PRESS RELEASE

Quarterly report as at 30 September 2014 approved

Strong capital position with a fully phased CET1 ratio[1] of 10.66% (11.09% phased in) without considering the potential benefits that should come from the validation of internal models ("AIRB")

Total net profit for the period of € 75.8 million, significantly up on the first nine months of 2013

Net interest and other banking income increased during the period, helped by the rise in net interest income and the result from financial activities

Coverage of total doubtful loans of 39.6% at 30 September, substantially stable compared with June (+228 bps on December 2013)

The asset quality review (AQR) and the stress tests performed by the *ECB* and *EBA* confirmed BPER's financial solidity, showing a capital excess of more than € 630 million, compared with the "adverse" stress test scenario for 2016, thanks, in particular, to the effects of the € 750 million increase in capital completed in July

Following the positive result of the *AQR* and thanks to the prudent approach taken by the Group in terms of loan loss provisions and coverage, additional adjustments to loans are not expected on the individual positions analysed as part of the Credit File Review

- ✓ The profit from current operations before tax in the first nine months of the year amounts to € 131.8 million, 32.7% up on the same period in 2013

- ✓ Net interest and other banking income of € 1,641.3 million, 2.2% up y/y. In particular:
  - net interest income is up by 1.5% mainly because of the decline in funding cost
  - net commission income is slightly down (-1%), negatively affected by the drop in the lending component (-5.2%) and positively affected by the significant increase in the part attributable to indirect deposits and insurance policies (+13.4%)
  - good net trading result: up by 32.2% y/y

- ✓ Operating costs[2] 0.3% down mainly due to the reduction of payroll costs (-2.3% y/y)

- ✓ Net adjustments to loans down by 1.9% compared with the first nine months of the previous year and coverage of doubtful loans slightly up to 39.6% (+20 bps in the quarter; +228 bps on December 2013 and +397 bps on September 2013)

[1] Common Equity Tier 1 ratio ("CET1"): calculated taking into account the share of profits attributable to equity earned during the third quarter of the year and the net effects accrued during the same period from application of the fair value option. Fully *Phased* CET1 estimated according to the new Basel 3 regulations on a "fully phased" basis at January 2024.
[2] "Operating costs" defined as the sum of the following income statement captions: payroll costs (caption 180-a), other administrative expenses (caption 180-b) and amortisation and depreciation (captions 200 and 210)

The Board of Directors of Banca popolare dell'Emilia Romagna today reviewed and approved the separate results of the Bank and the consolidated results of the Group for the first nine months of 2014.

At the end of the Board meeting, Alessandro Vandelli, CEO of BPER, declared: "Approval of the results for the first nine months of the year has taken place a few days after publication of the results of the Comprehensive Assessment carried out by the Supervisory Authorities and the European Banking Authority. As is generally known, this analysis confirmed the excellent level of capital solidity achieved by the BPER Group, also in comparison with its European peers, with significant excess capital of more than € 630 million with respect to the required minimum, thanks in particular to the contribution made by the € 750 million increase in capital successfully completed in July. Having set aside with satisfaction the outcome of the Comprehensive Assessment, our focus now is back on the day-to-day business results of the bank, which despite operating in an economic environment that is still weak and with uncertain prospects, posted significant growth in net profit which amounted to € 75.8 million compared with € 23.2 million in the first nine months of 2013. The good result for the period is characterised by an increase of more than 2% in net interest and other banking income, followed by a simultaneous decline in both total adjustments and operating costs, with a loan coverage that is substantially unchanged from June and up by almost 400 bps on the same period last year. Moreover, based on internal evidence and thanks to the prudent approach constantly taken by the Bank in terms of loan loss provisions and coverage, additional adjustments to loans are not expected as a result of the AQR *on the individual positions analysed as part of the Credit File Review*. *Lastly, as a further confirmation of the Group's financial solidity, as shown also by the outcome of the Asset Quality Review and the stress test, the level of Fully Phased* Common *Equity Tier 1 ratio comes to 10.66% (11.09% Phased In) in line with the best market standards and without considering the potential benefits that should come from the validation of advanced internal models for measuring credit risk. From a corporate point of view, I would like to reiterate that the merger of Banca Popolare di Ravenna, Banca della Campania and Banca popolare del Mezzogiorno with the Parent Company will be finalised in November, continuing the ongoing rationalisation and simplification of the Group. In a nutshell, I believe that the positive results achieved in terms of financial solidity and profitability are the starting point for the implementation of our new business plan. We have been heavily involved in preparing it in recent months and it will be presented at the beginning of next year. The aim of the plan, among other things, will be to improve the Group's profitability profile and redesign the Group's distribution model."*

