2Q/1H results as at December 2011

MEDIOBANCA

Milan, 22 February 2012

Consumer & Retail banking health offset CIB & PI weakness

Good results from underlying business

- Funding and liquidity improved, capitalization preserved
- Revenues adj.* up 3% at €901m, PBT adj.* up 16% at €290m
- Asset quality conserved

AFS & PI securities: revenues down writedowns up

One-off items positive

- PI income down 35% Y.o.Y, zero in last quarter
- €183m of securities writedowns
- €44m one-off gain from sale of CMB property

Diversification paid-off

- CIB: resilient despite high cost of funding and low corporate activity
- Consumer lending growing, progressively exploiting its potential
- Retail banking: expanding operations, solid contribution to funding

* *Contribution from AFS, PI and one-off items excluded; % = Dec11/June11*

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4Q11: welcome back trading income, negative impact of AFS+PI

€m	4Q11	3Q11	2Q11	1Q11	4Q10	Δ Q.o.Q*
Total revenues	**499**	**403**	**389**	**482**	**455**	**+24%**
Net interest income	273	282	271	268	269	-3%
Fee income	117	117	115	139	153	-
Trading	109	4	4	74	33	nm
Total costs	**(203)**	**(197)**	**(211)**	**(206)**	**(219)**	**+3%**
Loan loss provisions	**(109)**	**(103)**	**(103)**	**(102)**	**(107)**	**+6%**
Adjusted PBT	**187**	**103**	**75**	**175**	**129**	**+81%**
Income from PI & equity-acc.co.	(1)	73	39	53	66	
AFS + PI impairments/losses	(183)	(86)	(248)	(3)	(6)	
One-off items	44	0	75	0	0	
PI + AFS + one-offs	**(140)**	**(13)**	**(134)**	**50**	**61**	
Group income	**498**	**476**	**429**	**536**	**522**	**+5%**
Group PBT	**47**	**90**	**(58)**	**225**	**190**	**-48%**
Group net profit	**7**	**57**	**(50)**	**156**	**135**	**-88%**

* *QoQ = 4Q11/3Q11*

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1H12: solid NII, costs and asset quality control

€m	2H11	1H11	2H10	1H10	Δ H.o.H*	Δ Y.o.Y*
Total revenues	**901**	**871**	**909**	**697**	**+3%**	**-1%**
Net interest income	555	539	532	475	+3%	+4%
Fee income	234	254	266	249	-8%	-12%
Trading	113	78	111	(27)	+44%	+1%
Total costs	**(399)**	**(417)**	**(407)**	**(379)**	**-4%**	**-2%**
Loan loss provisions	**(212)**	**(204)**	**(219)**	**(246)**	**+4%**	**-3%**
Adjusted PBT	**290**	**250**	**282**	**73**	**+16%**	**+3%**
Income from PI & equity-acc.co.	72	93	110	107	-23%	-35%
AFS + PI impairments/losses	(269)	(251)	(5)	8		
One-off items	44	75	0	0		
PI + AFS + one-offs	**(153)**	**(84)**	**106**	**115**		
Group income	**973**	**964**	**1,019**	**805**	**+1%**	**-4%**
Group PBT	**137**	**166**	**388**	**188**	**-18%**	**-65%**
Group net profit	**63**	**106**	**263**	**131**	**-41%**	**-76%**

* *HoH = Dec11/June11; YoY= Dec11/Dec10*

1H12 one-offs: €269m negative, €44m positive

Negative one-offs	€m
Greek bond impairments	(114)
Greek bonds @ 30% nominal value	
Current book value: €120m	
Equity impairments and losses	(155)
of which	
RCS writedown @ €1.23 per share	(55)
Delmi writedown	(34)
Net losses from AFS stakes disposals /writedowns	(66)

