



# MEDIOBANCA

**6M/2Q RESULTS AS AT  
31 DECEMBER 2022**

Milan, 9 February 2023



MEDIOBANCA

# Agenda

**Section 1. Executive summary**

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

**Section 3. Divisional results**

**Section 4. Closing remarks**

## **Annexes**

1. Macro scenario
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# QUALITY RECORD RESULTS, WELL ON TRACK ON BP23 TARGETS

## 3M RESULTS: RECORD GROWTH DESPITE PRUDENCE, DRIVEN BY STRONG INDUSTRIAL TRENDS

3M revenues to highest-ever levels: ~€900m (up 20% YoY)

3M net profit to ~€300m (up 11% YoY)

NII ~€450m (up 19% YoY, up 13% QoQ) due to asset growth (loans up 2% QoQ to €54bn), effective repricing, effective CoF (€10bn funding raised since Feb.22 at ~80bps)

Fees ~ €260m (up 9% YoY, up 25% QoQ) due to robust client business (NNM €2bn to €83bn TFA, strong IB)

Coverage ratios up (NPLs to 73.2%, Performing Ls to 1.34%)

Strong capital ratios (CET1 @15.1%, FL 14%, ~600bps buffer over SREP)

## 6M RESULTS: EXCEEDING BP23 TARGETS

6M revenues at ~€1,660m, 55% of €3bn BP23 target

EPS €0.65, 60% of €1.1 BP23 target

Cash payout @70%

ROTE: 14%, >11% BP23 target

## STRONG PUSH ON DIGITAL

CF: focus on instant lending, two fintechs acquired in BNPL

WM: new digital advisory platform in co-operation with Armundia

## SUSTAINABILITY

Strong improvement in rating (MSCI from "A" to "AA")

Increased efforts to manage transition risk

# 2Q/3M SNAPSHOT: GROWTH DELIVERED IN ALL BUSINESS

Executive summary

Section 1

## Group: record quarter

**Revenues, GOP and net profit (~€300m) at best-ever level,**  
with strong NII (€447m) backed by funding comfortable position  
and fees >€260m driven by CIB and solid WM

**CoR up to 71bps, with prudent scoring**

## WM: strong NNM

**€2.3bn NNM, almost entirely AUM/AUA.** TFAs up to €83bn  
**Fees up 5% QoQ,** with management and upfront fees high and  
resilient, banking fees increasing

**Strong activity in structured products and bond**

## CF: solid growth and profitability

**Robust new loans, despite more prudent origination**  
**Loan book growth trajectory fostering NII trend** (€249m, up 6% YoY)  
**CoR and asset quality confirmed at best-ever levels**

## CIB: strong revenues, mkt volatility

**Healthy advisory, lending and CMS, CapMkt recovery**  
**Trading strong**  
**Asset quality confirmed excellent, COR up** (60bps vs releases last  
year) due to macro update of models and few reclassifications

## Mediobanca Group – 2Q results as at Dec22

Revenues	Fees	CoR	Net profit
<b>€902m</b>	<b>€262m</b>	<b>71bps</b>	<b>€293m</b>
+20% YoY	+9% YoY	+11bps YoY	+11% YoY
+19% QoQ	+25% QoQ	+23bps QoQ	+11%QoQ

## Wealth Management – 2Q results as at Dec22

Revenues	Fees	TFA	Net profit
<b>€209m</b>	<b>€118m</b>	<b>€83bn</b>	<b>€39m</b>
+9% YoY	flat YoY	+5% YoY	-4% YoY
+5% QoQ	+5% QoQ	+3% QoQ	-12% QoQ

## Consumer Finance – 2Q results as at Dec22

Revenues	New loans	CoR	Net profit
<b>€284m</b>	<b>€2.0bn</b>	<b>142bps</b>	<b>€96m</b>
+6% YoY	+3% YoY	+9bps YoY	-4% YoY
+3% QoQ	+3% QoQ	-4bps QoQ	-4% QoQ

## Corporate & Inv. Banking – 2Q results as at Dec22

Revenues	Fees	CoR	Net profit
<b>€248m</b>	<b>€117m</b>	<b>60bps</b>	<b>€80m</b>
+31% YoY	+25% YoY	+102bps YoY	-3% YoY
+36% QoQ	+70% QoQ	+51bps QoQ	+19% QoQ

# 1H23/6M KPIS: OVER-DELIVERING ON BP23 TARGETS

## Executive Summary

## Section 1

### MEDIOBANCA GROUP – 6M as at Dec22

PER SHARE	EPS 6m	TBVPS	ROTE adj	RORWA
	<b>€0.65</b>	<b>€9.9</b>	<b>14%</b>	<b>2.2%</b>
	+7% YoY +48% HoH	-13% YoY -7% HoH	+4pp YoY	flat YoY

P&L	Revenues	CoR	GOP risk adj	Net profit
	<b>€1,659m</b>	<b>59bps</b>	<b>€811m</b>	<b>€555m</b>
	+14% YoY +19% HoH	+4bps YoY +18bps HoH	+18% YoY +34% HoH	+6% YoY +46% HoH

A&L	Loans	Funding /Dep	TFAs	NNM
	<b>€54bn</b>	<b>€62bn</b> <i>ow Retail €36bn</i>	<b>€83bn</b>	<b>€3.4bn</b>
	+6% YoY +4% HoH	+4% YoY +1% HoH	+5% YoY +4% HoH	-22% YoY -27% HoH

Ratio	Cost/income ratio	Gross NPL/Ls	CET1 FL <sup>1</sup>	Leverage Ratio
	<b>42%</b>	<b>2.4%</b>	<b>14.0%</b>	<b>8.2%</b>
	-1pp YoY -7pp HoH	-0.4pp YoY -0.1pp HoH	-0.1bps YoY -0.5bps HoH	

- ◆ **EPS up 7% to €0.65, ~60% of BP FY23 target (€1.1)**
- ◆ **ROTE up 4pp to 14%**, vs. avg. 8% ITA - 10% EU banks<sup>2</sup>
- ◆ **RoRWA at 2.2%**, vs. avg. 1.5% ITA - 1.6% EU banks<sup>2</sup>

- ◆ **Revenues at €1.6bn, ~55% of BP FY23 target** (up 14% YoY, Nil up 15% and fees up 7%) **on interest rate increase and solid expansion of profitable assets**: loans up 6%, TFAs up 5%
- ◆ **Efficiency maintained** (C/I ratio 42%) with ongoing investments in distribution, digital innovation and talent
- ◆ **GOP (€811m) and net profit (€555m) at record levels**

- ◆ **Excellent asset quality confirmed**: gross NPLs to Ls at 2.4%, **high coverage ratios**: NPLs at 73%, performing Ls at to 1.3%
- ◆ **Limited use of overlays in CIB, with the overall amount maintained high (~€280m)**

- ◆ **Comfortable funding position**, backed by well diversified sources, good access to the market and CoF under control. Resilient deposits, smooth maturity profile of bonds/TLTRO

- ◆ **Solid capital ratios (CET1 FL 14%, Phase-in 15.1%) able to finance asset growth and shareholder remuneration** (70% payout accrued). HoH decrease due corporate portfolio internal model revalidation (-45bps) in 1Q23

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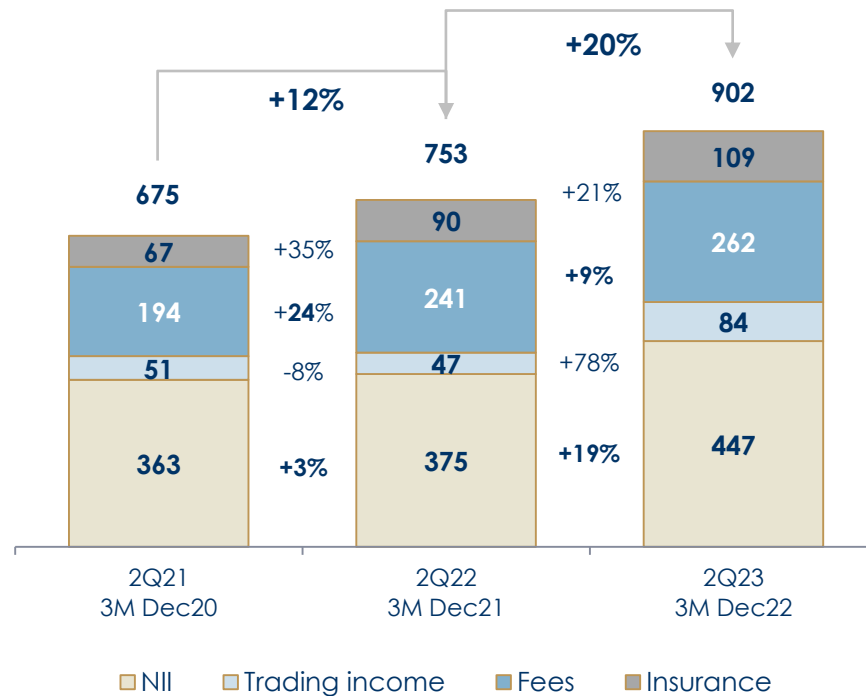
# BEST-EVER 3M REVENUES (>€900M)

## STRONG GROWTH IN ALL SOURCES, NOT ONLY NII

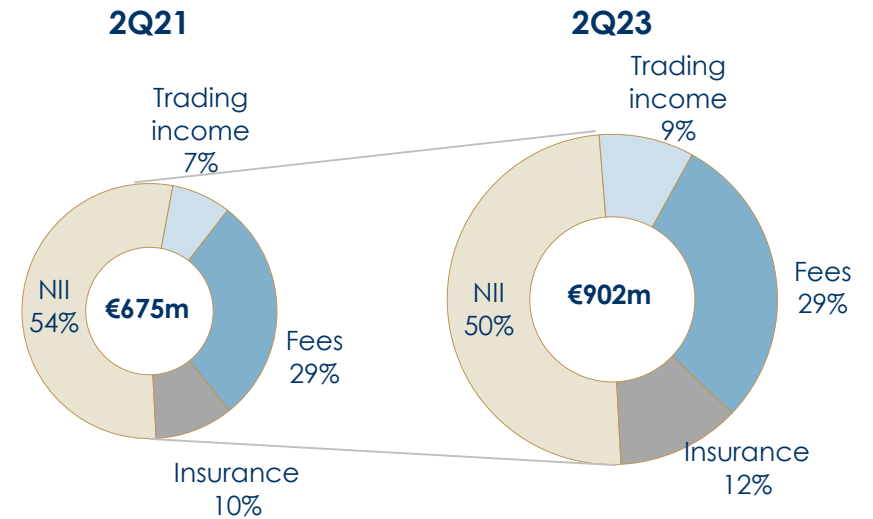
1H/2Q - Group results

Section 2

Group revenue trend by source (YoY, 3M, €m)



Group revenue breakdown by source (3M, %)



◆ **Record revenues in 2Q23, up 20% YoY to €902m, with strong growth in all sources:**

- ◆ NII: up 19% YoY
- ◆ Fees: up 9% YoY
- ◆ Trading income: up 78% YoY, half driven by client solution activity
- ◆ Insurance income: up 21% YoY

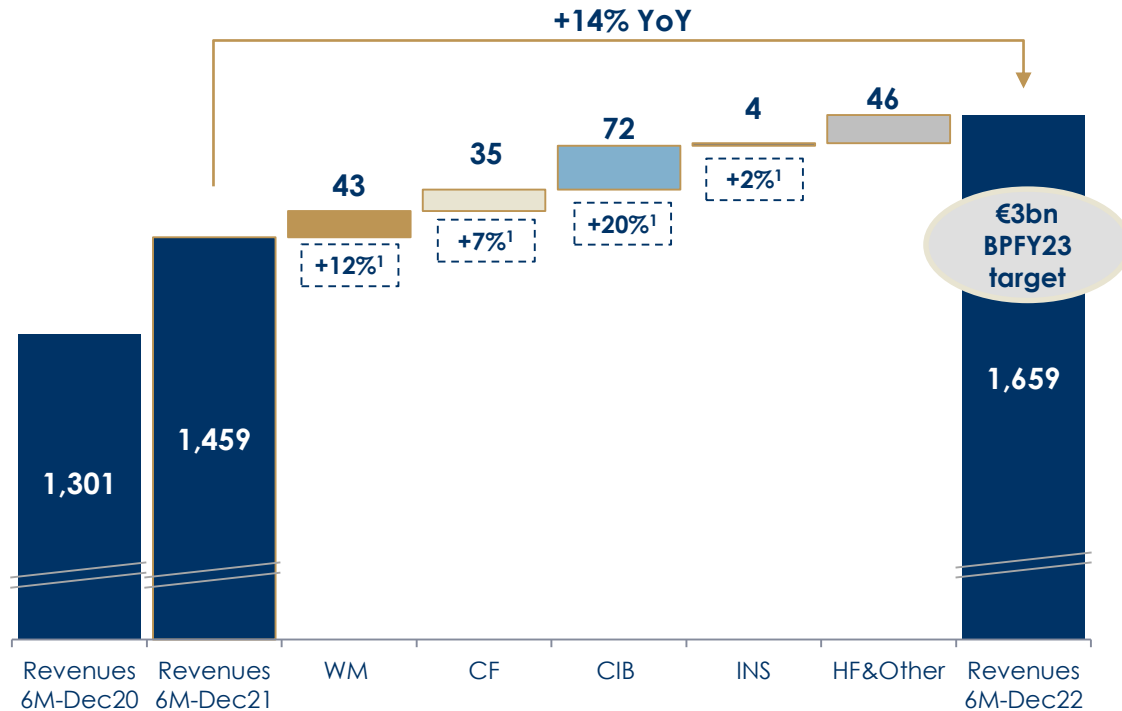
◆ **Contribution of each sources to group revenues broadly unchanged over time**

# LEADING TO >€1.6BN 6M REVENUES WITH ALL DIVISIONS GROWING

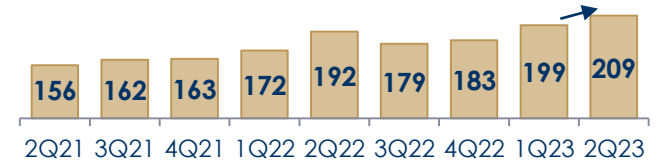
1H/2Q - Group results

Section 2

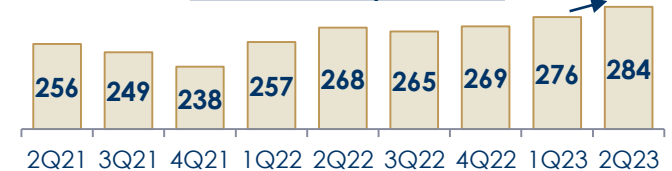
Group revenues by division (YoY, 6M, €m)



WM revenues up 5% QoQ



CF revenues up 3% QoQ



CIB revenues up 36% QoQ



- ◆ 6M revenues up 14% YoY to €1,659m – increasing by ~€200m YoY – benefiting from stable revenue growth in all divisions
- ◆ NII main driver (~50% of increase in revenues), but also fees and solutions contributing strongly (~25%)
  - ◆ CIB: up 20% YoY (up 36% QoQ)    WM: up 12% YoY (up 5% QoQ)    CF: up 7% YoY (up 3% QoQ)
  - ◆ Insurance: up 2% YoY (up 27% QoQ)    HF: up €50m YoY (x3 QoQ)



