Mediobanca Spa

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	BBB
Short-Term IDR	F2
Viability Rating (VR)	bbb
Support Rating	5
Support Rating Floor	NF
Derivative Counterparty Rating	BBB(dcr)
Long-Term Deposit Rating	BBB+

Sovereign Risk

Long-Term Foreign-Currency IDR	BBB
Long-Term Local-Currency IDR	BBB

Outlooks

Long-Term Foreign-Currency IDR	Negative
Short-Term Foreign-Currency IDR	Under Criteria Observation
Sovereign Long-Term Foreign-Currency IDR	Negative
Sovereign Long-Term Local-Currency IDR	Negative

Financial Data

Mediobanca Spa

	31 Dec 18	30 Jun 18
Total assets (USDm)	87,659	83,749
Total assets (EURm)	76,531	72,301
Total equity (EURm)	9,294	9,732
Operating profit (EURm)	530	1,003
Net income (EURm)	453	868
Operating RORWA (%)	2.2	2.1
Operating ROAE (%)	11.1	10.7
Fitch Core Capital ratio (%)	18.0	19.0
Loans/customer deposits (%)	202.7	205.0

Source: Fitch Ratings, Fitch Solutions

Related Research

Fitch Places 31 EMEA Bank ST Issuer Ratings Under Criteria Observation (May 2019)

Mediobanca Spa - Ratings Navigator (March 2019)

Fitch Affirms Mediobanca at 'BBB'; Outlook Negative (February 2019)

Fitch Ratings 2019 Outlook: Western European Banks (December 2018)

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Key Rating Drivers

Strong Franchise in Selected Businesses: Mediobanca Spa's ratings reflect its specialised business model with leading franchises in investment banking and consumer finance in Italy. They underpin sound capitalisation, adequate profitability and good asset quality by Italian standards, which were maintained through the cycle. Mediobanca is also expanding its wealth management activities. Growth is both organic and through acquisitions, and Fitch Ratings expects the bank to maintain its controlled risk appetite.

Capital Commensurate with Risks: The Fitch Core Capital (FCC) ratio of 18% at end-2018 and common equity Tier 1 (CET1) ratio of 14.3% at end-March 2019 are satisfactory, compare well domestically and have ample buffers over the 2019 Supervisory Review and Evaluation Process (SREP) requirement. Capitalisation is underpinned by an established record of internal capital generation and we expect capital ratios to remain sound over the medium term.

Net impaired loans accounted for less than 8% of the FCC at end-2018, significantly lower than the average among Italian banks.

Resilient Asset Quality: The impaired loans ratio of 4.9% (or close to 4% excluding purchased non-performing loans (NPLs)) at end-2018 compares well with the Italian sector average of about 10%. Lending standards are robust, with loans regularly written off and disposed in the consumer portfolio. Mediobanca's holdings of Italian sovereign bonds are limited at about 30% of FCC, lower than most rated Italian banks'.

Improved Earnings, Average Profitability: Wealth management has helped earnings generation and revenue diversification. Mediobanca's operating profit/risk-weighted assets (RWAs) ratio of about 2.2% in 2H18 compares well with the strongest domestic banks, but is average relative to international sector averages. Mediobanca has good control over costs. Loan impairment charges (LICs) at less than 20% of pre-impairment profit in the 18 months to end-2018 should remain under control.

Adequate Funding, Sound Liquidity: Funding is adequately diversified and less dependent on wholesale channels than in the past. Customer deposits expanded on the back of the bank's growing retail and wealth management franchise. Regular retail bond issues through third-party networks are a feature of the bank's funding strategy. Mediobanca's medium-term funding needs are manageable, in our view. Its liquidity profile is sound, backed by large liquidity reserves and good coverage of short-term maturities.

Rating Sensitivities

Sovereign Rating, Operating Environment: The Negative Outlook reflects our view that Mediobanca would likely be downgraded if Italy's 'BBB' rating is downgraded, since its activities are predominantly domestic. The bank's ratings are, therefore, highly affected by the risk profile of the Italian sovereign and the domestic economy. An upgrade of the ratings would likely require an upgrade of the sovereign rating.

Risk Appetite, Asset Quality, Liquidity: Increased risk appetite, such as expanding higher-risk activities, increasing concentration risk or asset-quality deterioration could lead to a downgrade. Deterioration of group liquidity and funding could also result in a downgrade.

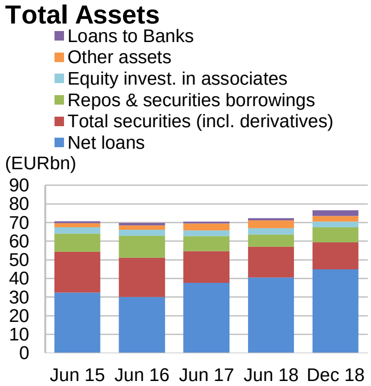
Operating Environment

Mediobanca's historical corporate and investment banking (CIB) activities are to some extent internationally diversified, but its consumer and retail banking are domestic and expose the bank to Italy's challenging operating environment.

Italy's 'BBB' rating and Negative Outlook reflect the extremely high level of general government debt and the absence of structural fiscal adjustment, relatively high net external debt, still-weak banking sector asset quality, very low trend GDP growth, policy risk and uncertainty arising from the current political dynamic and associated downside risks to our public debt projections. The rating is supported by a diversified, high value-added economy, with gross net income per capita, governance and human development indicators much stronger than the peer group medians. Italy also has moderate private sector indebtedness, a sustainable public pension system, relatively favourable average maturity of public debt (6.7 years) and average yield at issuance (1.4%), a negligible share of foreign-currency debt, a current account surplus and an external leverage that is mitigated by EMU membership.

The Italian economy entered recession for the third time this decade after recording two consecutive quarters of negative growth in 2H18. With both export and investment growth prospects deteriorating, we forecast a GDP growth of 0.1% in 2019. We expect growth to recover modestly to 0.5% in 2020.

Total Assets



Source: Fitch Ratings

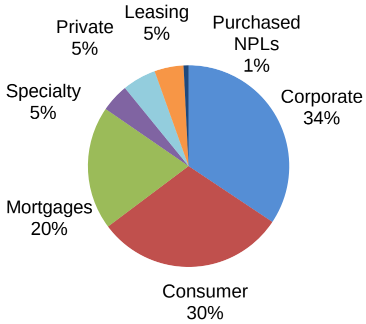
Company Profile

Mediobanca's specialised business model differs from traditional commercial banks in Italy and allows generating profit and maintaining better asset quality and capitalisation levels through the cycle by domestic comparison. Its business mix combines CIB activities, in which the bank has an established record and strong brand recognition in Italy, with solid franchise in consumer lending (Compass) and growing retail banking operations (CheBanca!). The group has been developing wealth management and private banking activities, which can benefit from long-standing relationships with corporate customers and the group's well recognised brand domestically.

The bank has accompanied its organic business expansion with some acquisitions aimed at strengthening its asset management franchise (the 50% stake it did not already own in Banca Esperia in 2016 and Barclays' domestic retail activities in 2015) and diversifying its product offering (alternative asset managers RAM Active Investments in 2018 and Cairn Capital in 2015). Mediobanca is in the process of acquiring a stake in the Indonesian consumer finance company, BFI Finance, which will allow gaining a foothold in high-growth emerging markets. We expect this trend of small acquisitions to continue as Mediobanca intends to prioritise the expansion of its wealth management activities and increase the international breadth of its CIB franchise.

