The UBI Banca Group
Consolidated Results as at 31st March 2019

8th May 2019

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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.

Executive summary

Profit for 1Q19, net of non-recurring items, up to €124.9 million compared with €121 million in 1Q18 and €41.8 million in 4Q2018
Stated Net Profit of €82.2 million impacted by trade union agreement (€117.7 million in 1Q18 and €215.1 million in 4Q18)[1]

Economics:
- **important growth of Net Interest Income up vs 1Q18 and 4Q18 driven by commercial activity**
- **good resilience by Fee and Commission Income**
- **a further contraction in Operating Expenses**
- **containment of Impairment Losses on Loans**

Balance Sheet:
Increase in CET1 ratio fully loaded at 11.47% (11.34% at 31.12.2018) including roll out of internal models to 3 banks acquired and other retail, update of parameters in the internal models and impact of IFRS16

NPE stocks under strong control
- **gross non-performing exposures down by €258.4 million through internal work-out in the quarter (-2.7%)**
- **annualised default rate of 0.79% in 1Q19 vs 1.38% in 4Q18 and 1.85% in 1Q18**
- **coverage ratio increasing for all categories of NPEs vs 31.12.2018**
- **Texas ratio of 78.6% (85.3% as at 31.12.2018 and 100.7% as at 31.3.2018)**

Decrease in performing loans due to strategy to safeguard spreads, successful in boosting NII in 1Q19

Total funding up significantly thanks to increase in both direct and indirect funding (LCR and NSFR >1 also excluding TLRO2)

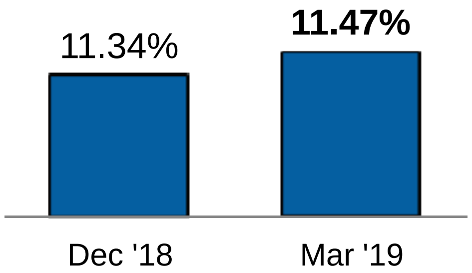
[1] The main non-recurring items include -42.6 mln/€ million net (-63.7 mln/€ gross) in 1Q 2019 in relation to the March 2019 trade union agreement, -3.5 mln/€ net in 1Q 2018, in relation to Business Plan project expenses. In 4Q 2018: the write-down of the contribution to the Interbank Deposit Protection Fund's Voluntary Scheme for the intervention to support Carige amounting to -14.7 mln/€ net (-22 mln/€ gross); -4.9 mln/€ net incurred for Business Plan project expenses; and also DTAs recognised following changes in the tax treatment for first-time adoption of IFRS 9, amounting to +186.4 mln/€.

CET1 ratio at 11.47% fully loaded, growing vs Dec 2018, including:

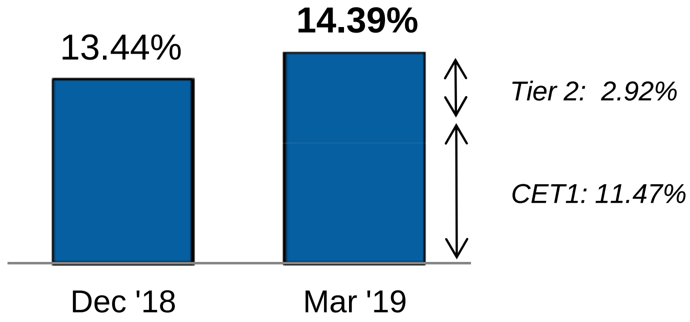
- *the positive effect of 3 acquired banks and other retail roll-out to AIRB models*
- *the negative impact of risk parameter update*
- *the negative impact of IFRS16 (-8 bps)*

CET 1 fully loaded

No proforma DTAs nor optimisation manoeuvres included

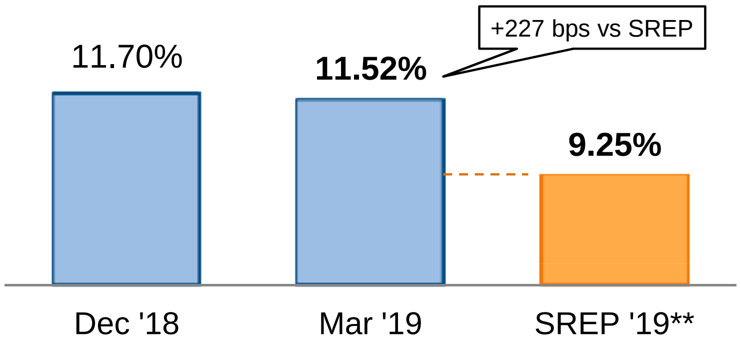


Total capital fully loaded



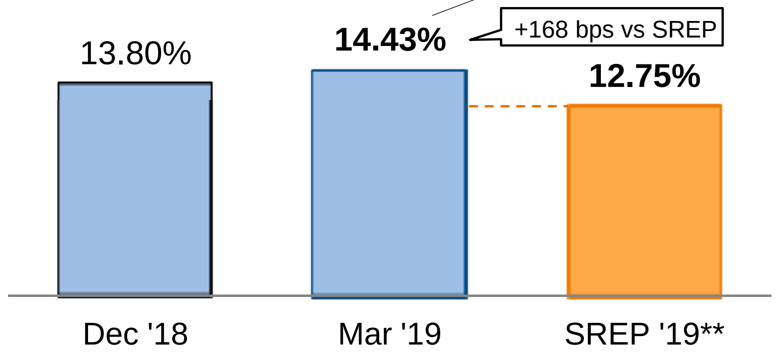
*Phased-in ratios substantially aligned to fully loaded ratios, following the roll-out of standardised lending to AIRB**

CET 1 phased-in*



Total capital phased-in

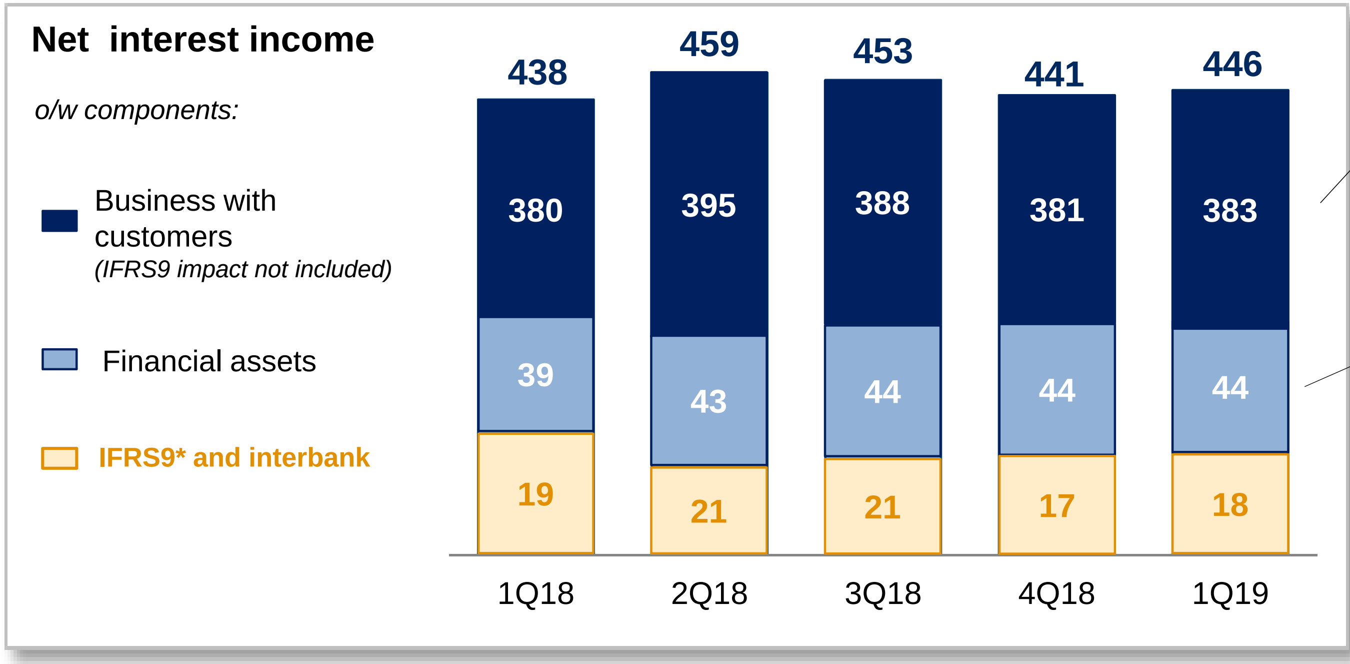
Main increase due to issuance of 500 mln/€ of Tier 2 in Feb '19



* Impairment losses recognised on first-time adoption of IFRS 9 on credit positions subject to the **standardised** approach (€255 million approx. for the period ended 31.03.2018) were subject to the transition regime provided for by EU Reg. No. 2017/2395 and were therefore recognised progressively in the CET1 ratio (only 5% of the impact was therefore included in the phased-in CET1 ratio as at 31.12.2018, while the total impact was included in the fully loaded CET1 ratio). Following the partial changeover to the advanced approach for credit positions previously recognised according to the standardised approach, the transition regime for the inclusion of the impairment losses in the CET1 capital no longer applied and therefore the negative impact of the remaining amount of the impairment losses recognised in relation to these positions (€220 million approx. as at 31.03.2019) was therefore fully included. That impact was only partially offset by the benefit on RWAs resulting from the changeover for the credit positions from the standard approach to the advanced approach.
Remaining difference between phased-in and fully loaded CET1 ratio relates to leasing portfolio still under standardised model

