



BANCA POPOLARE DI MILANO

**BIPIEMME GROUP
RESULTS AS AT 31 DECEMBER 2015 APPROVED¹
DIVIDEND PROPOSAL: €0.027**

NET PROFIT: €288.9 MILLION, +24.4% Y/Y

NORMALISED NET PROFIT²: €259.9 MILLION, +83.4% Y/Y

GOOD TREND IN CORE REVENUES³: +4.1% Y/Y:

- NET INTEREST INCOME: +0.8% Y/Y
- NET FEES AND COMMISSION: +8.9% Y/Y

**OPERATING COSTS DOWN ON A LIKE-FOR-LIKE BASIS⁴: -0.7% AND +1.3% Y/Y
NORMALISED²**

SIGNIFICANT REDUCTION IN COST OF RISK: 100 BPS (-32 BPS Y/Y)

GOOD TREND IN VOLUMES:

- CUSTOMER LOANS: +6.6% Y/Y, WHICH PUTS BPM AMONG THE BEST PERFORMERS (BANKING SYSTEM: +0.5%⁵)
- NEW RETAIL MORTGAGES +72% Y/Y
- DIRECT FUNDING: +2.1% Y/Y (BANKING SYSTEM: -0.6%⁵)

EXCELLENT AUM PERFORMANCE: +16.9% Y/Y

NET NPEs ON TOTAL LOANS 10.6% DOWN FROM 11.2% AS AT DECEMBER 2014

- NET BAD LOANS ON TOTAL LOANS 4.4% (BANKING SYSTEM: 4.89%⁵)
- DECREASE IN NPE INFLOWS -33%

SOUND CAPITAL RATIOS, THOUGH THEY DO NOT YET BENEFIT FROM THE POSITIVE EFFECTS FROM THE ADOPTION OF AIRB MODELS:

- COMMON EQUITY TIER1 RATIO⁶ 11.53%
- COMMON EQUITY TIER1 RATIO FULLY PHASED 12.21%

¹ The balance sheets and consolidated balance sheets will be approved by the Management Board on 23 February 2016.

² Net of non-recurring items.

³ Net Interest Income + Net Fees and Commission.

⁴ In order to obtain a like-for-like comparison, the ordinary and extraordinary contribution to the "Single Resolution Fund" (SRF) and the ordinary contribution to the "Deposit Guarantee Scheme" (DGS), which have been applied for the first time starting in 2015, have been deducted.

⁵ Source: ABI monthly outlook.

⁶ The figure includes the part of the profit as at 31 December 2015, according to current laws.

LOW RISK PROFILE:

- **NPE COVERAGE: 39.6% (+110 BPS Y/Y)**
- **TEXAS RATIO⁷ 86.24%**
- **LEVERAGE RATIO 7.67%**

➤ **Main P&L results:**

- Net Interest Income: €806.7 million, +0.8% y/y;
- Net fees and commission: €606.0 million, +8.9% y/y;
- Operating income: €1,667.2 million, +2.8% y/y;
- Operating costs: +4.7% y/y, down on a like-for-like basis⁸ -0.7% y/y (normalised operating costs +1.3% y/y);
- Net profit for the period: €288.9 million vs. €232.3 million as at December 2014;
- Normalised net profit⁹: €259.9 vs. 141.7 million as at December 2014.

➤ **Main balance-sheet results:**

- Direct customer funding: €37.6 billion, +2.1% y/y;
 - Core funding¹⁰: €24.5 billion, +9.0% vs. 31/12/2014;
- Customer loans: €34.2 billion, +6.6% vs. 31/12/2014;
- Sound short-term and mid-term liquidity positions;
- 2015 cost of risk: 100 bps, -32 bps vs. December 2014.

Milan, 8 February 2016 - In today's meeting, the Management Board of Banca Popolare di Milano examined and approved BPM Group's results as at 31 December 2015.

During 2015 the Italian economy started to grow again: 2015 GDP is expected to have been +0.7% (Source: Prometeia) and there were some clear signs of a recovery in the main macroeconomic indexes. Interest rates - due also to the effects of the ECB's Quantitative Easing programme - were negative throughout the year; the average 3-month Euribor rate in December 2015 was -0.13%.

