



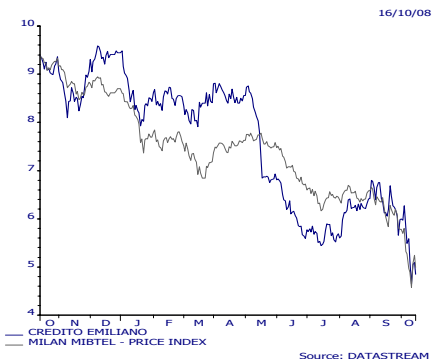
16 October 2008

Banks

Update

Price: €4.87 Target price: €5.30

Neutral



	2006	2007	2008E	2009E	2010E
EPS Adj. (€)	0.80	0.61	0.55	0.58	0.66
DPS (€)	0.35	0.36	0.36	0.36	0.36
BVPS (€)	4.90	5.48	5.69	5.97	6.28
ROE (%)	18.1	17.3	11.2	10.6	11.2
P/E adj (x)	13.2	17.2	8.8	8.4	7.3
Div. Yield(%)	3.3	3.4	7.3	7.5	7.4
P/BV (x)	2.2	1.9	0.9	0.8	0.8

Per share data calculated on average outstanding number of shares

Source: Mediobanca Securities

Adequate capital in the price

Adequate Tier I should enable above-average growth. Small risk to DPS

Following the disclosure of the Business Plan and of the terms of the rights issue, we provide an update of Credem equity story. We regard Credem as adequately capitalised, considering its business mix and composition of its asset base. Despite a challenging macroeconomic outlook, a high Tier I ratio and relatively high RWA/assets ratio should enable Credem to grow volumes above the market average, with no need to shrink the asset base, which would hurt EPS growth. Core Tier I at 7% should limit the risk of a dividend cut. Conversely, modest earnings growth should cap DPS at €0.36 per year in 2008-10E.

EPS growth capped by the need for expansion

We estimate that Credem will not beat the target of €230m net profit in 2010, due to growth in costs and the tax rate. We expect the gloomy performance of AUM and investment banking (IB) to persist in 2009E, harming Credem revenue growth (we forecast 25% of revenues from AUM and IB). After 25% EPS cut in 2009E, Credem trades at 30% premium to its European peers' average PE (c6.5X, Datastream). The need to scale back product factories costs may call for an expansion of the distribution platform, which, in turn, could lead to additional purchases and possibly to the second tranche of the capital increase.

Neutral stance confirmed. Target Price €5.30 from €7.50

Due to the presence of defensive features (regulatory capital and limited risk of DPS cut), coupled with capped EPS growth and an acquisition risk, we retain a neutral stance. We believe Credem may outperform peers if worries about banks' capital adequacy persist: in this case the market may favour banks with an ample core tier I ratio, regardless of the earnings multiple.

Investment risk

We see the main risk as a further economic slowdown. Due to the high C/I ratio and tax rate, limited revenue movements may lead to sizeable EPS swings. We believe Credem may underperform peers, if market worries over banks' capital ratios ease and the focus returns to earnings generation.

Market Data

Market Cap (€ m)	1,612
Shares Out. (m)	331
Main Shareholder (%)	CE Hold. (73%)
Free Float (%)	27%
52 week range (€)	9.585-4.65
Rel Perf vs Mibtel (%)	
-1m	-0.9%
-3m	8.9%
-12m	-1.2%
21dd Avg. Vol. ('000)	430
Reuters/Bloomberg	EMBI.MI / CE IM

Key Financial Data - 2007 (€m)

Total Income	1,070
Net Oper. Income	408
Net Profit	249
Shareholders' Funds	1,542
Customer Loans	15,763
Total Net Assets	26,233
Tier I ratio	8.0%

No need to de-leverage the balance sheet

We estimate Credem's core Tier I to be around 7% in 2008E, with a Tier I of €1,360m and no contribution from the issuance of hybrid instruments (the maximum threshold allowed by the domestic regulator is 20%). We consider Credem to be adequately capitalised, but we do not regard the Group as overcapitalised. We divided the group into eight main business units and calculated the capital requirement for each business line.

