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PRESS RELEASE

Interim report as at 31 March 2016 approved

Net profit for the period of € 40.1 million if we exclude the estimated 2016 contribution to the Single Resolution Fund[1] which did not exist in the same period of 2015 (the book figure is € 31.0 million), showing a good performance despite particularly unfavourable market environment and interest rates

Core revenues[2] down by 3.9% in the period more than offset by the sharp reduction in net adjustments to loans (-22.6% y/y), the lowest level for the last 4 years.

Net loans up by 0.8% from the end of 2015 (gross loans +0.9%) confirming the recovery of lending to customers already highlighted in the last quarter of the previous year; significant increase in new loan disbursements (+37.7%) compared with the same period of 2015 (which already showed a relevant increase on 2014)

Ratio of net non-performing exposures to total loans stable at 14.5% compared with the end of 2015 with a decrease of about 50 bps y/y; coverage ratio further strengthened to 44.6% (44.2% at end of 2015)

Strong capital solidity with a Fully Phased pro-forma[3] CET1 ratio of 11.48% (Phased in 11.55%), without considering the effects of the validation of internal models and well over the 9.25% minimum required by the Supervisory Review and Evaluation Process (SREP)

The Fully Phased Basel 3 Leverage Ratio of 7.2% (Phased in 7.2%) among the best of the system with LCR and NSFR liquidity indices well over 100%[4]

The Board of Directors of BPER Banca today reviewed and approved the separate results of the Bank and the consolidated results of the Group at 31 March 2016.

At the end of the Board meeting, Alessandro Vandelli, CEO of BPER Banca, declared: "The first quarter of the year recorded a net profit for the period of 40.1 million euro, excluding the estimated contribution for 2016 to the EU Single Resolution Fund which was not present in 2015, compared with a book figure of 31 million euro. The level of profitability that the Group has been able to express is satisfactory considering the particularly unfavourable market environment due to the turbulence on financial markets and the level of interest rates continuing to fall and now structurally below "zero". There are encouraging signs from loans to customers that showed an increase in net loans during the period of 0.8%, exceeding 44 billion euro after almost a year and a half. In addition, the quarter recorded a sharp decline in adjustments to loans, which are now at the lowest level for the last four years, largely offsetting the decline in core revenues, which was mainly due to unfavourable market conditions. The level of coverage of total non-performing exposures further improved and is still one of the best among our direct competitors. In this context, the BPER Group confirms its solid capital base with a Fully Phased CET1 ratio of 11.5% and excellent levels of leverage and liquidity ratios. In a nutshell, the quarterly report that we have just approved confirms the good state of health of the BPER Group, with a satisfactory profitability, a strong capital position and with liquidity, leverage and credit management profiles that are among the best of the Italian banking system. At the same time, starting from this position of strength, the Group's growth project continued in important *economic and industrial areas of the country, such as Piedmont, with the intention of strengthening its commercial presence. In fact, in April, the Bank signed an agreement with Fondazione Cassa di Risparmio di Saluzzo to acquire control of the bank that it controls, which will join Cassa di Risparmio di Bra, already included in the Group at the beginning of 2013, in monitoring the Piedmont area, allowing the creation of a true "regional hub" consisting of 55 branches. In parallel to the commercial strengthening, the process of rationalising the Group has continued with the BPER's absorption of the Irish subsidiary EMRO Finance (the formalities are currently being completed) and the transfer to Banco di Sardegna of Banca di Sassari's branches, with the latter being transformed into the Group's consumer finance company, which is due to be finalised by the end of the first half."*

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Income statement: key figures

Net interest income comes to € 296.8 million, down 5.5% y/y mainly due to the level of short-term interest rates now structurally negative (quarterly average of the 3-mth Euribor of -18 bps, compared with an average of -9 bps in the last quarter of last year and around +5 bps in the first quarter of 2015) which negatively affected the performance of the total spread, even in the presence of a constant decrease in the cost of funding, though this was still unable to offset the decline in asset yields. The comparison with the previous quarter shows a 2.1% decrease in the margin (-1% when taking into account that there was one calendar day less in the quarter).

Net commission income of € 177.1 million is 1.2% down compared with the same period last year. In detail, the positive trend in net commission income relating to indirect deposits and "bancassurance" (+1.8% y/y) was not sufficient to offset the decline in net commission income on loans and guarantees (-1.9% y/y) and on credit cards, collections and payments (-5.5% y/y).

The net result from trading activities (including dividends, whose contribution during the quarter was negligible) amounts to € 15.7 million (-66% compared with the first quarter of last year, which featured a particularly positive performance by the markets) because of tensions and high volatility, particularly in the first two months of the year. This result was helped by net profits realised on securities and derivatives for € 26.9 million, net losses on securities and derivatives for € 16 million, and other positive elements for € 4.8 million, including the fair value option on financial liabilities.

Operating profit[5] amounted to € 505.2 million, down 9% from the same period last year mainly due to the lower contribution of net profit from financial activities and net interest income (-5.6% compared with the fourth quarter of 2015, the latter considered net of extraordinary items).