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Income statement: key data

Net interest income amounts to € 978.5 million, an increase of 1.5% compared with the same period last year, mainly due to the benefits arising from the steps taken during the year to lower the cost of funding. Compared with the previous quarter, net interest income is down (-2.6% q/q), mainly due to the decline in market interest rates, also as a result of the further reference rate cut by the European Central Bank in early September (average 3-month Euribor for the quarter was 0.16%, down from 0.30% the previous quarter), the negative incidence of the volume effect and a lower contribution on the part of the securities portfolio because of benefits taken on a portion of the bonds allocated to the Available for Sale ("AFS") category. In September, a series of important repricing measures were carried out, particularly on the cost of short/medium term funding, in line with the new rate scenario, the first benefits of which have already been seen on the overall spread in October, while other more significant benefits are expected in the coming months.

Net commission income of € 514.5 million is slightly down on the same period last year (-1.0%), mainly as a result of a very positive trend in commission income relating to indirect deposits and "bancassurance" (+13.4%) and the decrease in commission income on loans and guarantees (-5.2%), affected by the current recession that is still continuing. Comparison with the previous quarter shows a decline of 2.9%, influenced by the usual seasonal factors.

The **net result from trading activities** (including dividends of € 18.3 million) amounts to € 148.3 million, a significant increase in comparison with the same period last year (+21.7% y/y), benefiting from the good performance of financial markets and the profits made on reserves for government securities held as available for sale ("AFS"). In fact, the "AFS" reserve for government securities continues to show significant gains allocated to the reserve for valuation of assets available for sale ("AFS"), for an amount (net of taxes) of € 111.2 million (€ 50.8 million at 31 December 2013 and € 110.2 million at 30 June 2014). This result was achieved with the help of net realised gains of € 129.2 million, net capital gains of € 22.0 million, for the most part attributable to the mark-to-market adjustment of the Italian government bonds held in portfolio and the negative contribution of the fair value option on financial liabilities for € 16.9 million (also negative for € 54.2 million at 30 September 2013).

Net interest and other banking income comes to € 1,641.3 million, a significant increase compared with the first nine months of 2013 (€ 1,605.6 million; +2.2% y/y), mainly due to the positive contribution of net interest income and a good performance by the result from financial activities.

Net adjustments to loans and other financial assets amount to € 590.6 million, 5.2% down on the same period in 2013, primarily due to the adjustments made in the lending sector (€ 580.1 million). The total cost of credit at 30 September 2014 comes to 130 bps (173 bps annualised). It should be noted that, on the basis of in-depth internal estimates and analyses and thanks to the prudent approach constantly taken by the Bank in terms of loan loss provisions and coverage, additional adjustments to loans are not expected as a result of the AQR on the individual positions analysed as part of the Credit File Review.

Coverage of doubtful loans comes to 39.6%, substantially stable compared with June (39.4%). In detail, the coverage of non-performing loans comes to 56.4%, substantially in line with June (56.5%); coverage of non-performing loans has increased by 141 bps and 178 bps on December and September 2013 respectively. In addition, taking into account the direct write-offs of non-performing loans still outstanding of € 1.35 billion, the coverage of non-performing loans comes to 64.2%. Coverage of watchlist loans is also stable at 19.2% compared with the previous quarter, with a significant increase of 107 bps and 235 bps compared with 18.2% and 16.9% at year end and in September 2013, respectively. Coverage of restructured and past due loans are 14.3% and 6.4% respectively, more or less unchanged compared with June and slightly up on December 2013.

Net profit from financial activities of € 1,050.7 million shows an increase of 6.9% y/y, benefiting primarily from the good performance of net interest income and the result from financial activities and the reduction in adjustments.

