teleborsa

Informazione Regolamentata n. 0187-63-2024	Data/Ora Inizio Diffusione 12 Novembre 2024 07:00:30	Euronext Milan

Societa'	:	MEDIOBANCA
Identificativo Informazione Regolamentata	:	197989
Utenza - Referente	:	MEDIOBANCAN08 - Tassone
Tipologia	:	1.2
Data/Ora Ricezione	:	12 Novembre 2024 07:00:30
Data/Ora Inizio Diffusione	:	12 Novembre 2024 07:00:30
Oggetto	:	Mediobanca BoD - Results for 3M ended 30 September 2024 approved

Testo del comunicato

Vedi allegato

MEDIOBANCA

MEDIOBANCA BOARD OF DIRECTORS' MEETING

Results for 3M ended 30 September 2024 approved.

Milan, 11 November 2024

MEDIOBANCA

POSITIVE START TO FY 2024-25
NET PROFIT €330M
INVESTMENTS FOR GROWTH ACCELERATED

OUTSTANDING COMMERCIAL RESULTS ACHIEVED IN THE SUMMER QUARTER

NNM of €2.6bn in WM
(10% of TFAs on an annualized basis, at best sector levels and up 2x YoY[1])
€2.1bn in new loans in CF (up 12%[1]), solid pipeline in CIB
(revenues up 30%,[1] 27 deals announced in 3M, up 36%[2])

ALL BANKING BUSINESSES POSTED GROWTH IN TOP AND BOTTOM LINES

Group revenues totalled €865m, with solid growth in banking businesses:
WM up 5%[1] (to €228m), **CIB up 30%[1]** (to €183m), **and CF up 8%[1]** (to €310m)
INS normalized at €115m (down 20%[1])

Net profit growing: WM up 6%[1] (to €53m), **CIB 19%[1]** (to €57m), **CF 5%[1]** (to €102m)

Fee income up 29%[1] (to ~€230m), **driven by WM (up 15%[1]) and CIB (up 26%[2])**

Significant growth in NII in Consumer Finance (up 8%,[1] up 4% QoQ), **confirmed as growth driver for NII at Group level**

Temporary decrease in Group NII (down 2%[1] to €485m), due to targeted actions to promote recurring future growth (NNM €2.6bn, with promotional campaign for deposits aimed at future conversion), **with spreads at their lowest ever levels in corporate/mortgages.**

Efficiency maintained (cost/income ratio ~43%) despite ongoing investments
33 hirings in WM, new CIB mid cap branch office in Frankfurt, digital channels enhanced in CF

Asset quality solid: CoR 51 bps, only €7m in overlays used (~€215m remaining)

Net profit €330m; 3M EPS €0.40; ROTE ~13%

HIGH CAPITAL GENERATION AND SHAREHOLDER REMUNERATION

70 bps capital generated in 3M, with CET1 ratio 15.4%[3] (up 20 bps QoQ)
RWAs down to €47bn (down 1% QoQ)
Distribution: 70% cash payout, €385m share buyback[4] launched on 12/11/24

---

[1] YoY chg: 3M to end-September 2024 vs 3M to end-September 2023.
[2] YoY on a like-for-like basis (Group: excluding Arma Partners and Revalea; CIB perimeter: excluding Arma Partners).
[3] CET1 Fully Loaded, pro forma, considering the Danish Compromise as permanent (benefit of ~100 bps) and including retained earnings for the quarter (~25 bps, including the indirect effects of the Assicurazioni Generali investment deduction) (not subject to authorization pursuant to Article 26 of the CRR) net of the dividend payout of 70%.
[4] Share buyback programme approved by shareholders at the Annual General Meeting held on 28 October 2024 and the ECB on 7 October 2024.

FY 24-25 GROUP GUIDANCE

Growth in TFAs with €9-10bn of NNM p.a. with strong enhancement of physical and digital platform

RWAs decreasing slightly with selective profitable loans growth offset by optimization

Moderate growth in banking business revenues with fees up low double-digit in WM and CIB

C/I ratio at 44% on annual basis with continuous investments in growth managed efficiently

CoR ratio at ~55bps in part by leveraging overlays

Growth in EPS: up 6/8%[1;5]

Material capital generation and CET1 in 15.5%-16% range[6]

Growth in shareholders' remuneration: cash payout ratio @70% + share buyback[7]

WEALTH MANAGEMENT

Major growth opportunities facilitated by unique and distinctive positioning

The growth of Mediobanca Wealth Management is facilitated by the Bank's distinctive positioning in Italy as a Private & Investment Bank, an especially differentiating feature now that the economic cycle is favouring liquidity events originated by Investment Banking. The division's growth will outperform the system, on the back of the enhanced product offering within the Mediobanca ecosystem plus the continued strengthening of the network, which already ranked first in Italy measured by productivity ratios.

In 3M:

33 new bankers/FAs added, with PIB model developed effectively (€0.6bn in NNM collected from liquidity events). Promotions on deposits for future conversion

Private Markets platform continues to expand

TFAs up 16%[1] to €103bn, with €2.6bn in NNM representing best sector levels, and a market share of approx.10% in the Premier segment

Mix improving, helped by interest rates decreasing in the coming quarters

Revenues up 5%[1] to €228m, fee income €124m (up 15%[1]), and net profit up 6%[1] to ~€53m

RORWA up 10bps to 3.6%

---

[5] Including the cancellation of approx. 80% of the shares to be acquired as part of the €385m buyback to be implemented in FY 24-25.
[6] Including the 70% dividend payout ratio and prior to additional share buybacks which will be disclosed annually.
[7] Approved by ECB and AGM 2024 by €385m, starting on 12 Nov, 2024

MEDIOBANCA

CORPORATE & INVESTMENT BANKING

Increasingly diversified and profitable

European platform: capital-light, fee-driven, synergic with WM development

Growth in CIB is favoured by the reduction in interest rates that has already started, plus the significant recovery in corporate activity. In this macro scenario, Mediobanca has a competitive advantage which derives from its traditional leadership position in Italy, France and Spain, its strong links in the mid-corporate segment (which forms the backbone of the Italian capitalist system) and the growing business being carried on in synergy with WM. As the new initiatives disclosed in the 2023-26 Strategic Plan progressively come into operation, and as the capital allocated continues to be optimized (having already been reduced by more than 25% to one-third of the Group total), the business's profitability continues to grow, with the RORWA now increased to 1.5%.

In 3M:

Recovery in IB confirmed (27 deals announced in 1Q FY 2024-25, up 36% YoY[8]), **to be supported in the coming months also by the reduction in interest rates**

Strong leadership position in tech/digital advisory with Arma Partners, strong business levels in Energy & Transition, new mid cap branch in Frankfurt, and BTP specialist activity started

Revenues up 30%[1] to €183m, advisory component rising to 63% of fees; down 19% QoQ due to seasonal factors and several deals closed in 4Q FY 2023-24

RWAs down 18%[1] (€14.2bn), down 4% in 3M, reduction expected with CRR III (down €1.5bn with new LGD parameter in force from January 2025)

Net profit up 19%[1] to €57m, RORWA up 50 bps to 1.5%

CONSUMER FINANCE

With business and margins growing, CF has confirmed its position as driver of growth in NII at Group level

Mediobanca, through Compass, is one of the market leaders in consumer credit in Italy, a business which has appealing growth rates due to the demographical and behavioural changes being manifested by Italians. In a scenario where interest rates are declining, loan book turnover (fixed rate) enables increasing average yields, which in turn benefits NII. Against this backdrop, Compass has a competitive advantage due to its leadership position in digital/BNPL channels, plus 80% of its new business (personal loans)

---

[8] On a like-for-like basis.

being generated through the proprietary network and having developed sophisticated pricing and scoring systems in over 60 years of business, across all economic cycles.

In 3M:

Record new loans of €2.1bn, with a focus on personal loans through direct distribution (~80%), digital channels (~36%), and growth in BNPL (29K active merchants)

Total revenues and NII up 8%[1] with margins growing, and yields resilient in the coming quarters, against a backdrop of reducing interest rates

CoR 178 bps, with overlays high (€167m) growth due to different mix and to normalization at pre-Covid levels

Net profit at a record high level of ~€102m (up 5%[1])

RORWA up 10 bps to 2.8%

INSURANCE

High contribution decorrelated from other businesses

The Group's investment in Assicurazioni Generali makes a positive contribution because of the stability and visibility of the company's earnings; the high return on the investment is also boosted by the favourable treatment introduced by the Danish Compromise.

In 3M:

Revenues down 20%[1] to €115m and net profit down 11% to €121m due to contribution from AG investment normalizing

RORWA at 3.2%

****

With Renato PAGLIARO in the Chair, the Directors of Mediobanca approved the consolidated financial statements for the three months ended 30 September 2024, as illustrated by Chief Executive Officer Alberto NAGEL and Group General Manager Francesco Saverio Vinci.

Alberto Nagel, CEO of Mediobanca, said: "*After posting its best-ever set of results in the last financial year, in 1Q FY 2024-25 Mediobanca has* ***repeated the growth at all of its divisions****, consolidating* ***the main initiatives launched in the 2023-26 Strategic Plan. The priority for this financial year is to strongly enhance the distribution platforms, both physical and digital, enabling robust and sustainable revenue growth by all businesses even beyond the time horizon covered by the Strategic Plan, despite the different macro scenario.*** *Mediobanca is ready to take the opportunities that arise in the coming months, helped by a favourable positioning in a declining interest rate scenario, and addressing the volatility by means of its customary prudent risk management*".

