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*Testo del comunicato*

Vedi allegato.

MEDIOBANCA

# MEDIOBANCA
# BOARD OF DIRECTORS' MEETING

## Financial statements for six months ended 31/12/22 approved

**Milan, 9 February 2023**

MEDIOBANCA

# RECORD RESULTS, EXCELLENT GROWTH AND QUALITY

## 3M RESULTS:

## Revenues ~€900m, up 20% YoY[1], with all income streams growing

## Net profit ~€293m, up 11% QoQ and YoY

**Strong revenue growth** (up 19% QoQ and 20% YoY), **above €900m in 3M for first time**

**NII ~€450m** (up 13% QoQ and up 19% YoY) **on asset growth and repricing** (total loans €54bn, up 2% QoQ, up 6% YoY) **and effective cost of funding management** (€10bn in funding raised since February 2022 at a cost of ~80 bps[2])

**High growth in fee income to ~€260m** (up 25% QoQ and up 9% YoY) **on record Investment Banking results** (€117m, up 70% QoQ) **and a solid performance in WM** (€118m, up 5% QoQ, NNM: €2bn, TFAs up 5% to ~€83bn)

**Further improvement in credit quality, in Consumer Finance in particular** (Group gross NPLs < 2.4%; coverage: 73.2% NPLs, 1.34% performing loans, overlays ~€280m)

**Efficiency preserved** (cost/income ratio 42%)

**High capital levels: CET1 15.1%, FL[3] 14.0%**

(600 bps above SREP and post-model revalidation discounted to end-Sept. 2022)

**Dividend accrual: cash payout 70%**

## 6M RESULTS AHEAD OF STRATEGIC PLAN TARGETS

**Revenues ~ €1,660m** (up 14% YoY), **vs €3bn plan target for 12M FY 2022-23**

**Positive contribution from all divisions and sources:**

**CF +7%** €560m, **WM +12%** €407m, **CIB +20%** €430m, **Ins +2%** €198m, **HF +163%** €82m

**NII up 15%** €843m, **Fees up 7%** €472m, **Trading up 53%** €148m

**GOP ~ €968m** (up 17% YoY), **cost of risk at 59 bps**

**Net profit ~ €555m** (up 6% YoY)

**6M EPS €0.65 vs €1.1 plan target for 12M FY 2022-23; ROTE 14% (vs 11%)**

## STRONG PUSH ON DIGITAL

**CF: focus on instant lending, two fintechs acquired in BNPL**

**WM: new digital advisory platform in co-operation with Armundia**

## SUSTAINABILITY

**MSCI rating raised from "A" to "AA"**

**Increasing commitment to tackling climate transition risks**

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1 YoY: end-Dec. 2022 vs end-Dec. 2021; QoQ: end-Dec. 2022 vs end-Sept. 2022.

2 Spread: bps vs Eur 3M

3 The fully-loaded ratio has been calculated without the Danish Compromise, i.e. with the Assicurazioni Generali investment deducted in full (approx. 105 bps) and with the IFRS 9 FTA effect applied in full (approx. 5 bps).

MEDIOBANCA

*Alberto Nagel, Chief Executive Officer of Mediobanca, said: "This record performance in terms of revenues and net profit for the six months (approx. €1,660m and €555m respectively) and profitability (ROTE 14%, near to the highest level of all European banks) is the result of the Group's strong positioning in all its businesses, which has driven uninterrupted growth over a period now lasting fifteen years. Mediobanca has adapted effectively to the new macro scenario, with robust net interest income sensitivity, prudent risk taking, and strong capital generation and position".*

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**The Mediobanca Group delivered a record net profit of €555m for the first six months of FY 2022-23, the best half-year result ever posted, up 6% YoY, and ahead of the 2019-23 Strategic Plan targets (revenues of €3bn, EPS €1.1, ROTE 11%).** The effectiveness of the Group's business model has enabled it to leverage the market scenario effectively, with **all income streams growing** (net interest and fee income posting strong performances, in particular), and total revenues of almost €1.7bn (up 13.6% YoY).
**The 2Q results (Oct.-Dec. 2022) reflect sharp acceleration: rising interest rates, a strong commercial effort,** albeit mitigated – in Consumer Finance in particular – by the Group's customary cautious risk approach, and **careful asset and liability management, have enabled the Mediobanca Group to report all-time high revenues (€902m) and net profit (€293m).**

Highlights for the six months were as follows:

- **Robust commercial performance: customer loans climbed to €53.6bn** (up 6% YoY and up 2% QoQ). **CIB business delivered healthy growth in advisory services, both domestic and international, an increased contribution from Lending in terms of both volumes and margins, a good performance in Client Solutions, and a strong recovery by ECM/DCM in 2Q. TFAs were near €83bn** (up 5% YoY; up 3% QoQ), driven by **NNM of €3.4bn, €2.3bn of which 2Q, consisting entirely of AUM/AUA**, at best sector levels.

- **Record revenues** of €1,659m, up 14% YoY, €902m of which in 2Q), **with growth by all income sources**:

  - **Net interest income totalled €843m (up 15% YoY and accelerating in 2Q, up 19% to €447m)**, with strong contributions from all divisions, in particular Consumer Finance (up 7% YoY, on €3.9bn in new loans), and treasury management (NII up over €40m YoY), following an improvement in volumes, repricing of assets, and careful cost of funding management.

  - **Net fee and commission income of €472m (up 7% YoY and accelerating in 2Q with fees of €262m)**, on strong growth in WM (up 8% YoY) and a high contribution from CIB (up 9% YoY) driven by solid performances in advisory and lending, plus the recovery in capital markets activities in 2Q. **In 2Q CIB delivered its best-ever quarterly result in terms of fees (€117m), helped by the closure of some major deals**.

  - **Net trading income totalled €148m** (up 53% YoY), roughly half of which from client solutions activity.

- **Cost/income ratio 42% (down 1pp YoY)**, including the ongoing investments in distribution, innovation and talent.
- **Excellent asset quality, with overlays virtually intact** at approx. €280m (1.2x the total amount of loan loss provisions for FY 2021-22). **Cost of risk 59 bps, increasing in 2Q to 71 bps, after the IFRS 9 models were adjusted to reflect a harsher macro scenario than at end-June 2022,** adding provisions of approx. €25m concentrated mostly in the CIB segment where certain exposures were reclassified. The positive trend in consumer credit and mortgage lending operations continues. **Non-performing loans at Group level decreased further** from the already low levels of end-June 2022 (2.4% of total loans gross and 0.7% net), **as did loans classified as Stage 2** (6.0% of total loans gross and 5.4% net). **The coverage ratios have increased further**: 73.2% of NPLs (up 2.2pp since end-June 2022), 1.34% of performing loans, and 3.77% of performing loans in the Consumer Finance division.
- **Net profit €555m** (up 6% YoY, €293m of which in 2Q), and **ROTE adj. of 14%** (up 4pp YoY).
- **Growth in EPS,** due to the 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): **6M EPS €0.65 (up 7% YoY)**.
- **Capital base remains high: CET1 phase-in ratio 15.1**%, stable in 2Q. The 55 bps reduction versus end-June 2022 reflects the growth in profitable assets (which accounted for 30 bps) and an increase in the regulatory requirement for the large corporate loan book already taken at end-September 2022 (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 includes a cash dividend payout of 70% of the reported net profit. Fully-loaded, the CET1 ratio stands at 14.0%[4]** (30/6/22: 14.5%).

**All the divisions posted material growth:**

- **WM: double-digit growth continues in both revenues (up 12% to €407m in 6M) and net profit (up 14% to €82m), with commercial activity levels at best sector standards, in a volatile market scenario that rewarded placement of fixed-income securities, while slowing AUM gathering volumes. ROAC[5] up to 35% with the cost/income ratio improving** (by 3pp, to 67%)

  **TFAs totalled €83bn** (up 5% YoY, €54bn of which in AUA/AUM), **on NNM of €3.4bn (€2.3bn of which in 2Q), consisting of AUM (50%) and AUA (50%). Significant growth was also reported in lending activity (up 11% YoY, to €16.4bn**, €12bn of which in residential mortgages, and €4.4bn in Lombard loans). **Private Banking** client coverage activities continue in conjunction with CIB (€0.4bn in liquidity events intercepted by MBPB, over €300m of which from cross-selling with CIB), and the offering in the illiquid and portfolio management segments has been enhanced. The new market scenario has also facilitated the sale of structured products. In the Premier segment, efforts to strengthen the product offering have continued by

4 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. 105bps) and with the IFRS 9 FTA effect applied in full (5 bps).

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

leveraging Group synergies. In Asset Management too, performances have been good, in the special situations segment particularly. **Enhancement of the sales force continued,** despite the difficult conditions**, with 17 new professionals added** to the division in the six months, for a total of 1,177.