Credem – Estimated Capital Requirement by Business Line, 2008E

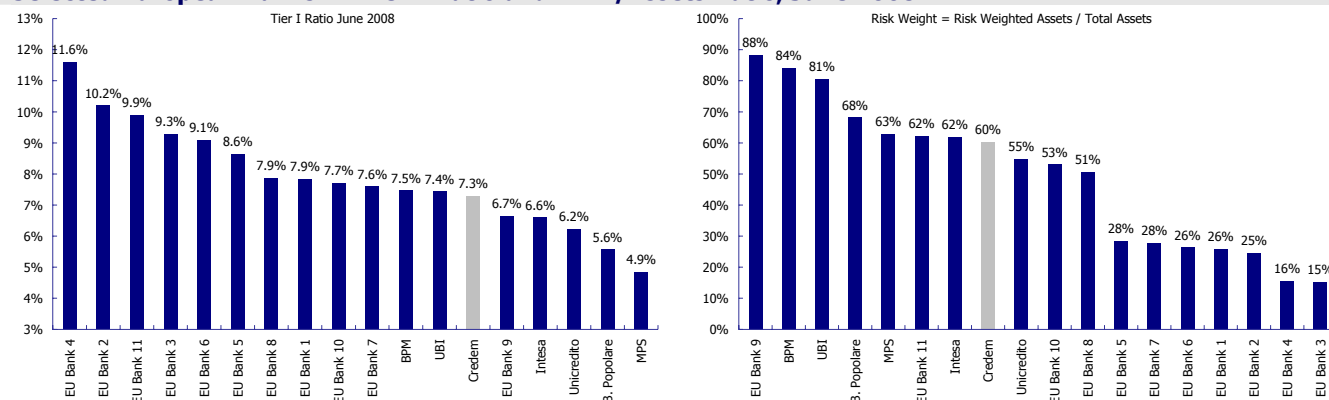
€m	Retail Banking	Corporate Banking	Public Finance	Investm. Banking	Fund Mgmt	Bank Insurance	Foreign Operat.	Corp. Centre	Free Capital	Group
Assets	11,412	6,547	10	4,787	0	1,401	0	7,486	0	31,642
Weighting	72%	90%	20%	49%	0%	0%	0%	34%	0%	60%
RWA	8,272	5,892	2	2,356	0	0	0	2,568	0	19,089
AUM/Tech. Res.					11,876	2,170				
Capital Allocation	6.2%	6.5%	6.0%	8.0%	0.8%	3.0%	7.0%	6.5%	0.0%	7.1%
Required Capital	515	383	0	188	95	65	0	167	(57)	1,356

Source: Mediobanca Securities estimates

The outcome of our analysis is that the estimated business mix would require €1.4bn of Tier I capital in 2008E, i.e. a minimum 7.4% Tier I ratio (6.6% Core Tier I, assuming - admittedly somewhat arbitrarily - 10% of Tier I capital in hybrid instruments). We estimate €1.36bn of Tier I capital for Credem in 2008E, leaving the Group with a capital deficit of around €60m in respect of the forecast optimum. The estimated optimal Tier I ratio is some 30bp above the management target (7.1%) in 2010. In our view, such a high capital requirement by Credem's current business mix is due to its 100% control of an investment bank and the insurance arm.

In our view, Tier I alone is a fallible measure for assessing a bank's capital adequacy, especially at times when regulators are re-thinking the risk-weight of certain asset classes (i.e. HFT securities, off-balance sheet vehicles, etc...). We believe it is important to show the portion of the asset base that is already weighted 100%, which translates into a high RWA/assets ratio. As a general rule, in our view, the lower the RWA/assets ratio, the higher the likelihood of a negative impact from a stricter risk-weighting on certain asset classes, which would harm banks' Tier I ratios by enlarging RWA and forcing a quick and possibly painful de-leveraging of the balance sheet.

