



MEDIOBANCA

POSITIVE START TO FY19/20

**1Q20/3M RESULTS AS AT
30 SEPTEMBER 2019**

Milan, 24 October 2019



MEDIOBANCA

AGENDA

Section 1. Group results as at September 2019

Section 2. Closing remarks

Annexes

1. Quarterly segmental reporting tables
2. Asset quality details by segment
3. Glossary



MEDIOBANCA

POSITIVE START TO FY19/20: NET PROFIT UP 10%, ROTE>10%

SUSTAINABILITY AND DISTINCTIVENESS OF MB ACCRETIVE VALUE CYCLE CONFIRMED ONCE AGAIN

**MB continues on its growth roadmap,
leveraging on the effectiveness of its diversified business model
with focus on high-margin, specialized, growing businesses
whose growth is driven by long-standing trends,
with one of the lowest risk/high return profiles in Europe**

Sustainability and distinctiveness of MB accretive value cycle confirmed in 1Q FY 2019-20

Growth in revenue-generating assets,

TFAs up 5% YoY to €68bn (up 1% QoQ), with €1.1bn of qualified NNM (AUM/AUA) in Affluent and PB segments in last 3M

Loans up 6% YoY to €45bn (up 1% QoQ)

fostered by robust capital (CET1@14%¹) and strong business positioning

delivered 7% growth in revenues (to €684m, up 7% YoY and QoQ)

NII and fees at €514m, up 3% YoY and QoQ

**funding investment in people (headcount up 3% YoY, to 4,840 employees), innovation and distribution,
keeping operational gearing and asset quality at among the best levels in Europe**

Banking² C/I ratio ~50% - CoR at 58bps – Gross NPLs/Ls ~4%

Net profit up 10% YoY to €271m (up 37% QoQ³)

Banking activities and Group delivered ROTE adj.⁴ >10%

- 1) Managerial calculation as at Sept19 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. 35bps of CET1; CET1 fully loaded @13% (with DC and IFRS9 fully phased).
- 2) Banking business defined as Group activities excluding Ass.Generali contribution
- 3) Including gains earned by Ass.Generali on Generali Leben disposal
- 4) Excluding non-recurring items, also those reported by Ass.Generali as indicated in Note 3.



PROGRESS IN ALL DIVISIONS

3M results as at September 2019

Section 1

WM: enhancement of awareness and positioning reflected in sound NNM and AUM/AUA growth

Affluent: at the top level of asset gatherer sector by NNM. Growth in TFAs, with improving mix, revenue & profit

- ◆ **With NNM at €0.5bn in AUM/AUA in last 3M, CheBanca! consolidates previous quarter NNM level and doubles YoY, over performing competitors** (in last 3M negative YoY NNM trend for major asset gatherers)
- ◆ **TFAs growing and improving in mix: TFAs at €25.8bn, up 12% YoY** (up 2% QoQ), **with AUM/AUA at 43%** (vs 37% Sept18)
- ◆ **Distribution empowered: FAs up to 365** (up 9% or 30 QoQ, up 50% or 121 YoY); **RM's up to 451** (up 6 QoQ)
- ◆ **Revenues up 7% YoY at €77m** (flat QoQ), **net profit up 35% YoY at €8m** (up 12% QoQ)

UHNWIs: building a reference private investment bank. IB&PB: the business model ready to operate in a market with flattening asset growth, ever-decreasing margins and bar-belling of client portfolios. **Distinctive and unique internal capabilities** to offer a competitive PE/Alternatives proposition

- ◆ **PB: robust NNM inflows with NNM@€0.7bn in last 3M, of which €0.6bn in AUM/AUA**

Consumer Banking: confirmed as highly profitable/sustainable growing business

- ◆ **Loans at €13.4bn, up 7% YoY** (and up 1% QoQ) with selected new business (up 11% to €1.9bn) and margins resilient
- ◆ **Revenues at €267m, up 4% YoY** (and QoQ), **driven by Nil up 5% YoY and QoQ**
- ◆ **Asset quality strong and resilient.** CoR at 197bps, up 16bps YoY (and 4bps QoQ), with limited impact from growth of gross NPEs due to new definition of default¹ because of already high coverage levels in place
- ◆ **Distribution empowered: 5 agencies opened in the quarter** (to 204 total direct branches)

PROGRESS IN ALL DIVISIONS

3M results as at September 2019

Section 1

Larger CIB: M&A and strong positioning strategic to offset ongoing pressure in European CIB segment

- ◆ **Sound client business in the quarter, lower prop trading**
- ◆ **NII stable** QoQ and YoY, at €69m, **despite ongoing pressure on large corporate spread due to disciplined growth in loans** (up 2% YoY to €17.6bn) driven by strong positioning and risk assessment
- ◆ **Fees flat YoY and up 8% QoQ** (at €57m) **despite low investment banking /capital market activities in the summer quarter due to larger proportion of advisory/capital-light fees** coming from newly-consolidated Messier Maris
- ◆ **Asset quality confirmed strong:** no impact from new definition of default, writebacks continue though more limited

PI: contribution again positive, investment profitable

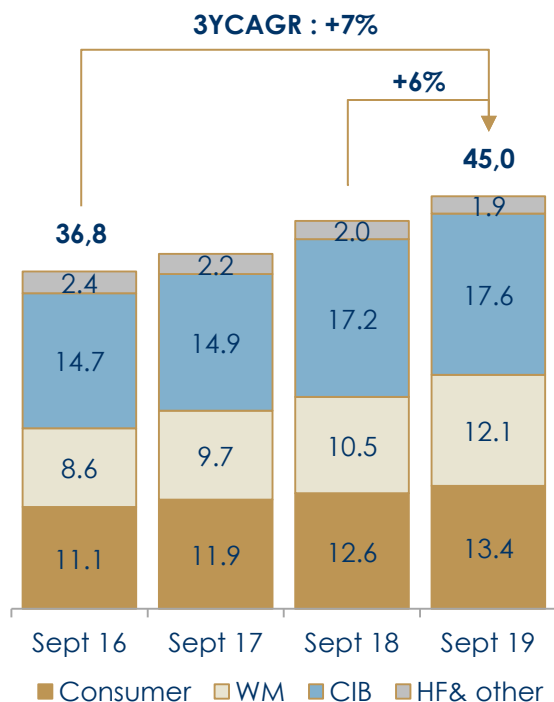
- ◆ **Contribution of equity-accounted companies positive once again (Ass.Generali stake @12.92%)**
- ◆ **AG value growing:** NAV up 19% to €3.6bn, BV at €3.5bn, up 14% YoY and 9% QoQ
- ◆ Contribution to earning at €136m, up 38% YoY due to €45m in extraordinary gains from disposal reported by AG

