

2008 First Half Results

Giorgio Girelli, CEO
Milan, July 30, 2008

Today's Agenda

**Strong growth of 1H08 industrial results
in spite of a very negative market scenario**

The deepening of Mutual Funds crisis is an opportunity
for Banca Generali

2H08 – We have a clear and proven strategy
to face a tough market environment

In a nutshell: Banca Generali business model,
built also for tough periods, is delivering results

Banca Generali is delivering growing industrial results

Results: Main Takeaways

- Stable Net Industrial Revenues at €97m (interest margin increase broadly offsetting net commissions decline due to the ongoing equity market downturn)
- Costs effectively managed being flat in spite of the new banking contract (+5%) and new Lux venture set-up
- Conservative policy for provisions on recruiting in 1H08 (€ 16.3 m representing a very high share of full year target)
- Tax rate efficiency is fast improving (24% in 1H08, from 44% in 1H07)



INDUSTRIAL RESULTS

**Adjusted Profit
before Tax**
€26m

(+46% vs. 1H07)

**Adjusted
Net Profit**

€18.6m

(+84% vs. 1H07)

- Increase in unrealised losses (+€5.5m from 1Q08) mostly due to government bonds



REPORTED

Net Profit

€ 5.5m

(-45% vs. 1H07)

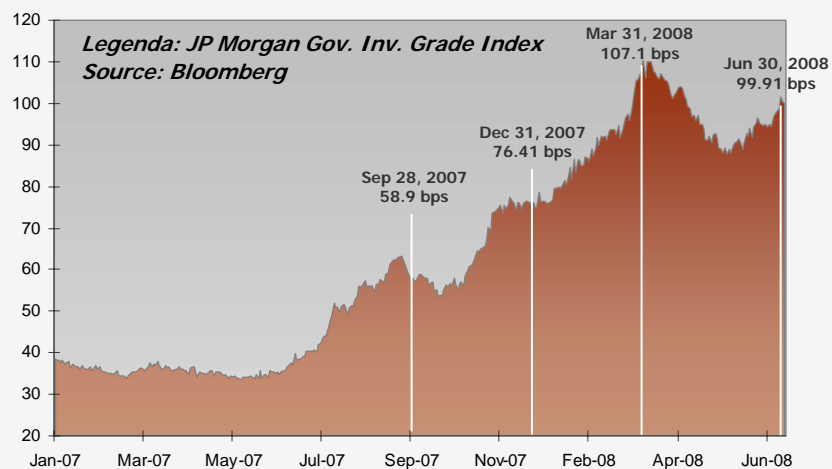
Consolidated Profit and Loss 1H08 Results: Key Comments

(€ m)	1H07 (reported)	1H 08 (reported)	% Chg	1H 08 (adjusted)	% Chg		
Net Interest Income	20,2	27,5	36,2%	27,5 (1)	36,2%	(1) Net Interest Margin benefited from the ongoing interest rate increase and expansion in banking activities	
Commission income	145,4	127,0	-12,7%	127,0	-12,7%		
Commission expense	-67,1	-57,2	-14,8%	-57,2	-14,8%		
Net Commission	78,3	69,7	-10,9%	69,7 (2)	-10,9%	(2) Net Commissions were hit by an unfavourable yoy comparison on entry fees and by falling underlying AUM	
Net income (loss) from trading activities	5,1	-19,4	n.m.	-19,4	n.m.		
Unrealized gain (loss) at fair value	-1,6	-19,1 (3)	n.m.	0,0	n.m.	(3) Net Financial Income at -€10.8m, as dividends counterbalanced unrealised losses on HFT portfolio (-€19.1m)	
Dividends	2,6	27,7	n.m.	27,7	n.m.		
Net Banking Income	104,6	86,4	-17,3%	105,5 (4)	0,9%	(4) Net Banking Income up 0.9% when adjusting for unrealised losses on HFT portfolio	
Staff expenses	-28,0	-27,5	-1,8%	-27,5	-1,8%		
Other general and administrative expense	-35,1	-36,3	3,5%	-36,3	3,5%		
		-63,1	-63,8	1,2%	-63,8	1,2%	
Depreciation and amortisation	-3,3	-2,6	-20,2%	-2,6	-20,2%		
Other net operating income (expense)	3,8	3,5	-8,8%	3,5	-8,8%		
Net Operating Expenses	-62,6	-63,0	0,6%	-63,0 (5)	0,6%	(5) Operating Costs flat despite an expensive National Banking Contract renewal (+5%) and set-up of Lux Company	
Operating Profit	42,0	23,5	-44,1%	42,5	1,3%		
Net adjustments for impair.loans and other assets	0,2	0,1	-26,7%	0,1	-26,7%		
Net provisions for liabilities and contingencies	-24,2	-16,3	-32,5%	-16,3	-32,5%		
Gain (loss) from disposal of equity investments	0,0	0,0	0,0%	0,0	0,0%		
Profit Before Taxation	18,0	7,3	-59,6%	26,3 (6)	46,1%	(6) Tax optimisation efforts start to bear fruits	
Direct income taxes	-7,9	-1,7	-78,0%	-7,7	-2,2%		
Net Profit	10,1	5,5	-45,3%	18,6 (7)	83,6%	(7) Strong increase in adjusted net profit	
Cost /Income Ratio	56,7%	69,8%	+13.1 p.p.	57,2%	+0.5 p.p.		
EBITDA	45,3	26,1	-42,4%	45,1	-0,3%		
Tax Rate	43,8%	23,8%	-20 p.p.	29,3%	-14.5 p.p		

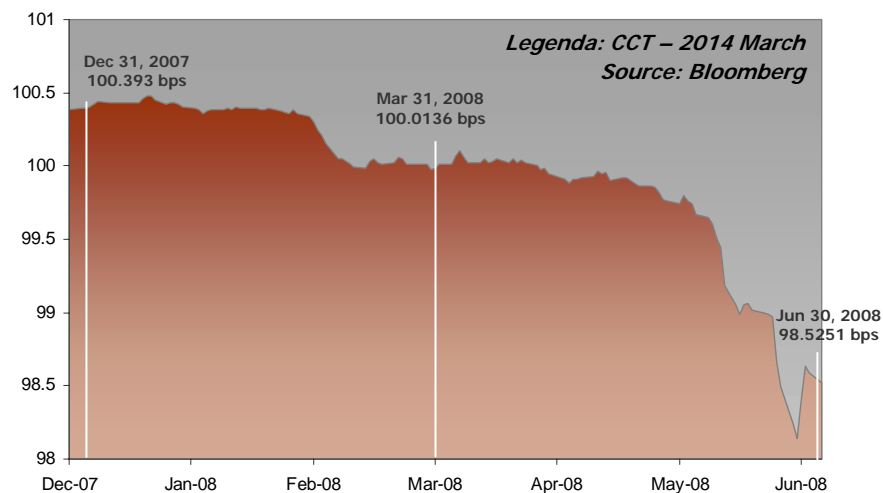
Note: 1H08 Net Profit Adjusted for € 19.1 m of unrealised capital losses at fair value on the trading investment portfolio (HFT)

