

# History and mission

## Mediobanca overview



- Founded after World War II by Banca Commerciale Italiana, Credito Italiano and Banco di Roma, the three state-owned “banks of national interest”
- Mission: to support the rebuilding of the Italian industry through supply of medium/long-term financing and advisory services to enterprises

- 1950s: supporting growth of leading Italian groups outside Italy
- 1956: listing on Milan stock market (the first banking group listed after the war)
- Trustee business via Spafid (1951), followed by consumer credit with Compass (1960) and leasing with Selma (1970)

- Key role in supporting Italian industry restructuring: MB became “house bank” for major Italian industrials
- By mid-1970s MB’s equity investment portfolio included Generali (4.5%), Fiat (2.5%), Montedison (2.5%), Olivetti (5%), Pirelli & C. (3.3%) and Fondiaria (10%)
- 1998: MB privatisation and core shareholder’s agreement between banks (25%) and private enterprises (25%) set up

- Industrial restructuring in late '90s was followed by a boom of privatisation deals and IPOs, in which MB confirmed its leadership position.
- MB International, operating in international capital markets set up in 1990
- Residencial mortgages business started up with Micos (1992)
- Increase in size of equity investment portfolio (Generali 14%)
- Private Banking business entered with Banca Esperia (2001) and CMB (2003)

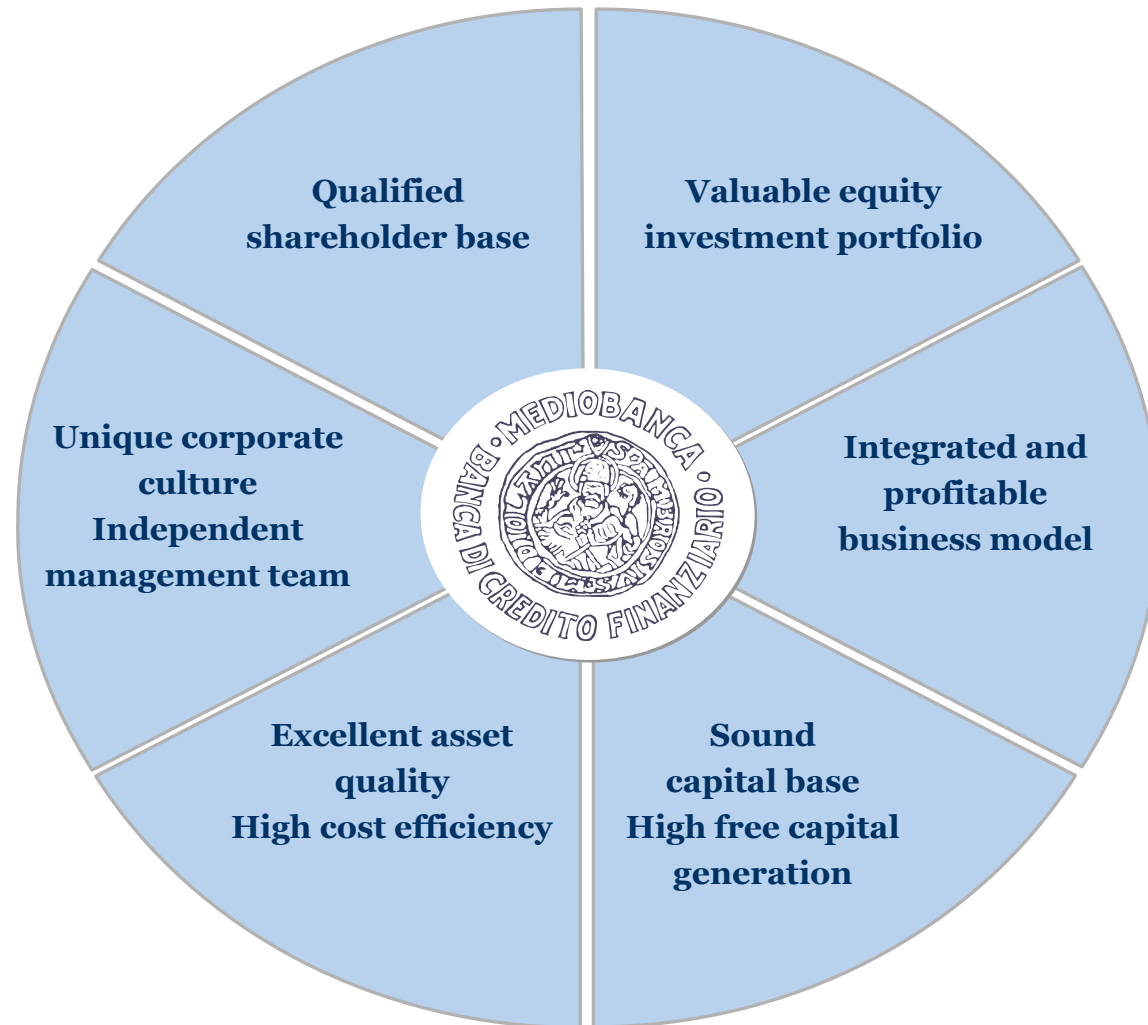
- New management team (2003) and strategy refocused on banking activities
- CIB activities internationalized with the opening of branches in Madrid (2004), New York (2006), Madrid (2007), Frankfurt (2007) and London (2008)
- Creation of the third domestic operator in consumer lending with the acquisition of Linea (2007)
- Retail banking started with Che Banca! (2008)



# Key features

Mediobanca is the leading investment bank in Italy with

- unrivalled relations with Italian corporates, providing them with high-quality advisory and financial services
- easy access to high net worth individuals and families, often synergic with corporate business



# Shareholder base

- The stability of shareholder base is today ensured by a **shareholders' agreement (46%)**
- The shareholder base is broad and superior in terms of quality, **including many of the key players in both the Italian and European financial and business communities**
- Since 2003 effort has been put into ensuring that a **larger share of the bank's capital is held by institutional investors / free float**