Within **operating costs**, **payroll costs** amount to € 577.9 million, down by 2.3% on the same period in 2013 (-0.9% net of extraordinary costs of redundancy incentives and the Solidarity Fund in the two periods[3]). **Other administrative expenses** amount to € 391.5 million, an increase of 2.0% y/y, but they decrease by 0.4% if we exclude the impact of taxation[4]. Overall, operating costs, including other operating charges/income, amount to € 917.5 million in the first nine months of the year, 4.4% up on the same period last year, mainly due to the decrease in "other operating charges/income" (-20.5% y/y), affected above all by the reduction in the rapid preliminary investigation fee for € 13.7 million.
Excluding the extraordinary costs of the redundancy incentives and Solidarity Fund, net of taxation, the costs relating to ordinary operations (payroll costs, administrative expenses and amortisation and depreciation) are slightly down (-0.3% on September 2013).

The **profit from current operations before tax** amounts to € 131.8 million in the period (€ 99.3 million in the first nine months of 2013). **Income taxes for the period** come to € 55.9 million and take account of the retroactive

[3] The extraordinary costs of redundancy incentives and the Solidarity Fund amounted to € 0.6 million in the first nine months of the year and € 9.0 million in same period of 2013.
[4] "Taxation": € 108.0 million at 30 September 2014 and € 99.5 million at 30 September 2013.

additional substitute tax (€ 2.8 million)[5], calculated on the capital gain realised in 2013 on the revaluation of BPER's stake in the Bank of Italy, in addition to the one-off effects (€ 5.3 million) of recalculating deferred tax assets following the cut in the rate of IRAP[6]. This has led to an overall tax rate of 42.5%.

Total net profit for the period amounts to € 75.8 million, compared with a positive result of € 23.2 million at 30 September 2013, including the profit for the period pertaining to minority interests of € 14.7 million (€ 9.0 million in the first nine months of 2013). The **profit pertaining to the Parent Company** therefore comes to € 61.1 million (€ 14.2 million in the same period of 2013).

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 € 46.3 billion, 1.2% down on the end of 2013, mainly due to a decrease in the retail bond component and the simultaneous switch of part of direct borrowing from customers into short-term deposits, asset management products and insurance policies, helped by a positive trend in the market. Direct borrowing is made up principally of retail & private deposits (78.1%) and 64.0% is in the form of current accounts, demand deposits and short-term restricted deposits.

Indirect customer deposits, at market price, amount to € 28.0 billion, an increase of 5.3% on the start of the year. In particular, assets under management are up significantly (+9.4%) on the end of 2013, while assets under administration in the same period are showing an increase of 2.2%. The **insurance policy portfolio**, which is not included in indirect borrowing, comes to € 3.0 billion, a substantial increase since the start of the year (+17.9%), almost entirely for life insurance.

Loans to customers, net of adjustments, amount to € 44.6 billion, a decrease of 4.2% from the end of 2013, mainly attributable to the businesses segment, affected by the difficulties of the economy and the decline in demand for investment; however, especially in the last period, there have been some signs of stabilisation in loans, with positive results in residential mortgages, which posted growth in new loans of 17% y/y.

Net doubtful loans come to € 6.6 billion, 3.4% up on the end of 2013, including non-performing loans of € 2.7 billion (+9.2% since the end of the year); these amounts are respectively 14.8% and 6.1% of total net loans to customers. In detail, other items consist of net watchlist loans of € 3.1 billion, down by 2.6% since the end of 2013, net restructured loans of € 0.6 billion (+27.0% from December 2013) and net past due loans of € 0.3 billion (-14.0% since the end of last year); as we said previously, all of these items have good coverage levels, highlighting a total coverage ratio of 39.6%, an increase of 20 bps on 39.4% in June and 228 bps on 37.3% in December 2013.

The **net interbank position**, which was negative for € 3.4 billion, a significant decrease since the end of 2013 (€ 6.2 billion), is the difference between amounts due from banks of € 2.0 billion and amounts due to banks of € 5.4 billion. In order to increase the Group's financial flexibility, in September BPER took part in the first auction of the *TLTRO* ("Targeted Longer Term Refinancing Operations") programme launched by the European Central Bank for a total of € 2 billion, which is the full amount that can be borrowed for the whole of 2014, which means that the Bank will not take part in the second auction to be held in December; at the same time, the bank repaid a portion of the previous "LTRO" refinancing for an amount of € 1.65 billion. At 30 September, the total amount of refinancing with the European Central Bank amounted to € 3.4 billion, of which € 1.4 billion from three-year "LTRO" operations expiring between January and February 2015 and € 2.0 billion from the new "TLTRO" operation expiring in September 2018. Financial instruments eligible for use as collateral for refinancing transactions on the market amount to € 12.0 billion, net of the haircut, of which € 6.2 billion are available (having been € 12.4 billion and € 3.9

