Consolidated results as at 30 September 2011

15 November 2011

UBI Banca
UNIONE DI BANCHE ITALIANE

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<u>Methodology</u>

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.

Executive Summary 9M2011 / 9M2010

- **Capital strength: CT1 to 8.26%, TCR to 13.17% (net of hypothesis of dividend)**

- 3Q2011 **recurring income items** (interest margin + net commissions) show positive trend versus 2Q2011 (**+2.2%**) and 3Q2010 (**+2.4%**)
  operating costs: **-12.3** vs 2Q2011 **and -7.1%** vs 3Q2010 (respectively -5% and -2.4% in normalised terms)
  loan loss rate: **0.53%** in 3Q2011, **0.62%** in 2Q2011 and **0.53%** in 3Q2010

- **Nine months results mainly affected by market conditions mitigated by strong commercial action (repricing and commercial offer) and careful monitorage of risk**
  - **direct funding from ordinary customers (deposits + bonds): +3.2% y/y and +0.4% compared to June 2011**
  - **loans to customers +1.6% y/y, unchanged compared to June 2011**
  - **net interest income -1.2%**
  - **net commission income +0.8%**
  - **finance result - € 16.7 mln (+ € 13.5 mln in 2010);**
  - **operating expenses -3.4% (-1.1% net of non-recurring items)**
  - **annualised loan loss rate of 0.52%, compared to 0.60% in 2010**

- **Net profit: € 182.7 mln vs € 197.7 mln in 9M2010 (-7.6%)**
  Net profit excluding non recurring items and IRAP increase in 2011: **€ 108.7 mln vs € 113.6 mln in 9M2010 (-4.3%)**

- **Service model and Group simplification:**
  - Large corporates and Investment Banking
  - Consumer Credit
  - North Western Banking Pole

  - Divisional model in UBI Banca
  - Merger of CB and Banca 24/7 in UBI
  - Merger of BSG into BRE

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Ratios as at 30 Sept 2011: Core Tier 1 at 8.26%, Tier 1 at 8.78% and Total Capital Ratio at 13.17%, calculated including hypothesis of dividend

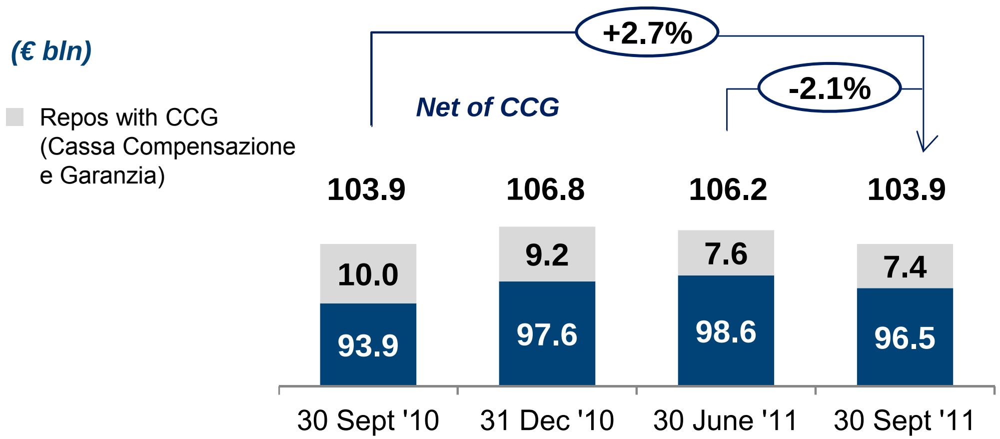
Figures in millions of euro	31 Dec 2010 Basel II standardised	30 June 2011 Basel II standardised	30 Sept 2011 Basel II standardised*
Tier 1 (before filters)	6,766.8	8,017.7	7,999.5
Preference shares, minorities saving and priv. shares net of grandfathering	489.2	489.2	489.2
Tier 1 capital filters	-73.6	-32.5	-119.4
Tier 1 (after filters)	**7,182.4**	**8,474.4**	**8,369.4**
Deductions from Tier 1	-134.5	-136.7	-140.0
Tier 1 after filters and specific deductions	**7,047.9**	**8,337.6**	**8,229.4**
Supplementary capital after filters	**3,770.5**	**4,416.7**	**4,406.5**
Deductions from supplementary capital	-134.5	-136.7	-140.0
Supplementary capital after filters and specific deductions	**3,636.0**	**4,279.9**	**4,266.6**
Deductions from Tier 1 + supplementary capital	-147.7	-150.4	-151.4
Total supervisory capital	**10,536.2**	**12,467.2**	**12,344.6**
Credit risk	6,952.9	7,093.9	6,927.4
Market risk	106.6	77.7	79.5
Operational risk	489.3	489.3	489.3
Total prudential requirements	**7,548.9**	**7,660.9**	**7,496.2**
Risk weighted assets	**94,360.9**	**95,761.3**	**93,702.7**
Core Tier I after deductions from Core capital	**6.95%**	**8.20%**	**8.26%**
Tier I	**7.47%**	**8.71%**	**8.78%**
Total capital ratio	**11.17%**	**13.02%**	**13.17%**

9 months evolution following the € 1 bln share capital increase

Lower credit risk RWAs thanks also to the disinvestment of mutual fund position and the lower amount of AFS portfolio

* Ratios calculated to be perfectly comparable with Dec 2010 and June 2011

Direct funding up by 2.7% YoY (net of CCG) and stable including CCG
Direct funding from ordinary customers up by 3.2% YoY



€ bln (IAS values, including interest accruals and amortised cost)	30 Sept '10	31 Dec'10	30 June'11	30 Sept '11	% annual changes	% quarterly changes
Due to customers	**57.4**	**58.7**	**56.2**	**56.4**	**-1.8%**	**0.3%**
Current accounts and deposits	43.9	45.2	44.7	45.7	4.0%	2.2%
Term deposits and other payables	2.1	2.4	2.6	2.2	4.4%	-17.6%
Repurchase agreements**	11.5	11.0	8.9	8.6	-25.2%	-3.5%
Securities in issue	**46.5**	**48.1**	**50.0**	**47.5**	**2.2%**	**-4.9%**
of which:						
Ordinary customer base (Network banks+UBI issues)	23.3	22.4	23.8	23.1	-0.8%	-2.9%
Centrobanca issues	4.0	5.2	4.2	4.3	6.5%	0.9%
Covered Bonds	3.4	3.8	5.6	5.8	71.6%	4.8%
EMTN	10.5	11.2	11.2	10.5	-0.2%	-6.4%
CD and ECP	3.3	3.4	2.8	1.1	-64.9%	-58.5%
Preferred shares	0.5	0.5	0.5	0.5	-3.7%	1.3%
Total	**103.9**	**106.8**	**106.2**	**103.9**	**0.0%**	**-2.1%**

YoY Evolution:

