MEDIOBANCA

FY20 RESULTS
AS AT 30 JUNE 2020

Milan, 30 July 2020

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Agenda

Annexes

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STEADY, CONSISTENT PROGRESS MADE IN IMPLEMENTING BP19-23

Covid-19 impact managed successfully, confirming validity of business model:

MB strongly positioned in resilient segments: households & large-mid caps and fee-driven capital light businesses

MB moved from emergency situation to providing continuous support to staff, clients and community

IT investments in digitalization and automation accelerated

4Q results above expectations

Positive market and customer trends supporting faster than expected recovery in business

4Q ordinary earnings sufficient to cover FY20 one-off charges (€285m), 80% Covid related, 80% in 4Q20

Growth confirmed: €606m revenues (up 4% QoQ), €217m net profit adjusted

Solid FY20 results

Revenues resilient at €2.5bn, with NII and fees up 3%

CoR at 82bps (+30bps YoY), Gross NPLs/Ls ~ 4%

Net profit at €600m - adjusted €887m

ROTE adjusted 10%

CET1 at 16.1%[1] (+200bps YoY) with DPS20 = 0 (as ECB guidelines)

BP19-23 strategy, targets and shareholders' remuneration policy confirmed now also factoring in Covid

Targeting industry-leading performance in term of growth and shareholders remuneration

CSR/ESG strategy: delivery ongoing

1) CET1 phase-in. CET1 FL @14.5% (without Danish Compromise ~145bps and with IFRS9 fully phased ~15bps)

...IN THE NEW MACRO ENVIRONMENT

Macro factors

Covid-19 & lockdown deeply impacting GDP globally

Gradual restart from May supported by economic/tax stimuli

TLTRO III & favourable monetary stance

Economic and sector trends

Financial markets recovering[1]			
BTP Spread	Itraxx	VIX	Euro Stoxx
+115bps Jan-Mar20 +15bps YtD	+95bps Jan-Mar20 +15bps YtD	+6x Jan- Mar20 +80% YtD	-33% Jan-Mar20 -13% YtD

Households	Corporates
Good recovery in mortgages and consumer lending business Saving mix moving again towards AUM/AUA	Gradual recovery in CIB business Covid-19 impact differentiated between sectors, SMEs and large caps

New Macro estimates vs BP19-23 scenario

New scenario				
	2020[2]	2021[2]	2022[2]	2023[2]
IT GDP	(10.4%)	+4.3%	+3.0%	+1.6%
EA GDP	(9.2%)	+4.0%	+3.5%	+2.3%
BTP-Bund spread	180bps	173bps	206bps	217bps
Euribor 3M[3]	(0.4%)	(0.4%)	(0.4%)	(0.4%)
IT 10Y yield	1.37%	1.45%	1.94%	2.40%

Scenario in Nov19 at BP19-23 approval				
	2020[2]	2021[2]	2022[2]	2023[2]
IT GDP	0.3%	0.4%	0.6%	0.7%
EA GDP	1.0%	1.2%	1.2%	1.2%
BTP-Bund spread	144bps	163bps	185bps	195bps
Euribor 3M[3]	(0.6%)	(0.6%)	(0.6%)	(0.5%)
IT 10Y yield	0.8%	1.2%	1.6%	1.9%

1) Source: Bloomberg, 27th July 2020
2) IT and EA GDP annual % change as at the end of December; BTP-Bund spread, Euribor 3M and IT 10Y yield as at the end of June
3) Previous four quarters 'average

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SOLID 4Q/FY20 RESULTS: SNAPSHOT

Mediobanca Group – FY results: 12M as at June (€)			
Revenues	Cost/income	CoR	ROTE adj
FY20: 2.5bn FY19: 2.5bn	FY20: 47% FY19: 46%	FY20: 82bps FY19: 52bps	FY20: 10% FY19: 10%
EPS	EPS adj[1]	BVPS	DPS
FY20: 0.68 FY19: 0.93	FY20: 1.00 FY19: 0.97	FY20: 10.9 FY19: 10.6	FY20: 0.00 FY19: 0.47

Mediobanca Group – 4Q: 3M as at June (€)			
Revenues	CoR	ROTE adj	CET1 ratio
4Q20: €606m 3Q20:€ 582m	4Q20:141bps 3Q20: 85bps	4Q20: 10% 3Q20: 8%	4Q20: 16.1% 3Q20: 13.9%

Wealth Management – FY results: 12M as at June (€)			
Revenues	Net profit	TFA / NNM	ROAC
FY20: 584m FY19: 547m	FY20: 80m FY19: 71m	FY20: 64 / 3bn FY19: 61 / 5bn	FY20: 19% FY19: 16%
Consumer Banking			
Revenues	Net profit	CoR	ROAC
FY20: 1,071m FY19: 1,027m	FY20: 297m FY19: 336m	FY20: 247bps FY19: 185bps	FY20: 31% FY19: 30%
Corporate & Investment Banking			
Revenues	Net profit	CoR	ROAC
FY20: 575m FY19: 627m	FY20: 181m FY19: 266m	FY20: 11bps FY19: (21)bps	FY20: 13% FY19: 15%

Wealth Management

Strong NNM capability both in Affluent & Private

Margin improvement

Ongoing distribution and service enhancement

Consumer Banking

Covid impact only temporary:
New loans back to 60% of pre-Covid levels, early risk indicators trends towards normalization, moratoria under control

Revenues and profitability remain high

Corporate & Investment Banking

Pipeline fast rebuilding after lockdown

Covid impact manageable: macro model update has confirmed strong book quality and low exposure to sectors highly impacted by pandemic

Holding Functions

Comfortable funding and liquidity position, benefiting from normalization of drawn lines and larger TLTRO/deposits

Cost control

1) Earning per share excluding items stemming from Covid emergency, impairments on equity stakes and securities, and other positive/negative one-off items; *normalized tax rate = 33%. For PB and AM normalized tax rate = 25%. For PI 2%*

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BP19/23 STRATEGY, SHAREHOLDERS' REMUNERATION, TARGETS CONFIRMED, NOW INCLUDING COVID IMPACT

Shift to capital-light fee business

Revenue growth in a challenging environment

Enhanced return to shareholders

Targeting industry-leading performance

Revenues growth	Earnings growth	Profitability growth	CET1 ratio progressively optimized at 13.5% throughout 2023 with a mix of cash dividend and share buyback
+4% CAGR[1]	+4% EPS CAGR[1]	ROTE23 @11%	

CAPITAL MANAGEMENT POLICY

DPS20 = 0, in accordance with ECB recommendation

CET1 ratio progressively optimized at 13.5% throughout 2023

Capital buffer in 2021-22 to cope with Covid

Shareholders' remuneration policy as approved in BPlan23 will resume as from next financial year, as a mix of cash dividend and share buybacks to optimize capital ratios, the size and mix of which will be set annually depending on speed of recovery post Covid and on Mediobanca stock price (P/BV multiple)

1) 4YCAGR 19/23, including treasury shares cancellation (subject to ECB authorization)

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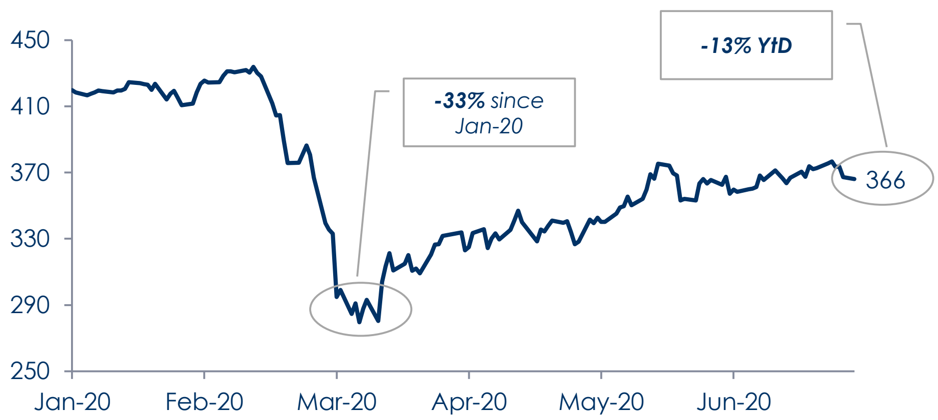
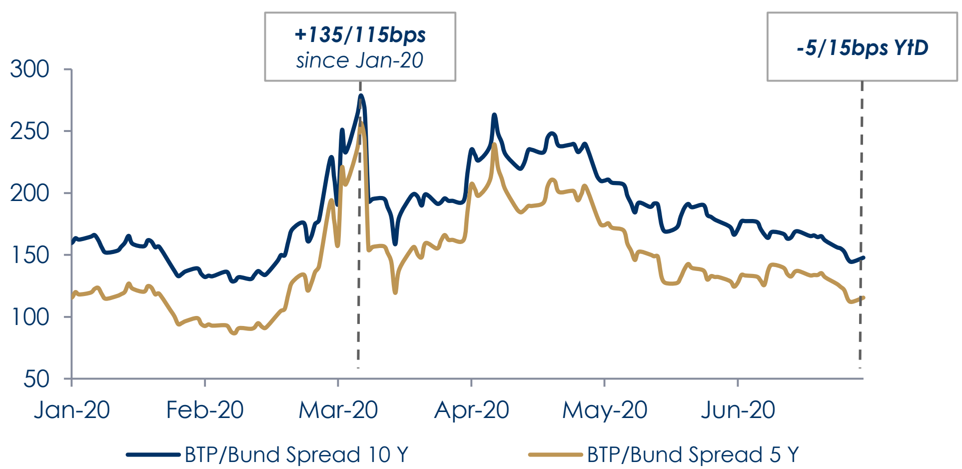
FINANCIAL MARKETS RECOVERING NICELY…

Euro Stoxx 600

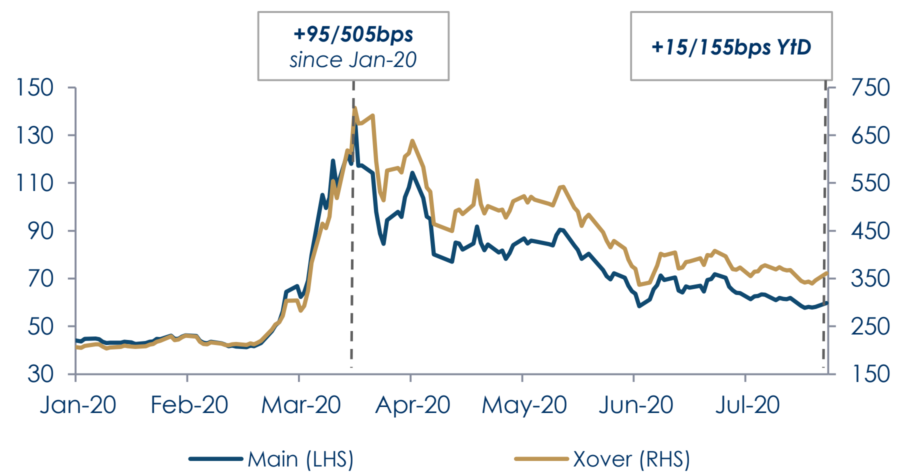


VIX

BTP/Bund spread 5Y and 10Y (bps)



iTraxx Main and Xover[1] (bps)



Source: Bloomberg, 27 July 2020

1) iTraxx Main: Index consisting of 125 CDS of European IG corporates; Itraxx Xover: Index consisting of 75 CDS of the most liquid sub-IG European corporates

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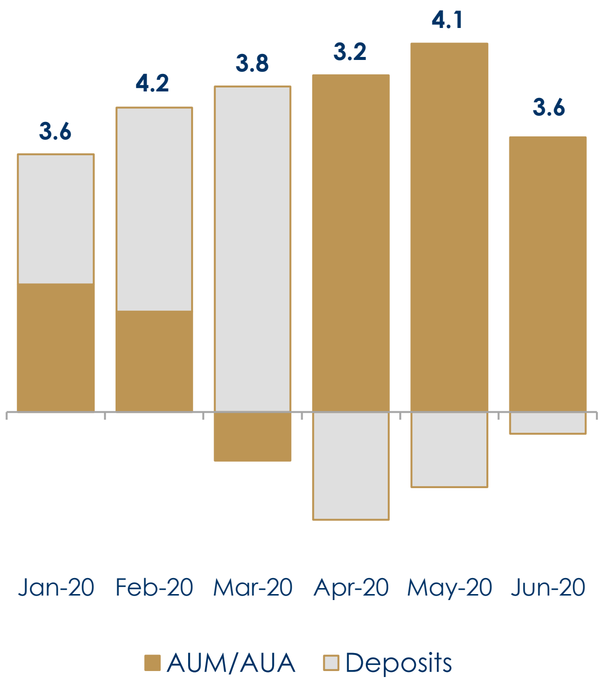
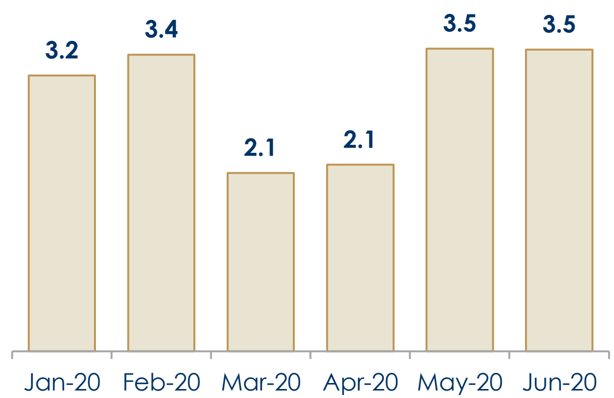
…AS IS ITALIAN HOUSEHOLDS' BEHAVIOUR

TFA	MORTGAGE	CONSUMER LENDING
Net New Money mix switched to AUM/AUA Strong, proven advisors' capability in assisting clients in their long-term investment plans	**New business back to pre-Covid levels since end of lockdown**	**New business recovering fast since the end of lockdown, now back to ~90% of pre-Covid levels**

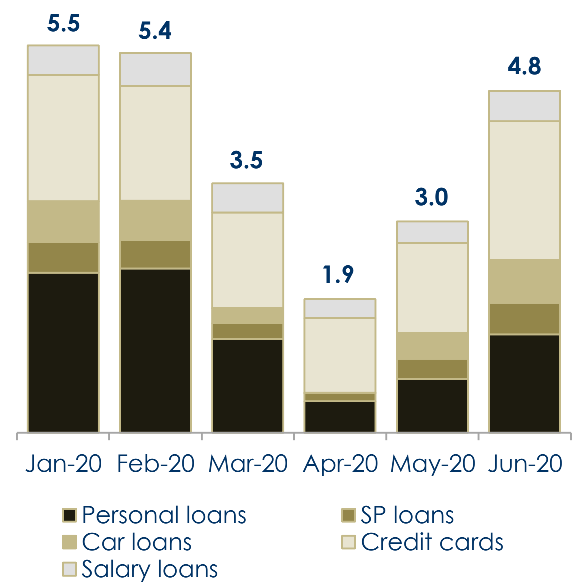
NNM trend per month
€ bn, source Assoreti



New loans trend by month
€ bn, source Assofin



New loans trend by month
€ bn, source Assofin



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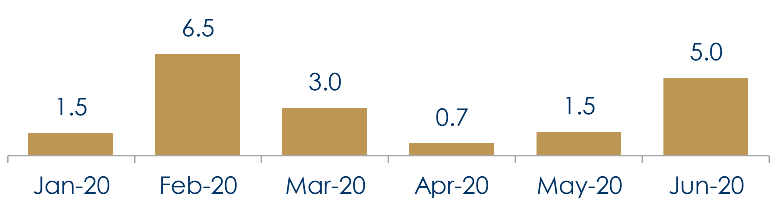
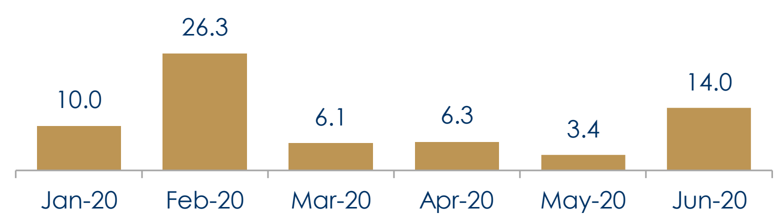
SOME UPTURN OF ACTIVITY ALSO IN IB INDUSTRY

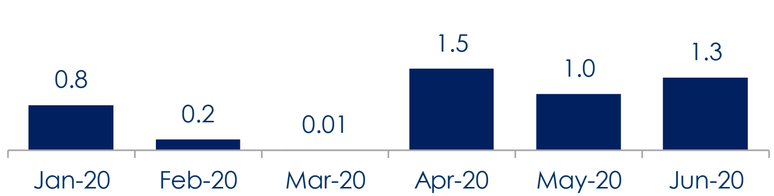
	Italy ($bn, announced)	Core Markets ($bn, announced)

