



Nomura
Financial Services Conference 2011

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Agenda

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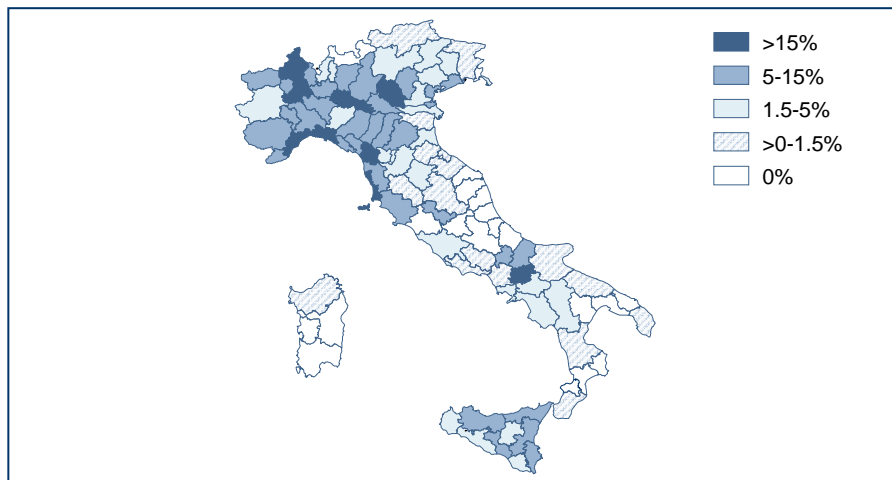
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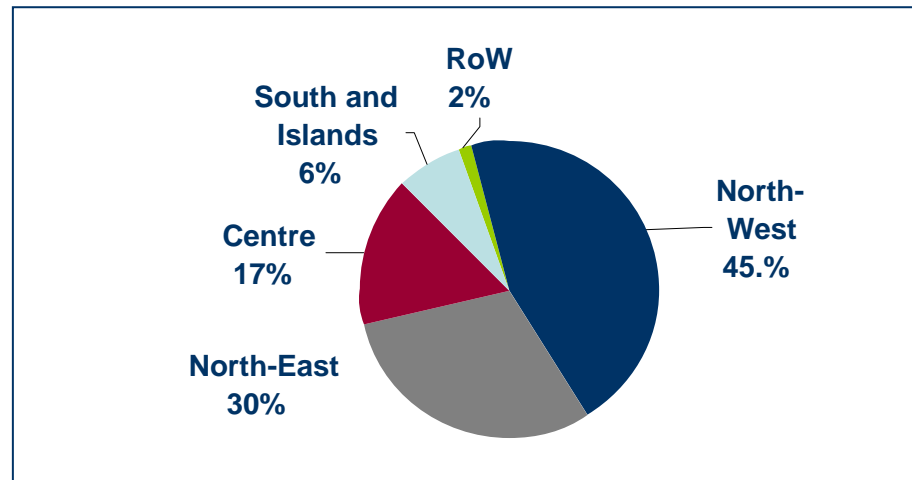
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Geographical mix: branch network located mainly in wealthy northern Italy, with strong positioning in attractive areas

Market share by number of branches (31/12/10) (i)



Customer loans by geographical area (31/12/10)



Market share by loans and deposits in some of the main regions (as at 31/12/2010)

	Loans	Deposits (ii)
▪ Veneto	7.72%	8.55%
▪ Lombardy	7.13%	6.11%
▪ Emilia Romagna	7.69%	6.98%
▪ Piedmont	6.57%	5.97%
▪ Liguria	8.90%	9.61%
▪ Tuscany	7.47%	7.52%
ITALY	5.42%	4.87%

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: 7.13% (loans) and 6.36% (deposits);
 - North East: 6.65% and 6.45%.
- **Strong base of domestic retail customers.**
- **Excellent geographical position:**
 - Economically resilient northern Italy accounts for 74.8% of the Banks of Territory branch network (more than 85% including Tuscany).
- **Franchise quality.**
- **Well-recognized brands in core market regions**

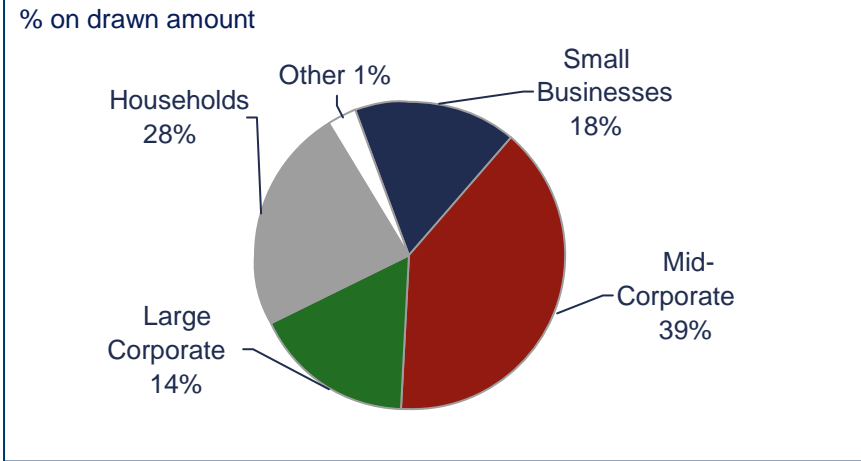
All indicated market shares exclude Caripe.

(i) Branch market shares are calculated as of 31 Dec. 2010 and are based on a total of 1,992 branches of the Banks of the Territory.

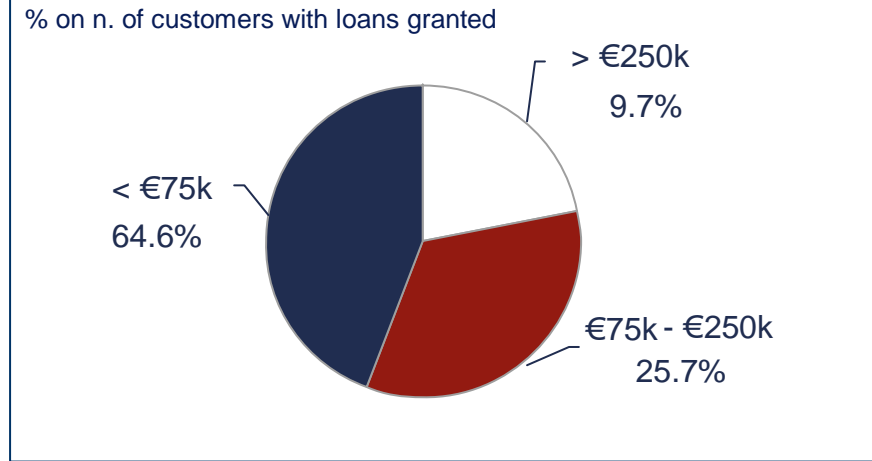
(ii) Deposit market shares are based on the Bank of Italy's Statistical Bulletin and hence comprise banks' fund-raising in the form of deposits (with agreed maturity, sight, overnight and redeemable at notice), savings certificates, CDs, current accounts and repos.

Group strengths: the business

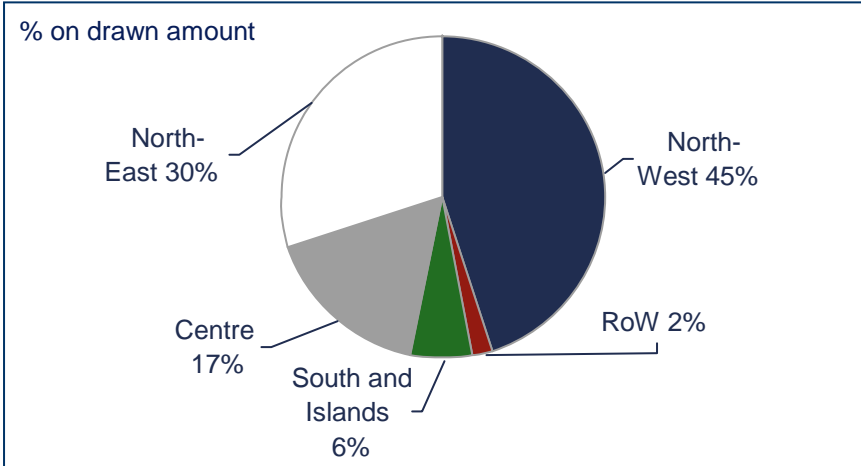
Customer breakdown by segment (30/06/2011)



Customer breakdown (31/12/2010)



Customer loan breakdown by geography (30/06/2011)



Comments

- Core banking activity mainly focused on households and small businesses/mid-corporate customers, that together represent 84% of customer loans.
- Deeply rooted geographical presence in the historical areas: **75%** of customer loans are concentrated in northern Italy.
- High fragmentation of the loan book, with **90%** of the total granted positions with an average amount <€250k.

Note: Loans of the Banks of the Territory + Efibanca;



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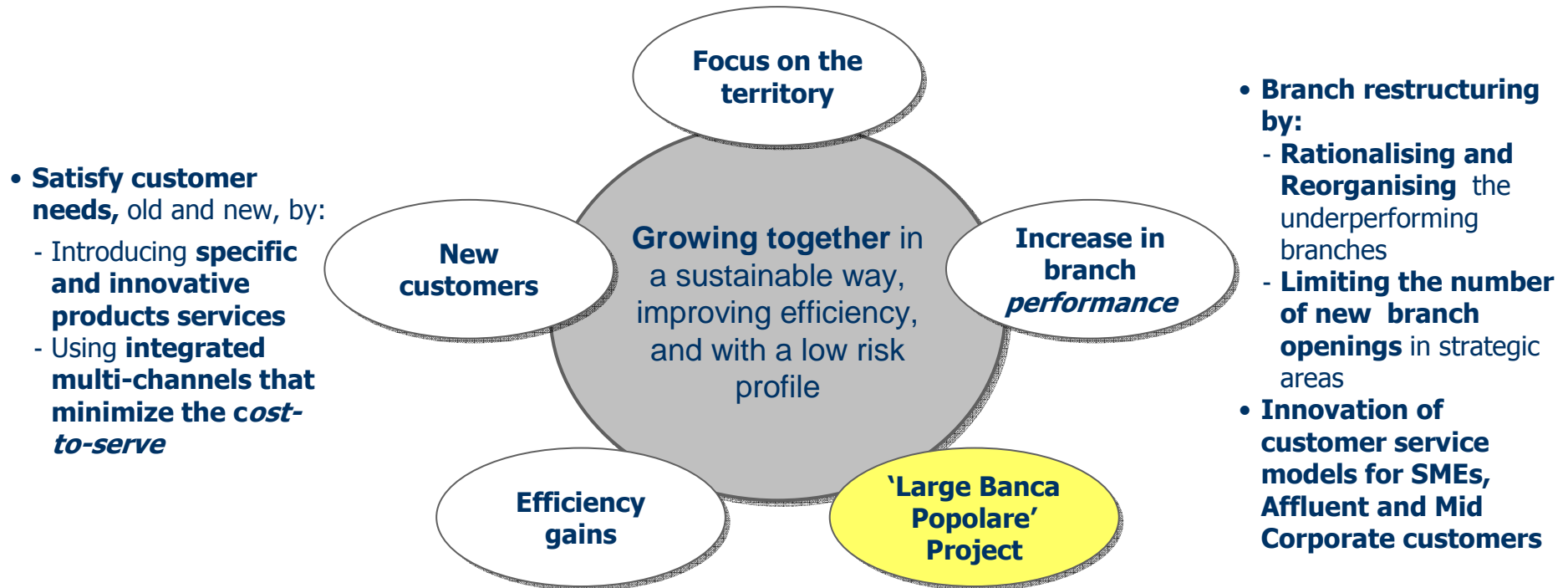


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Business Plan 2011-2013/15 guidelines

- **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

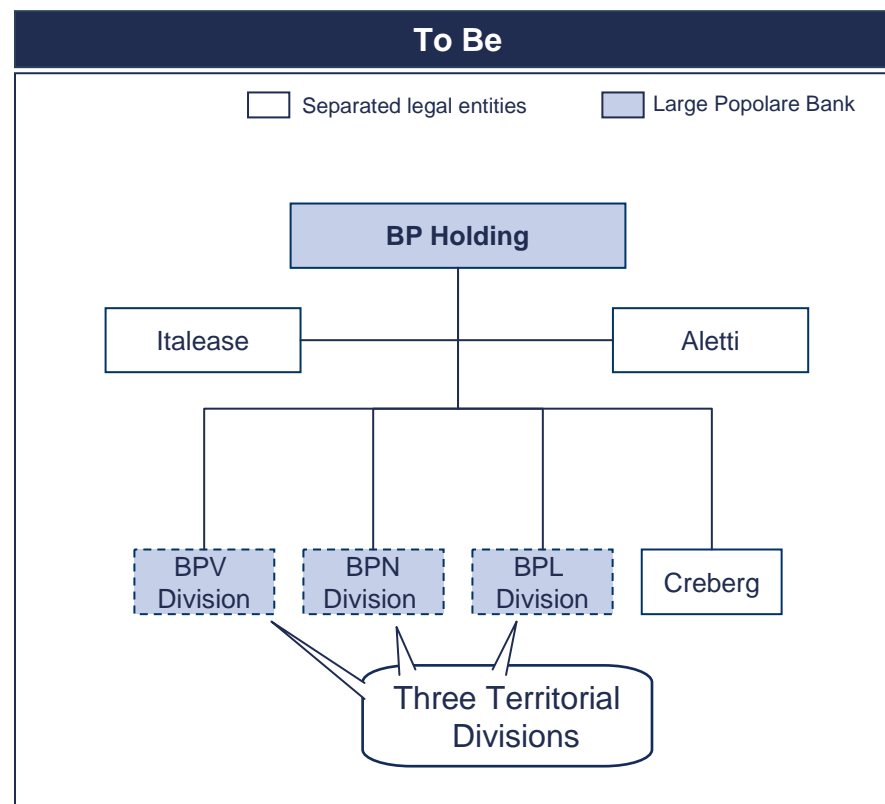
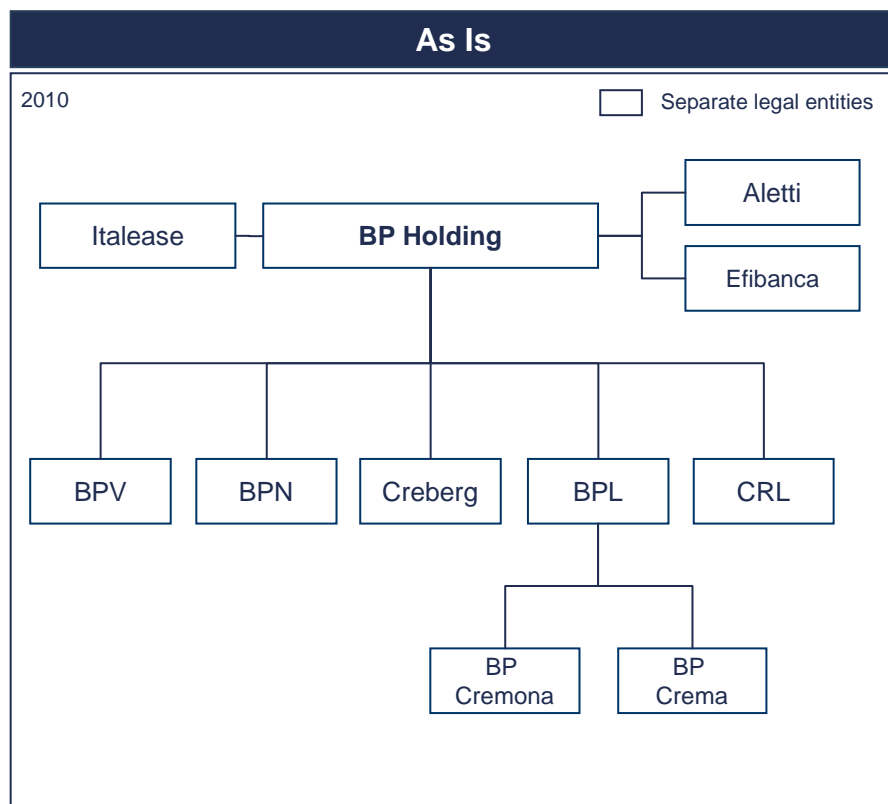


- **Efficiency gains by:**
 - Reduction of headquarter resources in favour of the commercial network.
 - Elimination of activity duplication between Holding, Banks of the Territory/Territorial Divisions and territorial areas.

