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*Testo del comunicato*

Vedi allegato.

MEDIOBANCA

# MEDIOBANCA
# BOARD OF DIRECTORS' MEETING

## Financial statements for three months ended 30/9/22 approved

**Milan, 27 October 2022**

MEDIOBANCA

# POSITIVE START TO FY 2022-23, WITH IMPRESSIVE COMMERCIAL AND EARNINGS RESULTS

# GROWTH IN REVENUES (APPROX. €760m) AND NET PROFIT (€263m) EPS UP 5% TO €0.31, ROTE 12%

**Mediobanca's distinctive positioning and business growth opportunities have enabled the Group to deliver an outstanding set of results despite the tough operating scenario**

## Growth, quality and profitability

**Growth in profitable assets:**

**Customer loans up 7%[1] to €52bn, with new loans above €5bn in 3M**

**TFAs up 8%[1] to €81bn, on NNM of €1.3bn in AUM/AUA**

**Revenues grew to approx. €760m (up 7%[1]) in 3M**

**on NII of nearly €400m (up 11%[1]) and fees of €210m (up 4%[1])**

**Asset quality remains excellent (cost of risk stable at 48 bps with NPLs coverage rising to 72%, overlays intact at approx. €300m)**

**Improvement in efficiency indicators (cost/income ratio down to 42%), despite ongoing investments in distribution, innovation and talent (costs up 6%[1])**

**Net profit €263m, with EPS up 5% in 3M to €0.31**
**(after 39 million shares were cancelled in 12M)**

**ROTE 12% (up 2pp[1]) with CET1 phase-in at 15.1% (14.0% fully-loaded[2])**

## Innovation

**Acquisition of Soisy and 19.5% HeidiPay, two fintechs operating in Consumer Finance in the Buy Now Pay Later segment, enhancing direct distribution, client acquisition, and the business's international dimension**

## Sustainability

**Publication of first TCFD report[3]**

**First two NZBA targets set on cutting emissions in Automotive and Energy sectors**

**ESG risks incorporated into risk and lending policies**

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1 YoY: end-Sept. 2022 vs end-Sept. 2021.

2 Management calculation differs from that used in the COREP Common Reporting, because it includes the profit for the period not distributed (which is not subject to authorization under Article of the CRR), based on a dividend payout of 70%. The impact of the undistributed dividend on CET1 is equal to approx. 15 bps.

3 TCFD: Task Force on Climate Related Financial Disclosure; NZBA: Net-Zero Banking Alliance.

**The Mediobanca Group has continued on its growth path in the three months,** with strong business and earnings performances, despite the ongoing uncertainty still affecting the operating scenario and market instability. **This has been made possible by the effectiveness of the Group's business model, diversified into synergistic businesses, notable for their significant growth opportunities, distinctive positioning, and careful asset and liability management.**

Highlights for the three months were as follows:

- **Strong commercial performance: customer loans climbed to €52.4bn** (up 7% YoY and up 1% QoQ[4]), with new loans of over €5bn, €1.9bn of which in Consumer Finance, an increase of 6% YoY. **CIB business delivered robust growth in advisory services, domestic and international, an increased contribution from Lending in terms of both volumes and margins, and a strong performance in client Capital Market Solutions activities. TFAs were near €81bn** (up 8% YoY; up 1% QoQ), driven by **NNM of €1.3bn (in AUM/AUA)**, at best sector levels. The negative market effect was limited (minus €0.5bn).
- **Record revenues** (€757m, up 7% YoY), **with growth by all income sources**:
  - **Net interest income totalled €396m (up 11% YoY and up 6% QoQ)**, with a strong contribution from all the divisions, in particular Consumer Finance (up 8% YoY and up 3% QoQ to €243m), following an improvement in volumes, repricing of assets, and careful cost of funding management;
  - **Net fee and commission income of €210m (up 4% YoY and up 2% QoQ)** on strong growth in Wealth Management (up 17% YoY and up 7% QoQ to €112m), driven by higher management and upfront fees which remained at last year's levels (the sale of structured products matched the contribution from the Mediobanca BlackRock Private Markets initiative last year). The contribution of CIB remained high at €69m (down 10% YoY but up 1% QoQ) driven by advisory business and lending;
  - **Net trading income totalled €65m** (up 2x QoQ, and up 29% YoY), roughly half of which from client solutions activity;
- **Cost/income ratio 42% (down 1pp YoY)**, which includes the ongoing investments in distribution, innovation and talent;
- **Excellent asset quality, cost of risk stable at 48 bps, with overlays once again around €300m.** Non-performing loans remained at the low levels seen at end-June 2022 (2.5% of total loans gross and 0.7% net), as did loans classified as Stage 2 (6.3% of total loans gross and 5.8% net). The coverage ratios have increased further: 72% for the NPLs (up 1pp QoQ), 1.3% for the Group's performing loans, and 3.75% for performing loans in the Consumer Finance division;
- **Net profit €263m** (stable YoY) and **ROTE adj. 12%** (up 2pp YoY), despite the negative valuations of the seed capital investments held by the Group in line with market trends (down €17m);

4 QoQ: end-Sept. 2022 vs end-June 2022.

- **Growth in the per share ratios,** due to high profits, plus the cancellation of 39 million treasury shares in the last 12M (22.6 million at end-December 2021, and 16.5 million at end-September 2022): **3M EPS €0.31 (up 5% YoY)**.

- **Capital base remains high: CET1 phase-in ratio 15.1%.** The 60 bps reduction versus end-June 2022 reflects the growth in profitable assets (which accounted for 15 bps) and an increase in the regulatory burden for the large corporate loan book (approx. €1.5bn in higher RWAs, accounting for 45 bps of CET1, which should be recovered with the launch of Basel IV in January 2025)**. The ratio reflects a cash dividend payout of 70% of the reported net profit. Fully-loaded, the CET1 ratio stands at 14.0%**[5] (30/6/22: 14.5%).

**All the divisions posted material growth:**

- **Wealth Management: double-digit growth continues in both revenues (up 15% to approx. €200m in 3M) and net profit (up 35% to approx. €45m), with commercial activity levels at best sector standards, in a market scenario characterized by a strong slowdown in asset-gathering volumes and a thoroughly negative market effect on asset valuations. ROAC[6] up to 37%**

  **The division posted growth in revenues** (up 15% to approx. €200m), **net profit** (up 35% to €44m) and **profitability** (ROAC[6] 37%, up 11 pp YoY) on an **improving cost/income ratio** (down 6pps, to 65%). **TFAs totalled €81bn** (up 8% YoY, up 1% QoQ), **on NNM of €1.1bn (€1.3bn of which in AUM/AUA), with the market effect limited to just minus €0.5bn. Material growth was also posted in lending activity (up 9% YoY to €15.8bn**, €11.4bn of which in residential mortgages, and €4.3bn in Lombard loans). In **Private Banking** client coverage activities in conjunction with CIB continues (€150m in liquidity events intercepted by MBPB in three deals), and enhanced its offering in the illiquid and portfolio management segments. The new market scenario has also facilitated the sale of structured products. In the Premier segment, work continued on strengthening the product offering from a Group synergies perspective. In Asset Management too, performances have been good, in the distressed segment in particular. **Enhancement of the sales force also continued, with 13 new professionals added** to the division for the quarter, making a total of 1,173.

- **Consumer Finance: strong growth in customer loans (to approx. €14bn), revenues (to approx. €280m) and net profit (to €100m). ROAC[6] stable at 34%**

  **The Consumer Finance division posted growth in revenues (up 7% to €276m), net profit (up 11% to €100m) and profitability (ROAC 34%, stable YoY). The cost/income ratio was stable at 28%. The positive trend in new loans continued** (€1.9bn, up 7% YoY), driven by **strengthening in both direct distribution** (one branch office opened and twenty Compass Link agents added in 3M) **and digital distribution** ("digital" personal loans now account for **31% of total direct loans,** plus growth by the **Buy Now Pay Later product Pagolight** (**new loans approx. €35m**)**.** Net interest income of

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5 The fully-loaded ratio of 14.0% has been calculated without the Danish Compromise, i.e. with the Assicurazioni Generali investment deducted in full (approx. 110bps) and with the IFRS 9 FTA effect applied in full (~5 bps). For CET1 the management calculation has been used, which is different from the one used for COREP purposes which includes profits for the quarter not distributed (15 bps, payout ratio 70%).

6 ROAC: calculated using adjusted net profit/average capital allocated; allocated capital = 9% RWAs (for the INS-PI division: 9% RWAs + capital deducted from CET1).

€243m (up 8% YoY) was boosted in part by assets repricing. **Asset quality was excellent** (cost of risk 146 bps): risk indicators were unchanged, NPLs accounted for 1.3% of total loans on a net basis, and the coverage ratio was 80% for NPLs (3.75% for performing loans). In the month of October 2022 **Compass has also completed the acquisition of two fintech operators (100% of Soisy, and a 19.5% stake in HeidiPay) to develop the BNPL business, combining technology, commercial agreements, geographical diversification and growing the client base.**

- **CIB: growing revenues (to over €180m), well diversified, leadership confirmed in the main sector deals. ROAC[6] 15%**

  **Revenues up 8% (to €182m), net profit stable (at approx. €70m), and high profitability (ROAC[4] 15%, down 1pp YoY). Cost/income ratio 40% (down 9pp YoY).** The contribution from client activities was strong and diversified, Advisory, Lending and Capital Market Solutions in particular, reflect at the level of NII (€67m, up 11% YoY), fees (€69m, down 10% YoY but up 1% QoQ), and net treasury income (€47m, up 47% YoY). **The high loan book quality was confirmed,** with a prudential increase in the cost of risk in the last quarter which, however, remains at very low levels (9 bps). Since 1 July 2022, **the NPL management activity owned by MBCS has been transferred to the Holding Functions** and is being managed from a deleveraging perspective.

