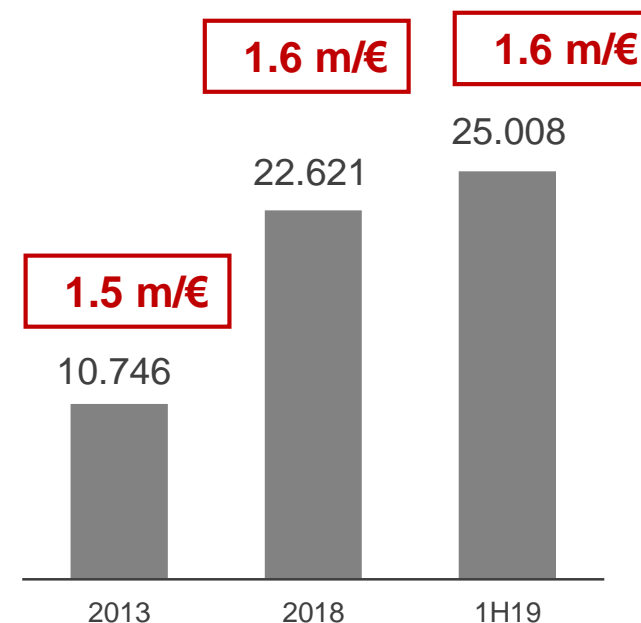
N. of Clients by cluster ('000)
(Total Assets >10 k/€)



Total Assets by cluster of Clients
€/bn (Total Assets >10 k/€)



No. of Clients with assets
>€500K/€



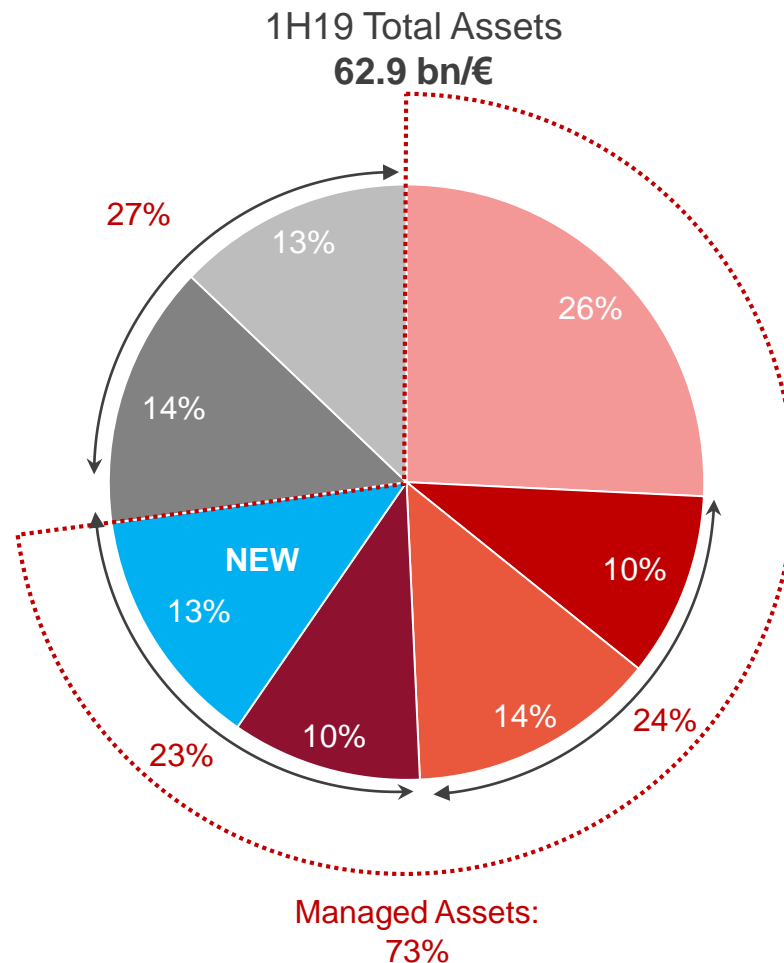
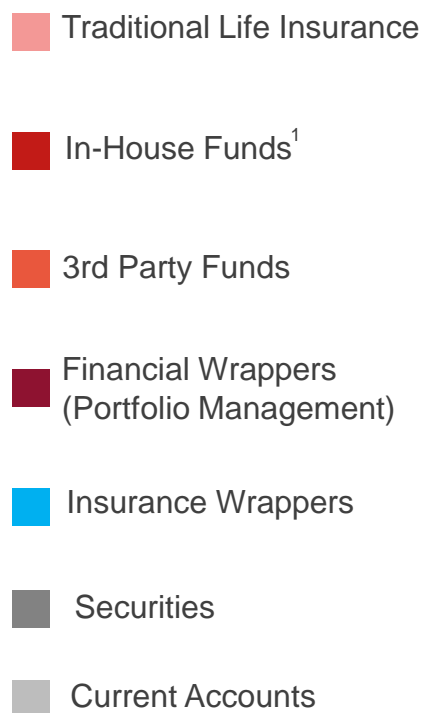
■ Clients <100 k/€ ■ Clients <500 k/€ ■ Clients >500 k/€

□ Avg. Assets per private Client

EXTENSIVE PRODUCT OFFER

WELL-DIVERSIFIED PRODUCT MIX

Asset mix

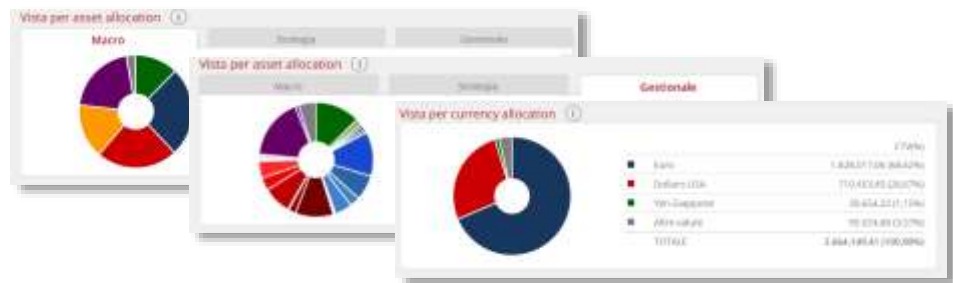
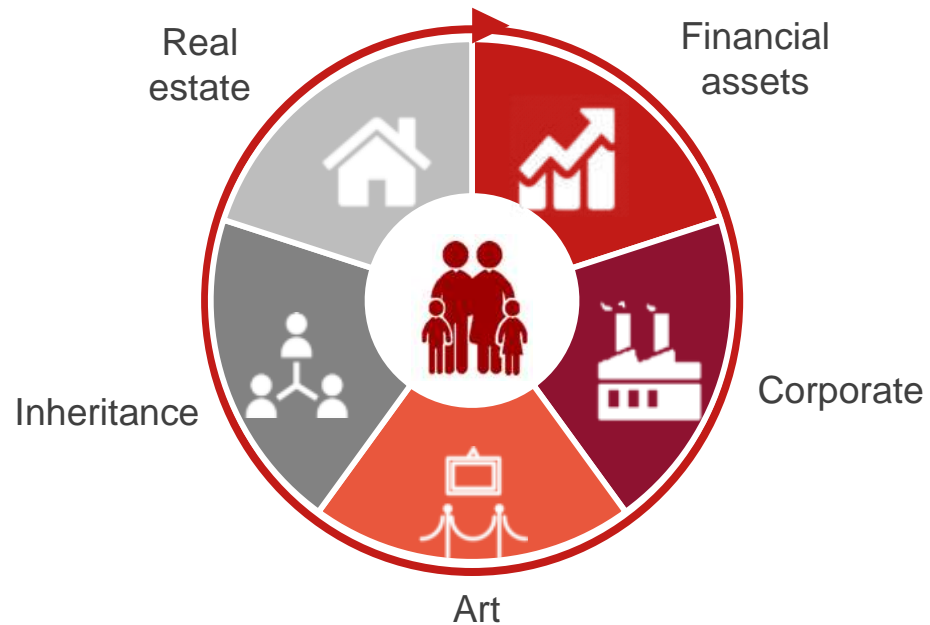


- **Fully open architecture** (Over 5,400 different retail funds and 50 asset managers offering Clients a wide array of choice)
- **Retail funds distribution** accounts for 24% of total assets of which **90% managed by external AMs**
- **Wrapper solutions** – *starting from 2014* – with an **increasing level of personalization**, linked to Clients assets:
 - **Insurance Wrappers:** bespoke hybrid insurance policy combining traditional life, unit-linked component and insurance riders
 - **Financial Wrappers:** portfolio management lines maximizing advisors' freedom to customize asset allocation

WEALTH MANAGEMENT APPROACH

EXPANSION OF ADVISORY PERIMETER TO FINANCIAL AND NON FINANCIAL WEALTH

Advanced Advisory Model (financial + non financial)



Focus on Real estate

- **Advisory:**
 - Strategic analysis of real estate wealth
 - Valuations
- **Agency**
 - Disposals and purchases



Focus on Corporate

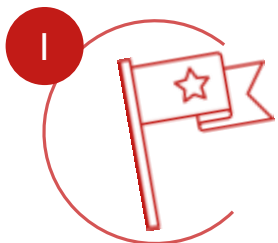
- **Merger & Acquisition**
- **Dynamic hedging**
- **Easy finance** (finanza agevolata)



Focus on Family protection, wealth planning

- **Succession planning**
- **Legal and fiscal support**
- **Wealth protection**
- **Trust services**





To **consolidate** our leading position in empowering **the best Financial Advisors (FAs) in the Italian market**



Empowering FAs



To be the Clients' first choice for **quality of professionals, protection and value of service** as well as **state-of-the-art** digital presence



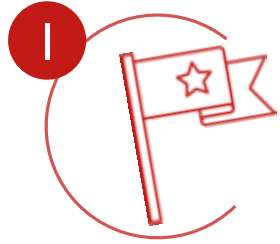
Clients' first choice



To **create a new long term growth engine** by **selectively expanding** our geographical footprint



International aspiration



Empowering FAs

To **consolidate** our leading position in empowering **the best Financial Advisors (FAs)** in the Italian market



1

Ongoing innovation in AM solutions (AUM)

- LUX IM
- Multi Discretionary Mandate
- Illiquid Solutions

2

Implementing Advisory Fee Approach (AUA)

- Robot for Advisory solutions
- WM Approach
- Vehicle for illiquid assets

3

Exploiting Assets under Custody (AUC)

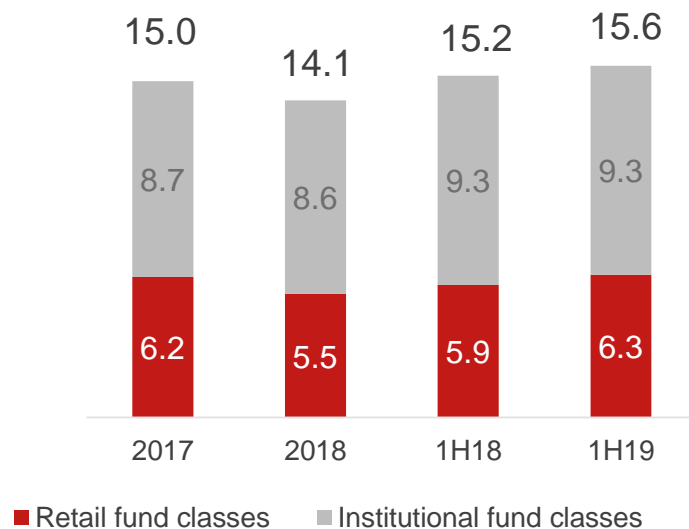
- Saxo Partnership
- Primary Market & Certificates

ASSETS UNDER MANAGEMENT (AUM)

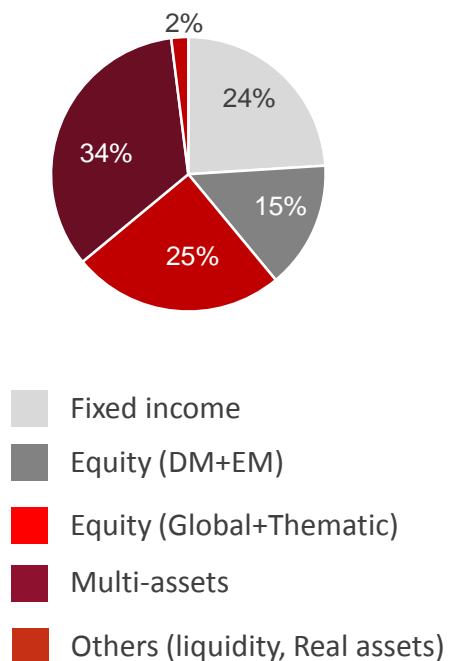
INNOVATION AND PROFITABILITY

Overview of LUX-based¹ assets bn/€

BGFML
Total assets by
fund classes



BGFML
by investment
strategies



% of
AuM¹



Recent managed product launches (AuM²)

IN-HOUSE FUNDS

- I wave (March 2018) & II wave (October 2018)
- III wave due September 2019
- Recurring plans

LUX IM

NEW PORTFOLIO MANAGEMENT LINES

- Family office for HMWI
- ESG Lines
- Tailor-made bottom-up strategies (Nextam)



INSURANCE

- new BG Stile Libero – 50 Plus
- Recurring plans



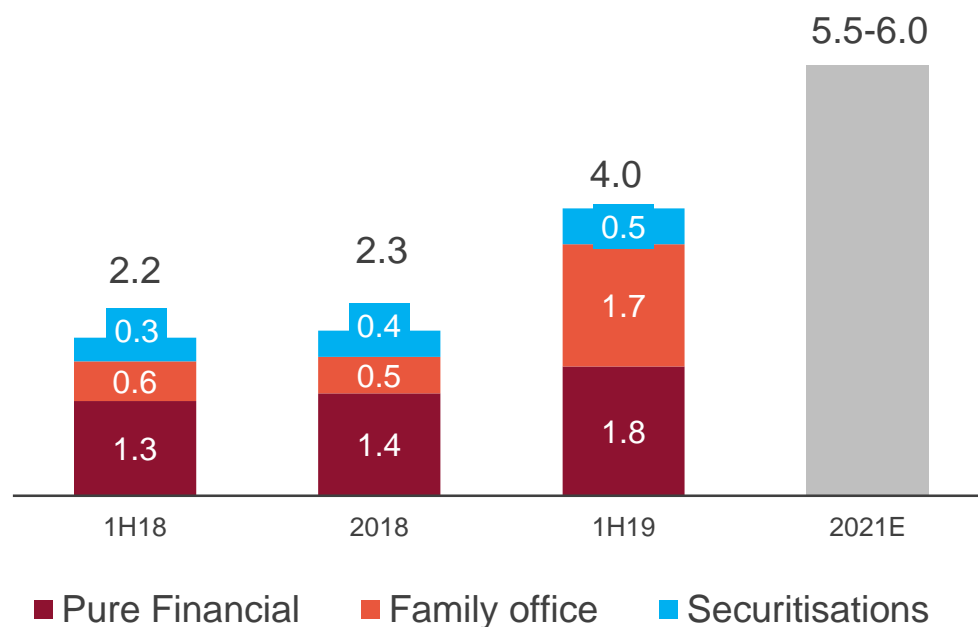
GOALS:

- Nourishing ongoing innovation in core business
- Enhancing value proposition for private clients
- Introducing saving plans offer for affluent clients
- Widening dedicated opportunities for affluent segment

ASSETS UNDER ADVISORY (AUA)

GROWTH AHEAD OF PLAN

Assets under Advisory (AuA) breakdown by cluster of service bn/€



% of Total Assets

3.8%

4.0%

6.5%

7.0%
8.0%

New services and tools for each advisory modules

PURE FINANCIAL: traditional financial advisory approach on fund/securities supported by new tools:

- robo-4-advisory platform through an exclusive partnership with UBS
- Set-up of a Market Strategy team

FAMILY OFFICE: advisory on non-financial wealth (real estate, succession planning, corporate finance, art advisory)

- proprietary IT platform (BGPA)
- real-estate advisory, the most in demand
- ongoing scouting of innovative digital partnerships

SECURITISATIONS

- ongoing launch of **securitisation programmes** dedicated to professional clients with the support of sector specialists

