



**MEDIOBANCA**  
*Banca di Credito Finanziario S.p.A.*

## **Mediobanca Board of Directors' Meeting**

**Milan, 28 October 2011**



## **Financial statements for three months ended 30 September 2011 approved**

### **Effective corporate/retail diversification Capital, liquidity and asset quality preserved**

- ◆ **Three months marked by the ongoing sovereign debt crisis among peripheral EU member states, leading to weak financial markets and a feeble operating scenario, in corporate and investment banking in particular. In this scenario, helped by the enhanced diversification of activities, the Mediobanca Group has delivered positive results:**
  - ◆ **Net interest income grew 8% Y.o.Y.<sup>1</sup> and 4% Q.o.Q.<sup>2</sup> to reach €282m, due to repricing of loans and the good volume trend (up 9% Y.o.Y. and up 3% Q.o.Q.)**
  - ◆ **Net fee and commission income resilient, at €117m**
  - ◆ **Operating costs under control, at €197m: labour costs down slightly, by 0.5% Y.o.Y., despite growth in headcount (up 7% Y.o.Y.)**
  - ◆ **Further reduction in cost of risk to 115 bps (down 15 bps Y.o.Y., and down 5 bps Q.o.Q.)**
  - ◆ **Capital solidity and liquidity preserved:**
    - ◆ **Core tier 1 ratio: 11.1% (30/6/11: 11.2%)**
    - ◆ **Funding stable at over €51bn**
    - ◆ **Liquid financial assets approx. €17bn**
- ◆ **Adverse impact of markets on results for the quarter:**
  - ◆ **Losses on securities dealing of €12m (30/9/10: €80m profit)**
  - ◆ **Provisions to securities portfolio totalling €70m**
- ◆ **Group net profit €57m, helped by a healthy and growing contribution from the RPB area, compensating for the weakness of CIB**

---

<sup>1</sup>) Y.o.Y.: quarter July-September 2011 vs quarter July-September 2010.

<sup>2</sup>) Q.o.Q.: quarter July-September 2011 vs quarter April-June 2011.

---



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

### **Consolidated results**

The three months under review were marked by the major financial markets crisis and the ongoing weak operating scenario, for corporate and investment banking activity in particular.

In this scenario, helped *inter alia* by its enhanced business diversification, the Group delivered a solid performance in terms of revenues with an improving cost of risk, while capitalization, liquidity and asset quality all remained at high levels. Consolidated net profit of €56.8m, down sharply on the €127.6m profit recorded last year, largely reflects the poor results in securities income, with a trading loss of €2.9m (compared with a €72m profit twelve months previously) and the AFS securities portfolio down €85m (consisting of a €15.8m loss on disposals and €69.2m in provisions) due to the markets falling.

Total income for the three months reached €459.9m (30/9/10: €498.7m, down 8% Y.o.Y.), with the main items performing as follows:

- ◆ net interest income was up 7.5% Y.o.Y., from €262.1m to €281.8m, the increase being attributable to retail and private banking (which was up from €145m to €172.6m), with corporate and investment banking resilient at €110m (compared with €115.9m); net interest income also rose 4.2% Q.o.Q., due to a recovery in CIB on the back of asset repricing and higher volumes (up 3.5% Q.o.Q.);
- ◆ net fee and commission income were stable at €117.1m, reflecting a good performance in consumer credit (up from €41.3m to €43.7m) and wholesale banking (up from €62.9m to €63.9m);
- ◆ the aggregate profit earned by the equity-accounted companies improved, from €43.8m to €73m, with all the investee companies returning to profit;
- ◆ securities income was negative by €12m, representing the balance between the €2.9m trading loss (compared with a €72m profit last year), net losses on disposals of AFS securities totalling €15.8m (€1.8m), and dividends worth €6.7m (€5.8m).

Operating costs were up 4.6%, from €188m to €196.6m, as a result of higher administrative costs (up €9m) related to the increase in business volumes recorded by Compass and CheBanca! Indeed, labour costs declined slightly, from €101.3m to €100.8m, despite 7% growth in headcount year-on-year.

Loan loss provisions were down 8.5%, from €112.3m to €102.8m, stabilizing at the normalized levels recorded last quarter, following a general improvement involving all the main business areas: corporate finance was down from €19.4m to €17.9m, leasing from €5.6m to €5.3m, consumer finance from €79.6m to €74.6m, and retail banking from €7.7m to €5m.

