



Commerzbank - Italy Day

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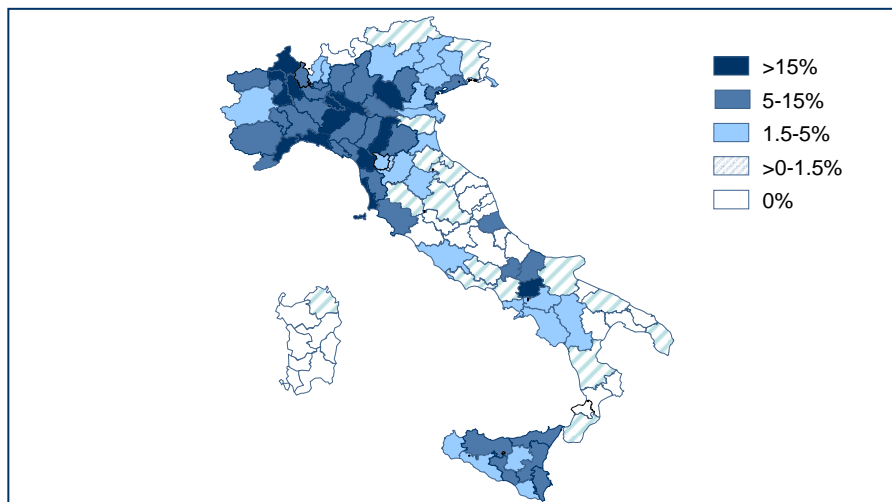


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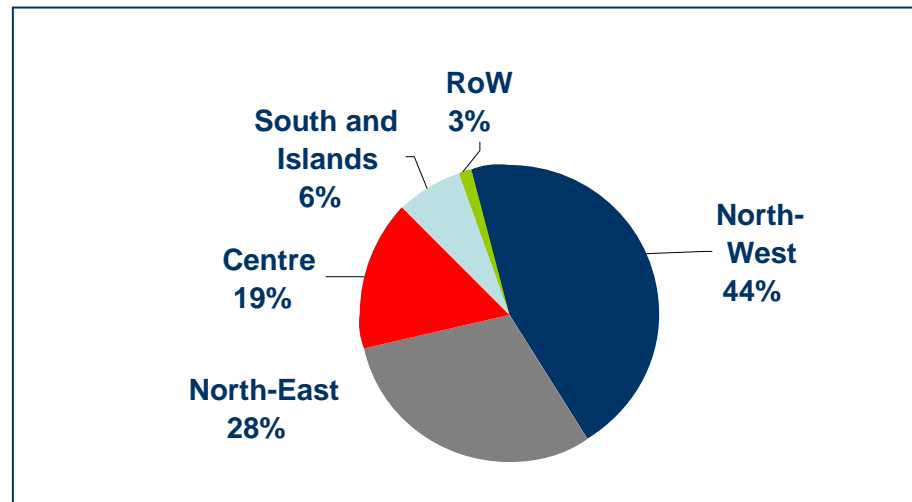
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Geographical mix: branch network located mainly in wealthy northern Italy, with a strong positioning in attractive areas

Market share by number of branches (year-end 2011)⁽ⁱ⁾



Customer loans by geographical area (31/12/11)



Market share by loans and deposits in some of the main regions (as at 31/12/2011)⁽ⁱⁱ⁾

	Loans	Deposits ⁽ⁱⁱⁱ⁾
▪ Veneto	7.3%	8.5%
▪ Lombardy	6.8%	5.9%
▪ Emilia Romagna	7.4%	6.6%
▪ Piedmont	6.4%	5.8%
▪ Liguria	8.3%	9.7%
▪ Tuscany	7.1%	7.5%
ITALY	5.2%	4.7%

Group franchise at a glance

- **Leading player in the Italian domestic market**, mainly concentrated in the wealthiest regions of Italy, with good market shares in both loans and deposits:
 - North West: 6.9% (loans) and 6.2% (deposits);
 - North East: 6.3% (loans) and 6.3% (deposits).
- **Strong base of domestic retail customers.**
- **Excellent geographical position:**
 - Economically resilient northern Italy accounts for 75% of the Commercial network (86% including Tuscany) as at 31/12/2011.
- **Franchise quality.**
- **Well-recognized brands in core market regions.**

(i) Branch market shares are calculated as of 31 Dec. 2011 and are based on a total of 1,982 branches of the Commercial network.

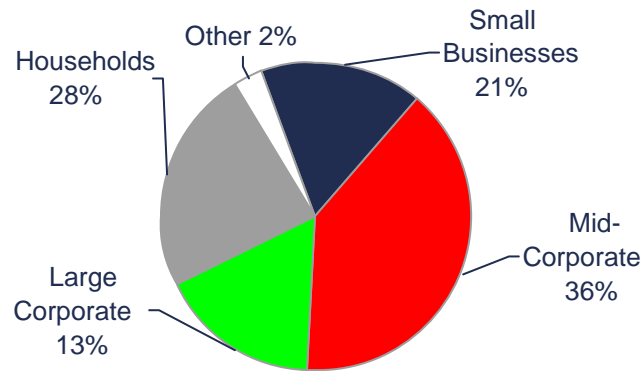
(ii) Referred to the so-called 'Core Business', composed of Non-financial Corporates, Small Businesses and Households.

(iii) Deposit market shares reflect an internal analysis based on the Bank of Italy's Statistical Bulletin and hence comprise banks' fund-raising in the form of deposits (with agreed maturity, sight, overnight and redeemable at notice), savings certificates, CDs, current accounts and repos, net of Post Office-related funds.

Group strengths: the business

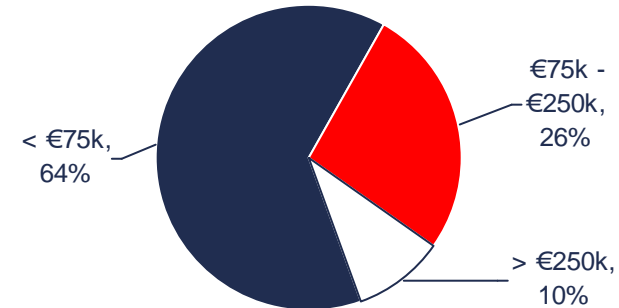
Customer breakdown by segment (31/12/2011)

Commercial network: Customer Loans by segment, average data



Customer breakdown (31/12/2011)

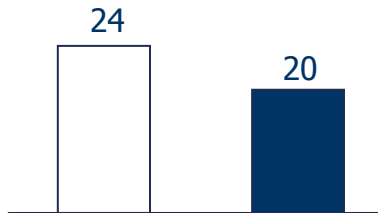
Commercial network: % on # of customers with loans granted



Leverage ratio and RWA/Total Assets ratio

Leverage ratio

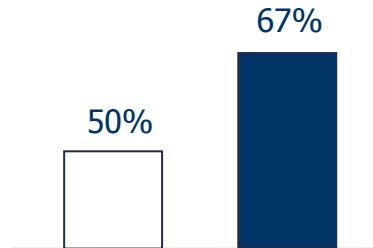
(Tangible Total Assets / Tangible Net Equity)



Average of main Competitors* BP Group

Leverage ratios include those right issues approved and completed.

RWA / TA



Average of main Competitors* BP Group (Standard methodology)

* Competitors' data as at 30/09/2011 - ISP, UCG, UBI, MPS, BPM, BPER and Carige

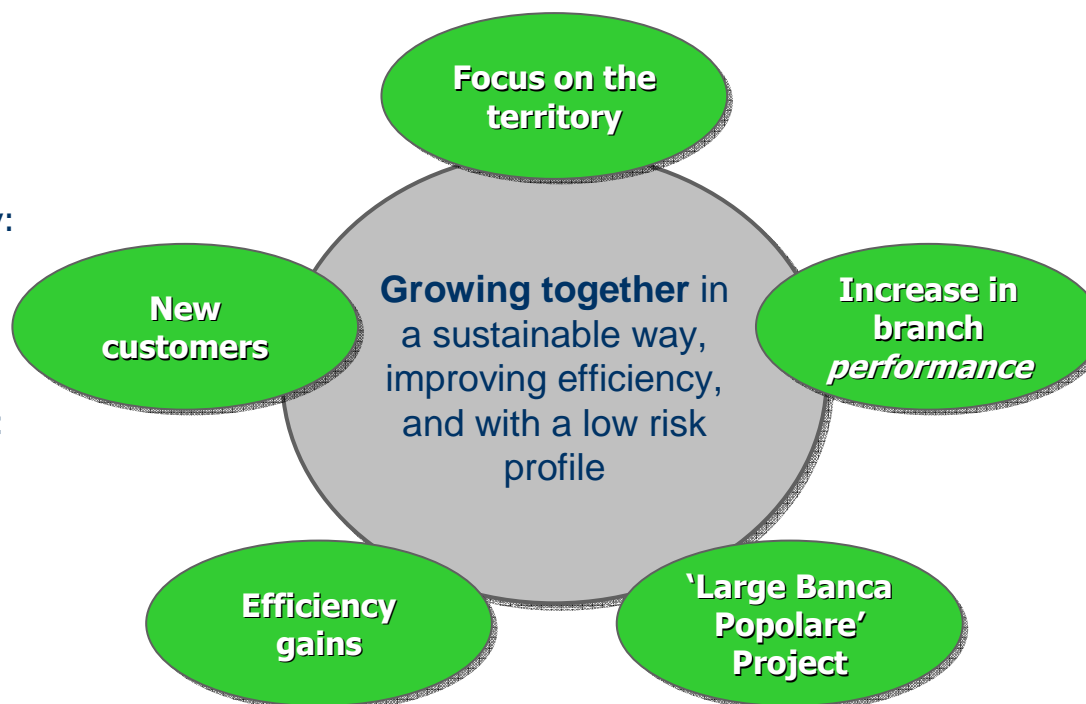
Comments

- Core banking activity mainly focused on households and small businesses/mid-corporate customers, that together represent 85% of customer loans.
- High fragmentation of the loan book, with **90%** of the total granted positions with an average amount <€250k.
- Leverage ratio is equal to **20**, lower than the average of Italian main competitors (24) and the average of European banks (30).

Banco Popolare strategic approach

- Efforts of the Territorial Divisions to be poured onto their historic franchise (one brand for each municipality).
- Strengthen the role of the branch through a higher focus on the relationship with SMEs and the development of the role of Branch Manager

- Satisfy customer needs, old and new, by:
 - Introducing **specific and innovative products & services**
 - Using **integrated multi-channels that minimize the cost-to-serve**



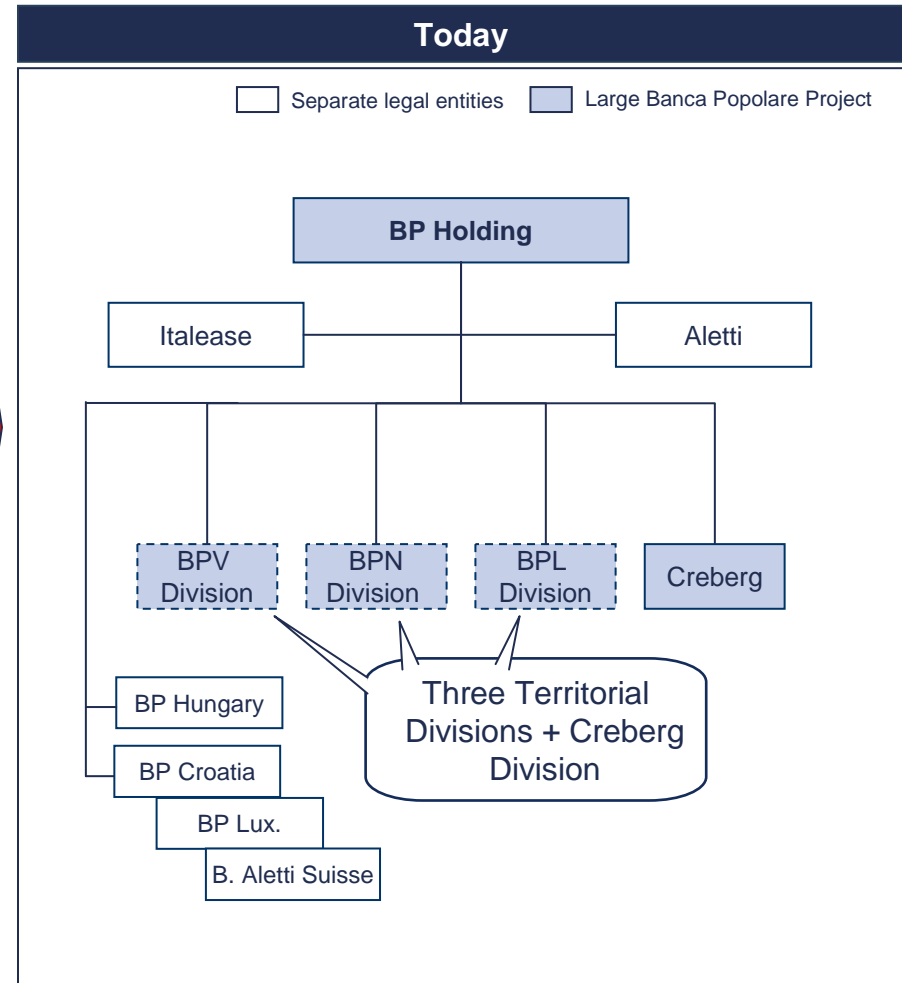
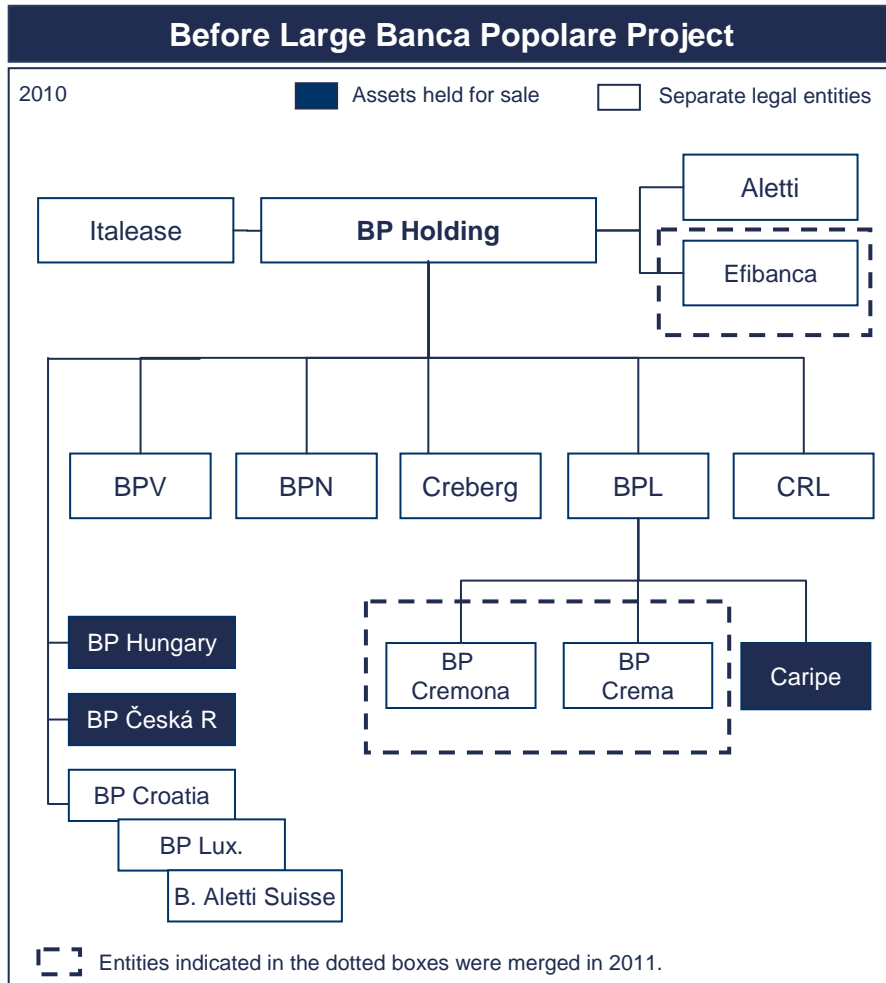
- Branch restructuring by:
 - Rationalising and Reorganising underperforming branches
 - Limiting the number of new branch openings in strategic areas
- Innovation of customer service models for SMEs, Affluent and Mid-Corporate customers

- Efficiency gains by:
 - Reduction of headquarter resources in favour of the commercial network.
 - Elimination of activity duplication between Holding, Territorial Divisions and territorial areas.

- From optimisation of the federal model to the 'Large Banca Popolare' Project
 - Strong simplification of Group structure
 - Simplification of Group corporate governance

New organizational structure: strong Group simplification

Large Banca Popolare Project



Banco Popolare: Group structure today

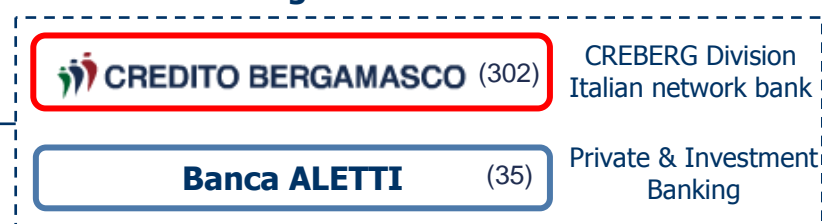
Holding Company and integrated Territorial Divisions



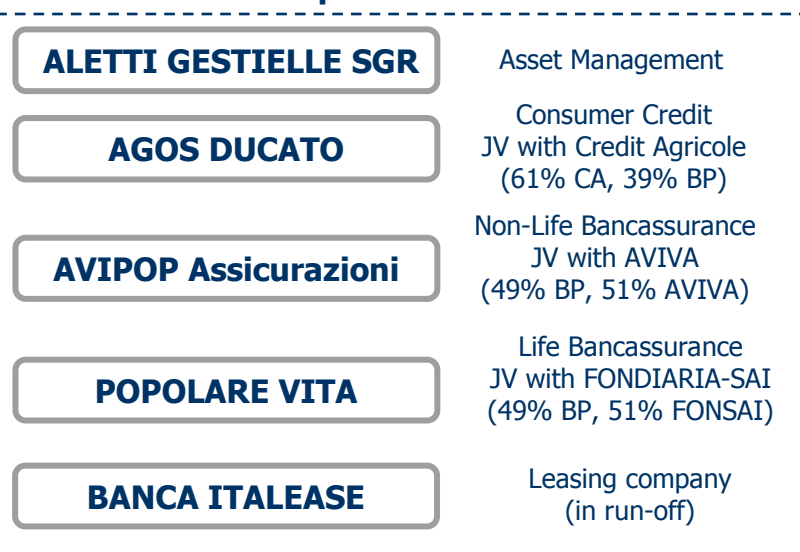
Red box: Territorial Divisions resulting from the Large Banca Popolare Project (including the separate legal entity Credito Bergamasco), which became effective retroactively from 01/01/2011.

of branches indicated in brackets as at 31/12/2011. Does not include Treasury branches (25 outlets), 2 branches of Banco Popolare and 2 foreign branches (London and Aletti Suisse).

Domestic Banking Subsidiaries*



Main Product Companies and Joint Ventures



* In addition to the indicated major domestic banking subsidiaries, Banco Popolare also has a limited presence abroad (# of branches in buckets): BP Croatia (35); BO Hungary (10); BP Luxemburg (1).