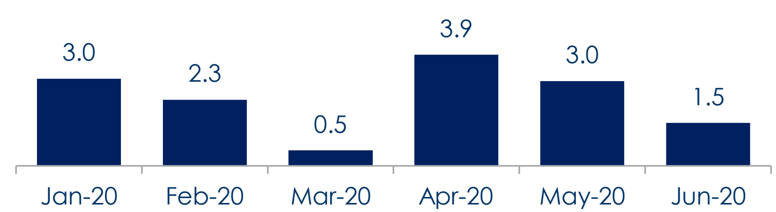
M&A recovery ground to a halt in Mar20, with deals delayed or suspended. **Apparently "V shaped" recovery in Jun20**



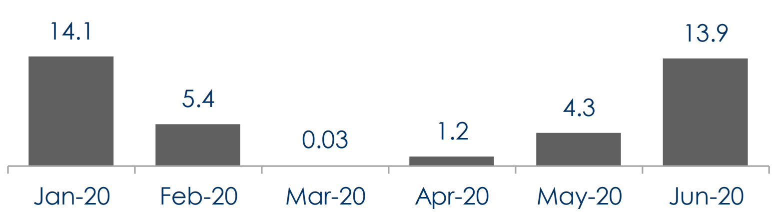


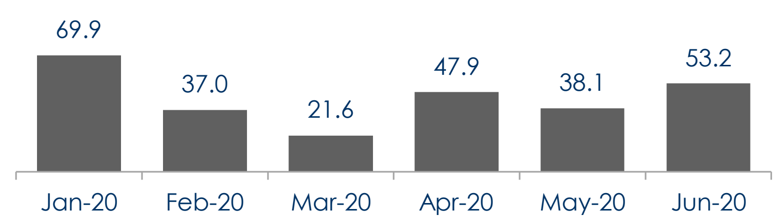
ECM activity began to pick up in Apr20, due to limited number of relevant-sized deals in the EQL and ABB space, IPO market opened in June





DCM showed resilience in core markets, while Italy suffered from strong volatility, now recovering

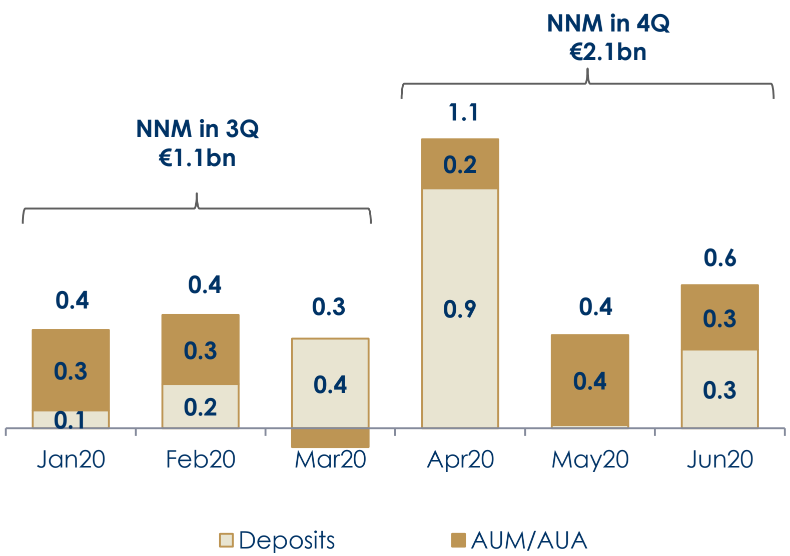




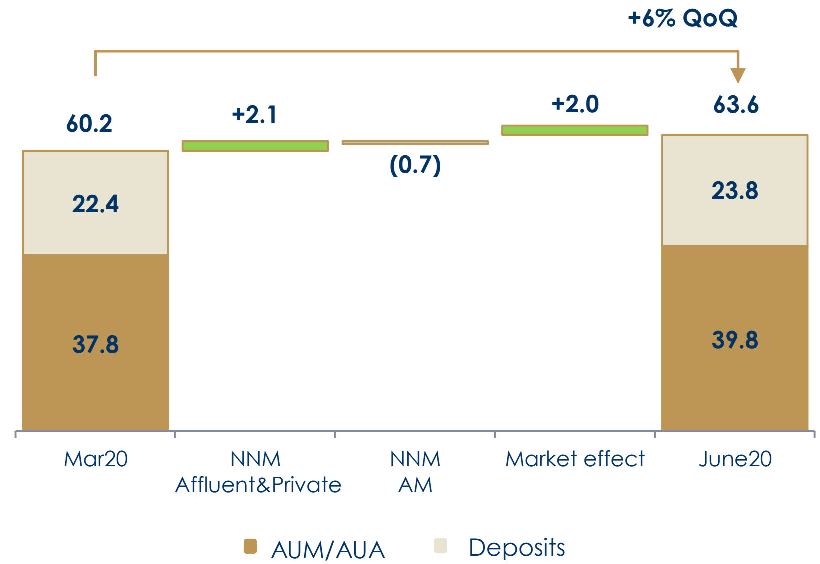
Sources: Dealogic, Thomson Reuters as of June 2020
Core Markets include Italy, France, Spain, Portugal and Greece

MEDIOBANCA MONTHLY ACTIVITY: WM TREND CONFIRMED AS SOLID…

Net New Money by product
(Affluent & Private, €bn)



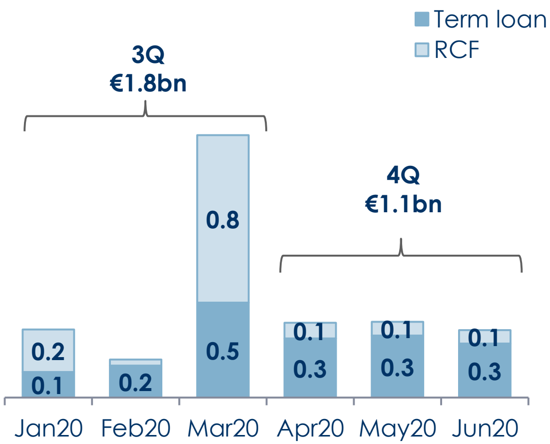
TFAs trend (€bn)



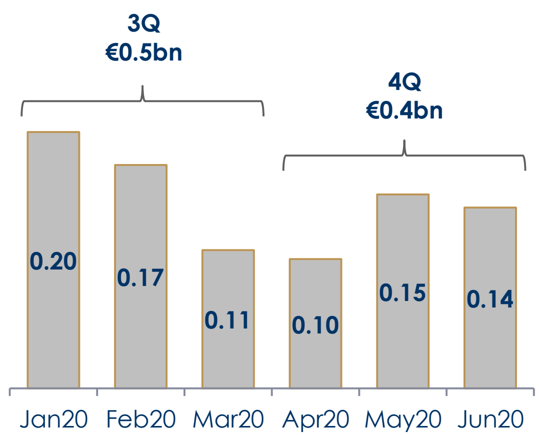
- **Solid NNM in the Affluent & Private segment (€2.1bn in 4Q), with mix gradually improving from "liquidity peak" (April) to AUM**
  - **Affluent: €0.9bn NNM,** ow €0.7bn in AUM/AUA
  - **Private: €1.2bn NNM**, with still high liquidity component (€1.0bn)
- **Outflows in AM** (€0.7bn in 4Q) **not linked to Covid** but to ongoing customer optimization (outflow of certain unprofitable institutional mandates by MB SGR for €0.5bn) and continuing trend in systematic funds (outflow of €0.2bn)
- **TFAs up 6% QoQ to €64bn**, backed by NNM (€2.1bn) and partial recovery of markets (€2.0bn)

...WITH CORPORATE & RETAIL TOWARDS NORMALIZATION FASTER THAN EXPECTED

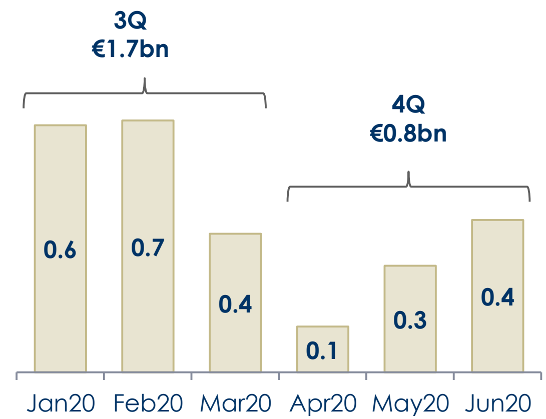
Corporate new loans (€bn)



Mortgages new loans (€bn)



Consumer new loans (€bn)



- **Corporate lending: back to pre-Covid levels**, with normalizing RCF
- **Mortgages:** demand more than halved in April 2020, **but recovering since then**
- **Consumer credit: new loan activity at 60% of pre-Covid level,** vs low of 20% in April (full lockdown). **Compass recovery** slower **than market due to different product mix** (Compass more present in PP, less in salary-backed loans) **and more stringent acceptance guidelines for risk control**

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NO WORRIES ON ASSET QUALITY

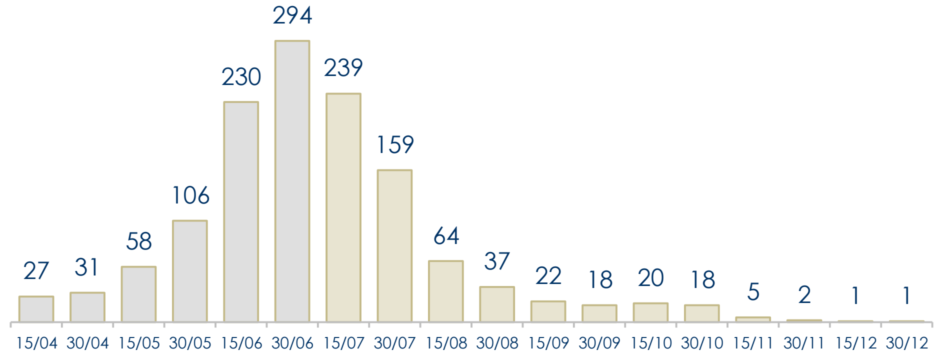
Loans under moratoria

Gross carrying amount (€bn, June20)[1]					
	Total granted	o/w expired	<3M	>3M <6M	>6M
MB Group	**2.6**	**0.7**	**40%**	45%	15%
Consumer	**1.3**	**0.7**	**90%**	10%	-
Mortgage	**0.6**	**-**	**40%**	20%	40%
Leasing	**0.7**	**-**	**-**	100%	-

Details on Consumer Banking moratoria (€m)

Expired €0.7bn o/w 85% back to regular payments

Outstanding: €0.6bn



Date on which the client is obliged to resume making repayments (they have 30 days to do so). If they do not, either they become non-payers or they have to apply for a second moratorium.

- **Loans under moratoria: €2.6bn at Group level (5% of total group loans)** of which €1.3bn in Consumer (9% of Consumer loan book), €0.6bn in mortgage (5% of mortgage book), € 0.7bn in leasing (35% of leasing book)
- **Moratoria already expired: ~30% at Group level, but ~50% at Consumer Banking level. Short duration**
- **Consumer: short duration (90% of outstanding <3M), early risk indicators back to normal level after spring spike, 85% of customers under moratoria have resumed making regular repayments**
- **In CIB, positive signals: UTP loans still decreasing** (from €642m in FY19 to €519m in FY20, down 19% YoY) due to reclassification as "performing"; **macro scenario update: manageable impact** (~€40m out of €18bn performing loan book), due to quality of exposures
- **Leasing: €0.7bn, ow. 90% granted under laws**; the moratoria will 100% expire within six months; to date the asset quality has been maintained: 90% of the clients involved have shown no deterioration in credit risk.
- **Mortgages: €0.6bn, ow. 90% granted under laws**. On total amount €36m have been reclassified from stage 1 to stage 2 €5m from stage 2 to stage 3.

1) Including moratoria outside law decrees/associations of categories agreements

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4Q ORDINARY PROFITS SUFFICIENT TO COVER ALL ONE-OFF FY20 ITEMS

One-off items and Covid-19 impact

One-off items €m			€m
PI	Income from AG		(45)
	Seed K valuation		(20)
CIB	Trading losses		(45)
	LLPs	(110)	(40)
Consumer	LLPs		(65)
WM - Leasing	LLPs		(5)
Covid impact			**(220)**
	RAM impairment		(65)
Total one-offs			**(285)**

4Q/FY20 results

MB Group €m	FY19	FY20	FY20 adj.[1]	Var % adj. 19/20	Var % 19/20	4Q20 stated	4Q20 adj.[1]
Revenues	**2,525**	**2,513**	**2,605**	**+3%**	**-**	**606**	**650**
- NII & Fees	2,007	2,072	2,075	+3%	+3%	503	505
- Trading, AG	518	441	530	+2%	-15%	102	145
GOP	**1,363**	**1,324**	**1,415**	**+4%**	**-3%**	**308**	**350**
LLPs	(223)	(375)	(265)	+19%	+68%	(165)	(65)
Other	(56)	(154)	(70)	+25%	+3x	(65)	-
PBT	**1,084**	**795**	**1,080**	**-**	**-27%**	**77**	**285**

- **FY20 results impacted by €285m in non-recurring items**, ow **80% related to Covid and 80% booked in 4Q**
- **€110m related to LLPs** (new scenario adoption, increased coverage of performing loans)
- **A single quarter of earnings** (€285m PBT adj in Q4) **sufficient to cover impact of non-recurring items for FY**
- **FY20 results adjusted** for non-recurring one-offs alone **show growth in revenues** (up 3%) and **GOP** (up 4%), **flat PBT**

1) Rounded numbers

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SOLID 4Q/FY20 RESULTS

4Q - Group results

Section 2

Financial results

€m	12m June20	Δ YoY[1]	4Q June20	3Q Mar20	4Q June19
Total income	**2,513**	**-0%**	**606**	**582**	**641**
Net interest income	1,442	3%	361	360	349
Fee income	630	3%	143	159	150
Net treasury income	136	-31%	48	(3)	46
Equity accounted co.	304	-5%	55	66	96
Total costs	**(1,189)**	**2%**	**(298)**	**(300)**	**(309)**
GOP	**1,324**	**-3%**	**308**	**282**	**332**
Loan loss provisions	(375)	68%	(165)	(100)	(61)
Write downs/ups on financial assets	(21)	n.m.	12	(41)	4
Other[2]	(133)	n.m.	(77)	(41)	(17)
PBT	**795**	**-27%**	**77**	**101**	**258**
Net profit	**600**	**-27%**	**48**	**85**	**197**
Net profit adjusted[3]	**887**	**+3%**	**217**		
TFA - €bn	**63.6**	+4%	63.6	60.2	61.4
Customer loans - €bn	**46.7**	+5%	46.7	47.4	44.4
Funding - €bn	**54.9**	+7%	54.9	53.9	51.4
RWA - €bn	**48.0**	+4%	48.0	47.3	46.3
Cost/income ratio (%)	**47**	+1pp	49	52	48
Cost of risk (bps)	**82**	+30bps	141	85	56
Gross NPLs/Ls (%)	**4.1%**		4.1%	3.8%	3.9%
ROTE adj. (%)	**10%**	-	10%	8%	10%
CET1 ratio phased-in (%)	**16.1%**	+200bps	16.1%	13.9%	14.1%

Highlights

Impressive 4Q20 results, above expectations

- **Strong resilience in revenues**
  - NII stable with impressive trend in Consumer B. despite Covid
  - Trading income shows full recovery vs negative 3Q
  - Limited slowdown in fees despite lower avg. AUM in WM and reduced insurance products sale in Consumer
  - PI: AG impairment taken in 3Q partially recovered
- **Costs firmly under control,** flat QoQ, **despite seasonality**
- **Cautious approach to risk**
  - CoR peaking at 141bps (3x pre-Covid level) due to new macro assumptions and substantial front-loading in Consumer
  - Asset clean-up: non-operating charges of €65m taken, to reflect impairment of RAM investment with a broadly neutral impact on CET1 (+6bps relative to minorities)
- **CET1 phased-in up 220bps QoQ at 16.1%**

Solid FY20 Group results with distinctive KPIs confirmed

- Revenues flat (up 3% adjusted), with NII and fees up 3%
- Net profit down 27%, but up 3% adjusted
- ROTE at 10%
- Cost/income ratio at 47%
- Excellent asset quality, with gross NPLs at 4.1% of loans

1) YoY: 12m June20 / 12m June19
2) Including SRF/DGS provisions (€60m) and RAM impairment (€65m)
3) Excluding items stemming from Covid emergency, systemic fund provisions, impairments on equity stakes and securities, and other positive/negative one-off items; *normalized tax rate = 33%. For PB and AM normalized tax rate = 25%. For PI 2%*