- **INSURANCE-PI: high contribution and profitability**

  **Revenues €87m, down 11% YoY, despite a robust and improving operating performance by Assicurazioni Generali. Net profit by the division totalled €78m** (down 20% YoY, penalized also by €11m in adjustments to seed capital investments due to market performance). ROAC[6] was high (at 20%);

- **HF: good fund-raising capability confirmed at competitive costs. Funding stood at €60bn** (up 4% YoY, down 1% QoQ), **with liquidity still at high levels (€6bn),** in part optimized compared to the figure of over €7.5bn reported at end-June. **Deposits were stable at approx. €29bn (up 10% YoY, down 1% QoQ) with no changes in price, bond issuance saw costs unchanged thanks to the use of covered instruments (€750m placed during the summer), and there was a recovery in the demand from the third-party networks (approx. €1bn issued). NSFR 114%, LCR 154%.**

**The Mediobanca Group's ESG profile continues to improve.** After becoming a signatory to the **PRB (Principle for Responsible Banking)** and the **Net-Zero Banking Alliance (NZBA)**, in the quarter under review the Bank has published its first **Task Force on Climate-related Financial Disclosures (TCFD)** report, with detailed information on its environmental impact. **It has also set its first two GHG emissions reduction targets, in line with the NZBA's requests, for the automotive and energy generation sectors.** ESG factors have also been incorporated into the RAF (Risk Appetite Framework) and the lending policies by mapping the corporate loan book's ESG risk.

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E-MARKET SDIR CERTIFIED

MEDIOBANCA

With Renato PAGLIARO in the Chair, the Directors of Mediobanca approved the individual and consolidated financial statements for the three months ended 30 September 2022, as illustrated by Chief Executive Officer Alberto NAGEL.

## Consolidated results

**The Mediobanca Group delivered a net profit of €262.6m for the three months**, in line with the €261.9m posted last year, and a sharp increase on the €191m reported in 4Q FY 2021-22. The performance translates to a **ROTE of 12%** and **quarterly EPS of €0.31** (up 5% YoY). **Revenues recorded a new record level** (up 7.2%, from €706.4m to €757.1m), and the following **all remained high: cost/income ratio** (which improved to 42.5%), **credit quality** (gross NPL ratio 2.5%, overlays intact at approx. €300m), **and capital position** (CET1 15.1%; fully loaded 14.0%[5]).

**The commercial performance was robust in all business segments**: new loans in Consumer Finance totalled €1.9bn, whereas Large Corporate activity was buoyant, both in Lending (new loans at €2.2bn), and in advisory services and client capital market solutions business; Wealth Management posted inflows of high-quality assets (AUM/AUA) of approx. €1.3bn, and so managed to offset the negative market effect, which in any case was relatively low, at approx. minus €0.5bn.

Growth in revenues of 7.2% (from €706.4m to €757m) beat expectations, and the main income items reflect the following performances:

- **Net interest income is now near the €400m mark**, at €396.3m (up 10.6% YoY; up 6.5% QoQ), helped by the favourable interest rate trend, the increase in lending volumes, and Wealth Management deposits continuing to reflect low interest rates. By division, net interest income in Consumer Finance rose to €243.2m (up 7.5% YoY and up 3.3% QoQ), on higher volumes, with yields adapting quickly, which helped absorb much of the increased hedging and funding costs. NII in Wealth Management totalled €84m (up 14% YoY and up 11% QoQ), helped by deposits which were stable in terms of volumes and cost, and by the higher lending activity. Treasury management improved its position, with net interest expense decreasing from €22.7m to €16.4m, reflecting the higher yields on liquid assets and banking book securities, and the cost of funding still under control. Corporate and Investment Banking contributed NII of €66.8m (up 10.6% YoY; up 7.8% QoQ), the growth being primarily due to higher corporate loans;

- **Net fee and commission income increased from €202.7m to €210m** (up 3.6% YoY; up 2% QoQ), with the contribution from Wealth Management growing strongly (up 17.1% YoY, from €95.9m to €112.3m), helped by higher volumes (recurring component: up 12.2% YoY, from €93.5m to €104.9m; stable QoQ) and strong placement activity, concentrated in bonds and structured securities (up 22% YoY, from €15m to approx. €19m; up 55% QoQ). Corporate and Investment Banking, by contrast, reflected a slight decrease, down 10% YoY (from €76.3m to €68.7m; stable QoQ), despite an outstanding performance in the Mid Corporate segment (where fees were up almost 3x, from €5.5m to €14.6m) and in Lending operations (up 47% YoY, from €17m to €25m); by contrast, Capital Markets activities slowed (ECM fees were practically wiped out), while the contribution from Advisory business was stable, matching last year's impressive performance;

- **Net trading income totalled €64.6m** (up 29.2% YoY; more than double the figure reported for 4Q FY 2021-22), split equally between client business (€30.6m) and the proprietary portfolio (€28.1m). The increase in client business compared to last year (up 33.7%) regards the fixed-income segment in particular (up 61.5%, to €10.7m), with the equity component matching last year's excellent performance (€19.5m). The contribution of the trading book for the first three months totalled €24.2m, offsetting the lack of gains on banking book securities (versus gains of €8.7m last year);

- **Insurance profits earned by Assicurazioni Generali totalled €86.6m**, slightly lower than last year (€95.1m) and also than last quarter (€93.3m); while the other equity-accounted companies' contribution was basically nil.

**Operating costs were up 6.2% YoY**, from €302.6m to €321.4m, reflecting the commercial expansion, the enhanced scope of operations, and the growing impact of technology; the impact of inflation is still low (approx. 1% of the administrative expenses), which at present mainly involves contracts with info-providers paid in USD. Labour costs, up 6% YoY (from €156.4m to €165.8m) reflects strengthening of the workforce (113 new professionals added, for a total headcount of 5,051; 52 in Wealth Management; 27 in Corporate and Investment Banking; and 16 in Consumer Finance), accruals to the bonus pool, as is customary, in line with the trend in revenues and the retention policies launched last year to limit staff turnover and retain talent. Administrative expenses, up 6.4% YoY, from €146.2m to €155.6m, were impacted by higher IT costs (up 10%, from €50.5m to €55.4m), plus the resumption of marketing activities and travel (up 29%, from €10m to €13m).

**Loan loss provisions** (€62.6m, approx. 80% of which in Consumer Finance) remained at the low levels seen last year (€62.4m) and last quarter (€47.7m), reflecting a **cost of risk for the Group of 48 bps, in line with last year's figure** (the CoR for Consumer Finance was 146 bps). Asset quality remains excellent, with very low reclassification to default levels in all asset classes, helped by the speed and effectiveness of the credit recovery process; **overlays were unchanged at €297.2m** (€215.2m of which attributable to Consumer Finance), continuing to protect the provisioning levels which are at all-time highs (NPLs: 72.4%; performing loans: 1.3%).

The net profit of €262.6m for the three months also reflects:

- Net provisions for financial assets of €17m, consisting primarily of the adjustment of holdings in funds to fair value at end-September 2022;

- One-off payments to the provision for risks and expenses totalling €2.6m, shared equally between Wealth Management and the Holding Functions division (leasing);

- Income tax of €88.6m, corresponding to a tax rate of 25.1% (€81.6m last year; tax rate: 23.5%).

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**Total assets increased during the three months to €91.4bn,** with the various items reflecting the following trends:

- **Loans and advances to customers grew by 7% YoY, from €48.9bn to €52.4bn,** with Consumer Finance loans increasing from €13.1bn to €13.9bn (up 6%), and the Wealth Management loans climbing from €14.5bn to €15.8bn (up 9%), €11.4bn of which in CheBanca! mortgage loans and €4.3bn in Private Banking loans (€3.4bn); customer loans in Corporate and Investment Banking increased from €19.1bn to €20.8bn (up 9%), with the contribution from Wholesale Banking totalling €18.3bn (up 8%), and that from factoring business totalling €2.5bn (up 13%). The share accounted for by leasing operations decreased to €1,520.1m, while NPLs acquired totalled €336.7m (down 4.1%). New loans in Consumer Finance posted a new record for the summer period of €1.9bn (5.8% higher than the first three months of last year); while mortgages executed during the quarter totalled €621.3m (up 73% YoY ); turnover factoring increased to €2.6bn (up 14% YoY); and new business in Corporate Lending remained high at €2.2bn (down 4%), while the downsizing of the leasing operations continued, with customer loans down 12.6% at €73.4m;

- **Gross NPLs remain at last year's excellent, very low level** (€1,328.5m), equal to 2.5% of total loans, whereas compared to end-June 2022 there was a reduction in net NPLs (from €384.4m to €366.8m) due to the higher coverage ratio of 72.4% (71%). Net bad loans remain extremely low, at €50.8m (just 0.1% of total loans, with a coverage ratio of 88.3%). The item does not include NPLs not originated by the Group but acquired, the book value of which decreased from €350.6m to €336.4m;

- **Positions classified as Stage 2** amounted to €3,001m (5.8% of total loans), the **slight reduction** in which compared to end-June 2022 (€3,029.7m; 5.9%) was concentrated in Corporate and Investment Banking (down from €590.9m to €567.9m; 2.7%) and Wealth Management (down from €838.1m to €814.2m; 5.2%) due to improvement by individual positions, including those for which moratoria had been granted, and only in part offset by the natural increase in stage 2 positions in Consumer Finance (from €1,476.7m to €1,495.9m; 10.5%);

- **Banking book securities rose** by 2% in 3M, to €8.7bn, continuing the trend seen last year, with some acquisitions of Italian sovereign debt securities to offset the redemptions; overall the government security component totalled €6.4bn, 65% of which in Italian paper (€4.2bn, with a duration of approx. 3 years);

- **Net treasury assets reduced from €7.2bn to €5.9bn,** covering the growth in lending by absorbing part of the liquidity accumulated at the end of the last financial year in the form of pre-funding. The balance on deposit at the European Central Bank is roughly €6.7bn;

- **Funding totalled €60.3bn,** €28.7bn of which in Wealth Management (48% of the total), €18.6bn in debt securities, and €4.5bn in other forms of funding, including €8.4m in respect of the T-LTRO facility; during the three months, against €1.4bn expiring, debt securities of €1.5bn were issued in the private and retail channel (proprietary and third-party), at low spreads, and with an average duration of just under five years. Wealth Management deposits remained at the level seen at end-June 2022, at €28.6bn (compared with €28.8bn), with the remuneration basically unchanged despite the higher interest rates.

