

PRESS RELEASE

THE MEDIOLANUM BANKING GROUP

2024 First-Half Results

Net Income in the first half: 450 million euro, + 24% compared to 2023

- **NET INCOME: € 449.9 million**
- **ASSETS UNDER ADMINISTRATION: € 129.5 billion**
- **CREDIT BOOK: € 17 billion**
- **COMMON EQUITY TIER 1 RATIO: 23.7%**

The Board of Directors of Banca Mediolanum S.p.A. met today and approved the Consolidated Interim Financial Statements as at June 30, 2024.

Massimo Doris, Chief Executive Officer of Banca Mediolanum comments: "I am very pleased with the excellent results of the first half of 2024, which reflect significant growth in terms of customers, of assets, which exceeded 129 billion euro, and of profitability. This success demonstrates the effectiveness of our strategy, which always focuses on the long term and puts the customer at the center. Indeed, in a context of relatively stable interest rates, which remained higher than the beginning-of-year forecasts, we implemented important commercial initiatives for customers, such as the 5% deposit account, while continuing to benefit from high net interest income. This resulted in a net income of 450 million over the six months, a 24% increase compared to the same period in 2023, with net commission income, which forms the basis of our income statement, continuing to grow. The second quarter was extremely positive, driven by the performance of the stock markets, where we have significant exposure and that enables customers to achieve great returns over the long term. I am confident that we are well-positioned to continue on this path in the second half of the year".

FINANCIAL RESULTS AS AT JUNE 30, 2024

- **Net commission Income** amounted to **€ 587.4 million**, an increase of **15%** compared to the first half of 2023, also driven by strong net inflows into managed asset products and favorable market performance.
- The **Net Interest Income** of **€ 418 million** benefited from a higher interest rate environment compared to the first half of 2023, resulting in a **20%** increase.
- The **Operating Margin** amounted to **€566.1 million**, **22%** higher than the first half of 2023, with positive contributions from all business segments.
- As a result, the **Net Income** came to **€449.9 million**, an increase of **24%** compared to the same period last year.
- **Assets under Management and Administration** totalled **€ 129.50 billion**, resulting in an increase of **15%** compared to June 30 of the previous year and **10%** from the end of 2023.
- The **Credit Book** of the Group amounted to **€ 16.95 billion**, stable with respect to both June 30, 2023, and December 31, 2023.
The ratio of **Net Non-Performing Exposures** to total loans of the Group remains extremely low, and in fact is equal to **0.81%**.

- The **Common Equity Tier 1 Ratio** as at June 30, 2024, confirms the **absolute soundness of Banca Mediolanum**, coming out at **23.7%**.

BUSINESS RESULTS AS JUNE 30, 2024

The **business results** amounted to **€ 7.01 billion**, an increase compared to **€6.46 billion** last year. In particular:

- **Total Net Inflows** were extremely positive at **€ 5.66 billion**, an increase of **21%** year-on-year, while **Managed Assets Net Inflows** reached **€ 3.09 billion**, an increase of **43%**.
- **Loans Granted** during the period amounted to **€ 1.25 billion**, a decline of **25%** reflecting the slowdown in the real estate market and the current interest rate environment.
- Moreover, **General Insurance Premiums** registered an increase of **1%**, reaching **€ 92.7 million**.
- The number of **Family Bankers** as of June 30, 2024, stood at **6,314** increasing **2%** with respect to the end of last year, thanks as well to the contribution from the Next project; the total number of **Bank customers** stood at **1,865,500** an increase of **4%** with respect to the end of 2023.

2024 GUIDANCE

Below are the **expected results** for the full year 2024 concerning the main business, economic, and financial indicators of the Group:

- Net Inflows into Managed Assets in the range of **€ 6.5–7 billion**
- Net Interest Income for 2024 expected to grow by approximately **10%** compared to the previous year, remaining stable in 2025
- Cost/Income Ratio in line with 2023 levels, at approximately **40%**
- Cost of Risk in line with the 2023 year, at approximately **20 basis points**
- 2024 Dividend expected to increase compared to the previous year (subject to approval)

Please remember that the Group Interim Financial Statements are currently under review on a limited basis by the Independent Auditors, who have not yet issued their report.