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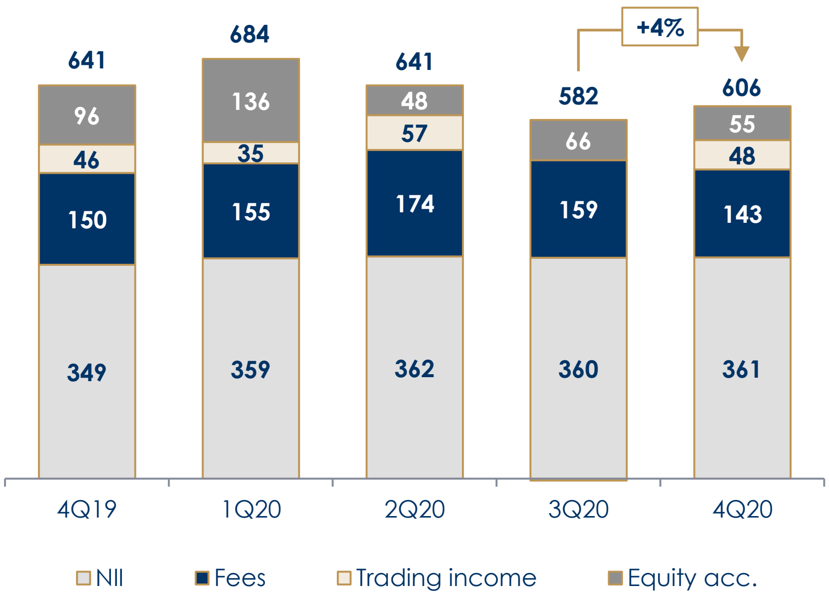
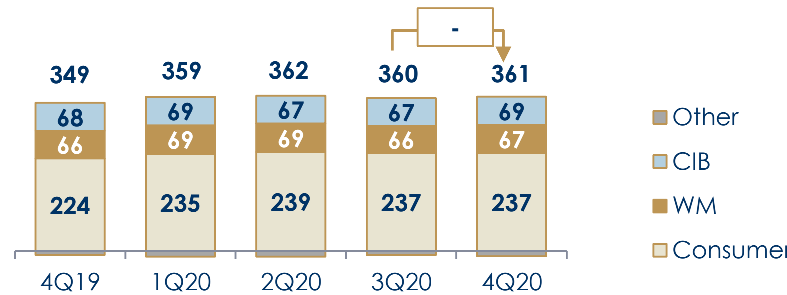
RESILIENT CORE REVENUES

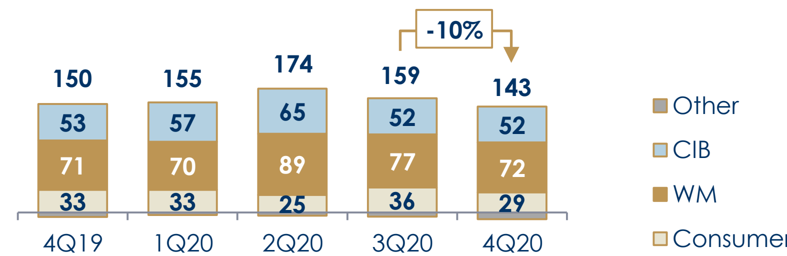
Group revenues trend by source (€m, 3M)



NII trend by division (€m, 3M)



Fees trend by division (€m, 3M)



- **Revenues at €606m (up 4% QoQ), with NII and fees resilient, trading recovering :**
  - **NII at €361m** (stable QoQ and up 3% YoY), with high resilience of margins, favourable cost of funding trend, Consumer Banking volumes holding up better than expected thanks to faster recovery of new business
  - **Fees at €143m,** with slowdown (down 10% QoQ, down 5% YoY) due to lower WM average balances, and lower insurance product distribution in Consumer Banking
  - **Trading back to €48m** (minus €3m in 3Q), **offsetting AG lower contribution** (down 17% QoQ)

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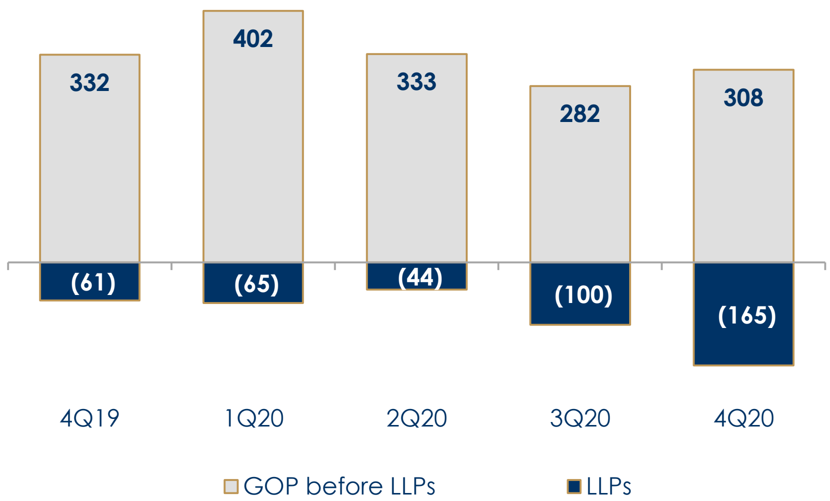
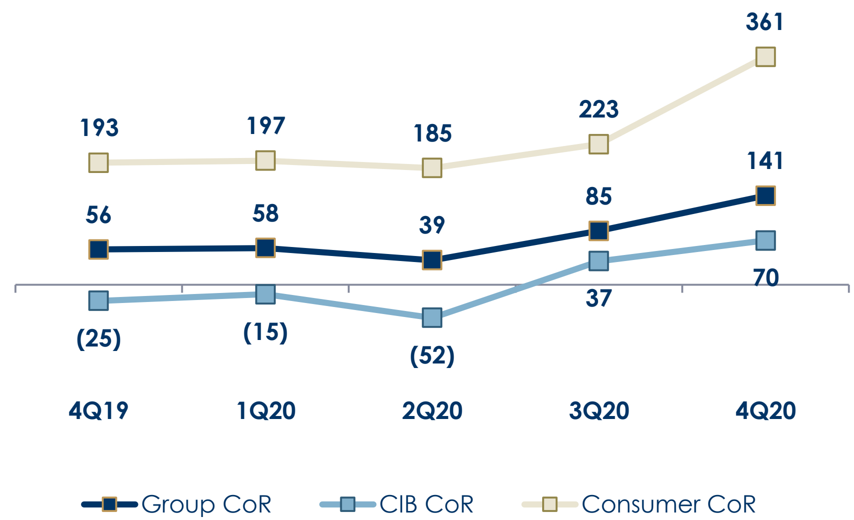
GOP COMFORTABLY ABLE TO COVER COR SPIKE

Group GOP and LLPs (€m, 3M)



Cost of risk by segment (bps)

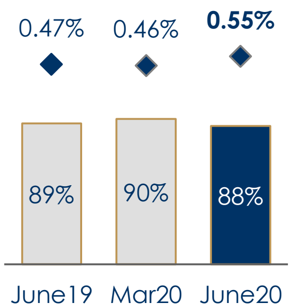


- **Sound GOP generation comfortably sufficient to cover LLPs 3-4x higher than pre-Covid levels**
- **Group cost of risk up to 141bps in 4Q, reflecting:**
  - **Update of macro scenario**, producing ~€40m additional LLPs in CIB to increase coverage of performing loans (stage 1 and 2) to new default rates
  - **Doubling of CoR in Consumer Banking** (from 193bps in 4Q19 to 361bps in 4Q20) **with coverage ratios up in performing loans** (from 2.8% as at March20 to 3.2%)

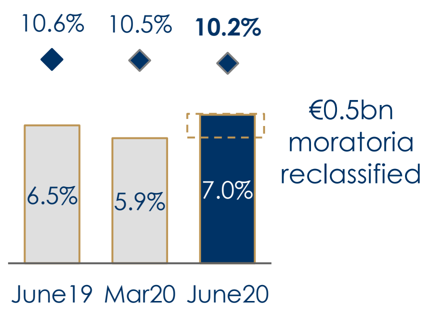
ASSET QUALITY REMAINS EXCELLENT, PROVISIONING CONSERVATIVE

Mediobanca: coverage ratios remain rigorous post-Covid-19, with increase in stage 2 largely due to moratoria

"Performing" - Stage 1[2]

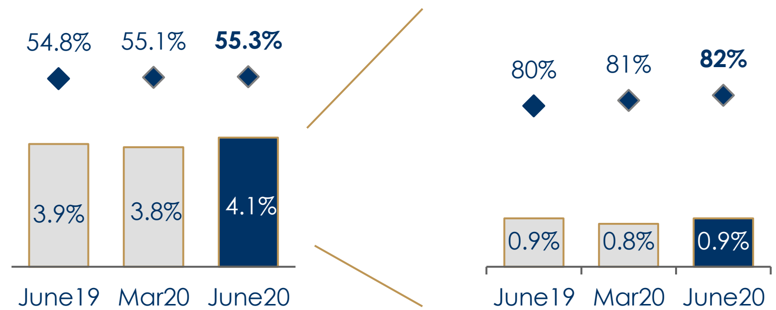


"Performing" - Stage 2[2]



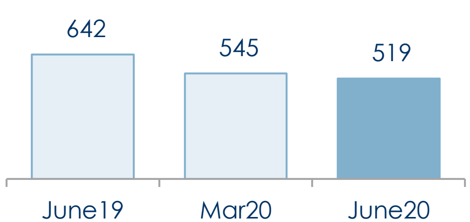
NPLs - Stage 3[2]

o/w Bad Loans[2]



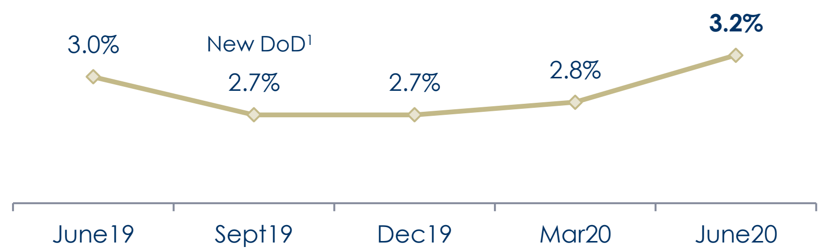
…with CIB reducing UTPs

Gross UTPs, €m, CIB division



…and Consumer increasing "Performing" coverage

Performing loans coverage, Consumer division

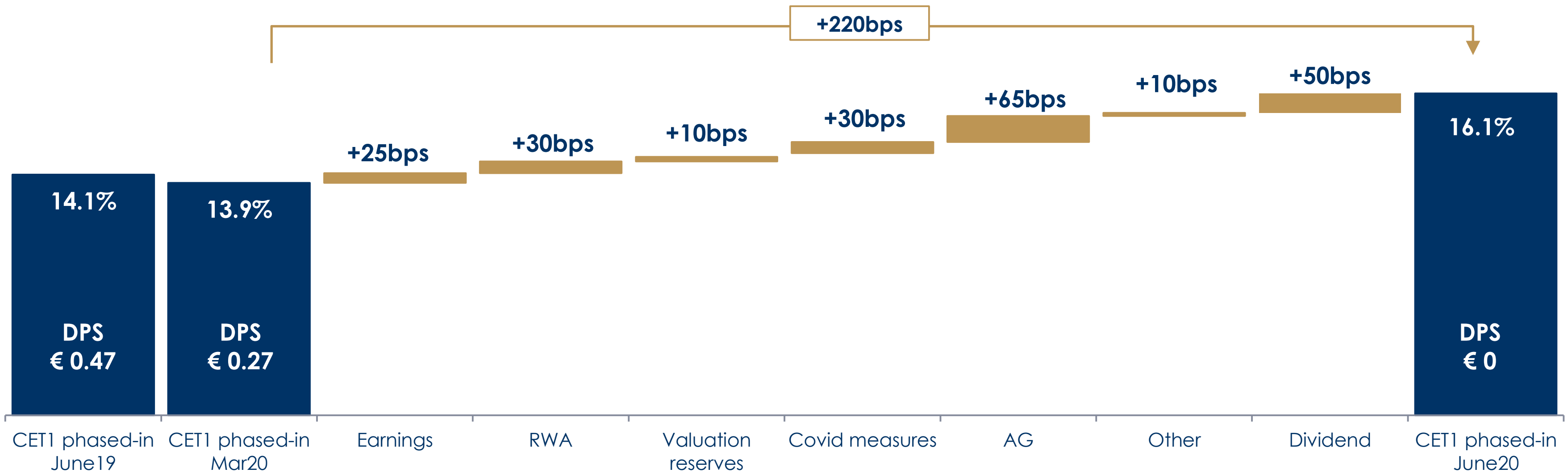


1) Following the introduction of the new definition of default (DoD), as of September 2019 ~€170m of gross exposure (90% of which in Consumer Banking) was moved from stage 2 to stage 3
2) Figures in the graphs in upper part of the slide refer to Customers Loan Book and therefore may differ from EBA Dashbord. In particular EBA includes NPLs purchased and treasury balances that are excluded in MB classification

MEDIOBANCA

CET1 AT 16.1% DUE TO CAPITAL GENERATION AND NEW REGULATORY MEASURES

Core Tier 1 trend



- **Phased-in CET1 ratio[1] @16.1%, up 220bps QoQ** benefiting from:
  - +50bps in dividend accrual restored
  - +55bps organic generation (earnings & RWAs)
  - +10bps from higher valuation reserves allowing market recovery in Q4
  - +30bps in benefits from new Covid-19 measures: ~20bps from lower risk weight for salary loans, ~5bps from revised prudent valuation standard
  - +65bps from AG, o/w +50bps from new concentration risk rules on AG (deduction calculated of AG BV exceeding 25% of MB total capital instead of 20% previously)[2] in force until new CRR2 rules
  - +10bps other, including minor benefit from RAM impairment (linked to minorities treatment)

1) CET1 FL @14.5% (without Danish Compromise ~145bps and with IFRS9 fully phased ~15bps)
2) As a result of the most recent update to Bank of Italy circular no. 285, equity holdings in associate companies pursuant to Article 471 of the CRR no longer qualify as exposures to related parties; hence the only measure that continues to apply to the Assicurazioni Generali group is the limit on large exposures (i.e. 25% of eligible capital)

MEDIOBANCA

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MEDIOBANCA

FY20: BUSINESS MODEL HAS PROVED TO BE EFFECTIVE AND ABLE TO COPE WITH NEW SCENARIO…

Key priorities post-Covid-19 outbreak

Rooting in specialized businesses confirmed

MB positioned in resilient segments: households & large-mid caps

- WM: already multichannel, with strong digital footprint and advisory capabilities
- Consumer Banking: specialized, value-driven platform, able to maintain best-in-class asset quality in any macro scenario
- CIB: de-risked vs past, highly-rated clients, limited presence in heavily Covid-impacted sectors, no SMEs

Support to corporates and households

Assuring continuity and protection

- Lending: Italian government decrees applied promptly, good activity levels recovery when lockdown lifted, on top of business running at record levels until February: loans up 5% YoY
- Advisory: effective advisory model, able to support customer (corporate & private) during the crisis and recover afterwards: TFAs up 9%, €5bn NNM in Affluent/ Private; CIB core revenues (NII and fees) resilient

MB Group capability to grow confirmed despite Covid

- Investment in people, IT and distribution prioritized
- Group NII and fees up 3% each
- High capital generation: CET1 @16.1%, up 200bps in last 12m
- Asset quality confirmed as excellent: NPLs <2% net (4% gross)

Enhance CSR strategy

- Health and safety of employees and customers prioritized
- Donations to community: €2.6m total amount of MB donations[1]
- LTIs assigned
- Green bond framework approved
- CSR BP targets gradually being delivered

1) CEO and GM to donate 30% of their fixed salary and their emoluments payable in respect of their positions as BoD members to Covid-19 initiatives. The Directors and Statutory Auditors also donated 20% of their annual emoluments. Total amount of MB donations equal to €2.6m, o/w €1.2m to hospitals (Milan and Lombardy) through contribution made by MB and staff fund raising, €0.3m to non-profit org. Hope through CheBanca! campaign on deposits *(CheBanca! will donate 0.1% of the tied deposits made under the current promotional interest rates campaign offer)* and €1m to other solidarity initiatives *(Fondo Sempre con Voi, Fondo di Mutuo Soccorso della Città di Bergamo and Mission Bambini foundation)*