Provisions for financial assets include further adjustment of €44.5m to cover exposure to Greek government securities, now booked at 50% of their nominal amount, plus €24.4m in provisions for AFS equities.

Turning now to the balance-sheet aggregates, the Group continues to be sound, liquid and with diversified funding sources. The various items performed as follows:

- ◆ loans and advances to customers at Group level were up 3.3%, from €36.2bn to €37.4bn, due to the positive trend in CIB business (up 3.5%, as a result of deals signed in the fourth quarter of the



last financial year), and a solid performance in the retail lending (up 5%) and consumer credit segments (up 1.8%);

- ◆ liquid financial assets (treasury funds, AFS, HTM and LR) remained at high levels (over €16.7bn), albeit lower than three months previously (€18.7bn), with the reduction in favour of loans and advances;
- ◆ funding was stable at €51.1bn (30/6/11: €51.7bn), reflecting the reduced use of the banking system (down from €4.7bn to €4.3bn) and the slight decrease in debt securities, from €34.5bn to €33.9bn; CheBanca! deposits were flat (up 1% to over €10.0bn).
- ◆ net equity fell from €6.5bn to €6.4bn, reflecting the adverse effect of the markets on valuation reserves, while core tier 1 capital was stable at €6.1bn. The Group's main capital ratios remained at high levels, with the core tier 1 ratio at 11.13% (30/6/11: 11.19%), and the total capital ratio at 14.10% (14.36%).

### **Divisional results**

#### **CIB: net interest income and volumes increasing**

- ◆ **Net interest income up 5% Q.o.Q. following asset repricing and temporary recovery in loans (up 3.5% vs end-June and 7.1% vs September 2010)**
- ◆ **Cost of risk falling (40 bps, down 10 bps Q.o.Q., down 5bps Y.o.Y.)**
- ◆ **Net result (€26m loss) affected by market crisis:**
  - ◆ **€12m losses on securities dealing**
  - ◆ **€70m in adjustments to securities portfolio, including €44m in writedowns to holdings of Greek government securities (now booked at 50% of nominal value)**

This division reported a net loss of €25.9m, compared with a €79.2m net profit last year, due chiefly to the performance in securities income, where an €11.8m loss was incurred (compared with a €72.9m profit last year) owing to the reduction in prices of the majority of financial instruments which affected all Eurozone countries, the peripheral member states in particular.

Total income declined from €243.3m to €168.9m, exclusively as a result of the lack of trading profits (€2.7m loss, versus a €69.9m profit last year), and higher losses on disposals of AFS securities totalling €15.8m (€3m). Conversely both net interest and fee income showed resilience during the quarter, at €115.9m (€110m) and €63.5m (€64.8m) respectively, and the equity-accounted companies returned a €5.9m profit (as against a €9m loss). Operating costs were largely stable (up from €80.8m to €81.1m), and loan loss provisions improved (down from €25m to €23.2m). The bottom line was also hit by higher provisions for financial assets, totalling €69.8m.

Turning to the balance-sheet aggregates, there was an increase in loans and advances to customers, up from €27,623.9m to €28,488.8m (including amounts lent to Group companies), against a reduction in treasury funds, from €9,469.5m to €9,155.5m, and in AFS securities (down from €6,550.5m to €6,041.5m); while funding was virtually stable at €45,145.1m (€44,908.2m).

#### **Principal Investing ("PI"): return to profit**

- ◆ **Net profit: €64m (30/9/10: €51m)**
- ◆ **Market value of investments: €2.5bn (€2.8bn based on current prices)**



---

The share of the investee companies' profits attributable to the Group improved, from €52.9m to €67.6m, due to a positive contribution from all the investments: Assicurazioni Generali added €63.3m (€46.3m), RCS MediaGroup €0.2m (€3m), and Telco €3.6m (€3.7m).