In this context, Bipiemme Group's core operating trends during 2015 were good. In particular we point out:

- **P&L Results:** the positive trend in operating revenues (+2.8% y/y), thanks to the good performance in net interest income (+0.8%) and the excellent trend in net fees and commission (+8.9%). We also highlight the lower cost of risk (-32 bps);
- **Balance-sheet results:**
 - the positive trend in customer loans (+€ 2.1 billion vs. December 2014, +€785.3 million q/q);
 - excellent trend in AuM (+€3.0 billion vs. December 2014 and +€792.9 million q/q);
 - the increase in core funding¹⁰ and, in particular, sight deposits (which recorded +€2.9 billion vs. December 2014; +€624.9 million q/q);

⁷ Texas ratio: net NPE / (capital + reserves – intangible assets)

⁸ See note No. 4.

⁹ Net of the non-recurring items

¹⁰ Current accounts + savings deposits + other technical forms.

- **the group's robust liquidity position**, as highlighted by the significant amount of unencumbered eligible securities, above €5 billion, and the net spot liquidity balance, ~€5.7 billion¹¹;
- **excellent capital ratios**: at the end of 2015, the bank's "Own Funds" totalled €5.0 billion and the Common Equity Tier 1 ratio was 11.53%.

BALANCE SHEET RESULTS AS AT 31 DECEMBER 2015

Direct customer funding and securities issued

Direct customer funding (amounts due to customers, debt securities issued and financial liabilities at fair value) totalled €37,602 million, up both y/y (+2.1%) and q/q (+1.7%).

Specifically, "amounts due to customers" (€28,623 million) increased by 3.3% y/y, mainly due to the increase in "current accounts and savings deposit accounts" (+9.1%).

"Debt securities issued" totalled €8,849 million, -1.5% y/y, mainly due to the following actions:

- the issue of two covered bonds for €1 billion in September 2015 and €0.7 billion Covered Bond in December 2015 against the redemption of a covered bond in November 2015 for €0.9 billion;
- the redemption of some retail bonds for a total of €0.6 billion;
- the buy-back of bonds for a nominal value of €458 million (o/w €358 million for the buy-back of retail bonds);
- the decrease in subordinated liabilities for a total of €633 million, due basically to a subordinated bond that matured (Lower Tier 2) and the early reimbursement of the Preferred Securities issued by BPM Capital I.

BPM's market share of the funding market at the end of November 2015 was 1.62%, vs 1.61% as at December 2014.

Indirect customer funding

Indirect customer funding as at 31 December 2015 totalled €34,060 million, up +4.4% vs December 2014 and +0.9% q/q. The increase was basically due to the brilliant performance recorded by AuM, €20,901 million (+16.9% y/y) due to both the positive market trend and the positive net funding in the year of €2.6 billion.

Specifically, "funds" increased by €2,314 million (+22.5%) y/y, as did "insurance reserves", which posted +€767 million (+14.6%).

"Assets under custody" as at 31 December 2015 totalled €13,159 million, down y/y (-10.7%), mainly due to customers' ongoing preference for AuM products.

Customer loans

Customer loans as at 31 December 2015 totalled €34,187 million, up y/y (+6.6%) and vs. September 2015 (+2.4%). The result puts the Bank among the best performers with above-the-average values (average banking system +0.5% y/y¹²).

The increase in customer loans was due to:

- 1) the positive trend in the household sector¹³. Indeed, we point out that in 2015 new mortgages issued increased by +72.0%;

¹¹ Weekly liquidity position as published on 3 February 2016.

¹² Source: ABI monthly outlook.

¹³ Management data by customer segment calculated using figures at the end of the period

2) the positive trend in the corporate sector (+6.2%) driven particularly by the wholesale commercial sector (+10.7%) and manufacturing (+9.2%) against a decrease in the real estate sector.

The group's market share of the loans market at the end of November 2015 was 1.94%, up vs December 2014 (1.83%).

Credit quality: the group's credit quality showed some signs of improvement which was reflected in the q/q decrease in gross NPEs, after the growth in gross NPEs had already slowed down in the previous three quarters of 2015. The improvement was due to the group's prudent approach in its loans policies and to the gradual, albeit slight, improvement in the Italian economy, which was helped by the low oil price, the still favourable exchange rate and the ECB's liquidity injection. We point out the decrease in inflows to NPE (-33% y/y).

The group's gross NPEs totalled €5,997 million, up y/y (+2.5%), but down q/q (-2.3%).

