



1H18 consolidated results

Alessandro Vandelli - Chief Executive Officer

7 August 2018

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The Manager responsible for preparing the Company’s financial reports, Marco Bonfatti, declares, in accordance with art. 154-bis, para. 2, of the “Consolidated Financial Services Act” (Legislative Order No. 58/1998), that the accounting information contained in this document corresponds to documentary records, ledgers and accounting entries.

Marco Bonfatti

Manager responsible for preparing the Company's financial reports

BPER Banca S.p.A., Bank with head office in Modena Via San Carlo, 8/20 - VAT number and Business Register no. 01153230360 -Share capital fully subscribed and paid in, amounts to Euro 1,443,925,305 and is represented by 481,308,435 registered ordinary shares- Bank Registration no. 4932 ABI code 5387.6- Tel.059/2021111 – Fax 059/2022033 6 - email: bpergroup@bper.it - PEC: bper@pec.gruppobper.it Member of the Interbank Deposit Guarantee Fund - Parent Company of BPER Banca Group - Registered in the Register of Banking group with code 5387.6, bper@pec.gruppobper.it - bper.it - gruppobper.it

Methodological note

The entry into force of the new standard IFRS 9 from 1 January 2018¹, first-time application of which took place under the transition rules, and the recent update of Bank of Italy Circular 262, which revised, among other things, the separate and consolidated financial statement schedules in order to implement the new standard, have led to inconsistencies in the figures compared with the previous year.

2017 for the BPER Group featured a change in the scope of consolidation following the acquisition of 100% of Nuova Carife, which was completed on 30 June 2017; this entity was subsequently absorbed by the parent company BPER Banca on 20 November 2017. In this context, in order to allow a comparison of the figures in the income statement as homogeneous as possible with respect to the previous year, the figures are shown on a consolidated basis as at 30 June 2018, estimating their values according to the previous rules, with the best approximation possible.

As a result of the acquisition of Nuova Carife, figures in the income statement are comparable with the same scope of consolidation only for the second half of 2017, which already included their effects. It should also be noted that the consolidated results at 30 June 2017 included significant non-recurring items, including the "badwill" generated by the acquisition of Nuova Carife amounting to € 130.7 million and the write-downs on the Atlante Fund quotas and the share of the contribution to the FITD-SV for CariCesena for a total of € 61.5 million.

The consolidated balance sheet at 31 December 2017 was recalculated as of 1 January 2018 and restated according to the new schedules in line with the new IFRS 9 classification, thereby becoming directly comparable with the balance sheet figures at 30 June 2018. The figures subject to these interventions are specifically defined, in the context of this document if not explained otherwise, as pro-forma and/or pro-formatted.

Agenda

1H18 Results

- Executive summary
- Balance sheet structure
- Profit and loss
- Liquidity and capital adequacy
- Final remarks

Annexes

Executive summary

NPE ratio strong reduction at 17.4% down by 2.5 p.p. vs 19.9% as of 1 Jan.'18

- NPE stock down to 8.9 €/bn (-1.7 €/bn since 1 Jan 2018) driving NPE ratio to 17.4% in 1H18 (-2.5 p.p. vs 1 Jan.'18) also thanks to the bad loans securitization “4Mori Sardegna” of 0.9 €/bn in Jun.'18
- Net NPE ratio down to 8.4% from 9.2% in 1 Jan.'18
- Further improvement of asset quality credit metrics: default rate at 2.0% and cure rate at 13.8%*
- Coverage at the highest level in Italy: NPE at 56.9%; Bad loans at 64.9%; Unlikely to Pay at 41.9%

CET1 ratio Phase In at 14.72% in 1H18 (14.61% in Mar.'18)

- Sound capital position with a very large buffer (2.1 €/bn) vs minimum regulatory requirement (*SREP 2018* at 8.125%)
- CET1 ratio Fully phased at 11.63% broadly unchanged vs Mar.'18 despite spread widening

1H18 Net profit of 307.9 €/mn nearly tripled vs 1H17

- Net operating income at 476.7 €/mn supported by a very positive trend of net commissions and trading income (also thanks to realized gains on bonds in 1Q18)
- Cost of credit annualized strongly down to 36 bps (112 bps in 2017)

Agenda

1H18 Results

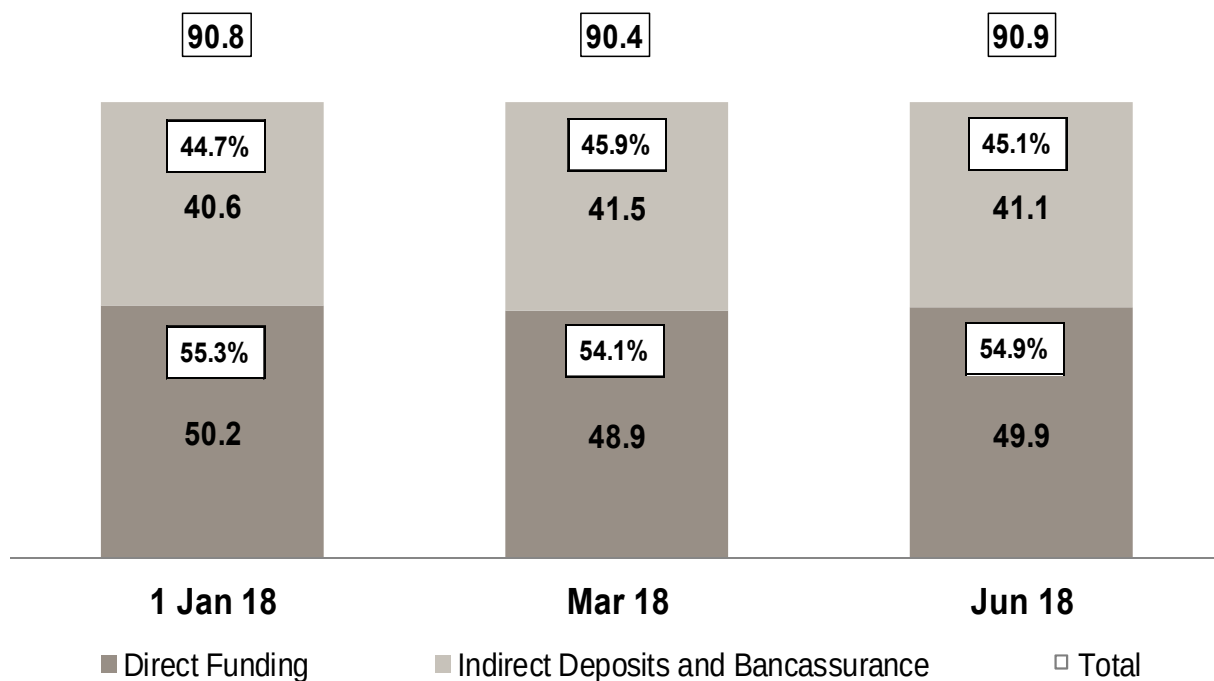
- Executive summary
- Balance sheet structure
- Profit and loss
- Liquidity and capital adequacy
- Final remarks

Annexes

Total funding

Total funding holds well above 90 €/bn with a good mix

Total Funding (€/bn)



- Total funding above the level of the beginning of the year
- Switch in favour of AuM and Bancassurance continues
- Indirect funding increase since the beginning of the year above 45% on total funding

Direct funding

Direct funding broadly stable with an increase of current account/depo

Direct Funding breakdown (%)

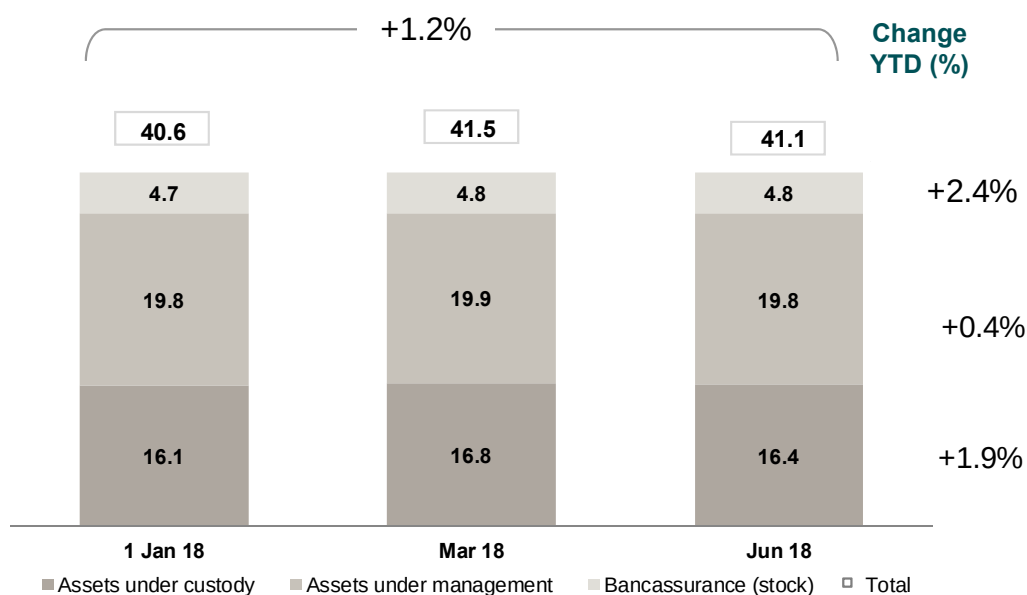
€/mn	1 Jan 18	Mar 18	Jun 18	Chg YTD (%)	% on total
Current accounts and sight deposits	35,286	35,328	36,603	+3.7%	73.4%
Bonds subscribed by retail customers	2,355	1,964	1,700	-27.8%	3.4%
Other	7,441	7,511	6,461	-13.2%	13.0%
Direct customer deposits	45,082	44,804	44,764	-0.7%	89.7%
Institutional direct funding	5,165	4,115	5,115	-1.0%	10.3%
<i>o.w. Institutional bonds</i>	<i>3,037</i>	<i>3,051</i>	<i>3,039</i>		
Total direct funding	50,246	48,919	49,879	-0.7%	100.0%

- Total direct funding broadly stable close to 50 billions euro vs 1 Jan.'18
- Customer deposits at 44.8 €/bn (45.1 €/bn) showing a strong increase in current accounts and sight deposits (+1.3 €/bn) and a decrease of time deposits (-0.6 bn), retail bonds (-0.65 bn) and CDs (-0.3 bn)
- Very low wholesale bond maturities in 2018 (1 bn euro of CB in October) and no maturities in 2019 providing flexibility to the Group's funding strategy
- Issued a Covered Bond of 500 €/mn in July

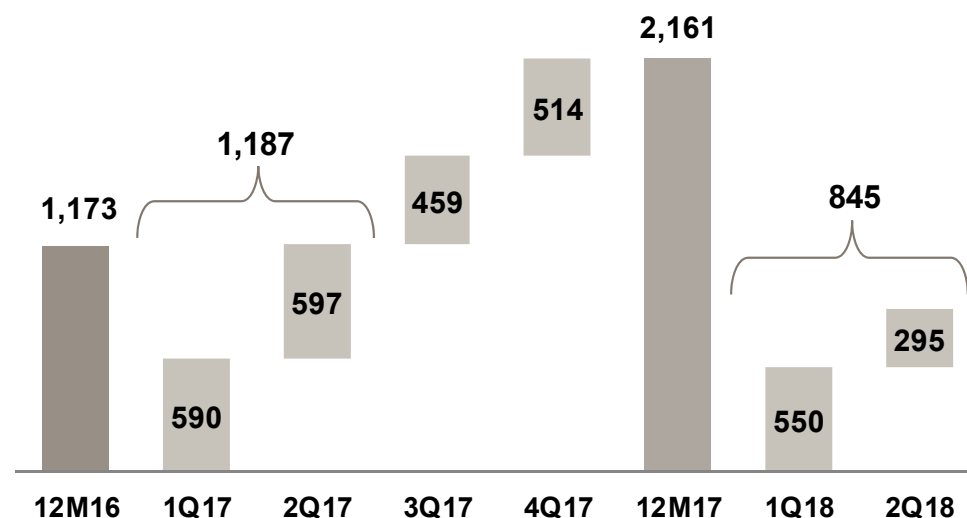
Indirect funding

AuM and Bancassurance stock broadly stable and AuM net inflows still sound despite financial markets turmoil

Indirect Deposits and Bancassurance¹ (€/bn)



AuM net inflows² (€/mn)



- Bancassurance sector growth by 2.4% since 1 Jan.'18 (+0.4% since Mar.'18)
- AuM net inflows continues to grow despite the financial market crisis

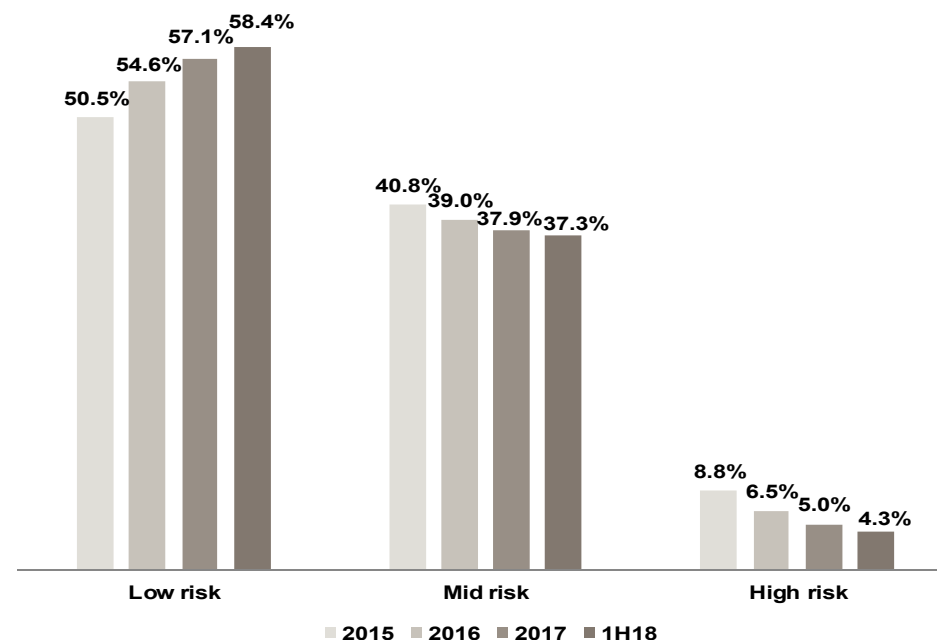
Customer loans

Strong de-risking and asset quality improvement continue

Customer loans breakdown (net & gross figures; €/mn)

