



## **Board of Directors' Meeting**

Milan, 12 May 2009

### **Quarterly financial statements for period ended 31 March 2009 approved**

#### **Upturn in banking activities**

**CheBanca!: €5.5bn in deposits raised in one year**

**Writedowns to securities/lower profits from equity investments  
account for €720m**

- /// **Upturn in banking activities, driven by CIB, which reported highest quarterly income for the past eighteen months:**
  - net interest income up 5% (NII from wholesale banking up 17%);
  - net fee income stable (up 1%); downturn in first six months fully recovered in Q3;
  - significant profit from trading, with roughly €90m generated in Q3 (after five slightly profitable quarters);
- /// **CheBanca!: outstanding commercial results in first year of business:**
  - €5.5bn in deposits (10% of existing stock and 40% of new Group funding);
  - 140,000 customers;
- /// **Net profit down from €783m to €39m, as a result of:**
  - writedowns to securities up €355m, €78m of which in Q3;
  - reduced income from equity investments, down €367m from last year (€330m in respect of Assicurazioni Generali);
- /// **Further growth in Group liquidity: €12bn in new funding raised for the 9M**



At a Board meeting held today with Cesare GERONZI in the chair, the Directors of Mediobanca approved the Group's financial statements for the period ended 31 March 2008, as illustrated by Chief Executive Officer Alberto NAGEL and General Manager Renato PAGLIARO.

## Consolidated results

In a scenario that continues to be challenging, the Mediobanca Group's results for the nine months under review bear out the trends witnessed in the first half of the year. Revenues from banking activity reflect growth of 2.9%, due to increases in net interest income from corporate banking, fees and commissions, and net trading income. However, this must be set against a substantial, €367.4m reduction in the contribution from the equity-accounted companies and a €354.7m increase in provisions for financial assets reflecting the adverse market conditions. Loan loss provisions of €329.5m were also made, reflecting the general deterioration in the risk profile of both companies and households. Accordingly, total income was down from €1,607.2m to €1,276.7m, and net profit from €783.3m to €39.3m. The main income sources performed as follows:

- /// net interest income rose by 4.7%, from €622.6m to €651.9m, reflecting 13.9% growth in corporate and investment banking, which was boosted by higher lending (up 5.1% on the figure recorded at 31 March 2008), as well as higher income from the securities portfolio; while the retail component reflects the reduction in consumer credit loans (down 4% year-on-year, to €8.3bn) and the higher cost of bank funding; the 3% growth in net interest income from mortgage lending reflects a 20% year-on-year increase in volumes;
- /// net trading income rose by 2%, from €263m to €268.3m, due to dealing profits, up from €74m to €98.6m, €91.4m of which in the third quarter, which offset reduced income from the AFS portfolio, down from €189.2m to €169.6m; the healthy result for the three months was boosted by the fixed-income area (which delivered dealing profits of €89.3m) and by equity trading returning to profitability (with profits of €9.3m);
- /// net fee and commission income remained stable at €378.1m (€375.8m), due to a 16% increase in retail operations, with corporate and investment banking business holding up well (down just 4%) and despite private banking slowing significantly (down 25%); in CIB, there was an upturn in the third quarter in capital market activity, which generated revenues of €71m, compared with €66m in the same period last year (and which contributed over €50m in the third quarter alone), and in M&A, which produced income of €64m (roughly half of which in the third quarter);
- /// equity-accounted companies contributed a €21.6m loss, compared with income of €345.8m at the same stage last year, due to the €809m net loss booked by Assicurazioni Generali in the fourth quarter of 2008.

Costs were up 15%, from €448.3m to €515.7m, in line with the trend in the first six months, chiefly due to expenses linked to the launch of CheBanca! and international expansion by Mediobanca, which together amounted to €117m (€89m of which for CheBanca!). Net of these items, there would have been a 4% reduction in costs, largely as a result of integrating Linea into Compass.