Operating costs[6] amounted to € 329.8 million. They are up 0.7% y/y excluding the ordinary annual contribution to the Single Resolution Fund ("SRF"), established for an amount of € 15 million[7] and insurance costs of export credit lines of € 2.5 million (fully recovered and accounted for under "other operating income"), not present in the first quarter of 2015 and both included under "other administrative expenses". **Payroll costs** amounted to € 196.6 million, down by 1.4%. **Other administrative expenses**[8] amount to € 116.1 million (€ 93.6 million in the first quarter of 2015), € 98.6 million if we exclude the above charges. **Depreciation on tangible and amortisation on intangible assets** amounted to € 17.1 million (-1.4% y/y).

Net adjustments to loans and other financial assets amount to € 121.5 million, down sharply compared with the same period of 2015 (-19%), mainly attributable to adjustments to loans (€ 114.2 million) which reached the lowest level in the quarterly comparison of the last 4 years. The overall cost of credit at 31 March 2016 comes to 26 bps (104 bps annualised compared with 162 bps in 2015). Net adjustments to other financial assets amount to € 7.3 million (€ 2.5 million in the same period last year), of which € 3.7 million relating to financial assets.

Net provisions for risks and charges come to € 9.6 million (€ 14.1 million in the first quarter of 2015), down 31.7% y/y.

The **profit from current activities before tax** comes to € 47.4 million at 31 March 2016 (€ 62.4 million on a comparable basis, compared with € 78.9 million in the first quarter of last year). **Income taxes for the period** amount to € 14.1 million (€ 19.1 million on a comparable basis with respect to € 27.2 million at 31 March 2015), with an effective tax rate of 29.7%.

Total net profit for the period amounted to € 33.3 million (€ 43.4 million on a comparable basis[9] with respect to a positive result of € 51.7 million in the same period last year), including the profit for the period pertaining to minority interests of € 2.3 million (€ 6.5 million at 31 March 2015). The **net profit pertaining to the parent company** therefore comes to € 31 million (€ 40.1 million on a comparable basis, with respect to € 45.2 million at 31 March 2015), a decrease of 31.5% compared with the same period last year (-11.3% y/y on a comparable basis).

Balance sheet: key figures

Direct borrowing from customers (due to customers, debt securities in issue and financial liabilities designated at fair value through profit and loss) amounts to € 46.4 billion, 1.8% down on the end of 2015, in application of a clear Asset & Liabilities Management strategy aimed at reducing the cost of funding while maintaining a balanced duration between assets and liabilities; as regards the different components of deposits, there is a drop both in the retail bond component of € 0.7 billion (-13.5% y/y), and in current accounts and demand deposits of € 0.4 billion (-1.3% y/y), as well as in restricted deposits of € 0.1 billion (-5.8%). Direct borrowing is made up principally of current accounts, demand deposits and short-term restricted deposits (66.6%) and bonds (15.3%), most of which are retail.

Indirect customer deposits, at market price, amount to € 30.9 billion, an increase of 1.7% on the start of the year. In particular, assets under management are down by 1.2% from the end of 2015, mainly due to the market effect in the value of volumes as a result of the negative performance of financial markets in the first part of the quarter compared with a net inflow close to zero. In the same period, assets under administration posted an increase of 4.5%, mainly due to institutional funding. The **life insurance policy portfolio**, which is not included in indirect borrowing, comes to € 4.0 billion, a substantial increase since the start of the year (+7.9%).

Loans to customers, net of adjustments, amount to € 44 billion, showing an increase of 0.8% compared with the end of 2015, confirming the recovery of lending to customers that was already visible in the last quarter of the year, with a good performance on the part of mortgage loans (+0.8%). The upswing in lending to customers recorded in the first part of this year, even if it needs further confirmation in the coming quarters, is showing good results for new production during the year (+37.7% on the same period of the previous year), with a particularly positive trend in the retail "individuals" segment (+89.7% y/y) and in the "corporate" segment (+8.5% y/y). Looking at the various types of loans, there has again been a positive performance on the part of residential mortgages, which saw new loans rising by 27.1% on the first quarter of 2015 (+82.5% on the same period of 2014).

Net non-performing exposures (bad, "unlikely to pay" and past due loans) amount to € 6.4 billion, essentially stable on the end of 2015 (+0.5%) with a **total coverage ratio of 44.6%** compared with 44.2% at the end of last year, among the highest in the system, without considering write-offs of bad loans still outstanding (1.2 billion), which take the coverage ratio to 50% (49.7% at 31 December 2015), and the recorded value of secured and unsecured guarantees. In detail, **bad loans** amount to € 3.0 billion (+2.4% since the end of last year) with coverage of 58.1% (58.2% at 31 December 2015), without considering the value of secured and unsecured guarantees; in addition, taking into account the direct write-offs of bad loans still outstanding, coverage comes to 64.2%. **Unlikely to pay loans** amount to € 3.2 billion, a slight increase of 0.9% since the end of 2015 with a level of coverage of 22.1% (21.9% at 31 December 2015), while **past due loans** amount to € 0.2 billion, down 25.7% from the end of last year with coverage of 9.1%.