HF: distinctive funding mix and CoF/gearing control make us different

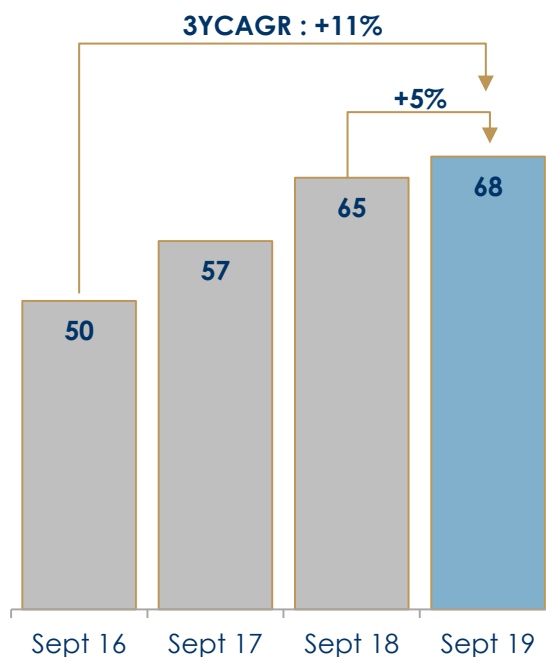
- ◆ **NII flat despite even more negative rates due to distinctive funding mix** (35% bonds, to be progressively repriced at lower spread) and **active control of CoF**
- ◆ **Central costs flat at €26m, despite fast-growing Group scope and size due to cost control**
- ◆ Gop risk adj. up from -€48m to -€46m

INCREASE IN REVENUE-GENERATING ASSETS & DIVERSIFICATION DELIVERED STEADY REVENUES GROWTH

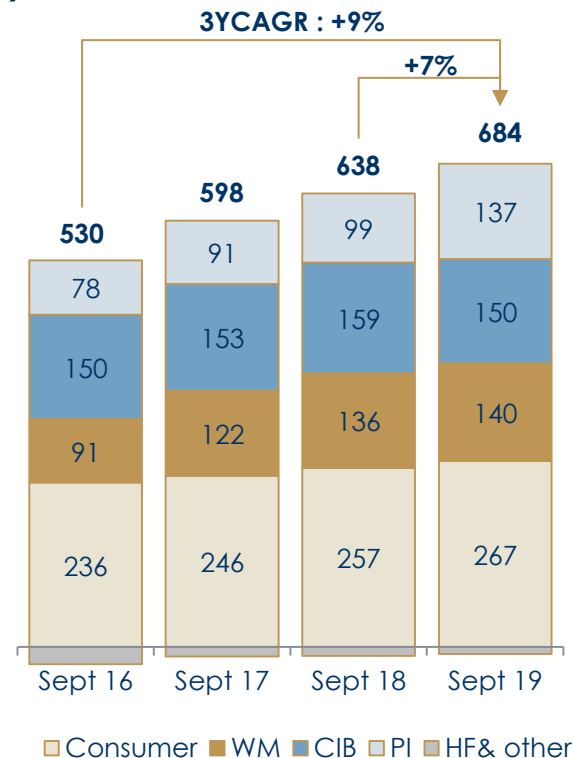
Steady loan book ...
(€bn)



... and robust TFAs growth ...
(€bn)



... generated steady increase in revenues
(€m, 3m)



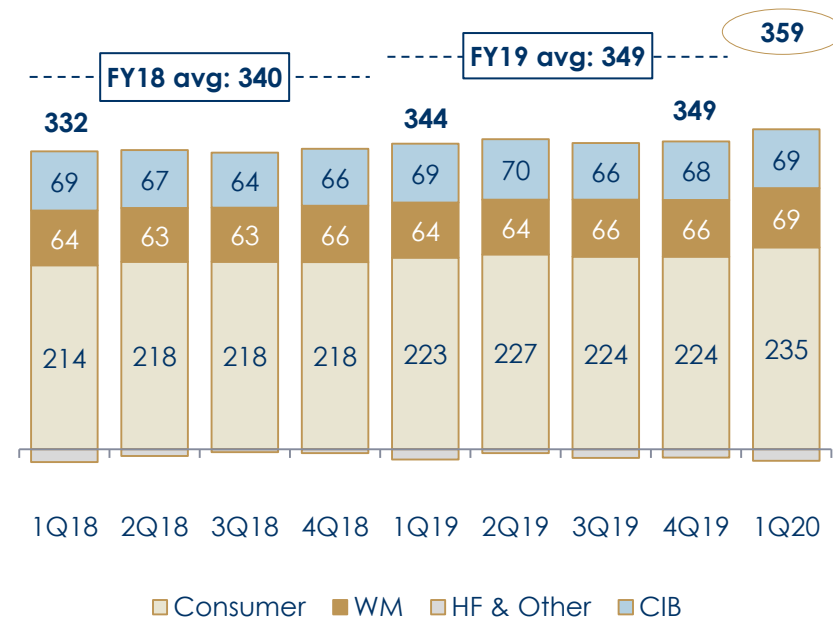
- ◆ **Asset generating revenues steadily up** in last 3Y: loan book up 6%YoY (+7% 3YCAGR); TFAs up 5%YoY (+11% 3YCAGR)
- ◆ **Robust growth in revenues** (up to €0.7bn, 3YCAGR +9%, up 7% YoY) **driven by business diversification** (Consumer and WM growing steadily, CIB resilient, AG contributing soundly (1Q FY 2020 growth due to extra gains on disposals))

UNBROKEN GROWTH IN NII DESPITE NEGATIVE RATE DUE TO DISTINCTIVE BUSINESS AND FUNDING MIX

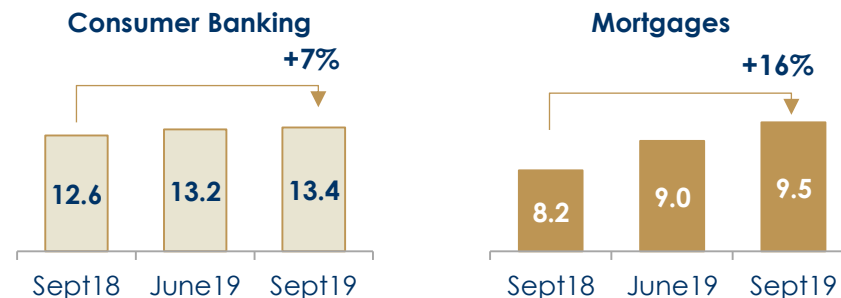
3M results as at September 2019

Section 1

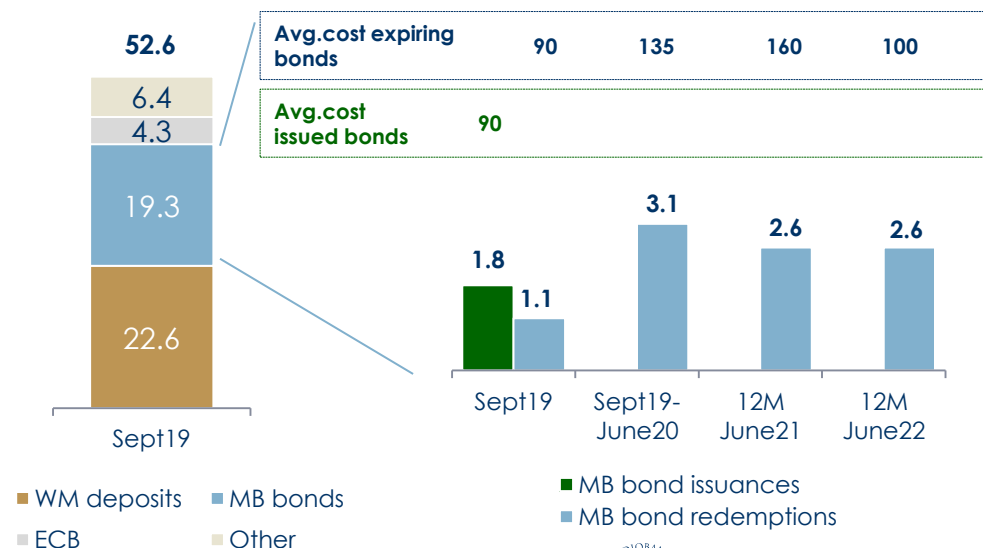
NII by division (€m, 3m)