Performing exposure rated by risk profile¹ (%)

€/mn	1 Jan 18	Mar 18	Jun 18	Chg YTD (%)
Current accounts	5,013	4,800	4,631	-7.6%
Mortgage loans	27,954	28,081	27,722	-0.8%
Other transactions	13,501	12,522	13,449	-0.4%
Net loans to customers	46,469	45,404	45,802	-1.4%
o.w. Net performing	42,187	41,197	41,977	-0.5%
o.w. Net NPEs	4,282	4,207	3,826	-10.6%
Gross loans to customers	52,964	51,251	51,012	-3.7%
o.w. Gross performing	42,433	41,383	42,146	-0.7%
o.w. Gross NPEs	10,531	9,868	8,866	-15.8%

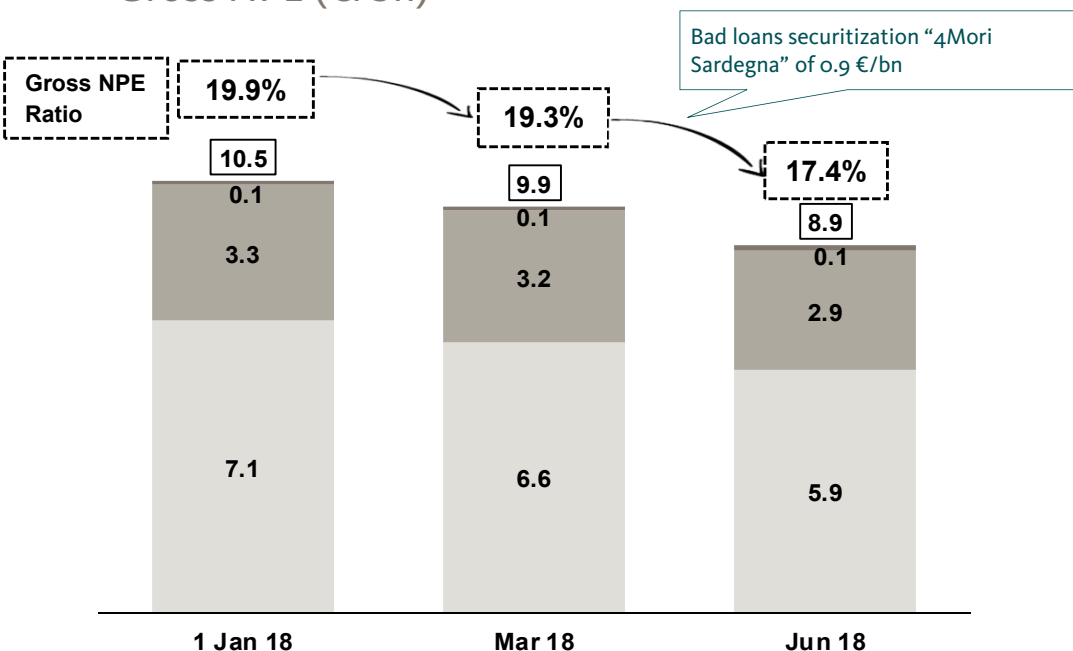


- Net performing loans increased in Q2 (+1.9% q/q) supported by commercial activity
- Strong de-risking on performing loans continues as high risk bucket is more than halved since 2015 now weighing 4.3% and low risk bucket increased to 58.4% from 50.5% in 2015
- Net and gross NPE strongly down respectively by 10.6% and 15.8% since 1 Jan.'18

Non Performing Exposures (1/2)

Gross NPE ratio strong reduction to 17.4% and coverage at the highest levels in Italy

Gross NPE (€/bn)



Cash coverage ratios (%)

	Dec 17	1 Jan 18	Mar 18	Jun 18
Bad loans ("Sofferenze")	59.3%	67.4%	66.5%	64.9%
<i>including write-off</i>	63.7%	70.9%	70.3%	68.7%
Unlikely to pay	27.2%	43.6%	39.9%	41.9%
Past due	10.6%	14.1%	13.3%	12.7%
NPE	48.7%	59.3%	57.4%	56.8%
<i>including write-off</i>	52.6%	62.4%	60.7%	60.1%
Performing exposures	0.5%	0.6%	0.5%	0.4%
Total loans	10.1%	12.3%	11.4%	10.2%

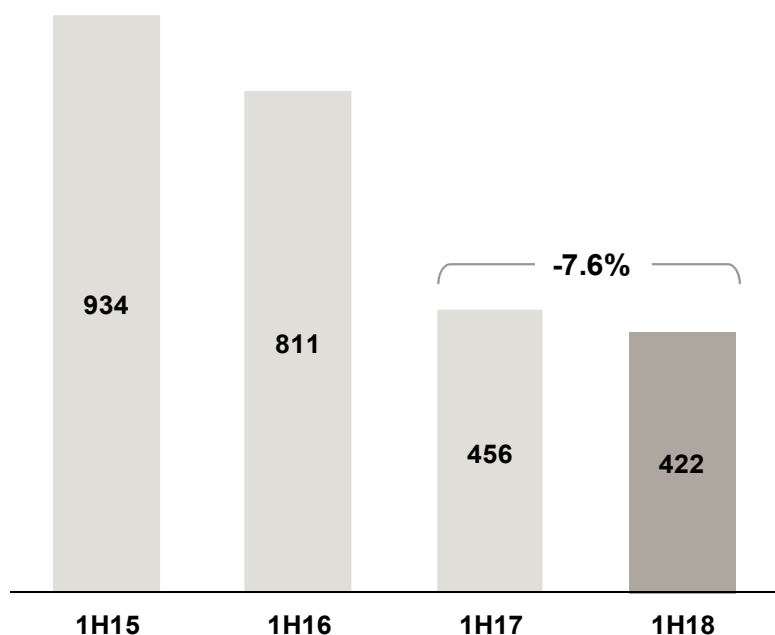
■ Bad loans ■ Unlikely to pay ■ Past due □ Total

- Gross NPE down by 2.5 p.p. since 1 Jan.'18 (-1.7 €/bn) thanks to effective asset quality management and bad loans securitization «4Mori Sardegna» of 0.9 €/bn in Q2. Net NPE ratio at 8.4% from 9.2% as of 1 Jan.'18
- Unlikely to Pay weighs 5.6% of the loan book (6.3% as of 1 Jan.'18), one of the lowest level in the Italian banking system
- NPE coverage at 56.8% still very high and only marginally impacted by the bad loans disposal. UtP coverage at 41.9%

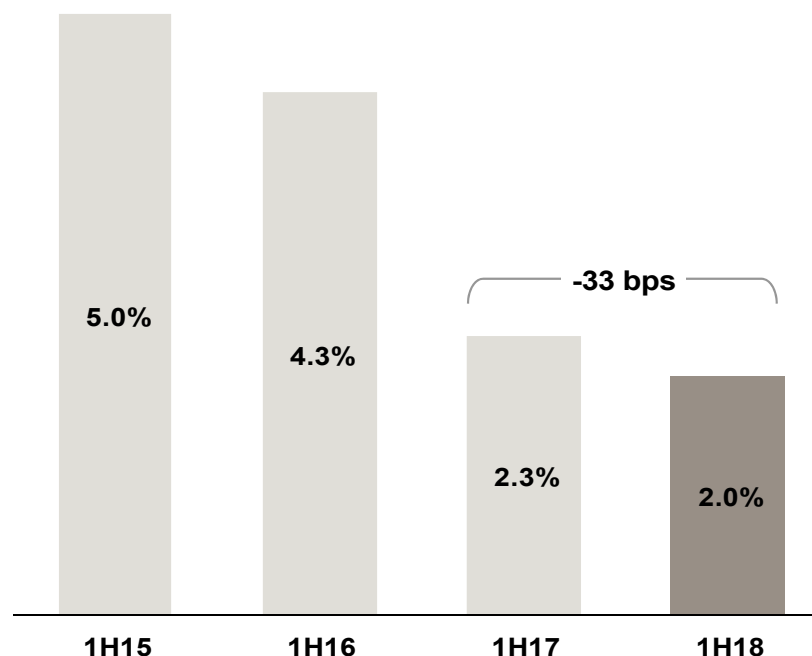
Non Performing Exposures (2/2)

NPE inflows continue to decrease. Default rate at 2.0% annualized

NPE inflows (gross figures, €/mn)



Default rate (%; annualized)



- Strong improvement in the quality of performing book brings NPE inflows down by 7.6% vs 1H17 and the default rate improved by 33 bps down to 2.0%
- Cure rate annualized at 13.8% in 1H18 confirming the effective asset management of asset quality
- Bad loans average recovery rate annualized at 6.3% in 1H18 showing a very positive management activity of our servicing platform BPER Credit Management

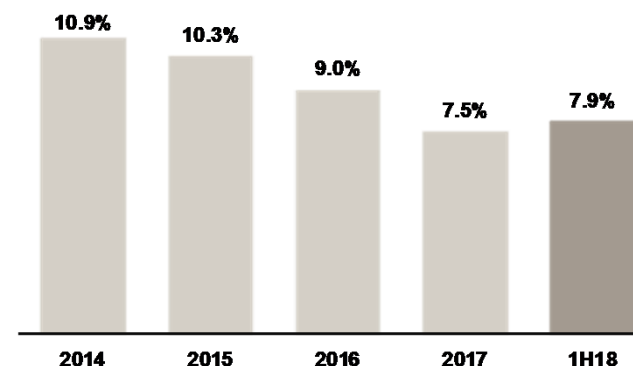
Financial assets portfolio

Italian government bonds trend down since 2014 and domestic risk low

Financial Assets breakdown (€/mn; %)

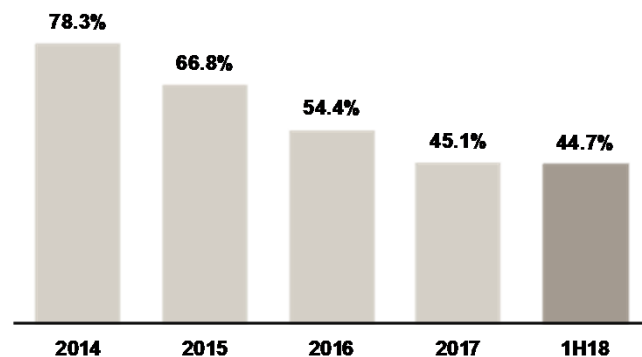
€/mn	FVTPL	FVOCI	AC	Total	% on total
Bonds	803	9,009	5,615	15,424	94.5%
<i>o.w. Italian gov</i>	199	1,626	3,697	5,522	33.8%
Equity	139	286		425	2.6%
Funds and Sicav	360			360	2.2%
Other*	119			119	0.7%
Total as of 30.06.2018	1,421	9,296	5,615	16,332	100.0%
Total as of 31.03.2018	1,246	9,864	4,038	15,148	
Total as of 01.01.2018	1,293	13,551	959	15,803	
Chg YTD (%)	+9.9%	-31.4%	n.m.	+3.3%	

Italian Government bonds / Tot. Assets (%)



Bond ptf duration¹: 2.6 years

Total Italian bonds exposure / Total Bond ptf. (%)



- Financial assets portfolio increased since 1 Jan.'18 taking advantage of Italian spread widening, but Italian government bonds weight overall pretty low
- Securities portfolio well diversified and total domestic exposure strongly down at 44.7% of the total portfolio, halved since 2014

Agenda

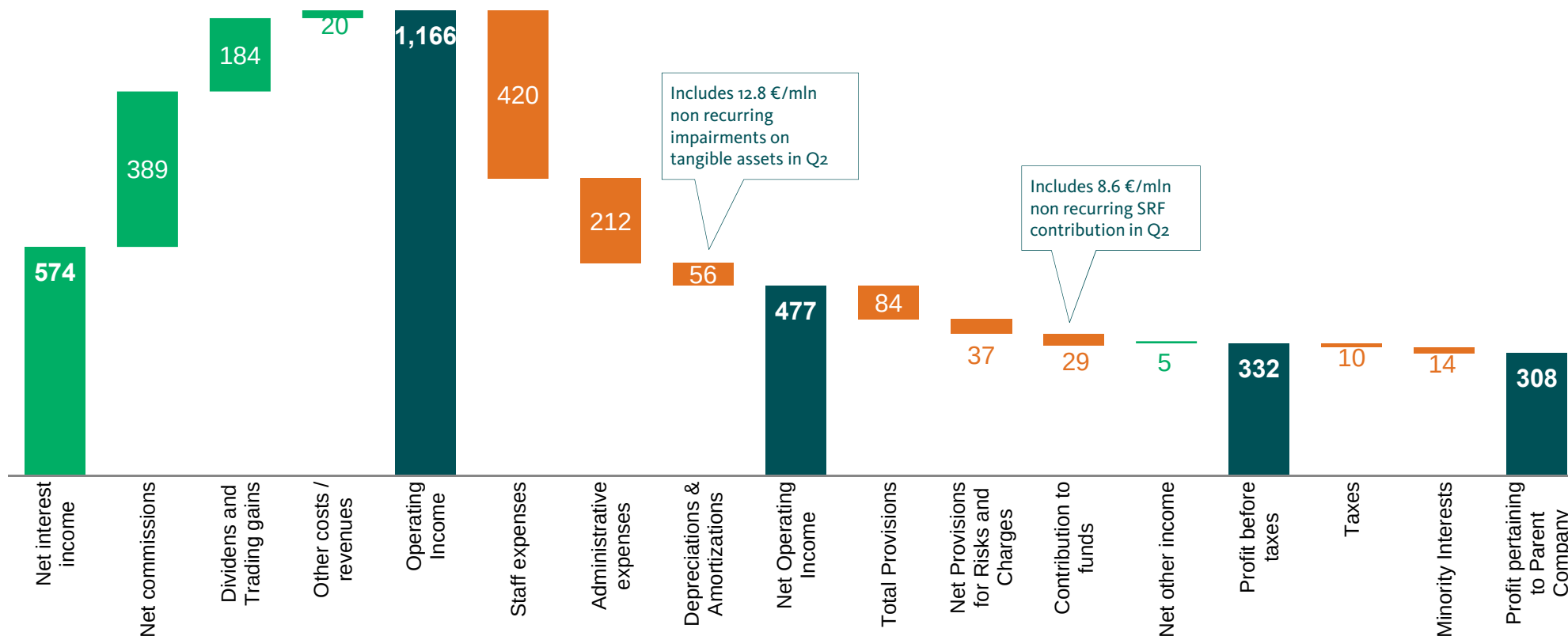
1H18 Results

- Executive summary
- Balance sheet structure
- Profit and loss
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- Final remarks

