

Milan, 30 July 2008

BANCA AKROS: THE BOARD OF DIRECTORS APPROVES THE 2008 INTERIM RESULTS

Despite bearish financial markets, Banca Akros, the Bipiemme Group's investment bank and private banking entity, reported an increase in operating profitability for the first half of 2008 thanks to strong brokerage and trading businesses, Italian corporate finance transactions and growth private client assets.

Highlights as of 30 June 2008:

- Intermediation margin equal to € 53.9 million (+7.8% compared to € 50 million for the previous half year ended 30 June 2007);
- Profit before taxation totals € 21.1 million (+4.6% compared to € 20.2 million for the previous half year ended 30 June 2007);
- Net Profit for the year equals to € 17.4 million (-22% compared to € 22.4 million for the half year ended 30 June 2007);
- Total private client assets were over € 2.4 billion (€ 2.3 billion on 30 June 2007).

In June 2008, Standard & Poor's confirmed the bank's "A-" long-term rating with stable outlook.

The Board of Directors of Banca Akros, chaired by Graziano Tarantini and under the management of CEO Marco Turrina, approved today the directors' report for the first half of 2008, highlighting - in persistently adverse international financial markets conditions - the efficacy of the bank's highly specialised "factory" model, its outstanding ability to innovate and broad client diversification.

Banca Akros, which does not offer mortgages, does not have and had any ABSs, MBSs or CDOs and neither did set up nor guarantee any off-balance sheet Structured Investment Vehicles (SIVs), has maintained tight and integrated control over financial risks.

With respect to **brokerage and trading activities**, during the first half of 2008, Banca Akros:

- was recognised by "Risk Magazine", for the fourth year in a row, for its leadership position (n° 1), at international level in OTC equity options on Italian shares;
- reached a market share of 5.1% on equity brokerage for third parties (with volumes transacted over € 51 billion) on Italian shares and was ranked n° 4 among Italian and foreign brokers active on Italian Stock Exchange "Piazza Affari" (source: Assosim);
- increased its foreign equity business by nearly 80% compared to the same period of 2007 (volumes transacted of € 18.7 billion), boosting the percentage weight of foreign equities out of total volumes transacted almost three times (from 10% to 27%), confirming the validity of the bank's strategic decision to expand internationally through the ESN partnership;
- consolidated its n° 1 ranking on MOT, Italian Government Bond market (with a market share of 17%) and its second place on the EuroMOT market, with a market share of 18% (source: Assosim); volumes transacted grown by 13% year-on-year, in part due to the contribution of SABE, the Automated Best Execution System specifically projected by Banca Akros as an innovative solution for the best execution of bonds under MiFID regulations.

Banca Akros S.p.A.

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In **corporate finance**, Banca Akros acted as Global Coordinator and Financial Advisor in two (Best Union and Enervit) of the six stock market deals that took place in Italy during the first half year. The bank was also Financial Advisor in other two transactions worth over € 170 million (Camozzi Group and Cremonini). Thanks to these transactions, Banca Akros ranked n° 7 among Italian mid-market players in the first four months of 2008 (source: "Mergermarket").

The cooperation within the ESN partnership operated also in the equity capital market business and enabled the bank to participate for the Italian market in Europe's most significant privatisation in the first half of the year (worth € 1.6 billion): the IPO of EDP Renováveis on the Portuguese stock exchange.

Despite the difficult markets context of the first half of 2008, Banca Akros completed a securitisation of about € 200 million on behalf of Comifin.

*"The financial crisis that began in 2007 has continued with intensity," said **Marco Turrina, CEO of Banca Akros**. "It has had repercussions not only on financial markets but on the real economy as well. However, by leveraging its ability to develop transparent financial solutions that meet companies' needs, Banca Akros wants to increasingly support Italian corporate client development in funding and hedging interest rate and currency risks, as well as raw materials. Our focus on corporate clients is also strengthened through cooperation with our banking group".*

The **income statement for the half year ended 30 June 2008** shows Intermediation Margin of € 53.9 million, up to 7.8% on the period ended 30 June 2007. Profit before taxation totals € 21.1 million, up 4.6% on the first half of 2007, while the Net Profit for the year equals to € 17.4 million (-22%), due to tax accruals that were prudently estimated to be higher than in 2007 considering the 2008 Government Finance Law.

