NEWS RELEASE

Banco Popolare back to profitability in first quarter 2013

The Interim operating report as at 31 March 2013 closed with a net income of 92 million as compared with the net loss of 109 million reported in Q1 2012.

The "normalized" result for the period is a profit of 49 million.

Revenues from the "core banking business" up by 1.3% over 31/3/2012 and by 3.2% over Q4 2012:

- **net interest income at 409 million: +2.7% and +1.2% vs. Q1 and Q4 2012 adjusted for comparison;**
- **net commissions at 365 million: +8.7% and +3.8%, respectively, vs. Q1 and Q4 2012.**

Operating costs at 561 million, down by 4.3% over 31/03/2012.

The Core Tier 1 Ratio is running at 10.0%. If we consider the temporary buffer against the sovereign risk recommended by the EBA, the Core Tier 1 Ratio comes in at 9.3%. Total Capital Ratio stood at 13.6%.

The liquidity profile remains excellent.

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Verona, 14 May 2013 – In today's meeting, the Board of Directors of Banco Popolare has approved the Group's interim operating report as at 31 March 2013. At the end of the first quarter, the Group returned to profit with a consolidated net income of 92 million, as compared with the 109 million loss reported at the end of the same period last year.

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A positive contribution of 51 million to this result was made by the impact of rating variations on the valuation of debt securities in issue (FVO), which instead had made a negative contribution of 212 million in Q1 2012. The "normalized" result for the period is +49 million as compared with +92 million in the same period last year.
It is worth underlining, that the result for the period does not include any contribution from the valuation of the equity investment held in Agos Ducato. As explained in the specific press release published on 8 May last, further to the agreement entered with Crédit Agricole aiming at turning the joint venture back to profitability, the 2012 results of Agos Ducato obtained from the draft financial statements approved on 7 May by the Board of Directors of the associate have already been factored in into Banco Popolare's annual report as at 31 December 2012 through the prudential valuation of the past equity investment. Any equity investment recovery, which based on currently available information is estimated in the order of 100 million, shall be written back only following the full effectiveness of the agreement entered with Crédit Agricole aiming at turning the joint venture back to profitability, and when Banco shall have all relevant information necessary in order to revise the valuation of its equity investment made upon preparing its annual report as at 31 December 2012

Operating performance

Net interest income stood at 408.5 million, down by 13.1% with respect to the same period last year (470.2 million), but on an uptrend if compared to 402.7 million in Q4 2012. When analyzing these trends, we should consider that starting in Q3 2012, in compliance with the Supervisory Authority's instructions, revenues originating from the new "*commissione di istruttoria veloce*" ("fast-track underwriting fee") introduced by L.D. n. 201 of 6 December 2011, transposed into L. n. 214/2011, were posted under the item "other revenues", while previously the replaced overdraft facility fee was included in the interest and similar income bucket. As a result, Q4 2012 and Q1 2013 data do not include the contribution of the overdraft facility fee, whereas it is included in Q1 2012. If we strip the impact of the overdraft facility fee off Q1 2012, net interest income in Q1 2013 reports a growth rate of 2.7% and of 1.2% over the first and fourth quarter of 2012. This growth was achieved through a strong loan repricing action, which widened both the asset spread on loans and the liability spread on deposits. As to the latter, corrective actions are still underway to reduce the more expensive corporate deposits.
Loss from equity investments carried at equity totaled 4.6 million, as compared with 6.9 million in the same period last year. The positive contribution to the Q1 2013 result came primarily from the equity investments held in Avipop Assicurazioni (+ 2.3 million) and in Popolare Vita (+3.1 million), while Alba Leasing made a negative contribution of 1.1 million. As already explained, and similarly to last year, the income statement does not include Banco Popolare's share of accruing loss from the subsidiary Agos Ducato.
Net commissions stood at 365.5 million, up by 8.7% from 336.3 million on 31 March 2012 and by 3.8% with respect to Q4 2012 (352.2 million). The Q1 2013 figure includes accrued commission expenses of 9.7 million (8.6 million in Q1 2012) for the Italian Government guarantee on new bond issues used as underlying for financing transactions with the ECB. The increase was mainly driven by credit intermediation, which generated a growing commission stream from the administration and management of checking accounts and facilities to customers (+21.6%). Also

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management, brokerage and advisory services reported a 2.6% growth rate, driven by the distribution of asset management products (+7.5%).