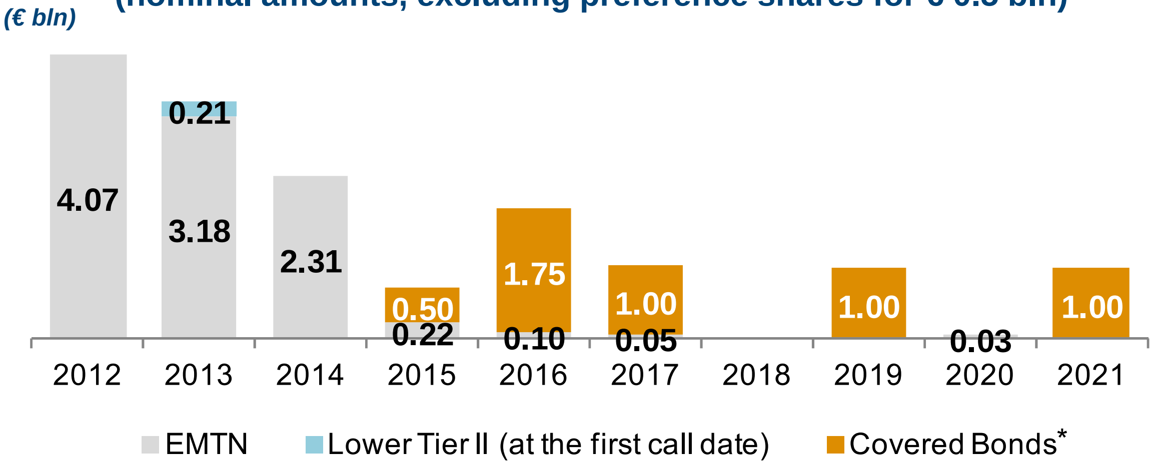
- **Direct funding from ordinary customers*** up by **3.2%**:
  - **current accounts and deposits** up **by 4% (+ € 1.8 bln)** and growth confirmed also Sept'11 vs. June'11 **(+ € 1 bln)**.
  - **bonds** placed with ordinary customers **stable**
- **CCG** repos down by **€ 2.9 bln** in line with reduction of portfolio financed
- **Wholesale funding:**
  - **medium to long term**: up by **€ 2.4 bln**
  - **short term**: ECP and CD stocks still **€ 1 bln** notwithstanding market conditions

* Including bonds and net of institutional and repos with CCG

** Including repurchase agreements with Cassa Compensazione e Garanzia (€ 10 bln as at Sept 2010, € 9.2 bln as at Dec 2010, € 7.6 bln as at June 2011 and € 7.4 bln as at Sept 2011)

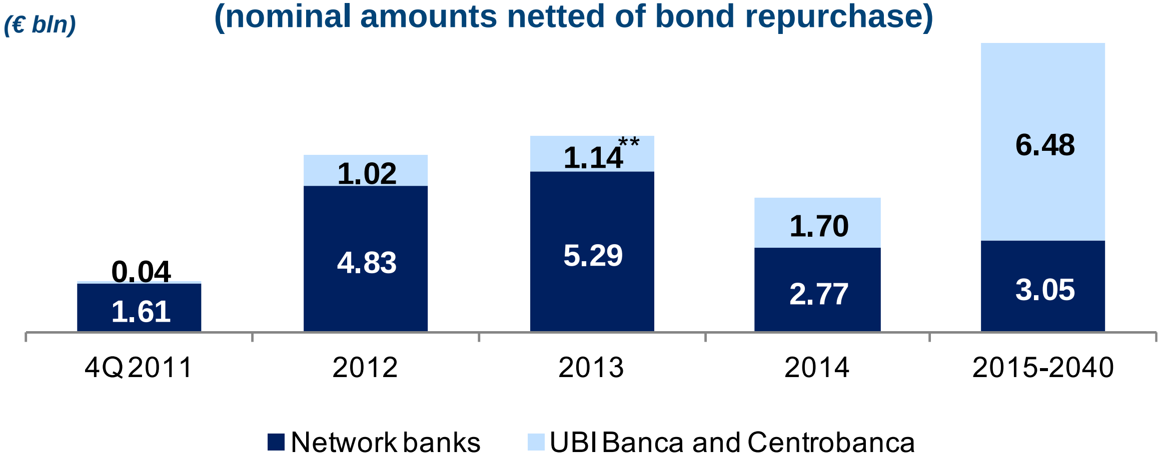
Strong placement power confirmed

EMTN and Covered Bonds Maturing by year
(nominal amounts, excluding preference shares for € 0.5 bln)



* Plus 0.25 billion euro with BEI issued in 2010, expiring in 2022 and subject to progressive amortisation

Retail Bonds Maturing by year
(nominal amounts netted of bond repurchase)



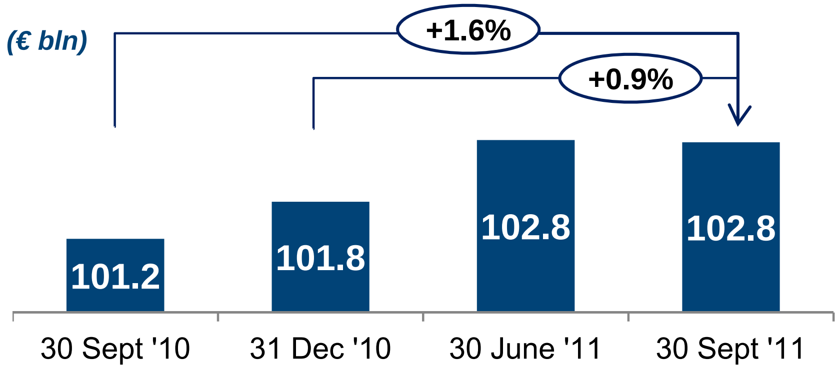
** Including soft mandatory convertible bond

- **Wholesale funding:**
  - medium/long term: **€ 3.5 bln** issued YTD (€ 1.75 bln of CB, € 1.75 bln of EMTN) **cover total expiries for 2011** (€ 2.7 bln) and **20% of 2012 maturities.** In October further € 0.25 bln with BEI

- **Retail bonds:**
  - FY2011: maturities **€ 8.7 bln**, issued end October 2011 **€ 7.5 bln**
  - **recomposition**: no issuances on third party networks through Centrobanca (€ 1.3 bln were issued in 9M 2010), whilst UBI Banca + Network Banks increased placements by € 2.4 bln (from € 4.6 bln issued in 9M 2010 to € 7 bln in 9M 2011)

Note: all amounts at nominal values

Lending up to € 102.8 bln (+1.6% YoY, +2.5% YoY excluding Large Corporates) Lending flat 3Q 2011 vs. 2Q 2011



In bln€		30 Sept '10	30 June '11	30 Sept '11	% annual changes	% quarterly changes
Retail		**47.5**	**48.6**	**48.5**	**2.1%**	**-0.3%**
of which:	Private	20.3	21.0	21.1	3.7%	0.3%
	Banca 24/7	11.1	11.0	10.8	-3.0%	-2.2%
	Small business	16.0	16.6	16.6	3.5%	0.0%
Corporate		**36.2**	**36.2**	**36.4**	**0.7%**	**0.5%**
of which:	Core corporates	18.4	19.1	18.9	2.8%	-0.9%
	Large corporates	10.9	10.0	10.2	-6.4%	2.7%
	Centrobanca	6.8	7.2	7.3	6.4%	1.1%
Private		**0.7**	**0.9**	**0.9**	**28.4%**	**-0.1%**
Other*		**16.8**	**17.0**	**17.0**	**0.8%**	**-0.1%**
of which:	UBI Leasing	9.8	9.6	9.4	-3.6%	-2.0%
	UBI Factor	2.4	2.6	2.6	7.5%	0.6%
Total		**101.2**	**102.8**	**102.8**	**1.6%**	**0.0%**

