

PRESS RELEASE

Consolidated results to 30th June 2007 (pro-forma reclassified financial statements – comparison with 30th June 2006)

The first half year of the UBI Group's activities were characterised by a significant increase in normalised profit margins thanks to favourable trends in volumes of business and to confirmed high credit quality. The implementation of the Industrial Plan is on schedule and fully underway with 50 integration projects. Furthermore the positioning of the Group with respect to the crisis that affected markets in July and August is without risk.

- The trade union negotiations were concluded on 14th August in advance compared to forecasts and in terms fully consistent with the objectives of the Industrial Plan (in particular, 1.700 redundancies were confirmed).
- Integration costs of 221 million euro (relating to the redundancies plan and to the write off of hardware and software) were incurred in the second quarter of 2007, amounting to approximately 80% of the integration costs planned for 2007. Integration costs in 2007 represent 72% of total integration costs. A further 22% will be incurred in the course of 2008 mainly in relation to IT migrations.
- Profit net of integration costs and non recurring items of 507 million euro +16,3% compared to 436 million to 30th June 2006
- Profit inclusive of integration costs and non recurring items of 414,7 million euro compared to 550,5 to 30th June 2006
- Significant growth in operating income
 - Net operating income of 1.093,4 million euro (+6% and +12,6% net of non recurring items)
 - Operating income of 2.300,7 million euro (+3,6% and +9% net of non recurring items present in 2006 amounting to approximately 110 million euro)
 - Net interest income of 1.347,8 million euro (+9,7%)
 - Commissions of 670 million euro (+2,9% net of performance fees)
 - Operating costs of 1.207,4 million euro (+1,6% inclusive of the positive effect amounting to 49,4 million euro of the new method of determining the staff severance provision)
 - Profit on continuing operations before tax of 980,3 million euro (+5% and +15,2% net of non recurring items)
- Further improvement of the already excellent quality of credit, with net impairment losses on loans of 115,1 million euro (0,26% of net lending annualised) and a ratio of net NPLs loans to net lending of 0,70%

- **Lending to customers of 89,6 billion euro, (+13%) – market share of the Group in the industry up by +0,175% to 5,733%, with growth registered in particular in the North of the country**
- **Total funding (direct + indirect) of 184,5 billion euro (+7,6%)**
Direct funding of 88,2 billion euro (+10,1%)
Indirect funding from ordinary customers of 96,3 billion euro (+5,5%)
Assets under management rose to 56,3 billion euro (+4,7%) and assets under custody to 40 billion euro (+6,7%)

Relative to the market crisis:

- **No direct exposure to the sub-prime sector**
- **No critical issues in Group short term liquidity**

Bergamo, 11th September 2007 – The Management Board of UBI Banca approved the consolidated and individual half year reports of UBI Banca as at 30th June 2007. These results did not include the effects of allocating merger differences which will be recorded in the end-of-year accounts and will have an impact, estimated as at today, of 80-90 million yearly, net of tax and minorities..

The accounts as at 30th June 2007 represent the first financial reporting of the UBI Banca Group following the entry into force of the merger between Banche Popolari Unite and Banca Lombarda e Piemontese, which took place on 1st April 2007.

The income statement

The income statement figures commented on are based on the pro-forma reclassified consolidated financial statements (income statement and income statement net of non recurring items) contained in the attachments to this press release.

Net of non recurring items, **consolidated net profit** for the first half of 2007 amounted to 507 million euro, an increase of 16,3% compared to 436 million achieved in the same period of 2006, also net of non recurring items.

The first half ended with growth in all revenue margins (the increase was even greater net of non recurring items). Net profit for the semester includes 136 million euro net of tax relating to costs linked to the Integration Process. Overall, the consolidated net profit of 1H2007, amounting to 414,7 million euro, includes non recurring items presenting a negative balance of 92 million euro and compares with a net profit of 550,5 million euro achieved in the same period of 2006 which included 115 million of net non recurring profits.

Total operating income amounted to 2,3 billion euro, an increase of 9% compared to 2,1 billion achieved in the first half of 2006 net of non recurring items amounting to approximately 110 million euro.

