



MEDIOBANCA

## **MEDIOBANCA**

LIMITED COMPANY  
SHARE CAPITAL FULLY PAID UP: €430,564,606  
REGISTERED OFFICE: PIAZZETTA ENRICO CUCCIA 1, MILAN, ITALY  
REGISTERED IN THE MILAN COMPANIES' REGISTER  
TAX IDENTIFICATION CODE AND VAT NUMBER: 00714490158  
REGISTERED AS A BANK AND A BANKING GROUP UNDER REGISTRATION NO. 10631.0.  
PARENT COMPANY OF THE MEDIOBANCA S.P.A. BANKING GROUP

### **Registration document for the twelve months ended 30 June 2012**

Drawn up in accordance with Consob resolution no. 11971 issued on 14 May 1999 and  
EC commission regulations no. (CE) 809/2004 approved on 29 April 2004  
enacting the methods of application for Directive 2003/71 CE

*Issuer*

**MEDIOBANCA - Banca di Credito Finanziario S.p.A.**

*Registration Document filed with Consob on 22 October 2012 following approval as notified by memo no. 12082878 issued on 18 October 2012.*

*The Registration Document is valid for twelve months from the date of approval and is available both on the Bank's website at [www.mediobanca.it](http://www.mediobanca.it) and the head office of Mediobanca itself at Piazzetta Enrico Cuccia 1, 20121 Milan, Italy.*

*In order to have full disclosure on the Bank and its offerings and/or prices for financial instruments, the investor is invited to view the prospectus as a whole, consisting of the Registration Document plus the individual Information Reports and Summaries that are approved from time to time.*

*The investor is also invited to read carefully the section entitled "Risk factors" contained within the Registration Document and the individual Information Reports and Summaries approved from time to time, for a review of the risk factors that must be taken into consideration with reference to the Issuer and the relevant types of financial instrument.*

*Publication of the Registration Document does not entail any judgement by Consob on the advisability of the investments proposed and the merits of the data and information relating thereto.*





## Contents

<b>1</b>	<b>Information regarding the persons responsible for this Registration Document</b> .....	<b>5</b>
1.1.	Persons responsible .....	5
1.2.	Declaration of responsibility.....	5
<b>2</b>	<b>Auditors of the financial statements</b> .....	<b>6</b>
2.1.	External and supervisory auditors .....	6
2.2.	Information regarding resignations, dismissals or failures to renew the appointment of the external auditors or the auditors responsible for auditing the financial statements.....	6
<b>3</b>	<b>Risk factors</b> .....	<b>7</b>
3.1.	Risks attributable to the Issuer and the Mediobanca Group .....	7
3.2.	Select financial information .....	10
3.2.1.	Select historical financial information.....	10
3.2.2.	Select financial information for interim periods .....	14
<b>4</b>	<b>Information on the Issuer</b> .....	<b>15</b>
4.1.	History and development of the issuer.....	15
4.1.1.	Name .....	15
4.1.2.	Details of registration in Companies' Register and place of registration.....	15
4.1.3.	Issuer's date of incorporation and duration.....	15
4.1.4.	Issuer's registered office and legal status, legislation under which it operates, country of incorporation, address and telephone number of registered office .....	15
4.1.5.	Material facts for the Issuer's solvency.....	15
<b>5</b>	<b>Overview of activities</b> .....	<b>16</b>
5.1.	Principal activities .....	16
5.1.1.	Mediobanca Group activities .....	16
5.1.2.	Brief description of the Issuer's principal activities, with an indication of the main categories of products sold and/or services provided.....	21
5.1.3.	Principal markets.....	21
5.1.4.	Basis of any statement made by the Issuer in the Registration Document regarding its competitive position .....	21
<b>6</b>	<b>Organizational structure</b> .....	<b>22</b>
6.1.	Description of organizational structure of group headed up by the Issuer .....	22
6.2.	Subsidiaries and main investee companies.....	23
<b>7</b>	<b>Future trends</b> .....	<b>25</b>
7.1.	Recent trends .....	25
7.2.	Information on trends, uncertainties, requests, commitments or facts known which could reasonably have significant repercussions on the Issuer's prospects for at least the current financial year.....	25
<b>8</b>	<b>Forecasts or estimates of profits</b> .....	<b>26</b>
<b>9</b>	<b>Bodies responsible for governance, management and supervision</b> .....	<b>27</b>
9.1.	Information on governing bodies.....	27
9.2.	Conflicts of interest among bodies responsible for governance, management and supervision .....	30
<b>10</b>	<b>Main shareholders</b> .....	<b>31</b>
10.1.	Information on ownership structure .....	31
10.2.	Description of any agreements known to the Issuer which may subsequently give rise to a change in the control of the Issuer. ....	31
<b>11</b>	<b>Information on the Issuer's assets and liabilities, earnings and losses</b> .....	<b>32</b>
11.1.	Financial information for previous years .....	32
11.2.	Financial statements.....	32
11.3.	Auditing of annual financial information for previous years.....	33
11.3.1.	XI.III.I. Statement confirming that financial information for previous financial years has been audited .....	33
11.3.2.	Any other information contained in the Registration Document that has been reviewed by the auditors .....	33
11.3.3.	Financial information contained in the Registration Document not taken from the Issuer's audited financial statements .....	33
11.3.4.	Description of performance share scheme .....	33



# MEDIOBANCA

11.4.	Date of most recent financial information .....	34
11.5.	Interim and other financial information .....	34
11.6.	Legal and arbitration proceedings .....	34
11.7.	Significant changes in the Issuer's financial position .....	35
12	Material agreements .....	36
13	Information from third parties, expert opinions and expressions of interest .....	37
14	Documents available to the public .....	40



MEDIOBANCA

## **1 Information regarding the persons responsible for this Registration Document**

### **1.1. Persons responsible**

Mediobanca - Banca di Credito Finanziario S.p.A. ("Mediobanca", the "Issuer" or the "Company"), with its registered office in Piazzetta Enrico Cuccia 1, Milan, is responsible for the information provided in this Registration Document.

### **1.2. Declaration of responsibility**

This Registration Document conforms to the model that was lodged with Consob on 22 October 2012, following the approval issued under report no. 1208878 dated 18 October 2012.

Mediobanca - Banca di Credito Finanziario S.p.A. hereby states that, having applied all reasonable diligence relevant for such purposes, the information contained in the Registration Document is, as far as Mediobanca is aware, in accordance with the facts and does not present any omissions such as would affect its meaning.



## 2 Auditors of the financial statements

### 2.1. External and supervisory auditors

Reconta Ernst & Young S.p.A., a company with its registered offices in Via della Chiusa 2, Milan, Italy, has audited the individual and consolidated financial statements of Mediobanca as at 30 June 2010, 30 June 2011 and 30 June 2012 (see section 6.3.1).

At the annual general meeting to be held on 27 October 2012, the Statutory Audit Committee will propose a resolution to appoint PricewaterhouseCoopers to audit the individual and consolidated full-year and interim financial statements, to perform other activities provided for under Article 155 of Italian Legislative Decree 58/98, and to sign off the "Unico" and "770" tax declarations for the years until the financial year ending 30 June 2021.

### 2.2. Information regarding resignations, dismissals or failures to renew the appointment of the external auditors or the auditors responsible for auditing the financial statements

The appointment of Reconta Ernst & Young S.p.A. to act as the company's auditors for the 2003-2012 period approved by shareholders at an annual general meeting held on 28 October 2003 shall expire with the approval of the financial statements for the period ended 30 June 2012.



### 3 Risk factors

#### 3.1. Risks attributable to the Issuer and the Mediobanca Group

##### 1) Risk that the results of the Issuer's activities may be conditioned by external events

The issuer's earnings and business have been and may in the future be affected by a number of global factors including: political, economic and market conditions; the availability and cost of capital; the level and volatility of share and bond market prices; the prices of raw materials and interest rates; currency exchange rates and other market indexes; changes and developments in technology; the availability and cost of credit; inflation; and the perception and level of confidence held by investors in financial markets.

The issuer's results are also impacted by the financial and economic situation, and are subject to fluctuation due to a range of factors beyond the issuer's control and which the issuer is unable to foresee. These include the extreme volatility which equity and credit markets experienced in the recent past, both in Italy and elsewhere, sharp changes in the performance of equities and bonds, and the lack of liquidity of domestic and international markets. Fluctuations may themselves be impacted by the reduced levels of market activity worldwide, the effects of which may be reflected in the size, number and timing of mandates awarded in the investment banking sector, in brokering activity and intermediation fees.

The Issuer is therefore exposed by its very nature to potential changes in the value of financial instruments, including securities issued by sovereign states, due to fluctuations in interest rates, exchange rates and currencies, stock market and commodities prices and credit spreads, and/or other risks. In particular, it should be noted that the net exposure to sovereign debt securities is shown in tables A.1.2.a and A.1.2.b of part and of the consolidated and individual financial statements for the year ended 30 June 2012 (*pp. 155, 156 and 361, 362*).