Specifically, a q/q analysis shows:

- bad loans decreased (-1.9%) thanks to the disposal of some positions and to a general slowdown in the growth in bad loans in the previous three quarters of 2015;
- a slight decrease in the item "unlikely to pay" (-0.3%), in line with the trend seen during the year (-1.4% y/y);
- a strong decrease in "past-due" q/q (-41.1%), which confirmed the yearly trend (-33% vs December 14).

Furthermore, gross NPEs on total loans decreased to 16.3% in December 2015 (from 16.9% in December 2014) while net NPEs on total loans was 10.6% (from 11.2%). The decreases were caused by the slowdown in the growth of NPEs, on the one hand, and by the increase in performing loans, on the other hand.

The domestic data on the banking sector (source ABI – data as at November 2015) highlight that the weight of net bad loans on total loans was 4.89%, up from 4.64% as at December 2014. The figure for Bipiemme Group improved compared with the average for the whole banking sector (4.4% in December 2015).

The total coverage rate on NPEs is now 39.6%, up by 10 bps vs September 2015 and by 110 bps y/y. When we take the cancellations into consideration, the coverage rate of NPEs is 44.5%.

The coverage rate for single items in December 2015 is still at a significant level:

- bad loans: 54.5% vs 55.9% in December 2014; the slight decrease was due to both the disposal of bad loans, with a significant coverage rate, and to the entrance of some positions backed by real guarantees;
- unlikely to pay: 22.1%, +172 bps y/y;
- past-due: 9.3%, +90 bps y/y;

When we take into consideration the cancellations on single positions, the coverage rate on bad loans is 60.8%.

The coverage rate on performing loans is 0.60% (vs 0.64% as at September 2015), slightly down due to the improvement in the quality of the performing loans portfolio and to the increase in customer loans.

The **group's net equity** as at 31 December 2015 was €4,627 million, up vs September 2015 (+0.4%) and y/y (+2.0%).

The Common Equity Tier 1 ratio¹⁴ was 11.53% and the Common Equity Tier 1 Basel 3 fully phased was 12.21%.

Risk weighted assets totalled €35 billion.

P&L RESULTS

Total Income

Bipiemme Group's **total income** as at 31 December 2015 was €1,667 million, up 2.8% y/y, mainly due to core revenues¹⁵ of €1.4 billion, +4.1% y/y.

Specifically, **net interest income** was €806.7 million (+0.8% y/y), thanks to commercial interest income (+1.3%), which was driven by the growth in loan volumes and the almost no change in the spread between lending interest rates and deposit interest rates. Moreover, we highlight the lower cost of interbank and wholesale funding, which partially offset the lower contribution from the parent bank's securities portfolio (-€ 36.3 million).

"**Non net interest income**" (€860.5 million) increased by 4.8% y/y. This increase was driven by the significant increase in **net fees and commission** (€606.0 million, +8.9% y/y) and the profit from investments valued at net equity (+€9.7 million). The contribution from financial activities was slightly lower (-€6.8 million) though it was still significant (€181.7 million). This result included the effect of some non-recurring items such as the disposal of a quota in ICBPI (+75.4mln), the write-down of a subordinated bond issued by Banca Etruria (-€25mln) and the buy-back of a retail bond (-€11.5 mln).

Operating costs

The **operating costs** as at 31 December 2015 totalled €1,019.8 million, +4.7% y/y due to the increase in "other administrative expenses" (+16.1% y/y). The result was impacted by certain non-recurring items and by some items that did not exist before 2015, basically represented by the ordinary contributions to the DGS¹⁶ and to the SRF¹⁷, and to the extraordinary contribution to the SRF for the fund to rescue the four Italian banks¹⁸. **On a like-for-like basis¹⁹, the group's operating costs decreased by 0.7% y/y.**

Specifically, **staff costs** as at 31 December 2015 totalled €612.4 million, basically flat y/y, and included the variable components and the charges to adjust the early retirement plan *Fondo di Solidarietà*. **Net of these components, the item was down 1.4%** thanks to the lower payroll cost, a consequence of the departure of people who had signed up to the early retirement plan *Fondo di Solidarietà* (715 people have left the group under the plan since it came into force, of which 132 in 2015).