Gross Loans

Breakdown by business



Source: Fitch Ratings, Mediobanca

Mediobanca holds a 13% stake in the Italian insurer Assicurazioni Generali S.p.A. (A-/Negative). The participation is accounted for at the equity method and had a market value of about EUR3.0 billion at end-2018.

Management and Strategy

Mediobanca's senior management is appropriately skilled, its turnover is low and transitions are executed smoothly, supported by a sound corporate culture that is well entrenched throughout the organisation. We believe that executives have been able to define coherent strategies and to deliver on their stated objectives through the cycle and they successfully reshaped the bank's business model without posing significant risks for the group's stakeholders. These elements strengthened the management's credibility in the market, in our view.

Related Criteria

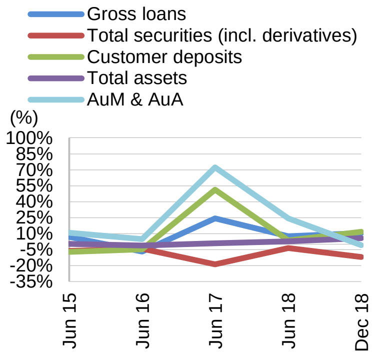
Bank Rating Criteria (October 2018)

Mediobanca is listed on the Italian stock exchange. Its ownership structure is adequately fragmented and the strong presence of institutional investors, which represent about 75% of the share capital, should favour access to capital resources if needed, in Fitch's opinion. The bank's largest shareholders and other institutional investors are part of a shareholder agreement that has historically had a great influence on the group's governance, but has not posed any downside risk to creditors so far. The agreement's scope and strength have significantly reduced during the past decade, especially in December 2018 when two large shareholders withdrew, therefore reducing the stake held in the pact to 21% from 29%. Also, a new three-year agreement was signed with consultation purposes only, replacing the previous one that limited members' ability to sell their shares.

Mediobanca has a good record of meeting its stated objectives and developing more recently entered market segments in line with plans. Its financial performance has been more resilient than domestic peers' through the cycle, but a prolonged economic slowdown in Italy could make future execution more challenging, in our view, especially if it results in reduced customer appetite for wealth management products and/or higher default rates in the loan book.

The bank will continue to scale-up wealth management and CIB activities in 2019, both organically and through acquisitions. In April 2019, Mediobanca finalised the acquisition of 66% stake in the French corporate finance boutique, Messier Maris & Associés, as part of its strategy to expand its advisory activities to medium-sized corporates. Compass's consumer finance activities are likely to grow at a slower pace than in the past, but its cost of risk should remain under control.

Growth



Source: Fitch Ratings, Mediobanca

Risk Appetite

Mediobanca's underwriting standards are in line with broad industry practices. Its lending policy is sufficiently conservative and resulted in a lower level of impaired assets compared with the domestic banking sector. In CIB, Mediobanca has some tolerance for single-name concentration, but risk is well managed. The bank selectively targets large corporates and has balanced exposures between domestic and foreign borrowers. In consumer finance, Mediobanca can rely on a proprietary database that is the largest and has the longest time-series in Italy, which allows a better screening of loan application and results in lower risk of credit losses compared with its domestic peers, in Fitch's view.

The bank is primarily exposed to credit risk in its corporate, consumer and mortgage loan portfolios and residually in its securities portfolio. In the past few years, Mediobanca's balance sheet grew at high single-digit rates, mostly driven by its strong consumer lending and acquisitions. Growth has been coherent with the group's risk appetite, generated adequate growth in margins and has not pressurised its solvency.

Exposure to market risk is average, in Fitch's view, and mainly stems from interest-rate risk in Mediobanca's banking book and from capital markets activities. Risk controls and hedging tools are adequate and sufficiently sophisticated. The group uses both derivatives and cash flow hedges to mitigate interest rate, price and credit risk on its banking book. We consider Mediobanca's appetite for market risk on its trading book modest, based on conservative value-at-risk limits applied to single trading desks. The bank's exposure to own-sovereign risk is also contained at about 33% of its FCC.

Note on Charts

Black dashed lines in the *Impaired Loans Ratio, Operating Profit/RWA, FCC Ratio, Loans/Customer Deposits* charts of the report represent indicative quantitative ranges and corresponding implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'bbb' category.

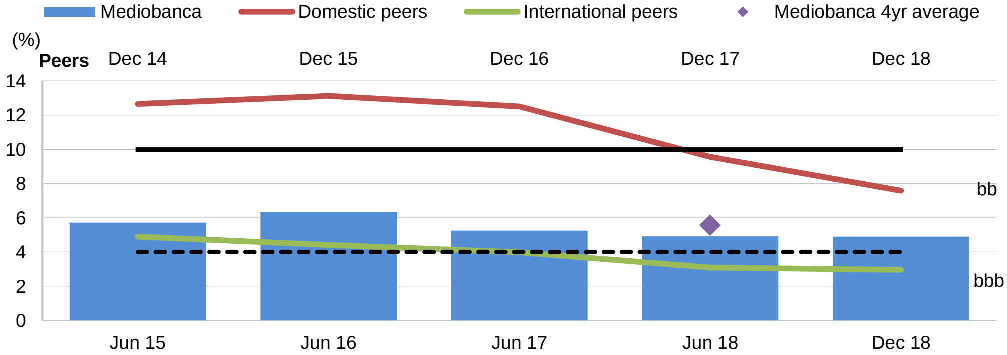
Peers include: Unicredit S.p.A. (VR: bbb); Intesa Sanpaolo S.p.A. (bbb); Credito Emiliano S.p.A. (bbb); HSBC France (a-); Van Lanschot N.V. (bbb+)

Financial Profile

Asset Quality

Mediobanca's asset quality has been consistently better than domestic averages throughout the cycle, with a gross impaired loans ratio that remained well below 10% over the past decade. The gross impaired loans ratio of 4.9% (or 4.2% excluding purchased NPLs) and coverage ratio of about 71% at end-2018 were among the strongest domestically. Reported gross NPL ratio at end-March 2019 was 4.2% (excluding purchased NPLs)

Impaired Loans Ratio



Source: Fitch Ratings, Fitch Solutions

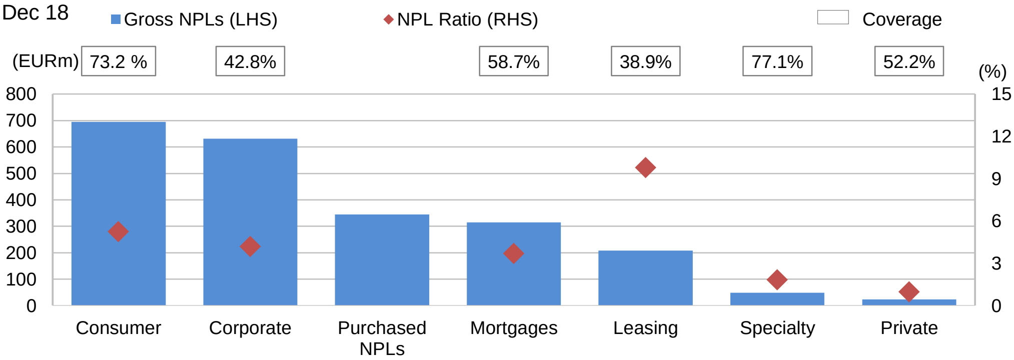
Lending accounts for about 60% of total assets, in line with domestic commercial banks, but benefits from higher product diversification compared with second-tier Italian banks.

