



BPER Group 1Q15 results

13th May 2015

Alessandro Vandelli - Chief Executive Officer

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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 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.

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

Agenda

1Q15 Results

☒ Executive summary

☐ Balance sheet structure

☐ Profit and loss

☐ Liquidity and Capital adequacy

☐ Annexes

Executive summary

- 1Q15 Net profit of 51.7 €/mn (+65.6% y/y) the best result since 3Q12
 - Loan loss provisions accounted in 1Q15 (147.5 €/mn) significantly down (-30.4% y/y; -36.6% q/q), the lowest level in the last 10 quarters, confirming the beginning of a new phase of “cost of credit” normalization
 - Cash coverage ratio on total doubtful loans at 41.0% (+30 bps versus Dec 2014), the highest level since 2009
 - Solid capital base with a CET1 ratio “*Fully Phased*” of 11.3% as of 31 Mar.’15 (or 11.4% “*Phased in*”) excluding potential benefits from internal models (“AIRB”) validation (process already started at the end of January 2015 with both ECB and Bank of Italy)
 - B3 leverage ratio at 7.1% one of the best among domestic peers
 - Liquidity ratios LCR and NSFR well above 100%*
- Operating income at 555.0 €/mn in the 1Q15 up by 2.7% q/q (-4.9% y/y):
 - Net interest income slightly up by 0.3% q/q (-4.8% y/y) thanks to a spread improvement with substantially flat loans volume and despite the “calendar effect” (2 days less than the last quarter of 2014)
 - Net commissions up by 1.7% q/q (+4.5% y/y) resulting mainly from improving AuM & bancassurance fees (+21.2% q/q; 33.2% y/y) and recording signals of stabilization of “traditional business” fees related to loans and guarantees in the quarter (-0.3% q/q)
 - Dividends and Trading income up by 19.5% q/q (-27.5% y/y) mainly thanks to favourable financial markets
 - Operating costs broadly in line compared to 1Q14 (+0.3%) and down by 7.7% q/q (4Q14 included some one-off items)

Agenda

1Q15 Results

☐ Executive summary

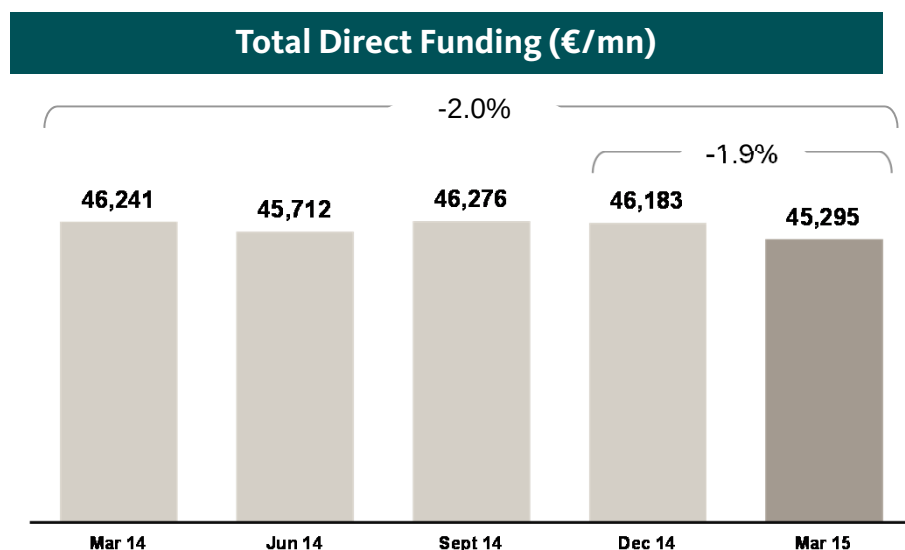
☒ Balance sheet structure

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Direct funding

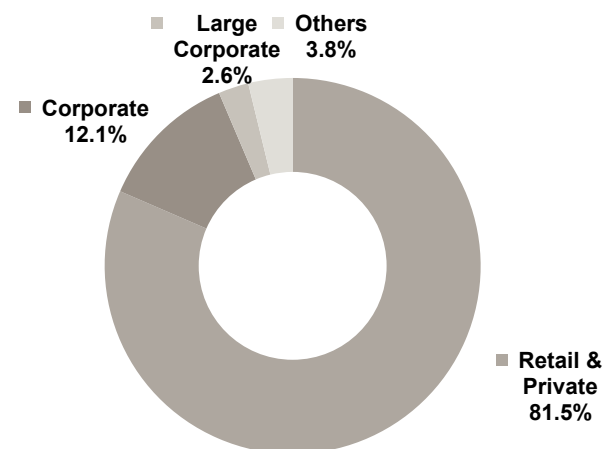


- Direct funding down by 2.0% y/y (-0.9 €/bn) and down by 1.9% since Dec.'14 (-0.9 €/bn)
- 1Q15 key trends:
 - Jan.'15: 750 €/mn Covered bond issue (total outstanding at 1.75 €/bn)
 - Direct funding reduction also due to switch to AuM and bancassurance products
 - Retail bond maturities only partially replaced by new issues
 - Reduction of expensive funding from customers, mainly corporate
- Total wholesale and covered bonds account only around 2 €/bn. No wholesale bond maturities in 2015 and only 0.3 €/bn in 2016-17 providing flexibility to the Group's funding strategy

Direct Funding breakdown (%)

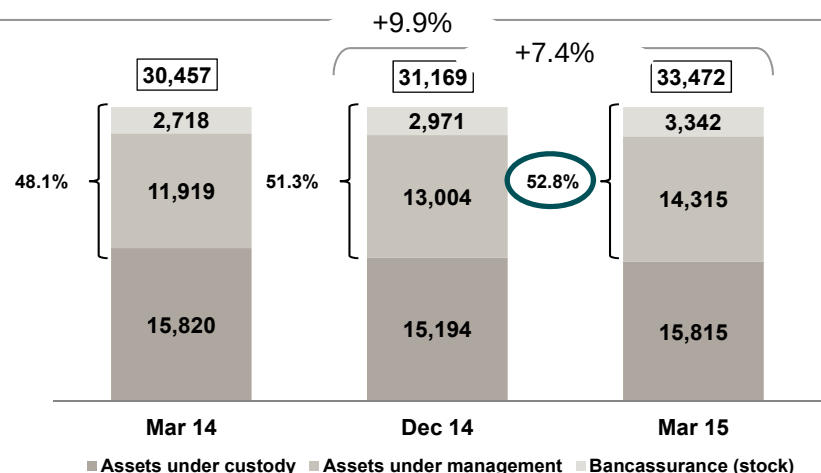
€/mn	Mar 15	Dec 14	Mar 14	Chg vs Dec '14 (%)	Chg y/y (%)
Current accounts and sight deposits	26,848	27,487	25,699	-2.3%	4.5%
Term deposits	2,525	2,969	3,556	-14.9%	-29.0%
Repurchase agreements	1,313	1,063	1,506	23.5%	-12.9%
Other short-term loans	2,447	2,445	2,321	0.1%	5.5%
Bonds	8,354	8,320	9,574	0.4%	-12.7%
- subscribed by institutional customers	2,010	1,249	1,262	61.0%	59.3%
- subscribed by ordinary customers	6,344	7,071	8,312	-10.3%	-23.7%
Certificates of deposit	3,808	3,899	3,584	-2.3%	6.2%
Direct customer deposit	45,295	46,183	46,241	-1.9%	-2.0%

Direct Funding breakdown by customer segment (%)



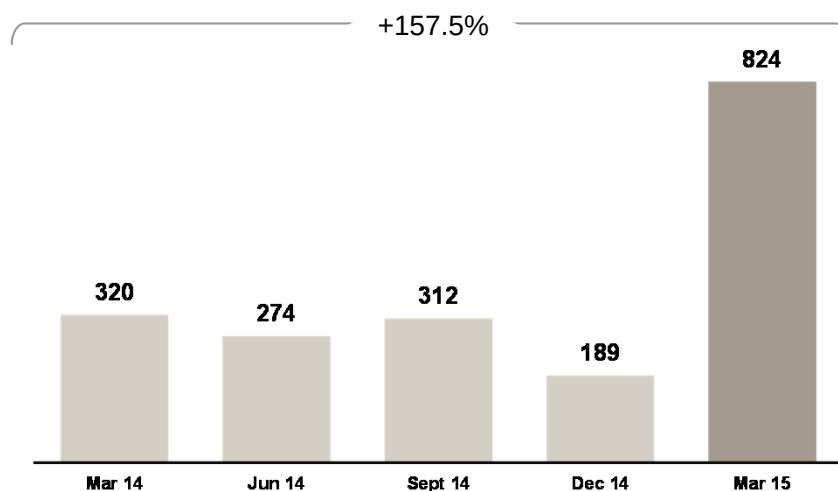
Indirect deposits and “bancassurance”

Total Indirect Deposits and bancassurance* (€/mn)

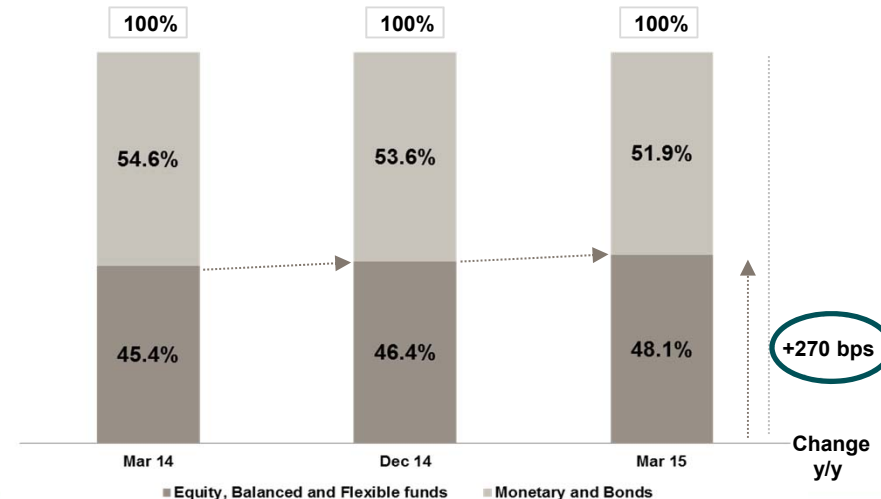


- Indirect deposits and bancassurance* significantly up by 9.9% y/y (+3.0 €/bn) and up by 7.4% since Dec.'14 (+2.3 €/bn) even better than new Business Plan 15-17 estimates:
 - AuM up by 20.1% y/y and up by 10.1% since Dec.'14
 - AuM composition: in the 1Q15, Cash still decreasing in favour of different kinds of Funds (equity, balanced, Flexible)
 - Significant growth in bancassurance* both y/y and in the 1Q15 (respectively +22.9% and +12.5%)
 - AuC broadly stable y/y and up by 4.1% in the 1Q15 minly due to temporary institutional counterparties inflows
- Well on track on indirect deposits remix strategy in line with new Business Plan 15-17 guidelines: AUM and bancassurance* increased to 52.8% from 51.3% in Dec.'14, increasing its weight on total indirect funding