- **Net New Money (NNM) for the three months totalled €1.1bn, €1.3bn of which in indirect funding** (split equally between Private Banking and Premier clients), against a slight reduction in deposits (down approx. €150m), in favour of placements of bonds and structured products. TFAs stood at €80.9bn (up 0.8% on the figure at end-June 2022), after factoring in the reduction in valuations at end-September 2022 (which reduced the figure by approx. €500m). AUM/AUA totalled €52.3bn (up 6.5% on last year); €16.7bn in the Premier segment (up 2.7%); €23.4bn in Private Banking (up 6%), and €25.4bn in Asset Management (up 13.4%). Deposits also increased from €26.1bn to €28.6bn, €11.6bn of which in Private Banking (up 29.6%) and €17bn in the Premier segment (down 1%).

- The capital ratios remained at high levels, despite reflecting the higher regulatory burden as a result of the Internal Model Investigation (IMI) for the Large Corporate LGD parameter. The regulatory impact is expected to be reversed by January 2025 with the introduction of Basel IV.

  - **The CET1 ratio phase-in stood at 15.1%,** 60 bps lower than at end-June 2022 (15.7%): retained earnings for the quarter (which added 15 bps) financed the profitable growth in assets (which accounted for 15 bps, concentrated in Wholesale Banking), plus the higher deductions for the Assicurazioni Generali investment (approx. 15 bps), and the regulatory burden for the Large Corporate portfolio (45 bps, translating to an increase in RWAs of €1.5bn). The reduction in the reserve for bonds held for sale (down 6 bps) was offset by the benefit for the acquired NPLs (which gave an advantage of 5 bps, due to the reduction in weighting from 150% to 100%).

- **The CET1 ratio, fully loaded,** without application of the Danish Compromise, i.e. with the Assicurazioni Generali investment deducted in full (minus ~110 bps) and the IFRS 9 FTA effect applied in full (minus ~5bps), **was 14%,** 50 bps lower than at end-June 2022 (14.5%).

- **The total capital ratio fell from 17.6% to 16.9%** (16% fully loaded), including the amortization of the subordinated liabilities.

## Divisional results

### 1. <u>Wealth Management:</u>[7] results improving despite difficult scenario, helped by distinctive positioning and offering enhancement. Revenues up 15% to almost €200m, TFAs €81bn (up 8% YoY, up 1% QoQ), strong commercial performance (NNM of €1.3bn in AUA/AUA in 3M) and best sector levels. Net profit up 35% to €44m, and strong increase in ROAC[8] to 37% (up 10pp)

**Net profit for the three months totalled €43.7m, consolidating the growth trend seen in recent quarters** (up 35% YoY; up 53% QoQ); revenues were just short of €200m (€198.7m; up 15% YoY and up 8% QoQ) dopo **further growth in fee income** (from €95.9m to €112.3m in 12M; up 7.6% in 3M) and a higher contribution from **net interest income** (up 14%, from €73.7m to €84m; up 11% QoQ) driven by the new interest rate scenario; **ROAC increased from 27% to 37%, with the cost/income ratio down to 65.2% (71.4%).**

**In a scenario marked by a significant slowdown in flows of Net New Money and the adverse impact of market performances, the division confirmed its ability to grow on the back of its distinctive position and product offering:**

- Net New Money for the quarter totalled €1.1bn, on a significant contribution from indirect funding (adding €1.3bn);

- TFAs stood at €80.9bn, the negative market effect (of €0.5bn) basically neutralized thanks to conservative asset allocation plus the dollar's appreciation;

- Work on strengthening the distribution structure continues: 13 new professionals were recruited in 3M, taking the total to 1,173, 1,033 in the Premier segment (512 relationship manages and 521 FAs, with 10 added overall), and 140 in Private Banking (3 added);

- **Expansion of the product offering continues**, with preference given to the instruments that are best suited to the volatile market conditions.

In particular, Mediobanca Private Banking placed some €300m in certificates and credit investment notes (approx. €200m), and introduced new thematic portfolio products with Buy & Hold bond strategies. In Private Markets, another co-investment has been completed, in

7 Includes the Premier segment (CheBanca!), Private Banking (MBPB, CMB), Asset Management (MB SGR and MB Management Company, Cairn Capital, RAM AI), and the activities of Spafid.

8 ROAC adjusted for writedowns/impairments to equity investments and securities and other non-recurring income or expenses.

international, highly innovative companies, for a total amount of €30m. In the real estate segment there has been a further €250m direct investment in prestigious properties, with the acquisition of a trophy asset in Via Montebello in Milan (now the fourth reserved real estate initiative), and a deal has been promoted for the acquisition of an Italian SME through a club deal as part of the TEC investment programme, in an amount of €35m. The partnership with the Group's Corporate & Investment Banking division in ensuring combined coverage continues effectively, enabling the Bank to intercept three M&A deals, generating €150m in NNM.

CheBanca! has placed a Mediobanca 4-year fixed-rate bond with step-up, generating volumes of over €200m. In the area of solutions managed with a view to promoting sustainability in the investment world, the second Mediobanca SGR sub-mandate to Nordea has been launched, and on the insurance side, the new Premier Life insurance policy has been launched with Genertel, which enables a progressive but cautious investment approach to be taken versus markets, and includes a new launch, 100% ESG, among the internal funds.

Mediobanca SGR has strengthened its offering for the Group's clients in the three months, continuing to add to its product range. For instance, two new portfolio management products have been introduced in the quarter for the Private Banking Division with a pure bond exposure (Buy & Hold, 4Y IG and 4Y IG Plus strategies) along with two new funds (Target Maturity Diversified Credit Portfolio 2025 and Mediobanca Nordea Global Climate Engagement). The advisory and support service for asset allocation for the CMB Monaco portfolio management business has also been launched during the quarter.

Cairn Capital has continued on its growth path, with inflows to its European Loan, and capitalizing on the performances of its former-Bybrook distressed funds (which have put on 14%). TFAs have grown to €8.5bn.

RAM has launched the NextGen fund, a target maturity reserved to Premier clients, which despite the difficult market conditions, has raised €50m. The multi-asset and long/short funds have shown some resilience in 2022, coming on the back of a very positive 2021, while the long–only Emerging Markets Equity fund continues outperform its benchmark index (up 4.5% in 9M 2022).

NNM in 3M of €1.1bn was generated entirely from the indirect component, split between Private Banking (€0.7bn) and the Premier segment (€0.7bn); while deposits were down by €160m.

Total Financial Assets (TFAs) totalled €80.9bn, 7.5% higher than last year, with an adverse market effect of approx. €500m. The Premier segment contributed TFAs of €33.7bn (up 0.8% on last year), €16.7bn of which in AUM/AUA (up 2.7%), Private Banking of €35bn (up 12.8%), €23.4bn of which in AUM/AUA (up 6%), and Asset Management of €25.4bn (gross TFAs up 13.4%). AUM/AUA increased from €49.1bn to €52.3bn (up 6.5%). The Asset Management division's products placed within the Group totalled €13.2bn (€11.6bn).

Moving onto the earnings performance**, revenues earned by the Wealth Management division rose by 15.3% (from €172.3m to €198.7m)**, with all three areas reporting increases: Premier up 5.1%; Private Banking up 26.6%, and Asset Management up 31.1%.

The main income items performed as follows:

- **Net interest income increased by 14%** (from €73.7m to €84m), boosted by the increase in short-term market interest rates, which translated, in Private Banking especially, to higher returns on loans with the remuneration on deposits basically flat;
- **Fees grew by 17.1%** (from €95.9m to €112.3m; up 7% QoQ), with a significant contribution made by all technical forms: management fees rose by 10.9% (from €75.1m to €83.3m; stable

quarter-on-quarter), banking fees were up 16.6% (from €18.4m to €21.5m); upfront fees increased by 20.9% (from €16.2m to €19.6m), with last year's BlackRock deal compensated for by strong activity in selling structured products and certificates in Private Banking; performance fees of €2m (attributable to the Cairn Capital Special Situation product). Fees earned by the Premier segment were up 18% (from €34.5m to €40.7m; versus €41.4m in 4Q FY 2021-22), and by Private Banking up 8.4% (from €41.6m to €45.1m; up 20% QoQ), whereas fees earned from Asset Management rose from €17.8m to €23.8m (an increase of 33.7%), having regard to the full impact of the Bybrook acquisition, which last year contributed for only one month.

