



Mediobanca Group Long term results

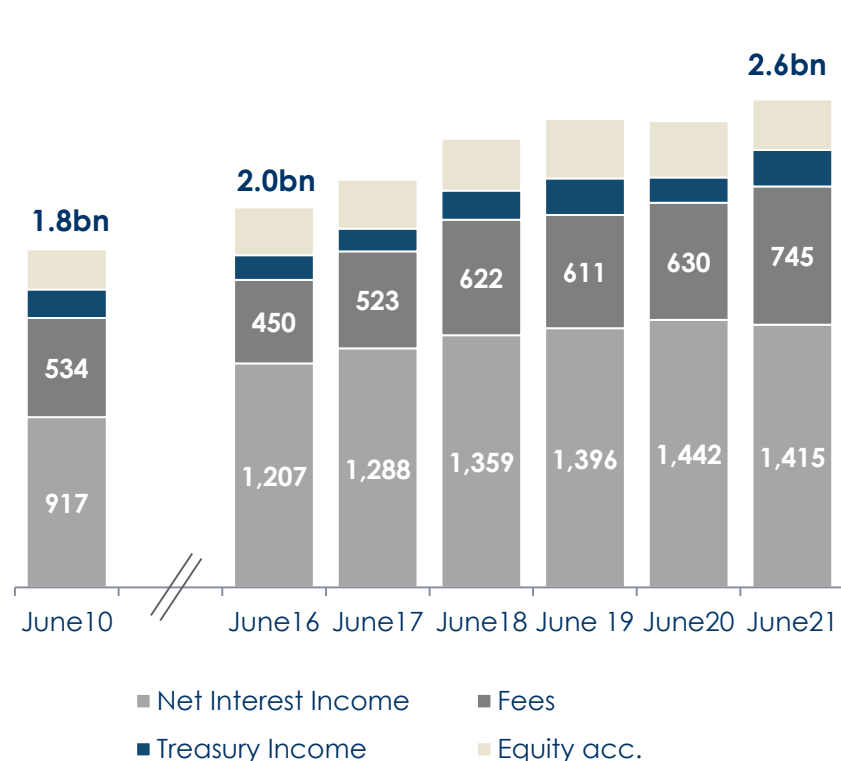
30 June 2021



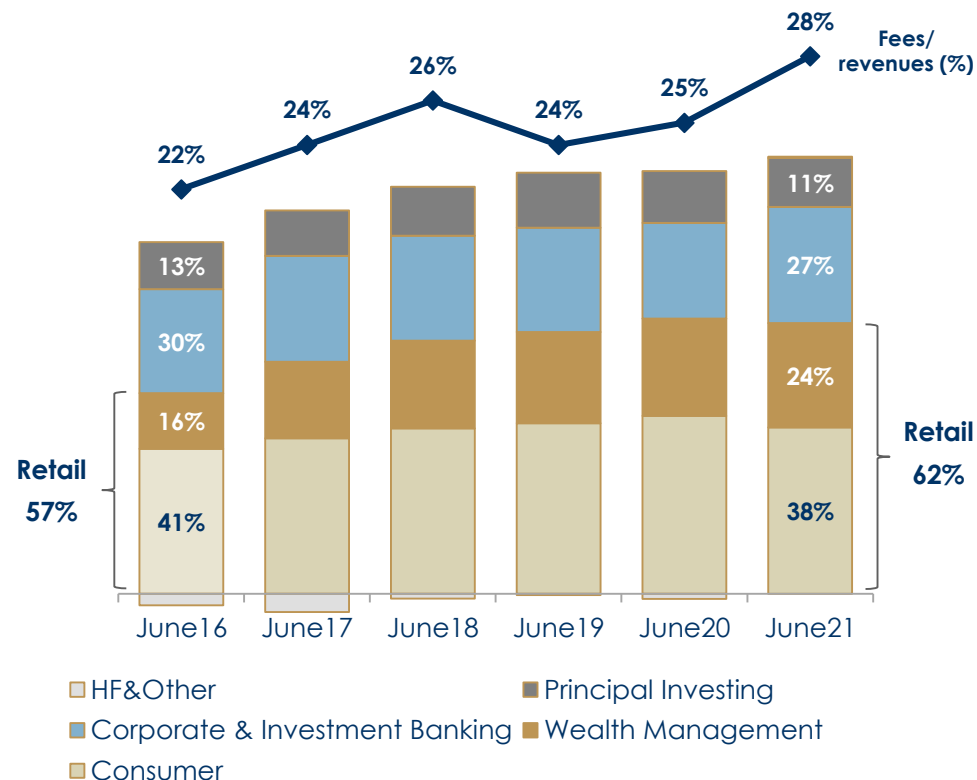
MEDIOBANCA

REVENUES ENLARGED, WITH HIGHER FEE CONTRIBUTION ...

Group revenues by product (€m, %)



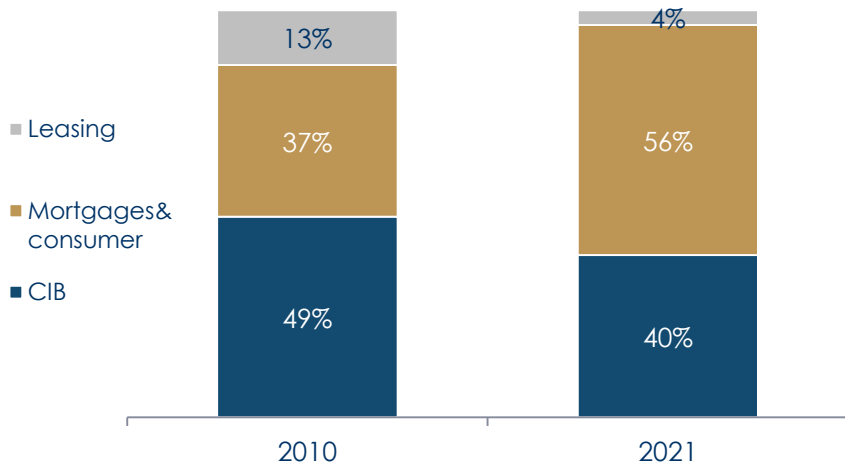
Group revenues by division (€m, %)



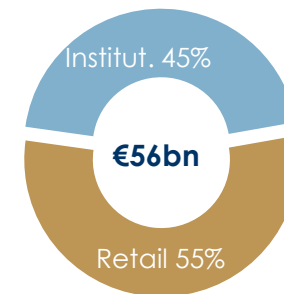
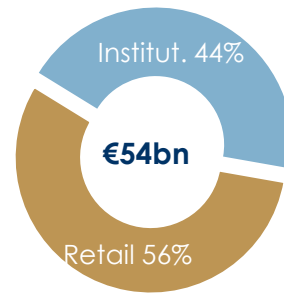
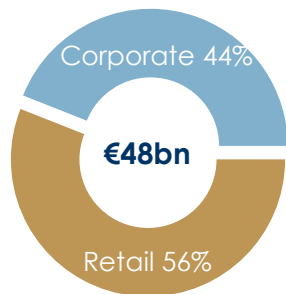