- Confirmed YoY growth in **core segments**:
  - **Retail**: at Network Banks level, constant growth both for **Private customers** (+3.7% YoY) and for **Small businesses** (+3.5% YoY)

    Progressive decrease in **Banca 24-7** lending portfolio (-3% YoY)
  - **Corporate**: evolution driven by **core corporates**, +2.8% YoY

    Centrobanca growth YoY is driven by project finance and corporate lending transactions on captive customer base (+6.4% to € 4.3 bln)

NEW INITIATIVES ON THE CUSTOMER SERVICE MODEL LAUNCHED AND TO BE COMPLETED IN 2012-2013, ALSO INVOLVING GROUP SIMPLIFICATION ACTIONS

* Also including other minor companies, IAS adjustments land network banks' loans not allocated to market segments

The streamlining of the customer service model

LARGE CORPORATES AND INVESTMENT BANKING	Creation of a divisional model in UBI Banca with a division dedicated to Large Corporates and Investment Banking	CENTROBANCA Gruppo UBI Banca
CONSUMER CREDIT	Revision of the consumer credit model: focus on captive customers and on better risk/reward activities	B@NCA 24-7 Gruppo UBI Banca
NORTH WESTERN BANKING POLE	Merger of Banco di San Giorgio into Banca Regionale Europea	UBI Banca Regionale Europea UBI Banco di San Giorgio

The creation of a Divisional Model in UBI Banca with a Division dedicated to Large Corporates and Investment Banking

- Creation of a "Large Corporate & Investment Banking" division at the Parent Bank, which will operate maintaining the Centrobanca Brand responsible for:
  - management and development of business with "large corporate" clients not directly related to local areas covered by network banks
  - structuring and grant of complex finance (consistent with the current scope of CB business) both with Group and non-captive clients
  - provision of value added services (e.g. advisory) to both Group and non-captive clients

- Consequent merger of Centrobanca into UBI Banca

- The transaction will also allow former CB financial activities (e.g. market making and structured products) to be developed within UBI, thereby generating savings on costs and optimising management functions and investments

- The new organisation will allow:
  - simplification of organisational and ownership structure with the exploitation of considerable synergies
  - streamlining of Group investments through the centralisation of management functions

✘ **Timing of the transactions**: 2H 2012 / 1Q 2013

The revision of the consumer credit model: focus on captive customers and on better risk/reward activities

Revision of consumer credit business by means of:

- exit from personal and special purpose loans to non captive customers; no new loans granted – management of stock only
- personal loans to captive customers distributed by the network banks
- new mortgage loans through BY You to be granted directly by the Network Banks (better management of funding, risk and acquisition of new customers with possibility of cross selling)

Consequently:

- concentration of salary backed loans business in Prestitalia, as the only operator in this sector within the Group, with organisational reinforcement of this subsidiary; Prestitalia will receive the line of business from Banca 24/7 (€ 3.3 bln of stock) and grant new loans
- merger of Banca 24-7 into UBI Banca: outstanding captive mortgages and personal loans and non-captive personal and special purpose loans are reallocated to UBI which will manage credit card business

Timing of the transactions: 2Q 2012

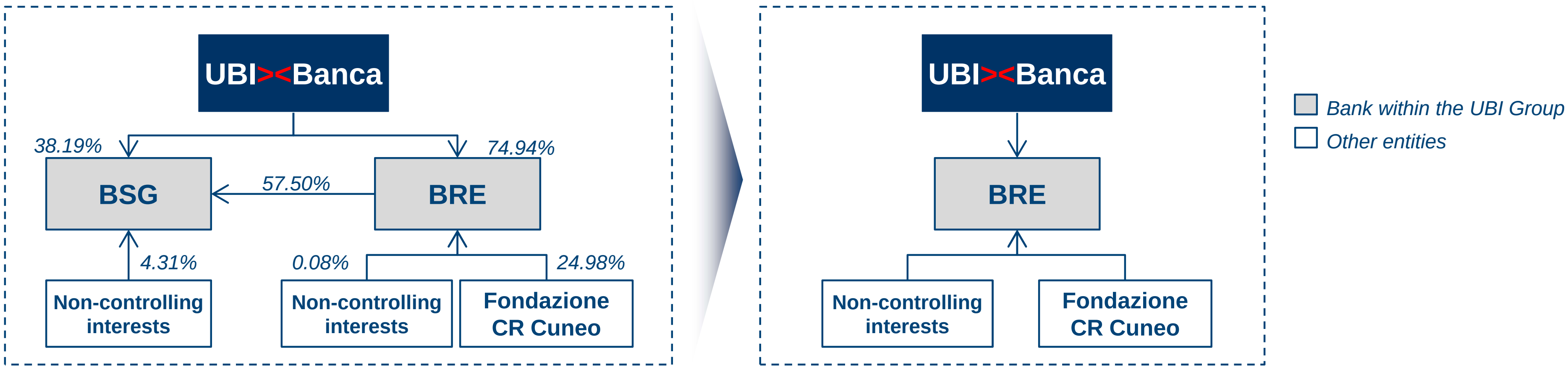
The creation of a North Western Banking Pole: Merger of Banco San Giorgio into Banca Regionale Europea

The creation of a North Western Pole:

- the structure of the UBI Group will be streamlined with the creation of a <u>single operational unit focused on the North West of the country</u>
- optimisation of the structural balance between BRE funding and lending after the merger
- creation of cost synergies

The terms of the transaction

- Acquisition by Banca Regionale Europea (which already holds 57.5%) of all shares of Banco di San Giorgio held by UBI Banca (38.19%)
- Merger of BSG into BRE
- In order to preserve the ties between BSG and the local markets on which it operates the Banco di San Giorgio brand will be maintained and a foundation will be created to maintain links with local communities in Liguria



- **Timing of the transactions**: 2H 2012

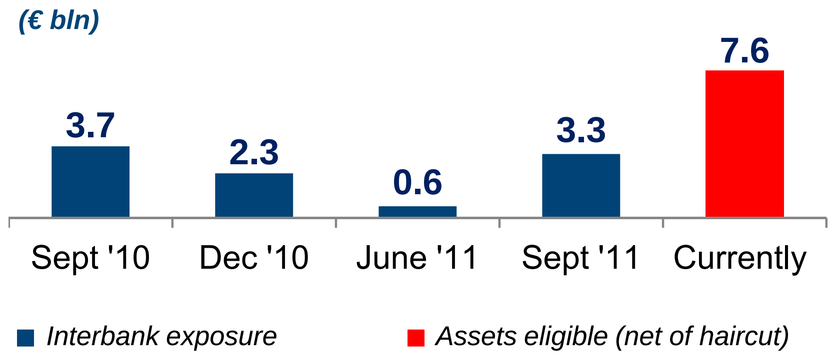
Total estimated costs, investments and synergies