For specific analysis of the results of the Issuer for the last three financial years, see sections 3.2 "Select financial information" and XI "Information on the Issuer's assets and liabilities, earnings and losses". For further information on the sovereign debt held on the Issuer's books, please see the annual report which is available on the Issuer's website, as well as the tables attached to it

##### 2) Risk of market competition

The issuer faces intense competition, in particular on the Italian market, from other businesses operating in the financial services sector. This is a fiercely competitive sector on the domestic market, where the issuer's business is most highly concentrated. The issuer is also in competition with commercial banks, investment banks and other companies, both Italian and non-Italian, which provide financial services in Italy and this could impact on the Issuer's competitiveness.

The Registration Document does not contain any statements formulated by the Issuer regarding its competitive position.

##### 3) Liquidity risk

The Issuer's liquidity may be affected if the extreme volatility experienced by domestic and international markets in recent months is to continue in the future. The Issuer's funding activity consists, in addition to the approx. 20% provided by retail deposits through Group company CheBanca!, of medium- and long-term bond issues offered to retail and institutional investors. Securities are placed with retail investors by means of public offerings (which are executed via individual banking networks - including that of BancoPosta - on an exclusive basis or via groups of banks joined in syndicates) and sold directly over the screen-based bond market (MOT) operated by Borsa Italiana. Demand from institutional investors is met via public offerings of securities on the Euromarket

and through private placements of products customized to meet individual subscribers' specific needs.

Accordingly, volatility on capital and bond markets in Italy or elsewhere, in particular could affect the Issuer's ability to finance itself via the issue of debt instruments, and in the long term prejudice its liquidity. Moreover, the higher credit spreads currently seen on the market could lead to an overall increase in the cost of funding for the Issuer and impact negatively on the Issuer's earnings.

No activities carried out by the Mediobanca Group would appear to represent a risk for the Issuer.

#### 4) Credit risk

The Issuer is exposed to the risks traditionally associated with credit activity. Accordingly, breach by its customers of contracts entered into and their own obligations, or the possible failure to provide information or the provision of incorrect information by them regarding their respective financial and credit situation, could impact negatively on the earnings, capital and/or financial situation of the Issuer. For further details on capital ratios and credit risk indicators, please see section 3.2 "Select Financial Information" of the Registration Document.

More generally, counterparties may fail to meet their respective obligations versus the Issuer due to bankruptcy, lack of liquidity, operating malfunctions or for other reasons. The bankruptcy of a major market participant, or fears that it might not meet its commitments, can cause huge liquidity problems, losses, or breaches by other institutions which in turn could impact negatively on the Issuer. The Issuer is also subject to the risk that in some circumstances, some of its receivables from third parties, including sovereign states, may not be collectable. Moreover, a reduction in the credit standing of third parties in which the Issuer holds securities or bonds could lead to losses and/or impact negatively on the Issuer's capability to restrict again or use differently such securities and bonds for purposes of liquidity. A significant reduction in the credit standing of the Issuer's counterparties could therefore have a negative impact on the Issuer's own results. While in many cases the Issuer can require further guarantees from counterparties in financial difficulty, disputes may arise regarding the amount of the guarantee which the Issuer is entitled to receive and the value of the asset forming the guarantee. Breach levels, reductions in credit standing and disputes over the value of guarantees increase significantly during periods of market tension and illiquidity. The Mediobanca Group has adopted every procedure to manage its risk positions with a view to ensuring that the value of the credits is not impaired, by constantly monitoring the exposures and in particular through a rigorous process of managing credits which show irregular performances, using all recovery instruments available in the retail area in particular.

For a specific appraisal of the results of the Issuer's last three years of activity, see section 3.2 "Select financial information" and section XI "Information on the Issuer's assets and liabilities, earnings and losses" below. For further information on the sovereign debt held on the Issuer's books, please see the annual report which is available on the Issuer's website, as well as the tables attached to it.



**5) Operational risk**

Operational risk is the risk of incurring losses due to errors, breaches, interruptions, damage caused by internal processes, staff or systems or caused by external events.

The Issuer is exposed to many kinds of operational risk, including the risk of fraud on the part of staff or externals, the risk of unauthorized transactions being executed by employees, and the risk of errors in the operating systems, including those due to flaws or malfunctions in the computer or telecommunications systems. The systems and methods adopted to manage operational risk have been designed to ensure that such risks linked to the above activities are kept adequately under control. Any obstruction or flaw in such systems could impact negatively on the Issuer's financial system or operating results.

The Mediobanca Group has implemented a series of measures aimed at mitigating such risks; in particular, in the course of formalizing company processes the most significant risk sources and the respective measures to control them have been identified; a disaster recovery procedure has been implemented; access to IT systems is constantly monitored; and insurance policies have been executed to cover staff, the most valuable assets and to cover cash management.

**6) Systemic risks linked to the economic/financial crisis**

It should be noted that the earnings capacity and stability of the financial system in which the Issuer operates may be impacted by the general economic situation and the trends on financial markets, and, in particular, by the solidity and growth prospects of the economies of the country or countries in which the Issuer operates, including its/their credit standing, as well as the solidity and growth prospects of the Eurozone as a whole.

Such factors, particularly during periods of economic and financial crisis, could lead the Issuer to incur losses, increases in the cost of financing, reductions in the value of assets held, with a potentially negative impact on the Bank's liquidity and the solidity of its capital.

Continuation of the adverse economic conditions, or a slower recovery in Italy, or the countries in which the Issuer principally operates, than the other Eurozone countries, could impact negatively on the operating results or financial conditions of Mediobanca.



## 3.2. Select financial information

### 3.2.1. Select historical financial information

At a Board meeting held on 20 September 2012, the Directors of Mediobanca approved the Group's consolidated financial statements as at 30 June 2012. The draft financial statements for the year will be adopted by shareholders at a general meeting to be held on 27 October 2012. Any discrepancies between the draft financial statements and those which are approved by the shareholders in general meeting shall be disclosed specifically to the market, if appropriate through the publication of a specific supplement to this Registration Document.

The consolidated balance sheet and profit and loss account as at 30 June 2012 are shown below, along with comparative data for the years ended 30 June 2011 and 2010, plus a series of key financial indicators.

The consolidated balance sheet and profit and loss account have been restated in order to provide the most accurate reflection of the Group's operations.

#### Consolidated balance sheet

	30/6/10	30/6/11	30/6/12	Y.o.Y. chg.
	€m	€m	€m	%
<b>Assets</b>				
Treasury funds	14,976.0	8,608.0	9,330.40	8.4%
AFS securities	6,825.70	7,749.90	10,552.10	36.2%
of which: fixed-income	5,248.60	6,092.30	9,447.10	55.1%
equities	1,538.80	1,643.60	1,090.80	-33.6%
Fixed financial assets (HTM & LR)	1,455.40	2,308.10	2,328.10	0.9%
Loans and advances to customers	33,701.50	36,225.60	36,309.50	0.2%
Equity investments	3,348.0	3,156.10	3,165.50	0.3%
Tangible and intangible assets	762.6	757.8	718.1	-5.2%
Other assets	1,188.30	1,376.70	1,355.60	-1.5%
of which: tax assets	924.5	967.0	1,036.10	7.1%
<b>Total assets</b>	<b>62,257.50</b>	<b>60,182.20</b>	<b>63,759.30</b>	<b>5.9%</b>
<b>Liabilities</b>				
Funding	53,852.30	51,712.90	55,788.0	7.9%
of which: debt securities in issue	35,193.30	34,460.50	30,004.20	-12.9%
Other liabilities	1,387.20	1,258.90	1,177.20	-6.5%
of which: tax liabilities	633.1	565.8	494.1	-12.7%
Provisions	183.6	182.6	185.1	1.4%
Net equity	6,433.60	6,659.20	6,528.10	-2.0%
of which: share capital	430.5	430.6	430.6	0.0%
reserves	5,899.80	6,113.90	5,988.10	-2.1%
Minority interest	103.3	114.7	109.4	-4.6%
Profit for the period	400.8	368.6	80.9	-78.1%
<b>Total liabilities</b>	<b>62,257.50</b>	<b>60,182.20</b>	<b>63,759.30</b>	<b>5.9%</b>