	<b>Mediobanca overview</b>	
	<b>No. syndicated shares</b>	<b>% of share capital</b>
Unicredit Group	70,982,659	8.7%
Mediolanum	27,709,629	3.4%
Commerzbank	13,984,357	1.7%
Sal.Oppenheim	13,984,357	1.7%
<b>Total Group A</b>	<b>126,661,002</b>	<b>15.5%</b>
Fondiaria - Sai	31,447,510	3.8%
Italmobiliare	21,494,278	2.6%
Ragione (Benetton)	17,738,123	2.2%
Assicurazioni Generali	16,381,963	2.0%
Pirelli & C.	15,003,207	1.8%
FIN.PRIV.	13,657,350	1.7%
Fininvest	8,190,982	1.0%
Soc.Acciai Bolzano SIAB	6,000,000	0.7%
Ferrero	5,450,000	0.7%
Dorint	3,900,000	0.5%
Pecci	3,893,000	0.5%
Sinpar	3,210,000	0.4%
Officine Meccaniche G. Cerutti	2,509,068	0.3%
Oscar Zannoni	2,500,000	0.3%
Others		1.8%
<b>Total Group B</b>	<b>165,451,356</b>	<b>20.2%</b>
Financière du Perquet (Bollorè group)	40,954,907	5.0%
Groupama	25,386,159	3.1%
Santusa Holding (Santander group)	15,081,628	1.8%
<b>Total Group C</b>	<b>81,422,694</b>	<b>9.9%</b>
<b>Total syndicated</b>	<b>373,535,052</b>	<b>45.6%</b>



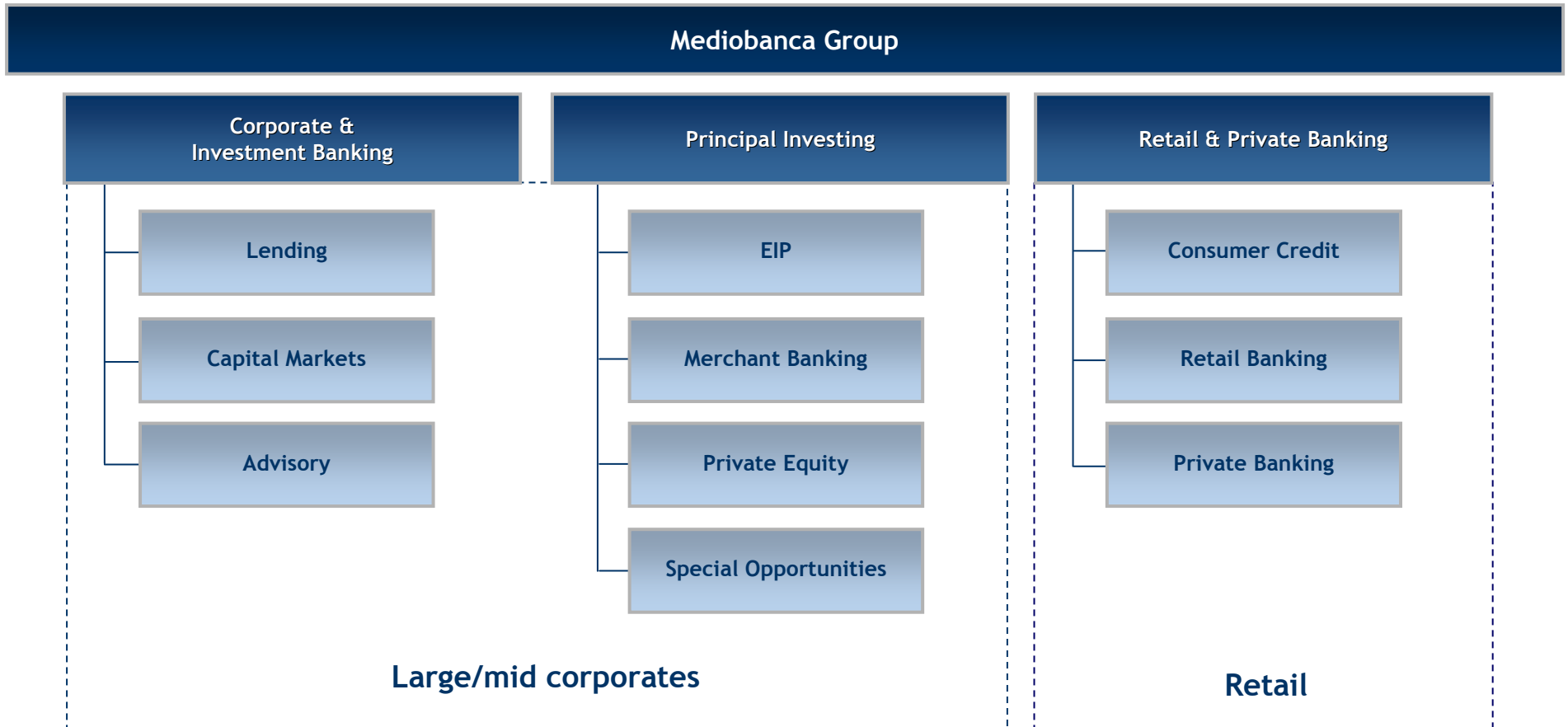
# Corporate governance

At an annual general meeting held on 28 October 2008, the shareholders of Mediobanca adopted an **“innovative single board” model**: the Articles of Association provide for a significant number of executives to be represented on the Board of Directors, and wide-ranging powers are granted to the Executive Committee (made up by a majority of executives) and the Chief Executive Officer.