- **Consumer Finance: strong growth in customer loans (to €14.1bn), revenues (to €560m) and net profit (to approx. €200m). ROAC[5] stable at 34%**

  **The Consumer Finance division posted improvement in revenues (up 7% to €560m), net profit (up 3% to €196m) and profitability (ROAC 34%, stable YoY). The cost/income ratio was stable at 29%. The positive trend in new loans continues** (€3.9bn, up 4% YoY, €2.0bn of which in 2Q), driven by **effectiveness in both direct distribution** (with one new branch office, and more than 300 POS overall) **and digital distribution** ("digital" personal loans now account for **31% of total direct loans),** plus growth by the **Buy Now Pay Later "Pagolight" product** (**new loans of** approx. **€80m**). Net interest income of €492m (up 7% YoY) was boosted in part by asset repricing. **Asset quality was excellent** (cost of risk 144 bps): the risk indicators were unchanged, with net NPLs accounting for 1.3% of total net loans, and a coverage ratio of 81% for NPLs (3.77% for performing loans). In October 2022 **Compass completed the acquisition of two fintech operators (100% of Soisy, 19.5% of HeidiPay) to develop the BNPL business, combining technology, commercial agreements, geographical diversification and growing the client base.**

- **CIB: revenues at an all-time high of €430m (€248m of which in 2Q), well diversified, with leadership position confirmed through participation in the main sector deals. ROAC[5] 16%**

  **Revenues up 20% (to €430m), net profit down slightly (to €147m), and high profitability (ROAC[4] 16%, down 1pp YoY). Cost/income ratio 38%.** The contributions from Advisory, Lending and Capital Market Solutions were strong and diversified, as reflected at the level of NII (€135m, up 8% YoY), fees (€185m, up 9% YoY), and net treasury income (€110m, up 73% YoY)**. Loan book quality was also confirmed as high,** with an increase in the cost of risk in 2Q (to 60 bps) reflecting the update of the IFRS 9 model macros, plus some reclassifications. Since 1 July 2022, **the NPL acquisition business of MBCS has been transferred to the Holding Functions** and is being managed from a deleveraging perspective (as at end-December 2022 the portfolio had been reduced from €350m to €256m).

- **INSURANCE: high contribution and profitability**

  **Revenues €198m, up 2% YoY, on a robust and improving operating performance by Assicurazioni Generali. Net profit by the division totalled €183m** (flat YoY, as an effect of €11m in adjustments to seed capital investments due to market performance). ROAC[5] was high (at 26%).

- **HF: good fund-raising capability confirmed at competitive costs:** since the Ukraine-Russia war broke out in February 2022, €10bn has been raised at an average cost of ~80 bps (vs EUR 3M)**. Funding stood at €62bn** (up 4% YoY), **with liquidity still at high levels (€6bn)**. **Deposits were stable at approx. €29bn, with limited changes in terms of remuneration, while bond issuance costs were unchanged due to use of covered instruments (€750m placed during the summer) and the recovery in demand via the**

**commercial networks (which placed approx. €3bn out of a total of €4.5bn). A €500m sustainable bond was issued in November 2022, and €500m has been repaid on the T-LTRO facility, thus beginning the repayment process. Regulatory indicators at all-time highs: NSFR 117%, LCR 172%, CBC €16.5bn.**

**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 six months 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 been incorporated into the RAF (Risk Appetite Framework) and the lending policies by mapping out the corporate loan book's ESG risk. In 2Q the Group has also seen further improvement in its sustainability ratings: **MSCI** has **upgraded Mediobanca** from "A" **to "AA"**, and the Group has received recognition in ESG league tables **(Sustainalytics).** The Group once more achieved **climate neutrality in 2022, by offsetting its remaining $CO_2$ emissions as a result of domestic mitigation actions.**

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With Renato PAGLIARO in the Chair, the Directors of Mediobanca approved the individual and consolidated financial statements for the six months ended 31 December 2022, as illustrated by Chief Executive Officer Alberto NAGEL.

## Consolidated results

**The Group delivered a record net profit of €555.1m for the six months, the best 6M performance it has ever reported (5.6% higher than last year's €525.8m).**

**Strong growth in revenues (up 13.6%, from €1,459.4m to €1,658.5m, with €901.5m in 2Q alone (up 19.1%) was underpinned by good performances from all the divisions (Wealth Management: up 11.9%; Consumer Finance: up 6.7%; CIB: up 20.3%; Insurance: stable).**

**The main income items performed as follows:**

- **Net interest income grew by 14.9%, from €733.5m to €842.9m, accelerating markedly in 2Q (€446.6m)**, driven by the sharp rise in interest rates which had only a limited impact on the cost of funding, thus facilitating the growth in credit volumes. Consumer Finance delivered NII of €492.4m (up 6.5% YoY), with an excellent performance in terms of new business (€3.9bn), despite the stricter lending and repricing policies introduced to ensure that the increase in coverage costs was addressed promptly and to preserve asset quality. Wealth Management contributed €172.2m (up 17.5%), helped by the interest rate sensitivity of Private Banking operations and by higher volumes in the Premier segment. Treasury operations posted NII of €6.4m, reaching breakeven ahead of expectations, in part as a result of the coupons received on inflation-linked BTPs (€25m), which offset the higher cost of the T-LTRO. Corporate and Investment Banking, meanwhile, posted net interest income of

€135.2m (up 8.2%), on higher volumes and spreads in Wholesale Banking in particular (Lending and Structured Finance);

- **Net fee and commission income was up 6.5% to €472.1m, reaching an impressive level of €260m for the quarter, well above last year's high of €240m**. Fees earned by Wealth Management were up 7.9% to €230m (roughly half the total), with the management fee component totalling €164.7m (up 5.1%) and placement fees for bonds and structured instruments growing sharply (upfront fees rose by 9.7%, to €38.6m). The increase in fees earned by Corporate and Investment Banking (which were up 9.4%, to €185.3m) reflects the recovery in placement activities (ECM), and also, on the Lending side (€48.8m), the completion of several acquisition finance deals; M&A fees also repeated last year's excellent performance, at €98.6m;

- **Net trading income soared to €148.1m** (up 52.7%), half of which from the proprietary trading book (€73.3m) helped by its good positioning which offset the lack of gains realized on banking book securities (impacted by the reduction in market valuations). Income from client activities also grew, by 34% (from €46.3m to €62m), driven by interest in fixed-income products (which rose from €5.5m to €18.4m), with the equity segment repeating last year's outstanding performance (€43.6m);

- **The contribution from Assicurazioni Generali** totalled €194.4m, higher than last year (€186.5m) following the company's positive performance in 2Q (€107.8m) helped by the rise in interest rates.

**Operating costs totalled €690.9m, up 9.1%** on last year (€633.4m), with the increase split equally between the divisions (Wealth Management up 7.2%; Consumer Finance up 10.3%; and Corporate and Investment Banking up 12.7%), reflecting the gradual return to normal levels of operating and commercial activities, plus the completion of the projects envisaged in the 2019-23 Strategic Plan. Labour costs totalled €359.8m (up 9.5%), reflecting the stronger workforce with 156 employees added (making a total headcount of 5,129) and a focused talent retention policy. The growth in administrative expenses, of 8.6% (to €331.1m) was concentrated in marketing costs (up 28.5%, to €22.8m) and IT expenses (up 8%, to €112.3m).

**The increase in loan loss provisions, from €137.3m to €156.4m, was due to the higher lending volumes, with the Group's CoR still low at 59 bps**; adjustment to the new macro scenario, which was stricter than at end-June 2022, mainly affected Corporate and Investment Banking (provisions of €36.2m), and as expected, unlike last year no writebacks were credited (€25.2m), with only a very limited use of the overlays (€12m, compared with €45m at end-June 2022). Overall credit quality remains very high, and the provisioning level is comfortable (NPLs: 73.2%; performing:1.34%) in view of the overlays still in place (€282m, €216.2m of which in Consumer Finance, unchanged).

The **net profit of €551.1m for the six months** also reflects:

- Net provisions for financial assets of €22.7m, chiefly due to holdings in funds being recognized at fair value as at end-December 2022 for credit products;

- Other items totalling €38.1m, €25m of which refers to the payment made to the Deposit Guarantee Fund, and €8m to transfers to the provision for risks and other expenses.

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**Total assets increased during the three six months from €90.6bn to €93.7bn**:

- **Customer loans increased from €51.7bn to €53.6bn** (up 3.7%), driven primarily by good performances in Wealth Management (up 7.4%, from €15.3bn to €16.4bn), Consumer Finance (up 2.9%, from €13.8bn to €14.1bn), and Corporate and Investment Banking (up 2.7%, from €20.7bn to €21.3bn). New mortgages taken out in the six months totalled €1.4bn (up 63.2%); while new business in Consumer Finance rose to €3.9bn (up 4.5%), and turnover in Factoring operations to €6bn (up 5.9%). Conversely, new Corporate loans fell by 8.7% to €4.5bn;

- **Stage 2 positions** stood at €2,915.6m, **down** from €3,029.7m, due primarily to mortgages for which Covid-related moratoria had been granted two years ago having completed the probation period;

- **Gross non-performing loans totalled €1,304.1m (2.4% of gross total loans), lower than last year** (€1,327.3m) due to the programme of disposals in leasing against only minor inflows. Net NPLs reduced from €384.4m to €349.6m, with net bad loans once again limited (€45.7m); this heading does not include NPLs not originated by the Group, which decreased from €350.6m to €256.2m following a major disposal made on the secondary market;

- **Net treasury assets totalled €6.1bn**; the €1.1bn reduction reflects the decrease in equity holdings, while the increase in liquid assets on deposit at the ECB (up €1.9bn, to €8.8bn) is the result of repo market arbitrage activity over the turn of the year; banking book securities remained stable at €8.6bn, with the sovereign debt portfolio worth €6.2bn (65% of which in Italian government securities);

- **Funding totalled €62bn**, €28.8bn of which is attributable to Wealth Management (46.6% of the total, and basically flat in the six months), €20.6bn in debt securities (up €2bn), and €12.5bn in other forms, €8bn of which in relation to the T-LTRO (down €500m, due to launch of the repayment plan);

