MEDIOBANCA

FY19 results as at 30 June 2019

GROWTH AND SUSTAINABILITY
THE MEDIOBANCA GROUP DNA

Milan, 31 July 2019

MEDIOBANCA

AGENDA

1. **FY19 results – Executive summary**
2. **Group performance**
3. **Divisional results**
4. **Closing remarks**

Annexes

1. Quarterly segmental reporting tables
2. Glossary

MEDIOBANCA

FY19: BEST RESULTS IN LAST DECADE

Best-ever results in last 10Y achieved in terms of revenues, GOP, ROTE and CET1 despite govies spread and business environment weakened momentum

Growth in revenues (up 4% to €2.5bn) driven by strong commercial target

Growth in NII (up 3% to €1.4bn) driven by loan growth (up 8% to €44bn) and CoF reduction (to 80bps)

Fees slowed temporarily (down 2% to €611m) still not fully reflecting TFA/NNM growth and material distribution empowerment in WM (sales-force up 18% to over 900) and CIB divisions (partnership with MMA)

GOP risk adjusted up 8% to over €1.1bn

Net profit adjusted up 8% to €860, stated down 5% to €823m due to lower positive one-offs

ROTE adj. up @ 10.2% (vs. 9.5% of FY18), with CET1 flat @ 14.1%

2019 strategic roadmap fully achieved

WM: size, brand awareness and distribution scaled up – ROAC@16%

Consumer Banking: all time-high earnings level achieved with value management approach – ROAC@30%

CIB: K-lighter businesses enhanced, EU positioning improved – ROAC@15%

HF: liquidity and funding indicators kept at healthy high levels

Sound shareholders remuneration: pay-out up @50%, DPS at €0.47

NNM up 6% to €5.0bn AUM/AUA up 5% to €39bn TFA up 6% to €68bn	NPLs/Ls : gross 4%, net 2% BadLs/Ls: gross 1%, net 0% CoR down to 52bps	EPS adj. up 8% to €0.97 DPS flat at €0.47 Buyback to 4.3% of capital[2]

1) CET1FL @12.8% (without Danish Compromise and IFRS9 fully phased)
2) Taking into account the use of treasury shares for staff compensation and the acquisition of Messier Maris et Associés.

3Y Business Plan 2016/19 target delivered

Playing our three-year strategic roadmap and despite the low growth/yield environment we have significantly enlarged and reshaped the Group

Leveraging distribution and asset growth organically and trough M&A,

WM sales force tripled to>900, Consumer branches up 20% to ~200, CF headcounts up 30% to ~140

AUM up 31%[1] to €39bn, loans up 9%[1] to €44bn, funding up 3%[1] to €51bn

and keeping gearing low and capitalization strong

cost/income at 46%, NPE gross/Ls < 4%, CET1 up 200bps to>14%

we delivered material growth

in revenues (+7%[1]), **profit** (EPS adj. +13%[1]), **profitability** (ROTE up 3pp to 10%) **and dividend** (DPS +20%[1]).

MB group revenues now more visible and recurrent

60% of revenues, loans and funding originated by WM and Consumer

and focused on capital light businesses

Fees enlarged by 11%[1] and now 60% driven by Advisory and WM

WM and CIB contributing now roughly equally (~40% each) to group fee income

BP19 strategic goals delivered at Group and business segments level

MB differentiating positioning reflected in a strong market out-performance

1) 3Y CAGR 2016/19

Playing our strategic roadmap…

	3Y BP16-19 actions	KPIs
WEALTH MGT	◆ **Affluent -** Barclays integrated; distribution empowered (both FAs and proprietary network); digital leadership preserved ◆ **Private Banking -** MBPB: Esperia merged, bankers' team reshuffled, private/IB double-coverage established. CMB: positioning preserved, new management team ◆ **AM**: Cairn integrated, new management team; RAM acquired and integrated; MBSGR: cross-selling with all networks ◆ **Capital optimization**: AIRB validation for CheBanca! mortgages, K optimized on lending in private banking	◆ **Franchise empowered** ◆ Customer base up 50% to over 880K ◆ Sale force tripled to over 900 people ◆ CB! up to ~ 800, of which RM ~ 450, FAs ~ 350 (5x) ◆ PB: 130 bankers stable in number but reshuffled ◆ **Size scaled:** annual NNM €5/6bn per year, TFA up 60% to €68bn ◆ **Now largest contributor to MB Group fee income (44%)** ◆ **Capital optimized:** RWA down €1.4bn due to AIRB validation on mortgage portfolio (~40bps CET1) ◆ **Profitability improved: ROAC from 9% to 16%**
CONSUMER	◆ **Leadership** in Italy confirmed ◆ **Distribution**: proprietary enhanced (mainly at variable cost), indirect preserved, digital started ◆ **Value-mgt. approach**: margin resilience, CoR at low levels ◆ **Largest and most profitable segment in MB Group**	◆ **Franchise empowered:** branches up 20% to ~ 200 branches, 35 branches opened, of which 27 agencies ◆ **Business scaled and profitability increased:** revenues up to over €1bn, GOP doubled to €0.5bn, **ROAC from 17% to 30%** ◆ **Compass represents 40% of Group revenues and GOP**
CIB	◆ **Visibility, positioning and size empowered** both in IB (leadership confirmed in Southern EU, MMA partnership, bankers reshuffled, MidCap material) and Specialty Finance ◆ **Capital optimization:** AIRB corporate book validation, capital optimization in market risk and off-balance items	◆ **Revenue and GOP resilient**, with Specialty Finance now representing ~20% of CIB revenues and capital light product representing almost 50% ◆ **Excellent asset quality preserved**, ongoing writebacks ◆ **Capital optimized:** RWA down 26% (~140bps CET1) ◆ **Profitability improved: ROAC up from 10% to 15%**
PI	◆ AFS portfolio disposed ◆ 13% AG stake retained, Danish compromise extended	◆ **PI contribution diluted:** from 30% to ~20% of Group GOP ◆ **Profitability preserved in all regulatory frameworks: ROAC 15%** (or > 11% without DC)
HF	◆ Funding: enlarged and diversified at reduced cost ◆ Treasury and extra-liquidity optimized ◆ Leasing: selective profitable new business, NPL reduction	◆ NSFR: stable in the 106-107% range, LCR reduced to 177% ◆ Leasing: loan book down 22% below €2bn

◆ **Accelerate WM development** ◆ **CIB and Consumer: leveraging on strengths and market opportunities** ◆ **Optimize capital increase ROAC**

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…WITH A COMPREHENSIVE ESG APPROACH…

Moving toward best practice on the back of major last 3Y changes …

MB free float @100% …

… following signing of new consultation agreement between MB shareholders with no provision for commitments either in terms of lock-ups or voting rights over the shares tendered

GOVERNANCE

Mediobanca BoD quality improved …

… with candidates ensuring an appropriate skillset with a balanced mix of professional and cultural qualifications and experience

- **reduction of the BoD size** (from 18 to 15 members)
- **increase of the BoD independence** (up to 53%)
- **continuity guaranteed** in order to maintain focus on ongoing initiatives
- **two directors** (rather than one) appointed **from a single minority list**
- increase in **international expertise**

CSR

Feeding our new commitment …

… impacting on the whole organization:

- **extensive BoD inductions and e-learning courses** on sustainability and human rights
- new **ESG Policy** and **Responsible Investment Directive**
- **active** indexes, questionnaires, and SRI analysts **contribution/engagement**
- signatory to **UN Global Compact** and to **Principles for Responsible Investing**
- ESG and **climate change risk assessment** instituted
- and much more: sustainability projects, corporate volunteering programme, environment friendly initiatives, etc..

… and next BP goals

GOVERNANCE
Next BoD list submitted by outgoing Board

REMUNERATION
Activation of a LTI plan

CSR
Definition of new targets among the Sustainable Development goals

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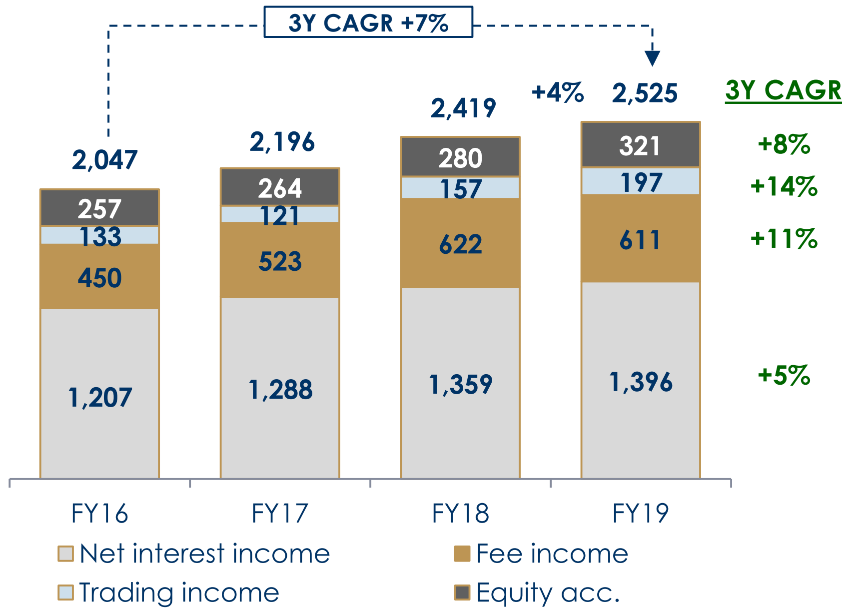
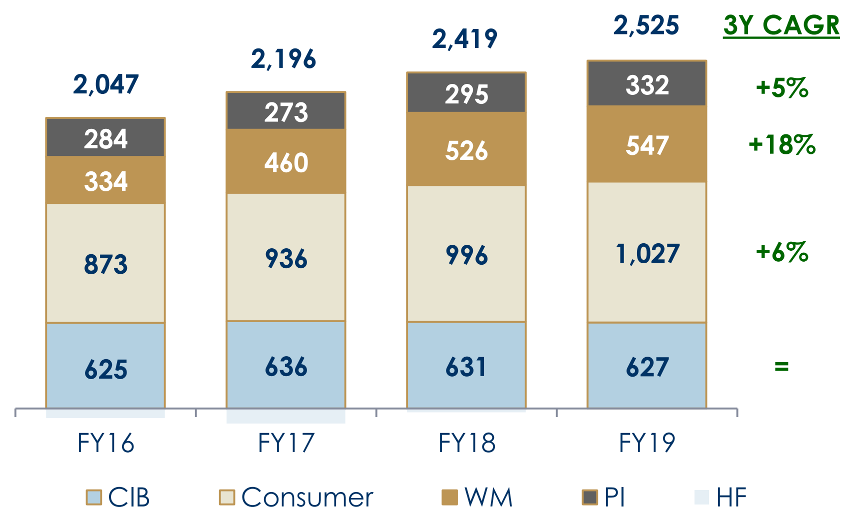
…WE INCREASED REVENUES LEVERAGING OUR SPECIALIZED MULTI-FINANCE DNA…

Group revenues trend by source (€m)



Group revenues trend by division (€m)



- **FY19 €2.5bn highest-ever top line**, steadily increased year by year **with a 3YCAGR +7%, fed by all revenue sources** (especially NII and fees) **due to effective business diversification**
- **NII continued to grow** (up 3% YoY, 3YCAGR +5%) **driven by Consumer** (3YCAGR +6%) **and WM** (3YCAGR +12%)
- **Fee income** slowed temporarily in FY19 but delivering a **3YCAGR of 11% driven by WM** (3YCAGR +28%)
- **Positive trading income result** (up 25% YoY) **fed by CMS' positive performance** sustained by its' sophisticated client oriented solutions

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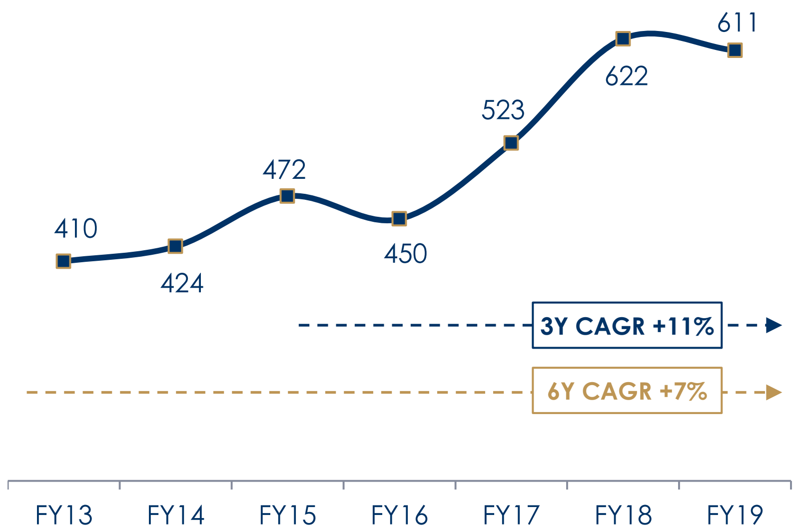
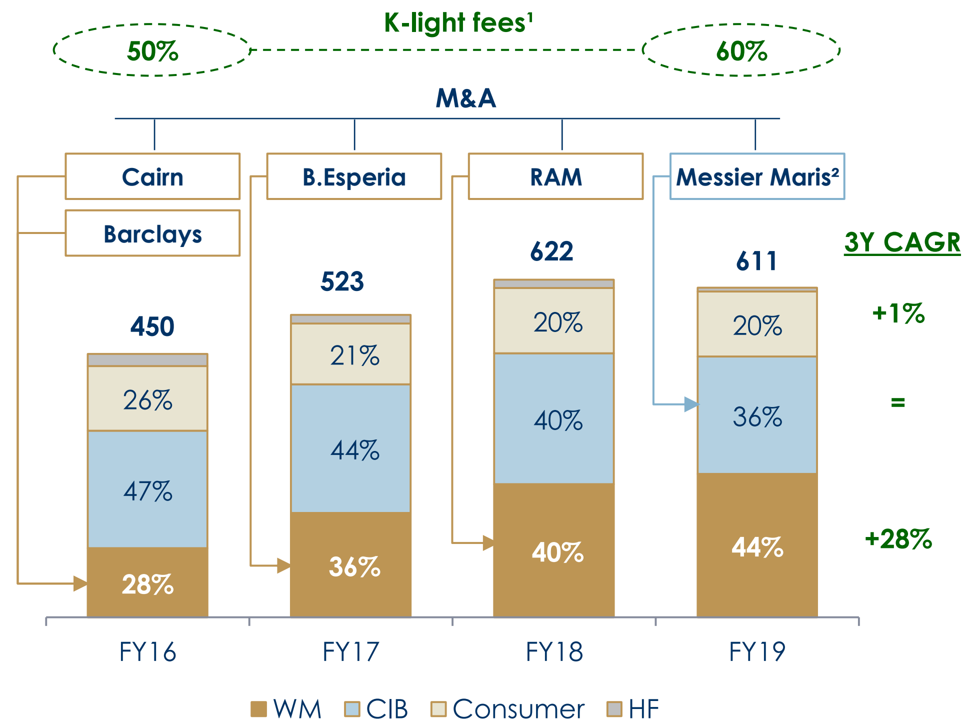
…WE INCREASED K-LIGHT FEE POOL THROUGH ORGANIC GROWTH AND M&A…

Fee income trend (€m and CAGR %)



Fee income by segment (€m, % contribution to total)



- **Fees on long-term upward curve** (last 3Y CAGR +11%) **driven by K-light products and fostered by organic growth/M&A**
- **44% of Group fee now come from WM** (vs 28% in FY16)
- **K-light fees up to 60% of total** (vs 50% in FY16) **helped by selective M&A** in WM and Advisory

1) K light fees calculated as total fees less consumer credit, mortgages, specialty finance and corporate lending fees
2) MMA deal closed in April 2019, 12M fees to be included in FY20

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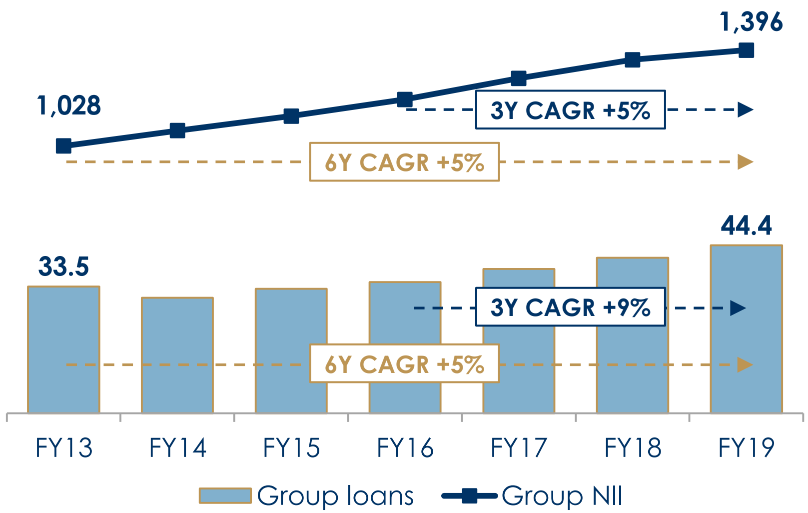
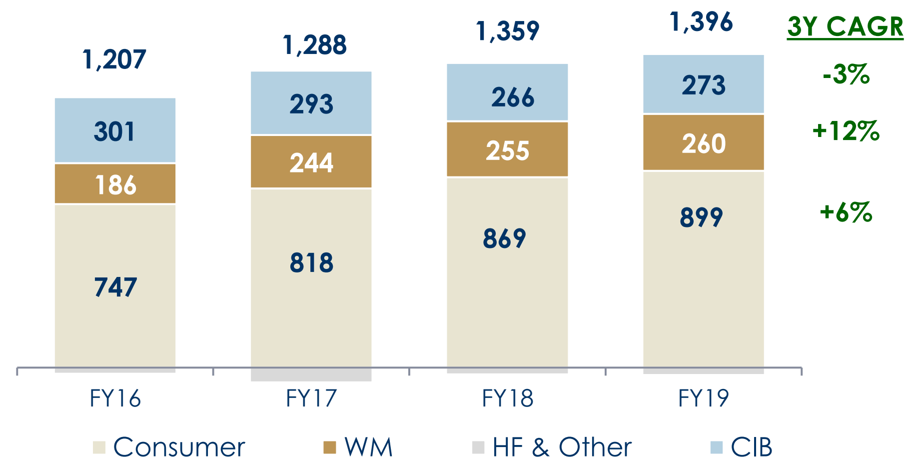
…WE PRESERVED LONG-TERM NII GROWTH DESPITE STILL NEGATIVE YIELD SCENARIO…

Group NII (€m) and loan book trend (€bn)

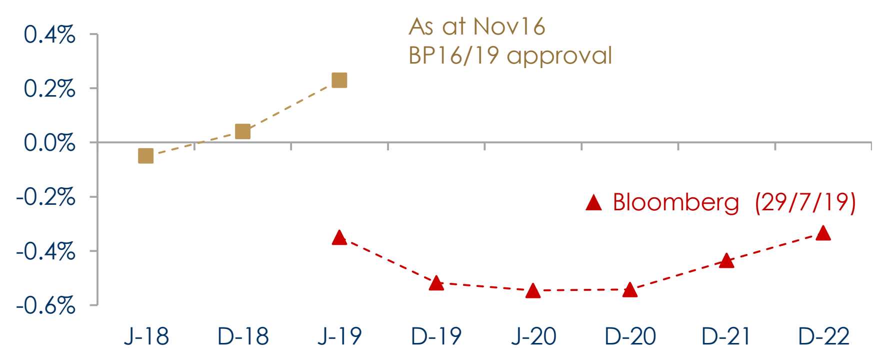


NII growth by business segment (€m)



- **NII kept on a growth path** (6Y=3YCAGR +5%), **despite the negative yield scenario lasting longer than expected**
- **NII sustained by**
  - **Consumer high margin resilience**
  - **Volume growth** (3YCAGR +9%) **and mix reshuffle: Retail** (WM+Consumer) now accounts for **55% of total** loan book and delivered sound growth (**3YCAGR +13%** to €25bn vs Corporate +4% to €20bn)

