



BANCA POPOLARE  
DI MILANO

*Il futuro è di chi fa.*

# BIPIEMME GROUP

## H1 2016 financial results

04 August 2016



BANCA POPOLARE  
DI MILANO



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*Mr Angelo Zanzi, as the manager responsible for preparing the bank's account, hereby states, pursuant to Article 154 bis, paragraph 2 of the Testo Unico della Finanza (the Finance Act) that the accounting information contained in this presentation corresponds to the documentary evidence, corporate books and accounting records.*

*In case of doubt the Italian version will prevail*

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## Highlights

H1 2016 financial results

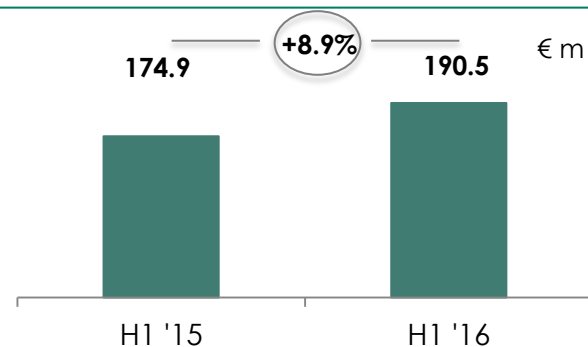
Annexes

# H1 2016: main P&L and balance sheet results

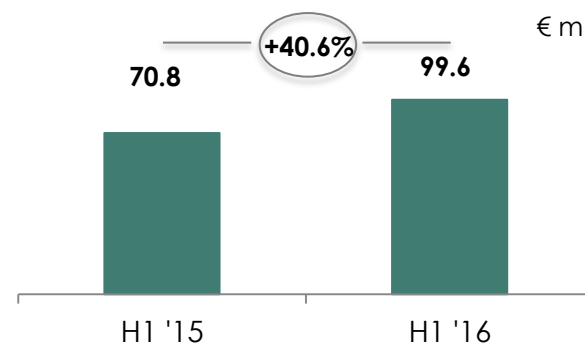
	Ch. Q/Q	Ch. Y/Y
1 SOUND NET PROFIT €158.1m (+€61.5m Q/Q and +€4.1m Y/Y)	+127.3%	+2.6%
2 STEADY GROWTH IN CUSTOMER LOANS	+1.0%	+3.1%
➤ PERFORMING LOANS UP	+1.1%	+3.7%
➤ NET NPEs DOWN	-0.2%	-1.8%
3 NPE COVERAGE INCREASING 40.5% (45.2% WITH CANCELLATIONS)	+40bps	+120bps
4 STRONG INCREASE IN SIGHT DEPOSITS	+3.9%	+14.3%
5 AUM ON THE RISE	+1.9%	+5.1%
6 SOUND CAPITAL RATIOS ➤ CET1 PHASE-IN 11.73%	+9bps	+20bps

# H1 2016: MAIN P&L TRENDS

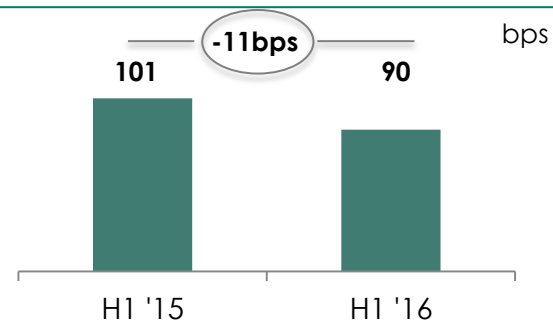
## 1 NET RESULT BEFORE TAXES NET OF PROFIT FROM EQUITY AND INVESTMENTS



## 2 GOOD FINANCIAL RESULT



## 3 REDUCTION IN COST OF RISK



# Index

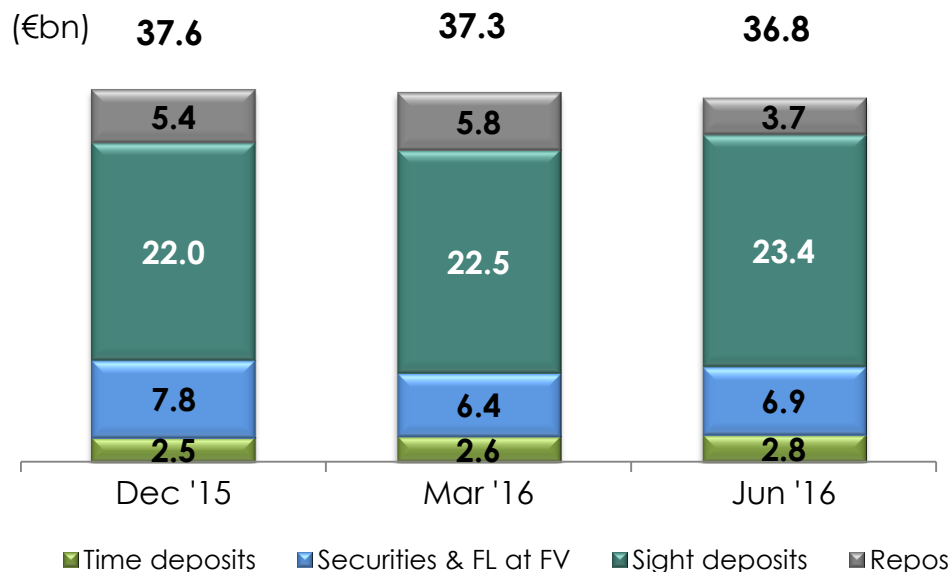
Highlights

**H1 2016 financial results**

Annexes

# H1 2016 results: Direct Customer Funding

(1/2)



	Q/Q	YTD
<b>Direct Funding</b>	<b>-1.4%</b>	<b>-2.2%</b>
Repos	-35.6%	-30.4%
Sight deposits	+3.9%	+6.5%
Securities and FL at FV	+7.7%	-11.7%
Time deposits	+6.5%	+11.6%

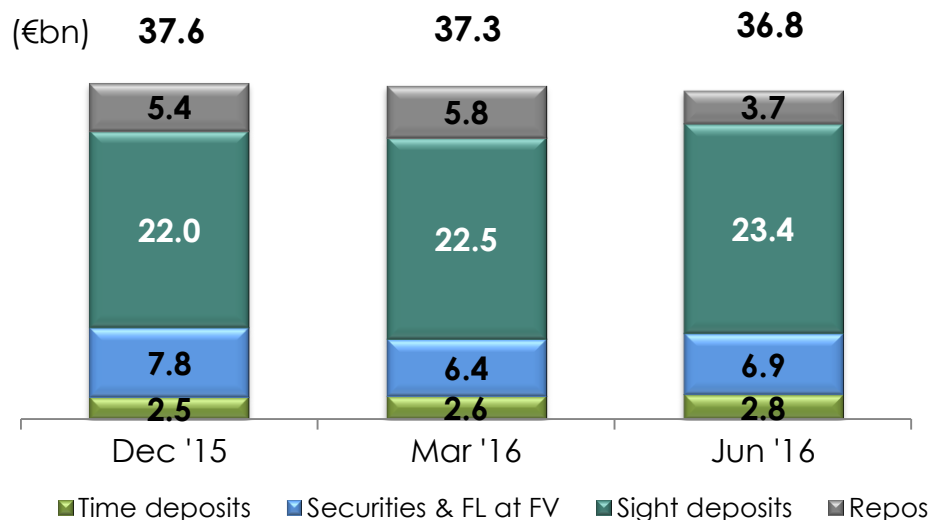
□ Direct Funding -2.2% YTD mainly due to the combined effect of:

- decrease in repos vs CCG<sup>1</sup> due to lower funding needs also because of the decrease in securities in the portfolio
- excellent trend in sight deposits (+6.5% YTD) and time deposits (+11.6% YTD) from both retail and corporate clients

1. CCG: Cassa di Compensazione di Garanzia

# H1 2016 results: Direct Customer Funding

(2/2)



	Q/Q	YTD
<b>Direct Funding</b>	<b>-1.4%</b>	<b>-2.2%</b>
Repos	-35.6%	-30.4%
Sight deposits	+3.9%	+6.5%
Securities and FL at FV	+7.7%	-11.7%
Time deposits	+6.5%	+11.6%