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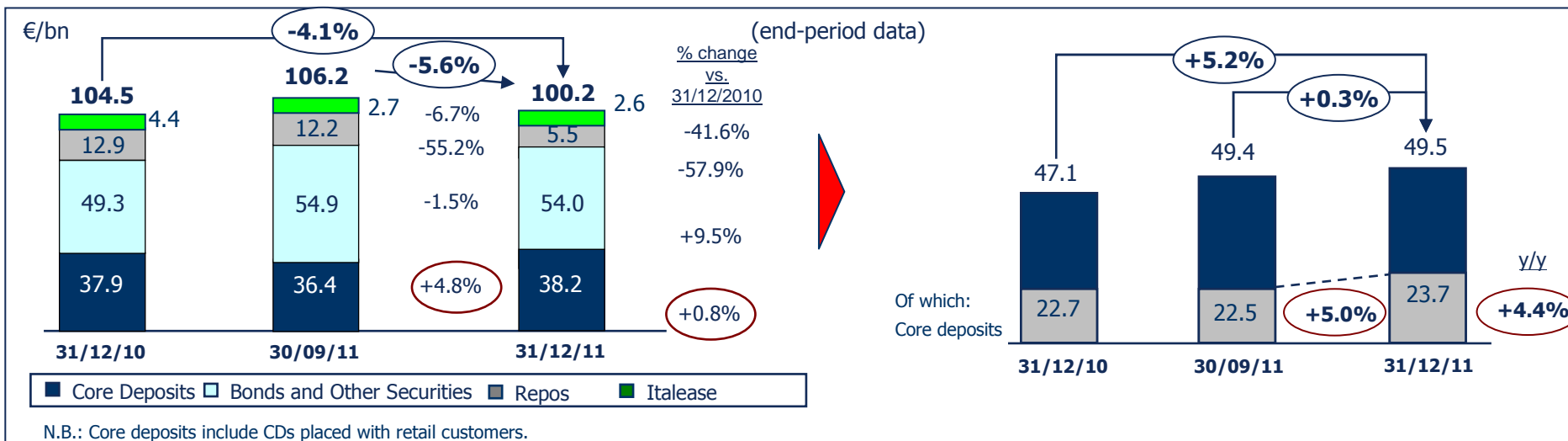
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Banco Popolare Group

Direct customer funds: focus on retail

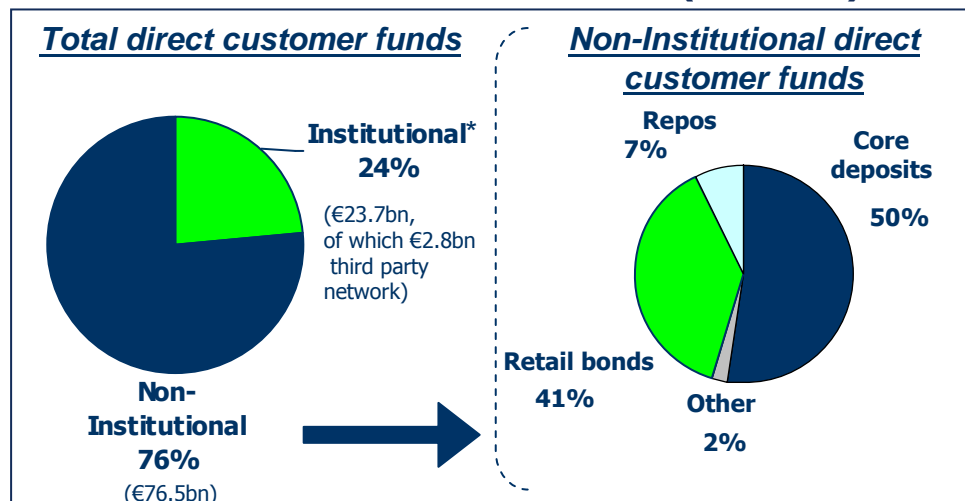
Total direct customer funds

o/w: 'Core' segments (Households and Small Businesses)



Direct customer funds breakdown (€100.2bn)

Comments



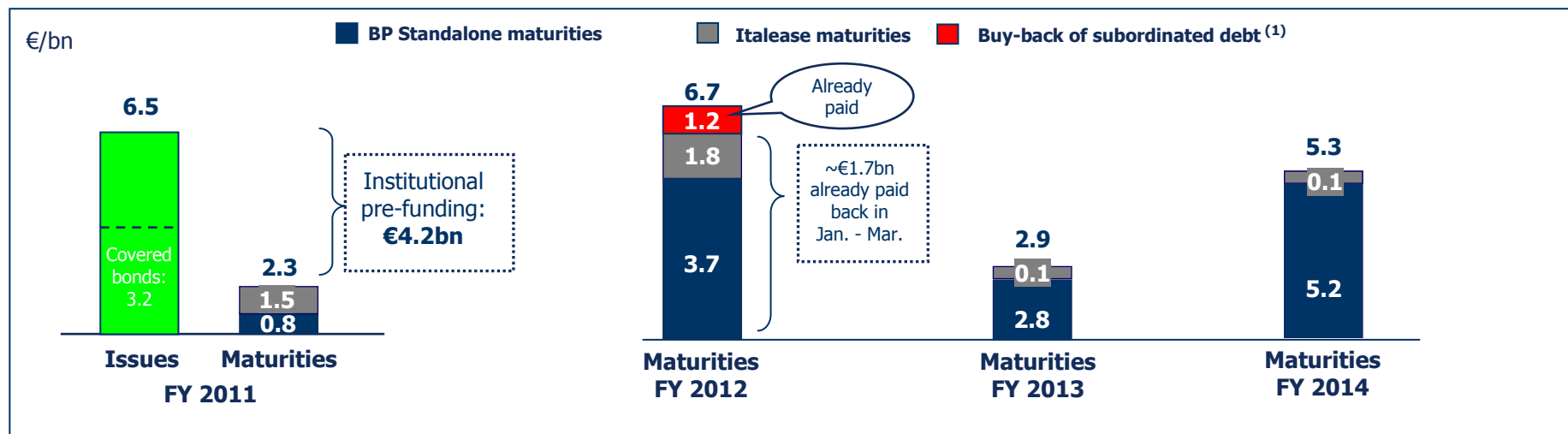
- Overall, direct customer funds are down -4.1% y/y and -5.6% q/q, mainly due to the substitution of short-term funding with medium/long-term interbank funding (mainly 3Y ECB funding): Reduction in repos of -€7.4bn y/y and of -€6.7bn q/q.
- Core deposits grow +4.8% q/q and +0.8% y/y. In particular, the aggregate relative to the 'Core' segments (households and small businesses) showed an increase of +4.4% y/y and +5.0% q/q.
- The non-institutional component of the direct customer deposits amounted to €76.5bn (76%). The institutional component is equal to €23.7bn, essentially unchanged from the previous quarter.

Note: (*) Including Italease.

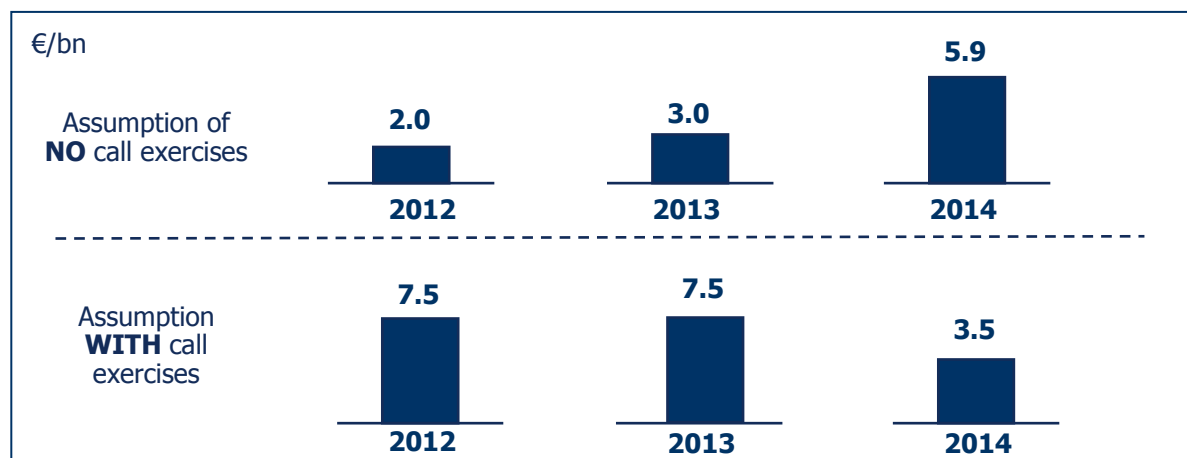
Banco Popolare Group

Maturities profile and funding coverage

Institutional funding maturities



Retail bond maturities



Comments

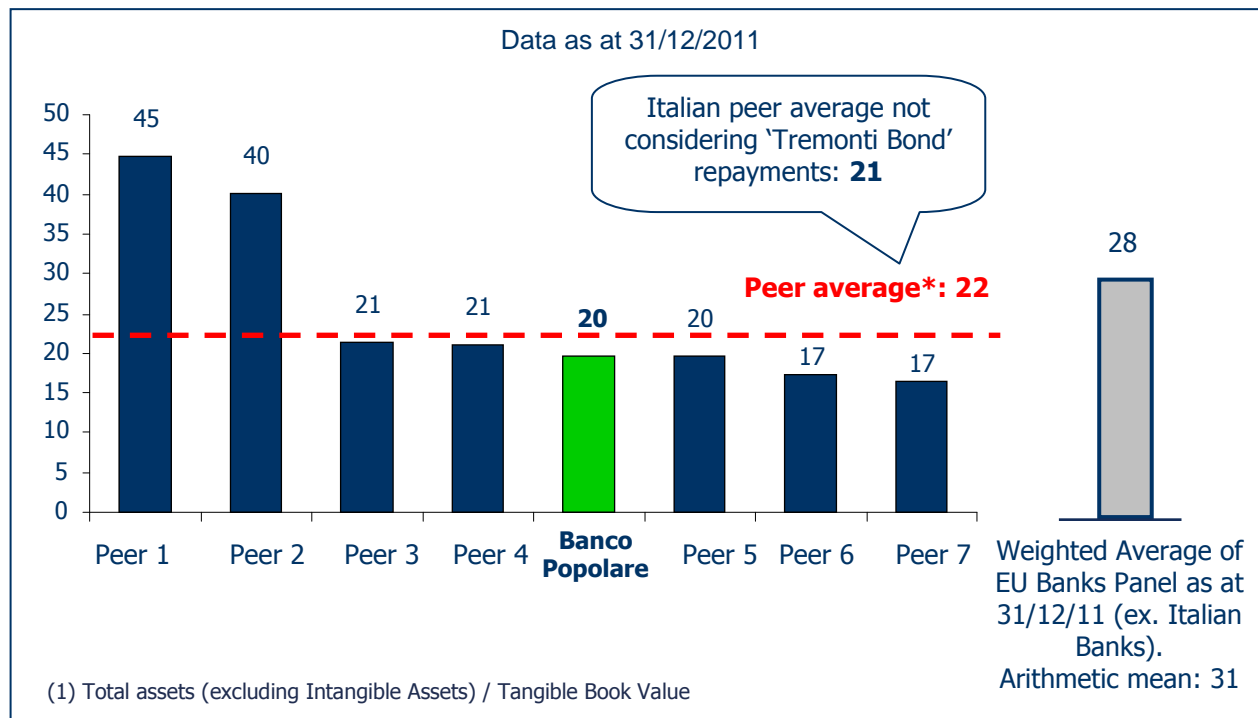
- Wholesale market issues of €6.5bn in 2011 have allowed to cover all institutional funding needs of the year 2011 and for a good part of 2012.
- €2.5bn of the total institutional maturities in 2012 have already been paid.

(1) The buy-back transaction on Tier 1 and Tier 2 bonds has been finalized on 20/02/2012, generating a positive impact on Core Tier 1 of 24bps.

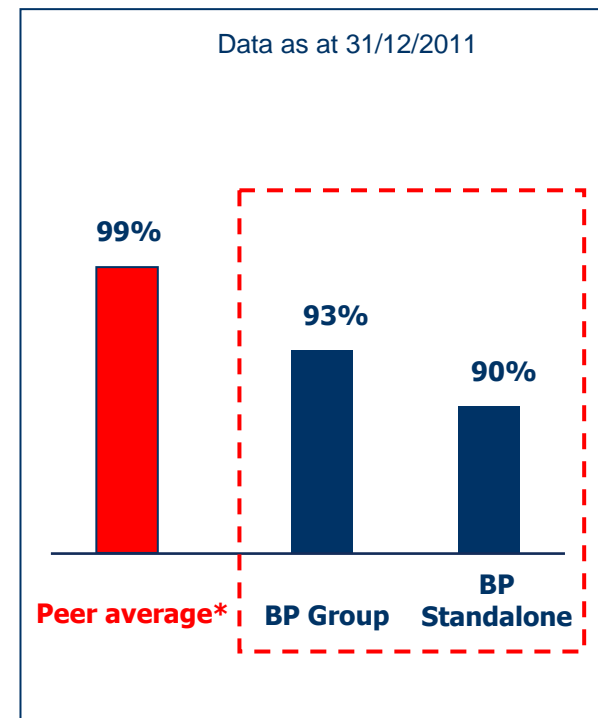
Banco Popolare Group

Leverage ratio and Loan/Deposit ratio: benchmark

Tangible total assets/Tangible book value⁽¹⁾



Loan/Deposit ratio vs. peers



The Group enjoys a low leverage level and a satisfactory Loan/Deposit ratio; moreover, it has no exposure towards so-called "toxic assets".

Notes:

* Italian Peer list includes: ISP, UCG, UBI, MPS, BPM, BPER and Carige. The panel of European banks includes: Barclays, BBVA, BNP, Crédit Agricole, Credit Suisse, DB, HSBC, RBS, Santander, SocGen and UBS.

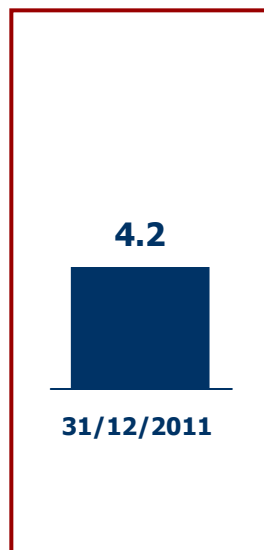
Source for Italian Peer data: FY 2011 press releases (including also rights issues completed after 31/12/2011). The analysis includes also the hypothesis of a repayment of the so-called 'Tremonti bonds'.

Source for EU Banks: FY 2011 Financial Reports.

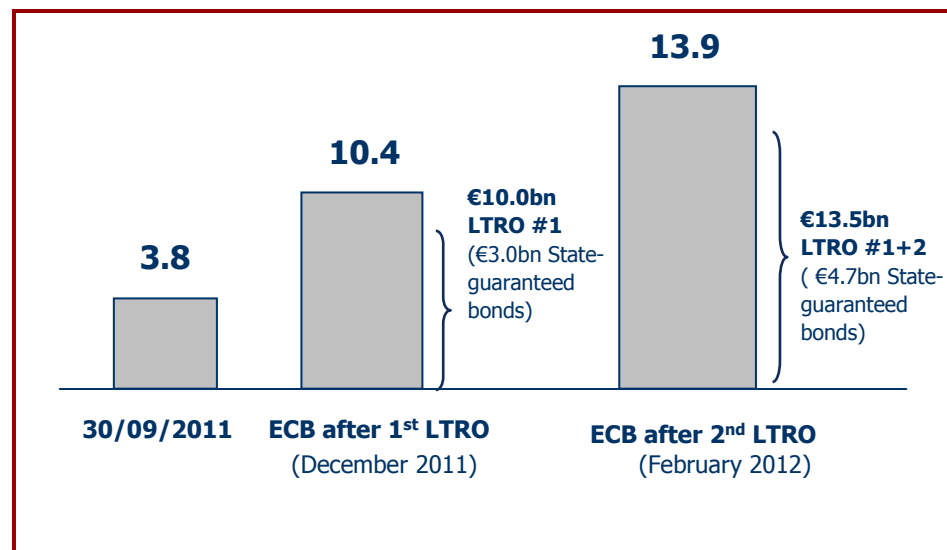
Banco Popolare Group Liquidity position

€/bn

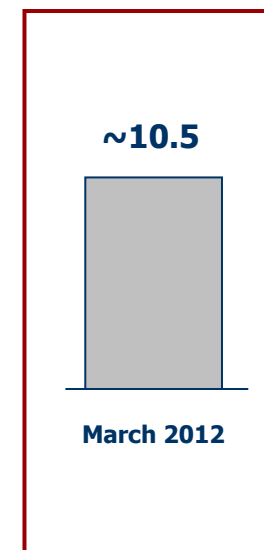
Institutional pre-funding



ECB exposure



Further available assets eligible with ECB



❑ **The Group's liquidity profile, already more than adequate, has been further strengthened with the use of 3Y ECB funding.**

❑ ECB exposure on 20 March 2012 is equal to €13.9bn, with €4.7bn of State-guaranteed bonds*.

❑ Institutional pre-funding generated in 2011 for €4.2bn (€6.5bn issues vs. €2.3bn maturities) and €13.5bn 3Y ECB funding constitute a liquidity buffer that can be used to cover institutional maturities (€6.7bn in 2012 and €2.9bn in 2013), as well as for the financing of lending activities in the 'Core' customer segments (Households and Small/Medium-sized Businesses).

❑ Further available assets eligible with ECB of ~€10.5bn (net of haircut).

❑ In addition, ~€0.9bn of commercial real estate mortgage loans were added to the Cover Pool ('Programma OBG Commerciale'), resulting in an increase of €0.7bn of the stock of eligible assets, net of haircuts.

* Issues of 20/12/2011 for €3.0bn and of 28/02/2012 for €1.7bn.

Banco Popolare Group

Treasury securities portfolio as at 31/12/2011

€/m – data as at 31/12/2011

COUNTRY	NOMINAL VALUE	% COMP.	Accounting classification		
			AFS	HFT	HTM
ITALY	10,275	96.2%	7,768	2,480	26
SPAIN	200	1.9%	200	-	-
GREECE	96	0.9%	29	68	-
PORTUGAL	0	0.0%	-	-	-
IRELAND	0	0.0%	-	-	-
GERMANY	25	0.2%	25	-	-
OTHER EU	22	0.2%	-	-	22
EU COUNTRIES	10,618		8,022	2,548	49
USA	26	0.2%	25	1	1
EXTRA EU	33	0.3%	31	2	-
TOTAL GOVERNMENT BONDS	10,677	100%	8,078	2,550	50
% on total			75.7%	23.9%	0.5%

Average maturity for the total portfolio 3.1 years

Written down by €25m in 2011

- A rebalancing aimed at further reducing the weight of government bonds classified in HFT, is under way, in favour of the **AFS**, which is up from 62% (as of 30/09/11) to **76%** of 31/12/2011.
- The reduction of the Italian treasury portfolio of around €1bn compared to 30/09/11 is mainly related to bond maturities, while replacements have progressively been made during the first quarter of 2012.
- Exposure to Greece and Spain is limited to about €296m (nominal), amounting to €200m and to €96m to Spain and to Greece, respectively, with no exposure to Portugal and Ireland.
- The AFS reserve in government bonds amounted to -€485m at 31/12/2011.



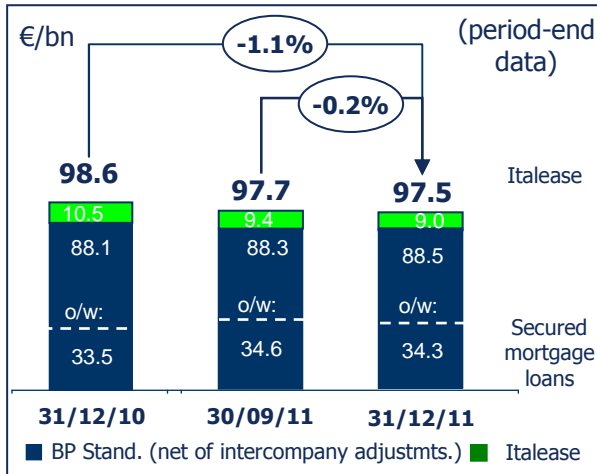
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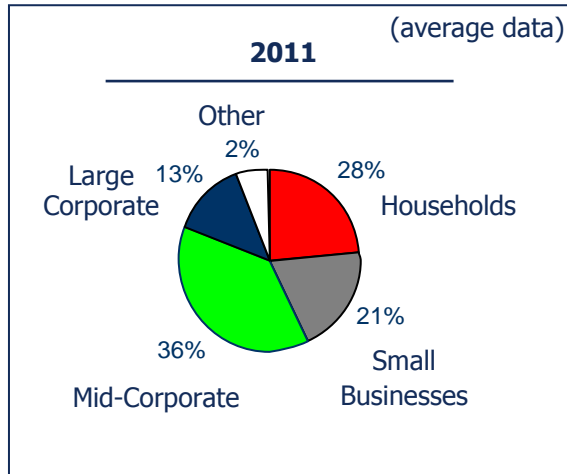
Banco Popolare Group

Customer loans: focus on Retail and SMEs

Gross customers loans



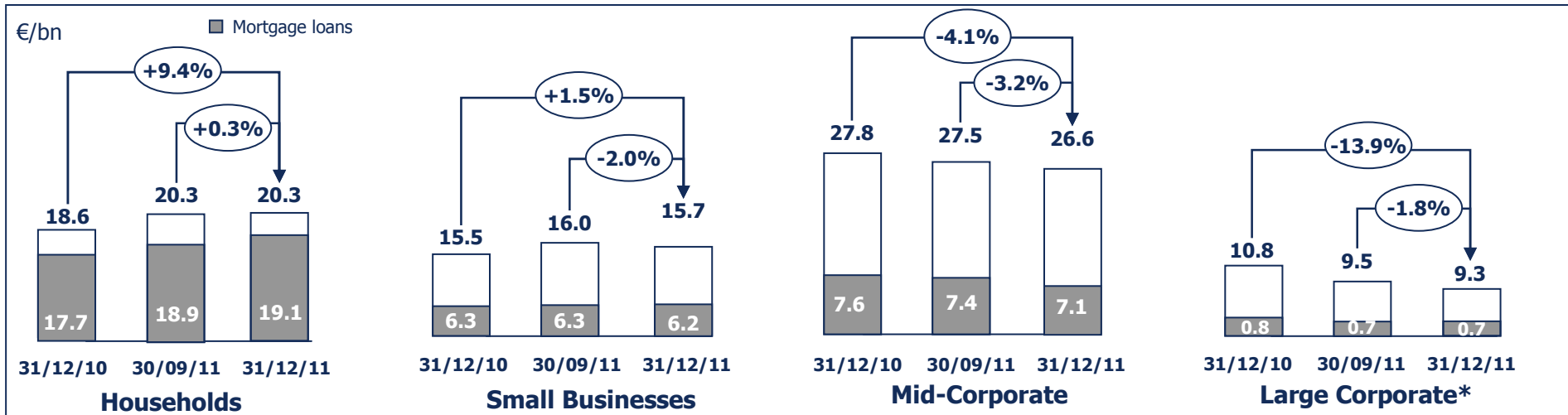
Commercial network: Customer Loans by segments



Comments

- Gross customer loans down by -1.1% on an annual basis and -0.2% in the fourth quarter of 2011. Net of the decline in the Italease loan portfolio, gross loans increase by 0.4% y/y.
- Growth is confirmed in the 'Core' segments (Households +9.4% y/y and Small Businesses +1.5% y/y).
- In order to comply with the more stringent temporary capital requirements, the Group has pursued a policy of loan containment to the Large Corporate segment (-13.9% y/y and -1.8% q/q).
- In the Mid-Corporate segment, the reduction is concentrated on those clients with a size more similar to the Large Corporate segment.

Focus on Loans of the Commercial network (period-end data)



* Includes exposure towards Entities.