<p><b>Board of Directors</b></p>	<p>23 members incl.</p>	<p>5 Mediobanca managers 1 minority shareholders' rep.</p>
<p><b>Executive Committee</b></p>	<p>9 members incl.</p>	<p>5 Mediobanca managers</p>
<p><b>Appointments Committee</b></p>	<p>6 members incl.</p>	<p>2 Mediobanca managers</p>

Chairman	Cesare GERONZI
CEO	Alberto NAGEL
General Manager	Renato PAGLIARO

# Business model



# Group KPIs

Mediobanca Group	Mediobanca overview		
	June 06	June 07	June 08PF*
Revenues (€ m)	1,602	1,777	2,078
Net profit (€ m)	858	953	1,013
RWA (€ bn)	40.3	50.1	55.1
Net equity (€ bn)	5.9	6.8	5.7
ROE	15%	15%	16%
RORWA	2.3%	2.1%	1.9%
Cost / income ratio	25%	24%	30%
Tier 1 ratio	14%	12%	10%
Total capital ratio	17%	16%	12%
Rating	AA-	AA-	AA-

Financial year ends 30 June

\* June 08 pro-forma with Linea consolidated line by line



# Divisional KPIs

Mediobanca overview

June 2008 PF* (12 months)	Corporate & Investment Banking	Principal Investing	Retail & Private Banking	Group
Income (€ m)	874	475	770	2,078
% breakdown	42%	23%	35%	
YoY	-2%	+25%	+39%	+17%
Net profit (€ m)	464	493	59	1,013
% breakdown	46%	49%	5%	
YoY	-2%	+36%	-51%	+6%
Loans (€ bn)	23		12	35
% breakdown	66%		34%	
YoY	+12%		+77%	+29%
AUM (€ bn)			13.5	13.5
YoY			-2%	-2%
Cost/income	31%	n.s.	49%	30%

Financial year ends 30 June

\* Pro-forma with Linea consolidated line by line



# International presence

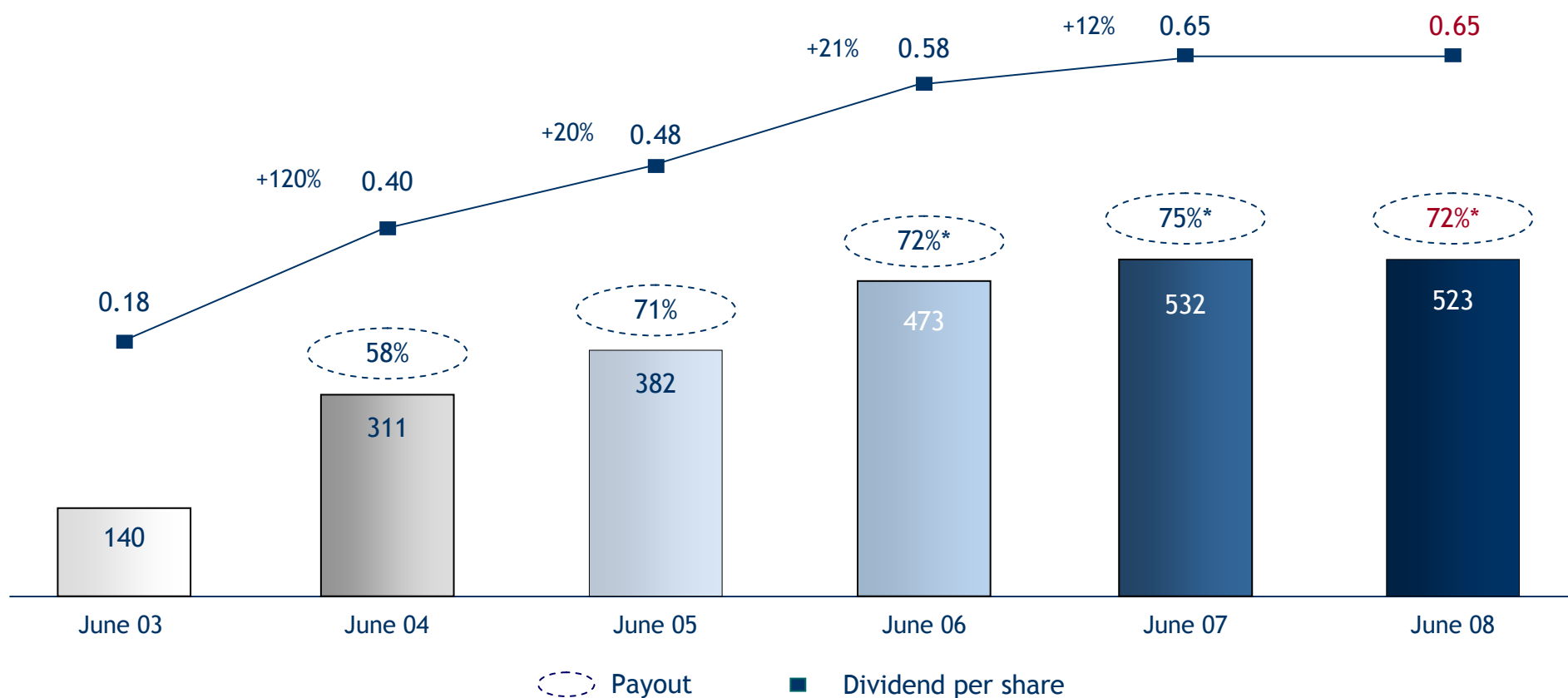
## Direct presence

<b>C I B</b>	<b>France</b>	<ul style="list-style-type: none"> <li>Branch in Paris set up in 2004</li> <li>Lending and investment banking activities</li> </ul>
	<b>Germany</b>	<ul style="list-style-type: none"> <li>Branch in Frankfurt set up in mid 2007</li> <li>Lending and investment banking activities</li> </ul>
	<b>Spain</b>	<ul style="list-style-type: none"> <li>Branch in Madrid set up in autumn 2007</li> <li>Lending and investment banking activities</li> </ul>
	<b>U.S.</b>	<ul style="list-style-type: none"> <li>Branch in new York set up in 2007</li> <li>Brokerage activity</li> </ul>
	<b>U.K.</b>	<ul style="list-style-type: none"> <li>Branch in London set up in 2008</li> <li>Capital market activity</li> </ul>
<b>P B</b>	<b>Principality and Switzerland</b>	<ul style="list-style-type: none"> <li>CMB: stake owned since 1989, fully owned since 2004</li> <li>Leader player in private banking in Monaco, branch in Lugano</li> </ul>



# Dividend policy

Dividend per share (€), total dividend (€ m) and payout trend (%)



\* On cashed net profit = net profit - earnings from equity-accounted cos. + dividends from equity-accounted cos.