- Outstanding securities and financial liabilities at FV down 11.7% YTD due to matured wholesale and retail securities :
  - Retail: down about €0.6bn. The trend reflects customers' investment shift on maturity towards AUM and insurance products
  - Wholesale funding: the decrease is due to a €1bn EMTN that matured in January 2016 and only partially offset by a €750m Covered Bond placed successfully in June 2016
- In Q2 '16 sight deposits increased 3.9%. Wholesale funding also increased, thanks to the placement of the mentioned €750m covered bond placed successfully in June



# H1 2016 results: Direct Customer Funding - Breakdown

(€bn)

## DIRECT FUNDING FROM RETAIL CUSTOMERS

Sight deposits<sup>1</sup>

Time deposits<sup>2</sup>

Securities in issue:

*o/w subordinated*

Financial Liabilities at fair value

## DIRECT FUNDING FROM INSTITUTIONAL CUSTOMERS

Covered Bond and securitisations

EMTN and other subordinated

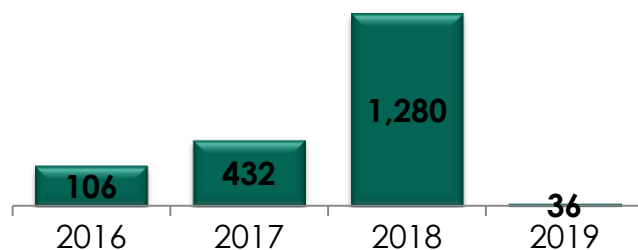
Repos with CCG<sup>3</sup> and on own securities

## TOTAL DIRECT FUNDING

(A) Dec '15	(B) Mar '16	(C) Jun '16	Δ €m C-B	Δ €m C-A
<b>27.1</b>	<b>27.4</b>	<b>28.2</b>	<b>+0.8</b>	<b>+1.1</b>
22.0	22.5	23.4	+0.9	+1.4
2.5	2.6	2.8	+0.2	+0.3
2.5	2.2	1.9	-0.3	-0.6
0.7	0.7	0.7	-	-
0.1	0.1	0.1	-	-
<b>10.5</b>	<b>9.9</b>	<b>8.6</b>	<b>-1.3</b>	<b>-1.9</b>
2.8	2.9	3.6	+0.8	+0.8
2.3	1.2	1.2	-	-1.1
5.3	5.8	3.7	-2.1	-1.6
<b>37.6</b>	<b>37.3</b>	<b>36.8</b>	<b>-0.5</b>	<b>-0.8</b>

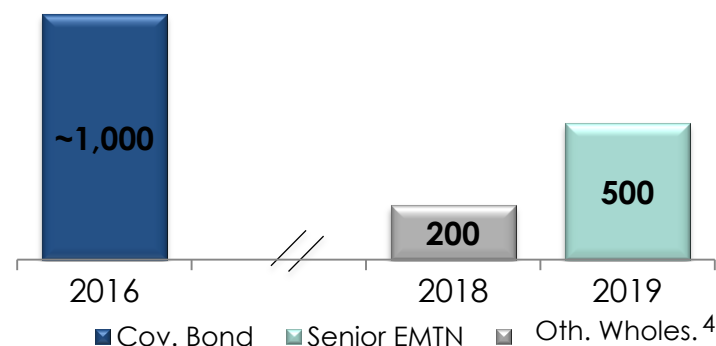
## Retail bonds by maturity

(€m)



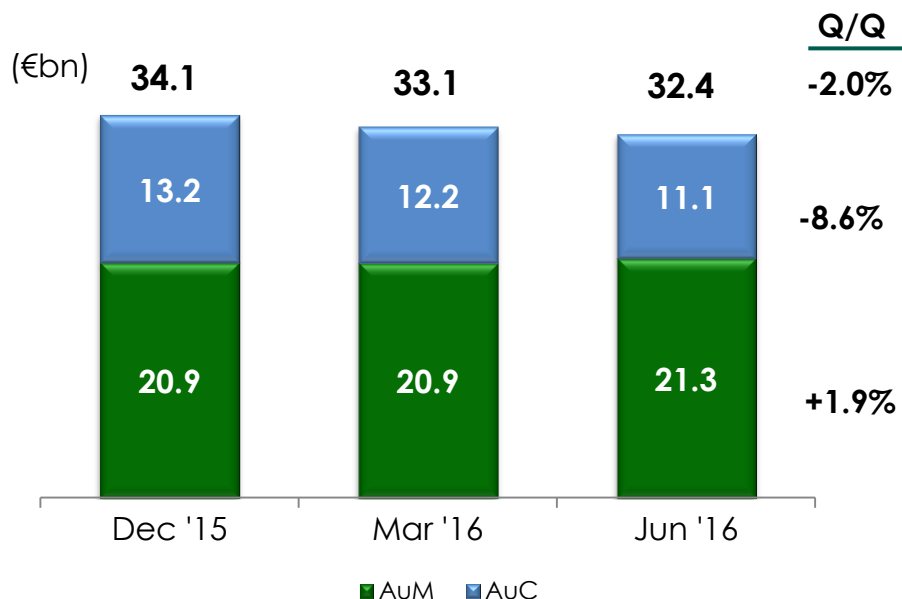
## Wholesale funding by maturity

(€m)



1. Current accounts and demand savings deposits 2. Restricted deposits and other forms of time deposits 3. Cassa di Compensazione e Garanzia  
2. 4. First call date for Tier1 instrument

# H1 2016 results: Indirect customer funding



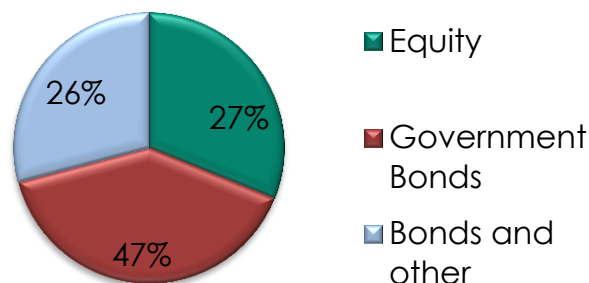
## ASSETS UNDER MANAGEMENT (66% of indirect funding)

□ AUM up 1.7% YTD and +1.9% Q/Q mainly driven by the good trend in fund and insurance products. Net inflows totalled €600m since Dec '15

## ASSETS UNDER CUSTODY (34% of indirect funding)

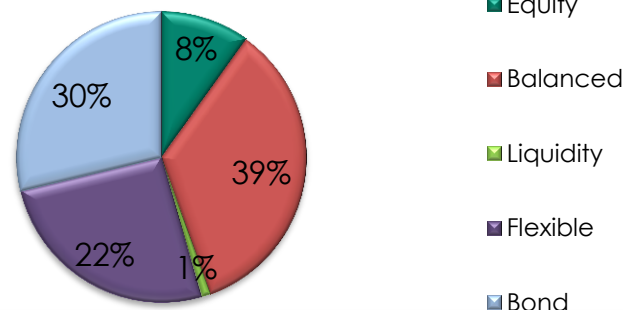
□ AuC down 15.6% YTD and 8.6% Q/Q owing to the switch to AUM products, the financial markets trend and the reduction in zero-margin AuC securities held by corporate clients