On the basis of preliminary estimates, the three projects will altogether imply:

One-off costs (in 2012)	€ 27 mln
Capitalised Investments (from 2012)	€ 17 mln
Synergies at regime	Over € 36 mln

Evolution of interbank position

INTERBANK EXPOSURE AND ASSETS ELIGIBLE WITH ECB



- Increase in interbank position within Group limits

ECB FINANCING

As from July 2011, opportunistic use in a range between **€ 0.7** and **4 bln.**

- Exposure as at 30 Sept 2011:
  weekly: € 4 bln (28 Sept - 5 Oct)

- Current exposure: **€ 3.5 bln**
  weekly: € 1.5 bln (9 Nov – 16 Nov)
  1 month: € 1 bln (10 Nov – 10 Dec)
  1 year: € 1 bln (1 Nov ‘11 – 1 Nov ‘12)

Financial Assets: € 10.7 bln representing 8% of the total assets

Financial assets *Figures in millions of euro*	Total portfolios			AFS			HFT			FV		
	30.9.2010	30.6.2011	30.9.2011	30.9.2010	30.6.2011	30.9.2011	30.9.2010	30.6.2011	30.9.2011	30.9.2010	30.6.2011	30.9.2011
Debt instruments	12,213.6	10,108.5	9,365.9	10,272.5	9,604.2	7,886.9	1,941.2	504.2	1,479.1			
of which: Italian Govies	*10,128.8*	*8,239.8*	*7,691.5*	*8,330.0*	*7,789.3*	*6,264.3*	*1,798.8*	*450.5*	*1,427.2*			
Equity instruments	714.4	623.6	494.7	558.8	516.7	393.0	155.5	106.9	101.7			
Units in O.I.C.R. *(collective investment instruments)*	278.3	572.8	218.3	122.3	102.6	85.5	2.1	2.2	2.3	154.0	468.0	130.5
Others*	739.2	480.7	667.8	1			738	480.7	667.8			
Total	**13,945.5**	**11,785.6**	**10,746.8**	**10,955.0**	**10,223.6**	**8,365.4**	**2,836.6**	**1,094.0**	**2,250.9**	**154.0**	**468.0**	**130.5**

- ✓ Total investments in **Italian government bonds** amount to **€ 7.7 bln**:
  - 81% in AFS
  - 19% in Trading (HFT)
- ✓ Marginal exposure to other EU sovereign bonds: **€ 11.6 mln in Spanish** and **€ 7 mln in German bonds**
- ✓ Reduction in units in O.I.C.R.: disinvestment from UBI Pramerica mutual funds: negative impact on “result from finance” of € 24 mln in 3Q2011
- ✓ As at 30 Sept 2011, AFS reserve related to EU Government Bonds valuation amount to - € 868 mln

* Others: financial derivatives and financing

UBI Banca's Securities portfolio*: details

Composition of the portfolio		31.12.2010	30.06.2011	30.09.2011
BY TYPE OF FINANCIAL INSTRUMENT	Government bonds	80.3%	76.6%	80.5%
	Corporate bonds (mainly bank issues)	15.9%	16.7%	17.0%
	Hedge funds	1.3%	1.3%	1.4%
	ABS	0.8%	0.9%	0.0%
	Funds, shares and derivatives	1.7%	4.5%	1.1%
BY FINANCIAL PROFILE	Floating rate**	63.4%	63.7%	51.9%
	Fixed rate	26.8%	23.4%	38.7%
	Structured securities	6.7%	7.0%	6.9%
	Shares, funds, convertible bonds	3.1%	5.9%	2.5%
BY CURRENCY	Securities in euro	98.8%	98.8%	98.7%
BY GEOGRAPHICAL DISTRIBUTION	Securites of the euro area	95.2%	95.9%	95.9%
	USA securities	2.9%	2.0%	1.9%
BY RATINGS (BONDS)	Investment grade	97.8%	98.3%	97.8%
	Average rating	A2	A2	A3

In nominal amounts, as concerns financial assets, in 3Q2011 expired € 2.3 bln in AFS and sold € 0.4 bln in HFT; bought € 1.15 bln in AFS and € 1.4 bln in HFT

In 3Q2011 positions amounting to € 89 mln expired

Investments in UBI Pramerica funds sold in 3Q 2011

* Analysis refers to a portfolio which excludes participations and some smaller portfolios

** Fixed rate securities with asset swaps are considered as floating rate securities; securities in asset swap represent 77% of floating rate securities in 9M2011

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- Capital position and Balance Sheet as at 30 September 2011
- 9M 2011 economic results
- Annexes:
  - Reclassified balance sheet: highlights
  - Indirect funding evolution