Provisions for financial assets of €358.9m include €207.2m in writedowns to the Group's equity investments charged for the first six months (in particular Telco/Telecom Italia and RCS MediaGroup), plus €151.8m in adjustments to shares in the AFS portfolio, €77.7m of which for the third quarter. The AFS portfolio also shows a €655m downward adjustment (€160m of



which in the third quarter); based on current prices this adjustment would reduce by over one-third.

Loan loss provisions were up from €190.5m to €329.5m, reflecting the worsening customer risk profile mentioned above, with €225.2m (€171.3m) attributable to consumer finance, €74m (€10m) to wholesale banking, and €30.2m (€9.2m) to leasing.

Tax of €32.2m was boosted by an amount of approx. €46m recovered due to goodwill booked upon the acquisition of Linea being exempt from taxation.

On the balance-sheet side, there was further improvement in the Group's liquidity position during the quarter, with growth of 7.2% in funding for the three months, from €48.3bn to €51.7bn, €4.3bn of which was raised by CheBanca! This financed the 15.4% rise in treasury fund applications, from €10.2bn to €11.7bn, and growth in AFS securities, up from €3bn to €5bn (largely in the fixed-income segment). Loans and advances to customers were largely stable at €36.3bn, versus €36.6bn, and equity investments were down slightly, from €2.6bn to €2.4bn.

## **Divisional results**

### **Corporate & Investment Banking ("CIB")**

- /// Best quarter in the past eighteen months in terms of revenues: 14% growth in net interest income, to €276m, driven by wholesale banking (up 17%); strong recovery in net fee and commission income, at €227m, down 4% for the nine months by up 56% in the last quarter; and significant contribution from net trading income, which reached roughly €90m, on the back of five consecutive quarters without losses;
- /// Ordinary costs down 4% (operating costs up 6% including non-domestic growth initiatives, with 51 more staff on the books, 38 of whom at Mediobanca's international branches;
- /// Slowdown in loan loss provisions in Q3 (€104m for the nine months, €37m for Q3), despite persistent economic scenario;
- /// Impairment charges to AFS securities totalling €145m (€71m of which for Q3);
- /// Net profit of €203m (€384m).

### **Principal Investing ("PI")**

- /// Net loss of €207m for the nine months, compared with €336m net profit at the same time last year, due to:
  - writedowns of €144m and €63m to investments in Telco and RCS MediaGroup respectively, charged at 31 December 2008;
  - earnings contributed by equity investments €356m lower than in March 2008: in particular, the contribution from Assicurazioni Generali for the nine months was negative at minus €7.3m, due to the €118.8m loss booked by the company for the third quarter, compared with a profit of €321.6m one year earlier;



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- /// market value of investments equal to €2.6bn based on prices and holdings at 31 March 2009 (rises to €3.2bn based on current prices).

### **Retail & Private Banking ("RPB")**

- /// Total income in line with last year, at €569m: retail banking positive (up 4%, to €35m), consumer credit stable (up 1%, to €446m), private banking declining (down 16%, to €87m);
- /// Even in a scenario as negative as the past nine months, where the increased cost of funding and higher loan loss provisions have depressed gross profitability, this division has continued to be self-financing, effectively funding the €89m costs incurred by CheBanca! and still recording a €6m pre-tax profit
- /// **Consumer credit:**
  - Profitability reducing, due to increased cost of bank funding and higher loan loss provisions (3.2% on an annualized basis);
  - Major cost synergies: headcount cut by 13% in the nine months

Consumer credit shows total income up from €439.7m to €446m, driven by higher net fee and commission income, up from €104.9m to €121m, which more than offset the fall in net interest income, from €333.2m to €325m, which was hit by the higher cost of bank funding. Net profit stood at €85.6m (€36.2m), reflecting the one-off positive tax effect referred to earlier (€45.9m), and also higher loan loss provisions (up from €164.9m to €206.9m).

