PRESS RELEASE

Growth in net profit to 519,2 million euro (+44,2% compared to 360,1 million euro in June 2007)

Profit net of non recurring items of 411 million euro (446,5 million euro in June 2007) affected by financial markets performance

Consolidated results to 30th June 2008 compared with the pro-forma results to 30th June 2007 (inclusive of the effect of the purchase price allocation)

- **Operating income of 2.247,7 million euro (+0,2% and +3,1% normalised and net of the profit from trading and hedging activity)**
  - **Net interest income of 1.464,7 million euro (+12,8%)**
  - **Commissions of 619,8 million euro (-8,1% net of performance fees)**
  - **Net result from trading and hedging positive by 10,9 million euro (73,8 in June 2007)**

- **Operating costs of 1.316,3 million euro (+5,7% and +1,7% net of non recurring items)**
  - **Staff costs of 809,3 million euro (+7,1% and +0,5% net of non recurring items)**
  - **Other administrative expenses of 373,6 million euro (+1,2%). The amount is influenced by the presence of two IT systems (the target IT system and the former BPU Group IT system) in relation to the IT migrations which will be completed as forecast within the end of the year**
  - **Depreciation and amortisation of 133,5 million euro (+11,3% against greater planned investments in the Group IT system)**

- **Net operating income of 931,4 million euro (-6,8% and +5,1 normalised and net of profit from trading and hedging activity)**

- **Credit quality:**
  - **Net non performing loans to total lending of 0,77% (0,69% in June 2007) and net impaired loans to net lending of 0,89% (0,72% in June 2007) in line with March 2008**
  - **Net impairment losses on loans of 0,32% annualised of total loans (0,25% in June 2007 and 0,27% normalised for the year 2007)**

- **Profit on continuing operations before tax of 833,9 million euro (-5,9% and -1,2% normalised and net of profit from trading and hedging activity)**

- **Normalised tax rate of 39% (-2,2 percentage points compared to 41,2% recorded to 30th June 2007)**

- **On a like-for-like basis (comparison with the figures as at 30th June 2007 net of branches disposed of):**
  Net lending to customers of 96,5 billion euro (+7,7%)
  Direct funding of 93,6 billion euro (+5,9%)
  Indirect funding from ordinary customers of 82,9 billion euro (-12,2%)

- **Contained exposure on the interbank market** (3 billion euro compared to 7,6 billion recorded in June 2007)

- **The integration process is again continuing ahead of schedule:**
    - **Approximately 65% of integration activities completed at the end of June 2008, ahead of schedule compared to approximately 58% programmed for the end of June 2008 in the Business Plan**
    - **Integration costs recognised during the period amounting to 40,7 million euro gross and 28,5 million net of tax (total gross costs incurred to-date of 294,3 million euro compared to a total of approximately 370 million euro programmed in the Business Plan).**
    - **Synergies created of 53,5 million euro, compared to 49,7 million programmed in the Business Plan**

- **Capital ratios:** initial indications of capital ratios as at 30th June 2008 estimated on the basis of the Basel 2 standardised approach give a core tier 1 and a total capital ratio higher than the Business Plan targets (6,5% and 10% respectively). The final figures will be disclosed to markets within the end of October when they are reported to the supervisory authority.

- **An ordinary periodical update of the Group Business Plan will be presented in December**

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Bergamo, 26th August 2008 – The Management Board of Unione di Banche Italiane Scpa (UBI Banca) approved the results of the UBI Banca Group as at and for the period ended 30th June 2008.

Summary of performance in the first half and progress made with the integration process
Traditional banking and lending business performed well in the first half of 2008 and remained the driving force for operating income in the present market situation.
The policy to rationalise lending to the “large corporate” segment and to focus on more profitable “core” segments – medium and small sized enterprises – generated strong growth in net interest income (+12,8%), which more than compensated for lower revenues from commissions, affected by the negative performance of indirect funding. The performance of net interest income also compensated for the lower contribution from the result for trading and hedging, which returned to profit at the end of the period, but was still markedly lower than the result for June 2007 (-62,9 million euro year-on-year) and continues to be affected by the unfavourable performance of markets.
The aggregate staff costs and other administrative expenses performed well and was basically in line (+0,7%) with the normalised figure for the same period of 2007, thanks to synergies achieved from the integration process. It will be recalled that these costs did in fact benefit in 2007 from recognition of a positive amount of 49,4 million euro resulting from a one-off accounting effect of changes in regulations governing staff severance provisions.
Finally, credit quality remained good with a ratio of net non performing loans to net lending and of net impaired loans to net lending of 0,77% and 0,89% respectively, virtually unchanged compared to the result for first quarter of 2008. Net impairment losses on loans stood at 0,32% of total loans annualised in the first half, lower than Business Plan forecasts (0,35%).
As concerns non recurring items, the net result for the period benefited from gains on the stake held by Prudential in UBI Pramerica and on the sale of UBI Assicurazioni Vita to Aviva (71 million euro net), along with the one-off positive effect on taxes of a tax redemption (73,8 million euro), partly offset by the negative effect of the “summer mini-budget” (19,4 million euro), while net integration costs amounting to 28,5 million euro were incurred. The income statement as at June 2007 included integration costs amounting to 146,3 million euro and the one off item relating to the staff severance fund described above.

The first half of 2008 ended for the UBI Banca Group with **a profit of 519,2 million euro, an increase of 44,2% compared to 360,1 million euro earned in the first half of 2007.**

The good progress recorded with the Group integration process, ahead of schedule compared to Business Plan forecasts, was **confirmed at the end of June 2008**, with **the completion of approximately 65% of integration activities (58% forecast)** and the achievement of **approximately 53 million euro of synergies** (49,7 million euro forecast). In detail, the **cost synergies** achieved amounted to **41,2 million euro** (20,5 million relating to staff costs and 20,7 million to other administrative expenses) compared to 35,7 million euro forecast, while **revenue synergies** amounted to **12,3 million euro** compared to 14 million euro forecast.