Growth amounted to 3,6% with non recurring items included in the comparison.

The favourable trend for **net interest income** continued, with an increase of 9,7% to 1.347,8 million euro compared to 1.228,3 million achieved in the first half of 2006.

This positive growth was the result above all of the performance by the network banks which taken together recorded an increase in the net interest income generated by them of 12,4% to 1.247 million euro driven by growth in volumes of business (an average of +11,6% for loans and +3,4% for direct funding compared to June 2006) and a broader spread (+10 basis points compared to the first half of 2006).

The result for the Group as a whole was affected by the lower net positive contribution from capitalisation policies in relation to the increase in market rates (7,1 million euro compared to 32,8 million in June 2006). Net of the contribution from insurance policies, net interest income did in fact increase by 12,2% year-on-year.

Furthermore, the policy to reimburse capitalisation policies started at the beginning of year in relation to the lower profit margin these provide continued following the increase in market rates and the favourable trends for lending; capitalization policies amounted to 5,5 billion in June 2006 and to 3,5 billion at the end of June in 2007. A further 2 billion were reimbursed in July and August.

Dividends received on shares held in portfolio increased to 79,7 million from 44,8 recorded in the first half of 2006, partly the result of the increased contribution (55,1 million, compared to 31,9 million in the comparison period) from the investment in Intesa Sanpaolo.

Net commissions, calculated with the exclusion of performance fees earned by the Group's asset management companies, amounted to 670 million, an improvement of 2,9% compared to 651 million in the first half of 2006. In particular, commissions related to indirect funding (net of performance fees) and commissions generated by innovative products (P&C, CPI, investment banking) show growth, while commissions relating to more traditional banking services (encashment and payment and ordinary current accounts) show a contraction.

Performance commissions fell to 4,5 million from 26,5 in 2006. It will be recalled that the new accounting treatment adopted starting from 2007 in compliance with Bank of Italy directives for funds that calculate this kind of fees on the basis of a comparison with a benchmark means that any positive effects are recognised at the end of the year, when the results become final. As a consequence the amount recorded in 2007 is not comparable with the figure recognised in the accounts in the first half of 2006.

Net profit on trading, hedging and disposal/repurchase activity amounted to 73,8 million euro, compared to 160,5 million previously. It included non recurring items relating to the former BPU Banca Group amounting to 109,6 million (35,6 million of gains on the disposal of NPLs and 74 million of gains on the sale of equity investments, of which 70,1 million relating to Banca Italease). Net of those items, the overall result increased by 22,8 million (+44,8%).

Finally, again with regard to income, increases were also recorded on the items **profits of equity investments valued at equity** (to 10,2 million from 6,9 in June 2006), **net income on insurance operations** (to 40,8 million from 34,1 in June 2006) and **other operating income** (to 73,8 million from 68,3 in June 2006).

Operating costs, amounting to 1.207,4 million euro, recorded growth of 1,6% (with account taken of the positive effect amounting to 49,4 million euro of the new method of determining the staff severance provision) compared to 1.189 million in the first half of 2006. These do not include integration costs, stated under a separate item net of taxes.

In detail, *staff costs* totalled 745,7 million, a decrease of 1,9% compared to 760 million in the same period of 2006. This reduction is attributable to the recognition of a positive amount of 49,4 million euro resulting from a one-off effect of changes to the accounting rules for the staff severance provision. If this item is not considered (together with 4,7 million of non recurring items present in 2006 relating to the former BPU Banca Group), staff costs increased by 5,3%, primarily due to wage trends and more specifically to contract renewals and general growth in remuneration as well as incentives and bonuses.

Other administrative expenses amounted to 372,3 million (+28,1 million compared to the first half of 2006).

The increase consisted of the following:

- approximately 12 million euro due to exogenous events (including increases in mass mailing tariffs and expenses for restocking an office supply warehouse following a fire, with the risk insured and recovered under other operating expenses and costs) and to perimeter variations implemented starting from 4Q2006 (including the project to centralise the IT activities of non banking companies in UBI Centrosystem and to outsource some services such as treasury, warehousing and transport);
- approximately 15 million due to the development of commercial activities (insurance premiums for bundled accounts, mortgages and personal loans, recovered under bank and product company income)

and expenses incurred for security and improvements to services through the progressive upgrading of IT tools

- 1,1 million related to growth in indirect taxation.

