

**CREDIT OPINION**

4 October 2024

Update

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**RATINGS**

**Mediobanca S.p.A.**

Domicile	Milan, Italy
Long Term CRR	Baa1
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Baa1
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	Baa1
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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**Mediobanca S.p.A.**

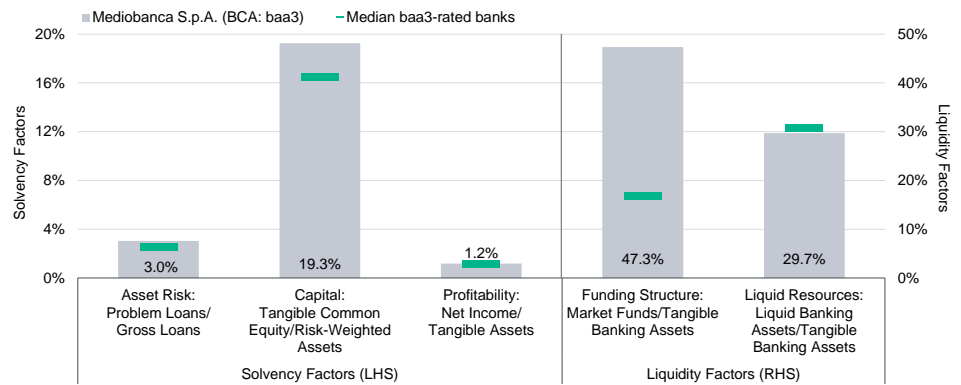
Update to credit analysis

**Summary**

[Mediobanca S.p.A.](#)'s Baa1 long-term (LT) deposit and senior unsecured debt ratings reflect its standalone Baseline Credit Assessment (BCA) of baa3; its extremely low loss given failure under our Advanced Loss Given Failure (LGF) analysis, resulting in three notches of uplift for the deposit rating, which however is capped at Baa1, two notches above [Italy's](#) (Baa3 stable) sovereign rating per our Banks methodology; its very low loss given failure, resulting in two notches of uplift for the senior unsecured rating; and our assessment of a low probability of support from the Government of Italy, which results in no further uplift.

Mediobanca's BCA of baa3 reflects the bank's strong capitalisation, and good and diversified profitability, mitigated by high reliance on wholesale funding. The BCA also factors in Mediobanca's large stake in [Assicurazioni Generali S.p.A.](#) (Generali, insurance financial strength rating A3 stable).

Exhibit 1  
**Rating Scorecard - Key financial ratios**



Source: Moody's Ratings™

## Credit strengths

- » Strong capital levels, enabling the bank to better withstand shocks
- » Good profitability, enhanced by diversified activities

## Credit challenges

- » Concentration risk in the corporate loan book and large stake in Generali
- » High reliance on wholesale funding

## Outlook

The stable outlook on the LT deposit, issuer and senior unsecured debt ratings of Mediobanca reflects our view that both the bank's creditworthiness and liability structure will remain stable over the next 12-18 months.

The stable outlook is also in line with the stable outlook on Italy's sovereign rating, which caps the bank's ratings at two notches above the Italian government bond rating per our Banks methodology.

## Factors that could lead to an upgrade

An upgrade of Mediobanca's baa3 BCA, Baa1 LT deposit, issuer and senior unsecured debt ratings is unlikely as long as the Italy's government bond rating is at Baa3.

## Factors that could lead to a downgrade

Factors that could lead to a downgrade of Mediobanca's ratings include a lower BCA triggered by significant capital-eroding losses, a deterioration in asset quality and liquidity, or a downgrade of the sovereign debt rating below Baa3.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### Mediobanca S.p.A. (Consolidated Financials) [1]

	12-23 <sup>2</sup>	06-23 <sup>2</sup>	06-22 <sup>2</sup>	06-21 <sup>2</sup>	06-20 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (EUR Million)	93,594.4	89,924.4	88,445.6	79,448.4	76,997.9	5.7 <sup>4</sup>
Total Assets (USD Million)	103,389.6	98,107.6	92,465.1	94,218.0	86,480.5	5.2 <sup>4</sup>
Tangible Common Equity (EUR Million)	9,975.6	10,474.7	9,381.5	9,337.5	8,457.9	4.8 <sup>4</sup>
Tangible Common Equity (USD Million)	11,019.6	11,427.9	9,807.8	11,073.3	9,499.6	4.3 <sup>4</sup>
Problem Loans / Gross Loans (%)	2.5	2.5	3.2	4.0	4.8	3.4 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	19.3	19.3	17.9	19.1	17.0	18.5 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	11.1	10.9	15.3	18.0	23.0	15.7 <sup>5</sup>
Net Interest Margin (%)	2.3	2.1	1.9	1.9	2.0	2.0 <sup>5</sup>
PPI / Average RWA (%)	2.9	2.4	2.0	2.4	2.0	2.3 <sup>6</sup>
Net Income / Tangible Assets (%)	1.3	1.2	1.0	1.1	0.9	1.1 <sup>5</sup>
Cost / Income Ratio (%)	51.5	54.7	59.0	54.2	56.9	55.3 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	51.7	47.3	46.7	45.9	47.1	47.7 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	34.4	29.7	30.6	28.5	28.2	30.3 <sup>5</sup>
Gross Loans / Due to Customers (%)	181.2	179.2	171.8	184.2	187.9	180.9 <sup>5</sup>