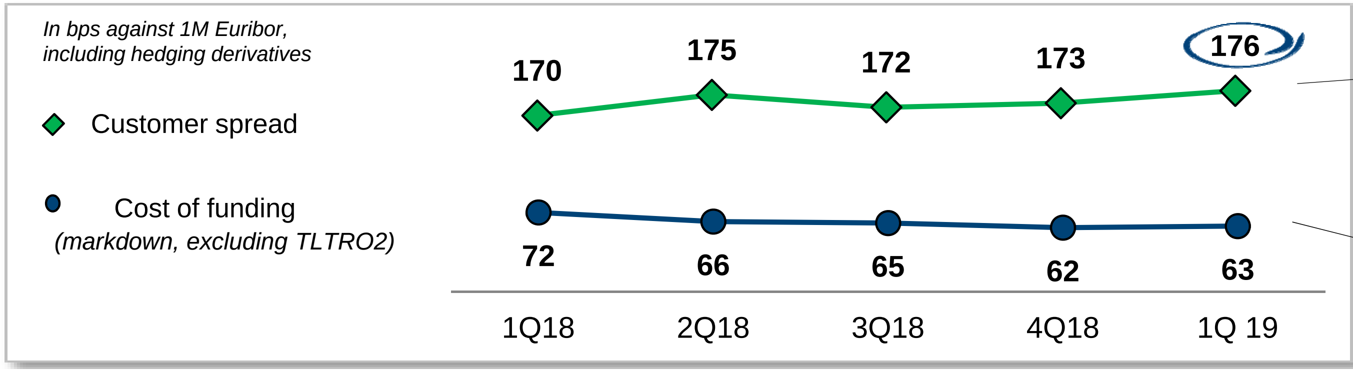
** Includes Capital Conservation Buffer

Net interest income at 446 mln/€ (including IFRS16 negative effect of -2 mln/€): a positive quarterly progression (+1.8% vs 1Q18, +1% vs 4Q18), driven by higher contribution from business with customers



1Q19/4Q18: **+4.5 mln/€**, *of which:*

- ✓**+2.7 mln/€** from business with customers notwithstanding:
  - *2 days less vs 4Q18*
  - *lower loans and higher funding stocks*
  - *IFRS 16 (-2 mln/€)*
- ✓No additional contribution from Financial Assets



Spread up 3 bps q/q shows good results from selective lending strategy

Cost of funding basically stable in spite of 1 bln/€ new institutional issuances and 1 bln/€ retail bonds

Cost of funding down 9 bps vs 1Q18

* The impact includes: 1) credit components coming from i) the reversal of time value on NPEs, ii) interest recognised on a net basis on NPEs and iii) the release of the time value of the PPA relating lo loans resulting from the 3 Banks Acquired; and 2) contractual modification without derecognition

Repricing actions are producing first clear results.
Focus on medium/long term loan volumes and commercial spreads

	3Q18	4Q18	1Q19
NEW ORIGINATIONS			
Flows	+3.2 bln/€	+3.2 bln/€	+2.8 bln/€
Spreads	189 bps	196 bps	243 bps
REIMBURSEMENTS			
Flows	-3.4 bln/€	-3.5 bln/€	-3.1 bln/€
Spreads	197 bps	198 bps	193 bps

Total Funding: 192.4 bln/€ increasing by 5 bln/€ vs Jan '19 (o/w AUM up by approx. 2 bln/€)

IAS amounts in bln/€

		31 March '18	1 Jan '19 (IFRS 16)	31 Mar '19 (IFRS 16)
DIRECT FUNDING	**...from ORDINARY CUSTOMERS**	**78.58**	**76.18**	**75.74**
	of which			
	Current accounts and deposits	*64.62*	*65.89*	*65.66*
	Term deposits, financing & other payables	*3.64*	*2.32*	*2.32*
	Leasing payables		*0.39*	*0.40*
	Bonds issued	*9.46*	*7.21*	*7.09*
	Certificates of deposit	*0.86*	*0.37*	*0.27*
	...from INSTITUTIONAL CUSTOMERS	**15.63**	**16.43**	**17.89**
	of which			
	Covered Bonds	*10.64*	*12.47*	*13.02*
	EMTN	*4.31*	*3.75*	*3.42*
	Repos with CCG and other	*0.68*	*0.22*	*1.45*
	TOTAL DIRECT FUNDING	**94.21**	**92.61**	**93.62**
	INDIRECT FUNDING	**97.66**	**94.74**	**98.77**
	of which			
	AuM	*44.11*	*41.60*	*43.50*
	Bancassurance	*22.76*	*24.69*	*25.52*
	AuC	*30.79*	*28.45*	*29.75*
	TOTAL FUNDING (DIRECT + INDIRECT)	**191.88**	**187.35**	**192.39**

Current accounts and deposits +1 bln/€ vs 31.3.2018

New item in compliance with IFRS16

Partial replacement of retail bonds during the year (approx. 1 bln/€ in 1Q19)

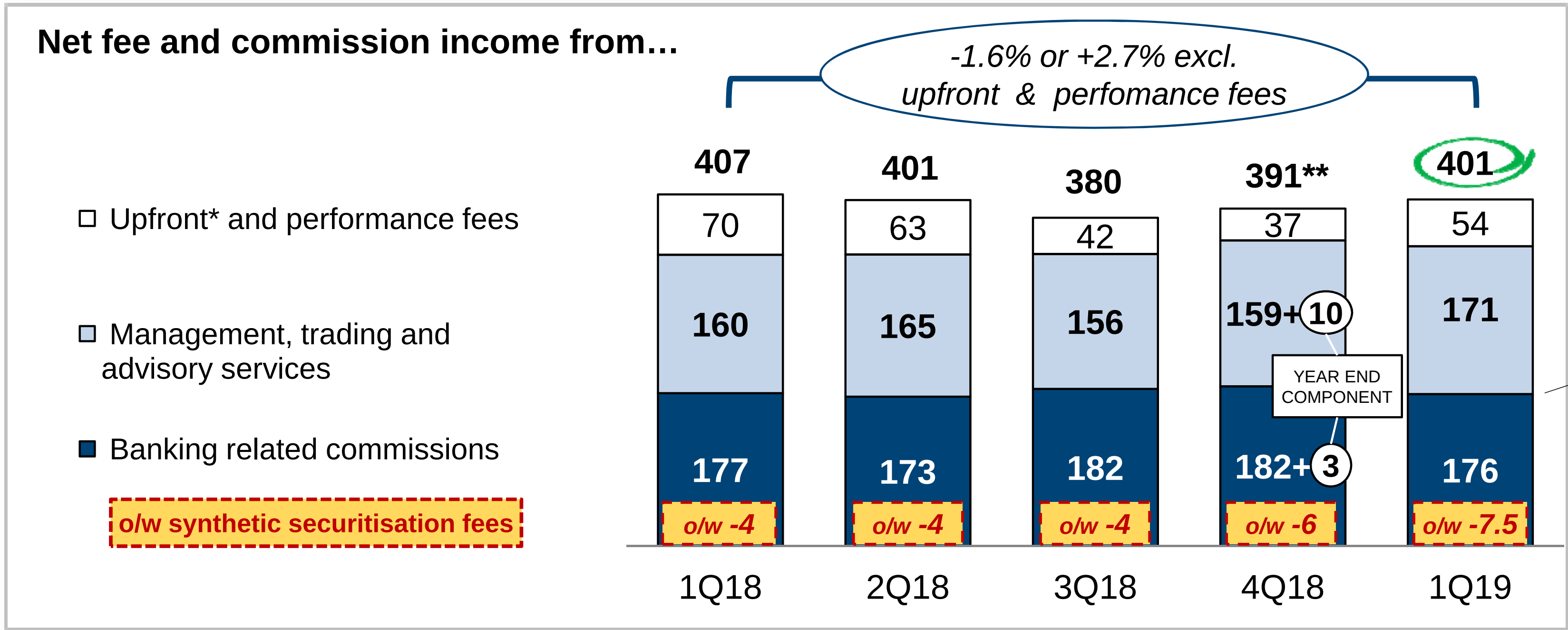
No. 2 institutional issuances in 1Q19:
- 500 mln/€ covered bond
- 500 mln/€ Tier 2

In April 2019, 500 mln/€ Green Bond*

+4.2% vs 31.12.2018 and +0.7% net of market performance effect

* Further detail on 2019 issuances in annexes No. 5a and 5b

Net fee and commission income at 401 mln/€, improvement of underlying trends in 1Q19: +2.7% vs 1Q18 excluding upfront and performance fees



