



# MEDIOBANCA

## 6M/2Q RESULTS AS AT 31 DECEMBER 2021

Milan, 9 February 2022



MEDIOBANCA

# Agenda

**Section 1. Executive summary**

**Section 2. 1H/2Q Group results**

**Section 3. Divisional results**

**Section 4. Closing remarks**

## **Annexes**

1. Asset quality by division
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# RECORD HALF-YEAR RESULTS CHARACTERIZED BY GROWTH, QUALITY AND SUSTAINABILITY

Executive summary

Section 1

**€1.5bn revenues (up 12%<sup>1</sup>), record fees (up 16%<sup>1</sup>), NII back to growth (up 2%<sup>1</sup>)**

**Best-ever asset quality indicators**

**€526m net profit (up 28%<sup>1</sup>), 11% ROTE**

**Accelerating performance in 2Q despite Omicron**

**Robust growth and capital management<sup>2</sup> materially increased per share values**

**6m EPS adj. at €0.59 (up 17%<sup>1</sup>), TBVPS at €11.3 (up 7%<sup>1</sup>)**

**CET1<sup>3</sup> optimizing (at 15.4%), with 70% cash payout and new 3% buyback<sup>2</sup> accrued**

**Revenues and profit generating capacity definitively increased  
also due to digital enhancement with new state of the art investment App in Premier  
and launch of Pagolight/BNPL in Consumer Finance**

**Significant non-financial ESG achievements  
Mediobanca has joined the Net-Zero Banking Alliance**

1) % changes related to YoY trend (6MDec21 vs 6MDec20)

2) n. 22.6 millions of treasury shares from old buyback programme deleted in Dec21. Oct21AGM approved a new buyback programme relative to max n. 25.9 millions shares (3% capital) to be bought within 12 months for staff performance shares schemes, M&A and cancellation

3) CET1 Phase-in. CET1 FL @14.1% (without Danish Compromise ~120 bps and with IFRS 9 fully phased ~10 bps)



# STRONG 6M RESULTS

## €1.5BN REVENUES, €526M NET PROFIT, 11% ROTE

Executive summary

Section 1

### Financial results

MEDIOBANCA GROUP – 6m as at Dec21			
EPSadj - 6m	BVPS	TBVPS	n. share
<b>€0.59</b>	<b>€12.3</b>	<b>€11.3</b>	<b>864.7m</b>
+31% HoH +17% YoY	+4% HoH +7% YoY	+3% HoH +7% YoY	-3% HoH -3% YoY

Revenues	LLPs	GOP risk adj	Net profit
<b>€1,459m</b>	<b>€137m</b>	<b>€689m</b>	<b>€526m</b>
+10% HoH +12% YoY	+5% HoH +17% YoY	+25% HoH +16% YoY	+32% HoH +28% YoY

Cost/income	CoR	RORWA	ROTE adj
<b>43%</b>	<b>55bps</b>	<b>221bps</b>	<b>11%</b>
-6pp HoH -2pp YoY	+1bps HoH +5bps YoY	+56bps HoH +52bps YoY	+3pp HoH +1pp YoY

Gross NPL/Ls	CET1 Ph.in ratio	CET1 FL ratio	DPS&BB
<b>2.8%</b>	<b>15.4%<sup>1</sup></b>	<b>14.1%</b>	<b>70% payout</b>
-0.4pp HoH -0.5pp YoY	-90bps HoH -80bps YoY	-100bps HoH -40bps YoY	<b>3% buyback</b> <b>accrued</b>

### Highlights

◆ **Strong commercial activity, earnings growth and shares deletion (no. of shares -3%) pushed up 6m EPS to €0.59ps (+17% YoY, +31% HoH) and TBVPS at €11.3 (+7% YoY, 3% HoH)**

◆ **Double-digit growth in capital-light activities and rebound in profitable loans delivered sound growth in revenues (+12% YoY, +10% HoH). GOP increased materially (+16% YoY, +25% HoH) despite conservative approach to loan loss provisioning**

◆ **Total costs up 7% YoY on higher business volumes and ongoing investments, organizational efficiency unchanged (C/I ratio down 2pp YoY, down 6pp HoH)**

◆ **Asset quality remains excellent with NPLs and COR at their lowest-ever levels. Conservative approach to provisioning with ~€300m overlays untouched, better macro not included, extra-provisioning on non-core assets**

◆ **Capital financing profitable organic growth (RORWA up to 221bps) and shareholders' remuneration (total payout accrued >100%, 70% cash payout and 3% BB). High buffer on SREP (7.9%)**

# 6M RESULTS: DIVISIONAL SNAPSHOT

## Executive summary

## Section 1

### WM: ROAC@30%

**New highs achieved in terms of commercial and financial results**, with double-digit growth in TFAs and revenues, net profit growth >50%

**Ongoing investment in physical and digital distribution in Premier**, driving growth and productivity among the best in the sector

**Focus on specialized/niche offering in Private Banking and AM**

**Synergies achievement ongoing among all segments**, with increasing penetration of inhouse products and effective dual coverage IB-PB

### Wealth Management – 6M results as at Dec21

Revenues	Net profit	TFAs	ROAC
<b>€364m</b> +12% HoH +20% YoY	<b>€72m</b> +36% HoH +54% YoY	<b>€79bn</b> +11% HoH +19% YoY	<b>30%</b> +8pp HoH +9pp YoY

### CF: ROAC@35%

**Best ever half-year results in Consumer Finance deliver a record ROAC@35% definitely overtaking Covid detour**

**Ongoing investments in multichannel distribution & innovation:** strong push on digital (BNPL growing), physical light distribution enhanced by new agency openings and launch of Compass Link

**Asset quality at the best-ever level – CoR at record lows**

### Consumer Finance – 6M results as at Dec21

Revenues	Net profit	CoR	ROAC
<b>€525m</b> +8% HoH +2% YoY	<b>€190m</b> +35% HoH +38% YoY	<b>146bps</b> -31bps HoH +76bps YoY	<b>35%</b> +8pp HoH +7pp YoY

### CIB: ROAC@15%

**Revenues above historical averages**, with sound performance in all business segments

**Increasing international footprint**, with France generating >€40m fees

**Higher penetration in mid-cap segment and Sponsor business**

**Asset quality confirmed as superior**, with extra provisions to accelerate deleverage of non core portfolios

### Corporate & Inv.Banking – 6M results as at Dec21

Revenues	Net profit	CoR	ROAC
<b>€391m</b> +17% HoH +7% YoY	<b>€132m</b> +15% HoH -23% YoY	<b>18bps</b> +14bps HoH +64bps YoY	<b>15%</b> +3pp HoH -4pp YoY

# STRONG MOMENTUM IN Q2

## €753M REVENUES, €264M NET PROFIT

### Executive summary

### Section 1

#### Group: record quarter

**Record revenues (€753m) and GOP (€347m) due to positive trend in all businesses, despite investments and seasonality in costs**  
**Asset quality at best-ever levels along with prudent provisioning**  
**CET1 optimizing to 15.4% as new 3% buyback launched (-65bps)**

#### WM: steady performance

**Another solid quarter, with revenues retaining their positive trajectory**  
**NNM at record levels (€2.9bn NNM), 62% from AUM/AUA, with positive contribution from all segments, including AM**  
**Ongoing investments in distribution, with salesforce up 25 to 1,128**

#### CF: bottomed out

**Ongoing new loans recovery: €1.9bn close to pre-Covid level and mix**  
**Loan book back to growth (13.3bn, up 2% QoQ)**  
**Asset quality: CoR at record low @133bps, with overlays intact and the highest level of coverage ratios**

#### CIB: further increase of already high revenues

**Double-digit growth in revenues due to strong fee contribution, especially from Advisory business**  
**Asset quality confirmed excellent: high overlays not reversed, positive legacy UTP trend and extra provisioning on acquired NPL portfolios**

#### Mediobanca Group – 2Q results as at Dec21

Revenues	Fees	CoR	Net profit
<b>€753m</b>	<b>€241m</b>	<b>60bps</b>	<b>€264m</b>
+7% QoQ	+19% QoQ	+9bps QoQ	+1%QoQ
+12% YoY	+24% YoY	+21bps YoY	+25% YoY

#### Wealth Management – 2Q results as at Dec21

Revenues	Net profit	NNM	Salespeople (#)
<b>€192m</b>	<b>€40m</b>	<b>€2.9mld</b>	<b>1,128</b>
+11% QoQ	+23% QoQ	2x QoQ	+25 QoQ
+23% YoY	+60% YoY	2.4x YoY	+98 YoY

#### Consumer Finance – 2Q results as at Dec21

Revenues	Net profit	CoR	New loans
<b>€268m</b>	<b>€100m</b>	<b>133bps</b>	<b>€1.9bn</b>
+4% QoQ	+11% QoQ	-27bps QoQ	+5% QoQ
+5% YoY	+52% YoY	-63bps YoY	+29% YoY

#### Corporate & Inv.Banking – 2Q results as at Dec21

Revenues	Fees	CoR	Net profit
<b>€206m</b>	<b>€102m</b>	<b>27bps</b>	<b>€63m</b>
+12% QoQ	+21% QoQ	+19bps QoQ	-8% QoQ
+13% YoY	+21% YoY	+81bps YoY	-26% YoY

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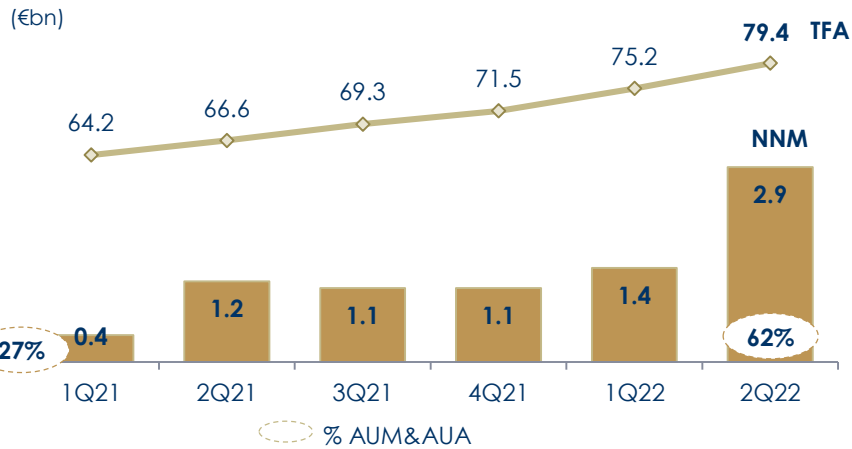
MEDIOBANCA

# COMMERCIAL ACTIVITY ACCELERATING IN 2Q

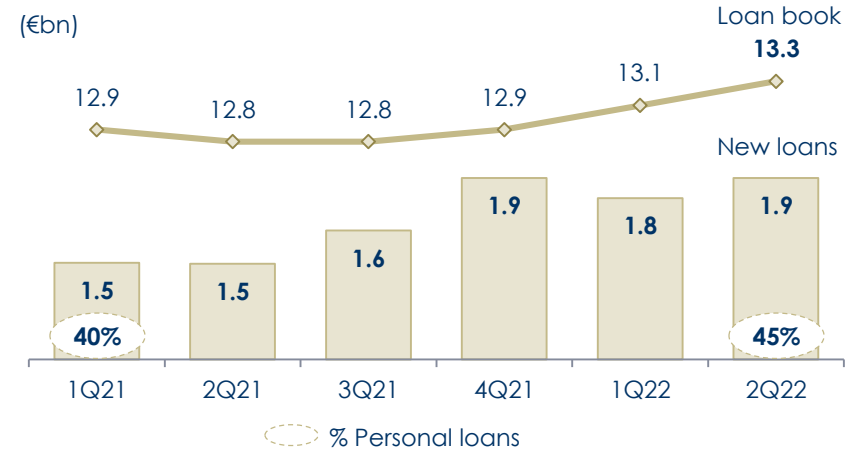
1H22/2Q22 - Group results

Section 2

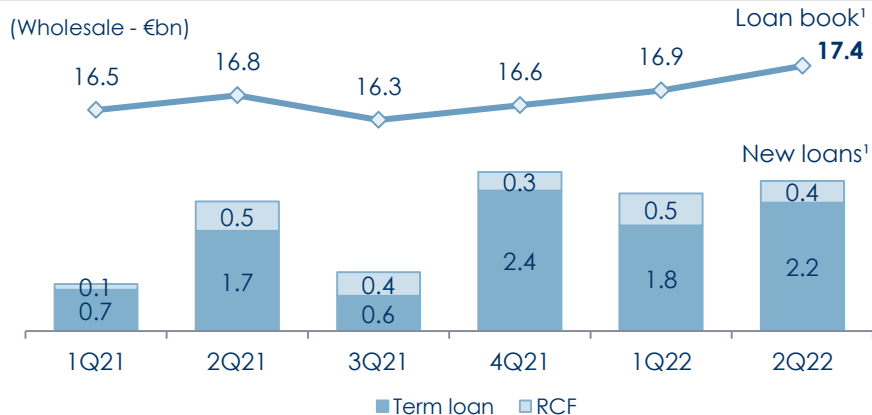
**WM: NNM and TFAs at all-time high**  
€4.4bn NNM in last 6M TFA above €79bn



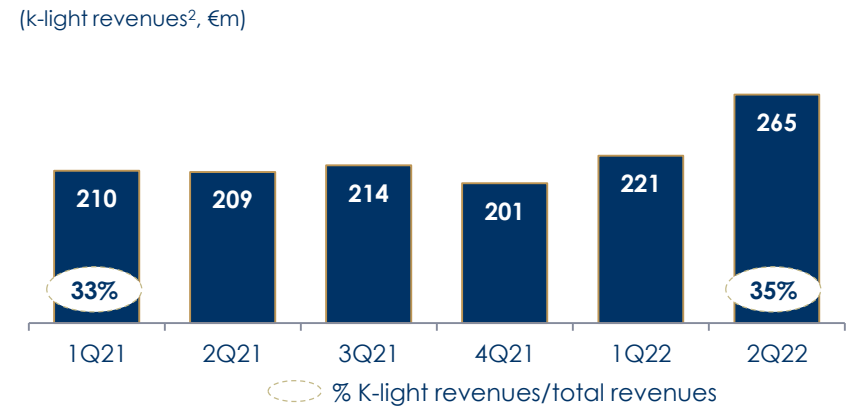
**CF: new loans recovering in volume and mix**



**CIB: solid underlying lending volumes**



**Ongoing strong boost to k-light activities**  
K-light revenues up 16% YoY to €486m in 1H22



1) New loans in LSF (Lending and Structured Finance) division. Loan book also includes CMS  
2) K-light revenues: WM revenues (NII+Fees) + CIB fees (excl. Lending and Specialty Finance)





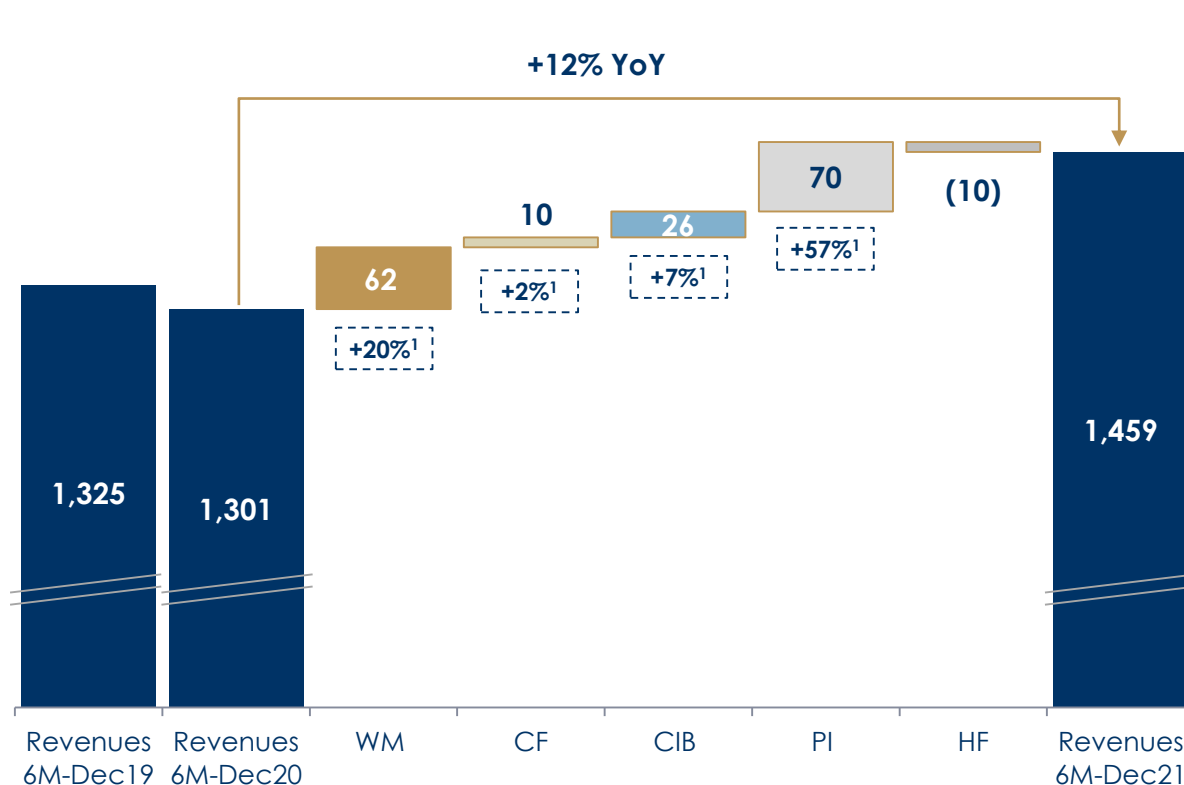
# REVENUES UP 12% YoY, ACCELERATING IN 2Q

## BENEFITING FROM RESTORED/INCREASED REVENUE-GENERATING CAPABILITIES IN ALL SEGMENTS

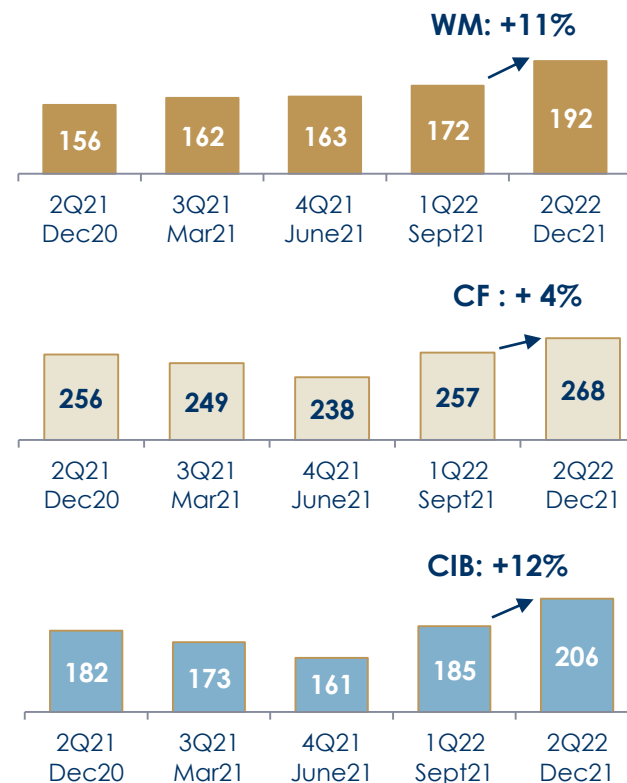
1H22/2Q22 - Group results

Section 2

Group revenues by division (YoY, €m, 6M)



Divisional revenues by Q (€m, 3M)

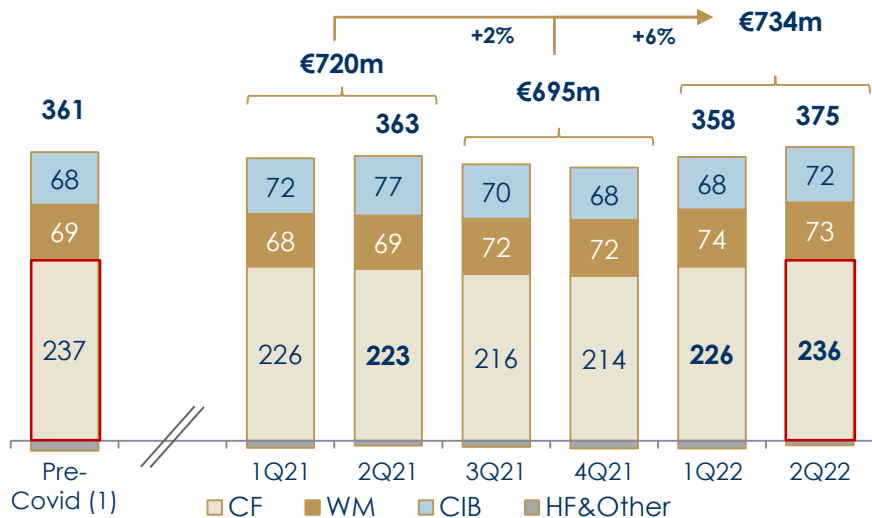


# NII BACK TO GROWTH, T-LTRO IMPACT SMOOTHED

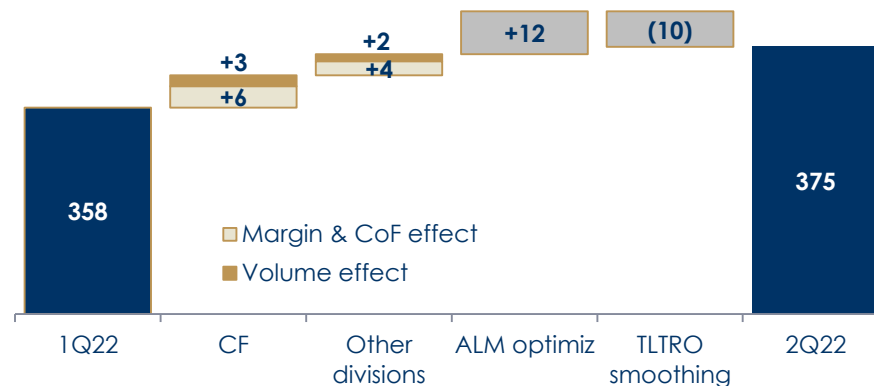
1H22/2Q22 - Group results

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NII trend by division (€m, 3M)