### **RPB: growth driver at Group level**

- ◆ **Net profit: €20m (30/9/10: €15m)**
- ◆ **Revenues: up 2% Y.o.Y. driven by net interest income (up 19% Y.o.Y.), levelling off at the previous quarter's levels**
- ◆ **Cost/income ratio 52%**
- ◆ **Cost of risk under control: loan loss provisions down 9% Y.o.Y., up 5% Q.o.Q.**

The profit earned by this division during the three months rose to €19.8m, from the €15m reported last year, due to higher revenues (up from €231.9m to €236.5m), as the increase in costs (from €115.1m to €123.7m) – linked to higher operating volumes at Compass and CheBanca! - was almost entirely offset by the reduction in loan loss provisions (from €87.3m to €79.6m).

### **Consumer credit: sustainable growth confirmed**

- ◆ Growth in new loans continues, up 23% Y.o.Y.
- ◆ Revenues up 5% Y.o.Y. and up 2% Q.o.Q., on net interest income flat Q.o.Q.
- ◆ Cost/income ratio stable at 35%
- ◆ Cost of risk down to 340 bps (from 390 bps at 30/9/10 and 345 bps at 30/6/11), with impaired assets declining (from €174.5m to €165m, 1.8% of total loans)
- ◆ Net profit doubled to €25m (from €13m at 30/9/10)

### **Retail banking: net interest income material but exposed to increase in cost of funding**

- ◆ Deposits stable at €10bn
- ◆ Revenues stable Y.o.Y. with net interest income more than doubling to reach €37m, offsetting the lower gains on disposals of AFS securities (€1m, vs €24m at 30/9/10). Net interest income fell 7% Q.o.Q., as a result of the return on deposits being raised over the summer months
- ◆ Costs €44m, stable at average of previous 4 quarters (€46m)
- ◆ Cost of risk stable at 50 bps
- ◆ Modest net loss of €7m (€5m)

### **Private banking: AUM up 5%**

- ◆ AUM €12.4bn, up 5% in the last year, with both companies delivering positive net inflows for the quarter:
  - ◆ Banca Esperia: €6.5bn, up 5% Y.o.Y. and down 5% Q.o.Q due to adverse market impact
  - ◆ CMB: €5.8bn, up 5% Y.o.Y. and up 1% Q.o.Q



- ◆ Net profit down to €2m (€6.9m), due to reduction in net interest income and securities income.

\*\*\*\*\*

Estimates for the current financial year continue to be strongly affected by the impact of the market crisis on financial asset valuations, and on the other main items related to the Group's core business (net interest income, fees and commissions and loan loss adjustments) most closely linked to the real economy's performance.

Against a scenario in which European banks are encountering increasing difficulties in refinancing their liabilities, Mediobanca's operations will give priority to capitalization and the liquidity base.

\*\*\*\*\*

The quarterly review of operations for the three months ended 30 September 2011 may be consulted by anyone requesting to do so at the company's head office and the offices of Borsa Italiana and on Mediobanca's website at [www.mediobanca.it](http://www.mediobanca.it) as from today.

Milano, 28 October 2011

*Investor Relations*

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

[jessica.spina@mediobanca.it](mailto:jessica.spina@mediobanca.it)

[luisa.demaria@mediobanca.it](mailto:luisa.demaria@mediobanca.it)

*Media Relations*

Tel. no.: (0039) 02-8829.627/319

[lorenza.pigozzi@mediobanca.it](mailto:lorenza.pigozzi@mediobanca.it)

[stefano.tassone@mediobanca.it](mailto:stefano.tassone@mediobanca.it)



#### Restated consolidated profit and loss account

Mediobanca Group (€ m)	3 mths to	3 mths to	Y.o.Y. chg. %
	30/9/10	30/9/11	
Net interest income	262.1	281.8	7.5%
Net trading income	79.7	(12.0)	n.m.
Net fee and commission income	113.1	117.1	3.5%
Equity-accounted companies	43.8	73.0	66.7%
<b>Total income</b>	<b>498.7</b>	<b>459.9</b>	<b>-7.8%</b>
Labour costs	(101.3)	(100.8)	-0.5%
Administrative expenses	(86.7)	(95.8)	10.5%
<b>Operating costs</b>	<b>(188.0)</b>	<b>(196.6)</b>	<b>4.6%</b>
Loan loss provisions	(112.3)	(102.8)	-8.5%
Provisions for other financial assets	(1.1)	(70.2)	n.m.
Other income (losses)	0.0	0.0	n.m.
<b>Profit before tax</b>	<b>197.3</b>	<b>90.3</b>	<b>-54.2%</b>
Income tax for the period	(68.1)	(32.3)	-52.6%
Minority interest	(1.6)	(1.2)	-25.0%
<b>Net profit</b>	<b>127.6</b>	<b>56.8</b>	<b>-55.5%</b>