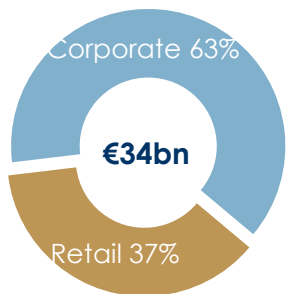
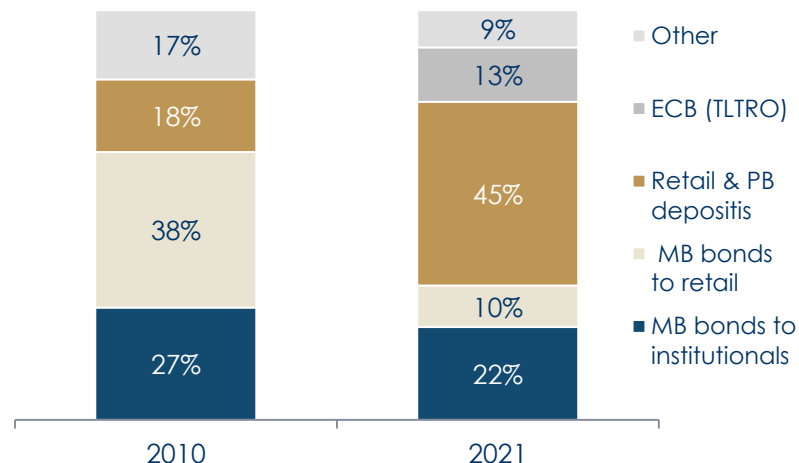
- ◆ Net interest income, stably grown and diversified in last decade, representing ~55% of total income, fee income ~30%, principal investing (AG) and trading ~15%
- ◆ Corporate / Retail diversification substantially improved: retail business up to >60% of Group revenues
- ◆ Fee income contribution up from 22% to 28% of total revenue due to Wealth Management development