Loans by division (€bn)



Funding stock breakdown & MB securities issuances & redemptions (Sept19, €bn, CoF bps vs Euribor3M)



- ◆ **NII at €359m, up 3% QoQ and 4% YoY**, as result of
 - ◆ **Diversified and growing loan book** (€45bn, up 6% YoY and 1% QoQ), fostered by all divisions, especially Consumer and Mortgages
 - ◆ **Distinctive funding structure:** CoF manageable as bond portion progressively to be repriced at lower spread as well as tied deposits in WM

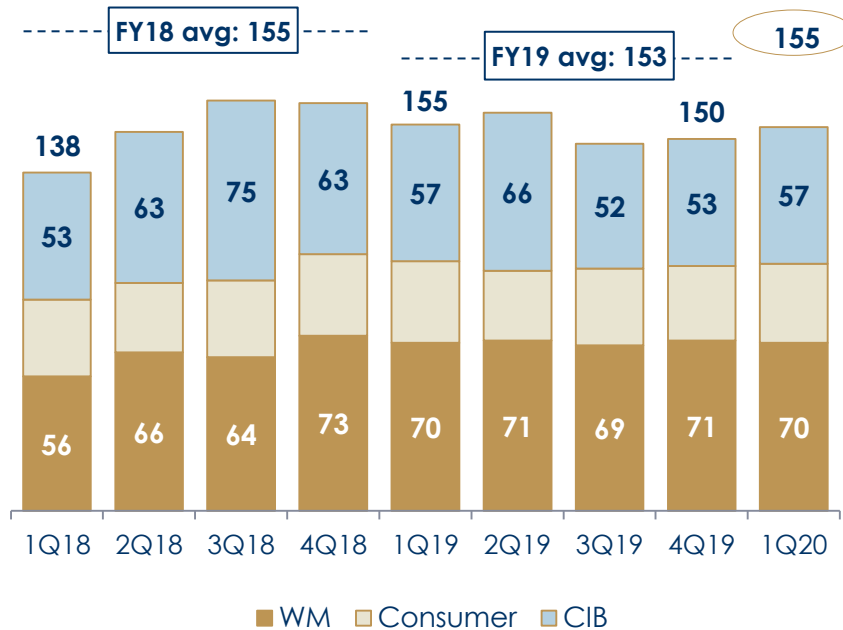


HIGHER K-LIGHT FEES (WM & ADVISORY) OFFSET SUBDUED CAPMKT AND COSTS TO ENHANCE DISTRIBUTION NETWORK

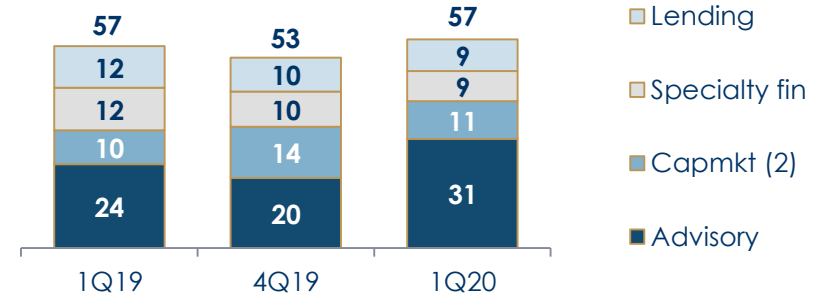
3M results as at September 2019

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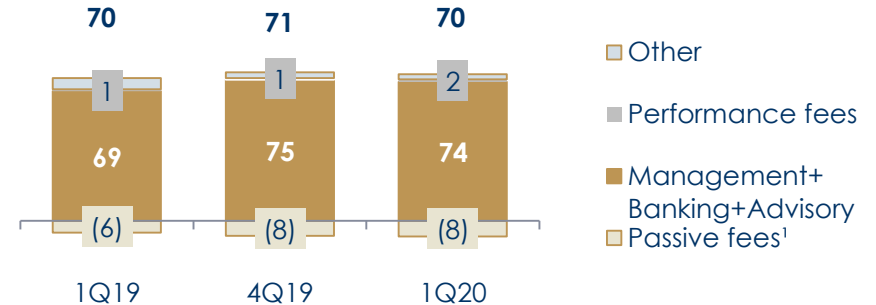
Group fees by quarter (€m, 3m)



CIB fees by product (€m)



WM fees by source (€m)



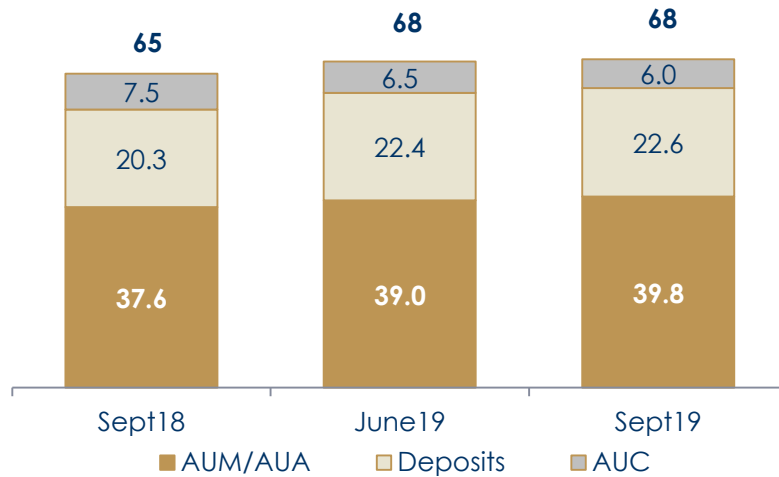
- ◆ Fees stable YoY and up 3% QoQ, with:
 - ◆ High quality of WM fees (upfront and performance fee represent just 10% of revenue stream, 90% recurring fees).
 - ◆ WM fees reflect cost of fast-growing FAs network (fees payable) and customer risk aversion
 - ◆ Advisory in CIB leveraged by MMA partnership