... WELL ON TRACK ON BP19-23 ROADMAP DELIVERY

	BP19-23 actions/targets	Achievements in FY20
WEALTH MGT	♦ **Distribution**: >1,400 salespeople (up ~500 in 4Y) ♦ **Client** segmentation, brand repositioning ♦ **Products:** increased penetration of in-house products ♦ **Growth:** TFAs up 8%, Revenues up 8% ♦ **Profitability:** margin increase, ROAC up to 25%	♦ Sale force up by ~90 to over 1K people with high productivity ♦ Ongoing customer and service clustering and margin enhancement in Private & Affluent ♦ Penetration of inhouse products increased to 21% (vs 17%) in Affluent, close to 50% in PB. ♦ TFAs up 9% in networks ♦ ROAC up to 19%
CONSUMER BANKING	♦ **Distribution:** enhance direct (to 350 outlets), exploit digital ♦ **Innovation**: closed loop card, Compass rent, pp online, instant credit& e-commerce ♦ **Growth:** New loans up 2%, loans up 2%, revenues up 3% ♦ **Profitability:** value management, ROAC down to 28%-30%	♦ Outlets up by 62 to ~ 260, ow 14 Compass branches/ agencies and 48 Compass Quinto agencies ♦ Closed loop card launched with Oviesse ♦ Covid impacting activity in short term: new loans down 13%, loans down 1%, COR up to 247bps, but revenues and asset quality resilient ♦ ROAC preserved high at 31%
CIB	♦ **Enhance distribution, generate synergies, foster mid cap** ♦ **RWA optimization:** OTD, securitization, mkt risk optimization ♦ **Growth:** loans up 2%, Revenues up 6% ♦ **Profitability:** ROAC stabilizing at 16%	♦ Leadership in core markets preserved, mid cap coverage strengthened ♦ More opportunities for sector consolidation/restructuring ♦ Covid impact manageable: fee growth delayed but pipeline still good, CoR modestly impacted by macro scenario update, with asset quality still strong ♦ ROAC down temporarily to 13%
HF	♦ Funding: diversified funding sources, CoF under control: TLTRO3 replacing TLRO2 (€4bn), higher deposits (to €25bn). ♦ Central function costs under control ♦ Leasing deleveraging	♦ Funding: larger TLTRO3 (€6bn) and deposits (€24bn) base offsetting lower bond issuance ♦ Costs down 3%, down in relative terms to as % of Group total ♦ Leasing: loan book down 7% to €1.8bn

♦ **Distribution & Positioning** ♦ **Innovation & products** ♦ **Optimize capital & increase ROAC** ♦ **Covid impact**

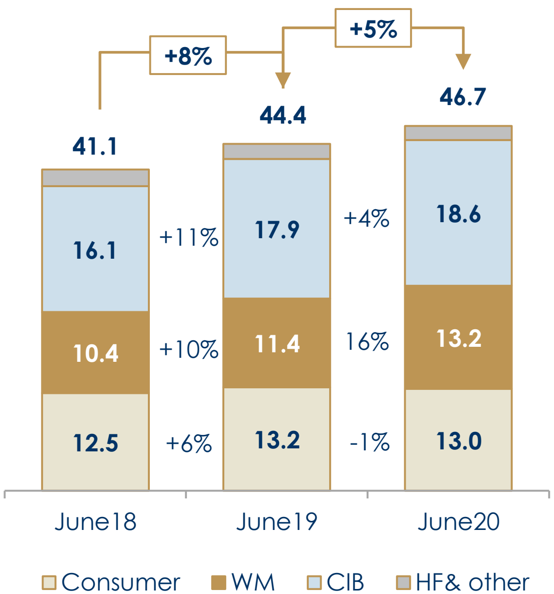
MEDIOBANCA

COMMERCIAL TRAJECTORY ON TRACK

FY20 Group performance **Section 3**

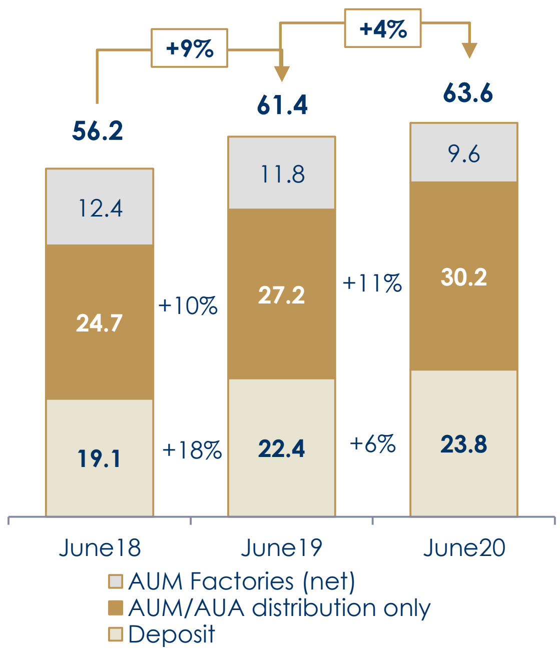
Loan book up 5%

€ bn



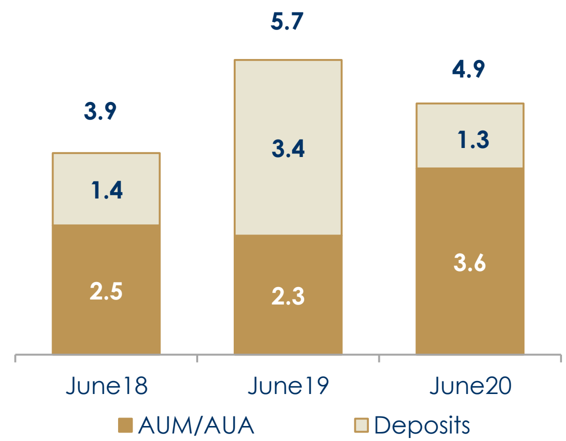
TFAs up 4%

€ bn



NNM: ~€5bn

€ bn, Affluent&Private



- **Ongoing growth in revenue generating assets, in line with BP trajectory, despite challenging macro scenario:**
  - Loan book up 5% YoY, in line with BP although with a different mix, boosted by WM and CIB, offsetting weaker CB
  - TFAs up 4% YoY and up 9% YoY including distribution network only, the latter growth rate in line with BP.
    - Affluent and Private pace in line with BP, including NNM trend (roughly €5bn per year).
    - AM outflows in systematic equity and in low margin mandates

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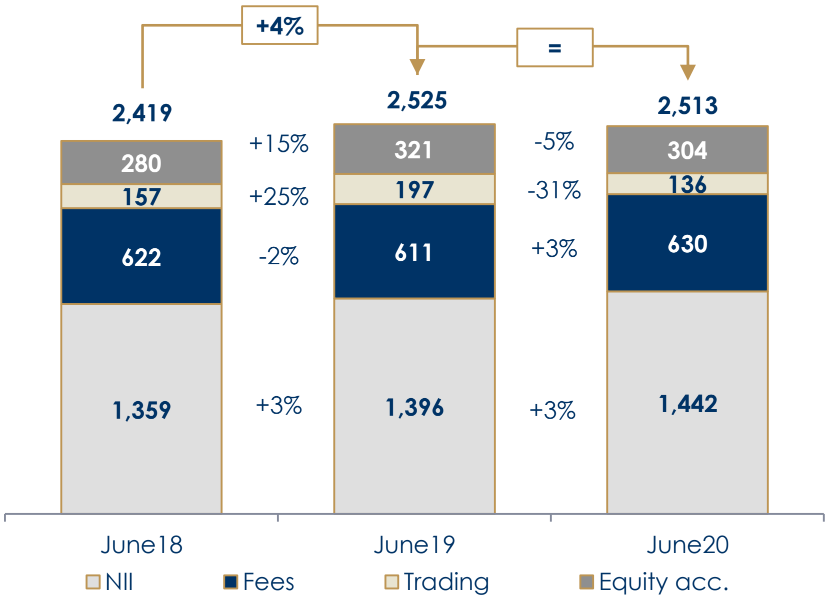
REVENUES: NII AND FEES UP 3% EACH

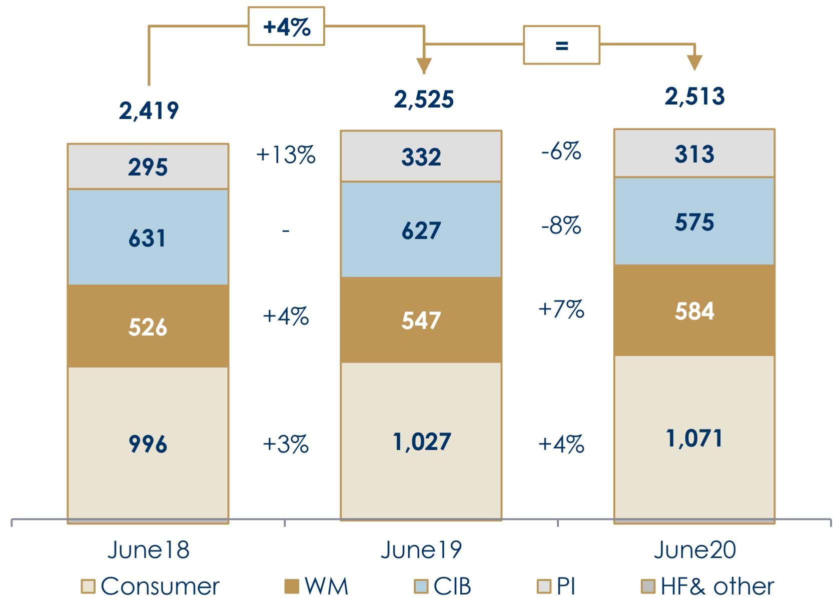
FY20 Group performance

Section 3

Group revenues resilient



WM and CB up CIB and PI delayed



Revenues flat in FY20 due to Covid (up 4% YoY until Dec19), solid in NII (up 3% YoY) and fees (up 3% YoY) backed by growing volumes and effective diversification:

- **WM up 7% YoY**, reflecting higher volumes and improved margins in distribution network following more effective customer segmentation (recurring ROA up 2bps to 0.84%)
- **Consumer Banking up 4% YoY** due to strong commercial activity in pre-Covid period (loan book, high resilience of margins and lower repayments during lockdown)
- **CIB down 8% YoY**, due to softer trading in Q3
- **PI down 6% YoY,** on lower contribution from AG

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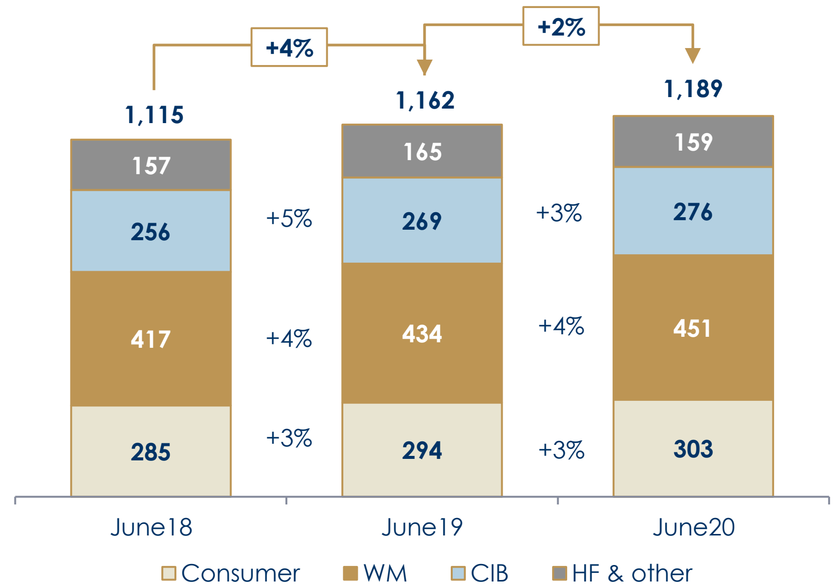
COSTS UNDER CONTROL – FOCUS ON DISTRIBUTION & IT

Cost flat

WM and Consumer Banking up for investments HF and CIB down



- **Operating costs under control,** due to **cost restraints (€27m)** in both staff (lower variable component in CIB and HF) and G&A , **without compromising focus on distribution and IT investments**:
  - **Acquisitions (€19m)**: full consolidation of MMA (only one quarter in FY19); operating costs broadly flat at Group level and down in CIB on a like-for-like basis
  - **Investments in distribution (€18m) and IT (€12m) confirmed in line with BP** but with different priorities in IT (digitalization/automation accelerated to cope with lockdown)
  - **Covid-related expenses (€5m),** including donations and support initiatives for Consumer Banking light branches

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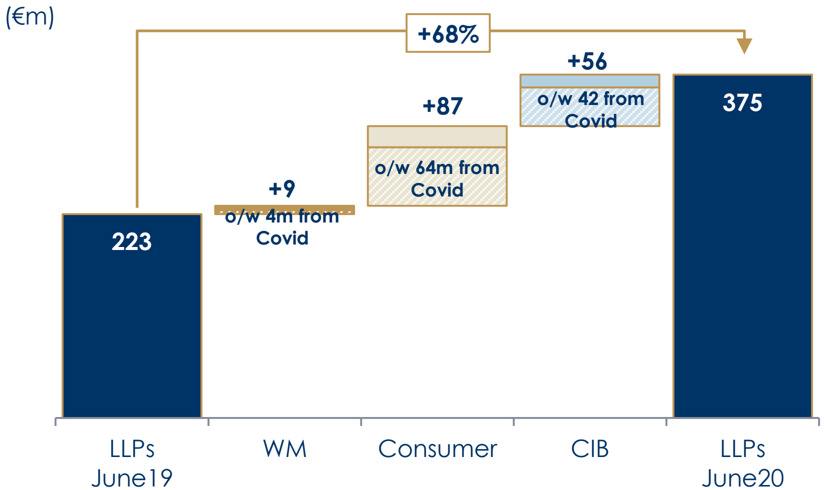
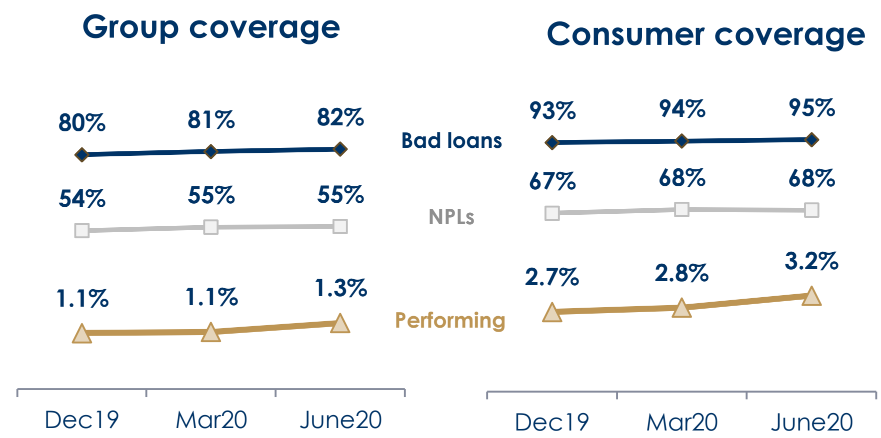
COR UP TO 82BPS REFLECTING MACRO UPDATE
COVERAGE RATIOS UP

LLPs higher …



	LLPs June19	WM	Consumer	CIB	LLPs June20
CoR	52bps	17bps	247bps	11bps	82bps
CoR excl. Covid		13bps	199bps	-12bps	58bps

…to preserve asset quality excellence



	Group Dec19	Group Mar20	Group June20	Consumer Dec19	Consumer Mar20	Consumer June20
Net NPLs/Ls	1.8%	1.8%	1.9%	2.2%	2.1%	2.5%

- **FY20 Group cost of risk up to 82bps** (from 52bps in FY19), **with 141bps spike in last Q** reflecting:
  - **Updated macro scenario:** new estimates of credit risk parameters from IFRS9 satellite models adjusted for government stimulus measures, in line with ECB guidelines on Covid framework. **Impact concentrated in CIB with ~€40m** additional LLPs in CIB to reflect new default rates for performing loans (stage 1 and 2)
  - **Front-loading of provisioning** mainly in Consumer Banking, to cautiously avoid spike in next quarters. **Part of loans under moratoria cautiously classified as Stage 2 (25% in Consumer Banking and 20% at MB Group level) with higher coverage ratios** (coverage ratios performing from 2.7% in Dec19 to 3.2% in June20 in Consumer Banking, from 1.1% to 1.3% at Group level). **Bad loans coverage up too** (from 93% to 95% in Consumer Banking, from 80% to 82% at Group level)

MEDIOBANCA

CSR/ESG PATH: DELIVERY COMMENCED, WELL ON TRACK

FY20 non-financial performance
Several targets already reached, working to consolidate the remaining

4 QUALITY EDUCATION

Employee competences enhanced with **avg. training hours up 95% YoY** (BPTarget23: 25%) in part to deal with Covid-19 emergency

5 GENDER EQUALITY

Procedure adopted to reach targets for equal opportunities, including specification in head-hunter mandates

8 DECENT WORK AND ECONOMIC GROWTH

AM: procedure started to include ESG criteria in investment evaluation (BPTarget23: 100% of new investments)

€100m investments in outstanding Italian SMEs (BPtarget23: €700m)

ESG qualified products in clients' portfolio up 20% (BPtarget23: up 30%)

11 SUSTAINABLE CITIES AND COMMUNITIES

€5.4m in FY20 for social/environmental proj. (BPtarget: €4m per year)

MB Social Impact Fund: AUM up 29% (BPtarget23: up 20%)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

ESG bond issue: green and sustainable framework approved (BPtarget23: €500m)

36% of procurement exp. assessed with CSR criteria (BPtarget23: 40%)

Customer satisfaction: CheBanca! CSI[1] in core segment[2] @74, NPS[1] @28 (BPtarget23: 73 and 25)

13 CLIMATE ACTION

Energy: 93% from renewables (BPTarget23: lifted to 94%), CO_2 down 6% (BPTarget23: revised to down 27%); hybrid cars: 13% (BPTarget23 : @90% of MB fleet)