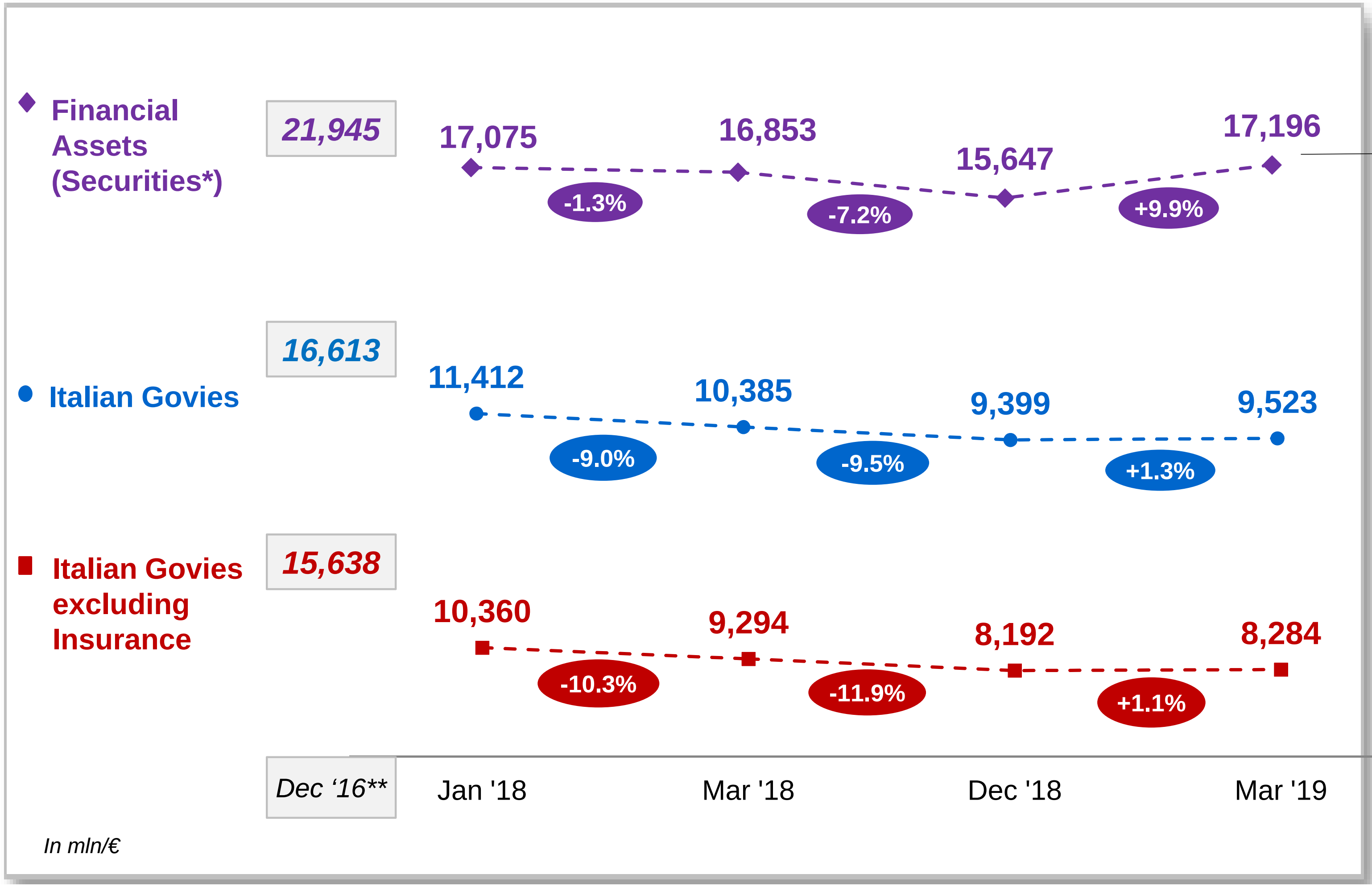
Improved quality of result mix in 1Q19 vs 1Q18:

- lower up front
- higher securities related fees and banking related commissions

	1Q18	4Q18	1Q19
% Up-front fees on Net fee & comm. income	16.7%	9.0%	12.8%
% Performance fees on Net fee & comm. income	0.4%	0.5%	0.7%
Volumes Placed** in mln/€ **(AUM and Bancassurance)	4,146	1,582	2,904

* Upfront fees include both placement of SICAV & funds and insurance products
** In 4Q18: 10 mln/€ rappel fees related both to life and non life bancassurance included in Management, trading and advisory services and 3 mln/€ of payment system incentives were in the Banking related commissions

Following the downsizing of the Financial Portfolio, focus is now on diversification of assets.
Italian Govies *(excluding insurance)* at approx. 8.3 bln/€: stable vs Dec '18 and -20% vs Jan '18



Total Financial Assets excluding the insurance portfolio (15.1 bln/€), unvaried since Jan '18 (2020 Business Plan target 15.2 bln/€)

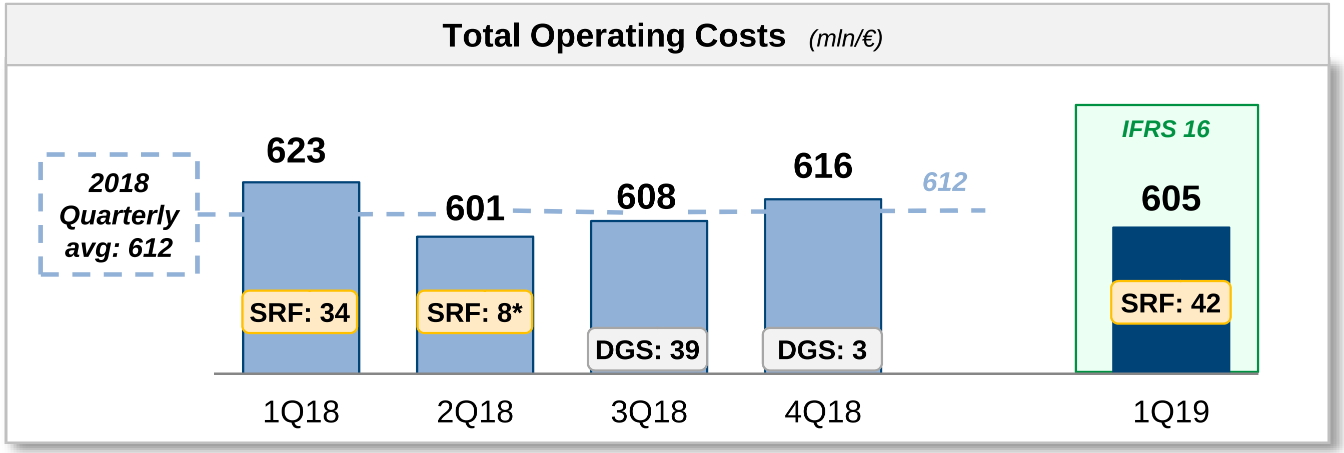
Main changes vs Dec '18:
- Euro Area (other than Italy) Debt securities: +930 mln/€
- USA Treasury: +130 mln/€
- Corporates: +300 mln/€ *(average rating of the corporate portfolio: BBB+)*
- Italian Govies: +124 mln/€

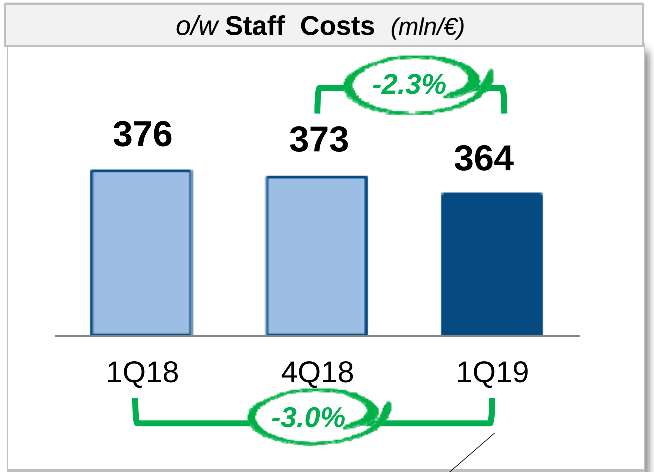
* Includes reclassified balance sheet items 20.3) , 30.3) and 40.3)

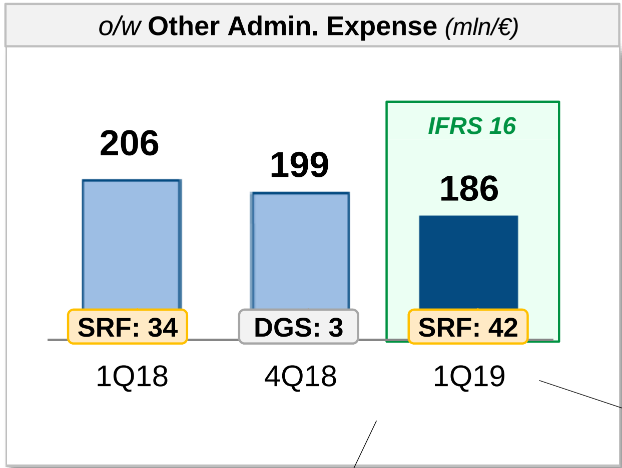
** Dec '16 aggregate includes UBI Banca Group Stand Alone (17,859 mln/€) + data of 3 Banks acquired in May 2017

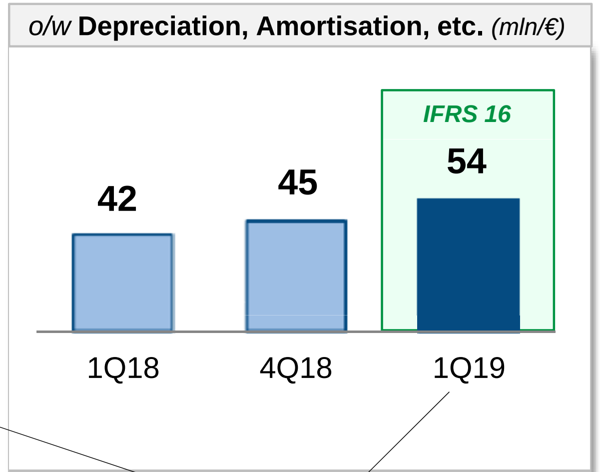
UBI Banca

In 1Q19, operating costs down to 605 mln/€, -1.9% vs 4Q18 and -2.9% vs 1Q18, notwithstanding higher contribution to SRF. Expense containment levers continue to be efficiently activated









Trade union agreements signed on 27 March '19 (over 300 exits starting from May '19)

Like for like, excluding SRF and DGS and on a pro-forma base without IFRS 16 application:

1Q18	4Q18	1Q19
172	196	156

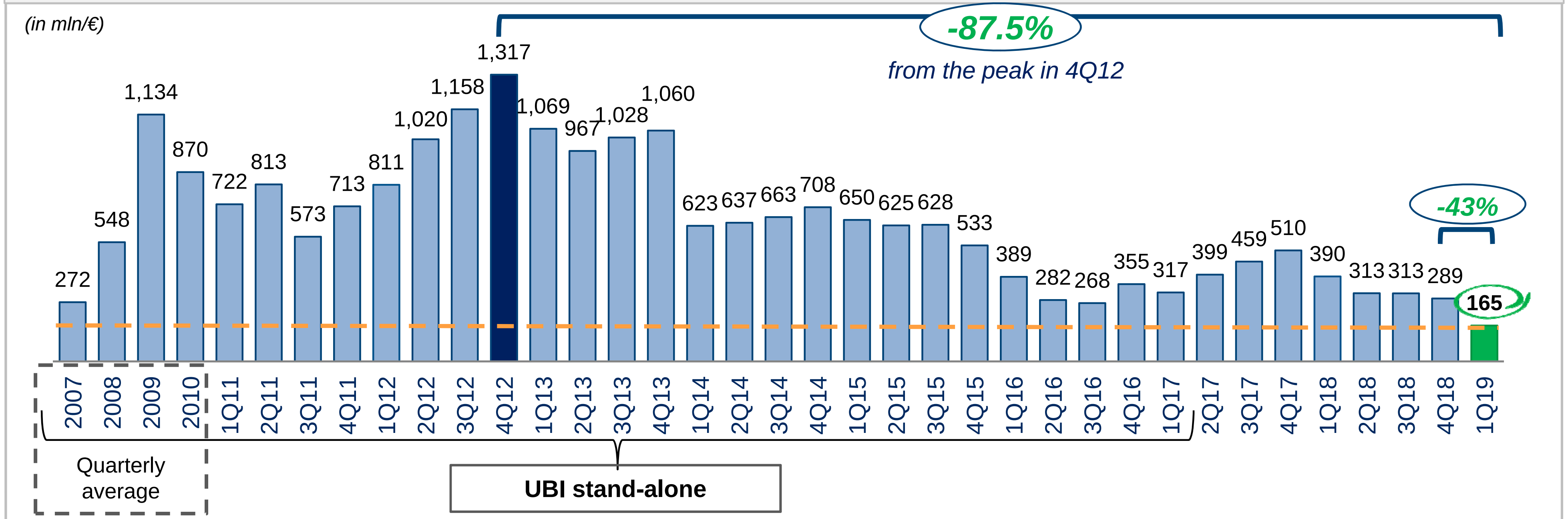
-8.5% vs. 1Q18
-20.1% vs. 4Q18

IFRS16 key impacts: -12.4 mln/€ rent payable in Other Admin. Expense and +11.6 mln/€ in D&A

* SRF contribution in 2Q18 amounted to 8 mln/€, o/w 13 mln/€ extraordinary and -5 mln/€ of 1Q8 estimate adjustment

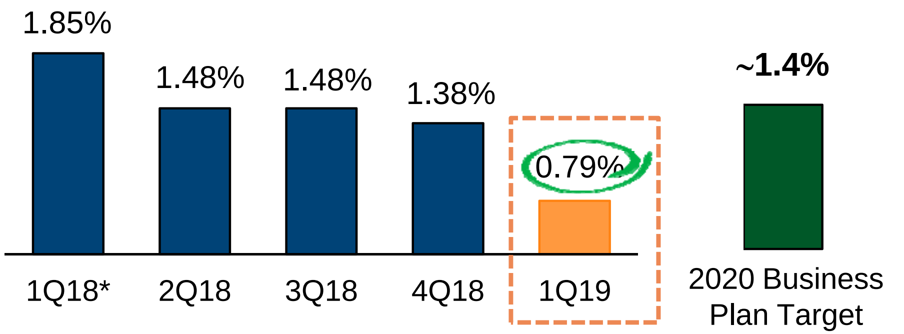
Gross inflows from performing down to 165 mln/€ in 1Q19, below pre-crisis level
Relevant improvement in default rate (0.79% annualised)

NPEs: GROSS INFLOWS FROM PERFORMING



2007 and 2008 gross inflows figures are stated according to table A.1.7. Since 2009 gross inflows figures are stated according to Table "Loans to customers: change in non-performing exposure"

DEFAULT RATE (annualised)*



Cost of Risk (annualised)

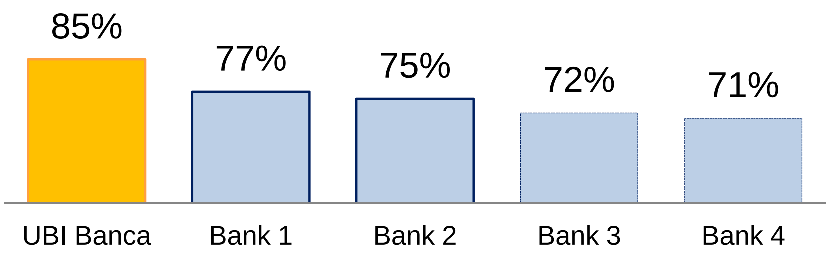
1Q18: 52 bps	1Q19: 59 bps
• **Specific Impairments: 166.9 mln/€** • **Release of collective impairments (approx. 49 mln/€)**	• **Specific Impairments: 126.4 mln/€** • **Lower lending volumes**

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

High level of NPE secured*: 85% gross and 91% net
NPE coverage increasing 59 bps vs Dec '18 (96 bps including write offs)

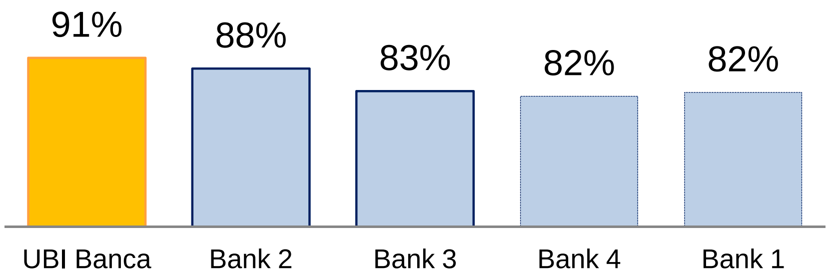
GROSS NPE SECURED ON TOTAL GROSS NPE*

Data as at 31 December 2018, according to **table A.3.2** of FY2018 Annual Report – Notes to the account



NET NPE SECURED ON TOTAL NET NPE*

Data as at 31 December 2018, according to **table A.3.2** of FY2018 Annual Report – Notes to the account



LOANS TO CUSTOMERS AT AMORTISED COST (31st MARCH '19)

mln/€	Gross exposure		Impairment losses	Carrying amount		Coverage	Coverage with write-offs
NPEs	**(10.36%)**	**9,458**	**3,698**	**(6.61%)**	**5,761**	**39.09%**	**46.96%**
- Bad loans	(5.87%)	5,358	2,632	(3.13%)	2,726	49.13%	59.68%
- UTPs	(4.42%)	4,040	1,059	(3.42%)	2,980	26.22%	
- Past-due loans	(0.07%)	61	6	(0.06%)	54	10.39%	
Performing loans	**(89.64%)**	**81,877**	**542**	**(93.39%)**	**81,335**	**0.66%**	
TOTAL		**91,335**	**4,240**		**87,096**	**4.64%**	

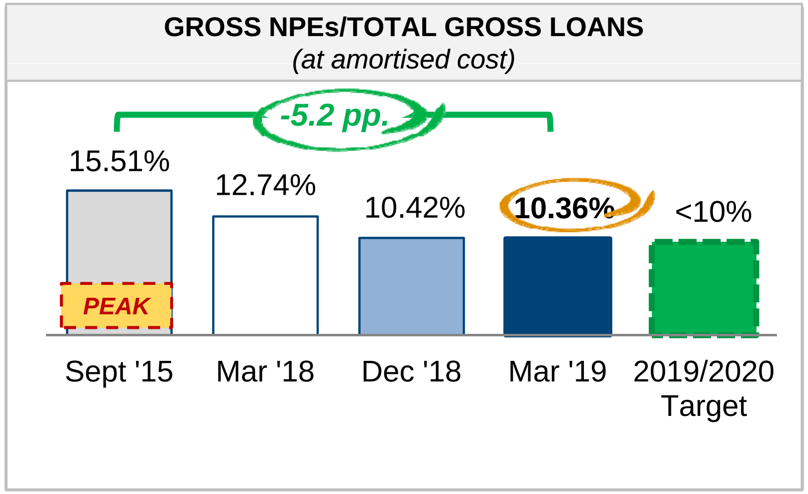
Coverage grows in **all** NPE categories