TFAS UP 5% YOY, STRONG NNM IN AFFLUENT AND PB CHEBANCA! AT TOP LEVEL IN SECTOR FOR NNM OF MANAGED PRODUCTS

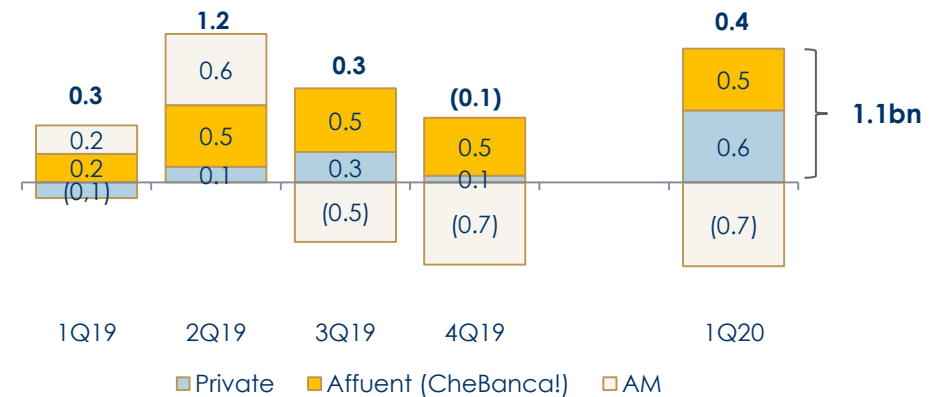
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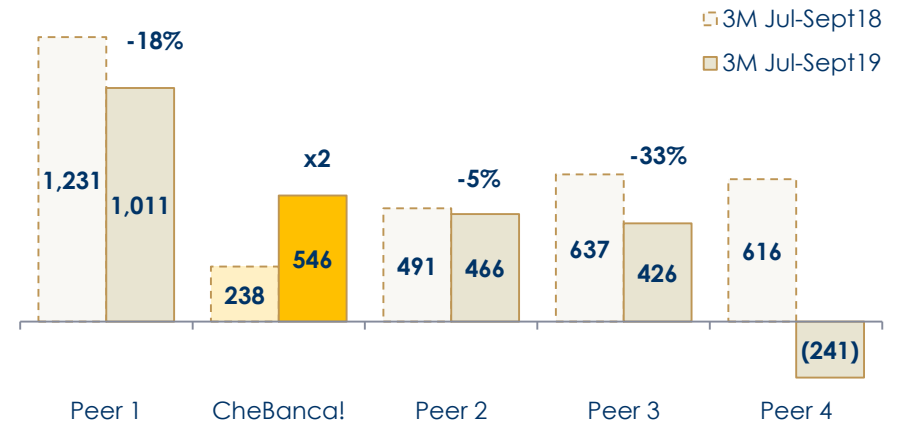
Group TFAs stock by product (€bn)



Group AUM/AUA NNM by segment (€bn, 3m)



AUM/AUA NNM: CheBanca! vs asset gatherers (€m)



- ◆ TFAs up 5% YoY at €68bn, with improving mix: AUM/AUA up 6% to €39.8bn, AUC down to €6bn
- ◆ AUM/AUA NNM: €0.4bn, from a combination of:
 - ◆ Strong contribution from networks (€1.1bn), especially CheBanca! (€0.5bn) and MBPB (€0.6bn).
 - ◆ CheBanca! repeated its previous quarterly 3M performance in NNM of €0.5bn, twice last year's result and outperforming asset gatherers
 - ◆ MBSGR repositioning on remunerative institutional mandates continues (€0.5bn outflow); RAM impacted by negative trend of systemic strategies (NNM: €0.2bn outflow in last Q)



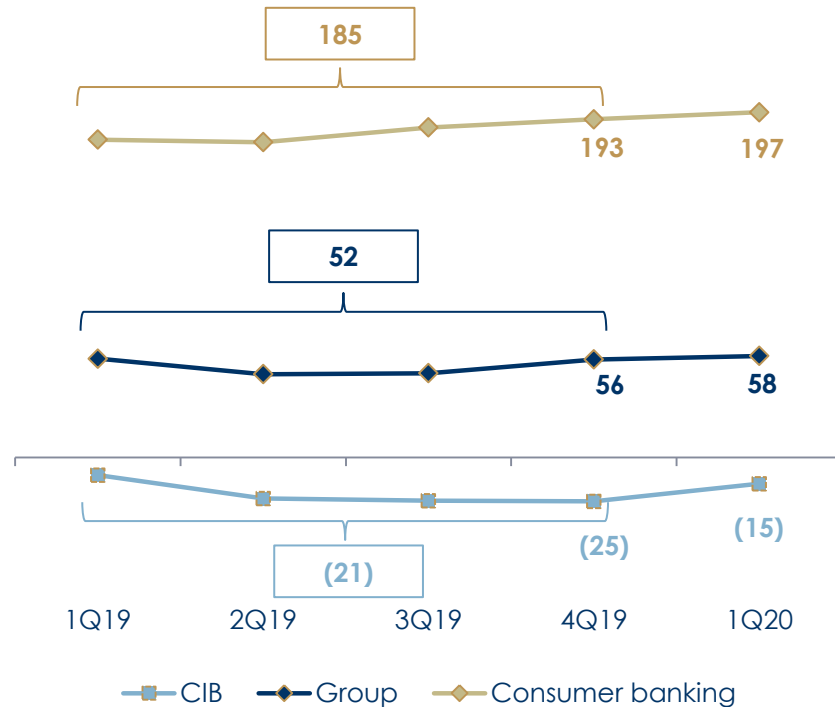
ASSET QUALITY CONFIRMED AS STRONG DESPITE NEW DOD

GROUP COR AT 58BPS, STILL BENEFITING FROM WRITEBACKS IN WB

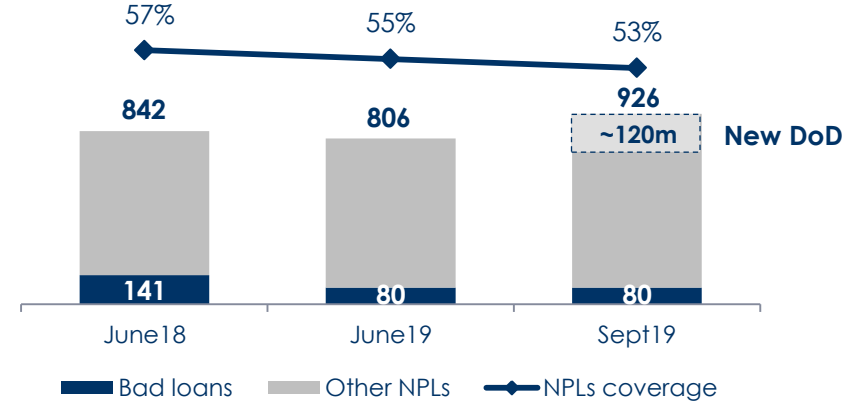
3M results as at September 2019

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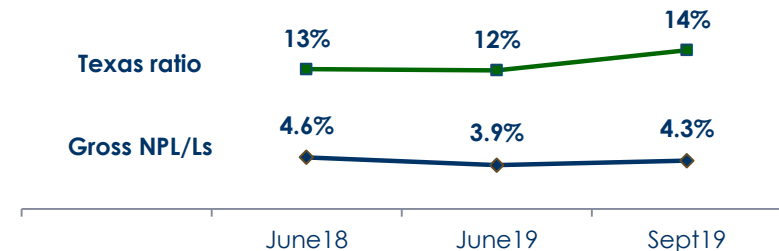
Cost of risk by division (bps)