The **migrations of the network banks** of the former BPU Banca Group onto the Group IT target platform, which will be completed in October with the migration of Banca Popolare di Bergamo, continued fully on schedule.

The income statement

The income statement figures commented on are based on the reclassified consolidated financial statements (income statement and income statement net of non recurring items) contained in the attachments to this press release. To allow comparison, income statement figures to 30th June 2007 have been restated pro-forma to take account of the items relating to the first quarter 2007 of the Banca Lombarda Group but include the figures relating to the 61 branches sold to Banca Popolare di Vicenza at year end 2007, no longer present in the first half of 2008 .

In the difficult context which is still affecting financial markets, the UBI Banca Group earned net profit in the half year amounting to 519,2 million euro, an improvement of 44,2% compared to the first six months of last year, thanks to the change in the composition of revenues more centered on the strong evolution of net interest income, the implementation of the Business Plan ahead of schedule and the generation of the first synergies, along with a contribution from non recurring income amounting to 108,1 million, attributable partly to the disposal of equity investments and partly to "tax redemption". The first half of 2007 was penalised, however, by the presence of total negative non recurring items amounting to 86,4 million, due mainly to the greater integration costs incurred in 2007.

If the contribution from non recurring items for both periods is excluded, then net profit amounted to 411 million and decreased by 7,9%, attributable entirely to the "market effect" linked to the international financial crisis.

The half year result includes a net cost of 44,9 million euro, the effect of the purchase price allocation for the former Banca Lombarda Group (-43,5 million the amount recognised in the same period of 2007).

An analysis of the income statement shows that despite the unfavourable performance of markets, **operating income** was in line (+0,2%) with that for the same period of 2007 at 2.247,7 million euro compared to 2.243,6 million recorded to 30th June 2007 and that it increased by 3,1% in normalised terms and net of "profit from trading, hedging, disposal and repurchase activities and assets/liabilities at fair value".

Net interest income, which includes the relevant effect of the purchase price allocation (-43,3 million euro), continued to perform well with **an increase of 12,8%** to 1.464,7 million euro compared to approximately 1.298,1 million euro achieved in 2007 (+166,6 million euro) and it continued to drive revenues in the present market context.
The result recorded is mainly attributable to growth in volumes of lending and funding and to the increase in the spread (+8 basis points) also resulting from the improved composition of the lending portfolio, the consequence of action taken to rationalise exposures to business with marginal profitability in the "large corporate" segment and to refocus the "core" lending performed by the Group during the year which contributed to an increase in the mark-up of 13 basis points.
Management accounting analyses of lending volumes for the network banks (excluding BPA recently migrated on the IT system) do in fact show an increase in monthly averages for lending to the "small business" segment of 12,6% and to the "core corporate" segment of 9%, against a reduction in average exposures to the large corporate segment of 16,3%.

The positive performance in net interest income more than compensated for the reduction in **net commission income**, which, as a result of the contraction in commissions earned from management, trading and advisory services (-57,7 million euro) and of the basic stability of the traditional banking services component, as restrained by the current legislative and regulatory framework, amounted to 619,8 million euro, a fall of 8,1% compared to 674,5 million in June 2007 (calculated excluding performance fees present in 2007 only and amounting to 4,5 million euro).

Dividends earned in the first half on equity investments, amounting to 68,5 million euro (79,7 million euro in June 2007), included 55,1 million euro from shares of Intesa Sanpaolo held in portfolio.

Net profit from trading, hedging, disposal and repurchase activity and on assets/liabilities at fair value amounted to 10,9 million euro, a positive result compared to the first quarter of 2008, but much lower than the result to 30th June 2007 (73,8 million euro), mainly the consequence of the mark to market valuation of securities held in portfolio, affected by market performance. The result includes a non recurring item relating to the sale of an AFS equity participation (7,1 million euro) and benefits from the achievement of private equity profits by Centrobanca.

Net income on insurance operations, now for UBI Assicurazioni (P&C) only following the sale of 50% + 1 share of UBI Assicurazioni Vita to Aviva, totalled 13,8 million euro (20,4 million in 2007 on a like for like basis). The lower contribution to operating profits in the first half of 2008 is mainly affected by the stricter policy in the calculation of the damages reserve adopted in 2008.

Other operating income amounted to approximately 55,8 million euro (76,9 in June 2007) and reflects the effects of the different method adopted to manage CPI insurance policies on mortgages and loans since the beginning of 2008 which involves lower operating income (12 million euro) and lower administrative expenses.

Operating costs, which include the relevant effect of the purchase price allocation amounting to 36,5 million euro, showed a contained increase of 1,7% in normalised terms during the period**.** In the first half of 2007 those costs included a non recurring benefit of 49,4 million euro within staff costs resulting from discounting the staff severance provision to present values. If that non recurring element is included then costs increased by 5,7%.

In detail, *staff costs* amounted to 809,3 million euro, more or less unchanged (+0,5%) compared to the normalised 2007 figure which excludes the non recurring item relating to discounting the staff severance provision to present values (while they recorded an increase of 7,1% if that non recurring item is included). The synergies achieved from staff leaving ahead of schedule with respect to Business Plan forecasts and lower costs related to branch disposals (totalling more than 22 million euro) did in fact offset the increase in remunerations which occurred also in relation to the renewal of the national labour contract and of the supplementary company labour contract.

Other administrative expenses, amounting to 373,6 million euro, recorded no significant changes compared to the 2007 figure of 369,3 million and were virtually in line with budget forecasts.
It must also be considered that administrative expenses included expenses for both the target IT platform and the former BPU IT platform. The latter will be abandoned when the IT migrations are completed within the end of 2008.

Altogether, staff costs and other administrative expenses grew on a normalised basis by 0,7% year on year.

