



Mediobanca Group Long term results

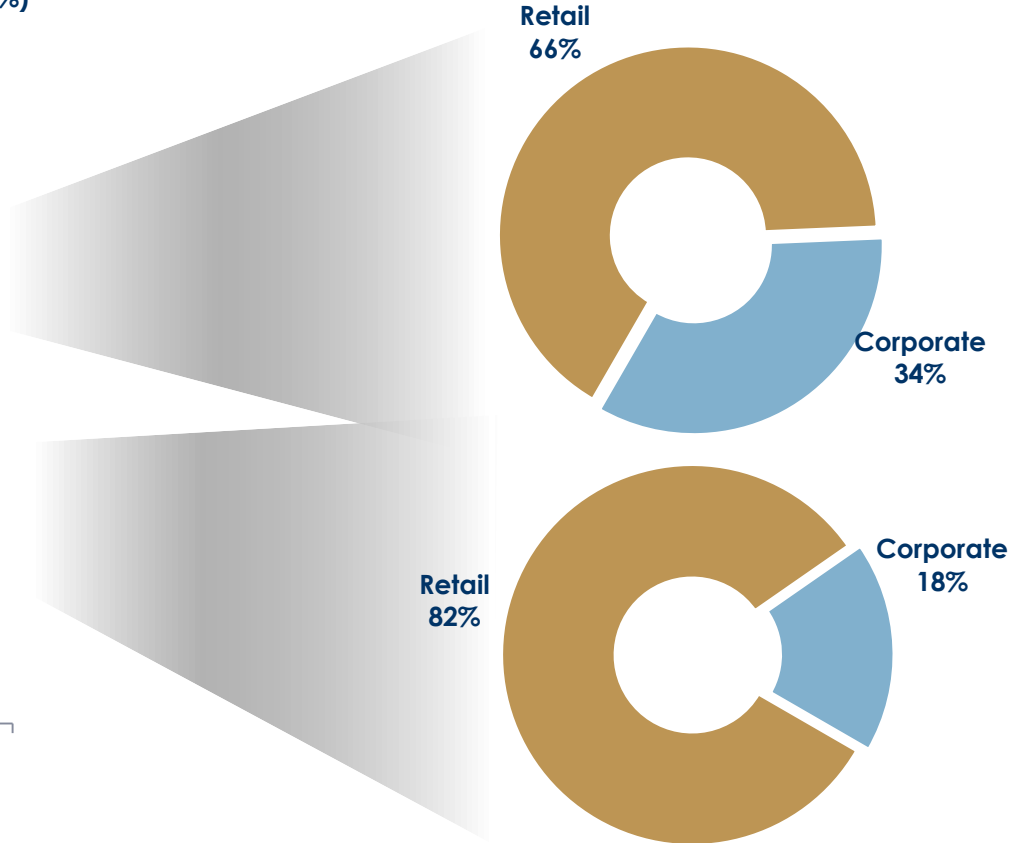
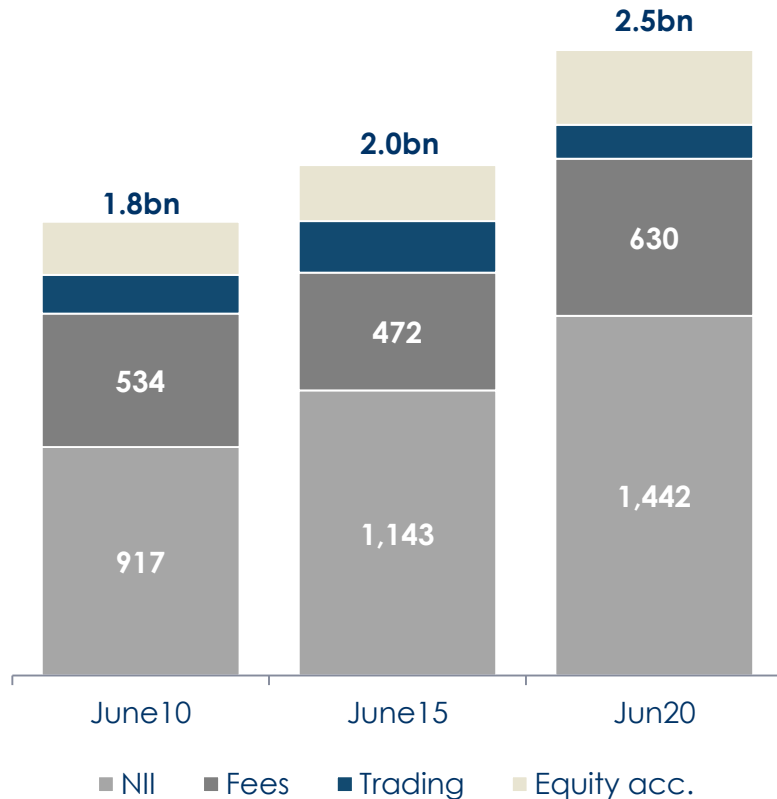
30 June 2020