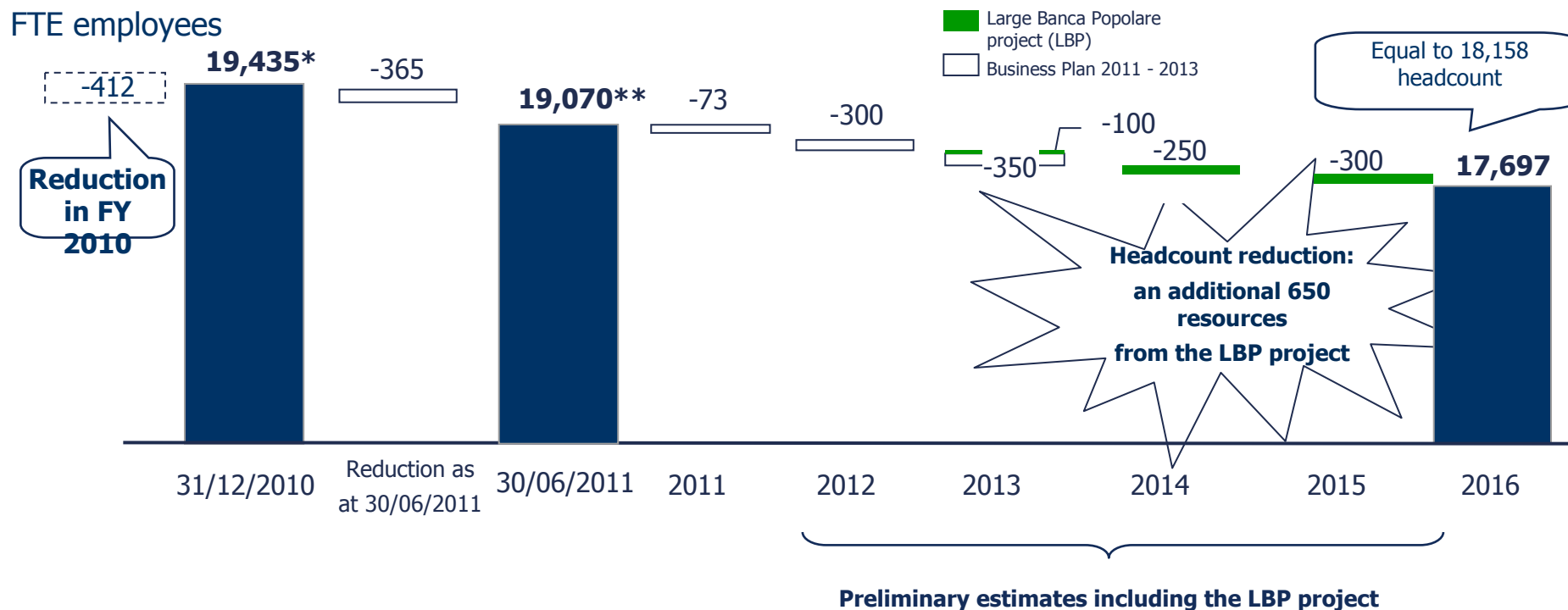
- **From optimisation of the federal model to the 'Large Banca Popolare' Project**
 - strong simplification of Group structure
 - simplification of Group corporate governance

New organizational structure: strong Group simplification

Large Banca Popolare Project



Banco Popolare Group Group headcount evolution 2011-2016 (FTE)



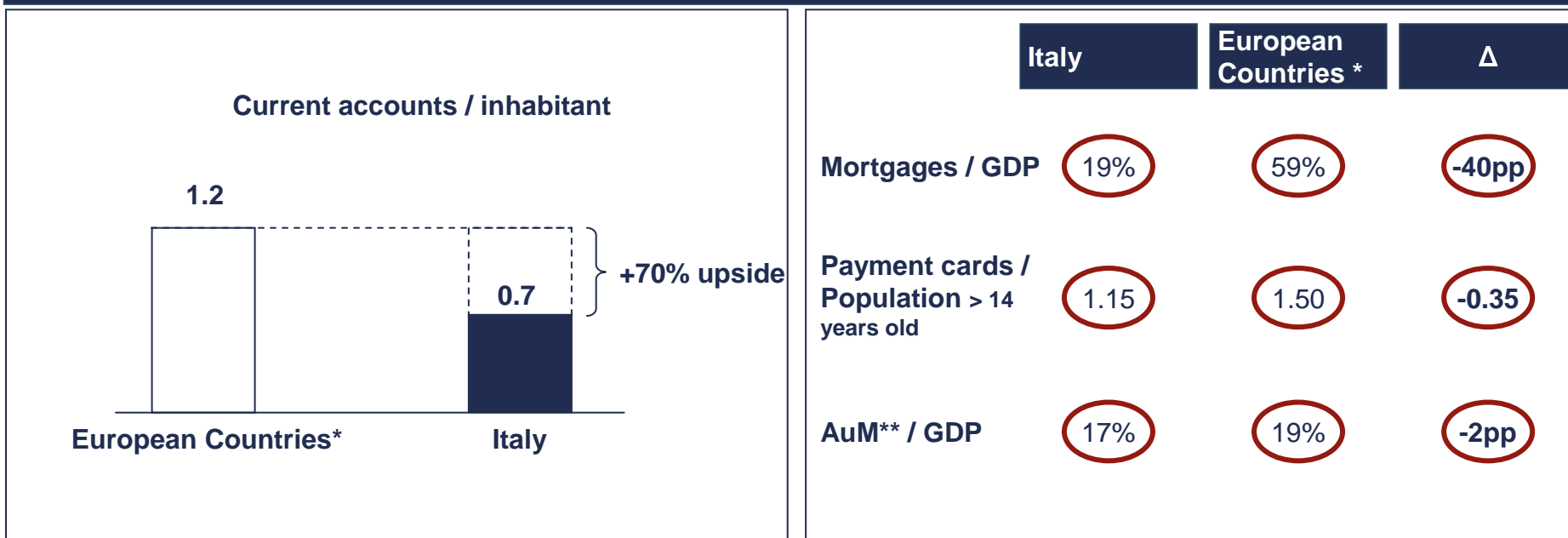
	2010	2011	2012	2013	2014	2015	Total
Previous target (2010-2013) dec. 2010	-300	-500	-250	-250			= -1,300
Revised target (2010-2013) mar. 2011	-412	-438	-300	-350			= -1,500
With LBP project (2010-2015)	-412	-438	-300	-450	-250	-300	= -2,150

*Pro-forma figures net of BP Hungary which has exited the consolidation perimeter as a result of its classification as Non-current assets held for sale and discontinued operations

** Net of 139 resources with departure effective from 01/07/2011.

Opportunities in the Italian market

Italian banking system indicators vs. European Countries



Sources: BCE (data on payment cards, current accounts European countries and Italy as at 2009), Central Banks (for Italian Mortgages), EIU (data as at 2010).

* The benchmark is composed by France, Spain and Germany. Data of current account per inhabitant include also the UK.

** Mutual Funds.

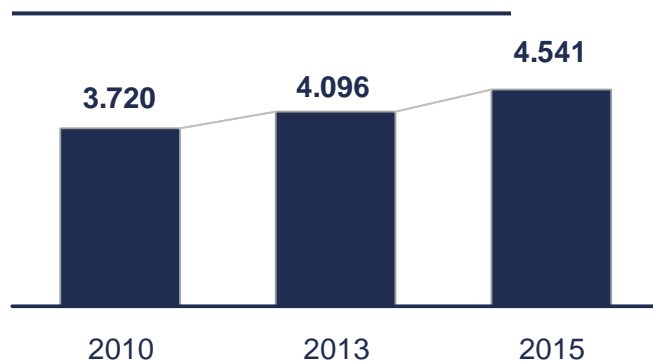
Banco Popolare Group

Financial targets

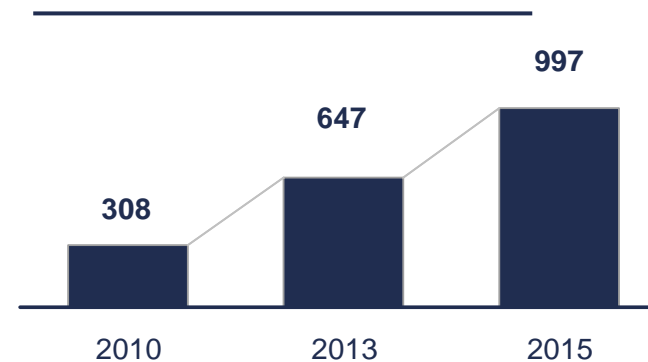
Financial performance

€/m

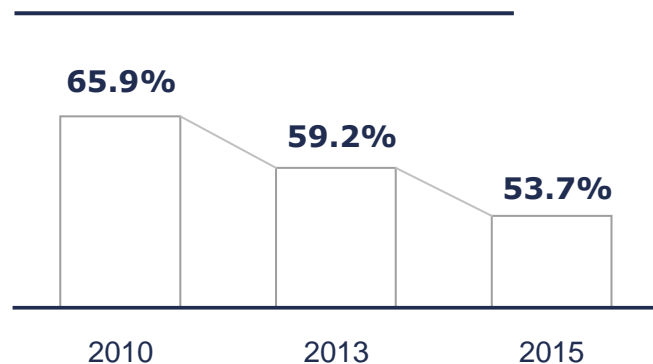
Total Income ⁽¹⁾



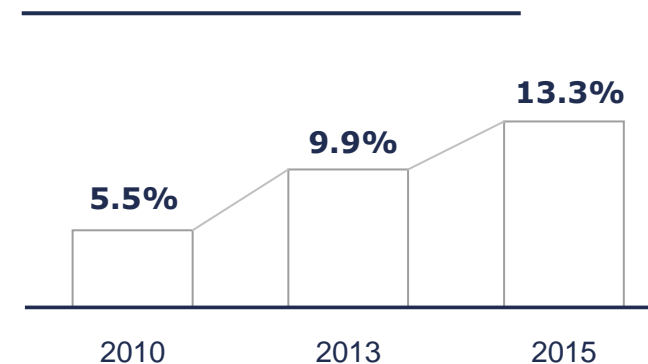
Net Income ⁽¹⁾



C/I ratio



ROTE ⁽²⁾

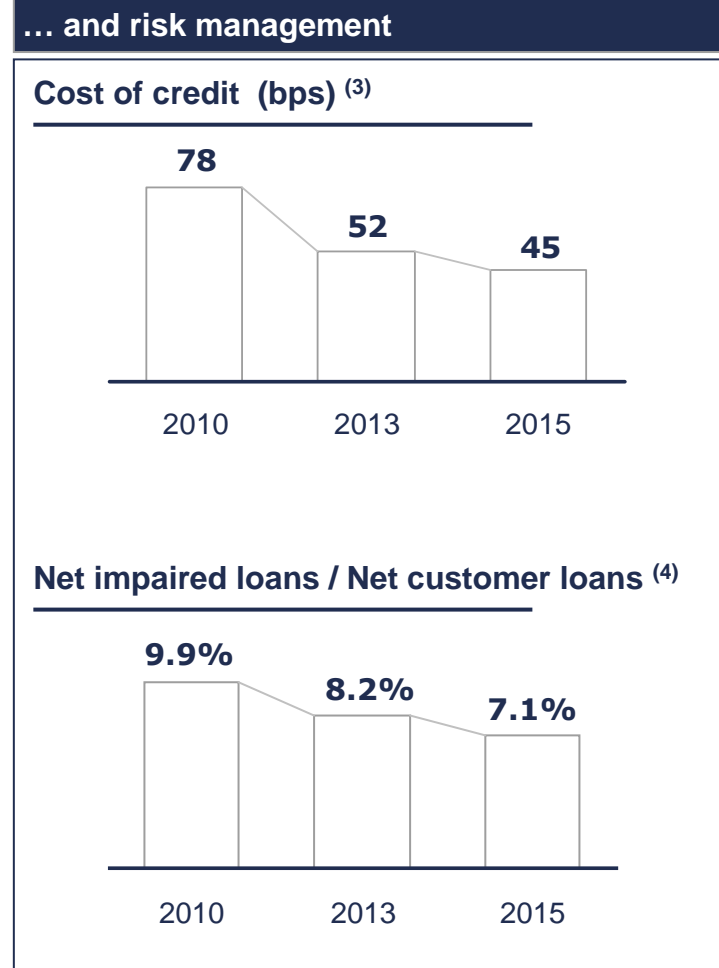
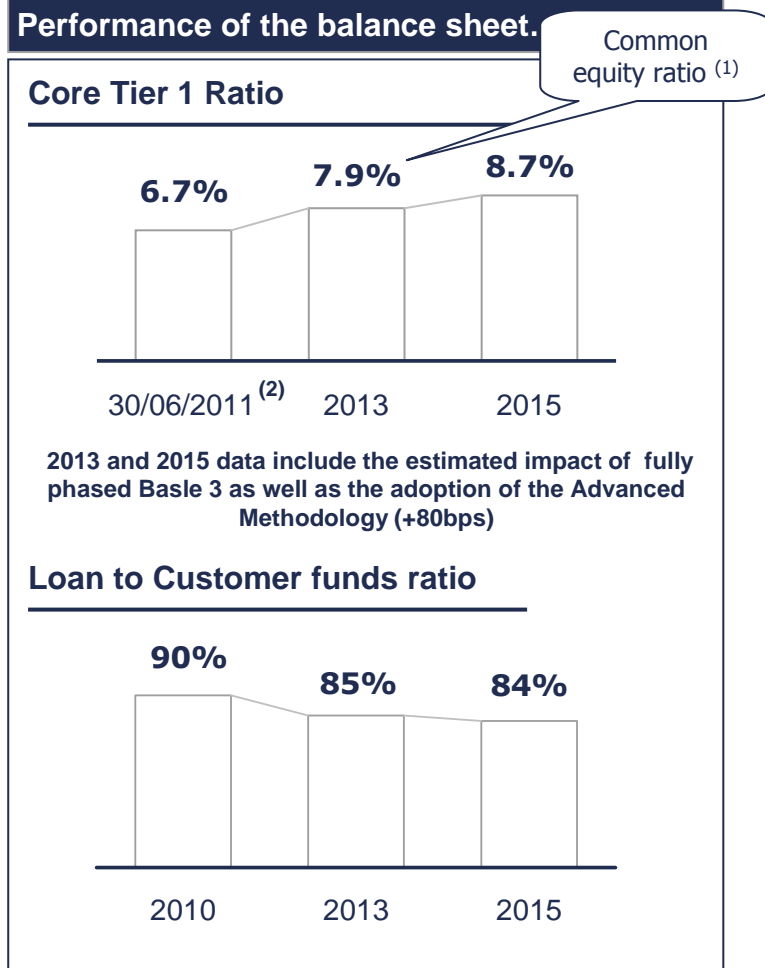


