

Azimut Holding: Net profit of € 57.2 million as at 30th September 2011

In 9M11:

- **Consolidated total revenues: 243.7 million euro**
- **Consolidated net profit: 57.2 million euro**

In 3Q11:

- **Consolidated total revenues: 69.7 million euro**
- **Consolidated net profit: 12.4 million euro**

Milan, 10th November 2011

Azimut Holding's Board of Directors approved today 9M11 results, whose main figures are:

- **Consolidated total revenues** in 9M11 equal to 243.7 million euro (vs. 254.3 million euro in 9M10), the difference being entirely attributable to the lower variable management fees (21.9 million euro in 9M11 vs. 32.4 million euro in 9M10)
- **Consolidated PBT** in 9M11 equal to 61.2 million euro (vs. 67.2 million euro in 9M10)
- **Consolidated net profit** in 9M11 equal to 57.2 million euro (vs. 66.4 million euro in 9M10)

Total assets at the end of September 2011 reached 15.3 billion euro including assets under custody and third parties' funds (13.3 billion euro of internally managed assets).

Net financial position as of September 30, 2011 is positive for 73.1 million euro, (was 102.1 million euro at the end of December 2010 and 68.8 million euro at the end of September 2010). In the first nine months of 2011 the company paid around € 33.7 million dividends, bought back treasury shares for around 29.1 million euro and, on 1st July 2011, partly reimbursed the bond "Azimut 2009-2016 subordinated 4%" for a total amount of 17.7 million euro.

Lastly, recruitment of new financial advisors remain positive in 9M11; Azimut Consulenza, AZ Investimenti and Apogeo recorded 97 gross additions, leading the total number of financial advisors of Azimut Group to 1,399.

Pietro Giuliani, Chairman and CEO of Azimut Holding, comments: *"The results at the end of September reflect a persistent volatile macroeconomic environment, though the Group's performance demonstrate the soundness of our entrepreneurial business model centred on quality and attending clients. Furthermore, based on these principles, we are reinforcing our wealth management services repositioning ourselves on the high end client segment also through the recruitment of a number of private bankers from several Italian and international institutions. We continue to invest in the asset management business by innovating the product range also through partnerships, investing in supporting and training our financial advisors and entering new markets. With this logic we do not want to abdicate our jobs as fund managers and advisors to our clients by selling products which are easier to market, less transparent and less efficient for customers, especially during a period in which we have to safeguard the Italian asset management industry also in order to favour investment in our economy"*.

The Officer in charge of the preparation of Azimut Holding SpA accounting documents, Marco Malcontenti (CFO), declares according to art.154bis co.2 D.lgs. 58/98, that the financial information herein included, corresponds to the records in the company's books.

Azimut is Italy's leading independent asset manager (active since 1989). The Parent Company **Azimut Holding** was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and, among others, is a member of the main Italian index FTSE MIB. The shareholder structure includes over 1,200 managers, employees and financial advisors, bound by a shareholders' agreement that controls around 25% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with Registered Offices in Italy, Luxembourg, Ireland and China. In Italy, *Azimut SGR* sells and manages Italian mutual funds, as well as being active in the discretionary management of individual investment portfolios, while *Azimut Capital Management SGR* is an Italian hedge fund management company. *Azimut Consulenza SIM* and *AZ Investimenti SIM* distribute Group and third party products in Italy via a network of financial advisors. Overseas operations are *AZ Fund* (founded in Luxembourg in 1999), which manages the multi strategy fund AZ FUND1 and AZ Multi Asset, the Irish *AZ Life Ltd*, which offers life insurance products, and *AZ Capital Management Ltd* (hedge fund).

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CONSOLIDATED RECLASSIFIED INCOME STATEMENT			
Data in €/000	9M11	9M10	2010FY
Acquisition fees and commissions	4,096	4,437	6,370
Recurring fees	204,219	203,083	274,031
Variable management commissions	21,877	32,381	58,119
Other income	4,643	5,867	8,314
Insurance revenues	8,889	8,545	11,609
Total revenues	243,724	254,313	358,443
Commission expense	(127,189)	(130,471)	-170,440
Commissions on No load products	(12,390)	(12,359)	-16,457
General overheads/Administrative expenses	(39,145)	(37,949)	-50,587
Depreciation, amortisation/provisions	(778)	(1,105)	-4,990
Total costs	(179,502)	(181,884)	-242,474
Operating income	64,222	72,429	115,969
Profits from financial operations	2,515	1,531	2,145
Net non operating costs	(835)	(1,197)	-1,266
Interest expense	(4,703)	(5,600)	-6,612
Profit Before Taxation	61,199	67,163	110,236
Income tax	(3,969)	(3,277)	-10,370
Deferred tax	(64)	2,502	-5,563
Net Profit	57,166	66,388	94,303