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

## Profile

Mediobanca S.p.A is a medium-sized financial group with reported total assets of €99 billion as of June 2024. The bank has some international diversification (around 20% of its loans come from outside Italy), and provides its clients with lending and other services in financial advisory and asset management. Mediobanca's revenue mostly relies on consumer lending but its strategy has evolved in the last decade towards increased business diversification with the development of wealth management — both organically and through selective acquisitions — and with increased capital-light activities in Corporate and Investment Banking.

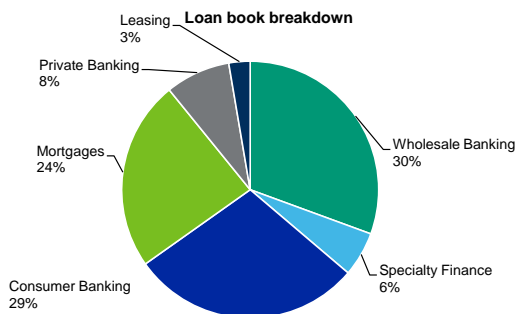
In 2023, Mediobanca closed the acquisition of Arma Partners, a European boutique based in the UK and specialized in advisory to M&A deals in the tech/digital space. In 2021, Mediobanca closed the acquisition of ByBrook Capital, a European distressed debt manager based in London. In 2019, the bank announced the acquisition of 66% of the French corporate finance company Messier Maris & Associés, following which France became the group's third-biggest regional investment banking market after Italy and Spain.

Mediobanca's main commercial divisions are as follows:

- » Consumer Banking, the bank's main division, accounting for more than one-third of its revenue and profit on average. This division operates only in Italy, where it is among the top three market participants in terms of lending volume. Mediobanca's consumer finance activities mainly cover unsecured consumer loans, secured personal loans with a direct pledge on the borrower's salary, auto financing and credit cards through its subsidiaries Compass Banca and Compass RE.
- » Corporate and Investment Banking (CIB, slightly below one-quarter of the bank's revenue and profit on average). This division focuses on lending, capital market activities and advisory services to large corporate clients. Customers are typically Italian, French, Iberian and UK medium-sized and large caps, and private equity firms.
- » Wealth Management (26% of revenue but 16% of net profit in the 12 months ended in June 2024)<sup>1</sup>. This division targets premium and affluent clients through Mediobanca Premier (previously named CheBanca!), which offers mainly wealth management services; Mediobanca Private Banking, which focuses on high-net-worth individuals/families targeting their wealth and investment banking needs in synergy with the CIB division; and Polus Capital (rebranded after the merger of Cairn with Bybrook), Mediobanca SGR, Mediobanca Management Company, Compagnie Monégasque de Gestion, CMB Asset Management and RAM Active Investment, which all provide wealth management services.

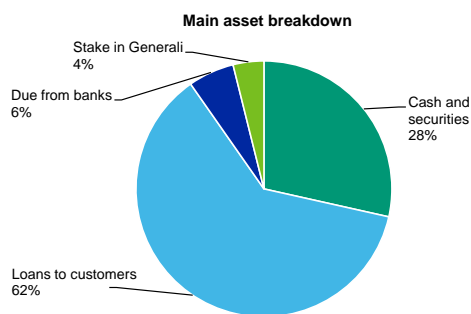
» Insurance and Principal Investing (40% of net profit as of June 2024) – This division combines the bank's portfolio of equity investments and other stakes. The main holding of the division is the 13% stake in Generali, which was worth around €3.7 billion in the bank's books as of June 2024.