Results influenced by persisting poor financial markets performance

JP Morgan Credit Spreads Investment Grade

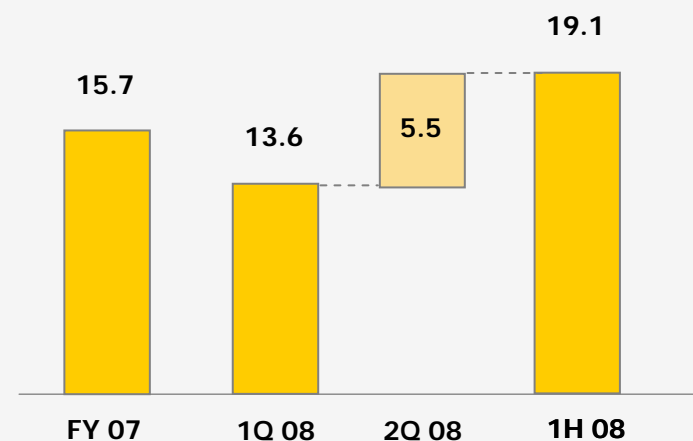


Government Bond Market, an example



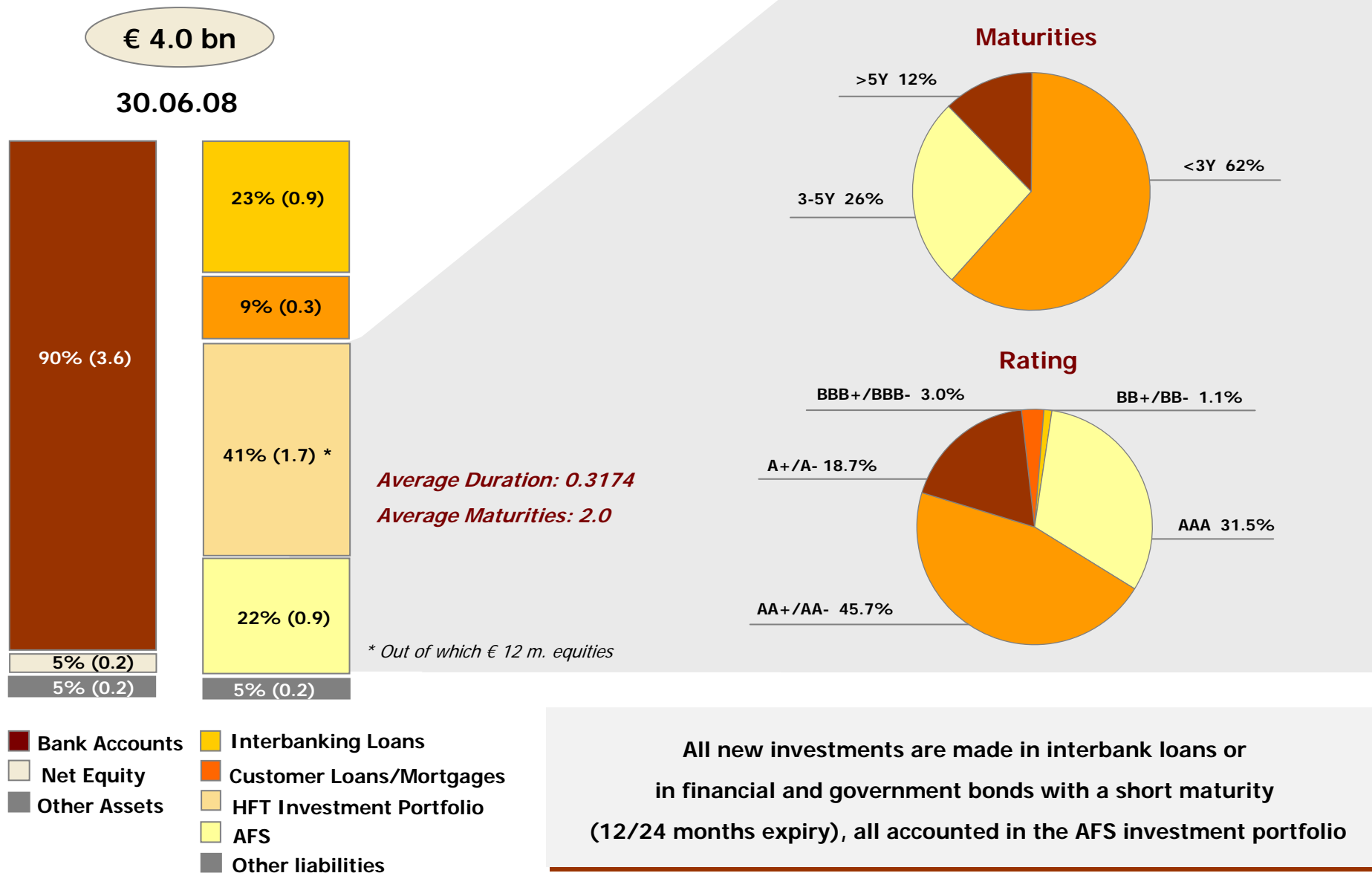
Unrealised Capital Losses on HFT Portfolio

(€ m)



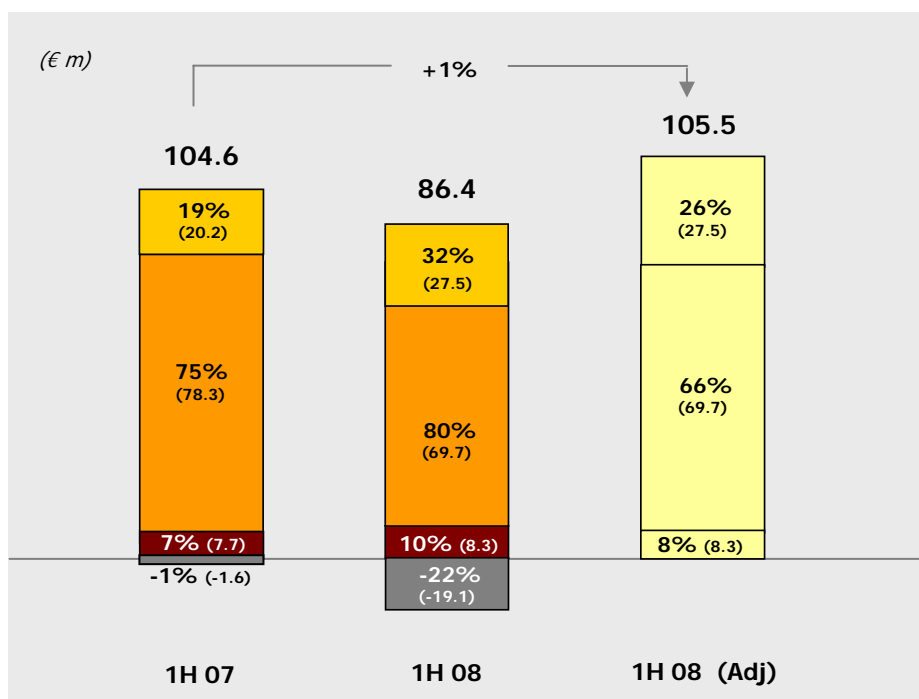
- In 2Q08, unrealised losses on HFT portfolio increased by €5.5 mln, also linked to government bonds. As for FY07, unrealised losses on bond will be fully recovered at maturity

Risk Profile in Investments is lower and lower



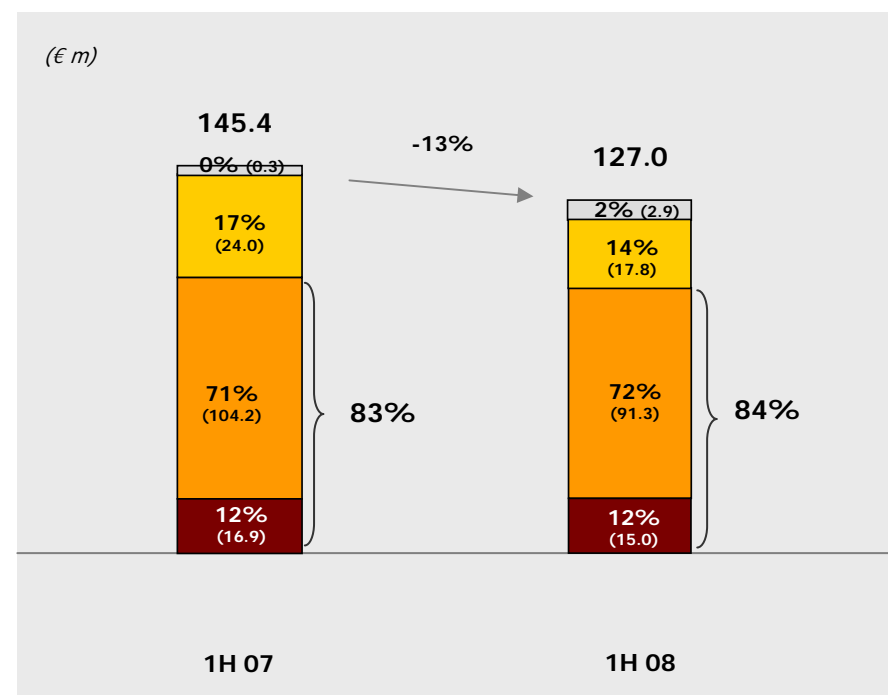
Very solid revenue base thanks to our business model; our P&L is not substantially influenced by performance fees

