



MB GROUP LONG TERM RESULTS

August 2023

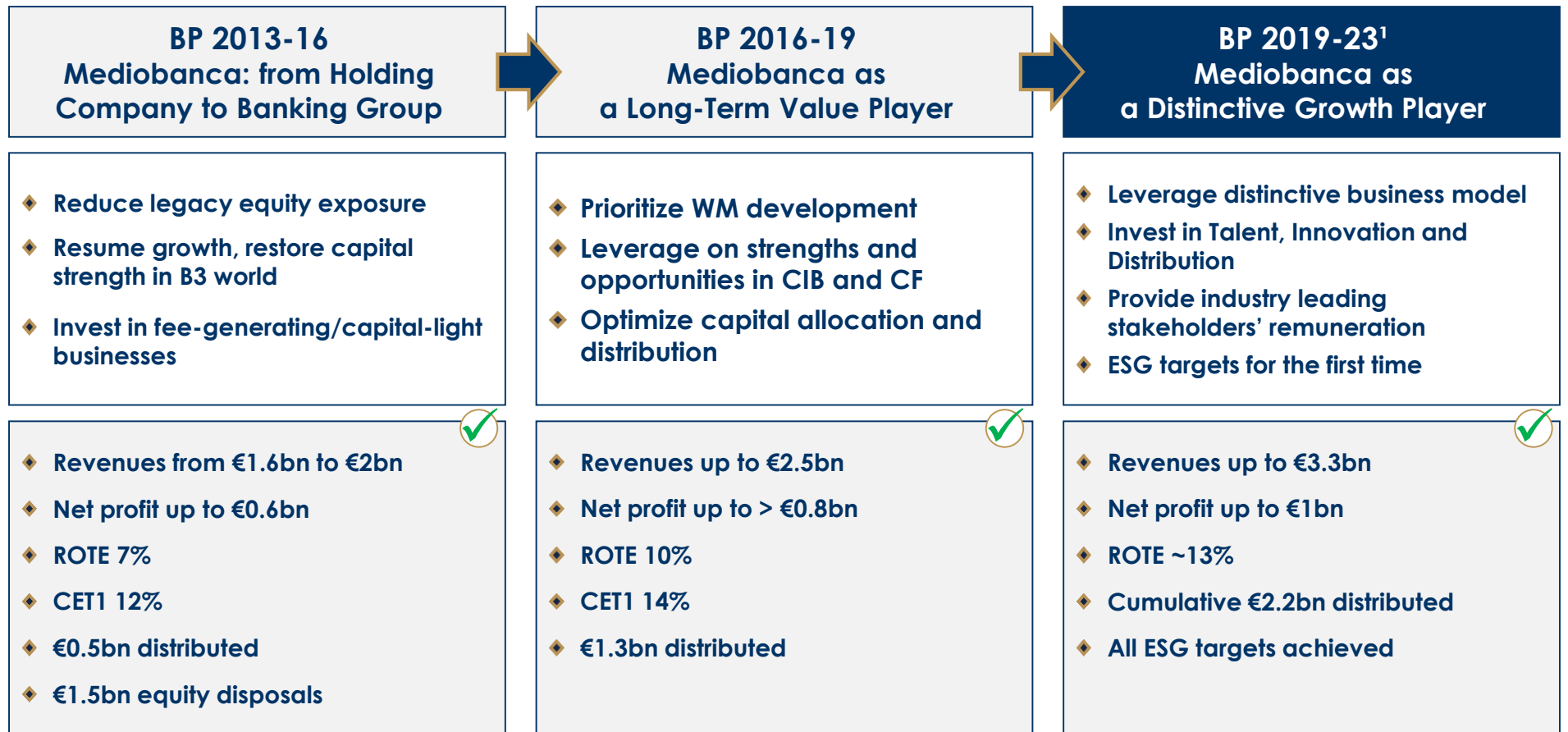


MEDIOBANCA

IN LAST 10Y WE HAVE UPSCALED THE GROUP SIGNIFICANTLY... REVENUES, PROFITABILITY AND REMUNERATION CONSISTENTLY INCREASING STRATEGIES AND TARGETS DELIVERED AT ALL TIMES

Long term results

Section 1



DOUBLING OUR REVENUES ...

