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Testo del comunicato

Vedi allegato.

Mediobanca
Board of Directors' Meeting

Milan, 4 August 2015

MEDIOBANCA

Financial statements for FY 2015 approved

Revenues up 12% to over €2bn for the first time

Net profit up 27% to €590m, ROE up to 7.3%

Dividend up 67% to €0.25 per share

CET1 ratio up to 12.0%

- **In line with the strategic plan objectives, the Mediobanca Group has delivered higher revenues, profits and dividends in the twelve months, continuing to reallocate capital from equity investments to banking activities**
  - **Loans to customers up 8%, to €32.9bn, both in CIB (up 10%) and in RCB (up 9%). Further improvement in asset quality** (NPLs down from 3.8% of total loans to 3.5%, coverage ratio up to 53%)
  - **Revenues up 12%, to €2,045m, driven by wide geographical and business diversification. All banking income streams reflect increases: net interest income up 5% to €1,143m, fees up 11% to €472m, treasury income up to €207m. The contribution from Assicurazioni Generali declines from €261m to €224m**
  - **Cost/income ratio down to 41%, despite costs rising 7% to €847m due to the strengthening of the Group's operations both domestically and internationally**
  - **Cost of risk down from 230 bps to 168 bps**
  - **Net gains of €126m on equity stake disposals worth €291m (€1.1bn disposals in past two years)**
  - **Group net profit up 27%, to €590m, with ROE rising to 7.3%**
  - **Proposed dividend: €0.25 per share (up 67%), payout ratio climbs to 36%**

- **Balance sheet structure optimization:**
  - **Asset/liability composition remixed to cope with a low interest rate environment: reduction in Group treasury assets (down 25%), increase in loans (up 8%), CheBanca! indirect funding doubling (to €2.9bn), significant reduction in the cost of deposits**
  - **Improvement in capital ratios:**
    - **CET1 ratio: 12.0% phased-in, 13.2% fully phased**
    - **Total capital ratio: 14.9% phased-in, 15.6% fully phased**
    - **Leverage ratio: 11.0%, phased-in, 12.0% fully phased**

- **Positive trend in banking activities continued in fourth quarter:** lendings up 2% Q.o.Q., net interest income up 4% to €303m (the best quarterly performance) and fees 10%, with NPLs down 2%

MEDIOBANCA

With Renato PAGLIARO in the chair, the Directors of Mediobanca approved the Group's individual and consolidated financial statements for the year ended 30 June 2015, as illustrated by Chief Executive Officer Alberto NAGEL.

Consolidated results

In line with the strategic plan objectives, the Mediobanca Group has delivered higher revenues, profits and dividends in the twelve months, continuing the process of reallocating capital from equity investments to banking activities.

The Mediobanca Group earned a net profit of €589.8m, up 26.9% on last year, driven by a healthy performance in banking activities (which posted a net profit of €249.2m, versus €18.7m), offsetting the lower contribution from principal investing (down from €449.3m to €335.4m).

Revenues were up 12.4%, from €1,819.4m to €2,045.4m, driven by extensive geographical and business diversification, with the main income items performing as follows:

- net interest income was up 5.1%, from €1,086.9m to €1,142.5m, on a 10.4% increase in consumer credit, from €628.8m to €694.1m, helped by a reduction in the cost of funding versus stable returns on assets; the reduction in net interest income generated from wholesale banking, down 6.5%, from €232.7m to €217.5m, reflects the declining trend reported in the first six months (€104.4m), but recovering in the second (€113.1m);

- net treasury income rose to €207.1m (30/6/14: €45.1m), due to good performances in fixed-income trading and in forex positions;

- net fee and commission income rose by 11.3%, from €423.9m to €471.8m, reflecting the widespread improvement in all segments: wholesale banking in particular was up 15%, boosted by the upturn in capital market activity, while retail fees were up 21.6%, on growth in sales of asset management products with AuM now near to €2bn;

- the contribution from the equity-accounted companies fell from €263.5m to €224m, due to a reduced contribution from Assicurazioni Generali.

The cost/income ratio declined from 43% to 41%, despite a 7.1% increase in operating costs, from €791.4m to €847.2m, which reflects the enhancements made to both the operations and control units, and the higher staff variable remuneration component due to the increase in profits.

Loan loss provisions were down 27.6%, from €736m to €532.7m: of this total, €74m (€231m) involve corporate and private banking, €443.4m (€473.2m) retail and consumer banking, and €15.3m (€32.8m) leasing. The reduction reflects a widespread improvement in the risk profile of corporates and households, which also means lower NPLs (down from €1,157.6m to €1,152.3m) due to fewer new entries. The cost of risk declines from 155 bps to 53 bps for the corporate segment (which reflects writebacks worth €22m), from 461 bps to 369 bps for consumer business (not including the €40m in one-off collective adjustments in respect of performing loans charged in the first six months), from 64 bps to 45 bps for retail banking, and from 102 bps to 53 bps for leasing. There was also further improvement in the coverage ratio for NPLs at the consolidated level (up from 50% to 53%), whereas the coverage ratio for performing consumer loans increased to 1.3%.

