

**Mediobanca Presentation**

**UBS Italian & Eastern European Financial  
Services Conference 2014**



**MEDIOBANCA**

16-17 January 2014

# Table of contents

1. Group: strategy and targets
2. CIB: strategy and key figures
3. Compass: strategy and key figures
4. CheBanca!: strategy and key figures
5. Group Funding
6. 1Q14 Results

## Appendix

1. Principal Investing portfolio as at Sep.13
2. Group Profile
3. FY13 Results
4. MB CIB major deals from July 2011 to November 2013



# Group: strategy and targets

Section 1



MEDIOBANCA

## **Group: strategy and targets**

- 1. Successful execution of strategic priorities**
- 2. Governance evolution**
- 3. Group strategic guidelines**



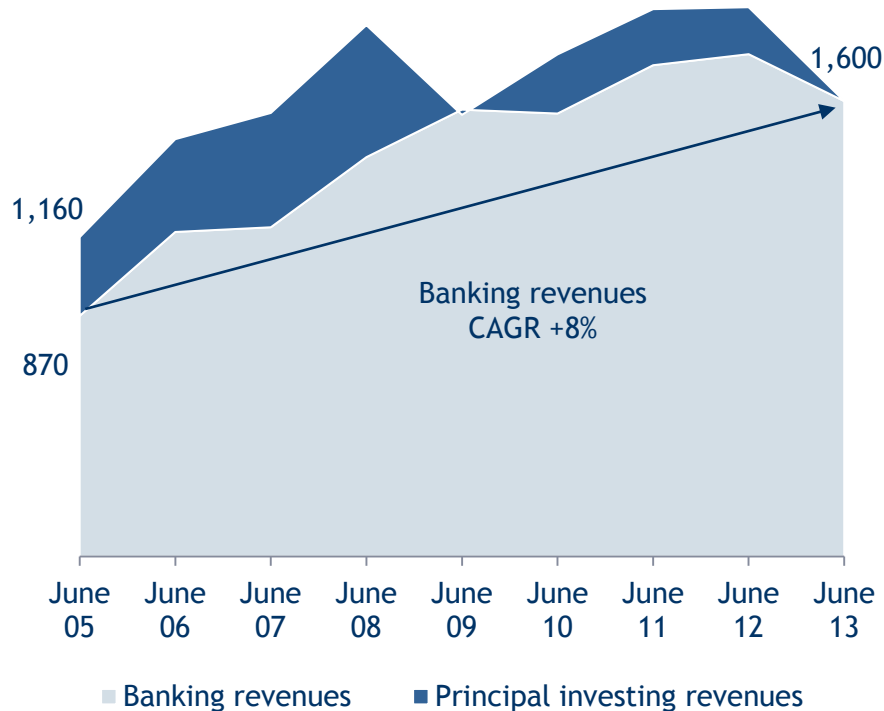
MEDIOBANCA



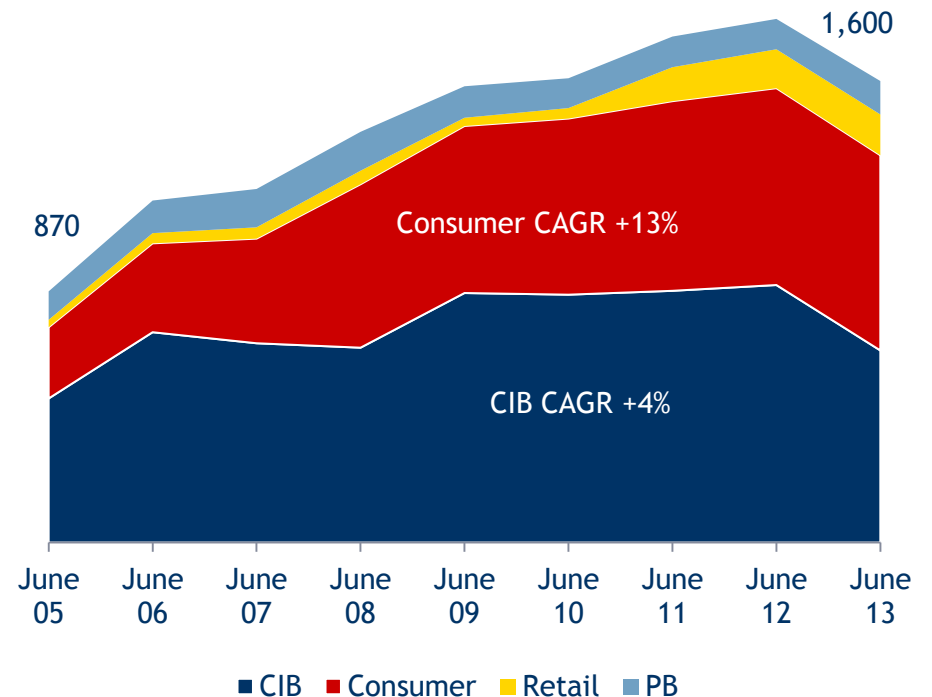
# Banking revenues doubled and more diversified

Successful execution of our key strategic priorities

Group revenues (€m)



Banking revenues (€m)

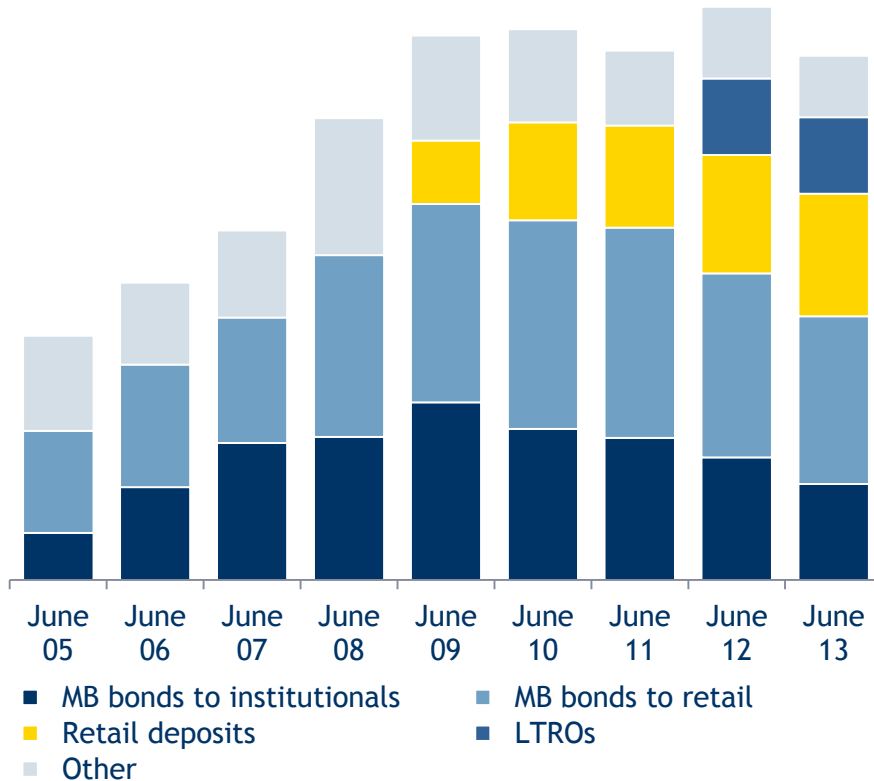


- ◆ CIB revenues up from €520m to €700m, with contribution from non-domestic operations up to approx. 30%
- ◆ Corporate : Retail diversification substantially improved
- ◆ Consumer revenues trebled, from €260m to €710m, in part due to Linea acquisition
- ◆ Retail banking contribution has become material (CheBanca! launched in 2008)

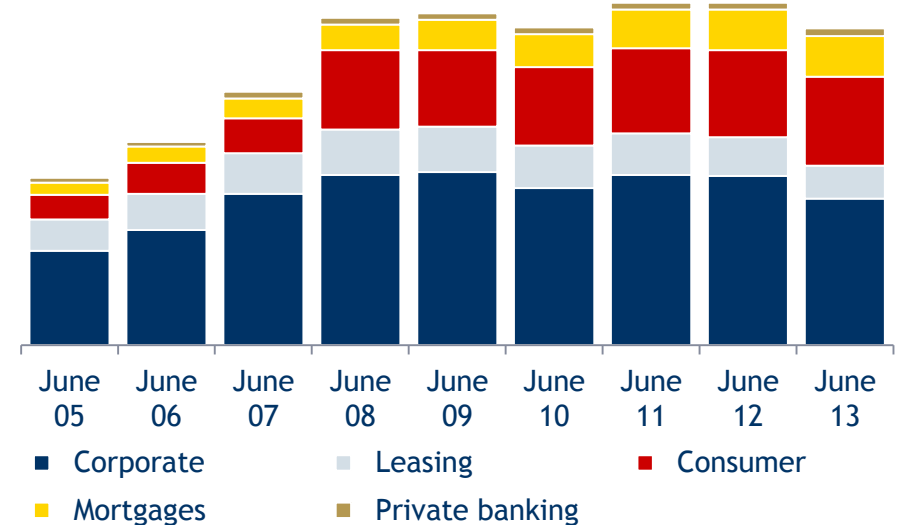
# Loans and funds enlarged and more retail

Successful execution of our key strategic priorities

Funding (€bn)



Loan book (€bn)

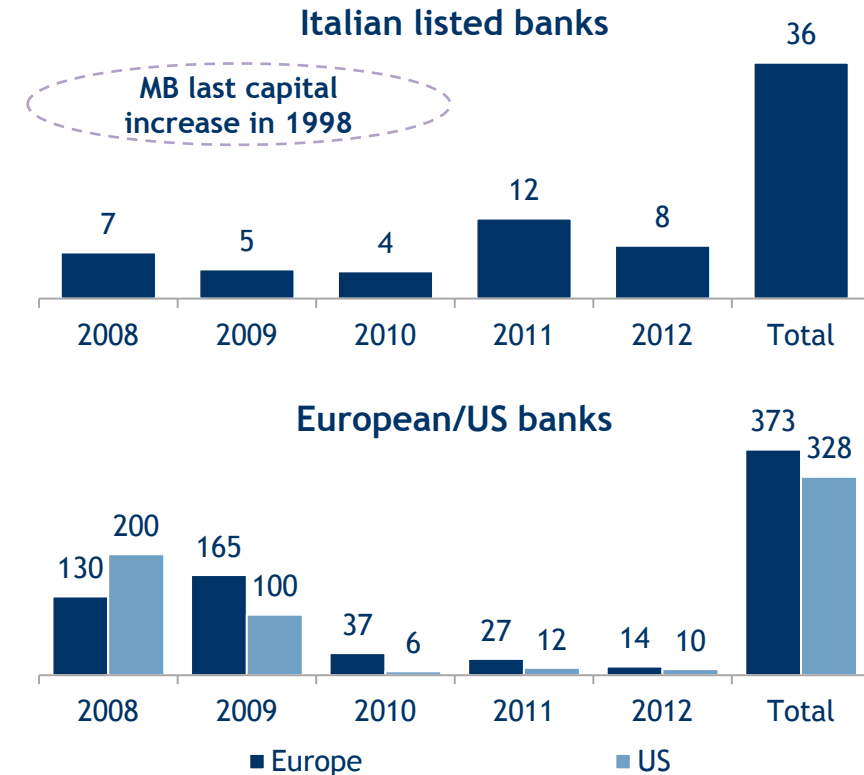


- ◆ Funding doubled to €51bn due to MB bonds (up to €26bn, 60% of which retail), retail deposits (from 0 to €12bn), LTROs
- ◆ Loans doubled to €33bn, driven by corporate (from €10bn to €16bn), consumer (trebled to €9bn) and mortgages (€4bn)
- ◆ Retail contribution boosted: up to 45% of total loan book, 60% of funding

# MB not affected by last 5Y restructuring wave across the industry

Successful execution of our key strategic priorities

Right issues/cap increase by banks (€bn)



Banking industry staff trends

| /ooo                | 2008  | 2012  | Var% |
|---------------------|-------|-------|------|
| Mediobanca          | 3     | 3     | +15% |
| Italy- large banks  | 272   | 243   | -11% |
| US- large banks     | 1,504 | 1,380 | -8%  |
| Europe- large banks | 2,908 | 2,757 | -5%  |
| UK                  | 893   | 771   | -14% |
| France              | 654   | 691   | 6%   |
| Spain               | 343   | 353   | 3%   |
| Germany             | 234   | 212   | -9%  |
| Benelux             | 320   | 233   | -27% |

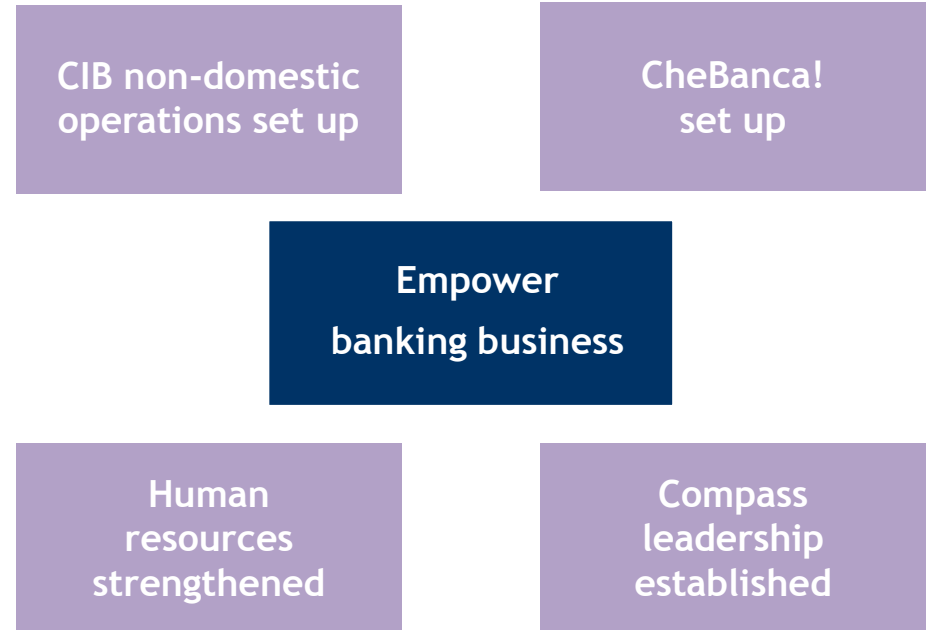
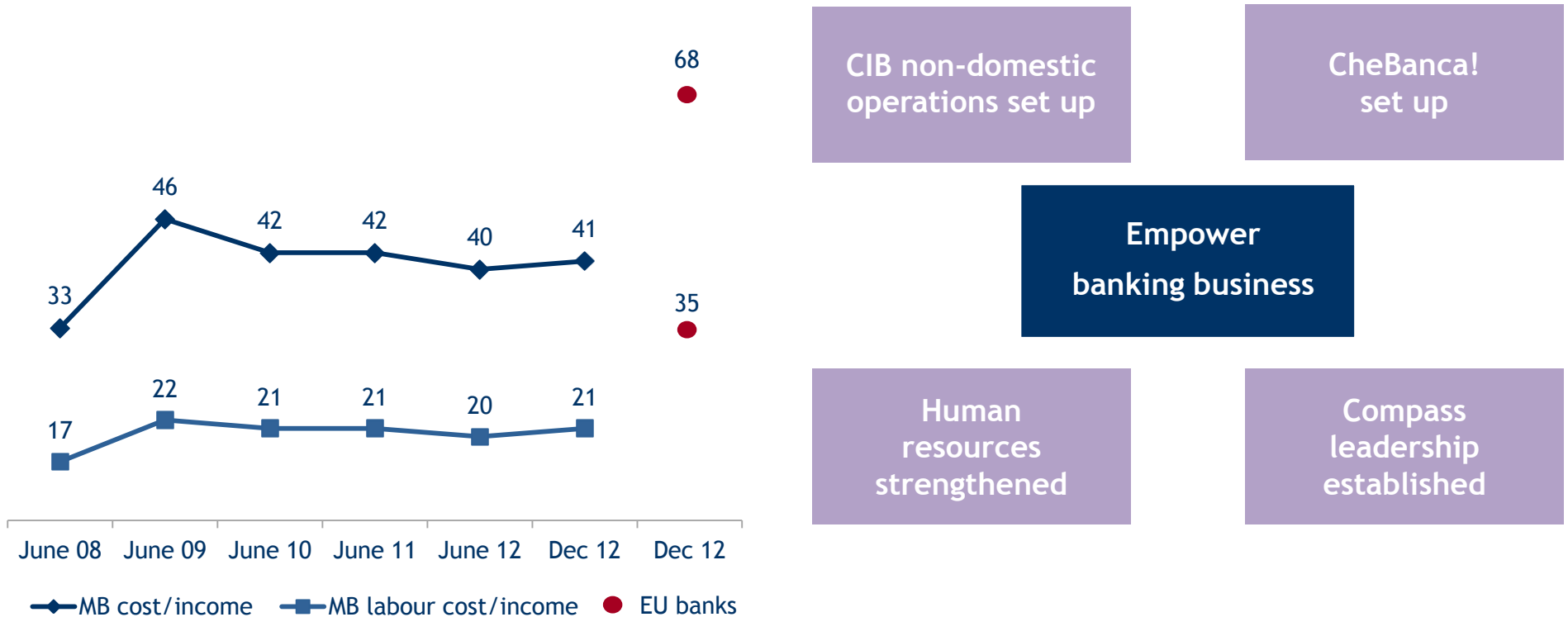
- ◆ In last 5Y MB CT1 up 15% to €6.5bn due solely to internal capital generation and despite equity impairments
- ◆ In the same period Italian banks have raised €36bn of new capital (EU and US banks €373bn and €328bn respectively)
- ◆ In last 5Y MB has increased staff by 15%, while staffing levels in the banking industry have shrunk considerably

Source: MBRES

# MB efficiency well above EU banks despite business strengthening

Successful execution of our key strategic priorities

## MB cost/income trend and comparison (%)



◆ MB efficiency well above EU banks despite material investments (technology, human resources, systems, etc.) implemented in recent years to empower all core businesses

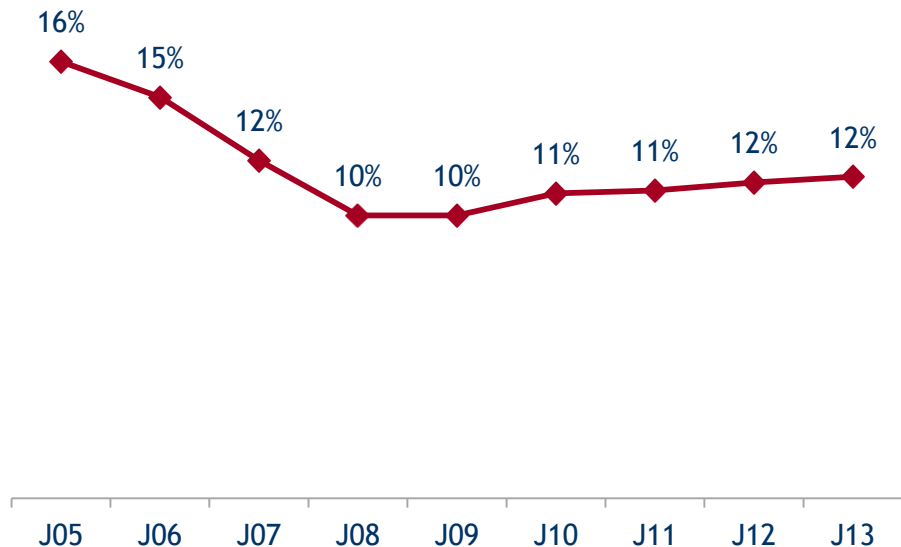
Source: Mediobanca Securities coverage



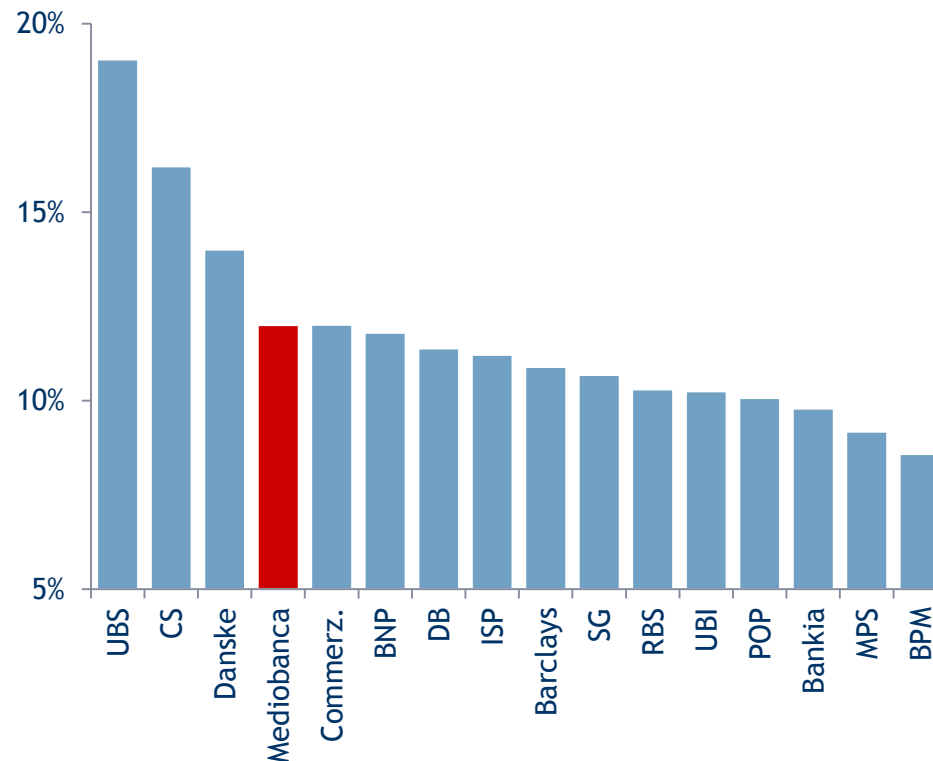
# Mediobanca capitalization among best in class in EU

Successful execution of our key strategic priorities

## Mediobanca CT1 ratio trend



## CT1 comparison among EU banks (Dec.12)



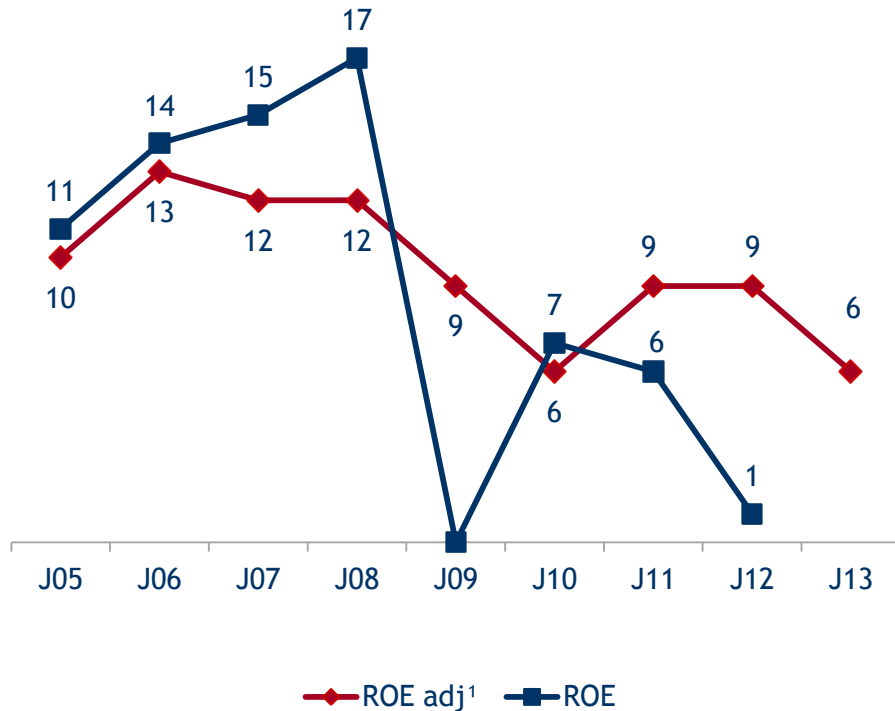
- ◆ Banking growth achieved leveraging exclusively on Mediobanca capital - Last capital increase 15 years ago (in 1998)
- ◆ Mediobanca RWAs/Asset = 85%, versus 37% EU banks
- ◆ Mediobanca tangible equity / tangible assets = 11% versus 4% EU banks
- ◆ €2.5bn returned to shareholders (cash dividends and buy back) since 2005

Source: Mediobanca Securities coverage

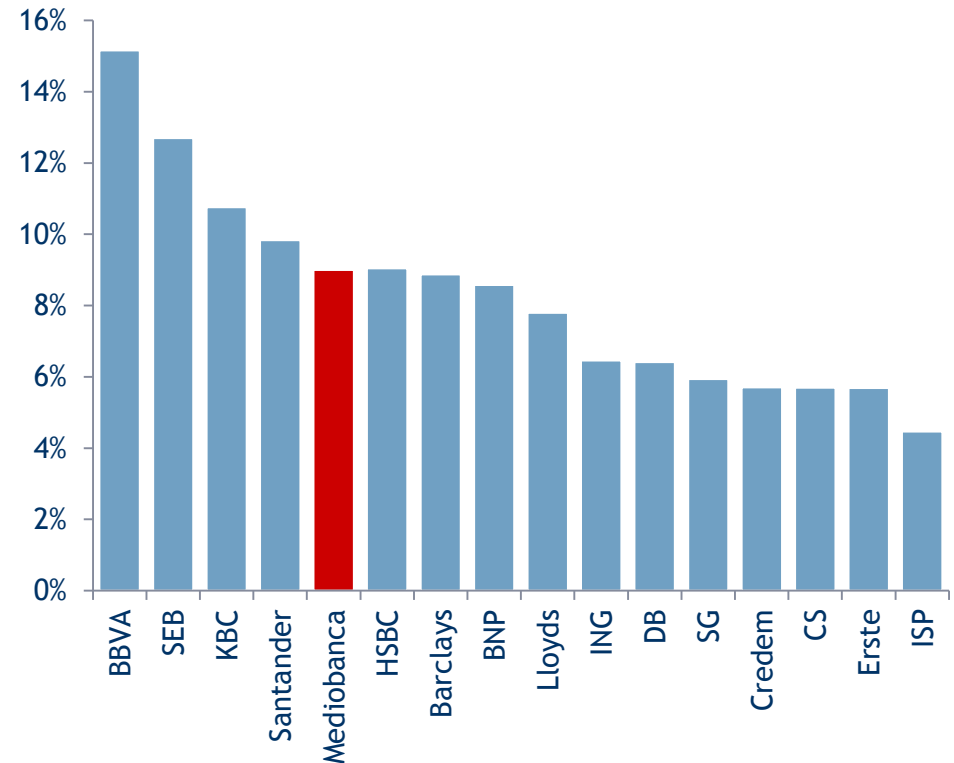
# High single-digit normalized profitability

Successful execution of our key strategic priorities

## Mediobanca ROE trend



## ROTE adj 2012<sup>2</sup> (%)



- ◆ High single-digit normalized profitability over the cycle; good positioning in European landscape
- ◆ Profitability first boosted (net profit from €54m in 2003<sup>2</sup> to €1bn in 2008), then defended during the financial/sovereign debt/economic crises

1) Profit/losses from AFS disposals, impairments and positive one-off items excluded

2) Source: Mediobanca Securities

## **Group: strategy and targets**

**1. Successful execution of strategic priorities**

**2. Governance evolution**

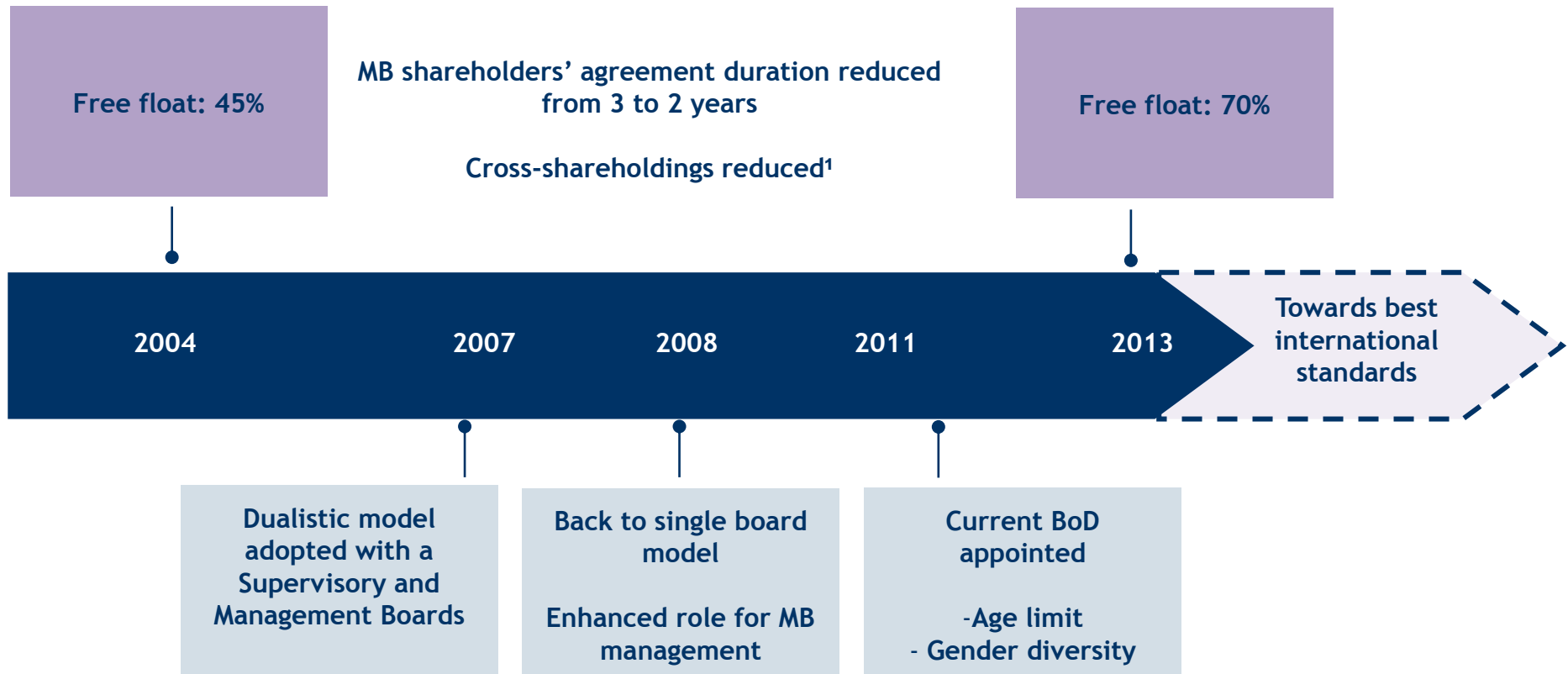
**3. Group strategic guidelines**



MEDIOBANCA

# MB governance: significant improvement

## Governance evolution



- ◆ In last 10Y free float increased from 45% to 70%, cross-shareholdings reduced, governance model reshaped
- ◆ Further enhancement foreseeable (i.e. reduced BoD size)

1) Commerzbank, Fiat, Fonsai, Generali, Telecom exited MB shareholders' agreement; MB sold stakes in Ciments Français, Commerzbank, Fiat, Fonsai, Mediolanum, Telco



# MB shareholders' agreement

## Governance evolution

- ◆ Renewed shareholders' agreement, starting on 1<sup>st</sup> January 2014 and expiring in December 2015, will cover 30% (42% as at June 13) of the share capital
- ◆ Efforts made since 2003 to increase weight of institutional investors and free float
- ◆ Low incidence on total MB revenues of business related to core shareholders

## Mediobanca shareholders' agreement

| Shareholder                     | Share        |
|---------------------------------|--------------|
| Unicredit                       | 8.7%         |
| Mediolanum                      | 3.4%         |
| <b>Total Group A</b>            | <b>12.0%</b> |
| Edizione (Benetton)             | 2.2%         |
| Pirelli & C.                    | 1.8%         |
| Italmobiliare                   | 1.6%         |
| FINPRIV                         | 1.7%         |
| Fininvest                       | 1.0%         |
| Others <1%                      | 4.1%         |
| <b>Total Group B</b>            | <b>12.0%</b> |
| Financière du Perguet (Bollorè) | 6.0%         |
| <b>Total Group C</b>            | <b>6.0%</b>  |
| <b>Total Syndicated</b>         | <b>30.0%</b> |

## **Group: strategy and targets**

- 1. Successful execution of strategic priorities**
- 2. Governance evolution**
- 3. Group strategic guidelines**



MEDIOBANCA

# MB vision: medium-term strategic pillars

## Group strategic guidelines

1

Simplify business model and reduce equity exposure

2

Confirm capital strength in B3 scenario, more disciplined use of capital

3

Invest in fee-generating/capital-light businesses

4

Substantially increase non-domestic revenues

5

Materially improve growth and profitability

# Reduce equity exposure by €2bn

## Group strategic guidelines

### Equity exposure drawbacks

- ◆ Absorbs too much capital
- ◆ Concentration vs insurance sector and Italy too high
- ◆ Adds volatility to Group results
- ◆ Adds discount to valuation

€ 0.4bn  
asset clean-up

€ 1.5bn  
equity stake disposals

Recover full  
availability of shares

- ◆ All stakes reclassified “as available for sale”<sup>1</sup>
- ◆ All stakes marked-to-market
- ◆ €0.4bn asset clean-up in FY13
- ◆ Ass.Generali: reduce stake by approx. 3pp in 3Y
- ◆ Other AFS stake disposals
- ◆ Speed and amount of deleverage to be co-ordinated with market conditions
- ◆ Exit shareholder agreements
- ◆ Valuable exit strategy to be found working together with other investors/shareholders

1) Ass. Generali excluded and accounted for in accordance with IAS28



# Basel 3 CT1 steadily in 11-12% range in BP horizon

## Group strategic guidelines

### Concerns over MB capital trends/levels

- ◆ Impact of full deduction of Ass.Generali stake from MB CT1
- ◆ Possible additional capital drains due to high equity exposure
- ◆ Impact of Basel 3 on banking RWAs

#### CRDIV adoption for AG stake

- ◆ Ass.Generali stake weighted 3.7x RWAs instead of fully deducted from CT1<sup>1</sup>
- ◆ Ass.Generali K absorption:<sup>2</sup> from current €0.2bn (B2) to €0.7bn (B3)
- ◆ AG stake fully phased B3 impact on MB CT1: -130bps<sup>1</sup>

#### €2bn equity exposure reduction

- ◆ Ass.Generali: reduce the stake by approx. 3pp in 3Y
- ◆ Other AFS stake disposals
- ◆ All stakes reclassified “as available for sale”

#### RWAs optimization

- ◆ €2bn RWAs optimization from data/process management
- ◆ Possible further saving from IRB Advanced models validation<sup>1</sup> (not included in BP targets)

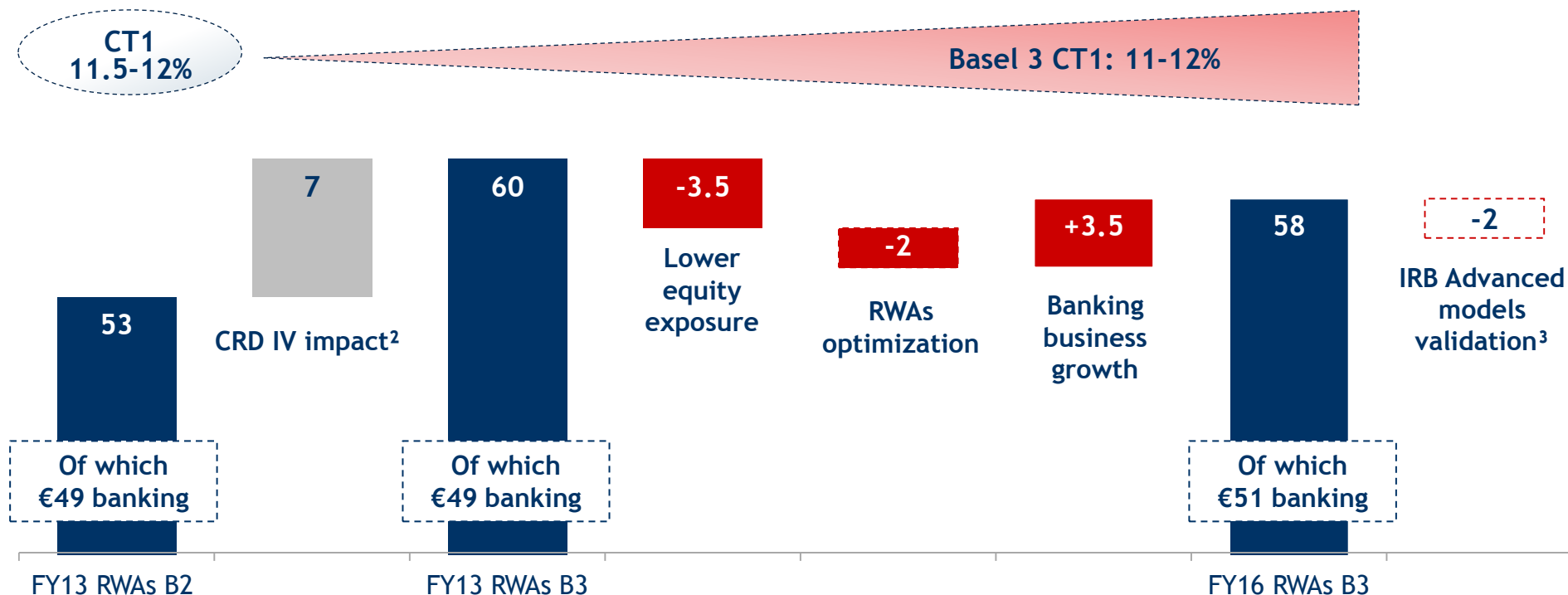
1) Internal estimates, subject to Bank of Italy's authorization

2) Hp: Ass.Generali stake currently 13.24%

# RWAs from equity to banking business growth

Group strategic guidelines

Group RWAs<sup>1</sup> trend (€bn)



- ◆ Impact of B3 adoption limited to €7bn higher RWAs due to different AG stake weighting<sup>2</sup>; no impact on banking RWAs
- ◆ RWAs 3YCAGR -1%: equity disposals and RWAs optimization to feed growth in banking business
- ◆ Possible additional €2bn savings from IRB Advanced models validation<sup>3</sup> (not included in BP targets)

1) Based on €2.5bn of 13.24% AG book value as at June 13

2) Internal estimates, subject to Bank of Italy's authorization: AG RWAs: weight from 1x B2 to 3.7x B3

3) Internal estimates, subject to Bank of Italy's authorization

# Balanced and sustainable A&L mix

## Group strategic guidelines

### Loans

- ◆ Back to lending growth, both in corporate and retail
- ◆ Corporate: exploit untapped customer base, sector trends, different business approach
- ◆ Consumer: focus on high net margin loans
- ◆ Strict risk assessment

Loans CAGR 5%

LLPs/Ls = 150bps

### Funding

- ◆ Bond and treasury size back to pre-crisis level
- ◆ MB bonds expiring in next 3Y refinanced in the market; opportunistic timing; 50% retail
- ◆ LTROs entirely paid back out of treasury
- ◆ CheBanca!: towards lower cost funding; from direct to indirect deposits

L/D ratio 0.8x

NSFR > 100%

Funding and loan book 50:50 corporate/retail

# Invest in fee-generating/capital-light businesses

## Group strategic guidelines

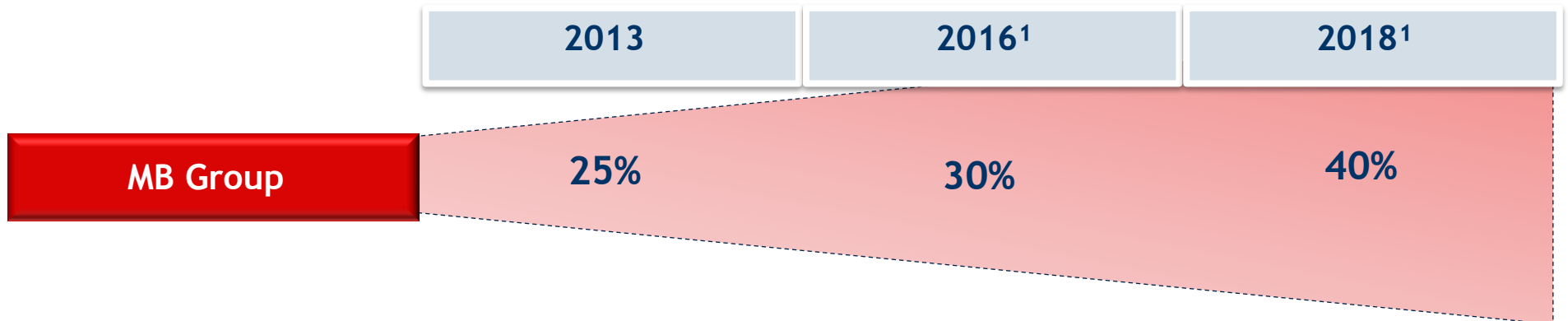
CIB/WM

- ◆ IB: push on advisory and capital markets/asset brokerage
- ◆ PB: organic growth and top up both off- and onshore
- ◆ MB Alternative Asset Management (“MAAM”) to be set up and developed <sup>1</sup>

Retail

- ◆ Consumer finance: develop fee-based products (e.g. Compass Pay)
- ◆ CheBanca!: develop asset management products

## MB Group fee income contribution/total banking revenues



1) MAAM: not included in 2016 BP targets, included in 2018 ambition



# Developing Mediobanca Alternative Asset Management (“MAAM”)

## Group strategic guidelines

### WHY?

- ◆ **Capturing industry trends:** requirement by investors for “institutional” asset management businesses delivering high yields
- ◆ **MB to provide an “institutional roof”** to good management teams looking to increase AuM in current products and come to market faster with new products
- ◆ **Low capital intensive/fee-based recurrent business**
- ◆ **Competence driven** (“smartest guys in town”)
- ◆ **“Solutions” business** (large scale not always needed)

### HOW?

- ◆ **Invest in low capital-intensive, high-growth asset management businesses** with strong management teams and operational infrastructure
- ◆ **Focus on businesses with international brands** serving institutional investors, offering alternative higher fee asset classes (no prop. investment but recurrent fee-generating business) with strong historical track records
- ◆ **Asset classes:** credit, private equity, real assets
- ◆ **Provide client solutions** to institutional investors with the new underlying asset management products

**WM to contribute up to 15% of group banking revenue in 5Y<sup>1</sup>**

1) Not included in BP targets

# Mediobanca 2016 main targets

## Group strategic guidelines

Mediobanca  
Group

Reduce equity exposure by €2bn  
Banking revenues: €2.1bn, CAGR +10%  
Cost of risk = 150bps  
ROE = 10-11%  
B3 CT<sup>1</sup> = 11-12%, payout 40%  
NSFR > 100%

CIB & PB

Revenues €1bn, CAGR +10%  
ROAC = 12-13%

Consumer & Retail

Revenues €1bn, CAGR +7%  
ROAC = 10-11%

MAAM<sup>2</sup>

Revenues up to 15%  
of Group banking  
revenue in 5Y

- 1) Internal estimates, subject to Bank of Italy's authorization: AG RWAs: weighting from 1x B2 to 3.7x B3
- 2) MAAM contribution not included in BP targets

# CIB: strategy and key figures

Section 2



MEDIOBANCA

# **CIB: strategy and key figures**

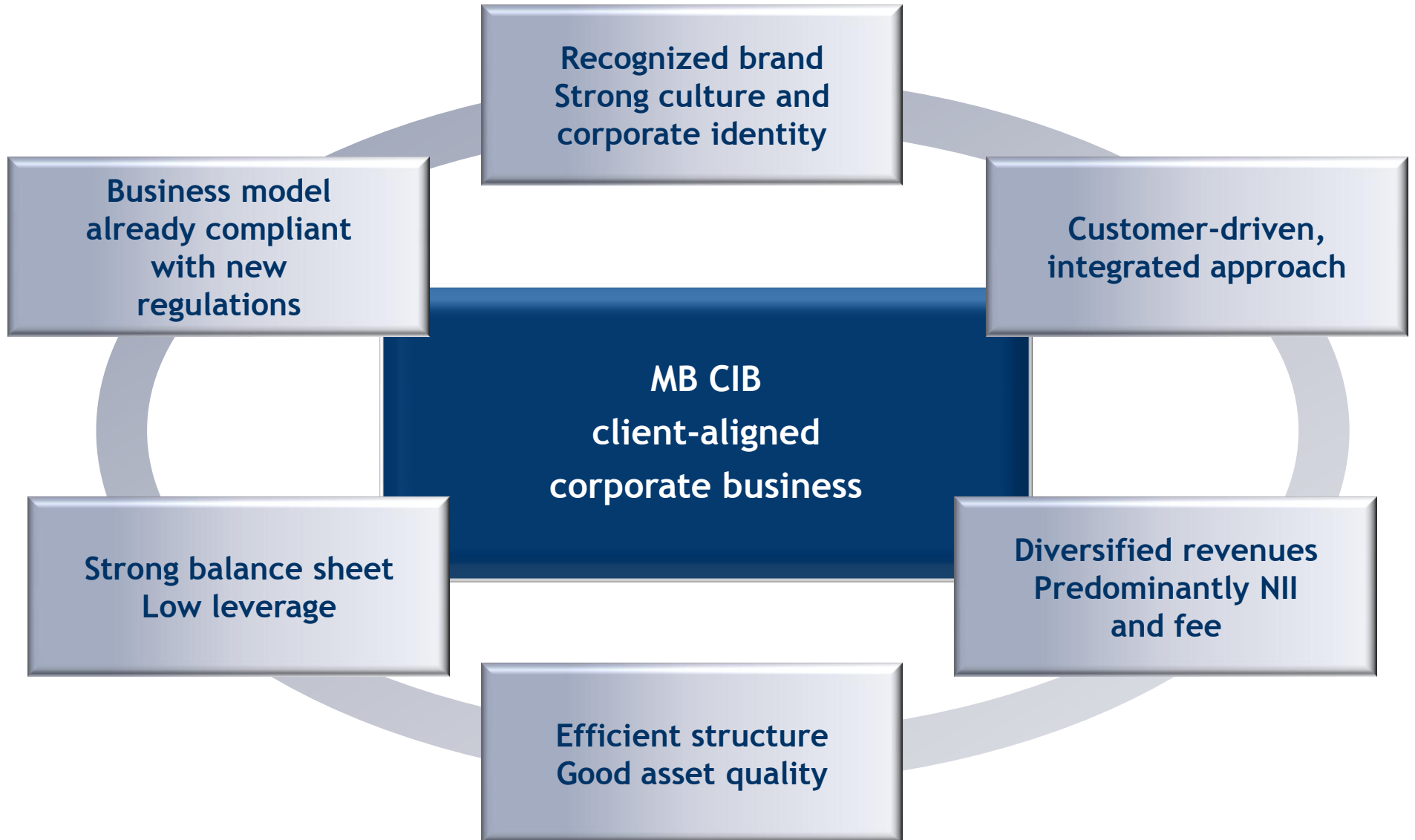
- 1. Market positioning and strategy**
- 2. International operations**



MEDIOBANCA

# Mediobanca CIB: our strengths

CIB market positioning and strategy



# MB positioned as a specialized operator ...

## CIB market positioning and strategy

### Global players

- ◆ Full scale/global business
- ◆ Complex solutions to clients, market makers, capital and liquidity providers
- ◆ Focus on global assets gatherers, sovereigns, corporates and FIGs

- ✓ Regulatory, political and social pressure
- ✓ Reputational issues
- ✓ Balance sheet issue
- ✓ Talent drain (regulatory pressure on comp.)
- ✓ Reshaping business model

### Agency players

- ◆ Run mainly on execution model for their universal bank captive corporate, retail or private customer base
- ◆ Leverage on credit relations

- ✓ Lower regulatory pressure
- ✓ Holding their market share, as corporate relationships drive revenues and revenues from local markets accounts for majority

### Specialized operators

- ◆ Strong IB identity/culture
- ◆ Product specialized operators, mainly capmkt/advisory
- ◆ Focus on client needs
- ◆ Revenues stability assured also by WM/brokerage

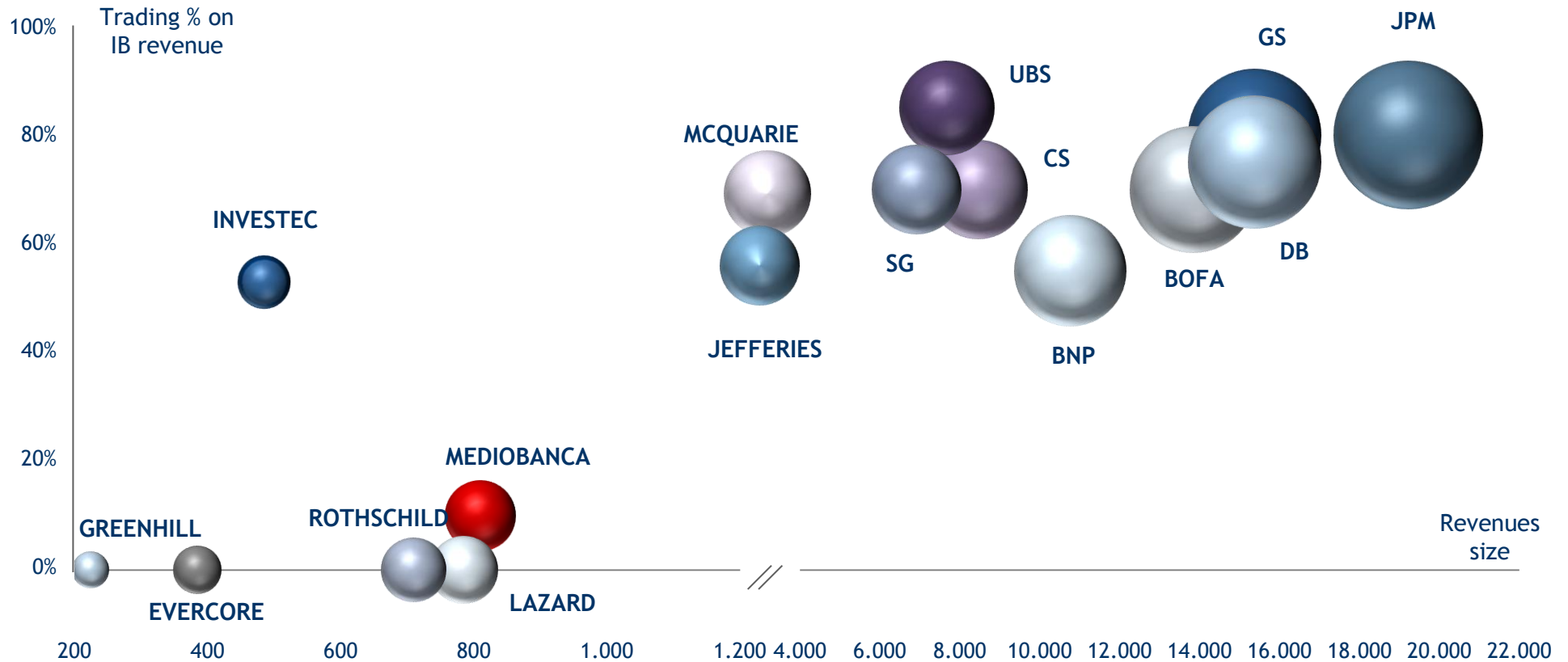
- ✓ Low regulatory pressure
- ✓ Trusted and known brand
- ✓ Advisory margins under pressure outside U.S.



