ANIMA Holding S.p.A.

Consolidated interim financial report at 30 June 2019

This Consolidated Interim Financial Report has been translated into the English language solely for the convenience of international readers.

ANIMA HOLDING SpA
MILAN – CORSO GARIBALDI, 99
TAX ID AND VAT REGISTRATION NO. 05942660969
REA MILAN NO. 1861215
SHARE CAPITAL €7,291,809.72 FULLY PAID UP

CORPORATE OFFICERS

BOARD OF DIRECTORS

CHAIRMAN
Livio Raimondi (independent)

CHIEF EXECUTIVE OFFICER
Marco Carreri

DIRECTORS
Antonello Di Mascio
Maria Patrizia Grieco (independent)
Guido Guzzetti (independent)
Karen Sylvie Nahum (independent)
Francesca Pasinelli (independent)
Francesco Valsecchi (independent)
Gianfranco Venuti

GENERAL MANAGER
Alessandro Melzi d'Eril

FINANCIAL REPORTING OFFICER
Enrico Maria Bosi

BOARD OF AUDITORS

CHAIRMAN
Mariella Tagliabue

STANDING AUDITORS
Tiziana Di Vincenzo
Antonio Taverna

AUDIT FIRM
Deloitte & Touche SpA

Consolidated interim report on operations

The consolidated interim financial report at 30 June 2019 (also the "Interim Report") of the Anima Group (the "Group") shows the period ending with a net profit of about €63.4 million.

The Group's Parent Company is Anima Holding SpA ("Anima Holding", "Parent Company", "Issuer" or "Company"), which has been attributed the management and strategic coordination role and is listed on the electronic stock market (*Mercato Telematico Azionario*) organized and operated by Borsa Italiana SpA.

The scope of consolidation at 30 June 2019 includes the following fully consolidated companies, in addition to the Parent Company, Anima Holding:

- Anima SGR SpA ("Anima SGR") – 100% direct control
- Anima Asset Management Ltd ("Anima AM Ltd") – 100% indirect control

The Interim Report at 30 June 2019 has been prepared pursuant to Article 154-ter of Legislative Decree 58/1998 (the Financial Intermediation Act), as amended by Legislative Decree 25 of 15 February 2016.
The Interim Report includes the interim report on operations, the condensed consolidated interim financial statements and the certification provided for in paragraph 5 of Article 154-bis of the Financial Intermediation Act.

The consolidated financial statements have been prepared on the basis of the accounts at 30 June 2019 approved by the administrative bodies of the companies included in the scope of consolidation, as prepared by the Group's consolidated companies.
The condensed consolidated interim financial statements have undergone a limited audit.
The Interim Report has been prepared in accordance with the international accounting standards ("IAS" and "IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. In particular, it is compliant with the international accounting standard governing interim financial reporting (IAS 34). Under paragraph 10 of IAS 34, the Group has elected to publish the Interim Report in condensed form.
The Interim Report at 30 June 2019 does not provide all of the disclosures required for the preparation of the annual consolidated financial statements. For this reason, it is necessary to read the Interim Report together with the consolidated financial statements at 31 December 2018.
The recognition and measurement policies adopted in preparing the condensed consolidated interim financial statements for the first half of 2019 are the same as those used in preparing the consolidated financial statements for 2018, as well as the accounting standards endorsed by the European Union that have taken effect as from 1 January 2019, and in particular "IFRS 16 - Leases".
As from 1 January 2019, the new IFRS 16 has replaced IAS 17 "Leases" and related interpretations (IFRIC and SIC) and governs the requirements for accounting for leases.
The new standard requires identifying whether a contract is (or contains) a lease, based on the concept of control over the use of an identified asset for a period of time. It follows that rental, free loan contracts or similar agreements, previously not qualifying as leases, also fall within the scope of application of the new standard.
The application of the new standard has led to significant changes in the way leases are accounted for in the financial statements of the lessee/user. The new approach provides for the recognition of the right to use an asset in the balance sheet as a right-of-use asset and the recognition of a lease liability for lease payments still to be paid to the lessor.
In impact of first-time application of IFRS 16 is discussed in "Notes to the consolidated financial statements – Part A: Accounting policies – A1 General information – Initial application of IFRS 16" in the condensed consolidated interim financial statements at 30 June 2019, which readers are invited to consult for further information.

At 30 June 2019 the Anima Group had more than €180.6 billion in assets under management.

The Anima Group is active in the formation, development, promotion and management of financial products under the Anima and Gestielle brands, as well as the provision of individual portfolio management services to retail and institutional customers.

Shareholders

As at the date of the approval of the condensed consolidated interim financial statements by the Board of Directors, shareholders with major interests in Anima Holding, as determined on the basis of the notifications made pursuant to Article 120 of Legislative Decree 58/98 and other available information, are as follows: Banco BPM S.p.A. ("Banco BPM") with 14.27%, Poste Italiane S.p.A. ("Poste Italiane" or "Poste") with 10.04%, River and Mercantile Asset Management LLP with 5.05%, Wellington Management Group LLP with 4.87% and Norges Bank with 3.03%.

GENERAL OPERATIONAL ENVIRONMENT

Macroeconomic conditions

During the first half of the year, macroeconomic conditions reflected a slowdown in global growth. Factors inhibiting growth persist, fueling uncertainty and potential risks: first and foremost, geopolitical tensions and protectionist measures have weighed on the international short- and medium-term outlook, undermining world trade and the climate of confidence and increasing the vulnerability of markets. Other factors include the dissipation of the effects of the fiscal stimulus in the United States, the uncertainty regarding political developments in the United Kingdom and the future implications of Brexit, and a decline in investment and production worldwide.

Trade tensions between the United States and China also intensified, although a truce of sorts was called at the G20 meeting at the end of June to allow trade negotiations to resume. In the United States, the outlook for growth is moderately positive, while the labor market remains buoyant with unemployment at 3.6%. Inflation is close to 2%.

The Federal Reserve has recently adopted a decidedly expansionary and accommodative stance, holding rates stable at 2.25% -2.5% and opening the door to possible rate cuts in 2019.

In Europe, nationalist parties did not prevail in the European Parliament elections on May 23-26, but agreements will be needed between the moderates if they are to form a parliamentary majority.

The growth forecast for the euro area in 2019 stood at 1.2% on an annual basis. The main critical factors continue to be geopolitical and trade tensions.

Indicators point to persistent weakness of the European economy in the coming quarters, with inflation expectations at 1.3%, fairly distant from the medium-term target (2%). This has prompted the ECB to maintain a prudent and expansionary approach, halting the process of normalizing monetary policy and ensuring economic stimulus by postponing any rate hike beyond the end of 2019. The ECB declared its willingness to extend short-term operations and to renew the refinancing program (TLTRO III) for banks.

For Italy, the forecasts for contraction or zero growth are consistent with the weakness that has been reflected in the downturn in industry. Italy remains among the Member States of the European Union affected by considerable macroeconomic imbalances. According to the European Commission, the country's vulnerabilities remain its high debt, low growth, obstacles to investment and other structural deficiencies, in addition to the uncertainty engendered by domestic political developments.

In the United Kingdom, the appointment of Conservative leader with a reputation for intransigence has again fueled fears of a hard Brexit.

In Japan, growth exceeded expectations (with estimated GDP growth of 2.1% in the first half of 2019), but inflation remains well below the 2% target of the Bank of Japan.

In the emerging markets, the focus remains predominantly on the current deterioration in trade due to the trade war between China and the United States, and on the involvement of the main players in the Far East (South Korea, Taiwan).

In the first half of 2019, global equities posted gains in local currency terms. Indices for government securities (both the global index in local currency terms and that for the euro area) and corporate bonds have risen, reflecting the decline in interest rates and the compression of spreads.
Forecasts for global macroeconomic developments and growth still reflect a variety of factors of uncertainty, mainly of a political nature.
The imbalances generated by US protectionist measures and the counter-measures adopted by China remain despite the more recent attempts at conciliation. The difficulties encountered along the path of growth have been tempered by the response of the central banks, which, in the light of pessimistic assessments of inflation and financial conditions, have adopted an expansionary stance that could potentially counter a possible deterioration in economic conditions. The persistence of this uncertainty could affect market dynamics, risk appetite and investor confidence, considering that the volatility found in macroeconomic data could impact the financial markets.
The future direction of the markets will continue to be affected by the steps taken by the central banks, the confirmation of their effectiveness, the dynamics of global economic growth, trade policies and, finally, the revision of forecasts for corporate earnings.

Asset management
In the first six months of the year, the monthly asset management map published by Assogestioni (June 2019) shows net funding of €47.6 billion, an increase on the same period of 2018 (€9.8 billion). More specifically, collective investment products recorded €3.2 billion in net redemption from the beginning of the year, while portfolio management posted net funding of about €50.7 billion in the same period, mainly reflecting the transfer to BancoPosta Fondi SGR of management contracts by the Poste Italiane Group.
Total assets under management stood at €2,195.6 billion, an increase from the €2,016.7 billion registered at the end of 2018.

SIGNIFICANT EVENTS FOR THE ANIMA GROUP IN THE FIRST HALF OF 2019

The events that characterized the first half of 2019 for the Group are described below.

Effective as of 1 January 2019, the subsidiary Anima SGR was appointed to be the management company of the Irish SICAV Anima Funds PLC.

On 9 January 2019 (see press release of 8 January 2019), a program to purchase treasury shares was launched pursuant to Articles 2357 and 2357-*ter* of the Italian civil code and of Article 132 of the Consolidated Financial Intermediation Act, based on the authorization approved by the Shareholders' Meeting of the Parent Company on 21 December 2018, in order to: (i) make use of treasury shares to support existing and future incentive plans for corporate officers, employees, or other Group associates that involve the use or grant of shares or financial instruments that are convertible into shares; and (ii) establish a securities portfolio to be used, in line with the strategic guidelines of the Parent Company, to support any extraordinary transactions.
On 23 April 2019, the program to purchase treasury shares was concluded. In the period from 9 January 2019 to 23 April 2019, the Parent Company purchased 11,401,107 treasury shares on the Italian screen-based market *Mercato Telematico Azionario* ("MTA"), equal to 3% of share capital, for a total of €41,093,200.21 at an average price of €3.6043.
These purchases were made through an authorized intermediary in accordance with the methods and terms established by the shareholders' resolution noted above and in compliance with the trading conditions set forth under Article 3 of Delegated Regulation (EU) 2016/1052.
The Parent Company published information about the program on a weekly basis, providing the number, average price, and value of treasury shares purchased on the MTA during the specified period.

On 6 February 2019, the Parent Company's Board of Directors approved the Group Budget for 2019.

On 29 March 2019, the Shareholders' Meeting of the Parent Company approved:

- in ordinary session, the financial statements as at 31 December 2018, the allocation of earnings for the year, and the distribution of a dividend for 2018 amounting to €0.165 per share gross of withholding tax (with the exclusion of the treasury shares held by the Company), which was paid on 22 May 2019 with coupon no. 6 dated 20 May 2019;
- in extraordinary session, amendments to Articles 13, 14 and 20 of the Company's by-laws.

On 30 April 2019, the Parent Company provided the following declarations to the banks that issued the financing agreed on 9 November 2017 and amended on 5 March 2018:

- compliance of the financial indicator NFP/EBITDA as at the reference date of 31 December 2018;
- the value of the ratio Consolidated Financial Position/EBITDA as at the reference date of 31 December 2018.

Based on the ratio Consolidated Financial Position/EBITDA, with effect from the date of delivery of the declaration of compliance, the spread applied to the Term and Additional Term loans lines of credit (relative to the Term Loan and the Additional Term Loan, respectively) increased by 0.25% annually.

On 13 May 2019, Vladimiro Ceci resigned from his position as member of the Company's Board of Directors due to conflicts with other positions within the Poste Italiane Group. We would like to thank Mr. Ceci for all the work he accomplished for the Group during his time in office.
Subsequently, on 27 May 2019, the Company co-opted Antonello Di Mascio, head of Affluent Accounts for Banco Posta with over 30 years of experience in Wealth Management for major Italian corporations, both as account manager and in commercial and business development roles, to join the Board of Directors.

On 26 June 2019, the grant of the residual units of the 2018-2020 Long-Term Incentive Plan (the "Plan", or "LTIP") for employees of the Company and its subsidiaries who perform key functions and roles within the Group (the "Beneficiaries") was completed. It should be noted that the Plan was approved by the Shareholders' Meeting in ordinary session on 21 June 2018.
There are 16 Beneficiaries of this Plan, as determined by the Chief Executive Officer of Anima Holding, of whom 13 had been selected in conjunction with the previous grant of 20 November 2018. See the notes to the consolidated financial statements, "Part A - Accounting policies - Section 4 Other information - Long-Term Incentive Plan", of the condensed consolidated interim financial statements at 30 June 2019 for further details.

On 28 June 2019, the subsidiary Anima SGR exercised the option to adjust the tax values of assets to their higher carrying amount ("Discharge of tax liability") in relation to the goodwill recognized at the time of the allocation of the purchase price in the demerger of the business unit (the "Demerged Business") from BancoPosta Fondi SGR S.p.A. ("BancoPosta"). The option was exercised by paying a tax in lieu of 16% of the higher values to be adjusted (about €7.1 million) and entailed the recognition of deferred tax assets in an amount equal to the expected benefit from the future tax deductibility of goodwill (in the amount of about €13.1 million).

TRANSACTIONS WITH RELATED PARTIES

The Parent Company, in compliance with applicable regulations, has adopted a Procedure for Related-Party Transactions.
The Procedure, in implementation of the Consob regulation on related parties (Resolution no. 17221 of 12 March 2010 as amended), ensures the transparency and the substantive and procedural fairness of transactions with related parties carried out directly or through subsidiaries. More specifically, it governs the following aspects:

- the role and duties of the Committee for Related-Party Transactions;
- the identification of related parties;
- the identification of related-party transactions;
- the process of assessing, approving and reporting to corporate bodies of transactions with related parties;
- market disclosure of transactions with related parties.

The Procedure is available on the website of Anima Holding at www.animaholding.it, Investor Relations – Corporate Governance section.

During the first half of 2019, the Group carried out transactions, settled on terms and conditions in line with market standards, with the parties identified by the procedures, in compliance with the criteria for the transparency and the substantive and procedural fairness of transactions with related parties.
With regard to paragraph 8 of Article 5 of the Consob regulation concerning the periodic reporting of transactions with related parties, during the period no other transactions of "greater importance" or "lesser importance" were carried out with related parties.
No atypical or unusual transactions were carried out during the period.
Transactions with related parties in the first half of 2019 mainly regarded commercial activities supporting the distribution of the products managed by the Group, management contracts transferred, current account deposits for the management of liquidity and the loan with the Parent Company and the associated IRS derivative, postal services received as well as the remuneration paid to the members of the Board of Directors of the company originating in Banco BPM and Poste.
For more details on the transactions with related parties carried out during the period, please see "Part D – Other information - Section 6 – Transactions with Related Parties" of the notes to the condensed consolidated interim financial statements at 30 June 2019.

MAIN RISKS AND UNCERTAINTIES

<u>Main enterprise risks</u>

The performance of the Anima Group depends on numerous factors, in particular the performance of the financial products we manage, the ability to offer products that meet the varied investment needs of customers and the capacity to maintain and develop our own customer base and that of the distribution networks through which the Anima Group operates, including through the constant and careful delivery of advisory and assistance services directly to customers and to the units of the distribution networks.
The failure to maintain the quality of our operational management, i.e. the inability to apply that management successfully to new initiatives, could have an adverse impact on the Anima Group's ability to maintain, consolidate and expand its customer base and that of the distribution networks that it uses.
The income generated by fund management operations is primarily represented by management and performance fees (where contractually provided), which account for the majority of the Group's revenue.
Management and performance fees are connected with the market value of assets under management and the results of product management. More specifically, management fees are

calculated periodically as a percentage of the assets of an individual product. Any decline in that value, whether due to adverse developments in the financial markets or to net redemptions of funds, could cause those fees to decrease. Performance fees, on the other hand, are charged to the fund and paid to the management company when the return of the fund in a given period exceeds the performance of a benchmark index, a predetermined value or a target return. For some funds, performance fees are due if the value of fund units increases above its highest previous level. Accordingly, earning performance fees, and the amount of those fees, is a naturally volatile event, sharply affected by the returns earned by funds and other managed products, which is in turn impacted not only by the quality of the funds' managers but also by developments in markets and, more generally, the national and international economy.
Our image and reputation are a major strength of the Group. A negative perception of the Group's image on the market by customers, counterparties, shareholders, investors or supervisory authorities, engendered for example by the loss of key personnel, by a decline in the performance of our products compared with benchmarks or with our competitors, by the violation on the part of portfolio managers of sector regulations, by the opening of legal, tax or arbitration proceedings against the Group companies, regardless of whether those claims are justified, or by the application of penalties by the supervisory authorities could significantly harm the image and reputation that the Group enjoys in the industry. More generally, it could undermine the confidence shown in the Group by its customers and third-party distribution networks, with a potential negative impact on the Group's growth prospects and on its revenue and operating performance.
In addition, asset management is governed by a substantial and evolving body of regulations. The regulatory authorities in each country that oversees the Group's operations include, for Italy, Consob, the Bank of Italy, the Financial Intelligence Unit and Covip for Italy and the equivalent authorities in the other countries in which the Group operates. Such an extensive and far-reaching regulatory environment makes organizational controls and control systems to manage compliance risk particularly important.