MEDIOBANCA

revenues enlarged and more diversified

Group revenues by product and by division (€m, %)

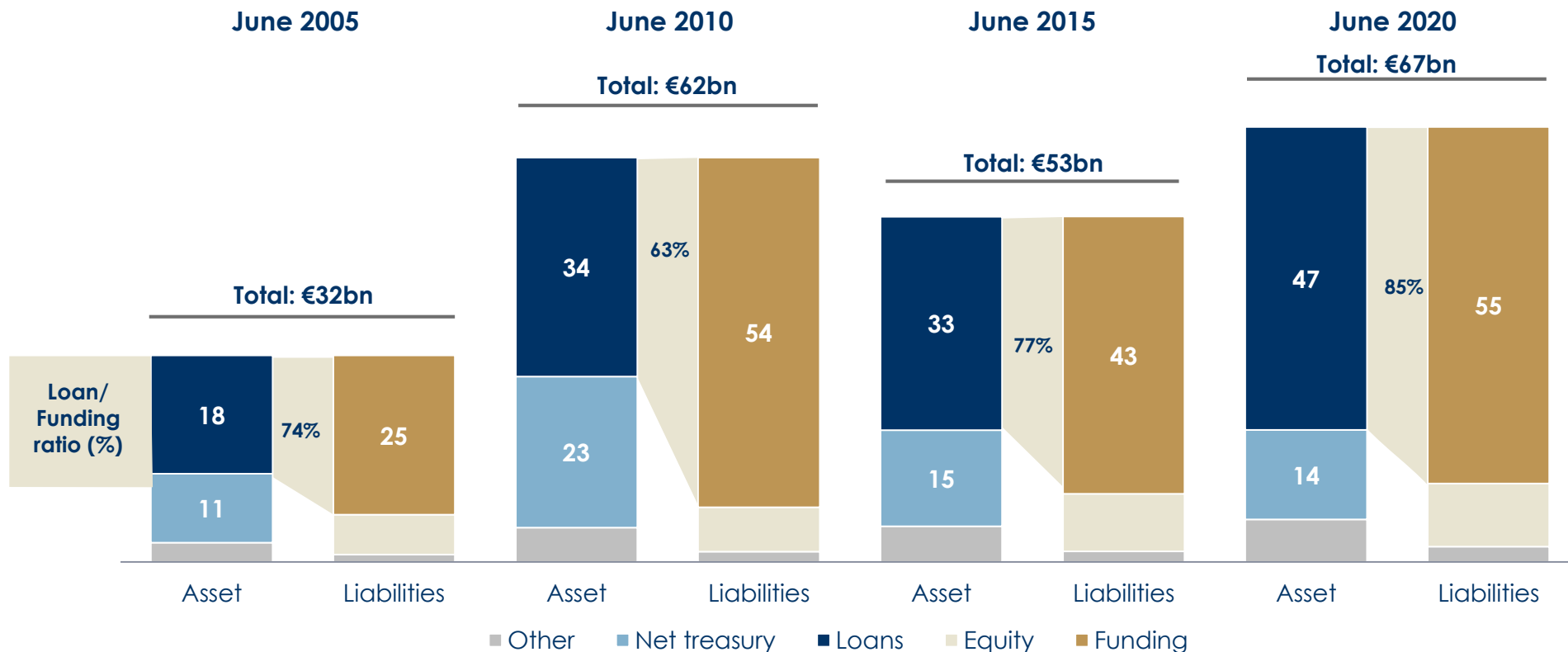


- ◆ Corporate / Retail diversification substantially improved: retail business up from 40% to ~70% of Group revenues
- ◆ Net interest income, stably grown and diversified in last decade, representing ~55% of total income, fee income ~25%, principal investing (AG) and trading ~20%
- ◆ Due to recent acquisitions Retail has gained importance both in fees (~65% of Group) and NII (~80% of Group) contribution