Net impairment losses on property, plant and equipment and intangible assets, which included the negative impact amounting to 36,5 million euro of the purchase price allocation, amounted to 133,5 million euro, an increase of approximately 11,3% following the increased investments in the Group IT system. This increase was, however, already incorporated in the budget for the current year.

Net of the impact of the purchase price allocation and in normalised terms, the cost/income ratio stood at 56%, compared to 55,1% in June 2007.

As a result of the performance described above, **net operating income** amounted to 931,4 million euro compared to 998,8 million euro in the first half of 2007. In normalised terms and excluding "net profit from trading hedging, disposal and repurchase activities and assets/liabilities at fair value", net operating income would have increased by 5,1% compared to 2007.

Net impairment losses on loans for the first half of 2008 amounted to 154,2 million euro compared to 115,1 million euro in June 2007. The deterioration recorded in the second quarter of 2008 (94 million

euro) compared to the figure for the first quarter of the year (60,2 million euro) is partly the consequence of the worsened economic situation and partly the consequence of the standardisation of the criteria for valuing non performing and impaired loans following the centralisation of management of these loans in the Parent Bank (impact in 2Q2008).
Net impairment losses as a percentage of net lending to customers stood on average during the first half at 0,32% annualised – 0,29% net of the non recurring items already mentioned – compared to 0,25% recognised in the first six months of 2007, and were in line with Business Plan forecasts for the full year 2008 (0,35%).

Net write-backs of impairment losses on other assets/liabilities were recorded in the first six months of the year – compared to net impairment losses recorded to June 2007 of 5,9 million euro relating almost entirely to the write down of the interest held in Hopa – which included the following: a further write down of -6,4 million of the 2% stake held in Hopa, which is currently stated with a carrying value of 0,10 euro per share for a total of 2,7 million euro and a positive non recurring effect of +8,5 million, the result of the alignment of the calculation method of collective impairment on signature engagements to the collective impairment on cash loans.

Net provisions for liabilities and charges amounted to 25,9 million, compared to 13,6 million in the first six months of 2007.

The first half benefited from **gains on the disposal of equity investments** amounting to 79,1 million, consisting of 55,9 million from the gain on the disposal of shares in the UBI Pramerica asset management company to restore the interest held by the American partner, Prudential, to the agreed 35% level and of 23,2 million from the gain on the sale of 50% of the share capital +1 share of UBI Assicurazioni Vita to the Group's insurance partner Aviva.
The amount of 21,5 million recognised in 2007 included a gain of 21,3 million on the disposals performed for the listing of the IW Bank share.

As a result of the performance described above, **profit on continuing operations before tax** amounted to 833,9 million euro, compared to 885,8 million previously. In normalised terms and excluding "net profit from trading hedging, disposal and repurchase activities and assets/liabilities at fair value", profit on continuing operations before taxes would have been virtually unchanged compared the figure to 30th June 2007 (-1,2%).

Taxes on income for the period for continuing operations amounted to 227,1 million, a decrease compared to 363,1 million in the first half 2007, the result of:

- the non recurring positive impact recognised to 30th June 2008 of the application of a substitute tax on non accounting differences (the EC section of the income tax form) pursuant to Art.1, paragraph 33 of Law No. 244/2007, which aligned statutory accounting amounts with those for tax purposes (depreciation and amortisation, net impairment losses and provisions) by means of the payment of a substitute tax. The benefit – amounting to 73,8 million – is the result of the difference between provisions made in the accounts for deferred taxes on items subject to redemption (27,5% + IRAP, local production tax) and the substitute tax due (16%);
- changes resulting from the "summer mini-budget" (Law No. 133 of 6th August 2008) concerning the partial non deductibility (3%) of interest expense with greater costs in terms of increased taxes to 30th June 2008 amounting to 19,4 million euro.
- the reduction in tax rates which came into force from 1st January 2008.

The tax rate for the period was therefore 27,2% compared to the previous 41,2%. If the amounts are normalised to take account of non recurring items, the tax rate for the first half of 2008 rises to 39% with a decrease of 2,1 percentage points compared to 41,2% recorded in June 2007.

Net integration costs incurred in the period amounted to 28,5 million euro (compared to 146,3 in the same period of 2007).

The **after tax profit (loss) from discontinued operations** was negative amounting to 11 million euro and included 10,9 million for the estimate of the adjustment to be paid on the price of the 61 branches sold to Banca Popolare Vicentina, for which valuation is still in progress. The amount for the first half of 2007 – 16,6 million – is the result of the sale of 15 Banca Carime branches to Banca Popolare Pugliese.

Finally, **profit for the period attributable to minority interests** amounted to 48,1 million, compared to 32,9 million in 2007.

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The balance sheet

It will be recalled that in 2007, 61 branches were sold to Banca Popolare di Vicenza in compliance with Antitrust Authority instructions. The assets and liabilities recognised in the accounts as at 30th June 2008 do not therefore include the balances relating to those branches which are, however, included in the balance sheet as at 30th June 2007. Comparison figures are therefore given based purely on the accounts together with comparison figures on a like-for-like basis also excluding, that is, the branches disposed of from the 2007 aggregates.

Group **lending to customers** as at 30th June 2008 totalled 96,5 billion euro, an increase on a like-for-like basis of 7,7%, compared to 89,6 billion euro existing in June 2007 *(+6,5% in terms of book values)*.
A policy has been implemented in 2008 to rationalise lending to the large corporate sector with a reduction in exposure of approximately 2,9 billion euro compared to 2007, to be channelled into a progressive increase in lending to medium and small sized enterprises which represent the "core" business of the Group. On a like-for-like basis and net of the large corporate segment, loans to customers increased by approximately 12,9%, higher than forecast in the Business Plan.