GROWTH DELIVERED IN ALL MACRO SCENARIOS AND DESPITE CRISIS

Long term results

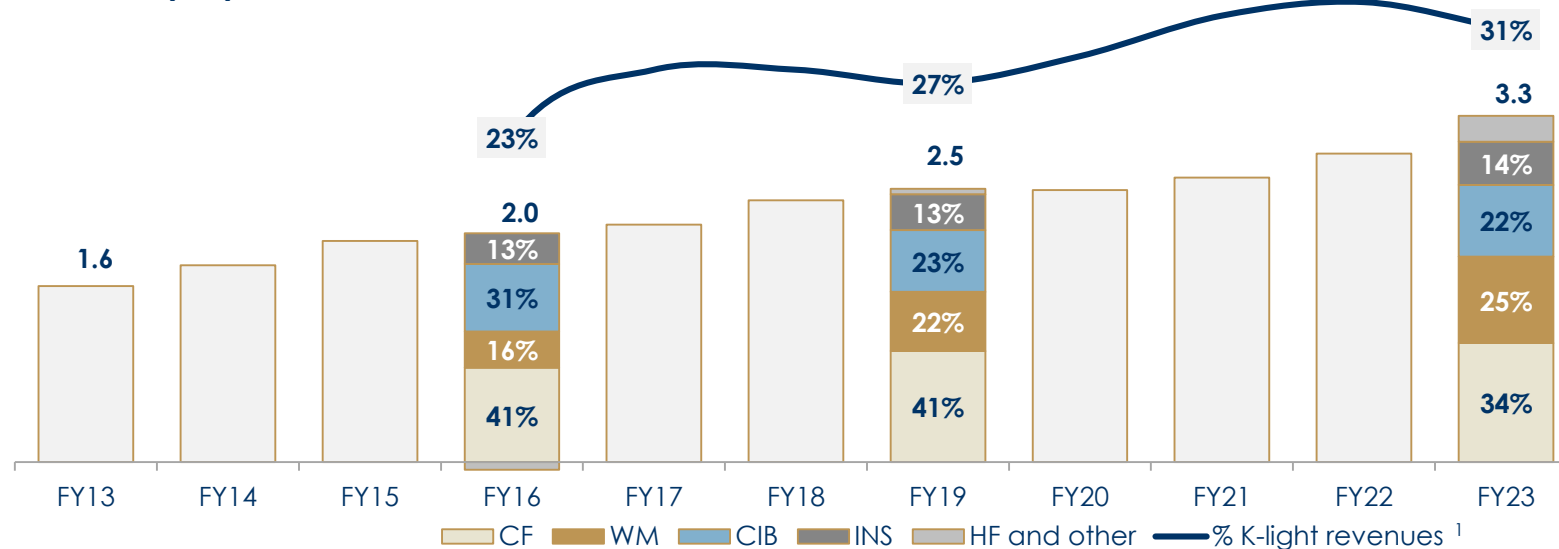
Section 1

End of Sovereign crisis
Quantitative Easing
Negative interest rates

Covid-19
Pandemic

Ukraine War
Monetary tightening
Positive interest rates

Revenues trend (€bn)



- ◆ In the last decade we have doubled our revenues to €3.3bn, consistently achieving our targets
- ◆ All business segments have been enlarged, contributing positively to growth and profitability
- ◆ Revenue quality enhanced by broader diversification and growing contribution from capital-light activities

