



**MOL** Gruppo  
MutuiOnline

Gruppo MutuiOnline First Half 2014 Results

12<sup>th</sup> August 2014

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# Presenters today



**Marco Pescarmona**

- Group Chairman and Head of Broking Division
- Founder and key shareholder (16.25% indirectly through Alma Ventures SA)
- Background in consulting (McKinsey) and banking (Morgan Stanley)
- Degrees in Electrical Engineering and Computer Science, MBA from MIT



**Alessandro Fracassi**

- Group CEO and Head of BPO Division
- Founder and key shareholder (16.25% indirectly through Alma Ventures SA)
- Background in consulting (Booz Allen & Hamilton) in Italy and USA
- Degree in Industrial Engineering, MBA from MIT



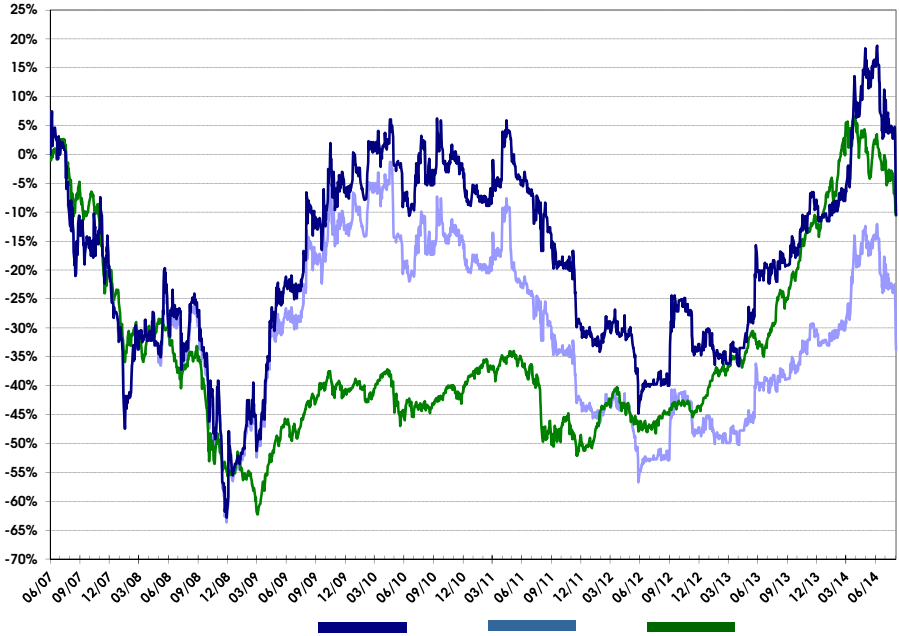
**Francesco Masciandaro**

- Group CFO
- Background in auditing (Arthur Andersen) and in administration, fiscal and corporate affairs (Società Interbancaria per l'Automazione)
- Degree in Economics



# Share performance 6 June 2007 (IPO date) – 8<sup>th</sup> August 2014

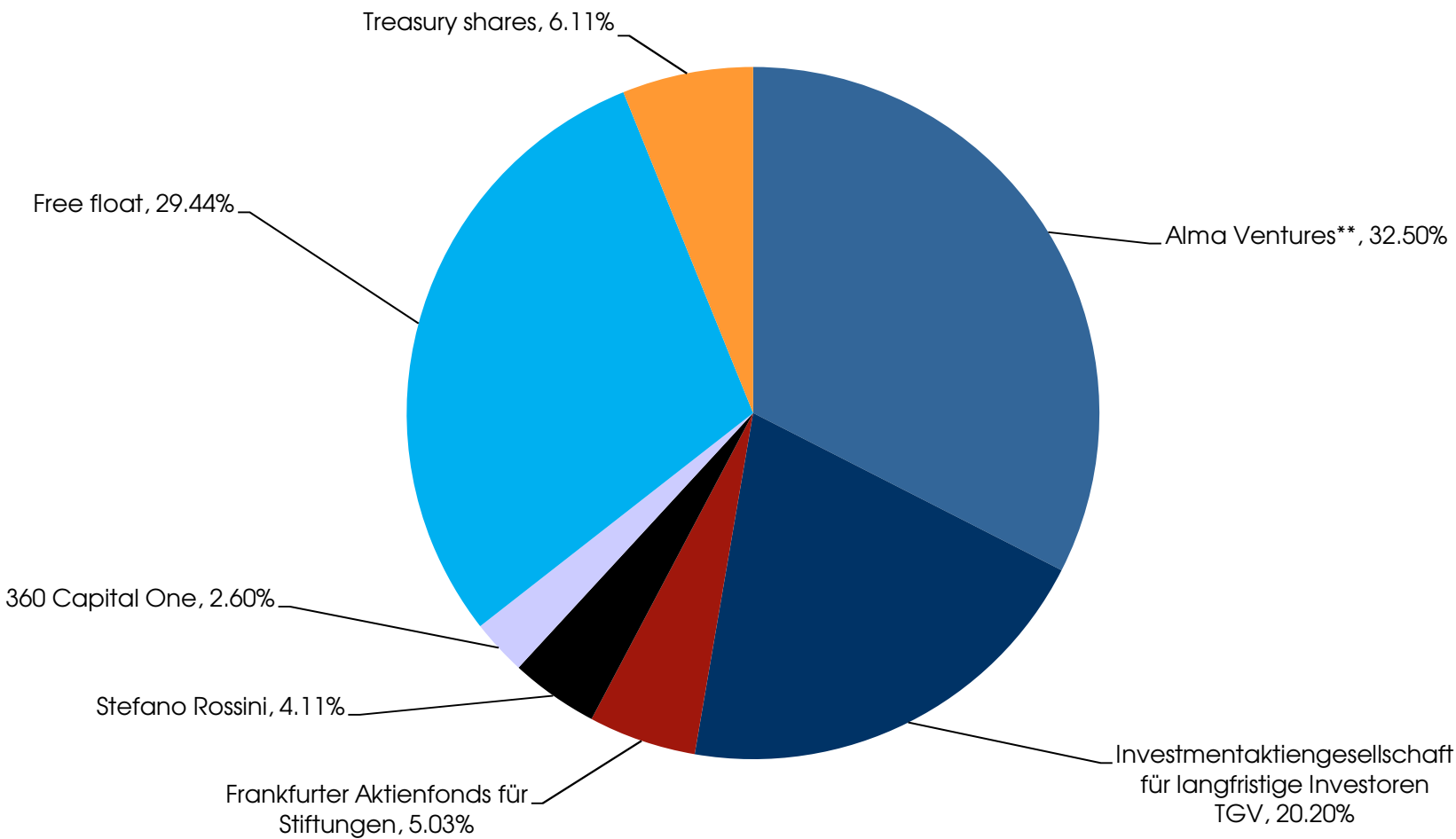
...mortal...  
...mortgage...  
...debt to...