Other administrative expenses totalled €332.6 million (+16.1% y/y). This increase was driven by:

¹⁴ Includes the amount of profit as at 31 December 2015 calculated in compliance with current regulations.

¹⁵ Net interest income + net fees and commission.

¹⁶ Deposit Guarantee Scheme

¹⁷ Single Resolution Fund

¹⁸ By way of its provision dated 21 November 2015, as approved by the Economic and Finance Ministry with Law Decree dated 22 November 2015, the Bank of Italy started a plan to rescue the following banks: Banca delle Marche, Banca Popolare dell'Etruria e del Lazio, Cassa di Risparmio di Ferrara, Cassa di Risparmio della Provincia di Chieti, all of which are in administration.

¹⁹ See note 4.

- the new ordinary contribution to the DGS²⁰ and to the SRF²¹ (totalling €19.1 million);
- the one-off contribution (€39.7 million) paid into the SRF¹⁷ to rescue the four Italian banks²².

Net of the foregoing, the other administrative expenses as at December 2015 were below the Business Plan target for 2016.

Net adjustments on tangible and intangible assets totalled €74.8 million, stable y/y. The cost/income ratio on a like-for-like basis²³ was 57.2% (-2.0 p.p.).

Provisions, adjustments and other items

Net adjustments on loans and other operations as at 31 December 2015 totalled €342.2 million, below the €423.8 million recorded at the end of 2014.

The **cost of risk** was 100 bps (vs. 132 bps at 31 December 2014).

Net provisions for risks and charges were positive at €10.8 million thanks to, among other things, the write-back of the quota (€17.4 million) exceeding the provisions for disputes arising out of the now closed mandatory convertible bond *Prestito Obbligazionario "Convertendo BPM 2009/2013 – 6.75%"*, ended in 2015.

Profit from equity and other investments

"Profit from holdings and investments" totalled €37.4 million, down y/y (-€67 million), though the 2014 figure included a capital gain from the disposal of a stake in Anima Holding of €104.5 million. The December 2015 figure includes the higher net equity value of Selmabipiemme Leasing (€ 38.8 million) following the merger with the subsidiary Palladio Leasing.

Net result

After booking about €63.5 million for taxes (tax rate 18.0%), the **group's profit** was €288.9 million vs the €232.3 net profit at the end of 2014. If we disregard the non-recurring items, the net profit for 2015 was €259.9 million, a significant increase compared with the €118.2 million at the end of 2014 (+83.4%).

Dividend

The good results posted in 2015 and the sound capital position allowed the management board to propose a dividend of €0.027 which will be collectable as of 25 May 2016. Banca Popolare di Milano's shares will be quoted ex coupon as of 23 May 2016.

Prospects for the current financial year

The economic outlook for Italy is that 2016 GDP will grow by 1.2%²⁴. As far as the banking sector is concerned, direct funding is forecast to decrease slightly, the bond component will decrease against an increase in deposits. As far as customer loans are concerned, it is estimated there will be an increase in loans to households and to non-financial corporates.

²⁰ Deposit Guarantee Scheme

²¹ Single Resolution Fund

²² See note 18.

²³ See note 4.

²⁴ Source: ABI monthly outlook.

Given this backdrop, Bipiemme Group's activities will continue along the current path in compliance with the guidelines set in the Business Plan. The commercial business strategy will continue to be honed to improving the group's territorial foothold and the level of its services to its customers, with particular attention to multichannel banking and credit brokerage which, thanks to the sound capital base and the liquidity, should lead, particularly in the Corporate segment, to an increase in volumes consistent with 2015, despite the stronger competition. As regards retail funding, the bank envisages it will continue to shift from maturing liabilities to sight deposits and increase wholesale funding. The low cost of funding will help to limit the reduction in the spread between lending interest rates and deposit interest rates, which is expected to get tighter due to the ECB's monetary policy. Under non-net interest income, net fees and commission ought to post good results thanks to the positive trend in AUM, the increase in loans and the effects of the economic recovery on banking services. The tight control on operating costs and risks will continue to be an important lever to maintaining profitability. The new development initiatives will be addressed to pursuing better efficiency, productivity and organisational simplification.

