



1H19 Consolidated Results

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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

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Executive summary (1/2)

Resilient profitability despite difficult macroeconomic scenario and low/negative interest rates levels

- Net Profit of € 100.5 million, not directly comparable with the 1H18 result (€ 307.9 million), which included non-recurring gains realized on debt securities. Moreover, the 1H19 net profit has been affected by the full write-down of the contribution to the Fund¹ for the intervention to support Banca Carige of 13.3 €/mn and the ordinary and additional contributions to the European Single Resolution Fund for a total of € 32.6 million
- Net operating income at 304.5 €/mn showing decline of operating costs (-1.0% y/y) and resilient ordinary NII² and net commissions, in particular on AuM and Bancassurance segment (+1.6% y/y)
- Trading income lower contribution in 2Q19 of 5.4 €/mn vs 22.1 €/mn in 1Q19
- Annualized cost of credit at 63 bps with an improvement of bad loan coverage at 67.0% vs 66.6% in Dec.'18

Strong capital position

- CET1 ratio Fully Phased at 12.33% up by 9 bps vs 12.24% in Mar.'19 (11.95% in Dec.'18)
- CET1 ratio Phased In at 14.33% with a large buffer vs ECB minimum regulatory requirement (SREP 2019 at 9.0%)

Asset quality further improvement in 2Q19

- Gross NPE stock at 6.9 €/bn with a ratio slightly down to 13.7% from 13.8% in Mar.'19
- Gross NPE ratio pro-forma at 11.8% down below 2011 level, including the disposal of about 1 €/bn of bad loans to UnipolReC and the acquisition of 100% of Unipol Banca (deals closed on July 31st)
- Annualized default rate slightly down to 1.8% from 1.9% in Dec.'18
- Texas ratio down to 83.4% from 85.0% in Dec.'18

Positive development of commercial activity

- Stock of mortgages up by 1.9% vs FY18 and new production up by 21.4% vs 1H18
- Total funding close to 95.0 €/bn including the Bancassurance segment, which recorded a significant volume increase (+8.8% since Dec.'18); direct and indirect funding up respectively by 2.1% and 5.3% since Dec.'18

Business Plan 2019-2021 work in progress

- In 1H19, 48 branches already closed out of 230 planned and BPER Services incorporated in the parent company

1. Voluntary Scheme of the Interbank Deposit Protection Fund

2. Ordinary Net Interest Income excluding the accounting effects related to the introduction of IFRS9 and IFRS16 accounting principles

For details see the reclassified Income Statement in the Annexes

Note. With reference to IFRS 16 – Leases, application of the 6th update of Bank of Italy Circular 262/2005 from 1 January 2019 provides for the recognition on the assets side of the balance sheet of a right of use the asset involved in the contract and, on the liabilities side, of a lease payable, quantified as the discounted sum of the lease installments still to be paid to the lessor; the new model also changes the method of recording items in the income statement, namely depreciation of the right of use asset and interest expense on the lease payable.

Executive summary (2/2)

Three strategic transactions announced in February 2019 and closed in July 2019 perfectly in line with expectations aiming to increase in scale, value creation, acceleration in de-risking and capital strengthening

✔ Acquisition of the minority stakes of Banco di Sardegna



Acquisition of all ordinary and preference shares held by Fondazione di Sardegna in Banco di Sardegna ("BdS") in exchange of new BPER shares and a convertible AT1 instrument issued by BPER

- Significant improvement in the level of regulatory capital
- Acceleration of the cost optimization process for BdS
- Further simplification of the Group structure

✔ Acquisition of 100% of Unipol Banca & 1 €/bn disposal of bad loans to UnipolReC



Cash acquisition of 100% of Unipol Banca and cash disposal of ~ € 1.0 billion gross bad loans portfolio to Unipol Group

- Acquisition of a "clean" bank with no legacy issues
- Increase scale and client base
- Broaden distribution footprint
- Acceleration of asset quality de-risking
- Significant value creation

✔ Acquisition of a stake of Arca Holding SpA



Acquisition in cash with Banca Popolare di Sondrio of 39.99% of Arca Holding SpA. BPER's stake in Arca Holding SpA increasing to 57.1%

- Enhancement of Arca SGR as a key player in Italian asset management space, further strengthening its competitive positioning and contributing to developing its distribution and industrial capabilities

✔ Project of a Public Exchange Offer on BdS saving shares



Possibility to launch a PEO to acquire the saving shares of BdS not already held by BPER. On July 4th, EGM¹ approved connected possible capital increase

- Further simplification of the Group structure
- Improvement in the level of regulatory capital
- Possibility for owners of the saving shares of BdS to hold a security characterized by higher liquidity

1. Extraordinary general meeting of BPER shareholders held on 4 July 2019

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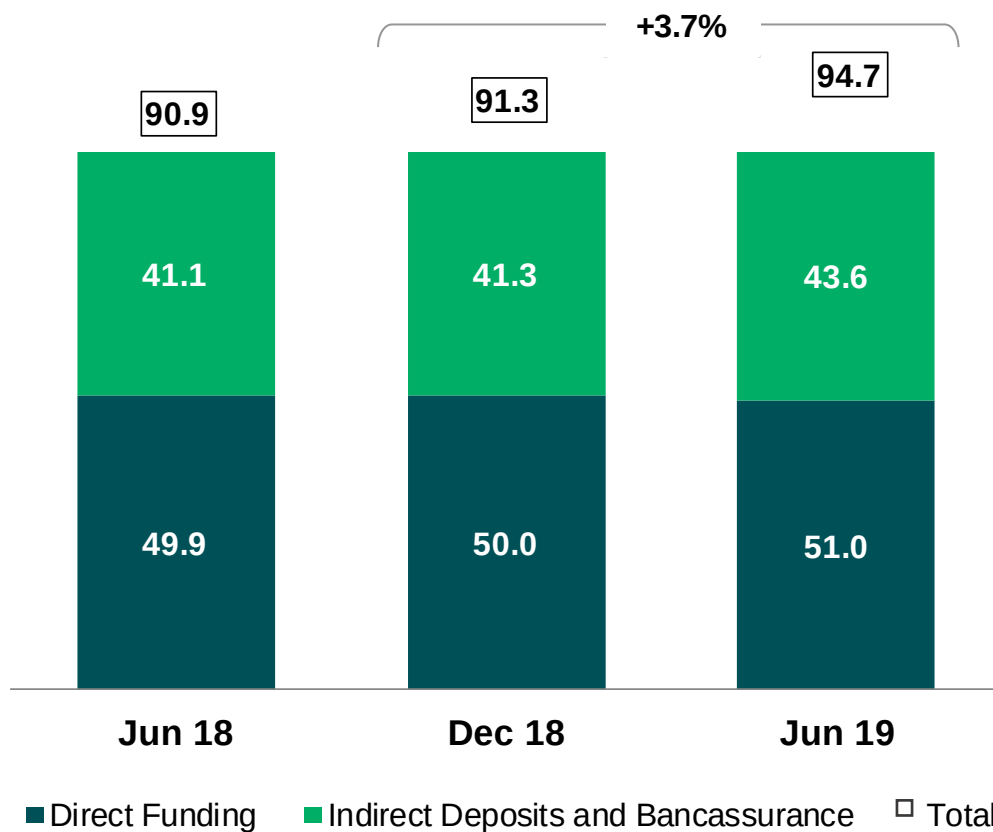
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Total funding

Balance sheet structure

Strong increase of stock at 94.7 €/bn in Jun.'19, up by 3.7% since Dec.'18

Total Funding (€/bn)



- Total funding at 94.7 €/bn up by 3.4 €/bn since Dec'18, thanks to the increase of both Indirect Deposits and Bancassurance¹ (+2.3 €/bn) and Direct Funding (+1.0 €/bn)

¹. Life-insurance products
Note: figures in this page may not add exactly due to rounding differences

Direct funding

Balance sheet structure

Direct funding at 51.0 €/bn up by 2.1% since Dec.'18 mainly driven by customer short-term funding

Direct Funding breakdown (€/mn; %)

€/mn	Jun 18	Dec 18	Jun 19	Chg YTD (%)	% on total
Direct customer deposits	44,764	45,017	46,524	3.3%	91.2%
o.w. current accounts and sight deposits	36,603	37,413	39,369	5.2%	77.2%
o.w. bonds subscribed by retail customers	1,700	1,459	1,225	-16.0%	2.4%
o.w. other	6,461	6,144	5,930	-3.5%	11.6%
Institutional direct funding	5,115	4,980	4,505	-9.5%	8.8%
o.w. Institutional bonds	3,039	2,532	3,147	24.3%	6.2%
o.w. Institutional repos	2,076	2,448	1,358	-44.5%	2.7%
Total direct funding	49,879	49,996	51,029	2.1%	100.0%

- Customer funding up by 1.5 €/bn (+3.3% since Dec.'18): current accounts and sight deposits up by 2.0 €/bn; retail bonds and CDs down by 0.5 €/bn
- Institutional funding at 4.5 €/bn down by 9.5% since Dec.'18 mainly due to the decrease of repos (-1.1 €/bn) only partially offset by the increase of bonds (+0.6 €/bn)
- No wholesale bond maturities in 2019 and only 0.2 €/bn on the retail side by the end of the year

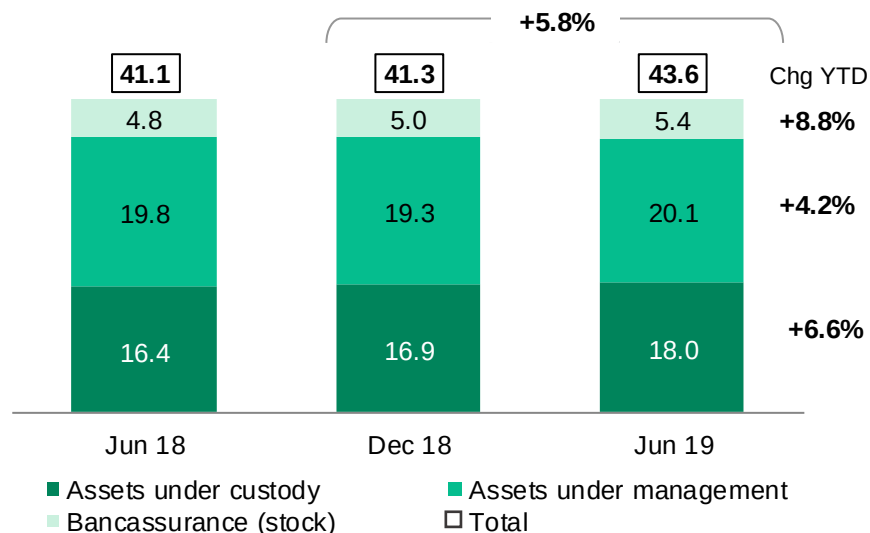
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Indirect funding and Bancassurance

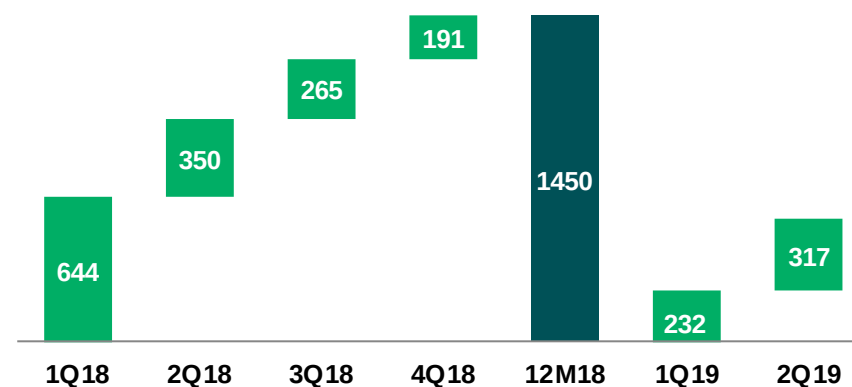
Balance sheet structure

Stock up by 5.8% since Dec.'18 showing a significant increase in all aggregates. Bancassurance¹ business positive performance (+8.8% since Dec.'18) driven by a strong commercial focus