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Reclassified income statement (amount in millions of Euros)	1st half of 2008	1st half of 2007	Variation	
			in value	in %
Intermediation Margin	53.9	50	3.9	+7.8
Profit before taxation	21.1	20.2	0.9	+4.6
Net Profit	17.4	22.4	- 5.0	-22.0

Total **private client** assets on 30 June 2008 exceed € 2.4 billion (+6% on 31 December 2007), with average assets per client of € 1.7 million (€ 1.6 million at 31 December 2007). This growth demonstrates the ability of Banca Akros' private banking structure to consolidate its market position with high net worth individuals, by offering individual and customised asset management services, wealth management services, trading orders collection and brokerage on domestic and international markets.

Other significant events

GROUP – the consortium company owned by Banca Akros (Bipiemme Group) with other four Popular banking groups and created for large-scale financing to companies and issuers which offers services to its shareholders and promote the distribution of financial securities (stocks and bonds) to the public - continued operating during the period. Thanks to Banca Akros' initiative, GROUP has also expanded its activities into the fixed-income business, by organising the first retail placement in Italy of a bond issued by the European Investment Bank as the sole Financial Co-ordinator, through its sole distribution channel of popular banks, for a total of € 180 million.

Banca Akros acted as Joint Lead Manager in the inaugural issue of covered bonds, in which Banca Popolare di Milano was Italy's first issuer.

In July, Banca Akros signed a collaboration agreement with ICICI BANK UK PLC, which is directly owned by ICICI Bank (India's largest private bank), to develop cross border M&A activities between India and Italy.

Banca Akros is an investment and private banking institution owned by Banca Popolare di Milano Group, with a credit rating Standard & Poor's "A- long term" and outlook stable. The Bank is a point of reference for institutions, companies and private individuals operating on financial markets. The strategy of Banca Akros is based on innovation and specialisation thanks to its established domestic activity strongly expanded into all main international markets.

Banca Akros' investment banking activities include Italian and international stocks and bonds broking & trading, market making in financial derivatives, stock-exchange listings, corporate advisory, treasury and forex desk, custody and settlement services.

Banca Akros' private banking activity includes tailor made asset management, order collection for trading in all domestic & international markets and wealth management services for its high net worth private clients.

All the specialised services Banca Akros offers its clients are underpinned by a constant financial research activity into domestic and European financial markets. Banca Akros obtained from Standard & Poor's credit rating "A-" long term, with outlook stable.

Chairman of the Bank is Mr. Graziano Tarantini and C.E.O. is Mr. Marco Turrina

Subsidiaries

ESN – European Securities Network LLP - London

Banca Akros is one of the founders of "ESN" (European Securities Network LLP), a company equally owned by ten leading European banks and brokers, which operates on execution of equity orders and production in common of equity research. This research is distinctly independent and is marked by the absence of conflicts of interest; equity research covers about 1000 European stocks. ESN is a multi-local partnership which counts on 150 analysts and 200 sales covering European equity markets.

ESN North America Inc. – New York

In the USA Banca Akros operates through ESN North America Inc., of which it owns 36%, a broker-dealer located in New York and a member of the National Association of Securities Dealers Inc. (NASD) that allows it to trade on NASDAQ and NYSE. ESN North America provides to US institutional clients investment ideas on European stocks leveraging on the ESN Partners research service and to European institutional clients efficient orders execution on US equity markets. The other shareholders of ESN North America are the French CM-CIC Securities (54%) and the Spanish Caja Madrid Bolsa (10%).

Akros SGR - Akros Alternative Investments SGR S.p.A. - Milan

In 2001 Banca Akros founded Akros Alternative Investments, an asset management company regulated by Italian law, who offers funds of hedge funds and hedge funds "single manager" - selected according to strict transparency criteria - to institutional and high net worth clients. The company is 100% controlled by Banca Akros and its Depositary Bank is Banca Popolare di Milano.

Group S.r.l. - Milan

Group S.r.l. is owned at 22.5% by Banca Akros. The company carries out studies of market conditions and offers services to its shareholders (five leading Italian cooperative banking groups) to promote the distribution of financial securities (stocks and bonds) to the public. The Group S.r.l. shareholders altogether count on a branch network of 6.000 branches.

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