

MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.

Head office: Boulevard Roosevelt 14, Luxembourg

Mediobanca Banking Group

Share capital: € 10,000,000 fully paid up

FINANCIAL SITUATION AT 31 DECEMBER 2006

BOARD OF DIRECTORS' REVIEW OF OPERATIONS

This financial statement for the period ended 31 December 2006 has been prepared in accordance with International Accounting Standards pursuant to authorization received from the CSSF on 8 January 2007. Data presented for purposes of comparison has also been compiled on a IAS-compliant basis.

A net profit of €1,375,000 was earned during the period under review, following non-recurring costs of €1,800,000 (€1,304,000, net of €1,100 in extraordinary costs incurred in connection with transfer of the company's registered offices). Net of one-off items the company would have delivered a 32% year-on-year increase in net profit.

During the period under review bonds worth a total of €18,000,000 were issued against the company's Medium Term Notes Programme, and bonds worth €1,257,000 were issued against its Short Term Programme. Customer lendings in the structured finance sector amounted to €1,794,188,000. Net fee and commission income during the period totalled €1,630,000.

Since the reporting date no significant events have occurred which might impact on the company's asset, earnings and/or financial situation.

Accounts outstanding between the company and Mediobanca and the other Mediobanca group companies are financial in nature, and may be summarized as follows:

Parent company:

- due from Mediobanca S.p.A.	€ 1,926,574,000
- due to Mediobanca S.p.A.	€ 1,331,317,000

The company does not own, nor has it acquired or sold during the period under review, any treasury shares or shares in the parent company.

pp. THE BOARD OF DIRECTORS

CHAIRMAN

Mr M. Di Carlo

