



MEDIOBANCA  
*Banca di Credito Finanziario S.p.A.*

## **1Q11/9M results as at March 2011**

---

Milan, 11 May 2011

# Healthy momentum

1Q11/9M results

- Solid 1Q11, among the best post-crisis: €156m net profit, up 15% QoQ, 2x YoY
- Strong 9M growth (net profit up 18%), driven by:
  - revenues reshuffling, quality mix improving
  - decreasing cost of risk
  - upturn in consumer finance and retail banking
- Core Tier 1 ratio up to 11.3%

# Solid 1Q11. Revenues reshuffling, net profit growing

1Q11/9M results

€m	9M March11	9M March10	Δ Y.o.Y*	1Q11 March11	4Q10 Dec10	3Q10 Sept10	2Q10 June10	1Q10 March10
<b>Total income</b>	<b>1,566</b>	<b>1,600</b>	<b>-2%</b>	<b>532</b>	<b>535</b>	<b>499</b>	<b>418</b>	<b>455</b>
Net interest income	800	661	+21%	268	269	262	256	220
Fee income	405	414	-2%	139	153	113	119	130
Securities	198	383	-48%	71	47	80	(29)	70
Equity-acc.co.	164	141	+16%	53	66	44	72	35
<b>Total costs</b>	<b>(613)</b>	<b>(588)</b>	<b>+4%</b>	<b>(206)</b>	<b>(219)</b>	<b>(188)</b>	<b>(185)</b>	<b>(194)</b>
Loan loss provisions	(321)	(392)	-18%	(102)	(107)	(112)	(125)	(122)
Securities provisions	(20)	(106)	-81%	-	(19)	(1)	(45)	(15)
<b>Net profit</b>	<b>419</b>	<b>354</b>	<b>+18%</b>	<b>156</b>	<b>135</b>	<b>128</b>	<b>46</b>	<b>84</b>
<b>Cost/income ratio</b>	<b>39%</b>	<b>37%</b>		<b>39%</b>	<b>41%</b>	<b>38%</b>	<b>44%</b>	<b>43%</b>
<b>LLPs/Ls (bps)</b>	<b>125</b>	<b>155</b>		<b>120</b>	<b>125</b>	<b>130</b>	<b>145</b>	<b>145</b>
<b>RORWA (** gross)</b>	<b>1.5%</b>	<b>0.4%</b>						

\*Y.o.Y. = 9M March11/9M March10

\*\* Annualized

# Liquidity put to work, Core Tier 1 reaching 11.3%

€bn	1Q11/9M results				
	9M March11	6M Dec10	9M March10	Δ Q.o.Q*	Δ Y.o.Y*
<b>Funding</b>	<b>52.8</b>	<b>52.9</b>	<b>54.6</b>	-	-3%
MB bonds	34.5	34.6	36.9	-	-7%
Deposits	10.2	10.0	9.1	+3%	+12%
Interbank	8.1	8.3	8.5	-4%	-6%
<b>Loans to customers</b>	<b>35.2</b>	<b>35.1</b>	<b>33.3</b>	-	+6%
of which Corporate	22.1	22.2	21.0	-1%	+5%
Consumer	8.6	8.5	8.1	+2%	+6%
Mortgage	3.8	3.7	3.4	+3%	+12%
<b>Treasury + AFS</b>	<b>18.7</b>	<b>18.7</b>	<b>23.2</b>	-	-19%
<b>RWAs</b>	<b>54.5</b>	<b>55.0</b>		-1%	
<b>Core Tier 1 ratio</b>	<b>11.3%</b>	<b>11.1%</b>			
<b>Loans / Deposits ratio</b>	<b>67%</b>	<b>66%</b>	<b>61%</b>		
<b>RWAs/ Assets</b>	<b>89%</b>	<b>90%</b>			