Income statement: yearly and quarterly evolution

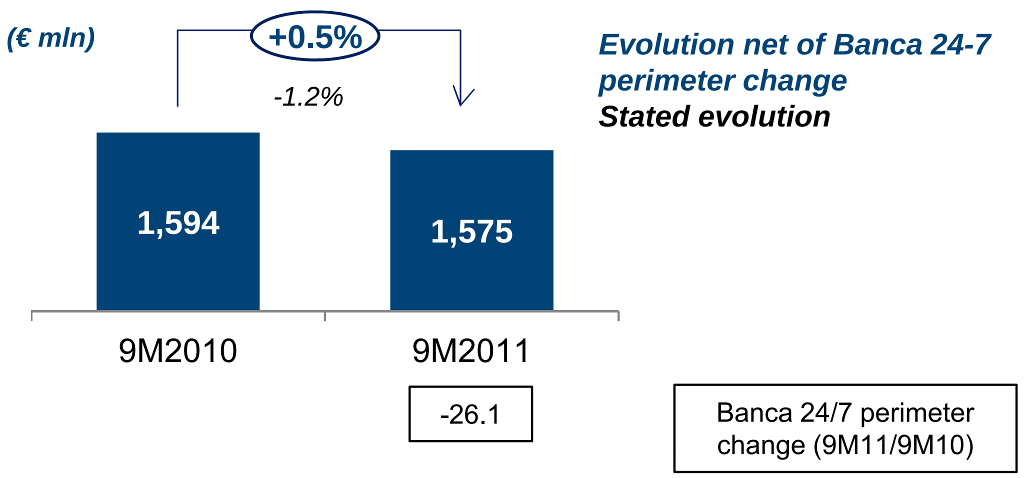
MAIN INCOME STATEMENT ITEMS *Figures in € mln*	9M 2010	9M 2011	*% change*	3Q10	2Q11	3Q11	*% change* 3Q11/3Q10	*% change* 3Q11/2Q11
Net interest income	1,594	1,575	*(1.2%)*	543	514	534	*(1.7%)*	*4.0%*
Net commission income	872	879	*0.8%*	264	295	292	*10.6%*	*(0.9%)*
of which upfront fees	*48*	*25*	*(48.6%)*	*-*	*7*	*2*	*n.s.*	*(77.4%)*
Net result from finance	13	(17)	*n.s.*	19	(7)	(24)	*n.s.*	*n.s.*
Operating income	**2,586**	**2,534**	***(2.0%)***	**863**	**844**	**828**	***(4.0%)***	***(1.9%)***
Staff costs	(1,107)	(1,073)	*(3.1%)*	(360)	(373)	(335)	*(6.9%)*	*(10.3%)*
Other administrative expenses	(568)	(522)	*(8.1%)*	(184)	(185)	(166)	*(9.7%)*	*(10.4%)*
Net impairment losses on property, equipment and investment property and intangible assets	(183)	(201)	*9.9%*	(60)	(81)	(60)	*(0.1%)*	*(25.7%)*
Operating expenses	**(1,859)**	**(1,796)**	***(3.4%)***	**(604)**	**(640)**	**(561)**	***(7.1%)***	***(12.3%)***
Net operating income	**727**	**738**	***1.5%***	**259**	**204**	**267**	***3.1%***	***30.8%***
Net impairment losses on loans	(456)	(399)	*(12.5%)*	(134)	(158)	(135)	*0.8%*	*(14.5%)*
Net impairment losses on other assets and liabilities	(18)	(139)	*n.s.*	(0)	(18)	(119)	*n.s.*	*n.s.*
Profits (loss) from disposal of equity investments and net impairment losses on goodwill	78	(125)	*n.s.*	80	(125)	0	*(99.8%)*	*n.s.*
Pre-tax profit from continuing operations	**319**	**55**	***(82.6%)***	**200**	**(102)**	**7**	***(96.4%)***	***n.s.***
Taxes on income for the period from continuing operations	(197)	147	*n.s.*	(103)	294	(70)	*(31.9%)*	*n.s.*
Post-tax profit from discontinued operations	83	0	*n.s.*	0	-	0	*83.3%*	*n.s.*
Profit for the period attributable to non-controlling interests	(8)	(19)	*n.s.*	(1)	(5)	(6)	*n.s.*	*20.8%*
Profit for the period	**198**	**183**	***(7.6%)***	**96**	**187**	**(69)**	***n.s.***	***n.s.***
Profit for the period net of non recurring items	**114**	**96**	***(15.1%)***	**50**	**5**	**26**	***(47.4%)***	***n.s.***
Profit for the period net of non recurring items and IRAP increase	**114**	**109**	***(4.3%)***	**50**	**14**	**31**	***(39.0%)***	***n.s.***

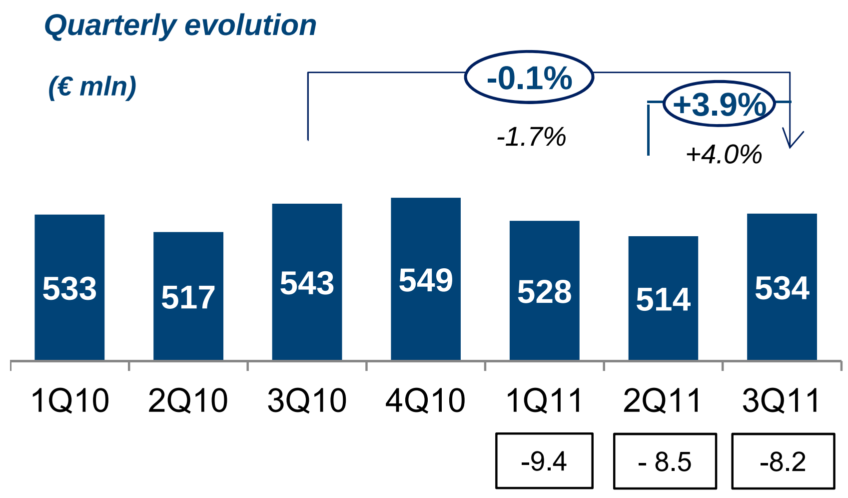
Non recurring items*: details

NON RECURRING ITEMS (net of taxes) *(€ mln)*	**9M 2010**	**9M 2011**	**2Q10**	**3Q10**	**2Q11**	**3Q11**
Impairment loss on AFS securities (mainly Intesa Sanpaolo)	(18.8)	(133.8)	(18.8)		(18.3)	(115.5)
Impairment on product companies goodwill		(143.8)			(143.8)	
Tax relief on goodwill and intangibles		352.8			352.8	
Disposal of depository banking operations	83.9		83.9			
Staff costs:						
- costs re Trade Union agreement May 2010	(22.4)		(22.4)			
- release of excess provisions 2011		20.1				20.1
Partial disposal of Lombarda Vita stake	60.9			60.9		
Other	(19.5)	(9.0)	(4.1)	(15.3)	(9.0)	
Total effect of non recurring items	**84.2**	**86.3**	**38.6**	**45.6**	**181.7**	**(95.4)**

* Both 1Q10 and 1Q11 do not include any recurring items

In stated terms, Net interest income shows a slight reduction YoY and a 4% increase 3Q2011/2Q2011. Net of the change in perimeter in Banca 24/7, NII shows a growth of 0.5% YoY



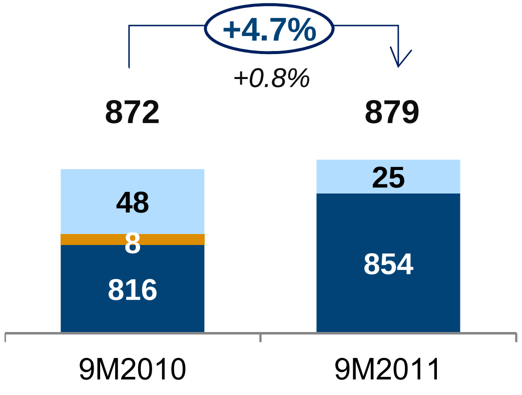


- NII impact of the change in the perimeter of Banca 24-7 operations (progressive exit from riskier lines of business) is of € 26.1 mln in 9M2011*. Without this change in perimeter in Banca 24-7, the **9M2011 net interest income would have increased to € 1,601 mln (+0.5% YoY)**
- In the quarter, NII up by 4%:
  - benefiting from the increase in customers spread by 8 bps**
  - despite the increased funding costs both on retail and institutional bonds

* Banca 24-7 exit from higher risk business (special purpose loans; personal loans to non captive customers) brought to lower net interest income by € -26.1 mln and lower impairment losses by € 34.2 mln