- /// **Retail banking:**

- Outstanding commercial results by CheBanca! in its first year of business: deposits currently worth €5.5bn, i.e. 10% of MB Group total funding, and 140,000 customers

Retail activity recorded a net loss of €65.7m (€9.7m) for the nine months, after operating costs of €107m (€89.4m of which was directly attributable to the launch of the new banking operations) and higher loan loss provisions (up from €6m to €18.2m). Deposits by CheBanca! exceeded €4.3bn, and financed the company's traditional mortgage lending business (€3bn), with the balance being covered by a portfolio of bonds (€2.6bn) allowing net interest income to be stabilized.

- /// **Private banking:**

- AUM almost flat since December at €12.6bn (31/12/08: €12.7bn), €7.9bn of which at CMB and €4.7 at Banca Esperia;
- Net profit down 44%, to €24m, due to reduction in fee income

Private banking was hit by the financial market crisis, in terms of lower net fee and commission income (€48.9m, compared with €65.5m) and net trading income (€9.8m, compared with €11.3m). Thus total income reported by both CMB and Banca Esperia was down, the former from €67m to €64.2m, and the latter from €31.6m to €18.7m, due to its higher exposure to variable income sources in the shape of performance fees. Net profit fell from €42.3m to €23.5m, after operating costs rose from €56.7m to €57.7m, and following provisions to the AFS portfolio amounting to €6.4m. Assets managed on a discretionary/non-discretionary basis for the nine months totalled €12.6bn, almost flat since December (31/12/08: €12.7bn), €7.9bn of which by CMB (€8.0bn) and €4.7bn by Banca Esperia (€4.7bn).



## **Mediobanca S.p.A.**

In the nine months ended 31 March 2009, Mediobanca made a net loss of €3m, compared with a net profit of €357.4m in the same period last year, thus making up virtually the entire, €58.2m loss reported at end-December. Total income held up well, at €650m, compared with €651.1m last year, boosted by €81m in net trading income for the quarter, and a 9.7% rise in net interest income. Growth in operating costs was limited, up from €180.6m to €186.3m, while provisions for AFS shares, equity investments and loan losses were higher, at €145.4m, €170.2m and €74.1m respectively. On the balance-sheet side, there was a reduction in loans and advances to customers, down from €27,315.3m to €24,549.4m, chiefly those to Group companies, which reduced from €11,668.9m to €9,201.7m, while treasury funds increased, from €9,078.4m to €11,180.9m, as did investments in AFS securities, from €2,438.5m to €2,918.8m, which include subscription to the UniCredit CASHES for €347.3m. Funding was virtually unchanged, at €38,146.1m, compared with €38,195.1m.

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## Restated profit and loss account

€m	9 mths to 31/3/08 pro-forma	6 mths to 31/12/08	9 mths to 31/3/09	Y.o.Y. chg.
<b>Profit-and-loss figures</b>				
Net interest income	622.6	425.7	651.9	4.7
Net trading income	263.0	172.7	268.3	2.0
Net fee and commission income	375.8	225.8	378.1	0.6
Share in profits earned by equity-accounted companies	345.8	115.1	-21.6	n.m.
<b>TOTAL INCOME</b>	<b>1,607.2</b>	<b>939.3</b>	<b>1,276.7</b>	<b>-20.6</b>
Labour costs	-228.2	-169.1	-250.3	9.7
Administrative expenses	-220.1	-170.0	-265.4	20.6
<b>OPERATING COSTS</b>	<b>-448.3</b>	<b>-339.1</b>	<b>-515.7</b>	<b>15.0</b>
Loan loss provisions	-190.5	-207.1	-329.5	73.0
Provisions for other financial assets	-4.2	-281.2	-358.9	n.m.
Extraordinary provisions	0.0	0.0	0.0	n.m.
<b>PROFIT BEFORE TAX</b>	<b>964.2</b>	<b>111.9</b>	<b>72.6</b>	<b>-92.5</b>
Income tax for the period	-173.2	-12.1	-32.2	-81.4
Minority interest	-7.7	0.5	-1.1	-85.7
<b>NET PROFIT</b>	<b>783.3</b>	<b>100.3</b>	<b>39.3</b>	<b>-95.0</b>