Mediobanca's CIB exposure is reasonably diversified by industry, with comparatively higher exposure to sectors where the bank has strong expertise. Geographic diversification has increased in recent years and lending to counterparties domiciled in countries outside Italy (mainly France, Germany, Spain and the UK) accounted for half of the CIB portfolio at end-2018. The bank has minimal exposure to real-estate development projects or public-sector entities. Large single-name exposures heighten concentration risk, but they are well managed and tightly monitored, in our view.

Consumer loans and residential mortgages are overwhelmingly domestic and highly granular. Consumer lending has greater exposure towards borrowers in central-southern Italian regions, where demand, but also the average default rates, are generally higher than in the northern regions. However, the average weighted probability of default of the performing portfolio is manageable, in our opinion, which means that the group's conservative lending standards adequately mitigate risks. Impaired exposures are about 5% of the total consumer lending and are adequately provisioned. Retail mortgages loans are largely floating rate, long term and of good credit quality, with conservative loan-to-value at origination.

Asset Quality by Business Segment

Dec 18



Source: Fitch Ratings, Mediobanca

Other Assets

Mediobanca's securities portfolio (including bonds at amortised cost) was less than 20% of total assets at end-2018. The portfolio is sufficiently diversified and less exposed to Italian sovereign risk than other Fitch-rated Italian banks. Italian government bonds were about EUR2.7 billion or less than 4% of its total assets, and had a low average duration of about 2.5 years. Mediobanca sold some small equity stakes in 2018, but it keeps its legacy investment in Assicurazioni Generali, which are about 4% of total assets and had a book value of about EUR3 billion.

Peer Analysis

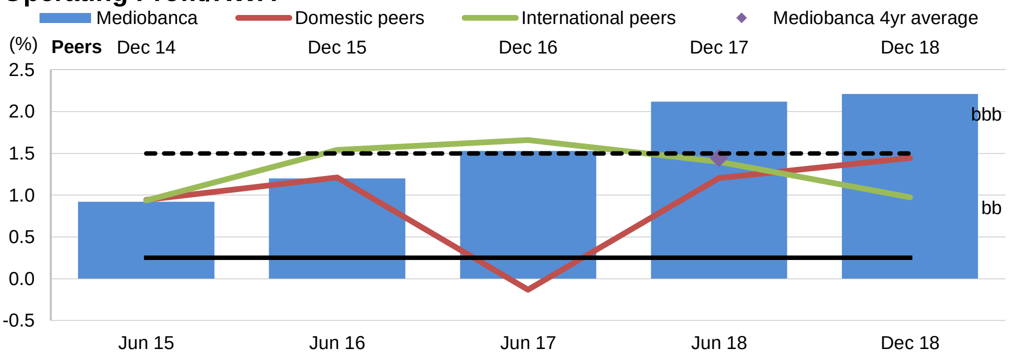
Three-Notch Midpoint Score/Outlook	Mediobanca bbb+/Stable		IntesaSP bb/Stable		UniCredit bb/Stable		Van Lanschot bbb+/Stable	
(%)	Dec 18	Jun 18	Dec 18	Dec 17	Dec 18	Dec 17	Dec 18	Dec 17
Impaired loans/gross loans	4.9	4.9	9.7	12.8	8.7	10.8	3.8	4.0
Reserves for impaired loans/impaired loans	70.7	73.9	60.5	53.7	70.8	61.9	34.1	32.5
Growth of gross loans	10.5	7.6	-7.5	11.6	1.6	-3.5	-6.0	-5.8
Loan impairment charges/average gross loans	0.5	0.5	0.6	0.9	0.6	0.6	-0.1	-0.1

Source: Fitch Ratings, Fitch Solutions

Earnings and Profitability

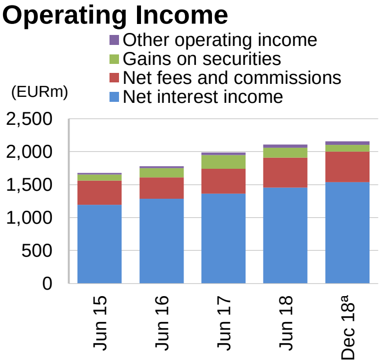
Mediobanca's profitability remains average relative to the global industry average and might vary over the economic and interest-rate cycles due to the bank's domestic focus and large interest-bearing activities. However, revenue generation and diversification have improved in recent years, driven by steady growth in consumer lending, retail mortgages and fee-intensive wealth management. Mediobanca's profitability also benefits from good operating efficiency and a record of low LICs, which differentiate the bank from other domestic peers.

Operating Profit/RWA



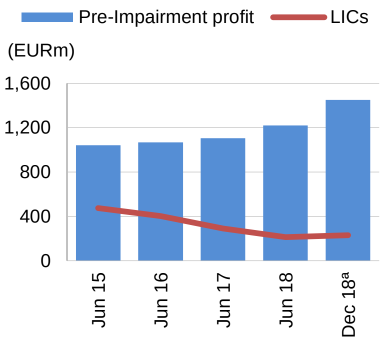
Source: Fitch Ratings, Fitch Solutions

Operating Income



ª Annualised
Source: Fitch Ratings, Mediobanca

Operating Profitability



ª Annualised
Source: Fich Ratings, Mediobanca

In the first six months of its financial year to December 2018, Mediobanca generated an operating profit of about EUR530 million, equivalent to operating profit/RWAs of 2.2%, which compares well with its four-year average of 1.4% and also with stronger domestic banks. Its return on equity of 8.9% at end-March 2019 is also satisfactory and remains on a slightly improving trend.

The bank has effectively managed the pressure from falling interest rates on its net interest margin (NIM) by boosting volumes and shifting the lending mix towards consumer loans and retail mortgages. NIM has improved to just above 2% of earning assets in recent years, also thanks to the growing relevance of cheaper funding sources, such as deposits, in the bank's funding structure. Fitch expects NIM to stabilise as growth in consumer finance is likely to slow down after peaking in the past two years, and funding costs might rise due to challenging refinancing conditions for Italian banks.

In 2H18, net fees and commission grew by about 7% yoy and were about 28% of total operating income. Their contribution increased mainly thanks to the strong growth of assets under management (by 17% yoy in 2H18) and stronger CIB activity. Mediobanca remains committed to increasing fees generated by its advisory and wealth management businesses, through small acquisitions, as these should further improve and stabilise its revenue generation through the cycle and increase revenue diversification.

Operating expenses grew by 5% yoy in 2H18 due to the bank's business expansion, but did not lead to a deterioration of operating efficiency. The bank's cost/income ratio of about 55% at end-2018 remains one of the lowest among Fitch-rated domestic banks and compares well by European industry averages. LICs decreased to less than 16% of pre-impairment profit, which is low by domestic comparison, reflecting decreased credit risk in all of the bank's divisions. Fitch expects Mediobanca to keep LICs under control throughout 2019.

