



MEDIOBANCA BOD

**1Q18/3M results as at
30 September 2017**

Milan, 26 October 2017



MEDIOBANCA

AGENDA

Section 1. Group results as at September 2017

Annexes

1. Quarterly segmental reporting tables
2. Glossary



POSITIVE START TO FY 2017/18

3M results as at September 2017

Section 1

Best-ever quarterly results by revenues, GOP and net profit

Revenues up to ~€600m driven by all divisions and income sources

CoR at its lowest-ever level (57bps), asset quality confirmed excellent

Net profit up 11% to €301m

Robust pipeline developing; results of reorganization already visible

WM reshaping gaining momentum (Barclay integrated, MBPB ready to start, key managers hired)

Consumer delivering another excellent quarter (net profit up 35% to €80m)

CIB contributing soundly (net profit up 12% to €75m)

PI: stakes disposals continuing (€275m sold with €90m gains)

Revenues up 13% to €598m
GOP after LLPs up 27% to €288m
Net profit up 11% to €301m

NPLs to loans : gross 5%, net 2%
BadLs to loans: gross 1%, net ~0%
Coverage up to 55% NPLs, 71% BadLs

CET1 at 13.3%¹,
up 120bps YoY, flat QoQ
Total capital at 16,7%

RESHAPING CONTINUING...

3M results as at September 2017

Section 1

WEALTH MANAGEMENT: ROAC 11%

- ◆ **WM reshaping taking traction**
- ◆ **Affluent:** franchise rationalization complete, cost synergies visible, focus now on growth
- ◆ **Private:** Esperia integration to be completed by end-2017
- ◆ **AM factory:** product company relaunch started

CONSUMER BANKING: ROAC 30%

- ◆ **Strong performance** for third quarter in a row (net profit up 35% to €80m)
- ◆ **Robust new business** (up 9%), in part due to ongoing empowering of direct channels
- ◆ **No issues but opportunities from new ECB guidance on NPLs:** provisions already aligned, business environment could increased scope for distribution agreements with third parties

CORPORATE & INVESTING BANKING: ROAC 14%

- ◆ **Intense activity** in cap.mkts and advisory , good momentum in Specialty Finance; net profit up 12% to €75m
- ◆ **No issues but opportunities from new ECB guidance on NPLs** for advisory, credit management, cap.mkt
- ◆ **AIRB validation** by end-2017

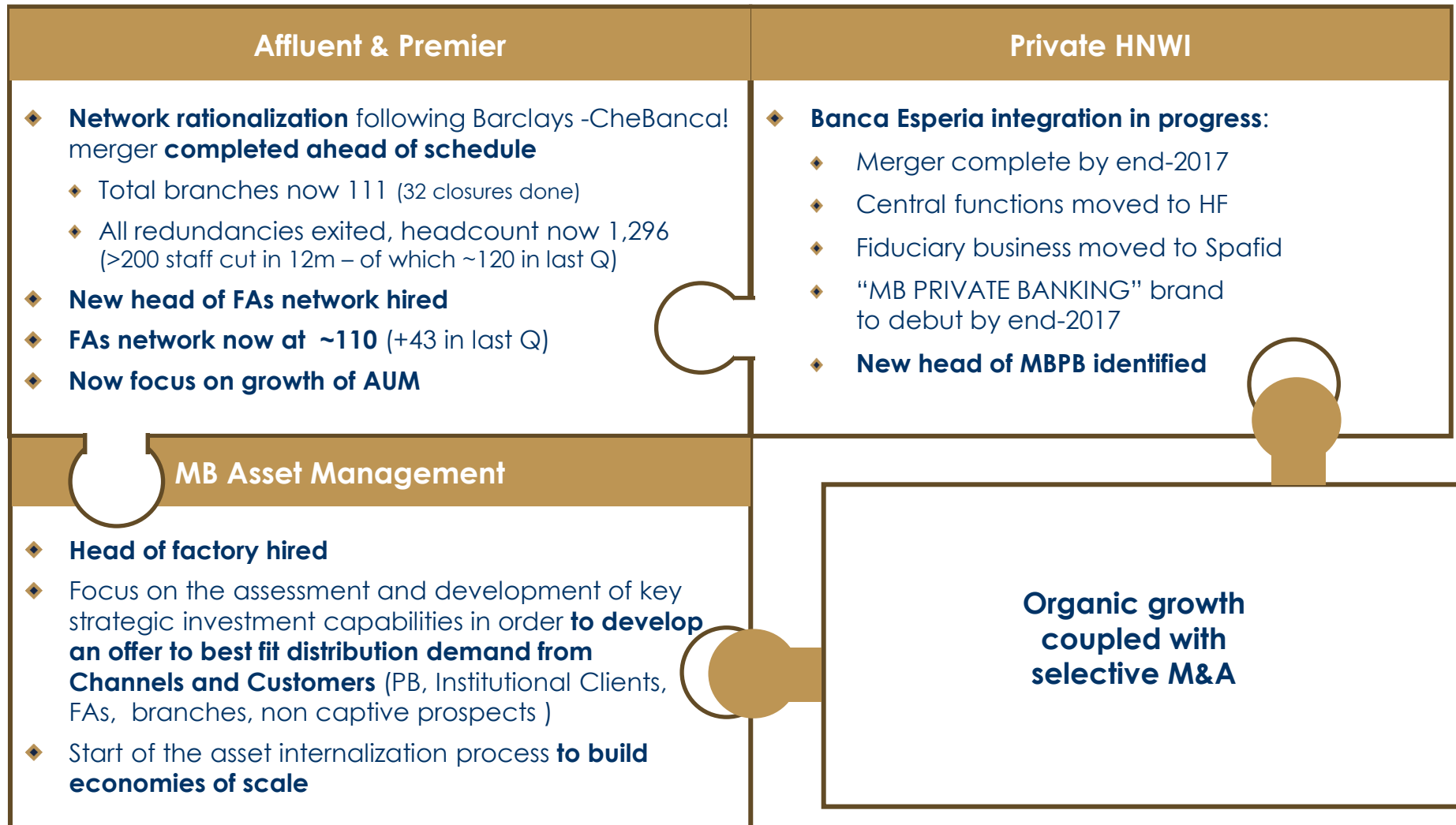
PRINCIPAL INVESTING: ROAC 21%

- ◆ **Disposal ongoing:** Atlantia stake now fully sold, with €90m in capital gains
- ◆ **NAV growing:** up 26% to €3.6bn
- ◆ Net profit at high levels (€171m) due to solid AG contribution and gains on disposals

... IN WM ESPECIALLY PAVING THE WAY FOR ROBUST EXPANSION

3M results as at September 2017

Section 1

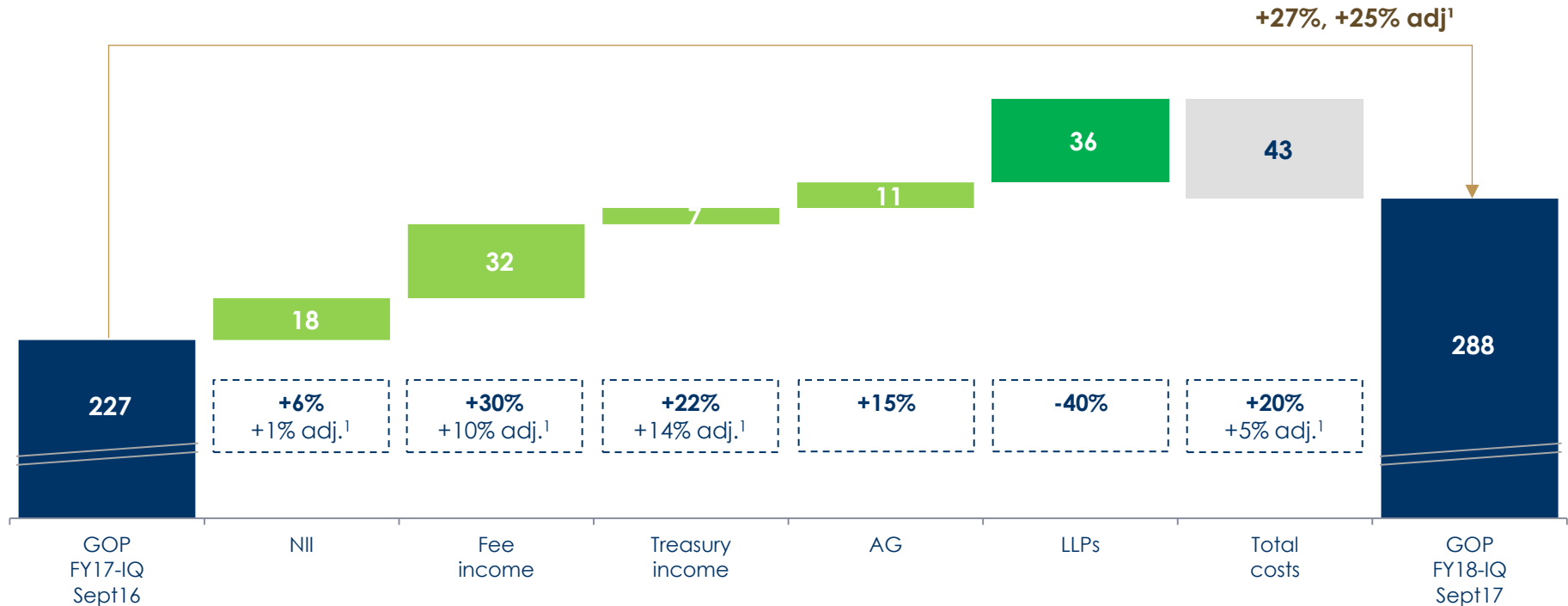


BEST-EVER 3M RESULT WELL DIVERSIFIED AMONG REVENUE SOURCES

3M results as at September 2017

Section 1

MB Group IQ17 operating profit by source (€m)