#### Quarterly profit and loss accounts

Mediobanca Group (€ m)	FY 10/11				FY 11/12
	I Q	II Q	III Q	IV Q	I Q
	30/9/10	31/12/10	31/3/11	30/6/11	30/9/11
Net interest income	262.1	269.4	268.3	270.5	281.8
Net trading income	79.7	46.7	71.1	11.2	(12.0)
Net fee/commission income	113.1	152.8	139.4	115.0	117.1
Equity-accounted companies	43.8	66.4	53.4	39.4	73.0
<b>Total income</b>	<b>498.7</b>	<b>535.3</b>	<b>532.2</b>	<b>436.1</b>	<b>459.9</b>
Labour costs	(101.3)	(110.1)	(106.8)	(100.6)	(100.8)
Administrative expenses	(86.7)	(109.1)	(99.1)	(110.2)	(95.8)
<b>Operating costs</b>	<b>(188.0)</b>	<b>(219.2)</b>	<b>(205.9)</b>	<b>(210.8)</b>	<b>(196.6)</b>
Loan loss provisions	(112.3)	(107.1)	(101.5)	(27.9)	(102.8)
Provisions for other fin. assets	(1.1)	(18.8)	(0.1)	(255.5)	(70.2)
Other income (losses)	0.0	0.1	0.0	0.0	0.0
<b>Profit before tax</b>	<b>197.3</b>	<b>190.3</b>	<b>224.7</b>	<b>-58.1</b>	<b>90.3</b>
Income tax for the period	(68.1)	(54.1)	(67.4)	9.0	(32.3)
Minority interest	(1.6)	(0.9)	(1.3)	(1.2)	(1.2)
<b>Net profit</b>	<b>127.6</b>	<b>135.3</b>	<b>156.0</b>	<b>-50.3</b>	<b>56.8</b>



**Restated consolidated balance sheet**

Mediobanca Group (€ m)	30/9/10	30/6/11	30/9/11
<b>Assets</b>			
Treasury funds	12,729.7	8,608.0	7,029.4
AFS securities	8,117.8	7,749.9	7,213.0
<i>of which: fixed income</i>	6,525.5	6,092.3	5,773.2
<i>equities</i>	1,557.0	1,643.6	1,427.4
Fixed assets (HTM & LR)	1,455.8	2,308.1	2,407.5
Loans and advances to customers	34,313.9	36,225.6	37,411.1
Equity investments	3,313.1	3,156.1	3,210.3
Tangible and intangible assets	760.1	757.8	763.5
Other assets	1,299.3	1,376.7	1,330.7
<i>of which: tax assets</i>	872.4	967.0	1,063.9
<b>Total assets</b>	<b>61,989.7</b>	<b>60,182.2</b>	<b>59,365.5</b>
<b>Liabilities</b>			
Funding	53,427.2	51,712.9	51,118.5
<i>of which: debt securities in issue</i>	34,331.0	34,460.5	33,866.4
<i>retail deposits</i>	10,131.2	9,960.3	10,014.8
Other liabilities	1,561.2	1,258.9	1,490.7
<i>of which: tax liabilities</i>	692.7	565.8	565.9
Provisions	183.5	182.6	181.6
Net equity	6,690.2	6,659.2	6,517.9
<i>of which: share capital</i>	430.6	430.6	430.6
<i>reserves</i>	6,154.0	6,113.9	5,974.8
<i>minority interest</i>	105.6	114.7	112.5
Profit for the period	127.6	368.6	56.8
<b>Total liabilities</b>	<b>61,989.7</b>	<b>60,182.2</b>	<b>59,365.5</b>
Core tier 1 capital	N/A	6,156.1	6,153.2
Regulatory capital	N/A	7,899.1	7,796.2
RWAs	N/A	55,025.5	55,293.2

**Ratios (%) and per share data (€)**

Mediobanca Group (€ m)	30/9/10	30/6/11	30/9/11
Total assets/net equity	9.3	9.0	9.1
Loans/deposits	0.6	0.7	0.7
Core tier 1 ratio	N/A	11.2	11.1
Regulatory capital/RWAs	N/A	14.4	14.1
S&P rating	A+	A+	A
Cost/income ratio	37.7	41.1	42.7
NPLs/loans*	N/A	0.5	N/A
RORWA gross	N/A	1.0	0.2
RORWA net	N/A	0.7	0.1
EPS (€)	0.15	0.43	0.07
BVPS (€)	7.6	7.6	7.4
DPS (€)	-	0.17	-
No. of shares outstanding (millions)	861.1	861.1	861.1

\* Not including Cofactor third party accounts.