For more complete information on risks, please see the "Report on Operations - Main risks and uncertainties" in the Annual Report at 31 December 2018, as well as the disclosures in the "Notes to the consolidated financial statements – Part D – Other information – Section 3 - Information on risks and risk management policies" in this Interim Report at 30 June 2019.

We devote constant attention to measuring intangible assets and financial items:

- intangible assets: at 30 June 2019, analyses were performed to verify the presence of any evidence of impairment pursuant to IAS 36 and the consequent need to recalculate the recoverable value of the Anima SGR Cash Generating Unit ("CGU") determined in the impairment testing performed during the preparation of the consolidated financial statements at 31 December 2018, which readers are invited to consult for further details. These analyses did not find any significant critical factors that could indicate evidence of impairment. Therefore, when preparing the condensed consolidated interim financial statements at 30 June 2019, no impairment testing was performed to determine the recoverable value of the goodwill attributed to the CGU.
  Please see the "Notes to the consolidated financial statements - Part B - Assets - Item 90 - Section 9" of the condensed consolidated interim financial statements at 30 June 2019 for details of the intangible assets held by the Group;
- financial items: these are represented by (i) units of collective investment undertakings (CIUs) (funds managed by Group companies) classified as "assets mandatorily measured at fair value" and (ii) hedging derivatives. At 30 June 2019 these financial items were measured at fair value using level 1 and 2 inputs (for hedging derivatives only).

<u>Group organization</u>
In accordance with applicable legislation and the content of the Group Regulation, Anima Holding, as Parent Company, exercises management and coordination over the Anima Group companies and provides governance and policy-setting for the Group concerning:

- general planning and strategic policies;
- analysis of the competitive environment and identification of internal and external areas for growth to improve the Group's market position;
- extraordinary operations and transactions of greater importance from a strategic, performance, capital and financial standpoint;
- assessment of the Group's organizational, administrative and accounting structure, with focus on the internal control and risk management system;
- corporate governance policies;
- Anima Group compensation and incentive policies;
- financial management;
- legal affairs and corporate services;
- strategic planning.

The subsidiaries are exclusively responsible for providing asset management and investment services and carrying out other activities relating to the product offering and customer service for the Group.
Under the Group's organizational structure, operational activities are almost fully concentrated within the subsidiaries.

Finally, Legislative Decree 231 of 8 June 2001, ("Legislative Decree 231/2001") introduced the rules on "Corporate liability for administrative offences resulting from a crime". More specifically, the system of rules applies to legal persons, companies and associations, even those lacking legal personality. No administrative liability arises, however, if the company adopts and effectively implements, prior to the commission of a crime, compliance models to protect against such crime. These models can be adopted on the basis of codes of conduct or guidelines prepared by industry associations (including Assogestioni, which represents Italian asset managers) and communicated to the Ministry of Justice.
The Boards of Directors of Anima Holding and Anima SGR adopted their respective "Compliance Models as per Legislative Decree 231/2001" (the "Model"). The Models are divided into: (i) a "general" part that describes the company's system of rules and organization, construed as the rules, processes and procedures for the performance of operating activities, (ii) a "special" part, which details the types of offenses relevant under Legislative Decree 231/2001, as well as the result of the company's assessment of the exposure to the risk of commission of offenses expressed in terms of "likelihood of occurrence" and "associated risk", and (iii) "Annexes" which contain the main sources of the ethical and behavioral principles underpinning the construction and operation of the model, representing an integral part of that model. They consist of the Code of Ethics, the Code of Conduct and the Disciplinary Code.
The task of monitoring the operation of and compliance with the Models and ensuring that they are updated has been assigned to specific independent Supervisory Bodies under the provisions of Legislative Decree 231/2001 established by the Boards of Directors of the respective companies.

OTHER INFORMATION

Purchase of treasury shares and shares of the Parent Company

During the first half of 2019, the subsidiaries included in the scope of consolidation did not hold any treasury shares or shares of the Parent Company in their portfolios.
At 30 June 2019 the Parent Company held 11,401,107 treasury shares with no par value, equal to 3% of the share capital (for further details, please see the section "Significant events for the Anima Group in the first half of 2019" in this Consolidated Report on Operations).

Tax issues

As regards tax issues and disputes, as of the reporting date the disputes concerning assessments for direct taxes (IRES) for 2006 to 2008, issued following audits carried out in 2010 at the subsidiary Anima SGR by the Revenue Agency – Regional Department of Lombardy had not yet been resolved.
Anima SGR and the Parent Company have launched, including through their advisors, consultations and analysis of the issues raised by the tax inspectors, filing appeals, pleadings or applications for settlement where appropriate.
In any event, as the claims of the Revenue Agency against Anima SGR regard the years 2006 to 2008 (and thus prior to the acquisition by Anima Holding of the entire share capital of Anima SGR), the indemnification procedures provided for by the combined provisions of Articles 9 and 10 of the Sale Agreement entered into on 31 March 2009 and the '"Strategic Alliance" agreements of 29 December 2010, would permit the exercise any recoupment rights against the sellers of the equity investments in Anima SGR (from the former Prima SGR) to Anima Holding.
In particular, with regard to 2007, for which the appeal submitted to the Court of Cassation by Anima SGR is still pending (after divergent rulings at two lower levels of adjudication), during the first half of the year the notice of payment due issued on the basis of the ruling of the Regional Tax Commission of Lombardy was paid provisionally in the total amount of about €5.5 million. This amount, being related to an instrument that involved a provisional executive albeit not definitive payment, is recognized under the asset item "120 - Other assets - Tax receivables" in the consolidated interim financial statements at 30 June 2019. Furthermore , in execution of the contractual agreements referred to above, the seller Banca Monte dei Paschi di Siena paid the same amount to Anima SGR, which is recognized under liability item "80 - Other liabilities" in the consolidated interim financial statements at 30 June 2019.
In view of the foregoing, it was not considered necessary to recognize provisions in the consolidated interim financial statements at 30 June 2019 against the latent risk because, for the periods 2006 and 2007 regardless of any possible assessment of the outcome of the disputes, contractual agreements with the partners are in force that provide for the indemnification of the Group in respect of costs and charges that may arise.
With regard to the 2008 tax year (for which an appeal is still pending before the Court of Cassation after divergent rulings at two lower levels of adjudication), as the claims of the Revenue Agency against Anima SGR regard a period prior to the acquisition by Anima Holding of the entire share capital of Anima SGR, the indemnification procedures provided for by the combined provisions of Articles 6.1.1 and 6.1.2 of the Guarantee Agreement of the "Strategic Alliance" of 29 December 2010, are applicable in exercising any recoupment against the sellers of the equity investment in Anima SGR (from the former Prima SGR) to Anima Holding.
Following a notice from the seller Banca Monte dei Paschi di Siena (in the second half of January 2019) regarding the interpretation of the full effectiveness of the guarantees contained in these agreements, during the period Anima SGR and the Parent Company initiated, with the support of their legal and tax advisors, an extensive analysis of the situation. On the basis of this assessment, the Group feels that it may take action for partial recoupment of costs and charges if loses the case for 2008.
In any event, based in part on the opinions issued by the aforementioned consultants, the claims advanced by the Revenue Agency for 2008 are considered unfounded, with a possible risk of losing the case. Consequently no provision was recognized in the consolidated interim financial statements

at 30 June 2019, consistent with the provisions of IAS 37 and with the analysis in the consolidated financial statements at 31 December 2018.
It should be noted that, for 2008, the possible charge for the Group in the event of an unexpected unfavorable ruling by the Court Cassation and net of the contractual guarantees received can be quantified at less than €2 million.
With regard to the 2008 dispute, during the first half of the year the notice of payment due issued on the basis of the ruling of the Regional Tax Commission of Lombardy was paid provisionally in the total amount of about €4.5 million. This amount, being related to an instrument that involved a provisional executive albeit not definitive payment, is recognized under the asset item "120 - Other assets - Tax receivables" in the consolidated interim financial statements at 30 June 2019.

GROUP OPERATIONS AND RESULTS FOR THE FIRST HALF OF 2019

Information on operations

Assets under management ("AUM") by the Anima Group at 30 June 2019 amounted to approximately €180.6 billion, an increase of about €7.5 billion compared with the end of 2018.
This increase was due to the positive performance of the financial markets, especially in the first quarter of the year, which led to an increase in AUM of about €8.5 billion, which was marginally offset by negative net funding for the period of approximately €0.9 billion.
The following table reports AUM and funding by distribution channel at 30 June 2019 and 31 December 2018, with comparative figures for the same period of the previous year.

	End-of-period AUM				Net funding YTD		
Millions of euros	Dec-18	Jun-19	% change AUM	Absolute change	Jun-18	Jun-19	Absolute change
Total Anima Group	**173,110**	**180,624**	**4%**	**7,514**	**(354)**	**(949)**	**(595)**
Retail	**53,682**	**54,478**	**1%**	**796**	**292**	**(1,562)**	**(1,854)**
Strategic Partner	46,547	47,489	2%	942	492	(1,013)	(1,505)
Bank networks	4,691	4,414	-6%	(277)	(198)	(275)	(77)
Financial advisor networks	2,235	2,359	6%	124	0	(271)	(271)
Other	209	216	3%	7	(2)	(3)	(1)
Institutional	**119,428**	**126,146**	**6%**	**6,718**	**(646)**	**613**	**1,259**

Net funding for the period decreased for the retail channel, but was partly offset by the positive result achieved in the institutional channel:

- Retail: funding posted net redemptions of about €1.6 billion;
- Institutional: funding for the channel was positive at €0.6 billion, due mainly to the contribution of management contracts relating to the Poste Group's funds and policies and to positive flows in the pension segment.

Reclassified consolidated income statement at 30 June 2019

The reclassified consolidated income statement provides a scalar presentation of the formation of net profit for the period with the reporting of aggregates commonly used to provide an overview of performance.
In addition, the statement also reports the adjustments to statutory consolidated net profit as calculated for reporting purposes in order to neutralize the main impact on the latter of non-recurring or non-monetary costs and revenues and costs and revenues not pertaining to the core activities of the Group (net of the associated tax effects).
These aggregates are considered Alternative Performance Measures under the provisions of the Consob communication of 3 December 2015, which incorporates the guidelines of the European Securities and Markets Authority (ESMA) of 5 October 2015.

It should also be noted that the accounting effects of application of IFRS 16 have been reclassified in order to maintain the reclassified consolidated income statement at 30 June 2019 at values consistent with those previously presented and in continuity with the management figures used by the Group.

(Thousands of euros)	30/06/2019	30/06/2018	Δ % 2019 VS 2018
Net management fees	141,108	139,654	1%
Performance fees	9,595	17,988	-47%
Other revenues	11,827	11,815	0%
Total revenues	**162,530**	**169,458**	**-4%**
Personnel expenses	(22,436)	(22,656)	-1%
Administrative expenses	(19,146)	(21,019)	-9%
Total operating expenses	**(41,582)**	**(43,675)**	**-5%**
Adjusted EBITDA	**120,948**	**125,783**	**-4%**
Non-recurring costs	(4,607)	(3,435)	34%
Other costs and revenues	2,915	559	421%
Net adjustments of property, plant and equipment and intangible assets	(26,692)	(21,286)	25%
EBIT	**92,564**	**101,621**	**-9%**
Net financial expense	(5,761)	(3,877)	49%
Profit before taxes	**86,803**	**97,744**	**-11%**
Income taxes	(23,424)	(27,670)	-15%
Consolidated net profit	**63,379**	**70,074**	**-10%**
Net tax adjustments	**15,591**	**16,415**	**-5%**
Normalized consolidated net profit	**78,970**	**86,489**	**-9%**

The Parent Company defines adjusted earnings before interest and taxes, depreciation and amortization (adjusted EBITDA) as the difference between total revenues and total operating expenses as reported in the reclassified income statement. The following table reconciles consolidated net profit with adjusted EBITDA.
In the first half of 2019, the Group's adjusted EBITDA amounted to €120.9 million, down approximately €4.9 million compared with the corresponding period of 2018 (€125.8 million).
The performance of adjusted EBITDA for the period mainly reflected the following factors:

- an increase in net management fees of approximately 1%, to €141.1 million from €139.7 million for the year-earlier period;
- a decrease in performance fees of about €8.4 million (€9.6 million in 2019 compared with €18 million in 2018);
- no change in other revenues (€11.8 million for both periods), which includes fixed fees and advisory fees;
- a reduction in personnel expenses of about €0.2 million;
- a reduction in administrative costs of approximately €1.9 million, mainly due to the rationalization of offices used in operations and the revision of a number of outsourcing contracts.

The Group defines earnings before interest and taxes (EBIT) as consolidated net profit before income taxes and net financial expense, as shown in the reclassified income statement.
The Group defines extraordinary costs as non-recurring and/or non-monetary costs. Non-recurring costs for the first half of 2019 consist mainly of costs related to the plan for the bonus grant of

ordinary shares in the Company (the Long-Term Incentive Plan) to senior management of the Anima Group as approved by the shareholders of the Parent Company on 21 June 2018.
The non-recurring costs pertaining to 2018 were mainly attributable to charges for strategic advisory services and related to the extraordinary business combinations and acquisitions carried out.
The increase in "Net adjustments of property, plant and equipment and intangible assets" is mainly attributable to the amortization charge for the year on intangible assets with a finite useful life identified in the purchase price allocation process for the Demerged Business of BancoPosta (about €3.5 million), in addition to the amortization charge for the period for the management contracts acquired from Banca Aletti (the "Management Contracts") of about €3.4 million.

The increase in net financial expense, which totaled about €5.7 million at 30 June 2019 as compared with €3.9 million at 31 December 2018, mainly reflects the use of the credit lines envisaged under the loan agreement of 9 November 2017 and subsequently amended on 5 March 2018, which took place in the second half of 2018.

Income tax expense also includes (i) the amount of the tax in lieu, about €7.1 million, paid by the subsidiary Anima SGR following its election of the option to adjust the tax values of certain assets to their higher accounting values ("Discharge of tax liability" – pursuant to Article 15, paragraph 10, Legislative Decree 185 of 29 November 2008) in respect of the definitive goodwill recognized at the time of the allocation of the purchase price for the acquisition of the Demerged Business, net of (ii) the related recognition of deferred tax assets in an amount equal to the benefit expected from the future tax deductibility of goodwill (approximately €13.1 million).

Normalized consolidated net profit for the Group for the first half of 2019 came to €79 million, a reduction of about 9% compared with the €86.5 million of the previous period.