MOL Total Return vs. MOL vs. FTSE ITALIA STAR

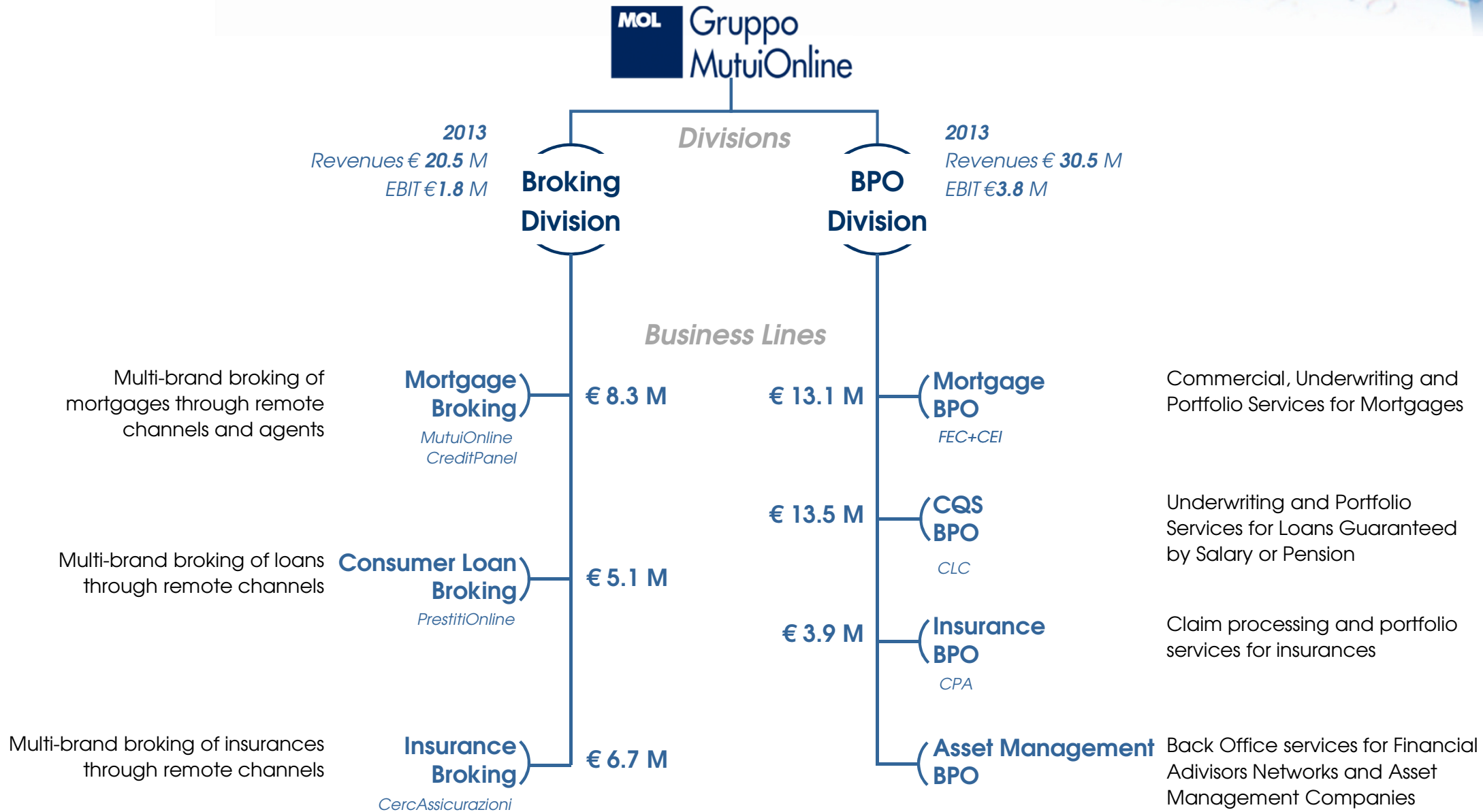
# Current shareholding structure

Shareholding structure as of 11<sup>th</sup> August 2014 \*






\* Share ownership as communicated to the company by relevant investors according to CONSOB regulations; includes all investors above 2% ownership threshold.  
\*\* The share capital of Alma Ventures S.A. is owned 50% by Guderian S.r.l. and 50% by Casper S.r.l.; Guderian S.r.l. is 100% owned by Marco Pescarmona (Chairman and co-founder) Casper S.r.l. is 100% owned by Alessandro Fracassi (CEO and co-founder).

# Business portfolio





# Broking Division – Top Brands/Services

1/2

BRAND	DESCRIPTION	MARKET POSITION	OPERATIONS	REVENUE MODEL
 <b>MutuiOnline.it</b> Più scelta, più risparmio	Online Mortgage Broker (vertical specialist), comparison-based.	Leader in online mortgage distribution since year 2000.	Experienced telephone consultants provide independent advice and qualify all online applications, which are then transferred to chosen banks for closing. Operates as a qualified lead generator without any packaging (no paperwork).	Commission from lenders on closed mortgages (normally % of mortgage amount), one-off. May include volume incentives. Free for consumers, with no mark-up.
 <b>PrestitiOnline.it</b> Più scelta, più risparmio	Online Consumer Loan Broker (vertical specialist), comparison based.	Leader in online personal loan broking.	Online lead generation for lenders, with support of telephone consultants. No packaging.	Commission from lenders on closed mortgages (normally % of loan amount), one-off. Free for consumers, with no mark-up.
 <b>ConfrontaConti.it</b> Più scelta, più risparmio	Online Comparison of Current an Saving Accounts (vertical specialist).	First specialized player, market still very small.	Mostly technology based.	Remunerated by banks for promoting their products, with variety of formulas (per click, per application, per account, etc.).

# Broking Division – Top Brands/Services

2/2

BRAND	DESCRIPTION	MARKET POSITION	OPERATIONS	REVENUE MODEL
	<p>Online Insurance Broker (vertical specialist), comparison-based, mostly motor.</p>	<p>Legacy brand as customer acquisition for insurance has shifted to Segugio.it brand.</p>	<p>Mostly technology based lead generation, provides customer support phone operations. No policy issuance.</p>	<p>Fee on new policy sales plus (lower) renewal fees from insurance companies. Free for consumers, with no mark-up.</p>
	<p>Multi-product aggregator for insurance, personal loans, mortgages, bank accounts, utilities (ADSL, energy) with brand-driven customer acquisition model. Focus on Motor Insurance.</p>	<p>Launched in September 2012, is number two player in online insurance comparison, progressively reducing gap versus leader, other players significantly smaller. Other products represent add-on and cross-selling opportunity.</p>	<p>Focus on marketing activities, mostly TV and Internet. With the exception of utilities, relies on specialized regulated group companies for provision of comparison and intermediation services for specific products.</p>	<p>Same as for specialized product brands.</p>



# BPO Division – Main Services

## PRODUCT LIFE CYCLE



### Mortgage BPO

- Commercial activities for online lenders (in lenders' name)
- Centralized packaging
- CRM activities for origination process
- Support for intermediary networks

- Income Analysis
- Technical-Legal Analysis
- Anti-fraud checks
- Real-estate appraisals
- Notary coordination services
- Contract drafting
- Process coordination

- Current Account Servicing
- Collections
- Delinquencies

### CQS BPO

- Commercial activities through remote channels
- Centralized packaging
- Support for intermediary networks

- Document analysis
- Income Analysis
- Anti-fraud checks
- Employer follow-up
- Consolidation of other loans
- Closing preparation

- Collections
- Claims
- Portfolio analysis
- Current account servicing
- Portfolio internalizations

