

# 3Q10 Results

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Restless pursue for excellence

*Milan, October 25<sup>th</sup> 2010*

# 3Q10 Results

## Summary



### ★ 3Q10 Highlights

#### ★ Asset Management

#### ★ Distribution

#### ★ 3Q10 Financials

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# 3Q10 Results



## \* 3Q10 Highlights

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# 3Q10 Highlights

**Total revenues: €254.3 million**

(9M09: €249.4 million)

**of which FMF €203.1 million**

(9M09: €164.1 million)

**of which VMF €32.4 million**

(9M09: €69.1 million)

**Net profit: €66.4 million**

(9M09: €86.9 million)

**Funds' flows: €511.3 million**

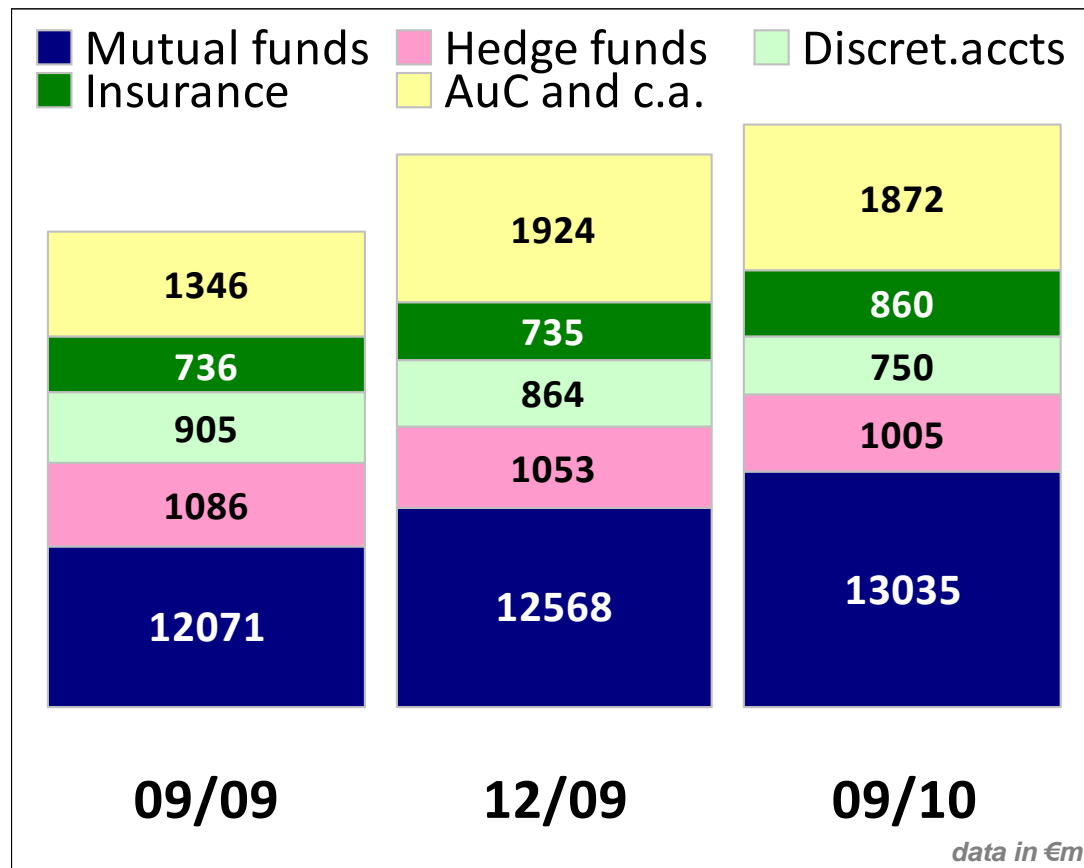
(9M09: €842.7 million)

**Total Assets: €16.2 billion**

(9M09: €14.7 billion)