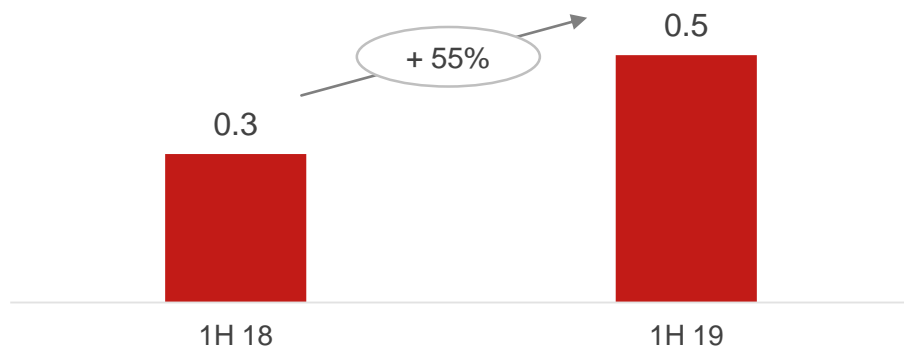
GOALS:

Upselling for private and HNWI,
Leverage on the unexploited AuC potential
Increase share of wallet of existing clients
Increase revenue diversification

ASSETS UNDER CUSTODY (AUC)

NEW TOOLS TO SPEED UP GROWTH

Gross Inflows from existing FAs of stocks and bonds from other banks¹ bn/€



BG | CERTIFICATEhub:

BGPA & RO4AD



New product offer and tools for assets under custody

BG CERTIFICATES hub

- €205m new issues in 1H19, of which €139m public offering and €61m private certificates
- New initiatives to be launched soon

BGPA&RO4AD fully integrated IT tool with multi-advisory sources and based on BG's risk approach

- active FAs: 52% of total
- avg. contract size: €650K and recurring average fee: 46bps
- security turnover: +25% since inception (Mid March 2019)

BG SAXO fully integrated trading platform, tailor-made interface leveraging on SAXO proprietary technology

- First release: cash equity (from 400 to 15,000 stocks), bonds (from 2,600 to almost 5,000 bonds) and ETF live from mid-July 2019
- Next releases: CFD, FU live in 4Q19 and FX, FXO, LO in 1H20

GOALS:

Increasing share of wallet of existing clients
Growing new clients by number and value
Ongoing monitoring of portfolio and suitability within Mifid 2
Increasing turnover ratio (portfolio-specific trading alerts)
Open to B2C

CLIENTS' FIRST CHOICE

KEY PROJECTS



Clients' first choice

To be the Clients' first choice for **quality of professionals**, **protection** and **value of service** as well as **state-of-the-art** digital presence



1

Value of service

- Comprehensive wealth management approach (financial + non-financial assets)
- Innovative approach to ESG

2

Digital Onboarding

- Digital touchpoints
- Strengthen open banking approach
- International partnerships

INNOVATION IN AM SOLUTIONS

SUSTAINABILITY AS AN ALTERNATIVE APPROACH TO CLIENTS



New proposition for Clients

- UN sustainable development goals (SDGs)
- New commercial approach starting from Clients' need



ESG Fund Selection

- Wide and growing offer: 161 ESG funds with 25 AMs
- Wide range of investment strategies (Best in Class, Best effort, Engagement, thematic Investing)



ESG Portfolio platform

- Fund due-diligence and monitoring of SDGs goals with the support a specialist partner
- Investment advisory dedicated to SRI/ESG portfolio lines



ESG Reporting

- Link and valuation of the contribution of each fund to the SDG target
- Effective and clear reporting of ESG targets



DIGITAL STRATEGY I

ENHANCE DIRECT CONNECTION WITH CLIENTS

MOBILE BANKING APP



MOBILE PAYMENTS



BG SAXO - TRADING PLATFORM



DIGITAL ONBOARDING



DIGITAL TOUCHPOINTS



- **Premium Digital touchpoints & digital collaboration** - enhanced client experience
- **100% digital onboarding process** - account opened in 20 minutes
- **New Mobile Banking App** - innovative customer experience and new features, amongst others: vocal interaction, Apple pay Google Pay and Samsung pay integrated
- **Trading Platform: BG SAXO** with a segmented platform offer with different level of functionality for ever growing trading experience

DIGITAL STRATEGY II

INNOVATION TO SUPPORT THE FINANCIAL ADVISOR

Wealth Advisory Portal



Deep-dive Analysis:

BGPA takes an **integrated approach** to asset management to protect customers' total wealth.

Robo 4 Advisor



Support FA Daily Activity:

Technology solution to Complement the work of our advisors.

BG Store



Simplicity and Completeness:

The **advisor digital desk** with a multi-device approach.

Digital Collaboration



Paperless Approach:

Boosting **efficiency** while reducing our environmental impact.



International aspiration

To **create a new long term growth engine** by **selectively expanding** our geographical footprint



1

Clients managed from Italy

- Agreement with custodian banks
- Advice from current network

2

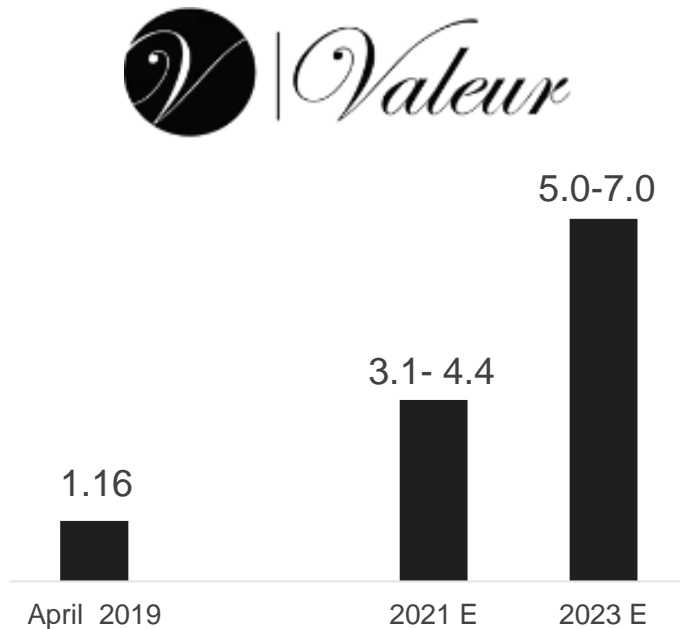
Clients managed from Switzerland

- Acquisition of Valeur Fiduciaria
- Selective recruiting

INTERNATIONAL ASPIRATION

SWITZERLAND, NEW GROWTH ENGINE

Total Assets from Swiss operations bn/€

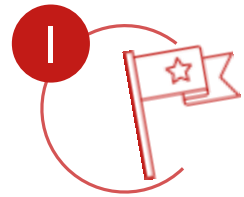


ASSET TARGET:
€5 to 7bn by 2023

- Acquisition of Valeur Fiduciaria, a **Swiss Boutique** (*private banking and investment services*)
- Deal closing expected by 3Q 2019 pending Authorisation from Bankit and ISVASS
- **High interest and positive feedbacks** from local financial business community
- Ongoing steady asset growth since deal signing
- **New dedicated offer** already under development exploiting in-house synergies with the banking and insurance group (private insurance and discretionary mandates)

2019-21 BUSINESS PLAN GUIDELINES

CLEAR FINANCIAL TARGETS



Empowering FAs



Clients' first choice



International aspiration

2019-21 Targets

▪ Cumulated Net Inflows	>14.5 bn/€
▪ Total Assets	76-80 bn/€
▪ Core Net Banking Income ¹	≥63 bps
▪ Core Operating Costs:	3%- 5% CAGR ²
▪ Dividend:	70%-80% pay-out ratio DPS (1.25€) set as a floor

AGENDA

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Strategy and business update



Commercial trend



1H 2019 results



Appendix: Financials

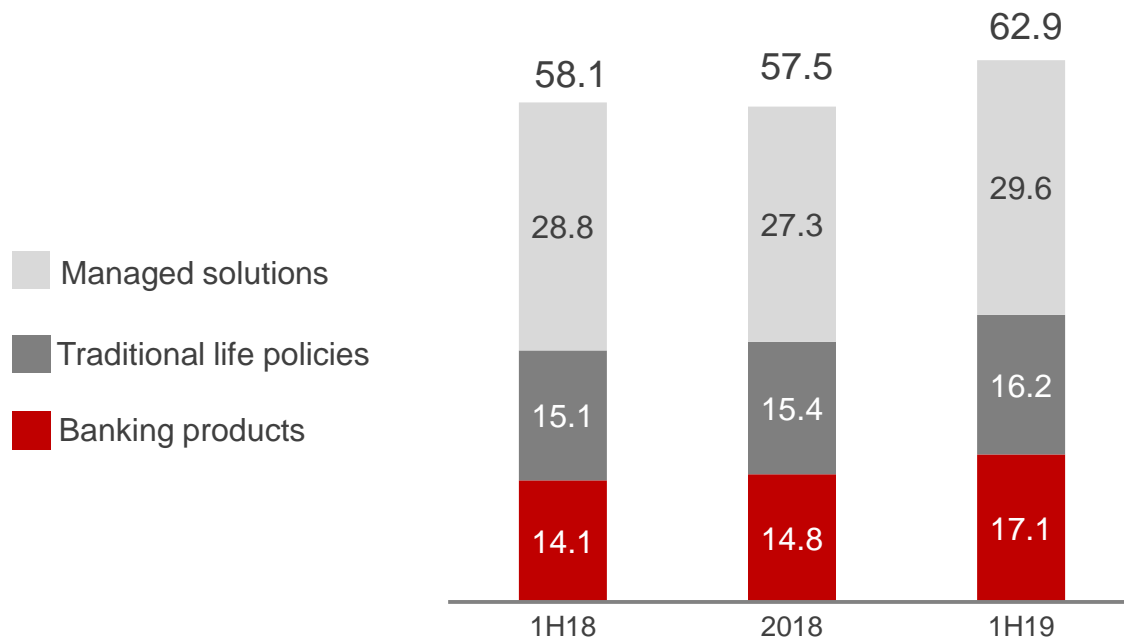


Appendix: Sector Trend

TOTAL ASSETS

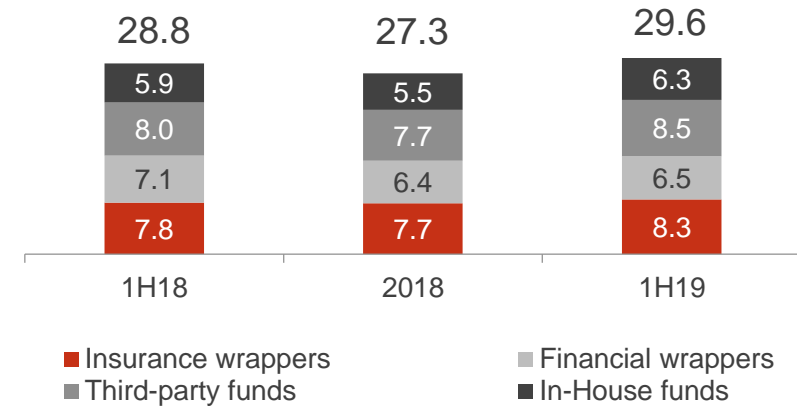
HIGHER VOLUMES AND PRODUCT MIX

Total Assets bn/€

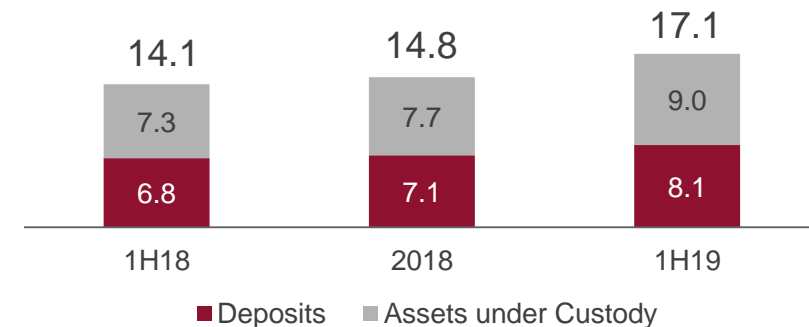


Record asset growth (+8% YoY, +9.3% YTD) driven by steady increase in net new money and positive asset performance (+7% YTD on managed solutions)

Managed Solutions bn/€



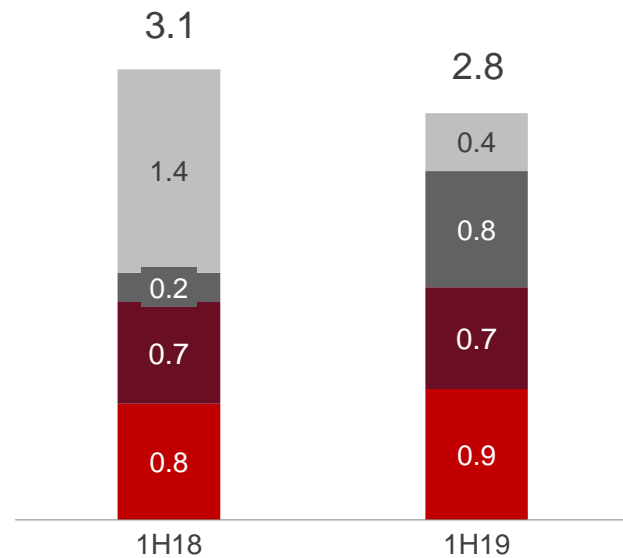
Banking assets bn/€



NET INFLOWS

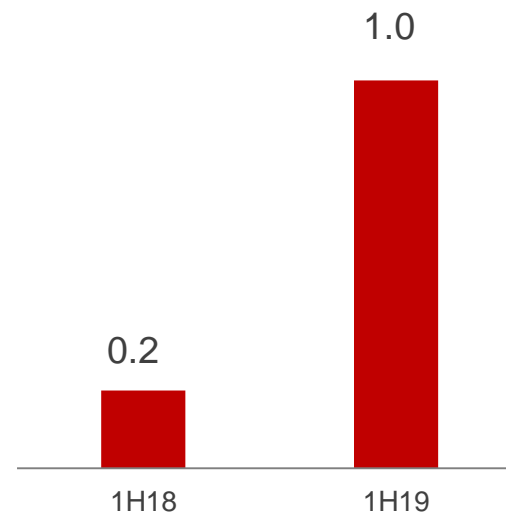
ONGOING STRONG VOLUMES, PRODUCT MIX TRENDING BETTER