... DIVERSIFIED TOWARD A BALANCED CORPORATE/RETAIL MIX ...

Loan book by division (€bn, %)



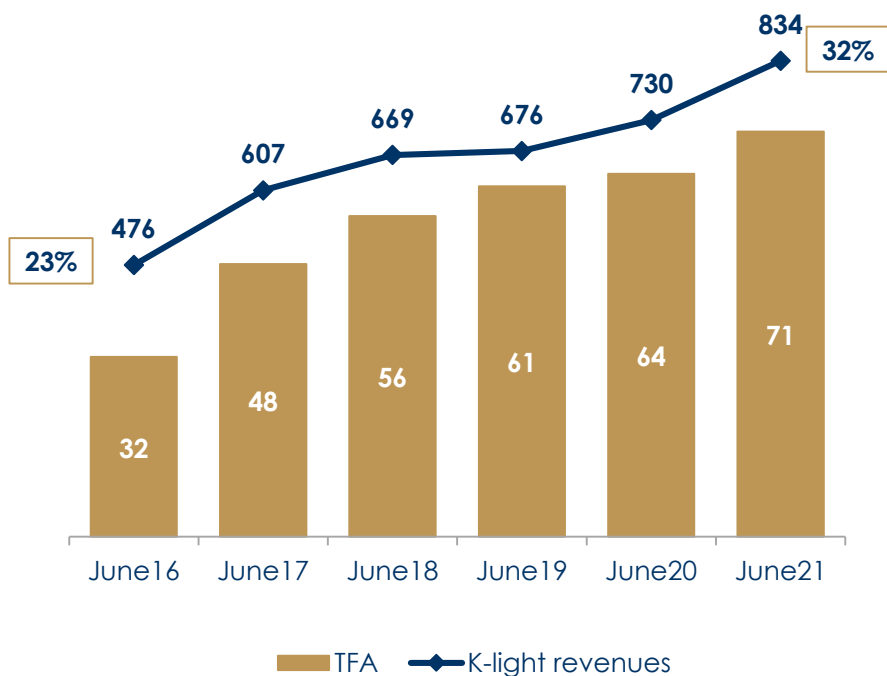
Funding breakdown (€bn, %)



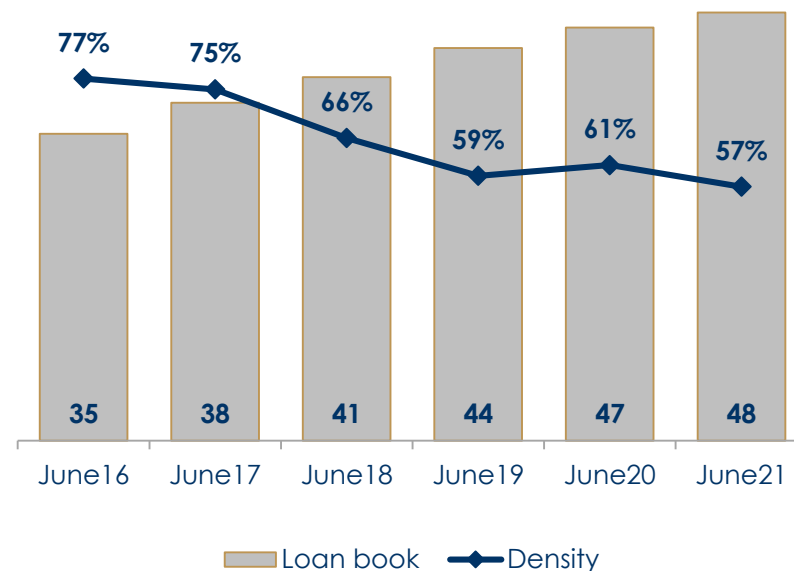
- ◆ Loan book: Corporate/retail representing now ~ 45%/ ~ 55%
- ◆ Retail loans have increased steadily, while corporate lending stable due to high levels of market liquidity
- ◆ Funding retail contribution: 55% of funding from retail investors mainly from deposits