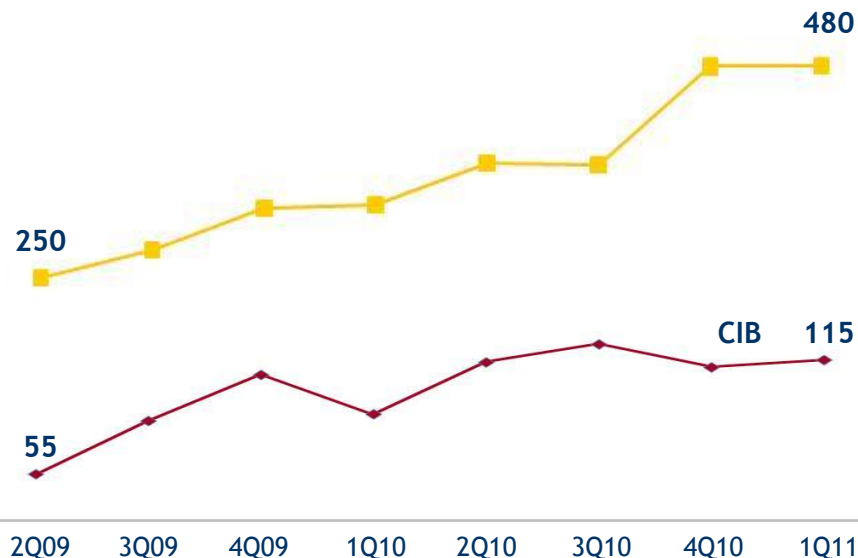
\*Q.o.Q. = 9M March11/6M Dec10

\*Y.o.Y. = 9M March11/9M March10

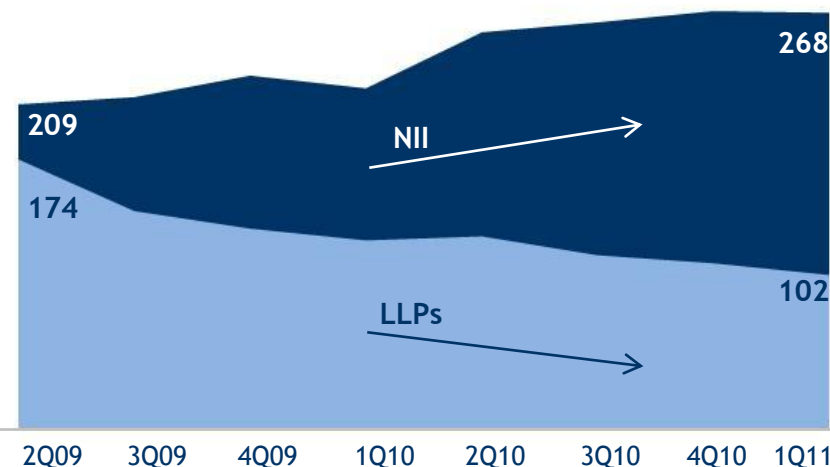
# Net margins consolidating at high levels

1Q11/9M results

CIB and RPB net margins\*(bps)



Group NII and LLPs (€m)



- Net margin consolidating at high levels for both RPB and CIB

- Steady quarterly growth in net interest income
- Steady quarterly reduction in loan loss provisions

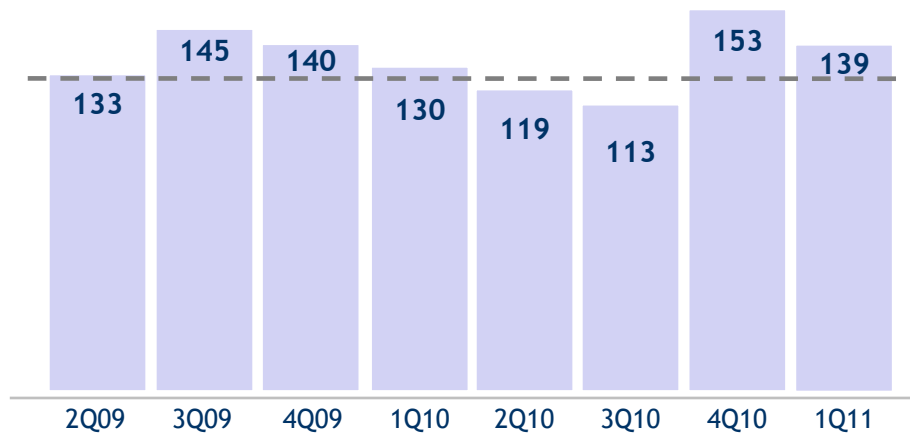
\* CIB net margin = (NII + lending fees - LLPs)/(loans + treasury)

