MEDIOBANCA
Banca di Credito Finanziario S.p.A.

Mediobanca
Board of Directors' Meeting

Milan, 21 September 2011

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Banca di Credito Finanziario S.p.A.

Financial statements for period ended 30 June 2011 approved

Normalized revenues up 7%, to €2,039m

Normalized PBT up 28%, to €792m

Net profit €369m, after €238m non-recurring charges

Proposed dividend: €0.17 per share

- **Group net profit €369m (30/6/10: €401m), after €238m non-recurring charges, as follows:**
  - **€155m: writedowns to equity investments, €120m of which in respect of Telco**
  - **€120m: charges for bonds, including €109m on Greek government securities**
  - **€38m: Telco/Greece writedowns by Assicurazioni Generali taken in its interim accounts brought forward[1]**
  - **€75m: writeback in respect of one exposure**
- **Net of these items the Group reported significant growth:**
  - **Revenues up 7% to €2,039m, driven by a recovery in the RPB segment; net interest income rose 17%, offsetting the absence of non-recurring gains on AFS disposals**
  - **Cost of risk down 18% to 120 bps, due to improved asset quality**
  - **Gross profit up 28% to €792m**
  - **ROTE up to 9%**
- **Liquidity, capital solidity and funding source diversification all confirmed:**
  - **Deposits/loans ratio: 0.7x**
  - **Core tier 1 ratio: 11.2% (30/6/10: 11.1%)**
  - **Funding stable at €52bn, approx. 60% of which attributable to retail clients (CheBanca! deposits + Mediobanca bonds sold to retail)**
- **Proposed dividend: €0.17 per share, the same as last year**

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[1] *€37.8m: Mediobanca's share, pro-rata, of reduced profits reported by Assicurazioni Generali at 30 June 2011 due to writedowns booked in respect of Greek government bonds and the Telco investment. This item has effectively been brought forward, given that under the equity method used by Mediobanca to account for its holding in Generali, the investee companies' earnings results are booked one quarter after they are actually recorded.*

With Renato PAGLIARO in the chair, the Directors of Mediobanca approved the Group's financial statements for the twelve months ended 30 June 2011, as illustrated by Chief Executive Officer Alberto NAGEL.

Consolidated results

The financial year under review saw a healthy performance in banking activities, impacted, however, by the sovereign debt crisis affecting the peripheral EU member states, which led to reductions in the prices of certain asset classes and an increase in the cost of refinancing for governments and banks.

The Mediobanca Group's results for the twelve months, which show a net profit of €368.6m (30/6/10: €400.8m), reflect a series of non-recurring items resulting in a net charge of €238m being taken, most of which linked to the market crisis, as follows:

- €275.5m in provisions for financial assets, virtually double the €150m taken the previous year: €119.7m of which in respect of bonds, including €108.9m on Greek government securities (in line with market prices as at the reporting date), and €155.8m of equities, including €119.6m on Telco – which wrote down the book value of its Telecom Italia shares from €2.2 to €1.8 per share – plus €32.9m other investments (chiefly Delmi);

- €37.8m in reduced earnings from the equity-accounted companies due to the writedowns charged pro rata by Assicurazioni Generali at 30 June 2011 in respect of Greek government securities and Telco; this item has effectively been brought forward, given that under the equity method, the investee companies' earnings results are booked one quarter after they are recorded;

- €75m writeback in respect of a single performing corporate loan.

Net of the above item, the Group's performance reflected:

- Revenues up 7%, to €2,039m, due to growth in net interest income of 16.7 %, from €917m to €1,070.3m, as a result of a positive performance in the Retail and private banking segment (up 25.6%, from €525.7m to €660.5m), with Corporate and Investment Banking resilient (at €429.3m compared to €428.9m); income from securities was stable, down from €459m to €449m, this item including the equity-accounted companies' contribution (which, net of the €37.8m Generali charge brought forward, was up 13%), dealing profits earned by the Corporate and investment banking were up 26%, from €119m to €151m, against a reduction in income from the valuation of the CheBanca! securities portfolio; while net fee and commission income was basically stable, at around the same levels witnessed last year (€520.3m, compared with €533.5m), despite the difficult market conditions;

- Administrative costs were up 6.6%, from €772.9m to €823.9m, with labour costs up 8%, reflecting the simultaneous strengthening of the platforms both in Italy and abroad (with 210 more staff on the books, 82 in CIB, 46 in consumer credit and 78 in retail banking); the cost/income ratio was stable at 40%;

- Loan loss provisions (net of the €75m writeback referred to above) were down 18%, from €516.8m to €423.8m, and the cost of risk from 150 bps to 120 bps. Provisioning was down in Corporate and Investment Banking (from €156m to €100.3m) and on the retail side (from €360.8m to €323.5m), bearing out the improvement in asset quality in both the corporate and consumer credit segments;

- Profit before tax was up 28%, to €792m, around 60% of which earned by the CIB division, over 25% from PI and nearly 15% by the RPB division;

- ROTE was up three percentage points, to 9%.