... AND TOWARD A K-LIGHT SPECIALIZED BUSINESS MODEL

TFA evolution (€bn) and K-light revenues¹ (€m)



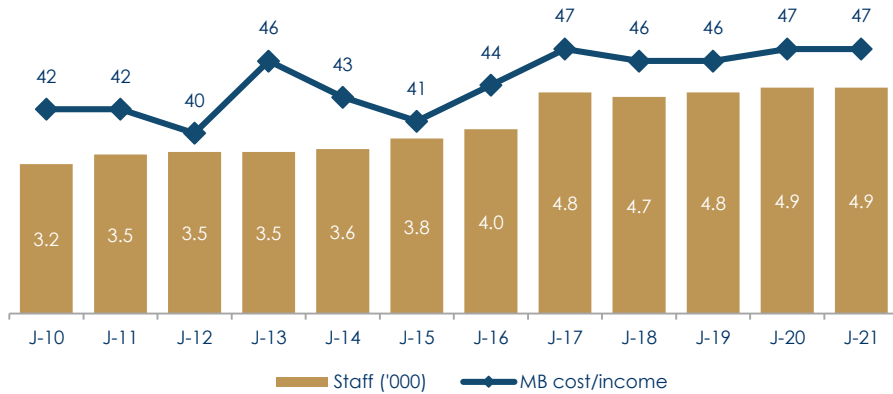
Loan book (€bn) and density evolution (%)



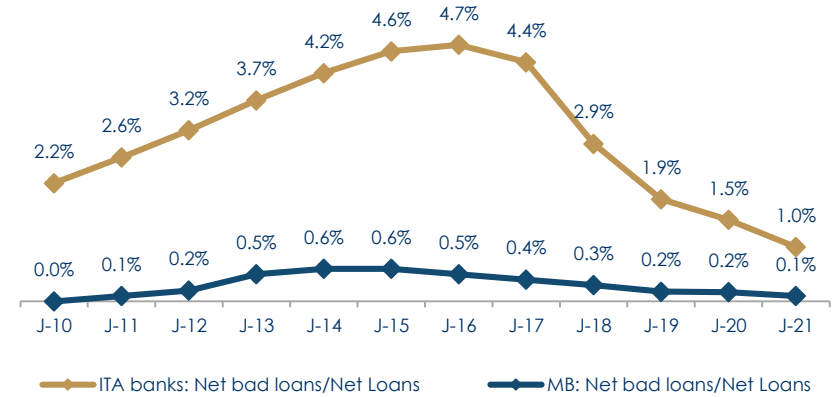
- ◆ Since the creation of the Wealth Management division in 2016 TFAs has doubled from 32bn to 71bn (5YCAGR: +18%)
- ◆ Capital-light revenues¹ as well doubled and now account for >30% of Group revenues
- ◆ Loan book has grown steadily reaching €50bn (5YCAGR: +7%) with lower density (RWA/Total asset) due to ongoing capital absorption optimization