## Quarterly consolidated profit and loss accounts

€m	FY 07/08				FY 08/09		
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09
<b>Profit-and-loss figures</b>							
Net interest income	208	204	210	220	223	203	226
Net trading income	187	73	4	26	164	9	96
Net fee and commission income	120	155	101	113	111	115	152
Equity-accounted companies	171	91	84	132	96	19	-137
<b>TOTAL INCOME</b>	<b>685</b>	<b>524</b>	<b>399</b>	<b>490</b>	<b>594</b>	<b>346</b>	<b>337</b>
Labour costs	-72	-76	-80	-93	-88	-82	-81
Administrative expenses	-55	-92	-73	-99	-72	-98	-95
<b>OPERATING COSTS</b>	<b>-127</b>	<b>-168</b>	<b>-154</b>	<b>-192</b>	<b>-159</b>	<b>-180</b>	<b>-177</b>
Loan loss provisions	-62	-67	-61	-83	-76	-131	-122
Provisions for other financial assets	0	-4	0	-26	0	-281	-78
<b>PROFIT BEFORE TAX</b>	<b>496</b>	<b>285</b>	<b>184</b>	<b>190</b>	<b>359</b>	<b>-247</b>	<b>-39</b>
Income tax for the period	-103	-32	-38	42	-47	35	-20
Minority interest	-3	-3	-2	-2	-2	3	-2
<b>NET PROFIT</b>	<b>390</b>	<b>250</b>	<b>143</b>	<b>230</b>	<b>310</b>	<b>-210</b>	<b>-61</b>



## Restated consolidated balance sheet

€m	30/06/08	31/12/08	31/3/09
<b>Assets</b>			
Treasury funds	10,247.1	10,174.4	11,738.1
AFS securities	3,778.7	2,985.6	4,973.4
<i>of which: fixed-income</i>	<i>1,725.6</i>	<i>1,770.8</i>	<i>3,419.6</i>
<i>equities</i>	<i>1,588.3</i>	<i>1,120.5</i>	<i>1,219.1</i>
Financial assets held to maturity	578.1	582.7	578.6
Loans and advances to customers	34,590.8	36,604.5	36,332.5
Equity investments	2,845.7	2,642.3	2,432.7
Property, plant and equipment	753.2	767.1	765.9
Other assets	1,021.4	1,562.1	1,684.7
<i>of which: tax assets</i>	<i>548.0</i>	<i>696.4</i>	<i>768.4</i>
<b>TOTAL ASSETS</b>	<b>53,815.0</b>	<b>55,318.7</b>	<b>58,505.9</b>
<b>Liabilities</b>			
Funding	45,553.5	48,254.6	51,705.0
<i>of which debt securities in issue</i>	<i>32,192.9</i>	<i>34,457.7</i>	<i>36,605.6</i>
Other liabilities	1,187.6	1,198.1	1,236.4
<i>of which: tax liabilities</i>	<i>720.9</i>	<i>527.9</i>	<i>549.3</i>
Provisions	210.1	203.5	196.3
Net equity	5,849.0	5,562.2	5,328.9
<i>of which: share capital</i>	<i>410.0</i>	<i>410.0</i>	<i>410.0</i>
<i>reserves</i>	<i>5,319.1</i>	<i>5,046.8</i>	<i>4,815.6</i>
<i>minority interest</i>	<i>119.9</i>	<i>105.4</i>	<i>103.3</i>
Profit for the period	1,014.8	100.3	39.3
<b>TOTAL LIABILITIES</b>	<b>53,815.0</b>	<b>55,318.7</b>	<b>58,505.9</b>