As concerns the **quality of the lending portfolio** as at 30th June 2008, the ratio of non performing loans and net impaired loans to net lending was unchanged compared to March 2008 and stood at 1,66% (1,41% in June 2007). In detail, the ratio of net non performing loans to net lending was 0,77% compared to 0,79% in March 2008 (0,69% in June 2007) and the ratio of net impaired loans to net lending was 0,89% compared to 0,87 in March 2008 (0,72% in June 2007).

Direct funding recorded growth on a like-for-like basis of 5,9% year-on-year to approximately 93,6 billion euro from 88,4 billion euro recorded as at 30th June 2007 *(+5,4% in terms of book values)*. Group funding as at 30th June 2008 was composed of funding from ordinary customers which accounted for approximately 84% of the total and issues on international markets purchased by institutional investors accounting for 16% of the total. Institutional funding included the launch in June 2008 of French Certificats de Dépôt and of commercial paper listed on the London Stock Exchange which generated funding of approximately 1,8 billion euro at the end of June, whereas the volumes of the EMTN programme fell to 13,4 billion from 13,9 in June 2007, while waiting to resume issues. Issues for a total of 5 billion euro are planned for the second half of the year, to be performed on the basis of the new covered bonds programme and the EMTN programme for amounts to be set which will depend on how conditions develop on markets.

The **net interbank debtor position** as at 30th June 2008 amounted to 3 billion euro, markedly lower than the figure of 7,6 billion recorded in June 2007.

Finally, **total indirect funding from private individual customers** continued to be affected by the unfavourable performance of financial markets, contracting year-on-year on a like-for-like basis by 12,2% to 82,9 billion euro from 94,4 billion euro in 2007 *(-13,1% in terms of book values)*. Both assets under management and assets under custody were affected by the difficulties experienced on financial markets, which started in the second half of 2007 and are still in progress, falling by 17,2% to 45,4 billion euro *(-18,1% in terms of book values)* and by 5,4% to 37,5 billion euro *(-6,2% in terms of book values)* respectively.

At the end of June 2008, the consolidated **shareholders' equity** of the UBI Banca Group, excluding profit for the period, amounted to 10.841,3 million euro compared to 10.879,4 million in June 2007.

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Capital ratios

Initial indications of capital ratios as at 30th June 2008, estimated on the basis of the Basel 2 standardised approach, give a Core Tier 1 and a Total Capital Ratio higher than the Business Plan targets (6,5% and 10% respectively).

However, since these are the first consolidated reports to the supervisory authority based on the new regulations and because the results produced by the new software applications are still subject to verification and controls, the final figures will be disclosed to markets when they are reported to the supervisory authority at the end of October.

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As at 30th June 2008, the Group had a total workforce of 21.537 staff compared to 21.439 staff in June 2007, but with a year-on-year reduction in permanent employees of 624, while resort to temporary and agency staff increased, partly in relation to the implementation of the Business Plan and the IT migrations. The branch network at the date of this press release consists of 1.931 branches in Italy and nine abroad.

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Business outlook

The business outlook for consolidated performance confirms the basic sustainability of the results for recurring operations forecast in the 2007-2010 Business Plan for the year in progress.

Normalised net profit expected for 2008 – which also takes account of the new tax legislation introduced by the "summer mini-budget" – is in fact in line with the target set in the 2008 business plan which, however, is to be achieved with a different composition of revenues, consistent with market developments and more centred on interest income.

In an expected context of steady interest rates in the second half of the year and of pressure on the cost of funding, growth in net interest income should be lower than that earned in 2007, although it should make a significantly greater contribution to operating income than that forecast in the Business Plan for the year.

The contribution to profits made by financial activities was affected by the unfavourable performance of markets in the first half of 2008. The achievement of profit targets for those activities in the second half remains heavily dependent on the context returning to normal operating conditions. This trend could also have impacts on asset valuation in terms of economic impairment of available-for-sale financial assets if particularly negative market conditions should persist.

Net commissions are expected to decrease compared to 2007, mainly as a result of the unfavourable performance of indirect funding, with a consequent lower contribution to profits compared to targets, which however it is expected will be more than offset by the higher contribution from net interest income.

Net of integration costs and the positive impact of changes to the accounting treatment of the staff severance provision (2007 Finance Act), operating costs for the year in progress should be higher than forecast in the Business Plan, although for a contained amount, the result of higher expenses attributable to the Group IT system.

The cost of lending in the first half was 32 basis points. On the basis of the information currently available, it is expected that the performance for the full year 2008 will remain within the 35 basis points forecast in the Business Plan.

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Ordinary periodical update of the Business Plan

The UBI Banca Group has programmed the ordinary periodical update of the 2007-2010 Business Plan for next December, following the expected completion of the IT migrations and of more than 80% of the Integration Business Plan activities. The update will take account of both the new up-to-date macroeconomic projections and of the changed market and regulatory conditions, which are less favourable for growth in revenues and for improvements in performance indicators, and also of the trends in balance sheet and operating items which have occurred during the past quarters of the year in progress. It will cover the period 2009-2011. Expectations for the end of the 2008 confirm the sustainability of the results for recurring operations forecast in the 2007-2010 Business Plan for the year in progress.

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Declaration of the Senior Officer responsible for preparing corporate accounting documents

The undersigned, Elisabetta Stegher, as the senior 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 accounting information contained in this press release is reliably based on the records contained in corporate documents and accounting records.

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Attachments

Financial statements
The UBI Banca Group:

- Reclassified consolidated balance sheet
- Reclassified consolidated income statement
- Reclassified consolidated quarterly income statement
- Reclassified consolidated income statement net of the main non recurring items
- Balance sheet – mandatory accounts
- Income statement – mandatory accounts

UBI Banca S.c.p.a.:

- Reclassified balance sheet
- Reclassified income statement

Notes to the statements

The mandatory 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 as at 30th June 2007 have therefore been prepared which include the items relating to the former BLP Group for the full first half, in order to allow a uniform comparison of Group performance.
It will be recalled that the financial statements as at and for the year ended 31st December 2007 were also prepared in pro-forma form to take account of the balance sheet and income statement items of the former BLP Group for the first three months of the year.

