

**CMB**Compagnie Monégasque
de Banque

CMB at a glance

CMB is a leading private bank, based in Monaco, with unrivaled financial stability. Since its creation in 1976, CMB has focused on providing quality private banking services to meet our clients' needs with a one-stop-shop approach.

KEY FINANCIAL HIGHLIGHTS

(data as at 31 December 2018)

BALANCE SHEET

Total assets:	€4,326 m
Customer loans:	€1,250 m
Equity:	€977 m
CET1* ratio:	44.69%

PROFIT & LOSS ACCOUNT

Revenues:	€93.9 m
Gross operating profit:	€34.9 m
Net profit:	€12.3 m

CLIENT ASSET

Total Financial Assets:	10 €bn
Deposits:	3.3 €bn

CMB's offer is structured around three core businesses: private banking, investment management and financing, and comprises a wide range of investment products and tailor-made services available to our clients.

CMB was originally created as a Monegasque «boutique» bank by several major international banks jointly with local investors.

Today it is wholly owned by Mediobanca SpA, a Specialized Financial Group listed on the Milan stock exchange (included in the FTSE MIB benchmark index), which acquired an initial stake of 34% in 2002 and reached the full control two years later, in 2004.

CMB is now a founding part of the Mediobanca Group Wealth Management division that accounts for circa 25% of Group's revenues with Total Financial Assets of € 64bn (as at 30 June 2018), and whose continued development represents one of the primary drivers of Mediobanca's medium term strategic plan.

CMB's mission is based on three core ideas that reflect our strong convictions relating to the private banking business. Above all, client focus and experience are at all times the prime concerns for each and every member of its staff. Secondly, CMB strives to create a work environment that allows the staff to provide excellent client service. Lastly, CMB ensures that it provides top-quality products and services. Private banking requires CMB to deal with complex issues that call for coordinating different areas of expertise within the Bank, the Mediobanca group and sometimes from external sources.

* Common Equity Tier 1 (CET1) is a component of Tier 1 capital. It is a capital measure that was introduced in 2014 as a precautionary means to protect the economy from a financial crisis. Financial institution should meet a minimum required capital ratio set at 8%





Mediobanca - a key European player as shareholder

Mediobanca Group is active in three specialized and profitable businesses (ROAC>15% each):

SHAREHOLDER COMPOSITION

Mediobanca shareholders' structure: 75% institutional investors and 25% retail investors.

Italian institutional investors represent the majority of the total, with 26% coming from the United States, 14% French investors (including the Bolloré group), and 12% UK investors.

Below Mediobanca shareholders with >3% stake:

Main Shareholders (>3%)	%
Unicredit S.P.A.	8.40
Group Bolloré	7.86
Gruppo Black Rock	4.98
Gruppo Mediolanum	3.28

KEY FINANCIAL HIGHLIGHTS

(data as at 30 June 2018)

BALANCE SHEET

Total assets:	€72bn
Customer loans:	€41bn
Funding:	€49bn
Total Financial Assets:	€64bn
CET1 ratio:	14.2%

PROFIT & LOSS ACCOUNT

Revenues:	€2.419m
Gross Operating Profit:	€1,057m
Net profit:	€864m
Cost/income ratio:	46%
ROTE*:	10%

OTHER INFORMATION

S&P Rating:	BBB
Moody's Rating:	Baa1
Fitch Rating:	BBB
Payout:	48%
Dividend per share:	€0.47
Market cap:	€7bn
No. Of staff:	4,717

* Return on tangible equity (ROTE) measures the rate of return on the tangible common equity

- **Investment banking: with a leading position in Italy and Southern Europe**, (advisory, lending and capital markets) with branches and offices in London, Madrid, New York and Paris
- **Consumer credit: one of the top operators** in Italy
- **Wealth Management: as a new sustainable emerging player** serving Affluent & Premier Italian clients through CheBanca! and Private & HNWI clients through MB Private Banking and CMB.

Stable Board and management team in the last 15 years

In-depth knowledge of business environment
Long-term approach to business

Strong Reputation 70 years of ethical business

Strong brand value
No conduct risk issues

Boutique-Type Organization Lean structure

Attractive to talent
Fast decision-making

Strong Risks and Costs Control

Unrivaled asset quality
Low operational gearing
Risk Management central in every decision

High capital generation

CET1 June 2018 at 14.2%
No regulatory impact on CET1 expected going forward

Specialization and Innovation

Reference IB for Italian corporates
Most profitable consumer bank in Italy
First Italian human-digital bank

Mediobanca stands out in Italy and in the EU scenario for solidity, growth and profitability emerging stronger after the financial crisis:

- successfully reshaping its business model from holding to banking group, carrying out the disposal of almost all its equity stakes,
- growing constantly in revenues, doubled from €1.2bn to €2.4bn, and in profitability (ROTE @10%),
- fostering business and client diversification (retail now accounts for >50% in terms of loans and funding, >60% of revenues),
- improving further its distinctive risk profile (well below Italian banks and in line with EU banks) with unrivalled asset quality (Non Performing Loans ratio at 4.4%), limited government bond exposure and low sensitivity to Italian spread.

Mediobanca's strategy is to leverage the Group sound business position and capital solidity to grow further with a particular focus on Wealth Management and fee driven/ capital-light businesses. Worth to be mentioned the recent acquisitions in Wealth Management (acquisition of a selected retail activities in Italy from Barclays, full control of the former Banca Esperia today Mediobanca Private Banking, Cairn Capital, RAM Active Investment) and CIB (66% of the Paris-based advisory firm Messier Maris).