## Profit-and-loss figures/balance-sheet data by division

based on structure and outline of 2009-2011 business plan

31 March 09 (€m)	Corporate & Investment Banking	Principal Investing	Retail & Private Banking	Group
<b>Profit-and-loss figures</b>				
Net interest income	276.0	-8.6	384.6	651.9
Net trading income	261.3	0.2	10.4	268.3
Net fee and commission income	227.2	0.0	173.8	378.1
Equity-accounted companies	-14.3	-6.5	-0.2	-21.6
<b>TOTAL INCOME</b>	<b>750.2</b>	<b>-14.9</b>	<b>568.6</b>	<b>1,276.7</b>
Labour costs	-134.7	-3.9	-117.7	-250.3
Administrative expenses	-70.3	-1.8	-213.5	-265.4
<b>OPERATING COSTS</b>	<b>-205.0</b>	<b>-5.7</b>	<b>-331.2</b>	<b>-515.7</b>
Loan loss provisions	-104.2	0.0	-225.2	-329.5
Provisions for other financial assets	-144.8	-207.6	-6.4	-358.9
<b>PROFIT BEFORE TAX</b>	<b>296.2</b>	<b>-228.2</b>	<b>5.8</b>	<b>72.6</b>
Income tax for the period	-91.7	21.0	37.6	-32.2
Minority interest	-1.1	0.0	0.0	-1.1
<b>NET PROFIT</b>	<b>203.4</b>	<b>-207.2</b>	<b>43.4</b>	<b>39.3</b>
Treasury funds	11,577.6	0.0	2,873.2	11,738.1
AFS securities	2,802.9	115.9	3,292.7	4,973.4
Equity investments	86.3	2,292.2	0.6	2,432.7
Loans and advances to customers	28,159.6	n.m.	12,135.6	36,332.5
of which to Group companies	3,952.6	n.m.	n.m.	0.0
Funding	-41,759.9	-259.8	-17,502.4	-51,705.0
No. of staff	862	n.m.	2,339*	3,099

\* Includes 102 staff employed by Banca Esperia pro-forma, not included in the Group total.

Divisions comprise:

- /// *CIB (Corporate and investment banking)*: comprises corporate and investment banking, including leasing, plus the Group's trading investments. The companies which form part of this division are Mediobanca, Mediobanca International, MB Securities USA, Consortium, Prominvestment, SelmaBipiemme Leasing, Palladio Leasing and Teleleasing;
- /// *Principal investing*: comprises the Group's shareholdings in Assicurazioni Generali, RCS MediaGroup and Telco, plus stakes acquired as part of merchant banking activity and private equity funds;
- /// *Retail and private banking*: businesses targeting retail customers via consumer credit products, mortgages, deposit accounts, private banking and fiduciary activities. The companies which make up this division are: Compass, CheBanca!, Cofactor, Futuro and Creditech (consumer credit); and Compagnie Monégasque de Banque, Spafid and Prudentia Fiduciaria, plus 48.5% of Banca Esperia pro-forma (private banking).





31 March 08 (€m)	Corporate & Investment Banking	Principal Investing	Retail & Private Banking	Group
<b>Profit-and-loss figures</b>				
Net interest income	242.3	-8.6	390.6	622.6
Net trading income	254.7	0.0	12.9	263.0
Net fee and commission income	236.6	0.0	173.3	375.8
Equity-accounted companies	-9.7	349.4	0.0	345.8
<b>TOTAL INCOME</b>	<b>723.9</b>	<b>340.8</b>	<b>576.8</b>	<b>1,607.2</b>
Labour costs	-120.5	-4.4	-115.3	-228.2
Administrative expenses	-73.3	-2.0	-156.9	-220.1
<b>OPERATING COSTS</b>	<b>-193.8</b>	<b>-6.4</b>	<b>-272.2</b>	<b>-448.3</b>
Loan loss provisions	-19.2	0.0	-171.3	-190.5
Provisions for other financial assets	-4.2	0.0	0.0	-4.2
<b>PROFIT BEFORE TAX</b>	<b>506.7</b>	<b>334.4</b>	<b>133.3</b>	<b>964.2</b>
Income tax for the period	-115.3	1.5	-64.5	-173.2
Minority interest	-7.8	0.0	0.0	-7.7
<b>NET PROFIT</b>	<b>383.6</b>	<b>335.9</b>	<b>68.8</b>	<b>783.3</b>
Treasury funds <sup>1</sup>	8,442.5	0.0	1,526.7	9,788.8
AFS securities <sup>1</sup>	3,588.9	50.1	772.5	4,297.6
Equity investments <sup>1</sup>	133.7	2,516.7	0.1	2,705.4
Loans and advances to customers <sup>1</sup>	26,440.8	n.m.	7,264.8	30,205.4
of which to Group companies	3,408.8	n.m.	n.m.	0.0
Funding <sup>1</sup>	-34,889.7	-259.8	-8,784.1	-40,195.4
No. of staff	811	n.m.	2,369*	3,083

<sup>1</sup> Does not include Linea.