Net NPL ("deteriorate", €m) and coverage (%)



Gross NPL/Loans and Texas ratio (%)



- ◆ Following the **introduction of the new definition of default (DoD¹)**, ~€120m of exposure (90% of which in Consumer Banking) has been moved from stage 2 to stage 3, moving net NPE up by 15% QoQ. Despite this,
 - ◆ Incidence of gross NPE to total remains low at 4.3%
 - ◆ Given the already high provisions in place, CoR in Consumer Banking increased by only 4bps QoQ to 197bps
 - ◆ **NPLs coverage down** (from 57% ad June 18 to 53% as at Sept 19) **due to Bad Loans reduction (FY19) and new DoD (IQ20)**.

1) Starting from IQ20 the MB Group has applied a new definition of default (on a voluntary basis and subject to prior authorization for the AIRB segments), fully aligned with the EBA Guidelines in this area (EBA/GL/2016/07), with the provisions of Commission Delegated Regulation (EU) 2018/171 of 19 October 2017, and of Regulation (EU) 2018/1845 of the ECB of 21 November 2018. The new regulations govern the classification of default based on stricter criteria for obligations which show non-payments or are overdrawn on an ongoing basis, "past due or overdrawn", and for the mechanisms for return to a non-default status.

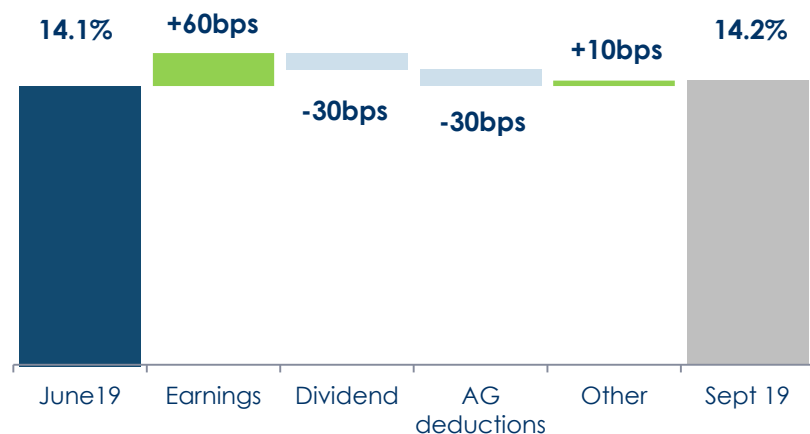


SOLID CAPITAL GENERATION/OPTIMIZATION

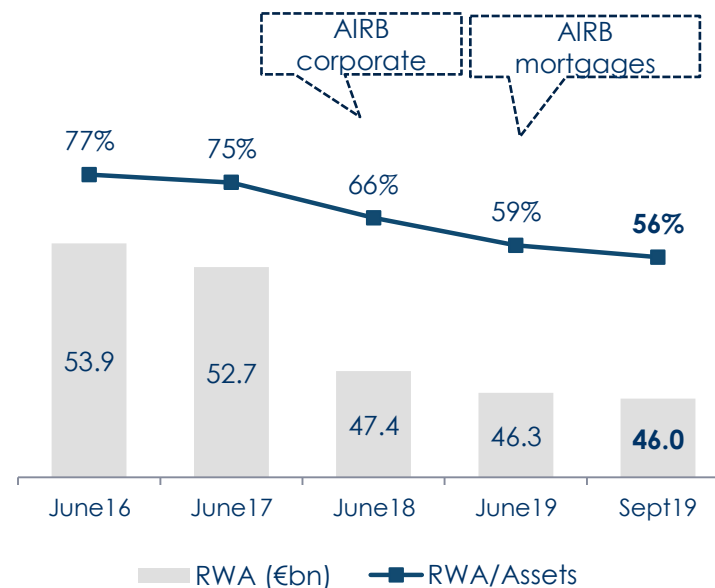
3M results as at September 2019

Section 1

CET1¹ up to 14.2%



RWA optimization ongoing also in FY20



◆ **CET1 up to 14.2% (up 10bps QoQ and stable YoY)** as at Sept19 embedding Danish Compromise¹ and:

- ◆ +30bps benefit from retained earnings
- ◆ - 30bps deduction from AG due to the BV increase (from €3.2bn to €3.5bn in 1Q20)
- ◆ +10bps of other effects including higher valuation reserves (+5bps) and further optimization of credit portfolio
- ◆ **RWA optimization ongoing**, with **risk density close to 55%**, benefitting also from loan book mix (growing portion of mortgages in WM up 16% YoY) and from rating quality of corporate portfolio

1. Managerial calculation as at Sept19 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. 35bps of CET1, CET1 fully loaded @13% (with DC for 100bps of CET1 and IFRS9 fully phased for 17bps of CET1).



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MEDIOBANCA

CLOSING REMARKS

Closing remarks

Section2

In the last 3Y¹ we have significantly enlarged and reshaped the Group despite the low growth/yield environment

Leveraging distribution and asset growth (AUM up 31%¹ to €39bn, loans up 9%¹ to €44bn, funding up 3%¹ to €51bn) and keeping gearing low (cost/income ratio ~50%, NPE gross/Ls ~ 4%) we delivered material growth in revenues (up 7%¹), profit (EPS adj. up 13%¹), profitability (ROTE up 3pp to 10%), capital (CET1 up 200bps to @14%) and dividend (DPS up 20%¹)

**In these metrics we outperformed Italian and European banks' average
We delivered a market performance of 34%,¹ vs 0%¹ by Italian banks and -16%¹ by European banks
We delivered a Total Shareholders' Return of 54%¹**

MB Group revenue pool, earnings and dividends now stronger

Sustainability and distinctiveness of MB accretive value cycle confirmed again in 1Q FY 2019-20