Peer Analysis

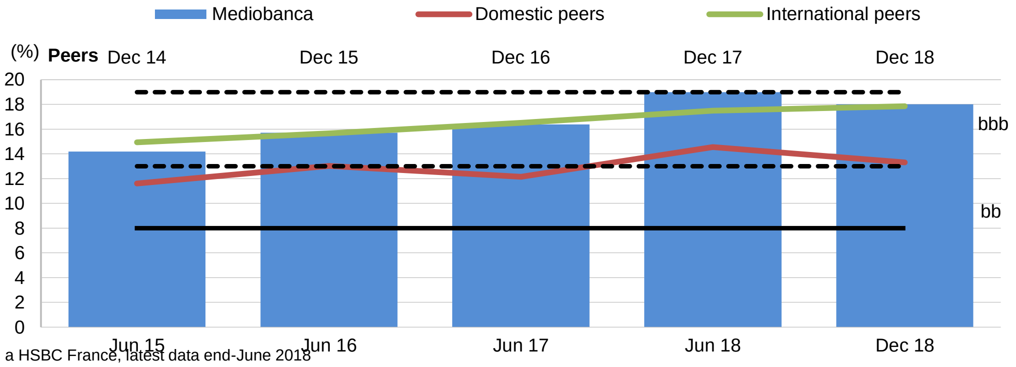
Three-Notch Midpoint Score/Outlook	Mediobanca bbb-/Stable		IntesaSP bbb/Stable		UniCredit bbb-/Stable		Van Lanschot bbb/Stable	
(%)	Dec 18	Jun 18	Dec 18	Dec 17	Dec 18	Dec 17	Dec 18	Dec 17
Operating profit/RWAs	2.2	2.1	1.8	1.1	1.0	0.9	1.8	2.5
Net interest income/average earning assets	2.1	2.1	1.0	1.4	1.5	1.5	1.4	1.6
Non-interest expense/gross revenues	54.8	55.4	58.8	68.6	69.6	70.1	91.1	84.4
Loans and securities impairment charges/pre-impairment operating profit	17.7	17.7	33.8	51.2	41.2	47.1	-17.8	-13.7
Operating profit/average total assets	1.4	1.4	0.6	0.4	0.5	0.4	0.6	0.8
Net income/average equity	9.5	9.2	8.2	14.7	7.8	11.1	6.2	7.0

Source: Fitch Ratings, Fitch Solutions

Capitalisation and Leverage

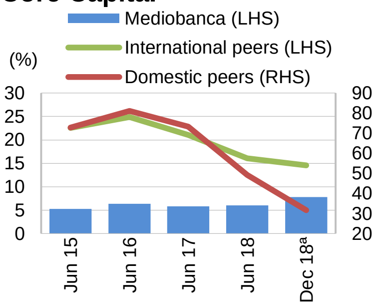
Mediobanca's FCC ratio of 18% at end-2018 and transitional CET1 ratio of 14.3% at end-March 2019 were comfortably above the 2019 SREP requirement of 8.25% and commensurate with the bank's business model and risk profile, in particular with regard to concentration risk in the credit and equity portfolios. The bank is well positioned to confirm a 14% CET1 ratio by June 2019, thanks to the extension of the Danish Compromise until end-2024 that will allow it to continue risk weighting the stake in Assicurazioni Generali rather than fully deducting it from core capital. Mediobanca's non-core capital is a modest 3.5% of its RWAs and mainly consists of Tier 2 issuances.

FCC Ratio



a HSBC France, latest data end-June 2018
Source: Fitch Ratings, Fitch Solutions

Net Impaired Loans/Fitch Core Capital



[a] HSBC France, latest data end-June 2018
Source: Fitch Raitngs, Fitch Solutions

In 2018, Mediobanca rolled out AIRB models to the corporate portfolio, which generated a 140bp increase in the bank's regulatory capital ratios. The application of internal models to the retail mortgages portfolio this year generated an additional benefit of 40bp on its ratios at end-March 2019.

Mediobanca has a record of solid internal capital generation through the cycle and adopts a conservative dividend payout in the range of 40%-50%, which could slightly increase given its good performance. However, we expect the bank to continue prioritising capital retention over dividend distribution, if needed.

The FCC encumbrance by unreserved impaired loans is the lowest among Fitch-rated Italian banks at about 8%, and regulatory leverage of 8.5% at end-2018 is sound by international standards.

Peer Analysis

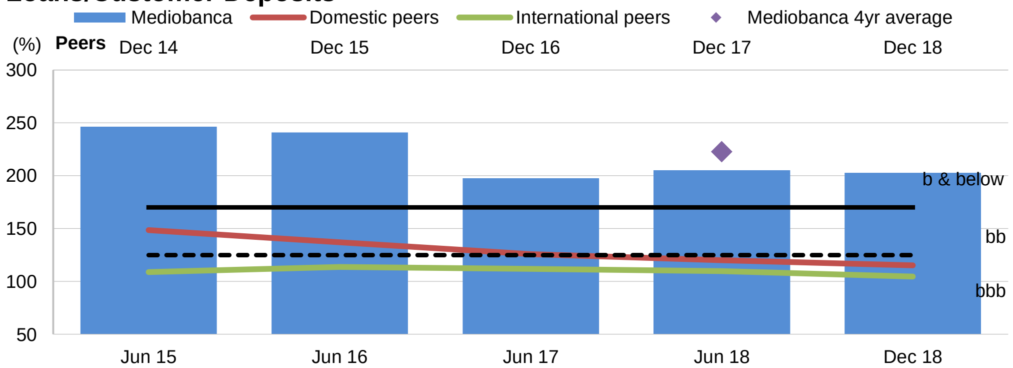
Three-Notch Midpoint Score/Outlook	Mediobanca bbb/Stable		IntesaSP bbb/Stable		UniCredit bbb-/Stable		Van Lanschot a-/Stable	
(%)	Dec 18	Jun 18	Dec 18	Dec 17	Dec 18	Dec 17	Dec 18	Dec 17
Fitch Core Capital/RWAs	18.0	19.0	12.9	13.7	13.8	14.9	23.7	22.7
Impaired loans less reserves for impaired loans/Fitch Core Capital	7.8	6.0	40.2	61.5	2.1	9.8	20.1	22.2
Tangible common equity/tangible assets	11.3	12.6	5.3	5.5	5.5	5.7	7.8	7.7
Regulatory CET1 ratio	13.9	14.2	13.5	13.3	12.9	14.9	21.4	20.5
Basel leverage ratio	n.a.	8.8	6.2	6.4	5.0	5.5	6.9	6.7

Source: Fitch Ratings, Fitch Solutions

Funding and Liquidity

Mediobanca's funding is generally stable and adequately diversified. Its loans/customer deposit ratio at over 200% at end-2018 is well above other Fitch-rated Italian banks and reflects the bank's historical high reliance on more expensive wholesale funding sources, which accounted for about 42% of the group's financial liabilities at end-2018, and retail bonds placed on third-party networks. Mediobanca accesses the institutional debt market through several channels, including its euro medium-term note and covered bond programmes, commercial paper and certificate of deposits. The bank also issues asset-backed securities that are backed by consumer loans, which are eligible for ECB refinancing. Wholesale funding includes about EUR4.3 billion of targeted longer-term refinancing operations, which will expire by 2021.

Loans/Customer Deposits



Source: Fitch Ratings, Fitch Solutions

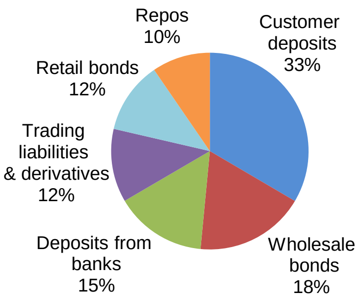
Over the past few years, the bank has gradually reduced its reliance on wholesale funding thanks to growing customer deposits, which were about EUR23 billion (or 37% of total funding excluding derivatives) at end-2018. This remains small compared with domestic traditional commercial banks, but is much higher than 2016 (25%). Customer deposits are largely retail (about 68%), with an increasing contribution from private clients.