### AUC BY ASSET CLASS



Equity:	-4pp Y/Y
Govies:	+8pp Y/Y
Bonds and Other:	-4pp Y/Y

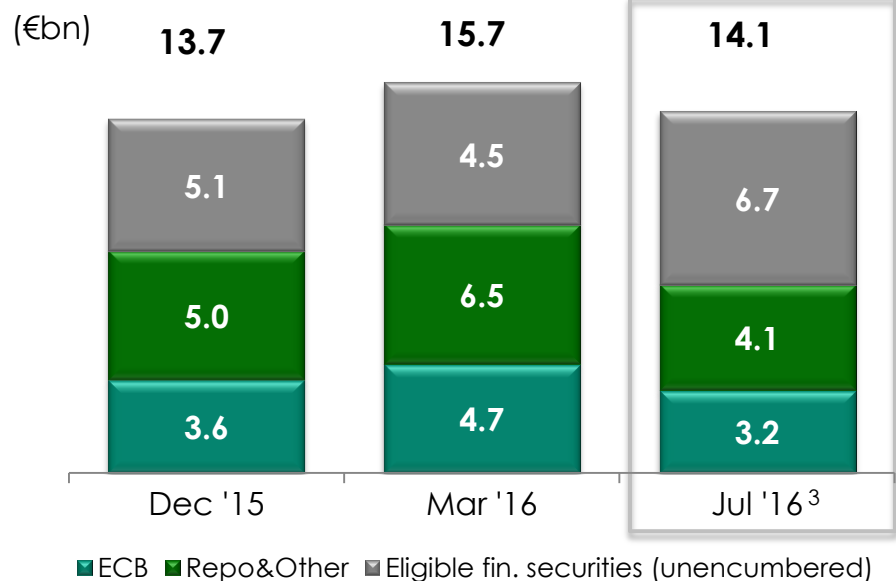
### FUNDS BY ASSET CLASS



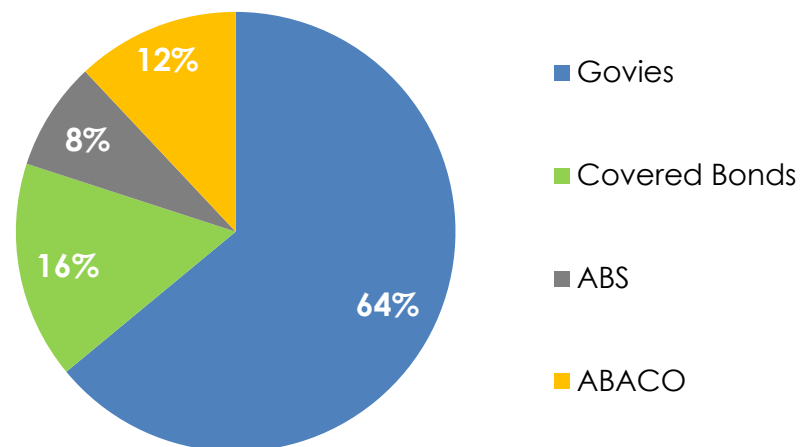
Equity:	- 4pp Y/Y	Flexible:	-8 pp Y/Y
Balanced:	+24 pp Y/Y	Bonds:	-13 pp Y/Y
Liquidity:	stable Y/Y		

# H1 2016 results: liquidity position

Use of eligible securities<sup>1</sup>



Breakdown of eligible securities<sup>2</sup>



- The group's liquidity profile continued to be sound: LCR and NSFR ratio well above the regulatory limit and R.A.F. requirements
- Increase in eligible financial securities as a result of lower liquidity needs. Net liquidity balance<sup>3</sup>: spot about 14% of total assets and 3 months about 9%
- Eligible securities down as a result of fewer government bonds held in the portfolio vs Mar '16

1. Includes eligible securities received as collateral  
 2. Dirty price net of ECB haircut  
 3. Figures as at 26 July 2016 from Internal Liquidity Report

# H1 2016 results: Financial Assets

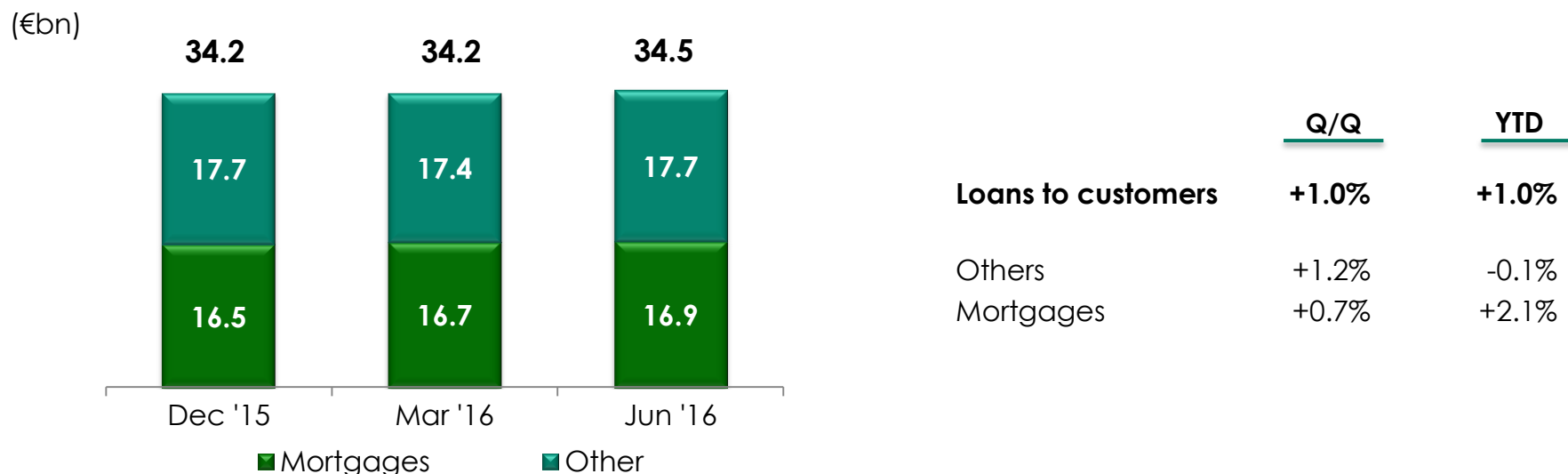
€m	Dec '15	Mar '16	Jun '16	Ch. YTD
BPM & other commercial banks	9,034	10,139	8,068	(966)
Banca Akros	1,132	853	826	(306)
<b>TOTAL NET FINANCIAL ASSETS</b>	<b>10,166</b>	<b>10,992</b>	<b>8,894</b>	<b>(1,272)</b>

€m	Dec '15	Mar '16	Jun '16	Ch. YTD
<b>Breakdown of net financial assets</b>	<b>10,166</b>	<b>10,992</b>	<b>8,894</b>	<b>(1,272)</b>
<i>o/w</i>				
<i>Gouvernement (o/w 98% Italian)</i>	8,938	9,985	7,879	(1,059)
<i>Financials and other</i>	606	428	398	(208)
<i>Equity stakes</i>	426	395	380	(46)
<i>Mutual funds and private equity</i>	132	128	184	52
<i>Net hedging and trading derivatives</i>	65	56	53	(12)

- As at June 2016 the AFS reserve of the Italian government bond portfolio (before taxes) was positive for about €215m, still a significant level in spite of the capital gains taken in 2Q '16.
- The government bond portfolio has a duration of about 3.4 years, down vs December 2015 (3.8 years)

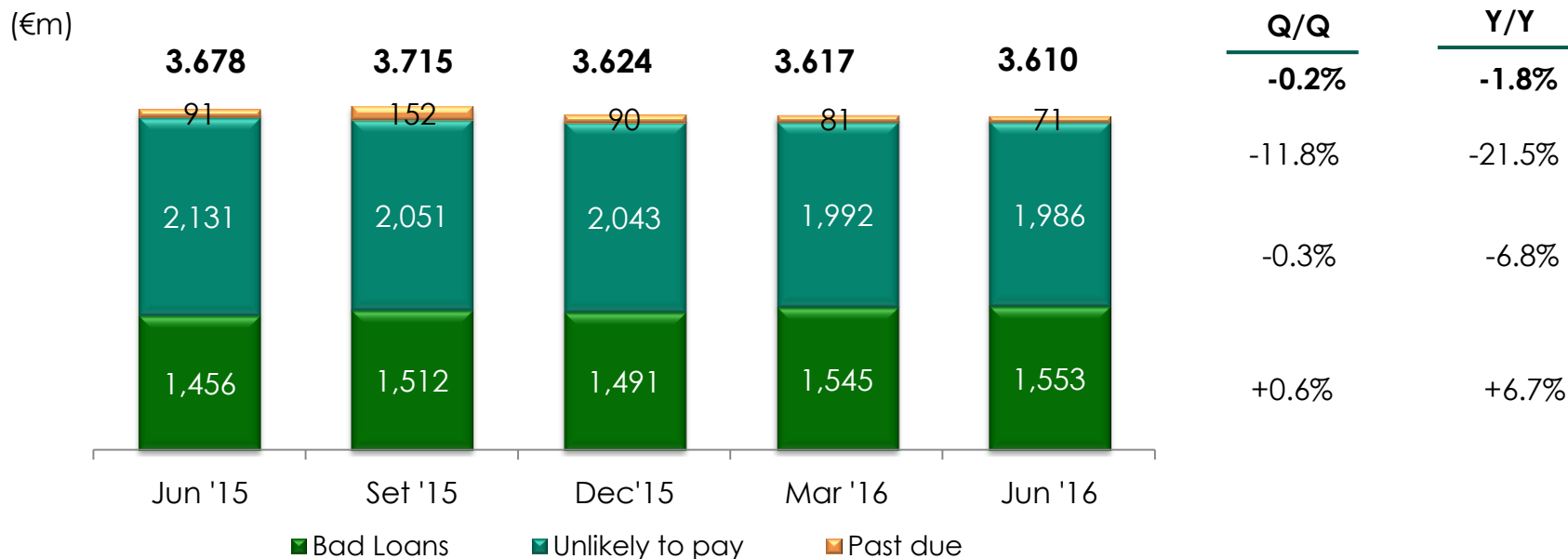
# H1 2016 results: loans to customers



- Loans to customers increased 1.0% YTD and 3.1% Y/Y vs data for the system that show basic stability<sup>1</sup>. The growth was mainly driven by new customers with a low risk profile (+7.7%)<sup>2</sup>
- The group's loans market share was 1.97% as at May '16 vs 1.89% as at May '15.
- New loans in the first 6 months of 2016<sup>2</sup>:
  - CORPORATE: new loans totalled about €1.4bn, mainly driven by the manufacturing sector o/w over €230m to new customers
  - RETAIL: new retail mortgages totalled about €800m, o/w over €400m to new customers
- Loans to customers +1% Q/Q: the growth in the quarter is in line with the Y/Y trend