Note:

(1) FY2010 results include the effect of the Fair Value Option, equal to €395.5m pre-tax and €267.7m post-tax, while in the planning period no Fair Value Option effect has been considered.

(2) ROTE calculated as Net Income on Net Tangible Equity.

Balance sheet and risk management targets



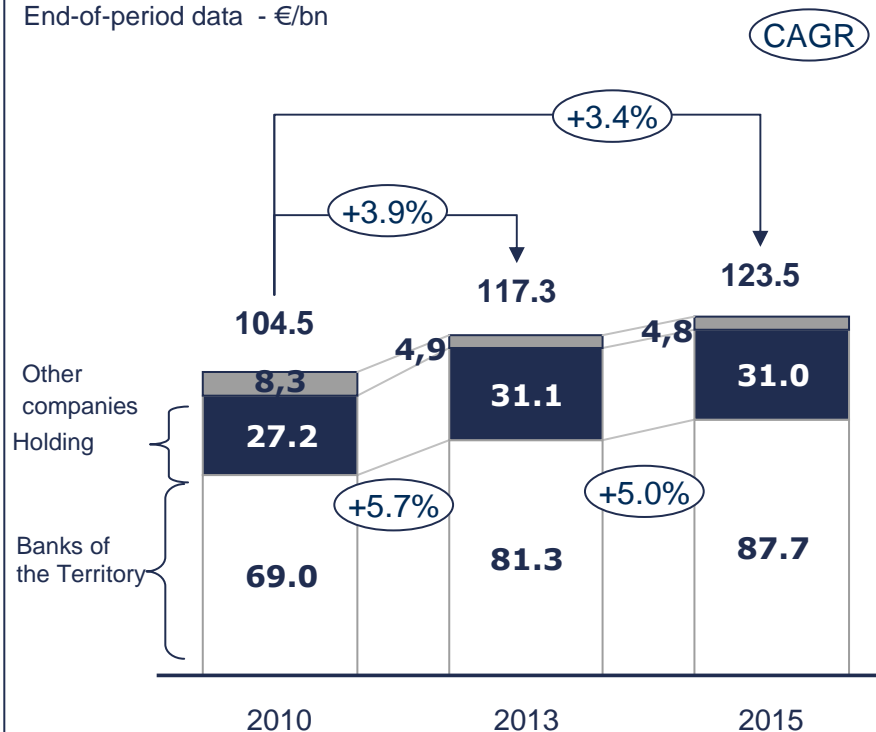
(1) Common equity ratio calculated in accordance with Basle 3 requirements from 2013.
 (2) Proforma including the estimated tax release impact on goodwill and other intangible assets (+20bps)
 (3) Cost of risk calculated as loan loss provisions (net) on total gross customer loans.
 (4) Impaired loans include NPLs + Watchlist + Restructured + Past Due.

Banco Popolare Group

Business Plan: volumes

Total direct customer funds

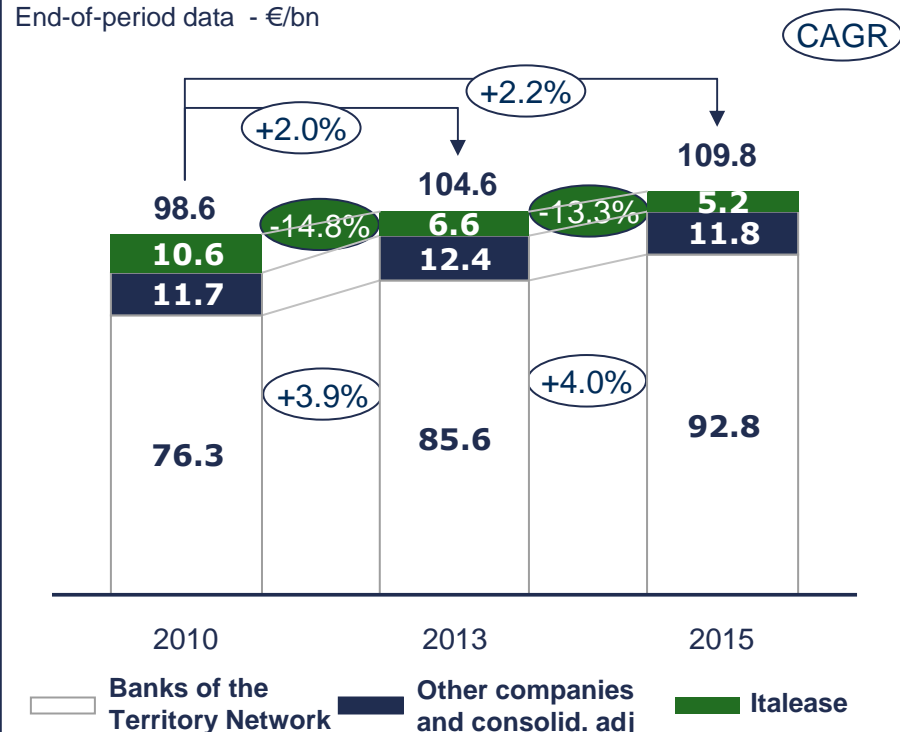
End-of-period data - €/bn



- The growth of direct customers funds levers on the **Banks of the Territory** that provide access to high quality funding sources.
- The funding of the **Holding** company, which includes the EMTN programme and other wholesale funding sources, is expected to grow only during the 3-year period 2011-2013, remaining stable during the following 2 years.

Total gross customer loans

End-of-period data - €/bn



Perf. Customer loans of the BoT	2010	2013	2015
Short-term	26bn	30bn	33bn
M/L-term	50bn	56bn	60bn
Large Corporate	14%	10%	8%
MID Corporate	39%	42%	44%
Households and Small Corp.	45%	46%	46%
Other	2%	2%	2%



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Banco Popolare Group

Highlights on Group results

- **Consolidated net income reaches €191.4m in H1 2011**

 - of which: Banco Popolare 'Standalone' net income: +€237.8m

 - of which: Net contribution of Italease: -€46.4m

- **"Normalised" Group net income at €172.9m.⁽¹⁾**

- **Good operating performance:**

 - Net Interest Income at €886m (-4.1% y/y)

 - Commissions at €654m (+1.8% y/y)

 - Operating Income at €1,885m, in line with H1 2010

 - Operating costs under control (+0.8% y/y). Excluding extraordinary costs related to the headcount reduction plan registered in Q2 2011 (equal to €6.6m), the change is +0.2%. In H1 2011, in line with the headcount reduction plan, the total number of employees decreased by 365.

 - Income Before Taxes From Continuing Operations at €315m (+14.7% y/y)

- **Growth volumes of the branch franchise:**

 - Loans to customers: +2.4% y/y and +1.1% vs dec.10

 - Direct customer funds: +2.3% y/y and +2.3% vs dec.10

 - Household mortgage loans (granted): +7.0% y/y

- **Satisfactory liquidity profile:** institutional funding needs fully covered for 2011 and for most of 2012.

- **Cost of credit risk at 79bps, substantially in line with the level of 2010, but improving in Q2 2011 over Q1 2011.**

(1) Net of Fair Value Option, PPA, gain/write-backs on government bond portfolio, profits from the disposal of equity investments and costs for the headcount reduction plan.

Banco Popolare Group

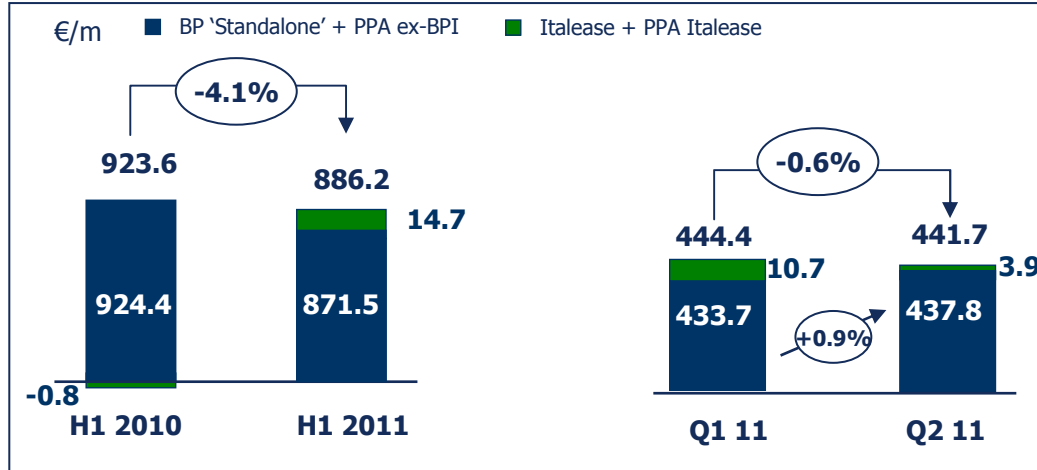
H1 2011 'normalized' consolidated income statement

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	Normalized Income statement excl. PPA
Net interest income	886.2	(67.6)	953.8					953.8
Profit (loss) on equity investments carried at equity	22.9		22.9					22.9
Net interest, dividend and similar income	909.1	(67.6)	976.6	-	-	-	-	976.6
Net commissions	653.9		653.9					653.9
Other revenues	34.4	(18.8)	53.2					53.2
Net financial income	287.3	(7.8)	295.1	38.6	23.1			233.4
Other operating income	975.6	(26.6)	1,002.2	38.6	23.1	-	-	940.5
Total income	1,884.7	(94.2)	1,978.9	38.6	23.1	-	-	1,917.1
Personnel expenses	(755.3)		(755.3)				(6.6)	(748.7)
Other administrative expenses	(377.3)		(377.3)					(377.3)
Amortization and depreciation	(70.0)	(1.9)	(68.1)					(68.1)
Operating costs	(1,202.7)	(1.9)	(1,200.8)	-	-	-	(6.6)	(1,194.1)
Profit from operations	682.0	(96.1)	778.1	38.6	23.1	-	(6.6)	723.0
Net write-downs on impairment of loans, guarantees and commitments	(399.9)		(399.9)					(399.9)
Net write-downs on impairment of other financial transactions	(27.1)		(27.1)		(15.3)			(11.8)
Net provisions for risks and charges	(2.3)	0.0	(2.3)					(2.3)
Impairment of goodwill and equity investments	-		-					-
Profit (loss) on disposal of equity and other investments	62.7	(6.7)	69.4			47.2		22.3
Income before tax from continuing operations	315.4	(102.8)	418.2	38.6	7.8	47.2	(6.6)	331.3
Tax on income from continuing operations	(138.0)	29.2	(167.3)	(15.9)	(2.6)	(0.6)	1.8	(149.9)
Income (Loss) after tax from non-current assets held for sale	22.0		22.0			22.0		-
Minority interest	(8.0)	0.5	(8.4)					(8.4)
Net income for the period	191.4	(73.1)	264.5	22.7	5.2	68.5	(4.8)	172.9

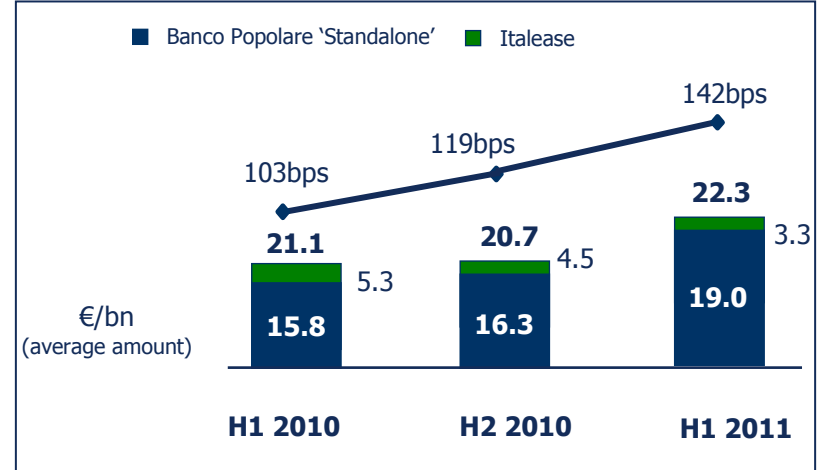
▪ On an annual basis, the PPA impact is expected to decrease to about **-€127m** (of which -€35m Italease) in 2011, **-€48m** (of which -€15m Italease) in 2012 and **-€28m** (of which -€8m Italease) in 2013.

