

To: Guarantor, Representative of the Covered Bondholders, Servicers, Corporate Servicer, Administrative Servicer, Calculation Agent
* pursuant to Clause 6 (i) of the Cash Management and Agency Agreement

BP COVERED BOND S.r.l.

Guarantor of:
Banco BPM Società per Azioni

€10,000,000,000 Covered Bond Programme

Investor Report

Calculation Period	01/06/2018	31/08/2018
Guarantor Payment Date	01/10/2018	
CB Payment Date	01/10/2018	
Investor Report Date	08/10/2018	

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Disclaimer

This Investor Report is based on the following information:

- Test Performance Report provided by the Calculation Agent
- Payments Report by the Cash Manager
- Calculations in relation to the interest accrued and payable on the Covered Bonds by the Principal Paying Agent
- Other information according to the Transaction Documents.
- All assets and liabilities reported on the Investor Report are in Euro

Terms and expressions used in this Investor Report have the respective meanings given to them in the Transaction Documents.

1. Details of the issuer

Bank	Rating Agency	Short Term Ratings	Long Term Ratings (outlook/trend)	Other
Banco BPM Società per Azioni	Moody's Investors Service	N-P	Ba1 (Stable)	CRR Ba1; BCA: b1: LT Debt: Ba2
	DBRS Ratings	R-2 (mid)	BBB(low) (Negative)	COR: BBB(high)/R1(low); LT Debt: BBB(low) LT Deposit: BBB(low)

Banco BPM (whose registered office is Piazza F. Meda, 20121 Milan, Italy) commences on 1 January 2017 following the merger of two major cooperative banks, Banco Popolare and Banca Popolare di Milano. Upon the Merger, Banco BPM, by operation of law, assumed all the obligations of Banco Popolare under the Banco Popolare Covered Bonds, as issuer.

2. Details of the Transaction Parties

Role	Party
Seller, Servicer, Subordinated Loan Provider	Banco BPM
Calculation Agent	Banco BPM
Asset Monitor	BDO S.p.A.
Italian Account Bank	Banco BPM
English Account Bank	BNP Paribas Securities Servicer, London branch
Cash Manager	Banco BPM
Principal Paying Agent	Banco BPM
Representative of the Covered Bondholders	BNP Paribas Securities Servicer, Milan branch

3. Details of the Pool

Pool Asset Analysis

Pool Summary	
Aggregate current Principal Outstanding Balance	5.429.320.446,31
Average current Principal Outstanding Balance	79.543,49
Total number of loans	68.256
Weighted Average Seasoning (Years)	7,16
Weighted Average Remaining (Years)	16,49
% of Floating Rate Assets (By Out. Bal.)	73,55%
% of Fixed Rate Assets (By Out. Bal.)	26,45%
WA Interest Rate of Fixed Rate Assets	3,31%
WA Spread of Floating Rate Assets	1,61%
WA Current LTV	52,78%

Current Loan to Value	Number of Loans	%	Current Balance	%
<= 10%	6.069	8,89%	93.576.681,38	1,72%
> 10% - <= 20%	7.842	11,49%	302.152.237,30	5,57%
> 20% - <= 30%	8.574	12,56%	487.387.261,49	8,98%
> 30% - <= 40%	8.635	12,65%	628.586.447,18	11,58%
> 40% - <= 50%	8.612	12,62%	754.420.399,82	13,90%
> 50% - <= 60%	8.732	12,79%	861.946.929,55	15,88%
> 60% - <= 70%	9.777	14,32%	1.080.873.670,03	19,91%
> 70% - <= 80%	7.770	11,38%	932.786.115,58	17,18%
> 80% - <= 90%	1.608	2,36%	202.815.462,66	3,74%
> 90%	637	0,93%	84.775.241,32	1,56%
Total	68.256	100,00%	5.429.320.446,31	100,00%