AUM net inflows¹ (€/mn)

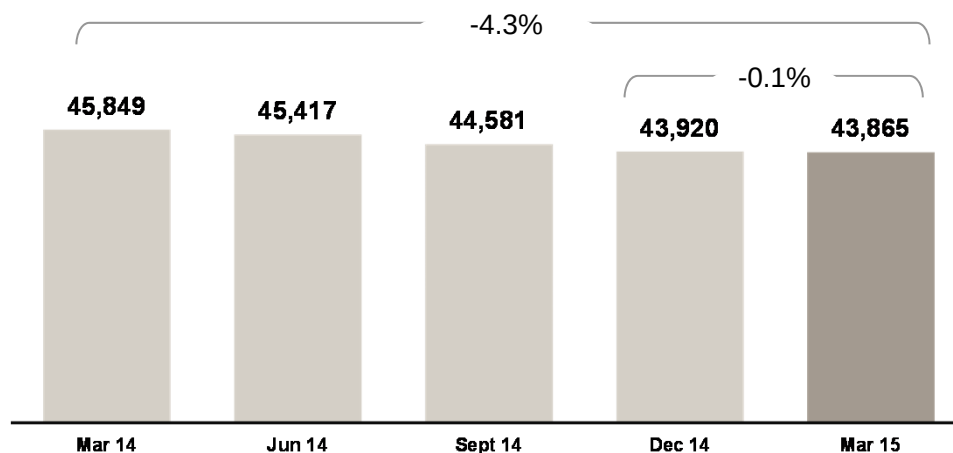


AUM composition¹ (%)



Customer loans

Customer loans (€/mn)

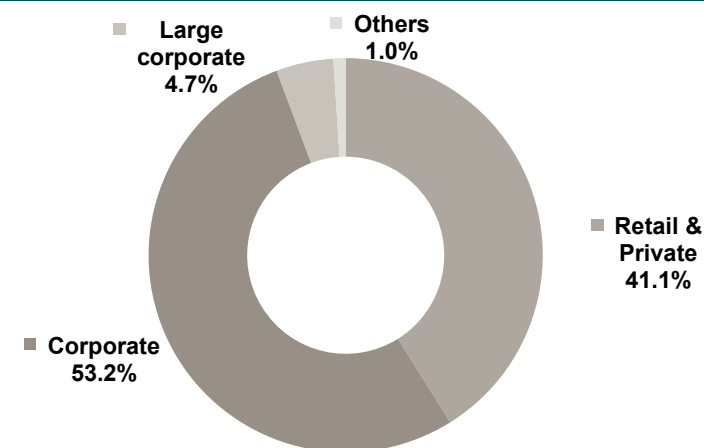


- Net customer loans down by 4.3% y/y still below the one-year ago level as a consequence of the prolonged economic recession in Italy, still weak demand for investments, credit sector de-risking strategy (ie. real estate and construction) and a gradual refocus on higher rating customer exposures
- 1Q15 net loans volume trend substantially flat (-0.1%)
- Gross loans value shows a positive performance (+0.1%) after 8 consecutive declining quarters showing that a turning point in volumes should have been reached
- Retail mortgages new business up by 43.5% y/y confirming an uptrend which started at the beginning of the last year
- Corporate and retail loans account for 94.3% of the total loan book, confirming BPER Group's focus on commercial business

Customer loans breakdown (net figures; €/mn)

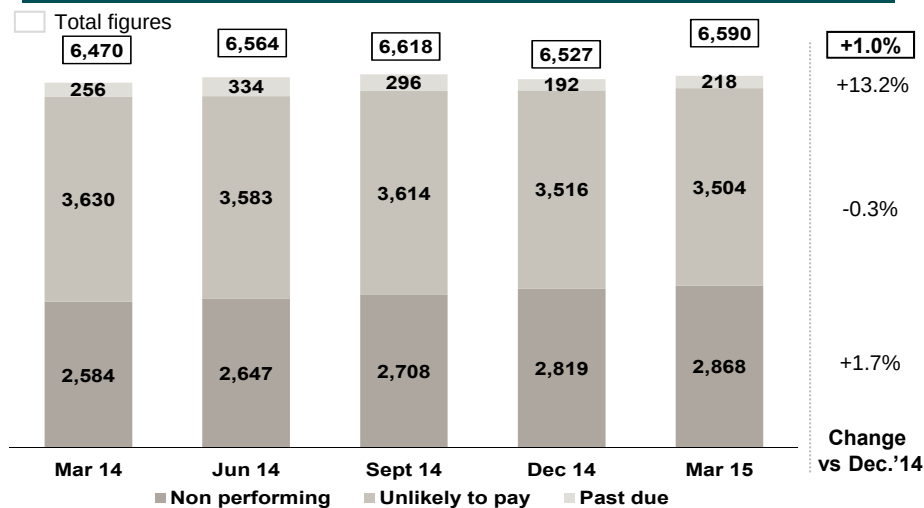
€/mn	Mar 15	Dec 14	Mar 14	Chg vs Dec '14 (%)	Chg y/y (%)
Current accounts	6,456	6,514	7,559	-0.9%	-14.6%
Medium-Long term loans	24,950	24,896	25,434	0.2%	-1.9%
Other transactions	12,459	12,510	12,855	-0.4%	-3.1%
Customer loans	43,865	43,920	45,849	-0.1%	-4.3%

Customer loans breakdown by customer segment (%)



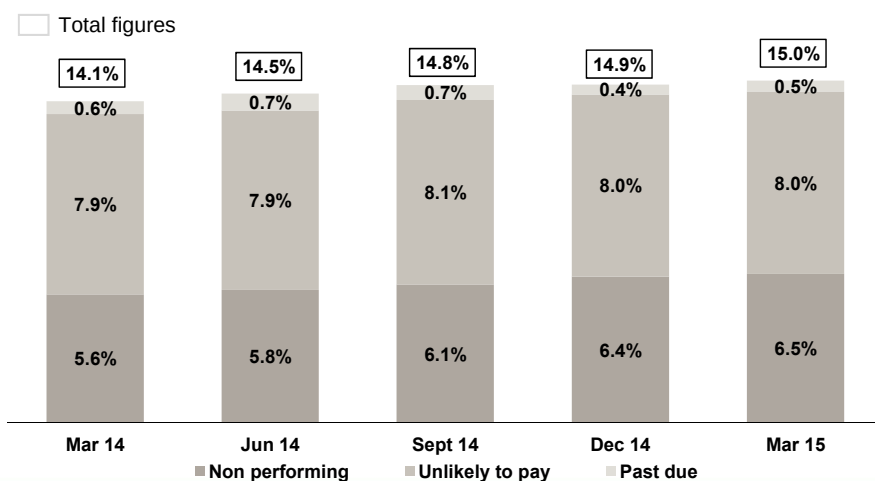
Doubtful loans (1/2)

Doubtful loans breakdown (net figures; €/mn)



- Net doubtful loans only slightly up by 1.0% (63 €/mn) and +1.8% y/y. (119 €/mn) showing signs of stabilization
- New EBA standards and definitions about non-performing exposures (i.e. different accountability of watchlist and restructured loans according to the introduction of the “unlikely to pay” category*)
- In details (net figures):
 - Non performing loans (Sofferenze) up (+11.0% y/y; +1.7% since Dec.'14)
 - Unlikely to pay down (-3.5% y/y; -0.3% since Dec.'14)
 - Past-due down by 15.1% y/y; +13.2% since Dec.'14
- Coverage on doubtful loans at 41.0% (40.7% in Dec.'14), the highest level since 2009. Unlikely to pay coverage up by 92 bps since Dec.'14
- 85.7% of total net doubtful loans are collateralized (76.1% fully collateralized)

Doubtful loans breakdown (% on total net loans)

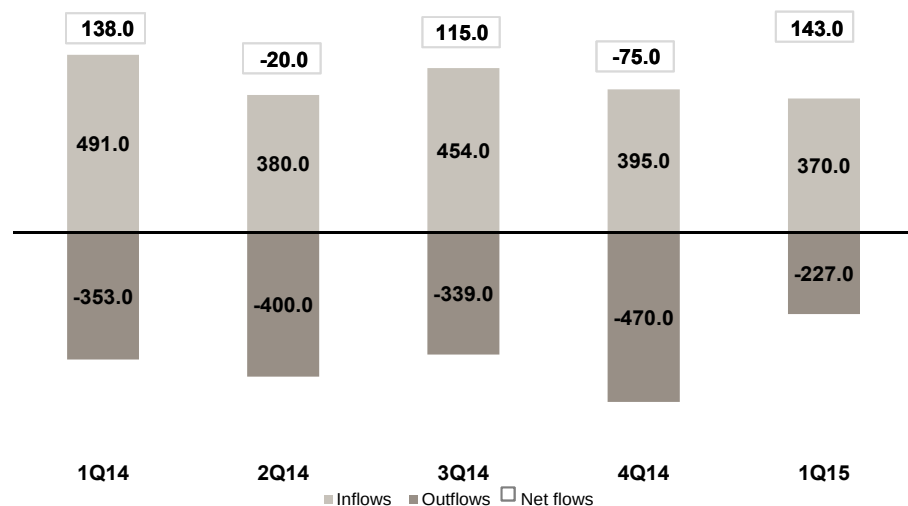


Cash coverage trend (%)

	Mar 15	Dec 14	Mar 14
Non performing	56.5%	56.6%	55.4%
<i>including write-off</i>	63.7%	63.9%	64.3%
Unlikely to pay	19.2%	18.3%	18.5%
Past due	7.6%	8.1%	6.9%
Total doubtful loans	41.0%	40.7%	38.5%
<i>including write-off</i>	47.2%	47.0%	45.9%
In bonis	0.6%	0.6%	0.5%
Total loans	9.8%	9.6%	8.5%

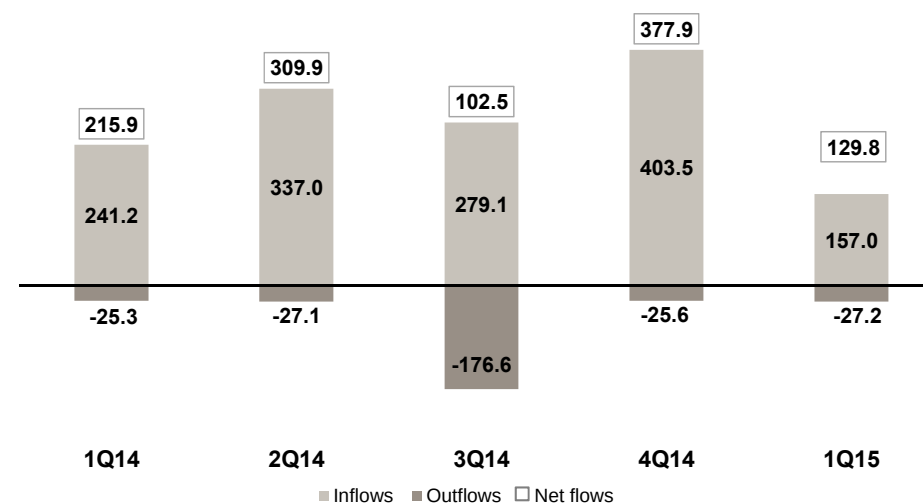
Doubtful loans (2/2)