### Asset Management BPO

- Support for financial advisor networks

- Fund subscriptions
- Insurance subscriptions
- Anti-money laundering

- Switches and exits
- Consolidation of fund orders

### Insurance BPO

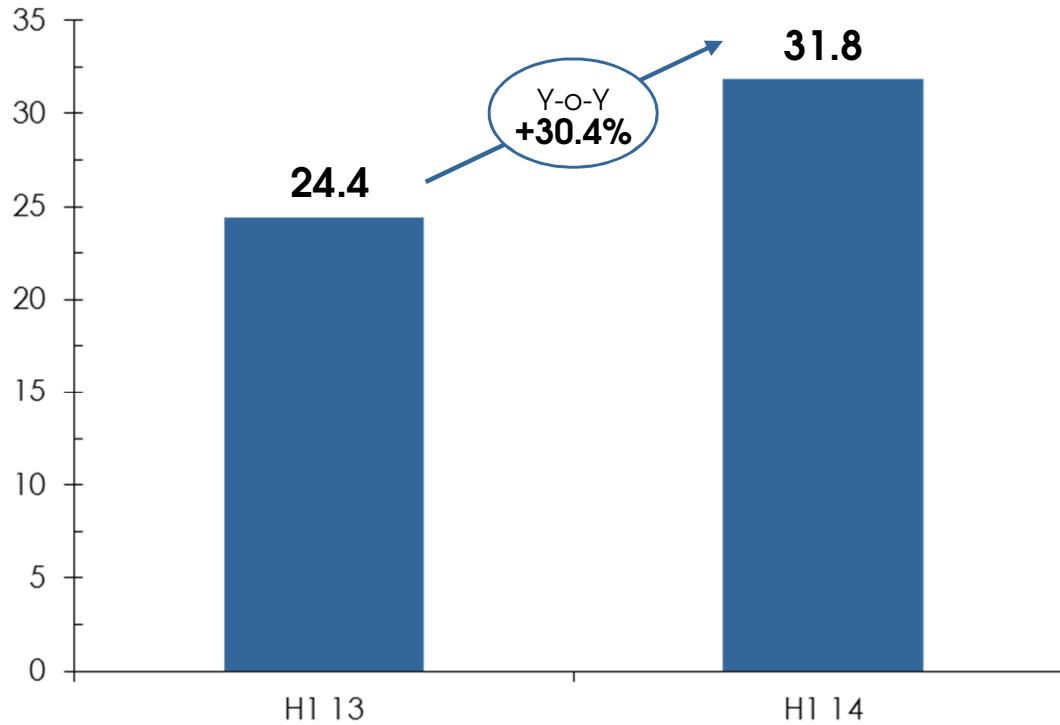
- Support for online distribution

N/A

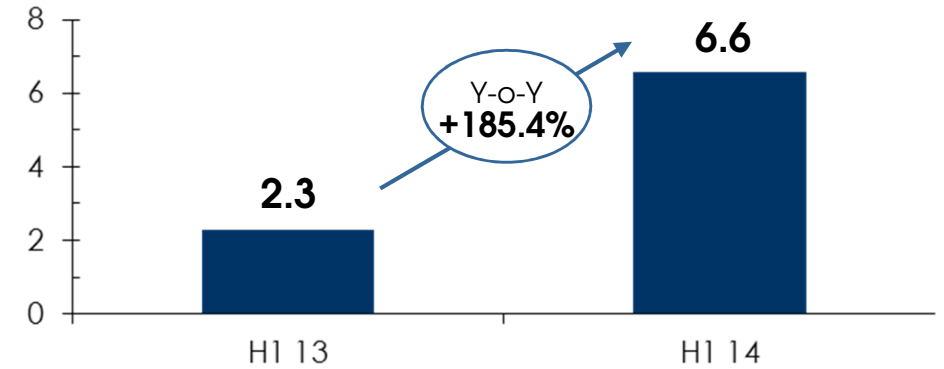
- Mass TPL claims management (e.g. property)
- Medical expense management
- Self-insurance claims management
- CPI claims management

# H1 highlights

Revenues  
(€m)

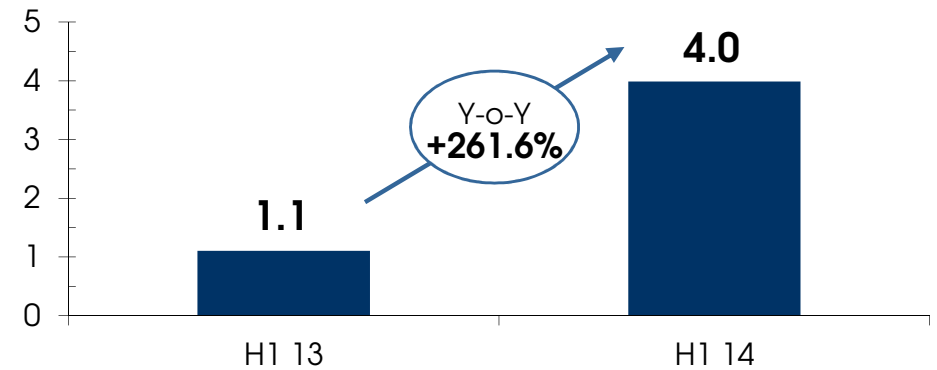


EBIT  
(€m)