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

3 mths to 30/9/11 (€ m)	Corporate & investment banking	Principal investing	Retail & private banking	Group
Net interest income	110.0	(1.9)	172.6	281.8
Net trading income	(11.8)	0.0	2.5	(12.0)
Net fee and commission income	64.8	0.0	61.4	117.1
Equity-accounted companies	5.9	67.6	0.0	73.0
<b>Total income</b>	<b>168.9</b>	<b>65.7</b>	<b>236.5</b>	<b>459.9</b>
Labour costs	(55.8)	(1.3)	(46.5)	(100.8)
Administrative expenses	(25.3)	(0.7)	(77.2)	(95.8)
<b>Operating costs</b>	<b>(81.1)</b>	<b>(2.0)</b>	<b>(123.7)</b>	<b>(196.6)</b>
Loan loss provisions	(23.2)	0.0	(79.6)	(102.8)
Provisions for other financial assets	(69.8)	(0.1)	(0.3)	(70.2)
Other income (losses)	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	<b>(5.2)</b>	<b>63.6</b>	<b>32.9</b>	<b>90.3</b>
Income tax for the period	(19.5)	0.6	(13.1)	(32.3)
Minority interest	(1.2)	0.0	0.0	(1.2)
<b>Net profit</b>	<b>(25.9)</b>	<b>64.2</b>	<b>19.8</b>	<b>56.8</b>
Treasury funds	9,155.5	0.0	3,108.3	7,029.4
AFS securities	6,041.5	130.9	1,528.2	7,213.0
Fixed assets (HTM & LR)	4,100.1	0.0	4,128.8	2,407.5
Equity investments	366.8	2,770.7	0.0	3,210.3
Loans and advances to customers	28,488.8	0.0	14,152.7	37,411.1
<i>of which to Group companies</i>	5,223.3	0.0	0.0	0.0
Funding	(45,145.1)	(259.8)	(22,313.3)	(51,118.5)
RWAs	40,483.6	3,217.7	11,567.5	55,293.2
No. of staff	989	0	2,637*	3,491

\* Includes 135 staff employed by Banca Esperia pro-forma, not included in the Group total.



3 mths to 30/9/10 (€m)	Corporate & investment banking	Principal investing	Retail & private banking	Group
Net interest income	115.9	(2.1)	145.0	262.1
Net trading income	72.9	0.0	28.3	79.7
Net fee and commission income	63.5	0.0	58.6	113.1
Equity-accounted companies	(9.0)	52.9	0.0	43.8
<b>Total income</b>	<b>243.3</b>	<b>50.8</b>	<b>231.9</b>	<b>498.7</b>
Labour costs	(58.2)	(1.4)	(45.0)	(101.3)
Administrative expenses	(22.6)	(0.6)	(70.1)	(86.7)
<b>Operating costs</b>	<b>(80.8)</b>	<b>(2.0)</b>	<b>(115.1)</b>	<b>(188.0)</b>
(Rettifiche)/riprese di valore su crediti	(25.0)	0.0	(87.3)	(112.3)
Provisions for other financial assets	(0.8)	0.0	(0.3)	(1.1)
Other income (losses)	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	<b>136.7</b>	<b>48.8</b>	<b>29.2</b>	<b>197.3</b>
Income tax for the period	(55.9)	1.8	(14.2)	(68.1)
Minority interest	(1.6)	0.0	0.0	(1.6)
<b>Net profit</b>	<b>79.2</b>	<b>50.6</b>	<b>15.0</b>	<b>127.6</b>
Treasury funds	14,059.7	0.0	4,590.6	12,729.7
AFS securities	6,526.4	127.9	2,421.3	8,117.8
Fixed assets (HTM & LR)	1,455.1	0.0	2,693.7	1,455.8
Equity investments	386.2	2,869.9	0.0	3,313.1
Loans and advances to customers	25,206.1	0.0	12,603.6	34,313.9
<i>of which to Group companies</i>	3,488.2	0.0	0.0	0.0
Funding	44,448.6	259.8	21,633.4	53,427.2
RWAs	N/A	N/A	n.d	N/A
No. of staff	898	0	2,484*	3,261

