



The UBI Banca Group Consolidated Results as at 30th June 2018

3rd August 2018

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References

The "notes on the reclassified financial statements" contained in the periodic financial reports of the Group may be consulted for a fuller comprehension of the rules followed in preparing the reclassified financial statements.

Figures in this presentation slides may not add up exactly to correspond to the total amount indicated, due to rounding differences.

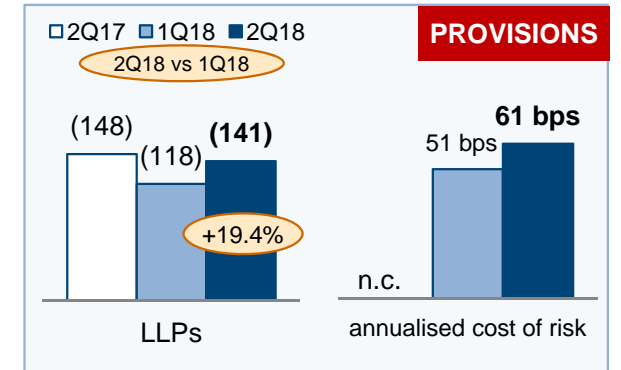
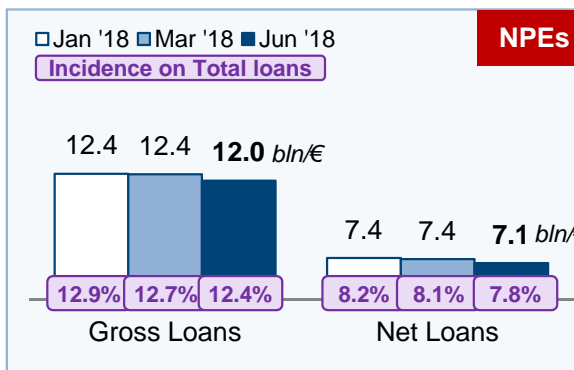
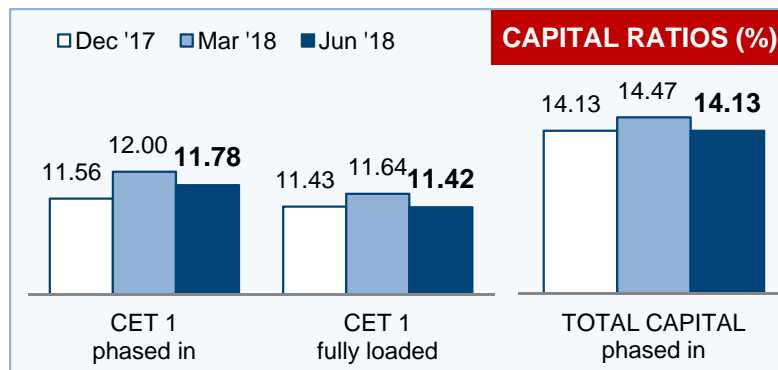
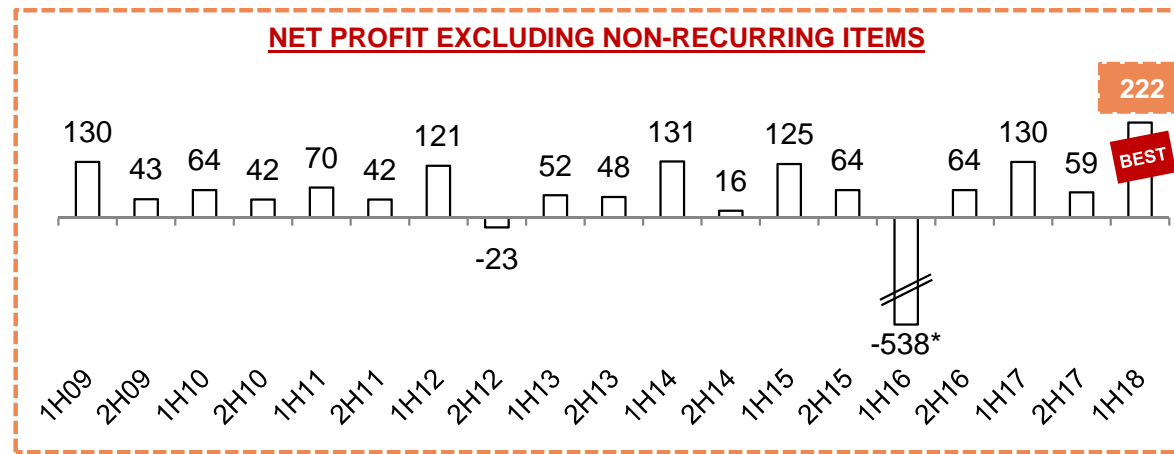
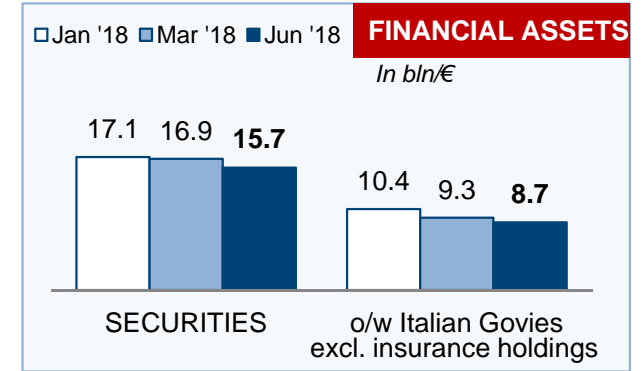
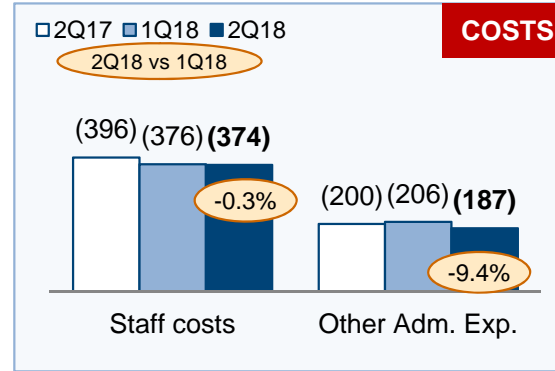
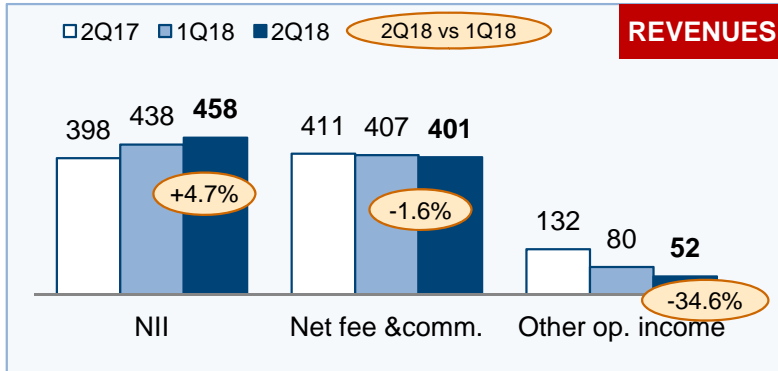
P&L

- *The UBI Group's consolidated results include the results of the 3 recently acquired Banks since 1st April 2017. A comparison between 1H18 and 1H17 would **not** therefore be significant because of the **difference in the scope of consolidation***
- *2Q18 results are compared with 1Q18 results, both under IFRS9. When significant, reference may be made in this presentation to 2Q17 results, still pursuant to IAS 39, but restated to take account of the new classifications introduced by the 5th update of the Bank of Italy Circular No 262/2005*

BALANCE SHEET

- *Data are shown on three reporting dates (1.1.2018, 31.3.2018 and 30.06.2018) which implement IFRS9 and the application of the 5th update of Bank of Italy Circular No. 262/2005*

1H18: strong results in a picture

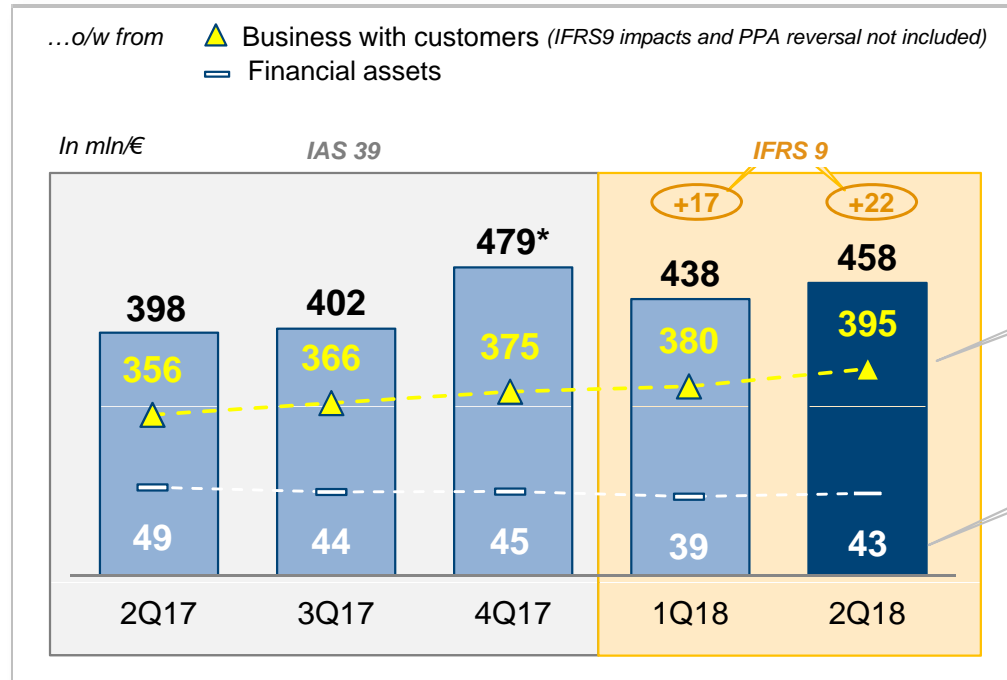


In mln/€, where not otherwise stated

* Restated in compliance with ESMA new regulations and including higher LLPs (approx. 850 mln/€) related to shortfall reabsorption initiative of 2019/20120 Business Plan

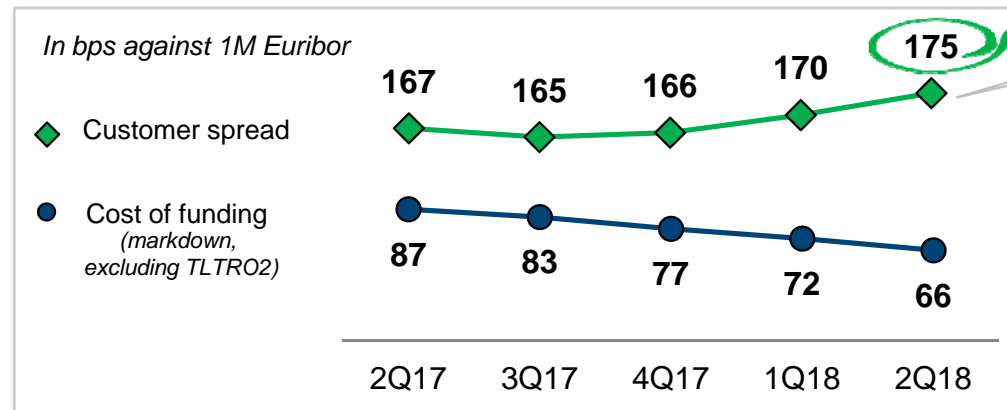
Net interest income at 896 mln/€ in 1H18, o/w 775 mln/€ (86.5%) from customers. Quarterly evolution: in 2Q18 at 458 mln/€ +4.7% vs 1Q18

Net interest income...