1. ABI Monthly Outlook  
2. Internal Management Data

# H1 2016 results: total net non-performing exposures



□ Net NPEs down 1.8% Y/Y and -0.2% Q/Q. In detail:

□ Bad Loans: +0.6% Q/Q; +6.7% Y/Y

□ Unlikely to pay: -0.3% Q/Q; -6.8% Y/Y

□ Past due: -11.8% Q/Q; -21.5% Y/Y

□ The improvement in gross recoveries continued<sup>1</sup> (+7.7% Y/Y).

□ Decrease in gross inflows from performing loans to NPE by 43.8% vs H1 '14 and by 11.9% Y/Y. In H1 '16 the reduction was driven by corporate<sup>2</sup> and SMEs<sup>2</sup> exposures

1. Internal Management data 2. SMEs: €5m - €50m turnover; Corporate: >€50m turnover

# H1 2016 results: non-performing exposure coverage

coverage %	Jun '15	Sept '15	Dec '15	Mar '16	Jun '16	Jun '16
<b>Tot. NPEs</b>	<b>39.3</b>	<b>39.5</b>	<b>39.6</b>	<b>40.1</b>	<b>40.5</b>	<b>45.2</b>
Bad Loans	54.9	54.7	54.5	54.3	54.4	60.5
Unlikely to pay	22.1	22.0	22.1	22.6	23.0	23.0
Past-due	9.7	9.8	9.3	8.8	10.1	10.1
Performing	0.67	0.64	0.60	0.56	0.55	0.55
<b>Tot. Loans</b>	<b>7.2</b>	<b>7.3</b>	<b>7.0</b>	<b>7.1</b>	<b>7.1</b>	<b>8.4</b>

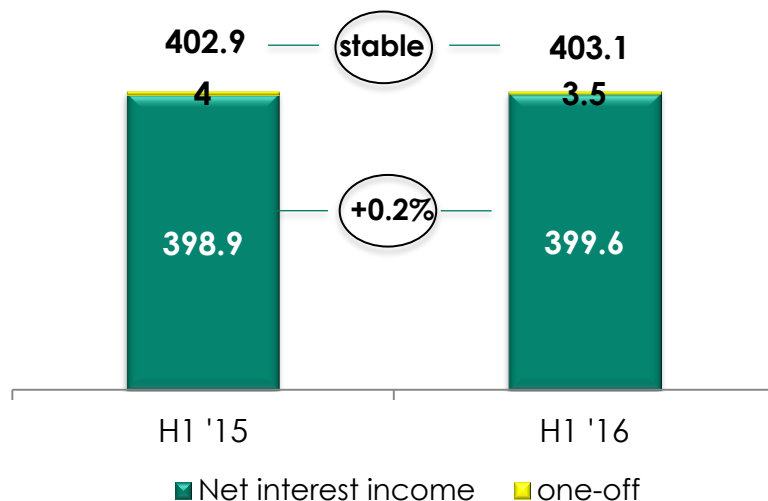
Coverage %  
with  
cancellations

- ❑ Increase in non-performing exposure coverage: 40.5% as at June '16 vs 40.1% as at March '16. Coverage was 45.2% considering cancellations of Bad Loans made in the past.
- ❑ Total coverage on secured loans considering real guarantees<sup>1</sup> at FV was 209%
- ❑ In detail:
  - ❑ bad loans coverage: 54.4% (+10bps Q/Q). Considering cancellations coverage was 60.5%
  - ❑ unlikely to pay coverage: 23.0% (+40bps Q/Q)
  - ❑ performing loans coverage: 0.55% (vs 0.60% as at Dec '15) due to the change in the portfolio mix related to the increase in medium-low risk profile loans, thanks also to new loans in H1 '16

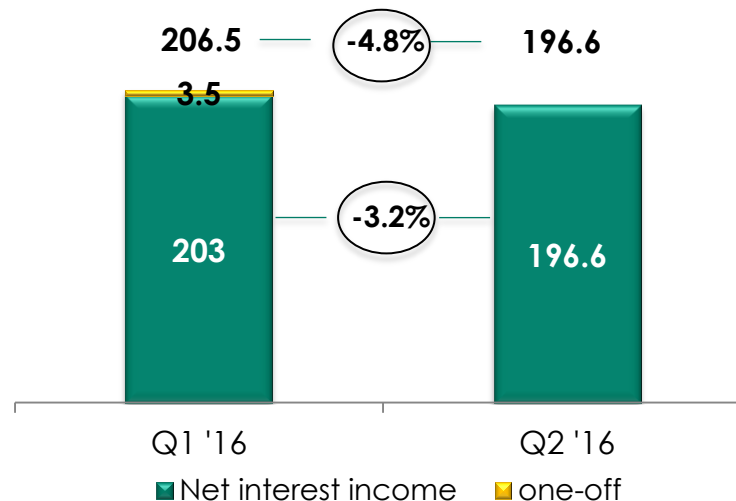
1. Internal Management data

# H1 2016 results: Net interest income

YEARLY COMPARISON (€M)



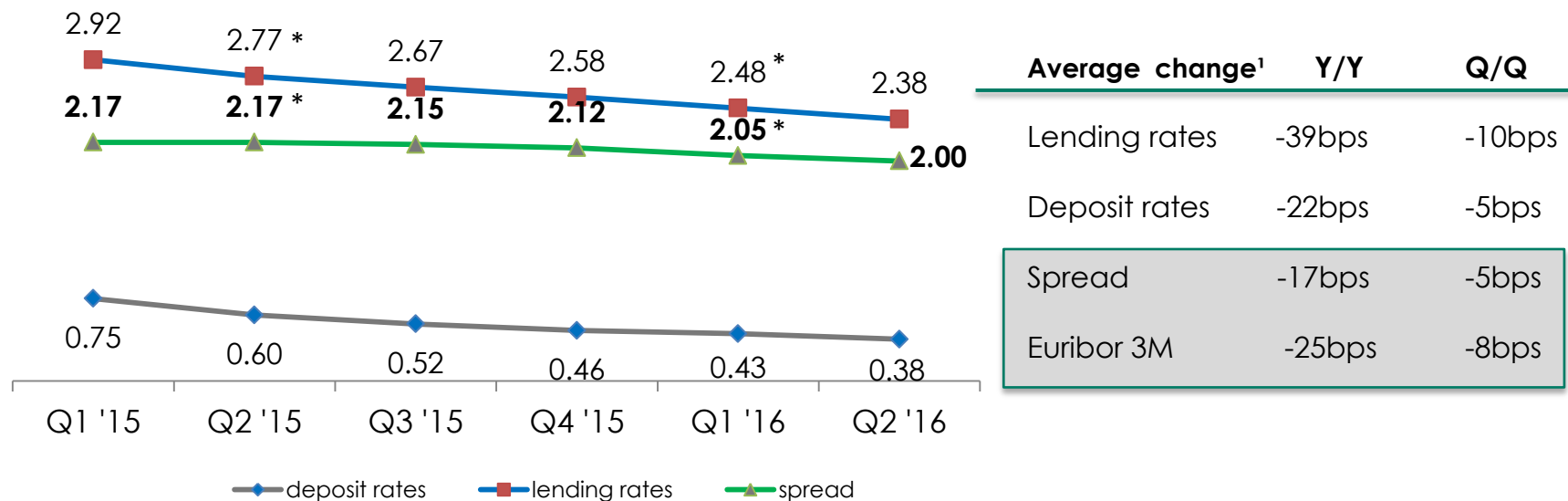
QUARTERLY COMPARISON (€M)