- **Total Financial Assets (TFAs) totalled €83.2bn**, the €3bn increase in the six months being concentrated in indirect funding, and split equally between Private Banking and the Premier segment, despite a €421m reduction in the valuations; while deposits were unchanged, with the approx. €2bn in new inflows being offset by the conversion of deposits to assets under administration. AUM/AUA totalled €54.5bn, of which €17.9bn in the Premier segment (up 4.2% YoY); €24.5bn in Private Banking (up 3.8% YoY), and €25.5bn in Asset Management (up 6.5% YoY), €13.5bn of which placed by Group networks. The stock of deposits totalled €28.7bn, €11.7bn of which attributable to Private Banking and €17bn to Premier Banking;

- **The capital ratios were once again comfortably above the SREP levels, which since 1 January 2023 have been 7.95%[6] of CET1 and 12.18% of Total Capital; the increase in the additional P2R requirement (up 10 bps to 1.68%) exclusively reflects the progressive application of the calendar provisioning regulations to the stock of non-performing exposures in place prior to 26 April 2019, which are already in the process of being deleveraged**;

  - **The CET1 ratio stood at 15.1% phase-in (14.0% fully loaded)**, down approx. 55 bps in the six months, reflecting the impact of the LGD Foundation being restored for the Large Corporate portfolio, accounting for 45 bps (roughly half of which was offset by optimization actions), plus the deduction for the Assicurazioni Generali investment in relation to earnings booked but not yet distributed (which accounted for 34 bps). Retained earnings for the six months (which added 34 bps) reflect the payout ratio of 70%, and were almost entirely offset by the growth in RWAs (which accounted for 30

6 The requirements do not include the Counter-cyclical Buffer of 0.05% as at 31 December 2022.

bps, attributable to CIB and Consumer Finance); the valuation reserve effect for proprietary holdings in both equities and bonds was virtually nil, while the reduction pro rata to the holding in Assicurazioni Generali was entirely offset by the lower deductions;

- **The Total Capital ratio declined from 17.6% to 16.8% (15.9% fully loaded) due to progressive amortization of the subordinated liabilities.**

- **The Group's MREL requirement for 2023 has been set at 22.13% of RWAs** and 5.91% of leverage ratio exposures ("LREs"), basically confirmed at 2022 levels (21.84% of RWAs), the vast majority of which is met without even referring to senior preferred liabilities.

## Divisional results

1. **Wealth Management:[7] double-digit growth in net profit and revenues despite the difficult scenario, driven by distinctive positioning and offering enhancement. Revenues up 12% to over €400m, TFAs €83bn (up 5% YoY), strong commercial performance (NNM of €3.4bn in 6M) and best sector levels. Net profit up 14% to €82m, and strong increase in ROAC[5] to 35% (up 5pp).**

**The six months under review saw double-digit growth in net profit (up 13.5% YoY, to €82.2m) and revenues (up 11.9%, to €407.3m).** The good performance reflects the strong momentum in net interest income (up 17.5%), and a growing contribution from fees (up 7.9%, which account for approx. 56% of the division's revenues), both driven by growth in profitable assets (customer loans up 11% and TFAs up 5%). **The cost/income ratio improved from 70.3% to 67.3%**, despite continuing investments in people and innovation. The division's profitability also improved further, reflecting **ROAC of 35%** (up 5pp since end-December 2021).

**In a scenario marked by market uncertainty and rising interest rates, which rewarded securities placements rather than AUM gathering and direct funding, the division delivered a commercial performance at the top end of the industry standards, on the back of its distinctive positioning and offering:**

- **Net New Money for the six months totalled €3.4bn**, €2.3bn of which in 2Q, attributable exclusively to inflows of high-quality assets (50% asset management, 50% securities placement;

- **TFAs totalled €83.2bn**, €54.5bn of which in AUM/AUA, with a virtually neutral market effect for the six months (minus €0.4bn, less than 1% of the assets' valuation) thanks to conservative asset allocation. Total deposits remained unchanged at €28.7bn, despite the major transformation encouraged by the renewed interest in government securities and bonds in recent months, boosted by the tied deposits promotion launched by CheBanca!;

- **Enhancement of the distribution structure continues**: 17 new professionals were added in the six months, taking the total to 1,177, of which 1,040 in the Premier segment (509 relationship

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

managers and 531 FAs, fifteen more than at end-June 2022), and 137 Bankers in Private Banking;

- **Expansion of the product offering also ongoing**, to meet the new needs arising from the current volatile market conditions and to strengthen intra-Group synergies.

In particular Mediobanca Private Banking has launched new thematic asset management products with a Buy & Hold strategy, and has placed approx. €1.1bn in certificates and credit investment notes. In Private Markets activity, In private markets, meanwhile, the partnership with BlackRock has continued (two direct co-investments have been completed in international, highly innovative companies operating in the digital marketing and aerospace sectors, for a total amount of approx. €90m); the fourth real estate initiative reserved for Mediobanca clients has been launched (€250m direct investment in luxury properties in Milan), and, as part of the TEC investment programme, a club deal has been executed to acquire a medium-size, high potential Italian company for a consideration of €35m. The co-operation with the Corporate & Investment Banking division also continued, enabling two major M&A deals to be intercepted, generating €320m in new deposits; plus €110m in inflows from liquidity events.

CMB Monaco has continued with customer segmentation activities, to tailor products and pricing to the different clusters more effectively, and leveraging on continual improvements in the technology infrastructure.

The range of products offered to Premier clients has been further enhanced in the six months under review, in line with the aim of promoting sustainability in the investment world. The second Mediobanca SGR fund for which management has been sub-delegated to Nordea has been launched, the objective of which is to accelerate the investee companies' transition to sustainability through active engagement by the fund manager. On the insurance side, the new Premier Life insurance policy has been launched in partnership with Genertel, which enables a progressive but cautious approach to be taken towards investing in markets, and includes a new, 100% ESG launch among its funds.

Mediobanca Asset Management has strengthened its offering to the Group's clients by continuing to add to and innovate the range of Mediobanca SGR products offered, and in addition to the two thematic products for Private Banking clients already referred to,[8] has launched three new funds: two Target Maturity funds[9] and one fund for which management has been delegated to an international partner.[10] Advisory and asset allocation services for Monégasque clients have also been strengthened. The Polus Capital Management special situations team won the Master Fund award at the HFM European Performance Award 2022, confirming the funds' good commercial performances (with €1bn in inflows of TFAs during 2022, approx. €60m of which in 3Q) and paving the way for the launch of a new Special Situation fund; conversely, the CLO market has remained largely stationary, but Polus is well positioned to exploit opportunities as and when it reopens, having obtained the highest ESG score of the year by rating agency Fitch for its CLO XV fund.

The principal RAM funds have confirmed their strategies' validity: the multi-asset and market neutral long/short funds showed resilience in the challenging markets of 2022, bearing out the good performances achieved in 2021, while the long-only Emerging Markets Equity fund continued to outperform its benchmark, proving to be one of the best products in its sector.

**Total Financial Assets (TFAs) totalled €83.2bn**, up 3.7% in the six months (from €80.2bn), with a negative market effect of €421m. The Premier segment contributed TFAs of €35bn (up 3.2% in the

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8 Buy & Hold, 4Y IG and 4Y IG Plus strategies.

9 Diversified Credit Portfolio 2025, €25m, and Credit Opportunities 2028, €35m.

10 Mediobanca Nordea Global Climate Engagement, €53m.

six months), €17.9bn of which in AUM/AUA (up 9%), Private Banking €36.2bn (up 5.4%), €24.5bn of which in AUM/AUA (up 6.4%), and Asset Management €25.5bn (unchanged). AUM/AUA increased from €52.1bn to €54.5bn (up 4.5% YoY). The Asset Management division's products placed within the Group totalled €13.5bn, an increase of €900m due to the higher contribution from Mediobanca SGR.

The **higher net profit earned by the Wealth Management division**, which was up 13.5%, from €72.4m to €82.2m, reflects an 11.9% increase in revenues (from €363.9m to €407.3m), which outpaced the growth in both costs (up 7.2%, from €255.7m to €274.1m) and loan loss provisions (down 31%, to €5.8m). The main income items performed as follows:

- **Net interest income rose by 17.5% (from €146.6m to €172.2m)**, in Private Banking in particular (NII up 85.3%, from €27.3m to €50.6m), driven by a portion of loans being funded directly from customer deposits, the cost of which increased only marginally. By contrast, the Premier segment reflected a much smaller increase in NII, of 1.6% (from €119.5m to €121.4m), with interest rate and liquidity risk fully centralized at parent company level.

- **Net fee and commission income grew by 7.9% (from €213.2m to €230m), with a significant contribution made by all forms:** management fees rose by 5.1% (from €156.7m to €164.7m), in line with the trend in TFAs; banking fees were up 21.4% (from €40.2m to €48.8m), due to the new segmentation in Premier business; upfront fees increased by 9.7% (from €35.2m to €38.6m), on a strong performance by placement fees (bonds, structured notes and private markets funds); performance fees, meanwhile, decreased by 30.9%, from €9.7m to €6.7m, €5.1m of which were generated by the Polus funds). Fees earned by the Premier segment were up 19.6% (from €75m to €89.7m), and offset the reduction in Private Banking fees, which were down 4.3% (from €90.4m to €86.5m) due to the lack of performance fees (which totalled just €0.4m, compared to €6.8m last year); while fee income earned by the Asset Management division grew by 11.8% (from €43.4m to €48.5m), driven by Polus.