The net interbank position, which is negative for € 5.5 billion compared with € 4.4 billion at the end of 2015, is the difference between amounts due from banks of € 1 billion and amounts due to banks of € 6.5 billion. The total amount of refinancing with the European Central Bank amounted to € 3.3 billion, including € 1.3 billion of short-term loans and € 2 billion from TLTRO (Targeted Longer Term Refinancing Operations). Financial instruments eligible for use as collateral for refinancing transactions on the market amount to € 12.5 billion, net of the haircut, of which € 4.7 billion is available.

Financial assets amount in total to € 12.2 billion, an increase of 5.15% on the end of 2015, representing 19.8% of total assets. Debt securities represent 92.6% of the total portfolio and amount to € 11.3 billion: of these, € 6.6 billion relate to government securities (mostly represented by Italian government bonds) and € 3.7 billion to banks and supranational entities.

Against assets available for sale (AFS) of € 8.7 billion, there are positive valuation reserves for a total of € 181.3 million, net of the related tax effect, which is the net result of positive reserves for debt securities, equities and UCITS of € 197.8 million, less negative reserves of € 16.5 million. The "AFS" reserve for government securities is showing gains for an amount (net of taxes) of € 89.8 million (€ 90.2 million at 31 December 2015). Moreover, with regard to the portfolio of financial assets held to maturity (HTM) of € 2.7 billion, the difference between their fair value and book value is positive, net of the related tax effect, resulting in a net implicit reserve of € 150.9 million.

Total equity ("own funds") at 31 March 2016 amounted to € 5.7 billion (+0.9% on the end of 2015), with minority interests of € 0.6 billion. Consolidated shareholders' equity of the Group, including the result for the period, comes to € 5.1 billion, +0.9% since the end of 2015.

Capital ratios

The **capital ratios**, still determined using the standardised approach for the requirements to cover credit and market risk, have been calculated on a pro-forma basis[10], as follows:

- Common Equity Tier 1 Ratio[11] (Phased in) of 11.55% (11.54% at 31 December 2015[12]). This ratio calculated on a Fully Phased basis comes to 11.48%;
- Tier 1 ratio (Phased in) of 11.65% (11.65% at 31 December 2015);
- Own Funds ratio (Phased in) of 12.73% (12.80% at 31 December 2015).

Key figures at 31 March 2016

The Group has a presence in 18 Regions of Italy, with 1,215 branches (1,216 at the end of 2015), as well as the head office of BPER (Europe) International s.a. in Luxembourg.

The Group currently has 11,440 employees, a decrease of 7 during the quarter (11,447 at the end of 2015).

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Significant subsequent events

On 13 April 2016, BPER and Fondazione Cassa di Risparmio di Saluzzo signed a "Share sale and purchase agreement", the effectiveness of which is subject to obtaining the necessary authorisations from the competent Authorities and completing the procedures required by law, with a view to allowing Cassa di Risparmio di Saluzzo (“CRS”) to join the BPER Group. BPER Banca currently holds 31.02% of CRS, while the other 66.98% is held by the Fondazione. The contract envisages BPER Banca buying another 46.98% of CRS's share capital held by the Fondazione, giving BPER Banca a 78% controlling interest, for approximately € 35.3 million, with a minimal impact on its capital ratios.

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On 15 April 2016, BPER Banca informed Quaestio Capital Management SGR S.p.A. of its commitment to invest € 100 million in units of the Atlante Fund. The Atlante Fund is a closed-end alternative investment fund (AIF) managed by Quaestio Capital Management SGR S.p.A., with a sole shareholder, reserved for subscription exclusively by professional investors, in order to favour the disposal of Italian banks' non-performing exposures and ensure the success of the recapitalisation of certain banks as required by the Supervisory Authorities.

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Note that Decree Law 59/2016 was published in the Official Gazette on 3 May 2016 (coming in force the day after) which includes, among other things, provisions (article 11 in particular) regarding "Deferred tax assets" (DTA)[13]. On the basis of information and best possible interpretations available to date, also taking into account the presence of the tax consolidation, the Bank has taken steps to estimate the amount of commission for 2015 for the Group, which is equal to zero, given that the calculation gave a negative difference.

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Outlook for operations

The first signs of recovery in the Italian economy, which were already visible towards the end of last year, seem to be confirmed by the growth in loans to customers in the first quarter of this year and the continuation of the growth trend in new loans, both to individuals and to corporate sector. In 2016, the dynamics of loans to customers should gradually improve and consolidate thanks to economic factors and a particularly favourable monetary policy. The level of short-term interest rates - now structurally negative - will continue to exert pressure on the return on assets, albeit with a gradual reduction in intensity; at the same time, the repricing of liabilities, together with the expected benefit from the new refinancing operations decided by the ECB on 10 March 2016, will allow a further decline in the cost of funding aimed at limiting pressure on margins. A positive contribution to revenue is expected to come from fee income, especially in asset management and bancassurance. Payroll costs are expected to decline slightly, while administrative expenses will feel the effects of implementing various projects in the business plan. The cost of credit is expected to be significantly better than in 2015. All of these factors should bolster the Group's profitability prospects for the current year (before considering any extraordinary items).