Banco Popolare Group Net Interest Income

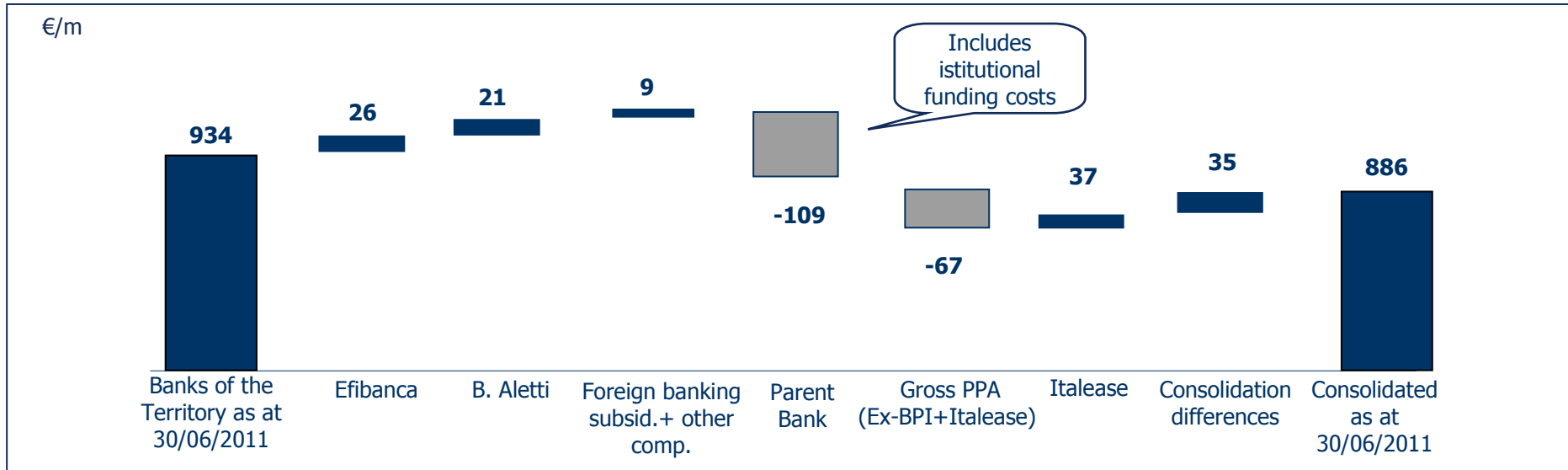
Annual and quarterly trend



Average spread of wholesale funding cost



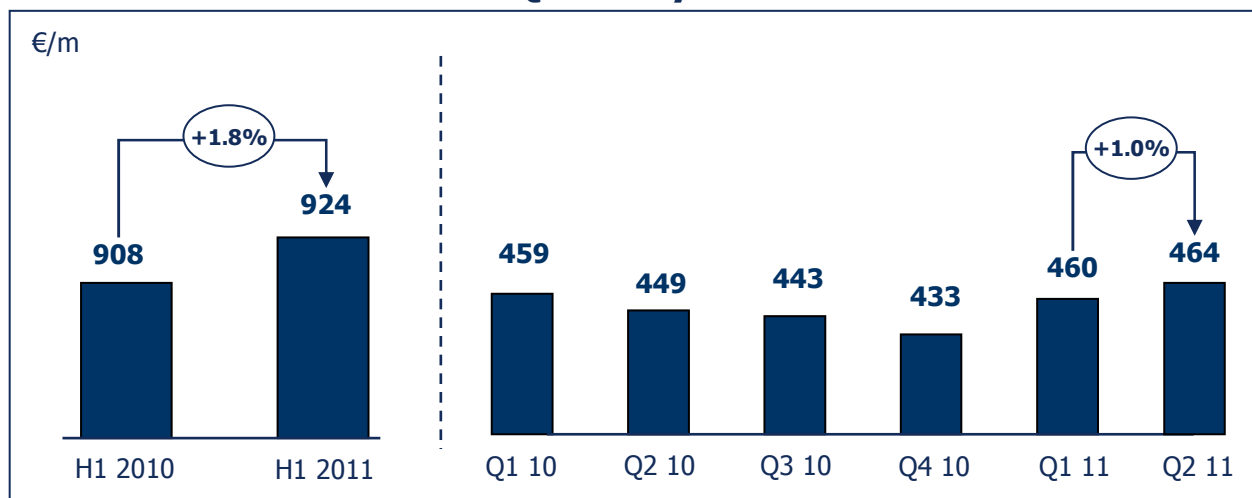
Breakdown of Net Interest Income



Banco Popolare 'Standalone'

Customer Net Interest Income of the Banks of the Territory*

Quarterly trend

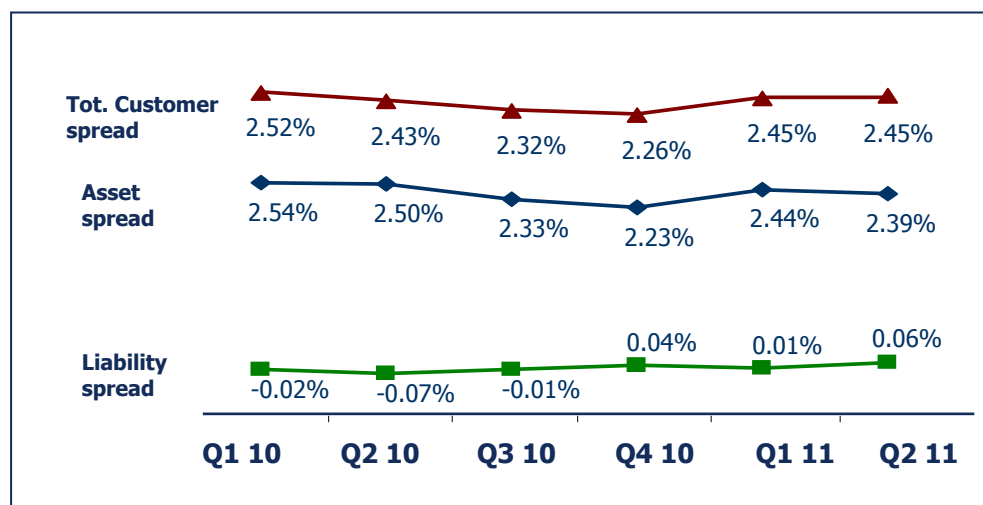


Drivers

The NII of customer loans & funds of the Banks of the Territory recorded an increase of +1.8% y/y and of +1.0% vs. the previous quarter:

	H1 2011 vs. H1 2010
• Volumes:	+€37.1m
• Spread:	-€21.2m
	+€15.9m

Customer spreads evolution



Comments

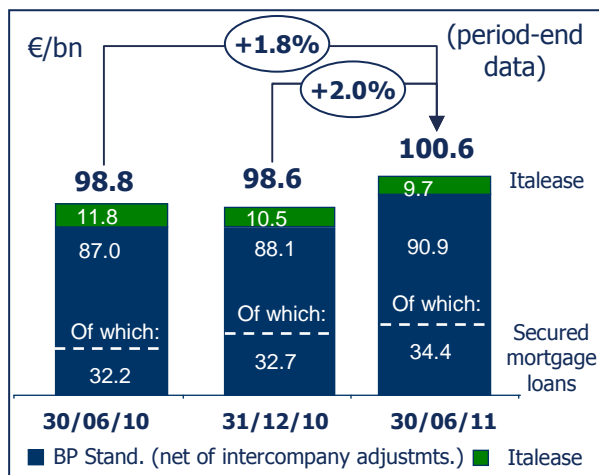
- Stable total customer spread, thanks to the increase of the liability spread which has allowed to compensate the reduction of the increase in asset spread, with the latter deriving only from the increase in interest rates.
- The partial growth of the liability spread follows the Group's strategy to strengthen its liquidity position and to lengthen the maturity profile through retail bond issues (+5.8bn in H1 2011).
- The renewed action of asset repricing already shows a meaningful recovery of the asset spread as of July 2011.

*Analysis based on the customer funds and customer loans of the Banks of the Territory (performing loans).

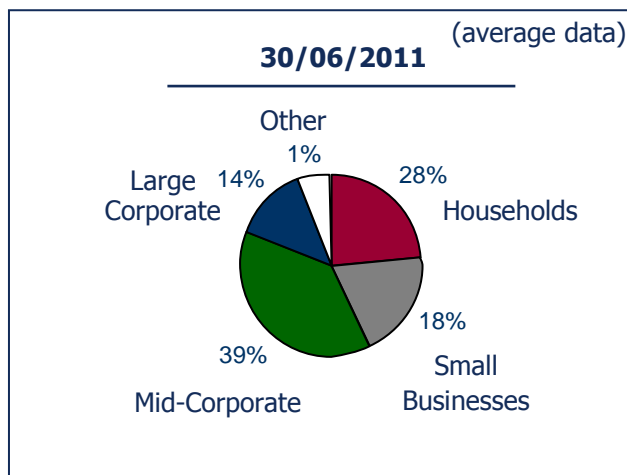
Banco Popolare Group

Customer loans: focus on Retail and SMEs

Gross customers loans



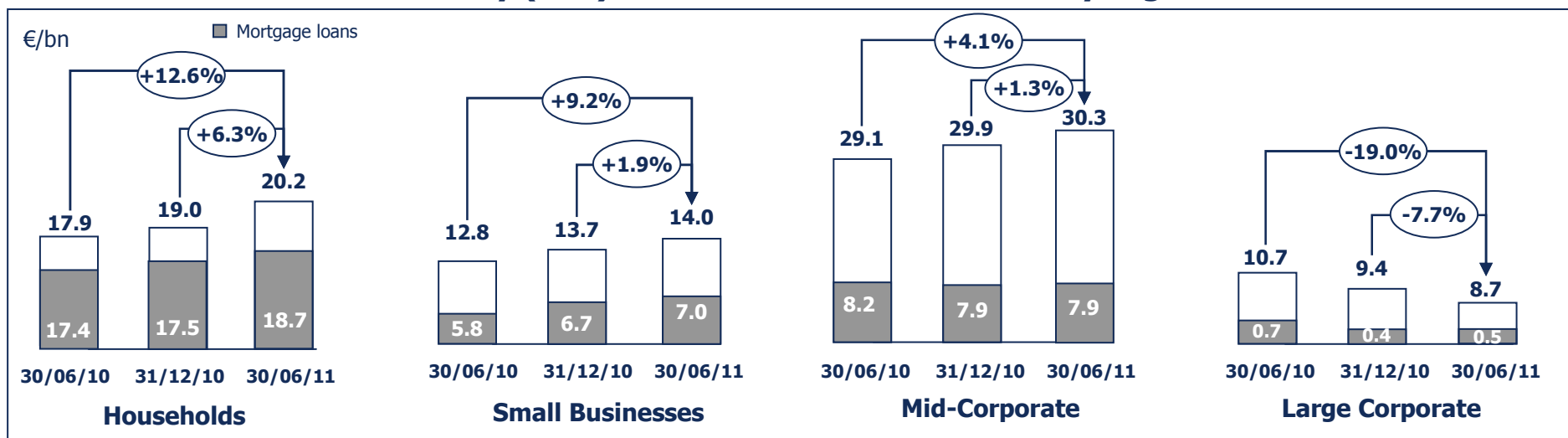
Cust. Loans BdT by segments



Comments

- Gross customer loans rose 1.8% y/y and 2.0% in the 6-month period.
- In particular, growth is confirmed in the core segments: Households +12.6% y/y (+6.3% vs. Dec. '10); Small Businesses +9.2% y/y (+1.9% vs. Dec. '10) and Mid-Corporate +4.1% y/y (+1.3% vs. Dec. '10).
- On the contrary, Large Corporate registered a reduction of -19.0% y/y and -7.7% in the six months.

Banks of the Territory (BdT): increase in customer loans by segments (period-end data)



Banco Popolare Group

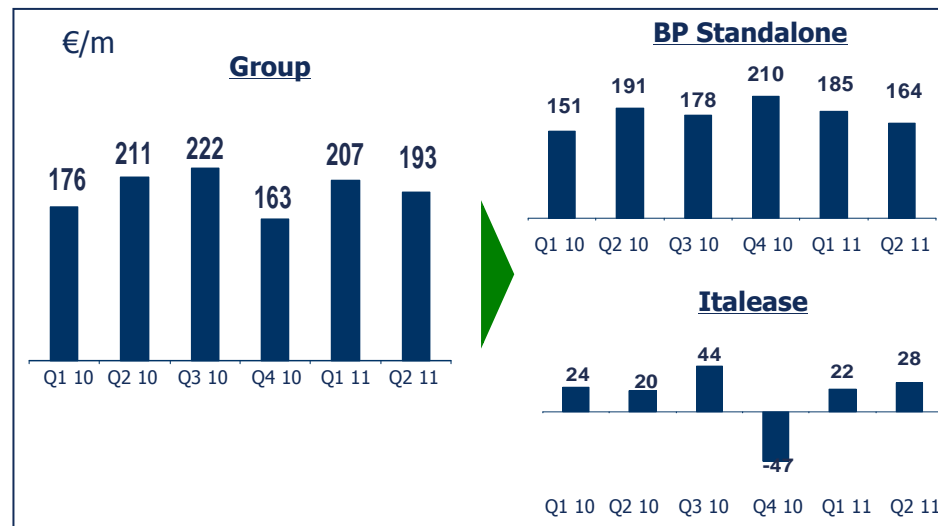
Asset quality: cost of credit risk

Loan Loss Provisions

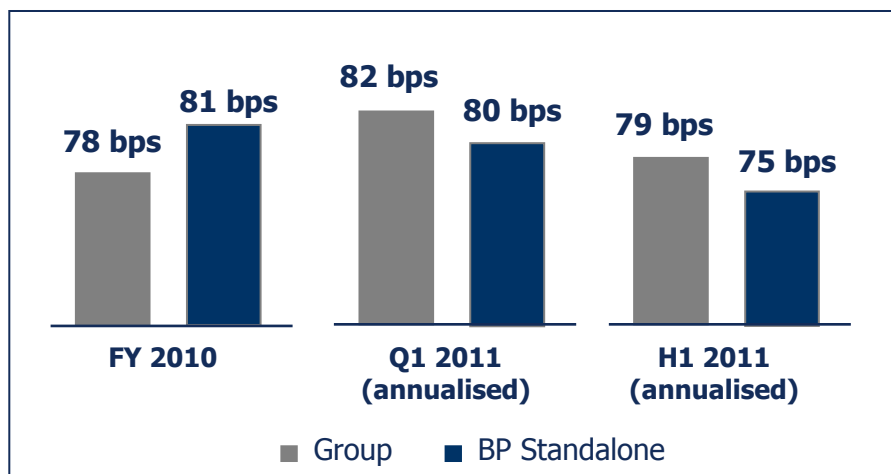
€/m	H1 2010	H1 2011	% change
• Net LLPs	386.6	399.9	+3.4%
<i>Of which:</i>			
- <i>BP Standalone</i>	<i>342.0</i>	<i>349.8</i>	<i>+2.3%</i>