Revenues up 7%, net profit up 10%

Banking activities and Group delivered a ROTE adj.>10%

These are the foundations on which our new business plan has been built

2019-23 Strategic Guidelines Update

12 November 2019 – Confcall at 2.30pm CET

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MEDIOBANCA

QUARTERLY SEGMENTAL REPORTING TABLES

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MEDIOBANCA GROUP P&L

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	684	641	607	639	638	+7%	+7%
Net interest income	359	349	346	357	344	+3%	+4%
Fee income	155	150	149	158	155	+3%	0%
Net treasury income	35	46	53	57	41	-25%	-15%
Equity accounted co.	136	96	59	68	98	+41%	+39%
Total costs	(283)	(309)	(291)	(290)	(271)	-9%	4%
Labour costs	(145)	(154)	(145)	(144)	(138)	-6%	+5%
Administrative expenses	(138)	(155)	(146)	(146)	(134)	-11%	+3%
Loan loss provisions	(65)	(61)	(52)	(51)	(59)	+6%	+11%
Operating profit	337	271	264	298	308	+24%	+9%
Impairments, disposals	4	4	5	(15)	4		
Non recurring (SRF contribution)	0	(17)	(26)	(11)	0		
PBT	341	258	243	272	312	+32%	+9%
Income taxes & min.	(70)	(61)	(67)	(67)	(66)	+15%	+6%
Net result	271	197	176	205	245	+37%	+10%
Cost/income ratio (%)	41	48	48	45	43	-7pp	-2pp
Cost of risk (bps)	58	56	48	48	56	+2bps	+2bps

MEDIOBANCA GROUP A&L

3M results as at September 2019

Annex 1

€bn	Sept19	June19	Sept18	Δ QoQ ¹	Δ YoY ¹
Funding	52.6	51.4	49.6	+2%	+6%
Bonds	19.3	18.5	18.6	+4%	+4%
Direct deposits (retail&PB)	22.6	22.4	20.8	+1%	+9%
ECB	4.3	4.3	4.3	-	-
Others	6.4	6.1	6.0	+5%	+7%
Loans to customers	45.0	44.4	42.3	+1%	+6%
CIB	17.6	17.9	17.2	-2%	+2%
Wholesale	15.4	15.6	15.0	-1%	+2%
Specialty Finance	2.2	2.3	2.1	-3%	+5%
Consumer	13.4	13.2	12.6	+1%	+7%
WM	12.1	11.4	10.5	+7%	+15%
Mortgage	9.5	9.0	8.2	+5%	+16%
Private banking	2.6	2.4	2.3	+12%	+15%
Leasing	1.9	2.0	2.1	-2%	-7%
Treasury and securities at FV	13.6	12.8	13.1	+6%	+3%
TFA	68.4	67.9	65.3	+1%	+5%
of which AUM/AUA	39.8	39.0	37.6	+2%	+6%
of which AUC	6.0	6.5	7.4	-6%	-18%
of which deposits	22.6	22.4	20.3	+1%	+11%
Loans/Funding ratio	+86%	+86%	+85%	-	+1pp
CET1 ratio (%)²	14.2%	14.1%	14.2%		
TC ratio (%)²	17.4%	17.5%	17.9%		

1) YoY= Sept19/Sept18 QoQ= Sept19/June19
 2) Managerial calculation as at Sept19 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. 35bps of CET1, CET1 fully loaded @13% (with DC for 100bps of CET1 and IFRS9 fully phased for 17bps of CET1).



WEALTH MANAGEMENT RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	140	138	137	137	136	+2%	+3%
Net interest income	69	66	66	64	64	+4%	+7%
Fee income	70	71	69	71	70	-2%	0%
Net treasury income	2	1	2	2	2	+125%	0%
Total costs	(108)	(112)	(107)	(109)	(106)	-3%	+1%
Loan provisions	(4)	(5)	(0)	(3)	(4)	-16%	+5%
GOP risk adj.	28	21	30	25	25	33%	13%
Other	1	(0)	1	0	(0)		
Income taxes & min.	(9)	(6)	(10)	(7)	(8)	+59%	+15%
Net result	20	15	20	19	17	+30%	+16%
Cost/income ratio (%)	77	81	78	80	79	-4pp	-2pp
LLPs/Ls (bps)	14	18	1	10	15	-4bps	-1bps
Loans (€bn)	12.1	11.4	11.0	10.7	10.5	+7%	+15%
TFA (€bn)	68.4	67.9	68.0	64.6	65.3	+1%	+5%
of which AUM/AUA (€bn)	39.8	39.0	39.1	36.9	37.6	+2%	+6%
of which AUC (€bn)	6.0	6.5	6.7	6.7	7.4	-6%	-18%
of which deposits (€bn)	22.6	22.4	22.2	21.0	20.3	+1%	+11%
RWA (€bn)	4.7	4.5	4.3	5.7	5.8	+3%	-19%

AFFLUENT & PREMIERE: CHEBANCA! RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	77	77	74	74	72	0%	+7%
Net interest income	55	53	53	52	53	+3%	+4%
Fee income	22	23	21	22	19	-5%	+15%
Total costs	(60)	(62)	(59)	(57)	(58)	-2%	+4%
Labour costs	(28)	(27)	(27)	(26)	(26)	+6%	+8%
Administrative expenses	(32)	(35)	(33)	(31)	(32)	-8%	+1%
Loan provisions	(4)	(5)	(2)	(3)	(4)	-9%	+5%
GOP risk adj.	13	11	13	14	10	+18%	+26%
Income taxes	(5)	(3)	(5)	(4)	(4)	+45%	+29%
Net result	8	8	8	10	6	+12%	+35%
Cost/income ratio (%)	78	80	80	77	81	-2bps	-3bps
LLPs/Ls (bps)	18	21	9	15	20	-3bps	-2bps
TFA (€bn)	25.8	25.4	24.9	23.3	23.2	+2%	+12%
of which AUM/AUA (€bn)	11.1	10.3	9.8	8.9	8.7	+7%	+28%
of which deposits (€bn)	14.8	15.0	15.2	14.4	14.5	-2%	+2%
Loans (€bn)	9.5	9.0	8.6	8.4	8.2	+5%	+16%
RWAs (€bn)	2.7	2.6	2.4	3.9	3.8	+4%	-29%

PRIVATE BANKING RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	63	61	63	63	64	+3%	-1%
Net interest income	14	13	13	12	12	+12%	+22%
Fee income	47	48	49	49	50	-1%	-6%
Net treasury income	2	1	1	2	2		-6%
Total costs	(47)	(50)	(48)	(51)	(48)	-5%	-2%
GOP risk adjusted	16	11	17	12	15	49%	4%
Other	0	(0)	1	1	0		
Income taxes & minorities	(5)	(3)	(5)	(3)	(5)	+74%	+4%
Net result	11	8	12	9	11	+47%	5%
Cost/income ratio (%)	75	82	76	82	76	-7bps	-1bps
TFA (€bn)	42.6	42.5	43.1	41.3	42.2	0%	+1%
CMB	11.1	10.5	10.4	10.0	10.1	+5%	+10%
MBPB (incl. MBSGR)	20.8	21.2	21.4	19.7	20.5	-2%	+2%
Cairn Capital	4.0	4.0	3.9	3.9	3.4	0%	+18%
RAM	2.8	3.1	3.5	3.8	4.1	-7%	-31%
Spafid	3.8	3.7	3.9	3.9	4.1	+3%	-7%