# MB CIB: 85% customer-driven business ...

CIB market positioning and strategy

Operators by IB revenues size (€m) and reliance on trading (%)



- ◆ MB CIB revenues: 85% customer-driven
- ◆ Mediobanca well positioned in the specialized operators arena, reliant on a wide and diversified product offer

Source: company data processed by MB, average 2011-2012 figures. CIB: advisory, ECM, DCM, Lending.

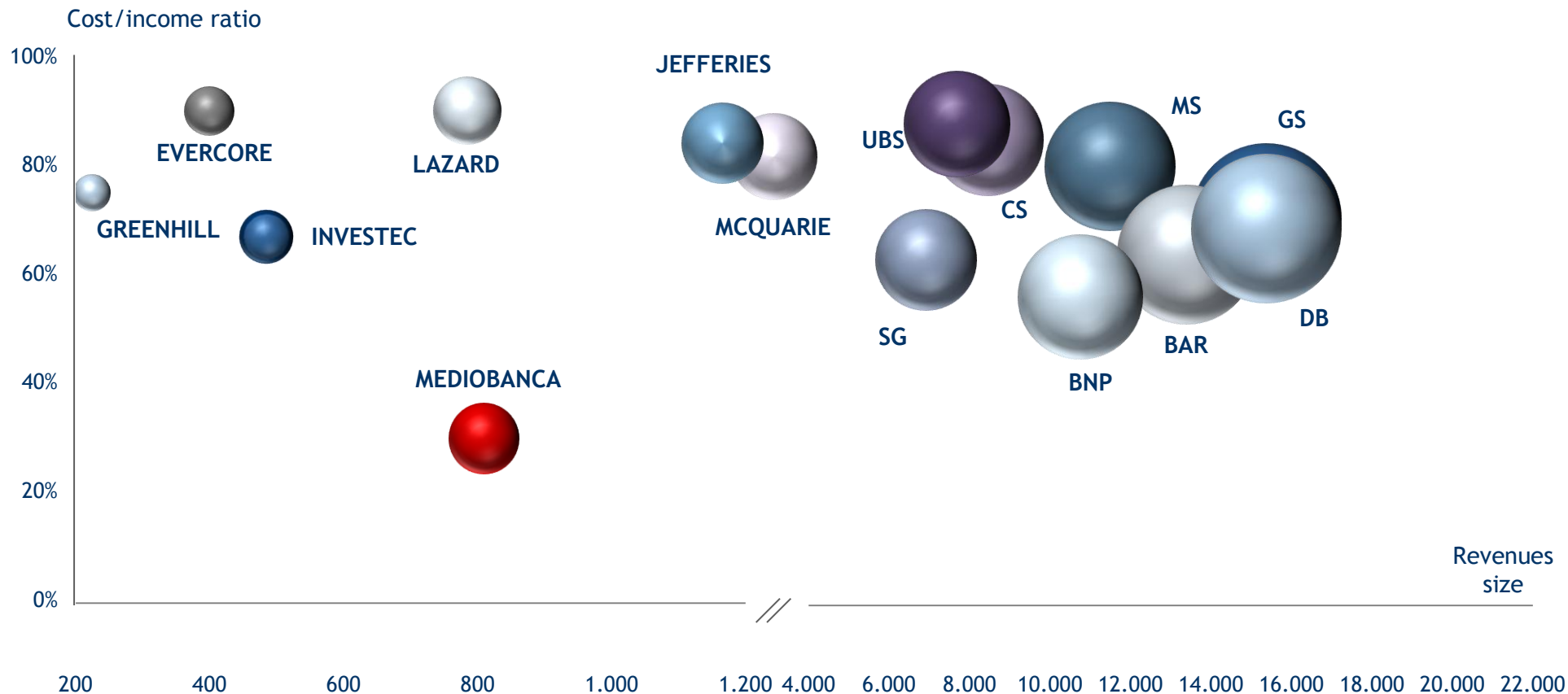


MEDIOBANCA

# ... run with an efficient cost structure ...

CIB market positioning and strategy

Operators by IB revenues size (€m) and cost/income ratio (%)



◆ Mediobanca compensation (approx. 25%) and cost/income ratios (approx. 35%) well below both European and American peers (compensation ratio approx. 50%, cost/income ratio 70-100%)

Source: company data processed by MB, average 2011-2012 figures.

# Strong positioning in Italy ...

CIB market positioning and strategy

## M&A positioning

| 2001 - 2013 | Ranking by total deals value |        |           | Ranking by number of deals |       |           |
|-------------|------------------------------|--------|-----------|----------------------------|-------|-----------|
|             | Bank                         | (€ bn) | Mkt share | Bank                       | Deals | Mkt share |
| 1           | MB                           | 320    | 38%       | MB                         | 429   | 13%       |
| 2           | BOFA                         | 298    | 36%       | LAZ                        | 381   | 12%       |
| 3           | JPM                          | 278    | 33%       | ROTH                       | 356   | 11%       |
| 4           | CITI                         | 264    | 31%       | KPMG                       | 338   | 10%       |
| 5           | GS                           | 243    | 29%       | ISP                        | 274   | 8%        |
| 6           | CS                           | 237    | 28%       | MS                         | 210   | 6%        |
| 7           | LAZ                          | 234    | 28%       | UCG                        | 198   | 6%        |
| 8           | MS                           | 217    | 26%       | JPM                        | 197   | 6%        |
| 9           | ROTH                         | 202    | 24%       | BOFA                       | 164   | 5%        |
| 10          | DB                           | 162    | 19%       | CS                         | 146   | 4%        |

## ECM positioning

| 2001 - 2013 | Ranking by total deals value |        |           | Ranking by number of deals |       |           |
|-------------|------------------------------|--------|-----------|----------------------------|-------|-----------|
|             | Bank                         | (€ bn) | Mkt share | Bank                       | Deals | Mkt share |
| 1           | MB                           | 33     | 22%       | MB                         | 122   | 30%       |
| 2           | ISP                          | 14     | 9%        | ISP                        | 89    | 22%       |
| 3           | JPM                          | 13     | 9%        | UCG                        | 70    | 17%       |
| 4           | GS                           | 12     | 8%        | BOFA                       | 46    | 11%       |
| 5           | MS                           | 11     | 8%        | GS                         | 39    | 10%       |
| 6           | BOFA                         | 11     | 7%        | JPM                        | 36    | 9%        |
| 7           | UCG                          | 10     | 6%        | CS                         | 35    | 9%        |
| 8           | CS                           | 9      | 6%        | DB                         | 37    | 9%        |
| 9           | DB                           | 7      | 5%        | BNPP                       | 33    | 8%        |
| 10          | CITI                         | 5      | 3%        | NOM                        | 28    | 7%        |

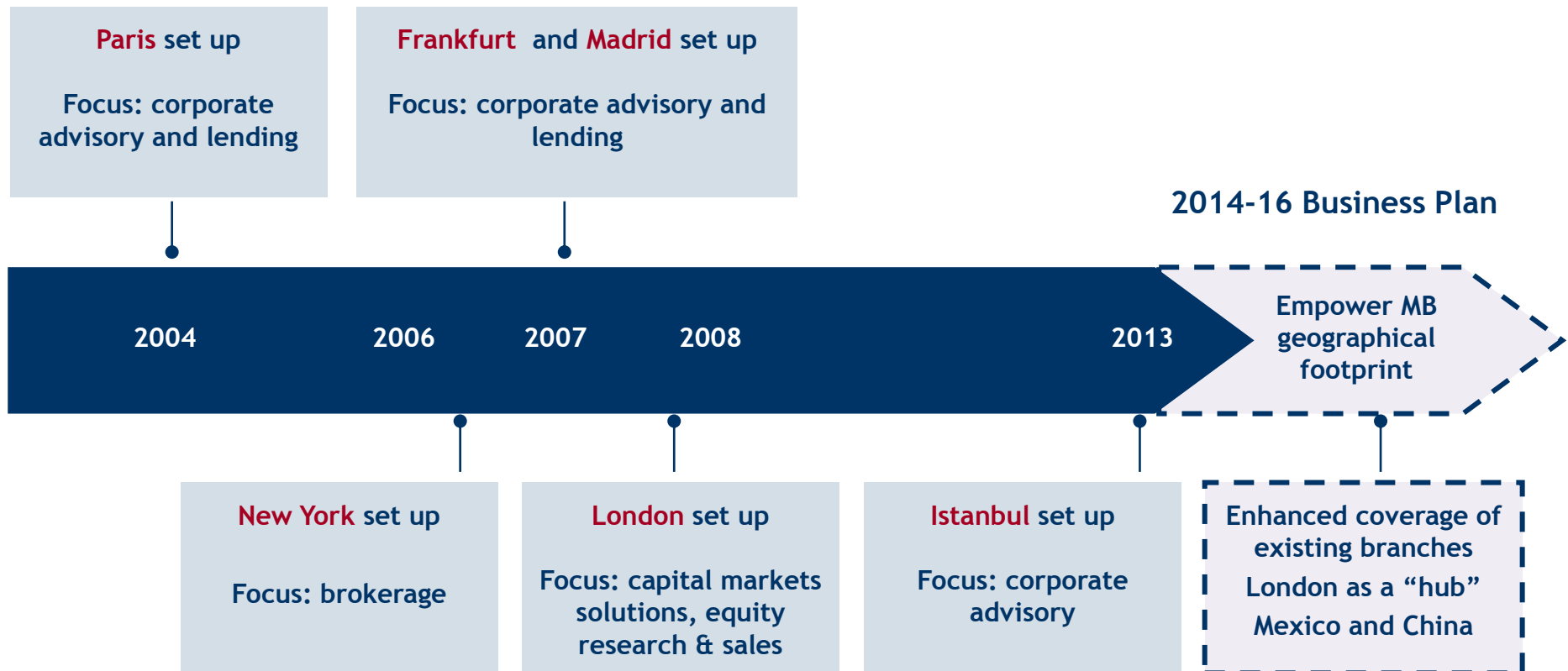
- ◆ Mediobanca leader in M&A and ECM; sizeable market share also in lending and DCM
- ◆ Strong expertise and track record in Italian corporates world

Source: Thomson Financial, deal completed, "any Italian involvement"



# ... leveraged since 2004 on a European scale

## CIB market positioning and strategy



- ◆ Leading domestic positioning in CIB leveraged outside Italy since 2004, following customers' international needs
- ◆ Local client coverage and advisory execution; risk assessment and book keeping in Milan

# CIB Business plan 14-16: boost size and reshuffling revenues mix

CIB market positioning and strategy

1

Exploit an untapped corporate base

2

Empower geographic footprint

3

Complete product offering

4

Leverage on IB industry secular trends

5

Keep focus on balance sheet quality and strength

# CIB targets: balanced business model to deliver growth and return

CIB market positioning and strategy

**B3 compliant business model to deliver**

- ◆ growth and returns
- ◆ on low cost/risk basis
- ◆ on sustainable (domestic)/increasing (international) market shares

**Enhancing the right mix of**

- ◆ cyclical, L-intensive, flow businesses / stable, K-intensive, stock businesses
- ◆ assets broker-holder approach
- ◆ domestic/non-domestic businesses

**FY16 revenues: €1bn, CAGR +10%**  
**85% from client business**  
**45% non-domestic**

**FY16 ROAC: 12/13%**

# **CIB: strategy and key figures**

**1. Market positioning and strategy**

**2. International operations**

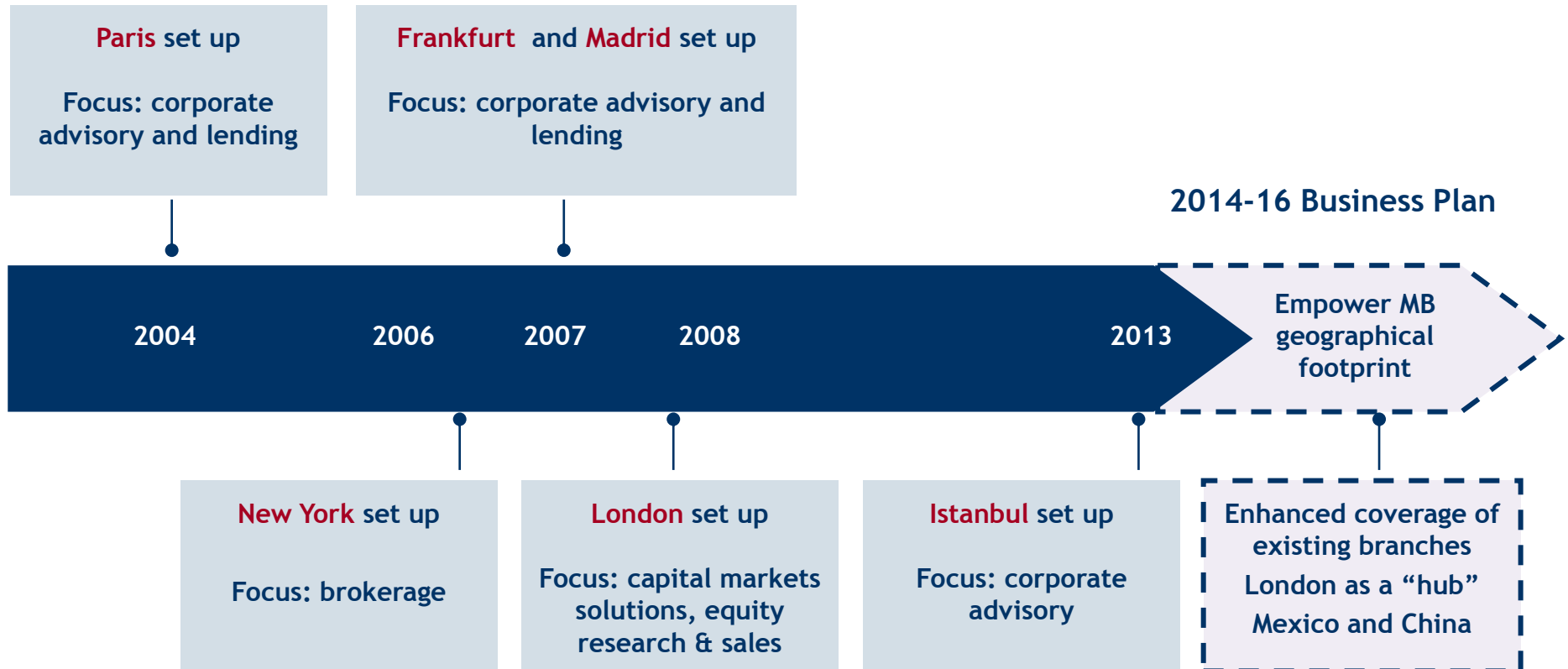


MEDIOBANCA



# History of MB international development

## International operations



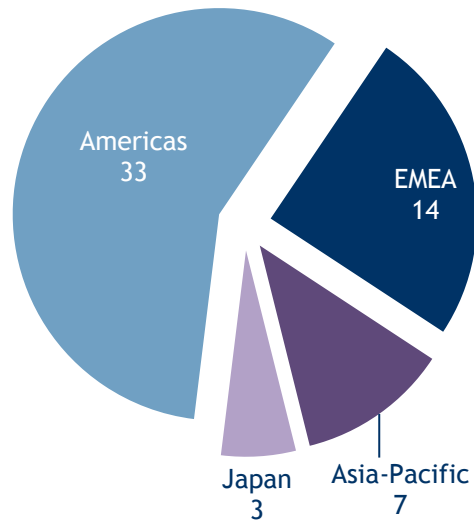
- ◆ Leading domestic positioning in CIB leveraged outside Italy since 2004, following customers’ international needs
- ◆ Local client coverage and advisory execution; risk assessment and book keeping in Milan

# MB international operations: rationale for locations

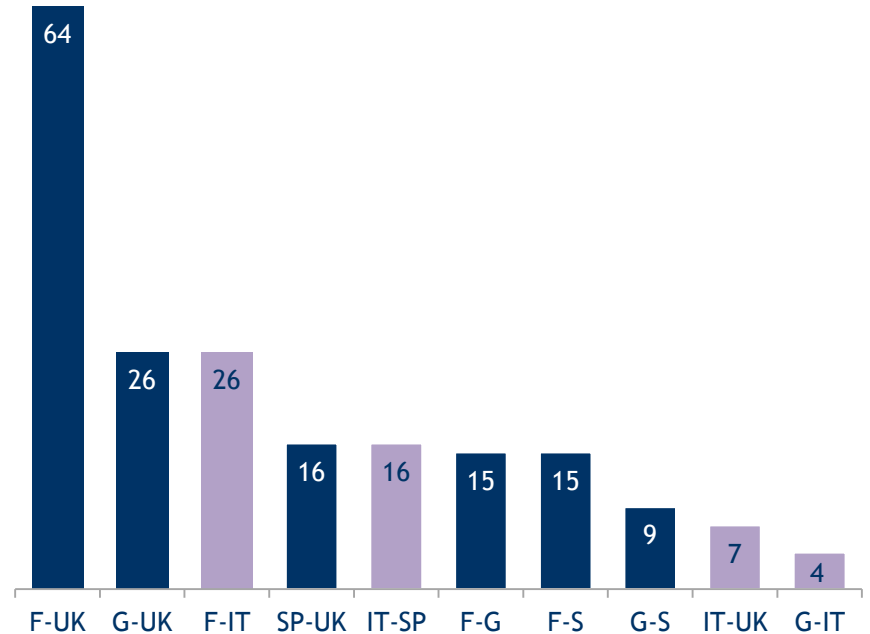
## International operations

### IB revenue pool by countries (\$bn, 9M13)

Total IB fees: 57bn



### Total cross-border deals in EU (2008-12, €bn)



- ◆ Europe is the second CIB market in the world in terms of volumes and revenue pool
- ◆ Mediobanca has branches in markets crucial for Italian-cross border/commercial activity and rich in corporates
- ◆ Mediobanca top-ranked in Italian cross-border activity, well recognized franchise in southern Europe

Source: Thomson Reuters

# MB international CIB: a “pragmatic & differentiated” approach

## International operations

- ◆ Non-domestic countries largely covered by local IB and by bulge bracket firms
- ◆ Core Europe: mature but very large corporate market in which MB has a sub-optimal market share
- ◆ Even “small bites of the big cake” have material impact on the relatively small-size MB balance sheet
- ◆ MB mission: to be recognized as an high-quality specialized operator (no league tables)
- ◆ MB: customer-driven/tailor-made offering (solutions business vs flow business)
- ◆ Good profiles-selective hirings possible given:
  - ◆ talents moving from bulge brackets to boutiques
  - ◆ strong MB brand, corporate culture and balance sheet
  - ◆ MB “flexibility” and entrepreneurial approach

# MB non-domestic operations KPIs

## International operations

### KPIs

- ◆ High diversification of income\*:
  - ◆ 47% capmkt, 41% lending, 12% advisory
  - ◆ 45% trading, 30% fees, 25% NII
- ◆ Lean structure (125 total people, 20% of WB)
- ◆ Low cost/income and comp ratios
- ◆ Good asset quality
- ◆ Low capital absorption, high ROAC
- ◆ Reduction in revenues in last two years driven by collapse in IB volumes and high MB/Italian spread
- ◆ Need to increase size (revenues/RWAs) also through a different set up/mission of the different branches

### Non-domestic operations KPIs<sup>1</sup>

|                          | June 11    | June 12    | June 13    |
|--------------------------|------------|------------|------------|
| <b>Total income (€m)</b> | <b>289</b> | <b>238</b> | <b>192</b> |
| % WB                     | 36%        | 29%        | 32%        |
| <b>PBT (€m)</b>          | <b>169</b> | <b>122</b> | <b>87</b>  |
| % WB                     | 43%        | 40%        | 31%        |
| <b>Loans (€bn)</b>       | <b>5.2</b> | <b>4.5</b> | <b>3.5</b> |
| % WB                     | 30%        | 27%        | 26%        |
| <b>RWAs (€bn)</b>        | <b>7.5</b> | <b>6.8</b> | <b>6.1</b> |
| % WB                     | 22%        | 20%        | 19%        |
| <b>Staff (n.)</b>        | <b>130</b> | <b>131</b> | <b>125</b> |
| <b>Cost/income ratio</b> | <b>39%</b> | <b>41%</b> | <b>47%</b> |
| <b>ROAC gross</b>        | <b>28%</b> | <b>23%</b> | <b>18%</b> |

1) Figures refer to business originated by the branches, not to the nationality of customers; loans gross of loan loss reserve, not including margin loans; equity sales and research not included. Management accounting

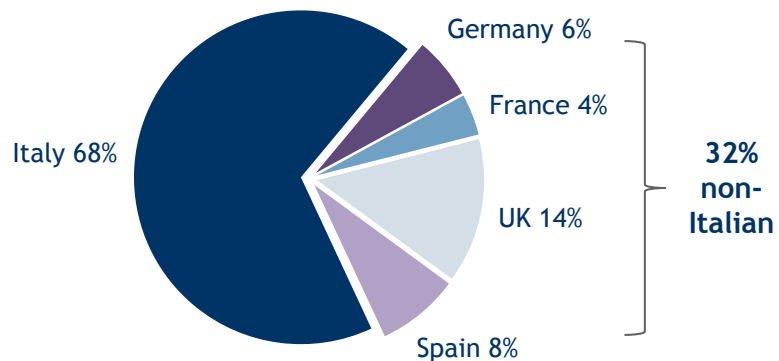
\* FY 2011-13 average

# Foreign branches: material contribution to WB

## International operations

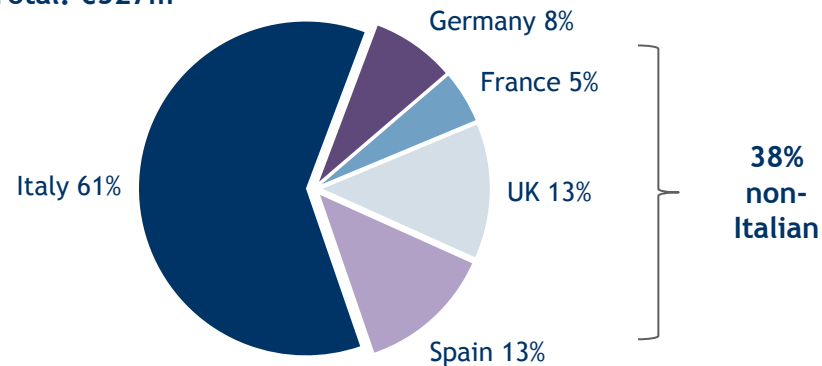
### WB revenue by country (2011-13 avg.)

Total: €742m



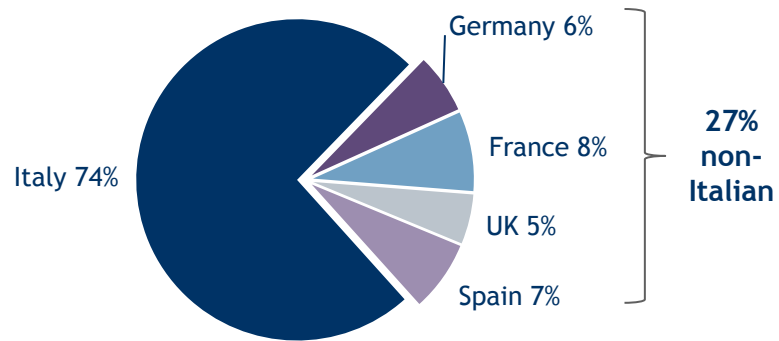
### WB PBT by country (2011-13 avg.)

Total: €327m



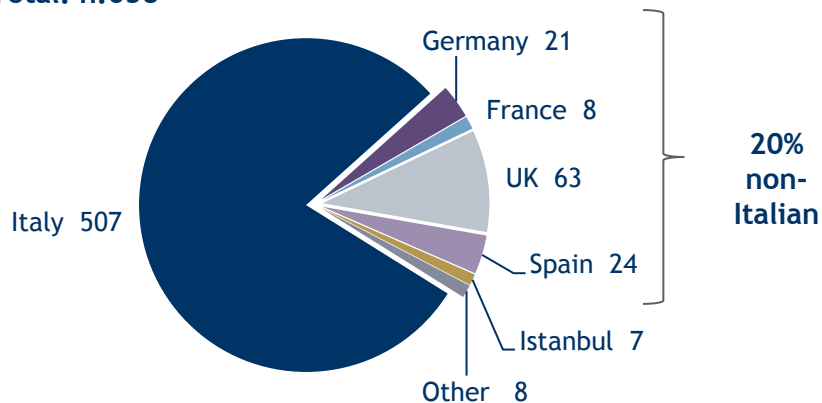
### WB loans by country (June 13)

Total: €13.8bn



### WB staff by country (Sept. 13)

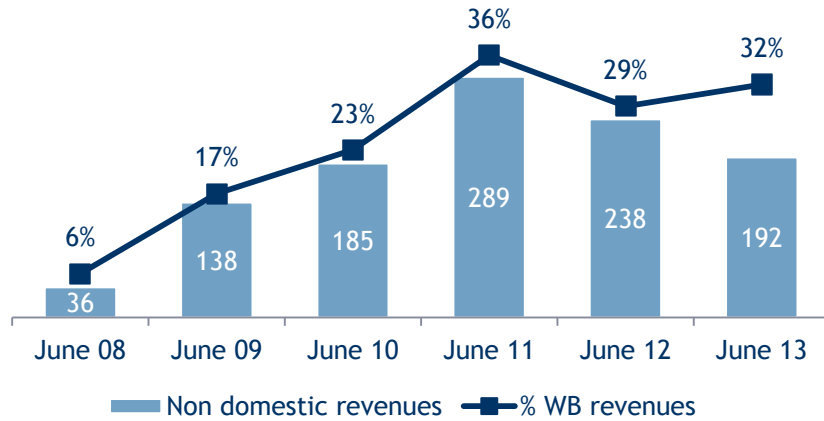
Total: n.638



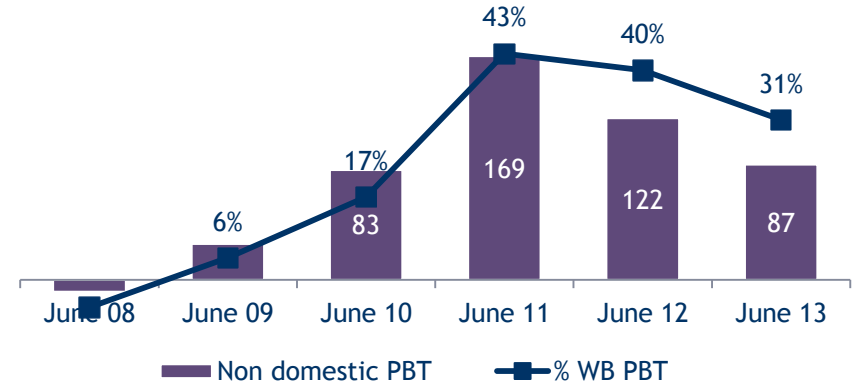
# Trend in non-domestic WB operations

## International operations

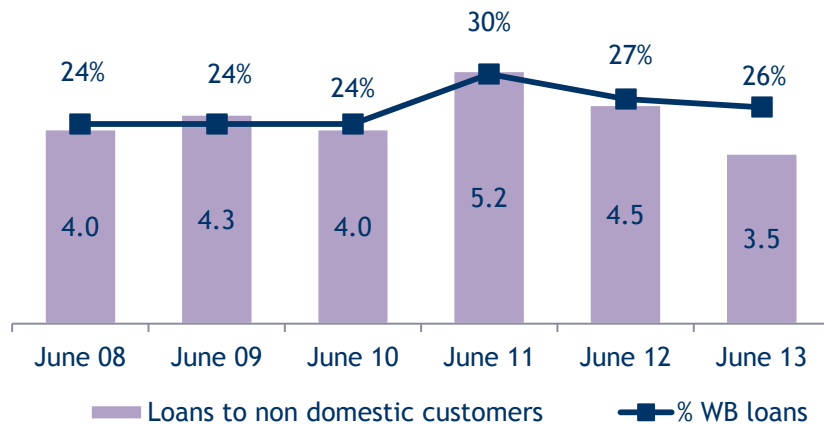
### Non-domestic revenues (€m, % WB revenues)



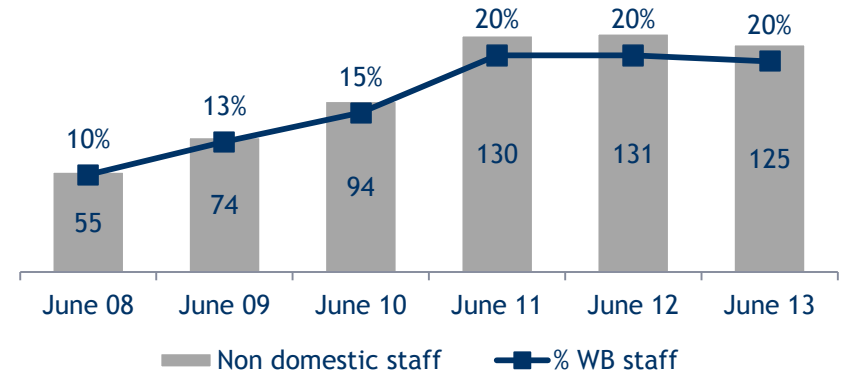
### Non-domestic PBT (€m, % WB PBT)



### Non-domestic loans (€bn, % WB loans)



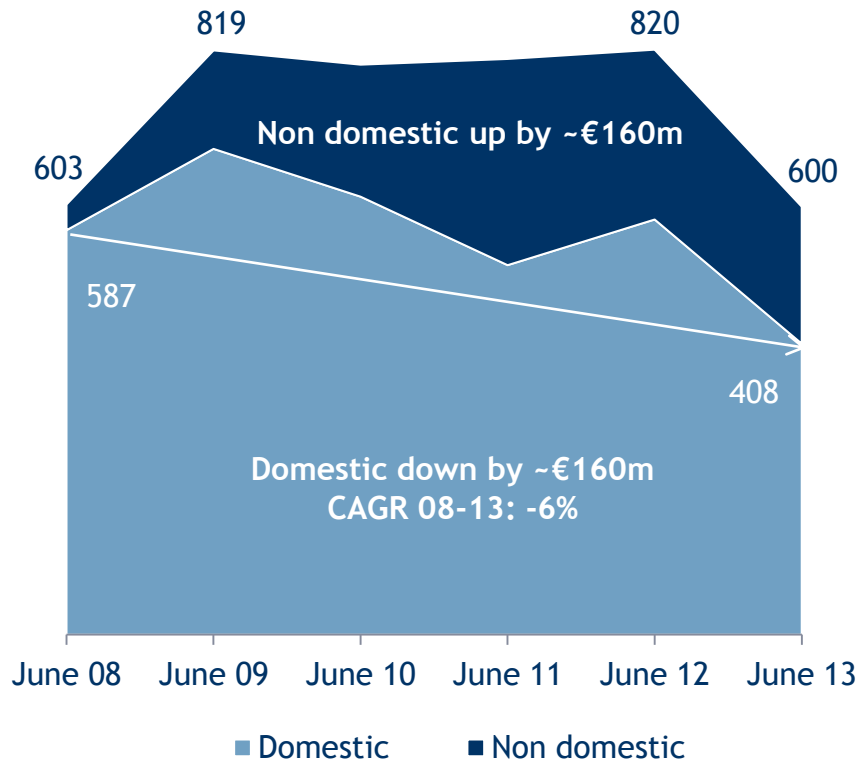
### Non-domestic staff (#, % WB staff)



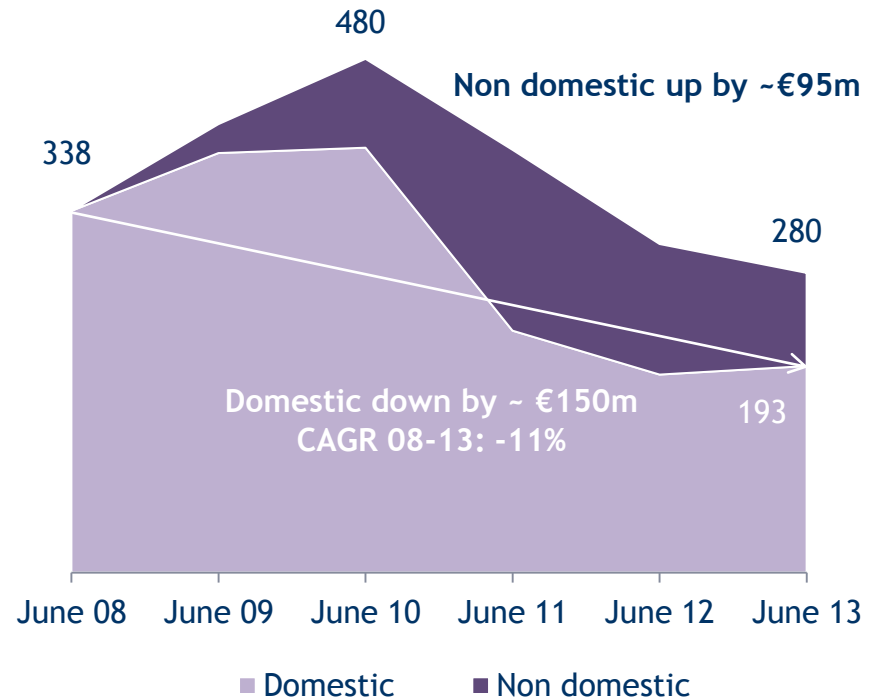
# Geographical diversification paying off

## International operations

### WB revenues by location (€m)



### WB PBT by location (€m)



- ◆ Non-domestic activities have offset the reduction in domestic revenues since 2010 (sovereign crisis and weak macros)
- ◆ International business in 2013 33% below 2011-peak levels



# 2014-16 strategy: empower MB geographical footprint

## International operations

### Core Europe

- ◆ Mature but large market in which Mediobanca still has a sub-optimal market share
- ◆ Extend mission of London branch from capital markets platform to “hub” of competence for industry expertise and markets
- ◆ Reinforce continental European branches hiring bankers and through a stronger integration between local coverage and industry/product expertise (in London and Milan)
- ◆ Exploit product/customer synergies
- ◆ Focus on capital-light businesses

### New geographies

- ◆ Entering high growth markets, meeting customers’ needs, covering 3 fast-developing economies: Turkey, Mexico, China
- ◆ Enlarge coverage of existing branches:
  - ◆ MENA regions from Turkey
  - ◆ Russia from London
  - ◆ Eastern EU from Frankfurt
  - ◆ Chile, Colombia and Peru from Spain
  - ◆ Benelux from France

# 2016 target: non-domestic operations up to 45% of WB income

## International operations

- ◆ Existing platform to be fully leveraged
- ◆ Some additional infrastructural investments needed
- ◆ Selected hirings needed
- ◆ Focus on K- and funding-light businesses
- ◆ Income growth mainly driven by capmkt and advisory
- ◆ All branches raising contribution, especially UK
- ◆ Cost/income ratio under control
- ◆ Gross ROAC expected to be >30%

**Non-domestic contribution from 30% to 45% of total CIB revenues**



# Compass

Leveraging on a unique franchise



## ▲ Business model and key success factors

▲ Strategic guidelines

▲ Closing remarks

# Current business model has been shaped with "Linea" M&A



Acquisition

Merge

2006

2007

2008

2009

2010

2011

2012

2013

## Compass stand-alone

- ▲ 100% of production via proprietary branches
- ▲ High risk / high return portfolio
- ▲ More profitable than the market average
- ▲ Not easily scalable for growth
- ▲ Monolithic approach

## Integration

- ▲ IT migration
- ▲ Incorporation
- ▲ Credit policy
- ▲ Brand & products
- ▲ HR synergies

## Slowing down

- ▲ Risky channels closure
- ▲ More stringent underwriting

## New Compass

1

### Goals

Growing in size

Increasing profitability/value

2

### Strengths

Effective distributive model

Statistics driven business

Industrialized collection process

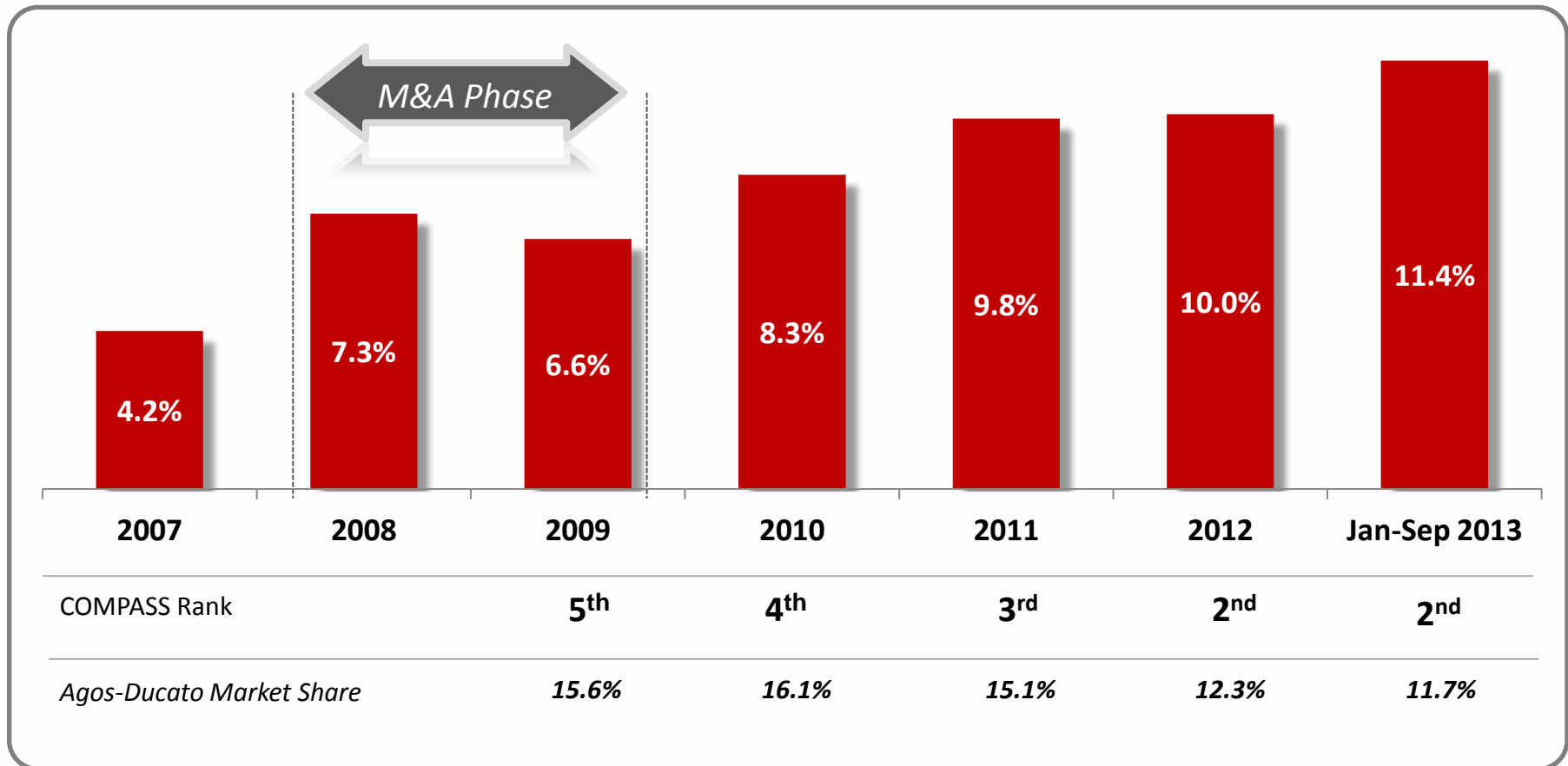
Value driven decisions

People championing

# We delivered continuous business growth in these five years ...



## Compass Market Share on Yearly New Volumes



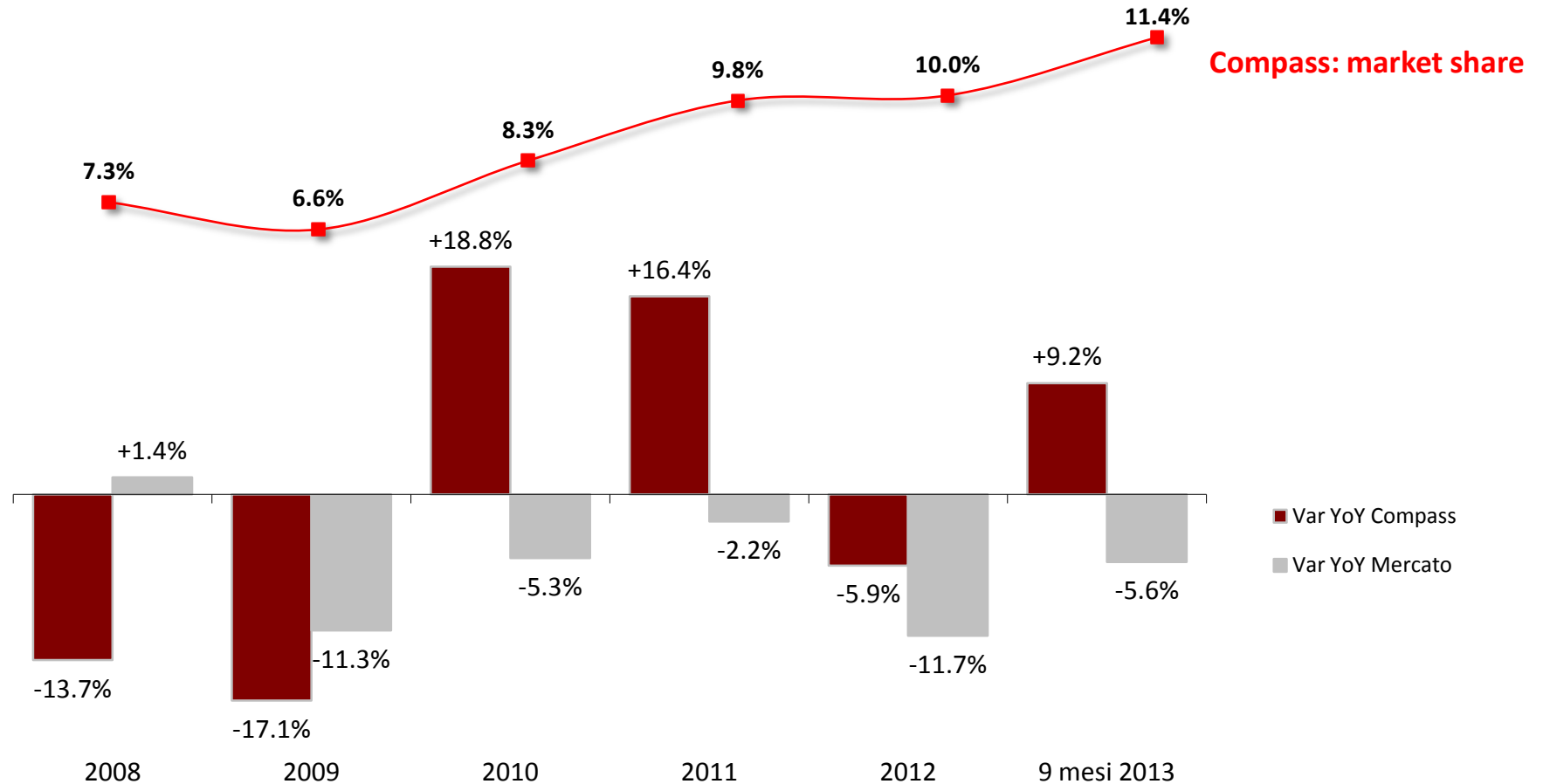
Source: Assofin Quarterly Observatory

Data of 2007 do not include Linea's Volumes (whose contribution would raise market share at 8.6%). Data of 2008 and 2009 do already include Linea's Volumes

... in a shrinking market...