Breakdown of Net Banking Income



■ Net Interest Income ■ Net Income from trading and dividends
■ Net Commission ■ Unrealised gains/losses

Breakdown of Gross Commissions



■ Front Fees ■ Banking Revenues
■ Management Fees ■ Performance Fees

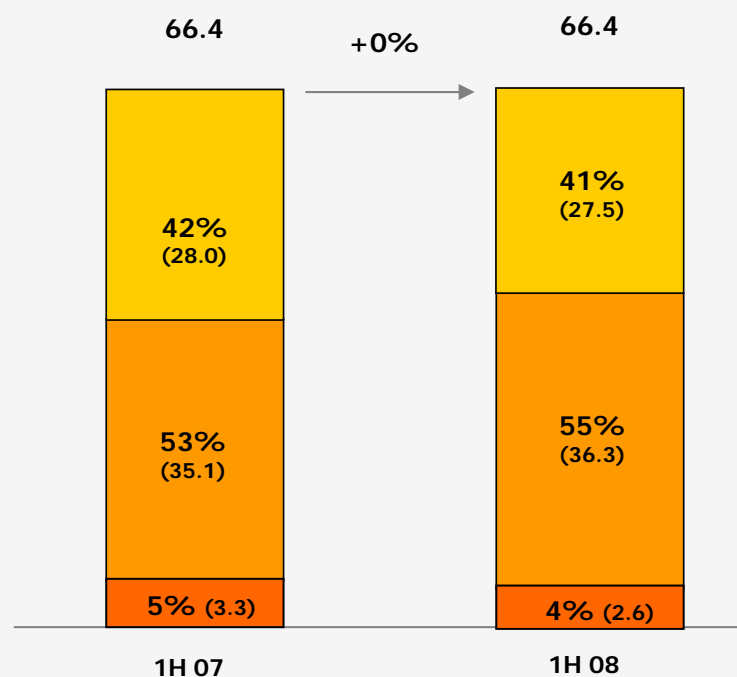
- Stable Adj. Net Banking Income, as a strong interest margin counterbalanced falling commissions
- Interest margin (€27.5m, +36% yoy) benefited from the interest rate increase and from growth in the banking activities

- Still unfavourable yoy comparison on entry fees
- Weight of recurring commissions further increased (84% vs. 83% in 1H07)
- Accounted performance fees are only 2% of commissions

Cost management is proceeding effectively, in real terms (ex inflation) costs fell by c.4%

Operating Costs Breakdown

(€ m)



Despite the 5% increase in the National Banking Contract, staff costs fell by 1.8% also thanks to the benefits of recent reorganisation at BSI

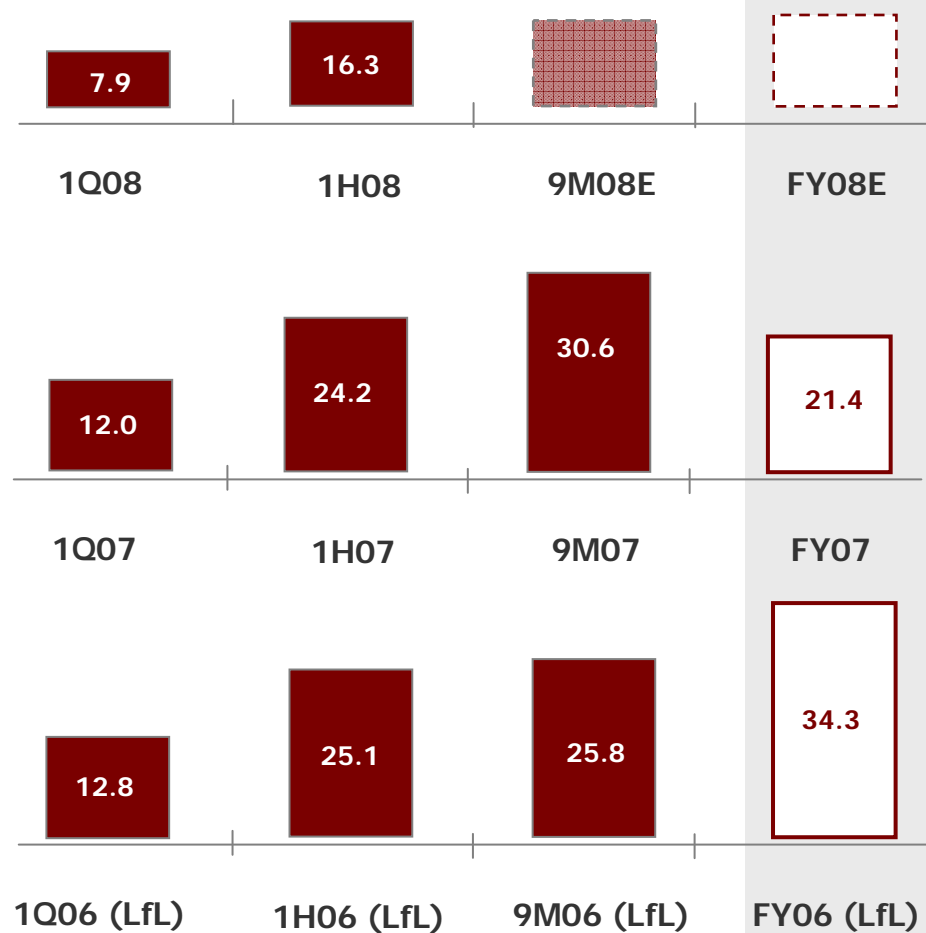
Administrative expenses increased by 3.5%, including the start-up costs of the Lux-venture and some non recurring expenses

■ Staff
 ■ G&A Expenses
 ■ Depreciation and amortisation

Decreasing weight of provisions, as anticipated at the beginning of the year

Net Provisions for Liabilities and Contingencies

(€ m, cumulated figures)