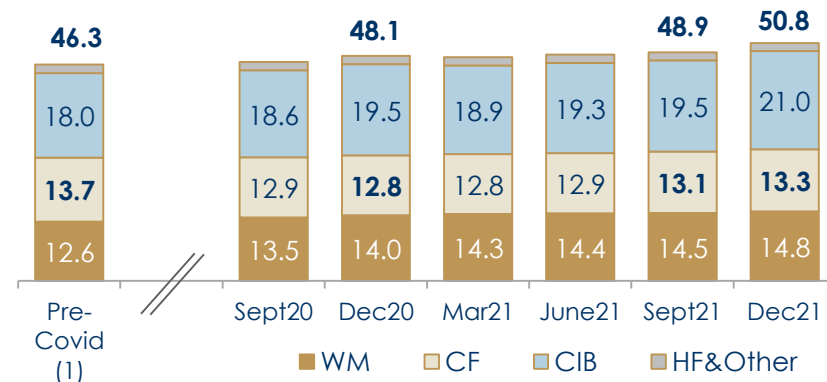


Quarterly NII trend (€m, 3M)



- ◆ **NII at €734m in 1H22, clearly back to growth** (up 2% YoY and 6% HoH), with record 2Q helped by seasonality along with volume growth and CoF reduction across all divisions; the CF contribution was particularly positive, with loan book and NII growing above expectations and up both QoQ and YoY
- ◆ **T-LTRO cliff smoothed and offset by ALM optimization:** 50bps removal (from June22) spread over maturity (2.5Y); €10m impact for 6M fully booked in 2Q

Loan book by segment (€bn)

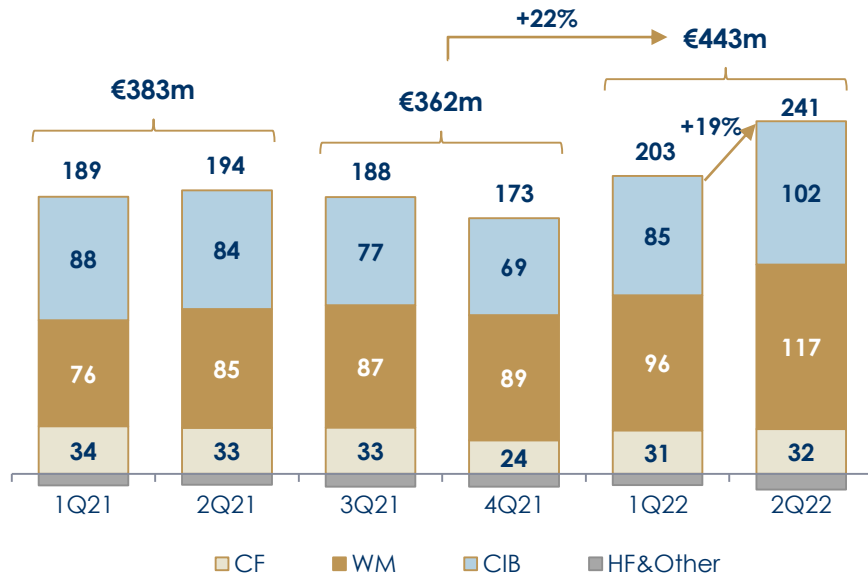


# FEE INCOME: ROBUST HIGH-QUALITY GROWTH IN WM AND CIB

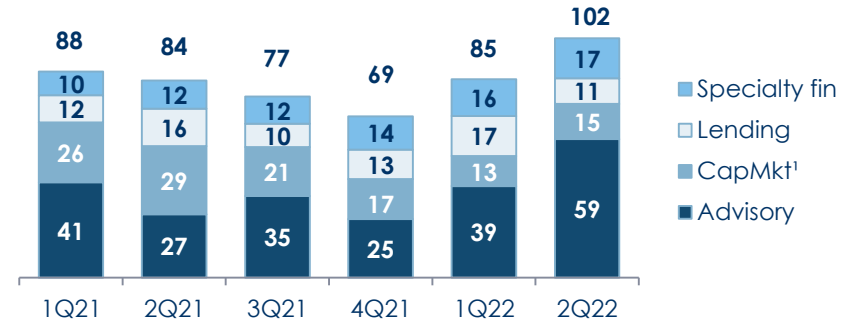
1H22/2Q22 - Group results

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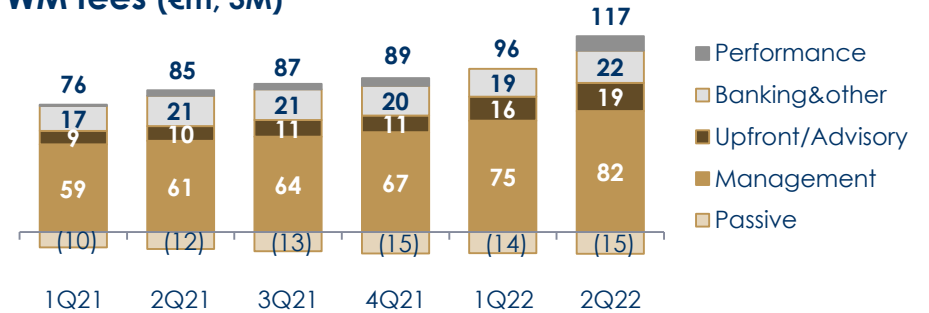
Fee income trend by division (€m, 3M)



CIB fees (€m, 3M)



WM fees (€m, 3M)



- ◆ Fee income steadily on a growing path, posting new record in 2Q (€241m, up 19% QoQ), backed by WM and CIB performances:
- ◆ **WM: largest contributor** (€117m in 2Q and €213m in 1H), impressive growth (up 33% YoY and 21% HoH), reflecting increase in management fees and in AUM/AUA, Bybrook consolidation, MB/Blackrock co-investments upfront fees (most in 1H22, €14m)
- ◆ **CIB: high-quality record fees** (€102m in 2Q, €187m in 1H) recording material growth (up 9% YoY and 28% HoH) due to a strong performance in Advisory business
- ◆ **CF: broadly stable contribution**

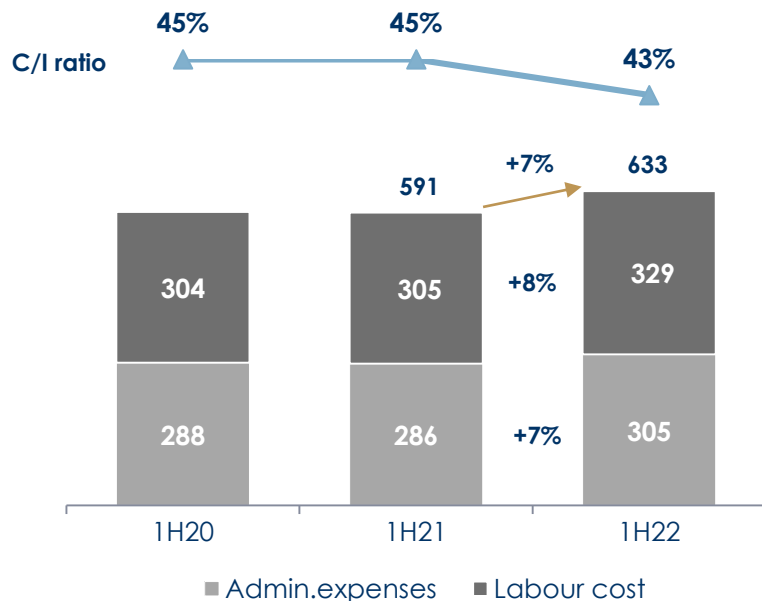
# COSTS UP 7% DRIVEN BY STRONG COMMERCIAL ACTIVITY

## BEST-IN-CLASS COST/INCOME RATIO CONFIRMED (@43%)

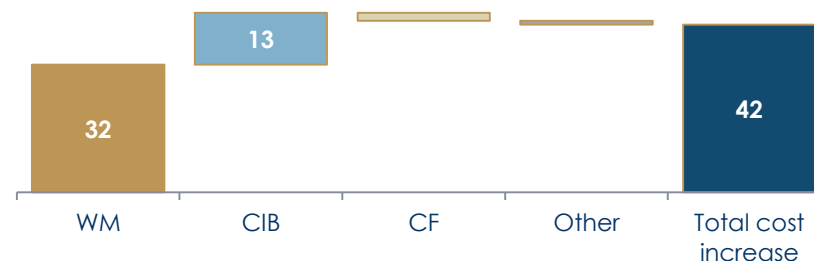
1H22/2Q22 - Group results

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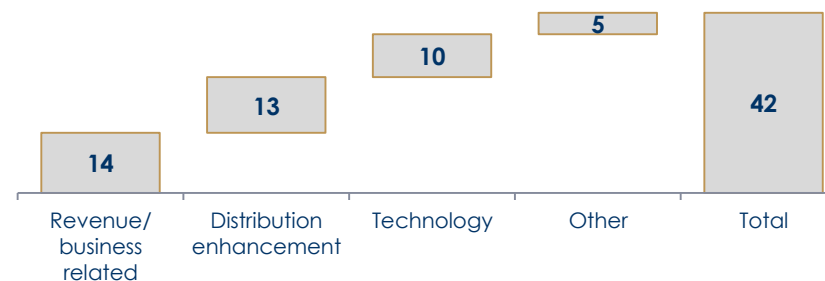
**Group cost base and cost/income ratio**  
(€m, %, €M)



**Group cost base increase by division**  
(€m, €M)



**Group cost base increase breakdown**  
(€m, €M)



◆ **Cost base up by €42m (up 7% YoY) driven by strong revenues/business activity and distribution platform enhancement while keeping cost/income ratio under strict control @43%. Cost increase driven by:**

- ◆ **€14m increase in revenues/business related costs** including higher variable remuneration accrued (in line with positive revenues trend), and other volume (mainly retail) related costs
- ◆ **€13m increase due to distribution enhancement** mainly related to hiring, marketing, and branches opening
- ◆ **€10m related to further technology upgrades**

# PRUDENT PROVISIONING FURTHER TIGHTENED

## MACRO SCENARIO UNCHANGED, OVERLAYS NOT RELEASED, MORATORIA ENDED

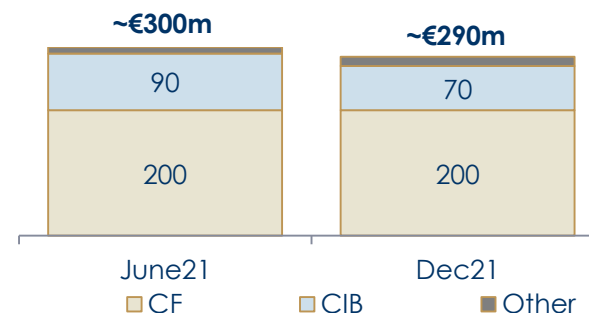
1H22/2Q22 - Group results

Section 2

### Highlights

- ◆ **IFRS9 models did not incorporate Dec21 macro upgrade**
- ◆ **Moratoria ended:** <1% group loans, 83% expired; ~100% of residual positions classified in Stages 2-3, well covered
- ◆ **Extra provisioning:** €10m for vintage positions in Leasing and €25m for MBCS portfolio, with a view to progressive de-risking

### Overlay stock trend (€m)



### Macro scenario trend (MB internal baseline scenario)

	Scenario June21			Scenario Dec21		
	2021 <sup>1</sup>	2022 <sup>1</sup>	2023 <sup>1</sup>	2021 <sup>1</sup>	2022 <sup>1</sup>	2023 <sup>1</sup>
IT GDP	4.5%	4.4%	1.5%	+6.4%	+4.7%	+2.0%
EU GDP	4.0%	4.3%	2.2%	+5.1%	+4.4%	+2.4%
IT UNEPL. Rate	9.8%	9.9%	9.5%	9.6%	9.1%	8.9%
IT 10Y yield	0.6%	1.2%	1.8%	0.7%	1.4%	2.4%

### Loans under moratoria (€bn, Dec21)

	Granted	Outstanding	o/w Stage 2-3
<b>MB Group</b>	2.22	0.37	~100%
Consumer	0.97	0.02	100%
Mortgages	0.63	0.10	100%
Leasing	0.62	0.24 <sup>2</sup>	100%

○ Moratoria as % of Group loans

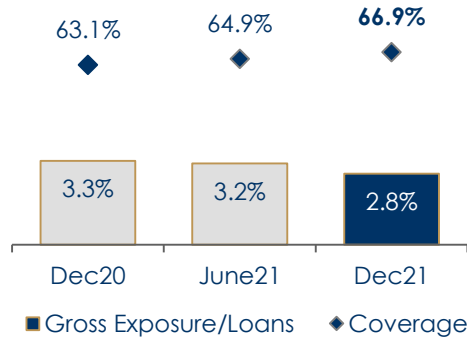
# SOLID ASSET QUALITY TREND CONFIRMED

## NPLs INCIDENCE DOWN AND COVERAGE RATIO UP

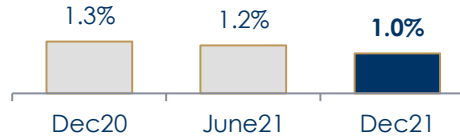
1H22/2Q22 - Group results

Section 2

### Gross NPLs – Stage 3<sup>1</sup>

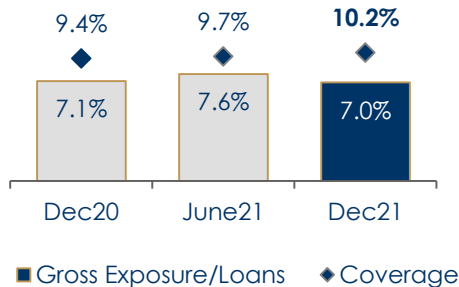


### Net NPLs – Stage 3<sup>1</sup> (Net exposure/Loans)

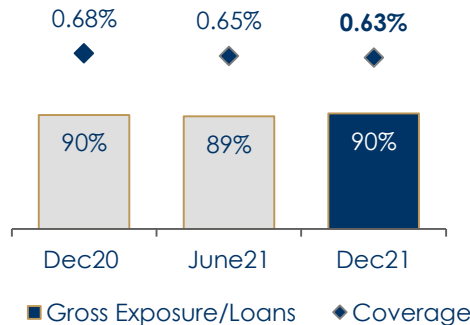


- **Stage 3** – Gross NPLs down to 2.8% of gross loans (vs 3.2% in June21) as well as net NPLs. Small ordinary NPL disposals in Consumer Finance. Coverage ratio up to ~67%
- **Stage 2** – Down in both absolute terms (by 3% HoH) and relative terms, mainly related to CIB and mortgages. Coverage ratio at ~10%
- **Performing loans** – Coverage ratio 1.32% at Group level, further strengthened in Consumer Finance (up to 3.75%)

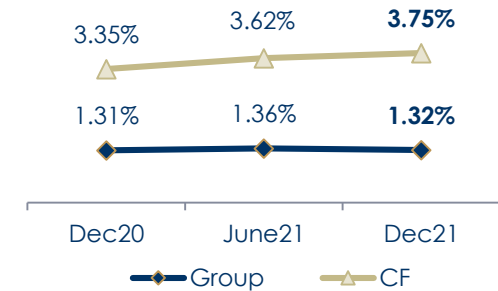
### Performing Loans – Stage 2<sup>1</sup>



### Performing Loans – Stage 1<sup>1</sup>



### Performing Loans coverage ratio



1) Figures in the graphs refer to the Customers Loan Book and may therefore differ from the EBA Dashboard. In particular, the EBA includes treasury balances in NPL and staging calculation (excluded from MB classification) and includes purchased NPLs (€0.4bn) in the NPL ratio (MB does not include gross purchased NPLs in NPL ratio, as does in stage 3 loans)

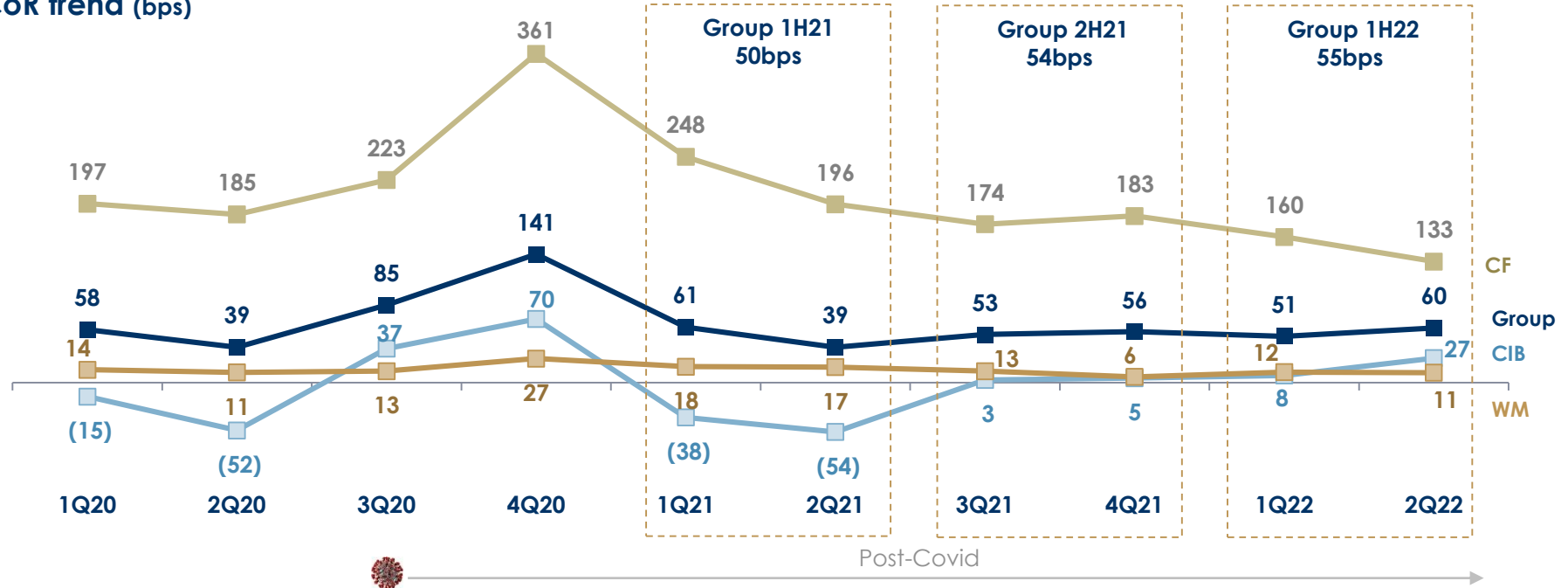


# POSITIVE COR TREND ONGOING

1H22/2Q22 - Group results

Section 2

CoR trend (bps)



- ◆ **Prudent approach:** given the macro uncertainties and the new wave of the pandemic, the **new macro scenario has not been applied to IFRS9 models**
- ◆ **1H22 Group CoR at 55bps, with a slight increase in 2Q to 60bps due only to extra provisions to facilitate the downsizing of small credit buckets (Leasing /MBCS) (~40bps underlying COR in 1H):**
  - ◆ CF: CoR down to 133bps in 2Q22 at its lowest-ever level, on low default rates and sound asset quality
  - ◆ CIB: CoR at 27bps in 2Q22, reflecting €25m of extra provisioning for selected MBCS portfolios, only partly offset by writebacks related to repayments, upgrades and sector risk improvement
  - ◆ Leasing: additional €10m LLPs related to extra provisioning for residual moratoria and vintage NPLs