Indirect Deposits and Bancassurance¹ (€/bn)



Net inflows² of AuM and life insurance products (€/mn)



- Indirect Deposits and Bancassurance¹ stock at 43.6 €/bn up by 5.8% since Dec.'18 with particular positive results in Bancassurance business (+8.8% since Dec.'18)
- AuM at 20.1 €/bn (+0.8 €/bn since Dec.'18) mainly due to positive market effect
- AuM and Bancassurance¹ net inflows positive in 2Q19 (+317 €/mn)
- AuC growth by 1.1 €/bn mainly due to institutional clients activity

Customer loans

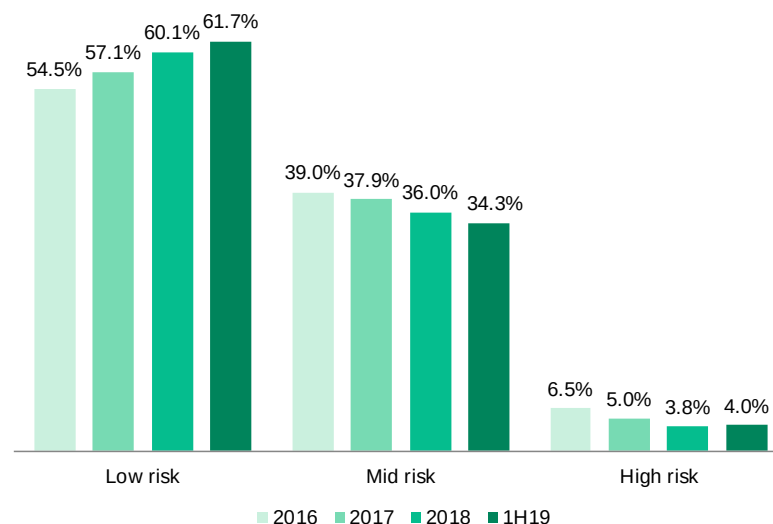
Balance sheet structure

Customer loans slightly down compared to the peak in Dec.'18. Mortgages stock and new production up respectively by 1.9% since Dec.'18 and 21.4% y/y. Good quality of performing loans book confirmed

Customer loans breakdown (net & gross fig.; €/mn; %)

€/mn	Jun 18	Dec 18	Jun 19	Chg YTD (%)
Current accounts	4,631	4,691	4,373	-6.8%
Mortgage loans	27,722	28,374	28,904	+1.9%
Other transactions	13,449	13,987	13,265	-5.2%
Net loans	45,802	47,051	46,542	-1.1%
<i>o.w. performing</i>	41,977	43,846	43,404	-1.0%
<i>o.w. NPEs</i>	3,826	3,205	3,138	-2.1%
Gross loans	51,012	51,057	50,486	-1.1%
<i>o.w. performing</i>	42,146	44,011	43,550	-1.0%
<i>o.w. NPEs</i>	8,866	7,046	6,937	-1.5%

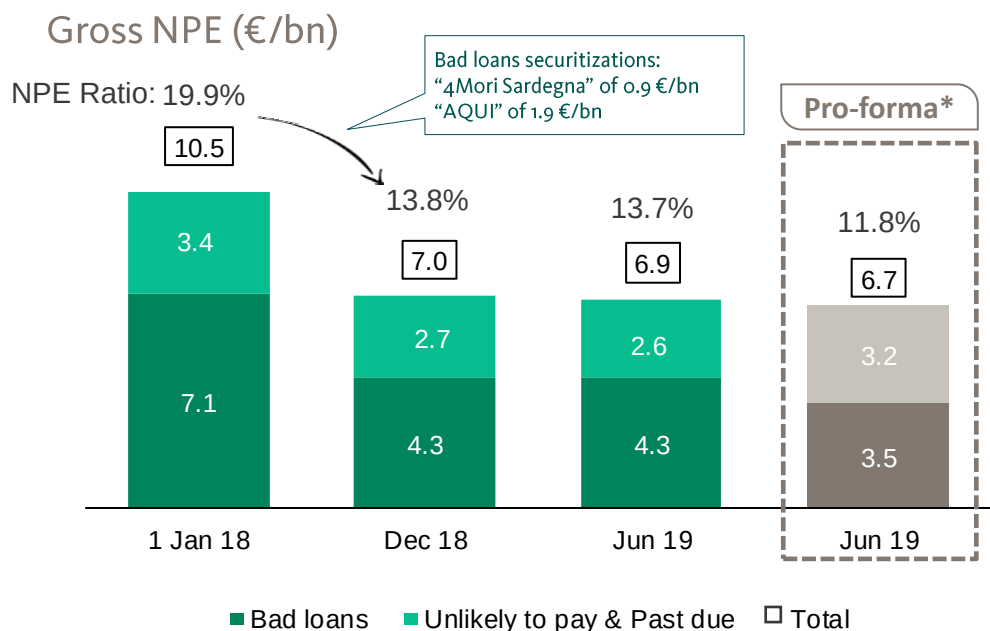
Performing exposure rated by risk profile¹ (%)



Non Performing Exposures (1/2)

Balance sheet structure

Gross NPE stock at 6.9 €/bn slightly down since Dec.'18. Gross NPE ratio down to 11.8% on pro-forma basis with Unipol Banca e UnipolReC deals back below to 2011 level (stated at 13.7%)



Cash coverage ratios (%)

	Jun 18	Sept 18	Dec 18	Mar 19	Jun 19
Bad loans ("Sofferenze")	64.9%	64.5%	66.6%	67.1%	67.0%
including write-off	68.7%	68.3%	71.4%	72.2%	72.1%
Unlikely to pay	41.9%	42.2%	35.7%	34.4%	35.3%
Past due	12.7%	12.8%	12.3%	12.7%	12.8%
NPE	56.9%	56.7%	54.5%	54.6%	54.8%
including write-off	60.1%	59.9%	58.8%	59.2%	59.3%
Performing exposures	0.4%	0.4%	0.4%	0.4%	0.3%
Total loans	10.2%	10.1%	7.8%	7.8%	7.8%

- Stated gross NPE ratio at 13.7% slightly down vs 13.8% in Dec.'18
- Gross NPE ratio pro-forma at 11.8% considering the disposal of about 1 €/bn of bad loans to UnipolReC and the completion of the acquisition of 100% of Unipol Banca
- NPE coverage up to 54.8% in Jun.'19; bad loans coverage up to 67.0% from 66.6% in Dec.'18

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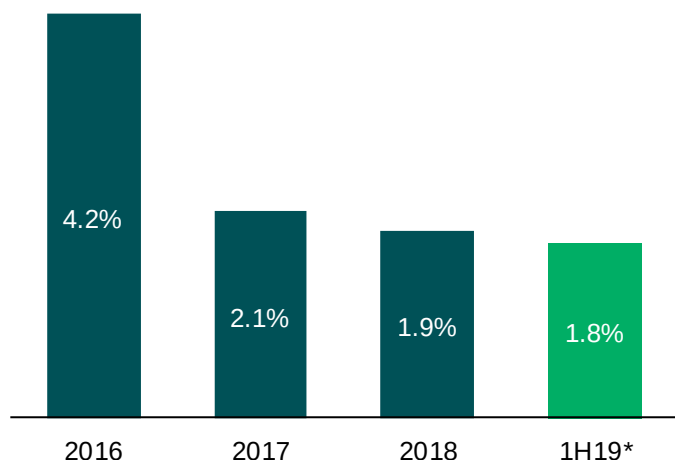
*: including the disposal of about 1 €/bn of bad loans to UnipolReC and the acquisition of 100% of Unipol Banca

Non Performing Exposures (2/2)

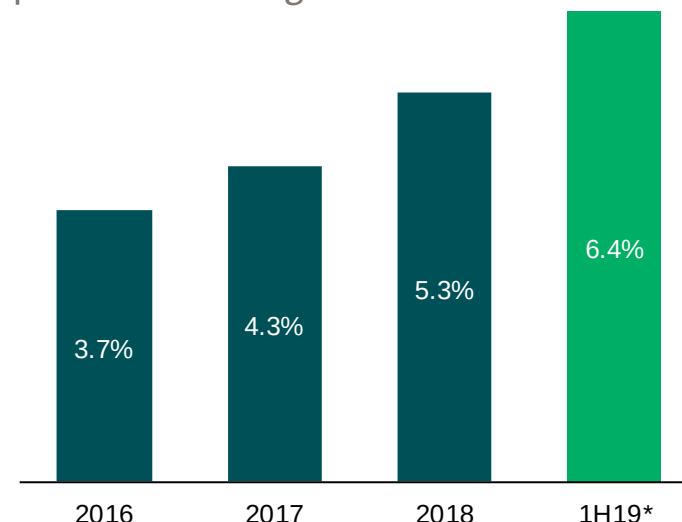
Balance sheet structure

Improvement of default rate to 1.8% and average recovery rate of bad loans strong improvement to 6.4%

Default rate (%)



Bad loans average recovery rate (%) – Bper Credit Management



- Default rate further improvement to 1.8% from 1.9% in 2018
- Bad loans average recovery rate of our servicing platform BPER Credit Management (BCM) at 6.4% annualized in 1H19 showing a very positive historical trend

* Annualized

Note: Default rate = NPE inflows / performing loans stock at 31 Dec'18; bad loans average recovery rate = collections / average gross bad loan stock for the period

Source: management data

Financial assets portfolio

Balance sheet structure

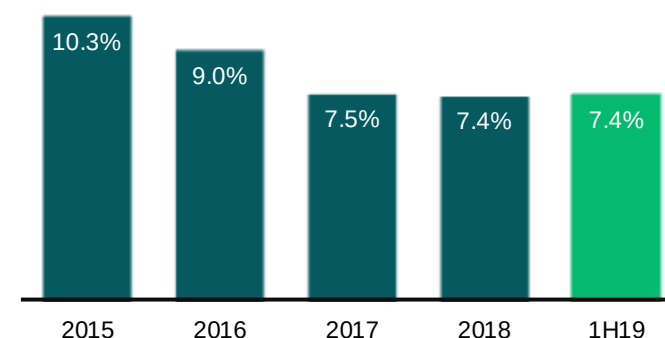
Financial assets portfolio at 17.2 €/bn broadly unchanged since Dec.'18 and slightly down by 0.2 €/bn q/q

Financial Assets breakdown (€/mn; %)

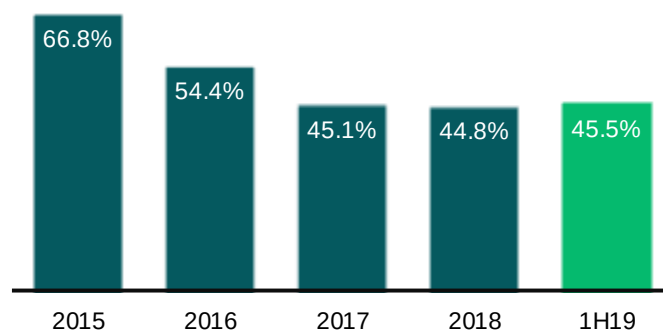
€/mn	FVTPL	FVOCI	AC	Total	% on total
Bonds	464	7,540	8,303	16,308	95.0%
<i>o.w. Italian gov</i>	270	1,078	3,975	5,324	31.0%
Equity	68	268		336	2.0%
Funds and Sicav	359			359	2.1%
Other*	157			157	0.9%
Total as of 30.06.2019	1,048	7,808	8,303	17,159	100.0%
Total as of 31.12.2018	1,129	8,561	7,463	17,152	
Chg YTD (%)	-7.2%	-8.8%	+11.3%	+0.0%	