The following table reconciles consolidated net profit with adjusted EBITDA:

(Thousands of euros)	30/06/2019	30/06/2018	Change Absolute	Change %
Consolidated net profit	**63,379**	**70,074**	**(6,695)**	**-10%**
Income taxes	23,424	27,670	(4,246)	-15%
Profit before taxes	**86,803**	**97,744**	**(10,941)**	**-11%**
Net financial expense	5,761	3,877	1,884	49%
Net adjustments of property, plant and equipment and intangible assets	26,692	21,286	5,406	25%
Other costs and revenues	(2,915)	(559)	(2,356)	421%
Non-recurring costs	4,607	3,435	1,172	34%
Adjusted EBITDA	**120,948**	**125,783**	**(4,835)**	**-4%**

The following table reconciles consolidated net profit with normalized consolidated net profit:

(Thousands of euros)	30/06/2019	30/06/2018
Consolidated net profit	*63,379*	*70,074*
Amortization of intangibles	25,332	19,997
Amortization of capitalized costs on loans	863	488
Other income and expense	(46)	(359)
Change in provisions	(108)	532
Non-recurring costs	442	3,434
LTIP costs	4,165	0
Extraordinary taxes and duties	(6,015)	0
Changes in prior-year taxes	0	(784)
Tax effects of adjustments	**(9,042)**	**(6,893)**
Total net adjustments	***15,591***	***16,415***
Normalized consolidated net profit	**78,970**	**86,489**

Of particular note among the components that characterize the adjustments to consolidated net profit in order to produce normalized consolidated net profit at 30 June 2019 are the increase in amortization related to the intangible assets with finite useful life as described above and the reduction in extraordinary costs incurred in the previous year, which were mainly attributable to advisory services related to the extraordinary operations carried out. The costs in respect of the Long-Term Incentive Plan are reported as adjustments increasing net profit as calculated for statutory purposes as they are without any monetary effect.

Extraordinary taxes and duties show a net balance of approximately €6 million deriving from the aforementioned tax in lieu paid following the exercise of the tax discharge option and of the related recognition of deferred tax assets in an amount equal to the benefit expected from the future tax deductibility of goodwill related to the acquisition of the Demerged Business.

The tax effects are calculated for each adjustment in accordance with applicable tax rates.

Net financial position at 30 June 2019

Net financial position reported below is defined as total financial debt net of cash and cash equivalents, including financial debt and receivables and excluding trade receivables and payables. The net financial position also includes receivables in respect of collective investment undertakings under management for accrued performance fees collected in the early days of the month following the close of the period. The NFP presented below is also considered an Alternative Performance Measure under the Consob and ESMA guidelines referred to above.

Net financial debt at 30 June 2019

Millions of euros	30/06/2019	31/12/2018	30/06/2018
Term loan	596.1	645.3	525.3
Accrued financial expense	0.1	-	0.04
Total financial debt	**596.2**	**645.3**	**525.3**
Cash and other liquidity	(174.5)	(243.4)	(252.1)
Securities	(89.3)	(88.6)	(92.1)
Receivables for performance fees	(4.0)	(1.6)	(0.0)
Cash and cash equivalents	**(267.9)**	**(333.7)**	**(344.2)**
Net financial debt	**328.3**	**311.6**	**181.1**

The reduction in overall liquidity compared with the end of the previous year is mainly attributable to the liquidity absorbed: (i) by the purchases of treasury shares during the period by the Parent Company in the amount of about €41.2 million; (ii) by the payment of the tax in lieu for the tax discharge option in the amount of approximately €7.1 million; (iii) by the payment of the dividend on the 2018 earnings of Anima Holding in the amount of about €60.8 million; and (iv) by repayments of the principal of the outstanding loan and related interest expense in the amount of about €53.6 million, all of which were partially offset by the liquidity generated by ordinary operations and the balance of income components that did not have any financial impact.

* * *

OUTLOOK

The Group has achieved a significant diversification of its customer base and therefore its sources of revenue, with the overall benefit of reducing the risk profile of all the assets managed by the Group.
In pursuit of further growth and development of the Group, particular emphasis will be placed on enhancing the institutional investor channel, especially with reference to supplemental pensions and insurance customers. In terms of products, the Group will be working to develop new solutions in order, in part, to attract liquidity on the market towards investments in mutual funds and individual asset management contracts.
During the current year, objectives will be pursued in order to strengthen the service capacity of the networks and to rationalize operating approaches, including by leveraging the various management philosophies taken on board following the extraordinary operations carried out last year.
Developments in the performance, financial position and operations of the Group will continue to be impacted by the performance of financial markets.

for the Board of Directors

Chief Executive Officer

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 JUNE 2019

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Thousands of euros

	Assets	30/06/2019	31/12/2018
10.	Cash and cash equivalents	6	6
20.	Financial assets measured at fair value through profit or loss	89,311	88,629
	c) other financial assets mandatorily measured at fair value	89,311	88,629
40.	Financial assets measured at amortized cost	269,168	315,709
80.	Property, plant and equipment	16,096	3,285
90.	Intangible assets	1,721,388	1,746,890
	of which:		
	- goodwill	1,105,463	1,105,463
100.	Tax assets	16,410	29,033
	a) current	-	25,710
	b) deferred	16,410	3,323
120.	Other assets	34,306	28,080
	TOTAL ASSETS	**2,146,685**	**2,211,632**

	Liabilities and shareholders' equity	30/06/2019	31/12/2018
10.	Financial liabilities measured at amortized cost	750,813	777,998
	a) Debt	750,813	777,998
40.	Hedging derivatives	2,524	1,572
60.	Tax liabilities	154,000	157,262
	a) current	6,365	3,387
	b) deferred	147,635	153,875
80.	Other liabilities	40,558	39,824
90.	Deferred remuneration benefits	2,530	2,484
100.	Provisions for risks and charges:	671	1,436
	a) committments and guarantees issued	86	106
	c) other provisions	585	1,330
110.	Share capital	7,292	7,292
120.	Treasury shares (-)	(41,153)	
140.	Share premium reserve	787,652	787,652
150.	Reserves	380,930	315,767
160.	Valuation reserves	(2,511)	(1,712)
170.	Net profit (loss) for the period	63,379	122,057
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,146,685**	**2,211,632**

CONSOLIDATED INCOME STATEMENT

Thousands of euros

		30/06/2019	30/06/2018
10.	Fee and commission income	491,963	571,154
20.	Fee and commission expense	(329,909)	(402,173)
30.	**NET FEE AND COMMISSION INCOME (EXPENSE)**	**162,054**	**168,981**
50.	Interest and similar income	57	251
	of which: interest income calculated using effective interest rate method		
60.	Interest and similar expense	(5,817)	(4,127)
100.	Net gain (loss) on financial assets and liabilities measured at fair value through profit or loss	702	(1,217)
	b) other financial assets mandatorily valued at fair value	702	(1,217)
110.	**GROSS INCOME**	**156,996**	**163,888**
130.	**NET PROFIT FROM FINANCIAL ACTIVITIES**	**156,996**	**163,888**
140.	Administrative expenses:	(44,794)	(47,094)
	a) personnel expenses	(26,497)	(24,601)
	b) other administrative expenses	(18,297)	(22,493)
150.	Net provisions for risks and charges	108	(402)
160.	Net adjustments of property, plant and equipment	(1,698)	(325)
170.	Net adjustments of intangible assets	(26,312)	(20,903)
180.	Other operating (expenses)/income	2,503	2,580
190.	**OPERATING PROFIT (LOSS)**	**(70,193)**	**(66,144)**
240.	**PROFIT (LOSS) BEFORE TAX ON CONTINUING OPERATIONS**	**86,803**	**97,744**
250.	Income tax expense from continuing operations	(23,424)	(27,670)
260.	**PROFIT (LOSS) AFTER TAX ON CONTINUING OPERATIONS**	**63,379**	**70,074**
280.	**NET PROFIT (LOSS) FOR THE PERIOD**	**63,379**	**70,074**
290.	Profit (loss) attributable to non-controlling interests		
300.	Profit (loss) attributable to shareholders of the Parent Company	63,379	70,074

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Thousands of euros

		30/06/2019	30/06/2018
10.	**Net profit (loss) for the period**	**63,379**	**70,074**
	Other comprehensive income after tax without recycling to profit or loss		
70.	Defined benefit plans	(132)	33
	Other comprehensive income after tax with recycling to profit or loss		
120.	Cash flow hedges	(667)	(554)
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income		
170.	**Total other comprehensive income after tax**	**(799)**	**(521)**
180.	**COMPREHENSIVE INCOME (ITEMS 10+170)**	**62,580**	**69,553**
190.	Consolidated comprehensive income attributable to non-controlling interests		
200.	**Consolidated comprehensive income attributable to shareholders of the Parent company**	**62,580**	**69,553**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

Thousands of euros

2019	at 31.12.18	Change in opening balance	at 01.01.19	Allocation of net profit of previous year		Change for the year						Comprehensive income at 30.06.2019	Shareholders' equity attributable to the shareholders of the Parent Company at 30.06.2019	Non-controlling interests at 30.06.2019
						Change in reserves	Equity transactions							
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of treasury shares	Extraordinary dividends	Change in equity instruments	Other changes			
Share capital	7,292		7,292										7,292	
Share premium reserve	787,652		787,652										787,652	
Reserves:	315,767		315,767	61,232			(234)				4,165		380,930	
a) earnings	281,723		281,723	65,877									347,600	
b) other	34,044		34,044	(4,645)			(234)				4,165		33,330	
Valuation reserves	(1,712)		(1,712)									(799)	(2,511)	
Equity instruments													-	
Treasury shares								(41,153)					(41,153)	
Net profit (loss) for the year	122,057		122,057	(61,232)	(60,825)							63,379	63,379	
Shareholders' equity attributable to shareholders of the Parent Company	**1,231,056**		**1,231,056**	**-**	**(60,825)**	**-**	**(234)**	**(41,153)**	**-**	**-**	**4,165**	**62,580**	**1,195,589**	
Non-controlling interests														

2018	at 31.12.17	Change in opening balance	at 01.01.18	Allocation of net profit of previous year		Change for the year						Comprehensive income at 30.06.2018	Shareholders' equity attributable to the shareholders of the Parent Company at 30.06.2018	Non-controlling interests at 30.06.2018
						Change in reserves	Equity transactions							
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of treasury shares	Extraordinary dividends	Change in equity instruments	Other changes			
Share capital	5,926		5,926				1,366						7,292	
Share premium reserve	489,200		489,200				298,452						787,652	
Reserves:	264,716	(99)	264,617	52,747			(4,867)						312,497	
a) earnings	234,295		234,295	47,428									281,723	
b) other	30,421	(99)	30,322	5,319			(4,867)						30,774	
Valuation reserves	(750)	99	(651)									(521)	(1,172)	
Equity instruments													-	
Treasury shares													-	
Net profit (loss) for the year	111,293		111,293	(52,747)	(58,546)							70,074	70,074	
Shareholders' equity attributable to shareholders of the Parent Company	**870,385**		**870,385**	**-**	**(58,546)**	**-**	**294,951**	**-**	**-**	**-**	**-**	**69,553**	**1,176,343**	
Patrimonio netto di terzi														

* The column "Issue of new shares" reports amounts from the capital increase carried out by the Company on 20 April 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS

Thousands of euros

A. OPERATING ACTIVITIES	30/06/2019	30/06/2018
1. Operations	**103,483**	**85,169**
- Net profit (loss) for the period (+/-)	63,379	70,074
- Gains (losses) on hedging activities (+/-)	(667)	(554)
- Net adjustments of property, plant and equipment and intangible assets (+/-)	28,010	21,228
- Net provisions for risks and charges and other costs/revenues (+/-)	(765)	(128)
- Taxes and duties to be settled (+/-)	9,361	(5,451)
- Other adjustments (+/-)	4,165	
2. Net cash flows from/used in financial assets	**(29,309)**	**118,683**
- Other assets mandatorily measured at fair value	(682)	58,557
- Financial assets measured at amortized cost	(22,401)	54,965
- Other assets	(6,226)	5,161
3. Net cash flows from/used in financial liabilities	**(39,842)**	**(408,163)**
- Financial liabilities measured at amortized cost	(41,559)	(257,403)
- Financial laibilities at fair value	952	786
- Other liabilities	765	(151,546)
Net cash flows from/used in operating activities	34,332	(204,311)
B. INVESTING ACTIVITIES		
1. Cash flows from		
2. Cash flows used in	**(1,062)**	**(139,588)**
- Purchases of property, plant and equipment	(252)	(67)
- Purchases of intangible assets	(810)	(139,521)
Net cash flows from/used in investing activities	(1,062)	(139,588)
C. FINANCING ACTIVITIES		
- Issues/purchases of equity instruments	(41,387)	294,951
- Distribution of dividends and other	(60,825)	(58,546)
Net cash flows from/used in financing activities	(102,212)	236,405
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**(68,942)**	**(107,494)**

RECONCILIATION

	30/06/2019	30/06/2018
Cash and cash equivalents at beginning of period	243,441	359,550
Net increase/decrease in cash and cash equivalents	(68,942)	(107,494)
Cash and cash equivalents: exchange rate difference		
Cash and cash equivalents at end of period	174,499	252,056

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PART A- ACCOUNTING POLICIES

A.1 –GENERAL INFORMATION

Section 1 – Declaration of conformity with the International Accounting Standards

These condensed consolidated interim financial statements at 30 June 2019 (the "interim financial statements") have been prepared in accordance with the International Accounting Standards and International Financial Reporting Standards (IASs/IFRSs) issued by the International Accounting Standards Board (IASB), and the related International Financial Reporting Interpretations Committee (IFRIC) interpretations, endorsed by the European Commission as established with Regulation (EC) no. 1606 of 19 July 2002, and in effect as of the date of approval of these interim financial statements. No departures have been adopted in the application of the IASs/IFRSs.

The IASs/IFRSs were also applied in accordance with the "Framework for the Preparation and Presentation of Financial Statements", with particular regard to the principles of substance over form, accruals accounting and the concepts of the relevance and materiality of the information.

The content of the interim financial statements is compliant with the international accounting standard governing interim financial reporting (IAS 34). Under paragraph 10 of IAS 34, the Group has elected to publish the interim financial statements in condensed form.

The interim financial statements do not provide all of the disclosures required for the preparation of the annual consolidated financial statements. For this reason, it is necessary to read it together with the consolidated financial statements at 31 December 2018.

The interim financial statements have been prepared in accordance with the same accounting policies and methods used to prepare the consolidated financial statements at 31 December 2018, which readers are invited to consult, supplemented by accounting standards endorsed by the European Commission and applicable as from 1 January 2019, namely "IFRS 16 - Leases".

The new IFRS 16 sets out the requirements for accounting for leases and as from 1 January 2019 replaces IAS 17 "Leases" and the associated interpretations IFRIC 4 "Determining whether an arrangement contains a lease", SIC 15 "Operating leases – Incentives" and SIC 27 "Evaluating the substance of transactions in the legal form of a lease".

The new standard introduces significant changes in how leases are to be accounted for in the financial statements of lessees/users, while there are no changes in the rules for lessors.

A discussion of the impact of first-time application of IFRS 16 is given in the section "Initial application of IFRS 16" below.

In light of the foregoing, the new accounting policies are discussed in detail in the section "The main items of the consolidated financial statements" of these notes to the consolidated interim financial statements.

In the first half of 2019, the following accounting standards and amendments to existing accounting standards came into force..

International accounting standards endorsed as of 30 June 2019 and in force as from 2019

Endorsement regulation	Title	Date of entry into force
2017/1986	IFRS 16 *Leasing*	01/01/2019
2018/498	Amendments to IFRS 9 *Financial instruments*	01/01/2019
2018/1595	IFRIC 23 *Uncertainty over income tax treatments*	01/01/2019
2019/237	Amendments to IAS 28 *Investments in associates and joint ventures*	01/01/2019
2019/402	Amendments to IAS19 *Employee benefits*	01/01/2019
2019/412	*Annual improvements to IFRS standards* IFRS 2015-2017 *cycle*, which modified IFRS 3 *Business combinations*, IFRS 11 *Joint Arrangements*, IAS 12 *Income taxes and IAS 23 Borrowing costs*	01/01/2019

The adoption of these standards and interpretations did not have a substantive impact on performance or financial position.

International accounting standards not yet endorsed as of 30 June 2019

Type	Standard/ Interpretation	Date of publication
New standard	IFRS 17 *Insurance contracts*	18/05/2017
Amendments	Amendments to "Conceptual Framework for Financial Reporting"	29/03/2018
Amendments	Amendments to IFRS 3 *Business combinations*	22/10/2018
Amendments	Amendments to IAS 1 *Presentation of financial statements and IAS 8 Accounting policies, changes in accounting estimates and errors*	31/10/2018

The introduction and amendments of the standards indicated above do not have an impact on the consolidated financial statements as they will not apply until they have been endorsed by the European Commission with the issue of specific regulations.