EBIT margin	H1 13	H1 14
	9%	21%

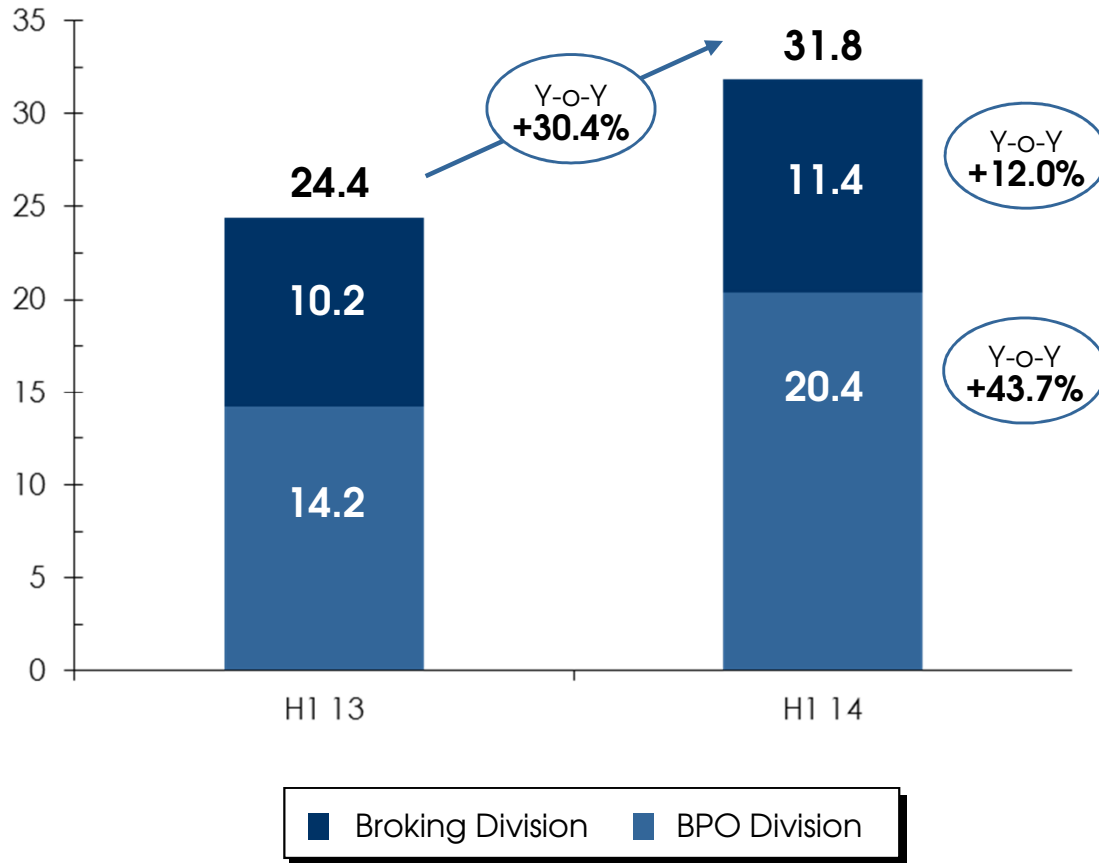
Net Income  
(€m)