\* RPB net margin = (total income - LLPs)/loans

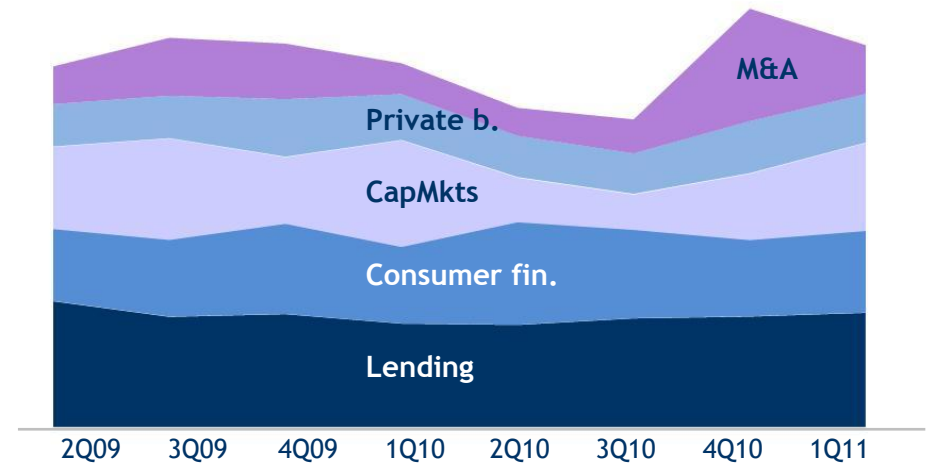
# Fees: good pipeline but still fragile environment

1Q11/9M results

Group fees by quarter (€m)



Group fees by business segment (€m)



- Above average quarterly fee income
- QoQ slowdown due to uneven M&A flow

- Solid contribution from lending and consumer finance
- Good pipeline for CapMkt to be executed in 2H11
- M&A and private banking still low

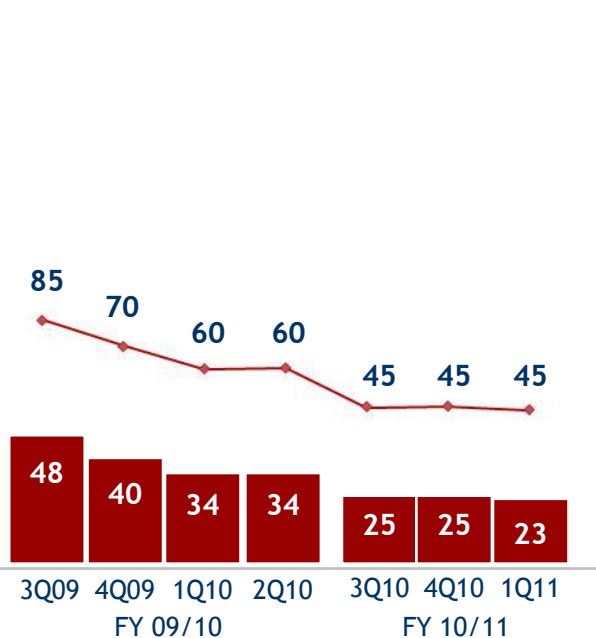
# Cost of risk reducing

1Q11/9M results

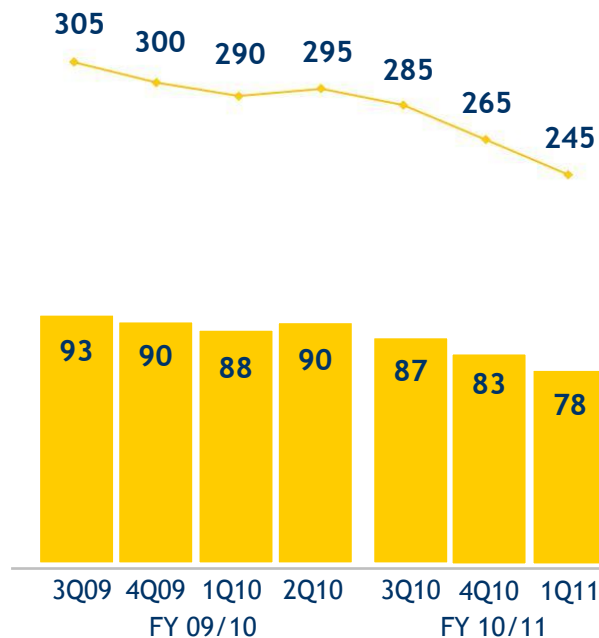
CIB LLPs (€m and bps)