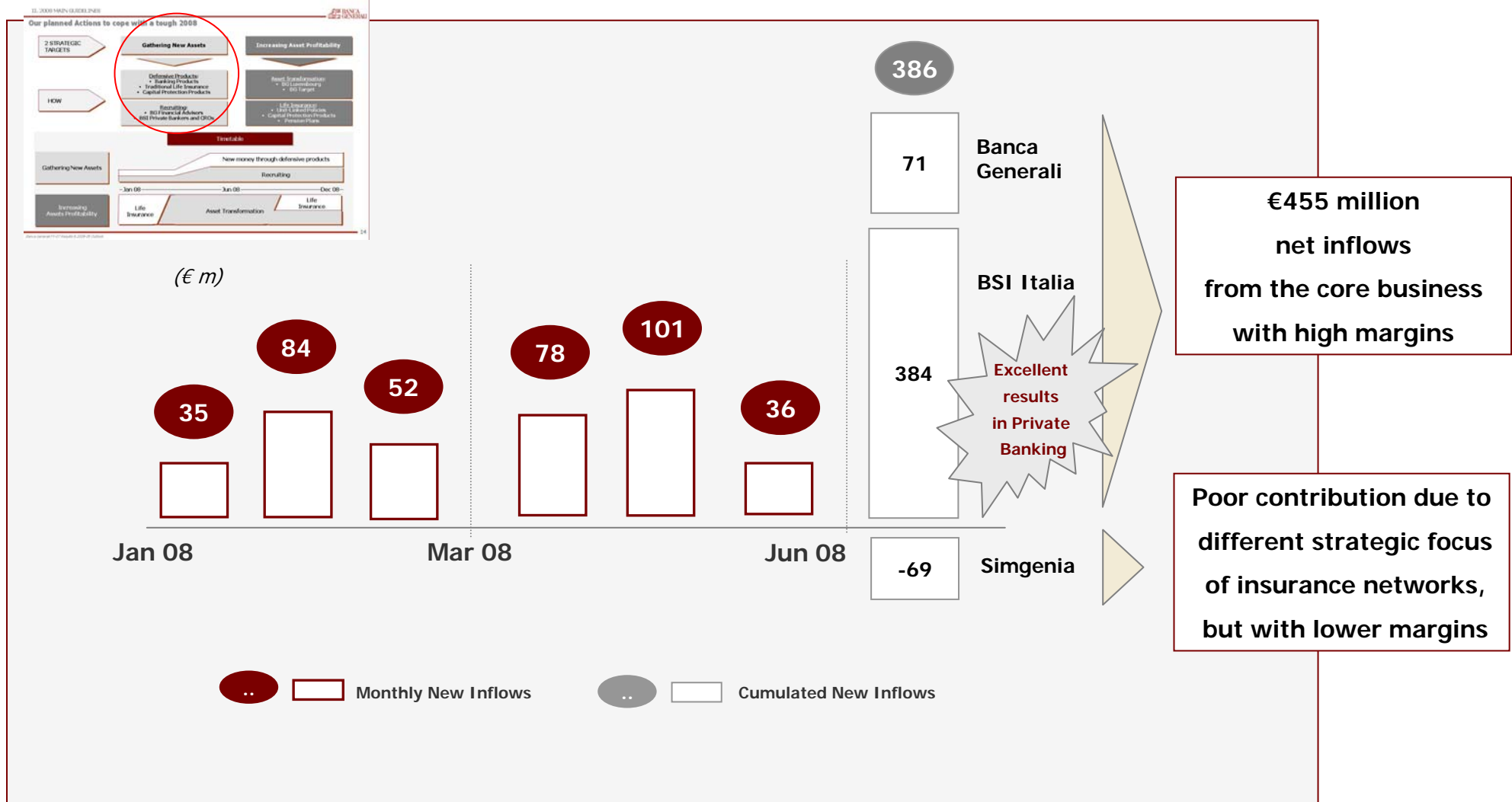


1H08 provisions for recruiting represent a very high share of the target for the full year

Total provision totalled €34 m, including €13m classified as commissions expenses given that they referred to expired recruitment plan

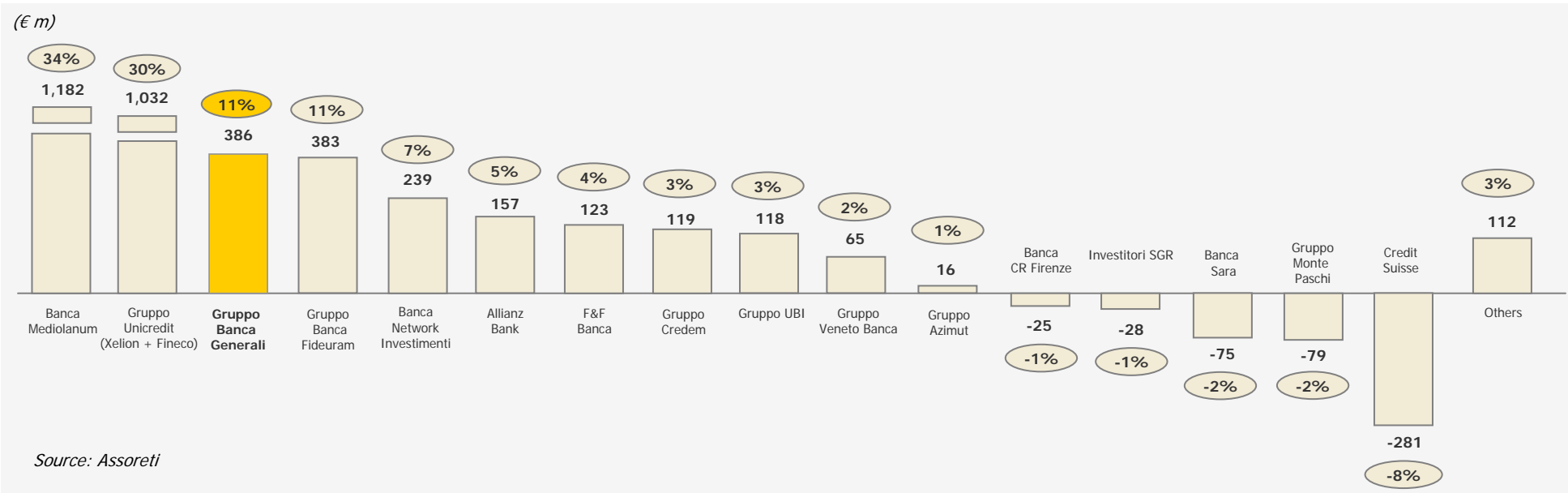
In 2006, Banca Generali posted an intense recruiting campaign to reinforce its Private Banking business

Delivering on targets (1/3) – Successfully Gathering New Assets in the private banking and affluent segments

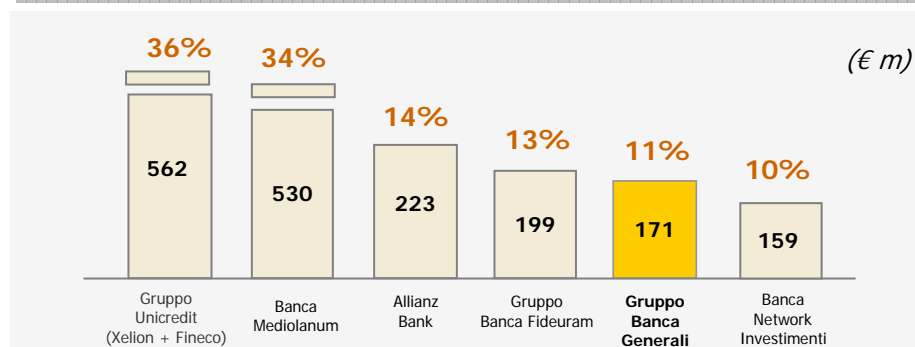


Excellent Net Inflows in 2Q08, a very good performance throughout 1H08

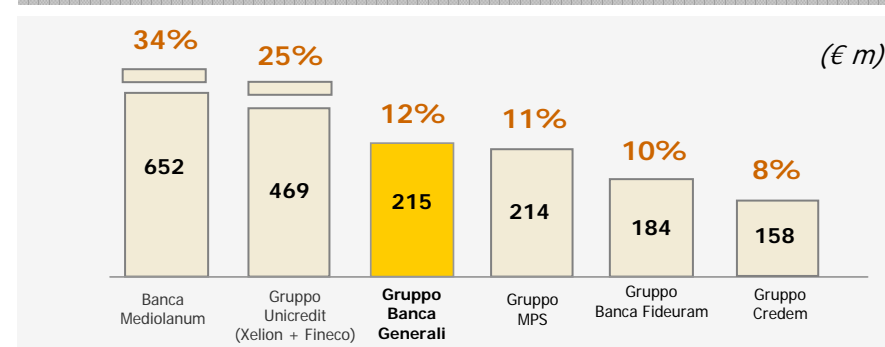
1H 08 "Promotori" Groups' Ranking by Net Inflows