RAM Stable Climate Global Equities issued

Further ESG cornerstones set

New Corporate Social Responsibility Committee at BoD level in addition to the Group Sustainability Management Committee

CSR objectives included in the LTI scheme as well as in BPlan23

Group Sustainability Policy update

New Group Policy on Responsible Lending and Investing

Materiality Matrix update

1) CSI: Customer Satisfaction Index; NPS: Net Promoter Score
2) Core: Premier: clients with wealth between €100k and €5m

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MEDIOBANCA

WEALTH MANAGEMENT

WM: BUSINESS MODEL EFFECTIVENESS CONFIRMED
REVENUE UP 7%, NET PROFIT UP 13%; ROAC@19%

Financial results

€m	12m June20	Δ YoY[1]	4Q20	3Q20	4Q19
Total income	**584**	**+7%**	**140**	**145**	**138**
Net interest income	271	+4%	67	66	66
Fee income	306	+9%	72	77	71
Net treasury income	7	+8%	1	3	1
Total costs	**(451)**	**+4%**	**(113)**	**(113)**	**(112)**
GOP	**133**	**+17%**	**27**	**31**	**26**
Loan provisions	(21)	+74%	(9)	(4)	(5)
PBT	**114**	**+11%**	**19**	**26**	**21**
Net profit	**80**	**+13%**	**14**	**18**	**15**
TFA - €bn	**63.6**	+4%	63.6	60.2	61.4
NNM - €bn	**3.2**	-39%	1.3	0.6	(0.2)
Customer loans - €bn	**13.2**	+16%	13.2	13.0	11.4
Gross NPLs/Ls (%)	**1.6%**		1.6%	1.5%	1.7%
Cost/income ratio (%)	**77**	-2pp	80	78	81
Cost of risk (bps)	**17**	+7bps	27	13	18
ROAC (%)	**19**	+3bps	12	18	15
Revenues breakdown					
Affluent	**317**	+7%	81	78	77
Private and other	**195**	+12%	45	50	44
Asset Management	**72**	-7%	15	17	17
Fees by sources					
Recurring	**332**	+8%	82	87	78
Performance	**13**	n.m.	1	0	1
Passive	**(39)**	+39%	(11)	(10)	(8)

Highlights

- **Business model effectiveness confirmed in the new environment:**
  - **Digitalization & advice:** born digital in Affluent, sharp acceleration of remote channel in Private, sales force dedicated to client needs. FY20: €4.9bn NNM in Affluent/Private; deposits up by €1.4bn
  - **Sustainable TFA mix, with scope for improvement:** asset allocation still prudent, but increasing AUM/AUA (3/4 of Private&Affluent NNM in FY20) and higher penetration of inhouse products among networks. Outflows in low margin mandates in AM
  - **Fair pricing:** low performance fees, ongoing positive recurring margin trend
- **In FY20 revenues up 7% to €584m, driven by NII** (up 4% to €271m) **and robust fees** (up 9% to €306m); costs up 4%, reflecting distribution network enhancement and leaving GOP up 17% at €133m. Increase in LLPs (up 74% YoY) mainly due to Covid, but with CoR still very low at 17bps. **Net profit up 13% to €80m, with ROAC at 19%**
- **Ongoing distribution enhancement in line with BP19-23,** with recruitment restarting after lockdown. Sales force up 10% to ~1K people (o/w 868 in Affluent)

1) YoY: 12m June20 / 12m June19

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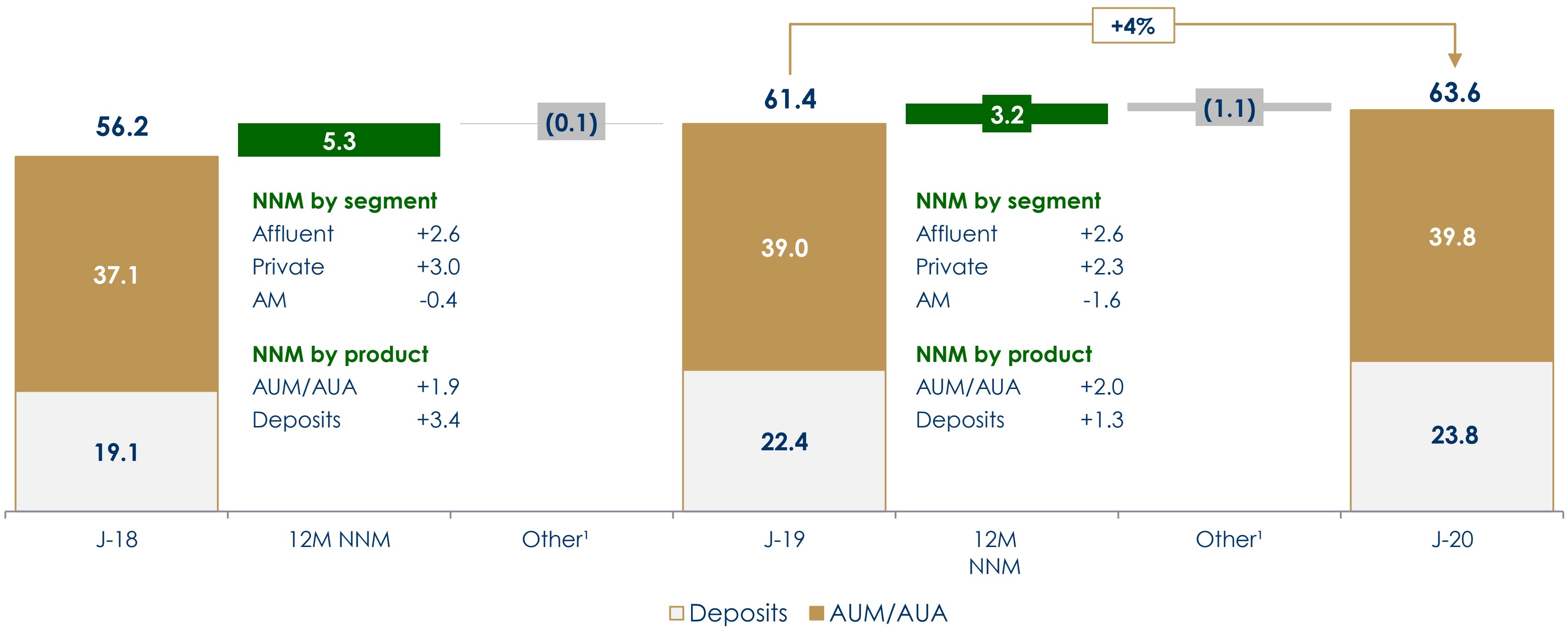
TFAs UP TO €64BN, WITH €5BN NNM IN AFFLUENT&PRIVATE

Group TFAs trend (€bn)

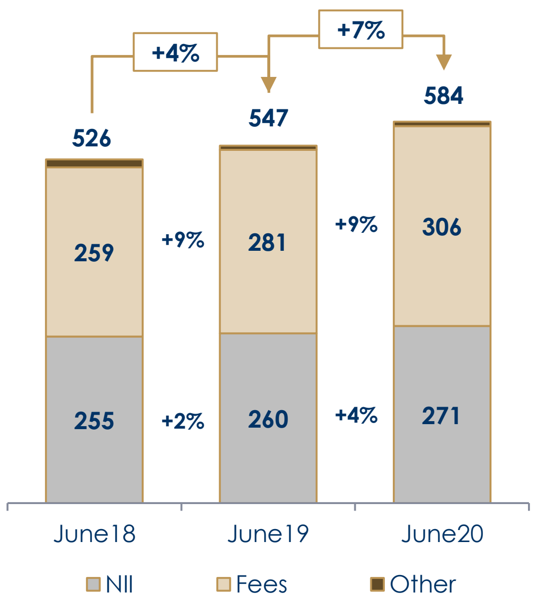


- **Confirmed strong performance in Affluent and Private with 12m NNM positive by 4.9bn**, reduced to € 3.2bn at WM division level due to €1.6bn outflows in AM.
- **Growth in deposits** (up €1.4bn) **supported also by "flight to quality" effect during crisis periods**
- **AUM/AUA stable YoY** due to: i) market correction in 3Q, only partially recovered in 4Q; ii) outflows in AM (low margin institutional mandates and outflows in systematic liquid strategies, consistent with asset class mkt trend, partially offset by sound trend in illiquid assets)

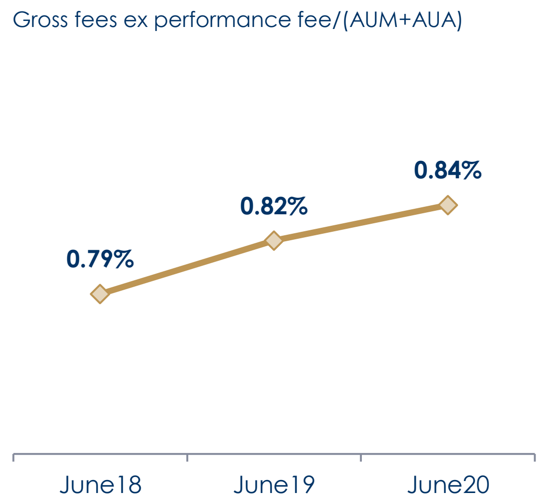
1) Including market effect

REVENUES UP 7%, ROAC AT 19%

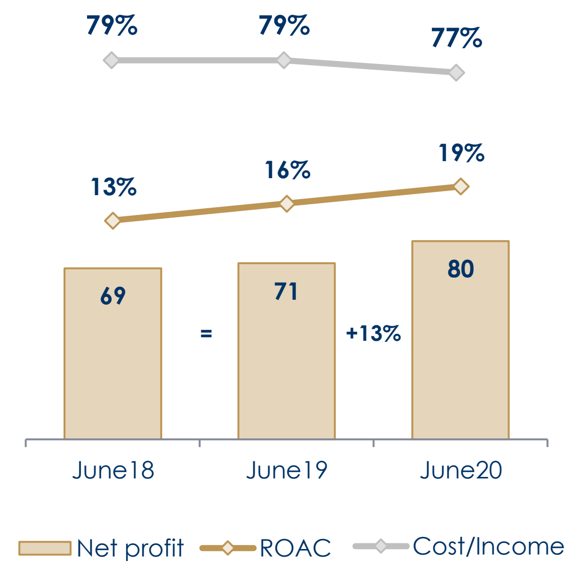
WM revenues by source (€m)



Fee margin (%)



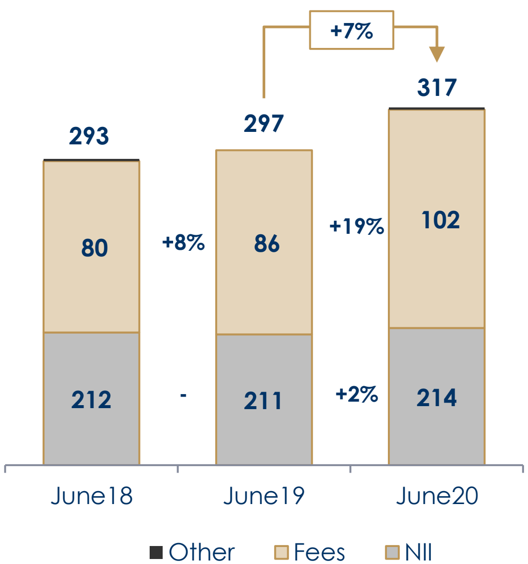
Profitability and efficiency (€m, %)



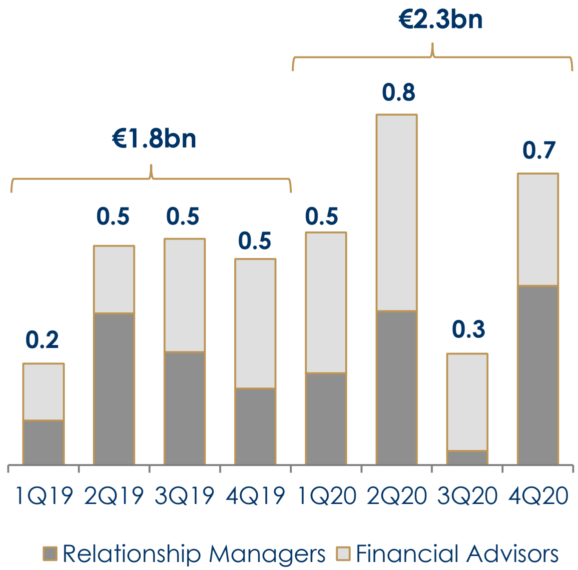
- **Ongoing growth trend in revenues at €584m (up 7% YoY), backed by:**
  - **NII up 4% YoY,** driven by strong lending business and lower cost of funding; NII holding also in 4Q
  - **Fees up 9% YoY,** benefiting from recurring margin enhancement, with limited contribution of performance fees in 2Q. Slowdown in 4Q due to lower average AUM/AUA balances and lower upfront fees
- **Improving recurring margin from 0.82% to 0.84%,** reflecting a more effective customer segmentation and increasing inhouse products penetration
- **Cost/income ratio reduced to 77%,** even including significant investments in distribution
- **Net income up 13% YoY to €80m, ROAC increased to 19%,** up 3pp YoY

AFFLUENT: REVENUE +7%, TFA +10% WITH AUM/AUA +21%

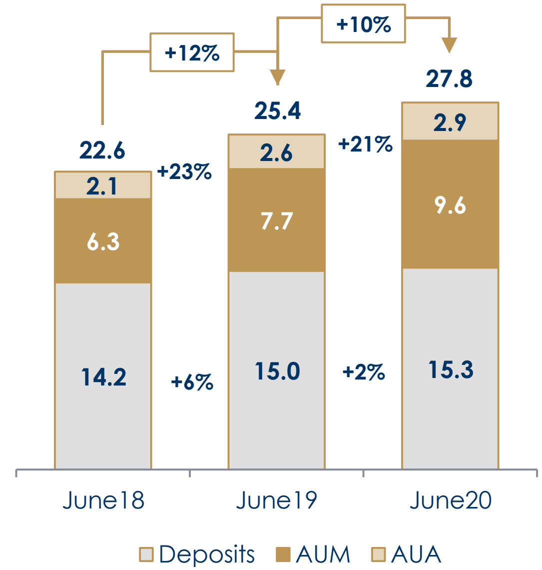
Revenues (€m)



AUM/AUA NNM trend (3M,€bn)



TFA stock trend (€bn)



- **Franchise enhanced:** clients up by 8K (56K closed, 64K opened) to 879K, salesforce up by 88 to 868 people, outlets up by 12 to 192
- **Revenue growing:** up 7% YoY on higher fees (up 19% YoY on better AUM/AUA stock and mix) and resilient NII (up 2%, on increasing deposit and mortgages base)
- **TFAs up 10% to €27.8bn and reshaped with AUM/AUA up 21% YoY** (to €12.5bn) and deposits up 2% YoY (to €15.3bn).
- **Share of inhouse products increased** from 17% to 21% of AUM/AUA
- **NNM mix improved:** 90% AUM/AUA (€2.3bn up 31% YoY)
- **NNM well balanced by channel**: 45% proprietary network and 55% FAs

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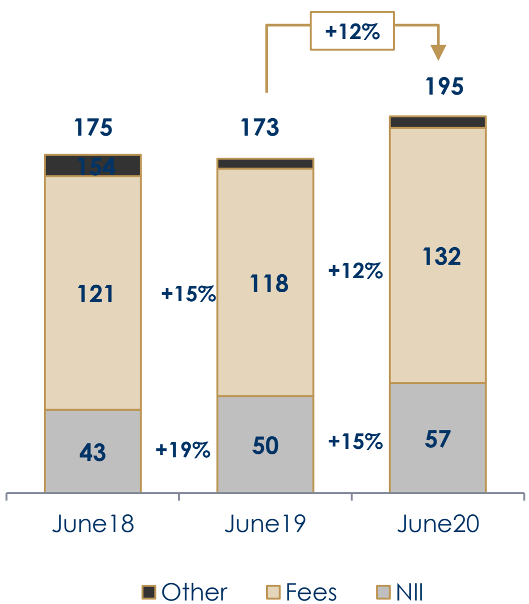
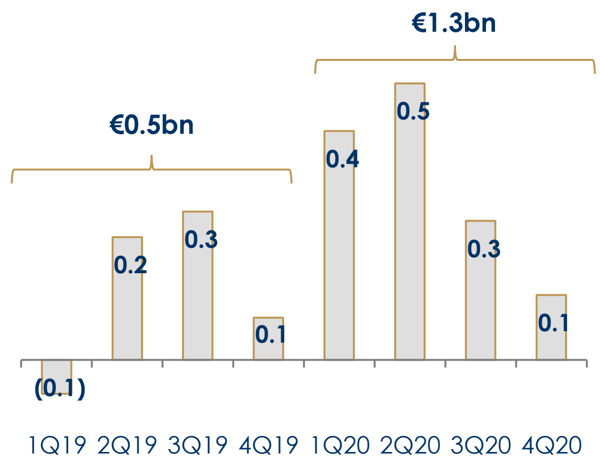
PRIVATE BANKING: REVENUES +12%, TFA +8%