NII from Business with customers up for the 4th quarter in a row

Contribution from financial assets back to growth (+8.9% vs 1Q18)

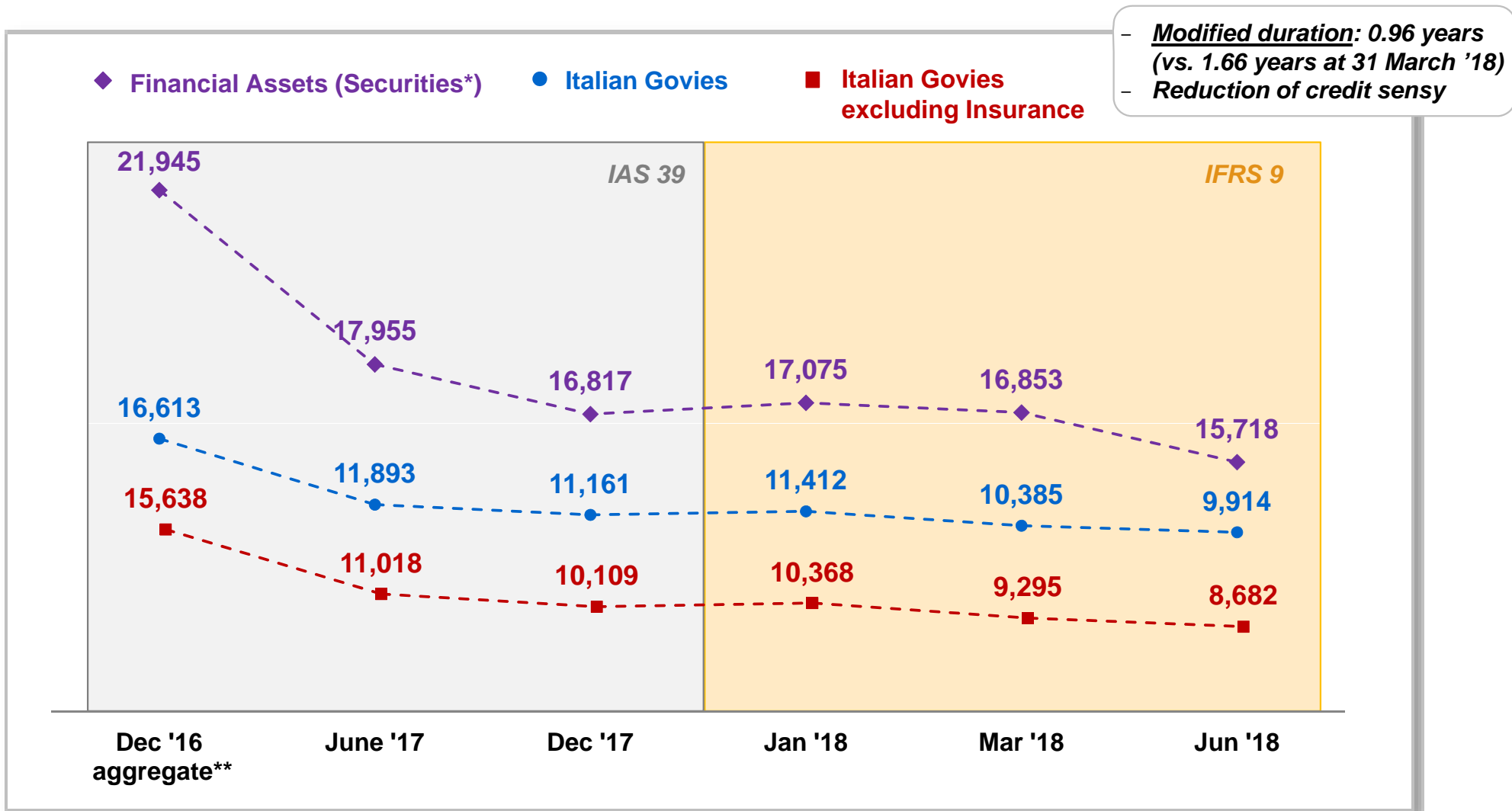


Mark up stabilised since 4Q17

* Including 68.8 mln/€ TLTRO2 benefit referred to 2016 and 2017 (TLTRO2 benefit in 1Q18 and in 2Q18 at 12.6 mln/€)

Financial assets represented by securities at 15.7 bln/€ (lower than 17.7 bln/€ Business Plan target for 2019), down by further 6.7% vs March '18

Italian Govies under 10 bln/€ (-4.5% vs March '18 and -40.3% vs Dec '16)



- **Modified duration: 0.96 years (vs. 1.66 years at 31 March '18)**
 - **Reduction of credit sensy**

In mln/€

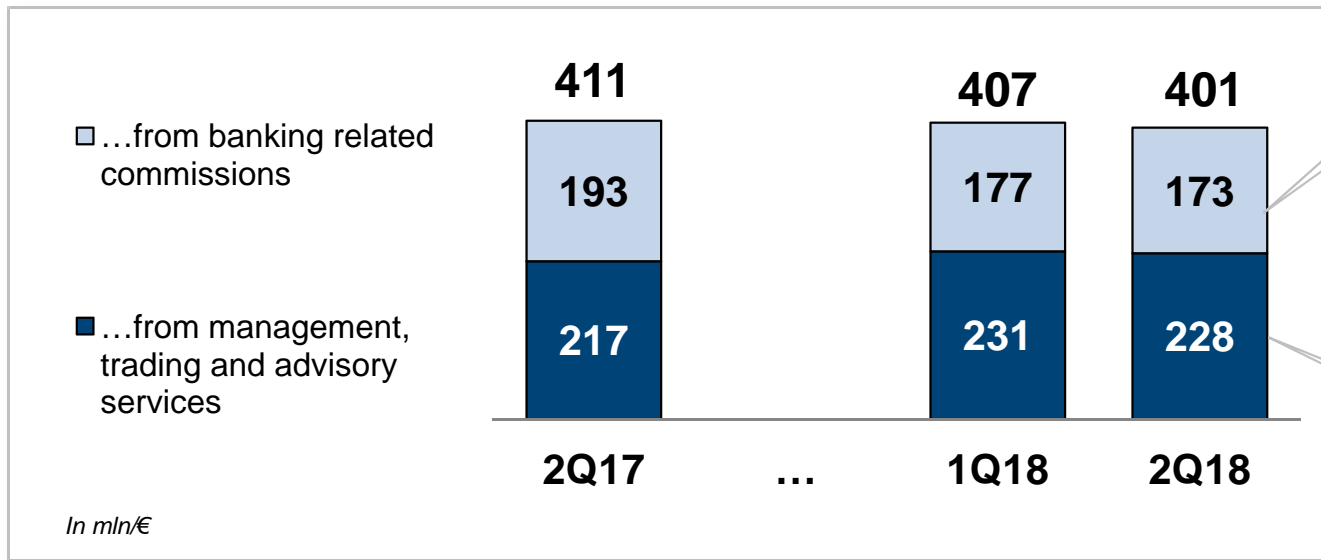
* Includes reclassified balance sheet items 20.3) , 30.3) and 40.3)

** Dec '16 aggregate includes UBI Banca Group Stand Alone (17,859 mln/€) + data of 3 Banks acquired in May 2017

Net fee and commission income at 808 mln/€ in 1H18.

Good resilience of fees and commission in 2Q18, notwithstanding difficult market conditions

Net fee and commission income...



- 2Q18/1Q18: seasonality linked to Corporate and Investment Banking activity
- 2Q18/2Q17:
 - change of perimeter with exit of UBI Intl (-2.5 mln/€)
 - commission expense on securitisation only in 2018 (-4 mln/€)
 - commission on structured finance transactions linked to the acquisition of the 3 Banks present only in 2Q17 (-5.8 mln/€)

- Resilience of securities related commissions thanks to higher management fees on increasing AuM/bancassurance stocks, notwithstanding lower placements in 2Q18

Volumes Placed in mln/€ (AUM and Bancassurance)	2Q17	1Q18	2Q18
Up-front fees	13.9%	16.7%	14.1%
Performance fees	1.0%	0.4%	1.7%

Indirect funding: +2.1% vs Dec '17 and +0.9% vs March '18

Significant growth in bancassurance products: +12.2% vs Dec '17 and +6.5% vs March '18.