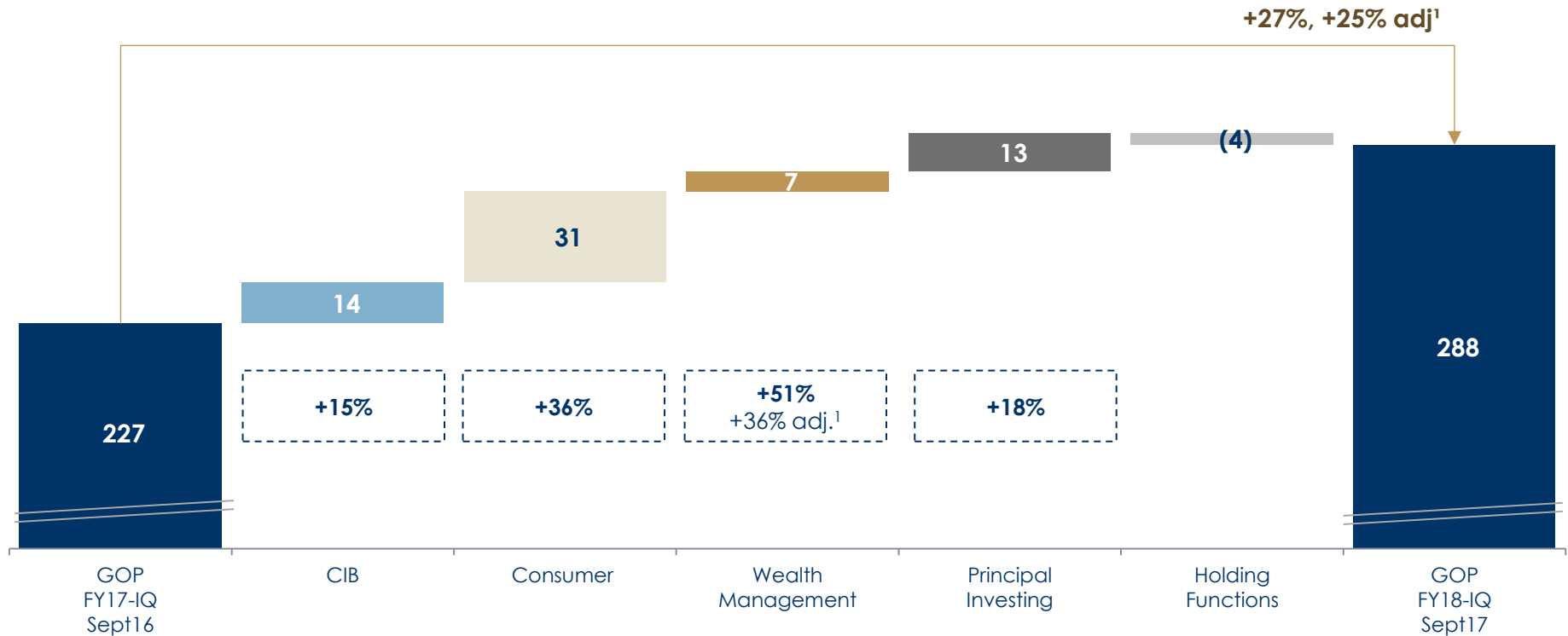
- ◆ Group reaping benefits of acquisitions, investment in franchise and excellent asset quality/capital/funding position
- ◆ GOP risk adj. at €288m (up 27% YoY , 25% adj.²) driven by diversified revenue growth and LLPs reduction

GROWTH POSTED BY ALL DIVISIONS

3M results as at September 2017

Section 1

MB Group IQ17 operating profit by division (€m)



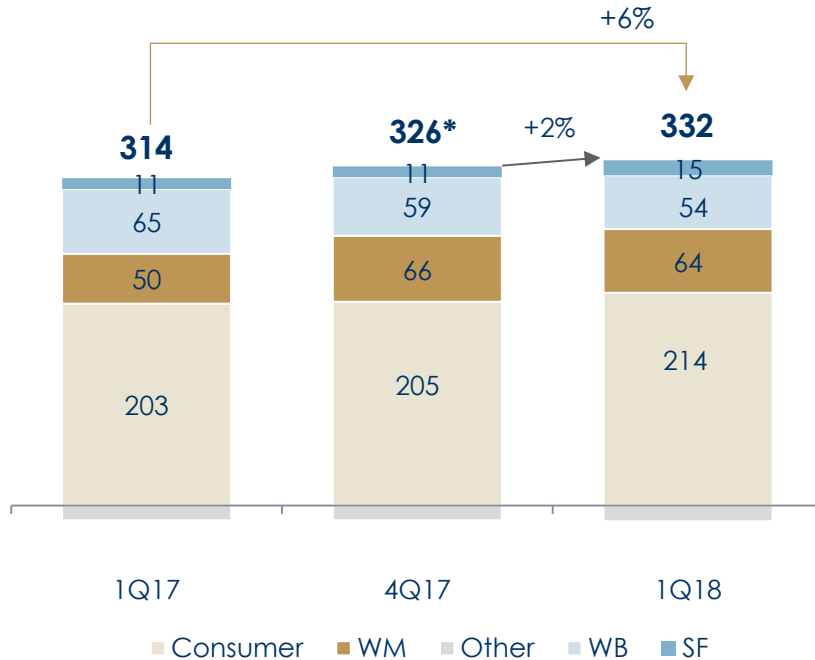
- ◆ Quarterly GOP growth driven by Consumer (up 36%), CIB (up 15%), PI (up 18%) and WM (up 51%)
- ◆ HF to benefit further from optimization of A&L and lower cost of funding

NII UP 6% ON REVAMPED ORIGINATION ...

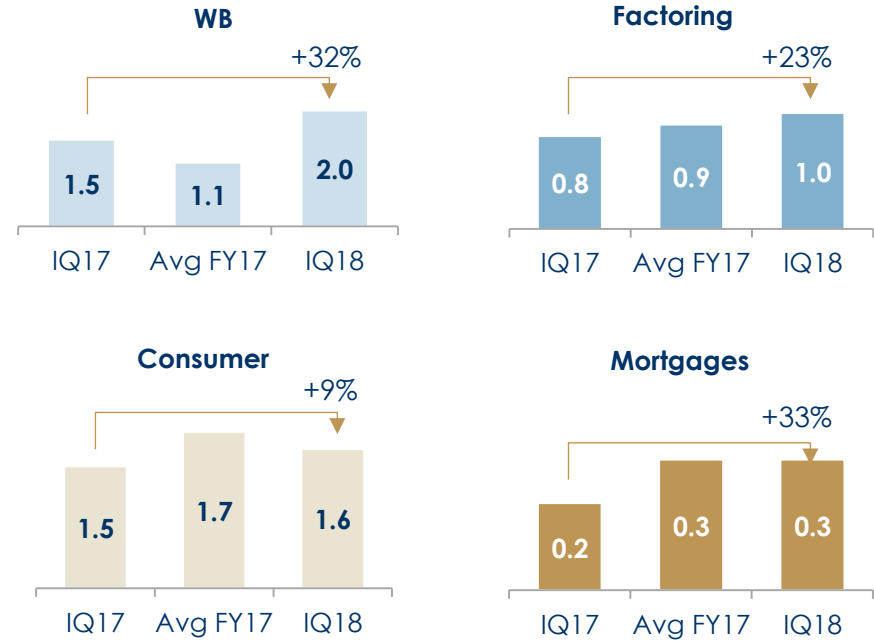
3M results as at September 2017

Section 1

NII by division (€m)



New loans by division (€bn)



- ◆ NII up 6% YoY and 2% QoQ, driven by enlarged size in WM, strong Consumer and SF performance
- ◆ Reducing CoF balancing out gross margin pressure

- ◆ All divisions strongly focused on growth, maintaining disciplined origination standards
- ◆ Pros: improving macro, no regulatory issues on new NPL measures
- ◆ Cons: margin pressure, prepayments

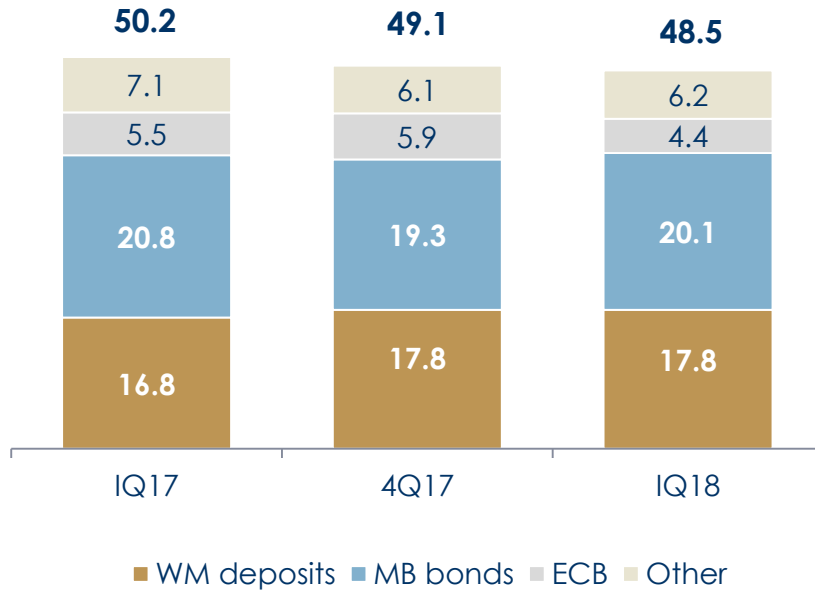


... AND LOWER COST OF FUNDING

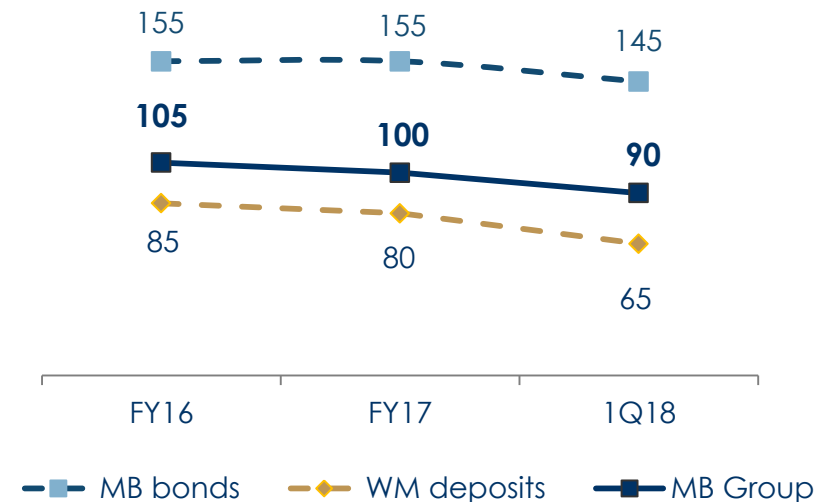
3M results as at September 2017

Section 1

Funding stock breakdown (€bn)