RPB LLPs (€m and bps)

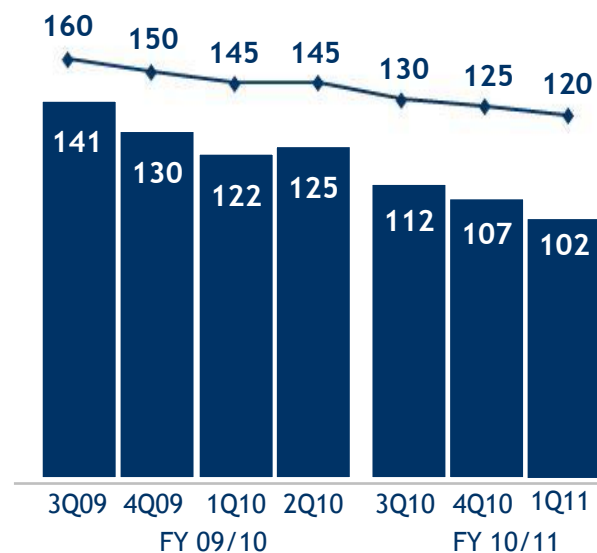
Group LLPs (€m and bps)



- Material improvement in large corporate segment



- Consumer: steady improvement
- Retail: signals of recovery



- Cost of risk gradually returning to normalized levels

# CIB: reshaping revenues, good trading contribution

1Q11/9M results

€m	9M March11	9M March10	Δ Y.o.Y *	1Q11 March11	4Q10 Dec10	3Q10 Sept10	2Q10 June10	1Q10 March10
Total revenues	739	870	-15%	262	234	243	137	210
Net interest income	325	314	+4%	101	108	116	115	98
Fee income	250	261	-4%	86	100	64	72	82
Securities	164	295	-44%	74	26	64	(50)	30
Total costs	(258)	(234)	+10%	(87)	(90)	(81)	(69)	(77)
Loan provisions	(73)	(122)	-40%	(23)	(25)	(25)	(34)	(34)
Securities provisions	(15)	(97)	-84%	-	(14)	(1)	(39)	(14)
Net profit	238	259	-8%	94	66	79	(15)	51
Net profit excl. AFS disposals	230	160	+40%					
Loans (€bn)	22.1	21.0	+5%	22.1	22.2	21.7	21.1	21.0
RWA (€bn)	40.3			40.3	40.9		39.7	
Cost/income ratio	35%	27%		33%	39%	33%	50%	36%
LLPs/Ls (bps)	45	75		45	45	45	60	60

Y.o.Y. = 9M March11/9M March10



# PI: higher contribution

1Q11/9M results

€m	9M March11	9M March10	Δ Y.o.Y *	1Q11 March11	4Q10 Dec10	3Q10 Sept10	2Q10 June10	1Q10 March10
<b>Total income</b>	<b>161</b>	<b>134</b>	<b>+20%</b>	<b>48</b>	<b>62</b>	<b>51</b>	<b>70</b>	<b>33</b>
Ass. Generali	157	161		52	59	46	71	45
RCS Media Group	5	(13)		0	2	3	(4)	(8)
Telco	4	(5)		(3)	4	4	3	(1)
<b>Writedowns</b>	<b>(5)</b>	<b>(8)</b>	<b>-40%</b>	<b>0</b>	<b>(5)</b>	<b>0</b>	<b>(5)</b>	<b>(1)</b>
<b>Net profit</b>	<b>154</b>	<b>121</b>	<b>+27%</b>	<b>49</b>	<b>55</b>	<b>51</b>	<b>63</b>	<b>34</b>
<b>NAV (€bn)</b>	<b>3.2</b>	<b>3.8</b>	<b>-15%</b>	<b>3.2</b>	<b>3.0</b>	<b>3.1</b>	<b>3.0</b>	<b>3.8</b>
<b>RWA (€bn)</b>	<b>3.3</b>			<b>3.3</b>	<b>3.4</b>		<b>2.9</b>	

