

Press Release

€10.5 million net profit - Annual Reports of Bipiemme Gestioni (Bipiemme Group - Banca Popolare di Milano)

Bipiemme Gestioni, the asset management company of BPM - Banca Popolare di Milano Group, reported a €10.5 million net profit (- 43.5%). The decline in results with respect to the previous year is essentially due to the decrease in net commissions (- €10.3 million), extraordinary items, such as an increase in technology costs (+ 2.3 million) for the upgrade and replacement of the company's information systems, and a decrease in income tax (- 5.1 million).

As of 31st December 2007, the assets under management of Bipiemme Gestioni amounted to €18.97 billion, a decrease of 4.5% compared to 2006.

These are the main points of the 2007 Annual Report as approved at the Annual General Meeting of Shareholders chaired by Camillo Politi.

At the meeting, a new Board of Directors was appointed and will remain until 31st December 2010. Appointed were: Salvatore Catalano (President), Paolo Mottura and Elio Canovi (Vice Presidents) and the advisors Giorgio Bianchini Scudellari, Maurizio Biliotti, Aldo Calvani, Roberto Cavallotti, Claudio Danelon, Pierino Ferrari, Federico Fornaro, Mario Mazzoleni and Giordano Pelosato. The Board of Auditors is composed of: Mario Baccani (President), Alberto Balestreri and Luigi Dabbicco (permanent auditors), Carlo Redaelli and Pietro Vergani (relief auditors). The General Manager is Pietro Cirenei.

Net funds under management in 2007 saw an outflow of about €1 billion. Particularly negative, were the inflows to the mutual funds (- €1.3 billion), in line with market trends. Positive inflows were generated by the independent sales network (+ 174 million). Individual accounts were positive (+ 271.7 million) as they benefited from the acquisition of the Banca Etruria branches. Pension fund subscriptions also grew (+ 6.7 million) compared to the previous year, due to a high increase in subscribers, from 4,748 to 7,861 (+ 65.5%).

In 2007, Bipiemme Gestioni recorded revenues (fees and commissions income) of €179 million compared to €193 million in 2006 (- 7%). The decrease in fees and commission income is due to a significant reduction in asset under management, a worsening of the asset mix and margins in the private wealth management sector, as well as the substantial elimination of incentive commissions (€9.5 million in 2006), due mostly to negative trends in the principle stock markets. Operating income was equal to €17.9 million, against €31.2 million in 2006 (- 43%).

Data in euros	2007	2006
Assets under management	18.97 billion	19.87 billion
Net inflows	- 1,044.6 million	- 707 million
Mutual fund market share (*)	2.02%	2.12%
Revenues (fee and commission income)	179 million	193 million
Operating income	17.9 million	31.2 million
Net profit	10.5 million	18.6 million

(*) includes funds abroad managed by a mandate.

Bipiemme Gestioni

Società di Gestione del Risparmio S.p.A.
Appartenente al Gruppo Bipiemme
Soggetta all'attività di direzione e coordinamento
della Banca Popolare di Milano

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Bipiemme Gestioni, in operation since 1984, is an asset management company of the BPM – Banca Popolare di Milano Group, founded in 1865. It manages, on behalf of 260,000 private and institutional clients, a broad range of products and services that includes 27 mutual funds, funds of funds, individual accounts and pension funds. Bipiemme Gestioni distributes its products through branches of Banca Popolare di Milano, Banca di Legnano, Cassa di Risparmio di Alessandria and over 30 distributors outside the group for retail and segregated accounts. General Manager: Pietro Cirenei. Number of employees at end of 2007: 117.

For further information:

Bipiemme Gestioni PR

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