Unlikely to pay inflows/outflows* (gross figures; €/mn)



*: Figures from data management system and referred to commercial banks within the Group (excl. CR Bra); Data showed in the boxes referred to inflows/outflows and don't take into consideration other increases/decrease

Non performing (Sofferenze) inflows/outflows* (gross figures; €/mn)



- 1Q15 trends.
 - unlikely to pay loans:
 - 1Q15 records the lowest level of inflows in the last 6 quarters
 - Significant reduction of outflows mainly into non performing category
 - non performing loans:
 - inflows in the 1Q15 significantly down, the lowest level in the last 3 years

Note: 3Q14 non-performing loans (Sofferenze) outflows record the disposal of the residential mortgage NPL portfolio "Systema Mutui" already finalized in 2Q14 but accounted on 10 July 2014 with the transfer of the loans and payment of the consideration under a contract signed at the end of Jun. '14 (165.8 €/mn gross value)

Financial Assets

Financial Assets breakdown (€/mn; %)

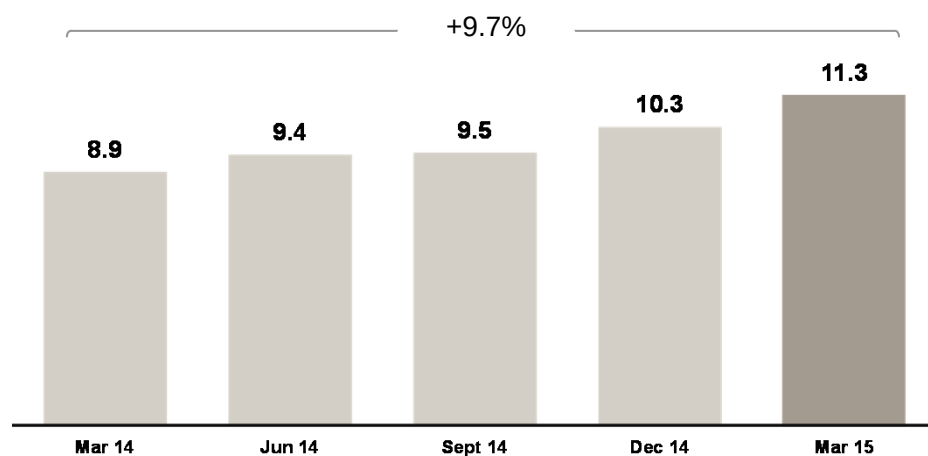
€/mn	HFT	CFV	AFS	HTM	Total	% on total
Bonds	687	38	7,061	2,522	10,308	91.2%
Equity	72		374		447	4.0%
Funds and Sicav	54	71	154		279	2.5%
Other*	266				266	2.3%
Group	1,080	109	7,589	2,522	11,300	100.0%

* Derivatives for hedging purposes

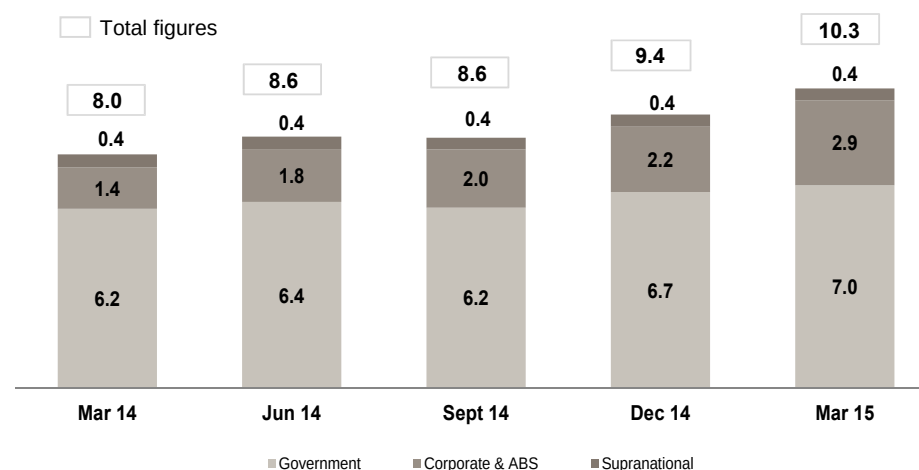
Note: 459.4 €/mn of Loans and Receivables (banks and customers) not included

- Financial assets portfolio at 11.3 €/bn, up by 1 €/bn since Dec.'14
- Bond portfolio at 10.3 €/bn of which 6.7 €/bn of Italian Government bonds (duration 3.9 years stable vs Dec.'14)
 - Italian govies account for 130% of tangible shareholders' equity
- AFS net reserve as of 31 Mar.'15 at +272.6 €/mn of which 147.6 €/mn on govies (respectively +211.3 €/mn and +97.9 €/mn in Dec.'14)
- Implicit positive reserve of 242.7 €/mn on HTM portfolio calculated as difference between the fair value and the book value

Financial Assets (€/bn)



Bond portfolio by issuer (€/bn)



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Profit & Loss

1Q15 Reclassified consolidated Profit & Loss

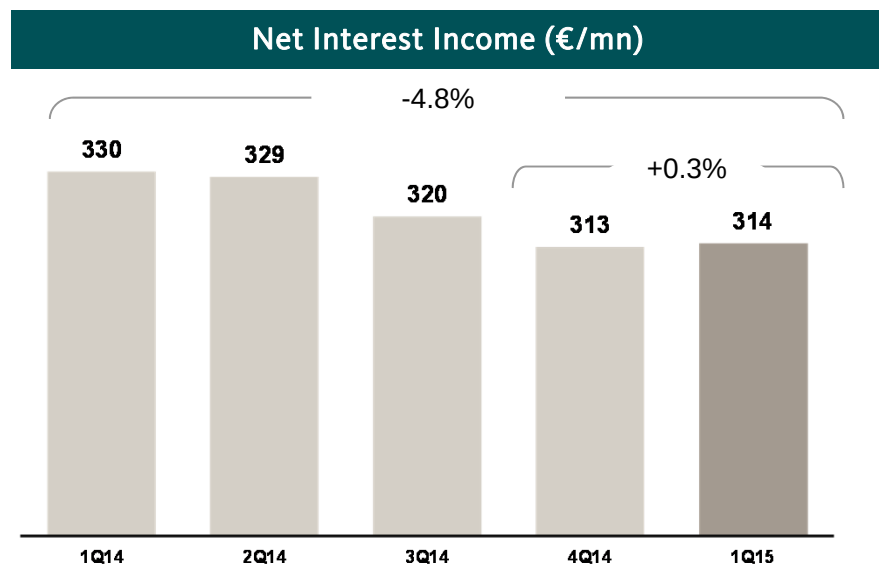
Captions	(€/mn)	Mar 15	Mar 14	Chg y/y (%)	4Q14	3Q14	2Q14	1Q14
10+20	Net interest income	314.1	329.8	-4.8%	313.3	320.0	328.6	329.8
40+50	Net commissions	179.2	171.5	4.5%	176.2	169.0	174.0	171.5
70	Dividends	0.2	0.6	-56.6%	1.1	0.1	17.6	0.6
80+90+100+110	Net trading income	46.1	63.3	-27.2%	37.7	20.3	46.4	63.3
220*	Other revenues/costs	15.4	18.7	-17.3%	12.2	5.9	11.1	18.7
	Operating income	555.0	583.8	-4.9%	540.4	515.3	577.8	583.8
180 a)	Staff expenses	-199.3	-196.8	1.3%	-208.8	-180.0	-201.1	-196.8
180 b)*	Administrative expenses	-93.6	-96.3	-2.8%	-106.8	-97.9	-103.3	-96.3
200+210	Depreciations & Amortizations	-17.3	-16.4	5.9%	-20.4	-17.0	-16.6	-16.4
	Operating costs	-310.3	-309.5	0.3%	-336.0	-295.0	-321.0	-309.5
	Net operating income	244.8	274.3	-10.8%	204.5	220.4	256.8	274.3
130 a)	Loan loss provisions	-147.5	-211.8	-30.4%	-232.6	-163.3	-205.0	-211.8
130 b)+c)+d)	Other provisions	-2.5	-2.9	-14.6%	-35.0	-3.8	-3.8	-2.9
	Total provisions	-150.0	-214.7	-30.2%	-267.6	-167.1	-208.8	-214.7
190	Net Provisions for Risks & Charges	-14.1	-6.7	111.7%	-11.1	-8.0	-13.0	-6.7
240+260+270	Net other income	-1.8	-1.0	82.4%	0.7	2.3	-2.8	-1.0
	Profit (loss) before taxes	78.9	52.0	51.9%	-73.6	47.5	32.3	52.0
290	Taxes	-27.2	-20.8	31.2%	27.6	-14.3	-20.9	-20.8
310	Net profit of assets under disp.	0.0	0.0	n.m.	0.0	0.0	0.0	0.0
320	Net profit (loss)	51.7	31.2	65.6%	-46.0	33.3	11.3	31.2
330	Minority Interests	-6.5	-2.9	120.7%	-0.3	-8.1	-3.7	-2.9
340	Profit (loss) for the period pertaining to the Parent Company	45.2	28.3	59.9%	-46.3	25.2	7.6	28.3
cost / income		55.9%	53.0%		62.2%	57.2%	55.6%	53.0%
cost / (net interest income + net commissions)		62.9%	61.7%		68.6%	60.3%	63.9%	61.7%
cost of credit		34	46		53	37	45	46
cost of credit on annual basis (bps)		135	185*					
net profit / total income		9.3%	5.3%		-8.5%	6.5%	2.0%	5.3%
tax rate		34.5%	39.9%		37.4%	30.0%	64.9%	39.9%

n.m.: Not meaningful; (*) Caption exposed net of "Recovery of taxes" reallocated, for better representation, at caption 180 a) "Other administrative costs", where relative tax costs are accounted

