



MEDIOBANCA
6M results as at
31 December 2016

Milan, 8 February 2017



MEDIOBANCA

AGENDA

1. **Group results**
2. **Divisional results**

Annexes

1. Quarterly segmental reporting tables



MEDIOBANCA: NET PROFIT UP 30% TO €418M, ROTE 10%

6M results as at Dec 2016 - MB Group

Section 1

**Highest-ever 6m revenues with growing NII and fees,
the former driven by consumer banking, the latter by wealth management**

**Sharp reduction in cost of risk, already at BP19 target,
coupled with lower NPLs and increased coverage ratios**

Improvement in revenues, asset quality, net profit and ROAC by all divisions

Low-risk profile confirmed: SREP reduced again

Barclays¹ acquisition closed, 50% Banca Esperia acquisition announced

**Net profit up 30% to €418m
ROTE at 10% - Adjusted 8%**

**Revenues up 6% to € 1,072m
NII up 5%, Consumer ~65% of total
Fees up 4%, WM ~40% of total**

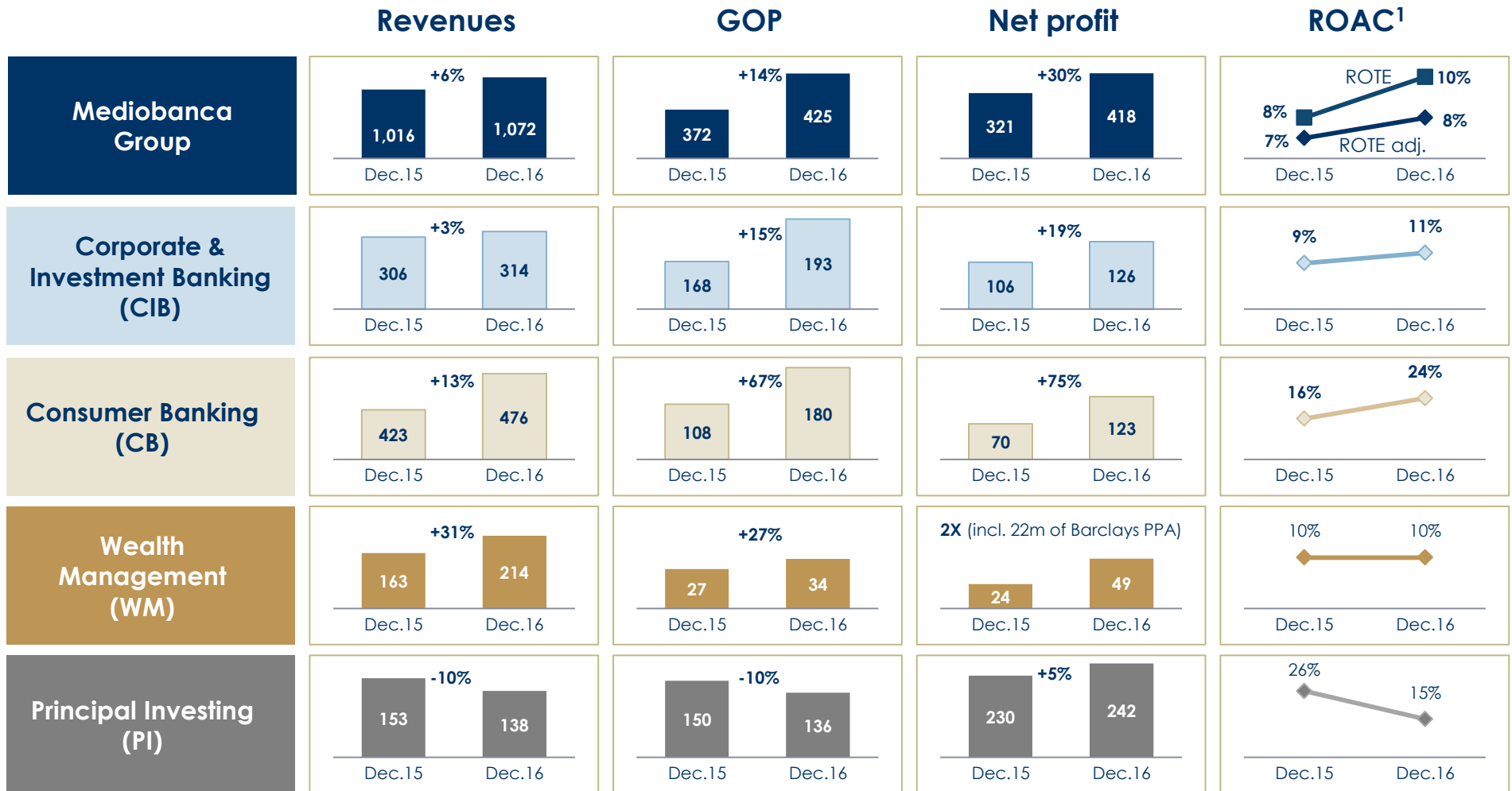
**SREP CET1 down to 7.0% (phase-in)
CET1 at 12.3% (phase-in)**

**Net NPLs reduced, as % of Ls down to 2.5%
CoR down to 102bps
Coverage ratios up: NPLs to 55%, performing Ls to 1.1%**

IH17 RESULTS AT A GLANCE

6M results as at Dec 2016 - MB Group

Section 1



1) Calculated based on average allocated K = 9% RWAs. RWAs are 100% calculated with STD. Gains/losses from AFS disposals, impairments and positive/negative one-off items excluded, normalized tax rate = 33%



ROAC UP IN ALL DIVISIONS

DIVISIONAL TAKEAWAYS

CIB

Net profit up 19% to €126m – ROAC¹ 11%

- ◆ Revenues up 3%, NII stabilized, costs flat
- ◆ CoR down to 12bps, NPLs coverage up to 51%
- ◆ Wholesale Banking net profit up 13% to €114m
- ◆ Specialty Finance profit doubled to €12m

Consumer Banking

Net profit up 75% to €123m – ROAC¹ 24%

- ◆ Long-standing NII growth continued (up 13%)
- ◆ Growth leveraging a 30% cost/income ratio
- ◆ LLPs down 14%, CoR down to 286bps
- ◆ Coverage ratios: performing loans up to 2,5%, NPLs 73%

Wealth Management

Net profit doubled to €49m – ROAC¹ 10%

- ◆ Revenues visible (20% of Group) and growing (up 31%)
- ◆ TFA up €8bn HoH to €51bn
- ◆ CheBanca! profit up to €29m (with €22m of PPA²)
- ◆ Private Banking profit up 10% to € 20m

Principal Investing

Net profit up 5% to € 242m – ROAC¹ 15%

- ◆ Revenues down 10% to €138m
- ◆ € 119m of gains from stake disposals
- ◆ Current NAV €3.7bn

Holding Functions: net loss up to €123m

- ◆ High liquidity (LCR up to 370% from 220% Sept16) impacting negatively on NII
- ◆ €56m of contribution to SRF for “four good banks” and DGS
- ◆ Leasing profitable and still reducing exposures

LAST 3M KEY TAKEAWAYS

6M results as at Dec 2016 - MB Group

Section 1

NII up 2%
with growth in all divisions

- ◆ **NII up 2% (to €321m) driven by all divisions**
 - ◆ CIB up 2% to €78m
 - ◆ Consumer up 1% to €206m
 - ◆ WM up 34% to €67m

Fees up 32%
driven by all divisions

- ◆ **Fee up 32% (to €135m) driven by all divisions, especially WM**
 - ◆ CIB up 46% to €63m
 - ◆ Consumer up 6% to €35m
 - ◆ WM up 41% to €53m

Strong asset quality improvement
driven by Consumer Banking

- ◆ **Group net NPLs down 4% in last Q to €937m**
 - ◆ coverage up 1pp to 55%
 - ◆ NPLs down to 2.5% of Ls (from 2.66%)
- ◆ **Consumer CoR down 40bps in last Q to 267bps**
 - ◆ NPLs coverage at 73%
 - ◆ Bad Ls coverage at 93%
 - ◆ Coverage of performing loans up to 2.5%

RWA managed flat, reallocation ongoing
CET up to 12.3%

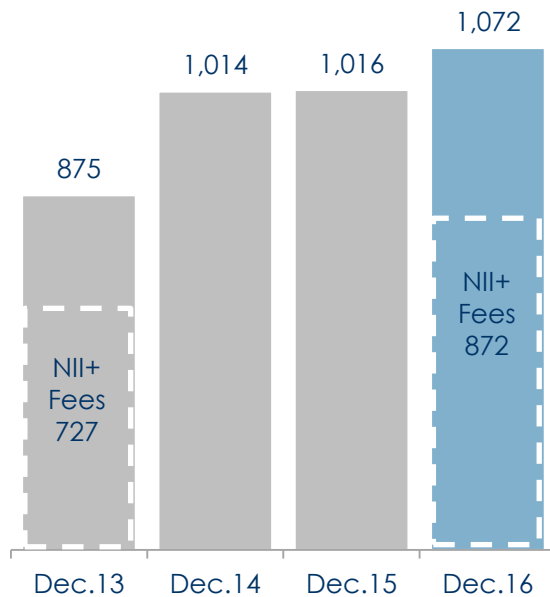
- ◆ **Group RWA managed flat, reallocation ongoing** with additional optimization achieved in WB financing growth in Consumer and WM
- ◆ **CET1 up 20bps to 12.3%**

HIGHEST-EVER REVENUES AND GOP*

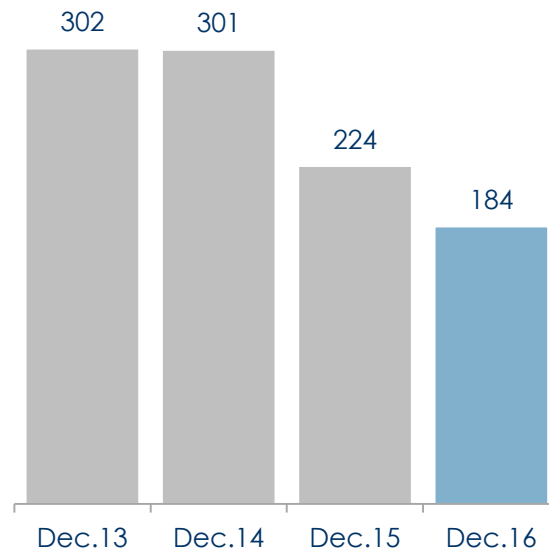
6M results as at Dec 2016 - MB Group

Section 1

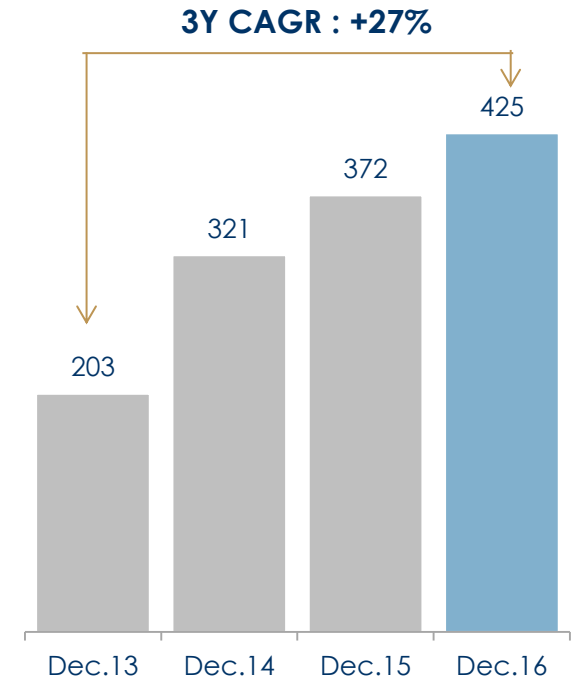
Total revenues (€m, 6m)



Loan loss provisions (€m, 6m)



GOP after LLPs (€m, 6m)



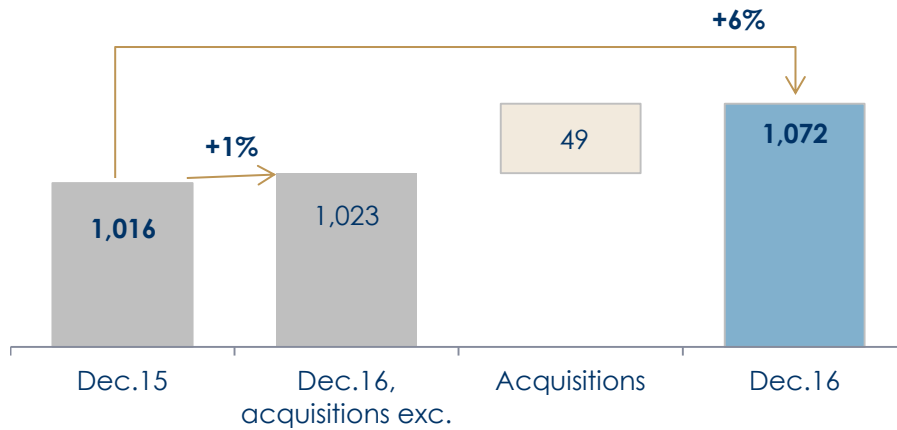
- ◆ Revenues steadily growing, up to €1,072bn (6% YoY) driven by NII and fees
- ◆ LLPs down (down 18% YoY) to pre-crisis level due to superior and steadily improving asset quality trend
- ◆ GOP growing fast (3Y CAGR +27%), more than doubled vs Dec.13, up 14% YoY