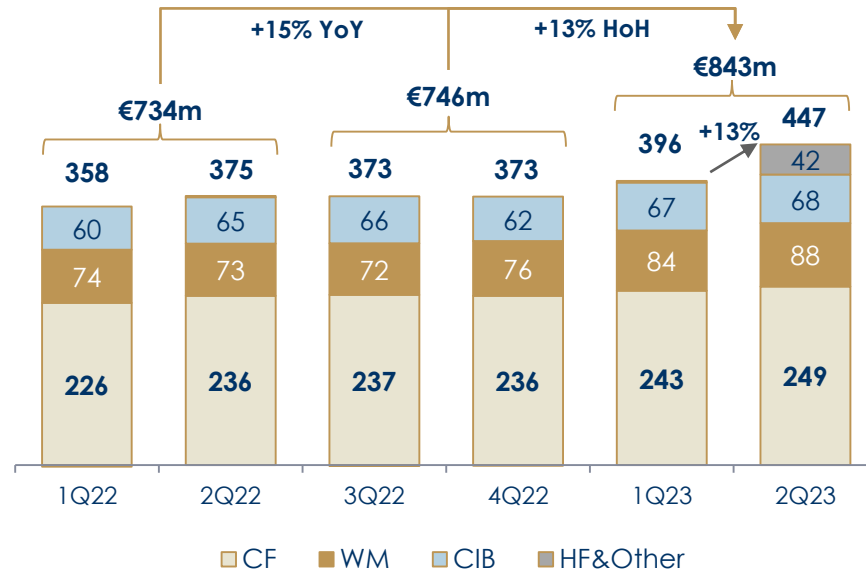


# NII: STRONG MOMENTUM (UP 15% YoY)...

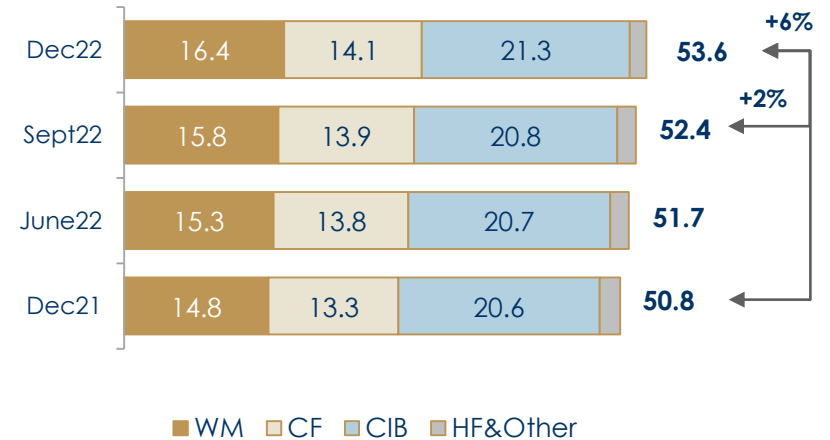
1H/2Q - Group results

Section 2

NII momentum improving (€m, 3M)



Loans: up 6% YoY and up 4% HoH (€bn)



◆ NII at €843m in 1H23, up 15% YoY, 13% HoH and QoQ, backed by:

- ◆ **sound volume growth:** loans up €2.8bn YoY to €53.6bn and Banking Book up €0.7bn
- ◆ **interest rate rise:** positive effect on floating loan exposure (loan book yield up by ~1.2% YoY and ~1% QoQ to 4.36% in 2Q) and on banking book yield (up by ~2% YoY and QoQ to 3.16% in 2Q)
- ◆ **funding cost efficiently managed**
- ◆ **positive one-offs in HF due to inflation-linked bond coupons** (~€25m collected in 2Q)

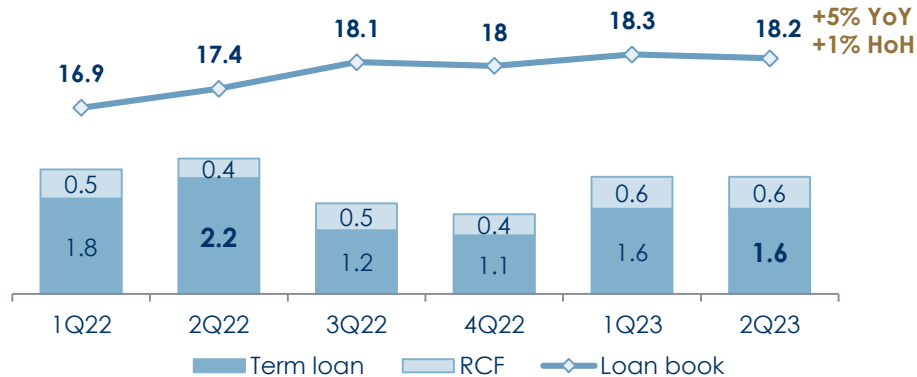
# ...ON ONGOING SOUND COMMERCIAL ACTIVITY ... DESPITE REPRICING AND PRUDENT ORIGINATION

1H/2Q - Group results

Section 2

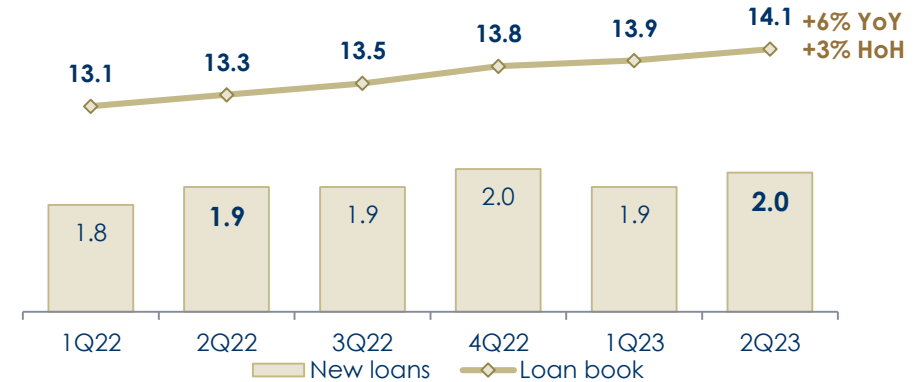
## CIB

Wholesale new loans<sup>1</sup> & loan book - €bn



## Consumer Finance

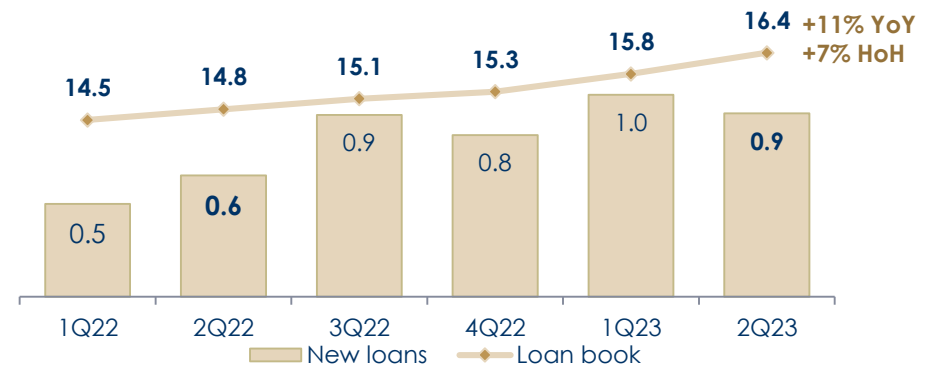
Consumer Finance: new loans & loan book - €bn



- ◆ Robust lending trend across division, with stock growing despite **increasingly prudent origination, focused on value:**
- ◆ **CIB:** robust new business at increased marginality, supported also by acquisition finance deals. Fast repricing favoured by floating rates portfolio
- ◆ **CF:** high new business (€2bn in 2Q) despite prudent origination (cut off revision since summer). Repricing ongoing faster than expected, despite structural fixed rate portfolio with short duration. Loan book up (6% YoY, 3% HoH)
- ◆ **WM loans<sup>2</sup>:** new business up 33% YoY  
Loans book up (11% YoY, 7% HoH)

## WM

WM loans<sup>2</sup>: new loans & loan book - €bn



# ...AND COMFORTABLE FUNDING POSITION/COST

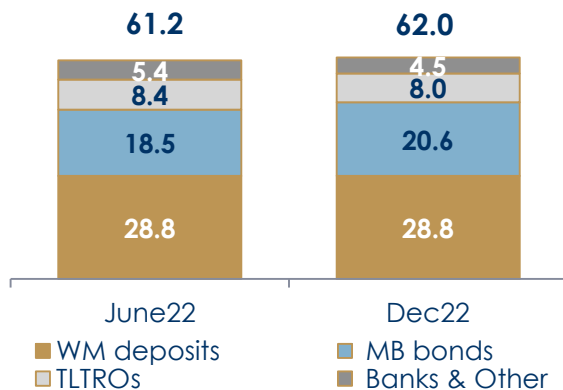
€10BN RAISED SINCE FEB-22 AT ~80BPS VS EUR3M AVG COST

1H/2Q - Group results

Section 2

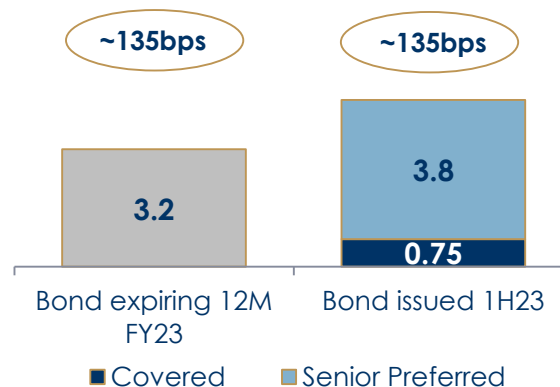
## Funding trend

(€bn)



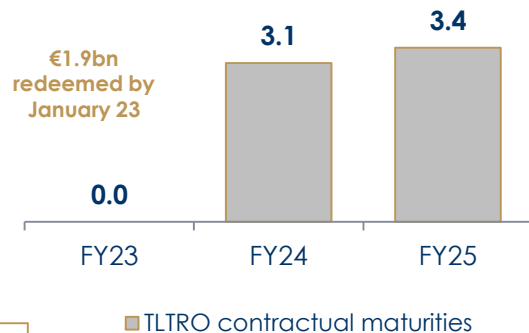
## Bonds expired and issued, CoF

(€bn, cost in bps vs Eur3M)

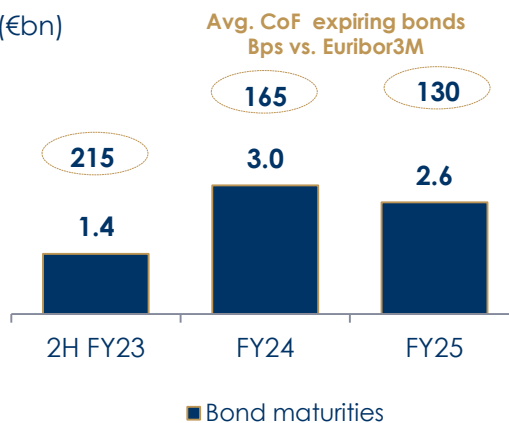


## Residual TLTRO maturities smoothed over time, limited bond maturities

(€bn)



(€bn)



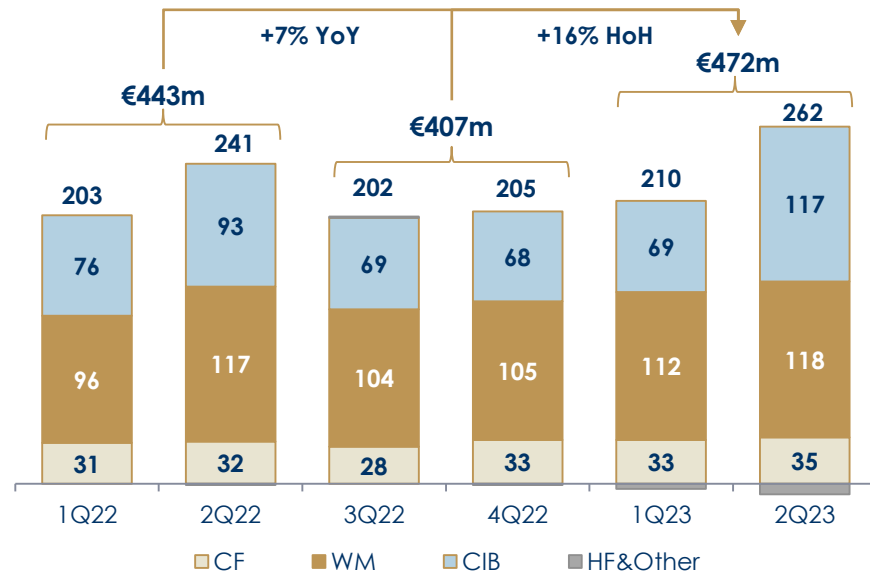
- ◆ Funding stock up to €62bn, with over €10bn raised since Feb22 at ~80bps vs EUR3M
- ◆ Abundant investor demand and diversified market access matched with deposit stability
- ◆ WM deposits stable at ~€29bn with limited increase in cost
- ◆ MB bonds stock at €20.6bn, with MREL surplus increased (by 380bps)
- ◆ €4.5bn issued in last 6m (vs €3.2bn expiring in all 12m FY23) at 135bps, in line with cost of expiring bonds
- ◆ Excellent diversification: €3.8bn unsecured vs €0.75bn secured, €1.4bn institutional vs €3.1bn private/WM
- ◆ TLTROs maturity profile smoothed and size reduced to €6.6bn at end-Jan23: €0.5bn repaid in Dec22 and €1.4bn in Jan23, ~6M ahead of contractual maturity
- ◆ High regulatory indicators: LCR at 172.4%, NSFR at 116.6%, CBC at €16.5bn

# FEES: BEST-EVER QUARTERLY RESULT... >€260M IN 2Q

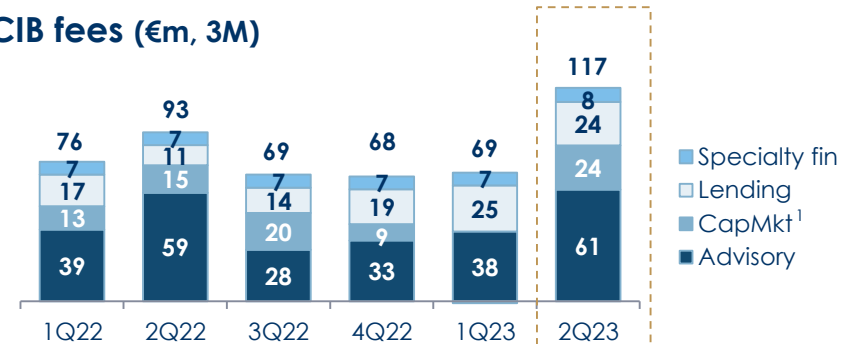
1H/2Q - Group results

Section 2

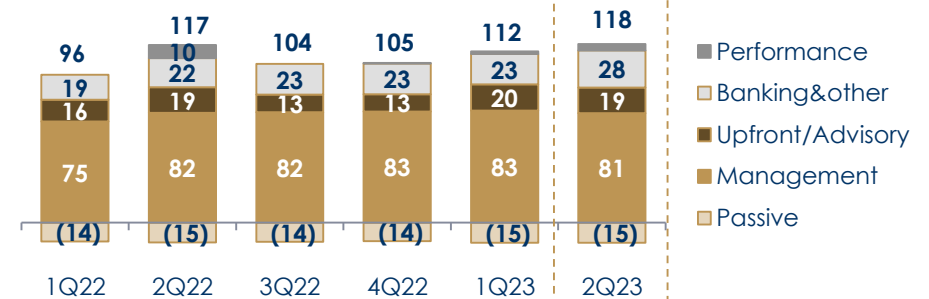
Fee income trend by division (€m, 3M)



CIB fees (€m, 3M)



WM fees (€m, 3M)



◆ **1H23 fees up 7% YoY and 16% HoH to €472m:**

- ◆ **WM: €230m in 1H23, up 8% YoY and 10% HoH, with higher and resilient management fees** reflecting TFA growth (up 5% YoY to €83bn, ow €54bn AUM/AUA), improving banking fees due to service upgrade and repricing, and placement of structured products, sufficient to offset last year's large Private Markets transactions
- ◆ **CIB: record fees in both 1H23 (€185m) and 2Q23 (€117m),** reflecting **strong Advisory** (both mid cap and large cap), **Lending** volumes **and recovery in CapMkts**. Client Solutions business performed well (up 34% to over €60m), but booked mainly as trading income
- ◆ **CF: increased contribution**



# ...LEVERAGING ON SOUND CIB AND WM ACTIVITY

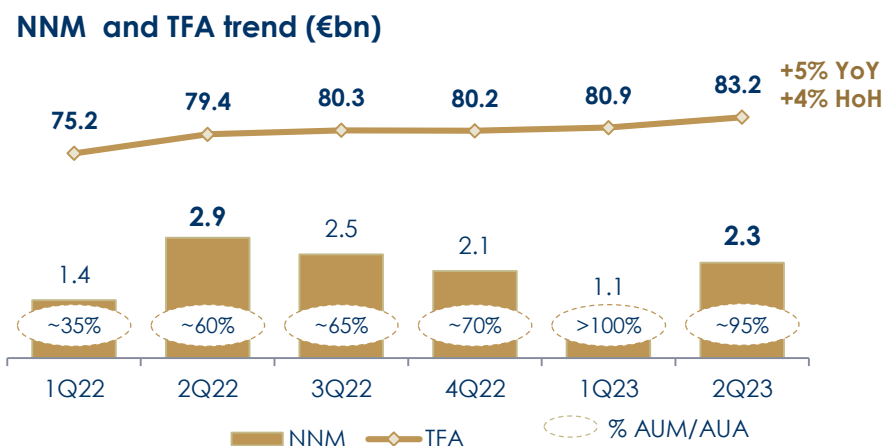
1H/2Q - Group results

Section 3

## WM commercial activity

◆ **Commercial activity concentrated on AUM/AUA to manage market volatility and new rate environment, with deposits stable and limited pressure on cost**