[5] Art. 4, paragraph 12 of Decree Law 66/2014 (the so-called "Renzi Decree") amended the substitute tax rate from 12% to 26%.
[6] Art. 2, paragraph 1 of Decree Law 66/2014 (the so-called "Renzi Decree") reduced the rate of IRAP from tax year 2014.

billion respectively at 31 December 2013). In addition, note that on 10 October 2014, BPER made full settlement of the two bonds backed by guarantee of the Italian State, used as collateral for refinancing with the ECB for a total of € 1.25 billion.

Financial assets amount in total to € 9.5 billion, an increase of 4.4% on the end of 2013; they account for 15.7% of total assets, among the lowest percentages for the entire banking system. Debt securities represent 90.8% of the total portfolio and amount to € 8.6 billion: of these, € 6.2 billion relate to government securities (mostly represented by Italian government bonds) and € 2.1 billion to banks and supranational entities.

Against the assets available for sale (AFS) of € 6.8 billion, there are positive valuation reserves for a total of € 208.2 million, net of the related tax effect, which is the net result of positive reserves for debt securities, equities and UCITS of € 233.2 million less negative reserves of € 25.0 million; the net reserve only for government bonds was a positive € 111.2 million. Moreover, with regard to the portfolio of financial assets held to maturity (HTM) of € 1.6 billion, the difference between the fair value and the book value is positive, producing an implicit reserve of € 161.9 million.

Total equity at 30 September 2014 amounts to € 5.6 billion (+17.8%), with minority interests of € 0.7 billion. Consolidated shareholders' equity of the Group, including the result for the period, comes to € 4.9 billion, +20.6% since the end of 2013. This equity takes into account the € 750 million increase in capital completed in July 2014, with no need for the underwriting syndicate to intervene; net of costs, the impact totals € 735.7 million.

Capital ratios

The **capital ratios** have again been calculated on the basis of the standardised approach for credit and market risk, according to the new Basel 3 regulations in force since 1 January 2014. They take into account the portion of net profit at 30 September 2014 that is attributable to equity and the net effects accrued during the same period from application of the fair value option, for a total net amount of € 32.7 million. The following figures show that the ratios are all well over the regulatory limits:

- "Phased in Common Equity Tier 1 ratio[7]" of 11.09% (9.30% at 30 June 2014 and 9.15% at 1 January 2014) This figure calculated on a "fully phased" basis comes to 10.66%;
- "Tier 1 ratio phased in" of 11.14%;
- "Own Funds phased in" of 13.04%.

The significant increase during the quarter is mainly due to the € 750 million increase in capital completed in July, which net of costs results in a positive effect on own funds of € 735.7 million, or 172 bps.

Key figures at 30 September 2014

The Group has a presence in 18 Regions of Italy, with 1,273 branches, 34 fewer than at the end of 2013, as well as the head office of BPER (Europe) International s.a. in Luxembourg.

The Group currently has 11,615 employees (11,718 at the end of 2013).

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[7] See note 1

Significant subsequent events

With effect from 10 October 2014, the Bank made full settlement of the two bonds backed by guarantee of the Italian State for a total of € 1.25 billion, issued in accordance with art. 8 of Decree 201/2011 converted with amendments into Law 214/2011; the guarantee granted by the State has therefore been cancelled from that date.

Outlook for operations

In the latter part of the year, it is expected that the economy will remain weak with an uncertain outlook, while an improvement in the situation seems to have been postponed to 2015. The weakness in domestic demand will continue to affect the chances of recovery in lending and the profitability prospects of the banking system will still be affected above all by the quality of credit, even though the situation is expected to improve towards the year-end.

For the end of the year, the BPER Group still has as its priority objectives to strengthen profitability at levels significantly higher than last year, to maintain the satisfactory levels of doubtful loan coverage achieved to date and to hold down operating costs. The level of loan adjustments for the year is expected to improve substantially compared with 2013, even though it will be impacted by the effects of the Credit File Review as part of the AQR.