Expected 3M Euribor trend



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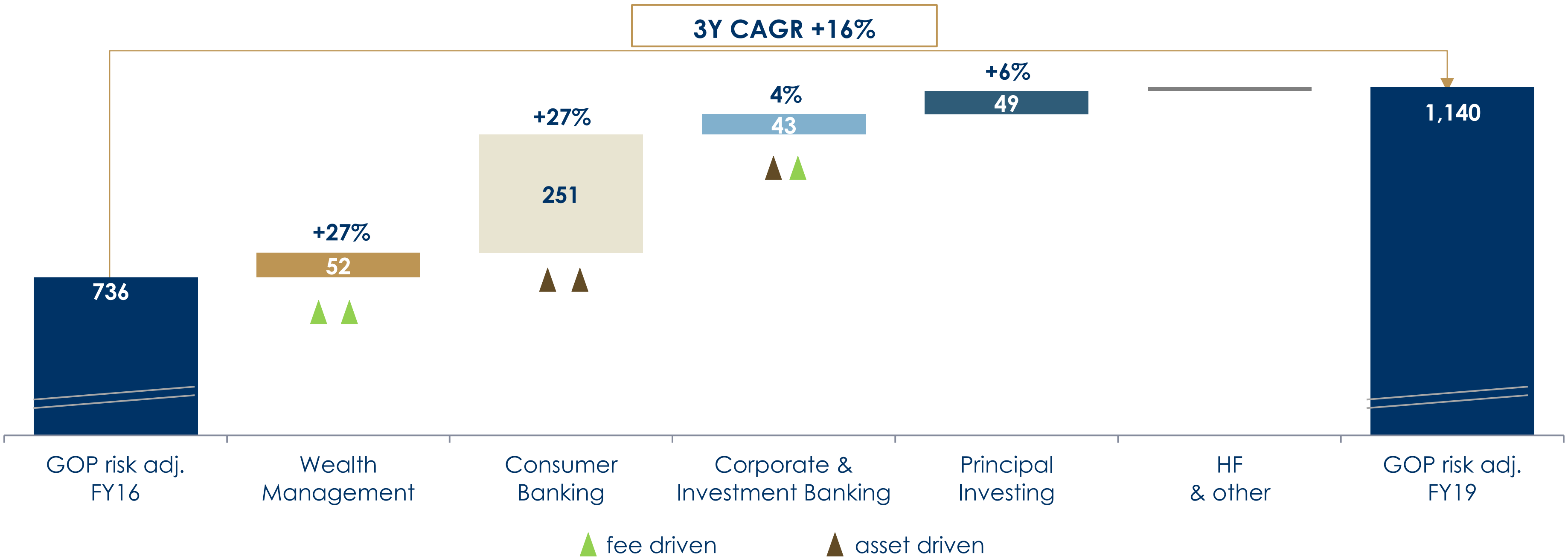
…WE REACHED OVER €1.1BN OF GOP WITH POSITIVE CONTRIBUTION BY ALL DIVISIONS…

MB Group operating profit by division (€m, 3Y CAGR %)



- **FY19 GOP up 16% (3Y CAGR):**
  - **WM: GOP up 27%,** on higher fees driven by M&A, synergies and enhanced distribution
  - **Consumer Banking: GOP up 27%** on higher volumes, lower CoR and enlarged distribution
  - **CIB: GOP up 4%,** driven by business expansion under strict risk management control
  - **PI: GOP up 6%**, backed by higher contribution from AG
  - **HF & other** almost stable, managing funding costs and economies of scale

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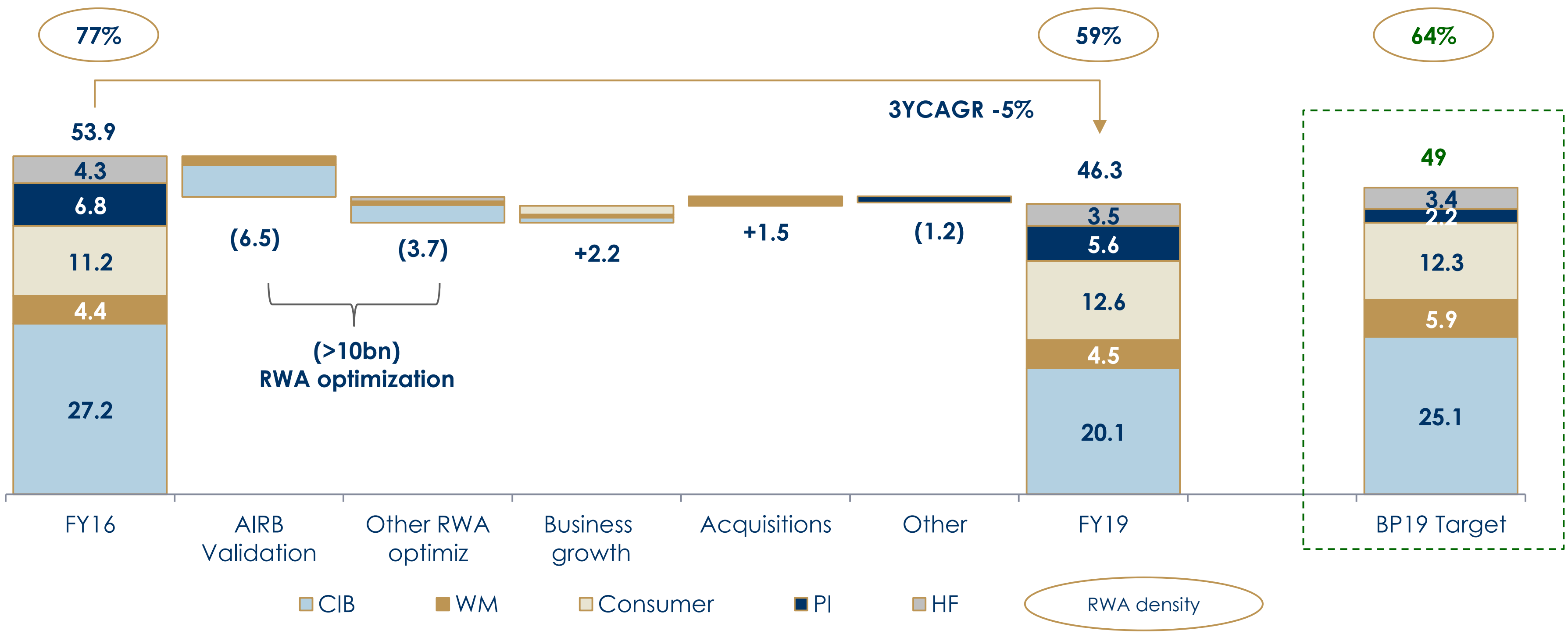
…WE REDUCED CAPITAL CONSUMPTION WHILE ENHANCING BUSINESS POSITIONING…

3Y RWA trend (€bn)



- **3YBP16-19: RWAs down 14% to €46bn** (3YCAGR -5%, below BP target of €49bn) **driven by adoption of AIRB models** (corporate and mortgages) **and RWA optimization in other asset-driven activities:** market risk, lending, off-balance use in CIB, etc.). **Density down to 59%** (from 77%); **leverage ratio comfortable at 8.4%.**
- **RWA growth came exclusively from business development, both organic** (up €2.2bn) **and through M&A** (up €1.5bn due to Barclays and Banca Esperia)

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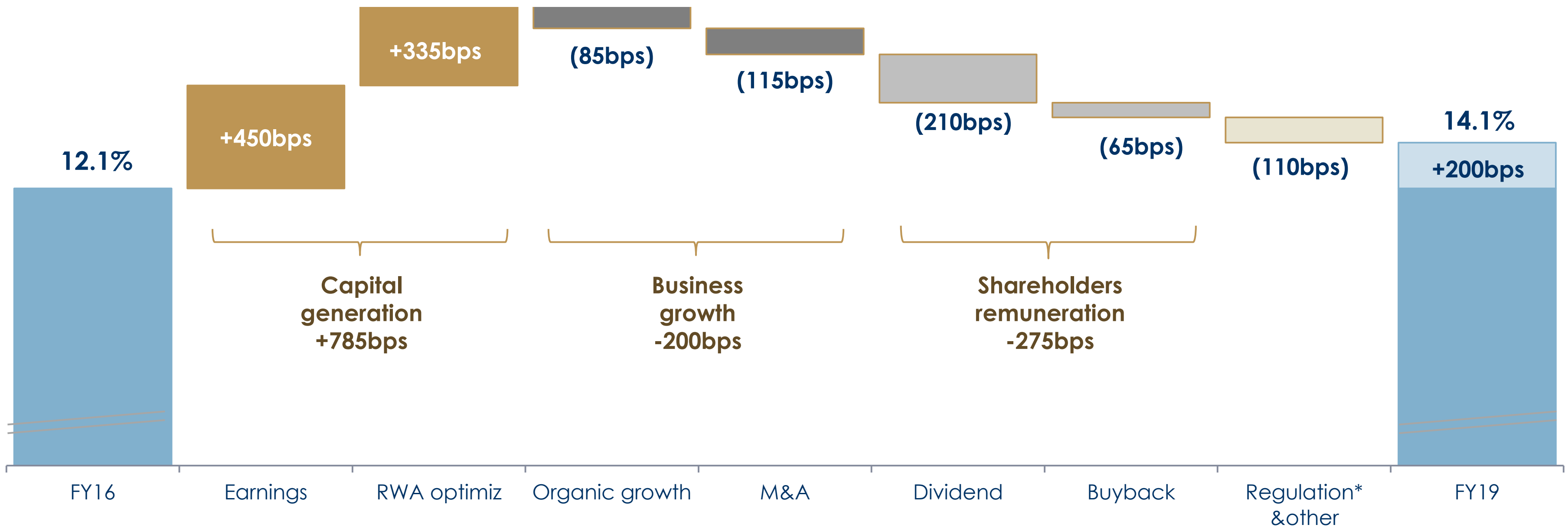
…WE FOSTERED CAPITAL GENERATION TO SUSTAIN BUSINESS GROWTH…

CET1 trend by sources

(% and bps, phase-in)



- **MB stands out in term of organic capital generation and minimum impact from regulation** (actual and expected)
- **High capital generation allowed MB to invest in business growth (organic and M&A) and to increase shareholders' remuneration (payout + buybacks)**
- **CET1 up 200bps to 14.1%[1] in 3Y 2016/19** after strong earnings generation (up 450bps before dividend) and benefits from RWA optimization (up 335bps) sustaining organic business growth (down 85bps), acquisitions (down 115bps), shareholder remuneration (down 210bps due to dividend paid and 65bps to buyback), and other effects (mainly AG stake deductions for concentration limit)

* Regulation including (~100bps)on Ass.Generali stake deduction due to concentration limit and changes in transitional provisions over the period. All figures consider Danish Compromise application.

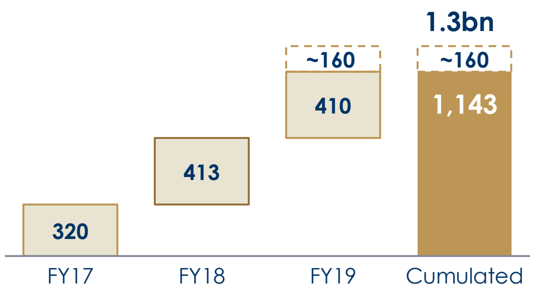
1) CET1FL @12.8% (without Danish Compromise and IFRS9 fully phased)

…AND IMPROVE SHAREHOLDERS' REMUNERATION

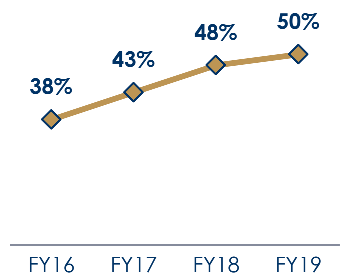
FY19 – Executive summary | **Section 1**

€	FY16	FY17	FY18	FY19	Δ FY19/FY18	3YCAGR Cumulated Δ
EPS	0.69	0.85	0.97	**0.93**	**-5%**	**+10%**
EPS adj.	0.67	0.76	0.90	**0.97**	**+8%**	**+13%**
DPS	0.27	0.37	0.47	**0.47**	**-**	**+20%**
TBVPS	9.4	9.3	9.6	**9.6**	**-**	**+1%**
ROTE	7.4%	9.2%	10.3%	**9.7%**	**-0.6pp**	**+2.3pp**
ROTE adj.	7.2%	8.2%	9.5%	**10.2%**	**+0.7pp**	**+3.0pp**
Shares number	871m	881m	887m	**887m**	**-**	**+1%**
of which treasury shares	*16m*	*16m*	*9m*	***15m***	***+76%***	***-1%***
Total dividend paid	231m	320m	413m	**410m**	**-1%**	**+21%**
Stated payout	38%	43%	48%	**50%**	**+2pp**	**+12pp**
Price[1] €	5.7	8.8	8.2	**9.3**	**+13%**	**+18%**
Yield	4.7%	4.0%	5.7%	**5.1%/7%[2]**		

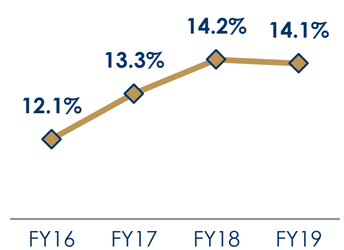
€1.1bn cumulative dividend paid (€1.3bn including buy-back)



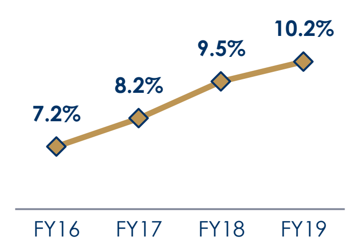
Payout ratio growth



CET1 ratio growth



ROTE adj. growth



1) Price: 30-days average previous FY results approval
2) Yield 5% on total dividend paid, 7% including also 20m shares acquired for buybacks

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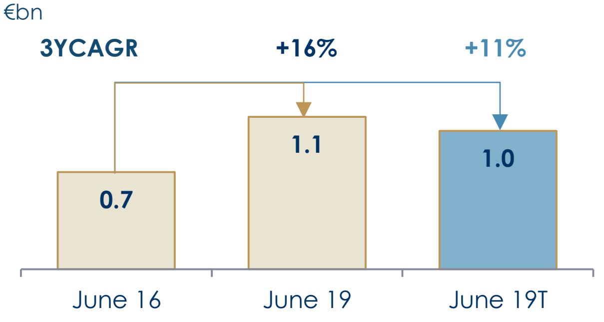
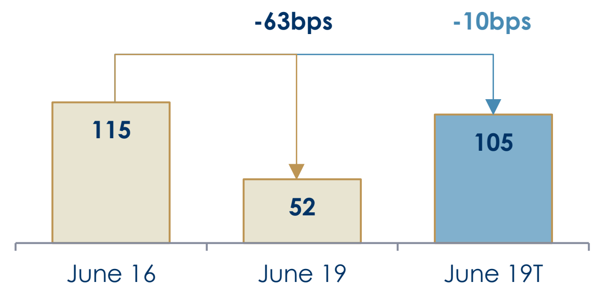
BP19 strategic goals delivered at Group level…

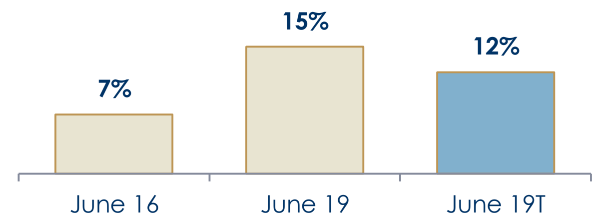
GOP growth exceeding target…



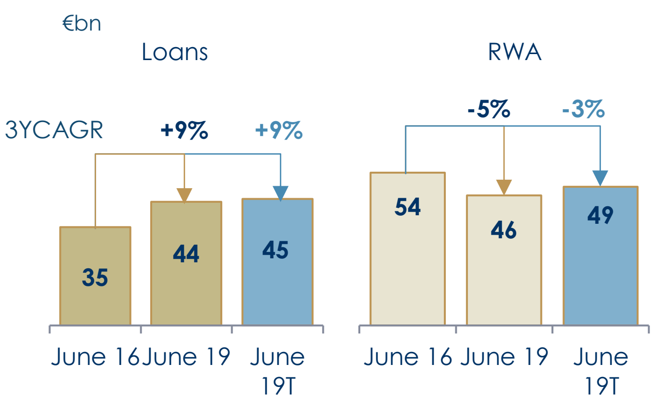
…due to healthy cost of risk trend



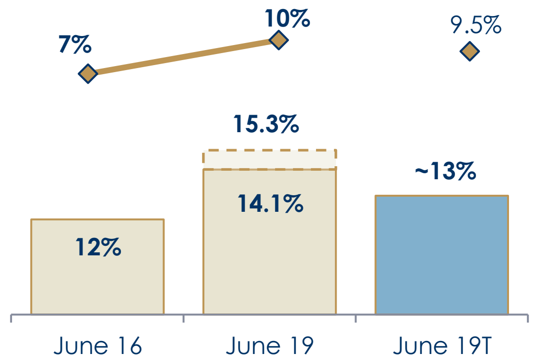
Banking ROAC doubled, beating target



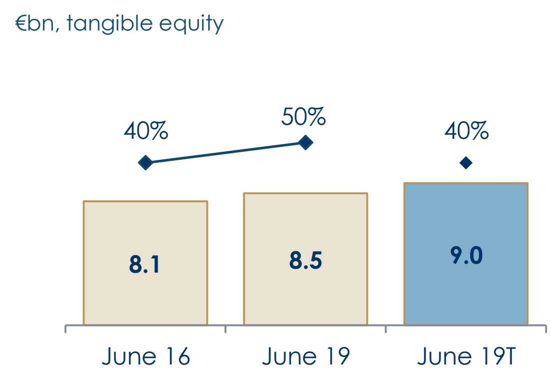
Loans growth in line with target
Density optimization (from 77% to 59%) **larger than expected** (64%)



Capital creation larger than expected (+230bps)[1]
ROTE up to 10% above target



Shareholder remuneration higher than expected
pay-out up to 50% vs. 40%



1) *CET1 BP19T and ROTE BP19T were: i) before acquisitions; ii) assuming payout ratio flat at 40%; iii) including 3pp disposal AG stake; iv) assuming Dec18 Danish Compromise-end. On like for like basis – with AG stake@13% - CET1 BP19 target would have been ~13% and ROTE BP19 target ~9.5%. CET1 ratio as at June19 – actually at 14.1% with Danish Compromise still applied - would be ~15.3%, excluding 45bps invested in RAM and MMA and 65bps invested in buyback and higher dividends (payout ratio at 48% in 2018 and 43% in 2017)*

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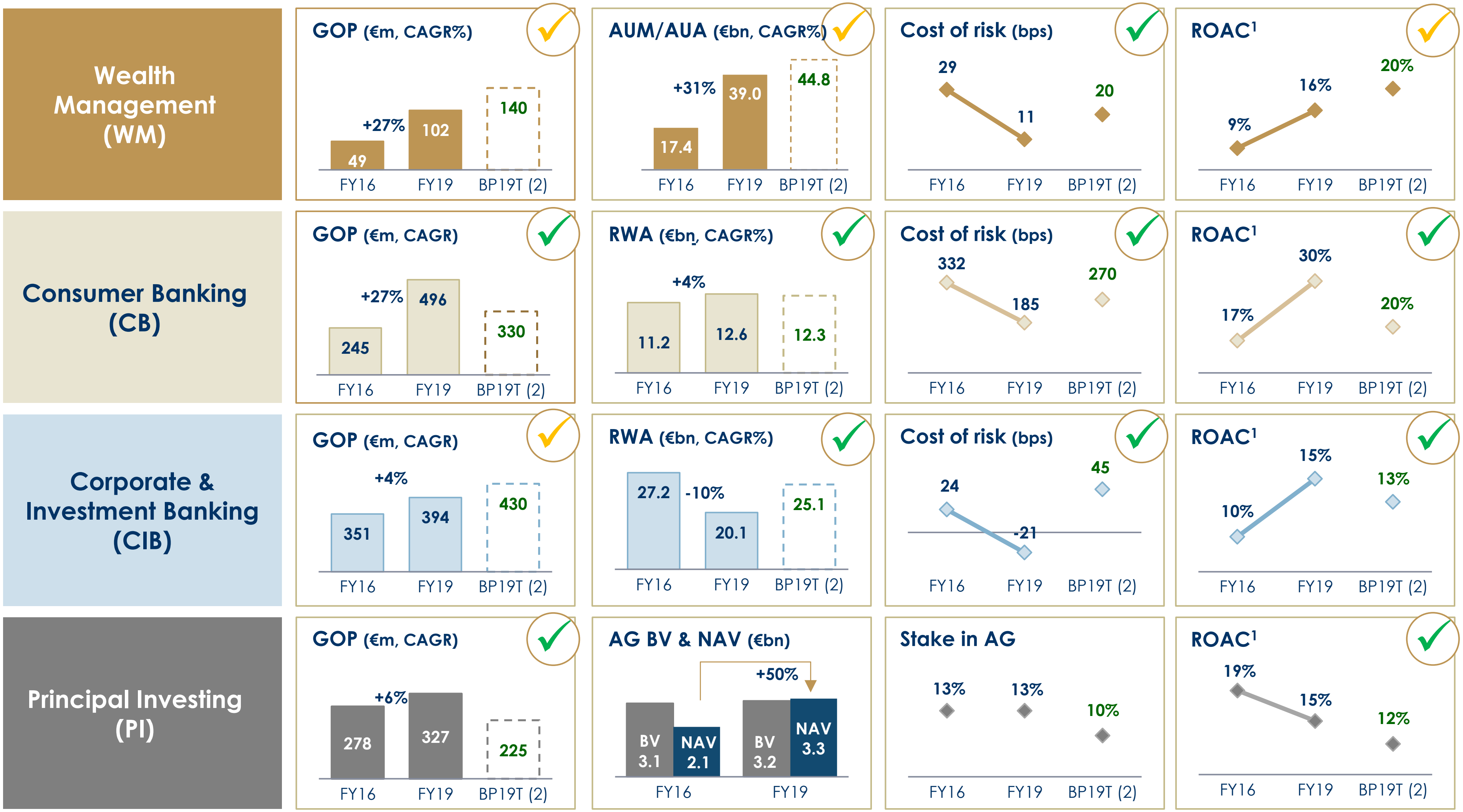
… AS WELL AS BY BUSINESS DIVISIONS



1) ROAC adjusted: based on average allocated K = 9% RWAs. RWAs are calculated with STD, apart from CIB corporate portfolio calculated with AIRB in FY18 and mortgages portfolio since 3Q19. Gains/losses from AFS disposals, impairments and positive/negative one-off items excluded, normalized tax rate = 33% , 25% for PB

2) FY19T are the original Business Plan targets approved as at November 2016.