# 2009/2011 business plan\*: group mission

Mediobanca overview

## Corporate & Investment Banking

- European CIB player, leader in Italy with major footprint in core Europe
- More diversified income mix by domestic/international
- Enlarged product offering

## Principal Investing

- Release opportunities embedded in business model/market position
- Enhance synergies with CIB
- New asset classes

## Retail & Private Banking

- Leader in Italian consumer finance
- Recognized innovative retail player
- Scaling up private banking

## Capital Management

- Healthy asset quality
- Optimize capital structure
- Opportunistic acquisitions

\* Approved on 7 March 2008

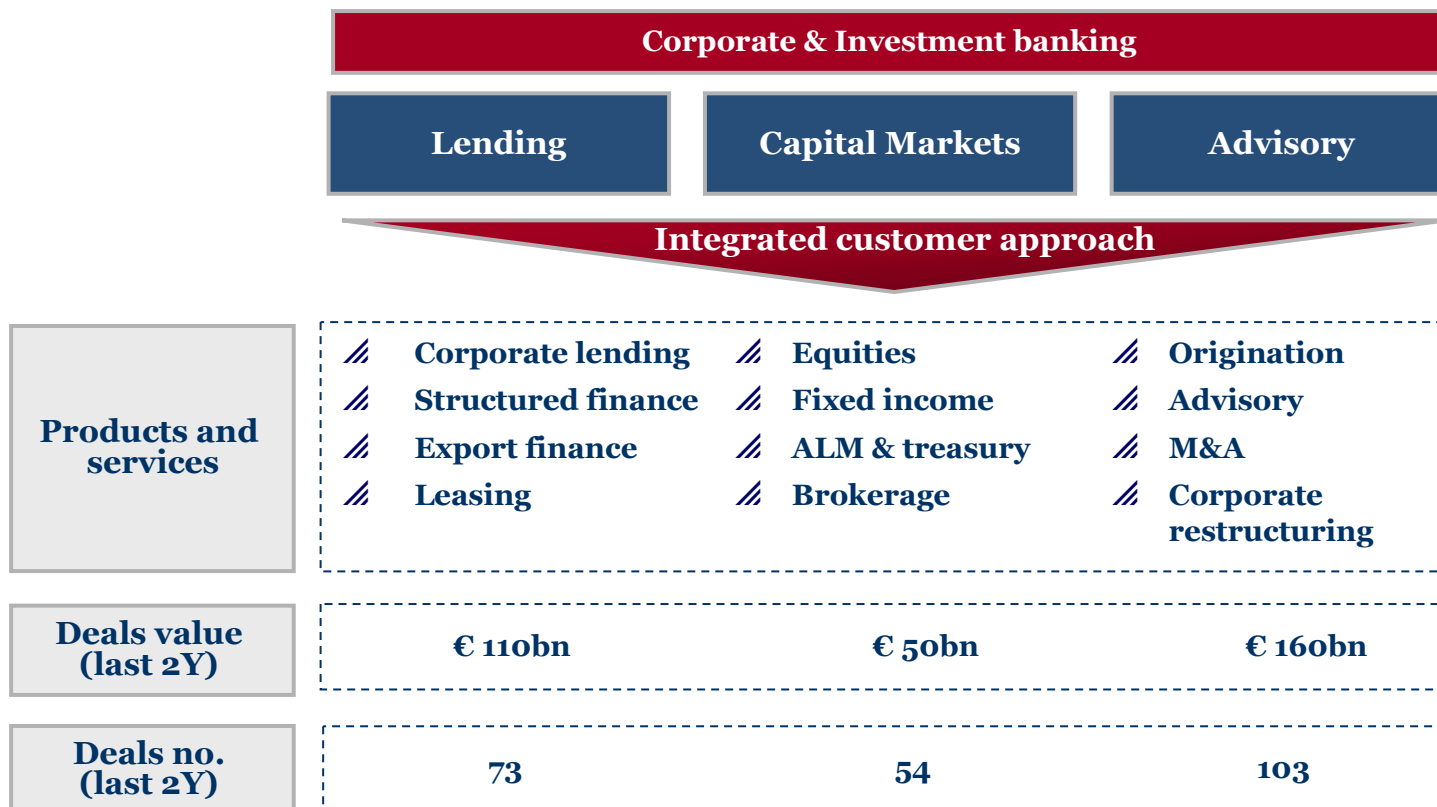


# Corporate & Investment Banking: business model

Corporate & Investment Banking

June 2008 (12 months)

Income (€ m)	874
Breakdown	42%
YoY	-2%
Net profit (€ m)	464
Breakdown	46%
YoY	-2%
Loans (€ bn)	23
Breakdown	66%
YoY	+12%
Cost/income	31%



# Mediobanca positioning

## Corporate & Investment Banking

### M&A (announced deals)

2004		2005		2006		2007		2008	
Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)
Mediobanca	9,308	Merrill Lynch	69,578	Mediobanca	37,944	Citi	131,615	Mediobanca	43,348
Lazard	7,576	JP Morgan	61,810	Rothschild	23,469	Merrill Lynch	126,946	Merrill Lynch	26,525
Citi	5,334	Goldman Sachs	47,491	Goldman Sachs	18,368	Mediobanca	120,598	UBS	26,358
Rothschild	5,008	Mediobanca	38,515	Morgan Stanley	17,546	Credit Suisse	105,217	Morgan Stanley	25,009
Intesa SanPaolo	4,776	Lazard	37,599	Lehman Brothers	16,289	JP Morgan	78,992	Goldman Sachs	22,951