Total Net inflows bn/€

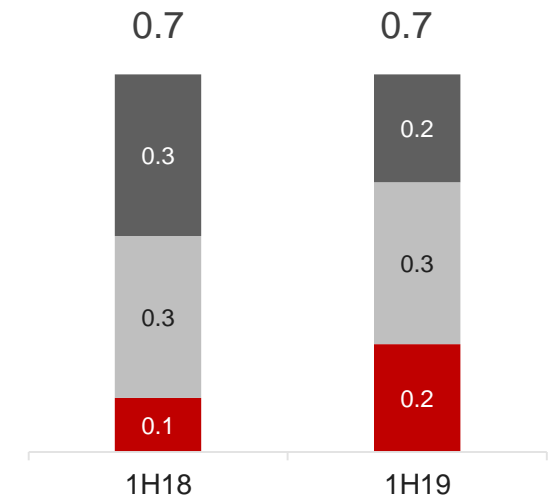


- Managed solutions
- Traditional life policies
- AuC
- Deposits

LUX IM (in-house retail offer, net inflows) bn/€



Net inflows in AuC solutions bn/€

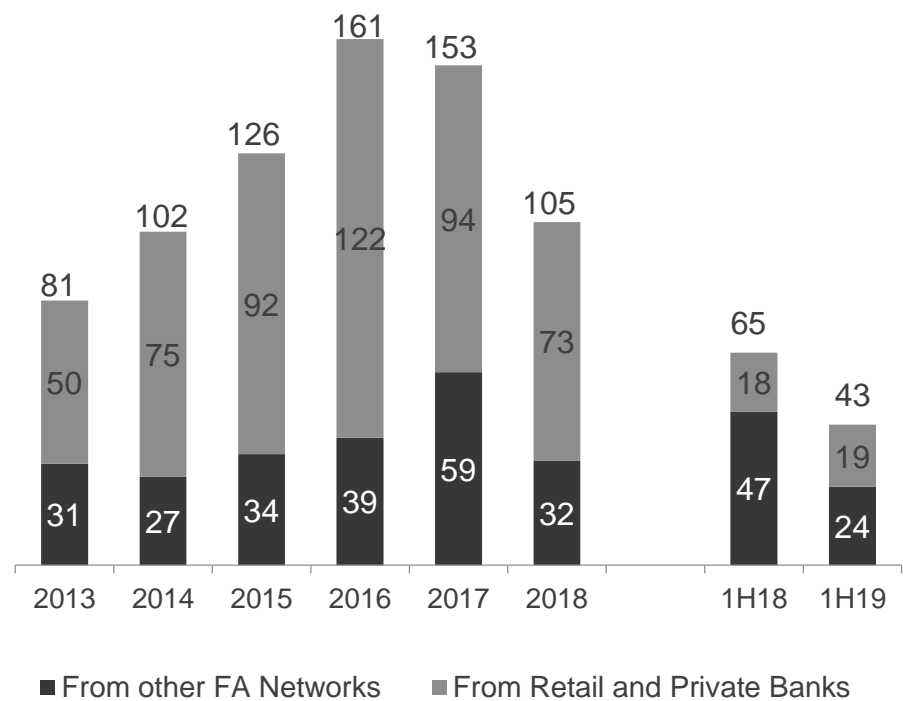


- Certificates
- Securitisations
- Single securities

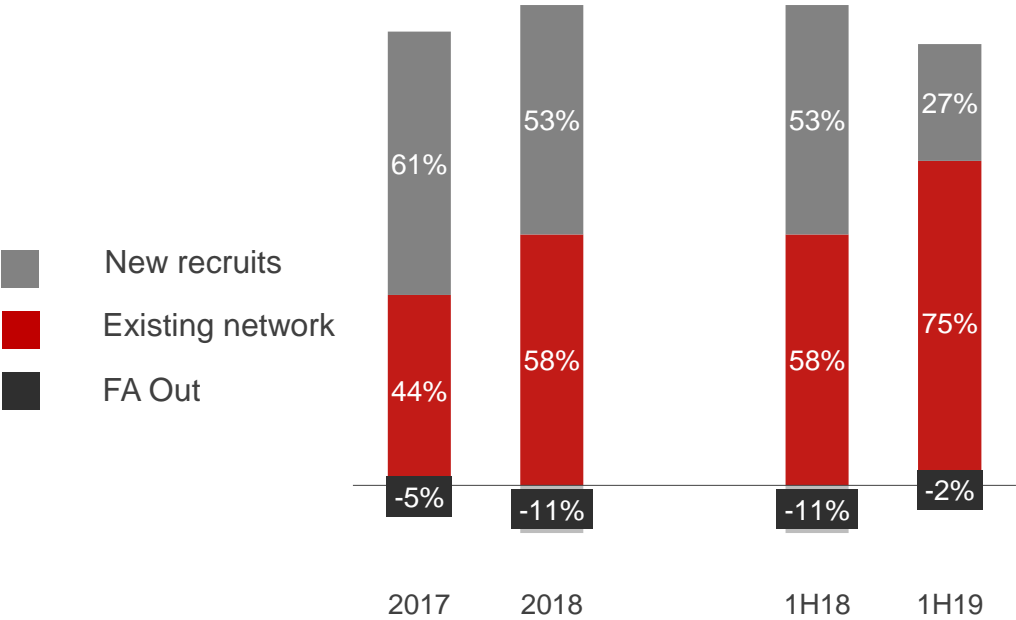
RECRUITING

SOFTER RECRUITING OFFSET BY HIGHER ORGANIC GROWTH

Recruitment trend (# of Recruits)



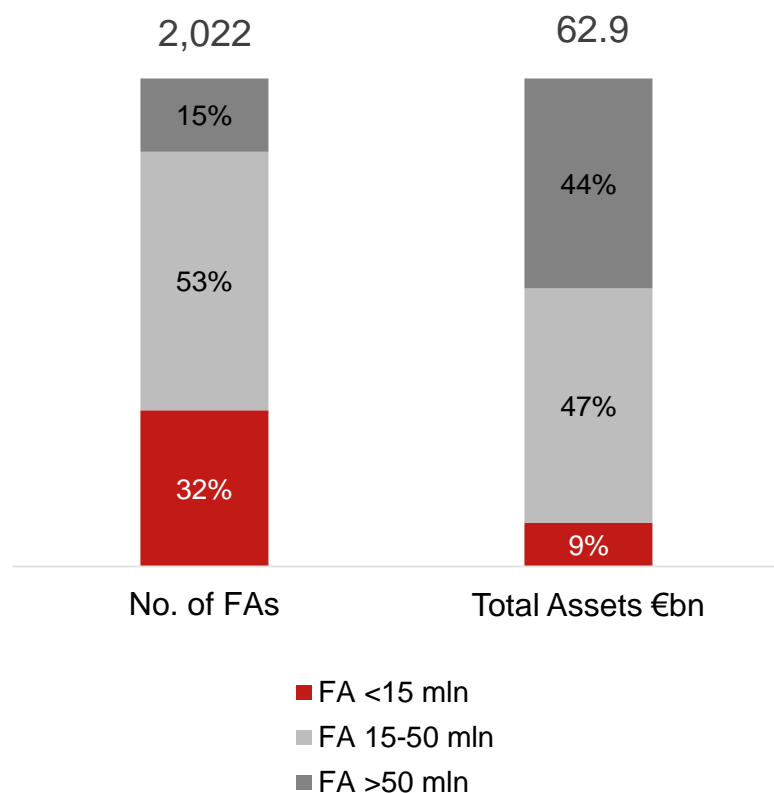
Total net inflows by acquisition channel m/€



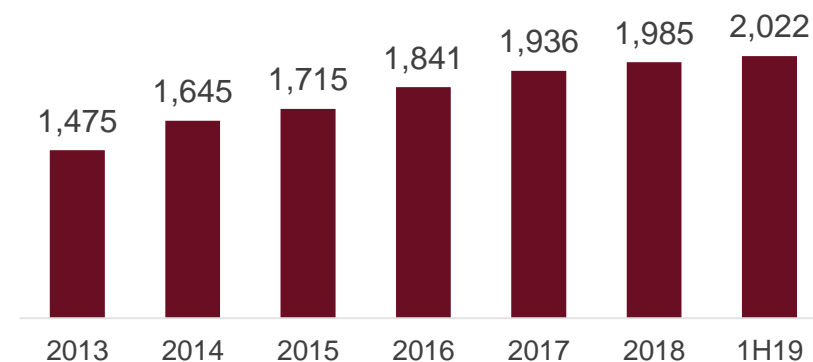
FA NETWORK

SUPERIOR FA QUALITY FURTHER ENHANCED

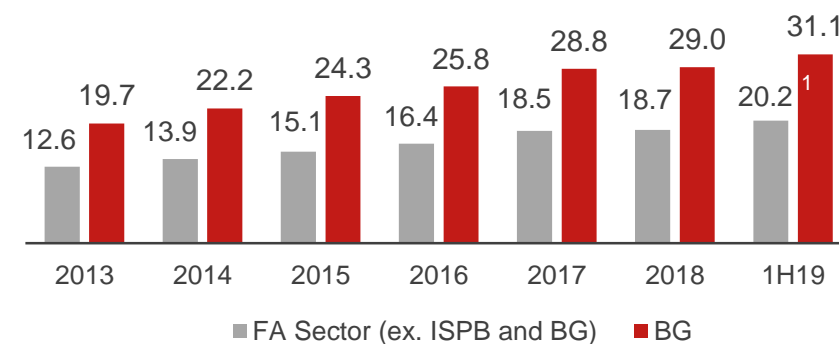
FA Network breakdown by cluster of portfolio (as of 30.06.2019)



FA Network (# of FAs)



FA Portfolio vs. sector (Average Assets/FA)



AGENDA

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Strategy and business update



Commercial trend



1H 2019 results



Appendix: Financials



Appendix: Sector Trend



Record assets expansion

- **Total assets reached new highs at €62.9bn (+€4.8bn YoY, +€5.4bn YTD)** with Lux-based assets (BG FML) hitting €15.6bn (+11% YTD). On a pro-forma basis¹, total assets reached €65bn. Assets under advisory (AuA) almost doubled to €4.0bn (+75% YoY, +79% YTD), representing 6.5% of total assets (3.8% in 1H18)
- **Solid net inflows at €2.8bn** with a growing contribution from the existing FAs² (75% of total vs. 58% in 1H18). Inflows into new retail SICAV LUX IM (€1bn) gaining speed thus providing support to profitability levels
- **FA network further growing both by number and quality** as total number of FAs reached 2,022 with an average portfolio of €31.1m, 50% above sector average³

TOTAL ASSETS

€62.9bn

(+€5.4bn YTD)

NET INFLOWS

€2.8bn

(vs. €3.2bn)

Healthy results supported by favorable financial markets

- **Solid reported net profit at €132.8m (+43%)** driven by strong asset growth, improving core net recurring revenues and a strong contribution from variable revenues amid positive market performance.
- **Core net profit at €65.0m (+12%)** as higher core revenues (NII, management fees and new revenue streams) more than offset higher operating costs tied to new strategic projects and one-offs
- **Solid capital position confirmed with** CET1 ratio at 15.7% and TCR at 17.1% assuming 100% of interim profits set aside for dividend cover and one-off charge for IFRS 16 first time adoption

REP. NET PROFIT

€132.8m

(vs. €92.6m)

CORE NET PROFIT

€65.0m

(vs. €58.1m)



RESULTS AT A GLANCE

KEY TAKEAWAYS

(€ mln)	1H 18	1H 19	% Chg	1H 19	% Chg
		LfL		IFRS 15 / IFRS 16	
Net Interest Income	28.1	35.3	25.8%	33.6	19.7%
Net income (loss) from trading activities and Dividends	20.6	6.0	-70.6%	6.0	-70.6%
Net Financial Income	48.6	41.3	-15.0%	39.6	-18.5%
Gross fees	376.6	424.5	12.7%	424.5	12.7%
Fee expenses	-201.9	-202.0	0.1%	-191.4	-5.2%
Net Fees	174.7	222.5	27.3%	233.1	33.4%
Total Banking Income	223.4	263.8	18.1%	272.7	22.1%
Staff expenses	-42.3	-45.0	6.4%	-45.0	6.4%
Other general and administrative expense	-49.4	-54.0	9.3%	-44.5	-9.9%
Depreciation and amortisation	-4.2	-5.0	20.3%	-13.8	231.7%
Other net operating income (expense)	2.3	2.5	8.5%	2.5	9.8%
Total operating costs	-93.6	-101.6	8.5%	-100.9	7.7%
<i>Cost /Income Ratio</i>	<i>40.0%</i>	<i>36.6%</i>	<i>-3.4 p.p.</i>	<i>31.9%</i>	<i>-8.1 p.p.</i>
Operating Profit	129.8	162.2	25.0%	171.8	32.4%
Net adjustments for impair.loans and other assets	-3.6	-1.1	-68.3%	-1.1	-68.3%
Net provisions for liabilities and contingencies	-10.6	-9.3	-12.0%	-9.3	-12.0%
Gain (loss) from disposal of equity investments	-0.1	-0.1	-39.3%	-0.1	-39.3%
Profit Before Taxation	115.4	151.7	31.4%	161.3	39.7%
Direct income taxes	-22.8	-25.4	11.0%	-28.5	24.7%
<i>Tax rate</i>	<i>19.8%</i>	<i>16.7%</i>	<i>-3.1 p.p.</i>	<i>17.7%</i>	<i>-2.1 p.p.</i>
Net Profit	92.6	126.3	36.5%	132.8	43.5%

Comments

Solid increase in Total Banking Income (22%)

- Net Financial Income supported by higher **NII (+20% reported, +26% on a like-for-like basis)** almost offsetting lower trading gains (-71%)
- Net Fees (+33%, +27% on a like for like basis)** driven by more diversified recurring revenue streams and by higher performance fees reflecting positive performance delivery

Temporary spike in operating costs (+7.7%)

- Operating costs** were inflated by the speed-up of major strategic projects and other one-off items. On an adjusted basis¹, costs increase remains well under control at **5.7% YoY**
- Cost/Income ratios² at 40.1%** confirmed at best practice levels amid strong business and revenue expansion

Lower charges below the operating line

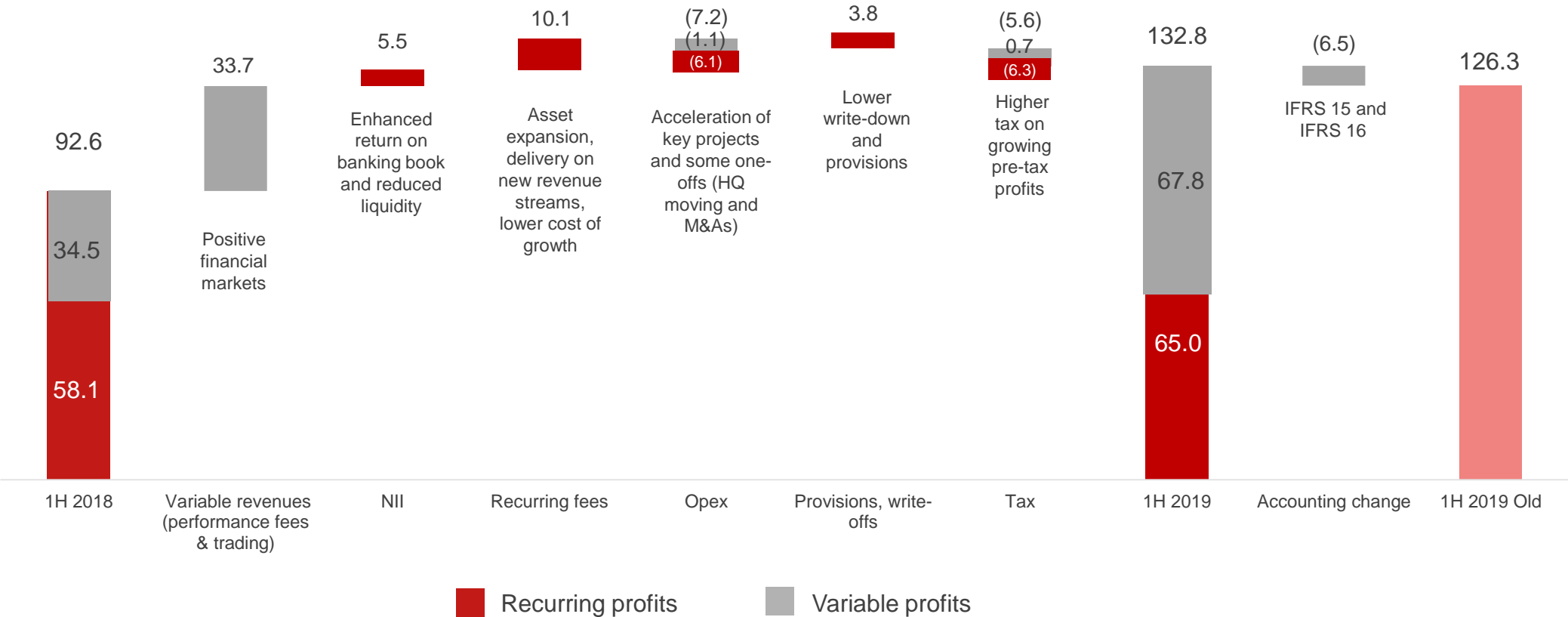
- Lower charges thanks to the recovery in the credit risk of Italian government bonds on IFRS 9 valuation assessment