On the balance-sheet side, the Group remains solid and liquid, with diversified funding sources. The various items performed as follows:

- Group loans and advances to customers rose 7%, from €33.7bn to €36.2bn, due to the recovery in CIB business (up 6%) and buoyant performances in both the retail and consumer credit segments (up 16% and 8% respectively);

- Impaired assets (i.e. non-performing, sub-standard, restructured and overdue items) fell from €803.2m to €709.9m, and account for just 1.9% of total loans (30/6/10: 2.3%), with the coverage ratio at 48% (47%);

- Liquid financial assets (treasury funds, AFS and HTM assets) remain at high levels (above €18.6bn), albeit lower than last year (€20.7bn), with the reduction in favour of loans and advances;

- Funding declined from €53.9bn to €51.7bn, due to reduced use of the banking system (down from €6.0bn to €4.7bn); while CheBanca! deposits rose, from €9.6bn to €10.0bn, and debt securities totalled €34.5bn (€35.2bn); some 60% of the funding is attributable retail customers (CheBanca! deposits and Mediobanca bonds placed with retail investors);

- The loans/deposits ratio (0.7x) and net tangible equity/assets ratio (10%) bear out the Group's high liquidity and solidity;

- Net equity grew from €6.3bn one year previously to €6.5bn, and core tier 1 ratio capital rose from €5.9bn at the same stage to €6.1bn; the capital ratios also showed improvements, with the core tier 1 ratio up from 11.1% to 11.2%, and the total capital ratio up from 13% to 14.4%.

Divisional results

CIB: net profit stable at €242m, despite writedowns to Greek government bonds

- **Normalized revenues resilient at €913m, helped by increasing contribution from international branches (revenues up from €180m to €280m)**

- **Lower loan loss provisions (normalized cost of risk down from 70 bps to 45 bps), offset the increase in operating costs due to enhancement of structures**

- **Normalized PBT up 8% to €472m, with gross RORWA stable at 1.0%**

- **Non-recurring charges of €75m**

This division reported a stable net profit of €242.2m (30/6/10: €243m), which includes €75m in net non-recurring charges booked mostly in the fourth quarter, and consisting of:

- €150.4m in provisions for financial assets (€136m), €108.9m of which in respect of Greek government bonds, €10.8m other bonds, and €30.7m AFS equities;

- €75m in writebacks to a performing corporate loan, offsetting in part the absence of gains on disposals of AFS securities which last year totalled €109m.

Net of these items, the division's results reflect the following trends:

- Revenues were resilient (up 2% to €913m), with net interest income stable at €429.3m (30/6/10: €428.9m) in both the wholesale and leasing segments; net trading income was up, from €119.1m to €150.5m; net fee and commission income declined 5.2%, from €332.4m to €315.1m, reflecting the weak market in Europe for corporate and investment banking business;

- Costs rose by 12.4%, from €303.1m to €340.6m, reflects the rise in labour costs (up from €207.2m to €234.4m) due largely to strengthening of the structures (with 82 more staff on the books) and to a very positive performance by the international branches. The related increase in administrative expenses, which rose from €95.9m to €106.2m, also reflect the upgrade in IT infrastructure;

- Loan loss provisions were down 36%, to €100.3m, which in turn brought down the cost of risk, from 70 bps to 45 bps.

On the balance-sheet side, there was a recovery in loans and advances to customers, which were up 6%, deriving from the large corporate area (up 9%) against a reduction in those deriving from leasing (down 3%).

Principal Investing (“PI”)

- **Net profit down to €69m (30/6/10: €185m), after writedowns of €120m to Telco investment and €38m charges taken by Assicurazioni Generali on Telco and Greek government bonds in its interim report**

- **Market value of investments: €3.1bn (30/6/10: €3.0bn)**

This division’s results for the twelve months show a profit of €69.3m, down on the €184.5m posted last year due to higher writedowns of €124.6m (€12.2m) in respect chiefly of Telco (€119.6m). The contribution from equity consolidation was €203.6m (€213.4m), €201.6m of which (including the €37.8m non-recurring charges brought forward) in respect of Assicurazioni Generali (€231.7m) and €2.5m RCS MediaGroup (minus €17.3m).