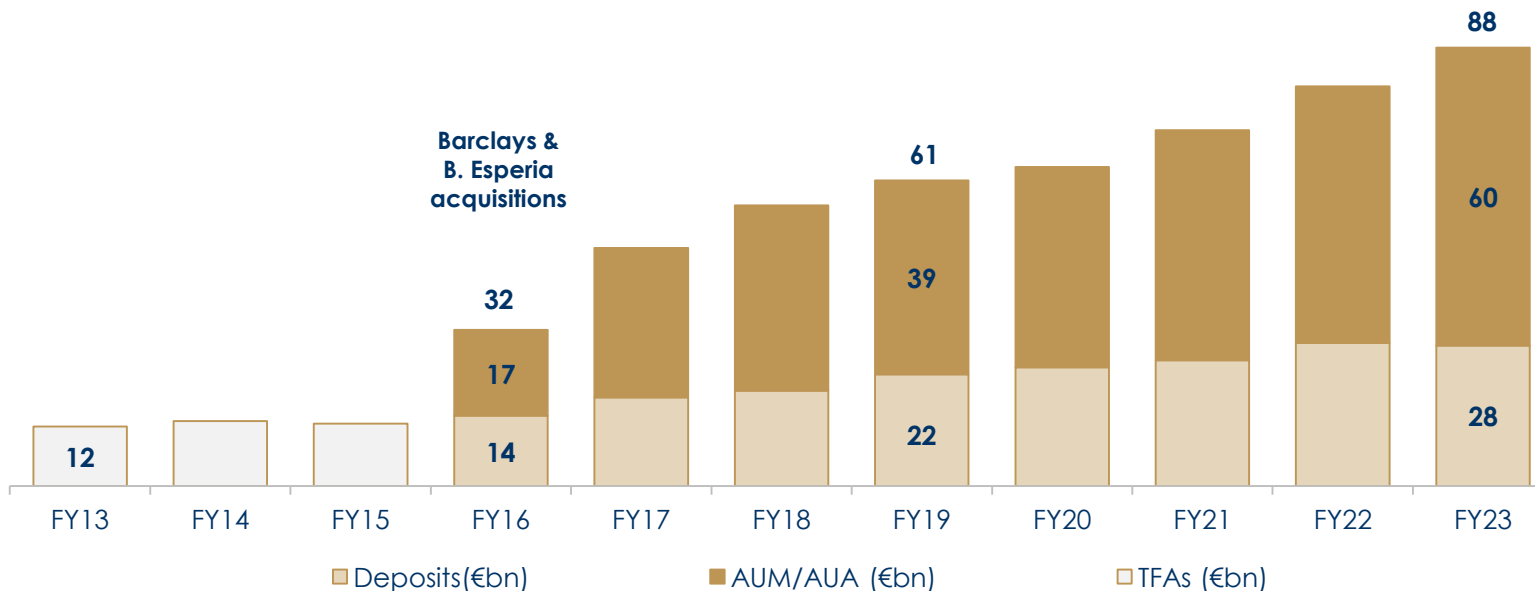
1) WM revenues (excl. trading income), CIB fees (excl. Lending and Specialty Finance).

BACKED BY AN INCREASING FOCUS ON K-LIGHT BUSINESSES...

Long term results

Section 1

TFAs trend (€bn)



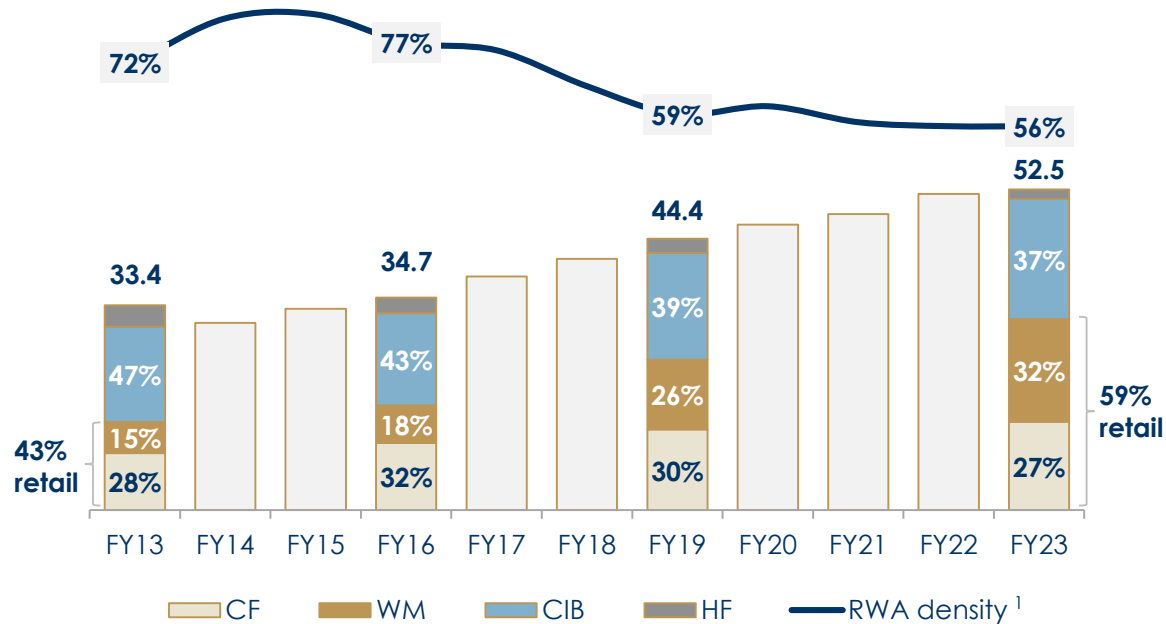
◆ Since 2016, when Mediobanca effectively entered in the WM business, TFAs have almost tripled (to €88bn) due to MB Private-Investment Banking model adoption, and significant investment in distribution and acquisitions

