

## Azimut Holding, FY 2014 results

**Consolidated net profit: € 92.1 million (€ 155.7 million in 2013)**

**Consolidated revenues: € 552.3 million (€472.1 million in 2013)**

**Consolidated net profit (excluding one-offs<sup>(1)</sup>): €174.3 million (€155.7 million in 2013)**

**Total dividend proposal: €0.78 per share\* (€ 0.70 in 2013)**

*Milan, 12 March 2015*

Azimut Holding's (AZM.IM) Board of Directors approved today the FY 2014 results ending December 31, 2014, highlighting the following:

- **Consolidated revenues** in 2014 of € 552.3 million (vs. € 472.1 million in 2013)
- **Consolidated profit before tax** in 2014 of € 184.8 million (vs. 182.2 million in 2013)
- **Consolidated net profit** in 2014 € 92.1 million (€155.7 million in 2013)
- **Consolidated net profit (excluding one-offs<sup>(1)</sup>)** in 2014 € 174.3 million (€155.7 million in 2013)

**Total Assets** in 2014 reached **€ 30 billion** euro (compared to € 24 billion at the end of 2013) including assets under custody and third parties' funds (internally managed assets stood at **€ 26.7 billion** euro at end-2014 compared to €21.4 billion at the end of 2013).

**Net financial position** as of December 31, 2014 is **positive for € 312.4 million** (vs. € 353.6 million as of 3Q 2014 and vs. € 363.5 million as of end-2013). In 2014 the company paid around € 93 million ordinary dividends. On June 30 partly repaid the Senior Loan for an amount of € 10 million, and on July 1 reimbursed the last tranche of the bond "Azimut 2009-2016 subordinated 4%" for a total amount of € 17.6 million. Lastly, in the 4Q 2014, the Group reached an agreement with the Italian tax authority on the composition of all claims defining a total payment, inclusive of higher taxation and applied penalties, of € 105.9 million (plus interest charges amounting to ca. € 11.9 million). In December 2014 the Group settled all due payments.

**Recruitment of financial advisors and private bankers** remained positive: **during 2014** Azimut and its networks hired 128 new financial advisors, bringing the total number of FAs to **1524**.

The Board shall propose to the AGM, which will be called on 30 April 2015, the distribution of a **total ordinary dividend for €0.78ps** gross of tax (higher than the €0.70ps in 2013) of which a recurrent component for €0.10, and an additional component of €0.68 per ordinary share, with payment date scheduled on May 20<sup>th</sup> 2015 (ex-dividend date as of May 18<sup>th</sup> 2015 and record date May 19<sup>th</sup> 2015).

Net profit of the parent company Azimut Holding SpA in 2014 is of € 136.5 million vs. € 148.5 million reported in 2013.

Pietro Giuliani, Azimut's Chairman and CEO, commented: *"We are proud to present Azimut as the only Italian multinational company in the Asset Management sector, located in 13 countries worldwide, that operates in Italy under an open architecture of products and services offering clients the same choices of a multi-family office, but at an industrial level. All of this by valuing our unique traits and strengths, both on the production and distribution sides. We have closed yet another record year, obtaining financial results that, net of mainly the effect of the settlement with the Italian tax authority, surpassed all of the Group's previous net profit figures. The commitment and determination of all of our professionals enabled us to achieve the best result ever in terms of **Net Inflows (5.6 billion euro, +73% vs. 2013)** and to continue generating value for our customers, who in **2014** benefited from a net average weighted average **performance** in the region of **4.8%**. During the year we strengthened our leadership in the industry, both on the production side where we launched a number of innovative products also thanks to the competencies inherited abroad, but also on the distribution side, where we continued to recruit top quality professionals with specific expertise to further develop the services offered to our clients. We have also consolidated our presence overseas, in particular in Brazil and Turkey, and signed new JVs in Mexico and Australia. Proud of what we've realized in 2014, we are all*

already projected towards a new year of accomplishments. **Since the beginning of 2015**, in only two months, net inflows have reached almost 800 million euro, and the **net** weighted average **performance** stands at **5%**, above the Italian industry”.

*Note (1): net of extraordinary costs largely due to the agreement with the tax authority*

*\* Subject to AGM approval*

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

**Azimut** is Italy's leading independent asset manager (active since 1989). The Parent Company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and, among others, is a member of the main Italian index FTSE MIB.