In compliance with the international standard IFRS 3, the cost of acquisition (at the date of acquisition itself, amounting to 4,2 billion) was recognised in both the reclassified and the abbreviated mandatory half year balance sheets by allocating it to the fair value of the assets and liabilities of the merged bank, while maintaining the difference within goodwill.

The reclassified *income statements* include, in turn, the impact of the purchase price allocation, which was negative by 44,9 million in the first half of 2008. That effect – recalculated for all the previous comparison periods – amounted to 43,5 million in the first half of 2007 (the amount was not recognised in the mandatory statements for the first six months of 2007, because the purchase price allocation process had not yet been completed at that time).

The reclassified income statement figures to 30th June 2007 also incorporate, on an accruals basis, the amendments to Art. 52 of the Corporate By-Laws of UBI Banca and to Art. 31 of the Corporate By-Laws of BPB, approved when the financial statements for the year ended 31st December 2007 were approved, concerning the allocation of a share of net profit to staff pensions and social security, to be charged directly to staff expenses (+11,1 million the impact on staff costs in the first half of 2007).

Following the partial disposal of UBI Assicurazioni Vita (50% of the share capital + 1 share), concluded on 18th June 2008, which meant that the consolidation method was changed from full consolidation to consolidation by the equity method, further pro-forma changes were made to the reclassified income statements for the first half of 2007 and for the full year 2007 in order to back-date the new consolidation criterion to 1st January 2007. This, however, did not affect the final net results.

In order to facilitate analysis of the Group's performance and in compliance with CONSOB Communication No. DEM/6064293 of 28th July 2006, a special statement has been included in the reclassified financial statements to show the impact on earnings of the **principal non recurring events and items** – the relative effects on capital and cash flow not being significant – which are summarised as follows:

first half 2008

- integration costs resulting from the merger transaction;
- gain on the disposal of a capital share of UBI Pramerica and of UBI Assicurazioni Vita;
- change in the method of calculating collective impairment losses on guarantees issued;
- price adjustment for disposal of branches;
- tax exemption on differences in statutory accounting values and values for tax purposes as at 31st December 2007
- other relative to disposals and valuation of minority interests

first half 2007

- 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 abandoned);
- the disposal of shares in the subsidiary IW Bank for the listing of that bank and the disposal of 15 branches by Banca Carime;
- other relative to the effects of the valuation of minority interests and fiscal effects.

UBI Banca Group: reclassified consolidated balance sheet

Figures in thousands of euro	30.06.2008 A	31.12.2007 pro-forma B	30.06.2007 pro-forma C	% changes A/C
ASSETS				
Cash and cash equivalents	529.922	643.108	470.341	12,7%
Financial assets held for trading	2.275.860	3.256.841	6.714.221	-66,1%
Financial assets at fair value	1.254.337	1.333.586	3.501.859	-64,2%
Available-for-sale financial assets	3.678.806	3.537.133	2.698.649	36,3%
Held-to-maturity financial assets	1.401.857	1.254.520	1.249.867	12,2%
Loans to banks	3.221.741	3.691.901	3.909.475	-17,6%
Loans to customers	96.506.114	92.972.478	90.613.403	6,5%
Hedging derivatives	217.615	261.479	374.120	-41,8%
Fair value change of hedged financial assets (+/-)	-70.934	-7.685	-16.721	324,2%
Equity investments	230.911	267.340	214.451	7,7%
Technical reserves of reinsurers	84.441	91.434	90.420	-6,6%
Property, plant and equipment	2.131.786	2.154.133	2.155.036	-1,1%
Intangible assets	5.568.650	5.613.656	5.666.899	-1,7%
of which: goodwill	*4.357.430*	*4.352.160*	*4.416.188*	*-1,3%*
Tax assets	1.004.769	1.201.850	1.041.676	-3,5%
Non current assets and disposal groups held for sale	19.803	13.205	9.760	102,9%
Other assets	2.662.354	2.315.878	2.927.058	-9,0%
Total assets	**120.718.032**	**118.600.857**	**121.620.514**	**-0,7%**
LIABILITIES				
Due to banks	6.179.055	7.736.405	11.517.461	-46,4%
Due to customers	51.185.280	49.475.322	48.477.182	5,6%
Securities in issue	42.416.184	40.871.073	40.352.443	5,1%
Financial liabilities held for trading	794.656	865.207	1.328.079	-40,2%
Financia liabilities at fair value	0	0	0	0,0%
Hedging derivatives	396.679	351.723	440.596	-10,0%
Fair value change of hedged financial liabilities (+/-)	0	-	-	-
Tax liabilities	1.360.800	1.773.057	1.602.206	-15,1%
Liabilities associated with disposal groups held for sale	6.609	-	0	0,0%
Other liabilities	4.756.203	3.487.042	4.276.246	11,2%
Staff severance payments	425.648	469.715	472.316	-9,9%
Provision for liabilities and charges:	361.253	321.695	527.767	-31,6%
a) pension and similar obligations	82.361	84.139	88.813	-7,3%
b) other provisions	278.892	237.556	438.954	-36,5%
Technical reserves	380.198	373.859	364.718	4,2%
Share capital, issue premiums and reserves	10.841.295	10.849.349	10.879.376	-0,4%
Minority interests	1.094.986	1.085.839	1.022.010	7,1%
Profit for the period	519.186	940.571	360.114	44,2%
Total liabilities	**120.718.032**	**118.600.857**	**121.620.514**	**-0,7%**