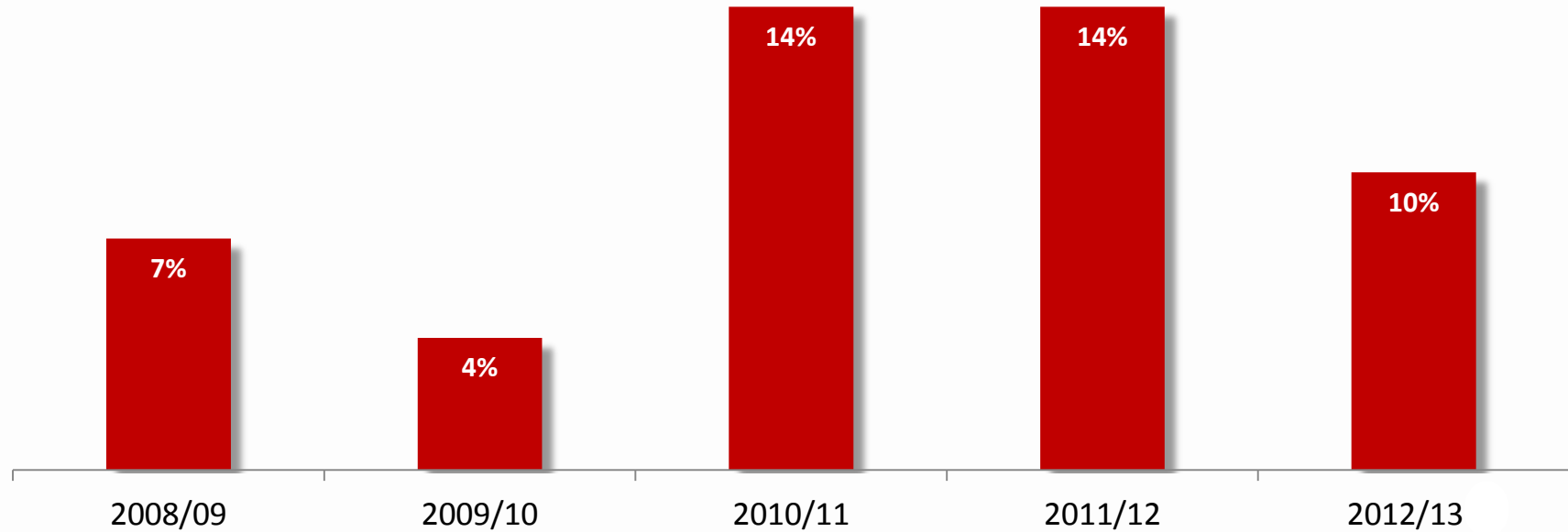
## Compass vis-à-vis Italian Market: market share and YoY growth



## ... with a good profitability over the cycle



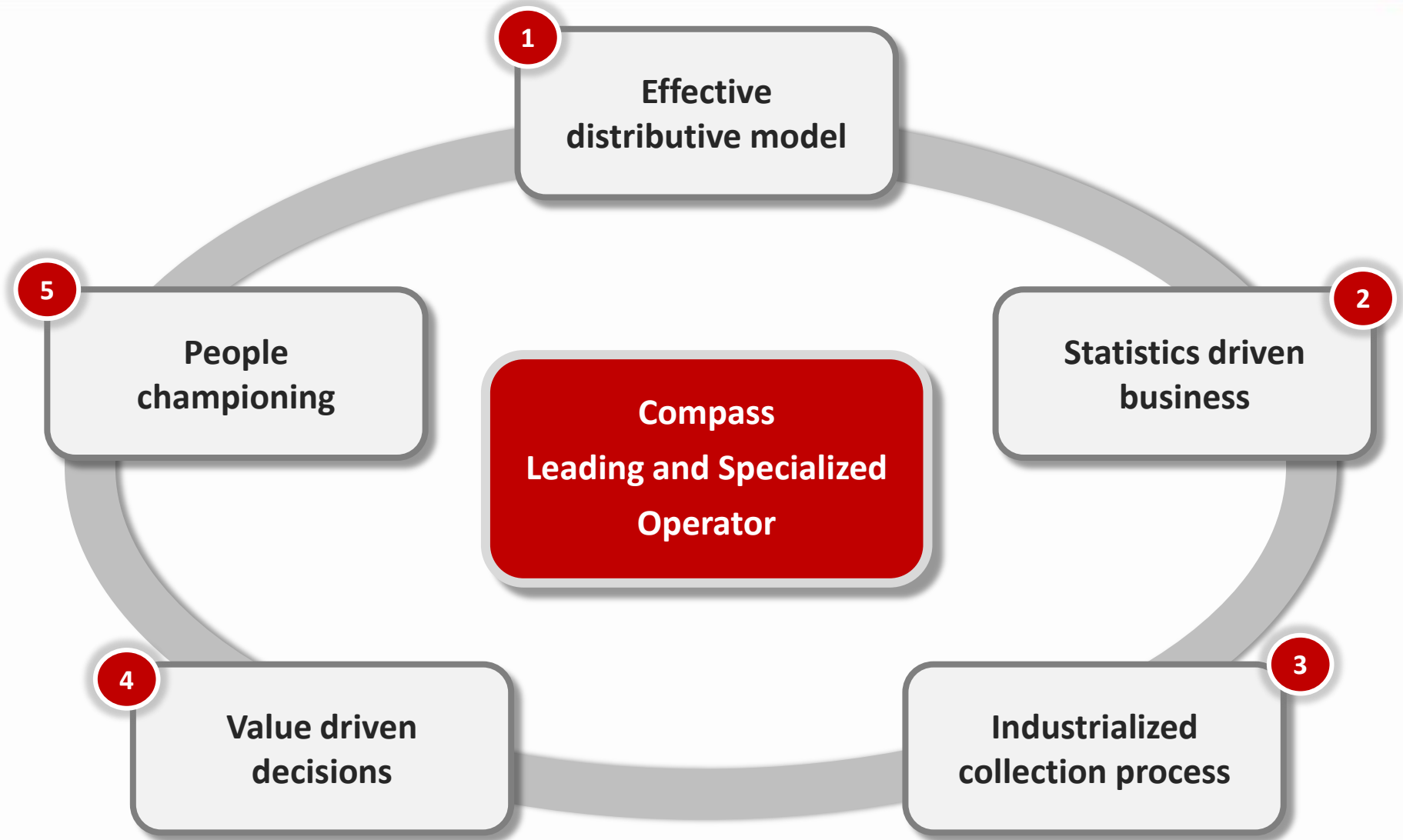
ROAC (%\*)



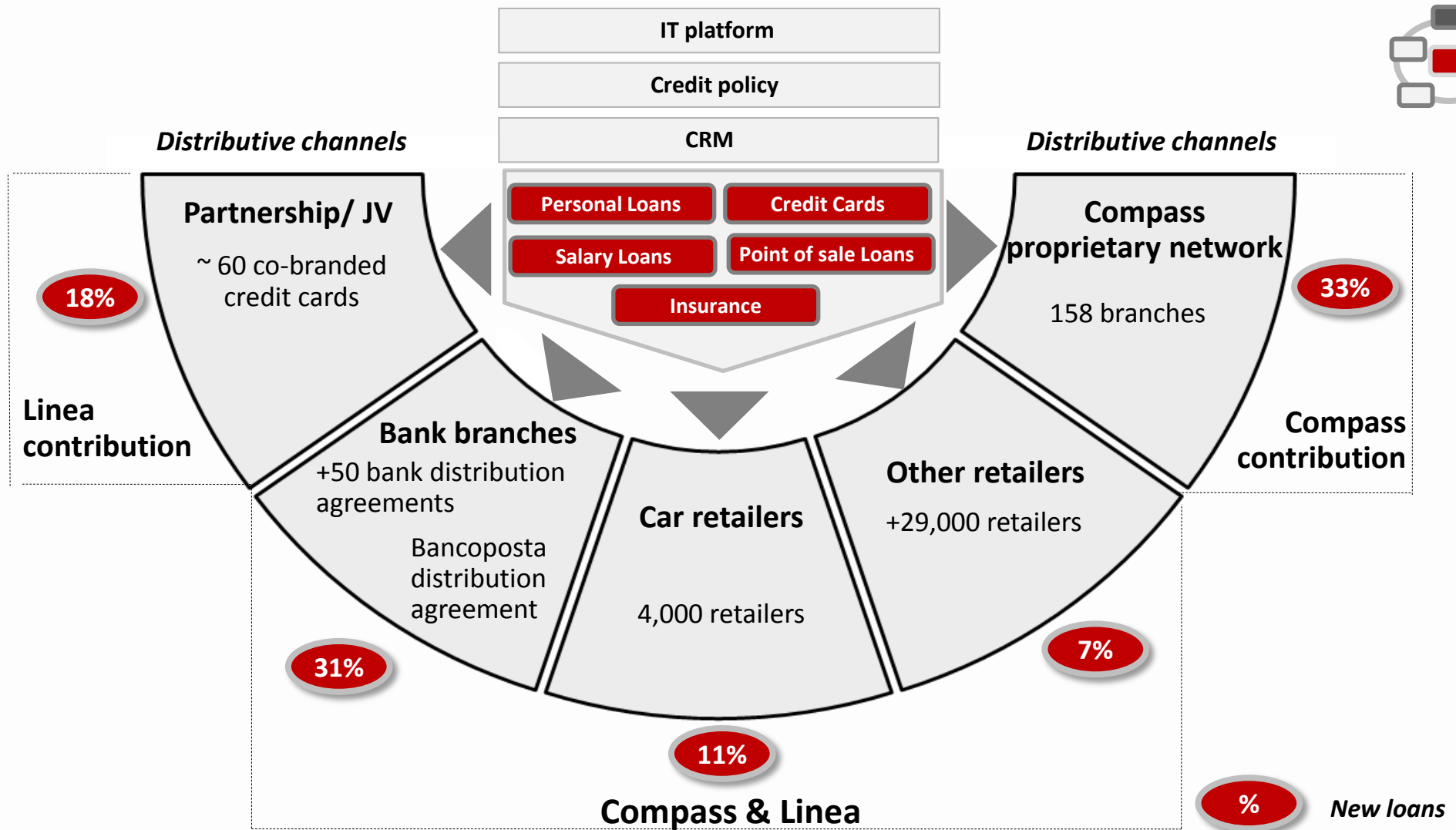
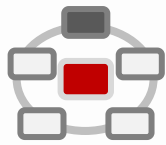
\*Allocated K = 8% RWAs



# Growth and profitability delivered on the back of five strengths

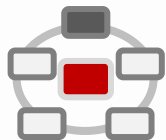


# Effective distributive model ...





# ... and Compass's ability "to deal" with key partners ...

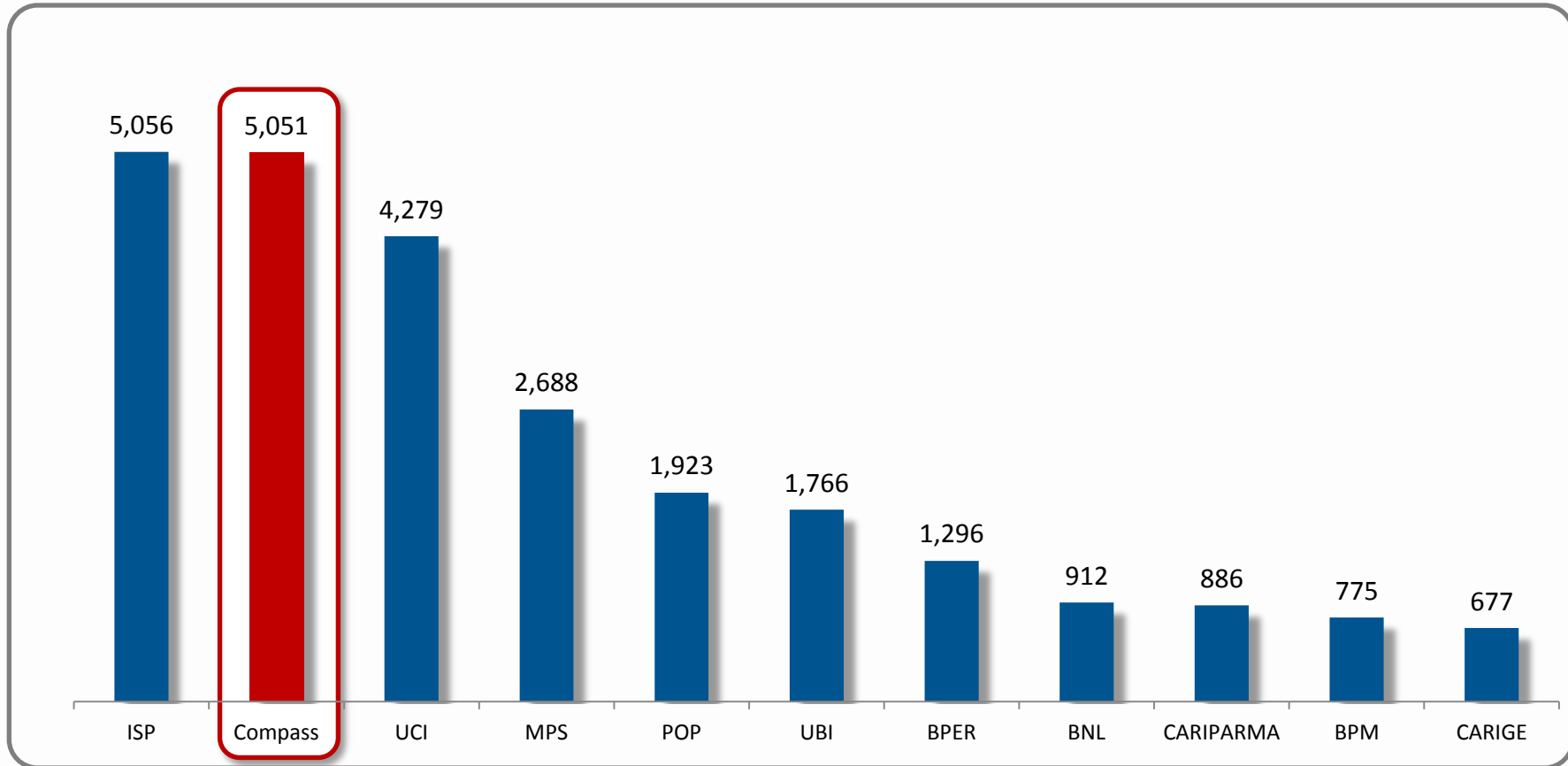
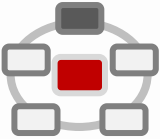


| Channels     | 1 Banks  | 2 Distribution & Automotive  | 3 Agents  | 4 Insurance network   |
|--------------|--|--|---|---|
| Key numbers  | <ul style="list-style-type: none"> <li>50 banks partnered</li> <li>+5,000 bank branches</li> <li>+14,000 Poste branches</li> </ul> | <ul style="list-style-type: none"> <li>30 distribution agreements</li> <li>25,000 retailers</li> </ul> | <ul style="list-style-type: none"> <li>30 distribution agreements</li> <li>2,000 agents</li> </ul>                    | <ul style="list-style-type: none"> <li>12 distribution agreements</li> <li>1,200 brokers</li> </ul>                 |
| Key partners |  |  | <ul style="list-style-type: none"> <li>Barclays</li> <li>IBL Banca Family</li> <li>Kiron</li> <li>Credipas</li> </ul> |   |
| Products     | <ul style="list-style-type: none"> <li>Credit cards</li> <li>Personal loans</li> <li>Salary loans</li> </ul>                       | <ul style="list-style-type: none"> <li>Point-of-sale loans</li> <li>Car loans</li> </ul>               | <ul style="list-style-type: none"> <li>Personal loans</li> <li>Credit cards</li> </ul>                                | <ul style="list-style-type: none"> <li>Credit cards</li> <li>Personal loans</li> <li>Point-of-sale loans</li> </ul> |

# ... allowing Compass to obtain distribution power equivalent to 5,000 bank branches

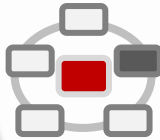


## Top 10 banks by number of branches (\*)



(\*) Source: Bank of Italy. Only domestic branches are considered. BPER Group is served by Compass

# Business is driven by an in-depth statistical approach ...



## Direct marketing

- ▲ Short-term **redemption**
- ▲ **Customer-life-time cross-selling**
- ▲ **Price sensitivity**
- ▲ **Psychological profile**  
(Eurisko)
- ▲ **Retention**

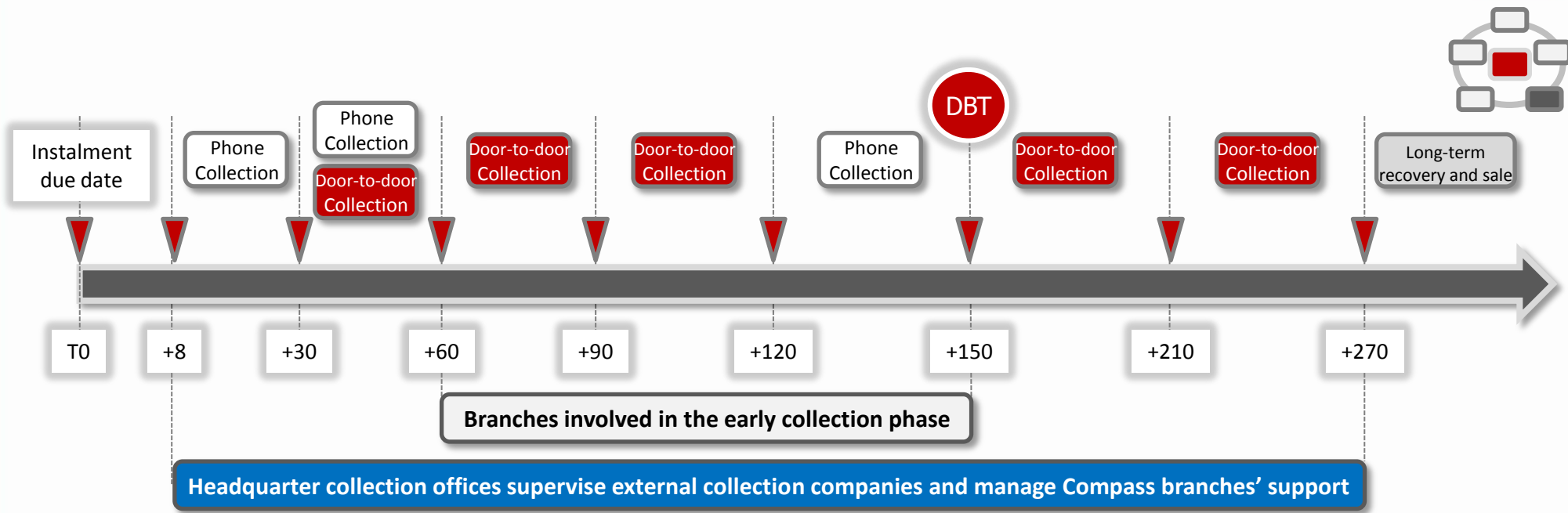
## Underwriting score

- ▲ **30 acceptance scorecards** with differentiated **cut-off triggers**
- ▲ **Heavy use of sub-module**  
(credit history, channel, etc.)

## Collection strategy

- ▲ **Collection strategy scorecards** based on:
  - expected **collection income**
  - **past due rolling behaviour**
  - possible **price of disposal**

# ...and a highly industrialized collection process ...

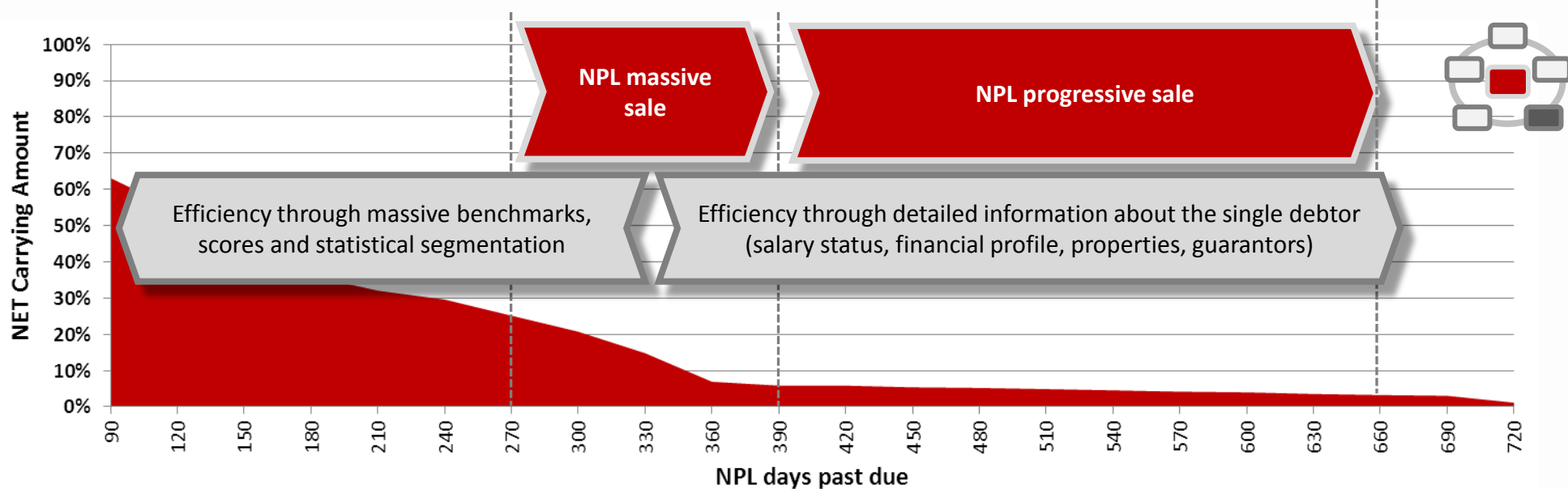


- ▲ **Phone collection** companies always **compete with each other** on a **casual basis**

- ▲ **Door to door companies** always compete at a geographical level
- ▲ At each next phase, **collectors** are always **different from the previous ones**

- ▲ **Early collection start** (first action at day 8) **increases efficiency** of the whole process
- ▲ **High number** of external **agencies** allows for a **continuous benchmarking**
- ▲ By **switching NPL assignment** to different agencies, the **product chain is kept taut**
- ▲ **Branches** made **responsible** for **credit quality**

# ... and efficient NPL management process allows for a clean book



- ▲ **Collection** evolves with **ageing** from **massive** statistical approach to **one-by-one** customer management
- ▲ **Provisions** are automatically **updated**: 75% at 270dpd, 94% at 390dpd, 98% at 660dpd ...
- ▲ ... and in any case at 720 dpd, **NPL** will be **sold** or **provisioned** at **100%**

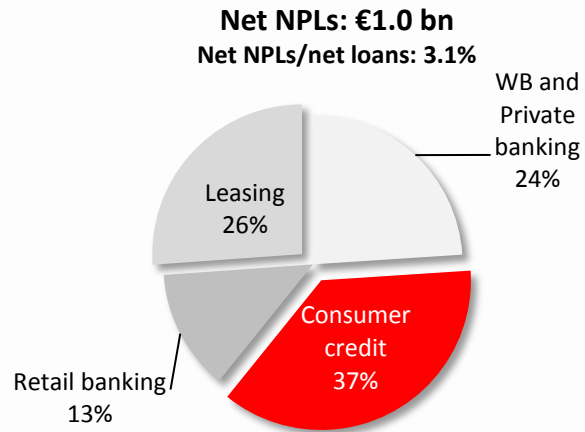
- ▲ **Balance structurally clean**
- ▲ **Cost of risk set “objectively”**



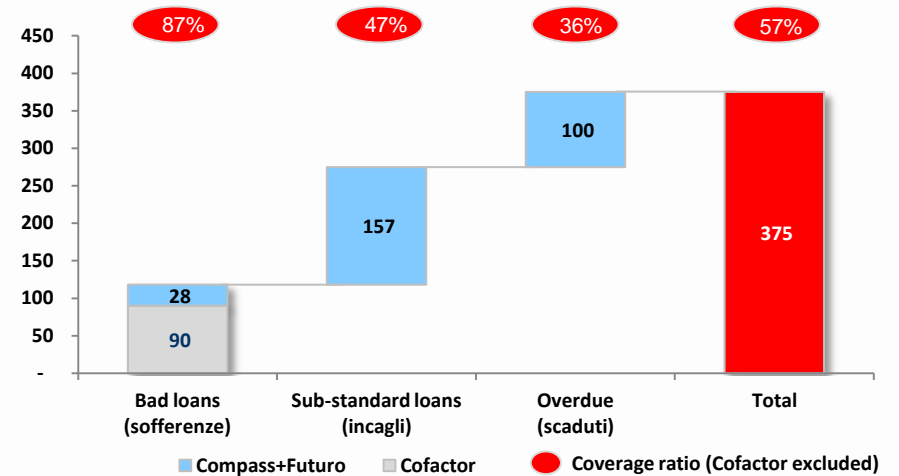
# Consumer credit: asset quality



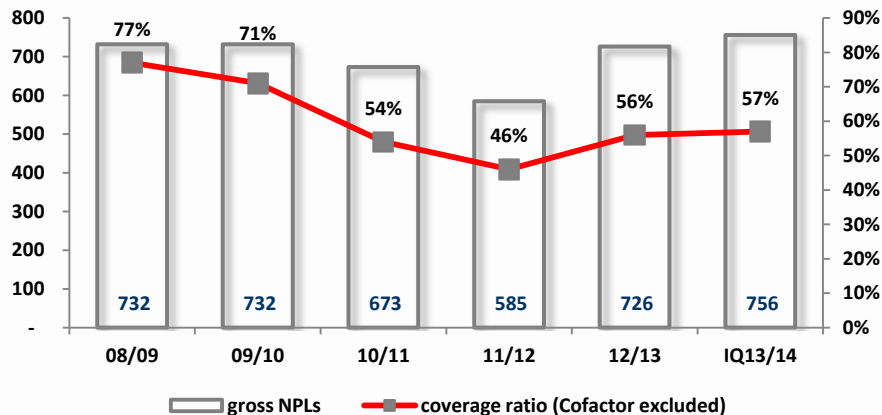
## Group net NPLs by segment (Sept 13)



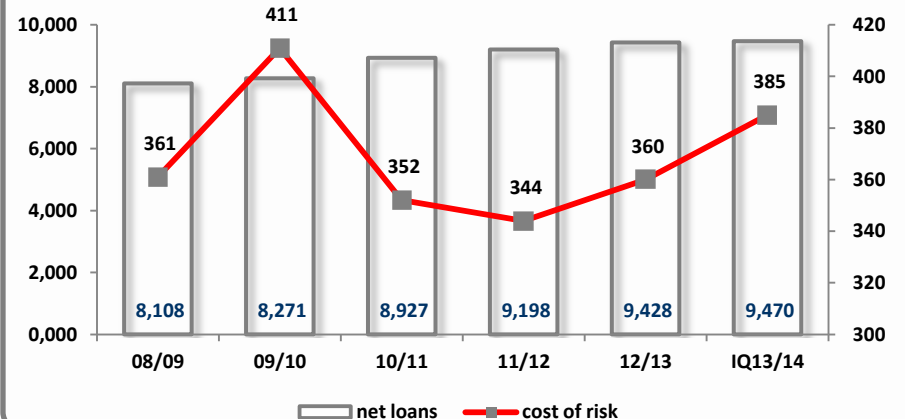
## Consumer net NPLs by category and coverage ratio (Sept 13, €m, %)



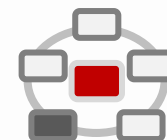
## Consumer gross NPLs and coverage ratio trend (€m, %) June09/Sept13



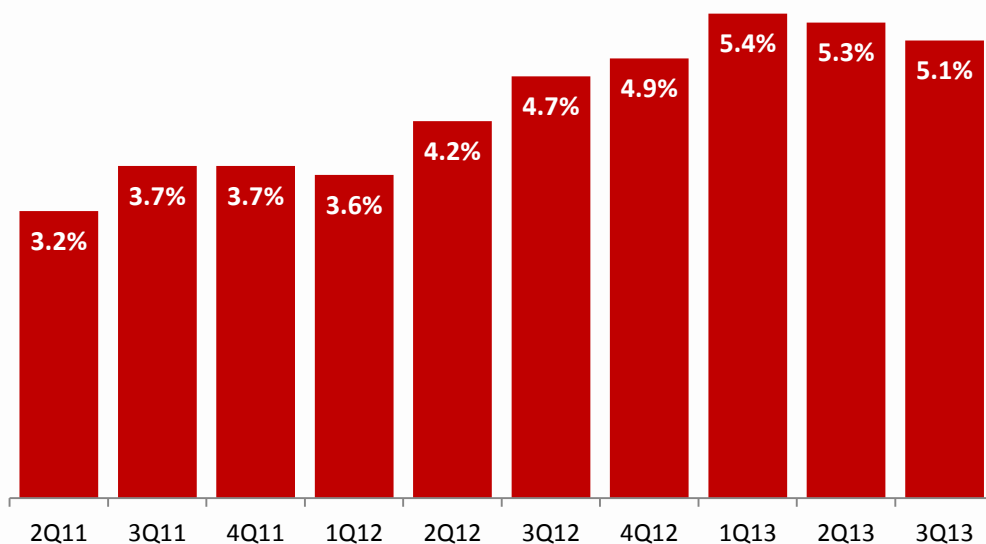
## Consumer loans and cost of risk trend (€m, bps)



# The ultimate decision is “value-right price” (not “volume”) driven...



## Value progression <sup>1</sup>(%)



- ▲ Risk due to its implicit volatility **managed** with **conservative approach** in the value equation
- ▲ Pricing decisions based on **target value**
- ▲ **Minimum value required** per product/channel

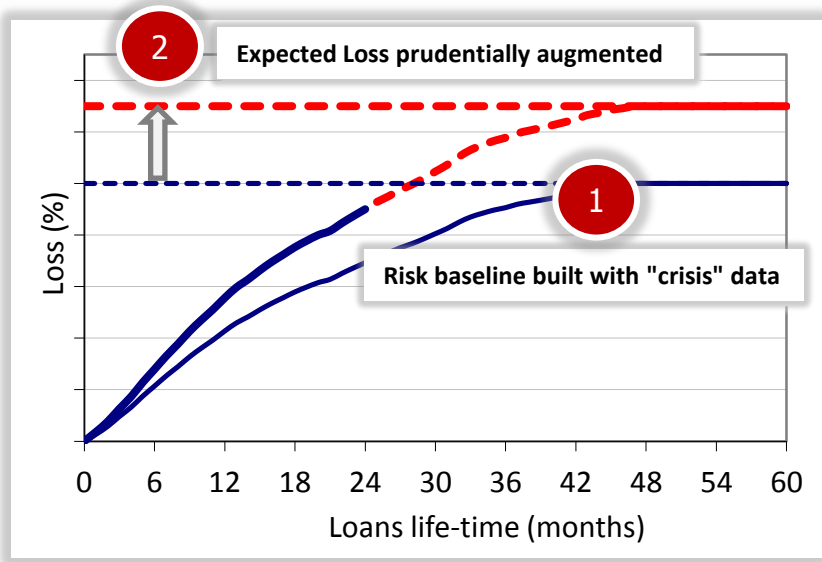
<sup>1</sup> Value: gross return net of risk, funding and distribution costs

# ... founded on a conservative three-step model to cope with “just-in-case” negative scenarios



## Indepth historical database

- 1 Historical **data** always **include** periods of **economical crisis**
- 2 **Expected losses prudentially increased to cope with negative outlooks**



## Robust models

- 3 Evidence of **low** and **delayed correlation** between **GDP** and **risk** of single **companies!**

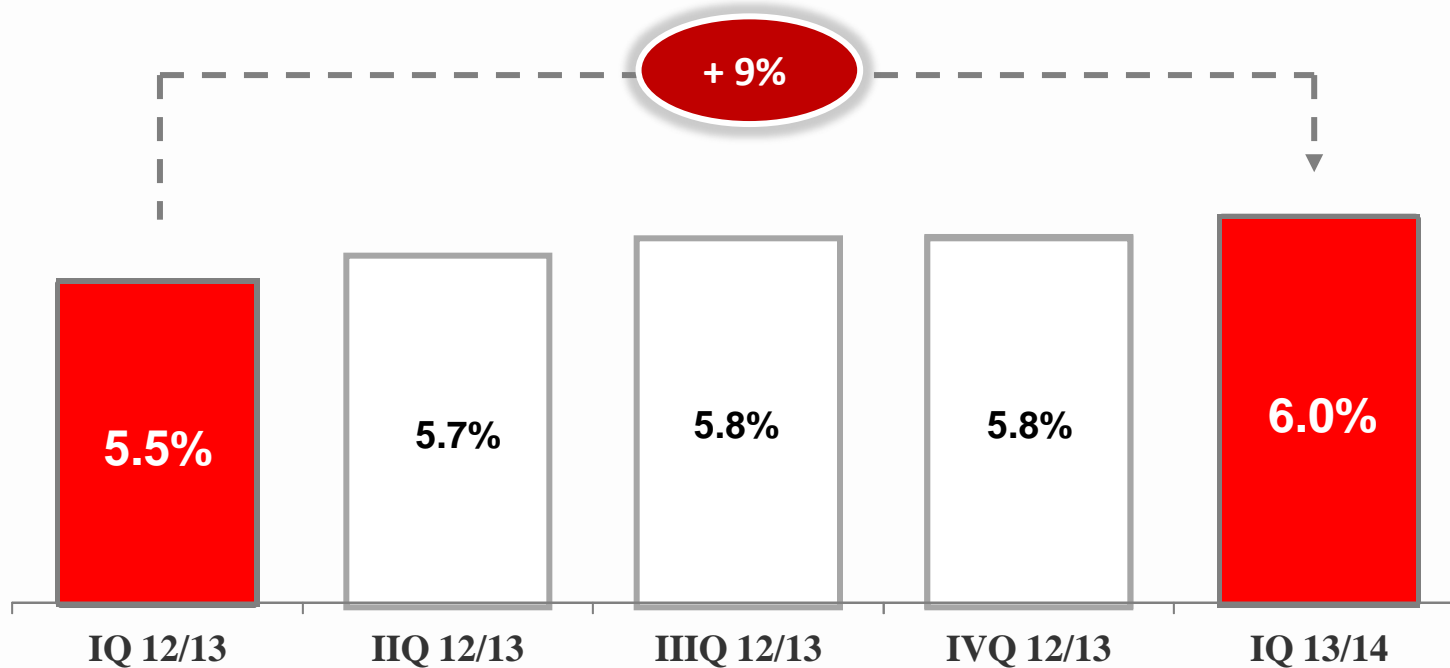
- ▲ The **actual issue** is to “**make the right price!**”
- ▲ **Compass prices include “risk” and volatility** in the profit equation
- ▲ Many **companies’ troubles** are due to **aggressive pricing strategy** (in times of low funding cost) and low capabilities in **manage ordinary** occurrence of **risk**.



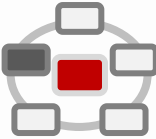
# The effect of value approach on the net interest margin



## Net interest margin on average stock



# Last but not least, capable of championing in people management



- 1 **Strong investments** aimed at **training professionals** coupled with providing them with **credible career paths** (here facts matter!)
- 2 A large **basin of internal talent** complemented by **few** specific **external hires** (know-how gap filling approach)
- 3 "**Proprietary branches academy**" (50 years of expertise are priceless)
- 4 **Succession planning** for all **key managers** ... new **General Manager** appointed through **promotion** from **within** the **company** and immediately integrated and recognized
- 5 **Management team** fully change-oriented and **ready** for whatever **discontinuous change** the market asks for in the coming years



- ▲ Business model and key success factors

- ▲ **Key highlights of 2013-16 Business Plan**

- Core Business
- New Projects

- ▲ Closing remarks

# Strategic Plan Guidelines

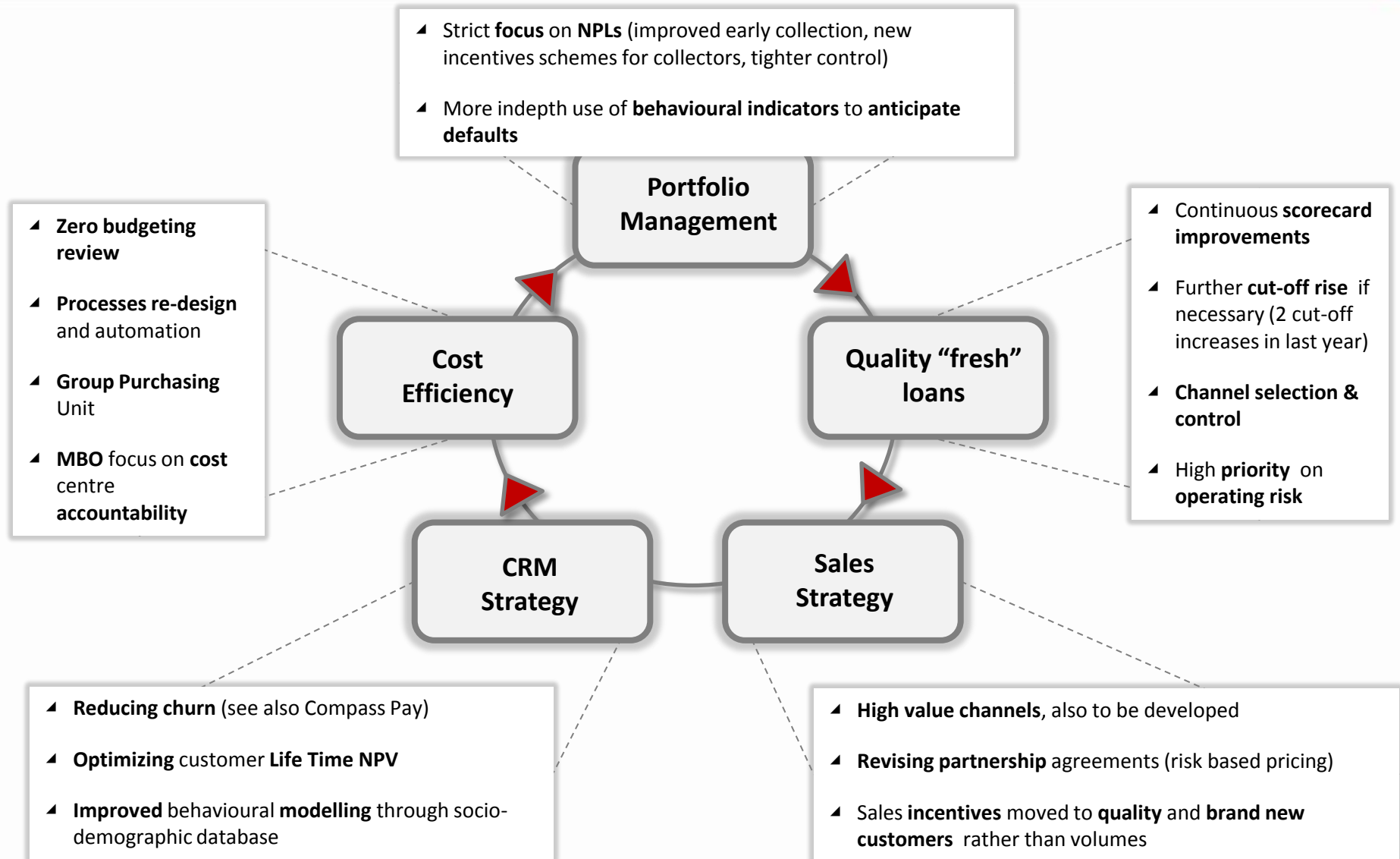


| Scenario   | Consumer Credit Market                                     | Regulatory Market  |
|--|--|--|
| Economic cycle is weak and market volatility expected to persist | Declining for 5 years, expected slight recovery as of 2014 | Increased pressure and stricter distribution boundaries expected |



- 1 Launch **new products** to **diversify revenue** streams and **deepen** some **partnership** channels
- 2 **Set commercial targets** based on “**risk adjusted returns**” (not on new volumes only)
- 3 **Increase customer** base and “**protect**” **current** customer **portfolio**
- 4 Preserve **high efficiency** both on **current** and **new business**
- 5 **Keep cautious risk** approach

# ... and core business profitability optimized by 5 key levers







- ▲ Business model and key success factors

- ▲ **Key highlights of 2013-16 Business Plan**

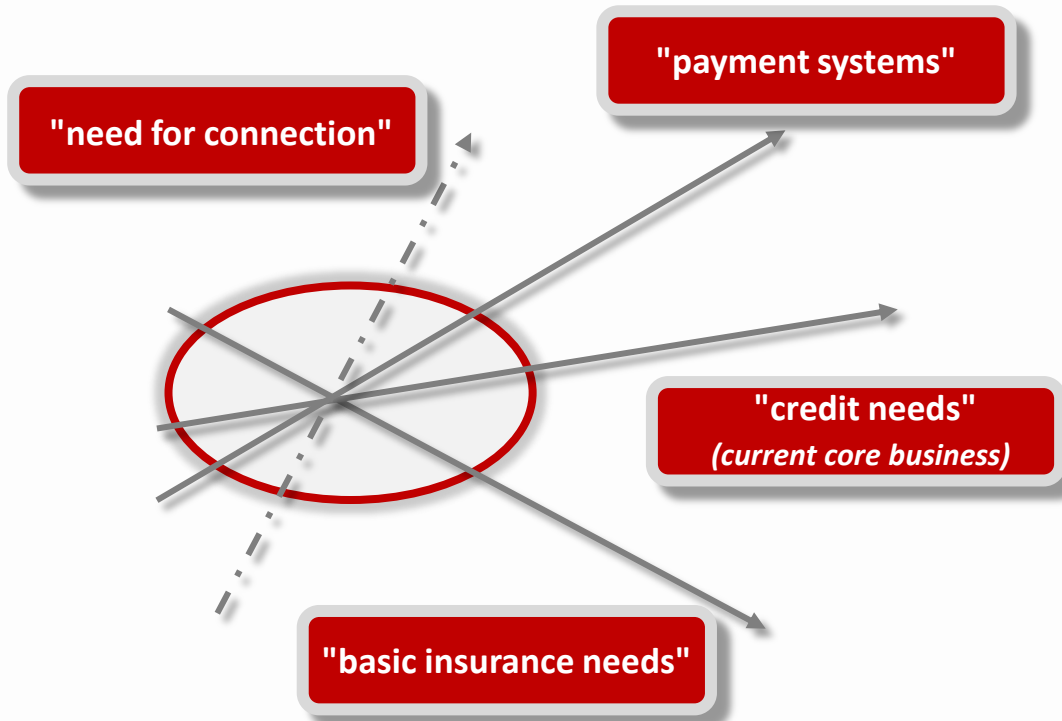
- Core Business
- **New Projects**

- ▲ Closing remarks

# Business paradigm change: from current “transaction based” to “relationship based” ...



- ▲ A **dominant market position** will be granted to those who can **occupy this strategic crossroads** ...
- ▲ ... players from **different sectors** (telecoms, large retailers, dot-com companies and social networks) will **compete** ...
- ▲ ... the **winning model** has still to be defined!



## Compass's vision

- ▲ "... become the **preferred partner** for Italian **customers** ... for their **borrowing**, **transactional** and **protection** needs ..."