\* Includes 97 staff employed by Banca Esperia pro-forma, not included in the Group total.



## Corporate & Investment Banking

€m	9 mths to 31/3/08 pro-forma	6 mths to 31/12/08	9 mths to 31/3/09	Y.o.Y. chg.
<b>Profit-and-loss figures</b>				
Net interest income	242.3	177.8	276.0	13.9%
Net trading income	254.7	168.4	261.3	2.6%
Net fee and commission income	236.6	122.6	227.2	-4.0%
Share in profits earned by equity-accounted companies	-9.7	0.0	-14.3	47.4%
<b>TOTAL INCOME</b>	<b>723.9</b>	<b>468.8</b>	<b>750.2</b>	<b>3.6%</b>
Labour costs	-120.5	-92.8	-134.7	11.8%
Administrative expenses	-73.3	-47.6	-70.3	-4.1%
<b>OPERATING COSTS</b>	<b>-193.8</b>	<b>-140.4</b>	<b>-205.0</b>	<b>5.8%</b>
Loan loss provisions	-19.2	-66.9	-104.2	n.m.
Provisions for other financial assets	-4.2	-73.6	-144.8	n.m.
<b>PROFIT BEFORE TAX</b>	<b>506.7</b>	<b>187.9</b>	<b>296.2</b>	<b>-41.5%</b>
Income tax for the period	-115.3	-47.2	-91.7	-20.5%
Minority interest	-7.8	0.5	-1.1	n.m.
<b>NET PROFIT</b>	<b>383.6</b>	<b>141.2</b>	<b>203.4</b>	<b>-47.0%</b>

€m	30/6/08	31/12/08	31/3/09	Movements in period
Treasury funds	8,954.3	9,316.7	11,577.6	24.3
AFS securities	2,786.0	2,325.0	2,802.9	20.6
Equity investments	119.2	111.3	86.3	-22.5
Loans and advances to customers	26,936.0	29,589.4	28,159.6	-4.8
of which to Group companies	4,180.2	5,101.6	3,952.6	-22.5
Funding	-36,180.0	-40,323.1	-41,759.9	3.6



<b>CIB by segment - 31 March 2009 (€m)</b>	<b>Wholesale</b>	<b>Leasing</b>	<b>Total CIB</b>
Net interest income	218.2	57.8	276.0
Net trading income	261.3	0.0	261.3
Net fee and commission income	222.6	4.6	227.2
Share in profits earned by equity-accounted companies	-14.3	0.0	-14.3
<b>TOTAL INCOME</b>	<b>687.8</b>	<b>62.4</b>	<b>750.2</b>
Labour costs	-119.9	-14.8	-134.7
Administrative expenses	-58.6	-11.7	-70.3
<b>OPERATING COSTS</b>	<b>-178.5</b>	<b>-26.5</b>	<b>-205.0</b>
Loan loss provisions	-74.0	-30.2	-104.2
Provisions for other financial assets	-144.8	0.0	-144.8
<b>PROFIT BEFORE TAX</b>	<b>290.5</b>	<b>5.7</b>	<b>296.2</b>
Income tax for the period	-86.6	-5.1	-91.7
Minority interest	0.0	-1.1	-1.1
<b>NET PROFIT</b>	<b>203.9</b>	<b>-0.5</b>	<b>203.4</b>
Loans and advances to customers	23,325.9	4,833.7	28,159.6
of which to Group companies	3,952.6	n.m.	3,952.6
New loans	n.m.	1,105.1	n.m.
No. of staff	634	228	862
No. of branches	n.m.	12	n.m.