Retail includes mortgages, private banking and consumer banking – Corporate includes wholesale and leasing
% calculated on divisional figures, gross of intercompany

Loan book and funding doubled ...

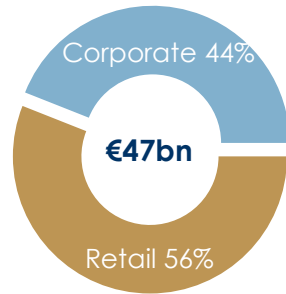
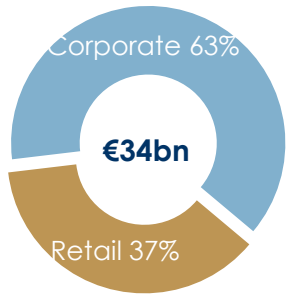
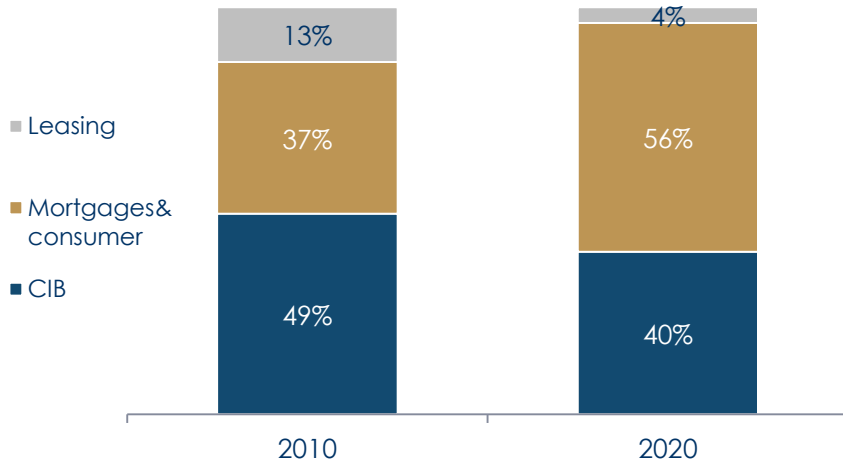
Group asset and liabilities structure and loan/funding ratio trend (€bn, %)



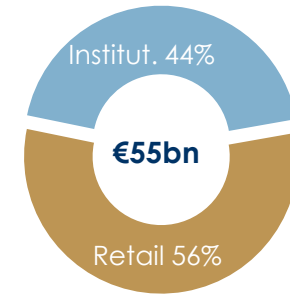
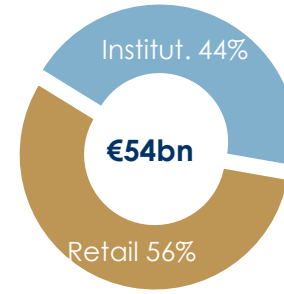
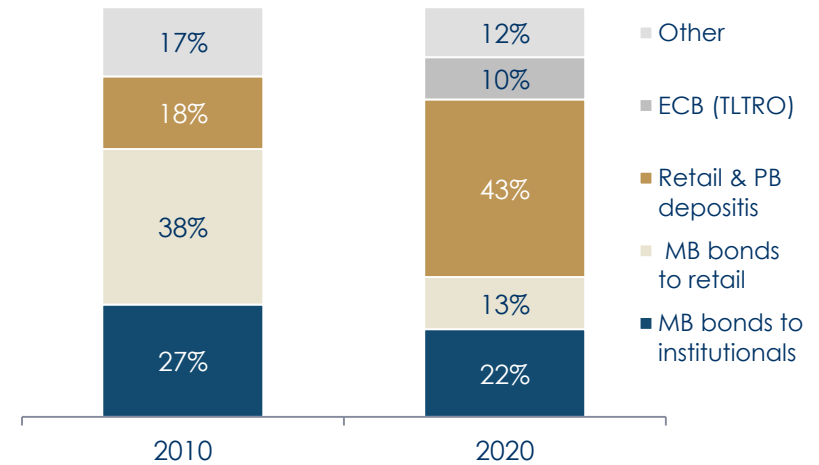
- ◆ Loans up at highest level ever to €47n, made up by corporate (€17bn), consumer (€13bn) and mortgages (€10bn)
- ◆ Funding optimized to €55bn with MB bonds (€19bn, 37% of which retail), retail deposits and private banking deposits (€24bn), ECB funds (€5.7bn TLTRO)
- ◆ NSFR well above 100%, Leverage ratio at 9.7%