## Compass's leadership

- ▲ Customer **lending** with consistent **quality**
- ▲ Customer **relationships** with high percentage of “**repeaters**”
- ▲ **Ability** to **craft** new **relevant partnership**
- ▲ **Innovation** and **discontinuity** in **product** technology and consumer **modelling**

# ... delivering innovation within a consistent framework



## Core business

### COMPASS Credit

- ▲ Lending leadership
- ▲ Relationship leadership
- ▲ Credit risk management leadership
- ▲ "Value" leadership

Brands &  
Business  
Lines

Strategic  
Goals for  
New  
Business

## New business

### COMPASS Pay

- ▲ Offering **financial inclusion** to **not-banked** or **under-banked** customers
- ▲ Moving from "**transaction**" to "**relationship**"

### COMPASS Insurance

- ▲ Meeting **customers needs** for **protection** (health, house, etc. )
- ▲ **One-point solution** for those **seeking household basic financial coverage**

- ▲ **Protecting our customers**
- ▲ **Improve credit risk scoring** due to wider **behavioural data set** and cash flows control
- ▲ **Reducing churn** of customers and distributors (partners, dealers, ...)
- ▲ Securing **new revenue** streams with **reduced capital absorption** and **funding needs**

# Compass Pay: targeting a huge market potential ...

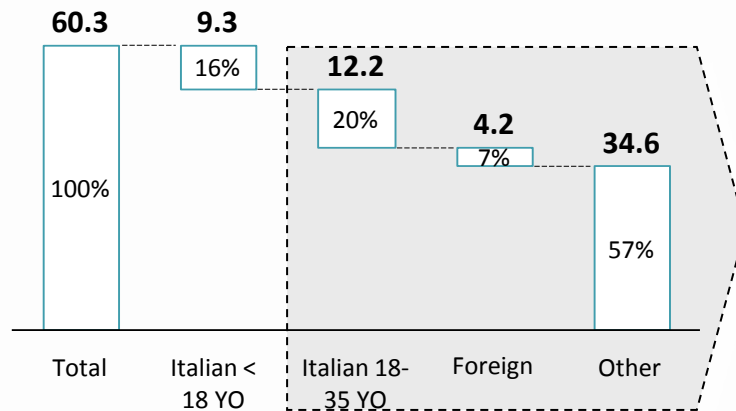


## Scenario

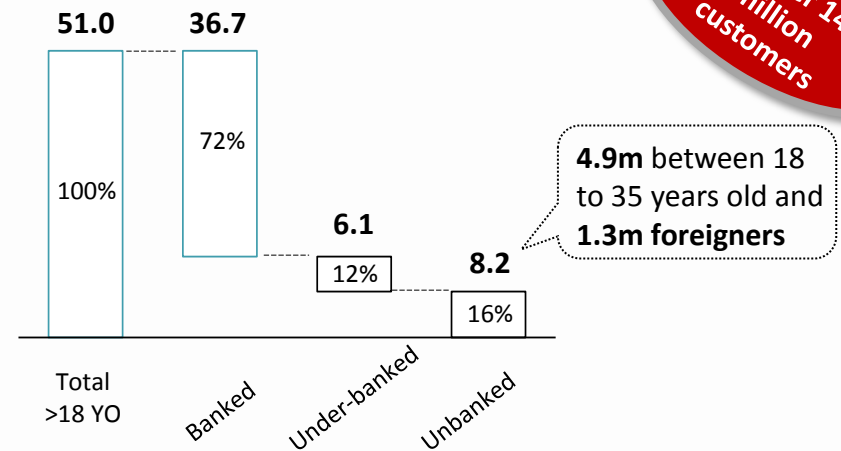
**8 million customers are unbanked** (16% of the adult population compared to a European average of 7%)

**6 million customers have less than €10,000 of assets** and are under-banked

Italian population (% , millions)



Italian customer segmentation (% , millions)





- ▲ Business model and key success factors
- ▲ Key highlights of 2013-16 Business Plan

▲ **Closing remarks**

To conclude, we have set challenging targets in terms of profitability and sustainable growth, which will be met thanks to our recognized assets ...



1

Strong **brand** recognition

2

Large **client base** with absolute levels of **satisfaction**

3

**Widespread network** distribution with unique expertise

4

**Outstanding** scoring and credit management

5

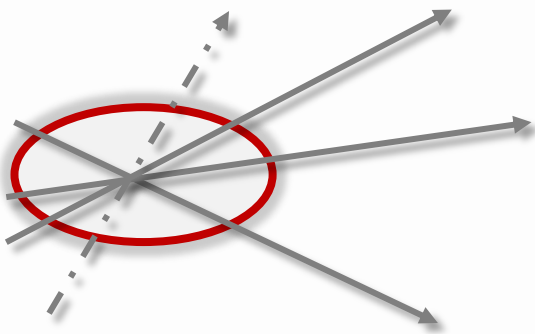
Genetically **able to create long-lasting partnership**

6

Efficient **CRM** and **cross-selling machine**



Occupying the crossroads  
=  
Owning the relationship



## Long-term value drivers

1

- ▲ Reinforce our **core business** ... by “ring-fencing” our **customers**
- ▲ Address **new customers’ needs** starting from “**unbanked**” targets

2

- ▲ Reduce **credit risk** due to **wider behavioural** data set and even **more accurate controls** on flows
- ▲ Reduce risk of **churn** of both **customers** and **retailers** by **reducing opportunities for interaction** with our **competitors**

3

- ▲ Increase **revenues without** calling for **higher capital absorption** or **funding** needs

# ... all this at a limited execution risk!



**Strong leverage  
on existing  
platforms**

- ▲ **Building blocks** based on **existing database** and operating systems
- ▲ **Sales strategy** starting from **owned customers**
- ▲ Adapting **current lending know-how** and workflows to the **new customers' interfaces**
- ▲ **Exploiting cards** and **collection** operation
- ▲ **Leveraging high motivated employees** and **50+ years of expertise** on Italian mass market

+

**Smart  
Execution**

- ▲ **Running projects** with "modular" framework
- ▲ **Variable costs** structure
- ▲ **Self-financed** by **core business** (whose profitability remains our obsession)
- ▲ **Scalable** and **adaptive strategy**: we will use **accelerator** based on the **actual data** from **customers response** and behaviour

**Huge market potential ...**

**... with mainly variable  
investment  
requirement ...**

**... with a limited  
execution  
entrepreneurial risk**



# CheBanca!

*Set to be the leading digital omni-channel bank*

# AGENDA

**Business model and key success factors**

Key highlights of 2013-16 Business Plan

Closing remarks

# BACK IN 2008... LAUNCHING ANOTHER "ME TOO" BANK WOULD HAVE BEEN MADNESS ...

800 brands (<10 genuinely online)

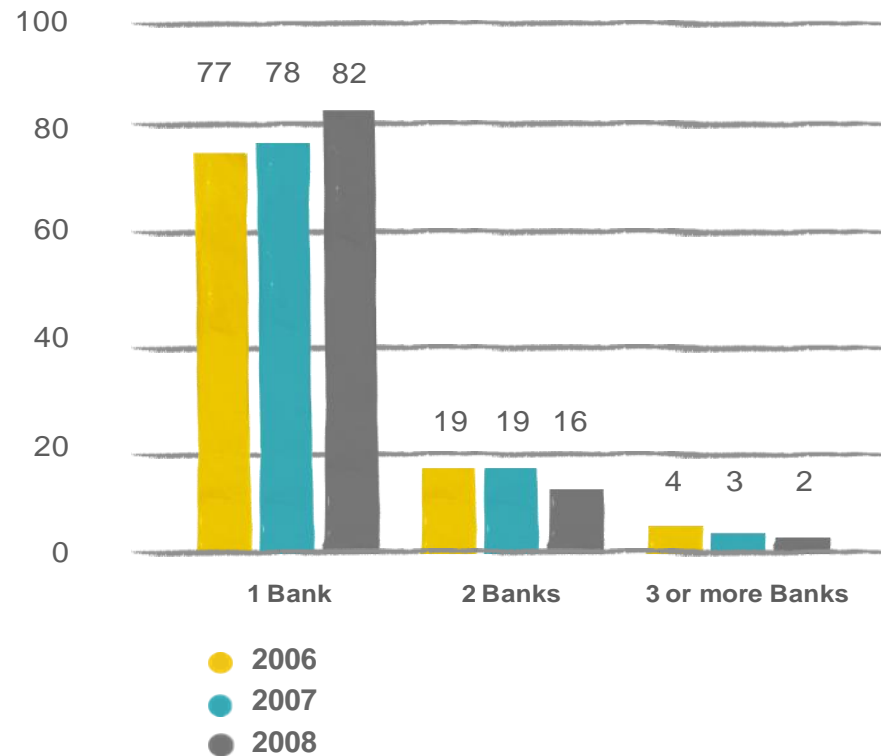
34,000+ branches

33 million bank accounts

92%+ families with at least 1 account

< 10% of customers change brand

% of Families with account



# ... WE NEEDED A BREAKTHROUGH POSITIONING (BLUE OCEAN)



Area

Traditional Bank

CheBanca!

PRICING

- Negotiated & not transparent

- Standard & transparent yet competitive

SERVICE

- Branch-centric
- Other channels to **support**

- Customer-centric
- Digitally evolved
- New branch model

CUSTOMER  
RELATIONSHIP

- Decentralized to branch-level

- **Centralized and CRM driven**

EMPLOYEE

- Specialist & old-fashioned

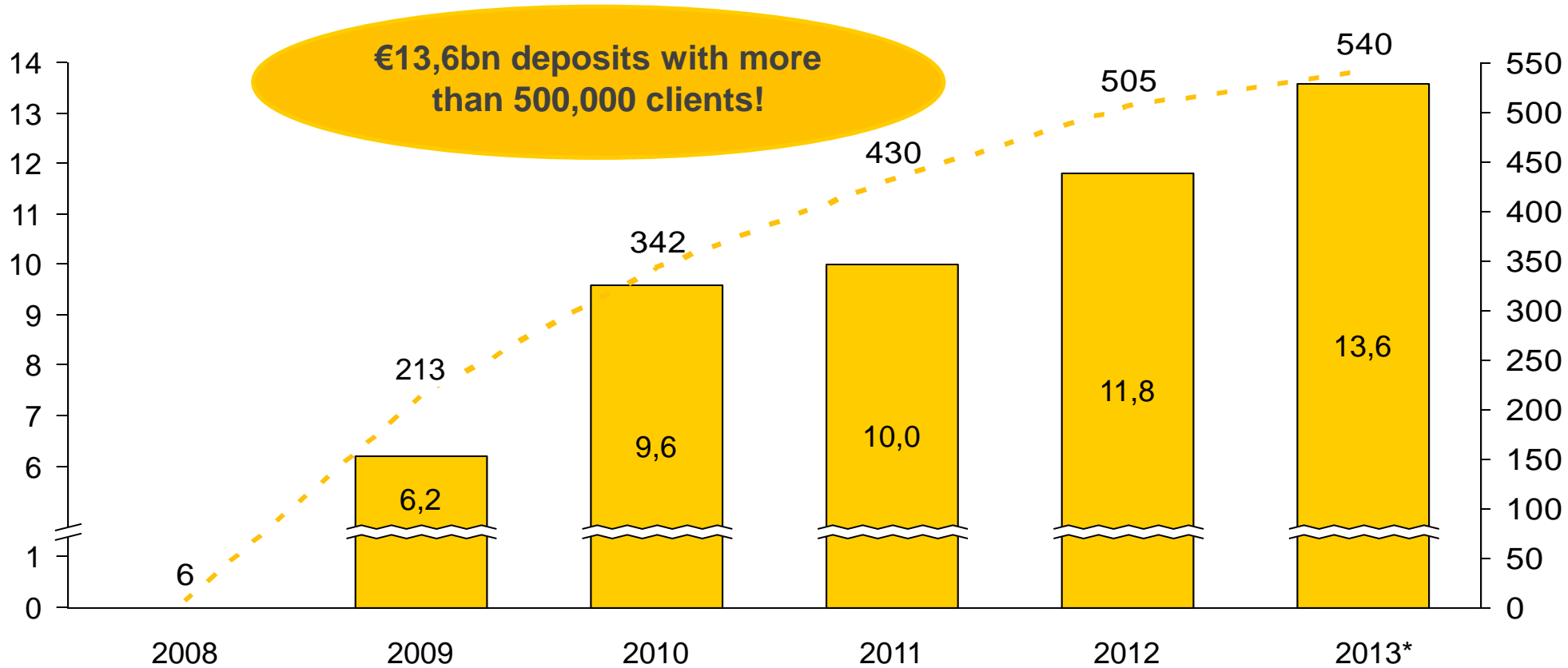
- “Services & sales” oriented coming from street retailing

# DID IT WORK? YES!

**AuM (€bn)**

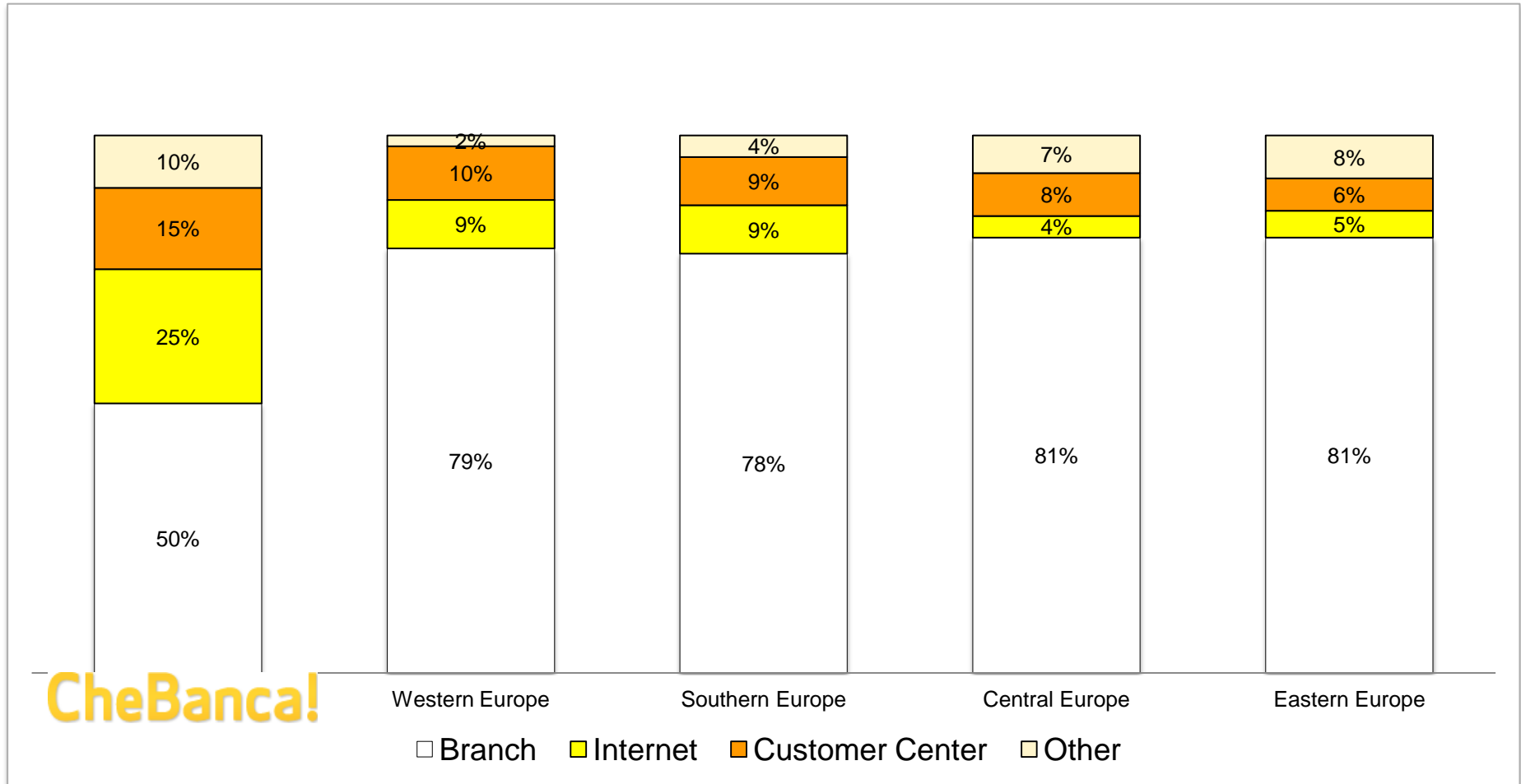
--- Clients    Direct funding

**No. of clients (K)**



# 1. THANKS TO A REAL MULTYCHANNEL PROPOSITION...

## 2013 product sales split by channel



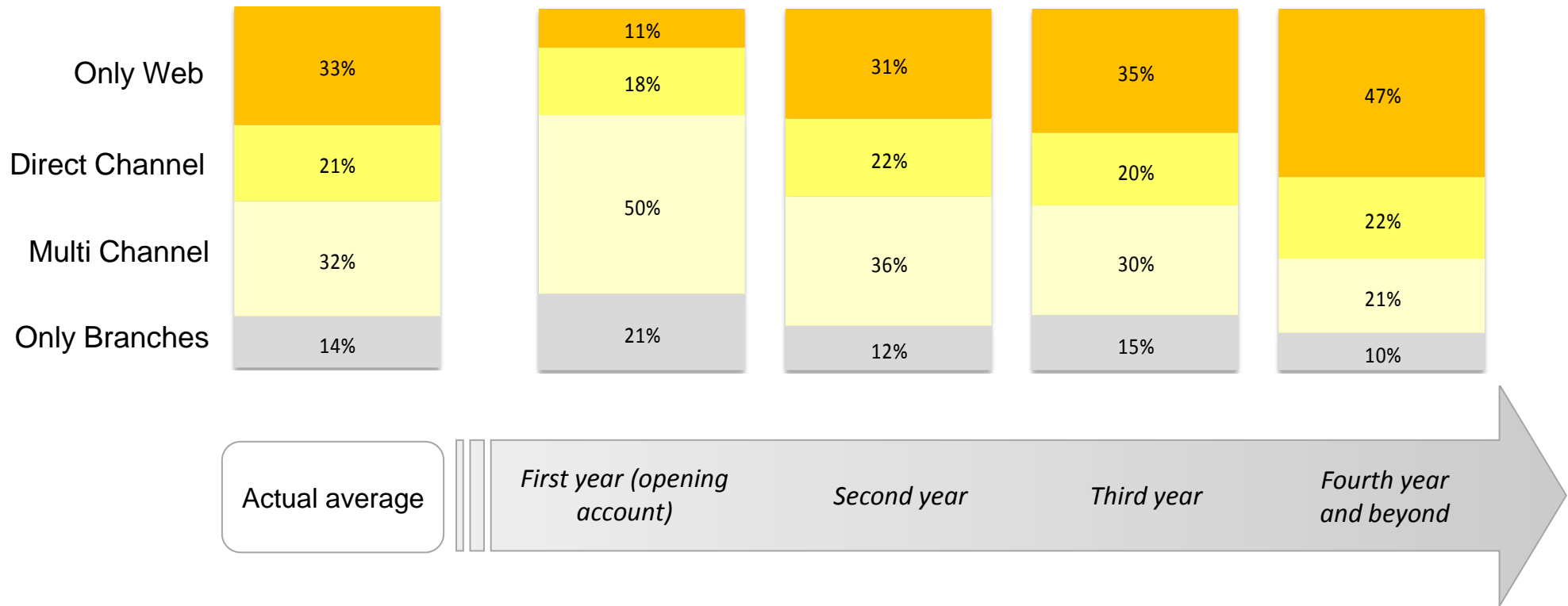
Source: Multichannel Banking in Europe 2012 (Efma, Finalta) – CB! Internal Data as of April 2013

## 2. AN INNOVATIVE BRANCH CONCEPT AND STAFF QUALITY



### 3. A GROWING USAGE OF REMOTE CHANNEL OVER TIME

Channels usage over time

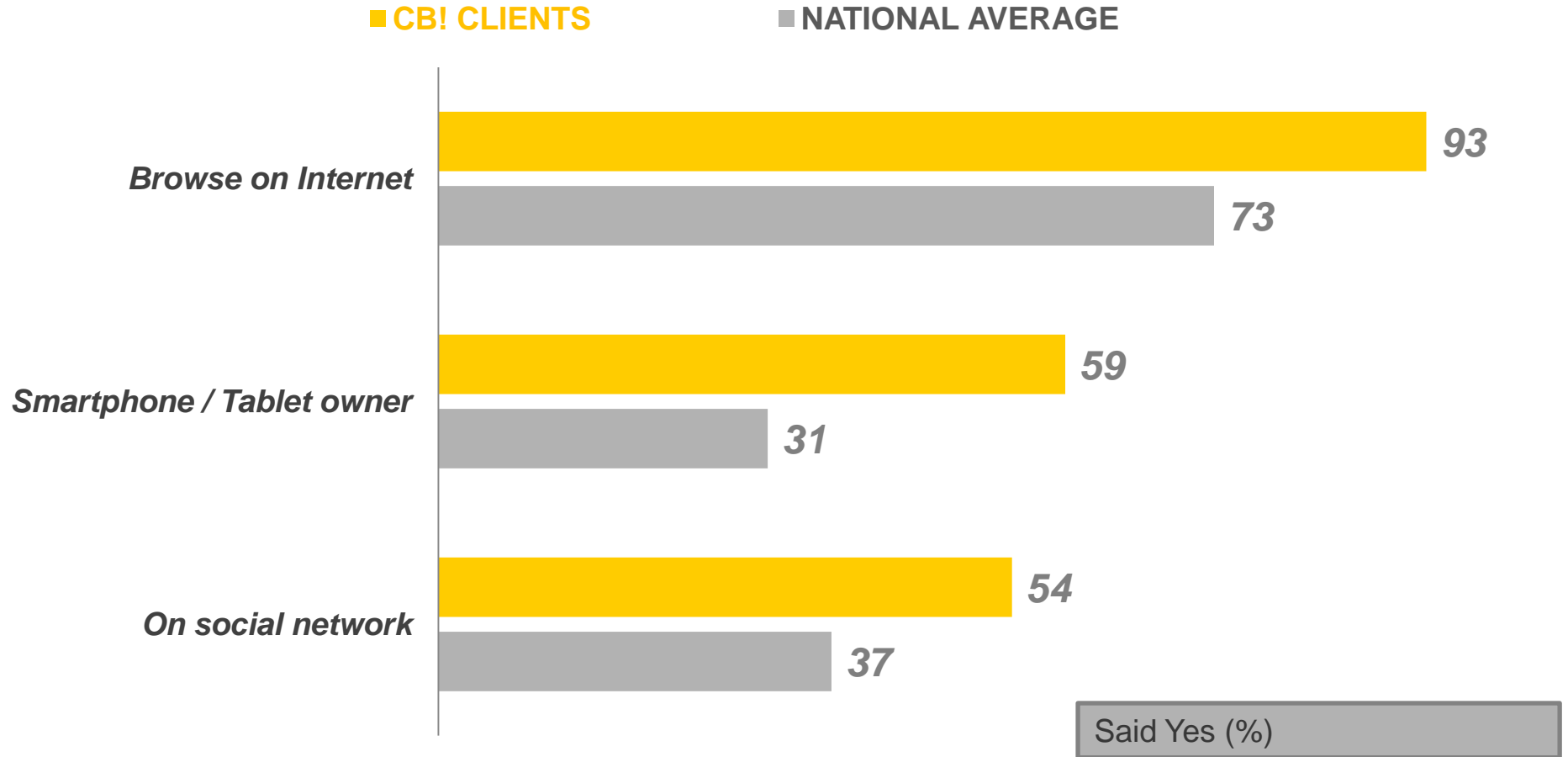


Direct Channel = Web + Call centre  
 Multi Channel = Web + Call centre + Low branch interaction



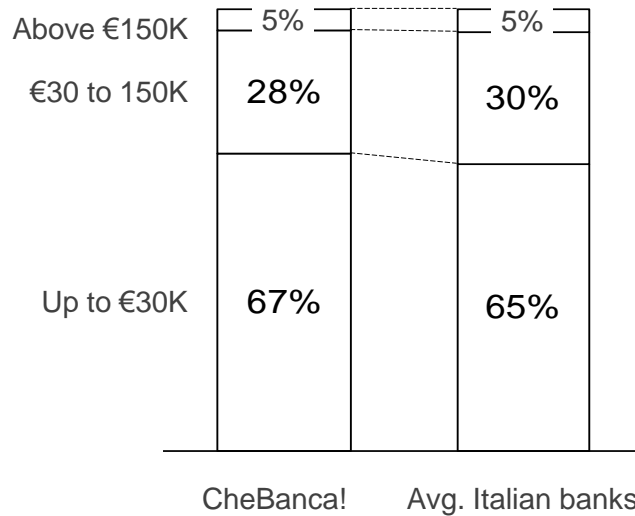
## 4. OUR CLIENTS ARE: "SMART"

### Web, new devices and social networks



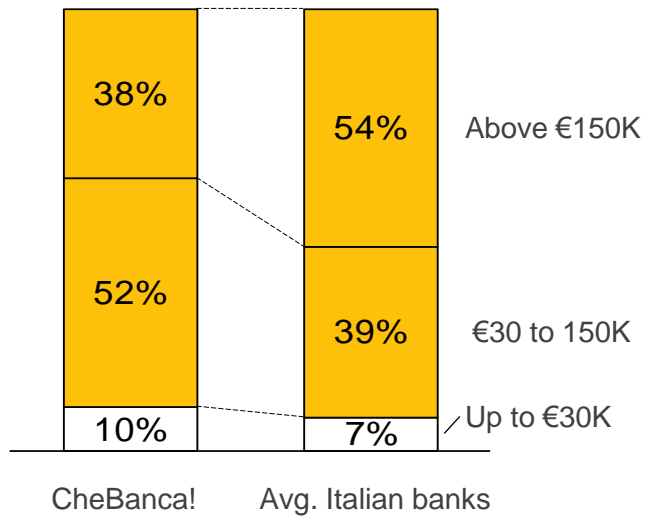
# ... AFFLUENT ...

**Client distribution (%)**



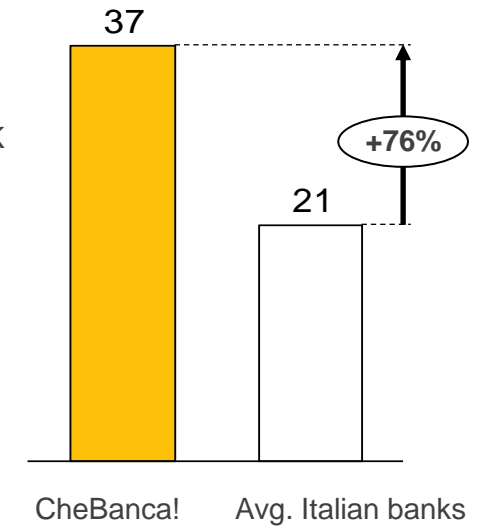
*Similar distribution*

**Deposit distribution (%)**



*Already concentrated on affluent clients*

**Average Deposit/Client (€K)**



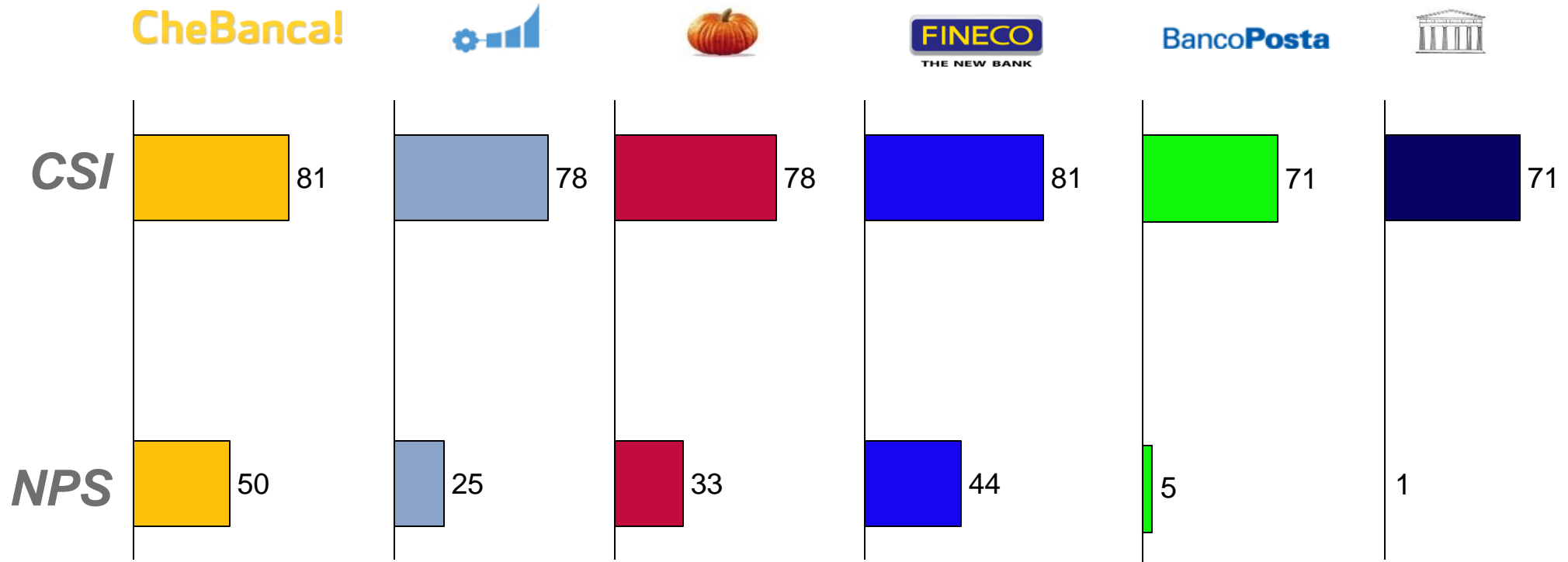
*With bigger average client portfolio*

Great opportunity for  
**ADVISORY SERVICES AND INVESTMENTS**

# ... AND SATISFIED

## Customer Satisfaction Index (CSI) and Net Promoter Score (NPS)\*

Whole customers base  
Average figures; scale 0-100



# AGENDA

□ Business model and key success factors

□ **Key highlights of 2013-16 Business Plan**

□ Closing remarks

# MISSION: TO BE THE LEADING DIGITALLY OMNI-CHANNEL ITALIAN BANK

## FIVE STRATEGIC PILLARS

1

Leverage on Retail industry **new trends**

2

Growing **digital omni-channel** banking customers

3

Complete **products** and **services** offering

4

Increase **efficiency**

5

Exploiting group **synergies**

STRONG OPTIONS VALUE FOR MEDIOBANCA GROUP

# TECHNOLOGY IS CHANGING THE WAY WE LIVE...

## *In Italy...*

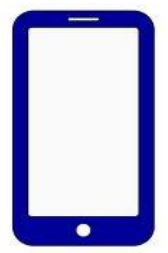
60% of families have a PC



45mln people have a cell phone



25mln people connect via smartphone



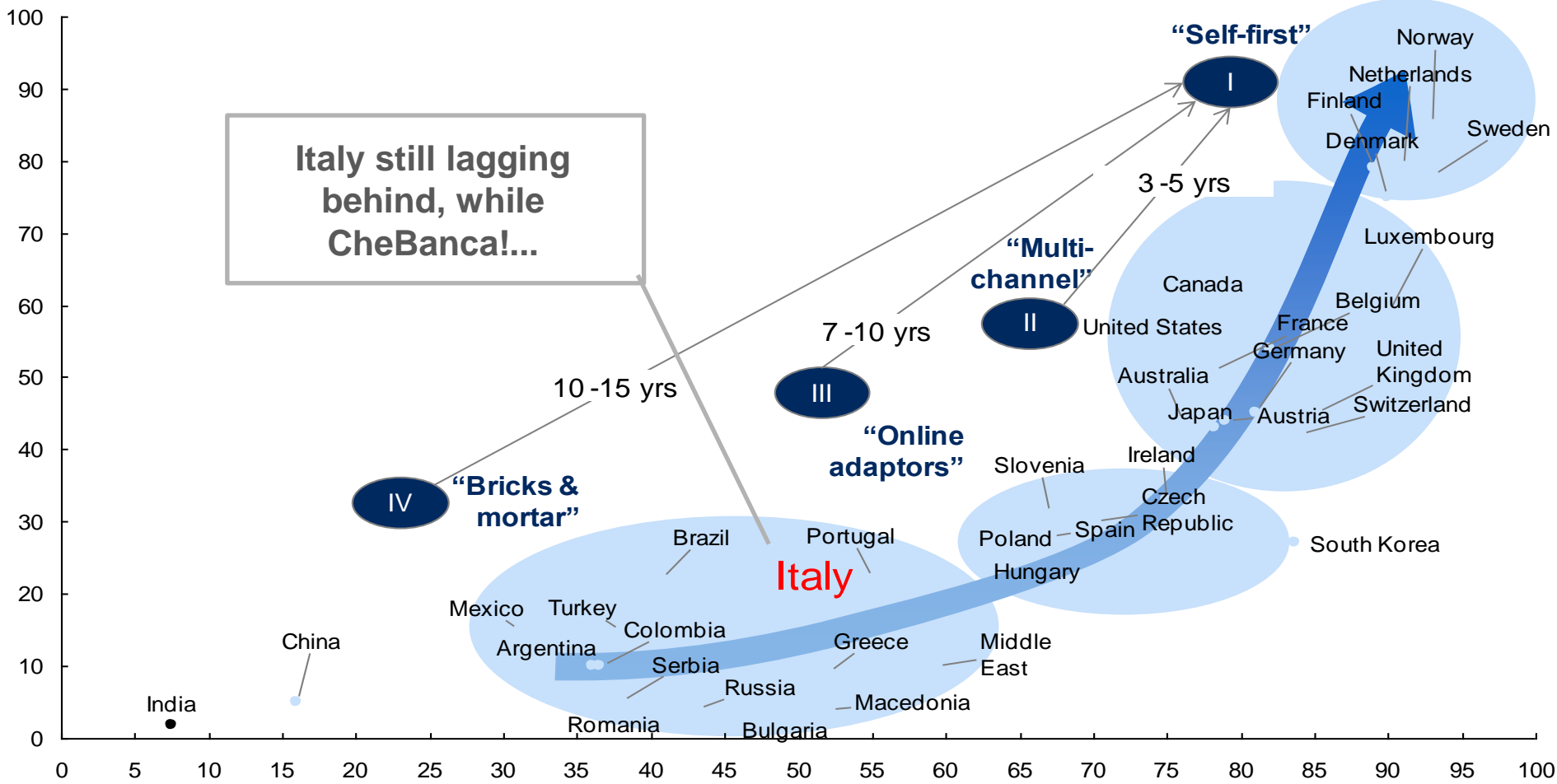
3 mln people connect via tablet



# ...AND THE WAY WE DO BANKING

## Online banking usage

Percentage<sup>1</sup>, 2011 or latest available



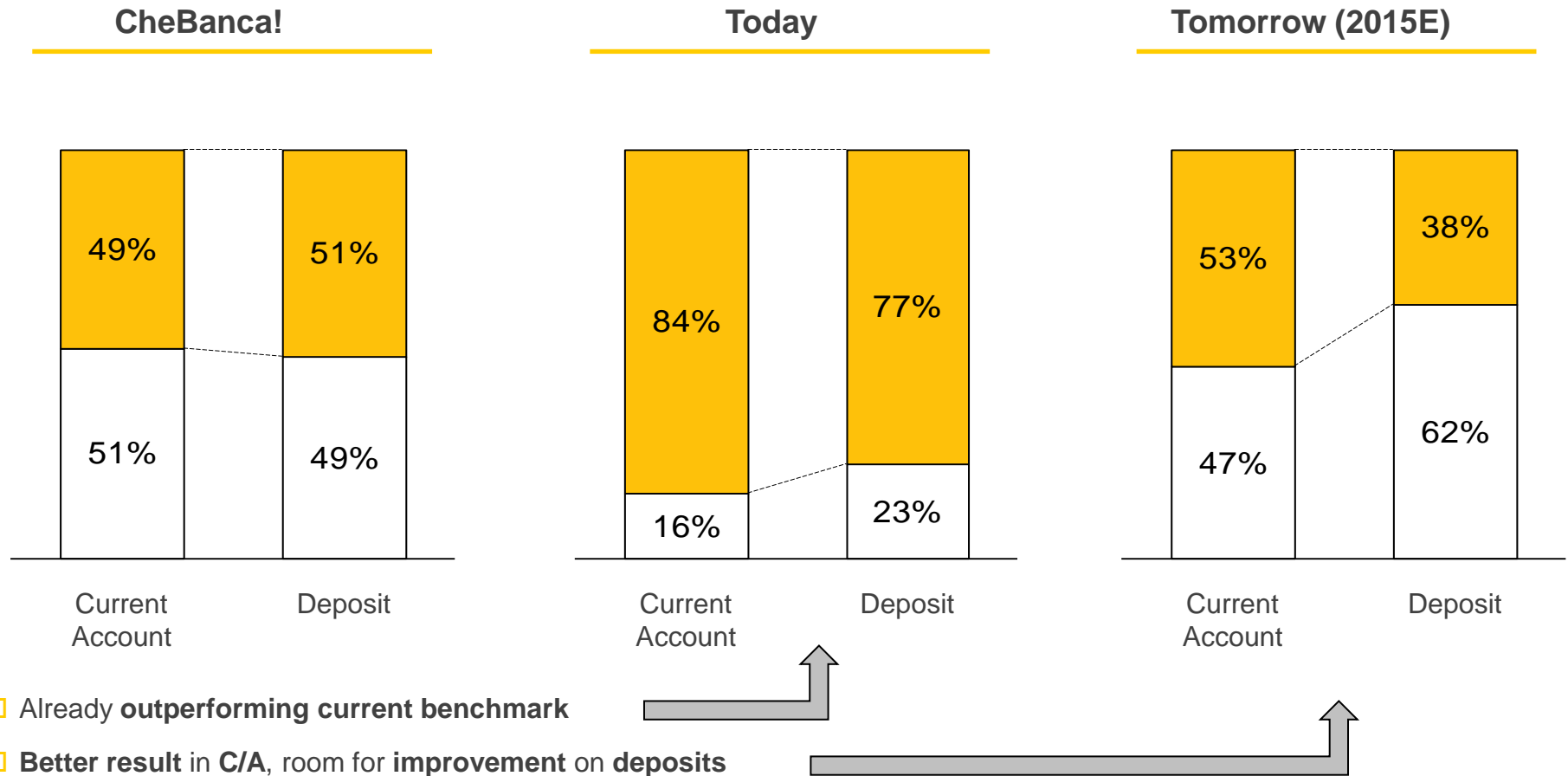
<sup>1</sup> Percentage of individuals that used the internet / online banking at least once in the past three months

Internet usage Percentage<sup>1</sup>, 2011 or latest available

Source: McKinsey analysis based on Eurostat; national statistics

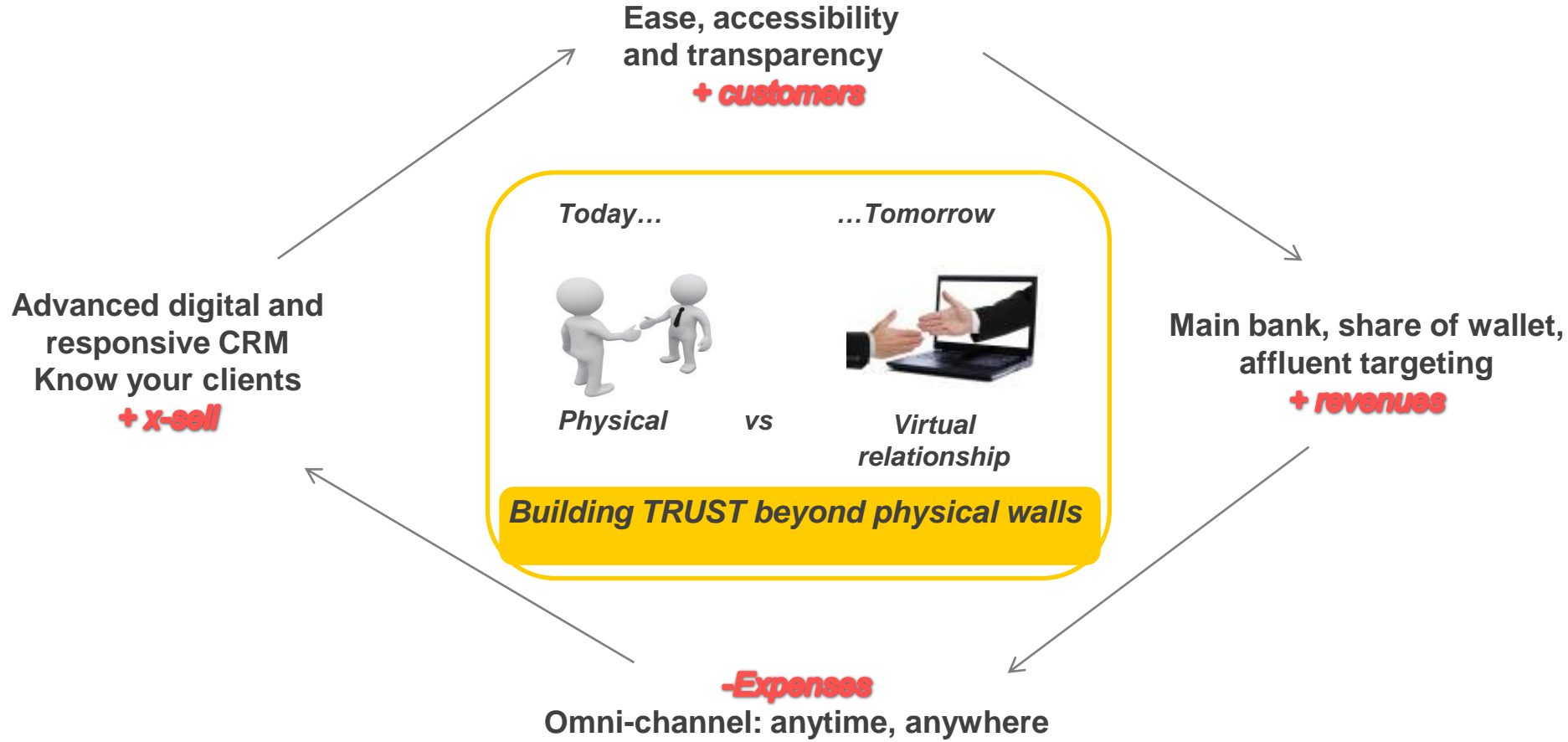
Sales split by channel: ■ Branch  Direct channels\*

### European Retail banking Benchmark

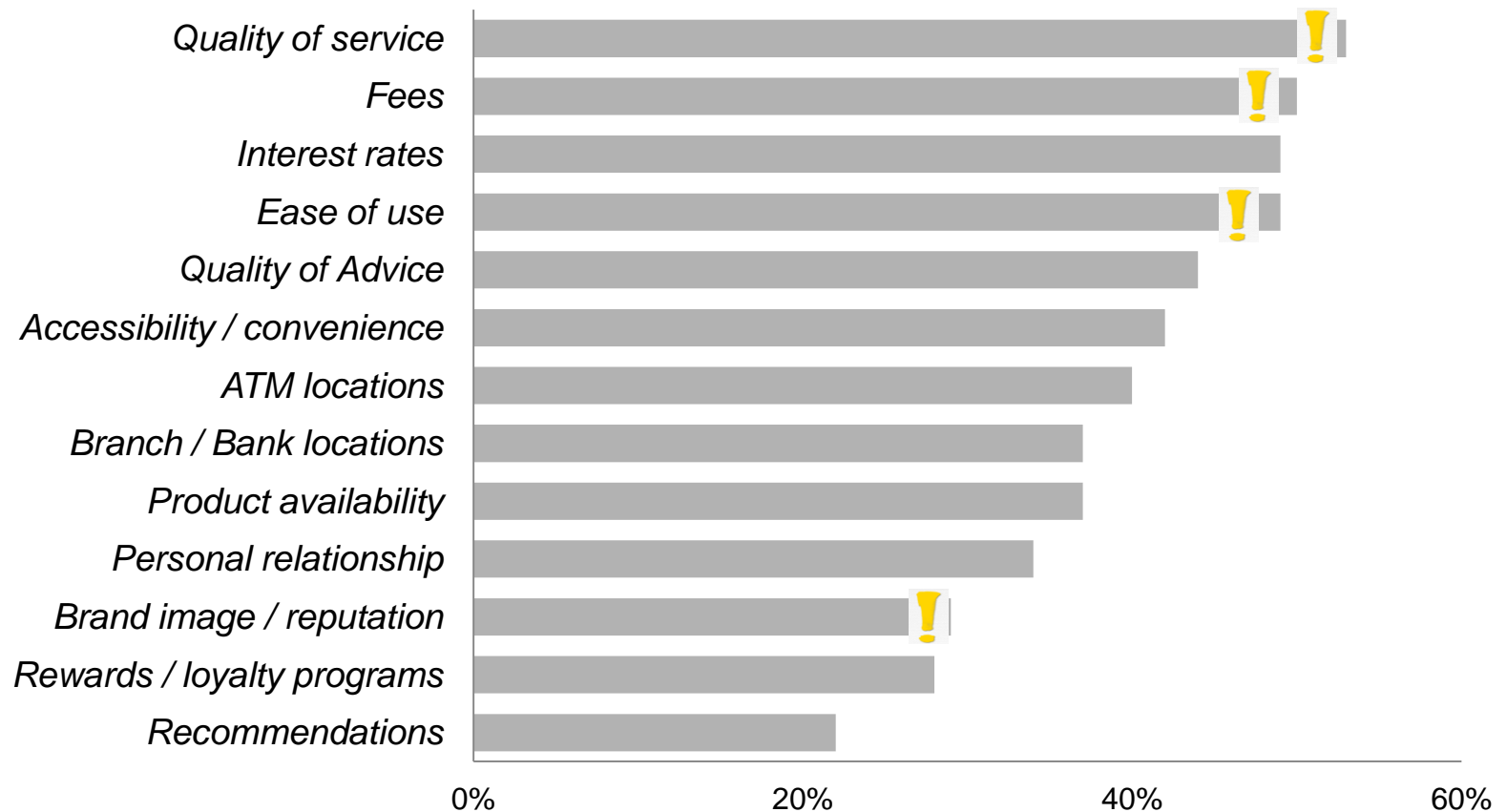




MISSION

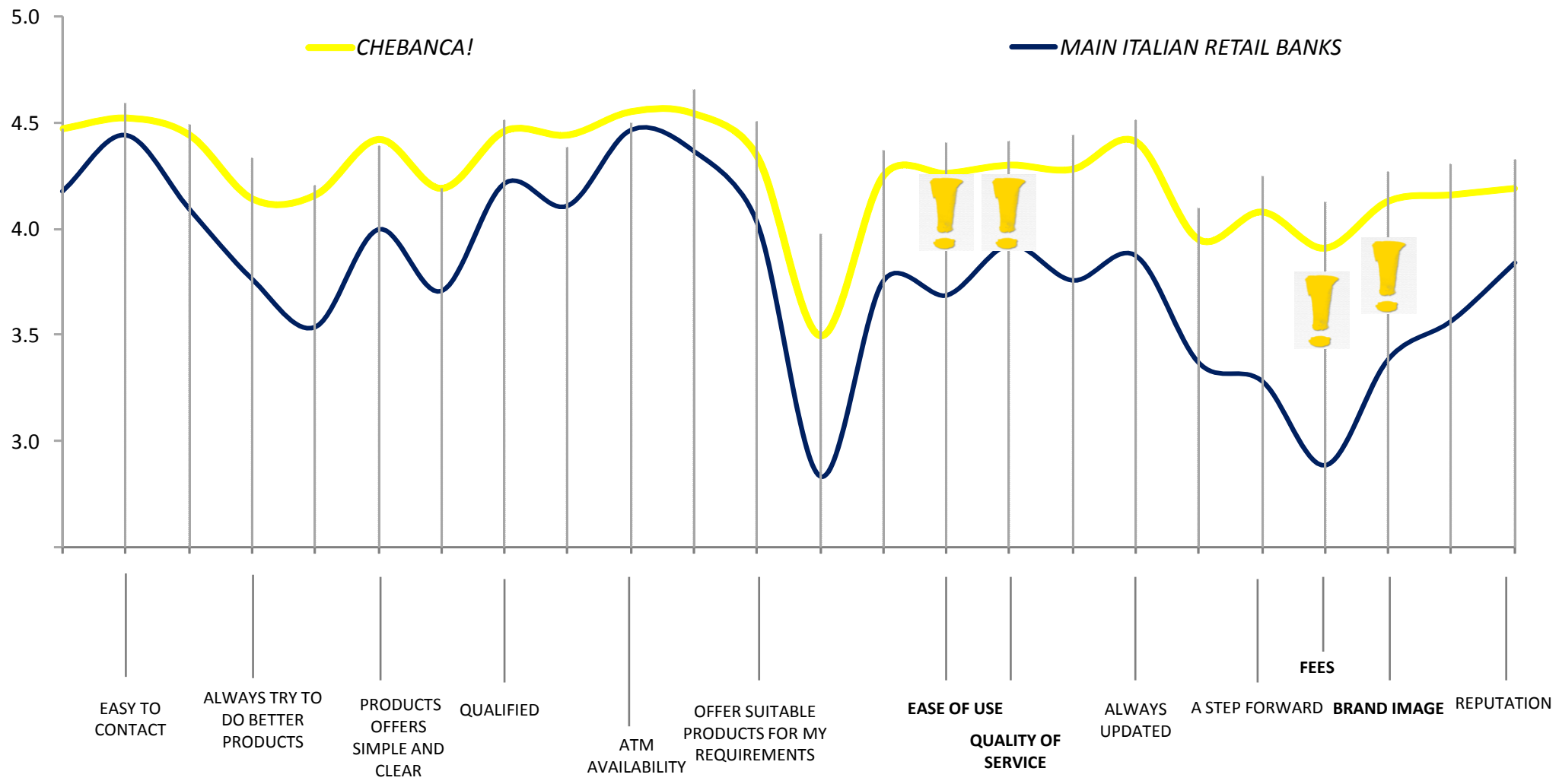


## Key driving factors when choosing to switch bank



# ... TO FISH IN THE BLUE OCEAN!

## CheBanca! scores much higher results on key driving factors when choosing to switch bank



Re-design business processes and technology for the new “*consum’attore*”