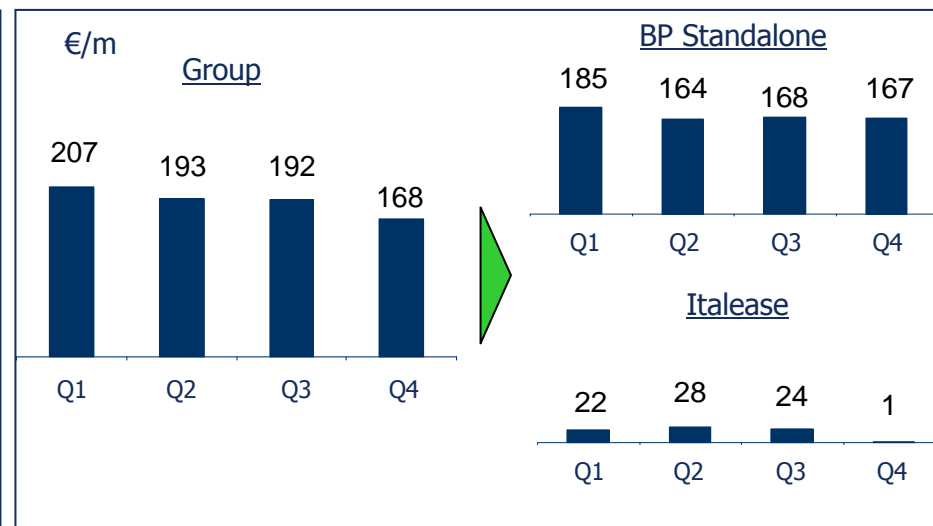
Banco Popolare Group

Asset quality: cost of credit risk

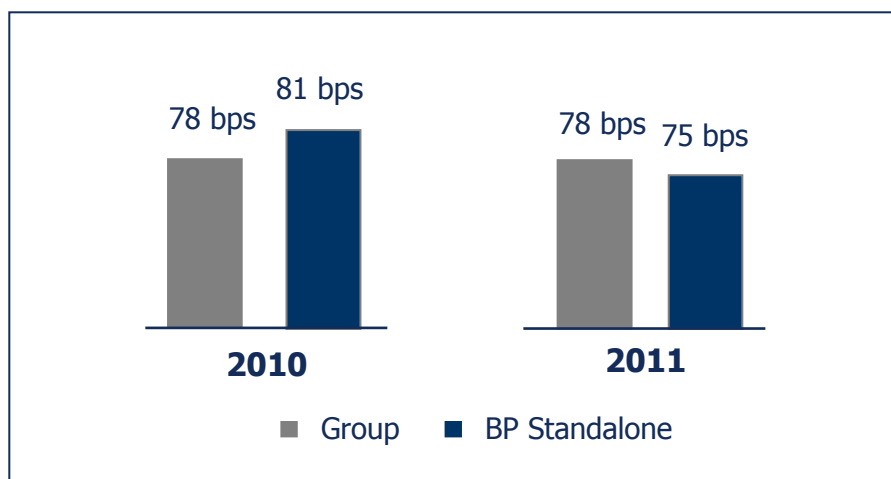
Loan Loss Provisions

€/m	2011	2010	% change
• Net LLPs	759.4	771.1	-1.5%
<i>of which:</i>			
- <i>BP Standalone</i>	684.5	729.6	-6.2%
• Gross cust. loans	97,509.6	98,559.6	-1.1%
<i>of which:</i>			
- <i>BP Standalone</i>	90,750.7	90,384.4	+ 0.4%

Quarterly evolution of LLPs



Cost of credit risk

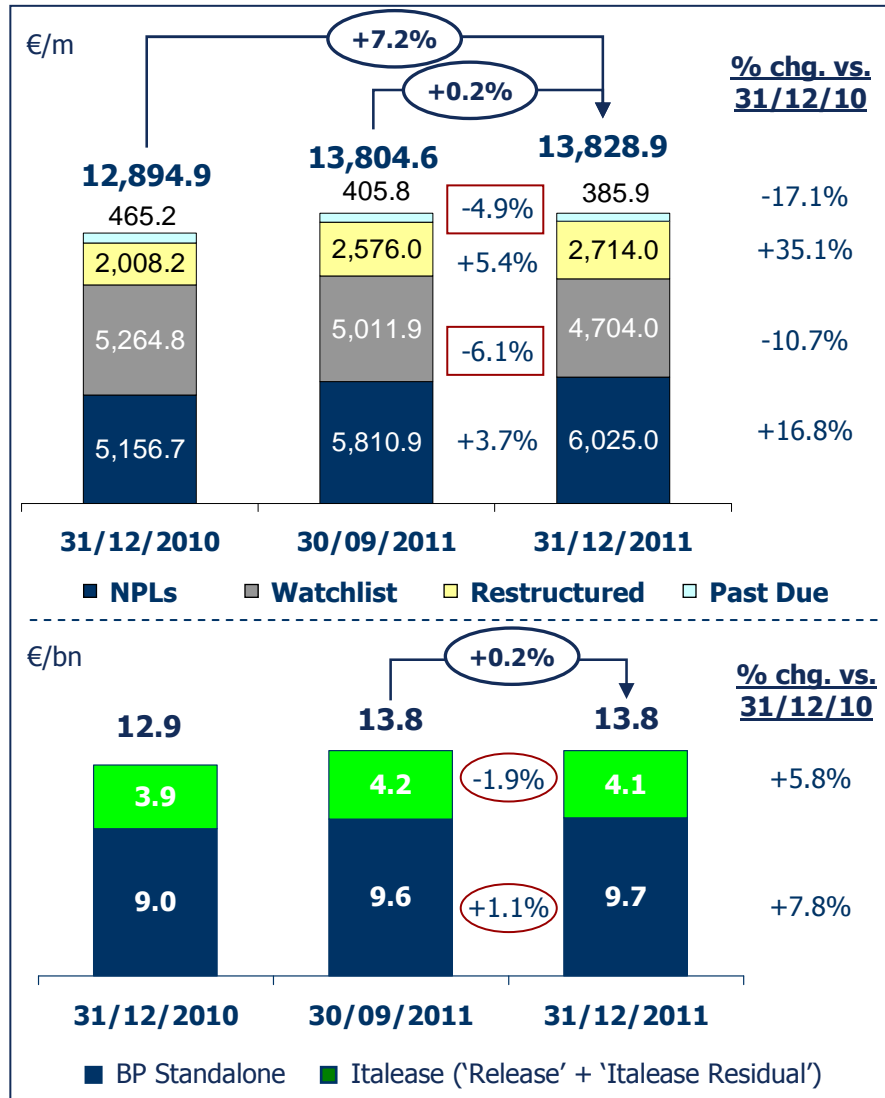


Comments:

- At **Group** level, the cost of credit risk (78 bps) is unchanged on an annual basis, notwithstanding the decrease of more than 1% in gross customer loans.
- On a '**Standalone**' basis, the cost of credit risk goes down from 81 bps in 2010 to 75 bps in 2011.
- The LLPs of **Italease** ('Italease Residual'+ 'Release') stand at €74.9m; the cost of credit risk is 82bps, down vs. 103bps annualised as at 30/09/2011, substantially thanks to the reclassification of one exposure from Watchlist to Restructured loans, with write-backs of roughly €16m.

Asset quality: Group impaired loans & coverage

Gross Group impaired loans

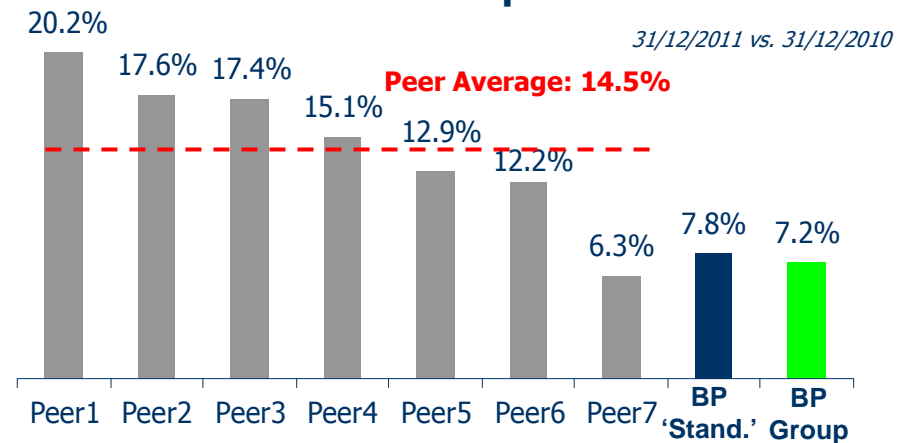


Coverage of Group impaired loans

	31/12/11	30/09/11	31/12/10
• NPL coverage:			
- Total	96.4%	94.8%	95.0%
- Accounting	55.8%	56.0%	59.4%
• Watchlist coverage:			
- Total	76.6%	74.3%	65.2%
- Accounting	18.3%	17.9%	17.6%
• Restructured coverage	12.6%	12.8%	14.9%
• Past Due coverage	7.7%	7.2%	7.8%
Impaired Loan coverage (Write-offs included)	36.4%	35.9%	36.9%

N.B.: NPL accounting coverage includes write-offs.
Total coverage includes real estate collateral, but excludes personal guarantees.

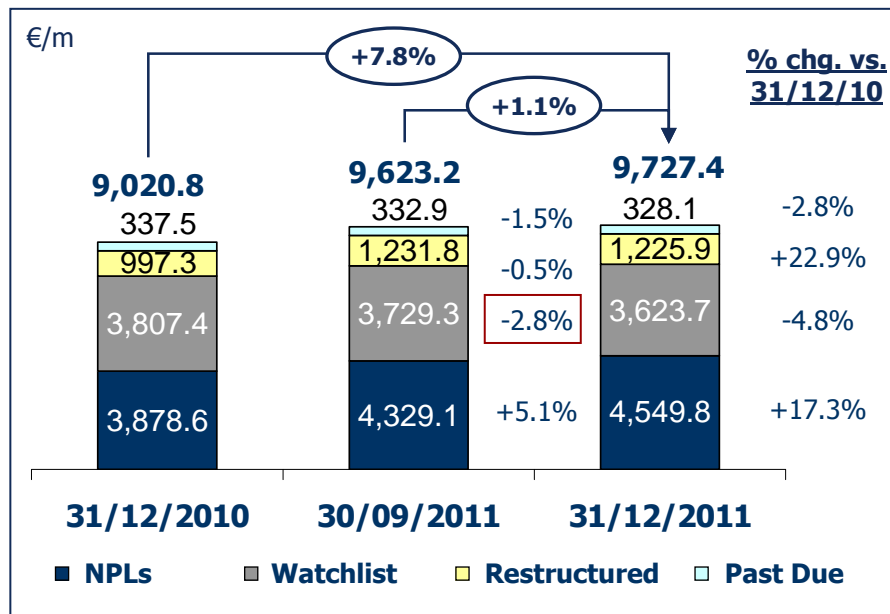
Yearly trend in gross impaired loans vs. domestic peers



Banco Popolare 'Standalone'

Asset quality: focus on BP 'Standalone'

Gross Group impaired loans BP 'Standalone'



Coverage of impaired loans BP 'Standalone'

	31/12/11	30/09/11	31/12/10
• NPL coverage:			
- Total	91.8%	91.5%	91.7%
- Accounting	59.3%	59.3%	63.0%
• Watchlist coverage:			
- Total	68.4%	64.5%	51.2%
- Accounting	18.1%	17.8%	16.8%
• Restructured coverage	15.6%	15.5%	17.5%
• Past Due coverage	7.6%	7.6%	6.8%
Impaired Loans coverage (Write-offs included)	41.0%	40.2%	41.0%

N.B.: NPL accounting coverage includes write-offs.
Total coverage includes real estate collateral, but excludes personal guarantees.

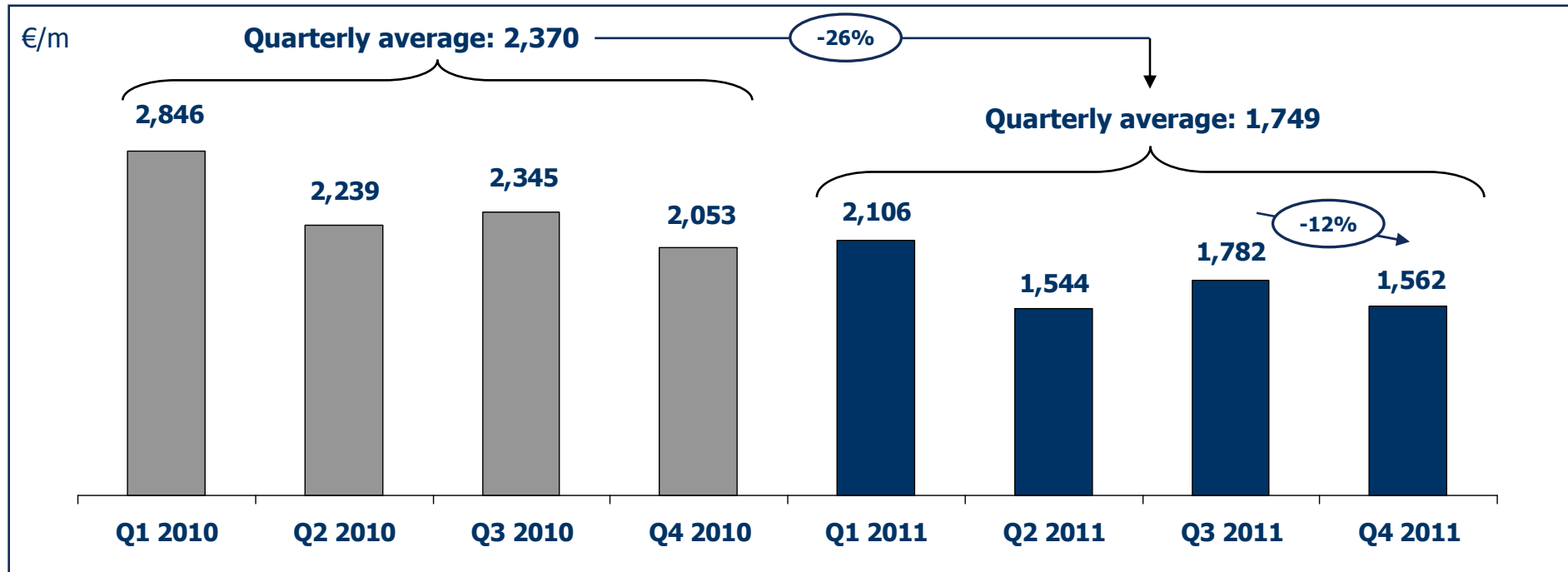
Comments:

- In the fourth quarter of 2011, **NPLs** grow by 5.1% (+17.3% on an annual basis), with an accounting coverage unchanged at 59.3%, while the total coverage increases from 91.5% to 91.8% (excluding personal guarantees).
- The stock of **Watchlist Loans** in the fourth quarter decreases both vs. September and vs. year-end 2010 (-4.8%), with an accounting coverage at 18.1% (68.4% including real estate collateral), higher than the level of 16.8% at year-end 2010.
- The stock and the coverage of **Restructured Loans** are in line with the data of the previous quarter; moreover, the coverage is confirmed at a level higher than the average of the main competitors.
- The stock of **Past-Due Loans** is confirmed at a physiological level, with a coverage of 7.6%, registering a growth vs. the level of year-end 2010 (6.8%).

Banco Popolare 'Standalone'

Significant fall in the flows of new impaired loans

Quarterly trend of Gross flows of new impaired loans



Comments:

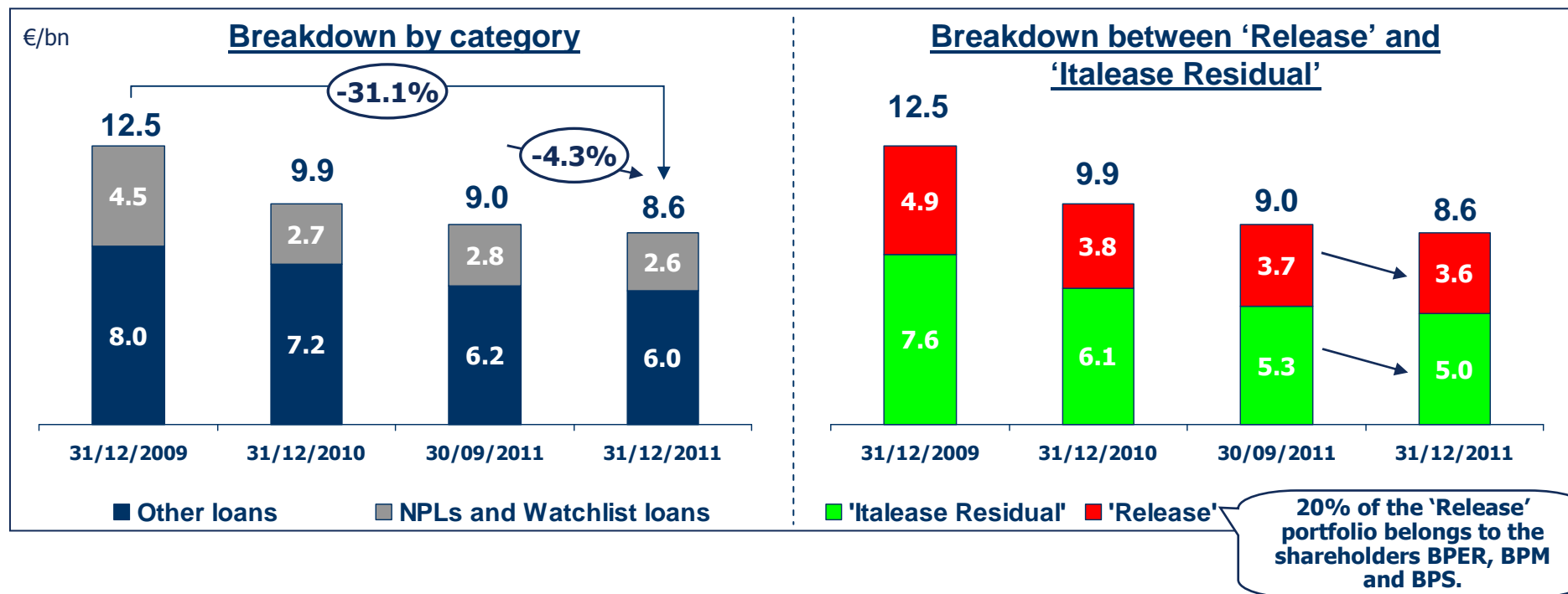
- The gross flows decrease by more than €2.5bn in 2011 as compared with the flows recorded in 2010 (-35.6%).
- In the fourth quarter of 2011, the gross flows of new impaired loans shows a reduction of 24% vs. the same quarter of 2010.
- The quarterly average of such flows in 2011 (€1,749m) shows a strong reduction vs. the average recorded in 2010 (-26%).

Perimeter: Ex Banks of the Territory.

Italease

Italease: significant 'downsizing' e 'derisking'

Trend of Italease gross customer loans



Comments:

- The **total portfolio of Italease** decreases by €3.9bn vs. year-end 2009 (-31%), by €1.3bn (-13%) vs. year-end 2010 and by €386m (-4%) in the fourth quarter of 2011.
- The sum of NPLs and Watchlist loans of the **total portfolio of Italease** falls by €1.9mld (-43%) vs. year-end 2009 and by €209m in the fourth quarter of 2011 (-8%).

Note: Accounting data. Consolidation perimeter includes Release, the 'Italease Residual' portfolio (which comprises Banca Italease, Mercantile Leasing and Italease Gestione Beni), plus other minor SPV subsidiaries.



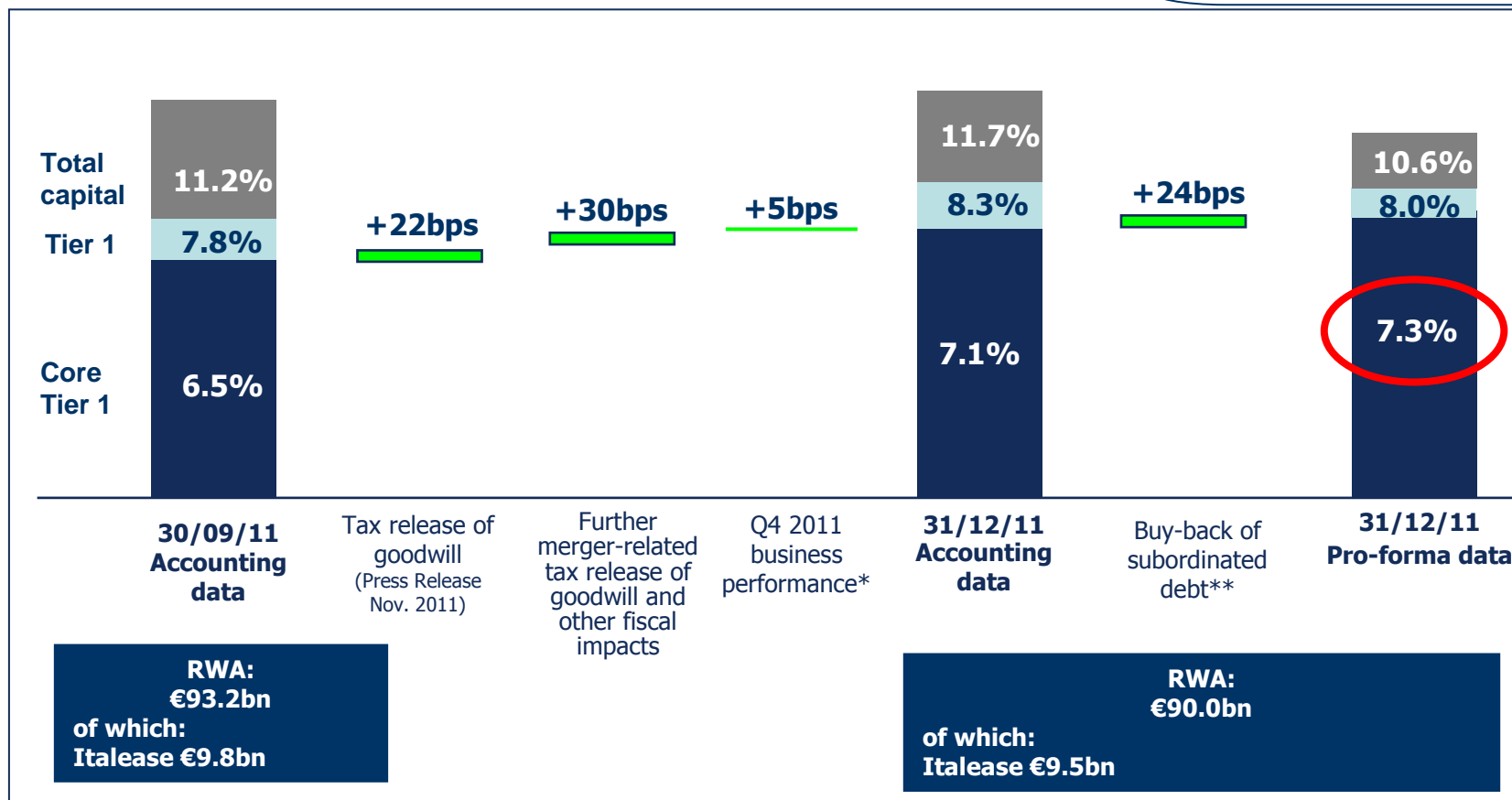
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Capital adequacy

Banco Popolare Group Capital Ratios

Still based on Standard Methodology



* The impact from the Q4 2011 business performance includes the reduction of RWA (-€3.2bn) and the cancellation of a dividend payment hypothesis (3 eurocents per shares, which had been included *pro rata temporis* until 30/09/2011).

** The buy-back of subordinated bonds ("Tier 1" e "Tier 2") was finalised on 20/02/2012, with a net impact on the CT1 ratio of +€221.7m (of which €98.1m at Profit & Loss account level).