Consolidated results

The Group posted healthy results for the first quarter of the new financial year, **delivering a net profit of €330m, on revenues of €864.6m, with the cost/income ratio below 43% and the cost of risk low at 51 bps. ROTE stood at 13% (down 1pp), and RORWA at 2.7% (down 10 bps YoY), a slight reduction due to the contribution from Assicurazioni Generali normalizing.**

Highlights for the three months were as follows:

- **The commercial performance was robust** – despite the three months being impacted by seasonal factors – **and geared towards increasingly selective growth in assets, driven by value and lower capital absorption;**

  - **TFAs climbed by 16% YoY with an additional €14bn to reach €103.2bn** (up €3.7bn QoQ), driven by NNM at best sector levels (€2.6bn in 3M), with AUM/AUA totalling €75bn (up 22% YoY, up 5% QoQ). During the three months inflows of approx. **€0.6bn generated from liquidity events** were recorded, and **NNM mix improved, with 50% now in the form of AUM**;

  - **New loans in consumer credit reached a record level in the summer months of €2.1bn**, 80% of which deriving from direct new business and higher spreads on lending;

  - **Investment banking activity remains buoyant,** with a 36% YoY increase in the number of deals announced in both the Large and Mid-Corporate segments, with the latter extending its footprint outside the domestic market with the opening of the branch office in Frankfurt;

  - **Risk-weighted assets (RWAs) reduced by approx. €3bn in 12M** (to €47.4bn, down 6% YoY and down 1% QoQ), **due to the increasingly selective trend in lending, which in the last quarter was still subdued in CIB and mortgage lending, due to the reduced demand and to loan spreads being near their lowest ever levels.** The Group's risk density (RWAs/total assets) declined from 53.2% to 48.2%, while the same indicator for CIB decreased from 54.3% to 37.4%. In 1Q RWAs also benefited by approx. €200m due to recalibration of the consumer credit models.

- **Consolidated revenues were stable compared to last year, at €864.6m, on double-digit growth of 29% in fee income**, which offset the reduction in trading income and the contribution from Assicurazioni Generali; the QoQ reduction (4Q FY 2023-24: €978.6m) was largely attributable to seasonal factors affecting CIB and the performance of Assicurazioni Generali; the main income items performed as follows:

  - **Net interest income remains solid at €485m**, despite being slightly lower than in previous quarters (down €7.4m QoQ, down €10.7m YoY), reflecting the reduction in interest rates (Euribor 3M: down 67 bps vs twelve months previously) and the rise in the cost of funding (2.52%; up 25 bps YoY; flat QoQ; 1.93% of which in Wealth Management deposits; up 52 bps YoY; up 9bps QoQ) due to full repayment of the T-LTRO and the promotions on deposits, which affected Treasury management in particular. On the asset side, there was an improved contribution from Consumer Finance and the banking book; while the contribution from CIB was lower than twelve months previously, hampered by the lower average balances in the Large Corporate segment, despite the stock recovering towards the end of the period. In further detail: NII in Consumer Finance continued to grow (€274.8m; up 8.4% YoY; up 3.5% QoQ); conversely, the growth in Wealth Management slowed (NII: €101.9m; down 4.9% YoY; down 3% QoQ), and also in CIB (€71.9m; down 4.5% YoY; down 2.6% QoQ); while the contribution from Treasury management halved (€21.3m), in part due to the increase in the cost of funding in WM as described above, and also to financing increased operations in client equity trading not included in the scope of NII;

- **Net fee and commission income totalled €231.2m,** higher than twelve months previously due to the addition of Arma Partners (€23.4m); the growth is **double-digit even on a like-for-like basis (up 19%[2] YoY)** and despite the seasonal factors impacting on the deal closing in CIB and the trend in upfront and banking fees in WM. By division: Wealth Management (which accounts for 53.8% of the Group's total) continues to post growth in fee income (€124.4m; up 14.9% YoY; down 1.3% QoQ), with ongoing increases in management fees (€92m; up 9% YoY; up 2% QoQ), upfront fees (€20m, up 10% YoY, down 25% QoQ), and banking fees (€25m; up 11% YoY, down 13% QoQ); compared to last year there were also €1.8m in performance fees from Polus Capital funds and €4.4m in non-recurring income related to gains realized on private market operations. Fees earned from Corporate and Investment Banking operations rose to €83.7m (up 26% YoY like-for-like; down 38% QoQ), on a growing contribution from the Debt Division (up from €17m to €21m) and from Investment Banking (net of Arma Partners) totalling €32.5m (up 37% YoY, down 43% QoQ following the record number of deals recorded in 4Q last year). Fee income from Consumer Finance totalled €34.8m (up 6.7% YoY; down 0.6% QoQ), with approx. €5m generated from the activities of HeyLight (BNPL);

- **Net treasury income totalled €39.2m:** the reduction compared to last year (€47.5m) is primarily attributable to proxy hedging activity for the banking book portfolios by the Holding Functions division (which decreased from €21m to €2.3m), the contribution from which reflects the declining interest rates and credit spreads (the 10Y BTP spread decreased from 194 bps to 130 bps), which conversely generated a significant improvement in the valuation reserves (the HTC&S OCI reserve went from minus €9.2m to plus €63m), only a minimal part of which was taken through the profit and loss account (€6.3m); the gap is decidedly smaller than in 4Q FY 2023-24 (€5.9m). Revenues from client trading by the Markets Division increased from €12.9m to €22m (versus €11.6m in 4Q last year), in the Equity trading segment in particular (which rose from €9.2m to €22.8m, near to the level recorded three months previously). Dividends and other income in the Insurance-PI division increased from €4.1m to €7.4m;

- **The contribution from Assicurazioni Generali, accounted for using the equity method, totalled €105.4m;** the reduction compared to last year (€138.4m) reflects the lower non-operating results (gains on disposal and fair value adjustments, which were especially favourable in the same period last year), plus, at the operational level, the reduction in the profit reported by the Non-Life segment, while the results of the Life and Asset & Wealth Management segments remained positive.

- **Efficiency has been preserved, with a cost/income ratio which despite rising slightly, was 43%,** even including the significant investments made in distribution, innovation and the ongoing enhancement of the Group's IT systems and security measures. **Operating costs rose to €369m,** reflecting, on the one hand, the changes in the scope of consolidation in CIB (with the addition of Arma Partners adding €10.3m, €7.6m of which were labour costs; and the opening of the Frankfurt branch office, which added €3m, and on the other, benefiting from the sale of Revalea (€4.4m); on a like-for-like basis the increase would have been 5% and is attributable to the various businesses' development. Labour costs totalled €200.1m, reflecting: an increase in staff numbers of approx. 230 compared to twelve months previously (roughly 100 of whom attributable to Arma Partners and the Frankfurt branch office), plus the impact of the national labour contract renewal (in force since December 2023), and the one-time effects on joining bonuses and indemnities (approx. €5m, split between CIB and WM). The increase in administrative expenses was lower, up 2.9% YoY, focused on business digitalization and work to enhance technological and security resilience (data processing costs up 9.4% YoY); the expanded operations also generated a rise in info-provider costs (up 14.8%) and in travel and entertainment expenses (up 28%). By individual division: total costs in Wealth Management amounted to €151.2m (up 5.7% YoY; down 3.6% QoQ); in Corporate and Investment Banking to €93.6m (up 6% YoY, net of Arma Partners and Frankfurt; down 17.5% QoQ); in Consumer Finance to €90.1m (up 8.6% YoY; down 8.2% QoQ), with a higher percentage accounted for by credit recovery expenses (€15.4m; up 6% YoY); and in Holding Functions to €37.7m.

- **Loan loss provisions totalled €67.2m**, which translates to a cost of risk of 51 bps; the amount reflects the contribution of Consumer Finance (€67.9m; €8m higher than twelve months previously), equating to a CoR of 178 bps, now back to pre-Covid levels (199 bps adjusted for the overlays), and reflecting the acceleration in direct personal loans, both at the level of loan stock and new business. The contributions from the other loan books has been more or less wiped out entirely, as the balance between the provisions taken in Wealth Management (which decreased sharply, from €3m to €0.8m) and the writebacks credited in both Corporate and Investment Banking (€1.2m) and Leasing (€0.3m). The stock of Group overlays stands at €215m, with only a limited change in 3M (€7m).
- **Net profit totalled €330m** (down 6.1% YoY and up 0.8% QoQ), with **3M EPS €0.40 (down 4.2% YoY, up 0.8% QoQ), ROTE adj. 13% (down 1pp YoY)**, and **RORWA adj. 2.7%** (down 10 bps YoY), including:
    - Upward adjustments to banking book portfolio holdings in investment funds, to align them with their current fair value (adding €12.1m);
    - Non-recurring charges of €2.3m, split equally between CIB and WM.

* * *

On the balance-sheet side, **total assets decreased from €99.2bn to €98.2bn,** with the main items reflecting the following performances:

- **Customer loans decreased from €52.4bn to €52bn,** with a reduced contribution from Corporate and Investment Banking (down from €19bn to €18.4bn), which reflects a reduction in factoring business (from €3bn to €2bn) due to the slowdown in the automotive sector, in part offset by the recovery in the Large Corporate segment (from €16bn to €16.4bn), which, however, was concentrated entirely towards the end of the period under review (the average balance for the three months was €16.1bn). Consumer Finance confirmed its upward trend, with customer loans growing by 1% (from €15.2bn to €15.3bn), while the Wealth Management loan stock remained stable at €16.9bn (€12.6bn of which attributable to Mediobanca Premier), as did that of Leasing (€1.2bn);

- **New loans in Consumer Finance in 3M totalled €2.1bn (up 11.7% YoY), with all products performing positively: personal loans** (up 10.8%, from €887.8m to €983.7m), automotive finance (up 4.7%, from €330.1m to €345.7m), and special purpose loans (up 3%, from €263.1m to €271m); while new business in BNPL were almost twice as high (up from €77.4m to €136.7m). New loans in Lending and Structured Finance rose to €1.5bn (against repayments totalling €1.3bn), while turnover in factoring business came in at just under €2bn (down 27.1%). In WM, new Mediobanca Premier mortgages increased from €192m to €287m, and new Lombard loans worth approx. €90m were also recorded;