Outstanding Loan Amount	Number of Loans	%	Current Balance	%
<=20.000	7.498	10,99%	83.542.837,78	1,54%
> 20.000 - <= 40.000	11.257	16,49%	342.774.529,72	6,31%
> 40.000 - <= 60.000	11.265	16,50%	560.645.433,76	10,33%
> 60.000 - <= 80.000	10.253	15,02%	714.973.701,24	13,17%
> 80.000 - <= 100.000	8.989	13,17%	804.736.725,15	14,82%
> 100.000 - <= 200.000	16.347	23,95%	2.168.094.335,80	39,93%
> 200.000 - <= 300.000	1.971	2,89%	463.485.900,90	8,54%
> 300.000 - <= 400.000	400	0,59%	134.880.456,15	2,48%
> 400.000 - <= 500.000	150	0,22%	65.679.785,35	1,21%
> 500.000 - <= 600.000	41	0,06%	22.425.349,12	0,41%
> 600.000 - <= 700.000	27	0,04%	17.424.536,84	0,32%
> 700.000 - <= 800.000	22	0,03%	16.399.040,16	0,30%
> 800.000	36	0,05%	34.257.814,34	0,63%
Total	68.256	100,00%	5.429.320.446,31	100,00%

Asset Type	Number of Loans	%	Current Balance	%
Residential	68.256	100,00%	5.429.320.446,31	100,00%
Commercial	-	0,00%	-	0,00%
Total	68.256	100,00%	5.429.320.446,31	100,00%

Remaining Term (in years)	Number of Loans	%	Current Balance	%
<=5	10.424	15,27%	222.746.865,64	4,10%
>5-<=10	13.670	20,03%	724.318.487,75	13,34%
>10-<=15	14.418	21,12%	1.139.434.042,03	20,99%
>15-<=20	14.841	21,74%	1.503.477.416,29	27,69%
>20-<=25	11.669	17,10%	1.402.270.778,16	25,83%
>25-<=30	3.232	4,74%	436.941.213,62	8,05%
>30	2	0,00%	131.642,82	0,00%
Total	68.256	100,00%	5.429.320.446,31	100,00%

Seasoning (in years)	Number of Loans	%	Current Balance	%
<= 1	5	0,01%	644.422,49	0,01%
> 1 - <= 2	3	0,00%	323.024,78	0,01%
> 2 - <= 4	13.201	19,34%	1.277.775.218,04	23,53%
> 4 - <= 6	7.677	11,25%	668.605.350,42	12,31%
> 6 - <= 7	6.201	9,08%	572.343.976,80	10,54%
> 7 - <= 8	8.061	11,81%	743.494.636,76	13,69%
> 8 - <= 9	7.424	10,88%	571.191.388,78	10,52%
> 9 - <= 10	8.036	11,77%	562.519.560,62	10,36%
> 10	17.648	25,86%	1.032.422.867,62	19,02%
Total	68.256	100,00%	5.429.320.446,31	100,00%

3. Details of the Pool

Interest Rate - % - (Fixed loans)	Number of Loans	%	Current Balance	%
<=2.0	1.777	9,19%	147.799.285,82	10,29%
> 2.0 - <= 2.5	3.513	18,16%	332.401.749,23	23,15%
> 2.5 - <= 3.0	3.484	18,01%	308.402.649,53	21,47%
> 3.0 - <= 3.5	1.906	9,86%	151.192.350,34	10,53%
> 3.5 - <= 4.0	2.208	11,42%	166.852.467,26	11,62%
> 4.0 - <= 4.5	697	3,60%	34.486.532,94	2,40%
> 4.5 - <= 5.0	1.890	9,77%	100.575.506,99	7,00%
> 5.0 - <= 5.5	1.836	9,49%	94.909.465,26	6,61%
> 5.5 - <= 6.0	1.352	6,99%	65.606.127,78	4,57%
> 6.0 - <= 6.5	509	2,63%	26.024.868,56	1,81%
> 6.5 - <= 7.0	163	0,84%	7.768.102,70	0,54%
> 7.0	5	0,03%	131.191,84	0,01%
Total	19.340	100,00%	1.436.150.298,25	100,00%