Section 2 – General preparation principles

The condensed consolidated interim financial statements are composed of the consolidated balance sheet, the consolidated income statement, the statement of consolidated comprehensive income, the statement of consolidated cash flows, the statement of changes in consolidated equity and the explanatory notes to the consolidated financial statements. They have been prepared in accordance with the instructions for the preparation of the financial statements of IFRS financial intermediaries other than banks issued by the Bank of Italy on 30 November 2018, which incorporate the provisions of IFRS 16 and the consequent modifications introduced in other international accounting standards.
In addition to amounts for the period under review, the schedules also report the corresponding comparative balance-sheet figures at 31 December 2018, and the comparative income statement figures at 30 June 2018.
In order to provide a better presentation of the data so as to facilitate understanding and in accordance with the provisions of the Bank of Italy in its instructions for the preparation of the financial statements of IFRS financial intermediaries other than banks, some items of the balance sheet (sub-items of "Item 10 - Financial liabilities measured at amortized cost") and the income statement (sub-items of "Items 10 and 20 – Fee and commission income and expense") for the first half of 2019 have been reclassified. More specifically, fee and commission income and expense and liabilities for fees and commissions to be due to distributors in respect of the Anima Funds Plc SICAV (for which the subsidiary Anima SGR has been appointed Management Company since 1 January 2019) have been reported under the sub-items relating to "management of third-party portfolios", whereas in the previous reporting period they were included under the sub-item "management of own portfolios". For these sub-items, therefore, the amounts for the previous year have also been reclassified, without changing the final balances for the reference period.
In accordance with Article 5, paragraph 2, of Legislative Decree 38 of 28 February 2005, the euro has been adopted as the currency of account in the preparation of the financial statements.
Unless otherwise specified, the amounts in the financial statements are expressed in thousands of euros.

Items with zero balances for the two years under review are excluded from the balance sheet, income statement and statement of comprehensive income.
Assets and liabilities and costs and revenues have only been offset where required or permitted by a standard or its interpretation.
As provided for under IAS 7, paragraphs 45 and 46, the reconciliation of the statement of cash flows considers cash and current account items at the start and end of the period as the "cash equivalent" aggregate.

Initial application of IFRS 16
Prior to 1 January 2019, under IAS 17, lessees were required to make a distinction between a finance lease, which is recognized in the balance sheet, and an operating lease, for which the overall liability deriving from the contractual obligation is not recognized but the lease payments are charged to profit and loss on an accrual basis.
IFRS 16, which will take effect as from 1 January 2019, contains a new definition of lease and introduces a criterion of control (right of use) over an asset to distinguish lease contracts from service contracts, identifying the following as discriminants: the identification of the asset, the right of replacement of the asset, the right to obtain substantially all of the economic benefits of use of the asset and the right to direct the use of the asset underlying the lease.
The standard, which establishes a single model for the recognition and measurement of leases for lessees. Under the new standard, a lease is a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Specifically, the lessee shall recognize a right-of-use asset and a lease liability, representing the payment obligations under the lease.
At initial recognition, the asset is measured on the basis of the cash flows associated with the lease contract. Following initial recognition, that asset is measured on the basis of the rules governing property, plant and equipment or intangible assets provided for under IAS 38, IAS 16 or IAS 40 and, therefore, at cost less depreciation or amortization and any impairment losses, at the revalued amount or at fair value as applicable.
The minimum disclosures required for lessees include, among others:

- a breakdown of leased assets in to their various classes;
- an analysis of lease liabilities by maturity;
- information potentially useful for understanding the entity's leasing activities (for example, termination and extension options).

By contrast, no substantive changes, other than certain additional disclosures, were introduced in the rules governing the accounting for leases in the financial statements of lessors, where the distinction between operating and finance leases has been retained.

In addition, under the provisions of IFRS 16 and the clarifications issued by the IFRIC ("Cloud Computing Arrangements" of September 2018), software is excluded from the scope of IFRS 16. It is therefore accounted for in accordance with IAS 38.
Initial application of IFRS 16 for the Group's consolidated financial statements had the following impact:

- the balance sheet shows an increase in recognized assets (the rights of use over the leased assets) and an increase in liabilities (the liability for the lease payments provided for in the lease agreement);
- the income statement shows an increase in depreciation/amortization (on the new right-of-use assets), an increase in financial expense (interest on the lease liability) and a reduction in operating expenses (lease payments).

An analysis of the contracts falling within the scope of application of this standard focused in particular on the following cases: (i) buildings, (ii) cars and (iii) hardware. Real estate leases represent the most significant implementation impact area since these contracts represent around 95% of the calculated value of rights of use. On the other hand, although significant in terms of number, cars account for a negligible proportion of the value of right-of-use assets. Finally, the impact of the hardware sector are marginal.

First-time adoption

The Group has elected to apply the "modified retrospective" approach for first-time adoption (paragraph C7 of IFRS 16), which permits recognition of the cumulative effect of initially applying the standard at the date of initial application and to not restate comparative figures in the initial IFRS 16 financial statements. Therefore, the figures for 2018 for the valuation of right-of-use assets and the corresponding lease liabilities are not comparable with the previous reference period.

During the transition, the new standard was applied contracts previously identified as leases under IAS 17. More specifically, the following have been recognized:

- the lease liability calculated as the present value of the lease payments that are not paid at the transition date, discounted at the Group's incremental borrowing rate at the transition date;
- the right-of-use asset, measured at the amount equal to the lease liability at the transition date, adjusted for any deferred or accrued income in respect of the lease recognized at the closing date of the financial statements at 31 December 2018.

The future lease payments to be discounted are determined on the basis of the provisions of the lease and calculated net of VAT.

The Group decided to elect the exemption allowed under IFRS 16, paragraph 5(a):

- for short-term leases for all categories of asset (with a term of 12 months or less);
- for leases for which the underlying asset is of low value (i.e. for new underlying assets with a unit value of less than €5,000).

For those contracts, the introduction of IFRS 16 did not involve the recognition of a lease liability and the associated right-of-use asset but rather the recognition of the lease payments as an expense through profit or loss on a straight-line basis over the term of the lease

In addition, with regard to the rules governing the transition, the Group adopted the following practical expedients available in the case of adoption of the modified retrospective method for the transition:

- exclusion of initial direct costs from the measurement of the right-to-use asset at 1 January 2019;
- classification of leases expiring within 12 months of the transition date as short-term leases. Lease payments on those contracts will be recognized in profit or loss on a straight-line basis; use of experience acquired and information available at the transition date to determine the lease term, with specific regard to the exercise of options to extend or terminate early a lease.

More specifically, with regard to the lease term for new contracts, the Group has decided:

- for property leases, to consider only the first renewal as reasonably certain, unless there are contractual clauses that forbid this or fact or circumstances that suggest that additional renewals should be considered or that the lease is terminated;
- for leases of automobiles or hardware, even where a renewal option is present, to not consider renewal as reasonably certain.

For contracts outstanding at the date of first-time adoption, a renewal period was added if the contract was in the initial contract period (i.e. the first renewal option had not yet been exercised) or if the contract was in a renewal period following the first but the deadline for notifying the cancellation had expired.

In the transition phase, for all types of leases, we considered with reasonably certainty that the option for early termination would be exercised.

With respect to the minimum payments due for leases pursuant to IAS 17, the liabilities recognized in these first IFRS 16 financial statements primarily include the increase in liabilities in respect of lease terms in which the Group, as a lessee, is reasonable certain that it will no exercise the termination option and the discounting effect of applying an average rate of 1.325%.

Reconciliation of operating lease commitments under IAS 17 at 31 December 2018 and lease liabilities under IFRS 16 at 1 January 2019

Reconciliation of lease liabilities	**01/01/2019**
Commitments for IAS 17 operating leases not discounted at 31 December 2018	15,218
Application of practical expedients for non-recognition provided for in IFRS 16	
- *short-term leases*	*(100)*
- *low-value leases*	*(207)*
Liabilities for operating leases to be recognized in balance sheet at 1 January 2019 not discounted	14,911
Discounting effect - liabilities for operating leases	(537)
Total IFRS 16 lease liabilities at 1 January 2019	**14,374**

Rights of use acquired under lease arrangements	**01/01/2019**
a) land	-
b) buildings	13,717
c) movables	-
d) electronic plant	314
e) other	343
Total rights of use	**14,374**
Deferred income in respect of leases recognized in balance sheet at 31 December 2018	(117)
Total property, plant and equipment recognized	**14,257**

Assets, liabilities and equity at 1 January 2019

Using the modified retrospective approach, the application of IFRS 16 resulted in an increase in assets following the recognition of right-of-use assets at the Group level of €14.3 million and of lease liabilities (payable to the lessor) of the same amount. Accordingly, there has been no impact on shareholders' equity as, following the decision to adopt the modified retrospective approach (option provided for under paragraph C8 b) ii), on first-time application the values of the assets and liabilities are the same.

	Assets	31/12/2018	Effect of transition to IFRS 16	01/01/2019 IFRS 16
10.	Cash and cash equivalents	6		6
20.	Financial assets measured at fair value through profit or loss	88,629		88,629
	a) financial assets held for trading			-
	b) financial assets at fair value			-
	c) other financial assets mandatorily measured at fair value	*88,629*		*88,629*
30.	Financial assets measured at fair value through other comprehensive income			-
40.	Financial assets measured at amortized cost	315,709		315,709
50.	Hedging derivatives			-
60.	Value adjustment of macro-hedged financial assets (+/-)			-
70.	Equity investments			-
80.	Property, plant and equipment	3,285	14,257	17,542
90.	Intangible assets	1,746,890		1,746,890
	of which:			-
	- goodwill	*1,105,463*		*1,105,463*
100.	Tax assets	29,033		29,033
	a) current	*25,710*		*25,710*
	b) deferred	*3,323*		*3,323*
110.	Non-current assets and disposal groups	-		-
120.	Other assets	28,080		28,080
	TOTAL ASSETS	**2,211,632**	**14,257**	**2,225,889**

	Liabilities and shareholders' equity	31/12/2018	Effect of transition to IFRS 16	01/01/2019 IFRS 16
10.	Financial liabilities measured at amortized cost	777,998	14,374	792,372
	a) Debt	*777,998*	*14,374*	*792,372*
	b) Securities issued			-
20.	Financial liabilities held for trading			-
30.	Financial liabilities designated at fair value			-
40.	Hedging derivatives	1,572		1,572
50.	Value adjustment of macro-hedged financial liabilities (+/-)			-
60.	Tax liabilities	157,262		157,262
	a) current	*3,387*		*3,387*
	b) deferred	*153,875*		*153,875*
70.	Liabilities associated with disposal groups held for sale			
80.	Other liabilities	39,824	(117)	39,707
90.	Deferred remuneration benefits	2,484		2,484
100.	Provisions for risks and charges:	1,436		1,436
	a) commitments and guarantees issued	*106*		*106*
	b) post-employment benefits and similar obligations			
	other provisions	*1,330*		*1,330*
110.	Share capital	7,292		7,292
120.	Treasury shares (-)			
130.	Equity instruments			
140.	Share premium reserve	787,652		787,652
150.	Reserves	315,767		315,767
160.	Valuation reserves	(1,712)		(1,712)
170.	Net profit (loss) for the period	122,057		122,057
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,211,632**	**14,257**	**2,225,889**

Section 3 – Events subsequent to the reporting date

As of 29 July 2019, the date the Board of Directors approved the interim financial statements, no significant event had occurred that would require an adjustment or would modify the values of the assets and liabilities or require disclosure in the explanatory notes.

Section 4 – Other issues

As regards the disclosures required under IAS 10 concerning the publication of financial information, these interim financial statements were approved by the Board of Directors of the Parent Company on 29 July 2019.

Use of estimates and assumptions in financial reporting

The preparation of financial reports requires the use of estimates and assumptions that can have a significant impact on the values reported in the consolidated balance sheet and the consolidated income statement, as well as on disclosures concerning the contingent assets and liabilities reported in the consolidated financial statements. The preparation of these estimates involves the use of available information and the adoption of subjective assessments, based in part on experience, in order to formulate reasonable assumptions for the recognition of operating events. By their very nature, estimates and assumptions used may vary from year to year and, therefore, the amounts recognized in the financial statements may vary significantly in subsequent years, due to changes in the subjective assessments used.

The main circumstances for which management makes greatest use of subjective assessments are:

- the identification and quantification of any losses due to impairment of goodwill and other intangible assets recognized in the interim financial statements;
- the determination of the fair value of financial instruments not listed on active markets (hedging derivatives);
- the quantification of provisions for risks and charges, with specific reference to estimated liabilities in respect of personnel and legal and tax disputes;
- the estimates and assumptions concerning the recoverability of deferred tax assets;
- the estimates and assumptions concerning the determination of the actuarial value of the deferred compensation benefits (*trattamento fine rapporto*, or TFR);
- the estimates and assumptions concerning the determination of the fair value of the units connected with Long-Term Incentive Plans (LTIP);
- the estimates and assumptions concerning the recoverability of prepayments relating to the one-off commissions paid to distributors;
- the estimates concerning the determination of the commitments connected with guarantees given by the subsidiary Anima SGR for pension fund segments which provide for the repayment of capital.

Goodwill

At 30 June 2019, we conducted an analysis to identify any internal or external evidence of impairment pursuant to IAS 36 and the consequent need to redetermine the recoverable value of the Cash Generating Unit (CGU). The analysis did not reveal any evidence of potential impairment. Accordingly, in preparing these consolidated interim financial statements, no impairment testing was conducted to determine the recoverable value of the goodwill allocated to the CGU. For more information, please see the consolidated financial statements at 31 December 2018.

Long-Term Incentive Plan

On 21 June 2018, Ordinary Shareholders' Meeting of Anima Holding approved the Long-Term Incentive Plan 2018-2020 ("Long-Term Incentive Plan", "Plan" or "LTIP"), based on its financial instruments, to be granted free of charge to employees of the Parent Company and the subsidiaries who perform key functions and roles within the Group (the "Beneficiaries"). During the session addressing extraordinary business, the same Shareholders' Meeting authorized the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, to carry out a bonus capital increase for Anima Holding in one or more instalments by the final time limit of 21 June 2023, through the issue of a maximum of 8,780,353 ordinary shares with no par value (the "Shares"), up to a maximum of 2.31% of share capital (percentage at the date of approval of the Plan), to be granted, pursuant to Article 2349 of the Civil Code, to employees and/or categories of employees of the Parent Company and/or its subsidiaries, implementing the Plan by drawing on a corresponding amount of profit and/or profit reserves reported in the approved financial statements, up to a maximum amount of €168,470.
The Plan is intended to: (i) involve management personnel whose activities are considered of key importance to achieving the objectives of the Anima Group, (ii) strengthen the loyalty of management to the Group, encouraging such personnel to remain with Anima, (iii) align the medium/long-term interests of management with those of the Anima Group and the Shareholders (the Plan makes a significant portion of the variable remuneration of the Beneficiaries contingent on achieving corporate performance objectives) and (iv) facilitate the attraction and retention of talent.
The Plan is one of the range of tools used to supplement the remuneration packages of the key managers of the Anima Group, with remuneration deferred over an appropriate period of time and variable components linked to achievement of performance objectives (Vesting Conditions), with a view to creating long-term value for shareholders.
For a complete description of the Plan, please see the "Notes to the consolidated financial statements - Part A Accounting policies - A.1 General information - Section 4 Other information - Long Term Incentive Plan" of the consolidated financial statements at 31 December 2018.
On 26 June 2019, the remaining 4.4% of the total Units of the Plan were granted to sixteen Beneficiaries identified by the Chief Executive Officer of Anima Holding, of whom thirteen were already recipients of the previous grant on 20 November 2018. At 30 June 2019, all the Units envisaged by the Plan had been granted.
The Units granted on 26 June 2019 will be conventionally considered to have been recognized as at 1 July 2019.
At 30 June 2019, the amount recognized in profit or loss in these interim financial statements is €4.165 million.
The terms and conditions of the Plan, and the characteristics of the Units granted, are described in the disclosure document prepared pursuant to Article 84-bis, paragraph 1, of the Issuers Regulation and in accordance with Scheme 7 of Attachment 3A, and in the Plan rules published on the website of Anima Holding at www.animaholding.it.