Equity portfolio management yielded gains of €125.6m (€242.5m), deriving chiefly from the divestment of holdings in Telco/Telecom Italia (€84.5m), Pirelli (€23.6m) and Santé SA (€7.6m). Writedowns declined from €30.6m to €21m, and largely consist of the adjustments made for the first six months.

The heading "other items" includes €13.5m in respect of the contribution to the resolution fund provided for in the Bank Recovery and Resolution Directive, the amount of which will be notified in November 2015.

MEDIOBANCA

The Group's asset structure has been optimized over the twelve months, in view of the low interest rate market scenario:

- liquid assets (treasury, AFS securities) fell from €19.8bn as at 30 June 2014 to €14.8bn, as a result of streamlining the Bank's treasury operations which involved the liquid asset component (down from €6.3bn to €1.7bn in particular);

- lending activity increased in all segments (RCB new loans up 16%, to €6.9bn, CIB new loans up 60%, to €5.4bn. The Group's loan book thus rose 7.7%, to €32.9bn, taking it back to near end-2013 levels. This growth went hand-in-hand with a reduction in concentration and an improvement in asset quality. Net NPLs declined slightly, by 0.6%, from €1,157.6m to €1,152.3m, in consumer business in particular (down 11.6%), while the 5.7% increase on the corporate side reflects new entries to the non-performing category in the first six months but not in the second. NPLs as a whole fell from 3.8% of total loans to 3.5%, in part due to the increase in the coverage ratio (from 50% to 53%). Net bad loans of €258.1m (30/6/14: €271m) account for just 0.79% (0.89%) of the total loan book.

- the lower funding requirements, which are linked to the use of treasury assets, drove a reduction in funding, from €45.8bn to €42.7bn, partly offset by increased use of the interbank funding channel. During the twelve months there were new issues worth €3.2bn (€543m of which in securitizations of consumer credit receivables and €1.5bn on the Euromarket), against maturities and buybacks totalling €6.3bn. CheBanca! retail deposits fell from €11.5bn to €9.6bn, largely the result of the partial conversion of funding from direct to indirect (the latter increasing from €1.5bn to €2.9bn). The ECB's LTRO programme was gradually completed during the year, to be replaced by the new medium-term target-LTRO. Developments worth noting in the other funding sources include the approx. €700m increase in CMB private banking deposits.

- CheBanca! stepped up the placement of its asset management products, with indirect funding increasing from €1.5bn twelve months ago to €2.9bn as at end-June 2015. With reference to direct funding, the least costly items (i.e. current accounts and untied deposit accounts) rose from €2.5bn to €4.2bn.

- the Group's capital ratios as at 30 June 2015, including the proposed €0.25 per share dividend (up 67%), reflect further improvement:

  - phased-in: CET1 ratio 11.98% 30/6/14: 11.08%), total capital ratio 14.91% (13.76%), and leverage ratio 10.98% (8.5%)

  - fully-phased (i.e. full application of CRR/CRDIV - in particular the right to include the whole AFS reserve in the calculation CET1 - and the Assicurazioni Generali investment weighted at 370%): CET1 ratio 13.19% (12.5%), total capital ratio 15.62% (14.7%) and leverage ratio 12.02% (9.5%).

Divisional results

Wholesale banking recovering: both volumes and revenues back to growth (up 10% and 40% respectively); net profit €157m (vs €34m net loss last year), ROAC 8%

This division earned a net profit of €157m in the twelve months under review, compared with a €33.5m loss last year. The result reflects a 40% increase in revenues, from €459.5m to €643.6m, and a reduction in the cost of risk, from 167 bps to 57 bps.

Revenues grew in Italy (up 71%, from €202m to €346m) and internationally (up 15%, from €258m to €298m), following the upturn in investment banking activity and the increase in cross-selling deriving from a more synergic approach between different teams and geographies. The main revenue items performed as follows:

- fees rose by 15%, driven by capital markets (up 25%) and M&A (up 14%), while lending was stable;

- treasury income soared to €166.8m, on the back of €92.1m in trading profits (versus a €43.6m loss last year) along with gains on the fixed-income banking book (€74.1m);

- net interest income declined by 6.5%, from €232.7m to €217.5m, chiefly due to the lower average lending volumes recorded during the first half which were gradually made up during the second. It is worth noting that at the end of the last financial year Mediobanca received repayment on €1.2bn in hybrid insurance loans which boosted the capital ratios. Net of this effect, net interest income for FY 2014/15 would have been slightly higher than in the previous year. It should also be noted that net interest income has stabilized in the last three quarters, rising 4% Q.o.Q. in the fourth, following the redeployment of assets from treasury operations to customer lending, and the reduction in the cost of funding deriving from the TLTRO.