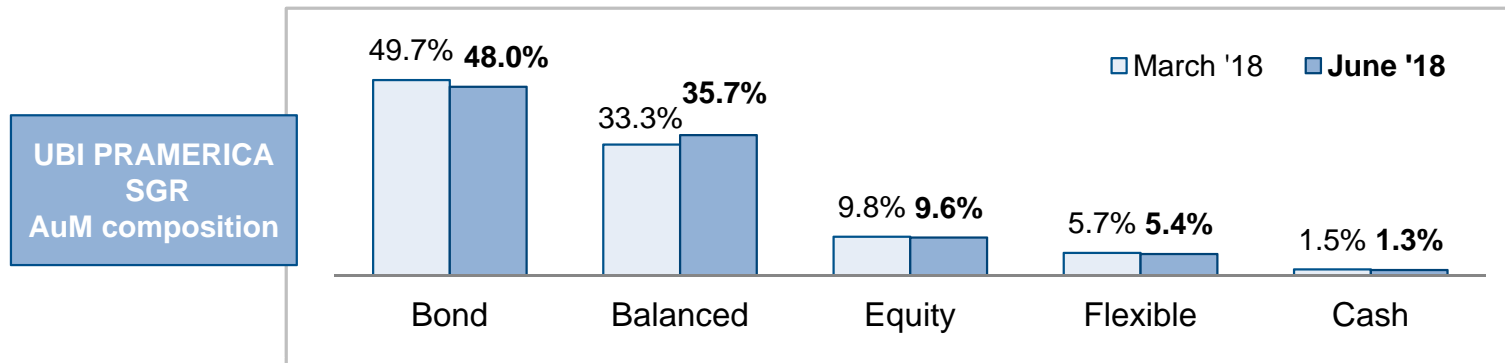
In a negative AUM market trend, UBI Banca grows volumes and gains market shares

Market share in Italy (banking companies) - Source Assogestioni

	Dec '15	Mar '16	Jun '16	Sep '16	Dec '16	Mar '17	Jun '17	Sep '17	Dec '17	Mar '18	Jun '18
Market share net AuM	5.86%	5.99%	6.14%	6.28%	6.31%	6.36%	6.38%	6.48%	6.70%	6.81%	6.97%

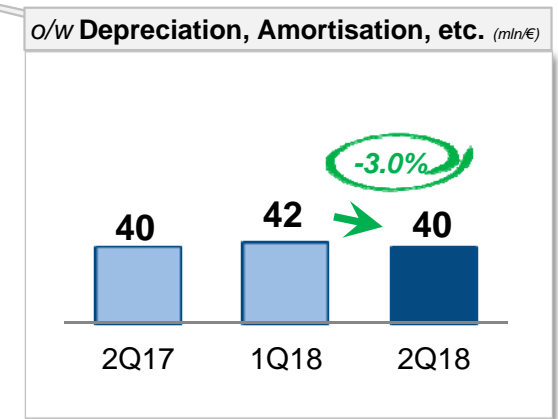
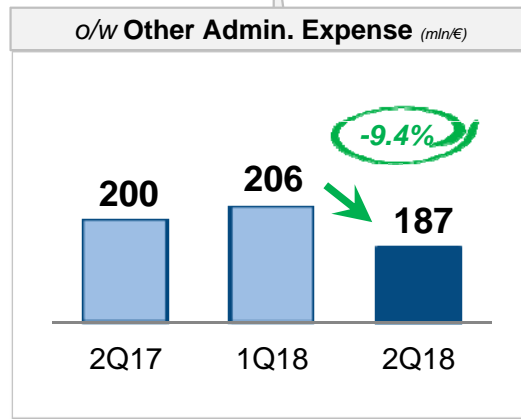
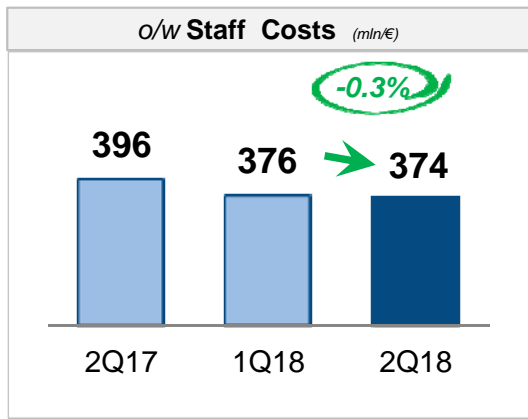
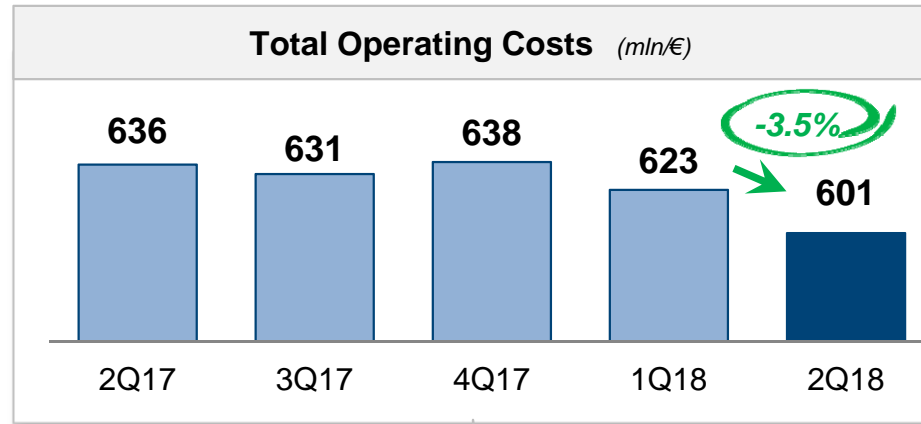
Amounts in bln€				Jun '18 vs Dec '17	Jun '18 vs Mar '18
	Dec '17	Mar '18	Jun '18		
Quarterly evolution of Indirect Funding					
AuM	43.8	44.1	44.5	1.4%	0.8%
Bancassurance	21.6	22.8	24.2	12.2%	6.5%
AuC	31.0	30.8	29.8	-3.8%	-3.1%
Total Indirect Funding	96.5	97.7	98.5	2.1%	0.9%

Excluding market performance, (-1.6 bln/€ in 1H2018 o/w -1.4 in 2Q18), AuC volumes increased both in 1Q18 and in 2Q18



Operating costs at 1,224 mln/€ in 1H18.

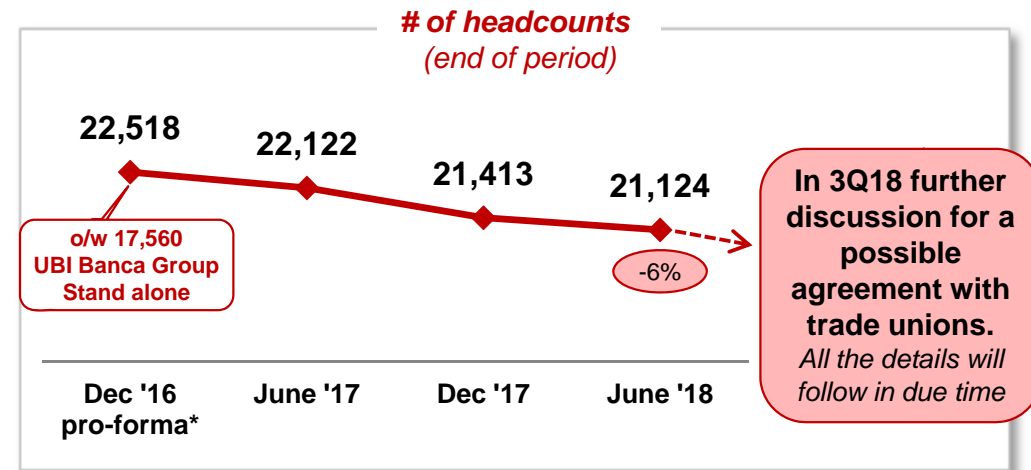
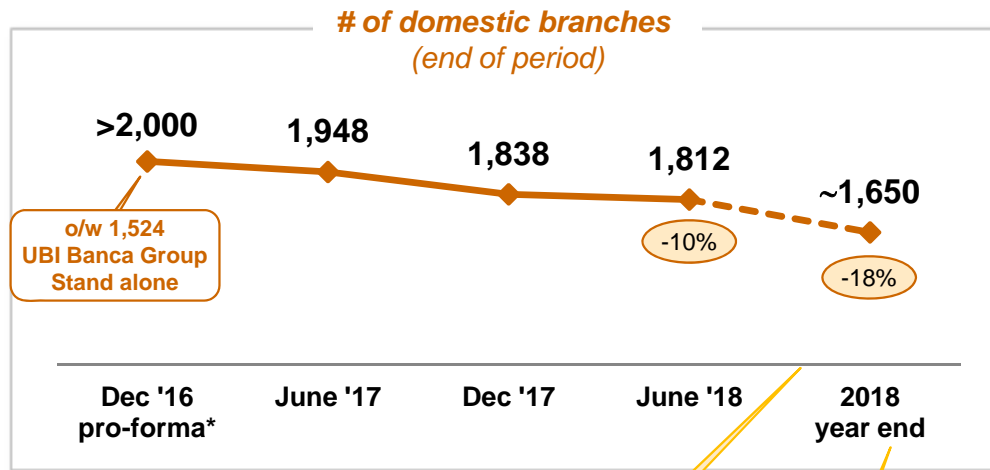
2Q18 operating costs at 601 mln/€, the best result since the consolidation of the 3 Banks. All cost components show a QoQ decrease



item inclusive of the contribution to SRF

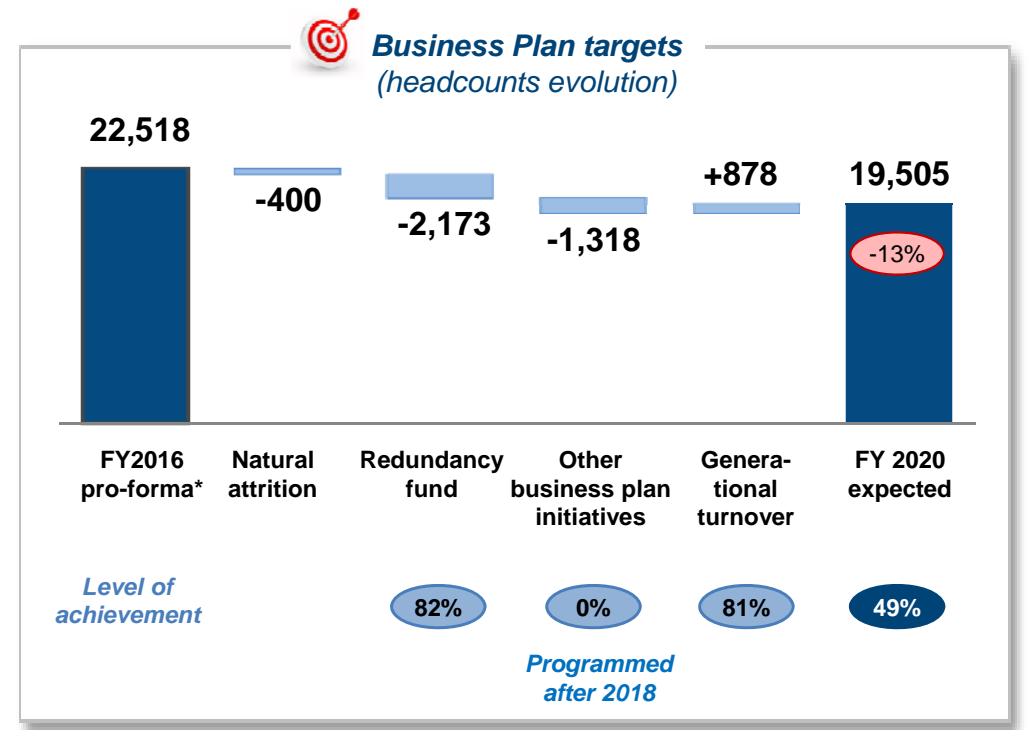
(mln/€)	-3.4	34.2	-5+12.9
	(adj. of ordinary contribution)	(ordinary 1 st estimate)	(adj. of ordinary contribution + extraordinary)