... toward a balanced corporate/retail mix

Loan book by division (€bn, %)



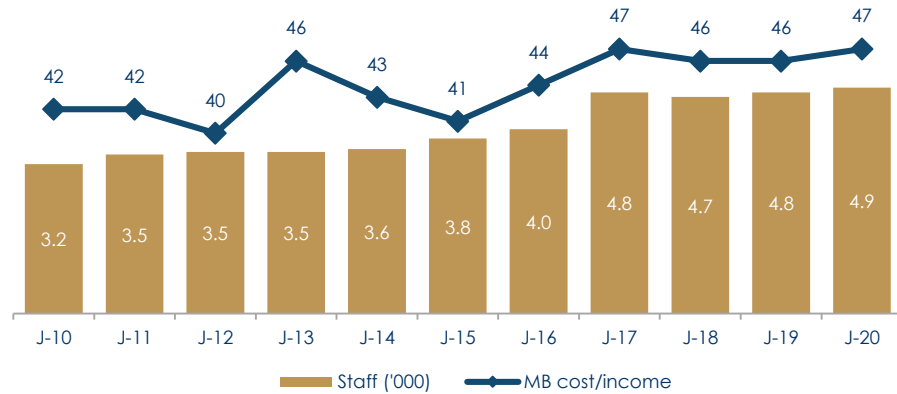
Funding breakdown (€bn, %)



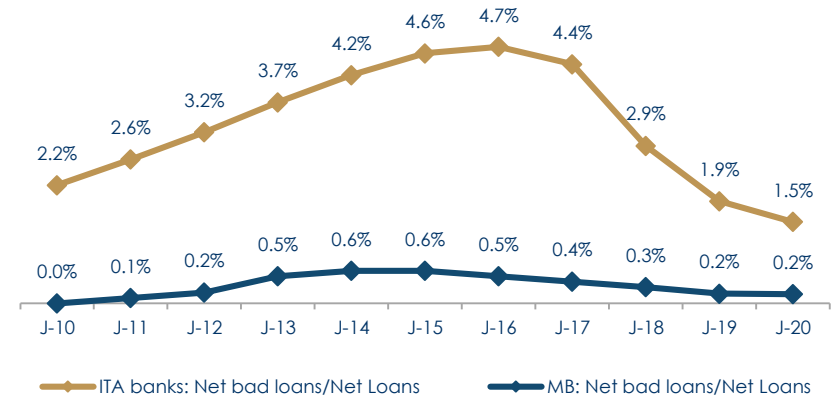
- ◆ Loan book: Corporate/retail representing now ~ 45%/ ~ 55%
- ◆ Retail loans have increased steadily, while corporate lending stable due to high levels of market liquidity
- ◆ Funding retail contribution: 56% of funding from retail investors mainly from deposits