CONSOLIDATED NET FINANCIAL POSITION

Data in €/000	30/09/2011	31/12/2010	30/09/2010
Senior Loan	-90,642	-90,498	-90,469
Lease back	-12,989	-12,589	-16,210
Securities issued	-51,949	-69,038	-68,206
Total debts	-155,580	-172,125	-174,885
Cash and cash equivalents	228,712	274,248	243,642
Net financial position	73,132	102,123	68,757

CONSOLIDATED INCOME STATEMENT

Data in €/000	3Q 11	3Q10	9M11	9M10	2010FY
Commission income	68,011	80,391	238,210	248,589	341,157
Commission expenses	(41,187)	(46,011)	(129,344)	(135,159)	(163,512)
Net commission income	26,824	34,380	108,866	113,430	177,645
Interest income and equivalents	897	692	3,275	1,672	2,579
Interest expenses and equivalents	(1,126)	(1,496)	(4,403)	(4,836)	(7,679)
Insurance net premium income	295	710	2,787	4,345	5,651
Net income (loss) from financial assets at fair value entered on the profit and loss account	(26,958)	38,590	(30,423)	145,285	42,693
Change in technical provisions when the investment risk is borne by the insured parties	38,480	(30,047)	73,029	(114,441)	26,514
Change in other technical provisions	-	-	-	-	-
Surrenders and claims	(9,532)	(6,679)	(37,978)	(27,549)	(64,414)
Profit/losses from the sale of:	(676)	(848)	(716)	(827)	(827)
<i>a) financial assets available for sale</i>	(97)	-	(137)	21	21
<i>b) financial liabilities</i>	(579)	(848)	(579)	(848)	(848)
Net income on financial instruments	28,204	35,302	114,437	117,079	182,162
Administrative expenses	(14,437)	(14,437)	(48,762)	(46,639)	(62,816)
<i>a) personnel expenses</i>	(6,227)	(6,372)	(21,011)	(20,516)	(26,641)
<i>b) other expenses</i>	(8,210)	(8,065)	(27,751)	(26,123)	(36,175)
Value net adjustments on tangible assets	(233)	(195)	(675)	(885)	(1,391)
Value net adjustments on intangible assets	(66)	(135)	(132)	(78)	(173)
Provisions for risks and charges	(555)	(860)	(2,433)	(2,180)	(7,428)
Other administrative income and expenses	(223)	159	(1,116)	(107)	(91)
Gross operating profit	12,690	19,834	61,319	67,190	110,263
Profit (loss) on equity investments	(81)	-	(120)	(27)	(27)
Profit (Loss) before tax	12,609	19,834	61,199	67,163	110,236
Income tax	(227)	411	(4,033)	(775)	(15,933)
Profit (Loss) after tax	12,382	20,245	57,116	66,388	94,303
Net profit (Loss)	12,382	20,245	57,166	66,388	94,303

CONSOLIDATED BALANCE SHEET

ASSETS (Data in €/000)	30/09/2011	30/06/2011	31/12/2010	30/09/2010
Cash and cash equivalents	8	10	11	11
Financial assets at fair value	780,888	803,613	854,077	861,464
Financial assets available for sale	36,341	46,600	12,024	11,689
Credits	195,766	205,706	266,143	234,607
<i>(a) for asset management</i>	24,108	28,127	44,267	35,064
<i>(b) other</i>	171,658	177,579	221,876	199,543
Equity investments	15,565	6,846	233	229
Tangible assets	2,949	2,968	3,055	3,443
Intangible assets	318,872	318,807	318,721	318,724
Tax assets	45,400	43,594	40,218	49,432
<i>a) current</i>	12,118	11,534	9,317	11,696
<i>b) prepaid</i>	33,282	32,060	30,901	37,736
Other assets	59,550	60,040	66,411	64,817
TOTAL ASSETS	1,455,339	1,488,184	1,560,893	1,544,416