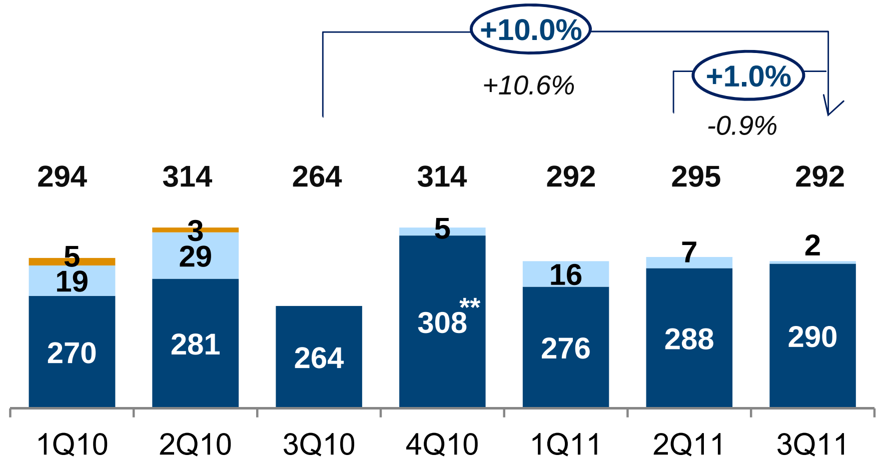
** Network banks perimeter

In stated terms, Net Commission Income up by 0.8% YoY. Net of up front fees and depository bank fees*, Net Commission Income up by 4.7% YoY



Evolution net of up front fees and depository bank fees
Stated evolution

(€ mln)
- Up-front fees
- Depositary bank fees



Commissions *Figures in € mln*	9M10	9M11	% Changes YoY	3Q10	2Q11	3Q11	% Changes 3Q11 vs 3Q10	% Changes 3Q11 vs 2Q11
Guarantees granted	32.0	36.1	*12.6%*	10.5	12.0	11.2	*6.4%*	*-7.1%*
Management, trading and advisory services	389.2	374.9	*-3.7%*	124.4	127.1	123.5	*-0.8%*	*-2.8%*
Of which:								
Portfolio management	*190.5*	*194.8*	*2.2%*	*65.0*	*67.2*	*62.7*	*-3.6%*	*-6.7%*
Placement of securities	*37.1*	*35.8*	*-3.6%*	*11.8*	*12.0*	*10.5*	*-10.8%*	*-12.6%*
Third party services distribution	*133.4*	*118.7*	*-11.0%*	*40.0*	*42.5*	*38.5*	*n.s.*	*-9.3%*
Collection and payment services	61.9	79.9	*29.1%*	21.2	27.6	25.6	*20.7%*	*-7.3%*
Services for factoring transactions	19.3	19.7	*2.3%*	6.8	6.4	6.5	*-4.5%*	*1.2%*
Current accounts management	156.3	158.6	*1.5%*	53.8	52.5	56.0	*4.2%*	*6.6%*
Other services	156.8	184.5	*17.7%*	47.3	62.0	67.7	*43.2%*	*9.1%*
Total net of up-front fees and depositary bank activities	**815.5**	**853.7**	***4.7%***	**263.9**	**287.6**	**290.4**	***10.0%***	***1.0%***
Up-front fees	**48.3**	**24.8**	***-48.6%***	**0.0**	**7.0**	**1.6**	***n.s.***	***-77%***
Depositary Bank activities	**7.8**	**0.0**	***-100%***	**0.1**	**0.0**	**0.0**	***-100%***	***n.s.***
Total	**871.5**	**878.6**	***0.8%***	**264.0**	**294.6**	**292.0**	***10.6%***	***-0.9%***

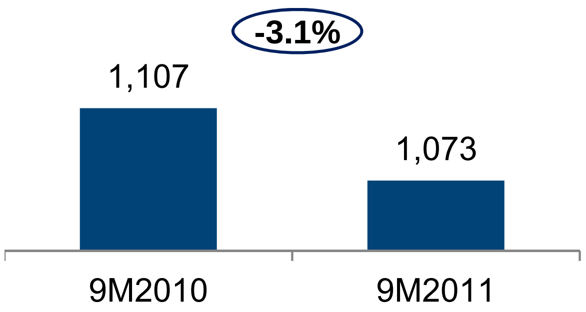
- **Confirmed contribution from commissions on ordinary banking business** (guarantees granted, collection and payment services, factoring, current account management, and "other services" mainly related to lending activities):
  - + € 52 mln YoY,
  - + € 6 mln 3Q2011/2Q2011 and
  - + € 27 mln 3Q2011/3Q2010
- **Portfolio management commissions** down by 3.7% YoY to approx **€ 375 mln** mainly due to lower fees on 3rd party services distribution
- Significant reduction in **up front fees** (€ -24 mln YoY)

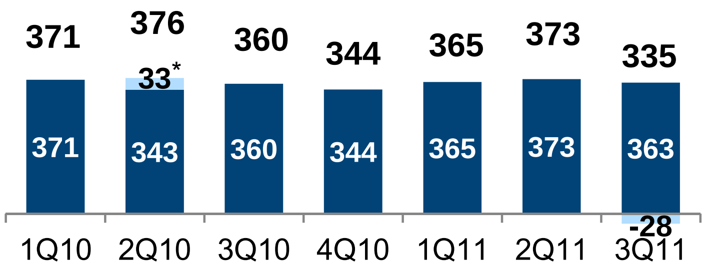
* The depository bank line of business was sold in May 2010

** Including €15 mln of performance fees

Total operating costs: -3.4% YoY, from € 1,859 to 1,796 mln
In normalised terms: -1.13% YoY to € 1,805 mln

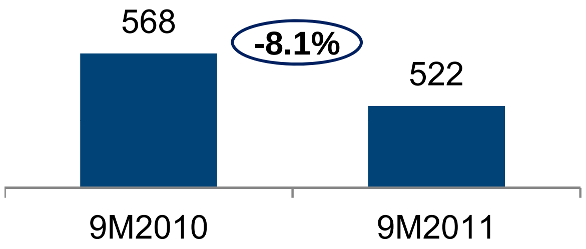
Staff costs (€ mln)

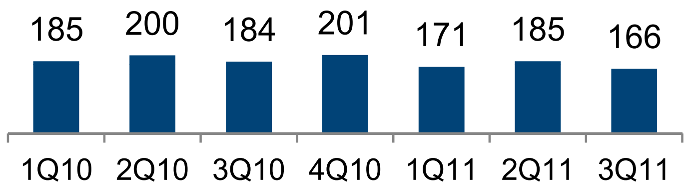




- Staff costs down by 3.1%
  - in 2010: € 33.2 mln non recurring re trade union agreement signed in May
  - in 2011: provisions for variable remuneration and renewal of National Labour Contract not present in 2010
  - in 3Q 2011 non-recurring release of sums recognised in prior years, following the actuarial recalculations for post retirement benefits (€ 28 mln)

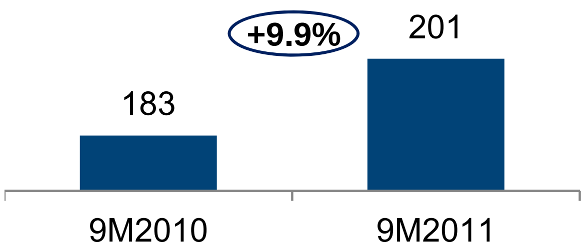
Other administrative costs (€ mln)

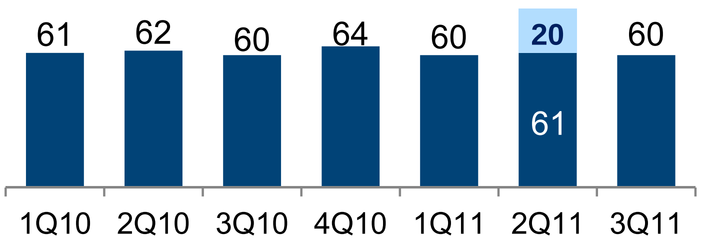




- 2011 vs. 2010: significant reduction throughout the quarters due to strong containment actions in place