Headcounts and branches: 30 June 2018 vs. Business Plan targets



Approx. 170 new closures expected in 2H18 (mainly mini-branches)

2018 year end expected number of branches represents the Business Plan target envisaged for 2020



* Dec '16 pro-forma and FY2016 pro-forma include UBI Banca Group Stand Alone + data of 3 Banks acquired in May 2017

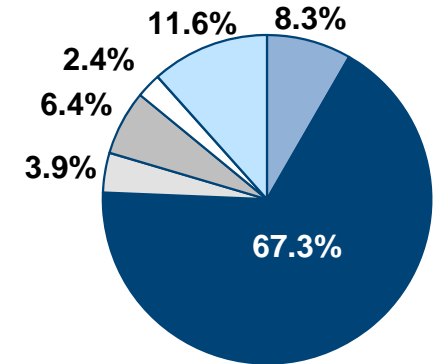
Net loans to customers at 91.3 bln/€

- decreasing NPEs and
- increasing performing m/l term component, also benefitting from new originations of Corporate & Investment Banking division (+1 bln/€ in 6 months)

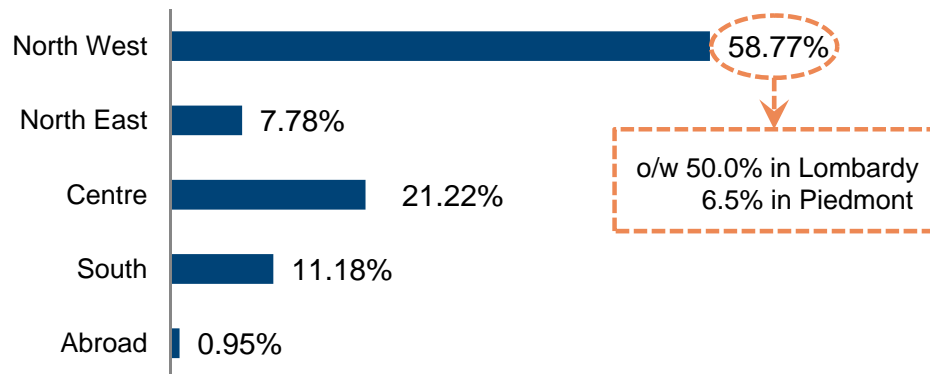
Amounts in bln€	1 Jan '18	31 Mar '18	30 Jun '18
NET LOANS AT AMORTISED COST	91.0	91.6	91.3
<i>of which</i>			
NET PERFORMING EXPOSURES	83.5	84.2	84.2
<i>of which medium-long term</i>	65.1 →	65.3 →	65.4
<i>of which short term</i>	18.3	18.7	18.7
<i>of which repos and other with CCG</i>	0.1	0.2	0.1
NET NPEs	7.5	7.4	7.1

NET PERFORMING EXPOSURES (at amortised cost) as at 30 June '18

- Current account overdraft (7.0 bln/€)
- Mortgage loans and other m/l term financing (56.7 bln/€)
- Credit cards, personal loans and salary backed loans (3.3 bln/€)
- Leasing (5.4 bln/€)
- Factoring (2.1 bln/€)
- Other (portfolio discount, repos, foreign, debt instrum etc; 9.7 bln/€)

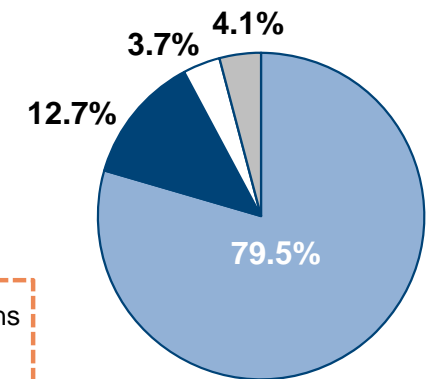


GEOGRAPHICAL DISTRIBUTION OF NET LOANS as at 30 June '18

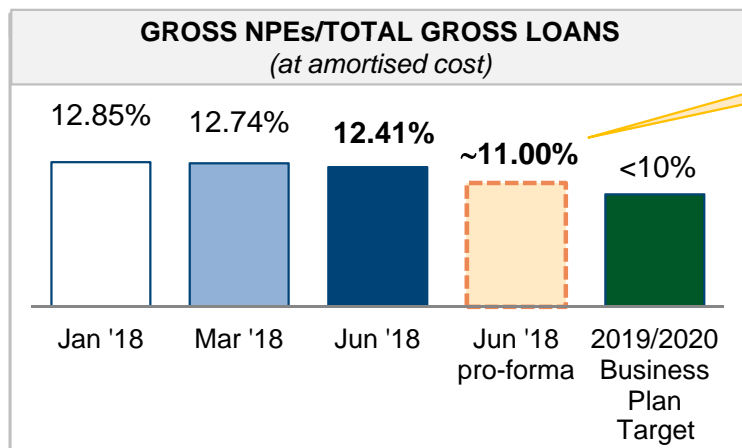


BREAKDOWN OF GROSS PERFORMING PORTFOLIO UNDER AIRB (loans at amortised cost and at fair value through profit or loss)

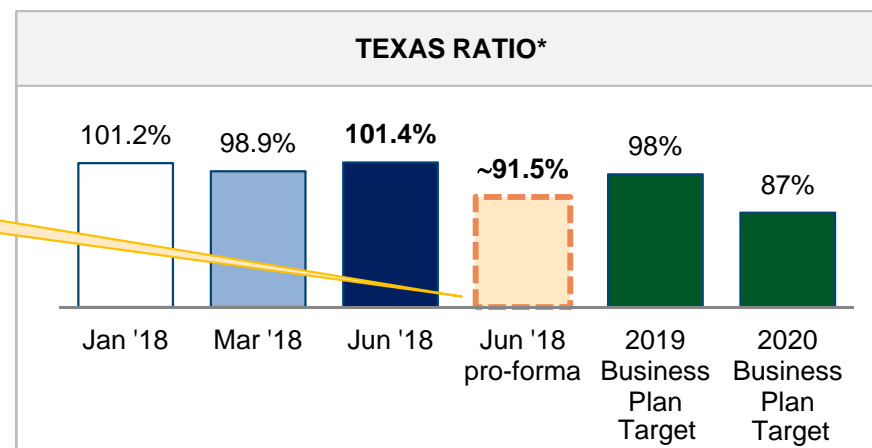
- Low risk 79.5%
- Medium risk 12.7%
- High risk 3.7%
- Unrated 4.1%



Strongly improving credit quality



Taking into account the expected impacts of the recent GACS securitisation announced



Loans and advances to customers measured at amortised cost as at 30 June 2018

Figures in thousands of euro	Gross exposure		Impairment losses	Net Carrying amount		Coverage ratio without write-offs	Coverage ratio with write-offs
Non-performing exposures (stage 3)	(12.41%)	12,008,425	4,865,777	(7.82%)	7,142,648	40.52%	50.53%
- Bad loans	(7.43%)	7,192,530	3,719,025	(3.80%)	3,473,505	51.71%	63.90%
- Unlikely to pay loans	(4.83%)	4,676,478	1,132,267	(3.88%)	3,544,211	24.21%	
- Past due loans	(0.14%)	139,417	14,485	(0.14%)	124,932	10.39%	
Performing loans (stage 1 and 2)	(87.59%)	84,748,042	548,047	(92.18%)	84,199,995	0.65%	
Total		96,756,467	5,413,824		91,342,643	5.60%	