- **Gross NPLs** stood at €1,388.8m (up €52.1m in 3M) and **account for 2.6% of total loans, with a coverage ratio of 69%.** The share attributable to Consumer Finance, which rose to €1,036.1m (a rise of €58.1m; up 5.9%), reflects the absence of the stock sales that are due to take place by the year-end; gross NPLs in Corporate and Investment Banking totalled €53.5m (an increase of €2.3m), and in Wealth Management €222.7m, €153.3m of which attributable to Mediobanca Premier (down €2.3m), while in Leasing they declined to €76.6m (down €3.2m);

- **Stage 2 positions decreased** from €2,721.7m to €2,710.1m, a reduction of €11.6m: Corporate and Investment Banking reported positions of €280.8m (down €8.1m); Consumer Finance of €1,553.5m (down €7.6m); and Wealth Management of €790.5m (stable);

- **Banking book securities rose** from €11.3bn to €12.1bn (€4.6bn of which in the HTC portfolio, and €7.4bn of which in the HTC&S portfolio), and include an approx. €1bn increase in Italian government securities of the same duration as the HTC&S portfolio (which is low at around 2 years). The good performances in terms of interest rates and spreads are reflected in the OCI reserve, which increased from minus €9.2m to plus €63m, and in the valuation of the Hold-to-Collect portfolio, which at end-September 2024 reflected unrealized gains of €13.3m (compared with unrealized losses of minus €44.2m at end-June 2024);

- **Net treasury assets decreased** to €4.8bn, a reduction of €1.7bn, closely related to the deposits held with the ECB (which are now just below €1bn) after the T-LTRO was repaid. The other items remained largely stable: cash and bank deposits totalled €1.3bn; deposits payable amounted to €3.1bn; and net balances of financial instruments totalled €5.6bn (down €292.1m);

- **Total funding decreased** to €62.1bn (a reduction of €1.6bn) after the T-LTRO was repaid in full (accounting for €1.3bn), and with less use of the interbank channel (down from €6.8bn to €6.5bn); the higher deposits in Wealth Management (which rose from €27.9bn to €28.2bn) reflect the strong commercial activity carried out in order to build up fee income in the future: the Mediobanca Premier promotion (€750m at 4%) and liquidity events (approx. €400m in deposits and approx. €200m in other assets) during the three months. The debt securities stock remained effectively stable at €27.4bn, with virtually all issues falling due being renewed (€1.1bn, vs €1.3bn), at a low cost (approx. 75 bps); in particular the covered bond was renewed (for €750m), with a new seven-year deal for the same amount at 3%;

- **Total Financial Assets (TFAs) increased to €103.2bn** (up 15.8% YoY; up 3.7% QoQ), with significant growth in AUM/AUA in the three months (from €71.5bn to €75bn), €45.5bn of which were AUM (up €2.2bn in 3M; €5.8bn higher than twelve months ago). In Private Banking TFAs totalled €46.1bn (up 2.7% in 3M, with NNM of some €950m); in Premier Banking €43.4bn (up 3.7%, with NNM of €1.1bn), and in Asset Management €29.9bn (up 5.9%; NNM of some €550m, €500m of which attributable to Polus Capital, which in the period under review issued CLO XVIII in Europe for a total of €400m), €16.2bn of which placed by the Group networks. The stock of deposits amounted to €28.2bn, €17.5bn attributable to Mediobanca Premier (up €635m), €5.6m to Mediobanca Private Banking (down €315m), and €5m to CMB Monaco;

- **Capital ratios (CET1: 15.4%;[3] Total capital: 17.9%),** confirming the high buffers relative to the Maximum Distributable Amount (buffer of approx. 500 bps)[9] and the Overall Capital Requirement[10] of 8.25%:

  - **The CET1 ratio rose during the three months, from 15.2% to 15.4%,** due to retained earnings (which added 20 bps), while the higher deductions for the Assicurazioni Generali

---

[9] Maximum Distributable Amount (MDA): minimum level of CET1 required, which includes the shortfall on AT1 and Tier 2 capital. Buffer calculated relative to the Corep CET1 ratio (15.2%) without including earnings generated in 3Q FY 2024-25.

[10] The Overall Capital Requirement for CET1 includes 56.25% of the P2R requirement updated following the most recent SREP (1.75%), the Conservation Capital Buffer (2.50%), the Counter-Cyclical Buffer as of 30 June 2024 (0.15%), and the new O-SII requirement introduced for Mediobanca starting from 2024 equal to 0.125% (as from 2025, fully loaded, this will rise to 0.25%). The requirements do not include the new system risk buffer recently introduced by the Bank of Italy, of 1% by end-June 2025 (phase-in 0.5% by end-December 2024).

investment (which accounted for 20 bps) were absorbed by the recovery in the FVOCI reserves (adding 10 bps) and by other effects, which include the sale of treasury shares to make the deferred pro rata payment for Arma Partners (adding approx. 5 bps) and the reduction in RWAs at Group level (to €47.4bn), due to the reduction in Consumer Finance (of approx. €200m, due to the recalibration of the AIRB models), with an overall neutral contribution from the other divisions;

- **The total capital ratio remained stable at 17.9%.** The leverage ratio remained stable at 7.2%, still well above the 3% minimum requirement; the MREL indicator too, i.e. 42% of RWAs and 19.7% of LREs, is above the minimum requirements set for 2024, which were 23.57% of RWAs and 5.91% of LREs;

- Today **Mediobanca has launched the €385m share buyback programme** approved by the European Central Bank on 7 October and by shareholders in Annual General Meeting on 28 October 2024. The programme will be completed by end-June 2025, and will entail the cancellation of 80% of the treasury shares acquired through the buyback.

Divisional results

1. **Wealth Management:[11] excellent commercial results despite seasonal factors affecting the summer quarter, with NNM (€2.6bn) at best sector levels and improvement in the mix (€1.3bn of AUM). Revenues up 5% and net profit up 6% YoY, driven by double-digit growth in fees, with TFAs increasing to over €100bn (up 16% YoY). RORWA high at 3.6%.**

The division posted a net profit of €53m for 1Q FY 2024-25 (up 6.4% YoY and up 4.3% QoQ), **on revenues totalling €228.4m** (up 4.9% YoY; down 2.2% QoQ) driven by higher fees (up 14.9% YoY; down 1.3% QoQ), with the cost/income ratio stable at 66%, and the cost of risk declining to 2 bps. **RORWA remained high at 3.6%.** Despite the seasonal factors affecting the summer quarter, the division posted impressive commercial results, with **NNM up 2x YoY to €2.6bn (10% of TFAs on an annualized basis), at highest sector levels, with a market share of around 10%.**[12]

During the three months, **the division has confirmed its distinctive positioning in Private and Investment Banking, enhanced its franchise in the higher client brackets in particular, accelerating recruitment of senior commercial figures, and adapted its operating structure to the expanded product offering in order to support future growth and profitability.** This has been done to continue implementing the strategic pathway envisaged by the 2023-26 Strategic Plan “One Brand-One Culture”:

- **Net New Money (NNM) totalled €2.6bn and reflects a significant improvement in the mix** (with €1.3bn in AUM and €1.1bn in AUA) **and a major share accounted for by inhouse products** (approx. 50% of the network's inflows). Deposit inflows totalled €0.2bn, driven by the **promotional campaign** launched by Mediobanca Premier during the three months under review with the aim of gathering funds (€750m were collected at 4%) **to support growth and future conversion;**

---

[11] Includes the Premier Banking segment (Mediobanca Premier), Private Banking (MBPB, CMB), Asset Management (MB SGR and MB Management Company, Polus Capital, and RAM AI), plus the activities of Spafid.

[12] In the same period (July-September 2024) Intesa Sanpaolo Private Banking gathered NNM of €2.8bn, Azimut of €2.5bn, Fineco of €1.9bn, Banca Mediolanum of €1.5bn and Banca Generali of €1.1 bn. NNM market share for the period from January 2024 to September 2024, approx. 9% including Fideuram Intesa Sanpaolo Private Banking, approx.11% excluding Fideuram Intesa Sanpaolo Private Banking.

- **The distribution structure has been expanded, with the recruitment of 30 new professionals in Mediobanca Premier (23 FAs and seven bankers) with large-sized portfolios, and three senior bankers in Mediobanca Private Banking.** Overall, in Premier Banking since end-June 2023: **the number of senior commercial staff, now responsible for approx. 42% of TFAs (compared with 34% at 30/6/23), has increased by more than 90 (60% bankers and 40% FAs). The number of Private Banking clients (assets >€500K) has increased by 4,000, while the mass market segment has reduced by 42K.** Throughout the WM Division, the programme for developing talented young staff as part of a dedicated programme has also continued. As at end-September 2024, the network consisted of 1,321 professionals (up 71 YoY; up 15 QoQ), 158 of whom in Private Banking (up 4 YoY) and 1,163 in Premier Banking, split between bankers (534, up 11 YoY) and FAs (629, up 56 YoY), working out of 100 branch offices and 109 points of sale;

- **Implementation of the Private Investment Banking model has been enhanced,** with approx. €0.6bn in liquidity events intercepted in 3M, €0.4bn of which in conjunction with CIB;

- In Asset Management, in September 2024 **Polus Capital entered into a partnership with Adia,** a company owned by the Abu Dhabi Investment Authority, which made a major commitment to the Special Situations strategy that will take Polus's TFAs[13] to approximately $11bn, $5bn of which in the Special Situations strategy;

The commercial initiatives developed in the course of the three months include the following:

- **Mediobanca Private Banking has continued to enhance its Private Markets offering,** with NNM of approx. €40m in the three months. **The new Partners Group Global Value fund has been launched**, to complement the other evergreen initiatives entered into with Apollo and KKR in recent quarters. **The placement of two closed-end funds launched at the end of last year in collaboration with Investindustrial and UBS Asset Management** in the international real estate sector has continued. Regarding club deals with high potential Italian SMEs as their target, **the second investment in the TEC 2 programme is underway,** in the media/entertainment sector. As for structured products, **certificates activity continued during the three months, with approx. €500m sold, leveraging strong synergies with the CIB Division.**

- **Mediobanca Premier has continued its repositioning versus a more sophisticated client base.** In this connection, a partnership has been launched with the activities of Mediobanca Research and Area Studi Mediobanca with a view to offering a one-stop-shop service. As for **investment products, securities worth a total amount of €144m have been placed**, almost €38m of which in certificates, and €46m in Group bonds. The **placement of delegated management funds in partnership with leading international asset managers** has continued (Mediobanca Morgan Stanley Step In Global Balanced ESG Allocation, Mediobanca Fidelity World Fund, Mediobanca MFS Prudent Capital, Mediobanca Nordea World Climate Engagement, Mediobanca Pictet New Consumer Trend, Mediobanca Schroders Diversified Income Bond), **for a total of €112m. Two new Target Maturity bond funds have also been placed:** MB Selezione Cedola Italia 2030 (for a total of €61m) and MB Credit Opportunities 2030 (€17m).