• Gross cust. loans	98,811.3	100,639.1	+1.8%
<i>Of which:</i>			
- <i>BP Standalone</i>	<i>89,471.4</i>	<i>93,202.6</i>	<i>+4.2%</i>

Quarterly evolution of LLPs



Cost of credit risk



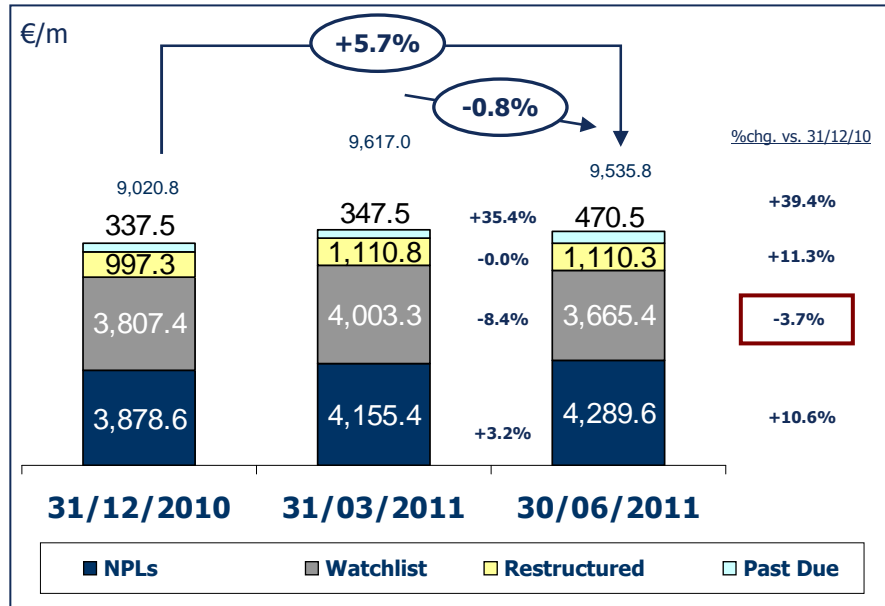
Comments:

- The cost of credit risk of H1 2011 (**79 bps**) is almost in line with the level at year-end 2010, but improving vs. Q1 2011.
- On a 'Standalone' basis, the LLPs of Q2 2011 (€164m) decrease vs. Q1 2011, as well as with respect to the quarterly average of 2010 (€183m) and vs. Q2 2010.
- The increase in Italease LLPs vs. Q1 2011 is mainly due to the increase in provisions for one non-performing loan position; the cost of credit risk of Italease as a whole was 103bps (annualised) in H1 2011.

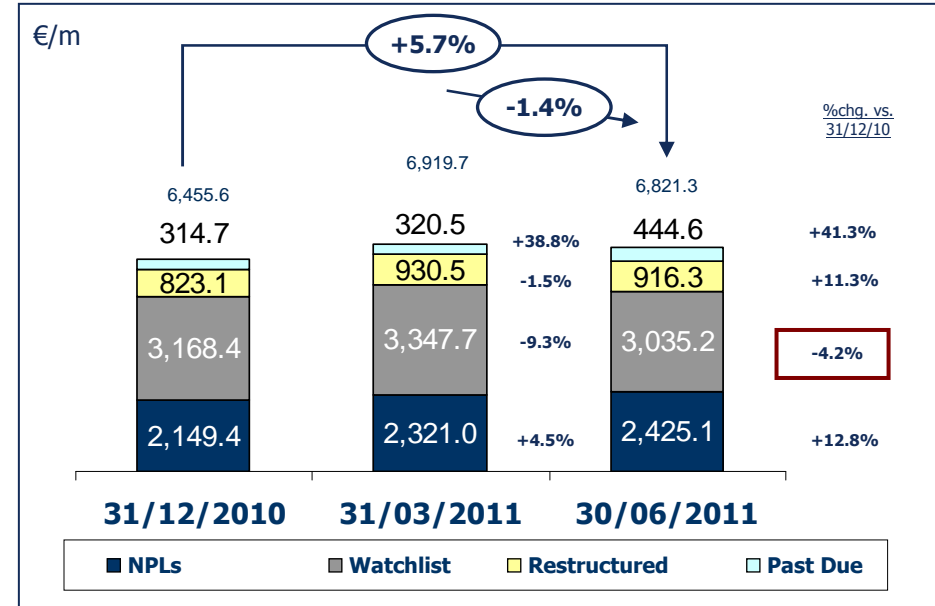
Banco Popolare 'Standalone'

Credit quality: focus on BP 'Standalone'

Gross impaired loans



Net impaired loans



Coverage of impaired loans

	30/06/11	31/12/10
• NPLs:		
- Total coverage	92.3%	92.0%
- Accounting coverage	62.1%	62.7%
• Watchlist loans:		
- Total coverage	63.5%	61.3%
- Accounting coverage	17.2%	16.8%
• Coverage of 'Restructured'	17.5%	17.5%
• Coverage of 'Past Due'	5.5%	6.8%

4.7% net of BP Hungary portfolio

N.B.: NPL accounting coverage includes write-offs. Total coverage includes real estate collateral.

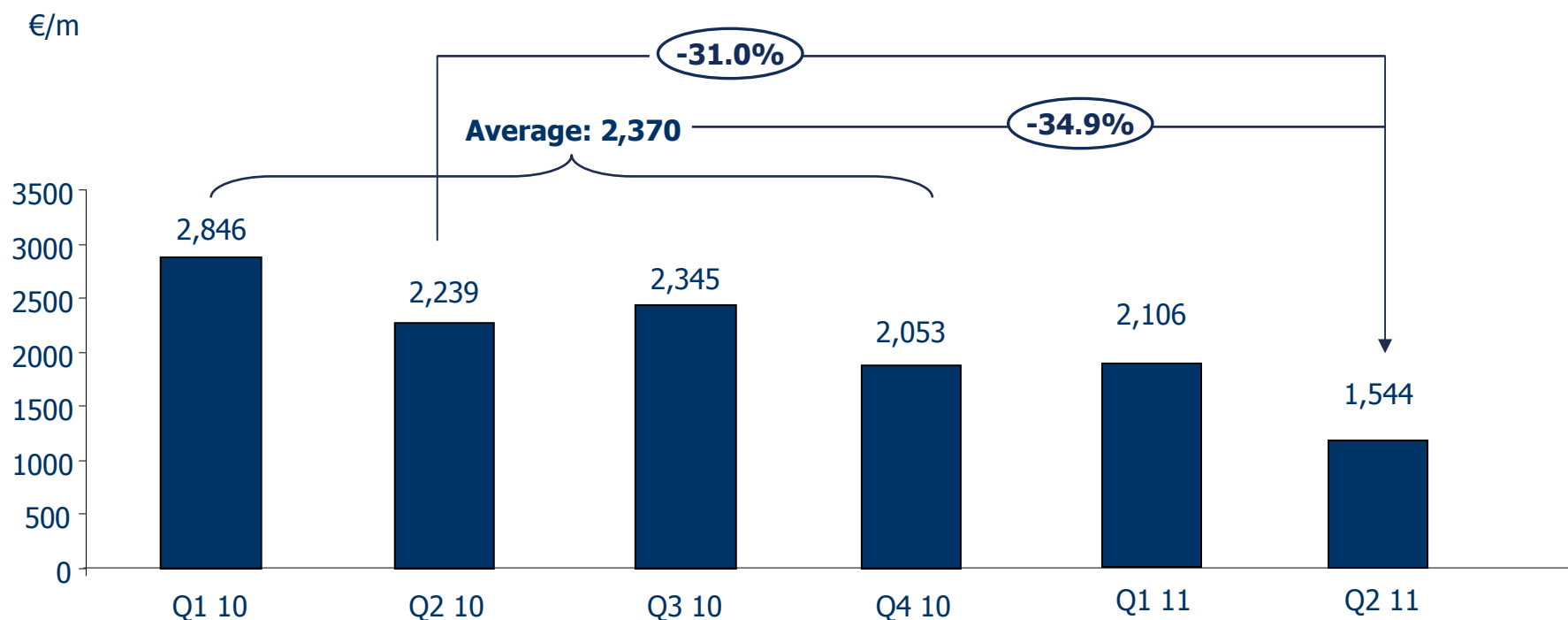
Comments

- The evolution of **NPLs** in Q2 2011 is decelerating vs. the growth of the previous quarter. The coverage is in line with the 2010 year-end level. The portfolio <€250K (mainly secured mortgages), leads to less accounting provisions due to a better collateralization (for these specific positions, the total coverage is equal to 93%), anyhow excluding personal guarantees.
- The **Watchlists loan** portfolio decreases both vs. year-end 2010 and vs. the previous quarter. Such portfolio shows an increasing accounting coverage level and also an increasing total coverage level (inclusive of real estate collateral).
- The stock of **Restructured loans** is in line with the previous quarter and confirm the same coverage level.
- The growth in Q2 2011 of the stock of **Past-Due loans** is almost entirely due to a single position of about €100m which will be normalised during the next semester. The coverage level is diluted by the deconsolidation of the BP Hungary portfolio, which was characterised by an high level of provisions (67% as at year-end 2010).

Banco Popolare 'Standalone'

Significant fall in the flows of new impaired loans

Gross quarterly flows of new impaired loans



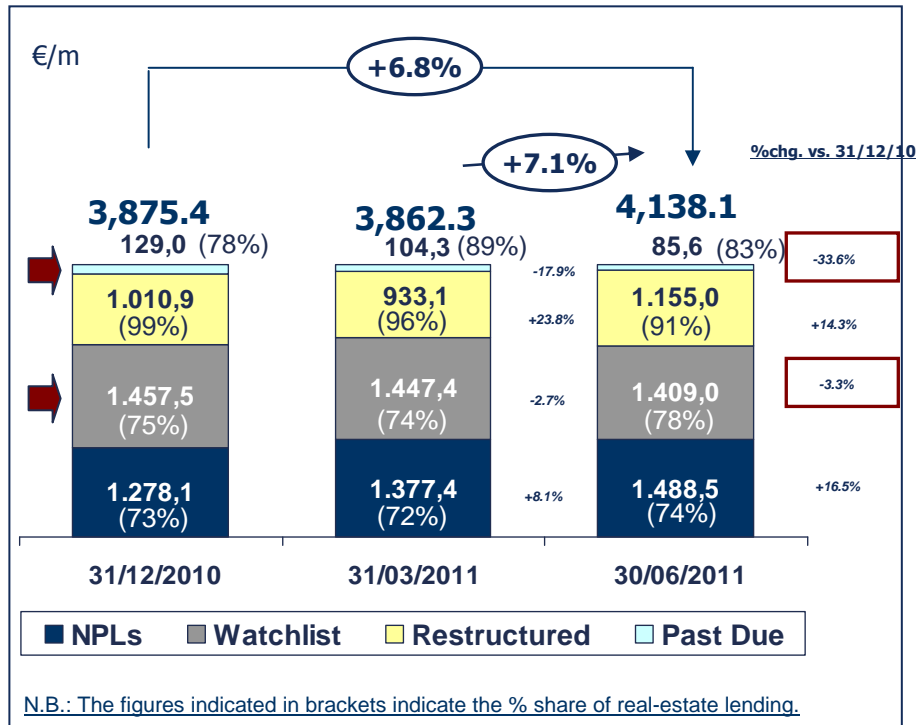
Comments:

- The flows of new impaired loans in second quarter 2011 decreases on an annual basis (-31.0%), but also vs. the quarterly average of 2010 (-34.9%), as well as vs. the first quarter of 2011 (-26.7%).

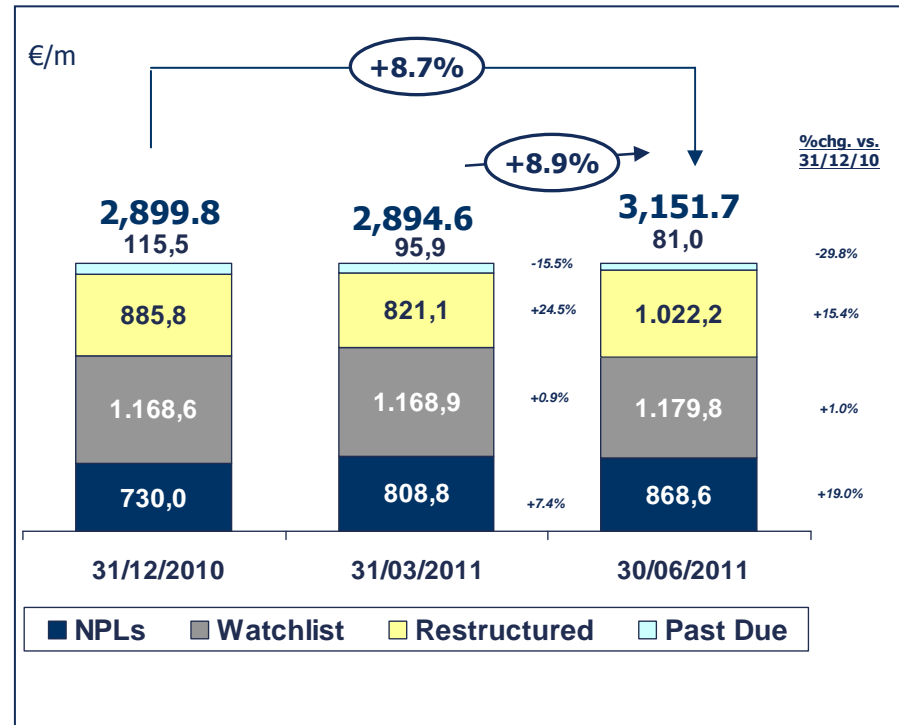
Italease

Italease: consolidated impaired loans

Gross impaired loans



Net impaired loans



Comments:

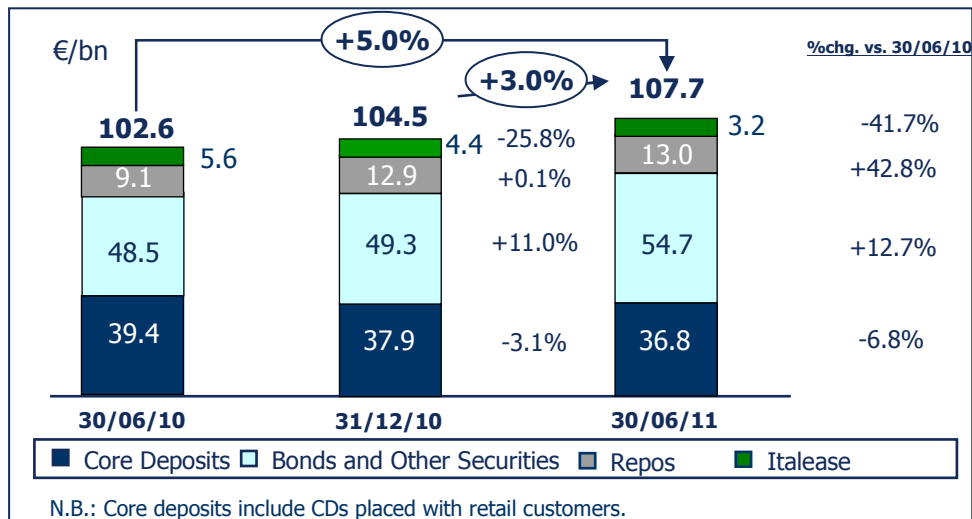
- The weight of real estate (highly collateralised) increases both in the NPL portfolio (to 74% in June 2011) and in Watchlist loans (to 78% in June 2011).
- The increase in the impaired loan portfolio in Q2 2011 is substantially due to a single position of €183m (of which: €132m in Release and €51m in "Residual" portfolio), which has already been restructured in August, and to another position of €23m (entirely in the "Residual" portfolio) which has entered into a bankruptcy procedure providing for the total repayment of the preferred creditors (such as Banco Popolare).