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It should be noted that, with reference to recent regulatory changes that occurred in the CFA (Legislative Decree 25 of 15 February 2016), which followed the European Directive 2013/5/EU (Trasparency II), while waiting for specific regulations by Consob, BPER has decided on a voluntary basis, in continuity with the past, to publish its consolidated interim report of the BPER Group at 31 March 2016. This decision does not represent any commitment for the future to maintain this approach, i.e. to continue publishing quarterly information and quarterly reports.

The consolidated interim report of the BPER Group at 31 March 2016 is unaudited and will be made available to the general public at the Head Office of the Bank, at the offices of Borsa Italiana S.p.a. and on the websites of the Bank and the Group (www.bper.it *and* www.gruppobper.it*).*

To complete the information provided, we attach the consolidated balance sheet and income statement (split into quarters with comparative figures) at 31 March 2016, as well as a summary of the main indicators.

Modena, 12 May 2016

Chief Executive Officer
Alessandro Vandelli

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The Manager responsible for preparing the Company's financial reports, Emilio Annovi, declares in accordance with art. 154-bis, para. 2, of Legislative Decree 58/1998 (Consolidated Finance Act) that the accounting information contained in this press release agrees with the books of account, accounting entries and supporting documentation.

Modena, 12 May 2016

Manager responsible for preparing the Company's financial reports
Emilio Annovi

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A conference call has been organised for **Thursday, 12 May 2016 at 6.00 p.m. (CET)** to explain the BPER Group's results at 31 March 2016.
The conference call, in English, will be chaired by **Alessandro Vandelli, the Chief Executive Officer**.

To join the conference call, key in the following number:

ITALY: +39 02 8020911
UK: +44 1212 818004
USA: +1 718 7058796

A set of slides supporting the presentation will be available the same day before the start of the presentation and conference call in the Investor Relations section of the website of the Bank and of the Group www.bper.it and www.gruppobper.it.

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The press release is also available in the 1INFO storage device.
This is a translation into English of the original in Italian. The Italian text shall prevail over the English version.

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Notes:

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[1] The estimated 2016 contribution recognised at 31 March and booked to administrative costs amounts to € 15 million (€ 9.1 after tax), compared with an ordinary contribution paid by the Group in 2015 of € 13.3 million (a few days ago, the Supervisory Authority in charge asked the banks of the BPER group for a total payment of € 17.3 million, to be made by 15 June 2016).

[2] Core revenues are represented by net interest income and net commission income and amount to € 473.9 million (€ 493.3 million at 31 March 2015).

[3] Common Equity Tier 1 ratio ("CET1"): calculated taking into account the share of profits attributable to equity earned during the first quarter of the year of € 22 million (around 6 bps). The Fully Phased CET1 ratio is estimated with reference to the same figures at 31 March 2016, according to the rules that will be fully applicable from January 2019.

[4] The LCR index at 31 March 2016 stands at 117.5%, whereas the NSFR index is put at well over 100% (it was 110.9% at 31 December 2015)

[5] Operating profit as shown in the attached reclassified income statement and represented by the sum of the following income statement captions: Net interest and other banking income and Other operating charges/income (caption 220) net of indirect taxes recharged to customers (€ 30.4 million in the first quarter of 2016 and € 30.9 million in the first quarter of 2015).

[6] Operating costs defined as reported in the attached reclassified income statement and represented by the sum of the following income statement captions: payroll costs (caption 180-a), other administrative expenses (caption 180-b) net of indirect taxes recovered from customers (see note 7), depreciation and amortisation (captions 200 and 210).

[7] See note 1

[8] See note 6

[9] Excluding the 2016 contribution to the Single Resolution Fund referred to in note 1.

[10] See note 3

[11] See note 3

[12] The CET1 ratio at 31 December 2015 shown here for comparison purposes is the value calculated pro-forma to date, taking into account, as indicated at the time, the portion of profit realised in the second half of 2015 that could be included in capital. To date, this figure is formally confirmed as it has already approved by the Bank's shareholders.

[13] The rule provides that banks have the right (in the form of an option) to continue to apply the existing tax provisions, providing they pay an annual fee equal to 1.5% of the difference between deferred tax assets (convertible) outstanding at the reporting date (with some corrections) and the taxes paid from 2008 up to the reporting date.

The commission, which has to be paid by 16 June following the year of reference and is deductible for IRES and IRAP purposes, is not due if the difference is negative. It should also be pointed out that the Decree provides for the issuing of a resolution by the Tax Authorities to establish the implementing provisions.