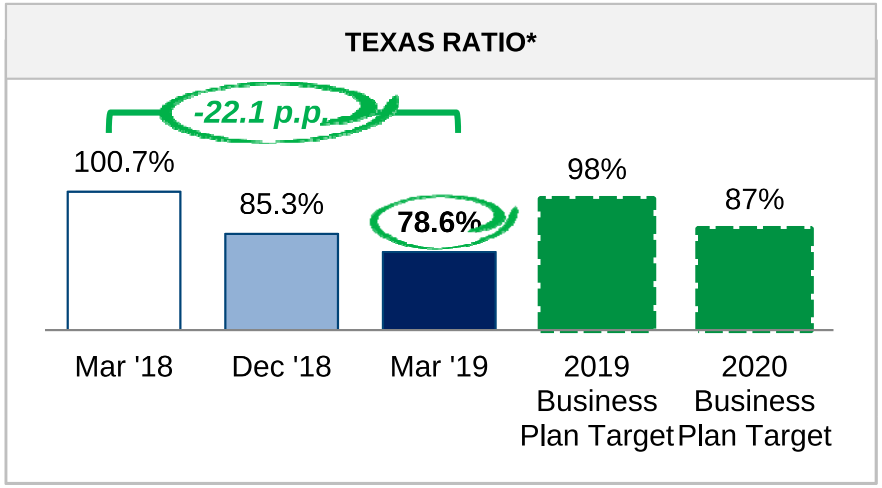
LOANS TO CUSTOMERS AT AMORTISED COST (31st DEC '18)

mln/€	Gross exposure		Impairment losses	Carrying amount		Coverage	Coverage with write-offs
NPEs	**(10.42%)**	**9,717**	**3,741**	**(6.72%)**	**5,976**	**38.50%**	**46.01%**
- Bad loans	(5.81%)	5,423	2,655	(3.11%)	2,768	48.96%	59.14%
- UTPs	(4.53%)	4,223	1,078	(3.53%)	3,144	25.53%	
- Past-due loans	(0.08%)	71	7	(0.08%)	64	10.15%	
Performing loans	**(89.58%)**	**83,562**	**550**	**(93.28%)**	**83,012**	**0.66%**	
TOTAL		**93,279**	**4,291**		**88,988**	**4.60%**	

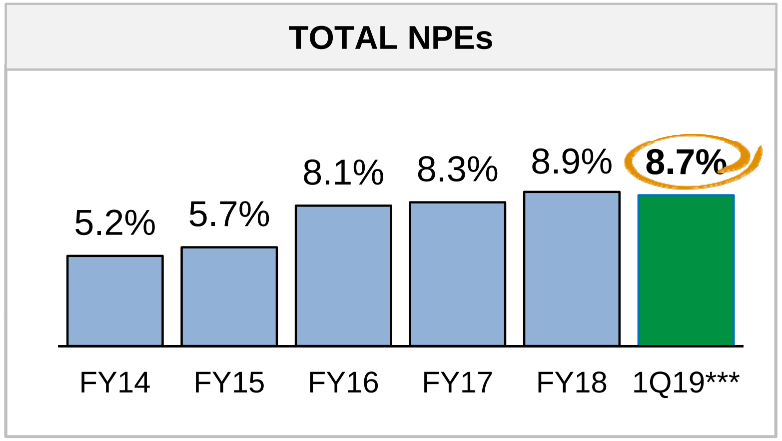
* Sample of Banks: Banco BPM, BPER, Intesa SanPaolo, Unicredit

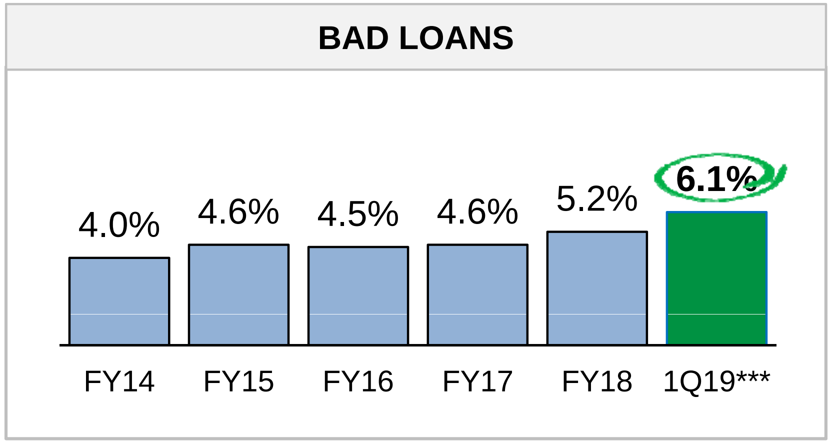
Texas ratio at 78.6% *(more than -20 percentage points vs Mar '18)*
Recovery rate: solid 1Q19 performance confirming best in class level for bad loans *(6.1% annualised)*





RECOVERY RATE** (only cash-in)





* Calculated as net total non performing exposures/((net equity excluding profit and minorities and dividends already approved by Shareholders' General Meeting)-total intangible assets)
** Recovery rate = payments received / (initial gross exposure + total increases)
*** 1Q19 annualised

Business Outlook

The indications announced when the results for the year ended 31.12.2018 were reported are <u>confirmed</u>

Annexes

Annex 1

Consolidated income statement *(in mln/€)*	1Q18	4Q18	1Q19 (IFRS 16)	1Q19 vs 1Q18	1Q19 vs 4Q18
Net interest income	437.8	441.1	445.6	*1.8%*	*1.0%*
- of which: TLTRO2	*12.6*	*12.8*	*12.4*	*(1.3%)*	*(2.8%)*
- of which: credit components (IFRS9 and PPA)	*25.7*	*29.6*	*31.2*	*21.3%*	*5.3%*
- of which: IFRS9 contractual modifications without derecognition	*(8.7)*	*(7.0)*	*(5.2)*	*(40.5%)*	*(25.9%)*
Net fee and commission income	407.3	390.6	400.9	*(1.6%)*	*2.7%*
Net income (loss) from trading, hedging and disposal/repurchase activities and from assets/liabilities at fair value through profit or loss	34.0	(6.8)	A 37.4	*10.2%*	*n.s.*
Profits of equity-accounted investees	7.3	10.5	6.3	*(13.0%)*	*(39.6%)*
Dividends and similar income	5.1	14.4	5.2	*0.6%*	*(64.1%)*
Net income from insurance operations	5.5	2.0	3.5	*(35.8%)*	*75.1%*
Other net operating income/expense	28.4	14.2	21.7	*(23.6%)*	*52.6%*
Operating income	**925.4**	**866.0**	**920.6**	***(0.5%)***	***6.3%***
Staff costs	(375.5)	(372.9)	(364.4)	*(3.0%)*	*(2.3%)*
Other administrative expenses	(205.9)	(198.7)	B (186.0)	*n.s.*	*n.s.*
Depreciation, amortisation and net impairment losses on property, plant and equipment and intangible assets	(41.6)	(44.6)	C (54.3)	*n.s.*	*n.s.*
Operating expenses	**(623.1)**	**(616.2)**	**(604.8)**	***(2.9%)***	***(1.9%)***
Net operating income	**302.3**	**249.7**	**315.9**	***4.5%***	***26.5%***
Net impairment losses for credit risk relating to:	(124.3)	(239.1)	(130.0)	*4.5%*	*(45.6%)*
- financial assets measured at amortised cost: loans to banks	*(1.7)*	*4.1*	*(0.0)*	*(97.2%)*	*(101.2%)*
- financial assets measured at amortised cost: loans to customers	D *(117.7)*	*(243.0)*	*(127.5)*	*8.3%*	*(47.5%)*
- financial assets measured at amortised cost: loans and advances to customers subject to disposal	*(0.3)*	*(10.5)*	*(1.1)*	*308.2%*	*(89.5%)*
- financial assets measured at amortised cost: securities	*(0.1)*	*1.6*	*(0.5)*	*305.8%*	*(130.0%)*
- financial assets as at fair value through other comprehensive income	*(4.6)*	*8.6*	*(0.9)*	*(80.5%)*	*(110.3%)*
- financial assets measured at fair value through other comprehensive income subject to disposal	*0.0*	*0.0*	*0.0*	*n.s.*	*n.s.*
Net provisions for risks and charges - commitments and guarantees granted	11.1	12.3	(0.6)	*n.s.*	*(104.6%)*
Net provisions for risks and charges - other net provisions	(1.4)	14.8	(3.5)	*145.4%*	*(123.5%)*
Profits (losses) from the disposal of equity investments	0.8	4.1	0.3	*(65.6%)*	*(93.3%)*
Pre-tax profit from continuing operations	**188.4**	**41.7**	**182.1**	***(3.3%)***	***336.3%***
Taxes on income for the period from continuing operations	(61.4)	181.8	E (50.8)	*(17.2%)*	*(127.9%)*
Profits/losses for the period attributable to non-controlling interests	(6.0)	(5.1)	(6.4)	*6.8%*	*26.3%*
Profit for the period attributable to the Parent before Business Plan and other impacts	**121.0**	**218.5**	**124.9**	***3.2%***	***(42.8%)***
Redundancy expenses net of taxes and non-controlling interests	0.2	(0.1)	F (42.6)	*n.s.*	*n.s.*
Business Plan Project expenses net of taxes and non-controlling interests	(3.5)	(0.4)	(0.1)	*(97.5%)*	*(74.9%)*
New Banks Project expenses net of taxes and non-controlling interests		(2.9)			
Negative consolidation difference					
Profit for the period	**117.7**	**215.1**	**82.2**	***(30.1%)***	***(61.8%)***
Profit for the period net of non-recurring	**121.0**	**41.8**	**124.9**	***3.2%***	***198.7%***

A Fair value adjustment of NEXI: +17.7 mln/€

B IFRS 16 impact: lower rent payables (-12.4 mln/€) in Other adm. expenses. The item includes 42 mln/€ of SFR contribution (34 mln/€ in 1Q18)

C D&A increased by 11.6 mln/€ as a consequence of IFRS 16 application

D Including approx. 49 mln/€ benefit from release of collective impairments

E 28% tax rate (NEXI in PEX)

F Full cost of over 300 headcount exits agreed with trade unions on 27 March 2019 (gross amount at 63.7 mln/€, net 42.6 mln/€)

UBI Banca

Capital Ratios as at 31st March '19.