The cost/income ratio fell from 54% to 46%, despite costs rising 17.5%, from €249.5m to €293.1m, due to the higher labour and operating costs linked to the expanding operations and the increased weight of the variable remuneration payable.

Loan loss provisions declined from €233.1m to €74m, due to writebacks in respect of certain exposures which were repaid in full (€22m) and an improvement in asset quality generally, with NPLs down from 3.6% of the total loan book as at 31 December 2014 to 3.1%, and the coverage ratio rising (from 49% at end-June 2014 to 54%).

The balance-sheet aggregates show a resumption in lending activity, with loans and advances to customers up 9.8% versus the €13.7bn reported at end-June 2014, boosted also by the TLTRO tranche (€5.5bn). Treasury assets fell from €20.9bn to €14.3bn, in money market positions in particular (which declined from €7.3bn to €1.1bn) as part of the attempt to improve liquidity management efficiency in a market phase where interest rates are virtually nil.

Private banking: AuM up 10% to €16.6bn

Private banking delivered a net profit of €35.9m, down 29.2% on the €50.7m reported last year due to a 5.6% decrease in revenues and a 9.8% growth in costs. The top line in particular was hit by the 16.4% reduction in net interest income and a 30.7% fall in trading profits, which suffered from the lower returns on the securities portfolio which was only in part offset by a 7% rise in fees. CMB contributed €34m to the net profit, and Spafid €1.9m, while Banca Esperia's contribution was basically nil following one-off net tax charges of €2.7m. AuM on a discretionary/non-discretionary basis at the year-end totalled €16.6bn (€15bn), €8.8bn (€7.3bn) of which for CMB and €7.8bn (€7.7bn) for Banca Esperia.

Consumer credit: net profit doubled to €94m, with ROAC 14%

Compass saw its volumes, revenues and profits consolidate growth during the year under review:

- revenues were up 9.3%, from €769.8m to €841.3m, with all the main income items increasing: net interest income rose 10.4%, from €628.8to €694.1m, on higher volumes (with the loan book up 10.4% Y.o.Y. and new loans for the period up 14.1%) with returns resilient; and fees were up 4,3% a/a;

- the cost/income ratio fell from 36% to 34%, despite the higher operating costs (which were up from €277.1m to €287.6m), due to the expanding activity;

- the cost of risk and asset quality are gradually improving: net NPLs declined from €342.1m to €302.4m, and represent 2.8% (3.5%) of total loans, with the coverage ratio rising from 64% to 68%, while the coverage ratio for performing loans climbs from 0.8% to 1.3%. Overall the cost of risk fell from 461 bps to 369 bps (407 bps if the €40m in respect of performing assets taken to the half-yearly accounts are included);

- the division reported a net profit of €94m, virtually double the €48.4m recorded last year, which translates to a ROAC of 14%

Retail Banking: focus asset management and fees

CheBanca! has concentrated on the process of transformation to "first" digital bank, with a particular emphasis on customer satisfaction. To this end, considerable attention has been focused on:

- sale of transactional, savings and loan products: around 80% of the products sold during the year involve securities accounts, current accounts, mortgages and personal loans
- reducing the cost of funding and converting funding from direct to indirect: indirect funding doubled to €2.9bn, while the average cost of direct funding (of which the stock reduced from €11.5bn to €9.6bn) declined from 2.3% to 1.4%
- increasing net fees, which now account for 17% of revenues.

The €13.6m loss reported was less than half that incurred at the same time last year (€25.1m). The result reflects revenues and costs which were both basically flat, on lower loan loss provisions of €20.4m (€27.9m), and the absence of non-recurring charges (unlike last year, when a €5m contribution was made to the interbank deposit protection fund in connection with the Banca Tercas bail-out). Revenues were up 1.5%, from €164.2m to €166.7m, with fees increasing 21.6% driven by asset management and insurance products which generated €12.2m (versus €0.4m last year), on AuM which at end-June 2015 were near €2bn (30/6/14: €0.4bn). The reduction in retail funding, from €11.5bn to €9.6bn, was largely offset by the rise in direct funding (from €1.5bn to €2.9bn); the share represented by current accounts rose strongly, from €0.9bn to €2bn. Mortgage loans were up 4.9%, from €4.4bn to €4.6bn, with new loans up 40% (from €467m to €656m); NPLs were basically flat, at €150.1m (€145.2m), as was their coverage ratio at 47% (48%).

Principal investing: net profit €335m

This division delivered a net profit of €335.4m (30/6/14: €449.3m), on lower gains on disposals of €123.4m (€240.2m) and a reduced contribution from Assicurazioni Generali (down from €261.1m to €224m). The equity investment disposal programme continued during the twelve months, with the sales of the stake held in Telecom Italia deriving from the Telco demerger (yielding net proceeds of €128.1m), of the 9.9% stake in Santé SA (€38.4m), and a partial disposal of the Pirelli investment (€90.8m). Writedowns consisted of adjustments to the stakes in RCS MediaGroup (€9.5m) and Prelios (€2.2m), plus the unlisted investments in Edipower and Bisazza (€7.3m) and in real estate funds (€2m).