Exhibit 3  
**Mediobanca has a diversified loan book**  
 More than half of the group's activities are in retail



Source: Bank's reports as of June 2024

Exhibit 4  
**Mediobanca's asset diversification is broadly in line with the sector**  
 Significant concentration in Generali equity shares



Source: Bank's reports as of June 2024

## Detailed credit considerations

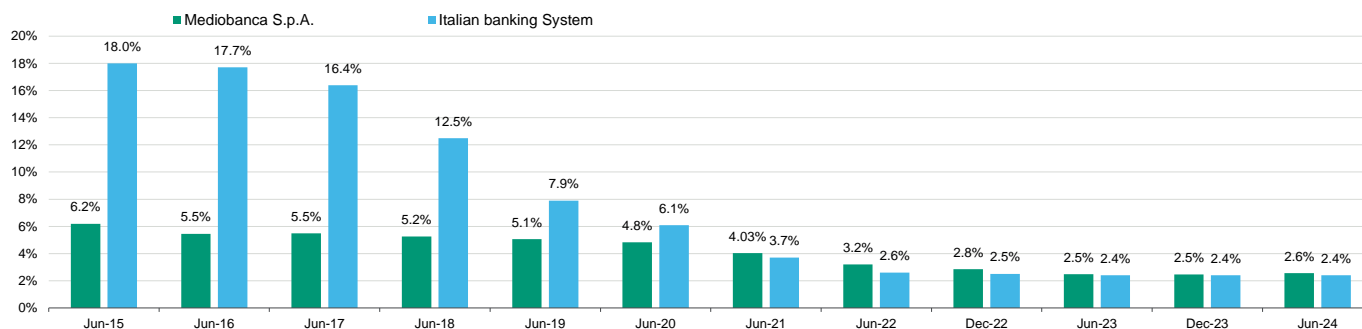
### Moderate asset risk despite the concentration in Generali's stake

We assign a ba1 Asset Risk score to Mediobanca, two notches below the Macro-Adjusted score.

Our assigned score primarily reflects Mediobanca's asset concentration, stemming in particular from the corporate loan book, which translates into a negative adjustment, and the equity risk resulting from the stake in Generali. Mediobanca holds a 13% stake in Generali, booked at €3.7 billion, which was priced at €4.8 billion as of June 2024. Generali's investment represents around 33% of the bank's net equity. However, the Generali stake is also a source of earnings in the form of dividends, and acts as a potential source of liquidity, mitigating this risk.

Historically, the bank has maintained problem loans at a relative low level, especially during times when Italian banks were relaxing their lending criteria, leading to a significant increase in their problem loans (Exhibit 5). This will enable Mediobanca to limit the effects of higher interest rates on the repayment capacity of its borrowers.

Exhibit 5  
**Moody's-adjusted NPL ratio is moving closer to the Italian banking system average**  
 NPLs as a percentage of gross loans



Sources: Bank's reports, European Banking Authority and Moody's Ratings

In June 2024, Mediobanca's problem loan ratio was stable at 2.6% but remained higher than the EU average of 1.9% as of June 2024<sup>2</sup>. However, Mediobanca reported a low IFRS9 stage 2 loans/total loans of 5.0% as of June 2024, relative to 9.3% for the European banking system<sup>3</sup> level as of June 2024. The coverage of nonperforming loans (NPL) was also at a very good level (69%, compared with the Italian average of 54% and European average of 42% as of June 2024<sup>4</sup>).

Mediobanca's reported cost of risk was 48 basis points (bps) in the 12 months ended in June 2024, just below the European banking system average of 51 bps as of June 2024<sup>5</sup>. Mediobanca's loan loss provisions decreased by 4 bps with respect to a year earlier, thanks to a 5-bp release in CIB, despite the 25-bp increase in cost of risk in consumer finance (to 168 bps from 143 bps the prior year). Mediobanca currently holds €222 million in management overlay. This compares with the €252 million in provisions recorded over the 12 months ending in June 2024. Mediobanca targets 55 bps cost of risk for the Group in 2025 including the use of overlays that offset modest increase in consumer finance, which carries the highest loan loss provision rate.

In May 2023, Mediobanca exited the secondary market for NPLs, which consisted of acquisition of mainly retail unsecured loans originated by the banking sector in Italy. At this date, Mediobanca sold its NPL business (Revalea) to [Banca IFIS S.p.A](#) (Baa2/Baa3 stable, ba2<sup>6</sup>) for €100 million.

### Strong capitalisation, with large buffers over prudential requirements

We assign a Capital score of a3 to Mediobanca, three notches below the aa3 Macro-Adjusted score. The score assigned to Mediobanca reflects its robust capital ratios and the quick expected expansion in household lending, particularly in consumer credit, which has seen an annual increase of 5.3% over the past two years up to June 2024.