**Operating costs** rose from €123m to €129.5m (an increase of 5.3%), due to the 8.3% increase in labour costs (from €62.6m to €67.8m), which reflects the strengthening of the headcount (with 52 new professionals added); while administrative expenses increased by 2.2% (from €60.4m to €61.7m), due chiefly to IT (expansion of core banking and front-end banker services), central costs, and project activities (improvements to payment services, management of Lombard loans, and overhaul of the AML procedure).

Loan loss provisions reduced from €4.2m to €1.9m, due to the low default rates for CheBanca! mortgage loans and having regard to the increase in provisioning booked at the end of the last financial year; the contribution from Private Banking totalled €0.6m. Accordingly, the cost of risk came in at 5 bps (versus 12 bps last year).

The net profit reflects the negative valuations for the Bank's holdings in seed capital (€3.2m) and certain non-recurring charges (of €1.5m).

Customer loans for the division totalled €15.8bn (30/6/22: €15.3bn), €11.4bn of which in residential mortgages (basically unchanged, due to the approx. €300m negative effect linked to hedging fixed rate component), and €4.3bn in loans for the Private Banking division (€3.9bn). New loans in 3M totalled €621m (up 73% on twelve months ago).

Gross NPLs decreased from €222.2m to €217.4m (equal to 1.4% of total loans), and mainly regard CheBanca! mortgage loans (€190.8m, equal to 1.6% of total loans); net NPLs represent 0.8% of total loans (€95.8m, €32.5m of which are bad loans), with the coverage ratio increasing to 49.8% (66.8% for the bad loans), gross NPLs in the Private Banking division totalled €26.6m (0.6% of the stock), €12.3m of which attributable to CMB Monaco, which decreases to just 0.3% on a net basis. Mortgages classified as Stage 2 decreased from €781.5m to €747.2m (6.5% of the total), with the Private Banking share increasing from €56.7m to €67m. Moratoria granted in respect of mortgage loans are now virtually at an end, involving an amount of just €17.4m (€19.6m at end-June 2022), while the Private Banking division has no moratoria.

2. **Consumer Finance: net profit for 3M €100m (up 11%) and ROAC[9] 34%. This result represents one of Compass's best-ever quarters, achieved on the back of growth in customer loans and net interest income, driven by strong commercial activity and digital innovation. Compass has strengthened its Buy Now Pay Later operations by recently taking a 19.5% stake in Swiss fintech HeidiPay, and finalizing an agreement to acquire a controlling interest in Italian fintech Soisy; this will help the company develop its technology and commercial standards further, increasing its capability**

9 ROAC adjusted for writedowns/impairments to equity investments and securities and other non-recurring income or expenses.

**to attract clients, and launching its geographical diversification. Credit asset quality remains excellent, with the cost of risk at record low levels.**

**In 1Q FY 2022-23 Compass delivered a net profit of €100m (up 11%), reflecting very high profitability (ROAC@ 34%).** New business of €1.9bn (up 6%) drove growth in customer loans (which have now reached a **new record level of €13.9bn**), net interest income (the latter also boosted by the higher growth in new loans via the direct network in more profitable products, in particular direct personal loans). Stable default and recovery rates allowed the cost of risk to remain at 146bps (versus 160 bps last year), enabling the company to post its **highest-ever quarterly result at the GOP level (€148m).**

**As at end-September 2022, the Compass distribution platform consisted of 299 POS**, 66 of which managed by agents, plus 52 Compass Quinto POS (specializing in the sale of salary-backed finance products). Compass Link, an agent in financial activities focused on offering off-site products, already has a total of 110 collaborators. **Priority continues to be given to strengthening the digital channels** which have been responsible for **31% of the volumes of personal loans generated by the direct channel,** with more than 80% of applications for finance processed in one day.

Compass's strong commitment to digital innovation was stepped up further during the quarter, in the form of **two significant acquisitions which consolidate Compass's footprint in the Buy Now Pay Later segment**: acquisition of a **19.5% stake in HeidiPay**, a fintech company based in Switzerland and in operation since 2021, which has developed agreements with important distributors and luxury brands, which is able to accelerate international growth, and acquisition of **100% of Soisy**, an Italian fintech operator with strong expertise in granting special purpose loans for the purchase of goods and services using e-commerce platforms. The two deals will allow Compass to pursue its **growth strategy in the BNPL segment, on the back of its established risk assessment capability, for amounts and durations typical of consumer credit. Expansion and diversification of the client base will also enable the company to cross-sell Compass products to a younger target clientele more likely to make purchases online.** The HeidiPay acquisition will also allow Compass **to launch geographical diversification, with international as well as national coverage**. All this will be achieved on the back of Compass's consolidated credit assessment capabilities, which have always been one of its areas of excellence.

**The Italian consumer credit market recorded strong growth during the first eight months of 2022, with volumes up 15.4% (€53.6bn in new flows)** despite the climate of uncertainty due to the geopolitical and macroeconomic scenario. The market has been driven by the trend in personal loans (which were up 25.4% in the first eight months of 2022), the credit card segment (up 16.9%), and other special purpose loans (up 12.3%). Salary/pension-backed products also recorded an increase of 7.5%. Conversely, the figures for automotive finance remain negative (down 8.8%), as the sector is still penalized by the supply chain crisis, which in recent months has also been affecting the second-hand market.

**Over the same time horizon Compass has reported growth in new business of 9.6%, confirming its market share at 9.5%, with all segments contributing positively:** personal loans (which account for nearly 50% of the volumes granted) were up 9.1%, credit cards rose by 9.5%, and other special purpose loans by 8.7%; while both salary-backed finance and automotive finance outperformed their reference markets, posting growth of 41.2% and 3.9% respectively.

**New loans generated by Compass in the first quarter continue to reflect high growth levels** (€1.9bn), despite reflecting stricter acceptance levels for prudential reasons, for personal loans in particular. New business in direct loans (€660m, up 21%) more than offset the reduction by the banking channel; while increases were reported in both automotive finance and special purpose loans, of 6% and 14% respectively. The BNPL segment generated new business of €33m, with arrangements now in place with a total of 7,000 dealers.

**Compass delivered a net profit in 3M of €99.8m** (up 10.5% on last year). **The positive momentum in terms of commercial activity enabled the company to post customer loans of €13.9bn, the highest ever amount** (compared with €13.1bn last year), **ensuring growth in net interest income** (from €226.2m to €243.2m). Higher costs (the cost/income ratio increased from 27.8% to 28.2%), due to commercial investments and increased credit recovery costs, were in part mitigated by a reduction in loan loss provisions (from €52.1m to €50.5m). **ROAC remained high, at 34%.** The main income items performed as follows:

- **Revenues for the three months increased from €257m to €275.9m (up 7.4%),** driven by the positive trend in net interest income, which increased from €226.2m to €243.2m (up 7.5%), due to the growth in customer loans referred to above, and the pricing of new business rapidly adjusting to the increase in the cost of funding. Fee income grew from €30.8m to €32.7m, on lower *rappel* commissions credited back to the third party networks, plus the first contribution from the Pagolight product (€2m, 12% higher than in the previous quarter);

- **Operating costs totalled €77.9m**, up 9% (from €71.5m), and reflect the increased cost base due to the substantial commercial investments; labour costs totalled €25.7m (up 2.4%), while the increase in administrative expenses was steeper (up 12.5%, to €52.2m), due to marketing expenses plus the commercial development (i.e. the Pagolight platform), as well as an increased focus on credit recovery;

- **Loan loss provisions** (€50.5m) **were lower than last year** (€52.1m), albeit slightly higher than in 4Q FY 2021-22 (€47.1m), **and translate to a cost of risk of 146 bps, with the overlays still intact.**

**Net NPLs reduced in absolute terms** (from €182m at end-June 2022 to €175m) **and were stable in relative terms** (at 1.3% of total loans) **due to an increase in the coverage ratios** (to 80%, from 79% at end-June 2022) **following a marginal increase in gross NPLs** (from €858m at end-June 2022 to €876m, or 5.8% of total loans, compared with 5.7% three months previously). Net bad debts remained under €10m (or 0.1% of the total loan book), and reflect a stable coverage ratio of 97%.

### 3. Corporate & Investment Banking: leadership confirmed, with the Bank involved in the largest domestic and international transactions, revenues up 8% (to €182m), with positive contributions in 3M from advisory, lending and capital market solutions. ROAC[9] high at 15%, supported by asset quality which once again was excellent.

**The Bank delivered a net profit of €67.3m in 3M, in line with last year** (€68.7m) and a marked improvement on 4Q FY 2021-22 (€45.7m). The first quarter of the new financial year showed a good performance in terms of **revenues, which totalled €182.1m (up 8.1% YoY and up 28% QoQ) driven by a strong performance in fee income, higher NII and a recovery in net treasury income**, driven by client business. **The cost/income ratio was stable at 40%,** and reflects loan loss provisions of €4.9m (compared with net writebacks of €4.5m last year, and of €12m last quarter). Wholesale Banking contributed €59.1m in net profit (€61.8m last year and €40.2m last quarter) and Specialty Finance €8.2m (€6.6m and €6.1m respectively). The ROAC adjusted reported by the division was 15% (14% last year).

In 9M 2022, the global M&A market recorded a 34% contraction compared to the same period in 2021, driven by the North American market, which shrank by 40%. In Europe the reduction was 30% in volume terms, with negative performances reported by the United Kingdom (down 35%), France (down 28%), Spain (down 22%) and Germany (down 35%). **The Italian market bucked this trend**, reporting growth of 103%, due primarily to **the Atlantia deal** (worth $52bn) which in volume terms was the biggest deal in the European panorama, **net of which market volumes would in any case have been stable**.

