



26 October 2009

# UBI Banca

Reuters: **UBI.MI** Bloomberg: **UBI IM** Exchange: **MIL** Ticker: **UBI**

## Q3-09 results preview

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### Hold reiterated; target price unchanged at Euro 10.3

Ahead of Q3-09 results, we keep our Hold rating on the stock. Our estimates reflect our conscious stance on the evolution of net interest income and of asset quality, but we think the current market price already embeds these expectations.

### Estimates revision: Improved 2009E, 2011E almost unchanged

We increase UBI Banca's adjusted net profit by 24% in 2009E and cut it by 11% in 2010E and 1% in 2011E. We lowered UBI Banca's net interest income (-4% on average in 2009E, 2010E and in 2011E) due to further margin compression in H2-09E and also to the cancellation of the fee on overdrafts (Euro ~30m per quarter). Consequently, we increased our forecasts for commissions, assuming that part (70%) of the fee on overdrafts will be recovered and moved to this P&L line. Another reason behind the raise in our estimates for 2009E, 2010E and 2011E commissions (+7%, 10% and 9%, respectively) is that we have seen good trends in AUM up until September (Assogestioni) and we expect UBI Banca to continue to perform well here. Finally, we revise our expectations for cost of credit, reducing it to 88bps in 2009E (96bps previously), increasing it to 65bps in 2010E (59bps previously) and keeping 2011E unchanged.

### Q3-09 results preview – November 13<sup>th</sup>, 2009

UBI Banca should report Q3-09 results on November 13<sup>th</sup>, 2009, before market opening. The company should post a net profit of Euro 46m. The trend of net interest income should be the weakest element of this set of results: We forecast that it will reach Euro 620m (-10% QoQ and -18% YoY), due to the decline of Euribor in Q3-09 and to the cancellation of the fee on overdrafts. On the contrary, commissions should increase, by 11% QoQ and 3% YoY. We explain most of the QoQ trend with the recovery of the fee on overdrafts; however, net of this item, in our estimates commissions should expand QoQ anyway (+3%), thanks to the positive trends in AUM. For Q3-09, we forecast an annualized cost of credit of 87bps, declining from Q2-09's level of 97bps.

### Valuation and risks

We maintain our target price of Euro 10.3 for UBI Banca, which we value with a Gordon Growth model. Specific upside risks include a possible over-performance compared to the sector due to the stock's high defensiveness. Specific downside risks are related to potentially worse-than-expected evolution of NII and asset quality. *For further details, see page 8.*

### Forecasts and ratios

Year End Dec 31	2007A	2008A	2009E	2010E
EPS Adjusted (EUR)	1.40	0.95	<b>0.40</b>	0.78
DPS(EUR)	0.95	0.45	<b>0.18</b>	0.31
BVPS Tangible (EUR)	11.8	10.8	<b>10.7</b>	11.0
P/B Tangible (x)	1.6	1.0	<b>1.0</b>	0.9

Source: Deutsche Bank estimates, company data

Deutsche Bank AG/London

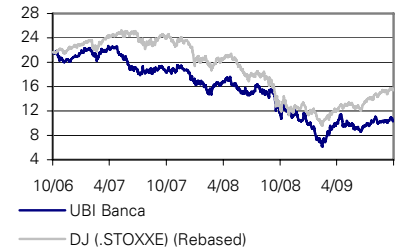
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## Results

### Hold

Price at 23 Oct 2009 (EUR)	<b>10.32</b>
Price Target (EUR)	<b>10.30</b>
52-week range (EUR)	<b>13.14 - 6.15</b>

### Price/price relative

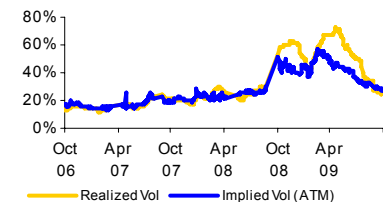


Performance (%)	1m	3m	12m
Absolute	-1.0	6.7	-13.2
DJ (.STOXXE)	0.2	13.4	20.3

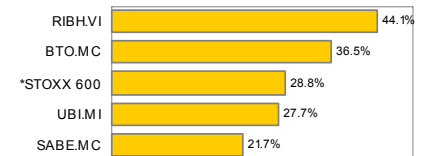
### Stock & option liquidity data

Price Target (EUR)	10.30
Market cap (EUR)	6,590
Shares outstanding (m)	639
Free float (%)	1
Option volume (und. shrs., 1M avg.)	208,077