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



### Corporate & investment banking

CIB (€ m)	3 mths to	3 mths to	Y.o.Y. chg.%
	30/9/10	30/9/11	
Net interest income	115.9	110.0	-5.1%
Net trading income	72.9	(11.8)	n.m.
Net fee and commission income	63.5	64.8	2.0%
Equity-accounted companies	(9.0)	5.9	n.m.
<b>Total income</b>	<b>243.3</b>	<b>168.9</b>	<b>-30.6%</b>
Labour costs	(58.2)	(55.8)	-4.1%
Administrative expenses	(22.6)	(25.3)	11.9%
<b>Operating costs</b>	<b>(80.8)</b>	<b>(81.1)</b>	<b>0.4%</b>
Loan loss provisions	(25.0)	(23.2)	-7.2%
Provisions for other financial assets	(0.8)	(69.8)	n.m.
Other income (losses)	0.0	0.0	n.m.
<b>Profit before tax</b>	<b>136.7</b>	<b>(5.2)</b>	<b>n.m.</b>
Income tax for the period	(55.9)	(19.5)	-65.1%
Minority interest	(1.6)	(1.2)	-25.0%
<b>Net profit</b>	<b>79.2</b>	<b>(25.9)</b>	<b>n.m.</b>
Treasury funds	14,059.7	9,155.5	-34.9%
AFS securities	6,526.4	6,041.5	-7.4%
Fixed assets (HTM & LR)	1,455.1	4,100.1	n.m.
Equity investments	386.2	366.8	-5.0%
Loans and advances to customers	25,206.1	28,488.8	13.0%
<i>of which to Group companies</i>	3,488.2	5,223.3	49.7%
Funding	44,448.6	45,145.1	1.6%
RWAs	N/A	40,483.6	n.m.
No. of staff	898	989	10.1%
Cost/income ratio (%)	33.2	48.0	
NPLs/loans (%)	N/A	0.2	
RORWA gross (annualized) (%)	N/A	n.m.	



CIB by segment - 3 mths to 30/9/11 (€m)	Wholesale	Leasing	Total CIB
Net interest income	93.2	16.8	110.0
Net trading income	(11.7)	(0.1)	(11.8)
Net fee and commission income	63.9	0.9	64.8
Equity-accounted companies	5.9	0.0	5.9
<b>Total income</b>	<b>151.3</b>	<b>17.6</b>	<b>168.9</b>
Labour costs	(51.5)	(4.3)	(55.8)
Administrative expenses	(22.5)	(2.8)	(25.3)
<b>Operating costs</b>	<b>(74.0)</b>	<b>(7.1)</b>	<b>(81.1)</b>
Loan loss provisions	(17.9)	(5.3)	(23.2)
Provisions for other financial assets	(69.8)	0.0	(69.8)
Other income (losses)	0.0	0.0	0.0
<b>Profit before tax</b>	<b>(10.4)</b>	<b>5.2</b>	<b>(5.2)</b>
Income tax for the period	(17.2)	(2.3)	(19.5)
Minority interest	0.0	(1.2)	(1.2)
<b>Net profit</b>	<b>(27.6)</b>	<b>1.7</b>	<b>(25.9)</b>
Loans and advances to customers	24,100.3	4,388.5	28,488.8
<i>of which to Group companies</i>	5,223.3	0.0	5,223.3
RWA	36,716.1	3,767.5	40,483.6
Erogato	n.m.	284.8	n.m.
No. of staff	782	207	989
No. of branches	n.s	12	n.s
Cost/income ratio (%)	48.9	40.3	48.0
NPLs/loans (%)	N/A	N/A	N/A
RORWA gross (annualized) (%)	n.m.	0.6	n.m.