- ◆ €3.4bn NNM in 6M, o/w €2.3bn in 2Q
- ◆ ~95% NNM represented by AUM/AUA in 2Q23
- ◆ Ongoing activity in Private Markets, launch of new discretionary mandates and target maturities funds
- ◆ AUA placements of €1.8bn in 1H23 mainly concentrated in structured products (in synergy with CIB) or bond placements (including €1bn MB securities)



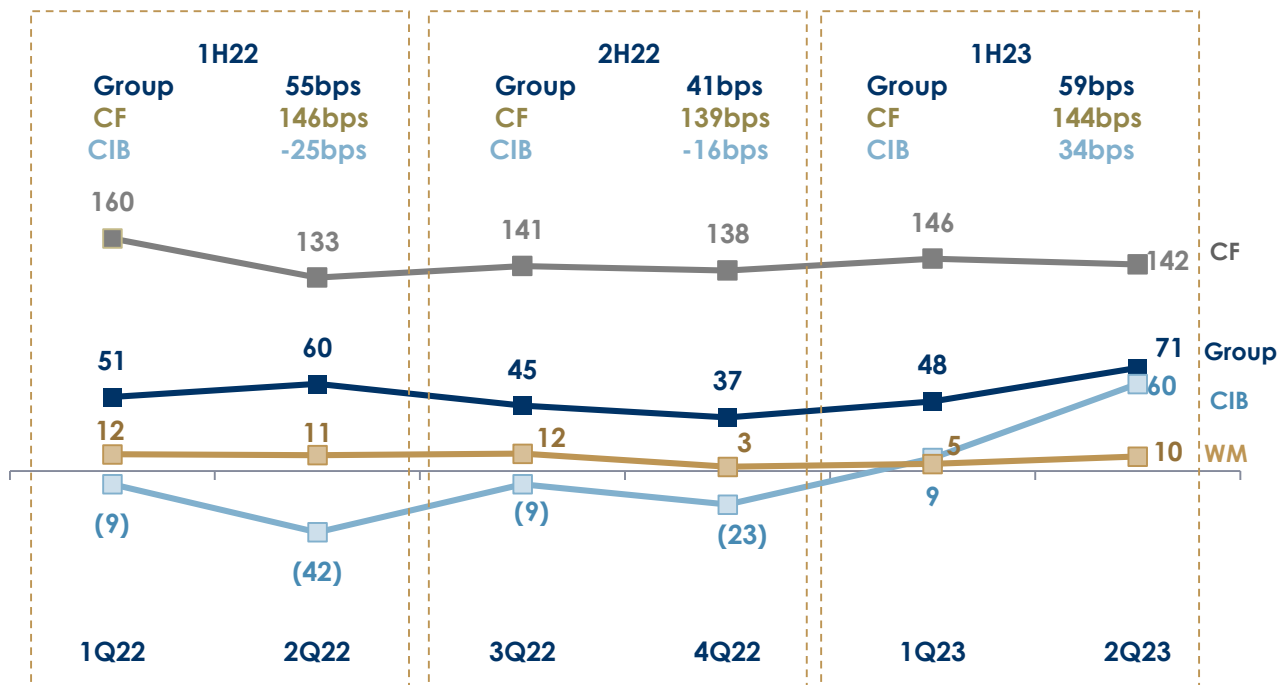
## CIB commercial activity<sup>1</sup>

- ◆ **Over 20 Advisory transactions for a total volume of €15bn in the last 6 months; the Bank has been involved in the most significant and visible transactions in the Italian market, with an enhanced footprint in Europe.**
- ◆ **Increasing role in the Italian Mid-Cap segment**, leveraging on dedicated coverage team and cross-selling with Private Banking Division, and **Financial Sponsors-driven transactions**
- ◆ **Solid underwriting and co-ordination activity in lending**, for total volumes of approx. €17bn, including approx. €9.7bn acquisition financing
- ◆ In 2Q, MB was **Global Co-ordinator in the BMPS rights issue** (2nd largest in Europe in 2022), while the **DCM completed several major transactions for both domestic and international clients, maintaining its strong positioning in the ESG space**

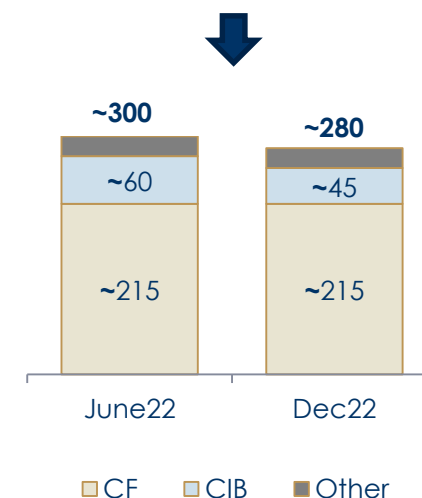
# COR @ 59BPS, ALMOST FLAT YOY

## DESPITE CIB NORMALIZATION AND MACRO MODEL UPDATE - HEALTHY CF

CoR trend (bps)



Overlay stock trend (€m)



- ◆ 1H23 Group CoR at 59bps (almost flat YoY). Consumer Finance confirmed as super-healthy; CIB asked for additional provisions due to the end of writebacks and macro model update. €280m overlays (> 1Y group LLPs) basically untouched.
- ◆ Macro scenario update required ~€35m LLPs (o/w €25m in CIB, €8m in WM, €1m in CF), in part offset by minor overlays release (€20m reversed, o/w €15m in CIB)
  - ◆ CIB: CoR@34bps (60bps in 2Q), the increase being due to the worsening macro scenario (~€25m) and provisioning (€25m on limited reclassifications and rating reviews). Overlays down 25% from €60m to €45m.
  - ◆ CF: CoR remaining below 150bps, with no major impact from macro scenario update and good asset quality indicators. No overlay reversals

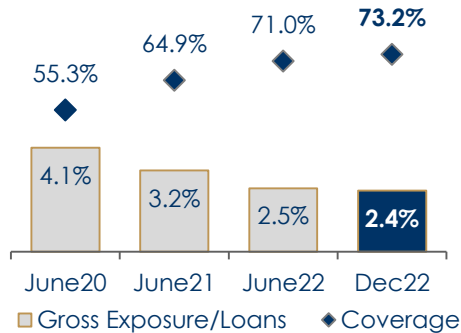
# PRUDENT STAGING

## NPLs DOWN AND COVERAGE RATIOS UP

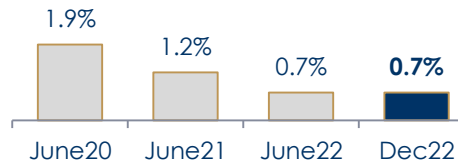
1H/2Q - Group results

Section 2

### Gross NPLs – Stage 3<sup>1</sup>

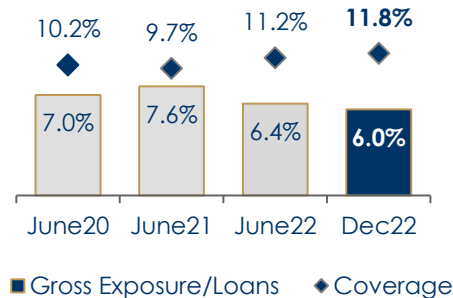


### Net NPLs – Stage 3<sup>1</sup> (Net exposure/Loans)

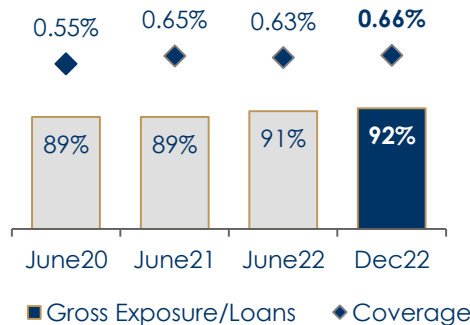


- **Stage 3** – Gross NPLs down 2% vs June 22 level, at the lowest ever level (2.4% of gross loans), with limited new classifications in Corporate Lending offset by positive trend in all other divisions. Net NPLs down 9% HoH and 28% YoY in absolute terms with coverage up to 73% (up 2pp HoH and up 6pp YoY)
- **Stage 2** – decrease in both absolute and relative terms, with coverage at ~12%
- **Performing loans** – coverage ratio broadly stable at 1.34%, with high overlays set aside

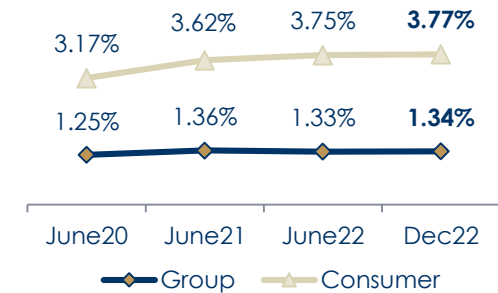
### Performing Loans – Stage 2<sup>1</sup>



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



### Performing Loans coverage ratio



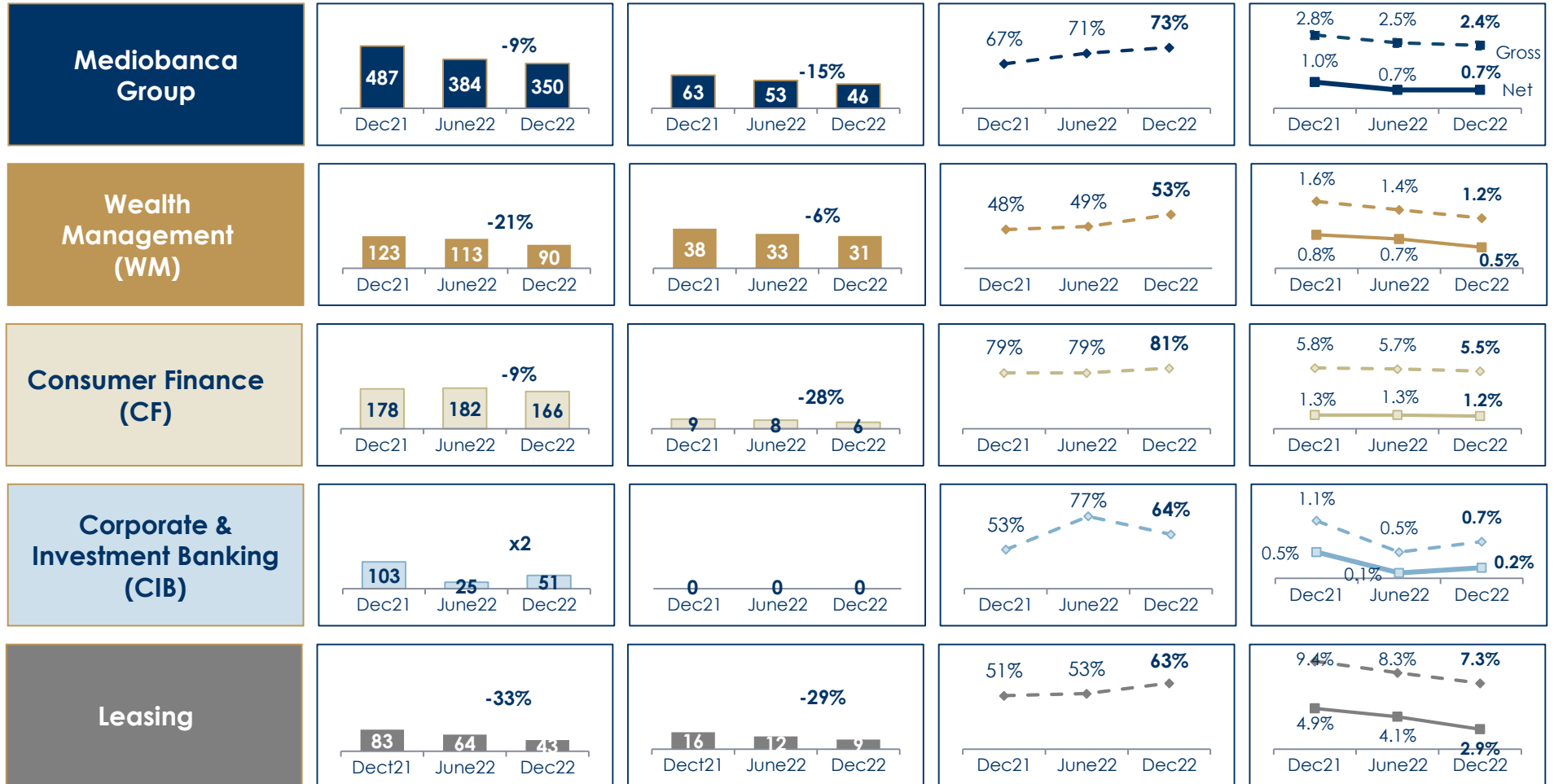
1) Figures in the graphs in upper part of the slide refer to the Customers Loan Book and may therefore differ from the EBA Dashboard. In particular, the EBA includes NPLs purchased and treasury balances excluded from the MB classification



# EXCELLENT ASSET QUALITY CONFIRMED AT ALL DIVISIONS

1H/2Q - Group results

Section 2





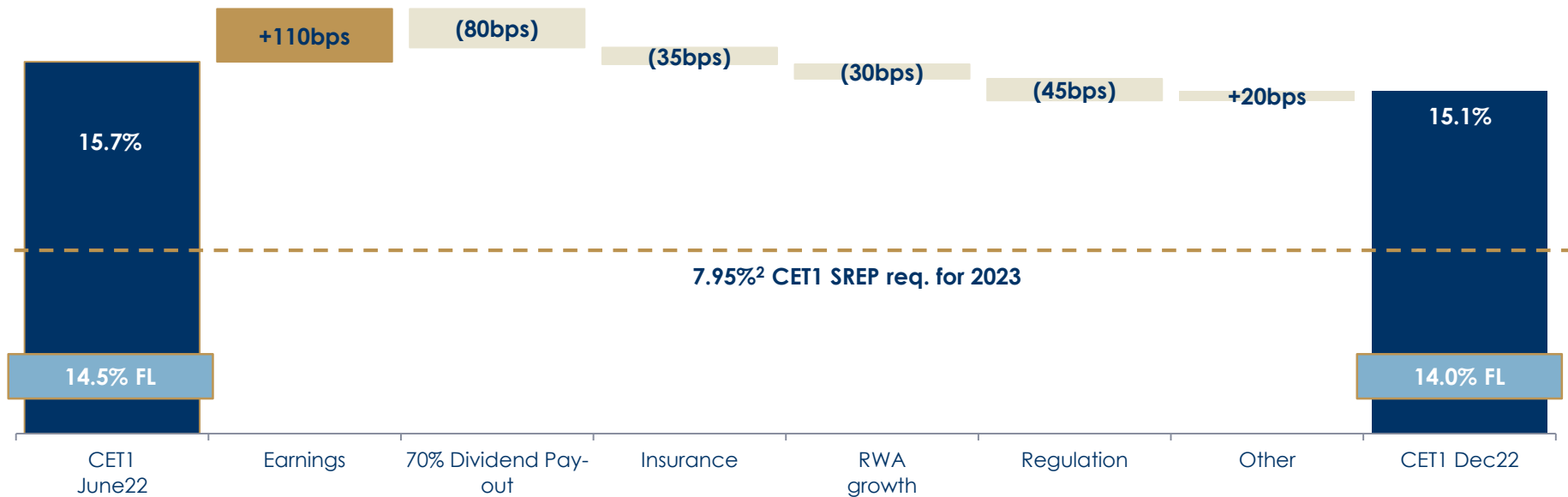
# SOUND CAPITAL POSITION CONFIRMED, LARGE BUFFERS VS SREP

## CET1 PHASE-IN @15.1% - FULLY LOADED @ 14.0%

1H/2Q - Group results

Section 2

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



- ◆ **CET1 ratio at 15.1% (14.0% FL) down ~55bps from June 22, stable vs Sept.22.** Reduction in last 6M due mainly to regulatory impact (-45bps), related to ECB revalidation of large corporate IRB model in Sept.22, expected to be reversed in Jan.25 with the introduction of Basel IV
- ◆ **Large buffer (>600bps FL) versus SREP requirement confirmed. SREP letter for FY23 envisages:**
  - ◆ **P2R requirement at 1.68% (10bps higher than last year 1.58%, due to calendar provisioning phase-in)**
  - ◆ **CET1 SREP requirement set at 7.95%<sup>2</sup> vs 7.90% last year**