Section 5 – Scope and methods of consolidation

1. Investments in subsidiaries

The following table reports fully-consolidated equity investments in the interim financial statements at 30 June 2019:

	Headquarters	Registered office	Type of relationship(a)	Investment		% availability of votes(b)
				Investor	% holding	
Anima SGR S.p.A.	Milan – Italy	Milan – Italy	1	Anima Holding S.p.A.	100%	
Anima Asset Management Ltd	Dublin - Ireland	Dublin - Ireland	1	Anima SGR S.p.A.	100%	

a) Type of relationship: 1=majority of voting rights in ordinary shareholders' meeting
b) Where this differs from percentage interest, the percentage of votes in the ordinary shareholders' meeting is given, distinguishing between actual and potential votes

For complete disclosure, see the discussion in "Notes to the financial statements – Part A – Accounting policies – Section 5 – Scope and method of consolidation" of the consolidated financial statements at 31 December 2018.

A.2 – MAIN ITEMS OF THE INTERIM FINANCIAL STATEMENTS

The accounting policies adopted for the preparation of these interim financial statements, with reference to the classification, registration, valuation and cancellation phases of the various asset and liability items, as well as the methods for recognizing costs, are unchanged compared with those adopted for the Group's consolidated financial statements at December 31, 2018, to which reference is made, with the exception of those described below following the entry into force of the international accounting standard IFRS 16.

Leases
(Lessee)
<u>Classification</u>

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, and therefore if throughout the period of use the customer has both of the following:
a) the right to obtain substantially all of the economic benefits from use of the identified asset; and
b) the right to direct the use of the identified asset.
Whether a contract is, or contains, a lease is reassessed only if the terms and conditions of the contract are changed.
The Group does not apply these rules to:

- leases of intangible assets;
- short-term leases (term of 12 months or less);
- leases involving low-value assets (assets with a unit value of €5,000 or less);

<u>Recognition, measurement and derecognition</u>

One it has been determined that a contract contains a lease, at the *commencement date*, a lessee shall recognize a right-of-use asset and a lease liability.
The right-of-use asset shall initially be recognized at cost, which comprises:

a) the amount of the initial measurement of the lease liability;
b) any lease payments made at or before the commencement date, less any *lease incentives* received;
c) any *initial direct costs* incurred by the lessee; and

d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The lease liability is measured at the commencement date at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the Group's incremental borrowing rate.

Each lease component within the contract is accounted for as a lease separately from non-lease components of the contract.

The lease term is equal to the non-cancellable period of a lease, together with both:

a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The lease term is revised if there is a change in the non-cancellable period of a lease.

After the commencement date, the right-of-use asset is measured by applying a cost model.

Right-of-use assets are depreciated as from the commencement date of the lease until the end of the lease term.

After the commencement date, the lease liability is measured by:

a) increasing the carrying amount to reflect interest on the lease liability;
b) reducing the carrying amount to reflect the lease payments made; and
c) remeasuring the carrying amount to reflect any reassessment or lease modifications , or to reflect revised lease payments.

Interest on the lease liability and variable lease payments not included in the measurement of the lease liability are recognized in profit or loss in the year in which the event or circumstances giving rise to the payments occur.

Right-of-use assets are reported separately in the balance sheet from other assets, lease liabilities are reported separately from other liabilities and interest on the lease liability is reported as financial expense separately from depreciation charges on right-of-use assets.

A.3 – DISCLOSURES ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

With regard to the disclosures required under IFRS 7, paragraph 12 B, we report that during the period the Group did not transfer any financial assets between categories as defined by IFRS 9.

A.4 –FAIR VALUE DISCLOSURES

QUALITATIVE DISCLOSURES

This section provides the fair value disclosures required by IFRS 13, paragraphs 91 and 92.

The fair value hierarchy, introduced by the IASB with an amendment of IFRS 7 "Financial Instruments: Disclosures" in March 2009, must be applied to all financial instruments recognized at fair value in the balance sheet.

Paragraph 24 of IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

In the case of financial instruments quoted on active markets, fair value is determined on the basis of prices obtained from the financial markets, while the fair value of other financial instruments is determined on the basis of quoted prices for similar instruments or internal valuation techniques.

IFRS 13 establishes a fair value hierarchy based on the degree of observability of the inputs used in the valuation techniques adopted.

The following section sets out the manner in which financial instruments are classified within the three levels of the fair value hierarchy on the basis of the inputs used.

Level 1

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
A financial instrument is considered quoted on an active market when:
a) quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, authorized entity or regulatory agency;
b) those prices represent actual and regularly occurring market transactions on an arm's length basis.
If the quoted prices meet these requirements, they represent the best estimate of fair value and must be used to measure the financial instrument.
The definition indicates that the concept of active market regards that for the individual financial instrument being measured and not the market on which it is quoted. Accordingly, the fact that a financial instrument is listed on a regulated market is not in itself a sufficient condition for that instrument to be considered quoted on an active market.

Levels 2 and 3

Financial instruments that are not listed on an active market must be classified in levels 2 or 3.
Whether an instrument is classified as level 2 or level 3 depends on the observability of the significant inputs used to measure the fair value. A financial instrument must be classified in its entirety in a single level. When an instrument is measured using inputs from different levels it must be categorized in the same fair value level of the lowest level input that is significant to the entire measurement.
A financial instrument is classified as level 2 if all the significant inputs are observable on the market, either directly or indirectly. An input is observable when it reflects the same assumptions used by market participants based on market data provided by independent sources.
Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in markets that are not active, namely markets in which:
    - there are few recent transactions;
    - price quotations are not developed using current information or vary substantially either over time or among market makers and little information is publicly available;

  and there are also:
    - observable market inputs (e.g. interest rates or yield curves observable at commonly quoted intervals, volatility etc.);
    - inputs based primarily on observable market data whose relationship is corroborated by various parameters, including correlation.

A financial instrument is classified as level 3 if the valuation techniques adopted also use inputs that are not observable on the market and they make a significant contribution to the estimation of the fair value.
All financial instruments not quoted on an active market are classified as level 3 when even if observable data is available, it is necessary to make substantial adjustments to the data using unobservable inputs, and the estimation is based on internal assumptions concerning future cash flows and risk adjustments of the discount rate.

A.4.1 Levels 2 and 3: the valuation techniques and inputs used

At 30 June 2019 the balance sheet items measured at fair value were composed:

- of financial assets measured at fair value through profit or loss, namely units of CIUs, which are measured exclusively with level 1 inputs (reference values published daily);
- financial derivatives (interest rate swaps) used to hedge the risk of changes in the cash flows connected with interest expense on outstanding loans. The valuation technique used is the

discounted cash flow method and the input used in 6-month Euribor, with the consequent classification of the fair value of the financial derivatives in level 2.

In addition, during the period the Group did not hold financial instruments measured using Level 3 inputs.

QUANTITATIVE DISCLOSURES

A.4.5 Fair value hierarchy

A.4.5.1 Financial assets and liabilities measured at fair value on a recurring basis: composition by level of fair value hierarchy

In the following table, financial assets and liabilities that are measured at fair value are broken down into the levels of the fair value hierarchy discussed above.

Financial assets/liabilities measured at fair value	TotaLevel 30.06.2019				TotaLevel 31.12.2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Financial assets measured at fair value through profit or loss	89,311			89,311	88,629			88,629
a) financial assets held for trading								
b) financial assets designated at fair value								
b) financial assets mandatorily measured at fair value	89,311			89,311	88,629			88,629
2. Financial assets measured at fair value through other comprehensive income								
3. Hedging derivatives								
4. Property, plant and equipment								
5. Intangible assets								
Total	**89,311**	**-**	**-**	**89,311**	**88,629**	**-**	**-**	**88,629**
1. Financial liabilities held for trading								
2. Financial liabilities designated at fair value								
3. Hedging derivatives		(2,524)		(2,524)		(1,572)		(1,572)
Total	-	**(2,524)**	**0**	**(2,524)**	**0**	**(1,572)**	**0**	**(1,572)**

i. There were no transfers of assets/liabilities from level 1 to level 2 of the fair value hierarchy during the period (IFRS 13, paragraph 93 letter c).
ii. In view of the type of financial assets/liabilities held, the impact of the Credit Value Adjustment (CVA)/Debit Value Adjustment (DVA) is not material.

A.4.5.4 Financial assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: composition by level of fair value hierarchy

In the following table, financial assets and liabilities that are not measured at fair value, or measured at fair value on a non-recurring basis, are broken down into the levels of the fair value hierarchy discussed above.

Assets/Liabilities not measured at fair value or measured at fair value on non-recurring basis	30.06.2019				31.12.2018			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
1. Financial assets measured at amortised cost	269,168		269,168		315,709		315,709	
2. Investment property								
3. Non-current assets and disposal groups								
Total	**269,168**		**269,168**		**315,709**	**-**	**315,709**	
1. Financial liabilities measured at amortized cost	(750,813)		(750,813)		(777,998)		(777,998)	
2. Liabilities associated with assets held for sale								
Total	**(750,813)**		**(750,813)**		**(777,998)**		**(777,998)**	

A.5 – DISCLOSURE OF "DAY ONE PROFIT/LOSS"

Paragraph 28 of IFRS 7 does not apply.

OTHER INFORMATION

Disclosures on operating segments (IFRS 8)

The activities of the Anima Group, which are conducted by Anima SGR and its subsidiaries specialized in the promotion and management of financial products, are carried out in a single operating segment.[1] The nature of the products and services, the structure of management and operational processes and the type of customers served do not differ to an extent that they would give rise to different risks and rewards. In fact, they are quite similar and correlated in many respects.
Accordingly, the Group's operating companies, while operating with full independence under the management and coordination of Anima Holding, have been allocated to a single CGU, all of which is dedicated to asset management activities and capable of generating income flows, with no separate segment reporting.
Consequently, the accounting information has not been presented separately by operating segment, in line with the internal reporting system used by management, which is based on the accounting data of those companies used for the preparation of the consolidated financial statements in compliance with the IAS/IFRS.
Similarly, no disclosures are provided concerning customers and non-current assets broken down by geographical area or information on the degree of reliance on major customers as that information is not felt to be material by management.
As the Group essentially has a single segment as regards disclosures concerning revenues from customers broken down by product/service, readers should refer to the detailed information on commission and fee income in the information on the income statement in these notes to the interim financial statements.

[1] According to IFRS 8, an operating segment is a component of an entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and c) for which discrete financial information is available.

Earnings per share

Earnings per share were calculated by dividing consolidated net profit for the period by the weighted average number of ordinary shares in circulation.

	30/06/2019	30/06/2018
Weighted average number of shares	372.300.462	372.300.462
Net profit (euros)	63.379.000	70.074.000
Basic earnings per share (euros)	0,17023616	0,18821894
Diluted weighted average number of shares	380.705.144	380.705.144
Net profit (euros)	63.379.000	70.074.000
Diluted earnings per share (euros)	0,16647792	0,18406371

The weighted average of basic earnings per share takes account of the daily purchases of treasury shares made by the Parent Company during the reference period: as of 1 January 2019, 380,036,892 ordinary shares were in circulation and during the period the Parent Company purchased 11,401,107 ordinary shares as treasury shares. Consequently, as at 30 June 2019, there were 368,635,785 ordinary shares in circulation.

The diluted weighted average number of shares takes account of the dilutive effect of the LTIP approved on 21 June 2018 by the Ordinary Shareholders' Meeting of the Parent Company and the Units granted through the date of approval of these consolidated interim financial statements.

PART B - INFORMATION ON THE BALANCE SHEET - ASSETS

Section 2 – Financial assets measured at fair value through profit or loss - Item 20

2.5 - Other financial assets mandatorily measured at fair value: composition by type

		Total 30.06.2019			Total 31.12.2018		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1.	Debts securities						
2.	Equity securities						
3.	Units in collective investment undertakings	89,311			88,629		
4.	Loans						
Total		**89,311**	**-**	**-**	**88,629**	**-**	**-**

Units in collective investment undertakings regard units of funds operated by Anima SGR.
The change during the period was mainly attributable to the increase in the fair value of the Group's CIU portfolio realized at the date of these interim financial statements in the amount of about €0.7 million.

Section 4 – Financial assets measured at amortized cost - Item 40

4.1 Financial assets measured at amortized cost: composition by type

		Total 30.06.2019						Total 31.12.2018					
		Carrying amount			Fair Value			Carrying amount			Fair value		
		First and second stage	Third stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3	First and second stage	Third stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3
1.	Receivables for asset management services:	94,478			-	94,478	-	71,990			-	71,990	-
	1.1 management of collective investment undertakings	79,553				79,553		57,907				57,907	
	1.2 individual portfolio management	10,954				10,954		9,954				9,954	
	1.3 pension fund management	3,971				3,971		4,129				4,129	
2.	Receivables for other services:	197			-	197	-	284			-	284	-
	2.1 advisory services	177				177		185				185	
	2.2 providing outsourced business services					-		-				-	
	2.3 other	20				20		99				99	
3.	Other loans and receivables:	174,493			-	174,493	-	243,435			-	243,435	-
	3.1 repurchase agreements	-			-	-	-	-			-	-	-
	of which government securities	-				-		-				-	
	of which other debt securities	-				-		-				-	
	of which equity securities and units in CIU	-				-		-				-	
	3.2 current accounts and deposit accounts	174,493				174,493		243,435				243,435	
	3.3 other	-				-		-				-	
4.	Debt securities	-				-		-				-	
	Total	269,168			-	269,168	-	315,709			-	315,709	-

The item "receivables for asset management services" includes i) receivables in respect of management and performance fees that the Group was mainly owed by funds it has established; ii) receivables for commissions and fees for portfolio management services; and iii) receivables for commissions and fees for asset management services provided to institutional and retail customers and pension funds.
The item increased compared with 31 December 2018, mainly in reflection of an increase in receivables for (i) performance fees of the Group in June 2019, which rose by about €2.4 million compared with December 2018; (ii) placement fees on funds whose placement period had ended as at the end of June 2019 in the amount of €16.5 million, (iii) management fees for individual products for June 2019, which increased by about €1.4 million compared with December 2018 and iii) an

increase in withholding tax on products under management (including the Irish SICAV Anima Funds Plc, for which the subsidiary Anima SGR was appointed Management Company as from 1 January 2019) amounting to about €1.4 million.
The receivables were collected almost entirely in the month following the reporting date for these interim financial statements.
"Other receivables" include the cash available on the current accounts held with leading banks.
Please see the consolidated statement of cash flows for details on the events giving rise to the generation and use of cash during the period.

Section 8 – Property, plant and equipment – Item 80

8.1 Property, plant and equipment used in operations: composition of assets carried at cost

		Total 30.06.2019	Total 31.12.2018
1.	**Owned**	**2,999**	**3,285**
	a) land	755	755
	b) building	1,022	1,065
	c) movables	325	338
	d) electronic plant	897	1,127
2.	**Finance leases**	**13,097**	
	b) building	12,381	
	d) electronic plant	351	
	e) other	365	
	Total	**16,096**	**3,285**

The item "Owned" assets include property, plant and equipment used in operations owned by the Group. More specifically, "land" and "buildings" regard the building located in Novara (owned by Anima SGR), for which the cost of the land has been separated from that of the building, as the cost value of the land is not amortized. The sub-item "electronic plant" is composed primarily of electrical and electromechanical plant and IT hardware.
"Right-of-use assets acquired with leases" includes the right of use acquired under leases and rentals falling within the scope of IFRS 16, which is in force since 1 January 2019.
The impact of first-time adoption of IFRS 16 is discussed in these notes to the interim financial statements in the section "Part A Accounting policies – A1 General information – First-time application of IFRS 16", which readers are invited to consult for additional information.