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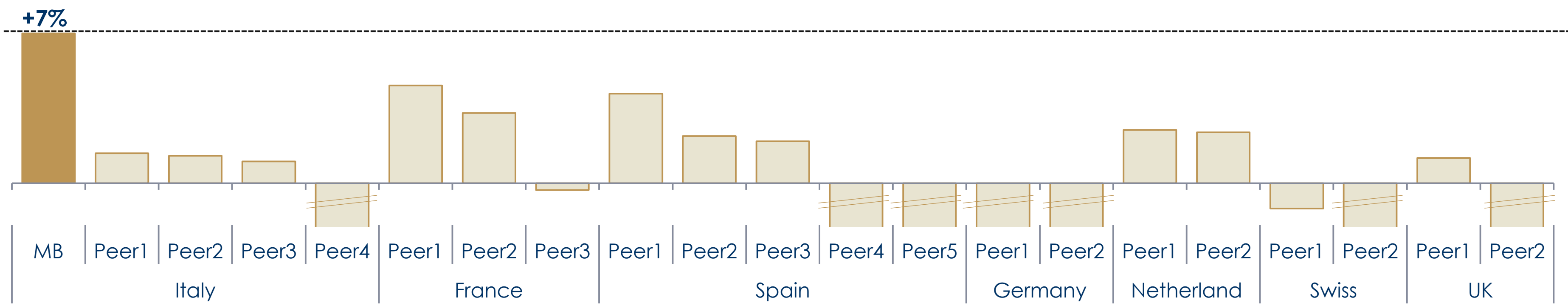
MB has solid positioning in EU by revenue growth…

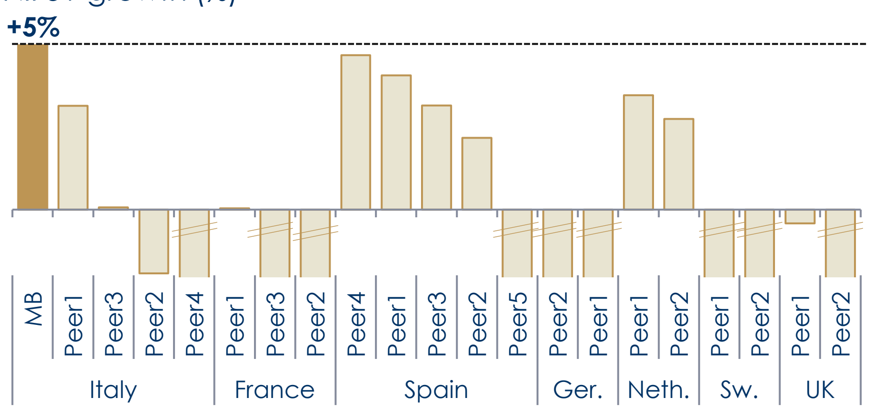
In last 3Y MB top performer in Europe by revenue growth[1] (3Y CAGR: +7%), both in …

Revenues 3Y growth (%)



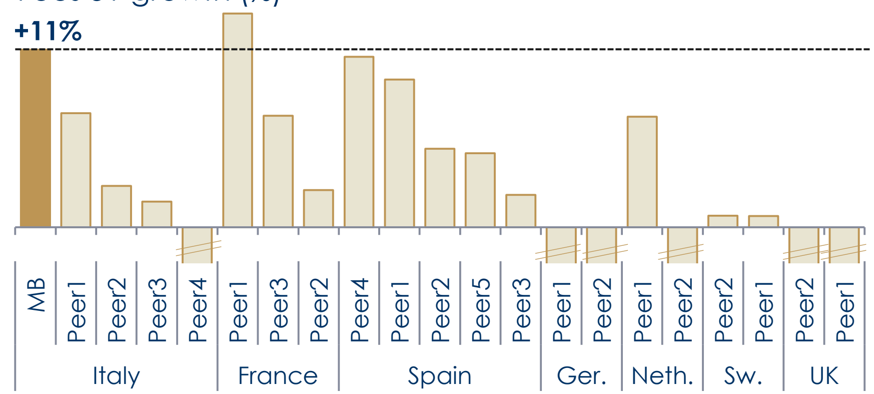
… NII[1] (3Y CAGR +5%, unique ITA bank growing) …

NII 3Y growth (%)



… and fees[1] (3Y CAGR +11%)

Fees 3Y growth (%)



1. *Source: MB analysis , Mediobanca on FY19, peers revenue, NII and fees on stated 2018 figures.*

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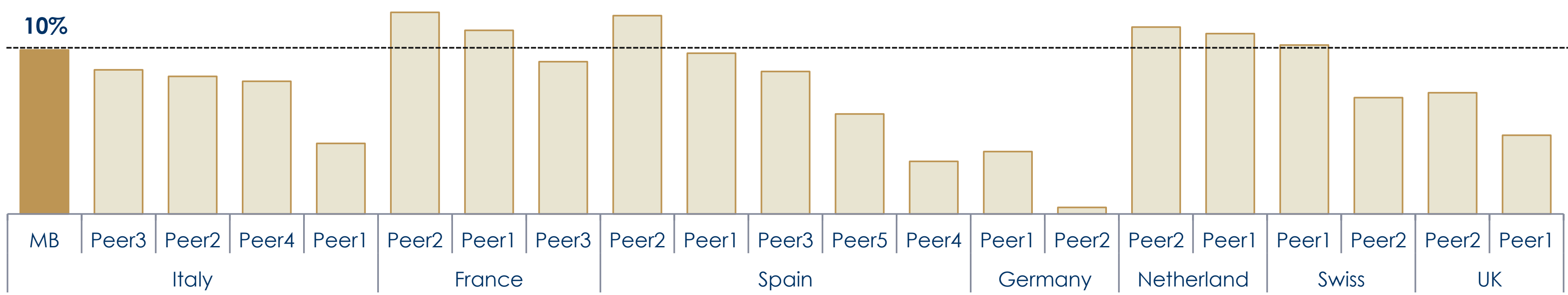
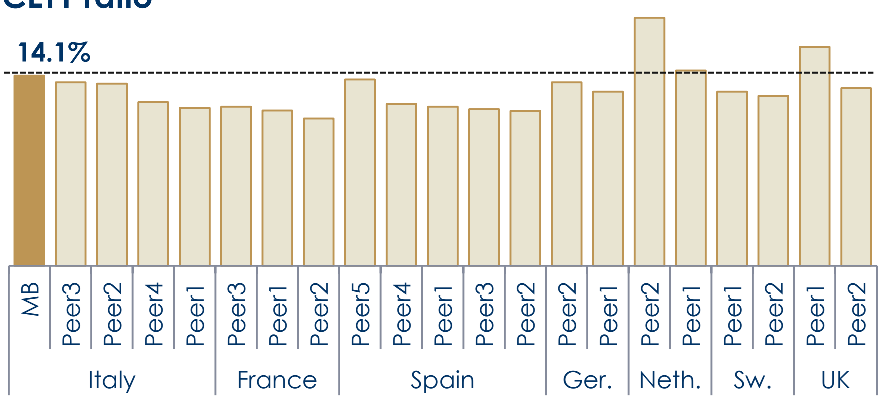
…PROFITABILITY AND SHAREHOLDERS' REMUNERATION…

MB among best in class by profitability (ROTE[1] at 10%) and capital ratio[1] (CET1>14%) enabling satisfactory shareholders' remuneration (dividend yield 7% including buy-back).

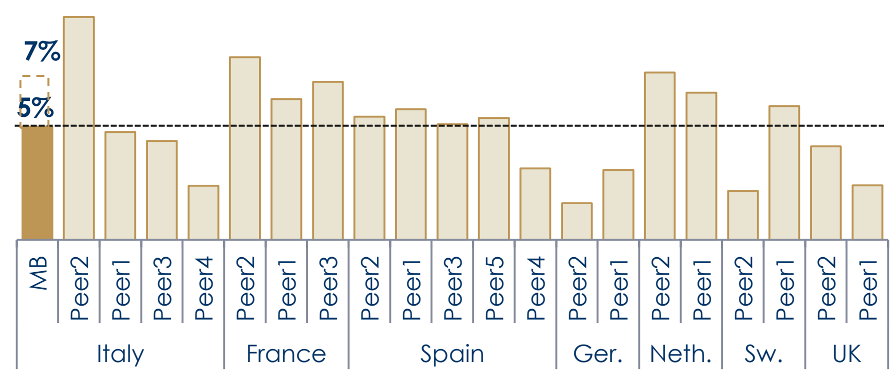
ROTE



CET1 ratio



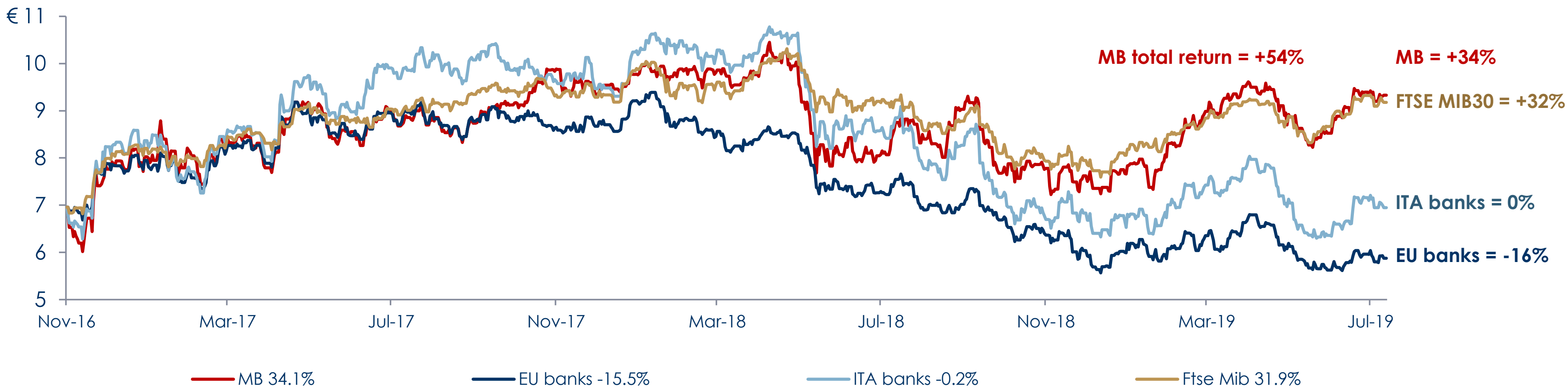
Dividend yield[2]



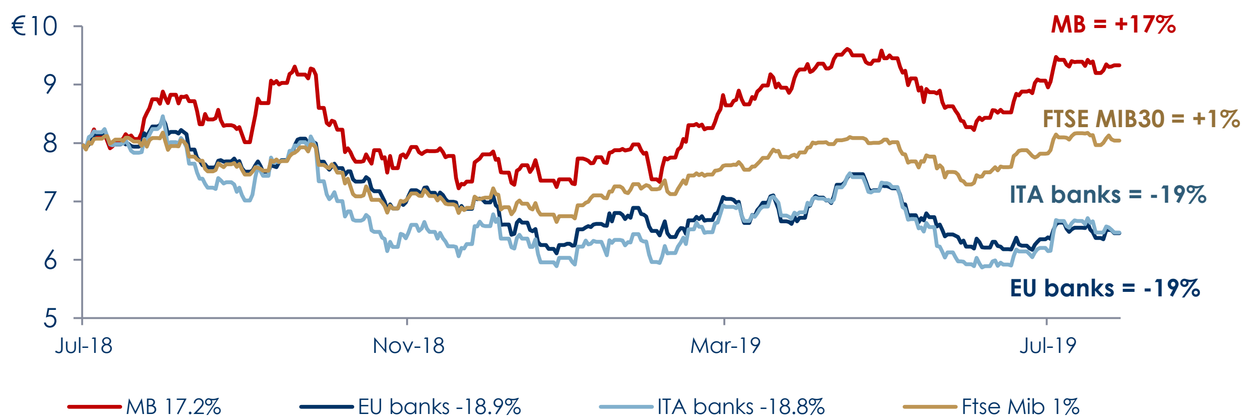
1) Sources: Mediobanca on FY19; Peers' ROTE on MB Securities estimates; Peers' CET1 on stated 2018 figures
2) Yield 5% on total dividend paid, 7% including also 20m shares acquired for buybacks

…REFLECTED IN A STRONG MARKET OUT-PERFORMANCE

Mediobanca last 3Y market performance vs ITA and EU banks (from BP 16/19 announcement to today)



Mediobanca 1Y market performance vs ITA and EU banks



- **MB 3Y performance (up 34%) in line with FTSE Mib and higher than ITA and EU banks** (0% and down 16% respectively)
- **MB total return** (including reinvestment of dividends) **over BP16/19 period: up 54%**
- **MB last year performance (up 17%) well above FTSE Mib** (+1%) **as well as ITA and EU banks** (both down 19%)

Source: Nasdaq IR Insight

AGENDA

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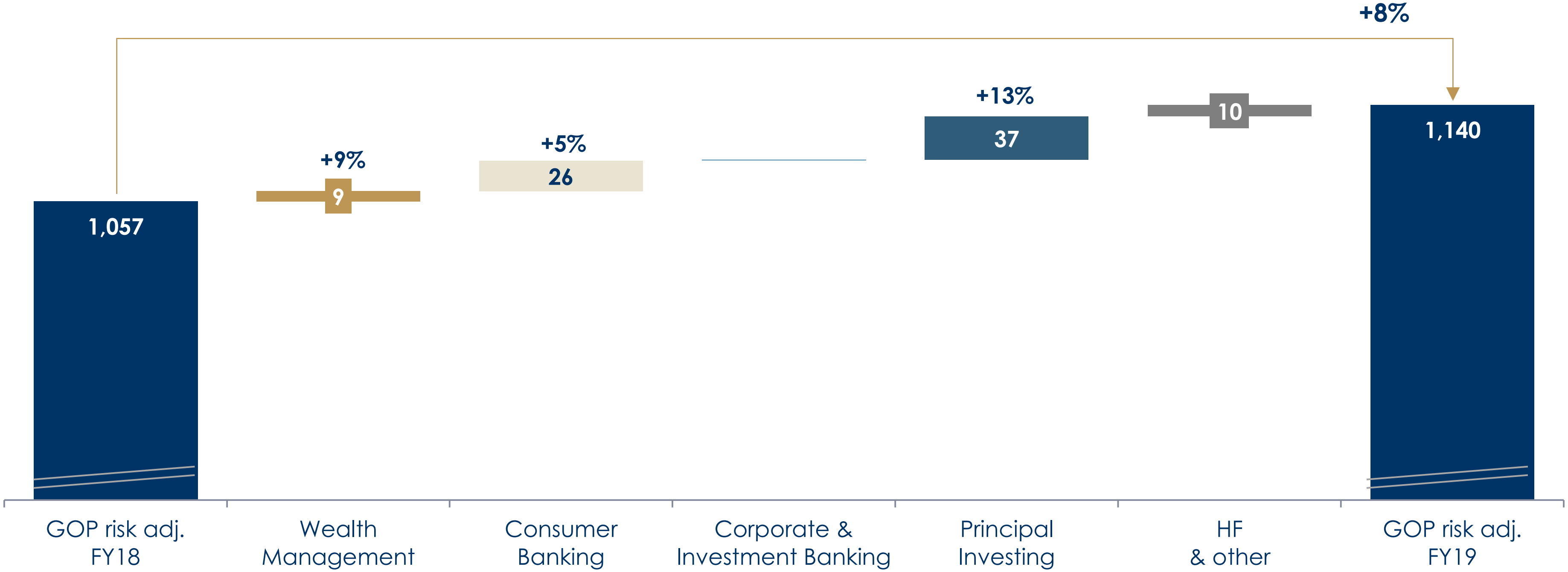
GOP UP 8% DRIVEN BY ALMOST ALL DIVISIONS

MB Group operating profit by division (FY19, €m)



- **FY19 GOP up 8%:**
  - **WM: GOP up 9%,** driven by larger size (RAM included) and sound performance of NNM on both Affluent and Private
  - **Consumer Banking: GOP up 5%** backed by increasing volumes and lower cost of risk (185bps)
  - **CIB: GOP stable** due to soft CapMkt activity, partially offset by sound performance in Advisory and Specialty Finance
  - **PI: GOP up 13%** on higher contribution from AG
  - **HF & other**: GOP up by €10m driven by higher trading results and cost of funding under control

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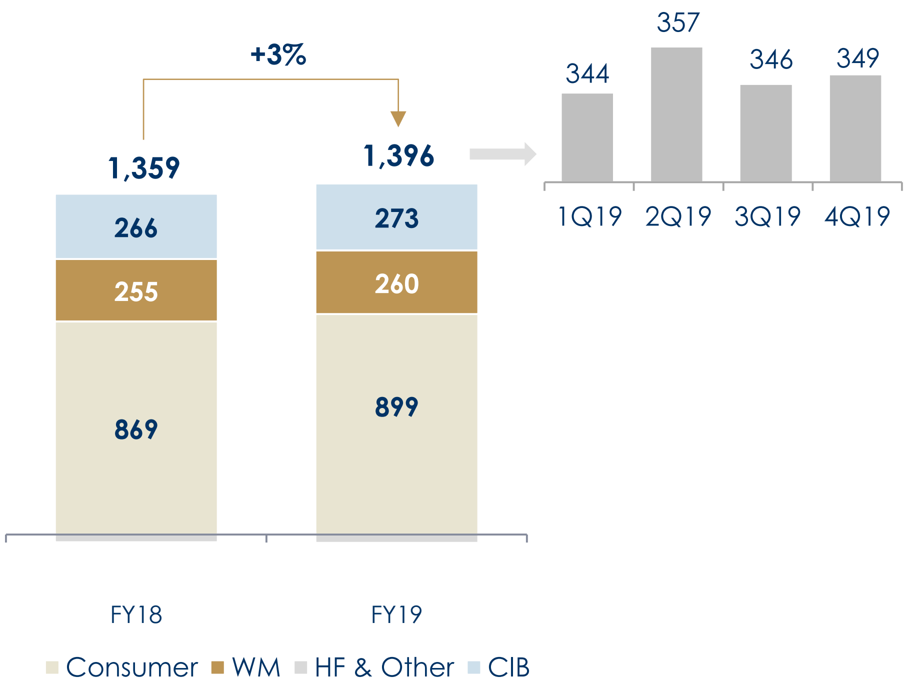
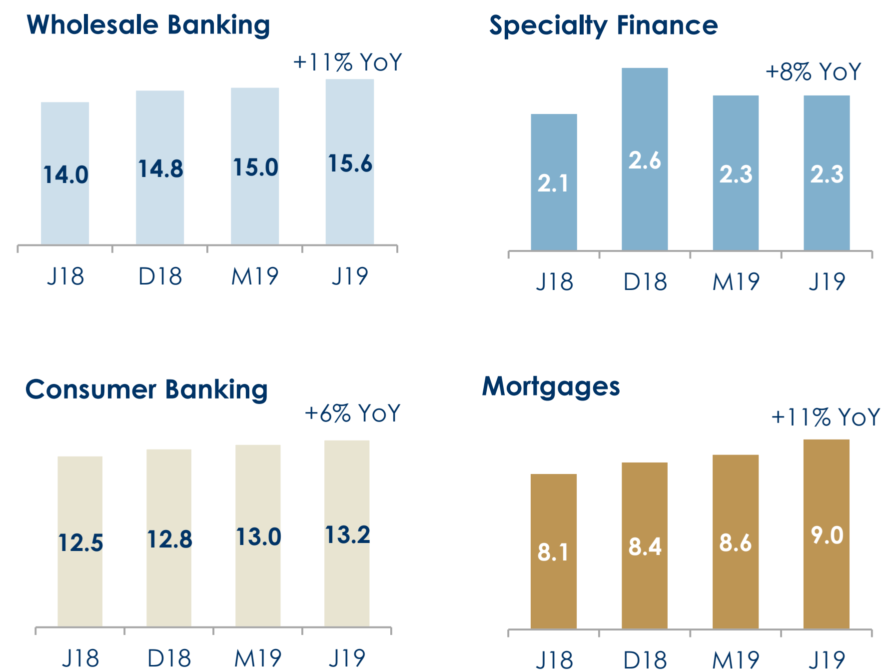
LONG-TERM GROWTH CONTINUING: NII UP 3% DRIVEN BY SOLID VOLUME GROWTH (UP 8% YOY)...