The shareholder structure includes over 1,200 managers, employees and financial advisors, bound by a shareholders' agreement that controls ca. 20% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with Registered Offices in Italy, Luxembourg, Ireland, China (Hong Kong and Shanghai), Monaco, Switzerland, Taiwan, Brazil, Singapore, Mexico, Australia and Turkey. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian hedge funds, as well as being active in the discretionary management of individual investment portfolios. Azimut Consulenza SIM, through its divisions, distributes Group and third party products in Italy via a network of financial advisors while Azimut Global Counseling provides consulting services. Overseas main operations are AZ Fund (founded in Luxembourg in 1999), which manages the multi strategy fund AZ FUND1 and AZ Multi Asset, the Irish AZ Life Ltd, which offers life insurance products, and AZ Capital Management Ltd (hedge fund).

**AZIMUT HOLDING SpA – [www.azimut.it](http://www.azimut.it)**

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*The attached statements are those foreseen by current regulations: income statement, balance sheet and cash flow statement. With reference to these figures, we remind that the auditors have not yet completed their activity, whereas no audit has to be carried out on reclassified income statement (Art. IA.2.9.3 co.5 from Instruction of the Market rules by the Italian Stock Exchange).*

## CONSOLIDATED RECLASSIFIED INCOME STATEMENT

(Data in €/000)	2014	2013
Acquisition fees and commissions	9,213	9,055
Recurring fees	393,611	321,603
Variable commissions	108,231	107,201
Other income	8,134	6,608
Insurance revenues	33,065	27,629
<b>Total revenues</b>	<b>552,254</b>	<b>472,096</b>
Commission expense	(256,326)	(208,049)
Commissions on No load products	(4,718)	(6,232)
General overheads/Administrative expenses	(87,309)	(69,440)
Depreciation, amortisation/provisions	(10,813)	(6,830)
<b>Total costs</b>	<b>(359,166)</b>	<b>(290,551)</b>
<b>Operating income</b>	<b>193,088</b>	<b>181,545</b>
Profits from financial operations	10,082	8,973
Net Non operating costs	(6,273)	(5,101)
Interest expense	(12,051)	(3,177)
<b>Profit Before Taxation</b>	<b>184,846</b>	<b>182,240</b>
Income taxation	(93,761)	(28,519)
Deferred taxation	2,156	2,158
<b>Net Profit</b>	<b>93,241</b>	<b>155,879</b>
Minorities	1,145	126
<b>Consolidated Net Profit</b>	<b>92,096</b>	<b>155,753</b>

## CONSOLIDATED NET FINANCIAL POSITION

Data in €/000	31/12/2014	30/09/2014	31/12/2013
Senior loan	(40,172)	(40,153)	(50,192)
Lease-back	(100)	(3,325)	(3,223)
Securities issued	(216,685)	(216,734)	(228,608)
<b>Total debt</b>	<b>(256,957)</b>	<b>(260,212)</b>	<b>(282,023)</b>
Cash and cash equivalents	569,343	613,823	645,549
<b>Net Financial Position</b>	<b>312,386</b>	<b>353,611</b>	<b>363,526</b>

## CONSOLIDATED INCOME STATEMENT

(Data in €/000)	2014	2013
Profit/losses from the sale of:	3,989	270
<i>a) financial assets available for sale</i>	4,547	556
<i>b) financial liabilities</i>	(558)	(286)
Net result of financial assets and liabilities at fair value	(199)	(353)
Commission income	525,936	451,555
Commission expenses	(227,821)	(190,097)
Interest income and equivalents	6,605	9,033
Interest expenses and equivalents	(12,561)	(3,069)
Dividends and equivalents	1	15
Insurance net premium income	3,321	3,645
Net income (loss) from financial assets at fair value entered on the profit and loss account	99,924	61,943
Change in technical provisions when the investment risk is borne by the insured parties	10,853	22,285
Surrenders and claims	(86,449)	(66,929)
<b>Net income on financial instruments</b>	<b>323,599</b>	<b>288,298</b>
Net value adjustment for deterioration of:	(2,941)	0
<i>a) financial assets</i>	(2,941)	0
Administrative expenses	(114,996)	(96,684)
<i>a) personnel expenses</i>	(48,008)	(37,685)
<i>b) other expenses</i>	(66,988)	(58,999)
Value net adjustments on tangible assets	(1,166)	(1,007)
Value net adjustments on intangible assets	(4,997)	(3,271)
Provisions for risks and charges	(5,651)	(2,383)
Other administrative income and expenses	(7,825)	(2,448)
<b>Gross operating profit</b>	<b>186,023</b>	<b>182,505</b>
Profit (loss) on equity investments	(1,177)	(265)
<b>Profit (Loss) before tax</b>	<b>184,846</b>	<b>182,240</b>
Income tax	(91,605)	(26,361)
<b>Profit (Loss) after tax</b>	<b>93,241</b>	<b>155,879</b>
<b>Net profit (Loss)</b>	<b>93,241</b>	<b>155,879</b>
Minorities	1,145	126
<b>Consolidated net profit (loss)</b>	<b>92,096</b>	<b>155,753</b>