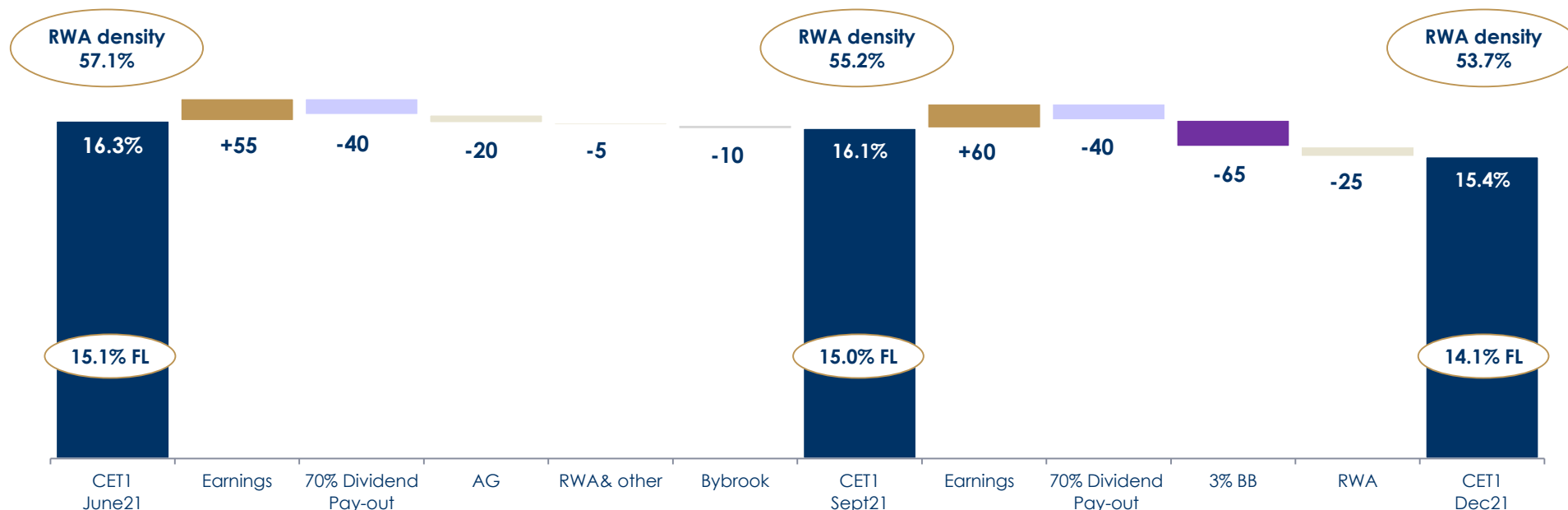
# STRONG CAPITAL POSITION OPTIMIZING

## ORGANIC CAPITAL CREATION FINANCING GROWTH & SHAREHOLDER REMUNERATION

1H22/2Q22 - Group results

Section 2

### CET1 phased-in<sup>1</sup> ratio trend (% bps)



#### ◆ CET1 phased-in ratio down 90bps HoH to 15.4%, ow 70bps in 2Q, reflecting

- ◆ +115bps organic capital generation (split equally between quarters) financing -30bps organic growth (loans up by €2.4bn at a lower density, from 57% to 54%) and -80bps cash shareholders' remuneration (70% cash payout)
- ◆ -65bps full upfront-loading of buyback programme<sup>2</sup> (in 2Q)
- ◆ -20bps AG impact (mainly in 1Q, as in Q2 extra dividend was paid) to be reversed with AG dividend payment in May 2022

#### ◆ 2022 SREP CET1 confirmed at 7.9%<sup>3</sup>

1) CET1 FL @14.1% (without Danish Compromise ~120 bps and with IFRS 9 fully phased ~10 bps).  
 2) Buyback programme approved by ECB and started in Dec.21, for up to 25.9 million shares to be bought within 12 months for staff performance shares schemes, M&A and cancellation  
 3) SREP CET1 calculated as: 4.5% Pillar1 + 2.5% CCB + 56.25% P2R (1.58%)+ 0.01% CCyB.





# 6M GROUP RESULTS AT A GLANCE

1H22/2Q22 - Group results

Section 2

## Financial results

€m	6m Dec21	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q22 Dec21	1Q22 Sept21	2Q21 Dec20
<b>Total income</b>	<b>1,459</b>	<b>+10%</b>	<b>+12%</b>	<b>753</b>	<b>706</b>	<b>675</b>
Net interest income	734	+6%	+2%	375	358	363
Net fee income	443	+22%	+16%	241	203	194
Trading income	97	-12%	+12%	47	50	51
Equity acc. com.	186	+15%	+67%	90	95	67
<b>Wealth Management</b>	<b>364</b>	<b>+12%</b>	<b>+20%</b>	<b>192</b>	<b>172</b>	<b>156</b>
<b>Consumer Finance</b>	<b>525</b>	<b>+8%</b>	<b>+2%</b>	<b>268</b>	<b>257</b>	<b>256</b>
<b>Corporate &amp; IB</b>	<b>391</b>	<b>+17%</b>	<b>+7%</b>	<b>206</b>	<b>185</b>	<b>182</b>
<b>Principal Investing</b>	<b>194</b>	<b>+13%</b>	<b>+57%</b>	<b>96</b>	<b>98</b>	<b>78</b>
<b>Total costs</b>	<b>(633)</b>	<b>-2%</b>	<b>+7%</b>	<b>(331)</b>	<b>(303)</b>	<b>(303)</b>
Loan loss provisions	(137)	+5%	+17%	(75)	(62)	(46)
<b>GOP risk adj.</b>	<b>689</b>	<b>+25%</b>	<b>+16%</b>	<b>347</b>	<b>341</b>	<b>326</b>
<b>PBT</b>	<b>655</b>	<b>+23%</b>	<b>+15%</b>	<b>309</b>	<b>347</b>	<b>292</b>
<b>Net profit</b>	<b>526</b>	<b>+32%</b>	<b>+28%</b>	<b>264</b>	<b>262</b>	<b>211</b>
<b>TFA - €bn</b>	<b>79.4</b>	<b>+11%</b>	<b>+19%</b>	<b>79.4</b>	75.2	66.6
<b>Customer loans - €bn</b>	<b>50.8</b>	<b>+5%</b>	<b>+6%</b>	<b>50.8</b>	48.9	48.1
<b>Funding - €bn</b>	<b>59.3</b>	<b>+6%</b>	<b>+6%</b>	<b>59.3</b>	57.8	55.9
<b>RWA - €bn</b>	<b>47.8</b>	<b>+1%</b>	<b>-2%</b>	<b>47.8</b>	47.2	48.7
<b>Cost/income ratio (%)</b>	<b>43</b>	<b>-6pp</b>	<b>-2pp</b>	<b>44</b>	43	45
<b>Cost of risk (bps)</b>	<b>55</b>	<b>+1bps</b>	<b>+5bps</b>	<b>60</b>	51	39
<b>Gross NPLs/Ls (%)</b>	<b>2.8%</b>			<b>2.8%</b>	3.1%	3.3%
<b>NPL coverage (%)</b>	<b>66.9%</b>			<b>66.9%</b>	67.2%	63.1%
<b>EPS adj. (€)</b>	<b>0.59</b>	<b>+31%</b>	<b>+17%</b>	<b>0.30</b>	0.29	0.27
<b>ROTE adj. (%)</b>	<b>11%</b>			<b>11%</b>	11%	10%
<b>CET1 ratio phased-in (%)</b>	<b>15.4%</b>			<b>15.4%</b>	16.1%	16.2%

## Highlights

- ◆ **Net income at €526m**, up 28% YoY and 32% HoH, **ROTE@11%**
- ◆ **Double-digit growth in revenues**, to €1,459m, **accelerating in 2Q**
  - ◆ **NII back to growth** due to higher volumes, especially in CF, CoF reduction across all divisions and despite T-LTROs smoothing
  - ◆ **Fees robust, double-digit/high-quality growth** to €443m driven by WM, the largest contributor, and CIB
  - ◆ **WM: double-digit increase to €364m revenues** driven by higher AUM/AUA and resilient marginality
  - ◆ **CF: with €525m, the largest contributor to Group revenues definitely back to growth**, with rising NII reflecting normalized new business, higher volumes, better margins and CoF
  - ◆ **CIB: high-quality growing revenues (to €391m)** with almost all segments performing well
  - ◆ **PI: solid contribution confirmed (13% of total revenues)** on normalized revenues from AG
- ◆ **Costs up 7% YoY** on higher business activity and ongoing investments in distribution and innovation, **C/I ratio kept low @43%**
- ◆ **LLPs up 17% YoY due to one-off writedowns in 2Q22** (€35m on small non-core legacy portfolios) **vs one-off net writebacks in 2Q21** (€35m). **CoR at 55bps (~40bps normalized)** reflecting low default rates and prudent risk management models with no overlay release
- ◆ **Non-operating items:** €26m of systemic fund contributions and €37m in tax benefits mainly related to Compass goodwill
- ◆ **Solid capital position: CET1 at 15.4%**, down 90bps HoH due to upfront loading of share buyback impact (~65bps), organic growth and Bybrook acquisition. 70% payout accrued

# COMMITMENT TO NET-ZERO GREEN TRANSITION ...

1H22/2Q22 - Group results

Section 2

**MEDIOBANCA HAS ADHERED TO  
THE PRINCIPLES FOR RESPONSIBLE BANKING AND  
THE NET-ZERO BANKING ALLIANCE**



- ◆ After joining the **Principles for Responsible Banking** in July 2021, **in November 2021 Mediobanca joined the Net-Zero Banking Alliance<sup>1</sup> (NZBA) confirming its intention to play an active role in the green transition.** As a signatory to the NZBA, Mediobanca has assumed specific obligations that include:

## MEASURE

- ◆ Set scenario-based interim targets for 2030 or sooner for priority sectors.
- ◆ Take into account the best available scientific knowledge.

## TACKLE

- ◆ Prioritize areas of most significant impact (i.e., the most greenhouse gas-intensive and emitting sectors).
- ◆ Set first target(s) within 18 months of signing and report annually thereafter.

## REPORT

- ◆ Annually publish emissions and emissions intensity.
- ◆ Disclose progress and alignment to a board-level reviewed transition strategy.

**RENEWED COMMITMENT TO NEUTRALIZE DIRECT (Scope 1 and Scope 2) EMISSIONS for FY21**

1) Net-Zero Banking Alliance (NZBA): initiative promoted by the United Nations with the objective of accelerating the sustainable transition of the international banking sector on Climate-Related Financial Disclosures. The NZBA brings together a global alliance of over 90 banks that are committed to aligning their lending and investment portfolios with net-zero emissions by 2050 or sooner, in line with the targets set by the Paris Climate Agreement.

# ... ENHANCING THE BANK'S ESG PROFILE AND POSITIONING

1H22/2Q22 - Group results

Section 2

**RATING – upgrade/confirmation from third-party ratings due to unbroken focus on ESG improvement**

**MARKET INDEX - Mediobanca included in the new MIB ESG index**

**MSCI**  
rating up  
from “BB” to “A”

**CDP**  
rating up  
from “D” to “C”

**BLOOMBERG**  
Gender Equality Index  
Included also for 2022

**S&P GLOBAL**  
Included in the 2022  
Sustainability Yearbook

## ENVIRONMENT - Supporting our clients targeting climate change

- ◆ **ESG/green credit product footprint now material with ~ €2.9bn of stock o/w:**
  - ◆ 89% corporate
  - ◆ 7% mortgages
  - ◆ 4% consumer finance
- ◆ **Strong ESG funds growth** (% of ESG qualified funds @49%)<sup>1</sup>
- ◆ **DCM top positioning in the ESG space** with 12 transactions for a total issued amount in excess of € 9.5bn in 1H22

## SOCIAL – supporting our community with sport and environment

- ◆ **€1.5m special donation to a charity** for specific new initiatives
- ◆ **MB Sport Camp run for the 5th year at the Beccaria Institute for Young Offenders in Milan** to promote competition, respect for rules and fair play through sport
- ◆ **New rugby pitch inaugurated as part of the TOGETHER/INSIEME social inclusion project** addressing the most vulnerable peripheral areas in terms of their economic and social conditions.
- ◆ **2,000 trees planted in Milan area** within projects shared with Reteclima and Fondazione Mission Bambini

## GOVERNANCE – improvements approved by 2021 AGM

- ◆ **Remuneration policy:** senior management STI scorecards enhanced with **quantitative ESG targets** to support ESG/green product development
- ◆ **Governance enhanced** by changes to the Articles of Association:
  - ◆ Removal of requirement to have Group managers in the BoD,
  - ◆ **Increased minorities presence** in the BoD with **one seat reserved to Institutional Investors**

# Agenda

**Section 1. Executive summary**

**Section 2. 1H/2Q Group results**

**Section 3. Divisional results**

**Section 4. Closing remarks**

## **Annexes**

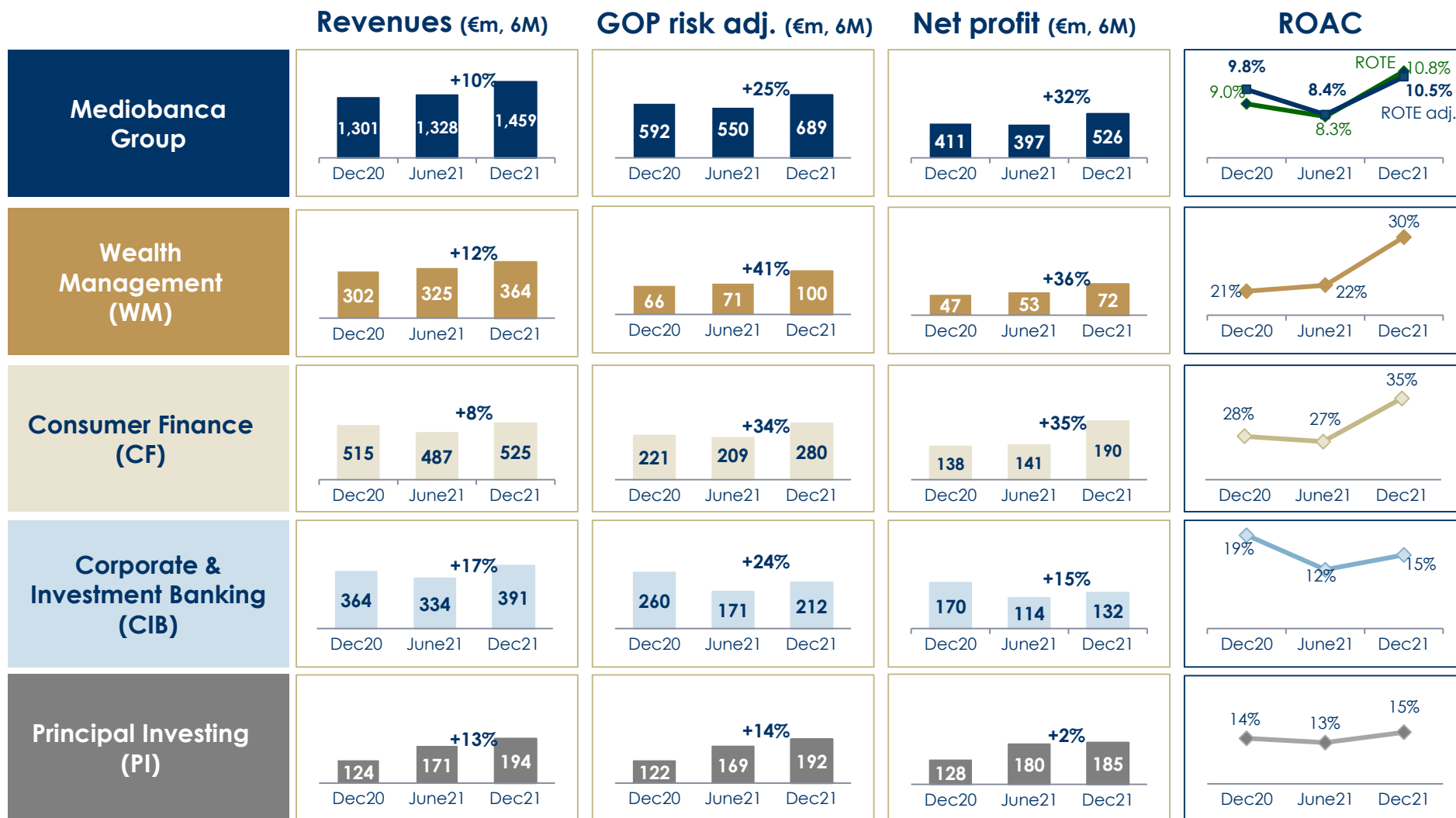
1. Asset quality by division
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# GROUP ROTE 11%

## ALL DIVISIONS GROWING & WITH HIGH DOUBLE-DIGIT ROAC



# WEALTH MANAGEMENT



# WM: BEST-EVER RESULTS

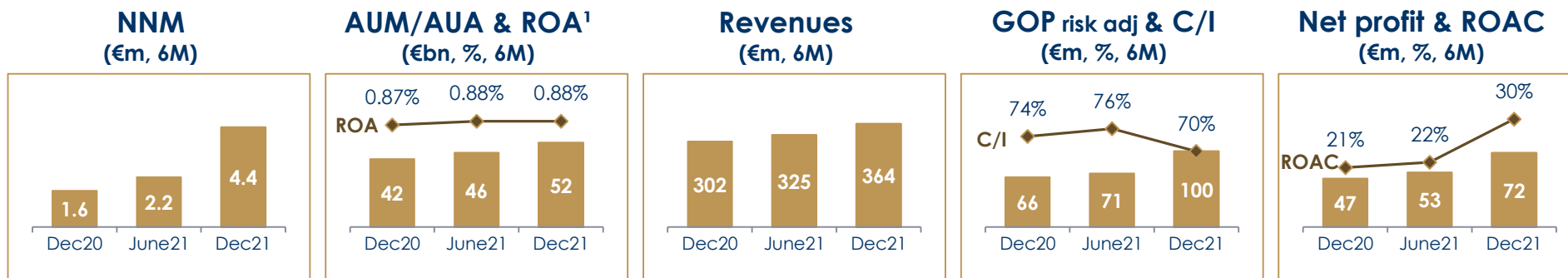
## SUSTAINABLE GROWTH PATH CONFIRMED

### 6M NET PROFIT € 72m – ROAC UP TO 30%

1H22 Divisional results - WM

Section 3

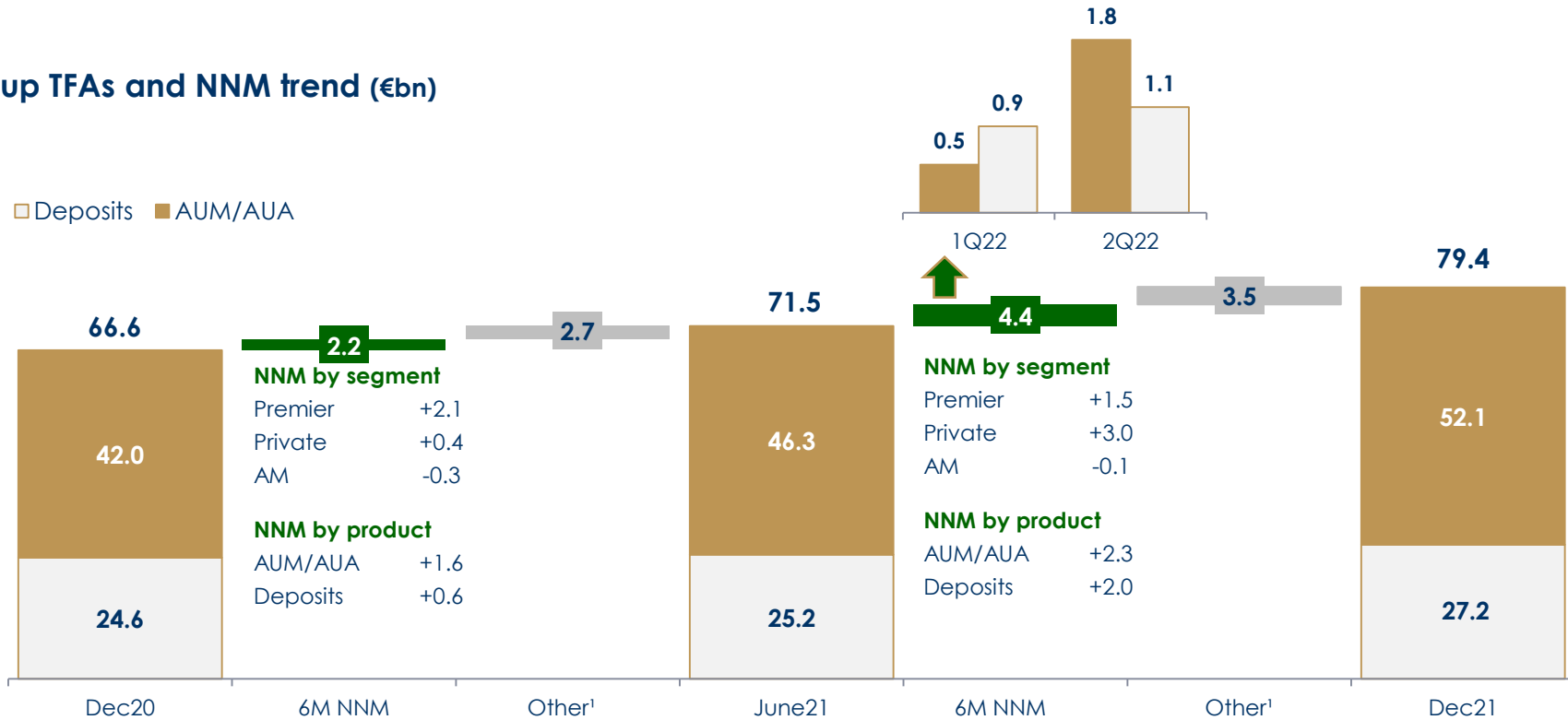
- ◆ **WM growing and reshaping. All metrics improving due to strong distribution investments, offer repositioning, scale enhancement**
  - ◆ **Premier growing at best-in-class rates**, with high productivity and strong commitment to invest in physical and digital distribution
  - ◆ **Private Banking developing a specialized private market offer** consistent and synergic with Private/IB model, deserving superior growth rates
  - ◆ **New qualified product offering launched:** new thematic discretionary mandates and Blackrock co-initiatives in MBPB; launch of illiquid offer at CMB; new CLO by Cairn; ongoing enhancement in advisory, investment product and discretionary mandate offering for Premier customers
  - ◆ **Stronger synergies:** increasing penetration of inhouse products, AM factories streamlined, cross-origination between PB and CIB
- ◆ **Record results in terms of commercial and financial achievements**
  - ◆ **NNN @ €4.4bn in 6M**, TFAs up to €79bn, ow €52bn AUM/AUA (66%)
  - ◆ **Revenues, GOP and net profit up double-digit**
  - ◆ **Cost/income ratio down 4pp YoY to 70%, ROAC increased** by 9pp YoY to 30%