**of which AuM €14.3 billion**

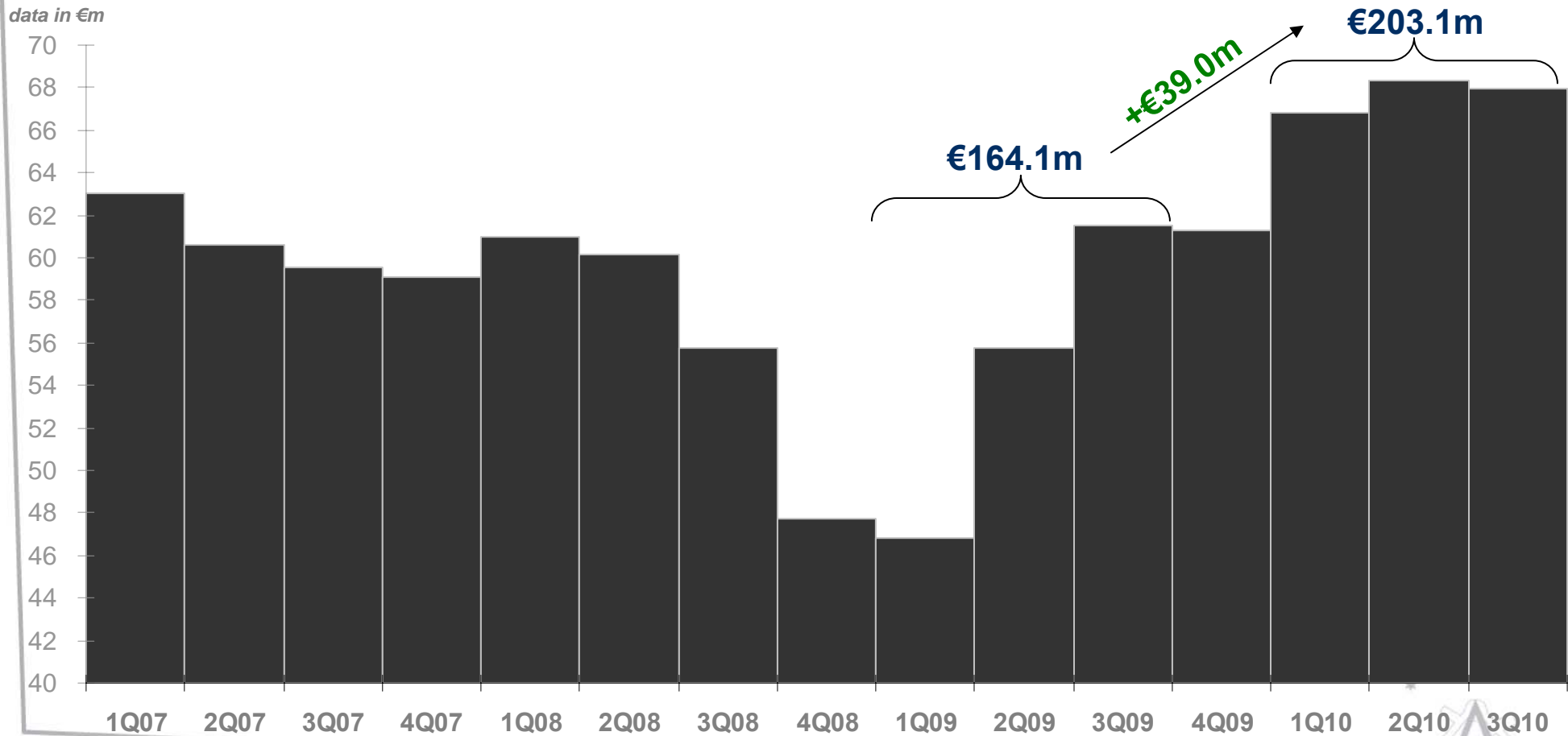
(9M09: €13.4 billion)



# 3Q10 Highlights

Just as a reminder... from our 2009FY presentation updated with Q3 figures (FMF)

🚩 *“As opposed to the same period of 2009, the P&L now can rely on a much higher amount of recurrent revenues offsetting a possible decrease of VMF in 2010”* March 12<sup>th</sup> 2010



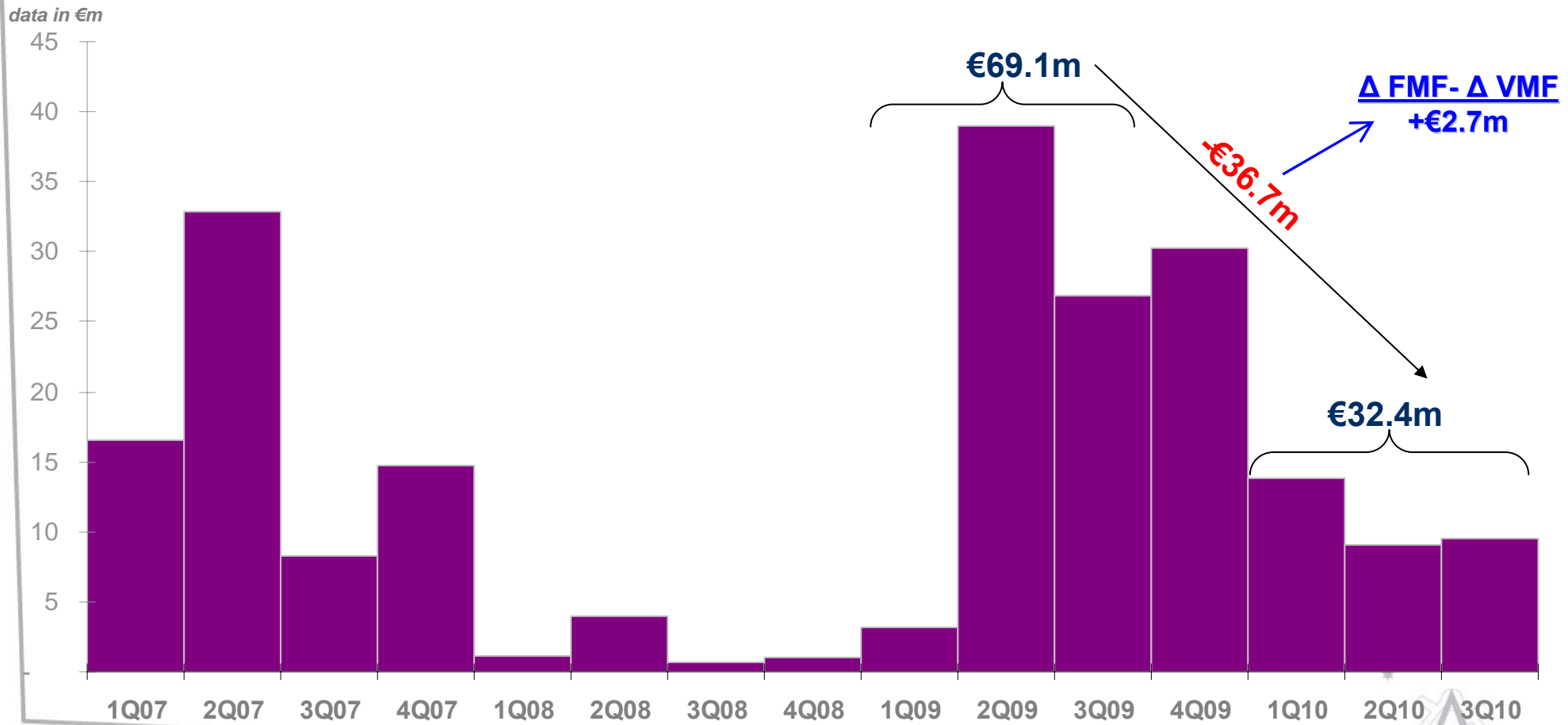
Short “termism” is institutionally banned