CONSUMER BANKING RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	267	257	257	256	257	+4%	+4%
Net interest income	235	224	224	227	223	+5%	+5%
Fee income	33	33	32	29	34	-1%	-4%
Total costs	(70)	(77)	(75)	(74)	(68)	-9%	+4%
Loan provisions	(65)	(63)	(61)	(57)	(57)	+3%	+15%
GOP risk adjusted	132	117	121	125	132	+13%	-1%
Income taxes	(44)	(36)	(40)	(41)	(43)	+20%	+2%
Net result	88	80	82	85	90	+10%	-2%
Cost/income ratio (%)	26	30	29	29	26	-4pp	0bps
LLPs/Ls (bps)	197	193	188	180	181	+4bps	+16bps
New loans (€bn)	1.9	2.0	1.9	1.8	1.7	-5%	+11%
Loans (€bn)	13.4	13.2	13.0	12.8	12.6	+1%	+7%
RWAs (€bn)	12.7	12.6	12.2	12.0	11.8	+1%	+8%

CIB RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	150	149	145	174	159	0%	-6%
Net interest income	69	68	66	70	69	+1%	0%
Fee income	57	53	52	66	57	+8%	0%
Net treasury income	24	28	27	38	34	-16%	-29%
Total costs	(69)	(72)	(68)	(68)	(62)	-3%	+12%
Loan loss provisions	7	11	11	10	4		
GOP risk adjusted	87	89	88	116	101	-2%	-14%
Other	0	(1)	1	1	0		
Income taxes & minorities	(30)	(30)	(27)	(39)	(33)	0%	-10%
Net result	57	57	63	78	68	-0%	-16%
Cost/income ratio (%)	46	48	47	39	39	-2pp	+7pp
LLPs/Ls (bps)	-15	-25	-25	-23	-10	+10bps	-5bps
Loans (€bn)	17.6	17.9	17.3	17.4	17.2	-2%	+2%
RWAs (€bn)	19.7	20.1	20.0	19.8	19.7	-2%	0%

WB RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	120	119	111	138	127	+1%	-5%
Net interest income	48	47	44	50	48	+1%	0%
Net treasury income	24	29	26	38	34	-18%	-30%
Fee income	49	43	41	50	45	+13%	+8%
Total costs	(57)	(58)	(55)	(56)	(51)	-3%	+10%
Loan loss provisions	10	16	16	20	11		
GOP risk adjusted	74	76	72	103	86	-4%	-15%
Other	0	(1)	1	1	0		
Income taxes & minorities	(26)	(26)	(22)	(34)	(29)	-2%	-11%
Net result	48	49	52	69	58	-2%	-16%
Cost/income ratio (%)	47	49	49	40	40	-2pp	+7pp
LLPs/Ls (bps)	-26	-42	-43	-54	-29	+14bps	+3bps
Loans (€bn)	15.4	15.6	15.0	14.8	15.0	-1%	+2%
RWAs (€bn)	17.4	17.6	17.5	17.2	17.6	-1%	-1%

SPECIALTY FINANCE RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	30	30	34	36	32	-3%	-9%
Net interest income	21	21	22	20	20	0%	+2%
Fee income and other income	9	10	12	16	12	-10%	-27%
Total costs	(13)	(13)	(13)	(12)	(11)	-4%	+19%
Loan loss provisions	(3)	(5)	(6)	(10)	(6)	-28%	-47%
GOP risk adjusted	13	12	15	14	15	+8%	-12%
Income taxes	(5)	(4)	(5)	(5)	(5)	+10%	-6%
Net result	9	8	11	9	10	+8%	-13%
Cost/income ratio (%)	43	44	38	34	33	-1pp	+10pp
LLPs/Ls (bps)	60	81	90	168	120	-21bps	-60bps
Loans (€bn)	2.2	2.3	2.3	2.6	2.1	-3%	+5%
of which factoring (€bn)	1.9	1.9	2.0	2.2	1.8	-3%	+4%
of which NPLs (€bn)	0.4	0.4	0.4	0.3	0.3	-3%	+11%
RWAs (€bn)	2.3	2.5	2.5	2.7	2.1	-8%	+7%

PRINCIPAL INVESTING RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	137	102	60	72	99	+35%	+39%
Gains from disposals	0	0	0	0	0		
Impairments	3	3	4	(15)	4		
Net result	136	95	60	60	99	+43%	38%
Book value (€bn)	4.2	3.9	3.7	3.7	3.7	+7%	+13%
Ass. Generali (13%)	3.5	3.2	3.1	3.0	3.1	+9%	+14%
AFS stakes	0.7	0.7	0.6	0.6	0.6	-1%	+10%
Market value (€bn)	4.3	4.0	4.0	3.6	3.6	+6%	+18%
Ass. Generali (13%)	3.6	3.3	3.3	3.0	3.0	+8%	+19%
RWA (€bn)	5.5	5.6	6.1	6.0	6.1	-2%	-9%

HOLDING FUNCTION RESULTS

3M results as at September 2019

Annex 1

€m	1Q20 Sept19	4Q19 June19	3Q19 Mar19	2Q19 Dec18	1Q19 Sept18	Δ QoQ ¹	Δ YoY ¹
Total income	(6)	(1)	13	1	(7)		
Net interest income	(16)	(10)	(13)	(8)	(15)		
Net treasury income	6	10	23	8	4		
Fee income	4	(1)	4	1	4		
Total costs	(38)	(50)	(46)	(43)	(38)	-24%	-1%
Loan provisions	(2)	(4)	(2)	(1)	(2)	-44%	0%
GOP risk adj.	(46)	(56)	(35)	(43)	(48)	-17%	-3%
Other (incl. SRF/DGS contribution)	0	(15)	(28)	(12)	0		
Income taxes & minorities	16	19	12	17	21		
Net result	(31)	(51)	(51)	(39)	(27)	-40%	14%
LLPs/Ls (bps)	46	63	44	21	42	-17bps	+4bps
Banking book (€bn)	5.7	5.6	6.9	6.5	6.7	+2%	-16%
New loans (leasing, €bn)	0.1	0.1	0.1	0.1	0.1	-28%	-40%
Loans (€bn)	1.9	2.0	2.0	2.0	2.1	-2%	-7%
RWA	3.4	3.5	3.9	3.9	4.0	-4%	-15%