Selected European Banks* – Tier I Ratio and RWA/Assets Ratio, June 2008



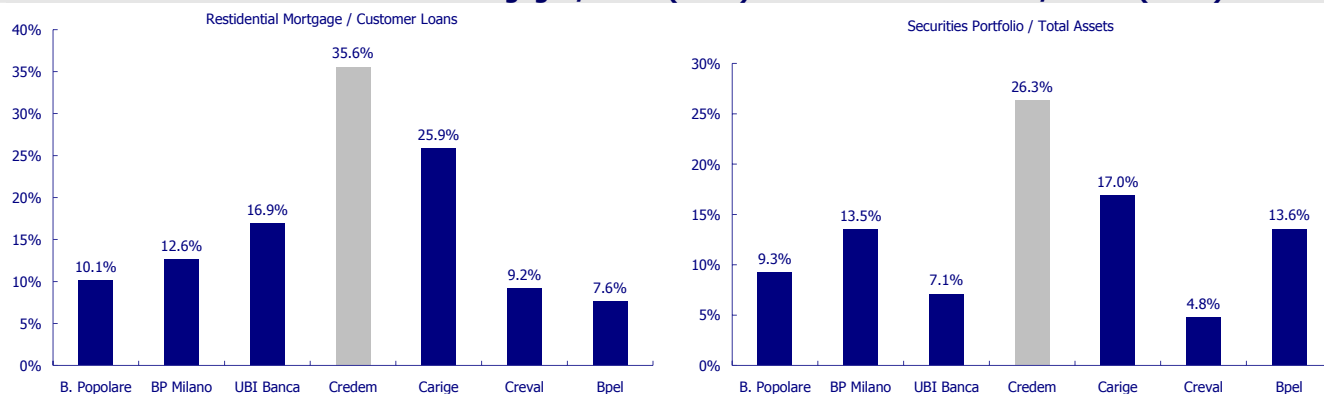
*Sample constituted of Barclays, Credit Suisse, Deutsche Bank, UBS, RBS, Fortis, BNPP, Santander, Banco Sabadell, BBVA and NBG

Source: Company data and Mediobanca Securities analysis

As at H1 2008, the RWA/assets ratio stood at 60%, as a good portion (55%) of Credem's balance sheet is in customer loans (which are generally 100%-weighted). In addition, some 35% of customer loans is represented by collateralised residential mortgages (in 2007 almost 42% of on-balance sheet exposure to customers is fully secured, while 14% is partly secured).

As at June 2008, the securities portfolio (the sum of HFT, fair value, AFS and HTM securities) represented 26% of total assets, of which 23% related to exposure to Governments.

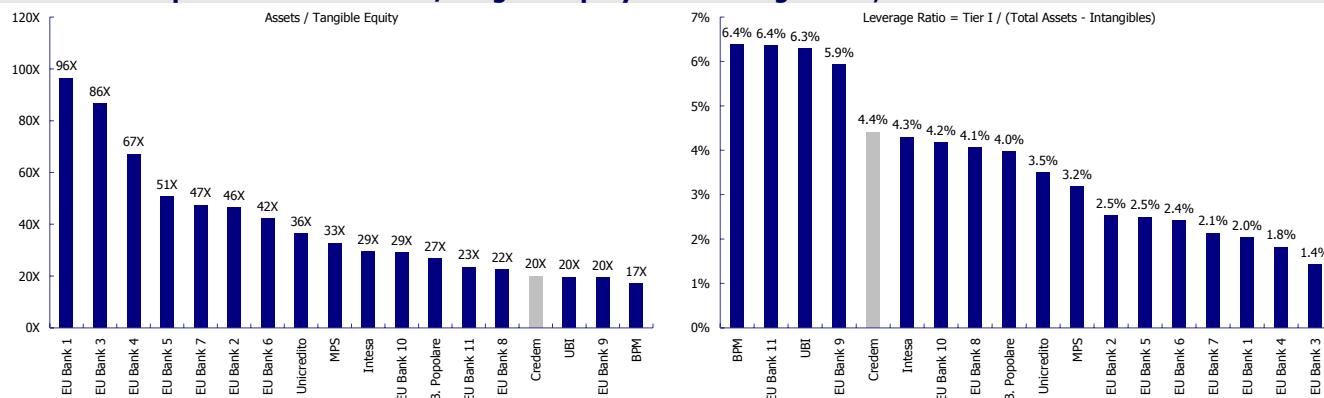
Selected Italian Banks – Residential Mortgages/Loans (2007) and Securities Portfolio/Assets (H108)



Source: Company data and Mediobanca Securities analysis

Adequate Tier I and a relatively high RWA/assets ratio leads to an assets/tangible equity ratio of 20X and a leverage ratio (calculated as Tier I / (Assets – Intangibles)) of 4.4% in June 2008. We estimate that these ratios will not differ significantly at the end of 2008E, as the goodwill stemming from the purchase of branches will be funded through a rights issue.

