



MEDIOBANCA

## **Mediobanca Board of Directors' Meeting**

Milan, 17 September 2013



## Draft financial statements as at 30/06/2013 approved

All equity investments reclassified as AFS<sup>1</sup>, in line with three-year plan objectives

Core Tier 1 up to 11.7%

Deleveraging process complete; first signs of recovery

- ◆ The 2012-13 financial year saw the start of implementation of the 2014-16 three-year plan, involving the following:
  - ◆ all equity investments transferred to AFS segment<sup>1</sup> and marked to market, leading to €404m in net writedowns; target to reduce the Group's current €4bn equity exposure by a further €1.5bn over three years confirmed
  - ◆ deleveraging process completed; risk-weighted assets down 5%, to €52.4bn
  - ◆ capital structure strengthened further:
    - ◆ Core Tier 1 up to 11.7% (30/6/12: 11.5%)
    - ◆ funding and treasury optimization: buyback of MB bonds worth €2bn; new issuance of €3bn; retail deposits up 4% Y.o.Y., to €11.9bn
- ◆ The Group posted a net loss of €180m for the twelve months, due to the over €400m loss made by the Principal Investing division, caused by the reduced contribution from Assicurazioni Generali (down from €146m to €17m) as well as the writedowns referred to above (€404m)
- ◆ Results from banking activity were as follows:
  - ◆ core revenues fell 12% Y.o.Y., to €1,607m: the stability shown by the Retail & Consumer Banking division (where revenues were up 2%, to €870m) offset the higher volatility recorded in corporate business (WB revenues down 27% Y.o.Y., to €600m), the latter also affected by the deleveraging process and prudent treasury asset allocation. Net interest income reversed its negative trend in the fourth quarter, rising 8% for the three months
  - ◆ costs were down 4%, for the second year running
  - ◆ coverage ratios increased further, for bad debts (up 6 percentage points, to 45%) and NPLs (up 5 points, to 66%), after loan loss provisions rose 8% Y.o.Y. and 9% Q.o.Q. to reach €507m
- ◆ Given the fact that the Group made a loss for the year, in accordance with the Bank of Italy's recommendations and despite the strong capital ratios, no dividend will be distributed this year.

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1) Available For Sale. The exception is the Group's investments in Assicurazioni Generali and Burgo, which have been equity-accounted as in the past.



With Renato PAGLIARO in the chair, the Directors of Mediobanca approved the Group's consolidated and draft financial statements for the year ended 30 June 2013, as illustrated by Chief Executive Officer Alberto NAGEL.

## Consolidated results

The final months of the Group's 2012-13 financial year saw the implementation of the first steps in the 2014-16 plan approved by the Board of Directors on 20 June 2013. In particular:

- ◆ all equity holdings were transferred to the AFS segment<sup>2</sup> and marked to market as at the reporting date, generating net writedowns to securities totalling €404m (€320m of which in respect of Telco); the target to reduce the Group's equity exposure - currently €4bn - by a further €1.5bn over the course of the plan is confirmed;
- ◆ the deleveraging process from corporate loans (which reduced from €17.9bn to €15.5bn in the twelve months) was completed, with a 5% reduction in RWAs (from €55.2bn to €52.4bn);
- ◆ the asset structure has been strengthened further, with the Core Tier 1 ratio rising to 11.7% (30/6/12: 11.5%), and funding and treasury buyback measures (buyback of €2bn in MB bonds, €3bn in new issuance, retail deposits up 4% Y.o.Y. to €11.9bn).

The Group posted a net loss for the twelve months of €180m, as a result of the loss made by the Principal Investing division (more than €400m) - caused by the reduced contribution from Assicurazioni Generali (down from €145.9m to €16.8m) as well as the writedowns referred to above (€404m) - and the slowdown in banking activity produced by the weak economic scenario (gross operating profit down 39%, to €343m).

In banking activity, core revenues fell by 12% Y.o.Y., to €1,607m: the stability shown by the Retail & Consumer Banking division (where revenues were up 2%, to €870m) offsetting the higher volatility recorded in corporate business (WB revenues down 27% Y.o.Y., to €600m). In more detail:

- ◆ net interest income declined slightly, by 3.9% (from €1,069.8m to €1,028m), reflecting 3.5% growth in retail and consumer business (from €673.2m to €696.5m), which partly offset the reduction in corporate and private banking (down from €349.4m to €286.9m), which were more affected by the decrease in market interest rates, the growing average cost of funding and the need to maintain ample liquidity; net interest income reversed its negative trend in the fourth quarter, climbing 8% versus 1Q13;
- ◆ net trading income fell by 36.7%, from €266.8m to €168.9m, due to an unfavourable performance in fixed-income trading, which last year was boosted by the high volatility in spreads on Italian sovereign debt;
- ◆ net fee and commission income was down 15.3% at €409.7m (30/6/12: €483.5m), chiefly due to the reduced activity levels in wholesale banking (down 26.6% to €198.6m) and the anticipated reduction in consumer finance fees (which were down 8.9%, to €150.1m); fees earned from private banking were up (by 16%, to €41.4m), as were those earned from retail banking operations (from €8.1m to €15.3m).

Operating costs were down by 4% for the second year running, from €789m to €756.9m, due to lower labour costs (down 2%, to €384m) - in wholesale banking in particular- and administrative expenses (down 5.8%, to €372.9m), chiefly in the retail area.

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2) Available For Sale. The exception is the Group's investments in Assicurazioni Generali and Burgo, which have been equity-accounted as in the past.



Loan loss provisions grew 8.2%, from €468.3m to €506.5m, and reflect, in a scenario of ongoing difficulties for both businesses and householders, an increase in the coverage ratios for both bad debts (from 39% to 45%) and NPLs (from 61% to 66%); the provisions are concentrated in wholesale banking (up 12.1%, from €107.1 to €120.1m), and consumer finance (up 7.6%, from €311.3m to €335m). The cost of risk for the year rose from 129 bps to 145 bps.

Gross operating profit from banking activities for the twelve months was down 39%, to €343m.

The Principal Investing division posted losses of over €400m, made up as follows:

- ◆ the equity-accounted companies' contribution was negative, at minus €9.5m, compared with a positive contribution of €169.5m last year, reflecting the balance between the operating loss posted by RCS MediaGroup (€53.3m), the positive but reduced performance by Assicurazioni Generali (profit of €16.8m, compared with €146m last year) and also, conversely, the positive result posted by Gemina (€25.8m);
- ◆ net adjustments to the securities portfolio totalling €404.2m. In particular, transfers to the AFS segment and their being marked to market as at the reporting date generated profits on the holdings in Gemina (€23m) and Pirelli (€65.6m), and losses on those in Telco (€319.7m) and RCS MediaGroup (€38.5m). These were compounded by the writedowns to other listed AFS equities (€29.1m) and the charges taken against the unlisted investments in Burgo (€44.8m), Sintonia (€33.4m) and Santé (€25.2m); the other items (bonds and minor equity investments) jointly contributed €45.9m (€46.9m in the case of the former, and minus €1m in the case of the latter).