The value of the equity investments (€2,712.5m, compared with €2,892.2m), reflects the dividend paid by Assicurazioni Generali (€92.7m) and the performance of the equity-accounted companies’ valuation reserves (minus €179m). The remainder of the portfolio, which consists of investments made as part of merchant banking activity and in private equity funds recognized in the AFS segment, was worth €134.1m (€114.8m) at the reporting date, after purchases totalling €18.9m, adjustments of €5m taken through the profit and loss account, and downward adjustments to reflect fair value totalling €5.6m.

RPB: growth driver at Group level

- **Net profit of €78m earned by the division (30/6/10: €32m net loss)**

- **Revenues: up 13%, driven by net interest income (up 26%)**

- **Cost/income ratio down from 60% to 54%**

- **Loan loss provisions down 10%**

The year ended 30 June 2011 shows to return to profit, with the division posting to bottom-line result of €77.8m (against a €31.6m loss last year), reflecting a good performance in consumer credit (where profits were up from €21.9m to €91.1m), a reduction in the losses incurred by CheBanca! (down from €78.6m to €38.8m), and the profit earned from private banking operations holding up well, at €25.5m (€25.1m).

Total income was up 13.1%, from €844.6m to €955.6m, driven by higher net interest income (up 25.6%, from €525.7m to €660.5m), with healthy contributions from all three business areas and despite the reduction in gains on disposals of AFS securities, which totalled €49.6m (€79.2m); net fees and commissions remained stable at €245.5m (€240m).

Operating costs increased by 2.3%, from €504.7m to €516.1m, due to structural upgrades in consumer credit in particular.

Loan loss provisions improved, falling 10.3% (from €360.8m to €323.5min line with the trend witnessed in recent quarters.

Loans and advances to customers, virtually all of which are to consumer finance and residential mortgage lending activities, rose 9.5% from €12.6bn to €13.8bn.

Funding, which grew from €21bn to €22.1bn, consists of almost €10bn (€9.6bn) in customer deposits collected by CheBanca!.

Consumer credit: net profit quadrupled, new loans up 19%

- Growth in new loans continues, up 19% Y.o.Y as a result of more effective distribution: annual market share up almost 2 percentage points to 9.3%
- Revenues up 8%, on net interest income up 11%
- Cost/income ratio down to 36%
- Cost of risk down from 410bps to 350bps, stable in fourth quarter at 345bps
- Net profit quadrupled, from €22m last year to €91m

Retail banking: net interest income trebled, customer numbers up 26%

- Deposits up from €9.6bn to €10.0bn
- Significant growth in number of customers, up 26% to 430,000, and in number of products sold, up 30%, to 530,000
- Revenues up 60% to €158m, with net interest income trebling, from €32.6m to €112.1m
- Costs stable at €184m (€180m)
- Net loss halved, from €79m to €39m

Private banking: net profit up 2%, AUM up 8%

- AUM up 8% in the last year, to €12.7bn:
    - Banca Esperia: up 14% to €6.9bn (30/6/10: €6bn)
    - CMB: stable at €5.8bn (€5.7bn)
- Net profit up 2%, to €25.5m

Mediobanca S.p.A.

In the twelve months ended 30 June 2011, Mediobanca earned a net profit of €127.4m (30/6/10: €244.1m). The year's performance saw a good performance in current activities, with total income up 25.7% net of gains on disposals of AFS equities, but at the same time also higher provisions for financial assets, *inter alia* as a result of the market crisis, up from €165.3m to € 313.9m. The main income items performed as follows:

- net interest income was up 4.9%, from €294.6m to €309.1m, helped among other things by the reduced cost of funding from CheBanca!;
- net trading income decreased from €277m to €180.2m, reflecting the reduction in gains on disposals of AFS securities to €11.3m (compared with €138.8m last year), which offset the rise in dealing profits (from €121.2m to €152.9m);
- net fee and commission income were stable at €297.6m (€308.5m) despite the difficult economic conditions;
- dividends on equity investments increased from €70.2m to €98.9m due to €85.8m contributed by Assicurazioni Generali (€66.7m) and €13.1m from Pirelli & C. (€3.5m).

The 13.3% rise in operating costs, from €280.4m to €317.8m, is due as to €27m to labour costs (with 83 more staff on the books) and as to €10.4m to other administrative expenses.

Loan loss provisions totalled just €0.3m, boosted by a one-off writeback amounting to €75m; even net of this item, however, there was still a 34% reduction compared to last year (€113.3m), confirming the improving trend recorded in recent quarters.