# 3Q10 Highlights

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🏠 “As opposed to the same period of 2009, the P&L now can rely on a much higher amount of recurrent revenues offsetting a possible decrease of VMF in 2010” *March 12<sup>th</sup> 2010*



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\* **Asset Management**

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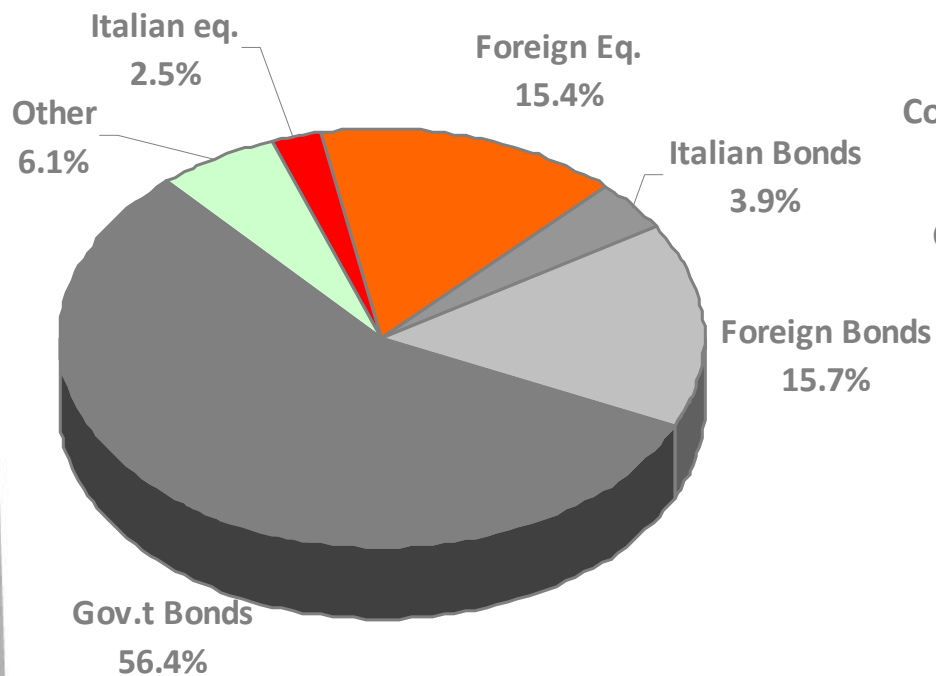


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# Mutual fund breakdown by underlying assets