Activities relating to the preparation of a new Business Plan that will be submitted early next year commenced during the third quarter. One of the objectives of this Plan will be to redesign the Group's distribution model and ensure an adequate and sustainable level of profitability.

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Note that the consolidated quarterly report of the BPER Group at 30 September 2014 is unaudited. The document will be available at the head office, at Borsa Italiana S.p.a. and on the websites of the Bank and the Group (www.bper.it and www.gruppobper.it) as required by law.

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To complete the information provided, we attach the consolidated balance sheet and income statement (split into quarters with comparative figures) at 30 September 2014, as well as a summary of the main indicators.

Modena, 11 November 2014

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Chief Executive Officer
Alessandro Vandelli

The Manager responsible for preparing the Company's financial reports, Emilio Annovi, declares in accordance with art. 154-bis, para. 2, of D.Lgs. 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, 11 November 2014

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

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A conference call has been organised for tomorrow, **Wednesday, 12 November 2014 at 9.00 a.m. (CET)** to explain the BPER Group's results at 30 September 2014.
The conference will be chaired by **Alessandro Vandelli, the Chief Executive Officer.**

To join the conference call, dial 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 websites 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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Consolidated balance sheet as at 30 September 2014

(in thousands of Euro)

Assets	30.09.2014	31.12.2013	Change	%change
10. Cash and cash equivalents	388,032	488,522	(100,490)	-20.57
20. Financial assets held for trading	981,046	1,117,939	(136,893)	-12.25
30. Financial assets designated at fair value through profit and loss	108,122	149,899	(41,777)	-27.87
40. Financial assets available for sale	6,844,522	6,630,062	214,460	3.23
50. Financial assets held to maturity	1,576,633	1,207,868	368,765	30.53
60. Due from banks	2,028,140	1,587,781	440,359	27.73
70. Loans to customers	44,580,918	46,514,738	(1,933,820)	-4.16
80. Hedging derivatives	38,910	3,751	35,159	937.32
100. Equity investments	257,701	250,970	6,731	2.68
120. Property, plant and equipment	1,020,055	1,022,430	(2,375)	-0.23
130. Intangible assets	486,593	491,215	(4,622)	-0.94
of which: goodwill	380,416	380,416	-	-
140. Tax assets	1,183,068	1,184,567	(1,499)	-0.13
a) current	78,464	145,989	(67,525)	-46.25
b) deferred	1,104,604	1,038,578	66,026	6.36
b1) of which L. 214/2011	951,053	893,224	57,829	6.47
150. Non-current assets and disposal groups held for sale	2,817	2,817	-	-
160. Other assets	986,062	1,105,493	(119,431)	-10.80
Total assets	**60,482,619**	**61,758,052**	**(1,275,433)**	**-2.07**

(in thousands of Euro)

Liabilities and shareholders' equity	30.09.2014	31.12.2013	Change	%change
10. Due to banks	5,440,294	7,820,719	(2,380,425)	-30.44
20. Due to customers	33,284,854	33,681,447	(396,593)	-1.18
30. Debt securities in issue	11,081,692	10,186,690	895,002	8.79
40. Financial liabilities held for trading	242,324	198,059	44,265	22.35
50. Financial liabilities designated at fair value through profit and loss	1,909,806	2,952,035	(1,042,229)	-35.31
60. Hedging derivatives	19,199	37,825	(18,626)	-49.24
80. Tax liabilities	198,431	134,873	63,558	47.12
a) current	31,619	12,405	19,214	154.89
b) deferred	166,812	122,468	44,344	36.21
100. Other liabilities	2,197,885	1,520,458	677,427	44.55
110. Provision for termination indemnities	227,943	208,390	19,553	9.38
120. Provisions for risks and charges	329,191	305,796	23,395	7.65
a) pensions and similar commitments	143,663	120,859	22,804	18.87
b) other provisions	185,528	184,937	591	0.32
140. Valuation reserves	176,205	139,472	36,733	26.34
170. Reserves	2,271,372	2,267,929	3,443	0.15
180. Share premium reserve	922,256	624,156	298,100	47.76
190. Share capital	1,439,034	1,001,483	437,551	43.69
200. Treasury shares	(7,272)	(7,272)	-	-
210. Minority interests	688,304	678,816	9,488	1.40
220. Profit (loss) for the period	61,101	7,176	53,925	751.46
Total liabilities and shareholders' equity	**60,482,619**	**61,758,052**	**(1,275,433)**	**-2.07**