Annexes

Profit & Loss

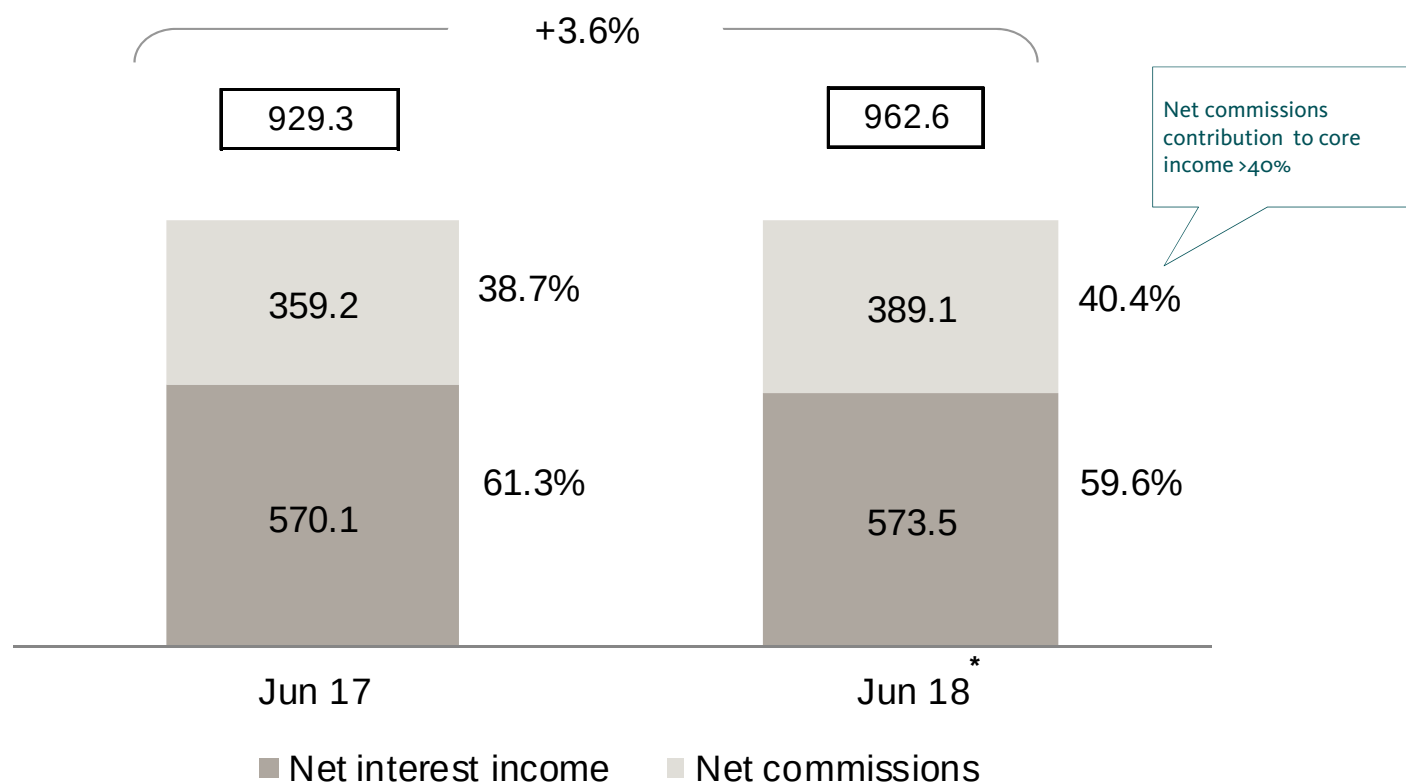
Very strong performance in 1H18 with a Net Profit of 307.9 €/mn



Core income

Increasing contribution of net commissions on core income

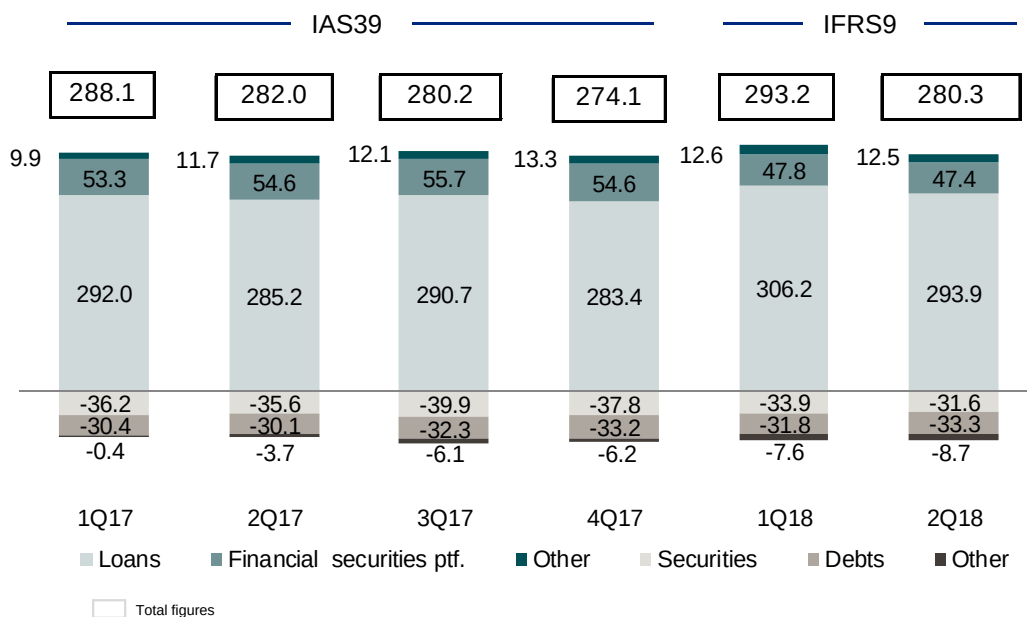
Core Income (€/mn; % on total)



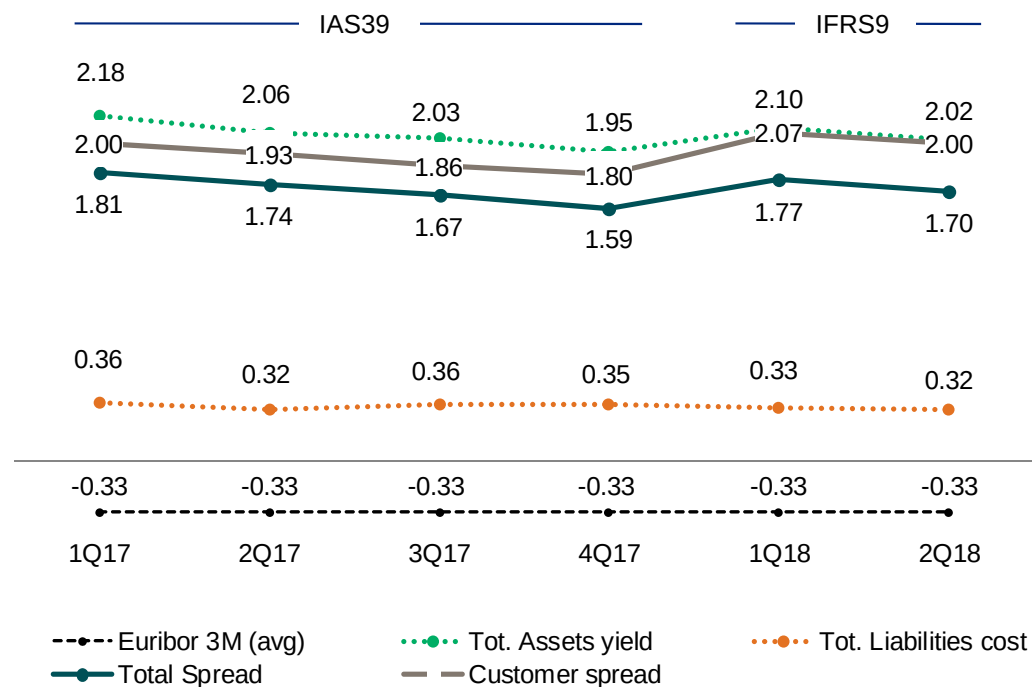
Net Interest Income

NII performance affected by strong de-risking activity on loans

Net Interest Income contribution* (€/mn)



Spread contribution (%)



- Strong de-risking activity on loans and performing loans further improvement toward low risk rating bucket affect NII performance
- NII down by 4.4% q/q mainly due to the lower contribution of «IFRS9 reclassification» and of financial margin

Net Commissions

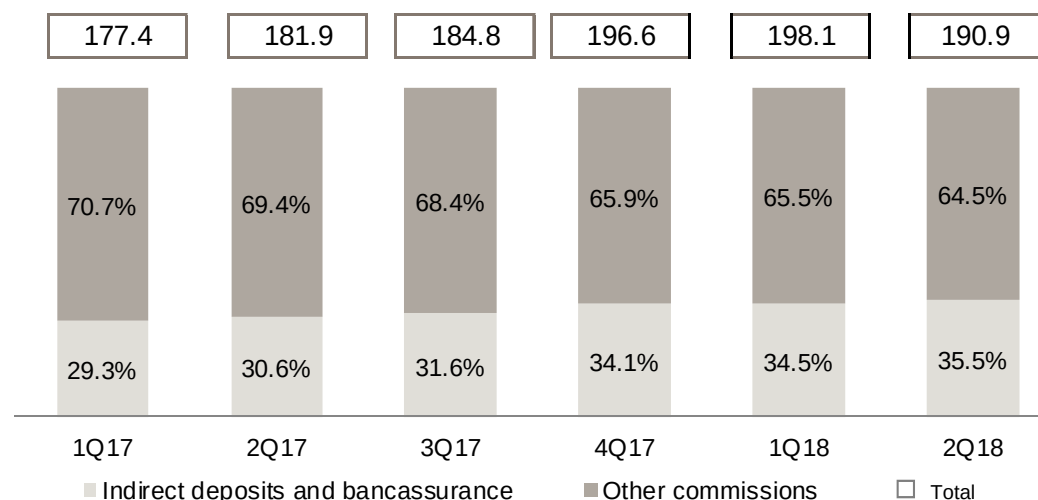
Strong performance mainly thanks to AuM and Bancassurance

Net Commissions breakdown (€/mn)

	Jun 17	Jun 18	Chg y/y (%)	
Indirect deposits and bancassurance	107.6	136.2	+26.6%	+27.7%
<i>Assets under custody (AuC)</i>	7.9	8.8	+11.7%	
<i>Assets under management (AuM)</i>	80.6	100.8	+25.1%	
<i>Bancassurance</i>	19.2	26.7	+39.0%	
Credit cards, collections and payments	70.1	72.9	+4.0%	+0.5%
Loans and guarantees	160.1	159.6	-0.3%	
Other commissions	21.4	20.3	-4.9%	
Total	359.2	389.1	+8.3%	

AuM up-front fees of 13.0 €/mn in Jun.18 (9.4 €/mn in Jun.17), weighing 3.3% on total net commissions

Net Commissions breakdown (€/mn; % on total)



- Indirect deposits and Bancassurance fees strong performance in 1H18 up by 26.6% y/y.
- AuM and Bancassurance fees strong increase respectively by 25.1% and 39.0% y/y. Overall traditional commissions growth in 1H18 (+0.5% y/y)
- In Q2, Indirect deposits and Bancassurance fees broadly stable (-0.6 €/mn; -0.8% q/q) with a positive performance of Bancassurance (+2.0 €/mn; +16.1% q/q) and a lower contribution of up-front fees (-3.2 €/mn q/q; -39.5% q/q); other commissions down by 5.1% q/q (-6.6 €/mn) mainly due to loans and guarantees (-4.7 €/mn; -5.8% q/q)

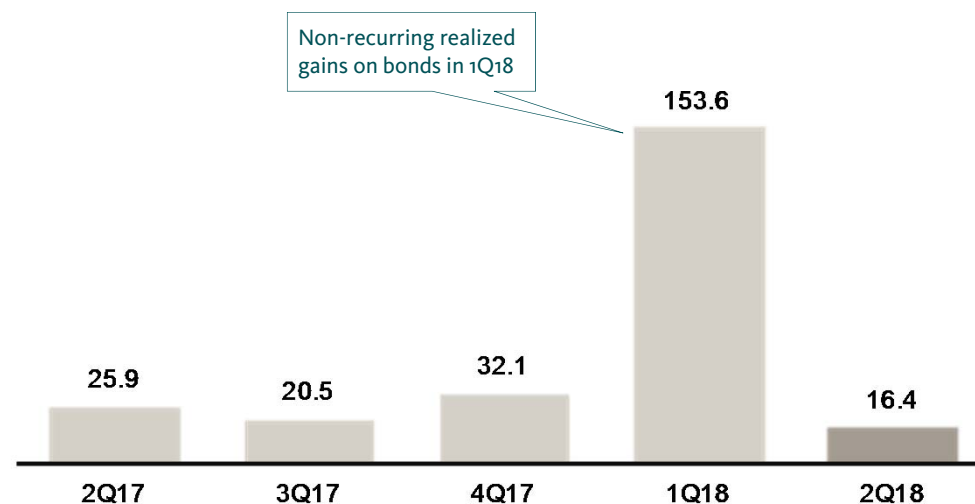
Dividends and Trading income

Very positive performance supported by realized gains on bonds in Q1

Dividends and Trading income breakdown (€/mn; %)