Spread - bps - (Floating loans)	Number of Loans	%	Current Balance	%
<= 50	94	0,19%	3.546.043,52	0,09%
> 50 - <= 75	879	1,80%	50.145.473,68	1,26%
> 75 - <= 100	9.667	19,76%	691.737.506,61	17,32%
> 100 - <= 125	8.581	17,54%	714.477.384,04	17,89%
> 125 - <= 150	9.955	20,35%	825.848.036,38	20,68%
> 150 - <= 175	5.703	11,66%	467.842.422,09	11,72%
> 175 - <= 200	6.242	12,76%	565.889.025,69	14,17%
> 200 - <= 225	837	1,71%	76.943.420,22	1,93%
> 225 - <= 250	2.595	5,31%	227.383.223,85	5,69%
> 250	4.363	8,92%	369.357.611,98	9,25%
Total	48.916	100,00%	3.993.170.148,06	100,00%

Arrears	Number of Loans	%	Current Balance	%
>0 - <30	166	14,50%	11.068.143,01	10,29%
=>30 - <60	552	48,21%	51.781.353,49	48,13%
=>60 - <90	219	19,13%	21.966.048,41	20,42%
=>90	208	18,17%	22.769.455,59	21,16%
Total	1.145	100,00%	107.585.000,50	100,00%

Non-Performing Loans	Number of Loans	%	Current Balance	%
NPL (excluded Defaulted Claims)	746	88,18%	73.141.707,32	86,78%
Defaulted Claims	100	11,82%	11.139.586,14	13,22%
Total	846	100,00%	84.281.293,46	100,00%

Payment Frequency	Number of Loans	%	Current Balance	%
Monthly	65.974	96,66%	5.308.567.468,21	97,78%
Bi - Monthly	-	0,00%	-	0,00%
Quarterly	877	1,28%	52.419.884,70	0,97%
Semi-annual	1.405	2,06%	68.333.093,40	1,26%
Annual	-	0,00%	-	0,00%
Total	68.256	100,00%	5.429.320.446,31	100,00%

Geographical Distribution	Number of Loans	%	Current Balance	%
Abruzzo	-	0,00%	-	0,00%
Basilicata	60	0,09%	3.510.152,85	0,06%
Calabria	96	0,14%	4.952.191,83	0,09%
Campania	1.893	2,77%	150.152.967,87	2,77%
Emilia Romagna	7.696	11,28%	606.768.020,29	11,18%
Friuli Venezia Giulia	479	0,70%	31.899.197,28	0,59%
Lazio	4.716	6,91%	503.535.674,36	9,27%
Liguria	4.810	7,05%	356.474.564,73	6,57%
Lombardia	20.139	29,51%	1.608.658.307,60	29,63%
Marche	114	0,17%	8.999.268,20	0,17%
Molise	265	0,39%	14.647.342,69	0,27%
Piemonte	5.662	8,30%	412.480.505,98	7,60%
Puglia	548	0,80%	38.958.488,45	0,72%
Sardegna	230	0,34%	21.542.123,33	0,40%
Sicilia	3.233	4,74%	232.342.937,66	4,28%
Toscana	8.074	11,83%	628.717.426,91	11,58%
Trentino Alto Adige	395	0,58%	38.782.049,29	0,71%
Umbria	474	0,69%	32.825.989,21	0,60%
Valle D'Aosta	241	0,35%	17.476.597,43	0,32%
Veneto	9.131	13,38%	716.596.640,35	13,20%
Total	68.256	100,00%	5.429.320.446,31	100,00%

4. ACT Test

Asset Coverage Test; $A+B+C+D-Z-Y-W \geq F$

Pass?