The balance sheet reflects the gradual asset reduction process, now complete, which is linked with the need to keep high levels of capital and liquidity, as follows:

- ◆ loans and advances to customers fell to €33.5bn. The 7.9% reduction was due to the lower demand for corporate finance, as well as to the deleveraging process which involved both wholesale banking (down 13.4%) and leasing business (down 16.2%). Retail loans were basically stable, up 1.5%, with a slight increase in consumer finance (up 2.5%), despite the stricter scoring criteria. Mediobanca's constant attention to asset quality is reflected in the higher coverage ratio for bad debt (up from 39% to 45%). Net NPLs remain at low levels, totalling €262.7m, and account for 0.78% of total lendings (against an average for the Italian banking system as a whole as at 30/6/13 of 3.75%);
- ◆ overall equity exposure fell from €4.3bn to €4.1bn: equity investments fell from €3.2bn to €2.6bn, largely the effect of the holdings in RCS Mediagroup, Pirelli, Gemina and Telco being transferred to the AFS portfolio. The AFS equities increased from €1.1bn to €1.5bn for the same reason;
- ◆ funding declined by 8.1%, chiefly due to the redemption of approx. €7bn worth of debt securities, €2bn of which as a result of buybacks, against new issuance totalling €2.8bn (€500m of which the lower tier 2 bond issue), use of part of the Group's ample liquidity sources (with cash and liquid assets declining from €22.2bn to €21.7bn), and the reduction in corporate loans referred to above. The other sources of funding saw an increase in CheBanca! retail deposits (from €11.6bn to €11.9bn), and a reduced use of the interbank channel (down from €3.3bn to €2.7bn);
- ◆ improving capital ratios: the Core Tier 1 ratio stood at 11.7% (30/6/12: 11.5%), the total capital ratio at 15.6% (14.2%), including as a result of the reduction in risk-weighted assets (from €55.2bn to €52.4bn).



## Divisional results

The 2014-16 strategic plan establishes a new sub-division of the Group's activities into three banking divisions and one corporate centre, as follows:

- ◆ Corporate & Private Banking - (CPB) consisting of:
  - ◆ Wholesale Banking (WB): includes lending, structured finance and investment banking activity (corporate finance, debt advisory, restructuring, ECM, DCM and capital market solutions, proprietary and client trading, and merchant banking);
  - ◆ Private Banking (PB): this includes Compagnie Monégasque de Banque, Spafid, Prudentia and 50% of Banca Esperia on a pro forma basis;
- ◆ Retail and Consumer Banking: this division brings together consumer credit and retail banking, and includes Compass, Futuro, Compass RE, Cofactor, Creditech and CheBanca!;
- ◆ Principal Investing: this division brings together all investments in associates (IAS28) and AFS assets;
- ◆ Corporate centre: the corporate centre includes all other Group companies (including leasing) plus certain central Group costs (including those in respect of the Board of Directors).

The financial statements as at 30 June 2013 based on a divisional split according to the new business lines, which will form the basis for comparison in future years, are shown in the annex, which also presents the results in accordance with the previous classification. Comments on the Group's performance based on the new business lines are provided below.

### Wholesale banking: results down due to weak operating scenario and deleveraging process (now complete)

The result for the year reflects the ongoing weakness in investment banking activity, on the domestic market in particular, and the Bank's decision to give priority to prudent asset management. Net profit was down 28%, from €224.1m to €161.3m, due to a 27% reduction in total revenues (from €820m to €600m) and 12% growth in loan loss provisions (up from €107.1m to €120.1m), which were only in part offset by the ongoing reduction in costs (down 4% this year and down 13% in the previous two years). The fourth quarter saw a recovery in net interest income and completion of the deleveraging process from corporate loans. In further detail:

- ◆ net interest income declined from €315.4m to €246.2m, due to lower interest receivable as a result of the reduction in lendings, and the need to retain ample liquidity despite the high cost of funding; in the fourth quarter net interest income was up 9% Q.o.Q., due to the improved yield on treasury assets;
- ◆ net trading income fell from €239m to €156.2m, as a result of a less favourable performance by fixed-income trading, in the fourth quarter particularly, which the previous year had been boosted by the volatility in spreads on Italian state debt;
- ◆ net fee and commission income decreased from €265.6m to €197.6m, the reduction generalized across all products: advisory services (down from €73m to €48.9m), capital markets (down from €73.5m to €55.8m), and lending activity - due to the lower new business volumes - down from €101.7m to €80.1m;

The decline in operating costs continues, down 3.9%, from €257.1m to €247.1m, due in particular to the reduction in the variable staff cost component.



Loan loss provisions of €120.1m were higher than last year (€107.1m), allowing an increase in the coverage ratio for bad debts (from 35% to 39%).

Net profit totalled €161.3m, down 28% on the €224.1m reported last year, having benefited from gains on disposals and writebacks to fixed-income securities amounting to €47.8m (compared with €148.1m in losses last year due primarily to the writedowns to Greek government securities).

On the asset side, the deleveraging process from corporate loans was completed, which in the space of one year fell by 13% (down from €17.9bn to €15.5bn).

Asset quality remains at high levels: net bad debts represent 1.6% of total loans and include no net NPLs.

## Private banking: AUM and profits growing

Private banking delivered a profit for the twelve months of €41.1m (30/6/12: €26.2m, net of the €44.3m gain on real estate disposal by CMB), representing the balance between higher revenues (up from €109.9m to €123.3m, driven by net interest and fee income) and a slight increase in operating costs (which were up from €82.4m to €87.6m); the contribution from the securities portfolio was positive, adding a total of €18.6m. Assets under management as at the reporting date were up 9% at €13.8bn (€12.6bn), €6.7bn (€6bn) for CMB and €7.1bn (€6.6bn) for Banca Esperia.

## Consumer credit: ROAC 10%

In a consumer credit market which fell for the fourth consecutive quarter, Compass further strengthened its competitive position, bringing its total market share up from 10% to 11%. Nonetheless, the company's lending policy was prudent, translating to growth of 2% in new loans (to €5bn) and of 3% in the loan book as a whole (to €9.4bn)

In this scenario, revenues remained stable at €713m: the growth in net interest income, from €540.4m to €554.6m, linked to the resilience of lending rates, offset the reduction in fee income (from €171.9m to €158.6m), due to the reduced emphasis on insurance products. With the year-end new projects have been launched, including CompassPay (a digital platform which matches a consumer loan with a payment account), with a view to increasing fee income via sources which absorb low capital.

The cost/income ratio remained stable at 36%, due to constant monitoring of costs which rose slightly, from €260.3m to €265.3m, despite the development of the CompassPay project, and the increase in the distribution network (from 158 to 163 branches).

The difficult operating scenario was reflected in the higher loan loss provisions, which rose from €311.3m to €335m, and in the cost of risk, from 344 bps to 360 bps. The quality of the loan book also remained satisfactory: net bad loans account for 3.7% (3.6%) of the total loan book and the coverage ratio rose 10 percentage points to 56%; net NPLs represent just 1.2%(1.1%) of total loans, and are covered as to almost 90%.

Net profit accordingly reduced from €97m to €71m, partly due to a higher tax rate.

## Retail banking: total deposits €12.6bn, revenues up 11%

CheBanca! delivered sound commercial results, alongside a reduction in its net losses. In particular, total funding was up 6%, from €11.9bn to €12.6bn, due to an increase in deposits (from €11.6bn to



€11.9bn) and in administered securities (from €0.3bn to €0.7bn); the number of customers also rose, from 500,000 to 520,000, as did the number of products sold (from 650,000 to 680,000).