The reduction in volumes reflects the decrease in the number of announced deals (down 17% on last year) and a gradual reduction in market multiples (the average EV/Ebitda multiple decreased from 17 in 2021 to 15).

Despite the difficult scenario, the Mediobanca Group delivered a good quarterly performance in advisory business, matching the earnings results reported last year. Some of **the main deals** include the sale of a stake in Inwit by Telecom Italia to Ardian, the acquisition of Althea by a consortium made up of F2i and DWS, Exor taking a stake in the share capital of Lifenet, and the deal with which Veolia sold its UK assets to New Suez.

With reference to Debt Capital Markets activity, which tailed off drastically in the month of July due to market conditions, before recovering in September, the Bank has taken a role in various Italian bond issues, including those by A2A, AMCO, BPER Banca, Enel, Ferrero, Iccrea Banca and Intesa Sanpaolo. In Equity Capital Markets business too, despite the negative market conditions, which have persuaded several issuers to shelve their plans for listing for the moment, Mediobanca continues to support companies looking to approach the market for listing or to raise equity capital.

As for the Lending area, the Bank has financed companies in their reference market, supporting them in their ordinary business, as in the deals with Edizione and IGT, and in their extraordinary operations, as in the cases of Entain and Atlantia, impacting positively on net interest income, and also driving a significant increase in fees.

The Markets division delivered an excellent performance, with resilient positions despite the negative market conditions, and displaying an ability to adapt the product offering to the needs of its clients. Strong levels of activity have been reported in the certificates business, which is carried out in conjunction with the Retail and Private Banking networks, with the fixed-income segment particularly buoyant, while the strategic equity segment has also recovered.

Moving onto the earnings performance, **revenues earned by the CIB division increased by 8.1% (from €168.4m to €182.1m)**, with Wholesale Banking contributing a share of €162.2m (up 7.9%) and Specialty Finance of €19.9m (up 9.6%). The main income items performed as follows:

- **Net interest income rose by 10.6%, to €66.8m**, on good results posted by Wholesale Banking (up 14.5%, from €49.7m to €56.9m; up 9% QoQ), with a significant increase in volumes, and the first signs of spreads rising again; conversely, NII in factoring business slowed (down 7.3%, to €9.9m; aligned with 4Q FY 2021-22), reflecting the difficulties of repricing assets in a competitive market and with volumes still very high;

- **Net fee and commission income remained at the high levels seen in the previous quarter** and were down 10% YoY (from €76.3m to €68.7m), due exclusively to the slowdown in capital markets activities which resulted in the contribution from ECM activities reducing to near zero (€0.5m, compared with €4.6m) and a major reduction in fees earned from Debt Capital Market activities (from €6.9m to €1.8m). M&A advisory fees were stable at €38m, with an impressive contribution from the Mid-Corporate segment (approx. €15m, three times as much as last year). Lending fees were up 47.6%, from €17m to €25m, helped by certain acquisition finance deals being finalized. Specialty Finance again contributed €7m, and includes approx. €5m in fees earned from third party management activity by MBCS;

- **Net treasury income was up 46.7% (from €31.8m to €46.6m), with the contribution from client business up 33.7% (from €22.9m to €30.6m)**, driven by a recovery in the fixed-income solutions segment (up 61.5% from €6.6m to €10.7m), helped by the widening spreads and market volatility; equity trading also improved, with income up 23.1% (from €15.8m to €19.5m), offsetting the slowdown in placement of structured products with certain large deals. The proprietary trading desk (equity and fixed-income) contributed €16m.

**Operating costs** rose by 7.2% (from €67.9m to €72.8m), with labour costs in particular rising by 6% (from €38.5m to €40.8m), reflecting the strengthening of the headcount in the Wholesale Banking teams (with 25 new staff added, including the new Co-Head of CIB) in a highly competitive market; the increase in administrative expenses (which rose by 8.7%, from €29.5m to €32m) chiefly involves the resumption of commercial activities (travel and communications/marketing expenses), as well as higher costs for info-providers as an effect of the dollar appreciating against the Euro; while spending on projects was basically stable.

**Net profit for the three months totalled €67.3m (€68.7m last year)**, despite including loan loss adjustments of €4.9m, €3.9m of which in Wholesale Banking (compared with net writebacks of €6.7m last year), plus €3.3m in provisions for other financial assets in relation to positions in securities and funds held as part of the banking book.

**Customer loans in the three months totalled €20.8bn** (30/6/21: €20.7m), with the growth in Wholesale Banking (from €18bn to €18.3bn) offsetting the seasonal reduction in Specialty Finance (from €2.8bn to €2.5bn). New loans in Wholesale Banking (Lending and Structured Finance) totalled approx. €2.2bn (26% of which drawn against revolving lines) and was covered by redemptions totalling €2.1bn (€287m of which were early redemptions). Turnover in factoring amounted to €2.6bn, in line with 1Q FY 2021-22 (€2.3bn).

**Asset quality remains high:** gross NPLs were basically unchanged at €104.5m, with a gross NPL ratio of 0.5%; while on a net basis the figure falls to €26.6m, with a coverage ratio of 74.6%. Positions classified as Stage 2 decreased from €590.9m to €567.9m (2.7% of total loans). The coverage ratio for performing loans (Stage 1 and 2) was 0.5%, with overlays amounting to €60m, concentrated in the Large Corporate segment (€48m).

It should be noted that as from 1 July 22, the NPL management activities previously performed by MBCS have been transferred to the Holding Functions division. A gradual and orderly disposal process has been launched for the NPLs acquired, which will be transferred to Revalea, a newly-incorporated company owned by Compass as soon as the requisite clearances have been received. The historical data for the past five quarters have been restated.

## 4. Insurance & PI: high contribution to Group profit (€78m), ROAC[10]@20%

The Insurance-Principal Investing division delivered a net profit of €77.5m for the three months, lower than last year (down 19.9%) chiefly due to writedowns charged to holdings in investment funds (down €10.7m). The net profit reported by Assicurazioni Generali of €86.6m (€95.1m) reflects the growth at the GOP level due to improvement in the underwriting profit for life insurance business, plus financial results that offset the increase in claims on the non-life side, but also lower gains on disposals plus certain one-off charges (higher writedowns to investments plus charges taken due to hyperinflation in Argentina).

Trading income, which is accounted for among other revenues, includes €2.9m in amounts collected from funds (Cairn Capital funds in particular). The widespread reduction in share prices and widening of credit spreads is reflected in the fair value (NAV) of the funds, which reflect downward adjustments totalling €10.7m for the three months.

10 ROAC adjusted for writedowns/impairments to equity investments and securities and other non-recurring income or expenses.

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**The book value of the Assicurazioni Generali investment (12.8% of the company's share capital) decreased from €3,069.4m to €2,444.6m**; the change is mostly attributable to the reduction in the AFS valuation reserves since 30 June 2022 (down €780m), deriving in particular from the increase in interest rates for government and corporate bonds. This change has not impacted on Mediobanca's CET1 because it is offset by the equivalent lower deductions.

The other banking book securities were virtually unchanged, at €741.5m.

The ROAC for the division is high, and stands at around 20%.

### 5. <u>Holding Functions</u>: improving results, with comfortable funding position, optimized as to both sources and costs.

The net loss incurred by the Holding Functions division decreased from €26.1m to €24.7m, following a slight increase in total income (from €17.1m to €19.2m), helped by the deficit on Treasury operations reducing (from €22.7m to €16.4m) and higher net trading income (up from €9.9m to €12.1m). The central cost component decreased to 7.8% of the Group's total costs.

The main segments performed as follows:

- **Treasury** – the cost of funding optimization process continues, due to the stability of TFAs in Wealth Management, which now account for 47% of the Group's total funding, and have been maintained at virtually unchanged costs, and to careful management of debt security funding that has sought to exploit the reopening of the retail and private channel, mainly through third party networks. The liquidity ratios are stable at prudent levels (LCR: 154%; and NSFR: 114%). Net interest income improved by some €6m compared to last year (up €3m in 3M), due to the contribution of the banking book securities, and taking into account the T-LTRO interest smoothing;

- **Leasing** a net profit of €2.1m was earned from leasing operations in the three months, higher than last year (€1.4m); the reduction in total loans impacted on net interest income (which decreased from €9.1m to €7.8m) and the top-line performance, which was offset by the reduction in both labour costs and administrative expenses. The bottom-line result was helped by writebacks following the recovery of two non-performing positions in real estate leasing; thus gross NPLS decreased from €137.9m to €127.8m (or 8% of total loans);

- **NPL management**: this segment basically broke even for the three months, with revenues slightly lower than last year (down from €18.3m to €16.6m), on lower net interest income (which decreased from €7.8m to €5.3m) offsetting the higher income from NPL portfolio management (which was up from €10.4m to €11.3m). The net stock of NPLs decreased from €350.6m to €336.4m, following €6.7m in adjustments (€8.4m last year).

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## MB Group ESG profile and commitment continues to improve

At end-September 2022, Mediobanca published its first TCFD report, with the objective of providing transparent disclosure on its own impact on the environment. The report, which provides a full overview of the Group's approach to the risks and opportunities posed by climate change, contains, among other things:

- Climate risk analysis, which is integrated into the portfolio risk analysis, highlighting the Group's very limited exposure to high risk sectors;

- Quantification of the carbon footprint of the loan book and investment portfolio for the Wholesale Banking division's activities;

- A preliminary exercise to align the loan book with the Paris Agreement objectives (1.5°C climate ambition), which shows that the Bank has outperformed its benchmark for the power, automotive and oil & gas sectors;

- Definition of the first intermediate climate objectives for cutting GHG emissions, in accordance with the choice to adhere to the Net-Zero Banking Alliance (NZBA) programme. The targets, which are aligned with a 1.5°C climate ambition and hence with the Paris Agreement, provide for reductions in the emissions linked to the Group's proprietary credit exposure to the Power and Automotive sectors by 2030 of 68% and 45% respectively.