Section 9 – Intangible assets - Item 90

9.1 Intangible assets: Composition by type of asset

		Total 30.06.2019		Total 31.12.2018	
		Assets valued at cost	Assets valued at fair value	Assets valued at cost	Assets valued at fair value
1.	**Goodwill**	**1,105,463**		**1,105,463**	
2.	**Other intangible assets**	**615,925**		**641,427**	
	2.1 internally-generated intangible assets				
	2.2 other	615,925		641,427	
	of which software and other	4,604		4,717	
	of which other intangible assets	611,321		636,710	
	Total	**1,721,388**	**-**	**1,746,890**	**-**

The table below provides a breakdown of the intangible assets recognized in the Group's consolidated financial statements:

	30.06.2019	31.12.2018
Goodwill identified in PPA (former Gestielle Sgr)	421,951	421,951
Goodwill identified in PPA (former Prima Sgr)	304,736	304,736
Goodwill identified in PPA Anima Sgr	316,738	316,738
Goodwill identified in PPA Demerged Business BPF	44,327	44,327
Goodwill identified in PPA former Aperta SGR and former Lussemburgo Gestioni S.	17,711	17,711
TOTAL CONSOLIDATED GOODWILL	**1,105,463**	**1,105,463**
OTHER INTANGIBLE ASSETS		
Intangible assets		
Intangible assets identified in PPA ex Prima Sgr	66,542	66,542
- Amortization and impairment for previous periods	(65,627)	(61,646)
- Amortization and impairment for current period	(453)	(3,981)
Residual value of intangible assets identified in PPA (former Prima SGR)	**462**	**915**
Intangible assets identified in PPA Anima Sgr	112,121	112,121
- *of which intangible assets recognized by Anima Sgr*	*17,745*	*17,745*
- Amortization and impairment for previous periods	(77,072)	(67,540)
- Amortization and impairment for current period	(4,727)	(9,532)
Residual value of intangible assets identified in PPA (Anima SGR)	**30,322**	**35,049**
Intangible assets PPA ex Aperta Sgr e ex Lussemburgo Gestioni SA	12,361	12,361
- *of which intangible assets recognized by former Aperta Sgr (now Anima Sgr)*	*9,680*	*9,680*
- Amortization and impairment for previous periods	(7,416)	(6,180)
- Amortization and impairment for current period	(613)	(1,236)
Residual value of intangible assets identified in PPA (former Aperta SGR and Lus. Gestioni SA)	**4,331**	**4,945**
Intangible assets identified in PPA former Gestielle Sgr	380,341	380,341
- Amortization and impairment for previous periods	(25,355)	
- Amortization and impairment for current period	(12,574)	(25,355)
Residual value of intangible assets identified in PPA (former Gestielle SGR)	**342,412**	**354,986**
Intangible assets identified in PPA Demerged Business BPF	106,875	106,875
- *of which intangible assets recognized by Anima Sgr*	*106,875*	*106,875*
- ammortamenti e rettifiche di valore esercizi precedenti	(1,190)	
- ammortamento e rettifiche di valore esercizio corrente	(3,530)	(1,190)
Residual value of intangible assets identified in PPA Demerged Business BPF	**102,154**	**105,685**
Total consolidated intangible assets identified in PPA	**479,683**	**501,581**
Intangible assets in respect of management contracts	138,564	138,622
- Amortization and impairment for previous periods	(3,493)	
- Amortization and impairment for current period	(3,433)	(3,493)
Residual value of intangible assets in respect of management contracts	**131,638**	**135,129**
Total Intangible assets	**611,321**	**636,710**
Other consolidated intangible assets	**4,604**	**4,717**
TOTAL OTHER INTANGIBLE ASSETS	**615,925**	**641,427**
TOTAL CONSOLIDATED INTANGIBLE ASSETS	**1,721,388**	**1,746,890**

Intangible assets with an indefinite life, represented by goodwill, total €1,105.5 million.

Intangible assets with a finite life are composed of:

- contracts, valued in the PPA for the former Prima SGR in 2009, during which the portfolio of contracts with customers was acquired for a residual value of €0.5 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified “Assets Under Management (AUM)” as an intangible asset, the value of which is equal to the net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of assets managed. The volumes taken as the starting point for valuing the intangible asset referred to the AUM held by the companies at the acquisition date (31 March 2009);
- contracts, valued in the PPA for Anima SGR in 2011, in which the portfolio of contracts with customers acquired and trademarks was acquired for a residual value of about €30.3 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified the “AUM” as an intangible asset, the value of which is equal to the net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of assets managed. The volumes taken as the starting point for valuing the intangible asset referred to the AUM managed by the company at the acquisition date (29 December 2010). The estimated useful life of this intangible was set at ten years. In addition, we identified the intangible asset “trademark”, the value of which was estimated based on the marketing costs incurred by the company in the 7 years prior to the acquisition and revalued at a rate of 2%. The estimated useful life of this intangible was determined on the basis of the duration of the company as set under the bylaws;
- contracts, valued in the PPA for the former Aperta SGR and the former Lussemburgo Gestioni SA during 2013, in which customer relationships were attributed a residual value of €4.3 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified “Portfolios managed (AUM)” as an intangible asset, the value of which is equal to net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of assets managed. The following asset management products were identified: portfolio management products (GP) and open-end retail collective investment undertakings formed under Luxembourg law (International CIUs). The volumes taken as the starting point for valuing the intangible asset referred to the AUM managed by the company at the acquisition date (27 December 2012).
- contracts, valued in the PPA for the former Aletti Gestielle S.p.A. (“Gestielle SGR”), in which customer relationships were attributed a residual value of €342.2 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified “Customer Relationships” as an intangible asset, the value of which is equal to the net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of funds managed. The volumes taken as the starting point for valuing the intangible asset referred to the AUM of the funds managed by Gestielle SGR at the acquisition date (28 December 2017); The estimated useful life of this intangible was set at fifteen years, amortized on a straight-line basis
- contracts for the management of insurance assets acquired by Anima SGR from Banca Aletti on 29 June 2018 for a residual value of €131.6 million. More specifically, given the characteristics of the acquisition, the value of the intangible (equal to the price paid to Banca Aletti), was determined on the basis of the assets under management transferred to Anima SGR, equal to about €9.4 billion. The estimated useful life of this intangible was set at twenty years, amortized on a straight-line basis.

- contracts, valued in the purchase price allocation process for the Demerged Business of Mandati Fondi SGR, for a residual value of €102.2 million. An intangible asset denominated "Operating Agreement" was identified, whose value was determined on the basis of the expected cash flows from the assets under management over the term of the Operating Agreement of 6 March 2018 between Poste Italiane, BPF, Poste Vita, Anima Holding and Anima SGR. Consistent with the guidelines established by IFRS 3, the AUM used in the valuation only regarded customer relationships established before the acquisition date. The ability to generate new relationships has not been valued in any way. The estimated useful life of this intangible was set at fifteen years, amortized on a straight-line basis..

For the acquisitions involving the former Gestielle SGR, the Management Contracts and the Demerged Business, the agreements, in line with market practice for similar transactions, provide for specific protection and guarantee mechanisms (for example, price adjustment mechanisms, earn-in/earn-out mechanisms, maintenance of specified levels of market share for the products managed by the Group, mechanisms for verifying the performance of Group products and remedies in the event of their underperformance). For more details, see Chapter XXII of the Prospectus.

9.2 Intangible assets – Change for the period

		30.06.2019
A.	**Opening balance**	**1,746,890**
B.	**Increases**	**868**
	B.1 Purchases	868
	B.2 Writebacks	
	B.3 Fair value increases	
	B.4 Other increases	
C.	**Decreases**	**(26,370)**
	C.1 Sales	
	C.2 Amortization	(26,312)
	C.3 Writedowns	
	C.4 Fair value decreases	
	C.5 Other decreases	(58)
D.	**Closing balance**	**1,721,388**

Item "C.5 Other decreases" regard a price adjustment received in respect of management contracts, as provided for in the purchase agreements.

Section 10 – Tax assets and tax liabilities - Item 100 of assets and Item 60 of liabilities

Tax assets/liabilities report the net balance of the tax positions of the individual Group companies with regard to their respective tax authorities.

The Parent Company and the subsidiary Anima SGR have opted to participate in a Group taxation mechanism pursuant to Article 117 et seq. of the Uniform Income Tax Code (the so-called "National Consolidated Taxation Mechanism"). For that reason, in the balance sheet the net balance of payments on account and the Group's ordinary corporate income tax (IRES) for the period is reported in "Current tax assets" or "Current tax liabilities".

10.1 Current and deferred tax assets: composition

	30.06.2019	31.12.2018
IRAP (regional business tax)		4,063
IRES (corporate income tax)		21,647
Total	-	**25,710**

At 30 June 2019 there were no current tax assets as the Group companies reported tax liabilities only.

The following table reports the events that gave rise to timing differences and the associated deferred tax assets.

	30.06.2019	31.12.2018
Provisions for risks and charges	146	353
Discharge of tax liability in respect of goodwill	15,169	2,114
Amortization former Aperta SGR eliminated in FTA	129	132
Impairment of intangible assets	88	112
Hedging derivatives	745	465
Actuarial losses - termination benefits	94	64
Other	39	83
Total	**16,410**	**3,323**

The increase in the item "Discharge of tax liability in respect of goodwill" regards the deferred tax assets recognized by the subsidiary Anima SGR following exercise of the option to adjust values reported for tax purposes to the higher carrying amounts ("Discharge of tax liability" – pursuant to Article 15, paragraph 10, of Decree Law 185 of 29 November 2008) for the goodwill recognized as part of the purchase price allocation in respect of the definitive allocation of the price connected with the Demerged Business. The option was exercised with the payment on 28 June 2019 of a tax in lieu of 16% on the increased in value from the alignment (about €7.1 million) and generated deferred tax assets equal to the expected tax benefit of the future deductibility of the goodwill (about €13.1 million).

10.2 Current and deferred tax liabilities: composition

	30.06.2019	31.12.2018
IRAP	3,314	3,272
IRES	2,981	
OTHER (FOREIGN)	70	116
Total	**6,365**	**3,387**

The following table reports the events that gave rise to timing differences and the associated deferred tax liabilities.

	30.06.2019	31.12.2018
Goodwill	5,738	5,510
Intangible assets identified during PPA	141,824	148,291
Other	73	74
Total	**147,635**	**153,875**

Section 12 – Other assets - Item 120

12.1 Other assets: composition

		30.06.2019	31.12.2018
1.	**Tax receivables**	**18,756**	**13,932**
	Application for reimbursement of IRES for IRAP deduction	1,301	1,301
	VAT credit	210	703
	Virtual stamp duty	7,158	11,829
	Other receivables	10,087	99
2	**Sundry receivables**	**15,550**	**14,148**
	Accrued income and prepaid expenses	4,286	3,100
	Prepaid one-off placement fees	2,220	2,711
	Due in respect of reimb. of IRES for IRAP ded.	1,688	1,975
	Due from former shareholders in respect of indemnities	4,304	4,304
	Other	2,398	1,382
	Leasehold improvements	654	676
Total		**34,306**	**28,080**

"Other assets" includes (i) tax receivables in the amount of about €18.8 million; (ii) accrued income and prepaid expenses totaling about €4.3 million; (iii) prepaid one-off placement fees totaling about €2.2 million; (iv) receivables in respect of applications for reimbursement of corporate income taxes (IRES) in connection with the non-deduction of IRAP in respect of personnel expenses (pursuant to Article 2, paragraph 1-quater, of Decree Law 201/2011, for the 2004–2011 tax periods (submitted with the former consolidating shareholders Banca Monte dei Paschi di Siena and Banco BPM), in the amount of about €1.7 million; (v) receivables due from former shareholders in respect of indemnities under the agreements entered into by the Parent Company in December 2010 in the amount of about €4.3 million; (vi) other receivables totaling about €2.4 million (vii) assets in respect of leasehold improvements in the amount of €0.7 million.
The increase in "Other receivables" in the period is mainly attributable to the provisional payment by Anima SGR of about €10 million in respect of the payment requests received following the rulings of the Regional Tax Commission of Lombardy connected with IRES tax disputes for 2007 and 2008. For more information, please see the section "Tax issues" in the report on operations accompanying these interim financial statements.

LIABILITIES

Section 1 – Financial liabilities measured at amortized cost – Item 10

1.1 Financial liabilities measured at amortized cost: composition by type

		30.06.2019	31.12.2018
1.	Due to sales networks:	142,734	131,738
	1.1 for placement of collective investment undertakings	138,145	126,372
	1.2 for placement of individual portfolio management products	3,108	3,861
	1.3 for placement of pension fund products	1,481	1,505
2.	Due for management activities:	3,541	5,486
	2.1 for management of own portfolios		
	2.2 for management of third-party portfolios	3,510	4,622
	2.3 other	31	864
3.	Due for other services:	256	715
	3.1 advisory services		
	3.2 outsourced business services		
	3.3 other	256	715
4.	Other amounts due	604,282	640,059
	4.1 repurchase agreements		
	4.2 Lease liabilities	12,621	
	4.3 other	591,661	640,059
Total		**750,813**	**777,998**
	Fair value - Level 1		
	Fair value - Level 2	**750,813**	**777,998**
	Fair value - Level 3		
Total fair value		**750,813**	**777,998**

The item “due to sales networks” in the table is almost entirely accounted for by commissions to be paid to the distributors of products created and managed by the Group. Those commissions will be almost entirely paid in the third quarter of 2019. The increase compared with 31 December 2018 is mainly due to an increase of about €11 million in subscription fees collected by the Group in the second quarter of 2019 compared with the fourth quarter of 2018, which are to be passed through to the distributors.

The item “Other amounts due – Lease liabilities” is composed of the residual liability at 30 June 2019 in respect of right-of-use assets recognized under property, plant and equipment in application of IFRS 16.

The item “Other amounts due – other” is composed of the loan agreed on 9 November 2017 (and modified on 5 March 2018) by the Parent Company.

At 30 June 2019, the residual nominal value of that loan was about €596.1 million, broken down as reported in the following table (in thousands of euros).

	Credit line	Amount drawn	Principal repayments	Outstanding debt at 30.06.2019 (nominal value)	Final due date
Term Loan - Tranche A	450,000	450,000	49,091	400,909	09/11/2022
Term Loan - Tranche B	100,000	90,000	9,818	80,182	09/11/2022
Additional Term Loan	120,000	120,000	5,000	115,000	05/03/2024
Total	**670,000**	**660,000**	**63,909**	**596,091**	

On 28 June 2019, the Parent Company repaid, as provided for in the loan agreement, principal instalments amounting to €49.2 million, plus accrued interest of about €4.4 million.
The loan is carried at amortized cost, in the amount of about € €591.7 million. The difference between its nominal value and the amortized cost is attributable to capitalized transaction costs of about €4.5 million connected with the activation of Tranche A, Tranche B and the Additional Term of the loan, increased by interest accrued during the period of about €0.1 million.
For more details on the terms and conditions of the loan, see Part D – Other information– Section 3 – Risks and risk management policies - 3.1 Financial risks" of these notes to the financial statements.

Section 4– Hedging derivatives - Item 40

4.1 Hedging derivatives: composition by type of hedge and fair value input level

	30.06.2019				31.12.2018			
	Fair Value			NV	Fair Value			NV
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A. Financial derivatives								
1. Fair value								
2. Cash flow		2,524		256,591		1,572		275,000
3. Investments in foreign operations				-				
Total A	-	2,524	-	256,591	-	1,572	-	275,000
B. Credit derivatives								
1. Fair value				-				
2. Cash flow				-				
Total B	-	-	-	-	-	-	-	-
Total	**-**	**2,524**	**-**	**256,591**	**-**	**1,572**	**-**	**275,000**

Key: NV=Notional value

The item reports the fair value of interest rate swaps (IRS) entered into in order to hedge the risk of variations in Euribor (the basis rate of the outstanding loan), which is replaced by payment of a fixed rate (a cash flow hedging strategy).
The IRS contracts were signed by the Parent Company on 27 June 2018, implementing the terms of the loan agreement signed on 9 November 2017 with specific regard to Tranche A and Tranche B, for a total notional value of €256.6 million (equal to about 53.34% of the outstanding debt). The contracts hedge the two tranches for the entire time horizon of the debt as at 30 June 2019.
The Parent Company verified the existence of all the conditions set out in IFRS 9 for the use of hedge accounting for the transaction. Consequently, the portion of changes in the fair value of the derivatives not related to interest payments on the loan already recognized through profit or loss are recognized in valuation reserves (net of tax effects) and are reported in the consolidated statement of comprehensive income.