Total net profit at €132.8m, second best first half results ever

NET PROFIT BUILD-UP

BEST OF BOTH WORLDS

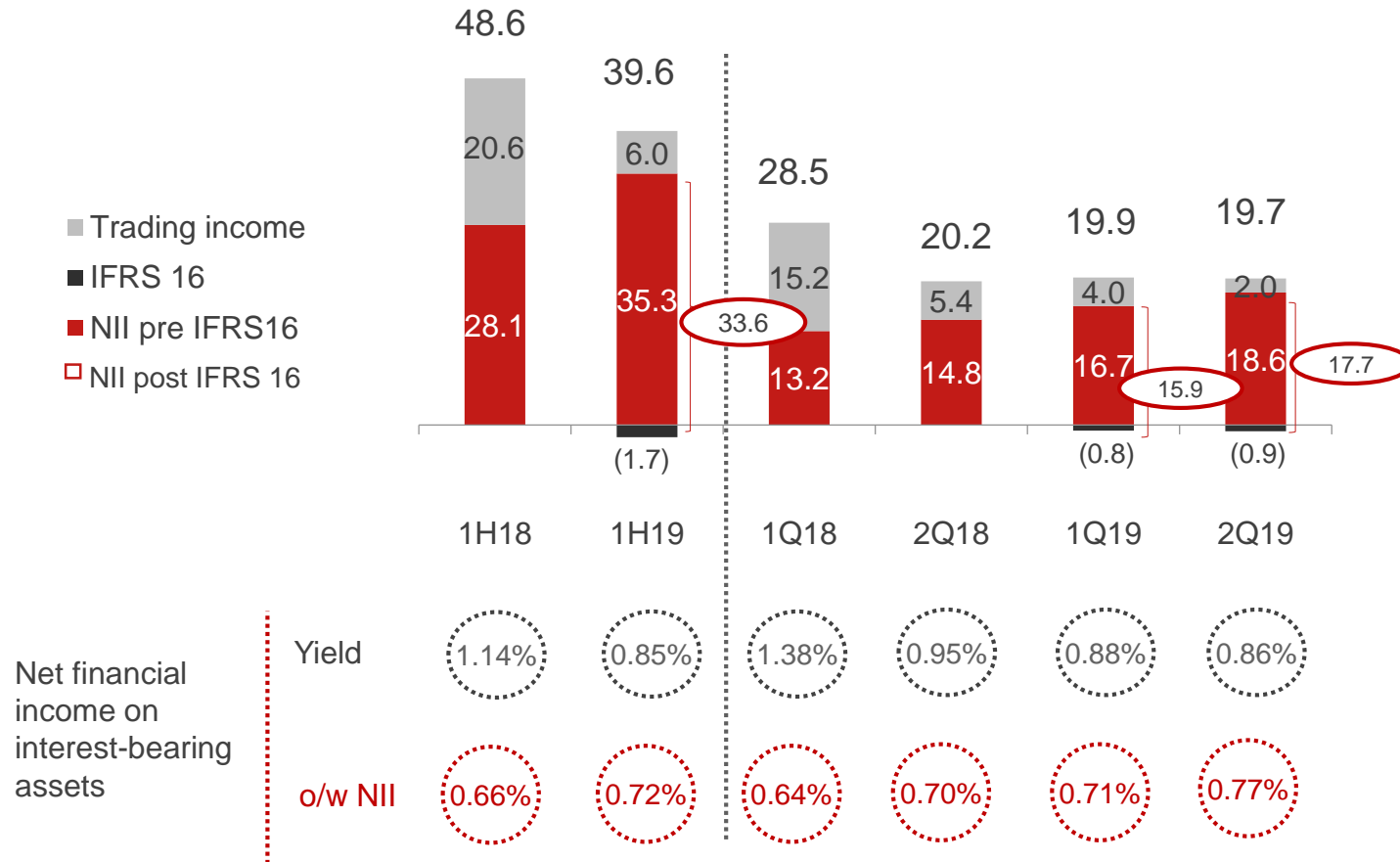
Net Profit build-up m/€



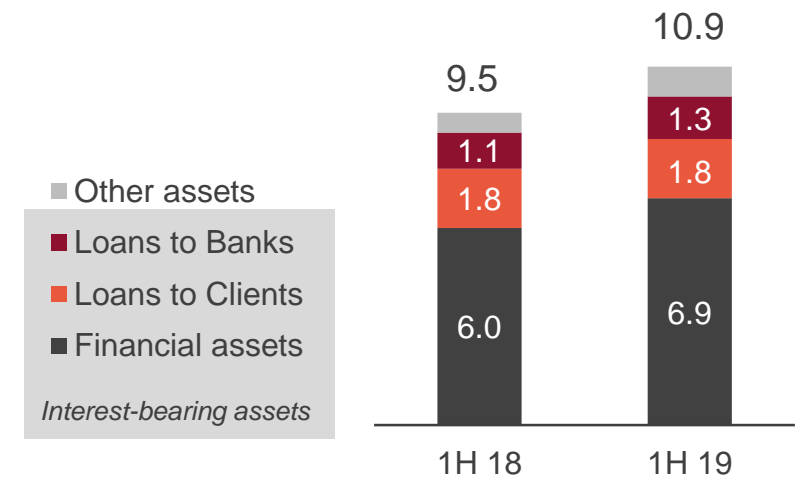
NET FINANCIAL INCOME

UPWARDS TREND CONFIRMED

Net financial income m/€



Interest-bearing Assets bn/€

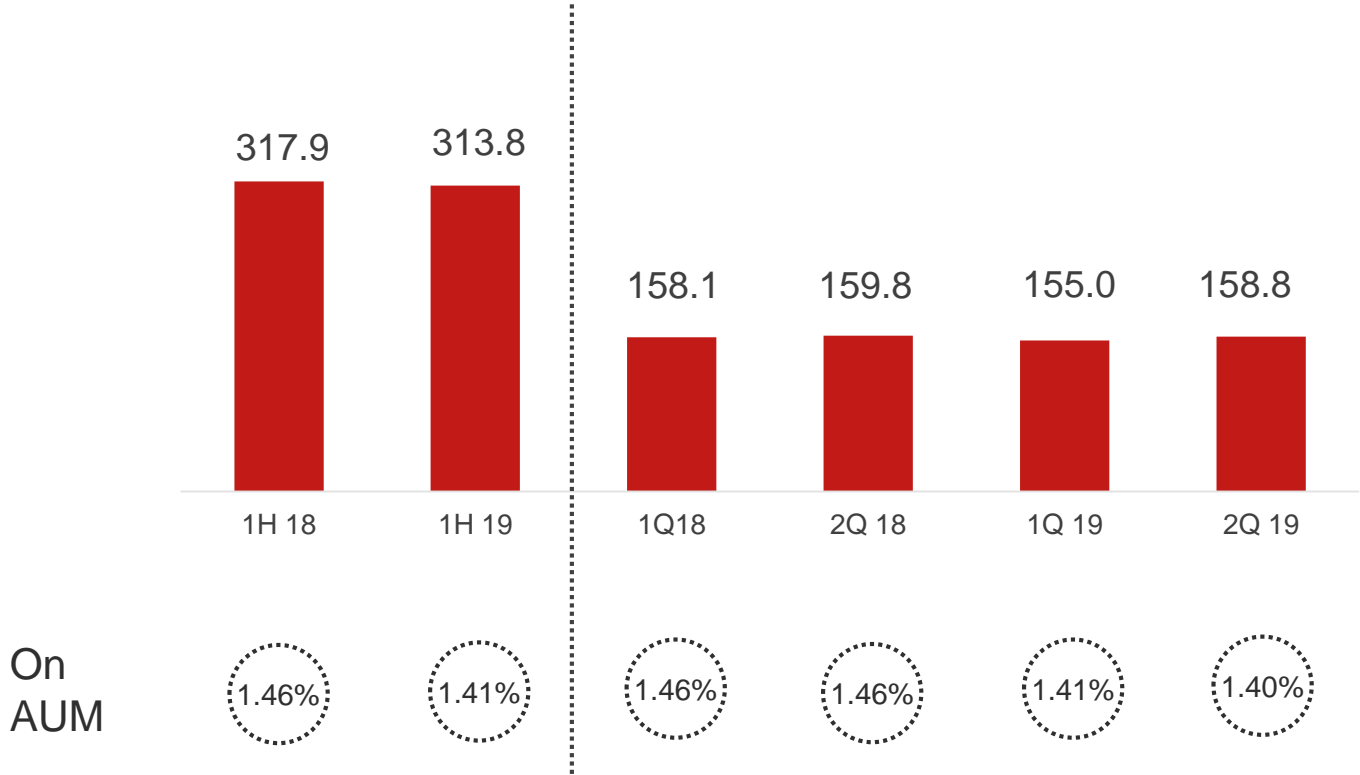


- **Steady increase in interest-bearing assets** (€10bn, +12%) thanks to the ongoing acquisition of new assets from new and existing clients (**clients deposits at €9.4bn, +14% YoY**)
- Loans to bank had a **temporary spike at the end of the semester** due to booming new liquidity which was invested in the first days of July

GROSS FEES (1/3): MANAGEMENT FEES

MANAGEMENT FEES STEADILY RECOVERING

Management Fees m/€



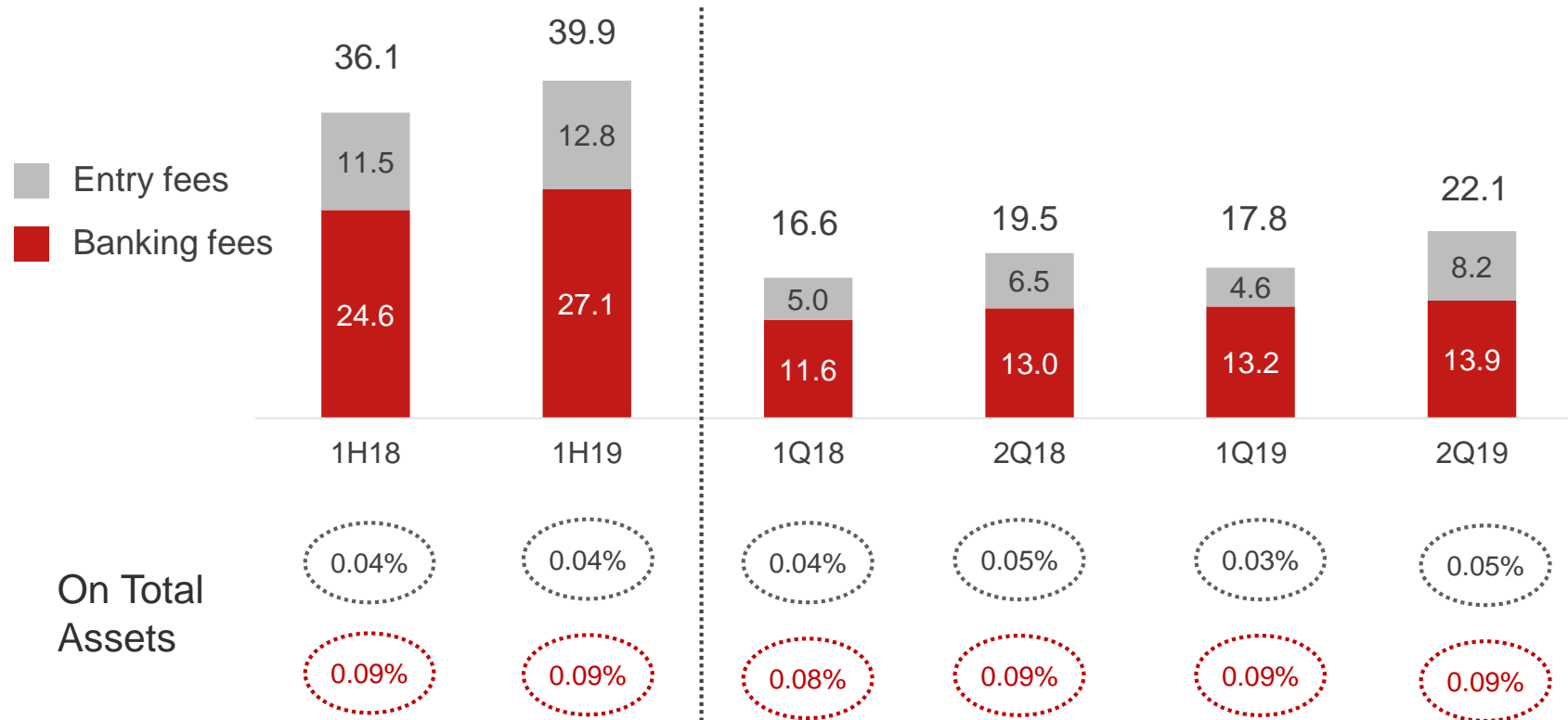
Management fees steadily recovering in values as margin trend reflects a **more defensive product mix** on clients' higher risk aversion

Results are in line management fee margin guidance of **≥1.38-1.42% by 2021**

GROSS FEES (2/3): OTHER FEES

GROWING CONTRIBUTION, GROWING DIVERSIFICATION

Banking and Entry Fees m/€



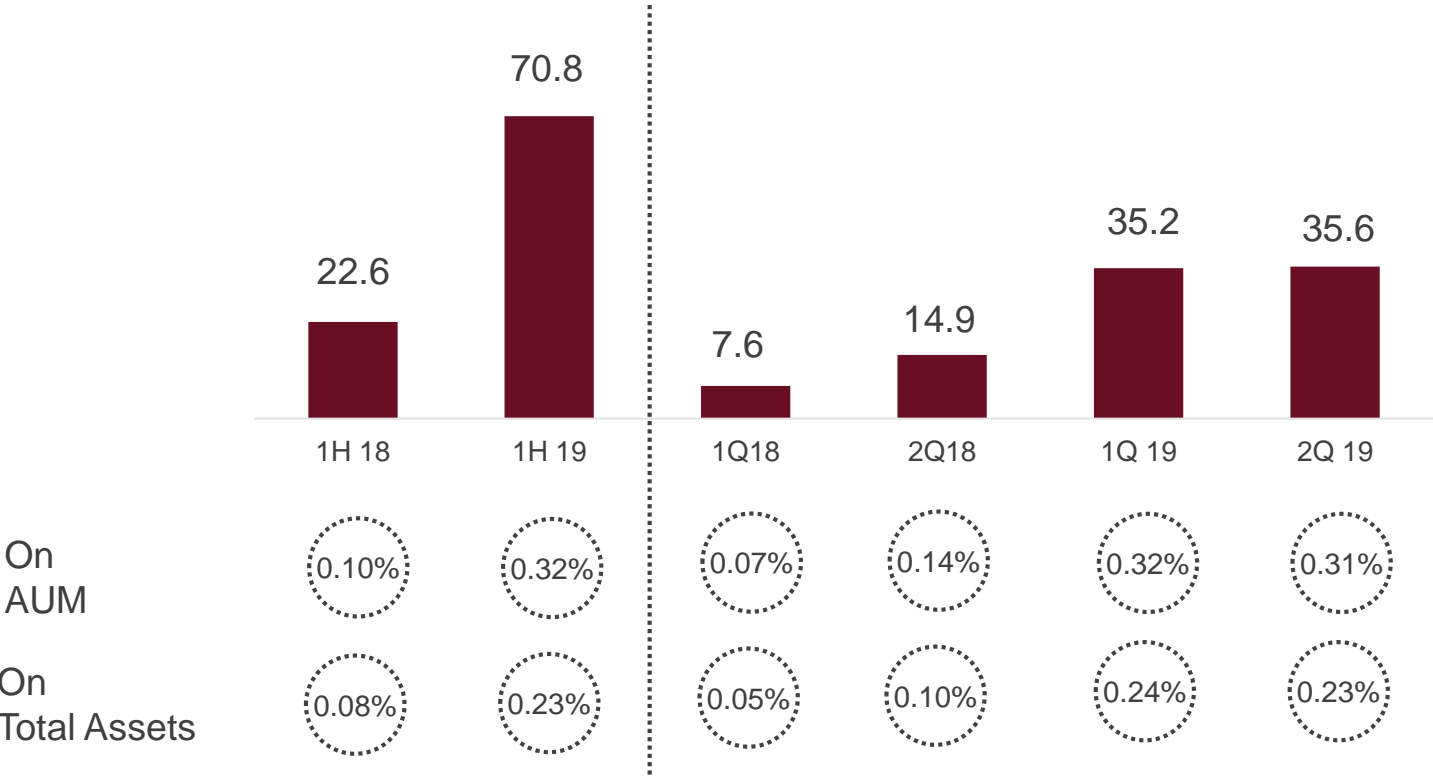
Entry fees growing fast (+11% YoY, +77% QoQ) on higher placement of structured products and certificates

Banking fees also higher (+10% YoY, +6% QoQ) driven by the contribution from advisory fees linked to the advanced advisory contract (BGPA)