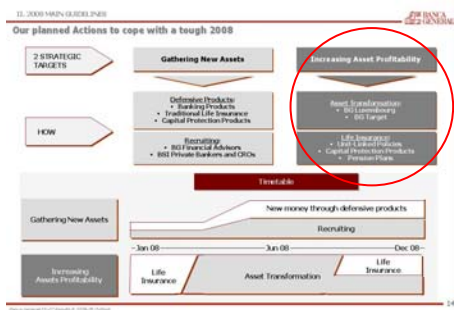
1Q 08 Ranking



2Q 08 Ranking

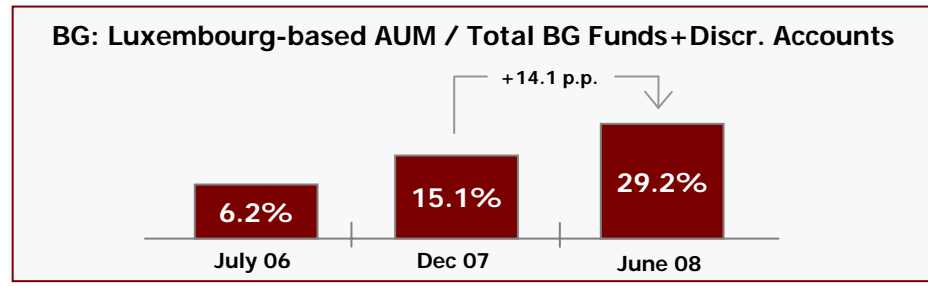
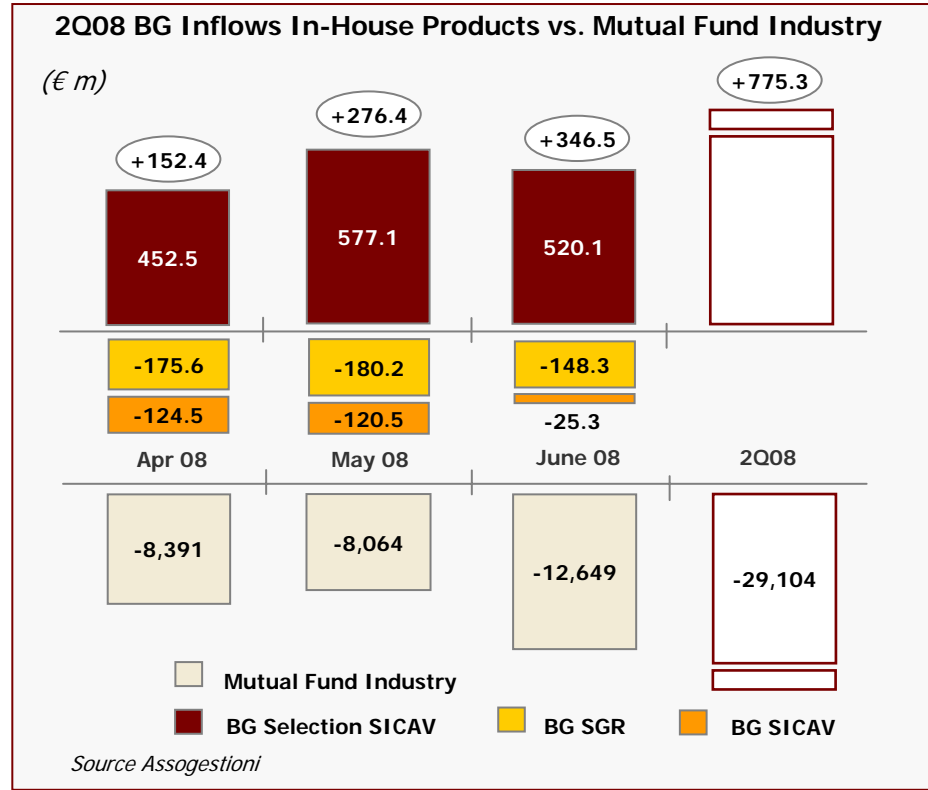


Delivery on targets (2/3) - Excellent Inflows into the products targeted as strategic at the beginning of the year

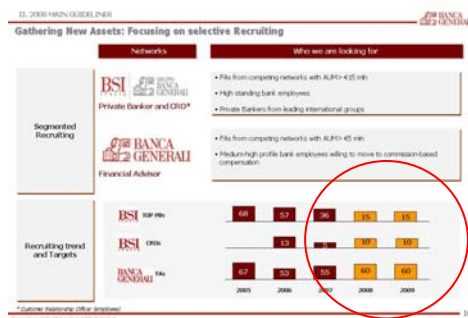


(€ m) **3,298**

BG TARGET BSI TARGET	7 Capital Protection Discretionary Accounts	364
BG SELECTION SICAV	14 Luxembourg-based Funds of Funds	1,926
BG SICAV	14 Traditional SICAV Lines	
Rialancio	Traditional Life Insurance	1,008
		End-June 08



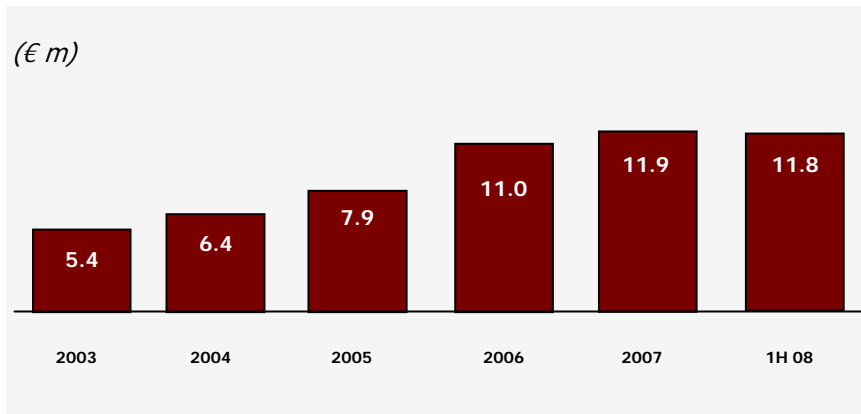
Delivery on Target (3/3) – Recruiting Target delivered on Private Bankers; our strategy to increase the quality of the networks is constantly proceeding



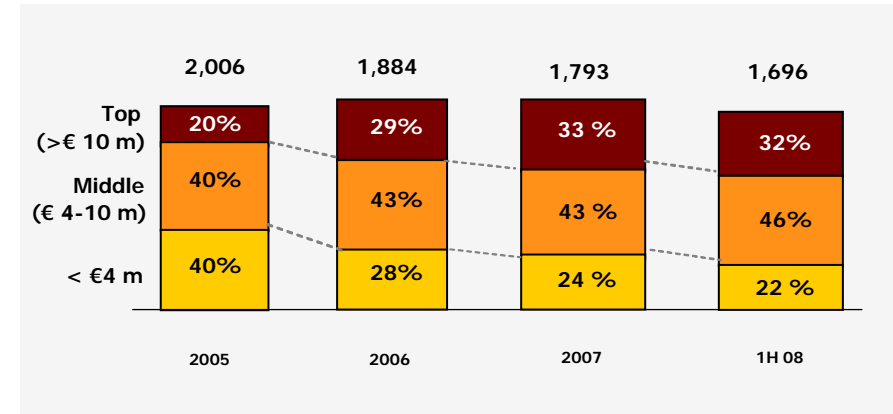
	BG	PB BSI	RM BSI	Total
1H08 TOTAL RECRUITING	13	17	7	37
2008 RECRUITING TARGETS	60	15	10	85
NEW 2008 RECRUITING TARGETS	35	30	15	80

TARGETS DELIVERED, focussing on private banking also for 2H08

AUM/Financial Advisor (1)



Financial Advisors by Portfolio (1)



Source: Assoreti

(1) Excluding Simgenia, FAs amounting to 2,712 at June 2008

Today's Agenda

Strong growth of 1H08 industrial results
in spite of a very negative market scenario

**The deepening of Mutual Funds crisis is an opportunity
for Banca Generali**

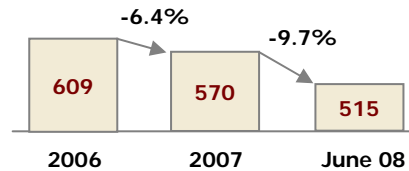
2H08 – We have a clear and proven strategy
to face a tough market environment

In a nutshell: Banca Generali business model,
built also for tough periods, is delivering results

1H08, the worst semester for the Italian Mutual Fund Industry, yet mostly driven by asset switch within commercial banks...

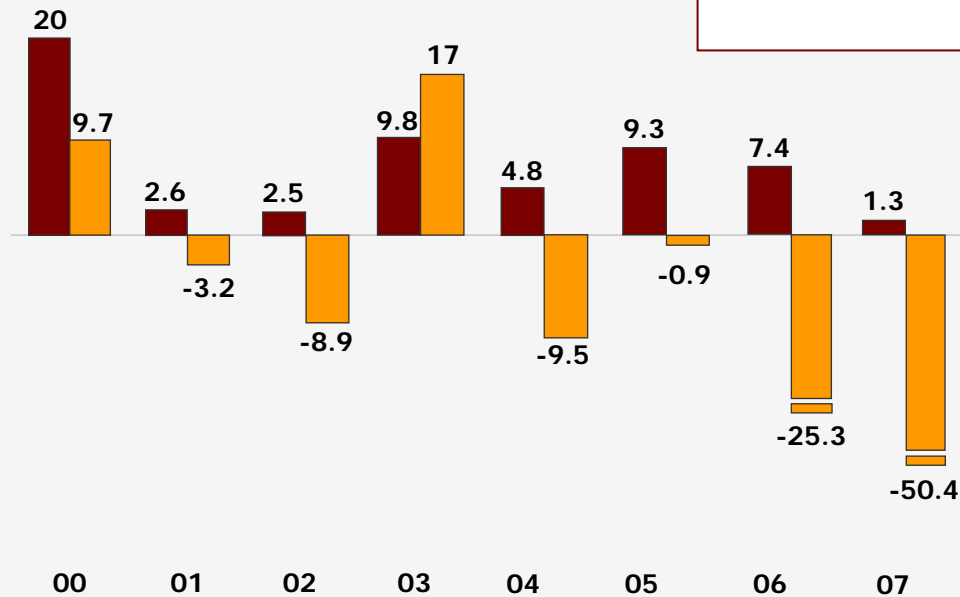
Stock of Mutual Funds Assets - Assogestioni