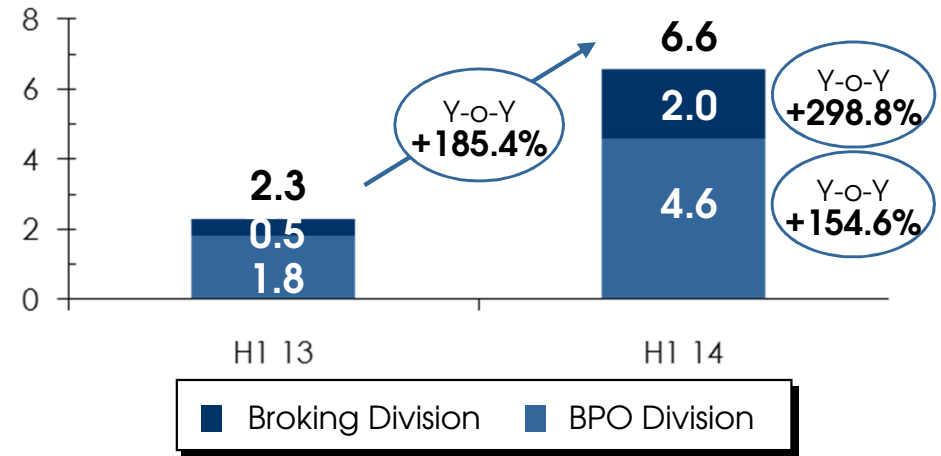
NI margin	H1 13	H1 14
	5%	13%

# H1 Segment reporting

**Revenues**  
(€m)



**EBIT**  
(€m)

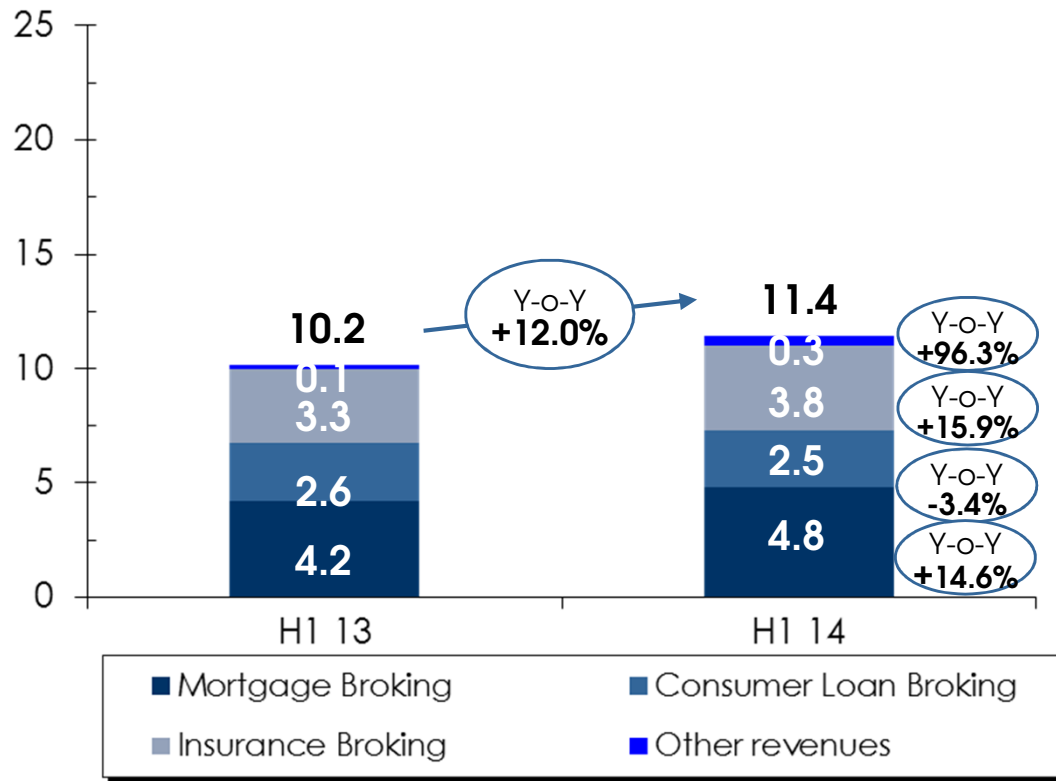


**EBIT margin**

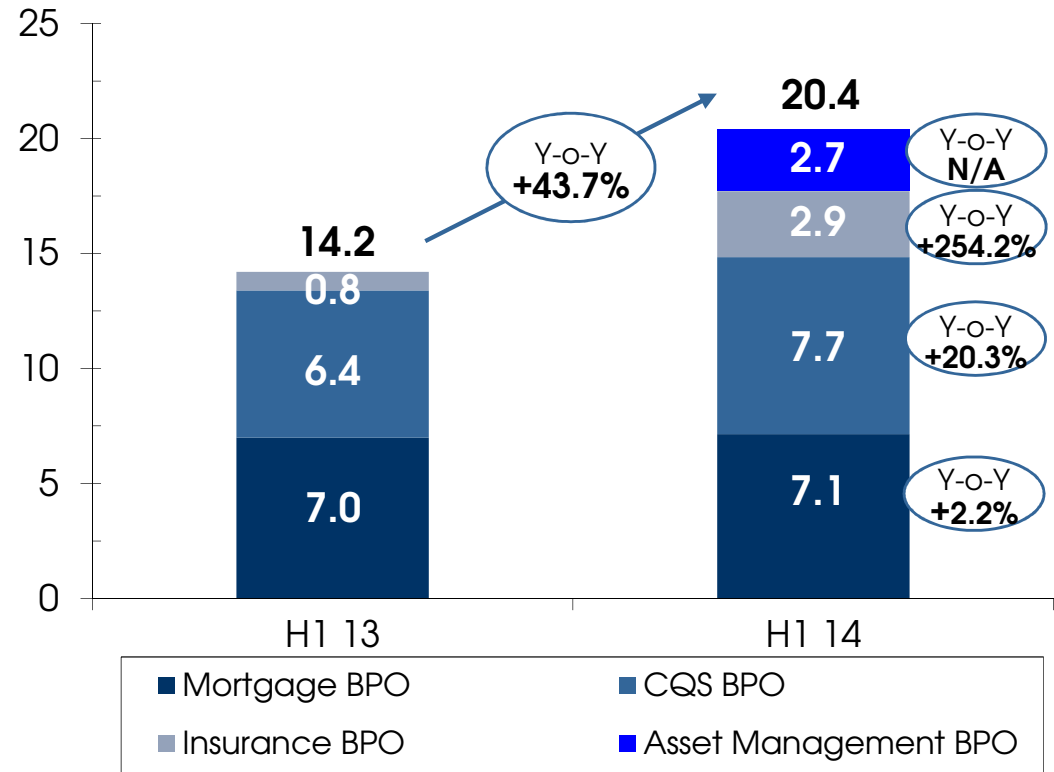
	H1 2013	2013	H1 2014
Broking Division	5%	9%	17%
BPO Division	13%	12%	23%
<b>Total</b>	<b>9%</b>	<b>11%</b>	<b>21%</b>

# Revenue breakdown

Broking Division Revenues (€m)



BPO Division Revenues (€m)



# Evolution of the Italian residential mortgage market

- The residential mortgage market in Italy confirms its recovery, but with significant elements of fragility.
- Data from Assofin, an industry association which represents the main lenders active in the sector, indicate in last months a strengthening of the growth of volumes of new residential mortgages, with a year on year increase of 10.2% in April, 3.6% in May and 7.8% in June 2014. Data from CRIF, a company which manages the main credit bureau in Italy, show a year on year increase of 10.3% of credit report inquiries for mortgages in the first half 2014, with an year on year increase of 14.1% in June 2014. However, such recovery is largely attributable to the increased demand for refinancing of existing mortgages, caused by the decrease of market rates on new mortgages.
- During 2014 the progressive improvement of mortgage supply conditions continued, above all with a reduction of the spreads, which reflects the lower funding costs for the banks. The main obstacle for the development of the market remains the weakness of the demand for purchase mortgages, linked to the general climate of economic difficulty, uncertainty and low consumer confidence.