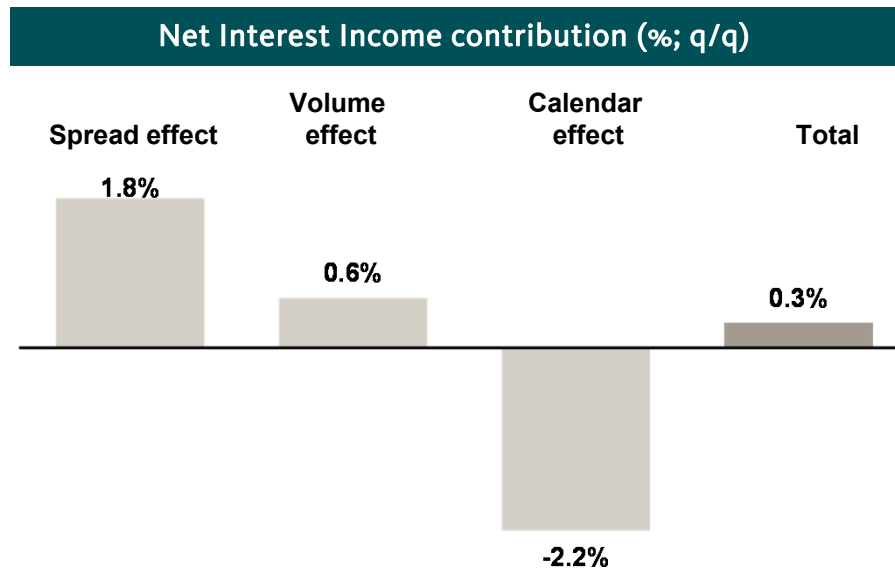
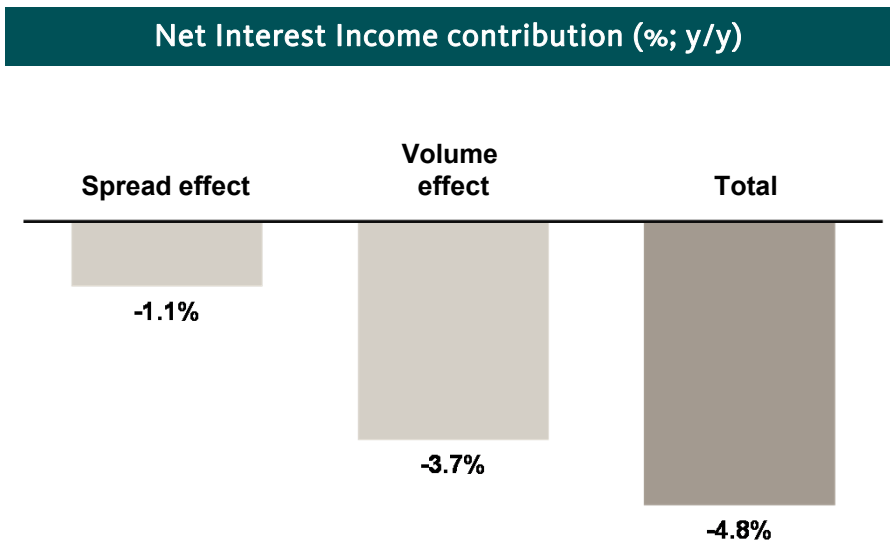
(*) Estimated annualized cost of credit based on March '14 figures; 2014 final year cost of credit was 185 bps

Note: figures in this page may not add exactly due to rounding differences

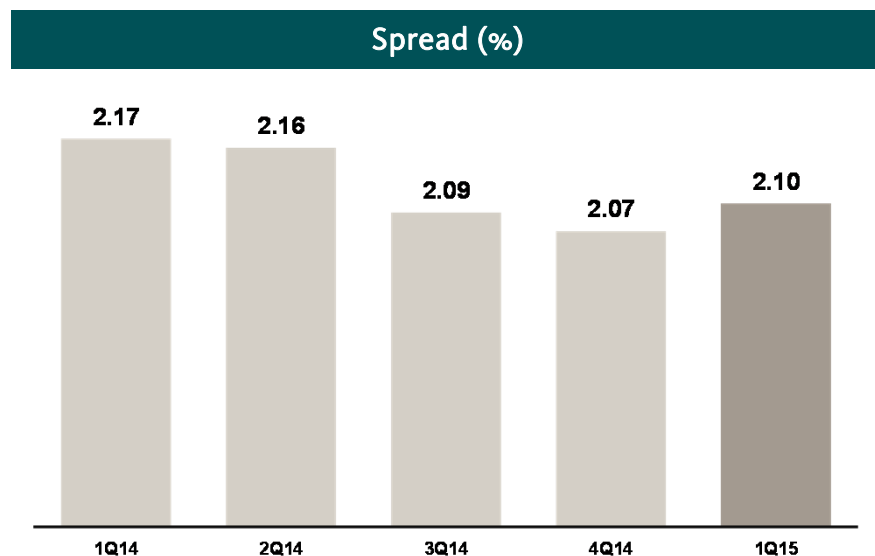
Net Interest Income



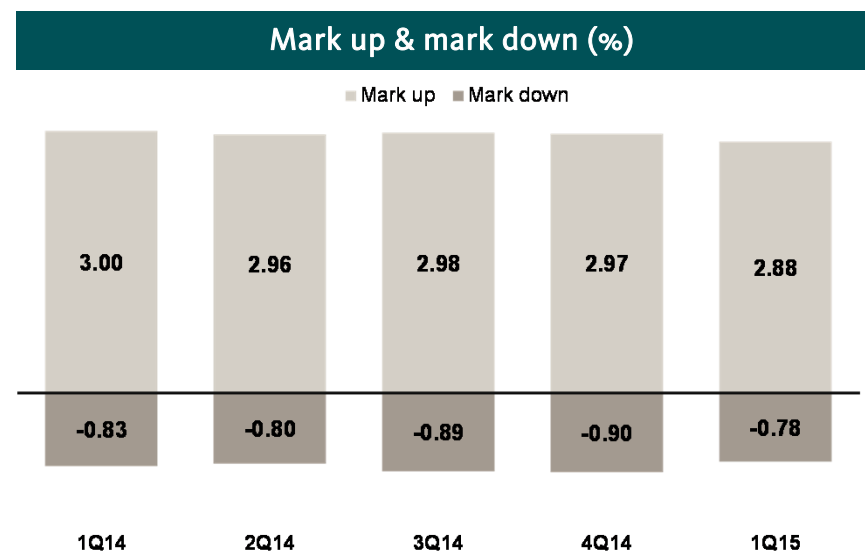
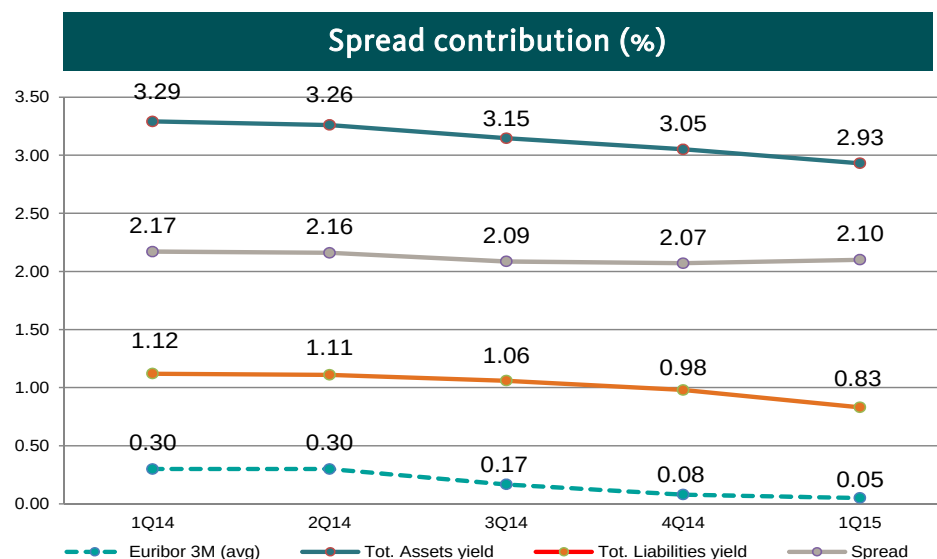
- Net Interest Income down by 4.8% y/y mainly due to the different economic and market environment and interest rates level
- NII up by 0.3% q/q despite the “calendar effect” (2 days less than the last quarter of 2014) mainly influenced by:
 - Lower financial asset yield offset by an increase in volume (contribution to NII stable vs the last quarter)
 - increasing pressure on loans competition: loans spread reduction offset by a significant reduction of cost of funding
 - benefits from repricing actions on cost of funding mainly on sight deposits (effective by 1 Jan.'15)
 - partial substitution of retail funding with wholesales one benefiting by positive market conditions



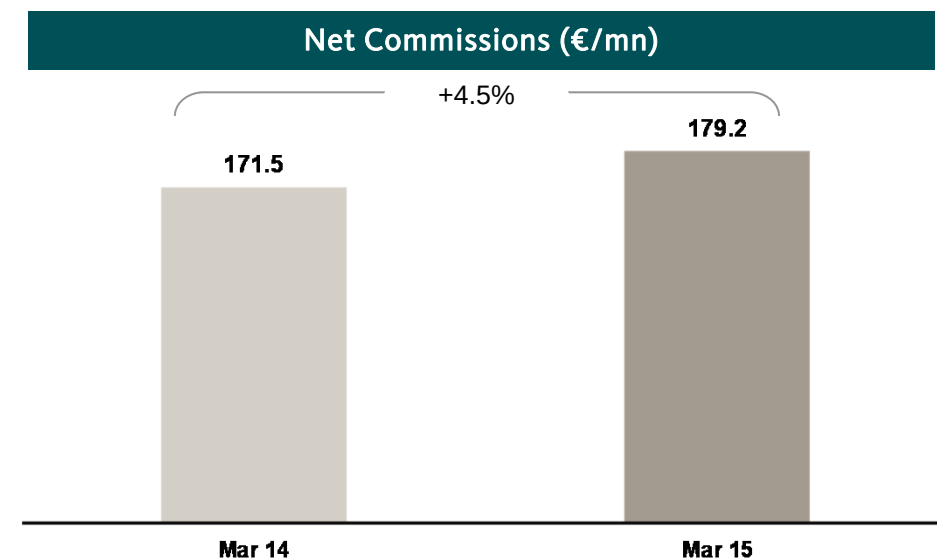
Spread evolution



- Spread slightly up (2.10% in the 1Q15 from 2.07% in 4Q14)
- Asset yield reduction driven by commercial and financial yield decline more than offset by the decrease of cost of funding
- Mark-down improving by 12 bps and mark-up slight decline by 5 bps
- 1Q15 average 3M Euribor down to 5 bps from 8 bps in 4Q14 and 29 bps in 1Q14



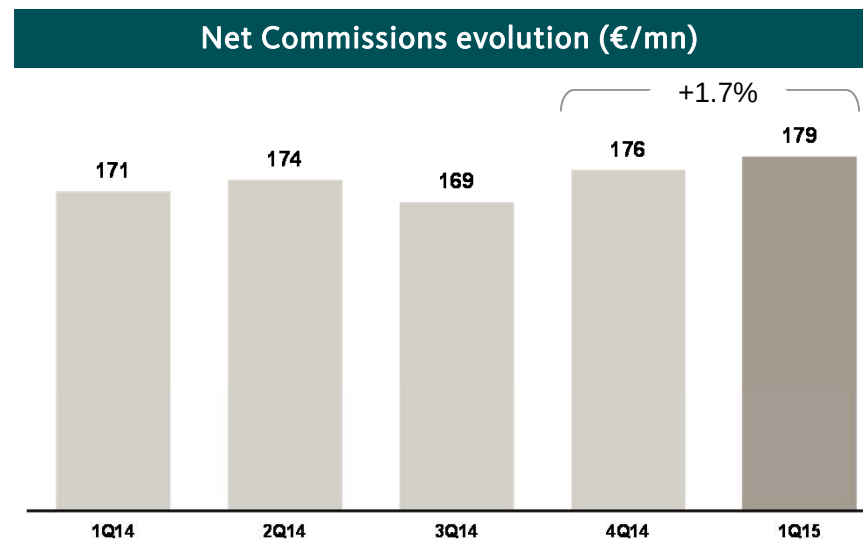
Net Commissions



- Net commissions up 4.5% y/y and +1.7% q/q mainly driven by good performance in AuM and Bancassurance placement:
 - indirect deposits and bancassurance +33.2% y/y (+21.2% q/q)
 - credit cards, collections/payments down by 6.1% y/y (-9.3% q/q)
 - loans and guarantee -4.3% y/y affected by weak credit demand, but broadly stable vs 4Q14 (-0.3%) showing encouraging signs of stabilization