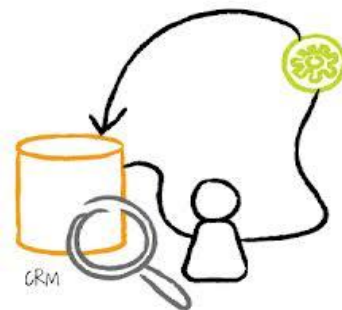
### Enhance customer experience



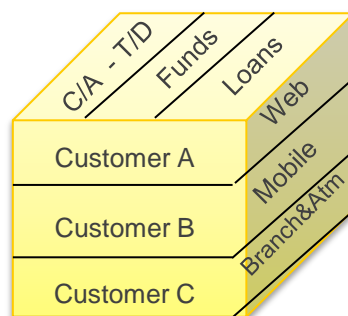
*Each customer is unique*

- **Personalized** home banking interface
- **Responsive** direct campaign

### Offer the best product for each customer



**“The Campaign Cube”**



### Allow real omni-channel where mobility is key



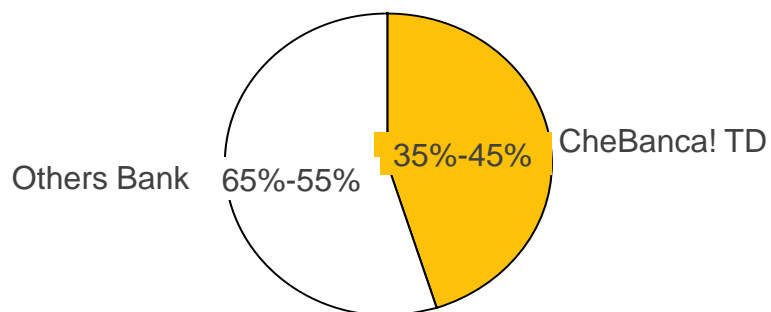
Project “**Mobile**”: **leadership** in Italy in **P2P** payments, payments through **NFC/MPOS** technology, and remote digital **wallet** for e-commerce

## ... WHILE INCREASING OUR SHARE OF WALLET ...

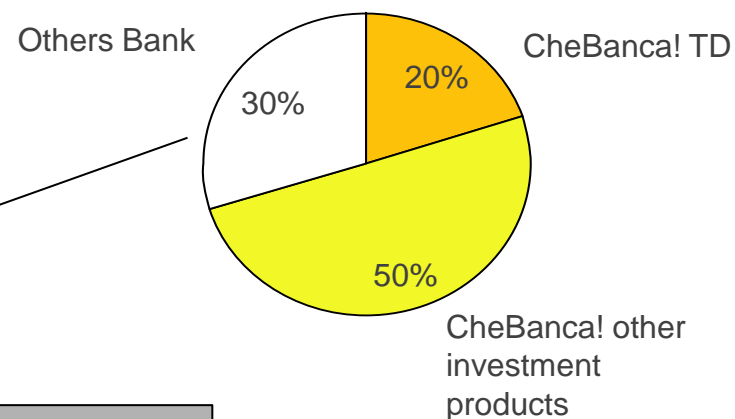
- Until now, the **crisis** has forced customers to look for **safe returns, thus favoring term deposits**
- The amount **invested** in TD represented more than just **excess liquidity**

- In a "back-to-normal" scenario the amount invested in TD will be **limited to excess liquidity**
- Therefore the priority is to **develop other forms of investment** to meet needs

### Share of wallet (today)



### Share of wallet (tomorrow)



- Customer CB! largely **multi-banked**
- **Difficult to aim at 100% share of wallet**

**Objective 1:**  
“Increase new customers and  
/ or new AuM”



### Products

- Web current account
- Term deposit
- Mortgage

**Hook:**  
for  
acquisition

**Push:**  
for x-selling  
activities

**Objective 2:**  
“Increase share of wallet of our  
customers”



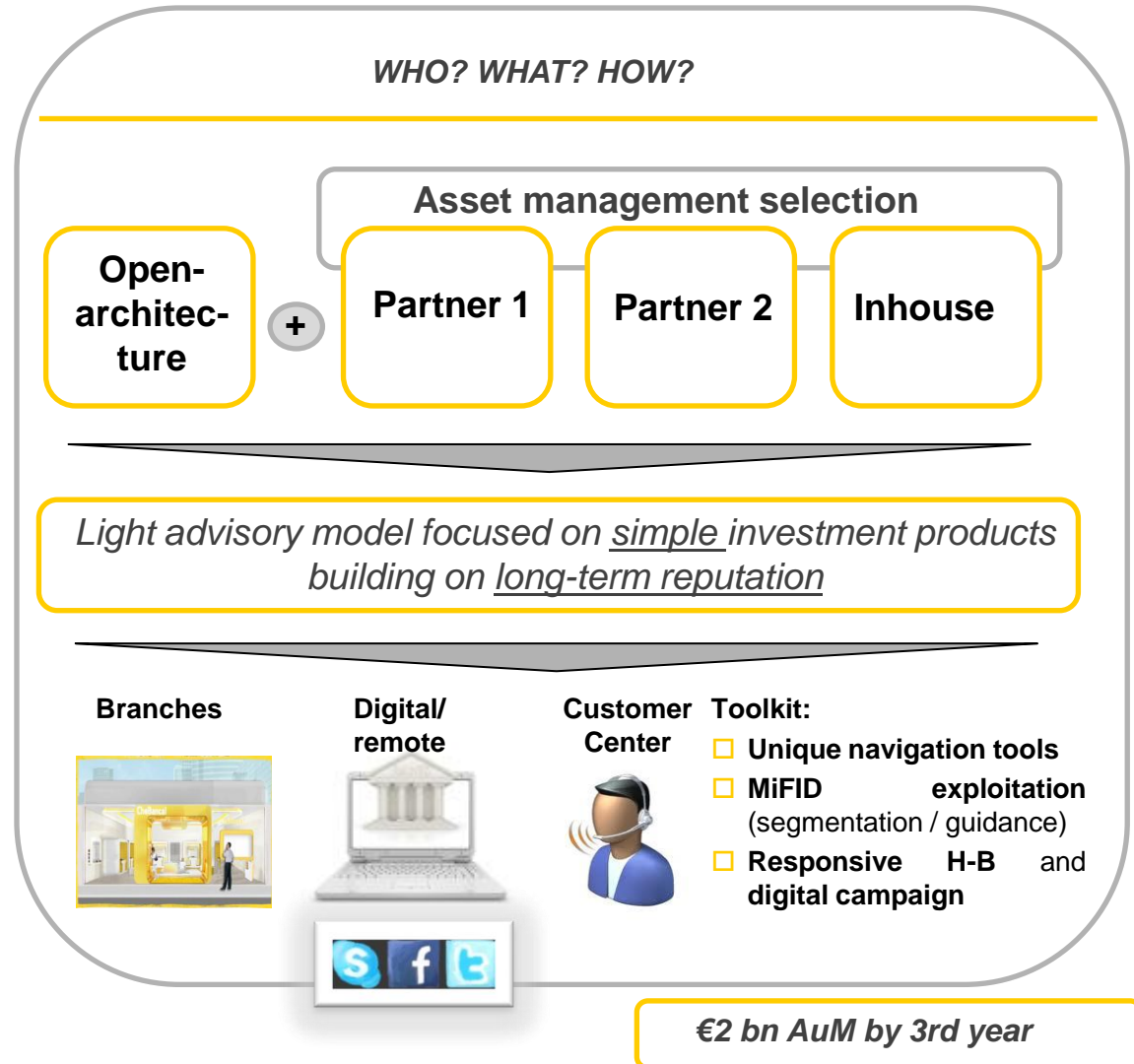
### Products

- Investment products **NEW!!**
- Mediobanca and third party bonds
- Loans and overdraft **NEW!!**
- Investment account 2.0 **NEW!!**
- ...

Key to strength loyalty and  
increase customer value

### Guidelines

- **Leverage** existing **affluent** and **satisfied customer** base to **build an open platform** for **investment** products (3rd party and Group)
- **Quick start** with sales focused on multi-channel model
- Distinctive and **transparent pricing** (single commission)
- Phase 2: start **remote full advisory** model / **expand** to **other investment** products

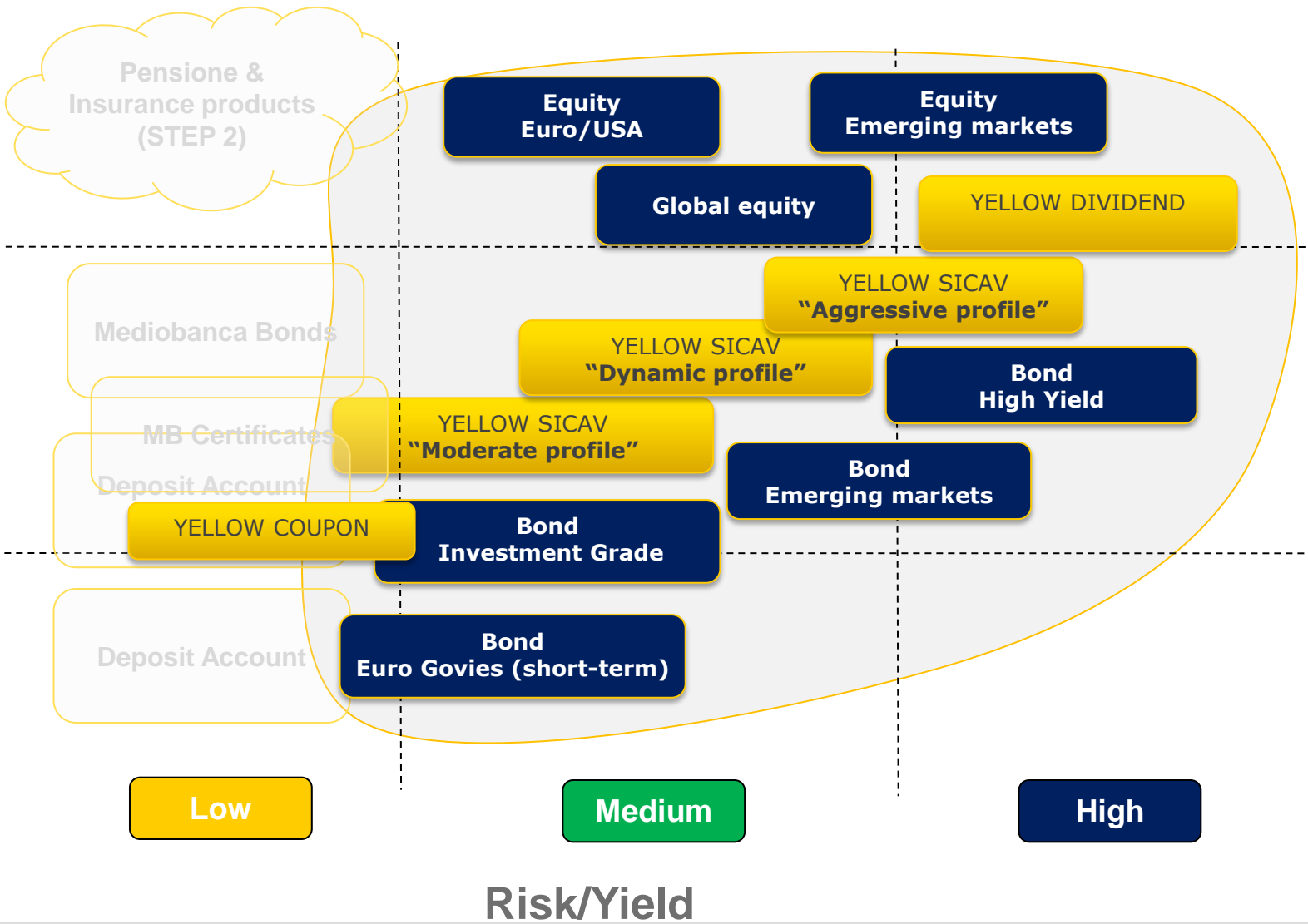


# FOCUS: ASSET MANAGEMENT PRODUCT SHOWCASE

Long-term investments

Medium-term investments

Short-term investments



Third parties  
Yellow Sicav

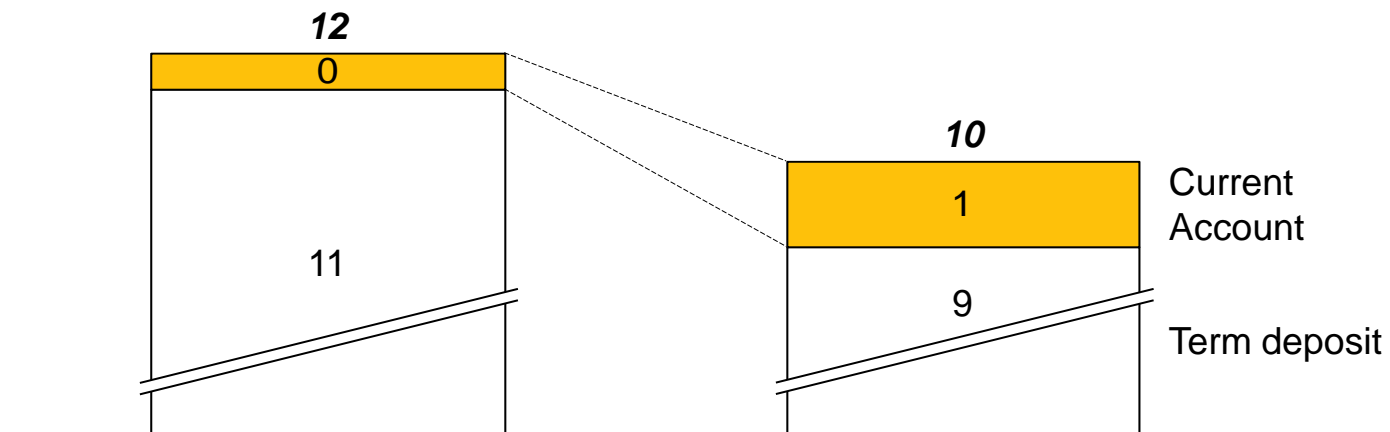


# EXPECTED ASSET EVOLUTION

€bn

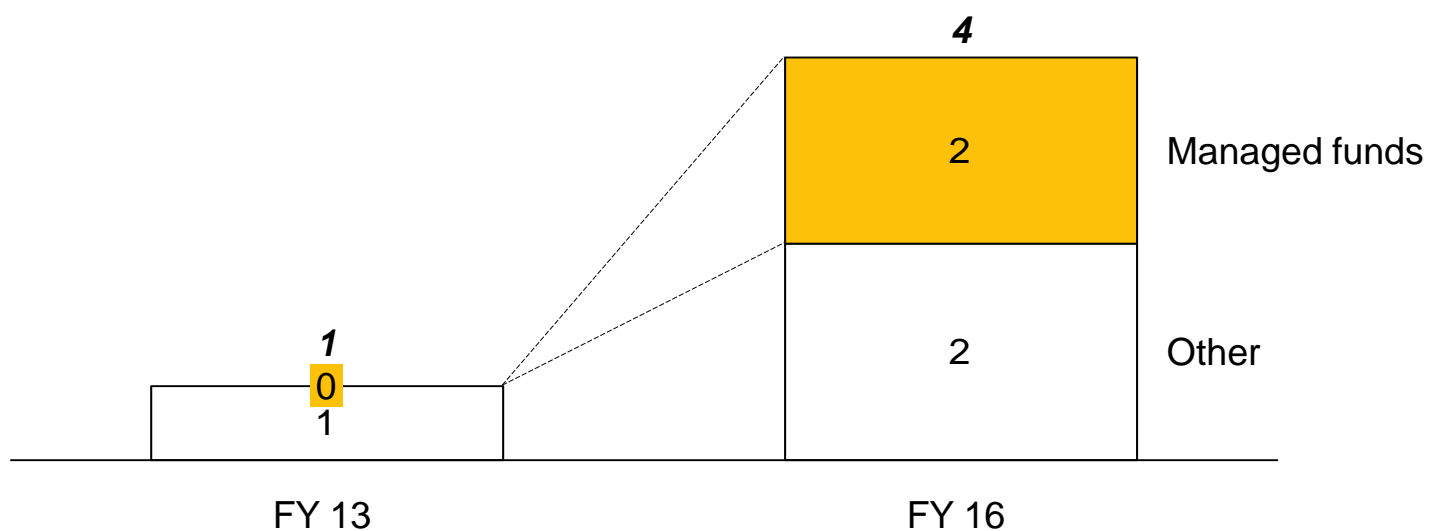
## Deposits

Focus on “current account” growth



## AUM

Developing a managed fund offering

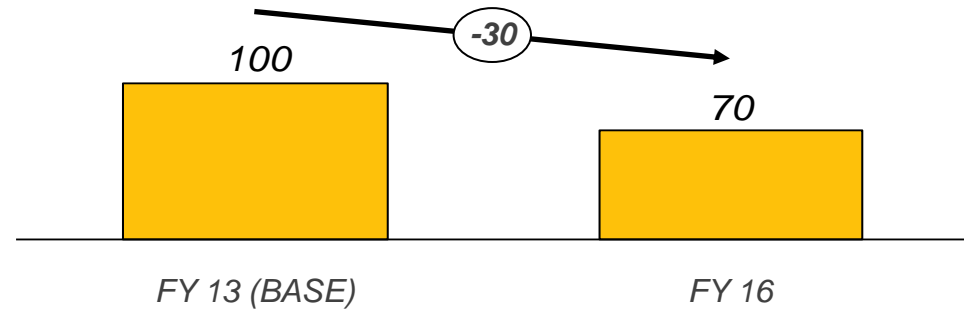


### Guidelines

- Refocus of sales force
- Strong focus on efficiency and processes optimization across the whole bank:
  - ✓ exploiting **scale economies**
  - ✓ reducing **variable operating costs**

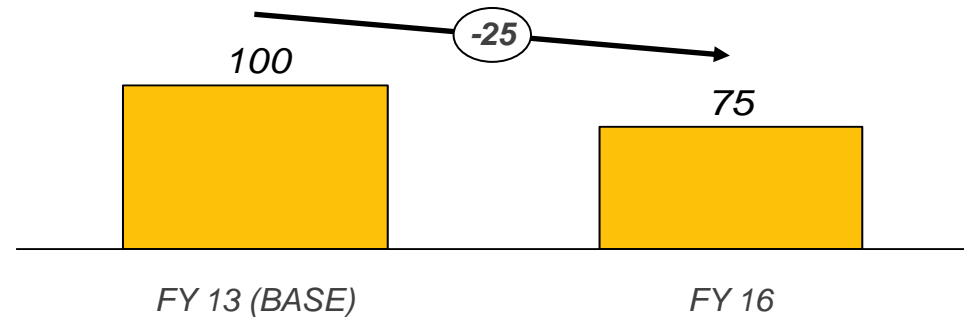
### Exploiting scale economies

Fixed cost per product in stock



### And improving efficiency

Variable cost per new product openings

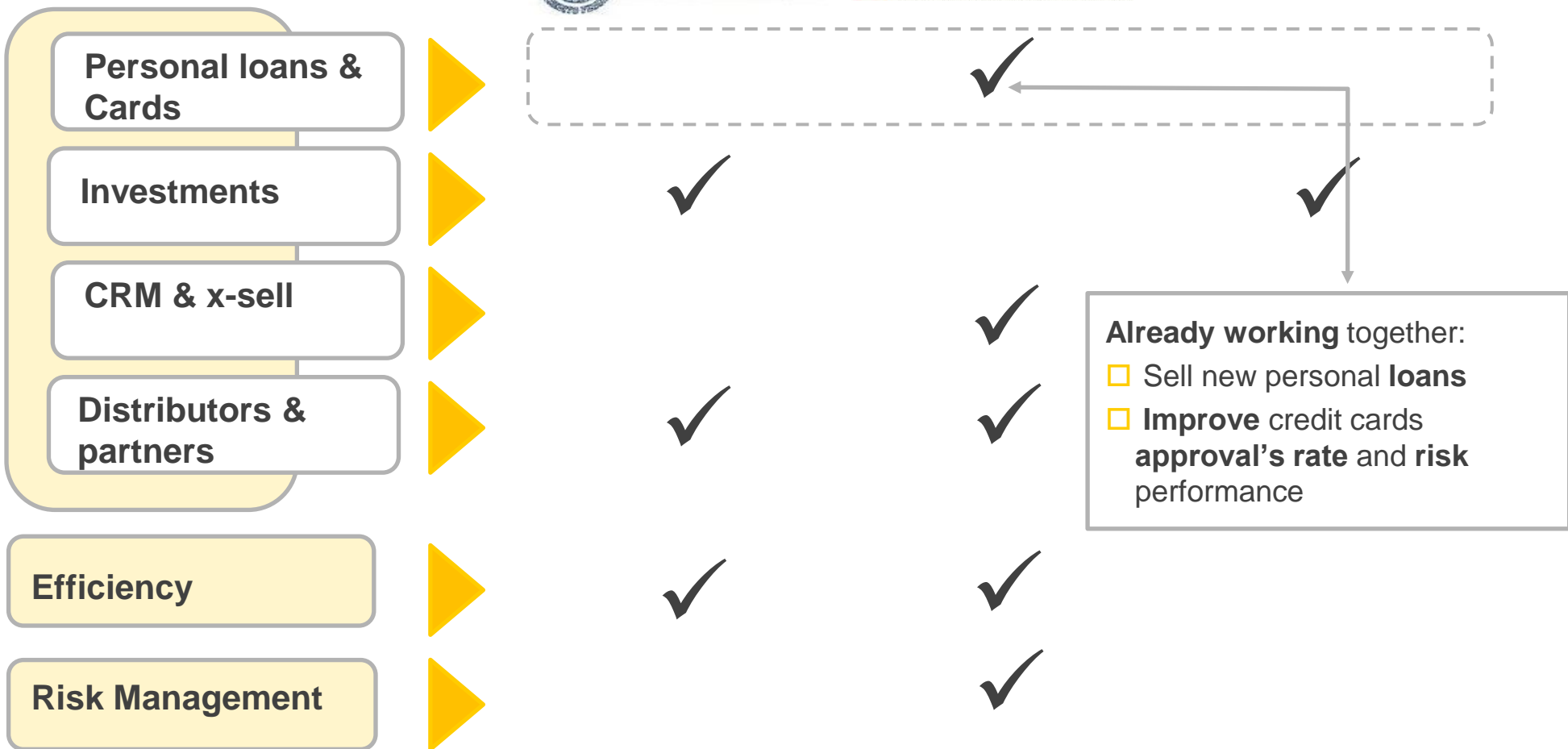


# 5 EXPLOITING GROUP SYNERGIES TO BOOST REVENUES AND GAIN EFFICIENCY

## Area of synergy

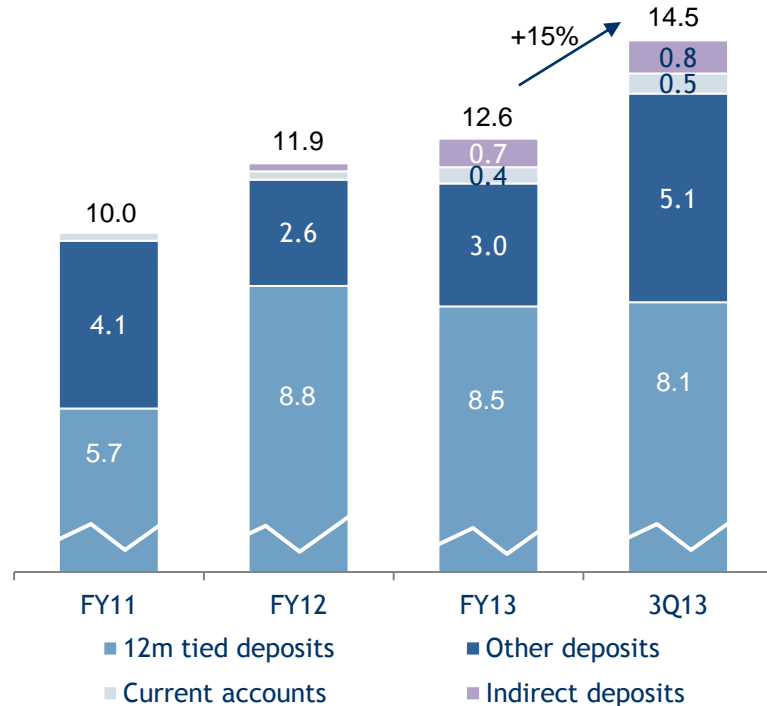
## Leveraging existing capabilities in the Group:

### Revenues

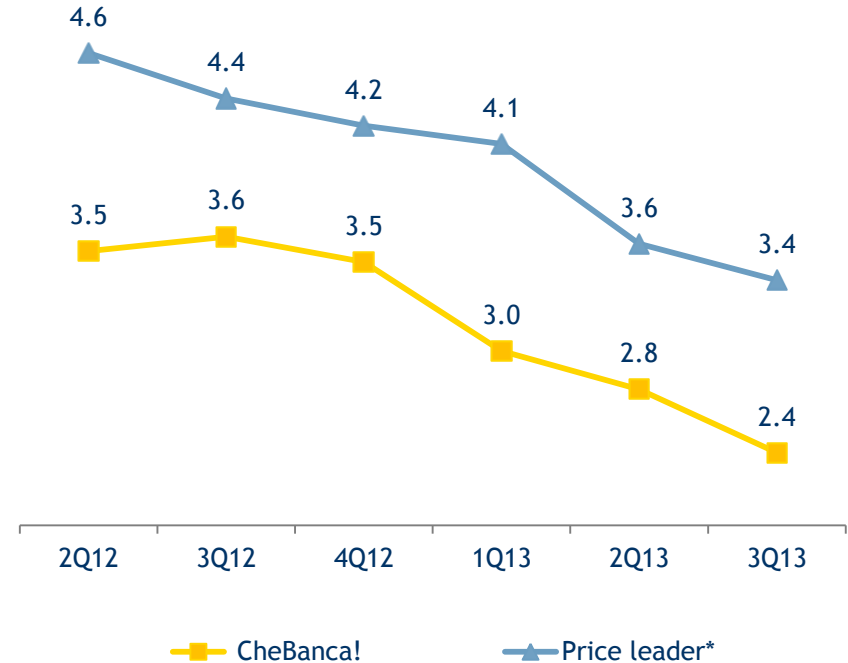


# DEPOSIT BREAKDOWN AND PRICING EVOLUTION

CheBanca! deposits breakdown (€bn)



Pricing for 12m tied deposits: CheBanca! and peers (%)

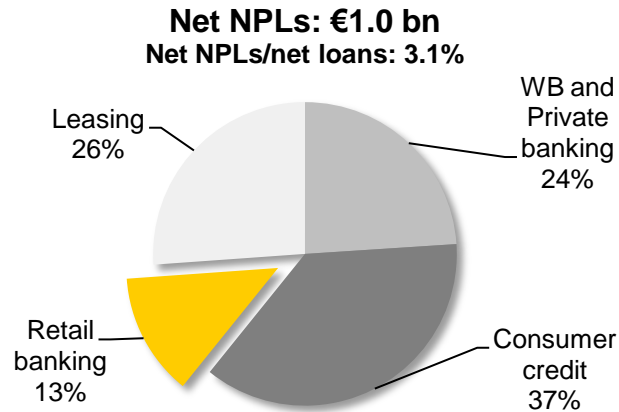


- ◆ Total deposit: €14.5bn, of which €13.7bn direct deposits (up 15% QoQ)
- ◆ Increasing contribution of current accounts (up to 0.5bn) and indirect deposits (up to 0.8bn)
- ◆ Cost of funding progressively decreasing

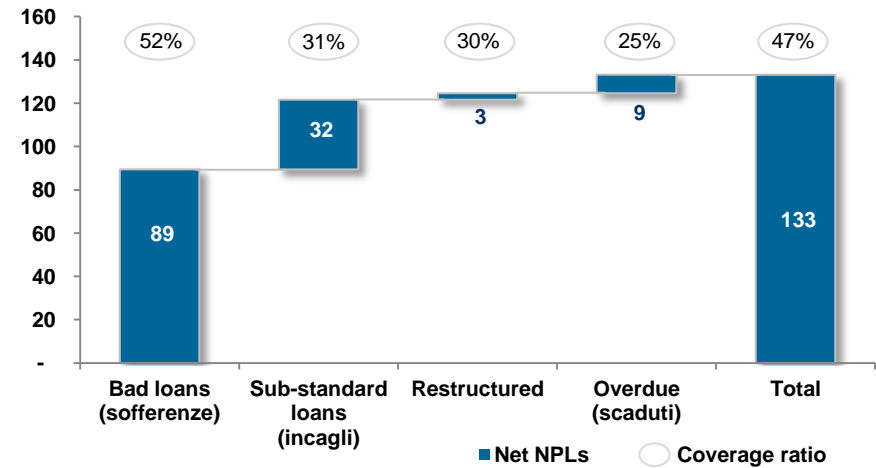
\* Out of a peer group made up of: Fineco, ING, IWBANK, Webank, Mediolanum, Rendimax, Barclays

# ASSET QUALITY

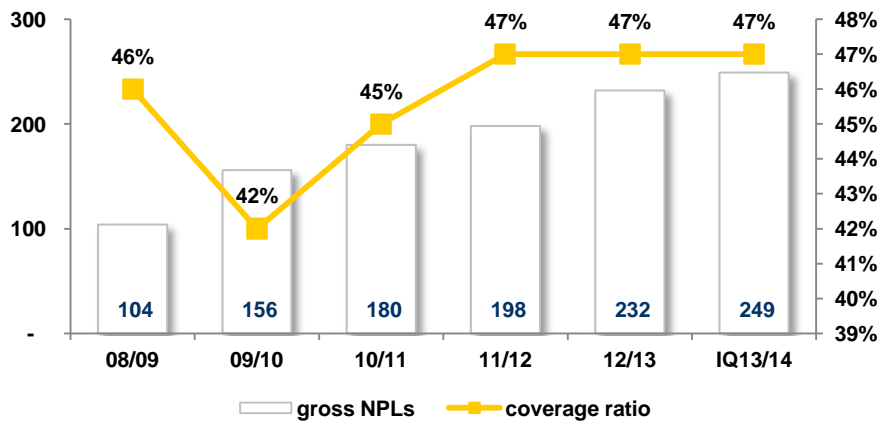
Group net NPLs by segment (Sept 2013)



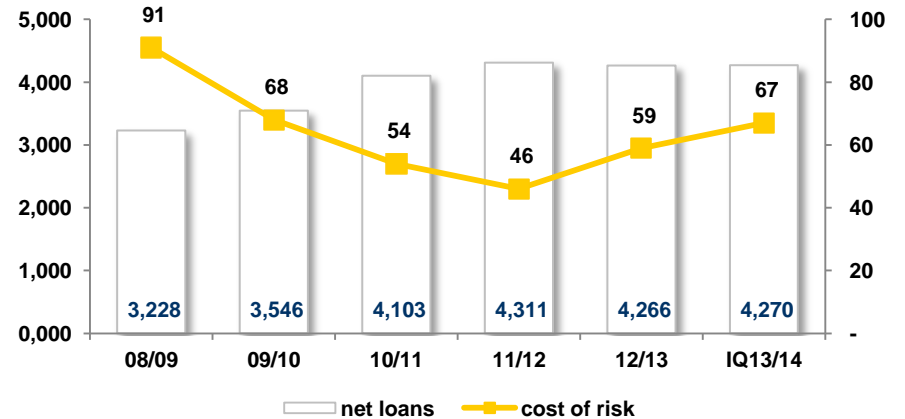
Retail net NPLs by category and coverage ratio (Sept 2013)



Retail gross NPLs and coverage ratio (€m, %) – June09/Sept13



Retail loans and cost of risk trend (€m, bps)



# AGENDA

□ Business model and key success factors

□ Key highlights of 2013-16 Business Plan

□ **Closing remarks**

# CHEBANCA!: A STRAIGHT AND SCALABLE SOURCE OF VALUE FOR THE GROUP

1. **CheBanca!** represented a radical new departure in the way retail banking is perceived and managed in Italy
2. The **trajectory** started in 2008 **was the right one ...**
  - creating a **new brand** and market **positioning**
  - attracting **new clients** and **flows**
  - delivering a **scalable platforms** in terms of know-how and products
3. ... we are now **well positioned for the second phase**, the pattern of which will be driven by fast-changing customer behaviour and disruptive innovation.

These days good things do not come to those who wait but to those who move ... and we are moving, with the following agenda:

- growing as a **digital omni-channel** bank to **serve** our clients in **all** their **banking needs**
- **delivering** fair **profitability** to the Group as a stand-alone bank ...
- ... while **confirming** our **role as strategic funding arm** for the Group over time

# Group Funding

Section 5



MEDIOBANCA

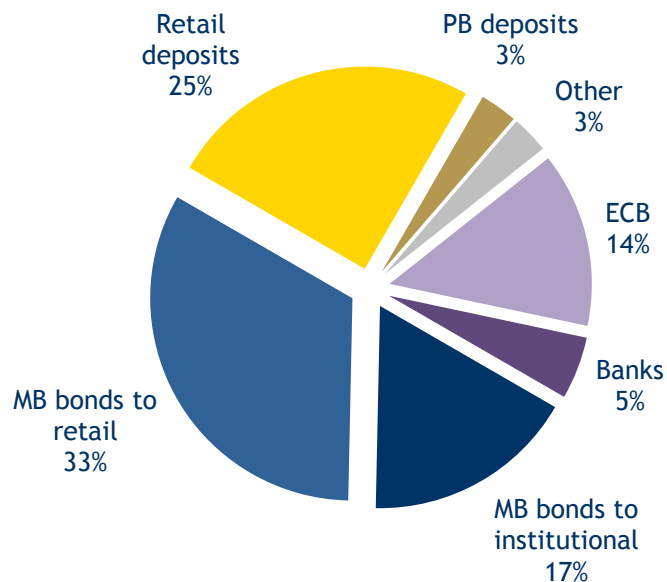


# Funding breakdown

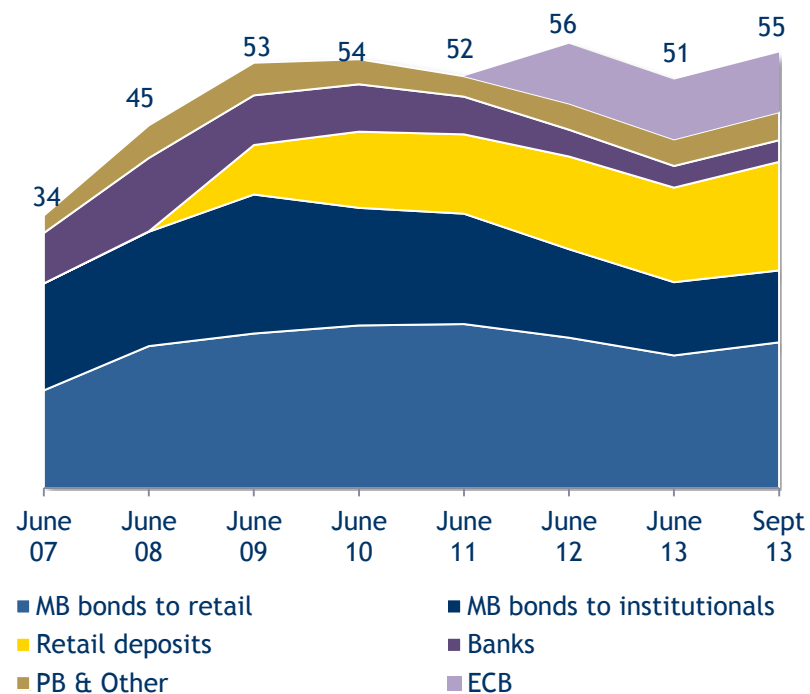
## Funding

### MB Group funding breakdown (Sept 13)

Total €54.7bn



### MB Group funding trend (€bn)

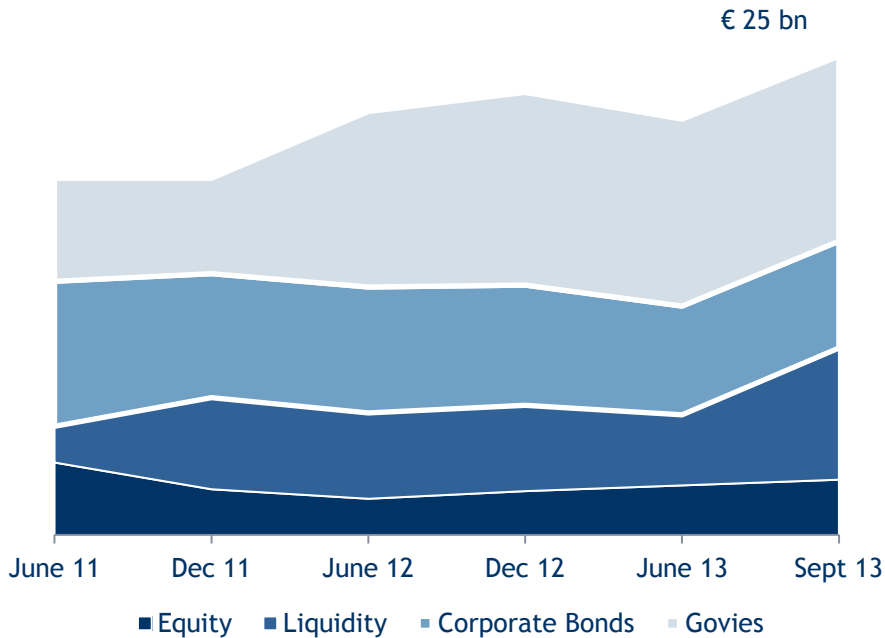


- ◆ NSFR above 100%
- ◆ Well diversified funding structure (61% from retail investors)
- ◆ Bond breakdown: €750m secured (covered bond issued in October 13); €1.9bn lower Tier2
- ◆ Funding growth in IQ14 driven by retail sector (MB bond issuances and CheBanca! deposits)

# MB Group's treasury funds, AFS and HTM securities

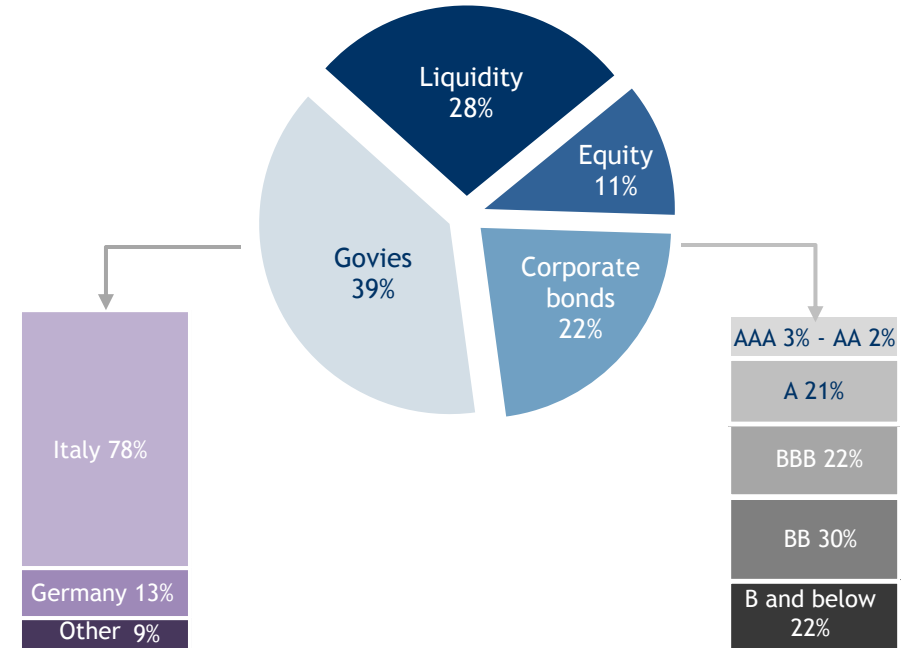
## Funding

### Evolution of the composition



### Composition as of 30 September 2013

Total €25.1bn



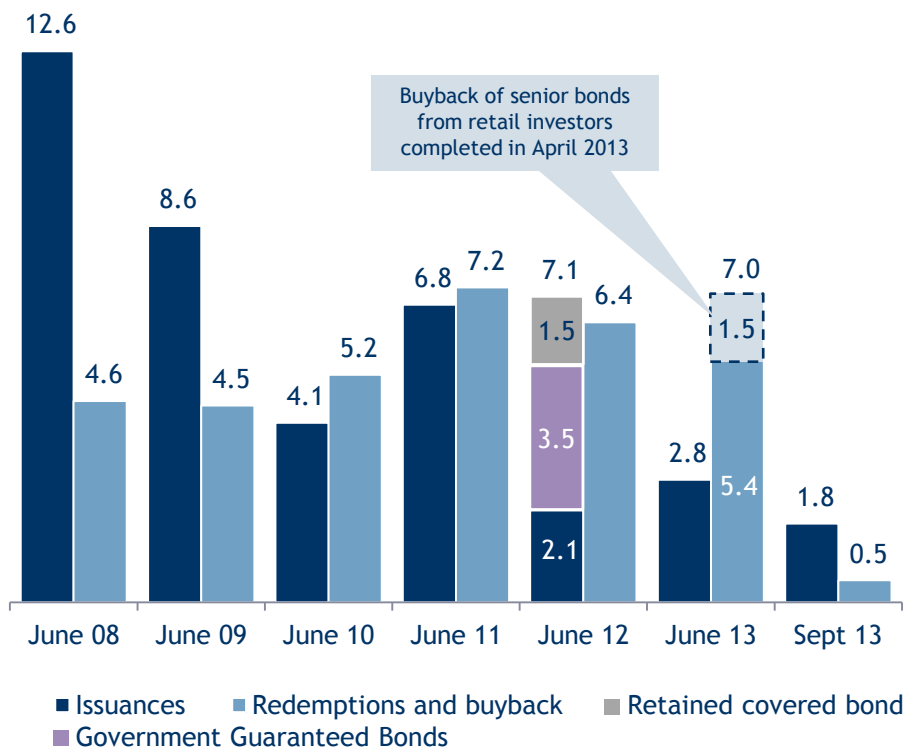
- ◆ Cautious risk approach, high portfolio quality
- ◆ Bond portfolio (€15bn): 87% investment grade
- ◆ Real liquid assets as of 30 September 2013: €17.4bn of ECB counterbalance capacity and further €4.7bn of marketable assets

According to Group restated balance sheet

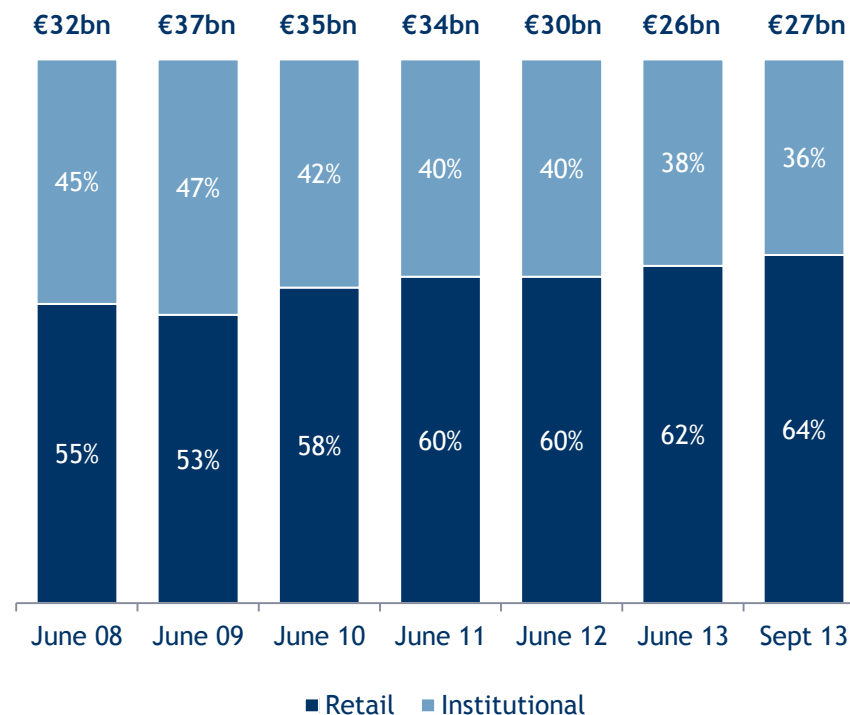
# Historical bond issuances and outstanding

## Funding

### Historical bond issuances, redemptions and buyback



### Outstanding bonds by type of investor

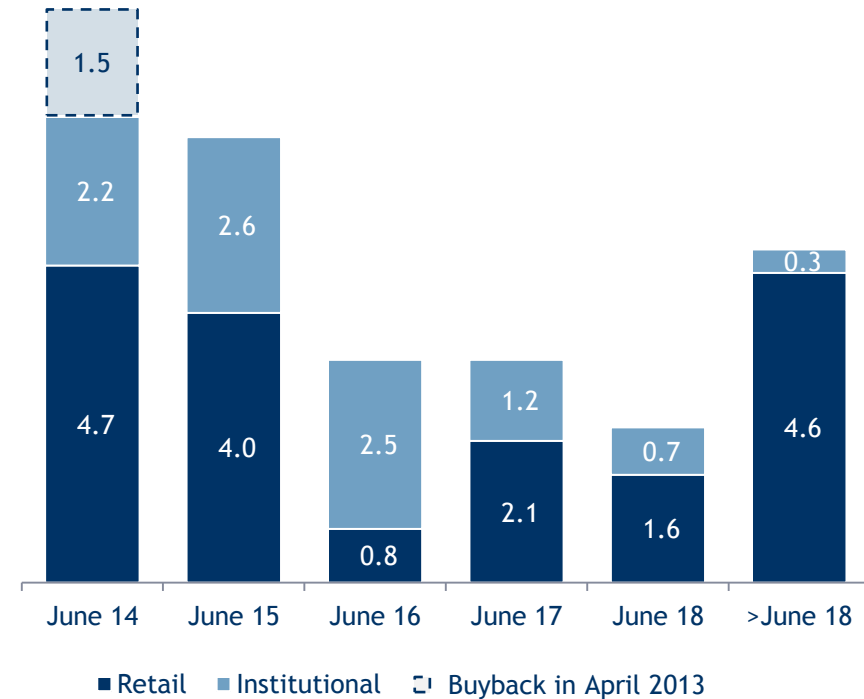


- ◆ IQ14 bond issuances: €1.8 bn.
- ◆ Full year 13/14 bond issuances target almost reached within December 2013.
- ◆ Increased role of retail investors.