## CONSOLIDATED BALANCE SHEET

ASSETS (data in €/000)	31/12/2014	31/12/2013
Cash and cash equivalents	33	16
Financial assets at fair value	3,991,910	2,583,395
Financial assets available for sale	261,570	99,996
Credits	341,453	573,895
Equity investments	8,538	3,038
Tangible assets	3,696	2,960
Intangible assets	394,458	369,250
Tax assets	80,947	89,415
<i>a) current</i>	54,999	50,978
<i>b) prepaid</i>	25,948	38,437
<i>- of which I. 214/2011</i>	-	840
Non current assets and group of activities for sale	734	75
Other assets	55,819	64,419
<b>Total Assets</b>	<b>5,139,158</b>	<b>3,786,459</b>

LIABILITIES (Data in €/000)	31/12/2014	31/12/2013
Debts	99,010	106,164
Bonds issued	216,685	228,608
Technical provisions when the investment risk is borne by the insured parties	300,142	310,994
Financial liabilities at fair value	3,743,064	2,305,428
Other technical provisions	350	350
Tax liabilities	53,075	83,537
<i>a) current</i>	653	33,903
<i>b) deferred</i>	52,422	49,634
Other liabilities	54,787	36,659
Employee severance indemnities	3,030	2,265
Provision for risks and charges	25,580	21,935
<i>b) other</i>	25,580	21,935
Capital	32,324	32,324
Treasury shares (-)	(81,555)	(82,224)
Capital instruments	71,715	72,521
Share premium reserve	173,987	173,987
Reserves	348,494	334,077
Valuation provisions	(868)	(771)
Profit (Loss) for the period	92,096	155,753
Equity attributable to minority interests	7,242	4,852
<b>Total liabilities and shareholders equity</b>	<b>5,139,158</b>	<b>3,786,459</b>

## AZIMUT HOLDING SPA – Income statement

(Data in €/000)	2014	2013
Profit/losses from the sale of:	3,940	(447)
<i>a) financial assets</i>	4,692	(63)
<i>b) financial liabilities</i>	(752)	(384)
Commission income	2,000	2,000
Interest income and equivalents	3,619	4,360
Interest expenses and equivalents	(12,008)	(2,989)
Dividend income and equivalent	155,755	160,529
<b>Margin from financial activities</b>	<b>153,306</b>	<b>163,453</b>
Amortisations and write-downs for deterioration of:	(2,941)	0
<i>a) financial assets</i>	(2,941)	0
Administrative expenses	(14,110)	(12,944)
<i>a) personnel</i>	(6,465)	(6,054)
<i>b) other</i>	(7,645)	(6,890)
Amortisation and write-downs of tangible assets	(220)	(156)
Amortisation and write-downs of intangible assets	(228)	(228)
Value net adjustments on provisions for risks and charges	262	0
Other administrative income and expenses	1,139	1,292
<b>Operating profit</b>	<b>137,209</b>	<b>151,416</b>
Profit (loss) from investments	0	(300)
<b>Profit (loss) before tax</b>	<b>137,209</b>	<b>151,116</b>
Income tax	(700)	(2,606)
<b>Net profit (loss)</b>	<b>136,509</b>	<b>148,510</b>
<b>Net profit (loss)</b>	<b>136,509</b>	<b>148,510</b>