Positive one-offs	€m
Gain from sale of CMB property	44

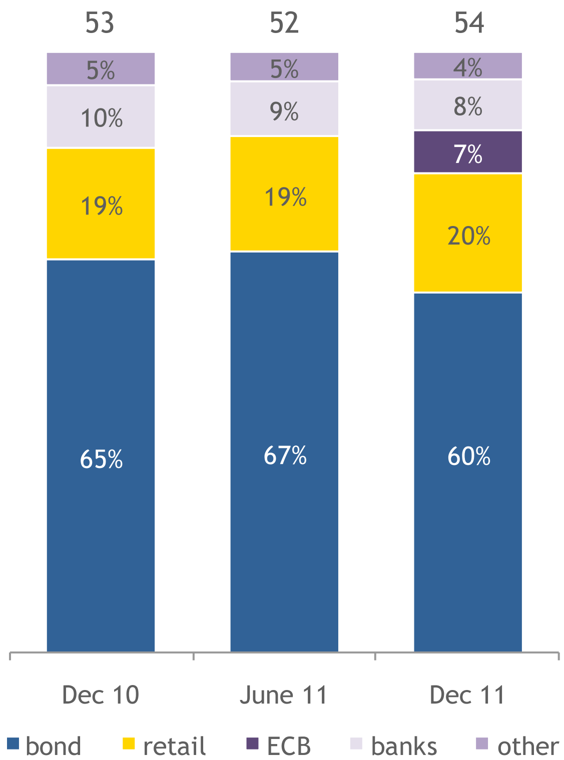
Funding preserved, loans slowed

€bn	Dec11	Sept11	June11	Dec10	Δ Q.o.Q*	Δ H.o.H*	Δ Y.o.Y*
Funding	**54.0**	**51.1**	**51.7**	**52.9**	**+6%**	**+4%**	**+2%**
Bonds	32.4	33.9	34.5	34.6	-4%	-6%	-6%
Retail deposits	10.7	10.0	10.0	10.0	+7%	+7%	+7%
ECB	4.0	0.0	0.0	0.0			
Others	7.0	7.2	7.2	8.3	-3%	-4%	-16%
Loans to customers	**37.8**	**37.4**	**36.2**	**35.1**	**+1%**	**+4%**	**+8%**
Corporate	23.6	23.3	22.5	22.1	+1%	+5%	+6%
Consumer	9.1	9.1	8.9	8.5	+1%	+2%	+8%
Mortgage	4.3	4.3	4.1	3.7	-	+5%	+17%
Treasury + AFS + HTM	**18.7**	**16.7**	**18.7**	**20.7**	**+12%**	**-**	**-10%**
Shareholders' funds	**6.0**	**6.4**	**6.5**	**6.6**	**-6%**	**-8%**	**-8%**
Core Tier 1 ratio	**11.0%**	**11.1%**	**11.2%**	**11.1%**			

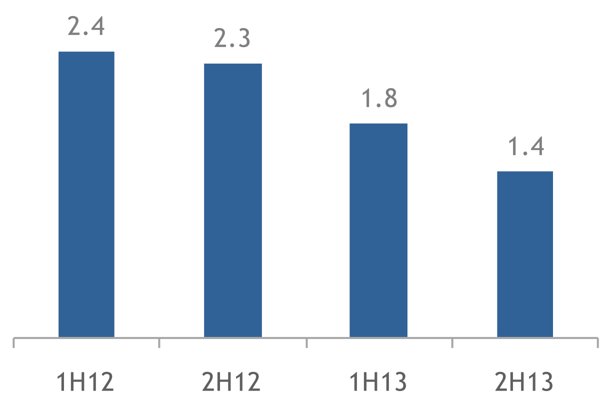
* *QoQ = Dec11/Sept11; HoH = Dec11/June11; YoY= Dec11/Dec10*

Funding enhanced, liquidity preserved

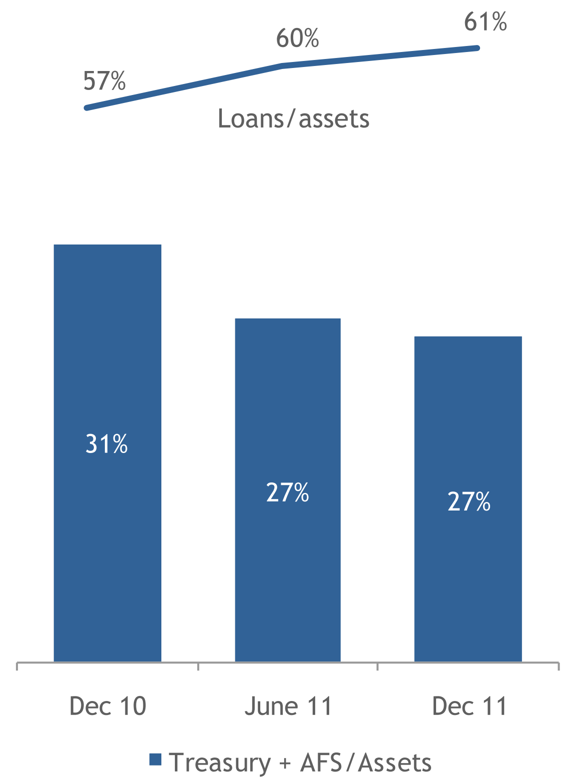
Funding breakdown (€bn)



MB bond maturities (€bn)