Mediobanca S.p.A.

In the twelve months under review, Mediobanca S.p.A. earned a net profit of €333m, more than double the €165.9m reported this time last year, on a 36.1% increase in revenues with loan loss provisions declining (down from €229.4m to €74.2m), which together more than offset the lower gains on disposals of equity investments totalling €123.4m (€240.2m). The main revenue items performed as follows:

- net interest income fell by 10.4%, from €208.4m to €186.8m, as despite the reduction in funding, corporate lending volumes only started to increase from the second half of the year;
- treasury income delivered a strong increase, from €30.8m to €186.4m, due to the positive market trend and the favourable exchange rate position;
- net fee and commission income climbed 15.8%, from €220.8m to €255.7m, driven by a strong performance in capital markets activity;

- dividends on equity investments rose were up from €92.9m to €123.7m.

Operating costs were up 13.8%, from €283.5m to €322.7m, due to the higher staff variable remuneration component and to enhancing the control units and IT projects.

Loan loss adjustments decreased from €229.4m to €74.2m, despite a prudential increase in the coverage ratio from 49% to 54%; in addition provisions were also taken in respect of other financial assets and investments for a total of €23.4m (€78.8m).

Total assets fell from €45.5bn to €40.8bn, and reflect growth in loans and advances to customers (up from €20.2bn to €22.5bn), with both treasury assets and AFS securities declining (the former from €9.6bn to €3.2bn, the latter from €7.3bn to €6.4bn). At the same time debt securities decreased from €23.6bn to €19.7bn, as did retail deposits (from €8.7bn to €6.7bn).

Shareholder remuneration

The Board of Directors has adopted a proposal to pay a gross dividend of €0.25 per share, to be submitted to the approval of shareholders at the general meeting to be held on 28 October 2015. The dividend will be paid on 25 November 2015, with the record date 24 November 2015 and the shares going ex-rights on 23 November 2015.

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Finally, the Board of Directors approved plans to merge Group companies Telco MB and Sinto MB, which were set up as a result of the demergers of Telco S.p.A. and Sintonia S.p.A. respectively, into Mediobanca. Given that both companies are 100%-owned by Mediobanca, neither operation will entail the issuance of new shares or grant shareholders a right of withdrawal; both operations are also exempt from the “Procedure in respect of transactions with related parties”. The merger plans and their attachments will be published in due course in the terms and by the means set by law. The mergers will be completed once the requisite authorizations from the Bank of Italy have been received.

Milan, 5 August 2015

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Restated consolidated profit and loss accounts

Mediobanca Group (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	1,086.9	1,142.5	5.1%
Net treasury income	45.1	207.1	n.m.
Net fee and commission income	423.9	471.8	11.3%
Equity-accounted companies	263.5	224.0	-15.0%
Total income	**1,819.4**	**2,045.4**	**12.4%**
Labour costs	(379.0)	(419.3)	10.6%
Administrative expenses	(412.4)	(427.9)	3.8%
Operating costs	**(791.4)**	**(847.2)**	**7.1%**
Gains (losses) on AFS, HTM & LR	242.5	125.6	-48.2%
Loan loss provisions	(736.0)	(532.7)	-27.6%
Provisions for other financial assets	(30.6)	(20.4)	-33.3%
Other income (losses)	(2.9)	(13.6)	n.m.
Profit before tax	**501.0**	**757.1**	**51.1%**
Income tax for the period	(39.6)	(164.2)	n.m.
Minority interest	3.4	(3.1)	n.m.
Net profit	**464.8**	**589.8**	**26.9%**

Quarterly profit and loss accounts

Mediobanca Group	FY 13/14				FY 14/15			
(€m)	I Q 30/9/13	II Q 31/12/13	III Q 31/3/14	IV Q 30/6/14	I Q. 30/9/14	II Q 31/12/14	III Q 31/3/15	IV Q 30/6/15
Net interest income	270.5	264.6	274.1	277.7	267.1	280.8	292.0	302.6
Net treasury income	2.9	13.8	(7.2)	35.6	55.6	27.2	98.6	25.7
Net fee income	84.4	107.7	82.9	148.9	147.2	113.1	100.7	110.8
Equity-accounted companies	64.1	67.0	43.6	88.8	55.5	67.7	10.1	90.7
Total income	**421.9**	**453.1**	**393.4**	**551.0**	**525.4**	**488.8**	**501.4**	**529.8**
Labour costs	(85.1)	(93.9)	(94.6)	(105.4)	(92.3)	(100.6)	(106.6)	(119.8)
Administrative expenses	(83.5)	(107.5)	(98.4)	(123.0)	(93.1)	(106.4)	(104.9)	(123.5)
Operating costs	**(168.6)**	**(201.4)**	**(193.0)**	**(228.4)**	**(185.4)**	**(207.0)**	**(211.5)**	**(243.3)**
Gains (losses) on AFS, HTM & LR	79.8	72.7	68.8	21.2	4.5	11.4	101.6	8.1
Loan loss provisions	(128.9)	(173.1)	(158.2)	(275.8)	(120.5)	(180.2)	(109.3)	(122.7)
Provisions for other financial assets	(0.9)	(22.4)	(2.9)	(4.4)	(6.6)	(4.7)	(1.9)	(7.2)
Other income (losses)	0.0	0.0	(3.2)	0.3	0.0	0.0	0.0	(13.6)
Profit before tax	**203.3**	**128.9**	**104.9**	**63.9**	**217.4**	**108.3**	**280.3**	**151.1**
Income tax for the period	(32.0)	1.7	(14.6)	5.3	(56.9)	(7.2)	(74.2)	(25.9)
Minority interest	(0.1)	2.9	0.3	0.3	(0.5)	(0.5)	(1.1)	(1.0)
Net profit	**171.2**	**133.5**	**90.6**	**69.5**	**160.0**	**100.6**	**205.0**	**124.2**