- In **Asset Management**, Polus Capital, in addition to the partnership with Adia referred to above, has consolidated its growth in AUM which now total €9bn, following the closure of CLO XVIII which raised a total of approx. €410m, and the US platform has priced its first deal, with closing finalized on 23 October 2024 for approx. €370m. RAM AI has continued with its turnaround process, focusing on its core businesses, which has resulted in some good market performances.

---

[13] Including the commitment.

Assets managed on behalf of clients (TFAs) totalled €103.2bn (€14bn higher than one year ago, and €3.7bn higher than three months ago), reflecting a market effect of €1.2bn which helped to increase the stock of AUM/AUA (from €71.5bn to €75bn); AUM totalled €45.5bn (up 14.6% YoY and up 5.1% QoQ). Private Banking reported TFAs of €46.1bn (up 17.2% YoY and up 2.7% QoQ), AUM/AUA of €35.4bn (up 24.7% YoY and 4.7% QoQ), and deposits of €10.6bn (with a reduction of €394m QoQ), while Mediobanca Premier reported TFAs of €43.4bn (up 15.5% YoY and up 3.7% QoQ), AUM/AUA of €25.8bn (up 23.7% YoY and up 3.6% QoQ) and €17.5bn in deposits (up €635m in 3M). TFAs in Asset Management increased to €29.9bn (up 13.4% YoY and up 5.9% QoQ), €16.2bn of which placed internally within the Group.

The division's revenues grew from €217.8m to €228.4m (up 4.9% YoY), slightly lower than in 4Q FY 2023-24 (down 2.2%) due to the customary seasonal factors. The main income items reflect the following performances:

- **Net interest income totalled €101.9m (down 4.9% YoY)**, due to the lower yields on loans in line with the decline in market interest rates, only in part offset by the higher volumes; in particular, NII contributed by Private Banking decreased from €39.5m to €34.2m (down 13.4% YoY; down 6.3% QoQ); while the NII earned by Premier Banking was flat versus last year at €67.7m (down 1.2% QoQ); the increase in the cost of client funding was absorbed by the intercompany position managed with the Treasury department;

- **Net fee and commission income grew from €108.3m to €124.4m (up 14.9% YoY; down 1.3% QoQ),** with the management fee component rising (from €84m to €92m; up 9% YoY; up 2.5% QoQ), which were boosted by the growth in average assets; upfront fees were also higher than last year (up from €18m to €20m; up 10% YoY), as were banking fees, which rose by 11% YoY from €22m to €25m, but which QoQ were impacted by the seasonality effect (in 4Q last year the two components totalled €26.5m and €28m respectively); there were also €6.2m in performance fees (which last year were virtually non-existent). Private Banking continues to be the main contributor to net fees, generating fees of approx. €53m (up 23% YoY), while Premier Banking provided fees of €45m (up 9% YoY), and Asset Management of €24m (up 10% YoY).

Operating costs rose from €143.1m to €151.2m (up 5.7% YoY); labour costs rose to €81.2m (up 6.3% YoY), reflecting the increase in the headcount (with a net total of 57 more staff than twelve months ago) which regards Mediobanca Premier and CMB Monaco, the effects of the new national collective contract (in force since December 2023), and one-off recruitment costs. The increase in administrative expenses (from €66.7m to €70m, up 4.9% YoY; down 7.5% QoQ due to the summer break) was attributable in particular to the IT component, and to facility management costs.

Loan loss adjustments reduced to €0.8m (from €3m last year), bearing out the good asset quality, with the stock of overlays standing at €13.5m.

Customer loans totalled €16.9bn, largely unchanged since end-June 2024, with the mortgage loan share stable at €12.6bn, after new business recovered during the quarter (from €192m to €287m); the share attributable to Private Banking totalled €4.3bn (virtually unchanged), €2.9bn of which for CMB Monaco.

Gross NPLs totalled €222.7m (down €5m), and account for 1.3% of total loans (stable), €153.3m of which involved Mediobanca Premier mortgage loans and €55.4m involved CMB Monaco; the coverage ratio is 42.7%, which reduces the net stock to €127.5m (0.8% of net loans), €67.8m of which are Mediobanca Premier mortgage loans. Net bad loans total €25.5m, all of which involve mortgages granted by Mediobanca Premier.

2. **<u>Corporate & Investment Banking</u>: double-digit growth in revenues to €183m even excluding the contribution of Arma Partners (approx. €24m in 3M), driven in particular by the recovery in Investment Banking. The main initiatives launched last year are now fully operative (in particular the Energy Transition team, BTP specialist activity, and the new mid cap branch opened in Frankfurt). RoRWA increasing to 1.5%, following the growth in net profit to €57m and the reduction in RWAs (down 18% YoY).**

For 1Q FY 2024-25 the Corporate & Investment Banking Division reported **revenues of €183.4m, up 30% YoY,** reflecting the recovery in Investment Banking, now confirmed, plus the consolidation of Arma Partners (revenues up 13% like-for-like), and the increasingly selective trend in lending to support ROAC. The 19% QoQ reduction was due primarily to the high number of Advisory deals being closed in 4Q FY 2023-24. **A net profit of €56.9m was earned in the three months** (up 19% YoY, down 23.6% QoQ), **which, coupled with the strict control of RWAs, took RoRWA to 1.5%** (up 50 bps YoY).

The **growth path for the Corporate and Investment Banking division** outlined in the "One Brand-One Culture" Strategic Plan, based on which **it will become increasingly capital-light, international and synergistic with Wealth Management, is taking shape in concrete form with the new economic cycle** (which has seen a recovery in Advisory business, with interest rates reducing to the benefit of volumes) **and the new initiatives, many of which launched during the last financial year,** which are starting to generate revenues as from this one:

- **Arma Partners has confirmed its leadership position in the Digital/Tech segment,** with seven deals completed in three months (some of the most important of which include the acquisition of Zellis Group by Apax Partners, the acquisition of Copperleaf Technologies by IFS, and the acquisition of Isabel Group by Wolters Kluwer). Arma Partners has now been consolidated by the Mediobanca Group for twelve months, during which time it has generated approx. €90m in revenues (€23.7m in 1Q FY 2024-25);

- **The Mid-Cap platform**, already well established in Italy through its effective co-operation with Mediobanca Private Banking, **has been strengthened internationally as well, with the opening of the Frankfurt branch office at the start of this quarter**;

- **The dedicated Energy Transition team,** set up last year, continues to support clients in their energy transition strategies, with a **solid track record in Italy and Spain** (during the three months under review, the sale of a minority share in Enilive to KKR by Eni was announced);

- As from this quarter the **BTP specialist activity is fully operative,** after the relevant status was acquired in June 2024, with the Bank participating as specialist in 14 BTP auction sessions in which it brokered more than 4% of the total amount placed;

- **RWA discipline, coupled with optimization actions and the selective approach to lending, enabled an 18% reduction in RWAs YoY** (down 4% QoQ), with a further benefit expected from the reduction in the LGD starting from January 2025 when the new CRR III comes into force.

The European M&A market reported 32% growth in the volumes of announced deals in the first nine months of 2024 compared to the previous year. The upturn in business, driven by the expectations of a reduction in interest rates, even though the macroeconomic scenario continues to reflect several areas of uncertainty, has been fuelled primarily by large deal volumes, while the number of medium/small transactions has in fact decreased. The Italian market has seen the positive trend of 4Q FY 2023-24 continue, with announced deal volumes more than 2x higher than during the first nine months of 2023. The growth in the United Kingdom and Spain also outperformed the market, while the French and German markets recorded lower growth rates.

In this market scenario, **the Bank has confirmed its position as advisor of choice in Italy, taking part in the most important deals announced, and completing a total of forty deals over the course of the three months.**

Some of the main deals completed in Italy include KKR's acquisition of assets belonging to the TIM fixed-line network in the TMT sector, the public tender offer launched by S.G.G. Holding for SAES Getters ordinary shares in the Industrials sector, and various transactions in the Mid Cap sector, including the acquisition of Marval by Azzurra Capital, the acquisition of Vista Vision by Ardian, and the sale of Molino Nicoli to Clessidra. In the French market, Messier et Associés has participated in several of the largest deals in the Large Corporate segment, including the acquisition of 48% of the share capital of Santos Brasil by CMA CGM, plus the subsequent launch of a public tender offer for the remaining shares, in the infrastructure sector.

In **Equity Capital Markets,** investors continue to be highly selective with regard to IPOs in particular; against this backdrop, the Bank has taken part in the largest deal completed on the domestic market, acting as Joint Global Co-ordinator in the rights issue launched by Fincantieri.

In **Debt Capital Markets**, the Bank has played a leading role in the placement of new Green, Social and Sustainability-Linked bonds, including a €500m Green Bond issued by Iren, an €850m Green Bond issued by Energías De Portugal, a €750m Social Bond issued by Banca Monte dei Paschi di Siena, a Sustainability-Linked Bond issued by Mundys, plus the first Green Bond issued by AGSM AIM. At the same time, Mediobanca has taken part of some of the largest senior and subordinated bond issues in the quarter, both in Italy (including Assicurazioni Generali, CDP Reti, BPER, Banca Sella and Leasys), and in some of its other core markets as well (including Swisscom, Commerzbank, and Criteria Caixa).