Consolidated profit and loss account

	12 mths to 30/6/10 €m	12 mths to 30/6/11 €m	12 mths to 30/6/12 €m	Y.o.Y. chg. %
Net interest income	917.0	1,070.3	1,069.8	n.m.
Net trading income	353.8	189.2	266.8	+41.0
Net fee and commission income	533.5	520.3	483.5	-7.1
Equity-accounted companies	213.5	203.0	169.5	-16.5
<b>Total income</b>	<b>2,017.8</b>	<b>1,982.8</b>	<b>1,989.6</b>	<b>+0.3</b>
Labour costs	(387.9)	(418.8)	(393.3)	-6.1
Administrative expenses	(385.0)	(405.1)	(395.7)	-2.3
<b>Operating costs</b>	<b>(772.9)</b>	<b>(823.9)</b>	<b>(789.0)</b>	<b>-4.2</b>
Gains (losses) on AFS, HTM and L&R	—	19.5	32.4	+66.2
Loan loss provisions	(516.8)	(349.1)	(468.3)	+34.1
Provisions for financial assets	(150.0)	(275.2)	(604.0)	n.m.
Extraordinary provisions	—	—	—	n.m.
Other profits (losses)	5.2	0.1	45.2	n.m.
<b>Profit before tax</b>	<b>583.3</b>	<b>554.2</b>	<b>205.9</b>	<b>-62.8</b>
Income tax for the period	(181.2)	(180.6)	(125.5)	-30.5
Minority interest	(1.3)	(5.0)	0.5	n.m.
<b>Net profit</b>	<b>400.8</b>	<b>368.6</b>	<b>80.9</b>	<b>-78.1</b>

Key consolidated financial indicators

Regulatory capital and capital indicators	30/6/10 (€m)	30/6/11 (€m)	30/6/12 (€m)
Tier 1 capital	5,924.2	6,156.1	6,338.9
Regulatory capital	6,927.9	7,899.1	7,810.0
Core tier one capital ratio	11.09%	11.19%	11.49%
Tier one capital ratio	11.09%	11.19%	11.49%
Total capital ratio	12.97%	14.36%	14.16%

Credit risk indicators	30/6/10 (€m)	30/6/11 (€m)	30/6/12 (€m)
NPLs/loans	2.04%	1.21%	0.95%
Gross irregular items/loans	4.29%	3.64%	2.92%
Net NPLs/loans	0.56%	0.48%	0.50%
Net irregular items/loans	2.38%	2.12%	1.86%
Net NPLs/regulatory capital	2.72%	2.72%	3.10%



The twelve months under review were marked by the sovereign debt crisis which affected the countries of southern Europe, causing sharp price reductions in all related asset classes and securities, and making it impossible for banks to refinance their liabilities normally on reasonable terms. Taking place against a weak economic backdrop, these events caused the economies themselves to slow further, which impacted negatively on households' and corporates' abilities to pay back their debts as well as on business volumes (in corporate and investment banking in particular).

In such difficult operating conditions, which tested banks' financial solidity and operating models profoundly, the Mediobanca Group strengthened its balance sheet and achieved positive results from its banking operations, its domestic and international competitive position remaining unchanged.

On the balance-sheet side, where management was based on sustainability over the medium and long term, there was selective growth in assets associated with significant improvements in capital, funding and liquidity. This allowed the Group to achieve:

- ◆ Core Tier1 ratio of 11.5% (11.2%)
- ◆ Net Stable Funding Ratio comfortably above 100%
- ◆ reduction in riskiness of assets:
  - exposure to equity reduced by €2bn
  - credit risk on some corporate exposures substantially improved
  - portfolio of government securities increased, duration reduced.

In spite of the difficult operating conditions and the limits set by such balance-sheet discipline, banking activities delivered positive results, made possible by the increased diversification of the Group's income sources, each of which showed a different correlation to market trends:

- ◆ normalized profit before tax was up 6% to €562.8m (€531.8m), reflecting good contributions from both components: corporate and investment banking (up from €472.7m to €466.3m) and retail and private banking (€119.2m, compared with €79.9m last year).

The main income items performed as follows:

- ◆ net interest income was flat at €1,069.8m (€1,070.3m), helped by the business diversification (RPB up 7.1% from €660.5m to €707.2m, CIB down 11.1% from €429.3m to €381.6m), and the cost of funding being kept down as a result of the ECB financing;
- ◆ net trading income rose significantly, from €189.2m to €266.8m, despite the high volatility in spreads on Italian government securities;
- ◆ net fees and commissions fell slightly, from €520.3m to €483.5m, due to the slowdown in corporate and investment banking activity.

Operating costs fell by 4.2%, from €823.9m to €789m, helped by the reduction in labour costs (down 6.1%) linked to the reduction in the variable remuneration component and effective control of other administrative expense items (down 2.3%), and despite the increase in operations (in retail and consumer banking especially), with the headcount increasing slightly (staff numbers rose from 3,452 to 3,506).

In a recession scenario loan loss provisions were up 34.1%, from €349.1m to €468.3m; this reduces to 10.4% excluding the single, one-off reversal in an amount of €75m made last year. The €10.6m



rise in provisioning for households, from €323.5m to €334.1m, also reflects the increase in volumes of personal loans. After the higher provisions, the percentage of total loans accounted for by non performing loans ("sofferenze") and total impaired loans remained stable, at 0.6% (0.5%) and 2.4% (unchanged) respectively.

The Group's overall results were hit strongly by the securities and investments portfolios, which together took charges amounting to €402m, reflecting the balance between:

- ◆ the contribution from equity-accounted companies falling from €203m to €169.5m, due to lower earnings posted by Assicurazioni Generali (€145.9m, compared with €201.6m last year);
- ◆ writedowns of €191m charged to the PI investments, €113.3m of which in respect of Telco (reflecting a net present value for the Telecom Italia shares owned of €1.5 per share) and €77.7m of RCS (reflecting a net present value of €1 per share);
- ◆ writedowns/net losses on AFS shares totalling €381m, €141.1m of which on Greek sovereign debt, €132.7m in respect of the UniCredit CASHES, €34m of Delmi (in connection with the Edison stake being swapped for the holding in Edipower), and €28.8m for 9.92% of Santé.

During the twelve months under review, movements in the AFS portfolio generated net gains of €32.4m, including €91m on disposal of the 8.5% stake in Autostrade Sud America.

Other items worthy of note include a one-off gain on disposals of a non-core property owned by Compagnie Monégasque de Banque (yielding proceeds of €44.3m).

The Group's net profit of €80.9m thus reflects a substantial reduction on the €368.6m posted last year.

Turning now to the balance-sheet aggregates:

- ◆ RWAs and loans and advances to customers were stable, at €55.1bn and €36.3bn respectively, reflecting a selective approach to corporate lending (down 1%), the planned reduction in the leasing segment (down 7%), and a modest increase in retail activity (of 3% in consumer credit and 5% in residential mortgage lending);
- ◆ Tier1 capital rose from €6.1bn to €6.3bn, due to higher valuation reserves. The Core Tier 1 ratio rose from 11.2% to 11.5%;
- ◆ funding rose from €51.7bn to €55.8bn, boosted by the increase in CheBanca! retail deposits (from €10bn to €11.6bn) and the three-year, €7.5bn European Central Bank loan, which offset the reduction in debt securities (from €34.5bn to €30bn) on account of the difficulties involved in coming to market; despite this, the Bank still managed to issue €2.1bn in new bonds during the twelve months;
- ◆ liquid financial assets (treasury, AFS, HTM and LR) rose from €18.6bn to €22.2bn, benefiting from part of the ECB funding being used in prudent asset classes; in particular government securities increased from €5.4bn at 30 June 2011 to reach €9.3bn, and consist chiefly of Italian paper with an average remaining maturity of around three years; liquid assets rose from €1.9bn to €4.5bn, while equities halved, from €3.9bn to €1.9bn;
- ◆ bad loans (non-performing, sub-standard, restructured and overdue items) grew by 27.4%, from €709.9m to €904.4m, solely as a result of the new regulatory classification which has meant that since 1 January 2012 this category has included items overdue by more than 90 days (as opposed to 180 days); on a like-for-like basis the increase would have been 0.7% (from €898.4m to €904.4m). Coverage ratios remain high: 46% (53%) for consumer finance, 47% (45%) for mortgage lending, and 35% (34%) for corporate lendings. Asset quality too continues to be



satisfactory, with bad loans as a percentage of total loans virtually unchanged in all three segments (restated as at 30 June 2012 on a like-for-like basis): 1.11% (1.01%) in the large corporate segment, 5.12% (5.37%) in leasing, 3.58% (3.7%) in consumer credit, and 2.42% (2.41%) in mortgage lending.

A series of key indicators has also been calculated at the individual level as at 30 June 2012.

Key individual indicators

Regulatory capital and capital indicators	30/6/10 (€m)	30/6/11 (€m)	30/6/12 (€m)
Tier 1 capital	4,734.2	4,747.8	4,439.4
Regulatory capital	5,511.7	6,362.0	5,754.5
Core tier one capital ratio	12.53%	12.28%	11.48%
Tier one capital ratio	12.53%	12.28%	11.48%
Total capital ratio	14.59%	16.46%	14.88%

The table below shows the solvency margin and free capital for the years 2010, 2011 and 2012. Free capital refers to the margin available for investing in equity investments and property, calculated as the difference between regulatory capital and the sum of equity investments and properties in whatever form these are held.