(€ bn)



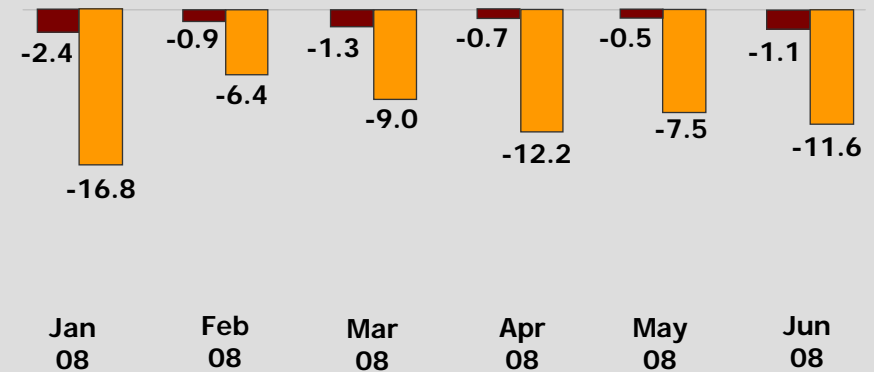
2000-07 Italian Mutual Funds flows

(€ bn)



Jan-Jun 08 Italian Mutual Funds flows

(€ bn)



■ Net Inflows FAs Network ■ Net Inflows other Distribution Channels (i.e. Bank Outlets, Post Offices)

Source: Assoreti

... turning this into an opportunity for Banca Generali to increase the market share of the Italian Household Assets

Banks' focus on managed savings and mutual funds is decreasing also due to the credit crisis

The need for investment consultancy arising from demanding customers is higher and higher, also due to volatile market environment

A **BIG OPPORTUNITY** for Banca Generali to gain market shares, given that...

1

we are focused only on the managed savings industry (long term savings) ...

2

... through a high-standing distribution network segmented by clients target (private and affluent) ...

3

... with a powerful banking platform and a fully comprehensive product offer able to meet all clients' needs in any market condition ...

4

... **Open Architecture is fastly becoming a must in the Italian Market and BG can exploit a real first mover advantage**

Today's Agenda

Strong growth of 1H08 industrial results
in spite of a very negative market scenario

The deepening of Mutual Funds crisis is an opportunity
for Banca Generali

**2H08 – We have a clear and proven strategy
to face a tough market environment**

In a nutshell: Banca Generali business model,
built also for tough periods, is delivering results

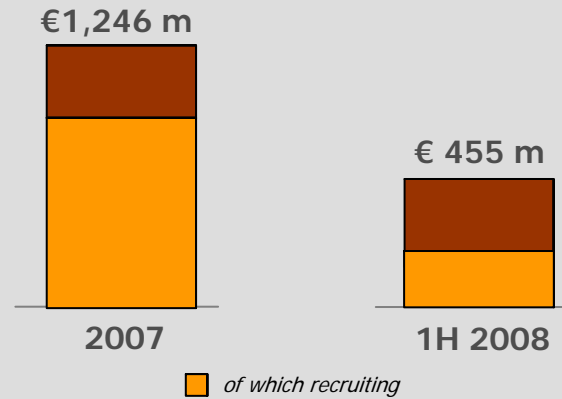
Strategy in 2H08 will continue to focus on Asset Gathering and Asset Transformation

We are growing through new assets gathering, leveraging on our two proven tools, i.e. ...



About 50% of AUM gathered in 2007 on defensive products (c.€600/650 mln) were turned into asset management products during 1H08





Net Inflows of the last 18 months (BG+BSI)





... and progressively, we are turning them into more profitable asset classes



GATHERING NEW ASSETS (1) – Very competitive offer also in “high visibility” products, able to attract and retain assets

Repo Rate <i>(net of taxes)</i>	1 month	3 months	6 months
IWBank 			
Iwpower Turbo <small>(from € 1,000)</small>	3.30%	3.70%	4.25%
Webank 			
My Profit Webank <small>(from € 1,000)</small>	3.30%	3.40%	3.50%
UniCredit 			
Money Box Unicredit <small>(from € 100,000 to € 150,000)</small>	3.80%	3.80%	3.80%
FINECO 			
Supersave Fineco <small>(from € 1,000 to € 150,000)</small>	3.59%	3.59%	3.59%

Banking deposit <i>(net of taxes)</i>	3 months	6 months	12 months
CheBanca! <small>Gruppo Mediobanca</small>			
Che Banca! <small>(anticipated interests payment)</small>	3.14%	3.29%	3.43%
ING DIRECT 			
Conto Arancio + opzione <small>(from € 50,000 to € 100,000)</small>	-	3.21%	3.43%
Santander 			
Conto Santander (Time Deposit)	-	3.28%	3.94%



Repo Rate* <i>(net of taxes)</i>	1 month	2 months	3 months
Repo Standard			
	3.63%	3.73%	3.80%
Repo Promotion (only for new money)			
	4.03%	4.05%	4.08%

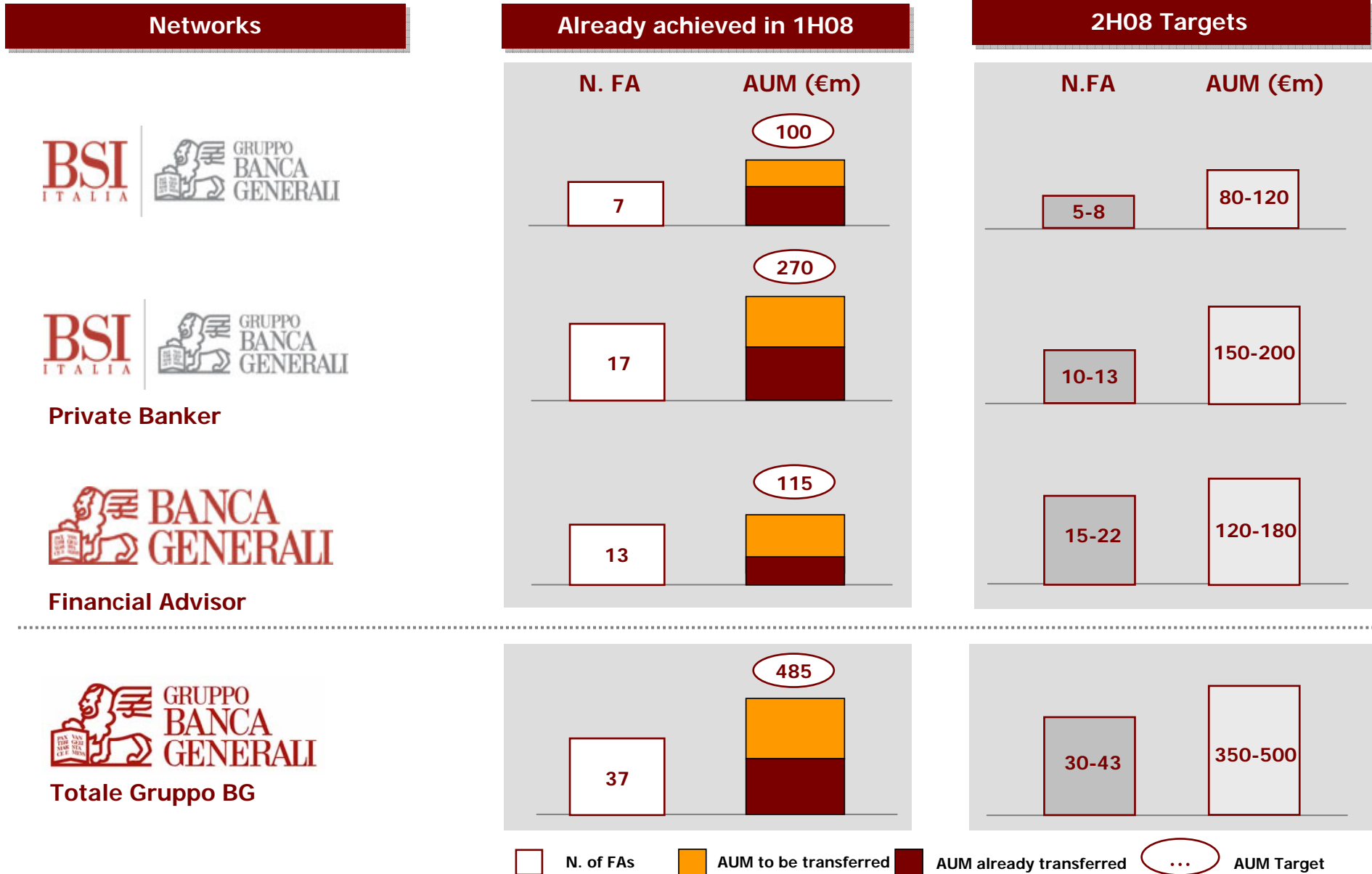
Banking account*	
VIP (Clients with AUM > € 1 bn)	Gross: 4.50% Net: 3.28%
PRIVILEGE (Clients with AUM > € 250 k)	Gross: 3.60% Net: 2.63%