4.2 Composition of "hedging derivatives": portfolios hedged and types of hedge

	Fair value							Cash flows		Investments in foreign operations
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equity securities and equity indices	currencies and gold	credit	commodities	other				
Financial assets at fair value through comprehensive income										
Financial assets measured at amortized cost										
Portfolio										
Other transactions										
Total assets	-	-	-	-	-	-	-	-	-	-
Financial liabilities								2,524		
Portfolio										
Total liabilities	-	-	-	-	-	-	-	2,524	-	-
Forecast transactions										
Portfolio of financial assets and liabilities										

Section 8 – Other liabilities – Item 80

8.1 Composition of "Other liabilities"

	30.06.2019	31.12.2018
Due to suppliers for invoices to be paid and received	9,150	9,800
Due to employees and social security institutions	11,107	16,035
Withholding tax to be paid (on CIU, pension fund and portfolio management income)	8,283	3,644
Due to tax authorities (IRPEF, VAT, other)	959	1,429
Due for virtual stamp duty	1,016	4,671
Due to former shareholders for prior-year items	8,835	3,383
Accrued expense and deferred income	174	333
Sundry payables	1,034	531
Total	**40,558**	**39,826**

"Other liabilities" include: (i) amounts due to suppliers; (ii) amounts due to employees and social security institutions including, among other elements, the variable component of remuneration; (iii) liabilities for withholding tax and other taxes to be paid to tax authorities in respect of asset management products; (iv) the liabilities in respect of tax consolidation agreements from previous years and agreements signed by the Parent Company with former shareholders in December 2010; and (v) sundry payables.

The increase in the item "Due to former shareholders for prior-year items" in the period is mainly due to the payment by Banca Monte dei Paschi di Siena in execution of agreements with the Parent Company connected with the provisional payment by Anima SGR with regard to the IRES tax dispute for 2007.

For more information, please see the section "Tax issues" in the report on operations accompanying these interim financial statements.

Section 11 – Shareholders' equity – Items 110, 120, 130, 140, 150 and 160

11.1 Composition of "Share capital"

	30.06.2019	31.12.2018
1. Share capital	**7,292**	**7,292**
1.1 Ordinary	7,292	7,292
1.2 Other		

At 30 June 2019, share capital is represented by 380,036,892 ordinary shares with no par value and is equal to €7,291,809.72. The shares of the Parent Company have been listed since 16 April 2014 on the electronic stock exchange (*Mercato Telematico Azionario*) organized and operated by Borsa Italiana SpA.

11.2 Composition of "Treasury shares"

	30.06.2019	31.12.2018
1. Treasury shares	**(41,153)**	-
1.1 Ordinary	(41,153)	
1.2 Other		

On 9 January 2019, a program for the purchase of treasury shares was launched, pursuant to Articles 2357 and 2357-ter. of the Civil Code and Article 132 of the Financial Intermediation Act, on the basis of the authorization approved by the Shareholders' Meeting of the Parent Company of 21 December 2018.
On 23 April 2019 the program to purchase treasury shares was concluded. Between 9 January 2019 and 23 April 2019, the Parent Company purchased 11,401,107 treasury shares on the Mercato Telematico Azionario, equal to 3% of the share capital for a total of €41,093,200.21 at an average price of €3.6043 (for further details, see the section "Significant events for the Anima Group in the first half of 2019"of the report on operations accompanying these interim financial statements).

During the reference period the following transactions were carried out on treasury shares:

	Number of ordinary shares
Shares at start of period	**380,036,892**
Treasury shares (-)	0
Shares in circulation: opening balance	**380,036,892**
Increases	0
Decreases	(11,401,107)
- *Purchase of treasury shares*	*(11,401,107)*
Shares in circulation: closing balance	**368,635,785**
Treasury shares (+)	11,401,107
Shares at 30 June 2019	**380,036,892**

At 30 June 2019, the Parent Company held 11,401,107 treasury shares with no par value, equal to about 3% of share capital.

11.4 Composition of "Share premium reserve"

	30.06.2019	31.12.2018
Share premium reserve	787,652	787,652

PART C - INFORMATION ON THE INCOME STATEMENT

Section 1 – Fees and commissions – Items 10 and 20

1.1 "Fees and commissions"

SERVICES	30.06.2019 Commission and fee income	30.06.2019 Commission and fee expense	30.06.2019 Net commissions and fees	30.06.2018 Commission and fee income	30.06.2018 Commission and fee expense	30.06.2018 Net commissions and fees
A. ASSET MANAGEMENT						
1. Management of own portfolios						
1.1 Investment funds						
- Management fees	284,406	(194,878)	89,528	298,797	(200,847)	97,950
- Performance fees	8,003	(167)	7,836	14,418	(750)	13,668
- Front-end load/back-end load	48,634	(48,400)	234	94,998	(93,922)	1,076
- Switching fees				48		48
- Other fees and commissions	86,919	(69,859)	17,060	106,424	(88,759)	17,665
Total fees and commissions from investment funds	427,962	(313,304)	114,658	514,685	(384,278)	130,407
1.2 Individual portfolio management						
- Management fees	21,529	(5,871)	15,658	13,000	(7,885)	5,115
- Performance fees	1	(1)		1		1
- Front-end load/back-end load				10	(10)	
- Other fees and commissions	41		41	53		53
Total fees and commissions from individual portfolio management	21,571	(5,872)	15,699	13,064	(7,895)	5,169
1.3 Open-end pension funds						
- Management fees	4,663	(2,432)	2,231	4,511	(2,344)	2,167
- Performance fees						
- Front-end load/back-end load						
- Other fees and commissions	59	(101)	(42)	58	(157)	(99)
Total fees and commissions from open-end pension funds	4,722	(2,533)	2,189	4,569	(2,501)	2,068
2. Management of third-party portfolios						
- Management fees	32,794	(7,153)	25,641	32,998	(7,093)	25,905
- Performance fees	1,758		1,758	4,319		4,319
- Other fees and commissions	2,740	(766)	1,974	1,017		1,017
Total fees and commissions from management of third-party portfolios	37,292	(7,919)	29,373	38,334	(7,093)	31,241
TOTAL FEES AND COMMISSIONS FROM ASSET MANAGEMENT (A)	491,547	(329,628)	161,919	570,652	(401,767)	168,885
B. OTHER SERVICES						
- Advisory services	208	(76)	132	251	(157)	94
- Other services	208	(205)	3	251	(249)	2
TOTAL FEES AND COMMISSIONS FOR OTHER SERVICES (B)	416	(281)	135	502	(406)	96
TOTAL FEES AND COMMISSIONS (A+B)	491,963	(329,909)	162,054	571,154	(402,173)	168,981

The income generated by fund management operations is primarily represented by management and performance fees (where provided for contractually), which account for the majority of the Group's revenue.
Management and performance fees are connected with the market value of assets under management and the results of product management.
More specifically, management fees are calculated periodically as a percentage of the assets of an individual product. Performance fees, on the other hand, are charged on certain products and paid to the management company when the return of the fund in a given period exceeds the performance of a benchmark index, a predetermined value or a target return. For some funds, performance fees are due if the value of fund units increases above its highest previous level. Accordingly, performance fees, and the amount of those fees, are highly affected by the returns achieved by funds and other managed products, which are in turn impacted not only by the quality of the funds' managers but also by developments in markets and, more generally, the national and international economy.
Fee and commission income on investment funds is collected on a monthly basis, that on individual portfolio management products and on products managed on a delegated basis is collected on a monthly or quarterly basis.

Section 3 – Interest income and expense– Items 50 and 60

3.2 Composition of "Interest and similar expense"

		Loans	Repurchase agreements	Securities	Other	Total 30.06.2019	Total 30.06.2018
1.	Financial liabilities measured at amortized cost	(5,303)				(5,303)	(4,127)
	1.1 Debt	(5,303)					(4,127)
	1.2 Securities issued						
2.	Financial liabilities held for trading						
3.	Financial liabilities measured at fair value						
4.	Other liabilities						
5.	Hedging derivatives	(514)				(514)	
6.	Financial assets						
	Total	**(5,817)**	**-**	**-**	**-**	**(5,817)**	**(4,127)**
	of which: interest expense on lease liabilities	(90)				(90)	

"Debt – Loans" mainly reports interest expense on the outstanding loan, determined using the amortized cost method (on the basis of the effective interest rate).
"Hedging derivatives" reports the interest component of the IRS accruing for the year in respect of the IRS hedging derivatives obtained on 27 June 2018.

Section 7 – Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss – Item 100

7.2 Composition of "Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss: other financial assets mandatorily measured at fair value

		Capital gains (A)	Trading profit (B)	Capital losses (C)	Trading losses (D)	Net result (A+B)- (C+D)
Financial assets						
1.1	Debt securities					
	of which government securities					
1.2	Equity instruments					
1.3	Units in collective investment undertakings	753	20	(70)	(1)	702
	of which own CIUs	*753*	*20*	(70)	(1)	*702*
1.4	Other					
Financial liabilities						
Financial assets and liabilities: exchange rate differences						
Derivatives						
	Total	**753**	**20**	**(70)**	**(1)**	**702**

The table reports the increase/decreases (gain/loss) from the fair value measurement of financial assets mandatorily measured at fair value, as well as gains and losses realized in the period on the sale of financial instruments.

Section 9 – Administrative expenses – Item 140

9.1 Composition of item 140.a "Personnel expenses"

		Total 30.06.2019	Total 30.06.2018
1.	**Employees**	**(25,556)**	**(23,344)**
	a) wages and salaries	(14,922)	(15,080)
	b) social security contributions	(3,962)	(4,112)
	c) termination benefits		
	d) pensions	(331)	(287)
	e) allocation to employee termination benefit provision	(30)	(17)
	f) allocation to provision for retirement and similar liabilities:		
	- defined contribution		
	- defined benefit		
	g) payments to supplementary pension funds:	(895)	(785)
	- defined contribution	(895)	(785)
	- defined benefit		
	h) other	(5,416)	(3,063)
2.	**Other personnel**	**(32)**	**(54)**
3.	**Board of Directors and members of Board of Auditors**	**(909)**	**(1,031)**
4.	**Personnel in retirement**	**-**	**-**
5.	**Recovery of expenses for employees seconded to other companies**		
6.	**Reimbursement of expenses for third-party employees seconded to the Company**		**(172)**
	Total	**(26,497)**	**(24,601)**

Item "h) other" includes, among other things, the cost for the period of the LTIP in the amount of about €4.2 million (at 30 June 2018 no value was recognized for that cost).

9.3 Composition of "Other administrative expenses"

	Total 30.06.2019	Total 30.06.2018
advisory services	(957)	(2,335)
facility leasing and property management expenses	(834)	(2,482)
outsourcing	(5,393)	(6,873)
marketing and communication expenses	(3,145)	(2,847)
infoproviders	(3,206)	(3,363)
telephone and information systems	(2,638)	(2,240)
other operating expenses	(2,124)	(2,353)
Total	**(18,297)**	**(22,493)**

The decrease in "Other administrative expenses" mainly reflects (i) a decline in costs for advisory service (costs were higher in the year-earlier period owing to extraordinary transactions), (ii) a decrease in costs for leasing of buildings, due both to the impact of the application of IFRS 16 Leases (about €1.3 million reported under items "160 Net adjustments of property, plant and equipment") and the termination of the lease for the property located in Milan - Via Tortona (about €0.7 million, pertaining to the former Gestielle SGR) and (iii) a decrease in outsourcing costs following the revision of a number of contracts.

Section 12 – Net adjustments of intangible assets – Item 170

12.1 Composition of "Net adjustments of intangible assets"

		Amortization	Impairment	Writebacks	Net adjustments 30.06.2019
1.	**Goodwill**				-
2.	**Intangible assets other than goodwill**	**(26,312)**	-	-	**(26,312)**
	2.1 owned	(26,312)			**(26,312)**
	- generated internally				-
	- other	(26,312)			**(26,312)**
	2.2 acquired under finance leases				-
Total		**(26,312)**	-	-	**(26,312)**

The table above reports amortization for the period, including (i) about €25.3 million in amortization for the period in respect of intangibles and (ii) about €1 million in amortization charges for other intangible assets (software).

Section 18 – Income tax expense from continuing operations - Item 250

18.1 Composition of "Income tax expense from continuing operations"

	Total 30.06.2019	Total 30.06.2018
1. Current taxes	(42,442)	(34,125)
2. Changes in current taxes from previous periods		783
3. Reduction of current taxes for the period		
4. Change in deferred tax assets	12,778	(2)
of which in respect of prior years		
5. Change in deferred tax liabilities	6,240	5,674
of which in respect of prior years		
Income taxes for the period	**(23,424)**	**(27,670)**

"Current taxes", equal to about €42.4 million, include the Group corporate income tax (IRES) liability in the amount of €24.7 million, the regional business tax (IRAP) in the amount of about €10.4 million and the taxes of Anima AM Ltd totaling about €0.2 million. The item also includes the tax in lieu of about €7.1 million paid by the subsidiary Anima SGR following election of the special tax scheme for the adjustment of the tax value of assets to their carrying amount ("Discharge of tax liability" – pursuant to Article 15, paragraph 10, of Decree Law 185 of 29 November 2008) for the goodwill recognized as part of the purchase price allocation for the acquisition of the Demerged Business. The election involved the recognition of deferred tax assets equal to the expected tax benefit of the future deductibility of the goodwill (about €13.1 million).
The effective income tax rate, with a tax liability of €23.4 million for the period, came to about 27% (about 28.3% for the year-earlier period).

PART D- OTHER INFORMATION ON THE CONSOLIDATED BALANCE SHEET

Section 1 – Specific comments on activities performed

The Parent Company is mainly engaged in the coordination and operational management of its equity investments, while the other Group companies engage in the normal business of asset management companies. In addition, custodian bank activities for the various categories of funds and SICAVs managed by the Group companies are performed by BNP Paribas for Italian investment funds, by DepoBank for the Arti & Mestieri pension fund, by Banque Havilland for Gestielle Investment SICAV ("GIS"), a Luxembourg registered SICAV, by BNP Paribas per Monte SICAV, another Luxembourg registered SICAV and State Street Bank for Irish funds and SICAVs.

Section 3 – Information on risks and risk management policies

Premise

The policies governing the assumption of risks are defined by the Board of Directors of the Parent Company, with strategic and management supervision functions. The Board of Directors also performs its activities through specific internal committees, including the Control and Risks Committee (the "Committee"). The Committee is an advisory and informative body, composed of three Independent directors, with expertise and experience in accounting and financial matters and/or risk management, and is currently chaired by the Chairman of the Board of Directors.

The meetings of the Committee are normally attended by the CEO (as the officer in charge of the internal control and risk management system), the Chairman of the Board of Auditors (the other members of the Board of Auditors are also normally invited to attend), the heads of Internal Audit and Compliance and, depending on the agenda, the General Manager, the Group CFO and HR Director and the Financial Reporting Officer.

The Committee was set up in order to ensure the monitoring and management of risks and the safeguarding of corporate value at Group level, including the internal control system, in implementation of the strategic guidelines and management policies defined by the corporate bodies.

3.1 Financial risks

This disclosure is provided for under Article 2428 of the Italian Civil Code and under IAS 32 and IFRS 7.

Financial risks include:

- liquidity risk, which is associated with the difficulty of selling an asset rapidly and at a market price, or of promptly accessing the financial resources necessary for the company at a sustainable cost;
- credit risk, i.e. the risk of incurring losses due to the default or insolvency of the counterparty;
- market risk linked to fluctuations in the value of assets/liabilities following changes in market conditions (price, rate, exchange and commodity risk).

The Group is exposed to all three of these risks. More specifically, the exposure is essentially associated with the management of company liquidity, both in relation to the repayment of the bank loan obtained by the Parent Company and in relation to the surplus of financial resources with respect to the expected liquidity needs generated by ordinary operations, i.e. the portfolio owned by the Group.

The structure of debt payments is based on the provisions of the loan agreement and the timing of repayment is appropriate to expected cash flow generation from the typical operations of direct and indirect subsidiaries.