Other revenues added up to 52.4 million from 9.4 million in the same period last year. The Q1 2013 contribution benefitted from the recognition of the above mentioned fast-track underwriting fee accrued on the entire loan portfolio (43.8 million vs. 47.0 million in Q4 2012), which was not included yet in Q1 2012. The aggregate includes also rental income for 14.0 million (14.2 million on 31 March 2012) mainly originated by property repossessed through Italease's derisking process, and the write-downs caused by the impairment of goodwill recognized during the business combinations finalized in prior years totaling -8.1 million (-8.7 million on 31 March 2012). The item also includes the 6.0 million revenues generated by services distributed by the company Group Tecmarket (3.1 million on 31 March 2012).

Net financial income came in at 153,3 million, as compared with -34.0 million in the same period last year and with -103.6 million in Q4 2012. However, when comparing these results it is necessary to take into due account the differing impact from the fair value measurement of debt securities issued as a result of the changes in Banco Popolare's rating ("fair value option"). Against a positive change of Banco Popolare's rating with respect to the end of 2011 and Q3 2012, in the first and fourth quarters of 2012 a gross negative P&L impact of respectively 316.7 and 146.7 million was recognized, whilst in the first three months of this year a positive impact of 76.4 million has been reported. Net of the above effects, the net financial income for Q1 2013 came in at 76.8 million, as compared with 282.7 and 43.1 million in Q1 and Q4 2012. When comparing the current figure with Q1 2012, it is necessary to consider that the latter benefitted from capital gains from the debt buyback and the early termination of the associated derivatives, totaling 109.9 million, as well as from the partial recovery of market prices of government securities relative to year-start (45.6 million).

Net of the rating impact, the contribution in Q1 2013 is nevertheless rising compared to Q4 2012 (43.1 million), as a result of the greater contribution both from Banca Aletti's operations and from the management of the securities portfolio.

Other operating income (other than net interest, dividend and similar income) therefore added up to 571.1 million, as compared with 384.0 million in the same period last year and 293.1 million in Q4 2012. The main reason for this decline lies in the different impacts of the above described fair value measurement of debt securities in issue. **Net interest and other banking income** (net interest, dividend and similar income + other operating income) came in at 984.3 million, as compared with 788.7 and 722.1 million in the first and fourth quarter 2012, respectively. If we strip out the impact of the "fair value option" from both periods under comparison, net interest and other banking income comes in at 907.8 million, down by 17.9% over the prior year (1,105.4 million), primarily due to the non-recurring items included in net financial income in Q1 2012.

Personnel expenses stood at 349.5 million, and thanks to the headcount reduction achieved through efficiency gain actions, they decreased by 4.1% from 364.5 million in the same period last year. On 31 March 2013 the total headcount was 18,377 "full time equivalent" employees as compared with 18,293 employees adjusted for comparison at year-start.

Other administrative expenses came in at 180.1 million, down by 3.5% from 186.7 million in Q1 2012. **Depreciation and amortization** for the period amounted to 31.8 million vs. 35.4 million in the same period last year, down by 10.3%. As a

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result, total **operating costs** came in at 561.3 million, down by 4.3% from 586.5 million in the same period last year. The cost/income ratio for the period, namely the ratio between total operating expenses and total operating income net of the fair value option, comes in at 61.8%.

Profit from operations totaled 423.0 million, as compared to 202.2 million in Q1 2012. If we strip out the impact of the "fair value option" from both periods under comparison, profit from operations comes in at 346.6 million, 172.3 million less (-33.2%) than the 518.9 million reported in the same period last year, but basically in line with the Q4 2012 figure amounting to 347.7 million. The decline compared to Q1 2012 is entirely attributable to non-recurring revenues included in the net financial income, as described above.

Net write-downs on customer loan impairments stood at 229.3 million, vs. 211.4 million and 683.5 million charged to income in Q1 and Q4 2012, respectively.