	Jun 17	Jun 18
Dividends	11.1	13.5
Trading income	50.5	170.0
<i>Realized gain/loss</i>	29.3	172.9
<i>Plus</i>	27.7	24.0
<i>Minus</i>	-7.9	-31.9
<i>Others</i>	1.4	5.0
Total	61.7	183.5

Trading income evolution (€/mn)



Operating costs

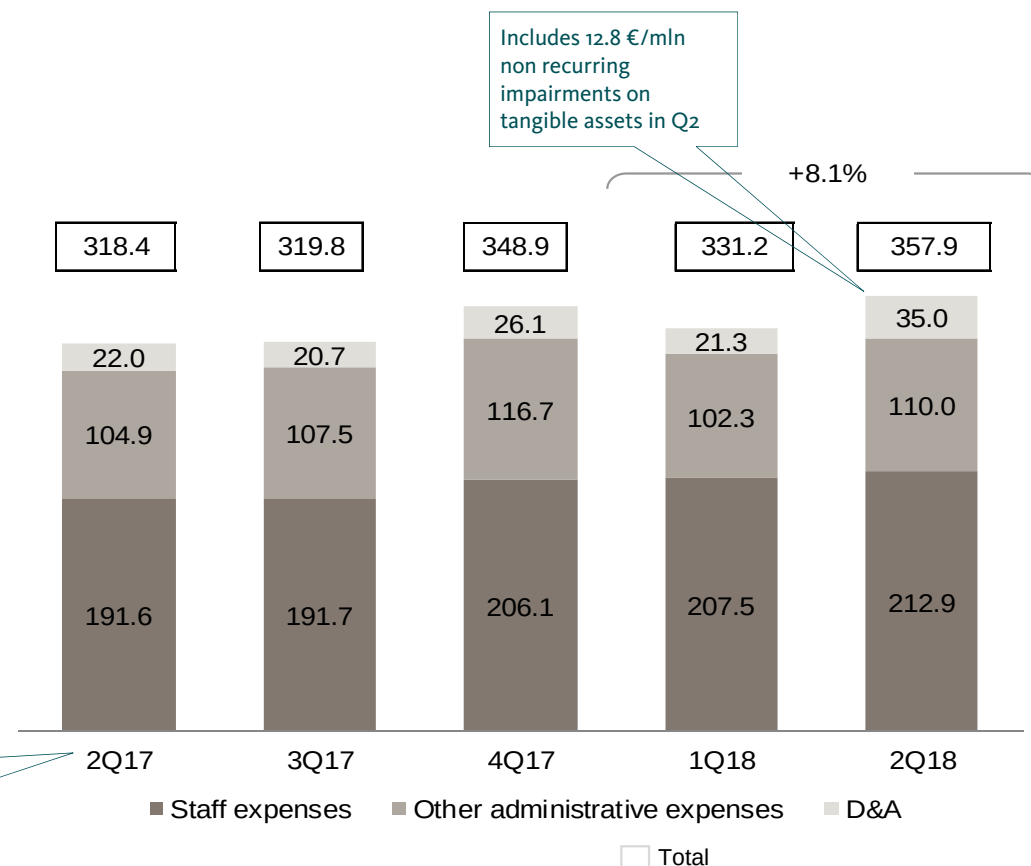
Operating costs up by 8.1% q/q due to non-recurring items in Q2 and higher staff costs provisions related to the variable part of the remuneration

Operating costs breakdown (€/mn; %)

Operating costs (€/mn)	Jun 17	Jun 18	Chg y/y (%)
Staff expenses	385.7	420.4	+9.0%
Other administrative expenses	201.5	212.3	+5.3%
D&A	40.7	56.3	+38.4%
Operating costs	627.9	689.0	+9.7%

1H17 Nuova Carife outside the scope of consolidation

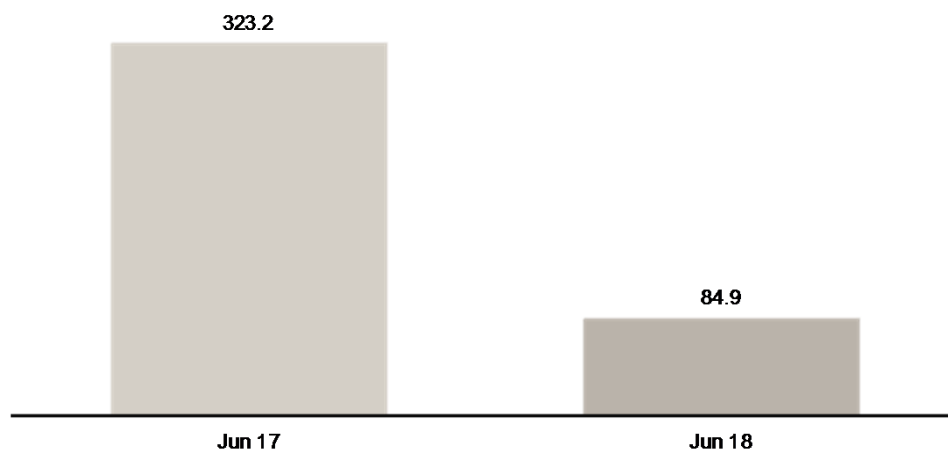
2Q17 Nuova Carife outside the scope of consolidation



Cost of credit

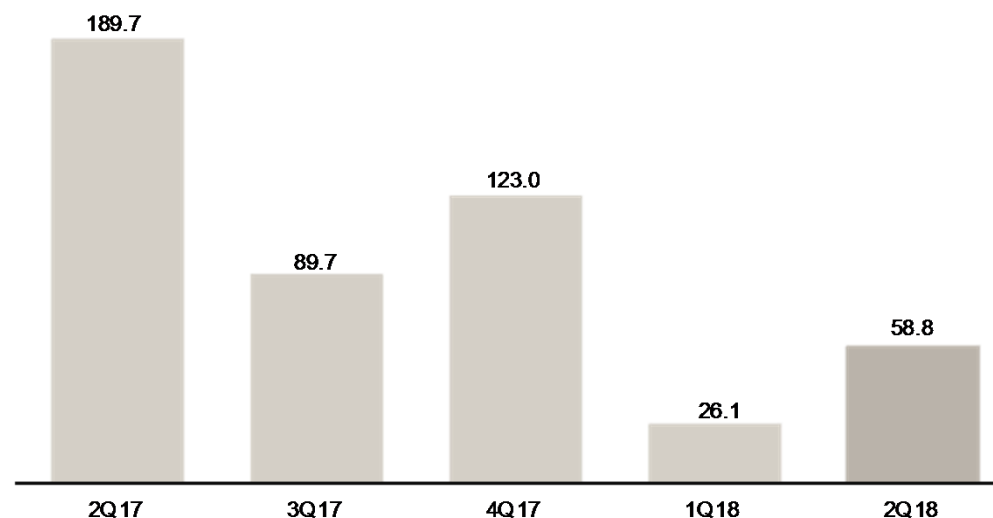
Loan Loss Provisions at a very low level (84.9 €/mn in 1H18)
Strong reduction of cost of risk to 36 bps annualized

Provisions (€/mn)



130 a) Net impairment adjustments to financial assets at amortised cost

Provisions and cost of credit¹ (€/mn; bps)



Cost of credit (bps)

40

19

26

6

12

Annualized cost of credit

112 (2017)

36 (2018)

Agenda

1H18 Results

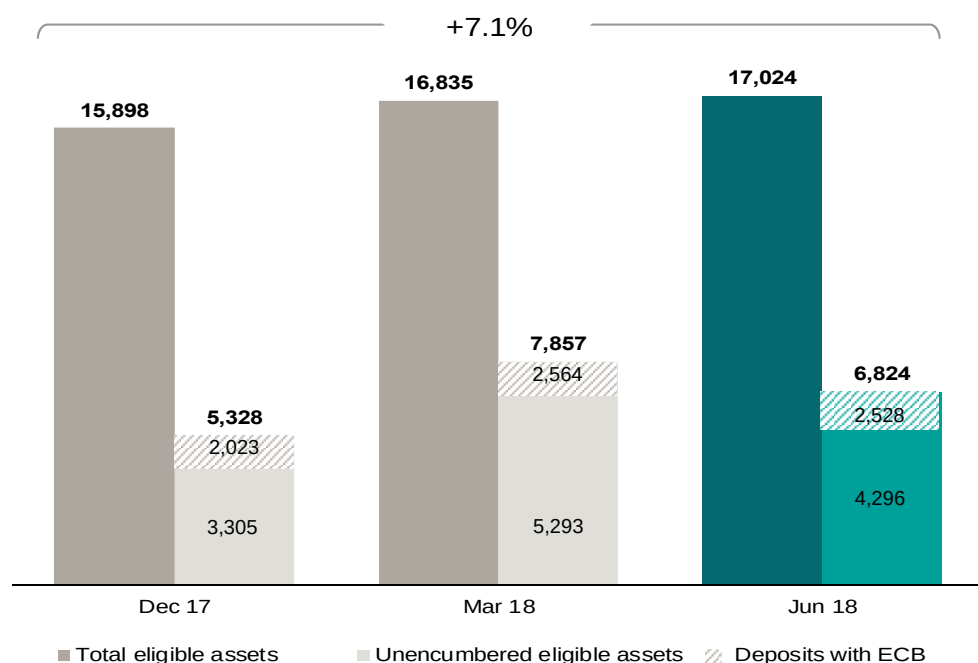
- Executive summary
- Balance sheet structure
- Profit and loss
- Liquidity and capital adequacy
- Final remarks

Annexes

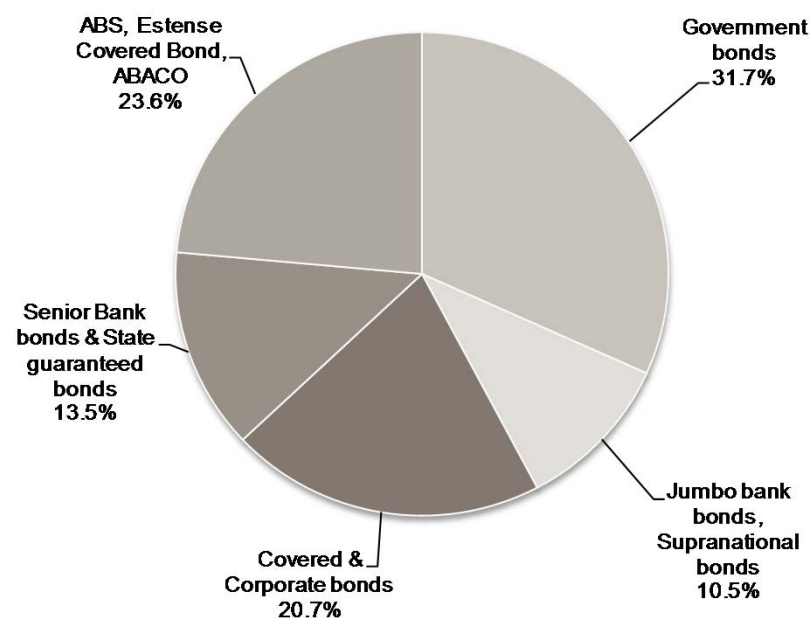
Liquidity

Strong liquidity position and high level of unencumbered eligible assets

Total eligible Assets evolution* (€/mn)



Eligible Assets Pool Composition (%)

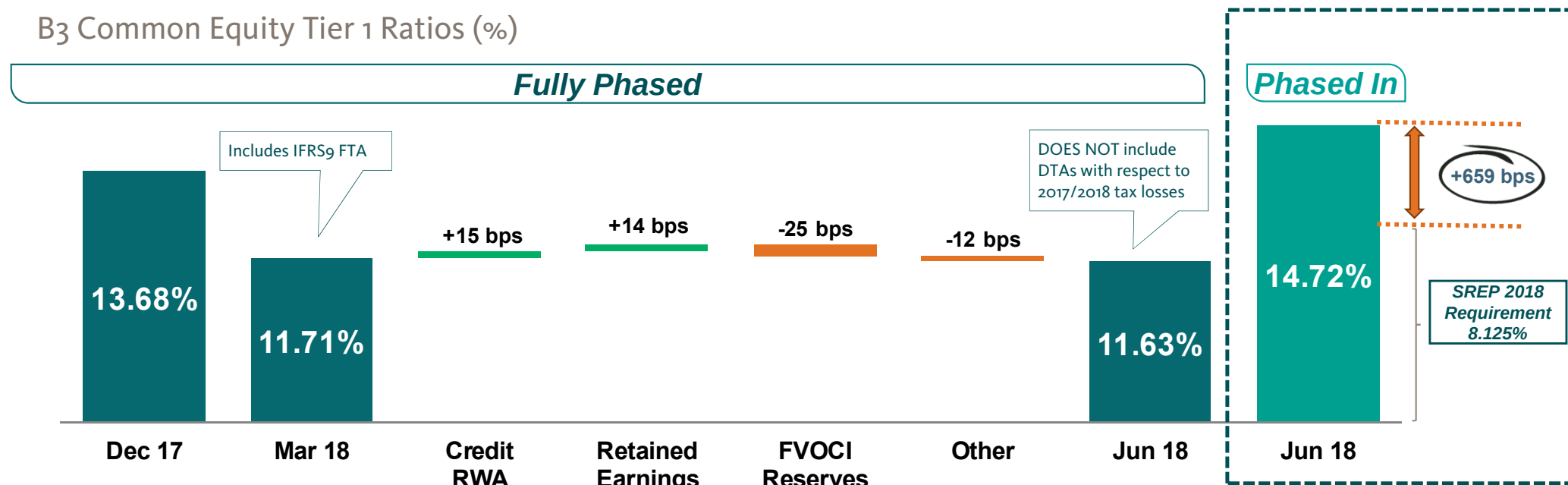


- ECB exposure of 9.3 €/bn in Jun.'18 fully composed of TLTRO2 operations (4.1 €/bn TLTRO2 in Jun.'16 and 1 €/bn TLTRO2 in Dec.'16 and 4.2 €/bn in Mar.'17)
- LCR and NSFR above 100%