CIB by segment - 3 mths to 30/9/10 (€m)	Wholesale	Leasing	Total CIB
Net interest income	97.9	18.0	115.9
Net trading income	72.9	0.0	72.9
Net fee and commission income	62.9	0.6	63.5
Equity-accounted companies	(9.0)	0.0	(9.0)
<b>Total income</b>	<b>224.7</b>	<b>18.6</b>	<b>243.3</b>
Labour costs	(53.9)	(4.3)	(58.2)
Administrative expenses	(19.8)	(2.8)	(22.6)
<b>Operating costs</b>	<b>(73.7)</b>	<b>(7.1)</b>	<b>(80.8)</b>
Loan loss provisions	(19.4)	(5.6)	(25.0)
Provisions for other financial assets	(0.8)	0.0	(0.8)
Other income (losses)	0.0	0.0	0.0
<b>Profit before tax</b>	<b>130.8</b>	<b>5.9</b>	<b>136.7</b>
Income tax for the period	(53.3)	(2.6)	(55.9)
Minority interest	0.0	(1.6)	(1.6)
<b>Net profit</b>	<b>77.5</b>	<b>1.7</b>	<b>79.2</b>
Loans and advances to customers	20,736.2	4,469.9	25,206.1
<i>of which to Group companies</i>	3,488.2	0.0	3,488.2
RWA	N/A	N/A	N/A
Erogato	n.m.	261.9	n.m.
No. of staff	691	207	898
No. of branches	n.m.	12	n.m.
Cost/income ratio (%)	32.8	38.2	33.2
NPLs/loans (%)	N/A	N/A	N/A
RORWA gross (annualized) (%)	N/A	N/A	N/A



### Principal investing

PI (€ m)	3 mths to	3 mths to	Y.o.Y. chg. %
	30/9/10	30/9/11	
Net interest income	(2.1)	(1.9)	-9.5%
Net trading income	0.0	0.0	n.m.
Net fee and commission income	0.0	0.0	n.m.
Equity-accounted companies	52.9	67.6	27.8%
<b>Total income</b>	<b>50.8</b>	<b>65.7</b>	<b>29.3%</b>
Labour costs	(1.4)	(1.3)	-7.1%
Administrative expenses	(0.6)	(0.7)	16.7%
<b>Operating costs</b>	<b>(2.0)</b>	<b>(2.0)</b>	<b>n.m.</b>
Loan loss provisions	0.0	0.0	n.m.
Provisions for other financial assets	0.0	(0.1)	n.m.
Other income (losses)	0.0	0.0	n.m.
<b>Profit before tax</b>	<b>48.8</b>	<b>63.6</b>	<b>30.3%</b>
Income tax for the period	1.8	0.6	n.m.
Minority interest	0.0	0.0	n.m.
<b>Net profit</b>	<b>50.6</b>	<b>64.2</b>	<b>26.9%</b>
AFS securities	127.9	130.9	2.3%
Equity investments	2,869.9	2,770.7	-3.5%
RWAs	N/A	3,217.7	n.m.



### Retail & private banking

RPB (€ m)	3 mths to	3 mths to	Y.o.Y. chg. %
	30/9/10	30/9/11	
Net interest income	145.0	172.6	19.0%
Net trading income	28.3	2.5	-91.2%
Net fee and commission income	58.6	61.4	4.8%
Equity-accounted companies	0.0	0.0	n.m.
<b>Total income</b>	<b>231.9</b>	<b>236.5</b>	<b>2.0%</b>
Labour costs	(45.0)	(46.5)	3.3%
Administrative expenses	(70.1)	(77.2)	10.1%
<b>Operating costs</b>	<b>(115.1)</b>	<b>(123.7)</b>	<b>7.5%</b>
Loan loss provisions	(87.3)	(79.6)	-8.8%
Provisions for other financial assets	(0.3)	(0.3)	0.0%
Other income (losses)	0.0	0.0	n.m.
<b>Profit before tax</b>	<b>29.2</b>	<b>32.9</b>	<b>12.7%</b>
Income tax for the period	(14.2)	(13.1)	-7.7%
Minority interest	0.0	0.0	n.m.
<b>Net profit</b>	<b>15.0</b>	<b>19.8</b>	<b>32.0%</b>
Treasury funds	4,590.6	3,108.3	-32.3%
AFS securities	2,421.3	1,528.2	-36.9%
Fixed assets (HTM & LR)	2,693.7	4,128.8	53.3%
Equity investments	0.0	0.0	n.m.
Loans and advances to customers	12,603.6	14,152.7	12.3%
Funding	21,633.4	22,313.3	3.1%
RWAs		11,567.5	n.m.
No. of staff	2,484	2,637	6.2%
No. of branches	188	190	1.1%
Cost/income ratio	49.6	52.3	5.4%
NPLs/loans* (%)	N/A	N/A	
RORWA gross (annualized) (%)	N/A	1.1	

\* Not including Cofactor third-party accounts.