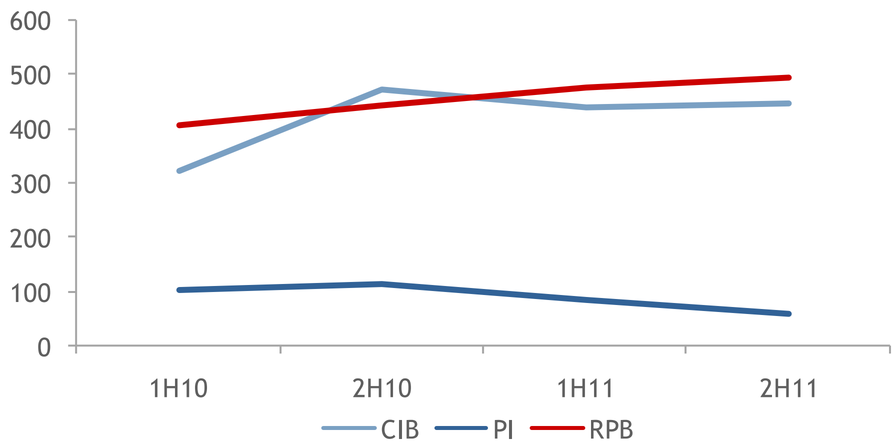
Leverage & liquidity ratios



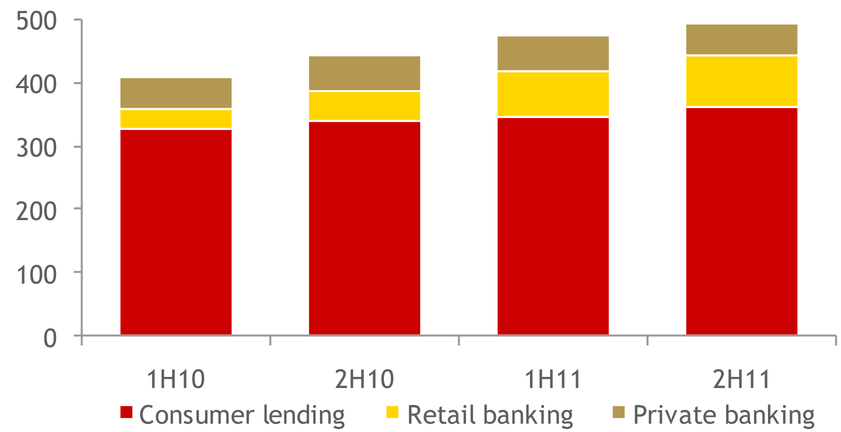
- Funding preserved through CheBanca! and ECB
- €8bn bonds expiring in next 24m
- Funding diversified by sources
- Liquid balance sheet: loans 61% of total assets

Revenues: RPB leading contributor

Group revenues trend by business (€m)

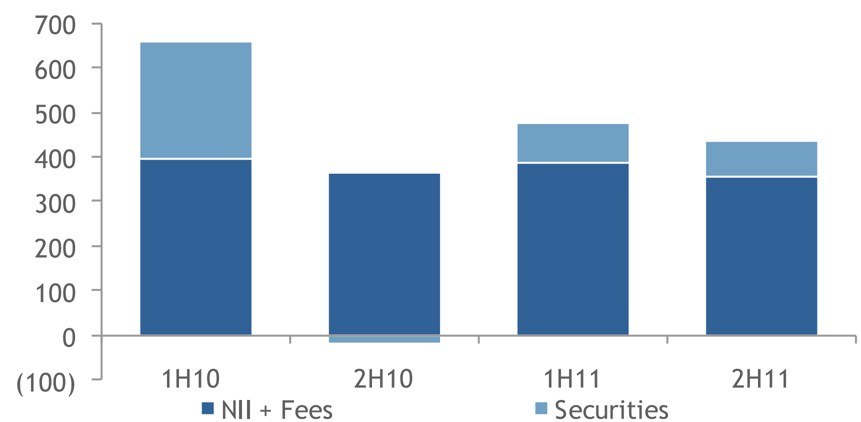


RPB revenues breakdown (€m)



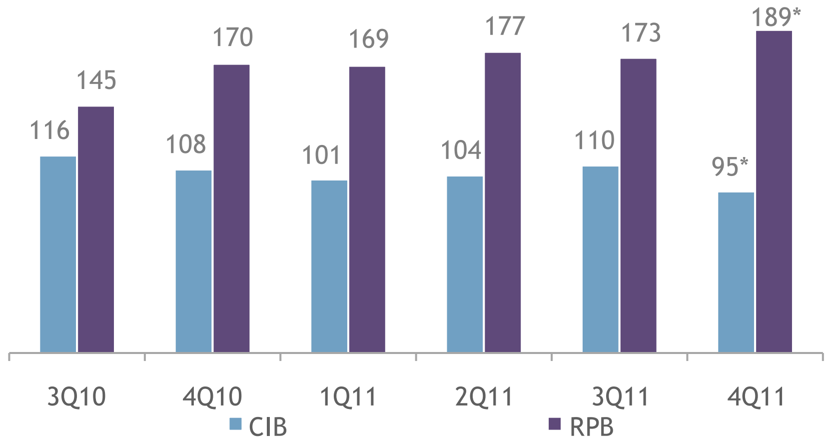
- RPB leading contributor to Group revenues
- RPB - Consumer lending growing steadily
  - Retail banking now material
  - Private banking resilient
- CIB - NII and fee resilient but under pressure
  - Trading contribution volatile

CIB revenues breakdown (€m)

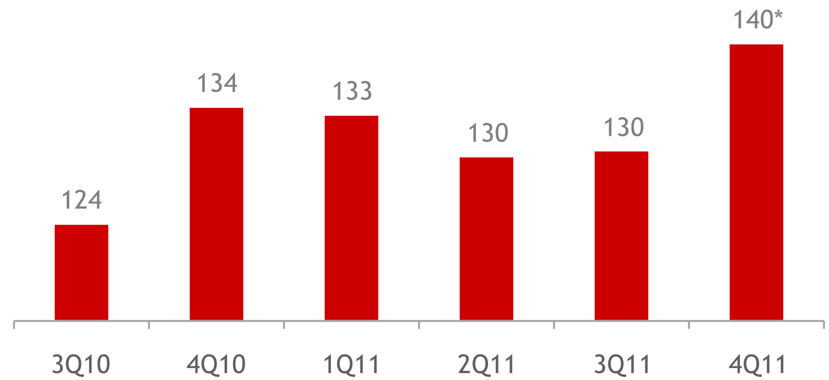


NII: growing in consumer, declining in corporate lending

CIB and RPB NII (€m)

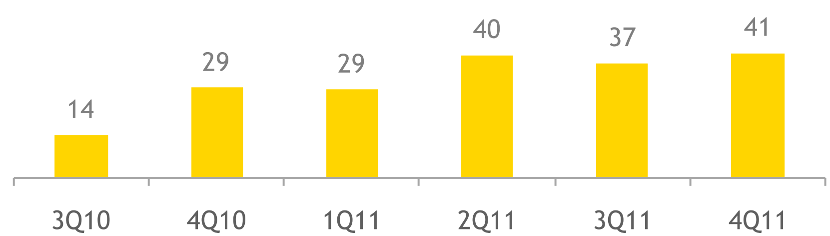


Consumer lending NII (€m)