- Net interest income basically stable Y/Y in spite of the drop in interest rates, which affected customer spread and which was only partially offset by volume growth
- the decrease in the bond portfolio contribution (€14m) was more than offset by the reduction in wholesale funding costs
- Net interest income down Q/Q due to:
  - drop in the Euribor (-8bps Q/Q) which in turn affected customer spreads (-5bps Q/Q)
  - a positive one-off related to the early reimbursement of a VAT credit (€3.5m) in Q1 '16.
  - decrease in the bond portfolio contribution (-€5m) also due to the disposals in the quarter



# H1 2016 results: BPM Group customer spread quarterly trend<sup>1</sup>

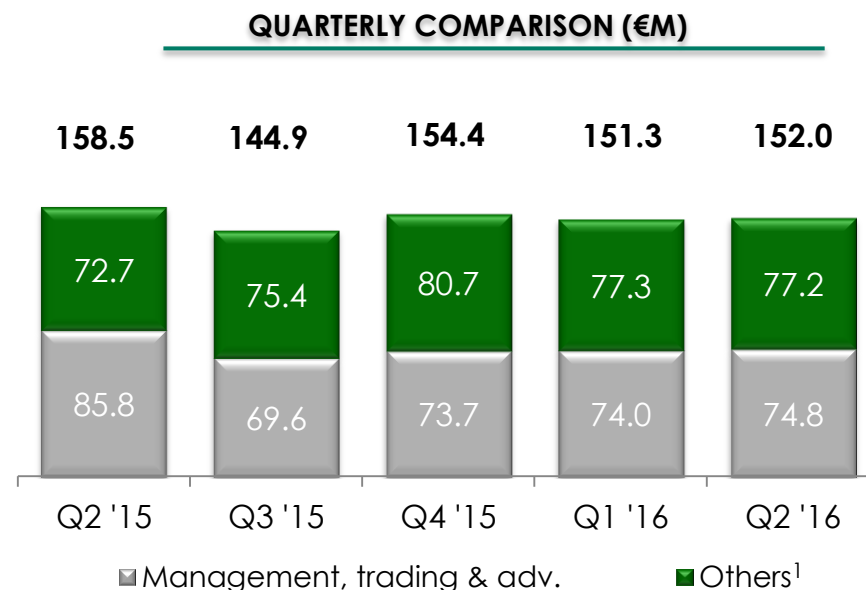
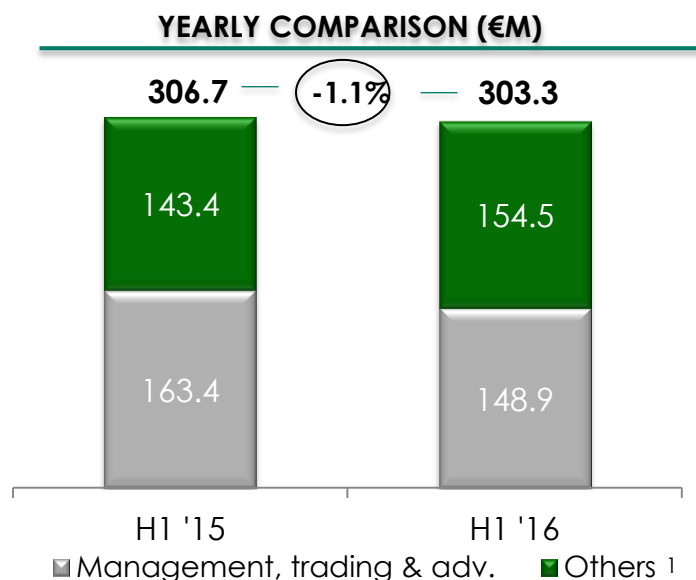


- The overall trend in customer spread was affected by the drop in Euribor which in turn affected lending rates; the drop was not totally offset by the decrease in deposit rates
- Anyhow, the decrease in customer spread was lower than that of the Euribor both Q/Q (-5bps vs -8bps) and Y/Y (-17bps vs -25bps)

1. Average quarterly data

(\*) Lending rates and customer spread in Q2 '15 and Q1 '16 are adjusted for the early reimbursement of VAT credits

# H1 2016 results: Net fees and commission

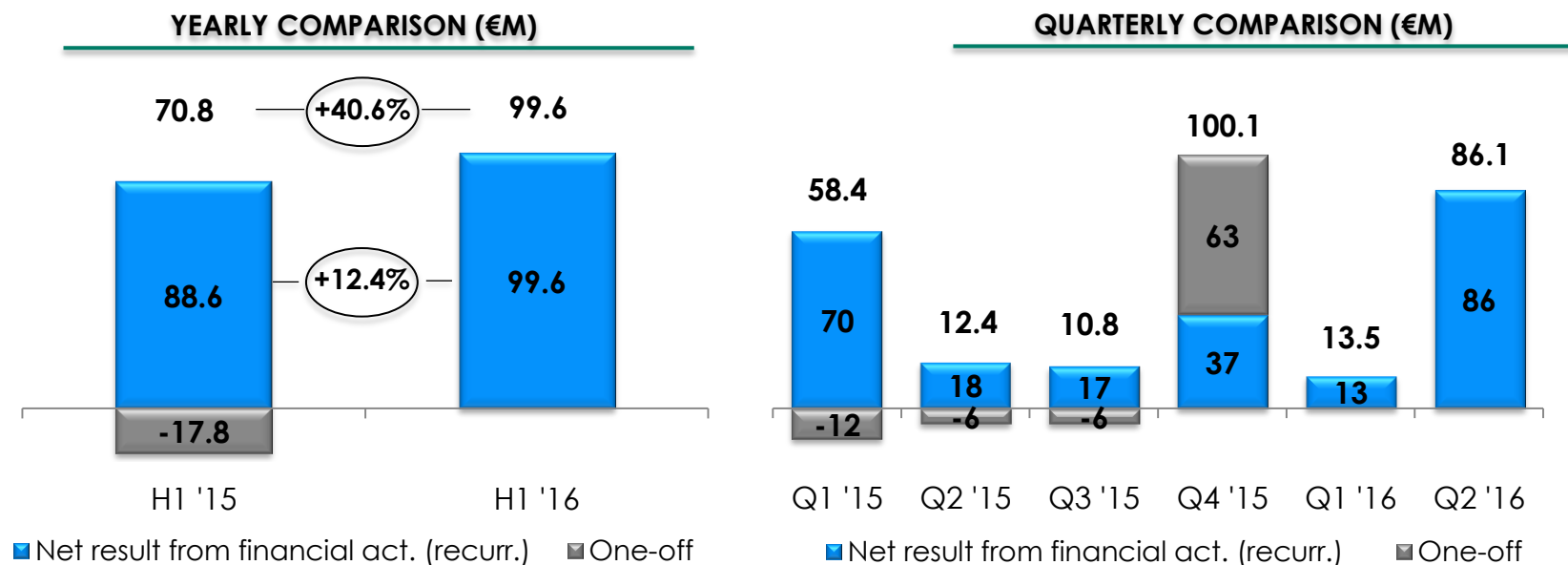


- Net fees and commission down 1.1% Y/Y owing to fewer management and advisory fees (-8.9% Y/Y) while traditional banking commission was up (+7.8% Y/Y):
  - AUM fees<sup>2</sup> : -4.5% Y/Y owing to lower upfront fees on AUM and insurance products
  - the increase in customer loans drove fees and commission higher in the credit segment (+11.8% Y/Y<sup>2</sup>)
- Net fees and commission up 0.5% Q/Q thanks to the growth in payment services fees (+6.9% Q/Q) and management fees (+1.1% Q/Q).