- **Operating costs were up 7.2%, from €255.7m to €274.1m**, due to the 9.9% increase in operating costs (up from €130.7m to €143.7m), reflecting the strengthening of the workforce (with 52 new staff recruited) and the variable remuneration component being aligned to the good results. Administrative expenses rose by 4.3% (from €125m to €130.4m), due chiefly to IT and project expenses (up 5%, to €54.4m), ordinary overheads (up 19%, to €22m), and marketing and communication expenses (up 30%, to €7.8m).

- **Loan loss provisions reduced from €8.4m to €5.8m**, due to the low default rates for CheBanca! mortgage loans, with higher coverage compared to last year, due to the significant reduction in Stage 2 positions; the contribution from Private Banking continues to be marginal (at just €0.2m). **The division's cost of risk declined accordingly, from 12 bps to 7 bps.**

- The results for the six months also reflect €2.5m in adjustments to holdings in funds, €3.8m in provisions for operating losses and disputes in connection with the recruitment of bankers and FAs in the Premier segment, plus €3.5m in charges related to the acquisition of Bybrook, which is now part of Polus.

**Customer loans for the division totalled €16.4bn** (30/6/22: €15.3bn), €12bn of which in residential mortgages (€11.4bn), and €4.4bn in Private Banking loans (€3.9bn). A strong performance was reported in new mortgage loans, which were up 63.2% YoY (to €1.4bn); while new business in Private Banking Lombard and other loans totalled €522m, €325m of which at CMB Monaco.

Gross NPLs decreased from €222.2m to €191.5m (equal to 1.2% of total loans), and mainly regard CheBanca! mortgage loans (€167m, representing 1.4% of the loan stock); while net NPLs accounted for 0.6% of total loans (€75.3m, €31.3m of which in bad debts), with the coverage ratio increasing to 54.9% (67.1% for the bad debts). Gross NPLs in Private Banking totalled €24.5m (0.5% of the stock, €12.3m of which attributable to CMB Monaco), while on a net basis the share accounted for declines to 0.3%. Premier mortgages classified as Stage 2 decreased from €781.5m to €695.1m (just under 5.8% of the total), while the Private Banking share decreased from €56.7m to €54.4m.

## 2. Consumer Finance: net profit for the six months has grown again, to €196m (up 3%), with ROAC[5] at its highest ever levels (34%). This excellent result is due to growth in customer loans (despite more selective acceptance rates) and revenues, driven by strong commercial activity and digital innovation, with asset quality further reinforced in the six months impacting positively on the cost of risk.

**Compass delivered a net profit of €195.9m in the six months (up 3.1%), reflecting very high profitability (ROAC@ 34%).** The growth in new business, which totalled €3.9bn (€3.7bn last year) drove higher **customer loans, which exceeded €14bn for the first time**, and net interest income, despite the rapidly rising interest rate scenario. More selective lending policies intended to preserve asset quality ensured that default and credit recovery rates remained stable, with a positive impact on the cost of risk (144 bps, compared with 146 bps) and on GOP, which recorded a new high and is now close to €300m.

**Expansion of the distribution network continued during the six months, with priority being given to variable cost solutions.** Following the opening of two new agencies during the period, **as at end-December 2022 Compass's distribution platform consisted of 302 points of sale**, 67 of which managed by agents, plus 54 Compass Quinto-branded POS (specializing in the sale of salary-backed finance products). Compass Link, an agent in financial activities focused on offering off-site products (project launched at end-2021), has a total of 131 collaborators.

**Priority continues to be given to strengthening the digital channels** which, as a result of the ongoing efforts to improve user experience, has increased its penetration rate to 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 digital product offering was further enhanced during the period with a new digital and automatic process known as "Personal loans in one minute",** offering a user experience which is unique within the Italian market; and a **small personal loan product** (€500), based on an innovative credit rating methodology, developed in partnership with REDO.

**Two significant acquisitions** were completed during the six months, **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, including 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 reported flows of €41.3bn for the last six months of the 2022 calendar year, some 9.9% higher than the same period in 2021**. This performance was largely due to the positive trend in special purpose loans (up 14.9%), followed by personal loans (up 7.8%), while salary-backed finance operations were basically flat (down just 0.1%). Special purpose automotive loans (cars and motorbikes) again recorded a negative performance but managed to slow the decline (down 2.6%), due to the government incentives resuming in the final months of 2022.

**In the six months under review, Compass reported a 4.5% increase in new business, which totalled €3.9bn, taking the company's market share to 9.4%.** Growth was driven by special purpose loans and automotive finance, both of which rose by 9%, by salary-backed finance (up 6%), and by personal loans, which were basically flat but helped by a more favourable mix, with the proprietary network recording an 18% increase which offset the reduction reported by the third-party channels, which also entailed a clear advantage in profitability terms.

**The Consumer Finance division reported a net profit of €195.9m,** up 3% on last year**. Growth in customer loans, which have now reached €14.1bn** (30/6/22: €13.7bn) **drove an increase in net interest income for the six months** (from €472.1m to €492.4m, also higher than last year), while an excellent performance at the risk level also led to a **further, albeit marginal, reduction in the cost of risk, to 144 bps (compared with 146 bps last year).** Meanwhile, the impressive trend in costs (cost/income ratio below 30%), despite the investments in marketing, commercial and IT expansion, enabled the division to report a **ROAC of 34%.** The main income items performed as follows:

- **Revenues increased both HoH** (**by 4.9%**, from €533.4m to €559.8m) **and YoY** (by **6.7%**, from €524.8m), driven by the growth in net interest income, which at €492.4m was higher than last year (€462.2m), and by a good performance in terms of fees (up from €62.6m to €67.8m), which recorded one of their best results in recent years, helped by the contribution of BNPL operations and the lower *rappel* fees credited back to the third-party networks;

- **Operating costs totalled €163.8m**, up 10.3% on last year (€148.5m) reflecting the increase due to investments to grow the division. Labour costs rose by 5.3% (from €51.3m to €54m), partly due to growth in the headcount (with over fifty FTEs added), with administrative expenses up 13% (from €97.2m to €109.8m) due to investments in commercial and IT development to support new projects (including BNPL), while credit recovery costs have returned to normal historical levels;

- **Loan loss provisions increased from €95.9m to €100.3m (up 4.6%), with the cost of risk reducing, albeit only marginally, from 146 bps to 144 bps** despite the increasing coverage levels (NPLs 80.6%; performing loans 3.77%), with the overlays virtually unchanged at €216m.

**Gross NPLs decreased both in absolute terms** (from €858.2m to €853m) **and relative terms** (from 5.74% to 5.55% of total loans), due to the low default rates, good credit recovery flows (which have also facilitated repayments that were higher than expected), positions returning to performing status, and regular stock disposals (€72.4m in the six months). Nonetheless, because of the increasing levels of inflation, and aware of the impact this will have on households' disposable incomes, further restrictions have been embedded into the company's lending policies. **The increase in the coverage ratio** (from 78.8% to 80.6%) **has further reduced the net exposure,** from €181.7m to €165.6m, and from 1.3% to 1.2% of total loans. Net bad debts decreased from €7.7m to €5.6m (down 28%), represent just 0.04% of total loans (0.06%), and reflect a coverage ratio of 97.9% (97.2%).

**3. Corporate & Investment Banking: best ever performance in terms of revenues (€430m, over €240m of which in 2Q), with all client activities contributing positively, and all income streams growing. Net profit €147m and ROAC[5] 16%. Asset quality**

**remains high, with the increase in provisioning reflecting the new macro scenario and some minor reclassifications.**

**The CIB division recorded one of its best commercial performances in the past decade in the six months,** posting revenues of €430m (up 20.3% YoY and up 52.7% HoH), and **delivering a new 3M record** (with revenues of over €240m in 2Q), despite the deteriorating macroeconomic scenario and market uncertainty. **The impressive performance was driven by all activities, and all income streams reported growth:** fee income improved on last year's already high result (up 9.4%, to €185.3m), while treasury fees recorded their best performance ever (up 73%, to €109.5m), driven in particular by client solutions activities, and net interest income, up 8.2% (to €135.2m), was boosted by higher volumes and repricing. **Conversely, however, the deteriorating macro scenario triggered loan loss provisions** (€36.2m), unlike last year (when net writebacks of €25.2m were credited), impacting also on **net profit, which came in at €147.1m** (down 2.5%), with **ROAC of 16%.**

**In 2022, the global M&A market recorded a 37% contraction in terms of volumes and of 17% in the number of deals compared to 2021; and the trend on the European market was similar** (with a decrease of 39% in volume terms and of 12% in the number of deals). By contrast, **the Italian market reflected growth of 7% versus 2021, due primarily to the takeover bid for Atlantia** ($52bn), which in volume terms was the largest deal in the European panorama. **Net of this deal, the Italian market would have reported a 50% drop in volumes in 2022 compared to 2021.**

Despite the challenging operating scenario, **the Mediobanca Group delivered an excellent performance in advisory business, in line with the outstanding results posted last year, and participating in some of the most significant deals in the Italian and international arena**: these include, in the Large-Cap segment: the takeover bid for Atlantia in the infrastructure sector, the acquisition of Doc Generici by Texas Pacific Group and the acquisition of Althea by a consortium made up of F2i and DWS in the healthcare sector, and the sale by Veolia of its UK assets to New Suez in the energy sector; while in the Mid-Cap space, Mediobanca confirmed its position as advisor of choice, completing over twenty deals in the course of the six months.

With reference to Debt Capital Markets activity, following the reduction in primary market volumes in the month of July, from September onwards the Mediobanca Group took part in the majority of the Italian bond issues (including A2A, AMCO, Banco BPM, Banca Mediolanum, BPER Banca, CDP Reti, Enel, FCA Bank, Iccrea Banca and Intesa Sanpaolo) and in some major deals in its other core markets (including BPCE, Commerzbank, Crédit Agricole, EDP and Suez), growing its footprint in the ESG segment.