### Equity issuance

2004		2005		2006		2007		2008	
Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)
Mediobanca	2,852	Mediobanca	5,048	Mediobanca	4,121	Mediobanca	1,843	Mediobanca	2,087
Morgan Stanley	2,266	JP Morgan	2,489	Morgan Stanley	2,802	Goldman Sachs	893	Goldman Sachs	1,143
Goldman Sachs	418	Morgan Stanley	1,931	Credit Suisse	1,991	Lehman Brothers	822	Credit Suisse	823
BMPS	286	Merrill Lynch	1,844	Goldman Sachs	1,757	Unicredit Group	549	Merrill Lynch	618
JP Morgan	286	Deutsche Bank	1,707	Deutsche Bank	1,471	Intesa SanPaolo	513	Intesa SanPaolo	528

### Syndicated loans bookrunners

2004		2005		2006		2007		2008	
Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)	Bank	Volume (€ m)
Mediobanca	5,400	BNP Paribas/BNL	6,493	Mediobanca	5,628	Intesa SanPaolo	13,609	RBS	3,759
Banca Intesa	4,846	Mediobanca	5,305	Citigroup	3,430	UniCredit Group	9,058	Intesa SanPaolo	3,645
HVB/UBM	4,753	Deutsche Bank	4,489	RB of Scotland	2,881	Mediobanca	8,899	BNP Paribas	2,445
JP Morgan	4,069	RB of Scotland	3,927	HVB/UBM	2,845	UBS - BSCH	7,000	UniCredit Group	1,969
BNP Paribas/BNL	3,860	SanPaolo IMI	3,636	Banca Intesa	2,516	BNP Paribas	5,263	Mediobanca	1,551



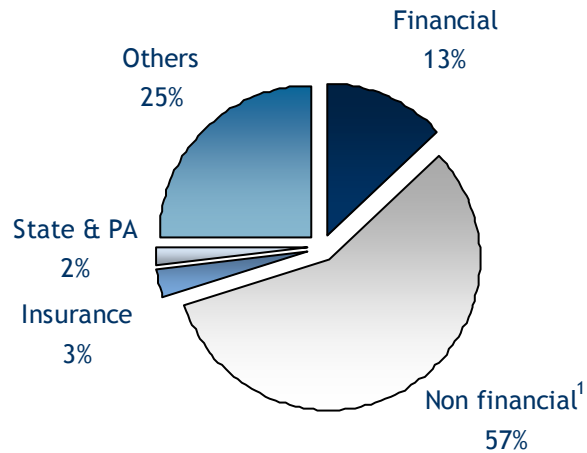
Source: Thomson Financial, Dealogic  
All rankings are by Mediobanca fiscal year



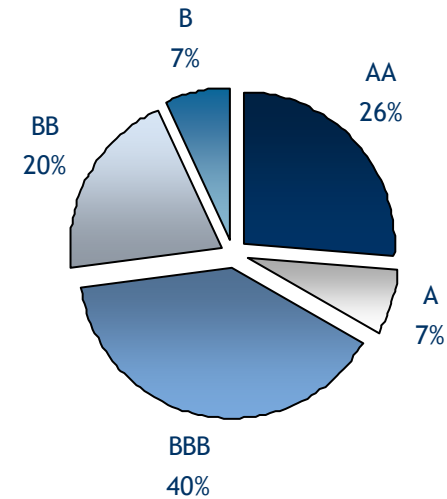
# Loan book

- Group loan book amounted to € 35bn with **NPLs/Loans = 0%**
- Around **65%** of loan portfolio accounted for **by corporate customers**
- Almost **50%** of new loans is **from non Italian corporate customers**
- Over **2/3** of loan book to **investment-grade companies**

## Breakdown by sector...



## ..and rating



1) Utilities, telecom, transports, infrastructure, etc.



# Principal Investing

		Principal Investing
● Release potential embedded in business model and market position		Target
EIP (AG, RCS)	<ul style="list-style-type: none"> <li>● Recurring, increasing contribution</li> </ul>	<p>EPS</p> <p>Total return</p>
Merchant Banking*	<ul style="list-style-type: none"> <li>● Commitment: up to € 300m</li> <li>● Minority stakes in mid-corporates</li> </ul>	20%
Private Equity*	<ul style="list-style-type: none"> <li>● Commitment: up to € 500m</li> <li>● Buyout of “mid-large” corporates</li> </ul>	25%
Special Opportunities*	<ul style="list-style-type: none"> <li>● Commitment: up to € 300m</li> <li>● Special situations, real estate, distressed assets</li> </ul>	15%