# 1H23 RESULTS SUMMARY

1H/2Q - Group results

Section 2

## Financial results

€m	6m Dec22	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q23 Dec22	1Q23 Sept22	2Q22 Dec21
<b>Total income</b>	<b>1,659</b>	<b>+19%</b>	<b>+14%</b>	<b>902</b>	<b>757</b>	<b>753</b>
Net interest income	843	+13%	+15%	447	396	375
Net fee income	472	+16%	+7%	262	210	241
Trading income	148	+129%	+53%	84	65	47
Equity acc. com.	195	+13%	+5%	109	86	90
<b>Wealth Management</b>	<b>407</b>	<b>+12%</b>	<b>+12%</b>	<b>209</b>	<b>199</b>	<b>192</b>
<b>Consumer Finance</b>	<b>560</b>	<b>+5%</b>	<b>+7%</b>	<b>284</b>	<b>276</b>	<b>268</b>
<b>Corporate &amp; IB</b>	<b>430</b>	<b>+53%</b>	<b>+20%</b>	<b>248</b>	<b>182</b>	<b>189</b>
<b>Insurance</b>	<b>198</b>	<b>+11%</b>	<b>+2%</b>	<b>111</b>	<b>87</b>	<b>96</b>
<b>Holding Function</b>	<b>82</b>	<b>+71%</b>	<b>+163%</b>	<b>62</b>	<b>19</b>	<b>14</b>
<b>Total costs</b>	<b>(691)</b>	<b>2%</b>	<b>9%</b>	<b>(370)</b>	<b>(321)</b>	<b>(331)</b>
Loan loss provisions	(156)	+49%	+14%	(94)	(63)	(75)
<b>GOP risk adj.</b>	<b>811</b>	<b>+34%</b>	<b>+18%</b>	<b>438</b>	<b>373</b>	<b>347</b>
<b>PBT</b>	<b>750</b>	<b>+46%</b>	<b>+14%</b>	<b>397</b>	<b>353</b>	<b>309</b>
<b>Net profit</b>	<b>555</b>	<b>+46%</b>	<b>+6%</b>	<b>293</b>	<b>263</b>	<b>264</b>
<b>TFA - €bn</b>	<b>83.2</b>	<b>+4%</b>	<b>+5%</b>	<b>83.2</b>	80.9	79.4
<b>Customer loans - €bn</b>	<b>53.6</b>	<b>+4%</b>	<b>+5%</b>	<b>53.6</b>	52.4	50.8
<b>Funding - €bn</b>	<b>62.0</b>	<b>+1%</b>	<b>+4%</b>	<b>62.0</b>	60.3	59.3
<b>RWA - €bn</b>	<b>52.6</b>	<b>+4%</b>	<b>+10%</b>	<b>52.6</b>	52.0	47.8
<b>Cost/income ratio (%)</b>	<b>42</b>	<b>-7pp</b>	<b>-1pp</b>	<b>41</b>	42	44
<b>Cost of risk (bps)</b>	<b>59</b>	<b>+18bps</b>	<b>+4bps</b>	<b>71</b>	48	60
<b>Gross NPLs/Ls (%)</b>	<b>2.4%</b>			<b>2.4%</b>	2.5%	2.8%
<b>NPL coverage (%)</b>	<b>73.2%</b>			<b>73.2%</b>	72.4%	66.9%
<b>EPS (€)</b>	<b>0.65</b>	<b>+48%</b>	<b>+7%</b>	<b>0.34</b>	0.31	0.31
<b>ROTE adj. (%)</b>	<b>14%</b>			<b>15%</b>	12%	10%
<b>CET1 ratio phased-in (%)</b>	<b>15.1%</b>			<b>15.1%</b>	15.1%	15.4%

## Highlights

- ◆ **Record revenues** (up 14% YoY and 19% HoH) **driven by all sources:**
  - ◆ **Double-digit growth in NII** (up 15% YoY and 13% HoH) **due to higher asset yields and sound volume growth** and €25m positive contribution from inflation-linked bond coupons
  - ◆ **Robust growth in fees (up 7% YoY and 16% HoH)**, backed by sound performance in both CIB and WM
  - ◆ **Trading result doubled HoH (up 53% YoY)**, sound contribution from Client solutions and prop trading business
- ◆ **Sound revenue trends in all divisions:**
  - ◆ **WM: robust performance, up 12% YoY and HoH**, with positive trend in both NII and fees
  - ◆ **CF: better than expected, up 7% YoY and 5% HoH**, backed by solid new loans trend (€3.9bn in 6M), effective product mix and progressive repricing
  - ◆ **CIB: material growth, up 20% YoY and 53% HoH**, with positive performance across all business segments
  - ◆ **INS: normalized contribution**, broadly in line with last year
  - ◆ **HF: materializing sensitivity to rates**
- ◆ **Cost/income ratio stays low @42%**, despite the increase in costs (up 9% YoY) spread across all divisions due to new business activity, and to labour and project costs inflation
- ◆ **LLPs up 14% YoY and 49% HoH, with higher CoR @59bps**, reflecting:
  - ◆ worsened macro scenario in models (mainly for CIB) part offset by overlays (stock reduced from ~€300m to ~€280m)
  - ◆ few reclassifications/rating downgrades in CIB
  - ◆ CF/WM asset quality with sound trend in past quarters
- ◆ **CET1 flat vs Sept22 at 15.1% (14% FL). 70% cash payout accrued**
- ◆ **ROTE @14%**



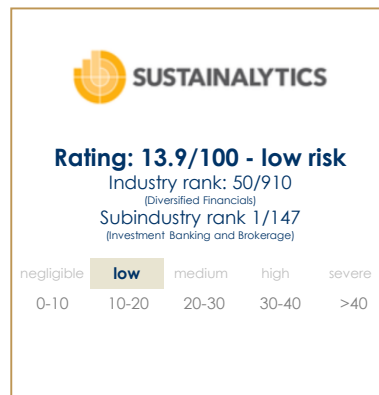
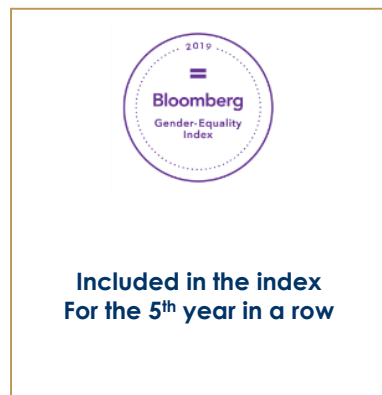
# STRONG IMPROVEMENT IN RATING AND AWARDS

1H/2Q - Group results

Section 2

## Indexes and ratings Stable improvement recognized by the market

- ◆ Stable improvement in market indexes and ratings:
  - ◆ **MSCI: upgraded from “A” to “AA”**
  - ◆ **Sustainalytics:** with a score of 13.9, MB has been included among the best performing companies measured by ESG criteria
  - ◆ **S&P: included in the Sustainability Yearbook** also in 2023
  - ◆ **Bloomberg Gender Equality Index: included** for the fifth year in a row



## Stable products development and carbon neutrality

- ◆ **€500m Sustainable Senior Preferred Bond placement** (2nd Green bond issue following the first in 2020)
- ◆ **ESG/green credit product at ~ €3,3bn of stock** o/w: 77% corporate; 15% mortgages; 8% consumer
- ◆ **Strong ESG funds growth** (% of ESG qualified funds @68%)<sup>1</sup>
- ◆ **Leading DCM positioning in the ESG space also for 2022** with 16 sustainable transactions for a total issued amount in excess of €11 bn
- ◆ **The Group has achieved its objective of climate neutrality once again in 2022, by offsetting its remaining CO2 emissions after domestic mitigation actions.**<sup>2</sup>

1) % of ESG qualified funds (SFDR Articles 8&9 funds) out of total funds in Affluent clients' portfolio  
 2) The carbon offset initiative developed in conjunction with non-profit organization Rete Clima has enabled Mediobanca to neutralize a carbon footprint of 4,240.51 tons of CO2eq by acquiring credits generated from environmental protection projects in developing countries.

# Agenda

**Section 1. Executive summary**

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

**Section 3. Divisional results**

**Section 4. Closing remarks**

## **Annexes**

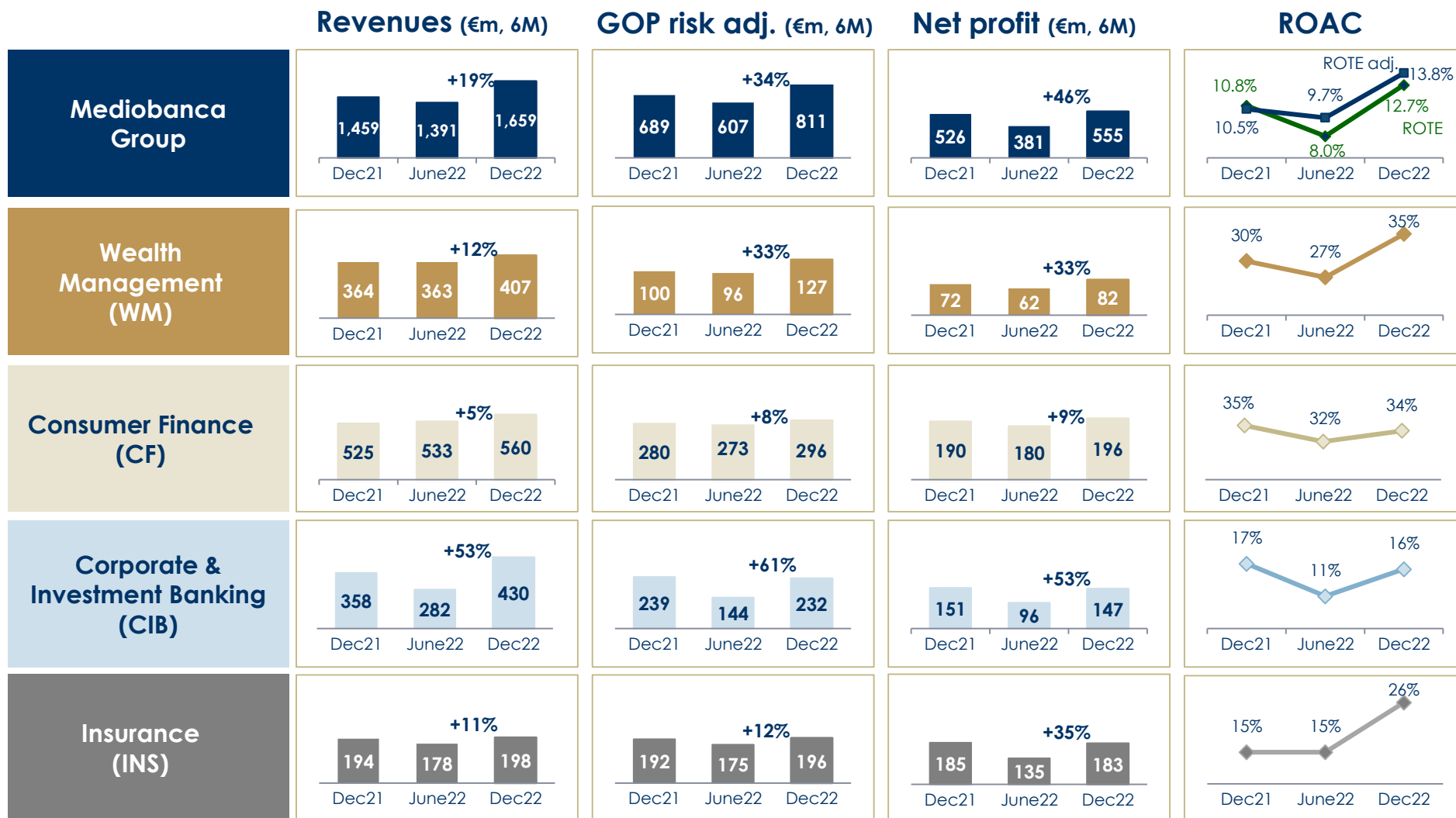
1. Macro scenario
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# GROUP ROTE 14%

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



# WM: DOUBLE-DIGIT GROWTH CONFIRMED

6M REVENUES ~€410m (UP 12%) - 6M NET PROFIT ~€82m (UP 14%)

1H/2Q - Divisional results - WM

Section 3

## Financial results

€m	6m Dec22	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q23 Dec22	1Q23 Sept22	2Q22 Dec21
<b>Total income</b>	<b>407</b>	<b>+12%</b>	<b>+12%</b>	<b>209</b>	<b>199</b>	<b>192</b>
Net interest income	172	+16%	+17%	88	84	73
Fee income	230	+10%	+8%	118	112	117
Net treasury income	5	-18%	+24%	3	2	1
<b>Total costs</b>	<b>(274)</b>	<b>+5%</b>	<b>+7%</b>	<b>(145)</b>	<b>(130)</b>	<b>(133)</b>
Loan provisions	(6)	+4%	-31%	(4)	(2)	(4)
<b>GOP risk adj.</b>	<b>127</b>	<b>+33%</b>	<b>+28%</b>	<b>60</b>	<b>67</b>	<b>55</b>
<b>PBT</b>	<b>118</b>	<b>+33%</b>	<b>+14%</b>	<b>55</b>	<b>63</b>	<b>57</b>
<b>Net profit</b>	<b>82</b>	<b>+33%</b>	<b>+14%</b>	<b>39</b>	<b>44</b>	<b>40</b>
<b>TFA - €bn</b>	<b>83.2</b>	+4%	+5%	<b>83.2</b>	80.9	79.4
<b>AUM/AUA - €bn</b>	<b>54.5</b>	+6%	+4%	<b>54.5</b>	52.3	52.1
<b>Deposits - €bn</b>	<b>28.7</b>	-0%	+5%	<b>28.7</b>	28.6	27.2
<b>NNM - €bn</b>	<b>3.4</b>	-26%	-23%	<b>2.3</b>	1.1	3.0
<b>Customer loans - €bn</b>	<b>16.4</b>	+7%	+11%	<b>16.4</b>	15.8	14.8
<b>Gross NPLs/Ls (%)</b>	<b>1.2%</b>			<b>1.2%</b>	1.4%	1.6%
<b>Cost/income ratio (%)</b>	<b>67</b>	-5pp	-3pp	<b>69</b>	65	69
<b>Cost of risk (bps)</b>	<b>7</b>	-0pp	-5bps	<b>10</b>	5	11
<b>ROAC (%)</b>	<b>35</b>			<b>33</b>	38	33
<b>Revenues breakdown</b>						
Premier	<b>212</b>	+7%	+8%	<b>112</b>	100	100
Private and other	<b>146</b>	+23%	+16%	<b>71</b>	75	66
Asset Management	<b>49</b>	+5%	+13%	<b>25</b>	23	25
<b>Salesforce</b>	<b>1,177</b>	<b>+17</b>	<b>+49</b>	<b>1,177</b>	<b>1,173</b>	<b>1,128</b>
RM - Premier	<b>137</b>	+0	+5	<b>137</b>	140	132
FA - Premier	<b>509</b>	+2	+6	<b>509</b>	512	503
Bankers - Private	<b>531</b>	+15	+38	<b>531</b>	521	493

## Highlights

- ◆ **Sound results by MBWM in last 6m despite tough markets:**
  - ◆ **NNM: €3.4bn in 1H23, with 2Q recovering after a soft 1Q** (€2.3bn in 2Q vs €1.1bn in 1Q), ~50% AUM, ~50% securities, above mkt average in terms of size and quality
  - ◆ **TFA's up to €83bn** (up 5% YoY and 4% HoH)
  - ◆ **Distribution enhancement:** 1,177 professionals at Dec22 (up 17 vs June22 and up 49 vs Dec21)
  - ◆ **Products:** ongoing delivery in Private Markets, strong activity in structured products, new funds and discretionary mandates launched, selective placement of MB bonds and the first PE funds to Premier clients
- ◆ **6m net profit at €82m (up 14% YoY and 33% HoH), with ROAC @35%, reflecting**
  - ◆ **Solid growth in revenues (€407m, up 12% YoY/HoH):**
    - ◆ **NII up 17% YoY and 16% HoH**, driven by rates and volume increase (up 11% YoY), especially in PB
    - ◆ **Fees up 8% YoY and 10% HoH**, due to **higher management fees** (up 5% YoY, flat HoH) and **high and resilient upfront fees** linked to structured product/placement activity
  - ◆ **Cost/income ratio down to 67%** despite ongoing investments in talent and innovation (costs up 7% YoY)
  - ◆ **COR confirmed low at 7bps**, backed by positive asset quality trend

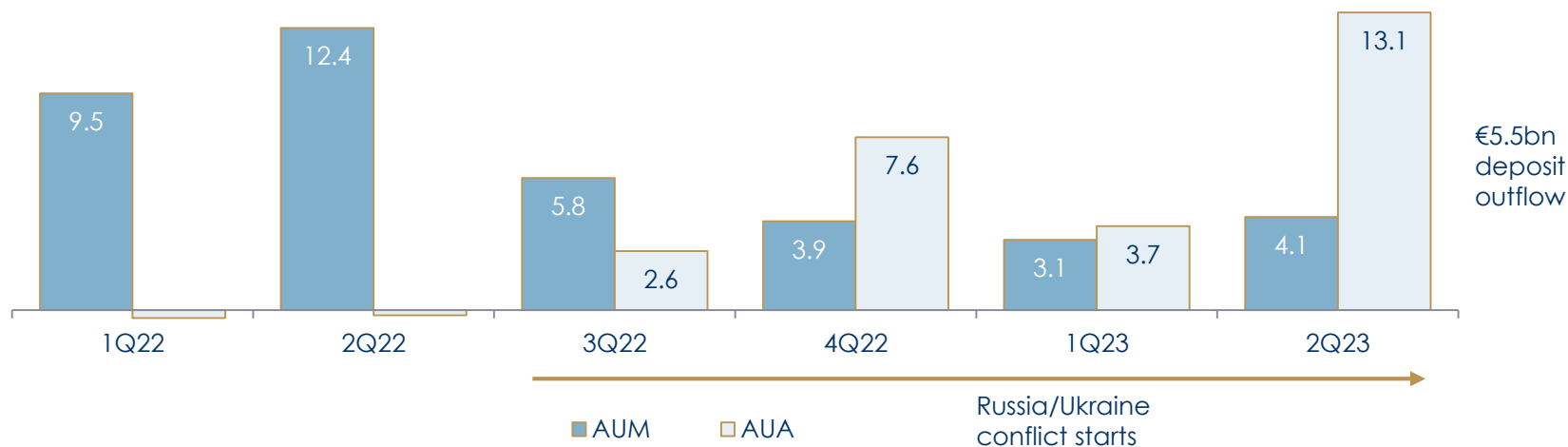
# IN A RESHAPED MARKET, READY TO INVEST AGAIN...