In **Lending**, the growing trend in ESG loans granted by the Bank has continued, with Mediobanca participating in a €100m syndicated Green Loan to Acinque. Furthermore, in a market scenario marked by limited lending volumes, in the acquisition financing segment in particular, the Bank has confirmed its position as market leader in Italy while at the same time strengthening its European footprint by assisting its clients in raising finance and also in refinancing operations (including Ferrero, Stellantis, Garofalo Health Care and Criteria Caixa). **This segment also reflects the more selective lending criteria adopted in recent quarters in order to protect the profit margins on the capital absorbed and safeguard the high quality of the loan book in the current scenario.**

Markets activity was boosted by the recovery in Equity trading, and operations with private and professional clients have been ramped up. Having obtained BTP specialist status during the three months under review, Mediobanca has played a significant role in the placement of Italian sovereign debt securities, acting as specialist in the auction sessions, and for the first time has taken the role of Co-Lead Manager in two syndicated financing transactions completed by the Italian Ministry for the Economy and Finance. At the same time, a bespoke activity for clients in government securities has been launched, with the first €100m deal completed for a major institutional client, with other similar deals also in the pipeline.

Revenues increased to €183.4m, up 30% YoY (up 13% like-for-like), confirming the positive trend recorded in previous quarters; the contribution from Wholesale Banking totalled €164.1m (up 33% YoY, up 14% like-for-like), while Specialty Finance revenues totalled €19.3m (up 7% YoY), driven by Factoring:

- **Net interest income decreased to €71.9m (down 4.5% YoY; down 2.6% QoQ),** primarily reflecting the reduction in corporate lending, linked to lower average volumes coupled with credit spreads still being at near all-time low levels. NII in Speciality Finance increased to €11.1m, from €10.4 (up 6.7% YoY; up 5.7% QoQ), on stable turnover and increasing returns;

- **Net fee and commission income totalled €83.7m, up 26% excluding the contribution from Arma Partners**; Advisory business contributed fees of €53m (vs €24m last year), reflecting the consolidation of Arma Partners (which added €23.4m) plus growth in the Large Corporate segment due to the generalized recovery in Investment Banking; ECM activity continues to reflect the weak reference market (posting fees of €3m), whereas the contribution from the Debt Division increased, as did that of Lending activity (from €10.2m to €14.8m), with a solid performance in DCM (fees stable at €6.5m); Specialty Finance contributed fees of €8.2m (€7.8m last year). **The 38% QoQ reduction is due to the high number of Advisory deals closed in 4Q FY 2023-24.**

- **Net treasury income totalled €27.8m (up €9.3m YoY),** as a result of the recovery in the Equity trading segment, plus the launch of BTP specialist activity with the Italian Ministry for the Economy and Finance (which generated approx. €5m in revenues, including bespoke activities).

Operating costs grew from €75.5m to €93.6m, €10.3m of which attributable to Arma Partners (€7.6m in labour costs); **the remainder regards primarily the opening of the new Mid Corporate branch office in Frankfurt** (adding labour costs of some €3m) **plus the development of the new Strategic Plan initiatives**. The higher labour costs (which were up 35%, to €54.9m) were mostly due to the new operations and to the strengthening of the headcount compared to twelve months ago. The rise in administrative expenses (which were up 4% YoY, like-for-like) was concentrated in digitalization-related costs (including for info-providers) to support the Market Division's activities and projects being implemented, and in travel-related expenses due to the large-scale resumption of commercial activity. **The division's cost/income ratio stood at 51%.**

Net writebacks of €1.2m were credited for 3M, compared with €5.5m last year, with no overlays released in the period, **confirming the high quality of the corporate portfolio.**

Customer loans decreased from €19bn to €18.4bn (down 3%), despite an increase in Wholesale Banking (up 2.4%, from €16bn to €16.4bn, €13bn of which attributable to Lending and Structured Finance, with the increase concentrated in 4Q FY 2023-24) due to the lower stock in factoring (which reduced by approx. €1bn, from €2,950.4m to €1,990.7m).

Gross NPLs totalled €53.5m (up €2.3m in 3M), with the Gross NPL Ratio extremely low at just 0.3% of total loans, as indeed were net NPLs (€23.9m), reflecting a 55% coverage ratio.

3. <u>Consumer Finance</u>: record quarterly revenues of €310m (€286m last year), driven by the solid trend in net interest income (up 8%, to €275m). Record commercial results despite seasonal factors (new loans €2.1bn), and growth in loan profitability more than offset the normalization of the cost of risk to pre-Covid levels (178 bps, vs 165 bps last year). The strategy to enhance direct and digital distribution continues, with rapidly increasing commercial penetration in BNPL segment. RORWA 2.8%.

In 3M Compass delivered a net profit of €101.9m (up 5.5%) and revenues of €309.5m (up 8.2%), at record levels, with profitability remaining high (RORWA 2.8%). The increase in new business (€2.1bn) enabled growth also in customer loans, which are now above €15bn. **Net interest income was buoyed by the consolidation of the margins on new loans and higher average volumes**, and the growth in NII more than offset the increase in the cost base. The cost of risk rose from 165 bps last year to 178 bps, as a result of the different mix of the new business plus an increase in risk in line with the Strategic Plan expectations. The initiatives intended to realize the vision and trajectory outlined in the 2023-26 Strategic Plan "One Brand-One Culture" have continued, based on the following factors:

- **Multi-channel approach targeting strong growth in direct and digital distribution in particular:**

- **Expansion of the distribution network** (with thirteen new agencies opened in 12M, two in 3M), **with focus on enhancement of the proprietary network** (approx. **80% of new business in personal loans is now attributable to the proprietary channels) and variable cost solutions**. At end-September, Compass's distribution platform consisted of 329 points of sale, 182 are branch offices, 86 are agencies, and 61 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), now has a total of over 220 collaborators;

- **Enhancement of the digital channels, which increased their share of the volumes in direct channel personal loans to 36%** (vs 35% in FY 2023-24), **helped by the introduction of the new platform** (which has been renewed in terms of user experience), **speed of approval** (more than 80% of applications are approved in one hour), **and the introduction of new products** (such as "Instant lending" for clients with solid track records), **plus the effective remote support activity** (performed by the Digital Sales Hubs).

- **Valuable new business**, in terms of risk profile and high and sustainable profitability:

  - **Customer loans now exceed €15bn, reflecting margins which**, having increased by some 80 bps in 12M, **drove growth of 8% in both revenues and net interest income**;

  - **Cost of risk under close control** (178 bps), **on the back of Compass's proven track record in risk assessment;**

  - **RORWA 2.8%, due to the higher net profit and RWA discipline** (the first SRT securitization was completed in June 2024, enabling savings of €500m in terms of RWAs, with a further approx. €200m saving anticipated due to the revision of the AIRB models in the last quarter).

- **Development and growth of BNPL as consumer credit product, managed by leveraging on Compass's distinctive capabilities:** September 2024 saw the launch of **HeyLight, the new integrated platform featuring innovative payment and credit services, which has evolved from Pagolight** (Compass's domestic Buy Now Pay Later solution) and from the merger of HeidiPay, the recently acquired company which is a reference player in the consumer financing market in Switzerland. HeyLight already has a wide base in terms of commercial agreements in Italy, with over 1,000 digital stores and more than 29,000 points of sale: a growing network, with a track record of almost a thousand new merchants activated each month. In addition to these, more than 500 commercial agreements in Switzerland are in place with important distributors, luxury brands and technology operators, laying the foundations to develop an international product offering.

The Italian consumer credit market reported flows of €41.7bn in the first nine months of the 2024 calendar year, 6.5% higher than the same period in 2023, not including credit cards for which the balance is repaid the following month. The trend is attributable primarily to personal loans (up 11.2%) and automotive finance (up 3.9%); while salary-backed finance and special purpose loans were basically stable.

In the three months under review **Compass granted loans of €2.1bn (up 11.7% YoY),** with all products contributing positively. **Personal loans rose by 10.8%, from €887.8m to €983.7m, helped by the growth of the direct channel (up 7.4%, from €718m to €772m),** and the recovery by the third-party channels (up 25.2%, from €169m to €212m), in particular the banking channel (up 21%, from €96m to €116m) and Poste Italiane (up 38%, from €56m to €77m). New business in BNPL virtually doubled, from €77m to €137m. Salary-backed finance also increased (up 43%, from

€80m to €115m), as did automotive finance (up 5%, from €330m to €346m) and special purpose loans (up 3%, from €263m to €271m).

The growth in revenues (up 8.2%, from €286.0m to €309.5m) was higher than the growth in average lending volumes (which rose by 5.3%). The main income items performed as follows:

- **Net interest income posted a record quarterly total of €274.8m, 8.4% higher than last year** (€253.5m); an excellent performance, which reflects the growth in lending which is increasingly focused on direct personal loans, the higher profitability of which has enabled the yield on loans to increase by some 80 bps, thus absorbing the increase in the cost of funding, where the lower cost of hedging expected in the coming months still to be fully realized;

- **Fee income rose from €32.6m to €34.8m (an increase of 6.7%),** with an increasing contribution from Buy Now Pay Later activities (€5m, compared with €4.1m twelve months previously), and both fees from insurance activities and *rappel* fees for distribution on third-party networks both stabilizing.