# Broking Division business update

## Broking Division



- Within the Broking Division, volumes are slowly recovering year-on-year with a more substantial improvement of margins, in a still uncertain and challenging context.
- As regards our credit broking activity (Mortgage Broking and Loan Broking), we see brokered volumes and revenues evolving substantially in line with the development of the market, with growth for mortgages and a more uncertain situation for consumer loans, whose demand appears to be slightly decreasing year on year. The outlook for H2 2014 is a continuation of this trend, which could however improve or worsen according to the evolution of the economic cycle.
- Concerning the Insurance Broking business line, during H1 2014 we progressively witnessed a halt to the growth of aggregators and direct insurers, caused by the strong premiums cuts practiced by traditional insurers with the aim of reducing the mobility of clients. As regards the results and the performance of the Group, such situation was however counterbalanced by favorable competitive dynamics. Regarding H2 2014, we expect the current trends to continue.
- The development of the offer of complementary products continues, in a cross selling perspective, particularly in the field of utilities (ADSL, gas, electricity and pay-tv).

# BPO Division business update

## BPO Division



- The results of the BPO Division for H1 2014 show year on year improvements both in terms of revenues and margins. Notably, in Q2 2014, the Division was close to our profitability targets, with an operating margin over 20%, although uneven across the business lines and thanks to a positive seasonality.
- Overall, for the remaining part of the year, we expect the Division performance to be in line with H1 2014, and therefore showing growth relative to 2013, although with different trends among the various business lines.
- The Mortgage BPO business line started recovering in Q2 2014, partially for a seasonal effect. H1 2014 revenues are basically in line with those of H1 2013, when we were still benefitting from the volumes generated by a client bank that later decided to reduce substantially its credit appetite, as we have already commented in the past. Moving in line with the overall market, our input volumes for underwriting activities are growing, progressively filling the excess capacity that had been generated. In H2 2014, as the mortgage market improves, we expect a continuation of this positive trend.
- The CQS BPO business line is growing strongly in H1 2014, relative to H1 2013, which had already shown positive results. Part of this growth is however due to one-off projects. Thus, we expect H2 2014 to show a slower growth rate than what was recorded in H1 2014.
- The Insurance BPO business line is showing contraction in claims management activity in the property and motor fields, trailing a general market trend, and also because one of our client resolved its contract, as, after a change in control, it chose to modify its strategy and insource all the activities. Conversely, claims volumes in the credit area are growing.
- Finally, we continue to develop our new business line in the Asset Management BPO, which we launched at the beginning of 2014, and it is possible that before the end of the year we could sign on new clients for such services.



Appendix

# H1 Profit & loss

(€000)	H1 2014	H1 2013	% Var.
Revenues	31,814	24,396	30.4%
Other income	1,200	463	159.2%
Capitalization of internal costs	468	237	97.5%
Service costs	(11,520)	(9,870)	16.7%
Personnel costs	(13,519)	(10,982)	23.1%
Other operating costs	(1,039)	(1,103)	-5.8%
Depreciation and amortization	(848)	(844)	0.5%
<b>Operating income</b>	<b>6,556</b>	<b>2,297</b>	<b>185.4%</b>
Financial income	67	278	-75.9%
Financial expenses	(173)	(262)	-34.0%
Income/expenses from financial assets and liabilities	(56)	(55)	1.8%
<b>Net income before income tax expense</b>	<b>6,394</b>	<b>2,197</b>	<b>191.0%</b>
Income tax expense	(2,406)	(1,094)	119.9%
<b>Net income</b>	<b>3,988</b>	<b>1,103</b>	<b>261.6%</b>
Attributable to:			
<b>Shareholders of the Issuer</b>	<b>3,496</b>	<b>1,006</b>	<b>247.5%</b>
<b>Minority interest</b>	<b>492</b>	<b>97</b>	<b>407.2%</b>