HEALTHY TRENDS WITH AND WITHOUT ACQUISITIONS

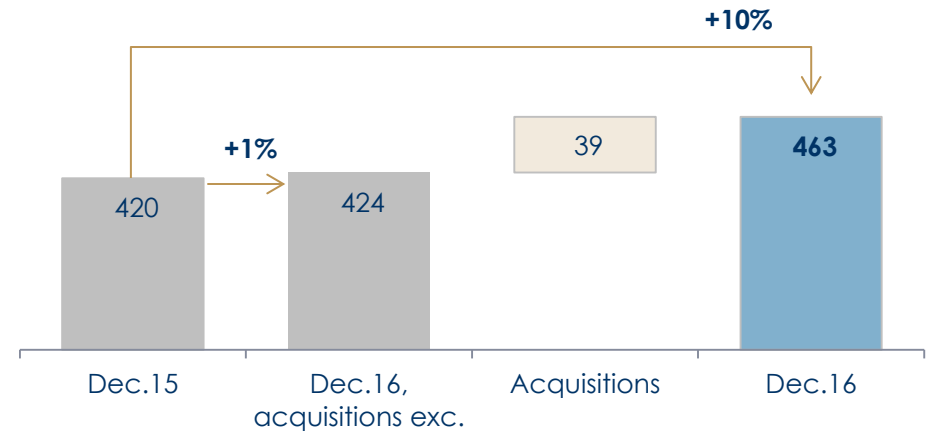
6M results as at Dec 2016 - MB Group

Section 1

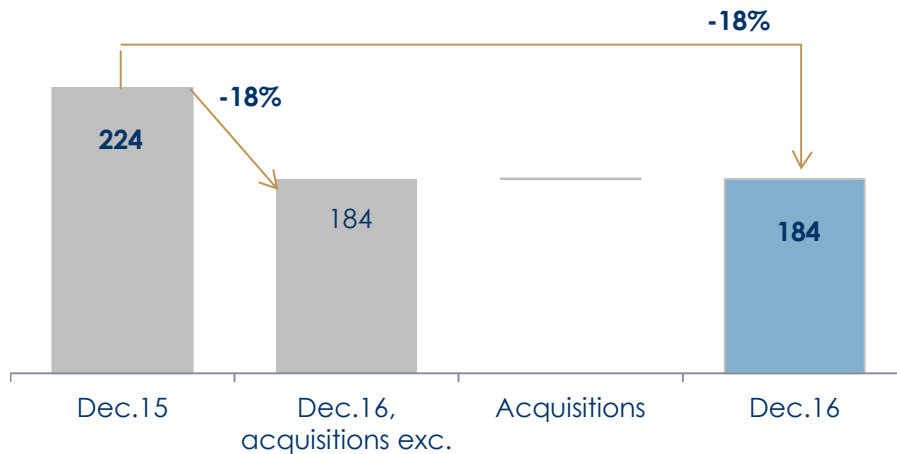
Group revenues (€m, 6m)



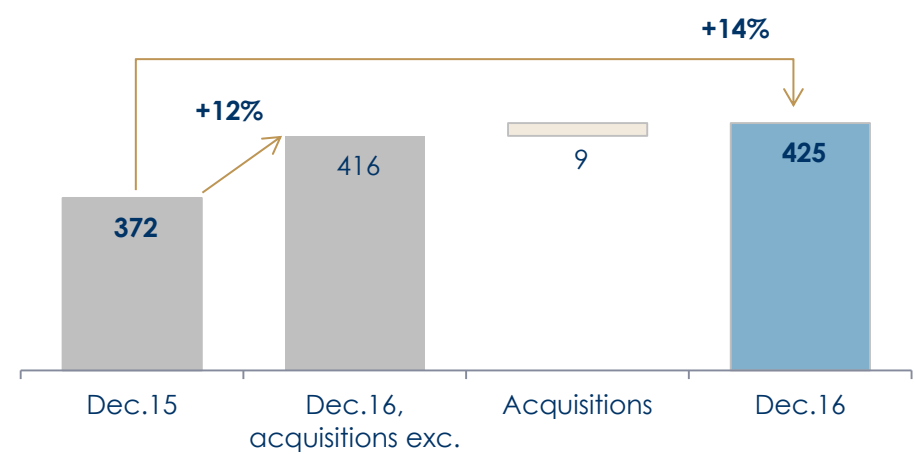
Group costs (€m, 6m)



Group LLPs (€m, 6m)



Group GOP (€m, 6m)

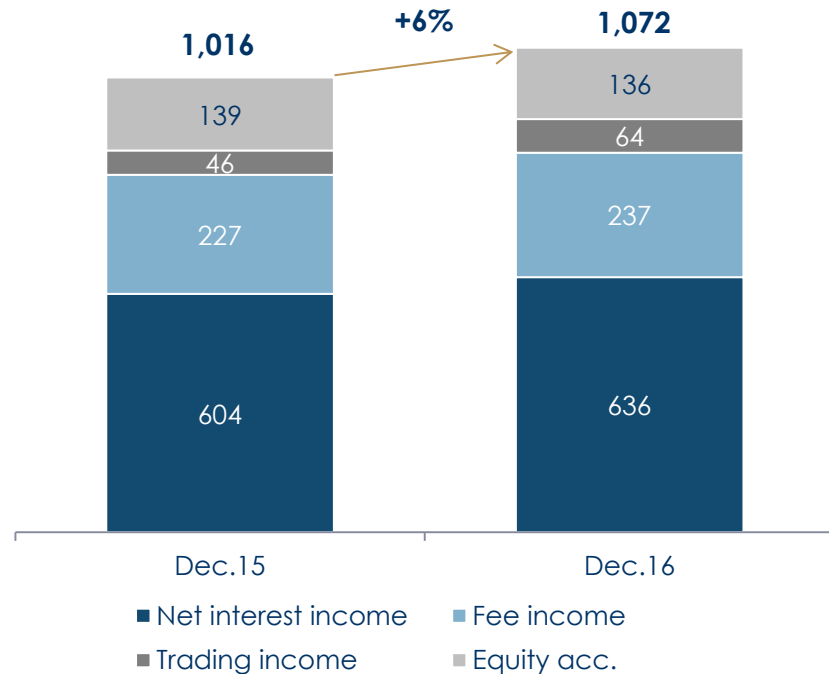


TOP LINE: POSITIVE 2Q FOR BANKING AND CLIENT BUSINESSES

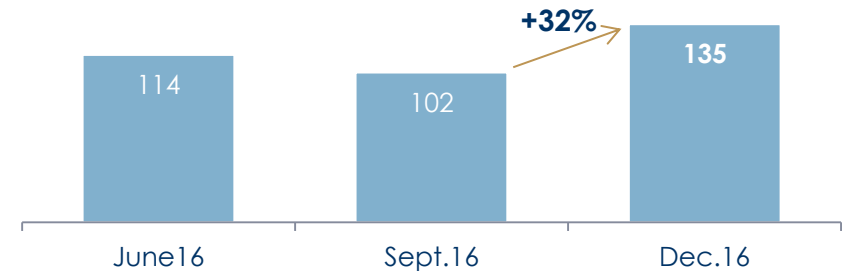
6M results as at Dec 2016 - MB Group

Section 1

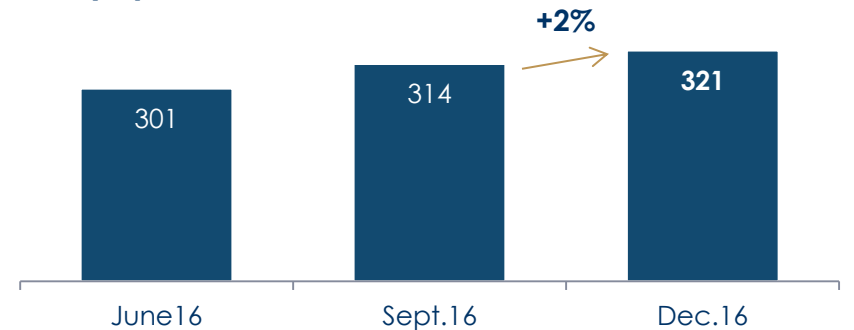
Group revenues (€m, 6m)



Fees by quarter (€m, 3m)



NII by quarter (€m)



◆ **1H17 revenues up 6% YoY and 4% QoQ driven by Banking and Client businesses:**

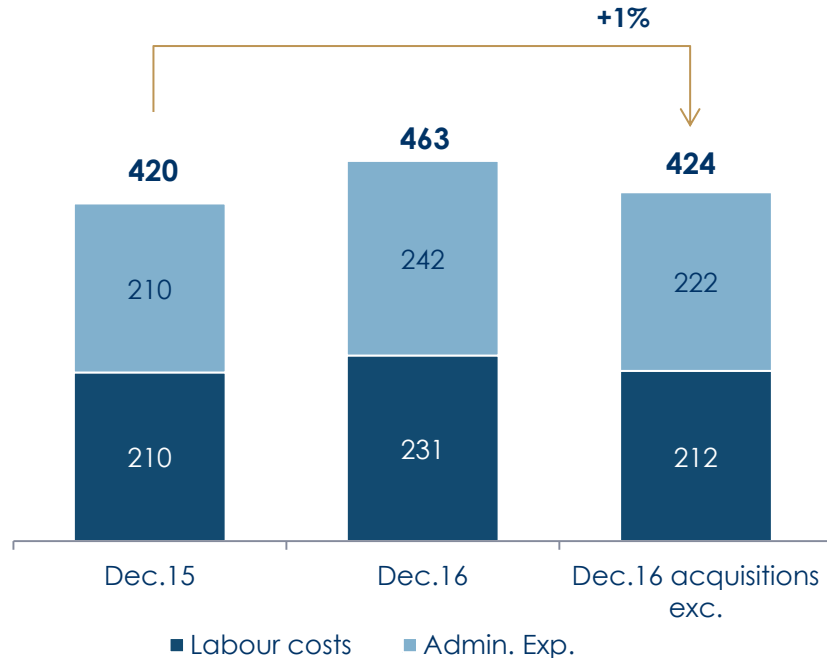
- ◆ Banking sources: in 2Q fees up 32% QoQ, NII up 2% QoQ, trading up 62% YoY
- ◆ Client business: CIB up 16% QoQ, Consumer up 2%QoQ, WM up 35% QoQ offsetting lower PI/HF contributions

STRICT COST CONTROL

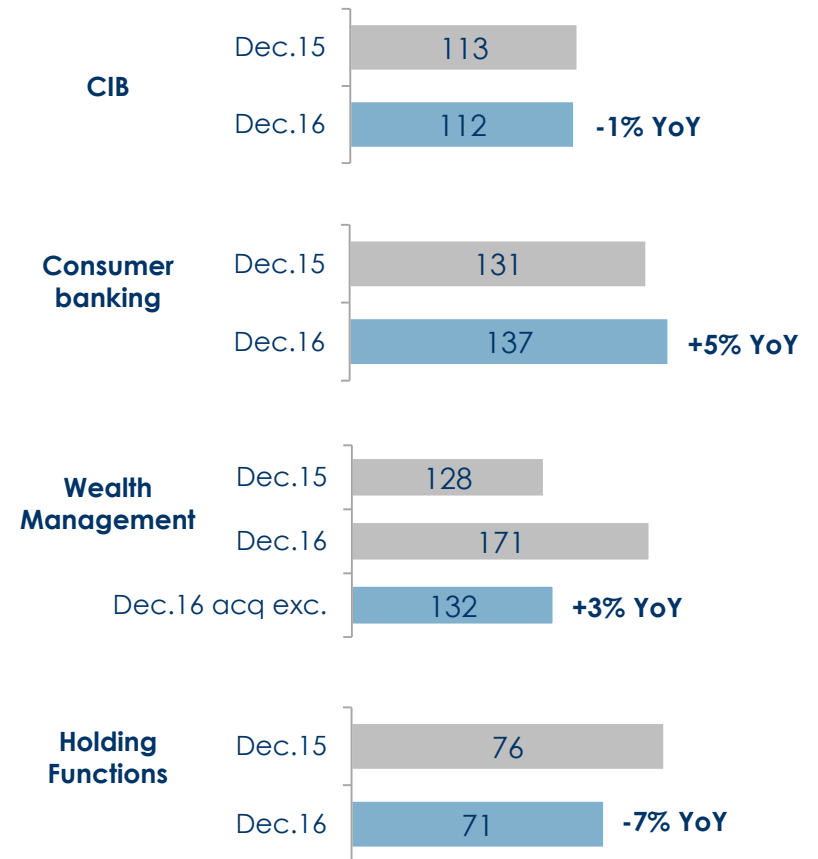
6M results as at Dec 2016 - MB Group

Section 1

Group costs (€m, 6m)