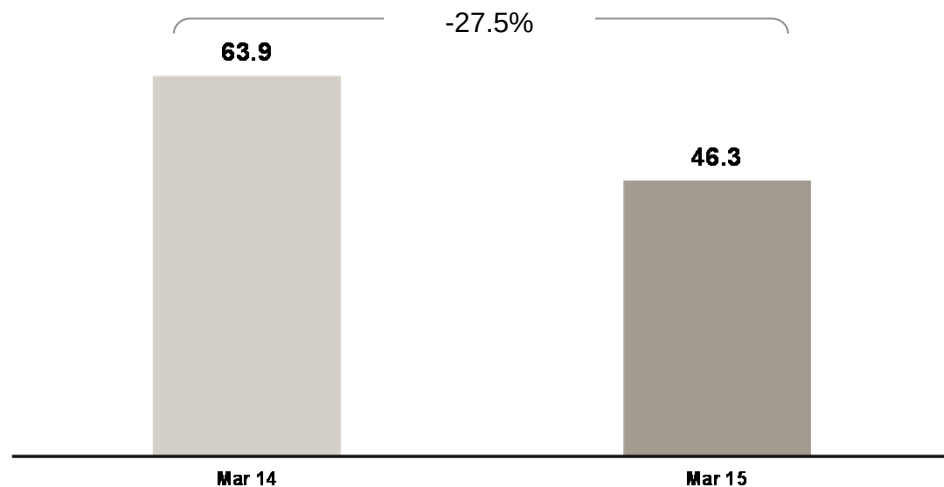
Net Commissions breakdown (€/mn; %)

	Mar 15	Mar 14	Chg y/y (%)
Indirect deposits and bancassurance	46.5	34.9	33.2%
Credit cards, collections and payments	35.7	38.0	-6.1%
Loans and guarantees	86.4	90.2	-4.3%
Other commissions	10.6	8.3	28.1%
Total	179.2	171.5	4.5%



Dividends and Trading income

Dividends and Trading income (€/mn)

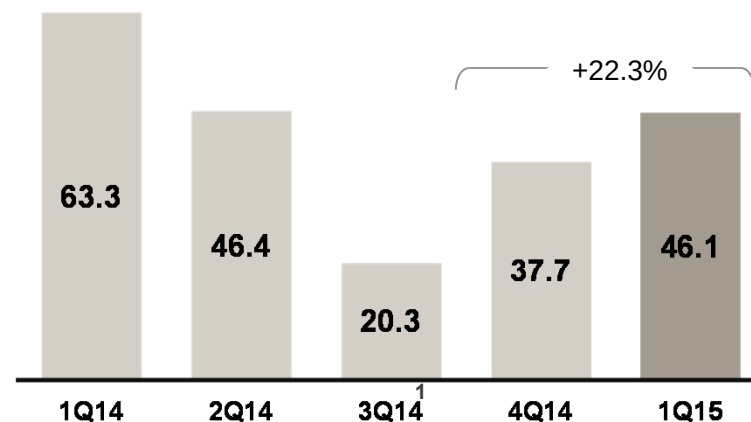


- Dividends and trading income down at 46.3 €/mn vs 63.9 €/mn in Mar.'14 but up by 19.5% q/q:
 - Trading income (realized gains) of 30.7 €/mn in 1Q15 only partially due to the AFS financial assets disposal on Government bonds
 - Fair Value Option on financial liabilities: -6.5 €/mn in Mar.'15. FVO effects almost completely absorbed and no more impacts expected from next quarter onwards

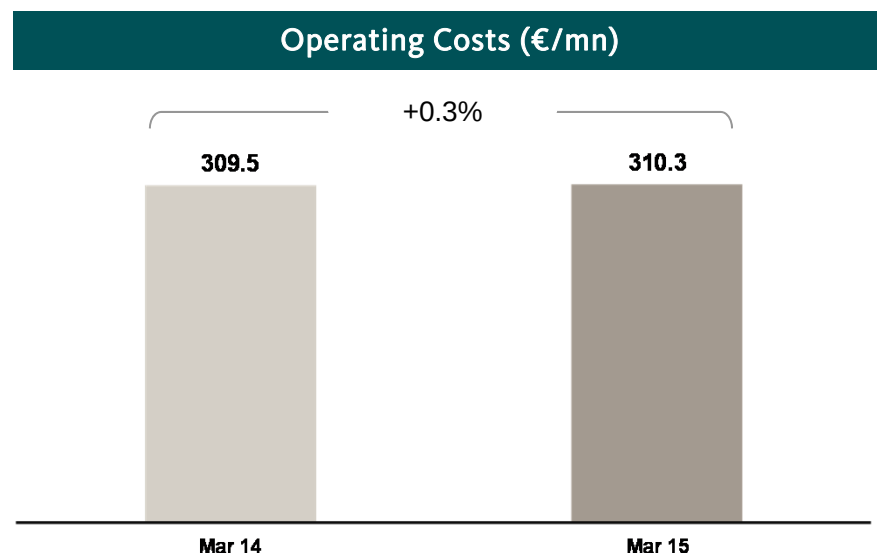
Dividends and Trading income breakdown (€/mn; %)

	Mar 15	Mar 14	Chg y/y (%)
Dividends	0.2	0.6	-56.6%
Trading (net)	30.7	71.3	-57.0%
Plus	30.9	16.0	93.4%
Minus	-1.4	-3.0	-53.3%
FVO	-6.5	-12.7	-48.4%
Others	-7.6	-8.3	-8.5%
Total	46.3	63.9	-27.5%

Trading gains excluding dividends (€/mn)



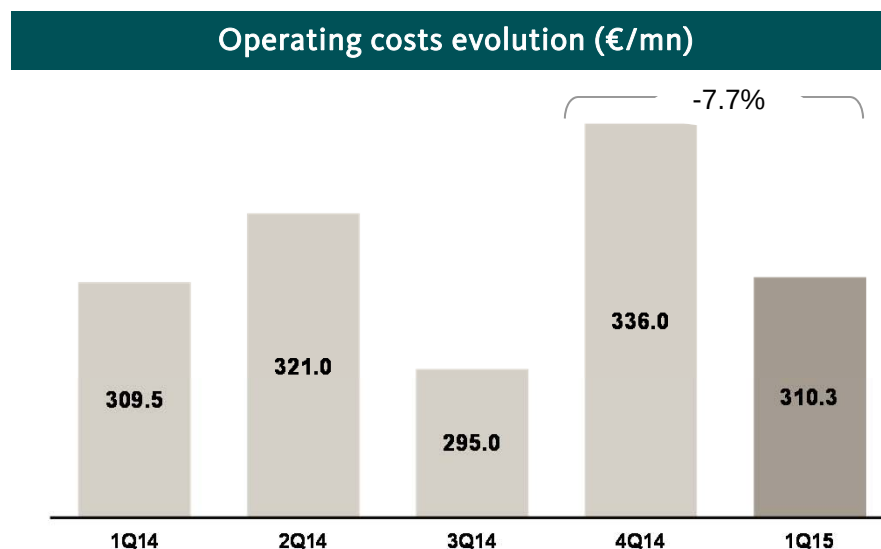
Operating costs



- Operating costs broadly stable (+0.3% y/y) but down by 7.7% q/q (4Q14 included some one-off items):
- Staff costs +1.3% y/y (-4.5% q/q; 4Q14 included a redundancy plan one-off cost of c. 9 €/mn). Previous National Labour contract inertial increase offsets savings from headcount reduction
- Administrative expenses down by 2.8% y/y mainly affected by seasonality; -12.3% q/q influenced by extra one off costs recorded in 4Q14 mainly related to AQR activities, infra-group mergers, rights issue
- D&A up 5.9% y/y mainly due to investments expenses in 2014 in execution of the old Business plan

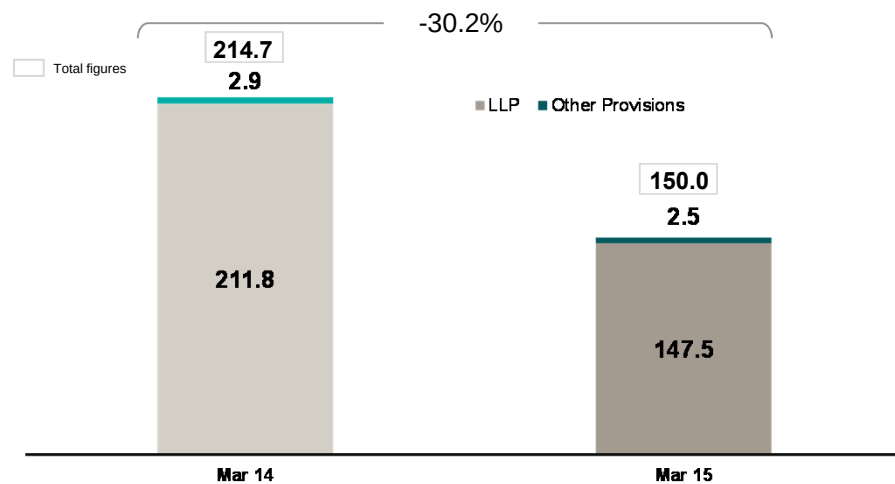
Operating costs breakdown (€/mn; %)

	Mar 15	Mar 14	Chg y/y (%)
Staff expenses	199.3	196.8	1.3%
Administrative expenses	93.6	96.3	-2.8%
D&A	17.4	16.4	5.9%
Operating costs	310.3	309.5	0.3%



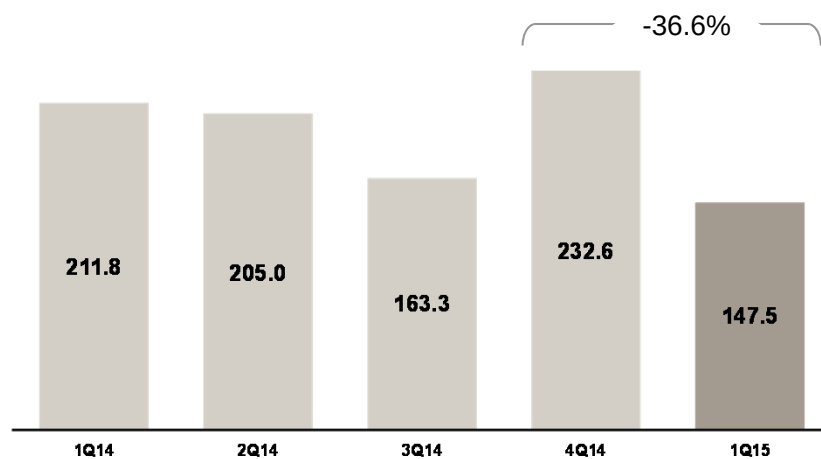
Provisions

Provisions breakdown (€/mn)