- CIB: margins under pressure due to higher cost of funding and positive effects of ECB funds not yet being visible
- RPB up due to:
  - increased operations and margins in consumer lending
  - retail banking still resilient, but starting to be under pressure

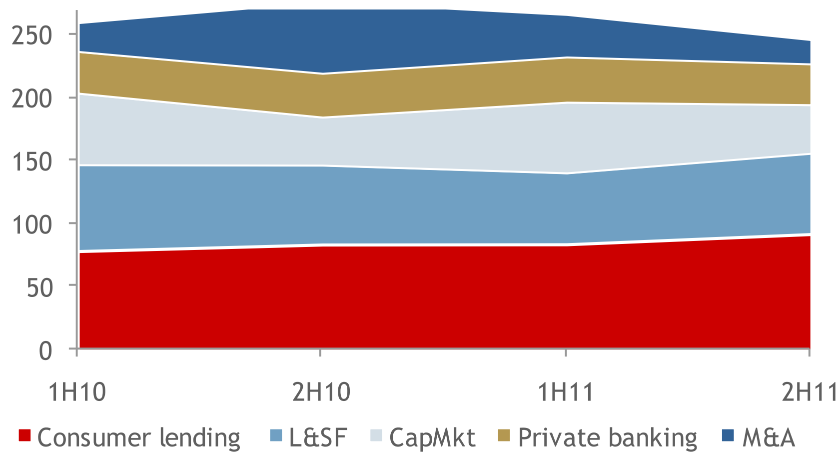
Retail banking NII (€m)



* *Compass demerger generated €5m in non-recurring NII that impacted negatively on CIB, positively on Consumer finance-RPB*

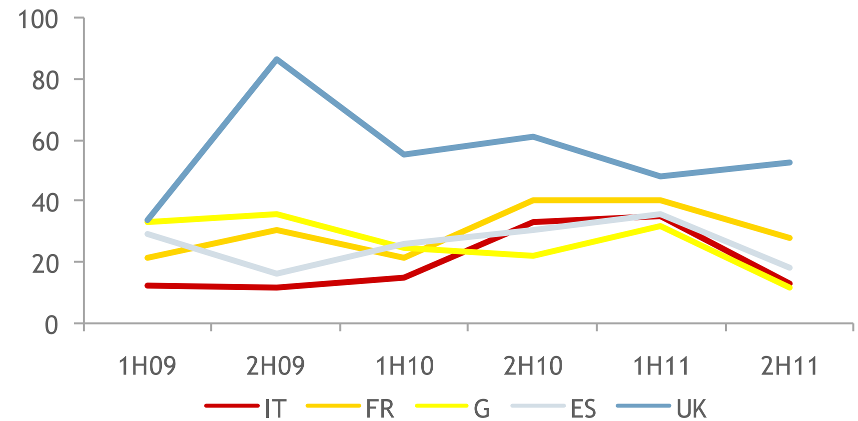
Fee income resilient due to RPB; CIB coping with low volumes

Group fees by business segment (€m)

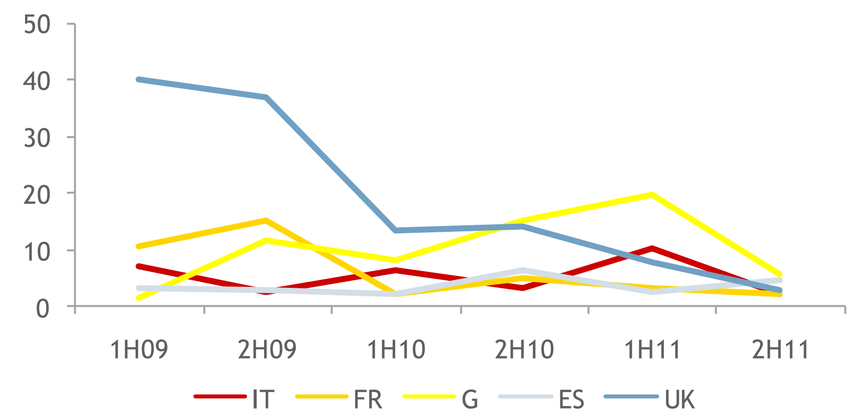


- Solid contribution from consumer and corporate lending (40% and 25% of Group fees respectively)
- M&A European volumes at their lowest
- Capital markets resilient thanks to equity issues, but far off highs
- Private banking resistant but suffering from risk-adverse asset allocation

CIB European M&A volumes (Dealogic, €bn)