Net of non recurring items, the cost/income ratio stood at 54,6%, continuing to fall by 1,5 percentage points compared to 56,1% in the comparison period.

As a result of the performance described above, **net operating income** improved by 6% to 1.093,4 million from 1.031,6 in 2006. If non recurring items are excluded, then net operating income rose by **12,6%**.

The quality of Group credit remained high. **Net impairment losses** totalled 115 million euro in the first half of 2007 (107,8 million in the same period of 2006) accounting for 0,26% of net lending to customers annualised, in line with the figure of 0,27% recorded in the first half of 2006 and of 0,29% for the full year 2006.

Both the half year periods compared benefited from **profits on the disposal of equity investments**, which amounted to 21,5 million in 2007 (primarily attributable to the gains made at Group level following the listing of IW Bank) compared to 31,3 million achieved in 2006 (of which 31 million attributable to the Prudential USA earn-out on the investment in the former BPU Pramerica SGR).

Profit on continuing operations before tax therefore totalled 980,3 million (+5%); net of non recurring items the improvement rises to **15,2%**.

Taxes on income calculated for the period amounted to 397,1 million (346,7 in 2006, which benefited from particular tax treatment on some gains on disposals of equity investments) and was negatively affected by some non recurring items (7 million euro relating to the non deductibility of Banca Lombarda taxes in the first quarter of 2007) and by the negative effect of tax wedge legislation (6 million euro).

The income statement included a specific item containing the total for **integration costs** amounting to 146,3 million euro net of tax (a gross amount of 220,9 million) comprised as follows:

- -188 million of costs at present value relating to total leaving incentives and adhesions to the “Income Support Fund” planned for the 2007-2010 period in the Industrial Plan and recognised in the accounts following the conclusion of the trade union negotiations on 14th August 2007;
- approximately -7 million of other administrative expenses relating to consultancy services, communication and advertising plans, incurred mainly by UBI Banca;
- -25,9 million of net impairment losses on property, plant and equipment and intangible assets. After the IT system for the Group was chosen, it was possible to identify the perimeter of the hardware and software belonging to the former Group BPU to written off;
- +74,6 million relating to taxation on the items reported above.

Finally the **profit of non current assets held for sale net of taxes** amounted to 16,6 million euro and related to the sale of Banca Carime branches to Banca Popolare Pugliese. The amount of 10,5 million euro recognised in 2006 comprised approximately 5,8 million from income items relating to Bergamo Esattorie and Ancona Tributi which were subsequently disposed of and 4,7 million from the sale of a property by the former Banca Lombarda e Piemontese Spa.

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The balance sheet

All the main balance sheet items recorded growth compared to both June 2006 and the end of 2006.

Total funding as at 30th June 2007 amounted to 184,5 billion euro, an increase of 7,6% compared to 171,4 billion in June 2006 (*180,1 billion in December 2006*).

In detail, **direct funding** recorded year-on-year growth of 10,1% to 88,2 billion euro from 80,2 billion as at 30th June 2006 (85,6 in December 2006). This performance was attributable to both growth in the item due to customers, up by 7,2% to 47,8 billion euro and to the item securities in issue, up by 13,6% to 40,5 billion, partly the result of the issues made by the Parent Bank on international markets under the EMTN programme, which rose from 8,8 to 13,9 billion euro. Net of the EMTN issues, direct funding grew by 4,1%.

Total indirect funding from private customers rose by 5,5% to 96,3 billion euro from 91,2 in June 2006 (94,4 in December 2006) and recorded increases in both the managed assets component (+4,7% to 56,3 billion euro) and in assets under custody (+6,7% to 40 billion euro). Within assets under management, growth in insurance products continued with year-on-year growth of 7,5% to 12,9 billion. It should be noted that in the first half of 2007 the net positive cumulative inflows to the mutual investment funds of the Group's asset management companies totalled 154 million euro compared to net outflows of 20,3 billion for the sector as whole (Source: Assogestioni) .