In Equity Capital Markets, too, despite the negative market conditions, Mediobanca has supported Italian and international issuers in significant deals at European level, underwriting the capital increases by Banca Monte dei Paschi di Siena in Italy, by ALD in France, and by Credit Suisse in Switzerland. Mediobanca also acted as sole financial advisor in the Porsche IPO, the largest initial public offering in Europe since 1999. The Group's track record testifies to the increasingly pan-European nature of the franchise.

As for Lending, the Bank has financed companies and sponsors in all the geographies it covers, supporting them in both their ordinary and extraordinary activities; these efforts have been reflected in the increase in net interest income and in fees, due to the improved quality of the loan book, with Investment Grade counterparties now accounting for 69% (compared to 63% at end-June 2021).

The Markets division posted an excellent performance, as its positions showed good resilience in a turbulent market scenario. The performance was boosted by growing demand for certificates, as a result of strong commercial efforts by the WM networks.

On the earnings side, **total income was up 20.3%** (from €357.6m to €430m), with Wholesale Banking contributing €396.7m (up 23.5%) and Specialty Finance €33.3m (down 8.9%). The main income items performed as follows:

- **Net interest income totalled €135.2m, up 8.2%** on the first six months of last year (€125m): Wholesale Banking posted growth of 13% (from €103.3m to €116.6m), due to a significant increase in volumes in Lending and Structured Finance, plus the slight increase in spreads; whereas net interest income earned from factoring business slowed by 14% (from €21.7m to €18.6m), reflecting repricing difficulties;

- **Net fee and commission income rose by 9.4% (from €169.3m to €185.3m),** driven by a substantial contribution from Equity Capital Market activities (€21.1m); fees from Debt Capital Market activities totalled €6.7m (€11.1m), recovering in 2Q in particular. M&A advisory fees were stable at €98.6m, with an impressive contribution from the Mid-Corporate segment (€19m) and domestic corporate finance business, mainly in the Transportation & Infrastructure, Industrial & Automotive, Real Estate and TMT sectors. Lending fees were up 71%, from €28m to €48.8m, on the back of certain major acquisition finance deals being completed. Fees earned from Specialty Finance totalled approx. €15m, and include approx. €11m from the third party credit management and recovery activities performed by MBCS;

- **Net treasury income soared by 73% (from €63.3m to €109.5m),** on a growing contribution from the Markets Division (up 34%, from €46.3m to €62m), driven by the recovery in fixed-income trading (from €5.5m to €18.4m), helped by market volatility, with equity matching last year's performance (increasing from €40.8m to €43.6m). The proprietary trading desk's contribution (equity and fixed-income) was €50.3m, more than half of which was due to positions taken versus USD exchange rate volatility.

**Operating costs rose by 12.7%** (from €144m to €162.3m). Labour costs in particular rose by 14.6% (from €83.1m to €95.2m), chiefly reflecting the good performance in revenues. The 10.1% increase in administrative expenses, from €60.9m to €67.1m) is mainly attributable to commercial activities (travel and marketing expenses) which are now largely back to normal, and also reflect the appreciation of the dollar. **The division's cost/income ratio fell to 37.7%** (from €40.3%).

**The bottom-line result was impacted by loan loss provisions totalling €36.2m, €34m of which in Wholesale Banking (cost of risk for 6M 34 bps, and for 2Q of 60 bps).** Wholesale Banking reflects the increase in provisioning for performing exposures deriving from application of the new macroeconomic scenario, which entailed an increase in credit risk for certain counterparties, resulting in their being transferred to Stage 2, plus one large corporate counterparty being classified as UTP. Overlays of €12m were released to absorb part of the increase in the risk indicators.

In the six months **loans and advances to customers grew by 2.7% from €20.7bn to €21.3bn,** with growth in both segments: customer loans in Wholesale Banking increased from €18bn to €18.2bn, and in Specialty Finance from €2.8bn to €3.1bn.

In the six months **gross NPLs increased from €106.2m to €141.5m, and the gross NPL ratio rose slightly to 0.7%** (30/6/22: 0.5%), due primarily to Wholesale Banking; **net NPLs totalled €51.1m (0.2% of total loans), on a coverage ratio of 63.9%. Exposures classified as Stage 2 decreased from €631.8m to €612.5m** (2.9% of total loans).

**The coverage ratio for performing loans (Stage 1 and Stage 2) was stable at 0.5%, with overlays amounting to €44m**, concentrated in the Large Corporate segment (€33m, after €12m was used).

It should be noted that as from 1 July 2022, the NPL management activities previously performed by MBCS have been transferred to the Holding Functions division. An orderly disposal process has been launched for the NPLs acquired, which have been transferred to Revalea, a newly-incorporated company owned by Compass. The historical data for the past six quarters have been restated.

### 4. Insurance & PI: high contribution to Group profit (€183m) – ROAC[5] 26%

The Insurance & PI division delivered a net profit of €182.8m for the six months, basically in line with last year (€184.6m), on higher revenues booked using the equity method, of €195.8m (€185.7m), offsetting the losses reported on holdings in investment funds which totalled €11.5m, due to the widespread reduction in share prices and widening credit spreads, reflected in the fair value of the funds themselves. The equity method result reflects the good performance by Assicurazioni Generali, which delivered a 4% increase in net profit (from €186.5m to €194.4m) and the other investments booked according to IAS 28, which contributed €1.4m. Trading income, which is accounted for among other revenues, includes €5.1m in amounts collected from funds (Polus funds in particular).

The book value of the Assicurazioni Generali investment (13.08% of the company's share capital) decreased from €3,069.4m to €2,175.4m, as a result of the reduction in the valuation reserves (down €1.1bn in the six months), mainly the fixed-income segment AFS reserve. The market value of the investment was unaffected, however, and remains stable at around €3bn.

The other banking book securities were virtually unchanged.

The ROAC for the division is high, and stands at around 26%, due to a combination of the increase in earnings and reduction in book value of the Assicurazioni Generali investment.

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

The net loss incurred by the Holding Functions division decreased from €71.9m to €44.9m, on strong growth in net interest income, which totalled €31.8m (compared with net interest expense of €10.2m last year). This was due to an improvement in the margin on treasury operations, which returned to positive territory (€6.4m) after several years of negative results (minus €43.2m last year), as a result of the trend in interest rates and the securities portfolio repricing (€25m of which were linked to coupons collected on inflation-linked notes), offsetting the higher T-LTRO costs. Net trading income posted a sharp increase (from €15.7m to €26.4m).

The central cost component continued to reduce as a percentage of the Group's total costs (down from 7.9% last year to 7.4%).

The main segments performed as follows:

- **Treasury** – significant efforts were made to expand the sources of funding and optimize its cost in the six months, resulting in Wealth Management deposits remaining stable (which now account for 46% of the Group's total funding) and an increase in the debt security component, leveraging on the demand via the retail and private banking channels (including external to the Group). This enabled Mediobanca to begin the process of repaying the T-LTRO in the month of December 2022, with the regulatory liquidity ratios at their highest levels ever (LCR: 172.4% and NSFR: 116.6%). The MREL liabilities also increased from 30% to 34% of RWAs, far above the requirement of 22.13% for 2023;

- **Leasing**: a net profit of €2.3m was earned from leasing operations in the six months, basically flat versus last year, on revenues of €17.7m (€20.1m), costs of €9.6m (€8.3m), and value adjustments of €0.6m (€15.6m, which included extra provisioning in order to accelerate the loan book deleveraging process and reduce the percentage of NPLs). Gross NPLs indeed decreased from €137.9m to €114.9m (or from 8.3% of total loans to 7.3%);

- **NPL acquisition**: this area delivered a €1.6m net loss, after revenues of approx. €31.8m, some €20m of which in collections from portfolios, and €13.5m in adjustments. The stock of NPLs reduced from €350.6m to €256.2m following a disposal on the secondary market intended to speed up the deleveraging process.

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## ESG profile strengthened by further improvement in ratings and climate neutrality

The Group's ongoing commitment to include ESG criteria progressively and rigorously in all areas of its operations has received further acknowledgement in the ratings issued by the leading ESG ratings agencies, in particular as follows:

- MSCI has raised the Group's rating from "A" to "AA", recognizing the solidity of the Group's governance and its commitment to mitigating the impact of its lending activity on climate risks;

- Sustainalytics has included Mediobanca in its 2023 list of best companies for ESG profile, following further improvement in the Group's score;

- S&P Global has confirmed Mediobanca's inclusion in its Sustainability Book for 2023;

- The Bloomberg Gender-Equality Index (GEI) has included Mediobanca for the fifth year running.

The Mediobanca Group has achieved climate neutrality again in 2022, by offsetting its remaining $CO_2$ emissions after domestic mitigation actions. The Group's commitment to climate neutrality has also been enhanced with the first interim targets for cutting indirect emissions, being set, in line with the Bank's membership of the Net-Zero Banking Alliance (NZBA), promoted by the United Nations with the objective of accelerating the international banking sector's transition to sustainability. The carbon offset initiative developed in conjunction with non-profit organization Rete Clima has enabled Mediobanca to neutralize a carbon footprint of 4,240.51 tons of CO2eq by acquiring credits generated from environmental protection projects in developing countries: the Tamil Nadu Wind Power Project, a wind power station located in India; and the Cordillera Azul National Park REDD Project, a forest conservation project in Peru to counter the illegal deforestation activities being practised, with the involvement of the local communities.