The **cost of credit**, measured as the ratio between net loan write-downs and gross loans to customers, came in at 96 b.p. on an annual basis, as compared with 86 b.p. in the same period last year.

Net write-downs on impairment of other assets amounted to 5.7 million (1.6 million in Q1 2012).

Provisions for risks and charges show a net recovery of 0.9 million, against net provisions of 72.2 million reported in Q1 2012 and a net recovery of 8 million reported in Q4 2012. It is worth recalling, that the Q1 2012 income statement had been charged with a provision of 77.2 million to face the then estimated risks burdening the equity investment in Agos Ducato.

Income before tax from continuing operations came in at 189.0 million, as compared with a loss of 83.0 million reported in the same period last year. Net of the fair value option, income from continuing operations in Q1 2013 came in at 112.5 million, as compared with 233.7 million in the same period last year.

Income tax for the period came in at 89.3 million vs. 20.3 million in Q1 2012.

Net of income tax and of a minority interest of 8.0 million (4.9 million in Q1 2012), the first quarter closed with a **net income** of 91.9 million.

Evolution of key balance sheet items

On 31 March 2013, **direct funding** reached 92.9 billion, down by 1.7% from 94.5 billion on 31 December 2012 (-3.8% as compared with 31 March 2012). This decline was mainly caused by the coming due of wholesale funding and by the decision to opt out of funding forms that are considered too expensive, that was made possible by the excellent liquidity profile.

Indirect funding totaled 60.7 billion, down by 1.8% from 61.8 billion year-to date (-11.2% as compared with 31 March 2012).

The decline reported in Q1 2013 was driven by assets under administration, down by 4.3% as compared to year-end 2012. Assets under management instead grew in Q1, adding up to 27.1 billion, up by 1.5% year-to-date. The quarterly increase was mainly driven by the sales of fund and Sicav units (+6,6% with respect to year-end 2012), which more than offset the decline reported in asset management (-4.4% year-to-date). Also insurance policies reported a slight growth (+0.7%).

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Gross loans to customers totaled 95.8 billion, down by 0.5% from 96.2 billion at year-start. Year-on-year, gross loans reported a 2.2% decline. Specifically, gross of intra-group components, Banca Italease loans kept declining, from 8.3 billion at year-start to the current 8.1 billion (-1.9%), while loans from the remaining part of the Group decreased by about 0.3 billion (-0.4%) year-to-date.

Gross impaired loans (non-performing, substandard, restructured and past due loans) on 31 March 2013 totaled 16.9 billion, up by 4.1% from 16.2 billion on 31 December 2012 (+13.8% year-on-year). This increase is closely related to the harsh external economic backdrop. The exposures represented by loans originated by Banca Italease totaled 4.2 billion, basically unchanged with respect to 31 December 2012, and are primarily represented by real estate leases. The Group's net impaired loans totaled 12.5 billion, up by 5.0% from 11.9 billion at the end of December 2012.
In detail, gross of write-downs, the Group's non-performing loans amounted to 7.4 billion, watchlist loans 6.1 billion, restructured loans 2.6 billion and past dues 0.9 billion.
55.3% of the Group's non-performing loans (loan coverage) has been written down or derecognized. The loan coverage on 31 March 2012 was 54.6% (55.6% on 31 December 2012).

Group capital ratios

On 31 March 2013, the Core Tier 1 Ratio came in at 10.0.%, as compared with 10.1% on 31 December 2012. The capital ratio exceeds the target level recommended by the EBA. If we consider also the extraordinary capital buffer required by the European authority to face sovereign risks, the core Tier 1 Capital Ratio is running at 9.3% (9.4% on 31 December 2012).
The Tier 1 Capital Ratio stood at 11.1% (11.2% al 31 December 2012), while the Total Capital Ratio was 13.6% (14.0% on 31 December 2012).

Liquidity profile

The Group confirms its excellent liquidity profile, which as at 31 March 2013 was characterized by the availability of funds eligible for refinancing with the ECB, still unencumbered to date and valued, net of haircuts, at about 13.5 billion euro (14.5 billion as at 31 December 2012). In April 2013, these assets grew to 18 billion following the finalization of two self-retained securitizations of residential and SME mortgage loans. This ample liquidity buffer shall allow us to comfortably manage our debt maturities in the current year and in 2014.
LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio) are above 100%, well in excess of the targets currently required by Basel 3.