### Implied & Realized Volatility (3M)



### Implied Volatility (3M, ATM) vs. Peers



\*Weighted-avg. of index components  
Data as of 23-Oct-09

Model updated:23 October 2009

**Running the numbers****Europe****Italy****Banks****UBI Banca**

Reuters: UBI.MI

Bloomberg: UBI IM

**Hold**

Price (23 Oct 09)	EUR 10.32
Target price	EUR 10.30
52-week Range	EUR 6.15 - 13.14
Market Cap (m)	EURm 6,590 USDm 9,897

**Company Profile**

UBI Banca is the second-largest Italian Popolare Bank, having arisen from the merger of BPU Banca and Banca Lombarda (April 2007). It has some 1970 branches, mainly based in northwestern Italy (Lombardy, Piedmont). As of Q1-09, it has more than Euro 96bn in customer loans, Euro 96m in customer deposits and Euro 39bn in assets under management.

Fiscal year end 31-Dec	2006	2007	2008	2009E	2010E	2011E
<b>Data Per Share</b>						
EPS (stated)(EUR)	1.94	1.47	0.11	0.25	0.63	0.95
EPS (DB) (EUR)	1.54	1.40	0.95	0.40	0.78	1.06
Growth Rate - EPS (DB) (%)	-35.2	-8.9	-32.1	-57.5	92.0	36.9
DPS (EUR)	0.80	0.95	0.45	0.18	0.31	0.48
BVPS (stated) (EUR)	15.89	18.53	17.56	17.63	17.94	18.41
Tang. NAV p. sh. (EUR)	13.07	11.76	10.81	10.71	11.02	11.50
Market Capitalisation	13,295	12,011	6,571	6,590	6,590	6,590
Shares in issue	491	639	639	639	639	639

**Valuation Ratios & Profitability Measures**

P/E (stated)	10.8	12.8	95.3	41.8	16.5	10.9
P/E (DB)	13.5	13.4	10.8	25.6	13.3	9.7
P/B (stated)	1.3	1.0	0.6	0.6	0.6	0.6
P/Tangible equity (DB)	1.6	1.6	1.0	1.0	0.9	0.9
ROE(stated)(%)	8.8	8.6	0.6	1.4	3.5	5.2
ROTE (tangible equity) (%)	9.2	11.3	8.4	3.8	7.1	9.4
ROIC (invested capital) (%)	7.0	8.1	5.3	2.3	4.3	5.7
Dividend yield(%)	3.9	4.7	3.0	1.7	3.0	4.6
Dividend cover(x)	2.4	1.5	0.2	1.4	2.0	2.0

**Profit & Loss (EURm)**

Net interest revenue	2,599	2,881	3,074	2,651	2,730	2,878
Non interest income	1,780	1,820	1,237	1,415	1,551	1,595
Commissions	1,316	1,335	1,188	1,102	1,183	1,216
Trading Revenue	114	101	-249	45	45	46
Other revenue	349	383	298	268	323	333
Total revenue	4,379	4,701	4,310	4,066	4,282	4,472
Total Operating Costs	2,617	2,738	2,809	2,689	2,727	2,767
Employee Costs	1,530	1,592	1,632	1,543	1,562	1,581
Other costs	1,088	1,146	1,177	1,146	1,165	1,186
Pre-Provision profit/(loss)	1,774	2,001	1,536	1,422	1,599	1,751
Bad debt expense	248	374	553	877	691	568
Operating Profit	1,514	1,589	949	500	863	1,137
Pre-tax associates	0	0	0	0	0	0
Pre-tax profit	1,514	1,589	949	500	863	1,137
Tax	670	577	244	198	324	415
Other post tax items	107	-72	-636	-144	-139	-115
Stated net profit	951	940	69	158	400	607
Goodwill	0	81	88	86	84	62
Extraordinary & Other items	-196	-127	450	14	11	9
Bad Debt Provisioning	0	0	0	0	0	0
Investment reval, cap gains / losses	0	0	0	0	0	0
DB adj. core earnings	755	894	607	258	495	678