1. See details in annexes

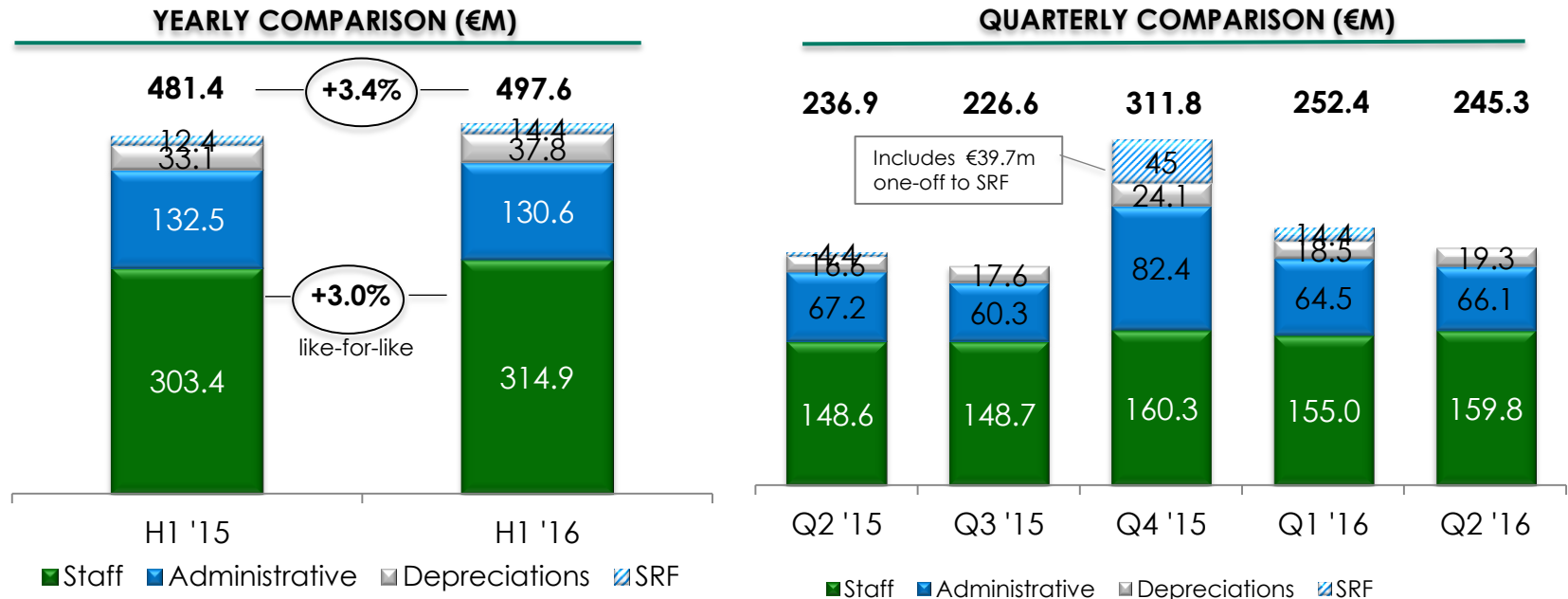
2. Internal management data

# H1 2016 results: Net income from financial activities



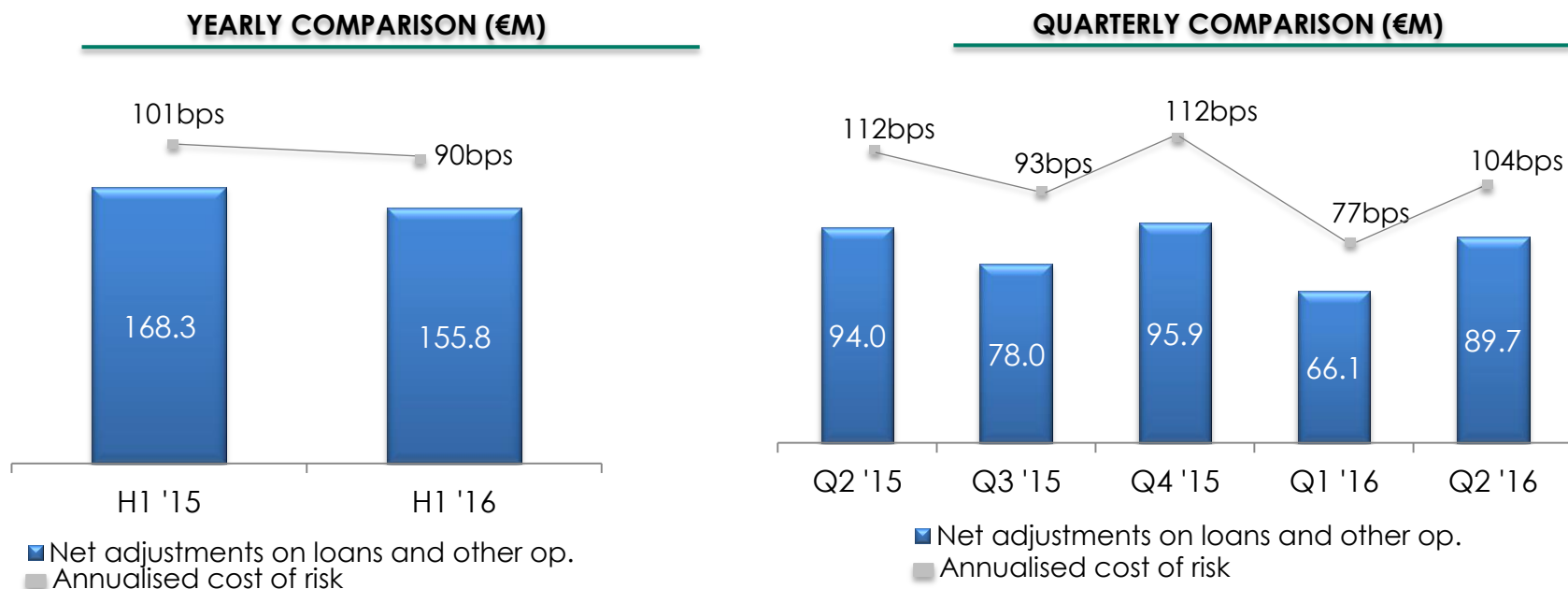
- Net result from financial activities in H1 '16 up 40.6% Y/Y (+€28.7m) mainly due to the disposal of about a nominal €2bn in government bonds
- Net result from financial activities was particularly positive (+12.4% Y/Y), also on a like-for-like basis as H1' 15 benefited of important capital gains on Italian government bond
- Banca Akros contribution in H1 '16 was €17.7m (vs €14.1m in H1 '15)

# H1 2016 results: operating costs



- Operating costs in H1 '16, net of the contribution to the SRF, were up 3.0% Y/Y :
  - staff costs: +3.8% Y/Y, due to adjustment to CCNL (national labour contract) and higher national insurance/pension costs and variable components vs H1 '15
  - admin. expenses: down 1.4% Y/Y, net of the contribution to the SRF (€12.4m in H1 '15 vs €14.4m in H1 '16)
  - D&A: +€4.6m due to the investments in 2015
- In Q2 '16 operating costs were down 2.8% due to SRF costs booked in Q1 '16. Staff costs (+3.1% Q/Q) were up due to the variable component linked to results
- As at Jun '16 the group had 7,714 employees (-49 Y/Y)

# H1 2016 results: Net adjustments on loans<sup>1</sup>

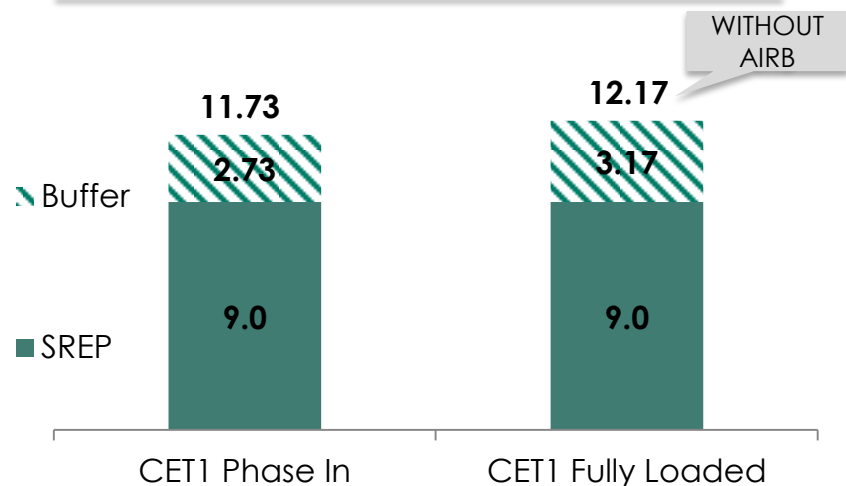


- Cost of risk in H1 '16 was 90bps, down vs H1 '15 (-11bps) even though the NPE coverage levels increased
- Cost of risk in Q2 '16 was 104bps