Cost of funding trend (bps vs Eur3M)



- ◆ Funding stock optimization ongoing:
 - ◆ TLTRO 1 fully repaid (€1.5bn in 1Q18)
 - ◆ €1.4bn in bonds issued at favourable market conditions (50bps spread vs 140bps of bonds expiring in FY18)
 - ◆ WM deposit base kept flat

- ◆ Group CoF down by 10bps to 90bps (spread vs Eur3M), further reduction ahead
- ◆ Avg. bond spread down from 155bps to 145bps
- ◆ WM deposit remuneration down by 15bps (to 30bps absolute, 65bps vs Eur3M)



FEE INCOME UP 30%, DRIVEN BY WM & CIB

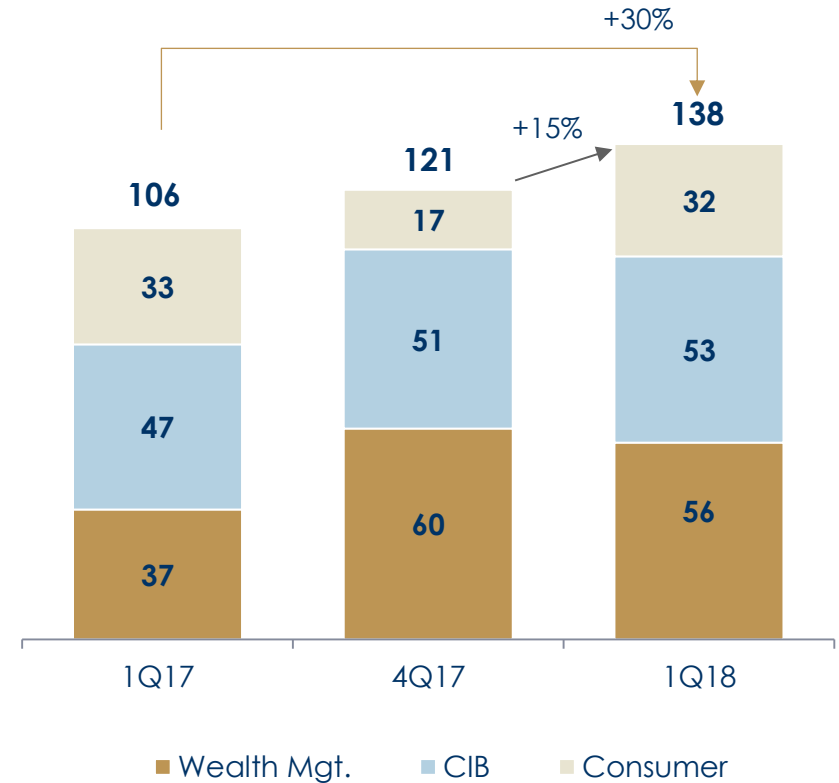
3M results as at September 2017

Section 1

Group fees by quarter (€m)

- ◆ **WM:** €56m fees, €40m from Private Banking and €16m from the Affluent segment
 - ◆ **Private Banking:** good trend in AUM (+46% YoY) and fees (up 20% YoY like-for-like), with the project increasingly appealing to customers and bankers
 - ◆ **Affluent:** bank concentrated on franchise rationalization, now ready for growth
- ◆ **CIB:** sound performance (€53m, up 13% YoY)
 - ◆ Drivers: Advisory and DCM
 - ◆ Mainly mid-sized deals
 - ◆ Specialty Finance contribution over 20% (€11m, up 16% YoY and 2% QoQ)
- ◆ **Consumer** recovering (€32m) one-off charges in 4Q17 due to renewal of long-term distribution agreements

Group fees by quarter (€m)

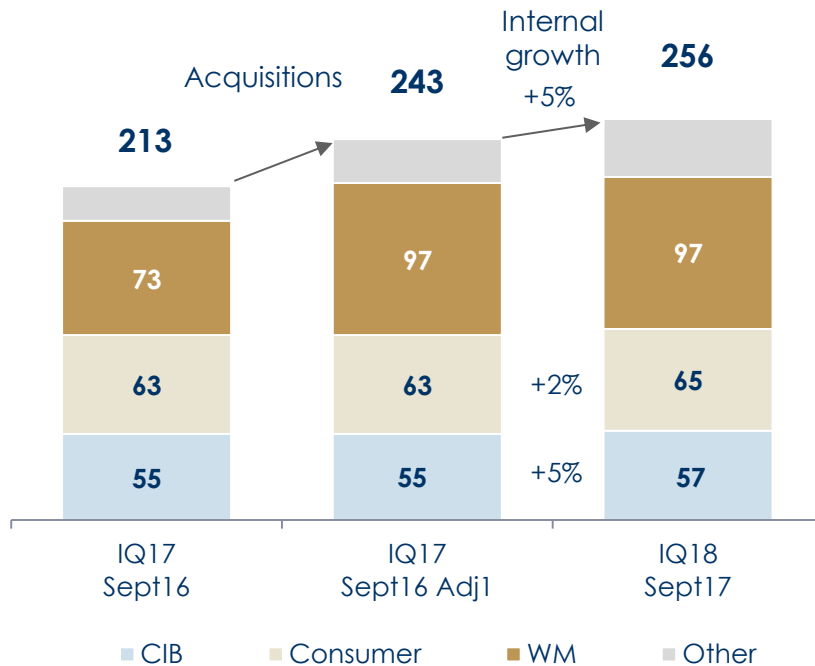


COSTS: INCREASING BUSINESS, FIRST SYNERGIES IN CHEBANCA!

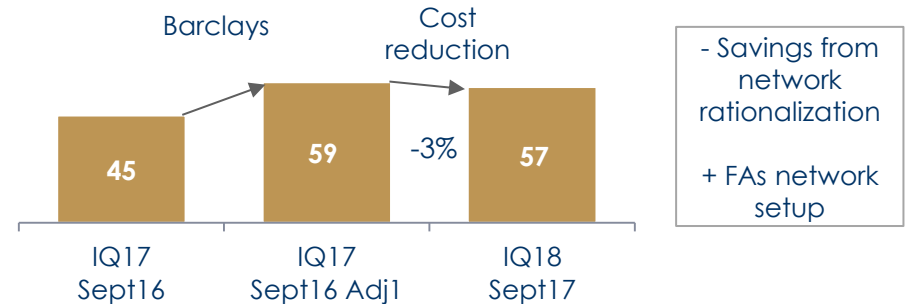
3M results as at September 2017

Section 1

Group cost base by quarter (€m)

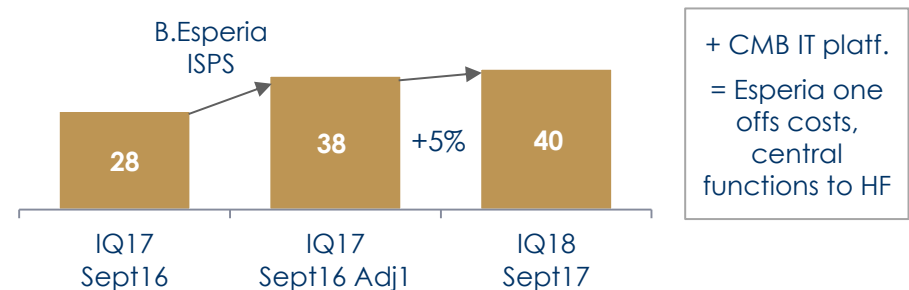


CheBanca! cost base by quarter (€bn)



- Savings from network rationalization
+ FAs network setup

Private Banking cost base by quarter (€bn)



+ CMB IT platf.
= Esperia one offs costs, central functions to HF

- ◆ **Costs up 5% like-for-like, due to increasing business activity/distribution** (CIB , Consumer and special projects)
- ◆ **CheBanca! new projects financed through cost synergies** (total costs down 3% YoY)
- ◆ **Banca Esperia: one-off costs related to integration offset benefits from transfer of central functions to HF** (synergies to come)