As at 30th June 2007, Group **lending to customers** totalled 89,6 billion euro to record a significant increase of 13%, compared to 79,3 billion in June 2006 (83,1 in December 2006). An analysis of market share available for March 2007/March 2006 shows positive growth with the acquisition of additional market share by the UBI Group particularly in the North of the country.

Lending to customers recorded general year-on-year growth for both network banks (+10,7%), with growth of 17,5% achieved by Banca Popolare di Bergamo (to 22,8 billion euro) and of 10,1% by Banco di Brescia (to 14,8 billion euro) and also for product companies (+20,1%) with strong growth rates in lending by Banca 24-7, +60,9% to 3,6 billion (including mortgage loans, +40,6% to 2,5 billion, salary backed lending, +35,4% to 569,6 million euro, and personal loans of approximately 500 million, up from 24,4 million in June 2006 as a result of new commercial sales activities in network banks).

As concerns the **quality of the lending portfolio**, the ratio of net non performing loans to net lending as at 30th June 2007 was 0,70% in line with the figures for 30th June 2006 and 31st December 2006, while the ratio of net impaired loans to net lending was 0,73% (0,93% as at 30th June 2006 and 0,87% as at 31st December 2006).

The **shareholders' equity** of the Group, excluding profit for the period, amounted to 10.857 million euro as at 30th June 2007 (10.572 million euro as at 30th June 2006).

Pro-forma capital ratios calculated without considering the allocation of merger differences to assets were as follows as at 30th June 2007: a core tier 1 ratio of 6,2%, a tier 1 ratio of 6,7% and a total capital ratio of approximately 10% .

As at 30th June 2007, the Group had employees numbering 21.692 (-222 compared to 30th June 2006) and 1.966 branches, eight of which abroad.

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Business outlook

Net interest income should continue to benefit from growth in lending to customers as the year continues. Expected growth for the end of the year could stand at levels close to those of the first half, in line with the annual target set in the Industrial Plan and with good performance of spreads.

Commissions, net of performance fees, are affected by the unfavourable context for assets under management, penalised by both the recent turbulence that has hit financial markets following the crisis of American subprime mortgages and by competition from short term government securities. Growth for 2007 as a whole should therefore be in line with or a little higher than that recorded in the first six months of the year.

Net of integration costs, the trend for operating costs, which benefited from the positive impact of the changes to the staff severance regulations introduced by the reform of supplementary pensions, could record growth at the end of the year, compared to 2006, slightly lower than that seen in the first half results.

The favourable performance of the cost of lending should continue for the whole of 2007, with an overall result below the limits set in the Industrial Plan.

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Exposure to subprime mortgages

As concerns the exposure of the UBI Banca Group to the subprime mortgage sectors and to the American sector in particular, investigations which were also conducted in relation to those performed by the supervisory authority for the industry as a whole produced the following results (figures as at 16th August 2007):

- no direct exposure to American subprime mortgages
- indirect exposure on the basis of available information: 2,2 million euro of certain exposure contained in Group investments in funds of hedge funds compared to a potential exposure of less than 15 million euro
- no exposure in other related instruments and towards the so-called “conduits”
- exposure of the Group’s alternative asset management companies: 26,9 million euro (the sum of long/short positions).

The liquidity crisis on the market

The net exposure of the Group on the interbank market amounts presently to 5,5 billion euro compared to 7,7 billion as at 30 June 2007. Net interbank funding currently accounts for less than 8% of the Group’s funding.

In the medium term, adequate liquidity ratios are assured by the implementation of the Industrial Plan.

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Declaration of the senior executive officer responsible for preparing corporate accounting documents and reports

The undersigned, Elisabetta Stegher, as the senior executive officer responsible for preparing the corporate accounting documents of Unione di Banche Italiane Scpa , hereby declares, in compliance with the second paragraph of article 154 *bis* of the “*Testo unico delle disposizioni in materia di intermediazione finanziaria*” (consolidated law on financial intermediation), that the consolidated half year report as at 30th June 2007 is reliably based on the records contained in corporate documents, books and accounting records.