Capital ratios

Strong capital position broadly unchanged vs Mar.'18 despite sovereign spread widening

B3 Common Equity Tier 1 Ratios (%)



Regulatory capital (€/mn)

	Fully Phased			
€/mn	Jun 17	Dec 17	Mar 18	Jun 18
Common Equity TIER 1	4,434	4,456	3,658	3,585
TIER 1	4,469	4,488	3,687	3,614
Own Funds	5,363	5,366	4,564	4,491
Total RWA	33,667	32,573	31,234	30,837

Capital ratios (%)

	Fully Phased			
€/mn	Jun 17	Dec 17	Mar 18	Jun 18
Common Equity TIER 1 Ratio	13.2%	13.7%	11.7%	11.6%
TIER 1 Ratio	13.3%	13.8%	11.8%	11.7%
Own Funds Ratio	15.9%	16.5%	14.6%	14.6%

Agenda

1H18 Results

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- Final remarks

Annexes

Final remarks: delivering on asset quality while maintaining a solid capital base

High confidence about the evolution of the Group's asset quality

- Strong asset quality improvements keep going (1H18 gross NPE ratio at 17.4%)
- Coverage at the highest levels of the Italian banking system
- NPE Strategy 2018-2020 targets confirmed:
NPE gross ratio expected below 14% by the end of 2018 (11.5% in 2020 and below 10.0% in 2021)

Sound capital position and improvement of recurring capital generation

- CET1 ratio Phased in at 14.72% with a very large buffer vs SREP 2018
- CET1 ratio Fully phased target at 11.63% also well supported by internal capital generation

Positive profitability expectations

- Reduction of cost of risk on a recurring basis going forward
- Improving revenues with a particular focus on commissions
- Low taxation for an extended period of time

Agenda

1H18 Results

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- Final remarks

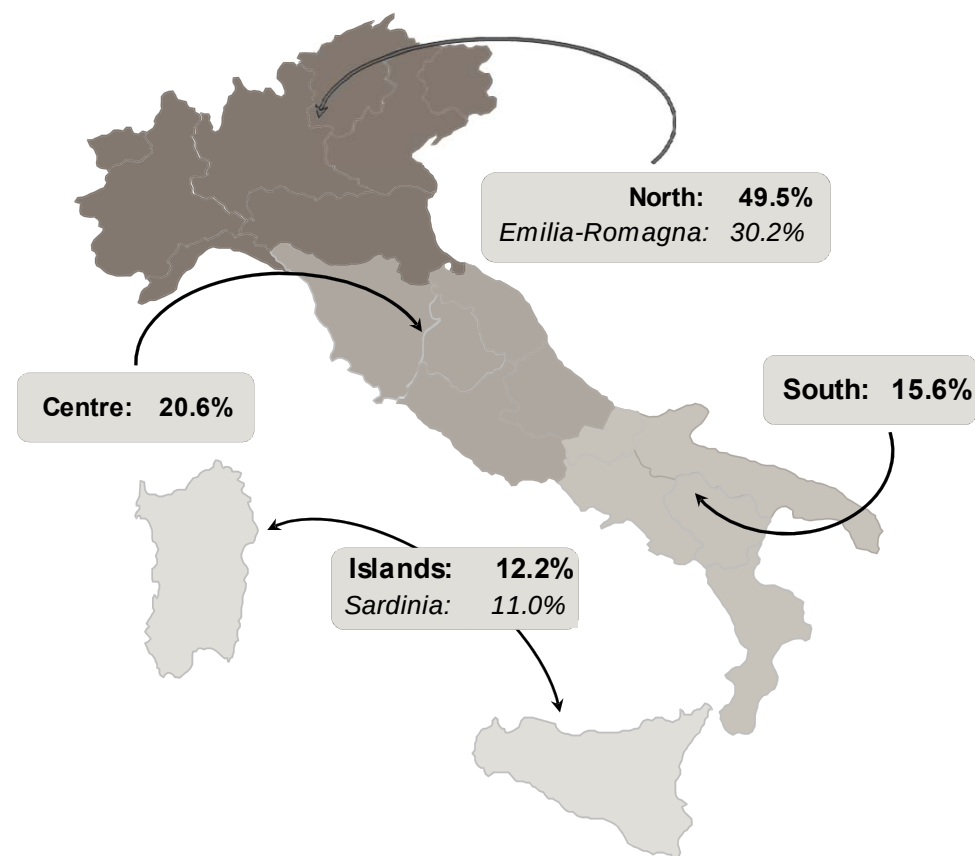
Annexes

Customer loans: portfolio composition

Customer loans breakdown by sectors (€/mn ; %)

Business sector	Jun 18	% on Total	Δ % vs Dec 17
Manufacturing	6,774	14.8%	-9.1%
Wholesale and retail services, recoveries and repairs	4,221	9.2%	-18.9%
Constructions	2,791	6.1%	-22.8%
Real Estate	3,111	6.8%	-9.1%
HORECA*	1,257	2.7%	-18.5%
Agriculture, forestry and fishing	653	1.4%	-57.2%
Other	4,858	10.6%	-26.1%
Total loans to non-financial businesses	23,665	51.6%	-19.3%
Households	16,379	35.8%	+26.7%
Total loans to financial businesses	5,758	12.6%	+7.6%
Total Customers Loans	45,802	100.0%	-3.8%

Customer loans breakdown by geographical distribution¹(%)



Asset quality breakdown (excl. customer debt securities)

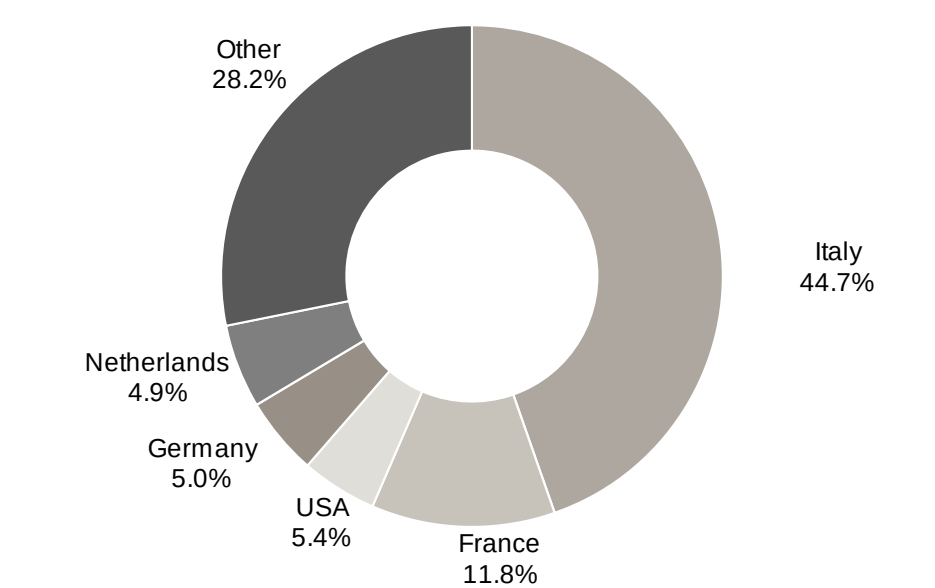
Gross exposures (€/mn)	Jun 17		Dec 17		1 Jan 18 FTA		Mar 18		Jun 18		Chg Y/Y		Chg YTD		Chg 1 Jan 18	
	%		%		%		%		%		Abs. Chg (%)		Abs. Chg (%)		ass. %	
Non Performing Exposures (NPEs)	11,032	21.1%	10,532	19.8%	10,531	19.9%	9,868	19.3%	8,867	17.4%	-2,165	-19.6%	-1,665	-15.8%	-1,665	-15.8%
<i>Bad loans</i>	7,108	13.6%	7,109	13.4%	7,109	13.4%	6,584	12.9%	5,906	11.6%	-1,202	-16.9%	-1,203	-16.9%	-1,203	-16.9%
<i>Unlikely to pay loans</i>	3,716	7.1%	3,318	6.2%	3,318	6.3%	3,190	6.2%	2,847	5.6%	-869	-23.4%	-471	-14.2%	-471	-14.2%
<i>Past due loans</i>	208	0.4%	105	0.2%	104	0.2%	94	0.2%	114	0.2%	-94	-45.2%	9	+9.3%	9	+9.3%
Gross performing loans	41,333	78.9%	42,638	80.2%	42,433	80.1%	41,383	80.8%	42,145	82.6%	812	+2.0%	-493	-1.2%	-287	-0.7%
Total gross exposures	52,365	100.0%	53,170	100.0%	52,964	100.0%	51,251	100.0%	51,012	100.0%	-1,353	-2.6%	-2,158	-4.1%	-1,952	-3.7%

Adjustments to loans (€/mn)	Jun 17		Dec 17		1 Jan 18 FTA		Mar 18		Jun 18		Chg Y/Y		Chg YTD		Chg 1 Jan 18	
	coverage (%)		coverage (%)		coverage (%)		coverage (%)		coverage (%)		Abs. Chg (%)		Abs. Chg (%)		ass. %	
Adjustments to NPEs	5,172	46.9%	5,129	48.7%	6,250	59.3%	5,661	57.4%	5,041	56.9%	-131	-2.6%	-88	-1.7%	-1,209	-19.3%
<i>Bad loans</i>	4,176	58.8%	4,216	59.3%	4,789	67.4%	4,377	66.5%	3,832	64.9%	-344	-8.2%	-384	-9.1%	-957	-20.0%
<i>Unlikely to pay loans</i>	980	26.4%	902	27.2%	1,445	43.5%	1,272	39.9%	1,194	41.9%	214	+21.8%	292	+32.4%	-251	-17.4%
<i>Past due loans</i>	16	7.9%	11	10.6%	16	14.1%	12	13.3%	15	12.7%	-1	-11.4%	4	+31.1%	-1	-1.3%
Adjustments to performing loans	196	0.5%	226	0.5%	245	0.6%	186	0.5%	169	0.4%	-27	-13.7%	-57	-25.1%	-76	-31.3%
Total adjustments	5,368	10.3%	5,355	10.1%	6,495	12.3%	5,847	11.4%	5,210	10.2%	-158	-3.0%	-145	-2.7%	-1,285	-19.8%

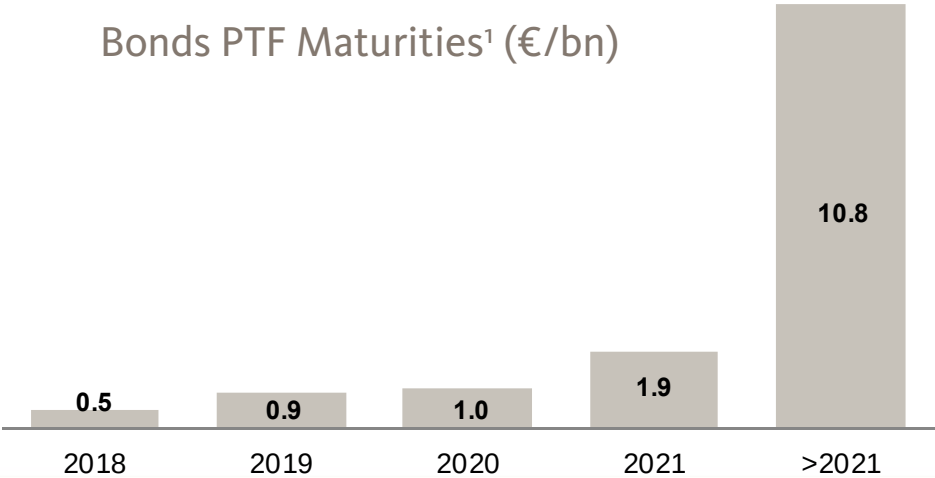
Gross exposures (€/mn)	Jun 17		Dec 17		1 Jan 18 FTA		Mar 18		Jun 18		Chg Y/Y		Chg YTD		Chg 1 Jan 18	
	%		%		%		%		%		Abs. Chg (%)		Abs. Chg (%)		ass. %	
Non Performing Exposures (NPEs)	5,860	12.5%	5,403	11.3%	4,282	9.2%	4,207	9.3%	3,826	8.4%	-2,034	-32.6%	-1,577	-29.2%	-456	-10.6%
<i>Bad loans</i>	2,932	6.2%	2,893	6.1%	2,320	5.0%	2,207	4.9%	2,074	4.5%	-858	-29.0%	-819	-28.3%	-246	-10.6%
<i>Unlikely to pay loans</i>	2,736	5.8%	2,416	5.1%	1,873	4.0%	1,918	4.2%	1,653	3.6%	-1,083	-37.0%	-763	-31.6%	-220	-11.8%
<i>Past due loans</i>	192	0.5%	94	0.2%	89	0.2%	82	0.2%	99	0.2%	-93	-25.3%	5	+6.7%	10	+11.0%
Gross performing loans	41,137	87.5%	42,412	88.7%	42,187	90.8%	41,197	90.7%	41,976	91.7%	839	+1.8%	-436	-1.0%	-211	-0.5%
Total Gross exposures	46,997	100.0%	47,815	100.0%	46,469	100.0%	45,404	100.0%	45,802	100.0%	-1,195	-2.4%	-2,013	-4.2%	-667	-1.4%