The Group's offering in terms of products and services meeting ESG criteria has also expanded, and as at end-September 2022 reflects the following situation:

- Lending activity reflects an ESG stock of some €3.3bn, 80% of which is attributable to CIB, 12% to WM, and 8% to Consumer Finance;

- DCM has once again been one of the leading players in the ESG area, closing five deals in 3M for a total amount issued of €4.2bn;

- The share of ESG funds (SFDR Articles 8 and 9 funds) in Premier clients' portfolios has increased to 65%.

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## Outlook

The coming quarters will continue to reflect high uncertainty, linked to the impact of the increasing cost of financing for businesses and private individuals, of the reduced purchasing power of households, and of the assessments of risk assets, which have already been materially adjusted. The level of economic activity in Europe and in Italy could weaken further because of persistent inflation and energy costs rising to very high levels. This impact could be in part be mitigated by the implementation of the state aid packages introduced to contain rising energy bills at least in part. A stagflation scenario, i.e. the possibility of weak or even negative growth compounded by high inflation and interest rates strongly in positive territory, looks to be more likely than it was at the end of the last financial year.

Regarding **Mediobanca**, the return to positive interest rates, along with the trend in lending, will continue to encourage significant growth in **net interest income**; the extent of this growth will be directly proportionate to the Bank's ability to keep funding at low costs.

**Fees** are expected to remain at attractive levels. Wealth Management could see the growth in AUM slowing, in favour of AUA, which would result in a slowdown in management fees. The Mediobanca Group, with its distinctive positioning in the Premier-HNWI segment, could be well placed to address this scenario effectively, as the demand for illiquid products, private markets, wealth planning and advisory services is likely to remain strong. Investment banking, net of the

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execution of the deals already in the pipeline, could need some quarters before returning to the large deal origination levels of recent years. At the same time however, the now-proven product diversification is likely to be effective, meaning that restructuring (including capital increases and de-risking actions) and client solutions activities will make an appreciable contribution.

Inflation will have an impact on **costs**, which at present may be estimated at 3-4% for administrative expenses.

As for the **cost of risk**: the possible increase in the risk of assets could result in higher loan loss provisioning being taken, albeit possibly mitigated through use of the overlays (€300m, higher than the loan loss provisions themselves at one year).

The Group's efficient and diversified business model should therefore be adequate to overcome this phase of uncertainty, and enable the Bank to **deliver on the objectives of its 2019-23 Strategic Plan by end-June 2023, in particular growth in EPS and shareholder remuneration**.

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### 1. Restated consolidated profit and loss accounts

| Mediobanca Group (€m) | 3 mths 30/09/2021 | 3 mths 30/09/2022 | Chg. % |
|---|---|---|---|
| Net interest income | 358.4 | 396.3 | 10.6% |
| Net treasury income | 50.0 | 64.6 | 29.2% |
| Net fee and commission income | 202.7 | 209.9 | 3.6% |
| Equity-accounted companies | 95.3 | 86.2 | -9.5% |
| **Total income** | **706.4** | **757.0** | **7.2%** |
| Labour costs | (156.4) | (165.8) | 6.0% |
| Administrative expenses | (146.2) | (155.6) | 6.4% |
| **Operating costs** | **(302.6)** | **(321.4)** | **6.2%** |
| Loan loss provisions | (62.4) | (62.6) | 0.3% |
| Provisions for other financial assets | 4.8 | (17.0) | n.m. |
| Other income (losses) | 0.5 | (2.6) | n.m. |
| **Profit before tax** | **346.7** | **353.4** | **1.9%** |
| Income tax for the period | (81.6) | (88.6) | 8.6% |
| Minority interest | (3.2) | (2.2) | -31.3% |
| **Net profit** | **261.9** | **262.6** | **0.3%** |

### 2. Quarterly profit and loss accounts

| Mediobanca Group | FY 21/22 | | | | FY 22/23 |
|---|---|---|---|---|---|
| (€m) | I Q 30/09/21 | II Q 31/12/21 | III Q 31/03/22 | IV Q 30/06/22 | I Q 30/09/22 |
| Net interest income | 358.4 | 375.1 | 372.5 | 373.2 | 396.3 |
| Net treasury income | 50.0 | 47.0 | 35.4 | 29.4 | 64.6 |
| Net commission income | 202.7 | 240.5 | 201.9 | 205.4 | 209.9 |
| Equity-accounted companies | 95.3 | 90.4 | 77.9 | 95.7 | 86.2 |
| **Total income** | **706.4** | **753.0** | **687.7** | **703.7** | **757.0** |
| Labour costs | (156.4) | (172.2) | (165.9) | (177.0) | (165.8) |
| Administrative expenses | (146.2) | (158.6) | (158.4) | (177.4) | (155.6) |
| **Operating costs** | **(302.6)** | **(330.8)** | **(324.3)** | **(354.4)** | **(321.4)** |
| Loan loss provisions | (62.4) | (74.9) | (57.6) | (47.7) | (62.6) |
| Provisions for other fin. assets | 4.8 | (3.6) | (7.8) | (30.8) | (17.0) |
| Other income (losses) | 0.5 | (35.0) | (52.5) | (3.1) | (2.6) |
| **Profit before tax** | **346.7** | **308.7** | **245.5** | **267.7** | **353.4** |
| Income tax for the period | (81.6) | (38.8) | (56.0) | (73.9) | (88.6) |
| Minority interest | (3.2) | (6.0) | 0.6 | (2.7) | (2.2) |
| **Net profit** | **261.9** | **263.9** | **190.1** | **191.1** | **262.6** |

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### 3. Restated balance sheet

| Mediobanca Group (€m) | 30/09/21 | 30/06/2022 | 30/09/2022 |
|---|---|---|---|
| **Assets** | | | |
| Financial assets held for trading | 12,217.1 | 9,530.9 | 9,867.3 |
| Treasury financial assets | 9,350.8 | 12,800.8 | 12,667.0 |
| Banking book securities | 7,308.9 | 8,577.3 | 8,740.0 |
| Customer loans | 48,889.3 | 51,701.4 | 52,361.6 |
| *Corporate* | *16,866.0* | *17,975.8* | *18,280.1* |
| *Specialty Finance* | *2,204.5* | *2,758.3* | *2,499.8* |
| *Consumer credit* | *13,099.1* | *13,750.1* | *13,942.3* |
| *Mortgages* | *11,095.9* | *11,368.2* | *11,441.7* |
| *Private banking* | *3,441.9* | *3,929.7* | *4,340.9* |
| *Leasing & NPL* | *2,181.9* | *1,919.3* | *1,856.8* |
| Equity investments | 4,679.5 | 4,046.2 | 3,429.3 |
| Tangible and intangible assets | 1,317.9 | 1,350.2 | 1,356.6 |
| Other assets | 1,791.4 | 2,561.6 | 3,007.5 |
| **Total assets** | **85,554.9** | **90,568.4** | **91,429.3** |
| **Liabilities** | | | |
| Funding | 57,821.2 | 61,169.4 | 60,288.5 |
| *MB bonds* | *18,795.0* | *18,536.9* | *18,639.1* |
| *Retail deposits* | *17,162.9* | *17,449.8* | *16,999.4* |
| *Private Banking deposits* | *8,957.9* | *11,347.5* | *11,727.4* |
| *ECB* | *8,460.1* | *8,442.2* | *8,442.9* |
| *Banks and other* | *4,445.3* | *5,393.0* | *4,479.7* |
| Treasury financial liabilities | 3,734.5 | 5,905.8 | 6,676.8 |
| Financial liabilities held for trading | 10,232.5 | 9,206.7 | 9,912.4 |
| Other liabilities | 2,792.4 | 3,377.9 | 4,619.7 |
| Provisions | 169.1 | 159.7 | 161.9 |
| Net equity | 10,805.2 | 10,748.9 | 9,770.0 |
| *Minority interest* | *98.8* | *101.6* | *102.2* |
| *Profit for the period* | *261.9* | *907.0* | *262.6* |
| **Total liabilities** | **85,554.9** | **90,568.4** | **91,429.3** |
| CET 1 capital | 7,615.1 | 7,894.3 | 7,881.9 |
| Total capital | 8,782.7 | 8,874.7 | 8,810.1 |
| RWA | 47,243.4 | 50,378.0 | 52,047.2 |

### 4. Consolidated shareholders' equity

| Net equity (€m) | 30/09/21 | 30/06/2022 | 30/09/2022 |
|---|---|---|---|
| Share capital | 443.6 | 443.6 | 443.6 |
| Other reserves | 9,072.7 | 8,863.1 | 9,146.3 |
| Valuation reserves | 928.2 | 433.6 | (184.7) |
| - of which: Other Comprehensive Income | *175.1* | *123.0* | *92.5* |
| cash flow hedge | *(7.5)* | *176.5* | *294.8* |
| equity investments | *769.3* | *133.5* | *(571.8)* |
| Minority interest | 98.8 | 101.6 | 102.2 |
| Profit for the period | 261.9 | 907.0 | 262.6 |
| **Total Group net equity** | **10,805.2** | **10,748.9** | **9,770.0** |