Resiliency and solidity of all key indicators

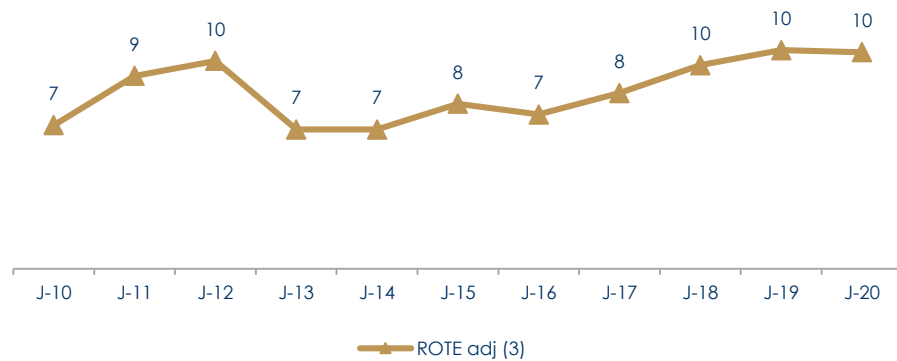
Stable cost/income despite material investments in recent years to empower all core businesses



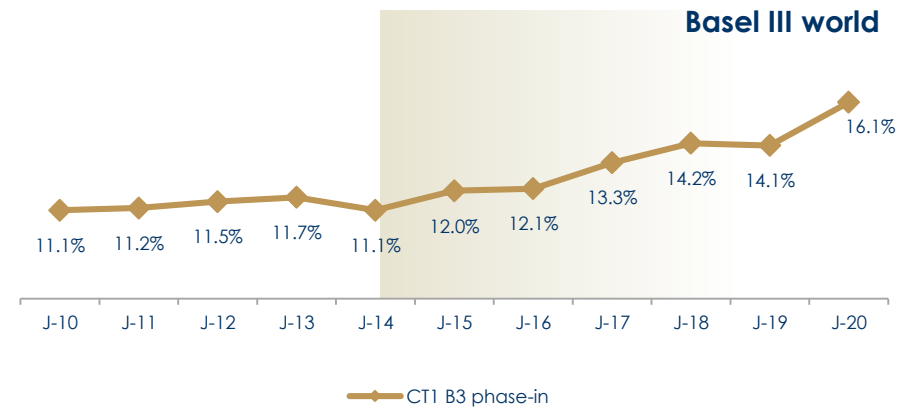
Net bad loans (sofferenze)/ net loans ratio¹: MB just 1/10 of Italian Banks²



High single-digit normalized profitability



Solid capital ratios without K increases (last one in 1998) and more than €2bn returned to shareholders⁴



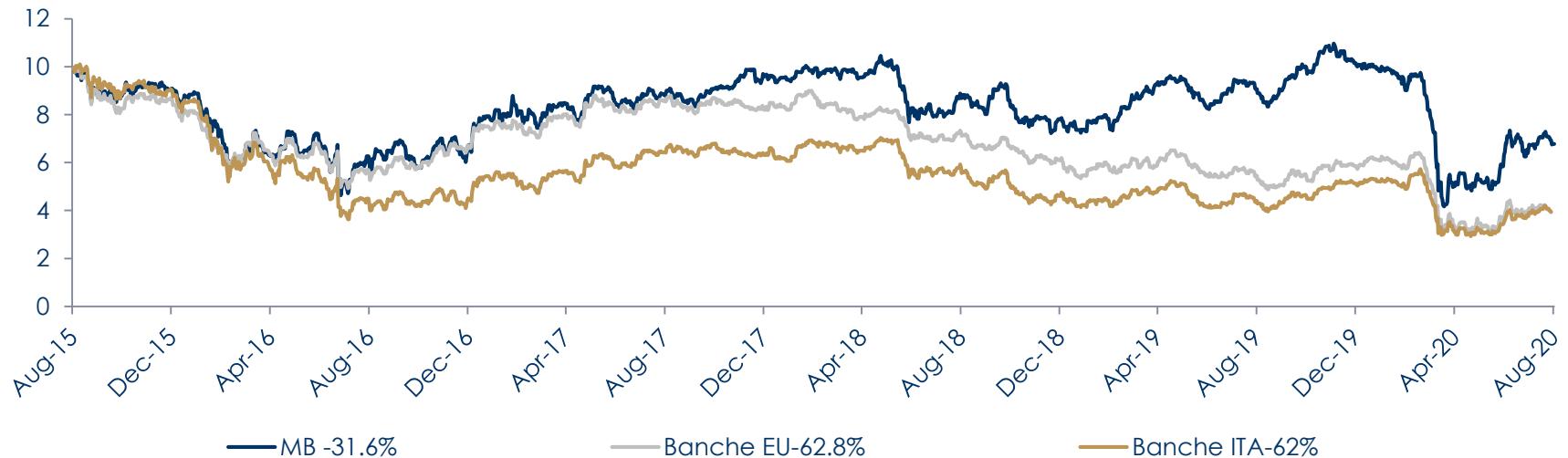
1) MB Group net bad loans/net loans ratio has been calculated excluding NPLs purchased by MBCredit Solutions
 2) Source: ABI
 3) Excluding items stemming from Covid emergency, impairments on equity stakes and securities, and other positive/negative one-off items; normalized tax rate = 33%. For PB and AM normalized tax rate = 25%. For P1 2%
 4) Cash dividends and buy back since 2010. DPS 2020 proposal now zero, in accordance with ECB guidance on Covid-19 crisis