**Key Balance Sheet Items (EURm) & Capital Ratios**

Risk-weighted assets	90,086	97,912	89,892	88,521	92,690	97,077
Interest-earning assets	101,154	105,501	105,932	112,995	120,375	128,263
Customer Loans	83,063	92,729	96,368	99,893	105,655	111,773
Total Deposits	48,376	49,696	54,151	47,090	50,387	53,914
Stated Shareholder Equity	10,150	11,834	11,211	11,255	11,455	11,758
Equals: Tangible Equity	8,344	7,509	6,904	6,839	7,039	7,343
Tier 1 capital	5,884	7,289	6,945	6,905	7,105	7,408
Tier 1 ratio (%)	7	7	8	8	8	8
o/w core tier 1 capital ratio (%)	6.0	6.9	7.1	7.3	7.2	7.2

**Credit Quality**

Gross NPLs/Total Loans(%)	2.31	2.88	3.74	3.62	4.51	4.13
Risk Provisions/NPLs(%)	47	50	33	45	47	50
Bad debt / Avg loans (%)	0.28	0.43	0.58	0.88	0.65	0.51
Bad debt/Pre-Provision Profit(%)	14.0	18.7	36.0	61.7	43.2	32.4

**Growth Rates & Key Ratios**

Growth in revenues (%)	-1	7	-8	-6	5	4
Growth in costs (%)	0	5	3	-4	1	1
Growth in bad debts (%)	-22	51	48	59	-21	-18
Growth in RWA (%)	73	9	-8	-2	5	5
Net int. margin (%)	2.47	2.79	2.91	2.35	2.27	2.24
Cap.-market rev. / Total revs (%)	nm	nm	nm	nm	nm	nm
Total loans / Total deposits (%)	172	187	178	212	210	207

**ROTE Decomposition**

Revenue % ARWAs	4.86	4.80	4.79	4.56	4.73	4.71
Net interest revenue % ARWA	2.89	2.94	3.42	2.97	3.01	3.03
Non interest revenue % ARWA	1.98	1.86	1.38	1.59	1.71	1.68
Costs/income ratio (%)	59.5	57.4	64.4	65.0	62.6	60.8
Bad debts % ARWAs	0.27	0.38	0.61	0.98	0.76	0.60
Tax rate (%)	44.3	36.3	25.7	39.6	37.5	36.5
Adj. Attr. earnings % ARWA	0.84	0.91	0.68	0.29	0.55	0.71
Capital leverage (ARWA/Equity)	11.0	12.4	12.5	13.0	13.1	13.2
ROTE (Adj. earnings/Ave. equity)	9.2	11.3	8.4	3.8	7.1	9.4

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Source: Company data, Deutsche Bank estimates

# Q3-09 results review

## Results due on November 13<sup>th</sup>, 2009

On November 12<sup>th</sup>, UBI Banca's Board should approve Q3-09 results, which should be published on November 13<sup>th</sup>, 2009, before market opening.

We expect a Q3-09 net profit of Euro 46m (after a PPA effect of Euro 22m).

In Q3-09, both the poor trend of net interest income and the results of trading income should continue to reflect the conservative profile of the bank. On the lending side, we think UBI Banca has been less aggressive than competitors in re-pricing (as in Q2-09, when the spread on assets declined QoQ); on the trading side, its portfolio is not speculative, and the bank further reduced its exposure to hedge funds in H1-09.

**Figure 1: UBI Banca: Quarterly trends**

Consolidated data	Q1-08	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09E	% QoQ	% YoY
<b>(Euro million)</b>									
Net interest income	765	767	759	790	715	688	620	-10	-18
Dividends & associates	7	72	2	-13	6	8	5	-39	146
Trading income	-27	38	-61	-193	31	0	9	1937	-115
Net commissions & other income	386	367	338	335	312	321	345	7	2
Total net income	1131	1244	1038	920	1064	1017	978	-4	-6
Total costs	659	703	634	696	643	648	639	-2	1
Gross operating result	472	541	404	223	421	368	340	-8	-16
Total net provisions	69	108	114	306	169	253	226	-11	98
Goodwill amortization	21	24	19	25	18	19	22	12	16
Net operating result	382	409	271	-108	233	96	93	-4	-66
Extraordinary items	43	-3	-16	-538	-84	82	0	-100	-100
Pre-tax profit	425	406	256	-646	149	179	93	-48	-64
Taxes	174	80	131	-111	113	61	40	-36	-70
Minorities	31	26	24	17	12	16	7	-58	-72
Net profit	219	300	101	-551	24	102	46	-54	-54

Source: Deutsche Bank Estimates, Company data

Looking at the recurring operating lines, revenues should decline 4% QoQ and 6% YoY, and cost should decline 2% QoQ and increase 1% YoY.