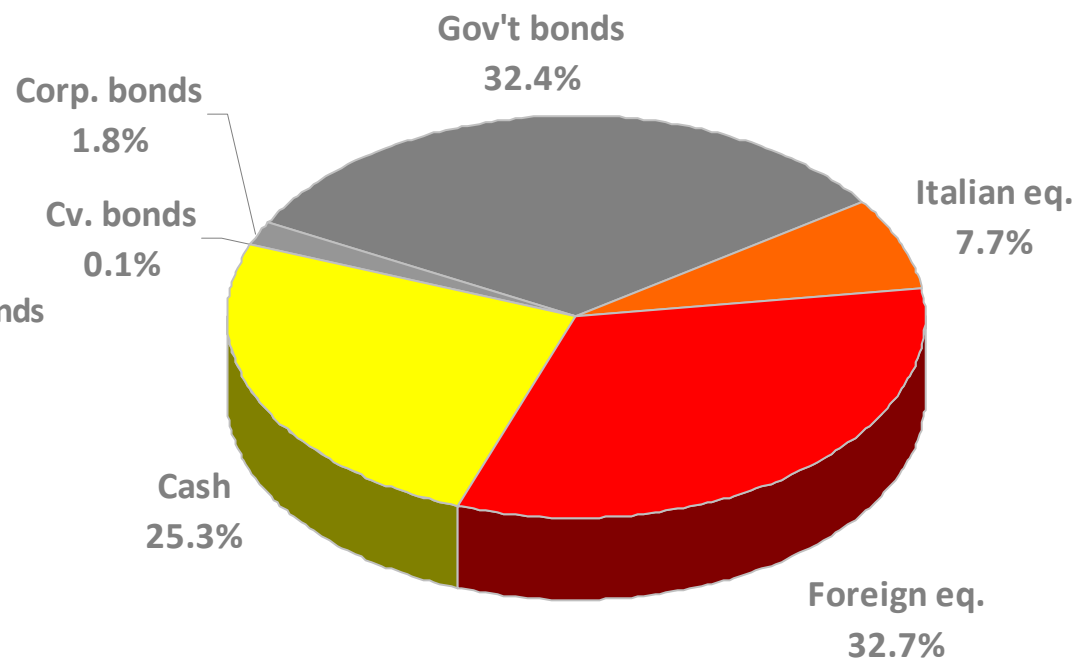
## Italian Industry

Total Equity **17.9%**



## Azimut

Total Equity **40.4%**



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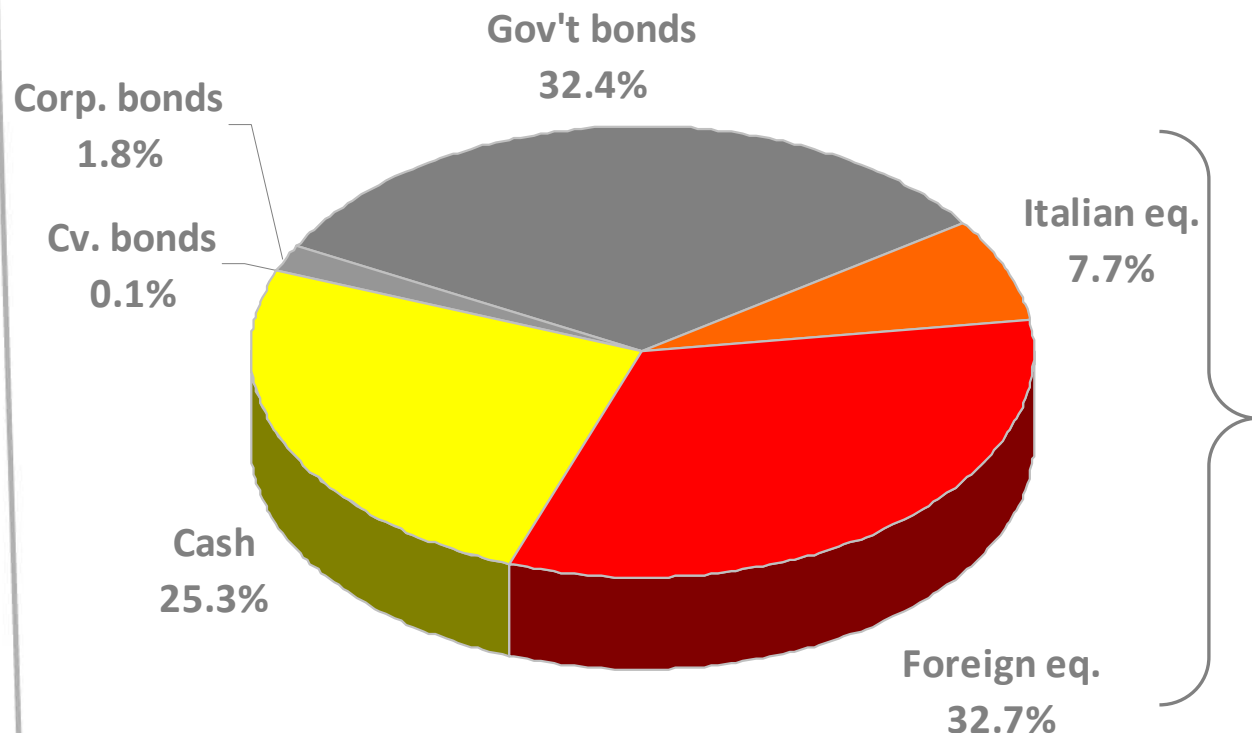
Source: Company data / Assogestioni / Il Sole 24 ore - data as at 30/09/2010



# Azimut funds' breakdown by underlying assets

## Azimut

Net Equity Exposure: **40.4%**



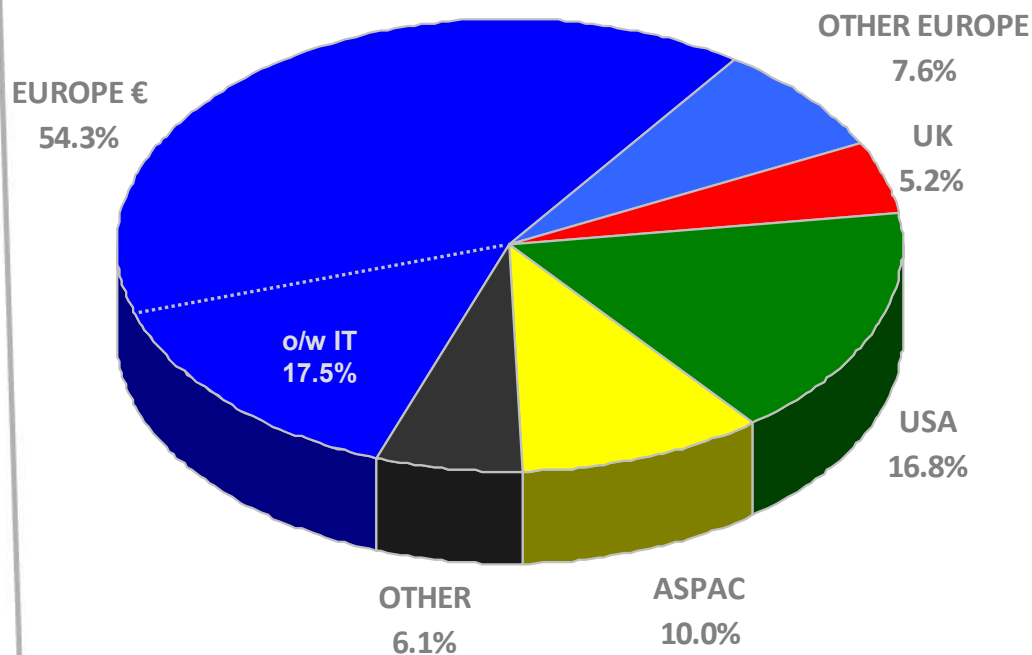
**Gross equity exposure** 52.0%  
**Index futures and options** -11.4%  
**Equity futures and options** -0.2%