Total costs by division (€m, 6m)



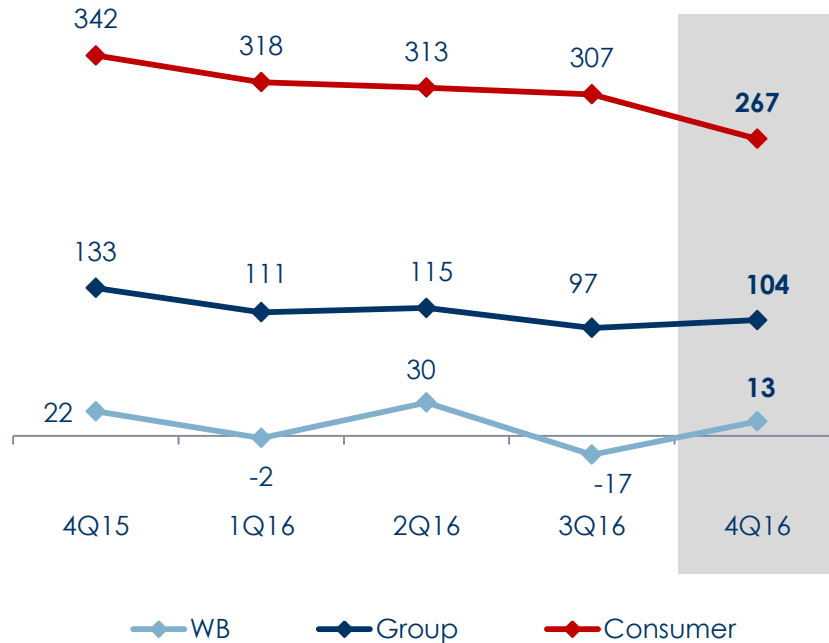
- ◆ **Group costs flat** on a like-for-like basis
- ◆ HF down 7%, CIB and WM basically flat
- ◆ Consumer costs up 5% on franchise and volume growth, cost/income ratio 29%

COR HOVERING AROUND 100BPS (BP19 TARGET 105BPS)

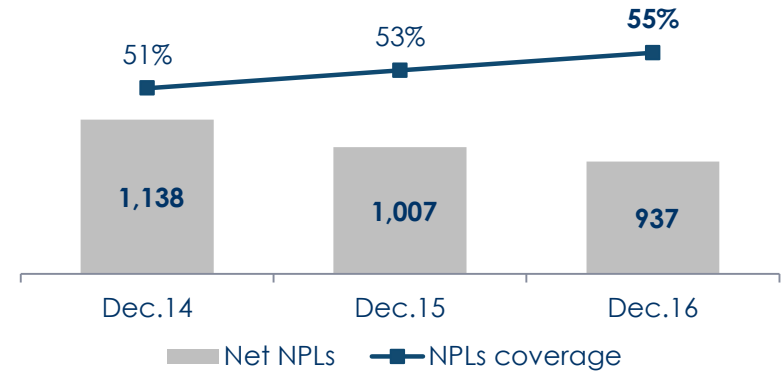
6M results as at Dec 2016 - MB Group

Section 1

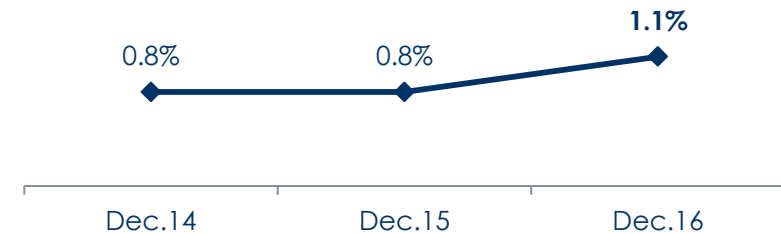
Cost of risk by division (bps)



NPLs¹ ("deteriorate") and coverage¹ (€m, %)



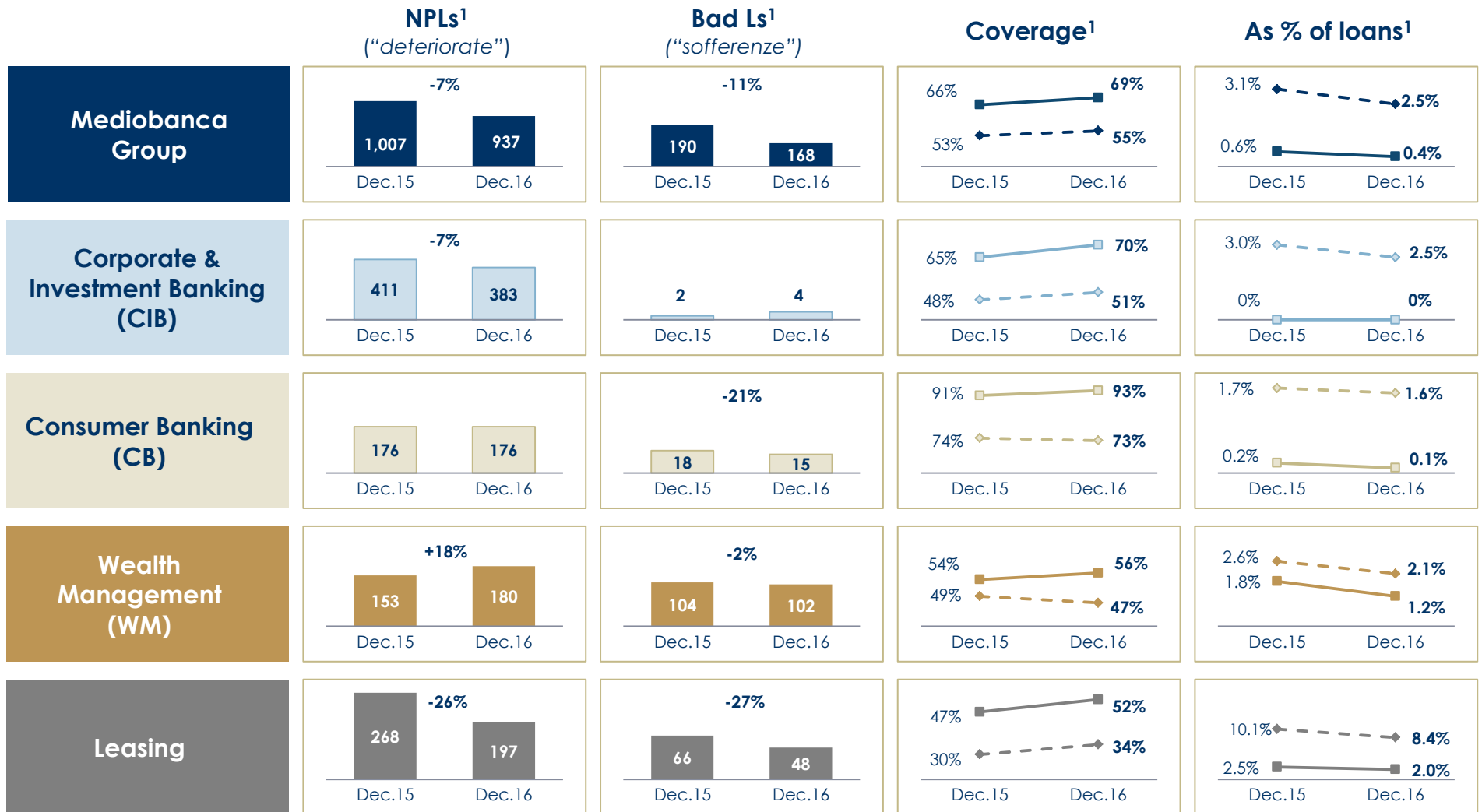
In bonis coverage (€m, %)



- ◆ **Group CoR around 100bps** for two quarters in a row with NPLs reducing
- ◆ **NPLs¹ below €1bn**: down 7% at €937m, **coverage ratio up** to 55%
- ◆ **Coverage of performing loans up** YoY from 0.8% to 1.1%

ASSET QUALITY IMPROVED IN ALL DIVISIONS

COVERAGE UP, NPLS/BAD LOANS DOWN IN RELATIVE TERMS



ONE-OFF ITEMS

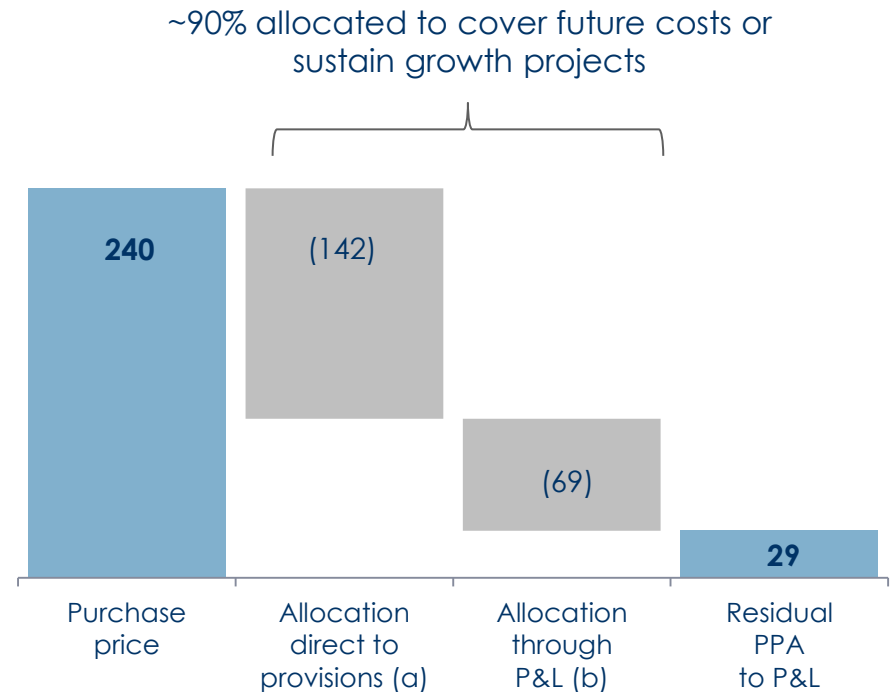
6M results as at Dec 2016 - MB Group

Section 1

Non-operating items (€m, 6months)

€m	-	+
Atlantia - 1.6% stake disposal		+110
Disposal/impairment on other AFS stakes	(8)	+12
PPA on P&L		+29
SFR ¹ one-off contribution	(50)	
DGS ²	(5)	
Total 6m	(63)	+141

Barclays PPA allocation as at Dec 16 (€m)



- ◆ The “price” paid by Barclays to CheBanca! (€240m) has been allocated through a PPA process to provisions for asset and liabilities and future costs, with a residual positive impact of €29m on P&L
- ◆ By June 2017 PPA will reduce to €20-25m once the allocation process has been fully completed

¹ SRF: Single Resolution Fund

² DGS: Deposit Guarantee Scheme

a) Provisions related to fair value of funding and assets, staff redundancies

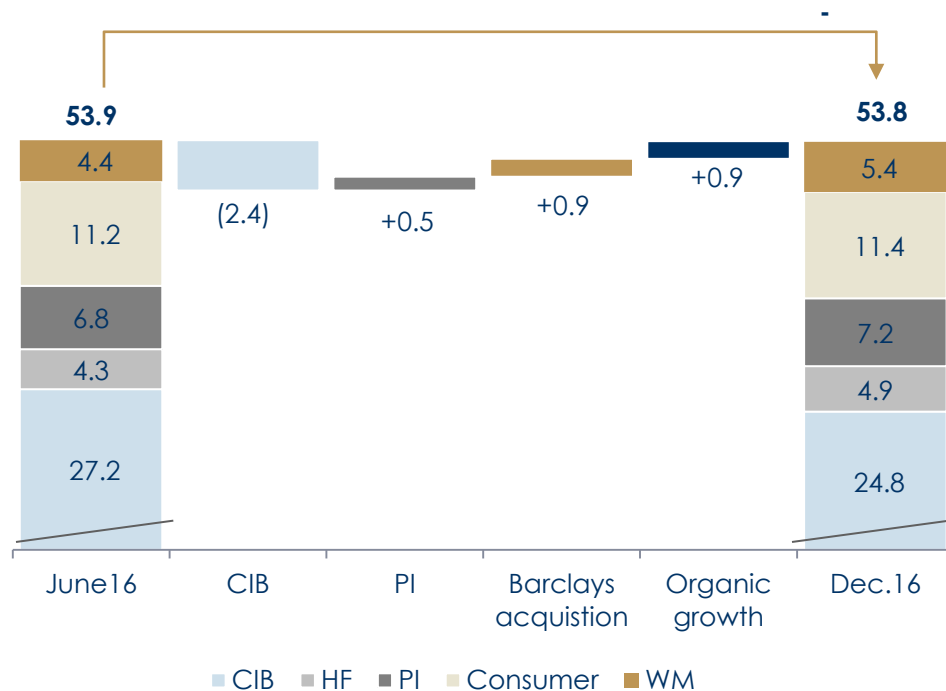
b) Costs related to restructuring, integration, IT, marketing, other non-recurrent items