Parent bank

The key profit and loss and balance sheet figures for the parent bank, Banca Popolare di Milano S.c.a r.l., are as follows:

Direct funding	36,184 million euros (+0.3% vs 31.12.2014)
Customer loans	33,474 million euros (+6.1%)
Indirect funding	31,838 million euros (+4.1%)
Total income	1,535.0 million euros (+3.6%)
Operating costs	937.7 million euros (+4.6%)
Operating profit	597.3 million euros (+2.0%)
Net profit	241.1 million euros (+7.4%)

Mr Angelo Zanzi, as the manager responsible for preparing the bank's accounts, hereby states, pursuant to Article 154 *bis*, paragraph 2 of the *Testo Unico della Finanza* (the Consolidated Finance Act), that the accounting information contained in this press release corresponds to the documentary evidence, corporate books and accounting records.

The Management Board will approve the draft of the Parent Company's Financial Statements and the Consolidated Financial Accounts for the FY 2015 on 23 February 2016.

The Supervisory Board will approve the Parent Company's Financial Statements and the Consolidated Financial Accounts for the FY 2015 on 30 March 2016.

Bipiemme Group's results as at 31 December 2015 will be presented to the financial community at a conference call set for today 8 February at 6:00pm (C.E.T.). The

instructions to connect to the event can be found under Investor Relations on the home page of the bank's website www.gruppobpm.it.

Milan, 8 February 2016

For the purpose of providing more complete data on Bipiemme Group's Full Year 2015 results, the consolidated reclassified balance sheet and income statement, as approved by the Management Board, are herewith attached. For management reporting purposes, the results have been presented in a reclassified balance sheet and income statement, in which line items have been aggregated and reclassified in keeping with market practices in such a way as to provide a clearer interpretation of trends and performances.

Please note that the original version of this press release is in Italian. In case of misunderstandings the Italian version shall prevail.

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Bipiemme Group - Balance Sheet Reclassified

(euro/000)

Assets	31.12.2015	30.09.2015	31.12.2014	Change A-B		Change A-C	
	A	B	C	Amount	%	Amount	%
Cash and equivalents	300,714	226,822	322,840	73,892	32.6	-22,126	-6.9
Financial assets at fair value and hedging derivatives	11,416,540	11,965,118	11,887,806	-548,578	-4.6	-471,266	-4.0
- <i>Financial assets held for trading</i>	1,797,874	1,832,200	1,921,518	-34,326	-1.9	-123,644	-6.4
- <i>Financial assets designated at fair value</i>	75,543	80,854	97,449	-5,311	-6.6	-21,906	-22.5
- <i>Financial assets available for sale</i>	9,491,248	9,947,242	9,670,272	-455,994	-4.6	-179,024	-1.9
- <i>Hedging derivatives</i>	40,638	91,173	178,460	-50,535	-55.4	-137,822	-77.2
- <i>Changes in fair value of hedged items (+ / -)</i>	11,237	13,649	20,107	-2,412	-17.7	-8,870	-44.1
Loans and advances to banks	1,224,717	1,287,592	984,777	-62,875	-4.9	239,940	24.4
Loans and advances to customers	34,186,837	33,401,500	32,078,843	785,337	2.4	2,107,994	6.6
Fixed assets	1,199,459	1,167,942	1,117,879	31,517	2.7	81,580	7.3
Non-current assets (or disposal groups) held for sale and discounted operations	0	6,118	0	-6,118	-100.0	0	n.a
Other assets	1,875,033	1,459,941	1,879,666	415,092	28.4	-4,633	-0.2
Total Assets	50,203,300	49,515,033	48,271,811	688,267	1.4	1,931,489	4.0