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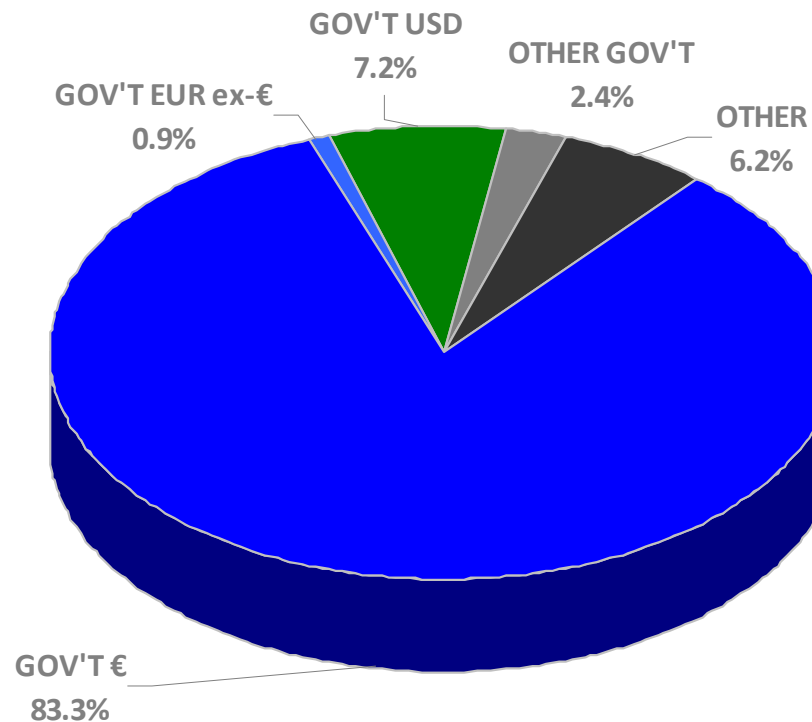


# Azimut funds' breakdown by underlying securities

## Equities



## Fixed Income

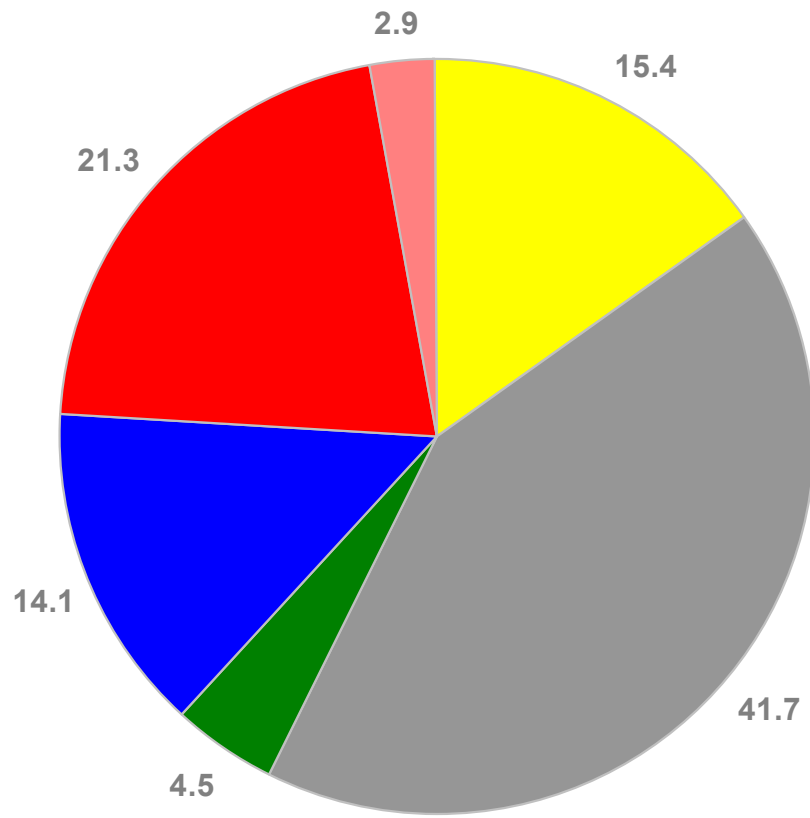


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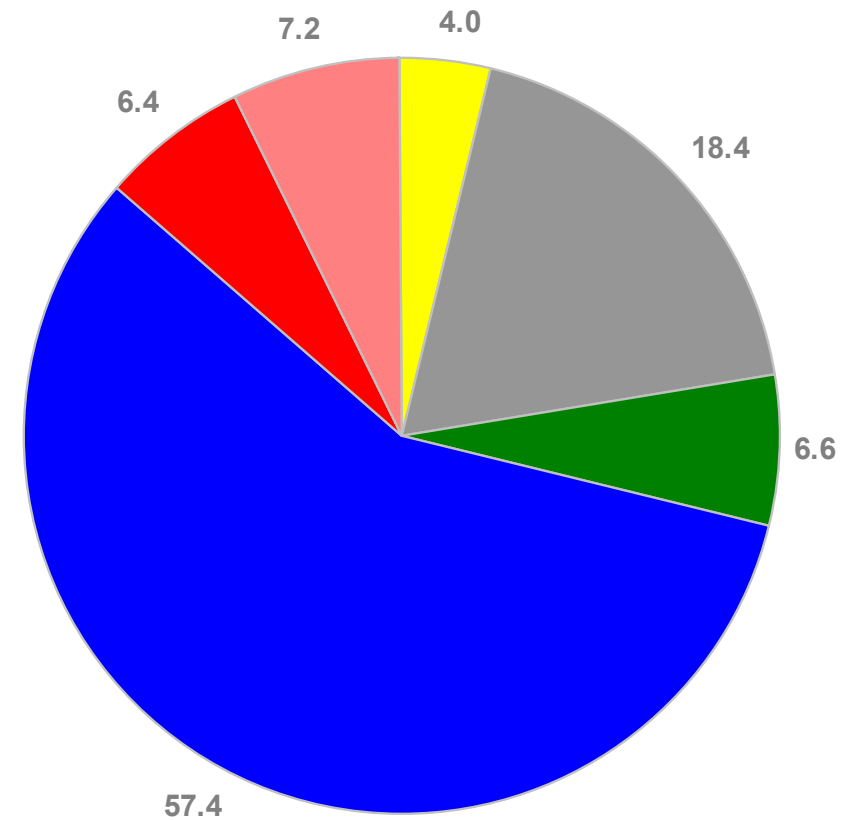
# Funds breakdown by category