Selected European Banks* – Assets/Tangible Equity and Leverage Ratio, June 2008



*Sample constituted of Barclays, Credit Suisse, Deutsche Bank, UBS, RBS, Fortis, BNPP, Santander, Banco Sabadell, BBVA and NBG

Source: Company data and Mediobanca Securities analysis

Capped EPS growth

We estimate that Credem is likely to be able to achieve its 2010 target (€229m). Our forecast net profit is similar to the Company's 2010 target (€220m versus targeted €229m), but we believe such earnings will be obtained differently.

We expect weaker volume growth than forecast in Credem's guidance (CAGR 11.2% vs. 12.4%), mainly due to expected sluggish growth in residential mortgages (10% vs. 16%). On the other hand, we forecast better NII margins, as we believe the challenging macro economic environment will lead to a strict credit policy (i.e. lower volumes with better margins). In 2010E, we estimate the same NII (€708m) with €21.7bn of customer loans (NII/loans at 3.26%) versus the Company's estimate of €22.1bn (NII/Loans at 3.20%).

Credem – Comparison between Company Targets and MB Estimates

€m	Credem Target		MB Forecast	
	CAGR 07-10E	2010E	CAGR 07-10E	2010E
Customer Loans	12.4%	22,100	11.2%	21,694
Retail	16.0%	15,841	10.3%	13,607
Mid corporate	8.0%	4,897	11.2%	5,347

Source: Company data and Mediobanca Securities estimates

Conversely, we believe the management's targets for fees and commission will not be achieved (€309m forecast vs. €396m targeted) in 2010E. Credem expects a reversal in the recent evidence in trading and AUM fees. At this stage, we have no arguments to suggest that the ongoing outflow of assets from the domestic AUM industry will terminate any time soon. A similar theory could apply to customers' trading activity, after the recent financial carnage.

Credem – Comparison between Company Targets and MB Estimates

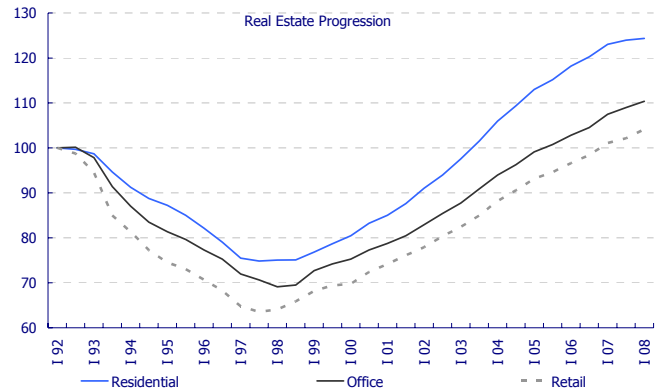
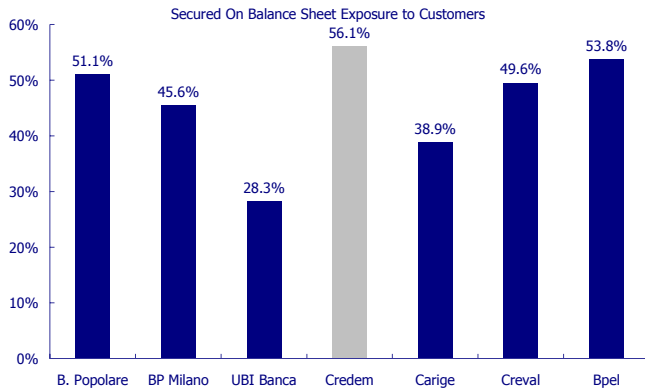
€m	Credem Targets		MB Forecast	
	CAGR 07-10E	2010E	CAGR 07-10E	2010E
AUM	9.6%	18,935	-5.2%	12,397
Indirect Deposits	5.0%	45,288	-0.9%	40,783

Source: Company data and Mediobanca Securities estimates

As result of weaker revenue expectations, we believe Credem will need to implement stronger cost control than planned in order to achieve the net profit target. We believe that a curb on investment will be sufficient to offset weaker fee income from commercial banking. In 2010E, we estimate operating costs to be around 3% below management guidance (€766m vs. €791m).