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Copy of this press release is available on the website www.ubibanca.it

Attachments

Financial statements

The UBI Banca Group:

- Reclassified consolidated balance sheet
- Reclassified consolidated income statement
- Reclassified consolidated income statement net of the main non recurring components
- Reclassified consolidated income statement for each quarter

Notes to the statements

Seen that the mandatory schemes for the financial statements prepared on the basis of Bank of Italy Circular No. 262 of 22nd December 2005 incorporate the balance sheet and income statement figures for the former Banca Lombarda e Piemontese Group from 1st April 2007, the date on which the merger took effect, **Pro-forma reclassified financial statements** have been prepared which include figures for the former BLP Group for the entire period considered and for the comparison periods in order to allow an analysis of the Group's performance on a uniform basis and a vision that is more consistent with a management accounting style.

In line with the indications of CONSOB communication No. DEM/6064293 of 28th July 2006, a special statement has been included among the reclassified financial statements which shows the **impact on earnings of the principal non recurring items**; they can be summarised, for the first half of 2007 as follows:

- reform of supplementary pensions;
- integration costs resulting from the merger transaction (including an estimate of the costs of writing-off software and hardware destined to be decommissioned);
- the disposal, for the listing of that bank, of shares in the subsidiary IW Bank and the disposal of 15 branches by Banca Carime;
- other items relating to the effects of the valuation of minority stakes and to fiscal effects.

The limited audit of the Interim report by KPMG Spa is under way. The reclassified accounts are not subject to audit by the Audit Company.

UBI Banca: reclassified consolidated balance sheet

Figures in thousands of euro		30.6.2007 A	31.12.2006 pro-forma B	% changes A/B	30.6.2006 pro-forma C	% changes A/C
ASSETS						
10.	Cash and cash equivalents	470.341	586.799	-19,8%	414.680	13,4%
20.+30.	Financial assets held for trading at fair value	10.763.463	11.543.592	-6,8%	11.478.777	-6,2%
40.	Available-for-sale financial assets	4.880.447	4.703.712	3,8%	4.229.366	15,4%
50.	Held-to-maturity financial assets	1.249.867	1.256.872	-0,6%	1.207.450	3,5%
60.	Loans to banks	4.395.534	4.268.133	3,0%	5.421.168	-18,9%
70.	Loans to customers	89.587.831	83.062.851	7,9%	79.277.019	13,0%
80.	Hedging derivatives	374.120	442.872	-15,5%	582.137	-35,7%
90	Fair value change of hedged financial assets (+/-)	-16.721	2.044	n.s.	7.070	n.s.
100.	Equity investments	139.999	143.213	-2,2%	108.165	29,4%
110.	Technical reserves of reinsurers	210.277	105.726	98,9%	97.056	116,7%
120.	Property, plant and equipment	2.024.845	2.070.260	-2,2%	2.088.430	-3,0%
130.	Intangible assets	1.325.169	1.341.292	-1,2%	1.313.870	0,9%
	<i>of which: goodwill</i>	<i>1.210.302</i>	<i>1.209.843</i>	<i>0,0%</i>	<i>1.196.614</i>	<i>1,1%</i>
135.	Temporary Merger difference	4.199.793	4.199.793	-	4.199.793	-
140.	Tax assets	1.036.261	1.208.249	-14,2%	926.160	11,9%
150.	Non current assets and disposal groups held for sale	9.760	98.401	-90,1%	119.793	-91,9%
160.	Other assets	2.964.296	2.362.907	25,5%	2.500.739	18,5%
Total assets		123.615.282	117.396.716	5,3%	113.971.673	8,5%