RESILIENCY AND SOLIDITY OF ALL KEY INDICATORS

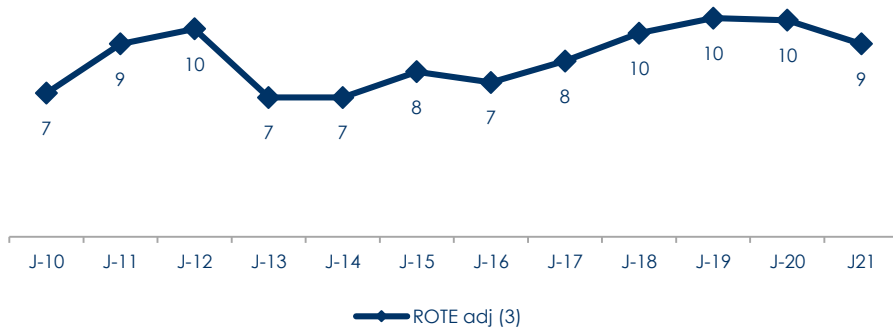
Stable cost/income despite material investments in recent years to empower all core businesses



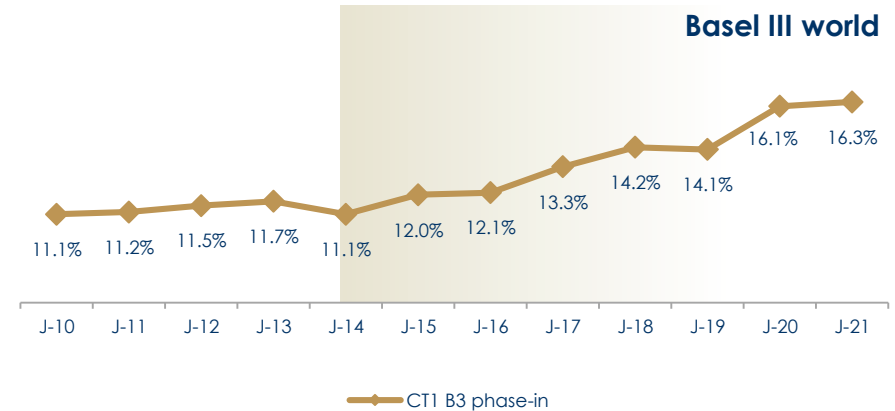
Net bad loans (sofferenze)/ net loans ratio¹: MB just 1/10 of Italian Banks²



High single-digit normalized profitability



Solid capital ratios without K increases (last one in 1998) and more than €2.5bn returned to shareholders⁴