Capital management: outlook

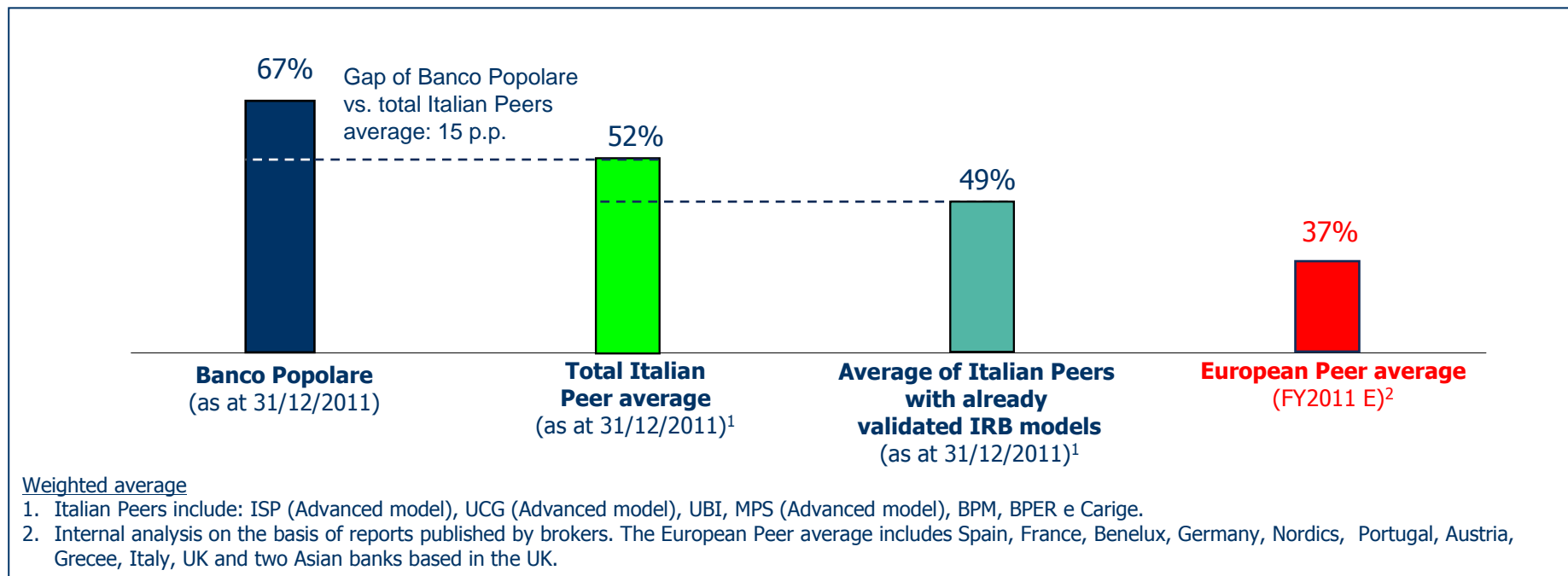
- Including the buy-back transaction of hybrid and subordinated debt instruments, which was finalised on 20 February, 2012 with a contribution of +24 bps, **the Group's pro-forma Core Tier 1 ratio rises to 7.3%** at 31/12/2011.
- Banco Popolare, through the Bank of Italy, has sent a plan to EBA outlining a series of **further capital strengthening actions which, upon EBA approval, are set to enable the Group to achieve the temporary requirement of 9.0% in due time**. As previously communicated to the market, these actions consist mainly of:
 - *Advanced IRB* model adoption for market risks (formal request presented on January 31);
 - *Advanced IRB* model adoption for credit risks (formal request presented on March 20)⁽¹⁾;
 - Optimization of Risk-Weighted Assets;
 - Internal capital generation in H1 2012.

(1) N.B. Compared to the conservative preliminary estimates given in the 9M 2011 results presentation, the capital benefit expected from the model validation increases significantly as a result of the possible enlargement of the scope on which to apply the 'Advanced' model and the assumption of a 'floor' at 85%, as assumed in the final formal request submitted to EBA, in accordance with the Bank of Italy.

- In addition, as an additional buffer, Banco Popolare has required **the computation to the Core Tier 1 of the €1bn SMCN without conversion**. This hypothesis involves the assumption of a binding Board decision that would trigger the conversion of the SMCN in case the Group's Core Tier 1 should fall below a certain threshold (limited to the amount necessary to restore the threshold level).

RWA/Total Assets ratio: Banco Popolare vs. peers

Comparison of RWA/Total Assets ratio



Comments:

- Italy faces a level of risk weighting definitely higher than the average of the main European countries. In such situation, Banco Popolare, still operating under "standard methodology", is penalised by a level of RWA/Total Assets ratio that is higher than the Italian average (67% for Banco Popolare vs. 52% for the total Italian Peer average).
- Such differences have a relevant impact on the calculation of Banco Popolare's capital adequacy ratios. In fact, based on a mere mathematical calculation in which Banco Popolare's RWA/Total Assets ratio is aligned to that of the total Italian Peer average (52%), the Group's RWA would decrease by roughly €20bn, while applying the average of only those Italian Peers with already validated Advanced IRB models (49%), Banco Popolare's RWA would decrease by roughly €24bn.



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Banco Popolare Group Consolidated FY 2011 income statement: annual change

Reclassified income statement - €/m	INCLUDING PPA line-by-line			EXCLUDING PPA line-by-line		
	31/12/2011	31/12/2010	Chg.	31/12/2011	31/12/2010	Chg.
Net interest income	1,810.5	1,816.1	(0.3%)	1,937.4	2,029.9	(4.6%)
Profit (loss) on equity investments carried at equity	(7.9)	38.6	(120.5%)	(7.9)	38.6	(120.5%)
Net interest, dividend and similar income	1,802.6	1,854.7	(2.8%)	1,929.5	2,068.5	(6.7%)
Net commissions	1,273.4	1,266.8	0.5%	1,273.4	1,266.8	0.5%
Other revenues	43.4	57.9	(25.1%)	80.9	97.9	(17.3%)
Net financial income (excluding FVO)	233.1	144.0	61.8%	242.8	156.4	55.2%
Fair Value Option result (FVO)	464.2	395.5	17.4%	464.2	395.5	17.4%
Other operating income	2,014.1	1,864.2	8.0%	2,061.4	1,916.7	7.6%
Total income	3,816.6	3,719.0	2.6%	3,990.9	3,985.2	0.1%
Personnel expenses	(1,509.3)	(1,540.9)	(2.1%)	(1,509.3)	(1,540.9)	(2.1%)
Other administrative expenses	(747.9)	(759.8)	(1.6%)	(747.9)	(759.8)	(1.6%)
Amortization and depreciation	(149.4)	(148.1)	0.8%	(144.7)	(144.1)	0.4%
Operating costs	(2,406.6)	(2,448.9)	(1.7%)	(2,401.9)	(2,444.8)	(1.8%)
Profit from operations	1,410.0	1,270.1	11.0%	1,589.0	1,540.3	3.2%
Net write-downs on impairment of loans, guarantees and commitments	(759.4)	(771.1)	(1.5%)	(759.4)	(771.1)	(1.5%)
Net write-downs on impairment of other financial transactions	(92.4)	(96.2)	(4.0%)	(92.4)	(96.2)	(4.0%)
Net provisions for risks and charges	(64.1)	(236.3)	(72.9%)	(64.1)	(236.3)	(72.9%)
Impairment of goodwill and equity investments	(1.3)	(1.1)	10.0%	(1.3)	(1.1)	10.0%
Profit (loss) on disposal of equity and other investments	67.9	12.7	n.s.	74.4	53.1	40.1%
Income before tax from continuing operations	560.9	178.0	215.1%	746.3	488.6	52.7%
Tax on income from continuing operations (excluding FVO)	173.3	243.1	(28.7%)	119.0	145.7	(18.3%)
Tax on FVO result	(156.7)	(127.8)	22.6%	(156.7)	(127.8)	22.6%
Income (Loss) after tax from non-current assets held for sale	16.0	38.3	(58.1%)	16.1	66.1	(75.6%)
Minority interest	(19.5)	(23.5)	(17.2%)	(19.7)	(31.0)	(36.3%)
Net income for the period before goodwill impairment	574.1	308.0	86.4%	705.1	541.7	30.2%
Banca Popolare Italiana goodwill impairment	(2,831.5)	-		(2,831.5)	-	
Net income for the period excluding PPA				(2,126.4)	541.7	n.s.
PPA impact after tax				(130.9)	(233.7)	(44.0%)
Net income for the period including PPA	(2,257.3)	308.0		(2,257.3)	308.0	n.s.

Includes tax release on goodwill for €308m

Includes €286m of Italease Tax Assets

Of which ex-BPI: -€96.7m
Of which Italease: -€34.2m

Banco Popolare Group Consolidated FY 2011 income statement: breakdown

Reclassified income statement - €/m	31/12/2011		31/12/2011			
	Banco Popolare Group (PPA line-by-line)		Banco Popolare (Standalone)	PPA ex-BPI	Italease	PPA Italease
Net interest income	1,810.5	1,869.3	(82.1)	68.0	(44.8)	
Profit (loss) on equity investments carried at equity	(7.9)	5.8		(13.7)		
Net interest, dividend and similar income	1,802.6	1,875.1	(82.1)	54.4	(44.8)	
Net commissions	1,273.4	1,270.7		2.7		
Other revenues	43.4	58.8	(37.6)	22.1		
Net financial income (excluding FVO)	233.1	234.1	(3.7)	8.7	(6.1)	
Fair Value Option result (FVO)	464.2	464.2		-		
Other operating income	2,014.1	2,027.8	(41.2)	33.6	(6.1)	
Total income	3,816.6	3,902.9	(123.4)	88.0	(50.9)	
Personnel expenses	(1,509.3)	(1,486.2)		(23.1)		
Other administrative expenses	(747.9)	(698.2)		(49.7)		
Amortization and depreciation	(149.4)	(118.6)	(4.7)	(26.1)		
Operating costs	(2,406.6)	(2,303.0)	(4.7)	(98.9)	-	
Profit from operations	1,410.0	1,599.9	(128.0)	(10.9)	(50.9)	
Net write-downs on impairment of loans, guarantees and commitments	(759.4)	(684.5)		(74.9)		
Net write-downs on impairment of other financial transactions	(92.4)	(92.5)		0.1		
Net provisions for risks and charges	(64.1)	(6.5)	0.0	(57.6)		
Impairment of goodwill and equity investments	(1.3)	(1.3)		-		
Profit (loss) on disposal of equity and other investments	67.9	59.9	(6.5)	14.5		
Income before tax from continuing operations	560.9	875.1	(134.5)	(128.8)	(50.9)	
Tax on income from continuing operations (excluding FVO)	173.3	89.4	37.8	29.6	16.5	
Tax on FVO result	(156.7)	(156.7)		-		
Income (Loss) after tax from non-current assets held for sale	16.0	14.6		1.5	(0.1)	
Minority interest	(19.5)	(25.0)	0.0	5.3	0.2	
Net income for the period before goodwill impairment	574.1	797.4	(96.7)	(92.3)	(34.2)	
				+€700.6m		
				-€126.5m		

Banco Popolare Group

Relevant impacts on the P&L in FY 2011

A. RELEVANT ITEMS OF THE NORMALIZATION

	FY 2011		Q4 2011	
	Gross	Net	Gross	Net
- FAIR VALUE OPTION <i>(Income statement item: Net financial income)</i>	464.2	307.5	58.1	38.9
- WRITE-DOWNS/WRITE-BACKS ON GOVERNMENT BOND PORTFOLIO <i>(Income statement item: Net financial income)</i>	(88.1)	(59.0)	(21.1)	(14.1)
SUB-TOTAL: IMPACT ON NET FINANCIAL RESULT	376.1	248.6	37.0	24.7
- SEVERANCE COSTS <i>(Income statement item: Personnel expenses)</i>	(55.1)	(40.0)	(48.5)	(35.2)
- IMPAIRMENT ON GREEK GOVERNMENT BONDS <i>(Income statement item: Net write-downs on impairment of other financial transactions)</i>	(25.4)	(18.4)	(5.3)	(3.8)
- PROFIT ON DISPOSAL OF EQUITY INVESTMENTS <i>(Income statement item: Profit/loss on disposal of equity and other investments)</i>	47.2	46.5	0.0	0.0
- GOODWILL TAX RELEASE <i>(Income statement item: Tax on income from continuing operations -excluding FVO)</i>	307.7	307.7	307.7	307.7
- PROFIT ON ASSETS HELD FOR SALE <i>(Income statement item: Income/Loss after tax from non-current assets held for sale)</i>	16.1	16.1	(3.0)	(3.0)
- BANCA POPOLARE ITALIANA GOODWILL IMPAIRMENT	(3,111.9)	(2,831.5)	(3,111.9)	(2,831.5)
TOTAL	(2,445.3)	(2,271.0)	(2,824.0)	(2,541.0)

B. OTHER RELEVANT ELEMENT

Furthermore, the profitability of the fourth quarter has been impacted by the following prudent decisions:

- "Profit (Loss) from equity investments booked at equity": negative impact mainly due to extraordinary loan provisions related to Agos Ducato, which have reduced the contribution to the Profit and Loss account by roughly €30m.
- "Net write-downs on impairments of other financial transactions": extraordinary write-down of the 'non core' AFS equity investment portfolio for roughly €50m.
- "Net provisions for risks and charges": provisions for other risks for ~€55m.

Banco Popolare Group

'Normalized' FY 2011 consolidated income statement

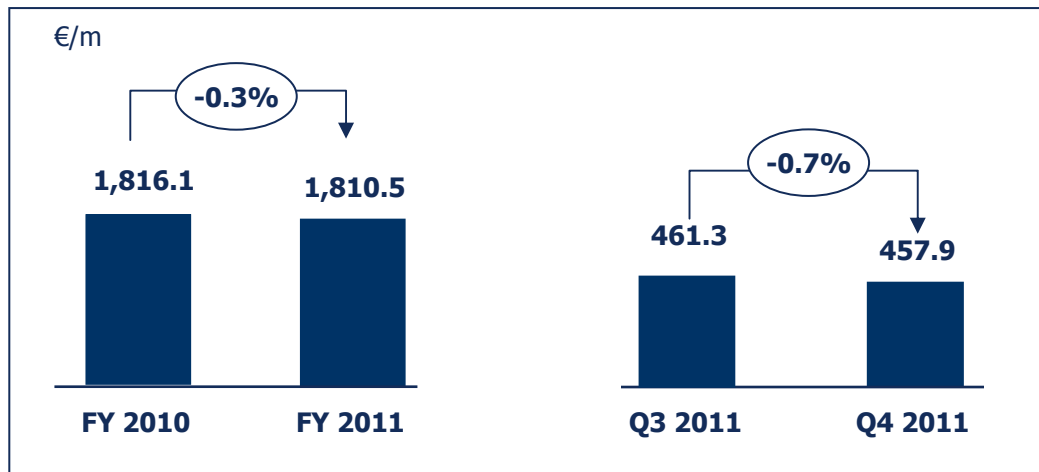
Reclassified income statement - €/m	Accounting data	PPA (ex-BPI + BIL)	Accounting data excluding PPA	Fair Value Option	Capital gain on Government securities	Capital gain on ICBPI disposal and non-current assets held for sale	Severance Costs	Costs of the Large Banca Popolare project	BPI goodwill impairment	Goodwill tax release	Normalized Income statement excl. PPA
Net interest income	1,810.5	(126.9)	1,937.4								1,937.4
Profit (loss) on equity investments carried at equity	(7.9)		(7.9)								(7.9)
Net interest, dividend and similar income	1,802.6	(126.9)	1,929.5	-	-	-	-	-	-	-	1,929.5
Net commissions	1,273.4		1,273.4								1,273.4
Other revenues	43.4	(37.6)	80.9								80.9
Net financial result	697.3	(9.8)	707.0	464.2	(88.1)						330.9
Other operating income	2,014.1	(47.3)	2,061.4	464.2	(88.1)	-	-	-	-	-	1,685.3
Total income	3,816.6	(174.2)	3,990.9	464.2	(88.1)	-	-	-	-	-	3,614.8
Personnel expenses	(1,509.3)		(1,509.3)				(55.1)				(1,454.2)
Other administrative expenses	(747.9)		(747.9)					(18.6)			(729.4)
Amortization and depreciation	(149.4)	(4.7)	(144.7)								(144.7)
Operating costs	(2,406.6)	(4.7)	(2,401.9)	-	-	-	(55.1)	(18.6)	-	-	(2,328.2)
Profit from operations	1,410.0	(178.9)	1,589.0	464.2	(88.1)	-	(55.1)	(18.6)	-	-	1,286.6
Net write-downs on impairment of loans, guarantees and commitments	(759.4)		(759.4)								(759.4)
Net write-downs on impairment of other financial transactions	(92.4)		(92.4)		(25.4)						(67.0)
Net provisions for risks and charges	(64.1)		(64.1)					(5.6)			(58.5)
Impairment of goodwill and equity investments	(1.3)		(1.3)								(1.3)
Profit (loss) on disposal of equity and other investments	67.9	(6.5)	74.4			47.2					27.2
Income before tax from continuing operations	560.9	(185.4)	746.3	464.2	(113.5)	47.2	(55.1)	(24.2)	-	-	427.7
Tax on income from continuing operations	16.7	54.3	(37.6)	(156.7)	36.1	(0.6)	15.2	7.6		307.7	(246.9)
Income (Loss) after tax from non-current assets held for sale	16.0	(0.1)	16.1			16.1					-
Minority interest	(19.5)	0.3	(19.7)								(19.7)
Net Income for the period before goodwill impairment	574.1	(130.9)	705.1	307.5	(77.4)	62.6	(40.0)	(16.6)	-	307.7	161.2
Banca Popolare Italiana goodwill impairment	(2,831.5)		(2,831.5)						(2,831.5)		-
Net income for the period	(2,257.3)	(130.9)	(2,126.4)	307.5	(77.4)	62.6	(40.0)	(16.6)	(2,831.5)	307.7	161.2

The PPA impact in 2011 was equal to **-€130.9m** (of which -€34.2m Italease). It is expected to decrease to about **-€48m** (of which -€15m Italease) in 2012, **-€27m** (of which -€5m Italease) in 2013.

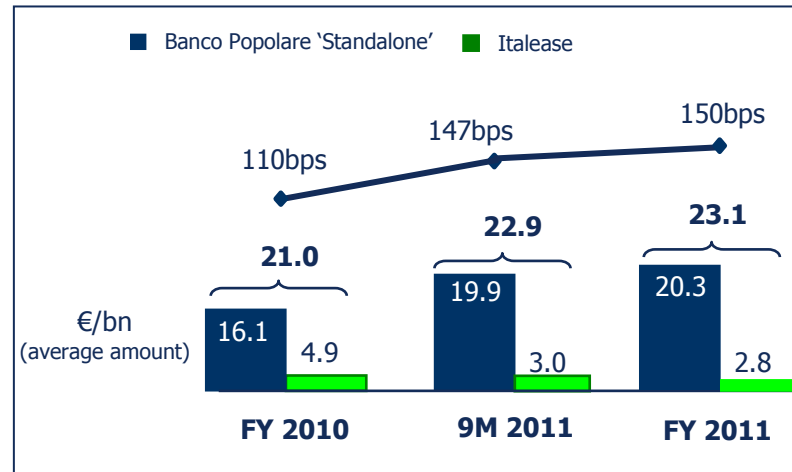
Banco Popolare Group

Net Interest Income

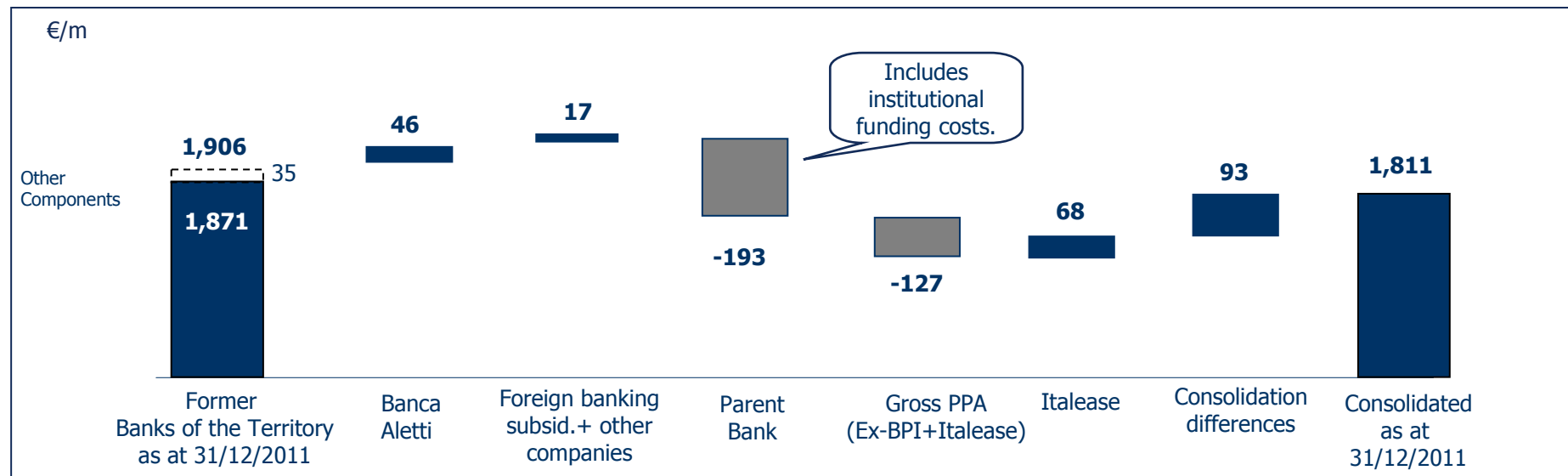
Annual and quarterly trend



Average spread of wholesale funding cost



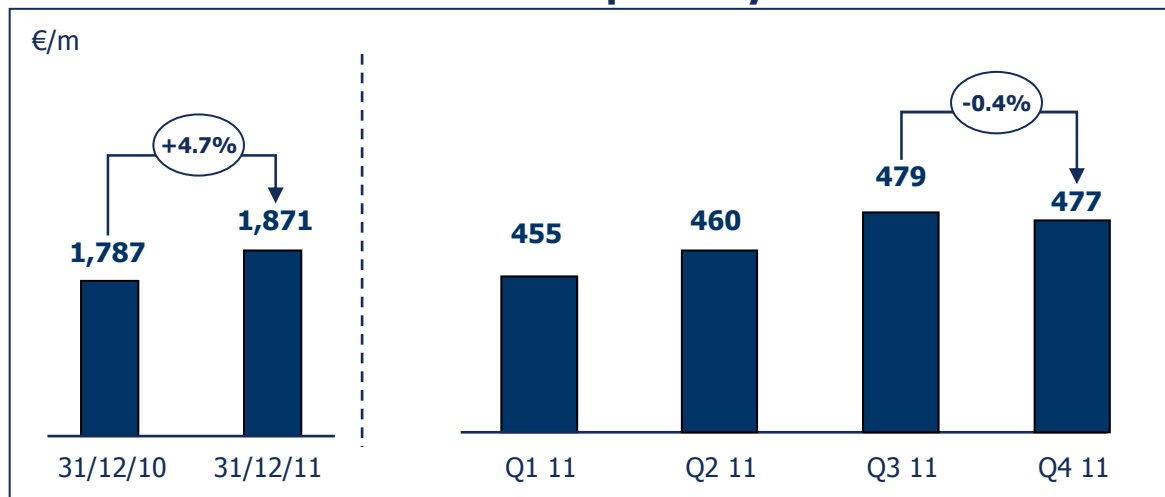
Breakdown of Net Interest Income



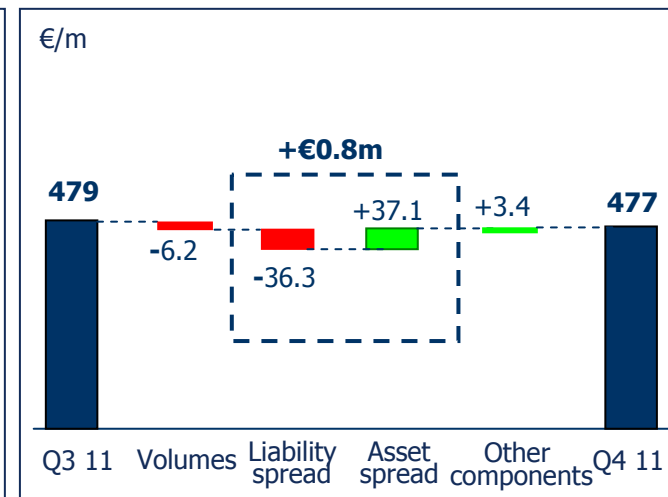
Banco Popolare 'Standalone'