  

<b>CIB by segment - 31 March 2008 (€m)</b>	<b>Wholesale</b>	<b>Leasing</b>	<b>Total CIB</b>
Net interest income	185.8	56.5	242.3
Net trading income	254.9	-0.2	254.7
Net fee and commission income	232.5	4.1	236.6
Share in profits earned by equity-accounted companies	-9.7	0.0	-9.7
<b>TOTAL INCOME</b>	<b>663.5</b>	<b>60.4</b>	<b>723.9</b>
Labour costs	-105.8	-14.7	-120.5
Administrative expenses	-63.3	-10.0	-73.3
<b>OPERATING COSTS</b>	<b>-169.1</b>	<b>-24.7</b>	<b>-193.8</b>
Loan loss provisions	-10.0	-9.2	-19.2
Provisions for other financial assets	-4.2	0.0	-4.2
<b>PROFIT BEFORE TAX</b>	<b>480.2</b>	<b>26.5</b>	<b>506.7</b>
Income tax for the period	-104.7	-10.6	-115.3
Minority interest	0.1	-7.9	-7.8
<b>NET PROFIT</b>	<b>375.6</b>	<b>8.0</b>	<b>383.6</b>
Loans and advances to customers	21,889.4	4,551.4	26,440.4
of which to Group companies	3,408.8	n.m.	3,408.8
New loans	n.m.	1281.8	n.m.
No. of staff	580	231	811
No. of branches	n.m.	14	n.m.



## Principal Investing

€m	9 mths to 31/3/08 pro-forma	6 mths to 31/12/08	9 mths to 31/3/09
<b>Profit-and-loss figures</b>			
Net interest income	-8.6	-6.0	-8.6
Net trading income	0.0	0.0	0.2
Net fee and commission income	0.0	0.0	0.0
Share in profits earned by equity-accounted companies	349.4	115.5	-6.5
<b>TOTAL INCOME</b>	<b>340.8</b>	<b>109.5</b>	<b>-14.9</b>
Labour costs	-4.4	-2.6	-3.9
Administrative expenses	(2.0)	-1.2	-1.8
<b>OPERATING COSTS</b>	<b>-6.4</b>	<b>-3.8</b>	<b>-5.7</b>
Provisions for other financial assets	0.0	-207.6	-207.6
<b>PROFIT BEFORE TAX</b>	<b>334.4</b>	<b>-101.9</b>	<b>-228.2</b>
Income tax for the period	1.5	4.2	21.0
<b>NET PROFIT</b>	<b>335.9</b>	<b>-97.7</b>	<b>-207.2</b>

€m	30/6/08	31/12/08	31/3/09
AFS securities	60.7	113.5	115.9
Equity investments	2,670.0	2,463.4	2,292.2



## Retail & Private Banking

€m	9 mths to 31/3/08 pro-forma	6 mths to 31/12/08	9 mths to 31/3/09	Y.o.Y. chg.
<b>Profit-and-loss figures</b>				
Net interest income	390.6	256.1	384.6	-1.5
Net trading income	12.9	4.4	10.4	-19.4
Net fee and commission income	173.3	120.7	173.8	0.3
Share in profits earned by equity-accounted companies	0.0	0.0	-0.2	n.m.
<b>TOTAL INCOME</b>	<b>576.8</b>	<b>381.2</b>	<b>568.6</b>	<b>-1.4</b>
Labour costs	-115.3	-78.3	-117.7	2.1
Administrative expenses	-156.9	-133.4	-213.5	36.1
<b>OPERATING COSTS</b>	<b>-272.2</b>	<b>-211.7</b>	<b>-331.2</b>	<b>21.7</b>
Loan loss provisions	-171.3	-140.2	-225.2	31.5
Provisions for other financial assets	0.0	0.1	-6.4	n.m.
<b>PROFIT BEFORE TAX</b>	<b>133.3</b>	<b>29.4</b>	<b>5.8</b>	<b>-95.6</b>
Income tax for the period	-64.5	31.6	37.6	n.m.
<b>NET PROFIT</b>	<b>68.8</b>	<b>61.0</b>	<b>43.4</b>	<b>-36.9</b>