GROSS FEES (3/3): PERFORMANCE FEES

POSITIVE FINANCIAL PERFORMANCE

Performance Fees m/€



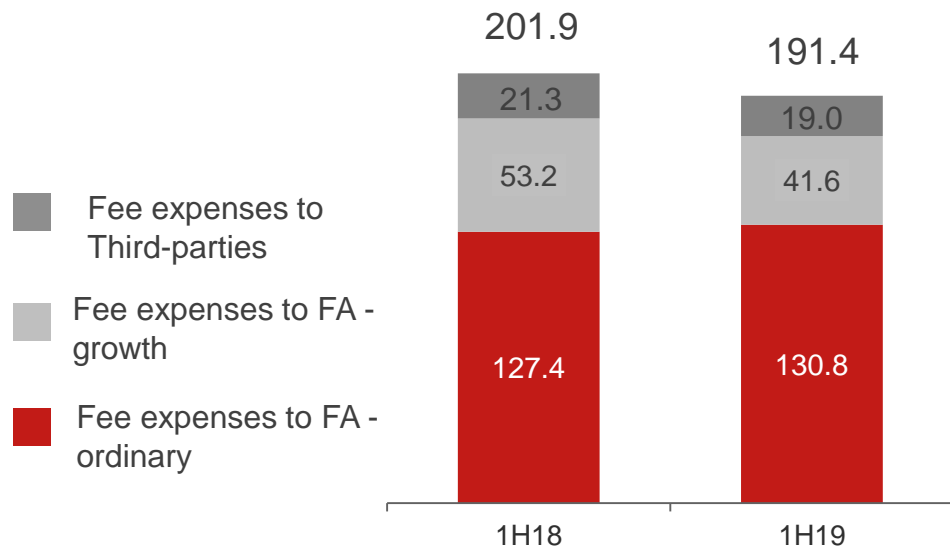
Performance fee in the semester at 16bps of managed assets (31 bps on an annualised basis)

New performance fees calculation mechanism applying to 56% of total Lux-based assets

FEE EXPENSES

TOTAL PAY-OUT MOVING FURTHER DOWN

Total Fee Expenses m/€

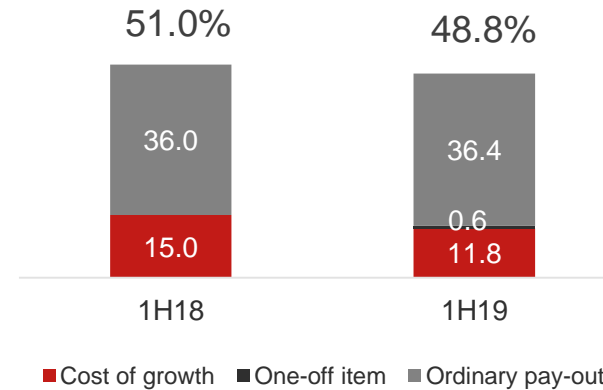


Total Pay-out ratio
(ex-performance fees)

57.0%

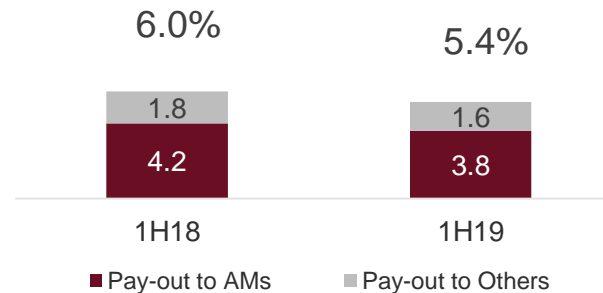
54.1%

Pay-out to the network %



Pay-out to the network
down 2.3 ppts on lower
cost of growth thanks to
higher organic
contribution and positive
impact from IFRS15
accounting

Pay-out to Third-parties %

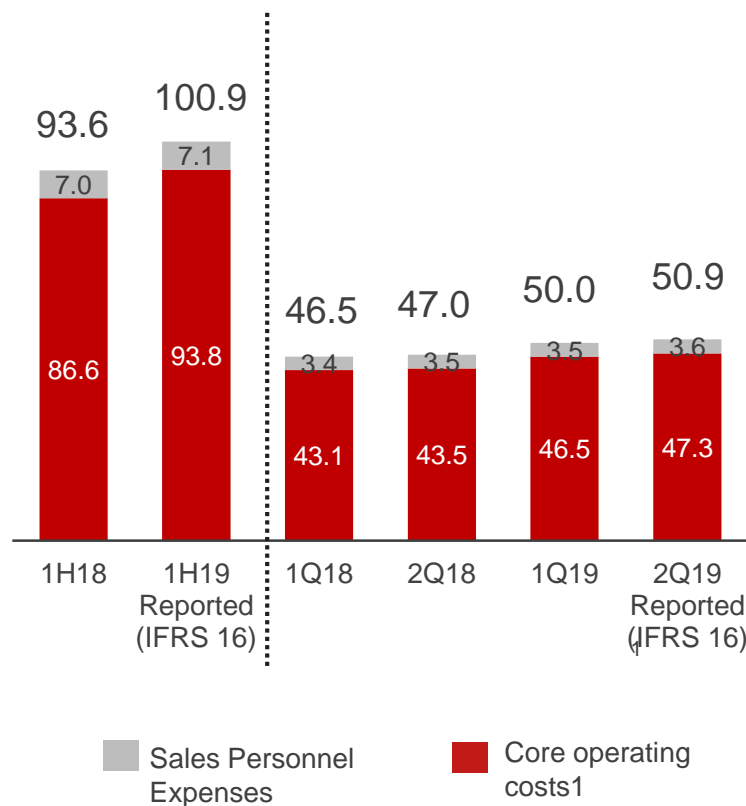


Pay-out to third-parties
decreasing thanks to
efficiency gains

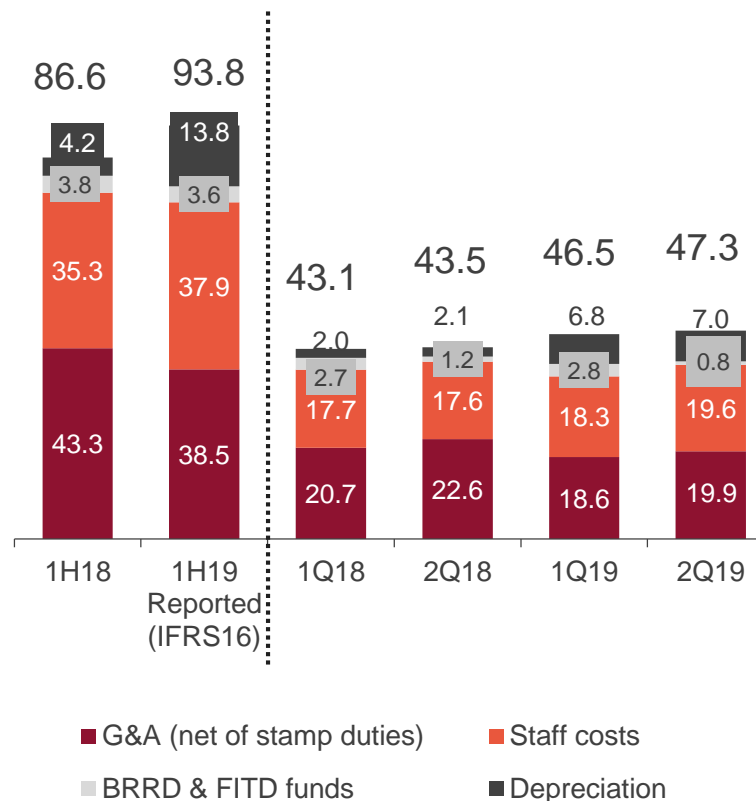
OPERATING COSTS (1/2)

GROWTH, STRATEGIC PUSH AND ACCELERATION OF KEY PROJECTS

Total operating costs m/€



Breakdown of core operating costs m/€



Operating costs inflated by **€1.9m one-off items** (office moving, M&As, IFRS16). Net of one-offs, costs would have been up by 5.7%

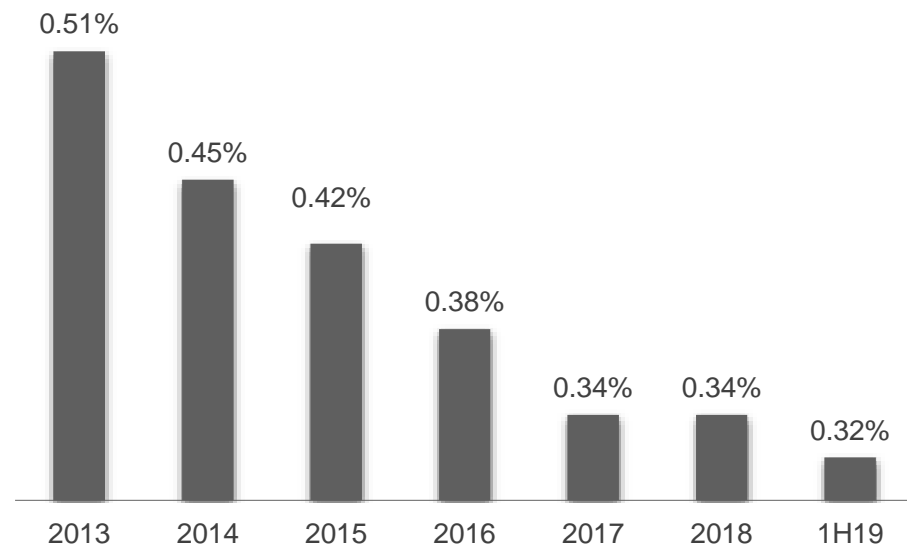
Higher **G&A costs** linked to business expansion and speed-up of key strategic projects (digital platforms for clients, BG SAXO)

Trend in line with **2018-21 CAGR 3%-5%** guidance for 'core operating costs'

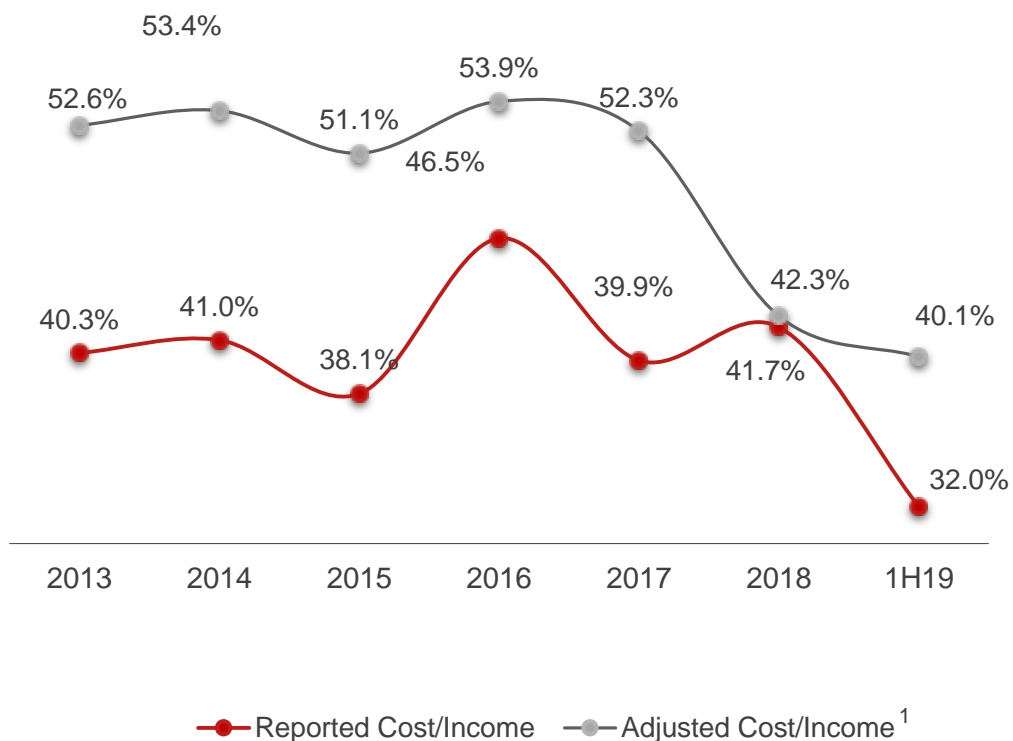
OPERATING COSTS (2/2)

HIGH EFFICIENCY LEVELS CONFIRMED

Operating costs/Total assets



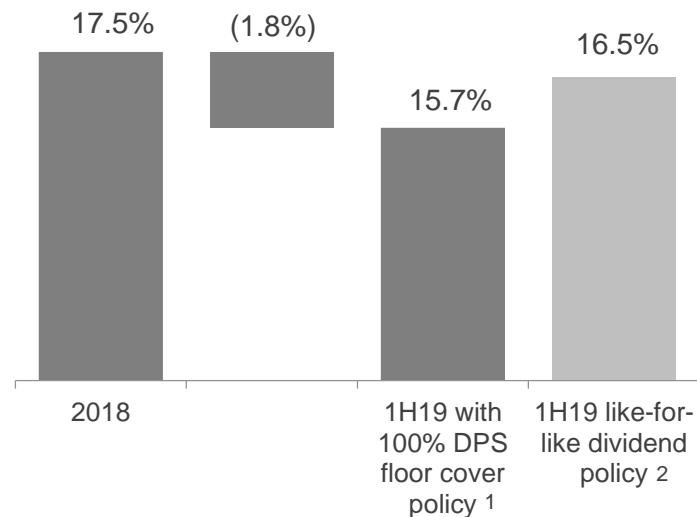
Cost/Income ratio



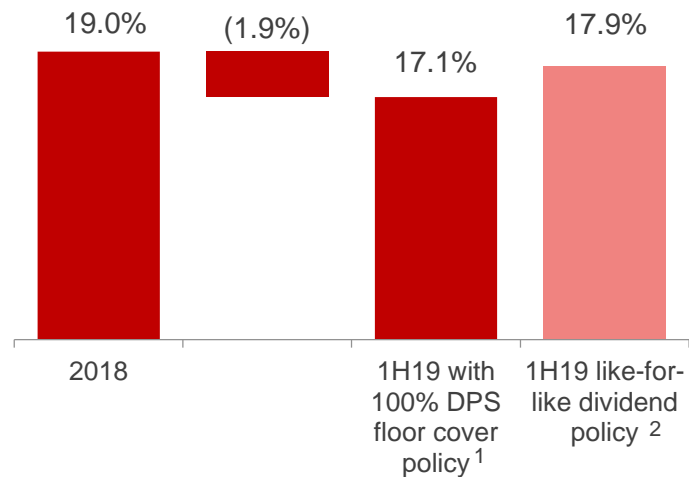
CAPITAL POSITION

SOLID CAPITAL REAFFIRMED ALSO ON CONSERVATIVE BASIS

CET1 ratio



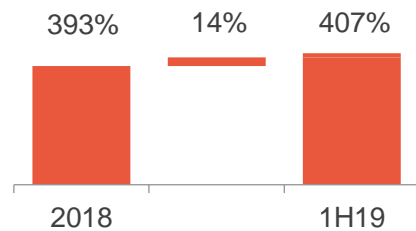
TCR ratio



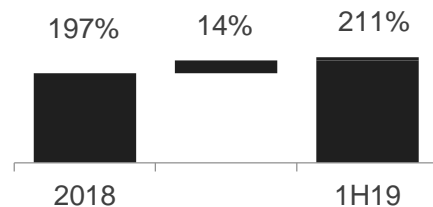
Solid capital ratios confirmed on more conservative assumptions, i.e. 100% of interim profit set aside for dividend policy (€1.25 per share¹ floor)

Capital ratios also incorporate the **First Time Application of the IFRS 16 accounting principle** with a one-off charge of 80bps on CET1 and 87bps on TCR linked to recognition of the rights of use (RoU) for lease contracts

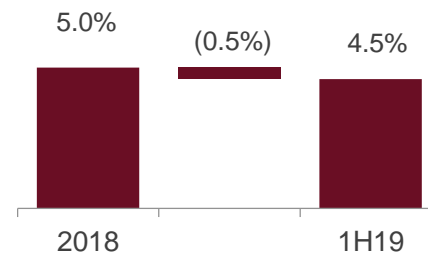
LCR ratio



NSFR ratio



Leverage



Liquidity ratios and leverage are both well above requirements

AGENDA

Our Mission:
Being the
No.1 Private
Bank
by Value of
Service,
Innovation and
Sustainability



Strategy and business update



Commercial trend



1H 2019 results



Appendix: Financials



Appendix: Sector Trend

NEW ACCOUNTING PRINCIPLES IFRS15 & IFRS 16

DETAILS ON RECONCILIATION

(€ mln)	1Q 18	1Q 19	1Q 19	Delta vs. LfL	1Q 19	Delta vs. IFRS 15 & IFRS 16
		LfL	IFRS15		IFRS15 IFRS16	
Net Interest Income	13.2	16.7	16.7		15.9	-0.85
Net income (loss) from trading activities and Dividends	15.2	4.0	4.0		4.0	
Net Financial Income	28.5	20.7	20.7		19.9	-0.85
Gross fees	182.4	208.0	208.0		208.0	
Fee expenses	-96.7	-97.3	-94.3	3.0	-94.3	
Net Fees	85.6	110.7	113.7	3.0	113.7	
Total Banking Income	114.1	131.4	134.4	3.0	133.6	-0.85
Staff expenses	-21.1	-21.8	-21.8		-21.8	
Other general and administrative expense	-37.3	-39.9	-39.9		-35.2	4.70
Depreciation and amortisation	-2.0	-2.4	-2.4		-6.8	-4.35
Other net operating income (expense)	13.9	13.7	13.7		13.7	
Total operating costs	-46.5	-50.4	-50.4		-50.0	0.36
<i>Cost/Income Ratio</i>	<i>39.0%</i>	<i>36.5%</i>	<i>35.7%</i>	<i>-0.8 p.p</i>	<i>32.4%</i>	<i>-3.3 p.p.</i>
Operating Profit	67.6	81.0	84.0	3.0	83.5	-0.50
Net adjustments for impair.loans and other assets	0.2	4.0	4.0		4.0	
Net provisions for liabilities and contingencies	-4.8	-6.1	-6.1		-6.1	
Gain (loss) from disposal of equity investments	-0.1	-0.1	-0.1		-0.1	
Profit Before Taxation	62.9	78.8	81.8		81.4	
Direct income taxes	-13.8	-13.9	-14.9	-1.0	-14.7	0.16
<i>Tax rate</i>	<i>22.0%</i>	<i>17.6%</i>	<i>18.2%</i>	<i>-0.6 p.p</i>	<i>18.1%</i>	<i>-0.1% p.p.</i>
Net Profit	49.0	64.9	67.0	2.1	66.6	0.36

Comments

First Time Adoption of IFRS 16 Accounting Standard (IASB)

Banca Generali has stated its **Right of Use (RoU)** of total lease assests at €136m, based on the Present Value of future payments due throughout the weighted average duration of the lease contracts of 8 years.