Finally, we consider the 40bps loans value adjustments/loans ratio (cost of risk) to be conservative, given that the figure for residential mortgages as a percentage of customer loans (36%) is significantly above the domestic average (21%); real estate prices have not declined as at June 2008, and secured on-balance sheet exposure represent some 56% of total on-balance sheet exposure to customers as at December 2007. We estimate the cost of risk to be 35bp in 2010E.

Selected Italian Banks – Secured On-Balance Sheet Exposure to Customers (2007) and Real Estate Prices



Source: Company Data, Mediobanca Securities analysis, Nomisma

Need to expand the distribution network

As mentioned above, Credem will need to implement better cost control than planned by the management. Nonetheless, we believe the Company will continue to report a cost/income ratio well above its peers' average due to the overwhelming weight of costs from product factories.

Credem - Product Factories Operating Costs, 2007

	% of Group Revenues	% of Group Costs
AbaxBank	3.2%	5.1%
Banca Euromobiliare	4.2%	6.8%
Euromobiliare AM SGR	1.3%	2.1%
Euromobiliare AI SGR	0.1%	0.2%
Credemleasing	0.9%	1.4%
Credemfactoring	0.5%	0.8%
Total Operating Costs	10.2%	16.5%

Source: Company data, Mediobanca Securities analysis

As management is not showing any intention to outsource any of its in-house services, we see the enlargement of the distribution network as the only viable option to exploit economies of scale. Assuming a Core Tier I ratio of 6.5%, we calculate some €100m would be available for acquisitions. In addition, we could also include a further €250m as a result of the authority voted to the Board to increase the share capital on 26 June 2008. Hence, we calculate that Credem could afford deals worth around €350m and could increase its distribution platform to 665 branches by purchasing around 70 branches (assuming €5m price per branch).

With the acquisition of a further 70 branches, we forecast Credem could reduce its cost/income ratio by 600bp in 2009E (60% versus 66% currently forecast in 2009E). However, this ratio would still be above its peers' average (i.e. UBI Banca is positioned at 54% in 2009E). This is, once again, due to the overwhelming weight of product factories costs, which account for some 10% of the cost/income ratio.

Credem – Simulated Cost / Income Ratio with 665 Branches

€m	2007A			CAGR	2009E
	A	B = A per branch	C = B x 665		
Group NII	491		624		726
- Financial NII	83		83		83
- Commercial Banking NII	407	0.81	541	+9.0%	642
Commercial Banking Fee Income	348	0.70	462	+2.0%	481
Other Income	231		231		185
Total Revenues	1,070	2.13	1,317		1,391
Operating Costs	(662)		(788)		(829)
- Headquarter Staff Costs	(104)		(104)	+2.0%	(108)
- Legal and Consultants	(42)		(42)	+0.0%	(42)
- Advertising	(22)		(22)	+0.0%	(22)
- Product Factories Costs	(109)		(109)	+2.6%	(115)
- Commercial Banking Costs	(384)	(0.77)	(510)	+3.0%	(541)
Cost-income ratio	62%		60%		60%

Source: Mediobanca Securities estimates

Revision of adjusted EPS and target price

In this report we have cut 2008-10E adjusted EPS as shown below:

Credem – Change in adjusted EPS, 2008-10E*

€	2008E	2009E	2010E
Old Adjusted EPS	0.66	0.78	0.85
New Adjusted EPS	0.51	0.58	0.66
Change	-23%	-25%	-22%

* per share data calculated on period end fully diluted number of shares

Source: Mediobanca Securities estimates

The major reasons for the EPS changes are:

- Lower fee income, due to persistent AUM and Indirect Deposits outflows.
- Higher tangible and intangible assets depreciation, due to the acquisition of new branches.
- Higher tax burden, due to the introduction of the Robin Hood Tax (in 2009E tax rate moves to 39% from 36.5%).
- Different number of shares issued servicing the rights issue, due to a lower price issue. This explains less than 2% of the EPS reduction.

Below we show the target price calculation, moving the valuation horizon to 2009E, as the branches acquisition will fully impact the balance sheet and P&L of the Group. We derive the target price, averaging the fair values thrown-off by Sum-of-Parts, Gordon growth model and peers PE multiple in 2009E (6.2X according to Datastream consensus as at 15 October 2008).