A net loss of €27.8m constitutes an improvement on the €42.6m loss posted last year, despite the increase in the cost of risk (from €19.5m to €25.1m), a performance which was driven by:

- ◆ the increase in revenues, from €140.9m to €156.4m, reflecting the higher net interest income (which rose from €132.8m to €141.9m, due to the higher average deposit base) and the increase in fee income (from €8.1m to €14.8m, due above all to placements);
- ◆ the substantial, 14.5% reduction in costs, which were down from €169m to €144.5m, due to lower marketing expenses. The cost/income ratio has been stably below 100% for the past four quarters.

Loans and advances to customers were virtually stable, down just 1.4%, from €4,310.8m to €4,266.5m, with a hefty, 48.6% reduction in new loans, from €561.8m to €289m.

## Principal investing: loss of €407m due to writedowns

In line with the guidance contained in the 2014-16 business plan, this division now brings together all the Group's equity investments classified as part of the AFS securities portfolio and marked to market, with the exception of the 13.24% stakes held in Assicurazioni Generali and Burgo, which continue to be accounted for using the equity method.

This division reported a loss of €407m for the twelve months, reflecting the aforementioned net writedowns to securities (€422m), and a negative contribution from the equity-accounted companies totalling €10m.

The book value of the equity investments thus fell from €4.2bn to €4bn, and reflects the increase in Assicurazioni Generali's net equity (from €2.4bn to €2.5bn) and a 15% reduction in the other equity holdings classified as part of the AFS securities portfolio and marked to market as at the reporting date (from €1.8bn to €1.5bn). The market value of the equity investments totals €4.3bn as at 30/6/13 (current value €4.7bn).

## Mediobanca S.p.A.

The twelve months under review saw further deterioration in the macro scenario, which led to a significant, 23.4% drop in the Bank's revenues, from €841.6m to €644.4m, compounded once more by a negative contribution from the equity investments and AFS shares which resulted in a €425.5m charge being taken, including as a result of the decision to transfer all holdings (apart from the Assicurazioni Generali and Burgo stake) to the AFS segment, which involved marking them to market at the reporting date. The decision was taken as part of the three-year plan approved by the Board of Directors on 21 June 2013, which aims to significantly reduce the Group's equity exposure over the period. As a result of the foregoing, a net loss of €235m was reported, compared with a €200.2m loss last year.

The main income items performed as follows:

- ◆ net interest income fell 17.7%, from €276.3m to €227.3m, due to the reduction in market interest rates and the increased cost of funding, with the need to preserve ample liquidity;



- ◆ net trading income (dealing profits plus dividends) decreased by 32.5%, from €253.1m to €170.9m, due to a less impressive performance in fixed-income trading, which last year was boosted by the volatility in spreads on Italian government securities;
- ◆ net fee and commission income fell by 25.6%, from €264.8m to €197.1m, reflecting the contraction in the corporate market;
- ◆ dividends on equity investments remained virtually stable at €49.1m (€47.4m), and chiefly regard Assicurazioni Generali (€41.2m) and Pirelli & C. (€7m);
- ◆ operating costs declined 3.9%, from €289m to €277.6m, helped by a further reduction in the variable component of labour costs;
- ◆ loan loss provisions, given the difficult economic situation, rose 11.5%, from €106.8m to €119.1m.

The securities portfolio reflects a net loss of €377.7m, representing the balance between €45.5m in net gains realized on market disposals and €423.2m in adjustments. In particular the transfer of holdings to the AFS segment generated gains on the investments in Gemina (€45.6m) and Pirelli (€79.2m) and losses on those in RCS MediaGroup (€89.2m) and Telco (€331.6m). There were also writedowns to the other listed AFS equities totalling €29.1m, plus those taken in respect of the investments in Burgo (€35.6m), Sintonia (€33.4m) and Santé (€25.2m); other items (bonds and minor holdings in equities) contributed €41.6m (€47.9m and minus €6.3m respectively).

Total assets fell from €55.2bn to €50.7bn, due to the reductions in loans and advances to customers (down from €27.2bn to €23bn), treasury assets (down from €10.8bn to €9.1bn), and equity investments (down from €3.2bn to €2.7bn), against an increase in AFS securities, which now total €10.3bn (€9.4bn), and fixed financial assets (€5bn, compared with €4bn); conversely, funding declined from €50.1bn to €45.4bn, the debt security segment in particular.

## Shareholder remuneration

In view of the loss made by the Group, the Board of Directors has chosen to follow the Bank of Italy's recommendations in proposing not to distribute a dividend for the current year.

## Ordinary general meeting

The Board of Directors has called shareholders to the Bank's annual general meeting to be held on 28 October 2013, to adopt resolutions in respect of:

- ◆ financial statements for the year ended 30 June 2013
- ◆ possible dismissal of Marco Tronchetti Provera pursuant to Article 6 of Italian Ministerial Decree 161/98
- ◆ formalities required under Article 15 of the Bank's Articles of Association for the appointment of a director
- ◆ staff remuneration policies.





# MEDIOBANCA

The notice of meeting and documentation in respect of the items on the agenda will be published with the means and within the terms set by law.

The draft financial statements will be made available on the Bank's website at [www.mediobanca.com](http://www.mediobanca.com) and its head office on 7 October 2013.

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In accordance with the indications provided by Fondazione Cassa di Risparmio di Bologna, and with the Appointments Committee have expressed its favourable opinion, the Board has co-opted Mr Giorgio Guazzaloca, who qualifies as independent under Article 148, para. 3 of the Italian consolidated finance act and the Code of conduct in respect of listed companies, as a director of Mediobanca.

Mr Guazzaloca's *curriculum vitae* may be consulted on the Bank's website at [www.mediobanca.com](http://www.mediobanca.com).

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Milan, 17 September 2013

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## Restated consolidated profit and loss accounts

Mediobanca Group (€m)	12 mths	12 mths	Y.o.Y. chg. %
	30/6/12	30/6/13	
Net interest income	1,069.8	1,028.0	-3.9%
Net trading income	266.8	168.9	-36.7%
Net fee and commission income	483.5	409.7	-15.3%
Equity-accounted companies	169.5	(9.5)	n.m.
<b>Total income</b>	<b>1,989.6</b>	<b>1,597.1</b>	<b>-19.7%</b>
Labour costs	(393.3)	(384.0)	-2.4%
Administrative expenses	(395.7)	(372.9)	-5.8%
<b>Operating costs</b>	<b>(789.0)</b>	<b>(756.9)</b>	<b>-4.1%</b>
Gains (losses) on AFS, HTM & LR	32.4	48.0	48.1%
Loan loss provisions	(468.3)	(506.5)	8.2%
Provisions for other financial assets	(604.0)	(404.2)	-33.1%
Other income (losses)	45.2	(4.8)	n.m.
<b>Profit before tax</b>	<b>205.9</b>	<b>(27.3)</b>	<b>n.m.</b>
Income tax for the period	(125.5)	(156.8)	24.9%
Minority interest	0.5	4.3	n.m.
<b>Net profit</b>	<b>80.9</b>	<b>(179.8)</b>	<b>n.m.</b>