Bond ptf duration¹: 2.8 years

Italian Government bonds / Tot. Assets (%)²



Total Italian bonds exposure / Total Bond ptf. (%)²



- Financial assets portfolio broadly stable in Jun.'19 vs FY18
- Italian government bonds at 5.3 €/bn broadly unchanged vs 1Q19, weighing 31% of the whole financial assets portfolio
- Total bond and Italian govies portfolios duration respectively 2.8ys and 4.1ys

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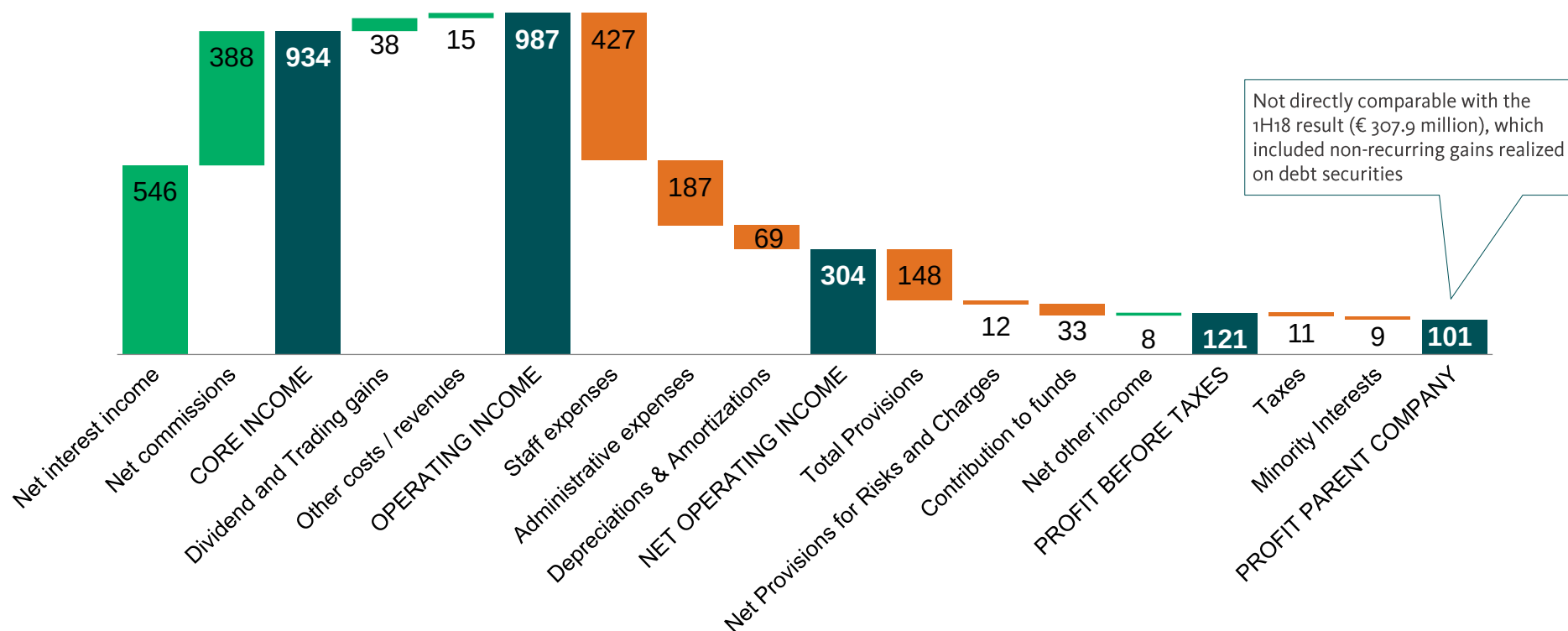
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1H19 reclassified Profit & Loss

Profit and loss

Net Profit of 100.5 €/ including non-recurring charge related to the full write-down¹ of 13.3 €/mn and contributions² to systemic funds of 32.6 €/mn . Decline of operating costs (-1.0% y/y) and resilient ordinary NII³ and net commissions, in particular on AuM and Bancassurance segment up by 1.6% y/y

Reclassified Profit & Loss (€/mn)

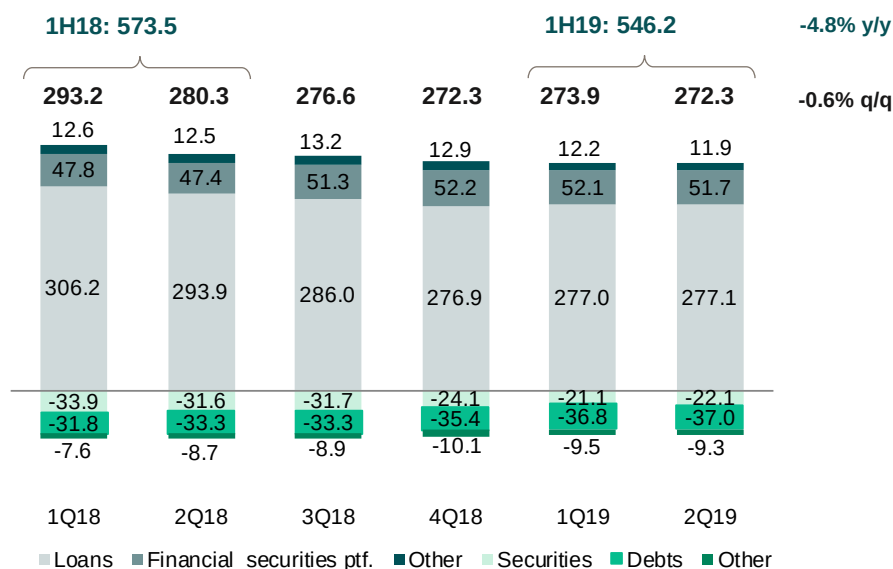


Net Interest Income

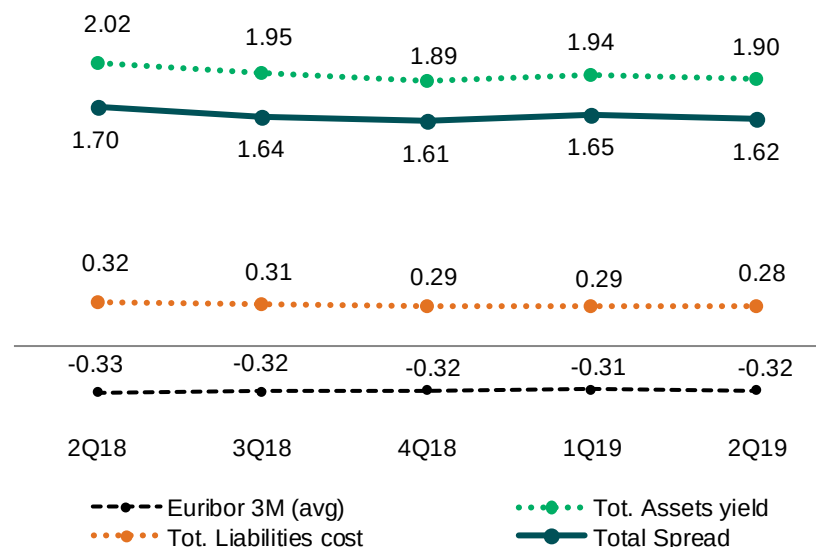
Profit and loss

NII at 272.3€/mn in 2Q19 broadly unchanged over the last three quarters

Net Interest Income contribution (€/mn)



Spread contribution (%)



- 1H19 NII at 546.2 €/mn compared with 573.5 €/mn in 1H18 down by 4.8% y/y mainly due to the effects of the application of IFRS9 and IFRS16 accounting principles
- 2Q19 NII amounts to 272.3 €/mn broadly unchanged over the last three quarters

Net Commissions

Profit and loss

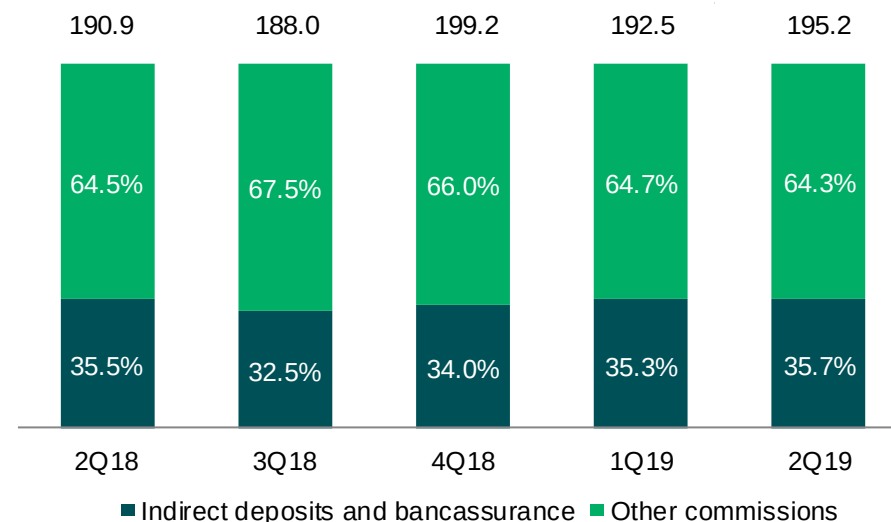
Net commissions substantially flat y/y. Strong increase of Bancassurance commissions up by 18.9% y/y

Net Commissions breakdown (€/mn; %)

	Jun 18	Jun 19	Chg y/y (%)
Indirect deposits	109.6	105.9	-3.3%
<i>Assets under custody (AuC)</i>	8.8	8.2	-6.8%
<i>Assets under management (AuM)</i>	100.8	97.7	-3.0%
Bancassurance	26.7	31.7	+18.9%
Credit cards, collections, payments	72.9	72.2	-1.0%
Loans and guarantees	159.6	153.4	-3.9%
Other commissions	20.3	24.6	+20.8%
Total	389.1	387.8	-0.3%

AuM up-front fees of 10.7 €/mn in Jun.19 (13.0 €/mn in Jun.18), weighing 2.8% on total net commissions

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



- Net commissions substantially flat y/y mainly supported by positive performance of AuM and Bancassurance (+1.6% y/y)
- Positive performance of Bancassurance commissions up by 18.9% y/y (+5.0 €/mn) mainly driven by strong commercial focus

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

Dividends and Trading income

Profit and loss

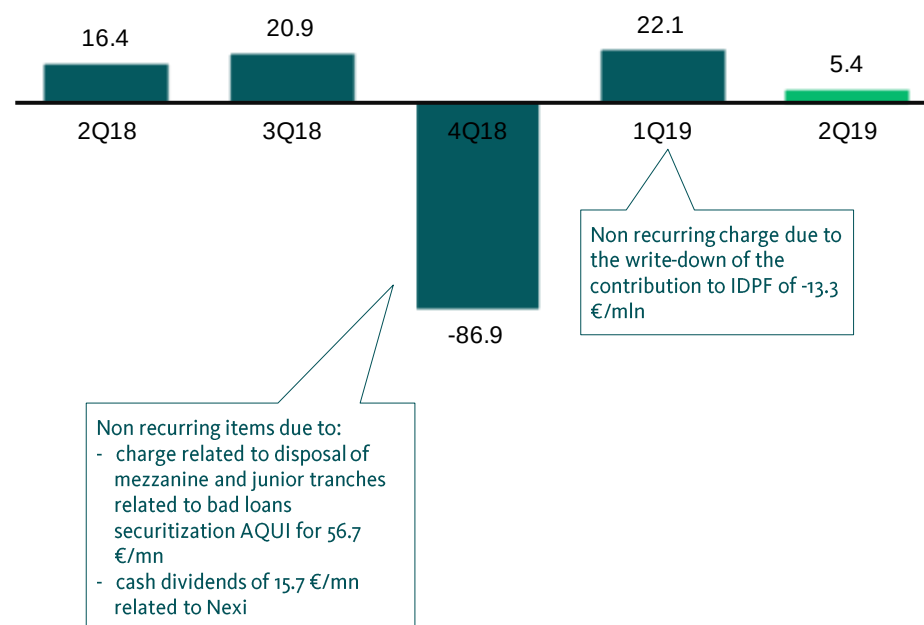
1H19 trading income at 27.5 €/mn not directly comparable with 1H18, that included non-recurring gains realized on debt securities. 2Q19 result at 5.4 €/mn vs 22.1 €/mn in 1Q19