Operating costs, which reflect the strong development activity in terms of products and channels, totalled €90.1m, higher than last year (€83m). **Of this increase, €2.1m is attributable to labour costs** (up 7.5%, from €27.9m to €30.0m), **due to the growth in headcount (with 39 new staff added, nine of whom in Switzerland),** plus the new national collective labour contract coming into force. **Administrative expenses rose by €5m (from €55.1m to €60.1m) as a result of the growth in operating costs due to the higher volumes and IT expenses**, the latter of which primarily in order to support the resilience and security of the systems used to support digital sales (e.g. in BNPL). **The cost/income ratio was in line with last year, at 29.1%.**

Loan loss provisions rose by 13.4%, from €59.9m to €67.9m, most of which was attributable to the different product mix with a higher share of personal loans (which require a higher level of provisioning right from the point at which they are granted), **plus the risk indicators gradually realigning with pre-Covid levels as expected. The cost of risk stood at 178 bps (compared with 165 bps last year), following minor use of the overlays (€8.1m used in 3M, with €167m remaining).**

Gross loan loss provisions totalled €1,036.1m (30/6/24: €978m), increasing in relative terms from 5.93% of total loans to 6.21%, reflecting the absence of stock sales which are envisaged to take place by the year-end. **The coverage level remains excellent** (with the ratio declining only slightly, from 75.3% to 74.8%), and **net NPLs** (€260.8m) continue to be low in relative terms at just 1.7% of total loans (compared with 1.59% at end-June 2024). Net bad debts were virtually unchanged at €5m and reflect a stable coverage ratio of 98.1%. The coverage ratio for performing loans was also basically stable, at 3.65%.

4. Insurance: high contribution to Group earnings (€121m) – RORWA 3.2%

This division delivered a net profit for the three months of €121.4m, lower than last year (€137m) due to the reduced contribution from Assicurazioni Generali which is equity-accounted (€105.4m, compared with €138.4m), most of which, however, was offset by the higher contribution from the other investments attributable to the division (€18.9m, consisting of dividends, other income and upward adjustments to reflect current fair value, mostly attributable to holdings in seed capital funds); RoRWA for the division fell to 3.2% (from 4.2%), partly as a result of the increase in the book value of the investment, remaining at high levels.

The division's reduced contribution to earnings reflects the slight year-on-year decrease in operating profit recorded by Assicurazioni Generali in 2H FY 2024, due to what were primarily accounting effects in the Non-Life segment, while both the Life and Asset & Wealth Management segments reported improvements. The net profit result was also impacted by the lower gains on disposal and FVPL. The book value of the Assicurazioni Generali investment rose from €3,698m to €3,859.2m.

The other banking book securities increased to €810m (30/6/24: €802.2m): holdings in funds rose to €562.5m (€546.7m), following approx. €7.7m in net investments, and upward adjustments to reflect fair value totalling €8.1m; the equity component decreased from €255.5m to €247.5m following the redemption of the THC S.p.A. investment (approx. €8m).

5. <u>Holding Functions</u>: results declining due to the reduction in interest rates. Proactive funding and treasury management to serve the growth of the business divisions.

The net loss posted by the Holding Functions division in the three months totalled €3.5m, on lower revenues of €32.9m (vs €79.6m), due to the trend in interest rates and market spreads (Euribor 3M: down 67 bps, BTP-*Bund* spread down 60 bps compared to 12 months previously). Net interest income more or less halved, from €52.6m to €27.6m, reflecting a slight increase in the cost of deposits which served to grow the WM Division's business, plus the lower short-term liquidity to support certain opportunities in the CIB Markets Division (including in equity); net trading income (which decreased from €21m to €2.3m) also reflects the negative valuation of the FVOCI hedges for the banking book, with spreads on sovereign debt falling sharply, resulting (at the net equity level only) in an increase in the valuation reserves. The reduction in revenues was partly offset by the lower operating costs, which decreased from €46.4m to €37.8m, with the central costs share totaling €24.9m, representing 6.7% of the Group total.

The main income items performed as follows:

- Treasury: the net contribution from treasury management decreased to €11.8m (from approx. €36.1m last year), reflecting the reduction in net interest income already mentioned (which decreased from €42.4m to €21.3m). The Group's ALM position remains balanced and prudent, with regulatory indicators stable (MREL: 42%; LCR: 153.9%; NSFR: 115.5%) and comfortably above the requirements (the MREL requirement in particular has been set at 23.57%);

- Leasing: a net profit of €1m was earned, despite the lower lending stocks; the reduction in revenues (down 15.5% YoY, to €7.1m) was more than offset by the release of provisions for assets (with net writebacks of €0.3m credited, compared to €1.5m in write-downs last year); by contrast, gross NPLs declined from €79.8m to €76.6m, with net NPLs totalling just over € 17m.

****

Group Sustainability Roadmap

The Group, which has always assigned great importance to Environmental, Social and Governance (ESG) issues, has stepped up its efforts in the sustainability area, which continues to be one of the main pillars of its growth model.

This structure, which is intended to ensure that such issues are increasingly integrated into all areas of the Group's business, has been acknowledged by the leading ESG rating companies, including ISS – Institutional Shareholder Services, which has confirmed its top score for the Bank in all three ESG areas, and Standard & Poor's, which has increased Mediobanca's ESG rating by eight points (67/100), positioning it well above the sector average.

To support the integration of sustainability objectives in Mediobanca's 2023-26 Strategic Plan "One Brand-One Culture", the Bank has committed to monitoring its ESG performance by publishing both mandatory disclosures such as the Consolidated Non-Financial Statement (CNFS) and voluntary disclosures, such as the TCFD and PRB Reports.

In line with the Strategic Plan's targets, the ESG product and services offering as of 30 September 2024 comprises:

- Lending activity reflects an ESG stock of some €5.4bn, 76% of which attributable to CIB, 14% to WM, and 10% to CF;
- DCM activity has again seen Mediobanca confirm its position as one of the leading players in the ESG space, closing a total of 26 deals for nearly €16.4bn since January 2024;
- The share of ESG funds (SFDR Article 8 and 9 funds) in WM division clients' portfolios has increased to approx. 50%.

The Group has also confirmed the active role which it plays in the communities where it operates through charitable initiatives such as its partnership with the Cometa Foundation in a venture entitled "Tessiamo il futuro" ("Weaving the Future"), an innovation and sustainability programme in the textile sector, the objective of which is to provide training for young people from disadvantaged backgrounds to help them find work in the textile production.

****

Outlook

The scenario for the rest of the financial year will be impacted by the uncertainty deriving from the increasing geopolitical risks and the policies that the new US Administration is likely to implement. The imposition of duties on international markets could further weaken the European economies' growth and dampen the disinflationary process in progress. Monetary policies should in any case remain accommodative for at least the first half of 2025.

The Mediobanca Group confirms its strategic vision and the trajectory outlined in the 2023-26 Strategic Plan "One Brand-One Culture" based on:

- High and above-average growth due to the divisions' specialized and distinctive positioning;
- High capital generation;
- Distribution policy at best sector levels, with low execution risk.

Highlights of FY 24-25 should include the following:

- The ongoing strengthening of the distribution structure and the healthy commercial activity in Wealth Management (WM) will drive growth in TFAs, **with NNM expected to reach €9-10bn for the year**, while the selective asset growth and optimization activity will enable **RWAs to be reduced further**, even with the introduction of the CRR III framework;
- **Revenues from banking businesses are expected to grow moderately,** underpinned by the **strong, low double-digit growth in fees**, driven by WM and the CIB capital-light services; **net interest income will remain resilient, in the second half of the financial year in particular,** with the growth in Consumer Finance offsetting the lower yields on other assets;

- **The cost/income ratio should stand at 44%,** with the ambitious investment plan to deliver growth being implemented with increasing efficiency;
- **The cost of risk is expected to be around 55 bps,** also leveraging the substantial overlays set aside;
- **Earnings per share (EPS) are expected to increase by 6-8%;**[14]
- **With reference to shareholder remuneration, DPS is expected to grow**, with the **cash payout confirmed at 70% (with an interim dividend to be paid in May 2025 and the balance in November 2025)**, plus the **new €385m share buyback scheme to be implemented.**[15]
- **Capital generation is expected to be high, able to take the CET1 ratio as at the year-end to 15.5%-16%.**[16]

Milan, 12 November 2024

Investor Relations
Tel. no.: (0039) 02-8829.860
investor.relations@mediobanca.com

Media Relations
Tel. no.: (0039) 02-8829.319
media.relations@mediobanca.com

[14] Including the cancellation of approx. 80% of the shares to be acquired as part of the €385m buyback to be implemented in FY 24-25.
[15] Based on the share buyback scheme included in the Strategic Plan 2023-26, to be implemented in FY 2024-25, authorized by the ECB on 7 October 2024 and by shareholders at the Annual General Meeting held on 28 October 2024.
[16] Including the 70% dividend payout ratio and prior to additional share buybacks which will be disclosed annually.

MEDIOBANCA

Restated consolidated profit and loss accounts

Mediobanca Group (€m)	3 mths 30/09/2023	3 mths 30/09/2024	Chg. %
Net interest income	495.7	485.0	-2.2%
Net treasury income	47.5	39.2	-17.5%
Net fee and commission income	179.8	231.2	28.6%
Equity-accounted companies	140.7	109.2	-22.4%
Total income	**863.7**	**864.6**	**0.1%**
Labour costs	(179.7)	(200.1)	11.4%
Administrative expenses	(164.2)	(168.9)	2.9%
Operating costs	**(343.9)**	**(369.0)**	**7.3%**
Loan loss provisions	(60.0)	(67.2)	12.0%
Provisions for other financial assets	(0.4)	12.1	n.m.
Other income (losses)	—	(2.3)	n.m.
Profit before tax	**459.4**	**438.2**	**-4.6%**
Income tax for the period	(107.4)	(100.8)	-6.1%
Minority interest	(0.7)	(7.4)	n.m.
Net profit	**351.3**	**330.0**	**-6.1%**