1H/2Q - Divisional results - WM

Section 3

## Assoreti NNM (AUM&AUA) by quarter (€bn)

NNM % stock	9.2bn +1.5% ↑	12.2bn +1.9% ↑	8.4bn +1.3% ↑	11.5bn +1.8% ↑	6.8bn +1.1% ↑	17.2bn +2.9% ↑
Market performance	- =	+2.0% ↑	-4.8% ↓	-7.4% ↓	-2.5% ↓	NA



- ◆ Strong rebound of AUM/AUA inflow in 2Q23 at the record level of €17bn, driven by better markets/macro trend
  - ◆ Record high securities placements (€13bn, 10x pre-war avg.) favoured by new rate environment, deposit conversions of >€5bn
  - ◆ AUM recovering modestly and still well below (-60%) pre-war average
  - ◆ Market performance stabilizing

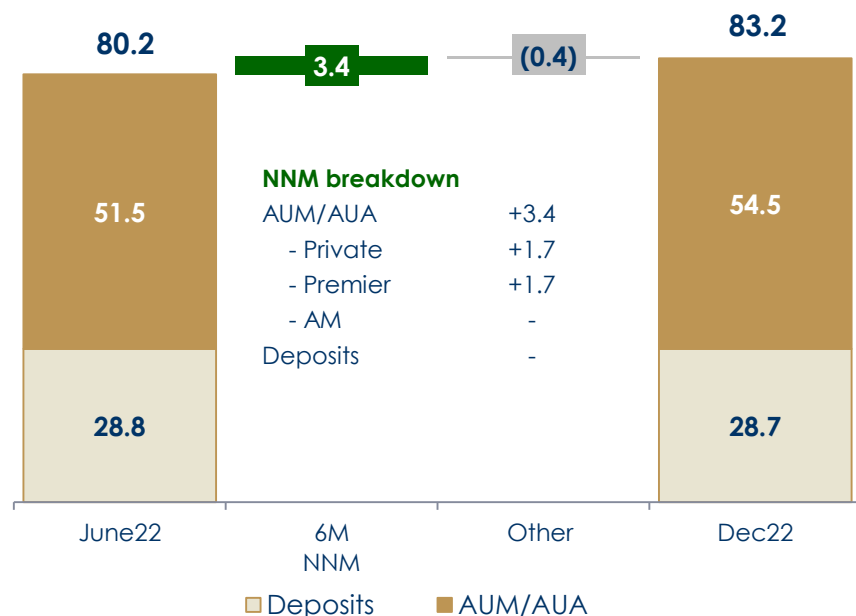
# ...MB CONTINUED TO OUTPERFORM THE MARKET

NNM @16% AUM/AUA, 50% REPRESENTED BY AUM

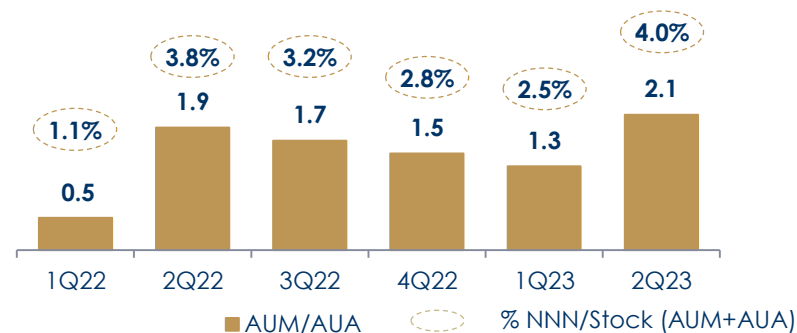
1H/2Q - Divisional results - WM

Section 3

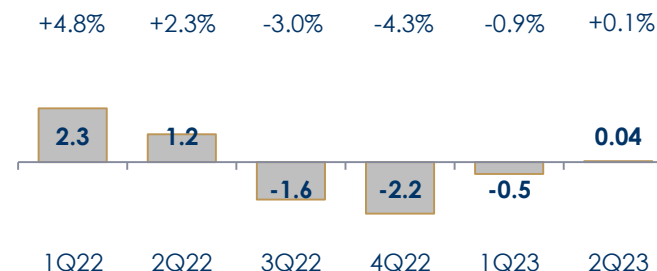
## Group TFAs trend (€bn)



## MBWM: NNM of AUM/AUA by quarter (€bn, % stock)



## MBWM: market effect by quarter (€bn, %AUM/AUA)



- ◆ **Last 6m NNM: €3.4bn (o/w €2.3bn in 2Q) 94% represented by AUM/AUA, with AUM contributing ~50% of AUM/AUA inflows, better than market trend. AUM/AUA 2Q inflows at 4% stock (~16% annualized) above the market (~12% average). Ongoing liquidity events in MBPB (€430m in 1H23, o/w €320m generated from cross-selling with CIB)**
- ◆ **TFAs: up to €83bn with AUM/AUA up to €54bn (up 4% YoY, up 6% HoH) and deposits resilient at €29bn (up 5% YoY and flat HoH). Limited negative market effect in the six months (down €0.4bn, <1%)**



# MBWM TRENDS AND INITIATIVES

1H/2Q - Divisional results - WM

Section 3

## Private Banking

- ◆ **6M NNM from AUM/AUA at €1.7bn, accelerating in 2Q** (€0.7bn in 1Q, €1bn in 2Q)
- ◆ **>€400m 6M NNM generated from liquidity events (o/w €320m from cross-selling with CIB)**
- ◆ **AUM/AUA up 4% YoY/QoQ to €24.5bn**
- ◆ **Deposits up to €11.7bn** (up 14% YoY and 1% QoQ), due to inflows at CMB offsetting some conversion at MBPB
- ◆ **Key initiatives in 2Q:** kick-off of new digital advisory platform in co-operation with Armundia; closing of fourth MB BlackRock initiative (~€65m in October); ongoing high placement of structured products and MB bonds

## Premier Banking

- ◆ **6M NNM from AUM/AUA at €1.7bn, accelerating in 2Q** (€0.7 in 1Q, €1.1bn in 2Q) similar to Private Banking
- ◆ **AUM/AUA stock up to €17.9bn, up 4% YoY and 7% QoQ**
- ◆ **Deposits resilient at €17bn** (flat YoY and QoQ)
- ◆ **Key initiatives in 2Q:** network enhancement (7 more professionals up to 1,040) and ongoing upgrade of advice tools; offering enlarged in ESG space (fund offered in collaboration between MB SGR and Nordea) and Private Markets (Mediobanca Russell Private Markets IV); ongoing positive contribution to Group funding with placement of a 3Y MB bond and launch of a selective promotion on term deposits

MBPB Initiative	Product	Date	Committed Size (€bn)	AUM Dec22
Private Markets Programs	PM1/PM2/PM3	2019-20	0.35	0.35
	VC	2022	0.1	0.02
	PE Intro	2020	0.1	n.m. <sup>2</sup>
	BlackRock	2021-22	1.4	0.2
Club Deals	TEC	2017-22	0.5	n.m. <sup>2</sup>
Real Estate Inv.	Re Fund	2019-22	0.65 <sup>1</sup>	0.3
<b>TOTAL</b>			<b>3.14</b>	<b>0.9</b>

## AM

- ◆ **AUM/AUA stock (gross) at €25.5bn, flat HoH and up 7% YoY:**
- ◆ **Polus: rebranding of Cairn to “Polus” after the merger with Bybrook;** special situations team recognized at HFM European Performance Award 2022; sound funds performance (AUM up €1bn YoY) and new special situation fund in pipeline
- ◆ **MB SGR:** ongoing integration with Premier and Private networks, with enhancement of the product offering in terms of funds and discretionary mandates; advisory strengthened in CMB discretionary mandates/ funds
- ◆ **RAM:** multi-asset and market neutral long/short funds resilient, while the long-only Emerging Markets Equity fund continues to outperform the index

# CONSUMER FINANCE: GROWTH DESPITE PRUDENCE AND MACRO

6M REVENUES €560m (up 7%) – 6M NET PROFIT ~€200m (up 3%)

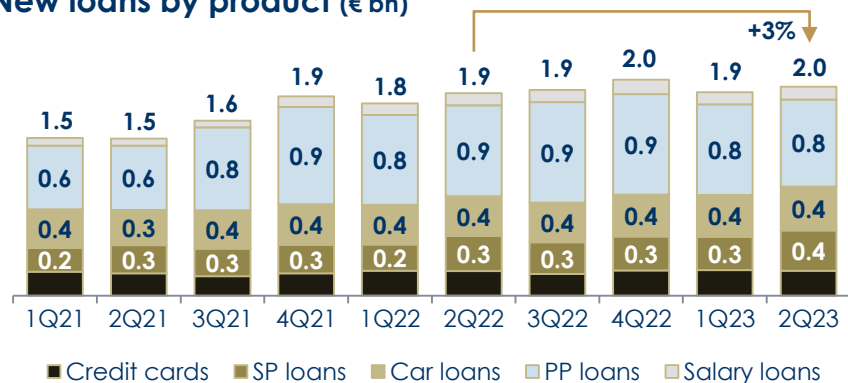
1H/2Q - Divisional results - CF

Section 3

## Financial results

€m	6m Dec22	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q23 Dec22	1Q23 Sept22	2Q22 Dec21
<b>Total income</b>	<b>560</b>	<b>+5%</b>	<b>+7%</b>	<b>284</b>	<b>276</b>	<b>268</b>
ow Net interest income	492	+4%	+7%	249	243	236
<b>Total costs</b>	<b>(164)</b>	<b>-2%</b>	<b>+10%</b>	<b>(86)</b>	<b>(78)</b>	<b>(77)</b>
Loan provisions	(100)	+6%	+5%	(50)	(51)	(44)
<b>GOP risk adj.</b>	<b>296</b>	<b>+8%</b>	<b>+5%</b>	<b>148</b>	<b>148</b>	<b>147</b>
<b>PBT</b>	<b>291</b>	<b>+7%</b>	<b>+4%</b>	<b>143</b>	<b>148</b>	<b>147</b>
<b>Net profit</b>	<b>196</b>	<b>+9%</b>	<b>+3%</b>	<b>96</b>	<b>100</b>	<b>100</b>
<b>New loans - €bn</b>	<b>3.9</b>	-2%	+4%	<b>2.0</b>	1.9	1.9
<b>Customer loans - €bn</b>	<b>14.1</b>	+3%	+6%	<b>14.1</b>	13.9	13.3
<b>Gross NPLs/Ls (%)</b>	<b>5.5%</b>			<b>5.5%</b>	5.8%	5.8%
<b>Cost/income ratio (%)</b>	<b>29</b>	-2pp	+1pp	<b>30</b>	28	29
<b>Cost of risk (bps)</b>	<b>144</b>	+5bps	-2bps	<b>142</b>	146	133
<b>ROAC (%)</b>	<b>34</b>			<b>34</b>	34	37

## New loans by product (€ bn)



## Highlights

- ◆ **Growth results achieved despite more rigid acceptance ratio in new business and further increased coverage ratios (at 81% for NPLs and 3.8% for performing Ls) – CoR remains low**
- ◆ **Distribution enhancement ongoing**
  - ◆ **Digital: launch of “Personal Loan in one Minute”** (fully digital and automatic process with unique user experience) and of **small ticket PL (€500) based on innovative credit assessment developed with REDO.**
  - ◆ **Physical: 302 branches** (181 proprietary branches, 67 run by agents and 54 Compass Quinto branches) and **131 Compass Link professionals**
- ◆ **New loans up to €3.9bn** (up 4% YoY), driven by special purpose, cars (both up 9%), salary-backed loans (up 6%), and personal loans almost flat with sound proprietary network performance (up 18% YoY)
- ◆ **1H23 net profit at €196m, up 3% YoY and 9% HoH:**
  - ◆ **Revenues up 7% YoY and 5% QoQ**, as NII grows benefiting from avg. volumes and improving margins
  - ◆ **Costs under control**, with C/I ratio stable ~29%. Total costs up due to higher marketing and credit recovery expenses.
  - ◆ **LLPs up 5% YoY and up 6% QoQ**, reflecting stable trend in default rates. **CoR still below 150bps, with ~€210m overlays untouched**
- ◆ **Asset quality at its best-ever level:** net NPLs/Ls 1.2% (1.3% as at June22) with further improvement in **coverage ratios for NPLs** (up 2pp HoH to **81%**), while **performing coverage stable at 3.77%**

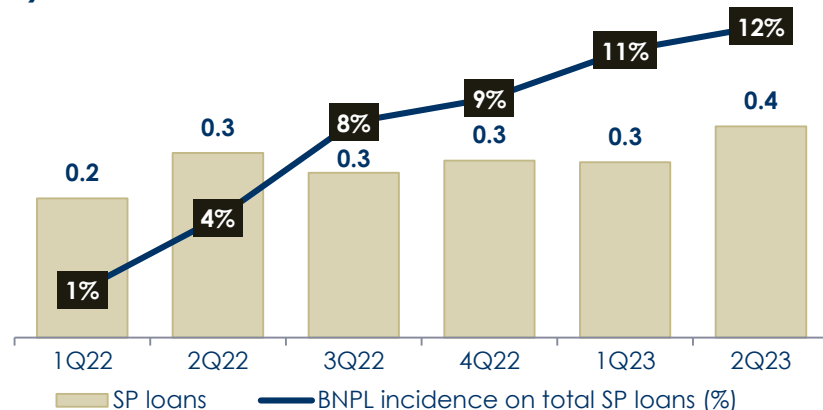
# BNPL GROWING STEADILY WHILE OPPORTUNITIES MATERIALIZE

## COMBINING COMPASS'S RISK MANAGEMENT STRENGTHS WITH FINTECH BOOST

1H/2Q - Divisional results - CF

Section 3

Pagolight progressively growing, alongside ...  
(SP loans new business and Pagolight increasing weight; 3M, €bn)



- ◆ **Pagolight<sup>1</sup>** (proprietary BNPL solution): **strong client base acquisition tool with instant profitable return** (Compass rewarded by merchants with margins and new clients)
- ◆ **Commercial achievements:**
  - ◆ **€78m new loans** (~9,000 dealers) in IH23 (more than doubled HoH) with an average **contribution for IH23 of 11% of total new business of SP loans;**
  - ◆ **profitability net of risk in line with special purpose loan product**
  - ◆ growth driver for “new clients” already delivered: 14k /month (with a 66% of “never before with Compass”, much higher than all other products).