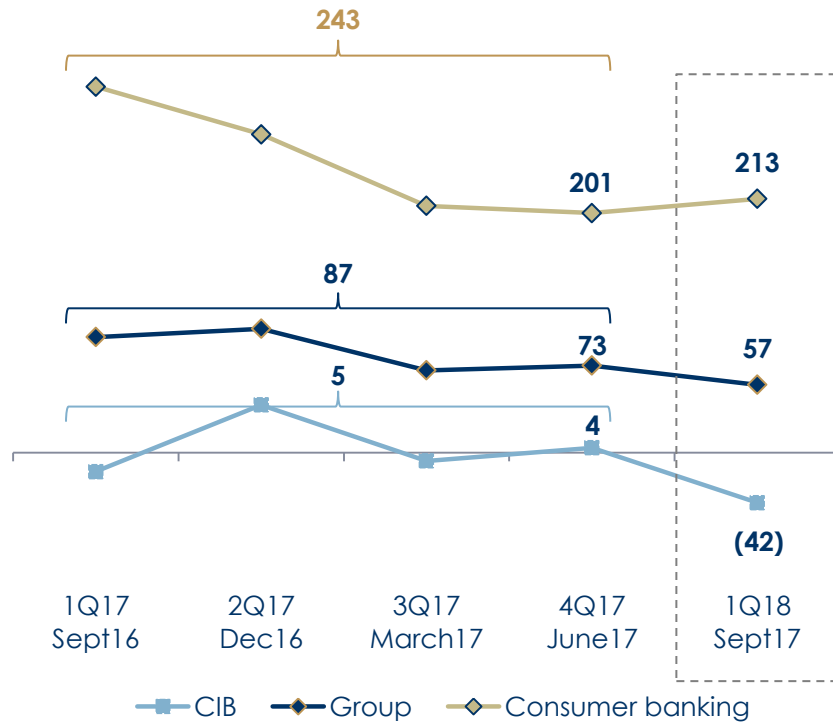


ASSET QUALITY: COR AND NPLS STOCK DOWN AGAIN

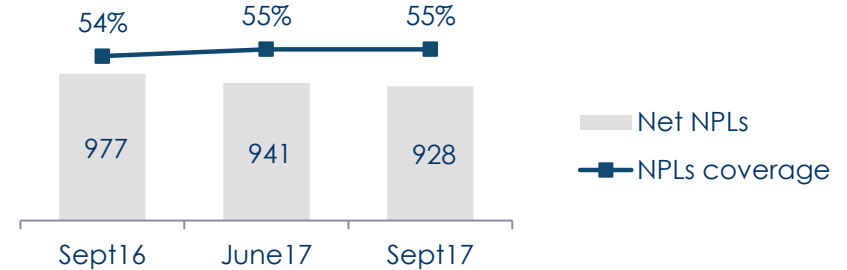
3M results as at September 2017

Section 1

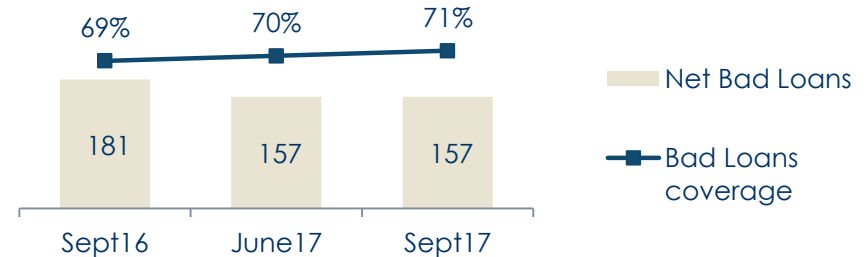
Cost of risk by division (bps)



NPLs ("deteriorate", €m) and coverage (%)



Bad Loans ("sofferenze", €m) and coverage (%)

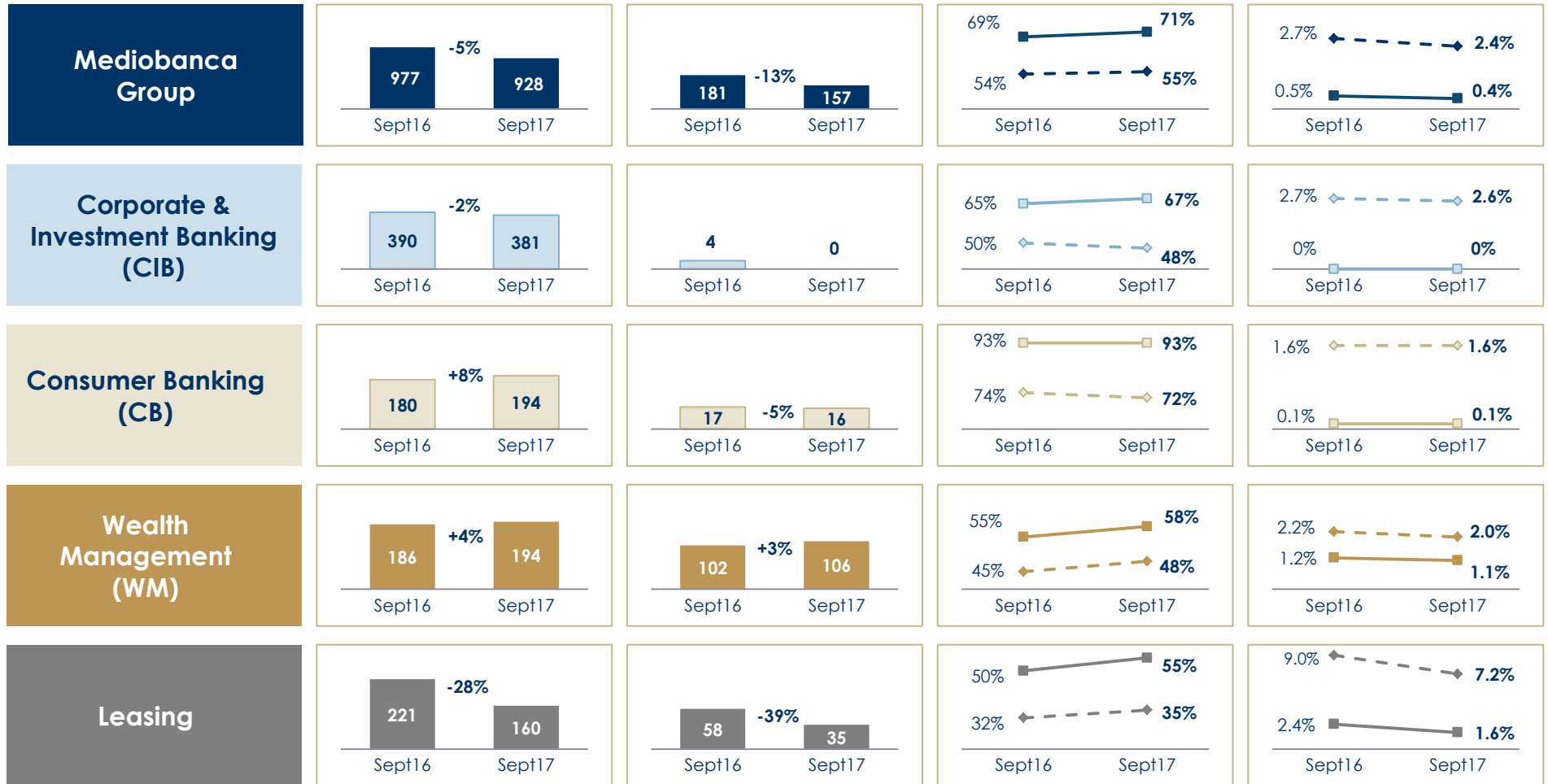


- ◆ **NPLs at €0.9bn, down both as stock (4% gross and 5% net YoY) and as % of loans (to 2.4%); coverage up to 55%**
- ◆ **BadLs at €157m, down both as stock (7% gross and 13% net YoY) and as % of loans (to 0.4%); coverage up to 71%**
- ◆ **Group CoR down again due to material writebacks in WB**

SUPERIOR ASSET QUALITY IMPROVED FURTHER

3M results as at September 2017

Section 1

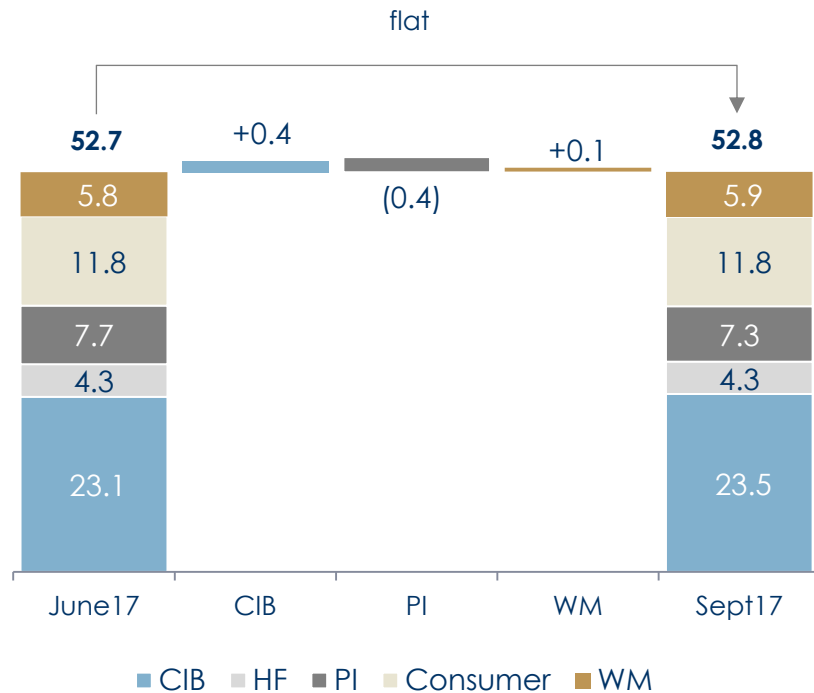


CET1 AT 13.3%, STILL USING STD MODEL

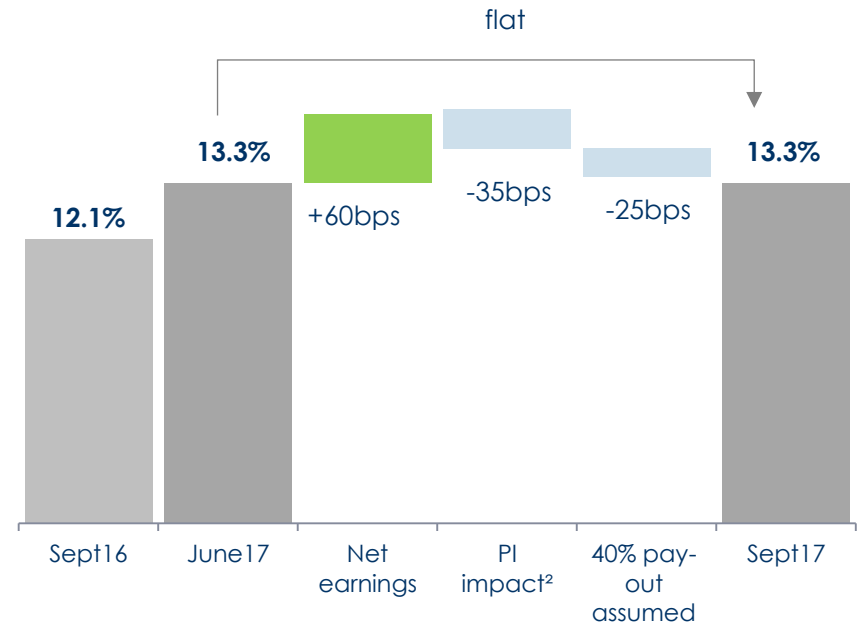
3M results as at September 2017

Section 1

RWA trend by division (€bn)