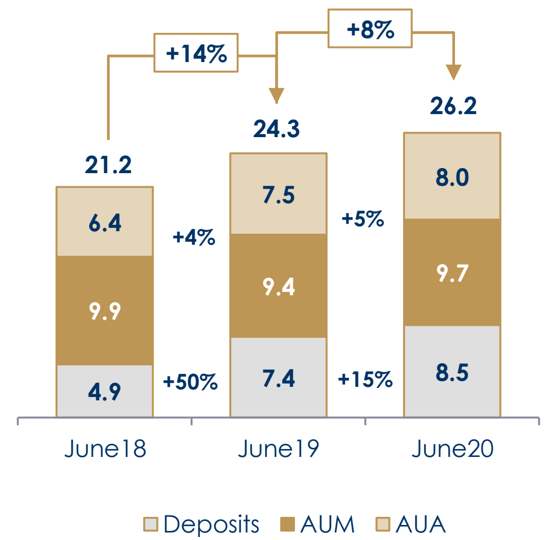
Revenues (€m)



AUM/AUA NNM trend (3M,€bn)



TFA stock trend (€bn)



- **Double coverage PB/CIB effective** with ample reshuffle of bankers and refocusing on key clients
- **Revenues up 12% on more effective customer segmentation**
- **TFAs up 8% to €26.2bn** with AUM/AUA up 5% YoY (to €17.7bn) and deposits up 15% YoY (to €8.5bn).
- **NNM mix still conservative:** AUM/AUA component more than doubled (to €1.3bn), but liquidity still high (45% of total NNM)

CONSUMER BANKING

BUSINESS MODEL STRENGHT AND PROFITABILITY CONFIRMED
NET PROFIT DOWN 12%; ROAC@31%

Financial results

€m	12m June20	Δ YoY[1]	4Q20	3Q20	4Q19
Total income	**1,071**	**+4%**	**266**	**273**	**257**
ow Net interest income	948	+5%	237	237	224
Total costs	**(303)**	**+3%**	**(77)**	**(77)**	**(77)**
GOP	**767**	**+5%**	**189**	**196**	**180**
Loan provisions	(325)	+37%	(121)	(76)	(63)
PBT	**438**	**-12%**	**68**	**120**	**117**
Net profit	**297**	**-12%**	**49**	**81**	**80**
New loans - €bn	**6.4**	-13%	0.8	1.7	2.0
Customer loans - €bn	**13.0**	-1%	13.0	13.7	13.2
Gross NPLs/Ls (%)	**7.2%**		7.2%	6.3%	5.2%
Cost/income ratio (%)	**28**	-	29	28	30
Cost of risk (bps)	**247**	+62bps	361	223	193
ROAC (%)	**31**	+1bps	30	28	28

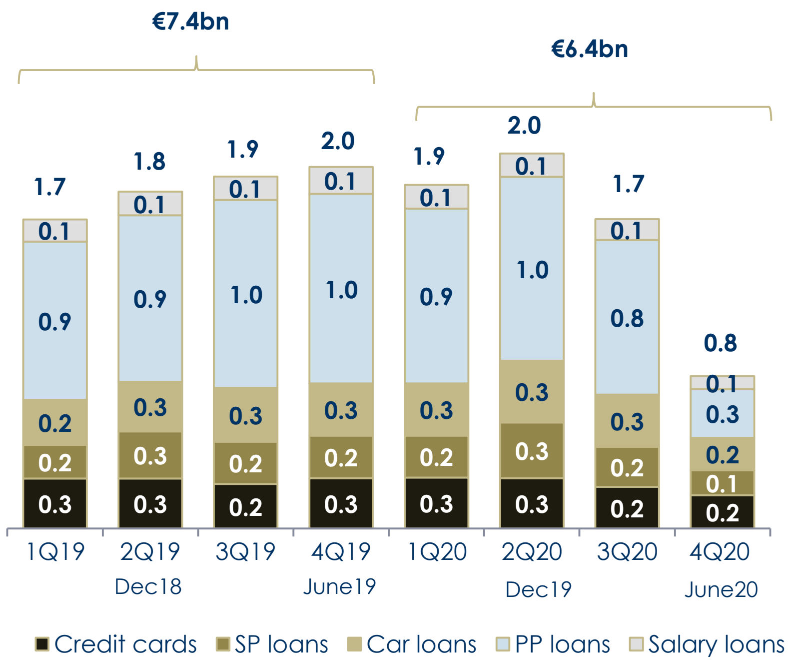
Highlights

- **Business model effectiveness and resilience confirmed in the new environment**:
  - **Strong product diversification**: personal loans ~50% of new loans, highly profitable
  - **Broad and integrated distribution network**, with digital channel even more crucial in lockdown period
  - **Strong customer relationships**: 80% is repeat business
  - **Value-driven approach to business**, with new business driven solely by risk-adj. returns: CoR and asset quality historically under control even in tough times
  - **Low correlation with GDP** for COR and new loans
- **FY20 net profit at €297m (down 12% YoY)**, supported by sound performance in NII (up 5% YoY). Negative impact from Covid on:
  - New loans down 13% YoY following halt in business during lockdown, but recovering faster than expected since May, while retaining cautious underwriting criteria. New loans now stands at ~60% of pre-Covid levels
  - CoR up to 247bps, with spike in 4Q20 (361bps), reflecting prudent risk approach
  - Sound asset quality preserved: net NPL ratio at 2.5%, with coverage at 68%, performing loans coverage up to 3.2%

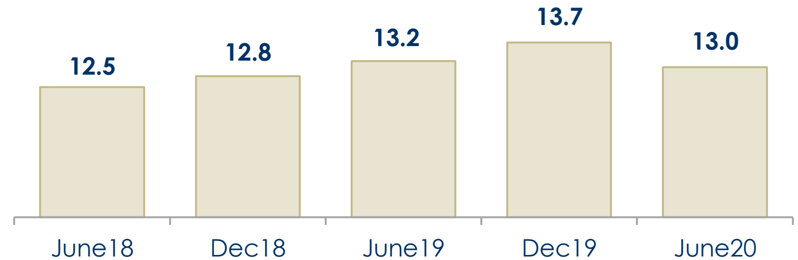
1) YoY: 12m June20 / 12m June19

NEW LOANS IMPACTED BY LOCK DOWN, NOW NORMALIZING

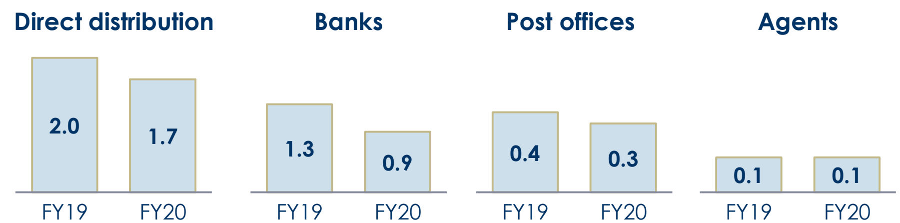
Quarterly new business by product (3M, €bn)



Loans portfolio (€bn)



Personal loans new business by channel (FY20, €bn)

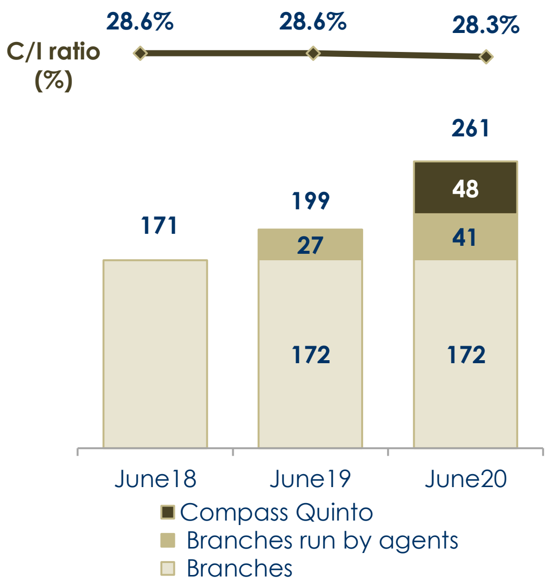


- **Covid-19 impact on new loans dampening the strong performance until Feb20:** weekly new business down by 80% during lockdown, now recovering but still ~60% pre-Covid levels
- 6M trend Jan20-June20: **Compass outperforming the market in SP and car loans**, **greater care taken in personal loans**, with some delays reported by third-party branches
- **Direct and online channels became even more crucial during lockdown period**

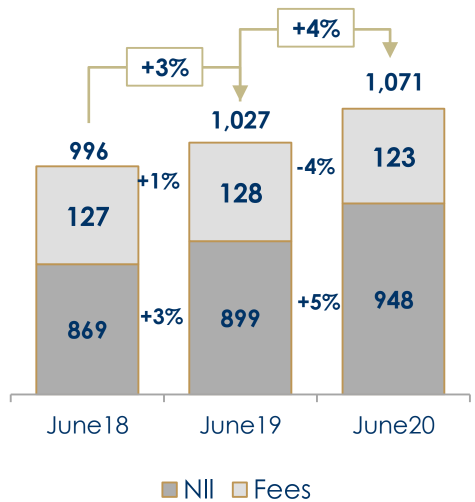
MEDIOBANCA

DISTRIBUTION PACE, REVENUES +4%, ROAC 31%

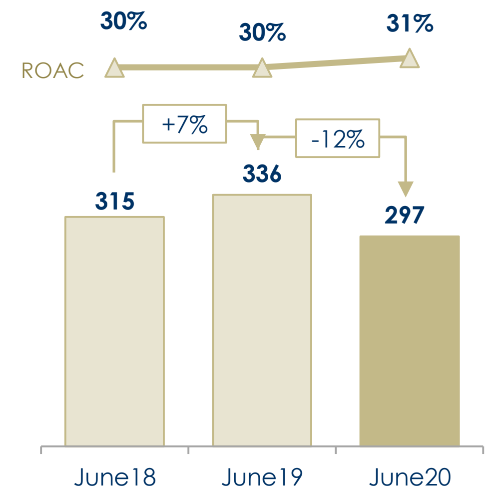
Distribution and efficiency



Revenues (€m)



Net profit & ROAC (€m, %)

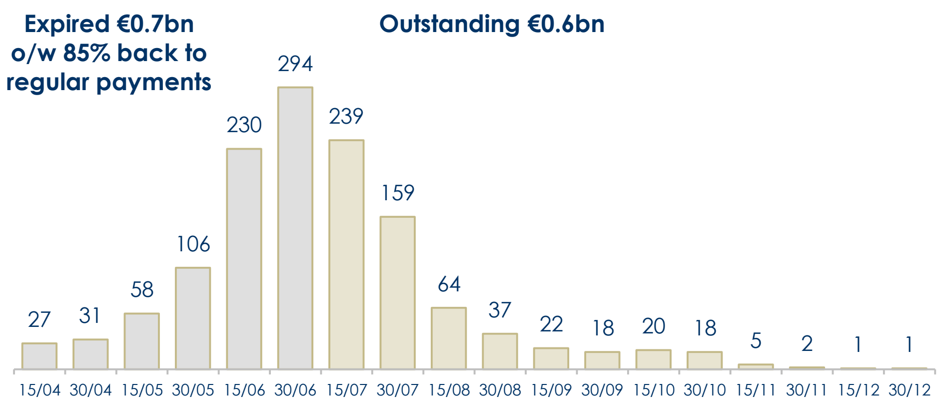


- **Ongoing distribution enhancement, especially through direct channel, in line with business plan**: branches up to 261, driven by 14 new openings of agencies and rebranding of 48 **Compass Quinto** agencies
- **Closed loop card launched** with Oviesse
- **Revenues up 4% YoY despite slowdown in 4Q, still driven by NII (up 5% YoY and resilient also in 4Q20**, with high margin resilience and lower repayments during lockdown). **Fees down 4% YoY,** reflecting lower new business and insurance distribution restriction (linked to Antitrust decision)
- **Net profit down 12% YoY,** due only to higher LLPs (cost/income ratio stable at 28%), **ROAC@ 31%**

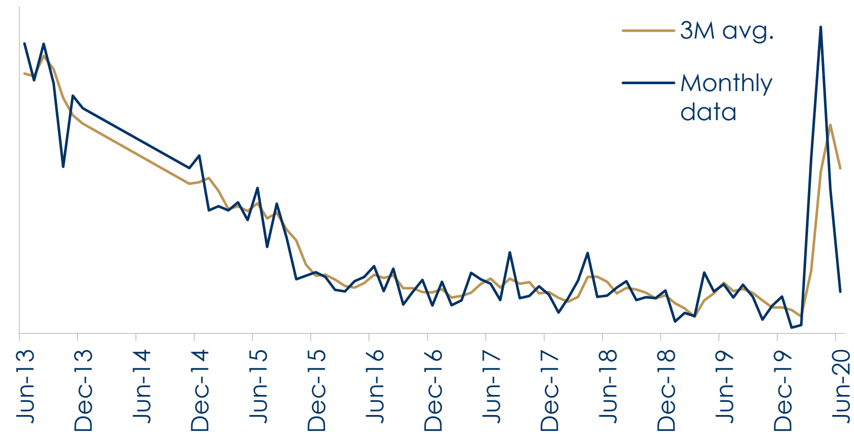
MEDIOBANCA

REASSURING TREND IN MORATORIA AND ASSET QUALITY

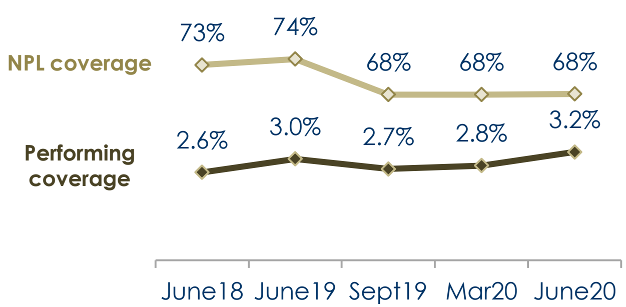
Moratoria (€m, June20)



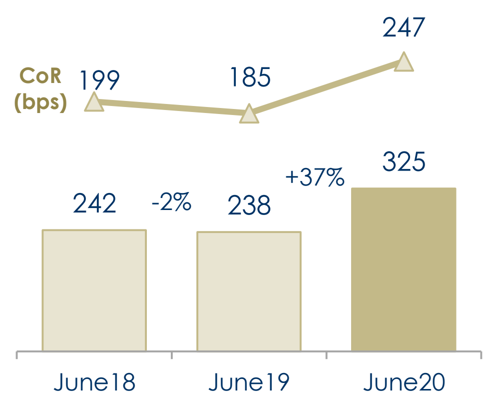
Consumer Banking: early deterioration asset quality index



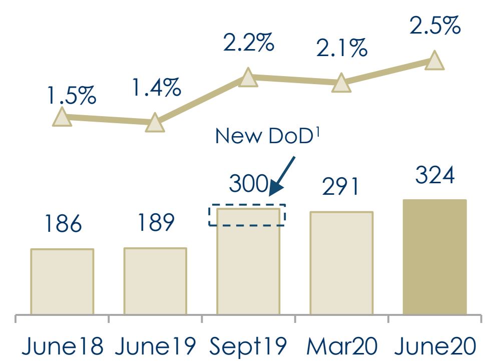
Coverage ratios improved (%)



LLPs and CoR (€m, bps)



Net NPL stock (€m) and ratio trend (%)



1) Following the introduction of the new definition of default (DoD), as of September 2019 ~€120m of net exposure (90% of which in Consumer Banking) was moved from stage 2 to stage 3

CORPORATE & INVESTMENT BANKING

CIB: RESILIENCE FOSTERED BY CLIENT-DRIVEN APPROACH & DIVERSIFICATION
NET PROFIT DOWN 32%, ROAC@13% DUE TO MACRO PROVISIONING

Financial results

€m	12m June20	Δ YoY[1]	4Q20	3Q20	4Q19
Total income	**575**	**-8%**	**139**	**104**	**149**
Net interest income	271	-0%	69	67	68
Fee income	226	-1%	52	52	53
Net treasury income	78	-39%	19	(15)	28
Total costs	**(276)**	**+3%**	**(63)**	**(69)**	**(72)**
GOP	**299**	**-16%**	**76**	**35**	**77**
Loan loss provisions	(20)	n.m.	(33)	(17)	11
PBT	**275**	**-30%**	**40**	**18**	**87**
Net result	**181**	**-32%**	**25**	**11**	**57**
Customer loans - €bn	**18.6**	+4%	18.6	18.9	17.9
Gross NPLs/Ls (%)	**2.9%**		2.9%	3.0%	3.8%
Cost/income ratio (%)	**48**	+5pp	45	66	48
Cost of risk (bps)	**11**	+32bps	70	37	(25)
ROAC (%)	**13**	-2bps	12	3	13