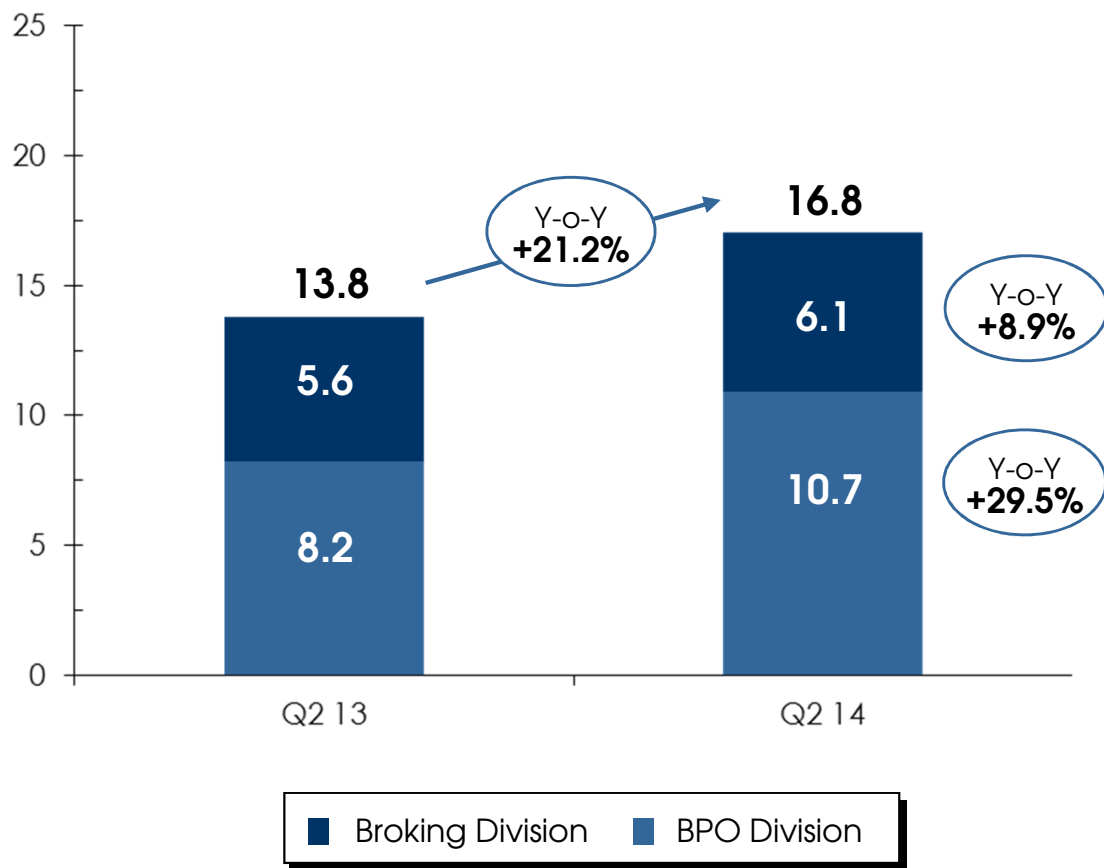
# Quarterly Profit & Loss

(€000)	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013
Revenues	16,764	15,050	14,238	12,423	13,834
Other income	656	544	510	255	158
Capitalization of internal costs	307	161	478	107	139
Service costs	(5,876)	(5,644)	(5,424)	(4,566)	(4,805)
Personnel costs	(7,023)	(6,496)	(7,201)	(5,399)	(6,119)
Other operating costs	(451)	(588)	(688)	(449)	(748)
Depreciation and amortization	(424)	(424)	(586)	(429)	(458)
<b>Operating income</b>	<b>3,953</b>	<b>2,603</b>	<b>1,327</b>	<b>1,942</b>	<b>2,001</b>
Financial income	29	38	7	74	182
Financial expenses	(88)	(85)	(6)	(150)	(123)
Income/(Expenses) from financial assets and liabilities	19	(75)	(239)	-	(55)
<b>Net income before income tax expense</b>	<b>3,913</b>	<b>2,481</b>	<b>1,089</b>	<b>1,866</b>	<b>2,005</b>
Income tax expense	(1,488)	(918)	494	(734)	(1,029)
<b>Net income</b>	<b>2,425</b>	<b>1,563</b>	<b>1,583</b>	<b>1,132</b>	<b>976</b>

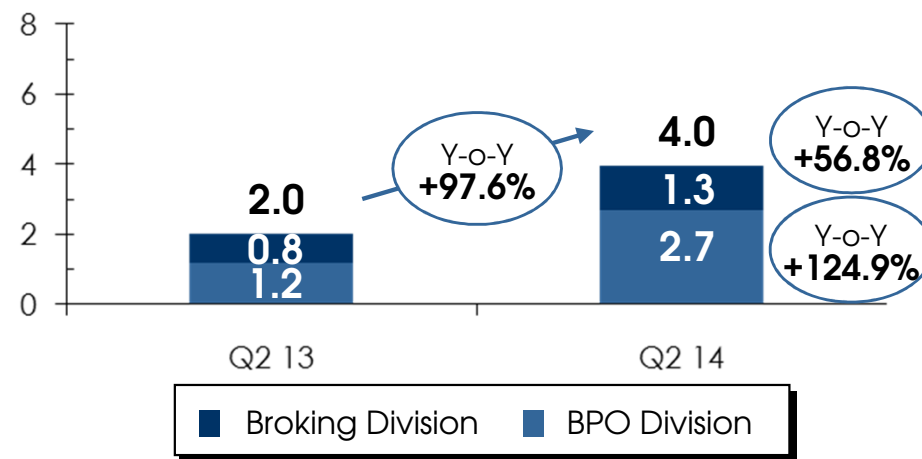


# Q2 highlights

**Revenues**  
(€m)



**EBIT**  
(€m)



**EBIT margin**

	Q2 2013	2013	Q2 2014
Broking Division	14%	9%	21%
BPO Division	15%	12%	25%
<b>Total</b>	<b>15%</b>	<b>11%</b>	<b>24%</b>

# Declaration of the manager responsible for preparing the Company's financial reports

***Declaration Pursuant to Art. 154/bis, Paragraph 2 – Part IV, Title III, Chapter II, Section V-bis, of Italian Legislative Decree No. 58 of 24 February 1998: “Consolidation Act on Financial Brokerage Pursuant to Articles 8 and 21 of Italian Law No. 52 of 6 February 1996”***

I, the undersigned, Francesco Masciandaro, the manager responsible for preparing the financial reports of Gruppo MutuiOnline S.p.A. declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

*Francesco Masciandaro*

Gruppo MutuiOnline S.p.A.