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Restated balance sheet

Mediobanca Group (€m)	30/6/14	30/06/15
Assets		
Treasury funds	9,323.8	4,920.3
AFS securities	8,418.5	8,063.1
of which: fixed income	7,152.9	6,950.5
equities	1,254.6	1,081.1
Fixed assets (HTM & LR)	2,046.3	1,793.9
Loans and advances to customers	30,552.1	32,889.6
Equity investments	2,871.4	3,411.4
Tangible and intangible assets	715.4	718.9
Other assets	1,493.4	1,411.9
of which: tax assets	1,069.9	954.2
Total assets	**55,420.9**	**53,209.1**
Liabilities		
Funding	45,834.0	42,711.3
of which: debt securities in issue	22,617.7	19,671.1
retail deposits	11,481.6	9,634.8
Other liabilities	1,449.2	1,446.1
of which: tax liabilities	596.2	625.0
Provisions	195.0	184.6
Net equity	7,477.9	8,277.3
of which: share capital	430.7	433.6
reserves	6,942.7	7,735.7
minority interest	104.5	108.0
Profit for the period	464.8	589.8
Total liabilities	**55,420.9**	**53,209.1**
CET 1 capital*	6,506.7	7,137.5
Total capital*	8,082.9	8,882.6
RWAs*	**58,744.1**	**59,577.1**

Ratios (%) and per share data (€)

Mediobanca Group	30/6/14	30/06/15
Total assets/net equity	7.4	6.4
Loans/deposits	0.7	0.8
Core tier 1 ratio*	11.1	12.0
Regulatory capital/RWAs*	13.8	14.9
S&P rating	BBB	BBB-
Fitch rating	Na	BBB+
Cost/income ratio	43.5	41.4
Bad loans (*sofferenze*) /loans	0.9	0.8
EPS (€)	0.54	0.68
BVPS (€)	8.6	9.4
DPS (€)	0.15	0.25
No. of shares outstanding (millions)	861.4	867.2

** Data calculated in accordance with CRR/CRDIV (i.e. Basel III, phased-in, AG weighted at 370%)*

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

12 mths to 30/06/15 (€m)	Corporate & Private Banking	Principal Investing	Retail & Consumer Banking	Corporate Centre	Group
Net interest income	251.2	0.0	833.2	54.9	1,142.5
Net treasury income	181.9	29.6	0.2	(0.1)	207.1
Net fee and commission income	342.9	0.0	174.6	8.8	471.8
Equity-accounted companies	0.0	223.9	0.0	0.0	224.0
Total income	**776.0**	**253.5**	**1,008.0**	**63.6**	**2,045.4**
Labour costs	(230.3)	(9.0)	(157.6)	(31.9)	(419.3)
Administrative expenses	(154.8)	(2.0)	(290.6)	(25.0)	(427.9)
Operating costs	**(385.1)**	**(11.0)**	**(448.2)**	**(56.9)**	**(847.2)**
Gains (losses) on AFS equity	2.6	123.4	0.0	0.0	125.6
Loan loss provisions	(74.9)	0.0	(443.4)	(15.3)	(532.7)
Provisions for other financial assets	0.4	(20.8)	0.0	0.0	(20.4)
Other income (losses)	(2.7)	0.0	0.0	(13.5)	(13.6)
Profit before tax	**316.3**	**345.1**	**116.4**	**(22.1)**	**757.1**
Income tax for the period	(123.4)	(9.7)	(36.0)	1.1	(164.2)
Minority interest	0.0	0.0	0.0	(3.1)	(3.1)
Net profit	**192.9**	**335.4**	**80.4**	**(24.1)**	**589.8**
Treasury funds	5,090.4	13.9	7,248.8	138.7	4,920.3
AFS securities	6,603.7	1,071.5	700.1	0.0	8,063.1
Fixed assets (HTM & LR)	5,133.7	0.0	1,264.5	0.0	1,793.9
Equity investments	0.0	3,318.1	0.0	0.0	3,411.4
Loans and advances to customers	25,121.0	0.0	15,512.1	2,760.8	32,889.6
of which to Group companies	10,015.2	n.m.	n.m.	n.m.	n.m.
Funding	(39,033.5)	0.0	(23,730.9)	(2,794.3)	(42,711.3)
RWAs	33,375.6	11,672.2	12,159.7	2,369.6	59,577.1
No. of staff	1034 *	0	2,481	409	3,790