Solvency margin and free capital\*

Mediobanca Group (€m)	30/6/10	30/6/11	30/6/12
Free capital	1,767.9	2,849.6	3,353.8
Solvency margin	12.97%	14.36%	14.16%

\* Difference between regulatory capital and fixed assets (equity investments and properties).

Solvency margin and free capital\*

Mediobanca S.p.A. (€m)	30/6/10	30/6/11	30/6/12
Free capital	2,029.8	2,917.6	2,704.3
Solvency margin	14.59%	16.46%	14.88%

\* Difference between regulatory capital and fixed assets (equity investments and properties).

3.2.2. Select financial information for interim periods

Since the financial statements for the twelve months ended 30 June 2012 were closed, on 27 October 2012 the Board of Directors approved the Mediobanca Group's quarterly results for the three months ended 30 September 2012, which will be made available to the public as provided in section 14 below.



## 4 Information on the Issuer

### 4.1. History and development of the issuer

#### 4.1.1. Name

Mediobanca - Banca di Credito Finanziario S.p.A.

#### 4.1.2. Details of registration in Companies' Register and place of registration

Mediobanca is registered in the Milan Companies' Register under Registration no. 00714490158.

#### 4.1.3. Issuer's date of incorporation and duration

Mediobanca was set up on 10 April 1946 by virtue of a notarial deed drawn up by Notary public Arturo Lovato, file no. 3041/52378. The duration of Mediobanca is until 30 June 2050.

#### 4.1.4. Issuer's registered office and legal status, legislation under which it operates, country of incorporation, address and telephone number of registered office

Mediobanca is a company limited by shares under Italian law, incorporated in Italy with its registered office and administrative headquarters in Piazzetta Enrico Cuccia 1, 20121 Milan, Italy, tel. no.: (0039) 02-88291.

Mediobanca operates under Italian law, and the court of Milan has jurisdiction over any disputes arising.

#### 4.1.5. Material facts for the Issuer's solvency

Since the balance-sheet date there have been no negative changes either to the financial position or prospects of either Mediobanca or the Group headed up by it.

Neither Mediobanca nor any company in the Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect, the Issuer's ability to meet its obligations towards third parties.



## 5 Overview of activities

### 5.1. Principal activities

The Group's principal activities are currently segmented into three divisions: corporate and investment banking (CIB), which includes wholesale banking and leasing; principal investing (PI), which brings together the Group's investments in Assicurazioni Generali, RCS MediaGroup, Telco and stakes taken as part of merchant banking and private equity activity; and retail and private banking (RPB), consisting of consumer credit activities, CheBanca! (retail banking) and private banking (CMB and Banca Esperia).

#### 5.1.1. Mediobanca Group activities

Mediobanca is a banking group operating in corporate and investment banking (CIB), which includes wholesale banking and leasing, principal investing (PI), which brings together the Group's long-term investments, and retail and private banking (RPB), consisting of consumer credit, retail banking and private banking. Mediobanca has a market capitalization of approx. €4.0bn.

Consolidated financial information as at 30/6/12

€m	CIB	PI	RPB	Total
	Coverage and corporate finance	Assicurazioni Generali	Consumer credit	
	Lending & structured finance	RCS MediaGroup	Retail banking	
	Capital markets	Telco	Private banking	
Profit and loss account				
Net interest income	381.6	-8.8	707.2	1,069.8
Total income	933.3	139.0	963.5	1,989.6
Profit before tax	104.3	-67.2	167.5	205.9
Net profit	19.7	-63.5	121.2	80.9

#### Corporate and investment banking (CIB)

Mediobanca seeks to provide its corporate clients with the advisory services and financial services they need to help them grow and develop.

The wholesale banking division comprises three different units: Corporate finance, Lending and structured finance, Capital markets.

#### Corporate finance

Mediobanca is the leader in Italy and has an increasingly significant role in financial advisory services at the European level through its branches in Paris, Frankfurt and Madrid. A client-based approach is adopted, backed by in-depth knowledge of the financial issues and a consolidated track record in executing deals. The operating unit is organized into different industry teams covering individual industries in order to provide greater focus.

Corporate finance involves the following activities:





- ◆ defining strategic objectives for companies and identifying extraordinary financing transactions in order to help meet them;
- ◆ extraordinary financing transactions: mergers and acquisitions, joint ventures and partnerships, disposals and spinoffs;
- ◆ liability restructuring: earnings/financial analysis of companies/groups undergoing restructuring; working out financial rebalancing scenarios; negotiating with key creditors;
- ◆ corporate restructuring: LBOs, MBOs, spinoffs and tax-/inheritance-related issues;
- ◆ company valuations, on a standalone basis and for purposes of setting exchange ratios;
- ◆ relations with authorities: assistance in handling relations with market and regulatory authorities, principally Consob and Borsa Italiana.

## Lending & structured finance

The Financing teams serve Mediobanca's Italian and international customers, through the branch offices located in Paris, Frankfurt, London and Madrid, to offer:

- ◆ advice in evaluating possible capital structures and financing solutions available from among a vast series of debt products, including considering possible implications in terms of rating;
- ◆ structuring and executing lending transactions;
- ◆ access to the international syndicated loans market;
- ◆ facility and security agent services for corporate and structured lending transactions.

The principal Lending & structured finance area products are:

- ◆ **corporate lending** ((bilateral loans, club deals and syndicated loans): corporate loans aimed at supporting customers' financial requirements generated by investments or related to their companies' growth; the financial solutions offered are aimed primarily at medium-/large-sized firms operating on domestic and international markets, in industrial and service-based sectors.
- ◆ **leveraged finance** (acquisition finance, loans for LBO/MBOs): financial support to corporate counterparties and institutional investors as part of leveraged transactions to acquire stakes in listed and unlisted companies; a wide range of lending transactions are developed, arranged, structured, underwritten and executed based on complex structures, and because of their size these are often syndicated on the international market.
- ◆ **structured finance** (project finance, infrastructure finance, real estate finance): on the back of its solid track record in various sectors, customers are provided with advisory services covering the entire process of structuring deals to support investment and infrastructure or industrial projects, including offering strategies, selection of the most effective debt instruments, hedging strategies, financial modelling and structuring contracts.
- ◆ **export finance** (export credit, trade finance, untied loans, etc.): financial support provided to exporters of merchandise and services destined for counterparties located in emerging markets, including with the support of government organizations guaranteeing insurance coverage and/or subsidized interest rates (SIMEST, SACE or other European export credit agencies); such loans, which are often syndicated, are structured in conjunction with the provision of advisory services regarding negotiations with commercial counterparties and financial and/or supranational institutions.



## Capital markets

Mediobanca operates on both the primary and secondary markets, trading equities and fixed-income securities, foreign exchange products and credit risk, interest rate and exchange rate derivatives.

In the equity market (primary and secondary), activity is divided into the following areas:

- ◆ **equity capital markets:** is the Italian leader and has a role of increasing importance internationally in structuring, co-ordinating and executing equity capital markets transactions, such as IPOs, rights issues, secondary offerings and ABOs, and bonds convertible into equity solutions (equity derivatives to manage investments and treasury shares): this unit structures and implements extraordinary financing transactions involving equity investments and treasury shares; using a dedicated trading platform, the team offers customers innovative, high value-added solutions, and also handles any legal, accounting, tax and regulatory issues;
- ◆ **equity finance** (securities lending, equity repos, collateralized financing): the unit offers tailored securities lending solutions, which range from simple loans to hedge short-/medium-term positions, to equity repos, to upgrades and collateralized financing;
- ◆ **equity derivatives institutional marketing:** a range of equity-linked investments are offered to banks, insurances, asset managers and family offices, from synthetic replications of simple underlying assets to sophisticated protection mechanisms and solutions for increasing the return on portfolios, funded or unfunded;
- ◆ **MB Securities:** this is Mediobanca's equity brokerage division, offering global access to equity markets and research on the Italian market (over 100 companies are covered), plus a pan-European focus on the financials sector (banks and insurances); a dedicated team also offers corporate broking services.

As for the debt market, the activity is divided into the following areas of operation:

- ◆ **debt capital market:** this team originates, structures, executes and places corporate and financial bond issues, covered bonds and securitizations to meet its customers' financing needs.
- ◆ **CRAL solutions:** this area structures solutions based on interest rates, credit and alternative products; it targets corporate clients, banks and institutional investors who need to restructure their investment portfolios, increase asset liquidity and diversify their sources of funding.
- ◆ **proprietary funding:** this team is responsible for structuring, issuing and placing debt products, the revenues from which finance the Bank's own activities. Fund raising, supported by the Bank's high credit rating, takes place primarily through the issuance of securities, both plain vanilla and structured. Securities are placed with retail investors through public offers (executed using the networks of individual banks - including that of BancoPosta - either on an exclusive basis or via groups of banks in syndicates) and direct sales are made over the screen-based bond market (MOT) operated by Borsa Italiana. Demand from institutional investors is met via public offers of securities on the Euromarket and private placements of products customized to meet the subscribers' specific needs.