y

ASSET COVERAGE TEST

A =	4.886.718.080	The lower of the aggregate of the LTV Adjusted Principal Balance and the aggregate Asset Percentage Adjusted Principal Balance of the Mortgage Loans in the Cover Pool
B =	1.311.911.938	Aggregate amount of all amounts standing to the credit of Accounts up to the end of the immediately preceding Calculation Period which have not been applied in accordance with the relevant Priority of Payments
C =	-	Outstanding principal balance of any Integration Assets
D =	-	Outstanding principal balance of any Public Assets and ABS
Z =	58.921.233	Amount resulting from the multiplication of (i) the weighted average remaining maturity of all Covered Bonds then outstanding expressed in days and divided by 365, (ii) the Euro Equivalent amount of the aggregate Principal Amount Outstanding of the Covered Bond and (iii) 0,50% (the Negative Carry Factor)
Y =	27.048.554	Equal to, nil if the higher of (a) the DBRS Long Term Rating of the Issuer (b) the DBRS CBAP of the Issuer and (c) the DBRS COR of the Issuer is at least equal to the then applicable DBRS Minimum Reference Rating, and the Issuer's short term ratings are at least P-1 by Moody's, otherwise the Potential Set-Off Amounts
W =	27.144.225	
F =	5.250.000.000	Principal Amount Outstanding of all Series of Covered Bonds

5. Mandatory Tests

(a)	Nominal Value Test; (b) > (a)	Pass?	Y
NOMINAL VALUE TEST			
(a) COVERED BOND OUTSTANDING	5.250.000.000	Aggregate Principal Amount of all series of Covered Bonds	
(b) COVER POOL PRINCIPAL BALANCE	6.271.229.563	Outstanding aggregate principal balance of the Cover Pool	
(b)	NPV Test; (b) >= (a)	Pass?	Y
NPV TEST			
(a) NPV COVERED BOND	5.411.022.516	Equal to the product of each relevant Discount Factor and expected principal and interest payments in respect of the outstanding Series of Covered Bonds	
(b) NPV COVER POOL	6.181.431.324	Equal to the algebraic sum of the product of each relevant Discount Factor and (a) expected future principal and future interest payments from the Cover Pool, (b) expected payments to be received or to be effected in connection with hedging arrangements, minus the product of each relevant Discount Factor and any amount expected to be paid by the Guarantor in priority to the hedging arrangements in accordance with the relevant Priorities of Payments.	
(c)	Interest Coverage Test; (b) >= (a)	Pass?	Y
INTEREST COVERAGE TEST			
(a) INTEREST ON COVERED BOND	151.221.787	Sum of Interest payment scheduled to be due in respect of all outstanding Series of Covered Bond	
(b) INTEREST FROM COVER POOL	1.351.619.776	Equal to the difference between the sum of interest payments from the Cover Pool and any amount to be received by the Guarantor as payments under the hedging arrangements and the payments to be effected in accordance with the relevant Priority of Payments in priority to any amount to be paid on the Covered Bonds, including payments under the hedging arrangements	

6. Covered Bonds

	ISIN CODE	Before payments			Payments		After payments		Currency	Maturity Date	Rate of Interest	Value Date	Applicable Interest Rate
		Accrual date	Principal Amount Outstanding	Unpaid interest	Principal	Interest	Principal Amount Outstanding	Unpaid interest					
Reg CB	IT0004681158	31/03/2018	100.000.000,00	-	-	5.250.000,00	100.000.000,00	-	EUR	03/04/2029	FIXED	31/03/2019	5,250
Serie VI	IT0004908544	31/03/2018	150.000.000,00	-	-	6.000.000,00	150.000.000,00	-	EUR	31/03/2023	FIXED	31/03/2019	4,000
Serie VII	IT0004982291	30/06/2018	1.500.000.000,00	-	-	2.591.333,33	1.500.000.000,00	-	EUR	31/03/2019	FLOATING	30/09/2018	0,676
Serie IX	IT0005090516	31/03/2018	1.000.000.000,00	-	-	7.500.000,00	1.000.000.000,00	-	EUR	31/03/2022	FIXED	31/03/2019	0,750
Serie XI	IT0005322711	30/06/2018	1.500.000.000,00	-	-	2.411.166,667	1.500.000.000,00	-	EUR	30/06/2020	FLOATING	30/09/2018	0,629
Serie XII	IT0005329583	30/06/2018	1.000.000.000,00	-	-	-	1.000.000.000,00	-	EUR	30/06/2021	FLOATING	30/09/2018	0,000
Total			5.250.000.000,00	-	-		5.250.000.000,00	-					