Provisions for financial assets increased to €313.9m (€165.3m), €108.9m of which in writedowns to Greek government securities and the AFS portfolio to reflect market prices as at the reporting date, €158.6m in adjustments to equity investments (chiefly Telco), €10.8m in other longer-term bond investments, and the remaining €35.6m for AFS equities.

The main balance-sheet headings show rises in loans and advances to customers (from €20.2bn to €22.9bn) and the AFS and fixed portfolios (up from €6.7bn to €10.7bn due exclusively to fixed-income securities), against an increase in funding (from €40.7bn to €41.8bn) and a reduction in treasury funds (from €16.2bn to €10.7bn).

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Shareholders' remuneration

The Board of Directors has adopted a proposal, to be submitted to the approval of shareholders at a general meeting on 28 October 2011, to pay a dividend of €0.17. The dividend per share will be paid on 24 November 2011, with the shares going ex-rights on 21 November 2011.

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Finally, the Board of Directors also approved:

- the staff remuneration policies, to be submitted to the approval of shareholders at the annual general meeting to be held on 28 October 2011;

- as part of a Group reorganization, the transfer from Compass to Mediobanca – by means of a partial demerger – of the investments in CheBanca! (100%), SelmaBipiemme Leasing (60%) and Assicurazioni Generali (0.91%), plus a property located in Foro Buonaparte, Milan. Given that Compass is a wholly-owned subsidiary of Mediobanca, the transaction will not entail the issuance of new shares or give rise to any right of withdrawal, and is exempt from the "Related parties procedure" approved by the Board of Directors of Mediobanca on 23 November 2010. The demerger project and the Directors' report with the relevant attachments will be published within the term and according to the methods set by law. The demerger will be completed once the required authorization has been received from the Bank of Italy.

Milan, 21 September 2011

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Restated consolidated profit and loss account

Mediobanca Group (€ m)	12 mths to 30/6/10	12 mths to 30/6/11	Y.o.Y. chg. %
Net interest income	917.0	1.070.3	16.7%
Net trading income	353.8	208.7	-41.0%
Net fee and commission income	533.5	520.3	-2.5%
Equity-accounted companies	213.5	203.0	-4.9%
Total income	**2,017.8**	**2,002.3**	**-0.8%**
Labour costs	(387.9)	(418.8)	8.0%
Administrative expenses	(385.0)	(405.1)	5.2%
Operating costs	**(772.9)**	**(823.9)**	**6.6%**
Loan loss provisions	(516.8)	(348.8)	-32.5%
Provisions for other financial assets	(150.0)	(275.5)	n.m.
Other income (losses)	5.2	0.1	n.m.
Profit before tax	**583.3**	**554.2**	**-5.0%**
Income tax for the period	(181.2)	(180.6)	-0.3%
Minority interest	(1.3)	(5.0)	n.m.
Net profit	**400.8**	**368.6**	**-8.0%**

Quarterly profit and loss accounts

Mediobanca Group (€ m)	FY 09/10				FY 10/11			
	I Q	II Q	III Q	IV Q	I Q	II Q	III Q	IV Q
	30/9/09	31/12/09	31/3/10	30/6/10	30/9/10	31/12/10	31/3/11	30/6/11
Net interest income	213.9	227.8	219.6	255.7	262.1	269.4	268.3	270.5
Net trading income	266.3	46.7	70.0	-29.2	79.7	46.7	71.1	11.2
Net fee/commission income	144.6	139.7	130.0	119.2	113.1	152.8	139.4	115.0
Equity-accounted companies	53.3	53.0	35.0	72.2	43.8	66.4	53.4	39.4
Total income	**678.1**	**467.2**	**454.6**	**417.9**	**498.7**	**535.3**	**532.2**	**436.1**
Labour costs	(98.0)	(105.9)	(95.1)	(88.9)	(101.3)	(110.1)	(106.8)	(100.6)
Administrative expenses	(83.8)	(106.7)	(98.5)	(96.0)	(86.7)	(109.1)	(99.1)	(110.2)
Operating costs	**(181.8)**	**(212.6)**	**(193.6)**	**(184.9)**	**(188.0)**	**(219.2)**	**(205.9)**	**(210.8)**
Loan loss provisions	(140.9)	(129.5)	(121.9)	(124.5)	(112.3)	(107.1)	(101.5)	(27.9)
Provisions for other fin.assets	(73.5)	(16.9)	(15.1)	(44.5)	(1.1)	(18.8)	(0.1)	(255.5)
Other income (losses)	5.4	0.2	(0.1)	(0.3)	0.0	0.1	0.0	0.0
Profit before tax	**287.3**	**108.4**	**123.9**	**63.7**	**197.3**	**190.3**	**224.7**	**-58.1**
Income tax for the period	(85.6)	(39.0)	(38.3)	(18.3)	(68.1)	(54.1)	(67.4)	9.0
Minority interest	(1.1)	0.1	(1.3)	1.0	(1.6)	(0.9)	(1.3)	(1.2)
Net profit	**200.6**	**69.5**	**84.3**	**46.4**	**127.6**	**135.3**	**156.0**	**-50.3**