D& A (€ mln)





- 2Q11 includes € 20 mln euro one off write-down of intangible assets related to BY YOU
- Net of one-off, regular evolution confirmed

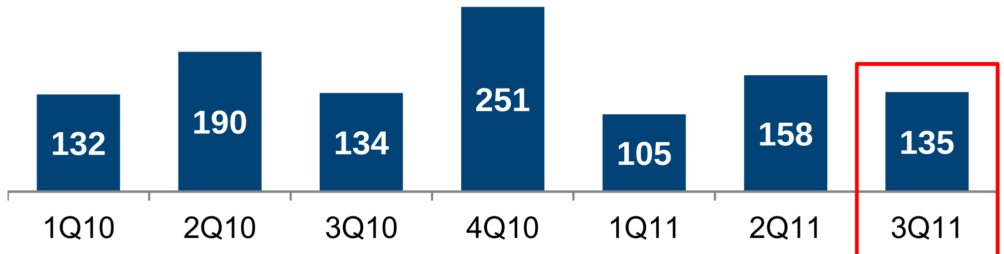
Non recurring items

* 2010 includes € -33.2 mln one off related to trade union agreement and release of provisions related to variable part of wages (€ 23.2 mln), booked in 2Q

Cost of credit at 52 bps annualised vs. 60 in 9M2010, also thanks to Banca 24-7 exit from riskier businesses

IMPAIRMENT LOSSES ON LOANS

(€ mln)

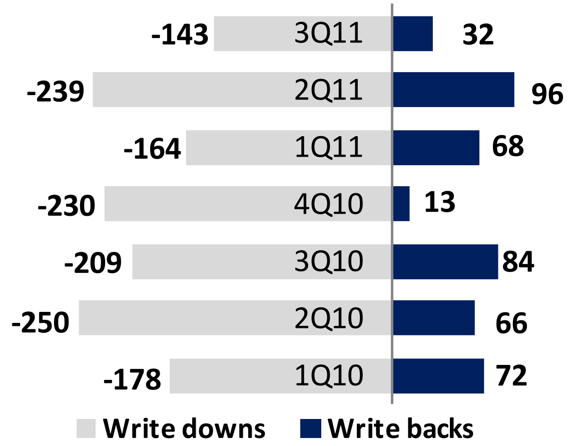


	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11
Total customer loans *(bln€)*	**97.8**	**100.2**	**101.2**	**101.8**	**102.7**	**102.8**	**102.8**
Quarterly cost of credit *(bps annualised)*	**54**	**76**	**53**	**99**	**41**	**62**	**53**

- Overall trend in line with the given guidance, which indicates a 2011 cost of credit below 2010
- 2011 benefits from Banca 24-7 exit from riskier businesses (overall - € 34.2 mln)*
- 3Q2011 / 2Q2011 evolution reflects usual seasonal trend
- 3Q2011 in line with 3Q2010

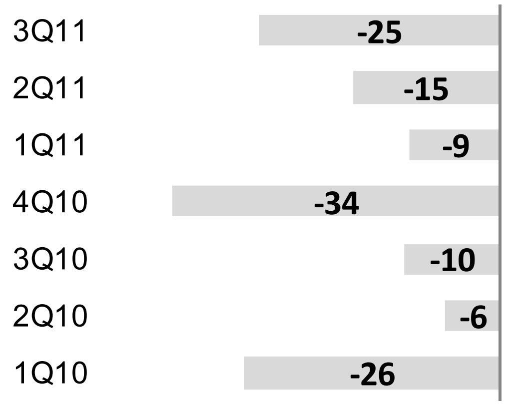
BREAKDOWN OF ANALYTICAL IMPAIRMENT

(€ mln)



EVOLUTION OF COLLECTIVE IMPAIRMENT

(€ mln)



- **write downs**: € 546.6 mln vs. € 636.2 mln in 9M2010 (-14.1%)
- **write backs**: € 197 mln vs. € 222.6 mln in 9M2010 (-11.5%)

* Decrease in cost of credit related to riskier businesses: 1Q2011 vs. 1Q2010 - € 6.1 mln; 2Q2011 vs. 2Q2010 - € 15.3 mln; 3Q2011 vs. 3Q2010 - € 12.8 mln

Cost of credit confirms improvement

Bps, annualised	9M2010	FY2010	1H2011	9M2011
Banca Popolare di Bergamo	41	47	32	35
Banco di Brescia	49	65	37	38
Banca Popolare Commercio Industria	23	35	9	18
Banca Carime	52	48	53	54
Banca Popolare di Ancona	56	67	62	50
Banca Regionale Europea	35	40	27	29
Banca di Valle Camonica*	46	71	102	105
Banco di San Giorgio	64	64	47	57
Banca 24-7	144	134	104	100
Centrobanca	83	94	78	60
UBI Leasing	84	118	95	87
UBI Factor	11	11	9	87
UBI Banca Group	**60**	**69**	**51**	**52**

- ✓ **Network banks'** cost of credit to **39 bps** from 52 bps as at 31 Dec 2010 **(-13 bps)**
- ✓ Product companies' cost of credit to **85 bps** from 108 bps as at 31 Dec 2010 **(-23 bps)**
  - **Banca 24-7**: decreasing cost of credit (-34 bps vs. Dec 2010)
  - **UBI Factor:** the sharp increase in the last quarter is due to the € 15.5 mln provision booked relating to a specific position (Fondazione Centro San Raffaele)

* Total cost of credit in Banca Valle Camonica to € 15 mln in 9M2011 vs € 6.5 mln in 9M2010, due to an one-off event

Evolution of credit quality

(€ mln)	30 June 11	30 Sept 11	Δ Sept 11 June 11
Gross total doubtful loans	8,009	8,534	525
Net total doubful loans	5,802	6,258	456
Gross NPLs	4,022	4,229	207
Net NPLs	2,195	2,343	147
Gross impaired loans	2,697	2,919	222
Net impaired loans	2,404	2,619	214
Gross restructured loans	917	950	33
Net restructured loans	841	872	31
Gross past due loans	373	436	62
Net past due loans	361	425	64
Gross performing loans	97,498	97,045	-454
Net performing loans	**96,973**	**96,508**	**-465**
Gross total loans	105,508	105,579	71
Net total loans	**102,774**	**102,765**	**-9**

2011-2013/2015 Industrial Plan: net doubtful loans are expected to peak in 2011

Net NPLs / net total loans	**2.14%**	**2.28%**
Net impaired loans / net total loans	**2.34%**	**2.55%**
Net impaired + NPL / net total loans	**4.48%**	**4.83%**