Italian Industry (%)



■ Cash 
 ■ Bond 
 ■ Balanc. 
 ■ Flexible 
 ■ Equity 
 ■ Hedge

Azimut (%)



■ Cash 
 ■ Bond 
 ■ Balanc. 
 ■ Flexible 
 ■ Equity 
 ■ Hedge

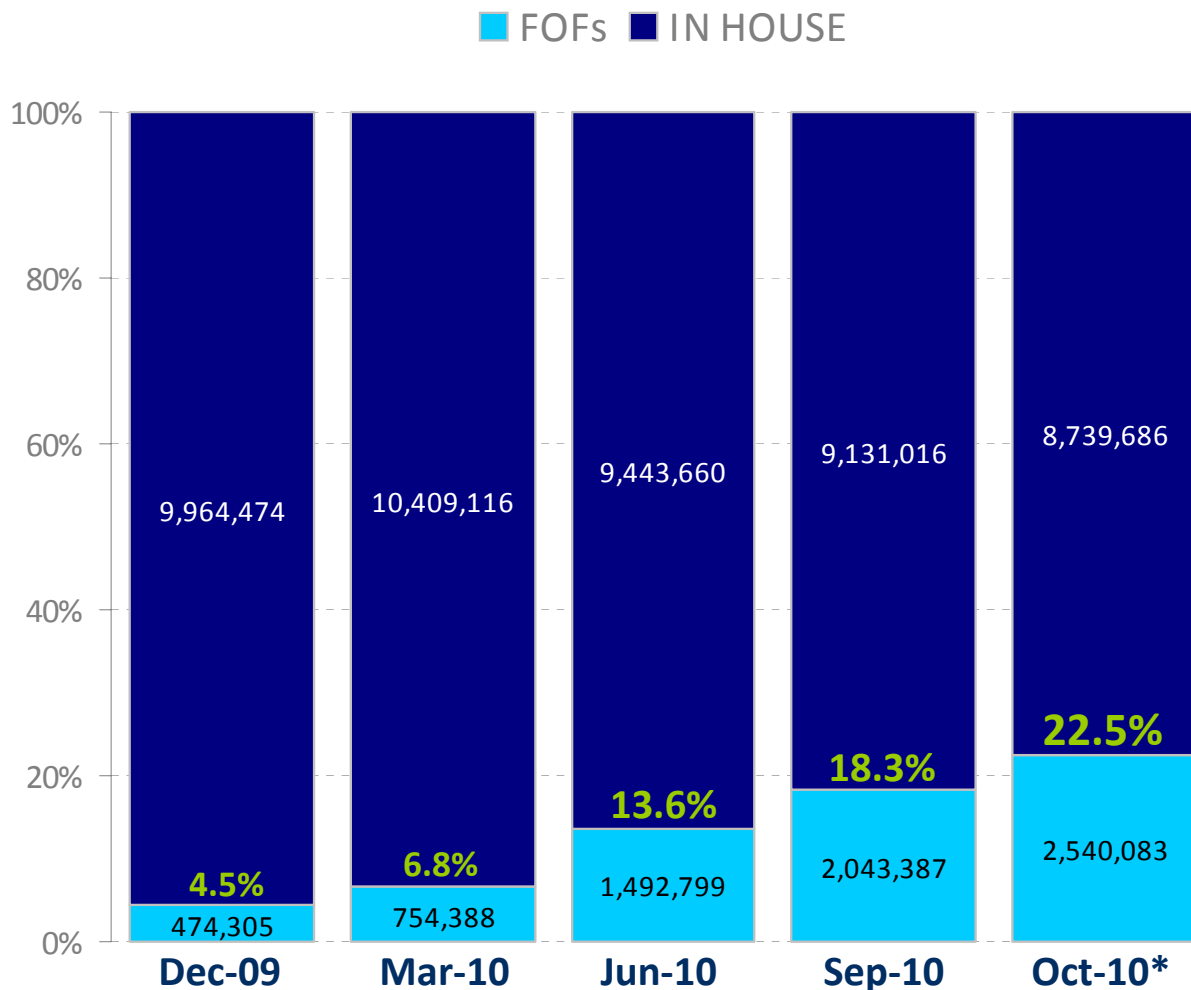
Source: Company data/ Assogestioni at 30/09/2010



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# Funds breakdown by category

## Growth of the FoF business – AuM in €/000



Instead of offering unbundled products for the asset classes not managed in house, our FAs can sell FoFs of third parties, which do not dilute gross margins.

In addition, this approach avoids the role mix-up of a Portfolio Manager versus a FA: no “backward glance” choices

A value-added open architecture: a strict, unbiased and rigorous fund picking process