Consolidated income statement al 30 September 2014

(in thousands of Euro)

Captions	30.09.2014	30.09.2013	Change	%change
10. Interest and similar income	1,454,951	1,555,772	(100,821)	-6.48
20. Interest and similar expense	(476,452)	(591,589)	115,137	-19.46
30. Net interest income	**978,499**	**964,183**	**14,316**	**1.48**
40. Commission income	552,662	559,585	(6,923)	-1.24
50. Commission expense	(38,172)	(40,099)	1,927	-4.81
60. Net commission income	**514,490**	**519,486**	**(4,996)**	**-0.96**
70. Dividends and similar income	18,306	23,530	(5,224)	-22.20
80. Net trading income	14,342	32,874	(18,532)	-56.37
90. Net hedging gains (losses)	835	(191)	1,026	-537.17
100. Gains/losses on disposal or repurchase of:	126,057	112,496	13,561	12.05
a) loans	(29,550)	(1,215)	(28,335)	--
b) financial assets available for sale	155,607	110,062	45,545	41.38
d) financial liabilities	-	3,649	(3,649)	-100.00
110. Net results on financial assets and liabilities designated at fair value	(11,222)	(46,820)	35,598	-76.03
120. Net interest and other banking income	**1,641,307**	**1,605,558**	**35,749**	**2.23**
130. Net impairment adjustments to:	(590,576)	(623,106)	32,530	-5.22
a) loans	(580,088)	(591,383)	11,295	-1.91
b) financial assets available for sale	(4,335)	(4,621)	286	-6.19
d) other financial assets	(6,153)	(27,102)	20,949	-77.30
140. Net profit from financial activities	**1,050,731**	**982,452**	**68,279**	**6.95**
180. Administrative costs:	(969,387)	(975,761)	6,374	-0.65
a) payroll	(577,901)	(591,780)	13,879	-2.35
b) other administrative costs	(391,486)	(383,981)	(7,505)	1.95
190. Net provision for risks and charges	(27,670)	(20,078)	(7,592)	37.81
200. Net adjustments to property, plant and equipment	(30,847)	(30,426)	(421)	1.38
210. Net adjustments to intangible assets	(19,138)	(15,817)	(3,321)	21.00
220. Other operating charges/income	129,536	162,975	(33,439)	-20.52
230. Operating costs	**(917,506)**	**(879,107)**	**(38,399)**	**4.37**
240. Profit (loss) from equity investments	(1,495)	(4,415)	2,920	-66.14
270. Gains (losses) on disposal of investments	26	341	(315)	-92.38
280. Profit (loss) from current operations before tax	**131,756**	**99,271**	**32,485**	**32.72**
290. Income taxes on current operations for the period	(55,940)	(77,309)	21,369	-27.64
300. Profit (loss) from current operations after tax	**75,816**	**21,962**	**53,854**	**245.21**
310. Profit (loss) after tax on non-current assets held for sale	-	1,258	(1,258)	-100.00
320. Net profit (loss) for the period	**75,816**	**23,220**	**52,596**	**226.51**
330. Net profit (loss) for the period pertaining to minority interests	(14,715)	(9,014)	(5,701)	63.25
340. Profit (loss) for the period pertaining to the Parent Company	**61,101**	**14,206**	**46,895**	**330.11**

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Consolidated income statement by quarter as at 30 September 2014