Customer NII of the commercial network*

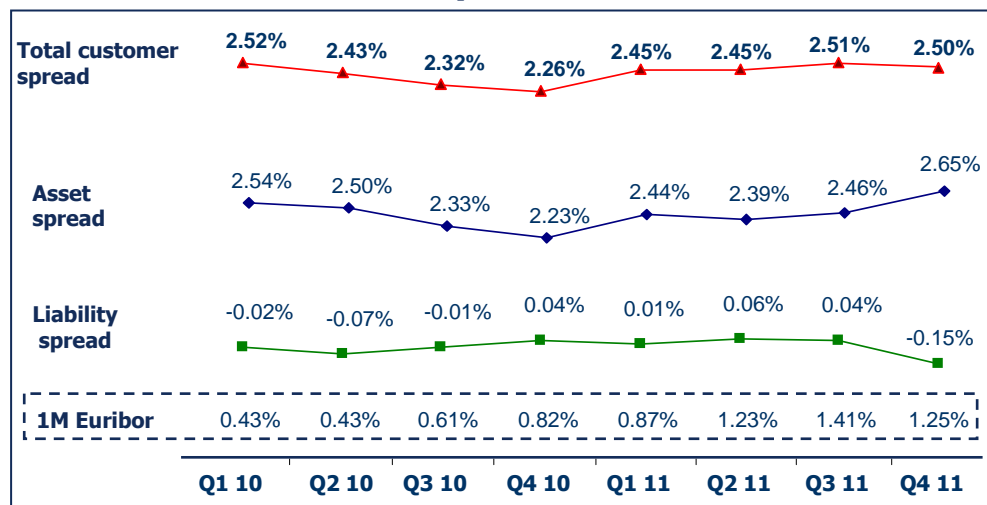
Annual and quarterly trend



Quarterly trend drivers



Customer spread: evolution



Comments

- Net interest income of the commercial network increased by 4.7% y/y and is down by 0.4% from the previous quarter, due to lower volumes.
- Total customer spread is essentially unchanged from the previous quarter, thanks to the strong action of repricing pursued by the Group, which has allowed the growth in asset spread (+19bps) to offset the decline recorded in the liability spread (-19bps); the latter is essentially a reflection of a decrease in the Euribor rates and the level of heightened competition in retail deposits, which was particularly pronounced compared to the previous quarter.
- The intense action of repricing has continued in the months of January and February, resulting in an increase in the total customer spread.

*Analysis based on the customer funds and customer loans of the commercial network.

Banco Popolare Group

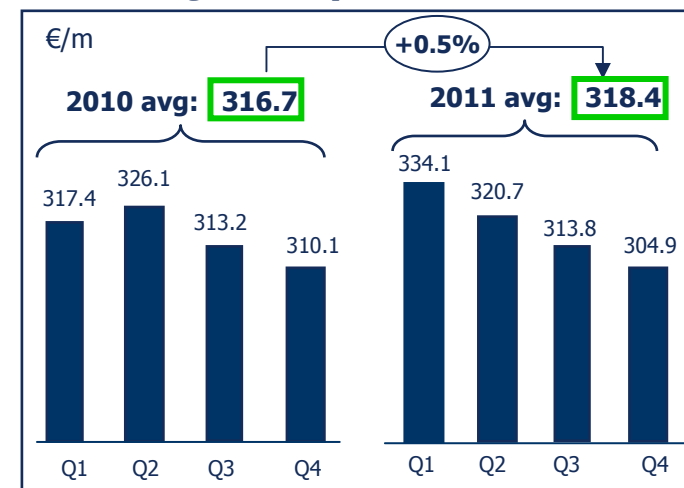
Net commissions

Analysis of Net commissions

€/m	31/12/11	31/12/10 *	Chg. %
Mgmt. brokerage and advisory serv.	571.9	605.7	-5.6%
Management of c/a and cust. relations	469.0	425.0	10.3%
Payment and collection services	126.3	113.9	10.9%
Guarantees given	52.0	57.6	-9.7%
Other services	54.4	64.7	-16.0%
Total	1,273.4	1,266.8	0.5%

* The items "Mgmt., brokerage and advisory services" and "Other services" have been reclassified.

Quarterly evolution



Composition of 'Management, brokerage and advisory services'

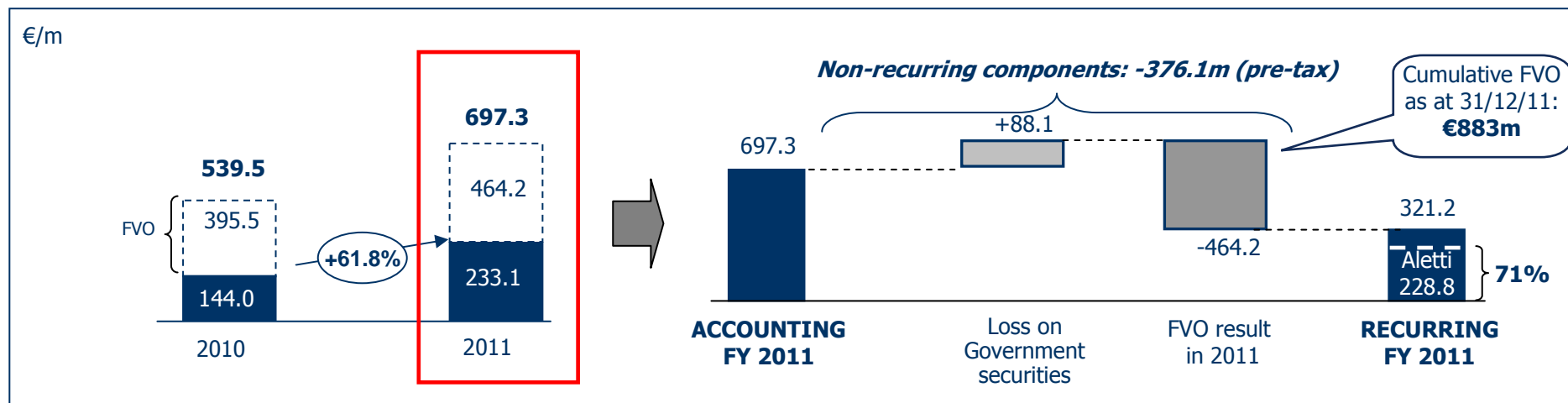
€/m	31/12/11	31/12/10	Chg. %
Placement of savings products:	375.8	414.0	-9.2%
- Securities sale and distribution	74.7	76.5	-2.3%
- Asset management	149.8	153.4	-2.4%
- Bancassurance	51.3	84.1	-17.8%
Consumer credit	43.5	60.5	-28.0%
Credit cards and other	70.1	53.9	30.1%
Custodian banking services	11.9	14.8	-19.3%
FX & trading activities of branch customers	68.0	61.9	9.9%
Other	2.5	0.6	330.7%
Total	571.9	605.7	-5.6%

Comments

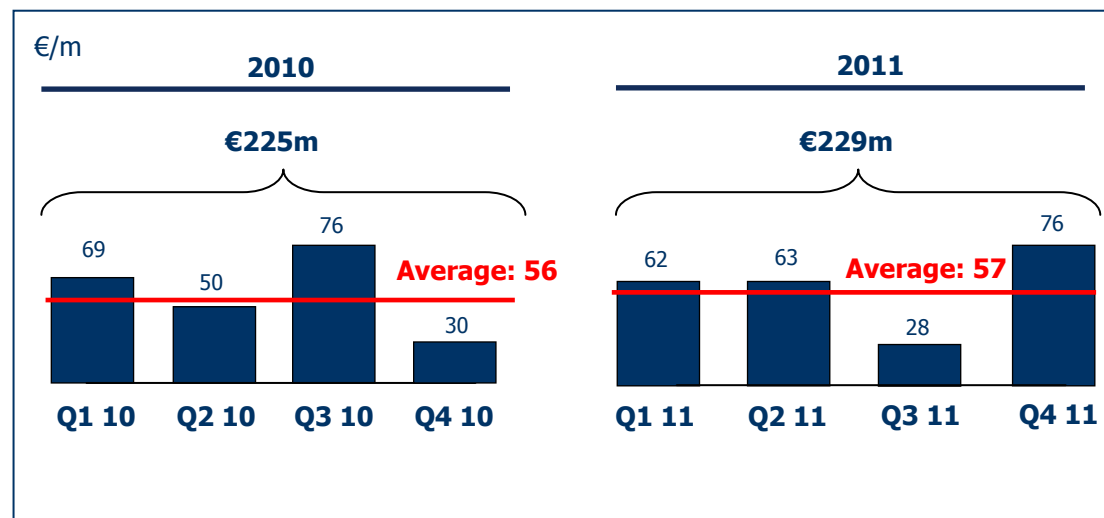
- Commissions in line, despite the difficult market conditions: +0.5% y/y.
- The quarterly decrease during 2011 is due to the financial market crisis and the macroeconomic environment, which strongly penalized the bancassurance segment and the consumer credit business, in particular in the second half.
- The data for the first two months of 2012 show a reversal of the downward trend.

Banco Popolare Group Net Financial Result

Group Net Financial Result



Banca Aletti contribution to Net Financial Result



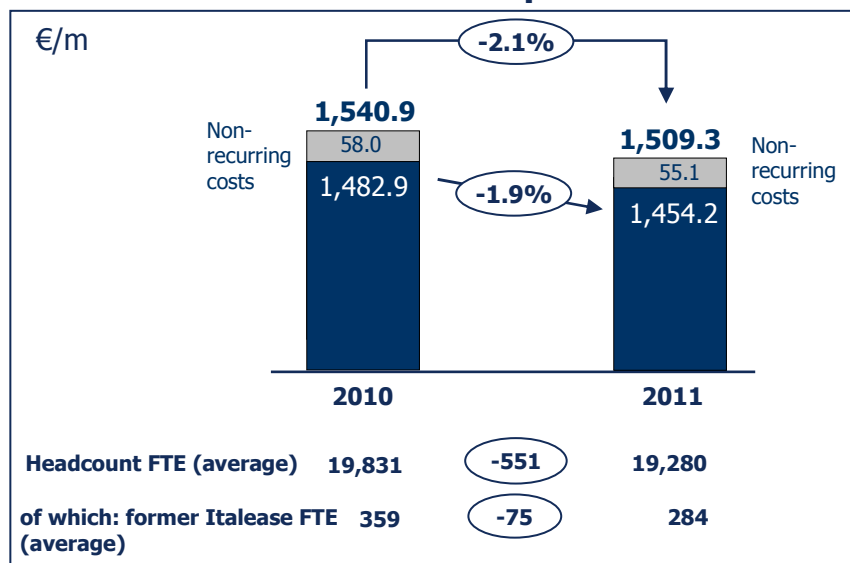
Comments

- Excluding the FVO (€464m), the NFR amounted to €233m, up **62%** on an annual basis.
- The negative impact of -€88m related to the portfolio of Government securities (of which 97% are Italian Government bonds) has already been largely recovered during the first quarter of 2012.
- The contribution of Banca Aletti in 2011 was **€229m (71% of recurring NFR)**, in line with the previous year (€225m), notwithstanding the financial market volatility.

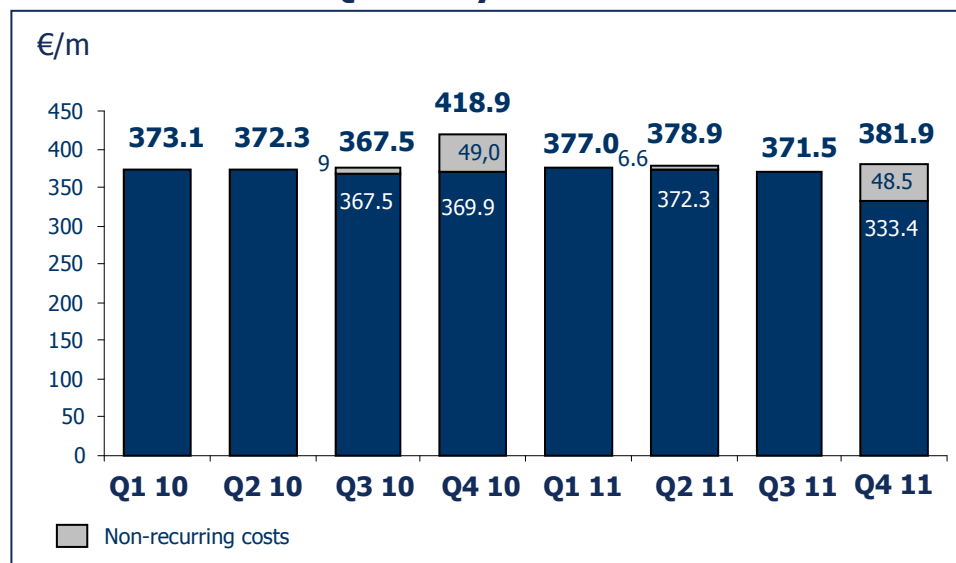
Banco Popolare Group

Operating costs: personnel expenses

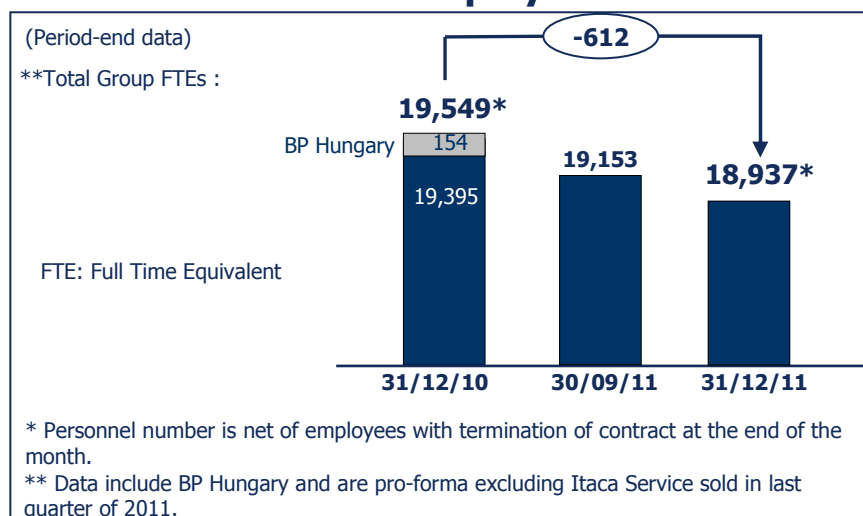
Personnel expenses



Quarterly evolution



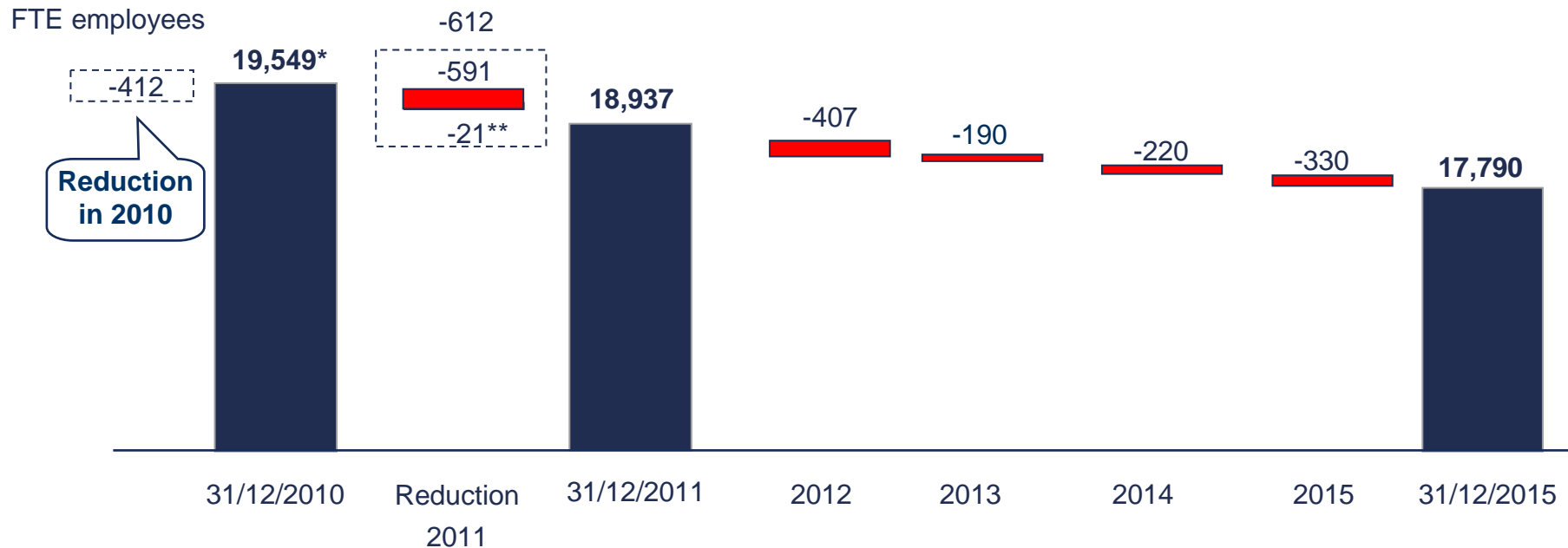
FTE employees



Comments

- The 2011 figures include €55.1m of extraordinary costs related to the headcount reduction plan, of which €48.5m recorded in the fourth quarter of 2011.
- Net of non recurring items, personnel costs decrease by 1.9% due to:
 - Staff efficiency policy (which will bring further benefits in 2012);
 - Correction of provisions for the National Labour Contract, following the signing of agreements on 19 January 2012.
- Headcount (FTEs): the average number shows a decrease of 551 units, while the period-end data registered a reduction of 612 resources.

Banco Popolare Group Group headcount evolution 2011-2015



Reduction of total FTE employees in the period 2010-2015: **-2,150 resources**

- In the period 2010-2011, a reduction of **1,003 FTEs** was recorded, compared to **850** targeted in the Business Plan.
- Consequently, in the period 2012-2015 the planned reduction will amount to **1,147 FTEs**.

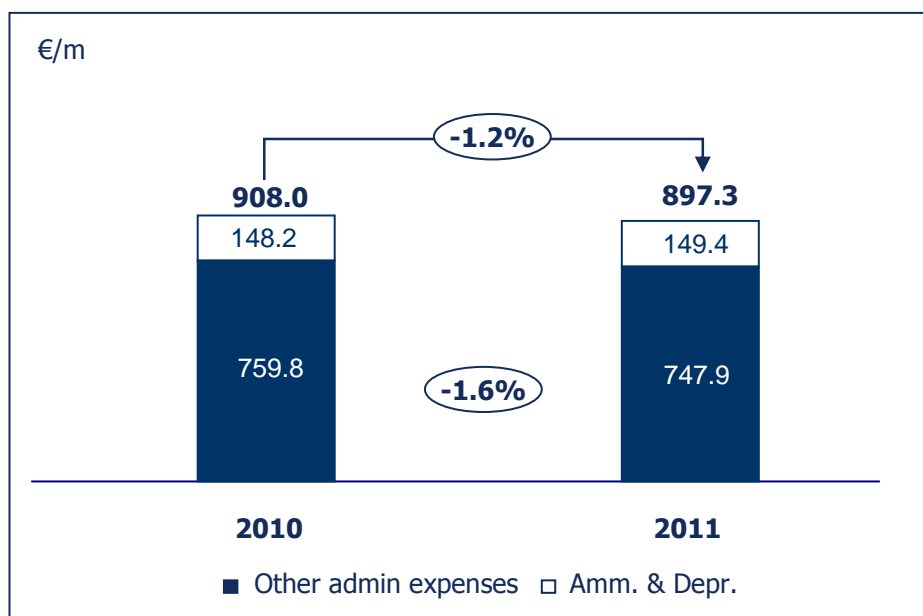
* Data include BP Hungary (+154 FTEs) and are pro-forma excluding Itaca Service (-40 FTE) sold in last quarter of 2011.