CET1 UP TO 12.3% DUE TO RWA MGT & EARNING GENERATION

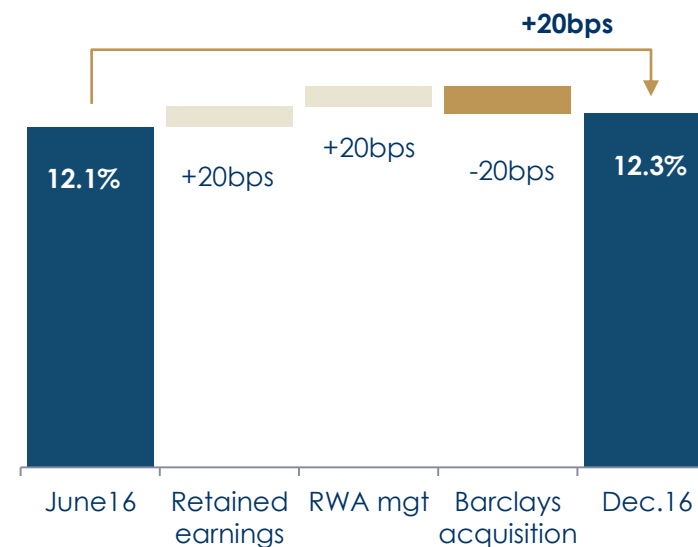
6M results as at Dec 2016 - MB Group

Section 1

RWA trend (€bn)



CET1 phase-in trend (% and bps)



- ◆ **CET1 up to 12.3% due to strong earnings generation and RWA management capabilities**
- ◆ **RWAs kept flat:** further market risk optimization in CIB (down 9%) offset Barclays acquisition (€0.9bn in RWA added in relation to €2.5bn of mortgages) and increase in PI (mainly due to increase in AG book value from €3.1bn to €3.4bn)

SREP 2016

MEDIOBANCA CONFIRMED AS BEST IN CLASS

6M results as at Dec 2016 - MB Group

Section 1

Italian banks that have reported	SREP CET 1 phase in	CET 1 Sept.16	SREP Total Capital phase in	Total Capital Sept.16
Credem	6.75%	13.5%	9.00%	14.7%
Mediobanca	7.00%	12.1%	9.25%	15.7%
BPER	7.25%	14.5%	9.50%	16.0%
Intesa SanPaolo	7.25%	12.8%	9.50%	17.2%
UBI	7.50%	11.7%	9.75%	14.6%
Unicredit	8.75%	11.0%	10.50%	14.5%

AGENDA

1. **Group results**
2. **Divisional results**
 - 2A. **Corporate & Investment Banking**
 - 2B. **Consumer Banking**
 - 3C. **Wealth Management**
 - 3D. **Principal Investing**
 - 3E. **Holding Functions**

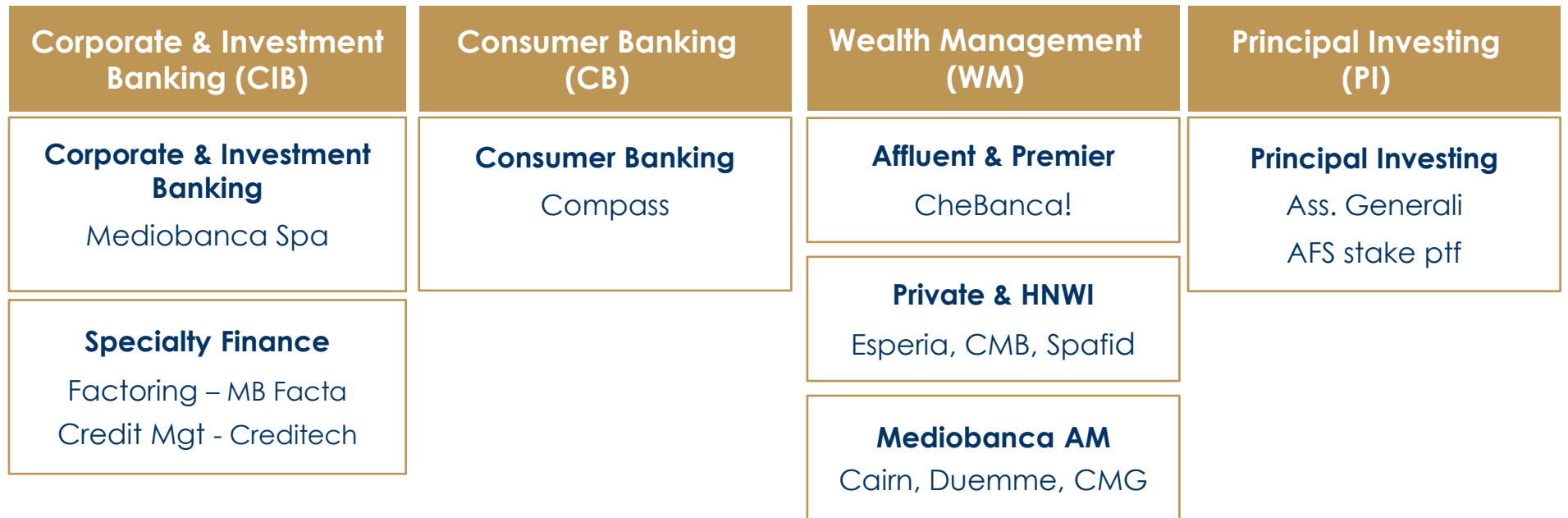


NEW BU SEGMENTATION CONSISTENT WITH STRATEGIC PRIORITIES

Mediobanca Group

Holding Functions

Group ALM & Treasury



*Corporate
client business*

*Consumer
client business*

*AUA/AUM driven
client business*

*Proprietary
equity stakes*

CORPORATE & INVESTMENT BANKING

**Corporate & Investment
Banking (CIB)**

**Corporate & Investment
Banking**

Specialty Finance

CIB: IMPROVED PROFITABILITY EVEN IN A VOLATILE MARKET

ROAC UP TO 11%

Corporate & Investment Banking (CIB)

- ◆ **Net profit up 19% to €126m**
 - ◆ Revenues up 3% playing product diversification
 - ◆ Costs down 1% to €112m
 - ◆ Superior asset quality: LLPs halved to €9m
- ◆ **Loans up 10%**
- ◆ **RWA down 15%** on continuing market risk optimization
- ◆ **ROAC up to 11%**

CIB - €m	Dec15	Dec16	Δ
Revenues	306	314	+3%
GOP risk adj.	168	193	+15%
Net profit	106	126	+19%
Loans bn	14.0	15.4	+10%
RWA bn	29	25	-15%
CoR bps	35	12	-23
ROAC¹	9%	11%	+2pp

Wholesale Banking (WB)

**Excellent asset quality (nihil LLPs)
RWA optimization ongoing**

- ◆ **Net profit up 13% to €114m**
 - ◆ Revenues and NII stabilized
 - ◆ Costs down 4% to €97m
 - ◆ Bad loans confirmed at zero
- ◆ **Loans at €14bn**, 50% non-domestic, flat HoH, up 8% YoY
- ◆ **RWA down 16%** on market risk optimization
- ◆ **ROAC up to 11%**

WB - €m	Dec15	Dec16	Δ
Revenues	279	273	-2%
GOP risk adj.	160	177	+11%
Net profit	101	114	+13%
Loans bn	13.2	14.2	+8%
RWA bn	28	24	-16%
CoR bps	27	-2	-29
ROAC¹	9%	11%	+2pp

Specialty Finance (SF)

**Expanding volumes
Fee driven-high profitable business**

- ◆ **Net profit doubled to €12m**
 - ◆ Revenue up 55% with doubling fees (to €20m) and 20% growth in NII (to €21m)
 - ◆ 15% of LLPs (€11m) for performing items
- ◆ **Loans booming at €1.2bn**
 - ◆ Factoring up 50% to €1.1bn
 - ◆ NPLs acquired: €159m GBV, €9m NBV
- ◆ **ROAC moved up to 23%**

SF - €m	Dec15	Dec16	Δ
Revenues	27	42	+55%
GOP risk adj.	9	16	+80%
Net profit	6	12	+2x
Loans bn	0.8	1.2	+47%
RWA bn	0.8	1.2	+46%
CoR bps	181	210	+29
ROAC¹	20%	23%	+3pp

M&A: LEADING POSITION IN CORE MARKETS

6M results as at Dec 2016 – Divisional results

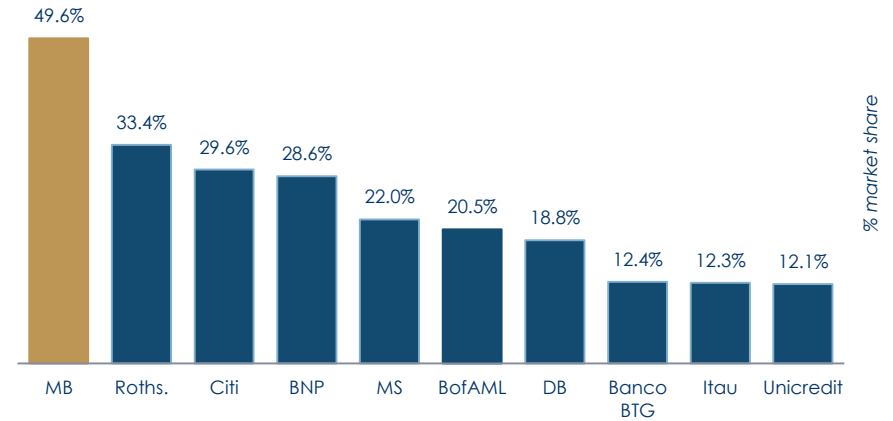
Section 2

- ◆ Mediobanca is the go-to investment bank with undisputed experience in the Italian M&A advisory and growing presence in the rest of Europe, leveraging on its core geographies
- ◆ Involved in the major industry-shaping deals of 2016, including the merger of Banco Popolare – BPM, the combination of Luxottica and Essilor and the reorganization of Enel LatAm
- ◆ Continuous collaboration and strong ties with all other IB departments guarantee a complete product offering to the customer

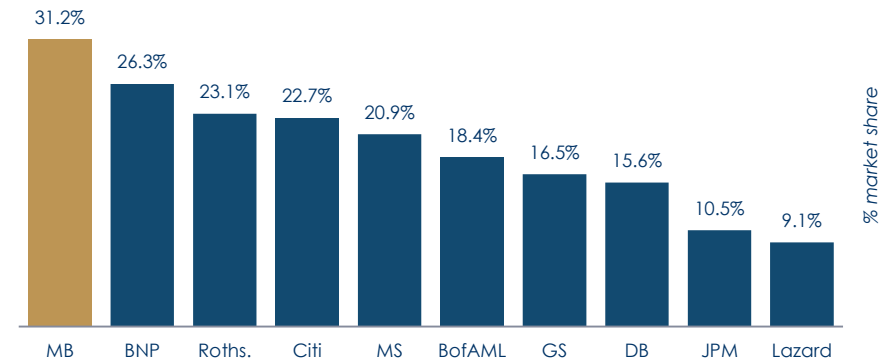
Largest M&A Transactions since January 2016