VALUE-DRIVEN ASSET GROWTH...

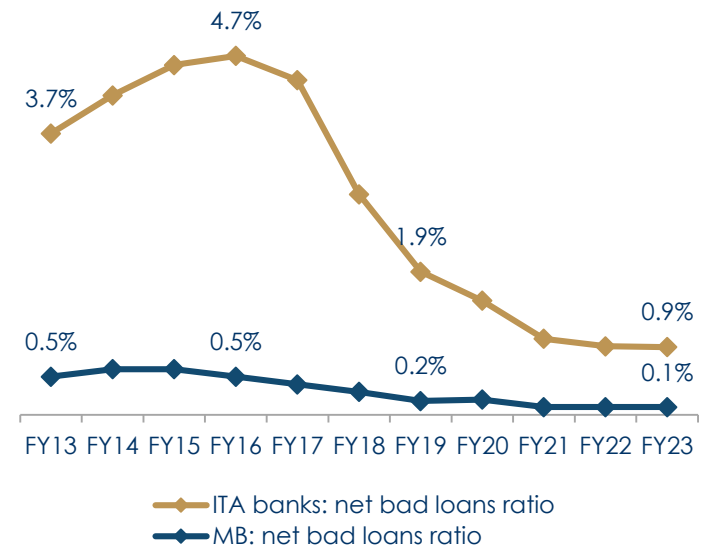
Long term results

Section 1

Loan book trend (€bn)



Asset quality trend



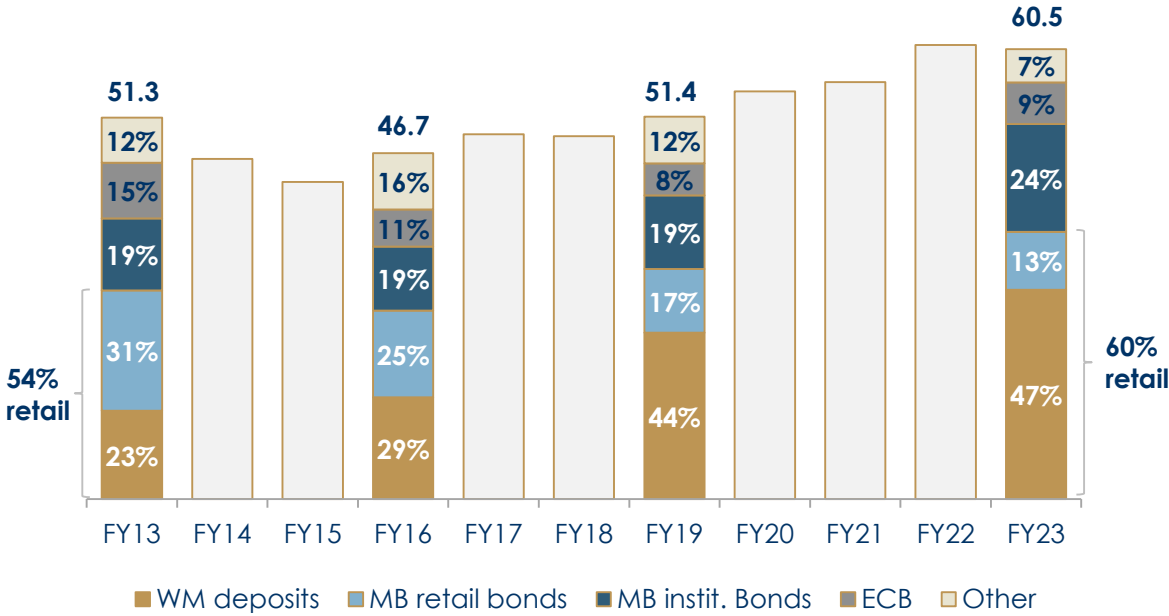
- ◆ In the last 10Y MB loan book increased by ~€20bn to €53bn, becoming more diversified with a higher retail share from 43% to 59% (increased mainly in WM)
- ◆ RWA density reduced from 72% to 56% due to ongoing capital absorption optimization
- ◆ The selective and value-driven approach that has always characterized our loan origination policy allowed to maintain a healthy and best-in-class asset quality, without recurring to any large NPL disposal