## Leasing<sup>1</sup>

Mediobanca owns a 60% stake in the SelmaBipiemme Leasing group via Compass, with the other 40% held by Banca Popolare di Milan. SelmaBipiemme owns 100% of Palladio Leasing (a company which

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<sup>1</sup> See section 5.1.2. "Recent events".



## MEDIOBANCA

operates exclusively in north-east Italy), and 80% of Teleleasing (the other 20% being owned by Telecom Italy), a company which operates primarily in operating leasing.

The SelmaBipiemme Leasing group operates via branches, agents and above all banking networks, including Banca Popolare di Milan and Banca Popolare di Vicenza. It ranks among the top 10 operators in this sector.

In the twelve months to 30 June 2012 the group disbursed approx. €0.8bn.

As at 30 June 2012 the net value finance disbursed by the group amounted to some €4.1bn, with a headcount numbering 185 staff employed at the head office and 12 branches.

### Principal investing (PI)

Mediobanca takes minority stakes in leading Italian and international companies, most of which are listed, and which are generally leaders in their respective spheres of activity, with a view to contributing, including through representation on investee companies' governing bodies, to value creation over a medium- and long-term time horizon. Mediobanca offers its investee companies, on an arm's length basis, the entire range of Group services (lending, corporate finance, capital markets, etc.). In view of the size of the investments and the role played by Mediobanca in the governance of the companies concerned, the shareholdings in Generali, RCS MediaGroup and Telco are assigned to the Principal investing division.

Company	Sector	% of share capital	Book value at 30/6/12 €m
Assicurazioni Generali	Insurance	13.24%	2,356.30
RCS Mediagroup	Publishing - media	14.36%	109.4
Telco	Telephony	11.62%	205.9



## Retail and private banking (RPB)

Mediobanca has a footprint in this sector through its group companies. It has operations in consumer credit through Compass, in retail banking through CheBanca!, and in private banking through Banca Esperia (in Italy) and Compagnie Monégasque du Banque (in the Principality of Monaco).

### Consumer credit - Compass

Mediobanca has operated in the consumer credit sector since the 1960s through its subsidiary Compass. In 2008 its positioning in this segment was strengthened, including through acquisitions, with the addition of Linea, acquired on 27 June 2008 from Banca Popolare di Vicenza, Banco Popolare and other banking shareholders). Compass is now one of the top-ranking Italian consumer credit operators with a market share of over 9%.

Compass offers a wide range of products (personal loans, special purpose loans for acquisition of consumer durable goods, credit cards and salary-backed finance), using a highly diversified distribution network consisting of some 158 own branches, distributing agreements with banking partners and retailers, and BancoPosta.

As at the balance-sheet date it had approx. €9.2bn in loans outstanding, plus a total of 1,396 staff on the books.

### Retail Banking - CheBanca!

In 2008, with the launch of CheBanca! Mediobanca commenced operations in the retail banking segment. The rationale for the CheBanca! project was to diversify the Group's sources of funding and create a value centre to leverage on the market's potential to establish a transparent and highly innovative Italian operator. Three years since its launch, CheBanca! has achieved a distinctive position on the market, with:

- ◆ high brand recognition;
- ◆ effective, innovative multi-channel distribution (internet, 42 own branches, direct banking);
- ◆ simple, transparent products;
- ◆ substantial customer base (over 500,000 customers);
- ◆ strong commercial results: €12bn in deposits, €4.3bn in mortgages disbursed, over 650,000 products sold.

The company employs a total of 927 staff.

### Private banking

The range of services offered to clients by the Mediobanca Group includes private banking, via Banca Esperia and Compagnie Monégasque de Banque.

- ◆ Banca Esperia was set up in July 2000 as a joint venture between the Mediobanca and Mediolanum groups with the aim of becoming the Italian private bank of choice for high net worth clients, offering them portfolio management, advisory and financing services. Independence, operational autonomy, focus on private banking activities, and excellence and quality of service, are the hallmarks of a bank which has approx. €12bn in assets under management at its branches in Bergamo, Bologna, Brescia, Florence, Genoa, Milan, Modena, Naples, Padua, Parma, Rome and Turin.



- ◆ **Compagnie Monégasque de Banque ("CMB")**, is 100%-owned by Mediobanca. CMB is market leader in the Principality of Monaco, with total deposits of approx. €6bn. Its geographical position, in-depth knowledge of markets and reputation for absolute discretion make it a player of primary importance in the private banking industry, which can provide exclusive services to its clientèle, ranging from loans to property investments.

## 5.1.2. Brief description of the Issuer's principal activities, with an indication of the main categories of products sold and/or services provided

As stated in Article 3 of the Company's Articles of Association, the Company's purpose is to raise funds and provide credit in any of the forms permitted, especially medium- and long-term credit to corporates.

Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's purpose.

Save as described in the foregoing section 5.1.1, there are no significant new products and/or services that have been introduced and no development of new products and services has been disclosed.

## 5.1.3. Principal markets

As stated in the foregoing section 5.1, the Group's areas of operation are currently segmented into three divisions:

- 1) corporate and investment banking (CIB) which consists of leasing and wholesale banking activities: the latter have undergone considerable geographical expansion in their scope with a view to diversifying the Bank's customer base and to meeting our customers' needs more effectively: the Paris branch was opened in 2004, followed by the Frankfurt and Madrid branches in 2007 and the London branch in 2008. As at end-June 2012, international activities accounted for approx. 30% of the revenues, gross profit and loan book for CIB activity.
- 2) principal investing (PI) which brings together the Group's shareholdings in Assicurazioni Generali, RCS MediaGroup and Telco, plus stakes acquired as part of merchant banking activity and investments in private equity funds;
- 3) retail and private banking (RPB), consisting of consumer credit activities, CheBanca! (retail banking) and private banking activities (with the customary pro-rata contribution of Banca Esperia); the retail activities are almost entirely performed on the domestic market, with the exception of the Monaco-based operations of Compagnie Monegasque de Banque (private banking).

## 5.1.4. Basis of any statement made by the Issuer in the Registration Document regarding its competitive position

The Registration Document contains no statement by the Issuer regarding its competitive position.



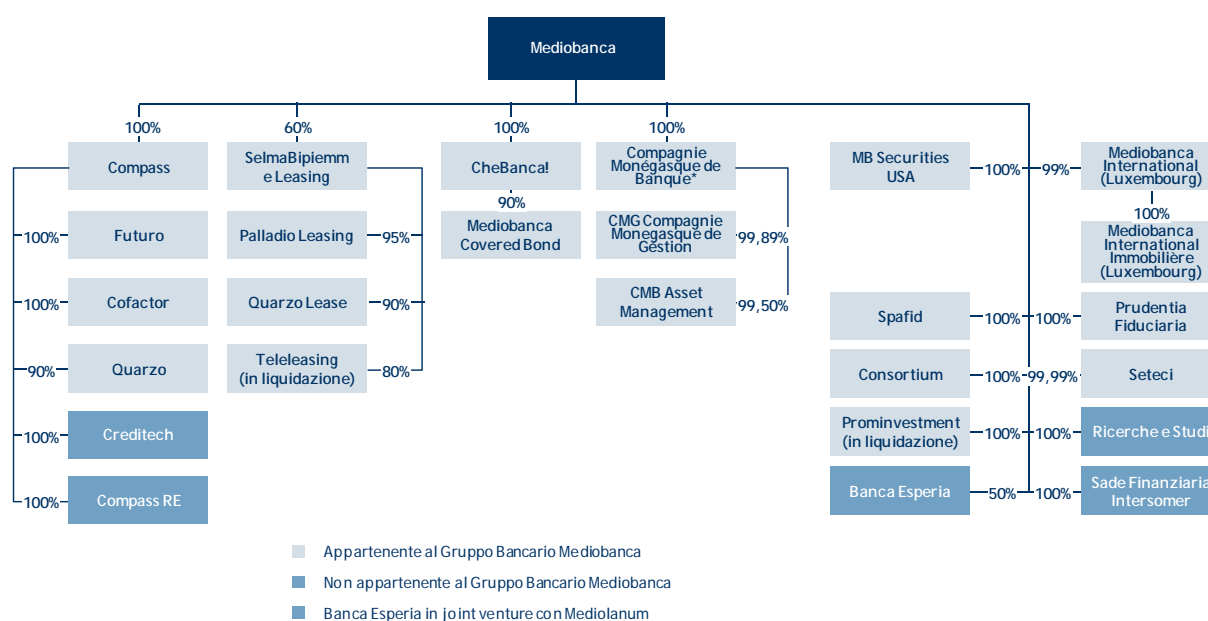
## 6 Organizational structure

### 6.1. Description of organizational structure of group headed up by the Issuer

#### Mediobanca Banking Group

The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.

The following diagram illustrates the structure of the Mediobanca Group as at the date hereof.