MEDIOBANCA
Banca di Credito Finanziario S.p.A.

Restated consolidated balance sheet

Mediobanca Group (€ m)	30/6/10	30/6/11
Assets		
Treasury funds	14,976.0	8,608.0
AFS securities	6,825.7	7,749.9
of which: fixed income	*5,248.6*	*6,092.3*
equities	*1,538.8*	*1,643.6*
Fixed assets (HTM & LR)	1,455.4	2,308.1
Loans and advances to customers	33,701.5	36,225.6
Equity investments	3,348.0	3,156.1
Tangible and intangible assets	762.6	757.8
Other assets	1,188.3	1,376.7
of which: tax assets	*924.5*	*967.0*
Total assets	**62,257.5**	**60,182.2**
Liabilities		
Funding	53,852.3	51,712.9
of which: debt securities in issue	*35,193.3*	*34,460.5*
retail deposits	*9,561.1*	*9,960.3*
Other liabilities	1,387.2	1,258.9
of which: tax liabilities	*633.1*	*565.8*
Provisions	183.6	182.6
Net equity	6,433.6	6,659.2
of which: share capital	430.5	430.6
reserves	5,899.8	6,113.9
minority interest	103.3	114.7
Profit for the period	400.8	368.6
Total liabilities	**62,257.5**	**60,182.2**
Core tier 1 capital	5,924.2	6,156.1
Total capital	6,927.9	7,899.1
RWAs	53,426.0	55,025.5

Ratios (%) and per share data (€)

Mediobanca Group (€ m)	30/6/10	30/6/11
Total assets/net equity	9.7	9.0
Loans/deposits	0.6	0.7
Core tier 1 ratio	11.1	11.2
Total capital ratio	13.0	14.4
Rating S&P	A+	A+
Cost/income ratio	38.3	41.1
NPLs/loans*	0.4	0.5
RORWA gross (annualized)	1.1	1.0
RORWA net (annualized)	0.8	0.7
EPS (€)	0.47	0.43
BVPS (€)	7.4	7.6
DPS (€)	0.17	0.17
No.of shares outstanding	861.1	861.1

* *Not including Cofactor third party accounts*

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

12 mths to 30/6/11 (€ m)	Corporate & investment banking	Principal investing	Retail & private banking	Group
Net interest income	429.3	(7.5)	660.5	1.070.3
Net trading income	169.4	0.0	49.6	208.7
Net fee and commission income	315.1	0.0	245.5	520.3
Equity-accounted companies	(1.2)	203.6	0.0	203.0
Total income	**912.6**	**196.1**	**955.6**	**2,002.3**
Labour costs	(234.4)	(5.5)	(192.0)	(418.8)
Administrative expenses	(106.2)	(2.5)	(324.1)	(405.1)
Operating costs	**(340.6)**	**(8.0)**	**(516.1)**	**(823.9)**
Loan loss provisions	(25.3)	0.0	(323.5)	(348.8)
Provisions for other financial assets	(150.4)	(124.6)	(0.6)	(275.5)
Other income (losses)	0.0	0.0	0.0	0.1
Profit before tax	**396.3**	**63.5**	**115.4**	**554.2**
Income tax for the period	(149.1)	5.8	(37.6)	(180.6)
Minority interest	(5.0)	0.0	0.0	(5.0)
Net profit	**242.2**	**69.3**	**77.8**	**368.6**
Treasury funds	9,469.5	0.0	4,000.7	8,608.0
AFS securities	6,550.5	134.1	1,762.0	7,749.9
Fixed assets (HTM & LR)	4,001.1	0.0	3,191.7	2,308.1
Equity investments	385.6	2,712.5	0.0	3,156.1
Loans and advances to customers	27,623.9	0.0	13,751.9	36,225.6
of which to Group companies	5,144.2	0.0	0.0	0.0
Funding	(44,908.2)	(259.8)	(22,082.7)	(51,712.9)
RWAs	40,349.1	3,162.3	11,498.5	55,025.5
No. of staff	964	0	2,619*	3,452