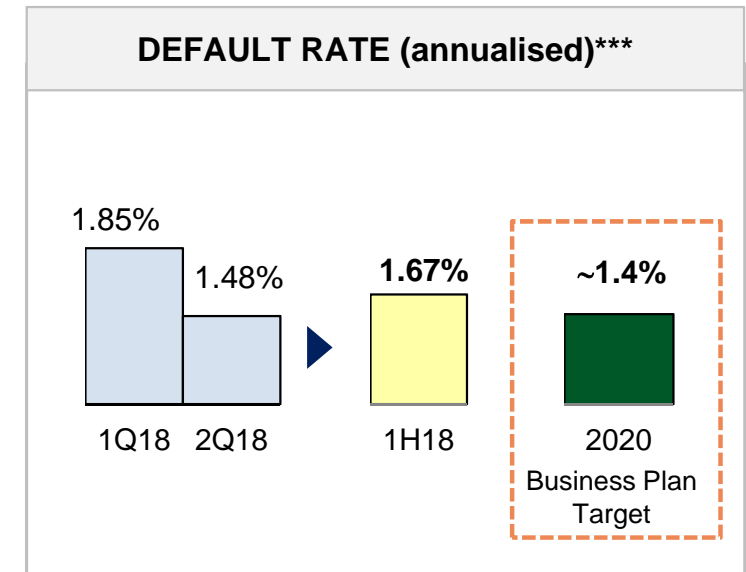
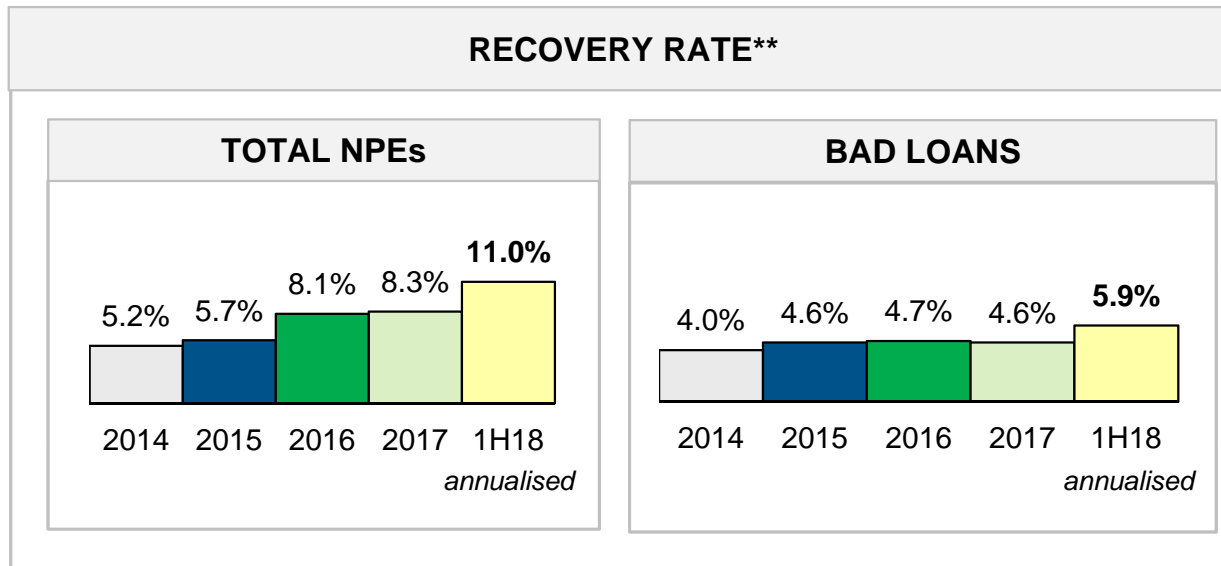
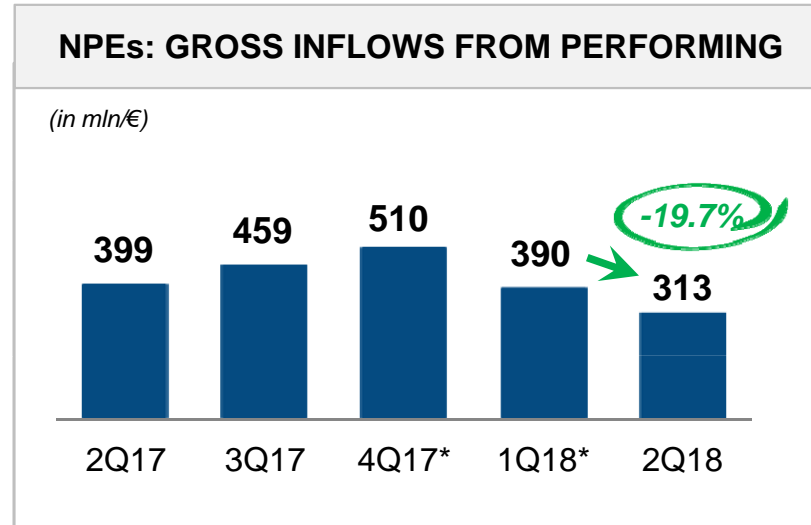
Over -370 mln/€QoQ
(-405 mln/€ since 1 Jan '18)

Loans and advances to customers measured at amortised cost as at 31 March 2018

Figures in thousands of euro	Gross exposure		Impairment losses	Net Carrying amount		Coverage ratio without write-offs	Coverage ratio with write-offs
Non-performing exposures (stage 3)	(12.74%)	12,378,749	4,994,983	(8.06%)	7,383,766	40.35%	49.83%
- Bad loans	(7.52%)	7,309,326	3,813,243	(3.82%)	3,496,083	52.17%	63.77%
- Unlikely to pay loans	(5.06%)	4,914,595	1,167,872	(4.09%)	3,746,723	23.76%	
- Past due loans	(0.16%)	154,828	13,868	(0.15%)	140,960	8.96%	
Performing loans (stage 1 and 2)	(87.26%)	84,761,765	570,300	(91.94%)	84,191,465	0.67%	
Total		97,140,514	5,565,283		91,575,231	5.73%	

* Calculated as net total non performing exposures/((net equity excluding profit and minorities)-total intangible assets)

Flows from performing to non performing loans, recovery rate and default rate

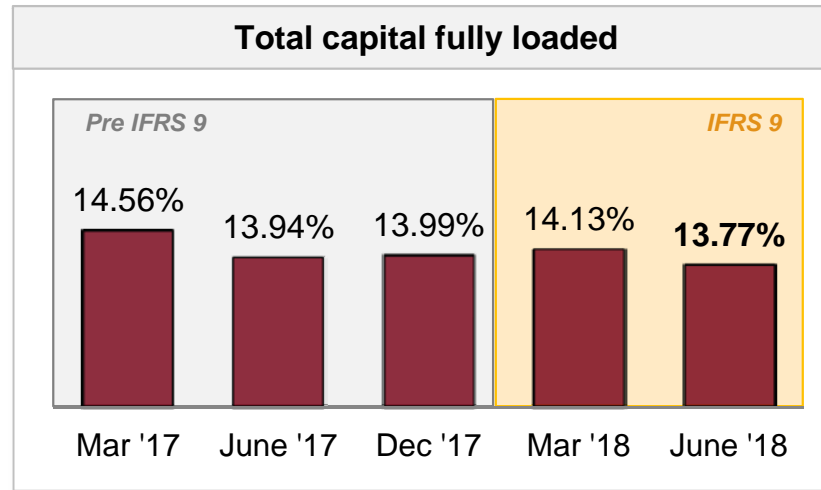
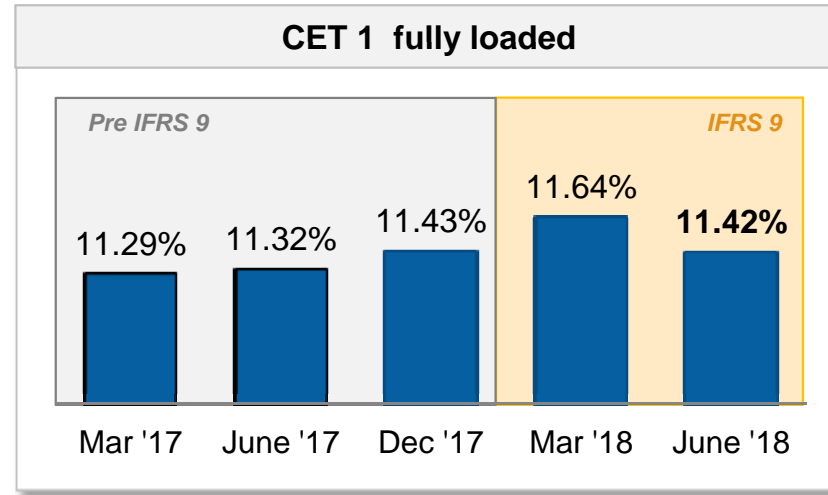
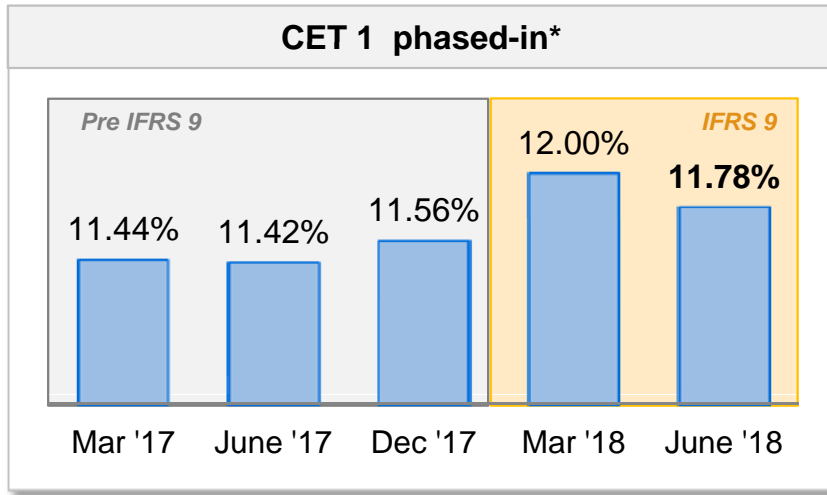


* Process to align NPEs on overlapping customers, and extension of automatisms in use in UBI to 3 banks acquired started in 4Q17 and closed in 1Q18 following incorporation of the same banks; ** Recovery rate = payments received / (initial gross exposure + total increases)

*** Default rate = annualised gross inflows to NPEs / Gross performing loans at the beginning of the period

CET1 ratio at 11.78% phased-in and 11.42% fully loaded.

The impact of sovereign spread widening (-56 bps), partially offset by positive reverse shortfall and profit for the period net of budgeted dividend (+26 bps altogether)



Ratios are not inclusive of:

- any benefit from the use of the DTAs of the 3 banks acquired
- 3 acquired banks transition to IRB models**

SREP requirement for 2018 at 8.625%

* Only the negative impacts of the provisions (approx. €255 mn/€) recognised on credit positions subject to the standardised approach carried out on first-time adoption of IFRS 9 will have their effect gradually on the basis of the transition regime provided for by EU Regulation No. 2017/2395 (only 5% of the impact of these provisions is therefore included in the phased-in CET1 ratio, while the total impact is included in the fully loaded CET1 ratio)

** Loans to the New Bank's own customers are still included under the standardised approach. Roll-out of the IRB model is expected during the course of 2018

- Under current market conditions, the **gradual growth in net interest income** is expected to continue in the second half of 2018
- The prudent management of the Italian government securities portfolio, oriented towards **reducing this exposure**, is confirmed
- **Net fee and commission income** is forecast to be **resilient**
- Attentive monitoring of costs will continue. **In 3Q 2018, UBI will verify the premises to reach a new trade union agreement** which will allow further exits in line with Business Plan forecasts
- The trend for the **reduction in cost of risk** compared with 2017 is forecast to continue
- Finally, in addition to the securitisation (assisted by GACS) of a portfolio of bad loans just concluded, a **new bad loan transaction (without securitisation) is planned for the end of 2018/beginning of 2019**, which will help to achieve a **ratio of gross non-performing loans below 10%**, ahead of schedule compared with previous disclosures. **Both transactions are consistent with the disposal scenarios considered in the IFRS9 FTA**