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Consolidated balance sheet as at 31 March 2016

(in thousands of Euro)

Assets	31.03.2016	31.12.2015	Change	%change
10. Cash and cash equivalents	354,274	390,371	(36,097)	-9.25
20. Financial assets held for trading	756,794	790,403	(33,609)	-4.25
30. Financial assets designated at fair value through profit and loss	82,094	86,639	(4,545)	-5.25
40. Financial assets available for sale	8,657,467	8,022,164	635,303	7.92
50. Financial assets held to maturity	2,662,059	2,663,859	(1,800)	-0.07
60. Due from banks	966,175	1,087,313	(121,138)	-11.14
70. Loans to customers	44,048,428	43,702,561	345,867	0.79
80. Hedging derivatives	57,330	38,182	19,148	50.15
100. Equity investments	438,110	415,200	22,910	5.52
120. Property, plant and equipment	934,901	941,121	(6,220)	-0.66
130. Intangible assets	509,976	515,164	(5,188)	-1.01
of which: goodwill	380,395	380,395	-	-
140. Tax assets	1,399,410	1,471,928	(72,518)	-4.93
a) current	144,354	208,238	(63,884)	-30.68
b) deferred	1,255,056	1,263,690	(8,634)	-0.68
b1) of which L. 214/2011	1,059,926	1,072,618	(12,692)	-1.18
160. Other assets	540,538	1,136,326	(595,788)	-52.43
Total assets	**61,407,556**	**61,261,231**	**146,325**	**0.24**

(in thousands of Euro)

Liabilities and shareholders' equity	31.03.2016	31.12.2015	Change	%change
10. Due to banks	6,497,622	5,522,992	974,630	17.65
20. Due to customers	36,009,324	35,887,658	121,666	0.34
30. Debt securities in issue	9,835,347	10,494,565	(659,218)	-6.28
40. Financial liabilities held for trading	259,206	242,149	17,057	7.04
50. Financial liabilities designated at fair value through profit and loss	579,399	873,558	(294,159)	-33.67
60. Hedging derivatives	31,252	23,715	7,537	31.78
80. Tax liabilities	112,903	109,013	3,890	3.57
a) current	-	3,911	(3,911)	-100.00
b) deferred	112,903	105,102	7,801	7.42
100.Other liabilities	1,745,558	1,844,715	(99,157)	-5.38
110. Provision for termination indemnities	202,019	200,669	1,350	0.67
120. Provisions for risks and charges	430,627	410,399	20,228	4.93
a) pensions and similar commitments	134,474	124,500	9,974	8.01
b) other provisions	296,153	285,899	10,254	3.59
140. Valuation reserves	159,450	148,982	10,468	7.03
170. Reserves	2,514,586	2,288,125	226,461	9.90
180. Share premium reserve	930,073	930,073	-	-
190. Share capital	1,443,925	1,443,925	-	-
200. Treasury shares	(7,255)	(7,255)	-	-
210. Minority interests	632,545	627,287	5,258	0.84
220. Profit (Loss) for the period	30,975	220,661	(189,686)	-85.96
Total liabilities and shareholders' equity	**61,407,556**	**61,261,231**	**146,325**	**0.24**

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Reclassified consolidated income statement as at 31 March 2016

(in thousands of Euro)

Captions		31.03.2016	31.03.2015	Change	%change
10+20	Net interest income	296,800	314,095	(17,295)	-5.51
40+50	Net commission income	177,083	179,203	(2,120)	-1.18
70	Dividends	86	249	(163)	-65.46
80+90+100+110	Net trading income	15,662	46,058	(30,396)	-66.00
220 (*)	Other operating charges/income	15,538	15,443	95	0.62
	Operating income	**505,169**	**555,048**	**(49,879)**	**-8.99**
180 a)	Payroll	(196,586)	(199,322)	2,736	-1.37
180 b) (*)	Other administrative costs	(116,125)	(93,620)	(22,505)	24.04
200+210	Net adjustments to property, plant, equipment and intangible assets	(17,084)	(17,330)	246	-1.42
	Operating costs	**(329,795)**	**(310,272)**	**(19,523)**	**6.29**
	Net operating income	**175,374**	**244,776**	**(69,402)**	**-28.35**
130 a)	Net impairment adjustments to loan	(114,167)	(147,504)	33,337	-22.60
130 b)+c)	Net impairment adjustments to financial assets available for sale and held to maturity	(3,678)	(6,347)	2,669	-42.05
130 d)	Net impairment adjustments to other financial assets	(3,666)	3,879	(7,545)	-194.51
	Net impairment adjustments	**(121,511)**	**(149,972)**	**28,461**	**-18.98**
190	Net provisions for risks and charges	(9,621)	(14,096)	4,475	-31.75
240+260+270	Gains (Losses) from equity instruments, on disposal of investments and adjustment to goodwill	3,193	(1,773)	4,966	-280.09
280	**Profit (Loss) from current operations before tax**	**47,435**	**78,935**	**(31,500)**	**-39.91**
290	Income taxes on current operations for the period	(14,104)	(27,234)	13,130	-48.21
320	**Net profit (loss) for the period**	**33,331**	**51,701**	**(18,370)**	**-35.53**
330	Net profit (loss) pertaining to minority interests	(2,356)	(6,504)	4,148	-63.78
340	**Profit (loss) for the period pertaining to the Parent Company**	**30,975**	**45,197**	**(14,222)**	**-31.47**