2. Quarterly profit and loss accounts

Mediobanca Group	FY 23/24				FY 24/25
(€m)	I Q 30/09/23	II Q 31/12/23	III Q 31/03/24	IV Q 30/06/24	I Q 30/09/24
Net interest income	495.7	500.8	495.9	492.4	485.0
Net treasury income	47.5	45.9	40.2	38.6	39.2
Net commission income	179.8	242.3	238.1	279.2	231.2
Equity-accounted companies	140.7	77.9	123.4	168.4	109.2
Total income	**863.7**	**866.9**	**897.6**	**978.6**	**864.6**
Labour costs	(179.7)	(202.5)	(204.7)	(217.6)	(200.1)
Administrative expenses	(164.2)	(189.0)	(183.9)	(200.6)	(168.9)
Operating costs	**(343.9)**	**(391.5)**	**(388.6)**	**(418.2)**	**(369.0)**
Loan loss provisions	(60.0)	(72.9)	(62.8)	(56.4)	(67.2)
Provisions for other fin. assets	(0.4)	5.5	10.1	(1.3)	12.1
Other income (losses)	—	(25.2)	(0.9)	(64.1)	(2.3)
Profit before tax	**459.4**	**382.8**	**455.4**	**438.6**	**438.2**
Income tax for the period	(107.4)	(113.3)	(110.7)	(105.3)	(100.8)
Minority interest	(0.7)	(9.6)	(9.8)	(6.0)	(7.4)
Net profit	**351.3**	**259.9**	**334.9**	**327.3**	**330.0**

MEDIOBANCA

3. Restated balance sheet

Mediobanca Group (€m)	30/09/2023	30/06/2024	30/09/2024
Assets			
Financial assets held for trading	10,388.2	15,409.5	15,362.6
Treasury financial assets	12,846.0	11,102.6	10,132.4
Banking book securities	11,290.0	11,340.7	12,140.5
Customer loans	51,094.4	52,447.4	52,038.5
Corporate	*15,855.7*	*16,042.9*	*16,432.5*
Specialty Finance	*2,478.6*	2,950.4	1,990.7
Consumer credit	*14,526.8*	15,197.6	15,341.7
Mortgages	*12,340.3*	12,568.0	12,588.2
Private banking	*4,299.0*	4,285.2	4,334.0
Leasing & NPL	*1,593.9*	1,403.3	1,351.4
Equity investments	4,426.9	4,702.7	4,873.5
Tangible and intangible assets	1,333.0	1,595.0	1,594.5
Other assets	3,142.1	2,628.4	2,023.6
Total assets	**94,520.6**	**99,226.3**	**98,165.6**
Liabilities			
Funding	60,226.3	63,669.9	62,080.8
MB bonds	*23,149.0*	27,619.2	27,435.4
Retail deposits	*16,651.1*	16,888.0	17,523.5
Private Banking deposits	*10,922.6*	11,010.6	10,631.7
ECB	*4,612.0*	1,313.2	—
Banks and other	*4,891.6*	6,838.9	6,490.2
Treasury financial liabilities	8,521.9	10,584.1	10,990.9
Financial liabilities held for trading	9,427.8	9,504.7	9,749.9
Other liabilities	5,217.2	4,066.3	4,065.8
Provisions	181.0	158.1	154.0
Net equity	10,946.4	11,243.2	11,124.2
Minority interest	*95.3*	*86.1*	*85.1*
Profit for the period	*351.3*	*1,273.4*	*330.0*
Total liabilities	**94,520.6**	**99,226.3**	**98,165.6**
CET 1 capital	7,790.6	7,222.5	7,314.2
Total capital	8,846.9	8,438.0	8,483.4
RWA	50,257.9	47,622.0	47,364.7

4. Consolidated shareholders' equity

Net equity (€m)	30/09/2023	30/06/2024	30/09/2024
Share capital	444.2	444.5	444.5
Other reserves	10,051.8	9,929.0	10,407.6
Interim dividend	—	(421.2)	—
Valuation reserves	3.8	(68.6)	(143,0)
- of which: Other Comprehensive Income	*61.6*	*116.5*	*161.3*
cash flow hedge	*245.9*	*113.7*	*(17.9)*
equity investments	*(300.8)*	*(274.4)*	*(277.1)*
Minority interest	95.3	86.1	85.1
Profit for the period	351.3	1,273.4	330.0
Total Group net equity	**10,946.4**	**11,243.2**	**11,124.2**

MEDIOBANCA

5. Ratios (%) and per share data (€)

MB Group	Financial year 23/24		Financial year 24/25
	30/09/2023	30/06/2024	30/09/2024
Ratios			
Total assets / Net equity	8.6	8.8	8.8
Loans / Funding	0.85	0.82	0.84
RWA density (%)	53.2%	48.0%	48.2%
CET1 ratio (%) phase-in	15.5%	15.2%	15.4%
Total capital (%) phase-in	17.6%	17.7%	17.9%
S&P Rating	BBB	BBB	BBB
Fitch Rating	BBB	BBB	BBB
Moody's Rating	Baa1	Baa1	Baa1
Cost / Income	39.8	42.8	42.7
Gross NPLs/Loans ratio (%)	2.6	2.5	2.6
Net NPLs/Loans ratio (%)	0.8	0.8	0.8
EPS	0.41	1.53	0.40
EPS adj.	0.41	1.63	0.38
BVPS	12.5	12.8	13.0
TBVPS	11.6	11.6	11.7
DPS annual (incl. interim paid in May €0.51)		1.07	
ROTE* (%)	14.3	13.9	13.0
RORWA* (%)	2.80	2.7	2.7
No. shares (m)	849.3	832.9	832,9

(*) Normalized Group ROTE and Group/divisional RORWA calculated based on net profit adjusted for non-operating/non-recurring items.

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

3m – Sept 24 (€m)	WM	CIB	CF	INS	Holding Functions	Group
Net interest income	101.9	71.9	274.8	(1.8)	27.6	485.0
Net treasury income	2.1	27.8	—	7.4	2.3	39.2
Net fee and commission income	124.4	83.7	34.8	(0.1)	3.2	231.2
Equity-accounted companies	—	—	(0.1)	109.5	(0.2)	109.2
Total income	**228.4**	**183.4**	**309.5**	**115.0**	**32.9**	**864.6**
Labour costs	(81.2)	(54.9)	(30.0)	(1.0)	(33.2)	(200.1)
Administrative expenses	(70.0)	(38.7)	(60.1)	(0.3)	(4.5)	(168.9)
Operating costs	**(151.2)**	**(93.6)**	**(90.1)**	**(1.3)**	**(37.7)**	**(369.0)**
Loan loss provisions	(0.8)	1.2	(67.9)	—	0.3	(67.2)
Provisions for other financial assets	0.6	(0.6)	—	11.5	0.6	12.1
Other income (losses)	(1.4)	(0.8)	—	—	(0.1)	(2.3)
Profit before tax	**75.6**	**89.6**	**151.5**	**125.2**	**(4.0)**	**438.2**
Income tax for the period	(22.6)	(26.0)	(49.6)	(3.8)	1.2	(100.8)
Minority interest	—	(6.7)	—	—	(0.7)	(7.4)
Net profit	**53.0**	**56.9**	**101.9**	**121.4**	**(3.5)**	**330.0**
Loans and advances to Customers	16,922.2	18,423.2	15,341.7	—	1,351.4	52,038.5
RWAs	6,097.1	14,227.9	14,286.3	8,141.1	4,612.4	47,364.7
No. of staff	2,270	773	1,572	9	867 (444**)	5,491

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

3m – Sept 23 (€m)	WM	CIB	CF	INS	Holding Functions	Group
Net interest income	107.2	75.3	253.5	(1.8)	52.6	495.7
Net treasury income	2.3	18.5	—	4.1	21.0	47.5
Net fee and commission income	108.3	47.8	32.6	—	6.0	179.8
Equity-accounted companies	—	—	(0.1)	140.8	—	140.7
Total income	**217.8**	**141.6**	**286.0**	**143.1**	**79.6**	**863.7**
Labour costs	(76.4)	(40.8)	(27.9)	(1.0)	(33.6)	(179.7)
Administrative expenses	(66.7)	(34.7)	(55.1)	(0.2)	(12.8)	(164.2)
Operating costs	**(143.1)**	**(75.5)**	**(83.0)**	**(1.2)**	**(46.4)**	**(343.9)**
Loan loss provisions	(3.0)	5.5	(59.9)	—	(2.6)	(60.0)
Provisions for other financial assets	(0.6)	—	—	(0.5)	0.5	(0.4)
Other income (losses)	—	—	—	—	—	—
Profit before tax	**71.1**	**71.6**	**143.1**	**141.4**	**31.1**	**459.4**
Income tax for the period	(21.2)	(23.8)	(46.5)	(4.4)	(11.5)	(107.4)
Minority interest	(0.1)	—	—	—	(0.6)	(0.7)
Net profit	**49.8**	**47.8**	**96.6**	**137.0**	**19.0**	**351.3**
Loans and advances to Customers	16,639.3	18,334.3	14,526.8	—	1,593.9	51,094.4
RWAs	5,832.0	17,281.4	14,401.0	8,456.6	4,286.8	50,257.9
No. of staff	2,213	648	1,533	9	858 (422**)	5,261

(**) HF staff (444 FTEs at 30/09/24, 422 FTEs at 30/09/23) excluding those who work for the support/control units whose cost is charged back to the business lines as "administrative expenses"; the FTEs properly attributable to the HF refer to Group Treasury/ ALM, Leasing and other non-core activities, General Management, plus approx. 40% of the support/control units.