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

	Jun 18	Jun 19	Chg y/y (%)
Dividends	13.5	10.2	-24.0%
Trading income	170.1	27.5	-83.9%
<i>Realized gain/loss</i>	172.9	30.8	-82.2%
<i>Plus</i>	24.0	25.0	+4.3%
<i>Minus</i>	-31.9	-31.8	-0.2%
<i>Others</i>	5.1	3.4	-32.2%
Total	183.5	37.7	-79.5%

Significant non-recurring realized gains on bonds in 1Q18

Trading income evolution (€/mn)



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

Operating costs

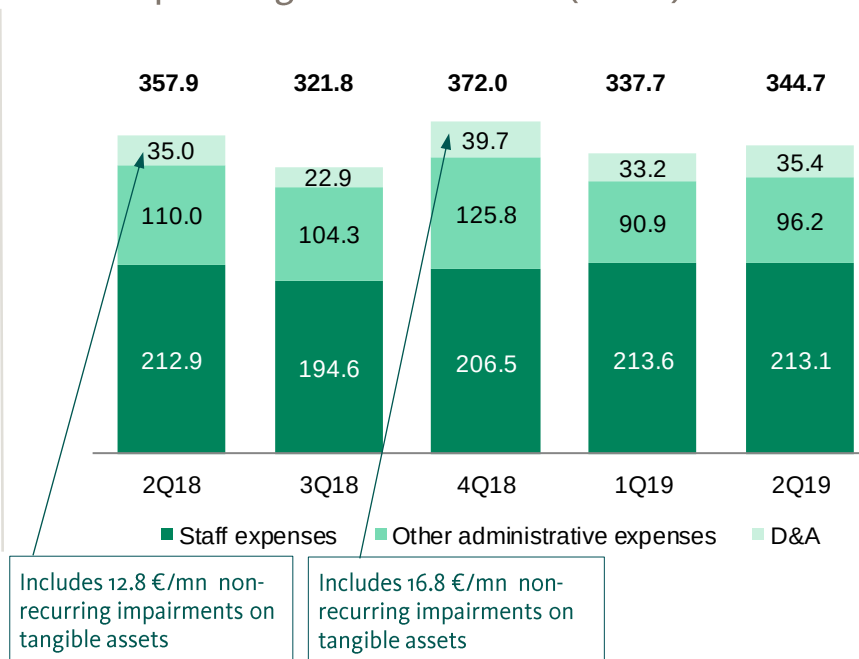
Profit and loss

1H19 Operating costs down by 1.0% y/y. Admin expenses and D&A impacted by IFRS16¹ accounting principle adoption

Operating costs breakdown (€/mn; %)

Operating costs (€/mn)	Jun 18	Jun 19	Chg y/y (%)
Staff expenses	420.4	426.7	+1.5%
Other administrative expenses	212.3	187.1	-11.8%
<i>o.w. Operating leases</i>	31.2	8.7	
D&A	56.3	68.6	+21.7%
<i>o.w. right of use IFRS 16</i>	1.5	22.4	
Operating costs	689.0	682.4	-1.0%

Operating costs evolution (€/mn)



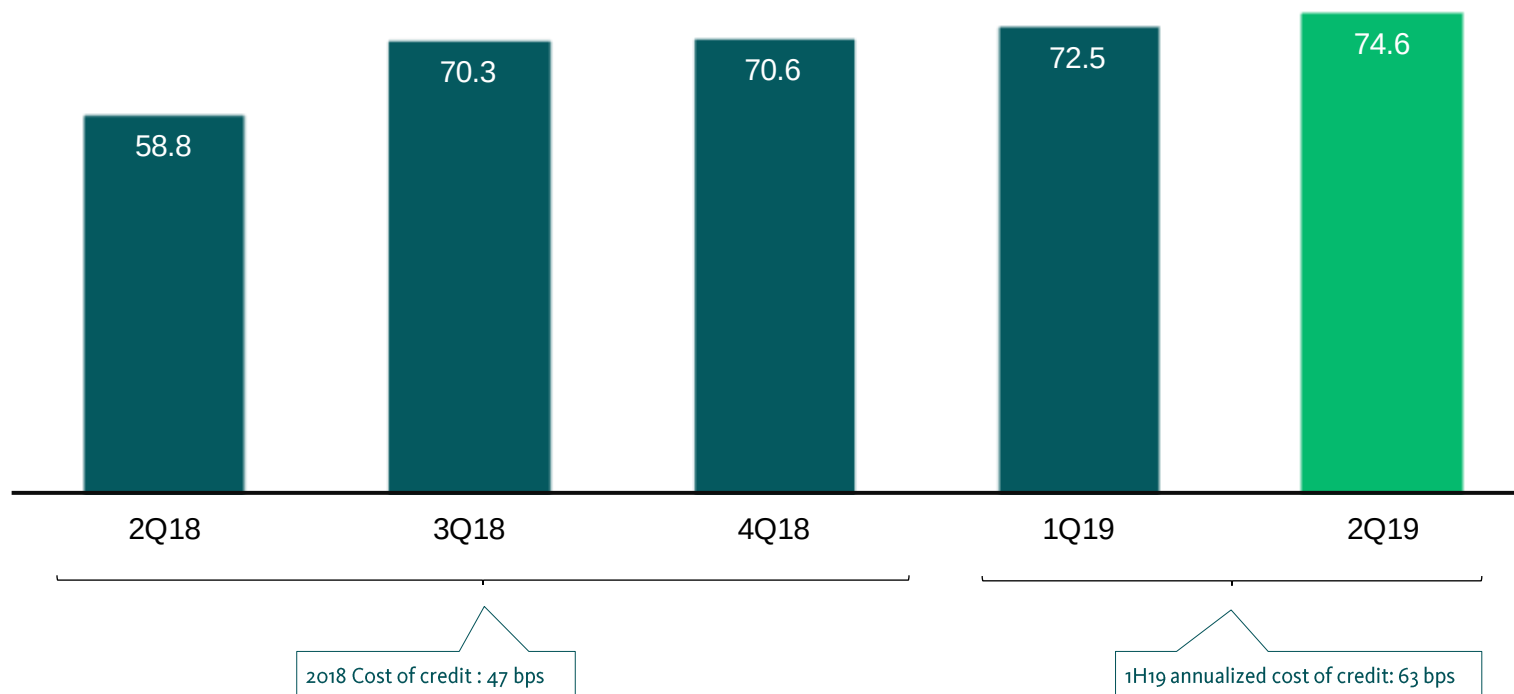
- 1H19 staff expenses increase by 1.5% y/y mainly due to the normal dynamics of contractual adjustments
- Other Administrative expenses and D&A impacted by the accounting effects of IFRS16 and not directly comparable on a y/y comparison. On a pro-forma basis, net of IFRS16 effects, Administrative expenses and D&A down respectively by 1.6% and 15.7% y/y

Loan loss provisions and cost of credit

Profit and loss

Loan loss provisions substantially in line with previous four quarters. Annualized cost of risk at 63 bps

Loan loss provisions* and cost of credit (€/mn)



* Item 130 a) Net impairment losses to financial assets at amortized cost (Profit and Loss Financial statement)

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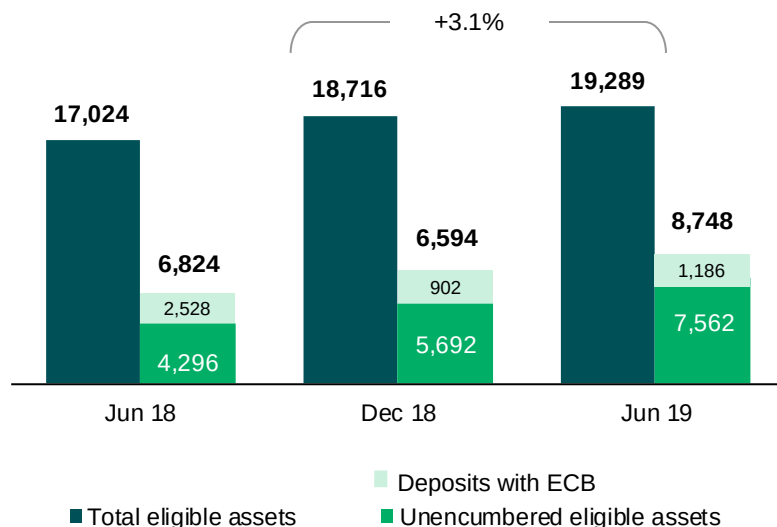
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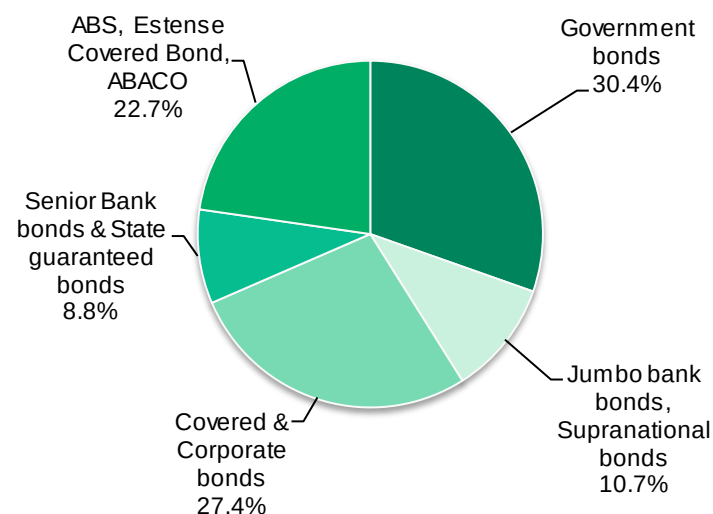
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Solid liquidity position and high level of unencumbered eligible assets

Total eligible Assets evolution* (€/mn)



Eligible Assets Pool Composition (%)



- ECB exposure of 9.3 €/bn in Jun'19 fully composed by TLTRO2 operations (4.1 €/bn TLTRO2 in Jun.'16 and 1 €/bn TLTRO2 in Dec.'16 and 4.2 €/bn in Mar.'17)
- Counterbalancing capacity at 19.3 €/bn in 1H19 (+3.1% since Dec.'18)
- LCR and NSFR well above 100%