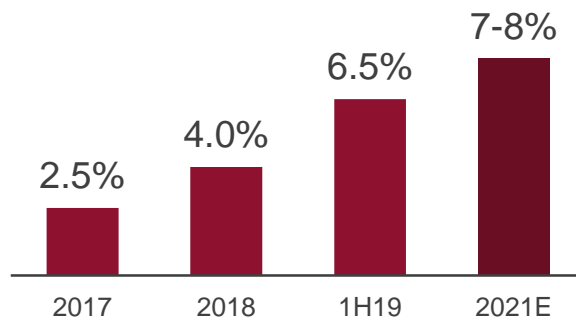
Accordingly:

- **NII (-€0.85m)** - Decrease due to interests paid on the leasing debt. In Q19 cost of financing was estimates at 2.5% and RoU at €136 million.
- **G&A expenses (-€4.7m)** – Decrease due to cancellation of previous rental costs
- **Depreciation (+€4.4m)** – Increase linked to the RoU depreciation charge according to the weighted average length of the leasing contracts estimated at 8 years.

NEW REVENUE STREAMS

ASSETS UNDER ADVISORY: ADVANCED ADVISORY CONTRACT

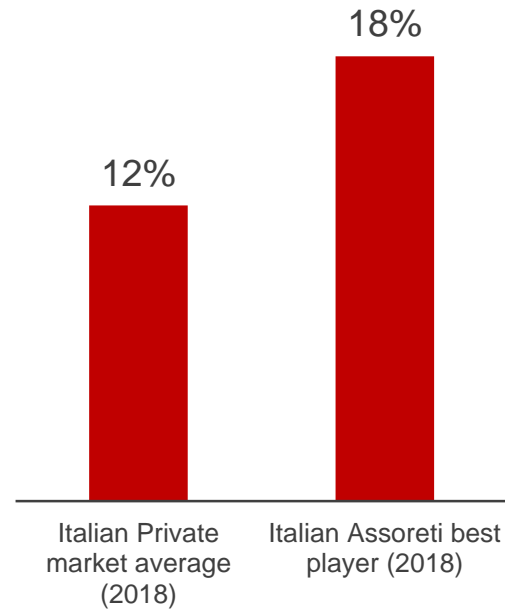
BG - % AUA on Total Assets



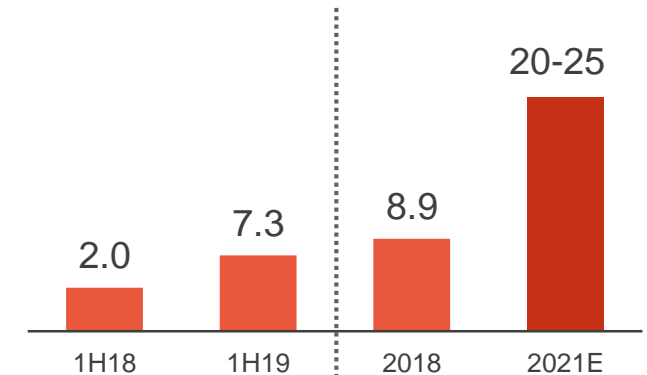
AUA
bn/€
period end



Benchmark % AUA on Total Assets¹



Guidance: Advisory Fees² m/€



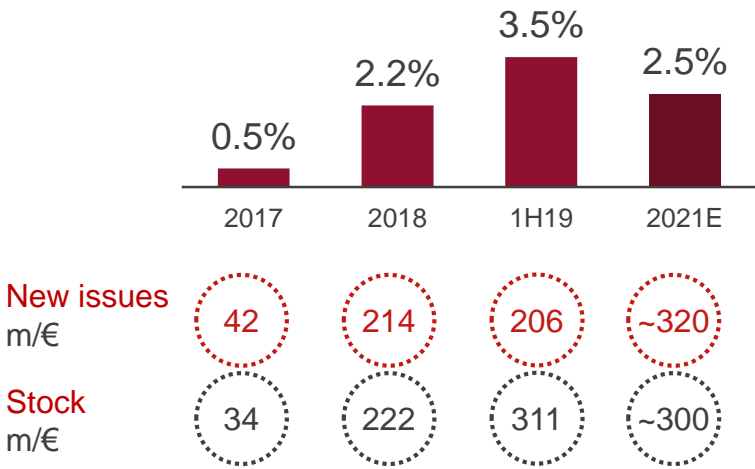
Advisory
Fees /
Avg. AUA
bps



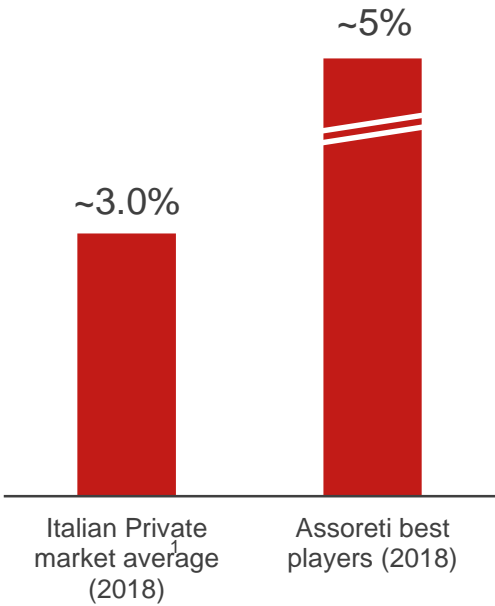
NEW REVENUE STREAMS

ASSETS UNDER CUSTODY: CERTIFICATES AND PRIVATE PLACEMENTS

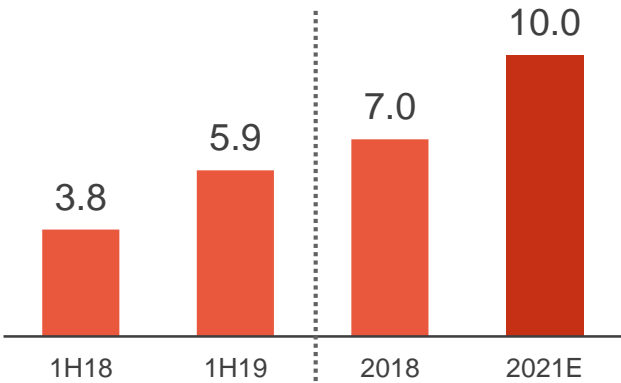
BG - % Certificates & private placements stock on AUC



Benchmark - % Certificates stock on AUC



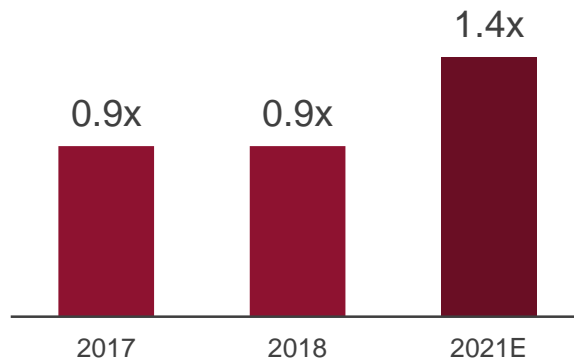
Guidance: Entry fees on certificates & private placements m/€



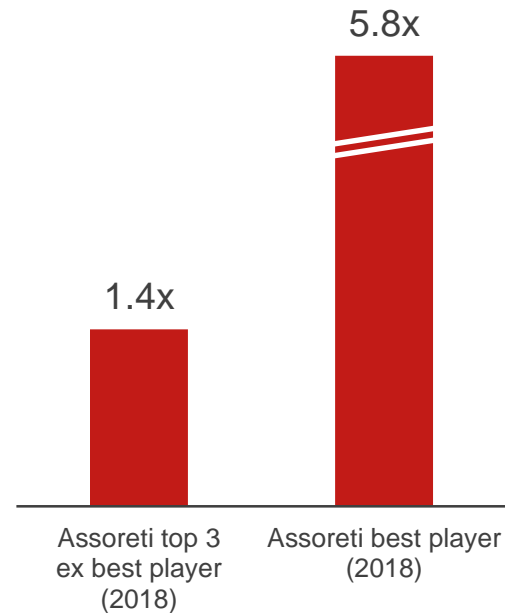
OTHER GROSS FEES

ASSETS UNDER CUSTODY: BROKERAGE

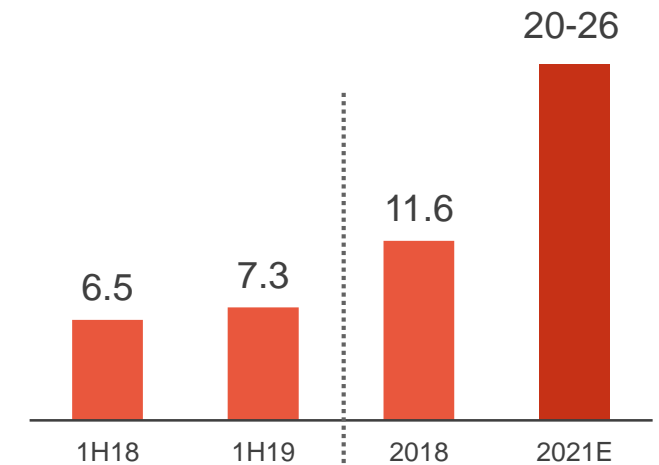
BG - Turnover
Ratio (cash only)¹



Benchmark - Turnover
Ratio²



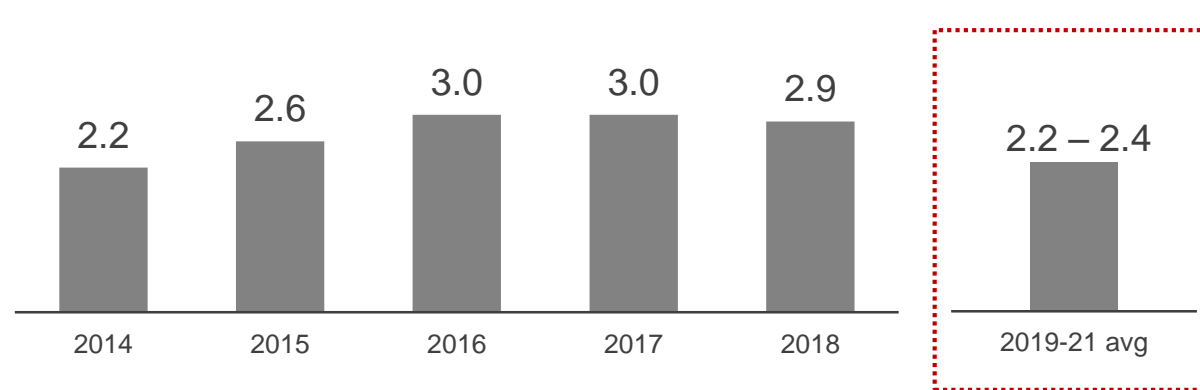
Guidance: Brokerage fees
(cash + derivatives)¹ m/€



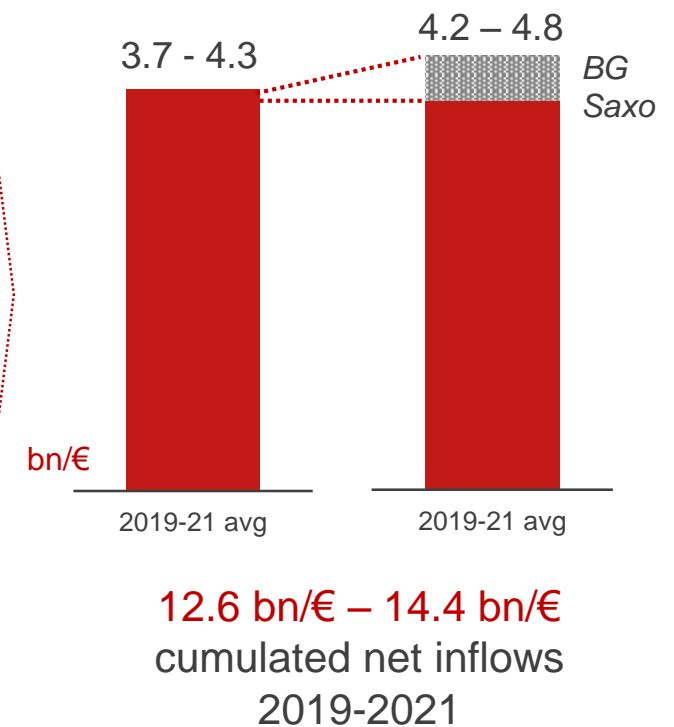
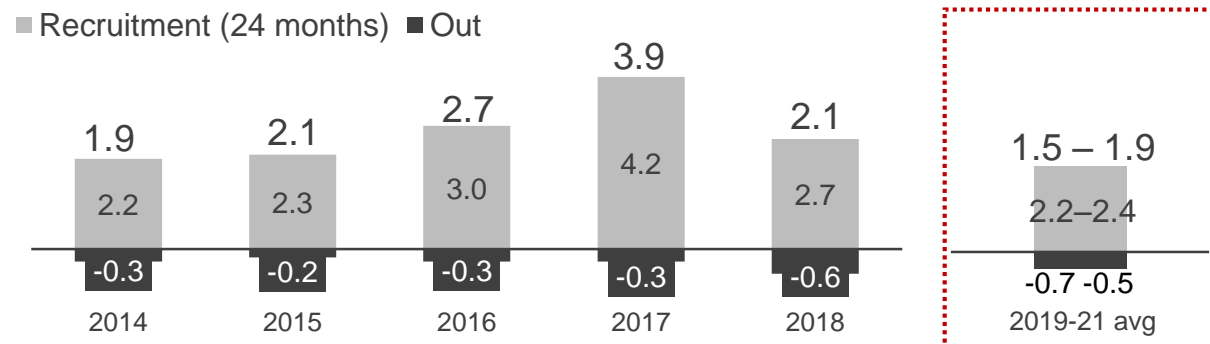
NET INFLOWS PROJECTIONS