Financial Assets details

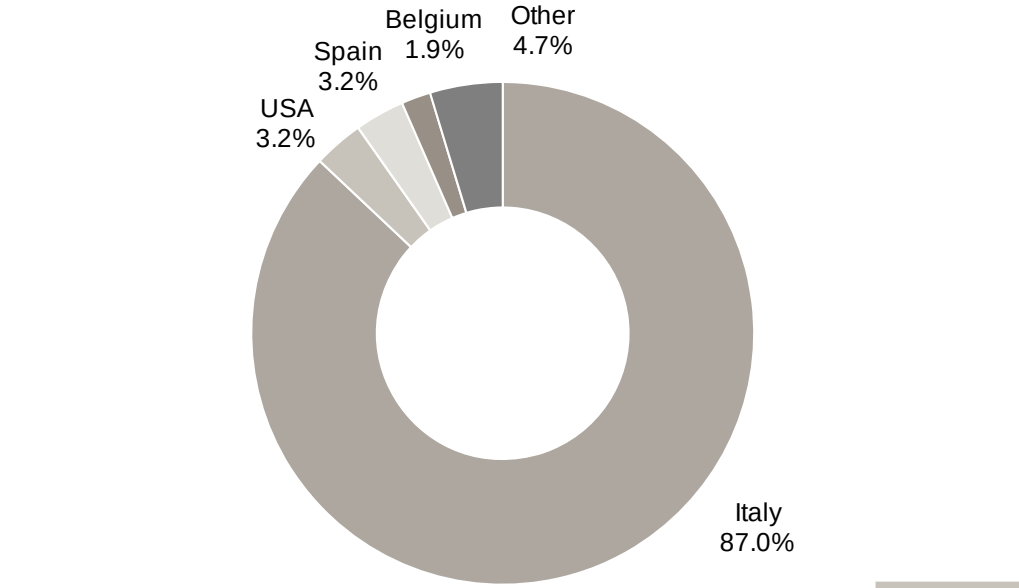
Bond PTF by Geographical breakdown (%)



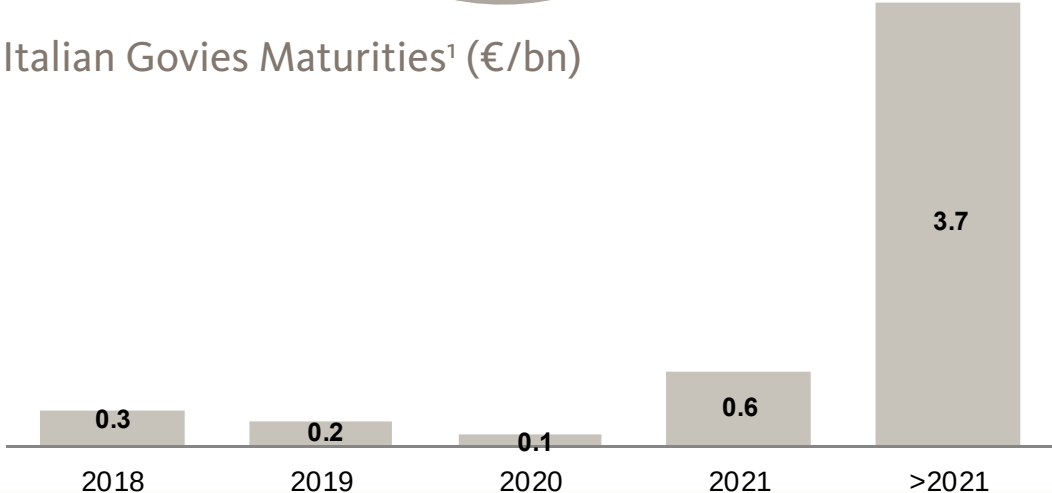
Bonds PTF Maturities¹ (€/bn)



Govies PTF Geographical breakdown (%)



Italian Govies Maturities¹ (€/bn)



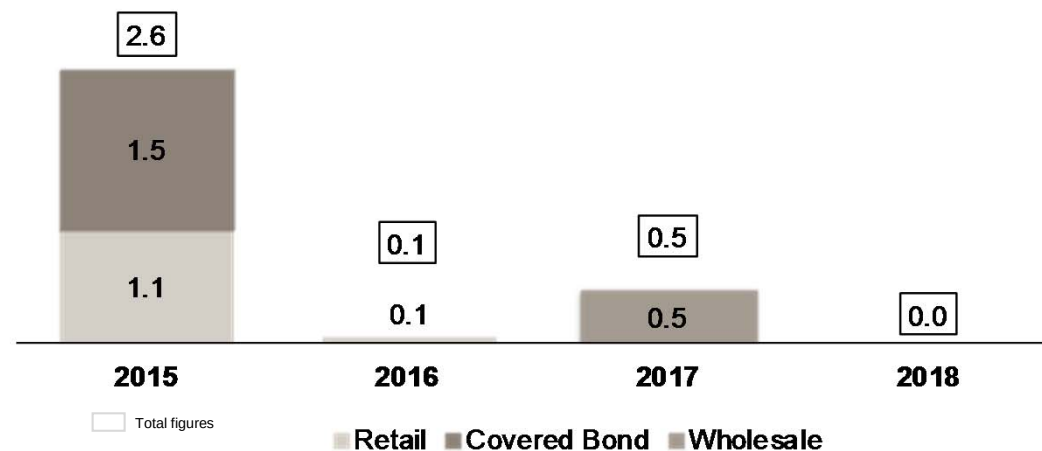
(1) Figures are shown as per nominal values

Bonds maturities and issues details

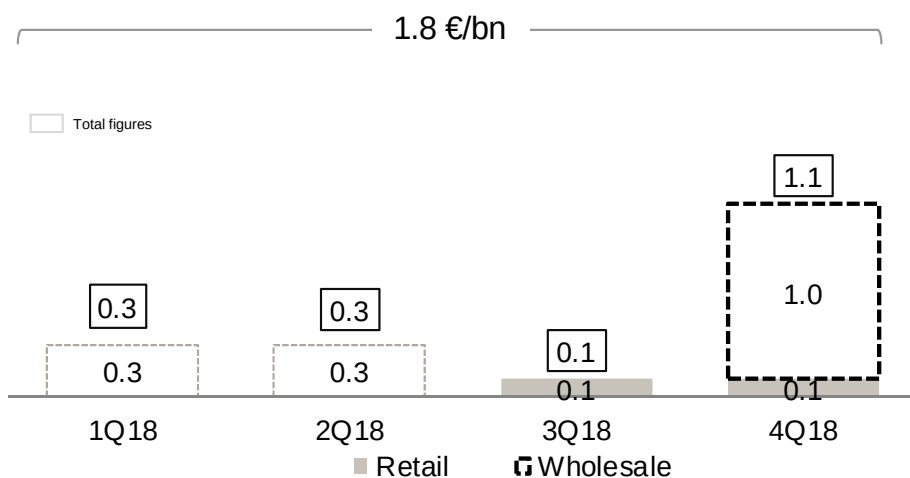
Outstanding bonds (€/bn)

	Dec 17	Mar 18	Jun 18
Wholesale bonds	3.0	3.0	3.0
o/w covered bonds	2.5	2.5	2.5
o/w subordinated bonds	0.5	0.5	0.5
Retail bonds	2.4	2.0	1.7
o/w subordinated bonds	0.4	0.3	0.3
Total bonds	5.4	5.0	4.7

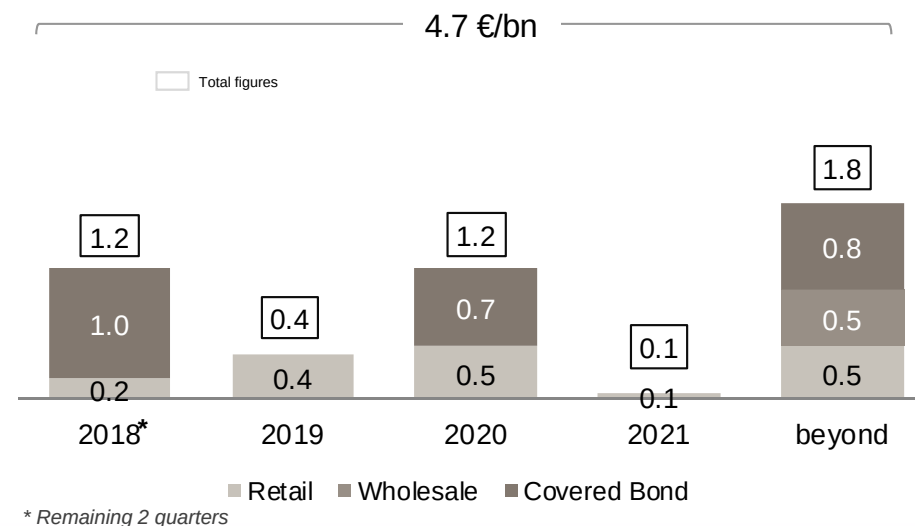
Bonds issued (€/bn)



2018 Bonds maturities (€/bn)



Bonds maturities breakdown (€/bn)



* Remaining 2 quarters

Consolidated balance sheet as of 30 June 2018

Assets (€/k)

Assets	30.06.2018	31.03.2018	01.01.2018 IFRS9 FTA	31.12.2017 reclassified	Change 30.06.2018- 01.01.2018	Change (%)
10. Cash and balance with central banks	353,774	337,394	420,299	420,299	(66,525)	-15.83
20. Financial assets at fair value through profit or loss	1,421,443	1,246,041	1,293,082	1,326,601	128,361	9.93
a) Financial assets held for trading	350,388	411,047	425,424	425,424	(75,036)	-17.64
b) Financial assets designated at fair value	221,625	224,689	223,192	223,192	(1,567)	-0.70
c) Other financial assets mandatorily at fair value through profit or loss	849,430	610,305	644,466	677,985	204,964	31.80
30. Financial assets at fair value through other comprehensive income	9,295,682	9,864,136	13,550,694	13,398,757	(4,255,012)	-31.40
40. Financial assets at amortised cost	54,563,163	52,937,506	50,427,717	51,561,587	4,135,446	8.20
a) Loans to banks	4,221,694	4,232,336	3,196,912	3,205,849	1,024,782	32.06
a) Loans to customers	50,341,469	48,705,170	47,230,804	48,355,737	3,110,665	6.59
50. Hedging derivatives	50,066	51,075	54,061	54,061	(3,995)	-7.39
70. Equity investments	448,990	456,075	454,367	454,367	(5,377)	-1.18
90. Property, plant and equipment	1,056,260	1,057,326	1,063,483	1,063,483	(7,223)	-0.68
100. Intangible assets	497,340	499,403	506,627	506,627	(9,287)	-1.83
of which:					-	
- goodwill	327,084	327,084	327,084	327,084	-	-
110. Tax assets	1,734,961	1,742,211	1,845,611	1,848,127	(110,650)	-6.00
a) current	454,139	476,721	575,441	575,441	(121,302)	-21.08
b) deferred	1,280,822	1,265,490	1,270,170	1,272,686	10,652	0.84
130. Other assets	875,056	747,027	704,899	704,899	170,157	24.14
Total Assets	70,296,735	68,938,194	70,320,839	71,338,807	(24,104)	-0.03

Consolidated balance sheet as of 30 June 2018

Liabilities and shareholders' equity (€/k)

Liabilities and shareholders' equity	30.06.2018	31.03.2018	01.01.2018 IFRS9 FTA	31.12.2017 reclassified	Change 30.06.2018- 01.01.2018	Change (%)
10. Financial liabilities at amortised cost	62,502,252	61,545,420	63,231,158	63,230,643	(728,906)	-1.15
a) Due to banks	12,622,968	12,626,209	12,984,226	12,984,226	(361,258)	-2.78
b) Due to customers	43,291,051	41,900,213	42,694,078	42,694,078	596,973	1.40
c) Debt securities in issue	6,588,233	7,018,998	7,552,854	7,552,339	(964,621)	-12.77
20. Financial liabilities held for trading	241,013	315,365	170,046	170,046	70,967	41.73
40. Hedging derivatives	42,918	18,898	23,795	23,795	19,123	80.37
50. Adeguamento di valore delle passività finanziarie oggetto di copertura generica (+/-)	-	-	-	-	-	#DIV/0!
60. Tax liabilities:	90,764	109,027	157,257	106,218	(66,493)	-42.28
a) current	3,724	3,360	2,636	2,258	1,088	41.27
b) deferred	87,040	105,667	154,620	103,960	(67,580)	-43.71
70. Passività associate ad attività in via di dismissione	-	-	-	-	-	#DIV/0!
80. Other liabilities	1,963,775	1,394,494	1,416,660	1,416,660	547,115	38.62
90. Provision for termination indemnities	186,444	186,370	187,536	187,536	(1,092)	-0.58
100. Provisions for risks and charges	531,616	533,904	501,518	487,178	30,098	6.00
a) Commitments and guarantees given	67,420	82,769	61,133	46,793	6,287	10.28
b) pensions and similar commitments	132,104	135,920	137,148	137,148	(5,044)	-3.68
c) other provisions	332,092	315,215	303,237	303,237	28,855	9.52
120. Valuation reserves	60,974	140,229	204,423	75,089	(143,449)	-70.17
150. Reserves	1,527,996	1,582,852	1,433,444	2,445,454	94,552	6.60
160. Share premium reserve	930,073	930,073	930,073	930,073	-	-
170. Share capital	1,443,925	1,443,925	1,443,925	1,443,925	-	-
180. Treasury shares	(7,258)	(7,258)	(7,258)	(7,258)	-	-
190. Minority interests	474,358	493,872	451,825	653,010	22,533	4.99
200. Profit (loss) for the period pertaining to the Parent Company	307,885	251,023	176,438	176,438	131,447	74.50
Total liabilities and shareholder's equity	70,296,735	68,938,194	70,320,839	71,338,807	(24,104)	-0.03

Consolidated income statement as of 30 June 2018 (€/k)