Credem – Fair Values in Accordance to Different Valuation Methods, 2009E

€	2009E
Sum of Parts FV	6.80
Price / Book RoE FV	5.50
Peers' PE Multiple FV	3.50
Target Price	5.30

Source: Mediobanca Securities estimates

We have revised our target price to €5.3 from €7.5, due to the multiples shrinkage of the European banks sector, EPS cut and higher risk free rate (5% versus previous 4.5%).

Credem – Consolidated Profit and Loss Account, 2006-10E (Bank of Italy reporting)

€m	2006	2007	2008E	Chg	2009E	Chg	2010E	Chg
Net Interest Income (NII)	419	491	592	+21%	654	+10%	708	+8%
Dividends and Other Income	279	307	297	-3%	302	+2%	300	-1%
Net Fee Income	414	377	300	-20%	300	-0%	309	+3%
Gain (Loss) on Financial Transactions	(116)	(171)	(197)	+15%	(181)	-8%	(180)	-1%
Other Net Operating Income	69	57	60	+5%	65	+8%	70	+8%
Income (Loss) from Equity Investments	2	8	5	-40%	5	+10%	5	+7%
Insurance Result	0	0	(6)	-	(6)	+10%	(7)	+7%
Revenues	1,067	1,070	1,052	-2%	1,138	+8%	1,205	+6%
Personnel Costs	(388)	(394)	(433)	+10%	(447)	+3%	(455)	+2%
Other Operating Expenses	(230)	(237)	(252)	+6%	(273)	+8%	(276)	+1%
Tang. Intang. Assets Depreciation	(26)	(31)	(33)	+8%	(36)	+7%	(35)	-2%
Operating Costs	(645)	(662)	(718)	+8%	(755)	+5%	(766)	+1%
Net Operating Profit	423	408	334	-18%	382	+15%	440	+15%
Goodwill Impairment	0	0	0	-	0	-	0	-
Provisions for Risks and Charges	(9)	(21)	(1)	-97%	(4)	-	(4)	-14%
Net Value Adjustments to Loans	(27)	(53)	(53)	-1%	(66)	+26%	(72)	+8%
Net Value Adjustments to Fin. Assets	1	(1)	(1)	+96%	(1)	+18%	(1)	-12%
Gain (Loss) from Investments Sale	1	(7)	0	-	8	-	0	-
PBT from Continuing Operations	390	327	280	-14%	319	+14%	363	+14%
Taxes from Continuing Operations	(148)	(78)	(80)	+4%	(121)	+51%	(143)	+18%
Profit (Loss) from Discont. Operations	0	0	0	-	0	-	0	-
Minorities	(10)	(0)	(0)	+0%	(0)	+0%	(0)	+0%
Net Earnings	232	249	199	-20%	197	-1%	220	+11%
Adjusted Net Earnings	224	172	169	-2%	193	+14%	220	+14%

Source: Company data, Mediobanca Securities estimates

Credem – Consolidated Per Share Data, 2006-10E

€	2006	2007	2008E	2009E	2010E
Fully Diluted Adjusted EPS	0.80	0.61	0.51	0.58	0.66
Fully Diluted Stated EPS	0.82	0.89	0.60	0.60	0.66
Fully Diluted BVPS (pre Div. Distrib.)	4.90	5.48	5.69	5.97	6.28
Fully Diluted BVPS (post Div. Distrib.)	4.55	5.12	5.38	5.61	5.92
Dividend Per Share - Ordinary	0.35	0.36	0.36	0.36	0.36
Dividend Per Share - Saving / Pref.	0.00	0.00	0.00	0.00	0.00

* per share data calculated on period end fully diluted number of shares

Source: Company data, Mediobanca Securities estimates

Credem – Consolidated Regulatory Capital, 2006-10E

€m	2006	2007	2008E	2009E	2010E
Tier I	1,175	1,306	1,356	1,434	1,536
Hybrid Instruments in Tier I	0%	0%	0%	0%	0%
Total Regulatory Capital	1,433	1,501	1,552	1,629	1,731
Risk Weighted Assets (RWA)	14,960	16,221	19,089	20,314	21,739
Risk Weighting	62%	62%	60%	60%	60%
Tier I Ratio	7.9%	8.0%	7.1%	7.1%	7.1%
Core Tier I Ratio	7.9%	8.0%	7.1%	7.1%	7.1%
Total Tier Capital Ratio	9.6%	9.3%	8.1%	8.0%	8.0%