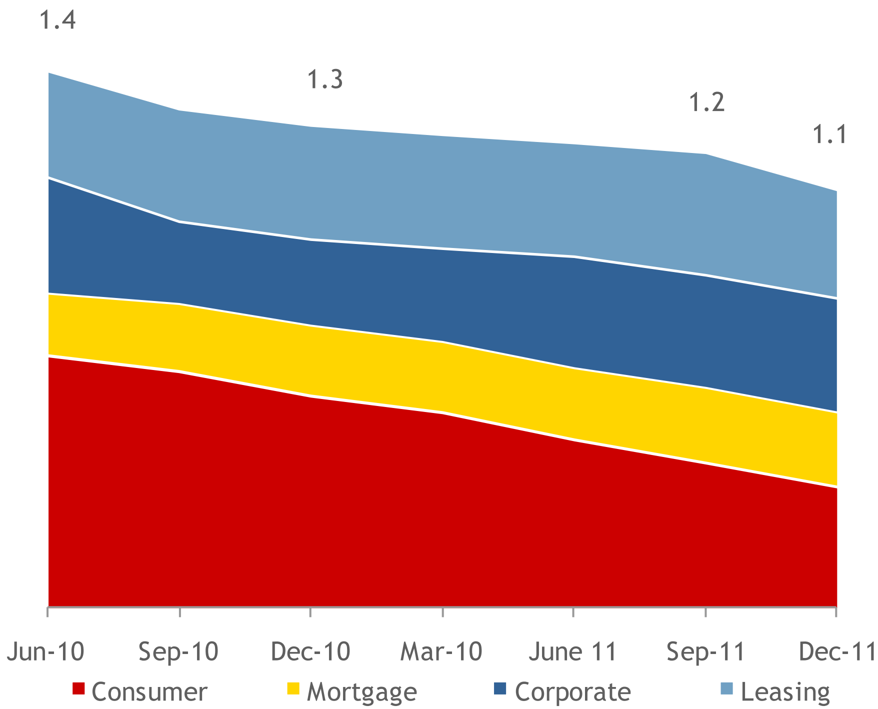


CIB European ECM volumes (Dealogic, €bn)



Asset quality under control

Gross bad loans stock* (€bn)



Asset quality ratios trend*

	6m June10	6m Dec10	6m June11	6m Dec11
LLPs (bps)	145	130	118**	116
Gross bad Ls/Ls	4.1%	3.6%	3.4%	2.9%
CIB	2.6%	2.2%	2.5%	2.3%
RPB	6.5%	5.9%	4.8%	3.9%
Coverage bad Ls	47%	49%	48%	44%
CIB	22%	26%	31%	32%
RPB	65%	65%	63%	58%
Net bad Ls/Ls	2.3%	1.9%	1.9%	1.7%
CIB	2.0%	1.6%	1.7%	1.6%
RPB	2.6%	2.4%	2.1%	1.9%
Net NPLs/Ls	0.4%	0.5%	0.5%	0.5%

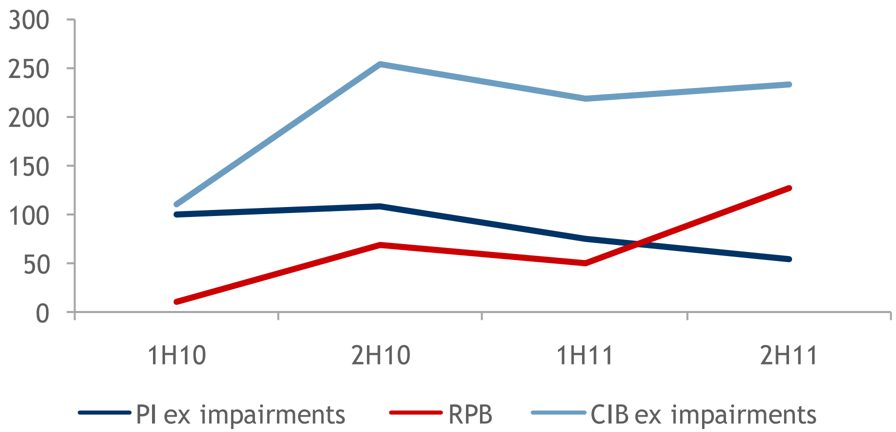
- Bad loans down in absolute and relative terms
- NPLs/Ls = 0.5%
- Ratios improved in corporate and consumer lending
- LLPs down from 145 bps to 116 bps in 18m

* *Net of third-parties' NPLs acquired by Cofactor*

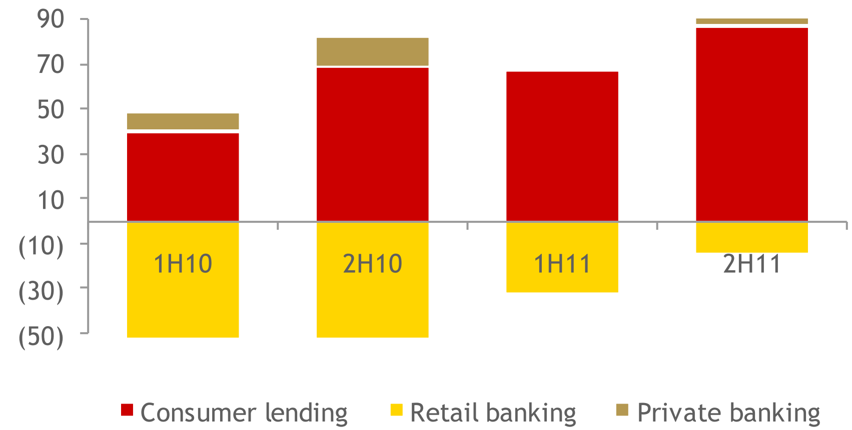
** *Normalized cost of risk, net of one-off writeback*

PBT: underlying CIB resilient, consumer business doing well

Group PBT trend by business (€m)