The pro-forma figures as at 30th June 2007 do not include amounts relating to the 61 branches sold to Banca Popolare di Vicenza	30.06.2008 A	31.12.2007 pro-forma B	30.06.2007 pro-forma C	% changes A/C
Direct funding from customers	93.601.464	90.346.395	88.371.312	5,9%
Loans to customers	96.506.114	92.972.478	89.646.507	7,7%
Assets under custody	37.482.667	39.471.188	39.605.105	-5,4%
Assets under management	45.370.082	51.324.145	54.794.244	-17,2%
Indirect funding from ordinary customers	82.852.749	90.795.333	94.399.349	-12,2%

UBI Banca Group: reclassified consolidated income statement

Figures in thousands of euro	**30.06.2008**	**30.06.2007** pro-forma	**% changes**	**31.12.2007** pro-forma
Net interest income	1.464.722	1.298.122	12,8%	2.690.033
of which: impact of Purchase Price Allocation	*(43.298)*	*(49.169)*	*(11,9%)*	*(87.808)*
Net interest income excluding impact of PPA	1.508.020	1.347.291	11,9%	2.777.841
Dividend and similar income	68.475	79.744	(14,1%)	83.539
Profit (loss) of equity investments valued using the equity method	14.200	15.554	(8,7%)	32.529
Net commission income	619.830	674.521	(8,1%)	1.332.218
Performance commissions	-	4.517	(100,0%)	12.617
Net profit (loss) from trading, hedging and disposal/repurchase activities valued at fair value	10.892	73.831	(85,2%)	101.919
Net income on insurance operations	13.811	20.394	(32,3%)	39.878
Other net operating income/(expense)	55.791	76.930	(27,5%)	149.582
Operating income	**2.247.721**	**2.243.613**	**0,2%**	**4.442.315**
Operating income excluding impact of PPA	**2.291.019**	**2.292.782**	**(0,1%)**	**4.530.123**
Staff costs	(809.253)	(755.576)	7,1%	(1.537.002)
Other administrative expenses	(373.573)	(369.309)	1,2%	(768.255)
Net impairment losses on property, plant and equipment and intangible assets	(133.494)	(119.897)	11,3%	(244.807)
of which: impact of Purchase Price Allocation	*(36.464)*	*(30.810)*	*18,4%*	*(61.620)*
impact of PPA	(97.030)	(89.087)	8,9%	(183.187)
Operating costs	**(1.316.320)**	**(1.244.782)**	**5,7%**	**(2.550.064)**
Operating costs excluding impact of PPA	**(1.279.856)**	**(1.213.972)**	**5,4%**	**(2.488.444)**
Net operating income	**931.401**	**998.831**	**(6,8%)**	**1.892.251**
Net operating income excluding impact of PPA	**1.011.163**	**1.078.810**	**(6,3%)**	**2.041.679**
Net impairment losses on loans	(154.195)	(115.058)	34,0%	(345.635)
Net impairment losses on other assets and liabilities	3.507	(5.898)	(159,5%)	(28.571)
Net provisions for liabilities and charges	(25.920)	(13.603)	90,5%	(37.955)
Profit (loss) from disposal of equity and other investments	79.090	21.545	267,1%	22.796
Profit (loss) on continuing operations before tax	**833.883**	**885.817**	**(5,9%)**	**1.502.886**
Profit (loss) on continuing operations before tax excluding impact of PPA	**913.645**	**965.796**	**(5,4%)**	**1.652.314**
Taxes on income for the period for continuing operations	(227.085)	(363.091)	(37,5%)	(597.263)
of which: impact of Purchase Price Allocation	*25.815*	*30.591*	*(15,6%)*	*57.157*
Integration costs	(28.457)	(146.301)	(80,5%)	(166.721)
of which: staff costs	*(18.523)*	*(188.095)*	*(90,2%)*	*(193.517)*
other administative expenses	*(21.190)*	*(6.960)*	*204,5%*	*(32.817)*
net impairment losses on tangible and intangible assets	*(1.040)*	*(25.877)*	*(96,0%)*	*(27.207)*
taxes	*12.296*	*74.631*	*(83,5%)*	*86.820*
Profit (loss) of non current assets held for sale and discontinued operations net of taxes	(11.029)	16.584	(166,5%)	308.547
Net profit for the period attributable to minority interests	(48.126)	(32.895)	46,3%	(106.878)
of which: impact of Purchase Price Allocation	*9.070*	*5.913*	*53,4%*	*11.505*
Profit for the period attributable to the Parent Bank excluding impact of PPA	*564.063*	*403.589*	*39,8%*	*1.021.337*
Profit for the period attributable to the Parent Bank	**519.186**	**360.114**	**44,2%**	**940.571**

Total impact of PPA on Income Statement	*(44.877)*	*(43.475)*		*(80.766)*

As at 31 December 2007, the item "Net impairment losses on loans" includes the impact of the change in the method of calculating collective impairment losses on performing loans, amounting to 85,1 million euro.