Source: Company data, Mediobanca Securities estimates

Credem – Consolidated Balance Sheet, 2006-10E

€m	2006	2007	2008E	Chg	2009E	Chg	2010E	Chg
Assets	24,251	26,233	31,642	+21%	33,811	+7%	36,159	+7%
Cash and Central Bank Accounts	127	152	154	+1%	155	+1%	157	+1%
Held for Trading Securities (HFT)	4,902	4,691	5,031	+7%	5,297	+5%	5,576	+5%
Financial Instruments at Fair Value	0	467	1,751	-	1,843	+5%	1,940	+5%
Available for Sale Securities (AFS)	84	284	1,099	-	1,158	+5%	1,219	+5%
Held to Maturity Securities (HTM)	0	0	0	-	0	-	0	-
Loans Due from Banks	3,576	3,637	3,819	+5%	3,924	+3%	3,993	+2%
Customer Loans	14,386	15,763	18,222	+16%	19,862	+9%	21,694	+9%
Derivatives	10	14	15	+4%	15	+4%	16	+4%
Shareholdings	37	41	10	-76%	10	+0%	10	+0%
Tangible Assets	337	332	380	+15%	371	-2%	362	-3%
Intangible Assets	23	25	24	-4%	23	-7%	21	-7%
Goodwill	31	31	330	-	331	+0%	332	+0%
Tax Assets	168	155	158	+2%	162	+2%	165	+2%
Discontinued Operations	0	2	0	-	0	-	0	-
Other Assets	570	638	648	+2%	661	+2%	674	+2%
Liabilities	24,251	26,233	31,642	+21%	33,811	+7%	36,159	+7%
Deposits Due to Banks	4,494	4,736	4,215	-11%	4,341	+3%	4,747	+9%
Deposits Due to Customers	10,917	11,240	12,556	+12%	13,215	+5%	13,810	+4%
Securities Issued	3,248	5,181	8,110	+57%	9,164	+13%	10,172	+11%
HFT Liabilities	1,558	1,469	1,513	+3%	1,573	+4%	1,636	+4%
Financial Liabilities at Fair Value	1,364	844	2,120	-	2,270	+7%	2,419	+7%
Derivatives	6	19	20	+4%	21	+4%	22	+4%
Tax Liabilities	282	248	253	+2%	258	+2%	263	+2%
Discontinued Operations	0	0	0	-	0	-	0	-
Minority Interests	21	0	0	+13%	0	+12%	0	+10%
Shareholders' Equity	1,380	1,542	1,884	+22%	1,980	+5%	2,080	+5%
Other Liabilities	981	953	972	+2%	988	+2%	1,009	+2%

Source: Company data, Mediobanca Securities estimates

Credem – Consolidated Ratios Analysis, 2006-10E

	2006	2007	2008E	2009E	2010E
Total Spread	2.19%	2.46%	2.60%	2.64%	2.64%
Revenues / Avg RWA	7.46%	6.86%	5.96%	5.78%	5.73%
Cost to Income Ratio	60%	62%	68%	66%	64%
Operating Costs / Avg Assets	2.84%	2.62%	2.48%	2.31%	2.19%
Cost of Risk	0.20%	0.35%	0.31%	0.35%	0.34%
Adjustments to Loans / Op. Profit	6%	13%	16%	17%	16%
Tax Rate	38.0%	23.7%	28.7%	38.1%	39.4%
Adj. Net Earn./Equity (Adj. RoE)	17.5%	12.0%	9.5%	10.4%	11.2%
Net Earnings / Avg RWA (RoRWA)	1.62%	1.60%	1.13%	1.00%	1.05%
Loan to Deposits Ratio	102%	96%	88%	89%	90%
Equity / Assets	5.7%	5.9%	6.0%	5.9%	5.8%
Assets/Tangible Equity	18.3X	17.7X	20.7X	20.8X	20.9X
Leverage Ratio	5.2%	5.2%	4.7%	4.4%	4.4%
Net NPL / Loans	0.2%	0.3%	0.4%	0.5%	0.6%
Net NPL / Tier I	2.7%	3.3%	5.3%	6.4%	8.0%
Payout Ratio	42%	41%	50%	61%	54%
Internal Capital Generation	0.93%	0.95%	0.56%	0.39%	0.48%