Banco Popolare Group

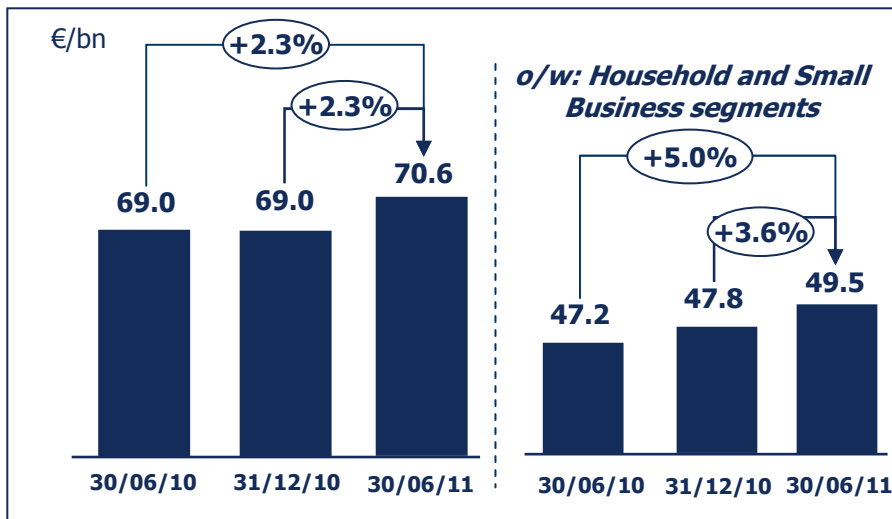
Direct customer funds: focus on retail

Total direct customer funds

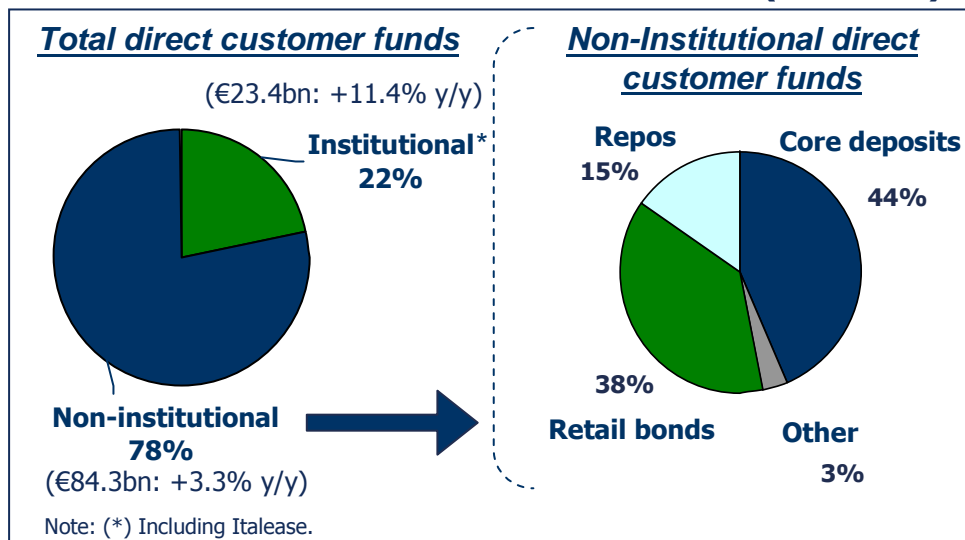
(stock)



o/w: Direct cust. funds of the Banks of the Territory



Direct customer funds breakdown 30/06/11 (€107.7bn)



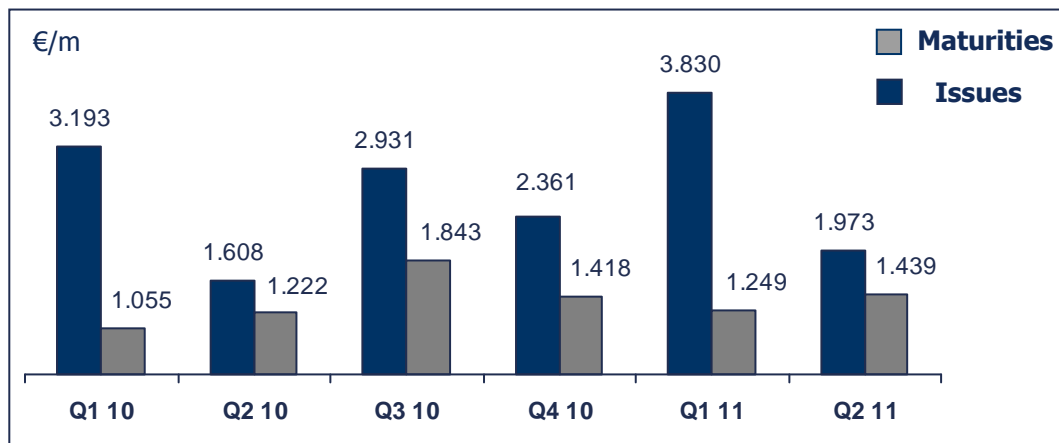
Comments

- Total direct customer funds rise 5.0% y/y and 3.0% in the semester.
- Increase in direct customer funds of the Banks of the Territory in the core segments (Households and SMEs) is confirmed: +5.0% y/y and +3.6% in H1 2011.
- Growth of 3.3% y/y in Non-Institutional direct customer funds (retail and corporate), accounting for 78% of the total; growth of 11.4% y/y in the Institutional component (including Italease funds), with a view to reinforce the Group's liquidity profile and to anticipate the coverage of upcoming maturities.

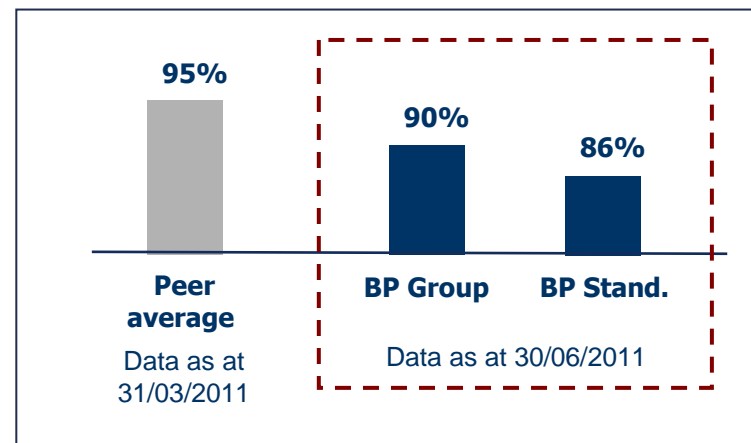
Banco Popolare Group

Balance sheet structure and funding

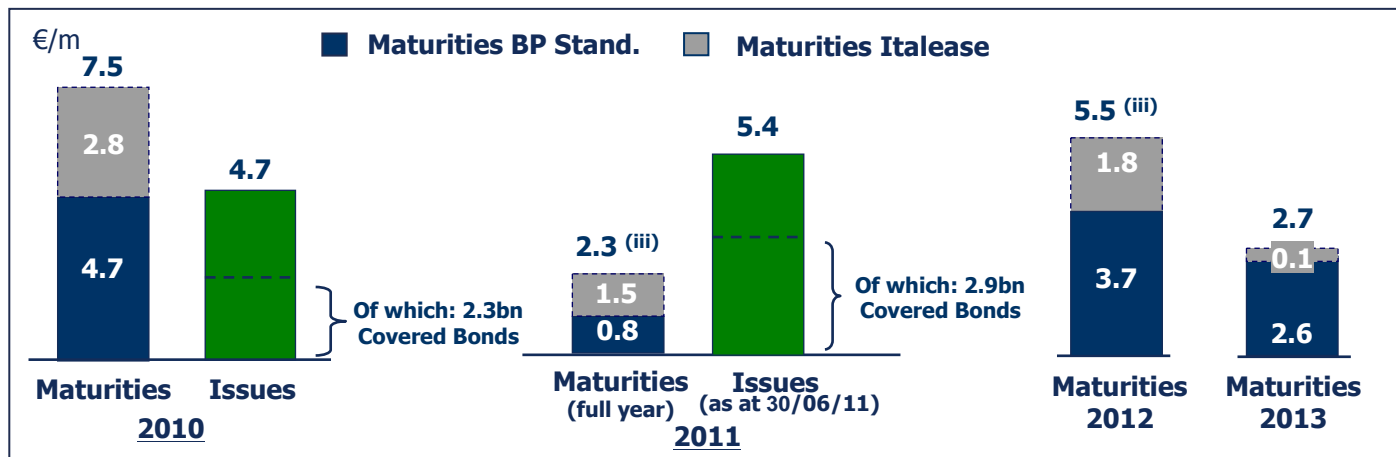
Retail maturities and issues in 2010 and 2011



Loan/Deposit⁽ⁱ⁾ ratios vs. peers ⁽ⁱⁱ⁾



Institutional funding need covered for 2011



Comments

- Funding needs of the year 2011 already covered with the issues of the first months of 2011.
- In addition, during H1 2011, Banco Popolare placed bonds via a third party network for ~€740m and further €750m in July.
- Roughly €16bn of liquid assets (eligible and available assets).

(i) 'Deposits' include the following liability items under the Bank of Italy accounting scheme: item 20 (Due to Customers), item 30 (Securities issued) and item 50 (Financial liabilities designated at fair value).

(ii) Peers include ISP, UCG, MPS, UBI, BPER, BPM and Carige. Data based on press release of FY2010 Group results as at 31/03/2011.

(iii) Including LT2 bonds under swap, for which the call option has not been exercised, the 2011 maturities would amount to €3bn and to €6bn in 2012.

Banco Popolare Group

Analysis of the Treasury securities portfolio: synthesis

€/m – data as at 30/06/2011

COUNTRY	Amount	% comp.	Accounting classification		
			AFS	HFT	HTM
ITALY	11,374	96.6%	6,873	4,408	93
SPAIN	199	1.7%	199	-	-
GREECE	60	0.5%	15	45	-
PORTUGAL	-	0.0%	-	-	-
IRELAND	-	0.0%	-	-	-
GERMANY	82	0.7%	25	57	-
EU COUNTRIES	11,715		7,112	4,510	93
EXTRA EU (Switzerland and Croatia)	32	0.3%	31	-	1
USA	27	0.2%	27	-	-
TOTAL SOVEREIGN BONDS	11,774	100.0%	7,170	4,510	94
% of the Total			60.9%	38.3%	0.8%

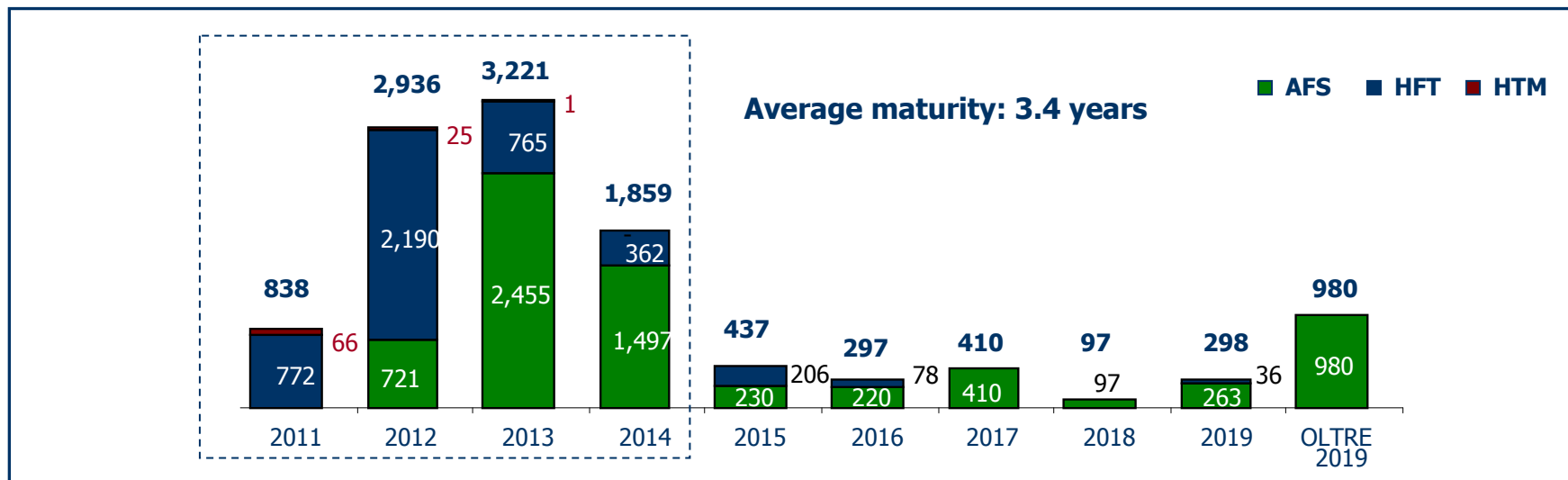
- Roughly **97%** of the Treasury securities portfolio is represented by Italian government bonds (amounting to **€11.4bn**), of which 60% are classified as AFS (increasing from 44% in Dec. 2010), while 39% are classified as HFT.
- The exposure towards Peripheral government bonds is limited to about **2%** of the total portfolio and amounts to **€259m**: €199m towards Spain and €60m towards Greece; no exposure towards Portugal and Ireland.