Consolidated income statement (in mln/€)	2Q17 (IAS 39)	1Q18 (IFRS 9)	2Q18 (IFRS 9)	2Q18 vs 2Q17	2Q18 vs 1Q18	1H18 (IFRS 9)
Net interest income	398.0	437.8	458.4	n.s.	4.7%	896.2
- of which: TLTRO2		12.6	12.7		1.1%	25.2
- of which: credit components (IFRS9 and PPA)		25.7	35.5		38.5%	61.2
- of which: IFRS9 contractual modifications without derecognition		(8.7)	(13.4)		54.9%	(22.1)
Net fee and commission income	410.5	407.3	400.6	(2.4%)	(1.6%)	808.0
Net income (loss) from trading, hedging and disposal/repurchase activities and from assets/liabilities as at fair value through profit or loss	83.4	33.7	18.5	n.s.	(45.2%)	52.2
Profits of equity-accounted investees	6.8	7.3	1.8	(74.2%)	(75.9%)	9.0
Dividends and similar income	8.0	5.1	3.2	(59.6%)	(37.1%)	8.4
Net income from insurance operations	4.1	5.5	5.5	33.8%	1.7%	11.0
Other net operating income/expense	30.0	28.4	23.4	(21.9%)	(17.5%)	51.8
Operating income	940.8	925.1	911.4	n.s.	(1.5%)	1,836.5
Staff costs	(396.3)	(375.5)	(374.3)	(5.5%)	(0.3%)	(749.9)
Other administrative expenses	(199.7)	(205.9)	(186.6)	(6.5%)	(9.4%)	(392.6)
Depreciation, amortisation and net impairment losses on property, plant and equipment and intangible assets	(40.2)	(41.6)	(40.4)	0.4%	(3.0%)	(82.0)
Operating expenses	(636.2)	(623.1)	(601.4)	(5.5%)	(3.5%)	(1,224.4)
Net operating income	304.6	302.0	310.1	n.s.	2.7%	612.1
Net impairment losses for credit risk relating to:	(228.2)	(124.1)	(142.3)	n.s.	14.6%	(266.3)
- financial assets measured at amortised cost: loans to banks		(1.7)	0.3		n.s.	(1.5)
- financial assets measured at amortised cost: loans to customers	(147.8)	(117.7)	(140.5)		19.4%	(258.2)
- financial assets measured at amortised cost: securities		(0.1)	0.0		n.s.	(0.1)
- financial assets as at fair value through other comprehensive income		(4.6)	(2.0)		(55.5%)	(6.6)
Net impairment losses on other financial assets and liabilities	(82.7)					
Net provisions for risks and charges - commitments and guarantees granted		11.1	3.5		(68.6%)	14.5
Net provisions for risks and charges - other net provisions	2.1	(1.4)	(15.7)	n.s.	n.s.	(17.1)
Profits (losses) from the disposal of equity investments	0.5	0.8	0.2	(65.7%)	(78.6%)	1.0
Pre-tax profit from continuing operations	76.7	188.4	155.8	n.s.	(17.3%)	344.1
Taxes on income for the period from continuing operations	(40.4)	(61.4)	(55.6)	37.5%	(9.4%)	(116.9)
Profits/losses for the period attributable to non-controlling interests	(6.4)	(6.0)	(7.8)	22.5%	29.7%	(13.8)
Profit for the period before Business Plan impacts	30.0	121.0	92.4	n.s.	(23.7%)	213.4
Redundancy expenses net of taxes and non-controlling interests	(2.3)	0.2	(0.2)	(92.8%)	n.s.	-
Business Plan Project expenses net of taxes and non-controlling interests	(11.6)	(3.5)	(1.0)	(91.1%)	(70.8%)	(4.6)
Negative consolidation difference	612.9					
Profit for the period	629.0	117.7	91.2	(85.5%)	(22.5%)	208.9
Profit for the period net of non-recurring	43.7	121.0	101.1	131.3%	(16.5%)	222.1

Note: badwill reversal amounted to 15 mln/€ net in 1Q18 and to 16 mln/€ in 2Q18

Portfolio breakdown: Italian Govies Maturities and Sovereign Exposures

	31 March 2018				TOTAL	% Change of TOTAL amounts
	FVTPL (fair value through profit or loss)	FVOCI (fair value through other comprehensive income)	FVAC (fair value measured at amortised cost)			
Amounts in mln/€						
Financial Assets (Securities)	1,186	12,645	3,022	16,853		
o/w Italian Govies	47	7,322	3,017	10,385		
<i>Financial Liabilities held for trading</i>					367	

	30 June 2018				TOTAL	% Change of TOTAL amounts
	FVTPL (fair value through profit or loss)	FVOCI (fair value through other comprehensive income)	FVAC (fair value measured at amortised cost)			
Amounts in mln/€						
Financial Assets (Securities)	1,160	11,528	3,030	15,718		-6.7%
o/w Italian Govies	41	6,848	3,024	9,914		-4.5%
<i>Financial Liabilities held for trading</i>					387	5.4%

Maturity of the Italian Govies Portfolio

Amounts in mln/€	FVTPL	FVOCI	FVAC	TOTAL 30.06.18	TOTAL 31.03.18
	2018	1	37	-	37
2019-2020	19	460	-	478	73
2021-2022	1	1,767	-	1,768	2,512
2023-2025	20	2,357	190	2,567	3,453
From 2026 and over	1	2,228	2,835	5,064	4,242
Total portfolio	41	6,848	3,024	9,914	10,385
% of portfolio on total Italian Govies	0.4%	69.1%	30.5%	100%	

Main sovereign exposures as at 30 June 2018

Portfolio:	Consolidated*			o/w Insurance
	o/w Govies	o/w Corporates and banks	o/w Loans	Govies
Amounts in bln/€				
Italy	9,934**	286	948	1,250**
Spain	1,042	85	-	207
U.S.A.	1,517	155	-	1
France	511	136	-	4
Main 4 countries	13,005	662	948	1,462
% on total amount	96.9%	53.6%	97.9%	97.5%

* The analysis excludes equity holdings and UCITs (overall 0.6 bln/€)

** Including Cassa Depositi e Prestiti bonds amounting to approx. 20 mln/€ (consolidated figure, o/w nearly 18 mln/€ referred to insurance business)

Direct funding at 95 bln/€

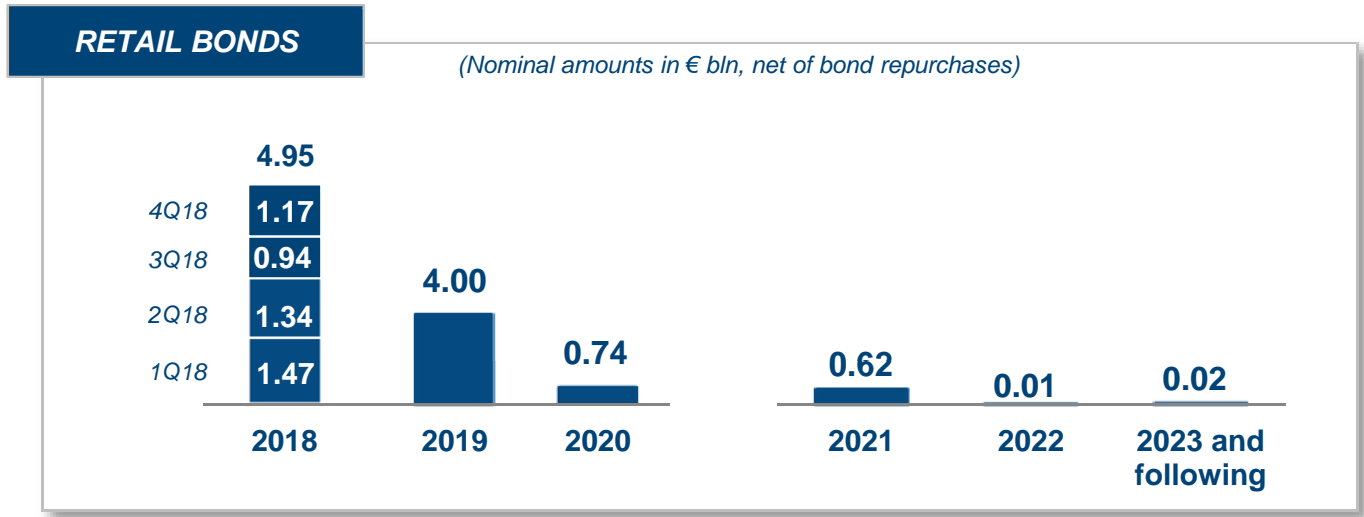
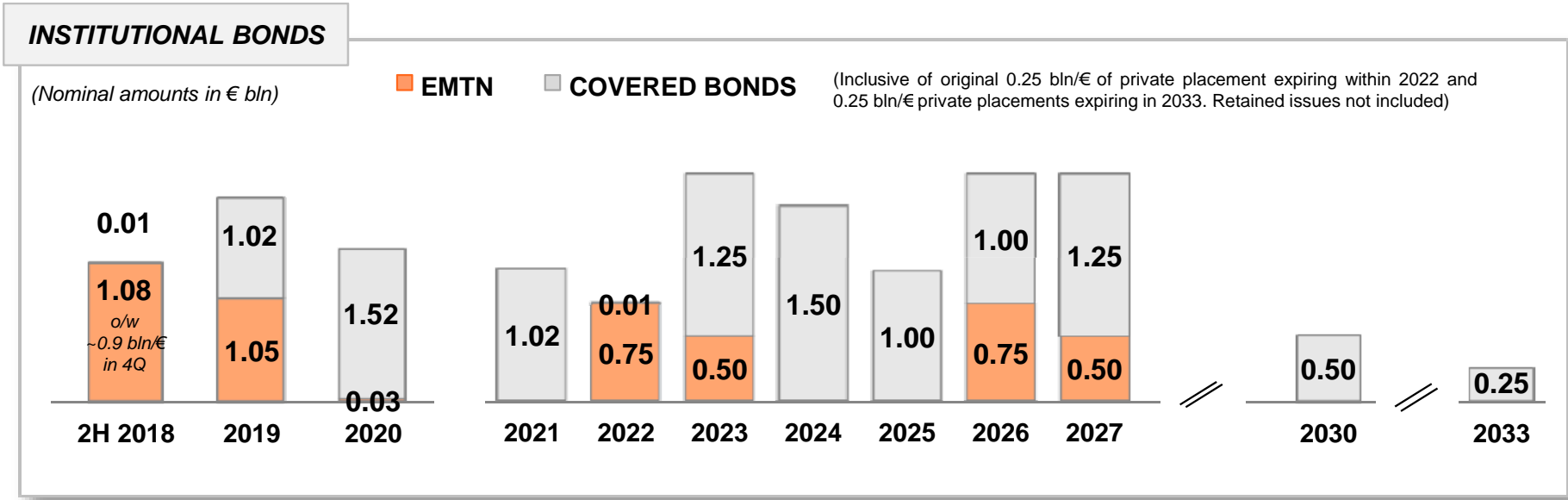
Strong performance of currents accounts and deposits confirmed