The Board of Directors took note of the resignation tendered by Prof. Andrea Sironi from his office of Director

The Board of Directors took note of the resignation, with effect from today, of Director Andrea Sironi, due to the growing professional responsibilities as Chancellor of the Università Commerciale Luigi Bocconi of Milan, which he undertook in October 2012.

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The Board wished to record its deepest appreciation to Prof. Sironi for his professional skills and the significant contribution he made throughout his directorship in Banco.

Pursuant to art. IA.2.6.7 of the Instructions to the Regulation of markets organized and managed by Borsa Italiana S.p.A., Banco hereby notifies that Prof. Sironi is an independent director and holds n. 2,750 shares of Banco Popolare.

Statement of the Manager in charge of preparing corporate financial reports

The manager in charge of preparing the corporate financial reports of Banco Popolare Società Cooperativa, Gianpietro Val, in compliance with paragraph two of art. 154 bis of the "Single act for financial intermediation", hereby states that the accounting information illustrated in this press release is consistent with documental evidence, accounting books and book-keeping entries.

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The interim operating report as at 31 March 2013 and the hand-outs for today's financial results conference call of Gruppo Banco Popolare shall be made available to the public at the head offices and with Borsa Italiana, and shall be published on the website www.bancopopolare.it.

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Explanatory notes

To provide a better understanding of the information illustrated in the press release and in the attached financial statements, please note that:

1. P&L impacts caused by the Purchase Price Allocation of the business combinations of Gruppo Banca Popolare Italiana and Gruppo Banca Italease

In compliance with IFRS 3, the income statement of Gruppo Banco Popolare includes the P&L impacts caused by the allocation of the merger difference in the business combination with Gruppo Banca Popolare Italiana and of the price paid to acquire Banca Italease pursuant to IFRS 3 (so called Purchase Price Allocation – PPA) with respect to full year 2012 and the first quarter of 2013. For the sake of a like-to-like comparison, please note that PPA impacts can significantly differ in the periods under comparison. For a full and transparent disclosure, shown below are the impacts deriving from the recognition of profit adjustments reported by the income generation units acquired by Gruppo Banca Popolare Italiana and Gruppo Banca Italease due to the higher values recognized in the consolidated financial statements on the date of effectiveness of the business combinations as a result of applying the accounting standard IFRS 3.

1. A. - Business combination of Gruppo Banca Popolare Italiana

Net interest income: the P&L impact in the first quarter of 2013 was +1.0 million (+1.1 million in Q4 2012) and -8.3 million in Q1 2012, and is mainly attributable to the greater value recognized during PPA to loans acquired under the merger.

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Other operating income: the P&L impact in the first quarter of 2013 and -8.1 million (-8.7 million in Q4 2012) and -8.7 million in Q1 2012, and is represented by the amortization of intangible assets having a defined useful life recognized during PPA.

As a result, the following P&L impacts were reported in the first quarter of 2013:

- net interest and other banking income: -7.1 million (-17.0 million in Q1 2012 and -7.7 million in Q4 2012);
- profit from operations: -7.9 million (-18.0 million in Q1 2012 and -10.7 million in Q4 2012);
- income/loss before tax: -7.9 million (-17.7 million in Q1 2012 and -10.6 million in Q4 2012);
- income tax:: +2.6 million (+5.9 million in Q1 2012 and +3.4 million in Q4 2012);

The overall effect on the net consolidated income came in at -5.3 million on 31 March 2013 (-11.7 million in Q1 2012 and – 7.2 million in Q4 2012).

1. B. - Business combination of Gruppo Banca Italease

Net interest income: the P&L impact was -1.2 million on 31 March 2013 (-1.8 million in Q4 2012) and -7.0 million on 31 March 2012, attributable to the lower value recognized to financial liabilities issued by Banca Italease during the business combination upon allocating the purchase price. The negative impact is due to the consequent addition of interest expense recognized by Banca Italease against the above financial liabilities for the portion that was not repurchased after 1 July 2009.