Banco Popolare Group

Analysis of Treasury sec. portfolio: Italy, Spain and Greece

€/m

FOCUS ON ITALIAN GOVERNMENT BONDS



FOCUS ON GREEK GOVERNMENT BONDS

CLASSIFICATION	Amount	MATURITY
AFS	6.3	2014
AFS	9.0	2019
HFT	12.6	2014
HFT	31.9	2013
TOTAL	59.8	

See comment below

- Bonds classified as AFS have been impaired by **€15m** in Q2 2011, on the basis of market prices as at 30/06/2011.

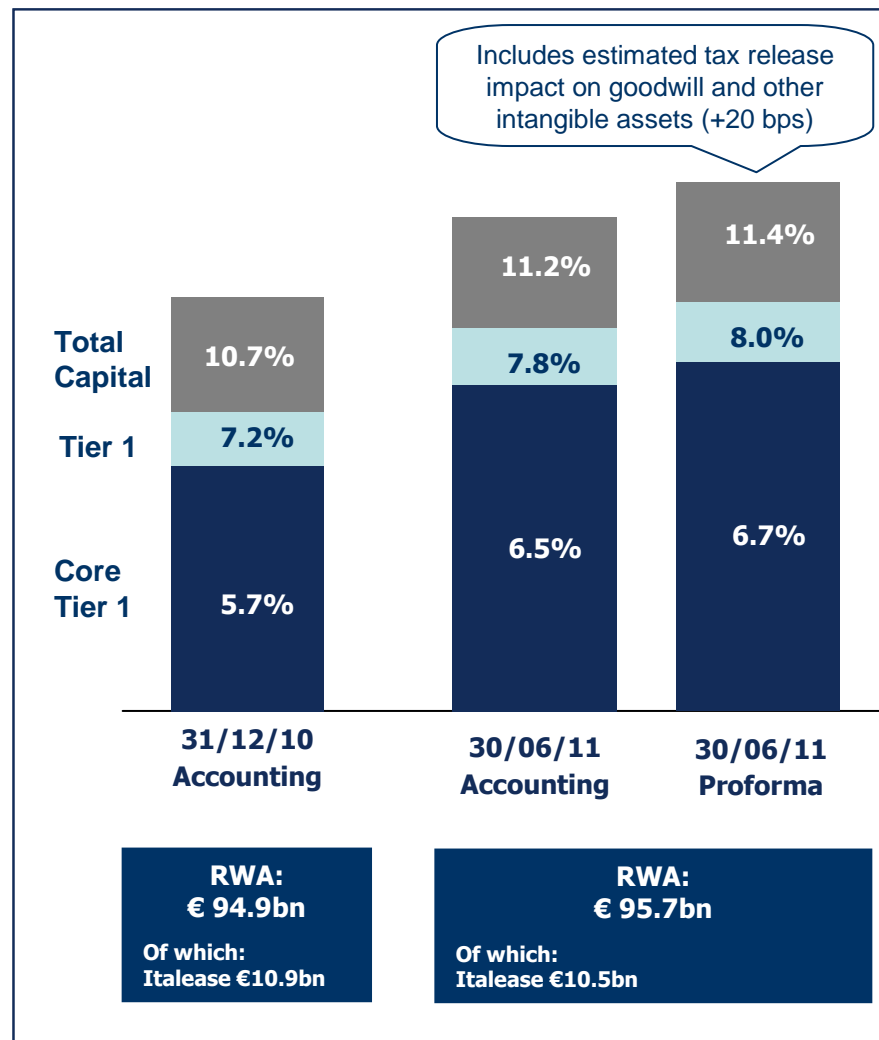
FOCUS ON SPANISH GOVERNMENT BONDS

CLASSIFICATION	Amount	MATURITY
AFS	99.6	2014
AFS	99.1	2015
TOTAL	198.7	

Banco Popolare Group Capital adequacy

Banco Popolare Group Capital Ratios

Still based on Standard Methodology



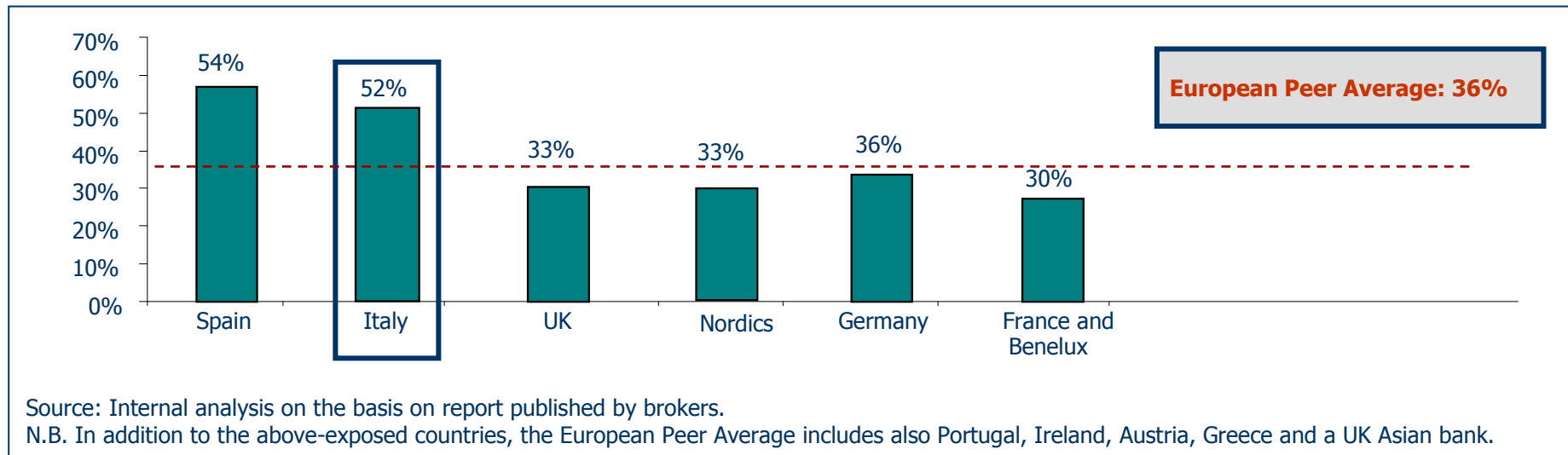
The evolution of capital ratios in H1 2011 includes:

- Impacts deriving from 'Capital Management actions' (finalisation of capital increase, Tremonti Bond redemption) and effect of 'Milleproroghe' Decree under Basle 2 framework: **+66bps**.
- Group H1 2011 performance (net of dividend payout) including the disposal of certain stakes of equity investments (i.e. ICBP, Bormioli, BP Ceska): **+20bps**.
- Risk Weighted Assets evolution registered in the period: **-8bps**.

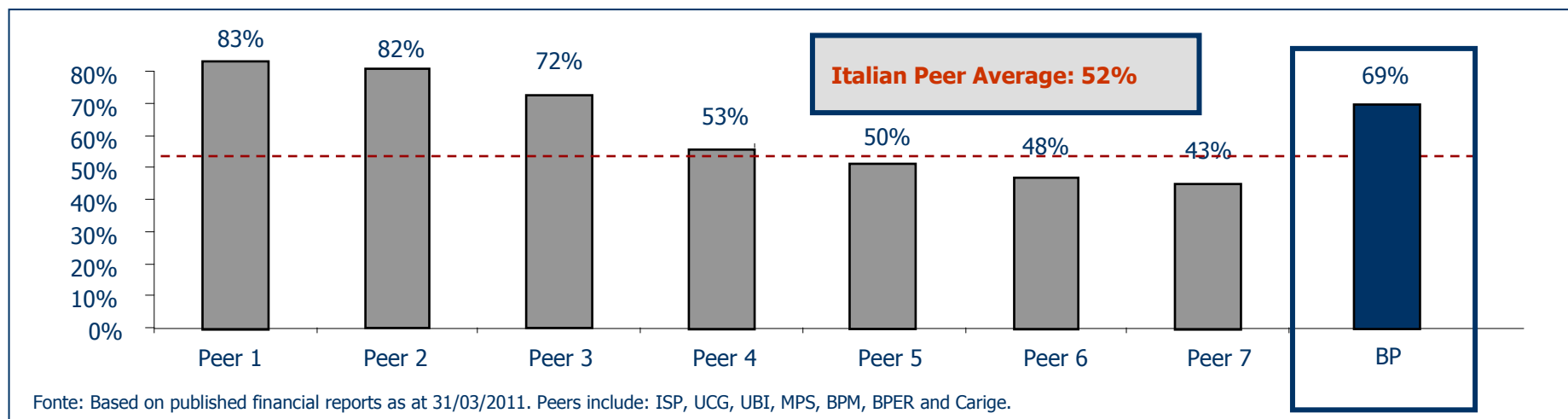
N.B.: The Group's RWA/Total Assets ratio stood at **69%** on 30 June 2011, which compares with an Italian peer average of 52% on 31 March 2011 and with an European peer average of about 36%.

RWA/Total Assets ratio: Banco Popolare vs. peers

European comparison: FY2011E



Italian comparison: data published for 30 June 2011



Notes: The Peer average is calculated as the sum of total RWA over the sum of total assets.



Banco Popolare Group Conclusions

The first half of 2011 has been characterized by:

- Capital strengthening (€2bn capital increase and disposal of non-strategic stakes of equity investments).
- Good and strengthening of the liquidity position (wholesale bond maturities fully covered for 2011 and in good part for 2012).
- Good performance at operating and commercial level.
- Annualized cost of credit risk in H1 2011 substantially in line with FY 2010, but improving on a quarterly basis.
- Generation of a 'normalized' net income of €173mln.



The Business Plan 2011-2013/15 and the Large Banca Popolare project are set to further strengthen the Group's financial profile in terms of capital, liquidity, asset quality and profitability.



Appendix



Business Plan: financial targets

€/m				CAGR on 2010 data ex. FVO (+€396m pre-tax and +€268m post-tax)			
	2010 ⁽¹⁾	2013 ⁽²⁾	2015 ⁽²⁾	CAGR on 2010 accounting data			
				2010-2013	2010-2015	2010-2013	2010-2015
Total Income	3,720	4,096	4,540	+3.3	+4.1	+7.2	+6.4
Operating costs	-2,452	-2,427	-2,436	-0.3	-0.1	-0.3	-0.1
Profit from operations	1,268	1,669	2,104	+9.6	+10.7	+24.2	+19.3
LLPs	-771	-541	-492	-11.2	-8.6	-11.2	-8.6
Net income	308	647	997	+28.1	+26.5	+152.3	+90.0
PPA impact	-234	-29	-28				
Net income excluding PPA	542	676	1,025	+7.7	+13.6	+35.2	+30.2

Cost / Income	65.9%	59.2%	53.7%
Cost of credit (bps)	78	52	45
Tax rate	n.s.	39%	35%

- Trend: growth of total income, together with a strong cost containment and an improvement in the cost of risk.
- 2011 – 2013/2015 targets have been sustained by a number of discontinuity actions and strategic projects to be realized over the 2011-13 period, with an inertial effect from 2013 to 2015.
- The 2013 Net income benefits from a reduction in the PPA effect, equal to €205m (€206m in 2015).

(1) 2010 data include the impact of the Fair Value Option.

(2) 2013 and 2015 data do not incorporate any impact from the Fair Value Option.

Impact of business plan actions on future profitability

€/m	2013			2015				
	New target	<i>of which Bus. Plan</i>	<i>of which LBP</i>	<i>Total in % on new target</i>	New target	<i>of which Bus. Plan</i>	<i>of which LBP</i>	<i>Total in % on new target</i>
Net interest income	2,137	98	-	+4.6%	2,428	150	-	+6.2%
Net commissions	1,504	101	-	+6.7%	1,641	145	-	+8.8%
Total income	4,096	216	See note below	+5.3%	4,541	303	See note below	+6.7%
Operating costs	-2,427	67	46	-4.7%	-2,436	126	63	-7.8%
Profit from operations	1,669	283	46	+19.7%	2,104	429	63	+23.4%
Loan loss provisions	-541	-16*	-	+3.0%	-492	-27*	-	+5.5%
Income before tax	1,091	267	46	+28.7%	1,582	403	63	+29.5%
Tax	-437	-87	-2**	+20.3%	-586	-126	4**	+20.8%
Net income	647	177	44	+34.2%	997	272	67	+34.0%
<i>Of which: PPA</i>	-29	-	-		-28	-	-	

- In 2013, Business Plan actions with discontinuity projects and LBP bring a positive impact of 5.3% on Total Income (6.7% in 2015), improve Operating costs by 4.7% (7.8% in 2015) and contribute 34.2% to Net income (34.0% in 2015).
- In the “Large Banca Popolare” project (LBP), operating costs expected for 2013 and 2015 (€46m and €63m, respectively) include one-off costs incurred to incentivize headcount reduction (€6m in 2013 and €15m in 2015)

* The increase of LLPs is mainly due to the stronger growth in customer loans deriving from Business Plan actions.

** Tax includes the positive fiscal impact (€13m in 2013 and €24m in 2015) from the elimination of the double taxation on intra-group dividends.