... the new partnership with HeidiPay and Soisy



- ◆ **Consolidated starting from 2Q23** (to be merged in the next 12 months)
- ◆ **New business: €13m in 2Q23**
- ◆ **Operations: progressive integration in Compass** that will benefit from larger merchant base and specific product features



- ◆ **Compass's approach to nondomestic markets:**
  - ◆ first target market: **Switzerland**
  - ◆ **Compass is studying the market** progressively, building proprietary data scoring and analytics
  - ◆ **HeidiPay new production: €7m in IIQ23 funded by Compass**
  - ◆ **Merchants sector:** well-diversified with strong presence in **electronics and jewellery high-end brands/merchants**
  - ◆ **Asset quality:** strong, with immaterial delinquencies
  - ◆ **Next step: support HeidiPay growth by directly funding new credits**
- ◆ **E-commerce: HeidiPay plug-in integration to PagoLight started,** strong results growth although still limited in absolute terms

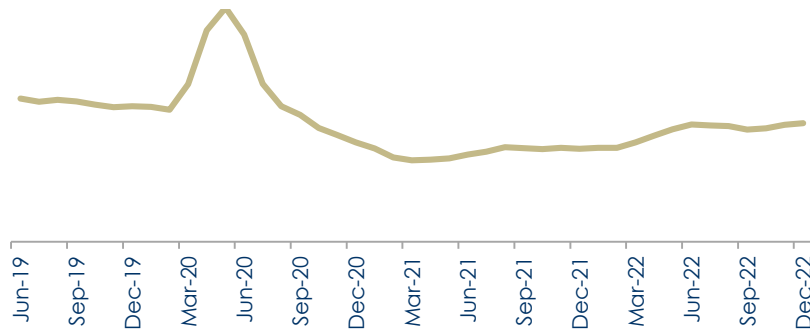
# STRONG ASSET QUALITY FURTHER ENHANCED

## 1H/2Q - Divisional results - CF

## Section 3

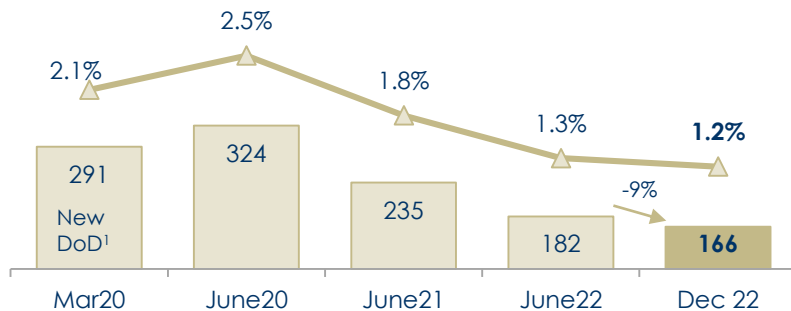
### Ongoing healthy trend in early risk indicators ...

Early deterioration index (3 months average)



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

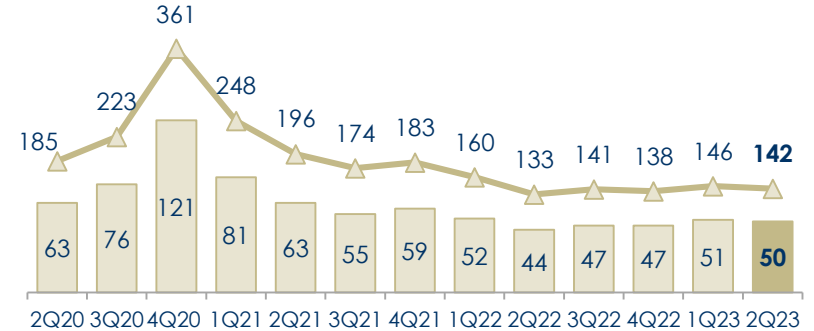
CF Net NPLs, stock (€m) and incidence to loans (%)



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

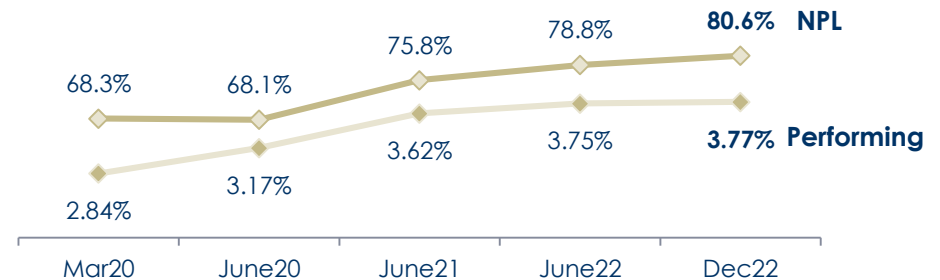
### ... keeping CoR at a very low level ...

LLPs (€m) and cost of risk (bps)



### ...and coverage of performing loans (3.77%) and NPLs (81%) at highest-ever levels

Coverage ratios trend



# CIB: RECORD PERFORMANCE

## IN ALL BUSINESS SEGMENTS WITH FEES AT 185M

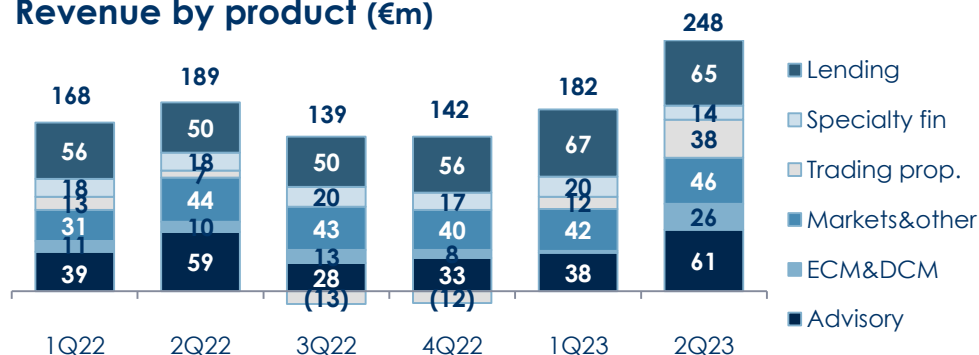
1H/2Q - Divisional results - CIB

Section 3

### Financial results<sup>2</sup>

€m	6m Dec22	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q23 Dec22	1Q23 Sept22	2Q22 Dec21
<b>Total income</b>	<b>430</b>	<b>+53%</b>	<b>+20%</b>	<b>248</b>	<b>182</b>	<b>189</b>
Net interest income	135	+6%	+8%	68	67	65
Fee income	185	+35%	+9%	117	69	93
Net treasury income	110	n.m.	+73%	63	47	32
<b>Total costs</b>	<b>(162)</b>	<b>+5%</b>	<b>+13%</b>	<b>(90)</b>	<b>(73)</b>	<b>(76)</b>
Loan loss provisions	(36)	n.m.	n.m.	(31)	(5)	21
<b>GOP risk adj.</b>	<b>232</b>	<b>+61%</b>	<b>-3%</b>	<b>127</b>	<b>105</b>	<b>134</b>
<b>PBT</b>	<b>221</b>	<b>+57%</b>	<b>-7%</b>	<b>120</b>	<b>101</b>	<b>132</b>
<b>Net result</b>	<b>147</b>	<b>+53%</b>	<b>-3%</b>	<b>80</b>	<b>67</b>	<b>82</b>
<b>Customer loans - €bn</b>	<b>21.3</b>	+3%	+3%	<b>21.3</b>	20.8	20.6
<b>Gross NPLs/Ls (%)</b>	<b>0.7%</b>			<b>0.7%</b>	0.5%	1.1%
<b>Cost/income ratio (%)</b>	<b>38</b>	-17pp	-2pp	<b>36</b>	40	40
<b>Cost of risk (bps)</b>	<b>34</b>	+50bps	+59bps	<b>60</b>	9	(42)
<b>ROAC (%)</b>	<b>16</b>			<b>17</b>	15	19

### Revenue by product (€m)



### Highlights

- ◆ **Strong start to FY23 in CIB, with record revenues in 1H23 (€430m, up 20% YoY and 53% HoH), despite macro deterioration and markets turbulence:**
  - ◆ **Advisory: ~€100m of fees in 1H23, with stronger performance in 2Q**, with involvement in most relevant domestic deals, increasing Mid-caps and Sponsors-driven transactions, enhanced international presence.
  - ◆ **Lending: growing contribution**, reflected in revenues up 24% YoY, with NII boosted by volume growth and repricing, and fees driven by underwriting activity
  - ◆ **Markets & trading: solid results due to high volumes in solutions business** (equity and fixed income). **Strong performance also in Prop Trading**
  - ◆ **ECM and DCM recovering in 2Q**
  - ◆ **Specialty Finance: solid contribution from factoring, NPL business deleveraging now transferred to HF**
- ◆ **Costs kept under control**, with cost/income ratio @38%
- ◆ **CoR at 34bps in 1H23**, reflecting worsening macro scenario (~€25m), few reclassifications/rating reviews (€25m) and limited use of overlays (down from ~€60m to ~€45m).
- ◆ **Asset quality confirmed strong:** gross NPL ratio at 0.7% and coverage at 64%.
- ◆ **ROAC @16%**

# LEADING INVESTMENT BANK IN ITALY WITH A UNIQUE TRACK RECORD IN M&A...

1H/2Q Divisional results - CIB

Section 3

◆ **MB announced over 20 transactions for a total volume of €15bn in the last 6 months, being involved in the most relevant and visible transactions in the Italian market, including:** the business combination between Autogrill and Dufry; the disposal of a 30.2% stake in Inwit by Telecom Italia to a consortium led by Ardian; the voluntary PTO launched by Edizione and Blackstone on Atlantia. The latter is the **biggest transaction by volume announced in Europe L2Y, and MB played a leading role in the originating and structuring**

◆ **Consolidated positioning in the Italian Mid-Cap segment**, with more than 20 deals completed in the six months, five of which realized jointly with PB (leveraging on dedicated coverage and cross-selling team).

◆ **Increasing participation in Financial Sponsors-driven transactions**, confirming MB's momentum with Large Financial Sponsors in the last few months, as demonstrated by: the majority investment in Doc Generici by Texas Pacific Group; the acquisition of Memry and SAES Smart Materials from Saes Group by Resonetics, jointly backed by Carlyle and GTCR

◆ **Enhanced footprint in Europe**, combining local coverage and industry expertise, as demonstrated by recently announced deals: the acquisition of 50% of Clearway Energy Group, fifth-largest US renewable energy player, by TotalEnergies; the equity investment of Mirova in Zunder, the largest independent EV charging operator in Spain/Portugal

## Selected M&A Large Corp Transactions

 <p>Pending</p> <p>~CHF 6bn (combined Mkt Cap) Strategic business combination between Autogrill and Dufry Financial Advisor to the Buyer</p>	 <p>Pending</p> <p>\$400m Acquisition of the FSRU "BW Singapore" Financial Advisor to the Buyer</p>	 <p>November 2022</p> <p>~€50bn EV Voluntary tender offer on ordinary shares of Atlantia launched by a vehicle backed by Edizione and Blackstone Financial Advisor to the Buyers</p>	 <p>September 2022</p> <p>€127m Acquisition of Banca Carige by BPER Financial Advisor to the Buyer</p>	 <p>August 2022</p> <p>€1.3bn total consideration (~€14bn EV) Disposal of a minority stake in INWIT to a consortium led by Ardian Financial Advisor to the Buyer</p>
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## Selected M&A Mid Corp Transactions

 <p>November 2022</p> <p>Undisclosed Disposal of Nuovaplast by IGI to Valgroup Financial advisor to the Seller</p>	 <p>September 2022</p> <p>Undisclosed Disposal of Federfin Tech to Vinventions (portfolio company of L-GAM) Financial Advisor to the Seller</p>	 <p>September 2022</p> <p>€12m Acquisition of Klingenburg by Carel Financial Advisor to the Buyer</p>	 <p>July 2022</p> <p>Undisclosed Disposal of Colussi Ermes to The Middleby Corporation Financial Advisor to the Seller</p>	 <p>June 2022</p> <p>Undisclosed Disposal of a minority stake of Lifenet to Exor Financial Advisor to the Seller</p>
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## Selected M&A Financial Sponsors Transactions

 <p>Pending</p> <p>USD 900m Acquisition of Memry and SAES Smart Materials from Saes Group by Resonetics LLC, jointly backed by Carlyle and GTCR Financial Advisor to the Buyer</p>	 <p>Pending</p> <p>Undisclosed Acquisition of 78.4% of IRIDEOS by Asterion from FZi Financial Advisor to the Seller</p>	 <p>Pending</p> <p>Undisclosed Acquisition by Charme Capital Partners of a majority stake in Tema Sinergie Financial advisor to the Seller</p>	 <p>November 2022</p> <p>Undisclosed Disposal of Hofi to Antin Infrastructure Partners Financial advisor to the Seller</p>	 <p>October 2022</p> <p>Undisclosed Majority investment in Doc Generici by Texas Pacific Group Financial Advisor to the Buyer</p>
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## Selected M&A International Transactions

 <p>Pending</p> <p>\$2.4bn Acquisition by TotalEnergies of 50% of Clearway (the 5th largest RES player in the US) from GIP Financial Advisor to the Buyer</p>	 <p>Pending</p> <p>Undisclosed Acquisition of Assua NV and its operating subsidiaries by Sopra Steria Financial advisor to the Buyer</p>	 <p>Pending</p> <p>€175m Acquisition of Zeturf and Zebet by FDJ Financial advisor to the Buyer</p>	 <p>October 2022</p> <p>€100m Equity investment of Mirova into Zunder Financial Advisor to the Seller</p>	 <p>July 2022</p> <p>Undisclosed Sale of 100% of Trea AM to Beka Finance Financial Advisor to the Seller</p>
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# ...AS WELL AS IN CAPITAL MARKETS AND LENDING

## 1H/2Q Divisional results - CIB

## Section 3

ECM

- ◆ Current macro environment, characterized by inflationary pressure, conservative monetary policies and geopolitical tensions, significantly impacted ECM activity in Europe in 1H 2022-23 with an **unprecedented contraction of primary activity (approx. 70% lower vs previous year)**
- ◆ In this scenario, MB ECM team continued to be active in the Rights Issues space, both domestically and internationally. The ECM team was **Global Co-ordinator in the BMPS rights issue** (2<sup>nd</sup> largest RI in Europe in 2022) and **successfully executed both ALD and Credit Suisse rights issues as Joint Bookrunner**

### Selected ECM Transactions

<p>December 2022</p>  <p>€1,210m Rights Issue</p> <p>Joint Bookrunner</p>	<p>December 2022</p>  <p>CHF2,240m Rights Issue</p> <p>Joint Bookrunner</p>	<p>November 2022</p>  <p>€2,500m Rights Issue</p> <p>Joint Global Coordinator &amp; Joint Bookrunner</p>	<p>September 2022</p>  <p>€9,400m IPO</p> <p>Sole advisor For Porsche AG</p>	<p>August 2022</p>  <p>€630m ABB</p> <p>Co-Bookrunner</p>
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DCM

- ◆ **MB DCM team successfully completed several relevant transactions for both domestic and international clients**, including CMZB's Covered bond, EDP's dual tranche senior, BPER's Tier 2 and Intesa Sanpaolo's **Green** SNP and **Social** SP
- ◆ Mediobanca further **consolidated its leading position in the ESG space**, structuring and placing – among others – Banco BPM's **Green** senior non preferred issuance, Banca Mediolanum's inaugural **Green** Bond, A2A's **Green** Bond, Hera's EU **Taxonomy Aligned Green** Bond and Suez' dual-tranche **Green** Bond

### Selected DCM Transactions

<p>November 2022</p>  <p>€ 1,000m 2,750% Covered bond due December 2025</p> <p>Joint Bookrunner</p>	<p>November 2022</p>  <p>€ 300m 5.035% Long 4N/C3 Senior Preferred due January 2027</p> <p>Sole Global Coordinator &amp; Sole Green Structuring Advisor &amp; Joint Bookrunner</p>	<p>October 2022</p>  <p>Green Bond \$ 500,000,000 6.300% October 2027 € 500,000,000 3.875% March 2030</p> <p>Joint Bookrunner</p>	<p>September 2022</p>  <p>€ 400m 8.625% Long 10N/C5 Subordinated Tier 2 due January 2033</p> <p>Joint Bookrunner</p>	<p>September 2022</p>  <p>€ 1.0bn 4.750% SNP Green Bond due September 2027</p> <p>Joint Bookrunner</p>
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Financing

- ◆ **MB Financing team confirmed its leading role in the Italian loan market**, sitting in the driving seat of all landmark transactions, and continued expanding its presence in the European acquisition financing space
- ◆ **Solid six months in terms of underwriting and co-ordination activity, for total volumes of approx. €17bn**, including the approx. €9.7bn acquisition financing supporting Edizione and Blackstone Voluntary Tender Offer to take Atlantia private

### Selected Financing Transactions

<p>November 2022</p>  <p>€1,400m Financing Package</p> <p>Global Coordinator and Bookrunner</p>	<p>August/October 2022</p>  <p>Acquisition Financing €700m bridge / \$1,000m TLB</p> <p>Underwriter &amp; MLA</p>	<p>August 2022</p>  <p>€900m General Corporate Purposes</p> <p>Underwriter &amp; Global Coordinator</p>	<p>July 2022</p>  <p>\$-eq. 1.865m Amend &amp; Increase</p> <p>Global Coordinator</p>	<p>July 2022</p>  <p>c. €9,700m Acquisition Financing</p> <p>Underwriter &amp; Global Coordinator</p>
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# INSURANCE: POSITIVE AND STEADY CONTRIBUTION