NII by division (€m)



Loans by division (€bn)



- **NII up 3% YoY backed by all divisions** (excluding HF)
- **4Q NII slightly higher due to loan growth despite**
  - FY20 pre-funding underway and over €3bn liquidity in HF
  - Margin pressure in CIB

- **Group loans up 8% YoY to €44.4bn, with positive YoY performance by all divisions**
- Strong origination in WB and mortgages, fuelled in Q4 by more favorable CoF environment and distribution efforts
- Regular growth in Consumer (€7.4bn of new business, up 5%) and factoring business

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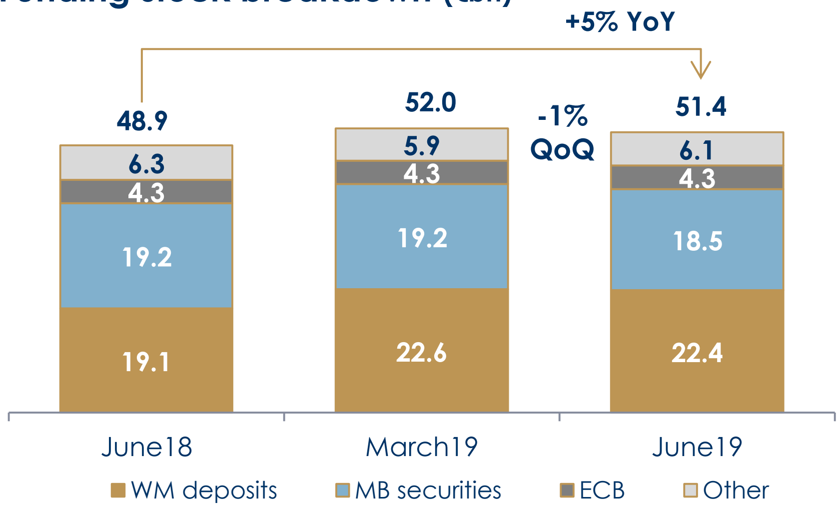
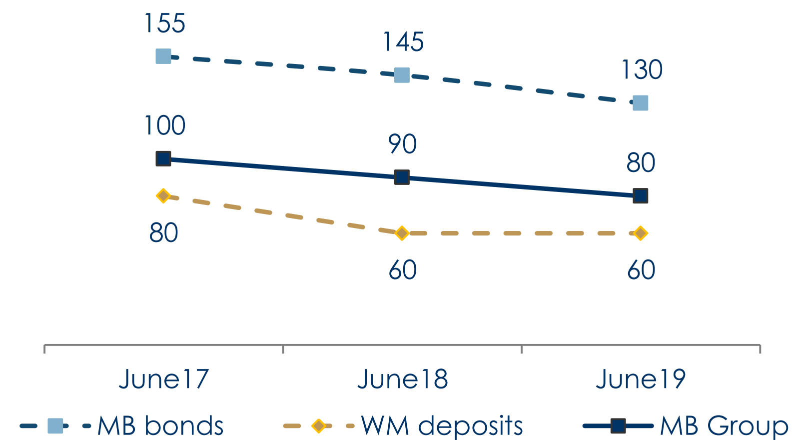
…AND COST OF FUNDING UNDER CONTROL
1Q20 FUNDING PLAN ALREADY COMPLETE AT LOWER COST

Funding stock breakdown (€bn)



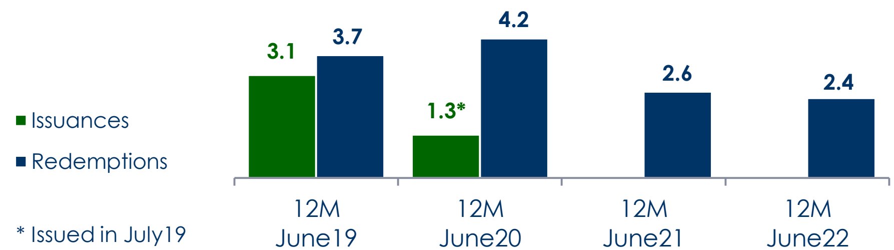
Avg. cost of funding trend (bps vs Eur3M)



- **Abundant funding stock (€51bn), well diversified, with CoF under control**
  - WM deposits up €3.3bn YoY to €22.4bn, stable QoQ
  - Bonds down €0.7bn YoY and QoQ: €3.7bn bonds expired (@200bps), €3.1bn refinanced (@145bps) through a mixture of ABS, covered and senior bonds. In July €1.3bn bond refinanced at lower costs (~100bps), representing full completion of 1Q20 funding plan.
  - Group CoF reduced (from 90bps to 80bps YoY), stabilized since 6m

MB securities issuances & redemptions
(€bn, CoF bps vs Euribor3M)

	12M June19	12M June20	12M June21	12M June22
Avg.cost expiring bonds	200	125	170	90
Avg.cost issued bonds	145	100		



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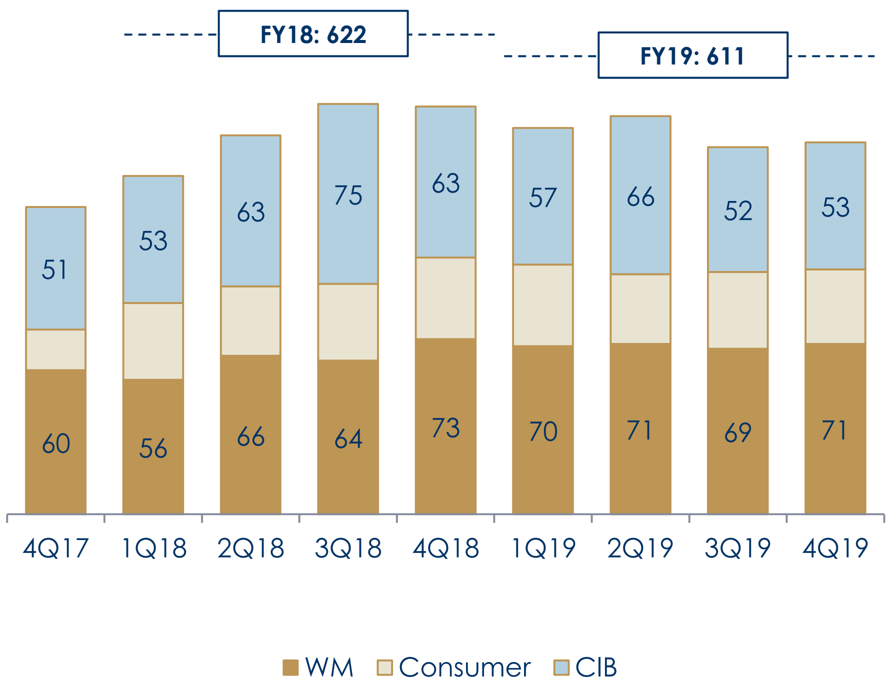
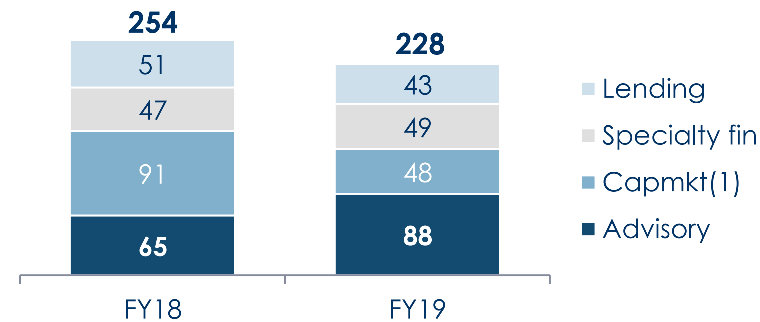
Fees slowed temporarily due to soft CapMkt activity…
WM the main contributor to group fee income

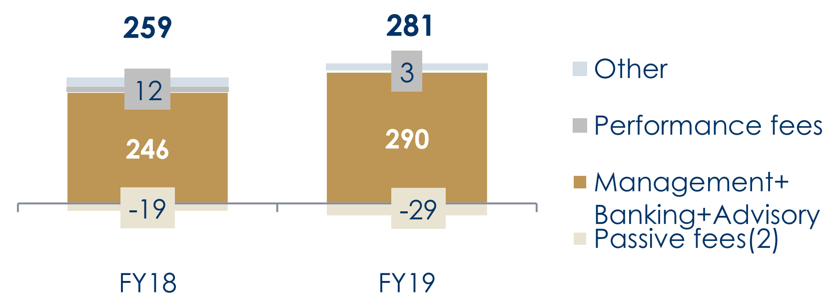
Group fees by business (12M, €m)



CIB fees by product (€m)



WM fees by source (€m)



- **Growth in TFAs not fully reflected in fee trend:** WM fees impacted by persistent risk aversion, lack of performance fees and FAs acquisition costs
- **CIB: lack of ECM transactions,** only partially compensated by stronger performance in M&A

1. CapmMkt including ECM, DCM, sales
2. Passive fees including custodian fees as well as FAs payout and acquisition costs

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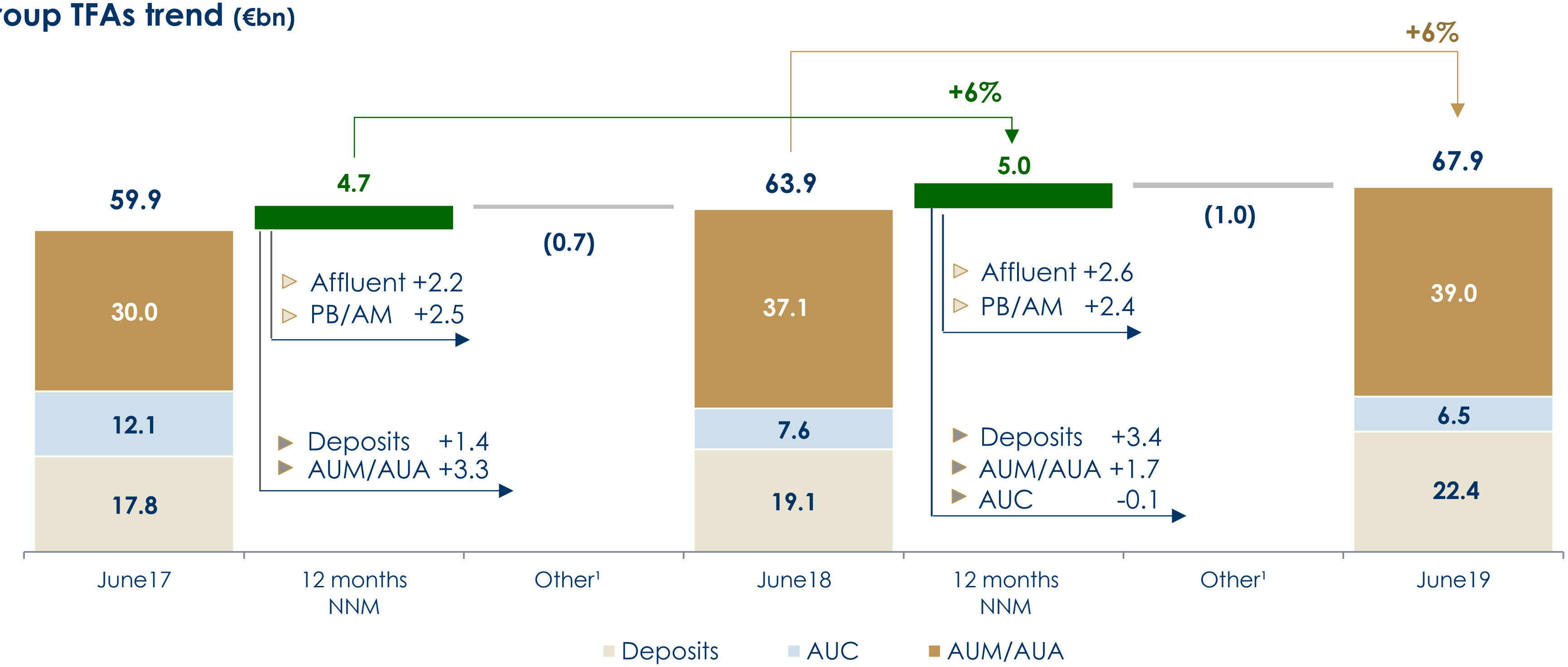
...STILL NOT REFLECTING NNM (€5BN) AND TFAs GROWTH...

Group TFAs trend (€bn)



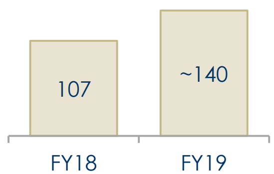
- **TFAs up 6% to €68bn with €5bn NNM, up 6%** vs €4.7bn in FY18, split evenly between Affluent and Private/AM
- NNM marginality still affected by mix (mainly deposits inflows in both Affluent and Private segments)
- 4Q19: NNM negative by €0.4bn, with €0.4bn positive NNM in Affluent/Private Banking offset by outflows in low margin institutional mandates and systematic equity

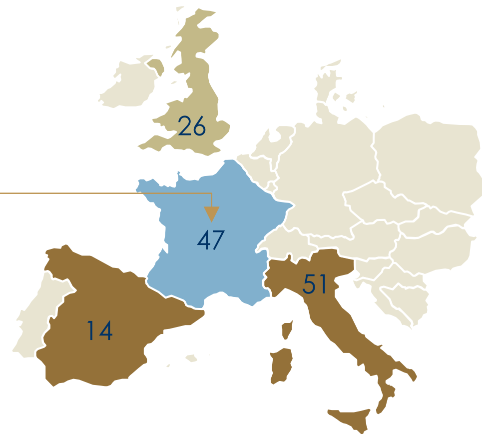
1) Including market effect, acquisitions and change in Spafid assets

…AND DISTRIBUTION EMPOWERMENT IN CIB & WM

CORPORATE & INVESTMENT BANKING

Corporate Finance headcount

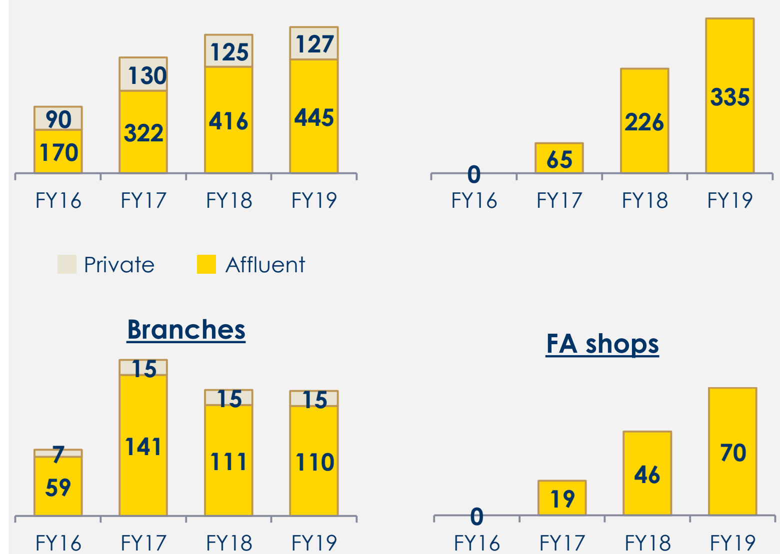




MESSIER MARIS & ASSOCIÉS

WEALTH MANAGEMENT

DIGITAL PLATFORM



- **CIB: European presence in Advisory strengthened through the partnership with Messier Maris:**
  - Third market created, covered by 40 additional bankers (Corporate Finance headcount up 30% to ~140)
  - MidCaps platform enhanced
- **WM: ongoing empowerment of digital platform, CRM and sales network (proprietary and indirect):**
  - **Relationship Managers up to 572,** driven by CheBanca! enhancement and MBPB reshuffle
  - **Financial advisors increased by ~50%** to 335, FA shops up to 70

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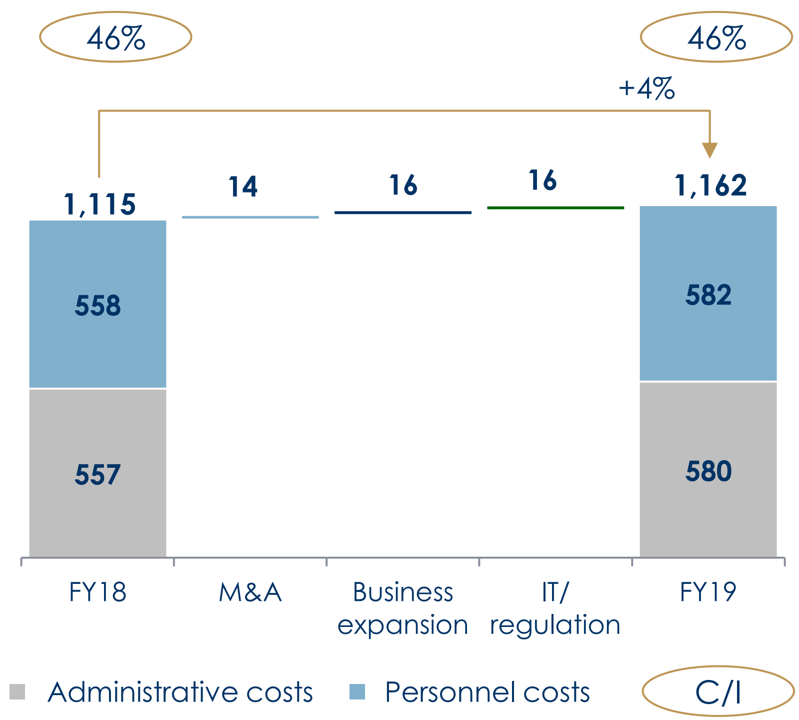
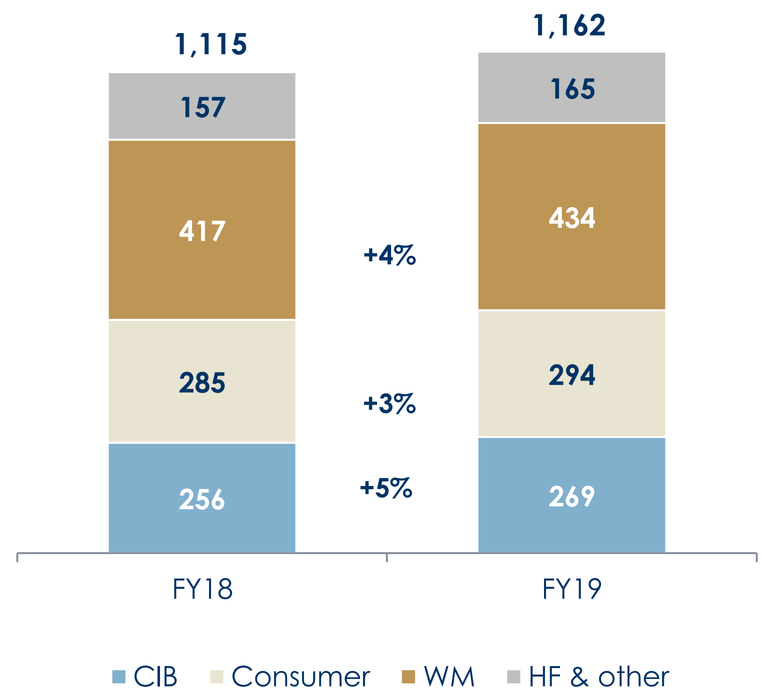
Distribution enhancement and regulation driving costs
at flat C/I ratio

MB Group cost base (€m)



Costs by divisions (€m)



- **FY19 costs up 4% to €1.2bn – with cost/income ratio flat at 46%** - due to
  - **Acquisitions**: full consolidation of RAM (WM division) and MMA in 4Q (CIB division)
  - **Distribution enhancement and business growth** across all divisions: sales force in WM, light branches in Consumer, enlarged activity in SF
  - Substantial **investment in IT/regulation**

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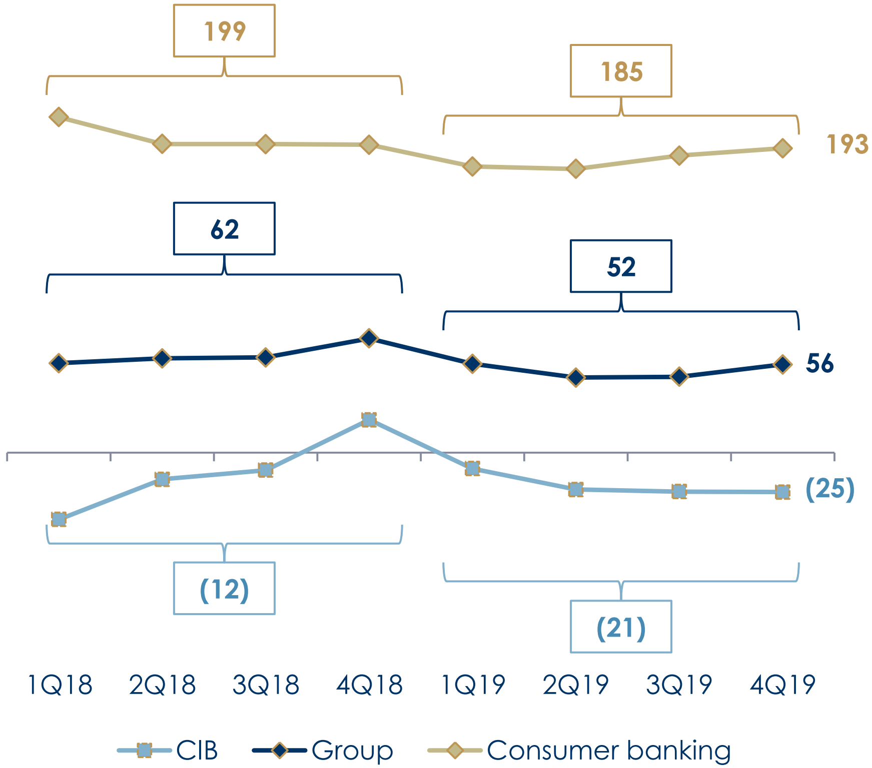
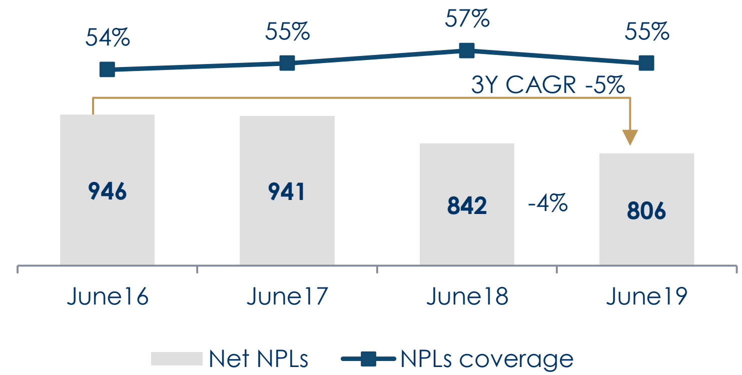
Sound asset quality, CoR reduced