The bank has good access to retail funding through regular bond issuances, both senior and subordinated, that it largely places through other banks' branch networks rather than directly selling them to its own clients. Mediobanca also issues bonds on a dedicated segment of the Italian stock exchange, which reaches retail and professional investors. Issuances have been less frequent over the past few quarters, reflecting customer deposit growth but also Mediobanca's issuance strategy, which concentrates on cheaper secured funding. Debt maturities for the next three years are manageable and refinancing risk minimal, since Mediobanca is perceived as a solid bank and has established market access.

Mediobanca has a sound liquidity profile, backed by almost EUR12 billion of unencumbered ECB-eligible assets. Its 12-month average LCR of 186% and NSFR of 107% at end-March 2019 are also sound.

Funding Mix

Dec 18



Source: Fitch Ratings, Mediobanca

Peer Analysis

Three-notch midpoint score/Outlook	Mediobanca bbb/Stable		IntesaSP bbb/Stable		Unicredit bbb+/Negative		Van Lanschot a-/Stable	
(%)	Dec 18	Jun 18	Dec 18	Dec 17	Dec 18	Dec 17	Dec 18	Dec 17
Loans/customer deposits	202.7	205.0	125.7	134.8	108.9	109.3	95.4	100.9
Customer deposits/total funding (excluding derivatives)	37.2	36.1	56.7	56.6	59.0	55.3	75.4	71.5
Liquidity Coverage Ratio	210	186	163.0[a]	>100	151.0	185.3	140.6	163.6
Interbank assets/interbank liabilities	29.1	13.9	28.2	31.1	28.3	29.3	86.4	183.6

[a] 12-month average
Source: Fitch Ratings, Fitch Solutions

Support

Mediobanca's Support Rating of '5' and Support Rating Floor of 'No Floor' reflect Fitch's view that external support cannot be relied upon in the long term, even though it is possible. Senior creditors can no longer expect to receive full extraordinary support from the sovereign in the event that the bank becomes non-viable.

The EU's Bank Recovery and Resolution Directive and the Single Resolution Mechanism for eurozone banks provide a framework for the resolution of banks that requires senior creditors to participate in losses, if necessary, instead of or ahead of a bank receiving sovereign support.

Debt Ratings

Mediobanca's long-term deposit rating is one notch above the bank's 'BBB' Long-Term Issuer Default Rating (IDR). Fitch believes that the bank has sufficient combined buffers of junior and senior debt (preferred and non-preferred) that result in a lower probability of default on deposits relative to the Long-Term IDRs. The one-notch uplift also reflects Fitch's expectation that Mediobanca will maintain sufficient buffers, given its need to comply with minimum requirement for own funds and eligible liabilities requirements.

Fitch rates Mediobanca's preferred and non-preferred senior unsecured debt in line with Mediobanca's Long-Term IDR, to reflect that it would treat a default on these obligations as a default by Mediobanca. The ratings of the senior debt issued by Mediobanca International (Luxembourg) SA are equalised with the parent's Long-Term IDR since the debt is unconditionally and irrevocably guaranteed by Mediobanca, and Fitch expects the parent to honour this guarantee.

Tier 2 capital notes are rated one notch below Mediobanca's VR to reflect one notch for loss severity and zero notches for non-performance risk. The notes qualify as Tier 2 regulatory capital and contain contractual loss absorption features, which will be triggered after the bank becomes non-viable. The one notch for loss severity reflects the below-average recovery prospects for the notes. We apply zero notches for incremental non-performance risk, as the write-down of the notes will only occur once the point of non-viability is reached and there is no coupon flexibility prior to non-viability.

Mediobanca Spa
Income Statement

	31 Dec 2018			30 Jun 2018		30 Jun 2017		30 Jun 2016		30 Jun 2015	
	6 Months - Interim USDm Reviewed - Unqualified	6 Months - Interim EURm Reviewed - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets
1. Interest Income on Loans	987.7	862.3	2.31	1,634.2	2.39	1,581.9	2.37	1,498.2	2.22	1,511.7	2.21
2. Other Interest Income	122.4	106.9	0.29	266.5	0.39	338.4	0.51	412.2	0.61	583.9	0.85
3. Dividend Income	33.3	29.1	0.08	84.3	0.12	81.4	0.12	80.5	0.12	47.6	0.07