EXPECTED CURRENT PERIMETER NET INFLOWS

Organic net
inflows
bn/€

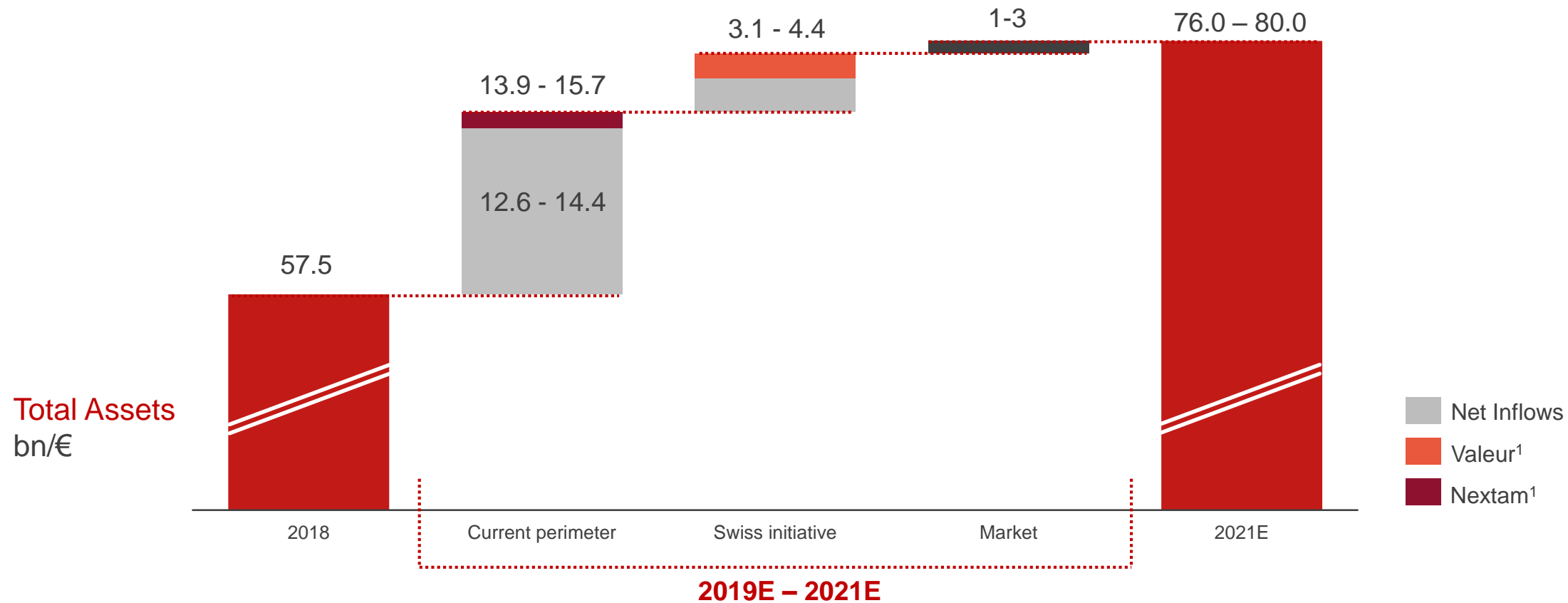


Net inflows
from FA
recruitment
& out
bn/€



ASSET PROJECTIONS

GROWTH TARGETS 2019 - 2021



AGENDA

Our Mission:
Being the
No.1 Private
Bank
by Value of
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Innovation and
Sustainability



Strategy and business update



Commercial trend



1H 2019 results



Appendix: Financials



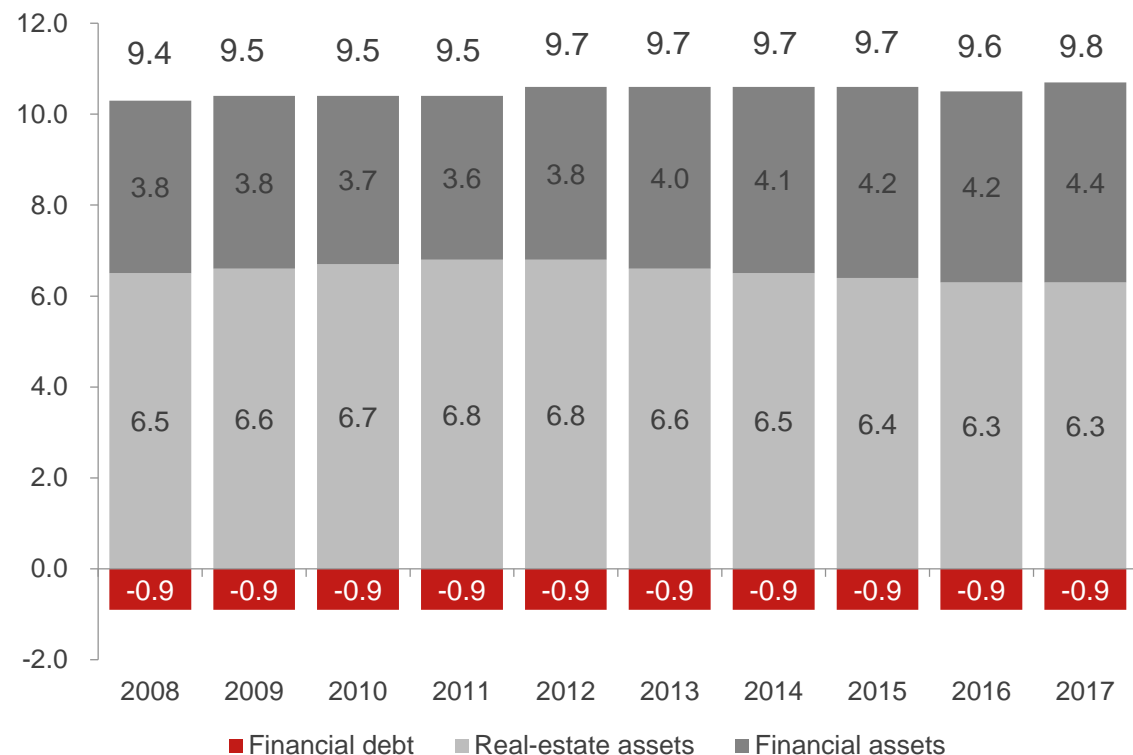
Appendix: Sector Trend

SNAPSHOT ON ITALIAN HOUSEHOLD WEALTH

A WEALTHY COUNTRY

Italian Household Wealth

Italian Total Net Household Wealth (€ trillion, 2008-18E)



Household wealth / Disposable income

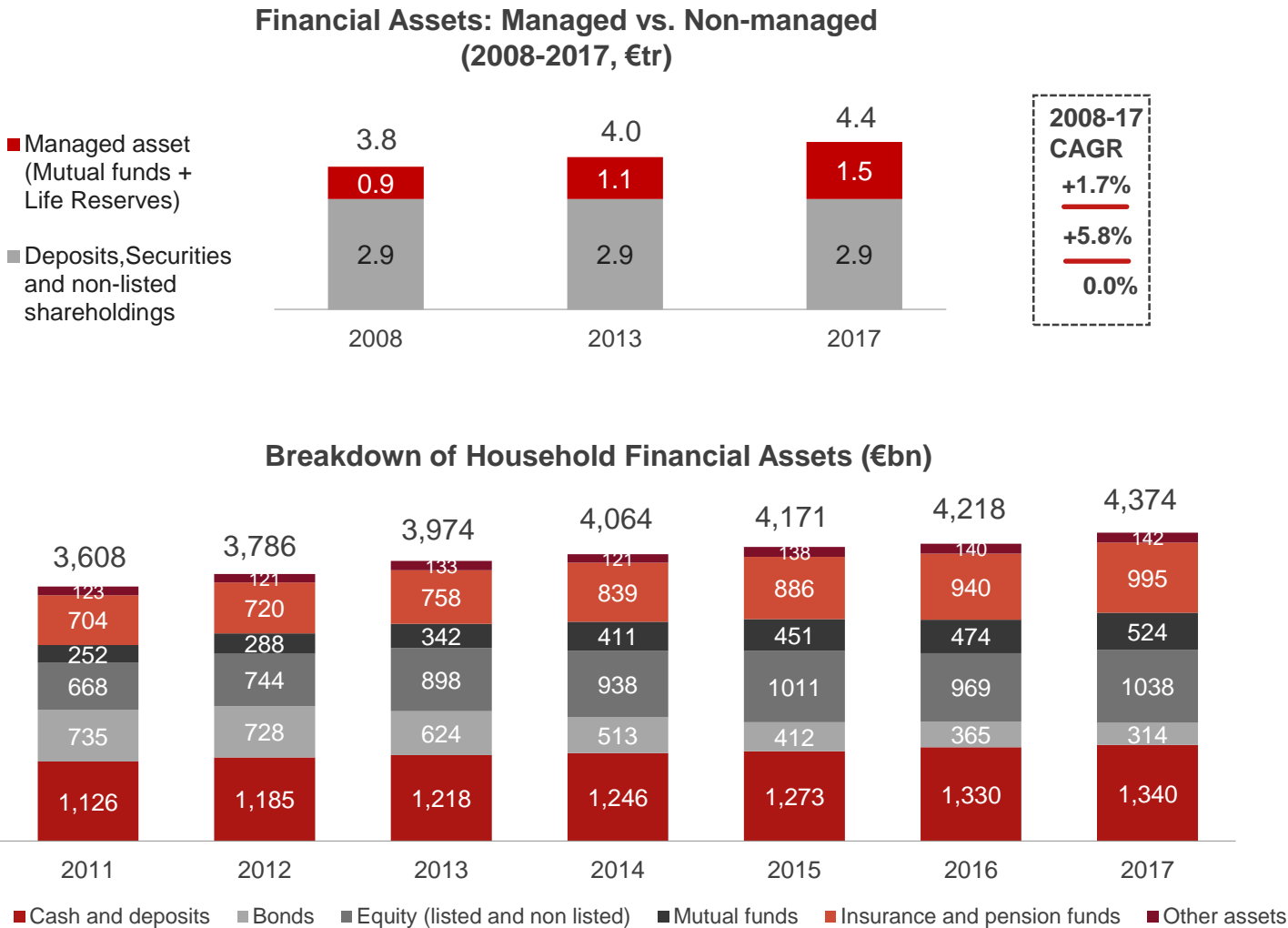


- Total Italian household wealth at **€9.8 trillion¹** with real-estate assets representing 59% of total and financial assets (net of household financial debt) 41% of total
- **Real-estate assets** owned by Italian household steadily decreasing since 2011 as a result of falling prices for residential assets
- **Financial household assets steady** increasing. Preliminary projections point for a further increase of net inflows in 2018, even though market value hit by financial markets' volatility
- Italian **household financial debt** has been stable in absolute value over last few years and it is one of the lowest amongst Western economies.

SNAPSHOT ON ITALIAN HOUSEHOLD WEALTH

HOUSEHOLD FINANCIAL ASSETS

Italian Household Wealth



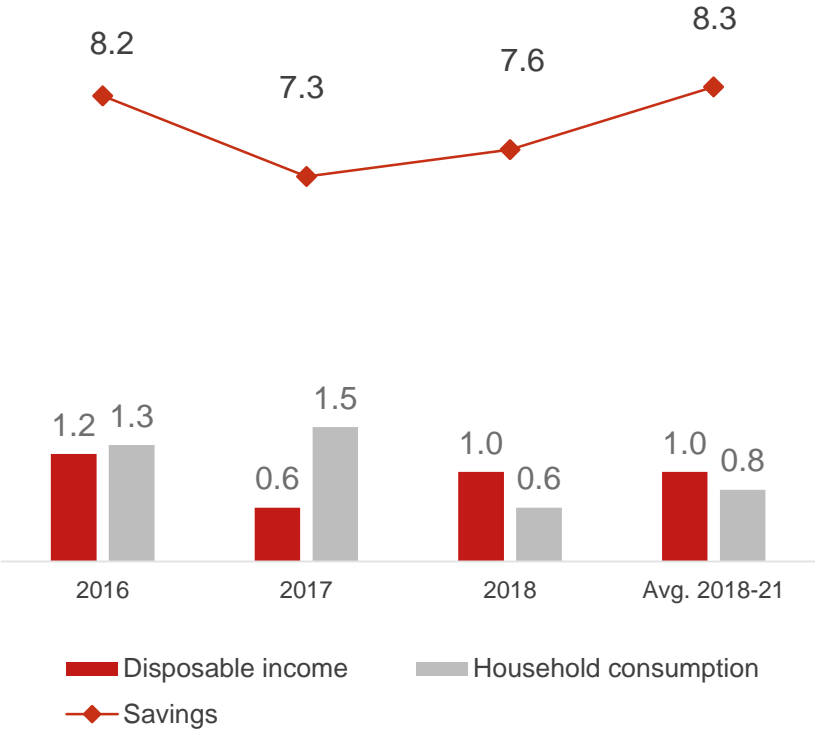
- Steady growth of **managed assets** (mutual funds and insurance) representing 34% of total assets (vs. 24% in 2008)
- Still high level of **cash and deposits** owned by Italian household at €1.4bn (31% of total)
- Equity holdings** refers almost entirely to non-listed shareholdings
- High direct investment in **fixed income** securities - government and bank bonds - at 7% of total

SNAPSHOT ON ITALIAN TOTAL WEALTH

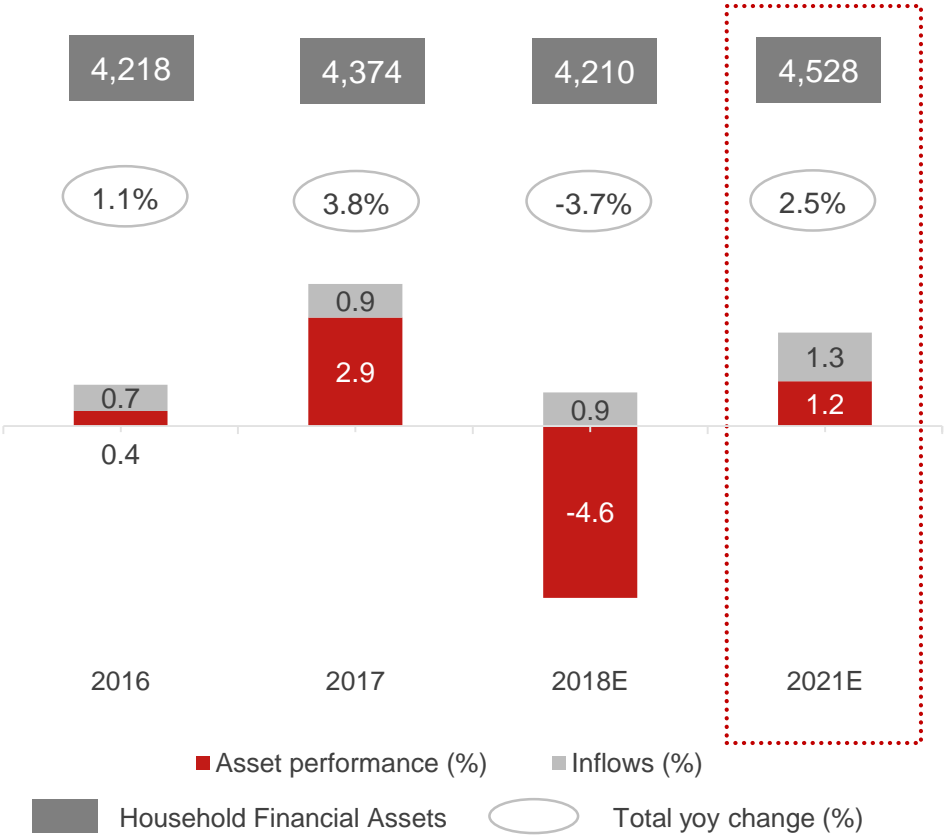
FINANCIAL WEALTH PROJECTIONS

Italian Household Wealth

Italian Household: disposable income & Household consumption (YoY change,%) and saving rate on disposable income (%)



Italian Household Financial Assets (€bn, 2016-21E)