FY19 – Group performance **Section 2**

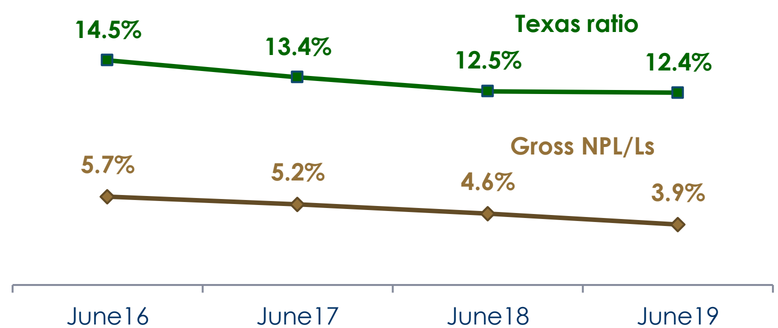
Cost of risk by division (bps)



Net NPL (*"deteriorate", €m*) and coverage (%)



Gross NPL/Loans and Texas ratio (%)



- **Consumer confirmed at low levels** (at 185bps in FY19), slightly increased in last two quarters
- **CIB still benefiting from writebacks in WB** (-21bps in FY19)
- **Gross NPLs down 8%** to €1.8bn (**down in relative terms,** from 4.6% **to 3.9% of total loans**), **coverage ratio at 55%**

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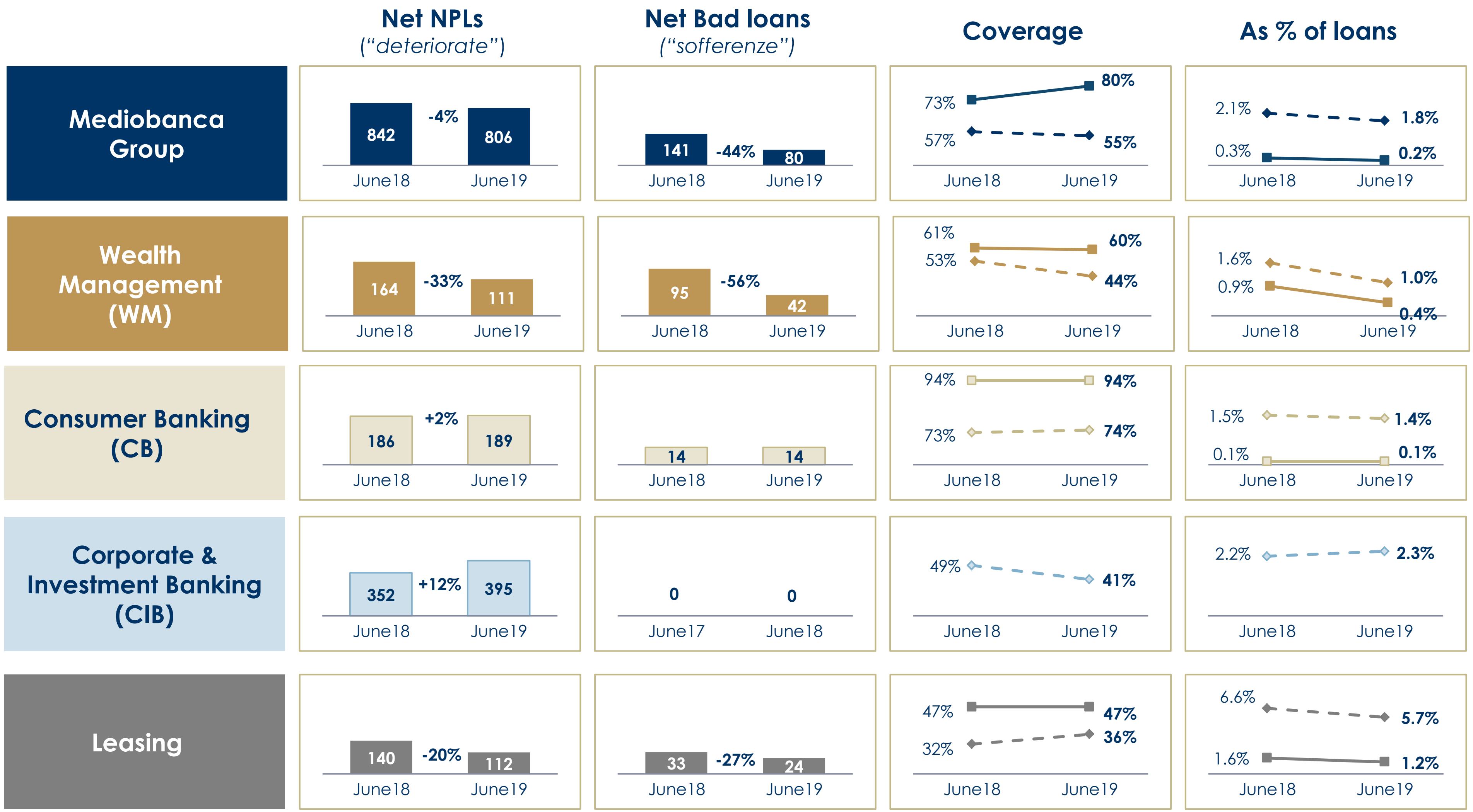
Superior asset quality improved further
with net bad loans down 44% YoY



Bad Loans
NPLs

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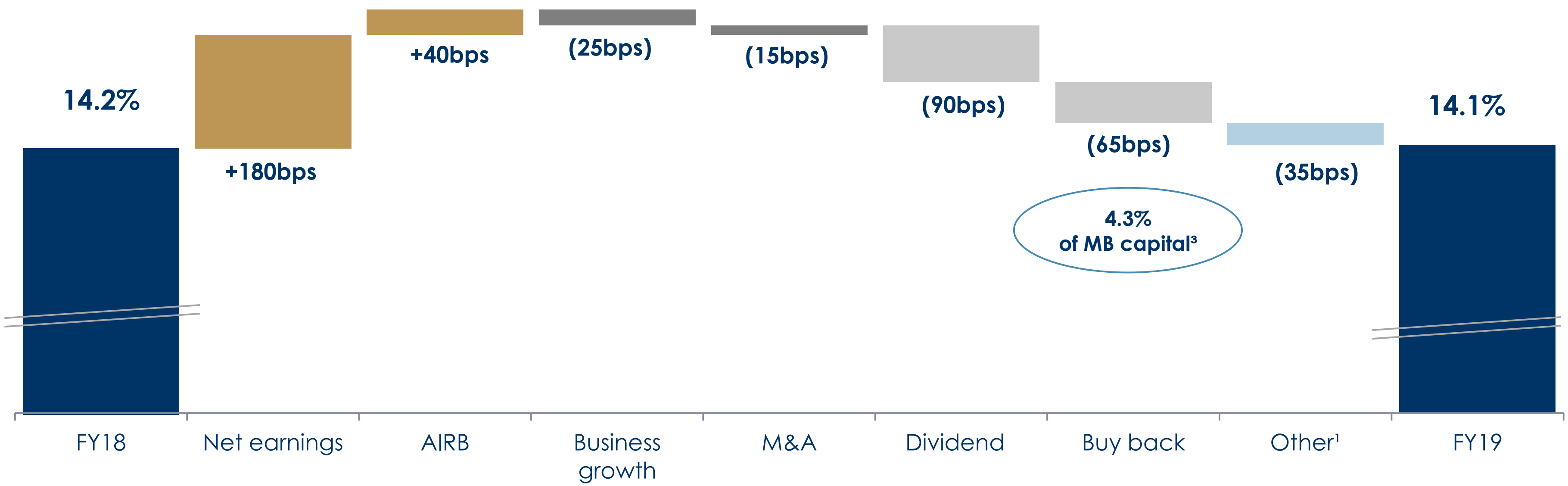
CET1 ABOVE 14%. CREATED CAPITAL FULLY INVESTED IN BUSINESS GROWTH & SHAREHOLDERS' REMUNERATION

Group CET1 ratio trend (% and bps)



- **CET1 remained at a comfortable level, above 14%[2]**, with high earnings and benefits from AIRB fully invested in buyback/M&A
  - **High earning generation:** ~180bps from Group net profit
  - **RWA optimization :** ~40bps driven by AIRB validation of mortgages
  - **Investments in business growth (organic &M&A):** ~40bps, including 15bps on MMA acquisition
  - **Shareholder remuneration (dividend and buy back):** ~155bps, including 65bps on buyback (involving 4.3% of MB capital)

1. Mainly refers to deductions on significant investments
2. CET1FL @12.8% (without Danish Compromise and IFRS9 fully phased)
3. Including shares used for acquisitions and employees' remuneration

Agenda

1. **FY19 results – Executive summary**
2. **Group performance**
3. **Divisional results**
4. **Closing remarks**

Annexes

1. Quarterly segmental reporting tables
2. Glossary

MEDIOBANCA

ROTE@10% - All divisions with double digit ROAC

FY19 – Divisional results **Section 3**

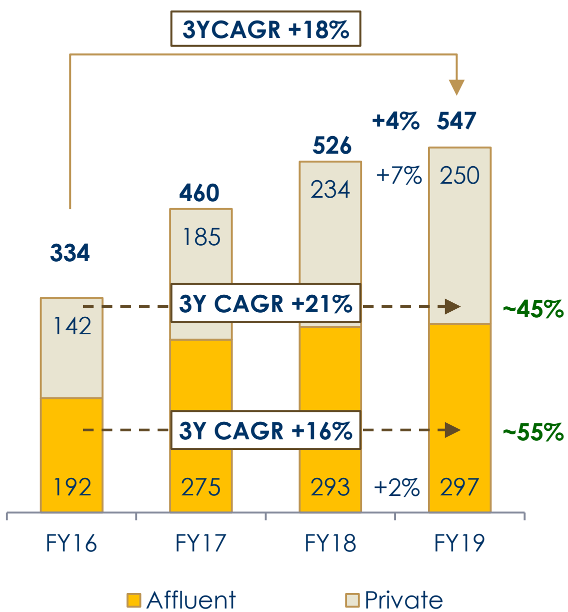
	Revenues FY18	Revenues FY19	Revenues Δ	GOP FY18	GOP FY19	GOP Δ	PBT FY18	PBT FY19	PBT Δ	ROAC[1] FY18	ROAC[1] FY19
Mediobanca Group	2,419	2,525	+4%	1,057	1,140	+8%	1,096	1,084	-1%	10% (ROTE; ROTE adj.)	10% (ROTE; ROTE adj.)
Wealth Management (WM)	526	547	+4%	93	102	+9%	94	102	+9%	13%	16%
Consumer Banking (CB)	996	1,027	+3%	470	496	+5%	463	496	+7%	30%	30%
Corporate & Investment Banking (CIB)	631	627	-1%	393	394		392	395	+1%	14%	15%
Principal Investing (PI)	295	332	+13%	290	327	+13%	385	324	-16%	15%	15%

1) ROAC adjusted: based on average allocated K = 9% RWAs. RWAs are calculated with STD, apart from CIB corporate portfolio calculated with AIRB in FY18 and mortgages portfolio since 3Q19. Gains/losses from AFS disposals, impairments and positive/negative one-off items excluded, normalized tax rate = 33% , 25% for PB

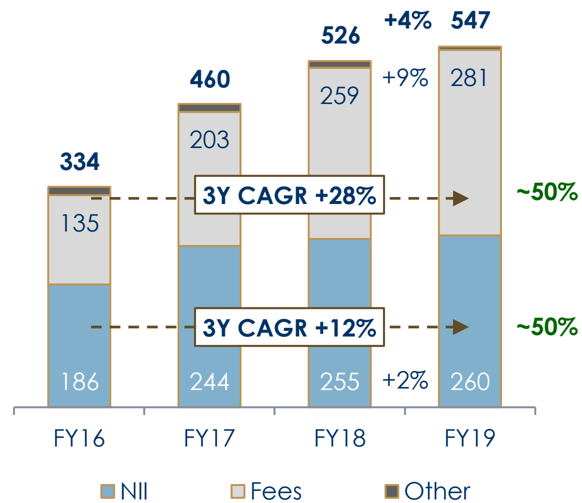
Wealth Management

Division scaling up in size and profitability
GOP doubled in 3Y, ROAC@16%

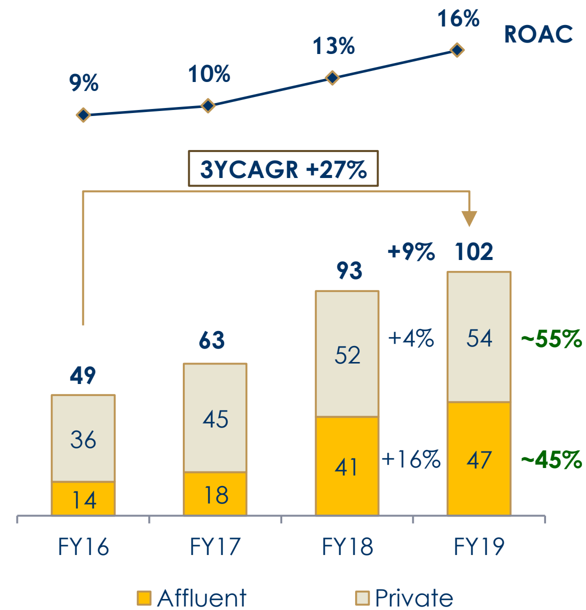
Revenues by segment (€m)



Revenues by source (€m)



GOP and ROAC (€m, %)



- **Income grew up to €547** (4% YoY, 3YCAGR +18%), **in a sustainable way** given no reliance on performance (basically zero in FY19) and good diversification by:
  - Customer segment (55% Affluent - 45% Private/AM, both growing)
  - Income sources (50% NII - 50% Fees, both growing)
- **GOP becoming material:** up 9% YOY to €102m (3YCAGR +27%)
- **ROAC increased to 16%**, despite start-up phase of FAs, due to positive NNM, larger customer base, high productivity of sales force, especially proprietary, RWA optimization due to AIRB introduction

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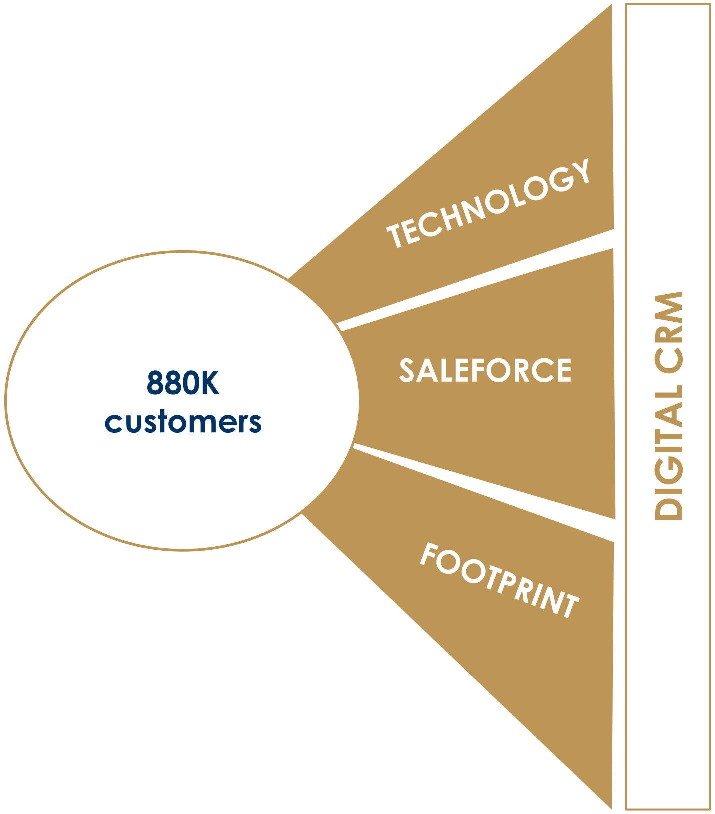
BUILDING A REALLY OMNI-CHANNEL WEALTH MANAGER…

SALES FORCE OF OVER 900 NOW AT WORK (+18% YOY, TRIPLED IN 3Y)

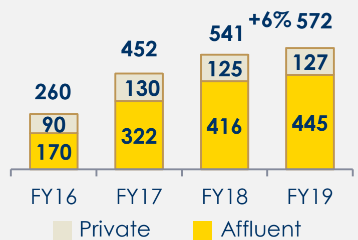


Digital Platform

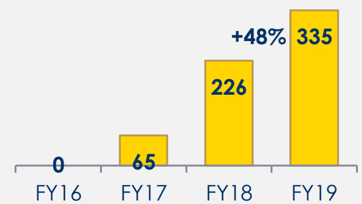
Robo advisory & Robo for advisory

Fintech buy and customize best applications for banking, saving & investing to increase productivity and efficiency

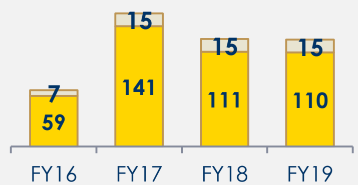
RMs staff: from 260 to 570



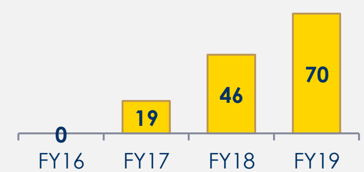
FAs: from 0 to 335



Branches right-sized



FA shops: from 0 to 70



Partnerships

Mortgages
Third-party distribution networks

Institutional sale forces
MAAM, MBSGR

- **Customer base significantly widened to 880K, up 50% in last 3Y, and up 7% YOY (or additional 60K, of which 40% through digital platform)**
- **Ongoing empowerment of digital platform, CRM and sales network (proprietary and indirect):**
  - **Relationship Managers up to 572**, driven by CheBanca! enhancement and MBPB reshuffle
  - **Financial advisors increased by >50% to 335**, FA shops up to 70

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… WITH STRONG RESULTS IN ASSET GATHERING
~€39BN AUM (3YCAGR +31%) & €22BN DEPOSITS (3Y CAGR +17%)

Affluent-Premier
CheBanca!