Source: Company data, Mediobanca Securities estimates

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Profit & Loss account (€ m)	2007	2008E	2009E	2010E
Net Interest income	491	592	654	708
Growth (%)	17.0	20.7	10.3	8.3
Non interest income	579	460	484	497
Growth (%)	-10.7	-20.6	5.4	2.7
of which Fee Income	377	300	300	309
of which Financial Income	-171	-197	-181	-180
Total Income	1,070	1,052	1,138	1,205
Growth (%)	0.2	-1.7	8.2	5.9
Total costs	-662	-718	-755	-766
Growth (%)	2.7	8.5	5.2	1.4
of which Personnel Costs	-394	-433	-447	-455
Net Operating Income	408	334	382	440
Growth (%)	-3.5	-18.1	14.5	14.9
Provisions&Write-downs	-74	-54	-72	-76
Extraordinary Items	-7	0	8	0
Pre-tax profit	327	280	319	363
Tax	-78	-80	-121	-143
Tax rate(%)	23.7	28.7	38.1	39.4
Minorities and others	0	0	0	0
Net profit	249	199	197	220
Growth (%)	7.4	-20.1	-0.9	11.5
Adjusted net profit	172	169	193	220
Growth (%)	-23.2	-1.8	13.8	14.3

Balance Sheet (€ m)	2007	2008E	2009E	2010E
Customer Loans	15,763	18,222	19,862	21,694
Growth(%)	9.6	15.6	9.0	9.2
Customer Deposits	11,240	12,556	13,215	13,810
Growth(%)	3.0	11.7	5.3	4.5
Shareholders' Funds	1,542	1,884	1,980	2,080
Minorities	0	0	0	0
Total Net Assets	26,233	31,642	33,811	36,159

Customer funds (€ m)	2007	2008E	2009E	2010E
Tot. Customer Funds	53,136	50,262	52,430	54,593
Growth(%)	-2%	-5%	4%	4%
Indirect Deposits	41,896	37,706	39,215	40,783
Growth(%)	-3%	-10%	4%	4%
Asset Under Management	16,679	13,538	13,555	14,950
Growth(%)	-0.7	-18.8	0.1	10.3
AUM/Indirect Deposits	40%	36%	35%	37%

Multiples	2007	2008E	2009E	2010E
P/E	11.9	7.5	8.2	7.3
P/E Adj	17.2	8.8	8.4	7.3
P/Net Op. Income	7.3	4.8	4.2	3.7
P/Revenues	2.8	1.5	1.4	1.3
P/BV	1.9	0.9	0.8	0.8
P/Total Deposits (%)	5.6	3.2	3.1	3.0
P/AUM (%)	17.8	11.9	11.9	10.8
Yield (%)	3.4	7.3	7.5	7.4

Per Share Data (€)	2007	2008E	2009E	2010E
EPS	0.886	0.650	0.596	0.664
EPS growth (%)	6.9	-26.6	-8.3	11.5
EPS Adj.	0.612	0.552	0.581	0.664
EPS Adj. growth (%)	-23.6	-9.8	5.2	14.3
BVPS	5.5	5.7	6.0	6.3
DPS	0.360	0.357	0.364	0.359

Key Figures & Ratios	2007	2008E	2009E	2010E
Avg. N° of Shares (m)	281	306	331	331
EoP N° of Shares (m)	281	331	331	331
Avg. Market Cap. (€ m)	2,964	1,612	1,612	1,612
Market cap adj for minorities				
Interest Income/Tot.Income	46%	56%	57%	59%
Fee Income/Total Income	35%	29%	26%	26%
Financial Income/Total Income	-16%	-19%	-16%	-15%
Cost Income ratio	62%	68%	66%	64%
Personnel costs/Total costs	60%	60%	59%	59%
NPLs ratio	0.3%	0.4%	0.5%	0.6%
Provisions/Loans	0.3%	0.3%	0.3%	0.3%
ROE	17.3%	11.2%	10.6%	11.2%
ROA	1.0%	0.6%	0.6%	0.6%
Tier I ratio	8.0%	7.1%	7.1%	7.1%
Total capital ratio	9.3%	8.1%	8.0%	8.0%