## Quarterly profit and loss accounts

Mediobanca Group (€m)	FY 11/12				FY 12/13			
	I Q	II Q	III Q	IV Q	I Q	II Q	III Q	IV Q
	30/9/11	31/12/11	31/3/12	30/6/12	30/9/12	31/12/12	31/3/13	30/6/13
Net interest income	281.8	272.8	258.7	256.5	259.0	258.7	245.7	264.6
Net trading income	3.8	108.7	133.1	21.2	62.5	44.0	74.4	(12.0)
Net commission income	117.1	117.3	151.2	97.9	103.8	97.2	99.2	109.5
Equity-accounted companies	73.0	(1.2)	21.1	76.6	28.1	57.7	(156.8)	61.5
<b>Total income</b>	<b>475.7</b>	<b>497.6</b>	<b>564.1</b>	<b>452.2</b>	<b>453.4</b>	<b>457.6</b>	<b>262.5</b>	<b>423.6</b>
Labour costs	(100.8)	(100.5)	(99.6)	(92.4)	(94.0)	(100.4)	(97.2)	(92.4)
Administrative expenses	(95.8)	(102.1)	(96.3)	(101.5)	(79.7)	(101.5)	(88.7)	(103.0)
<b>Operating costs</b>	<b>(196.6)</b>	<b>(202.6)</b>	<b>(195.9)</b>	<b>(193.9)</b>	<b>(173.7)</b>	<b>(201.9)</b>	<b>(185.9)</b>	<b>(195.4)</b>
Gains (losses) on AFS/ HTM/LR	(15.8)	(22.0)	(18.3)	88.5	(5.1)	0.5	19.4	33.2
Loan loss provisions	(102.8)	(109.5)	(114.5)	(141.5)	(111.4)	(121.4)	(130.9)	(142.8)
Provisions for other fin. assets	(70.2)	(160.9)	(116.9)	(256.0)	(1.4)	(88.1)	0.7	(315.4)
Other income (losses)	0.0	43.7	1.5	0.0	0.0	0.0	0.0	(4.8)
<b>Profit before tax</b>	<b>90.3</b>	<b>46.3</b>	<b>120.0</b>	<b>(50.7)</b>	<b>161.8</b>	<b>46.7</b>	<b>(34.2)</b>	<b>(201.6)</b>
Income tax for the period	(32.3)	(39.1)	(80.1)	26.0	(53.3)	(32.4)	(53.2)	(17.9)
Minority interest	(1.2)	(0.6)	1.6	0.7	0.5	0.5	0.8	2.5
<b>Net profit</b>	<b>56.8</b>	<b>6.6</b>	<b>41.5</b>	<b>(24.0)</b>	<b>109.0</b>	<b>14.8</b>	<b>(86.6)</b>	<b>(217.0)</b>



## Restated balance sheet

Mediobanca Group (€m)	30/6/12	30/6/13
<b>Assets</b>		
Treasury funds	9,330.4	8,199.7
AFS securities	10,552.1	11,489.8
<i>of which: fixed income</i>	<i>9,447.1</i>	<i>9,967.1</i>
<i>equities</i>	<i>1,090.8</i>	<i>1,507.8</i>
Fixed assets (HTM & LR)	2,328.1	2,053.5
Loans and advances to customers	36,309.5	33,455.4
Equity investments	3,165.5	2,586.9
Tangible and intangible assets	718.1	707.7
Other assets	1,355.6	1,247.3
<i>of which: tax assets</i>	<i>1,037.1</i>	<i>896.1</i>
<b>Total assets</b>	<b>63,759.3</b>	<b>59,740.3</b>
<b>Liabilities</b>		
Funding	55,788.0	51,287.8
<i>of which: debt securities in issue</i>	<i>30,004.2</i>	<i>25,856.4</i>
<i>retail deposits</i>	<i>11,634.1</i>	<i>11,874.2</i>
Other liabilities	1,177.2	1,312.1
<i>of which: tax liabilities</i>	<i>494.1</i>	<i>608.0</i>
Provisions	185.1	192.2
Net equity	6,528.1	7,128.0
<i>of which: share capital</i>	<i>430.6</i>	<i>430.6</i>
<i>reserves</i>	<i>5,988.1</i>	<i>6,589.9</i>
<i>minority interest</i>	<i>109.4</i>	<i>107.5</i>
Profit for the period	80.9	(179.8)
<b>Total liabilities</b>	<b>63,759.3</b>	<b>59,740.3</b>
Core tier 1 capital	6,338.9	6,153.2
Total capital	7,810.0	8,155.4
RWAs	55,164.0	52,372.1

## Ratios (%) and per share data (€)

Mediobanca Group (€m)	30/6/12	30/6/13
Total assets/net equity	9.8	8.4
Loans/deposits	0.7	0.7
Core tier 1 ratio	11.5	11.7
Regulatory capital/RWAs	14.2	15.6
S&P rating	BBB+	BBB+
Cost/income ratio	39.7	47.4
NPLs/loans	0.7	0.8
EPS (€)	0.09	(0.21)
BVPS (€)	7.5	8.2
DPS (€)	0.05	-
No. of shares outstanding (millions)	861.1	861.1



## NEW DIVISIONAL DATA

### Profit-and-loss figures/balance-sheet data by division

12 mths to 30/6/13	Corporate & Private Banking	Principal Investing	Retail & Consumer Banking	Corporate Centre	Group
	286.9	0.0	696.5	46.4	1,028.0
Net interest income	168.1	17.9	(0.3)	(0.2)	168.9
Net trading income	268.3	0.0	173.4	9.1	409.7
Net fee and commission income	0.0	(10.0)	0.0	0.0	(9.5)
Equity-accounted companies	<b>723.3</b>	<b>7.9</b>	<b>869.6</b>	<b>55.3</b>	<b>1,597.1</b>
<b>Total income</b>	<b>(209.2)</b>	<b>(9.6)</b>	<b>(148.7)</b>	<b>(33.8)</b>	<b>(384.0)</b>
Labour costs	(125.5)	(1.6)	(255.4)	(23.7)	(372.9)
Administrative expenses	<b>(334.7)</b>	<b>(11.2)</b>	<b>(404.1)</b>	<b>(57.5)</b>	<b>(756.9)</b>
Operating costs	47.4	16.7	(15.5)	0.0	48.0
Gains (losses) on AFS, HTM & LR	(121.5)	0.0	(360.1)	(25.3)	(506.5)
Loan loss provisions	15.0	(422.3)	0.0	0.0	(404.2)
Provisions for other financial assets	(4.7)	0.0	(0.5)	(4.4)	(4.8)
Other income (losses)	<b>324.8</b>	<b>(408.9)</b>	<b>89.4</b>	<b>(31.9)</b>	<b>(27.3)</b>
<b>Profit before tax</b>	<b>(122.4)</b>	<b>1.8</b>	<b>(46.6)</b>	<b>8.1</b>	<b>(156.8)</b>
Income tax for the period	0.0	0.0	0.0	4.3	4.3
Minority interest	<b>202.4</b>	<b>(407.1)</b>	<b>42.8</b>	<b>(19.5)</b>	<b>(179.8)</b>
<b>Net profit</b>					
	10,008.6	0.0	9,028.4	117.4	8,199.7
Treasury funds	9,408.4	1,493.8	871.8	0.0	11,489.8
AFS securities	5,179.9	0.0	1,747.0	0.0	2,053.5
Fixed assets (HTM & LR)	0.0	2,500.1	0.0	0.0	2,586.9
Equity investments	25,802.9	0.0	13,694.2	3,453.0	33,455.4
Loans and advances to customers	9,047.2	n.m.	n.m.	n.m.	n.m.
<i>of which to Group companies</i>	(49,066.3)	0.0	(24,384.2)	(3,215.3)	(51,287.8)
Funding	34,151.9	4,470.2	10,570.6	3,179.4	52,372.1
RWAs	980*	n.m.	2,346	308	3,505

\* Includes 129 staff employed by Banca Esperia pro-forma, not included in the Group total.