1H/2Q - Divisional results – Insurance

Section 3

## Financial results

€m	6m Dec22	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q23 Dec22	1Q23 Sept22	2Q22 Dec21
<b>Total income</b>	<b>198</b>	<b>+11%</b>	<b>+2%</b>	<b>111</b>	<b>87</b>	<b>96</b>
Impairments	(12)	-65%	n.m.	(1)	(11)	(3)
<b>Net result</b>	<b>183</b>	<b>+35%</b>	<b>-1%</b>	<b>105</b>	<b>78</b>	<b>88</b>
<b>Book value</b> - €bn	<b>3.0</b>	<b>-23%</b>	<b>-34%</b>	<b>3.0</b>	3.3	4.6
Ass. Generali (13%)	<b>2.2</b>	-29%	-42%	<b>2.2</b>	2.4	3.8
Other investments	<b>0.7</b>	-0%	-5%	<b>0.7</b>	0.7	0.8
<b>Market value</b> - €bn	<b>4.1</b>	<b>+8%</b>	<b>-9%</b>	<b>4.1</b>	3.6	4.6
Ass. Generali	<b>3.4</b>	+10%	-10%	<b>3.4</b>	2.8	3.8
<b>RWA</b> - €bn	<b>8.5</b>	<b>+4%</b>	<b>+24%</b>	<b>8.5</b>	8.3	6.9
<b>ROAC (%)</b>	<b>26</b>			<b>37</b>	20	14
<b>AG stake (13.08%)</b>						
Revenues	<b>196</b>	+13%	+5%	<b>110</b>	<b>86</b>	<b>90</b>
Avg. allocated K phase-in (€bn)	<b>1.3</b>	-38%	-44%	<b>1.0</b>	<b>1.5</b>	<b>2.5</b>
Avg. allocated K FL (€bn)	<b>2.0</b>	-28%	-35%	<b>1.7</b>	<b>2.2</b>	<b>3.2</b>
ROAC (phase-in - %)	<b>28</b>			<b>41</b>	<b>22</b>	<b>14</b>
ROAC (FL - %)	<b>18</b>			<b>24</b>	<b>15</b>	<b>11</b>

## Highlights

- ◆ **1H23 net profit at €183m**, down 1% YoY due to seed K/PE funds being marked to market (minus €12m) and lower dividend contribution offsetting solid AG performance (up 5% YoY).
- ◆ **High profitability: ROAC 26%**
- ◆ **NAV at €4.1bn**
- ◆ **AG market valuation: €3.4bn or €16.6ps**



# HOLDING FUNCTIONS – IMPROVED RESULTS

1H/2Q - Divisional results – HF

Section 3

## Financial results<sup>3</sup>

€m	6m Dec22	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>	2Q23 Dec22	1Q23 Sept22	2Q22 Dec21
<b>Total income</b>	<b>82</b>	<b>+71%</b>	<b>n.m.</b>	<b>62</b>	<b>19</b>	<b>14</b>
Net interest income	32	n.m.	n.m.	35	(3)	(4)
Net treasury income	26	-18%	+68%	14	12	6
Fee income	23	-15%	-9%	13	11	13
<b>Total costs</b>	<b>(98)</b>	<b>-7%</b>	<b>+3%</b>	<b>(53)</b>	<b>(46)</b>	<b>(50)</b>
<b>GOP before LLPs</b>	<b>(17)</b>	<b>-71%</b>	<b>-74%</b>	<b>10</b>	<b>(27)</b>	<b>(36)</b>
Loan provisions	(14)	-36%	-76%	(9)	(5)	(49)
Other (SRF/DGS incl.)	(25)	-53%	-27%	(24)	(1)	(35)
<b>PBT</b>	<b>(56)</b>	<b>-58%</b>	<b>-65%</b>	<b>(23)</b>	<b>(33)</b>	<b>(119)</b>
Income taxes & minorities	11	-73%	-87%	3	8	74
<b>Net profit (loss)</b>	<b>(45)</b>	<b>-52%</b>	<b>-38%</b>	<b>(20)</b>	<b>(25)</b>	<b>(46)</b>

<b>Customer loans - €bn</b>	<b>1.7</b>	<b>-9%</b>	<b>-17%</b>	<b>1.7</b>	<b>1.9</b>	<b>2.1</b>
Leasing	1.5	-6%	-12%	1.5	1.5	1.7
NPL purchased	0.3	-27%	-37%	0.3	0.3	0.4
<b>Funding - €bn</b>	<b>62.0</b>	<b>+1%</b>	<b>+4%</b>	<b>62.0</b>	<b>60.3</b>	<b>59.3</b>
ECB	8.0	-5%	-6%	8.0	8.4	8.4
Deposits	28.8	+0%	+6%	28.8	28.7	27.2
Bonds	20.6	+11%	+9%	20.6	18.6	18.9
Others	4.5	-16%	-4%	4.5	4.5	4.7
<b>Treasury and securities at FV</b>	<b>15.6</b>	<b>-6%</b>	<b>+4%</b>	<b>15.6</b>	15.6	15.0
<b>LCR</b>	<b>172%</b>			<b>172%</b>	155%	162%
<b>NSFR<sup>2</sup></b>	<b>117%</b>			<b>117%</b>	111%	110%

## Highlights

- ◆ **1H23 loss at €45m, halved HoH and 38% lower YoY, on higher contribution from Treasury**, notably in the NII component which benefited from inflation-linked coupons and higher yields, **and lower LLPs** (down 76% YoY, partially due to writebacks on leasing portfolio)
- ◆ **Funding stock at €62bn (up 4% YoY, up 1% HoH) and managed to optimize COF in a volatile market, favoured by diversified access to the market:**
  - ◆ **€4.5bn new bonds issued in 1H23 at an average cost in line with expiring bonds (~135bps):** €0.75bn of covered bonds and €3.8bn unsecured senior preferred bonds, including €0.5bn in a sustainable bond
  - ◆ **WM deposits resilient at €29bn**
  - ◆ **€0.5bn TLTRO repaid in Dec22 (€1.4bn more repaid in Jan23). Residual maturities smoothed over time**
- ◆ **Treasury assets stable at high level (€6.1bn) and banking book portfolio at €8.6bn (down 1% QoQ, up 9% YoY)**
- ◆ **Loans €1.7bn, down 17% YoY** due to ongoing leasing and NPLs deleveraging (MBCS NPLs portfolio moved from CIB to HF)
- ◆ **All key indicators at all-time high levels:**
  - ◆ LCR at 172.4%, NSFR at 116.6%, CBC at €16.5bn
  - ◆ MREL liabilities at 34.5% of RWA up 380bps in 2Q and well above requirements (22.13% for 2023)

# DIVERSIFIED FUNDING

1H/2Q - Divisional results – HF

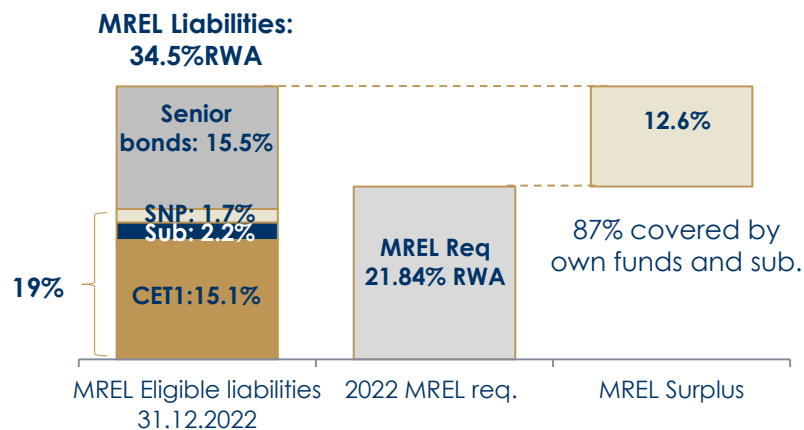
Section 3

## Significant bonds issuance since Jan22, versus both institutional and WM (mainly third parties) clients

Issue date	Bond type	Tenor	Amount (€m)	Spread at issue	Subscription rate
Jan-22	Senior Preferred	7.5NC6.5	500	MS+90bps	1.8x
Apr-22	ABS	n/a <sup>1</sup>	528	3mE+70bps	>1.6x
Jun-22	Covered	5Y	750	MS+46bps	1.1x
Jul-22	Senior Preferred	4Y	300	MS+140bps	Na
Sept-22	Senior Preferred	5Y	444	MS+160bps	Na
Nov-22	Senior Preferred Sustainable	6NC5	500	MS+195bps	3.2x
Nov-22	Senior Preferred	3Y	350	MS+140bps	Na
Dec-22	Senior Preferred	5Y	400	MS+140bps	Na

### Buffer comfortably above MREL requirement

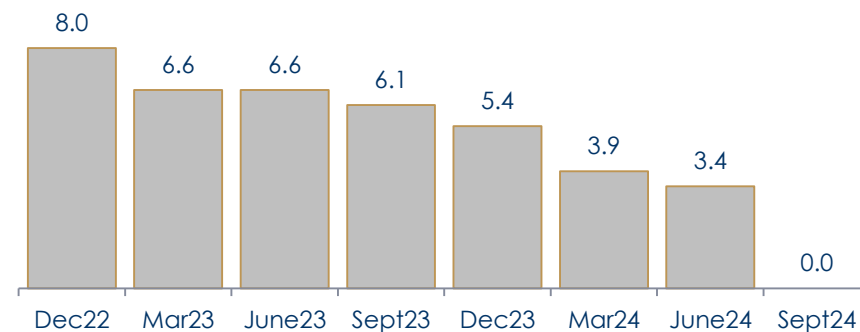
MREL req. for 2023 broadly stable at **22.13%** (21.84% for 2022)



### T-LTRO III smoothed over time

€0.5bn early repaid in Dec22 and €1.4bn in Jan23

Outstanding TLTROs quarterly trend based on contractual maturities, €bn



# Agenda

**Section 1. Executive summary**

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

**Section 3. Divisional results**

**Section 4. Closing remarks**

## **Annexes**

1. Macro scenario
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# WHY MEDIOBANCA HAS BEEN OVER-DELIVERING

Closing remarks

Section 4

## WEALTH MANAGEMENT

- ◆ **NNM growth capability above average in terms of quantity** (annualized 16% on AUM stock vs 12% avg.) **and quality** (50% of growth in AUM)
- ◆ **Deposits flat despite conversion**
- ◆ **Deposit beta actively managed low**
- ◆ **Interest rate sensitivity already aligned to regulatory cap for EU bank (2.5% of CET1)**

## CONSUMER FINANCE

- ◆ **Value** (not volume) **confirmed to be the business target driven by stronger distribution model**
- ◆ **Risk management again confirmed as the business's pivotal asset**, with CoR at its lowest-ever levels and coverage ratios at their highest
- ◆ **Strong positioning and investments in digital**

## CORPORATE & INVESTMENT BANKING

- ◆ **Revenues visibility enhanced by broader product/geographical diversification and strong cross-selling with WM**
- ◆ **Portfolio at the best quality level** (80% lending exposures are investment grade/cross over), resilient on inflationary costs, low exposure to leveraged finance business
- ◆ **Unique leading positioning as *Private & Investment Bank***: core market relying both on a mix of large and mid corporates and a successful partnership with Wealth Management

## INSURANCE

- ◆ **Material contribution from a low-risk business**
- ◆ **High profitability in the current macro**

# CLOSING REMARKS

**MB business model has proved to be effective in different macro/interest rate scenarios**

	3Y CAGR 19/22	Var % 6m Dec22/Dec21
Revenues	4%	14%
ow NII	2%	15%
ow Fees	12%	7%
GOP risk adjusted	4%	18%
EPS	4%	7%
CET1	+160bps to 15.7%	15.1%
Shareholders remuneration	€1.4bn cumulated or 20% mkt cap or 20% CET1	70% payout

## LOOKING FORWARD

- ✓ **We see enduring revenues expansion vs FY22 led by higher-than-expected NII increase and sound fee resilience**
- ✓ **Strong GOP risk adjusted performance driven by cost/income strict control (~45%) and low cost of risk (flat vs Dec22)**
- ✓ **Capital ratios: strong, visible, growing on Dec22, and able to feed industrial growth and sound shareholders remuneration (70% cash payout)**



# MEDIOBANCA

**6M/2Q RESULTS AS AT  
31 DECEMBER 2022**

Milan, 9 February 2023



MEDIOBANCA

# Agenda

**Section 1. Executive summary**

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

**Section 3. Divisional results**

**Section 4. Closing remarks**

## Annexes

1. Macro scenario
2. Divisional results by quarter
3. Glossary



MEDIOBANCA

# MACRO SCENARIO TRENDS

Scenario macro

Annex 1

## Macro scenario trend (MB internal baseline scenario) <sup>1</sup>

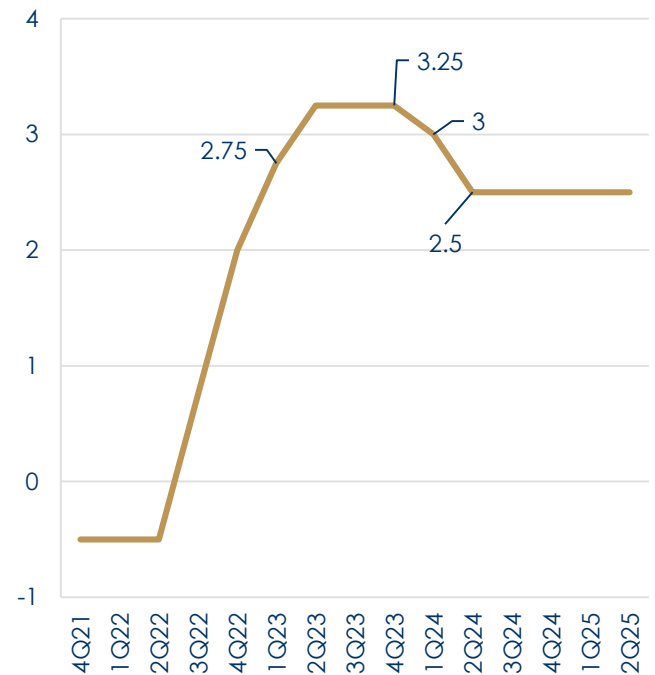
	Scenario June22			Scenario Dec22			
	2022	2023	2024	2022	2023	2024	2025
IT GDP (y/y)	2.7%	2.1%	1.1%	3.9%	(0.1%)	1.2%	0.4%
EA GDP (y/y)	2.7%	2.6%	1.9%	3.5%	0.1%	2.0%	1.6%
IT Inflation (y/y)	6.4%	1.4%	2.0%	8.6%	4.0%	0.5%	1.3%
IT Unempl. Rate	9.2%	9.3%	9.1%	8.1%	9.2%	9.0%	9.0%
BTP-Bund spread	151bps	187bps	182bps	193bps	243bps	215bps	202bps
IT 10Y yield	2.4%	3.3%	3.3%	3.0%	4.7%	4.4%	4.3%

Data based on internal officially approved scenario (Oct22)

	Scenario June22			Scenario Dec22			
	2022	2023	2024	2022	2023	2024	2025
Euribor 3M	(0.5%)	0.1%	1.1%	(0.5%)	2.3%	3.1%	2.6%

Due their strong sensitivity to rates, ALM analyses (e.g. NII) are based on the above December-updated Euribor3M scenario

## ECB Deposit Facility expected rate (%)



- ◆ UKR-RUS war impact on European growth and inflation proves stronger and more persistent
- ◆ The ECB hawkish turn pushed yields higher, particularly at short maturities. Eur 3M is higher than 1.8%
- ◆ ECB tools prevent excessive peripheral spreads widening despite higher yield levels

1) IT and EA GDP annual % change; IT Inflation is the CPI annual % change; It Unempl. Rate is the yearly average; IT 10Y yield and BTP-Bund spread are the April-June daily average in each year; Euribor 3M previous four quarters' average as of June