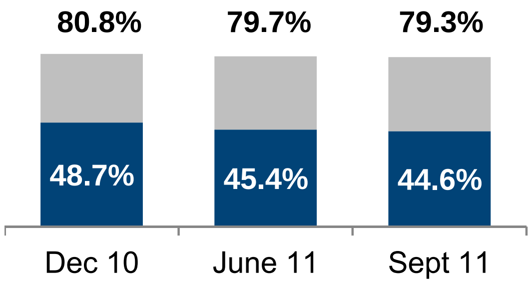
At system level,
net NPLs / net total loans is **2.78%**

Total doubtful loans / total loans (gross)	**7.59%**	**8.08%**
Total doubtful loans / total loans (net)	**5.65%**	**6.09%**

Coverage of deteriorated and performing loans

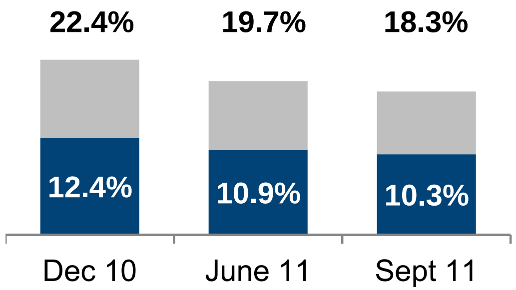
- PERFORMING LOANS coverage to 0.55% (€ 536.8 mln vs. € 503.4 mln as at Sept 2010, i.e. 0.52%)

Coverage of NPLs



- The sale of unsecured loans performed in 2Q2011 (99% impaired) brought to a reduction in coverage as from June

Coverage of IMPAIRED LOANS



■ Stated coverage ■ Coverage incl. loans posted to P&L (for NPLs) and excluding positions covered by collateral (excluding personal guarantees)

Collateralised positions*		**Dec 2010**	**June 2011**	**Sept 2011**	**Sept 11 / Dec 10**	**Sept 11 / June 11**
NPLs	**Stock (€ mln)**	**2,051**	**2,364**	**2,504**	**453**	**140**
	% of total NPLs	54.2%	58.8%	59.2%	+ 5 pp	+ 0.4 pp
Impaired loans	**Stock (€ mln)**	**1,408**	**1,739**	**1,891**	**483**	**152**
	% of total impaired loans	60.7%	64.5%	64.8%	+ 4.1 pp	+ 0.3 pp

- Incidence of positions collateralised in progressive growth

Amount of loans amortised - sent to losses in relation to legal procedures	**Dec 2010**	**June 2011**	**Sept 2011**	**Sept 11 / Dec 10**	**Sept 11 / June 11**
(€ mln)	**1,552**	**1,623**	**1,671**	**119**	**48**
% change vs. previous period				*7.7%*	*3.0%*

- Increase in loans sent directly to losses

* Amounts restated to include IAS effect and legal procedures guarantees

Outlook for 2011

- The current context makes it extremely complex to make forecasts of operating performance due to the great uncertainties surrounding the solution to the pressures on sovereign debts and the possible transfer of the impacts of the financial crisis to the real economy and to industrial output in particular
- Although this instability may have repercussions on both on interest rate levels and volumes of business, also taking into account the new supervisory regulations (in particular EBA), it is nevertheless still possible to assume that **net interest income** and **net commissions** will be resilient while **financial results** will be affected by developments in the national and international political situation
- In normalised terms **operating expenses**, which already include estimated provisions in relation to the renewal of the national labour contract and to variable remuneration (not present last year), are expected to be in line with 2010, partly thanks to the benefits deriving from the trade union agreement signed in May 2010
- With regard to **credit quality**, the forecast of achieving an **annual loan loss rate lower than that for 2010**
- Depending on market performance, impairment reversals or further impairment losses may be recognised on the investment in Intesa SanPaolo

Contents

Reclassified balance sheet: highlights

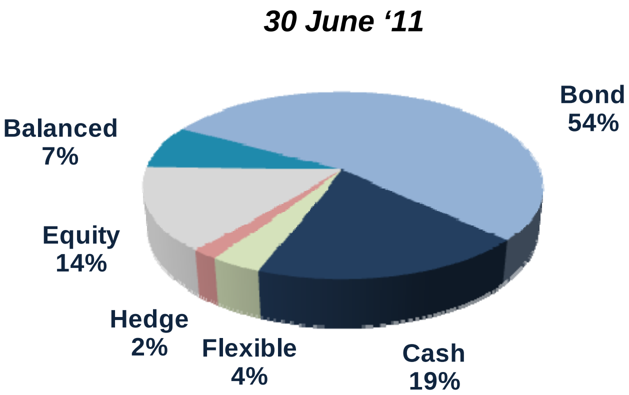
MAIN ASSETS ITEMS *Figures in millions of euro*	30.09.2010	30.06.2011	30.09.2011
Financial assets (AFS, HFT, FV)	13,946	11,786	10,747
Loans to customers	101,195	102,774	102,765
Property, equipment and investment property	2,072	2,078	2,058
Intangible assets	5,479	5,287	5,268
of which: goodwill	*4,414*	*4,286*	*4,286*
Tax assets	1,379	2,313	2,605
Other assets	1,622	2,476	2,272
Total assets	**131,744**	**132,751**	**133,628**

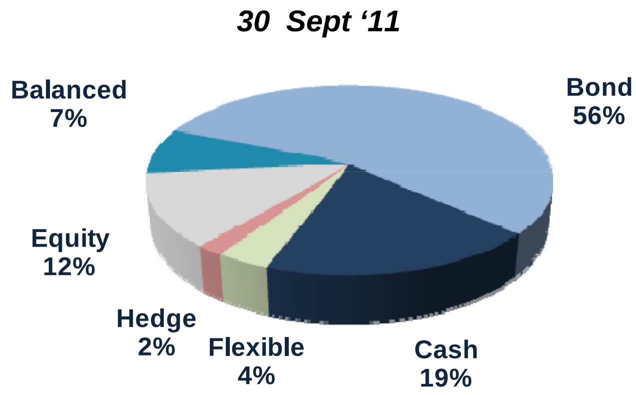
MAIN LIABILITIES AND EQUITY ITEMS *Figures in millions of euro*	30.09.2010	30.06.2011	30.09.2011
Net interbank position	3,698	582	3,297
Due to customers	57,413	56,200	56,200
Securities issued	46,464	49,964	47,503
Tax liabilities	978	1,310	1,390
Net worth attributable to the Parent (including the profit for the year)	11,084	12,073	11,288
Non-controlling interests	957	943	949
Total liabilities and equity	**131,744**	**132,751**	**133,628**

Indirect funding evolution

In bln€	Dec '10	June '11	Sept '11	Sept '11 vs. June '11
AUM *(excl.bancassurance)*	30.3	29.0	26.8	*-7.5%*
Bancassurance	12.3	12.1	11.9	*-2.0%*
AUC	35.4	37.4	34.4	*-8.2%*
Total indirect funding	**78.1**	**78.6**	**73.1**	**-7.0%**

Mix of AuM: breakdown by fund type in UBI Pramerica





* Note: as from Sept '11 Assogestioni does not take into account amounts managed by third parties, i.e. € 2.6 bln managed by Prudential. For comparison reasons, <u>these data are included in the above chart referred to Sept'11</u>