UBI Banca: reclassified consolidated balance sheet

Figures in thousands of euro		30.6.2007 A	31.12.2006 pro-forma B	% changes A/B	30.6.2006 pro-forma C	% changes A/C
LIABILITIES						
10.	Due to banks	12.102.795	9.016.297	34,2%	10.527.573	15,0%
20.	Due to customers	48.364.006	48.119.051	0,5%	45.166.476	7,1%
30.	Securities in issue	40.489.344	38.116.917	6,2%	35.637.572	13,6%
40.+50.	Financial liabilities held for trading at fair value	1.328.079	1.028.530	29,1%	1.328.149	0,0%
60.	Hedging derivatives	440.596	407.795	8,0%	556.645	-20,8%
80.	Tax liabilities	914.570	1.089.282	-16,0%	777.294	17,7%
90.	Liabilities associated with disposal groups held for sale	-	119.648	-100,0%	84.742	-100,0%
100.	Other liabilities	4.299.883	3.644.428	18,0%	4.589.795	-6,3%
110.	Staff severance payments	472.654	547.670	-13,7%	550.178	-14,1%
120.	Provision for liabilities and charges:	527.802	337.466	56,4%	432.048	22,2%
	a) pension and similar obligations	88.813	89.867	-1,2%	186.457	-52,4%
	b) other provisions	438.989	247.599	77,3%	245.591	78,7%
130.	Technical reserves	2.536.782	2.532.321	0,2%	2.376.206	6,8%
^{140.+170.} ^{+180.+190.}	Share capital, issue premiums and reserves	10.857.168	10.630.875	2,1%	10.572.268	2,7%
210.	Minority interests	866.910	855.590	1,3%	822.247	5,4%
220.	Profit for the period	414.693	950.846	n.s.	550.480	-24,7%
Total liabilities		123.615.282	117.396.716	5,3%	113.971.673	8,5%

UBI Banca: Reclassified consolidated income statement

Figures in thousands of euro	30.6.2007 pro-forma	30.6.2006 pro-forma	Changes	% changes	2nd Quarter 2007	2nd Quarter 2006 pro-forma	31.12.2006 pro-forma
10.-20. Net interest income	1.347.770	1.228.286	119.484	9,7%	679.485	608.073	2.513.136
70. Dividend and similar income	79.744	44.847	34.897	77,8%	74.488	42.570	50.674
Profit (loss) of equity investments valued using the equity method	10.249	6.915	3.334	48,2%	3.963	1.929	17.332
40.-50. Net commission income	669.968	650.953	19.015	2,9%	341.879	335.636	1.285.483
Performance commissions	4.517	26.544	(22.027)	(83,0%)	2.296	7.728	40.382
80.+90.+ 100.+110. Net profit (loss) from trading, hedging and disposal/repurchase activities	73.831	160.545	(86.714)	(54,0%)	23.966	31.450	242.750
150.+160. Net income on insurance operations	40.825	34.130	6.695	19,6%	25.809	16.222	67.680
220. Other net operating income/(expense)	73.845	68.315	5.530	8,1%	35.557	32.986	149.803
Operating income	2.300.749	2.220.535	80.214	3,6%	1.187.443	1.076.594	4.367.240
180.a Staff costs	(745.695)	(759.975)	(14.280)	(1,9%)	(352.990)	(381.686)	(1.513.735)
180.b Other administrative expenses	(372.316)	(344.249)	28.067	8,2%	(191.906)	(177.762)	(746.989)
200.+210. Net impairment losses on property, plant and equipment and intangible assets	(89.375)	(84.692)	4.683	5,5%	(47.026)	(43.430)	(183.550)
Operating costs	(1.207.386)	(1.188.916)	18.470	1,6%	(591.922)	(602.878)	(2.444.274)
Net operating income	1.093.363	1.031.619	61.744	6,0%	595.521	473.716	1.922.966
130.a Net impairment losses on loans	(115.058)	(107.826)	7.232	6,7%	(51.827)	(62.925)	(238.710)
130.b+c +d+260. Net impairment losses on other assets and liabilities	(5.898)	(124)	5.774	n.s.	(4.802)	338	1.500
190. Net provisions for liabilities and charges	(13.603)	(21.599)	(7.996)	(37,0%)	(2.853)	(11.520)	(50.753)
240.+270. Profit (loss) from disposal of equity and other investments	21.545	31.264	(9.719)	(31,1%)	21.217	15.307	62.889
Profit (loss) on continuing operations before tax	980.349	933.334	47.015	5,0%	557.256	414.916	1.697.892
290. Taxes on income for the period for continuing operations	(397.131)	(346.702)	50.429	14,5%	(213.894)	(151.650)	(669.766)
Integration costs	(146.301)	-	-	-	(146.301)	-	-
of which: staff costs	(188.095)	-	-	-	(188.095)	-	-
other administrative expenses	(6.960)	-	-	-	(6.960)	-	-
net impairment losses on tangible and intangible assets	(25.877)	-	-	-	(25.877)	-	-
tax	74.631	-	-	-	74.631	-	-
310. Profit (loss) of non current assets held for sale and discontinued operations net of taxes	16.584	10.542	6.042	57,3%	16.868	8.391	11.531
330. Net profit for the period attributable to minority interests	(38.808)	(46.694)	(7.886)	(16,9%)	(18.504)	(21.970)	(88.811)
Profit for the period attributable to the Parent Bank	414.693	550.480	(135.787)	(24,7%)	195.425	249.687	950.846