# NNM: €4.4BN IN 6M, DOUBLED HoH, ACCELERATING IN 2Q

## TFAs UP TO €79BN

### Group TFAs and NNM trend (€bn)



- ◆ **NNM at €4.4bn in 6M, all-time high, doubled HoH, accelerating in Q2 (€2.9bn).** Strong trend in Premier (€1.5bn) and PB (€3bn o/w €1.9bn of deposits), with strong money motion events and start of AUM conversion in 2Q; €0.3bn AM inflows in 2Q broadly recovering outflows in 1Q
- ◆ **TFAs at €79bn, up 11% HoH, sustained by growth of both AUM/AUA (up 13%) and deposits (up 8%).** Managed assets also increased due to Bybrook consolidation (€2.1bn), while deposits benefit from money motion events in last 6M



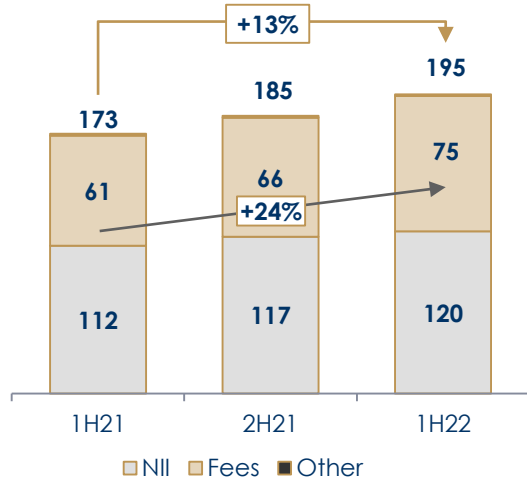
# PREMIER/PRIVATE: DRIVER OF GROWTH WITH AUM AND FEES UP

1H22 Divisional results - WM

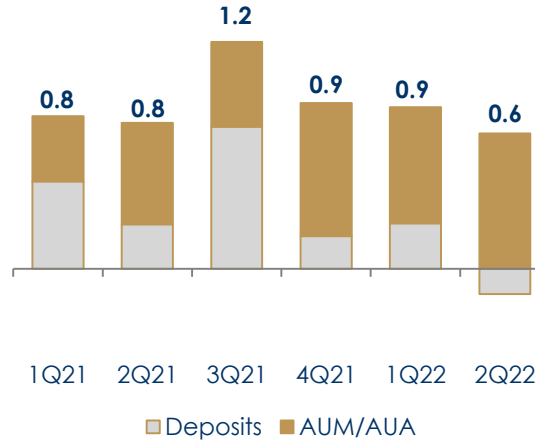
Section 3

Premier

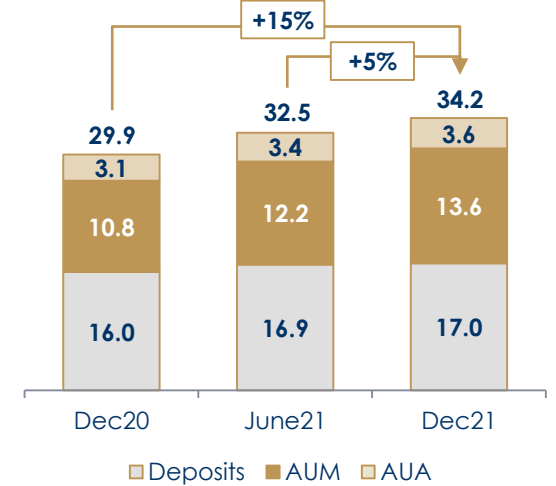
Revenues (€m, 6M)



NNM trend (€bn, 3M)

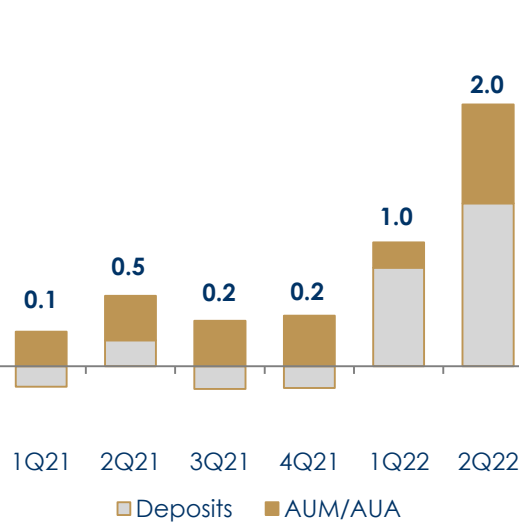
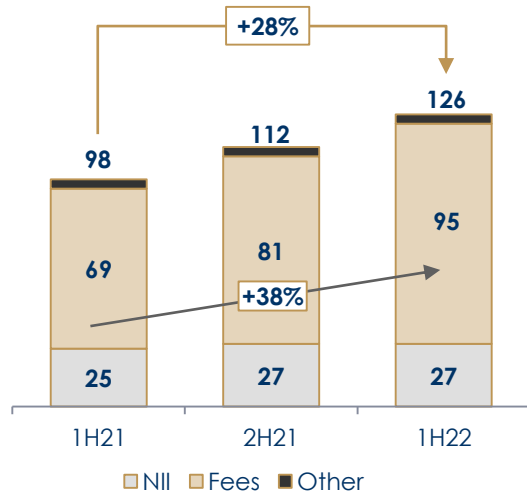


TFA stock trend (€bn)

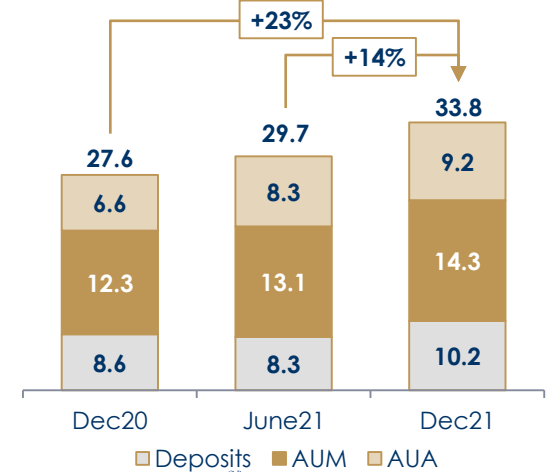


Private

+28%



+23%

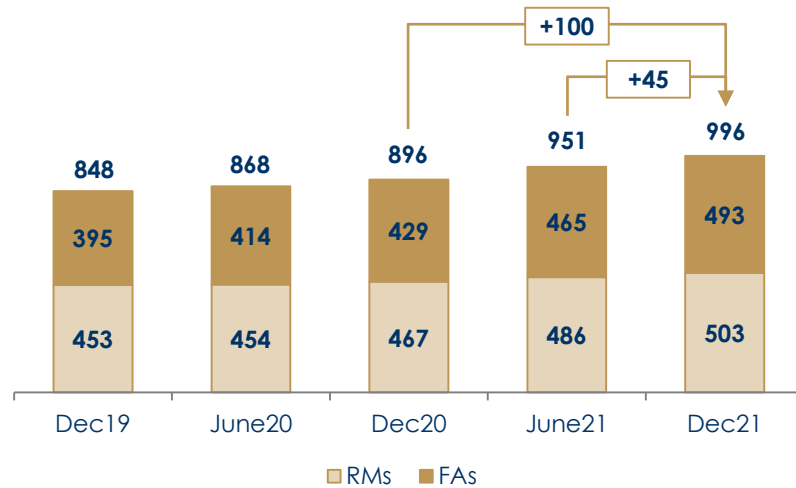


# PREMIER (CheBanca!): GROWTH AND PRODUCTIVITY AT THE BEST MARKET STANDARD

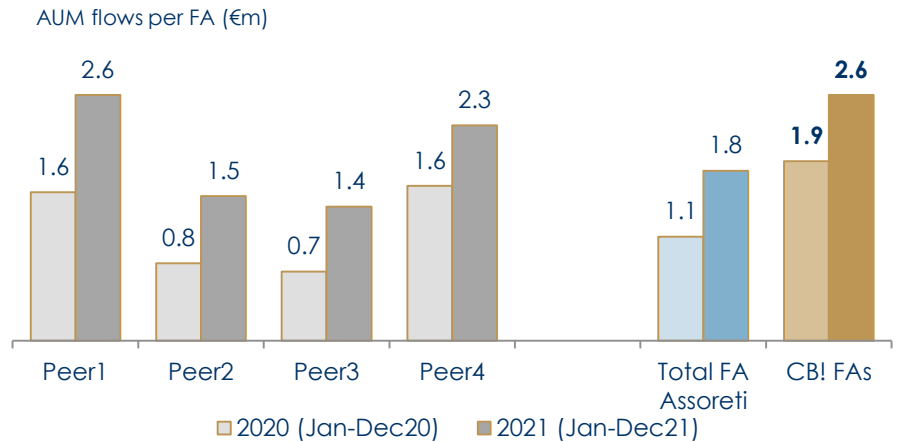
1H22 Divisional results - WM

Section 3

## Premier distribution growth

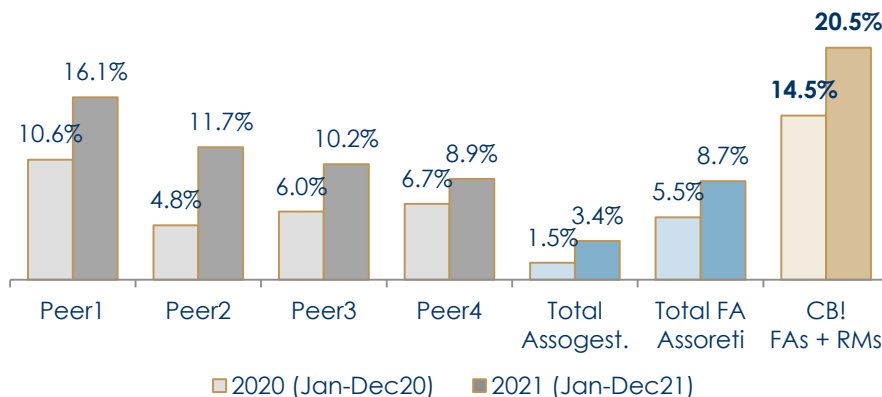


## CheBanca! FAs productivity vs peers<sup>1</sup>



## CheBanca! growth vs peers<sup>1</sup>

AUM flows as % of total AUM



- ◆ **Ongoing strong investment in Premier** distribution: salesforce **up to ~1,000** professionals (45 added in last 6M, 100 in last year);
- ◆ **Recruitment** focused on profiles which stands out for their strong productivity, contributing to **overall growth higher than peers**
- ◆ **Product offering enhancement:** enhancement of advisory activity, new customizable lines for discretionary mandates and product offering further enhanced with MBSGR funds

# CHEBANCA!: NEW STATE-OF-THE-ART APP LAUNCHED

## FOCUS ON CUSTOMER EXPERIENCE, INVESTMENT SERVICES AND REMOTE INTERACTION

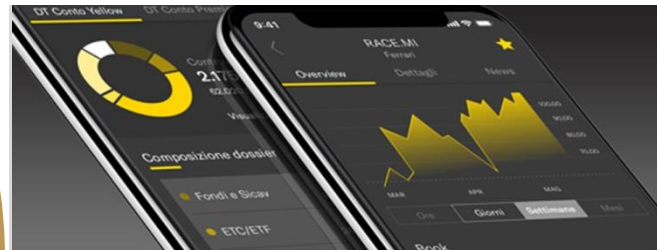
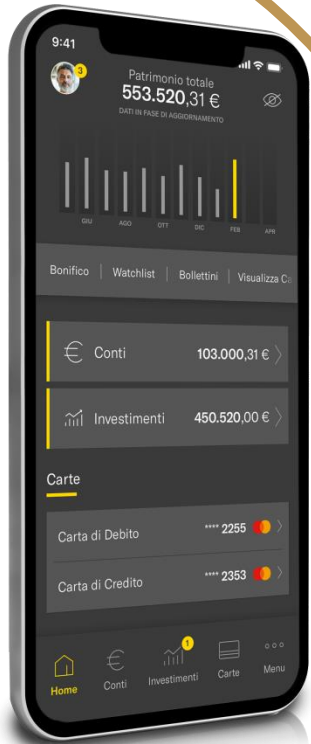
1H22 Divisional results - WM

Section 3

**Ongoing upgrade of CheBanca! digital platform, with the launch of a new mobile banking App in Nov.21 (with progressive releases in 2022), intended to improve customer experience, enlarge investment services and digital remote interaction, in line with best practices:**

Strong focus and investments to move from a daily banking transactions app to a complete channel to manage investment products, banking payments, portfolio monitoring and remote interaction with RMs/FAs.

3 main trajectories:



### Investment portfolio

- ◆ Enhanced portfolio overview
- ◆ Trading on line, with advanced features, watchlists, etc.
- ◆ Market trends and news
- ◆ Mobile collaboration on advisory proposal



### Remote interaction

- ◆ Personal advisor page
- ◆ Guided interaction and booking features
- ◆ Secure videocall services



### Customer experience

- ◆ Personalized look & feel and communications
- ◆ Extension of biometric recognition and security alerts
- ◆ Digital payments and wallet management

# PRIVATE & AM: FOCUS ON NICHE OFFER AND GROUP SYNERGIES

1H22 Divisional results - WM

Section 3

## Private Banking

- ◆ **MBPB:** Blackrock co-initiatives launched with €60m first investment; increasing synergies with MB group, reflected in €1.3bn of money motion events in last 6M, o/w €0.7bn stemming from IB-PB dual coverage
- ◆ **CMB:** new advisory mandates up to speed, salesforce refocused on AUM inflows; product offering enriched with new private market initiatives, in collaboration with MBPB and an external private equity player

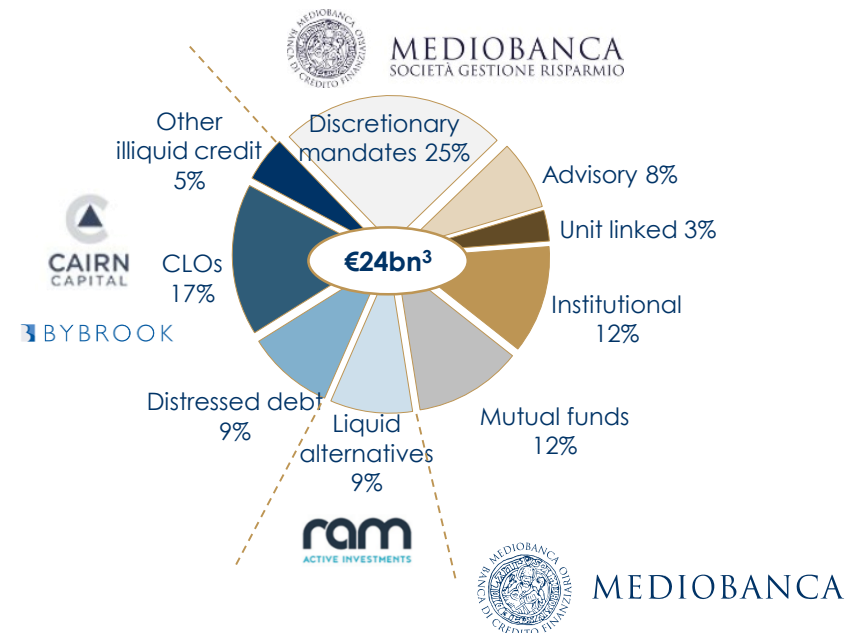
MBPB Initiative	Product	Date	Committed Size (€bn)	AUM (Dec21, €bn)
	PM1	2019	0.1	0.1
Private Markets Programs	PM2	2019	0.1	0.1
	PM3	2020	0.1	0.1
	BlackRock	2021	1.4	0.1
Club Deals	TEC	2017	0.5	n.m. <sup>2</sup>
Real Estate Inv.	Re Fund	2019-2020	0.4 <sup>1</sup>	0.2
Private Capital GPs	Intro	2020	0.1	n.m. <sup>2</sup>
<b>TOTAL</b>			<b>2.7</b>	<b>0.6</b>

28

- 1) GAV. €180m NAV
- 2) Not classified as AUM
- 3) Data as of 31.12.21

## Asset Management

- ◆ **Cairn:** illiquid credit platform enriched with opportunistic credit products, following Bybrook acquisition; new CLO launched (€400m), with enlarged pool of equity investors
- ◆ **RAM:** ongoing focus on ESG segment, with three Market Neutral equity funds included in Kepler Top10
- ◆ **MBSGR:** stronger integration with Premier and Private networks, with the introduction of new thematic lines for MBPB and customizable lines for CB! discretionary mandates; ongoing placement of MBSGR funds to Private and Premier clients; centralized management mandates with CMG



# WM 6M RESULTS AT A GLANCE

1H22 Divisional results - WM

Section 3

## Financial results

€m	6m Dec21	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q22 Dec21	1Q22 Sept21	2Q21 Dec20
<b>Total income</b>	<b>364</b>	<b>+12%</b>	<b>+20%</b>	<b>192</b>	<b>172</b>	<b>156</b>
Net interest income	147	+2%	+7%	73	74	69
Fee income	213	+21%	+33%	117	96	85
Net treasury income	4	-21%	-20%	1	3	3
<b>Total costs</b>	<b>(256)</b>	<b>+3%</b>	<b>+14%</b>	<b>(133)</b>	<b>(123)</b>	<b>(115)</b>
Loan provisions	(8)	+24%	-29%	(4)	(4)	(6)
<b>GOP risk adj.</b>	<b>100</b>	<b>+41%</b>	<b>+50%</b>	<b>55</b>	<b>45</b>	<b>36</b>
<b>PBT</b>	<b>103</b>	<b>+38%</b>	<b>+51%</b>	<b>57</b>	<b>46</b>	<b>37</b>
<b>Net profit</b>	<b>72</b>	<b>+36%</b>	<b>+54%</b>	<b>40</b>	<b>32</b>	<b>25</b>
<b>TFA - €bn</b>	<b>79.4</b>	+11%	+19%	<b>79.4</b>	75.2	66.6
<b>AUM/AUA - €bn</b>	<b>52.1</b>	+13%	+24%	<b>52.1</b>	49.1	42.0
<b>Deposits - €bn</b>	<b>27.2</b>	+8%	+11%	<b>27.2</b>	26.1	24.6
<b>NNM - €bn</b>	<b>4.4</b>	+97%	n.m.	<b>2.9</b>	1.4	1.2
<b>Customer loans - €bn</b>	<b>14.8</b>	+3%	+5%	<b>14.8</b>	14.5	14.0
<b>Gross NPLs/Ls (%)</b>	<b>1.6%</b>			<b>1.6%</b>	1.5%	1.5%
<b>Cost/income ratio (%)</b>	<b>70</b>	-6pp	-4pp	<b>69</b>	71	73
<b>Cost of risk (bps)</b>	<b>12</b>	+2bps	-5bps	<b>11</b>	12	17
<b>ROAC (%)</b>	<b>30</b>			<b>33</b>	27	23
<b>Revenues breakdown</b>						
Premier	<b>195</b>	+6%	+13%	<b>100</b>	95	90
Private and other	<b>126</b>	+12%	+28%	<b>66</b>	59	50
Asset Management	<b>43</b>	+52%	+40%	<b>25</b>	18	16

## Highlights

- ◆ **Best-ever results, driven by record commercial activity, further accelerating in 2Q**
- ◆ **NNM: €4.4bn in 6M**, €2.9bn ow in 2Q, driven by strong AUM/AUA (€2.3bn, ow €1.8bn in 2Q) and money motion events in PB (€1.3bn, ow €1.1bn in 2Q) boosting deposits not yet invested
- ◆ **TFA's up to €79bn (up 19% YoY and 11% HoH): AUM/AUA up to €52bn driven by Premier (up 24% YoY to €17bn, now reaching the same level as deposits), Private Banking (up 25%) and Bybrook consolidation in AM (€2.1bn); deposits up 8% HoH, driven by Private Banking (up 23%)**
- ◆ **Revenues up to €364m (up 20% YoY), ow €192m in 2Q, boosted by strong increase in fees** (up 33% YoY and 21% HoH), on higher management fees (+30% YoY) and resilient recurring marginality (0.88% fee margin<sup>2</sup>), upfront fees from BlackRock co-investment (€14m), limited performance fees (€10m) and consolidation of Bybrook (€8m). All segments growing:
  - ◆ Premier up 13% YoY
  - ◆ Private Banking up 28% YoY
  - ◆ Asset Management up 40% YoY, including Bybrook
- ◆ **C/I ratio down to 70%** due to improvements in all business segments and Cairn turnaround following Bybrook integration
- ◆ CoR@12bps
- ◆ **Net profit up 54% YoY to 72m, ROAC up to 30%**