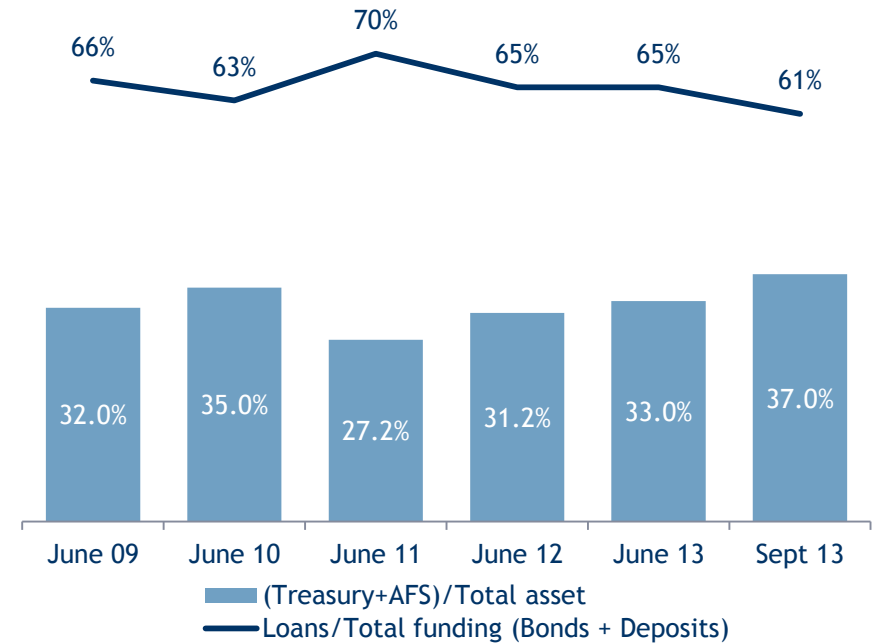
# Refinancing under control, high liquidity

## Funding

Bond maturities as of 30 September 2013 (€ bn)



Funding and liquidity ratios



- ◆ Smoother and extended maturity through buybacks and new issuances
- ◆ New issuances maturity:>5Y

# 1Q14 results

Section 6



MEDIOBANCA

# Business plan delivery ongoing

1Q14 results as at September 2013

MB Group

## Equity sell off

- ◆ Telco: stake reduced from 11.62% to 7.34%, with a gain of €59m
- ◆ €139m of other stakes sold, with a gain of €21m
- ◆ Current NAV: €5.1bn (up 20% in last Q)

## MB free float enlarged

- ◆ MB shareholders' agreement renewed for next two years (until Dec.15)
- ◆ Syndicated shares down to 30.05% (42% as at June 13)

## Funding enhanced

## Deleveraging complete

- ◆ Funding up 7% to €55bn driven by bonds (up 6% to €27.4bn) and retail direct deposit growth (up 14% to €13.6bn)
- ◆ Loan book flat at €33bn, but new loans €1.1 in CIB<sup>1</sup> and €1.3bn in RCB
- ◆ CT1 ratio 11.5%

## 1Q14 results Effective diversification

- ◆ NII up 2% QoQ, up 5% YoY
- ◆ Asset quality resilient (cost of risk at 154 bps)
- ◆ GOP up 40% to €119m
- ◆ Net profit up to €170m

\* Drawn and undrawn

# 2014 funding programme already complete, new loans up

1Q14 results as at September 2013

MB Group

| €bn                        | Sept13                   | June13       | Sept12                   | Δ<br>QoQ*     | Δ<br>YoY*    |
|----------------------------|--------------------------|--------------|--------------------------|---------------|--------------|
| <b>Funding</b>             | <b>54.7</b>              | <b>51.3</b>  | <b>55.0</b>              | <b>+7%</b>    | <b>-1%</b>   |
| Bonds                      | 27.4                     | 25.9         | 29.4                     | +6%           | -7%          |
| Retail direct deposits     | 13.6                     | 11.9         | 11.6                     | +14%          | +17%         |
| ECB                        | 7.5                      | 7.5          | 7.5                      | -             | -            |
| Others                     | 6.2                      | 6.1          | 6.5                      | +2%           | -5%          |
| <b>Loans to customers</b>  | <b>33.3</b>              | <b>33.5</b>  | <b>34.9</b>              | <b>-1%</b>    | <b>-5%</b>   |
| Wholesale                  | 15.4                     | 15.5         | 16.8                     | -1%           | -8%          |
| Private banking            | 0.8                      | 0.8          | 0.8                      | -             | -            |
| Consumer                   | 9.4                      | 9.4          | 9.1                      | -             | +3%          |
| Mortgage                   | 4.3                      | 4.3          | 4.3                      | -             | -            |
| Leasing                    | 3.4                      | 3.5          | 3.9                      | -3%           | -13%         |
| <b>Treasury+AFS+HTM+LR</b> | <b>25.5</b>              | <b>21.7</b>  | <b>23.2</b>              | <b>+17%</b>   | <b>+10%</b>  |
| <b>RWAs</b>                | <b>53.2</b>              | <b>52.4</b>  | <b>54.7</b>              | <b>+2%</b>    | <b>-3%</b>   |
| <b>Core tier 1 ratio</b>   | <b>11.5%<sup>1</sup></b> | <b>11.7%</b> | <b>11.5%<sup>1</sup></b> | <b>-20bps</b> | <b>+20bp</b> |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12

1) Net profit for the period not included

# GOP up 40% with NII recovering; gain from equity stake disposals

1Q14 results as at September 2013

MB Group

| €m                      | 3Q13<br>Sept13 | 2Q13<br>June13 | 1Q13<br>March13 | 4Q12<br>Dec12 | 3Q12<br>Sept 12 | D<br>QoQ*   | D<br>YoY*   |
|-------------------------|----------------|----------------|-----------------|---------------|-----------------|-------------|-------------|
| <b>Total income</b>     | <b>416</b>     | <b>424</b>     | <b>263</b>      | <b>458</b>    | <b>453</b>      | <b>-2%</b>  | <b>-8%</b>  |
| Net interest income     | 271            | 265            | 245             | 259           | 259             | +2%         | +5%         |
| Fee income              | 84             | 110            | 99              | 97            | 104             | -24%        | -19%        |
| Trading income          | (3)            | (12)           | 74              | 44            | 62              |             |             |
| Equity accounted co.    | 64             | 61             | (157)           | 58            | 28              | +5%         |             |
| <b>Total costs</b>      | <b>(169)</b>   | <b>(195)</b>   | <b>(186)</b>    | <b>(202)</b>  | <b>(174)</b>    | <b>-13%</b> | <b>-3%</b>  |
| Labour costs            | (85)           | (92)           | (97)            | (100)         | (94)            | -8%         | -10%        |
| Administrative expenses | (84)           | (103)          | (89)            | (102)         | (80)            | -18%        | +5%         |
| Loan loss provisions    | (129)          | (143)          | (131)           | (121)         | (111)           | -10%        | +16%        |
| <b>GOP</b>              | <b>119</b>     | <b>85</b>      | <b>(54)</b>     | <b>134</b>    | <b>168</b>      | <b>+40%</b> | <b>-29%</b> |
| Impairments, disposals  | 84             | (287)          | 20              | (87)          | (7)             |             |             |
| <b>Net result</b>       | <b>171</b>     | <b>(217)</b>   | <b>(87)</b>     | <b>15</b>     | <b>109</b>      |             | <b>+57%</b> |
| Cost/income ratio (%)   | 40%            | 46%            | 71%             | 44%           | 38%             | -6pp        | +2pp        |
| Cost of risk (bps)      | 154            | 170            | 154             | 141           | 125             | -16bps      | +29bps      |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12

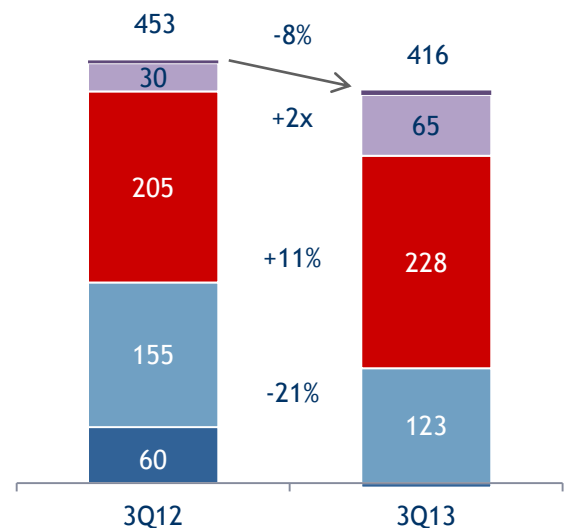


# Revenues: diversification paying off

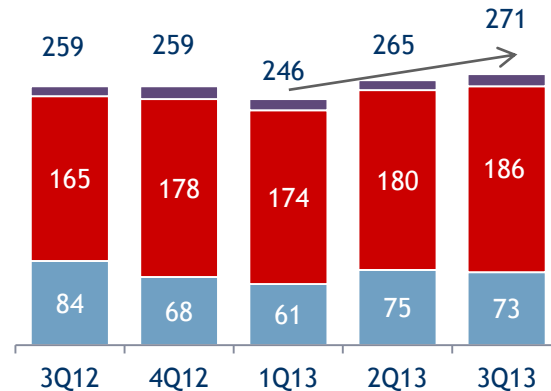
1Q14 results as at September 2013

MB Group

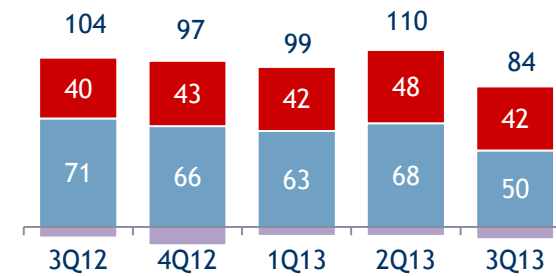
## Revenues (€m)



## NII (€m)



## Fees (€m)



■ Trading ■ CIB ex trading ■ RCB ■ PI ■ Other

■ CIB ■ RCB ■ Other

■ CIB ■ RCB ■ Other

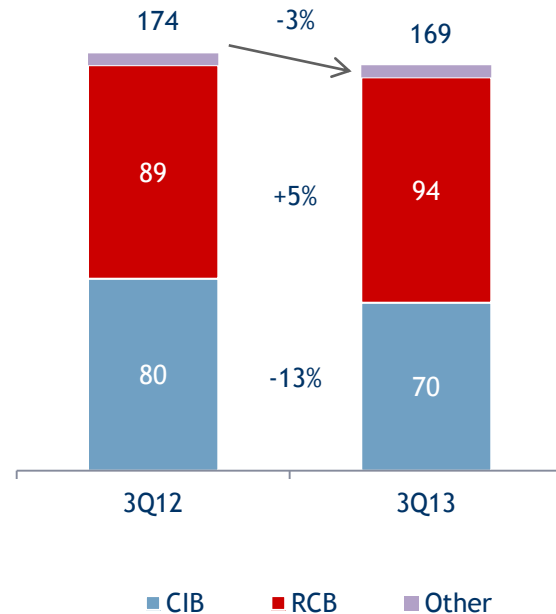
- ◆ Total revenues down 8%, with growth in RCB (up 11%) and PI (doubled) partly offsetting CIB decrease (down 45%)
- ◆ CIB weakness due to poor advisory/capmkt revenues and negative trading results
- ◆ NII rebounded in last two quarters, driven especially by Consumer lending (up 4% QoQ and 13% YoY)

# Costs down 3% despite investment in RCB

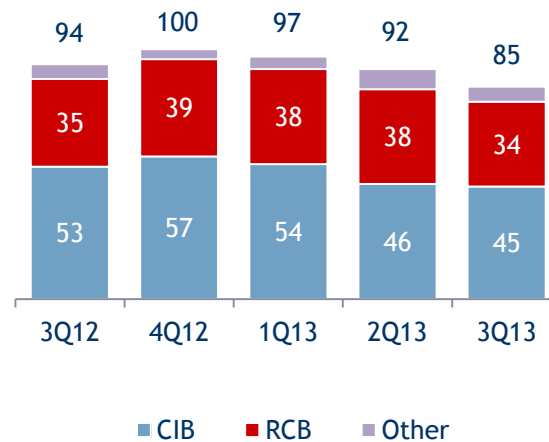
1Q14 results as at September 2013

MB Group

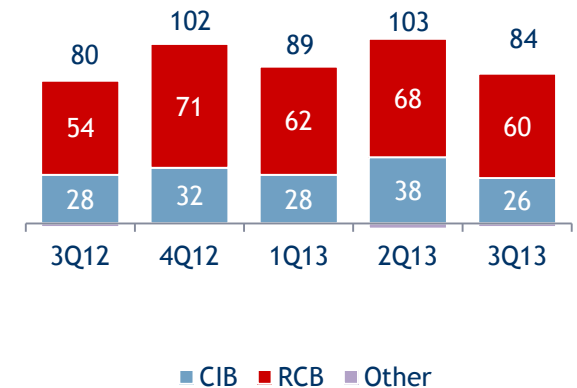
## Total costs (€m)



## Personnel costs (€m)



## Administrative expenses (€m)



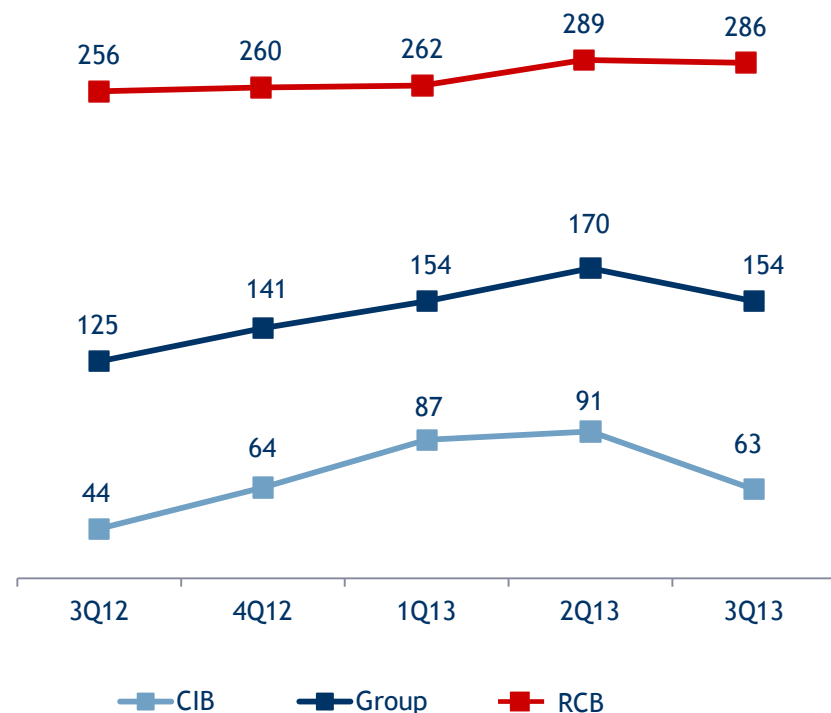
- ◆ Group costs down 3%, with 13% decrease in CIB offset by 5% rise in Retail and Consumer
- ◆ CIB costs reduction driven by lower staff costs (down 13%) and savings in G&A (down 8%)
- ◆ Retail & Consumer cost trend reflecting investment in new initiatives (Compass Pay, new CheBanca! products)

# Asset quality resilient

1Q14 results as at September 2013

MB Group

## Cost of risk by segment (bps)



- ◆ Group cost of risk down to 154 bps (down 16 bps QoQ) due to CIB decrease; RCB flat
- ◆ Coverage ratios stable at high levels: 45% for NPLs and 66% for bad loans

## Asset quality ratios trend

|                            | Sept12      | June 13     | Sept13      |
|----------------------------|-------------|-------------|-------------|
| Net NPLs (€m)              | 971         | 989         | 1,018       |
| Net NPLs/loans             | 2.8%        | 3.0%        | 3.1%        |
| Net NPLs/CT1               | 15%         | 16%         | 17%         |
| <b>NPLs coverage*</b>      | <b>40%</b>  | <b>45%</b>  | <b>45%</b>  |
| CIB                        | 33%         | 39%         | 40%         |
| Consumer *                 | 50%         | 56%         | 57%         |
| Mortgage                   | 46%         | 47%         | 47%         |
| Leasing                    | 27%         | 29%         | 27%         |
| <b>Net bad loans (€m)</b>  | <b>239</b>  | <b>263</b>  | <b>283</b>  |
| <b>Bad loans coverage*</b> | <b>66%</b>  | <b>66%</b>  | <b>66%</b>  |
| <b>Net bad loans/loans</b> | <b>0.7%</b> | <b>0.8%</b> | <b>0.8%</b> |
| CIB                        | 0%          | 0%          | 0.1%        |
| Consumer                   | 1.1%        | 1.2%        | 1.2%        |
| Mortgage                   | 1.7%        | 2.0%        | 2.1%        |
| Leasing                    | 1.4%        | 1.6%        | 1.8%        |

\* Net of Cofactor

# CIB: low level of business, loans stabilizing

1Q results as at September 2013

Corporate & Investment banking

| €m                   | 3Q13<br>Sept13 | 2Q13<br>June13 | 1Q13<br>March13 | 4Q12<br>Dec12 | 3Q12<br>Sept 12 | D<br>QoQ*   | D<br>YoY*   |
|----------------------|----------------|----------------|-----------------|---------------|-----------------|-------------|-------------|
| <b>Total income</b>  | <b>118</b>     | <b>138</b>     | <b>193</b>      | <b>178</b>    | <b>215</b>      | <b>-14%</b> | <b>-45%</b> |
| Net interest income  | 73             | 75             | 61              | 68            | 84              | -2%         | -13%        |
| Fee income           | 50             | 68             | 63              | 66            | 71              | -26%        | -29%        |
| Trading              | (5)            | (5)            | 68              | 44            | 60              |             |             |
| <b>Total costs</b>   | <b>(70)</b>    | <b>(84)</b>    | <b>(81)</b>     | <b>(89)</b>   | <b>(80)</b>     | <b>-16%</b> | <b>-12%</b> |
| Loan loss provisions | (26)           | (38)           | (36)            | (28)          | (20)            | -32%        | +30%        |
| <b>Ordinary PBT</b>  | <b>22</b>      | <b>16</b>      | <b>75</b>       | <b>61</b>     | <b>115</b>      | <b>+37%</b> | <b>-81%</b> |
| One-offs             | 7              | 2              | 32              | 22            | 1               |             |             |
| <b>Net result</b>    | <b>17</b>      | <b>0</b>       | <b>67</b>       | <b>59</b>     | <b>77</b>       |             | <b>-78%</b> |
| Cost/income ratio    | 59             | 61             | 42              | 50            | 37              | +2pp        | +22pp       |
| Cost of risk (bps)   | 63             | 91             | 87              | 64            | 44              | -28bps      | +19bps      |
| Loans (€bn)          | 16.3           | 16.3           | 16.6            | 16.9          | 17.6            | -           | -7%         |
| RWAs (€bn)           | 35.3           | 34.2           | 35.7            | 36.3          | 36.4            | +3%         | -3%         |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12

# RCB: deposits up 14% in last quarter, GOP up 44%

1Q14 results as at September 2013

Retail & Consumer banking

| €m                          | 3Q13<br>Sept13 | 2Q13<br>June13 | 1Q13<br>March13 | 4Q12<br>Dec12 | 3Q12<br>Sept 12 | D<br>QoQ*   | D<br>YoY*   |
|-----------------------------|----------------|----------------|-----------------|---------------|-----------------|-------------|-------------|
| <b>Total revenues</b>       | <b>228</b>     | <b>228</b>     | <b>216</b>      | <b>221</b>    | <b>205</b>      | -           | +11%        |
| Net interest income         | 186            | 180            | 174             | 178           | 165             | +3%         | +13%        |
| Fee income                  | 42             | 48             | 42              | 43            | 40              | -12%        | +5%         |
| <b>Total costs</b>          | <b>(94)</b>    | <b>(105)</b>   | <b>(100)</b>    | <b>(110)</b>  | <b>(89)</b>     | <b>-10%</b> | <b>+6%</b>  |
| Loan provisions             | (98)           | (98)           | (88)            | (87)          | (86)            | -           | 14%         |
| <b>GOP</b>                  | <b>36</b>      | <b>25</b>      | <b>28</b>       | <b>23</b>     | <b>30</b>       | <b>+44%</b> | <b>+20%</b> |
| <b>Net profit</b>           | <b>19</b>      | <b>4</b>       | <b>11</b>       | <b>12</b>     | <b>16</b>       |             | <b>+19%</b> |
| Cost/income ratio           | 41%            | 46%            | 46%             | 50%           | 43%             | -5pp        | -2pp        |
| LLPs/Ls (bps)               | 286            | 289            | 262             | 260           | 256             | -3pp        | +30pp       |
| <b>Total deposits (€bn)</b> | <b>14.4</b>    | <b>12.6</b>    | <b>12.7</b>     | <b>12.7</b>   | <b>11.9</b>     | <b>+14%</b> | <b>+21%</b> |
| Direct                      | 13.6           | 11.9           | 12.2            | 12.3          | 11.6            | +14%        | +17%        |
| Indirect                    | 0.8            | 0.7            | 0.5             | 0.4           | 0.3             | +14%        | +2x         |
| <b>Loans (€bn)</b>          | <b>13.7</b>    | <b>13.7</b>    | <b>13.5</b>     | <b>13.4</b>   | <b>13.4</b>     | -           | <b>+2%</b>  |
| <b>RWAs (€bn)</b>           | <b>10.6</b>    | <b>10.6</b>    | <b>10.4</b>     | <b>10.3</b>   | <b>10.3</b>     | -           | <b>+3%</b>  |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12

# PI: income positive; gain from disposals; NAV up 24%

1Q14 results as at September 2013

Principal investing

| €m                        | 3Q13<br>Sept13 | 2Q13<br>June13 | 1Q13<br>March13 | 4Q12<br>Dec12 | 3Q12<br>Sept 12 | D<br>QoQ*  | D<br>YoY*    |
|---------------------------|----------------|----------------|-----------------|---------------|-----------------|------------|--------------|
| <b>Total income</b>       | <b>65</b>      | <b>70</b>      | <b>(150)</b>    | <b>58</b>     | <b>30</b>       | <b>-7%</b> | <b>+116%</b> |
| Gain from disposals       | 80             | 31             | (1)             | (7)           | (6)             |            |              |
| Impairments               | (1)            | (315)          | (6)             | (100)         | (1)             |            |              |
| <b>Net result</b>         | <b>137</b>     | <b>(214)</b>   | <b>(160)</b>    | <b>(53)</b>   | <b>19</b>       | <b>nm</b>  | <b>nm</b>    |
| <b>Book value (€bn)</b>   | <b>4.1</b>     | <b>4.0</b>     | <b>4.3</b>      | <b>4.3</b>    | <b>4.1</b>      | <b>+2%</b> | <b>-</b>     |
| Ass. Generali (13.24%)    | 2.5            | 2.5            | 2.6             | 2.6           | 2.3             | -          | +9%          |
| AFS stakes                | 1.6            | 1.5            | 1.0             | 1.1           | 1.1             | +7%        | +45%         |
| <b>Market value (€bn)</b> | <b>4.7</b>     | <b>4.3</b>     | <b>4.1</b>      | <b>4.5</b>    | <b>4.1</b>      | <b>+9%</b> | <b>+15%</b>  |
| Ass. Generali (13.24%)    | 3.0            | 2.8            | 2.5             | 2.8           | 2.3             | +7%        | +30%         |
| <b>RWAs (€bn)</b>         | <b>4.2</b>     | <b>4.5</b>     | <b>4.5</b>      | <b>4.5</b>    | <b>4.4</b>      | <b>-7%</b> | <b>-5%</b>   |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12

# Consumer lending: NII up, cost of risk up as expected

1Q14 results as at September 2013

Consumer lending - Compass

| €m                  | 3Q13<br>Sept13 | 2Q13<br>June13 | 1Q13<br>March13 | 4Q12<br>Dec12 | 3Q12<br>Sept 12 | D<br>QoQ*   | D<br>YoY*   |
|---------------------|----------------|----------------|-----------------|---------------|-----------------|-------------|-------------|
| <b>Total income</b> | <b>187</b>     | <b>186</b>     | <b>180</b>      | <b>177</b>    | <b>170</b>      | <b>+1%</b>  | <b>+10%</b> |
| Net interest income | 150            | 142            | 142             | 138           | 133             | +6%         | +13%        |
| Fee income          | 37             | 44             | 38              | 39            | 37              | -16%        | -           |
| <b>Total costs</b>  | <b>(60)</b>    | <b>(68)</b>    | <b>(65)</b>     | <b>(68)</b>   | <b>(58)</b>     | <b>-12%</b> | <b>+3%</b>  |
| Loan provisions     | (91)           | (89)           | (83)            | (82)          | (81)            | +2%         | +12%        |
| PBT                 | 36             | 29             | 32              | 27            | 31              | +24%        | +16%        |
| <b>Net profit</b>   | <b>21</b>      | <b>20</b>      | <b>15</b>       | <b>17</b>     | <b>19</b>       | <b>+5%</b>  | <b>+10%</b> |
| Cost/income ratio   | 32%            | 36%            | 36%             | 39%           | 34%             | -1pp        | +1pp        |
| LLPs/Ls (bps)       | 385            | 383            | 360             | 357           | 353             | +2bps       | +32bps      |
| New loans (€bn)     | 1.2            | 1.4            | 1.3             | 1.2           | 1.1             | -14%        | +9%         |
| Loans (€bn)         | 9.5            | 9.4            | 9.2             | 9.2           | 9.1             | +1          | +4%         |
| RWAs (€bn)          | 8.9            | 8.9            | 8.6             | 8.5           | 8.5             | -           | +5%         |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12

# Retail banking: total deposits up 14%. C/I ratio below 100%

1Q14 results as at September 2013

Retail banking – CheBanca!

| €m                          | 3Q13<br>Sept13 | 2Q13<br>June13 | 1Q13<br>March13 | 4Q12<br>Dec12 | 3Q12<br>Sept 12 | D<br>QoQ*   | D<br>YoY*   |
|-----------------------------|----------------|----------------|-----------------|---------------|-----------------|-------------|-------------|
| <b>Total income</b>         | <b>41</b>      | <b>42</b>      | <b>36</b>       | <b>43</b>     | <b>36</b>       | <b>-2%</b>  | <b>+14%</b> |
| Net interest income         | 36             | 38             | 32              | 40            | 33              | -5%         | +9%         |
| Trading & fee income        | 5              | 4              | 4               | 4             | 3               | +25%        | +67%        |
| <b>Total costs</b>          | <b>(34)</b>    | <b>(37)</b>    | <b>(35)</b>     | <b>(42)</b>   | <b>(31)</b>     | <b>-8%</b>  | <b>+10%</b> |
| Labour costs                | (14)           | (15)           | (15)            | (16)          | (14)            | -7%         | -           |
| Administrative expenses     | (20)           | (22)           | (20)            | (26)          | (17)            | -9%         | +18%        |
| <b>Loan provisions</b>      | <b>(7)</b>     | <b>(9)</b>     | <b>(6)</b>      | <b>(6)</b>    | <b>(5)</b>      | <b>-22%</b> | <b>+40%</b> |
| <b>Net result</b>           | <b>(3)</b>     | <b>(16)</b>    | <b>(4)</b>      | <b>(5)</b>    | <b>(3)</b>      | n.m.        | -           |
| <b>Cost/income ratio</b>    | <b>84%</b>     | <b>89%</b>     | <b>96%</b>      | <b>97%</b>    | <b>87%</b>      |             |             |
| LLPs/Ls (bps)               | 67             | 83             | 52              | 52            | 48              | -16bps      | +19bps      |
| <b>Total deposits (€bn)</b> | <b>14.4</b>    | <b>12.6</b>    | <b>12.7</b>     | <b>12.7</b>   | <b>11.9</b>     | <b>+14%</b> | <b>+21%</b> |
| of which Direct             | 13.6           | 11.9           | 12.2            | 12.3          | 11.6            | +14%        | +17%        |
| Loans (€bn)                 | 4.3            | 4.3            | 4.3             | 4.3           | 4.3             | -           | -           |
| RWAs (€bn)                  | 1.7            | 1.6            | 1.8             | 1.8           | 1.8             | +6%         | -6%         |

\* QoQ = Sept13/June13; YoY= Sept13/Sept12



# Appendix

1. Principal Investing portfolio as at Sep.13
2. Group Profile
3. FY13 Results
4. MB Investment banking major deals from July 2011 to November 2013



# Appendix 1

Principal investing: major equity investments as at September 13



MEDIOBANCA

# Principal Investing: main equity investments

## Listed companies

| September 13                  | % share of capital | Book value €m |
|-------------------------------|--------------------|---------------|
| Assicurazioni Generali        | 13.24%             | 2,457         |
| Pirelli &C.                   | 4.49%              | 211           |
| Gemina                        | 7.85%              | 193           |
| Cashes UCI                    |                    | 151           |
| Telefonica                    | 0.19%              | 97            |
| RCS Mediagroup                | 14.86%             | 76            |
| Saks                          | 3.46%              | 61            |
| Italmobiliare                 | 5.47%              | 39            |
| Others                        |                    | 68            |
| <b>Total listed companies</b> |                    | <b>3,353</b>  |

## Unlisted companies

| September 13                    | % share of capital | Book value €m |
|---------------------------------|--------------------|---------------|
| Sintonia                        | 5.90%              | 303           |
| Banca Esperia                   | 50.00%             | 88            |
| Telco                           | 7.34%              | 73            |
| Edipower                        | 4.10%              | 60            |
| Santè                           | 9.92%              | 30            |
| Athena Private Equity           | 24.27%             | 20            |
| Burgo Group                     | 22.13%             | 20            |
| Fidia                           | 25.00%             | 1             |
| Others                          |                    | 238           |
| <b>Total unlisted companies</b> |                    | <b>833</b>    |

# Appendix 2

Group Profile



MEDIOBANCA

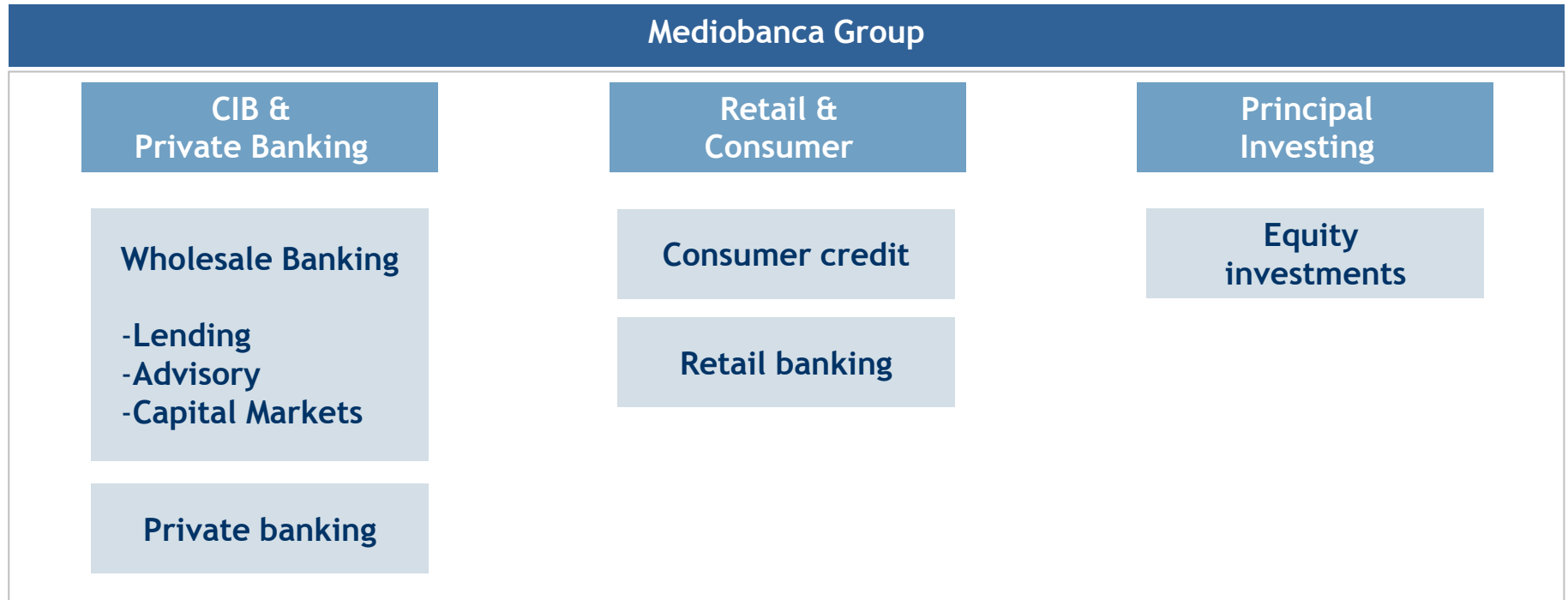
# History and Mission

## Group Profile



# Business model

## Group Profile



# MB Group's Key Performance Indicators (“KPIs”)

## Group Profile

### KPIs

- ◆ High resilience and diversification of income
- ◆ Low cost/income ratio
- ◆ Good asset quality
- ◆ Good profitability of underlying businesses
- ◆ Reduction of equity exposure and reallocation of capital to asset light business ongoing in order to improve returns and preserve:
  - ◆ Low leverage
  - ◆ High liquidity
  - ◆ Solid capital position

### Group annual KPIs trend

|                      | 12m<br>June 11 | 12m<br>June 12 | 12m<br>June 13 |
|----------------------|----------------|----------------|----------------|
| Total income (€m)    | 1,983          | 1,990          | 1,587          |
| Net profit (€m)      | 369            | 81             | (180)          |
| Net profit adj* (€m) | 588            | 621            | 392            |
| RWAs (€bn)           | 55             | 55             | 52             |
| Tangible BV/Assets   | 10%            | 10%            | 11%            |
| Loan/funding ratio   | 70%            | 65%            | 67%            |
| Core Tier 1 ratio    | 11.2%          | 11.5%          | 11.7%          |
| S&P rating           | A+             | BBB+           | BBB+ **        |
| Cost/income ratio    | 42%            | 40%            | 47%            |
| Net bad loans/Ls     | 0.6%           | 0.7%           | 0.8%           |
| ROE adj*             | 10%            | 10%            | 6%             |

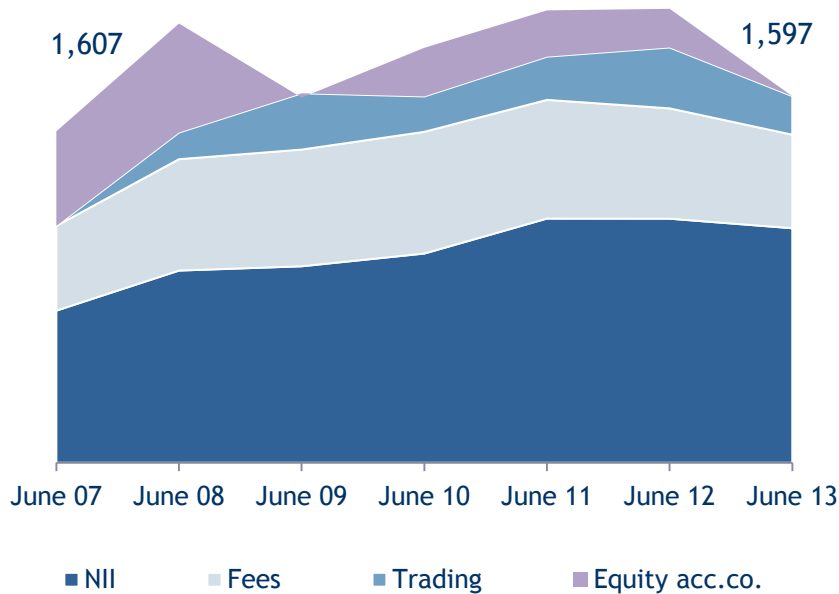
\* Profit/losses from AFS disposals, impairments and positive one-off items excluded

\*\* BBB from 24/7/2013

# Income breakdown

## Group Profile

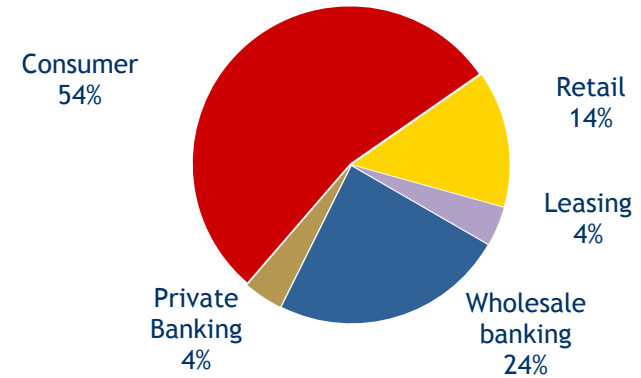
### Total revenues by source (€m)



- ◆ Diversified revenues in terms of products and sources
- ◆ Net interest income representing ~60% of total income, fee income ~25%; trading ~10%; principal investing volatile

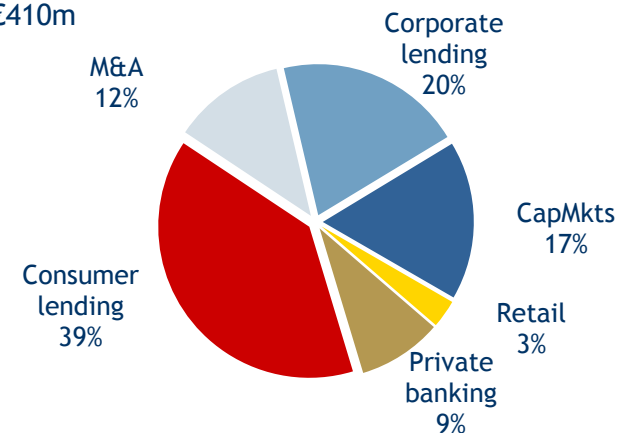
### Net interest income by business (June13)

Total: €1,028m



### Fee income by business (June13)

Total: €410m



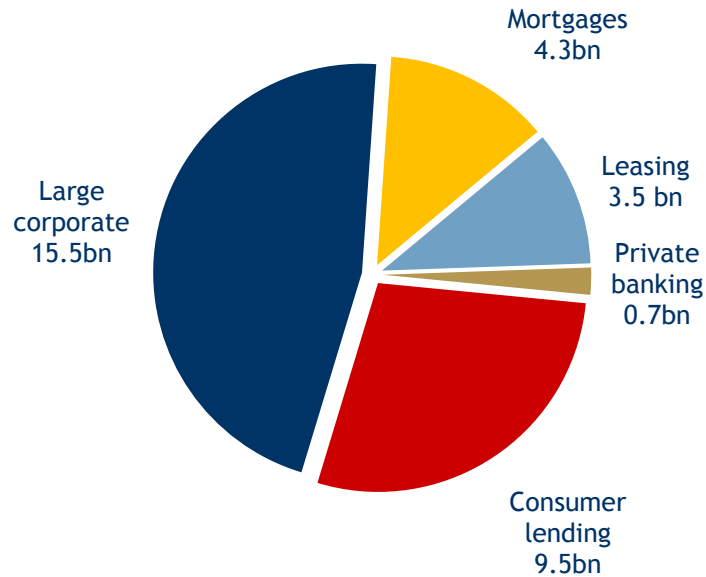


# Loan book breakdown

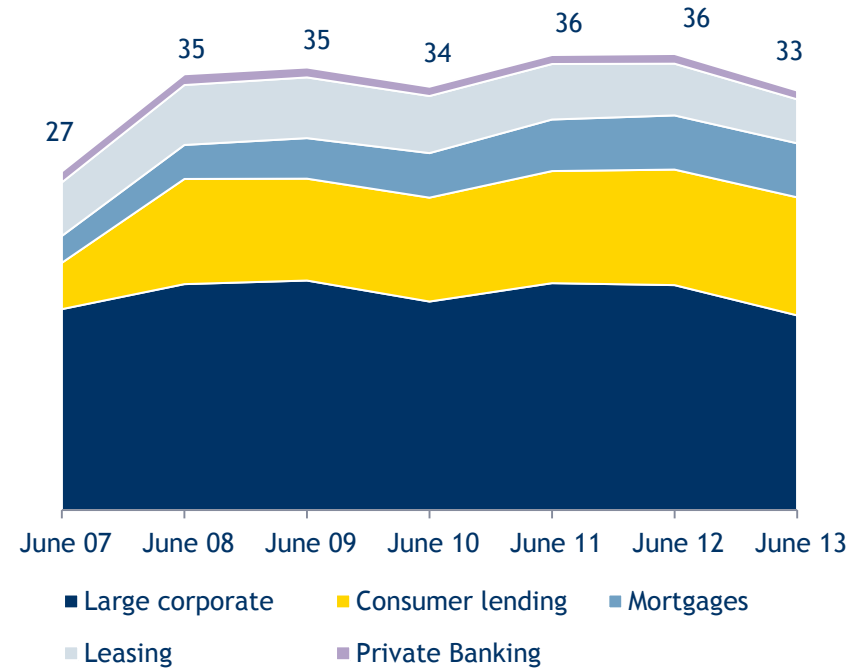
## Group Profile

### MB Group loan book by product (June 13)

Total €33.4bn



### MB Group lending stock trends (€bn)



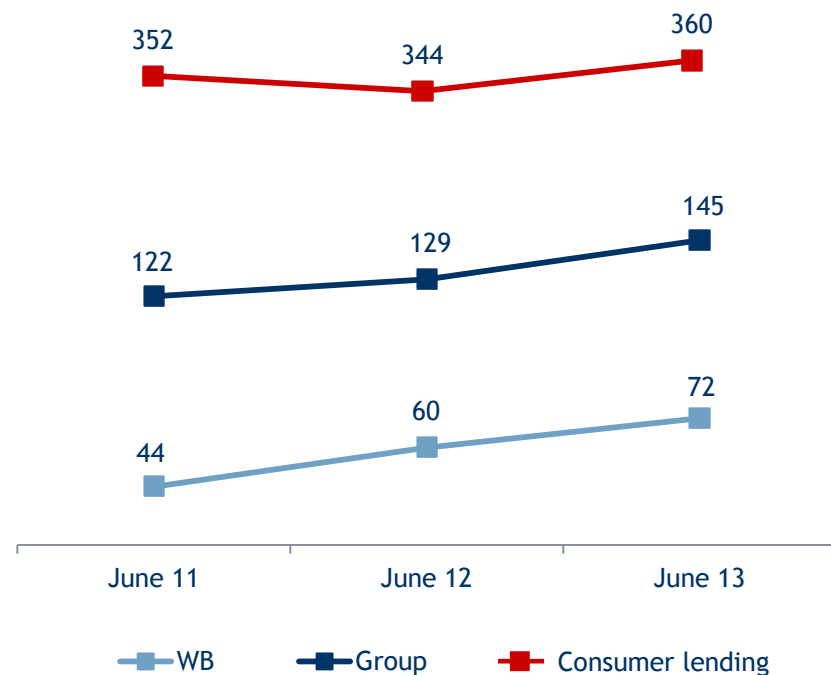
- ◆ 57% of volumes attributable to corporate (46% large )
- ◆ 43% of volumes attributable to retail (28% consumer)

- ◆ Consumer and retail loans have increased steadily
- ◆ Corporate lending deleverage now ended

# Asset quality

## Group Profile

### Cost of risk by segment (bps)



- ◆ Net bad loans: low incidence to loans (0.8%), high coverage (66%)
- ◆ Net NPLs: low incidence to loans (3.0%), high coverage (45%)