### Net interest income

Net interest income should decline some 10% QoQ and 18% YoY due to the worsening of the liability spread and the still-partial offsetting effect of the re-pricing on the lending side. Furthermore, the expansion of the lending book should have been limited during the quarter (< 1% QoQ in our estimates) due a reduction of demand, especially from SMEs and small business.

Another negative effect impacting Q3-09E on net interest income should be the cancellation on the commission on overdrafts (for UBI Banca, Euro ~30m per quarter). From Q3-09 onwards, we assume that 70% of this item (Euro 21m) will be booked among commissions, instead of in net interest income.

**Commissions and other income**

Commissions should increase 11% QoQ and 3% YoY.

We explain most of the QoQ trend with the abovementioned new application of the fee on overdrafts; however, net of this item, in our estimates commissions should expand QoQ anyway (+3%), thanks to the positive trends of AUM.

On a YoY perspective, the like-for-like comparison should show a decline of commission of ~4%, because:

- AUM should still be below the Q3-08 level;
- the commissions from traditional banking services should be lower due to reduced client activity.

**Figure 2: UBI Banca: Asset management**

	Q3-08	Q4-09	Q1-09	Q2-09	Q3-09E	QoQ	YoY
Discretionary fund	9,714	8,951	8,683	8,769	9,084	4%	-6%
Mutual funds	21,532	18,973	18,594	19,745	19,833	0%	-8%
Insurance reserves	11,497	11,282	11,395	11,727	11,787	1%	3%
Assets under management	42,743	39,207	38,672	40,241	40,704	1%	-5%
Assets under custody	37,181	34,857	34,857	35,238	35,919	2%	-3%
Assets under administration	78,959	74,064	73,529	75,478	76,623	2%	-3%

Source: Deutsche Bank Estimates

In Q2-09, for UBI Banca, the weight of the equity funds on total mutual funds moved to 9.1% (from 8.7% at Q4-08), remaining below the system level (18.6%). The re-composition of the asset mix continues, and we expect further improvement in the coming quarters.

**Trading income**

We do not expect an important contribution from the finance activities in Q3-09. The sum of dividends (Euro 5m) and trading income (Euro 9m) should reach Euro 14m, in our estimates, versus Euro 8m in Q2-09, when trading was not contributing at all.

**Figure 3: UBI Banca: Trading income components**

Net result from trading activities	Q3-09E	Q2-09	Q1-09	Q4-08	Q3-08	Q2-08	Q1-08
Mark to market of securities held for trading (*)	25	23	6	-141	11	23	-35
Net result from hedging activities	-15	-26	28	-10	-23	0	14
Profit from disposal of financial assets/liabilities	1	2	1	25	2	8	2
Net result from financial assets/liabilities at fair value	-2	-11	-17	-65	-51	5	-7
<b>Total</b>	<b>9</b>	<b>-12</b>	<b>18</b>	<b>-191</b>	<b>-61</b>	<b>38</b>	<b>-27</b>

Source: Deutsche Bank Estimates

**Operating costs**

Operating costs should decline 2%, due to seasonality. Actually, we expect the effects of seasonality to weigh more heavily on administrative expenses (-6% QoQ, but +10% YoY) than on personnel expenses (+1% QoQ, but still -2% YoY). This is in line with management's comments during the conference call on the Q2-09 results, when they said that personnel expenses should increase in H2-09E versus H1-09, though showing a relevant YoY decline in FY-09 (-5.5% YoY, in our estimates).

**Provisions on loan losses and on risk and charges**

For Q3-09, we expect a cost of credit of 87bps annualized (declining versus the 97bps of Q2-09). Therefore, provisions on loan losses should come out at Euro 215m (-9% QoQ, and more than 2x Q3-08 levels).