* *Includes 131 staff employed by Banca Esperia pro-forma, not included in the Group total.*

12 mths to 30/6/10 (€ m)	Corporate & Investment Banking	Principal Investing	Retail & Private Banking	Group
Net interest income	428.9	(9.6)	525.7	917.0
Net trading income	244.4	0.0	79.2	353.8
Net fee and commission income	332.4	0.0	240.0	533.5
Equity-accounted companies	0.3	213.4	(0.3)	213.5
Total income	**1,006.0**	**203.8**	**844.6**	**2,017.8**
Labour costs	(207.2)	(5.5)	(182.5)	(387.9)
Administrative expenses	(95.9)	(2.6)	(322.2)	(385.0)
Operating costs	**(303.1)**	**(8.1)**	**(504.7)**	**(772.9)**
Loan loss provisions	(156.0)	0.0	(360.8)	(516.8)
Provisions for other financial assets	(135.8)	(12.2)	(1.9)	(150.0)
Other income (losses)	0.0	0.0	5.2	5.2
Profit before tax	**411.1**	**183.5**	**(17.6)**	**583.3**
Income tax for the period	(166.7)	1.0	(14.0)	(181.2)
Minority interest	(1.4)	0.0	0.0	(1.3)
Net profit	**243.0**	**184.5**	**(31.6)**	**400.8**
Treasury funds	16,362.2	0.0	4,086.8	14,976.0
AFS securities	5,122.4	114.8	2,571.8	6,825.7
Fixed assets (HTM & LR)	1,454.5	0.0	2,507.4	1,455.4
Equity investments	397.8	2,892.2	1.4	3,348.0
Loans and advances to customers	24,629.5	0.0	12,563.9	33,701.5
of which to Group companies	3485.2	0.0	0.0	0.0
Funding	(44,921.7)	(259.8)	(20,999.9)	(53,852.3)
RWAs	39,681.7	2,928.8	10,808.1	53,426.0
No. of staff	882	0	2,478*	3,242

**Includes 118 staff employed by Banca Esperia pro-forma, not included in the Group total.*

Corporate & investment banking

CIB (€ m)	12 mths to 30/6/10	12 mths to 30/6/11	Y.o.Y. chg. %
Net interest income	428.9	429.3	0.1%
Net trading income	244.4	169.4	-30.7%
Net fee and commission income	332.4	315.1	-5.2%
Equity-accounted companies	0.3	(1.2)	n.m.
Total income	**1,006.0**	**912.6**	**-9.3%**
Labour costs	(207.2)	(234.4)	13.1%
Administrative expenses	(95.9)	(106.2)	10.7%
Operating costs	**(303.1)**	**(340.6)**	**12.4%**
Loan loss provisions	(156.0)	(25.3)	n.m.
Provisions for other financial assets	(135.8)	(150.4)	10.8%
Other income (losses)	0.0	0.0	n.m.
Profit before tax	**411.1**	**396.3**	**-3.6%**
Income tax for the period	(166.7)	(149.1)	-10.6%
Minority interest	(1.4)	(5.0)	n.m.
Net profit	**243.0**	**242.2**	**-0.3%**
Treasury funds	16,362.2	9,469.5	-42.1%
AFS securities	5,122.4	6,550.5	27.9%
Fixed assets (HTM & LR)	1,454.5	4,001.1	n.m.
Equity investments	397.8	385.6	-3.1%
Loans and advances to customers	24,629.5	27,623.9	12.2%
of which to Group companies	3,485.2	5,144.2	47.6%
Funding	(44,921.7)	(44,908.2)	n.m.
RWAs	39,681.7	40,349.1	1.7%
No. of staff	882	964	9.3%
Cost/income ratio (%)	30.1	37.3	
NPLs/loans (%)	0.2	0.2	
RORWA gross (annualized) (%)	1.0	1.0	