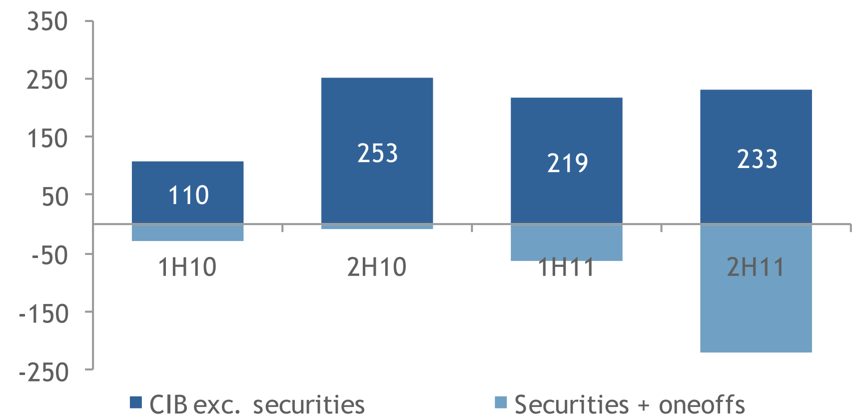


RPB: PBT breakdown (€m)



- CIB: underlying business resilient
- RPB gaining visibility, with consumer lending progressively exploiting its growth potential
- PI: lower income
- CIB and PI final results penalized by securities impairments

CIB: PBT breakdown (€m)



Underlying profitability affected by impairments

	2H11	1H11	2H10	1H11
ROEadj*	8%	8%	8%	4%
ROE	2%	3%	8%	4%
Core Tier 1 ratio	11.0%	11.2%	11.1%	11.1%
Total Capital ratio	13.5%	14.4%	14.3%	13.0%
RWAs (€bn)	55.7	55.0	55.0	53.4
RORWA adj* %	0.9	0.9	1.0	0.6
CIB adj*	0.8	0.7	0.8	0.4
Consumer lending	1.4	1.3	1.1	0.4
Retail banking	-1.5	-2.5	-5.9	-6.8
PI adj*	3.3	4.5	6.1	6.4

* *Profit/losses from AFS disposals, impairments and positive one-off items excluded; annualized.*

CIB: good quarter for revenues

€m	2H11	1H11	2H10	2H/1H 2011	4Q11	3Q11	2Q11	1Q11
Total revenues	**448**	**439**	**473**	**+2%**	**264**	**185**	**172**	**267**
Net interest income	205	206	224	-1%	95*	110	104	101
Fee income	126	151	164	-17%	61	65	65	86
Trading, equity-acc.co.	118	82	86	+44%	108	10	3	79
Total costs	**(162)**	**(170)**	**(171)**	**-5%**	**(81)**	**(81)**	**(83)**	**(87)**
Loan loss provisions	(54)	(51)	(50)	+6%	(31)	(23)	(27)	(23)
Ordinary PBT	**233**	**218**	**253**	**+6%**	**152**	**80**	**62**	**157**
AFS impairments/losses	(222)	(139)	(11)		(137)	(86)	(134)	(5)
Positive one-off	0	75	0		0	0	75	0
PBT	**10**	**154**	**242**	**-93%**	**16**	**(5)**	**3**	**151**
Net result	**(37)**	**97**	**145**		**(11)**	**(26)**	**4**	**94**
Cost/income ratio	36%	39%	36%		31%	44%	48%	33%
LLPs/Ls (bps)	47	47	46		54	44	51	44
RWAs (€bn)	40.9	40.3	40.9	+1%	40.9	40.5	40.3	40.3

- *Compass demerger generated €5m in non-recurring NII that impacted negatively on CIB, positively on Consumer finance-RPB*

PI : lower contribution from AG, impairment on RCS (@1.23ps)

€m	2H11	1H11	2H10	Δ Y.o.Y.*	4Q11	3Q11	2Q11	1Q11
Total income	**58**	**84**	**113**	**-49%**	**(8)**	**66**	**35**	**48**
Ass. Generali	66	97	105	-37%	3	63	45	52
RCS MediaGroup	(1)	(2)	5		(1)	0	(3)	0
Telco	(4)	(7)	7		(8)	4	(4)	(3)
Impairments	**(55)**	**(120)**	**(5)**		**(55)**	**0**	**(120)**	**0**
Net profit	**3**	**(40)**	**105**		**(62)**	**64**	**(85)**	**49**
Market value (€bn)	**2.4**	**3.1**	**3.0**	**-19%**	**2.4**	**2.5**	**3.1**	**3.2**
RWAs (€bn)	3.0	3.2	3.4	-10%	3.0	3.2	3.2	3.3