Liabilities and Shareholder Equities	31.12.2015	30.09.2015	31.12.2014	Change A-B		Change A-C	
	A	B	C	Amount	%	Amount	%
Due to banks	4,839,439	4,550,638	3,318,564	288,801	6.3	1,520,875	45.8
Due to customers	28,622,852	28,577,221	27,702,942	45,631	0.2	919,910	3.3
Debt securities in issue	8,849,290	8,281,217	8,981,834	568,073	6.9	-132,544	-1.5
Financial liabilities and hedging derivatives	1,379,948	1,450,858	1,690,396	-70,910	-4.9	-310,448	-18.4
- <i>Financial liabilities held for trading</i>	1,183,557	1,256,371	1,463,445	-72,814	-5.8	-279,888	-19.1
- <i>Financial liabilities designated at fair value</i>	129,627	132,536	152,116	-2,909	-2.2	-22,489	-14.8
- <i>Hedging derivatives</i>	48,678	43,438	58,751	5,240	12.1	-10,073	-17.1
- <i>Changes in fair value of hedged items (+ / -)</i>	18,086	18,513	16,084	-427	-2.3	2,002	12.4
Other liabilities	1,429,895	1,568,866	1,501,993	-138,971	-8.9	-72,098	-4.8
Provisions for specific use	434,555	459,406	519,975	-24,851	-5.4	-85,420	-16.4
Share capital and reserves	4,338,440	4,404,959	4,304,390	-66,519	-1.5	34,050	0.8
Minority interests (+/-)	19,974	19,816	19,424	158	0.8	550	2.8
Net profit (loss) of the period (+/-)	288,907	202,052	232,293	86,855	43.0	56,614	24.4
Total liabilities and Shareholder Equity	50,203,300	49,515,033	48,271,811	688,267	1.4	1,931,489	4.0

Bipiemme Group - Balance Sheet Reclassified - quarterly evolution

(euro /000)

Assets	2015				2014			
	31.12	30.9	30.6	31.3	31.12	30.9	30.6	31.3
Cash and equivalents	300,714	226,822	224,184	209,129	322,840	232,295	248,942	242,900
Financial assets at fair value and hedging derivatives	11,416,540	11,965,118	11,715,087	12,780,251	11,887,806	11,959,086	11,434,356	10,941,852
- Financial assets held for trading	1,797,874	1,832,200	1,824,944	2,284,325	1,921,518	1,954,084	1,712,025	1,587,646
- Financial assets designated at fair value	75,543	80,854	81,410	105,443	97,449	101,861	172,235	202,542
- Financial assets available for sale	9,491,248	9,947,242	9,632,210	10,208,114	9,670,272	9,662,753	9,336,110	8,969,488
- Hedging derivatives	40,638	91,173	161,979	160,497	178,460	223,056	198,790	170,081
- Changes in fair value of hedged items (+ / -)	11,237	13,649	14,544	21,872	20,107	17,332	15,196	12,095
Loans and advances to banks	1,224,717	1,287,592	1,162,731	1,050,829	984,777	1,562,185	1,849,987	2,254,757
Loans and advances to customers	34,186,837	33,401,500	33,483,029	32,600,377	32,078,843	32,095,916	32,520,786	32,821,420
Immobilizzazioni	1,199,459	1,167,942	1,156,028	1,127,543	1,117,879	1,099,811	1,099,688	1,085,101
Non-current assets (or disposal groups) held for sale and discounted operations	0	6,118	6,118	0	0	0	0	134,596
Other assets	1,875,033	1,459,941	1,561,095	1,541,504	1,879,666	1,519,517	1,627,113	1,544,831
Total Assets	50,203,300	49,515,033	49,308,272	49,309,633	48,271,811	48,468,810	48,780,872	49,025,457

Liabilities and Shareholder Equities	2015				2014			
	31.12	30.9	30.6	31.3	31.12	30.9	30.6	31.3
Due to banks	4,839,439	4,550,638	4,494,906	4,171,724	3,318,564	3,792,622	4,313,017	6,015,928
Due to customers	28,622,852	28,577,221	28,777,043	27,589,895	27,702,942	26,979,219	26,812,018	26,025,446
Debt securities in issue	8,849,290	8,281,217	7,867,754	8,677,218	8,981,834	9,271,996	9,316,712	9,503,147
Financial liabilities and hedging derivatives	1,379,948	1,450,858	1,543,437	1,981,271	1,690,396	1,716,900	1,544,651	1,477,065
- Financial liabilities held for trading	1,183,557	1,256,371	1,326,834	1,746,892	1,463,445	1,491,342	1,321,381	1,240,546
- Financial liabilities designated at fair value	129,627	132,536	157,702	161,759	152,116	150,573	157,846	184,224
- Hedging derivatives	48,678	43,438	44,092	58,053	58,751	57,102	45,742	30,833
- Changes in fair value of hedged items (+ / -)	18,086	18,513	14,809	14,567	16,084	17,883	19,682	21,462
Other liabilities	1,429,895	1,568,866	1,650,859	1,686,438	1,501,993	1,622,393	1,777,531	1,645,410
Provisions for specific use	434,555	459,406	467,674	502,403	519,975	518,136	539,284	542,693
Share capital and reserves	4,338,440	4,404,959	4,333,508	4,613,588	4,304,390	4,328,863	4,266,963	3,732,552
Minority interests (+/-)	19,974	19,816	19,038	19,493	19,424	19,418	19,228	18,895
Net profit (loss) of the period (+/-)	288,907	202,052	154,053	67,603	232,293	219,263	191,468	64,321
Total liabilities and Shareholder Equity	50,203,300	49,515,033	49,308,272	49,309,633	48,271,811	48,468,810	48,780,872	49,025,457