# MEDIOBANCA GROUP P&L

6M results as at December 2022

Annex 2

€m	1H Dec22	2H June22	1H Dec21	Δ YoY <sup>1</sup>	2Q Dec22	1Q Sept22	4Q June22	3Q Mar22	2Q Dec21
<b>Total income</b>	<b>1,659</b>	<b>1,391</b>	<b>1,459</b>	14%	<b>902</b>	<b>757</b>	<b>704</b>	<b>688</b>	<b>753</b>
Net interest income	843	746	734	15%	447	396	373	373	375
Fee income	472	407	443	7%	262	210	205	202	241
Net treasury income	148	65	97	53%	84	65	29	35	47
Equity accounted co.	195	174	186	5%	109	86	96	78	90
<b>Total costs</b>	<b>(691)</b>	<b>(679)</b>	<b>(633)</b>	9%	<b>(369)</b>	<b>(321)</b>	<b>(354)</b>	<b>(324)</b>	<b>(331)</b>
Labour costs	(360)	(343)	(329)	9%	(194)	(166)	(177)	(166)	(172)
Administrative expenses	(331)	(336)	(305)	9%	(175)	(156)	(177)	(158)	(159)
<b>Loan loss provisions</b>	<b>(156)</b>	<b>(105)</b>	<b>(137)</b>	14%	<b>(94)</b>	<b>(63)</b>	<b>(48)</b>	<b>(58)</b>	<b>(75)</b>
<b>GOP risk adjusted</b>	<b>811</b>	<b>607</b>	<b>689</b>	18%	<b>438</b>	<b>373</b>	<b>302</b>	<b>306</b>	<b>347</b>
Impairments, disposals	(23)	(39)	1		(6)	(17)	(31)	(8)	(4)
Non recurring (SRF/DGS contribution)	(38)	(56)	(35)	10%	(36)	(3)	(3)	(53)	(35)
<b>PBT</b>	<b>750</b>	<b>513</b>	<b>655</b>	14%	<b>397</b>	<b>353</b>	<b>268</b>	<b>246</b>	<b>309</b>
Income taxes & minorities	(195)	(132)	(130)	51%	(105)	(91)	(77)	(55)	(45)
<b>Net result</b>	<b>555</b>	<b>381</b>	<b>526</b>	6%	<b>293</b>	<b>263</b>	<b>191</b>	<b>190</b>	<b>264</b>
Cost/income ratio (%)	42	49	43	-1pp	41	42	50	47	44
LLPs/Ls (bps)	59	41	55	+4bps	71	48	37	45	60
<b>ROTE adj. (%)</b>	<b>14</b>	<b>10</b>	<b>10</b>	+4pp					

# MEDIOBANCA GROUP A&L

6M results as at December 2022

Annex 2

€bn	Dec22	Sept22	June22	Dec21	Δ QoQ <sup>1</sup>	Δ HoH <sup>1</sup>	Δ YoY <sup>1</sup>
<b>Funding</b>	<b>62.0</b>	<b>60.3</b>	<b>61.2</b>	<b>59.3</b>	<b>+3%</b>	<b>+1%</b>	<b>+4%</b>
Bonds	20.6	18.6	18.5	18.9	+10%	+11%	+9%
Direct deposits (retail&PB)	28.8	28.7	28.8	27.2	+0%	+0%	+6%
ECB	8.0	8.4	8.4	8.4	-5%	-5%	-6%
Others	4.5	4.5	5.4	4.7	+1%	-16%	-4%
<b>Loans to customers</b>	<b>53.6</b>	<b>52.4</b>	<b>51.7</b>	<b>50.8</b>	<b>+2%</b>	<b>+4%</b>	<b>+6%</b>
<b>CIB</b>	<b>21.3</b>	<b>20.8</b>	<b>20.7</b>	<b>20.6</b>	<b>+2%</b>	<b>+3%</b>	<b>+3%</b>
Wholesale	18.2	18.3	18.0	17.4	-0%	+1%	+5%
Specialty Finance	3.1	2.5	2.8	3.2	+23%	+11%	-5%
<b>CF</b>	<b>14.1</b>	<b>13.9</b>	<b>13.8</b>	<b>13.3</b>	<b>+1%</b>	<b>+3%</b>	<b>+6%</b>
<b>WM</b>	<b>16.4</b>	<b>15.8</b>	<b>15.3</b>	<b>14.8</b>	<b>+4%</b>	<b>+7%</b>	<b>+11%</b>
Mortgage	12.0	11.4	11.4	11.3	+5%	+5%	+6%
Private banking	4.4	4.3	3.9	3.5	+2%	+13%	+26%
<b>HF</b>	<b>1.7</b>	<b>1.9</b>	<b>1.9</b>	<b>2.1</b>	<b>-6%</b>	<b>-9%</b>	<b>-17%</b>
<b>Treasury and securities at FV</b>	<b>15.6</b>	<b>15.6</b>	<b>16.7</b>	<b>15.0</b>	<b>+0%</b>	<b>-6%</b>	<b>+4%</b>
<b>RWAs</b>	<b>52.6</b>	<b>52.0</b>	<b>50.4</b>	<b>47.8</b>	<b>+1%</b>	<b>+4%</b>	<b>+10%</b>
<b>Loans/Funding ratio</b>	<b>87%</b>	<b>87%</b>	<b>85%</b>	<b>86%</b>			
<b>CET1 ratio (%)</b>	<b>15.1</b>	<b>15.1</b>	<b>15.7</b>	<b>15.4</b>			
<b>TC ratio (%)</b>	<b>16.8</b>	<b>16.9</b>	<b>17.6</b>	<b>17.7</b>			

# WEALTH MANAGEMENT RESULTS

6M results as at December 2022

Annex 2

€m	1H Dec22	2H June22	1H Dec21	Δ YoY <sup>1</sup>	2Q Dec22	1Q Sept22	4Q June22	3Q Mar22	2Q Dec21
<b>Total income</b>	<b>407</b>	<b>363</b>	<b>364</b>	<b>+12%</b>	<b>209</b>	<b>199</b>	<b>183</b>	<b>179</b>	<b>192</b>
Net interest income	172	148	147	+17%	88	84	76	72	73
Fee income	230	208	213	+8%	118	112	105	104	117
Net treasury income	5	6	4	+24%	3	2	3	3	1
<b>Total costs</b>	<b>(274)</b>	<b>(261)</b>	<b>(256)</b>	<b>+7%</b>	<b>(145)</b>	<b>(130)</b>	<b>(135)</b>	<b>(126)</b>	<b>(133)</b>
<b>Loan provisions</b>	<b>(6)</b>	<b>(6)</b>	<b>(8)</b>	<b>-31%</b>	<b>(4)</b>	<b>(2)</b>	<b>(1)</b>	<b>(4)</b>	<b>(4)</b>
<b>Operating profit</b>	<b>127</b>	<b>96</b>	<b>100</b>	<b>+28%</b>	<b>60</b>	<b>67</b>	<b>47</b>	<b>49</b>	<b>55</b>
Other	(10)	(8)	3	n.m.	(5)	(5)	(5)	(3)	2
Income taxes & minorities	(35)	(26)	(30)	+16%	(16)	(19)	(14)	(13)	(17)
<b>Net profit</b>	<b>82</b>	<b>62</b>	<b>72</b>	<b>+14%</b>	<b>39</b>	<b>44</b>	<b>29</b>	<b>33</b>	<b>40</b>
Cost/income ratio (%)	67	72	70	-3pp	69	65	74	70	69
LLPs/Ls (bps)	7	7	12	-5bps	10	5	3	12	11
Loans (€bn)	16.4	15.3	14.8	+11%	16.4	15.8	15.3	15.1	14.8
TFA (€bn)	83.2	80.2	79.4	+5%	83.2	80.9	80.2	80.3	79.4
AUM/AUA	54.5	51.5	52.1	+4%	54.5	52.3	51.5	52.2	52.1
Deposits	28.7	28.8	27.2	+5%	28.7	28.6	28.8	28.1	27.2
NNM (€bn)	3.4	4.6	4.4	-23%	2.3	1.1	2.0	2.5	3.0
AUM/AUA	3.4	3.1	2.4	+43%	2.1	1.3	1.4	1.7	1.9
Deposits	(0.0)	1.5	2.0	-101%	0.1	(0.2)	0.6	0.9	1.1
RWA (€bn)	5.8	5.7	5.2	+11%	5.8	5.7	5.7	5.4	5.2
ROAC (%)	35	27	30	+5pp					

# CONSUMER FINANCE RESULTS

6M results as at December 2022

Annex 2

€m	1H Dec22	2H June22	1H Dec21	Δ YoY <sup>1</sup>	2Q Dec22	1Q Sept22	4Q June22	3Q Mar22	2Q Dec21
<b>Total income</b>	<b>560</b>	<b>533</b>	<b>525</b>	<b>+7%</b>	<b>284</b>	<b>276</b>	<b>269</b>	<b>265</b>	<b>268</b>
Net interest income	492	472	462	+7%	249	243	236	237	236
Fee income	68	61	63	+8%	35	33	33	28	32
<b>Total costs</b>	<b>(164)</b>	<b>(166)</b>	<b>(149)</b>	<b>+10%</b>	<b>(86)</b>	<b>(78)</b>	<b>(87)</b>	<b>(79)</b>	<b>(77)</b>
<b>Loan provisions</b>	<b>(100)</b>	<b>(94)</b>	<b>(96)</b>	<b>+5%</b>	<b>(50)</b>	<b>(51)</b>	<b>(47)</b>	<b>(47)</b>	<b>(44)</b>
<b>GOP risk adjusted</b>	<b>296</b>	<b>273</b>	<b>280</b>	<b>+5%</b>	<b>148</b>	<b>148</b>	<b>135</b>	<b>138</b>	<b>147</b>
Other	(5)	0	0		(5)	0	0	0	0
Income taxes	(95)	(93)	(90)	+5%	(47)	(48)	(48)	(45)	(47)
<b>Net profit</b>	<b>196</b>	<b>180</b>	<b>190</b>	<b>+3%</b>	<b>96</b>	<b>100</b>	<b>87</b>	<b>94</b>	<b>100</b>
Cost/income ratio (%)	29	31	28	+1pp	30	28	32	30	29
LLPs/Ls (bps)	144	139	146	-2bps	142	146	138	141	133
New loans (€bn)	3.9	4.0	3.7	+4%	2.0	1.9	2.0	1.9	1.9
Loans (€bn)	14.1	13.8	13.3	+6%	14.1	13.9	13.8	13.5	13.3
RWAs (€bn)	13.2	13.0	12.1	+8%	13.2	13.0	13.0	12.8	12.1
ROAC (%)	34	32	35	-1pp					

# CIB RESULTS

6M results as at December 2022

Annex 2

€m	1H Dec22	2H June22	1H Dec21	Δ YoY <sup>1</sup>	2Q Dec22	1Q Sept22	4Q June22	3Q Mar22	2Q Dec21
<b>Total income</b>	<b>430</b>	<b>282</b>	<b>358</b>	<b>+20%</b>	<b>248</b>	<b>182</b>	<b>142</b>	<b>139</b>	<b>189</b>
Net interest income	135	128	125	+8%	68	67	62	66	65
Net treasury income	110	17	63	+73%	63	47	12	5	32
Fee income	185	137	169	+9%	117	69	68	69	93
<b>Total costs</b>	<b>(162)</b>	<b>(154)</b>	<b>(144)</b>	<b>+13%</b>	<b>(90)</b>	<b>(73)</b>	<b>(82)</b>	<b>(72)</b>	<b>(76)</b>
<b>Loan loss provisions</b>	<b>(36)</b>	<b>17</b>	<b>25</b>	<b>n.m.</b>	<b>(31)</b>	<b>(5)</b>	<b>12</b>	<b>5</b>	<b>21</b>
<b>GOP risk adjusted</b>	<b>232</b>	<b>144</b>	<b>239</b>	<b>-3%</b>	<b>127</b>	<b>105</b>	<b>73</b>	<b>72</b>	<b>134</b>
Other	(10)	(3)	(1)	n.m.	(7)	(3)	(4)	1	(1)
Income taxes & minorities	(74)	(45)	(87)	-14%	(40)	(34)	(23)	(22)	(50)
<b>Net result</b>	<b>147</b>	<b>96</b>	<b>151</b>	<b>-3%</b>	<b>80</b>	<b>67</b>	<b>46</b>	<b>50</b>	<b>82</b>
Cost/income ratio (%)	38	55	40	-2pp	36	40	57	52	40
LLPs/Ls (bps)	34	(16)	(25)	+59bps	60	9	(23)	(9)	(42)
Loans (€bn)	21.3	20.7	20.6	+3%	21.3	20.8	20.7	20.4	20.6
RWAs (€bn)	21.8	20.2	20.0	+9%	21.8	21.8	20.2	20.1	20.0
ROAC (%)	16	11	17	-1pp					

# INSURANCE RESULTS

6M results as at December 2022

Annex 2

€m	1H Dec22	2H June22	1H Dec21	Δ YoY <sup>1</sup>	2Q Dec22	1Q Sept22	4Q June22	3Q Mar22	2Q Dec21
<b>Total income</b>	<b>198</b>	<b>178</b>	<b>194</b>	<b>2%</b>	<b>111</b>	<b>87</b>	<b>101</b>	<b>77</b>	<b>96</b>
Impairments	(12)	(33)	0		(1)	(11)	(27)	(6)	(3)
<b>Net result</b>	<b>183</b>	<b>135</b>	<b>185</b>	<b>-1%</b>	<b>105</b>	<b>78</b>	<b>69</b>	<b>66</b>	<b>88</b>
<b>Book value (€bn)</b>	<b>3.0</b>	<b>3.9</b>	<b>4.6</b>	<b>-34%</b>	<b>3.0</b>	<b>3.3</b>	<b>3.9</b>	<b>4.6</b>	<b>4.6</b>
Ass. Generali (13%)	2.2	3.1	3.8	-42%	2.2	2.4	3.1	3.8	3.8
Other investments	0.7	0.7	0.8		0.7	0.7	0.7	0.7	0.8
<b>Market value (€bn)</b>	<b>4.1</b>	<b>3.8</b>	<b>4.6</b>	<b>-9%</b>	<b>4.1</b>	<b>3.6</b>	<b>3.8</b>	<b>5.0</b>	<b>4.6</b>
Ass. Generali	3.4	3.1	3.8	-10%	3.4	2.8	3.1	4.2	3.8
RWA (€bn)	8.5	8.2	6.9	+24%	8.5	8.3	8.2	7.9	6.9
ROAC (%)	26	15	15	+11pp					

# HOLDING FUNCTION RESULTS

6M results as at December 2022

Annex 2

€m	1H Dec22	2H June22	1H Dec21	Δ YoY <sup>1</sup>	2Q Dec22	1Q Sept22	4Q June22	3Q Mar22	2Q Dec21
<b>Total income</b>	<b>82</b>	<b>48</b>	<b>31</b>	n.m.	<b>62</b>	<b>19</b>	<b>14</b>	<b>33</b>	<b>14</b>
Net interest income	32	(12)	(10)	n.m.	35	(3)	(5)	(7)	(4)
Net treasury income	26	32	16	+68%	14	12	7	25	6
Fee income	23	27	26	-9%	13	11	12	15	13
<b>Total costs</b>	<b>(98)</b>	<b>(106)</b>	<b>(95)</b>	+3%	<b>(53)</b>	<b>(46)</b>	<b>(55)</b>	<b>(51)</b>	<b>(50)</b>
<b>Loan provisions</b>	<b>(14)</b>	<b>(22)</b>	<b>(59)</b>	-76%	<b>(9)</b>	<b>(5)</b>	<b>(10)</b>	<b>(12)</b>	<b>(49)</b>
<b>GOP risk adjusted</b>	<b>(31)</b>	<b>(80)</b>	<b>(124)</b>	-75%	<b>1</b>	<b>(32)</b>	<b>(50)</b>	<b>(30)</b>	<b>(85)</b>
Other (incl. SRF/DGS contribution)	(25)	(52)	(34)	-27%	(24)	(1)	(1)	(51)	(35)
Income taxes & minorities	11	40	85	-87%	3	8	11	29	74
<b>Net profit</b>	<b>(45)</b>	<b>(93)</b>	<b>(72)</b>	<b>-38%</b>	<b>(20)</b>	<b>(25)</b>	<b>(40)</b>	<b>(53)</b>	<b>(46)</b>
LLPs/Ls (bps) (Leasing)	8	18	176	-168bps	53	(36)	(20)	55	304
Banking book (€bn)	7.0	7.1	5.9	+19%	7.0	7.2	7.1	6.0	5.9
Loans (€bn) (Leasing)	1.5	1.6	1.7	-12%	1.5	1.5	1.6	1.6	1.7
RWA	3.3	3.3	3.6	-9%	3.3	3.2	3.3	3.5	3.6

# GLOSSARY

## MEDIOBANCA BUSINESS SEGMENT

<b>CIB</b>	Corporate and investment banking
<b>WB</b>	Wholesale banking
<b>SF</b>	Specialty finance
<b>CB</b>	Consumer banking
<b>WM</b>	Wealth management
<b>INS</b>	Insurance
<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 Insurance). 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 Insurance: 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.

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## 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

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