The reforestation activity promoted by the Bank within Italian territory has also served a similar purpose, with a total of two thousand trees planted in the months of October and November 2022: a thousand in the Madonie Regional Natural Park in Sicily, and a thousand in the Milan province, with the participation of volunteers from among the Group's staff.

The Group's offering of products and services which meet ESG criteria has also grown further. As at 31 December 2022:

- Lending activity reflects an ESG loan stock of approx. €3.3bn, 77% of which in relation to CIB, 15% to WM, and 8% to Consumer Finance;
- In 2Q FY 2022-23 the Group second green bond was placed on the institutional market (a €500m Sustainable Senior Preferred Bond), following the inaugural issue in 2020;
- The Bank's DCM has once again ranked as one of the leading players in the ESG space, with a total of sixteen deals completed in 2022 for a total of over €11bn;
- The share of ESG funds (i.e. SFDR Articles 8 and 9 funds) in Premier clients' portfolios has now risen to 68%.

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## Mediobanca S.p.A.

Mediobanca S.p.A. delivered a net profit of €230.1m, much higher than last year (€150.6m), on strong growth in revenues which were up 44.8% (from €410.7m €594.5m), well distributed between the various income components, which absorbed the increase in costs (up 12,2%, from €215.3m to €241.6m; cost/income ratio 40.6%) and the higher loan loss and other provisions (which together amounted to €56m) reflecting the new macroeconomic scenario, plus the reclassification of one corporate exposure as UTP, with only limited use of the overlays previously set aside.

Net interest income more than doubled, from €54.2m to €121m, driven by the rising interest rates on loans which had a more limited impact on the cost of funding; net treasury income took advantage of the new market scenario, totalling €155.6m (up 61.4%), following a good performance by the proprietary trading book (which contributed €79.6m); net fee and commission income rose from €166.9m to €200.5m, with good flows from both investment banking (€103.4m) and private banking (€54.5m), while dividends from investments amounted to €117.4m, €110m of which from Group Legal Entity Compass Banca.

On the balance-sheet side, total assets increased from €79.7m to €85.8m, with the growth in customer loans (up from €40bn to €42.6bn) matched by the increase in debt security funding (from €16.3bn to €18.5bn).

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## Outlook

On the back of its 6M performance, and in view of the expected trend in the macroeconomic scenario, the Group expects to see for 12M FY 2022-23:

- Continuing growth in revenues, driven by higher than expected contribution from net interest income and sound fee income resilience;
- Growth in GOP, helped by operating efficiency (cost/income ratio at 45%), with the cost of risk expected to remain low, in line with 1H;

- High capital ratios, with good visibility in terms of trend and higher than at end-December 2022, able to support growth and provide sound remuneration to shareholders;

- Cash payout confirmed at 70%;

- 2019-23 Strategic Plan targets to be reached, despite the last 3Y operating scenario (Covid-19, Russia-Ukraine conflict, and inflationary pressures), confirming the effectiveness of the Group's business model, which is able to deliver growth in every macroeconomic scenario.

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EMARKET SDIR CERTIFIED

MEDIOBANCA

### 1. Restated consolidated profit and loss accounts

| Mediobanca Group (€m) | 6 mths 31/12/2021 | 6 mths 31/12/2022 | Chg. % |
|---|---|---|---|
| Net interest income | 733.5 | 842.9 | 14.9% |
| Net treasury income | 97.0 | 148.1 | 52.7% |
| Net fee and commission income | 443.2 | 472.1 | 6.5% |
| Equity-accounted companies | 185.7 | 195.4 | 5.2% |
| **Total income** | **1,459.4** | **1,658.5** | **13.6%** |
| Labour costs | (328.6) | (359.8) | 9.5% |
| Administrative expenses | (304.8) | (331.1) | 8.6% |
| **Operating costs** | **(633.4)** | **(690.9)** | **9.1%** |
| Loan loss provisions | (137.3) | (156.4) | 13.9% |
| Provisions for other financial assets | 1.2 | (22.7) | n.m. |
| Other income (losses) | (34.5) | (38.1) | 10.4% |
| **Profit before tax** | **655.4** | **750.4** | **14.5%** |
| Income tax for the period | (120.4) | (191.2) | 58.8% |
| Minority interest | (9.2) | (4.1) | -55.4% |
| **Net profit** | **525.8** | **555.1** | **5.6%** |

### 2. Quarterly profit and loss accounts

| Mediobanca Group | FY 21/22 | | | | FY 22/23 | |
|---|---|---|---|---|---|---|
| (€m) | I Q | II Q | III Q | IV Q | I Q | IIQ |
| | 30/09/21 | 31/12/21 | 31/03/22 | 30/06/22 | 30/09/22 | 31/12/22 |
| Net interest income | 358.4 | 375.1 | 372.5 | 373.2 | 396.3 | 446.6 |
| Net treasury income | 50.0 | 47.0 | 35.4 | 29.4 | 64.6 | 83.5 |
| Net commission income | 202.7 | 240.5 | 201.9 | 205.4 | 209.9 | 262.2 |
| Equity-accounted companies | 95.3 | 90.4 | 77.9 | 95.7 | 86.2 | 109.2 |
| **Total income** | **706.4** | **753.0** | **687.7** | **703.7** | **757.0** | **901.5** |
| Labour costs | (156.4) | (172.2) | (165.9) | (177.0) | (165.8) | (194.0) |
| Administrative expenses | (146.2) | (158.6) | (158.4) | (177.4) | (155.6) | (175.5) |
| **Operating costs** | **(302.6)** | **(330.8)** | **(324.3)** | **(354.4)** | **(321.4)** | **(369.5)** |
| Loan loss provisions | (62.4) | (74.9) | (57.6) | (47.7) | (62.6) | (93.8) |
| Provisions for other fin. assets | 4.8 | (3.6) | (7.8) | (30.8) | (17.0) | (5.7) |
| Other income (losses) | 0.5 | (35.0) | (52.5) | (3.1) | (2.6) | (35.5) |
| **Profit before tax** | **346.7** | **308.7** | **245.5** | **267.7** | **353.4** | **397.0** |
| Income tax for the period | (81.6) | (38.8) | (56.0) | (73.9) | (88.6) | (102.6) |
| Minority interest | (3.2) | (6.0) | 0.6 | (2.7) | (2.2) | (1.9) |
| **Net profit** | **261.9** | **263.9** | **190.1** | **191.1** | **262.6** | **292.5** |

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### 3. Restated balance sheet

| Mediobanca Group (€m) | 31/12/21 | 30/06/2022 | 31/12/2022 |
|---|---|---|---|
| **Assets** | | | |
| Financial assets held for trading | 12,123.2 | 9,530.9 | 8,689.7 |
| Treasury financial assets | 10,436.3 | 12,800.8 | 15,247.7 |
| Banking book securities | 7,889.8 | 8,577.3 | 8,627.2 |
| Customer loans | 50,804.9 | 51,701.4 | 53,600.8 |
| *Corporate* | *17,387.3* | *17,975.8* | *18,219.0* |
| *Specialty Finance* | *3,243.5* | *2,758.3* | *3,071.2* |
| *Consumer credit* | *13,305.0* | *13,750.1* | *14,142.7* |
| *Mortgages* | *11,253.7* | *11,368.2* | *11,981.8* |
| *Private banking* | *3,518.8* | *3,929.7* | *4,449.0* |
| *Leasing & NPL* | *2,096.6* | *1,919.3* | *1,737.1* |
| Equity investments | 4,726.7 | 4,046.2 | 3,147.9 |
| Tangible and intangible assets | 1,337.7 | 1,350.2 | 1,370.4 |
| Other assets | 1,777.9 | 2,561.6 | 3,054.1 |
| **Total assets** | **89,096.5** | **90,568.4** | **93,737.8** |
| **Liabilities** | | | |
| Funding | 59,285.8 | 61,169.4 | 61,952.8 |
| *MB bonds* | *18,868.5* | *18,536.9* | *20,584.8* |
| *Retail deposits* | *17,028.0* | *17,449.8* | *17,042.3* |
| *Private Banking deposits* | *10,219.5* | *11,347.5* | *11,799.4* |
| *ECB* | *8,449.4* | *8,442.2* | *7,980.3* |
| *Banks and other* | *4,720.4* | *5,393.0* | *4,546.0* |
| Treasury financial liabilities | 7,061.2 | 5,905.8 | 8,290.0 |
| Financial liabilities held for trading | 9,337.9 | 9,206.7 | 9,534.2 |
| Other liabilities | 2,163.0 | 3,377.9 | 4,090.7 |
| Provisions | 163.5 | 159.7 | 164.6 |
| Net equity | 11,085.1 | 10,748.9 | 9,705.5 |
| *Minority interest* | *98.4* | *101.6* | *102.6* |
| *Profit for the period* | *525.8* | *907.0* | *555.1* |
| **Total liabilities** | **89,096.5** | **90,568.4** | **93,737.8** |
| CET 1 capital | 7,352.4 | 7,894.3 | 7,952.6 |
| Total capital | 8,457.9 | 8,874.7 | 8,815.3 |
| RWA | 47,842.2 | 50,378.0 | 52,573.6 |

### 4. Consolidated shareholders' equity

| Net equity (€m) | 31/12/21 | 30/06/2022 | 31/12/2022 |
|---|---|---|---|
| Share capital | 443.6 | 443.6 | 444.2 |
| Other reserves | 9,057.1 | 8,863.1 | 9,190.2 |
| Valuation reserves | 960.2 | 433.6 | (586.7) |
| - of which: Other Comprehensive Income | *177.3* | *123.0* | *91.4* |
| cash flow hedge | *10.9* | *176.5* | *308.5* |
| equity investments | *781.3* | *133.5* | *(976.6)* |
| Minority interest | 98.4 | 101.6 | 102.6 |
| Profit for the period | 907.0 | 907.0 | 555.1 |
| **Total Group net equity** | **11,466.3** | **10,748.9** | **9,705.4** |