Life policy* <i>(net of taxes)</i>	Performance 2008
RialAncio	3,57%

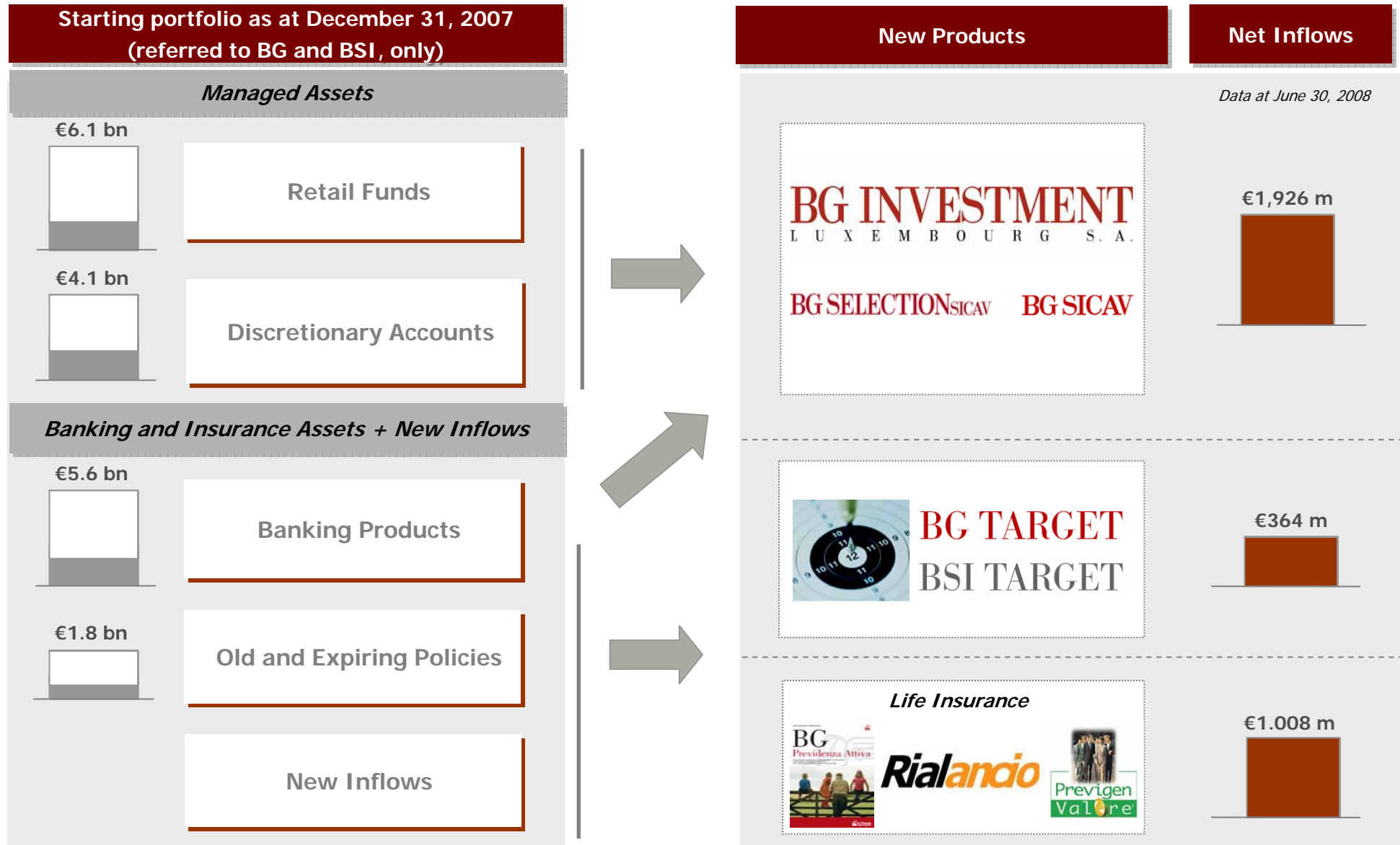
* Rates applied at July 14, 2008

Source: Research published on July 14, 2008 by Il Corriere della Sera (CorriereEconomia)

GATHERING NEW ASSETS (2) - Recruiting set to speed up also for Banca Generali Network



ASSET TRANSFORMATION – Confirming key trend outlined at the beginning of 2007...



... with a special focus on our new FOFs, BG Selection Sicav, given their proven results

In an highly gloomy contest...

INDEX	YTD	3M
S&P MIB	-23.9%	-7.2%
DJ EURO STOXX 50	-22.5%	-7.3%
CAC 40	-21.0%	-5.8%
FTSE 100	-18.9%	-0.7%
DAX	-20.4%	-1.8%
DOW JONES	-20.7%	-7.0%
NASDAQ	-19.9%	+1.1%
S&P 500	-19.2%	-2.8%
SWISS MARKET INDEX	-15.3%	-5.9%
NIKKEI	-12.5%	+1.7%
HANG SENG	-26.3%	-3.0%

Source: Bloomberg, data in Euro at June 30, 2008

... our products delivered good results

BG SELECTION SICAV

ARC



Perf 3M	Perf (from launch)
-0.25%	-0.67% *

ARC 10

Perf 3M	Perf (from launch)
-0.10%	-0.39% *

Alpha Generation

Perf 3M	Perf (from launch)
-0.42%	-4.50% **

Rialancio

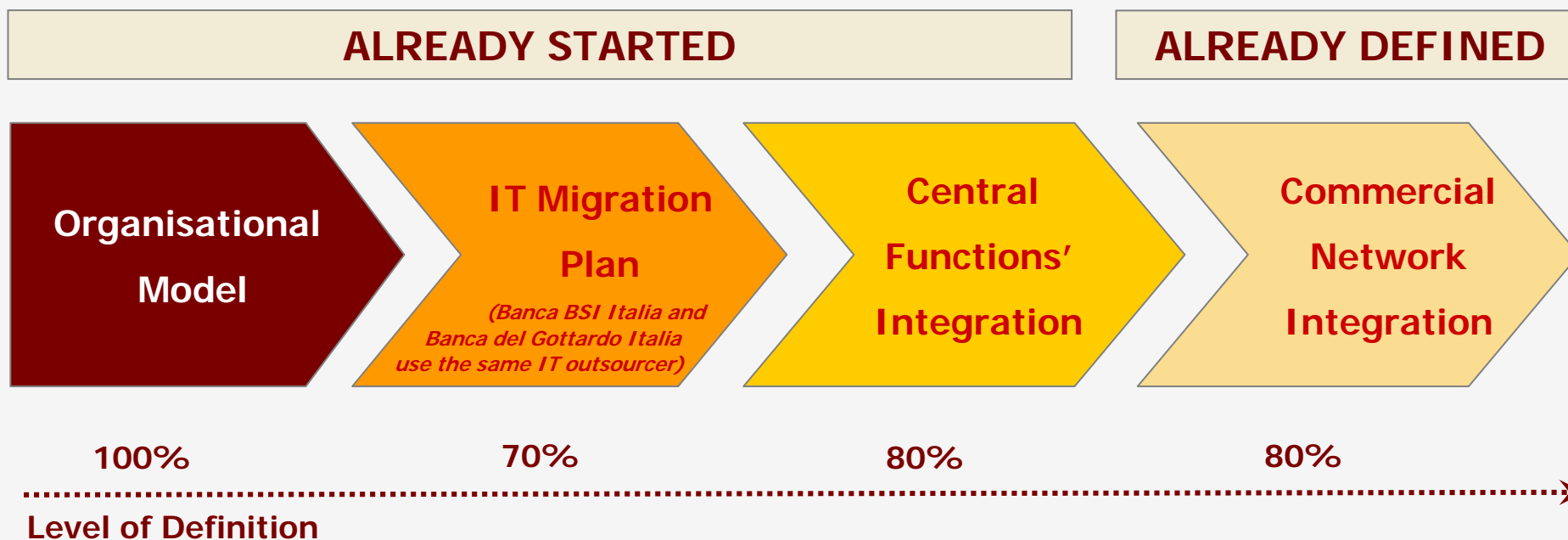
2008 Guaranteed Performance
4.07% (gross performance)