Y.o.Y. = 9M March11/9M March10

# RPB: top and bottom line improving steadily

1Q11/9M results

€m	9M March11	9M March10	Δ Y.o.Y *	1Q11 March11	4Q10 Dec10	3Q10 Sept10	2Q10 June10	1Q10 March10
Total revenues	722	627	+15%	235	254	232	218	221
Net interest income	484	374	+29%	169	170	145	151	131
Fee income	186	184	+1%	64	64	59	56	59
Securities	52	68	-24%	3	21	28	11	0
Total costs	(380)	(380)	-	(131)	(134)	(115)	(125)	(126)
Loan provisions	(248)	(271)	-8%	(78)	(83)	(87)	(90)	(88)
Net profit	50	(28)	nm	12	23	15	(4)	(1)
Loans (€bn)	13.2	12.3	+7%	13.2	12.9	12.6	12.6	12.3
RWA (€bn)	11.0			11.0	10.8		10.8	
Cost/income ratio	53%	61%		56%	53%	50%	57%	57%
LLPs/Ls (bps)	260	300		245	265	285	295	290

Y.o.Y. = 9M March11/9M March10

# Consumer finance: delivering visible growth

1Q11/9M results

€m	9M March11	9M March10	Δ Y.o.Y *	1Q11 March11	4Q10 Dec10	3Q10 Sept10	2Q10 June10	1Q10 March10
Total income	517	471	+10%	177	176	165	167	161
Total costs	(183)	(180)	+2%	(65)	(60)	(58)	(60)	(64)
Loan provisions	(229)	(254)	-10%	(74)	(75)	(80)	(83)	(81)
Net profit	58	10	+6x	18	27	13	12	4
New loans	3,444	2,948	+17%	1,239	1,179	1,026	1,105	1,075
Loans (€bn)	8.6	8.1	+6%	8.6	8.5	8.4	8.3	8.1
RWA (€bn)	7.6			7.6	7.5		7.4	
Cost/income ratio	35%	38%		37%	34%	35%	36%	40%
LLPs/Ls (bps)	365	410		355	365	390	405	400

Y.o.Y. = 9M March11/9M March10

# Retail banking: revenues becoming material

1Q11/9M results

€m	9M March11	9M March10	Δ Y.o.Y *	1Q11 March11	4Q10 Dec10	3Q10 Sept10	2Q10 June10	1Q10 March10
<b>Total income</b>	<b>121</b>	<b>71</b>	<b>+69%</b>	<b>31</b>	<b>50</b>	<b>40</b>	<b>27</b>	<b>34</b>
Total costs	(136)	(137)	-1%	(46)	(53)	(38)	(43)	(43)
Loan provisions	(19)	(16)	+19%	(4)	(7)	(8)	(7)	(7)
Net result	(28)	(61)	-54%	(13)	(10)	(5)	(18)	(12)
Deposits (€bn)	10.2	9.1	+12%	10.2	10.0	10.1	9.6	9.1
Loans (€bn)	3.8	3.5	+11%	3.8	3.7	3.6	3.5	3.5
RWA (€bn)	1.8			1.8	1.8		1.8	
Cost/income ratio	113%	192%						
LLPs/Ls (bps)	105	100		45	80	90	85	85

Y.o.Y. = 9M March11/9M March10

# Conclusions

1Q11/9M results

- Another solid quarter, among the best post-crisis
- Strong Y.o.Y. growth, driven largely by RPB upturn
- Focus on developing non-domestic CIB and domestic RPB activities



MEDIOBANCA

*Banca di Credito Finanziario S.p.A.*

# Disclaimer

This presentation contains certain forward-looking statements, estimates and targets with respect to the operating results, financial condition and business of the Mediobanca Banking Group. Such statements and information, although based upon Mediobanca's best knowledge at present, are certainly subject to unforeseen risk and change. Future results or business performance could differ materially from those expressed or implied by such forward-looking statements and forecasts. The statements have been based upon a reference scenario drawing on economic forecasts and assumptions, including the regulatory environment.

## 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

Massimo Bertolini

# Investor contacts

---

## Mediobanca Group

### Investor Relations

Piazzetta Cuccia 1, 20121 Milan, Italy

Tel. no.: (0039) 02-8829.860 / 647

Fax no.: (0039) 02-8829.550

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

<http://www.mediobanca.it>