In an effort to provide a more complete disclosure of the results as at June 30, 2024, we have attached the segment report detailing income statement data reclassified to reflect the criteria used by the Mediolanum Group. This reclassified segment report is not subject to audit by the independent auditors.

A presentation in English of the financial information contained herein will be made available at the Spafid Connect S.p.A. storage service at the address www.emarketstorage.com and on the website www.bancamediolanum.it in the section Investor Relations.

The Financial Statements as at June 30, 2024 will be available according to the terms set by law at the company's Registered Office in Basiglio - Milano 3, Palazzo Meucci - Via Ennio Doris, on the website www.bancamediolanum.it, and in the Spafid Connect S.p.A. storage service www.emarketstorage.com.

The Independent Auditors' report will be published in the same manner, as soon as it becomes available pursuant to current applicable regulations.

The Officer responsible for preparing Banca Mediolanum S.p.A accounting documents, Angelo Lietti, declares that, in compliance with the requirements of paragraph 2 of section 154 bis of the Consolidated Finance Act, the financial information contained herein reflects the accounting entries, records and books.

Attachments:

- Balance Sheet as at June 30, 2024
- Reclassified Income Statement as at June 30, 2024
- Segment Report as at June 30, 2024

Basiglio - Milano 3 City, August 1, 2024

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STATEMENT OF FINANCIAL POSITION

Assets

€/000	June 30, 2024	December 31, 2023
10. Cash and cash equivalents	401,483	188,134
20. Financial assets at FVPL	40,082,249	36,196,039
a) held for trading	1,125,192	999,295
b) designated at fair value	38,746,443	34,990,416
c) mandatorily measured at fair value	210,614	206,328
30. Financial assets measured at fair value through other comprehensive income	2,105,286	2,033,758
40. Financial assets measured at amortised cost	36,555,593	36,920,252
a) due from banks	653,533	160,702
b) loans to customers	35,902,060	36,759,550
50. Hedging derivatives	17	53
80. Insurance contract assets	75,219	78,227
90. Property and equipment	205,030	212,514
100. Intangible assets	206,178	206,869
of which:	-	-
- goodwill	125,625	125,625
110. Tax assets	614,282	663,588
a) current	461,219	501,782
b) deferred	153,063	161,806
120. Non-current assets held for sale and discontinued operations	-	56
130. Other assets	1,378,920	1,331,361
TOTAL ASSETS	81,624,257	77,830,851

Liabilities and Shareholders' Equity

€/000	June 30, 2024	December 31, 2023
10. Financial liabilities measured at amortised cost	34,996,477	35,225,709
a) due to banks	1,640,779	1,184,872
b) due to customers	33,049,996	33,727,721
c) debt certificates including bonds	305,702	313,116
20. Financial liabilities held for trading	132	8,458
30. Financial liabilities designated at fair value	16,845,540	15,011,219
40. Hedging derivatives	-	3,605
60. Tax liabilities	252,250	309,931
a) current	167,632	229,608
b) deferred	84,618	80,323
80. Other liabilities	1,243,274	1,094,079
90. Employee termination indemnities	11,918	11,876
100. Allowances for risks and charges	312,207	309,958
a) commitments and guarantees given	1,382	1,490
b) post-employment benefits	109	109
c) other allowances for risks and charges	310,716	308,359
110. Insurance contract liabilities	24,330,396	22,401,276
120. Valuation reserves	105,736	39,315
150. Reserves	2,515,455	2,213,256
155. Interim dividends	-	(207,519)
160. Share premium reserve	8,923	7,035
170. Share capital	600,678	600,564
180. Treasury shares (-)	(48,643)	(19,781)
200. Net Profit (Loss) for the period (+/-)	449,914	821,870
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	81,624,257	77,830,851