- **TFAs up to €25.4bn (up 12% YoY) with AUM/AUA up 23% to €10.3bn. Deposits up 6% to €15bn.**
- **Wealth advisors' network upgrade with**
  - ~30 RMs hired , now ~445 in wealth/affluent segment gathering €1.3bn NNM
  - ~110 new FAs , now ~335 gathering €1.3bn NNM
- **Digital platform investments ongoing**
- **Distribution of inhouse products now underway**

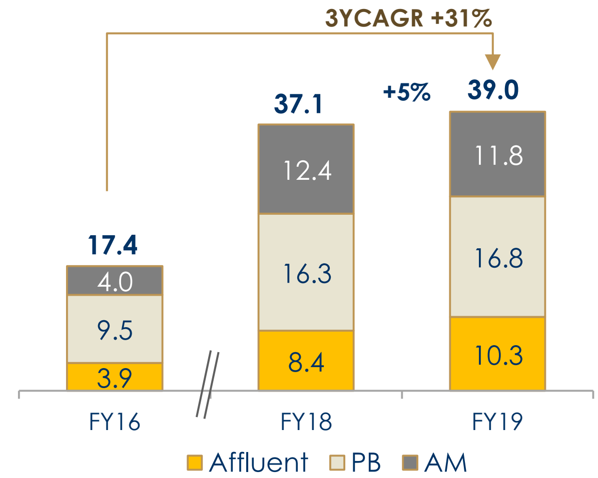
Private-HNWI
MBPB
CMB

- **TFAs up to €26.9bn (up 12% YoY) with AUM/AUA up 4% to €16.8bn. Deposits up 50% to €7.4bn.**
  - **MBPB: AUM up 5% to €9.8bn**
  - **CMB: AUM up 1% to €7bn**
- **Further coverage upgrade:** bankers reshuffle, focus on larger portfolios, IB/PB synergies in MidCap space

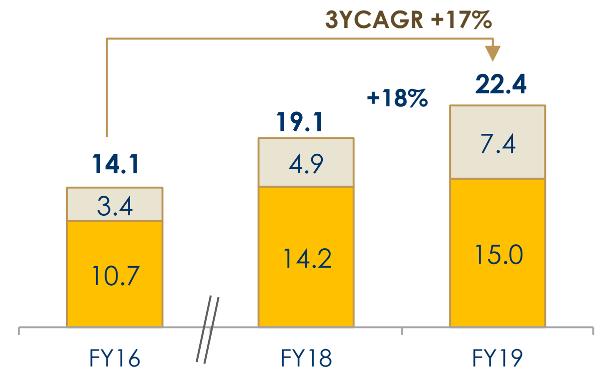
Asset management
MBSGR
RAM, Cairn

- **AUM down 5% YoY to €11.8bn** (~€3.9bn Cairn, ~ €3.1bn RAM, ~ €4.8bn MBSGR) due to outflows of low margin institutional mandates in MBSGR and in some systematic funds in RAM
- **Integration ongoing with MB** distribution and production platforms
- Launch of new CLOs in Cairn

AUM/AUA (€bn)



DEPOSITS (€bn)



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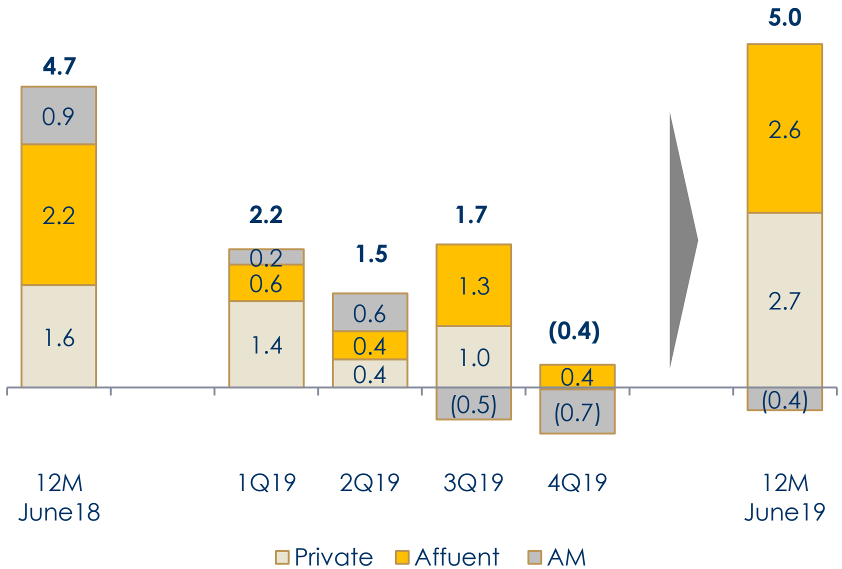
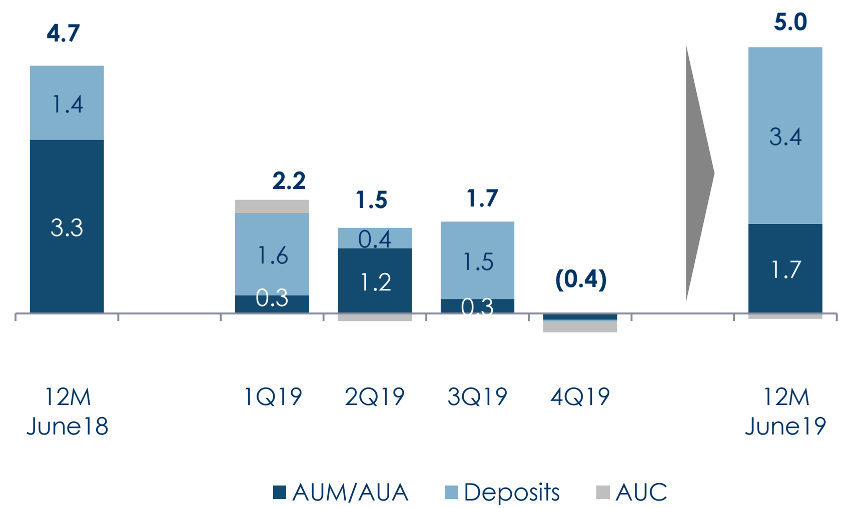
€5bn NNM in FY19 (up 6% YoY)
Liquidity nonetheless taking the lion's share

Group TFAs NNM by customer segment (€bn)



Group TFAs NNM by product (€bn)



- **€5bn NNM in FY19, above FY18 run rate, driven by both Affluent/Private segments**
  - **CheBanca!: €2.6bn with fund raising capacity accelerating**, 50:50 between FAs network and proprietary sales force
  - **PB: €2.7bn** due to rebranding, synergies with IB and hiring of bankers.
  - **AM:** €0.4bn outflows

- **NNM with a majority of deposits** due to the low interest-rate framework:
  - **Deposits: €3.4bn**
  - **AUA/AUM: €1.7bn**

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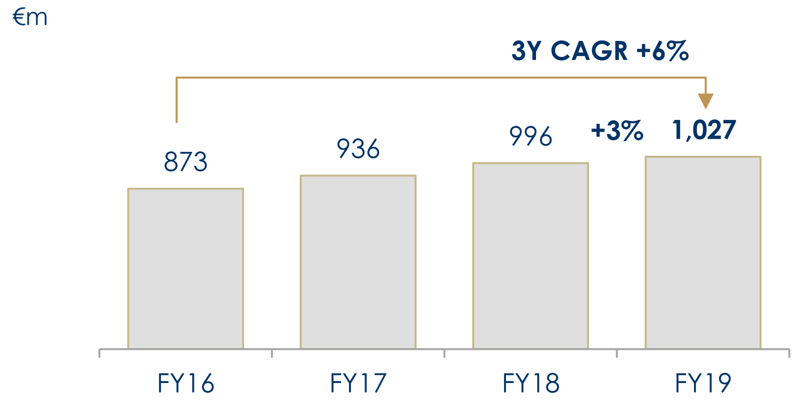
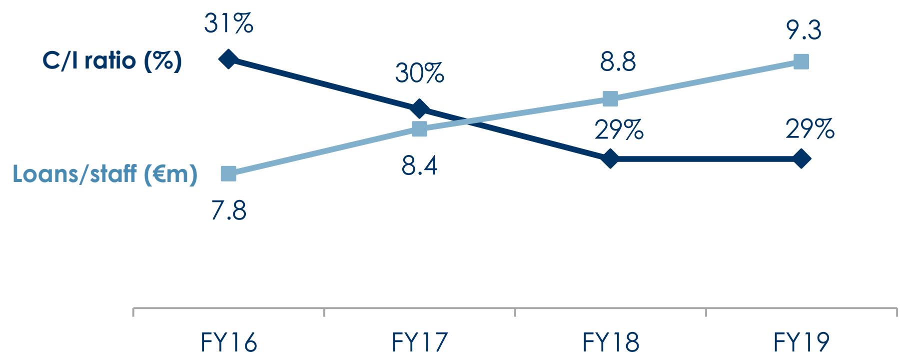
Consumer Banking

ALL TIME HIGH REVENUES (>€1BN), NET PROFIT (€336M) , ROAC (30%)…

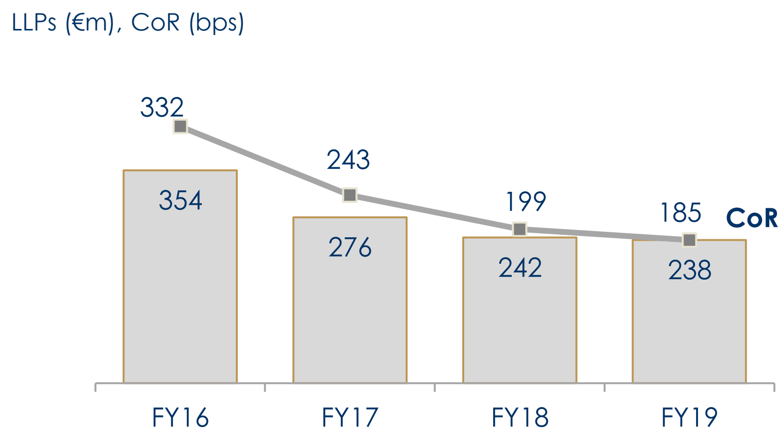
Revenues up over 1bn (or 41% of Group revenues)...



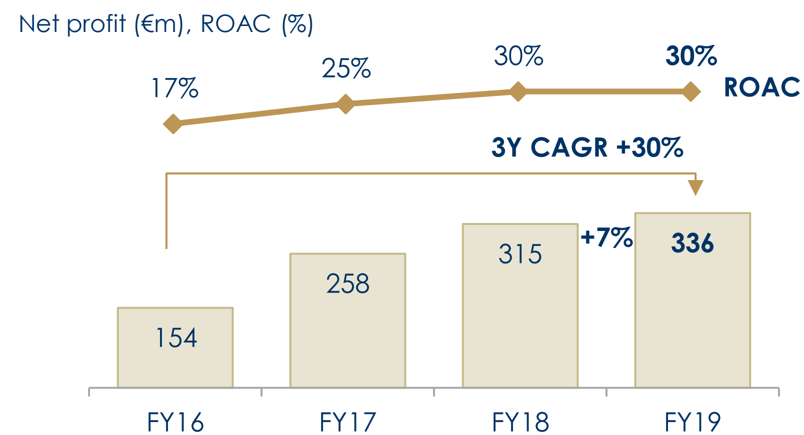
… with efficient and productive organization …



… and strict asset quality control



Net profit and ROAC to new highs



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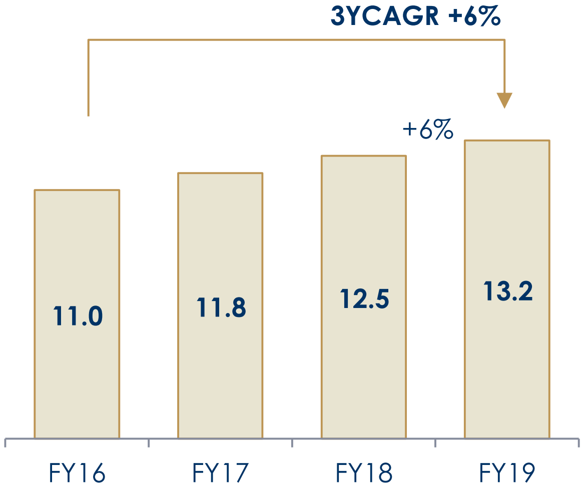
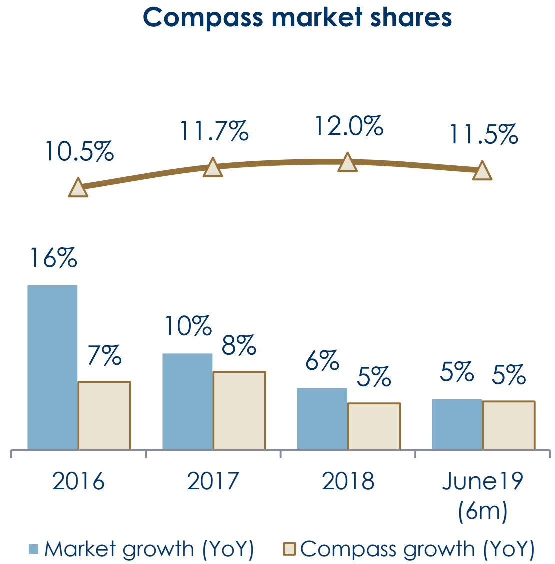
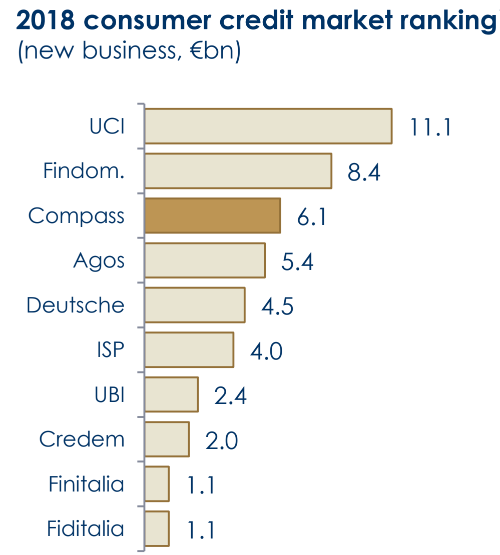
… SUSTAINED BY SOLID GROWTH AND MARKET POSITIONING…

Compass loan book trend (€bn, %)



Stable market share: one of the top 3 Italian operators



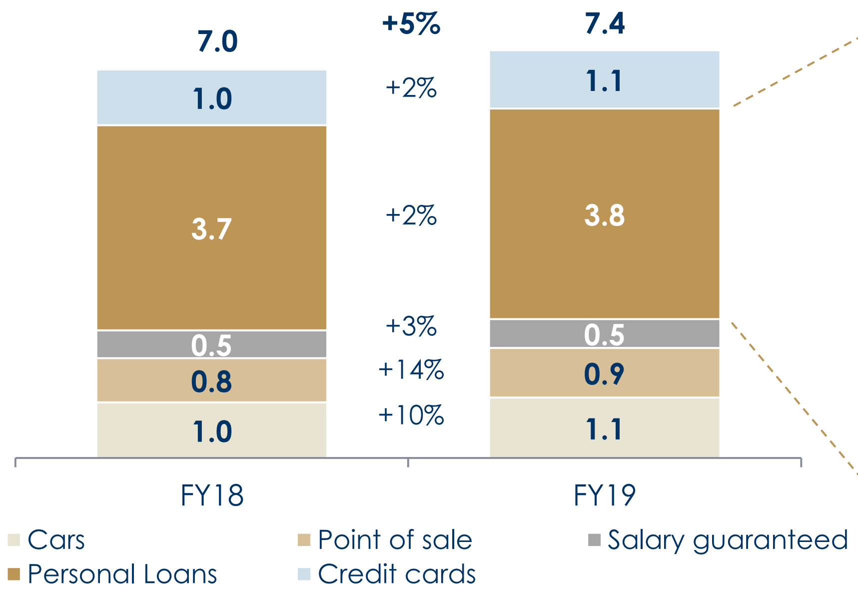


- **Solid market positioning led by distribution, the key driver along with risk management for value-driven growth**
  - Larger direct distribution: 10% increase to 199 branches (27 of which run by agents), effective and profitable
  - Digital-online: new and effective channel created to enlarge customer base in an efficient and profitable way**. In last 12M ~10% of personal new loans originated by direct distribution coming from digital platform**
  - Large and stable point of sale partnerships: 30k large retailers and local dealers added
  - Banks: 50 ITA banks (from large to medium-sized) with >5,000 branches; plus Poste Italiane with >12,000 branches
  - Insurance companies (2,000 points of sale/agencies), credit broker networks (1,800 operating agents)

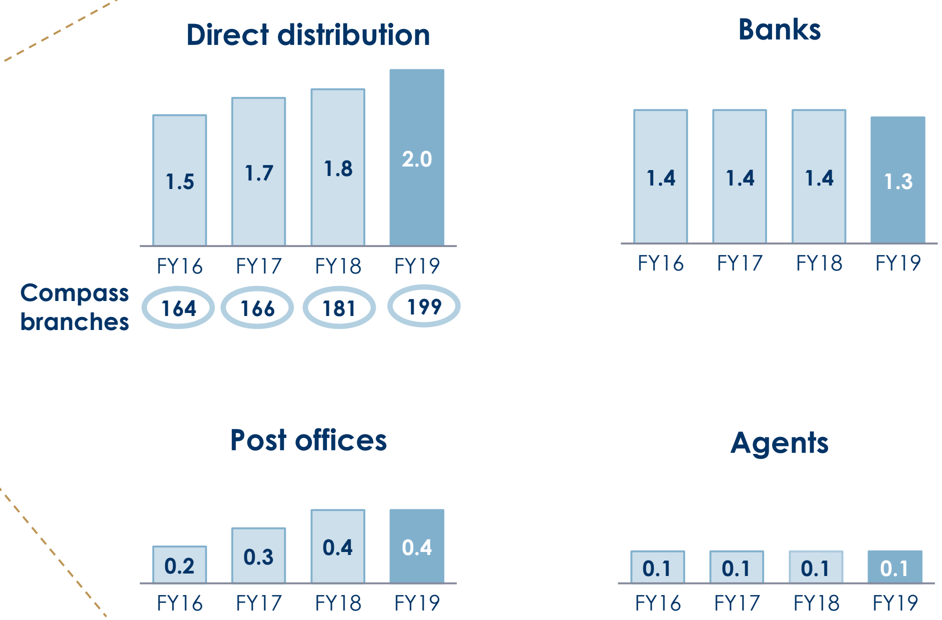
1) Source: Assofin. New statistics do not include vehicle credit.

… ACHIEVED BY COMPASS'S INTEGRATED DISTRIBUTION PLATFORM

Compass new loans by product (€bn)



Personal loans new business by channel (€m)



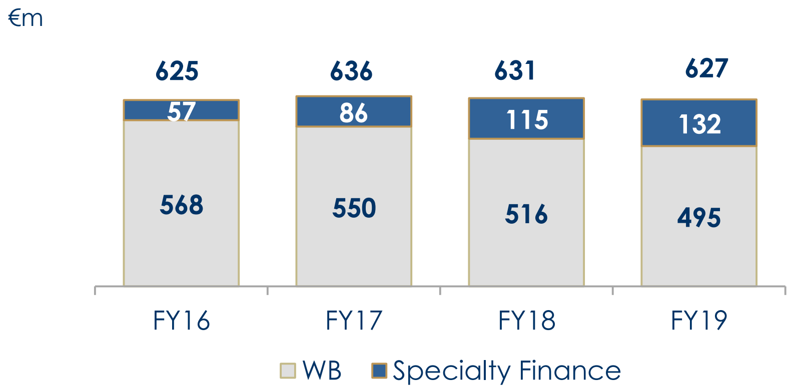
- **New business growing (up 5% YoY to €7.4bn) and rebalancing:**
  - **More** personal loans sold through **direct channel** (now almost 200 branches) and digital platform to increase the hold-back value of each loan
  - **Bank channel preserved,** despite a small reduction due to the intensive branch closures by Italian banks
  - Strong performance by points of sale (up 14% YoY) and car loans (up 10% YoY) key for future repeat business

MEDIOBANCA

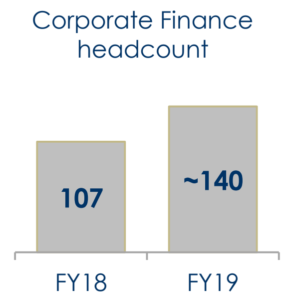
Corporate & Investment Banking

CIB ROAC @ 15% ON WIDER DIVERSIFICATION AND STRONG RISK/COST/CAPITAL CONSUMPTION CONTROL

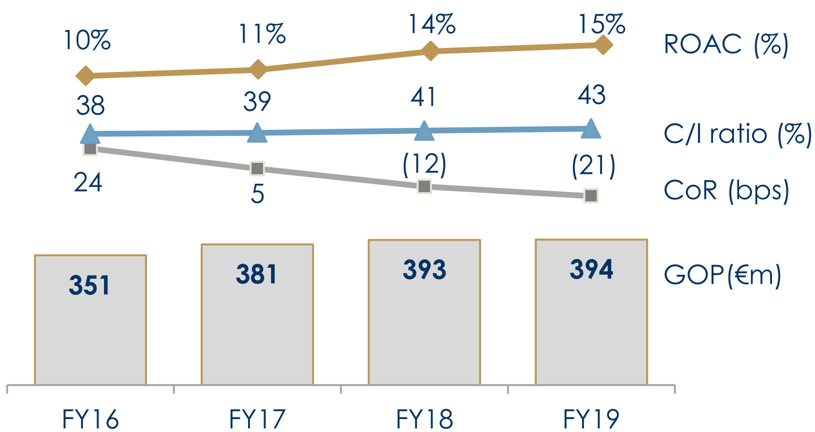
Revenues resilient in tough scenario for CIB activity due to effective diversification by product…



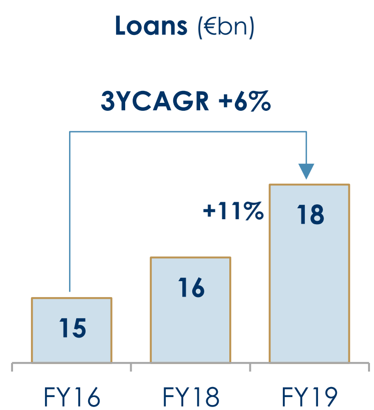
… and geography, recently further strengthened with MMA partnership: third core market (F) added (I,S)

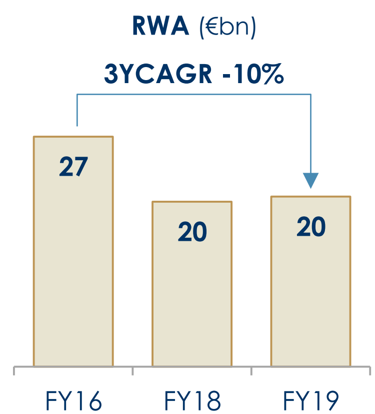


ROAC up @15% due to efficiency, loan writebacks…



…volume growth and RWA optimization.