**Figure 4: UBI Banca: Asset quality**

<b>Gross exposure</b>					
	<b>30 June 2009</b>	<b>31 March 2009</b>	<b>30 June 2008</b>	<b>QoQ %</b>	<b>YoY %</b>
NPLs	2276	2007	1630	13%	40%
Watchlist	1735	1503	1029	15%	69%
Restructured loans	346	141	110	145%	215%
180 past due	277	229	131	21%	111%
<b>Net exposure</b>					
	<b>30 June 2009</b>	<b>31 March 2009</b>	<b>30 June 2008</b>	<b>QoQ %</b>	<b>YoY %</b>
NPLs	1099	950	740	16%	49%
Watchlist	1494	1261	862	18%	73%
Restructured loans	318	116	89	174%	258%
180 past due	254	218	123	17%	107%
Total loans	96830	96892	96506	-0.1%	0.3%
Net NPLs/total loans	1.14%	0.98%	0.77%		
Coverage ratio	51.7%	52.7%	54.6%		

Source: Deutsche Bank Estimates, Company data

In Q2-09, gross NPLs and watchlists grew 13% and 15% QoQ, respectively, while net NPLs and watchlists grew by 16% and 18% QoQ, respectively. The stock of NPLs represents the 1.14% of UBI Banca's total loans and coverage declined to a reasonable extent, to 51.7%.

In its interim report, UBI Banca commented that, in Q2-09 there were some specific reasons behind the recorded asset quality trends:

- The QoQ increase in NPLs was mainly concentrated in (1) Banca 24-7 (the bank's consumer credit subsidiary), especially in terms of the deterioration of its portfolio of personal loans and finalized loans, and (2) UBI Leasing, due to two large real estate leasing contracts, related to the same clients.
- The QoQ increase in watchlists came mostly from BP Bergamo and Centrobanca. Indeed, four large positions generated by those banks (one of Euro 57m for BP Bergamo and three of Euro 95m each for Centrobanca) have been moved into this category of bad loans in the quarter.

Even though we expect a sort of continuity of some of the abovementioned trends (namely, further deterioration of asset quality of Banca 24-7) in Q3-09, we also think that there should not be any important inflow in watchlists coming for new big tickets and, for this reason, we expect a QoQ decline in total provisions.

#### **Taxes**

We expect a tax rate of 43% in Q3-09.

# Estimate revisions

## A changed mix of revenues

We increase our estimates for UBI Banca's net profit by 24% in 2009E and cut them by 11% in 2010E and 1% in 2011E.

**Figure 5: UBI Banca: Estimate revisions**

Consolidated data (Euro mi)	2009E	2010E	2011E	2009E	2010E	2011E	2009E	2010E	2011E
	old	old	old	Estimates revision			new	new	new
Net interest income	2,797	2,928	3,068	-3	-5	-4	2,651	2,730	2,878
Dividends & associates	23	73	78	0	0	0	23	73	78
Trading income	45	45	46	0	0	0	45	45	46
Net commissions & other income	1,240	1,281	1,323	7	10	9	1,347	1,433	1,471
Total net income	4,105	4,328	4,515	0	0	0	4,066	4,282	4,472
Total costs	2,696	2,735	2,774	0	0	0	2,644	2,682	2,721
Gross operating result	1,409	1,593	1,741	-1	-1	0	1,422	1,599	1,751
Total net provisions	1,002	664	611	-8	11	0	922	736	614
PPA total effect	86	84	62				86	84	62
Net operating result	321	845	1,068	21	-10	-1	414	779	1,076
Extraordinary items	-14	-11	-9				-14	-11	-9
Pre-tax profit	307	834	1,059	22	-10	-1	400	768	1,067
Taxes	170	345	412	13	-8	-1	198	324	415
Minorities	44	44	45	0	0	0	44	44	45
Net profit	94	445	602	47	-13	-1	158	400	607
Adjusted net	194	540	672	24	-11	-1	258	495	678

Source: Deutsche Bank Estimates, Company data

We lower our estimates for net interest income (-3% in 2009E, -5% in 2010E and -4% in 2011E). The main reason is that we now record further margin compression in H2-09E and also the effects of the cancellation of the fee on overdrafts.

Consequently, we increased commissions, assuming that part (70%) of the fee on overdrafts will be recovered and moved to this P&L line. Another reason behind the rise in our estimates for 2009E, 2010E and 2011E commissions (+7%, 10% and 9%, respectively) is that we have seen positive trends in AUM up until September (Assogestioni), and we expect that UBI Banca will continue to perform well here.