UBI Banca Group: reclassified consolidated quarterly income statements

Figures in thousands of euro	2008 IIQ	2008 IQ	2007 IVQ Pro-forma	2007 IIIQ Pro-forma	2007 IIQ Pro-forma	2007 IQ Pro-forma
Net interest income	732.839	731.883	719.762	672.149	653.850	644.272
of which: impact of Purchase Price Allocation	*(24.079)*	*(19.219)*	*(18.272)*	*(20.367)*	*(26.874)*	*(22.295)*
Net interest income excluding impact of PPA	756.918	751.102	738.034	692.516	680.724	666.567
Dividends and similar income	66.839	1.636	3.227	568	74.488	5.256
Profit (loss) of equity investments valued using the equity method	5.470	8.730	8.491	8.484	7.289	8.265
Net commission income	302.430	317.400	333.917	323.780	345.288	329.233
Performance commissions	-	0	8.012	88	2.296	2.221
Net profit (loss) from trading, hedging and disposal/repurchase activities valued at fair value	37.980	(27.088)	22.476	5.612	23.966	49.865
Net income on insurance operations	9.700	4.111	11.945	7.539	11.637	8.757
Other net operating income/(expense)	24.003	31.788	38.247	34.405	37.411	39.519
Operating income	**1.179.261**	**1.068.460**	**1.146.077**	**1.052.625**	**1.156.225**	**1.087.388**
Operating income excluding impact of PPA	**1.203.340**	**1.087.679**	**1.164.349**	**1.072.992**	**1.183.099**	**1.109.683**
Staff costs	(414.609)	(394.644)	(395.140)	(386.286)	(357.931)	(397.645)
Other administrative expenses	(199.233)	(174.340)	(225.799)	(173.147)	(190.388)	(178.921)
Net impairment losses on property, plant and equipment and intangible assets	(66.942)	(66.552)	(63.340)	(61.570)	(62.286)	(57.611)
of which: impact of Purchase Price Allocation	*(18.237)*	*(18.227)*	*(15.405)*	*(15.405)*	*(15.405)*	*(15.405)*
Net impairment losses on property, plant and equipment and intangible assets excluding impact of PPA	(48.705)	(48.325)	(47.935)	(46.165)	(46.881)	(42.206)
Operating costs	**(680.784)**	**(635.536)**	**(684.279)**	**(621.003)**	**(610.605)**	**(634.177)**
Operating costs excluding impact of PPA	**(662.547)**	**(617.309)**	**(668.874)**	**(605.598)**	**(595.200)**	**(618.772)**
Net operating income	**498.477**	**432.924**	**461.798**	**431.622**	**545.620**	**453.211**
Net operating income excluding impact of PPA	**540.793**	**470.370**	**495.475**	**467.394**	**587.899**	**490.911**
Net impairment losses on loans	(93.973)	(60.222)	(163.861)	(66.716)	(51.827)	(63.231)
Net impairment losses on other assets and liabilities	3.517	(10)	(20.236)	(2.437)	(4.802)	(1.096)
Net provisions for liabilities and charges	(17.431)	(8.489)	(18.379)	(5.973)	(2.853)	(10.750)
Profit (loss) from disposal of equity and other investments	21.708	57.382	1.040	211	21.217	328
Profit (loss) on continuing operations before tax	**412.298**	**421.585**	**260.362**	**356.707**	**507.355**	**378.462**
Profit (loss) on continuing operations before tax excluding impact of PPA	**454.614**	**459.031**	**294.039**	**392.479**	**549.634**	**416.162**
Taxes on income for the period for continuing operations	(66.345)	(160.740)	(70.526)	(163.646)	(195.653)	(167.438)
of which: impact of Purchase Price Allocation	*13.782*	*12.033*	*12.883*	*13.683*	*16.171*	*14.420*
Integration costs	(14.037)	(14.420)	(14.244)	(6.176)	*(146.301)*	-
of which: staff costs	*(8.634)*	*(9.889)*	*(2.746)*	*(2.676)*	*(188.095)*	-
other administative expenses	*(10.788)*	*(10.402)*	*(19.732)*	*(6.125)*	*(6.960)*	-
net impairment losses on tangible and intangible assets	*(718)*	*(322)*	*(357)*	*(973)*	*(25.877)*	-
taxes	*6.103*	*6.193*	*8.591*	*3.598*	*74.631*	-
Profit (loss) of non current assets held for sale and discontinued operations net of taxes	*(11.029)*	0	291.925	38	16.868	(284)
Net profit for the period attributable to minority interests	(20.971)	(27.155)	(51.329)	(22.654)	(15.468)	(17.427)
of which: impact of Purchase Price Allocation	*4.942*	*4.128*	*2.796*	*2.796*	*3.036*	*2.877*
Profit for the period attributable to the Parent Bank excluding impact of PPA	*323.508*	*240.555*	*434.186*	*183.562*	*189.873*	*213.716*
Profit for the period attributable to the Parent Bank	**299.916**	**219.270**	**416.188**	**164.269**	**166.801**	**193.313**
Total impact of PPA on Income Statement	*(23.592)*	*(21.285)*	*(17.998)*	*(19.293)*	*(23.072)*	*(20.403)*

For the fourth quarter 2007 the item "Net impairment losses on loans" includes the impact of the change in the method of calculating collective impairment losses on performing loans, amounting to 85,1 million euro.