### Asset quality ratios trend\*

|                            | June 12     | June 13     |
|----------------------------|-------------|-------------|
| Net NPLs (€m)              | 904         | 989         |
| Net NPLs/loans             | 2.5%        | 3.0%        |
| Net NPLs/CT1               | 14%         | 16%         |
| <b>NPLs coverage*</b>      | <b>39%</b>  | <b>45%</b>  |
| Corporate                  | 35%         | 39%         |
| Leasing                    | 28%         | 29%         |
| Consumer *                 | 46%         | 56%         |
| Mortgage                   | 47%         | 47%         |
| <b>Net bad loans (€m)</b>  | <b>242</b>  | <b>263</b>  |
| <b>Bad loans coverage*</b> | <b>61%</b>  | <b>66%</b>  |
| <b>Net bad loans/loans</b> | <b>0.7%</b> | <b>0.8%</b> |
| Corporate                  | 0%          | 0%          |
| Leasing                    | 1.4%        | 1.6%        |
| Consumer                   | 1.1%        | 1.2%        |
| Mortgage                   | 1.7%        | 2.0%        |

\* Net of Cofactor

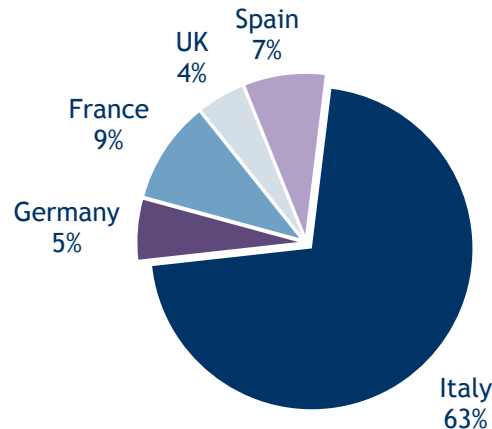
# Wholesale banking

## Group Profile

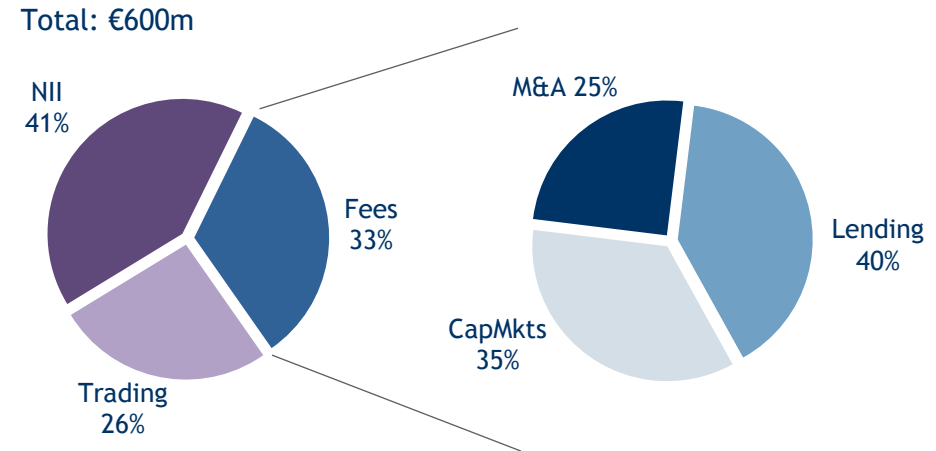
### KPIs (June 13)

- ◆ MB's leading position in the Italian market consistently confirmed
- ◆ Ongoing international diversification of business
  - ◆ Opening of the Turkish branch in 2012
  - ◆ Non-domestic branches account for some 30% of revenues and 37% of loans for CIB
- ◆ Well diversified revenue mix (~75% = NII+fees)
- ◆ Efficient cost structure (C/I ratio: 41%)
- ◆ Outstanding credit quality: bad loans/Ls = 0%

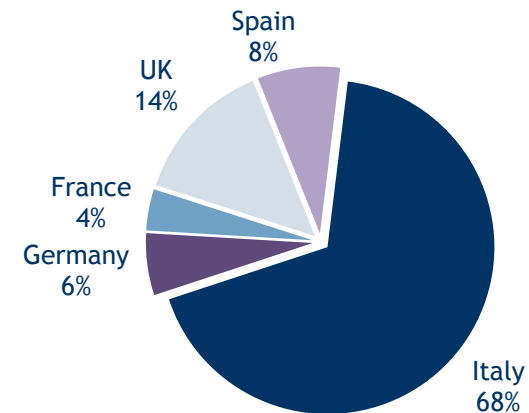
### Corporate loan book breakdown (June 13)



### CIB revenue by product (12 m, June 13)



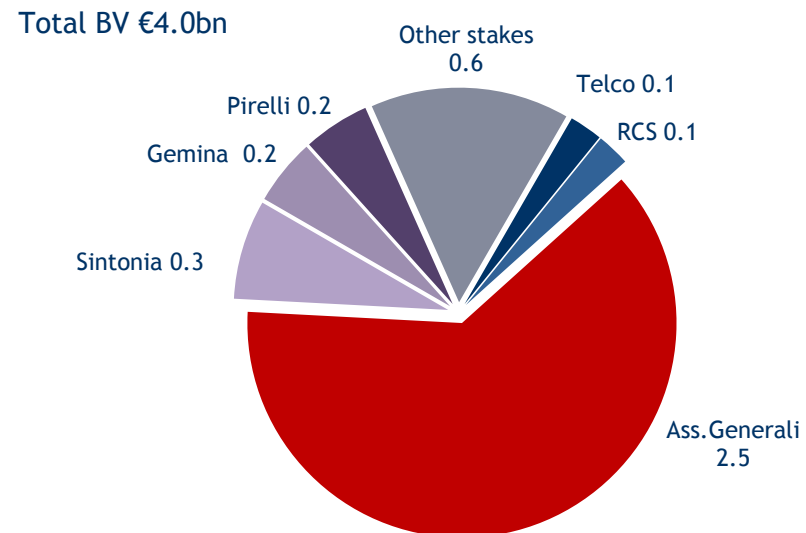
### CIB revenue by country (June 11-13 average)



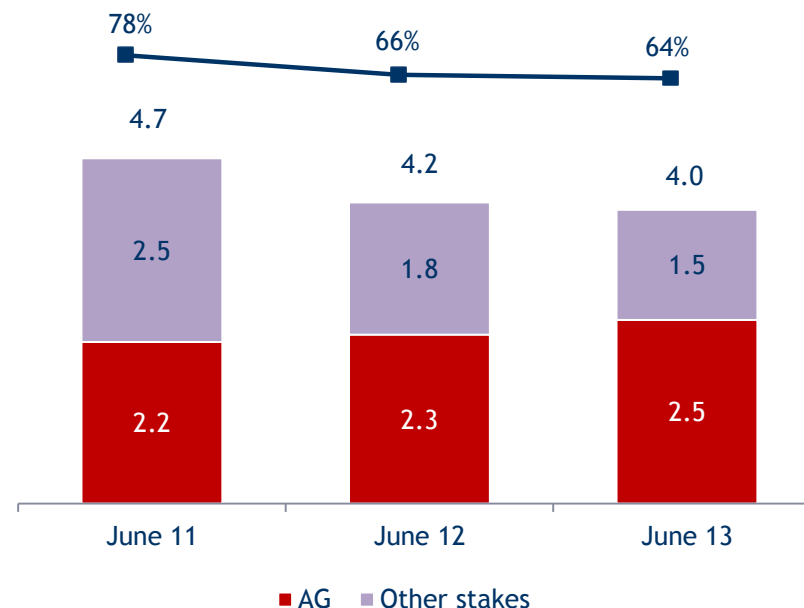
# Principal investing

## Group Profile

### Equity exposure: book value (€bn, June 13)



### Equity book value (€bn ) and % of CT1



- ◆ Principal investing portfolio (€4.0bn) now includes:
  - ◆ €2.5bn equity holding (13.24% stake) in Ass. Generali (insurance) which is equity accounted
  - ◆ €1.5bn AFS equity stakes, marked to market, classified as “available for sale”
- ◆ 3Y Business Plan 14/16: reduce equity exposure by €1.5bn over 3Y

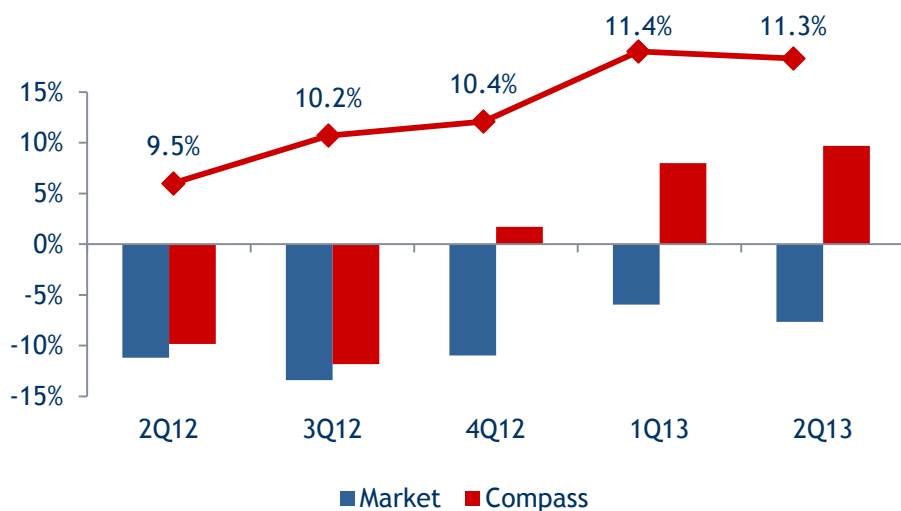
# Consumer lending: Compass profile

## Group Profile

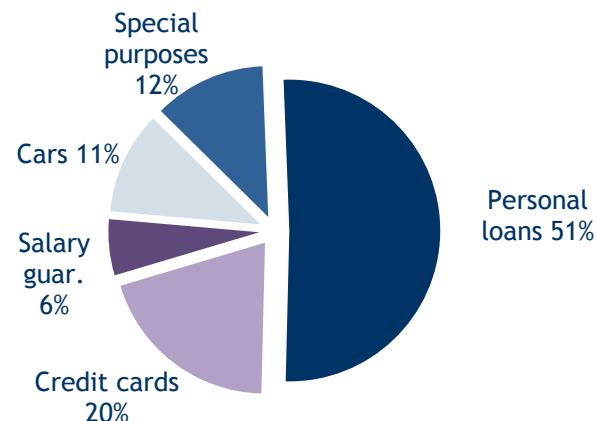
### Compass KPIs (June 13)

- ◆ In a continuing shrinking market, Compass total market share up to 11%, with focus on more profitable segments
- ◆ Effective and diversified franchise: 2.4 million customers, 163 Compass branches, over 5,000 banks branches
- ◆ Source of “recurrent” revenues for MB Group
- ◆ Strong asset quality: bad loans/Ls 1.2%, coverage ~90%
- ◆ High profitability: ROAC 10%
- ◆ New capital light initiatives launched (Compass Pay)

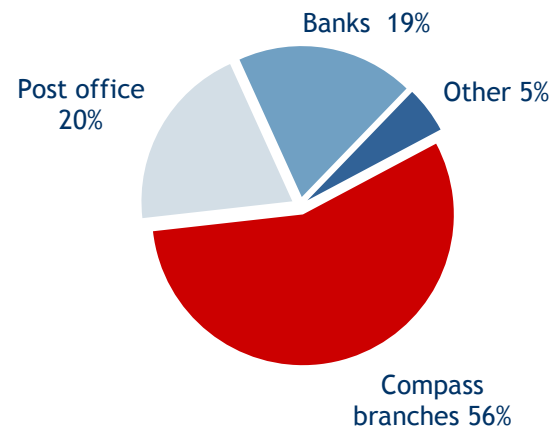
### New loans growth, quarterly market share



### New loans by type (12m, June 13)



### New personal loans by origination channel (12m, June 13)



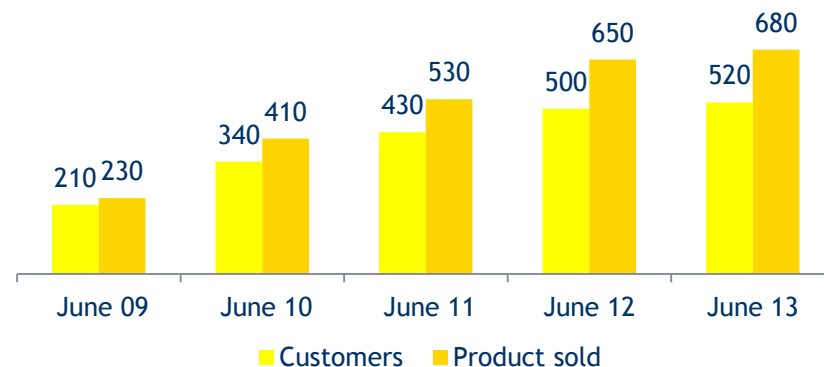
# Retail banking: CheBanca! profile

## Group Profile

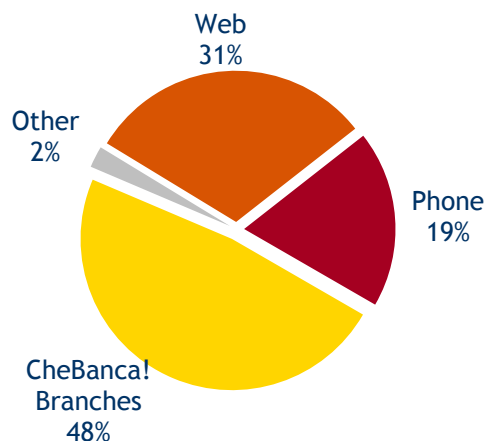
### CheBanca! KPIs (June 13)

- ◆ Strong funding arm: €11.9bn direct deposits plus €0.7bn indirect deposits
- ◆ Scalable and efficient operating platform
- ◆ Multichannel distribution
- ◆ High brand recognition
- ◆ Increasing and affluent customer base (520K)
- ◆ Product diversification and profitability improving

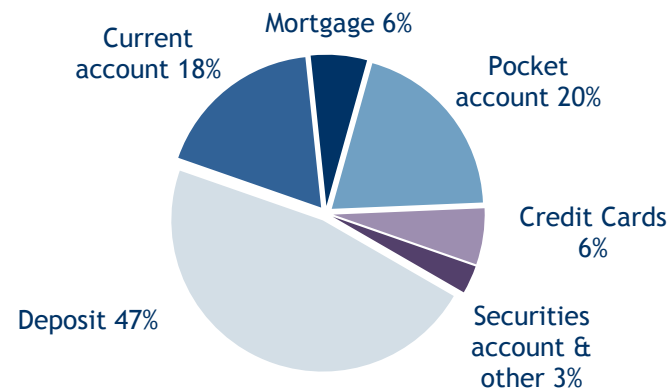
### CheBanca!'s customers and products ('000)



### Products sold by channel (June 13)



### Breakdown of products by type (June 13)



# Private banking

## Group Profile

### CMB KPIs (June 13)

- ◆ CMB: stake since 1989, fully owned since 2004
- ◆ Leading financial institution in Principality of Monaco, with around 10% market share
- ◆ €6.7bn AUM . AUM breakdown:
  - ◆ mainly private investors
  - ◆ 47% managed assets, 53% administered
- ◆ Distribution network: 40 bankers
- ◆ Steady profitability

### Banca Esperia KPIs (June 13)

- ◆ Founded in 2001 (50% partnership with Mediolanum)
- ◆ Highly synergic with CIB operations
- ◆ Top ranked in Italy as specialist player for UHNWI
- ◆ €14.2bn of AUM split as follows:
  - ◆ 72% private investors, 28% institutional investors
  - ◆ 48% managed, 52% administered
- ◆ Distribution network: 70 bankers, 12 branches in Italy

### Compagnie Monégasque de Banque

| €m          | June 13 | June 12 | June 11 |
|-------------|---------|---------|---------|
| Revenues    | 83      | 71      | 72      |
| Costs       | (45)    | (46)    | (47)    |
| GOPrisk adj | 37      | 22      | 25      |
| Net result  | 41      | 22(*)   | 24      |
| AUM (€bn)   | 6.7     | 6.0     | 5.8     |

### Banca Esperia (100%)

| €m          | June 13 | June 12 | June 11 |
|-------------|---------|---------|---------|
| Revenues    | 68      | 65      | 67      |
| Costs       | (72)    | (64)    | (62)    |
| GO risk adj | (5)     | 4       | 5       |
| Net result  | 1       | 4       | 1       |
| AUM (€bn)   | 14.2    | 13.2    | 13.7    |

# Appendix 3

FY 13 Results



MEDIOBANCA



# First delivery of business plan actions, first signs of turnaround

## FY13 Group Results

Assets clean-up

- ◆ All equity stakes (excl.AG) classified as available for sale and market valued
- ◆ €0.4bn net equity impairments

Deleveraging ended

- ◆ Deleveraging ended with RWAs down 5%, CT1 up to 11.7%, TC up to 15.6%
- ◆ Funding and treasury optimization ongoing

Core revenues  
bottoming out

- ◆ NII bottoming out: down 4% YoY but up 8% QoQ
- ◆ Fee income down 15% YoY due to subdued IB activity

Costs down  
Coverage ratio up

- ◆ Costs cut by 4% YoY and 8% in the last 2Y
- ◆ LLPs up 8% YoY
- ◆ Higher coverage ratios: bad loans at 66% (up 5pp), NPLs at 45% (up 6pp)

FY13 results

- ◆ Banking GOP risk adj. down 39% to €343m
- ◆ Net loss €180m, dividend distribution not allowed by regulator

# €400m asset clean-up

FY13 Group results

## Equity exposure: 2014-16 business plan targets

€ 0.4bn asset clean-up

€ 1.5bn equity stake to be disposed

Recover full availability of stakes from  
shareholder agreements



## Securities writedowns/backs in FY13 (€m)

|                         |              |
|-------------------------|--------------|
| <b>Total net amount</b> | <b>(404)</b> |
|-------------------------|--------------|

*of which*

|                      |       |
|----------------------|-------|
| Telco (TI @ €0.53ps) | (320) |
|----------------------|-------|

|       |      |
|-------|------|
| Burgo | (45) |
|-------|------|

|                    |      |
|--------------------|------|
| RCS (AFS reclass.) | (38) |
|--------------------|------|

|          |      |
|----------|------|
| Sintonia | (33) |
|----------|------|

|       |      |
|-------|------|
| Santè | (25) |
|-------|------|

|              |      |
|--------------|------|
| Other shares | (51) |
|--------------|------|

|                        |    |
|------------------------|----|
| Pirelli (AFS reclass.) | 66 |
|------------------------|----|

|                       |    |
|-----------------------|----|
| Gemina (AFS reclass.) | 23 |
|-----------------------|----|

|                         |    |
|-------------------------|----|
| Fixed income securities | 19 |
|-------------------------|----|

- ◆ €0.4bn asset clean up achieved in FY13, in line with Business plan 14-16 targets
- ◆ All stakes (excl. Assicurazioni Generali) classified as “available for sale” and consequently marked to market

# Deleveraging ended, CT1 up to 11.7%

## FY13 Group results

| A&L - €bn                  | FY13         | FY12         | Δ<br>J13/J12   | FY11         |
|----------------------------|--------------|--------------|----------------|--------------|
| <b>Funding</b>             | <b>51.3</b>  | <b>55.8</b>  | <b>-8%</b>     | <b>51.7</b>  |
| Bonds                      | 25.9         | 30.0         | -14%           | 34.5         |
| Retail deposits            | 11.9         | 11.6         | +2%            | 10.0         |
| ECB                        | 7.5          | 7.5          | -              | -            |
| Others                     | 6.0          | 6.7          | -10%           | 7.3          |
| <b>Loans to customers</b>  | <b>33.5</b>  | <b>36.3</b>  | <b>-8%</b>     | <b>36.2</b>  |
| Wholesale                  | 15.5         | 17.9         | -13%           | 18.1         |
| Private banking            | 0.8          | 0.8          | -              | 0.7          |
| Consumer                   | 9.4          | 9.2          | +2%            | 8.9          |
| Mortgage                   | 4.2          | 4.3          | -2%            | 4.1          |
| Leasing                    | 3.5          | 4.1          | -16%           | 4.4          |
| <b>HFT+AFS+HTM+LR</b>      | <b>21.7</b>  | <b>22.2</b>  | <b>-2%</b>     | <b>18.7</b>  |
| RWAs                       | 52.4         | 55.2         | -5%            | 55.0         |
| Loans /funding ratio       | 65%          | 65%          |                | 70%          |
| <b>Core tier 1 ratio</b>   | <b>11.7%</b> | <b>11.5%</b> | <b>+20bps</b>  | <b>11.2%</b> |
| <b>Total capital ratio</b> | <b>15.6%</b> | <b>14.2%</b> | <b>+140bps</b> | <b>14.4%</b> |

# €180m loss due to securities writedowns, lower contribution from AG, weak banking environment

## FY13 Group results

| P&L - €m                         | FY13         | FY12         | Δ<br>J13/J12 | FY11         |
|----------------------------------|--------------|--------------|--------------|--------------|
| <b>Total banking income</b>      | <b>1,607</b> | <b>1,820</b> | <b>-12%</b>  | <b>1,780</b> |
| Net interest income              | 1,028        | 1,070        | -4%          | 1,070        |
| Fee income                       | 410          | 483          | -15%         | 520          |
| Trading income                   | 169          | 267          | -37%         | 189          |
| <b>Total costs</b>               | <b>(757)</b> | <b>(789)</b> | <b>-4%</b>   | <b>(824)</b> |
| Labour costs                     | (384)        | (393)        | -2%          | (419)        |
| Administrative expenses          | (373)        | (396)        | -6%          | (405)        |
| <b>Loan loss provisions</b>      | <b>(507)</b> | <b>(468)</b> | <b>+8%</b>   | <b>(424)</b> |
| <b>Banking GOP risk adjusted</b> | <b>343</b>   | <b>563</b>   | <b>-39%</b>  | <b>532</b>   |
| Income from equity acc.companies | (9)          | 170          |              | 203          |
| Impairments, disposals, one-offs | (361)        | (527)        |              | (181)        |
| Taxes & minorities               | (153)        | (125)        | +25%         | (185)        |
| <b>Net result</b>                | <b>(180)</b> | <b>81</b>    |              | <b>369</b>   |
| Cost/income ratio                | 47%          | 40%          | +8pp         | 42%          |
| Cost of risk (bps)               | 145          | 129          | +16bps       | 122bps       |
| NPLs coverage ratio*             | 45%          | 39%          | +6pp         | 41%          |

\* All impaired categories included: bad loans, sub-standard loans, restructured, overdue.

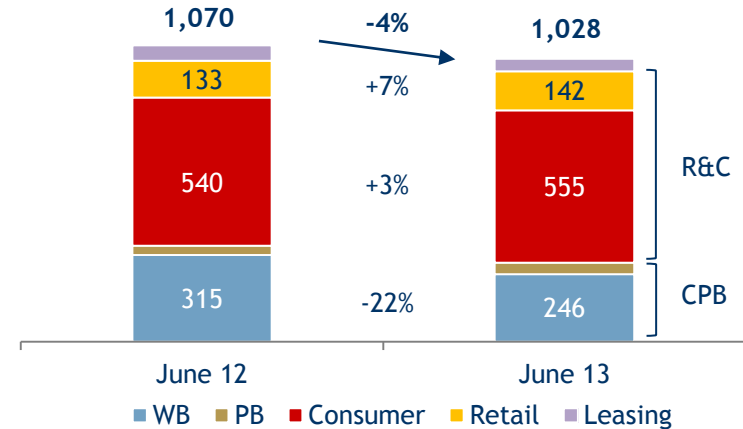
# Net interest income bottoming out

FY13 Group results

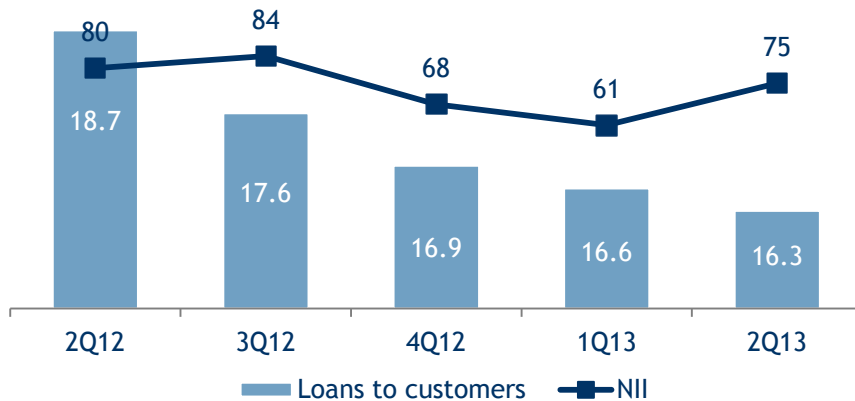
## Group NII trend

- ◆ **Effective corporate : retail diversification:** CPB weakness (NII down 18% YoY to €287m) partly offset by R&C resilience (NII up 3% YoY to €697m)
- ◆ **Group NII 4% YoY reduction** due to CPB loans shrinking, prudent treasury asset allocation, low yield, higher avg. stock funding cost in CPB
- ◆ **QoQ NII bottoming out** due to higher margin/treasury yield in CPB, lower cost of funding/higher volumes in Retail

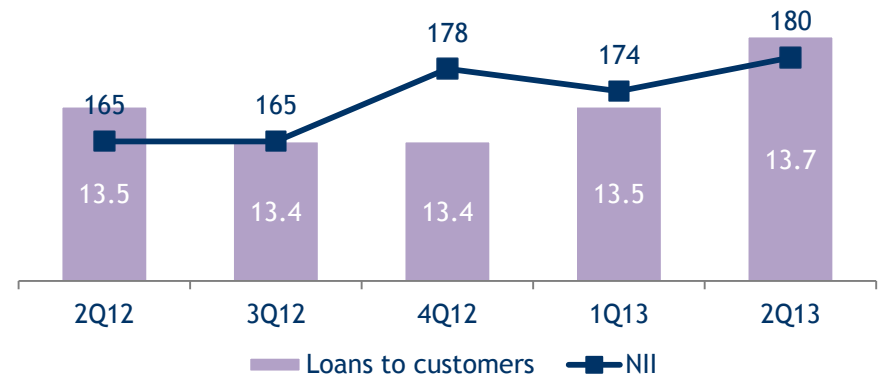
## Group NII (€m)



## CPB: loans (€bn) and NII (€m)



## R&C: loans (€bn) and NII (€m)



CPB = Wholesale banking (WB) + Private banking (PB); R&C = Retail banking (R) + Consumer lending (C)

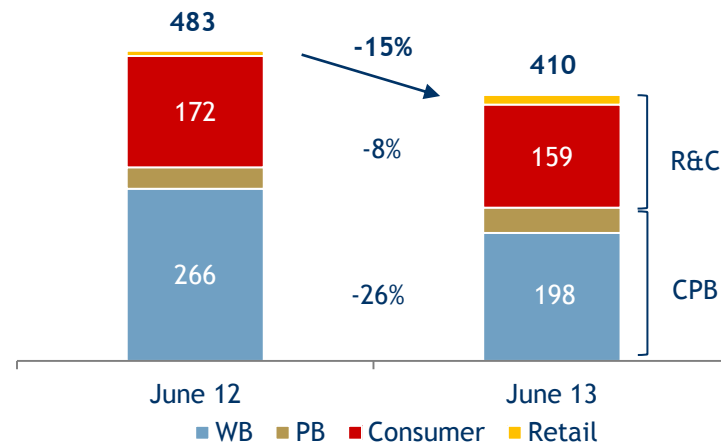
# Fee income: good 2Q13 but still fragile CPB environment

FY13 Group results

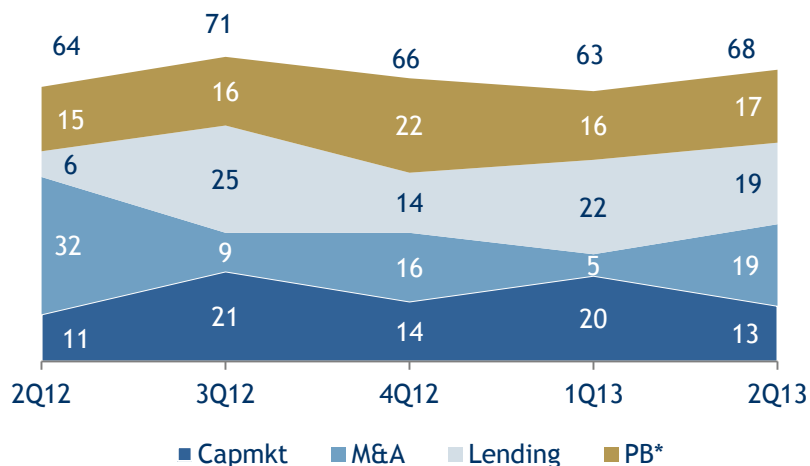
## Group fees trend

- ◆ Group fees down 15% YoY reflecting subdued IB activity in WS (down 26%), regulatory pressure in Consumer (down 8%)
- ◆ Positive trend for PB (AUM up 10% to €13.8bn) and CheBanca! (placement of MB bonds)
- ◆ In last quarter some recovery in CPB and consumer, but scenario still fragile; more quarters needed for trend to normalize

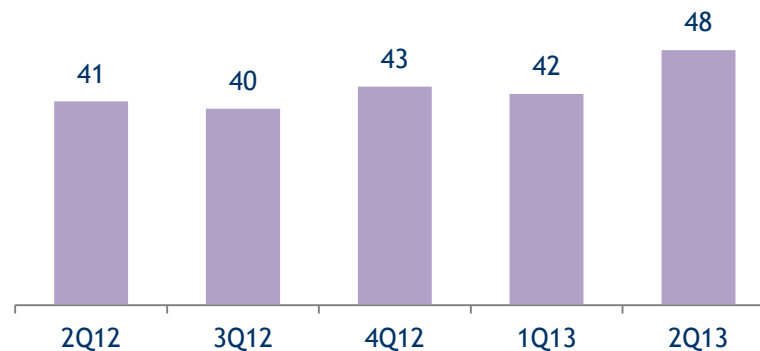
## Group fees (€m)



## CPB: fee income trend by product (€m)



## R&C: fee income trend (€m)



CPB = Wholesale banking (WB) + Private banking (PB); R&C = Retail banking (R) + Consumer lending (C)

\*PB = 100% CMB + 50% Banca Esperia

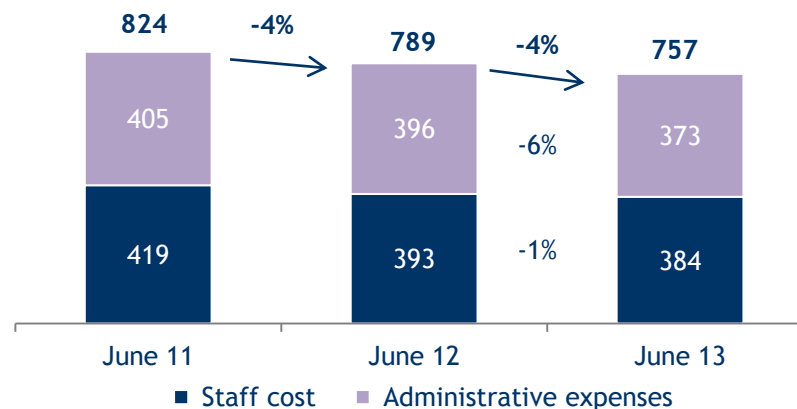
# Costs down 4% for the second year in a row

FY13 Group results

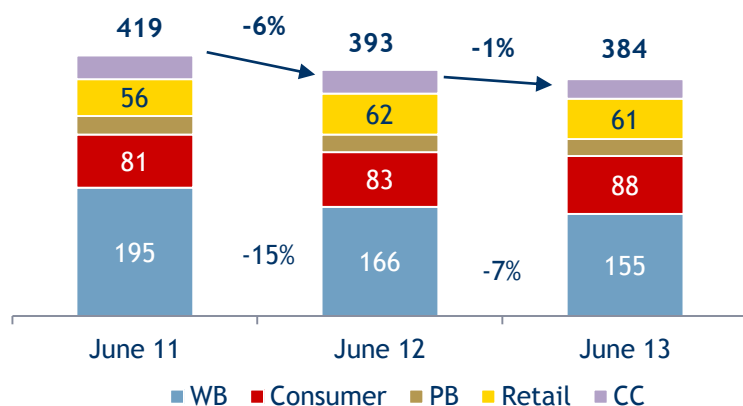
## Group costs trend

- ◆ In last 2Y costs down 8%, with similar decreases for staff and administrative costs
- ◆ Personnel costs reduction driven by WB (down 20% in last 2Y, 7% in FY13)
- ◆ Administrative expenses reduction driven by savings in CheBanca! (down 38% in last 2Y, 20% in FY13)
- ◆ Compass staff and personnel cost up 3% in part due to new projects (Compass Pay)

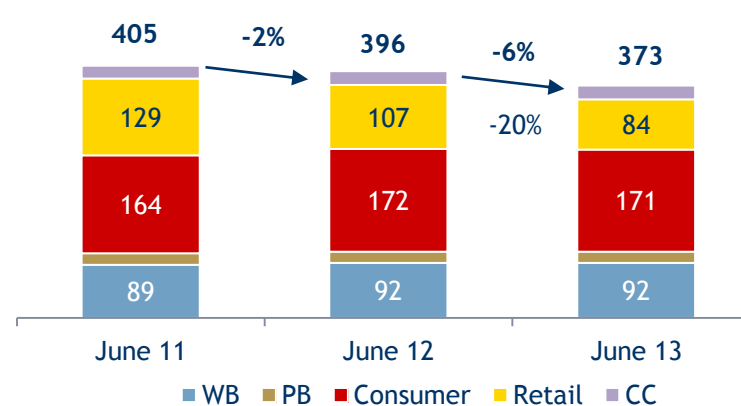
## Group costs (€m)



## Labour costs (€m)



## Administrative expenses (€m)

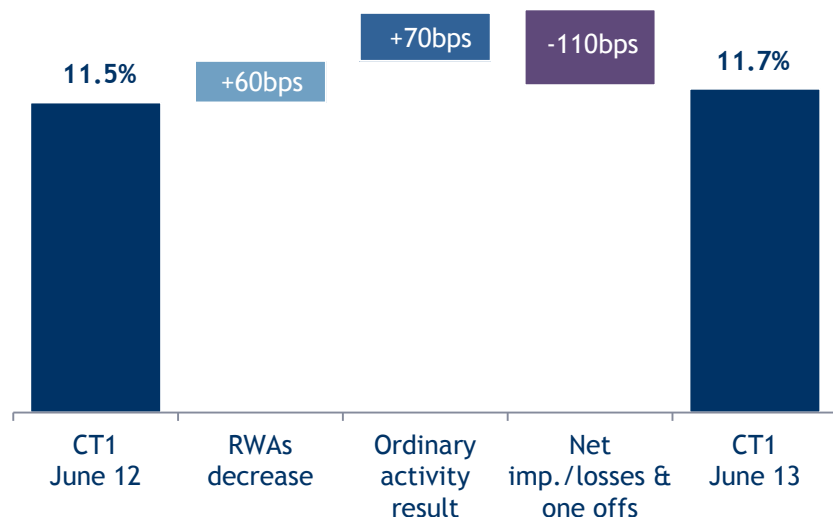


CPB = Wholesale banking (WB) + Private banking (PB); R&C = Retail banking (R) + Consumer lending (C)

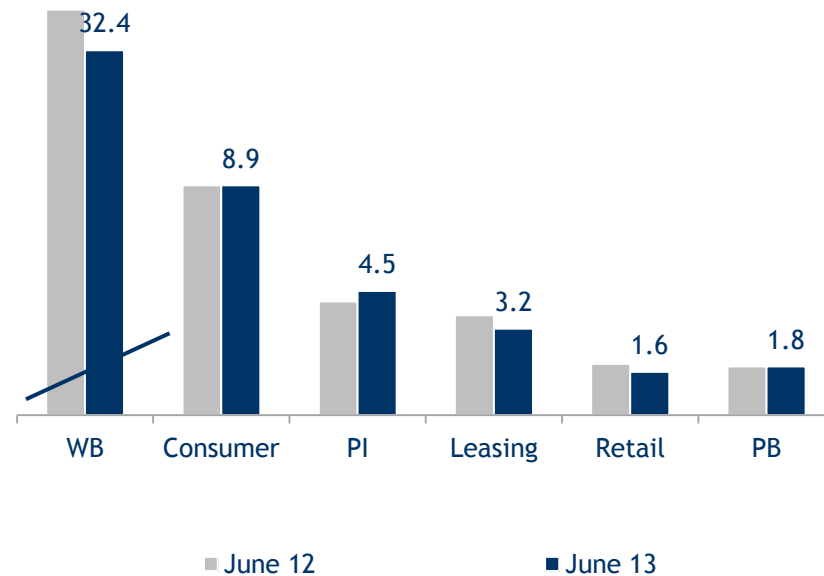
# CT1 up to 11.7% despite asset clean-up

FY13 Group results

## CT1 ratio trend (% , bps)



## RWAs trend by business (€bn)



- ◆ RWAs down 5% YoY to €52.4bn; reduction driven by WB (down 7%) and leasing (down 15%)
- ◆ CT1 ratio up to 11.7% despite impairments; 70bps generated by ordinary activity and 60bps by RWAs reduction
- ◆ Given Group net loss, dividend distribution not allowed by regulations



# Profitability ratios by segments

FY13 Group results

| €m  | 12M<br>June13 | 12M<br>June12 | 12M<br>June11 |
|---|---------------|---------------|---------------|
| <b>GROUP ROE adj.*</b>                          | <b>5.9%</b>   | <b>9.6%</b>   | <b>9.0%</b>   |
| <b>Corporate &amp; Private banking<br/>ROAC</b> | <b>7.4%</b>   | <b>10.1%</b>  | <b>9.6%</b>   |
| <b>Retail &amp; Consumer banking<br/>ROAC</b>   | <b>5.1%</b>   | <b>6.5%</b>   | <b>7.0%</b>   |
| of which Consumer lending                       | 10.0%         | 14.2%         | 14.8%         |
| <b>Principal investing</b>                      | <b>neg.</b>   | <b>neg.</b>   | <b>15.6%</b>  |

Allocated capital: 8% RWAs Basel 2.5.

\* Profit/losses from AFS disposals, impairments and one-off items excluded



# CPB: Corporate & Private banking

## FY13 Group Results – Segmental reporting

| €m                              | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13        | 1Q13        | 4Q12        | 3Q12        | 2Q12        |
|---------------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total revenues</b>           | <b>723</b>    | <b>930</b>    | <b>-22%</b> | <b>138</b>  | <b>192</b>  | <b>178</b>  | <b>215</b>  | <b>157</b>  |
| Net interest income             | 287           | 349           | -18%        | 75          | 61          | 68          | 84          | 80          |
| Fee income                      | 268           | 332           | -19%        | 68          | 63          | 66          | 71          | 64          |
| Trading                         | 168           | 249           | -33%        | (5)         | 68          | 44          | 60          | 13          |
| <b>Total costs</b>              | <b>(335)</b>  | <b>(340)</b>  | <b>-1%</b>  | <b>(84)</b> | <b>(81)</b> | <b>(89)</b> | <b>(80)</b> | <b>(79)</b> |
| Loan loss provisions            | (121)         | (109)         | +11%        | (38)        | (36)        | (28)        | (20)        | (40)        |
| <b>GOP risk adjusted</b>        | <b>267</b>    | <b>481</b>    | <b>-44%</b> | <b>16</b>   | <b>75</b>   | <b>61</b>   | <b>115</b>  | <b>38</b>   |
| AFS net gain/losses/impairments | 58            | (144)         |             | 3           | 32          | 21          | 2           | (9)         |
| Positive one-off                | 0             | 44            |             | 0           | 0           | 0           | 0           | 0           |
| <b>Net result</b>               | <b>202</b>    | <b>295</b>    | <b>-32%</b> | <b>0</b>    | <b>67</b>   | <b>59</b>   | <b>77</b>   | <b>98</b>   |
| Cost/income ratio               | 46%           | 37%           |             | 63%         | 42%         | 50%         | 37%         | 50%         |
| LLPs/Ls (bps)                   | 69            | 59            |             | 86          | 81          | 60          | 43          | 84          |
| Loans (€bn)                     | 16.3          | 18.7          | -13%        | 16.3        | 16.6        | 16.9        | 17.6        | 18.7        |
| RWAs (€bn)                      | 34.2          | 36.5          | -6%         | 34.2        | 35.7        | 36.3        | 36.4        | 36.5        |

Note: the new CPB is the aggregate of the new Wholesale and Private banking divisions

# Wholesale banking

## FY13 Group Results – Segmental reporting

| €m                              | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13        | 1Q13        | 4Q12        | 3Q12        | 2Q12        |
|---------------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total revenues</b>           | <b>600</b>    | <b>820</b>    | <b>-27%</b> | <b>109</b>  | <b>165</b>  | <b>142</b>  | <b>184</b>  | <b>130</b>  |
| Net interest income             | 246           | 315           | -22%        | 64          | 52          | 57          | 73          | 70          |
| Fee income                      | 198           | 266           | -26%        | 52          | 47          | 44          | 55          | 49          |
| Trading                         | 156           | 239           | -35%        | (7)         | 66          | 41          | 56          | 11          |
| <b>Total costs</b>              | <b>(247)</b>  | <b>(257)</b>  | <b>-4%</b>  | <b>(63)</b> | <b>(60)</b> | <b>(64)</b> | <b>(60)</b> | <b>(58)</b> |
| Loan loss provisions            | (120)         | (107)         | +12%        | (37)        | (36)        | (27)        | (20)        | (38)        |
| <b>GOP risk adjusted</b>        | <b>233</b>    | <b>456</b>    | <b>-49%</b> | <b>9</b>    | <b>69</b>   | <b>51</b>   | <b>104</b>  | <b>34</b>   |
| AFS net gain/losses/impairments | 48            | (148)         |             | 3           | 26          | 19          | 0           | (10)        |
| Positive one-off                | 0             | 0             |             | 0           | 0           | 0           | 0           | 0           |
| <b>Net result</b>               | <b>161</b>    | <b>224</b>    | <b>-28%</b> | <b>(6)</b>  | <b>55</b>   | <b>48</b>   | <b>65</b>   | <b>52</b>   |
| Cost/income ratio               | 41%           | 31%           |             | 57%         | 37%         | 45%         | 33%         | 45%         |
| LLPs/Ls (bps)                   | 72            | 60            |             | 90          | 84          | 60          | 45          | 85          |
| Loans (€bn)                     | 15.5          | 17.9          | -13%        | 15.5        | 15.8        | 16.1        | 16.8        | 17.9        |
| RWAs (€bn)                      | 32.4          | 34.7          | -7%         | 32.4        | 33.9        | 34.4        | 34.6        | 34.7        |

# Private banking

## FY13 Group Results – Segmental reporting

| €m                       | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13        | 1Q13        | 4Q12        | 3Q12        | 2Q12        |
|--------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total income</b>      | <b>123</b>    | <b>110</b>    | <b>+12%</b> | <b>29</b>   | <b>28</b>   | <b>35</b>   | <b>31</b>   | <b>27</b>   |
| Net interest income      | 40            | 34            | +18%        | 10          | 9           | 10          | 11          | 10          |
| Fee income               | 71            | 66            | +8%         | 2           | 3           | 3           | 4           | 15          |
| Trading                  | 12            | 10            | +20%        | 17          | 16          | 22          | 16          | 2           |
| <b>Total costs</b>       | <b>(88)</b>   | <b>(82)</b>   | <b>+7%</b>  | <b>(22)</b> | <b>(21)</b> | <b>(25)</b> | <b>(20)</b> | <b>(21)</b> |
| Loan loss provisions     | (1)           | (3)           |             | 0           | 0           | (1)         | 0           | (1)         |
| <b>GOP risk adj.</b>     | <b>34</b>     | <b>25</b>     | <b>+36%</b> | <b>7</b>    | <b>7</b>    | <b>10</b>   | <b>11</b>   | <b>5</b>    |
| Other income, one-offs   | 10            | 48            |             | 0           | 6           | 2           | 2           | 2           |
| <b>Net profit</b>        | <b>41</b>     | <b>71</b>     |             | <b>6</b>    | <b>12</b>   | <b>11</b>   | <b>12</b>   | <b>7</b>    |
| <i>of which</i> CMB      | 41            | 66            |             | 8           | 11          | 11          | 11          | 6           |
| <b>Cost/income ratio</b> | <b>71%</b>    | <b>75%</b>    |             | <b>76%</b>  | <b>75%</b>  | <b>70%</b>  | <b>65%</b>  | <b>76%</b>  |
| <b>AUM (€bn)</b>         | <b>13.8</b>   | <b>12.6</b>   | <b>+10%</b> | <b>13.8</b> | <b>13.9</b> | <b>13.5</b> | <b>13.1</b> | <b>12.6</b> |
| CMB                      | 6.7           | 6.0           | +12%        | 6.7         | 6.7         | 6.6         | 6.3         | 6.0         |
| Banca Esperia (50%)      | 7.1           | 6.6           | +8%         | 7.1         | 7.2         | 6.9         | 6.8         | 6.6         |

# Principal investing

## FY13 Group Results – Segmental reporting

| €m                       | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13         | 1Q13         | 4Q12         | 3Q12       | 2Q12         |
|--------------------------|---------------|---------------|-------------|--------------|--------------|--------------|------------|--------------|
| <b>Total income</b>      | <b>8</b>      | <b>186</b>    |             | <b>70</b>    | <b>(150)</b> | <b>58</b>    | <b>30</b>  | <b>84</b>    |
| Ass. Generali            | 17            | 146           |             | 81           | (140)        | 39           | 37         | 76           |
| RCS MediaGroup           | (53)          | 0             |             | (16)         | (19)         | (5)          | (13)       | (3)          |
| Telco                    | 0             | 0             |             | 0            | 0            | 0            | 0          | 0            |
| Dividends                | 18            | 18            |             | 7            | 9            | 0            | 2          | 8            |
| Other stakes equity acc. | 26            | 22            |             | (2)          | 0            | 24           | 4          | 3            |
| <b>Impairments</b>       | <b>(406)</b>  | <b>(431)</b>  |             | <b>(284)</b> | <b>(7)</b>   | <b>(107)</b> | <b>(8)</b> | <b>(157)</b> |
| <b>Net result</b>        | <b>(407)</b>  | <b>(257)</b>  | <b>+58%</b> | <b>(214)</b> | <b>(160)</b> | <b>(52)</b>  | <b>19</b>  | <b>(75)</b>  |
| <b>Book value (€bn)</b>  | <b>4.0</b>    | <b>4.2</b>    | <b>-5%</b>  | <b>4.0</b>   | <b>4.3</b>   | <b>4.3</b>   | <b>4.1</b> | <b>4.2</b>   |
| Ass. Generali (13.24%)   | 2.5           | 2.4           |             | 2.6          | 2.6          | 2.6          | 2.3        | 2.4          |
| RCS (14.36%)             | 0.020         | 0.109         |             | 0.020        | 0.072        | 0.090        | 0.095      | 0.109        |
| Telco (11.62%)           | 0.078         | 0.206         |             | 0.078        | 0.100        | 0.107        | 0.207      | 0.206        |
| Other stakes             | 1.4           | 1.5           |             |              |              |              |            |              |