1) YoY: 6m Dec21 / 6m Dec20; HoH: 6m Dec21 / 6m June21

2) Gross fees excl. performance fee/(AUM+AUA). 1H22 ROA calculated with pro forma data for Bybrook and excluding upfront fees from BlackRock co-investment (€14m in 1H22)



# CONSUMER FINANCE

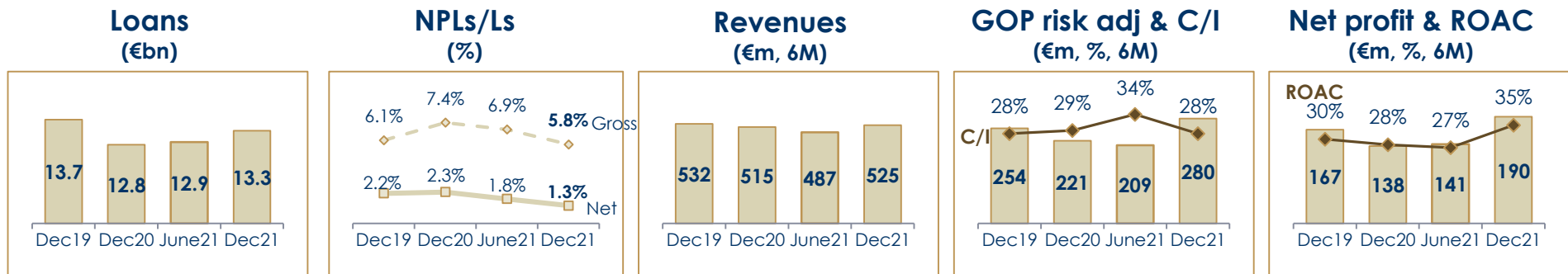


# CF: BEST-EVER RESULTS LEADING TO NEW GROWTH SEASON 6M NET PROFIT € 190m – ROAC UP TO 35%

1H22 Divisional results – CF

Section 3

- ◆ **CF best-ever half-year results deliver record ROAC@35%, definitely overcoming Covid detour (GOP: IH22@€280m vs IH20@€254m).**
- ◆ **Compass ready to enter a new season of growth backed by unbroken investments in multichannel distribution & innovation:**
  - ◆ **Digital distribution:** ~26% of direct PL (>80% o/w within 24h)
  - ◆ **BNPL:** Pagolight (proprietary BNPL<sup>1</sup> solution launched last summer) already used in 3K affiliated stores
  - ◆ **Compass direct branches: 237<sup>2</sup>** (+6 in IH22)
  - ◆ **Compass V: 50 agencies** focused on salary-granted loans
  - ◆ **Compass Link:** focused on serving clients out of branches range (launched last summer, 23 new agents as at Dec21)
- ◆ **Record results backed by resilient and superior asset quality**
  - ◆ Strong new business @€3.7bn in last 6M driving loan book well above €13bn
  - ◆ Revenue up single-digit but GOP and net profit up double-digit backed by lowest-ever CoR (146bps in IH22, 133bps in 2Q22)
  - ◆ NPLs down (gross at 5.8% and net at 1.3%) due to resilient credit quality; overlays intact



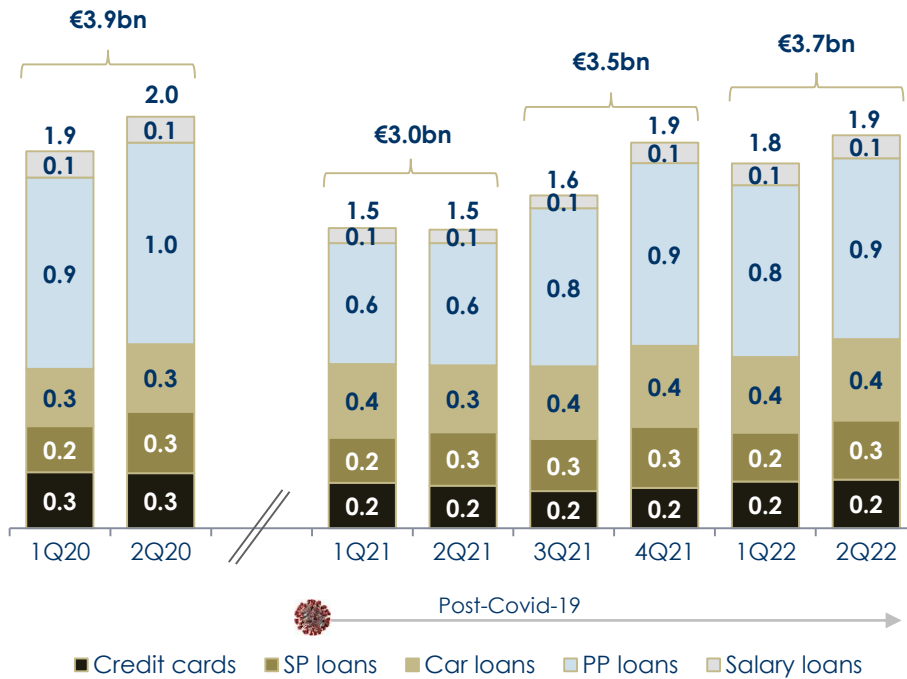
# NEW LOANS FINALLY NORMALIZING

## INCREASING RELIANCE ON DIRECT/DIGITAL DISTRIBUTION

1H22 Divisional results – CF

Section 3

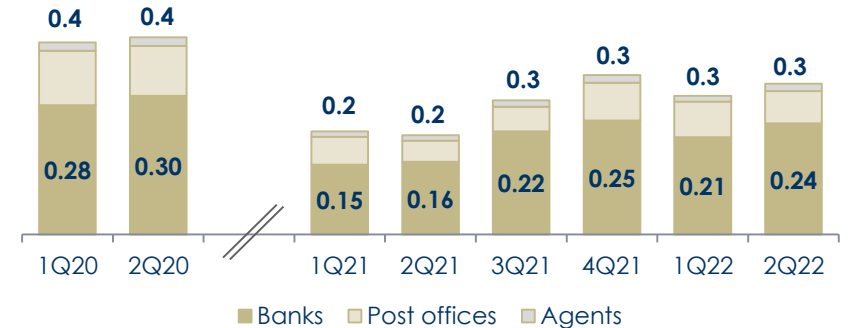
Quarterly new business by product (3M, €bn)



Direct personal loans (3M, €bn)



Non-direct personal loans (3M, €bn)



- ◆ **2Q22 new loans up 29% YoY and 5% QoQ at €1.9bn, almost back to pre-Covid quarterly business levels (€2bn in 2Q20)**
- ◆ **Improving new business mix:** personal loans up 1% QoQ and 41% YoY, still ~€100m below pre-Covid level due to softer third-party distribution; Car Loans and Special Purpose Loans already in line with pre-Covid levels
- ◆ **Increasing focus on direct distribution:**
  - ◆ ~€500m/600m per quarter with **sound digital proposition** (~26% of direct personal loans in 1H22; >80% ow granted within 24h)
  - ◆ **BNPL live: €15m Pagolight<sup>1</sup>** (proprietary BNPL solution) originated loans, o/w **€5m in Dec.21**

1) Activity launched last summer.





# LAUNCH OF PAGOLIGHT - COMPASS BNPL PROPRIETARY SOLUTION

1H22/2Q22 - Group results

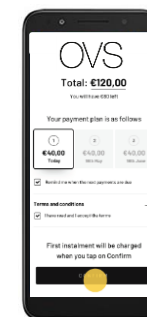
Section 2

## THE OPPORTUNITY

- ◆ BNPL market expected to grow >20% per year with a revenue pool of €50-250m for Italy in 2024<sup>1</sup>
- ◆ Source of new clients for cross-selling and repeat business
- ◆ Innovative product to enter the e-commerce arena

## FEATURES

- ◆ Two distinctive offers for:
  - ◆ **Physical store** purchases (uploaded on smartPOS)
  - ◆ **E-commerce** platforms with built-in solution before check-out
- ◆ **Compass acquires receivables (free of charge for customer) ceded by affiliated stores**



## COMPASS ANGLE

- ◆ **International players' average offers relies on low tickets (<€500) with limited tenor (<6months)**
- ◆ **Compass leverages distinctive risk management capabilities to create a more consumer credit-oriented commercial offer with higher tickets (up to €3k) for a longer period (12 months)**

## 6M ACTIVITY

- ◆ **3,000 affiliated stores as at Dec.21**
- ◆ **€15m loans with avg. ticket >€1K and 10-month tenor**
- ◆ **>13K clients, 60% o/w are completely new clients for Compass (available for cross-selling)**

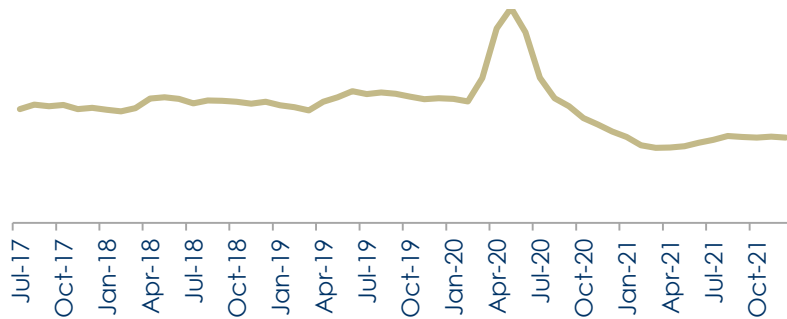
# ASSET QUALITY AT ITS BEST-EVER LEVEL

1H22 Divisional results – CF

Section 3

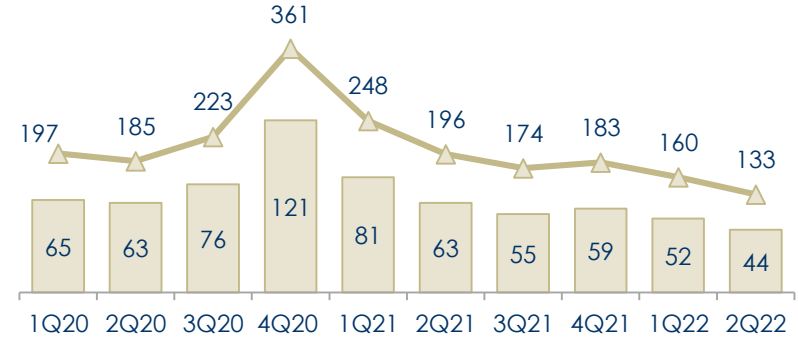
## Ongoing healthy trend in early risk indicators ...

Early deterioration index (3 months average)



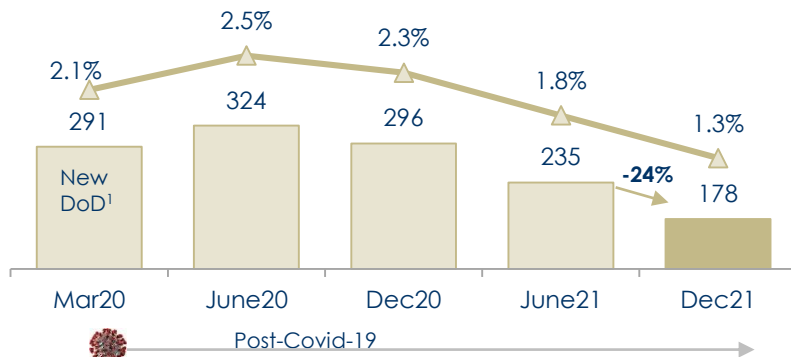
## ... resulting in the lowest CoR level ever ...

LLPs (€m) and cost of risk (bps)



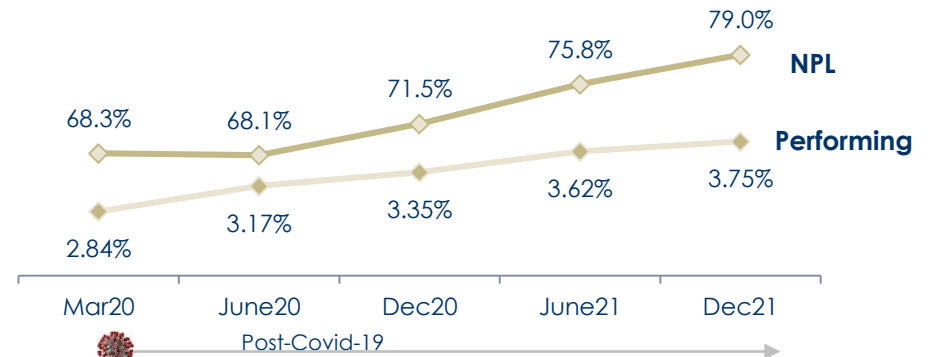
## ... with further decrease in net NPL stock ...

CF Net NPLs, stock (€m) and incidence to loans (%)



## ...and coverage of performing (3.75%) and NPLs (79%) at highest-ever levels

Coverage ratios trend



1) Following the introduction of the new definition of default (DoD), as of Sep19 ~€120m of net exposure (90% of which in Consumer Finance) was moved from stage 2 to stage 3



# CF: 6M RESULTS AT A GLANCE

1H22 Divisional results – CF

Section 3

## Financial results

€m	6m Dec21	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q22 Dec21	1Q22 Sept21	2Q21 Dec20
<b>Total income</b>	<b>525</b>	<b>+8%</b>	<b>+2%</b>	<b>268</b>	<b>257</b>	<b>256</b>
ow Net interest income	462	+7%	+3%	236	226	223
<b>Total costs</b>	<b>(149)</b>	<b>-9%</b>	<b>-1%</b>	<b>(77)</b>	<b>(72)</b>	<b>(78)</b>
Loan provisions	(96)	-16%	-33%	(44)	(52)	(63)
<b>GOP risk adj.</b>	<b>280</b>	<b>+34%</b>	<b>+27%</b>	<b>147</b>	<b>133</b>	<b>115</b>
<b>PBT</b>	<b>280</b>	<b>+34%</b>	<b>+36%</b>	<b>147</b>	<b>133</b>	<b>100</b>
<b>Net profit</b>	<b>190</b>	<b>+35%</b>	<b>+38%</b>	<b>100</b>	<b>90</b>	<b>66</b>
<b>New loans</b> - €bn	<b>3.7</b>	+6%	+25%	<b>1.9</b>	1.8	1.5
<b>Customer loans</b> - €bn	<b>13.3</b>	+3%	+4%	<b>13.3</b>	13.1	12.8
<b>Gross NPLs/Ls (%)</b>	<b>5.8%</b>			<b>5.8%</b>	6.7%	7.4%
<b>Cost/income ratio (%)</b>	<b>28</b>	-6pp	-1pp	<b>29</b>	28	30
<b>Cost of risk (bps)</b>	<b>146</b>	-31bps	-76bps	<b>133</b>	160	196
<b>ROAC (%)</b>	<b>35</b>			<b>37</b>	34	30

## Highlights

- ◆ **New loans back to pre-Covid levels:**
  - ◆ **€3.7bn (€1.9bn in 2Q22)**, up 25% YoY and 6% HoH
  - ◆ **Mix improved YoY**, with personal loans at 46% of total new loans (vs 41% in 1H21)
- ◆ **Loan book: €13.3bn, up 4% YoY and 3% HoH, ready to overtake pre-Covid level (€13.7bn)**
- ◆ **Record net profit of €190m (up 38% YoY and 35% HoH), driving ROAC@ 35%**, on:
  - ◆ **Revenues up 2% YoY and 8% HoH**, reflecting NII growing on higher avg. volumes
  - ◆ **Costs flat YoY** with lower recovery costs offsetting higher volume-related costs; **cost/income ratio kept <30%**
  - ◆ **LLPs down 33% YoY and 16% HoH, with CoR at its lowest level (146bps in 1H22, 133bps in 2Q22)**; overlays untouched
- ◆ **Asset quality at its best-ever level:**
  - ◆ Net NPLs/Ls down to 1.3% (vs 1.8% in June21),
  - ◆ Coverage ratios up (NPLs up to 79%; performing loans up to 3.75%)

# CORPORATE & INVESTMENT BANKING



# CIB: STRONG RESULTS

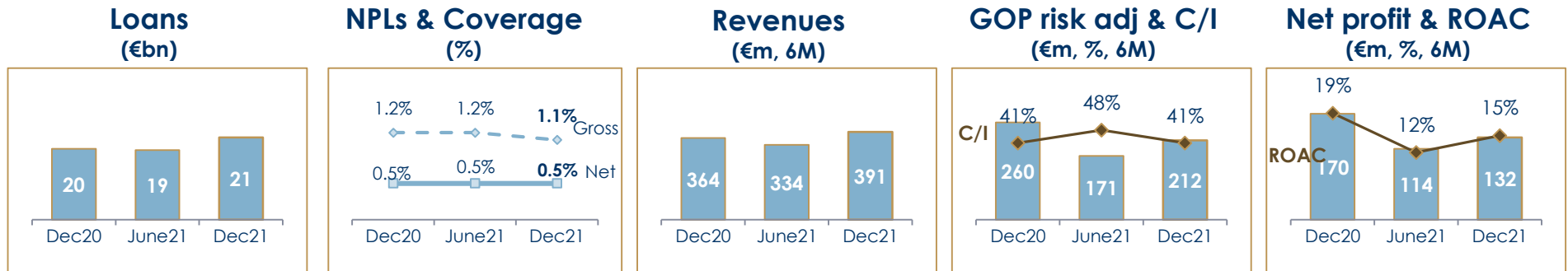
## HIGH-QUALITY PROFITABLE CLIENT BUSINESS

### 6M NET PROFIT € 132m – ROAC @15%

1H22 Divisional results - CIB

Section 3

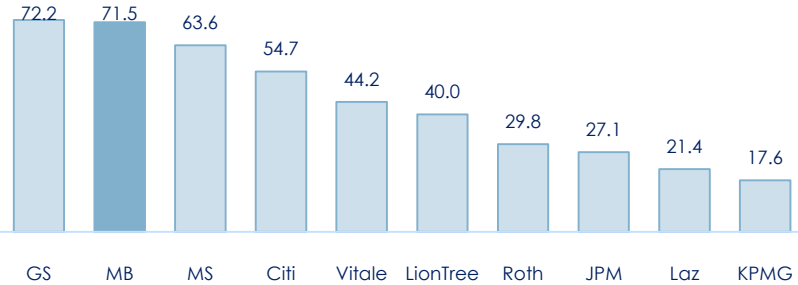
- ◆ **Strong performance by CIB business model, geared to client activity, diversified and profitable:**
  - ◆ **Benign operating environment** with strong activity in all businesses, Advisory especially, which achieved best-ever revenues (~€100m in last 6M)
  - ◆ **Cyclical profile smoothed by**
    - ◆ **Increased international footprint**, due to MA acquisition which has brought in over €40m advisory revenues in last 6M
    - ◆ **Higher penetration in midcaps**, with unique positioning in Italy and ready to expand internationally, and **Sponsor Business**
    - ◆ **Synergies achievement ongoing between products and geographies**
- ◆ **Quality further boosted**
  - ◆ **Cost/income ratio kept <50%**
  - ◆ **Asset quality at best levels in corporate loan book in terms of NPL and COR trend, with overlays set aside. Proactive management of MBCS NPLs to accelerate disposals of selected portfolios**
  - ◆ **High ROAC@15%** (@17% excluding €25m of extra provisioning in MBCS)



# LEADING POSITIONING CONFIRMED IN M&A...

## 1H22 Divisional results - CIB

### M&A Italy 2021 – Ranking by Deal Value *since January 2021*<sup>1</sup>



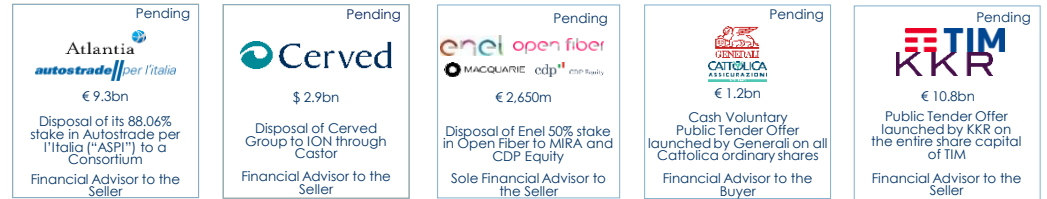
- ◆ **Mediobanca's M&A team has been involved in most industry-shaping transactions of the last 12 months**, including the acquisition of Cerved by ION, the disposal of Autostrade per l'Italia by Atlantia, the disposal of 50% stake in Open Fiber by Enel and KKR's intended takeover bid for TIM.
- ◆ **Enhanced coverage of Mid-Cap segment** due to growing coverage efforts, enhanced cross-selling with other MB Group products and co-operation with Private Banking Division
- ◆ **Increasing participation in Financial Sponsors-driven transactions** thanks to dedicated origination team
- ◆ **Enhanced footprint in Europe**, combining local coverage and industry expertise, including through strategic partnership with Messier & Associés and material involvement in major international transactions