Captions	1st quarter 2014	2nd quarter 2014	3rd quarter 2014	30.09.2014	1st quarter 2013	2nd quarter 2013	3rd quarter 2013	30.09.2013	4th quarter 2013	31.12.2013
10. Interest and similar income	494,548	489,785	470,618	1,454,951	522,914	522,451	510,407	1,555,772	504,813	2,060,585
20. Interest and similar expense	(164,728)	(161,146)	(150,578)	(476,452)	(211,799)	(196,370)	(183,420)	(591,589)	(179,007)	(770,596)
30. Net interest income	**329,820**	**328,639**	**320,040**	**978,499**	**311,115**	**326,081**	**326,987**	**964,183**	**325,806**	**1,289,989**
40. Commission income	184,023	186,210	182,429	552,662	184,746	188,519	186,320	559,585	191,601	751,186
50. Commission expense	(12,573)	(12,182)	(13,417)	(38,172)	(13,457)	(12,997)	(13,645)	(40,099)	(12,829)	(52,928)
60. Net commission income	**171,450**	**174,028**	**169,012**	**514,490**	**171,289**	**175,522**	**172,675**	**519,486**	**178,772**	**698,258**
70. Dividends and similar income	574	17,617	115	18,306	575	22,415	540	23,530	556	24,086
80. Net trading income	4,290	5,646	4,406	14,342	8,317	12,041	12,516	32,874	15,239	48,113
90. Net hedging gains (losses)	231	91	513	835	(280)	74	15	(191)	(401)	(592)
100. Gains/losses on disposal or repurchase of:	67,761	32,660	25,636	126,057	24,834	73,324	14,338	112,496	53,082	165,578
a) loans	107	59	(29,716)	(29,550)	36	(723)	(528)	(1,215)	286	(929)
b) financial assets available for sale	67,430	32,784	55,393	155,607	23,417	74,004	12,641	110,062	51,992	162,054
d) financial liabilities	224	(183)	(41)	-	1,381	43	2,225	3,649	804	4,453
110. Net results on financial assets and liabilities designated at fair value	(8,982)	7,992	(10,232)	(11,222)	(18,215)	(17,230)	(11,375)	(46,820)	(27,170)	(73,990)
120. Net interest and other banking income	**565,144**	**566,673**	**509,490**	**1,641,307**	**497,635**	**592,227**	**515,696**	**1,605,558**	**545,884**	**2,151,442**
130. Net impairment adjustments to:	(214,710)	(208,775)	(167,091)	(590,576)	(167,766)	(300,049)	(155,291)	(623,106)	(253,441)	(876,547)
a) loans	(211,820)	(204,972)	(163,296)	(580,088)	(161,628)	(278,131)	(151,624)	(591,383)	(190,202)	(781,585)
b) financial assets available for sale	(466)	(3,189)	(680)	(4,335)	(670)	(2,528)	(1,423)	(4,621)	(53,812)	(58,433)
d) other financial assets	(2,424)	(614)	(3,115)	(6,153)	(5,468)	(19,390)	(2,244)	(27,102)	(9,427)	(36,529)
140. Net profit from financial activities	**350,434**	**357,898**	**342,399**	**1,050,731**	**329,869**	**292,178**	**360,405**	**982,452**	**292,443**	**1,274,895**
180. Administrative costs:	(322,923)	(336,813)	(309,651)	(969,387)	(323,000)	(340,128)	(312,633)	(975,761)	(333,524)	(1,309,285)
a) payroll	(196,796)	(201,099)	(180,006)	(577,901)	(198,440)	(208,169)	(185,171)	(591,780)	(195,699)	(787,479)
b) other administrative costs	(126,127)	(135,714)	(129,645)	(391,486)	(124,560)	(131,959)	(127,462)	(383,981)	(137,825)	(521,806)
190. Net provision for risks and charges	(6,658)	(12,976)	(8,036)	(27,670)	(5,318)	(13,060)	(1,700)	(20,078)	(9,832)	(29,910)
200. Net adjustments to property, plant and equipment	(10,402)	(10,253)	(10,192)	(30,847)	(10,081)	(10,155)	(10,190)	(30,426)	(13,304)	(43,730)
210. Net adjustments to intangible assets	(5,955)	(6,360)	(6,823)	(19,138)	(4,958)	(5,307)	(5,552)	(15,817)	(6,455)	(22,272)
220. Other operating charges/income	48,455	43,525	37,556	129,536	57,822	55,765	49,388	162,975	48,876	211,851
230. Operating costs	**(297,483)**	**(322,877)**	**(297,146)**	**(917,506)**	**(285,535)**	**(312,885)**	**(280,687)**	**(879,107)**	**(314,239)**	**(1,193,346)**
240. Profit (loss) from equity investments	(973)	(2,792)	2,270	(1,495)	(5)	(8,200)	3,790	(4,415)	(10,533)	(14,948)
260. Adjustments to goodwill	-	-	-	-	-	-	-	-	(112)	(112)
270. Gains (losses) on disposal of investments	1	22	3	26	88	39	214	341	(6)	335
280. Profit (loss) from current operations before tax	**51,979**	**32,251**	**47,526**	**131,756**	**44,417**	**(28,868)**	**83,722**	**99,271**	**(32,447)**	**66,824**
290. Income taxes on current operations for the period	(20,760)	(20,922)	(14,258)	(55,940)	(30,509)	(5,374)	(41,426)	(77,309)	25,341	(51,968)
300. Profit (loss) from current operations after tax	**31,219**	**11,329**	**33,268**	**75,816**	**13,908**	**(34,242)**	**42,296**	**21,962**	**(7,106)**	**14,856**
310. Profit (loss) after tax on non-current assets held for sale	-	-	-	-	1,525	(1,082)	815	1,258	-	1,258
320. Net profit (loss) for the period	**31,219**	**11,329**	**33,268**	**75,816**	**15,433**	**(35,324)**	**43,111**	**23,220**	**(7,106)**	**16,114**
330. Net profit (loss) for the period pertaining to minority interests	(2,947)	(3,701)	(8,067)	(14,715)	(1,041)	(532)	(7,441)	(9,014)	76	(8,938)
340. Profit (loss) pertaining for the period to the Parent Company	**28,272**	**7,628**	**25,201**	**61,101**	**14,392**	**(35,856)**	**35,670**	**14,206**	**(7,030)**	**7,176**