<p>January 2017</p> <p>BANCO POPOLARE</p> <p>BANCA POPOLARE DI MILANO</p> <p>€ 6.5bn (combined market cap pro forma for Banco Popolare capital increase)</p> <p>Merger between Banco Popolare and BPM</p> <p>Financial Advisor to Banco Popolare</p>	<p>Announced – January 2017</p> <p>LUXOTTICA</p> <p>ESSILOR</p> <p>€ 47bn (combined Mkt Cap)</p> <p>Merger of Equals</p> <p>Financial Advisor to Delfin</p>	<p>December 2016</p> <p>Enel</p> <p>Restructuring</p> <p>Reorganization of Enel Group activities in Chile and other Latin American countries</p> <p>Financial Advisor to Enel</p>	<p>December 2016</p> <p>SETEFI</p> <p>INTESE SANPAOLO CARD</p> <p>€ 1.0bn</p> <p>Advent, Bain Capital and Clessidra to acquire the payment processing platforms of Intesa Sanpaolo</p> <p>Financial Advisor to Advent, Bain Capital and Clessidra</p>
<p>Announced – Nov. 2016</p> <p>AVIO</p> <p>€ 250m</p> <p>Acquisition of Avio By Leonardo-Finmeccanica and Space2 and subsequent Avio Listing through the Merger in Space2</p> <p>Financial Advisor to Leonardo-Finmeccanica</p>	<p>November 2016</p> <p>AEROPORT</p> <p>NICE CÔTE D'AZUR</p> <p>€ 2.2bn</p> <p>Disposal of Côte d'Azur airports (Nice, Cannes, Saint Tropez) to Atlantia-EDF</p> <p>Financial Advisor to the French Government</p>	<p>November 2016</p> <p>investire</p> <p>€ 259m</p> <p>Restructuring of the Real Estate Fund HB debt</p> <p>Financial Advisor to Investire SGR SpA</p>	<p>October 2016</p> <p>edp</p> <p>€ 1.0bn</p> <p>Sale of minority stakes of wind assets in Italy and Poland to China Three Gorges</p> <p>Financial Advisor to EDPR</p>
<p>September 2016</p> <p>A4 HOLDING</p> <p>€ 594m</p> <p>Acquisition of a 51.4% stake in A4 Holding</p> <p>Financial Advisor to Abertis</p>	<p>July 2016</p> <p>Italcementi</p> <p>Italcementi Group</p> <p>€ 6.8bn</p> <p>Acquisition of 45% of Italcementi by HeidelbergCement and public tender offer</p> <p>Financial Advisor to Italmobiliare</p>	<p>May 2016</p> <p>KOS</p> <p>€ 835m</p> <p>Search of a new minority partner in Kos by CIR; stake eventually acquired by F2i</p> <p>Financial Advisor to CIR</p>	<p>May 2016</p> <p>Eurobank</p> <p>€ 1.2bn</p> <p>Agreement to establish a platform for the management of certain credit exposures</p> <p>Financial Advisor to Eurobank</p>

M&A Italy – Announced Deals (2016 - YTD)



M&A Southern Europe¹ – Announced Deals (2016 – YTD)



MEDIOBANCA: A UNIQUE ECM PLATFORM

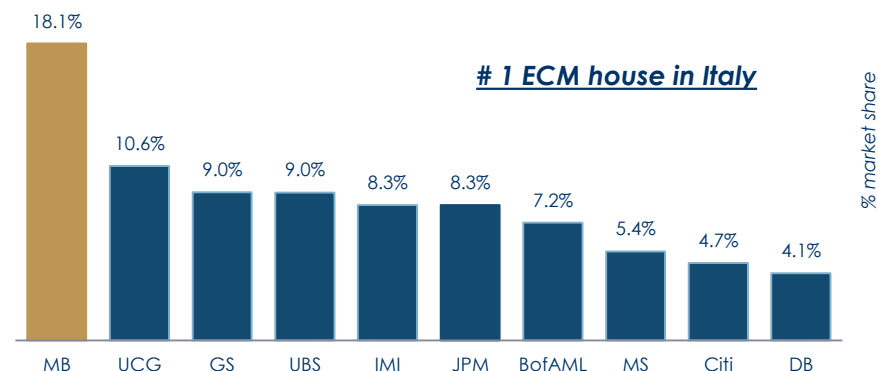
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Section 2

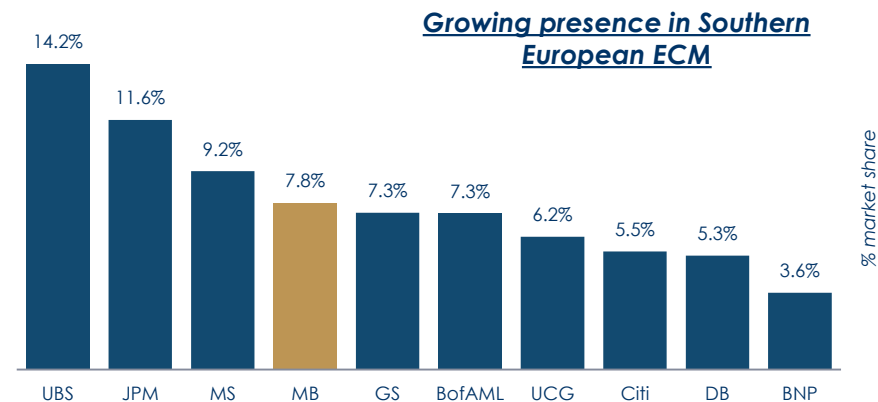
- ◆ Mediobanca is one of the leading pure European investment bank with good access to both Italian and international institutional investors
- ◆ Mediobanca boasts an unrivalled track record in Italian ECM transactions, managing virtually all the largest deals as Bookrunner
- ◆ Growing leadership in Southern European markets, acting as Bookrunner in 9 deals since January 2016
- ◆ Latest deals executed by Mediobanca: Brunello Cucinelli and Technogym ABBs (2017), Prysmian Convertible Bond (2017), BCP capital increases (2017), Enav, Technogym, Industrial Stars of Italy 2 and Coima Res IPOs in 2016
- ◆ Major deals in executions: Banca Farmafactoring, Unieuro IPOs, UniCredit Rights Issue and Poste Italiane SPO

Italy Ongoing UniCredit €13,000m Rights Issue Joint Global Coordinator & Joint Bookrunner	Italy Ongoing unieuro Ongoing IPO Joint Global Coordinator, Joint Bookrunner and Sponsor	Italy Ongoing BANCA FARMAFACTURING Ongoing IPO Joint Global Coordinator, Joint Bookrunner and Sponsor	Italy Ongoing Posteitaliane 2 Ongoing SPO Joint Global Coordinator & Joint Bookrunner	Portugal 2017 Millennium €1,325m Rights Issue Joint Bookrunner
Italy 2017 BRUNELLO CUCINELLI €43m ABB Sole Bookrunner	Italy 2017 TECHNOGYM €100m ABB Joint Bookrunner	Italy 2017 PRYSMIAN €500m Convertible Bond Joint Global Coordinator & Joint Bookrunner	Italia 2016 ENAV €834m IPO Joint Global Coordinator, Joint Bookrunner and Sponsor	Italia 2016 TECHNOGYM €187m IPO Joint Global Coordinator, Joint Bookrunner and Sponsor

Bookrunner Italian ECM¹ (2016 - YTD)



Bookrunner Southern Europe² ECM (2016 – YTD)

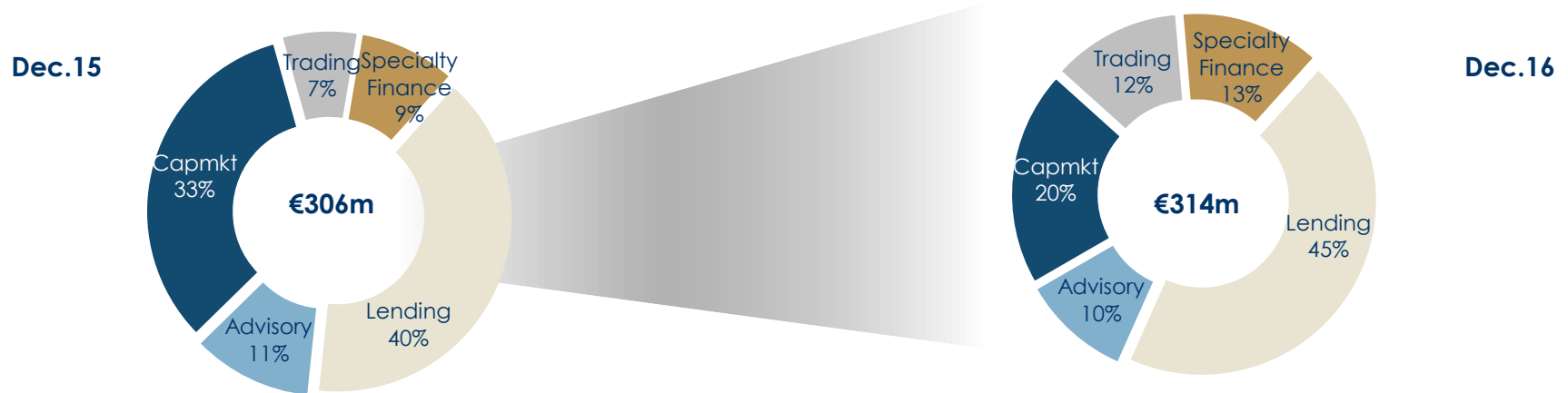


CIB REVENUE UP 3%, WELL DIVERSIFIED BETWEEN PRODUCTS

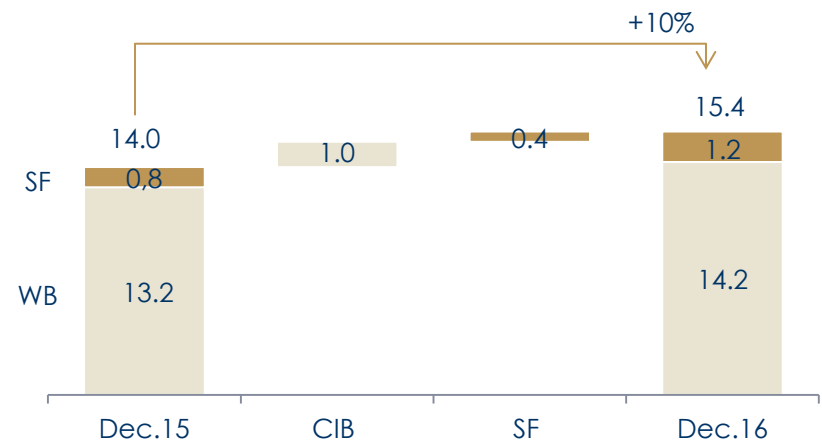
6M results as at Dec 2016 – Divisional results

Section 2

CIB revenues YoY trend (€m, 6m)



CIB loans YoY trend (€m, 6m)



- ◆ **CIB revenues up 3% YoY** (from €306m to €314m)
 - ◆ **sound performance by corporate lending and specialty finance**, matched with **good trading results** in 4Q16
 - ◆ **weaker contribution of CapMkt** due to market uncertainties in 2H16
- ◆ **CIB loans up 10% YoY** due to both corporate and SF, **at reducing cost of risk**

CONSUMER BANKING

**Consumer Banking
(CB)**

**Consumer Banking
Compass**



CONSUMER: STRONG SET OF RESULTS ONCE AGAIN

ROAC 24%

Consumer Banking (CB)

- ◆ **IH17 results at highest level ever:**
 - ◆ Revenues up 13% to €476m, with 13% growth in NII and Fees
 - ◆ Cost up 5% for increased operations, C/I ratio at 29%
 - ◆ LLPs down 14% to €159m
- ◆ **Net profit up 75% to €123m**
- ◆ **ROAC at 24%**

Disciplined and profitable growth

Superior asset quality

- ◆ **Loans steadily up keeping focus on risk-adj. margins** rather than mkt share
- ◆ **Compass new loans growth deliberately slowed** to 6% in a rebounding market (up 18%)
- ◆ Margins preserved through **increased recourse to direct channel** (now 50% of personal Ls vs 47% Dec 15) **and less risky products** (i.e. salary guarantees)

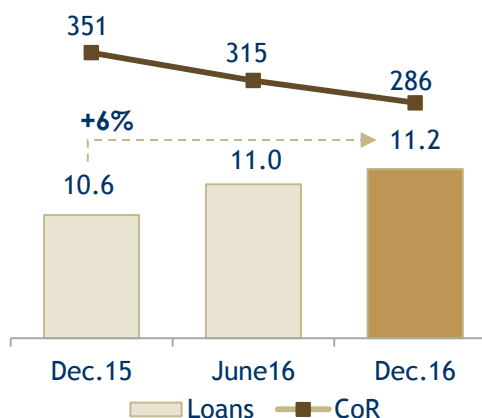
Focus on margins

NII steadily up CoR steadily down

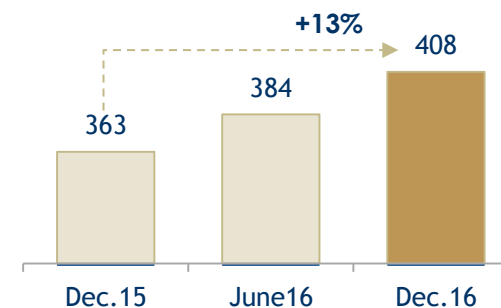
- ◆ **NII up 13%** due to growing loan book, flat gross margins, decreasing cost of funding
- ◆ **Cost of risk declining** at 286bps
- ◆ **Sound and growing coverage ratios:**
 - ◆ 73% for NPLs
 - ◆ 93% for Bad Ls
 - ◆ 2.5% for performing loans

CB - €m	Dec15	Dec16	Δ
Revenues	423	476	+13%
GOP risk adj.	108	180	+67%
Net profit	70	123	+75%
Loans bn	10.6	11.2	+6%
RWA bn	10.3	11.4	+11%
CoR bps	351	286	-65
ROAC¹	16%	24%	+8%

Loans and CoR (€m, bps, 6m)



Consumer NII (€m, 6m)



FOCUS ON PROFITABILITY RATHER THAN ON VOLUMES

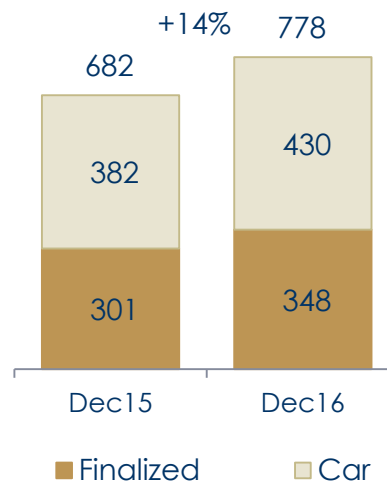
6M results as at Dec 2016 – Divisional results

Section 2

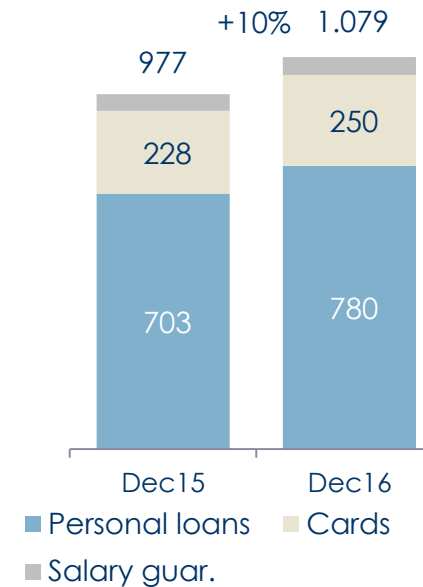
Cautious approach to new business focused on ...