# R&C: Retail and Consumer banking

## FY13 Group Results – Segmental reporting

| €m                       | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13         | 1Q13         | 4Q12         | 3Q12        | 2Q12         |
|--------------------------|---------------|---------------|-------------|--------------|--------------|--------------|-------------|--------------|
| <b>Total revenues</b>    | <b>870</b>    | <b>854</b>    | <b>+2%</b>  | <b>228</b>   | <b>216</b>   | <b>221</b>   | <b>205</b>  | <b>206</b>   |
| Net interest income      | 697           | 674           | +3%         | 180          | 174          | 178          | 165         | 165          |
| Fee income               | 173           | 180           | -4%         | 48           | 42           | 43           | 40          | 41           |
| <b>Total costs</b>       | <b>(404)</b>  | <b>(424)</b>  | <b>+5%</b>  | <b>(105)</b> | <b>(100)</b> | <b>(110)</b> | <b>(89)</b> | <b>(108)</b> |
| Loan provisions          | (360)         | (331)         | +9%         | (98)         | (88)         | (88)         | (86)        | (97)         |
| <b>GOP risk adjusted</b> | <b>106</b>    | <b>99</b>     | <b>+7%</b>  | <b>25</b>    | <b>28</b>    | <b>23</b>    | <b>30</b>   | <b>1</b>     |
| <b>Net profit</b>        | <b>43</b>     | <b>54</b>     | <b>-20%</b> | <b>4</b>     | <b>11</b>    | <b>12</b>    | <b>16</b>   | <b>(5)</b>   |
| Cost/income ratio        | 46%           | 50%           |             | 46%          | 46%          | 50%          | 43%         | 52%          |
| LLPs/Ls (bps)            | 265           | 249           |             | 289          | 262          | 260          | 259         | 291          |
| New loans (€bn)          | 5.3           | 5.5           | -4%         | 1.5          | 1.3          | 1.3          | 1.2         | 1.4          |
| Loans (€bn)              | 13.7          | 13.5          | +1%         | 13.7         | 13.5         | 13.4         | 13.4        | 13.5         |
| RWAs (€bn)               | 10.6          | 10.4          | +2%         | 10.6         | 10.4         | 10.3         | 10.3        | 10.4         |

Note: the new R&C is the aggregate of the Retail and Consumer divisions

# Consumer lending

## FY13 Group Results – Segmental reporting

| €m                       | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13        | 1Q13        | 4Q12        | 3Q12        | 2Q12        |
|--------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total revenues</b>    | <b>713</b>    | <b>713</b>    | <b>+0%</b>  | <b>186</b>  | <b>180</b>  | <b>177</b>  | <b>170</b>  | <b>172</b>  |
| Net interest income      | 555           | 540           | +3%         | 142         | 142         | 138         | 133         | 134         |
| Fee income               | 159           | 172           | -8%         | 44          | 38          | 39          | 37          | 38          |
| <b>Total costs</b>       | <b>(260)</b>  | <b>(255)</b>  | <b>+2%</b>  | <b>(68)</b> | <b>(65)</b> | <b>(68)</b> | <b>(58)</b> | <b>(68)</b> |
| Loan provisions          | (335)         | (311)         | +8%         | (89)        | (83)        | (82)        | (81)        | (88)        |
| <b>GOP risk adjusted</b> | <b>118</b>    | <b>147</b>    | <b>-20%</b> | <b>29</b>   | <b>32</b>   | <b>27</b>   | <b>31</b>   | <b>16</b>   |
| <b>Net profit</b>        | <b>71</b>     | <b>97</b>     | <b>-27%</b> | <b>20</b>   | <b>15</b>   | <b>17</b>   | <b>19</b>   | <b>7</b>    |
| Cost/income ratio        | 36%           | 36%           |             | 37%         | 36%         | 39%         | 34%         | 40%         |
| LLPs/Ls (bps)            | 360           | 344           |             | 384         | 360         | 357         | 356         | 389         |
| New loans (€bn)          | 5.0           | 4.9           | +2%         | 1.4         | 1.3         | 1.2         | 1.1         | 1.3         |
| Loans (€bn)              | 9.4           | 9.2           | +2%         | 9.4         | 9.3         | 9.2         | 9.1         | 9.2         |
| RWAs (€bn)               | 8.9           | 8.5           | +5%         | 8.9         | 8.6         | 8.5         | 8.5         | 8.5         |

# Retail banking

## FY13 Group Results – Segmental reporting

| €m                          | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13        | 1Q13        | 4Q12        | 3Q12        | 2Q12        |
|-----------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total income</b>         | <b>156</b>    | <b>141</b>    | <b>+11%</b> | <b>42</b>   | <b>36</b>   | <b>43</b>   | <b>35</b>   | <b>34</b>   |
| Net interest income         | 142           | 133           | +7%         | 38          | 32          | 40          | 32          | 31          |
| Trading & fee income        | 14            | 8             |             | 4           | 4           | 3           | 3           | 3           |
| <b>Total costs</b>          | <b>(144)</b>  | <b>(169)</b>  | <b>-15%</b> | <b>(37)</b> | <b>(35)</b> | <b>(42)</b> | <b>(31)</b> | <b>(39)</b> |
| Loan provisions             | (25)          | (20)          |             | (9)         | (5)         | (6)         | (5)         | (8)         |
| <b>GOP risk adj</b>         | <b>(13)</b>   | <b>(48)</b>   | <b>-73%</b> | <b>(4)</b>  | <b>(4)</b>  | <b>(4)</b>  | <b>(1)</b>  | <b>(13)</b> |
| Income from AFS disposals   | (16)          | 0             |             | (16)        | 0           | 0           | 0           | 0           |
| <b>Net result</b>           | <b>(28)</b>   | <b>(43)</b>   | <b>-35%</b> | <b>(16)</b> | <b>(4)</b>  | <b>(5)</b>  | <b>(3)</b>  | <b>(12)</b> |
| Direct deposits (€bn)       | 11.9          | 11.6          | +3%         | 11.9        | 12.2        | 12.3        | 11.6        | 11.6        |
| Loans (€bn)                 | 4.3           | 4.3           | +0%         | 4.3         | 4.3         | 4.3         | 4.3         | 4.3         |
| RWAs (€bn)                  | 1.6           | 1.9           | -16%        | 1.6         | 1.8         | 1.8         | 1.8         | 1.9         |
| <b>Products sold ('000)</b> | <b>680</b>    | <b>650</b>    | <b>+5%</b>  | <b>680</b>  |             | <b>650</b>  |             | <b>650</b>  |
| <b>Customers ('000)</b>     | <b>520</b>    | <b>500</b>    | <b>+4%</b>  | <b>520</b>  |             | <b>510</b>  |             | <b>500</b>  |



# Corporate centre

## FY13 Group Results – Segmental reporting

| €m                       | 12M<br>June13 | 12M<br>June12 | Δ<br>Y.o.Y  | 2Q13        | 1Q13        | 4Q12        | 3Q12        | 2Q12        |
|--------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total revenues</b>    | <b>55</b>     | <b>69</b>     | <b>-20%</b> | <b>13</b>   | <b>15</b>   | <b>14</b>   | <b>14</b>   | <b>17</b>   |
| Net interest income      | 46            | 57            | -19%        | 11          | 12          | 12          | 12          | 14          |
| Fee income               | 9             | 12            | -25%        | 2           | 3           | 2           | 2           | 3           |
| <b>Total costs</b>       | <b>(58)</b>   | <b>(59)</b>   | <b>-2%</b>  | <b>(15)</b> | <b>(14)</b> | <b>(15)</b> | <b>(13)</b> | <b>(17)</b> |
| Loan provisions          | (25)          | (27)          | -7%         | (7)         | (6)         | (6)         | (5)         | (5)         |
| <b>GOP risk adjusted</b> | <b>(28)</b>   | <b>(17)</b>   | <b>+65%</b> | <b>(9)</b>  | <b>(5)</b>  | <b>(7)</b>  | <b>(4)</b>  | <b>(5)</b>  |
| <b>Net result</b>        | <b>(20)</b>   | <b>(14)</b>   | <b>+43%</b> | <b>(7)</b>  | <b>(4)</b>  | <b>(5)</b>  | <b>(4)</b>  | <b>(3)</b>  |
| LLPs/Ls (bps)            | 67            | 63            |             | 76          | 65          | 63          | 54          | 47          |
| New loans (€bn)          | 0.25          | 0.80          | -69%        | n.m.        | n.m.        | n.m.        | n.m.        | 0.1         |
| Loans (€bn)              | 3.5           | 4.1           | -15%        | 3.5         | 3.6         | 3.8         | 3.9         | 4.1         |
| RWAs (€bn)               | 3.2           | 3.7           | -14%        | 3.2         | 3.4         | 3.5         | 3.6         | 3.7         |

# Appendix 4

MB CIB major deals from July 2011 to November 2013



MEDIOBANCA






















# Milan major M&A deals

## MB CIB major deals from July 2011 to November 2013

|   |   |  |   |   |   |   |
|---|---|--|---|---|---|---|
| <p>May 2013</p> <p><b>Morgan Stanley</b></p> <p>€ 83.7m</p> <p>Units' disposal of the real estate fund managed by Morgan Stanley SGR S.p.A.</p> <p>Financial Advisor to MSEOF Como Sart and MSEOF Garda Srl</p>           | <p>May 2013</p> <p><b>CARRARO GROUP</b></p> <p>€ 298m</p> <p>Construction equipment, agriculture and industrial automation</p> <p>Financial Advisor to the Company</p>  | <p>April 2013</p> <p><b>LANDIRENZO</b></p> <p>Undisclosed value</p> <p>Acquisition of Safe by Landi Renzo</p> <p>Financial Advisor to the Acquirer</p> | <p>February 2013</p> <p><b>Sesa</b> <small>MADE IN ITALY</small></p> <p>€ 140m</p> <p>Business combination between Sesa Group and Made in Italy 1 SPAC</p> <p>Financial Advisor to Sesa</p>   | <p>January 2013</p> <p><b>SURGITAL</b></p> <p>€ 11m</p> <p>Equity investment by Fondo Italiano di Investimento SGR</p> <p>Financial Advisor to the Seller</p>   | <p>December 2012</p> <p><b>MARCOLIN EYEWEAR</b></p> <p>€ 264m</p> <p>Acquisition of the majority stake by PAI Partners from Marcolin Family and Della Valle Family</p> <p>Financial Advisor of PAI Partners</p> | <p>December 2012</p> <p><b>BIVERBANCA</b><br/><small>GRUPPO DI BANCHE DI CREDITO COOPERATIVO</small></p> <p>€ 208m</p> <p>Sale to C.R. Asti of 60.42% stake of MPS into Biverbanca</p> <p>Financial Advisor to MPS</p>                    |
| <p>December 2012</p> <p><b>OYSTAR North America</b></p> <p>Value undisclosed</p> <p>Acquisition by Coesia Group of 100% of Oyster North America from Odewald &amp; Cie.</p> <p>Sole Financial Advisor to Coesia Group</p> | <p>December 2012</p> <p><b>amiat</b> <b>TRM</b><br/><small>TREATMENT RIFIUTI METROPOLITANI</small></p> <p>€ 426,2m</p> <p>Acquisition from municipality of Turin of a stake in AMIAT e TRM</p> <p>Financial Advisor to IREN</p> | <p>October 2012</p> <p><b>GAS</b></p> <p>€ 72m</p> <p>Italian jeans manufacturer (Grotto)</p> <p>Financial Advisor to the Company</p>                  | <p>October 2012</p> <p><b>SNAM</b></p> <p>€ 3.5bn</p> <p>Sale of 30% of SNAM to CDP</p> <p>Financial Advisor to Eni</p>   | <p>September 2012</p> <p><b>seat</b> <small>PIAGGIO</small></p> <p>€ 2.9bn</p> <p>Restructuring of Seat Pagine Gialle S.p.A. financial debt</p> <p>Financial Advisor to Senior Secured bond holders</p> | <p>July 2012</p> <p><b>B! BUONGIORNO</b></p> <p>€ 224m</p> <p>Public tender offer for Buongiorno by DoCoWo Deutschland</p> <p>Financial Advisor to Buongiorno</p>   | <p>July 2012</p> <p><b>VALENTINO</b><br/><small>FASHION GROUP</small></p> <p>Value undisclosed</p> <p>Acquisition by Mayhoola for Investments S.P.C. of Valentino Fashion Group from Investors</p> <p>Financial Advisor to the Seller</p> |
| <p>July 2012</p> <p><b>FONDAZIONE MONTE DEI PASCHI DI SIENA</b></p> <p>€ 1,014m</p> <p>Restructuring of Fondazione Monte Paschi financial debt</p> <p>Financial Advisor to Fondazione Monte Paschi</p>                    | <p>July 2012</p> <p><b>ICBPI</b></p> <p>€ 49m</p> <p>Acquisition of the depositary bank activity of four Italian cooperative bank groups by ICBPI</p> <p>Financial Advisor to ICBPI</p>   | <p>June 2012</p> <p><b>FLAMMARION GROUPE</b></p> <p>€ 251m</p> <p>Acquisition of Flammarion from Gallimard</p> <p>Financial Advisor to RCS</p>         | <p>May 2012</p> <p><b>Edipower</b> <b>EDISON</b></p> <p>€ 1,668m</p> <p>Disposal of Delmi's 50% stake in TdE (€ 784m), controlling holding of Edison, to EDF and acquisition by Delmi of a 70% stake in Edipower (€ 884m)</p> <p>Financial Advisor to a2a</p> | <p>March 2012</p> <p><b>COCCINELLE</b></p> <p>Value undisclosed</p> <p>Acquisition of Coccinelle S.p.A. by E.Land World Limited</p> <p>Financial Advisor to the Seller</p>                              | <p>March 2012</p> <p><b>METROWEB</b><br/><small>The Fiber Network Provider</small></p> <p>€ 436m</p> <p>Acquisition by Swisscom of Metroweb together with FZI</p> <p>Financial Advisor to Swisscom</p>          | <p>February 2012</p> <p><b>HAY</b></p> <p>Value undisclosed</p> <p>Acquisition of HAY Automobiltechnik by the Gores Group</p> <p>Financial Advisor to Seller</p>  |



# Milan major M&A deals (cont'd)

## MB CIB major deals from July 2011 to November 2013

|  |   |  |  |   |   |   |
|--|---|--|--|---|---|---|
| <p>February 2012</p>  <p>Value undisclosed</p> <p>Disposal of BBS OEM &amp; Aftermarket to Tyrol Equity</p> <p>Financial Advisor to the Seller</p>                                | <p>January 2012</p>  <p>Value undisclosed</p> <p>Investment by Fondo Italiano di Investimento SGR through equity and convertible capital increase</p> <p>Financial Advisor to the Seller</p> | <p>January 2012</p>  <p>Value undisclosed</p> <p>Acquisition by Coesia Group of 100% of FlexLink Holding AB from AAC Capital Partners</p> <p>Sole Financial Advisor to Coesia Group</p> | <p>2012</p>  <p>Financial advisory to the company</p>  | <p>2012</p>  <p>Italian banking foundation</p> <p>Financial advisor to the foundation</p>  | <p>2012</p>  <p>Financial advisor to Antonio Merloni in Extraordinary Administration according to the Italian bankruptcy Marzano law</p>   | <p>December 2011</p>  <p>Value undisclosed</p> <p>Sale of BBS International (Motorsport division) to Ono Group</p> <p>Financial Advisor to Administrator</p> |
| <p>December 2011</p>  <p>Value undisclosed</p> <p>Equity investment by Fondo Italiano di Investimento SGR</p> <p>Financial Advisor to the Seller</p>                              | <p>December 2011</p>  <p>Value undisclosed</p> <p>Acquisition of Balconi S.p.A. by Clessidra SGR S.p.A.</p> <p>Financial Advisor to the Seller</p>   | <p>December 2011</p>  <p>Value undisclosed</p> <p>Acquisition of Plastal Poland by Plastic Omnium</p> <p>Financial Advisor to Acquirer</p>  | <p>December 2011</p>  <p>€ 573m</p> <p>Acquisition by JS Group Corp. of the entire share capital of PermaSteel S.p.A. from Investindustrial and Alpha P.E</p> <p>Financial Advisor to the Sellers</p>          | <p>December 2011</p>  <p>Value undisclosed</p> <p>Acquisition by Emak of the entire share capital of Tecomec, Comet, Sabart and Raico from Yama</p> <p>Financial Advisor to the Acquirer</p> | <p>November 2011</p>  <p>Value undisclosed</p> <p>Acquisition of Alcisa Group by Grandi Salumifici Italiani</p> <p>Financial Advisor to the Acquirer</p>                           | <p>November 2011</p>  <p>Value undisclosed</p> <p>Disposal of BBS Motorsport to ONO Group</p> <p>Financial Advisor to the Seller</p>                         |
| <p>October 2011</p>  <p>€ 418m</p> <p>Acquisition by Eurazeo SA of a 45% stake in Moncler SpA from Carlyle Group Plc and Brands Partners 2 SpA</p> <p>Advisor to the target</p> | <p>October 2011</p>  <p>€ 700m</p> <p>Acquisition by Tim Participações de AES Atimus Group</p> <p>Financial Advisor to Telecom Italia</p>  | <p>September 2011</p>  <p>Value undisclosed</p> <p>Acquisition of a € 300m NPL portfolio including service unit from Commerzbank</p> <p>Financial Advisor to the Acquirer</p>         | <p>September 2011</p>  <p>€ 243m</p> <p>Partnership in life and non-life bancassurance with purchase of a 81% stake in Bipiemme Vita by Covèa Group</p> <p>Financial Advisor to Banca Popolare di Milano</p> | <p>July 2011</p>  <p>€ 150m</p> <p>Acquisition of Pittarello Group by 21 Investment</p> <p>Financial Advisor to the Acquirer</p>   | <p>July 2011</p>  <p>€ 45.9m</p> <p>Acquisition of 100% of Aive Group from Capgemini</p> <p>Financial Advisor to PwGPartners, Athena PE and Fidia (Aive's main shareholders)</p> | <p>October 2013</p>  <p>€ 721m</p> <p>ACS S.A. exchangeable into Iberdrola S.A.</p> <p>Joint Bookrunner</p>  |

# Milan major equity deals

## MB CIB major deals from July 2011 to November 2013

|   |  |   |  |  |   |   |
|---|--|---|--|--|---|---|
| <p>October 2013</p>  <p>€ 270m</p> <p>Convertible Bond</p> <p>Joint Bookrunner</p>   | <p>2013</p>  <p>€ 300m</p> <p>Convertible Bond</p> <p>Joint Bookrunner</p>                                      | <p>2013</p>  <p>€ 175m + € 50m (TAP)</p> <p>Convertible Bond</p> <p>Joint Bookrunner</p>                           | <p>USA May 2013</p>  <p>€ 964m</p> <p>IPO (shares)</p> <p>Co-Manager</p>   | <p>Italy 2013</p>  <p>€ 245m</p> <p>IPO (shares)</p> <p>Joint Global Coordinator, Joint Bookrunner and Sponsor</p>  | <p>Italy August 2013</p>  <p>€ 22.9m</p> <p>Reverse ABO (shares)</p> <p>Sole Bookrunner</p>                          | <p>Italy June 2013</p>  <p>€ 420.77m</p> <p>Right Issue (shares)</p> <p>Underwriter</p>                                |
| <p>Italy April 2013</p>  <p>ca. € 16m</p> <p>ABO (shares)</p> <p>Sole Bookrunner</p> | <p>Italy April 2013</p>  <p>€ 185m</p> <p>ABO (shares)</p> <p>Joint Global Coordinator and Joint Bookrunner</p> | <p>Italy 2012</p>  <p>€ 174m</p> <p>IPO (shares)</p> <p>Joint Global Coordinator, Joint Bookrunner and Sponsor</p> | <p>Italy 2012</p>  <p>€ 1,100m</p> <p>Right issue (shares)</p> <p>Joint Global Coordinator and Joint Bookrunner</p>  | <p>Italy 2012</p>  <p>€ 1,100m</p> <p>Right issue (shares)</p> <p>Joint Global Coordinator and Joint Bookrunner</p> | <p>Italy 2012</p>  <p>€ 7,499m</p> <p>Right issue (shares)</p> <p>Joint Global Coordinator and Joint Bookrunner</p>  | <p>Italy December 2012</p>  <p>ca. € 9m</p> <p>ABO (shares)</p> <p>Joint Bookrunner</p>                                |
| <p>Turkey 2012</p>  <p>€ 910m</p> <p>ABO (shares)</p> <p>Co-Lead Manager</p>       | <p>USA 2012</p>  <p>€ 3,691m</p> <p>Secondary Offering (shares)</p> <p>Co-Manager</p>                         | <p>Italy 2012</p>  <p>€ 281m</p> <p>ABO (shares)</p> <p>Joint Bookrunner</p>                                     | <p>Italy 2011</p>  <p>€ 379m</p> <p>IPO (shares)</p> <p>Joint Global Coordinator, Joint Bookrunner and Sponsor</p> | <p>Italy 2011</p>  <p>€ 58m</p> <p>Right issue (shares)</p> <p>Sole Global Coordinator and Sole Bookrunner</p>    | <p>Italy 2011</p>  <p>€ 800m</p> <p>Rights issue (shares)</p> <p>Joint Global Coordinator and Joint Bookrunner</p> | <p>Italy 2011</p>  <p>€ 2,152m</p> <p>Rights issue (shares)</p> <p>Joint Global Coordinator and Joint Bookrunner</p> |






















# Milan major equity deals (cont'd)

## MB CIB major deals from July 2011 to November 2013

| Country | Year | Deal Name                      | Amount   | Deal Type             | Role  |
|---------|------|--------------------------------|----------|-----------------------|---|
| Italy   | 2011 | UBI Banca                      | € 1,000m | Rights issue (shares) | Joint Global Coordinator and Joint Bookrunner |
| Italy   | 2011 | FALCK RENEWABLES GRUPPO FALCK  | € 130m   | Rights issue (shares) | Joint Global Coordinator and Joint Bookrunner |
| Italy   | 2011 | BANCO POPOLARE GRUPPO BANCARIO | € 1,988m | Rights issue (shares) | Joint Global Coordinator and Joint Bookrunner |
| Greece  | 2011 | PIRAEUS BANK                   | € 807m   | Rights issue (shares) | Co-Lead Manager                               |



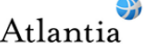


















# Milan major DCM deals

## MB CIB major deals from July 2011 to November 2013

|   |   |  |   |  |   |  |
|---|---|--|---|--|---|--|
| <p>October 2013</p>  <p>€ 215,000,000<br/>7.25% November 2020<br/>€ 200,000,000<br/>3mE+550bps December 2019</p> <p>Joint Bookrunner</p> | <p>October 2013</p>  <p>€ 375,000,000<br/>5.125% January 2019</p> <p>Joint Bookrunner</p>  | <p>September 2013</p>  <p>€ 500,000,000<br/>3.25% October 2021</p> <p>Joint Bookrunner</p>  | <p>September 2013</p>  <p>€ 1,250,000,000<br/>Hybrid<br/>6.5% January 2074</p> <p>Joint Bookrunner</p>      | <p>July 2013</p>  <p>€ 425,000,000<br/>8.5% August 2020</p> <p>Joint Bookrunner</p>           | <p>July 2013</p>  <p>€ 500,000,000<br/>4.375% January 2021</p> <p>Joint Bookrunner</p>   | <p>May / June 2013</p>  <p>Exchange GBP LT2 due 2018<br/>vs new GBP senior due 2018<br/>New Notes issued amount:<br/>GBP 170,082,000</p> <p>Lead Dealer Manager</p> |
| <p>May 2013</p>  <p>US\$ 35,000,000<br/>4.25% Senior Notes<br/>Amortising due 2025</p> <p>Arranger</p>                                   | <p>April 2013</p>  <p>€ 1,000,000,000<br/>2.375% June 2017<br/>€ 500,000,000<br/>3.375% January 2021</p> <p>Joint Bookrunner</p> | <p>April 2013</p>  <p>€ 230,000,000<br/>3.875% April 2018</p> <p>Joint Bookrunner</p>   | <p>March 2013</p>  <p>€ 750,000,000<br/>Hybrid<br/>7.750% March 2073</p> <p>Joint Bookrunner</p>            | <p>March 2013</p>  <p>€ 1,250,000,000<br/>6.625% March 2018</p> <p>Joint Bookrunner</p>       | <p>February 2013</p>  <p>US\$ 50,000,000<br/>6.25% Senior Notes<br/>Amortising due 2023</p> <p>Arranger</p>                              | <p>January 2013</p>  <p>€ 700,000,000<br/>5.200% January 2028</p> <p>Joint Bookrunner</p>   |
| <p>January 2013</p>  <p>€ 400m<br/>4.000 % Senior-Unsecured<br/>due July 2015</p> <p>Joint Bookrunner</p>                              | <p>January 2013</p>  <p>€ 250m tap<br/>3.375% Senior Unsecured<br/>due January 2018</p> <p>Joint Bookrunner</p>                | <p>December 2012</p>  <p>€ 1,250,000,000<br/>Fixed/Floating<br/>Senior Dated Subordinated<br/>Notes Due December 2042</p> <p>Joint Bookrunner</p> | <p>November 2012</p>  <p>€ 350m<br/>4% Senior Unsecured<br/>due November 2014</p> <p>Joint Bookrunner</p> | <p>November 2012</p>  <p>€ 750,000,000<br/>4.500% November 2019</p> <p>Joint Bookrunner</p> | <p>November 2012</p>  <p>€ 750,000,000<br/>2.000% November 2015<br/>€ 750,000,000<br/>3.500% February 2020</p> <p>Joint Bookrunner</p> | <p>November 2012</p>  <p>€ 400,000,000<br/>6.125% November 2019</p> <p>Joint Bookrunner</p>   |

# Milan major DCM deals (cont'd)

## MB CIB major deals from July 2011 to November 2013

|   |   |   |  |   |   |   |
|---|---|---|--|---|---|---|
| <p>October 2012</p>  <p>€ 750,000,000<br/>2.875% February 2018</p> <p>Joint Bookrunner</p>   | <p>October 2012</p>  <p>MEDIOBANCA</p> <p>€ 500m<br/>3.75% Senior Unsecured due October 2015</p> <p>Joint Bookrunner</p>   | <p>September 2012</p>  <p>Atlantia</p> <p>€ 750,000,000<br/>4.375% March 2020</p> <p>Global Coordinator and Joint Bookrunner</p> | <p>September 2012</p>  <p>€ 1,500,000,000<br/>3.875% March 2018<br/>€ 1,000,000,000<br/>5.25% September 2022</p> <p>Joint Bookrunner</p>                   | <p>September 2012</p>  <p>€ 350,000,000<br/>6.25% September 2018</p> <p>Joint Bookrunner</p>                                   | <p>September 2012</p>  <p>€ 1,000,000,000<br/>4.875% March 2020</p> <p>Joint Bookrunner</p>  | <p>August 2012</p>  <p>€ 417,700,000<br/>Asset Backed Floating Rate Notes due October 2055<br/>Securitisation of a portfolio of small medium enterprises loans</p> <p>Joint Arranger</p> |
| <p>July 2012</p>  <p>€ 750,000,000<br/>Fixed/Floating Senior Dated Subordinated Notes due July 2042</p> <p>Global Coordinator and Joint Bookrunner</p> | <p>July 2012</p>  <p>€ 1,000,000,000<br/>4.375% July 2016</p> <p>Joint Bookrunner</p>  | <p>July 2012</p>  <p>€ 1,000,000,000<br/>5.000% January 2019</p> <p>Joint Bookrunner</p>   | <p>June 2012</p>  <p>US\$ 60,000,000<br/>4.75% Senior Notes Amortising due 2024</p> <p>Arranger</p>  | <p>June 2012</p>  <p>€ 750,000,000<br/>4.625% June 2015<br/>€ 750,000,000<br/>6.125% December 2018</p> <p>Joint Bookrunner</p> | <p>February 2012</p>  <p>Exchange offer of 7 senior unsecured notes vs 2 new senior unsecured notes<br/>€ 135 mln 5.75% Feb 2014<br/>€ 550 mln 6.75% Feb 2015</p> <p>Joint Dealer Manager and Joint Lead Manager</p> | <p>February 2012</p>  <p>Tender offer on Tier 1 e Tier 2 instruments<br/>Tendered amount: € 1,207,155,000</p> <p>Joint Dealer Manager</p>  |
| <p>February 2012</p>  <p>Tender offer on Tier 1 e Tier 2 instruments<br/>Tendered amount: € 1,859,496,880</p> <p>Joint Dealer Manager</p>            | <p>February 2012</p>  <p>Atlantia</p> <p>New issue: € 1,000,000,000<br/>4.50% February 2019<br/>Joint Bookrunner<br/>Tender offer on: € 2,750,000,000<br/>5.000% June 2014<br/>Tendered amount: € 587,600,000<br/>Accepted amount: € 532,100,000</p> <p>Joint Dealer Manager</p> | <p>February 2012</p>  <p>€ 1,250,000,000<br/>4.125% February 2017</p> <p>Joint Bookrunner</p>                                  | <p>January 2012</p>  <p>Modified Dutch Auction on € 300,000,000<br/>5.125% October 2014<br/>Tendered amount: € 28,818,000</p> <p>Sole Dealer Manager</p> | <p>December 2011</p>  <p>MEDIOBANCA</p> <p>€ 5,000,000,000<br/>Covered Bond Programme</p> <p>Arranger</p>                    | <p>October 2011</p>  <p>€ 1,000,000,000<br/>7% January 2017</p> <p>Joint Bookrunner</p>  | <p>July 2011</p>  <p>€ 325,104,000<br/>Asset Backed Notes<br/>Securitisation of performing Italian leasing contracts</p> <p>Arranger and Lead Manager</p>                              |



# Milan major DCM deals (cont'd)

## MB CIB major deals from July 2011 to November 2013


July 2011



US\$ 75,000,000  
6.50% July 2021

Arranger & swap co.

July 2011



€ 70,350,000

4.15% Senior Unsecured  
due July 2016

Joint Dealer Manager

July 2011



€ 900,000,000  
6.125% July 2014

€ 600,000,000  
7.375% July 2018

Joint Bookrunner



# Milan major corporate lending and structured finance deals

## MB CIB major deals from July 2011 to November 2013

|  |  |  |  |   |  |  |
|--|--|--|--|---|--|--|
| <p>November 2013</p> <p><b>F2i Reti Italia S.r.l.</b><br/>F2i Reti Italia 2 S.r.l.<br/>Holding company of Enel Rete Gas</p> <p>€ 210m</p> <p>Acquisition/<br/>Refinancing Facilities</p> <p>Mandated Lead Arranger</p> | <p>November 2013</p> <p><b>CO<br/>GE<br/>TECH</b><br/>OUR JOB. YOUR GAME.</p> <p>€ 60m</p> <p>Term Facility</p> <p>Mandated Lead Arranger</p>          | <p>November 2013</p> <p><b>RHIAG</b></p> <p>€ 75m</p> <p>Revolving Credit Facility</p> <p>Mandated Lead Arranger</p>                               | <p>October 2013</p> <p><b>MONCLER</b></p> <p>€ 120m</p> <p>Term Loan Refinancing</p> <p>Mandated Lead Arranger</p>     | <p>July 2013</p> <p><b>Red &amp; Black<br/>Lux Sarl</b><br/>Holding company of Hugo Boss</p> <p>€ 840m</p> <p>Refinancing Facility</p> <p>Arranger and Bookrunner</p> | <p>June 2013</p> <p><b>KIKO</b><br/>MAKE UP MILANO</p> <p>€ 150m</p> <p>Refinancing, Capex and<br/>General Corporate</p> <p>Mandated Lead Arranger<br/>and Project Monitor</p> | <p>May 2013</p> <p><b>WORLDDUTY<br/>FREEGROUP</b></p> <p>€ 1.25bn</p> <p>Multicurrency Term and<br/>Revolving Facilities</p> <p>Coordinator,<br/>Mandated Lead Arranger and<br/>Bookrunner</p> |
| <p>April 2013</p> <p><b>a2a<br/>Energia</b></p> <p>€ 600m</p> <p>General Corporate</p> <p>Bookrunner,<br/>Mandated Lead Arranger and<br/>Facility Agent</p>  | <p>April 2013</p> <p><b>DEAGOSTINI</b></p> <p>€ 345m</p> <p>General Corporate</p> <p>Bookrunner,<br/>Mandated Lead Arranger and<br/>Facility Agent</p> | <p>February 2013</p> <p><b>TIGF</b></p> <p>€ 400m</p> <p>Term Facilities</p> <p>Mandated Lead Arranger</p>   | <p>February 2013</p> <p><b>FIAT<br/>INDUSTRIAL</b></p> <p>€ 2bn</p> <p>Revolving Credit Facility</p> <p>Bookrunner</p> | <p>February 2013</p> <p><b>CALZEDONIA</b></p> <p>€ 200m</p> <p>Capex Line and<br/>General Corporate</p> <p>Mandated Lead Arranger</p>                                 | <p>February 2013</p> <p><b>Enel</b></p> <p>€ 9,440m</p> <p>Forward Start<br/>Revolving Credit Facility</p> <p>Bookrunner and Doc Agent</p>                                     | <p>December 2012</p> <p><b>soGefi GROUP</b></p> <p>€ 200m</p> <p>Refinancing and<br/>General Corporate</p> <p>Mandated Lead Arranger<br/>and Bookrunner</p>                                    |
| <p>December 2012</p> <p><b>Red &amp; Black<br/>Holding GmbH</b><br/>Holding company of Hugo Boss</p> <p>€ 840m</p> <p>Refinancing Facility</p> <p>Mandated Lead Arranger<br/>and Bookrunner</p>                        | <p>November 2012</p> <p><b>VALENTINO</b><br/>FASHION GROUP</p> <p>€ 50m</p> <p>Revolving Credit Facility</p> <p>Arranger</p>                           | <p>November 2012</p> <p><b>SEA</b></p> <p>€ 130m</p> <p>Refinancing and<br/>General Corporate</p> <p>Mandated Lead Arranger<br/>and Bookrunner</p> | <p>July 2012</p> <p><b>SNAM</b></p> <p>€ 11bn</p> <p>Refinancing Facilities</p> <p>Bookrunner</p>                      | <p>May 2012</p> <p><b>ADR<br/>Aeroporti<br/>di Roma</b></p> <p>€ 500m</p> <p>Refinancing Facilities</p> <p>Mandated Lead Arranger</p>                                 | <p>April 2012</p> <p><b>EDIZIONE</b></p> <p>€ 600m</p> <p>Acquisition Facilities</p> <p>Mandated Lead Arranger</p>   | <p>April 2012</p> <p><b>Beni Stabili</b></p> <p>€ 308m</p> <p>Refinancing Facility</p> <p>Mandated Lead Arranger</p>   |

# Milan major corporate lending and structured finance deals (cont'd)

## MB CIB major deals from July 2011 to November 2013

2011



€ 3,329,131,261

Credit facilities for the construction and operation of a new French high speed rail line between Tours and Bordeaux

Mandated Lead Arranger

2011



€ 940,117,562

Credit facilities for the widening, upgrade, operation and maintenance of the A63 toll road between Salles and Saint-Geours-de-Maremne

Mandated Lead Arranger

October 2011



€ 581,500,000

Credit facilities for the implementation and operation of a satellite-based toll system for heavy vehicles in France

Mandated Lead Arranger

October 2011



€ 1.95bn

Revolving Credit Facility

Bookrunner

September 2011

**Enel Rete Gas**  
Gruppo F2i Reti Italia

€ 2,113m

Term and Revolving Credit Facilities

Mandated Lead Arranger

August 2011




€ 900,000,000

Term Loan and Multicurrency Revolving Credit Facility Agreement

Mandated Lead Arranger

July 2011



€ 1.35bn

(Italy & Spain) Facilities

Coordinator

July 2011

**Kinove**  
(Evonik - CarbonBlack)

USD 250m

Super Senior RCF

Mandated Lead Arranger

July 2011



€ 985m

LBO


Bookrunner

# Paris: major deals

MB CIB major deals from July 2011 to November 2013

## M&A

July 2013



Value undisclosed

Acquisition of a majority stake in Powellato Group by PPR/Kering

Financial Advisor of the Acquiror

July 2013

PLANTATIONS DES TERRES ROUGES

€ 2.3bn

Squeeze-out by Bolloré

Financial Advisor to the Acquiror

July 2013



€ 2.4bn

Acquisition of TIGF by EDF, SNAM and GIC ("Consortium")

Financial Advisor to the Consortium

December 2012

SAFA

€ 46m

Take-over and squeeze out by Bolloré

Financial Advisor to the Acquiror and Presenting Bank

December 2012

Financiere du Loch

€ 360m

Merger with Bolloré

Financial Advisor to the Acquiror

November 2012



€ 800m

Investment of FSI in Paprec Group

Financial Advisor to FSI

## DCM

April 2013




€ 300,000,000

3mE+87bps January 2016

Joint Bookrunner

March 2013



€ 300,000,000

4.25% March 2019

Joint Bookrunner

April 2012



€ 500,000,000

3.125% April 2019

Joint Bookrunner

## Lending

October 2013



€ 227m

Senior Secured Facilities

Mandated Lead Arranger

April 2013



€ 70m

Senior Add-On Acquisition Facility

Participant

March 2013



















€ 1,100m

Revolving Credit Facility

Arranger




















# Frankfurt major deals

## MB CIB major deals from July 2011 to November 2013

| M&A   |   | ECM  |   | DCM   |  | Lending |  |
|---|---|--|---|---|--|---------|--|
| <p>May 2013</p>  <p><b>FIEGE</b><br/>The World of Logistics</p> <p>Value undisclosed</p> <p>Disposal of Southern European businesses to Norbert Dentressangle</p> <p>Financial Advisor to the Seller</p> | <p>May 2013</p>  <p><b>GBW</b><br/>GRUPPE</p> <p>€ 2.5bn</p> <p>Acquisition of a 92% stake in GBW by a consortium led by PATRIZIA Immobilien AG</p> <p>Financial Advisor to the Acquiror</p> | <p>Germany May 2013</p>  <p><b>COMMERZBANK</b></p> <p>€ 2,500m</p> <p>Right Issue (shares)</p> <p>Co-Lead Manager</p>   | <p>September 2013</p>  <p><b>Continental</b></p> <p>€ 750,000,000</p> <p>3.125% September 2020</p> <p>Joint Bookrunner</p>     | <p>October 2013</p>  <p><b>Campbell's Europe</b></p> <p>€ 320m</p> <p>Acquisition Financing</p> <p>Participant</p>                                   | <p>June 2013</p>  <p><b>VIE</b><br/>Vienna International Airport</p> <p>Guarantee backing an € 400m EIB financing</p> <p>Mandated Lead Arranger</p> |         |  |
| <p>January 2013</p>  <p><b>Müller</b></p> <p>Value undisclosed</p> <p>Refinancing of Müller Group's real estate portfolio</p> <p>Financial Advisor to Müller Group</p>                                   | <p>December 2012</p>  <p><b>Douglas</b></p> <p>€ 1,641m</p> <p>Disposal of Müller Group's stake in Douglas Holding to Advent International</p> <p>Financial Advisor to Müller Group</p>      | <p>January 2013</p>  <p><b>IMMOFINANZ</b></p> <p>€ 150m</p> <p>Placement of Treasury Shares and Total Return Equity Swap</p> <p>Lead Arranger</p>                             | <p>February 2012</p>  <p><b>ThyssenKrupp</b></p> <p>€ 1,250m</p> <p>4.375% 2017</p> <p>Co-Manager</p>                          | <p>January 2013</p>  <p><b>Continental</b></p> <p>€ 4.5bn</p> <p>Term and Revolving Credit Facility</p> <p>Mandated Lead Arranger and Bookrunner</p> | <p>October 2012</p>  <p><b>FRESENIUS MEDICAL CARE</b></p> <p>USD 3.8bn</p> <p>Refinancing</p> <p>Arranger</p>                                       |         |  |
| <p>November 2012</p>  <p><b>ROSEN</b></p> <p>Value undisclosed</p> <p>Acquisition of Rosen Eiskrem by DMK</p> <p>Financial Advisor to DMK</p>  | <p>August 2012</p>  <p><b>Sunval</b></p> <p>Value undisclosed</p> <p>Acquisition of Sunval Nahrungsmittel by DMK</p> <p>Financial Advisor to DMK</p>                                       | <p>Germany 2011</p>  <p><b>COMMERZBANK</b></p> <p>€ 11,000m</p> <p>Dual Step Capital Increase CoMEN placement &amp; Rights Issue (CoMEN &amp; shares)</p> <p>Co-Manager</p> | <p>September 2011</p>  <p><b>HEIDELBERGCEMENT</b></p> <p>€ 500,000,000</p> <p>9.5% December 2018</p> <p>Joint Bookrunner</p> |   |  |         |  |

# Madrid major deals

## MB CIB major deals from July 2011 to November 2013

| M&A  |  | ECM  |  | DCM  |  | Lending   |   |
|--|--|--|--|--|--|---|---|
| <p>June 2013</p>  <p>€ 75m</p> <p>Sale of 66 branches to Banco Etccheverria</p> <p>Financial Advisor to NCG</p>   | <p>March 2013</p>  <p>€ 4,587m</p> <p>Reorganization of Endesa participations in Latin America</p> <p>Financial Advisor to ENEL / Endesa</p>                                | <p>October 2013</p>  <p>€ 721m</p> <p>ACS S.A. exchangeable into Iberdrola S.A.</p> <p>Joint Bookrunner</p> | <p>June 2013</p> <p>Family Office</p> <p>€ 832m</p> <p>Equity Financing</p> <p>Confidential Private Transaction</p>  | <p>Portugal May 2013</p>  <p>€ 678m</p> <p>ABO (shares)</p> <p>Joint Bookrunner</p>             | <p>May 2013</p>  <p>€ 750,000,000</p> <p>2.736% May 2019</p> <p>Joint Bookrunner</p>  | <p>October 2013</p>  <p>€ 2,250m</p> <p>Refinancing Facilities</p> <p>Mandated Lead Arranger</p>                                     | <p>February 2013</p>  <p>€ 1,250m</p> <p>Forward start facility of Telefonica S.A. syndicated financing</p>  |
| <p>May 2012</p>  <p>€ 752m</p> <p>Sale of Brazilian electricity transmission network concessions</p> <p>Financial Advisor to ACS</p>                                    | <p>December 2012</p> <p>NCG Banco</p> <p>€ 5,425m</p> <p>Recapitalization</p> <p>Financial Advisor to the Target</p>   | <p>April 2013</p> <p>Corporate</p> <p>€ 500m</p> <p>Total Return Equity Swap over Treasury Shares</p> <p>4 years maturity</p> <p>Confidential Private Transaction</p>                        | <p>2012</p>  <p>€ 1,028m</p> <p>ENI S.p.A. exchangeable into Galp Energia SGPS SA</p> <p>Joint Bookrunner</p> | <p>Spain 2012</p>  <p>€ 2,500m</p> <p>Rights Issue (shares)</p> <p>Joint Bookrunner</p>         | <p>September 2012</p>  <p>€ 750,000,000</p> <p>5.811% September 2017</p> <p>Joint Bookrunner</p>  | <p>January 2013</p>  <p>€ 480m</p> <p>Senior Refinancing Facilities</p> <p>Mandated Lead Manager</p>                                 | <p>April 2012</p>  <p>€ 875m</p> <p>Refinancing of the € 1,500m facilities</p> <p>Mandated Lead Arranger</p> |
| <p>September 2011</p>  <p>€ 1,815m</p> <p>Disposal of renewable assets to Bridgepoint, Canepa Energy, REEF, Antin and Gas Natural</p> <p>Financial Advisor to ACS</p> | <p>December 2010</p>  <p>€ 1,0bn</p> <p>Acquisition by Telecinco of assets from Grupo Prisa (Cuatro and a 22% stake in Digital+)</p> <p>Financial Advisor to Mediaset</p> | <p>Portugal 2012</p>  <p>€ 460m</p> <p>ABO (shares)</p> <p>Joint Bookrunner</p>                           | <p>Spain 2011</p>  <p>€ 3,092m</p> <p>IPO (shares)</p> <p>Co-Lead Manager</p>                             | <p>September 2012</p>  <p>€ 500,000,000</p> <p>4.25% October 2017</p> <p>Joint Bookrunner</p> | <p>March 2012</p>  <p>€ 1,362m</p> <p>Forward start facility of Telefonica Europe B.V. and Telefonica S.A. syndicated financing</p> <p>Bookrunner</p> | <p>July 2011</p>  <p>€ 1,050m</p> <p>Financing for the spin-off of Dia, from the Carrefour Group</p> <p>Mandated Lead Arranger</p> |   |

# London major deals

MB CIB major deals from July 2011 to November 2013

## ECM

UK September 2013



€ 7,032m

Right Issue (shares)

Joint Bookrunner

July 2013

JAB Holdings II

€ 750m

Refinancing

July 2013



€ 3.3bn

Acquisition Financing

Arranger

June 2013




£ 3.3bn

Acquisition Financing

Participation

## Lending

July 2013



£ 670m RCF

Refinancing

Mandated Lead Arranger

June 2013



US\$ 14.6bn

Senior and Subordinated Debt Acquisition Financing

Participation

November 2012



£ 405m

Acquisition Financing

Lead Arranger

July 2013



\$ 725m

Refinancing

Participant

June 2013

GlencoreXstrata

US\$ 13bn

Revolving Credit Facilities

Co-Arranger

# Investor contacts

## Mediobanca Group Investor Relations

Piazzetta Cuccia 1, 20121 Milan, Italy

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

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

<http://www.mediobanca.com>