* *Includes 134 staff employed by Banca Esperia pro-forma, not included in the Group total.*

MEDIOBANCA

12 mths to 30/06/14 (€m)	Corporate & Private Banking	Principal Investing	Retail & Consumer Banking	Corporate Centre	Group
Net interest income	273.0	0.0	769.9	46.6	1,086.9
Net treasury income	23.2	29.7	0.4	(0.1)	45.1
Net fee and commission income	303.5	0.0	163.7	6.4	423.9
Equity-accounted companies	0.0	258.6	0.0	0.0	263.5
Total income	**599.7**	**288.3**	**934.0**	**52.9**	**1,819.4**
Labour costs	(195.6)	(8.8)	(150.7)	(33.3)	(379.0)
Administrative expenses	(137.7)	(1.7)	(285.4)	(23.1)	(412.4)
Operating costs	**(333.3)**	**(10.5)**	**(436.1)**	**(56.4)**	**(791.4)**
Gains (losses) on AFS equity	2.2	240.2	0.0	0.0	242.5
Loan loss provisions	(231.0)	0.0	(473.2)	(32.8)	(736.0)
Provisions for other financial assets	(5.9)	(25.3)	0.0	0.0	(30.6)
Other income (losses)	(3.6)	0.0	(5.0)	2.1	(2.9)
Profit before tax	**28.1**	**492.7**	**19.7**	**(34.2)**	**501.0**
Income tax for the period	(10.9)	(43.4)	3.6	9.0	(39.6)
Minority interest	0.0	0.0	0.0	3.4	3.4
Net profit	**17.2**	**449.3**	**23.3**	**(21.8)**	**464.8**
Treasury funds	10,721.6	0.0	8,753.9	112.4	9,323.8
AFS securities	6,812.7	1,242.6	697.4	0.0	8,418.5
Fixed assets (HTM & LR)	5,013.9	0.0	1,528.2	0.0	2,046.3
Equity investments	0.0	2,775.2	0.0	0.0	2,871.4
Loans and advances to customers	22,853.0	0.0	14,269.5	3,001.7	30,552.1
of which to Group companies	9,114.1	n.m.	n.m.	n.m.	n.m.
Funding	(42,968.4)	0.0	(24,335.2)	(3,000.7)	(45,834.0)
RWAs	33,763.7	11,346.8	11,162.6	2,471.0	58,744.1
No. of staff	986*	0	2,365	348	3,570

* *Includes 129 staff employed by Banca Esperia pro-forma, not included in the Group total.*

MEDIOBANCA

Corporate & Private Banking

CIB (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	273.0	251.2	-8.0%
Net trading income	23.2	181.9	n.m.
Net fee and commission income	303.5	342.9	13.0%
Equity-accounted companies	0.0	0.0	n.m.
Total income	**599.7**	**776.0**	**29.4%**
Labour costs	(195.6)	(230.3)	17.7%
Administrative expenses	(137.7)	(154.8)	12.4%
Operating costs	**(333.3)**	**(385.1)**	**15.5%**
Gains (losses) on AFS, HTM & LR	2.2	2.6	18.2%
Loan loss provisions	(231.0)	(74.9)	-67.6%
Provisions for other financial assets	(5.9)	0.4	n.m.
Other income (losses)	(3.6)	(2.7)	-25.0%
Profit before tax	**28.1**	**316.3**	**n.m.**
Income tax for the period	(10.9)	(123.4)	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**17.2**	**192.9**	**n.m.**
Treasury funds	10,721.6	5,090.4	-52.5%
AFS securities	6,812.7	6,603.7	-3.1%
Fixed assets (HTM & LR)	5,013.9	5,133.7	2.4%
Equity investments	0.0	0.0	n.m.
Loans and advances to customers	22,853.0	25,121.0	9.9%
of which to Group companies	9,114.1	10,015.2	9.9%
Funding	(42,968.4)	(39,033.5)	-9.2%
RWAs	33,763.7	33,375.6	-1.1%
No. of staff	986	1,034	4.9%
Cost/income ratio (%)	55.6	49.6	
Bad loans (*sofferenze*)/loans ratio (%)	0.0	0.0	