Reclassified Income Statement

€/000	June 30, 2024	June 30, 2023
Entry fees	28,542	18,461
Management fees	620,159	540,232
Investment Management fees	122,513	105,822
Net insurance result	96,851	85,424
Banking services fees	97,924	87,706
Other fees	25,275	20,382
Total commission income	991,264	858,027
Acquisition costs	(324,803)	(283,098)
Other commission expenses	(79,034)	(65,354)
Total commission expenses	(403,837)	(348,453)
Net commission income	587,427	509,574
Net interest income	418,013	347,340
Net income (loss) on other investments	18,543	412
Impairment on loans	(18,482)	(17,788)
Other revenues & expenses	(612)	(617)
CONTRIBUTION MARGIN	1,004,889	838,921
G & A expenses	(366,049)	(335,728)
Contributions to Banking & Insurance Industry	(27,640)	(10,266)
Amortisation & depreciation	(18,402)	(20,319)
Provisions for risks & charges	(26,689)	(8,635)
TOTAL COSTS	(438,780)	(374,948)
OPERATING MARGIN	566,109	463,973
Performance fees	41,321	445
Net income on investments at fair value	(297)	12,629
MARKET EFFECTS	41,024	13,074
Extraordinary Contributions to Banking & Insurance Industry	(11,556)	-
EXTRAORDINARY ITEMS	(11,556)	-
PROFIT BEFORE TAX	595,577	477,047
Income tax	(145,663)	(113,722)
NET PROFIT (LOSS) FOR THE PERIOD	449,914	363,325

PROFIT & LOSS FIGURES DATA BY DIVISION AS AT JUNE 30, 2024



MEDIOLANUM GROUP	ITALY					FOREIGN		TOTAL
	BANKING	ASSET MANAGEMENT	INSURANCE	OTHER	TOTAL	SPAIN	GERMANY	
Euro thousands								
Entry fees	-	18,844	-	-	18,844	9,698	-	28,542
Management fees	-	336,683	224,823	-	561,506	55,542	3,111	620,159
Investment Management fees	-	65,486	46,594	-	112,080	9,749	684	122,513
Net Insurance result	-	-	90,697	-	90,697	5,719	435	96,851
Banking services fees	92,964	-	-	-	92,964	4,960	-	97,924
Other fees	212	14,236	6,813	2,163	23,424	1,730	121	25,275
Total commission income	93,176	435,249	368,927	2,163	899,515	87,398	4,351	991,264
Acquisition costs	(52,037)	(146,073)	(94,378)	1,255	(291,232)	(32,600)	(970)	(324,803)
Other commission expenses	(38,830)	(18,367)	(14,154)	-	(71,352)	(7,378)	(304)	(79,034)
Total commission expenses	(90,868)	(164,440)	(108,532)	1,255	(362,584)	(39,978)	(1,274)	(403,837)
Net commission income	2,309	270,808	260,395	3,419	536,930	47,420	3,077	587,427
Net interest income	348,770	4,099	29,445	53	382,367	34,869	777	418,013
Net income (loss) on other investments	1,427	1	3,311	13,685	18,423	120	-	18,543
Impairment on loans	(18,164)	-	-	-	(18,164)	(318)	-	(18,482)
Other revenues & expenses	(3,589)	302	(453)	2,766	(974)	360	2	(612)
CONTRIBUTION MARGIN I	330,752	275,210	292,698	19,922	918,582	82,451	3,856	1,004,889
Allocated Costs	(121,966)	(56,156)	(56,876)	(3,427)	(238,425)	(34,097)	(228)	(272,750)
Contributions to Banking & Insurance Industry	(19,125)	-	(8,515)	-	(27,640)	-	-	(27,640)
CONTRIBUTION MARGIN II	189,661	219,054	227,307	16,495	652,517	48,354	3,628	704,499
Unallocated Costs	-	-	-	-	(93,299)	-	-	(93,299)
Amortisation & depreciation	-	-	-	-	(14,450)	(3,942)	(10)	(18,402)
Provisions for risk & charges	-	-	-	-	(25,485)	(1,204)	-	(26,689)
OPERATING MARGIN	189,661	219,054	227,307	16,495	519,283	43,208	3,618	566,109
Performance fees	-	26,159	13,769	-	39,928	1,276	117	41,321
Net income on investments at fair value	(1,372)	32	205	-	(1,135)	777	61	(297)
MARKET EFFECTS	(1,372)	26,190	13,974	-	38,793	2,053	178	41,024
Extraordinary Contributions to Banking & Insurance Industry	(11,556)	-	-	-	(11,556)	-	-	(11,556)
EXTRAORDINARY ITEMS	(11,556)	-	-	-	(11,556)	-	-	(11,556)
PROFIT BEFORE TAX	176,734	245,244	241,281	16,495	546,520	45,261	3,796	595,577
Income tax	-	-	-	-	(135,914)	(9,275)	(474)	(145,663)
NET PROFIT (LOSS)	176,734	245,244	241,281	16,495	410,607	35,986	3,321	449,914