...less risky products...
(Car and finalized new loans - €bn, %) ...



... and more profitable direct distribution
(direct new loans by product - €m)



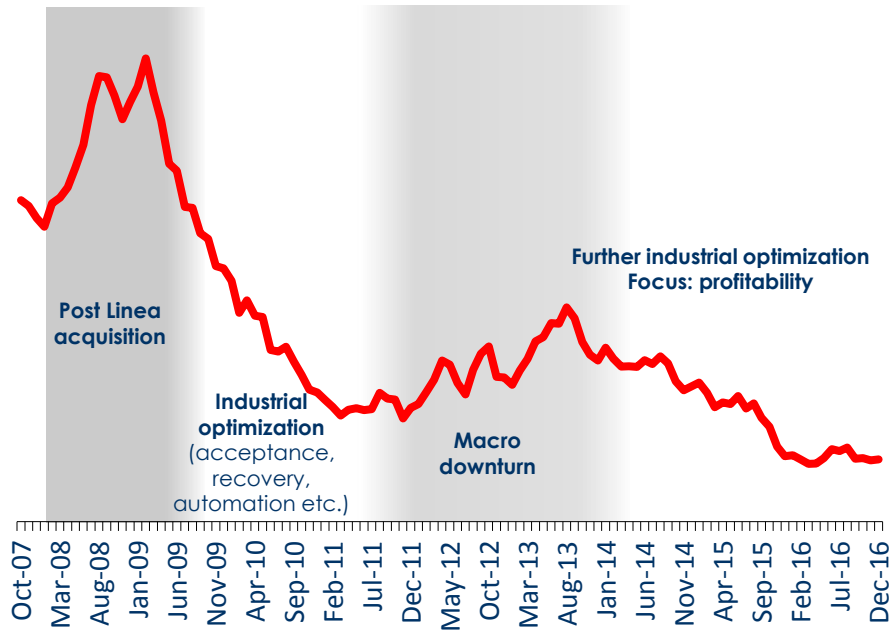
- ◆ New loans growing at slower pace compared to market growth to preserve overall portfolio profitability
- ◆ New loans up 6% YoY (7% vs market growth of 18% at end-Sept.) with double-digit growth in finalized (up 16% YoY), cars (up 13% YoY) and cards (up 10% YoY), personal loans up 5% YoY
- ◆ Direct distribution, the most profitable, up 10% due to personal loans (up 11% YoY) and cards (up 10% YoY)

OUTSTANDING AND SUSTAINABLE ASSET QUALITY PERFORMANCE

6M results as at Dec 2016 – Divisional results

Section 2

First risk indicator¹



Consumer NPLs ratio and coverage trend

Consumer	Dec.15	June 16	Dec.16
NPLs (€m)	176	176	176 =
NPLs/loans	1.7%	1.6%	1.6% =
NPLs coverage	74%	73%	73% =
Bad Loans (€m)	18	15	15 ↓
Bad Loans/loans	0.2%	0.1%	0.1% ↓
Bad Loans coverage	91%	92%	93% ↑
Performing loans coverage	1.5%	2.1%	2.5% ↑

- ◆ Steadily growing book coupled with steadily improving indicator risk¹ proves the **extreme effectiveness of Compass acceptance grids and risk assessment procedures**
- ◆ **NPLs coverage fully aligned to internal models**, effective recovery and disposals activity to manage the stocks
- ◆ Substantial **increase in performing loans coverage** ratio (now at 2.5%)

WEALTH MANAGEMENT

Wealth Management (WM)

Affluent & Premier

CheBanca!

Private & HNWI

Banca Esperia

Spafid

CMB

Mediobanca AM

WM: STEEP GROWTH DUE TO RECENT ACQUISITIONS

ROAC 10%

Wealth Management (WM)

- ◆ Revenues up 31%, fees now visible at Group level (38% of total)
 - ◆ NII up 25% to €117m
 - ◆ Fees up 43% to €90m
- ◆ **GOP up 27% to €34m** on flat cost/income ratio of 80%: synergies from integration still to come
- ◆ **TFA up 20% HoH to €51bn**
- ◆ **ROAC at 10%**

WM - €m	Dec15	Dec16	Δ
Revenues	163	214	+31%
GOP risk adj.	27	34	+27%
Net profit	24	49	+2x
Loans bn	5.8	8.6	+50%
RWA bn	4.1	5.4	+33%
ROAC¹	10%	10%	-

CheBanca! (Affluent & Premier)

Barclays integration started

- ◆ **CheBanca! Robo-Advisory service among top 5 European by AUM (> €160m)²**
- ◆ Revenues and costs up (up 37% and 39% respectively) due to Barclays
- ◆ **Net profit up to €29m** due to Barclays PPA (€22m net of taxes)
- ◆ **TFA up 42% HoH (to €21bn)**
 - ◆ €6bn **Barclays** consolidation
- ◆ **ROAC up to 6%**

Affluent - €m	Dec15	Dec16	Δ
Revenues	96	132	+37%
GOP risk adj.	8	11	+42%
Net profit	6	29	nm
Mortgages bn	4.8	7.4	+55%
RWA bn	2.4	3.5	+44%
ROAC¹	5%	6%	+1pp

Private HNWI

Sound AUM growth

- ◆ **TFA up 8% HoH (to €30bn)**
 - ◆ **€1.6bn organic growth**
 - ◆ **€0.7bn acquisitions** in Monaco
- ◆ **Revenue up 24%** due to B.Esperia fee growth (up 19% at €19m) and Cairn contribution (consolidated in March 16)
- ◆ **GOP up 24%** (up €5m) due to Banca Esperia (up €3m), CMB (up €1m) and Cairn Capital (up €1m)

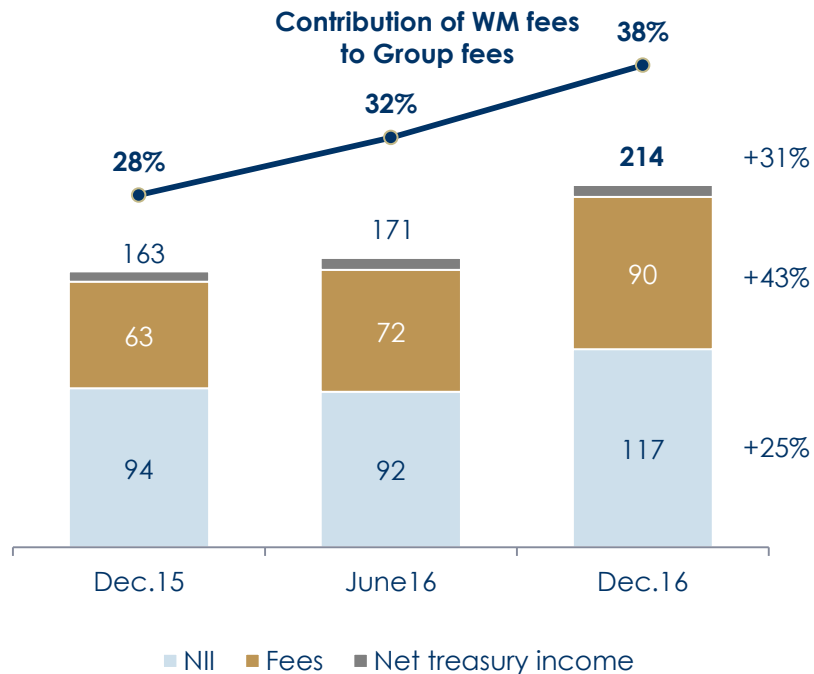
Private B. - €m	Dec15	Dec16	Δ
Revenues	67	83	+24%
GOP risk adj.	18	23	+24%
Net profit	18	20	+10%
Loans bn	1.0	1.2	+25%
RWA bn	1.7	1.9	+17%
ROAC¹	17%	18%	+1pp

WM TOP LINE GROWING AND VISIBLE AT GROUP LEVEL

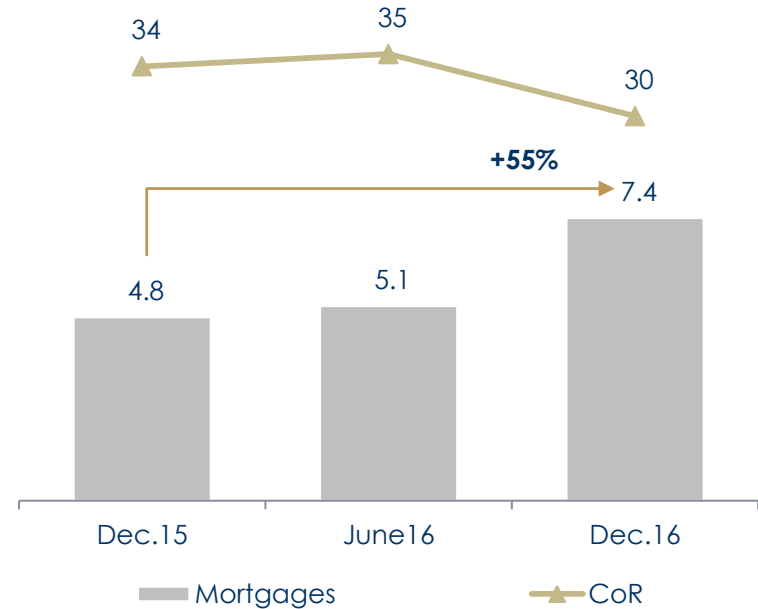
6M results as at Dec 2016 – Divisional results

Section 2

WM revenues breakdown (€m, 6months)



Mortgages and CoR (€bn, bps)



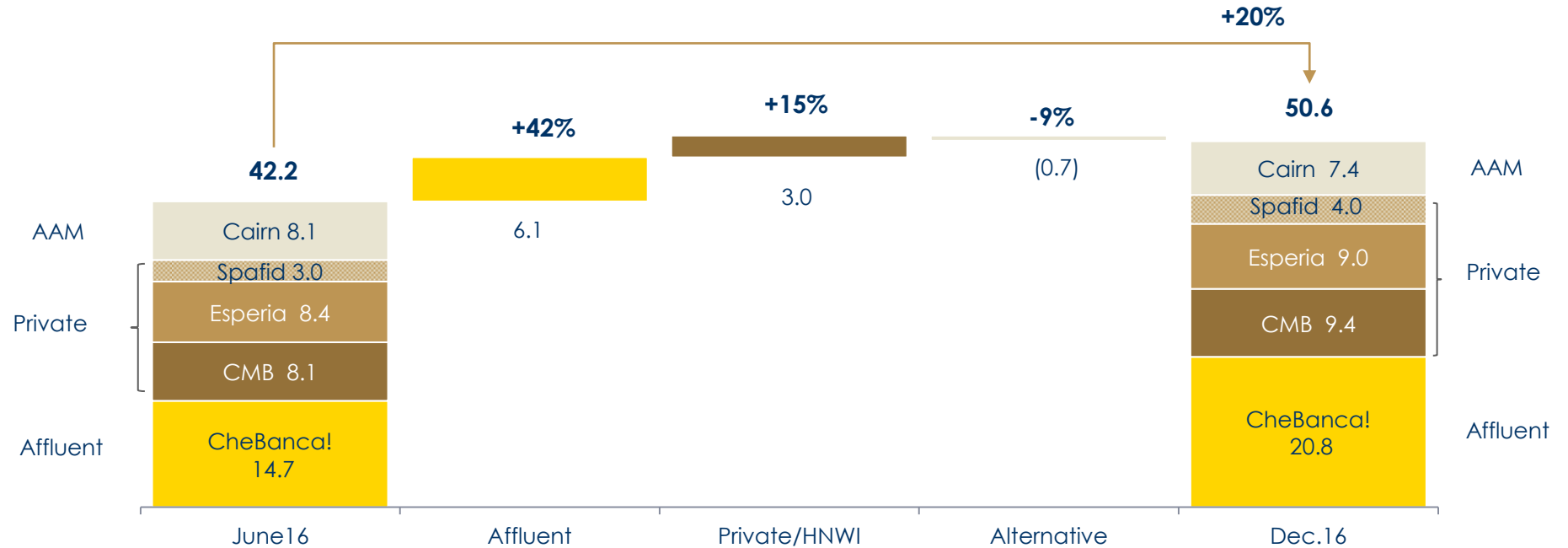
- ◆ Revenues: up 31% at €214m due to:
 - ◆ NII up 25% at €117m due to increased mortgages loan book (up 55% YoY with decreasing cost of risk)
 - ◆ Fee income up 43% at €90m representing 38% of Group fees