CET1¹ phase-in trend (bps)



- ◆ RWAs flat with CIB development “financed” by PI equity disposals
- ◆ CET1 at 13.3%, up 120bps YoY and flat QoQ taking into account 40% payout

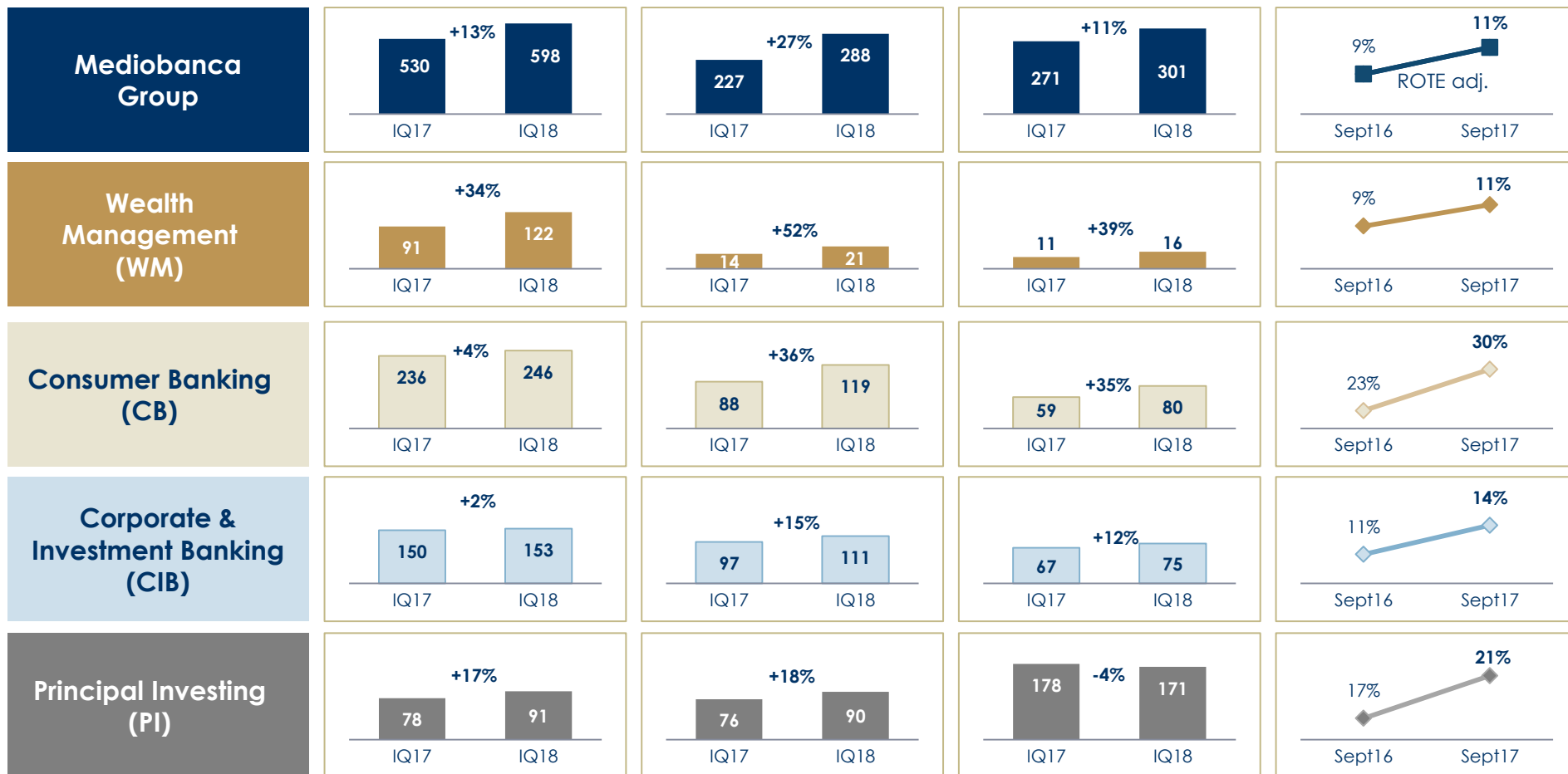
1) Managerial calculation as at Sept.17 differs from that stated in the Common Reporting (COREP), as it includes the result for the period (not subject to authorization pursuant to Article 26 CRR), which accounts for approx. 40bps of CET1
 2) PI impact related to increased AG deductions (BV from €3.0 to €3.1bn) and lower AFS reserve after Atlantia disposal (€0,1bn)



ROAC UP IN ALL DIVISIONS, ROTE ADJ. UP TO 11%

3M results as at September 2017

Section 1



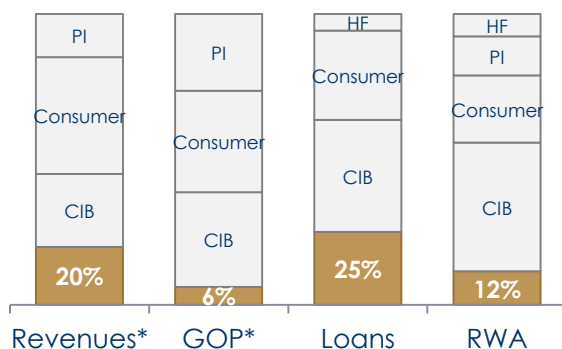
WM RESHAPING GAINING MOMENTUM – ROAC 11%

3M results as at September 2017

Section 1

Wealth Management (WM)

WM contribution to MB Group



WM - €m	Sept16	Sept17	Δ
Revenues	91	122	+34%
GOP risk adj.	14	21	+52%
Net profit	11	16	+39%
TFA bn	49.5	57.2	+15%
Loans bn	8.6	9.7	+14%
RWA bn	5.4	5.9	+9%
ROAC	8%	11%	+3pp

Private HNWI

MB PB Italy: reorganization getting speed

- ◆ **Revenues at €53m, up 42% YoY** (up 9% adj.¹) **mainly due to fees growth (up 61% YoY, up 20% adj.¹) boosted by Esperia** (fees at €20m, up 139% YoY, up 19% adj.¹) and enhanced scope of operations at Spafid
- ◆ **GOP at €12m, up 30% YoY**
- ◆ **TFA over €37bn**
- ◆ **ROAC at 15%**

Private B. - €m	Sept16	Sept17	Δ
Revenues	37	53	+42%
GOP risk adj.	9	12	+31%
Net profit	8	10	+17%
TFA bn	28.9	36.8	+28%
Loans bn	1.1	2.2	n.m.
RWA bn	2.0	2.4	+21%
ROAC	14%	15%	+1pp

Affluent & Premier

Barclays reorganization ended Now focus on growth

- ◆ **GOP doubled to €9m** due to growing revenues and cost base limited by **restructuring completion**
- ◆ First cost synergies from merger: **costs at €57m** up 25% YoY but **down 5% adj.¹**
- ◆ **Revenues at €70m, up 29% YoY** **mainly due to acquisitions** (up 2% adj.¹); merger complete, focus now on growth
- ◆ **Net profit doubled** from €3m to €6m