€m	30/6/08	31/12/08	31/3/09	Movements in period
Treasury funds	1,591.2	2,215.1	2,873.2	29.7
AFS securities	1,050.6	606.7	32,92.7	n.m.
Equity investments	0.4	0.9	0.6	-33.3
Loans and advances to customers	11,937.4	12,196.8	12,135.6	-0.5
Funding	-13,736.3	-14,193.9	-17,502.4	23.3



<b>RPB by segment - 31 March 2009 (€m)</b>	<b>Consumer credit</b>	<b>Retail banking</b>	<b>Private banking</b>	<b>Total RPB</b>
Net interest income	325.0	31.1	28.5	384.6
Net trading income	0.2	0.4	9.8	10.4
Net fee and commission income	121.0	3.9	48.9	173.8
Share in profits earned by equity-accounted companies	-0.2	0.0	0.0	-0.2
<b>TOTAL INCOME</b>	<b>446.0</b>	<b>35.4</b>	<b>87.2</b>	<b>568.6</b>
Labour costs	-57.4	-27.4	-32.9	-117.7
Administrative expenses	-109.1	-79.6	-24.8	-213.5
<b>OPERATING COSTS</b>	<b>-166.5</b>	<b>-107.0</b>	<b>-57.7</b>	<b>-331.2</b>
Loan loss provisions	-206.9	-18.2	-0.1	-225.2
Provisions for other financial assets	0.0	0.0	-6.4	-6.4
<b>PROFIT BEFORE TAX</b>	<b>72.6</b>	<b>-89.8</b>	<b>23.0</b>	<b>5.8</b>
Income tax for the period	13.0	24.1	0.5	37.6
<b>NET PROFIT</b>	<b>85.6</b>	<b>-65.7</b>	<b>23.5</b>	<b>43.4</b>
Loans and advances to customers	8,338.2	3,053.0	744.4	12,135.6
New loans	2,840.0	540.0	n.m.	3,380.0
No. of staff	1,319	672	348	2,339
No. of branches	146	44	n.m.	190

<b>RPB by segment - 31 March 2008 pro-forma (€m)</b>	<b>Consumer credit</b>	<b>Retail banking</b>	<b>Private banking</b>	<b>Total RPB</b>
Net interest income	333.2	30.6	26.8	390.6
Net trading income	1.6	0.0	11.3	12.9
Net fee and commission income	104.9	2.9	65.5	173.3
<b>TOTAL INCOME</b>	<b>439.7</b>	<b>33.5</b>	<b>103.6</b>	<b>576.8</b>
Labour costs	-64.0	-15.4	-35.9	-115.3
Administrative expenses	-110.4	-25.7	-20.8	-156.9
<b>OPERATING COSTS</b>	<b>-174.4</b>	<b>-41.1</b>	<b>-56.7</b>	<b>-272.2</b>
Loan loss provisions	-164.9	-6.0	-0.4	-171.3
<b>PROFIT BEFORE TAX</b>	<b>100.4</b>	<b>-13.6</b>	<b>46.5</b>	<b>133.3</b>
Income tax for the period	-64.2	3.9	-4.2	-64.5
<b>NET PROFIT</b>	<b>36.2</b>	<b>-9.7</b>	<b>42.3</b>	<b>68.8</b>
Loans and advances to customers <sup>1</sup>	3,945.6	2,547.4	771.8	7,264.8
New loans	3,856.0	598.0	n.m.	4,454.0
No. of staff	1,547	418	404	2,369
No. of branches	167	29	n.m.	196

<sup>1</sup> Does not include Linea.

As required by Article 154-*bis*, paragraph 2 of Italian Legislative Decree 58/98, the undersigned hereby declares that the financial information contained in this document corresponds to that contained in the company's documents, account books and ledger entries.

*Head of  
Company Financial Reporting*

Massimo Bertolini