PROFIT & LOSS FIGURES DATA BY DIVISION AS AT JUNE 30, 2023



MEDIOLANUM GROUP	ITALY					FOREIGN		TOTAL
	BANKING	ASSET MANAGEMENT	INSURANCE	OTHER	TOTAL	SPAIN	GERMANY	
Euro thousands								
Entry fees	-	13,321	-	-	13,321	5,140	-	18,461
Management fees	-	302,170	189,415	-	491,585	46,220	2,426	540,232
Investment Management fees	-	60,922	36,222	-	97,144	8,142	536	105,822
Net Insurance result	-	-	80,669	-	80,669	4,363	392	85,424
Banking services fees	83,465	-	-	-	83,465	4,241	-	87,706
Other fees	1,270	11,272	5,762	424	18,728	1,542	112	20,382
Total commission income	84,735	387,685	312,067	424	784,912	69,648	3,466	858,027
Acquisition costs	(49,794)	(127,555)	(80,733)	736	(257,347)	(24,726)	(1,025)	(283,098)
Other commission expenses	(29,376)	(16,439)	(13,159)	-	(58,973)	(6,054)	(327)	(65,354)
Total commission expenses	(79,170)	(143,994)	(93,893)	736	(316,321)	(30,780)	(1,352)	(348,453)
Net commission income	5,566	243,692	218,175	1,160	468,592	38,868	2,114	509,574
Net interest income	301,355	(9,376)	17,462	46	309,487	37,336	517	347,340
Net income (loss) on other investments	411	(1)	(265)	251	395	17	-	412
Impairment on loans	(17,323)	-	-	-	(17,323)	(443)	(22)	(17,788)
Other revenues & expenses	(3,160)	269	(761)	2,447	(1,205)	439	149	(617)
CONTRIBUTION MARGIN I	286,848	234,584	234,610	3,904	759,946	76,217	2,758	838,921
Allocated Costs	(114,741)	(48,581)	(49,751)	(2,764)	(215,838)	(31,968)	(2,042)	(249,848)
Contributions to Banking & Insurance Industry	(9,324)	-	-	-	(9,324)	(942)	-	(10,266)
CONTRIBUTION MARGIN II	162,782	186,003	184,860	1,140	534,784	43,307	716	578,807
Unallocated Costs	-	-	-	-	(85,880)	-	-	(85,880)
Amortisation & depreciation	-	-	-	-	(16,838)	(3,385)	(96)	(20,319)
Provisions for risk & charges	-	-	-	-	(7,759)	(876)	-	(8,635)
OPERATING MARGIN	162,782	186,003	184,860	1,140	424,307	39,046	620	463,973
Performance fees	-	176	242	-	418	25	2	445
Net income on investments at fair value	12,578	49	(83)	-	12,544	90	(5)	12,629
MARKET EFFECTS	12,578	225	159	-	12,962	115	(3)	13,074
Extraordinary Contributions to Banking & Insurance Industry	-	-	-	-	-	-	-	-
EXTRAORDINARY ITEMS	-	-	-	-	-	-	-	-
PROFIT BEFORE TAX	175,360	186,227	185,019	1,140	437,269	39,161	617	477,047
Income tax	-	-	-	-	(105,376)	(8,100)	(245)	(113,722)
NET PROFIT (LOSS)	175,360	186,227	185,019	1,140	331,892	31,060	372	363,325