IAS amounts in bln/€		January '18	31 March '18	30 June '18	
D I R E C T	...from ORDINARY CUSTOMERS	80.41	78.58	78.89	
	<i>of which</i>				
	Current accounts and deposits	64.26	64.62	66.73	+8.9% since Dec '16 (61.3 bln/€, aggregate including 3 banks acquired)
	Term deposits, financing & other payables	4.18	3.64	3.16	
	Bonds issued	10.83	9.46	8.37	500 mln/€ of retail bonds placed in the 2Q18 (value date 29/06). Further 480 mln/€ under placement (within 31/08)
	Certificates of deposit	1.14	0.86	0.63	
F U N D I N G	...from INSTITUTIONAL CUSTOMERS	14.03	15.63	16.12	
	<i>of which</i>				
	Covered Bonds	9.48	10.64	10.72	Dual tranche covered bond issuance for 1 bln/€ settled in Jan '18 (exp. in 2024 and 2030)*
	EMTN	4.55	4.31	4.70	
Repos with CCG	-	0.68	0.70	On 5 th April '18, the first 0.5 bln/€ senior non-preferred benchmark bond issue was launched**	
TOTAL DIRECT FUNDING		94.44	94.21	95.01	
INDIRECT FUNDING (AuM+Bancassurance+AuC)		96.47	97.66	98.53	
TOTAL FUNDING (DIRECT +INDIRECT)		190.91	191.88	193.54	

* Pricing: 10 bps over the 6.5y mid swap rate, and 30 bps over the 12y mid swap rate

** Pricing: fixed rate, 5y mid swap +140 basis points, with a coupon of 1.75%

Funding maturity profile: regular maturities, no peaks. First Senior Non Preferred issue successfully launched last April

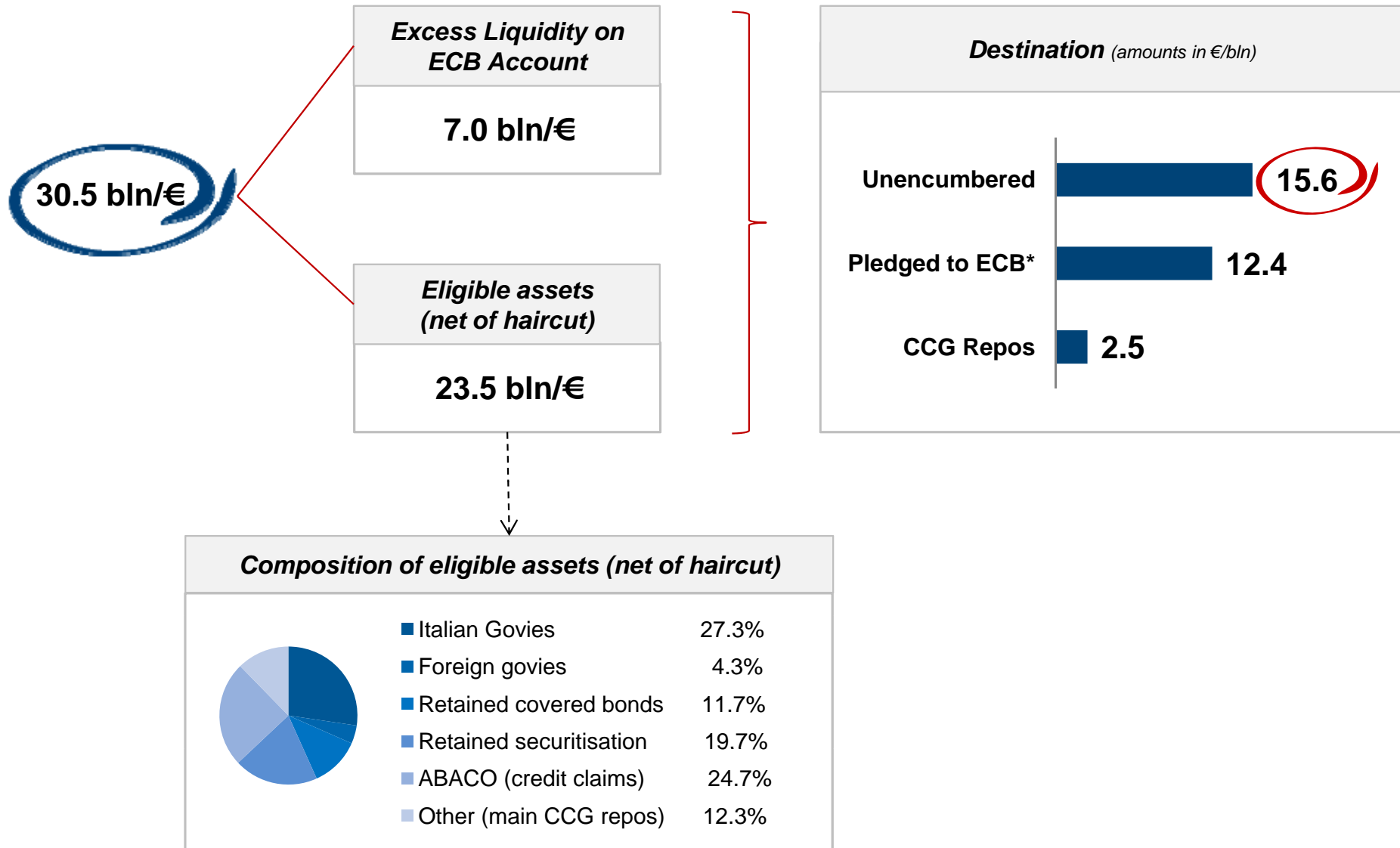


Data as at 30th June '18

Note: as per the 3 banks acquired, in Mar '18 there are in place 3 securitisations for a market outstanding amount of approx. 0.3 bln/€. (In Dec '16, there were 11 securitisations, most of which highly amortised and redeemed ahead of maturity)

Liquidity resources at 30.5 bln/€, representing over 45% of current accounts and deposits

Data as at 30 June '18



* The amount of available TLTRO2 funds fell in 2Q18 from 12.5 bln/€ (debt amounts allotted at the time of the auctions, of which 10 bln/€ expiring in June 2020 and 2.5 bln/€ in March 2021) to 12.4 bln/€ as a consequence of the application of a negative interest rate of -0.40% notified by the Bank of Italy from 5th June 2018, in compliance with Decision (EU) 2016/810 of the ECB

Capital Ratios as at 30th June '18.

Common Equity Tier 1 Ratio at 11.78%, Total Capital Ratio at 14.13%

<i>mIn/€</i>	Mar '18	Jun '18
Common Equity Tier 1 Capital (before filters and transitional provisions)	7,060.6	6,854.0
Transitional provisions (IFRS9)	242.5	247.0
Common Equity Tier 1 Capital filters	-12.5	-10.9
Common Equity Tier 1 (after filters)	7,290.6	7,090.1
<i>Common Equity Tier 1 regulatory adjustments: negative elements for deduction excess of expected losses over impairment losses</i>	-95.3	-
Common Equity Tier 1 Capital (CET1)	7,195.2	7,090.1
Additional Tier 1 before deductions	-	-
Additional Tier 1 regulatory adjustments	-	-
<i>of which negative elements for deduction excess of expected losses over impairment losses</i>	-	-
Additional Tier 1	-	-
Tier 1 Capital (CET 1 +Additional Tier 1)	7,195.2	7,090.1
Tier 2 Capital before transitional provisions	1,536.3	1,463.4
<i>Tier 2 instruments grandfathering</i>		
Tier 2 Capital after transitional provisions	1,536.3	1,463.4
Tier 2 capital regulatory adjustments	-55.4	-51.7
<i>of which: negative elements for deduction excess of expected losses over impairment losses</i>		
Tier 2 Capital	1,481.0	1,411.8
TOTAL OWN FUNDS	8,676.2	8,501.9

<i>mIn/€</i>	Mar '18	Jun '18
Risk weighted assets	59,942.5	60,176.4
Total prudential requirements	4,795.4	4,814.1
<i>Credit risk</i>	4,374.3	4,383.5
<i>CVA (Credit Value Adjustment) risk</i>	4.7	4.2
<i>Market risk</i>	79.3	75.4
<i>Operational risk</i>	337.0	351.0

	CET 1 ratio		TOTAL CAPITAL ratio	
	Mar '18	Jun '18	Mar '18	Jun '18
PHASED-IN	12.00%	11.78%	14.47%	14.13%
FULLY LOADED	11.64%	11.42%	14.13%	13.77%

- B3 Leverage as at 30th June '18:
 - ✓ phased in 5.37%
 - ✓ fully loaded 5.19%
- LCR and NSFR > 100%