### FACTS & FIGURES – OCT 2010

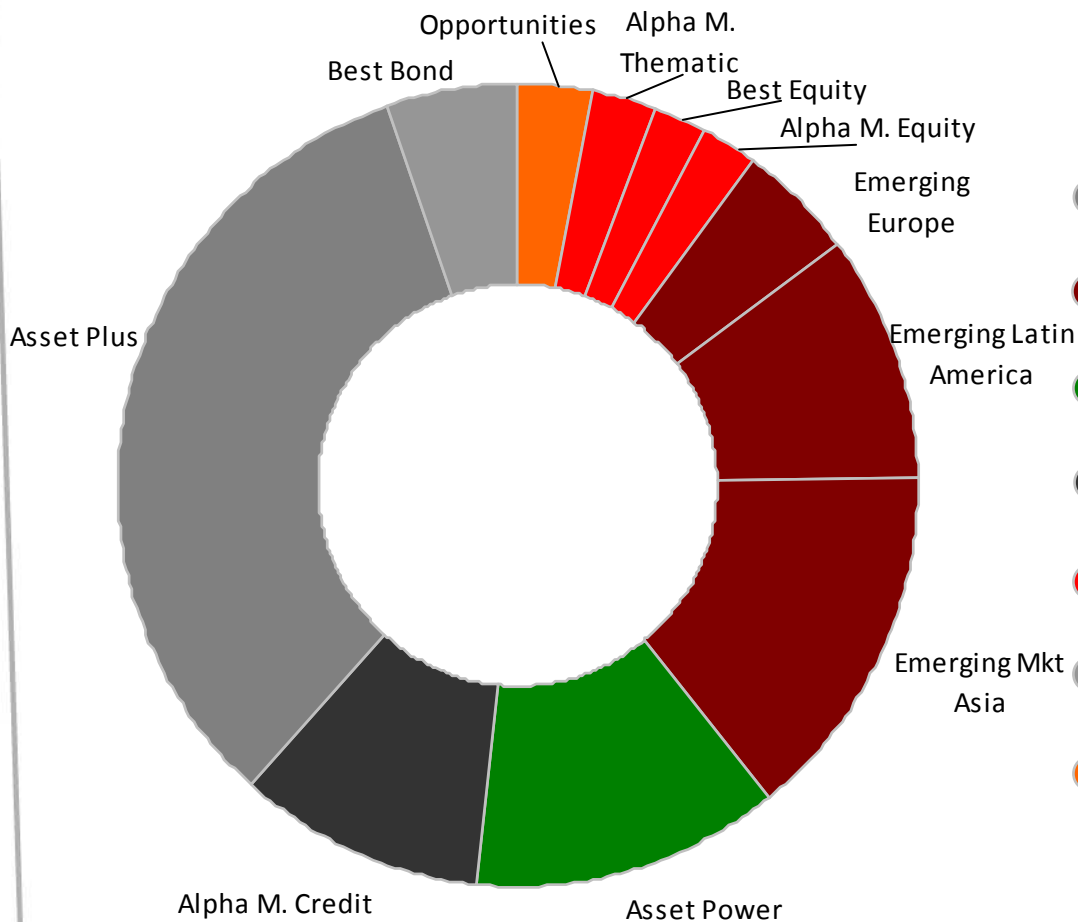
2,700+ monitored 3<sup>rd</sup> party funds  
 396 investment targets  
 194 invested 3<sup>rd</sup> party funds

Source: Company data \* as of 21st October 2010



# FoF breakdown by strategy

## Growth of the FoF business



% BY STRATEGY		YTD% RETURN
● 33.2%	Mixed fixed income	2.5%
● 29.3%	Emerging markets equities	16.1%
● 12.4%	Balanced portfolio	5.3%
● 9.9%	Corporate (IG, HY) and Em. debt	5.2%
● 6.9%	Global equities	12.3%
● 5.2%	Diversified fixed income	Inception 22/9
● 3.0%	Small caps	15.6%

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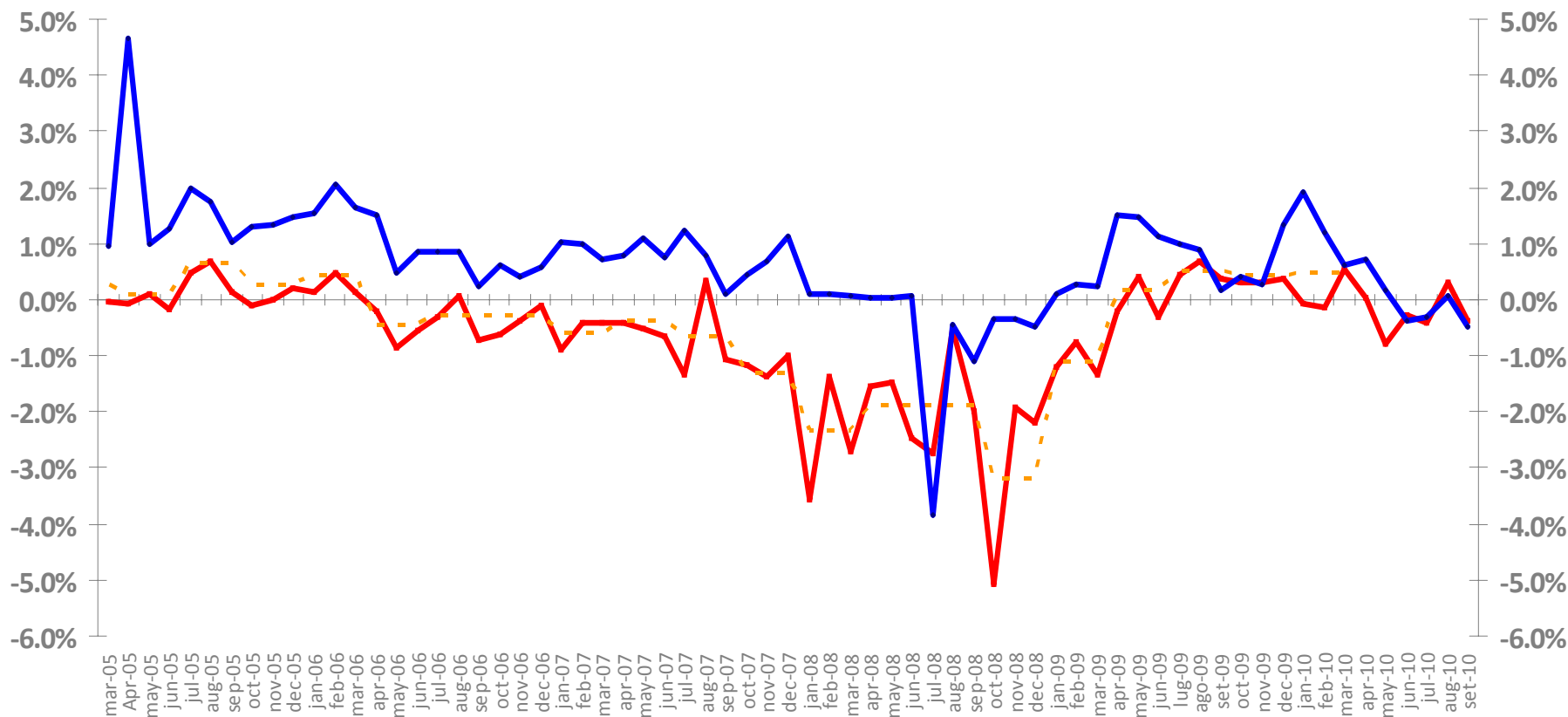