Bipiemme Group - Reclassified Profit & Loss

(euro /000)

	2015	2014	Change	
			Amount	%
Net interest income	806,746	800,171	6,575	0.8
Non-interest income:	860,471	821,395	39,076	4.8
- Net fees and commission income	605,996	556,566	49,430	8.9
- Other operating income	254,475	264,829	(10,354)	-3.9
'- Share of Profit (loss) on investments valued under the equity method	32,577	22,857	9,720	42.5
'- Net income (loss) from financial activities	181,724	188,572	(6,848)	-3.6
- Other operating income/expenses	40,174	53,400	(13,226)	-24.8
Operating income	1,667,217	1,621,566	45,651	2.8
Administrative expenses:	(944,978)	(898,831)	(46,147)	-5.1
a) personnel expenses	(612,382)	(612,420)	38	0.0
b) other administrative expenses	(332,596)	(286,411)	(46,185)	-16.1
Depreciations and ammortisation	(74,773)	(74,884)	111	0.1
Operating costs	(1,019,751)	(973,715)	(46,036)	-4.7
Operating profit	647,466	647,851	(385)	-0.1
Net adjustments to loans and other operations	(342,236)	(423,839)	81,603	19.3
Net provisions for risks and charges	10,758	(3,545)	14,303	n.a.
Profit (loss) from equity and other investments	37,433	104,474	(67,041)	-64.2
Profit (loss) before tax from continuing operations	353,421	324,941	28,480	8.8
Tax on income from continuing operations	(63,512)	(92,008)	28,496	31.0
Net profit (loss) for the period	289,909	232,933	56,976	24.5
Minority interests	(1,002)	(640)	(362)	-56.6
Net profit	288,907	232,293	56,614	24.4

Bipiemme Group - Quarterly Reclassified Profit & Loss

(euro /000)

	2015				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest income	199,930	203,936	206,759	196,121	197,922	195,003	201,157	206,089
Non-interest income :	268,321	171,497	191,007	229,646	213,382	150,952	221,011	236,050
- Net fees and commission income	154,357	144,886	158,461	148,292	149,349	130,856	135,990	140,371
- Other operating income	113,964	26,611	32,546	81,354	64,033	20,096	85,021	95,679
- <i>Share of Profit (loss) on investments valued under the equity method</i>	8,225	5,269	7,574	11,509	6,300	4,612	6,910	5,035
- <i>Net income (loss) from financial activities</i>	100,077	10,820	12,434	58,393	38,082	5,799	65,253	79,438
- <i>Other operating income/expenses</i>	5,662	10,522	12,538	11,452	19,651	9,685	12,858	11,206
Operating income	468,251	375,433	397,766	425,767	411,304	345,955	422,168	442,139
Administrative expenses:	(287,722)	(209,007)	(220,251)	(227,998)	(236,376)	(207,166)	(236,573)	(218,716)
<i>a) personnel expenses</i>	(160,339)	(148,678)	(148,632)	(154,733)	(147,232)	(144,708)	(168,601)	(151,879)
<i>b) other administrative expenses</i>	(127,383)	(60,329)	(71,619)	(73,265)	(89,144)	(62,458)	(67,972)	(66,837)
Depreciations and amortisation	(24,067)	(17,582)	(16,629)	(16,495)	(18,612)	(18,728)	(19,478)	(18,066)
Operating costs	(311,789)	(226,589)	(236,880)	(244,493)	(254,988)	(225,894)	(256,051)	(236,782)
Operating profit	156,462	148,844	160,886	181,274	156,316	120,061	166,117	205,357
Net adjustments to loans and other operations	(95,925)	(77,972)	(94,029)	(74,310)	(136,633)	(88,216)	(113,653)	(85,337)
Net provisions for risks and charges	14,638	(4,972)	2,364	(1,272)	(8,004)	(286)	7,566	(2,821)
Profit (loss) from equity and other investments	(19)	(1)	37,453	0	0	0	104,474	0
Profit (loss) before tax from continuing operations	75,156	65,899	106,674	105,692	11,679	31,559	164,504	117,199
Tax on income from continuing operations	11,938	(17,306)	(20,339)	(37,805)	1,450	(3,532)	(36,960)	(52,966)
Net profit (loss) for the period	87,094	48,593	86,335	67,887	13,129	28,027	127,544	64,233
Minority interests	(239)	(594)	115	(284)	(99)	(232)	(397)	88
Net profit	86,855	47,999	86,450	67,603	13,030	27,795	127,147	64,321