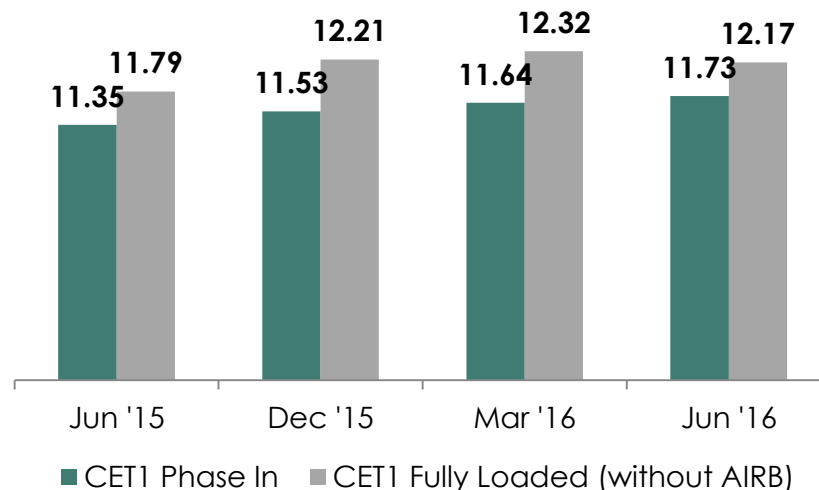
1. Net adjustments on loans and other operations and losses from disposal of loans

# H1 2016: Common Equity Tier 1

**COMMON EQUITY TIER1 VS SREP (%)**



**COMMON EQUITY TIER 1 RATIO EVOLUTION (%)**



Capital ratios have been calculated using the standard method (without benefiting from the AIRB models)

RWA: €35,124m

- Credit risk: €31,695m
- Market risk: €771m
- Operating risk: €2,658m

# Consolidated reclassified P&L: Y/Y comparison

(euro m)	Jun-16	Jun-15	Change Y/Y	
			Amount	%
<b>Net interest income</b>	<b>403.1</b>	<b>402.9</b>	<b>0.2</b>	<b>0.0%</b>
<b>Non-interest income</b>	<b>436.0</b>	<b>420.7</b>	<b>15.4</b>	<b>3.7%</b>
- Net fees and commission income	303.3	306.8	-3.4	-1.1%
- Other operating income:	132.7	113.9	18.8	16.5%
- <i>Share of profit (loss) on investment value under the equity method</i>	13.9	19.1	-5.2	-27.3%
- <i>Net income (loss) from financial activities</i>	99.6	70.8	28.7	40.6%
- <i>Other operating income/expenses</i>	19.3	24.0	-4.7	-19.7%
<b>Operating income</b>	<b>839.1</b>	<b>823.5</b>	<b>15.6</b>	<b>1.9%</b>
Administrative expenses	-459.8	-448.2	-11.6	-2.6%
<i>a) personel expenses</i>	-314.9	-303.4	-11.5	-3.8%
<i>b) other administrative expenses</i>	-145.0	-144.9	-0.1	0.0%
Depreciations and amortization	-37.8	-33.1	-4.6	-14.0%
<b>Operating costs</b>	<b>-497.6</b>	<b>-481.4</b>	<b>-16.2</b>	<b>-3.4%</b>
<b>Operating profit</b>	<b>341.5</b>	<b>342.2</b>	<b>-0.6</b>	<b>-0.2%</b>
Net adjustments to loans and other operations	-155.9	-168.3	12.5	7.4%
Net provisions for risk and charges	4.8	1.1	3.7	n.s.
Profit (loss) from equity and other investments and adjustments to goodwill and intangible assets	32.2	37.5	-5.3	-14.1%
<b>Profit (loss) before tax from continuing operations</b>	<b>222.6</b>	<b>212.4</b>	<b>10.3</b>	<b>4.8%</b>
Tax on income from continuing operations	-64.0	-58.1	-5.9	-10.1%
<b>Net profit (loss) for the period</b>	<b>158.6</b>	<b>154.2</b>	<b>4.4</b>	<b>2.9%</b>
Minority interests	-0.5	-0.2	-0.3	194.7%
<b>Net profit</b>	<b>158.1</b>	<b>154.1</b>	<b>4.1</b>	<b>2.6%</b>

# Consolidated reclassified P&L: Q/Q comparison

	2Q 2016	1Q 2016	Change Q/Q	
(euro m)			Amount	%
<b>Net interest income</b>	<b>196.6</b>	<b>206.5</b>	<b>-9.9</b>	<b>-4.8%</b>
<b>Non-interest income</b>	<b>253.4</b>	<b>182.6</b>	<b>70.9</b>	<b>38.8%</b>
- Net fees and commission income	152.0	151.3	0.8	0.5%
- Other operating income:	101.4	31.3	70.1	224.0%
- <i>Share of profit (loss) on investment value under the equity method</i>	5.2	8.6	-3.4	-39.3%
- <i>Net income (loss) from financial activities</i>	86.1	13.5	72.7	n.s.
- <i>Other operating income/expenses</i>	10.1	9.2	0.8	9.1%
<b>Operating income</b>	<b>450.0</b>	<b>389.1</b>	<b>60.9</b>	<b>15.7%</b>
Administrative expenses	-225.9	-233.9	8.0	3.4%
<i>a) personel expenses</i>	-159.8	-155.0	-4.8	-3.1%
<i>b) other administrative expenses</i>	-66.1	-78.9	12.8	16.2%
Depreciations and amortization	-19.3	-18.5	-0.8	-4.5%
<b>Operating costs</b>	<b>-245.2</b>	<b>-252.4</b>	<b>7.1</b>	<b>2.8%</b>
<b>Operating profit</b>	<b>204.8</b>	<b>136.7</b>	<b>68.0</b>	<b>49.8%</b>
Net adjustments to loans and other operations	-89.8	-66.1	-23.7	-35.8%
Net provisions for risk and charges	4.5	0.3	4.2	n.s.
Profit (loss) from equity and other investments and adjustments to goodwill and intangible assets	30.3	1.9	28.4	n.s.
<b>Profit (loss) before tax from continuing operations</b>	<b>149.8</b>	<b>72.8</b>	<b>77.0</b>	<b>105.8%</b>
Tax on income from continuing operations	-39.8	-24.2	-15.6	-64.2%
<b>Net profit (loss) for the period</b>	<b>110.1</b>	<b>48.6</b>	<b>61.5</b>	<b>126.5%</b>
Minority interests	-0.2	-0.3	0.0	16.9%
<b>Net profit</b>	<b>109.8</b>	<b>48.3</b>	<b>61.5</b>	<b>127.3%</b>



# Q&A

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**Annexes**

# Asset quality

Gross exposure	30.06.2016		31.03.2016		31.12.2015		Change	(A - B)	Change	(A - C)	30.06.2015	
	A	%	B	%	C	%	Amount	%	Amount	%	D	%
<b>o/w Non performing exposure</b>	<b>6,068,201</b>	<b>16.3</b>	<b>6,043,062</b>	<b>16.4</b>	<b>5,997,174</b>	<b>16.3</b>	<b>25,139</b>	<b>0.4</b>	<b>71,027</b>	<b>1.2</b>	<b>6,062,179</b>	<b>16.8</b>
<b>a) Bad loans</b>	3,408,937	9.2	3,380,068	9.2	3,276,069	8.9	28,869	0.9	132,868	4.1	3,226,453	8.9
<b>b) Unlikely to pay</b>	2,580,259	6.9	2,574,693	7.0	2,621,568	7.1	5,566	0.2	-41,309	-1.6	2,735,534	7.6
<b>c) Past due</b>	79,005	0.2	88,301	0.2	99,537	0.3	-9,296	-10.5	-20,532	-20.6	100,192	0.3
<b>o/w Performing loans</b>	<b>31,080,126</b>	<b>83.7</b>	<b>30,735,624</b>	<b>83.6</b>	<b>30,747,953</b>	<b>83.7</b>	<b>344,502</b>	<b>1.1</b>	<b>332,173</b>	<b>1.1</b>	<b>30,006,345</b>	<b>83.2</b>
<b>Total gross loans and advance to customers</b>	<b>37,148,327</b>	<b>100.0</b>	<b>36,778,686</b>	<b>100.0</b>	<b>36,745,127</b>	<b>100.0</b>	<b>369,641</b>	<b>1.0</b>	<b>403,200</b>	<b>1.1</b>	<b>36,068,524</b>	<b>100.0</b>