** Divestment of IGB business unit and alignment at FTE.

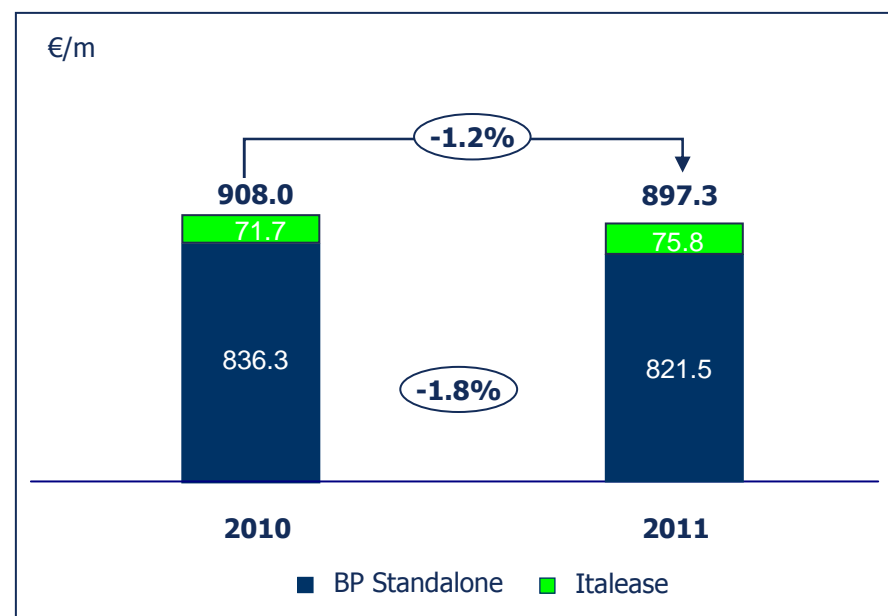
Banco Popolare Group

Operating costs: non-personnel expenses

**Total non-personnel expenses:
analysis by category**



**Total non-personnel expenses:
Standalone and Italease**



Comments:

- Further progress in cost cutting at Group level (-1.2%), with a decrease of 1.6% in Other administrative expenses.
- In the 'Standalone' perimeter, total costs fall by 1.8% (-€15m), in particular due to the decrease of intergroup VAT (following the merger of the Banks of the Territory into the parent company) of €27.5m, partially offset by one-off costs incurred in relation to the 2011 merger project (€18m). The rise in inflation in 2011 (+2%) was fully recovered by cost management actions.
- In the Italease perimeter, the increase in costs was entirely related to elements of extraordinary nature (legal fees), for approximately €5m.



Outlook

- ❑ A **positive performance of the core banking business** is expected thanks to the commercial strategy, continuing repricing actions and a further improvement in operating efficiency.

- ❑ A plan with **further capital strengthening initiatives** envisages the achievement of a 9.0% Core Tier 1 capital ratio in due time, without conversion of the SMCN.

- ❑ **The strong liquidity profile** puts the Group in a position to address both a scenario with market difficulties as well as a scenario of recovery of economic and banking activities.

- ❑ Finalization of the **new organizational model and completion of the IT system migration** related to the 'Large Banca Popolare' project by June 2012.

- ❑ **Credit quality:** decline in the flows of new impaired loans in 2011, with a stabilisation of the stock of total impaired loans and of the cost of credit risk. In the first two months of 2012, without considering the change in the classification of Past Due loans (from 181 days of payment delay to 91 days), the flows of new impaired loans show a decline over the corresponding period of 2011.





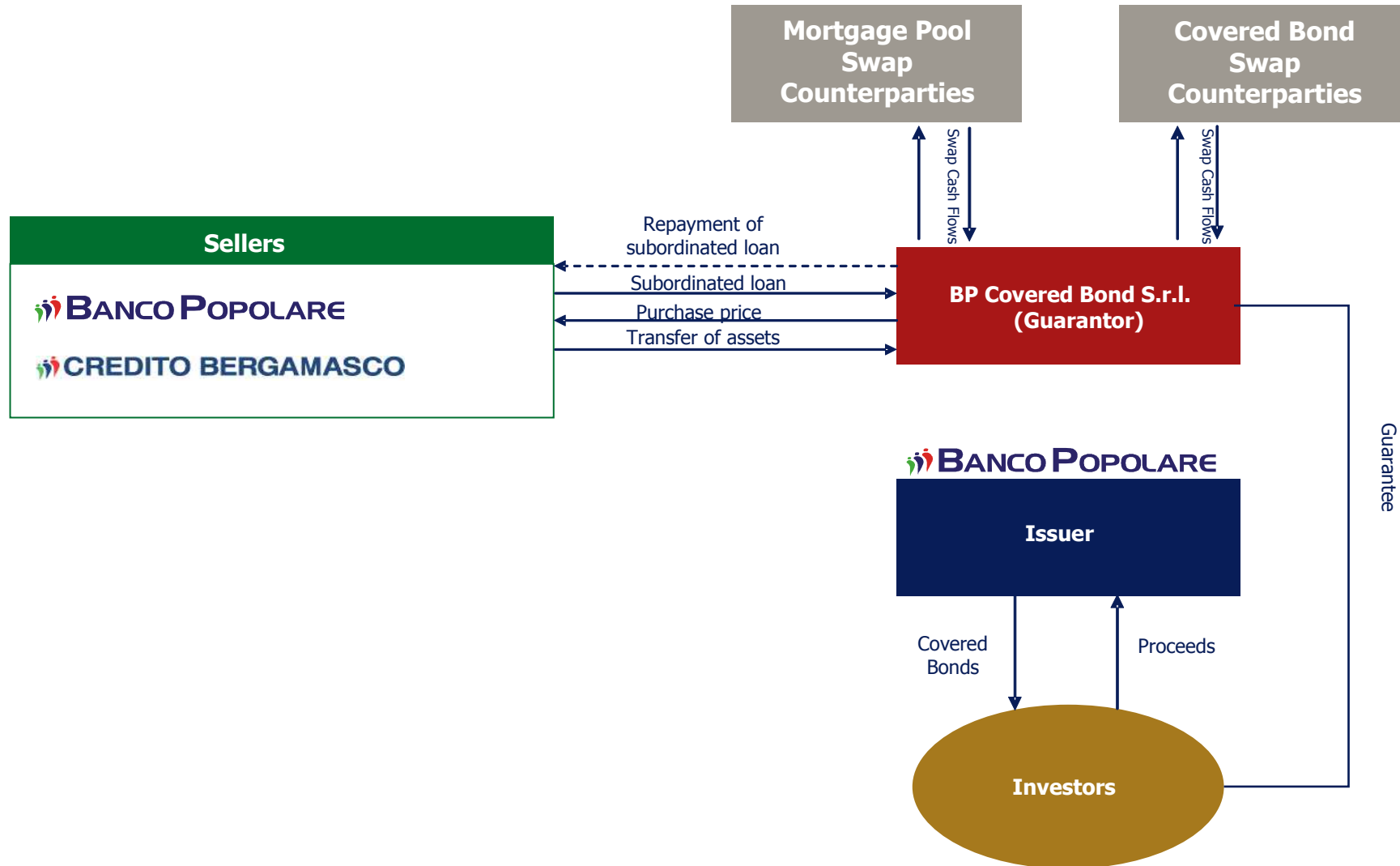
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Summary of the Banco Popolare Covered Bond programme

Issuer	Banco Popolare Società Cooperativa
Originator	Banco Popolare Società Cooperativa e Credito Bergamasco
Guarantor	BP Covered Bond S.r.l. a bankruptcy remote, special purpose entity which benefits from segregation principals well established under law 130/1999
Security Structure	Italian Law-based Covered Bonds (OBG)
Cover Pool	Exclusively Italian prime residential mortgages
Maximum LTV	80% at inclusion and capped by the Asset Coverage Test (ACT)
Substitute Assets	Up to 15%
Listing/Denomination	Luxembourg Stock Exchange; EUR 100,000
Over-collateralisation	Dynamically adjusted via ACT/Interest Coverage Test
Ratings	A1 / AA (Moody's / Fitch)
Asset Monitor	Mazars S.p.A.
Type of Issuance	Jumbo benchmark size
Governing law	Italian
Arrangers	RBS, UBS Investment Bank
Bondholders Trustee	BNP Paribas
Risk Weighting	10%

Overview of Covered Bond issuance structure

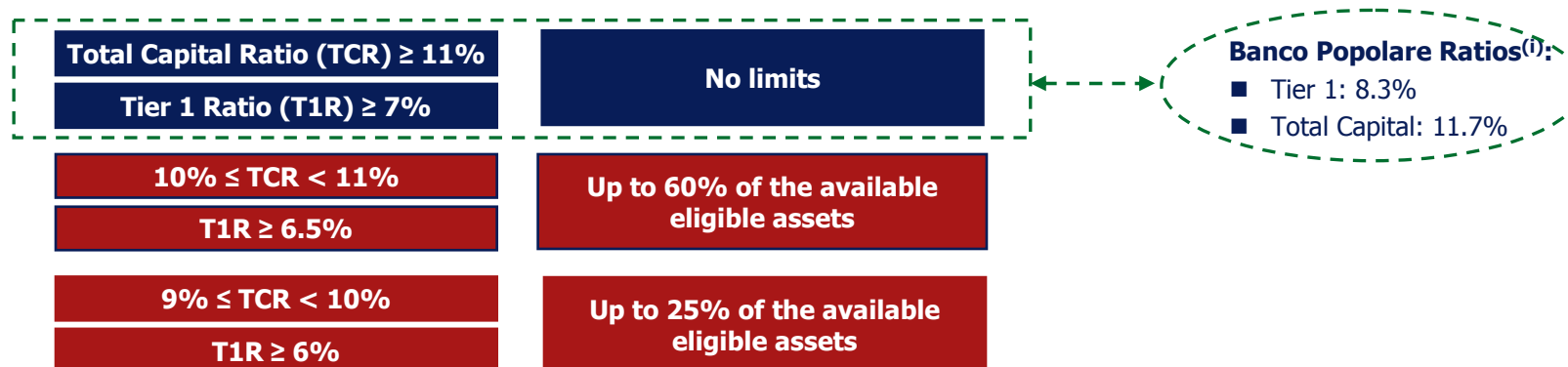


Italian Covered Bond Legal Framework

Name of the instruments	Obbligazioni Bancarie Garantite
Legislation	Article 7-bis of law 130/1999, Ministry of Economy & Finance decree 310 dated 14 December 2006 and Bank of Italy instructions issued on 17 May 2007
Special banking principle	No: any Italian bank fulfilling specific criteria for transfer of Assets and issuance of Covered Bonds
Restriction on business activity	N/A
Asset Allocation	Cover assets are segregated by Law through the transfer to a separate entity
Inclusion of hedge positions	Hedge position are part of the structural enhancements intended to protect bondholders
Integration Assets	Up to 15%
Geographical scope for public assets	EEA states and Switzerland, subject to a maximum risk weighting of 20% Non-EEA states or local authorities subject to a maximum risk weighting of 20% and up to 10% of the pool
Geographical scope for mortgage assets	EEA and Switzerland
LTV barrier residential / commercials	80% / 60%
Special Supervision	Bank of Italy
Protection against ALM	Yes – Mandatory Test and Voluntary Tests
Protection against credit risk	Seller may replace, non-eligible, defaulted or non-performing loans
Mandatory over- collateralisation	To be subject to an asset coverage test on a contractual basis
Voluntary over-collateralisation	Yes
Outstanding OBG to regulatory capital	Depending on Tier 1 and total capital ratios. There is no limit as long as the respective bank maintains a total capital ratio above 11% and a tier 1 ratio above 7%
1st claim in the event of insolvency	All payments are received from the special entity's assets. These payments are expected to be collected in a separate account. Investors continue to receive scheduled payments, as if the issuer had not defaulted
External support mechanisms	In the event of insufficient pool assets proceeds to cover their claim, investors rank pari passu with senior debt holders. There is a simultaneous unsecured dual claim against the issuer and secured against the portfolio held by the specially separated entity
Compliance with CRD	Yes
Compliant with UCITS Art. 22 par. 4	Yes

Bank of Italy OBG requirements

- Pursuant to Bank of Italy supervisory regulation (dated 15 May 2007), OBG may only be issued by banks with:
 - minimum consolidated regulatory capital of € 500m
 - minimum Total Capital Ratio of 9%
 - minimum Tier 1 Ratio of 6%
- In addition the assignment of assets to the cover pool is subject to certain limits based on the bank's total capital and Tier 1 ratios:



(i) Accounting ratios as of 31/12/2011

"OC" and ALM matching requirements

Asset Coverage Test (ACT)

Minimum 7.5% "OC"(93% Asset Percentage) adjusted dynamically to protect the maximum rating achievable

"OC" Test

The aggregate outstanding amount of the Cover Pool must be at least equal to the Outstanding Amount of all the OBG issued under the Programme

Net Present Value Test

The Net Present Value of the cover pool (net of the SPV general and administrative expenses) including derivatives must be at least equal to the NPV of the outstanding Obbligazioni Bancarie Garantite

Interest Coverage Test

Interests generated by the cover pool (including derivatives) must be sufficient to cover interest payments under the Obbligazioni Bancarie Garantite

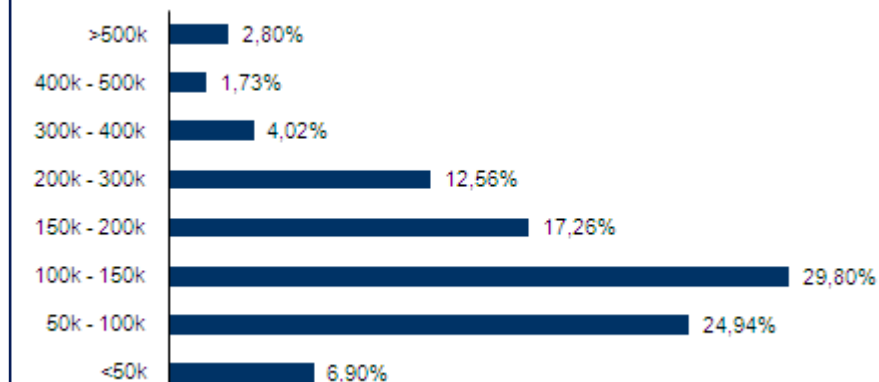
Mandatory Test (by Law)

Note: These pages contain a summary/overview of the Priority of Payments and Tests. For the official wording please refer to the Base Prospectus

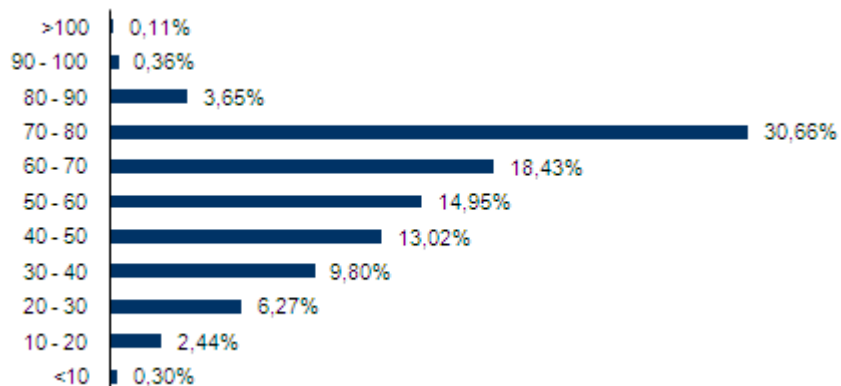
Cover Pool Highlights (1/3)

Balance (€)	9.325.037.408
Number of loans	91.239
Average loan balance	102.205
WA seasoning (years)	2,87
WA remaining term (years)	19,18
Number of borrowers	90.835
WA CLTV	51,58%
Percentage of floating rate mortgages (%)	70,23%
WA interest rate on floating rate loans (%)	2,62%
WA margin on floating rate loans (bps)	125,98
WA interest rate on fixed rate loans (%)	4,59%
WA interest rate (%)	3,21

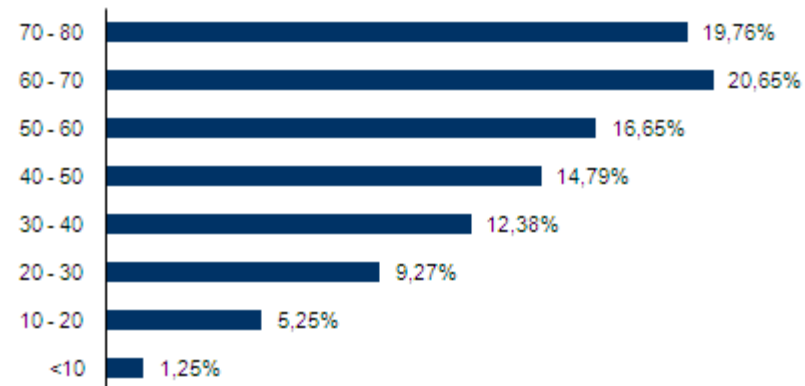
Current loan balance (EUR)



Original LTV (%)



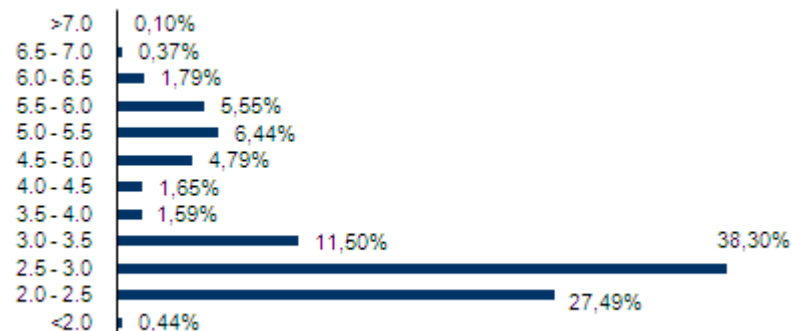
Current LTV (%)



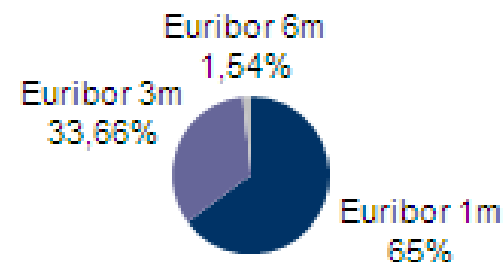
Figures refer to volume of outstanding mortgage loans – data as of 31 December 2011.

Cover Pool Highlights (2/3)

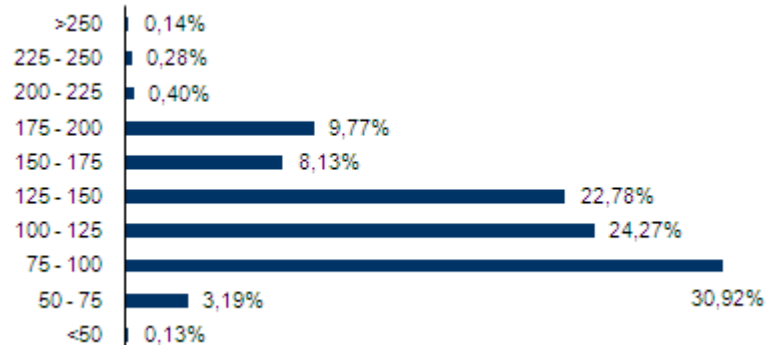
Current interest rates (%)



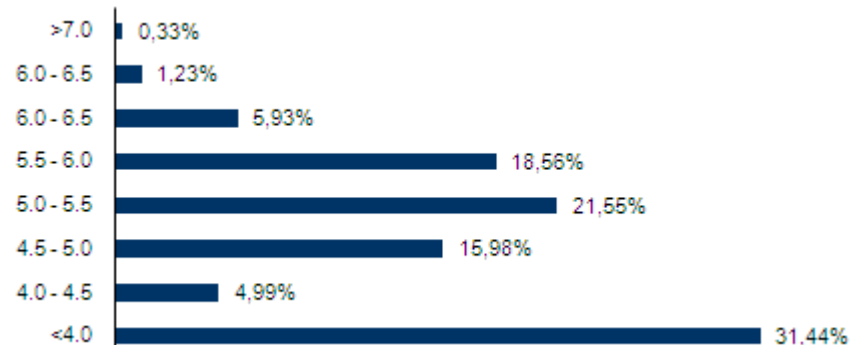
Base index for floating rate loans (%)



Margin on floating rate loans (bp)



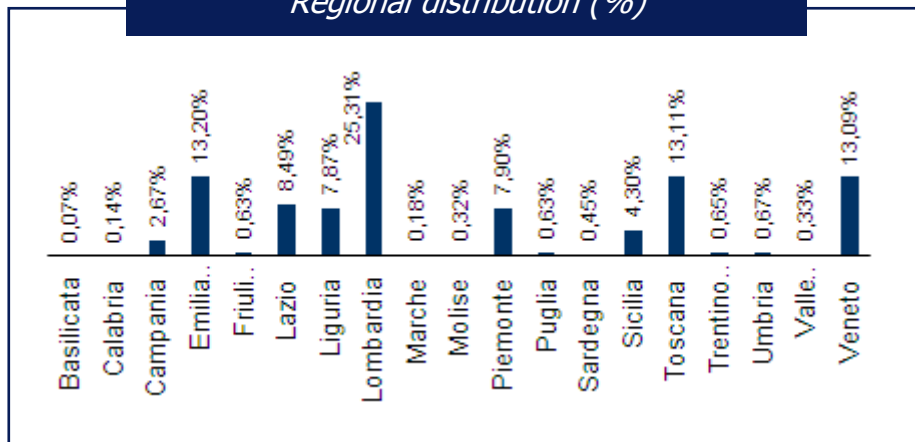
Interest rate on fixed rate loans (%)



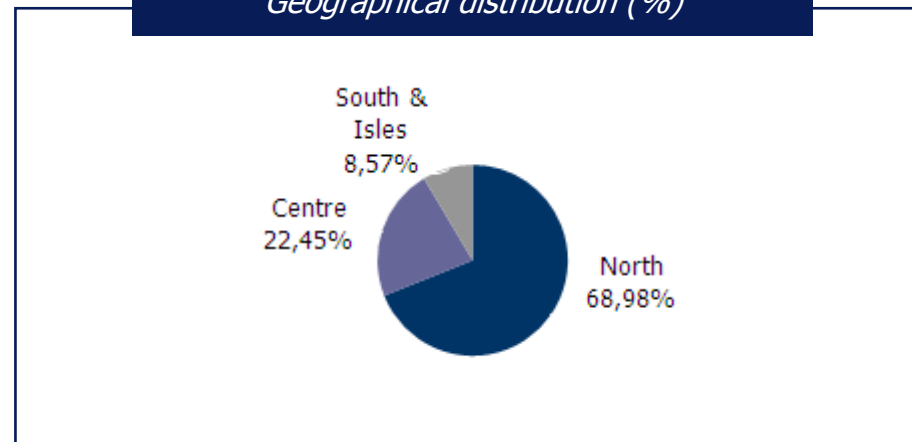
Figures refer to volume of outstanding mortgage loans – data as of 31 December 2011.