MEDIOBANCA

CIB Revenues resilient due to effective diversification
mix improved, higher contribution of K-light activities

CIB revenues trend and mix (€m)

- **12M revenues resilient at €630m** despite soft ECM and reduced Prop.Trading **due to effective diversification:**
  - **Increased contribution of IB business which represents ~45% of CIB revenues** (~€280m): in the last 12M CMS and Advisory activities have grown, offsetting the reductions in ECM and DCM)
  - Steady contribution of **financing activity which represents ~55% of CIB revenues**: in last 12M Specialty Finance growth offset large corporate NII reduction (due to margin pressure and higher-rating new business)
  - Positive but reduced contribution from **Prop Trading business, which represents ~1% CIB revenues**

MEDIOBANCA

INVESTMENT BANKING: STRONGER PRESENCE BASED ON NEW LEADERSHIP/ORGANIZATION (MMA PARTNERSHIP)

Selected M&A Large Corp Transactions *since July 2018*

Pending	June 2019	December 2018	October 2018	July 2018
SIAS / ASTM	ALTAMIRA / doBank	intrum / INTESA SANPAOLO	LUXOTTICA / ESSILOR	General Cable / Prysmian Group
Undisclosed	€460m	€3.6bn	€47bn (combined Mkt Cap)	$3.0bn
Merger of SIAS into ASTM	Acquisition of Altamira Asset Management S.A. by Dobank	Agreement between Intrum and Intesa Sanpaolo for NPLs servicing platform	Merger of Equals	Acquisition of 100% in General Cable by Prysmian
Advisor to SIAS	Advisor to Dobank	Advisor to Intrum	Advisor to Delfin	Advisor to Prysmian

Selected M&A Mid Corp Transactions *since July 2018*

June 2019	April 2019	February 2019	December 2018	July 2018
Mecomer s.r.l.	LA BOTTEGA	CELLI group	COMECER GROUP	FORNO d'ASOLO
€43m	€94m	Undisclosed	€113m	€ 353m
Disposal of Mecomer to Séché Env.	Disposal of La Bottega to EPIC	Acquisition of Celli by Ardian	Disposal of Comecer to ATS	Sale of Forno d'Asolo by 21 Inv. and BC Partners
Advisor toMecomer	Advisor to La Bottega	Advisor to Ardian	Advisor to Comecer	Advisor to Forno d'Asolo

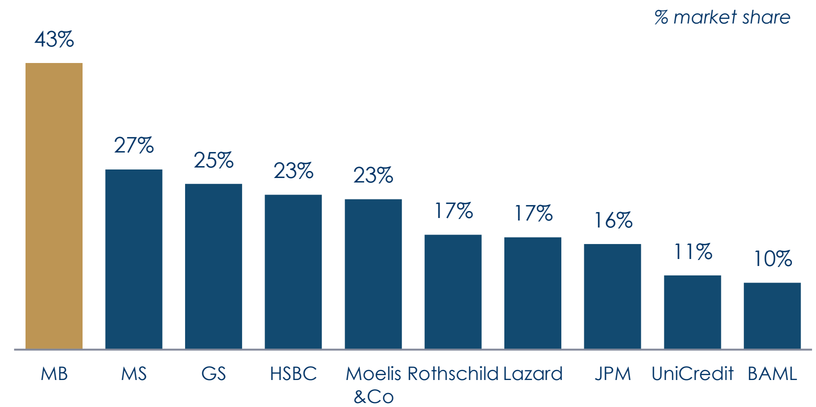
Selected ECM Transactions *since July 2018*

Spain 2019	Spain 2019	Italy 2019	Italy 2018	Italy 2018
cellnex	cellnex	nexi	CAREL	ALPI
€850m	€1,200m	€2,056m	€290m	€100m
Convertible	Right Issue	IPO	IPO	IPO
JBR	Co-Lead	JGC & JBR	JGC, JBR & Sponsor	Sole GC & JBR

Selected DCM Transactions *since July 2018*

June 2019	May 2019	April 2019	January 2019	July 2018
IGT	SOCIETE GENERALE	TIM	enel	MONTE DEI PASCHI DI SIENA
€ 750m	€ 1,500m	€ 1bn	€ 1bn	NPL Securitisation with GACS of ca. € 24.1bn GBV
3.500% Senior Secured due June 2026	0.000% Senior Preferred Bond due May 2022	2.750% Senior Unsecured Notes due April 2025	1.500% Senior Unsecured Green Notes Due July 2025	
Joint Bookrunner	Joint-Lead Manager	Joint Bookrunner	Joint Bookrunner	Lead Arranger, Placement Ag. and Int. Rate Cap Counterparty

M&A Italy – Announced deals *(Year to date)*[1]



- **Mediobanca's M&A team has been involved in all industry-shaping deals of 2018-19**, including the merger of Luxottica and Essilor, acquisition of Altamira Asset Management by Dobank, Prysmian's acquisition of General Cable and the strategic partnership between ISP and Intrum
- **Increasing presence in mid corporate transactions**, such as the disposal of Mecomer to Séché Environnement, EPIC's acquisition of La Bottega dell'Albergo and the sale of Forno d'Asolo to 21 Investimenti and BC Partners
- Despite the adverse capital market conditions, **Mediobanca ECM and DCM team succesfully completed** several **Italian and Spanish transactions** (including Cellnex Convertible & Rights Issue, Nexi IPO, TIM Senior Unsecured, BMPS GACS, etc.)

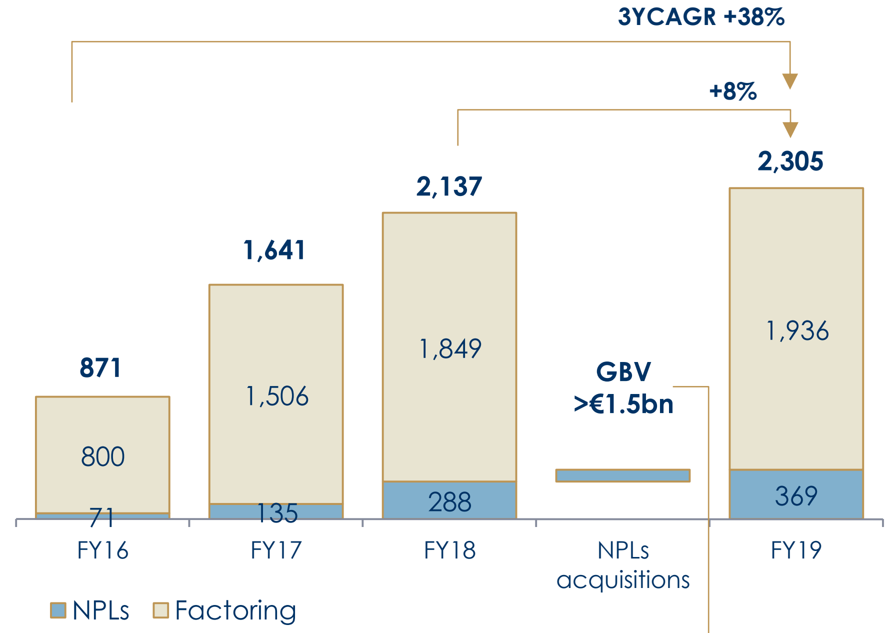
Source:
1) Thomson Reuters as of July 2019

Specialty finance: intense activity, material growth
revenues up 15% to ~€130m, earning up 25% to €39m

KPIs

- **Specialty Finance: significant contributor to CIB**
  - **well diversified-growing revenues**: ~€130m, up 15% YoY, 60% NII and 40% fees
  - **growing net profit**, €39m up 25% YoY
  - **efficient structure**: cost/income ratio at 37%
  - **profitable business**: ROAC at 18%
- **MBFacta**
  - **strong positioning:** 8th in Italy as at May19
  - **loan book growing** (at €1.9bn)
  - **revenues up 21% to €52m,** due almost entirely to NII, and GOP up 39% to €29m
- **MBCredit Solutions**
  - stable presence on the market
  - **net loan book up 28% YoY** (from €288m to €369m) after more than **€1.5bn GBV portfolios acquired in last 12m**
  - **revenues up 12% to €80m** (55% fees, 45% NII) and GOP up 13% to €27m

Specialty Finance loan book trend (€m)



Main FY19 portfolios acquired

CRC-BAYVIEW	UNICREDIT	BPER	DEUTSCHE BANK
GBV: >€400m	**GBV: >€300m**	**GBV: >€200m**	**GBV: >€60m**
September 2018	June 2018 + rolling	December 2018	March 2019
Retail/corporate unsecured	Retail unsecured	Retail unsecured	Retail unsecured

MEDIOBANCA

Principal Investing

INVESTMENTS STABLE - ROAC @15% WITHOUT ONE-OFFS

KPIs (€m)

PI - €m	June18	June19	Δ
Revenues	295	332	+13%
Gain from disposals/ impairments	95	(3)	n.m.
Net profit	**374**	**314**	**-16%**
BV bn	4.0	3.9	-1%
NAV bn	**3.7**	**4.0**	**+9%**
RWA bn	6.3	5.6	-10%
ROAC %	**15**	**15**	**-**

Main equity investments (€m)

Company (€m)	% stake Jun-19	Book Value Jun-19	Book Value Jun-16
Ass.Generali	12.9%	3,219	3,092
Italmobiliare	6.7%	61	66
RCS MediaGroup	6.6%	32	26
Seed capital		382	69
Private equity		64	75
Other listed equities		9	548
Other unlisted equities		149	72
Total		**3,916**	**3,948**

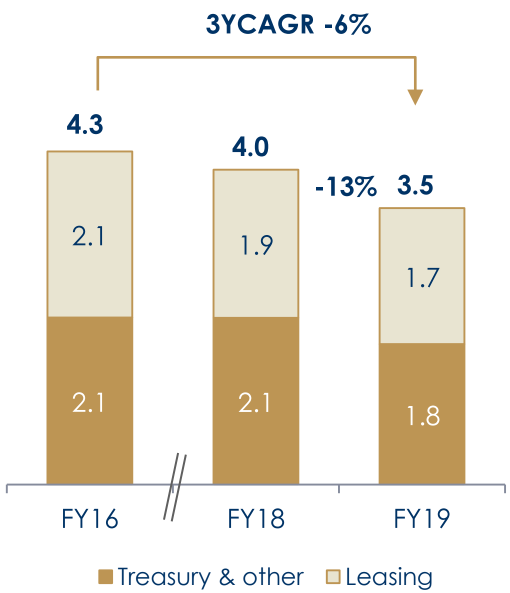
- **PI portfolio BV flat at ~€4bn** with Ass.Generali BV increased for their own capital accretion (MB stake unchanged @13%) and €0.5bn of capital disinvested from 'other listed equities' and redeployed into MAAM seed capital
- In FY19 net profit down to €314m due exclusively to absence of gains from disposals and no longer being taken through P&L (IFRS 9); revenues up 13% (higher AG contribution)
- **ROAC stable at 15%**

1) Equity-accounted

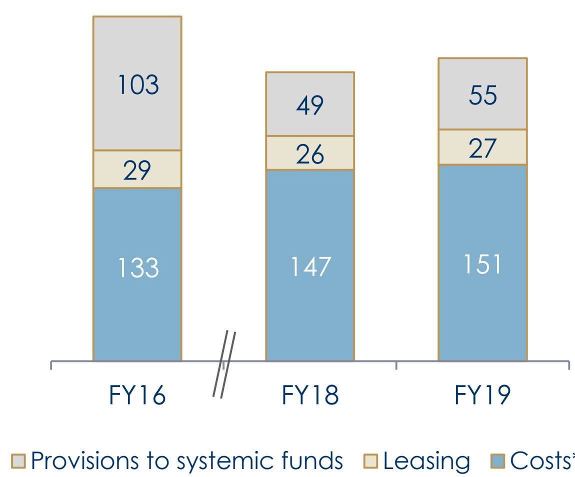
Holding Functions

Optimization and economies of scale

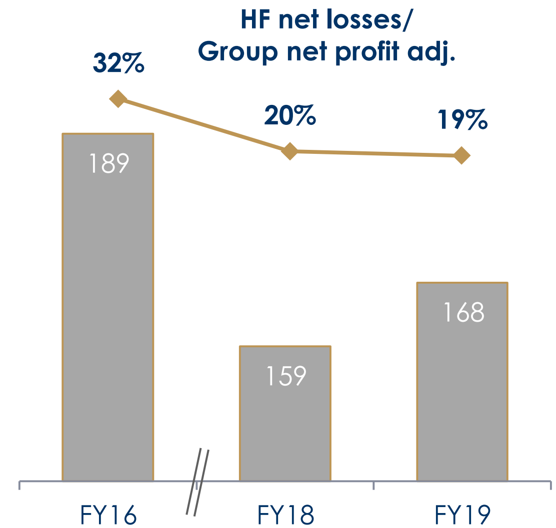
RWA trend (€bn)



Cost trend (€m)



Net loss trend (€m)



- RWA deleveraging continuing, driven by **leasing activities optimization** (lending book reduced to €2bn, down 8% YoY and with a 3YCAGR of -8%)
- **Loss at €168m on higher revenues** (now positive by €5m) **and higher systemic costs** (up from €49m to €55m)
- **HF loss as percentage of Group net profit adj. falling progressively** (now 19%) **as result of economies of scale**

* Central costs include/refer to: Board of Directors, Senior Management, Audit, Legal, HR, Organization, Risk Management, Corporate Affairs, Investors Relations, Communication, Sustainability, Compliance, Planning, Accounting and Reporting, Technology and Operations, Treasury and ALM, R&S (Ricerche e Studi)

COMFORTABLE FUNDING AND LIQUIDITY POSITION

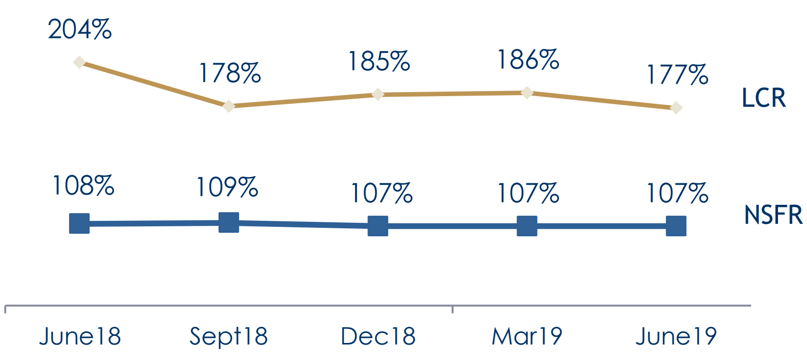
KPIS

- **Effective access to funding markets** through a widened mix of channels/products/geographies; good balance among secured-unsecured funding
- Funding plan for 1Q20 already completed at end-Jul-19
- **Large counterbalance capacity (€10bn)**. HQLA* securities including €2.2bn Italian govies with 3Y duration
- LCR optimized YoY, but still above industry average
- NSFR well above >100% at all times

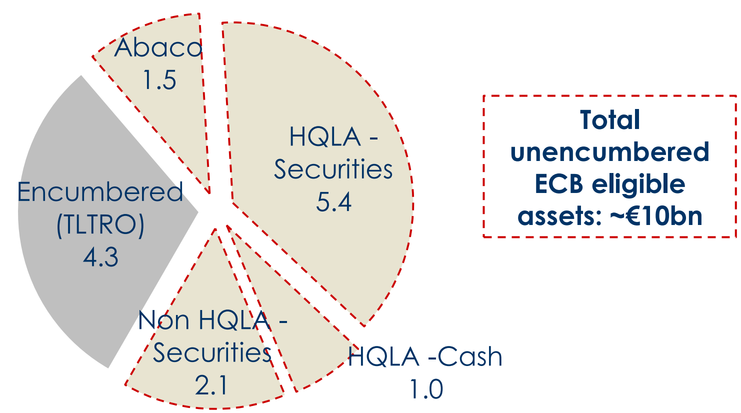
Key funding issuances since June18

Issue date	Bond type	Size (€m)	Spread at issue	Investor
Jul-18	Covered	750 [1)]	MS+70bps	Institutional
Oct-18	Sec. finance	800	3mE+80bps	Institutional
Dec-18	ABS	600	3mE+95bps	Institutional
Jan-19	Senior Pref.	850	3mE+224bps	Retail
Mar-19	Sec. finance	500	MS+80bps	Institutional
Apr-19	Senior Pref.	500	MS+152bps	Institutional
Jul-19	Covered	750	MS+53bps	Institutional
Jul-19	Senior Pref.	500	MS+137bps	Institutional

LCR (12m average) and NSFR (end of period) trend



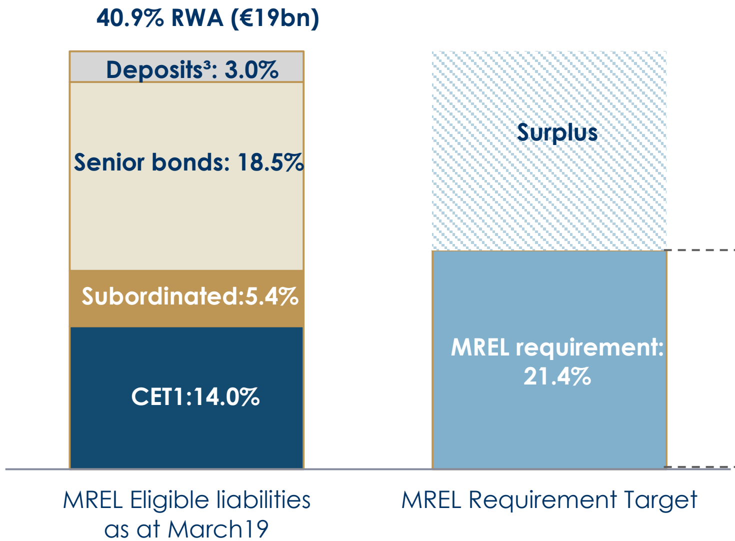
Unencumbered ECB eligible assets (CBC)



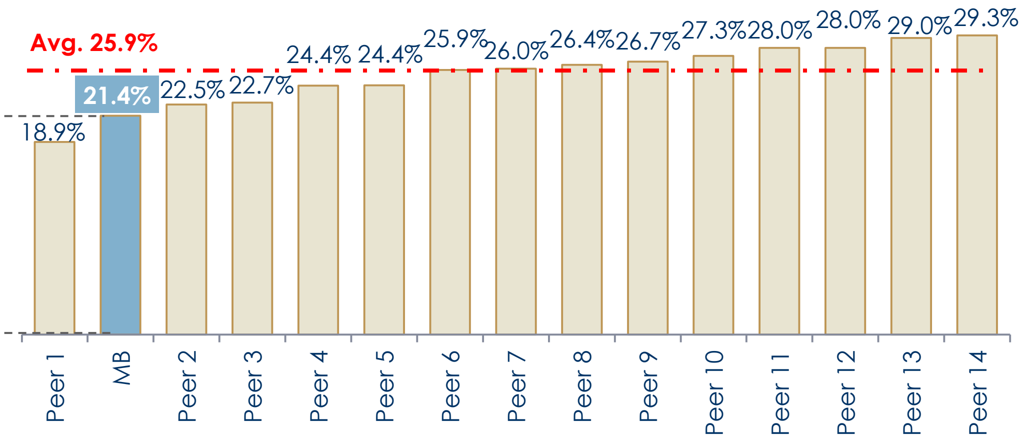
Notes: 1) € 500 m Covered bond issued in July 2018 at MS+70bps and tapped for € 250m in October at MS+70bps
*High Quality Liquid Assets ('HQLA')

MREL NEEDS FULLY ADDRESSED: SIZEABLE SURPLUS

MB MREL eligible liabilities vs requirement (%RWA)



MREL requirements on RWAs: MB vs European banks[1]



- **Mediobanca's MREL (binding) requirement for 2019 assigned and equal to 21.4% of RWA:[2] one of the lowest** among those disclosed by European banks so far, due to low P2R (1.25%) and absence of systemic buffers
- **MREL eligible liabilities ~€19bn** as at March 2019, **equal to 41% of RWAs (and 27% of TLOF), with a sizeable surplus vs requirement. CET1 and Subordinated bonds as at March 2019 equal to roughly 90% of MREL requirement; large buffer of senior bonds, as MB has no subordination requirement**
- **High depositor protection,** as confirmed by long term deposit rating assigned (Fitch: BBB+; Moodys': Baa1)

1) European peers include those banks that have disclosed MREL targets so far: Allied Irish Banks, Bank of Ireland, Bankinter, BBVA, Belfius, Caixabank, Commerzbank, DeutscheBank, ING, KBC, Sabadell, Santander, SocGen, Unicredit
2) MREL requirement calculated based on Dec.17 data
3) Deposits: not covered, not preferential

Agenda

Annexes

MEDIOBANCA

Closing remarks

FY19: best-ever revenues (@€2.5bn), GOP (@€1.1bn), CET1 (@14.1%[1]), ROTE (@10.2%) and pay-out (@50%) delivered, with no compromise on risk profile, despite macro and business environment deterioration

In last 3Y we have significantly enlarged and reshaped the Group despite the low growth/yield environment

Leveraging distribution and assets growth (AUM +31%[2] to €39bn, loans +9%[2] to €44bn, funding +3%[2] to €51bn) and keeping gearing low (cost/income at 46%, NPE gross/Ls < 4%) we delivered material growth in revenues (+7%[2]), profit (EPSadj. +13%[2]), profitability (ROTE up 3pp to 10%) and dividend (DPS +20%[2]).