Our evaluation also considers the effect of acquisitions on capital. According to the bank's [business plan](#), the Common Equity Tier 1 (CET1) capital ratio target of 14.5% may be adjusted to 13.5% if acquisitions occur, which are expected to be of a small scale.

The current CET1 capital ratio of 15.2%<sup>7</sup> is largely above the bank's minimum CET1 Supervisory Review and Evaluation Process (SREP) requirement of 8.24%, which includes a 0.98% Pillar II requirement<sup>8</sup>. The level of Pillar II requirement positions Mediobanca in the best quartile of the significant institutions directly supervised by the European Central Bank (ECB).

In the 12 months ended in June 2024, the bank's capital ratios were mainly supported by risk-weighted asset (RWA) optimisation strategies (-7% year on year, or around €4 billion). In June 2024, the bank completed a first Significant Risk Transfer (SRT) transaction on a consumer finance portfolio, reducing RWA by €0.5 billion. The bank plans to save a similar amount through such operations by June 2026 and to have RWA savings on corporate portfolio, to set off other regulatory changes and loan growth.

In its business plan, the bank has increased its already-high total shareholder remuneration, which will be between 90% and 100% (or €3.7 billion) in the three years ending in June 2026, compared with 80% in the previous plan (€2.2 billion). As of June 2024, the bank had already distributed €1.1 billion and has recently announced a €0.4 billion share buyback on top of the 70% cash payout for the 12 months ending in June 2025.

The Moody's-adjusted capital ratio of 19.3% as of December 2023 (latest available) is higher than the bank's 15.2% CET1 ratio because we do not deduct the investment in associates from tangible common equity (mainly Generali benefitting from the "Danish compromise" for Mediobanca), while part of that investment is captured by a prudential filter that lowers regulatory capital<sup>9</sup>.

### Good and diversified profitability

The score for Mediobanca's Profitability is baa2, in line with the Macro-Adjusted score. This score is based on our anticipation that Mediobanca's return on tangible assets will slightly exceed 1% over the forthcoming two to three years.

In the three years that ended December 2023, Mediobanca reported an average return on tangible assets of 1.2% (see Exhibit 6). This compares favourably with the Italian and European averages, which improved recently (1.1% and 0.7% respectively, as of December 2023<sup>10</sup>). This improvement is partly driven by the substantial income contribution from the equity stake in Generali (around one-third of the net profit in the period).

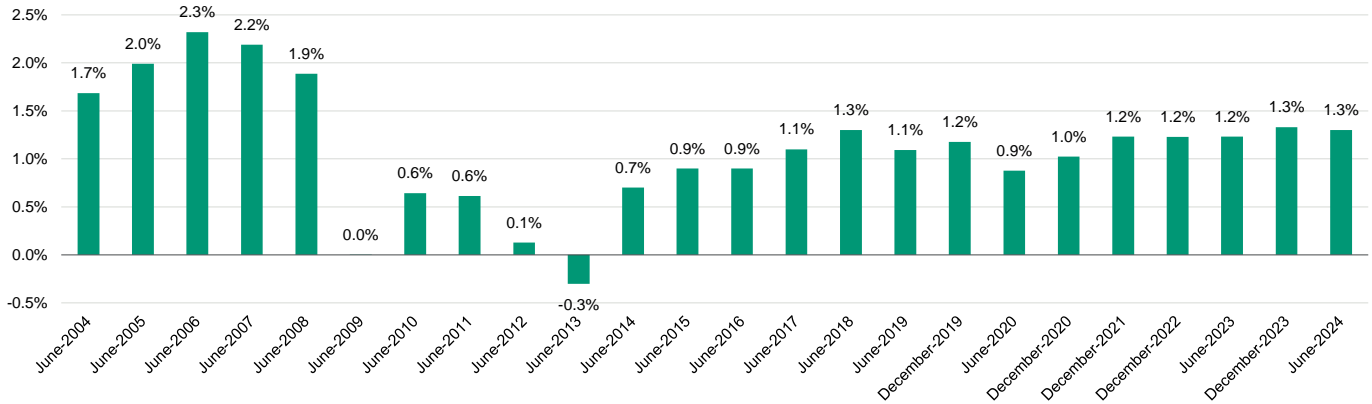
In the 12 months that ended June 2024, the bank's net profit increased 24% year on year to €1.3 billion, driven by an around 10% increase in both its net interest income (NII), and fees and commissions, which more than offset the 9% increase in operating costs. The overall good performance was driven by almost all divisions.