* *YoY= Dec11/Dec10*

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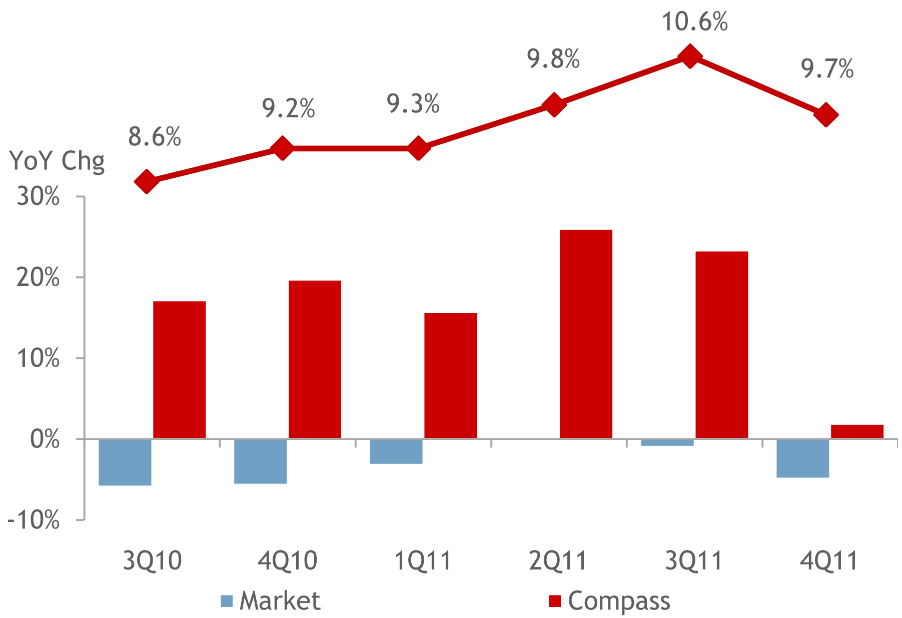
Consumer lending: further investment in distribution capacity

New loans growth , quarterly market share



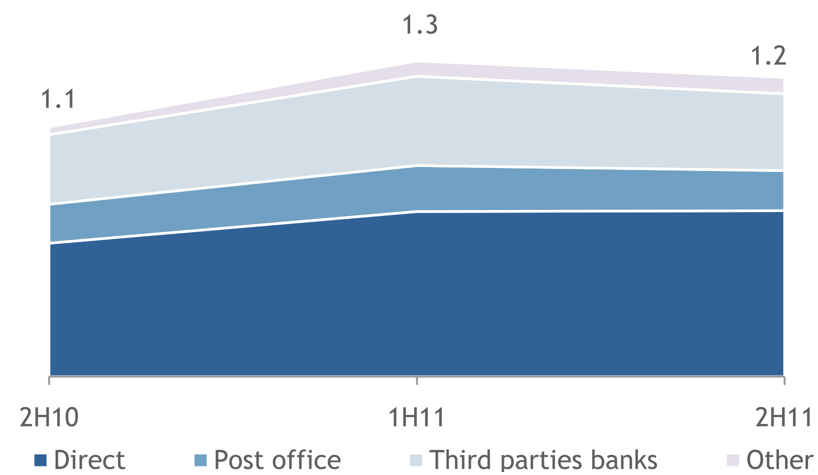
- Compass growing in a shrinking market
- Compass: 2nd-ranking Italian company in 2H11
- Ongoing investments in distribution capacity
- Deceleration in 4Q11 due to funding constraints

Consumer KPIs

	June10	Dec10	June11	Dec11
Customers	1.9m	2.1m	2.2m	2.3m
No. of branches	146	146	146	150
No. of staff	1,295	1,316	1,341	1,364
No. of third-party bank branches*	3,950	3,961	4,040	4,050

* *Not including distribution agreements with Italian post offices*

New personal loans by channel (€bn)



Consumer lending: progressively exploiting growth potential

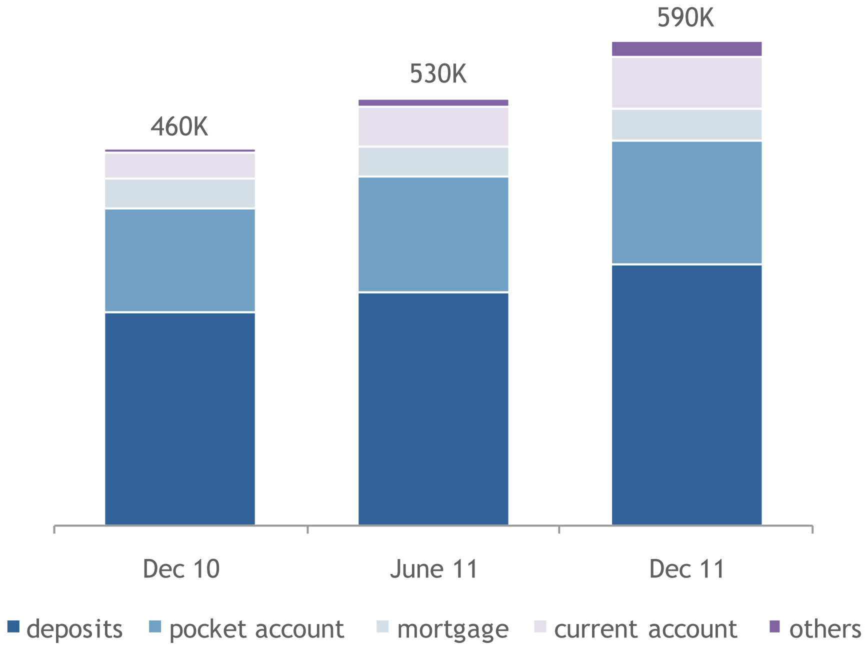
€m	2H11	1H11	2H10	Δ Y.o.Y.*	4Q11	3Q11	2Q11	1Q11
Total income	**361**	**346**	**341**	**+6%**	**187****	**174**	**170**	**177**
Total costs	(126)	(132)	(118)	+6%	(65)	(60)	(67)	(65)
Loan provisions	(149)	(148)	(155)	-3%	(75)	(75)	(74)	(74)
PBT	87	67	69	+27%	48	39	29	38
Net profit	**58**	**51**	**40**	**+47%**	**33**	**25**	**33**	**18**
Cost/income ratio	35%	38%	35%		35%	35%	39%	37%
LLPs/Ls (bps)	340	345	375	-35bps	340	340	345	345
New loans (€bn)	2.5	2.6	2.2	+12%	1.2	1.3	1.4	1.2
Loans (€bn)	9.1	8.9	8.5	+8%	9.1	9.1	8.9	8.6
RWAs (€bn)	8.1	8.0	7.5	+8%	8.1	8.1	8.0	7.6