\* Earnings not included in BP targets



# Equity Investment Portfolio

Principal Investing

## Current EIP composition

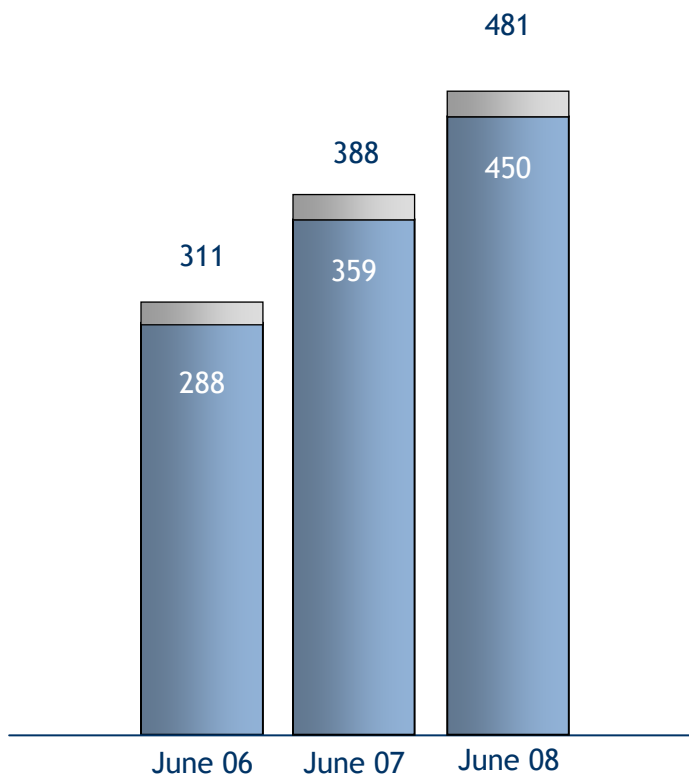
- 14.1% Ass. Generali
- 14.4% RCS Media

## June 2008 (12 months)

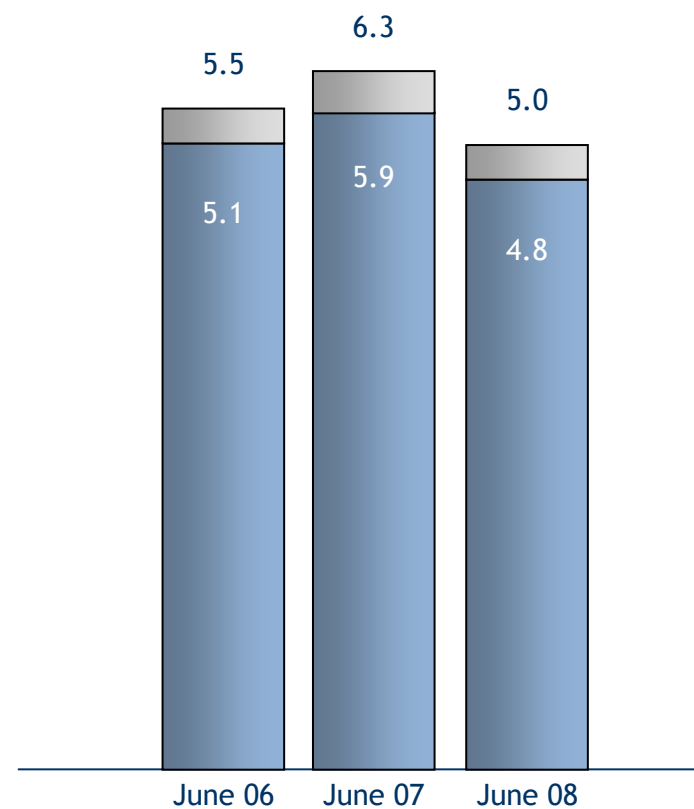
<b>Revenues (€ m)</b>	<b>475</b>
Breakdown	23%
YoY	+25%

<b>Net profit (€ m)</b>	<b>493</b>
Breakdown	49%
YoY	+36%

## Share of profit by equity-acc.co (€ m)



## Net asset value (€ bn)



■ Assicurazioni Generali

■ RCS Media Group

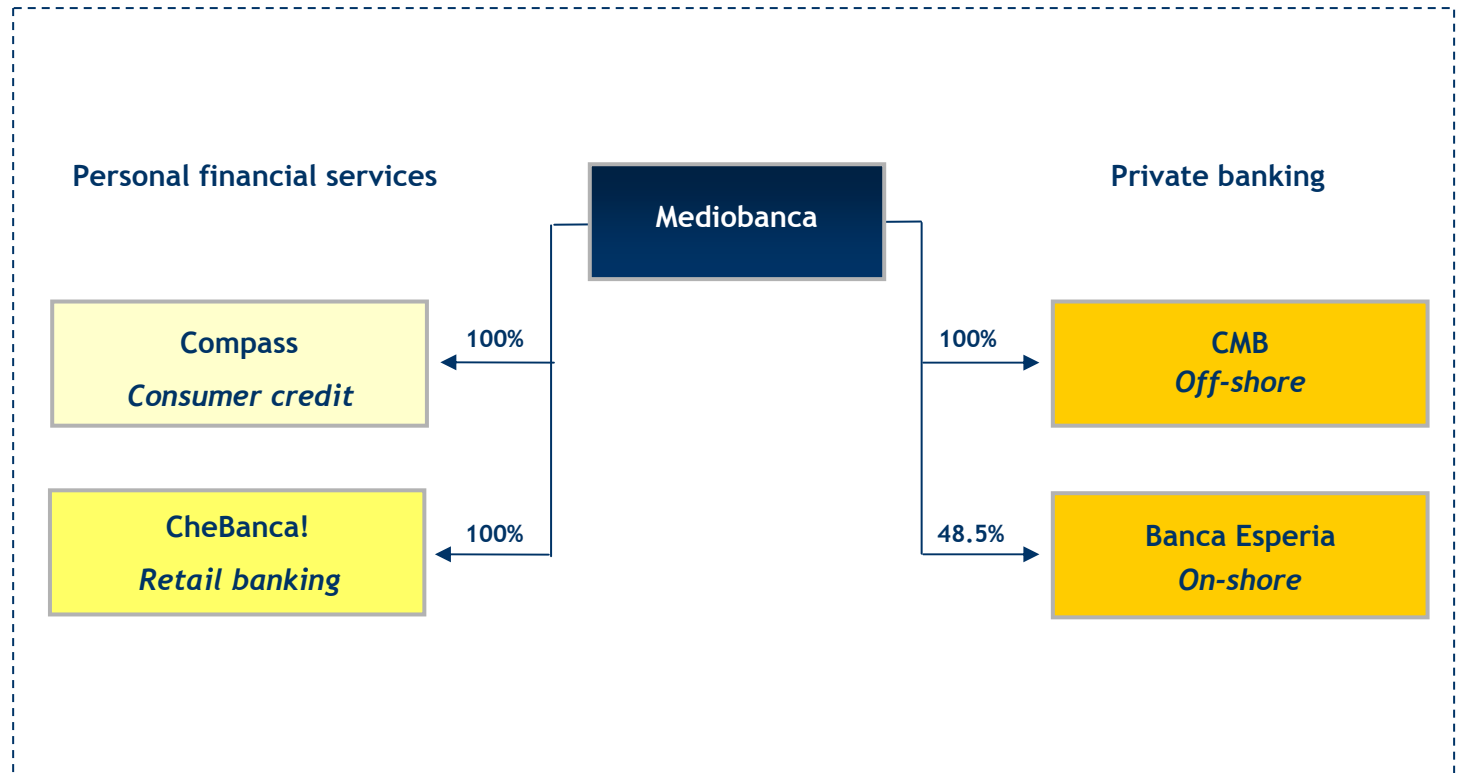


# Retail & Private banking

## Retail & Private Banking

June 2008 (12 months)