MEDIOBANCA

Wholesale Banking (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	232.7	217.5	-6.5%
Net treasury income	1.4	166.8	n.m.
Net fee and commission income	225.4	259.3	15,0%
Equity-accounted companies	0.0	0.0	n.m.
Total income	**459.5**	**643.6**	**40.1%**
Labour costs	(144.8)	(173.6)	19.9%
Administrative expenses	(104.7)	(119.5)	14.1%
Operating costs	**(249.5)**	**(293.1)**	**17.5%**
Gains (losses) on AFS equity	0.0	0.0	n.m.
Loan loss provisions	(233.1)	(74.0)	-68.3%
Provisions for other financial assets	(3.1)	0.5	n.m.
Other income (losses)	0.0	0.0	n.m.
Profit before tax	**(26.2)**	**277.0**	**n.m.**
Income tax for the period	(7.3)	(120.0)	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**(33.5)**	**157.0**	**n.m.**
Loans and advances to customers	21,591.5	23,719.6	9.9%
of which to Group companies	9,114.1	10,015.2	9.9%
RWA	31,941.6	31,783.4	-0.5%
No. of staff	639	654	2.3%
Cost/income ratio (%)	54.3	45.5	
Bad loans (*sofferenze*)/loans ratio (%)	0.0	0.0	

Private Banking (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	40.3	33.7	-16.4%
Net treasury income	21.8	15.1	-30.7%
Net fee and commission income	78.1	83.6	7.0%
Equity-accounted companies	0.0	0.0	n.m.
Total income	**140.2**	**132.4**	**-5.6%**
Labour costs	(50.8)	(56.7)	11.6%
Administrative expenses	(33.0)	(35.3)	7.0%
Operating costs	**(83.8)**	**(92.0)**	**9.8%**
Gains (losses) on AFS equity	2.2	2.6	18.2%
Loan loss provisions	2.1	(0.9)	n.m.
Provisions for other financial assets	(2.8)	(0.1)	n.m.
Other income (losses)	(3.6)	(2.7)	-25.0%
Profit before tax	**54.3**	**39.3**	**-27.6%**
Income tax for the period	(3.6)	(3.4)	-5.6%
Minority interest	0.0	0.0	n.m.
Net profit	**50.7**	**35.9**	**-29.2%**
Loans and advances to customers	1,261.5	1,401.4	11.1%
RWA	1,822.1	1,592.2	-12.6%
AUM	15,035.5	16,578.9	10.3%
No. of staff	347	380	9.5%
Cost/income ratio (%)	59.8	69.5	
Bad loans (*sofferenze*)/loans ratio (%)	0.0	0.2	

MEDIOBANCA

Principal Investing

PI (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	0.0	0.0	n.m.
Net treasury income	29.7	29.6	-0.3%
Net fee and commission income	0.0	0.0	n.m.
Equity-accounted companies	258.6	223.9	-13.4%
Total income	**288.3**	**253.5**	**-12.1%**
Labour costs	(8.8)	(9.0)	2.3%
Administrative expenses	(1.7)	(2.0)	17.6%
Operating costs	**(10.5)**	**(11.0)**	**4.8%**
Gains (losses) on AFS equity	240.2	123.4	-48.6%
Loan loss provisions	0.0	0.0	n.m.
Provisions for other financial assets	(25.3)	(20.8)	-17.8%
Other income (losses)	0.0	0.0	n.m.
Profit before tax	**492.7**	**345.1**	**-30.0%**
Income tax for the period	(43.4)	(9.7)	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**449.3**	**335.4**	**-25.4%**
AFS securities	1,242.6	1,071.5	-13.8%
Equity investments	2,775.2	3,318.1	19.6%
RWAs*	11,346.8	11,672.2	2.9%

** Data calculated in accordance with CRR/CRDIV (i.e. Basel III, phased-in, AG weighted at 370%)*

MEDIOBANCA

Retail & Consumer Banking

RCB (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	769.9	833.2	8.2%
Net treasury income	0.4	0.2	n.m.
Net fee and commission income	163.7	174.6	6.7%
Equity-accounted companies	0.0	0.0	n.m.
Total income	**934.0**	**1,008.0**	**7.9%**
Labour costs	(150.7)	(157.6)	4.6%
Administrative expenses	(285.4)	(290.6)	1.8%
Operating costs	**(436.1)**	**(448.2)**	**2.8%**
Gains (losses) on AFS equity	0.0	0.0	n.m.
Loan loss provisions	(473.2)	(443.4)	-6.3%
Provisions for other financial assets	0.0	0.0	n.m.
Other income (losses)	(5.0)	0.0	n.m.
Profit before tax	**19.7**	**116.4**	**n.m.**
Income tax for the period	3.6	(36.0)	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**23.3**	**80.4**	**n.m.**
Treasury funds	8,753.9	7,248.8	-17.2%
AFS securities	697.4	700.1	0.4%
Fixed assets (HTM & LR)	1,528.2	1,264.5	-17.3%
Equity investments	0.0	0.0	n.m.
Loans and advances to customers	14,269.5	15,512.1	8.7%
Funding	(21,142.3)	(23,730.9)	12.2%
RWAs	11,162.6	12,159.7	8.9%
No. of staff	2,365	2,481	4.9%
No. of branches	215	221	
Cost/income ratio (%)	46.7	44.5	
Bad loans (*sofferenze*)/loans ratio (%)	1.5	1.3	