Performance ratios as at 30 September 2014

	30.09.2014	2013[1]
Financial ratios		
Structural ratios (%)		
net loans to customers/total assets	73.71%	75.32%
net loans and advances to customers/direct deposits from customers	96.34%	99.35%
financial assets/total assets	15.72%	14.74%
fixed assets/total assets	2.11%	2.06%
goodwill/total assets	0.63%	0.62%
direct deposits/total assets	85.51%	88.48%
deposits under management/indirect deposits	44.68%	43.01%
financial assets/tangible equity[2]	1.88	2.16
leverage[3]	11.85	14.52
net interbank lending/borrowing (in thousands of Euro)	(3,412,154)	(6,232,938)
number of employees	11,615	11,718
number of national bank branches	1,273	1,307
Profitability ratios (%)		
ROE (Return On Equity)	1.85%	0.18%
ROA (net profit/total assets)	0.13%	0.04%
Cost/income ratio	55.90%	54.75%
Net adjustments to loans and advances/net loans to customers	1.30%	1.25%
Basic EPS	0.177	0.041
Diluted EPS	0.177	0.046
Risk ratios (%)		
net doubtful loans/net loans to customers	14.84%	13.76%
net non-performing loans/net loans to customers	6.07%	5.33%
net watchlist loans/net loans to customers	6.85%	6.74%
adjustments to doubtful loans/gross doubtful loans	39.62%	37.34%
adjustments to non-performing loans/gross non-performing loans	56.38%	54.97%
adjustments to watchlist loans/gross watchlist loans	19.24%	18.17%
adjustments to performing loans/gross performing loans	0.52%	0.56%
Own Funds and capital ratios		
Core Tier 1 ratio		8.56%
Total capital ratio		11.87%
Common Equity (CET1) ratio - Phased in	11.09%	9.15%
Tier 1 ratio - Phased in	11.14%	
Total capital ratio - Phased in	13.04%	
Common Equity (CET1) ratio - Fully Phased[4]	10.66%	

[1] *The comparative figures for the income statement are as at 30 September 2013, except for the ROE which is calculated on a yearly basis.*
[2] *Tangible equity = total shareholders' equity net of intangible assets.*
[3] *Leverage = total tangible assets (total assets net of intangible assets)/tangible equity (total shareholders' equity net of intangible assets).*
[4] *Common Equity Tier 1 ratio ("CET1") ratio estimated according to the new Basel 3 regulations under the full application (so-called "Fully Phased") in January 2024, including the effects of the capital increase and taking into account the portion of the net profit at 30 September 2014 attributable to equity, and without considering the benefits of the validation of internal models ("AIRB").*

	30.09.2014	2013
Non financial ratios		
Productivity ratios (in thousands of Euro)		
direct deposits per employee	3,984.19	3,995.58
loans and advances to customers per employee	3,838.22	3,969.51
assets managed per employee	1,076.88	975.66
assets administered per employee	1,333.40	1,292.96
core revenues per employee[5]	128.54	126.56
net interest and other banking income per employee	141.31	136.96
operating costs per employee	78.99	74.99

[5] *Core revenues = net interest income + net commission income.*