* Net of ECB haircut

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Capital

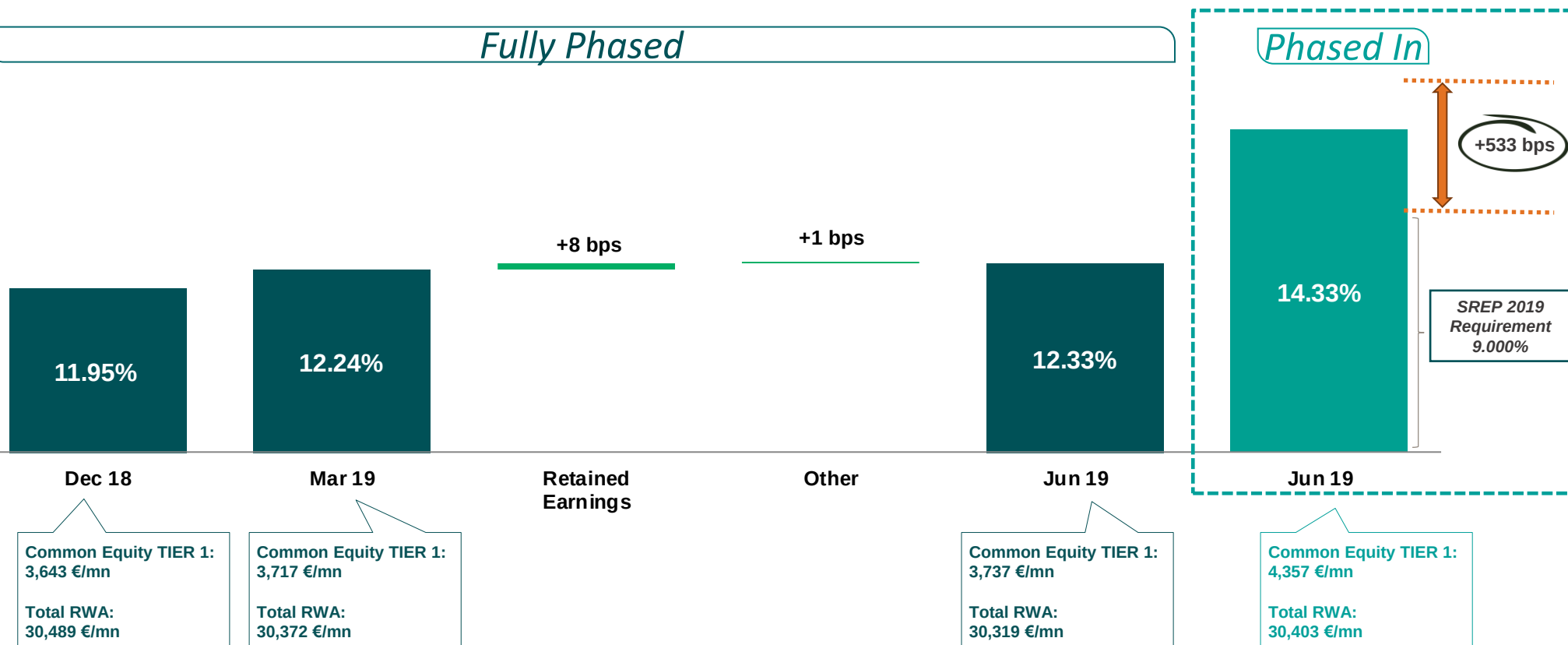
Liquidity and Capital adequacy

CET1 Fully Phased at 12.33% increased by 38 bps vs Dec.'18 confirming a solid capital position

Common Equity Tier 1 Ratios (%)

Fully Phased

Phased In



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Strong capital, remarkable improvement on asset quality and resilient profitability

CAPITAL and LIQUIDITY

Solid capital position, low leverage and good liquidity position

1. **Sound capital position** with a **CET1 ratio Fully Phased at 12.33%** respectively up by 9 bps vs 12.24% in Mar.'19 and up by 38 bps since Dec.'18
2. **CET1 ratio Phased In at 14.33%** well above minimum capital requirement by ECB (SREP 2019 at 9.0%)
3. **Leverage Fully Phased at 5.3%** one of the lowest of the domestic banking system (6.1% Phased In)
4. **LCR and NSFR well above 100%** and unencumbered eligible assets and deposits available with ECB of 8.8 €/bn out of 19.3 €/bn of total eligible assets

ASSET QUALITY

Asset quality further improvements

1. **Gross NPE stock at 6.9 €/bn** slightly down by 0.1% vs 1Q19
2. **Gross NPE ratio at 13.7%** down from 13.8% in Mar.'19. **Ratio pro-forma at 11.8%** including the acquisition of 100% of Unipol Banca and the disposal of about 1.0 €/bn bad loans to UnipolRec (deals closed on July 31st)
3. **Annualized default rate slightly down at 1.8%** vs 1.9% in Dec.'18
4. **Texas ratio** further improvement at 83.4% vs 83.6% in Mar.'19

PROFITABILITY

Resilient profitability

1. **Net profit at 100.5 €/mn** after the non-recurring full write-down of 13.3 €/mn and the contribution to systemic funds of 32.6 €/mn
2. **Net operating income at 304.5 €/mn** showing a decline of operating costs (-1.0% y/y) and resilient ordinary NII¹ and commissions, in particular on AuM and Bancassurance segment up by 1.6% y/y
3. Lower contribution from **Trading income** in 2Q of 5.4 €/mn vs 22.1 €/mn in 1Q
4. **Operating costs** down by 1.0% y/y
5. **Low annualized cost of risk** at 63 bps

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Customer loans

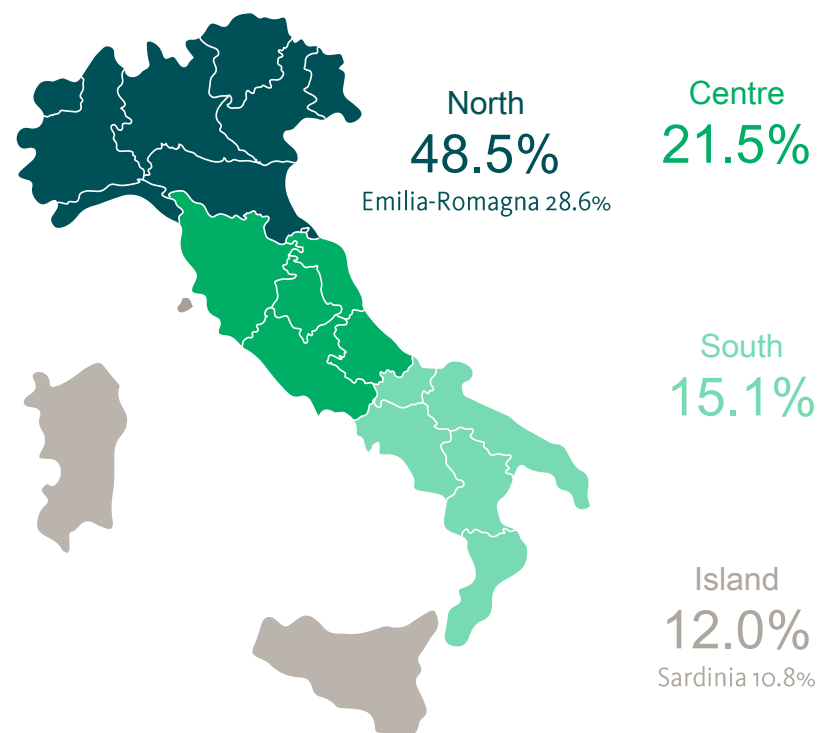
Portfolio composition

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Net customer loans breakdown by sectors (€/mn; %)

Business sector	Jun 19	% on Total Customer Loans	Δ % vs Dec 18
Manufacturing	7,037	15.1%	-6.0%
Wholesale and retail services, recoveries and repairs	4,330	9.3%	-4.8%
Constructions	2,335	5.0%	-6.6%
Real Estate	2,955	6.3%	-1.6%
HORECA*	1,236	2.7%	-0.5%
Agriculture, forestry and fishing	754	1.6%	+1.4%
Other	4,585	9.9%	-11.5%
Total loans to non-financial businesses	23,232	49.9%	-6.0%
Households	17,357	37.3%	+4.1%
Total loans to financial businesses	5,953	12.8%	+4.8%
Total Customers Loans	46,542	100.0%	-1.1%
Debt Securities	5,919	12.8%	+3.9%

Customer loans breakdown by geographical distribution¹(%)



* Hotel, Restaurant & Caf  (HORECA). Note: figures as per ATECO business sector definitions (ISTAT)

1. Commercial banks + Sarda Leasing, excluding non resident loans

Note: figures from data management system

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

Asset quality

Annexes

Asset quality breakdown (excl. customer debt securities)

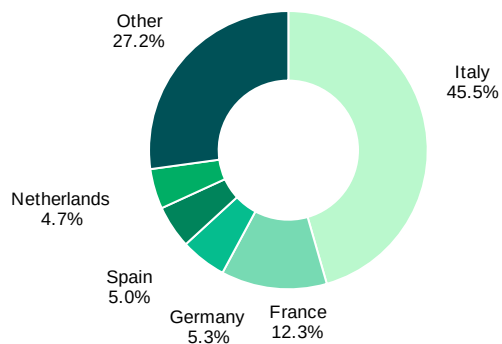
Gross exposures (€/mn)	Jun 18		Dec 18		Mar 19		Jun 19		Chg YTD		Chg Y/Y	
		%		%		%		%	Abs.	Chg (%)	Abs.	Chg (%)
Non Performing Exposures (NPEs)	8,867	17.4%	7,046	13.8%	6,947	13.8%	6,937	13.7%	-109	-1.5%	-1,930	-21.8%
<i>Bad loans</i>	5,906	11.6%	4,338	8.5%	4,324	8.6%	4,321	8.6%	-17	-0.4%	-1,585	-26.8%
<i>Unlikely to pay loans</i>	2,847	5.6%	2,638	5.2%	2,562	5.1%	2,526	5.0%	-112	-4.3%	-321	-11.3%
<i>Past due loans</i>	114	0.2%	70	0.1%	61	0.1%	90	0.1%	20	29.7%	-24	-21.5%
Gross performing loans	42,145	82.6%	44,011	86.2%	43,514	86.2%	43,550	86.3%	-462	-1.0%	1,404	+3.3%
Total gross exposures	51,012	100%	51,057	100%	50,461	100%	50,486	100%	-571	-1.1%	-526	-1.0%

Adjustments to loans (€/mn)	Jun 18		Dec 18		Mar 19		Jun 19		Chg YTD		Chg Y/Y	
		coverage (%)		coverage (%)		coverage (%)		coverage (%)	Abs.	Chg (%)	Abs.	Chg (%)
Adjustments to NPEs	5,041	56.8%	3,841	54.5%	3,790	54.5%	3,799	54.8%	-42	-1.1%	-1,242	-24.6%
<i>Bad loans</i>	3,832	64.9%	2,890	66.6%	2,900	67.1%	2,896	67.0%	6	0.2%	-936	-24.4%
<i>Unlikely to pay loans</i>	1,194	41.9%	942	35.7%	882	34.4%	891	35.3%	-51	-5.5%	-303	-25.4%
<i>Past due loans</i>	15	12.7%	9	12.3%	8	12.7%	12	12.8%	3	34.7%	-3	-20.9%
Adjustments to performing loans	169	0.4%	165	0.4%	159	0.4%	145	0.3%	-20	-11.7%	-24	-13.9%
Total adjustments	5,210	10.2%	4,006	7.8%	3,949	7.8%	3,944	7.8%	-62	-1.5%	-1,266	-24.3%

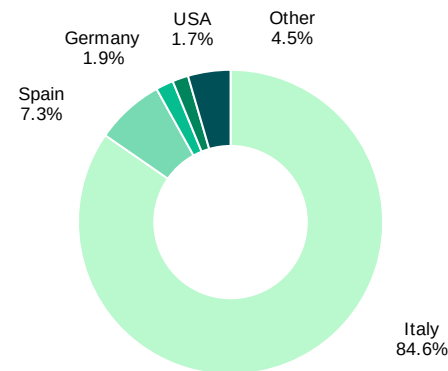
Net exposures (€/mn)	Jun 18		Dec 18		Mar 19		Jun 19		Chg YTD		Chg Y/Y	
		%		%		%		%	Abs.	Chg (%)	Abs.	Chg (%)
Non Performing Exposures (NPEs)	3,826	8.4%	3,205	6.8%	3,157	6.8%	3,138	6.7%	-67	-2.1%	-688	-18.0%
<i>Bad loans</i>	2,074	4.5%	1,448	3.1%	1,424	3.1%	1,425	3.1%	-23	-1.6%	-649	-31.3%
<i>Unlikely to pay loans</i>	1,653	3.6%	1,696	3.6%	1,680	3.6%	1,635	3.5%	-61	-3.6%	-18	-1.1%
<i>Past due loans</i>	99	0.2%	61	0.1%	53	0.1%	78	0.1%	17	29.0%	-21	-21.5%
Net performing loans	41,976	91.7%	43,846	93.2%	43,355	93.2%	43,404	93.3%	-442	-1.0%	1,428	+3.4%
Total net exposures	45,802	100%	47,051	100.0%	46,512	100%	46,542	100%	-509	-1.1%	740	+1.6%