As a result, the following P&L impacts were reported in the first quarter of 2013:

- net interest and other banking income: - 1.2 million (-7.0 million in Q1 2012 and -1.8 million in Q4 2012);
- profit from operations: - 1.2 million (-7.0 million in Q1 2012 and -1.8 million in Q4 2012);
- income/loss before tax : - 1.2 million (-7.0 million in Q1 2012 and -1.8 million in Q4 2012);
- income tax: +0.4 million (+2.3 million in Q1 2012 and +0.6 million in Q4 2012);

The overall effect on the net consolidated income came in at -0.8 million on 31 March 2013 (-4.7 million in Q1 2012 and -1.2 million in Q4 2012).

By summing together the PPA effects associated with the ex-BPI group and those of the Banca Italease group, the total PPA negative impact on the net P&L result as at 31 March 2013 was -6.2 million (as compared with an impact of -16.4 million on the net income of 31 March 2012).

2. Changes in consolidation scope

No material changes in consolidation scope occurred in the first quarter of 2013. Note, that the merger of Finert into the controlling company Seri was finalized and came into effect on 1 January 2013, and at the same time the company name of the acquiring company Seri was changed in Finert Finanziaria Esattorie Ricevitorie Tesorerie in liquidazione S.p.A..
With respect to companies carried at equity, the associate Eurocasse Sim, owned 20.981% by Banco Popolare, is no longer included in the consolidation scope after it was cancelled form the Company Register in January.
Finally, in April the subsidiary TR toscana Resort S.r.l. changed its company name in BP Trading Immobiliare S.r.l..
The above changes in consolidation scope do not affect the significance of the comparison of 2013 data with those of the prior quarters.

3. Main non-recurring P&L items included in the income statements of the two periods under comparison

In compliance with the directives set forth in Consob's Communication n. DEM/6064293 dated 28 July 2006, the impact of the main non-recurring items is highlighted in the report on operations.

In addition to amounts that have already been shown in items that by their own nature are non-recurring (e.g., profit or loss on discontinued operations), the operating income in the first quarter of 2013 was penalized by the impact caused by the decline in the book value of financial liabilities in issue measured at fair value as a result of the downgrading of Banco Popolare's rating compared to the end of the prior year (76.4 million, gross of tax effect).

The income statement of the first quarter of 2012 had been penalized by the impact from the increase in the book value of financial liabilities in issue measured at fair value as a result of the upgrading of Banco Popolare' rating since the end of the prior financial year (316.7 million, gross of tax effect), and by the non-recurring provision of 77.2 million (net of tax effect) recognized against the risks associated with the equity investment in Agos-Ducato. Conversely, it benefitted from the capital gains from the buyback carried out in February 2012 of own financial liabilities and the consequent early termination of the correlated derivatives (109.9 million, gross of tax effect).

4. Other explanatory notes

The interim operating report reflects on a consolidated basis the financial and operating situations of Banco Popolare and its subsidiaries with respect to 31 March 2013 or, when not available, on the most recently approved financial reports.
Similarly, the equity method-based treatment of associates was carried out based on the accounting information as at 31 March 2013 submitted to Banco Popolare, or, if not available, the most recent financial reports prepared by the associates.
Note that the income statement as at 31 March 2013 does not include the share of profit/loss reported in the quarter by the associate Agos Ducato S.p.A. as when preparing the interim report the financial accounts of the company subsequent to the annual report as at 31 December 2012 were not available yet.
Moreover, the associate Agos-Ducato approved its draft financial statements as at 31 December 2012 only in the Board meeting held on 7 May 2013, together with the goodwill impairment test and the new 2013-2017 business plan, which expects the company to return to profitability in 2014. The draft consolidated financial statements as at 31 December 2012 of Agos Ducato report a net loss for the year of 604.8 million, after the recognition of net loan impairment charges of 1,102.8 million and a total goodwill impairment of 241.7 million. The shareholders' equity as at 31 December 2012 totaled 1,308.0 million.
The 2012 results reported by Agos Ducato have already been factored in into Banco Popolare's annual report as at 31 December 2012 through the prudential valuation of the past equity investment. As a result of the impairments charged to income in 2012, the carrying amount of the equity investment in Agos Ducato has been recognized at 382.4 million. Any equity investment recovery, which is estimated in the order of 100 million, shall be written back only following the full effectiveness of the agreement entered with Crédit Agricole and aiming at turning the joint venture back to profitability, and when Banco shall have all relevant information necessary in order to revise the valuation of its equity investment made upon preparing its annual report as at 31 December 2012.