Since July 2022, Mediobanca has seen positive outcomes from the European Central Bank's (ECB) interest rate increases. Despite the rise in Mediobanca's average funding cost to 250 bps by June 2024, up from 54 bps two years prior, the bank enjoys a significant spread of 3.5% over the yield of its loan book, which stands at 6%. This advantage, coupled with the expansion of its consumer finance loan book, has mainly contributed to the growth in NII.

We expect the bank to maintain a good net interest margin despite the expected decrease of ECB's interest rates. The bank has relatively low sensitivity to interest-rate shifts, with a NII sensitivity of €20 million for a 50-bp parallel rate shift. This is mainly because of hedging strategies and lower deposit incidence on funding. Additionally, the expansion of consumer loans, primarily secured at high fixed interest rates, is beneficial.

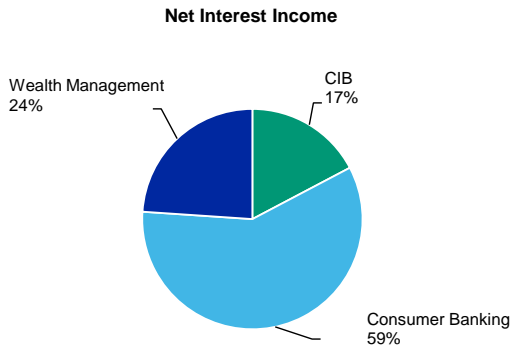
Mediobanca's operational efficiency aligns well with its goals, showcasing a cost to income ratio of approximately 50%, which is slightly more favorable than the European Union average of 53% as of June 2024<sup>1</sup>.

Exhibit 6  
**Good track record of profit**  
**Mediobanca's return on tangible assets**



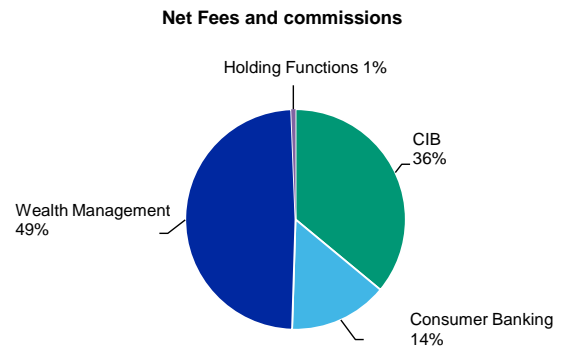
Sources: Bank's reports and Moody's Ratings

Exhibit 7  
**The majority of net interest income is generated by the consumer banking sector**



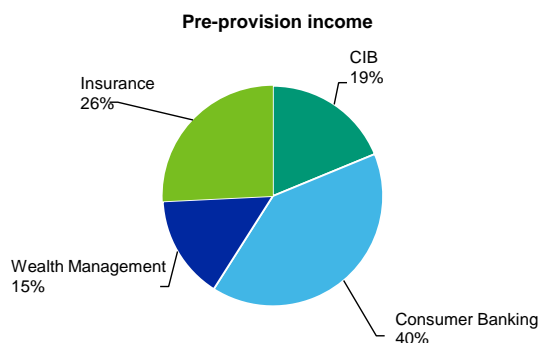
Sources: Bank's reports as of June 2024 and Moody's Ratings

Exhibit 8  
**Half of the fees and commissions are generated by the wealth management division**



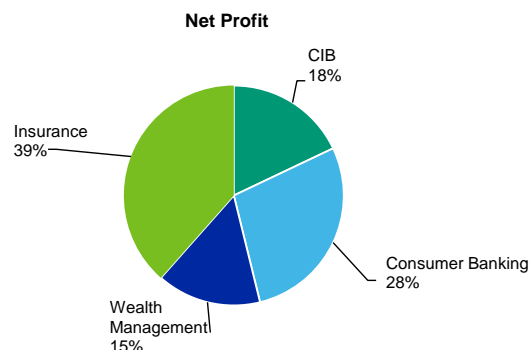
Sources: Bank's reports as of June 2024 and Moody's Ratings

Exhibit 9

**The bank effectively diversifies its sources of profit**

Sources: Bank's reports as of June 2024 and Moody's Ratings

Exhibit 10

**However, Mediobanca's net income is significantly influenced by its equity stake in Generali**

Sources: Bank's reports as of June 2024 and Moody's Ratings

**High reliance on wholesale funding, however, provides good liquidity**

Our score for Mediobanca's Funding Structure is b2, in line with the Macro-Adjusted score, reflecting the bank's high reliance on wholesale funding, in particular relative to other Italian banks.