Highlights

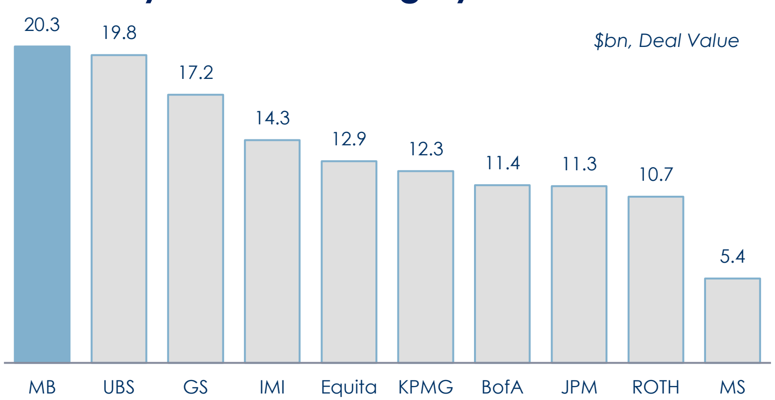
- **Effective diversification of business, reflected in resilient trend in revenues, plus sound performances in fees and NII:**
  - Financing (Lending and Spec. Finance): strong and resilient NII with low-risk profile portfolio; loan book up 4% YoY, driven by corporate RCF drawdowns; high rating profile and regular access to markets of clients confirmed
  - Advisory/M&A contribution stronger due to also Messier Maris
  - IB business (M&A and CapMkt): activity softer with Covid outbreak meaning many deals were delayed, but good pipeline restored for M&A, ECM and DCM; new head of Mid Corporate segment appointed
  - Markets and trading affected by volatility and dislocation in Q3, recovering partly in 4Q20
- **Cost/income ratio under control at 48%** with reduced variable staff costs
- **CoR increasing to 11bps (down 21bps in FY19), reflecting macro update of models. Asset quality indicators confirmed as strong:**
  - NPL ratio down to 2.9% on reclassification of certain positions from UTP to performing
  - Writebacks ongoing in selected positions
- **FY20 net profit down 32% to €181m, ROAC at 13%**

1) YoY: 12m June20 / 12m June19

LEADING POSITIONING CONFIRMED IN M&A…

- **Mediobanca M&A team has been involved in most industry-shaping deals of 2020**, including the merger of equals between FCA and PSA, the takeover of UBI Banca by Intesa Sanpaolo, the sale of a minority stake of Esselunga, and the merger between Inwit and Vodafone Tower
- **Increasing presence in financial sponsors & mid corporate transactions**, due to growing coverage efforts by the dedicated origination team and ongoing co-operation with Private Banking. Mediobanca provides advisory services to companies for sell-side processes and to financial sponsors for buy-side investments
- **Improved footprint in Europe**, including through the strategic partnership with Messier Maris & Associés, combining local coverage and industry expertise

M&A Italy FY20 – Ranking by Deal Value[1]



Selected M&A Large Corp Transactions *since July 2019*

- **Ongoing** – Intesa Sanpaolo / UBI / BPER Banca – Undisclosed – Public Exchange Offer launched by Intesa Sanpaolo on all UBI Banca ordinary shares – Intesa Sole Financial Advisor; Sole Global Coordinator and Bookrunner of BPER rights issue
- **Ongoing** – Esselunga – € 6,1bn (EqV 100%) – Disposal of Violetta Caprotti stake in Esselunga – Financial Advisor to Violetta Caprotti
- **Ongoing** – Covivio / Värde – € 573m – Acquisition of €570m hotel portfolio from Värde Partners – Financial Advisor to Värde Partners
- **March 2020** – INWIT / TIM / Vodafone Tower – €11bn – Integration of INWIT and Vodafone Italia Tower – Financial Advisor to INWIT
- **September 2019** – OLT / Snam – €400m – Acquisition of 49.07% stake in Offshore LNG Toscana by Snam – Financial Advisor to Snam

Selected M&A Mid Corp Transactions *since July 2019*

- **March 2020** – Fimer / ABB – Undisclosed – Acquisition of ABB's solar inverter business by Fimer – Financial advisor to Fimer
- **November 2019** – CBG Acciai / Xenon Private Equity – €75m – CBG disposal to Xenon Private Equity – Financial Advisor to CBG
- **September 2019** – la Pavoni / smeg – Undisclosed – Acquisition of La Pavoni by SMEG – Financial Advisor to Smeg
- **September 2019** – Antares Vision / FT System – €68m – Acquisition of FT System by Antares Vision – Financial Advisor to Antares
- **July 2019** – A.M.F snaps / alpha – ~150m – Disposal of AMF to Alpha Private Equity – Financial Advisor to A.M.F.

Selected M&A Sponsors Transactions *since July 2019*

- **June 2020** – F2i / Asterion / Sorgenia – Undisclosed – Acquisition of Sorgenia by F2i and Asterion and contribution of Veronagest and San Marco Bioenergie – Sole Financial Advisor to F2i and Asterion
- **February 2020** – Bain Capital / Engineering – Undisclosed – Acquisition of a controlling stake in Engineering by Bain Capital – Financial Advisor to Bain Capital
- **August 2019** – Solvia / Oaktree – €822m – Acquisition of Solvia Desarrollos Inmobiliarios by Oaktree – Financial Advisor to Oaktree
- **September 2019** – Investindustrial / Aston Martin Lagonda – £68.4m – Partial Tender Offer launched by Investindustrial on 3% of the share capital of Aston Martin Lagonda – Financial Advisor to Investindustrial
- **July 2019** – L&S / Clessidra – Undisclosed – Clessidra acquisition of a 80% stake in the share capital of L&S Light – Financial Advisor to Clessidra SGR

Selected M&A International Transactions *since July 2019*

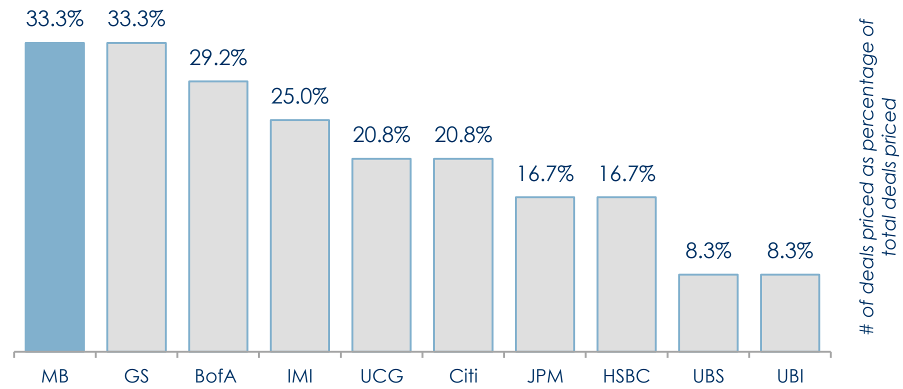
- **June 2020** – Eurobank / doValue – €2.4bn – Disposal of 80% of Eurobank Financial Planning Services and a portion of Mezzanine and Junior Securitization Notes of the €7.5bn multi-asset NPE Securitization to doValue – Financial Advisors to Eurobank
- **May 2020** – Total – €515m – Has announced the acquisition of a portfolio of Power Generation and Supply assets from EDP – Exclusive Financial Advisors to Total
- **February 2020** – DWS / Cubico – Undisclosed – DWS Infrastructure Sale of the Arenales CSP Solar Plant to Cubico Sustainable Investments – Sell-side financial advisor to DWS
- **December 2019** – PSA Groupe / FCA – €30bn – Merger of Equals – Lead Financial Advisor to PSA
- **December 2019** – cellnex / orange – €260m – Acquisition by Cellnex of 1,500 telecom towers from Orange in Spain – Financial Advisor to Cellnex

Source: Refinitiv as of June 2020 – Any Italian involvement

...AND IN ECM AND DCM

- **Mediobanca Capital Markets teams successfully completed several major transactions for both Italian and international clients,** including DCM CDP's inaugural Social Housing bond, Generali's inaugural green Tier 2 bond and ENI's dual tranche transaction in the midst of the Covid pandemic, and ECM Nexi Convertible Bond, Unieuro ABB, Nexi ABB, Juventus Rights Issue and Cellnex Rights Issue
- **GVS**: first company listed on the Italian stock market (MTA) in 2020. Second largest IPO in Europe and among top 25 globally since Covid-19 virus outbreak. Books 6x oversubscribed at final IPO price
- Mediobanca continued on its path to **increase its international presence**, leading – among others – EDP's Green Hybrid transaction and Santander's inaugural green bond, as well as the Cellnex Rights Issue and Convertible Bond
- Mediobanca has been awarded the "best Italian ECM bank of the year" prize by Global Capital for the fourth year in a row and was **recognized as the best Equity House for US, UK and European funds** who want to access top Italian issuers

ECM Italy FY20 (Bookrunner)



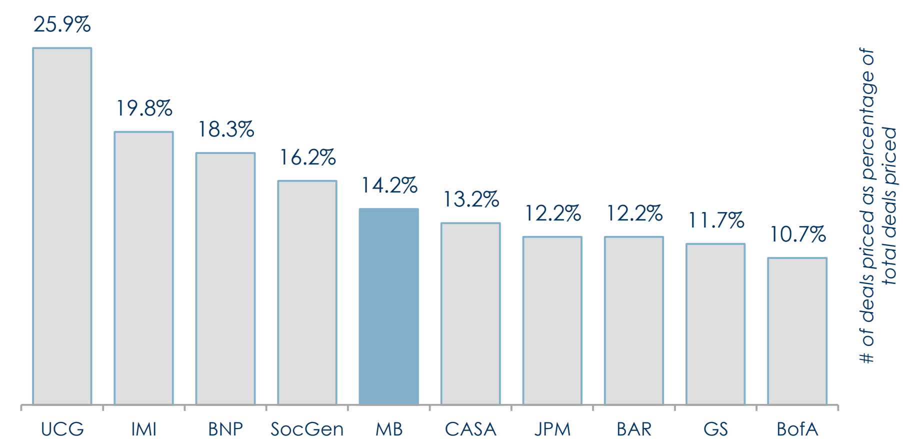
Selected DCM Transactions *since July 2019*

May 2020	Social Housing Bond February 2020	January 2020	October 2019	September 2019
eni	cdp	edp	Santander	GENERALI
Senior dual-tranche: € 1,000m 1.250% May 2026 € 1,000m 2.000% May 2031	€ 750m 1.000% Senior Unsecured Bond due February 2030	€ 750m 1.700% 60.5NC5.5 Green Hybrid Bond due July 2080	Inaugural Green Bond: € 1,000m Senior Preferred Bond 0.300% October 2026	Tender offer on: £ 495m 6.416% callable in Feb-2022 € 750m 10.125% callable in Jul-2022 € 1,250m 7.750% callable in Dec-2022 Inaugural Green issue: € 750m Subordinated Tier 2 Bullet Notes 2.124% due October 2030
Joint Bookrunner	Joint Bookrunner	Joint Bookrunner	Joint Bookrunner	Dealer Manager & Joint Bookrunner

Selected ECM Transactions *since July 2019*

Italy 2020	Italy 2020	Italy 2020	Italy 2019	Spain 2019
nexi	unieuro	nexi	JUVENTUS	cellnex
€ 500m Convertible Bond	€ 46m ABB	€ 562m ABB	€ 300m Rights Issue	€ 2,500m Rights Issue € 850m Convertible Bond
Joint Bookrunner	Joint Bookrunner	Joint Bookrunner	JGC & JBR	Joint Bookrunner

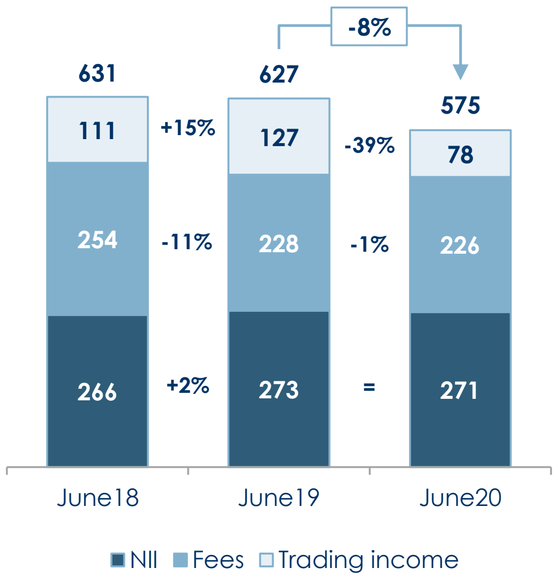
DCM Italy FY20 (Bookrunner)



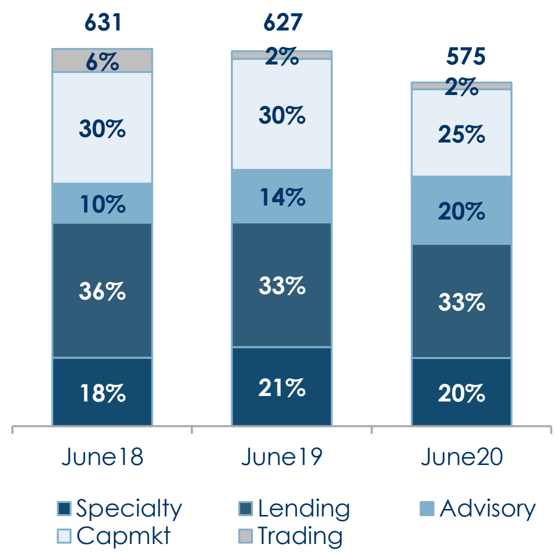
Source: Dealogic, Bond Radar as of June 2020 – No self deals

NII AND FEES RESILIENT

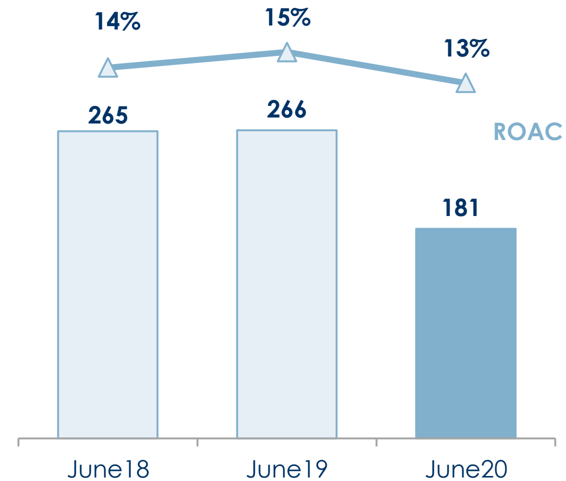
CIB revenues by source (€m)



CIB revenues by product (€m)



Net profit & ROAC (€m, %)

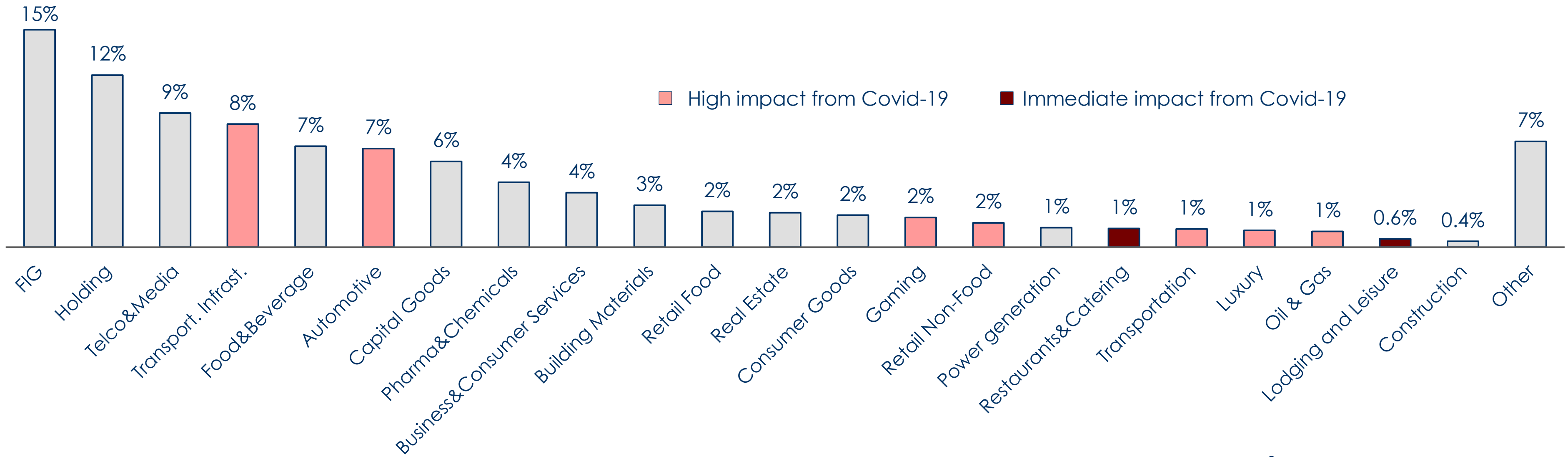


- **Revenues down 8% YoY, exclusively due to market dislocation in Q3, impacting on trading income:**
  - **NII flat**, driven by higher loan volumes and lower cost of funding
  - **Fees flat** on the back of a strong pipeline pre-Covid, with deals being delayed and advisory fees recovering in Q4. Consolidation of MMA for the full year offsets lower income from NPL business
  - **Trading income down 39%**, due to trading losses in Q3 only partly recovered in Q4
- **Net profit down to €181m,** also affected by higher cost of risk**, ROAC still in double-digit area (13%)**