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# Distribution - Funds

2005 – 10 Funds' net inflows as a % of total managed assets

● Azimut ● Italian Funds' Industry






Source: Company out of Assogestioni monthly figures.  
Dotted line: Assogestioni reclassified quarterly figures



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# Distribution – Recruitment

Already in excess of 100 new additions YTD

	31/12/09	IN	Churn	30/09/10
 <b>AZIMUT</b> <small>CONSULENZA SIM</small>	1,075	52	4.7%	1,076
 <b>AZ INVESTIMENTI</b>	215	29	6.5%	230
 <b>APOGEO</b> <small>CONSULTING</small>	55	23	9.1%	73
<b>Total</b>	<b>1,345</b>	<b>104</b>	<b>5.2%</b>	<b>1,379</b>

**Churn includes retired PFs**

**Apogeo PFs do not include hiring by the former Cattolica sim**

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# Consolidated reclassified income statement

IAS/IFRS compliant

Data in €/000	9M10	9M09	2009FY
Entry commission income	4,437	4,293	6,166
Recurring fees	203,083	164,079	225,390
Variable management fees	32,381	69,116	99,338
Other income	5,867	4,464	6,226
Insurance revenues	8,545	7,410	10,274
<b>Total Revenues</b>	<b>254,313</b>	<b>249,362</b>	<b>347,394</b>
Distribution costs	-130,471	-110,087	-152,432
Commissions on no load products	-12,359	-11,957	-15,394
Personnel and SG&A	-37,949	-33,201	-45,988
Depreciation, amort./provisions	-1,105	-1,657	-3,762
<i>Operating Costs</i>	<i>-181,884</i>	<i>-156,902</i>	<i>-217,576</i>
<b>Operating Profit</b>	<b>72,429</b>	<b>92,460</b>	<b>129,818</b>
Income from financial operations	1,531	1,463	1,696
Net non operating profits/costs	-1,197	-1,059	-1,279
Interest expenses	-5,600	-5,789	-6,739
<b>Profit Before Tax</b>	<b>67,163</b>	<b>87,075</b>	<b>123,496</b>
Income tax	-3,277	-2,035	-4,387
Deferred tax	2,502	1,882	-0,872
<b>Net Profit</b>	<b>66,388</b>	<b>86,922</b>	<b>118,237</b>

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# Consolidated net financial position

IAS/IFRS compliant

Data in €/000	30/09/10	31/12/09	30/09/09
<b>Amounts due to banks:</b>	<b>(106,679)</b>	<b>(106,166)</b>	<b>(109,971)</b>
<i>Senior Loan</i>	<i>(90,469)</i>	<i>(90,455)</i>	<i>(90,541)</i>
<i>Trademark lease-back</i>	<i>(16,210)</i>	<i>(15,711)</i>	<i>(19,430)</i>
<b>Securities issued:</b>	<b>(68,206)</b>	<b>(85,684)</b>	<b>(84,803)</b>
<i>Azimut '09-'16 subordinated bond</i>	<i>(68,206)</i>	<i>(85,684)</i>	<i>(84,803)</i>
<b>TOTAL DEBT</b>	<b>(174,885)</b>	<b>(191,850)</b>	<b>(194,774)</b>
<b>Cash and cash equivalents</b>	<b>243,642</b>	<b>213,715</b>	<b>175,113</b>
<b>NET FINANCIAL POSITION</b>	<b>68,757</b>	<b>21,865</b>	<b>(19,661)</b>

The NFP includes:

€ 6.5m for dividends paid cash in May

€ 5.5m for tax

€ 18.5m for other liabilities

€ 3.2m for the Apogeo 100% acquisition

€ 3.0m for AZM share buyback

€ 17.7m for the 20% cash reimbursement of the "Azimut 4% subordinated bond 2009-16"

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# Outlook

🚩 As anticipated in the H1 conference call, we started our renewal and enhancement of our business in order to react to the current market environment

🚩 Asset management:

🚩 launch of two new fund of funds in September (a global equity and a diversified fixed income) already with AuM in excess of € 188.5m

🚩 the FoF business is growing very rapidly, with the advantage of expanding the product offering especially for those asset classes not managed in house without additional costs and at the same margins of the in-house products

🚩 In addition, the “managed way” to open architecture enables a higher quality since the fund picking is reserved to a specialised PMs team operating in Luxembourg since 2006

🚩 At the same time, our existing products can continue to be managed keeping a high degree of characterisation of the investment process

**EXCELLENCE IS NOT ENOUGH...**

**...NEEDLESS TO SAY, AZIMUT !**



# IR CONTACTS

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