Bipiemme Group - Reclassified Income Statement net of non-recurring items

(euro/000)

As requested by Consob in its communication number DEM/6064293 dated 28.07.2006, we indicate the weight of the non-recurring items on the consolidated net result.

	2015			2014			Change		Change	
	A = B + C	B	C	D = E + F	E	F	A - D		C - F	
	Net result	Net income from non recurring operations	Net income from recurring operations	Net result	Net income from non recurring operations	Net income from recurring operations	valore	%	valore	%
Net interest income	806,746	0	806,746	800,171	0	800,171	6,575	0.8	6,575	0.8
Non-interest income:	860,471	39,289	821,182	821,395	0	821,395	39,076	4.8	(213)	0.0
- Net fees and commission income	605,996	0	605,996	556,566	0	556,566	49,430	8.9	49,430	8.9
- Other operating income	254,475	39,289	215,186	264,829	0	264,829	(10,354)	-3.9	(49,643)	-18.7
'- Share of Profit (loss) on investments valued under the equity method	32,577	0	32,577	22,857	0	22,857	9,720	42.5	9,720	42.5
'- Net income (loss) from financial investments	181,724	39,289	142,435	188,572	0	188,572	(6,848)	-3.6	(46,137)	-24.5
- Other operating income/expenses	40,174	0	40,174	53,400	0	53,400	(13,226)	-24.8	(13,226)	-24.8
Operating income	1,667,217	39,289	1,627,928	1,621,566	0	1,621,566	45,651	2.8	6,362	0.4
Administrative expenses:	(944,978)	(46,641)	(898,337)	(898,831)	(13,217)	(885,614)	(46,147)	-5.1	(12,723)	-1.4
a) personnel expenses	(612,382)	(6,908)	(605,474)	(612,420)	(13,217)	(599,203)	38	0.0	(6,271)	-1.0
b) other administrative expenses	(332,596)	(39,733)	(292,863)	(286,411)	0	(286,411)	(46,185)	-16.1	(6,452)	-2.3
Depreciations and amortisation	(74,773)	0	(74,773)	(74,884)	0	(74,884)	111	0.1	111	0.1
Operating costs	(1,019,751)	(46,641)	(973,110)	(973,715)	(13,217)	(960,498)	(46,036)	-4.7	(12,612)	-1.3
Operating profit	647,466	(7,352)	654,818	647,851	(13,217)	661,068	(385)	-0.1	(6,250)	-0.9
Net adjustments to loans and other operations	(342,236)	0	(342,236)	(423,839)	0	(423,839)	81,603	19.3	81,603	19.3
Net provisions for risks and charges	10,758	21,915	(11,157)	(3,545)	0	(3,545)	14,303	n.a.	(7,612)	-214.7
Profit (loss) from equity and other investments	37,433	(1,422)	38,855	104,474	104,474	0	(67,041)	-64.2	38,855	n.a.
Profit (loss) before tax from continuing operations	353,421	13,141	340,280	324,941	91,257	233,684	28,480	8.8	106,596	45.6
Tax on income from continuing operations	(63,512)	15,731	(79,243)	(92,008)	(682)	(91,326)	28,496	31.0	12,083	13.2
Net profit (loss) for the period	289,909	28,872	261,037	232,933	90,575	142,358	56,976	24.5	118,679	83.4
Minority interests	(1002)	101	(1,103)	(640)	3	(643)	(362)	-56.6	(460)	-71.6
Net profit	288,907	28,973	259,934	232,293	90,578	141,715	56,614	24.4	118,219	83.4