Despite Mediobanca's efforts in recent years to increase its share of deposit funding by creating CheBanca! in 2008 (now rebranded Mediobanca Premier), the bank still lacks retail deposits, with a weak Moody's-calculated gross loan-to-deposit ratio of around 180% as of December 2023. Market funds as of December 2023 accounted for 48.6% of its tangible banking assets. Mediobanca reported a relatively low 117% net stable funding ratio as of June 2024, close to its internal target of 115% and below the European average of 128%<sup>12</sup>. The risk associated with this high reliance on market funding is mitigated by the bank's ability to access different market channels, its maturity profile, the short duration of its loan book and its significant amount of liquid assets.

Mediobanca has a minimum requirement for own funds and eligible liabilities (MREL) in 2024 of 23.6% of RWA, which is mostly covered by subordinated liabilities and own funds. The bank has already issued 80% of the capital instrument entailed in its 2023-26 funding plan and has a strong buffer above the requirement, with the reported MREL ratio around 44% as of June 2024.

Mediobanca more than offset the redemptions of the ECB's targeted longer-term refinancing operations (TLTRO) funding (€1.3 billion, around 1% of total assets in June 2024, down from €5.6 billion, over 6% of total assets as of June 2023) by a €5.3 billion increase in securities outstanding.

Mediobanca's Liquid Resources score is baa2, in line with the Macro-Adjusted score. This score reflects good structural liquidity with a ratio of 30% of liquid assets to total assets, which has remained broadly constant over the last 10 years.

Mediobanca has a large buffer in the form of cash and unencumbered securities readily available to be pledged at the ECB, which amounted to €18.3 billion as of the end of June 2024, out of which €15.2 billion represented securities. These €18.3 billion in assets cover all the maturities over the next three years including bonds issued by Mediobanca and its outstanding TLTRO.

However, the quality of Mediobanca's liquidity pool is inferior to that of its peers. This is primarily because high-quality liquid assets (HQLA) account for a lower share in the bank's liquidity buffer.

Rather than buying bonds like some of its peers do to address the bank's interest rate risk in its banking book (IRRBB), Mediobanca opted for interest-rate swaps. Following this, the bank's share of HQLA bonds is smaller than that for some of its peers. However, Mediobanca's hedging interest rate strategy on NII is efficient.

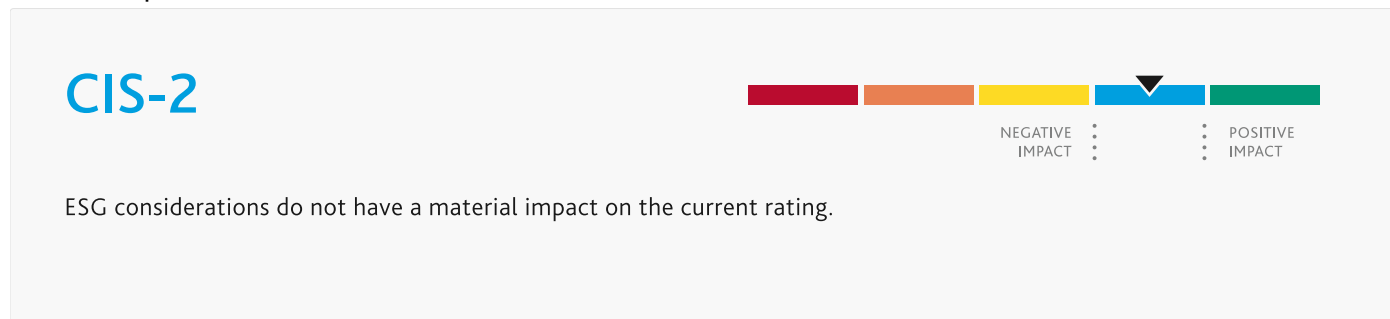
Mediobanca's regulatory liquidity coverage ratio was 159% as of June 2024 (close to the 163% EU average<sup>13</sup>), against its target of above 150%.

## ESG considerations

### Mediobanca S.p.A.'s ESG credit impact score is CIS-2

Exhibit 11

#### ESG credit impact score

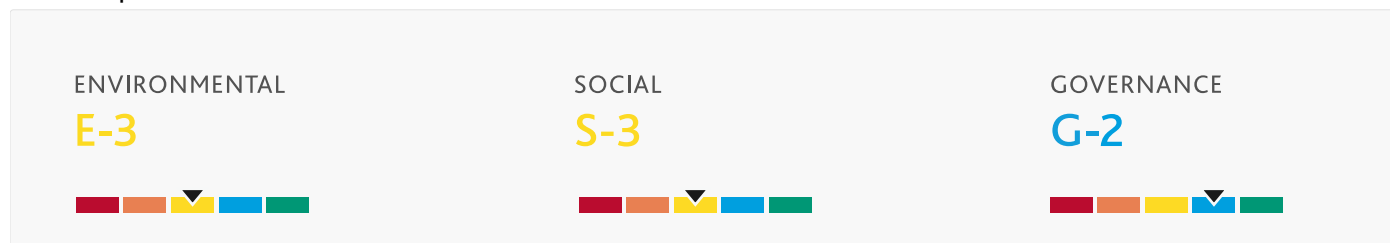


Source: Moody's Ratings

Mediobanca's **CIS-2** indicates that ESG considerations do not have a material impact on the bank's rating.