## Selected M&A International Transactions

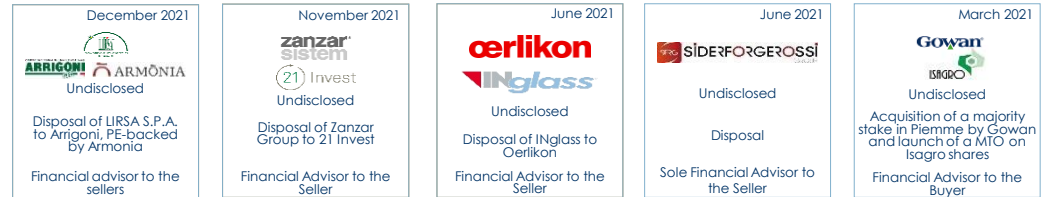


## Section 3

### Selected M&A Large Corp Transactions



### Selected M&A Mid Corp Transactions



### Selected M&A Financial Sponsors Transactions



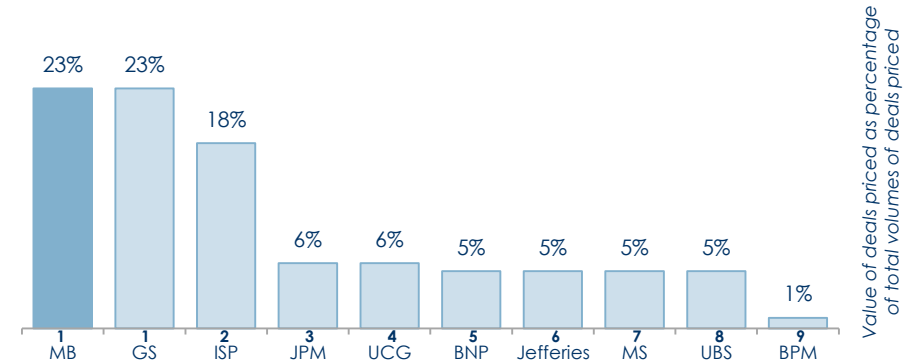
# ...AND IN ECM AND DCM

## 1H22 Divisional results - CIB

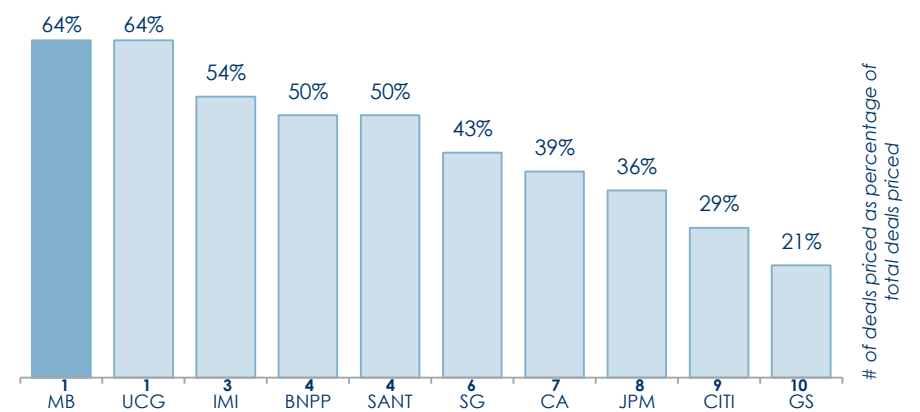
## Section 3

- ◆ **Mediobanca's Capital Markets teams successfully completed several major transactions for both Italian and international clients**, including in DCM Fineco's debut Senior Preferred bond, APRR's Senior notes and RBI Senior Preferred bond, in ECM Seco's IPO, Antares' Re-IPO, Autogrill's and EuroNext's Rights Issue, San Lorenzo's and Brunello Cucinelli's Accelerated Bookbuilding
- ◆ **Equity Capital Markets saw strong levels of activity in the last 6 months of 2021** with several issuers tapping the market. Mediobanca's involvement in the most important transactions confirmed its leadership position in the Italian market with an increasing presence also in other European countries
- ◆ Mediobanca further **consolidated its leading DCM position in the ESG market**, structuring and placing ASTM's inaugural triple-tranche SLB, Banca Popolare di Sondrio inaugural green Senior Preferred notes and EDP's green dual-tranche hybrid bond
- ◆ **Increasing international presence**, lead-managing – among others – Euronext and SSP rights issues

ECM Italy H2 2021 (Bookrunner) since July 2021<sup>1</sup>



DCM Italy H2 2021 (Bookrunner) since July 2021<sup>2</sup>



### Selected ECM Transactions

<p>December 2021</p> <p><b>JUVENTUS</b></p> <p>€400m Rights Issue</p> <p>Joint Global Coordinator &amp; Joint Bookrunner</p>	<p>November 2021</p> <p><b>ARISTON GROUP</b></p> <p>€842m IPO</p> <p>Joint Global Coordinator &amp; Joint Bookrunner</p>	<p>November 2021</p> <p><b>NHΩA</b></p> <p>€140 Rights Issue</p> <p>Joint Bookrunner</p>	<p>September 2021</p> <p><b>FILIA</b></p> <p>€26m ABB</p> <p>Sole Bookrunner</p>	<p>July 2021</p> <p><b>BRUNELLO CUCINELLI</b></p> <p>€30m ABB</p> <p>Sole Bookrunner</p>	<p>June 2021</p> <p><b>AUTOGRILL</b></p> <p>€600m Rights Issue</p> <p>Joint Global Coordinator &amp; Joint Bookrunner</p>
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### Selected DCM Transactions

<p>SLB November 2021</p> <p><b>ASTM</b></p> <p>Inaugural SLB triple-tranche: € 750m 1.000% Nov-26 € 1,250m 1.500% Jan-30 € 1,000m 2.375% Nov-33</p> <p>Joint Bookrunner &amp; ESG Structuring Advisor</p>	<p>November 2021</p> <p><b>APRR</b></p> <p>€ 500,000,000 0.000% June 2028</p> <p>Joint Bookrunner</p>	<p>October 2021</p> <p><b>FINECO BANK</b></p> <p>€ 500m 0.500% 6NC5 Senior Preferred Notes due October 2027</p> <p>Joint Bookrunner</p>	<p>September 2021</p> <p><b>edp</b></p> <p>Green Hybrid € 750m 1.600% 60.5NC5.5 € 500m 1.950% 60.5NC8</p> <p>Joint Bookrunner</p>	<p>August 2021</p> <p><b>Raiffeisen Bank International</b></p> <p>€ 500m 0.050% Senior Preferred Bond due September 2027</p> <p>Joint Bookrunner</p>	<p>July 2021</p> <p><b>Banca Popolare di Sondrio</b></p> <p>Inaugural Green issue: € 500m 6NC5 Senior Preferred Bond 1.250% July 2027</p> <p>Structuring Advisor &amp; Joint Bookrunner</p>
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1) Source: Dealogic, Bond Radar as of December 2021 – No self deals  
2) Source: BondRadar, as of December 2021 – Including only EUR-denominated deals and excluding sovereign and corporate high-yield transactions

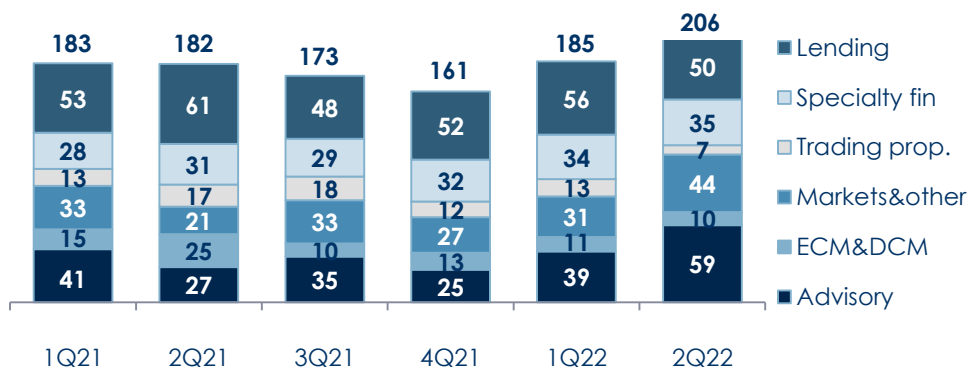
# CIB 6M RESULTS AT A GLANCE

1H22 Divisional results - CIB

Section 3

## Financial results

€m	6m Dec21	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q22 Dec21	1Q22 Sept21	2Q21 Dec20
<b>Total income</b>	<b>391</b>	<b>+17%</b>	<b>+7%</b>	<b>206</b>	<b>185</b>	<b>182</b>
Net interest income	140	+1%	-6%	72	68	77
Fee income	187	+28%	+9%	102	85	84
Net treasury income	63	+28%	+45%	32	32	21
<b>Total costs</b>	<b>(161)</b>	<b>+1%</b>	<b>+9%</b>	<b>(85)</b>	<b>(76)</b>	<b>(74)</b>
Loan loss provisions	(18)	n.m.	n.m.	(14)	(4)	26
<b>GOP risk adj.</b>	<b>212</b>	<b>+24%</b>	<b>-18%</b>	<b>107</b>	<b>105</b>	<b>133</b>
<b>PBT</b>	<b>211</b>	<b>+22%</b>	<b>-19%</b>	<b>106</b>	<b>105</b>	<b>133</b>
<b>Net result</b>	<b>132</b>	<b>+15%</b>	<b>-23%</b>	<b>63</b>	<b>69</b>	<b>86</b>
<b>Customer loans - €bn</b>	<b>21.0</b>	+9%	+8%	<b>21.0</b>	19.5	19.5
<b>Gross NPLs/Ls (%)</b>	<b>1.1%</b>			<b>1.1%</b>	1.2%	1.2%
<b>Cost/income ratio (%)</b>	<b>41</b>	-7pp	-	<b>41</b>	41	41
<b>Cost of risk (bps)</b>	<b>18</b>	+14bps	+64bps	<b>27</b>	8	(54)
<b>ROAC (%)</b>	<b>15</b>			<b>14</b>	15	19



## Highlights

- ◆ **Revenues up 7% YoY to €391m in 1H22, o/w €206m in 2Q, with all business segments performing well:**
  - ◆ **Lending: solid trend**, backed by growing volumes and sound contribution from fee component and acquisition finance
  - ◆ **CMS performing well** with solid trading results, notably in equity
  - ◆ **ECM lower than past year**, but with good **pipeline ahead, and DCM performing well**, with an increasing presence in niche ESG market
  - ◆ **Advisory: best-ever performance.** High levels of domestic activity, where penetration in mid-cap segment increased materially (fees more than doubled to €16m) were complemented by a sound contribution from international operations adding (France >€40m)
  - ◆ **SF revenues up 19% YoY**, on higher factoring turnover
- ◆ **Net profit at €132m**, up 15% HoH but down 23% YoY, reflecting:
  - ◆ **Higher revenues** (up 17% HoH and 7% YoY) **driven by fees** (up 28% HoH and 9% YoY), **and trading**. NII down 6% YoY as 1H21 was impacted by positive non-recurring items
  - ◆ **Cost/income ratio flat @ 41%**
  - ◆ **CoR at 18bps in 1H22**, higher than in the past due solely to €25m in extra provisions for selected MBCS portfolios
  - ◆ **Asset quality confirmed as strong:** gross NPL ratio at 1.1%, with positive legacy UTP trend, and coverage at 53%. Overlays slightly below June21 level only due to repayments and rating upgrades





# PRINCIPAL INVESTING



# PI - POSITIVE CONTRIBUTION

6M NET PROFIT € 185m - ROAC@15%

1H22 Divisional results - PI

Section 3

## Financial results

€m	6m Dec21	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q22 Dec21	1Q22 Sept21	2Q21 Dec20
<b>Total income</b>	<b>194</b>	<b>+13%</b>	<b>+57%</b>	<b>96</b>	<b>98</b>	<b>78</b>
Impairments	0	n.m.	n.m.	(3)	3	6
<b>Net result</b>	<b>185</b>	<b>+2%</b>	<b>+44%</b>	<b>88</b>	<b>97</b>	<b>77</b>
<b>Book value - €bn</b>	<b>4.6</b>	<b>+3%</b>	<b>+5%</b>	<b>4.6</b>	4.5	4.4
Ass. Generali (13%)	<b>3.8</b>	+3%	+3%	<b>3.8</b>	3.7	3.7
Other investments	<b>0.8</b>	+4%	+15%	<b>0.8</b>	0.8	0.7
<b>Market value - €bn</b>	<b>4.6</b>	<b>+9%</b>	<b>+28%</b>	<b>4.6</b>	4.2	3.6
Ass. Generali	<b>3.8</b>	+10%	+31%	<b>3.8</b>	3.5	2.9
<b>RWA - €bn</b>	<b>6.9</b>	<b>-5%</b>	<b>-16%</b>	<b>6.9</b>	7.1	8.3
<b>ROAC (%)</b>	<b>15</b>			<b>14</b>	15	14

## Highlights

- ◆ **1H22 revenues up 13% HoH and 57% YoY** as 1H21 was impacted by extraordinary negative charges relating to BSI disposal
- ◆ **Net profit at €185m, up 2% HoH** despite neutral impact from PE funds and seed capital in 1H22 (€33m positive impact in 2H21). ROAC at 15%
- ◆ **AG book value up 3% HoH to €3.8bn** due mainly to net profit net of extra dividend distribution
- ◆ **NAV up 28% YoY and 9% HoH to € 4.6bn**

# HOLDING FUNCTIONS



# HF - OPTIMIZING A COMFORTABLE FUNDING POSITION

1H22 Divisional results - HF

Section 3

## Financial results

€m	6m Dec21	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q22 Dec21	1Q22 Sept21	2Q21 Dec20
<b>Total income</b>	<b>(6)</b>	<b>n.m.</b>	<b>n.m.</b>	<b>(5)</b>	<b>(1)</b>	<b>8</b>
Net interest income	(26)	+2%	+13%	(12)	(14)	(9)
Net treasury income	16	-57%	-26%	6	10	14
Fee income	4	-24%	-42%	1	3	3
<b>Total costs</b>	<b>(75)</b>	<b>-9%</b>	<b>-3%</b>	<b>(40)</b>	<b>(36)</b>	<b>(41)</b>
<b>GOP before LLPs</b>	<b>(81)</b>	<b>+22%</b>	<b>+12%</b>	<b>(44)</b>	<b>(37)</b>	<b>(33)</b>
Loan provisions	(15)	n.m.	n.m.	(13)	(2)	(3)
Other (SRF/DGS incl.)	(35)	-37%	+35%	(36)	1	(25)
<b>PBT</b>	<b>(131)</b>	<b>+2%</b>	<b>+26%</b>	<b>(93)</b>	<b>(38)</b>	<b>(60)</b>
Income taxes & minorities	78	n.m.	n.m.	66	12	17
<b>Net profit (loss)</b>	<b>(53)</b>	<b>-43%</b>	<b>-27%</b>	<b>(27)</b>	<b>(26)</b>	<b>(43)</b>
<b>Customer loans - €bn</b>	<b>1.7</b>	<b>-5%</b>	<b>-6%</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>
<b>Funding - €bn</b>	<b>59.3</b>	<b>+6%</b>	<b>+6%</b>	<b>59.3</b>	<b>57.8</b>	<b>55.9</b>
Bonds	18.9	+2%	+1%	18.9	18.8	18.7
Direct deposits (Retail&PB)	27.2	+8%	+11%	27.2	26.1	24.6
ECB	8.4	+13%	+37%	8.4	8.5	6.2
Others	4.7	-7%	-27%	4.7	4.4	6.4
<b>Treasury and securities at FV</b>	<b>15.0</b>	<b>+4%</b>	<b>+9%</b>	<b>15.0</b>	<b>15.8</b>	<b>13.8</b>
<b>LCR</b>	<b>162%</b>			<b>162%</b>	152%	155%
<b>NSFR</b>	<b>110%</b>			<b>110%</b>	116%	107%

## Highlights

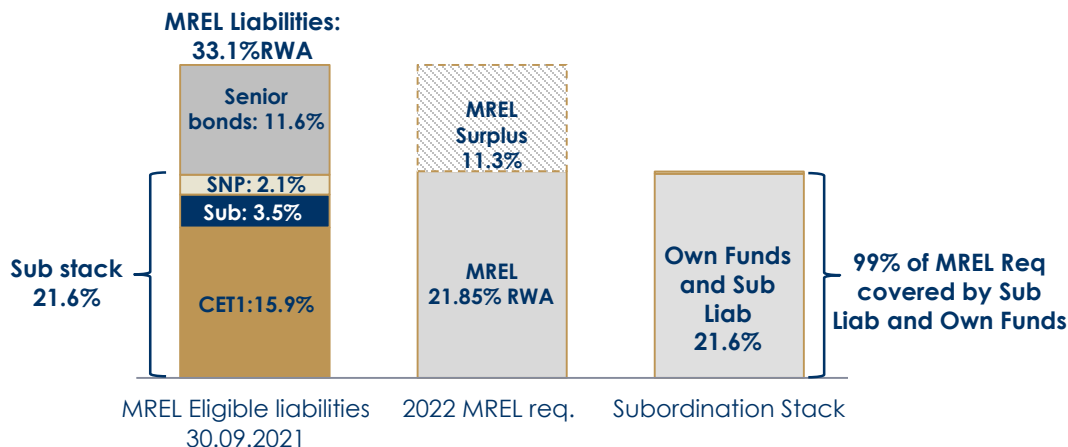
- ◆ **Comfortable funding position, with stock up 6% YoY to €59bn, optimized in mix and CoF:**
  - ◆ **Deposits up 8% HoH and 11% YoY to €27bn**, driven by Private Banking liquidity events and Premier sound evolution
  - ◆ **T-LTRO III increased to €8.4bn and smoothed in terms of impact on P&L:** additional €1bn drawn and €2bn prolonged to Sept.24, 50bps premium spread over residual maturity 2.5Y
  - ◆ **Selective bond issuance activity with low CoF**, due to large MREL liabilities surplus: €0.5bn SNP issued in Sept21, €0.3bn of private placements in Nov21 and €0.5bn of SP issued in Jan22
- ◆ **All key indicators at comfortable levels:** CBC at €9bn, LCR at 162%, NSFR at 110%,
- ◆ **Net loss at (€53m), 27% better than 1H21, benefiting from tax relief (€37m), mainly related to Compass goodwill<sup>2</sup>. PBT at (€131m), 26% higher than 1H21, reflecting:**
  - ◆ **Negative revenues**, impacted by lower yields on BB portfolio and lower treasury income from disposals
  - ◆ **Strict control over costs**, down 3% YoY
  - ◆ **€10m of additional LLPs** due to a conservative approach on **leasing** vintage NPLs, with leasing portfolio further deleveraging
  - ◆ €26m of systemic fund contribution (vs €18m in 1H21) and €12m of write-downs on financial assets

# SOUND FUNDING & LIQUIDITY POSITION

1H22 Divisional results - HF

Section 3

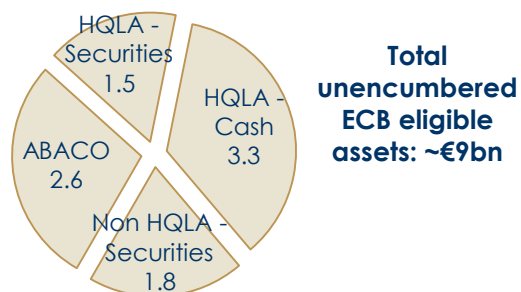
**Buffer comfortably above 2022 MREL requirement, confirmed at 21.85%**



**MB bond issued at lowest CoF**

Recent issues	Date	Size	Spread vs MS	Over subscription
SNP bond	Sept21	€500m	100bps	~3.2x
SP bond – PP	Nov21	€300m	29bps	NA
SP bond with callable structure	Jan22	€500m	90bps	1.75x

**Large counterbalancing capacity**



**Conservative asset allocation (IT govies at €3.2bn, duration 3Y)**

	Book value (€bn)	% CET1
<b>Total Govies (Dec21)</b>	<b>5.3</b>	<b>72%</b>
Italy	3.2	43%
- HTC	1.3	18%
- HTCS	1.8	25%
Germany	0.9	13%
France	0.4	5%
US	0.5	7%
Other	0.3	4%