The table below breaks down the residual payment schedule of the loan at 30 June 2019 showing the undiscounted amount of the agreed payments, excluding interest:

Repayment schedule of the initial loan

Thousands of euros

Date	Term A	Term B	Additional Term	Total Loan
30/06/2018	12,273	2,455		14,728
30/06/2019	36,818	7,363	5,000	49,181
30/06/2020	47,046	9,410	5,000	61,456
30/06/2021	49,091	9,818	5,000	63,909
30/06/2022	51,136	10,227	5,000	66,363
09/11/2022	253,636	50,727		304,363
30/06/2023			50,000	50,000
05/03/2024			50,000	50,000
Total	**450,000**	**90,000**	**120,000**	**660,000**

Residual repayment schedule at 30 June 2019

Date	Term A	Term B	Additional Term	Total Loan
30/06/2020	47,046	9,410	5,000	61,456
30/06/2021	49,091	9,818	5,000	63,909
30/06/2022	51,136	10,227	5,000	66,363
09/11/2022	253,636	50,727		304,363
30/06/2023			50,000	50,000
05/03/2024			50,000	50,000
Total	**400,909**	**80,182**	**115,000**	**596,091**

The loan accrues interest half-yearly, interest rates are indexed to 6-month Euribor plus a spread that differs for the different credit lines.
Principal repayments on the Term Loan and the Additional Term Loan are annual, with a payment date of 30 June.
The loan agreement requires compliance with financial covenants. More specifically, the contract calls for the ratio of the consolidated net financial position to consolidated EBITDA, as established in that loan agreement, to be equal to or less than 2.5 times. In the event of failure to comply with the covenants, the lending banks are protected by guarantee mechanisms (for example, equity cures, restrictions on the distribution of profits, early repayment of the loan). For more details, see Chapter XXII of the Prospectus prepared for the capital increase, which was filed with Consob on 23 March 2018.
As of the date of approval of these interim financial statements, the Parent Company was in compliance with all of the covenants, including that calculated at 30 June 2019.

With regard to company liquidity, the policy for managing the liquidity held by Group companies provides for excess cash to be invested only in UCITS managed by the Group and in bank deposits. Specifically, for deposits, eligible counterparties are identified based on creditworthiness. The Boards of Directors of the companies determined the characteristics and operating limits for investments in UCITS and deposits.
Control activities are performed, including inter-group services as well, by the Risk Management department of the subsidiary Anima SGR.
The financial risks of the portfolios owned by the companies of the Group are managed through the definition and control of limits on operations and the risk that the portfolios can assume. These limits are expressed both in terms of the types of investments allowed, the allowable amounts and a limit on the maximum risk (expressed by volatility) that can be assumed.
The investment in UCITS is represented by products established and/or managed by the Group, selected on the basis of the return objectives and risk limits established by the Boards of Directors of each company. This type of investment is characterized by a high level of liquidity and a low level of direct credit risk, as the assets of the UCITS are segregated. The financial risks deriving from this type

of investment are essentially attributable to the market risk of the investments made, which is in any case compatible with the prudent profile that characterizes the investment strategy for the Group's liquidity.
The risks deriving from the investment in UCITS are monitored by verifying, on a daily basis, compliance with the limits set by the Boards of Directors. In particular, the risk limits established in terms of volatility are monitored with the risk model used by the subsidiary Anima SGR.
Investment in deposits is by its nature characterized by a high level of liquidity and the absence of market risk. The financial risks deriving from this type of investment are substantially attributable to credit risk and are regularly monitored and mitigated using various techniques, including the use of limits aimed at splitting the risk.
The Group also has a market risk exposure deriving from the fluctuation of interest rates on the variable-rate loan obtained by the Parent Company. To hedge that risk, as provided for in the loan agreement for Term Tranche A and Term Tranche B, hedge positions were established, the details of which are discussed in the following section "Derivatives and hedging policies".

3.2 Operational risks

The Parent Company primarily coordinates and provides operational management for the subsidiaries. Its exposure to operational risk is thus limited to administrative processes, some of which are handled for Anima SGR.
The subsidiary Anima SGR monitors the operational risks to which it is exposed using a formalized process denominated "Business Risk Management". These activities are performed by the Risk Management department.
The process is organized into the phases of (i) risk mapping, (ii) analysis of risk events (operational events only), (iii) risk assessment, (iv) risk management and (v) monitoring of mitigation actions.
The methodology for identifying risks and preparation of the associated disclosures are based on the risk reporting process: this provides management with an immediate overview of the risks to which the company is most exposed and, at the same time, the processes in which those risks are concentrated. The risk situation is presented using a matrix of the characteristic process of the company and the risks (risk categories) associated with them, whose value reflects the weight and the number of risk gaps connected with them. These risk gaps are identified and measured during the checks performed by the internal control units or other control bodies.
The weight of each risk gap (scoring) is assigned on the basis of an estimate of levels of materiality, meaning the amount of the potential loss, and the probability that the underlying event will occur. The report is completed with analytical tables of the existing risk gaps and the associated corrective actions.
As regard outsourced services, in compliance with the rules governing outsourcing provided for in the Joint Bank of Italy - Consob Regulation of 19 January 2015, Anima SGR outsources a number of important services to contractors governed by specific contracts. These primarily include a number of administrative and accounting-related back-office activities and IT services connected with asset management products, including the Arti&Mestieri pension fund.
In order to monitor the maintenance of high standards of efficiency in outsourced processes, specific Service Level Agreements ("SLAs") have been reached with the outsourcers. These contracts specify the quality arrangements made by the supplier and the qualitative and quantitative service levels for the service that the outsourcer must deliver through the achievement of specific key performance indicators (KPI). Outsourced IT services are governed by specific clauses concerning the disaster recovery and business continuity plans implemented by the outsourcers in order to ensure service continuity and the retention, security and integrity of data.
These agreements also have specific clauses that enable Anima SGR to take action against the suppliers in the event of losses caused by breach of those agreements.
In the event of changes in (i) the regulatory framework, (ii) information systems or (iii) the internal organization of outsourcers, the agreements provide for contract revisions in order to keep them updated and appropriate to the new situation.
The failure of outsourcers to provide the minimum service levels could in any event harm company operations and give rise to reputational losses.

For these risks, Anima SGR has implemented the measures required under the applicable regulations to verify compliance with the SLAs with outsourcers. More specifically, monitoring of service quality and outsourcer's performance of the commitments made has been assigned to the Outsourcer Monitoring unit established within the Operations department of the company.
For more information on financial and operational risks, see the section of the report on operations entitled "Risks and uncertainties".

3.3 DERIVATIVES AND HEDGING POLICIES

DERIVATIVES
The Group has no positions in trading derivatives

HEDGING POLICIES
Qualitative disclosures
The Group hedging activity focuses on the interest rate risk resulting from variations in 6-month Euribor, to which the loan agreement signed by the Parent Company is indexed.
The objective pursued by hedging interest rate risk is to stabilize the amount of future cash flows from interest on the floating-rate loan agreement (the "hedged item"). This has been achieved with interest rate swaps (the "hedging instrument") that enable the Company to receive a floating interest rate from the counterparties (with a floor and indexed to the same market parameter envisaged in the loan agreement) while paying a fixed interest rate.
The interest rate risk hedging relationship has the following characteristics:

- type of hedged Item: liability;
- type of hedging relationship: cash flow hedge.

The hedged item and the hedging instrument are both indexed to 6-month Euribor and the hedging instrument contains a purchased floor option matching the floor option written on the hedged item. There is therefore an economic relationship between the above elements, given the perfect match between the technical and financial characteristics of the hedged item and the hedging instrument.
The following source of ineffectiveness of the hedging relationship has been identified:
Credit Value Adjustment (CVA)/*Debit Value Adjustment* (DVA): this adjustment is made periodically as part of the determination of the fair value of the hedging instrument in order to reflect the credit risk of the parties involved. Since the hedged risk does not include credit risk in the calculation of the fair value of the hedged item, no adjustment is made for this risk.
For the purposes of measuring any ineffectiveness, the effect of the CVA/DVA of the hedging instrument is monitored.

Quantitative disclosures
3.3.2 Hedging derivatives: end-of-period notional values

Effective date	28/06/2018
Expiry:	09/11/2022
Notional value	256,591
Fair value at 30/06/2019	(2,524)

3.3.8 Impact of hedges on shareholders' equity: reconciliation of components of shareholders' equity

Cash flow hedges	Gross amount	Income taxes	Total
Opening balance	**(1,572)**	**465**	**(1,107)**
a) change in fair value	(1,461)	432	**(1,029)**
b) recycling to profit or loss	514	(152)	**362**
c) other changes			
Closing balance	**(2,519)**	**745**	**(1,774)**

Section 4 – Information on capital

4.1 Company capital

4.1.1 Qualitative disclosures

The share capital of the Parent Company, fully subscribed and paid-up in the amount of €7,291,809.72 is represented by 380,036,892 shares with no par value.

The shares of the Anima Holding have been listed since 16 April 2014 on the *Mercato Telematico Azionario* organized and operated by Borsa Italiana SpA.

Shareholders with significant interests in Anima Holding, on the basis of the reports submitted pursuant to Article 120 of Legislative Decree 58/98 and other available information, were Banco BPM S.p.A. with 14.27%, Poste Italiane S.p.A. with 10.04%, River and Mercantile Asset Management LLP with 5.05%, Wellington Management Group LLP with 4.87% and Norges Bank with 3.03%.

Anima Holding has not issued profit participation certificates, convertible bonds, other securities or similar instruments.

4.1.1 Quantitative disclosures

4.1.2.1 Company capital: composition

	30.06.2019	31.12.2018
1. Share capital	7,292	7,292
2. Share premium reserve	787,652	787,652
3. Reserves	380,930	315,767
- earnings	347,600	281,723
a) legal	1,458	1,185
b) established in bylaws		
c) treasury shares		
d) other	346,142	280,538
- other	33,330	34,044
4. (Treasury shares)	(41,153)	
5. Valuation reserves	(2,511)	(1,712)
- Cash flow hedges	(1,774)	(1,107)
- Actuarial gains (losses) on defined benefit plans	(737)	(605)
6. Equity instruments		
7. Net profit (loss) for the period	63,379	122,057
Total	**1,195,589**	**1,231,056**

As noted earlier, on 9 January 2019, a program for the purchase of treasury shares was launched, pursuant to Articles 2357 and 2357-ter. of the Civil Code and Article 132 of the Financial Intermediation Act, on the basis of the authorization approved by the Shareholders' Meeting of the Parent Company of 21 December 2018. On 23 April 2019 the program to purchase treasury shares was concluded. Between 9 January 2019 and 23 April 2019, the Parent Company purchased 11,401,107 treasury shares on the Mercato Telematico Azionario, equal to 3% of the share capital for a total of €41,093,200.21 at an average price of €3.6043 (for further details, see the section

"Significant events for the Anima Group in the first half of 2019"of the report on operations accompanying these interim financial statements).

The Parent Company's Shareholders' Meeting of 29 March 2019 authorized the distribution of a dividend of €0.165 (from 2018 profit) per share gross of withholding tax (excluding treasury shares held by the Company), which was paid on 22 May 2019 for a total amount of about €60.8 million.

Section 6 – Transactions with related parties

6.1 Information on the remuneration of key management personnel

The following table reports the amount of remuneration for the first half of 2019 accrued by the members of the governing and control bodies and by key management personnel of the Group.

	Board of Auditors	Board of Directors - Committees	Key management personnel	Total at 30.06.2019
Short-term benefits (1)	158	616	962	**1,737**
Post-employment benefits (2)			67	**67**
Other long-term benefits				
Termination benefits				
Share based payments (3)			1,812	**1,812**
Total	**158**	**616**	**2,841**	**3,615**

(1) Includes fixed and variable remuneration, social security contributions charges to the Group and benefits in kind.
(2) Includes the company contribution to the pension fund and the accrual to the termination benefit as provided for by company rules and the law.
(3) The value reported regards the variable portion of long-term remuneration from key management personnel's participation in the LTIP, which is quantified as described in "Part A – Accounting policies – Section 4 Other issues - Long Term Incentive Plan (LTIP)" of the 2018 consolidated financial statements.

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6.2 Information on transactions with Related parties

The Company, in compliance with applicable regulations, has adopted a Procedure for Related-Party Transactions, which is available on the website of Anima Holding at www.animaholding.it, Investor Relations – Corporate Governance section.
During the first half of 2019, the Group carried out transactions, settled on terms and conditions in line with market standards, with the parties identified by the procedures approved by the Parent Company, which are designed to ensure the transparency and the substantive and procedural fairness of transactions with related parties.
With regard to paragraph 8 of Article 5 of the Consob regulation concerning the periodic reporting of transactions with related parties, we report that no transactions of "greater importance" or of "lesser importance" were carried out during the period.
No atypical or unusual transactions were carried out.
The balance sheet and income statement balances for transactions with related parties carried out in the first half of 2019 are summarized in the following table:

BALANCE SHEET	Banco BPM Group	Poste Italiane Group	Total related parties
ASSETS			
40 Financial assets measured at amortized cost	105,477	5,820	**111,297**
a) for asset management	122	5,820	**5,942**
b) other loans and receivables	105,355	0	**105,355**
- deposit and current accounts	*105,355*	*0*	**105,355**
120 Other assets	588	580	**1,168**
Total assets	**106,065**	**6,400**	**112,465**
LIABILITIES			
10 Financial assets measured at amortized cost	(218,765)		**(218,765)**
- for product distribution	*(79,660)*		**(79,660)**
- for loans	*(139,106)*		**(139,106)**
40 Hedging derivatives	(641)		**(641)**
80 Other liabilities	(41)	(118)	**(159)**
Total liabilities	**(219,448)**	**(118)**	**(219,566)**
INCOME STATEMENT			
10 Fee and commission income	0	11,447	**11,447**
20 Fee and commission expense	(170,480)	0	**(170,480)**
50 Interest income on deposit and current accounts	4	0	**4**
60 Interest expense on loan/derivative	(1,448)	0	**(1,448)**
140a Personnel expenses	(40)	(32)	**(72)**
140b Other administrative expenses	(9)	(1,125)	**(1,134)**
180 Other operating income and expense	0	375	**375**
TOTAL INCOME STATEMENT	**(171,973)**	**10,665**	**(161,308)**

Transactions with related parties in the first half of 2019 mainly regard commercial activities supporting the distribution of the products managed by the Group, the management contracts received, current account deposits for the management of the Group's liquidity, the loan and the connected IRS derivative contract signed by the Parent Company, postal services received, as well as remuneration paid to the members of the Boards of Directors of the company originating with Banco BPM and Poste.

Milan, 29 July 2019.

for the Board of Directors

The Chairman

Certification of the condensed consolidated interim financial statements pursuant to Article 154-bis, paragraph 5, of Legislative Decree 58/98 and Article 81-ter of Consob Regulation no. 11971/99 as amended

The undersigned Marco Carreri and Enrico Bosi, in their respective capacities as Chief Executive Officer and Officer responsible for the preparation of the financial reports of Anima Holding SpA, hereby **certify**, taking account of the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998:

- the appropriateness with respect to the characteristics of the Company and
- the effective adoption of the administrative and accounting procedures in the first half of 2019 for the preparation of the condensed consolidated interim financial statements.

The assessment of the appropriateness of the administrative and accounting procedures used in the preparation of the condensed consolidated interim financial statements at 30 June 2019 was based on a process defined by Anima Holding SpA in accordance with the "Internal Controls - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents a generally accepted framework at the international level.

We also certify that:

1. the condensed consolidated interim financial statements at 30 June 2019:
   - have been prepared in compliance with the international accounting standards (IAS/IFRS) and the associated interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002, as well as with the provisions of the Italian Civil Code, Legislative Decree 38 of 28 February 2005 and the applicable measures, regulations and circulars issued by the supervisory authorities;
   - correspond to the information in the books and other accounting records;
   - provide a true and fair representation of the performance and financial position of the issuer and the companies included in the scope of consolidation.
2. the interim report on operations at 30 June 2019 contains:
   - a reliable analysis of references to the major events that occurred during the first six months of the year and their impact on the condensed consolidated interim financial statements;
   - a description of the main risks and uncertainties to be faced in the remaining six months of the year;
   - a reliable analysis of disclosures on significant transactions with related parties.

Milan, 29 July 2019

[signed] The Chief Executive Officer

Marco Carreri

[signed] Officer responsible for the preparation of the financial reports

Enrico Bosi

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REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Anima Holding S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Anima Holding S.p.A. and subsidiaries (the "Anima Group"), which comprise the consolidated balance sheet, the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes in consolidated equity, the consolidated statement of cash flows and related notes as of June 30, 2019. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of Anima Group as at June 30, 2019 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Paolo Gibello Ribatto
Partner

Milan, Italy
August 2, 2019

This report has been translated into the English language solely for the convenience of international readers.