\* *Compagnie Monégasque de Banque also controls: C.M.I. Compagnie Monégasque Immobiliare (99.94%), S.M.E.F. Soc. Monégasque des Etudes Financieres (99.96%) and Monoeci (99%), which form part of the Mediobanca Banking Group, plus Moulins 700 (99.90%)*



## 6.2. Subsidiaries and main investee companies

Mediobanca is parent company of the Mediobanca Banking Group. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Consolidated Finance Act.

A list of the main Group companies included in the area of consolidation for the financial statements is shown below:

Group companies			
COMPASS S.p.A.	Italy	100%	(dir)
CHEBANCA! S.p.A.	Italy	100%	(dir)
SELMABIPIEMME LEASING S.p.A.	Italy	60%	(indir)
PALLADIO LEASING S.p.A.	Italy	100% <sup>2</sup>	(indir)
TELELEASING S.p.A. (in liquidation)	Italy	80%	(indir)
Compagnie Monégasque de Banque S.A.M.	Principality of Monaco	100%	(dir)
MEDIOBANCA INTERNATIONAL S.A.	Luxembourg	99%	(dir)
SPAFID S.p.A.	Italy	100%	(dir)
MEDIOBANCA SECURITIES USA LLC	United States	100%	(dir)
PRUDENTIA FIDUCIARIA S.p.A.	Italy	100%	(dir)
COFACTOR S.p.A.	Italy	100%	(indir)
CREDITECH S.p.A.	Italy	100%	(indir)
RICERCHE and STUDI S.p.A.	Italy	100%	(dir)
SETECI S.c.p.A.	Italy	99.995%	(dir)
FUTURO S.p.A.	Italy	100%	(indir)
PROMINVESTMENT S.p.A. in liquidation	Italy	100%	(dir)
SADE FINANZIARIA - INTERSOMER S.r.l.	Italy	100%	(dir)
CONSORTIUM S.r.l.	Italy	100%	(dir)
QUARZO S.r.l.	Italy	90%	(indir)
MB COVERD BOND S.r.l.	Italy	90%	(indir)
QUARZO LEASE S.r.l.	Italy	90%	(indir)
C.M.B. ASSET MANAGEMENT S.A.M.	Principality of Monaco	99.50%	(indir)
C.M.I. COMP. MONEG. IMM. S.C.I.	Principality of Monaco	99.94%	(indir)
C.M.G. COMP. MONEG. D.G. S.A.M.	Principality of Monaco	99.89%	(indir)
S.M.E.F. SOC. MONEG. DE ET.FIN. S.A.M.	Principality of Monaco	99.96%	(indir)
MONOECI SOC.CIV.IMMOB.	Principality of Monaco	99%	(indir)
MOULINS 700 S.A.M.	Principality of Monaco	99.90%	(indir)
JUMP S.r.l.	Italy	—	—
COMPASS RE S.A.	Luxembourg	100%	(indir)
MEDIOBANCA INTERNATIONAL IMMOBILIERE S.à r.l.	Luxembourg	100%	(indir)

In view of the size of the investment and the role played by the Bank in the companies' governance, as at 30 June 2012 the values reflected by the investments in Assicurazioni Generali, RCS MediaGroup and Telco were as follows:

<sup>2</sup> 5% of which in the form of treasury shares held by Palladio Leasing itself.



Company	Sector	% of share capital	Book value as at 30/6/12 €m
Assicurazioni Generali	Insurance	13.24%	2.356.30
RCS Mediagroup	Publishing and media	14.36%	109.4
Telco	Telephony	11.62%	205.9

See section 5.1.1 above.





## 7 Future trends

### 7.1. Recent trends

No substantial adverse changes have taken place in Mediobanca's or the Group's prospects since 30 June 2012.

### 7.2. Information on trends, uncertainties, requests, commitments or facts known which could reasonably have significant repercussions on the Issuer's prospects for at least the current financial year

Mediobanca is not aware of any information on trends, uncertainties, requests, commitments or facts known which could reasonably have significant repercussions on Mediobanca's prospects for the current financial year.



MEDIOBANCA

## 8 Forecasts or estimates of profits

No forecast or estimates of profits are contained in the Registration Document.



## 9 Bodies responsible for governance, management and supervision

### 9.1. Information on governing bodies

The Board of Directors appointed on 28 October 2011 for the 2012, 2013 and 2014 financial years, currently consists of twenty-one members, sixteen of whom qualify as independent under Article 148, paragraph 3 of Italian Legislative Decree 58/98, ten of which sixteen also qualify as independent under the Code of Conduct in respect of listed companies.

#### Board of Directors

Composition, Board of Directors as at 30 October 2012:

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Renato Pagliaro *	Chairman ***	Milan, 20/2/57	30/6/14	Director, Telecom Italia Director, Pirelli & C.
Dieter Rampl	Deputy Chairman	Monaco, 5/9/47	30/6/14	Chairman, UniCredit Chairman of Supervisory Board, Koenig & Bauer Member of Supervisory Board, FC Bayern Munchen Director, KKR Management LLC Chairman of Management Board, Hypo-Kulturstiftung
Marco Tronchetti Provera	Deputy Chairman	Milan, 18/1/48	30/6/14	Chairman and CEO, Pirelli & C. Chairman, Camfin Chairman, Prelios Chairman, Gruppo Partecipazioni Industriali Director, F.C. Internazionale Milano
Alberto Nagel*	CEO ***	Milan, 7/6/65	30/6/14	-
Francesco Saverio Vinci *	General Manager ***	Milan, 10/11/62	30/6/14	Director, Banca Esperia Director, Perseo
Tarak Ben Ammar	Director	Tunis, 12/6/49	30/6/14	Director, Telecom Italia Chief Executive Officer (CEO), Quinta Communications Chairman and CEO, Prima Tv Chairman, Carthago Film Chairman, Andromeda Tunisie S.A. Chairman, Promotions et Participations International S.A.



Name	Post held	Place and date of birth	Term of office expires on	Posts held in other companies
Gilberto Benetton	Director	Treviso, 19/6/41	30/6/14	Chairman, Edizione Chairman, Autogrill Director, Sintonia Director, Benetton Group Director, Pirelli & C. Director, Atlantia
Pier Silvio Berlusconi	Director	Milan, 28/4/69	27/10/12	Chairman and CEO, Reti Televisive Italiane Deputy Chairman, Mediaset Director, Arnoldo Mondadori Editore Director, Mediaset Espana Comunicacion Director, Medusa Film Director, Publitalia '80
Roberto Bertazzoni	Director	Guastalla, 10/12/42	30/6/14	Chairman, Smeg Chairman and CEO, Erfin - Eridano Finanziaria
Angelo Casò *	Director	Milan, 11/8/40	30/6/14	Chairman of Board of Directors, Milano Assicurazioni Chairman, Statutory Audit Committee, Benetton Group Chairman, Statutory Audit Committee, Edizione Chairman, Statutory Audit Committee, Fiditalia Chairman, Statutory Audit Committee, Bracco Chairman, Statutory Audit Committee Alchera Chairman, Statutory Audit Committee, Bracco Imaging Standing Auditor, Barclays Private Equity Standing Auditor, Italmobiliare
Maurizio Cereda *	Director ***	Milan, 7/1/64	30/6/14	Director, Ansaldo STS Director, Enervit
Christian Collin	Director	Neuilly sur Seine, 11/5/54	27/10/12	General Manager, Groupama Director, Société Tunisienne d'Assurances et de Réassurances Director, La Banque Postale Assurances Iard
Massimo Di Carlo *	Director ***	Rovereto, 25/6/63	30/6/14-	
Alessandro Decio	Director	Milan, 10/1/66	27/10/12	Member of Supervisory Board, Bank Pekao
Bruno Ermolli	Director	Varese, 6/3/39	27/10/12	Chairman, Promos Chairman, Sinergetica Director, Arnoldo Mondadori Editore Director, Mediaset



Name	Post held	Place and date of birth	Term of office expires on	Posts held in other companies
Anne Marie Idrac	Director	Saint Brieuç, 27/7/51	30/6/14	Director, Pellegrini Director, Total Director, Bouygues Director, Compagnie de Saint Gobain Member of Supervisory Board, Vallourec
Carlo Pesenti	Director	Milano, 30/3/63	30/6/14	General Manager Italmobiliare CEO, Italcementi Deputy Chairman, Ciments Français Director, RCS MediaGroup
Vanessa Labérenne	Director	Paris 08/01/78	27/10/12	-
Fabio Roversi Monaco	Director	Addis Ababa, 18/12/38	30/6/14	Director, Telecom Italia Media
Eric Strutz *	Director	Mainz, 13/12/64	30/6/14	Member of Board of Partners Group Holding
Elisabetta Magistretti	Director	Busto Arsizio, 21/7/47	30/6/14	Director, Gefran Director, Luxottica Group Director, Unicredit Audit Director, Pirelli & C.