UBI Banca Group: Reclassified consolidated income statement net of the main non recurring items

	non recurring items							non recurring items					Change 30.6.2007 pf /30.6.2006 pf net of non recurring items	% change 30.6.2007 pf /30.6.2006 pf net of non recurring items	
	30.6.2007 pro-forma	Integration costs			Disposal of equity investments and Banca Carime	Other items	30.6.2007 net of non recurring items	30.6.2006 pro-forma	non recurring items			30.6.2006 pro-forma net of non recurring items			
		Incentive leaving costs	Other items and write- offs following "switch-off" of the BPU IT systems	pension reform effect					Disposal of loans	Disposal of equity investments	Earn out UBI Pramerica SGR				Other items
Figures in thousands of euro															
Net interest income	1.347.770							1.228.286						119.484	9,7%
Dividends and similar income	79.744							44.847						34.897	77,8%
Profit (loss) on equity investments valued using the equity method	10.249							6.915						3.334	48,2%
Net commission income	669.968							650.953						19.015	2,9%
Performance commissions	4.517							26.544						(22.027)	(83,0%)
Net profit (loss) from trading, hedging and disposal/repurchase activities	73.831							160.545	(35.557)	(73.994)				22.837	44,8%
Net income on insurance operations	40.825							34.130						6.695	19,6%
Other net operating income/(expense)	73.845							68.315						5.530	8,1%
Operating income	2.300.749	-	-	-	-	-	2.300.749	2.220.535	(35.557)	(73.994)	-	-	2.110.984	189.765	9,0%
Staff costs	(745.695)			(49.396)			(795.091)	(759.975)				4.676	(755.299)	39.792	5,3%
Other administrative expenses	(372.316)						(372.316)	(344.249)					(344.249)	28.067	8,2%
Net impairment losses on property, plant and equipment and intangible assets	(89.375)						(89.375)	(84.692)					(84.692)	4.683	5,5%
Operating costs	(1.207.386)	-	-	(49.396)	-	-	(1.256.782)	(1.188.916)	-	-	-	4.676	(1.184.240)	72.542	6,1%
Net operating income	1.093.363	-	-	(49.396)	-	-	1.043.967	1.031.619	(35.557)	(73.994)	-	4.676	926.744	117.223	12,6%
Net impairment losses on loans	(115.058)					2.398	(112.660)	(107.826)					(107.826)	4.834	4,5%
Net impairment losses on other assets and liabilities	(5.898)					5.085	(813)	(124)					(124)	689	555,6%
Provisions for liabilities and charges	(13.603)					2.283	(11.320)	(21.599)					(21.599)	(10.279)	(47,6%)
Profit (loss) from disposal of equity and other investments	21.545				(21.262)	48	331	31.264		651	(31.000)		915	(584)	(63,8%)
Profit (loss) on continuing operations before tax	980.349	-	-	(49.396)	(21.262)	9.814	919.505	933.334	(35.557)	(73.343)	(31.000)	4.676	798.110	121.395	15,2%
Taxes on income for the period for continuing operations	(397.131)			16.301	555	12.457	(367.818)	(346.702)	13.260	2.219	5.890	(1.543)	(326.876)	40.942	12,5%
Integration costs	(146.301)	125.677	20.624				-	-					-	-	-
of which: staff costs	(188.095)	187.577	518				-	-					-	-	-
other administrative expenses	(6.960)		6.960				-	-					-	-	-
net impairment losses on tangible and intangible assets	(25.877)		25.877				-	-					-	-	-
tax	74.631	(61.900)	(12.731)				-	-					-	-	-
Profit (loss) of non current assets held for sale and discontinued operations net of taxes	16.584				(16.584)		-	10.542					10.542	(10.542)	n.s.
Net profit for the period attributable to minority interest	(38.808)	(9.793)	(33)	1.730	2.205	91	(44.608)	(46.694)	554	215	14	127	(45.784)	(1.176)	(2,6%)
Profit for the period attributable to Parent Bank	414.693	115.884	20.591	(31.365)	(35.086)	22.362	507.079	550.480	(21.743)	(70.909)	(25.096)	3.260	435.992	71.087	16,3%
ROE (annualized)	7,6%						9,3%	10,4%					8,2%		
Cost / Income	52,5%						54,6%	53,5%					56,1%		