<b>Revenues (€ m)</b>	<b>770</b>
Breakdown	37%
YoY	+39%
<b>Net profit (€ m)</b>	<b>59</b>
Breakdown	6%
YoY	-51%
<b>Loans (€ bn)</b>	<b>12</b>
Breakdown	34%
YoY	+77%
<b>AUM (€ bn)</b>	<b>13.5</b>
YoY	-2%
<b>Cost/income</b>	<b>49%</b>

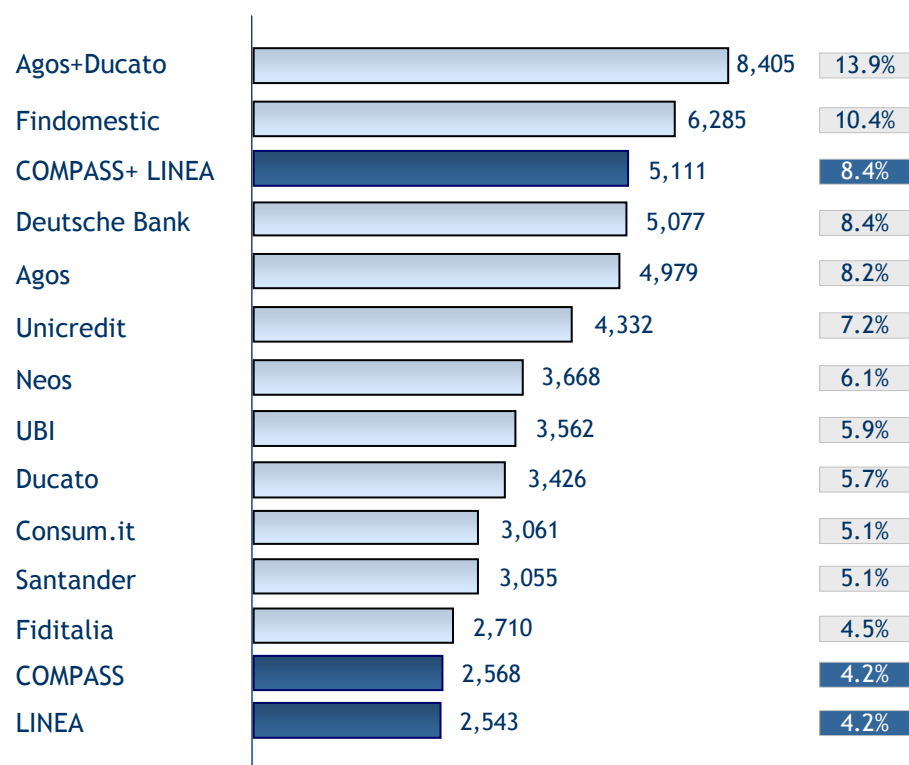




# Consumer finance: poised to be market leader

Retail & Private Banking

## Italian market: ranking



## Ranking: new loans by product

	Compass	Linea	Consumer finance
Total new loans	10th	11th	<b>3rd</b>
Automotive	9th	13th	<b>3rd</b>
Special purpose	4th	5th	<b>3rd</b>
Personal loans	8th	10th	<b>3rd</b>
Credit cards	12th	9th	<b>8th</b>
Salary guaranteed	18th	7th	<b>7th</b>



Source: Assofin, new loans, 12m ending June 08



# Retail banking: new platform rationale

Retail & Private Banking

**Italian retail banking**

- **Attractive market**
- **Changing scenario and customer approach**

**MB key advantages**

- **Strong Italian brand**
- **Free to launch innovative retail operations without overlaps**
- **Skilled management**

**MB goals**

- **Achieve innovative and efficient retail distribution**
- **Access to retail deposits to fund Group growth**
- **Diversify and stabilize Group revenue pool**

**CheBanca!: distinctive offering**

- **Products and services distinguished by**
  - ⇒ transparency
  - ⇒ efficiency
  - ⇒ high standardization
  - ⇒ competitive price