4. Gross Interest and Dividend Income	**1,143.5**	**998.3**	**2.68**	**1,985.0**	**2.90**	**2,001.7**	**3.00**	**1,990.9**	**2.95**	**2,143.2**	**3.13**
5. Interest Expense on Customer Deposits	43.4	37.9	0.10	60.3	0.09	96.5	0.14	117.1	0.17	174.6	0.25
6. Other Interest Expense	236.0	206.0	0.55	470.4	0.69	542.4	0.81	589.0	0.87	774.5	1.13
7. Total Interest Expense	**279.4**	**243.9**	**0.65**	**530.7**	**0.78**	**638.9**	**0.96**	**706.1**	**1.05**	**949.1**	**1.38**
8. Net Interest Income	**864.1**	**754.4**	**2.02**	**1,454.3**	**2.13**	**1,362.8**	**2.04**	**1,284.8**	**1.91**	**1,194.1**	**1.74**
9. Net Fees and Commissions	259.4	226.5	0.61	456.3	0.67	377.9	0.57	322.7	0.48	366.3	0.53
10. Net Gains (Losses) on Trading and Derivatives	19.2	16.8	0.05	41.5	0.06	50.0	0.07	46.9	0.07	97.8	0.14
11. Net Gains (Losses) on Assets and Liabilities at FV	5.6	4.9	0.01	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Net Gains (Losses) on Other Securities	34.0	29.7	0.08	105.0	0.15	156.4	0.23	96.3	0.14	(3.1)	(0.00)
13. Net Insurance Income	28.3	24.7	0.07	48.9	0.07	37.9	0.06	31.2	0.05	24.3	0.04
14. Other Operating Income	n.a.	n.a.	-	n.a.	-	n.a.	-	(1.6)	(0.00)	n.a.	-
15. Total Non-Interest Operating Income	**346.6**	**302.6**	**0.81**	**651.7**	**0.95**	**622.2**	**0.93**	**495.5**	**0.73**	**485.3**	**0.71**
16. Total Operating Income	**1,210.7**	**1,057.0**	**2.83**	**2,106.0**	**3.08**	**1,985.0**	**2.98**	**1,780.3**	**2.64**	**1,679.4**	**2.45**
17. Personnel Expenses	323.2	282.2	0.76	557.8	0.82	531.9	0.80	443.3	0.66	419.3	0.61
18. Other Operating Expenses	340.3	297.1	0.80	609.2	0.89	611.1	0.92	547.6	0.81	442.2	0.65
19. Total Non-Interest Expenses	**663.5**	**579.3**	**1.55**	**1,167.0**	**1.71**	**1,143.0**	**1.71**	**990.9**	**1.47**	**861.5**	**1.26**
20. Equity-accounted Profit/ Loss - Operating	189.6	165.5	0.44	280.3	0.41	263.5	0.39	276.7	0.41	223.9	0.33
21. Pre-Impairment Operating Profit	**736.7**	**643.2**	**1.72**	**1,219.3**	**1.78**	**1,105.5**	**1.66**	**1,066.1**	**1.58**	**1,041.8**	**1.52**
22. Loan Impairment Charge	129.3	112.9	0.30	213.1	0.31	289.7	0.43	402.4	0.60	473.4	0.69
23. Securities and Other Credit Impairment Charges	0.8	0.7	0.00	2.9	0.00	7.9	0.01	18.7	0.03	18.7	0.03
24. Operating Profit	**606.6**	**529.6**	**1.42**	**1,003.3**	**1.47**	**807.9**	**1.21**	**645.0**	**0.96**	**549.7**	**0.80**
25. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Goodwill Impairment	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Non-recurring Income	0.1	0.1	0.00	0.5	0.00	n.a.	-	0.0	0.00	125.5	0.18
28. Non-recurring Expense	0.0	0.0	0.00	17.4	0.03	76.3	0.11	0.0	0.00	0.0	0.00
29. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
30. Other Non-operating Income and Expenses	60.6	52.9	0.14	109.4	0.16	182.4	0.27	91.3	0.14	81.8	0.12
31. Pre-tax Profit	**667.3**	**582.6**	**1.56**	**1,095.8**	**1.60**	**914.0**	**1.37**	**736.3**	**1.09**	**757.0**	**1.10**
32. Tax expense	148.4	129.6	0.35	228.1	0.33	171.8	0.26	128.7	0.19	164.2	0.24
33. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Net Income	**518.9**	**453.0**	**1.21**	**867.7**	**1.27**	**742.2**	**1.11**	**607.6**	**0.90**	**592.8**	**0.86**
35. Change in Value of AFS Investments	(19.4)	(16.9)	(0.05)	(197.8)	(0.29)	(63.5)	(0.10)	(49.7)	(0.07)	(52.2)	(0.08)
36. Revaluation of Fixed Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
37. Currency Translation Differences	2.4	2.1	0.01	(2.8)	(0.00)	(2.7)	(0.00)	(3.5)	(0.01)	0.1	0.00
38. Remaining OCI Gains/(losses)	(357.3)	(311.9)	(0.84)	94.1	0.14	(205.9)	(0.31)	(234.0)	(0.35)	618.4	0.90
39. Fitch Comprehensive Income	**144.7**	**126.3**	**0.34**	**761.2**	**1.11**	**470.1**	**0.70**	**320.4**	**0.48**	**1,159.1**	**1.69**
40. Memo: Profit Allocation to Non-controlling Interests	2.9	2.5	0.01	3.8	0.01	(8.0)	(0.01)	3.1	0.00	3.1	0.00
41. Memo: Net Income after Allocation to Non-controlling Interests	516.0	450.5	1.21	863.9	1.26	750.2	1.12	604.5	0.90	589.8	0.86
42. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	412.8	0.60	320.2	0.48	230.9	0.34	212.9	0.31
43. Memo: Preferred Dividends and Interest on Hybrid Capital Accounted for as Equity Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange rate		USD1 = EUR0.873057		USD1 = EUR0.8633		USD1 = EUR0.8763		USD1 = EUR0.9007		USD1 = EUR0.8937	