\* *Member of Executive Committee.*

\*\*\* *Member of Mediobanca senior management*

All Board members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence (in the latter case applicable only to the independent directors).

The address for all members of the Board of Directors for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.



## Statutory Audit Committee

Composition of Statutory Audit Committee:

Post	Nem	Place and date of birth	Term expires	Principal activities
Chairman	Freddi Natale	Rho, 6/6/52	FY 30/6/14	-
Standing Auditor	Villa Gabriele	Milan, 18/6/64	FY 30/6/14	-
Standing Auditor	Angelo Comneno Maurizia	Rome, 18/6/48	FY 30/6/14	-
Alternate auditor	Guido Croci	Milan, 4/3/59	FY 30/6/14	-
Alternate auditor	Busso Mario	Turin, 1/3/51	FY 30/6/14	-

All Statutory Audit Committee members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence; and are all registered as auditors.

The address for all members of the Statutory Audit Committee for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

### General Manager and senior management

Renato Pagliaro Chairman, Alberto Nagel Chief Executive Officer, Francesco Saverio Vinci General Manager, Maurizio Cereda and Massimo Di Carlo, Executive Directors of Mediobanca and Massimo Bertolini, Head of Company Financial Reporting.

## 9.2. Conflicts of interest among bodies responsible for governance, management and supervision

At an annual general meeting held on 28 October 2011, the shareholders of Mediobanca authorized the directors with posts in banking enterprises to take office, as required by Article 2390 of the Italian Civil Code. Meanwhile, a ban was instituted pursuant Article 36 of Italian Decree Law 201/11, as converted into Italian Law 214/11, on representatives of banks, insurers and financial companies from holding positions in companies which operate in the same sectors. In the months of April, May and June, Ennio Doris, Vincent Bolloré, Marina Berlusconi, Fabrizio Palenzona, Pierre Lefèvre and Jonella Ligresti therefore resigned from their posts as directors of Mediobanca, and in May and June Pier Silvio Berlusconi, Vanessa Labérenne, Christian Collin, Alessandro Decio and Bruno Ermolli were co-opted in their place. Each year the Board of Directors will assess the positions of the individual directors, which may have changed as a result of changes in the activities or size of the other companies in which they hold posts. To this end, each director shall inform the Board of any changes in the positions assumed by them in the course of their term of office.

Mediobanca also adopts the procedure recommended under Article 136 of the Italian Consolidated Banking Act for approval of transactions involving individuals who perform duties of management and control in other companies where these are Directors or Statutory Auditors.

Transactions with "related parties" are described in part H of the financial statements for the twelve months ended 30 June 2012.



## 10 Main shareholders

### 10.1. Information on ownership structure

Individuals or entities who based on the shareholders' register and available information as at 31 June 2012 own directly or indirectly financial instruments representing share capital with voting rights in excess of 2% of the company's share capital, directly or indirectly, are listed below:

	Shareholder	% of share capital
1	Unicredito group	8.71
2	Bolloré group	6.00
3	Groupama group	4.93
4	FINSOE S.p.A. (*)	3.83
5	Mediolanum group	3.42
6	Fondaz. Cariverona	3.14
7	Italmobiliare group	2.62
8	Fondazione Ca.Ris.Bo	2.62
9	Edizione s.r.l.	2.16
10	Silvio Berlusconi	2.06

\* Since 19/7/12 the shares have been held by Finsoe S.p.A. (Unipol Gruppo Finanziario) which declares ownership of 3.87%.

Mediobanca shareholders representing approx. 42% of the Bank's share capital entered into a shareholders' agreement in 2007 (subsequently amended in October 2008 to reflect the new corporate governance model adopted) which expired on 31 December 2011. On 4 October 2011, the shareholders renewed the Shareholders' Agreement until 31 December 2013.

The Agreement, which is filed with the Milan companies' register, is a block shareholders' agreement aimed at preserving a stable shareholder base combined with representative governing bodies to ensure consistent management objectives. In order to achieve these objectives, these shareholders, divided into three groups, concur in seeing the traditional system of corporate governance which leverages on the management and provides greater clarity in the roles of the various governing bodies within the company, as fundamental to safeguarding the characteristics, function and traditional independence of Mediobanca and to ensuring that consistent management objectives are pursued.

An excerpt from the Agreement may be found on the Issuer's website at [www.mediobanca.it](http://www.mediobanca.it).

### 10.2. Description of any agreements known to the Issuer which may subsequently give rise to a change in the control of the Issuer.

As at the date hereof, Mediobanca is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca.



## 11 Information on the Issuer's assets and liabilities, earnings and losses

### 11.1. Financial information for previous years

At a Board meeting held on 20 September 2012, the Directors of Mediobanca approved the Group's consolidated financial statements as at 30 June 2012. The draft financial statements for the year will be adopted by shareholders at a general meeting to be held on 27 October 2012. Any discrepancies between the draft financial statements and those which are approved by the shareholders in general meeting shall be disclosed specifically to the market, if appropriate through the publication of a specific supplement to this Registration Document.

### 11.2. Financial statements

The financial statements as at and for the years ended 30 June 2010, 30 June 2011 and 30 June 2012 and the annexes thereto including the reports by the external auditors, and Mediobanca's interim accounts and reports are available to the public at the company's registered office and published on its website at [www.mediobanca.it](http://www.mediobanca.it). The financial statements as at and for the years ended 30 June 2010, 30 June 2011 and 30 June 2012 shall be deemed to be incorporated by reference into this Registration Document as permitted under Article 11 of Directive 2003/71/CE (the "Prospectus Directive") and Article 7, paragraph 4 of Consob's Regulations for Issuers.

A breakdown of the information deemed to be incorporated by reference into this Registration Document is provided in the following table:

	Balance sheet	Profit and loss account	Cash flow statement	Notes to the accounts	External auditors' report
Consolidated financial statements for year ended 30/6/10	pp. 62-63	p. 64	pp. 68-69	pp. 71-229	p. 59
Consolidated financial statements for year ended 30/6/11	pp. 62-63	p. 64	pp. 68-69	pp. 71-232	p. 59
Consolidated financial statements for year ended 30/6/12	pp. 66-67	p. 68	pp. 72-73	pp. 75-235	p. 63

	Balance sheet	Profit and loss account	Cash flow statement	Notes to the accounts	External auditors' report
Individual financial statements for year ended 30/6/10	pp. 274-75	p. 276	pp. 280-81	pp. 283-420	p. 271
Individual financial statements for year ended 30/6/11	pp. 280-81	p. 282	pp. 286-87	pp. 289-431	p. 277
Individual financial statements for year ended 30/6/12	pp. 282-83	p. 284	pp. 288-89	pp. 291-429	p. 279





## 11.3. Auditing of annual financial information for previous years

### 11.3.1. XI.III.I. Statement confirming that financial information for previous financial years has been audited

At an annual general meeting held on 27 October 2007, the shareholders of Mediobanca appointed Reconta Ernst & Young S.p.A. to audit the Bank's individual and consolidated full-year and interim financial statements, to perform other activities provided for under Article 155 of Italian Legislative Decree 58/98, and to sign off the "Unico" and "770" tax declarations, up to and including the financial year ending 30 June 2012.

Notice is hereby given that:

- ◆ Reconta Ernest & Young S.p.A., with registered office in Milan, the audit firm appointed to audit the individual and consolidated full-year and interim financial statements of Mediobanca for the previous years, has issued its reports without qualifications;
- ◆ Reconta Ernest & Young S.p.A., with registered office in Milan, the audit firm appointed to audit the individual and consolidated full-year and interim financial statements of Mediobanca for the previous years, duly issued the relevant reports without qualifications.

### 11.3.2. Any other information contained in the Registration Document that has been reviewed by the auditors

With the exception of the individual and consolidated financial information, no information reported in this Registration Document has been subject to review by the external auditors.

### 11.3.3. Financial information contained in the Registration Document not taken from the Issuer's audited financial statements

The financial information contained in this Registration Document has been taken from the Issuer's financial statements which have been subject to review by the external auditors.

### 11.3.4. Description of performance share scheme

In connection with the equity instruments to be used as components of staff remuneration, Mediobanca has adopted a performance share scheme, which was approved by shareholders at a general meeting held on 28 October 2010. Under the terms of the scheme, in certain conditions Mediobanca shares may be awarded to staff free of charge at the end of a vesting period. The rationale for the scheme is to:

- ◆ bring the Bank's remuneration structure into line with guidance issued by regulatory authorities requiring that significant percentages of the variable remuneration component annually assigned be paid in the form of equity instruments, making it consistent with results sustainable over time;
- ◆ encourage the involvement of key staff in a mechanism for co-investing in the share capital of Mediobanca;
- ◆ introduce a new instrument alongside the stock options, with a limited number of newly-issued shares and by using the treasury shares owned by the Bank, in order to limit the dilutive impact on the ownership structure.