Exhibit 12

#### ESG issuer profile scores



Source: Moody's Ratings

### Environmental

Mediobanca faces moderate environmental risks primarily because of its portfolio exposure to carbon transition risk as a diversified bank. In line with its peers, the bank is exposed to mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, Mediobanca is developing its climate risk and portfolio management capabilities, and is actively transitioning its lending portfolios to achieve carbon neutrality targets.

### Social

Mediobanca faces moderate social risks mainly related to customer relations as well as to demographic and societal trends. The bank's developed policies and procedures mitigate conduct risk associated with the distribution of financial products such as regulatory and reputational risks, as well as exposure to litigation. Continued investments in technology and the bank's long track record of handling sensitive customer data, as well as appropriate culture and governance that ensure adherence to regulatory standards, help to manage high cyber and personal data risks. Mediobanca operates in Italy, which faces challenges from adverse demographic trends affecting long-term economic growth prospects and impacting the demand for certain banking products. Product diversity as well as an ability to adapt to consumer preferences, regulatory changes and societal trends such as digitization are key to address these risks.

### Governance

Mediobanca faces low governance risks. Its risk management, policies and procedures are in line with industry practices. The bank's main shareholders, who have expressed dissenting views about the bank's strategy in the past, are now on the board of directors. Mediobanca's large investment in Generali shares exposes the bank to idiosyncratic risk, which is mitigated by the securities' liquidity and contribution to earnings.



ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

## Support and structural considerations

### Loss Given Failure (LGF) analysis

Mediobanca is subject to the EU Bank Recovery and Resolution Directive, which is an operational resolution regime.

Our analysis assumes our standard assumptions under our Advanced LGF. We also take into account full depositor preference, whereby junior deposits are preferred over senior debt creditors in accordance with a law decree introducing full depositor preference in Italy in 2019.

Under these assumptions, Mediobanca's deposits are likely to face extremely low loss given failure. Our view is supported by the combination of deposit volume and subordination. The initial LGF would have resulted in an uplift of three notches from the bank's baa3 BCA to the deposit ratings had the ratings not been capped at two notches above the sovereign bond rating per our Banks methodology. Hence, the uplift from the current BCA is eventually limited to two notches (Baa1).

Mediobanca's senior unsecured debt is likely to face very low loss given failure resulting in an uplift of two notches from the bank's baa3 BCA to Baa1.

### Government support considerations

The probability of government support to Mediobanca's junior depositors and senior bondholders is low and, hence, we assign no rating uplift.

Mediobanca is a modestly sized domestic bank, and not a key participant in global financial markets. Therefore, its debt or deposits are unlikely to benefit from government support.

## Methodology and scorecard

### About Moody's scorecard

Our scorecard is designed to capture, express and explain in summary form our rating committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may significantly differ from what suggested by raw data alone (although it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 13

### Rating Factors

<b>Macro Factors</b>							
<b>Weighted Macro Profile</b>	<b>Strong - 100%</b>						
Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	3.0%	baa2	↔	ba1	Single name concentration	Expected trend	
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	19.3%	aa3	↓↓	a3	Expected trend	Stress capital resilience	
Profitability							
Net Income / Tangible Assets	1.2%	baa2	↔	baa2	Expected trend		
Combined Solvency Score		a3		baa2			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	47.3%	b2	↓	b2	Term structure	Market funding quality	
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	29.7%	baa2	↑	baa2	Asset encumbrance	Expected trend	
Combined Liquidity Score		ba2		ba2			
Financial Profile				baa3			
Qualitative Adjustments				Adjustment			
Business Diversification				0			
Opacity and Complexity				0			
Corporate Behavior				0			
Total Qualitative Adjustments				0			
Sovereign or Affiliate constraint				Baa3			
BCA Scorecard-indicated Outcome - Range				baa2 - ba1			
Assigned BCA				baa3			
Affiliate Support notching				0			
Adjusted BCA				baa3			
<b>Balance Sheet</b>		<b>in-scope (EUR Million)</b>	<b>% in-scope</b>	<b>at-failure (EUR Million)</b>	<b>% at-failure</b>		
Other liabilities		45,380	49.1%	48,267	52.2%		
Deposits		28,308	30.6%	25,420	27.5%		
Preferred deposits		20,948	22.6%	19,900	21.5%		
Junior deposits		7,360	8.0%	5,520	6.0%		
Senior unsecured bank debt		13,132	14.2%	13,132	14.2%		
Junior senior unsecured bank debt		1,500	1.6%	1,500	1.6%		
Dated subordinated bank debt		1,395	1.5%	1,395	1.5%		
Equity		2,775	3.0%	2,775	3.0%		
Total Tangible Banking Assets		92,490	100.0%	92,490	100.0%		