MB group earnings now more visible and recurrent with WM and Consumer accounting 60% of revenues, loans and funding

Fee income enlarged (+11%[2]) and by 60% driven by capital-light businesses (Advisory and WM) with WM and CIB equally driving growth

These are the basis to build up our next business plan

2019-23 Strategic Guidelines Update

12 November 2019

1) CET1FL @12.8% (without Danish Compromise and IFRS9 fully phased)
2) 3Y CAGR

What's next: consistency in MB accretive value cycle

Strong positioning

SPECIALIZED MULTIFINANCE DNA

Mediobanca focused
on high-margin, specialized,
long-standing growing businesses

Solidity

STRONG K GENERATION CAPABILITY

Possibility to enhance positioning
and develop business

Growth

UNBROKEN GROWTH
ORGANIC AND WITH M&A

in assets, revenues and profit
with no compromise on risk profile
and cost gearing

Profitability

ROTE @ 10%
coupled with CET1 @14%

All divisions repaying CoE

Shareholders' remuneration

YIELD > 7%

with sound payout policy
and buyback

MEDIOBANCA ACCRETIVE VALUE CYCLE

MEDIOBANCA

MEDIOBANCA
FY19 results as at 30 June 2019

GROWTH AND SUSTAINABILITY
THE MEDIOBANCA GROUP DNA

Milan, 31 July 2019

MEDIOBANCA

Quarterly segmental reporting tables

Annex 1

GROUP P&L ACCOUNT

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**2,525**	**2,419**	**+4%**	**641**	**607**	**639**	**638**	**619**
Net interest income	1,396	1,359	+3%	349	346	357	344	345
Fee income	611	622	-2%	150	149	158	155	166
Net treasury income	197	157	+25%	46	53	57	41	33
Equity accounted co.	321	280	+15%	96	59	68	98	75
Total costs	**(1,162)**	**(1,115)**	**+4%**	**(309)**	**(291)**	**(290)**	**(271)**	**(302)**
Labour costs	(582)	(558)	+4%	(154)	(145)	(144)	(138)	(149)
Administrative expenses	(580)	(557)	+4%	(155)	(146)	(146)	(134)	(153)
Loan loss provisions	**(223)**	**(247)**	**-10%**	**(61)**	**(52)**	**(51)**	**(59)**	**(74)**
GOP risk adjusted	**1,140**	**1,057**	**+8%**	**271**	**264**	**298**	**308**	**244**
Impairments, disposals	(2)	97	-	4	5	(15)	4	1
Non recurring (SRF contribution)	(54)	(58)	-8%	(17)	(26)	(11)	0	(20)
PBT	**1,084**	**1,096**	**-1%**	**258**	**243**	**272**	**312**	**225**
Income Taxes & minorities	(261)	(232)	+13%	(61)	(67)	(67)	(66)	(43)
Net profit	**823**	**864**	**-5%**	**197**	**176**	**205**	**245**	**182**
Cost/income ratio (%)	46	46	-	48	48	45	43	49
Cost of risk (bps)	52	62	-10bps	56	48	48	56	72
ROTE (%)	10	10	-					

1) YoY= June19 / June18

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GROUP A&L

€bn	June19	Mar19	Dec18	Sept18	June18	Δ QoQ[1]	Δ YoY[1]
Funding	**51.4**	**52.0**	**50.8**	**49.6**	**48.9**	**-1%**	**+5%**
Bonds	18.5	19.2	19.2	18.6	19.2	-4%	-3%
Direct deposits (retail&PB)	22.4	22.6	21.2	20.8	19.1	-1%	+18%
ECB	4.3	4.3	4.3	4.3	4.3	-	-
Others	6.1	5.9	6.0	6.0	6.3	+4%	-3%
Loans to customers	**44.4**	**43.3**	**42.9**	**42.3**	**41.1**	**+3%**	**+8%**
CIB	**17.9**	**17.3**	**17.4**	**17.2**	**16.1**	**+3%**	**+11%**
Wholesale	15.6	15.0	14.8	15.0	14.0	+4%	+11%
Specialty Finance	2.3	2.3	2.6	2.1	2.1	-1%	+8%
Consumer	**13.2**	**13.0**	**12.8**	**12.6**	**12.5**	**+2%**	**+6%**
WM	**11.4**	**11.0**	**10.7**	**10.5**	**10.4**	**+3%**	**+10%**
Mortgage	9.0	8.6	8.4	8.2	8.1	+4%	+11%
Private banking	2.4	2.4	2.3	2.3	2.3	-2%	+4%
Leasing	**2.0**	**2.0**	**2.0**	**2.1**	**2.1**	**-2%**	**-8%**
Treasury+AFS+HTM+LR	**12.7**	**14.2**	**13.3**	**13.1**	**13.3**	**-10%**	**-4%**
RWAs	46.3	46.5	47.5	47.4	47.4	-	-2%
Loans/Funding ratio	86%	83%	85%	85%	84%	3pp	2pp
CET1 ratio (%)[2]	**14.1**	**14.3**	**13.9**	**14.2**	**14.2**		
TC ratio (%)	17.5	**17.8**	**17.4**	**17.9**	**18.1**		

1) YoY= June19 / June18, QoQ =June19 /March19
2) CET1FL as at June 19 @12.8% (without Danish Compromise and IFRS9 fully phased)

Wealth Management results

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**547**	**526**	**+4%**	**138**	**137**	**137**	**136**	**142**
Net interest income	260	255	+2%	66	66	64	64	66
Fee income	281	259	+9%	71	69	71	70	73
Net treasury income	6	12	-49%	1	2	2	2	3
Total costs	**(434)**	**(417)**	**+4%**	**(112)**	**(107)**	**(109)**	**(106)**	**(111)**
Loan provisions	(12)	(16)	-28%	(5)	(0)	(3)	(4)	(4)
GOP risk adjusted	**102**	**93**	**+9%**	**21**	**30**	**25**	**25**	**27**
Other	1	1	-36%	(0)	1	0	(0)	(1)
Income taxes & min.	(31)	(25)	+25%	(6)	(10)	(7)	(8)	(8)
Net profit	**71**	**69**	**+3%**	**15**	**20**	**19**	**17**	**18**
Cost/income ratio (%)	79	79	-	81	78	80	79	78
LLPs/Ls (bps)	11	16	-5bps	18	1	10	15	15
Loans (€bn)	11.4	10.4	+10%	11.4	11.0	10.7	10.5	10.4
TFA (€bn)	**67.9**	**63.9**	**+6%**	**67.9**	**68.0**	**64.6**	**65.3**	**63.9**
of which AUM/AUA (€bn)	39.0	37.1	+5%	39.0	39.1	36.9	37.6	37.1
of which AUC (€bn)	6.5	7.6	-16%	6.5	6.7	6.7	7.4	7.6
of which deposits (€bn)	22.4	19.1	+18%	22.4	22.2	21.0	20.3	19.1
RWA (€bn)	4.5	5.8	-21%	4.5	4.3	5.7	5.8	5.8
ROAC (%)	**16**	**13**	**+3pp**					

1) YoY= June19 / June18

MEDIOBANCA

CheBanca! Results (Affluent & Premier)

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**297**	**293**	**+2%**	**77**	**74**	**74**	**72**	**76**
Net interest income	211	212	-1%	53	53	52	53	53
Fee income	86	80	+8%	23	21	22	19	23
Total costs	**(236)**	**(235)**	**-**	**(62)**	**(59)**	**(57)**	**(58)**	**(62)**
Labour costs	(106)	(103)	+3%	(27)	(27)	(26)	(26)	(28)
Administrative expenses	(131)	(133)	-2%	(35)	(33)	(31)	(32)	(34)
Loan provisions	**(14)**	**(17)**	**-17%**	**(5)**	**(2)**	**(3)**	**(4)**	**(4)**
GOP risk adjusted	**47**	**41**	**+16%**	**11**	**13**	**14**	**10**	**10**
Income Taxes	(16)	(13)	+20%	(3)	(5)	(4)	(4)	(5)
Net profit	**32**	**28**	**+14%**	**8**	**8**	**10**	**6**	**6**
Cost/income ratio	80	80	-	80	80	77	81	81
LLPs/Ls (bps)	16	21	-5bps	21	9	15	20	22
TFA (€bn)	**25.4**	**22.6**	**+12%**	**25.4**	**24.9**	**23.3**	**23.2**	**22.6**
of which AUM/AUA (€bn)	10.3	8.4	+23%	10.3	9.8	8.9	8.7	8.4
of which deposits (€bn)	15.0	14.2	+6%	15.0	15.2	14.4	14.5	14.2
Loans (€bn)	9.0	8.1	+11%	9.0	8.6	8.4	8.2	8.1
RWAs (€bn)	2.6	3.7	-30%	2.6	2.4	3.9	3.8	3.7
ROAC (%)	**11**	**8**	**+3pp**					

1) YoY= June19 / June18

MEDIOBANCA

Private Banking results

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**250**	**234**	**+7%**	**61**	**63**	**63**	**64**	**65**
Net interest income	50	43	+15%	13	13	12	12	12
Fee income	195	179	+9%	48	49	49	50	51
Net treasury income	5	11	-52%	1	1	2	2	3
Total costs	**(198)**	**(182)**	**+9%**	**(50)**	**(48)**	**(51)**	**(48)**	**(49)**
GOP risk adjusted	**54**	**52**	**+4%**	**11**	**17**	**12**	**15**	**16**
Other	1	1	-36%	(0)	1	1	0	(1)
Income taxes & minorities	(16)	(12)	+30%	(3)	(5)	(3)	(5)	(4)
Net profit	**40**	**42**	**-4%**	**8**	**12**	**9**	**11**	**12**
Cost/income ratio (%)	79	78	+1pp	82	76	82	76	76
TFA (€bn)	**42.5**	**41.3**	**+3%**	**42.5**	**43.1**	**41.3**	**42.2**	**41.3**
CMB	10.5	10.0	+5%	10.5	10.4	10.0	10.1	10.0
MBPB (incl. MBSGR)	21.2	19.1	+11%	21.2	21.4	19.7	20.5	19.1
Cairn Capital	4.0	3.5	+14%	4.0	3.9	3.9	3.4	3.5
RAM	3.1	4.1	-25%	3.1	3.5	3.8	4.1	4.1
Spafid	3.7	4.5	-19%	3.7	3.9	3.9	4.1	4.5
ROAC (%)	**23**	**21**	**+2pp**					

1) YoY= June19 / June18

CONSUMER BANKING: COMPASS RESULTS

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**1,027**	**996**	**+3%**	**257**	**257**	**256**	**257**	**252**
Net interest income	899	869	+3%	224	224	227	223	218
Fee income	128	127	+1%	33	32	29	34	34
Total costs	**(294)**	**(285)**	**+3%**	**(77)**	**(75)**	**(74)**	**(68)**	**(75)**
Loan provisions	(238)	(242)	-2%	(63)	(61)	(57)	(57)	(61)
GOP risk adjusted	496	470	+5%	117	121	125	132	117
Income taxes	(159)	(148)	+8%	(36)	(40)	(41)	(43)	(35)
Net profit	**336**	**315**	**+7%**	**80**	**82**	**85**	**90**	**76**
Cost/income ratio (%)	29	29	-	30	29	29	26	30
LLPs/Ls (bps)	185	199	-14bps	193	188	180	181	195
New loans (€bn)	7.4	7.0	+5%	2.0	1.9	1.8	1.7	1.9
Loans (€bn)	13.2	12.5	+6%	13.2	13.0	12.8	12.6	12.5
RWAs (€bn)	12.6	11.8	+6%	12.6	12.2	12.0	11.8	11.8
ROAC (%)	**30**	**30**	**-**					

1) YoY= June19 / June18

MEDIOBANCA

CIB RESULTS

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**627**	**631**	**-1%**	**149**	**145**	**174**	**159**	**150**
Net interest income	273	266	+2%	68	66	70	69	66
Fee income	228	254	-11%	53	52	66	57	63
Net treasury income	127	111	+15%	28	27	38	34	20
Total costs	**(269)**	**(256)**	**+5%**	**(72)**	**(68)**	**(68)**	**(62)**	**(70)**
Loan loss provisions	36	18	+102%	11	11	10	4	(8)
GOP risk adjusted	**394**	**393**	**+0%**	**89**	**88**	**116**	**101**	**71**
Other	1	(1)		(1)	1	1	0	(2)
Income taxes	(129)	(128)	+1%	(30)	(27)	(39)	(33)	(21)
Net profit	**266**	**265**	**-**	**57**	**63**	**78**	**68**	**49**
Cost/income ratio (%)	43	41	+2pp	48	47	39	39	47
LLPs/Ls (bps)	(21)	(12)	-9bps	(25)	(25)	(23)	(10)	21
Loans (€bn)	17.9	16.1	+11%	17.9	17.3	17.4	17.2	16.1
RWAs (€bn)	20.1	19.5	+3%	20.1	20.0	19.8	19.7	19.5
ROAC (%)	**15**	**14**	**+1pp**					

1) YoY= June19 / June18

MEDIOBANCA

WB RESULTS

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**495**	**516**	**-4%**	**119**	**111**	**138**	**127**	**119**
Net interest income	190	199	-4%	47	44	50	48	47
Fee income	179	207	-14%	43	41	50	45	53
Net treasury income	127	111	+15%	29	26	38	34	20
Total costs	**(220)**	**(212)**	**+4%**	**(58)**	**(55)**	**(56)**	**(51)**	**(58)**
Loan loss provisions	63	44	+43%	16	16	20	11	(0)
GOP risk adjusted	**337**	**348**	**-3%**	**76**	**72**	**103**	**86**	**61**
Other	1	(1)		(1)	1	1	0	(2)
Income taxes	(111)	(113)	-2%	(26)	(22)	(34)	(29)	(17)
Net profit	**227**	**234**	**-3%**	**49**	**52**	**69**	**58**	**42**
Cost/income ratio (%)	44	41	+3pp	49	49	40	40	48
LLPs/Ls (bps)	(42)	(33)	-9bps	(42)	(43)	(54)	(29)	1
Loans (€bn)	15.6	14.0	+11%	15.6	15.0	14.8	15.0	14.0
RWAs (€bn)	17.6	17.4	+1%	17.6	17.5	17.2	17.6	17.4
ROAC (%)	**14**	**13**	**+1pp**					

1) YoY= June19 / June18

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Specialty Finance results

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**132**	**115**	**+15%**	**30**	**34**	**36**	**32**	**30**
Net interest income	83	68	+23%	21	22	20	20	20
Fee income and other income	49	47	+4%	10	12	16	12	11
Total costs	**(49)**	**(44)**	**+13%**	**(13)**	**(13)**	**(12)**	**(11)**	**(12)**
Loan loss provisions	(27)	(26)	+3%	(5)	(6)	(10)	(6)	(8)
GOP risk adjusted	**57**	**46**	**+24%**	**12**	**15**	**14**	**15**	**10**
Income taxes	(19)	(15)	+25%	(4)	(5)	(5)	(5)	(3)
Net profit	**39**	**31**	**+25%**	**8**	**11**	**9**	**10**	**7**
Cost/income ratio (%)	37	38	-1pp	44	38	34	33	41
LLPs/Ls (bps)	119	136	-17bps	81	90	168	120	154
Loans (€bn)	2.3	2.1	+8%	2.3	2.3	2.6	2.1	2.1
of which factoring (€bn)	1.9	1.8	+5%	1.9	2.0	2.2	1.8	1.8
of which NPLs (€bn)	0.4	0.3	+28%	0.4	0.4	0.3	0.3	0.3
RWAs (€bn)	2.5	2.1	+16%	2.5	2.5	2.7	2.1	2.1
ROAC (%)	**18**	**18**	**-**					

1) YoY= June19 / June18

Principal Investing results

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**332**	**295**	**+13%**	**102**	**60**	**72**	**99**	**78**
Gains from disposals	0	96		0	0	0	0	2
Impairments	(3)	(2)		3	4	(15)	4	(1)
Net profit	**314**	**374**	**-16%**	**95**	**60**	**60**	**99**	**79**
Book value (€bn)	**3.9**	**4.0**	**-1%**	**3.9**	**3.7**	**3.7**	**3.7**	**4.0**
Ass. Generali (13%)	3.2	3.2	+2%	3.2	3.1	3.0	3.1	3.2
AFS stakes	0.7	0.7	-12%	0.7	0.6	0.6	0.6	0.7
Market value (€bn)	**4.0**	**3.7**	**+9%**	**4.0**	**4.0**	**3.6**	**3.6**	**3.7**
Ass. Generali	3.3	2.9		3.3	3.3	3.0	3.0	2.9
RWA (€bn)	5.6	6.3	-10%	5.6	6.1	6.0	6.1	6.3
ROAC (%)	**15**	**15**	**-**					

1) YoY= June19 / June18

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Holding Functions results

FY19 results – Quarterly segmental reporting tables

Annex 1

€m	FY19	FY18	Δ YoY[1]	4Q19	3Q19	2Q19	1Q19	4Q18
Total income	**5**	**(9)**		**(1)**	**13**	**1**	**(7)**	**3**
Net interest income	(47)	(38)		(10)	(13)	(8)	(15)	(7)
Net treasury income	45	13		10	23	8	4	6
Fee income	7	16		(1)	4	1	4	4
Total costs	**(178)**	**(173)**	**+2%**	**(50)**	**(46)**	**(43)**	**(38)**	**(49)**
Loan provisions	(9)	(7)	+25%	(4)	(2)	(1)	(2)	(1)
GOP risk adjusted	**(181)**	**(189)**	**-4%**	**(56)**	**(35)**	**(43)**	**(48)**	**(47)**
Other (incl. SRF/DGS contribution)	(55)	(50)	+10%	(15)	(28)	(12)	0	(11)
Income taxes & minorities	69	80	-14%	19	12	17	21	20
Net profit	**(168)**	**(159)**	**+5%**	**(51)**	**(51)**	**(39)**	**(27)**	**(38)**
LLPs/Ls (bps)	42	33	+9bps	63	44	21	42	30
Banking book (€bn)	5.6	6.5	-14%	5.6	6.9	6.5	6.7	6.5
New loans (€bn)	0.4	0.4	-6%	0.1	0.1	0.1	0.1	0.1
Loans (€bn)	2.0	2.1	-8%	2.0	2.0	2.0	2.1	2.1
RWA (€bn)	3.5	4.0	-13%	3.5	3.9	3.9	4.0	4.0

1) YoY= June19 / June18

GLOSSARY

Annex 3

GLOSSARY

MEDIOBANCA BUSINESS SEGMENT	
CIB	Corporate and investment banking
WB	Wholesale banking
SF	Specialty finance
CB	Consumer banking
WM	Wealth management
PI	Principal investing
AG	Assicurazioni Generali
HF	Holding functions

PROFIT & LOSS (P&L) and BALANCE SHEET	
AIRB	Advanced Internal Rating-Based
ALM	Asset and liabilities management
AUA	Asset under administration
AUC	Asset under custody
AUM	Asset under management
BVPS	Book value per share
C/I	Cost /Income
CBC	Counter Balance Capacity
CET1	Common Tier Equity 1
CoF	Cost of funding
CoE	Cost of equity
CoR	Cost of risk
CRR2/ Danish Compromise/ Art.471	The EU Parliament has extended the effectiveness of the transitional arrangements until 31/12/2024 as part of the new Capital Requirement Regulation (CRR2) at the Plenary Session held on April 16th 2019 effective since the publication in the Official Journal on June the 28th.
DGS	Deposit guarantee scheme

PROFIT & LOSS (P&L) and BALANCE SHEET	
DPS	Dividend per share
EPS	Earning per share
FAs	Financial Advisors
FVOCI	Fair Value to Other Comprehensive Income
GOP	Gross operating profit
Leverage ratio	CET1 / Total Assets (FINREP definition)
Ls	Loans
LLPs	Loan loss provisions
M&A	Merger and acquisitions
NAV	Net asset value
NII	Net Interest income
NNM	Net new money (Spafid excluded)
NP	Net profit
NPLs	Group NPLS net of NPLs purchased by MBCS
PBT	Profit before taxes
ROAC adj.	Adjusted return on allocated capital[1]
ROTE adj.	Adjusted return on tangible equity[2]
RWA	Risk weighted asset
SRF	Single resolution fund
TC	Total capital
Texas ratio	Net NPLs/CET1
TFA	Total financial assets[3]

Notes

1) Adjusted return on allocated capital: *average allocated K = 9% RWAs (for PI: 9% RWA + capital deducted from CET1). Gains/losses from AFS disposals, impairments and positive/negative one-off items excluded, normalized tax rate = 33%. For Private Banking normalized tax rate = 25%*
2) Return on tangible equity: *net profit excluding non-recurring items / Shareholders' equity – goodwill*
3) AUA + AUC + AUM + direct deposits

Disclaimer & Declaration of head of financial reporting

As from this fiscal year results, the Mediobanca Group is adopting IFRS 9 to represent its financial instruments. The transition to the new standard has resulted in an approx. €81m reduction in net equity, chiefly due to the introduction of the new impairment model; at the regulatory capital level, the impact will be spread over the course of the next five years.

The Group has availed itself of the right not to restate the comparative data for the first year of IFRS 9 adoption on a like-for-like basis. Accordingly, the figures for FY 2017-18, stated in accordance with IAS 39, are not fully comparable. For further details and full disclosure on the effects of first-time adoption of IFRS 9, which replaces IAS 39, please refer to the document entitled "Summary of IFRS 9 accounting standard adoption" published on the Group's website at www.mediobanca.com

Disclaimer

Some declarations included in this document are forward-looking statements and are based on information available to the bank as of today. These forward-looking statements include any information other than statements of historical facts, including, without limitation, the bank's future financial position, its results of operations, strategy, plans and objectives. Forward-looking statements are subject to risks, uncertainties and other events, which may fall outside the bank's control, that may lead actual results to differ, even materially, from any projections and estimates. Because of these risks and uncertainties, readers must not place undue reliance on the fact that future results will reflect the forward-looking statements. Except where required by applicable regulations, the bank undertakes no obligation to update forward-looking statements as new information becomes available, future events or other circumstances occur.

Declaration by Head of Company Financial Reporting

As required by Article 154-bis, paragraph 2 of Italian Legislative Decree 58/98, the undersigned hereby declares that the stated accounting information contained in this report conforms to the documents, account ledgers and book entries of the company.

Head of Company Financial Reporting

Emanuele Flappini

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