UBI Banca Group: Reclassified consolidated income statement for each quarter

Figures in thousands of euro	2007		2006 pro-forma			
	2nd Quarter	1st Quarter pro-forma	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
10.-20. Net interest income	679.485	668.285	653.356	631.494	608.073	620.213
70. Dividends and similar income	74.488	5.256	4.847	980	42.570	2.277
Profit (loss) of equity valued using the equity method	3.963	6.286	3.255	7.162	1.929	4.986
40.-50. Net commission income	341.879	328.089	337.949	296.581	335.636	315.317
Performance commissions	2.296	2.221	10.146	3.692	7.728	18.816
80.+90.+ 100.+110. Net profit (loss) from trading, hedging and disposal/repurchase activities	23.966	49.865	43.108	39.097	31.450	129.095
150.+160. Net income on insurance operations	25.809	15.016	22.298	11.252	16.222	17.908
220. Other net operating income/(expense)	35.557	38.288	51.154	30.334	32.986	35.329
Operating income	1.187.443	1.113.306	1.126.113	1.020.592	1.076.594	1.143.941
180.a Staff costs	(352.990)	(392.705)	(394.094)	(359.666)	(381.686)	(378.289)
180.b Other administrative expenses	(191.906)	(180.410)	(234.528)	(168.212)	(177.762)	(166.487)
200.+210. Net impairment losses on property, plant and equipment and intangible assets	(47.026)	(42.349)	(51.196)	(47.662)	(43.430)	(41.262)
Operating costs	(591.922)	(615.464)	(679.818)	(575.540)	(602.878)	(586.038)
Net operating income	595.521	497.842	446.295	445.052	473.716	557.903
130.a Net impairment losses on loans	(51.827)	(63.231)	(63.538)	(67.346)	(62.925)	(44.901)
130.b+c +d+260. Net impairment losses on other assets and liabilities	(4.802)	(1.096)	3.389	(1.765)	338	(462)
190. Net provisions for liabilities and charges	(2.853)	(10.750)	(17.569)	(11.585)	(11.520)	(10.079)
240.+270. Profit (loss) from disposal of equity and other investments	21.217	328	15.042	16.583	15.307	15.957
Profit (loss) on continuing operations before tax	557.256	423.093	383.619	380.939	414.916	518.418
290. Taxes on income for the period for continuing operations	(213.894)	(183.237)	(161.707)	(161.357)	(151.650)	(195.052)
Integration costs	(146.301)	0	0	0	0	0
310. Profit (loss) of non current assets held for sale and discontinued operations net of taxes	16.868	(284)	1.067	(78)	8.391	2.151
330. Net profit for the period attributable to minority interests	(18.504)	(20.304)	(19.269)	(22.848)	(21.970)	(24.724)
Profit for the period attributable to the Parent Bank	195.425	219.268	203.710	196.656	249.687	300.793