Cover Pool Highlights (3/3)

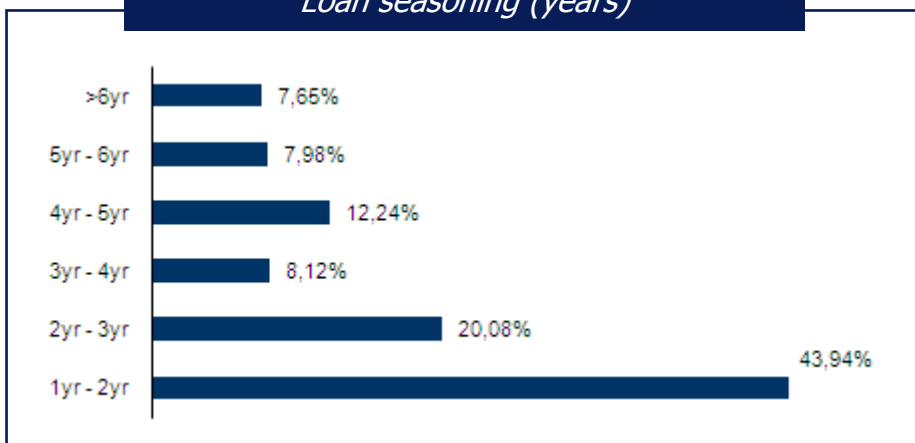
Regional distribution (%)



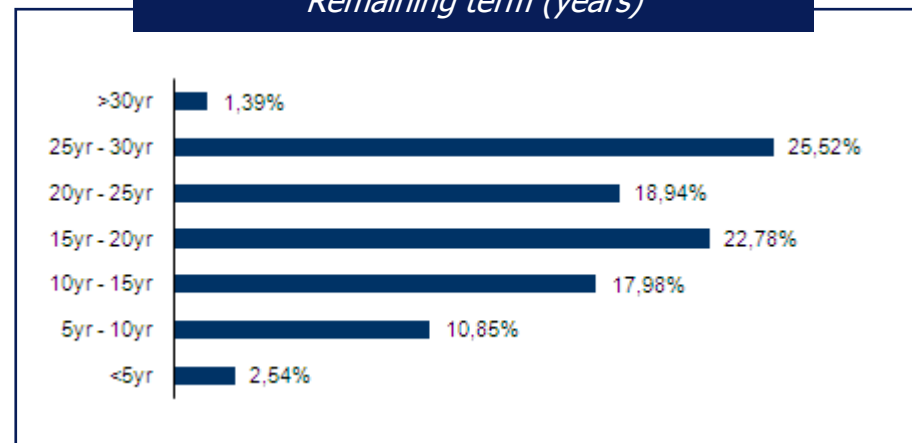
Geographical distribution (%)



Loan seasoning (years)



Remaining term (years)



Figures refer to volume of outstanding mortgage loans – Data as of 31 December 2011



Q&A





Appendix



Appendix: Banco Popolare Group

Group consolidated balance sheet

Reclassified assets (thousand euro)	31/12/2011	31/12/2010	Changes	
Cash and cash equivalents	577,957	639,932	(61,975)	(9.7%)
Financial assets and hedging derivatives	19,425,247	17,726,308	1,698,939	9.6%
Due from banks	8,686,526	7,565,103	1,121,423	14.8%
Customer loans	93,394,325	94,461,905	(1,067,580)	(1.1%)
Equity investments	1,180,387	1,641,429	(461,042)	(28.1%)
Property, plant and equipment	2,147,443	2,444,749	(297,306)	(12.2%)
Intangible assets	2,354,623	5,171,742	(2,817,119)	(54.5%)
Non-current assets held for sale and discontinued operations	173,442	371,890	(198,448)	(53.4%)
Other assets	6,186,668	5,132,614	1,054,054	20.5%
Total	134,126,618	135,155,672	(1,029,054)	(0.8%)

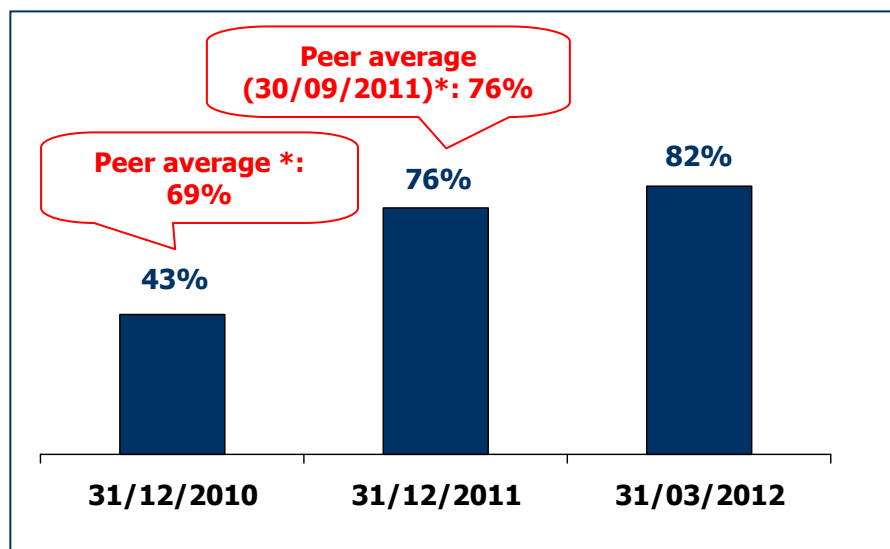
Reclassified liabilities (thousand euro)	31/12/2011	31/12/2010	Changes	
Due to banks	14,429,808	9,492,950	4,936,858	52.0%
Due to customers, debt securities in issue and financial liabilities measured at fair value	100,199,959	104,523,749	(4,323,790)	(4.1%)
Financial liabilities and hedging derivatives	5,089,143	3,969,498	1,119,645	28.2%
Provisions	1,144,039	1,448,122	(304,083)	(21.0%)
Liabilities associated with assets held for sale	2,962	159,407	(156,445)	(98.1%)
Other liabilities	3,837,399	3,621,551	215,848	6.0%
Minority interests	385,880	412,913	(27,033)	(6.5%)
Shareholders' equity	9,037,428	11,527,482	(2,490,054)	(21.6%)
- Share capital and reserves	11,294,771	11,219,467	75,304	0.7%
- Net income for the period	(2,257,343)	308,015	(2,565,358)	
Total	134,126,618	135,155,672	(1,029,054)	(0.8%)

Appendix: Banco Popolare Group Consolidated FY 2011 income statement: quarterly change

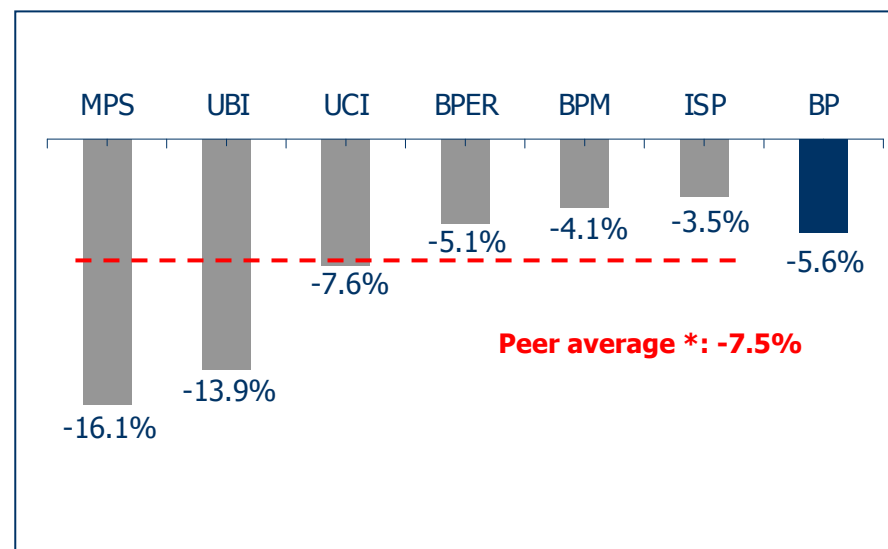
Reclassified income statement - €/m	INCLUDING PPA line-by-line			EXCLUDING PPA line-by-line		
	Q4 2011	Q3 2011	Chg.	Q4 2011	Q3 2011	Chg.
Net interest income	457.9	461.3	(0.7%)	485.7	492.9	(1.5%)
Profit (loss) on equity investments carried at equity	(35.3)	4.5	(879.7%)	(35.3)	4.5	n.s.
Net interest, dividend and similar income	422.6	465.9	(9.3%)	450.4	497.4	(9.5%)
Net commissions	304.9	313.8	(2.8%)	304.9	313.8	(2.8%)
Other revenues	3.6	7.6	(53.0%)	13.0	17.0	(23.7%)
Net financial income (excluding FVO)	84.1	(99.7)	(184.3%)	85.4	(99.0)	(186.2%)
Fair Value Option result (FVO)	58.1	367.4	(84.2%)	58.1	367.4	(84.2%)
Other operating income	450.6	589.1	(23.5%)	461.3	599.2	(23.0%)
Total income	873.2	1,055.0	(17.2%)	911.7	1,096.6	(16.9%)
Personnel expenses	(381.9)	(371.5)	2.8%	(381.9)	(371.5)	2.8%
Other administrative expenses	(169.5)	(196.9)	(13.9%)	(169.5)	(196.9)	(13.9%)
Amortization and depreciation	(47.1)	(32.5)	44.8%	(45.3)	(31.6)	43.3%
Operating costs	(598.5)	(601.0)	(0.4%)	(596.6)	(600.0)	(0.6%)
Profit from operations	274.7	454.1	(39.5%)	315.0	496.6	(36.6%)
Net write-downs on impairment of loans, guarantees and commitments	(168.1)	(191.6)	(12.2%)	(168.1)	(191.6)	(12.2%)
Net write-downs on impairment of other financial transactions	(54.0)	(11.3)	378.9%	(54.0)	(11.3)	378.9%
Net provisions for risks and charges	(54.8)	(7.1)	676.3%	(54.8)	(7.1)	676.3%
Impairment of goodwill and equity investments	(0.8)	(0.4)	91.2%	(0.8)	(0.4)	91.2%
Profit (loss) on disposal of equity and other investments	3.0	2.2	37.5%	2.7	2.3	17.7%
Income before tax from continuing operations	(0.0)	245.9	n.s.	40.0	288.5	(86.1%)
Tax on income from continuing operations (excluding FVO)	279.9	15.0	n.s.	269.4	0.4	n.s.
Tax on FVO result	(19.2)	(121.5)	(84.2%)	(19.2)	(121.5)	(84.2%)
Income (Loss) after tax from non-current assets held for sale	(3.1)	(2.8)	10.5%	(3.0)	(2.8)	7.1%
Minority interest	(7.1)	(4.4)	61.2%	(6.7)	(4.6)	46.0%
Net income for the period before goodwill impairment	250.5	132.2	89.5%	280.5	160.0	75.3%
Banca Popolare Italiana goodwill impairment	(2,831.5)	-		(2,831.5)	-	
Net income for the period excluding PPA				(2,551.0)	160.0	n.s.
PPA impact after tax				(30.0)	(27.8)	n.s.
Net income for the period including PPA	(2,581.0)	132.2		(2,581.0)	132.2	n.s.

Appendix: Banco Popolare Group Analysis on classification and performance of Italian Government bond portfolio

Banco Popolare: Evolution of % of Italian Government bonds classified as AFS



Capital reserves for losses on AFS Italian Government bonds: % incidence on portfolio vs. Peers (as at 30/09/11)



Comments:

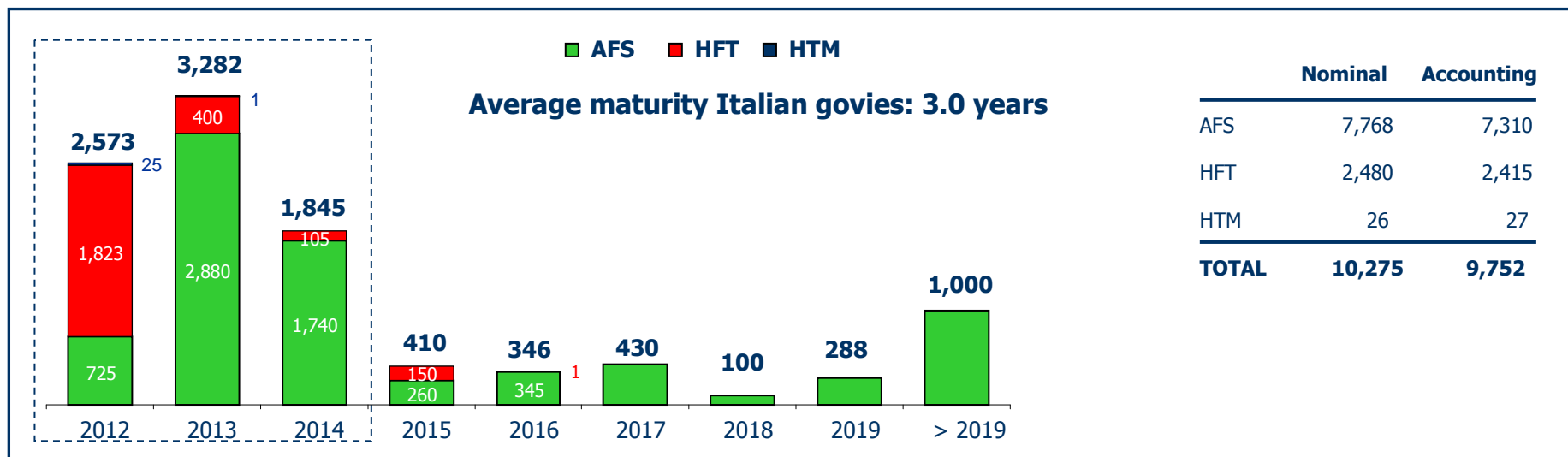
- In the past, il Banco Popolare had a percentage of Italian Government bonds classified as AFS lower than Peers* and, for this reason, had an higher impact on P&L (coming from the bonds classified as HFT). In 2011, this gap has been closed and in the first months of 2012 Banco Popolare is further increasing the percentage in AFS; it follows that in 2012 and years to come the volatility in the P&L deriving from for the Italian Government bond portfolio will be significantly reduced compared to the past.
- Moreover, comparing the share of capital reserves for losses on AFS-classified Italian Government bonds on the portfolio itself, the performance of the AFS portfolio of Banco Popolare proves indeed better than the average of Peer banks (-5.6% for Banco Popolare as at 30/09/2011 vs. -7.5% for the weighted Peer average on the same date).

(* Peers list includes ISP, UCG, MPS, UBI, BPER and BPM.

Appendix: Banco Popolare Group Analysis of the Treasury securities portfolio as at 31/12/2011

€/m

FOCUS ON ITALIAN GOVERNMENT BONDS (NOMINAL VALUE)



FOCUS ON GREEK GOVERNMENT BONDS

CLASSIFICATION	NOMINAL	ACCOUNTING	MATURITY
AFS	10.0	2.5	} See comment below
AFS	18.6	4.3	
HFT	20.0	4.9	2014
HFT	47.5	12.5	2013
TOTAL	96.1	24.2	

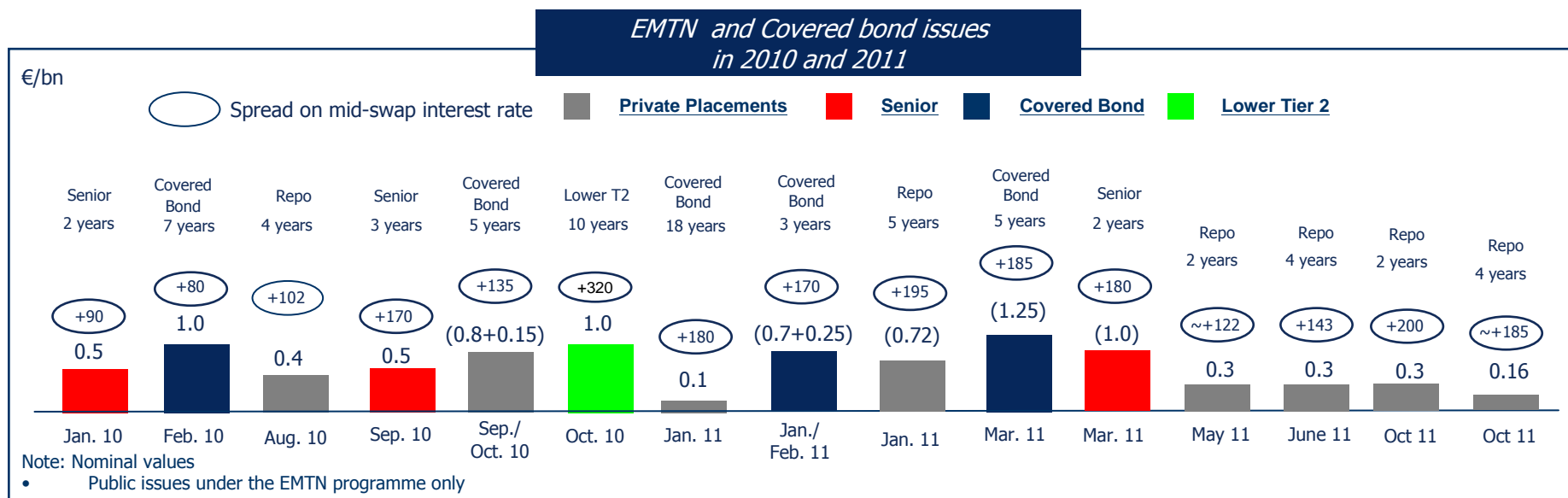
▪ Bonds classified in AFS were written down for a total of **€25m**, of which €5m in the fourth quarter of 2011 (based on market prices as at 31/12/2011).

FOCUS ON OTHER GOVERNMENT BONDS

BONDS	CLASSIFICATION	NOMINAL
SPAIN	AFS	200.0
PORTUGAL	-	0
IRELAND	-	0

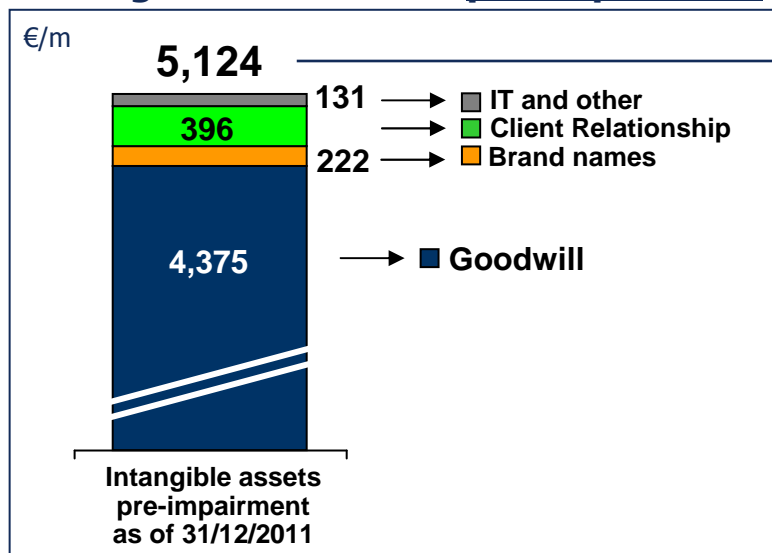
Appendix

Wholesale issues in 2010 & 2011: EMTN & Covered Bonds

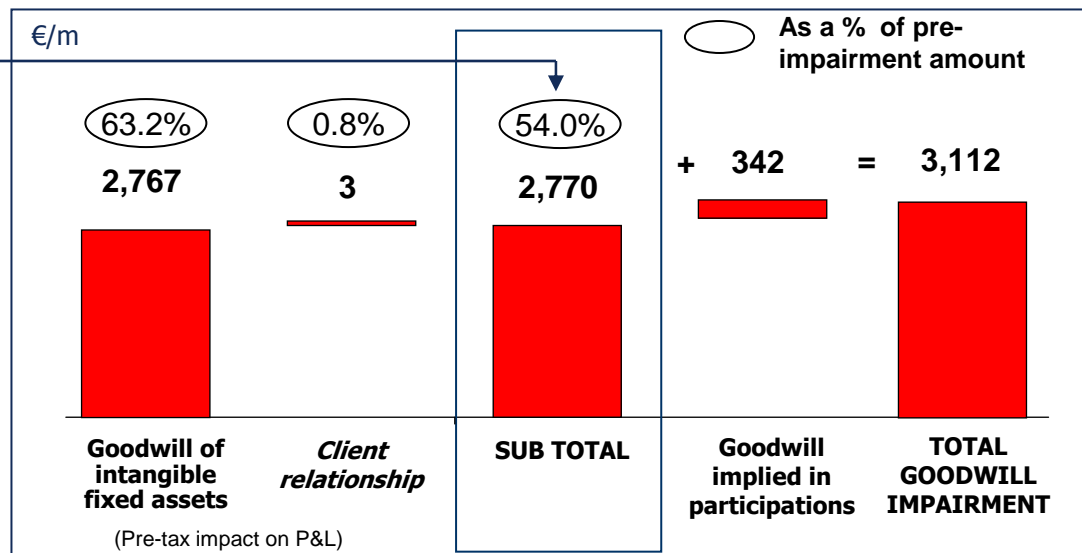


Appendix: Banco Popolare Group Impairment of goodwill

Intangible fixed assets pre-impairment



Goodwill impairment as at 31/12/2011



Comments:

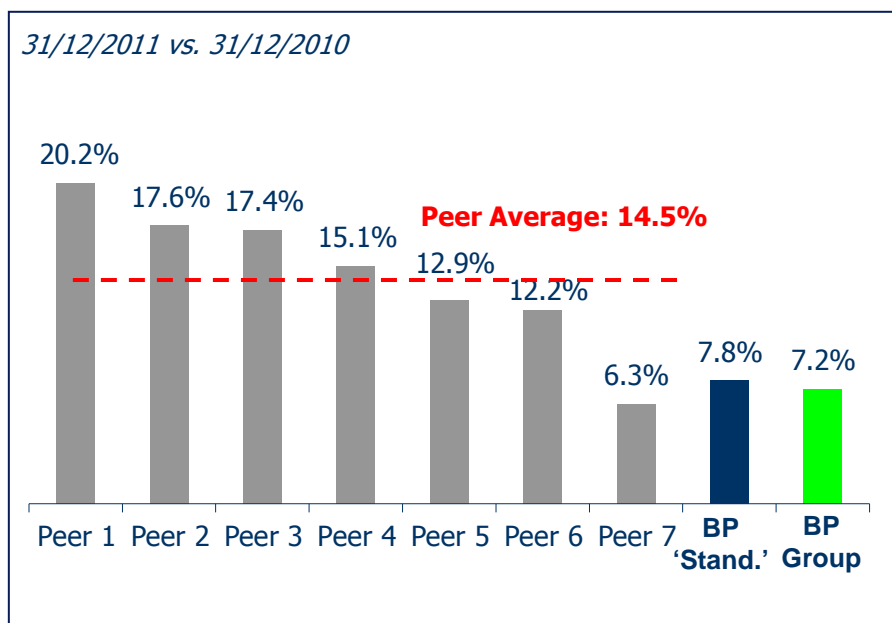
- Rationale underlying the impairment: the amount of goodwill deemed recoverable has been reduced in comparison with the previous impairment test, as a combined result of:
 - a prudent reduction of income streams expected from the CGUs with goodwill allocation, on the basis of a multiscenario analysis;
 - increase in the cost of equity following the increase in both the country risk of Italy and in the specific risk associated with the banking industry.
- Total goodwill impairment charged against the profit and loss of €2,770m, of which €2,767m for goodwill that had been booked directly against Shareholders' Equity on the occasion of the merger with Banca Popolare Italiana (exchange-based merger, without cash outlay).
- Post-impairment, the remaining intangible assets registered in the balance sheet amount to €2,355m, of which goodwill for €1,608m (€616m allocated to the CGU "Territorial Divisions" and €897m to the CGU "Investment & Private Banking"). The total weight of Goodwill on Shareholders' Equity thus falls from 37% at the end of September to 18% at year-end 2011.
- On top of the impairment of intangible fixed assets, an impairment was also made on the implied book value of certain participations, for of total of €342m (of which €332m referred to Agos Ducato).