RPB by segment - 30/9/11	Consumer credit	Retail banking	Private banking	Total RPB
(€ m)				
Net interest income	130.0	37.3	5.3	172.6
Net trading income	0.2	0.7	1.6	2.5
Net fee and commission income	43.7	2.2	15.5	61.4
Equity-accounted companies	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>173.9</b>	<b>40.2</b>	<b>22.4</b>	<b>236.5</b>
Labour costs	(19.4)	(14.4)	(12.7)	(46.5)
Administrative expenses	(40.8)	(29.2)	(7.2)	(77.2)
<b>Operating costs</b>	<b>(60.2)</b>	<b>(43.6)</b>	<b>(19.9)</b>	<b>(123.7)</b>
Loan loss provisions	(74.6)	(5.0)	0.0	(79.6)
Provisions for other financial assets	0.0	0.0	(0.3)	(0.3)
Other income (losses)	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	<b>39.1</b>	<b>(8.4)</b>	<b>2.2</b>	<b>32.9</b>
Income tax for the period	(14.1)	1.0	0.0	(13.1)
Minority interest	0.0	0.0	0.0	0.0
<b>Net profit</b>	<b>25.0</b>	<b>(7.4)</b>	<b>2.2</b>	<b>19.8</b>
Loans and advances to customers	9,084.4	4,307.7	760.6	14,152.7
RWA	8,104.4	1,912.6	1,550.5	11,567.5
New loans	1,266.6	296.4	0.0	1,563.0
AUM	n.m.	n.m.	12,365.9	n.m.
No. of staff	1,347	934	356	2,637
No. of branches	146	44	n.m.	190.0
Cost/income ratio (%)	34.6	n.m.	n.m.	52.3
NPLs/loans* (%)	N/A	N/A	N/A	N/A
RORWA gross (annualized) (%)	1.9	n.m.	0.6	1.1

\* Not including Cofactor third-party accounts.





RPB - by segment - 30/9/10	Consumer credit	Retail banking	Private banking	Total RPB
(€ m)				
Net interest income	123.6	14.1	7.3	145.0
Net trading income	0.2	24.1	4.0	28.3
Net fee and commission income	41.3	1.8	15.5	58.6
Equity-accounted companies	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>165.1</b>	<b>40.0</b>	<b>26.8</b>	<b>231.9</b>
Labour costs	(20.2)	(12.4)	(12.4)	(45.0)
Administrative expenses	(37.9)	(25.1)	(7.1)	(70.1)
<b>Operating costs</b>	<b>(58.1)</b>	<b>(37.5)</b>	<b>(19.5)</b>	<b>(115.1)</b>
Loan loss provisions	(79.6)	(7.7)	0.0	(87.3)
Provisions for other financial assets	0.0	0.0	(0.3)	(0.3)
Other income (losses)	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	<b>27.4</b>	<b>(5.2)</b>	<b>7.0</b>	<b>29.2</b>
Income tax for the period	(14.7)	0.6	(0.1)	(14.2)
Minority interest	0.0	0.0	0.0	0.0
<b>Net profit</b>	<b>12.7</b>	<b>(4.6)</b>	<b>6.9</b>	<b>15.0</b>
Loans and advances to customers	8,367.1	3,584.7	651.8	12,603.6
RWAs	N/A	N/A	N/A	N/A
New loans	1,026.1	151.2	0	1,177.3
AUM	n.m.	n.m.	11,771	n.s
No. of staff	1,301	843	340	2,484
No. of branches	146	42	n.m.	188
Cost/income ratio (%)	35.2	n.m.	72.8	49.6
NPLs/loans* (%)	N/A	N/A	N/A	N/A
RORWA gross (annualized) (%)	N/A	N/A	N/A	N/A

\* 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