Shareholder remuneration

€	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Cash DPS	0.17	0.17	0.05	0	0.15	0.25	0.27	0.37	0.47	0.47	0 ¹
Total dividend paid	144m	144m	42m	0	127m	213m	231m	320m	413m	410m	0
Stated payout	36%	39%	52%	0%	27%	36%	38%	43%	48%	50%	0%
Share buyback	-	-	-	-	-	-	-	-	-	163m	105m
Group net profit	401m	369m	81m	(176m)	465m	590m	605m	750m	864m	823m	600m
CET1 ²	11.1%	11.2%	11.5%	11.7%	11.1%	12.0%	12.1%	13.3%	14.2%	14.1%	16.1%
No.shares (m)	861	861	861	861	861	867	871	881	887	887	887

Market performance (01/08/2015 – 02/08/2020)



Group evolution in the last 10 years

(€ m)	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Net interest income	917	1,070	1,070	1,028	1,087	1,143	1,207	1,288	1,359	1,396	1,442
Net treasury income	155	189	267	200	45	207	133	121	157	197	136
Net fee income	534	520	484	410	424	472	450	523	622	611	630
Equity-accounted companies	214	203	170	(10)	264	224	257	264	280	321	304
Total income	1,819	1,983	1,990	1,628	1,819	2,045	2,047	2,196	2,419	2,525	2,513
Operating costs	(773)	(824)	(789)	(752)	(791)	(847)	(892)	(1,024)	(1,115)	(1,162)	(1,189)
Loan loss provisions	(517)	(424)	(468)	(507)	(736)	(533)	(419)	(317)	(247)	(223)	(375)
Operating profit	529	735	732	370	292	666	736	855	1,057	1,140	949
Other income (losses)	54	(181)	(526)	(392)	209	92	1	59	39	(56)	(154)
Profit before tax	583	554	206	(23)	501	757	736	914	1,096	1,084	795
Net profit	401	369	81	(176)	465	590	605	750	864	823	600
Treasury, AFS and HTM	23,265	18,666	22,211	21,743	19,789	14,777	16,322	16,455	13,327	12,759	13,760
Equity investments	3,348	3,156	3,165	2,587	2,871	3,411	3,163	3,037	3,211	3,260	3,205
Loans to customers	33,702	36,226	36,310	33,455	30,552	32,890	34,739	38,191	41,128	44,394	46,685
Funding	53,852	51,713	55,788	51,288	45,834	42,711	46,658	49,121	48,893	51,393	54,917
Shareholders' equity	6,842	7,028	6,609	6,948	7,942	8,867	8,922	9,192	9,732	9,899	9,740
RWAs	53,418	55,032	55,161	52,373	58,744	59,577	53,862	52,709	47,363	46,310	48,030
No. of staff	3,242	3,452	3,506	3,505	3,570	3,790	4,036	4,798	4,717	4,805	4,920
CTI ratio (%)	11.1	11.2	11.5	11.7	11.1	12.0	12.1	13.3	14.2	14.1	16.1
Cost/income ratio (%)	42	42	40	46	43	41	44	47	46	46	47
Cost of risk (bps)	150	121	129	145	230	168	124	87	62	52	82