Banco Popolare Group

Consolidated income statement as at 30/06/2011: annual change

Reclassified income statement - €/m	INCLUDING PPA line-by-line			EXCLUDING PPA line-by-line		
	H1 2011	H1 2010	% Chg.	H1 2011	H1 2010	% Chg.
Net interest income	886.2	923.6	(4.1%)	953.8	1,048.3	(9.0%)
Profit (loss) on equity investments carried at equity	22.9	21.2	7.9%	22.9	21.2	7.9%
Net interest, dividend and similar income	909.1	944.8	(3.8%)	976.6	1,069.5	(8.7%)
Net commissions	653.9	642.5	1.8%	653.9	642.5	1.8%
Other revenues	34.4	29.9	n.s.	53.2	49.9	n.s.
Net financial income	287.3	276.0	4.1%	295.1	279.7	5.5%
Other operating income	975.6	948.4	2.9%	1,002.2	972.1	3.1%
Total income	1,884.7	1,893.2	(0.5%)	1,978.9	2,041.5	(3.1%)
Personnel expenses	(755.3)	(744.5)	1.5%	(755.3)	(744.5)	1.5%
Other administrative expenses	(377.3)	(386.7)	(2.4%)	(377.3)	(386.7)	(2.4%)
Amortization and depreciation	(70.0)	(62.2)	12.6%	(68.1)	(60.2)	13.3%
Operating costs	(1,202.7)	(1,193.4)	0.8%	(1,200.8)	(1,191.4)	0.8%
Profit from operations	682.0	699.8	(2.5%)	778.1	850.2	(8.5%)
Net write-downs on impairment of loans, guarantees and commitments	(399.9)	(386.6)	3.4%	(399.9)	(386.6)	3.4%
Net write-downs on impairment of other financial transactions	(27.1)	(26.9)	0.7%	(27.1)	(26.9)	0.7%
Net provisions for risks and charges	(2.3)	(22.6)	(90.0%)	(2.3)	(22.6)	(90.0%)
Impairment of goodwill and equity investments	-	(1.0)	(100.0%)	-	(1.0)	(100.0%)
Profit (loss) on disposal of equity and other investments	62.7	12.3	n.s.	69.4	45.7	51.8%
Income before tax from continuing operations	315.4	275.0	14.7%	418.2	458.8	(8.8%)
Tax on income from continuing operations	(138.0)	144.5	(195.5%)	(167.3)	85.8	(294.9%)
Income (Loss) after tax from non-current assets held for sale	22.0	23.3	(5.7%)	22.0	27.3	(19.4%)
Minority interest	(8.0)	(5.9)	34.8%	(8.4)	(12.5)	(32.5%)
Net income for the period excluding PPA				264.5	559.5	(52.7%)
PPA impact after tax				(73.1)	(122.5)	(40.3%)
Net income for the period including PPA	191.4	436.9	(56.2%)	191.4	436.9	(56.2%)

Of which PPA ex-BPI: -€54.9m
Of which PPA Italease: -€18.2m

Banco Popolare Group

Consolidated income statement as at 30/06/2011: quarterly change

Reclassified income statement - €/m	INCLUDING PPA line-by-line			EXCLUDING PPA line-by-line		
	Q2 2011	Q1 2011	% Chg.	Q2 2011	Q1 2011	% Chg.
Net interest income	441.7	444.4	(0.6%)	475.0	478.8	(0.8%)
Profit (loss) on equity investments carried at equity	13.9	9.0	53.8%	13.9	9.0	53.8%
Net interest, dividend and similar income	455.6	453.5	0.5%	488.9	487.8	0.2%
Net commissions	320.2	333.7	(4.1%)	320.2	333.7	(4.1%)
Other revenues	25.8	8.7	197.2%	35.2	18.1	94.7%
Net financial income	220.0	67.3	226.9%	221.9	73.2	203.0%
Other operating income	565.9	409.7	38.1%	577.2	425.0	35.8%
Total income	1,021.5	863.1	18.4%	1,066.1	912.8	16.8%
Personnel expenses	(378.7)	(376.6)	0.5%	(378.7)	(376.6)	0.5%
Other administrative expenses	(188.5)	(188.9)	(0.2%)	(188.5)	(188.9)	(0.2%)
Amortization and depreciation	(38.0)	(32.0)	18.8%	(37.1)	(31.0)	19.4%
Operating costs	(605.2)	(597.5)	1.3%	(604.2)	(596.5)	1.3%
Profit from operations	416.3	265.7	56.7%	461.8	316.3	46.0%
Net write-downs on impairment of loans, guarantees and commitments	(192.7)	(207.2)	(7.0%)	(192.7)	(207.2)	(7.0%)
Net write-downs on impairment of other financial transactions	(25.5)	(1.6)	1512.4%	(25.5)	(1.6)	n.s.
Net provisions for risks and charges	(7.7)	5.4	(241.7%)	(7.7)	5.4	n.s.
Profit (loss) on disposal of equity and other investments	14.9	47.8	(68.9%)	15.7	53.7	(70.8%)
Income before tax from continuing operations	205.3	110.1	n.s.	251.6	166.6	51.0%
Tax on income from continuing operations	(88.5)	(49.6)	78.6%	(99.7)	(67.6)	47.5%
Income (Loss) after tax from non-current assets held for sale	16.4	5.6	193.6%	16.4	5.6	193.6%
Minority interest	(1.9)	(6.1)	(69.0%)	(2.1)	(6.3)	(66.6%)
Net income for the period excluding PPA				166.2	98.3	69.1%
PPA impact after tax				(34.9)	(38.3)	(8.9%)
Net income for the period including PPA	131.4	60.0	n.s.	131.4	60.0	118.8%

Of which PPA ex-BPI: -€25.6
Of which PPA Italease: -€9.3

Banco Popolare Group

Consolidated income statement as at 30/06/2011: breakdown

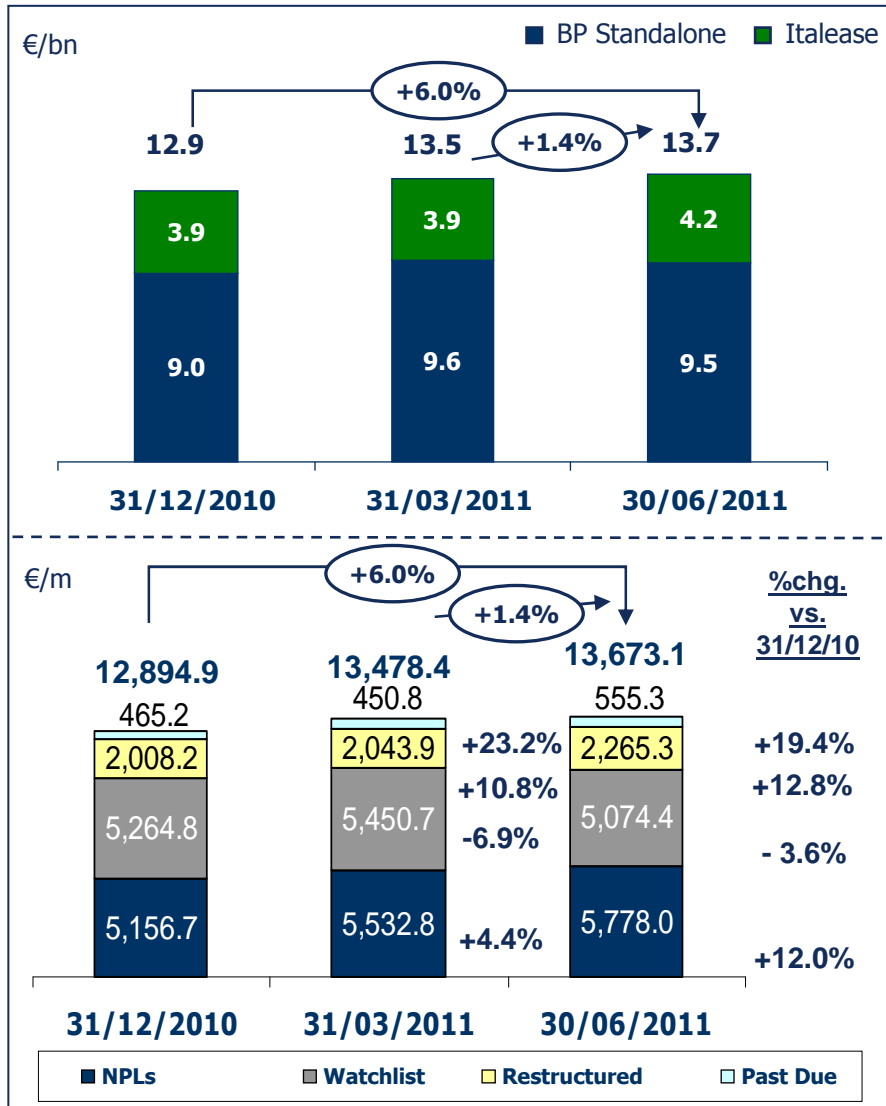
	HI 2011	HI 2011				
Reclassified income statement - €/m	Banco Popolare Group (PPA line-by-line)	Banco Popolare (Standalone)	PPA ex-BPI	Italease	PPA Italease	
Net interest income	886.2	916.4	(44.9)	37.3	(22.7)	: +€14.6m
Profit (loss) on equity investments carried at equity	22.9	27.6		(4.7)		
Net interest, dividend and similar income	909.1	944.0	(44.9)	32.6	(22.7)	
Net commissions	653.9	651.1		2.8		
Other revenues	34.4	35.4	(18.8)	17.8		
Net financial income	287.3	290.9	(3.7)	4.2	(4.2)	
Other operating income	975.6	977.4	(22.4)	24.9	(4.2)	
Total income	1,884.7	1,921.4	(67.4)	57.5	(26.8)	
Personnel expenses	(755.3)	(742.0)		(13.3)		
Other administrative expenses	(377.3)	(353.8)		(23.6)		
Amortization and depreciation	(70.0)	(55.8)	(1.9)	(12.3)		
Operating costs	(1,202.7)	(1,151.5)	(1.9)	(49.2)	-	
Profit from operations	682.0	769.9	(69.3)	8.3	(26.8)	
Net write-downs on impairment of loans, guarantees and commitments	(399.9)	(349.8)		(50.2)		
Net write-downs on impairment of other financial transactions	(27.1)	(27.5)		0.4		
Net provisions for risks and charges	(2.3)	1.8	0.0	(4.1)		
Impairment of goodwill and equity investments	-	-		-		
Profit (loss) on disposal of equity and other investments	62.7	54.5	(6.7)	14.9		
Income before tax from continuing operations	315.4	449.0	(76.0)	(30.7)	(26.8)	
Tax on income from continuing operations	(138.0)	(167.5)	20.7	0.2	8.5	
Income (Loss) after tax from non-current assets held for sale	22.0	22.0		-		
Minority interest	(8.0)	(10.8)	0.3	2.4	0.1	
Net income for the period	191.4	292.7	(54.9)	(28.1)	(18.3)	

+€237.8m

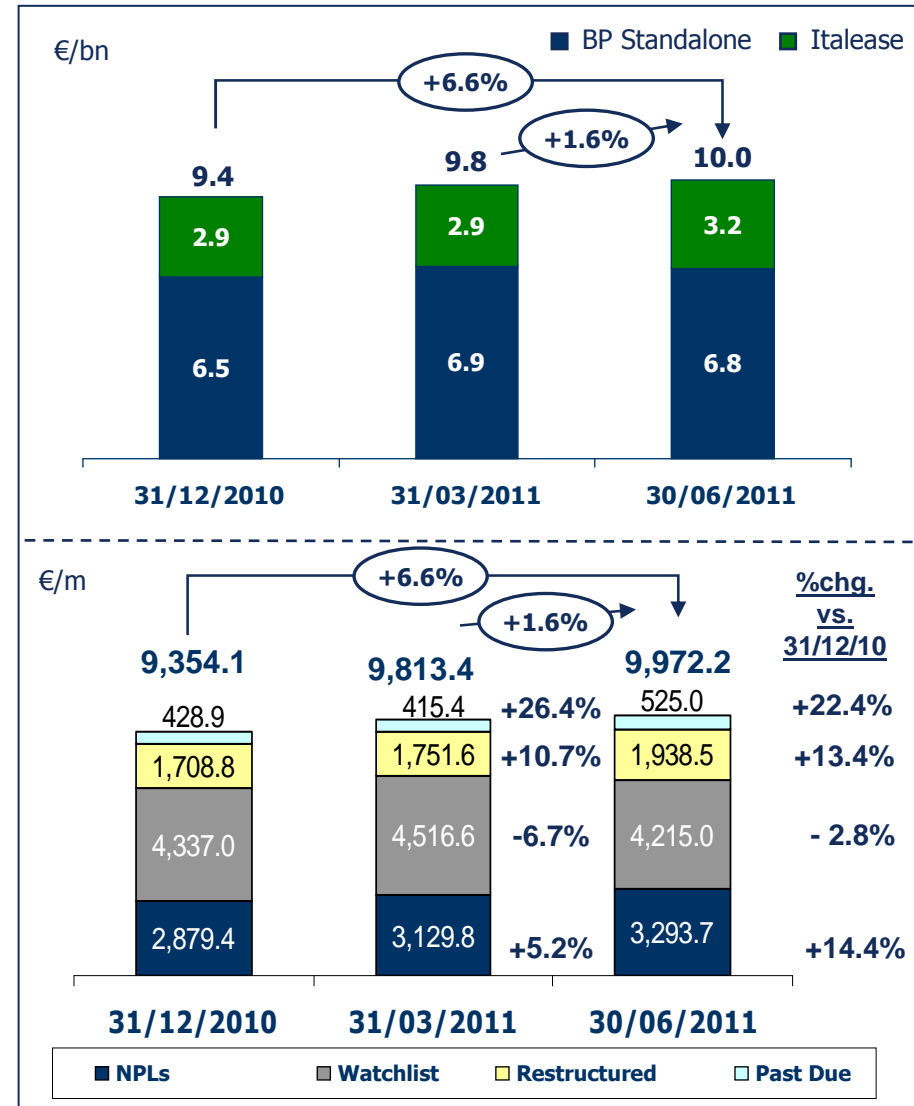
-€46.4m

Credit quality: Group impaired loans

Gross impaired loans



Net impaired loans





Pipeline of IR events in 2011

Date	Place	Events
15 February 2011	London	HSBC South European Banks Conference
25 March 2011	Verona	Press release on FY 2010 results
25 March 2011	Verona	Banco Popolare: Conference call on FY 2010 results
30 March 2011	London	Morgan Stanley - 2011 European Financials Conference
30 April 2011	Lodi	Annual Meeting of Shareholders (2nd call)
13 May 2011	Verona	Press release on Q1 2011 results
13 May 2011	Verona	Banco Popolare: Conference call on Q1 2011 results
09 June 2011	Paris	Goldman Sachs European Financials Conference
30 June 2011	Verona	Press release on the approval of the Business Plan 2011 - 2013/2015
30 June 2011	Milan	Presentation of the Business Plan 2011 - 2013/2015
15 July 2011	Verona	Press release on New Model of 'Large Banca Popolare' Project
18 July 2011	Verona	Banco Popolare: Conference call on New Model of 'Large Banca Popolare' Project
26 August 2011	Verona	Press release on H1 2011 results
26 August 2011	Verona	Banco Popolare: Conference call on H1 2011 results
01 September 2011	London	Nomura Financial Services Conference
21 September 2011	London	KBW UK & European Financials Conference 2011
06 October 2011	London	BofA Merrill Lynch Banking and Insurance CEO Conference
11 November 2011	Verona	Press release on Q3 2011 results
11 November 2011	Verona	Banco Popolare: Conference call on Q3 2011 results

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



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