12 mths to 30/6/12	Corporate & Private Banking	Principal Investing	Retail & Consumer Banking	Corporate Centre	Group
Net interest income	349.4	0.0	673.2	57.1	1,069.8
Net trading income	248.5	17.6	0.4	(0.2)	266.8
Net fee and commission income	332.0	0.5	180.0	12.1	483.5
Equity-accounted companies	0.0	167.5	0.0	0.0	169.5
<b>Total income</b>	<b>929.9</b>	<b>185.6</b>	<b>853.6</b>	<b>69.0</b>	<b>1,989.6</b>
Labour costs	(217.2)	(10.3)	(145.2)	(36.0)	(393.3)
Administrative expenses	(122.3)	(1.7)	(278.7)	(23.1)	(395.7)
<b>Operating costs</b>	<b>(339.5)</b>	<b>(12.0)</b>	<b>(423.9)</b>	<b>(59.1)</b>	<b>(789.0)</b>
Gains (losses) on AFS, HTM & LR	(4.4)	29.3	0.4	0.0	32.4
Loan loss provisions	(109.6)	0.0	(330.8)	(27.1)	(468.3)
Provisions for other financial assets	(143.3)	(460.7)	0.0	0.0	(604.0)
Other income (losses)	47.5	0.0	0.0	(0.1)	45.2
<b>Profit before tax</b>	<b>380.6</b>	<b>(257.8)</b>	<b>99.3</b>	<b>(17.3)</b>	<b>205.9</b>
Income tax for the period	(86.0)	1.0	(45.3)	2.4	(125.5)
Minority interest	0.0	0.0	0.0	0.5	0.5
<b>Net profit</b>	<b>294.6</b>	<b>(256.8)</b>	<b>54.0</b>	<b>(14.4)</b>	<b>80.9</b>
Treasury funds	11,576.5	0.0	7,724.3	157.9	9,330.4
AFS securities	8,796.5	1,075.0	1,179.8	0.0	10,552.1
Fixed assets (HTM & LR)	4,022.8	0.0	2,722.0	0.0	2,328.1
Equity investments	0.0	3,082.2	0.0	0.0	3,165.5
Loans and advances to customers	29,521.0	0.0	13,508.5	4,119.2	36,309.5
<i>of which to Group companies</i>	10,461.3	n.m.	n.m.	n.m.	n.m.
Funding	(53,231.4)	0.0	(24,403.3)	(3,751.5)	(55,788.0)
RWAs	36,501.1	4,578.0	10,351.7	3,739.2	55,164.0
Net interest income	992*	n.m.	2,323	323	3,506

\* Includes 129 staff employed by Banca Esperia pro-forma, not included in the Group total.



## Corporate & Private Banking

CPB (€ m)	12 mths	12 mths	Y.o.Y. chg. %
	30/6/12	30/6/13	
Net interest income	349.4	286.9	-17.9%
Net trading income	248.5	168.1	-32.4%
Net fee and commission income	332.0	268.3	-19.2%
Equity-accounted companies	0.0	0.0	n.m.
<b>Total income</b>	<b>929.9</b>	<b>723.3</b>	<b>-22.2%</b>
Labour costs	(217.2)	(209.2)	-3.7%
Administrative expenses	(122.3)	(125.5)	2.6%
<b>Operating costs</b>	<b>(339.5)</b>	<b>(334.7)</b>	<b>-1.4%</b>
Gains (losses) on AFS, HTM & LR	(4.4)	47.4	n.m.
Loan loss provisions	(109.6)	(121.5)	10.9%
Provisions for other financial assets	(143.3)	15.0	n.m.
Other income (losses)	47.5	(4.7)	n.m.
<b>Profit before tax</b>	<b>380.6</b>	<b>324.8</b>	<b>-14.7%</b>
Income tax for the period	(86.0)	(122.4)	42.3%
Minority interest	0.0	0.0	n.m.
<b>Net profit</b>	<b>294.6</b>	<b>202.4</b>	<b>-31.3%</b>
Treasury funds	11,576.5	10,008.6	-13.5%
AFS securities	8,796.5	9,408.4	7.0%
Fixed assets (HTM & LR)	4,022.8	5,179.9	28.8%
Equity investments	0.0	0.0	n.m.
Loans and advances to customers	29,521.0	25,802.9	-12.6%
<i>of which to Group companies</i>	10,461.3	9,047.2	-13.5%
Funding	(53,231.4)	(49,066.3)	-7.8%
RWAs	36,501.1	34,151.9	-6.4%
No. of staff	992	980	-1.2%



CIB by segment - 12 mths to 30/6/13 (€m)	Wholesale	Private Banking	Total CPB
Net interest income	246.2	40.7	286.9
Net trading income	156.2	11.9	168.1
Net fee and commission income	197.6	70.7	268.3
Equity-accounted companies	0.0	0.0	0.0
<b>Total income</b>	<b>600.0</b>	<b>123.3</b>	<b>723.3</b>
Labour costs	(154.6)	(54.6)	(209.2)
Administrative expenses	(92.5)	(33.0)	(125.5)
<b>Operating costs</b>	<b>(247.1)</b>	<b>(87.6)</b>	<b>(334.7)</b>
Gains (losses) on AFS, HTM & LR	28.8	18.6	47.4
Loan loss provisions	(120.1)	(1.4)	(121.5)
Provisions for other financial assets	19.0	(4.0)	15.0
Other income (losses)	0.0	(4.7)	(4.7)
<b>Profit before tax</b>	<b>280.6</b>	<b>44.2</b>	<b>324.8</b>
Income tax for the period	(119.3)	(3.1)	(122.4)
Minority interest	0.0	0.0	0.0
<b>Net profit</b>	<b>161.3</b>	<b>41.1</b>	<b>202.4</b>
Loans and advances to customers	24,549.7	1,253.2	25,802.9
<i>of which to Group companies</i>	9,047.2	0.0	9,047.2
AUM	-	13,839.5	13,839.5
RWA	32,382.8	1,769.1	34,151.9
No. of staff	636	344	980
Cost/income ratio (%)	41.2	71.0	46.3
NPLs/Ls ratio (%)	0.0	0.8	0.0