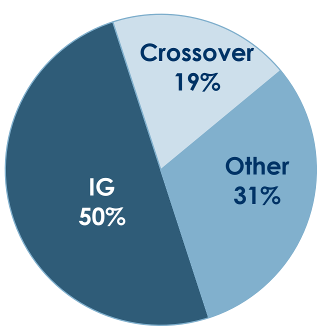
* Capmkt revenues include ECM, DCM, CMS, Sales

HIGH QUALITY OF CORPORATE LOAN BOOK CONFIRMED

WB loan book by sector (as at June 2020)

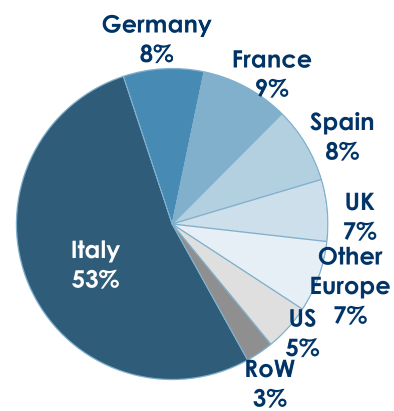


WB exposure skewed to IG/crossover[2] (as at June20)



- High quality confirmed on sector highly impacted by COVID-19
  - 60% IG+crossover
  - LBOs only 3%
  - Low ticket in riskier buckets
- ~30 waiver requests, mainly related to financial covenant and a negligible amount on postponement of payments

WB loan portfolio by geography[3] (as at June20)



1) "Other" includes sectors with exposure below 2% and low or medium impact from Covid-19: Aerospace, Containers and Packaging, Energy Services, Healthcare, Information Technology, Infrastructure, Metal, Paper and Utilities
2) Investment grade (IG) including rating classes from AAA to BBB-, crossover including BB+ rating bucket
3) Geographical breakdown based on the following criteria: i) Country where the company generates >50% of consolidated revenues or, if this criterion is not met, ii) Country where the company has either its managerial centre or its main headquarters

PRINCIPAL INVESTING

PRINCIPAL INVESTING: POSITIVE STABLE CONTRIBUTION

FY20 Divisional Results - PI **Section 4**

Financial results

€m	12M June20	Δ YoY[1]	4Q20	3Q20	4Q19
Total income	**313**	**-6%**	**60**	**67**	**102**
Impairments	(11)	n.m.	21	(40)	3
Net result	**295**	**-6%**	**70**	**38**	**95**
Book value - €bn	**3.9**	**-1%**	3.9	4.3	3.9
Ass. Generali (13%)	**3.2**	-2%	3.2	3.7	3.2
Other investments	**0.7**	+3%	0.7	0.6	0.7
Market value - €bn	**3.4**	**-15%**	3.4	3.1	4.0
Ass. Generali	**2.7**	-18%	2.7	2.5	3.3
RWA - €bn	**8.1**	**+44%**	8.1	5.7	5.6
ROAC (%)	**18**	+3bps	17	15	18

Highlights

- FY20 net profit down 6% to €295m on lower AG contribution (down 5% YoY) and impairment to seed capital portfolio in Q3 with partial recovery in Q4 (€21m)
- Only ~50% of recycling impairment charges taken by AG in 1Q20 (from €84m to €44m) included in MB P&L, as partly reversed by mkt performance in 2Q20
- PI portfolio BV stable YoY at €3.9bn, as well as AG BV at €3.2bn, as net profit offset by paid dividend and changes to FVOCI reserve

1) YoY: 12m June20 / 12m June19
2) Seed capital portfolio is almost entirely constituted by Cairn (credit) and RAM (equity) funds

HOLDING FUNCTIONS

HF – COMFORTABLE FUNDING AND LIQUIDITY POSITIONS

Financial results

€m	12m June20	Δ YoY[1]	4Q20	3Q20	4Q19
Total income	**(7)**	**n.m.**	**6**	**(1)**	**(1)**
Net interest income	(55)	+17%	(14)	(10)	(10)
Net treasury income	38	-17%	19	7	10
Fee income	11	+43%	2	2	(1)
Total costs	**(173)**	**-3%**	**(48)**	**(45)**	**(50)**
GOP	**(180)**	**+4%**	**(42)**	**(46)**	**(52)**
Loan provisions	(10)	+8%	(3)	(3)	(4)
Other (SRF/DGS incl.)	(70)	+28%	(18)	(40)	(15)
Income taxes & minorities	76	+10%	20	25	19
Net profit (loss)	**(184)**	**+10%**	**(43)**	**(64)**	**(51)**
Customer loans - €bn	**1.8**	-7%	1.8	1.8	2.0
Funding - €bn	**54.9**	**+7%**	**54.9**	**53.9**	**51.4**
Bonds	18.8	+1%	18.8	19.2	18.5
Direct deposits (Retail&PB)	23.8	+6%	23.8	22.4	22.4
ECB	5.7	+31%	5.7	4.7	4.3
Others	6.7	+10%	6.7	7.6	6.1
Treasury and securities at FV	**13.8**	+8%	13.8	11.9	12.8
LCR	**165%**		165%	166%	143%
NSFR	**109%**		109%	103%	107%

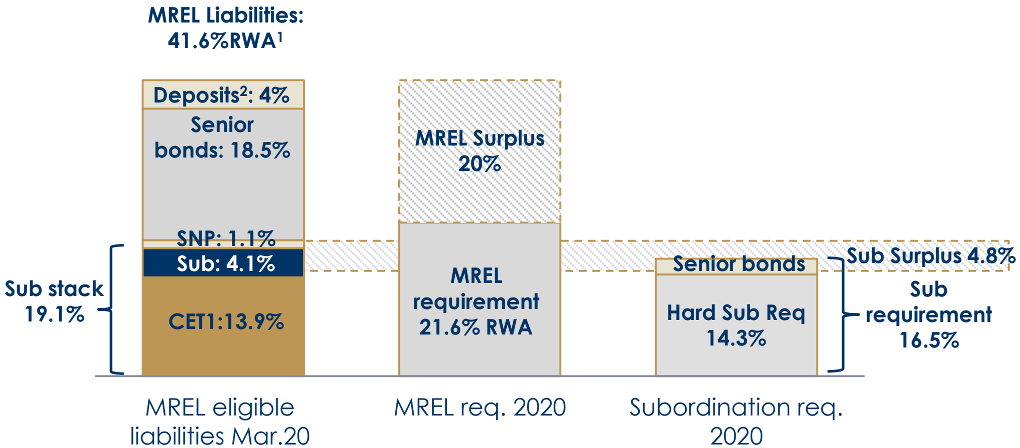
Highlights

- **FY20 loss at €184m,** up 10% due to higher non-operating items (contribution to systemic funds and one-off charges in leasing), plus lower income from securities disposals
  - **NII trend** (17% weaker YoY) **impacted by decreasing asset yields and negative rates/abundant liquidity in last Q**
  - **Overheads down 3% YoY**
- **Comfortable funding & liquidity position**
  - **Funding up 7% YoY to €55bn, with higher contribution from WM deposits** (up 6% YoY) and **increased TLTRO drawdown**: €5.7bn TLTRO (up €1bn vs March), ow €3.0bn for TLTRO3 (€1.5bn additional in Q4) with more favourable remuneration
  - **CoF flat at 80bps** as funding plan 100% completed at pre-crisis levels, only marginal benefits from new TLTRO3
  - **Treasury assets up to €13.8bn (up 8% YoY), ow €3.3bn in liquidity (€1.8bn as at March20). Solid indicators (NSFR up to 109%, LCR at 165%)**
- **Central costs under control:** pure central function costs[2], accounting for #412 FTEs, at 9% of total Group costs, reducing in both absolute and relative terms (<10% FY19)
- **Leasing involved in gradual deleveraging process**

1) YoY: 12m June20 / 12m June19
2) Central costs include/refer to: Board of Directors, Top Management, Audit, Legal, HR, Organization, Risk Management, Corporate Affairs, Investors Relations, Communication, Sustainability, Compliance, Planning, Accounting and Reporting, Technology and Operations, R&S (Ricerche e Studi)

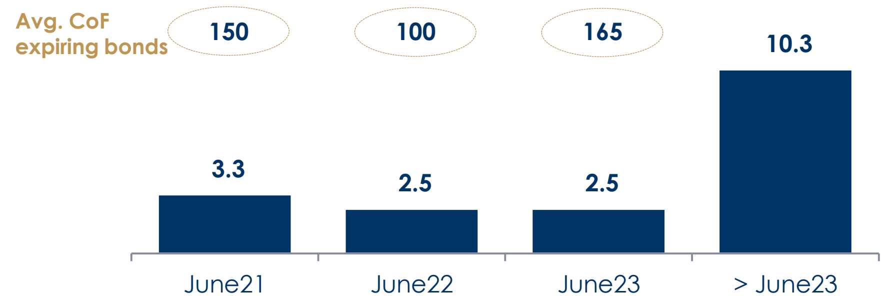
FUNDING & LIQUIDITY

Substantial availability of MREL eligible liabilities, with buffer comfortably above requirement and maturities under control

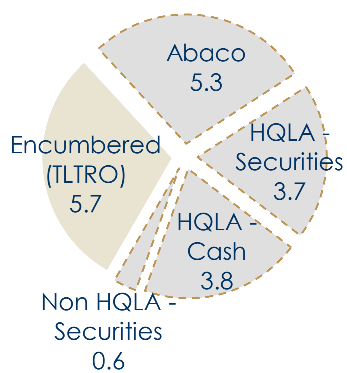


MB securities redemptions

(€bn, CoF bps vs Euribor3M)



Large counterbalancing capacity matched by conservative asset allocation



Total unencumbered ECB eligible assets: ~€13bn

	Book value (€bn)	% CET1
Total Govies (June20)	**4.7**	**64%**
Italy	3.3	44%
- HTC	1.5	20%
- HTCS	1.7	23%
Germany	0.4	5%
France	0.5	6%
US	0.4	5%
Other	0.3	4%

1) Ratio calculated using SRB consolidated approach assumptions
2) Deposits not covered, not preferential

Agenda

MEDIOBANCA

CLOSING REMARKS

Covid-19 impact managed successfully,
confirming the validity of the Mediobanca Group business model.

MB able to grow through the cycles and deliver above average growth and shareholders total return fostering its solidity with improved capital ratio and asset quality

Along with sound revenue resilience,
4Q/FY20 results have shown superior capability in absorbing negative shocks from ordinary profitability, creating capital organically

MB better equipped to cope with Covid emergency than with previous two crises

We continue to implement the business plan vision and actions

BPlan23 strategy, targets and shareholders' remuneration policy broadly confirmed now factoring in Covid impact and a different trajectory

For 2021 we forecast:

resilient earnings on lower NII, better fees and trading, cost of risk control

resumption of our capital return policy (cash dividend and buybacks subject to ECB authorization)

in order to reach CET1@13.5% throughout 2023

and deliver best in class shareholders' remuneration

MEDIOBANCA

FY20 RESULTS
AS AT 30 JUNE 2020

Milan, 30 July 2020

MEDIOBANCA

Agenda

Annexes

MEDIOBANCA

ASSET QUALITY BY DIVISIONS

Net NPLs ("*deteriorate*")

Division	June19	Mar20	June20	Change
Mediobanca Group	806 (new DoD[1])	836	874	+5%
Corporate & Investment Banking (CIB)	395	325	316	-3%
Consumer Banking (CB)	189 (new DoD[1])	291	324	+12%
Wealth Management (WM)	111	107	115	+7%
Leasing	112	114	119	+4%

of which bad loans ("*sofferenze*")

Division	June19	Mar20	June20	Change
Mediobanca Group	80	77	78	+2%
Corporate & Investment Banking (CIB)	0 (Mar19)	0 (Dec19)	0 (Mar20)	
Consumer Banking (CB)	14	15	15	
Wealth Management (WM)	42	44	46	+5%
Leasing	24	18	17	-2%

NPL coverage

Division	June19	Mar20	June20
Mediobanca Group	55%	55%	55%
Corporate & Investment Banking (CIB)	41%	42%	42%
Consumer Banking (CB)	74%	68%	68%
Wealth Management (WM)	44%	48%	46%
Leasing	36%	36%	36%

NPL as % of loans

Division		June19	Mar20	June20
Mediobanca Group	Gross	3.9%	3.8%	4.1%
Mediobanca Group	Net	1.8%	1.8%	1.9%
Corporate & Investment Banking (CIB)	Gross	3.8%	3.0%	2.9%
Corporate & Investment Banking (CIB)	Net	2.3%	1.7%	1.7%
Consumer Banking (CB)	Gross	5.2%	6.3%	7.2%
Consumer Banking (CB)	Net	1.4%	2.1%	2.5%
Wealth Management (WM)	Gross	1.7%	1.5%	1.6%
Wealth Management (WM)	Net	1.0%	0.8%	0.9%
Leasing	Gross	8.6%	9.4%	9.8%
Leasing	Net	5.7%	6.2%	6.5%

1) Following the introduction of the new definition of default (DoD), as of September 2019 ~€120m of net exposure (90% of which in Consumer Banking) was moved from stage 2 to stage 3

MEDIOBANCA

GLOSSARY

MEDIOBANCA BUSINESS SEGMENT	
CIB	Corporate and investment banking
WB	Wholesale banking
SF	Specialty finance
CB	Consumer banking
WM	Wealth management
PI	Principal Investing
AG	Assicurazioni Generali
HF	Holding functions

PROFIT & LOSS (P&L) and BALANCE SHEET	
AIRB	Advanced Internal Rating-Based
ALM	Asset and liabilities management
AUA	Asset under administration
AUC	Asset under custody
AUM	Asset under management
BVPS	Book value per share
C/I	Cost /Income
CBC	Counter Balance Capacity
CET1 Phase-in	Calculated with "Danish Compromise" (Art. 471 CRR2, applicable until Dec.24) and in compliance with the concentration limit. Transitional arrangements referred to IFRS 9, according to Reg.(EU) 2017/2395 of the EU Parliament /Council.
CET1 Fully Loaded	Calculation including the full IFRS 9 impact and with the AG investment deducted in full.
CoF	Cost of funding
CoE	Cost of equity
CoR	Cost of risk
CSR	Corporate Social Responsibility
DGS	Deposit guarantee scheme

PROFIT & LOSS (P&L) and BALANCE SHEET	
DPS	Dividend per share
EPS	Earning per share
EPS adj.	Earning per share adjusted[1]
ESG	Environmental, Social, Governance
FAs	Financial Advisors
FVOCI	Fair Value to Other Comprehensive Income
GOP	Gross operating profit
Leverage ratio	CET1 / Total Assets (FINREP definition)
Ls	Loans
LLPs	Loan loss provisions
M&A	Merger and acquisitions
NAV	Net asset value
Net profit adjusted	Net profit excluding items stemming from Covid emergency, systemic fund provisions, impairments on equity stakes and securities, and other positive/negative one-off items; normalized tax rate = 33%. For PB and AM normalized tax rate = 25%. For PI 2%
NII	Net Interest income
NNM	Net new money (AUM/AUA/Deposits)
NP	Net profit
NPLs	Group NPLS net of NPLs purchased by MBCS
PBT	Profit before taxes
RM	Relationship managers
ROAC	Adjusted return on allocated capital[2]
ROTE adj.	Adjusted return on tangible equity[1]
RWA	Risk weighted asset
SRF	Single resolution fund
TC	Total capital
Texas ratio	Net NPLs/CET1
TFA	AUM+ AUA+Deposits

Notes

1) Based on net profit adjusted (see above)
2) Adjusted return on allocated capital: *average allocated K = 9% RWAs (for PI: 9% RWA + capital deducted from CET1). Net profit adjusted (see above)*

DISCLAIMER & DECLARATION OF HEAD OF FINANCIAL REPORTING

Disclaimer

This document includes certain projections, estimates, forecasts and consequent targets which reflect the current views of Mediobanca – Banca di Credito Finanziario S.p.A. (the "Company") with regard to future events ("forward-looking statements").

These forward-looking statements include, but are not limited to, all statements other than actual data, historical or current, including those regarding the Group's future financial position and operating results, strategy, plans, objectives and future developments in the markets where the Group operates or is intending to operate.

All forward-looking statements, based on information available to the Company as of the date hereof, rely on scenarios, assumptions, expectations and projections regarding future events which are subject to uncertainties because dependent on factors most of which are beyond the Company's control. Such uncertainties may cause actual results and performances that differ, including materially, from those projected in or implied by the data present; therefore the forward-looking statements are not a reliable indicator of future performances.

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Declaration by Head of Company Financial Reporting

As required by Article 154-bis, paragraph 2 of Italian Legislative Decree 58/98, the undersigned hereby declares that the stated accounting information contained in this report conforms to the documents, account ledgers and book entries of the company.

Head of Company Financial Reporting
Emanuele Flappini

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