MEDIOBANCA

Consumer lending (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	628.8	694.1	10.4%
Net treasury income	0.0	0.2	n.m.
Net fee and commission income	141.0	147.0	4.3%
Equity-accounted companies	0.0	0.0	n.m.
Total income	**769.8**	**841.3**	**9.3%**
Labour costs	(90.1)	(96.6)	7.2%
Administrative expenses	(187.0)	(191.0)	2.1%
Operating costs	**(277.1)**	**(287.6)**	**3.8%**
Gains (losses) on AFS equity	0.0	0.0	n.m.
Loan loss provisions	(445.3)	(423.0)	-5.0%
Provisions for other financial assets	0.0	0.0	n.m.
Other income (losses)	0.0	0.0	n.m.
Profit before tax	**47.4**	**130.7**	**n.m.**
Income tax for the period	1.0	(36.7)	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**48.4**	**94.0**	**n.m.**
Loans and advances to customers	9,876.9	10,906.3	10.4%
RWAs	9,504.4	10,238.0	7.7%
New loans	5,466.7	6,235.3	14.1%
No. of staff	1,479	1,540	4.1%
No. of branches	158	164	
Cost/income ratio (%)	36.0	34.2	
Bad loans (*sofferenze*)/loans ratio (%)	1.1	0.9	

MEDIOBANCA

Retail Banking (€m)	12 mths 30/6/14	12 mths 30/6/15	Y.o.Y. chg. %
Net interest income	141.1	139.1	-1.4%
Net treasury income	0.4	0.0	n.m.
Net fee and commission income	22.7	27.6	21.6%
Equity-accounted companies	0.0	0.0	n.m.
Total income	**164.2**	**166.7**	**1.5%**
Labour costs	(60.6)	(61.0)	0.7%
Administrative expenses	(98.4)	(99.6)	1.2%
Operating costs	**(159.0)**	**(160.6)**	**1.0%**
Gains (losses) on AFS equity	0.0	0.0	n.m.
Loan loss provisions	(27.9)	(20.4)	-26.9%
Provisions for other financial assets	0.0	0.0	n.m.
Other income (losses)	(5.0)	0.0	n.m.
Profit before tax	**(27.7)**	**(14.3)**	**-48.4%**
Income tax for the period	2.6	0.7	n.m.
Minority interest	0.0	0.0	n.m.
Net profit	**(25.1)**	**(13.6)**	**-45.8%**
Direct deposits	11,481.6	9,634.8	-16.1%
Indirect deposits	1,465.6	2,853.1	94.7%
Loans and advances to customers	4,392.6	4,605.8	4.9%
RWAs	1,658.2	1,921.7	15.9%
New loans	467.0	656.3	40.5%
No. of staff	886	941	6.2%
No. of branches	57	57	
Cost/income ratio (%)	96.8	96.3	
Bad loans (*sofferenze*)/loans ratio (%)	2.2	2.3	

Parent company P&L and balance sheet

Mediobanca S.p.A. (€m)	12 mths	12 mths	Y.o.Y. chg. %
	30/6/14	30/6/15	
Net interest income	208.4	186.8	-10.4%
Net trading income	30.8	186.4	n.m.
Net fee and commission income	220.8	255.7	15.8%
Equity-accounted companies	92.9	123.7	33.2%
Total income	**552.9**	**752.6**	**36.1%**
Labour costs	(168.0)	(195.0)	16.1%
Administrative expenses	(115.5)	(127.7)	10.6%
Operating costs	**(283.5)**	**(322.7)**	**13.8%**
Gains (losses) on AFS, HTM & LR	240.2	123.4	-48.6%
Loan loss provisions	(229.4)	(74.2)	-67.7%
Provisions for other financial assets	(9.8)	(20.4)	n.m.
Other income (losses)	(69.0)	(3.0)	n.m.
Profit before tax	–	(12.7)	n.m.
Income tax for the period	**201.4**	**443.0**	**n.m.**
Minority interest	(35.5)	(110.0)	n.m.
Net profit	**165.9**	**333.0**	**n.m.**

Mediobanca S.p.A. (€m)	30/6/14	30/6/15
Assets		
Treasury funds	9,599.5	3.183.3
AFS securities	7,301.5	6.407.1
Fixed assets (HTM & LR)	5,000.8	4.946.3
Loans and advances to customers	20,181.6	22.522.9
Equity investments	2,667.9	3.159.7
Tangible and intangible assets	133.4	132.2
Other assets	567.2	470.3
Total assets	**45,451.9**	**40.821.8**
Liabilities		
Funding	39,432.2	34.656.2
Other liabilities	864.6	826.6
Provisions	161.7	149.3
Net equity	4.827.5	4.856.7
Profit for the period	165.9	333.0
Total liabilities	**45,451.9**	**40,821.8**

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

MEDIOBANCA

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