CIB by segment – 12 mths to 30/6/11 (€m)	Wholesale	Leasing	Total CIB
Net interest income	356.0	73.3	429.3
Net trading income	169.4	0.0	169.4
Net fee and commission income	311.1	4.0	315.1
Equity-accounted companies	(1.2)	0.0	(1.2)
Total income	**835.3**	**77.3**	**912.6**
Labour costs	(214.2)	(20.2)	(234.4)
Administrative expenses	(94.4)	(11.8)	(106.2)
Operating costs	**(308.6)**	**(32.0)**	**(340.6)**
Loan loss provisions	0.8	(26.1)	(25.3)
Provisions for other financial assets	(150.4)	0.0	(150.4)
Other gains (losses)	0.0	0.0	0.0
Profit before tax	**377.1**	**19.2**	**396.3**
Income tax for the period	(140.1)	(9.0)	(149.1)
Minority interest	0.0	(5.0)	(5.0)
Net profit	**237.0**	**5.2**	**242.2**
Loans and advances to customers	23,206.3	4,417.6	27,623.9
of which to Group companies	5,144.2	0.0	5,144.2
RWA	36,563.8	3,785.2	40,349.1
New loans	n.m.	1,121.7	n.m.
No. of staff	757	207	964
No. of branches	n.m.	12	n.m.
Cost/income ratio (%)	36.9%	41.4%	37.3%
NPLs/loans (%)	0.0	1.0	0.2
RORWA gross (annualized) (%)	1.0	0.5	1.0

CIB by segment – 12 mths to 30/6/10 (€m)	Wholesale	Leasing	Total CIB
Net interest income	353.5	75.4	428.9
Net trading income	244.7	(0.3)	244.4
Net fee and commission income	328.1	4.3	332.4
Equity-accounted companies	0.3	0.0	0.3
Total income	**926.6**	**79.4**	**1,006.0**
Labour costs	(188.0)	(19.2)	(207.2)
Administrative expenses	(83.3)	(12.6)	(95.9)
Operating costs	**(271.3)**	**(31.8)**	**(303.1)**
Loan loss provisions	(115.4)	(40.6)	(156.0)
Provisions for other financial assets	(135.8)	0.0	(135.8)
Other gains (losses)	0.0	0.0	0.0
Profit before tax	**404.1**	**7.0**	**411.1**
Income tax for the period	(160.7)	(6.0)	(166.7)
Minority interest	0.0	(1.4)	(1.4)
Net profit	**243.4**	**(0.4)**	**243.0**
Loans and advances to customers	20,084.8	4,544.7	24,629.5
of which to Group companies	3,485.2	0.0	3,485.2
RWA	35,882.2	3,799.5	39,681.7
New loans	n.m.	1,106.0	n.m.
No. of staff	673	209	882
No. of branches	n.m.	12	n.m.
Cost/income ratio (%)	29.3%	40.1%	30.1%
NPLs/loans (%)	0.0	0.8	0.2
RORWA gross (annualized) (%)	1.1	0.2	1.0

MEDIOBANCA
Banca di Credito Finanziario S.p.A.

Principal investing

PI (€m)	12 mths to 30/6/10	12 mths to 30/6/11	Y.o.Y. chg. %
Net interest income	(9.6)	(7.5)	-21.9%
Net trading income	0.0	0.0	n.m.
Net fee and commission income	0.0	0.0	n.m.
Equity-accounted companies	213.4	203.6	-4.6%
Total income	**203.8**	**196.1**	**-3.8%**
Labour costs	(5.5)	(5.5)	n.m.
Administrative expenses	(2.6)	(2.5)	-3.8%
Operating costs	**(8.1)**	**(8.0)**	**-1.2%**
Loan loss provisions	0.0	0.0	n.m.
Provisions for other financial assets	(12.2)	(124.6)	n.m.
Other income (losses)	0.0	0.0	n.m.
Profit before tax	**183.5**	**63.5**	**-65.4%**
Income tax for the period	1.0	5.8	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**184.5**	**69.3**	**-62.4%**
AFS securities	114.8	134.1	16.8%
Equity investments	2,892.2	2,712.5	-6.2%
RWAs	2,928.8	3,162.3	8.0%

Retail & private banking

RPB (€m)	12 mths to 30/6/10	12 mths to 30/6/11	Y.o.Y. chg. %
Net interest income	525.7	660.5	25.6%
Net trading income	79.2	49.6	-37.4%
Net fee and commission income	240.0	245.5	2.3%
Equity-accounted companies	(0.3)	0.0	n.m.
Total income	**844.6**	**955.6**	**13.1%**
Labour costs	(188.5)	(192.0)	1.9%
Administrative expenses	(316.2)	(324.1)	2.5%
Operating costs	**(504.7)**	**(516.1)**	**2.3%**
Loan loss provisions	(360.8)	(323.5)	-10.3%
Provisions for other financial assets	(1.9)	(0.6)	-68.4%
Other income (losses)	5.2	0.0	n.m.
Profit before tax	**(17.6)**	**115.4**	**n.m.**
Income tax for the period	(14.0)	(37.6)	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**(31.6)**	**77.8**	**n.m.**
Treasury funds	4,086.8	4,000.7	-2.1%
AFS securities	2,571.8	1,762.0	-31.5%
Fixed assets (HTM & LR)	2,507.4	3,191.7	27.3%
Equity investments	1.4	0.0	n.m.
Loans and advances to customers	12,563.9	13,751.9	9.5%
Funding	20,999.9	22,082.7	5.2%
RWAs	10,808.1	11,498.5	6.4%
No. of staff	2,478	2,619	5.7%
No. of branches	188	190	1.1%
Cost/income ratio (%)	59.8	54.0	
NPLs/loans* (%)	0.9	1.0	
RORWA gross (annualized) (%)	n.m.	1.0	