The impairment has not produced any negative impact on neither liquidity nor capital.

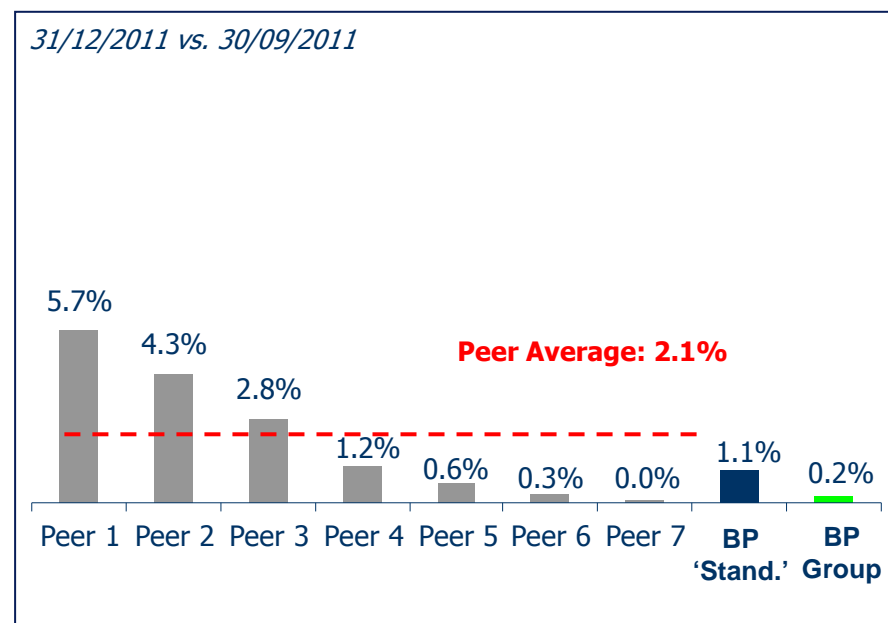
Appendix

Asset quality benchmark: trend in gross impaired loans

Yearly trend in gross impaired loans vs. domestic peers⁽ⁱ⁾



Quarterly trend in gross impaired loans vs. domestic peers⁽ⁱ⁾

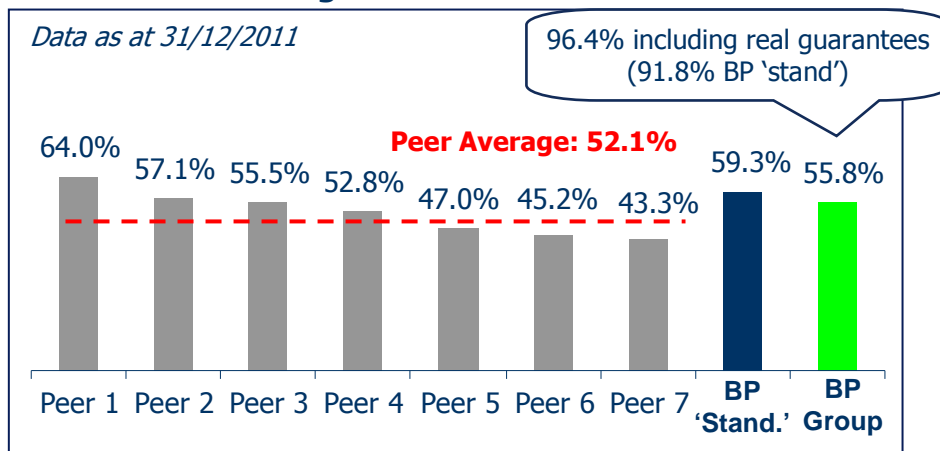


Peers include ISP, UCG, MPS, UBI, BPER, BPM and Carige. Data based on latest reported figures as at 31/12/2011. Arithmetic average.

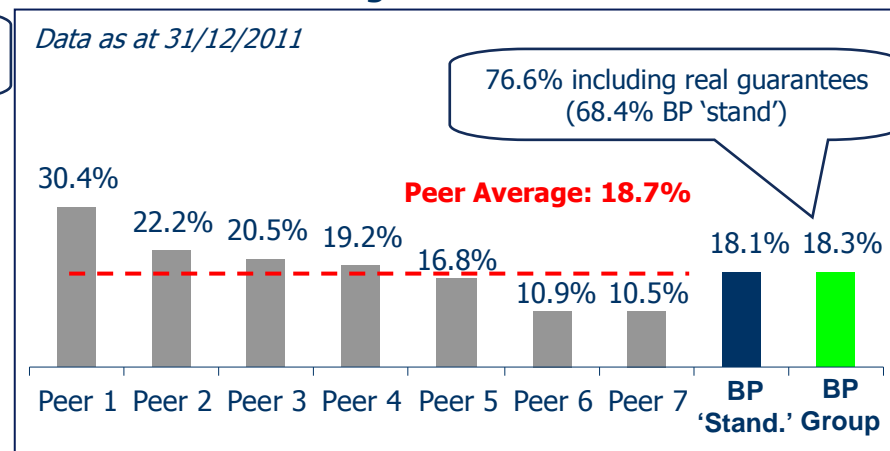
Appendix

Healthy coverage levels, also in comparison with domestic peer average

NPL coverage ratio vs. domestic Peers⁽ⁱ⁾

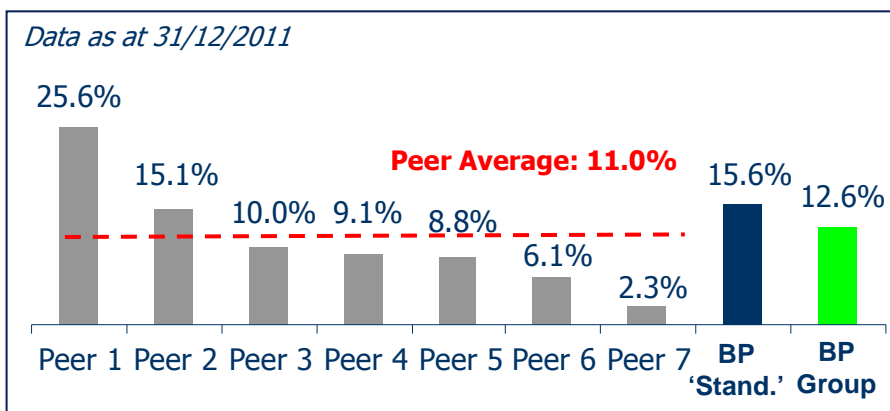


Watchlist coverage ratio vs. domestic Peers⁽ⁱ⁾

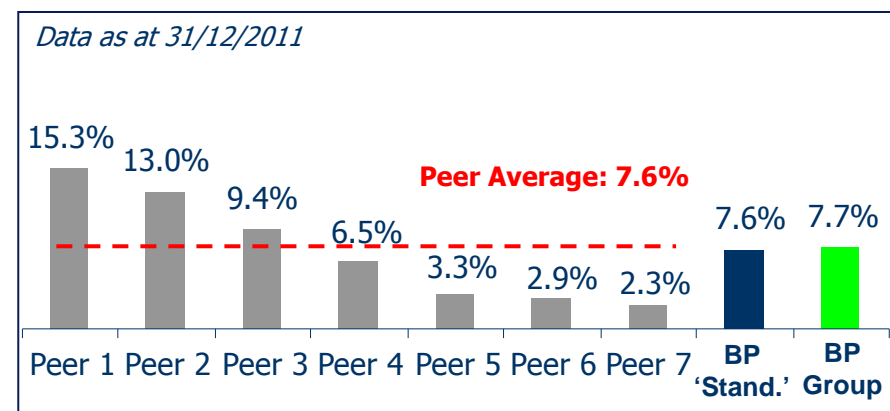


(*) Banco Popolare NPLs coverage includes write-offs⁽ⁱⁱ⁾.

Restructured coverage ratio vs. domestic Peers⁽ⁱ⁾



Past-Due coverage ratio vs. domestic Peers⁽ⁱ⁾



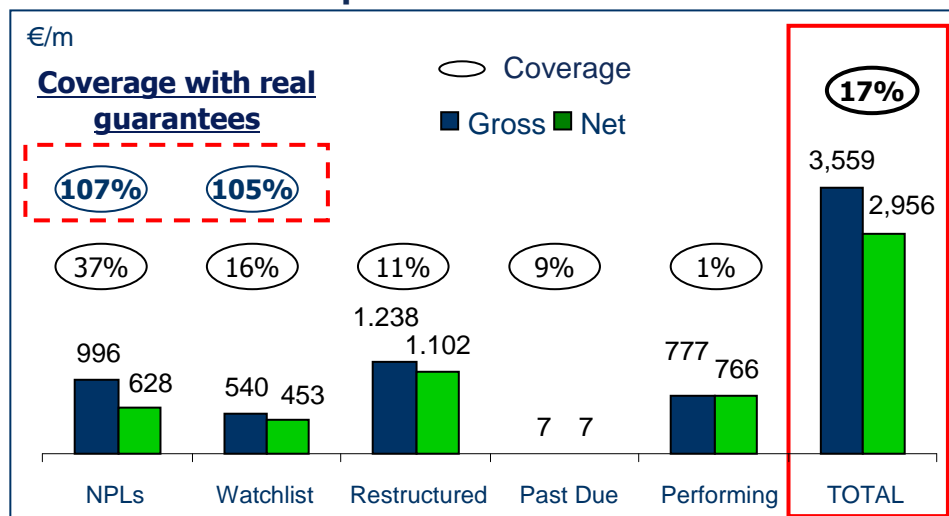
(i) Peers include ISP, UCG, MPS, UBI, BPER, BPM and Carige. Data based on latest reported figures as at 31/12/2011. Arithmetic average.

(ii) Coverage ratio adjusted for write-offs which the bank makes to a significant degree for non-performing loans under bankruptcy procedures together with the entire use of the specific NPL-related accounting reserves already booked against such loans.

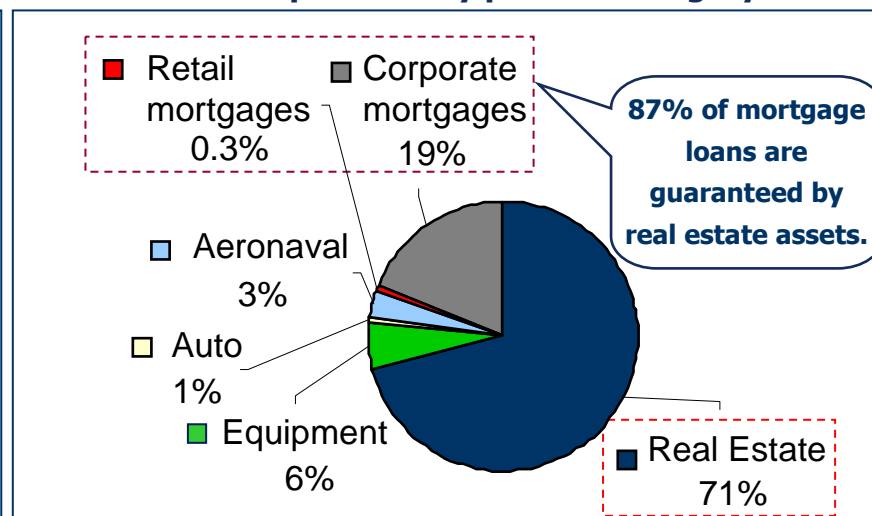
Appendix: Italease

'Release' Portfolio: analysis as at 31/12/2011

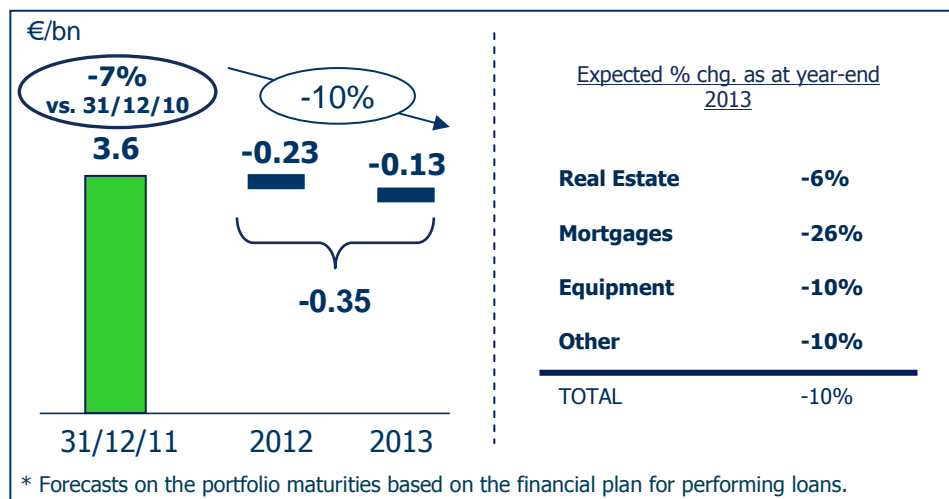
Loan portfolio classification



Loan portfolio by product category



Repayment plan until 2013*



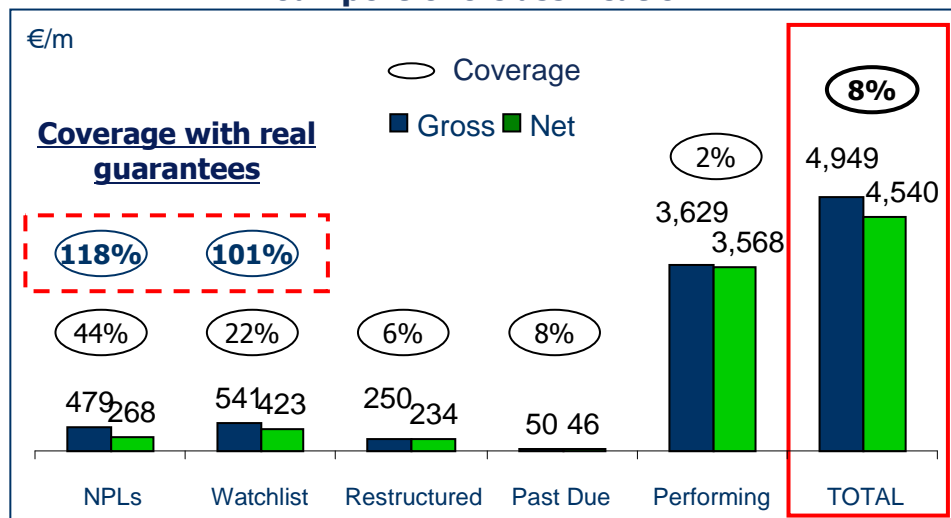
Comments:

- The **'Release' portfolio** falls by 27% vs. year-end 2009, by 7% vs. year-end 2010 and by 3% in the fourth quarter of 2011; (in the same periods, the sum of NPLs and Watchlist loans decreases by 58%, 16% and 12%, respectively).
- High coverage level which, including real guarantees, stands at 107% for NPLs and at 105% for Watchlist Loans; both data increase vs. the level recorded as of September 2011 (105% and 101%, respectively).

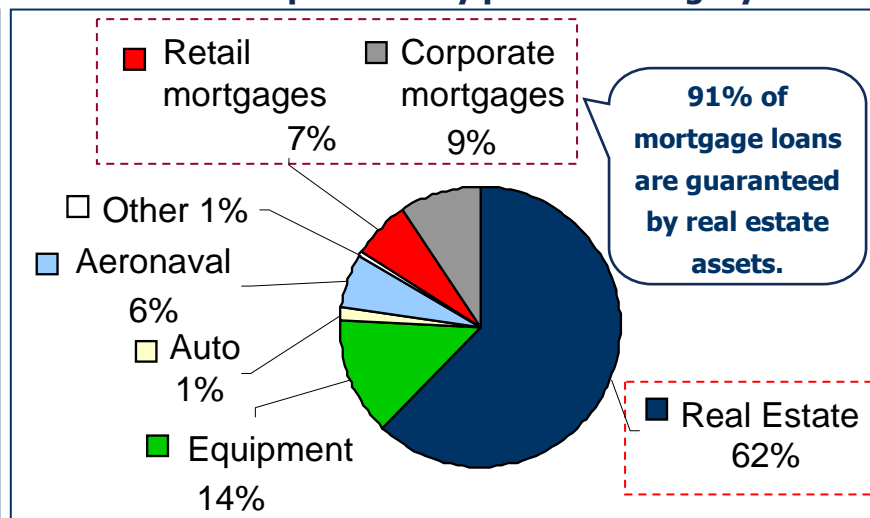
Management accounting data.

Appendix: Italease 'Italease Residual' Portfolio: analysis as at 31/12/2011

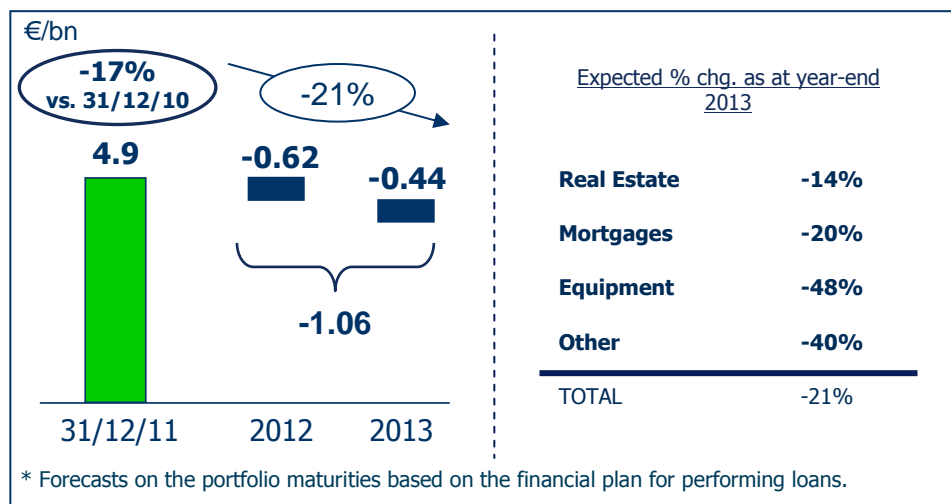
Loan portfolio classification



Loan portfolio by product category



Repayment plan until 2013*



Comments:

- The **'Italease Residual' portfolio** drops by 34% vs. year-end 2009, by 17% vs. year-end 2010 and by 6% in the fourth quarter of 2011, with gross impaired loans substantially stable in the quarter (at €1.3bn).
- Coverage of the portfolio (at 8%) has grown both vs. the level of 4% recorded at year-end 2009 as well as vs. 6% at year-end 2010.
- The coverage, including real guarantees, is 118% for NPLs and 101% for Watchlist Loans.

Management accounting data.



Appendix

Large Banca Popolare project: financial impact

€/m, target impact (in 2016)

A Personnel	<ul style="list-style-type: none">• Release of additional resources due to:<ul style="list-style-type: none">- review of the branch network structure- redistribution of activities between central offices and the network- elimination of activities related to the existence of separate legal entities	30
B Fiscal	<ul style="list-style-type: none">• VAT inefficiency on infra-Group services• Tax inefficiency due to the double taxation of infra-Group dividends• Tax inefficiency due to the non-deductibility (under IRAP) of infra-Group tax payments for interest expenses	51
C Other Administrative Expenses	<ul style="list-style-type: none">• Elimination of costs related to the presence of separate legal entities (auditing firm, board directors and statutory auditors)• Savings from administrative expenses and rental costs• Increase in costs due to the introduction of Local Territorial Committees	12
	Total	93



Pipeline of IR events in 2012

Date	Place	Events
19 January 2012	Milan	UBS Italian Financial Services Conference 2012 (investor meetings)
9 February 2012	London	HSBC South European Banks Conference (investor meetings)
20 March 2012	Verona	Press release on FY 2011 results
20 March 2012	Verona	Banco Popolare: Conference call on FY 2011 results
28 March 2012	London	Morgan Stanley 2012 European Financials Conference (investor meetings)
21 April 2012	Novara	Annual Meeting of Shareholders (2nd call)
3 May 2012	Frankfurt	Commerzbank Italy Day
15 May 2012	Verona	Press release on Q1 2012 results
15 May 2012	Verona	Banco Popolare: Conference call on Q1 2012 results
14 June 2012	Brussels	Goldman Sachs 16 th Annual European Financials Conference
28 August 2012	Verona	Press release on H1 2012 results
28 August 2012	Verona	Banco Popolare: Conference call on H1 2012 results
13 November 2012	Verona	Press release on Q3 2012 results
13 November 2012	Verona	Banco Popolare: Conference call on Q3 2012 results

N.B. The above pipeline does not include ongoing roadshows, meetings and possible other Investor Conferences.



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