For 2009E we reduce the cost of credit to 88bps (from 96bps), which is more in line with the guidance provided by the company after Q2-09 results (86bps). We expect a provisioning level of 65bps for 2010E (59bps previously) and 51bps for 2011E (unchanged).

**Figure 6: UBI Banca: Main P&L trends**

<b>Consolidated data</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009E</b>	<b>2010E</b>	<b>2011E</b>	<b>% 2007/</b>	<b>% 2008E/</b>	<b>% 2009E</b>	<b>% 2010E</b>	<b>% 2011E</b>
<b>(Euro m)</b>							<b>2006</b>	<b>2007</b>	<b>2008E</b>	<b>2009E</b>	<b>2010E</b>
Net interest income	2,599	2,881	3,074	2,651	2,730	2,878	11	7	-14	3	5
Dividends & associates	68	103	73	23	73	78	52	-29	-68	215	7
Trading income	114	101	-249	45	45	46	-11	-346	-118	1	1
Net commissions & other income	1,598	1,615	1,413	1,347	1,433	1,471	1	-13	-5	6	3
Total net income	4,379	4,701	4,310	4,066	4,282	4,472	7	-8	-6	5	4
Total costs	2,605	2,700	2,774	2,644	2,682	2,721	4	3	-5	1	1
Gross operating result	1,774	2,001	1,536	1,422	1,599	1,751	13	-23	-7	12	9
Total net provisions	260	412	587	922	736	614	58	42	57	-20	-17
Goodwill amortization	0	81	88	86	84	62		10	-2		-27
Net operating result	1,514	1,508	860	414	779	1,076	0	-43	-52	88	38
Extraordinary items	196	127	-450	-14	-11	-9		-454	-97		-18
Pre-tax profit	1,710	1,635	411	400	768	1,067	-4	-75	-3	92	39
Taxes	670	577	244	198	324	415	-14	-58	-19	63	28
Minorities	89	118	97	44	44	45	33	-18	-55	1	1
Net profit	951	940	69	158	400	607	-1	-93	129	154	52

Source: Deutsche Bank Estimates

# Valuation

## Target price

We maintain our target price of Euro 10.3 and our Hold rating on stock.

**Figure 7: UBI Banca – Valuation**

	2010E	2011E
Equity	11455	11758
Goodwill	4447	4447
Tangible equity	7008	7311
Average tangible equity		7159
Adjusted net profit	495	678
Average ROTe (%)		9.5
Shares (#)		641
Average tangible equity per share		11.2
Risk-free rate		4.5
Beta		1.18
Market premium		4.0
Discount factor		9.2
g		2.5
Per share valuation (2010)		11.6
Target price		10.3

Source: Deutsche Bank Estimates

We value UBI Banca using a Gordon Growth model (RoE-g/CoE-g) to derive a target price/book value multiple. Our main assumptions for 2011E are: average return on total equity (ROTE) of 9.5%; 9.2% cost of equity (risk-free rate of 4.5%, equity risk premium of 4%, beta of 1.18); and a 2.5% perpetual growth rate (embedding our medium-term assumption on Italian GDP growth, which could be a good proxy for medium-term growth in a mature market such as banking). We apply the resulting 1.0x multiple to our 2011 estimate of average tangible equity per share of Euro 11.2 and then discount back at 9.2%.

We do not yet account for the dilution coming from the issue of warrants (639m, implying the potential creation of 32m new shares – exercise price Euro 12.3 per share) and of the Euro 640m (maximum) convertible bonds.

## Risks

As far as generic risks are concerned, we believe that UBI Banca, like its peers, remains exposed to a potential downturn in the economic environment, which could affect our revenues and loan loss provisions assumptions. Moreover, the new and constant attention that a number of authorities (such as consumer associations, the Bank of Italy, antitrust authorities, and the European Union) are paying to the cost of banking services in Italy (in comparison to the lower European average) could be another reason for increasing competition and for margin pressure on the whole system.

For UBI Banca, specific upside risks include a potential over-performance compared to the sector, due to the stock's high defensiveness.

# Appendix 1

## Important Disclosures

Additional information available upon request

### Disclosure checklist

Company	Ticker	Recent price*	Disclosure
UBI Banca	UBI.MI	10.32 (EUR) 23 Oct 09	6,7,8,14

\*Prices are sourced from local exchanges via Reuters, Bloomberg and other vendors. Data is sourced from Deutsche Bank and subject companies.