* *Not including Cofactor third-party accounts*

RPB by segment - 12 mths to 30/6/11 (€m)	Consumer credit	Retail banking	Private banking	Total RPB
Net interest income	520.2	112.1	28.2	660.5
Net trading income	0.3	38.3	11.0	49.6
Net fee and commission income	166.8	7.1	71.6	245.5
Equity-accounted companies	0.0	0.0	0.0	0.0
Total income	**687.3**	**157.5**	**110.8**	**955.6**
Labour costs	(84.1)	(54.8)	(53.1)	(192.0)
Administrative expenses	(165.7)	(129.2)	(29.2)	(324.1)
Operating costs	**(249.8)**	**(184.0)**	**(82.3)**	**(516.1)**
Loan loss provisions	(302.3)	(20.8)	(0.4)	(323.5)
Provisions for other financial assets	0.0	0.0	(0.6)	(0.6)
Other income (losses)	0.0	0.0	0.0	0.0
Profit before tax	**135.2**	**(47.3)**	**27.5**	**115.4**
Income tax for the period	(44.1)	8.5	(2.0)	(37.6)
Minority interest	0.0	0.0	0.0	0.0
Net profit	**91.1**	**(38.8)**	**25.5**	**77.8**
Loans and advances to customers	8,926.9	4,102.6	722.4	13,751.9
RWAs	8,029.2	1,925.3	1,543.9	11,498.5
New loans	4,827.7	1,019.8	0.0	5,847.5
AUM	n.m.	n.m.	12,658.1	n.m.
No. of staff	1,341	923	355	2,619
No. of branches	146	44	n.m.	190.0
Cost/income ratio (%)	36.3	n.m.	74.3	54.0
NPLs/loans* (%)	0.8	1.5	0.2	1.0
RORWA gross (annualized) (%)	1.7	n.m.	1.8	1.0

* *Not including Cofactor third-party accounts*

RPB by segment - 12 mths to 30/6/10 (€m)	Consumer credit	Retail banking	Private banking	Total RPB
Net interest income	469.5	32.6	23.6	525.7
Net trading income	6.4	60.1	12.7	79.2
Net fee and commission income	162.9	5.6	71.5	240.0
Equity-accounted companies	(0.5)	0.0	0.2	(0.3)
Total income	**638.3**	**98.3**	**108.0**	**844.6**
Labour costs	(80.1)	(56.1)	(52.3)	(188.5)
Administrative expenses	(160.2)	(123.6)	(32.4)	(316.2)
Operating costs	**(240.3)**	**(179.7)**	**(84.7)**	**(504.7)**
Loan loss provisions	(336.5)	(23.0)	(1.3)	(360.8)
Provisions for other financial assets	0.0	0.0	(1.9)	(1.9)
Other income (losses)	0.0	0.0	5.2	5.2
Profit before tax	**61.5**	**(104.4)**	**25.3**	**(17.6)**
Income tax for the period	(39.6)	25.8	(0.2)	(14.0)
Minority interest	0.0	0.0	0.0	0.0
Net profit	**21.9**	**(78.6)**	**25.1**	**(31.6)**
Loans and advances to customers	8,271.0	3,545.8	747.1	12,563.9
RWAs	7,370.2	1,786.2	1,651.7	10,808.1
New loans	4,053.9	805.2	0.0	4,859.1
AUM	n.m.	n.m.	11,688.0	n.m.
No. of staff	1,295	845	338	2,478
No. of branches	146	42	n.m.	188
Cost/income ratio (%)	37.6	n.m.	78.4	59.8
NPLs/loans* (%)	0.8	1.2	0.4	0.9
RORWA gross (annualized) (%)	0.8	n.m.	1.5	n.m.

* *Not including Cofactor third-party accounts*

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

Head of
Company Financial Reporting

Massimo Bertolini