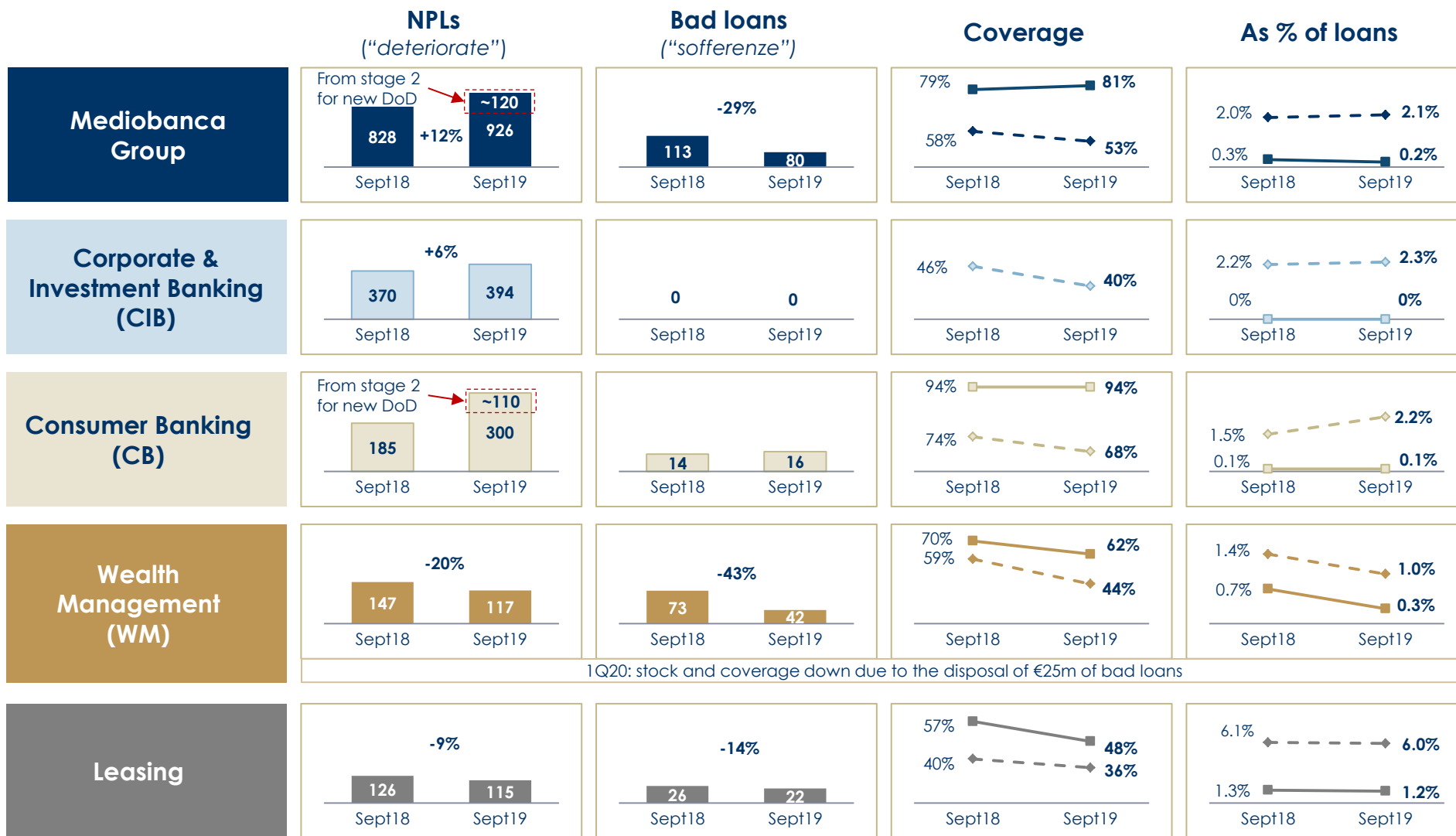
ASSET QUALITY DETAILS BY SEGMENT

Annex 2

ASSET QUALITY DETAILS BY SEGMENT

3M results as at September 2019

Annex 2



GLOSSARY

Annex 3



GLOSSARY

MEDIOBANCA BUSINESS SEGMENT

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

PROFIT & LOSS (P&L) and BALANCE SHEET

AIRB	Advanced Internal Rating-Based
ALM	Asset and liabilities management
AUA	Asset under administration
AUC	Asset under custody
AUM	Asset under management
BVPS	Book value per share
C/I	Cost /Income
CBC	Counter Balance Capacity
CET1	Common Tier Equity 1
CoF	Cost of funding
CoE	Cost of equity
CoR	Cost of risk

CRR2/ Danish Compromise/ Art.471

The EU Parliament has extended the effectiveness of the transitional arrangements until 31/12/2024 as part of the new Capital Requirement Regulation (CRR2) at the Plenary Session held on April 16th 2019 effective since the publication in the Official Journal on June the 28th.

DGS	Deposit guarantee scheme
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PROFIT & LOSS (P&L) and BALANCE SHEET

DPS	Dividend per share
EPS	Earning per share
FAs	Financial Advisors
FVOCI	Fair Value to Other Comprehensive Income
GOP	Gross operating profit
Leverage ratio	CET1 / Total Assets (FINREP definition)
Ls	Loans
LLPs	Loan loss provisions
M&A	Merger and acquisitions
NAV	Net asset value
NII	Net Interest income
NNM	Net new money (Spafid excluded)
NP	Net profit
NPLs	Group NPLs net of NPLs purchased by MBCS
PBT	Profit before taxes
ROAC adj.	Adjusted return on allocated capital ¹
ROTE adj.	Adjusted return on tangible equity ²
RWA	Risk weighted asset
SRF	Single resolution fund
TC	Total capital
Texas ratio	Net 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). Gains/losses from AFS disposals, impairments and positive/negative one-off items excluded, normalized tax rate = 33%. For Private Banking normalized tax rate = 25%
- 2) Return on tangible equity: net profit excluding non-recurring items / Shareholders' equity – goodwill
- 3) AUA + AUC + AUM + direct deposits

DISCLAIMER & DECLARATION OF HEAD OF FINANCIAL REPORTING

As from this fiscal year results, the Mediobanca Group is adopting IFRS 9 to represent its financial instruments. The transition to the new standard has resulted in an approx. €81m reduction in net equity, chiefly due to the introduction of the new impairment model; at the regulatory capital level, the impact will be spread over the course of the next five years.

The Group has availed itself of the right not to restate the comparative data for the first year of IFRS 9 adoption on a like-for-like basis. Accordingly, the figures for FY 2017-18, stated in accordance with IAS 39, are not fully comparable. For further details and full disclosure on the effects of first-time adoption of IFRS 9, which replaces IAS 39, please refer to the document entitled "Summary of IFRS 9 accounting standard adoption" published on the Group's website at www.mediobanca.com

Disclaimer

Some declarations included in this document are forward-looking statements and are based on information available to the bank as of today. These forward-looking statements include any information other than statements of historical facts, including, without limitation, the bank's future financial position, its results of operations, strategy, plans and objectives. Forward-looking statements are subject to risks, uncertainties and other events, which may fall outside the bank's control, that may lead actual results to differ, even materially, from any projections and estimates. Because of these risks and uncertainties, readers must not place undue reliance on the fact that future results will reflect the forward-looking statements. Except where required by applicable regulations, the bank undertakes no obligation to update forward-looking statements as new information becomes available, future events or other circumstances occur.

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

INVESTOR CONTACTS

Mediobanca Group Investor Relations

Piazzetta Cuccia 1, 20121 Milan, Italy

Jessica Spina	Tel. no. (0039) 02-8829.860
Luisa Demaria	Tel. no. (0039) 02-8829.647
Matteo Carotta	Tel. no. (0039) 02-8829.290
Marcella Malpangotto	Tel. no. (0039) 02-8829.428

Email: investor.relations@mediobanca.com

<http://www.mediobanca.com>