* *YoY= Dec11/Dec10*

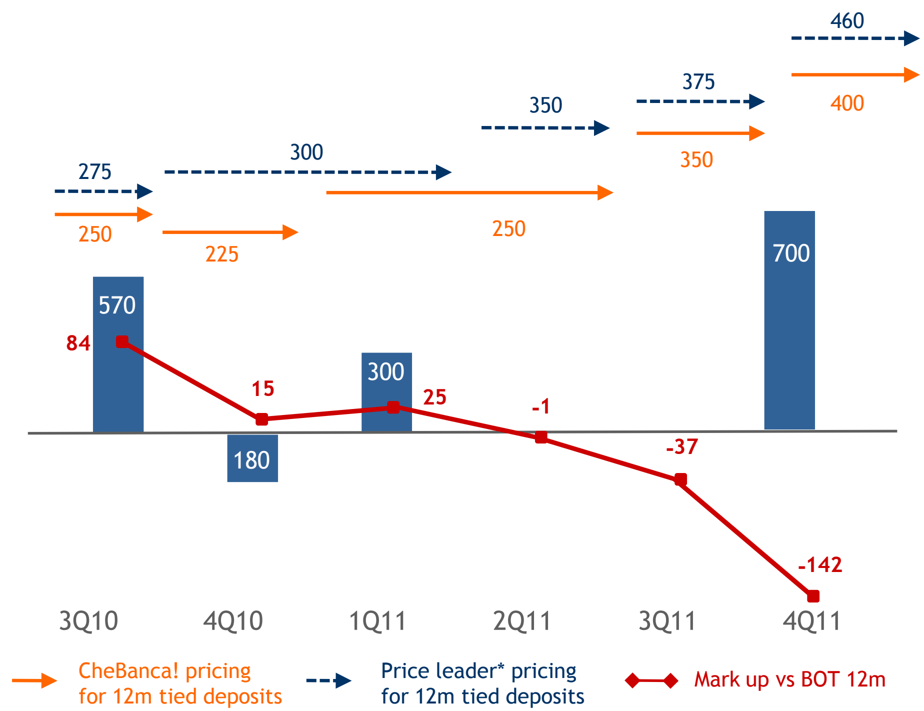
** *Compass demerger generated €5m in non-recurring NII that impacted negatively on CIB, positively on Consumer finance-RPB*

Retail banking growing: customer up 25%, deposits up 7%

CheBanca! customers and products ('000)



CheBanca! inflows (€m), pricing and mark up (bps)



- CheBanca! net inflows largely positive, even if remuneration lower than for peers and for 12-month Italian govies
- Products up 30% YoY, customers up 25% YoY

** Out of a peer group made up of: Fineco, ING, IWBank, Webank, Mediolanum, Rendimax, Barclays*

CheBanca!: revenues up 58%, crucial funding arm for the Group

€m	2H11	1H11	2H10	Δ Y.o.Y.*	4Q11	3Q11	2Q11	1Q11
Total income	**82**	**67**	**52**	**+58%**	**42**	**40**	**37**	**31**
Net interest income	78	69	43	+79%	41	37	40	29
Trading & fee income	4	(1)	8		1	3	(3)	2
Total costs	**(89)**	**(94)**	**(90)**	**-1%**	**(46)**	**(44)**	**(48)**	**(46)**
GOP	**(7)**	**(27)**	**(38)**	**-81%**	**(4)**	**(4)**	**(11)**	**(15)**
Income from AFS disposals	1		39		1	0	0	0
Loan provisions	(7)	(6)	(15)	-53%	(2)	(5)	(2)	(4)
Net result	**(15)**	**(24)**	**(15)**	**-**	**(7)**	**(7)**	**(11)**	**(13)**
Deposits (€bn)	10.7	10.0	10.0	+7%	10.7	10.0	10.0	10.2
Loans (€bn)	4.3	4.1	3.7	+17%	4.3	4.3	4.1	3.8
RWAs (€bn)	1.9	1.9	1.8	+6%	1.9	1.9	1.9	1.8
Products sold (no./000)	590	530	460	+30%	590		530	
Customers (no./000)	470	430	385	+25%	470		430	

* *YoY= Dec11/Dec10*

2Q/1H results as at December 2011

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Milan, 22 February 2012

Disclaimer

This presentation contains certain forward-looking statements, estimates and targets with respect to the operating results, financial condition and business of the Mediobanca Banking Group. Such statements and information, although based upon Mediobanca's best knowledge at present, are certainly subject to unforeseen risk and change. Future results or business performance could differ materially from those expressed or implied by such forward-looking statements and forecasts. The statements have been based upon a reference scenario drawing on economic forecasts and assumptions, including the regulatory environment.

Declaration by Head of Company Financial Reporting

As required by Article 154-bis, paragraph 2 of Italian Legislative Decree 58/98, the undersigned hereby declares that the stated accounting information contained in this report conforms to the documents, account ledgers and book entries of the company.

Head of Company Financial Reporting

Massimo Bertolini

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