## AZIMUT HOLDING SPA – Balance Sheet

ASSETS (Data in €/000)	31/12/2014	31/12/2013
Cash and cash equivalents	11	4
Financial assets available for sale	218,272	71,460
Credits	101,622	326,028
Equity investments	419,526	326,148
Tangible assets	652	692
Intangible assets	186,023	185,378
Tax assets	24,937	34,497
<i>a) current</i>	8,947	17,022
<i>b) prepaid</i>	15,991	17,475
- of which L. 214/2011	-	840
Non current assets and group of activities for sale	0	75
Other assets	16,367	16,784
<b>Total assets</b>	<b>967,410</b>	<b>961,066</b>
LIABILITIES (Data in €/000)	31/12/2014	31/12/2013
Debts	40,273	53,414
Bonds issued	216,680	228,368
Tax liabilities	48,476	45,799
<i>a) current</i>	-	1,145
<i>b) deferred</i>	48,476	44,655
Other liabilities	23,695	13,099
Employees' severance	750	554
Provisions for risks and charges	30	500
<i>b) other funds</i>	30	500
Capital	32,324	32,324
Treasury shares (-)	(81,555)	(82,224)
Capital instruments	71,703	72,497
Share premium reserve	173,987	173,987
Reserves	302,309	274,272
Reserve from measurement of financial instruments	2,229	(35)
Net Profit (loss)	136,509	148,510
<b>Total liabilities and net shareholders' equity</b>	<b>967,410</b>	<b>961,066</b>

## Consolidated Cash Flow statement

(Data in €/000)	2014	2013
<b>A. OPERATING ACTIVITIES</b>		
<b>1. Operating activities</b>	<b>23,059</b>	<b>164,829</b>
- net income for the period (+/-)	93,241	155,879
- gains/losses on financial assets held for trading and on financial assets/liabilities valued at fair value (-/+)	(101,669)	(32,913)
- value net adjustments for deterioration (+/-)	2,941	0
- value net adjustments on tangible and intangible assets (+/-)	6,163	4,278
- value net adjustments on provisions for risks and charges and other income/expenses (+/-)	5,651	2,383
- taxes (+)	15,480	35,672
- other adjustments (+/-)	1,252	(470)
<b>2. Cash flow from financial assets</b>	<b>(1,300,555)</b>	<b>(1,052,063)</b>
- financial assets at fair value	(1,306,846)	(1,008,385)
- financial assets held for sale	0	(1)
- receivables from banks	33	(778)
- receivables from other financial institutions	(3,528)	(2,302)
- receivables from clients	(407)	(1,483)
- other assets	10,193	(39,114)
<b>3. Cash flow from financial liabilities</b>	<b>1,382,119</b>	<b>1,203,971</b>
- due to banks	(13,545)	(32,547)
- due to other financial institutions	(3,059)	441
- due to clients	(521)	361
- securities issued	(12,041)	193,247
- financial liabilities at fair value	1,437,636	1,076,832
- technical reserves	(10,852)	(22,285)
- other liabilities	(15,499)	(12,078)
<b>Total net operating cash flow generated/absorbed</b>	<b>104,623</b>	<b>316,737</b>
<b>B. INVESTMENT ACTIVITIES</b>		
<b>1. Cash flow generated by</b>	<b>75</b>	<b>411</b>
- sale of equity investments	0	186
- dividends received from subsidiaries	0	15
- sale of financial assets held to maturity	75	210
<b>2. Cash flow absorbed by</b>	<b>(41,724)</b>	<b>(16,041)</b>
- acquisition of equity investments	(9,618)	(1,586)
- acquisition of tangible assets	(1,902)	(1,521)
- acquisition of intangible assets	(13,738)	(6,832)
- acquisition of controlled entities	(16,466)	(6,102)
<b>Total net cash flow generated/absorbed from investment activities</b>	<b>(41,649)</b>	<b>(15,630)</b>
<b>C. FINANCING ACTIVITIES</b>		
- issue/sale of treasury shares	669	16,919
- other reserves	(24,585)	(13,620)
- capital and third party reserves	2,390	3,643
- issue/sale of capital instruments	(806)	33,006
- dividends paid and others	(116,848)	(95,972)
<b>Total net cash flow generated/absorbed from financing activities</b>	<b>(139,180)</b>	<b>(56,024)</b>
<b>Total net cash flow generated/absorbed during the period</b>	<b>(76,206)</b>	<b>245,083</b>
<b>RECONCILIATION</b>		
	<b>2014</b>	<b>2013</b>
Opening cash and cash equivalents	645,549	400,466
Cash flow generated/absorbed during the period	(76,206)	245,083
Closing cash and cash equivalents	569,343	645,549