AND AMPLE AND DIVERSIFIED FUNDING...

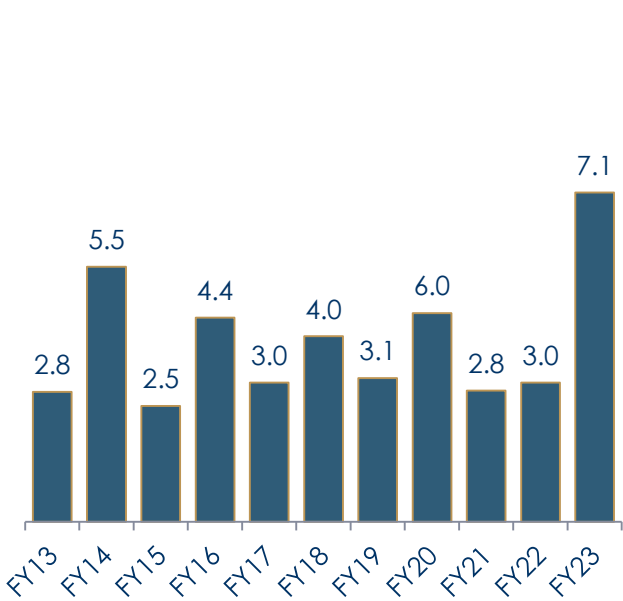
Long term results

Section 1

Funding trend (€bn)



Bond issuances (12M, €bn)



- ◆ In the last decade Group funding increased by €10bn to €61bn, backed by solid WM deposits growth whose contribution to Group funding doubled from 23% to 47%
- ◆ Access to bond market has always been wide even during crisis periods, with a mix that has evolved over time in favour of the institutional component
- ◆ Reliance on ECB funding has always been contained, now at 9% of Group funding with a gradual substitution strategy in place that does not affect liquidity indicators