The "normalized" result of Q1 2012 was determined by adjusting the income for the period, amounting to 91.9 million, with respect to the following components:

- impacts from the Purchase Price Allocation of the business combinations of the Banca Popolare Italiana and Banca Italease groups (positive adjustment to offset a total negative contribution of 6.2 million);
- impacts from the fair value changes of financial liabilities in issue due to rating changes (negative adjustment to offset a total positive contribution of 51.2 million);
- minor non-recurring impacts (positive change to offset a total negative contribution of 2.6 million).

Attachments

- Reclassified Consolidated Balance sheet

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- Reclassified Consolidated Income Statement
- Reclassified Consolidated Income Statement with separate evidence of the Fair Value Option (FVO) result
- Reclassified consolidated Income Statement: quarterly evolution
- Reclassified Consolidated Income Statement with separate presentation of the Fair Value Option (FVO) result: quarterly evolution

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Reclassified consolidated balance sheet

Reclassified assets (euro thousand)	**31/03/2013**	**31/12/2012**	**Changes**	
Cash and cash equivalents	521,642	672,164	(150,522)	(22.4%)
Financial assets and hedging derivatives	23,230,997	24,201,862	(970,865)	(4.0%)
Due from banks	5,053,555	4,471,871	581,684	13.0%
Customer loans	90,957,601	91,481,232	(523,631)	(0.6%)
Equity investments	869,532	847,506	22,026	2.6%
Property and equipment	2,100,293	2,105,112	(4,819)	(0.2%)
Intangible assets	2,321,890	2,325,166	(3,276)	(0.1%)
Non-current assets held for sale and discontinued operations	244,843	256,387	(11,544)	(4.5%)
Other assets	5,958,644	5,560,084	398,560	7.2%
Total	**131,258,997**	**131,921,384**	**(662,387)**	**(0.5%)**

Reclassified liabilities (euro thousand)	**31/03/2013**	**31/12/2012**	**Changes**	
Due to banks	18,397,901	17,573,037	824,864	4.7%
Due to customers, debt securities issued and financial liabilities designated at fair value	92,933,067	94,506,345	(1,573,278)	(1.7%)
Financial liabilities and hedging derivatives	5,965,901	6,352,817	(386,916)	(6.1%)
Liability provisions	1,099,609	1,134,708	(35,099)	(3.1%)
Liabilities associated with assets held for sale	95,212	84,726	10,486	12.4%
Other liabilities	3,702,319	3,288,847	413,472	12.6%
Minority interests	375,697	368,517	7,180	1.9%
Shareholders' equity	8,689,291	8,612,387	76,904	0.9%
- Capital and reserves	8,597,401	9,556,943	(959,542)	(10.0%)
- Net income (loss) for the period	91,890	(944,556)	1,036,446	n.s.
Total	**131,258,997**	**131,921,384**	**(662,387)**	**(0.5%)**

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BANCO POPOLARE GROUP

Reclassified consolidated income statement

Reclassified income statement (euro thousand)	**Q1 2013**	**Q1 2012 (*)**	**Chg.**
Net interest income	408,539	470,161	(13.1%)
Profit (loss) on equity investments carried at equity	4,626	6,922	(33.2%)
Net interest, dividend and similar income	**413,165**	**477,083**	**(13.4%)**
Net commissions	365,464	336,304	8.7%
Other net revenues	52,379	9,364	459.4%
Net financial result	153,284	(34,043)	n.s.
Other operating income	**571,127**	**311,625**	**83.3%**
Total income	**984,292**	**788,708**	**24.8%**
Personnel expenses	(349,459)	(364,450)	(4.1%)
Other administrative expenses	(180,064)	(186,676)	(3.5%)
Amortization and depreciation	(31,768)	(35,416)	(10.3%)
Operating costs	**(561,291)**	**(586,542)**	**(4.3%)**
Profit (loss) from operations	**423,001**	**202,166**	**109.2%**
Net adjustments on loans to customers	(229,347)	(211,356)	8.5%
Net adjustments on receivables due from banks and other assets	(5,749)	(1,631)	252.5%
Net provisions for risks and charges	940	(72,165)	n.s.
Profit (loss) on the disposal of equity and other investments	139	(37)	n.s.
Income (loss) before tax from continuing operations	**188,984**	**(83,023)**	
Tax on income from continuing operations	(89,307)	(20,326)	339.4%
Income (loss) after tax from discontinued operations	248	(818)	n.s.
Minority interests	(8,035)	(4,887)	64.4%
Net income (loss) for the period	**91,890**	**(109,054)**	