CIB by segment - 12 mths to 30/6/12 (€m)	Wholesale	Private Banking	Total CPB
Net interest income	315.4	34.0	349.4
Net trading income	239.0	9.5	248.5
Net fee and commission income	265.6	66.4	332.0
Equity-accounted companies	0.0	0.0	0.0
<b>Total income</b>	<b>820.0</b>	<b>109.9</b>	<b>929.9</b>
Labour costs	(165.6)	(51.6)	(217.2)
Administrative expenses	(91.5)	(30.8)	(122.3)
<b>Operating costs</b>	<b>(257.1)</b>	<b>(82.4)</b>	<b>(339.5)</b>
Gains (losses) on AFS, HTM & LR	(5.5)	1.1	(4.4)
Loan loss provisions	(107.1)	(2.5)	(109.6)
Provisions for other financial assets	(142.6)	(0.7)	(143.3)
Other income (losses)	0.0	47.5	47.5
<b>Profit before tax</b>	<b>307.7</b>	<b>72.9</b>	<b>380.6</b>
Income tax for the period	(83.6)	(2.4)	(86.0)
Minority interest	0.0	0.0	0.0
<b>Net profit</b>	<b>224.1</b>	<b>70.5</b>	<b>294.6</b>
Loans and advances to customers	28,368.5	1,152.5	29,521.0
<i>of which to Group companies</i>	10,461.3	0.0	10,461.3
AUM	-	12,640.5	12,640.5
RWA	34,749.1	1,752.0	36,501.1
No. of staff	650	342	992
Cost/income ratio (%)	31.4	75.0	36.5
NPLs/Ls ratio (%)	0.0	1.1	0.0





Principal Investing

PI (€ m)	12 mths	12 mths	Y.o.Y. chg. %
	30/6/12	30/6/13	
Net interest income	0.0	0.0	n.m.
Net trading income	17.6	17.9	1.7%
Net fee and commission income	0.5	0.0	n.m.
Equity-accounted companies	167.5	(10.0)	n.m.
<b>Total income</b>	<b>185.6</b>	<b>7.9</b>	<b>n.m.</b>
Labour costs	(10.3)	(9.6)	-6.8%
Administrative expenses	(1.7)	(1.6)	-5.9%
<b>Operating costs</b>	<b>(12.0)</b>	<b>(11.2)</b>	<b>-6.7%</b>
Gains (losses) on AFS, HTM & LR	29.3	16.7	-43.0%
Loan loss provisions	0.0	0.0	n.m.
Provisions for other financial assets	(460.7)	(422.3)	-8.3%
Other income (losses)	0.0	0.0	n.m.
<b>Profit before tax</b>	<b>(257.8)</b>	<b>(408.9)</b>	<b>n.m.</b>
Income tax for the period	1.0	1.8	n.m.
Minority interest	0.0	0.0	n.m.
<b>Net profit</b>	<b>(256.8)</b>	<b>(407.1)</b>	<b>n.m.</b>
AFS securities	1,075.0	1,493.8	39.0%
Equity investments	3,082.2	2,500.1	-18.9%
RWAs	4,578.0	4,470.2	-2.4%



## Retail & Consumer Banking

R&C (€ m)	12 mths	12 mths	Y.o.Y. chg. %
	30/6/12	30/6/13	
Net interest income	673.2	696.5	3.5%
Net trading income	0.4	(0.3)	n.m.
Net fee and commission income	180.0	173.4	-3.7%
Equity-accounted companies	0.0	0.0	n.m.
<b>Total income</b>	<b>853.6</b>	<b>869.6</b>	<b>1.9%</b>
Labour costs	(145.2)	(148.7)	2.4%
Administrative expenses	(278.7)	(255.4)	-8.4%
<b>Operating costs</b>	<b>(423.9)</b>	<b>(404.1)</b>	<b>-4.7%</b>
Gains (losses) on AFS, HTM & LR	0.4	(15.5)	n.m.
Loan loss provisions	(330.8)	(360.1)	8.9%
Provisions for other financial assets	0.0	0.0	n.m.
Other income (losses)	0.0	(0.5)	n.m.
<b>Profit before tax</b>	<b>99.3</b>	<b>89.4</b>	<b>-10.0%</b>
Income tax for the period	(45.3)	(46.6)	2.9%
Minority interest	0.0	0.0	n.m.
<b>Net profit</b>	<b>54.0</b>	<b>42.8</b>	<b>-20.7%</b>
Treasury funds	7,724.3	9,028.4	16.9%
AFS securities	1,179.8	871.8	-26.1%
Fixed assets (HTM & LR)	2,722.0	1,747.0	-35.8%
Equity investments	0.0	0.0	n.m.
Loans and advances to customers	13,508.5	13,694.2	1.4%
Funding	(24,403.3)	(24,384.2)	-0.1%
RWAs	10,351.7	10,570.6	2.1%
No. of staff	2,323	2,346	1.0%
No. of branches	202	208	3.0%
Cost/income ratio (%)	49.7	46.5	
NPLs/loans (%)	1.3	1.5	



RPB by segment - 12 mths to 30/6/13 (€ m)	Consumer credit	Retail Banking	Total R&C
Net interest income	554.6	141.9	696.5
Net trading income	0.0	(0.3)	(0.3)
Net fee and commission income	158.6	14.8	173.4
Equity-accounted companies	0.0	0.0	0.0
<b>Total income</b>	<b>713.2</b>	<b>156.4</b>	<b>869.6</b>
Labour costs	(88.2)	(60.5)	(148.7)
Administrative expenses	(171.4)	(84.0)	(255.4)
<b>Operating costs</b>	<b>(259.6)</b>	<b>(144.5)</b>	<b>(404.1)</b>
Gains (losses) on AFS, HTM & LR	0.0	(15.5)	(15.5)
Loan loss provisions	(335.0)	(25.1)	(360.1)
Provisions for other financial assets	0.0	0.0	0.0
Other income (losses)	0.0	(0.5)	(0.5)
<b>Profit before tax</b>	<b>118.6</b>	<b>(29.2)</b>	<b>89.4</b>
Income tax for the period	(48.0)	1.4	(46.6)
Minority interest	0.0	0.0	0.0
<b>Net profit</b>	<b>70.6</b>	<b>(27.8)</b>	<b>428</b>
Loans and advances to customers	9,427.7	4,266.5	13,694.2
RWA	8,930.0	1,640.6	10,570.6
AUM	5,006.5	289.0	5,295.5
No. of staff	1,435	911	2,346
No. of branches	163	45	208
Cost/income ratio (%)	36.4	92.4	46.5
NPLs/loans (%)	0.9	2.0	1.5



RPB by segment - 12 mths to 30/6/12 (€ m)	Consumer credit	Retail Banking	Total R&C
Net interest income	540.4	132.8	673.2
Net trading income	0.4	0.0	0.4
Net fee and commission income	171.9	8.1	180.0
Equity-accounted companies	0.0	0.0	0.0
<b>Total income</b>	<b>712.7</b>	<b>140.9</b>	<b>853.6</b>
Labour costs	(82.9)	(62.3)	(145.2)
Administrative expenses	(172.0)	(106.7)	(278.7)
<b>Operating costs</b>	<b>(254.9)</b>	<b>(169.0)</b>	<b>(423.9)</b>
Gains (losses) on AFS, HTM & LR	0.0	0.4	0.4
Loan loss provisions	(311.3)	(19.5)	(330.8)
Provisions for other financial assets	0.0	0.0	0.0
Other income (losses)	0.0	0.0	0.0
<b>Profit before tax</b>	<b>146.5</b>	<b>(47.2)</b>	<b>99.3</b>
Income tax for the period	(49.9)	4.6	(45.3)
Minority interest	0.0	0.0	0.0
<b>Net profit</b>	<b>96.6</b>	<b>(42.6)</b>	<b>54.0</b>
Loans and advances to customers	9,197.7	4,310.8	13,508.5
RWA	8,484.8	1,866.9	10,351.7
AUM	4,918.0	561.8	5,479.8
No. of staff	1,396	927	2,323.0
No. of branches	158	44	202.0
Cost/income ratio (%)	35.8	119.9	49.7
NPLs/loans (%)	0.8	1.7	1.3