7. Wealth Management

Wealth Management (€m)	3 mths	3 mths	Chg.%
	30/09/2023	30/09/2024	
Net interest income	107.2	101.9	-4.9%
Net trading income	2.3	2.1	-8.7%
Net fee and commission income	108.3	124.4	14.9%
Total income	**217.8**	**228.4**	**4.9%**
Labour costs	(76.4)	(81.2)	6.3%
Administrative expenses	(66.7)	(70.0)	4.9%
Operating costs	**(143.1)**	**(151.2)**	**5.7%**
Loan loss provisions	(3.0)	(0.8)	-73.3%
Provisions for other financial assets	(0.6)	0.6	n.m.
Other income (losses)	—	(1.4)	n.m.
Profit before tax	**71.1**	**75.6**	**6.3%**
Income tax for the period	(21.2)	(22.6)	6.6%
Minority interest	(0.1)	—	n.m.
Net profit	**49.8**	**53.0**	**6.4%**
Loans and advances to customers	16,639.3	16,922.2	1.7%
New loans (mortgages)	192.3	286.7	49.1%
TFA (Stock, € bn)	89.1	103.2	15.8%
-AUM/AUA	61.6	75.0	21.8%
-Deposits	27.6	28.2	2.2%
TFA (Net New Money, € bn)	1.2	2.6	n.m.
-AUM/AUA	1.8	2.3	28.5%
-Deposits	(0.6)	0.2	n.m.
No. of staff	2,213	2,270	2.6%
RWAs	5,832.0	6,097.1	
Cost / income ratio (%)	65.7%	66.2%	
Gross NPL / Gross loans ratio (%)	1.3%	1.3%	
Net NPL / Net loans ratio1 (%)	0.8%	0.8%	
RORWA*	3.5%	3.6%	

8. Corporate & Investment Banking

Corporate & Investment Banking (€m)	3 mths 30/09/2023	3 mths 30/09/2024	Chg.%
Net interest income	75.3	71.9	-4.5%
Net treasury income	18.5	27.8	50.3%
Net fee and commission income	47.8	83.7	75.1%
Total income	**141.6**	**183.4**	**29.5%**
Labour costs	(40.8)	(54.9)	34.6%
Administrative expenses	(34.7)	(38.7)	11.5%
Operating costs	**(75.5)**	**(93.6)**	**24.0%**
Loan loss provisions	5.5	1.2	-78.2%
Provisions for other financial assets	—	(0.6)	n.m.
Other income (losses)	—	(0.8)	n.m.
Profit before tax	**71.6**	**89.6**	**25.1%**
Income tax for the period	(23.8)	(26.0)	9.2%
Minority interest	—	(6.7)	n.m.
Net profit	**47.8**	**56.9**	**19.0%**
Loans and advances to customers	18,334.3	18,423.2	0.5%
No. of staff	648	773	19.3%
RWAs	17,281.4	14,227.9	-17.7%
Cost / income ratio (%)	53.3%	51.0%	
Gross NPL / Gross loans ratio (%)	0.8%	0.3%	
Net NPL / Net loans ratio (%)	0.1%	0.1%	
RORWA*	1.0%	1.5%	

9. Consumer Finance

Consumer Finance (€m)	3 mths	3 mths	Chg.%
	30/09/2023	30/09/2024	
Net interest income	253.5	274.8	8.4%
Net trading income	—	—	n.m.
Net fee and commission income	32.6	34.8	6.7%
Equity-accounted companies	(0.1)	(0.1)	n.m.
Total income	**286.0**	**309.5**	**8.2%**
Labour costs	(27.9)	(30.0)	7.5%
Administrative expenses	(55.1)	(60.1)	9.1%
Operating costs	**(83.0)**	**(90.1)**	**8.6%**
Loan loss provisions	(59.9)	(67.9)	13.4%
Provisions for other financial assets	—	—	n.m.
Other income (losses)	—	—	n.m.
Profit before tax	**143.1**	**151.5**	**5.9%**
Income tax for the period	(46.5)	(49.6)	6.7%
Net profit	**96.6**	**101.9**	**5.5%**
Loans and advances to customers	14,526.8	15,341.7	5.6%
New loans	1,882.0	2,103.0	11.7%
No. of branches	181	182	0.6%
No. of agencies	76	86	13.2%
No. of staff	1,533	1,572	2.5%
RWAs	14,401.0	14,286.3	-0.8%
Cost / income ratio (%)	29.0%	29.1%	
Gross NPL / Gross loans ratio (%)	5.9%	6.2%	
Net NPL / Net loans ratio (%)	1.5%	1.7%	
RORWA*	2.7%	2.8%	

10. Insurance

Insurance - PI (€m)	3 mths 30/09/2023	3 mths 30/09/2024	Chg. %
Net interest income	(1.8)	(1.8)	n.m.
Net treasury income	4.1	7.4	80.5%
Net fee and commission income	—	(0.1)	n.m.
Equity-accounted companies	140.8	109.5	-22.2%
Total income	**143.1**	**115.0**	**-19.6%**
Labour costs	(1.0)	(1.0)	n.m.
Administrative expenses	(0.2)	(0.3)	50.0%
Operating costs	**(1.2)**	**(1.3)**	**8.3%**
Loan loss provisions	—	—	n.m.
Provisions for other financial assets	(0.5)	11.5	n.m.
Other income (losses)	—	—	n.m.
Profit before tax	**141.4**	**125.2**	**-11.5%**
Income tax for the period	(4.4)	(3.8)	-13.6%
Minority interest	—	—	n.m.
Net profit	**137.0**	**121.4**	**-11.4%**
Equity investments	3,623.7	3,943.1	8.8%
Other investments	680.0	810.0	19.1%
RWAs	8,456.6	8,141.1	-3.7%
RORWA*	4.2%	3.2%	
No. of staff	9	9	

11. Holding Functions

Holding Functions (€m)	3 mths 30/09/2023	3 mths 30/09/2024	Chg. %
Net interest income	52.6	27.6	-47.5%
Net treasury income	21.0	2.3	-89.0%
Net fee and commission income	6.0	3.2	-46.7%
Equity-accounted companies	—	(0.2)	n.m.
Total income	**79.6**	**32.9**	**-58.7%**
Labour costs	(33.6)	(33.2)	-1.2%
Administrative expenses	(12.8)	(4.5)	-64.8%
Operating costs	**(46.4)**	**(37.7)**	**-18.8%**
Loan loss provisions	(2.6)	0.3	n.m.
Provisions for other financial assets	0.5	0.6	20.0%
Other income (losses)	—	(0.1)	n.m.
Profit before tax	**31.1**	**(4.0)**	**n.m.**
Income tax for the period	(11.5)	1.2	n.m.
Minority interest	(0.6)	(0.7)	16.7%
Net profit	**19.0**	**(3.5)**	**n.m.**
Loans and advances to customers	1,593.9	1,351.4	-15.2%
Banking book securities	9,351.0	9,988.1	6.8%
RWAs	4,286.8	4,612.4	7.6%
No. of staff	858 (422**)	867 (444**)	

(**) HF staff (444 FTEs at 30/09/24, 422 FTEs at 30/09/23) excluding those who work for the support/control units whose cost is charged back to the business lines as "administrative expenses"; the FTEs properly attributable to the HF refer to Group Treasury/ ALM, Leasing and other non-core activities, General Management, plus approx. 40% of the support/control units.

12. Statement of comprehensive income

		3 mths	3 mths
		30/09/2023	30/09/2024
10	**Gain (loss) for the period**	**352.0**	**330.8**
	Other income items net of tax without passing through profit and loss	**(6.6)**	**10.5**
20.	Equity instruments designated at fair value through other comprehensive income	(3.9)	(3.2)
30.	Financial liabilities designated at fair value through profit or loss (own creditworthiness changes)	0.8	10.5
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	(0.2)	(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	(3.4)	3.9
100.	Financial income or costs relating to insurance contracts issued	—	—
	Other income items net of tax passing through profit and loss	**(51.7)**	**(84.7)**
110.	Foreign investment hedges	—	—
120.	Exchange rate differences	—	5.2
130.	Cash flow hedges	(26.5)	(131.6)
140.	Hedging instruments (non-designated items)	—	—
150.	Financial assets (different from equity instruments) at fair value through other comprehensive Income	(5.6)	48.3
160.	Non-current assets and disposal groups classified as held for sale	—	—
170.	Part of valuation reserves from investments valued at equity method	(19.6)	(6.6)
180.	Financial income or costs relating to insurance contracts issued	—	—
190.	Income or costs of a financial nature relating to reinsurance disposals	—	—
200.	**Total other income items net of tax**	**(58.3)**	**(74.3)**
210.	**Comprehensive income (Item 10+200)**	**293.7**	**256.5**
220.	Minority interest in consolidated comprehensive income	0.7	0.7
230.	**Consolidated comprehensive inc. attributable to Mediobanca S.p.A.**	**293.0**	**255.8**

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

Mediobanca S.p.A. (€m)	3 mths	3 mths	Chg.%
	30/09/2023	30/09/2024	
Net interest income	102.7	80.9	-21.2%
Net treasury income	50.4	45.6	-9.5%
Net fee and commission income	66.1	83.3	26.0%
Dividends on investments	1.9	2.8	47.4%
Total income	**221.1**	**212.6**	**-3.8%**
Labour costs	(69.9)	(73.8)	5.6%
Administrative expenses	(49.2)	(50.5)	2.6%
Operating costs	**(119.1)**	**(124.3)**	**4.4%**
Loan loss provisions	4.8	0.1	n.m.
Provisions for other financial assets	0.2	12.5	n.m.
Impairment on investments	—	—	n.m.
Other income (losses)	—	(1.3)	n.m.
Profit before tax	**107.0**	**99.6**	**-6.9%**
Income tax for the period	(40.0)	(28.0)	-30.0%
Net profit	**67.0**	**71.6**	**6.9%**

Mediobanca S.p.A. (€m)	30/09/2023	30/06/2024	30/09/2024
Assets			
Financial assets held for trading	11,030.5	15,437.9	15,332.1
Treasury financial assets	14,598.4	13,949.5	11,901.8
Banking book securities	11,648.1	11,231.6	12,066.1
Customer loans	39,644.1	40,282.0	40,941.0
Equity Investments	4,557.5	4,836.2	4,861.4
Tangible and intangible assets	168.6	170.8	170.9
Other assets	1,480.3	1,387.3	1,185.3
Total assets	**83,127.5**	**87,295.3**	**86.458.6**
Liabilities and net equity			
Funding	55,160.0	58,292.2	56,792.8
Treasury financial liabilities	9,925.9	11,588.1	12,177.1
Financial liabilities held for trading	9,811.5	9,666.7	9,973.9
Other liabilities	3,731.9	2,637.1	2,705.2
Provisions	97.5	79.4	80.0
Net equity	4,333.7	3,787.8	4,658.0
Profit of the period	67.0	1,244.0	71.6
Total liabilities and net equity	**83,127.5**	**87,295.3**	**86,458.6**

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.0187-63-2024	Numero di Pagine: 32