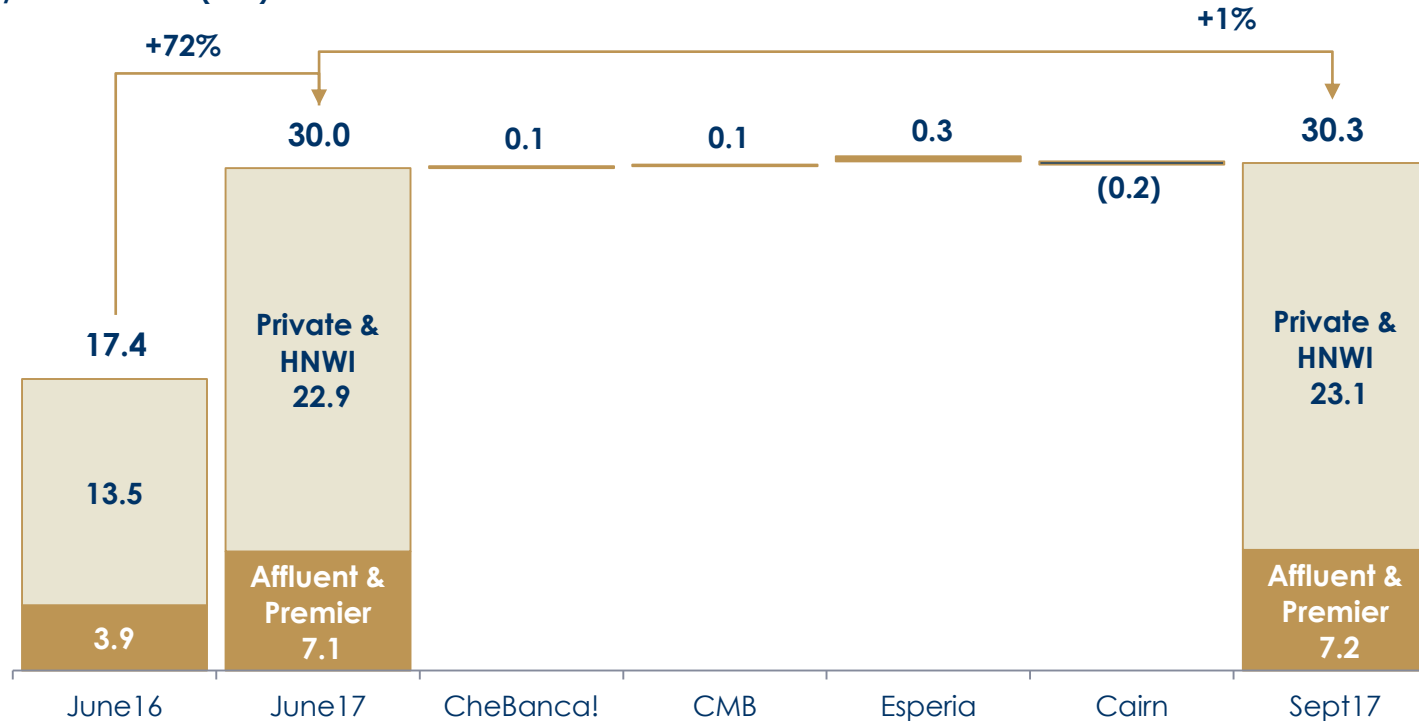
Affluent - €m	Sept16	Sept17	Δ
Revenues	54	70	+29%
GOP risk adj.	5	9	+2X
Net profit	3	6	+2X
TFA bn	20.7	20.3	-2%
Mortgages bn	7.5	7.6	+1%
RWA bn	3.5	3.5	-
ROAC	5%	8%	+3pp

AUM STABLE QOQ WITH POSITIVE PRIVATE BANKING GROWTH

3M results as at September 2017

Section 1

Group AUM/AUA trend (€bn)



- ◆ In IQ18 AUM/AUA up €0.3bn to €30.3bn (+1% QoQ, up 46% YoY) after FY17 steep growth (+72%)
- ◆ Affluent & Premier (CheBanca!) up €0.1bn (+1% QoQ, up 4% YoY)
- ◆ Premier & HNWI up €0.2bn with Private Banking up €0.4bn

CONSUMER: CONFIRMING EXCELLENT TRAJECTORY – ROAC 30%

3M results as at September 2017

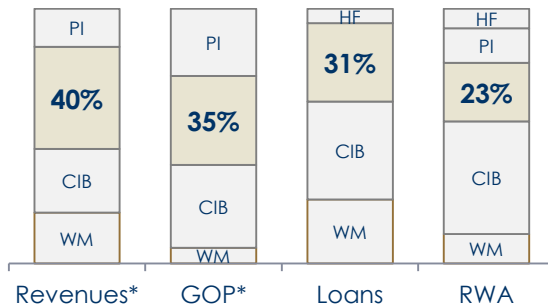
Section 1

Consumer banking Compass

Outstanding performance, again Distribution enhancing

New business opportunities also from ECB new measures

Consumer contribution to MB Group

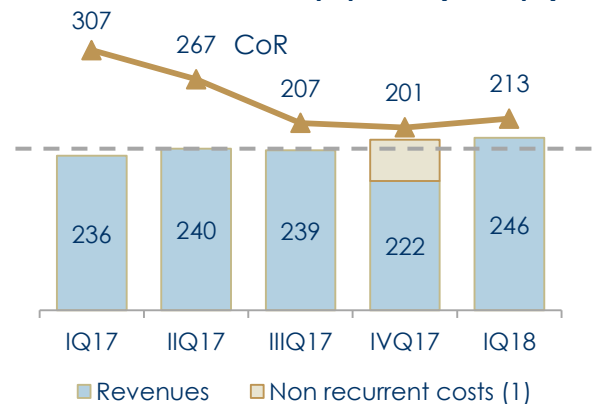


- ◆ **Highest quarterly results ever**
- ◆ **Impressive performance** for the third quarter in a row, **sustainable** due to still significant **loan book growth** (up 7% YoY, up 1% QoQ)
- ◆ **Distribution enhancing**: several new distribution agreements renewed (MPS among the others), 5 new branches opened (already effective and profitable)

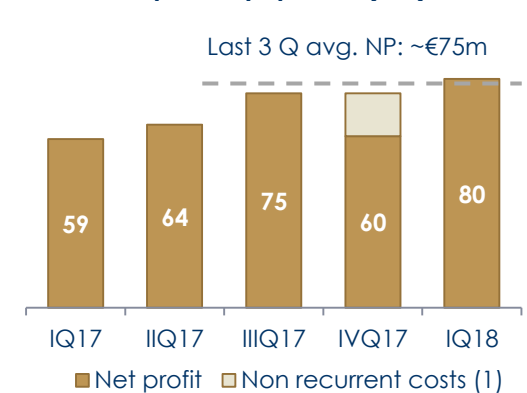
- ◆ **Compass already compliant with new ECB rules on unsecured NPLs**: all NPLs written down by 93% of their original value within twelve months and then sold
- ◆ **New distribution agreements and origination opportunities could arise** given the new provisioning rules

CB - €m	Sept16	Sept17	Δ
Revenues	236	246	+4%
GOP risk adj.	88	119	+36%
Net profit	59	80	+35%
Loans (€bn)	11.1	11.9	+7%
RWA (€bn)	11.3	11.8	+4%
CoR (bps)	307	213	-94
ROAC	23%	30%	+7pp

Revenues and CoR by quarter (€m, bps)



Net profit by quarter (€m)



1) €23m due to FY17 accruals of *rappel* fees linked to renewal of long-term distribution agreements for Compass products using third-party bank branches

* Calculated excluding Holding Functions figures



CIB SOUND RESULTS: ROAC UP TO 14%

3M results as at September 2017

Section 1

Corporate & Investment Banking (CIB)

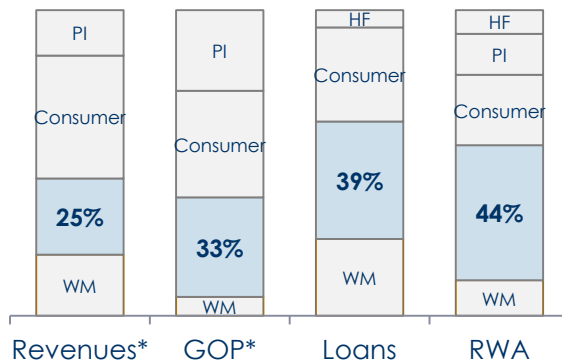
Wholesale Banking (WB)

Specialty Finance (SF)

Sound results in a scenario favourable to fee production

Significant CIB top-line contributor
Diversified revenue mix

CIB contribution to MB Group



- ◆ Net profit up 12% to €67m, due to sound fee trend (up 12% to €42m) and loan writebacks
- ◆ Environment pushing more for fee production (up 12%) than for asset profitability (NII lowered by margin pressure and prepayments)
- ◆ Revamped origination: loans back to €13.3bn (up 3% QoQ after June17 decrease, but still down 3% YoY)

- ◆ Positive results and pipeline positioning MB as a stable and significant player both in factoring and NPLs
- ◆ **MBCredit Solutions: revenues** (to €16m) and **GOP** (to €8m) **up ~60%**, portfolio doubled (€135m NBV and €3bn GBV)
- ◆ **MBFacta: higher revenues** (up 15% to €10m) and **GOP** (up 25% to €9m) driven by growing loans (up 55% to €1.5bn)

CIB - €m	Sept16	Sept17	Δ
Revenues	150	153	+2%
ow Fees	47	53	+13%
GOP risk adj.	97	111	+15%
Net profit	67	75	+12%
RWA bn	26	24	-8%
CoR bps	-5	-42	-37
ROAC	11%	14%	+3pp

WB - €m	Sept16	Sept17	Δ
Revenues	129	127	-2%
ow Fees	38	42	+12%
GOP risk adj.	88	100	+14%
Net profit	60	67	+12%
RWA bn	24	22	-10%
CoR bps	-17	-67	-50
ROAC	10%	14%	+4pp

SF - €m	Sept16	Sept17	Δ
Revenues	20	26	+26%
ow Fees & oth.inc.	10	11	+16%
GOP risk adj.	9	11	+22%
Net profit	7	7	+8%
RWA bn	1.1	1.6	+52%
CoR bps	170	156	-14
ROAC	39%	19%	-20pp



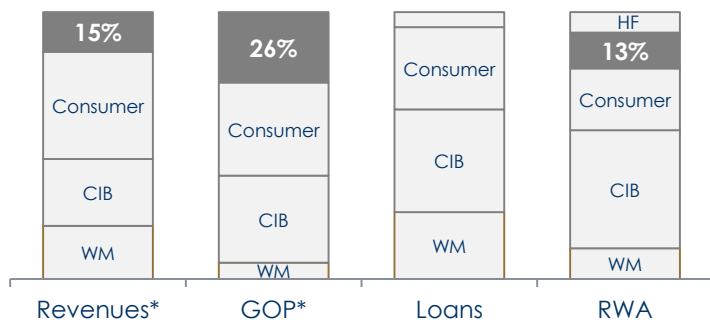
PI: FURTHER DISPOSALS

3M results as at September 2017

Section 1

Principal Investing

PI contribution to MB Group



Main equity investments as at Sept17 (€m)