## Parent company P&L and balance sheet

Mediobanca S.p.A. (€ m)	12 mths	12 mths	Y.o.Y. chg. %
	30/6/12	30/6/13	
Net interest income	276.3	227.3	-17.7%
Net trading income	253.1	170.9	-32.5%
Net fee and commission income	264.8	197.1	-25.6%
Equity-accounted companies	47.4	49.1	+3.6%
<b>Total income</b>	<b>841.6</b>	<b>644.4</b>	<b>-23.4%</b>
Labour costs	(188.7)	(177.3)	-6.0%
Administrative expenses	(100.3)	(100.3)	-
<b>Operating costs</b>	<b>(289.0)</b>	<b>(277.6)</b>	<b>-3.9%</b>
Gains (losses) on AFS, HTM & LR	32.5	45.5	40.0%
Loan loss provisions	(106.8)	(119.1)	11.5%
Provisions for other financial assets	(412.3)	(214.0)	-48.1%
Other income (losses)	(198.4)	(244.9)	+23.4%
<b>Profit before tax</b>	<b>(0.3)</b>	<b>(35.7)</b>	<b>n.m.</b>
Income tax for the period	(132.7)	(130.0)	n.m.
Minority interest	(67.5)	(105.0)	55.6%
<b>Net profit</b>	<b>(200.2)</b>	<b>(235.0)</b>	<b>n.m.</b>

Mediobanca S.p.A. (€ m)	30/6/12	30/6/13
<b>Assets</b>		
Treasury funds	10,760.6	9,138.6
AFS securities	9,356.7	10,319.3
Fixed assets (HTM & LR)	4,013.4	5,004.3
Loans and advances to customers	27,219.5	23,003.6
Equity investments	3,214.4	2,717.6
Tangible and intangible assets	138.1	131.9
Other assets	538.1	419.3
<b>Total assets</b>	<b>55,240.8</b>	<b>50,734.6</b>
<b>Liabilities</b>		
Funding	50,056.4	45,369.3
Other liabilities	602.8	712.6
Provisions	160.1	160.5
Net equity	4,621.7	4,727.2
Profit for the period	(200.2)	(235.0)
<b>Total liabilities</b>	<b>55,240.8</b>	<b>50,734.6</b>



## OLD DIVISIONAL DATA

### Profit-and-loss figures/balance-sheet data by division

12 mths to 30/6/13 (€ mi)	Corporate & Investment Banking	Principal Investing	Retail & Private Banking	Group
Net interest income	300.6	(7.8)	737.2	1,028.0
Net trading income	167.6	6.3	11.6	168.9
Net fee and commission income	203.0	0.0	244.1	409.7
Equity-accounted companies	30.9	(40.9)	0.0	(9.5)
<b>Total income</b>	<b>702.1</b>	<b>(42.4)</b>	<b>992.9</b>	<b>1,597.1</b>
Labour costs	(188.0)	(4.9)	(205.5)	(384.0)
Administrative expenses	(111.0)	(3.4)	(291.2)	(372.9)
<b>Operating costs</b>	<b>(299.0)</b>	<b>(8.3)</b>	<b>(496.7)</b>	<b>(756.9)</b>
Gains (losses) on AFS, HTM & LR	45.5	0.0	3.1	48.0
Loan loss provisions	(145.4)	0.0	(361.5)	(506.5)
Provisions for other financial assets	(27.8)	(375.5)	(4.0)	(404.2)
Other income (losses)	(4.4)	0.0	(5.2)	(4.8)
<b>Profit before tax</b>	<b>271.0</b>	<b>(426.2)</b>	<b>128.6</b>	<b>(27.3)</b>
Income tax for the period	(114.4)	3.6	(48.2)	(156.8)
Minority interest	4.3	0.0	0.0	4.3
<b>Net profit</b>	<b>160.9</b>	<b>(422.6)</b>	<b>80.4</b>	<b>(179.8)</b>
Treasury funds	9,204.6	0.0	9,949.2	8,199.7
AFS securities	10,073.8	245.5	1,454.7	11,489.8
Fixed assets (HTM & LR)	5,004.3	0.0	1,922.6	2,053.5
Equity investments	19.0	2,481.1	0.0	2,586.9
Loans and advances to customers	26,196.9	0.0	14,947.4	33,455.4
<i>of which to Group companies</i>	7,241.4	n.m.	n.m.	n.m.
Funding	(47,962.1)	(259.8)	(26,602.0)	(51,287.8)
RWAs	37,193.3	2,804.8	12,339.7	52,372.1
No. of staff	944	n.m.	2,690*	3,505

\* Includes 129 staff employed by Banca Esperia pro-forma, not included in the Group total.



12 mths to 30/6/12 (€ mi)	Corporate & Investment Banking	Principal Investing	Retail & Private Banking	Group
Net interest income	381.6	(8.8)	707.2	1,069.8
Net trading income	256.4	0.0	9.9	266.8
Net fee and commission income	275.6	0.0	246.4	483.5
Equity-accounted companies	19.7	147.8	0.0	169.5
<b>Total income</b>	<b>933.3</b>	<b>139.0</b>	<b>963.5</b>	<b>1,989.6</b>
Labour costs	(202.2)	(5.6)	(199.4)	(393.3)
Administrative expenses	(110.9)	(2.8)	(311.6)	(395.7)
<b>Operating costs</b>	<b>(313.1)</b>	<b>(8.4)</b>	<b>(511.0)</b>	<b>(789.0)</b>
Gains (losses) on AFS, HTM & LR	23.8	0.0	1.5	32.4
Loan loss provisions	(134.2)	0.0	(333.3)	(468.3)
Provisions for other financial assets	(405.5)	(197.8)	(0.7)	(604.0)
Other income (losses)	0.0	0.0	47.5	45.2
<b>Profit before tax</b>	<b>104.3</b>	<b>(67.2)</b>	<b>167.5</b>	<b>205.9</b>
Income tax for the period	(85.1)	3.7	(46.3)	(125.5)
Minority interest	0.5	0.0	0.0	0.5
<b>Net profit</b>	<b>19.7</b>	<b>(63.5)</b>	<b>121.2</b>	<b>80.9</b>
Treasury funds	10,641.7	0.0	8,816.5	9,330.4
AFS securities	9,210.3	146.3	1,694.6	10,552.1
Fixed assets (HTM & LR)	4,013.4	0.0	2,731.4	2,328.1
Equity investments	385.8	2,696.4	0.0	3,165.5
Loans and advances to customers	30,519.7	0.0	14,661.0	36,309.5
<i>of which to Group companies</i>	8,493.3	n.m.	n.m.	n.m.
Funding	(52,552.8)	(259.8)	(26,574.1)	(55,788.0)
RWAs	39,939.6	3,093.7	12,103.7	55,164.0
No. of staff	973	0.0	2,665*	3,506

\* Include pro-forma 132 dipendenti di Banca Esperia, non ricompresi nel totale.