* March 04, 2008 ** Febraury 25, 2008

Source: Risk Management, Nav at June 30, 2008

Banca del Gottardo's Integration is moving fast

FULL EXPLOITATION OF BANCA GENERALI'S PROVEN SKILLS IN POST-MERGER INTEGRATION



- Costs synergies target (€4m) are fully envisaged and will be realised within 2009
- Revenues synergies (not included in the targets announced) look very interesting

Today's Agenda

Strong growth of 1H08 industrial results
in spite of a very negative market scenario

The deepening of Mutual Funds crisis is an opportunity
for Banca Generali

2H08 – We have a clear and proven strategy
to face a tough market environment

**In a nutshell: Banca Generali business model,
built also for tough periods, is delivering results**

Business Model set to deliver positive returns in any market conditions...

Solidity of revenues...

- Interest Margin proved to be an excellent tool to consolidate the top line
- Controlled exposure to equities
- Performance fees not relevant on the bottom line of our P&L
- Increasing contribution from the Trading Desk project

...yet, we are able to catch market recover

- New Performance fees structure on Lux-based product able to catch benefits from equity markets recovery once it will happen
- Network showed an impressive capability to speed-up asset transformation

Comprehensive products offer allows to meet any clients' need in any market situation

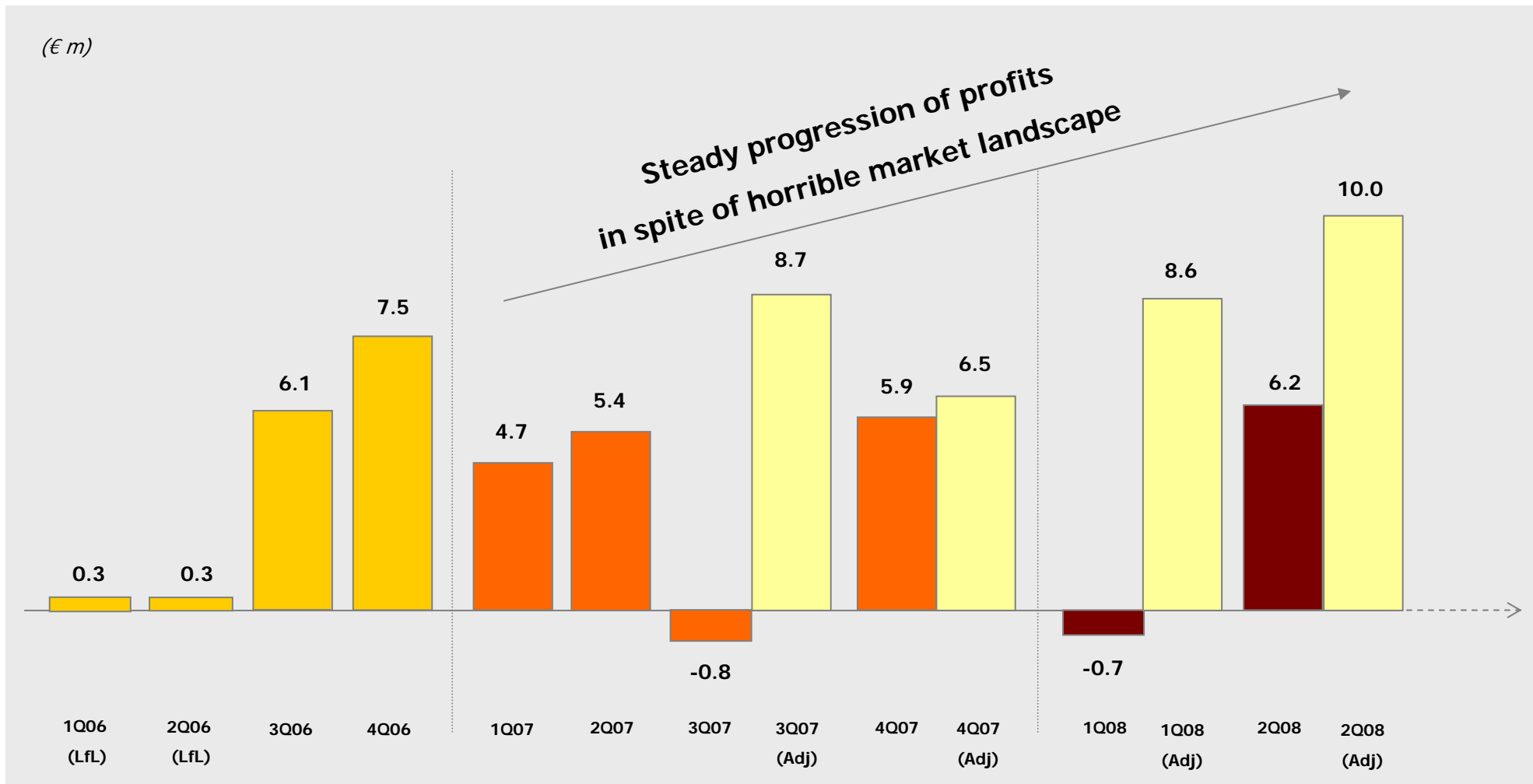
- Administered assets → competitive conditions to retain/capture assets
- Insurance → new innovative products leveraging on Generali Group's expertise will be added to the excellent current offer
- Managed Assets → Open architecture remains our key pillar combined with in-house products expertise

Proven Efficiency In Cost Management

- Excellent Track record
- No need for new investments
- All costs related to new projects already accounted (i.e. Lux, Trading Desk)

...as demonstrated by net profit growth on a quarterly basis in spite of negative market conditions and unrealised losses

2006-1H08 QUARTERLY NET PROFIT BREAKDOWN



Note: 1Q & 2Q 2006 figures are Like for Like (including Banca BSI Italia and Sant'Alessandro Fiduciaria, which joined the Banca Generali Group on July 1, 2006)

Our Business Model is set to deliver positive returns in any market conditions

**We do not feel confident to forecast
the timing of financial markets recovery**

**anyway,
Banca Generali is**

VERY CONFIDENT TO DELIVER WELL

1

Banca Generali is NOT a proxy of equity markets...

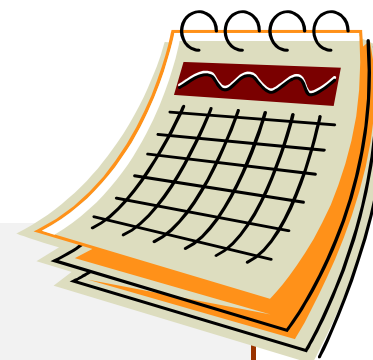
2

**...through its business model is fully equipped to answer to clients' need
and to face any NEGATIVE financial market conditions...**

3

... and is ready to capture any growth opportunity

What's Next



Tuesday October 28, 2008:

10:00 AM CET	Review of 3Q08 Accounts
3:00 PM CET	Conference Call

Investor Relations Team

Giuliana Pagliari

Investor Relations Officer

Tel +39 02 6076 5548

Federico Mangiagalli

Tel +39 02 6076 5545

Fax +39 02 6682 854

E-mail investor.relations@bancagenerali.it

Website: www.bancagenerali.it

Disclaimer

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

G. Fancel, 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.