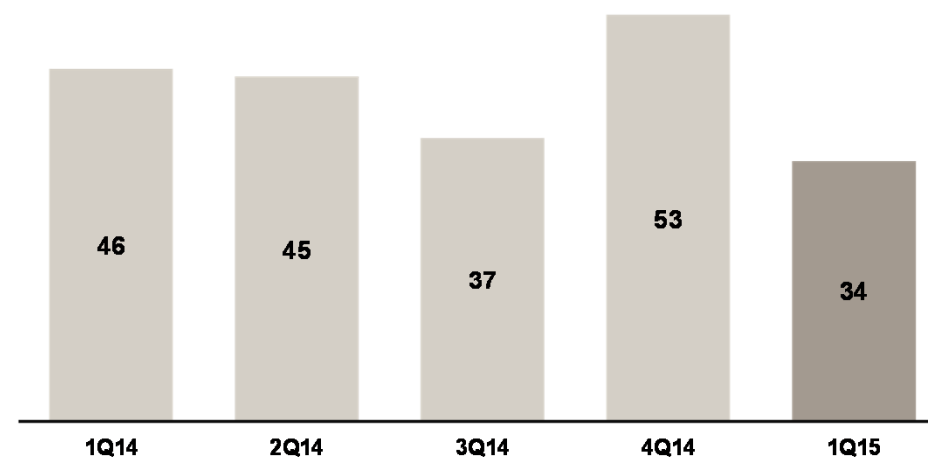


- Total provisions significantly down by 30.2% y/y (-64.7 €/mn y/y) and down by 44.0% q/q (-117.7 €/mn)
 - Loan Loss Provisions down by 30.4% y/y, the lowest level in the last 10 quarters (3Q12:128.6 €/mn)
 - Other provisions (-14.6% y/y) including an impairment of a financial assets available for sale for a total value of 6.0 €/mn relating to a single shareholding
- Cost of credit at 34 bps in 1Q15 (135 bps annualized) remarkably down with the previous quarters

Loan Loss Provisions evolution (€/mn)



Cost of credit evolution (bps)



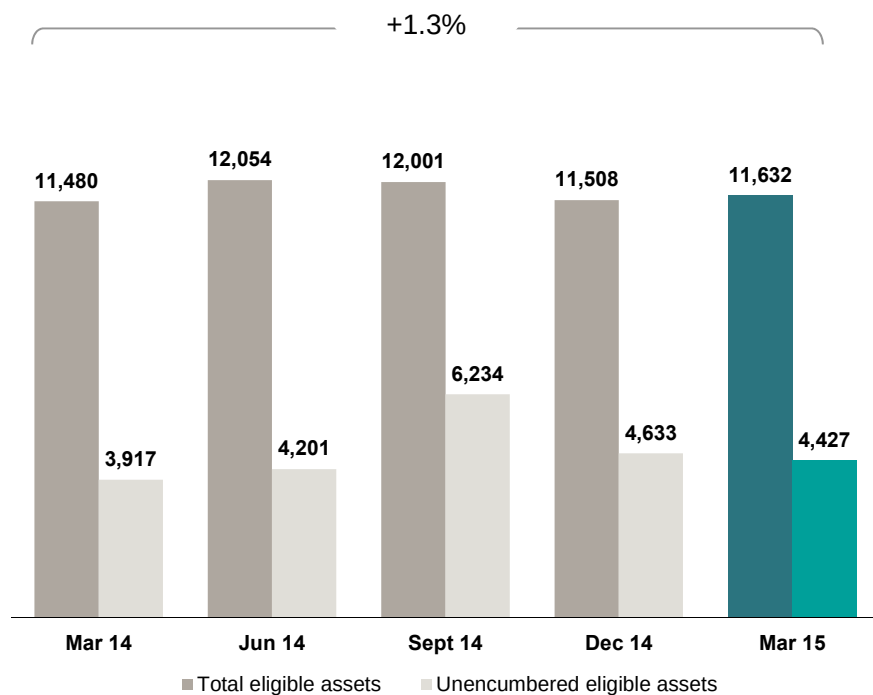
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- ☒ Liquidity and Capital adequacy
- ☐ Annexes

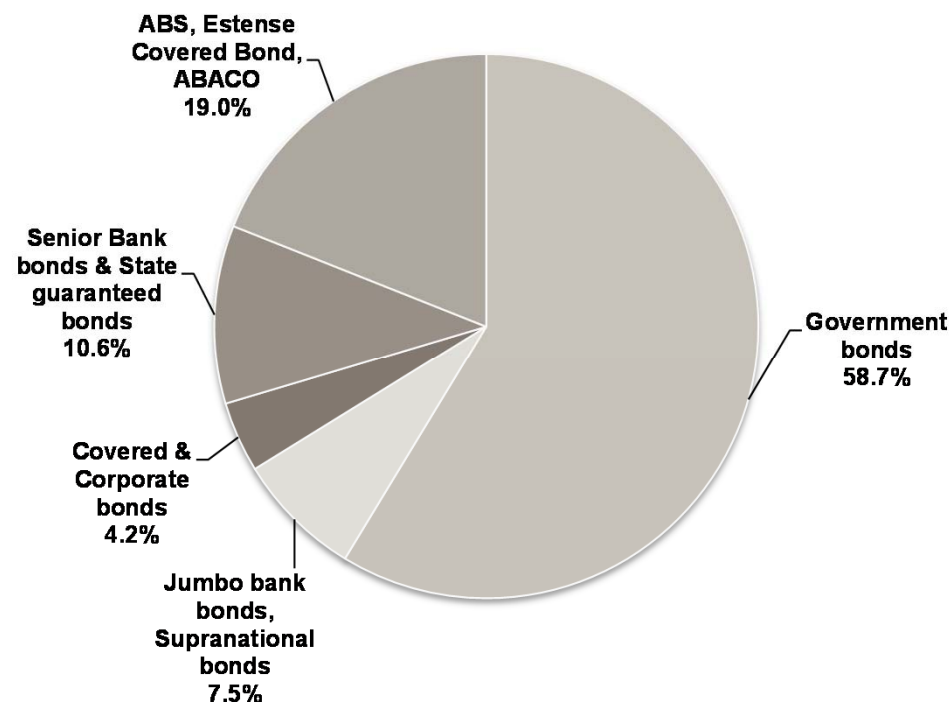
Eligible assets and counterbalancing capacity

Total eligible Assets evolution* (€/mn)



*: Net of ECB haircuts

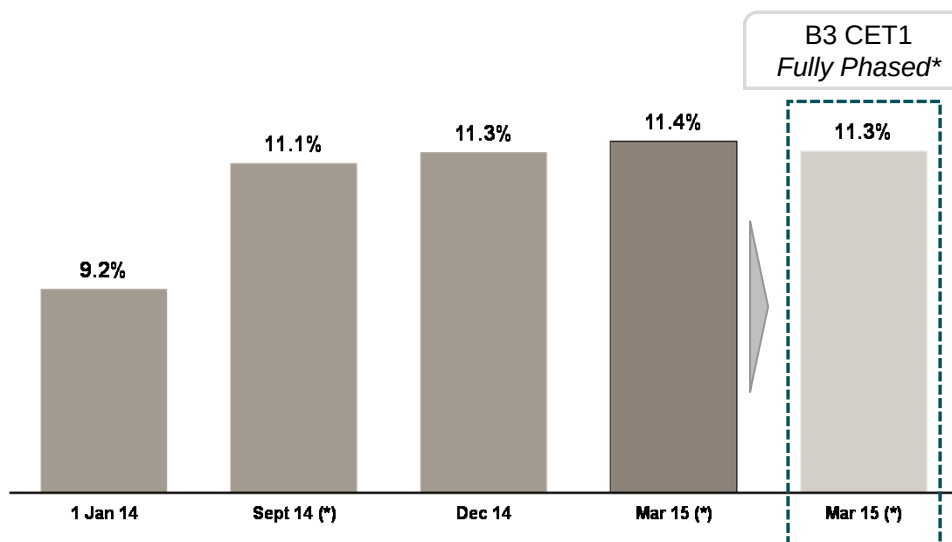
Eligible Assets Pool Composition (%)



- Counterbalancing capacity (CBC) as of Mar.'15 at 11.6 €/bn of which 4.4 €/bn unencumbered
 - In Dec.'14, CBC was at 11.5 €/bn of which 4.6 €/bn unencumbered
- ECB TLTRO programme ("Targeted Long Term Refinancing Operations"): 2 €/bn allotment in Sept.'14 auction
- ECB exposure as of Mar.'15: 3.3 €/bn of which 1.3 €/bn attributable to short-term Repos and 2 €/bn to 4Y TLTRO

Basel 3 *Phased in* regulatory capital (pre-AIRB validation)

B3 Common Equity Tier 1 Phased in Ratio (%)



- Capital ratios further improvement vs Dec.'14 excluding potential benefits from internal models ("AIRB") validation:
 - CET1 ratio pro-forma *Phased in* at 11.43% (11.26% in Dec.'14): +17 bps
 - CET1 ratio pro-forma *Fully Phased** at 11.28% (10.91% in Dec.'14): + 35 bps mainly due to the application of the B3 transitional regime and the increase of the AFS reserve
- RWA slight decline by 1,1% (-0,5 €/bn since Dec.'14) due to volumes trend and coverage improvement (credit risk capital requirements reduction of 45 €/mn)

Capital & ratios

€/mn	B3 Phased in		
	Mar 15 (*)	Dec 14	Sept 14 (*)
Common Equity TIER 1	4,599	4,581	4,676
TIER 1	4,616	4,592	4,697
Own Funds	4,934	4,982	5,495
Total RWA	40,237	40,692	42,148
Common Equity TIER 1 Ratio	11.4%	11.3%	11.1%
TIER 1 Ratio	11.5%	11.3%	11.1%
Own Funds Ratio	12.3%	12.2%	13.0%

Capital requirements

Requirements as of Mar 15	€/mn	%
Credit risk	2,843	88.3%
Credit Valuation Adjustment (CVA)	26	0.8%
Market risk	55	1.7%
Other regulatory requirements	7	0.2%
Operating risks	288	9.0%
Total	3,219	100.0%

Agenda

1Q15 Results

- ☐ Executive summary
- ☐ Balance sheet structure
- ☐ Profit and loss
- ☐ Liquidity and Capital adequacy

☒ **Annexes**

Assets & Liabilities: reclassified balance sheet

Assets*

€/mn	Mar 15	Dec 14	Sept 14	Jun 14	Mar 14	Chg vs Dec '14 (%)
Customer Loans	43,865	43,920	44,581	45,417	45,849	-0.1%
Securities Portfolio	11,300	10,302	9,510	9,439	8,874	9.7%
<i>of which AFS</i>	7,589	6,945	6,845	6,920	6,400	9.3%
Equity Investments, Properties & Intangibles	1,770	1,785	1,764	1,764	1,756	-0.8%
Other current assets	2,324	2,937	2,599	2,699	2,370	-20.9%
Total Assets	59,259	58,944	58,454	59,319	58,849	0.5%