CIB

PI

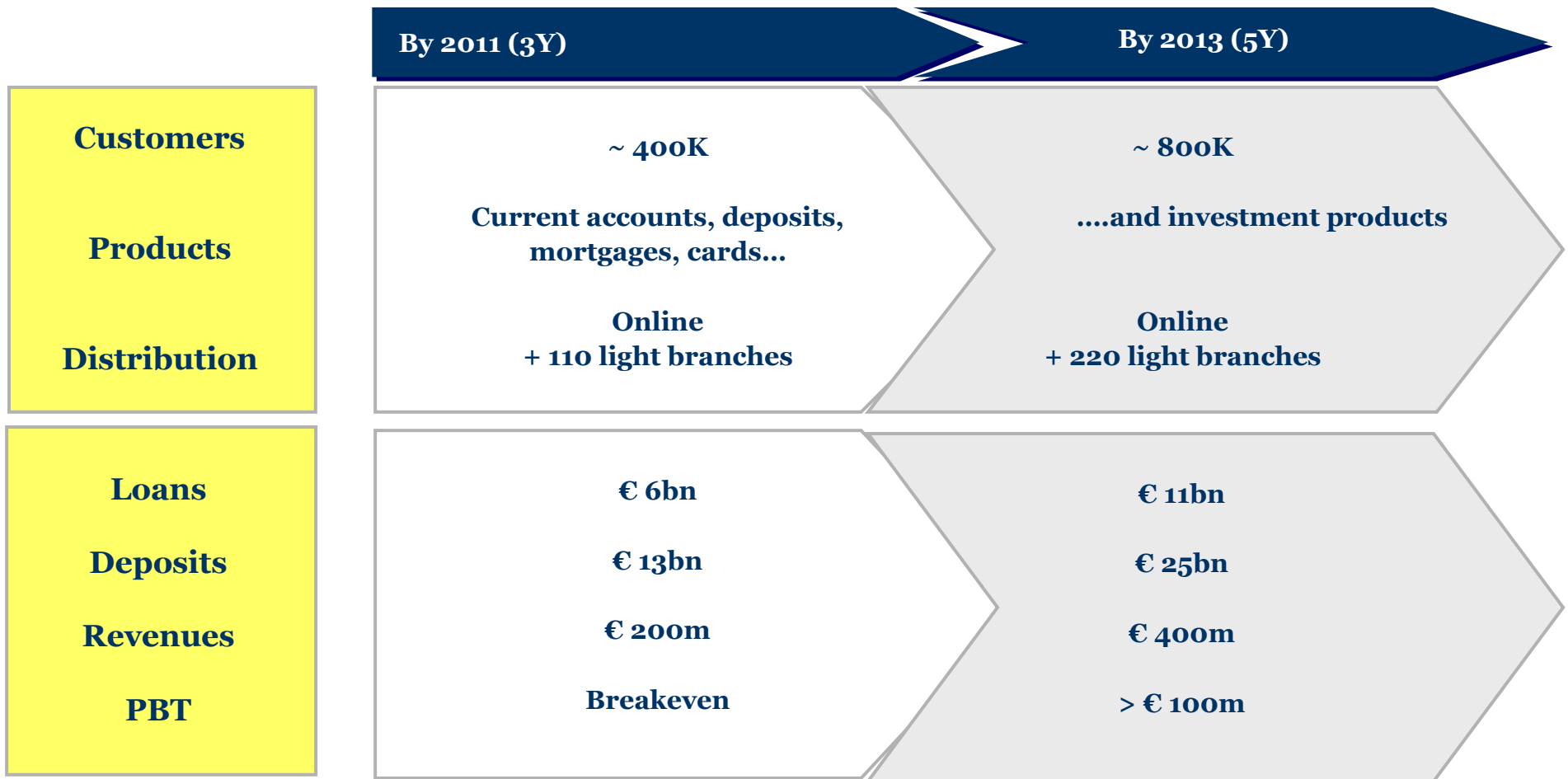
RPB

Retail Banking



# CheBanca! KPIs

Retail & Private Banking



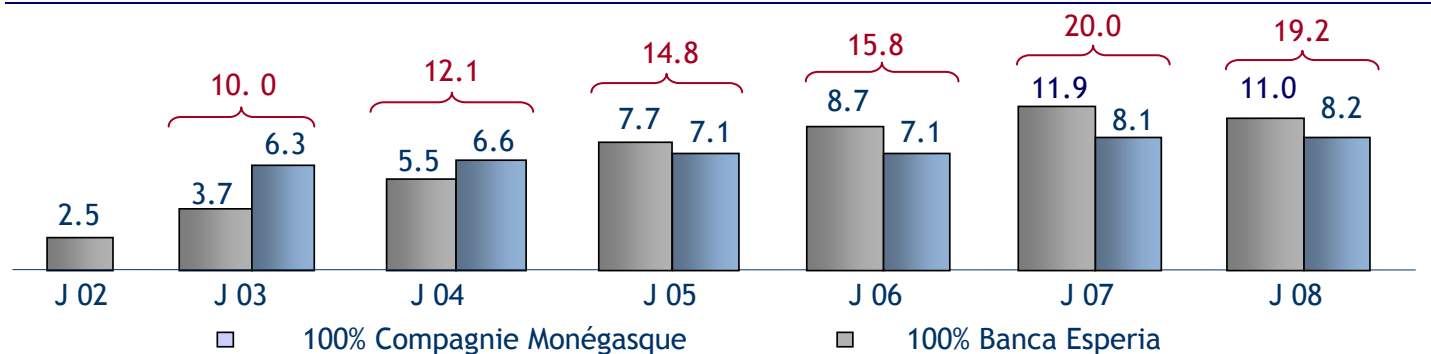
# Private Banking

Retail & Private Banking

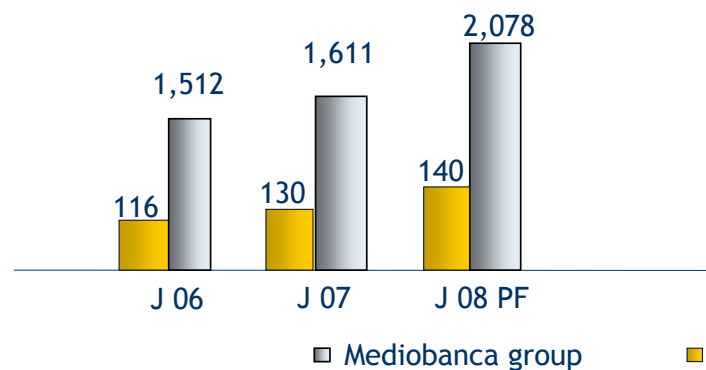
June 2008 (12 months)

<b>Income (€ m)</b>	<b>140</b>
% breakdown	7%
3Y CAGR	+11%
<b>Net profit (€ m)</b>	<b>57</b>
% breakdown	6%
3Y CAGR	+18%
<b>AUM (€ bn)</b>	<b>13.5</b>
3Y CAGR	8%
<b>Cost/income</b>	<b>49%</b>

AUM (€ bn)



Income (€ m)



Net profit (€ m)