Reclassified Consolidated Balance Sheet - Assets

Figures in thousands of euro		30.6.2018 A	31.3.2018 B	1.1.2018 C	Change A-B	% change A/B	Change A-C	% change A/C
ASSETS								
10.	Cash and cash equivalents	616,368	612,826	811,578	3,542	0.6%	-195,210	-24.1%
20.	Financial assets measured at fair value through profit or loss	1,488,445	1,541,428	1,979,802	-52,983	-3.4%	-491,357	-24.8%
	1) loans and advances to banks	14,796	14,900	14,755	-104	-0.7%	41	0.3%
	2) loans and advances to customers	313,580	340,800	362,425	-27,220	-8.0%	-48,845	-13.5%
	3) securities and derivatives	1,160,069	1,185,728	1,602,622	-25,659	-2.2%	-442,553	-27.6%
30.	Financial assets measured at fair value through other comprehensive income	11,527,974	12,645,089	12,435,307	-1,117,115	-8.8%	-907,333	-7.3%
	1) loans and advances to banks	-	-	-	-	-	-	-
	2) loans and advances to customers	-	-	-	-	-	-	-
	3) securities	11,527,974	12,645,089	12,435,307	-1,117,115	-8.8%	-907,333	-7.3%
40.	Financial assets measured at amortised cost	103,886,299	102,740,393	101,833,189	1,145,906	1.1%	2,053,110	2.0%
	1) loans and advances to banks	9,513,708	8,142,802	7,814,815	1,370,906	16.8%	1,698,893	21.7%
	2) loans and advances to customers	91,342,643	91,575,231	90,980,959	-232,588	-0.3%	361,684	0.4%
	3) securities	3,029,948	3,022,360	3,037,415	7,588	0.3%	-7,467	-0.2%
50.	Hedging derivatives	59,804	67,656	169,907	-7,852	-11.6%	-110,103	-64.8%
60.	Fair value change in hedged financial assets (+/-)	33,826	-181	-2,035	34,007	n.s.	35,861	n.s.
70.	Equity investments	240,509	248,267	243,165	-7,758	-3.1%	-2,656	-1.1%
80.	Technical reserves of reinsurers	373	331	347	42	12.7%	26	7.5%
90.	Property, plant and equipment	1,799,295	1,799,070	1,811,743	225	0.0%	-12,448	-0.7%
100.	Intangible assets	1,711,908	1,723,921	1,728,328	-12,013	-0.7%	-16,420	-1.0%
	of which: goodwill	1,465,260	1,465,260	1,465,260	-	-	-	-
110.	Tax assets	4,122,268	4,017,911	4,184,524	104,357	2.6%	-62,256	-1.5%
120.	Non-current assets and disposal groups held for sale	1,384	995	962	389	39.1%	422	43.9%
130.	Other assets	1,415,721	1,165,674	1,451,059	250,047	21.5%	-35,338	-2.4%
	Total assets	126,904,174	126,563,380	126,647,876	340,794	0.3%	256,298	0.2%

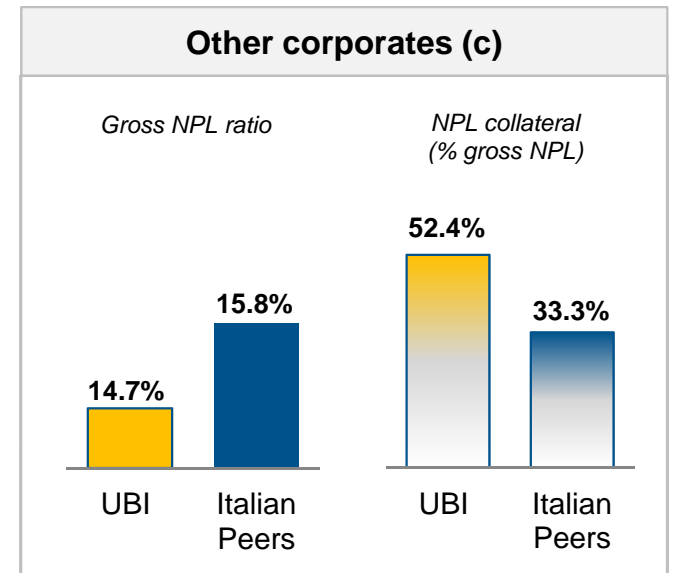
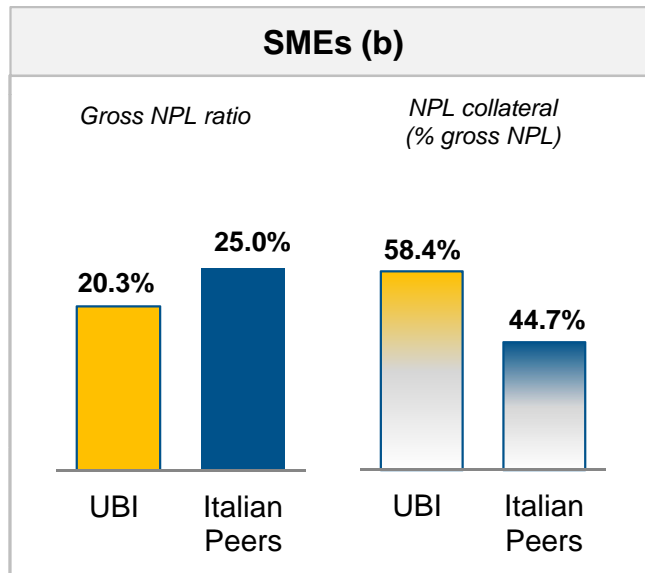
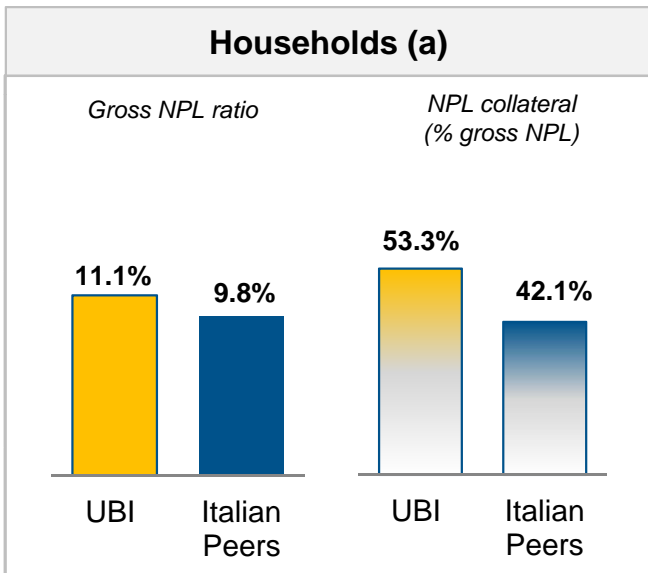
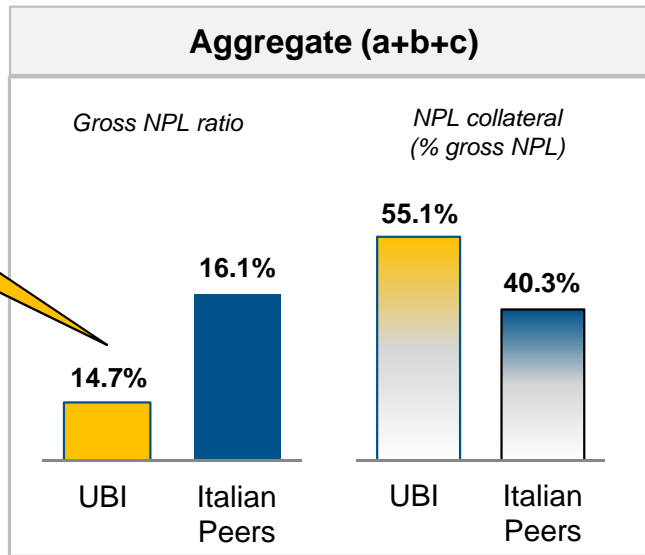
Note: some figures as at 1st January 2018 [(items 20.2), 20.3), 40.1) and 40.3)] differ from those published in the financial report for the period ended 31st March 2018 due to marginal changes, consisting mainly of figures rounded up or down

Reclassified Consolidated Balance Sheet - Liabilities and Equity

Figures in thousands of euro		30.6.2018 A	31.3.2018 B	1.1.2018 C	Change A-B	% change A/B	Change A-C	% change A/C
LIABILITIES AND EQUITY								
10.	Financial liabilities measured at amortised cost	111,617,355	111,520,617	111,182,776	96,738	0.1%	434,579	0.4%
	<i>a) Due to banks</i>	16,607,300	17,308,468	16,733,006	-701,168	-4.1%	-125,706	-0.8%
	<i>b) Due to customers</i>	70,582,753	68,944,514	68,434,827	1,638,239	2.4%	2,147,926	3.1%
	<i>c) Debt securities issued</i>	24,427,302	25,267,635	26,014,943	-840,333	-3.3%	-1,587,641	-6.1%
20.	Financial liabilities held for trading	386,959	367,105	411,653	19,854	5.4%	-24,694	-6.0%
30.	Financial liabilities designated as at fair value	75,488	59,019	43,021	16,469	27.9%	32,467	75.5%
40.	Hedging derivatives	102,961	98,872	100,590	4,089	4.1%	2,371	2.4%
50.	Fair value change in hedged financial liabilities (+/-)	54,008	27,825	-	26,183	94.1%	54,008	-
60.	Tax liabilities	208,390	271,990	240,908	-63,600	-23.4%	-32,518	-13.5%
80.	Other liabilities	2,654,081	2,035,487	2,694,744	618,594	30.4%	-40,663	-1.5%
90.	Provision for post-employment benefits	328,484	336,807	350,779	-8,323	-2.5%	-22,295	-6.4%
100.	Provisions for risks and charges:	565,147	584,088	624,612	-18,941	-3.2%	-59,465	-9.5%
	<i>a) commitments and guarantees granted</i>	73,964	77,284	88,347	-3,320	-4.3%	-14,383	-16.3%
	<i>b) pension and similar obligations</i>	130,215	135,190	137,213	-4,975	-3.7%	-6,998	-5.1%
	<i>c) other provisions for risks and charges</i>	360,968	371,614	399,052	-10,646	-2.9%	-38,084	-9.5%
110.	Technical reserves	1,879,072	1,901,000	1,780,701	-21,928	-1.2%	98,371	5.5%
120.+150.+ 160. +170.+180	Share capital, share premiums, reserves, valuation reserves and treasury shares	8,756,026	9,183,186	8,447,847	-427,160	-4.7%	308,179	3.6%
190.	Minority interests (+/-)	67,336	59,724	79,688	7,612	12.7%	-12,352	-15.5%
200.	Profit (loss) for the period/year (+/-)	208,867	117,660	690,557	91,207	77.5%	-481,690	-69.8%
Total liabilities and equity		126,904,174	126,563,380	126,647,876	340,794	0.3%	256,298	0.2%

EBA Transparency Exercise confirms credit quality (all data on gross amounts as at June 2017)

12.4% in June 2018



Other corporates = Non financial corporations other than SMEs

Source: <http://www.eba.europa.eu/risk-analysis-and-data/eu-wide-transparency-exercise/2017/results>

EU Wide Transparency exercise, June 2017 - EBA and BCE methodology.
 Italian Peers = average of the panel of Italian Banks considered by the EU Wide Transparency exercise (10 Groups in 2017).
 Gross NPL ratio - Italian Peers: the panel is considered as a whole aggregate;
 NPLs collateral as a percentage of gross NPL - Italian Peers: average of the single peer incidence