* Total Assets shown as net of loans to banks

Liabilities & Shareholders' equity*

€/mn	Mar 15	Dec 14	Sept 14	Jun 14	Mar 14	Chg vs Dec '14 (%)
Customer Deposits	45,295	46,183	46,276	45,712	46,241	-1.9%
Net Interbank Position	5,504	4,770	3,412	5,705	4,897	15.4%
Other Funds & Liabilities	2,848	2,481	3,215	3,125	2,928	14.8%
Shareholders' equity	5,612	5,510	5,551	4,777	4,783	1.9%
Total Liabilities	59,259	58,944	58,454	59,319	58,849	0.5%

*Total Liabilities inclusive of "Net Interbank Position" (Due to banks - Loans to banks)

Customer loans: portfolio composition

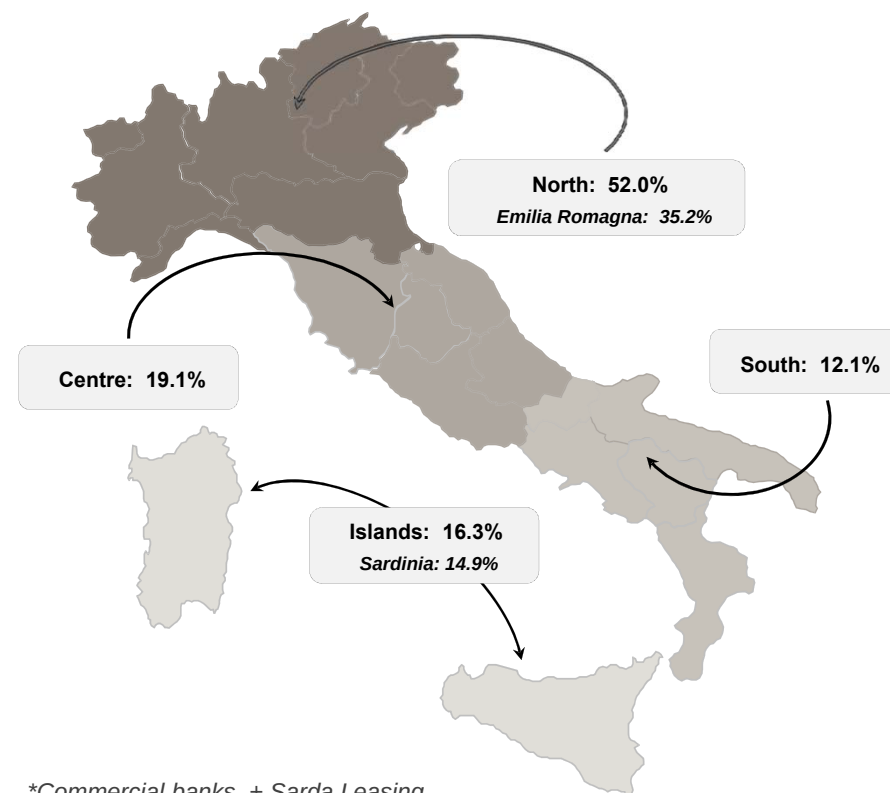
Customer loans breakdown by sectors (%)

Business sector	Mar 15	% on Total	Δ % vs Dec 14
Agriculture, forestry and fishing	1,230	2.8%	-0.7%
Manufacturing	7,021	16.0%	1.2%
Constructions	4,814	11.0%	-1.1%
Wholesale and retail services, recoveries and repairs	4,985	11.4%	1.7%
HORECA*	1,676	3.8%	2.0%
Real Estate	3,259	7.4%	-4.3%
Other	5,206	11.9%	0.8%
Total loans to resident non-financial businesses	28,191	64.3%	0.1%
Non-resident, non-financial companies	134	0.3%	4.4%
Total loans to non-financial businesses	28,325	64.6%	0.1%
Households	10,396	23.7%	-1.3%
Total loans to financial businesses	5,144	11.7%	0.8%
Total Customers Loans	43,865	100.0%	-0.1%

Figures as per ATECO business sector definitions (ISTAT)

*: Hotel, Restaurant & Caf  (HORECA)

Customer loans breakdown by geographical distribution* (%)



*Commercial banks + Sarda Leasing

- Well diversified loan portfolio
- Construction sector further downsizing (-1.1 since Dec 14; -12.1% y/y) following a de-risking strategy

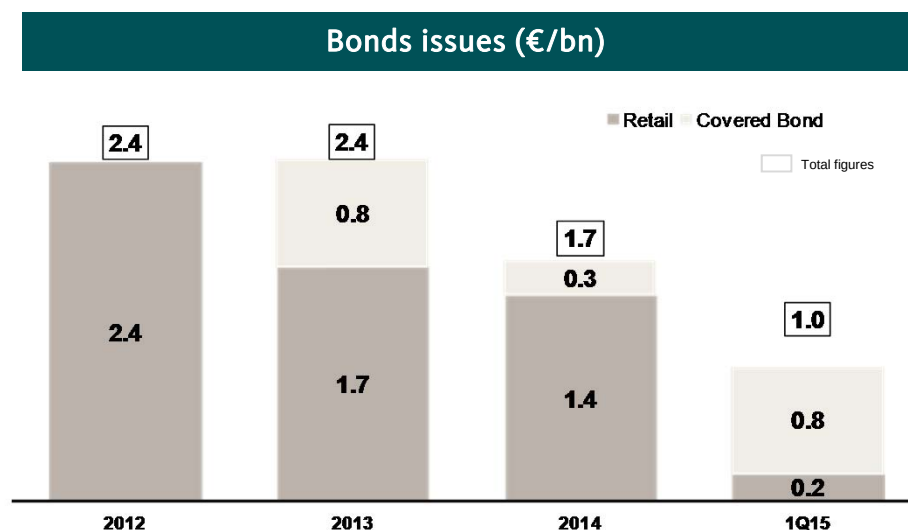
Asset quality breakdown

Gross exposure (€/mn)	Mar 15		Dec 14		Mar 14		Chg 31/3 - 31/12 (A-B)		Chg 31/3 - 31/3 (A-C)	
	A	%	B	%	C	%	Abs.	Chg (%)	Abs.	Chg (%)
Doubtful loans	11,165	23.0%	10,998	22.6%	10,520	21.0%	166	1.5%	645	6.1%
Non-performing loans	6,593	13.6%	6,487	13.3%	5,793	11.6%	105	1.6%	800	13.8%
Unlikely to pay loans	4,336	8.9%	4,302	8.9%	4,452	8.9%	34	0.8%	-116	-2.6%
Past due loans	236	0.5%	209	0.4%	275	0.5%	26	12.6%	-40	-14.4%
Gross performing loans	37,481	77.0%	37,604	77.4%	39,590	79.0%	-122	-0.3%	-2,109	-5.3%
Total gross exposure	48,646	100.0%	48,602	100.0%	50,110	100.0%	44	0.1%	-1,464	-2.9%

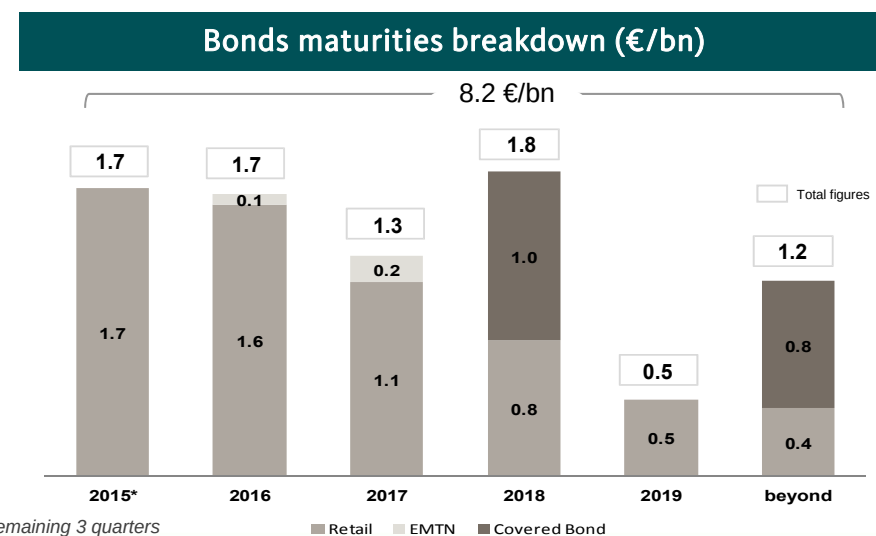
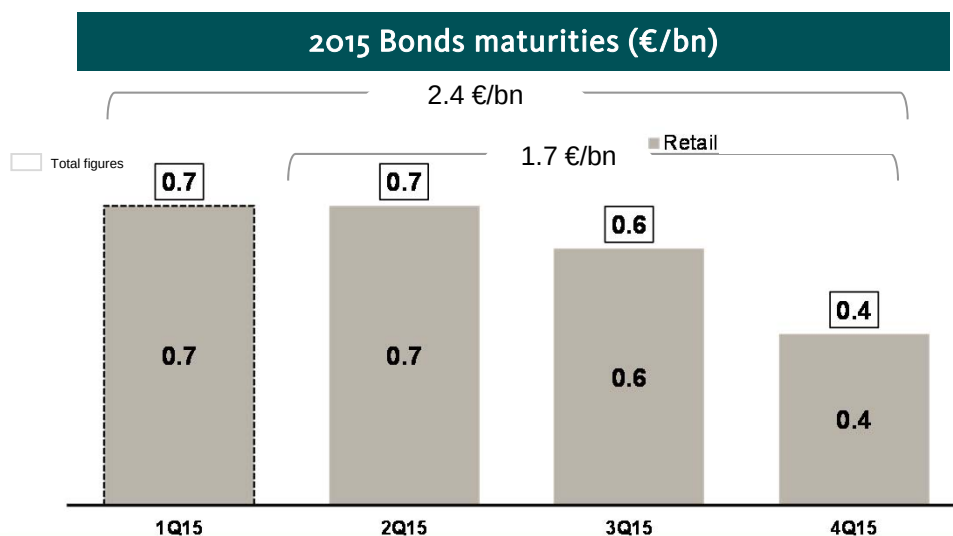
Adjustments to loans (€/mn)	Mar 15		Dec 14		Mar 14		Chg 31/3 - 31/12 (A-B)		Chg 31/3 - 31/3 (A-C)	
	A	coverage (%)	B	coverage (%)	C	coverage (%)	Abs.	Chg (%)	Abs.	Chg (%)
Adjustments to doubtful loans	4,575	41.0%	4,472	40.7%	4,049	38.5%	103	2.3%	526	13.0%
Non-performing loans	3,725	56.5%	3,668	56.5%	3,208	55.4%	56	1.5%	516	16.1%
Unlikely to pay loans	832	19.2%	786	18.3%	822	18.5%	46	5.8%	10	1.2%
Past due loans	18	7.6%	17	8.1%	19	6.9%	1	6.2%	-1	-4.9%
Adjustments to performing loans	206	0.5%	211	0.6%	211	0.5%	-5	-2.4%	-5	-2.6%
Total adjustments	4,781	9.8%	4,682	9.6%	4,261	8.5%	98	2.1%	520	12.2%