Mediobanca Spa
Balance Sheet

	31 Dec 2018			30 Jun 2018		30 Jun 2017		30 Jun 2016		30 Jun 2015	
	6 Months - Interim USDm	6 Months - Interim EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
Assets											
A. Loans											
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	53,232.6	46,475.1	60.73	42,056.8	58.17	39,105.7	55.51	31,494.1	45.11	33,831.3	47.84
6. Less: Loan Loss Allowances	1,844.6	1,610.4	2.10	1,525.3	2.11	1,550.2	2.20	1,458.3	2.09	1,482.1	2.10
7. Net Loans	**51,388.1**	**44,864.7**	**58.62**	**40,531.5**	**56.06**	**37,555.5**	**53.31**	**30,035.8**	**43.02**	**32,349.2**	**45.75**
8. Gross Loans	**53,232.6**	**46,475.1**	**60.73**	**42,056.8**	**58.17**	**39,105.7**	**55.51**	**31,494.1**	**45.11**	**33,831.3**	**47.84**
9. Memo: Impaired Loans included above	2,610.5	2,279.1	2.98	2,064.9	2.86	2,055.7	2.92	1,998.5	2.86	1,930.7	2.73
10. Memo: Specific Loan Loss Allowances	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets											
1. Loans and Advances to Banks	3,404.2	2,972.1	3.88	1,114.5	1.54	868.2	1.23	1,259.5	1.80	991.5	1.40
2. Reverse Repos and Securities Borrowing	9,260.8	8,085.2	10.56	6,672.4	9.23	8,090.6	11.48	11,809.8	16.91	9,728.6	13.76
3. Derivatives	4,075.9	3,558.5	4.65	3,789.1	5.24	3,711.7	5.27	6,077.6	8.70	6,453.5	9.13
4. Trading Securities and at FV through Income	7,805.6	6,814.7	8.90	4,641.6	6.42	4,584.5	6.51	4,361.2	6.25	6,162.2	8.71
5. Securities at FV through OCI / Available for Sale	5,237.1	4,572.3	5.97	5,721.9	7.91	6,392.7	9.07	8,639.4	12.37	8,063.1	11.40
6. Securities at Amortised Cost / Held to Maturity	n.a.	n.a.	-	2,595.7	3.59	2,400.2	3.41	1,975.4	2.83	1,311.7	1.86
7. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Securities	**13,042.7**	**11,387.0**	**14.88**	**12,959.2**	**17.92**	**13,377.4**	**18.99**	**14,976.0**	**21.45**	**15,537.0**	**21.97**
9. Memo: Government Securities included Above	0.0	0.0	0.00	7,329.6	10.14	7,366.1	10.46	8,585.0	12.30	7,401.9	10.47
10. Memo: Total Securities Pledged	n.a.	n.a.	-	5,246.8	7.26	5,701.9	8.09	4,610.1	6.60	6,158.5	8.71
11. Equity Investments in Associates	3,500.9	3,056.5	3.99	3,210.8	4.44	3,036.5	4.31	3,193.3	4.57	3,411.4	4.82
12. Investments in Property	78.0	68.1	0.09	77.4	0.11	79.3	0.11	70.7	0.10	72.9	0.10
13. Insurance Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	**84,750.6**	**73,992.1**	**96.68**	**68,354.9**	**94.54**	**66,719.2**	**94.71**	**67,422.7**	**96.57**	**68,544.1**	**96.94**
C. Non-Earning Assets											
1. Cash and Due From Banks	318.1	277.7	0.36	1,450.4	2.01	1,539.0	2.18	319.2	0.46	180.4	0.26
2. Memo: Mandatory Reserves included above	205.3	179.2	0.23	212.4	0.29	208.8	0.30	162.9	0.23	131.5	0.19
3. Foreclosed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	248.6	217.0	0.28	210.4	0.29	226.3	0.32	234.2	0.34	235.7	0.33
5. Goodwill	711.5	621.2	0.81	649.8	0.90	483.6	0.69	416.7	0.60	374.1	0.53
6. Other Intangibles	135.7	118.5	0.15	90.1	0.12	68.6	0.10	36.2	0.05	36.2	0.05
7. Current Tax Assets	99.4	86.8	0.11	181.8	0.25	132.0	0.19	237.4	0.34	218.6	0.31
8. Deferred Tax Assets	750.2	655.0	0.86	634.7	0.88	715.4	1.02	751.3	1.08	735.7	1.04
9. Discontinued Operations	3.8	3.3	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
10. Other Assets	640.9	559.5	0.73	728.4	1.01	561.5	0.80	400.9	0.57	385.8	0.55
11. Total Assets	**87,658.8**	**76,531.1**	**100.00**	**72,300.5**	**100.00**	**70,445.6**	**100.00**	**69,818.6**	**100.00**	**70,710.6**	**100.00**
Liabilities and Equity											
D. Interest-Bearing Liabilities											
1. Total Customer Deposits	26,264.4	22,930.3	29.96	20,513.1	28.37	19,788.2	28.09	13,068.4	18.72	13,732.2	19.42
2. Deposits from Banks	11,708.3	10,222.0	13.36	8,002.0	11.07	9,426.2	13.38	9,908.1	14.19	9,317.2	13.18
3. Repos and Securities Lending	4,301.8	3,755.7	4.91	5,068.4	7.01	3,841.1	5.45	7,128.3	10.21	8,128.0	11.49
4. Commercial Paper and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Customer Deposits and Short-term Funding	**42,274.4**	**36,908.0**	**48.23**	**33,583.5**	**46.45**	**33,055.5**	**46.92**	**30,104.8**	**43.12**	**31,177.4**	**44.09**
6. Senior Unsecured Debt	20,629.5	18,010.7	23.53	18,138.3	25.09	17,628.8	25.02	17,133.6	24.54	19,075.3	26.98
7. Subordinated Borrowing	2,806.2	2,450.0	3.20	2,470.2	3.42	2,479.9	3.52	2,429.5	3.48	1,754.2	2.48
8. Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	2,250.0	3.22	n.a.	-
9. Other Long-term Funding	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Total LT Funding	**23,435.7**	**20,460.7**	**26.74**	**20,608.5**	**28.50**	**20,108.7**	**28.55**	**21,813.1**	**31.24**	**20,829.5**	**29.46**
11. Memo: o/w matures in less than 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Trading Liabilities	4,968.3	4,337.6	5.67	2,645.7	3.66	2,233.1	3.17	1,625.6	2.33	2,328.8	3.29
13. Total Funding	**70,678.4**	**61,706.3**	**80.63**	**56,837.7**	**78.61**	**55,397.3**	**78.64**	**53,543.5**	**76.69**	**54,335.7**	**76.84**
14. Derivatives	4,502.0	3,930.5	5.14	4,049.8	5.60	4,028.7	5.72	5,855.8	8.39	6,561.3	9.28
15. Total Funding and Derivatives	**75,180.4**	**65,636.8**	**85.76**	**60,887.5**	**84.21**	**59,426.0**	**84.36**	**59,399.3**	**85.08**	**60,897.0**	**86.12**
E. Non-Interest Bearing Liabilities											
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	(675.0)	(0.95)
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	243.5	212.6	0.28	213.0	0.29	255.6	0.36	180.3	0.26	184.5	0.26
4. Current Tax Liabilities	198.7	173.5	0.23	192.0	0.27	189.7	0.27	207.9	0.30	259.9	0.37
5. Deferred Tax Liabilities	373.5	326.1	0.43	339.6	0.47	370.2	0.53	365.1	0.52	365.1	0.52
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	0.0	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	196.9	171.9	0.22	175.9	0.24	166.0	0.24	147.9	0.21	127.9	0.18
9. Other Liabilities	820.2	716.1	0.94	760.3	1.05	846.4	1.20	596.3	0.85	684.1	0.97
10. Total Liabilities	**77,013.3**	**67,237.0**	**87.86**	**62,568.3**	**86.54**	**61,253.9**	**86.95**	**60,896.8**	**87.22**	**61,843.5**	**87.46**
F. Hybrid Capital											
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity											
1. Common Equity	10,064.3	8,786.7	11.48	8,880.1	12.28	8,237.5	11.69	7,687.7	11.01	7,323.6	10.36
2. Non-controlling Interest	102.2	89.2	0.12	87.9	0.12	82.7	0.12	89.2	0.13	108.0	0.15
3. Securities Revaluation Reserves	63.1	55.1	0.07	121.5	0.17	319.4	0.45	382.9	0.55	432.6	0.61
4. Foreign Exchange Revaluation Reserves	(7.7)	(6.7)	(0.01)	(8.9)	(0.01)	(6.1)	(0.01)	(3.5)	(0.01)	0.0	0.00
5. Fixed Asset Revaluations and Other Accumulated OCI	423.6	369.8	0.48	651.6	0.90	558.2	0.79	765.5	1.10	1,002.9	1.42
6. Total Equity	**10,645.5**	**9,294.1**	**12.14**	**9,732.2**	**13.46**	**9,191.7**	**13.05**	**8,921.8**	**12.78**	**8,867.1**	**12.54**
7. Memo: Equity plus Pref. Shares and Hybrid Capital accounted for as E	10,645.5	9,294.1	12.14	9,732.2	13.46	9,191.7	13.05	8,921.8	12.78	8,867.1	12.54
8. Total Liabilities and Equity	**87,658.8**	**76,531.1**	**100.00**	**72,300.5**	**100.00**	**70,445.6**	**100.00**	**69,818.6**	**100.00**	**70,710.6**	**100.00**
9. Memo: Fitch Core Capital	9,798.2	8,554.4	11.18	8,992.3	12.44	8,639.5	12.26	8,468.9	12.13	8,456.8	11.96
Exchange rate		USD1 = EUR0.873057		USD1 = EUR0.8633		USD1 = EUR0.8763		USD1 = EUR0.9007		USD1 = EUR0.8937	