Further disposals to come

- ◆ Revenues steadily high due to AG contribution
- ◆ Equity stake disposals ongoing (1.4% in Atlantia sold in 1Q18 with €89m capital gains), with PI equity portfolio AFS reserve down from €243m to €127m
- ◆ Rebound in NAV, now at €3.6bn (up 26% YoY)

PI - €m	Sept16	Sept17	Δ
Revenues	78	91	+17%
Gain from disposals/ impairments	110	89	-19%
Net profit	178	171	-4%
BV bn	3.8	3.5	-8%
NAV bn	2.8	3.6	+26%
RWA bn	6.9	7.3	+6%
ROAC	14	21	+7pp

Company	%	Book value €m	AFS reserve
Ass.Generali	13.0%	3,080	n.m. ¹
Atlantia	-	-	-
Italmobiliare	6.1%	66	42
RCS Mediagroup	6.6%	45	23
Other listed equities		13	6
Other unlisted equities		306	56
Total		3,510	127

Disposal of Atlantia completed, €89m capital gain

Equity portfolio (excluding Generali) today lower than €0.5bn, the lowest level ever, €120m of which seed capital

HOLDING FUNCTIONS: FOCUS ON OPTIMIZATION

3M results as at September 2017

Section 1

Holding Functions (HF)

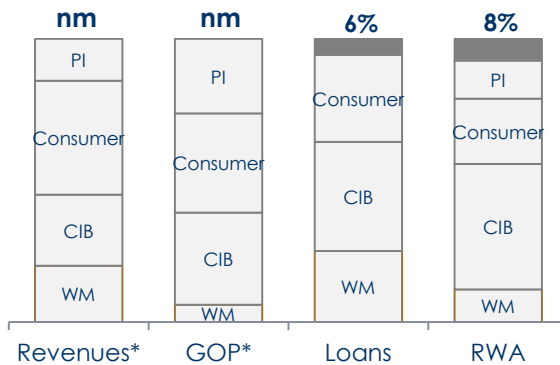
Treasury, ALM, central functions

Leasing

Optimization Ongoing

Ordered deleverage ongoing

HF contribution to MB Group



- ◆ **Funding optimization ongoing:** TLTRO I fully repaid (€1.5bn in last Q), retail deposits kept flat
- ◆ **CoF down 10bps in the quarter** (from 90bps to 80bps), mainly due to bond issuance at lower spread (50bps vs 140bps of bonds expiring in FY18)
- ◆ Liquidity still high

- ◆ **Positive NPL reduction workout**
- ◆ **Selective new business** matched with **old portfolio runoff**

HF - €m	Sept16	Sept17	Δ
Revenues	(12)	(8)	nm
GOP risk adj.	(48)	(52)	nm
Net profit	(38)	(39)	nm
Loans (€bn)	2.5	2.2	-10%
RWA (€bn)	5.1	4.3	-16%

ALM-Treasury-CF €m	Sept16	Sept17	Δ
Revenues	(24)	(20)	nm
GOP risk adj.	(52)	(56)	nm
Net profit	(39)	(40)	nm
RWA (€bn)	3.0	2.3	-23%

Leasing - €m	Sept16	Sept17	Δ
Revenues	13	12	-4%
GOP risk adj.	4	4	-7%
Net profit adj.	1	2	+23%
Loans (€bn)	2.5	2.2	-10%
RWA (€bn)	2.1	2.0	-7%

CLOSING REMARKS

1Q18

Outstanding start to new financial year

FY18

Reshaping continuing, paving the way to different valuation metric

- ◆ **Best-ever quarterly results for revenues** (up 13% to ~€600m), **GOP** (up 27% to ~€290m) and **net profit** (up 11% to €301m)
- ◆ **Revenues growth driven by all divisions** (CIB up 2%, Consumer up 4%, WM up 34%, PI up 17%) and **sources** (NII up 6%, fees up 30%, trading up 22%, AG contribution up 15%)
- ◆ **Net profit growth driven by all divisions as well** (CIB up 12%, Consumer up 35%, WM up 39%, PI down 4%)
- ◆ **WM reshaping ahead of schedule** (Barclay fully integrated, MBPB ready to operations, key managers hired)
- ◆ **Consumer confirming its highly-profitable trajectory**, delivering an excellent quarter
- ◆ **CIB contributing soundly** with capital-light activities (Cap.Mkt/Advisory) boosted by macro
- ◆ **PI: sound** EPS contribution and stake disposals continuing

- ◆ **Intense activity materializing in robust pipeline and visible reorganization results**
- ◆ **For all businesses, significant room to improve further going forward**, due to market opportunities, larger scale, cost base/structure optimization, new organizations
- ◆ **FY18 focused on:**
 - ◆ **Extracting cost and revenues synergies from acquisitions completed**
 - ◆ **Fostering growth** leveraging on enhancing distributions
 - ◆ **Optimizing capital use and allocation**
 - ◆ internal use
 - ◆ AIRB validation (on WB portfolio expected in coming quarters)
 - ◆ Equity disposals
 - ◆ M&A in WM & SF

QUARTERLY SEGMENTAL REPORTING TABLES

Annex 1

MEDIOBANCA GROUP P&L

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	598	539	584	542	530	+11%	+13%
Net interest income	332	333	320	321	314	-0%	+6%
Fee income	138	121	165	131	106	+15%	+30%
Net treasury income	39	16	42	32	32	+143%	+22%
Equity accounted co.	90	70	58	58	78	+29%	+15%
Total costs	(256)	(301)	(259)	(251)	(213)	-15%	+20%
Labour costs	(130)	(152)	(133)	(124)	(107)	-15%	+21%
Administrative expenses	(126)	(148)	(127)	(127)	(105)	-15%	+19%
Loan loss provisions	(55)	(69)	(64)	(93)	(91)	-20%	-40%
GOP risk adjusted	288	169	261	198	227	70%	27%
Impairments, disposals	83	(21)	(8)	(14)	101	nm	
Income taxes & minorities	(70)	(12)	(57)	(37)	(58)	nm	+22%
Net profit	301	136	196	148	271	+121%	+11%
Cost/income ratio (%)	43%	56%	44%	46%	40%	-13pp	+3pp
LLPs/Ls (bps)	57	73	69	100	101	-16bps	-44bps

MEDIOBANCA GROUP A&L

3M results as at September 2017

Annex 1

€bn	Sept17	June17	Sept16	Δ QoQ ¹	Δ YoY ¹
Funding	48.5	49.1	50.2	-1%	-3%
Bonds	20.2	19.3	20.8	+4%	-3%
Retail direct deposits	13.2	13.4	13.8	-1%	-4%
Private banking deposits	4.6	4.5	3.0	+3%	+52%
ECB	4.3	5.9	5.5	-26%	-21%
Others	6.2	6.1	7.1	+2%	-12%
Loans to customers	38.7	38.2	36.8	+1%	+5%
Wholesale	13.3	12.8	13.7	+3%	-3%
Specialty Finance	1.6	1.6	1.0	-3%	+58%
Consumer	11.9	11.8	11.1	+1%	+7%
Mortgage	7.6	7.5	7.5	+1%	+1%
Private banking	2.2	2.2	1.1	+0%	+106%
Leasing	2.2	2.3	2.5	-2%	-10%
Treasury+AFS+HTM+LR	15.3	16.5	18.0	-7%	-15%
RWA	52.8	52.7	54.2		-3%
Loans/Deposits ratio	80%	78%	73%		
CET1 ratio: phase-in / fully phased (%)	13.3 / 13.5	13.3 / 13.5	12.1 / 12.5		
TC ratio: phase-in / fully phased (%)	16.7 / 17.0	16.8 / 17.1	15.7 / 16.3		

MEDIOBANCA BUSINESS MODEL

Mediobanca Group

Holding Functions

Group ALM & Treasury

**Corporate & Investment
Banking (CIB)**

**Corporate & Investment
Banking**

Mediobanca Spa

Specialty Finance

MBFacta

MBCredit Solution

**Consumer Banking
(CB)**

Consumer Banking

Compass

**Wealth Management
(WM)**

Affluent & Premier

CheBanca!

Private & HNWI

MB Private banking
CMB, Spafid

Mediobanca AM

Cairn, Duemme, CMG

**Principal Investing
(PI)**

Principal Investing

Ass. Generali
AFS stake portfolio

*Corporate
client business*

*Consumer
client business*

*AUA/AUM driven
client business*

*Proprietary
equity stakes*



CIB RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	153	129	193	165	150	+19%	+2%
Net interest income	69	70	69	78	76	-2%	-10%
Net treasury income	31	7	32	28	26		17%
Fee income	53	51	92	60	47	4%	13%
Total costs	(57)	(70)	(65)	(58)	(55)	-18%	5%
Loan loss provisions	16	(2)	3	(11)	2		
GOP risk adjusted	111	57	130	96	97	94%	15%
Other	1	(1)	1	(3)	0		
Income taxes	(37)	(20)	(40)	(34)	(30)	90%	22%
Net profit	75	36	91	60	67		12%
Cost/income ratio (%)	38%	54%	34%	35%	37%	-16pp	+1pp
LLPs/Ls (bps)	-42	4	-7	30	-5	-46bps	-37bps
Loans (€bn)	14.9	14.5	14.7	15.4	14.7	+3%	+1%
RWAs (€bn)	23.6	23.1	23.4	24.8	25.5	+2%	-8%

WB RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	127	107	170	143	129	19%	-2%
Net interest income	54	59	57	67	65	-9%	-17%
Fee income	31	7	32	28	26		17%
Net treasury income	42	40	81	49	38	5%	12%
Total costs	(49)	(59)	(56)	(50)	(47)	-18%	3%
Loan loss provisions	22	4	10	(4)	6		
GOP risk adjusted	100	51	124	89	88	95%	14%
Other	1	(1)	1	(3)	0		
Income taxes	(34)	(18)	(39)	(32)	(28)	87%	19%
Net profit	67	32	86	54	60	110%	12%
Cost/income ratio (%)	38	56	33	35	36	-18pp	+2pp
LLPs/Ls (bps)	-67	-12	-27	13	-17	-55bps	-50bps
Loans (€bn)	13.3	12.8	13.5	14.2	13.7	3%	-3%
RWAs (€bn)	21.9	21.5	22.3	23.7	24.4	2%	-10%