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	26.3%	26.3%	26.3%	26.3%	3	3	3	2	0	baa1
Counterparty Risk Assessment	26.3%	26.3%	26.3%	26.3%	3	3	3	1	0	baa2 (cr)
Deposits	26.3%	6.1%	26.3%	20.3%	2	3	3	2	0	baa1
Senior unsecured bank debt	26.3%	6.1%	20.3%	6.1%	2	2	2	2	0	baa1
Junior senior unsecured bank debt	6.1%	4.5%	6.1%	4.5%	0	0	0	0	0	baa3
Dated subordinated bank debt	4.5%	3.0%	4.5%	3.0%	-1	-1	-1	-1	0	ba1

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	2	0	baa1	0	Baa1	Baa1
Counterparty Risk Assessment	1	0	baa2 (cr)	0	Baa2(cr)	
Deposits	2	0	baa1	0	Baa1	Baa1
Senior unsecured bank debt	2	0	baa1	0	Baa1	Baa1
Junior senior unsecured bank debt	0	0	baa3	0	Baa3	(P)Baa3
Dated subordinated bank debt	-1	0	ba1	0	Ba1	(P)Ba1

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Ratings

## Ratings

Exhibit 14

Category	Moody's Rating
<b>MEDIOBANCA S.P.A.</b>	
Outlook	Stable
Counterparty Risk Rating	Baa1/P-2
Bank Deposits	Baa1/P-2
Baseline Credit Assessment	baa3
Adjusted Baseline Credit Assessment	baa3
Counterparty Risk Assessment	Baa2(cr)/P-2(cr)
Issuer Rating	Baa1
Senior Unsecured	Baa1
Junior Senior Unsecured -Dom Curr	Baa3
Junior Senior Unsecured MTN	(P)Baa3
Subordinate -Dom Curr	Ba1
Commercial Paper -Dom Curr	P-2
Other Short Term	(P)P-2
<b>MEDIOBANCA INTERNATIONAL (LUXEMBOURG) SA</b>	
Outlook	Stable
Bkd Senior Unsecured	Baa1
Bkd Commercial Paper -Dom Curr	P-2
Bkd Other Short Term	(P)P-2

Source: Moody's Ratings

## Endnotes

- 1 Mediobanca reports full-year financial statements in June and not in December unlike most other banks.
- 2 Latest data available, European Banking Authority, [Risk Dashboard - Q2 2024](#).
- 3 European Banking Authority, [Risk Dashboard - Q2 2024](#).
- 4 European Banking Authority, [Risk Dashboard - Q2 2024](#).
- 5 European Banking Authority, [Risk Dashboard - Q2 2024](#).
- 6 The ratings shown in this report are the bank's deposit rating, senior unsecured debt rating and Baseline Credit Assessment.

- 7 The CET1 ratio of 15.2% considers the €385 million allocated for share buybacks, as announced in the year-end 2024 financial results.
- 8 The SREP for Mediobanca also includes a countercyclical buffer of 0.13% and a new other systemically important financial institutions buffer of 0.125%, but does not include the systemic risk buffer (SyRB) introduced by the Bank of Italy. The SyRB will be in force from December 2024 (50 bps) and will be increased to 100 bps in June 2025.
- 9 The investment in Generali is weighted at 370% in RWA, up to an amount not exceeding 25% of Mediobanca's CET1. The remaining part of the investment is deducted from the bank's own funds.
- 10 European Banking Authority, [Risk Dashboard - Q4 2023](#).
- 11 European Banking Authority, [Risk Dashboard - Q2 2024](#).
- 12 As of June 2024, the latest data available from the European Banking Authority, [Risk Dashboard - Q2 2024](#).
- 13 As of June 2024, the latest data available from the European Banking Authority, [Risk Dashboard - Q2 2024](#).

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