(*)	Caption net of recovery of taxes	30,405	30,864	(459)	-1.49

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Reclassified consolidated income statement by quarter as at 31 March 2016

(in thousands)

Captions		1st quarter 2016	1st quarter 2015	2nd quarter 2015	3rd quarter 2015	4th quarter 2015
10+20	Net interest income	296,800	314,095	308,370	302,036	303,040
40+50	Net commission income	177,083	179,203	180,650	177,844	188,996
70	Dividends	86	249	13,583	457	1,664
80+90+100+110	Net trading income	15,662	46,058	15,463	20,361	266,002
220 (*)	Other operating charges/income	15,538	15,443	9,269	12,274	15,516
	Operating income	**505,169**	**555,048**	**527,335**	**512,972**	**775,218**
180 a)	Payroll	(196,586)	(199,322)	(196,883)	(232,374)	(196,474)
180 b) (*)	Other administrative costs	(116,125)	(93,620)	(103,392)	(95,698)	(169,466)
210 + 220	Net adjustments to property, plant and equipment and intangible assets	(17,084)	(17,330)	(17,087)	(17,495)	(28,337)
	Operating costs	**(329,795)**	**(310,272)**	**(317,362)**	**(345,567)**	**(394,277)**
	Net operating income	**175,374**	**244,776**	**209,973**	**167,405**	**380,941**
130 a)	Net impairment adjustments to loans	(114,167)	(147,504)	(150,237)	(127,156)	(280,902)
130 b)+c)	Net impairment adjustments to financial assets available for sale and held to maturity	(3,678)	(6,347)	(2,552)	(7,563)	(10,881)
130 d)	Net impairment adjustments to other financial transactions	(3,666)	3,879	(4,997)	(348)	(3,192)
	Net impairment adjustments	**(121,511)**	**(149,972)**	**(157,786)**	**(135,067)**	**(294,975)**
190	Net provisions for risks and charges	(9,621)	(14,096)	(22,689)	(15,440)	88
240+260 +270	Gains (Losses) on disposal of investments and adjustments to goodwill	3,193	(1,773)	7,173	(6,846)	1,802
280	**Profit from current operations before income tax**	**47,435**	**78,935**	**36,671**	**10,052**	**87,856**
290	Income taxes on current operations	(14,104)	(27,234)	(7,367)	(2,313)	42,632
320	**Net profit (loss) for the period**	**33,331**	**51,701**	**29,304**	**7,739**	**130,488**
330	Net profit (loss) for the period pertaining to minority interests	(2,356)	(6,504)	(1,270)	1,616	7,587
340	**Profit (Loss) for the period pertaining to the Parent Company**	**30,975**	**45,197**	**28,034**	**9,355**	**138,075**

(*)	Caption net of recovery of taxes	30,405	30,864	31,763	30,804	29,871

BPER:
Gruppo

Consolidated income statement as at 31 March 2016

(in thousands of Euro)

Captions	31.03.2016	31.03.2015	Change	%change
10. Interest and similar income	384,670	431,035	(46,365)	-10.76
20. Interest and similar expense	(87,870)	(116,940)	29,070	-24.86
30. Net interest income	**296,800**	**314,095**	**(17,295)**	**-5.51**
40. Commission income	185,186	188,020	(2,834)	-1.51
50. Commission expense	(8,103)	(8,817)	714	-8.10
60. Net commission income	**177,083**	**179,203**	**(2,120)**	**-1.18**
70. Dividends and similar income	86	249	(163)	-65.46
80. Net trading income	(25,801)	20,413	(46,214)	-226.39
90. Net hedging gains (losses)	120	355	(235)	-66.20
100. Gains/losses on disposal or repurchase of:	37,346	28,438	8,908	31.32
a) loans	7	3,804	(3,797)	-99.82
b) financial assets available for sale	38,237	25,092	13,145	52.39
c) financial assets held to maturity	-	(92)	92	-100.00
d) financial liabilities	(898)	(366)	(532)	145.36
110. Net results on financial assets and liabilities designated at fair value	3,997	(3,148)	7,145	-226.97
120. Net interest and other banking income	**489,631**	**539,605**	**(49,974)**	**-9.26**
130. Net impairment adjustments to:	(121,511)	(149,972)	28,461	-18.98
a) loans	(114,167)	(147,504)	33,337	-22.60
b) financial assets available for sale	(3,678)	(6,347)	2,669	-42.05
d) other financial assets	(3,666)	3,879	(7,545)	-194.51
140. Net profit from financial activities	**368,120**	**389,633**	**(21,513)**	**-5.52**
180. Administrative costs:	(343,116)	(323,806)	(19,310)	5.96
a) payroll	(196,586)	(199,322)	2,736	-1.37
b) other administrative costs	(146,530)	(124,484)	(22,046)	17.71
190. Net provision for risks and charges	(9,621)	(14,096)	4,475	-31.75
200. Net adjustments to property, plant and equipment	(8,983)	(9,944)	961	-9.66
210. Net adjustments to intangible assets	(8,101)	(7,386)	(715)	9.68
220. Other operating charges/income	45,943	46,307	(364)	-0.79
230. Operating costs	**(323,878)**	**(308,925)**	**(14,953)**	**4.84**
240. Profit (Loss) from equity investments	3,143	(1,886)	5,029	-266.65
270. Gains (Losses) on disposal of investments	50	113	(63)	-55.75
280. Profit (Loss) from current operations before tax	**47,435**	**78,935**	**(31,500)**	**-39.91**
290. Income taxes on current operations for the period	(14,104)	(27,234)	13,130	-48.21
300. Profit (Loss) from current operations after tax	**33,331**	**51,701**	**(18,370)**	**-35.53**
320. Net profit (loss) for the period	**33,331**	**51,701**	**(18,370)**	**-35.53**
330. Net profit (loss) for the period pertaining to minority interests	(2,356)	(6,504)	4,148	-63.78
340. Profit (Loss) for the period pertaining to the Parent Company	**30,975**	**45,197**	**(14,222)**	**-31.47**