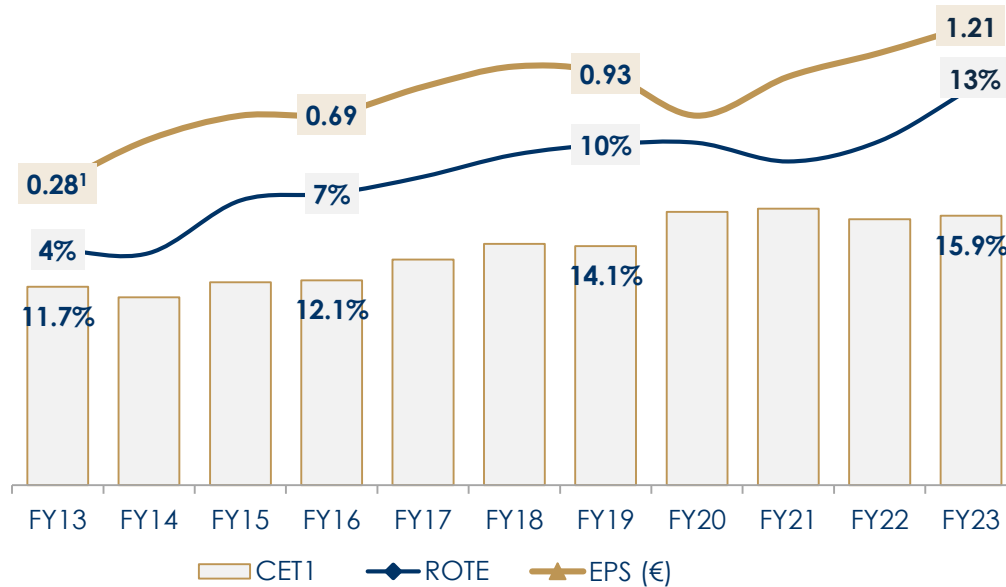


INCREASING OUR EARNINGS, PROFITABILITY AND CAPITAL ...

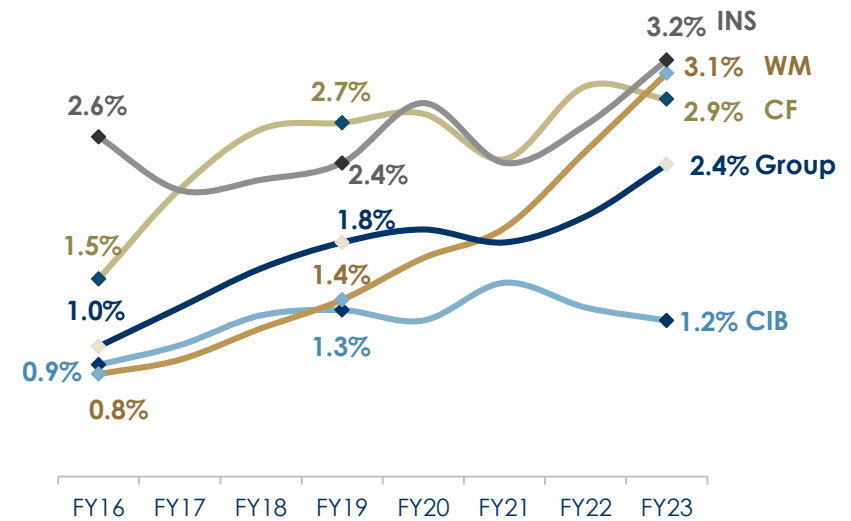
Long term results

Section 1

CET1 ratios, ROTE and EPS trend (% , €)



RoRWA trend (%)



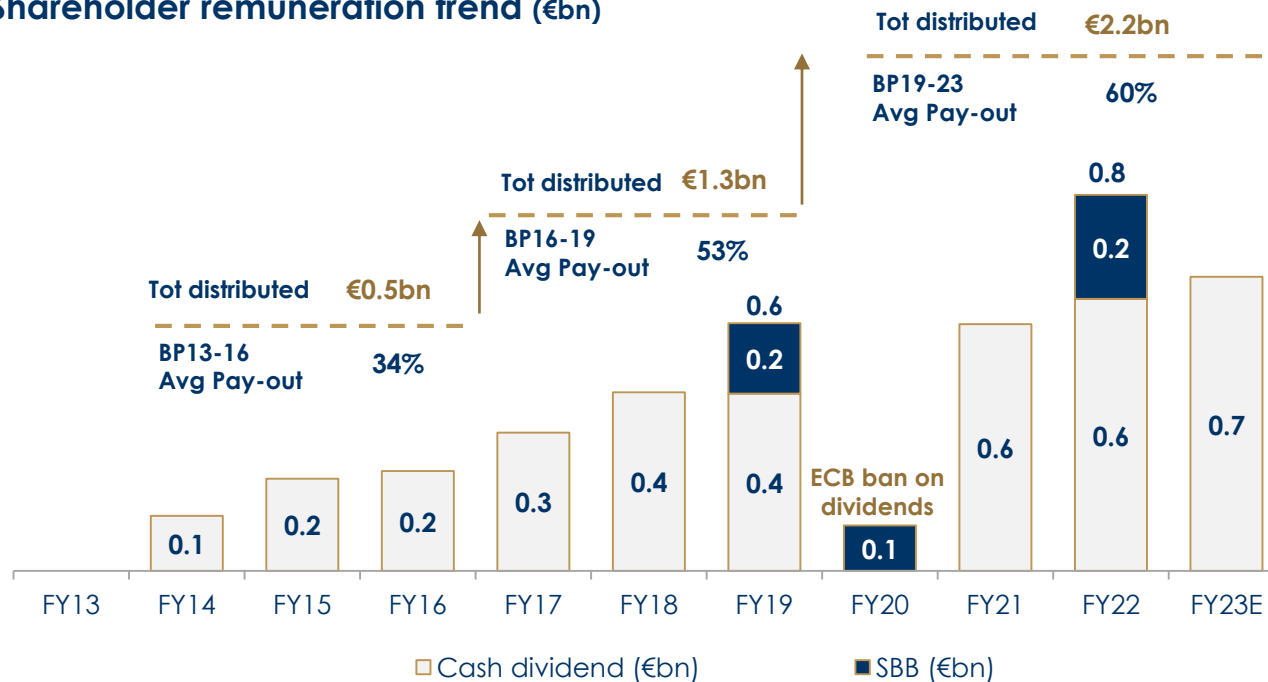
- ◆ Capital generation has enabled solid CET1 ratios, without capital increases
- ◆ Earnings per share increased steadily due to a combination of organic growth, acquisitions and share buybacks
- ◆ Profitability ramped up sustainably, mainly driven by WM