(*) Data of the previous year have been restated in order to ensure a homogeneous comparison.

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BANCO POPOLARE GROUP

Reclassified consolidated income statement with separate evidence of the FVO result

Reclassified income statement (euro thousand)	Q1 2013	Q1 2012 (*)	Chg.
Net interest income	408,539	470,161	(13.1%)
Profit (loss) on equity investments carried at equity	4,626	6,922	(33.2%)
Net interest, dividend and similar income	**413,165**	**477,083**	**(13.4%)**
Net commissions	365,464	336,304	8.7%
Other net revenues	52,379	9,364	459.4%
Net financial result	76,839	282,659	(72.8%)
Other operating income	**494,682**	**628,327**	**(21.3%)**
Total income	**907,847**	**1,105,410**	**(17.9%)**
Personnel expenses	(349,459)	(364,450)	(4.1%)
Other administrative expenses	(180,064)	(186,676)	(3.5%)
Amortization and depreciation	(31,768)	(35,416)	(10.3%)
Operating costs	**(561,291)**	**(586,542)**	**(4.3%)**
Profit (loss) from operations	**346,556**	**518,868**	**(33.2%)**
Net adjustments on loans to customers	(229,347)	(211,356)	8.5%
Net adjustments on receivables due from banks and other assets	(5,749)	(1,631)	252.5%
Net provisions for risks and charges	940	(72,165)	n.s.
Profit (loss) on the disposal of equity and other investments	139	(37)	n.s.
Income (loss) before tax from continuing operations	**112,539**	**233,679**	**(51.8%)**
Tax on income from continuing operations	(64,027)	(125,059)	(48.8%)
Income (loss) after tax from discontinued operations	248	(818)	n.s.
Minority interests	(8,035)	(4,887)	64.4%
Net income (loss) for the period excluding FVO	**40,725**	**102,915**	**(60.4%)**
Fair Value Option result (FVO) - pre tax	76,445	(316,702)	n.s.
Tax on FVO result	(25,280)	104,733	n.s.
Net income (loss) for the period	**91,890**	**(109,054)**	**n.s.**