Item	30.06.2018	30.06.2017	Change	Change %
10. Interest and similar income	720,379	706,601	13,778	1.95
20. Interest and similar expense	(146,877)	(136,482)	(10,395)	7.62
30. Net interest income	573,502	570,119	3,383	0.59
40. Commission income	406,708	376,627	30,081	7.99
50. Commission expenses	(17,652)	(17,403)	(249)	1.43
60. Net commission income	389,056	359,224	29,832	8.30
70. Dividends and similar income	13,461	11,124	2,337	21.01
80. Net trading income	16,482	19,989	(3,507)	-17.54
90. Net hedging gains (losses)	2,410	(259)	2,669	-
100. Gains/losses on disposal or repurchase of:	147,978	30,386	117,592	386.99
a) Financial assets at amortised cost	(11,447)	(7,852)	(3,595)	45.78
b) Financial assets at fair value through other comprehensive income	159,255	38,160	121,095	317.33
c) Financial liabilities at amortised cost	170	78	92	117.95
110. Net results on financial assets and liabilities at fair value	3,195	417	2,778	666.19
a) financial assets and liabilities at fair value through profit or loss	(2,943)	417	(3,360)	-805.76
b) other financial assets mandatorily at fair value through profit or loss	6,138	-	6,138	-
120. Net interest and other banking income	1,146,084	991,000	155,084	15.65
130. Net impairment adjustments to:	(83,030)	(394,849)	311,819	-78.97
a) Financial assets at amortised cost	(84,934)	(323,232)	238,298	-73.72
b) Financial assets at fair value through other comprehensive income	1,904	(71,617)	73,521	-102.66
140. Profit/loss from contract changes without derecognition	(1,183)	-	(1,183)	-
150. Net profit from financial activities	1,061,871	596,151	465,720	78.12
190. Administrative costs:	(725,104)	(664,097)	(61,007)	9.19
a) payroll	(420,434)	(385,676)	(34,758)	9.01
b) other administrative costs	(304,670)	(278,421)	(26,249)	9.43
200. Net provisions for risks and charges	(37,039)	(5,168)	(31,871)	616.70
a) Commitments and guarantees given	11,923	6,434	5,489	85.31
b) Other provisions	(48,962)	(11,602)	(37,360)	322.01
210. Net adjustments to property, plant and equipment	(33,354)	(21,124)	(12,230)	57.90
220. Net adjustments to intangible assets	(22,971)	(19,573)	(3,398)	17.36
230. Other operating charges/income	83,111	85,590	(2,479)	-2.90
240. Operating costs	(735,357)	(624,372)	(110,985)	17.78
250. Profit (loss) of equity investments	5,339	137,254	(131,915)	-96.11
280. Gains (losses) on disposal of investments	79	16	63	393.75
290. Profit (loss) from current operations before tax	331,932	109,049	222,883	204.39
300. Income taxes on current operations	(9,768)	10,183	(19,951)	-195.92
310. Profit (loss) from current operations after tax	322,164	119,232	202,932	170.20
330. Net profit (loss)	322,164	119,232	202,932	170.20
340. Net profit (loss) pertaining to minority interests	(14,279)	(170)	(14,109)	--
350. Profit (loss) for the period pertaining to the Parent Company	307,885	119,062	188,823	158.59

Reclassified consolidated income statement as of 30 June 2018

For greater clarity in the presentation of the results for the period the accounting schedules envisaged by the 5th update of Bank of Italy Circular 262/2005 have been reclassified.

In the balance sheet:

- Debt securities valued at amortised cost (caption 40 “Financial assets valued at amortised cost”) have been reclassified under caption “Financial assets”.
- “Other assets” include captions 110 “Tax assets” and 130 “Other assets”.
- “Other liabilities and shareholders’ equity” include captions 60 “Tax liabilities”, 80 “Other liabilities”, and 90 “ Provision for termination indemnities” and 100 “Provisions for risks and charges”.

In the income statement:

- “Net result from financial activities” includes items 80, 90, 100 and 110 in the standard reporting format;
- Indirect tax recoveries, allocated for accounting purposes to item 230 “Other operating charges/income”, have been reclassified as a reduction in the related costs under “Other administrative expenses” (Euro 63,452 thousand at 30 June 2018 and Euro 60,982 thousand at 30 June 2017);
- “Net adjustments to property, plant and equipment and intangible assets” include captions 210 and 220 in the standard reporting format;
- “Gains (losses) on equity investments, disposal of investments and adjustments to goodwill” include captions 250, 270 and 280 in the reporting format;
- “Contributions to the DGS, SRF and IDGF-VS funds” has been shown separately from the specific accounting technical forms to give a better and clearer representation, as well as to leave the “Other administrative costs” as a better reflection of the trend in the Group's operating costs. In particular, at 30 June 2018, this caption represents the component allocated for accounting purposes to administrative costs in relation to:
 - the 2018 contribution to the SRF (European Single Resolution Fund) for Euro 20,347 thousand;
 - additional contribution requested by the SRF (European Single Resolution Fund) for 2016 from Italian banks for Euro 8,593 thousand;
 - the 2018 contribution to the DGS (Deposit Guarantee Schemes) for Euro 12 thousand, representing only the amount required of Bper (Europe) International s.a. for the half-year.

In the comparative figures at 30 June 2017, the “Adjustments to other financial assets” have been reclassified to “Net provisions for risks and charges” to comply with the 5th update of Bank of Italy Circular 262/2005.

Reclassified consolidated balance sheet as of 30 June 2018

Assets (€/k)

Assets	30.06.2018	31.03.2018	01.01.2018 IFRS9 FTA	31.12.2017	Change 30.06.2018- 01.01.2018	Change (%)
Cash and balance with central banks	353,774	337,394	420,299	420,299	(66,525)	-15.83
Financial assets	16,331,689	15,148,485	15,802,589	15,665,299	529,100	3.35
a) Financial assets held for trading	350,388	411,047	425,424	425,424	(75,036)	-17.64
b) Financial assets designated at fair value	221,625	224,689	223,192	223,192	(1,567)	-0.70
c) Other financial assets mandatorily at fair value through profit or loss	849,430	610,305	644,466	677,985	204,964	31.80
d) Financial assets at fair value through other comprehensive income	9,295,682	9,864,136	13,550,694	13,398,757	(4,255,012)	-31.40
e) Debt securities valued at amortised cost	5,614,564	4,038,308	958,813	939,941	4,655,751	485.57
- banks	1,075,460	736,722	196,713	193,334	878,747	446.72
- customers	4,539,104	3,301,586	762,100	746,607	3,777,004	495.60
Loans	48,948,599	48,899,198	49,468,903	50,621,645	(520,304)	-1.05
a) loans to banks	3,146,234	3,495,614	3,000,199	3,012,515	146,035	4.87
b) loans to customers	45,802,365	45,403,584	46,468,704	47,609,130	(666,339)	-1.43
Hedging derivatives	50,066	51,075	54,061	54,061	(3,995)	-7.39
Equity investments	448,990	456,075	454,367	454,367	(5,377)	-1.18
Property, plant and equipment	1,056,260	1,057,326	1,063,483	1,063,483	(7,223)	-0.68
Intangible assets	497,340	499,403	506,627	506,627	(9,287)	-1.83
- of which; goodwill	327,084	327,084	327,084	327,084	-	-
Other asset captions	2,610,017	2,489,238	2,550,510	2,553,026	59,507	2.33
Total assets	70,296,735	68,938,194	70,320,839	71,338,807	(24,104)	-0.03

Reclassified consolidated balance sheet as of 30 June 2018

Liabilities and shareholders' equity (€/k)

Liabilities and shareholders's equity	30.06.2018	31.03.2018	01.01.2018 IFRS9 FTA	31.12.2017	Change 30.06.2018- 01.01.2018	Change (%)
Due to banks	12,622,968	12,626,209	12,984,226	12,984,226	(361,258)	-2.78
Direct deposit	49,879,284	48,919,211	50,246,932	50,246,417	(367,648)	-0.73
a) Due to customers	43,291,051	41,900,213	42,694,078	42,694,078	596,973	1.40
b) Debt securities in issue	6,588,233	7,018,998	7,552,854	7,552,339	(964,621)	-12.77
Financial liabilities held for trading	241,013	315,365	170,046	170,046	70,967	41.73
Hedging derivatives	42,918	18,898	23,795	23,795	19,123	80.37
Other liabilities captions	2,772,599	2,223,795	2,262,970	2,197,592	509,629	22.52
Minority interests	474,358	493,872	451,825	653,010	22,533	4.99
Shareholders' equity pertaining the Parent Company	4,263,595	4,340,844	4,181,045	5,063,721	82,550	1.97
a) Valuation reserves	60,974	140,229	204,422	75,089	(143,448)	-70.17
b) Reserves	1,527,996	1,582,852	1,433,445	2,445,454	94,551	6.60
c) Share premium reserve	930,073	930,073	930,073	930,073	-	-
d) Share capital	1,443,925	1,443,925	1,443,925	1,443,925	-	-
e) Treasury shares	(7,258)	(7,258)	(7,258)	(7,258)	-	-
f) Profit (loss) for the period pertaining to the Parent Company	307,885	251,023	176,438	176,438	131,447	74.50
Total liabilities and shareholder's equity	70,296,735	68,938,194	70,320,839	71,338,807	(24,104)	-0.03

Reclassified consolidated income statement as of 30 June 2018

Item		30.06.2018	30.06.2017	Change	Change %
10+20	Net interest income	573,502	570,119	3,383	0.59
40+50	Net commission income	389,056	359,224	29,832	8.30
70	Dividends	13,461	11,124	2,337	21.01
80+90+100+110	Net trading income	170,065	50,533	119,532	236.54
230 (*)	Other operating charges/income	19,659	24,608	(4,949)	-20.11
	Operating income	1,165,743	1,015,608	150,135	14.78
190 a)	Payroll	(420,434)	(385,676)	(34,758)	9.01
190 b) (*) (**)	Other administrative expenses	(212,266)	(201,492)	(10,774)	5.35
210+220	Net adjustments to property, plant, equipment and intangible assets	(56,325)	(40,697)	(15,628)	38.40
	Operating costs	(689,025)	(627,865)	(61,160)	9.74
	Net operating income	476,718	387,743	88,975	22.95
130 a)	Net impairment adjustments to Financial assets at amortised cost	(84,934)	(323,232)	238,298	-73.72
130 b)	Net impairment adjustments to Financial assets at fair value through other comprehensive income	1,904	(71,617)	73,521	-102.66
140	Profit/loss from contract changes without derecognition	(1,183)	-	(1,183)	n.s.
	Net impairment adjustments to credit risk	(84,213)	(394,849)	310,636	-78.67
200	Net provisions for risks and charges	(37,039)	(5,168)	(31,871)	616.70
###	Contributions to SRF, DGS, IDGF - VS	(28,952)	(15,947)	(13,005)	81.55
250+270+280	Gains (Losses) on disposal of investments and adjustments to goodwill	5,418	6,548	(1,130)	-17.26
###	Negative goodwill	-	130,722	(130,722)	-100.00
290	Profit from current operations before tax	331,932	109,049	222,883	204.39
300	Income taxes on current operations	(9,768)	10,183	(19,951)	-195.92
330	Profit (Loss) for the period	322,164	119,232	202,932	170.20
340	Profit (Loss) for the period pertaining to minority interests	(14,279)	(170)	(14,109)	--
350	Profit (Loss) for the period pertaining the Parent Company	307,885	119,062	188,823	158.59
Captions net of:					
(*)	Recovery of indirect taxes	63,452	60,982	2,470	4.05
(**)	Contributions to SRF, DGS, IDGF - VS	(28,952)	(15,947)	(13,005)	81.55

Reclassified consolidated income statement by quarter as of 30 June 2018

Captions		1st quarter 2018	2nd quarter 2018	1st quarter 2017	2nd quarter 2017	3rd quarter 2017	4th quarter 2017
10+20	Net interest income	293,234	280,268	288,114	282,005	280,218	274,142
40+50	Net commission income	198,120	190,936	177,373	181,851	184,802	196,602
70	Dividends	584	12,877	312	10,812	507	785
80+90+100+110	Net trading income	153,634	16,431	24,664	25,869	20,489	32,112
230 (*)	Other operating charges/income	11,485	8,174	10,310	14,298	23,565	10,017
	Operating income	657,057	508,686	500,773	514,835	509,581	513,658
190 a)	Payroll	(207,534)	(212,900)	(194,125)	(191,551)	(191,656)	(206,146)
190 b) (*) (**)	Other administrative costs	(102,285)	(109,981)	(96,628)	(104,864)	(107,465)	(116,654)
210+220	Net adjustments to property, plant and equipment and intangible assets	(21,339)	(34,986)	(18,685)	(22,012)	(20,653)	(26,079)
	Operating costs	(331,158)	(357,867)	(309,438)	(318,427)	(319,774)	(348,879)
	Net operating income	325,899	150,819	191,335	196,408	189,807	164,779
130 a)	Net impairment adjustments to Financial assets at amortised cost	(26,141)	(58,793)	(133,573)	(189,659)	(89,722)	(123,021)
130 b)	Net impairment adjustments to Financial assets at fair value through other comprehensive income	1,763	141	(17,381)	(54,236)	(29,383)	(3,628)
140	Profit/loss from contract changes without derecognition	-	(1,183)	-	-	-	-
	Net impairment adjustments to credit risk	(24,378)	(59,835)	(150,954)	(243,895)	(119,105)	(126,649)
200	Net provisions for risks and charges	(11,663)	(25,376)	(1,014)	(4,154)	(2,822)	(37,901)
###	Contributions to SRF, DGS, IDGF - VS	(20,282)	(8,670)	(18,061)	2,114	(20,205)	(1,569)
250+270+280	Gains (Losses) on disposal of investments and adjustments to goodwill	2,827	2,591	3,705	2,843	4,885	(21,319)
###	Negative goodwill	-	-	-	130,722	-	60,170
290	Profit from current operations before tax	272,403	59,529	25,011	84,038	52,560	37,511
300	Income taxes on current operations	(6,918)	(2,850)	(7,743)	17,926	(23,696)	(8,725)
330	Profit (loss) for the period	265,485	56,679	17,268	101,964	28,864	28,786
340	Profit (loss) for the period pertaining to minority interests	(14,462)	183	(2,710)	2,540	1,032	(1,306)
350	Profit (Loss) for the period pertaining to the Parent Company	251,023	56,862	14,558	104,504	29,896	27,480
Captions net of:							
(*)	Recovery of indirect taxes	31,823	31,629	29,981	31,001	31,382	33,811
(**)	Contributions to SRF, DGS, IDGF - VS	(20,282)	(8,670)	(18,061)	2,114	(20,205)	(1,569)