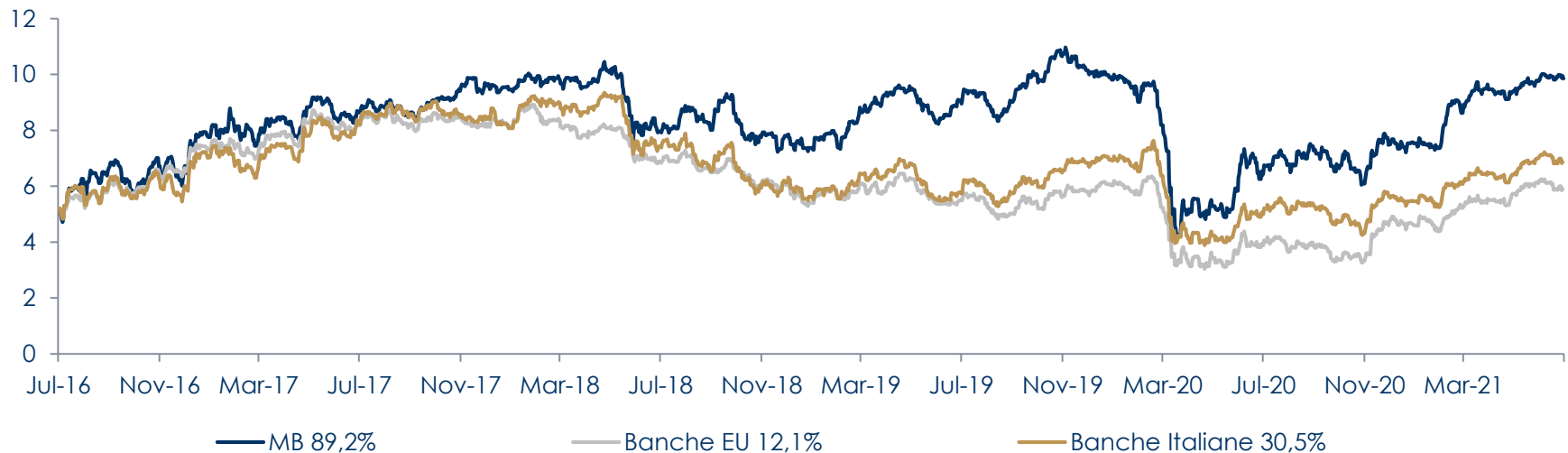


1) MB Group net bad loans/net loans ratio has been calculated excluding NPLs purchased by MBCredit Solutions
 2) Source: ABI
 3) ROTE calculated using adjusted net profit (GOP net of loan loss provisions, minority interest and taxes, with taxation normalized at 33%, 25% for PB and AM, 2% for PI). Covid-related impact excluded for FY20.
 4) Cash dividends and buy back since 2011. DPS 2020 zero, in accordance with ECB guidance on Covid-19 crisis

SHAREHOLDER REMUNERATION

€	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Cash DPS	0.17	0.17	0.05	0	0.15	0.25	0.27	0.37	0.47	0.47	0 ¹	0.66
Total dividend paid	144m	144m	42m	0	127m	213m	231m	320m	413m	410m	0	569m
Stated payout	36%	39%	52%	0%	27%	36%	38%	43%	48%	50%	0%	70%
Share buyback	-	-	-	-	-	-	-	-	-	163m	105m	-
Group net profit	401m	369m	81m	(176m)	465m	590m	605m	750m	864m	823m	600m	808m
CET1 ²	11.1%	11.2%	11.5%	11.7%	11.1%	12.0%	12.1%	13.3%	14.2%	14.1%	16.1%	16.3%
No.shares (m)	861	861	861	861	861	867	871	881	887	887	887	887

Market performance (01/07/2016 – 30/06/2021)



GROUP EVOLUTION SINCE FY10

(€ m)	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Net interest income	917	1,070	1,070	1,028	1,087	1,143	1,207	1,288	1,359	1,396	1,442	1,415
Net treasury income	155	189	267	200	45	207	133	121	157	197	136	197
Net fee income	534	520	484	410	424	472	450	523	622	611	630	745
Equity-accounted companies	214	203	170	(10)	264	224	257	264	280	321	304	272
Total income	1,819	1,983	1,990	1,628	1,819	2,045	2,047	2,196	2,419	2,525	2,513	2,628
Operating costs	(773)	(824)	(789)	(752)	(791)	(847)	(892)	(1,024)	(1,115)	(1,162)	(1,189)	(1,238)
Loan loss provisions	(517)	(424)	(468)	(507)	(736)	(533)	(419)	(317)	(247)	(223)	(375)	(249)
Operating profit	529	735	732	370	292	666	736	855	1,057	1,140	949	1,142
Other income (losses)	54	(181)	(526)	(392)	209	92	1	59	39	(56)	(154)	(37)
Profit before tax	583	554	206	(23)	501	757	736	914	1,096	1,084	795	1,104
Net profit	401	369	81	(176)	465	590	605	750	864	823	600	808
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	14,418
Equity investments	3,348	3,156	3,165	2,587	2,871	3,411	3,163	3,037	3,211	3,260	3,205	3,703
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	48,414
Funding	53,852	51,713	55,788	51,288	45,834	42,711	46,658	49,121	48,893	51,393	54,917	56,156
Shareholders' equity	6,842	7,028	6,609	6,948	7,942	8,867	8,922	9,192	9,732	9,899	9,740	11,101
RWAs	53,418	55,032	55,161	52,373	58,744	59,577	53,862	52,709	47,363	46,310	48,030	47,159
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	4,921
CT1 ratio (%)	11.1	11.2	11.5	11.7	11.1	12.0	12.1	13.3	14.2	14.1	16.1	16.3
Cost/income ratio (%)	42	42	40	46	43	41	44	47	46	46	47	47
Cost of risk (bps)	150	121	129	145	230	168	124	87	62	52	82	52