BUILDING UP WEALTH MANAGEMENT TFA UP 20% TO €51BN

6M results as at Dec 2016 – Divisional results

Section 2

Group TFA trend by customer segments (€bn)



◆ **TFA up €8bn (20%) in last 6m to €51bn**

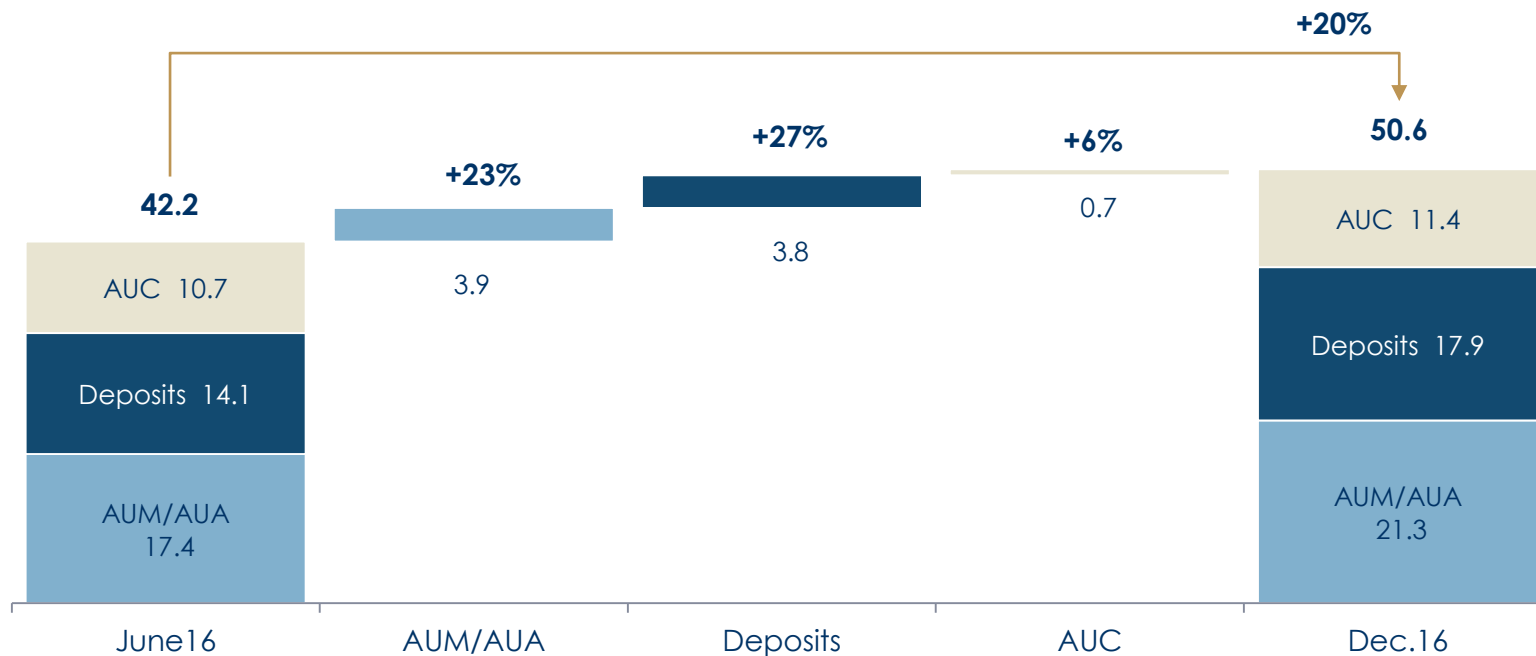
- ◆ **Affluent: up €6bn** (from €15bn to €21bn) basically due to Barclays acquisition (€2.9bn deposits and €2.8bn AUM)
- ◆ **Private: up €3bn** (from €19bn to €22bn): €2bn of organic growth in Esperia and CMB, minor acquisition in Monaco (€0.7bn), strong inflows of fiduciary business in Spafid (€1bn)
- ◆ **Alternative down €0.7bn**, revamping CLOs/credit fund business, AUM down due to expiring legacy advisory mandates

... WITH STRONG INFLOWS OF AUM AND DEPOSITS

6M results as at Dec 2016 – Divisional results

Section 2

Group TFA trend by product (€bn)



- ◆ TFA **increase** in last 6m **concentrated in managed assets (up 23% or €3.9bn) and direct deposits (up 27% or €3.8bn)**
 - ◆ AUM/AUA up €3.9bn (to €21bn), deposits up €3.8bn (to €18bn) on a combination of acquisitions/organic growth
 - ◆ AUC up €0.7bn (to €11bn) due to a combination of new fiduciary business and lower legacy AAM mandates

PRINCIPAL INVESTING

**Principal Investing
(PI)**

Principal Investing

Ass. Generali

AFS stake ptf

PRINCIPAL INVESTING: CONTINUING DISPOSALS

ROAC 15%

KPIs (€m)

PI - €m	Dec15	Dec16	Δ
Revenues	153	138	-10%
Gain from disposals/ impairments	80	118	+48%
Net profit	230	242	+5%
BV bn	3.9	4.0	+3%
NAV bn	4.4	3.5	-19%
RWA bn	11.3	7.2	-36%
ROAC¹	26	15	-11pp

Main equity investments (€m)

Company	%	Book value €m	AFS reserve
Ass.Generali	13%	3,346	n.m. ²
Atlantia	1.4%	249	98
Italmobiliare	8.8%	94	60
RCS Mediagroup	6.2%	27	7
Other listed equities		35	18
Other unlisted equities		235	29
Total		3,986	212

- ◆ Revenues down 10% (from €153m to €138m) mainly due to lower dividend on AFS shares; AG contribution flat
- ◆ Equity disposal ongoing: sale of 1.3% of Atlantia (€110m gains)
- ◆ ROAC down due to increased K absorbed by AG (€1.4bn deducted)

HOLDING FUNCTIONS

Holding Functions

Group ALM & Treasury

Leasing

HOLDING FUNCTION: CONSERVATIVE ALM, OPTIMIZATION ONGOING

Holding Functions (HF)

- ◆ **Net loss up to €123m:**
 - ◆ Lower NII due higher liquidity (LCR up to 370%)
 - ◆ Costs down 7%
 - ◆ High non-recurring costs: **€50m** one-off contribution to SFR + €5m to DGS

Leasing

Ordinate deleverage ongoing

- ◆ **Net profit flat at €3m:**
 - ◆ Loans and revenues down (by 11% and 14% respectively)
 - ◆ Costs and LLPs down 20%
 - ◆ GOP stable at €7m

Treasury, ALM

Optimization ongoing

- ◆ **Revenue down** due to
 - ◆ Banking book re-pricing
 - ◆ Higher liquid balances (liquidity almost double to €3.9bn) due to conservative ALM, impacted by negative yields
- ◆ **Costs down 4%**
- ◆ **Funding, liquidity optimization expected in 2H16**

HF - €m	Dec15	Dec16	Δ
Revenues	5	(38)	nm
GOP risk adj.	(79)	(115)	nm
Net profit	(93)	(123)	nm
Loans bn	2.6	2.4	-11%
RWA bn	4.1	4.9	+21%

Leasing - €m	Dec15	Dec16	Δ
Revenues	29	25	-14%
GOP risk adj.	7	7	+1%
Net profit	3	3	-13%
Loans bn	2.6	2.4	-11%
RWA bn	2.3	2.1	-7%

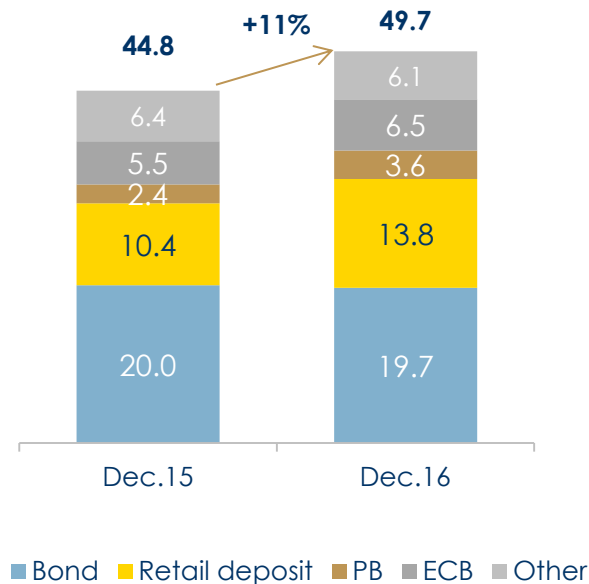
ALM-Treasury €m	Dec15	Dec16	Δ
Revenues	(24)	(63)	nm
GOP risk adj.	(86)	(122)	nm
Net profit	(96)	(125)	nm
RWA bn	1.8	2.8	+57%

HF KPIs

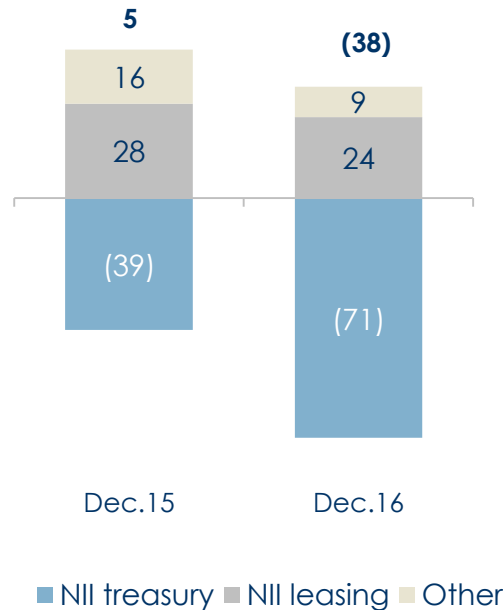
6M results as at Dec 2016 – Divisional results

Section 2

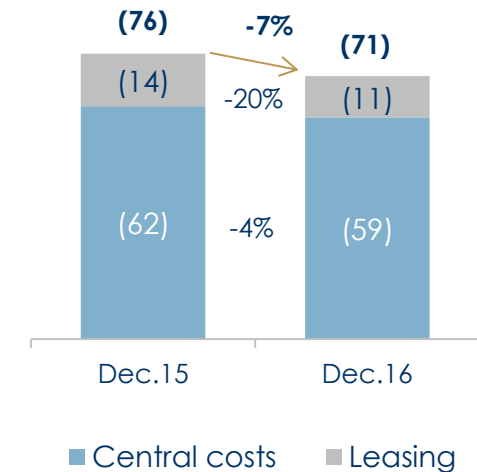
Group funding (€m)



HF revenues (€m)



HF costs (€m, intragroup items exc.)