# Agenda

**Section 1. Executive summary**

**Section 2. 1H/2Q Group results**

**Section 3. Divisional results**

**Section 4. Closing remarks**

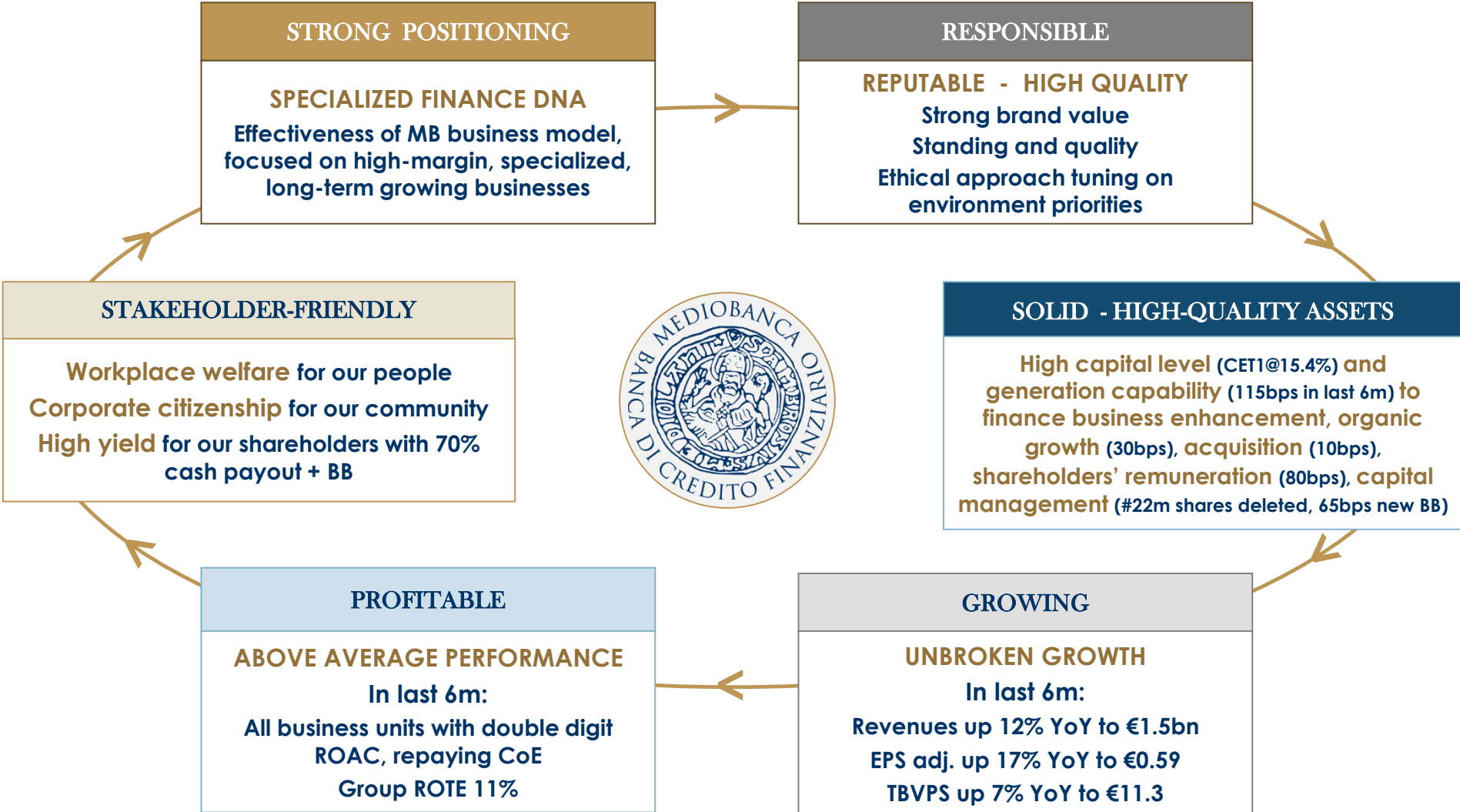
## **Annexes**

1. Asset quality by division
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# BUSINESS ENVIRONMENT AND STRUCTURAL TRENDS ARE STRENGTHENING MEDIOBANCA ACCRETIVE VALUE CYCLE



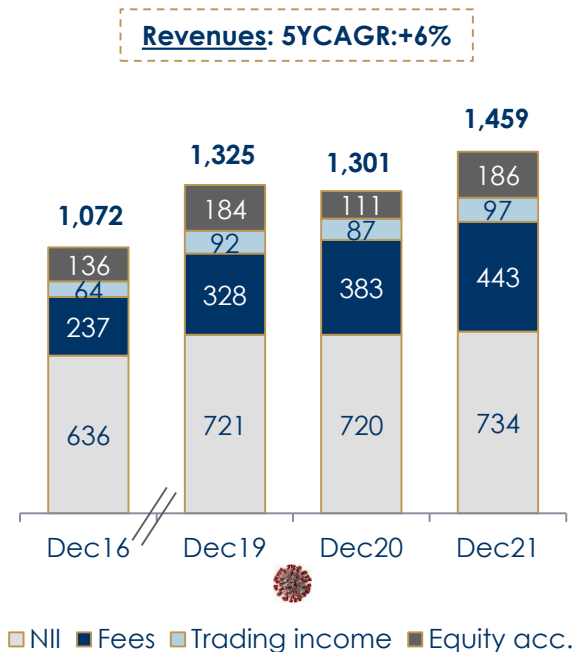
# MB BUSINESS MODEL FEATURES

## HIGH REVENUE GENERATION CAPABILITY & RESILIENCE

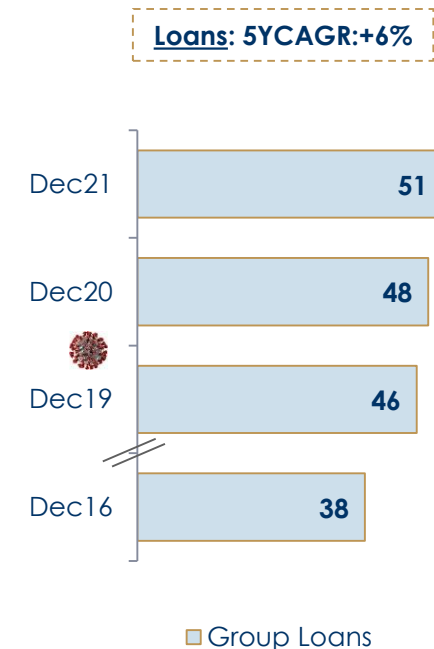
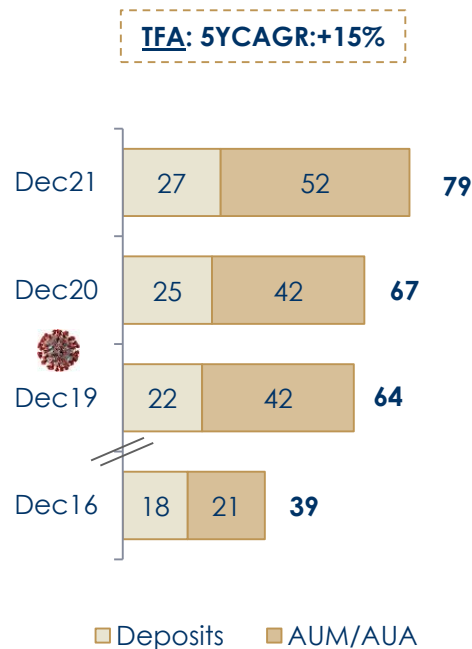
Closing remarks

Section 4

Group revenues by source (€m)



Revenue generating customer assets (€bn)



- ◆ **1H22 revenues (€1,459m), TFAs (€79bn) and loans (€51bn) at all-time highs**
- ◆ **MB specialized/diversified business model has delivered strongly in past 5Y with continual growth, flat only during worst periods:**
  - ◆ 5YCAGR: double-digit for TFAs (+15%), high single-digit for loans (+6%) and revenues (+6%)
  - ◆ NII increasing the whole time, halted only temporarily by the lockdowns and has now resumed growth
  - ◆ Fees doubled

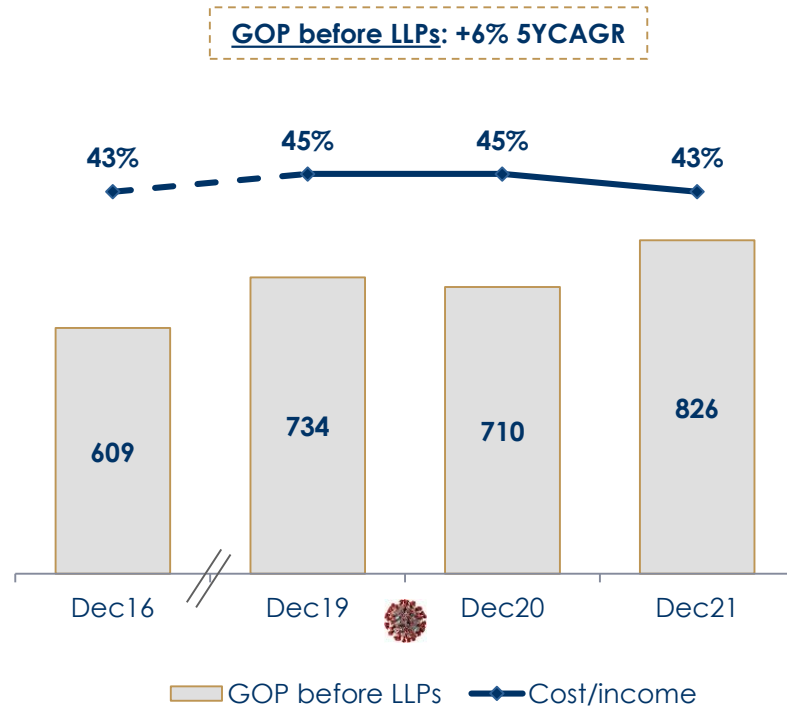


# FLEXIBLE AND EFFICIENT BUSINESS MODEL

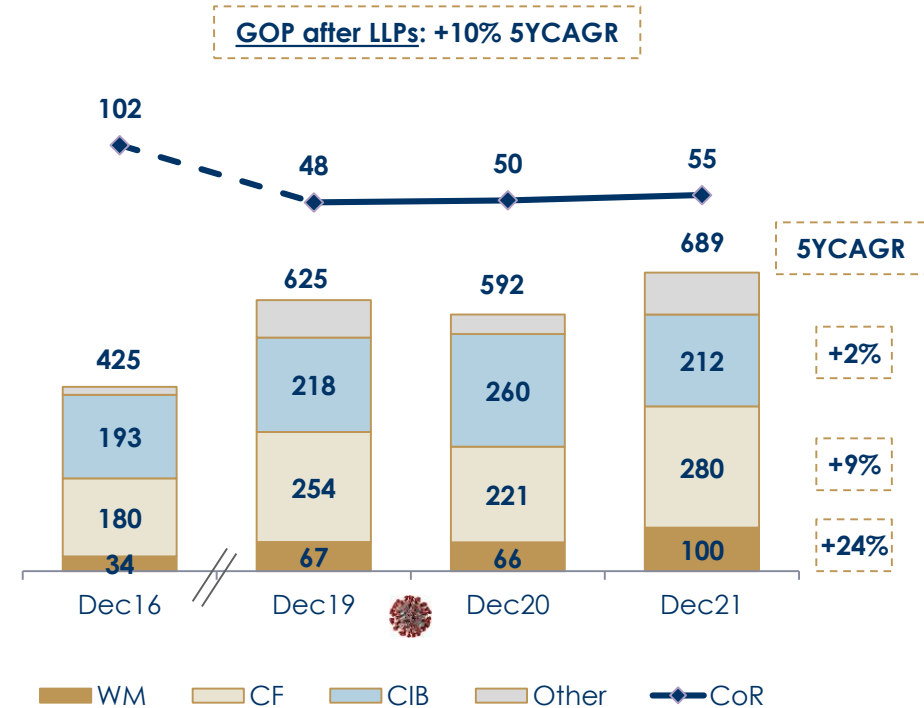
Closing remarks

Section 4

**GOP before LLPs and cost/income ratio (€m; %)**



**GOP after LLPs by division and CoR (€m; bps)**



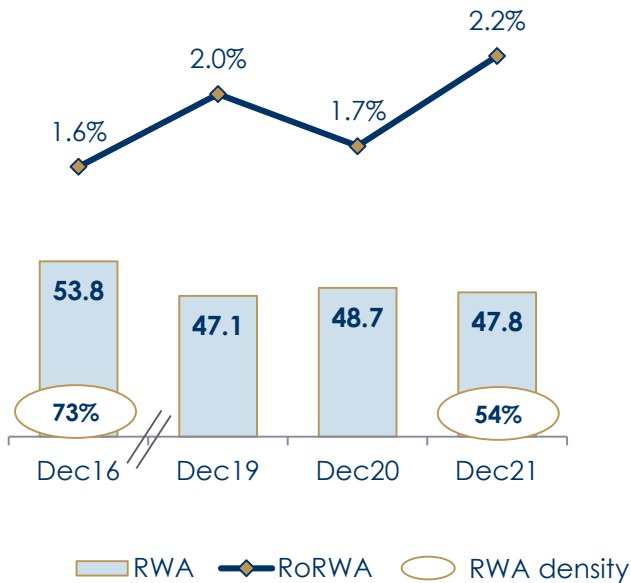
- ◆ **1H22 GOP (€826m before LLPs and €689m after LLPs) at all-time high**
- ◆ **5YCAGR +6%, in line with revenues due to flexible and efficient cost structure:** cost/income ratio kept stable under 45%, despite ongoing material investments in distribution and technology
- ◆ **5YCAGR: +10%, outperforming revenues (+6%) due to superior asset quality**

# FOCUS ON PROFITABLE & K-LIGHT ACTIVITIES INCREASED PROFITABILITY, SOLIDITY, ASSET QUALITY IMPROVED

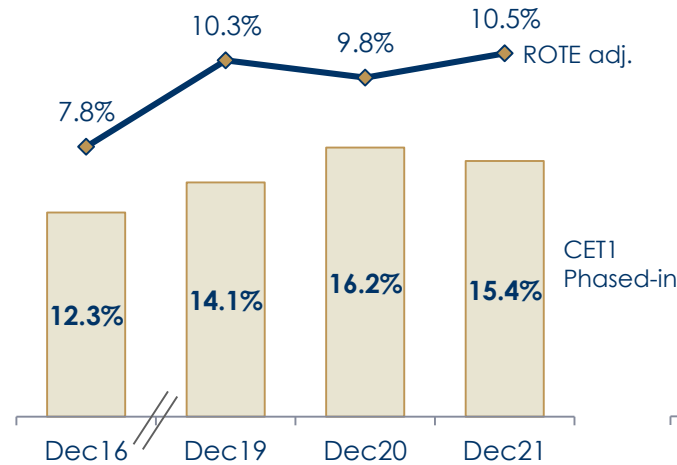
Closing remarks

Section 4

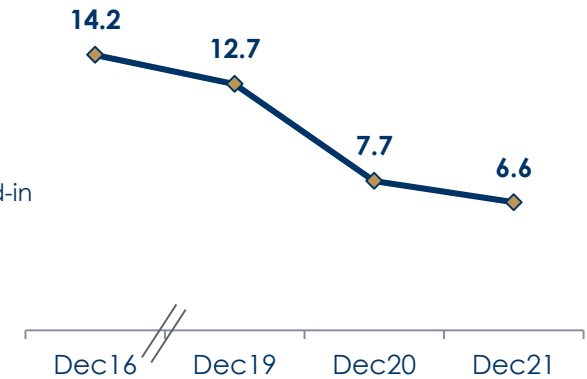
**Asset profitability trend (% annualized RORWA; €bn)**



**ROTE and CET1 trend (%)**



**Asset quality trend (Texas ratio: % Net NPLs/CET1)**



- ◆ Asset profitability on an upward trajectory due to growth being skewed towards capital-light business plus RWA optimization
- ◆ ROTE has remained at ~10% over the past 3 years, with a much larger capital position
- ◆ Asset quality has improved from a long-term perspective, uncompromised by the Covid crisis, and is now at its best-ever level: Texas ratio halved in the last 5 years to 6.6%

# CLOSING REMARKS

**All-time record 6M results characterized by growth, sustainability and quality**

**€1.5bn revenues (up 12%<sup>1</sup>), record fees (up 16%<sup>1</sup>), NII back to grow (up 2%<sup>1</sup>)**

**€526m net profit (up 28%<sup>1</sup>), 11% ROTE**

**Revenues-earnings creation capability definitively geared up  
investing in innovation, talents, distribution**

**Group MB value creation cycle confirmed stronger**

**For the next six months we see:**

- ◆ **Robust commercial activity and revenues development in all business segments;  
market volatility could affect HoH comparison**
- ◆ **Higher investments in talents, innovation, distribution with C/I discipline**
  - ◆ **Low CoR due to strong asset quality indicators**
  - ◆ **CET1 FL > 14.5%<sup>2</sup> with 70% cash pay-out confirmed**



# MEDIOBANCA

## 6M/2Q RESULTS AS AT 31 DECEMBER 2021

Milan, 9 February 2022



MEDIOBANCA

# Agenda

**Section 1. Executive summary**

**Section 2. 1H/2Q Group results**

**Section 3. Divisional results**

**Section 4. Closing remarks**

## Annexes

1. Asset quality by division
2. Divisional results by quarter
3. Glossary

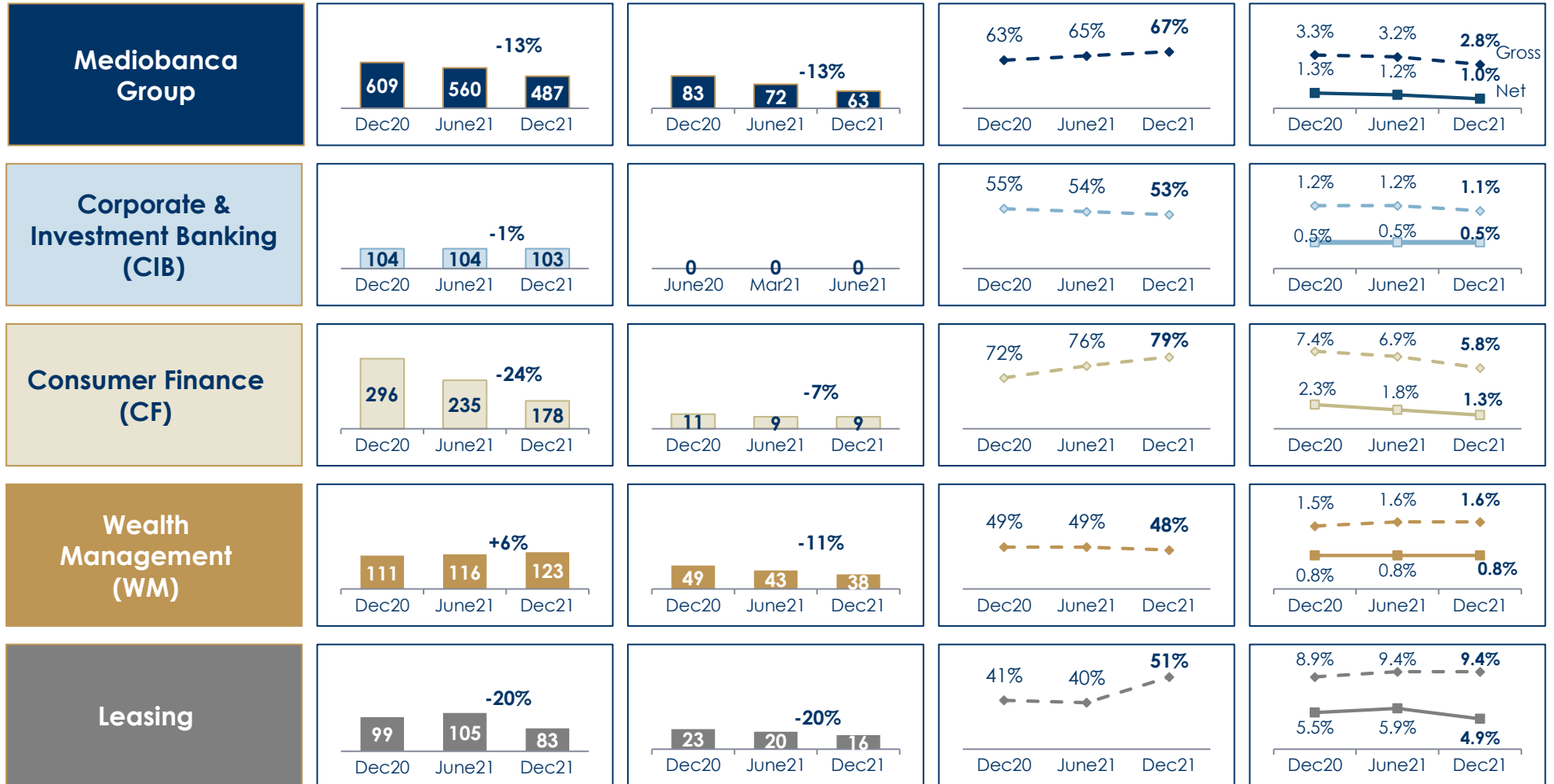


MEDIOBANCA

# ASSET QUALITY BY DIVISION

Asset quality by division

Annex 1



# MEDIOBANCA GROUP P&L

6M results as at December 2021

Annex 2

€m	1H Dec21	2H June21	1H Dec20	Δ YoY <sup>1</sup>	2Q Dec21	1Q Sept21	4Q June21	3Q Mar21	2Q Dec20
<b>Total income</b>	<b>1,459</b>	<b>1,328</b>	<b>1,301</b>	12%	<b>753</b>	<b>706</b>	<b>665</b>	<b>663</b>	<b>675</b>
Net interest income	734	695	720	2%	375	358	344	351	363
Fee income	443	362	383	16%	241	203	173	188	194
Net treasury income	97	110	87	12%	47	50	45	65	51
Equity accounted co.	186	161	111	67%	90	95	102	59	67
<b>Total costs</b>	<b>(633)</b>	<b>(647)</b>	<b>(591)</b>	7%	<b>(331)</b>	<b>(303)</b>	<b>(333)</b>	<b>(314)</b>	<b>(303)</b>
Labour costs	(329)	(330)	(305)	8%	(172)	(156)	(167)	(163)	(153)
Administrative expenses	(305)	(317)	(286)	7%	(159)	(146)	(166)	(151)	(150)
<b>Loan loss provisions</b>	<b>(137)</b>	<b>(131)</b>	<b>(118)</b>	17%	<b>(75)</b>	<b>(62)</b>	<b>(67)</b>	<b>(64)</b>	<b>(46)</b>
<b>GOP risk adjusted</b>	<b>689</b>	<b>550</b>	<b>592</b>	16%	<b>347</b>	<b>341</b>	<b>265</b>	<b>285</b>	<b>326</b>
Impairments, disposals	1	35	13		(4)	5	16	19	(0)
Non recurring (SRF/DGS contribution)	(35)	(52)	(33)	3%	(35)	1	(10)	(42)	(33)
<b>PBT</b>	<b>655</b>	<b>533</b>	<b>572</b>	15%	<b>309</b>	<b>347</b>	<b>271</b>	<b>261</b>	<b>292</b>
Income taxes & minorities	(130)	(136)	(161)	-20%	(45)	(85)	(68)	(68)	(82)
<b>Net result</b>	<b>526</b>	<b>397</b>	<b>411</b>	28%	<b>264</b>	<b>262</b>	<b>204</b>	<b>193</b>	<b>211</b>
Cost/income ratio (%)	43	49	45	-2pp	44	43	50	47	45
LLPs/Ls (bps)	55	54	50	+5bps	60	51	56	53	39
<b>ROTE adj. (%)</b>	<b>11</b>	<b>8</b>	<b>10</b>	+1pp					