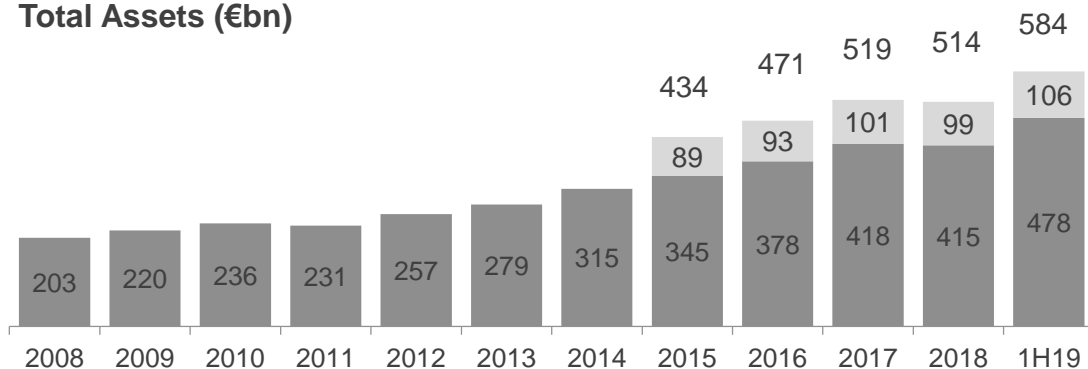


FA SECTOR

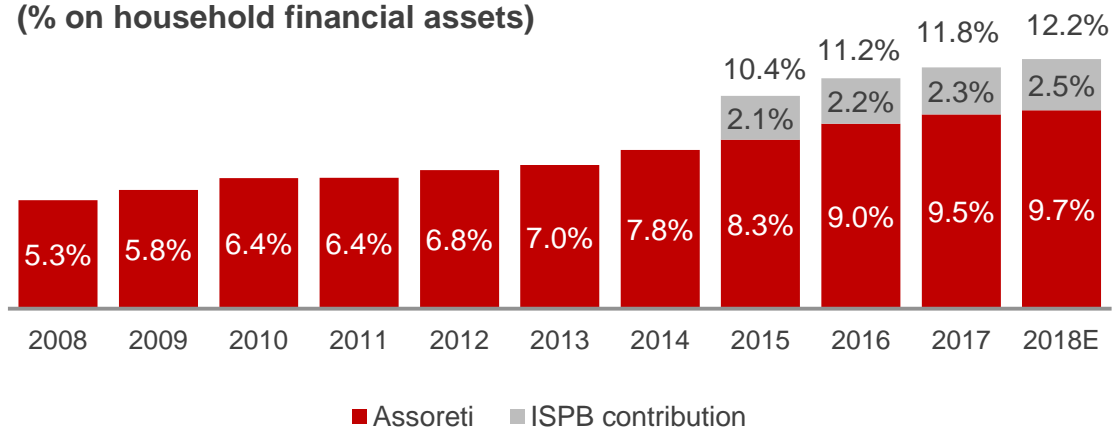
SIZE AND MARKET SHARE MORE THAN DOUBLED

FA SECTOR (ASSORETI)

Total Assets (€bn)



Market share of FA sector (% on household financial assets)

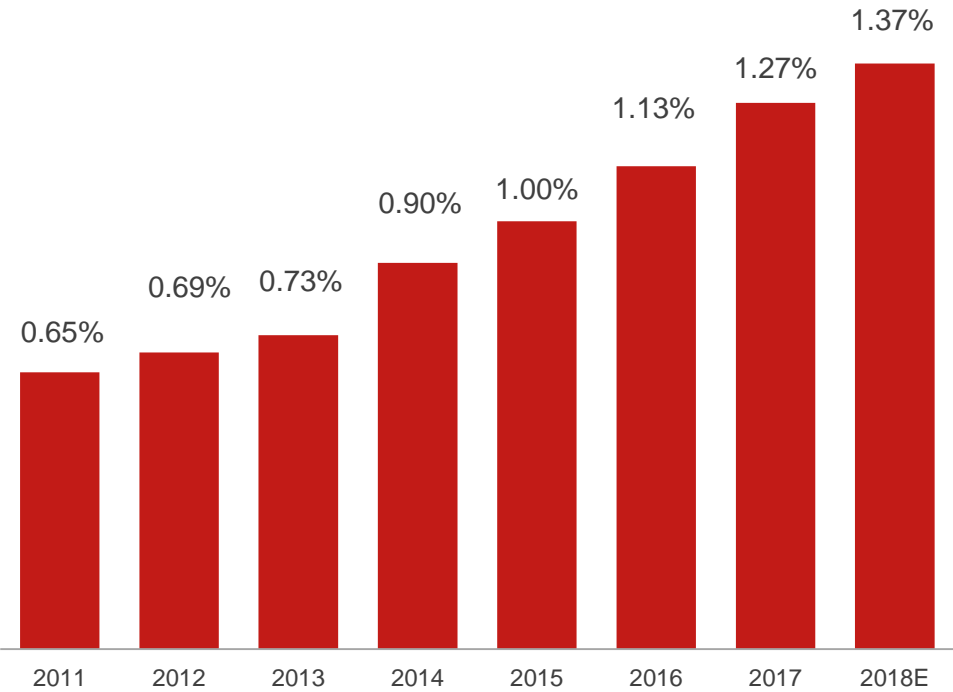


- **12.2% of Italian Household financial wealth managed by the FA sector**
- Market share doubled in the last 10 years
- Business approach based on flexibility and dedicated client service
- Focus on Clients' savings and wealth protection
- Professionalism and entrepreneurial spirit of the advisor
- Increasing recognition of financial advisory as a professional service among Clients and bankers
- Prolonged crisis of the traditional banking sector (capital increase, bank resolution, branch rationalisation, twave of technological change)

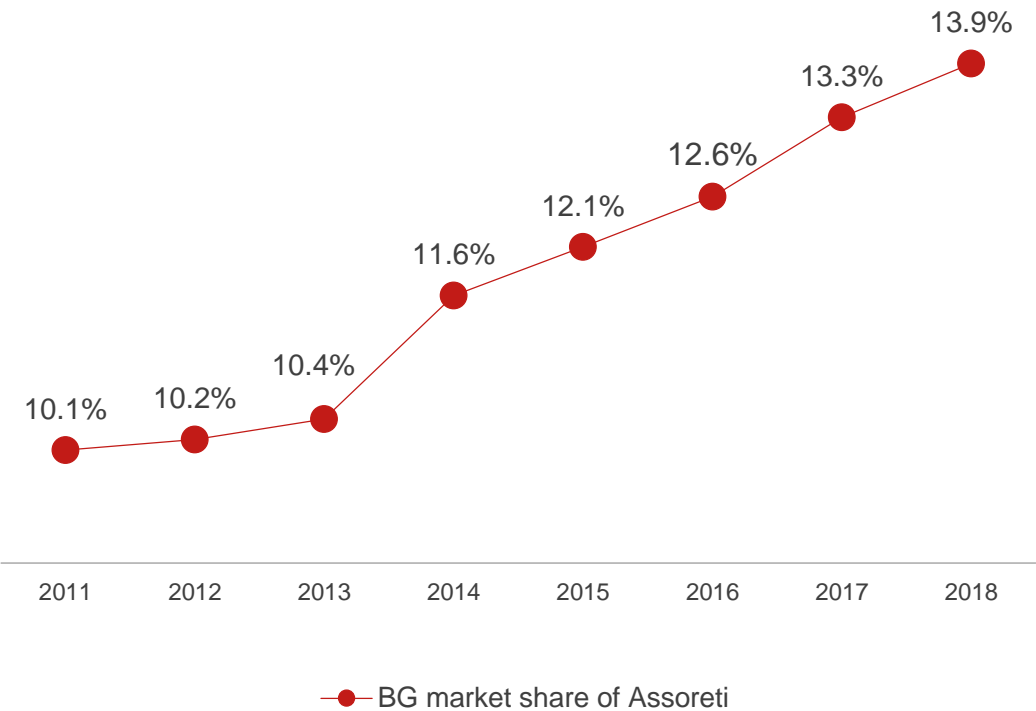
BANCA GENERALI MARKET SHARE

GROWING SHARE IN THE SPACE

Banca Generali's share
of Italian household financial wealth



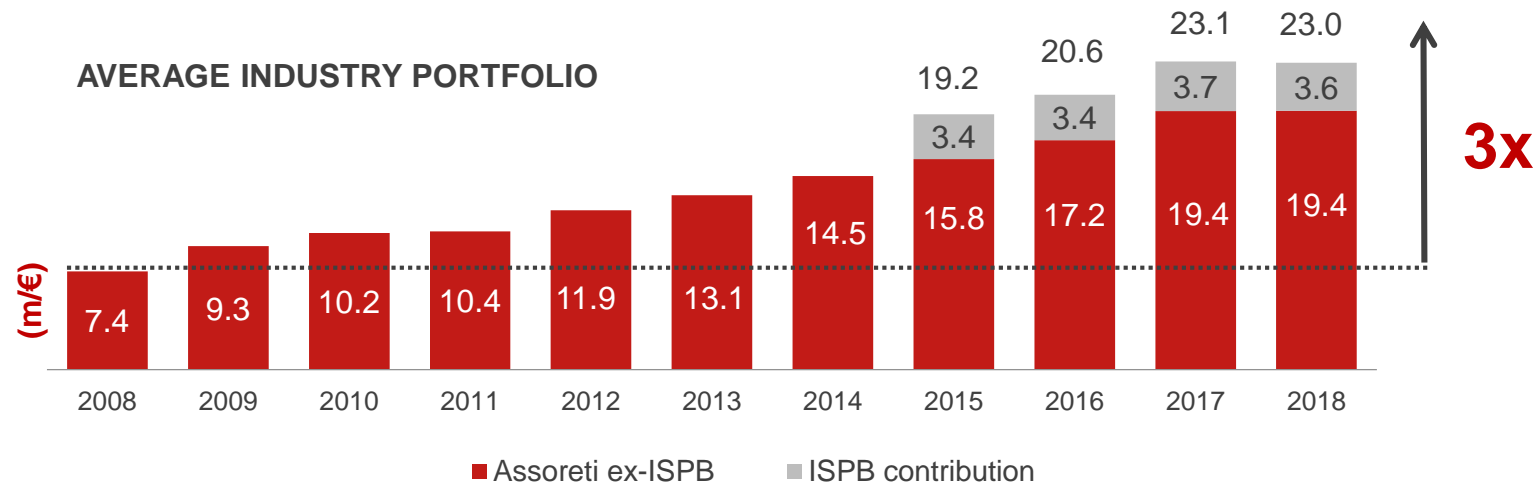
Banca Generali's share
of the Italian FA sector (Assoreti)



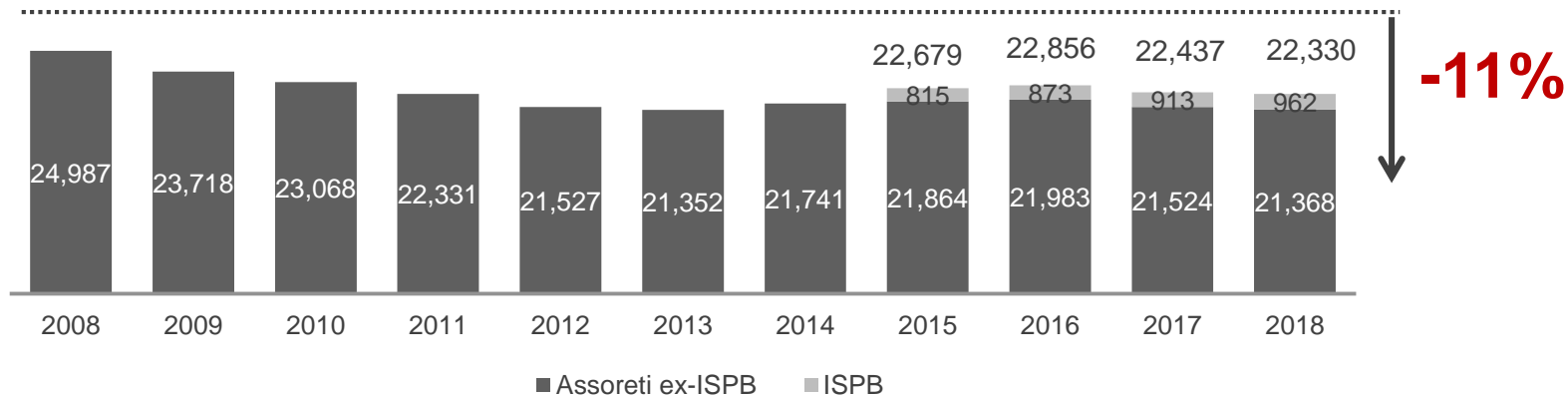
FA SECTOR

TRANSITION TOWARDS GREATER QUALITY ACCOMPLISHED

FA SECTOR (ASSORETI)



NUMBER OF FINANCIAL ADVISORS

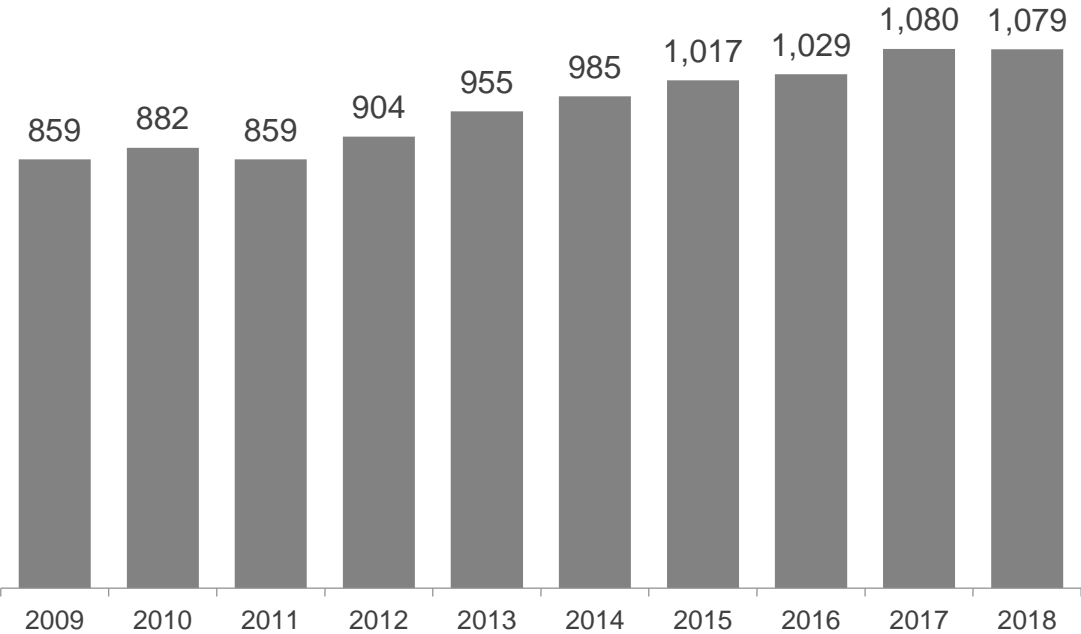


- In the aftermath of the Global Financial Crisis, the Italian Financial Advisory industry entered a restructuring phase with the **exit of many FAs with small portfolios**
- In parallel, the dominant banking system entered a prolonged crisis which has resulted in the **flight of top bankers** towards top Financial Advisory Networks
- This exodus, coupled with increasing Clients' need for advice, has fuelled **growth in average advisors' portfolios** and in **market share** for the sector

ITALIAN PRIVATE BANKING

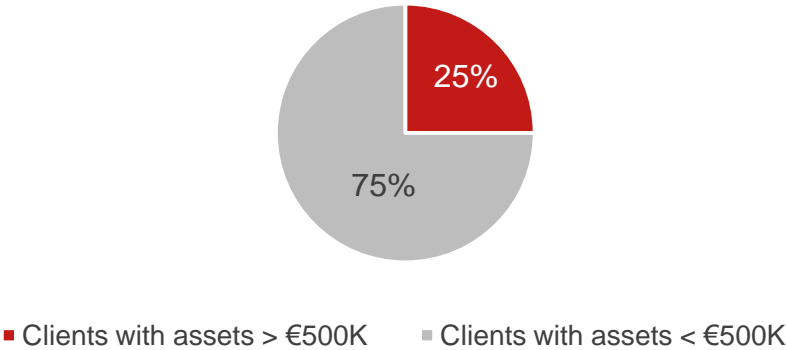
SIZE AND CLUSTER OF CLIENTS

Private household financial wealth - AIPB (clients with assets >€500k) (€bn)



- Private wealth up by **2% per year from 2009**
- Private wealth represents **25% of total Italian financial wealth** (+ c.2 p.p. vs. 2009)
- **Private households are c. 650k** , i.e. 10.7% of the entire population (60.5 million people)

Private Banking assets on total Household financial assets¹



Private Banking assets by cluster of clients

Client avg. assets	2018	% of tot.
€0.5-1 m	350.2	32%
€1-5 m	382.7	35%
€5-10 m	169.5	16%
> €10 m	176.8	16%
Total private Banking Assets	1,079.3	100%

DISCLAIMER

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

T. Di Russo, CFO

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

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

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

Neither Banca Generali S.p.A. nor any of its affiliates, directors, officers employees or agents owe any duty of care towards any user of the information provided herein nor any obligation to update any forward-looking information contained in this document.

UPCOMING EVENTS

OCTOBER

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

9M 2019 results
& Investor Conference Call

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