Mediobanca Spa
Summary Analytics

	31 Dec 2018 6 Months - Interim	30 Jun 2018 Year End	30 Jun 2017 Year End	30 Jun 2016 Year End	30 Jun 2015 Year End
A. Interest Ratios					
1. Interest Income/ Average Earning Assets	2.79	2.89	3.02	2.92	3.13
2. Interest Income on Loans/ Average Gross Loans	3.93	4.07	4.33	4.46	4.46
3. Interest Expense on Customer Deposits/ Average Customer Deposits	0.35	0.33	0.58	0.80	1.14
4. Interest Expense/ Average Interest-bearing Liabilities	0.76	0.91	1.11	1.17	1.56
5. Net Interest Income/ Average Earning Assets	2.11	2.12	2.06	1.88	1.74
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.79	1.81	1.62	1.29	1.05
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	2.11	2.12	2.06	1.88	1.74
B. Other Operating Profitability Ratios					
1. Operating Profit/ Risk Weighted Assets	2.21	2.12	1.53	1.20	0.92
2. Non-Interest Expense/ Gross Revenues	54.81	55.41	57.58	55.66	51.30
3. Loans and securities impairment charges/ Pre-impairment Op. Profit	17.66	17.72	26.92	39.50	47.24
4. Operating Profit/ Average Total Assets	1.41	1.40	1.16	0.92	0.78
5. Non-Interest Income/ Gross Revenues	28.63	30.94	31.35	27.83	28.90
6. Non-Interest Expense/ Average Total Assets	1.54	1.63	1.65	1.41	1.22
7. Pre-impairment Op. Profit/ Average Equity	13.53	12.99	12.19	12.21	12.57
8. Pre-impairment Op. Profit/ Average Total Assets	1.71	1.70	1.59	1.51	1.47
9. Operating Profit/ Average Equity	11.14	10.69	8.91	7.39	6.63
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	9.53	9.24	8.19	6.96	7.15
2. Net Income/ Average Total Assets	1.21	1.21	1.07	0.86	0.84
3. Fitch Comprehensive Income/ Average Total Equity	2.66	8.11	5.18	3.67	13.98
4. Fitch Comprehensive Income/ Average Total Assets	0.34	1.06	0.68	0.45	1.64
5. Taxes/ Pre-tax Profit	22.25	20.82	18.80	17.48	21.69
6. Net Income/ Risk Weighted Assets	1.89	1.83	1.41	1.13	1.00
D. Capitalization					
1. FCC/ FCC-Adjusted Risk Weighted Assets	18.01	18.99	16.39	15.72	14.19
2. Tangible Common Equity/ Tangible Assets	11.29	12.57	12.36	12.21	12.03
3. Equity/ Total Assets	12.14	13.46	13.05	12.78	12.54
4. Basel Leverage Ratio	n.a.	8.80	9.20	8.09	10.90
5. Common Equity Tier 1 Capital Ratio	13.87	14.24	13.31	12.08	11.98
6. Fully Loaded Common Equity Tier 1 Capital Ratio	n.a.	13.10	n.a.	n.a.	n.a.
7. Tier 1 Capital Ratio	13.87	14.24	13.31	12.08	11.98
8. Total Capital Ratio	17.41	18.11	16.85	15.27	14.91
9. Impaired Loans less Loan Loss Allowances/ Fitch Core Capital	7.82	6.00	5.85	6.38	5.30
10. Impaired Loans less Loan Loss Allowances/ Equity	7.19	5.54	5.50	6.05	5.06
11. Cash Dividends Paid & Declared/ Net Income	n.a.	47.57	43.14	38.00	35.91
12. Risk Weighted Assets/ Total Assets	62.05	65.51	74.82	77.14	84.25
13. Risk Weighted Assets - Standardised/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.	n.a.
14. Risk Weighted Assets - Advanced Method/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.	n.a.
E. Loan Quality					
1. Impaired Loans/ Gross Loans	4.90	4.91	5.26	6.35	5.71
2. Growth of Gross Loans	10.51	7.55	24.17	(6.91)	6.95
3. Loan Loss Allowances/ Impaired Loans	70.66	73.87	75.41	72.97	76.76
4. Loan Impairment Charges/ Average Gross Loans	0.51	0.53	0.79	1.20	1.40
5. Growth of Total Assets	5.85	2.63	0.90	(1.26)	0.35
6. Loan Loss Allowances/ Gross Loans	3.47	3.63	3.96	4.63	4.38
7. Net Charge-offs/ Average Gross Loans	n.a.	(0.08)	(0.45)	0.04	(0.52)
8. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	4.90	4.91	5.26	6.35	5.71
F. Funding and Liquidity					
1. Loans/ Customer Deposits	202.68	205.02	197.62	240.99	246.36
2. Liquidity Coverage Ratio	210.00	186.00	245.00	n.a.	n.a.
3. Customer Deposits/ Total Funding (including Pref. Shares & Hybrids)	37.16	36.09	35.72	24.41	25.27
4. Interbank Assets/ Interbank Liabilities	29.08	13.93	9.21	12.71	10.64
5. Net Stable Funding Ratio	0.00	n.a.	107.00	n.a.	n.a.
6. Growth of Total Customer Deposits	11.78	3.66	51.42	(4.83)	(7.07)

Mediobanca Spa
Reference Data

	31 Dec 2018			30 Jun 2018		30 Jun 2017		30 Jun 2016		30 Jun 2015	
	6 Months - Interim USDm	6 Months - Interim EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
A. Off-Balance Sheet Items											
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	26,812.2	23,408.6	30.59	364.2	0.50	923.4	1.31	634.4	0.91	412.1	0.58
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	11,804.8	10,306.3	13.47	10,619.6	14.69	6,948.7	9.86	9,408.1	13.48	8,305.2	11.75
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Off-Balance Sheet items	13.2	11.5	0.02	23,975.6	33.16	15,250.5	21.65	12,723.2	18.22	12,511.2	17.69
8. Total Assets under Management	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Average Balance Sheet											
1. Average Loans	49,852.2	43,523.8	56.87	40,163.1	55.55	36,557.5	51.89	33,604.7	48.13	33,872.8	47.90
2. Average Earning Assets	81,263.7	70,947.8	92.70	68,596.2	94.88	66,295.3	94.11	68,275.3	97.79	68,527.8	96.91
3. Average Total Assets	85,378.7	74,540.5	97.40	71,715.2	99.19	69,354.3	98.45	70,453.8	100.91	70,656.0	99.92
4. Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Average Interest-Bearing Liabilities	72,485.8	63,284.2	82.69	58,359.6	80.72	57,427.1	81.52	60,340.3	86.42	61,028.1	86.31
6. Average Common equity	10,046.2	8,770.9	11.46	8,483.5	11.73	7,929.8	11.26	7,455.6	10.68	7,093.0	10.03
7. Average Equity	10,804.0	9,432.5	12.33	9,388.9	12.99	9,066.9	12.87	8,728.3	12.50	8,288.4	11.72
8. Average Customer Deposits	24,530.1	21,416.2	27.98	18,233.5	25.22	16,637.8	23.62	14,578.8	20.88	15,321.8	21.67
C. Maturities											
Asset Maturities:											
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:											
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1- 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	**n.a.**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	**2,806.2**	**2,450.0**	**3.20**	**2,470.2**	**3.42**	**2,479.9**	**3.52**	**2,429.5**	**3.48**	**1,754.2**	**2.48**
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Risk Weighted Assets											
1. Risk Weighted Assets	54,392.3	47,487.6	62.05	47,362.7	65.51	52,708.2	74.82	53,861.5	77.14	59,577.1	84.25
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Asse	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Fitch Core Capital Adjusted Risk Weighted Assets	**54,392.3**	**47,487.6**	**62.05**	**47,362.7**	**65.51**	**52,708.2**	**74.82**	**53,861.5**	**77.14**	**59,577.1**	**84.25**
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fitch Adjusted Risk Weighted Assets	**54,392.3**	**47,487.6**	**62.05**	**47,362.7**	**65.51**	**52,708.2**	**74.82**	**53,861.5**	**77.14**	**59,577.1**	**84.25**
E. Fitch Core Capital Reconciliation											
1. Total Equity as reported (including non-controlling interests)	10,645.5	9,294.1	12.14	9,732.2	13.46	9,191.7	13.05	8,921.8	12.78	8,867.1	12.54
2. Fair-value adjustments relating to own credit risk on debt issued	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	711.5	621.2	0.81	649.8	0.90	483.6	0.69	416.7	0.60	374.1	0.53
5. Other intangibles	135.7	118.5	0.15	90.1	0.12	68.6	0.10	36.2	0.05	36.2	0.05
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fund for general banking risks if not already included and readily convertible into equi	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
10. Fitch Core Capital	**9,798.2**	**8,554.4**	**11.18**	**8,992.3**	**12.44**	**8,639.5**	**12.26**	**8,468.9**	**12.13**	**8,456.8**	**11.96**
Exchange Rate		USD1 = EUR0.873057		USD1 = EUR0.8633		USD1 = EUR0.8763		USD1 = EUR0.9007		USD1 = EUR0.8937	

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