Net exposure (€/mn)	Mar 15		Dec 14		Mar 14		Chg 31/3 - 31/12 (A-B)		Chg 31/3 - 31/3 (A-C)	
	A	%	B	%	C	%	Abs.	Chg (%)	Abs.	Chg (%)
Doubtful loans	6,590	15.0%	6,527	14.9%	6,470	14.1%	63	1.0%	119	1.8%
Non-performing loans	2,868	6.5%	2,819	6.4%	2,584	5.6%	49	1.7%	284	11.0%
Unlikely to pay loans	3,504	8.0%	3,515	8.0%	3,630	7.9%	-12	-0.3%	-126	-3.5%
Past due loans	218	0.5%	192	0.4%	256	0.6%	25	13.2%	-39	-15.1%
Net performing loans	37,276	85.0%	37,393	85.1%	39,379	85.9%	-117	-0.3%	-2,104	-5.3%
Total net exposure	43,865	100.0%	43,920	100.0%	45,849	100.0%	-55	-0.1%	-1,984	-4.3%

Bonds maturities and issues details



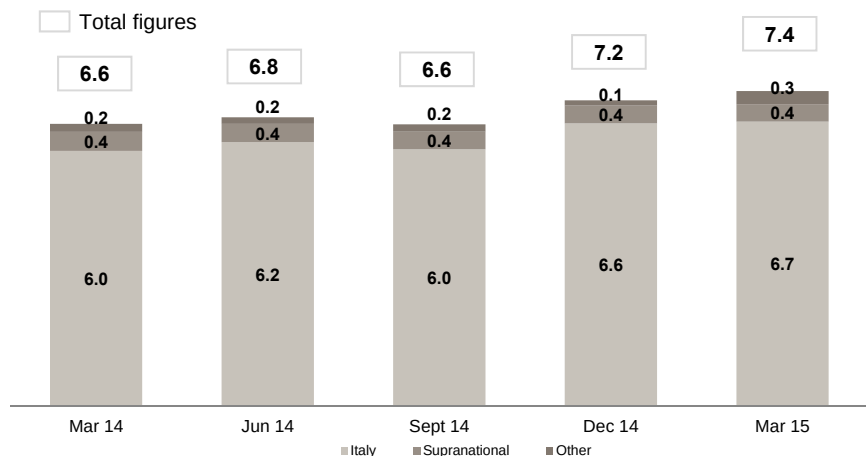
- Bonds stock decline by 12.7% y/y but broadly stable q/q (+0.4%). Substitution of retail bonds in favour of cheaper wholesales ones (Covered bond)
- Covered bond new issue of 750 €/mn in Jan.'15 expiring in 2022
- Total wholesale bond (issues under the EMTN Programme and covered bonds) account only around 2 €/bn. No wholesale bond maturities in 2015 and only 0.3 €/bn in 2016-17 providing flexibility to the Group's funding strategy



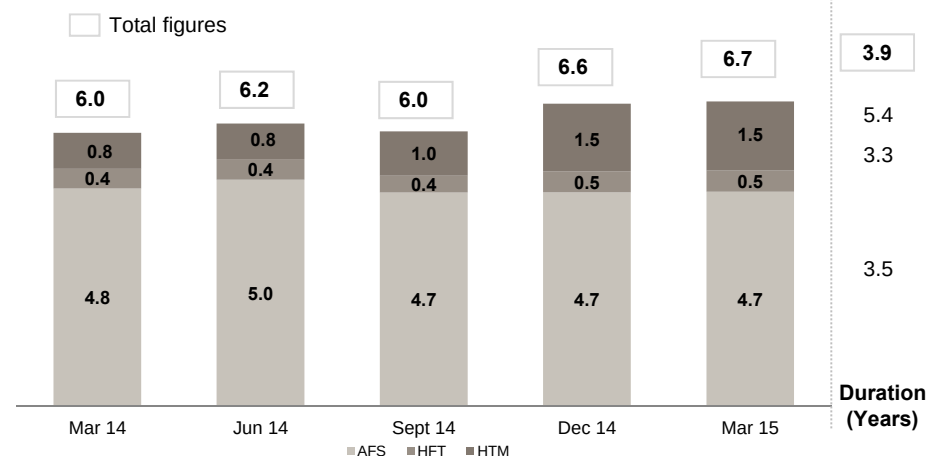
* Remaining 3 quarters

Financial Assets details

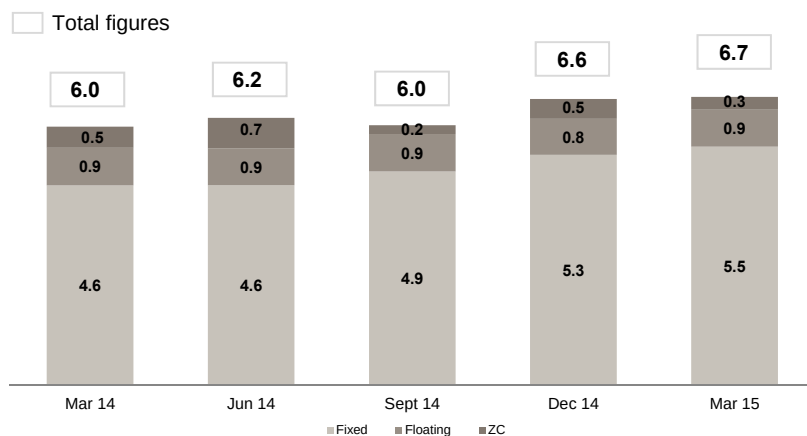
Govies & Supranational PTF by issuing country (€/bn)



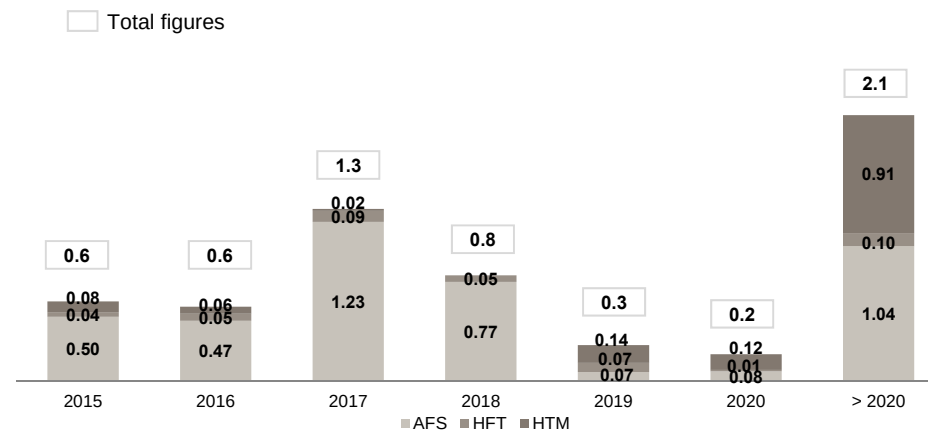
Italian Govies PTF by accounting valuation (€/bn)



Italian Govies PTF by coupon (€/bn)



Italian Govies PTF Maturities* (€/bn)



Performance ratios

Structural ratios (%)	31.03.2015	2014(*)
net loans to customers/total assets	72.38%	72.41%
net loans and advances to customers/direct deposits from customers	96.84%	95.10%
financial assets/total assets	18.65%	16.99%
fixed assets/total assets	2.11%	2.12%
goodwill/total assets	0.63%	0.63%
direct deposits/total assets	86.04%	86.83%
deposits under management/indirect deposits	47.51%	46.12%
financial assets/tangible equity	2.21	2.06
Total tangible assets/tangible equity	11.74	12.00
net interbank lending/borrowing (in thousands of Euro)	(5,503,915)	(4,770,260)
number of employees	11,552	11,593
number of national bank branches	1,273	1,273
Profitability ratios (%)	31.03.2015	2014(*)
ROE	3.75%	0.33%
ROTE	4.17%	0.37%
ROA (net profit/total assets)	0.09%	0.05%
Cost/income ratio	55.90%	53.01%
Net adjustments to loans /net loans to customers	0.34%	0.46%
Basic EPS	0.094	0.084
Diluted EPS	0.094	0.084
Risk ratios (%)	31.03.2015	2014(*)
net doubtful loans/net loans to customers	15.02%	14.86%
net non-performing loans/net loans to customers	6.54%	6.42%
net unlikely to pay loans/net loans to customers	7.99%	8.00%
net past due loans/net loans to customers	0.50%	0.44%
adjustments to doubtful loans/gross doubtful loans	40.98%	40.66%
adjustments to non-performing loans/gross non-performing loans	56.50%	56.55%
adjustments to unlikely to pay loans/gross unlikely to pay loans	19.19%	18.28%
adjustments to past due loans/gross past due loans	7.61%	8.07%
adjustments to performing loans/gross performing loans	0.55%	0.56%

Capital and liquidity ratios	31.03.2015	2014(*)
Common Equity ratio (CET1 ratio) - Phased in	11.43%	11.26%
Tier 1 ratio (T1 ratio) - Phased in	11.47%	11.29%
Total Capital ratio (TC ratio) - Phased in	12.26%	12.24%
Common Equity ratio (CET1 ratio) - Fully Phased	11.28%	10.91%
Leverage ratio - Phased in	7.2%	7.2%
Leverage ratio - Fully Phased	7.1%	6.9%
Liquidity coverage ratio (LCR)	117%	125%
Net stable funding ratio (NSFR)	n.d.	115%
Non financial ratios		
Productivity ratios (in thousands of Euro)	31.03.2015	2014(*)
direct deposits per employee	3,920.96	3,983.71
loans and advances to customers per employee	3,797.19	3,788.47
assets managed per employee	1,239.15	1,121.71
assets administered per employee	1,369.07	1,310.60
core revenues per employee	42.70	43.06
net interest and other banking income per employee	46.71	48.55
operating costs per employee	26.74	25.55

(*) The comparative figures for the income statement are as at 31 March 2014, 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 57.25% (52.64% at March 31, 2014).

(4) Capital and liquidity ratios at 31 March 2015 have been calculated on a pro-forma basis, taking into account the share of profits attributable to equity earned during the first quarter of 2015 and the net effects accrued during the same period from application of the fair value option (a total of € 40.5 million). On the other hand, they do not take into account the benefits of internal models (pre-validation of the AIRB models with the ECB and the Bank of Italy officially begun at the end of January 2015).

(5) Common Equity Tier 1 ratio (CET1 ratio) – Fully Phased: as stated in the previous paragraph, it is calculated on a pro-forma basis and estimated according to the new Basel 3 regulations at January 2019.

(6) The NSFR, not yet available, it is in any case estimated to exceed 100%, in line with the figure at 31 December 2014.

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