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

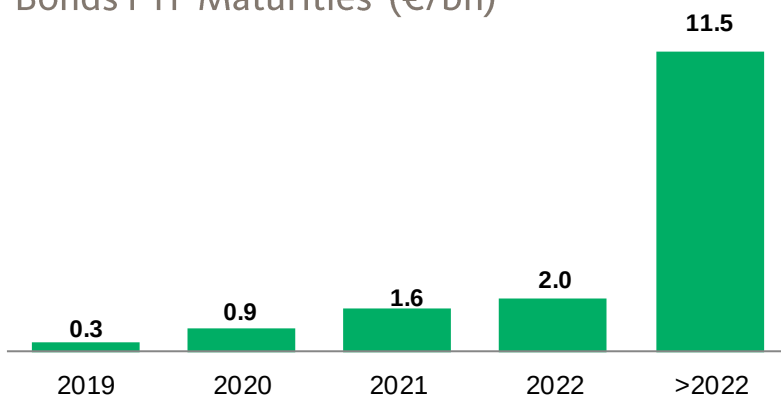
Bond PTF by Geographical breakdown (%)



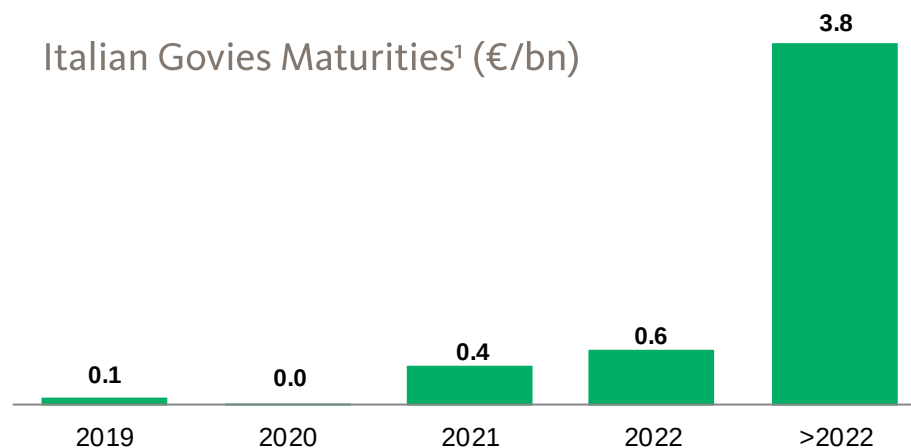
Govies PTF Geographical breakdown (%)



Bonds PTF Maturities¹ (€/bn)



Italian Govies Maturities¹ (€/bn)



1. Figures are shown as per nominal values
Note: figures from data management system

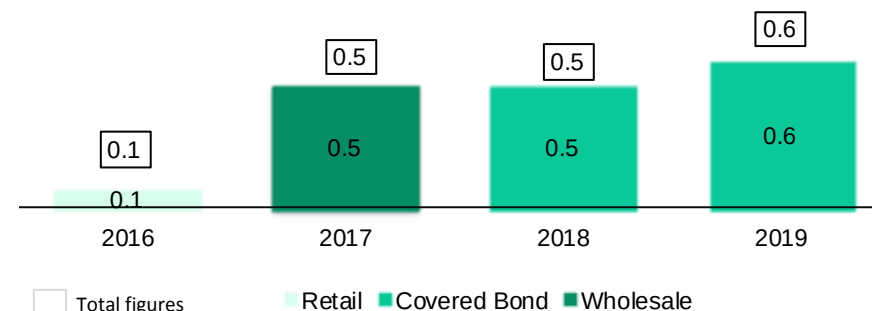
Bonds maturities and issues details

Annexes

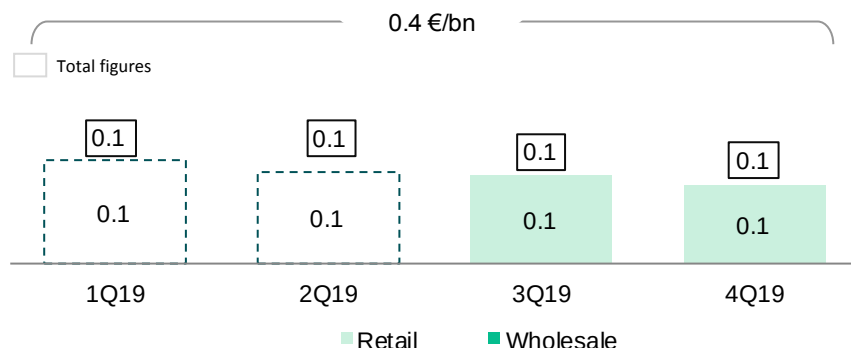
Outstanding bonds (€/bn)

	Jun 18	Dec 18	Jun 19
Wholesale bonds	3.0	2.5	3.1
<i>o/w covered bonds</i>	2.5	2.0	2.6
<i>o/w subordinated bonds</i>	0.5	0.5	0.5
Retail bonds	1.7	1.5	1.2
<i>o/w subordinated bonds</i>	0.3	0.3	0.3
Total bonds	4.7	4.0	4.3

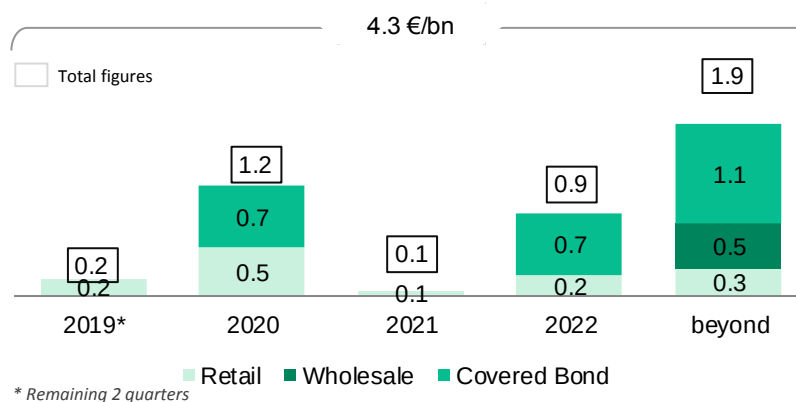
Bonds issued (€/bn)



2019 Bonds maturities (€/bn)



Bonds maturities breakdown (€/bn)



* Remaining 2 quarters

Note: figures in this page: 1) are shown as per nominal values and 2) may not add exactly due to rounding differences

Main consolidated financial data of Unipol BANCA* (1/2)

Annexes



Consolidated balance sheet (in thousands)

Assets	30.06.2019	31.12.2018
Financial assets	1,325,034	1,491,074
Loans to customers	7,831,739	7,648,687
Equity investments	7,645	7,461
Other assets	2,380,487	2,347,302
Total assets	11,544,905	11,494,524

Liabilities and shareholders' equity	30.06.2019	31.12.2018
Due to banks	453,887	443,837
Due to customers	8,249,389	8,172,865
Debt securities issued	1,692,163	1,911,485
Other liabilities	574,664	418,059
Shareholders' equity	574,802	548,278
Total liabilities and shareholder's equity	11,544,905	11,494,524

Deposits (in thousands)

	30.06.2019	31.12.2018
Direct customers deposits	9,941,552	10,084,350
<i>due to customers</i>	8,249,389	8,172,865
<i>debt securities issued</i>	1,692,163	1,911,485
Indirect customers deposits	51,898,446	48,551,663
<i>of which managed</i>	3,350,023	3,039,281
<i>of which administered</i>	48,548,423	45,512,382
Total funding	61,839,998	58,636,013



Consolidated income statement (in thousands)

Captions	30.06.2019	30.06.2018
30 Net interest income	107,894	102,703
60 Net commission income	87,861	79,485
70-80-90-100-110 Dividends and trading gains	4,464	-5,660
120 Net interest and other banking income	200,219	176,528
130-140 Net impairment losses for credit risk	-29,458	-14,933
150 Net income from financial activities	170,761	161,595
190 Administrative expenses	-138,960	-154,802
<i>of which staff costs</i>	-79,087	-84,155
<i>of which other administrative expenses</i>	-59,873	-70,647
210-220 Depreciation and Amortization	-11,027	-2,546
200-230 Other operating charges/income	11,770	13,047
240 Operating costs	-138,217	-144,301
250 Profit (Loss) of equity investments	185	446
290 Profit (Loss) from current operations before tax	32,729	17,740
350 Profit (Loss) for the period pertaining to the Parent Company	21,087	12,652

Structural data (in thousands)

	30.06.2019	31.12.2018
Number of employees	2,242	2,244
Number of bank branches	258	258

Main consolidated financial data of Unipol BANCA* (2/2)

Annexes



Gross exposures (€/mn)	Dec 18		Jun 19		Chg YTD	
		Ratio (%)		Ratio (%)	Abs.	Chg (%)
Non Performing Exposures (NPEs)	773.9	9.6%	725.9	8.8%	-48.0	-6.2%
<i>Bad loans</i>	95.8	1.2%	96.7	1.2%	+0.8	+0.9%
<i>Unlikely to pay loans</i>	633.7	7.9%	591.1	7.2%	-42.6	-6.7%
<i>Past due loans</i>	44.3	0.5%	38.2	0.5%	-6.2	-13.9%
Gross performing loans	7,290.4	90.4%	7,499.3	91.2%	+208.9	+2.9%
Total gross exposures	8,064.3	100%	8,225.3	100%	+161.0	+2.0%

Adjustments to loans (€/mn)	Dec 18		Jun 19		Chg YTD	
		Coverage (%)		Coverage (%)	Abs.	Chg (%)
Adjustments to NPEs	369.0	47.7%	346.6	47.7%	-22.3	-6.1%
<i>Bad loans</i>	69.0	72.0%	67.9	70.2%	-1.1	-1.6%
<i>Unlikely to pay loans</i>	292.3	46.1%	272.6	46.1%	-19.7	-6.8%
<i>Past due loans</i>	7.7	17.3%	6.2	16.2%	-1.5	-19.3%
Adjustments to performing loans	46.6	0.6%	46.9	0.6%	+0.3	+0.6%
Total adjustments	415.6	5.2%	393.5	4.8%	-22.1	-5.3%

Net exposures (€/mn)	Dec 18		Jun 19		Chg YTD	
		Ratio (%)		Ratio (%)	Abs.	Chg (%)
Non Performing Exposures (NPEs)	404.9	5.3%	379.3	4.8%	-25.6	-6.3%
<i>Bad loans</i>	26.9	0.4%	28.8	0.4%	+2.0	+7.4%
<i>Unlikely to pay loans</i>	341.4	4.5%	318.5	4.1%	-22.9	-6.7%
<i>Past due loans</i>	36.7	0.5%	32.0	0.4%	-4.7	-12.8%
Net performing loans	7,243.8	94.7%	7,452.4	95.2%	+208.7	+2.9%
Total net exposures	7,648.7	100%	7,831.7	100%	+183.1	+2.4%

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

*Documents are available on the company web site: <https://www.unipolbanca.it/chi-siamo/informazioni-societarie>

Reclassified financial statement of BPER Group as at 30.06.19

For greater clarity in the presentation of the results for the period, the accounting schedules envisaged by the 6th update of Bank of Italy Circular no. 262/2005 have been reclassified as follows.