SPECIALTY FINANCE RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	26	22	23	21	20	17%	26%
Net interest income	15	11	12	11	11	32%	36%
Fee income and other income	11	11	11	11	10	2%	16%
Total costs	(9)	(11)	(10)	(8)	(8)	-19%	14%
Loan loss provisions	(6)	(5)	(7)	(7)	(4)	17%	58%
GOP risk adjusted	11	6	6	7	9	83%	22%
Income taxes	(4)	(2)	(1)	(1)	(2)	119%	67%
Net profit	7	4	5	6	7	69%	8%
Cost/income ratio (%)	34	49	42	36	37	-15pp	-3pp
LLPs/Ls (bps)	156	154	236	248	170	+2bps	-14bps
Loans (€bn)	1.6	1.6	1.2	1.2	1.0	-3%	58%
of which factoring (€bn)	1.5	1.5	1.1	1.1	0.9	-3%	55%
of which NPLs (€bn)	0.1	0.1	0.1	0.1	0.1		93%
RWAs (€bn)	1.6	1.6	1.1	1.1	1.1	3%	52%

CONSUMER BANKING RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	246	222	239	240	236	+11%	+4%
Net interest income	214	205	205	206	203	+5%	+6%
Fee income	32	17	34	35	33	+90%	-2%
Total costs	(65)	(73)	(70)	(73)	(63)	-12%	+2%
Loan provisions	(63)	(58)	(59)	(74)	(85)	+8%	-26%
GOP risk adj.	119	90	110	92	88	32%	36%
Income taxes	(39)	(30)	(35)	(29)	(29)	+29%	+36%
Net profit	80	60	75	64	59	+33%	+35%
Cost/income ratio (%)	26%	33%	29%	31%	27%	-7pp	-1pp
LLPs/Ls (bps)	213	201	207	267	307	+12bps	-94bps
New loans (€bn)	1.6	1.8	1.7	1.6	1.5	-10%	+9%
Loans (€bn)	11.9	11.8	11.5	11.2	11.1	+1%	+7%
RWAs (€bn)	11.8	11.8	11.4	11.4	11.3		+4%

WEALTH MANAGEMENT RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	122	128	117	123	91	-4%	+34%
Net interest income	64	66	61	67	50	-3%	+28%
Fee income	56	60	53	53	37	-6%	+49%
Total costs	(97)	(111)	(95)	(98)	(73)	-13%	+33%
Loan provisions	(5)	(5)	(5)	(5)	(5)	-2%	+4%
GOP risk adj.	21	12	17	20	14	74%	51%
Other	0	(19)	(6)	28	1		-79%
Income taxes	(6)	8	(5)	(10)	(4)		+39%
Net profit	16	0	6	38	11		+39%
Cost/income ratio (%)	79%	87%	81%	80%	80%	-8pp	-1pp
LLPs/Ls (bps)	20	21	25	24	25	-1bps	-5bps
Loans (€bn)	9.7	9.7	8.7	8.6	8.6	+1%	+14%
TFA net of double counting (€bn)	57.2	59.9	51.7	50.6	49.5	-4%	+15%
of which AUM/AUA (€bn)	30.3	30.0	22.8	21.3	20.7	+1%	+46%
of which AUC (€bn)	9.1	12.1	11.3	11.4	11.6	-25%	-21%
of which deposits (€bn)	17.8	17.8	17.6	17.9	17.2		+3%
RWA (€bn)	5.9	5.8	5.5	5.4	5.4	+3%	+9%

AFFLUENT & PREMIERE: CHEBANCA! RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	70	73	70	78	54	-5%	+29%
Net interest income	54	55	51	59	41	-2%	+29%
Fee income	16	19	19	19	13	-13%	+28%
Total costs	(57)	(65)	(61)	(66)	(45)	-13%	+25%
Labour costs	(25)	(27)	(27)	(28)	(20)	-7%	+28%
Administrative expenses	(31)	(38)	(34)	(38)	(25)	-17%	+23%
Loan provisions	(5)	(5)	(5)	(5)	(4)	-6%	+2%
GOP risk adj.	9	4	3	7	5		
Other	0	(5)	(8)	29	0		
Income taxes	(3)	5	(1)	(9)	(2)		
Net profit	6	4	(6)	26	3	62%	
Cost/income ratio	81%	88%	88%	85%	83%	-7pp	-2pp
LLPs/Ls (bps)	24	26	28	27	28	-2bps	-4bps
TFA (€bn)	20	20	21	21	21		-2%
of which AUM/AUA (€bn)	7.2	7.1	7.1	6.9	6.9	+1%	+4%
of which deposits (€bn)	13.2	13.4	13.7	13.8	13.8	-1%	-4%
Loans (€bn)	7.6	7.5	7.4	7.4	7.5	+1%	+1%
RWAs (€bn)	3.5	3.5	3.4	3.5	3.5	+1%	+2%

PRIVATE BANKING RESULTS

3M results as at September 2017

Annex 1

	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	53	55	48	46	37	-4%	42%
Net interest income	10	11	10	9	9	-5%	20%
Fee income	40	41	35	34	25	-3%	61%
Net treasury income	2	3	3	3	4	-4%	-33%
Total costs	(40)	(46)	(33)	(32)	(28)	-13%	46%
GOP risk adjusted	12	8	14	13	9	48%	30%
Other	0	(14)	2	(1)	1		
Income taxes	(3)	3	(4)	(1)	(3)		8%
Net profit	10	(3)	12	12	8		17%
Cost/income ratio (%)	77	85	70	71	75	-8pp	+2pp
TFA (€bn)	36.8	39.4	30.9	29.8	28.9	-7%	28%
CMB	9.8	9.8	9.8	9.4	8.2		20%
Banca Esperia (50%)	19.0	18.8	9.6	9.0	8.7	1%	117%
Cairn Capital	2.9	6.5	7.1	7.4	8.2	-56%	-65%
Spafid	5.1	4.4	4.4	4.0	3.8	18%	37%

PRINCIPAL INVESTING RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	91	77	58	60	78	+18%	+17%
Gains from disposals	89	23	20	9	110		
Impairments	(0)	0	0	(1)	(0)		
Net profit	171	102	78	64	178	+67%	
Book value (€bn)	3.5	3.7	3.9	4.0	3.8	-5%	-8%
Ass. Generali (13%)	3.1	3.0	3.2	3.3	3.2	+3%	-3%
AFS stakes	0.4	0.7	0.7	0.6	0.6	-41%	-39%
Market value (€bn)	3.6	3.6	3.5	3.5	2.8		+26%
Ass. Generali	3.2	2.9	2.8	2.9	2.2	+9%	+45%
RWA (€bn)	7.3	7.7	7.6	7.2	6.9	-5%	+6%

HOLDING FUNCTION RESULTS

3M results as at September 2017

Annex 1

€m	3Q Sept17	2Q June17	1Q Mar17	4Q Dec16	3Q Sept16	Δ QoQ ¹	Δ YoY ¹
Total income	(8)	(10)	(8)	(27)	(12)	-21%	-30%
Net interest income	(16)	(11)	(18)	(28)	(19)	44%	-17%
Net treasury income	2	(3)	7	(3)	2		
Fee income	6	4	4	4	5	61%	16%
Total costs	(41)	(52)	(44)	(38)	(33)	-20%	26%
Loan provisions	(2)	(3)	(3)	(3)	(3)	-17%	-27%
GOP risk adj.	(52)	(65)	(55)	(67)	(48)	-20%	+8%
Other (incl. SRF/DGS contribution ¹)	(6)	(24)	(24)	(48)	(11)		
Income taxes & minorities	20	26	22	31	21	-37%	
Net profit	(39)	(63)	(57)	(84)	(38)		
LLPs/Ls (bps)	43	50	48	50	53	-7pp	-10pp
Banking book (€bn)	6.8	7.6	7.1	6.9	8.4	-11%	-19%
New loans (leasing, €bn)	0.1	0.1	0.1	0.1	0.1	-17%	-17%
Loans (leasing, €bn)	2.2	2.3	2.3	2.4	2.5	-2%	-10%

GLOSSARY

Annex 2



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
AFS	Available for sale
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
CET1	Common Tier Equity 1
CoF	Cost of funding
CoE	Cost of equity
CoR	Cost of risk
DGS	Deposit guarantee scheme
DPS	Dividend per share
EPS	Earning per share
FAs	Financial Advisors

PROFIT & LOSS (P&L) and BALANCE SHEET

GOP	Gross operating profit
Ls	Loans
LLPs	Loan loss provisions
M&A	Merger and acquisitions
NAV	Net asset value
NII	Net Interest income
NP	Net profit
NPLs	Group non performing loans net of NPLs purchased by MB Credit Solutions (€135m as at June17 – €71m as at June16)
PBT	Profit before taxes
ROAC adj	Adjusted return on allocated capital ¹
ROTE	Return on tangible equity ²
RWA	Risk weighted asset
SRF	Single resolution fund
TC	Total capital
Texas ratio	NPLs/CET1
TFA	Total financial assets ³

Notes

- 1) Adjusted return on allocated capital: average allocated $K = 9\%$ RWAs (for PI: 9% RWA + capital deducted from CET1). RWAs are 100% calculated with STD. Gains/losses from AFS disposals, impairments and positive/negative one-off items excluded, normalized tax rate = 33%)
- 2) Return on tangible equity: net profit excluding non-recurring items / Shareholders equity – goodwill
- 3) AUA + AUC + AUM + direct deposits

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

Emanuele Flappini

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