LIABILITIES (Data in €/000)	30/09/2011	30/06/2011	31/12/2010	30/09/2010
Debts	106,193	105,349	106,004	111,501
Bonds issued	51,949	71,562	69,038	68,206
Technical provisions when the investment risk is borne by the insured parties	362,885	401,365	435,914	449,839
Financial liabilities at fair value	416,471	400,642	416,431	408,774
Other technical provisions	350	350	350	350
Tax liabilities	49,728	48,270	44,022	40,312
<i>a) current</i>	8,811	8,528	5,536	2,949
<i>b) deferred</i>	40,917	39,742	38,486	37,363
Other liabilities	62,130	62,364	81,396	71,285
Employee severance indemnities	1,940	1,893	2,097	2,089
Provision for risks and charges	14,190	13,754	13,032	19,831
<i>(b) other</i>	14,190	13,754	13,032	19,831
Capital	32,324	32,324	32,324	32,324
Treasury shares (-)	(112,401)	(106,946)	(85,945)	(78,465)
Capital instruments	3,515	3,515	3,515	3,515
Share premium reserve	173,987	173,987	173,987	173,987
Reserves	235,122	235,122	174,498	174,498
Valuation provisions	(213)	(154)	(73)	(18)
Profit (Loss) for the period	57,166	44,784	94,303	66,388
Minority interest	3	3	0	0
TOTAL LIABILITIES	1,455,339	1,488,184	1,560,893	1,544,416

CONSOLIDATED CASH FLOW STATEMENT

Data in €/000	9M11	9M10	2010
A. OPERATING ACTIVITIES			
1. OPERATING ACTIVITIES	61,793	68,012	117,055
- NET INCOME FOR THE PERIOD (+/-)	57,166	66,388	94,303
- VALUE NET ADJUSTMENTS ON TANGIBLE AND INTANGIBLE ASSETS (+/-)	807	963	1,564
- VALUE NET ADJUSTMENTS ON PROVISIONS FOR RISKS AND CHARGES AND OTHER INCOME/EXPENSES (+/-)	2,433	2,180	7,829
- TAXES (+)	2,683	(998)	13,665
- OTHER ADJUSTEMENTS (+/-)	(1,296)	(521)	(306)
2. CASH FLOW FROM FINANCIAL ACTIVITIES	77,378	(114,924)	(112,766)
- FINANCIAL ASSETS AT FAIR VALUE	73,189	(115,819)	(108,432)
- RECEIVABLES FROM BANKS	147	1,603	1,137
- RECEIVABLES FROM OTHER FINANCIAL INSTITUTIONS	167	159	(395)
- RECEIVABLES FROM CLIENTS	(181)	343	493
- OTHER ASSETS	4,056	(1,210)	(5,569)
3. CASH FLOW FROM FINANCIAL LIABILITIES	(111,358)	108,177	96,755
- DUE TO BANKS	(412)	1,010	(3,519)
- DUE TO OTHER FINANCIAL INSTITUTIONS	(60)	(825)	(230)
- DUE TO CLIENTS	117	235	(61)
- SECURITIES ISSUED	(17,961)	(16,417)	(16,292)
- FINANCIAL LIABILITIES AT FAIR VALUE	40	126,937	134,594
- TECHNICAL RESERVES	(73,029)	(12,589)	(26,514)
- OTHER LIABILITIES	(20,053)	9,826	8,777
TOTAL NET OPERATING CASH FLOW GENERATED/ABSORBED	27,813	61,265	101,044
B. INVESTMENT ACTIVITIES			
1. CASH FLOW GENERATED BY	-	-	-
- SALE OF EQUITY INVESTMENTS	-	-	-
- SALE OF TANGIBLE ASSETS	-	-	-
- SALE OF INTANGIBLE ASSETS	-	-	-
2. CASH FLOW ABSORBED BY	(13,077)	(3,109)	(3,513)
- ACQUISITION OF EQUITY INVESTMENTS	(12,225)	(2,132)	(2,326)
- ACQUISITION OF TANGIBLE ASSETS	(569)	(696)	(1,039)
- ACQUISITION OF INTANGIBLE ASSETS	(283)	(281)	(148)
TOTAL NET CASH FLOW GENERATED/ABSORBED FROM INVESTMENT ACTIVITIES	(13,077)	(3,109)	(3,513)
C. FINANCING ACTIVITIES			
- ISSUE/SALE OF TREASURY SHARES	(26,456)	(3,016)	(10,496)
- OTHER RESERVES	(150)	(18,666)	(18,721)
- CHANGE IN CAPITAL AND RESERVES ATTRIBUTABLE TO MINORITY INTEREST	3	-	-
- ISSUE/SALE OF CAPITALE INSTRUMENTS	-	-	-
- DIVIDENDS PAID AND OTHERS	(33,679)	(6,547)	(7,781)
TOTAL NET CASH FLOW GENERATED/ABSORBED FROM FINANCING ACTIVITIES	(60,272)	(28,229)	(36,998)
TOTAL NET CASH FLOW GENERATED/ABSORBED DURING THE PERIOD	(45,536)	29,927	60,533
Data in €/000			
OPENING CASH AND CASH EQUIVALENTS	274,248	213,715	213,715
CASH FLOW GENERATED/ABSORBED DURING THE PERIOD	(45,536)	29,927	60,533
CLOSING CASH AND CASH EQUIVALENTS	228,712	243,642	274,248