In the balance sheet:

- Debt securities valued at amortised cost (caption 40 “Financial assets measured at amortised cost”) have been reclassified under caption “Financial assets”;
- “Other assets” include captions 110 “Tax assets”, 120 “Non current assets and disposal groups classified as held for sale” and 130 “Other assets”;
- “Other liabilities” include captions 60 “Tax liabilities”, 80 “Other liabilities”, 90 “Employee termination indemnities” and 100 “Provisions for risks and charges”.

In the income statement:

- “Net income from financial activities” includes captions 80, 90, 100 and 110 in the standard reporting format;
- Indirect tax recoveries, allocated for accounting purposes to caption 230 “Other operating expense/income”, have been reclassified as a reduction in the related costs under “Other administrative expenses” (Euro 63,727 thousand at 30 June 2019 and Euro 63,452 thousand at 30 June 2018);
- “Net adjustments to property, plant, equipment and intangible assets” include captions 210 and 220 in the standard reporting format;
- “Gains (Losses) on equity investments, disposal investments and impairment losses on goodwill” include captions 250, 270 and 280 in the reporting format;
- “Contributions to the SRF, DGS and IDPF-VS funds” have been shown separately from the specific accounting technical forms to give a better and clearer representation, as well as to leave the “Other administrative expenses” as a better reflection of the trend in the Group’s operating costs. In particular, at 30 June 2019, this caption represents the component allocated to administrative costs related to:
 - the 2019 ordinary contribution to the SRF (European Single Resolution Fund) for Euro 23,043 thousand;
 - the additional contribution required by SRF to the Italian Banks for the year 2017 equal to Euro 9,587 thousand;
 - the 2019 ordinary contribution to the DGS (Deposit Guarantee Scheme) for Euro 13 thousand recognised by the Luxembourg subsidiary BPER Bank Luxembourg s.a.
- Appropriate specifications (“of which”) have been included in “Net interest income”, “Other administrative expenses” and “Net adjustments to property, plant, equipment and intangible assets” captions in order to highlight the impacts of IFRS 16 application (from 1 January 2019) and in “Net interest income” caption in order to highlight the impacts of IFRS 9 application (from 1 January 2018).

Reclassified consolidated balance sheet

Assets	(in thousands)			
	30.06.2019	31.12.2018	Change	% Change
Cash and cash equivalents	395,525	459,782	(64,257)	-13.98
Financial assets	17,159,152	17,152,084	7,068	0.04
a) Financial assets held for trading	270,204	247,219	22,985	9.30
b) Financial assets designated at fair value	219,702	218,662	1,040	0.48
c) Other financial assets mandatorily measured at fair value	557,815	662,744	(104,929)	-15.83
d) Financial assets measured at fair value through other comprehensive income	7,808,130	8,560,568	(752,438)	-8.79
e) Debt securities measured at amortised cost	8,303,301	7,462,891	840,410	11.26
- banks	2,384,640	1,766,169	618,471	35.02
- customers	5,918,661	5,696,722	221,939	3.90
Loans	49,158,263	48,594,875	563,388	1.16
a) Loans to banks	2,616,439	1,540,509	1,075,930	69.84
b) Loans to customers	46,541,824	47,050,942	(509,118)	-1.08
c) Financial assets measured at fair value through other comprehensive income	-	3,424	(3,424)	-100.00
Hedging derivatives	53,567	35,564	18,003	50.62
Equity investments	453,046	446,049	6,997	1.57
Property, plant and equipment	1,261,800	1,063,273	198,527	18.67
Intangible assets	431,922	445,689	(13,767)	-3.09
- of which: goodwill	264,740	264,740	-	-
Other assets	2,669,393	2,437,451	231,942	9.52
Total assets	71,582,668	70,634,767	947,901	1.34

Reclassified consolidated balance sheet

Annexes

Liabilities and shareholders' equity	(in thousands)			
	30.06.2019	31.12.2018	Change	% Change
Due to banks	12,504,749	13,126,248	(621,499)	-4.73
Direct deposits	51,029,054	49,996,419	1,032,635	2.07
a) Due to customers	45,465,848	44,594,863	870,985	1.95
b) Debt securities issued	5,563,206	5,401,556	161,650	2.99
Financial liabilities held for trading	220,086	143,824	76,262	53.02
Hedging derivatives	306,649	92,374	214,275	231.96
Other liabilities	2,572,406	2,379,334	193,072	8.11
Minority interests	505,929	507,457	(1,528)	-0.30
Shareholders' equity pertaining to the Parent Company	4,443,795	4,389,111	54,684	1.25
a) Valuation reserves	15,130	949	14,181	--
b) Reserves	1,961,433	1,619,469	341,964	21.12
c) Share premium reserve	930,073	930,073	-	-
d) Share capital	1,443,925	1,443,925	-	-
e) Treasury shares	(7,258)	(7,258)	-	-
f) Profit (Loss) for the period	100,492	401,953	(301,461)	-75.00
Total liabilities and shareholders' equity	71,582,668	70,634,767	947,901	1.34

Reclassified consolidated income statement

		(in thousands)			
Captions		30.06.2019	30.06.2018	Change	% Change
10+20	Net interest income	546,184	573,502	(27,318)	-4.76
	of which IFRS 9 components*	28,435	46,394	(17,959)	-38.71
	of which interest expense lease liabilities IFRS 16	(742)	(33)	(709)	--
40+50	Net commission income	387,754	389,056	(1,302)	-0.33
70	Dividends	10,226	13,461	(3,235)	-24.03
80+90+100+110	Net income from financial activities	27,465	170,065	(142,600)	-83.85
230	Other operating expense/income	15,260	19,659	(4,399)	-22.38
	Operating income	986,889	1,165,743	(178,854)	-15.34
190 a)	Staff costs	(426,740)	(420,434)	(6,306)	1.50
190 b)	Other administrative expenses	(187,134)	(212,266)	25,132	-11.84
	of which rental expenses	(8,699)	(31,155)	22,456	-72.08
210+220	Net adjustments to property, plant, equipment and intangible assets	(68,552)	(56,325)	(12,227)	21.71
	of which depreciation right of use IFRS 16	(22,384)	(1,459)	(20,925)	--
	Operating costs	(682,426)	(689,025)	6,599	-0.96
	Net operating income	304,463	476,718	(172,255)	-36.13
130 a)	Net impairment losses to financial assets at amortised cost	(147,036)	(84,934)	(62,102)	73.12
130 b)	Net impairment losses to financial assets at fair value	29	1,904	(1,875)	-98.48
140	Gains (Losses) from contractual modifications without derecognition	(967)	(1,183)	216	-18.26
	Net impairment losses for credit risk	(147,974)	(84,213)	(63,761)	75.71
200	Net provisions for risks and charges	(11,693)	(37,039)	25,346	-68.43
###	Contributions to SRF, DGS, IDPF - VS	(32,643)	(28,952)	(3,691)	12.75
250+270+280	Gains (Losses) on equity investments, disposal investments and impairment losses on goodwill	8,395	5,418	2,977	54.95
290	Profit (Loss) from current operations before tax	120,548	331,932	(211,384)	-63.68
300	Income taxes on current operations for the period	(11,279)	(9,768)	(1,511)	15.47
330	Profit (Loss) for the period	109,269	322,164	(212,895)	-66.08
340	Profit (Loss) for the period pertaining to minority interests	(8,777)	(14,279)	5,502	-38.53
350	Profit (Loss) for the period pertaining to the Parent Company	100,492	307,885	(207,393)	-67.36

*The "of which IFRS 9 components" caption includes the time value of bad loans and the write-down of part of the interest charged on non-performing exposures.

Reclassified consolidated income statement by quarter

Annexes

(in thousands)

Captions	1Q19	2Q19	1Q18	2Q18	3Q18	4Q18
10+20 Net interest income	273,896	272,288	293,234	280,268	276,590	272,345
of which IFRS 9 components*	13,352	15,083	25,637	20,757	17,576	12,397
of which interest expense lease liabilities IFRS 16	(361)	(381)	(18)	(15)	(16)	(15)
40+50 Net commission income	192,544	195,210	198,120	190,936	188,025	199,184
70 Dividends	539	9,687	584	12,877	325	20,553
80+90+100+110 Net income from financial activities	22,062	5,403	153,634	16,431	20,879	(86,922)
230 Other operating expense/income	6,337	8,923	11,485	8,174	10,998	13,552
Operating income	495,378	491,511	657,057	508,686	496,817	418,712
190 a) Staff costs	(213,631)	(213,109)	(207,534)	(212,900)	(194,553)	(206,507)
190 b) Other administrative expenses	(90,930)	(96,204)	(102,285)	(109,981)	(104,323)	(125,842)
of which rental expenses	(4,692)	(4,007)	(15,615)	(15,540)	(15,883)	(15,994)
210+220 Net adjustments to property, plant and equipment and intangible assets	(33,172)	(35,380)	(21,339)	(34,986)	(22,933)	(39,681)
of which depreciation right of use IFRS 16	(11,249)	(11,135)	(726)	(733)	(741)	(741)
Operating costs	(337,733)	(344,693)	(331,158)	(357,867)	(321,809)	(372,030)
Net operating income	157,645	146,818	325,899	150,819	175,008	46,682
130 a) Net impairment losses to financial assets at amortised cost	(72,485)	(74,551)	(26,141)	(58,793)	(70,272)	(70,566)
130 b) Net impairment losses to financial assets at fair value	421	(392)	1,763	141	150	12
140 Gains (Losses) from contractual modifications without derecognition	(891)	(76)	-	(1,183)	(1,536)	(237)
Net impairment losses to credit risk	(72,955)	(75,019)	(24,378)	(59,835)	(71,658)	(70,791)
200 Net provisions for risks and charges	(1,995)	(9,698)	(11,663)	(25,376)	(12,091)	23,936
### Contributions to SRF, DGS, IDPF – VS	(23,184)	(9,459)	(20,282)	(8,670)	(23,448)	75
250+270+280 Gains (Losses) on equity investments, disposal of investments and impairment losses on goodwill	3,809	4,586	2,827	2,591	3,535	(57,654)
290 Profit (Loss) from current operations before tax	63,320	57,228	272,403	59,529	71,346	(57,752)
300 Income taxes on current operations for the period	(12,266)	987	(6,918)	(2,850)	(14,206)	124,238
330 Profit (Loss) for the period	51,054	58,215	265,485	56,679	57,140	66,486
340 Profit (Loss) for the period pertaining to minority interests	(3,083)	(5,694)	(14,462)	183	(6,899)	(22,659)
350 Profit (Loss) for the period pertaining to the Parent Company	47,971	52,521	251,023	56,862	50,241	43,827

* The "of which IFRS 9 components" caption includes the time value of bad loans and the write-down of part of the interest charged on non-performing exposures.