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BANCO POPOLARE GROUP

Reclassified consolidated income statement - quarterly evolution

(euro thousand)	2013	2012			
	Q1	Q4	Q3 (*)	Q2 (*)	Q1 (*)
Net interest income	408,539	402,732	441,714	444,815	470,161
Profit (loss) on equity investments carried at equity	4,626	25,301	(33,022)	(65,999)	6,922
Net interest, dividend and similar income	**413,165**	**428,033**	**408,692**	**378,816**	**477,083**
Net commissions	365,464	352,179	334,586	341,260	336,304
Other net revenues	52,379	45,536	18,846	13,012	9,364
Net financial result	153,284	(103,647)	(25,377)	156,415	(34,043)
Other operating income	**571,127**	**294,068**	**328,055**	**510,687**	**311,625**
Total income	**984,292**	**722,101**	**736,747**	**889,503**	**788,708**
Personnel expenses	(349,459)	(310,786)	(354,068)	(365,635)	(364,450)
Other administrative expenses	(180,064)	(147,852)	(187,872)	(182,315)	(186,676)
Amortization and depreciation	(31,768)	(62,433)	(32,666)	(30,294)	(35,416)
Operating costs	**(561,291)**	**(521,071)**	**(574,606)**	**(578,244)**	**(586,542)**
Profit (loss) from operations	**423,001**	**201,030**	**162,141**	**311,259**	**202,166**
Net adjustments on loans to customers	(229,347)	(683,455)	(203,888)	(185,623)	(211,356)
Net adjustments on receivables due from banks and other assets	(5,749)	(21,391)	(4,556)	(15,078)	(1,631)
Net provisions for risks and charges	940	7,976	(9,556)	60,355	(72,165)
Profit (loss) on the disposal of equity and other investments	139	239	(810)	5,390	(37)
Income (loss) before tax from continuing operations	**188,984**	**(495,601)**	**(56,669)**	**176,303**	**(83,023)**
Tax on income from continuing operations	(89,307)	43,242	(24,286)	(20,678)	(20,326)
Income (loss) after tax from discontinued operations	248	(22,157)	(1,056)	(1,994)	(818)
Minority interests	(8,035)	16,317	(810)	(5,579)	(4,887)
Income before impairment	**91,890**	**(458,199)**	**(82,821)**	**148,052**	**(109,054)**
Impairment on goodwill and participations	-	(432,534)	-	(10,000)	-
Net income (loss) for the period	**91,890**	**(890,733)**	**(82,821)**	**138,052**	**(109,054)**

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BANCO POPOLARE GROUP

Reclassified consolidated income statement with separate evidence of the FVO result - quarterly evolution

(euro thousand)	2013	2012			
	Q1	Q4	Q3 (*)	Q2 (*)	Q1 (*)
Net interest income	408,539	402,732	441,714	444,815	470,161
Profit (loss) on equity investments carried at equity	4,626	25,301	(33,022)	(65,999)	6,922
Net interest, dividend and similar income	**413,165**	**428,033**	**408,692**	**378,816**	**477,083**
Net commissions	365,464	352,179	334,586	341,260	336,304
Other net revenues	52,379	45,536	18,846	13,012	9,364
Net financial result	76,839	43,063	90,284	52,380	282,659
Other operating income	**494,682**	**440,778**	**443,716**	**406,652**	**628,327**
Total income	**907,847**	**868,811**	**852,408**	**785,468**	**1,105,410**
Personnel expenses	(349,459)	(310,786)	(354,068)	(365,635)	(364,450)
Other administrative expenses	(180,064)	(147,852)	(187,872)	(182,315)	(186,676)
Amortization and depreciation	(31,768)	(62,433)	(32,666)	(30,294)	(35,416)
Operating costs	**(561,291)**	**(521,071)**	**(574,606)**	**(578,244)**	**(586,542)**
Profit (loss) from operations	**346,556**	**347,740**	**277,802**	**207,224**	**518,868**
Net adjustments on loans to customers	(229,347)	(683,455)	(203,888)	(185,623)	(211,356)
Net adjustments on receivables due from banks and other assets	(5,749)	(21,391)	(4,556)	(15,078)	(1,631)
Net provisions for risks and charges	940	7,976	(9,556)	60,355	(72,165)
Profit (loss) on the disposal of equity and other investments	139	239	(810)	5,390	(37)
Income (loss) before tax from continuing operations	**112,539**	**(348,891)**	**58,992**	**72,268**	**233,679**
Tax on income from continuing operations	(64,027)	(5,275)	(62,535)	13,726	(125,059)
Income (loss) after tax from discontinued operations	248	(22,157)	(1,056)	(1,994)	(818)
Minority interests	(8,035)	16,317	(810)	(5,579)	(4,887)
Net income (loss) for the period before impairment and excluding FVO	**40,725**	**(360,006)**	**(5,409)**	**78,421**	**102,915**
Impairment on goodwill partecipations	-	(432,534)	-	(10,000)	-
Net income (loss) for the period excluding FVO	**40,725**	**(792,540)**	**(5,409)**	**68,421**	**102,915**
Fair Value Option result (FVO) - pre tax	76,445	(146,710)	(115,661)	104,035	(316,702)
Tax on FVO result	(25,280)	48,517	38,249	(34,404)	104,733
Net income (loss) for the period	**91,890**	**(890,733)**	**(82,821)**	**138,052**	**(109,054)**

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