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

| MB Group | Financial year 21/22 | | Financial year 22/23 |
|---|---|---|---|
| | 31/12/21 | 30/06/2022 | 31/12/2022 |
| **Ratios (%)** | | | |
| Total assets / Net equity | 8.0 | 8.4 | 9.7 |
| Loans / Funding | 0.86 | 0.85 | 0.87 |
| RWA density (%) | 53.7% | 55.6% | 56% |
| CET1 ratio (%) | 15.4% | 15.7% | 15.1% |
| Total capital (%) | 17.7% | 17.6% | 16.8% |
| S&P Rating | BBB | BBB | BBB |
| Fitch Rating | BBB | BBB | BBB |
| Moody's Rating | Baa1 | Baa1 | Baa1 |
| Cost / Income | 43.4 | 46.0 | 41.7 |
| Gross NPLs/Loans ratio (%) | 2.8 | 2.5 | 2.4 |
| Net NPLs/Loans ratio (%) | 1.0 | 0.7 | 0.7 |
| EPS | 0.61 | 1.05 | 0.65 |
| EPS adj. | 0.59 | 1.12 | 0.71 |
| BVPS | 12.3 | 11.6 | 10.9 |
| TBVPS | 11.3 | 10.6 | 9.9 |
| ROTE adj. (%) | 10.5 | 10.3 | 13.8 |
| DPS | | 0.75 | |
| No. shares (m) | 864.7 | 864.7 | 849.2 |

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

| 6m – December 22 (€m) | WM | Consumer | CIB | PI | Holding Functions | Group |
|---|---|---|---|---|---|---|
| Net interest income | 172.2 | 492.4 | 135.2 | (3.5) | 31.8 | 842.9 |
| Net treasury income | 5.1 | 0.0 | 109.5 | 5.7 | 26.4 | 148.1 |
| Net fee and commission income | 230.0 | 67.8 | 185.3 | — | 23.3 | 472.1 |
| Equity-accounted companies | — | (0.4) | — | 195.8 | — | 195.4 |
| **Total income** | **407.3** | **559.8** | **430.0** | **198.0** | **81.5** | **1,658.5** |
| Labour costs | (143.7) | (54.0) | (95.2) | (2.0) | (64.7) | (359.8) |
| Administrative expenses | (130.4) | (109.8) | (67.1) | (0.5) | (33.6) | (331.1) |
| **Operating costs** | **(274.1)** | **(163.8)** | **(162.3)** | **(2.5)** | **(98.3)** | **(690.9)** |
| Loan loss provisions | (5.8) | (100.3) | (36.2) | — | (14.1) | (156.4) |
| Provisions for other financial assets | (2.5) | (0.1) | (10.2) | (11.5) | 1.5 | (22.7) |
| Other income (losses) | (7.4) | (4.7) | — | — | (26.3) | (38.1) |
| **Profit before tax** | **117.5** | **290.9** | **221.3** | **184.0** | **(55.7)** | **750.4** |
| Income tax for the period | (34.7) | (95.0) | (72.2) | (1.2) | 12.3 | (191.2) |
| Minority interest | (0.6) | — | (2.0) | — | (1.5) | (4.1) |
| **Net profit** | **82.2** | **195.9** | **147.1** | **182.8** | **(44.9)** | **555.1** |
| Loans and advances to Customers | 16,430.8 | 14,142.7 | 21,290.2 | — | 1,737.1 | 53,600.8 |
| RWAs | 5,812.6 | 13,154.1 | 21,802.3 | 8,535.4 | 3,269.1 | 52,573.6 |
| No. of staff | 2,140 | 1,507 | 632 | 10 | 840 | 5,129 |

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

| 6m – December 21 (€m) | WM | Consumer | CIB | PI | Holding Functions | Group |
|---|---|---|---|---|---|---|
| Net interest income | 146.6 | 462.2 | 125.0 | (3.5) | (10.2) | 733.5 |
| Net treasury income | 4.1 | — | 63.3 | 12.5 | 15.7 | 97.0 |
| Net fee and commission income | 213.2 | 62.6 | 169.3 | (0.7) | 25.5 | 443.2 |
| Equity-accounted companies | — | — | — | 185.7 | — | 185.7 |
| **Total income** | **363.9** | **524.8** | **357.6** | **194.0** | **31.0** | **1,459.4** |
| Labour costs | (130.7) | (51.3) | (83.1) | (1.6) | (61.7) | (328.6) |
| Administrative expenses | (125.0) | (97.2) | (60.9) | (0.5) | (33.6) | (304.8) |
| **Operating costs** | **(255.7)** | **(148.5)** | **(144.0)** | **(2.1)** | **(95.4)** | **(633.4)** |
| Loan loss provisions | (8.4) | (95.9) | 25.2 | — | (58.1) | (137.3) |
| Provisions for other financial assets | 3.0 | — | (1.1) | 0.2 | (1.1) | 1.2 |
| Other income (losses) | — | — | (0.1) | — | (33.8) | (34.5) |
| **Profit before tax** | **102.8** | **280.4** | **237.6** | **192.1** | **(157.3)** | **655.4** |
| Income tax for the period | (30.2) | (90.3) | (77.7) | (7.5) | 85.4 | (120.4) |
| Minority interest | — | — | (9.0) | — | — | (9.2) |
| **Net profit** | **72.3** | **190.1** | **150.9** | **184.6** | **(71.9)** | **525.8** |
| Loans and advances to Customers | 14,772.5 | 13,305.0 | 20,630.8 | — | 2,096.6 | 50,804.9 |
| RWAs | 5,219.9 | 12,139.9 | 19,988.4 | 6,898.3 | 3,595.7 | 47,842.2 |
| No. of staff | 2,087 | 1,451 | 605 | 10 | 820 | 4,973 |

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### 7. Wealth Management

| Wealth Management (€m) | 6 mths 31/12/2021 | 6 mths 31/12/2022 | Chg.% |
|---|---|---|---|
| Net interest income | 146.6 | 172.2 | 17.5% |
| Net trading income | 4.1 | 5.1 | 24.4% |
| Net fee and commission income | 213.2 | 230.0 | 7.9% |
| **Total income** | **363.9** | **407.3** | **11.9%** |
| Labour costs | (130.7) | (143.7) | 9.9% |
| Administrative expenses | (125.0) | (130.4) | 4.3% |
| **Operating costs** | **(255.7)** | **(274.1)** | **7.2%** |
| Loan loss provisions | (8.4) | (5.8) | -31.0% |
| Provisions for other financial assets | 3.0 | (2.5) | n.m. |
| Other income (losses) | — | (7.4) | n.m. |
| **Profit before tax** | **102.8** | **117.5** | **14.3%** |
| Income tax for the period | (30.2) | (34.7) | 14.9% |
| Minority interest | (0.2) | (0.6) | n.m. |
| **Net profit** | **72.3** | **82.2** | **13.7%** |
| Loans and advances to customers | 14,772.5 | 16,430.8 | 11.2% |
| New loans (mortgages) | 859.2 | 1,402.6 | 63.2% |
| TFA (Stock, € bn) | 79.4 | 83.2 | 4.8% |
| -AUM/AUA | 52.1 | 54.5 | 4.5% |
| -Deposits | 27.2 | 28.7 | 5.5% |
| TFA (Net New Money, € bn) | 4.4 | 3.4 | -22.2% |
| -AUM/AUA | 2.3 | 3.4 | 46.3% |
| -Deposits | 2.0 | 0.0 | n.m. |
| No. of staff | 2,087 | 2,140 | 2.5% |
| RWAs | 5,219.9 | 5,812.6 | 11.4% |
| Cost / income ratio (%) | 70.3% | 67.3% | |
| Gross NPL / Gross loans ratio (%) | 1.6% | 1.2% | |
| Net NPL / Net loans ratio (%) | 0.8% | 0.5% | |
| ROAC | 30% | 35% | |

## 8. Consumer Finance

| Consumer Banking (€m) | 6 mths | 6 mths | Chg.% |
|---|---|---|---|
| | 31/12/2021 | 31/12/2022 | |
| Net interest income | 462.2 | 492.4 | 6.5% |
| Net trading income | — | — | n.m. |
| Net fee and commission income | 62.6 | 67.8 | 8.3% |
| Equity-accounted companies | — | (0.4) | n.m. |
| **Total income** | **524.8** | **559.8** | **6.7%** |
| Labour costs | (51.3) | (54.0) | 5.3% |
| Administrative expenses | (97.2) | (109.8) | 13.0% |
| **Operating costs** | **(148.5)** | **(163.8)** | **10.3%** |
| Loan loss provisions | (95.9) | (100.3) | 4.6% |
| Provisions for other financial assets | — | (0.1) | n.m. |
| Other income (losses) | — | (4.7) | n.m. |
| **Profit before tax** | **280.4** | **290.9** | **3.7%** |
| Income tax for the period | (90.3) | (95.0) | 5.2% |
| **Net profit** | **190.1** | **195.9** | **3.1%** |
| Loans and advances to customers | 13,305.0 | 14,142.7 | 6.3% |
| New loans | 3,702.7 | 3,869.0 | 4.5% |
| No. of branches | 179 | 181 | 1.1% |
| No. of agencies | 58 | 67 | 15.5% |
| No. of staff | 1,451 | 1,507 | 3.9% |
| RWAs | 12,139.9 | 13,154.1 | 8.4% |
| Cost / income ratio (%) | 28.3% | 29.3% | |
| Gross NPL / Gross loans ratio (%) | 5.8% | 5.5% | |
| Net NPL / Net loans ratio (%) | 1.3% | 1.2% | |
| ROAC | 35% | 34% | |