BPER:
Gruppo

Consolidated income statement by quarter as at 31 March 2016

Captions	31.03.2016	31.03.2015	2nd quarter 2015	3rd quarter 2015	4th quarter 2015
10. Interest and similar income	384,670	431,035	415,453	402,855	399,056
20. Interest and similar expense	(87,870)	(116,940)	(107,083)	(100,819)	(96,016)
30. Net interest income	**296,800**	**314,095**	**308,370**	**302,036**	**303,040**
40. Commission income	185,186	188,020	189,373	187,648	197,433
50. Commission expense	(8,103)	(8,817)	(8,723)	(9,804)	(8,437)
60. Net commission income	**177,083**	**179,203**	**180,650**	**177,844**	**188,996**
70. Dividends and similar income	86	249	13,583	457	1,664
80. Net trading income	(25,801)	20,413	(6,009)	591	17,836
90. Net hedging gains (losses)	120	355	(520)	(634)	(90)
100. Gains/losses on disposal or repurchase of:	37,346	28,438	15,882	22,809	248,337
a) loans	7	3,804	601	(200)	(182)
b) financial assets available for sale	38,237	25,092	15,486	23,048	249,545
c) financial assets held to maturity	-	(92)	300	-	13
d) financial liabilities	(898)	(366)	(505)	(39)	(1,039)
110. Net results on financial assets and liabilities designated at fair value	3,997	(3,148)	6,110	(2,405)	(81)
120. Net interest and other banking income	**489,631**	**539,605**	**518,066**	**500,698**	**759,702**
130. Net impairment adjustments to:	(121,511)	(149,972)	(157,786)	(135,067)	(294,975)
a) loans	(114,167)	(147,504)	(150,237)	(127,156)	(280,902)
b) financial assets available for sale	(3,678)	(6,347)	(2,552)	(7,563)	(10,881)
d) other financial assets	(3,666)	3,879	(4,997)	(348)	(3,192)
140. Net profit from financial activities	**368,120**	**389,633**	**360,280**	**365,631**	**464,727**
180. Administrative costs:	(343,116)	(323,806)	(332,038)	(358,876)	(395,811)
a) payroll	(196,586)	(199,322)	(196,883)	(232,374)	(196,474)
b) other administrative costs	(146,530)	(124,484)	(135,155)	(126,502)	(199,337)
190. Net provision for risks and charges	(9,621)	(14,096)	(22,689)	(15,440)	88
200. Net adjustments to property, plant and equipment	(8,983)	(9,944)	(9,171)	(9,295)	(19,926)
210. Net adjustments to intangible assets	(8,101)	(7,386)	(7,916)	(8,200)	(8,411)
220. Other operating charges/income	45,943	46,307	41,032	43,078	45,387
230. Operating costs	**(323,878)**	**(308,925)**	**(330,782)**	**(348,733)**	**(378,673)**
240. Profit (Loss) from equity investments	3,143	(1,886)	7,270	(6,843)	1,556
270. Gains (Losses) on disposal of investments	50	113	(97)	(3)	246
280. Profit (Loss) from current operations before tax	**47,435**	**78,935**	**36,671**	**10,052**	**87,856**
290. Income taxes on current operations	(14,104)	(27,234)	(7,367)	(2,313)	42,632
300. Profit (Loss) from current operations after tax	**33,331**	**51,701**	**29,304**	**7,739**	**130,488**
320. Net profit (Loss) for the period	**33,331**	**51,701**	**29,304**	**7,739**	**130,488**
330. Net profit (Loss) for the period pertaining to minority interests	(2,356)	(6,504)	(1,270)	1,616	7,587
340. Profit (Loss) for the period pertaining to the Parent Company	**30,975**	**45,197**	**28,034**	**9,355**	**138,075**