OFFERING STRONG RETURNS TO OUR SHAREHOLDERS ...

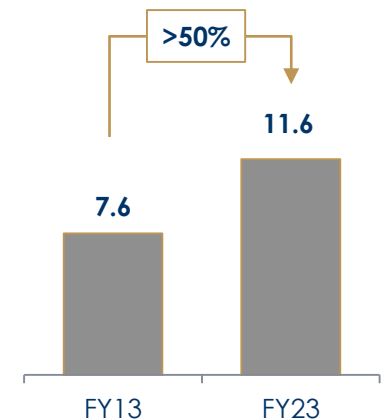
Long term results

Section 1

Shareholder remuneration trend (€bn)



TBVPS¹ trend (€)



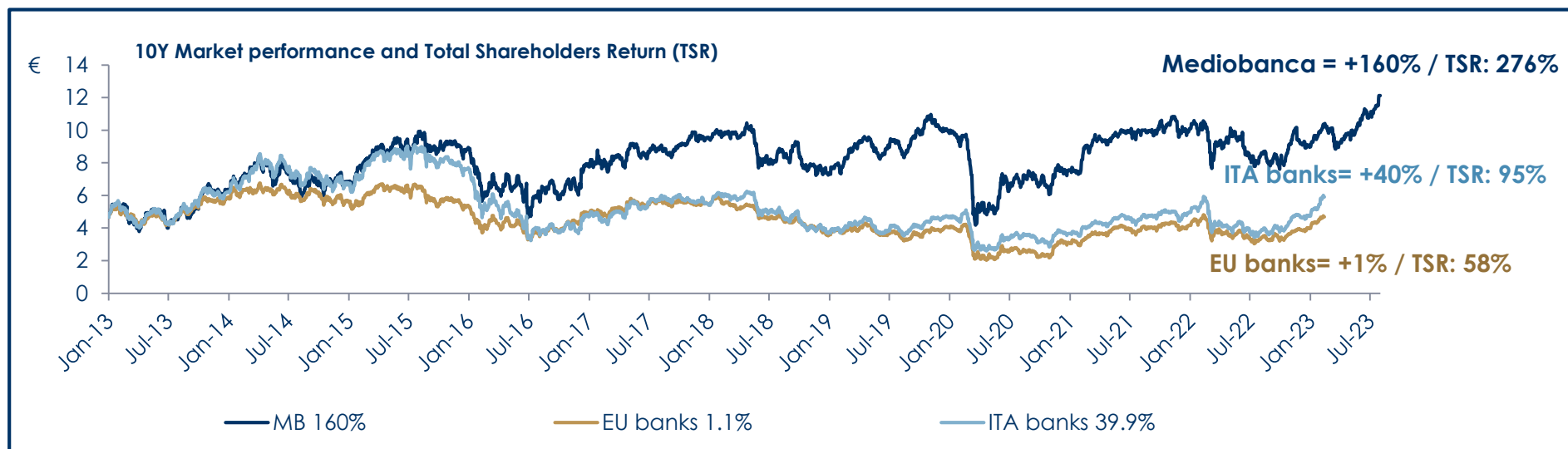
- ◆ Shareholder remuneration increased to 60% payout
- ◆ €4bn distributed in last 10Y, €2.2bn of which in last 4Y (reaching the BP23 target)
- ◆ In the last decade tangible book value per share has also increased by >50% to €11.6