Common Equity Tier 1 phased in ratio at 11.52%, Total Capital phased in ratio at 14.43%

mln/€	Dec '18	Mar '19
Common Equity Tier 1 *(after filters)*	**7,218.4**	**7,023.1**
Common Equity Tier 1 regulatory adjustments	**-79.5**	**-203.1**
of which negative elements for deduction excess of expected losses over impairment losses	*-54.1*	*-134.6*
Common Equity Tier 1 Capital (CET1)	**7,138.9**	**6,819.9**
Additional Tier 1 before deductions	**-**	**-**
Additional Tier 1 regulatory adjustments	-	-
of which negative elements for deduction excess of expected losses over impairment losses	-	-
Additional Tier 1	**-**	**-**
Tier 1 Capital (CET 1 +Additional Tier 1)	**7,138.9**	**6,819.9**
Tier 2 Capital before transitional provisions	1,330.5	1,788.0
Tier 2 instruments grandfathering		
Tier 2 Capital after transitional provisions	**1,330.5**	**1,788.0**
Tier 2 capital regulatory adjustments	-49.0	-60.5
of which: negative elements for deduction excess of expected losses over impairment losses		
Tier 2 Capital	**1,281.5**	**1,727.6**
TOTAL OWN FUNDS	**8,420.4**	**8,547.5**

mln/€	Dec '18	Mar '19
Risk weighted assets	**61,035.3**	**59,217.5**
Total prudential requirements	***4,882.8***	***4,737.4***
Credit risk	*4,461.5*	*4,310.4*
CVA (Credit Value Adjustment) risk	*3.8*	*4.1*
Market risk	*67.6*	*72.9*
Operational risk	*350.0*	*350.0*

CET 1 ratio

	Dec '18	Mar '19
PHASED –IN	**11.70%**	**11.52%**
FULLY LOADED	***11.34%***	***11.47%***

TOTAL CAPITAL ratio

	Dec '18	Mar '19
PHASED-IN	**13.80%**	**14.43%**
FULLY LOADED	***13.44%***	***14.39%***

- B3 Leverage ratios as at 31st Mar '19:
  - ✓ phased in 5.16%
  - ✓ fully loaded 5.13%
- LCR and NSFR > 100%
  (also excluding TLTRO 2)

Reclassified Consolidated Balance Sheet - Assets

Figures in thousands of euro		31.3.2019 A	1.1.2019 * B	Changes A-B	% changes A/B	31.3.2018 C	Changes A-C	% changes A/C
	ASSETS							
10.	Cash and cash equivalents	606,459	735,249	-128,790	-17.5%	612,826	-6,367	-1.0%
20.	Financial assets measured at fair value through profit or loss	1,504,110	1,463,529	40,581	2.8%	1,541,428	-37,318	-2.4%
	1) Loans and advances to banks	*14,715*	*14,054*	*661*	*4.7%*	*14,900*	*-185*	-1.2%
	2) Loans and advances to customers	*270,459*	*274,262*	*-3,803*	*-1.4%*	*340,800*	*-70,341*	-20.6%
	3) Securities and derivatives	*1,218,936*	*1,175,213*	*43,723*	*3.7%*	*1,185,728*	*33,208*	2.8%
30.	Financial assets measured at fair value through other comprehensive income	11,237,472	10,726,179	511,293	4.8%	12,645,089	-1,407,617	-11.1%
	1) Loans and advances to banks	-	-	-	-	-	-	-
	2) Loans and advances to customers	*15*	*15*	-	-	-	15	-
	3) Securities	*11,237,457*	*10,726,164*	*511,293*	*4.8%*	*12,645,089*	-1,407,632	-11.1%
40.	Financial assets measured at amortised cost	103,161,917	102,798,587	363,330	0.4%	102,740,393	421,524	0.4%
	1) Loans and advances to banks	*11,327,078*	*10,065,772*	*1,261,306*	*12.5%*	*8,142,802*	*3,184,276*	*39.1%*
	2) Loans and advances to customers	*87,095,528*	*88,987,596*	*-1,892,068*	*-2.1%*	*91,575,231*	*-4,479,703*	*-4.9%*
	3) Securities	*4,739,311*	*3,745,219*	*994,092*	*26.5%*	*3,022,360*	*1,716,951*	*56.8%*
50.	Hedging derivatives	20,298	44,084	-23,786	-54.0%	67,656	-47,358	-70.0%
60.	Fair value change in hedged financial assets (+/-)	320,370	97,429	222,941	n.s.	-181	320,551	n.s.
70.	Equity investments	263,307	254,128	9,179	3.6%	248,267	15,040	6.1%
80.	Technical reserves of reinsurers	-	-	-	-	331	-331	-100.0%
90.	Property, plant and equipment	2,405,055	2,394,858	10,197	0.4%	1,799,070		
100.	Intangible assets	1,721,712	1,729,727	-8,015	-0.5%	1,723,921	-2,209	-0.1%
	of which: goodwill	*1,465,260*	*1,465,260*	-	-	*1,465,260*	-	-
110.	Tax assets	4,121,232	4,210,362	-89,130	-2.1%	4,017,911	103,321	2.6%
120.	Non-current assets and disposal groups held for sale	10,316	2,972	7,344	n.s.	995	9,321	n.s.
130.	Other assets	1,357,159	1,243,320	113,839	9.2%	1,165,674		
	Total assets	**126,729,407**	**125,700,424**	**1,028,983**	**0.8%**	**126,563,380**		

(*) Amounts as at 1st Jan 2019 are unchanged vs the related amounts reported in the Reclassified Consolidated Balance Sheet as at 31st December 2018 with the exception of items 90, 130 and Total Assets in compliance with the introduction of IFRS16

Reclassified Consolidated Balance Sheet - Liabilities and Equity

Figures in thousands of euro		31.3.2019 A	1.1.2019* B	Changes A-B	% changes A/B	31.3.2018 C	Changes A-C	% changes A/C
	LIABILITIES AND EQUITY							
10.	Financial liabilities measured at amortised cost	111,409,557	109,839,891	1,569,666	1.4%	111,520,617		
	a) Due to banks	*17,776,512*	*17,234,579*	*541,933*	*3.1%*	*17,308,468*	468,044	2.7%
	b) Due to customers	*69,830,403*	*68,815,614*	*1,014,789*	*1.5%*	*68,944,514*		
	c) Debt securities issued	*23,802,642*	*23,789,698*	*12,944*	*0.1%*	*25,267,635*	-1,464,993	-5.8%
20.	Financial liabilities held for trading	461,254	410,977	50,277	12.2%	367,105	94,149	25.6%
30.	Financial liabilities designated at fair value	124,296	105,836	18,460	17.4%	59,019	65,277	110.6%
40.	Hedging derivatives	107,022	110,801	-3,779	-3.4%	98,872	8,150	8.2%
50.	Fair value change in hedged financial liabilities (+/-)	124,767	74,297	50,470	67.9%	27,825	96,942	n.s.
60.	Tax liabilities	166,467	162,272	4,195	2.6%	271,990	-105,523	-38.8%
80.	Other liabilities	2,271,216	3,092,941	-821,725	-26.6%	2,035,487	235,729	11.6%
90.	Provision for post-employment benefits	307,910	306,697	1,213	0.4%	336,807	-28,897	-8.6%
100.	Provisions for risks and charges:	495,298	505,191	-9,893	-2.0%	584,088	-88,790	-15.2%
	a) commitments and guarantees granted	*54,026*	*64,410*	*-10,384*	*-16.1%*	*77,284*	*-23,258*	-30.1%
	b) pension and similar obligations	*87,111*	*91,932*	*-4,821*	*-5.2%*	*135,190*	*-48,079*	-35.6%
	c) other provisions for risks and charges	*354,161*	*348,849*	*5,312*	*1.5%*	*371,614*	*-17,453*	-4.7%
110.	Technical reserves	1,962,495	1,877,449	85,046	4.5%	1,901,000	61,495	3.2%
120.+150.+ 160. +170.+180	Share capital, share premiums, reserves, valuation reserves and treasury shares	9,184,841	8,737,680	447,161	5.1%	9,183,186	1,655	0.0%
190.	Minority interests (+/-)	32,076	50,784	-18,708	-36.8%	59,724	-27,648	-46.3%
200.	Profit (loss) for the period/year (+/-)	82,208	425,608	-343,400	-80.7%	117,660	-35,452	-30.1%
	Total liabilities and equity	**126,729,407**	**125,700,424**	**1,028,983**	**0.8%**	**126,563,380**		

(*) Amounts as at 1st Jan 2019 are unchanged vs the related amounts reported in the Reclassified Consolidated Balance Sheet as at 31st December 2018 with the exception of item 10 .b in compliance with the introduction of IFRS16