- ◆ **Funding up 11% to €50bn** due to:
 - ◆ Barclays consolidation (€2.9bn)
 - ◆ Higher retail/PB deposits
 - ◆ ECB TLRO (1bn drawn in Dec 16)

- ◆ **Drop in revenues** due to:
 - ◆ **conservative ALM and excess liquidity (LCR 370%);** improvement expected in next quarters

- ◆ **Costs control in all areas:**
 - ◆ Leasing down 20%, business optimization ongoing
 - ◆ Central functions down 4%

CLOSING REMARKS

Last 6m
Growth
in size and profitability
coupled with
superior asset quality
and capital strength

Business model reshaping
going on

Focus on
specialized-high margins
banking businesses,
outstanding balance-sheet
content

- ◆ **Highest-ever 6m revenues** with growing NII and Fees
 - ◆ **Sharp reduction of cost of risk**, already down to BP19 target, coupled with lower NPLs and increased coverage ratios
 - ◆ **Improvement** in revenues, asset quality, net profit and ROAC **in all divisions**
 - ◆ **Confirmation of low risk profile**: SREP reduced again, CET1 up again
 - ◆ Barclays acquisition closed, 50% Banca Esperia acquisition announced
-
- ◆ The current tough environment **creates substantial opportunities for already strong and well positioned banks**
 - ◆ **MB is a growth, non-restructuring equity story: focus on**
 - ◆ **NII** expansion, driven by Consumer Banking
 - ◆ **Fee** progression, driven by CIB and WM
 - ◆ Optimization of **liquidity** position
 - ◆ Optimization of **capital** use and allocation
 - ◆ Leveraging on **light/innovative distribution channels** and **very strong asset content**



MEDIOBANCA
6M results as at
31 December 2016

Milan, 8 February 2017



MEDIOBANCA

QUARTERLY SEGMENTAL REPORTING TABLES

Annex 1



GROUP P&L ACCOUNT

6M results as at Dec 2016

Annex1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	1,072	1,030	1,016	6%	546	526	528	503
Net interest income	636	602	604	5%	321	314	301	301
Fee income	237	223	227	4%	135	102	114	109
Net treasury income	64	87	46	39%	32	32	36	52
Equity accounted co.	136	118	139	-2%	58	78	77	41
Total costs	(463)	(472)	(420)	10%	(251)	(213)	(249)	(223)
Labour costs	(231)	(231)	(210)	10%	(124)	(107)	(121)	(110)
Administrative expenses	(232)	(241)	(210)	11%	(127)	(105)	(128)	(113)
Loan loss provisions	(184)	(195)	(224)	-18%	(97)	(87)	(100)	(94)
Operating profit	425	364	372	14%	198	227	178	185
Impairments, disposals	114	25	80	43%	8	106	25	(0)
Non-recurring (SRF contribution)	(26)	(33)	(72)	-63%	(21)	(5)	(13)	(20)
Income taxes & minorities	(95)	(73)	(59)	60%	(37)	(58)	(29)	(44)
Net result	418	283	321	30%	147	271	162	121
Cost/income ratio (%)	43	46	41	+2pp	46	40	47	44
Cost of risk (bps)	102	114	136	-34bps	104	97	115	111
ROTE (%)	10	7	8	+2pp				

GROUP A&L

6M results as at Dec 2016

Annex 1

€bn	Dec16	Sept16	June16	Dec15	Δ HoH ¹	Δ YoY ¹
Funding	49.7	50.2	46.7	44.8	+6%	+11%
Bonds	19.7	20.8	20.3	20.0	-3%	-2%
Retail direct deposits	13.8	13.8	10.7	10.4	+29%	+33%
ECB	6.5	5.5	5.0	5.5	+30%	+19%
Others	9.6	10.1	10.6	8.8	-9%	+9%
Loans to customers	37.6	36.8	34.7	33.0	+8%	+14%
Wholesale	14.2	13.7	14.3	13.2	-	+8%
Specialty Finance	1.2	1.0	0.9	0.8	+32%	+47%
Consumer	11.2	11.1	11.0	10.6	+2%	+6%
Mortgage	7.4	7.5	5.1	4.8	+47%	+55%
Private banking	1.2	1.1	1.1	1.0	+11%	+25%
Leasing	2.4	2.5	2.5	2.6	-5%	-11%
Treasury+AFS+HTM+LR	16.8	18.0	16.3	16.0	+3%	+5%
RWAs	53.8	54.2	53.9	58.8	-	-8%
Loans/Funding ratio	76%	73%	74%	74%		
CET1 ratio: phase-in / fully phased (%)	12.3 / 12.8	12.1 / 12.5	12.1 / 12.6	12.4 / 13.6		
TC ratio: phase-in / fully phased (%)	15.7 / 16.4	15.7 / 16.3	15.3 / 15.9	16.1 / 16.6		

CIB RESULTS

6M results as at Dec 2016

Annex 1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	314	319	306	+3%	169	146	132	187
Net interest income	153	144	156	-2%	78	76	73	72
Net treasury income	54	72	24		28	26	13	59
Fee income	107	103	125	-14%	63	44	47	56
Total costs	(112)	(127)	(113)	-1%	(57)	(55)	(69)	(58)
Loan loss provisions	(9)	(10)	(25)	-63%	(15)	6	(8)	(2)
Operating profit	193	183	168	15%	96	97	55	127
Other	(3)	(3)	0		(3)	0	(3)	0
Net result	126	116	106	19%	60	67	36	81
Cost/income ratio (%)	36	40	37	-1pp	34	38	52	31
LLPs/Ls (bps)	12	14	35	-23bps	40	(16)	21	5
Loans (€bn)	15.4	15.1	14.0	+10%	15.4	14.7	15.1	15.7
RWAs (€bn)	24.8	27.2	29.1	-15%	24.8	25.5	27.2	29.9
ROAC ² (%)	11	10	9	+2pp				

CONSUMER BANKING: COMPASS RESULTS

6M results as at Dec 2016

Annex 1

€ m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	476	450	423	+13%	240	236	235	215
Net interest income	408	384	363	+13%	206	203	196	188
Fee income	67	66	60	+12%	35	33	39	27
Total costs	(137)	(143)	(131)	+5%	(73)	(63)	(79)	(64)
Loan provisions	(159)	(170)	(184)	-14%	(74)	(85)	(85)	(85)
GOP risk adj.	180	137	108	+67%	92	88	71	66
PBT	180	136	103	+75%	92	88	71	65
Net profit	123	84	70	+75%	64	59	50	33
Cost/income ratio (%)	29	32	31	-2pp	31	27	34	30
Cost of risk (bps)	286	315	351	-65bps	267	307	313	318
ROAC ² (%)	24	19	16	+8pp				
New loans (€bn)	3.1	3.2	3.0	+4%	1.6	1.5	1.7	1.6
Loans (€bn)	11.2	11.0	10.6	+6%	11.2	11.1	11.0	10.8
RWAs (€bn)	11.4	11.2	10.3	+11%	11.4	11.3	11.2	10.4

WEALTH MANAGEMENT RESULTS

6M results as at Dec 2016

Annex 1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	214	171	163	+31%	123	91	88	84
Net interest income	117	92	94	+25%	67	50	46	46
Fee income	90	72	63	+43%	53	37	37	34
Net treasury income	7	7	6	+12%	3	4	4	3
Total costs	(171)	(140)	(128)	+33%	(98)	(73)	(71)	(69)
Loan provisions	(10)	(8)	(8)	+18%	(5)	(5)	(4)	(5)
Operating profit	34	23	27	+27%	20	14	13	10
PBT	63	20	28		48	15	10	10
Net profit	49	14	24	2X	38	11	6	9
Cost/income ratio (%)	80	82	79	+1pp	80	80	81	83
LLPs/Ls (bps)	27	28	29	-2bps	24	25	24	32
ROAC ² (%)	10	8	10					
TFA (€bn)	50.6	42.2	46.7	+8%	50.6	49.5	42.2	41.3
of which deposits	17.9	14.1	13.3	+34%	17.9	17.2	14.1	13.4
of which AUM/AUA	32.7	28.1	33.3	-2%	32.7	32.3	28.1	27.9
Loans (€bn)	8.6	6.1	5.8	+50%	8.6	8.6	6.1	5.9
RWA (€bn)	5.4	4.4	4.1	+33%	5.4	5.4	4.4	4.2

CHEBANCA! RESULTS (AFFLUENT & PREMIERE)

6M results as at Dec 2016

Annex 1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	132	96	96	+37%	78	54	49	47
Net interest income	100	73	76	+32%	59	41	36	37
Fee income	32	23	21	+54%	19	13	13	10
Total costs	(111)	(83)	(80)	+39%	(66)	(45)	(41)	(41)
Loan provisions	(9)	(9)	(8)	+18%	(5)	(5)	(4)	(5)
Operating profit	11	5	9	+34%	7	4	4	1
PBT	40	5	9		36	4	4	1
Net result	29	3	6		26	3	2	1
Cost/income ratio	84	86	83	+1pp	85	84	84	88
LLPs/Ls (bps)	30	35	34	-4bps	26	29	33	37
ROAC ² (%)	6	3	5	+1pp				
TFA (€bn)	20.8	14.7	14.0	+48%	20.8	20.7	14.7	14.2
of which deposits	13.8	10.7	10.4	+33%	13.8	13.8	10.7	10.4
of which AUM/AUA	6.9	3.9	3.6	+91%	6.9	6.9	3.9	3.8
Loans (€bn)	7.4	5.1	4.8	+55%	7.4	7.5	5.1	4.9
RWAs (€bn)	3.5	2.5	2.4	+44%	3.5	3.5	2.5	2.4

PRIVATE BANKING RESULTS

6M results as at Dec 2016

Annex1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	83	75	67	+24%	46	37	39	36
Net interest income	18	19	18	-5%	9	9	10	9
Fee income	59	49	43	+38%	34	25	25	24
Net treasury income	6	7	6	+10%	3	4	4	3
Total costs	(60)	(58)	(48)	+24%	(32)	(28)	(29)	(28)
Operating profit	23	18	18	+24%	13	9	10	8
Net profit	20	12	18	+10%	12	8	4	7
Cost/income ratio (%)	72	77	72		71	75	76	78
ROAC ² (%)	18	15	17	+1pp				
TFA (€bn)	29.8	27.5	32.7	-9%	29.8	28.9	27.5	27.1
CMB	9.4	8.1	7.8	+21%	9.4	8.2	8.1	7.5
Banca Esperia (50%)	9.0	8.4	8.6	+5%	9.0	8.7	8.4	8.5
Cairn Capital	7.4	8.1	13.6	-46%	7.4	8.2	8.1	8.1
Spafid	4.0	3.0	2.7	+49%	4.0	3.8	3.0	2.9

PRINCIPAL INVESTING RESULTS

6M results as at Dec 2016

Annex 1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	138	131	153	-10%	60	78	90	41
Gains from disposals	119	28	92	30%	9	110	23	5
Impairments	(1)	(6)	(12)		(1)	(0)	(1)	(5)
Net result	242	144	230	5%	64	178	105	39
Book value (€bn)	4.0	3.9	3.9	3%	4.0	3.8	3.9	4.0
Ass. Generali (13%)	3.3	3.1	3.0	11%	3.3	3.2	3.1	3.1
AFS stakes	0.6	0.9	0.9		0.6	0.6	0.9	0.9
Market value (€bn)	3.5	3.0	4.4	-19%	3.5	3.0	3.0	3.6
Ass. Generali	2.9	2.1	3.5	-17%	2.9	2.4	2.1	2.7
RWA (€bn)	7.2	6.8	11.3	-36%	7.2	6.9	6.8	11.5
ROAC ² (%)	15	17	26					

HOLDING FUNCTIONS RESULTS

6M results as at Dec 2016

Annex 1

€m	2H Dec16	1H June16	2H Dec15	Δ YoY ¹	4Q Dec16	3Q Sept16	2Q June16	1Q Mar16
Total income	(38)	(12)	5		(27)	(12)	2	(13)
Net interest income	(47)	(22)	(12)		(28)	(19)	(16)	(6)
Fee income	9	12	11		4	5	9	3
Total costs	(71)	(87)	(76)	-7%	(38)	(33)	(47)	(40)
Loan provisions	(6)	(6)	(9)	-28%	3	(9)	(3)	(3)
Operating profit	(115)	(104)	(79)	+45%	(61)	(54)	(48)	(57)
Securities write down	(3)	0	0		(3)	0	0	0
Non recurring (SRF contribution)	(56)	(26)	(66)	-15%	(52)	(5)	(7)	(19)
PBT	(174)	(130)	(146)	+20%	(116)	(58)	(54)	(76)
Net profit	(123)	(96)	(93)	+32%	(85)	(38)	(47)	(49)
LLPs/Ls (bps)	52	44	58	-6bps	50	53	44	43
Banking book (€bn)	6.9	8.9	7.7	-10%	6.9	8.4	8.9	9.2
New loans (€bn)	0.2	0.2	0.2	+6%	0.1	0.1	0.1	0.1
Loans (€bn)	2.4	2.5	2.6	-11%	2.4	2.5	2.5	2.6
RWA	4.9	4.3	4.1	+21%	4.9	5.1	4.3	4.0

DISCLAIMER

This presentation contains certain forward-looking statements, estimates and targets with respect to the operating results, financial condition and business of the Mediobanca Banking Group. Such statements and information, although based upon Mediobanca's best knowledge at present, are certainly subject to unforeseen risk and change. Future results or business performance could differ materially from those expressed or implied by such forward-looking statements and forecasts. The statements have been based upon a reference scenario drawing on economic forecasts and assumptions, including the regulatory environment.

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

Massimo Bertolini

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