OUTPERFORMING THE SECTOR IN TERMS OF FINANCIAL RESULTS AND STOCK MARKET PERFORMANCE (TSR 276%)

Long term results

Section 1

Last 10Y performance	MEDIOBANCA	ITALIAN BANKS ¹ avg	EUROPEAN BANKS ¹ avg
Revenues (10Y CAGR ²)	+7%	+1%	+2%
Net interest income / fees (10Y CAGR ²)	+6% / +7%	0% / +2%	+2% / +2%
PBT (10Y CAGR ²)	+14%	n.m.	+7%
Employees (10Y CAGR ²)	+4%	-2%	0%
FL CET1 ratio pf ²	15.9%	13.6%	13.0%
ROTE adj. ²	13%	10%	11%
Cost/income ratio ²	43%	54%	58%



1) Source: Nasdaq IR Insight, MB Securities for CET1 ratio, ROTE adj. and C/I ratio Peer group: ITA (Intesa Sanpaolo, Unicredit, Banco BPM, BPER Banca), EU (BNP Paribas, Société Générale, Bankinter, CaixaBank, Banco de Sabadell, Banco Santander, BBVA, Deutsche Bank, UBS, KBC)
2) 10YCAGR June 13/23 Mediobanca, Dec 13/22 peers. Other figures at June 23 for Mediobanca, Dec 22 peers



GROUP LAST 10Y EVOLUTION

Long term results

Section 1

(€ m)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Net interest income	1,028	1,087	1,143	1,207	1,288	1,359	1,396	1,442	1,415	1,479	1,801
Net treasury income	200	45	207	133	121	157	197	136	197	162	206
Net fee income	410	424	472	450	523	622	611	630	745	851	844
Equity-accounted companies	(10)	264	224	257	264	280	321	304	272	359	454
Total income	1,628	1,819	2,045	2,047	2,196	2,419	2,525	2,513	2,628	2,851	3,305
Operating costs	(752)	(791)	(847)	(892)	(1,024)	(1,115)	(1,162)	(1,189)	(1,238)	(1,312)	(1,413)
Loan loss provisions	(507)	(736)	(533)	(419)	(317)	(247)	(223)	(375)	(249)	(243)	(270)
Operating profit	370	292	666	736	855	1,057	1,140	949	1,142	1,296	1,621
Other income (losses)	(392)	209	92	1	59	39	(56)	(154)	(37)	(127)	(193)
Profit before tax	(23)	501	757	736	914	1,096	1,084	795	1,104	1,169	1,428
Net profit	(176)	465	590	605	750	864	823	600	808	907	1,027
Treasury, AFS and HTM	21,743	19,789	14,777	16,322	16,455	13,327	12,759	13,760	14,418	16,685	16,293
Equity investments	2,587	2,871	3,411	3,163	3,037	3,211	3,260	3,205	3,703	3,158	3,564
Loans to customers	33,455	30,552	32,890	34,739	38,191	41,128	44,394	46,685	48,414	51,701	52,549
Funding	51,288	45,834	42,711	46,658	49,121	48,893	51,393	54,917	56,156	61,169	60,506
Shareholders' equity	6,948	7,942	8,867	8,922	9,192	9,732	9,899	9,740	11,101	10,749	11,429
RWAs	52,373	58,744	59,577	53,862	52,709	47,363	46,310	48,030	47,159	50,378	51,432
No. of staff	3,505	3,570	3,790	4,036	4,798	4,717	4,805	4,920	4,921	5,016	5,227
CTI ratio (%)	11.7	11.1	12.0	12.1	13.3	14.2	14.1	16.1	16.3	15.7	15.9
Cost/income ratio (%)	46	43	41	44	47	46	46	47	47	46	43
Cost of risk (bps)	145	230	168	124	87	62	52	82	52	48	52