## Corporate & Investment Banking

CIB by segment - 12 mths to 30/6/13 (€m)	Wholesale	Leasing	Total CIB
Net interest income	254.0	46.6	300.6
Net trading income	167.8	(0.2)	167.6
Net fee and commission income	201.4	1.6	203.0
Equity-accounted companies	30.9	0.0	30.9
<b>Total income</b>	<b>654.1</b>	<b>48.0</b>	<b>702.1</b>
Labour costs	(171.1)	(16.9)	(188.0)
Administrative expenses	(97.6)	(13.4)	(111.0)
<b>Operating costs</b>	<b>(268.7)</b>	<b>(30.3)</b>	<b>(299.0)</b>
Gains (losses) on AFS, HTM & LR	45.5	0.0	45.5
Loan loss provisions	(120.1)	(25.3)	(145.4)
Provisions for other financial assets	(27.8)	0.0	(27.8)
Other income (losses)	0.0	(4.4)	(4.4)
<b>Profit before tax</b>	<b>283.0</b>	<b>(12.0)</b>	<b>271.0</b>
Income tax for the period	(115.6)	1.2	(114.4)
Minority interest	0.0	4.3	4.3
<b>Net profit</b>	<b>167.4</b>	<b>(6.5)</b>	<b>160.9</b>
Loans and advances to customers	22,743.9	3,453.0	26,196.9
<i>of which to Group companies</i>	7,241.4	0.0	7,241.4
RWA	34,048.2	3,145.1	37,193.3
New loans	n.m	250.4	n.m
No. of staff	784	160	944
No. of branches	n.s	12	n.s
Cost/income ratio (%)	41.1	63.1	42.6
NPLs/loans (%)	0.0	1.6	0.3





CIB by segment - 12 mths to 30/6/12 (€m)	Wholesale	Leasing	Total CIB
Net interest income	324.2	57.4	381.6
Net trading income	256.6	(0.2)	256.4
Net fee and commission income	270.1	5.5	275.6
Equity-accounted companies	19.7	0.0	19.7
<b>Total income</b>	<b>870.6</b>	<b>62.7</b>	<b>933.3</b>
Labour costs	(181.2)	(21.0)	(202.2)
Administrative expenses	(98.5)	(12.4)	(110.9)
<b>Operating costs</b>	<b>(279.7)</b>	<b>(33.4)</b>	<b>(313.1)</b>
Gains (losses) on AFS, HTM & LR	23.8	0.0	23.8
Loan loss provisions	(107.1)	(27.1)	(134.2)
Provisions for other financial assets	(405.5)	0.0	(405.5)
Other income (losses)	0.0	0.0	0.0
<b>Profit before tax</b>	<b>102.1</b>	<b>2.2</b>	<b>104.3</b>
Income tax for the period	(81.3)	(3.8)	(85.1)
Minority interest	0.0	0.5	0.5
<b>Net profit</b>	<b>20.8</b>	<b>(1.1)</b>	<b>19.7</b>
Loans and advances to customers	26,400.5	4,119.2	30,519.7
<i>of which to Group companies</i>	8,493.3	0.0	8,493.3
RWA	36,233.4	3,706.2	39,939.6
New loans	N/A	800.9	n.m
No. of staff	788	185	973
No. of branches	n.m	12	n.m
Cost/income ratio (%)	32.1	53.3	33.5
NPLs/loans (%)	0.0	1.4	0.3



## Retail & Private Banking

RPB by segment- 30/6/13 (€ m)	Consumer Credit	Retail Banking	Private Banking	Total RPB
Net interest income	554.6	141.9	40.7	737.2
Net trading income	0.0	(0.3)	11.9	11.6
Net fee and commission income	158.6	14.8	70.7	244.1
Equity-accounted companies	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>713.2</b>	<b>156.4</b>	<b>123.3</b>	<b>992.9</b>
Labour costs	(91.1)	(59.8)	(54.6)	(205.5)
Administrative expenses	(174.2)	(84.0)	(33.0)	(291.2)
<b>Operating costs</b>	<b>(265.3)</b>	<b>(143.8)</b>	<b>(87.6)</b>	<b>(496.7)</b>
Gains (losses) on AFS, HTM & LR	0.0	(15.5)	18.6	3.1
Loan loss provisions	(335.0)	(25.1)	(1.4)	(361.5)
Provisions for other financial assets	0.0	0.0	(4.0)	(4.0)
Other income (losses)	0.0	(0.5)	(4.7)	(5.2)
<b>Profit before tax</b>	<b>112.9</b>	<b>(28.5)</b>	<b>44.2</b>	<b>128.6</b>
Income tax for the period	(46.3)	1.2	(3.1)	(48.2)
Minority interest	0.0	0.0	0.0	0.0
<b>Net profit</b>	<b>66.6</b>	<b>(27.3)</b>	<b>41.1</b>	<b>80.4</b>
Loans and advances to customers	9,427.7	4,266.5	1,253.2	14,947.4
RWAs	8,930.0	1,640.6	1,769.1	12,339.7
New loans	5,006.5	289.0	0.0	5,295.5
AUM	-	-	13,839.5	13,839.5
No. of staff	1,435	911	344	2,690
No. of branches	163	45	0.0	208
Cost/income ratio (%)	37.2	91.9	71.0	50.0
NPLs/loans (%)	1.2	2.0	0.8	1.4



RPB by segment - 30/6/12 (€ m)	Consumer Credit	Retail Banking	Private Banking	Total RPB
Net interest income	540.4	132.8	34.0	707.2
Net trading income	0.4	0.0	9.5	9.9
Net fee and commission income	171.9	8.1	66.4	246.4
Equity-accounted companies	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>712.7</b>	<b>140.9</b>	<b>109.9</b>	<b>963.5</b>
Labour costs	(86.2)	(61.6)	(51.6)	(199.4)
Administrative expenses	(174.1)	(106.7)	(30.8)	(311.6)
<b>Operating costs</b>	<b>(260.3)</b>	<b>(168.3)</b>	<b>(82.4)</b>	<b>(511.0)</b>
Gains (losses) on AFS, HTM & LR	0.0	0.4	1.1	1.5
Loan loss provisions	(311.3)	(19.5)	(2.5)	(333.3)
Provisions for other financial assets	0.0	0.0	(0.7)	(0.7)
Other income (losses)	0.0	0.0	47.5	47.5
<b>Profit before tax</b>	<b>141.1</b>	<b>(46.5)</b>	<b>72.9</b>	<b>167.5</b>
Income tax for the period	(48.3)	4.4	(2.4)	(46.3)
Minority interest	0.0	0.0	0.0	0.0
<b>Net profit</b>	<b>92.8</b>	<b>(42.1)</b>	<b>70.5</b>	<b>121.2</b>
Loans and advances to customers	9,197.7	4,310.8	1,152.5	14,661.0
RWAs	8,484.8	1,866.9	1,752.0	12,103.7
New loans	4,918.0	561.8	0	5,479.8
AUM	-	-	12,640.5	12,640.5
No. of staff	1,396	927	342	2,665
No. of branches	158	44	0.0	202
Cost/income ratio (%)	36.5	n.s.	75.0	53.0
NPLs/loans (%)	1.1	1.6	1.1	1.3

As required by Article 154-bis, paragraph 2 of Italian Legislative Decree 58/98, the undersigned hereby declares that the financial information contained in this document corresponds to that contained in the company's documents, account books and ledger entries.

Head of  
Company Financial Reporting

Massimo Bertolini