### 9. Corporate & Investment Banking

| Corporate & Investment Banking (€m) | 6 mths | 6 mths | Chg.% |
|---|---|---|---|
| | 31/12/2021 | 31/12/2022 | |
| Net interest income | 125.0 | 135.2 | 8.2% |
| Net treasury income | 63.3 | 109.5 | 73.0% |
| Net fee and commission income | 169.3 | 185.3 | 9.4% |
| **Total income** | **357.6** | **430.0** | **20.3%** |
| Labour costs | (83.1) | (95.2) | 14.6% |
| Administrative expenses | (60.9) | (67.1) | 10.1% |
| **Operating costs** | **(144.0)** | **(162.3)** | **12.7%** |
| Loan loss provisions | 25.2 | (36.2) | n.m. |
| Provisions for other financial assets | (1.1) | (10.2) | n.m. |
| Other income (losses) | (0.1) | — | n.m. |
| **Profit before tax** | **237.6** | **221.3** | **-6.9%** |
| Income tax for the period | (77.7) | (72.2) | -7.1% |
| Minority interest | (9.0) | (2.0) | -77.7% |
| **Net profit** | **150.9** | **147.1** | **-2.5%** |
| Loans and advances to customers | 20,630.8 | 21,290.2 | 3.2% |
| No. of staff | 605 | 632 | 4.5% |
| RWAs | 19,988.4 | 21,802.3 | 9.1% |
| Cost / income ratio (%) | 40.3% | 37.7% | |
| Gross NPL / Gross loans ratio (%) | 1.0% | 0.7% | |
| Net NPL / Net loans ratio (%) | 0.5% | 0.2% | |
| ROAC | 17% | 16% | |

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### 10. Insurance - Principal Investing

| Insurance - PI (€m) | 6 mths | 6 mths | Chg. % |
|---|---|---|---|
| | 31/12/2021 | 31/12/2022 | |
| Net interest income | (3.5) | (3.5) | n.m. |
| Net treasury income | 12.5 | 5.7 | -54.4% |
| Net fee and commission income | (0.7) | — | n.m. |
| Equity-accounted companies | 185.7 | 195.8 | 5.4% |
| **Total income** | **194.0** | **198.0** | **2.1%** |
| Labour costs | (1.6) | (2.0) | 25.0% |
| Administrative expenses | (0.5) | (0.5) | n.m. |
| **Operating costs** | **(2.1)** | **(2.5)** | **19.0%** |
| Loan loss provisions | — | — | n.m. |
| Provisions for other financial assets | 0.2 | (11.5) | n.m. |
| Other income (losses) | — | — | n.m. |
| **Profit before tax** | **192.1** | **184.0** | **-4.2%** |
| Income tax for the period | (7.5) | (1.2) | -84.0% |
| Minority interest | — | — | n.m. |
| **Net profit** | **184.6** | **182.8** | **-1.0%** |
| Equity investments | 3,800.8 | 2,258.8 | -40.6% |
| Other investments | 774.5 | 738.5 | -4.6% |
| RWAs | 6,898.3 | 8,535.4 | 23.7% |
| ROAC | 15% | 26% | |

### 11. Holding Functions

| Holding Functions (€m) | 6 mths | 6 mths | Chg. % |
|---|---|---|---|
| | 31/12/2021 | 31/12/2022 | |
| Net interest income | (10.2) | 31.8 | n.m. |
| Net treasury income | 15.7 | 26.4 | 68.2% |
| Net fee and commission income | 25.5 | 23.3 | -8.7% |
| **Total income** | **31.0** | **81.5** | **162.7%** |
| Labour costs | (61.7) | (64.7) | 4.8% |
| Administrative expenses | (33.6) | (33.6) | -0.1% |
| **Operating costs** | **(95.4)** | **(98.3)** | **3.1%** |
| Loan loss provisions | (58.1) | (14.1) | -75.7% |
| Provisions for other financial assets | (1.1) | 1.5 | n.m. |
| Other income (losses) | (33.8) | (26.3) | -22.2% |
| **Profit before tax** | **(157.3)** | **(55.7)** | **-64.6%** |
| Income tax for the period | 85.4 | 12.3 | -85.6% |
| Minority interest | 0.0 | (1.5) | n.m. |
| **Net profit** | **(71.9)** | **(44.9)** | **-37.6%** |
| Loans and advances to customers | 2,096.6 | 1,737.1 | -17.1% |
| *Of which: NPL purchased (Revalea)* | 409.0 | 256.2 | -37.4% |
| Banking book securities | 5,852.5 | 6,963.3 | 19.0% |
| RWAs | 3,595.7 | 3,269.1 | -9.1% |
| No. of staff | 820 | 840 | 2.4% |

## 12. Statement of comprehensive income

| | | 6 mths | 6 mths |
|---|---|---|---|
| | | 31/12/2021 | 31/12/2022 |
| **10.** | **Gain (loss) for the period** | **526.0** | **557.2** |
| | **Other income items net of tax without passing through profit and loss** | **28.8** | **92.6** |
| 20. | Equity instruments designated at fair value through other comprehensive income | 17.8 | 20.9 |
| 30. | Financial liabilities designated at fair value through profit or loss (own creditworthiness changes) | (0.2) | (7.5) |
| 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 | (1.4) | 0.7 |
| 80. | Non-current assets and disposal groups classified as held for sale | — | — |
| 90. | Portion of valuation reserves from investments valued at equity method | 12.6 | 78.5 |
| | **Other income items net of tax passing through profit and loss** | **(1.2)** | **(1,074.7)** |
| 100. | Foreign investment hedges | (6.5) | (1.3) |
| 110. | Exchange rate differences | 6.0 | (2.4) |
| 120. | Cash flow hedges | 27.3 | 132.4 |
| 130. | Hedging instruments (non-designated items) | — | — |
| 140. | Financial assets (different from equity instruments) at fair value through other comprehensive Income | (16.3) | (14.9) |
| 150. | Non-current assets and disposal groups classified as held for sale | — | — |
| 160. | Part of valuation reserves from investments valued at equity method | (11.7) | (1,188.6) |
| **170.** | **Total other income items net of tax** | **27.6** | **(982.2)** |
| **180.** | **Comprehensive income (Item 10+170)** | **553.6** | **(425.0)** |
| 190. | Minority interest in consolidated comprehensive income | **0.5** | **2.6** |
| **200.** | **Consolidated comprehensive inc. attributable to Mediobanca S.p.A.** | **553.1** | **(427.6)** |

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

| Mediobanca S.p.A. (€m) | 6 mths 31/12/2021 | 6 mths 31/12/2022 | Chg.% |
|---|---|---|---|
| Net interest income | 54.2 | 121.0 | n.m. |
| Net treasury income | 96.4 | 155.6 | 61.4% |
| Net fee and commission income | 166.9 | 200.5 | 20.1% |
| Dividends on investments | 93.2 | 117.4 | 26.0% |
| **Total income** | **410.7** | **594.5** | **44.8%** |
| Labour costs | (126.9) | (147.3) | 16.1% |
| Administrative expenses | (88.4) | (94.3) | 6.7% |
| **Operating costs** | **(215.3)** | **(241.6)** | **12.2%** |
| Loan loss provisions | 29.0 | (35.5) | n.m. |
| Provisions for other financial assets | (2.3) | (20.5) | n.m. |
| Impairment on investments | (0.9) | — | n.m. |
| Other income (losses) | (15.6) | (0.8) | -94.9% |
| **Profit before tax** | **205.6** | **296.1** | **44.0%** |
| Income tax for the period | (55.0) | (66.0) | 20.0% |
| **Net profit** | **150.6** | **230.1** | **52.8%** |

| Mediobanca S.p.A. (€m) | 31/12/21 | 30/06/2022 | 31/12/2022 |
|---|---|---|---|
| **Assets** | | | |
| Financial assets held for trading | 12,137.6 | 10,160.3 | 9,801.1 |
| Treasury financial assets | 12,982.0 | 14,038.6 | 18,163.6 |
| Banking book securities | 9,434.8 | 10,072.6 | 9,727.2 |
| Customer loans | 39,686.0 | 39,955.0 | 42,628.8 |
| Equity Investments | 4,621.4 | 4,645.3 | 4,656.8 |
| Tangible and intangible assets | 166.8 | 169.4 | 170.4 |
| Other assets | 624.3 | 624.4 | 632.0 |
| **Total assets** | **79,652.9** | **79,665.6** | **85,779.9** |
| **Liabilities and net equity** | | | |
| Funding | 55,249.5 | 55,408.6 | 58,119.8 |
| Treasury financial liabilities | 8,877.8 | 6,994.1 | 9,218.4 |
| Financial liabilities held for trading | 9,541.3 | 10,026.5 | 10,858.2 |
| Other liabilities | 882.2 | 2,053.7 | 2,798.4 |
| Provisions | 128.6 | 119.9 | 117.8 |
| Net equity | 4,822.9 | 4,549.7 | 4,437.2 |
| Profit of the period | 150.6 | 513.1 | 230.1 |
| **Total liabilities and net equity** | **79,652.9** | **79,665.6** | **85,779.9** |

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

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