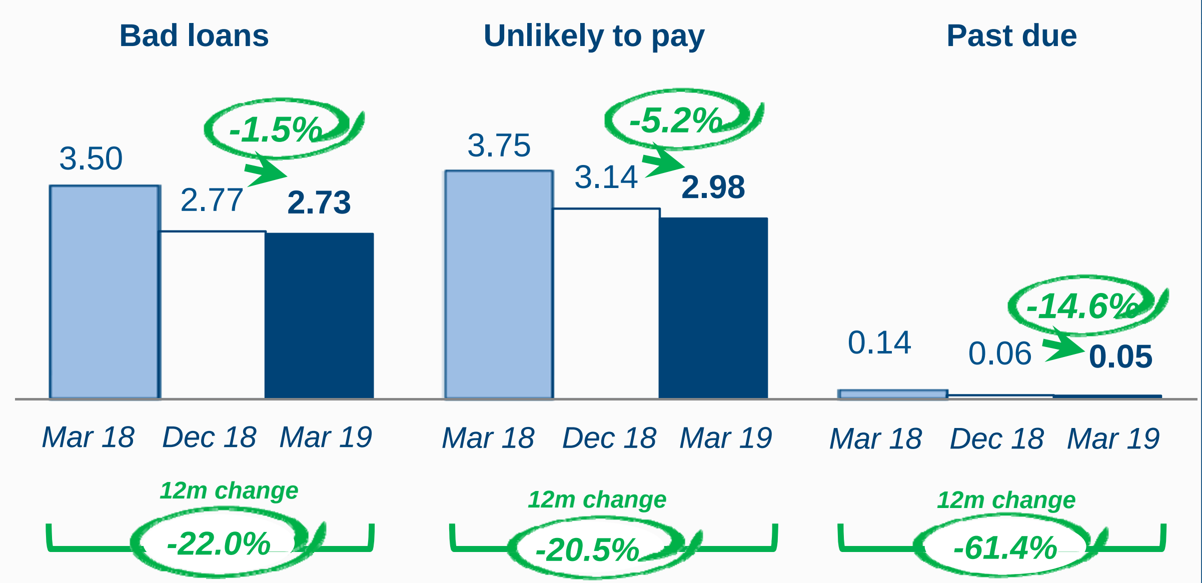
Net loans to customers at 87 bln/€. Net NPE stocks reduced by 1.6 bn/€ in 12 months and by 215 mln/€ (-3.6%) vs 31.12.2018

Amounts in bln€	31.03.2018	31.12.2018	31.03.2019
NET LOANS AT AMORTISED COST	**91.6**	**89.0**	**87.1**
of which			
NET PERFORMING EXPOSURES	**84.2**	**83.0**	**81.3**
of which medium-long term	*65.3*	*64.1*	*63.7*
of which short term	*18.7*	*18.8*	*17.4*
of which repos and other with CCG	*0.2*	*0.1*	*0.2*
NET NPEs	**7.38**	**5.98**	**5.76**

Selective lending policy to preserve commercial spreads

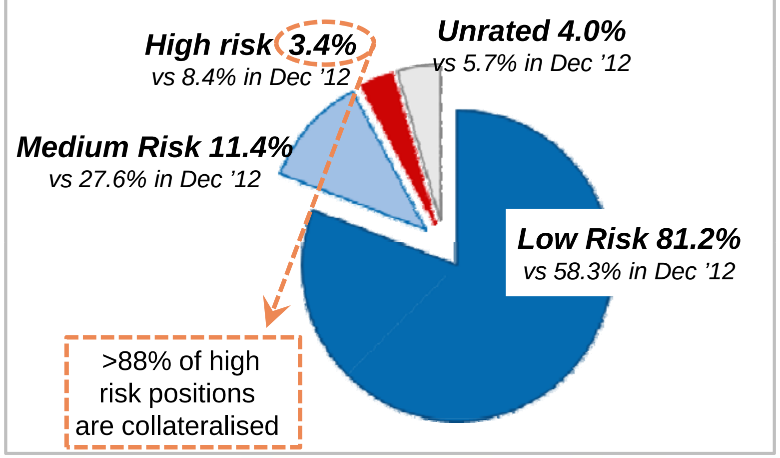
Representing 6.6% of total net loans, **-1.6 bln/€ vs Mar '18**

Net NPEs (bln/€)



BREAKDOWN OF GROSS PERFORMING PORTFOLIO UNDER AIRB *(loans at amortised cost and at fair value through P&L)*

as at 31.03.2019



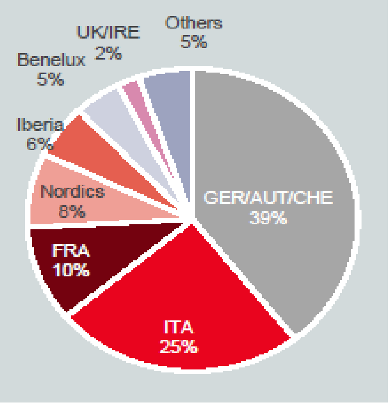
Issuances in 2019

(1/2)

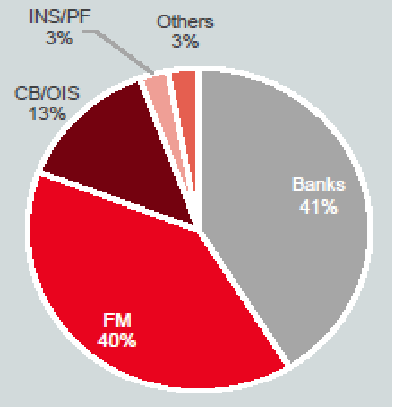
18th February 2019

- 6 year and 7 months **covered bond** benchmark issue, fixed rate, for a size of 500 mln/€, under UBI's 15 billion Covered Bond Programme
- over 170 investors, for a total amount above € 2.7 billion, in as little as 2 hours, allowing UBI Banca to tighten the spread from the initial guidance of Mid Swap + 80 basis points to the final Mid Swap + 70 basis points
- coupon of 1% payable in arrears on September 25th of each year and a re-offer price of 99.989%. The yield to maturity is 1.002%

Allocation by Investor Geography



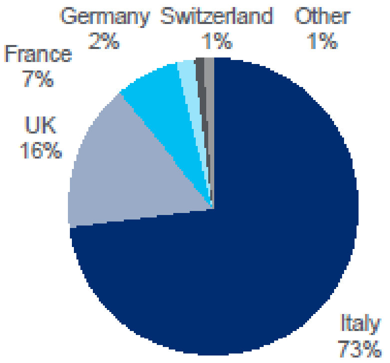
Allocation by Investor Type



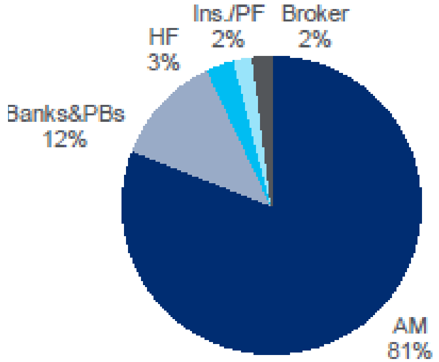
25th February 2019

- new **subordinated "*Tier 2*"** transaction with a 10 year maturity (callable after 5 years) and a benchmark size of 500 mln/€ closed on 25th Feb 2019, under UBI's EMTN 15 billion programme
- approx. 75 institutional investors involved and an order-book of approx. 1.4 times the amount issued, allowing a tightening of the yield from the initial level of 6% to the final level of 5.875%
- fixed rate coupon of 5.875%, consistent with a spread of 5,751% over the swap rate, payable in arrears on the 4th of March of each year starting from 4th March 2020

Allocation by Investor Geography



Allocation by Investor Type



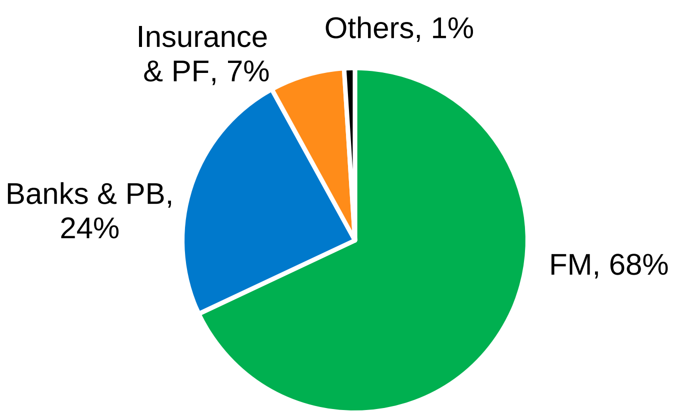
Issuances in 2019

(2/2)

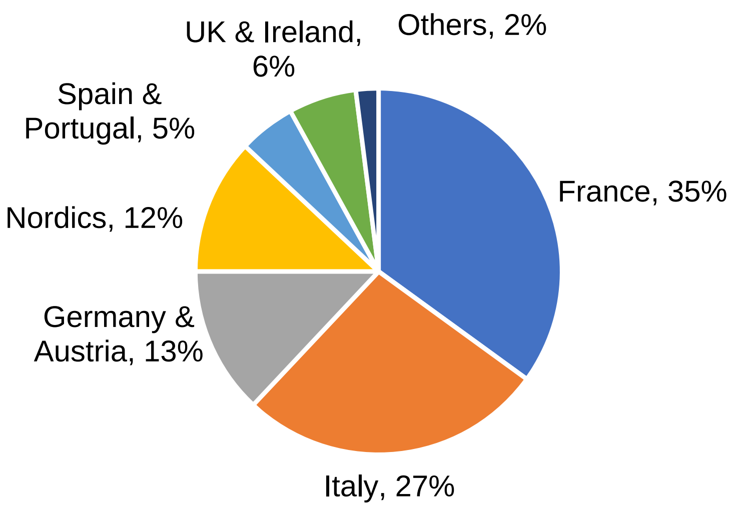
3rd April 2019

- Inaugural Green Bond (Senior Preferred) issuance on the wholesale market for a 5-year, 500 mln/€ benchmark amount
- The issuance, made under the Group's EMTN Programme, was carried out as part of a broader Framework, compliant with the guidelines issued by ICMA, which, in addition to Green Bonds, also includes the possibility to issue Social and Sustainable Bonds. The issue will refinance a selected renewable energy project finance portfolio (0.5 bln/€ out of a total of 1.3 bln/€), which focuses primarily (86%) on solar energy and wind power
- ISS-oekom, as the Second Opinion Provider, ha released an opinion on the Framework and on the portfolio
- The issuance was met with strong demand from approximately 150 investors, with orders reaching close to 1.5 bln/€. This allowed to tighten the initial spread guidance of mid-swap + 170/175 bps to the final level of 150 bps over the 5 year mid-swap