Total adjustments	30.06.2016		31.03.2016		31.12.2015		Change	(A - B)	Change	(A - C)	30.06.2015	
	A	Coverage %	B	Coverage %	C	Coverage %	Amount	%	Amount	%	D	%
<b>o/w Non performing exposure</b>	<b>2,458,124</b>	<b>40.5</b>	<b>2,426,105</b>	<b>40.1</b>	<b>2,372,950</b>	<b>39.6</b>	<b>32,019</b>	<b>0.4</b>	<b>85,174</b>	<b>0.9</b>	<b>2,384,292</b>	<b>39.3</b>
<b>a) Bad loans</b>	1,855,776	54.4	1,835,548	54.3	1,785,478	54.5	20,228	0.1	70,298	-0.1	1,770,405	54.9
<b>b) Unlikely to pay</b>	594,363	23.0	582,823	22.6	578,252	22.1	11,540	0.4	16,111	0.9	604,217	22.1
<b>c) Past due</b>	7,985	10.1	7,734	8.8	9,220	9.3	251	1.3	-1,235	0.8	9,670	9.7
<b>o/w Performing loans</b>	<b>169,783</b>	<b>0.55</b>	<b>170,933</b>	<b>0.56</b>	<b>185,340</b>	<b>0.60</b>	<b>-1,150</b>	<b>-0.01</b>	<b>-15,557</b>	<b>-0.05</b>	<b>201,203</b>	<b>0.67</b>
<b>Total adjustments</b>	<b>2,627,907</b>	<b>7.1</b>	<b>2,597,038</b>	<b>7.1</b>	<b>2,558,290</b>	<b>7.0</b>	<b>30,869</b>	<b>0.0</b>	<b>69,617</b>	<b>0.1</b>	<b>2,585,495</b>	<b>7.2</b>

Net loans and advance to customers	30.06.2016		31.03.2016		31.12.2015		Change	(A - B)	Change	(A - C)	30.06.2015	
	A	%	B	%	C	%	Amount	%	Amount	%	D	%
<b>o/w Non performing exposure</b>	<b>3,610,077</b>	<b>10.5</b>	<b>3,616,957</b>	<b>10.6</b>	<b>3,624,224</b>	<b>10.6</b>	<b>-6,880</b>	<b>-0.2</b>	<b>-14,147</b>	<b>-0.4</b>	<b>3,677,887</b>	<b>11.0</b>
<b>a) Bad loans</b>	1,553,161	4.5	1,544,520	4.5	1,490,591	4.4	8,641	0.6	62,570	4.2	1,456,048	4.3
<b>b) Unlikely to pay</b>	1,985,896	5.8	1,991,870	5.8	2,043,316	6.0	-5,974	-0.3	-57,420	-2.8	2,131,317	6.4
<b>c) Past due</b>	71,020	0.2	80,567	0.2	90,317	0.3	-9,547	-11.8	-19,297	-21.4	90,522	0.3
<b>o/w Performing loans</b>	<b>30,910,343</b>	<b>89.5</b>	<b>30,564,691</b>	<b>89.4</b>	<b>30,562,613</b>	<b>89.4</b>	<b>345,652</b>	<b>1.1</b>	<b>347,730</b>	<b>1.1</b>	<b>29,805,142</b>	<b>89.0</b>
<b>Total net loans and advance to customers</b>	<b>34,520,420</b>	<b>100.0</b>	<b>34,181,648</b>	<b>100.0</b>	<b>34,186,837</b>	<b>100.0</b>	<b>338,772</b>	<b>1.0</b>	<b>333,583</b>	<b>1.0</b>	<b>33,483,029</b>	<b>100.0</b>

# Reclassified balance sheet

Assets					Change			
	Jun-16	Mar-16	Dec-16	Jun-15	Amount Y/Y	% Y/Y	Amount vs Dec.'15	%
Cassa e disponibilità liquide	206,240	249,899	300,714	224,184	-43,659	-17.5	-94,474	-31.4
Attività finanziarie valutate al fair value e derivati di copertura:	10,425,227	12,478,732	11,416,540	11,715,087	-2,053,505	-16.5	-991,313	-8.7
Attività finanziarie detenute per la negoziazione	1,858,106	1,876,692	1,797,874	1,824,944	-18,586	-1.0	60,232	3.4
Attività finanziarie valutate al fair value	33,367	32,803	75,543	81,410	564	1.7	-42,176	-55.8
Attività finanziarie disponibili per la vendita	8,413,727	10,469,201	9,491,248	9,632,210	-2,055,474	-19.6	-1,077,521	-11.4
Derivati di copertura	107,758	87,336	40,638	161,979	20,422	23.4	67,120	165.2
Adegua. di valore di att. finanz.	12,269	12,700	11,237	14,544	-431	-3.4	1,032	9.2
Crediti verso banche	1,812,384	1,831,511	1,224,717	1,162,731	-19,127	-1.0	587,667	48.0
Crediti verso clientela	34,520,420	34,181,648	34,186,837	33,483,029	338,772	1.0	333,583	1.0
Immobilizzazioni	1,209,490	1,215,900	1,199,459	1,156,028	-6,410	-0.5	10,031	0.8
Att. non correnti e gruppi di attività in via di dism.	0	0	0	6,118	0	n.a.	0	n.a.
Altre attività	1,523,965	1,583,741	1,875,033	1,561,095	-59,776	-3.8	-351,068	-18.7
<b>Totale attività</b>	<b>49,697,726</b>	<b>51,541,431</b>	<b>50,203,300</b>	<b>49,308,272</b>	<b>-1,843,705</b>	<b>-3.6</b>	<b>-505,574</b>	<b>-1.0</b>

Liabilities and Shareholders Equity					Change			
	Jun-16	Mar-16	Dec-16	Jun-15	Amount Y/Y	% Y/Y	Amount vs Dec.'15	%
Debiti verso banche	4,728,161	6,098,843	4,839,439	4,494,906	-1,370,682	-22.5	-111,278	-2.3
Debiti verso clientela	29,616,683	30,896,392	28,622,852	28,777,043	-1,279,709	-4.1	993,831	3.5
Titoli in circolazione	7,070,866	6,280,400	8,849,290	7,867,754	790,466	12.6	-1,778,424	-20.1
Passività finanziarie e derivati di copertura:	1,633,559	1,619,043	1,379,948	1,543,437	14,516	0.9	253,611	18.4
Debiti verso clientela	1,433,077	1,376,168	1,183,557	1,326,834	56,909	4.1	249,520	21.1
Titoli in circolazione	102,099	132,454	129,627	157,702	-30,355	-22.9	-27,528	-21.2
Passività finanziarie valutate al fair value	71,194	85,526	48,678	44,092	-14,332	-16.8	22,516	46.3
Adegua. di valore di pass. finanz.	27,189	24,895	18,086	14,809	2,294	9.2	9,103	50.3
Altre passività	1,647,236	1,538,829	1,429,895	1,650,859	108,407	7.0	217,341	15.2
Fondi a destinazione specifica	409,908	413,444	434,555	467,674	-3,536	-0.9	-24,647	-5.7
Capitale e riserve	4,413,071	4,626,198	4,338,440	4,333,508	-213,127	-4.6	74,631	1.7
Patrimonio di pertinenza di terzi (+/-)	20,107	19,972	19,974	19,038	135	0.7	133	0.7
Utile (perdita) del periodo (+ / -)	158,135	48,310	288,907	154,053	109,825	n.s.	-130,772	n.s.
<b>Totale passività e patrimonio netto</b>	<b>49,697,726</b>	<b>51,541,431</b>	<b>50,203,300</b>	<b>49,308,272</b>	<b>-1,843,705</b>	<b>-3.6</b>	<b>-505,574</b>	<b>-1.0</b>

# Net fees and commission

	1H 2016	1H 2015	Change	
			Amount	%
<b>Fees and commission income</b>	<b>336,967</b>	<b>344,003</b>	<b>(7,036)</b>	<b>-2.0</b>
<b>Fees and commission expense</b>	<b>(33,623)</b>	<b>(37,250)</b>	<b>3,627</b>	<b>9.7</b>
<b>Total net fees and commission</b>	<b>303,344</b>	<b>306,753</b>	<b>(3,409)</b>	<b>-1.1</b>
<b>Breakdown:</b>				
guarantees given and received	17,350	15,456	1,894	12.3
management, trading and advisory services	148,854	163,397	(14,543)	-8.9
collection and payment services	35,473	31,206	4,267	13.7
management of current accounts	27,998	29,094	(1,096)	-3.8
other services	73,669	67,600	6,069	9.0
<b>Total net fees and commission</b>	<b>303,344</b>	<b>306,753</b>	<b>(3,409)</b>	<b>-1.1</b>