Consolidated balance sheet

Annexes

Assets	(in thousands)			
	30.06.2019	31.12.2018	Change	% Change
10. Cash and cash equivalents	395,525	459,782	(64,257)	-13.98
20. Financial assets measured at fair value through profit or loss	1,047,721	1,128,625	(80,904)	-7.17
a) financial assets held for trading	270,204	247,219	22,985	9.30
b) financial assets designated at fair value	219,702	218,662	1,040	0.48
c) other financial assets mandatorily measured at fair value	557,815	662,744	(104,929)	-15.83
30. Financial assets measured at fair value through other comprehensive income	7,808,130	8,563,992	(755,862)	-8.83
40. Financial assets measured at amortised cost	57,461,564	56,054,342	1,407,222	2.51
a) loans to banks	5,001,079	3,306,678	1,694,401	51.24
b) loans to customers	52,460,485	52,747,664	(287,179)	-0.54
50. Hedging derivatives	53,567	35,564	18,003	50.62
70. Equity investments	453,046	446,049	6,997	1.57
90. Property, plant and equipment	1,261,800	1,063,273	198,527	18.67
100. Intangible assets	431,922	445,689	(13,767)	-3.09
of which:				
- goodwill	264,740	264,740	-	-
110. Tax assets	1,868,566	1,885,616	(17,050)	-0.90
a) current	458,612	457,838	774	0.17
b) deferred	1,409,954	1,427,778	(17,824)	-1.25
120. Non current assets and disposal groups classified as held for sale	5,288	2,800	2,488	88.86
130. Other assets	795,539	549,035	246,504	44.90
Total Assets	71,582,668	70,634,767	947,901	1.34

Consolidated balance sheet

		(in thousands)		
Liabilities and shareholders' equity		30.06.2019	31.12.2018	Change % Change
10.	Financial liabilities measured at amortised cost	63,533,803	63,122,667	411,136 0.65
	a) due to banks	12,504,749	13,126,248	(621,499) -4.73
	b) due to customers	45,465,848	44,594,863	870,985 1.95
	c) debt securities issued	5,563,206	5,401,556	161,650 2.99
20.	Financial liabilities held for trading	220,086	143,824	76,262 53.02
40.	Hedging derivatives	306,649	92,374	214,275 231.96
60.	Tax liabilities	65,674	62,644	3,030 4.84
	a) current	6,527	3,966	2,561 64.57
	b) deferred	59,147	58,678	469 0.80
80.	Other liabilities	1,840,166	1,663,946	176,220 10.59
90.	Employee termination indemnities	188,527	182,793	5,734 3.14
100.	Provisions for risks and charges	478,039	469,951	8,088 1.72
	a) commitments and guarantees granted	62,126	63,059	(933) -1.48
	b) pensions and similar obligations	163,255	131,126	32,129 24.50
	c) other provisions for risks and charges	252,658	275,766	(23,108) -8.38
120.	Valuation reserves	15,130	949	14,181 --
150.	Reserves	1,961,433	1,619,469	341,964 21.12
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 (+/-)	505,929	507,457	(1,528) -0.30
200.	Profit (Loss) for the period (+/-)	100,492	401,953	(301,461) -75.00
Total liabilities and shareholders' equity		71,582,668	70,634,767	947,901 1.34

Consolidated income statement

(in thousands)

Annexes

Captions	30.06.2019	30.06.2018	Change	Change %
10. Interest and similar income	661,433	703,820	(42,387)	-6.02
of which: interest income calculated using the effective interest method	655,383	693,173	(37,790)	-5.45
20. Interest and similar expense	(115,249)	(130,318)	15,069	-11.56
30. Net interest income	546,184	573,502	(27,318)	-4.76
40. Commission income	406,115	406,708	(593)	-0.15
50. Commission expense	(18,361)	(17,652)	(709)	4.02
60. Net commission income	387,754	389,056	(1,302)	-0.33
70. Dividends and similar income	10,226	13,461	(3,235)	-24.03
80. Net income from trading activities	(17,996)	16,482	(34,478)	-209.19
90. Net income from hedging activities	(1,436)	2,410	(3,846)	-159.59
100. Gains (Losses) on disposal or repurchase of:	51,083	147,978	(96,895)	-65.48
a) financial assets measured at amortised cost	25,736	(11,447)	37,183	-324.83
b) financial assets measured at fair value through other comprehensive income	24,980	159,255	(134,275)	-84.31
c) financial liabilities	367	170	197	115.88
110. Net income on financial assets and liabilities measured at fair value through profit or loss	(4,186)	3,195	(7,381)	-231.02
a) financial assets and liabilities designated at fair value	1,602	(2,943)	4,545	-154.43
b) other financial assets mandatorily measured at fair value	(5,788)	6,138	(11,926)	-194.30
120. Net interest and other banking income	971,629	1,146,084	(174,455)	-15.22
130. Net impairment losses for credit risk relating to:	(147,007)	(83,030)	(63,977)	77.05
a) financial assets measured at amortised cost	(147,036)	(84,934)	(62,102)	73.12
b) financial assets measured at fair value through other comprehensive income	29	1,904	(1,875)	-98.48
140. Gains (Losses) from contractual modifications without derecognition	(967)	(1,183)	216	-18.26
150. Net income from financial activities	823,655	1,061,871	(238,216)	-22.43
180. Net income from financial and insurance activities	823,655	1,061,871	(238,216)	-22.43
190. Administrative expenses:	(710,244)	(725,104)	14,860	-2.05
a) staff costs	(426,740)	(420,434)	(6,306)	1.50
b) other administrative expenses	(283,504)	(304,670)	21,166	-6.95
200. Net provisions for risks and charges	(11,693)	(37,039)	25,346	-68.43
a) commitments and guarantees granted	933	11,923	(10,990)	-92.17
b) other net provisions	(12,626)	(48,962)	36,336	-74.21
210. Net adjustments to property, plant and equipment	(43,118)	(33,354)	(9,764)	29.27
220. Net adjustments to intangible assets	(25,434)	(22,971)	(2,463)	10.72
230. Other operating expense/income	78,987	83,111	(4,124)	-4.96
240. Operating costs	(711,502)	(735,357)	23,855	-3.24
250. Gains (Losses) of equity investments	8,338	5,339	2,999	56.17
280. Gains (Losses) on disposal investments	57	79	(22)	-27.85
290. Profit (Loss) from current operations before tax	120,548	331,932	(211,384)	-63.68
300. Income taxes on current operations	(11,279)	(9,768)	(1,511)	15.47
310. Profit (Loss) from current operations after tax	109,269	322,164	(212,895)	-66.08
330. Profit (Loss) for the period (+/-)	109,269	322,164	(212,895)	-66.08
340. Profit (Loss) for the period pertaining to minority interests	(8,777)	(14,279)	5,502	-38.53
350. Profit (Loss) for the period pertaining to the Parent Company	100,492	307,885	(207,393)	-67.36

The "Interest and similar income" and "Interest and similar expense" captions at 30 June 2018 have been restated with respect to the Consolidated half-year report as at 30 June 2018, due to reclassification of interest on hedging derivatives pursuant to the 5th update to Bank of Italy Circular 262/2005.

Performance ratios (1)

Annexes

Financial ratios	30.06.2019	2018 (*)
Structural ratios		
Net loans to customers/total assets	65.02%	66.61%
Net loans to customers/direct deposits from customers	91.21%	94.11%
Financial assets/total assets	23.97%	24.28%
Fixed assets/total assets	2.40%	2.14% (2)
Goodwill/total assets	0.37%	0.37%
Direct deposits/total assets	88.76%	89.36%
Indirect deposits under management/indirect deposits	52.75%	53.32%
Financial assets/tangible equity	3.80	3.85 (3)
Total tangible assets/tangible equity	15.75	15.77 (4)
Net interbank position (in thousands of Euro)	(9,888,310)	(11,585,739)
Number of employees	11,595	11,615 (5)
Number of national bank branches	1,170	1,218
Profitability ratios		
ROE	4.87%	9.06% (6)
ROTE	5.44%	10.15% (7)
ROA (net profit/total assets)	0.31%	0.63% (8)
Cost to income ratio	69.15%	59.11% (9)
Net impairment losses on loans to customers/net loans to customers	0.31%	0.18%
Basic EPS	0.209	0.640 (10)
Diluted EPS	0.209	0.640 (11)
Risk ratios		
Net non-performing loans/net loans to customers	6.74%	6.81%
Net bad loans/net loans to customers	3.06%	3.08%
Net unlikely to pay loans/net loans to customers	3.51%	3.60%
Net past due loans/net loans to customers	0.17%	0.13%
Impairment provisions for non-performing loans/gross non-performing loans	54.76%	54.52%
Impairment provisions for bad loans/gross bad loans	67.02%	66.62%
Impairment provisions for unlikely to pay loans/gross unlikely to pay loans	35.27%	35.73%
Impairment provisions for past due loans/gross past due loans	12.81%	12.33%
Impairment provisions for performing loans/gross performing loans	0.33%	0.37%
Texas ratio	83.41%	84.97% (12)

Financial ratios	30.06.2019	2018 (*)
Own Funds (Phased in) (in thousands of Euro)		(13)
Common Equity Tier 1 (CET1)	4,356,558	4,367,711
Own Funds	5,266,359	5,278,852
Risk-weighted assets (RWA)	30,402,689	30,606,171
Capital and liquidity ratios		
Common Equity Tier 1 Ratio (CET1 Ratio) - Phased in	14.33%	14.27%
Tier 1 Ratio (T1 Ratio) - Phased in	14.42%	14.37%
Total Capital Ratio (TC Ratio) - Phased in	17.32%	17.25%
Common Equity Tier 1 Ratio (CET1 Ratio) - Fully Phased	12.33%	11.95%
Leverage Ratio - Phased in	6.1%	6.0% (14)
Leverage Ratio - Fully Phased	5.3%	5.0% (15)
Liquidity Coverage Ratio (LCR)	174.5%	154.3%
Net Stable Funding Ratio (NSFR)	n.a.	106.8% (16)
Non-financial ratios	30.06.2019	2018 (*)
Productivity ratios (in thousands of Euro)		
Direct deposits per employee	4,400.95	4,304.47
Loans to customers per employee	4,013.96	4,050.88
Assets managed per employee	1,737.62	1,664.31
Assets administered per employee	1,556.64	1,457.29
Core revenues per employee	80.55	82.59 (17)
Net interest and other banking income per employee	83.80	98.33
Operating costs per employee	61.36	63.09

- (1) To construct ratios, reference was made to the balance sheet and income statement figures of the reclassified statements prepared from a management point of view as per the present Press Release.
- (2) Fixed assets include both Equity investments and Property, plant and equipment
- (3) Tangible equity: total shareholders' equity, including minority interests, net of intangible assets
- (4) Total tangible assets = total assets net of intangible assets
- (5) The number of employees (point figures) does not include the expectations
- (6) ROE at 30 June 2019 has been calculated on an annual basis replicating the profit (loss) for the period for the rest of the year.
- (7) ROTE at 30 June 2019 has been calculated on an annual basis replicating the profit (loss) for the period for the rest of the year
- (8) ROA at 30 June 2019 has been calculated on an annual basis replicating the profit (loss) for the period for the rest of the year
- (9) The cost/income ratio has been calculated on the basis of the layout of the reclassified income statement (operating costs/operating income); when calculated on the basis of the layouts provided by the 6th update of the Circular of the Bank of Italy the cost/income ratio is at 73.23% (64.16% at 30 June 2018 as per the Consolidated half-year report as at 30 June 2018)
- (10) EPS has been calculated net of treasury shares in portfolio
- (11) See previous note
- (12) The Texas ratio is calculated as the relationship between total gross non-performing loans and net tangible equity increased by impairment provisions for non-performing loans
- (13) Items have been calculated according to the provisions of Regulation (EU) 575/2013 (CRR), as amended by the Commission Delegated Regulation (EU) 2395/2017
- (14) The ratio has been calculated according to the provisions of Regulation (EU) 575/2013 (CRR), as amended by the Commission Delegated Regulation (EU) 62/2015
- (15) See previous note
- (16) The NSFR, not yet available, is in any case estimated to exceed 100% (109.1% as at 31 March 2019)
- (17) Core revenues = net interest income + net commission income

(*) The comparative patrimonial ratios, together with ROE, ROTE, and ROA, have been calculated on figures at 31 December 2018 as per the Consolidated financial statements as at 31 December 2018, while economical ratios have been calculated on figures at 30 June 2018 as per the Consolidated half-year report as at 30 June 2018

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