## 5. Ratios (%) and per share data (€)

| MB Group | Financial year 21/22 | | Financial year 22/23 |
|---|---|---|---|
| | 30/09/21 | 30/06/2022 | 30/09/2022 |
| **Ratios (%)** | | | |
| Total assets / Net equity | 7.9 | 8.4 | 9.4 |
| Loans / Funding | 0.85 | 0.85 | 0.87 |
| RWA density (%) | 55.2% | 55.6% | 57.0% |
| CET1 ratio (%) | 16.1% | 15.7% | 15.1% |
| Total capital (%) | 18.6% | 17.6% | 16.9% |
| S&P Rating | BBB | BBB | BBB |
| Fitch Rating | BBB- | BBB | BBB |
| Moody's Rating | Baa1 | Baa1 | Baa1 |
| Cost / Income | 42.8 | 46.0 | 42.5 |
| Gross NPLs/Loans ratio (%) | 3.1 | 2.5 | 2.5 |
| Net NPLs/Loans ratio (%) | 1.1 | 0.7 | 0.7 |
| EPS | 0.30 | 1.05 | 0.31 |
| EPS adj. | 0.29 | 1.12 | 0.33 |
| BVPS | 11.9 | 11.6 | 11.2 |
| TBVPS | 10.9 | 10.6 | 10.2 |
| ROTE adj. (%) | 10.5 | 10.3 | 12.4 |
| DPS | | 0.75 | |
| No. shares (m) | 887.3 | 864.7 | 848.2 |

## 6. Profit-and-loss figures/balance-sheet data by division

| 3m – September 22 (€m) | WM | Consumer | CIB | PI | Holding Functions | Group |
|---|---|---|---|---|---|---|
| Net interest income | 84.0 | 243.2 | 66.8 | (1.8) | (3.4) | 396.3 |
| Net treasury income | 2.4 | 0.0 | 46.6 | 2.9 | 12.1 | 64.6 |
| Net fee and commission income | 112.3 | 32.7 | 68.7 | — | 10.5 | 209.9 |
| Equity-accounted companies | — | — | — | 86.2 | — | 86.2 |
| **Total income** | **198.7** | **275.9** | **182.1** | **87.3** | **19.2** | **757.0** |
| Labour costs | (67.8) | (25.7) | (40.8) | (1.0) | (30.6) | (165.8) |
| Administrative expenses | (61.7) | (52.2) | (32.0) | (0.2) | (15.1) | (155.6) |
| **Operating costs** | **(129.5)** | **(77.9)** | **(72.8)** | **(1.2)** | **(45.7)** | **(321.4)** |
| Loan loss provisions | (1.9) | (50.5) | (4.9) | — | (5.3) | (62.6) |
| Provisions for other financial assets | (3.2) | — | (3.3) | (10.7) | 0.3 | (17.0) |
| Other income (losses) | (1.5) | — | — | — | (1.1) | (2.6) |
| **Profit before tax** | **62.6** | **147.5** | **101.1** | **75.4** | **(32.6)** | **353.4** |
| Income tax for the period | (18.6) | (47.7) | (33.3) | 2.1 | 9.3 | (88.6) |
| Minority interest | (0.3) | — | (0.5) | — | (1.4) | (2.2) |
| **Net profit** | **43.7** | **99.8** | **67.3** | **77.5** | **(24.7)** | **262.6** |
| Loans and advances to Customers | 15,782.6 | 13,942.3 | 20,779.9 | — | 1,856.8 | 52,361.6 |
| RWAs | 5,666.8 | 13,035.3 | 21,839.1 | 8,298.9 | 3,207.2 | 52,047.2 |
| No. of staff | 2,124 | 1,463 | 625 | 11 | 828 | 5,051 |

Data reclassified due to the transfer of the NPLs management activity from CIB to Holding Functions. Historical data available on MB website.

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

| 3m – September 21 (€m) | WM | Consumer | CIB | PI | Holding Functions | Group |
|---|---|---|---|---|---|---|
| Net interest income | 73.7 | 226.2 | 60.4 | (1.8) | (5.8) | 358.4 |
| Net treasury income | 2.7 | — | 31.8 | 4.2 | 9.9 | 50.0 |
| Net fee and commission income | 95.9 | 30.8 | 76.3 | — | 12.9 | 202.7 |
| Equity-accounted companies | — | — | — | 95.3 | — | 95.3 |
| **Total income** | **172.3** | **257.0** | **168.4** | **97.7** | **17.1** | **706.4** |
| Labour costs | (62.6) | (25.1) | (38.5) | (0.7) | (29.2) | (156.4) |
| Administrative expenses | (60.4) | (46.4) | (29.5) | (0.3) | (16.1) | (146.2) |
| **Operating costs** | **(123.0)** | **(71.5)** | **(67.9)** | **(1.0)** | **(45.3)** | **(302.6)** |
| Loan loss provisions | (4.2) | (52.1) | 4.5 | — | (10.6) | (62.4) |
| Provisions for other financial assets | 0.9 | — | 0.3 | 3.3 | 0.2 | 4.8 |
| Other income (losses) | — | — | — | — | 0.8 | 0.5 |
| **Profit before tax** | **46.0** | **133.4** | **105.2** | **100.0** | **(37.9)** | **346.7** |
| Income tax for the period | (13.5) | (43.1) | (34.4) | (3.3) | 12.7 | (81.6) |
| Minority interest | — | — | (2.2) | — | (0.9) | (3.2) |
| **Net profit** | **32.4** | **90.3** | **68.7** | **96.7** | **(26.1)** | **261.9** |
| Loans and advances to Customers | 14,537.8 | 13,099.1 | 19,070.4 | — | 2,182.0 | 48,889.3 |
| RWAs | 5,159.9 | 11,783.7 | 19,486.2 | 7,054.9 | 3,758.6 | 47,243.4 |
| No. of staff | 2,072 | 1,447 | 598 | 10 | 811 | 4,938 |

### 7. Wealth Management

| Wealth Management (€m) | 3 mths 30/09/2021 | 3 mths 30/09/2022 | Chg.% |
|---|---|---|---|
| Net interest income | 73.7 | 84.0 | 14.0% |
| Net trading income | 2.7 | 2.4 | -11.1% |
| Net fee and commission income | 95.9 | 112.3 | 17.1% |
| **Total income** | **172.3** | **198.7** | **15.3%** |
| Labour costs | (62.6) | (67.8) | 8.3% |
| Administrative expenses | (60.4) | (61.7) | 2.2% |
| **Operating costs** | **(123.0)** | **(129.5)** | **5.3%** |
| Loan loss provisions | (4.2) | (1.9) | -54.8% |
| Provisions for other financial assets | 0.9 | (3.2) | n.m. |
| Other income (losses) | — | (1.5) | n.m. |
| **Profit before tax** | **46.0** | **62.6** | **36.1%** |
| Income tax for the period | (13.5) | (18.6) | 37.8% |
| Minority interest | (0.1) | (0.3) | n.m. |
| **Net profit** | **32.4** | **43.7** | **34.9%** |
| Loans and advances to customers | 14,537.8 | 15,782.6 | 8.6% |
| New loans (mortgages) | 359.4 | 621.3 | 72.9% |
| TFA (Stock, € bn) | 75.2 | 80.9 | 7.5% |
| -AUM/AUA | 49.1 | 52.3 | 6.5% |
| -Deposits | 26.1 | 28.6 | 9.5% |
| TFA (Net New Money, € bn) | 1.4 | 1.1 | -18.7% |
| -AUM/AUA | 0.5 | 1.3 | n.m. |
| -Deposits | 0.9 | (0.2) | n.m. |
| No. of staff | 2,072 | 2,124 | 2.5% |
| RWAs | 5,159.9 | 5,666.8 | 9.8% |
| Cost / income ratio (%) | 71.4% | 65.2% | |
| Net bad Loans (sofferenze)/Loans ratio (%) | 1.5% | 1.4% | |
| Net NPL / Net loans ratio1 (%) | 0.8% | 0.7% | |
| ROAC | 27% | 38% | |

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## 8. Consumer Banking

| Consumer Banking (€m) | 3 mths<br>30/09/2021 | 3 mths<br>30/09/2022 | Chg.% |
|---|---|---|---|
| Net interest income | 226.2 | 243.2 | 7.5% |
| Net trading income | — | — | n.m. |
| Net fee and commission income | 30.8 | 32.7 | 6.2% |
| **Total income** | **257.0** | **275.9** | **7.4%** |
| Labour costs | (25.1) | (25.7) | 2.4% |
| Administrative expenses | (46.4) | (52.2) | 12.5% |
| **Operating costs** | **(71.5)** | **(77.9)** | **9.0%** |
| Loan loss provisions | (52.1) | (50.5) | -3.1% |
| Provisions for other financial assets | — | — | n.m. |
| Other income (losses) | — | — | n.m. |
| **Profit before tax** | **133.4** | **147.5** | **10.6%** |
| Income tax for the period | (43.1) | (47.7) | 10.7% |
| **Net profit** | **90.3** | **99.8** | **10.5%** |
| Loans and advances to customers | 13,099.1 | 13,942.3 | 6.4% |
| New loans | 1,805.2 | 1,909.5 | 5.8% |
| No. of branches | 179 | 181 | 1.1% |
| No. of agencies | 54 | 66 | 22.2% |
| No. of staff | 1,447 | 1,463 | 1.1% |
| RWAs | 11,783.7 | 13,035.3 | 10.6% |
| Cost / income ratio (%) | 27.8% | 28.2% | |
| Net NPLs/Loans ratio (%) | 6.7% | 5.8% | |
| Net NPL / Net loans ratio1 (%) | 1.6% | 1.3% | |
| ROAC | 34% | 34% | |