BPER: Gruppo

Performance ratios as at 31 March 2016

Financial ratios	31.03.2016	2015 (*)
Structural ratios (%)		
net loans to customers/total assets	71.73%	71.34%
net loans and advances to customers/direct deposits from customers	94.88%	92.48%
financial assets/total assets	19.80%	18.88%
fixed assets/total assets	2.24%	2.21%
goodwill/total assets	0.62%	0.62%
direct deposits/total assets	86.18%	86.15%
deposits under management/indirect deposits	47.08%	48.48%
financial assets/tangible equity[1]	2.34	2.25
total tangible assets[2]/tangible equity	11.72	11.83
net interbank lending/borrowing (in thousands of Euro)	(5,531,447)	(4,435,679)
number of employees	11,440	11,447
number of national bank branches	1,215	1,216
Profitability ratios (%)		
ROE	2.53%	4.57%
ROTE	2.83%	5.10%
ROA (net profit/total assets)	0.05%	0.09%
Cost/income ratio[3]	65.28%	55.90%
Net adjustments to loans/net loans to customers	0.26%	0.34%
Basic EPS	0.064	0.094
Diluted EPS	0.064	0.094
Risk ratios (%)		
non-performing exposures/net loans to customers	14.50%	14.54%
net bad loans/net loans to customers	6.91%	6.81%
net unlikely to pay loans/net loans to customers	7.16%	7.15%
net past due loans/net loans to customers	0.43%	0.58%
adjustments to non-performing exposures/gross non-performing exposures	44.60%	44.22%
adjustments to bad loans/gross bad loans	58.14%	58.16%
adjustments to unlikely to pay loans/gross unlikely to pay loans	22.07%	21.88%
adjustments to past due loans/gross past due loans	9.10%	10.02%
adjustments to performing exposures/gross performing exposures	0.52%	0.54%
texas ratio[4]	111.56%	111.98%

(*) The comparative figures for the income statement are as at 31 March 2015, except for the ROE and the ROTE which are calculated on a yearly basis.

[1] *Tangible equity = total shareholders' equity net of intangible assets.*
[2] *Total tangible assets = total assets net of intangible assets.*
[3] *The cost/income Ratio has been calculated on the basis of the layout of the reclassified income statement (operating expenses/operating income); when calculated on the basis of the layouts provided by Circular no. 262 of the Bank of Italy the cost/income ratio is at 66.15% (57,25% as at March 31, 2015).*
[4] *The texas ratio is calculated as the relationship between total gross non-performing loans and net tangible equity, including minority interests, increased by total provisions for non-performing loans.*

Financial ratios	31.03.2016	2015 (*)
Own Funds (Phased in)[5]		
Common Equity Tier 1 (CET1)	4,590,842	4,506,891
Common Equity Tier 1 (CET1) pro-forma	4,612,717	4,629,088
Own Funds	5,062,137	5,011,605
Own Funds pro-forma	5,084,287	5,133,802
Risk-weighted assets (RWA)	39,949,148	40,101,688
Capital and liquidity ratios [6]		
Common Equity Ratio (CET1 Ratio) - Phased in	11.49%	11.24%
Common Equity Ratio (CET1 Ratio) - Phased in pro-forma	11.55%	11.54%
Tier 1 Ratio (T1 Ratio) - Phased in	11.60%	11.34%
Total Capital Ratio (TC Ratio) - Phased in	12.67%	12.50%
Total Capital Ratio (TC Ratio) - Phased in pro-forma	12.73%	12.80%
Common Equity Tier 1 Ratio (CET1 Ratio) - Fully Phased pro-forma	11.48%	11.21%
Leverage Ratio - Phased in[7]	7.2%	7.1%
Leverage Ratio - Fully Phased[8]	7.2%	6.9%
Liquidity Coverage Ratio (LCR)	117.5%	136.1%
Net Stable Funding Ratio (NSFR)[9]	n.d.	110.9%

Non-financial ratios	31.03.2016	2015 (*)
Productivity ratios (in thousands of Euro)		
direct deposits per employee	4,058.05	4,128.22
loans and advances to customers per employee	3,850.39	3,817.82
assets managed per employee	1,271.65	1,286.45
assets administered per employee	1,429.27	1,366.99
core revenues [10]per employee	41.42	42.70
net interest and other banking income per employee	42.80	46.71
operating costs per employee	28.31	26.74

(*) The comparative figures for the income statement are as at 31 March 2015, except for the ROE and the ROTE which are calculated on a yearly basis.

[5] The Fully Phased Common Equity Tier 1 ("CET1") ratio, estimated in January 2019 in accordance with the new Basel 3 regulations, and the Phased In CET1 ratio have been calculated on a pro-forma basis taking into account the profit for the period allocable to equity (€ 22 million, corresponding to about 6 b.p.).

[6] See previous note.

[7] The ratio is calculated according to the provisions of Regulation (EU) 575/2013 (CRR), as amended by the Commission Delegated Regulation (EU) 2015/62.

[8] See previous note.

[9] The NSFR, not yet available, it is in any case estimated to exceed 100% (110,9% as at 31 December 2015).

[10] Core revenues = net interest income + net commission income.