In connection with this proposal, a resolution to increase the company's share capital was adopted by shareholders at the annual general meeting referred to above, with up to 20 million new Mediobanca shares being issued, and treasury shares owned by the Bank used for this purpose. On 27 July 2011, as part of staff variable remuneration for the 2011 financial year, a total of 2,521,697 performance shares were awarded; the shares, which are conditional upon certain performance targets being met over a three-year time horizon, will be made available in tranches in November 2013 (up to 1,194,889), November 2014 (up to 663,404) and November 2015 (up to 663,404), considering the additional holding period of one year. The total notional cost of the shares is €15.7m.

Since the reporting date, as part of staff variable remuneration for the 2012 financial year, on 20 September 2012 a total of 5,861,494 performance shares were awarded; the shares, which are conditional upon certain performance targets being met over a three-year time horizon, will be made available in tranches in November 2014 (up to 1,941,206), November 2015 (up to 3,347,604) and November 2016 (up to 572,684) considering the additional holding period of one year. The total notional cost of the shares is €19.5m.

#### 11.4. Date of most recent financial information

The consolidated annual report as at 30 June 2012 contains the most recent financial information to have been approved by the Board of Directors on 20 September 2012; furthermore, on 28 October 2012 the Board of Directors will approve the Group's quarterly accounts for the three months ended 30 September 2012.

#### 11.5. Interim and other financial information

Subsequent to the balance-sheet date of 30 June 2012, the quarterly report of the Mediobanca Group for the three months ended 30 September 2012 will be submitted to the Board of Directors for approval on 27 October 2012. The interim and quarterly reports of Mediobanca and the Mediobanca Banking Group may be consulted on the Issuer's website at [www.mediobanca.it](http://www.mediobanca.it). This website is updated quarterly with the relevant financial information as approved from time to time

See section 3.2 "*Select financial information*" in particular.

#### 11.6. Legal and arbitration proceedings

As at the date hereof, none of Mediobanca and its consolidated subsidiaries is or has been involved in any governmental, legal, arbitration or administrative proceedings relating to claims or amounts of money which may have, or have had in the recent past, a material impact on the Group's financial position or profitability, and as far as Mediobanca is aware, no such litigation, arbitration or administrative proceedings has either been announced or is pending.

Events which characterized the financial year included:

- 1) A total of thirteen claims against Mediobanca, jointly with the other parties in their alleged failure to launch a full takeover bid for La Fondiaria in 2002, are still pending for damages amounting to approx. €100m. The present status of the trials in respect of these claims is as follows:
  - ◆ the court of cassation has ruled against Mediobanca on three claims, which have now reverted to the court of appeals for the rulings to be prosecuted;
  - ◆ two claims, in which the court of appeals has ruled in favour of Mediobanca, are pending at the court of cassation; for a further three claims where again the ruling has gone in



favour of Mediobanca, the term for presenting appeals to the court of cassation is now pending;

- ◆ three claims, in which the ruling went against Mediobanca, are pending before the court of appeals in Milan;
  - ◆ one claim, in which the court of Florence ruled in favour of Mediobanca, has been appealed by the plaintiff;
  - ◆ a new claim has been submitted to the court of Milan.
- 2) Subsequent to Burani Designer Holding being declared bankrupt, the administrators have sued Centrobanca for unlawful granting of credit in relation to the takeover bid which the Burani Family Holding S.p.A. launched for Mariella Burani Fashion Group S.p.A. in 2008. On 16 March 2012, Centrobanca sued Mediobanca and various other parties which it alleges played a role in determining the price of the takeover; the next hearing for the procedure in which Mediobanca is involved has been scheduled for 29 January 2013.
- 3) In July 2012, the Chief Executive Officer of Mediobanca, Alberto Nagel, received notice from the public prosecutor's office of Milan that he was under investigation for the alleged crime of "obstructing the public supervisory authorities in the exercise of their duties" (under Article 2638 of the Italian Civil Code) in connection with the Unipol/Fondiaria-SAI merger, followed by questioning on 1 August 2012. The Board of Directors of Mediobanca then met on 5 September 2012 to hear the Chief Executive Officer's report on these events. At the end of the meeting the following press release was issued: "At a Board meeting held today, the Directors of Mediobanca expressed their satisfaction at the state of progress of the Unipol/Fondiaria-SAI merger project and the related recapitalization. In this connection, the Board also noted the report by the Chief Executive Officer on the events relating to the inquest being conducted by the Milan public prosecutor's office. Based on the information available, the Board unanimously agreed that it could wait for the outcome of the enquiries with confidence."

A "provision for risks and liabilities" has been made in the balance sheet as at 30 June 2012 in an amount of €160.5m to cover, *inter alia*, risks not necessarily linked to the failure to meet obligations or repay loans which could lead to charges in the future.

## 11.7. Significant changes in the Issuer's financial position

Successivamente alle ultime informazioni finanziarie (bilancio consolidato al 30 giugno 2012), non sono intervenuti cambiamenti significativi della situazione finanziaria o commerciale di Mediobanca o delle altre società facenti parte del Gruppo.

There have been no significant changes to financial or commercial position of Mediobanca or the other companies forming part of the Group since the most recent financial information available was disclosed in the consolidated financial statements as at 30 June 2012.



## 12 Material agreements

Neither Mediobanca nor any of the companies controlled by Mediobanca has entered into or participates in agreements outside of their normal course of business which could result an obligation or entitlement for Group members that would impact significantly on the Issuer's ability to meet its obligations versus holders of financial instruments issued or to be issued.



### 13 Information from third parties, expert opinions and expressions of interest

As at the date hereof, the rating assigned to the Issuer by Standard & Poor's is BBB+/A-2 with negative outlook (report issued on 10 February 2012, confirmed in a document dated 26 March 2012 - all the documentation published by Standard & Poor's on the Issuer's rating is available at [www.mediobanca.it](http://www.mediobanca.it) ).

Rating agency	Short-term debt	Long-term debt	Outlook
S&P's	A-2	BBB+	Negative

The Issuer confirms that the above information has been faithfully reproduced, and that as far as the Issuer is aware and is able to ascertain on the basis of information published by Standard & Poor's, no facts have been omitted that might render the reproduced information imprecise or otherwise misleading.



**Standard & Poor's rating scale:**

*(Source: Standard & Poor's)*

LONG TERM obligations with an original maturity of more than one year	SHORT TERM obligations with an original maturity of no more than one year
<p style="text-align: center;"><b>Investment grade</b></p>	<p style="text-align: center;"><b>Investment grade</b></p>
<p><b>AAA</b></p>	<p><b>A-1</b></p>
<p>The obligor's capacity to meet its financial commitment on the obligation is extremely strong.</p>	<p>The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.</p>
<p><b>AA</b></p>	<p><b>A-2</b></p>
<p>The obligor's capacity to meet its financial commitment on the obligation is very strong. An obligation rated 'AA' differs from the highest-rated obligations only to a small degree.</p>	<p>The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.</p>
<p><b>A</b></p>	<p><b>A-3</b></p>
<p>The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.</p>	<p>The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p>
<p><b>BBB</b></p>	
<p>The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p>	



Long-term debt securities with duration of more than one year	Short-term debt securities with duration of less than one year
<b>Speculative grade</b>	<b>Speculative grade</b>
<p><b>BB</b></p> <p>The obligation is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p>	<p><b>B</b></p> <p>The obligation is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p>
<p><b>B</b></p> <p>The obligation is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.</p>	<p><b>B -1</b></p> <p>The obligation is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p>
<p><b>CCC</b></p> <p>The obligation is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.</p>	<p><b>B -2</b></p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has an average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p>
<p><b>CC</b></p> <p>The obligation is currently highly vulnerable to nonpayment.</p>	<p><b>B -3</b></p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p>
<p><b>C</b></p> <p>A 'C' rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default.</p>	<p><b>C</b></p> <p>The obligation is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.</p>
<p><b>D</b></p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard &amp; Poor's believes that such payments will be made during such grace period.</p>	<p><b>D</b></p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard &amp; Poor's believes that such payments will be made during such grace period.</p>

*NB: ratings from "AA" to "CCC" inclusive can be modified by adding the "+" or "-" minus sign to specify the position.*



MEDIOBANCA

## 14 Documents available to the public

The following documents are available for consultation at Mediobanca's registered offices in Piazzetta Enrico Cuccia 1, Milan: the Issuer's Articles of Association; copies of the annual accounts and report (consolidated and individual) as at and for the years ended 30 June 2010, 2011 and 2012; such documents as are incorporated by reference in this Registration Document as permitted under Article 11 of Directive 2003/71/CE; and a copy of this Registration Document.

Beginning with the 2001/2002 financial year, the annual, interim and quarterly accounts and reports of Mediobanca and the Mediobanca Group have been made available on the Issuer's website at [www.mediobanca.it](http://www.mediobanca.it). This website will be updated on a quarterly basis with the relevant financial information as approved from time to time

All information and press releases relating to the Issuer's corporate affairs are also available on the same website.