

One-off disclosure requirements: Country-by-Country Reporting as at 31 December 2013

Verona, 1 July 2014 - The country-by-country reporting, adopted with art. 89 of Directive 2013/36/EC ("CRD IV"), transposed into Italian law with the 4th update of the circular of the Bank of Italy no. 285 of 17 December 2013 (Section One, Title III, Chapter 2), provides for the "one-off" requirement to disclose on 1 July 2014 the information referred to under letters a), b) and c) of art. 89 of CRD IV as at 31 December 2013.

To this end, the required information is reported below, itemized by single letter.

A) Name(s), nature of activities and geographical location.

The activities carried out by Gruppo Banco Popolare are illustrated in the following table, which is based on the table shown in article 317 of Regulation No. 575/2013 of the European Parliament and the Council of the European Union (CRR), and supplemented with additional specific activities.

These activities are subdivided, based on prevalence criteria, into "business lines", which in brief refer to the Group's internal management organizational structure and are referred to also in "Section L – Segment Reporting" In the Explanatory Notes of the Consolidated Financial Statements.

Excerpt from CRR: par. 4, art. 317, Table 2		Banco Popolare Group: business sectors			
Business line	List of activities	Network Divisions	Invest. Bank., Priv. Bank., Asset Man.	Leasing	Corporate Center and Other
Corporate finance	Underwriting of financial instruments or placing of financial instruments on a firm commitment basis	√	√		
	Services related to underwriting	√	√		
	Investment advice	√	√		
	Investment research and financial analysis and other forms of general recommendation relating to transactions in financial instruments	√	√		
Trading and sales	Dealing on own account		√		√
	Reception and transmission of orders in relation to one or more financial instruments		√		
	Execution of orders on behalf of clients		√		
	Placing of financial instruments without a firm commitment basis		√		
Retail brokerage (Activities with natural persons or with SMEs meeting the criteria set out in Article 123 for the retail exposure class)	Reception and transmission of orders in relation to one or more financial instruments	√	√		
	Execution of orders on behalf of clients	√	√		
	Placing of financial instruments without a firm commitment basis	√	√		
Commercial banking	Acceptance of deposits and other repayable funds	√			√
	Lending	√			√
	Financial leasing	√		√	
	Guarantees and commitments	√			√
Retail banking (Activities with natural persons or with SMEs meeting the criteria set out in Article 123 for the retail exposure class)	Acceptance of deposits and other repayable funds	√			
	Lending	√			
	Financial leasing	√		√	
	Guarantees and commitments	√			
Payment and settlement	Money transmission services,	√			
	Issuing and administering means of payment	√			
Agency services	Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management		√		√
Asset management	Portfolio management		√		
	Managing of UCITS		√		
	Other forms of asset management		√		
Other supporting services and activities	Treasury and fund management for own account				√
	Management of equity investments portfolio				√
	IT management				√
	Property management and maintenance				√

With respect to the key items, the business sector:

- **“Network Divisions”**, includes the following activities: management and marketing of banking, financial and credit intermediation products and services both for retail customers (individuals and small businesses) and for corporate customers. These activities are prevalently carried out by the Parent company’s Network Divisions;
- **“Investment Banking, Private Banking, Asset management”**, includes the following activities: structuring of financial products, access to regulated markets, support and development of specialized financial services for private clients (e.g., discretionary asset management), and promotion and management of funds and SICAVs. These activities are carried out by specialized Group companies, like Aletti & C. Banca d’Investimento Mobiliare, Aletti Fiduciaria and Aletti Gestielle SGR;
- **“Leasing”** includes the following activities: management and administration of financial lease contracts originated by former Gruppo Banca Italease;
- **“Corporate Center and Other”** includes activities associated with the governance of the various Group entities and with business support. These activities are prevalently carried out by the Parent Company’s central structures, by Società Gestione Servizi BP and by the Group Real Estate companies.

Some of the specific activities included in the above classifications are carried out also by the foreign subsidiaries, albeit to a minor extent compared to the Group’s total volumes: Banco Popolare Luxembourg SA (customer funds deposit and management, depository bank services and specific services for Institutional clients), Banca Aletti & C. (Suisse) SA (specialized financial services for private clients), and the London Branch of Banco Popolare (financing and services to companies of Banco Popolare). As at 31 December 2013, foreign activities accounted for less than 5% of total consolidated assets (5.7 billion out of approx. 126 billion euro), and total revenues amounted to 51 million euro out of a total consolidated amount of 3,584.6 million (see page 403 of the 2013 Annual Report).

A) Turnover

The turnover refers to the Net Interest and Other Banking Income under item 120 of the consolidated income statement, that as at 31 December 2013 totaled 3,265.8 million euro, with a foreign contribution of 45.9 million euro. See the table at page 165 of the 2013 Consolidated Annual Report.

B) Number of employees on a full-time equivalent basis

On 31 December 2013, full-time equivalent employees were 17,670,7, including term and internship contracts, FTE employees referring to domestic activities were 17,621, while 49.7 were engaged in foreign activities.