Reclassified consolidated income statement pro-forma as of 30 June 2018

		(in thousand of Euro)					
Captions		30.06.2018	Pro-forma reclassifications	30.06.2018 pro-forma	30.06.2018	Change	Change %
10+20	Net interest income	573,502	(46,394)	527,108	570,119	(43,011)	-7.54
40+50	Net commission income	389,056	-	389,056	359,224	29,832	8.30
70	Dividends	13,461	-	13,461	11,124	2,337	21.01
80+90+100+110	Net trading income	170,065	-	170,065	50,533	119,532	236.54
230	Other operating charges/income	19,659	-	19,659	24,608	(4,949)	-20.11
	Operating income	1,165,743	(46,394)	1,119,349	1,015,608	103,741	10.21
190 a)	Payroll	(420,434)	-	(420,434)	(385,676)	(34,758)	9.01
190 b)	Other administrative costs	(212,266)	-	(212,266)	(201,492)	(10,774)	5.35
210+220	Net adjustments to property, plant and equipment and intangible assets	(56,325)	-	(56,325)	(40,697)	(15,628)	38.40
	Operating costs	(689,025)	-	(689,025)	(627,865)	(61,160)	9.74
	Net operating income	476,718	(46,394)	430,324	387,743	42,581	10.98
130 a)	Net impairment adjustments to Financial assets at amortised cost	(84,934)	45,211	(39,723)	(323,232)	283,509	-87.71
130 b)	Net impairment adjustments to Financial assets at fair value through other comprehensive income	1,904	-	1,904	(71,617)	73,521	-102.66
	Net impairment adjustments to other financial assets	-	11,923	11,923	6,434	5,489	85.31
	Profit/loss from contract changes without derecognition	(1,183)	1,183	-	-	-	n.s.
	Net impairment adjustments to credit risk	(84,213)	58,317	(25,896)	(388,415)	362,519	-93.33
200	Net provisions for risks and charges	(37,039)	(11,923)	(48,962)	(11,602)	(37,360)	322.01
###	Contributions to SRF, DGS, IDGF - VS	(28,952)	-	(28,952)	(15,947)	(13,005)	81.55
250+270+280	Gains (Losses) on disposal of investments and adjustments to goodwill	5,418	-	5,418	6,548	(1,130)	-17.26
###	Negative goodwill	-	-	-	130,722	(130,722)	-100.00
	Profit from current operations before tax	331,932	-	331,932	109,049	222,883	204.39
300	Income taxes on current operations	(9,768)	-	(9,768)	10,183	(19,951)	-195.92
330	Profit (loss) for the period	322,164	-	322,164	119,232	202,932	170.20
340	Profit (loss) for the period pertaining to minority interests	(14,279)	-	(14,279)	(170)	(14,109)	--
	Profit (Loss) for the period pertaining to the Parent Company	307,885	-	307,885	119,062	188,823	158.59

Reclassified consolidated income statement pro-forma by quarter as of 30 June 2018

		(in thousand of Euro)					
Voci		1st quarter 2018 pro- forma	2nd quarter 2018 pro- forma	1st quarter 2017	2nd quarter 2017	3rd quarter 2017	4th quarter 2017
10+20	Net interest income	267,597	259,511	288,114	282,005	280,218	274,142
40+50	Net commission income	198,120	190,936	177,373	181,851	184,802	196,602
70	Dividends	584	12,877	312	10,812	507	785
80+90+100+110	Net trading income	153,634	16,431	24,664	25,869	20,489	32,112
230 (*)	Other operating charges/income	11,485	8,174	10,310	14,298	23,565	10,017
	Operating income	631,420	487,929	500,773	514,835	509,581	513,658
190 a)	Payroll	(207,534)	(212,900)	(194,125)	(191,551)	(191,656)	(206,146)
190 b) (*) (**)	Other administrative costs	(102,285)	(109,981)	(96,628)	(104,864)	(107,465)	(116,654)
210+220	Net adjustments to property, plant and equipment and intangible assets	(21,339)	(34,986)	(18,685)	(22,012)	(20,653)	(26,079)
	Operating costs	(331,158)	(357,867)	(309,438)	(318,427)	(319,774)	(348,879)
	Net operating income	300,262	130,062	191,335	196,408	189,807	164,779
130 a)	Net impairment adjustments to Financial assets at amortised cost	(504)	(39,219)	(133,573)	(189,659)	(89,722)	(123,021)
130 b)	Net impairment adjustments to Financial assets at fair value through other comprehensive income	1,763	141	(17,381)	(54,236)	(29,383)	(3,628)
	Net impairment adjustments to other financial assets	13,964	(2,041)	4,647	1,787	6,446	(28,193)
	Net impairment adjustments to credit risk	15,223	(41,119)	(146,307)	(242,108)	(112,659)	(154,842)
200	Net provisions for risks and charges	(25,627)	(23,335)	(5,661)	(5,941)	(9,268)	(9,708)
###	Contributions to SRF, DGS, IDGF - VS	(20,282)	(8,670)	(18,061)	2,114	(20,205)	(1,569)
250+270	Gains (Losses) on disposal of investments and adjustments to goodwill	2,827	2,591	3,705	2,843	4,885	(21,319)
+280	Negative goodwill	-	-	-	130,722	-	60,170
###							
290	Profit from current operations before tax	272,403	59,529	25,011	84,038	52,560	37,511
300	Income taxes on current operations	(6,918)	(2,850)	(7,743)	17,926	(23,696)	(8,725)
330	Profit (loss) for the period	265,485	56,679	17,268	101,964	28,864	28,786
340	Profit (loss) for the period pertaining to minority interests	(14,462)	183	(2,710)	2,540	1,032	(1,306)
350	Profit (Loss) for the period pertaining to the Parent Company	251,023	56,862	14,558	104,504	29,896	27,480

Consolidated balance sheet reflecting the effects of the first-time application of IFRS 9

Assets	(in thousand of Euro)		
	31.12.2017	Impact IFRS 9	01.01.2018
10. Cash and balance with central banks	420,299	-	420,299
20. Financial assets at fair value through profit or loss	1,326,601	(33,519)	1,293,082
a) Financial assets held for trading	425,424	-	425,424
b) Financial assets designated at fair value	223,192	-	223,192
c) Other financial assets mandatorily at fair value through profit or loss	677,985	(33,519)	644,466
30. Financial assets at fair value through other comprehensive income	13,398,757	151,937	13,550,694
40. Financial assets at amortised cost	51,561,586	(1,133,870)	50,427,716
a) Loans to banks	3,205,849	(8,937)	3,196,912
b) Loans to customers	48,355,737	(1,124,933)	47,230,804
50. Hedging derivatives	54,061	-	54,061
70. Equity investments	454,367	-	454,367
90. Property, plant and equipment	1,063,483	-	1,063,483
100. Intangible assets	506,627	-	506,627
of which:		-	
- goodwill	327,084	-	327,084
110. Tax assets	1,848,127	(2,516)	1,845,611
a) current	575,441	-	575,441
b) deferred	1,272,686	(2,516)	1,270,170
130. Other assets	704,899	-	704,899
Total assets	71,338,807	(1,017,968)	70,320,839

Liabilities and shareholders' equity	(in thousand of Euro)		
	31.12.2017	Impact IFRS 9	01.01.2018
10. Financial liabilities at amortised cost	63,230,643	515	63,231,158
a) Due to banks	12,984,226	-	12,984,226
b) Due to customers	42,694,078	-	42,694,078
c) Debt securities in issue	7,552,339	515	7,552,854
20. Financial liabilities held for trading	170,046	-	170,046
40. Hedging derivatives	23,795	-	23,795
60. Tax liabilities:	106,218	51,038	157,256
a) current	2,258	378	2,636
b) deferred	103,960	50,660	154,620
80. Other liabilities	1,416,660	-	1,416,660
90. Provision for termination indemnities	187,536	-	187,536
100. Provisions for risks and charges	487,178	14,340	501,518
a) Commitments and guarantees given	46,793	14,340	61,133
b) pensions and similar commitments	137,148	-	137,148
c) other provisions	303,237	-	303,237
120. Valuation reserves	75,089	129,333	204,422
150. Reserves	2,445,454	(1,012,009)	1,433,445
160. Share premium reserve	930,073	-	930,073
170. Share capital	1,443,925	-	1,443,925
180. Treasury shares	(7,258)	-	(7,258)
190. Minority interests	653,010	(201,185)	451,825
200. Profit (loss) for the period pertaining to the Parent Company	176,438	-	176,438
Total liabilities and shareholders' equity	71,338,807	(1,017,968)	70,320,839

Performance ratios (1/2)

Financial ratios	30.06.2018	01.01.2018 (*)
Structural ratios		
net loans to customers/total assets	65.16%	66.08%
net loans to customers/direct deposits from customers	91.83%	92.48%
financial assets/total assets	23.23%	22.47%
fixed assets/total assets	2.14%	2.16%
goodwill/total assets	0.47%	0.47%
direct deposits/total assets	88.91%	89.92%
deposits under management/indirect deposits	54.70%	55.08%
financial assets/tangible equity	3.85	3.83 (1)
total tangible assets/tangible equity	16.46	16.92 (2)
net interbank lending/borrowing (in thousands of Euro)	(9,476,734)	(9,984,026)
number of employees	11,655	11,653 (3)
number of national bank branches	1,219	1,218
Profitability ratios		
ROE	14.04%	3.62% (4)
ROTE	15.84%	4.04% (5)
ROA (net profit/total assets)	0.46%	0.17%
Cost/income ratio	59.11%	61.82% (6)
Net adjustments to loans/net loans to customers	0.18%	0.69%
Basic EPS	0.640	0.248
Diluted EPS	0.640	0.248
Risk ratios		
net non-performing exposures/net loans to customers	8.35%	9.21%
net bad loans/net loans to customers	4.53%	4.99%
net unlikely to pay loans/net loans to customers	3.61%	4.03%
net past due loans/net loans to customers	0.22%	0.19%
adjustments to non-performing exposures/gross non-performing exposures	56.85%	59.34%
adjustments to bad loans/gross bad loans	64.89%	67.37%
adjustments to unlikely to pay loans/gross unlikely to pay loans	41.94%	43.55%
adjustments to past due loans/gross past due loans	12.71%	14.09%
adjustments to performing exposures/gross performing exposures	0.40%	0.58%
texas ratio	95.53%	101.50% (7)

Financial ratios	30.06.2018	01.01.2018 (**)
Own Funds (Phased in)		
Common Equity Tier 1 (CET1)	4,581,483	4,410,721 (8)
Own Funds	5,486,878	5,227,226
Risk-weighted assets (RWA)	31,130,491	32,394,482
Capital and liquidity ratios		
Common Equity Tier 1 Ratio (CET1 Ratio) - Phased in	14.72%	13.62%
Tier 1 Ratio (T1 Ratio) - Phased in	14.81%	13.63%
Total Capital Ratio (TC Ratio) - Phased in	17.63%	16.14%
Common Equity Tier 1 Ratio (CET1 Ratio) - Fully Phased	11.63%	11.06%
Leverage Ratio - Phased in	6.3%	6.1% (9)
Leverage Ratio - Fully Phased	4.9%	6.0% (10)
Liquidity Coverage Ratio (LCR)	146.9%	113.7%
Net Stable Funding Ratio (NSFR)	n.a.	105.2% (11)
Non-financial ratios		
Productivity ratios (in thousands of Euro)		
direct deposits per employee	4,279.65	4,311.93
loans to customers per employee	4,319.30	4,053.10
assets managed per employee	1,701.53	1,695.21
assets administered per employee	1,408.96	1,382.51
core revenues per employee	82.59	77.36 (12)
net interest and other banking income per employee	98.33	82.49
operating costs per employee	63.09	52.51

Performance ratios (2/2)

(1) *Tangible equity = total shareholders' equity net of intangible assets.*

(2) *Total tangible assets = total assets net of intangible assets.*

(3) *The number of employees does not include the expectations.*

(4) *ROE is calculated on an annual basis, replicating the result for the period for the remaining periods of the year.*

(5) *ROTE is calculated on an annual basis, replicating the result for the period for the remaining periods of the year.*

(6) *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 64.16% (63.65% at 30 June 2017, as per the Consolidated Half-Yearly Report at 30 June 2017).*

(7) *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.*

(8) *The ratio is calculated according to the provisions of Regulation (EU) 575/2013 (CRR), as amended by the Commission Delegated Regulation (EU) 2395/2017.*

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

(10) *See previous note.*

(11) *The NSFR, not yet available, is in any case estimated to exceed 100% (105.2% as at 31 December 2017).*

(12) *Core revenues = net interest income + net commission income.*

(*) *The comparative figures have been appropriately recalculated at 1 January 2018 to take account of the impact of first-time application of IFRS 9, with the exception of those relating to profitability ratios for which reference is made to the figures at 30 June 2017, as per the Consolidated Half-Yearly Report at 30 June 2017 (figures at 31 December 2017 in the Consolidated Financial Statements at 31 December 2017 only for ROE and ROTE).*

(**) *The comparative figures have been appropriately recalculated at 1 January 2018 to take account of the impact of first-time application of IFRS 9, with the exception of those relating to the Leverage Ratio (Phased In and Fully Phased), the LCR and the NSFR, for which reference is made to the figures at 31 December 2017, as per the Consolidated Financial Statements at 31 December 2017, and to the productivity ratios calculated on economic data for which reference is made to the figures at 30 June 2017, as per the Consolidated Half-Yearly Report at 30 June 2017.*

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