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## 9. Corporate & Investment Banking

| Corporate & Investment Banking (€m) | 3 mths 30/09/2021 | 3 mths 30/09/2022 | Chg.% |
|---|---|---|---|
| Net interest income | 60.4 | 66.8 | 10.6% |
| Net treasury income | 31.8 | 46.6 | 46.7% |
| Net fee and commission income | 76.3 | 68.7 | -10.0% |
| **Total income** | **168.4** | **182.1** | **8.1%** |
| Labour costs | (38.5) | (40.8) | 6.0% |
| Administrative expenses | (29.5) | (32.0) | 8.7% |
| **Operating costs** | **(67.9)** | **(72.8)** | **7.2%** |
| Loan loss provisions | 4.5 | (4.9) | n.m. |
| Provisions for other financial assets | 0.3 | (3.3) | n.m. |
| Other income (losses) | (0.0) | 0.0 | n.m. |
| **Profit before tax** | **105.2** | **101.1** | **-3.9%** |
| Income tax for the period | (34.4) | (33.3) | -3.1% |
| Minority interest | (2.2) | (0.5) | -76.9% |
| **Net profit** | **68.7** | **67.3** | **-2.0%** |
| Loans and advances to customers | 19,070.5 | 20,779.9 | 9.0% |
| No. of staff | 598 | 625 | 4.5% |
| RWAs | 19,486.2 | 21,839.1 | 12.1% |
| Cost / income ratio (%) | 40.3% | 40.0% | |
| Net NPLs/Loans ratio (%) | 1.1% | 0.5% | |
| Net NPL / Net loans ratio1 (%) | 0.5% | 0.1% | |
| ROAC | 15% | 16% | |

Data reclassified due to the transfer of the NPLs management activity from CIB to Holding Functions. Historical data available on MB website.

### 10. Insurance - Principal Investing

| Insurance - PI (€m) | 3 mths 30/09/2021 | 3 mths 30/09/2022 | Chg. % |
|---|---|---|---|
| Net interest income | (1.8) | (1.8) | 0.0% |
| Net treasury income | 4.2 | 2.9 | -31.0% |
| Net fee and commission income | — | — | n.m. |
| Equity-accounted companies | 95.3 | 86.2 | -9.5% |
| **Total income** | **97.7** | **87.3** | **-10.6%** |
| Labour costs | (0.7) | (1.0) | 42.9% |
| Administrative expenses | (0.3) | (0.2) | -33.3% |
| **Operating costs** | **(1.0)** | **(1.2)** | **20.0%** |
| Loan loss provisions | — | — | n.m. |
| Provisions for other financial assets | 3.3 | (10.7) | n.m. |
| Other income (losses) | — | — | n.m. |
| **Profit before tax** | **100.0** | **75.4** | **-24.6%** |
| Income tax for the period | (3.3) | 2.1 | n.m. |
| Minority interest | — | — | n.m. |
| **Net profit** | **96.7** | **77.5** | **-19.9%** |
| Equity investments | 3,787.5 | 2,539.1 | -33.0% |
| Other investments | 753.6 | 741.5 | -1.6% |
| RWAs | 7,054.9 | 8,298.9 | 17.6% |
| ROAC | 15% | 20% | |

### 11. Holding Functions

| Holding Functions (€m) | 3 mths 30/09/2021 | 3 mths 30/09/2022 | Chg. % |
|---|---|---|---|
| Net interest income | (5.8) | (3.4) | -41.1% |
| Net treasury income | 9.9 | 12.1 | 22.2% |
| Net fee and commission income | 12.9 | 10.5 | -18.9% |
| **Total income** | **17.1** | **19.2** | **12.5%** |
| Labour costs | (29.2) | (30.6) | 5.0% |
| Administrative expenses | (16.1) | (15.1) | -6.4% |
| **Operating costs** | **(45.3)** | **(45.7)** | **0.9%** |
| Loan loss provisions | (10.6) | (5.3) | -50.1% |
| Provisions for other financial assets | 0.2 | 0.3 | 50.0% |
| Other income (losses) | 0.8 | (1.1) | n.m. |
| **Profit before tax** | **(37.9)** | **(32.6)** | **-13.9%** |
| Income tax for the period | 12.7 | 9.3 | -26.7% |
| Minority interest | (0.9) | (1.4) | 55.6% |
| **Net profit** | **(26.1)** | **(24.7)** | **-5.3%** |
| Loans and advances to customers | 2,181.9 | 1,856.8 | -14.9% |
| Banking book securities | 6,154.7 | 7,225.6 | 17.4% |
| RWAs | 3,758.6 | 3,207.2 | -14.7% |
| No. of staff | 811 | 828 | 2.1% |

Data reclassified due to the transfer of the NPLs management activity from CIB to Holding Functions. Historical data available on MB website.

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## 12. Statement of comprehensive income

| | | 3 mths | 3 mths |
|---|---|---|---|
| | | 30/09/2021 | 30/09/2022 |
| **10.** | **Gain (loss) for the period** | **263.0** | **264.4** |
| | **Other income items net of tax without passing through profit and loss** | **4.7** | **68.1** |
| 20. | Equity instruments designated at fair value through other comprehensive income | (4.1) | 4.4 |
| 30. | Financial liabilities designated at fair value through profit or loss (own creditworthiness changes) | (0.2) | 0.4 |
| 40. | Hedge accounting of equity instruments designated at fair value through other comprehensive income | — | — |
| 50. | Property. plant and equipment | — | — |
| 60. | Intangible assets | — | — |
| 70. | Defined-benefit plans | 0.1 | 1.6 |
| 80. | Non-current assets and disposal groups classified as held for sale | — | — |
| 90. | Portion of valuation reserves from investments valued at equity method | 8.9 | 61.7 |
| | **Other income items net of tax passing through profit and loss** | **8.3** | **(686.1)** |
| 100. | Foreign investment hedges | 1.4 | (4.8) |
| 110. | Exchange rate differences | 1.1 | 1.9 |
| 120. | Cash flow hedges | 8.7 | 118.7 |
| 130. | Hedging instruments (non-designated items) | — | — |
| 140. | Financial assets (different from equity instruments) at fair value through other comprehensive Income | 3.4 | (34.9) |
| 150. | Non-current assets and disposal groups classified as held for sale | — | — |
| 160. | Part of valuation reserves from investments valued at equity method | (20.1) | (767.0) |
| **170.** | **Total other income items net of tax** | **(3.6)** | **(617.9)** |
| **180.** | **Comprehensive income (Item 10+170)** | **259.4** | **(353.6)** |
| 190. | Minority interest in consolidated comprehensive income | **1.2** | **2.1** |
| **200.** | **Consolidated comprehensive inc. attributable to Mediobanca S.p.A.** | **258.2** | **(355.7)** |

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**13. Parent company restated financial statements (P&L, balance sheet)**

| Mediobanca S.p.A. (€m) | 3 mths | 3 mths | Chg.% |
|---|---|---|---|
| | 30/09/2021 | 30/09/2022 | |
| Net interest income | 23.5 | 38.2 | 62.6% |
| Net treasury income | 44.4 | 66.8 | 50.5% |
| Net fee and commission income | 87.5 | 78.3 | -10.5% |
| Dividends on investments | — | 1.6 | n.m. |
| **Total income** | **155.4** | **184.9** | **19.0%** |
| Labour costs | (61.6) | (66.7) | 8.3% |
| Administrative expenses | (42.6) | (43.8) | 2.8% |
| **Operating costs** | **(104.2)** | **(110.5)** | **6.0%** |
| Loan loss provisions | 5.2 | (8.5) | n.m. |
| Provisions for other financial assets | 4.2 | (13.6) | n.m. |
| Impairment on investments | (0.8) | — | n.m. |
| Other income (losses) | 0.6 | — | n.m. |
| **Profit before tax** | **60.4** | **52.3** | **-13.4%** |
| Income tax for the period | (21.0) | (20.0) | -4.8% |
| **Net profit** | **39.4** | **32.3** | **-18.0%** |

| Mediobanca S.p.A. (€m) | 30/09/21 | 30/06/2022 | 30/09/2022 |
|---|---|---|---|
| **Assets** | | | |
| Financial assets held for trading | 12,278.5 | 10,160.3 | 10,978.1 |
| Treasury financial assets | 11,617.0 | 14,038.6 | 13,475.3 |
| Banking book securities | 8,821.2 | 10,072.6 | 10,175.3 |
| Customer loans | 37,802.5 | 39,955.0 | 41,670.4 |
| Equity Investments | 4,495.3 | 4,645.3 | 4,640.1 |
| Tangible and intangible assets | 167.0 | 169.4 | 169.6 |
| Other assets | 696.3 | 624.4 | 727.1 |
| **Total assets** | **75,877.8** | **79,665.6** | **81,835.9** |
| **Liabilities and net equity** | | | |
| Funding | 53,837.5 | 55,408.6 | 54,793.4 |
| Treasury financial liabilities | 4,958.2 | 6,994.1 | 7,893.7 |
| Financial liabilities held for trading | 10,500.6 | 10,026.5 | 11,230.3 |
| Other liabilities | 1,559.2 | 2,053.7 | 3,366.8 |
| Provisions | 134.6 | 119.9 | 119.1 |
| Net equity | 4,848.3 | 4,549.7 | 4,400.3 |
| Profit of the period | 39.4 | 513.1 | 32.3 |
| **Total liabilities and net equity** | **75,877.8** | **79,665.6** | **81,835.9** |

As required by Article154-*bis*, paragraph 2 of Italian Legislative Decree 58/98, the undersigned hereby declares that the stated accounting information contained in the report conforms to the documents, account ledgers and book entries of the company.

Head of company financial reporting

Emanuele Flappini

| | |
|---|---|
| Fine Comunicato n.0187-59 | Numero di Pagine: 30 |