Allocation by Investor Type



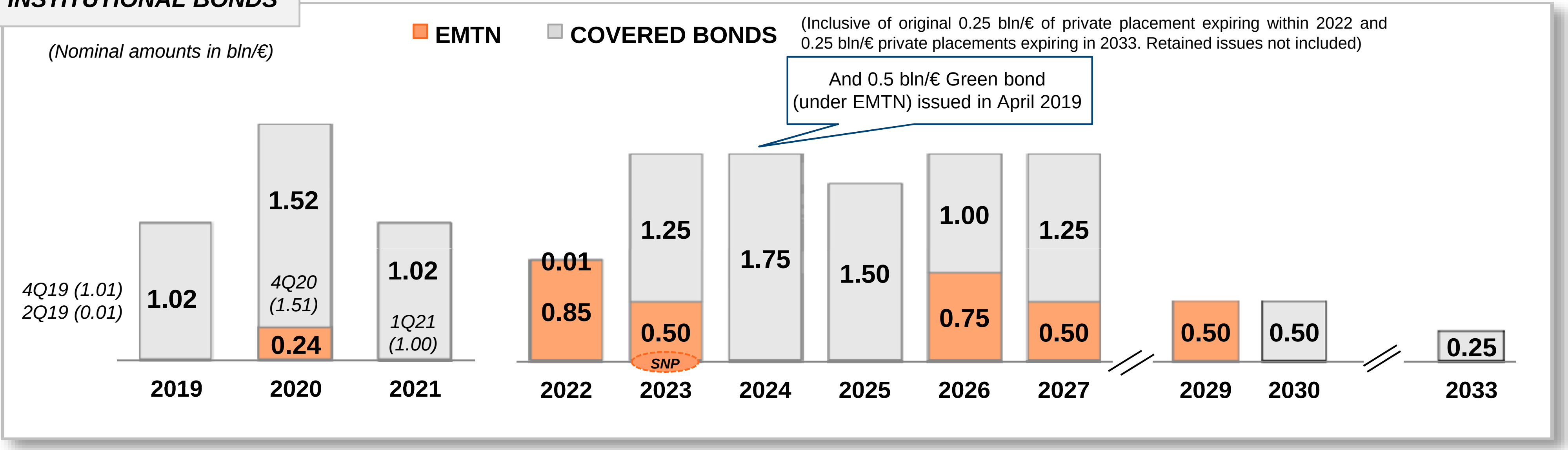
Allocation by Investor Geography



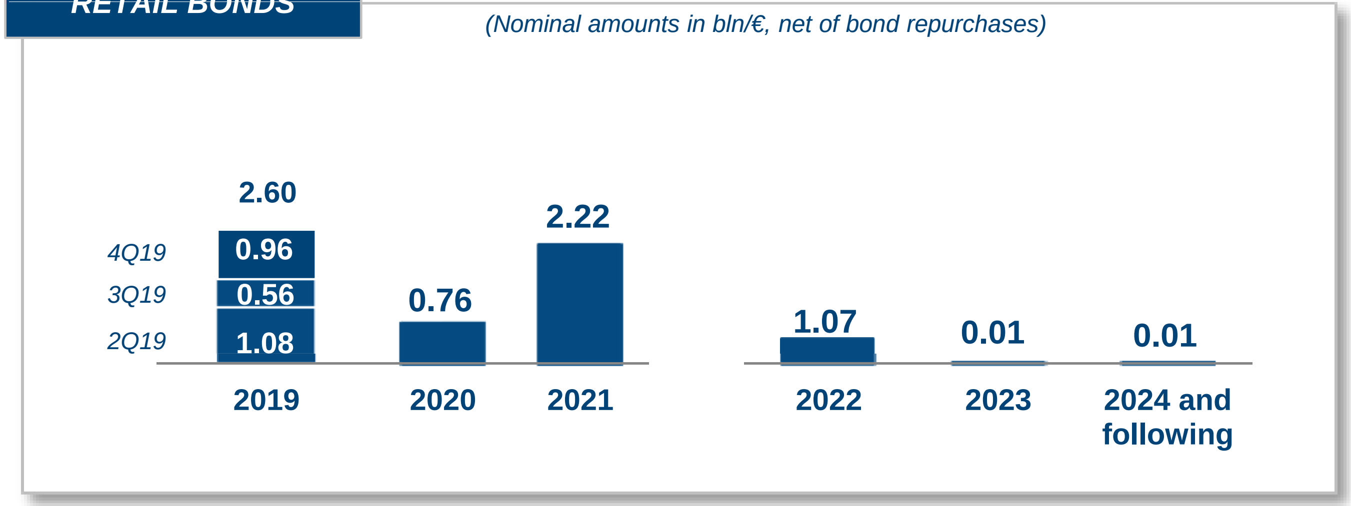
Included in the MSCI BARCLAYS GREEN BOND INDEX UNIVERSE

Funding maturity profile: regular maturities, no peaks

INSTITUTIONAL BONDS



RETAIL BONDS



Data as at 31st March '19

Note: as per the 3 banks acquired, in March '19 there are in place 3 securitisations for a market outstanding amount of approx. 0.17 bln/€.
(In Dec' 16, there were 11 securitisations, most of which highly amortised and redeemed ahead of maturity)

Portfolio breakdown: Italian Govies Maturities and Sovereign Exposures

Amounts in mln/€	31 Dec 2018 FVTPL (fair value through profit or loss)	31 Dec 2018 FVOCI (fair value through other comprehensive income)	31 Dec 2018 FVAC (fair value measured at amortised cost)	31 Dec 2018 TOTAL	31 Mar 2019 FVTPL (fair value through profit or loss)	31 Mar 2019 FVOCI (fair value through other comprehensive income)	31 Mar 2019 FVAC (fair value measured at amortised cost)	31 Mar 2019 TOTAL	% Change of TOTAL amounts
Financial Assets (**Securities**)	1,175	10,726	3,745	**15,647**	1,219	11,237	4,739	**17,196**	**9.9%**
o/w Italian Govies	*12*	*6,276*	*3,112*	***9,399***	*14*	*5,617*	*3,892*	***9,523***	**1.3%**
Financial Liabilities held for trading				***411***				***461***	***12.2%***

Maturity of the Italian Govies Portfolio

Amounts in mln/€	FVTPL	FVOCI	FVAC	TOTAL 31.03.19	TOTAL 31.12.18
2019	1	2	-	**3**	23
2020-2021	3	78	-	**81**	95
2022-2025	1	3,253	696	**3,950**	4,210
2026-2030	9	1,866	1,292	**3,167**	2,843
From 2031 and over	0	419	1,904	**2,323**	2,227
Total portfolio	**14**	**5,617**	**3,892**	**9,523**	9,399
% of portfolio on total Italian Govies	**0.1%**	**59.0%**	**40.9%**	**100%**	

Main sovereign exposures as at 31 Mar 2019

Portfolio: (Amounts in bln/€)	Consolidated* o/w Govies	Consolidated* o/w Corporates and banks	Consolidated* o/w Loans	*o/w Insurance Govies*
Italy	9,537**	969	953	*1,244***
Spain	1,390	112	-	*263*
U.S.A.	1,686	216	-	*1*
France	555	190	-	*4*
Main 4 countries	**13,168**	**1,487**	**953**	***1,512***
% on total amount	***95.5%***	***66.1%***	***97.7%***	***96.7%***

* The analysis excludes equity securities (0.3 bln/€) and UCITs (0.4 bln/€)

** Including *Cassa Depositi e Prestiti* bonds amounting to approx.14 mln/€ (consolidated figure, o/w over 5 mln/€ referred to insurance business)

Liquidity resources at 32.5 bln/€*, i.e. over 47% of current accounts and deposits

32.5 bln/€

Excess Liquidity on ECB Account

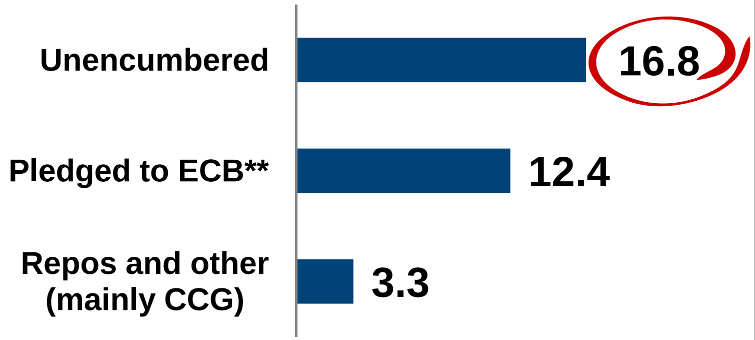
8.3 bln/€

deposited at -0.40%

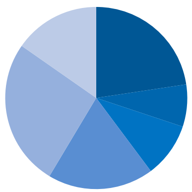
Eligible assets (net of haircut)

24.2 bln/€

***Destination** (amounts in €/bln)*



Composition of eligible assets (net of haircut)



Italian Govies	22.6%
Foreign govies	7.5%
Retained covered bonds	9.7%
Retained securitisation	18.8%
ABACO (credit claims)	26.1%
Other (mainly CCG repos)	15.3%

* Data as at 31st March '19, net of amount pledged against minor guarantees (0.3 bln/€)

** 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