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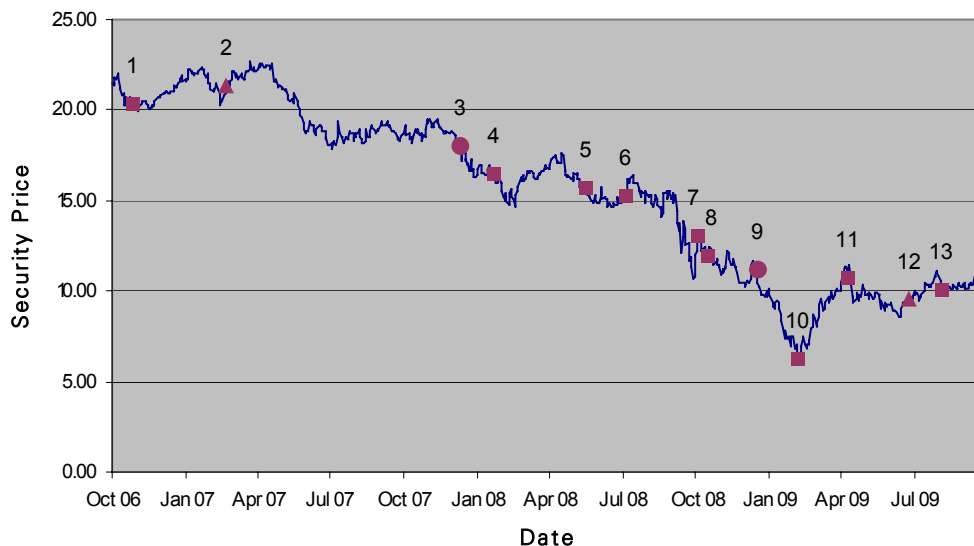
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**Historical recommendations and target price: UBI Banca (UBI.MI)**

(as of 23/10/2009)



Previous Recommendations

- Strong Buy
- Buy
- Market Perform
- Underperform
- Not Rated
- Suspended Rating

Current Recommendations

- Buy
- Hold
- Sell
- Not Rated
- Suspended Rating

\*New Recommendation Structure as of September 9, 2002

1.	24/11/2006:	Hold, Target Price Change EUR22.00	8.	13/11/2008:	Hold, Target Price Change EUR12.60
2.	22/3/2007:	Upgrade to Buy, Target Price Change EUR24.60	9.	13/1/2009:	Downgrade to Sell, Target Price Change EUR9.00
3.	8/1/2008:	Downgrade to Hold, Target Price Change EUR20.60	10.	6/3/2009:	Sell, Target Price Change EUR6.40
4.	20/2/2008:	Hold, Target Price Change EUR19.70	11.	7/5/2009:	Sell, Target Price Change EUR9.60
5.	13/6/2008:	Hold, Target Price Change EUR19.10	12.	24/7/2009:	Upgrade to Hold, EUR9.60
6.	1/8/2008:	Hold, Target Price Change EUR15.70	13.	1/9/2009:	Hold, Target Price Change EUR10.30
7.	31/10/2008:	Hold, Target Price Change EUR13.70			

**Equity rating key** **Equity rating dispersion and banking relationships**

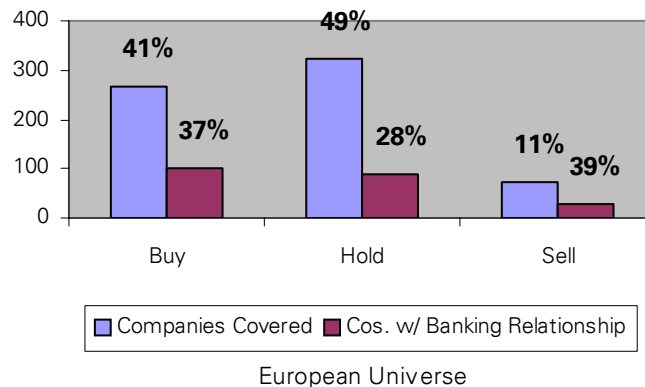
**Buy:** Based on a current 12-month view of total shareholder return (TSR = percentage change in share price from current price to projected target price plus projected dividend yield), we recommend that investors buy the stock.

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