# MEDIOBANCA GROUP A&L

6M results as at December 2021

Annex 2

€bn	Dec21	Sept21	June21	Dec20	Δ QoQ <sup>1</sup>	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>
<b>Funding</b>	<b>59.3</b>	<b>57.8</b>	<b>56.2</b>	<b>55.9</b>	<b>+3%</b>	<b>+6%</b>	<b>+6%</b>
Bonds	18.9	18.8	18.4	18.7	+0%	+2%	+1%
Direct deposits (retail&PB)	27.2	26.1	25.2	24.6	+4%	+8%	+11%
ECB	8.4	8.5	7.4	6.2	-0%	+13%	+37%
Others	4.7	4.4	5.1	6.4	+6%	-7%	-27%
<b>Loans to customers</b>	<b>50.8</b>	<b>48.9</b>	<b>48.4</b>	<b>48.1</b>	<b>+4%</b>	<b>+5%</b>	<b>+6%</b>
<b>CIB</b>	<b>21.0</b>	<b>19.5</b>	<b>19.3</b>	<b>19.5</b>	<b>+8%</b>	<b>+9%</b>	<b>+8%</b>
Wholesale	17.4	16.9	16.6	16.8	+3%	+5%	+4%
Specialty Finance	3.7	2.6	2.7	2.7	+38%	+35%	+33%
<b>CF</b>	<b>13.3</b>	<b>13.1</b>	<b>12.9</b>	<b>12.8</b>	<b>+2%</b>	<b>+3%</b>	<b>+4%</b>
<b>WM</b>	<b>14.8</b>	<b>14.5</b>	<b>14.4</b>	<b>14.0</b>	<b>+2%</b>	<b>+3%</b>	<b>+5%</b>
Mortgage	11.3	11.1	11.1	10.7	+1%	+2%	+5%
Private banking	3.5	3.4	3.3	3.3	+2%	+5%	+6%
<b>Leasing</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>	<b>-3%</b>	<b>-5%</b>	<b>-6%</b>
<b>Treasury and securities at FV</b>	<b>15.0</b>	<b>15.8</b>	<b>14.4</b>	<b>13.8</b>	<b>-5%</b>	<b>+4%</b>	<b>+9%</b>
<b>RWAs</b>	<b>47.8</b>	<b>47.2</b>	<b>47.2</b>	<b>48.7</b>	<b>+1%</b>	<b>+1%</b>	<b>-2%</b>
<b>Loans/Funding ratio</b>	<b>86%</b>	<b>85%</b>	<b>86%</b>	<b>86%</b>			
<b>CET1 ratio (%)</b>	<b>15.4</b>	<b>16.1</b>	<b>16.3</b>	<b>16.2</b>			
<b>TC ratio (%)</b>	<b>17.7</b>	<b>18.6</b>	<b>18.9</b>	<b>19.0</b>			



# WEALTH MANAGEMENT RESULTS

6M results as at December 2021

Annex 2

€m	1H Dec21	2H June21	1H Dec20	Δ YoY <sup>1</sup>	2Q Dec21	1Q Sept21	4Q June21	3Q Mar21	2Q Dec20
<b>Total income</b>	<b>364</b>	<b>325</b>	<b>302</b>	<b>+20%</b>	<b>192</b>	<b>172</b>	<b>163</b>	<b>162</b>	<b>156</b>
Net interest income	147	144	137	+7%	73	74	72	72	69
Fee income	213	176	160	+33%	117	96	89	87	85
Net treasury income	4	5	5	-20%	1	3	2	3	3
<b>Total costs</b>	<b>(256)</b>	<b>(248)</b>	<b>(224)</b>	<b>+14%</b>	<b>(133)</b>	<b>(123)</b>	<b>(128)</b>	<b>(119)</b>	<b>(115)</b>
<b>Loan provisions</b>	<b>(8)</b>	<b>(7)</b>	<b>(12)</b>	<b>-29%</b>	<b>(4)</b>	<b>(4)</b>	<b>(2)</b>	<b>(5)</b>	<b>(6)</b>
<b>Operating profit</b>	<b>100</b>	<b>71</b>	<b>66</b>	<b>+50%</b>	<b>55</b>	<b>45</b>	<b>33</b>	<b>38</b>	<b>36</b>
Other	3	4	2	n.m.	2	1	3	1	1
Income taxes & minorities	(30)	(21)	(21)	+45%	(17)	(14)	(9)	(12)	(12)
<b>Net profit</b>	<b>72</b>	<b>53</b>	<b>47</b>	<b>+54%</b>	<b>40</b>	<b>32</b>	<b>26</b>	<b>27</b>	<b>25</b>
Cost/income ratio (%)	70	76	74	-4pp	69	71	79	74	73
LLPs/Ls (bps)	12	10	17	-5bps	11	12	6	13	17
Loans (€bn)	14.8	14.4	14.0	+5%	14.8	14.5	14.4	14.3	14.0
TFA (€bn)	79.4	71.5	66.6	+19%	79.4	75.2	71.5	69.3	66.6
AUM/AUA	52.1	46.3	42.0	+24%	52.1	49.1	46.3	44.1	42.0
Deposits	27.2	25.2	24.6	+11%	27.2	26.1	25.2	25.2	24.6
NNM (€bn)	4.4	2.2	1.6		2.9	1.4	1.1	1.1	1.2
AUM/AUA	2.3	1.6	0.9		1.8	0.5	1.1	0.5	0.8
Deposits	2.0	0.6	0.7		1.1	0.9	0.0	0.6	0.4
RWA (€bn)	5.2	5.2	5.0	+4%	5.2	5.2	5.2	5.0	5.0
ROAC (%)	30	22	21	+9pp					

# CONSUMER FINANCE RESULTS

6M results as at December 2021

Annex 2

€m	1H Dec21	2H June21	1H Dec20	Δ YoY <sup>1</sup>	2Q Dec21	1Q Sept21	4Q June21	3Q Mar21	2Q Dec20
<b>Total income</b>	<b>525</b>	<b>487</b>	<b>515</b>	<b>+2%</b>	<b>268</b>	<b>257</b>	<b>238</b>	<b>249</b>	<b>256</b>
Net interest income	462	430	448	+3%	236	226	214	216	223
Fee income	63	56	67	-6%	32	31	24	33	33
<b>Total costs</b>	<b>(149)</b>	<b>(164)</b>	<b>(151)</b>	<b>-1%</b>	<b>(77)</b>	<b>(72)</b>	<b>(84)</b>	<b>(80)</b>	<b>(78)</b>
<b>Loan provisions</b>	<b>(96)</b>	<b>(114)</b>	<b>(144)</b>	<b>-33%</b>	<b>(44)</b>	<b>(52)</b>	<b>(59)</b>	<b>(55)</b>	<b>(63)</b>
<b>GOP risk adjusted</b>	<b>280</b>	<b>209</b>	<b>221</b>	<b>+27%</b>	<b>147</b>	<b>133</b>	<b>96</b>	<b>113</b>	<b>115</b>
Other	0	0	(15)		0	0	0	(0)	(15)
Income taxes	(90)	(68)	(68)	+33%	(47)	(43)	(33)	(35)	(34)
<b>Net profit</b>	<b>190</b>	<b>141</b>	<b>138</b>	<b>+38%</b>	<b>100</b>	<b>90</b>	<b>63</b>	<b>78</b>	<b>66</b>
Cost/income ratio (%)	28	34	29	-1pp	29	28	35	32	30
LLPs/Ls (bps)	146	177	222	-76bps	133	160	183	174	196
New loans (€bn)	3.7	3.5	3.0	+25%	1.9	1.8	1.9	1.6	1.5
Loans (€bn)	13.3	12.9	12.8	+4%	13.3	13.1	12.9	12.8	12.8
RWAs (€bn)	12.1	11.8	11.5	+5%	12.1	11.8	11.8	11.5	11.5
ROAC (%)	35	27	28	+7pp					

# CIB RESULTS

6M results as at December 2021

Annex 2

€m	1H Dec21	2H June21	1H Dec20	Δ YoY <sup>1</sup>	2Q Dec21	1Q Sept21	4Q June21	3Q Mar21	2Q Dec20
<b>Total income</b>	<b>391</b>	<b>334</b>	<b>364</b>	<b>+7%</b>	<b>206</b>	<b>185</b>	<b>161</b>	<b>173</b>	<b>182</b>
Net interest income	140	138	149	-6%	72	68	68	70	77
Net treasury income	63	50	44	+45%	32	32	24	25	21
Fee income	187	146	172	+9%	102	85	69	77	84
<b>Total costs</b>	<b>(161)</b>	<b>(159)</b>	<b>(148)</b>	<b>+9%</b>	<b>(85)</b>	<b>(76)</b>	<b>(80)</b>	<b>(79)</b>	<b>(74)</b>
<b>Loan loss provisions</b>	<b>(18)</b>	<b>(4)</b>	<b>44</b>	<b>n.m.</b>	<b>(14)</b>	<b>(4)</b>	<b>(2)</b>	<b>(1)</b>	<b>26</b>
<b>GOP risk adjusted</b>	<b>212</b>	<b>171</b>	<b>260</b>	<b>-18%</b>	<b>107</b>	<b>105</b>	<b>79</b>	<b>93</b>	<b>133</b>
Other	(1)	2	1	n.m.	(2)	0	2	(0)	(1)
Income taxes & minorities	(79)	(59)	(91)	-12%	(43)	(37)	(28)	(31)	(47)
<b>Net result</b>	<b>132</b>	<b>114</b>	<b>170</b>	<b>-23%</b>	<b>63</b>	<b>69</b>	<b>53</b>	<b>61</b>	<b>86</b>
Cost/income ratio (%)	41	48	41	-	41	41	50	46	41
LLPs/Ls (bps)	18	4	(46)	+64bps	27	8	5	3	(54)
Loans (€bn)	21.0	19.3	19.5	+8%	21.0	19.5	19.3	18.9	19.5
RWAs (€bn)	20.7	19.9	20.7	0%	20.7	20.3	19.9	20.0	20.7
ROAC (%)	15	12	19	-4pp					

# PRINCIPAL INVESTING RESULTS

6M results as at December 2021

Annex 2

€m	1H Dec21	2H June21	1H Dec20	Δ YoY <sup>1</sup>	2Q Dec21	1Q Sept21	4Q June21	3Q Mar21	2Q Dec20
<b>Total income</b>	<b>194</b>	<b>171</b>	<b>124</b>	<b>57%</b>	<b>96</b>	<b>98</b>	<b>111</b>	<b>61</b>	<b>78</b>
Impairments	0	33	19		(3)	3	15	18	6
<b>Net result</b>	<b>185</b>	<b>180</b>	<b>128</b>	<b>44%</b>	<b>88</b>	<b>97</b>	<b>110</b>	<b>70</b>	<b>77</b>
<b>Book value (€bn)</b>	<b>4.6</b>	<b>4.4</b>	<b>4.4</b>	<b>5%</b>	<b>4.6</b>	<b>4.5</b>	<b>4.4</b>	<b>4.6</b>	<b>4.4</b>
Ass. Generali (13%)	3.8	3.7	3.7	3%	3.8	3.7	3.7	3.9	3.7
Other investments	0.8	0.7	0.7		0.8	0.8	0.7	0.7	0.7
<b>Market value (€bn)</b>	<b>4.6</b>	<b>4.2</b>	<b>3.6</b>	<b>28%</b>	<b>4.6</b>	<b>4.2</b>	<b>4.2</b>	<b>4.1</b>	<b>3.6</b>
Ass. Generali	3.8	3.4	2.9	31%	3.8	3.5	3.4	3.5	2.9
RWA (€bn)	6.9	7.2	8.3	-16%	6.9	7.1	7.2	8.1	8.3
ROAC (%)	15	13	14	+1pp					

# HOLDING FUNCTION RESULTS

6M results as at December 2021

Annex 2

€m	1H Dec21	2H June21	1H Dec20	Δ YoY <sup>1</sup>	2Q Dec21	1Q Sept21	4Q June21	3Q Mar21	2Q Dec20
<b>Total income</b>	<b>(6)</b>	<b>17</b>	<b>5</b>	<b>n.m.</b>	<b>(5)</b>	<b>(1)</b>	<b>(6)</b>	<b>22</b>	<b>8</b>
Net interest income	(26)	(25)	(23)	+13%	(12)	(14)	(13)	(12)	(9)
Net treasury income	16	36	21	-26%	6	10	4	32	14
Fee income	4	5	7	-42%	1	3	3	2	3
<b>Total costs</b>	<b>(75)</b>	<b>(83)</b>	<b>(78)</b>	<b>-3%</b>	<b>(40)</b>	<b>(36)</b>	<b>(43)</b>	<b>(40)</b>	<b>(41)</b>
<b>Loan provisions</b>	<b>(15)</b>	<b>(7)</b>	<b>(6)</b>	<b>n.m.</b>	<b>(13)</b>	<b>(2)</b>	<b>(4)</b>	<b>(3)</b>	<b>(3)</b>
<b>GOP risk adjusted</b>	<b>(96)</b>	<b>(73)</b>	<b>(78)</b>	<b>+23%</b>	<b>(57)</b>	<b>(39)</b>	<b>(53)</b>	<b>(20)</b>	<b>(36)</b>
Other (incl. SRF/DGS contribution)	(35)	(55)	(26)	+35%	(36)	1	(13)	(42)	(25)
Income taxes & minorities	78	35	31	n.m.	66	12	17	18	17
<b>Net profit</b>	<b>(53)</b>	<b>(93)</b>	<b>(73)</b>	<b>-27%</b>	<b>(27)</b>	<b>(26)</b>	<b>(49)</b>	<b>(45)</b>	<b>(43)</b>
LLPs/Ls (bps) (Leasing)	176	8	69	+107bps	304	50	92	58	67
Banking book (€bn)	5.9	6.1	6.2	-5%	5.9	6.2	6.1	5.8	6.2
Loans (€bn)	1.7	1.8	1.8	-6%	1.7	1.7	1.8	1.8	1.8
RWA	2.9	3.0	3.2	-9%	2.9	3.0	3.0	3.1	3.2

# GLOSSARY

## MEDIOBANCA BUSINESS SEGMENT

<b>CIB</b>	Corporate and investment banking
<b>WB</b>	Wholesale banking
<b>SF</b>	Specialty finance
<b>CF</b>	Consumer finance
<b>WM</b>	Wealth management
<b>PI</b>	Principal Investing
<b>AG</b>	Assicurazioni Generali
<b>HF</b>	Holding functions

## PROFIT & LOSS (P&L) and BALANCE SHEET

<b>AIRB</b>	Advanced Internal Rating-Based
<b>ALM</b>	Asset and liabilities management
<b>AUA</b>	Asset under administration
<b>AUC</b>	Asset under custody
<b>AUM</b>	Asset under management
<b>BVPS</b>	Book value per share
<b>C/I</b>	Cost /Income
<b>CBC</b>	Counter Balance Capacity
<b>CET1 Phase-in</b>	Calculated with "Danish Compromise" (Art. 471 CRR2, applicable until Dec.24) and in compliance with the concentration limit. Transitional arrangements referred to IFRS 9, according to Reg.(EU) 2017/2395 of the EU Parliament /Council.
<b>CET1 Fully Loaded</b>	Calculation including the full IFRS 9 impact and with the AG investment deducted in full.
<b>CoF</b>	Cost of funding
<b>CoE</b>	Cost of equity
<b>CoR</b>	Cost of risk
<b>CSR</b>	Corporate Social Responsibility
<b>DGS</b>	Deposit guarantee scheme

## PROFIT & LOSS (P&L) and BALANCE SHEET

<b>DPS</b>	Dividend per share
<b>EPS</b>	Earning per share
<b>EPS adj.</b>	Earning per share adjusted <sup>1</sup>
<b>ESG</b>	Environmental, Social, Governance
<b>FAs</b>	Financial Advisors
<b>FVOCI</b>	Fair Value to Other Comprehensive Income
<b>GOP</b>	Gross operating profit
<b>Leverage ratio</b>	CET1 / Total Assets (FINREP definition)
<b>Ls</b>	Loans
<b>LLPs</b>	Loan loss provisions
<b>M&amp;A</b>	Merger and acquisitions
<b>NAV</b>	Net asset value
<b>Net profit adjusted</b>	GOP net of LLPs, minorities and taxes, with normalized tax rate (33% for Premier, CIB, Consumer and HF; 25% for PB and AM 25%; 4.16% for PI). Covid-related impact excluded for FY20 and 4Q20
<b>NII</b>	Net Interest income
<b>NNM</b>	Net new money (AUM/AUA/Deposits)
<b>NP</b>	Net profit
<b>NPLs</b>	Group NPLs net of NPLs purchased by MBCS
<b>PBT</b>	Profit before taxes
<b>RM</b>	Relationship managers
<b>ROAC</b>	Adjusted return on allocated capital <sup>2</sup>
<b>ROTE adj.</b>	Adjusted return on tangible equity <sup>1</sup>
<b>RWA</b>	Risk weighted asset
<b>SRF</b>	Single resolution fund
<b>TC</b>	Total capital
<b>Texas ratio</b>	Net NPLs/CET1
<b>TFA</b>	AUM+ AUA+Deposits

## Notes

- 1) Based on net profit adjusted (see above)
- 2) Adjusted return on allocated capital: *average allocated K = 9% RWAs (for PI: 9% RWA + capital deducted from CET1). Net profit adjusted (see above)*

# DISCLAIMER & DECLARATION OF HEAD OF FINANCIAL REPORTING

## Disclaimer

This document includes certain projections, estimates, forecasts and consequent targets which reflect the current views of Mediobanca – Banca di Credito Finanziario S.p.A. (the “Company”) with regard to future events (“forward-looking statements”).

These forward-looking statements include, but are not limited to, all statements other than actual data, historical or current, including those regarding the Group's future financial position and operating results, strategy, plans, objectives and future developments in the markets where the Group operates or is intending to operate.

All forward-looking statements, based on information available to the Company as of the date hereof, rely on scenarios, assumptions, expectations and projections regarding future events which are subject to uncertainties because dependent on factors most of which are beyond the Company's control. Such uncertainties may cause actual results and performances that differ, including materially, from those projected in or implied by the data present; therefore the forward-looking statements are not a reliable indicator of future performances.

The information and opinions included in this document refer to the date hereof and accordingly may change without notice. The Company, however, undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law.

Due to the risks and uncertainties described above, readers are advised not to place undue reliance on such forward-looking statements as a prediction of actual results. No decision as to whether to execute a contract or subscribe to an investment should be based or rely on this document, or any part thereof, or the fact of its having been distributed.

## Declaration by Head of Company Financial Reporting

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

Head of Company Financial Reporting  
Emanuele Flappini

# INVESTOR CONTACT DETAILS

## Mediobanca Group Investor Relations

Piazzetta Cuccia 1, 20121 Milan, Italy

Jessica Spina	Tel. no. (0039) 02-8829.860
Luisa Demaria	Tel. no. (0039) 02-8829.647
Matteo Carotta	Tel. no. (0039) 02-8829.290
Marcella Malpangotto	Tel. no. (0039) 02-8829.428

Email: [investor.relations@mediobanca.com](mailto:investor.relations@mediobanca.com)

<http://www.mediobanca.com>