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

Figures in thousands of euro	30.06.2008	non recurring items: Integration costs	Impairment of equity investments	Tax redemption "EC section" of the income tax form	Disposal of equity investments	Price adjustment on the sale of Branches	Impairment on signature engagements	30.06.2008 *net of non recurring items*	30.06.2007	non recurring items: Integration costs	Impairment of equity investments	Pension reform effect	Disposal of equity investments and branches of Banca Carime	30.06.2007 *net of non recurring items*	Changes	% Changes	% Changes net of profit from trading, hedging and disposal/repurchase activities valued at fair value
Net interest income (including impact of PPA)	1.464.722							1.464.722	1.298.122					1.298.122	166.600	12,8%	
Dividends and similar income	68.475							68.475	79.744					79.744	(11.269)	(14,1%)	
Profit (loss) on equity investments valued using the equity method	14.200							14.200	15.554					15.554	(1.354)	(8,7%)	
Net commission income	619.830							619.830	674.521					674.521	(54.691)	(8,1%)	
Performance commissions	-							-	4.517					4.517	(4.517)	(100,0%)	
Net profit (loss) from trading, hedging and disposal/repurchase activities valued at fair value	10.892				(7.055)			3.837	73.831					73.831	(69.994)	(94,8%)	
Net income on insurance operations	13.811							13.811	20.394					20.394	(6.583)	(32,3%)	
Other net operating income/(expense)	55.791							55.791	76.930					76.930	(21.139)	(27,5%)	
Operating income (including impact of PPA)	**2.247.721**	**-**	**-**	**-**	**(7.055)**	**-**		**2.240.666**	**2.243.613**	**-**	**-**	**- -**		**2.243.613**	**(2.947)**	**(0,1%)**	**3,1%**
Staff costs	(809.253)							(809.253)	(755.576)			(49.396)		(804.972)	(4.281)	0,5%	
Other administrative expenses	(373.573)							(373.573)	(369.309)					(369.309)	(4.264)	1,2%	
intangible assets (including impact of PPA)	(133.494)							(133.494)	(119.897)					(119.897)	(13.597)	11,3%	
Operating costs (including impact of PPA)	**(1.316.320)**	**-**	**-**	**-**	**-**	**-**		**(1.316.320)**	**(1.244.782)**	**-**	**-**	**(49.396)**	**-**	**(1.294.178)**	**(22.142)**	**1,7%**	
Net operating income (including impact of PPA)	**931.401**	**-**	**-**	**-**	**(7.055)**	**-**		**924.346**	**998.831**	**-**	**-**	**(49.396) -**		**949.435**	**(25.089)**	**(2,6%)**	**5,1%**
Net impairment losses on loans	(154.195)							(154.195)	(115.058)		2.398			(112.660)	(41.535)	36,9%	
Net impairment losses on other assets and liabilities	3.507		6.432				(8.501)	1.438	(5.898)		5.085			(813)	2.251	(276,9%)	
Provisions for liabilities and charges	(25.920)							(25.920)	(13.603)		2.283			(11.320)	(14.600)	129,0%	
Profit (loss) from disposal of equity and other investments	79.090				(79.053)			37	21.545		48		(21.262)	331	(294)	(88,8%)	
Profit (loss) on continuing operations before tax (including impact of PPA)	**833.883**	**-**	**6.432**	**-**	**(86.108)**	**-**	**(8.501)**	**745.706**	**885.817**	**-**	**9.814**	**(49.396)**	**(21.262)**	**824.973**	**(79.267)**	**(9,6%)**	**(1,2%)**
Taxes on income for the period for continuing operations	(227.085)			(73.832)	7.548		2.338	(291.031)	(363.091)		6.650	16.301	555	(339.585)	48.554	(14,3%)	
Integration costs	(28.457)	28.457						-	(146.301)	146.301				-	-	-	
of which: staff costs																	
other administrative expenses																	
net impairment losses on tangible and intangible assets																	
taxes																	
Profit (loss) of non current assets held for sale and discontinued operations net of taxes	(11.029)					11.029		-	16.584				(16.584)	-	-	-	
Net profit for the period attributable to minority interests	(48.126)	(1.324)		6.115	563	(1.831)	970	(43.633)	(32.895)	(9.826)	(86)	1.730	2.205	(38.872)	(4.761)	12,2%	
Profit for the period attributable to Parent Bank	**519.186**	**27.133**	**6.432**	**(67.717)**	**(77.997)**	**9.198**	**(5.193)**	**411.042**	**360.114**	**136.475**	**16.378**	**(31.365)**	**(35.086)**	**446.516**	**(35.474)**	**(7,9%)**	

UBI Banca Group: Mandatory financial statements (Bank of Italy Directive of 22/12/2005) Consolidated balance sheet

Figures in thousands of euro	30.6.2008	31.12.2007	30.6.2007
ASSETS			
Cash and cash equivalents	529.922	643.128	470.341
Financial assets held for trading	2.275.860	3.811.580	7.261.604
Financial assets at fair value	1.254.337	1.333.586	3.501.859
Available-for-sale financial assets	3.678.806	5.729.003	4.880.447
Held-to-maturity financial assets	1.401.857	1.254.520	1.249.867
Loans to banks	3.221.741	3.695.284	3.912.541
Loans to customers	96.506.114	92.941.317	90.070.824
Hedging derivatives	217.615	261.479	374.120
Fair value change of hedged financial assets (+/-)	-70.934	-7.685	-16.721
Equity investments	230.911	183.448	139.999
Technical reserves of reinsurers	84.441	253.301	210.277
Property, plant and equipment	2.131.786	2.178.566	2.024.845
Intangible assets	5.568.650	5.621.122	5.524.962
- goodwill	4.357.430	4.357.381	5.410.095
Tax assets	1.004.769	1.204.069	1.036.261
a) prepaid	450.582	726.794	385.404
b) deferred	554.187	477.275	650.857
Non current assets and disposal groups held for sale	19.803	13.205	9.760
Other assets	2.662.354	2.375.643	2.964.296
TOTAL ASSETS	**120.718.032**	**121.491.566**	**123.615.282**

LIABILITIES AND SHAREHOLDERS' EQUITY			
Due to banks	6.179.055	7.736.405	11.517.461
Due to customers	51.185.280	50.164.004	49.210.797
Securities in issue	42.416.184	40.817.869	40.226.922
Financial liabilities held for trading	794.656	865.207	1.328.079
Financial liabilities at fair value	-	-	-
Hedging derivatives	396.679	351.723	440.596
Fair value change of hedged financial liabilities (+/-)	-	-	-
Tax liabilities	1.360.800	1.776.140	914.570
a) current	489.843	689.036	447.024
b) deferred	870.957	1.087.104	467.546
Liabilities associated with disposal groups held for sale	6.609	-	-
Other liabilities	4.756.203	3.499.989	4.300.057
Staff severance payments	425.648	469.879	472.654
Provisions for liabilities and charges:	361.253	321.730	528.593
a) pension and similar obligations	82.361	84.139	88.812
b) other provisions	278.892	237.591	439.781
Technical reserves	380.198	2.590.644	2.536.782
Valuation reserves	-295.532	37.485	74.747
Reimbursable shares	-	-	-
Capital instruments	-	-	-
Reserves	2.438.584	2.195.597	2.165.261
Issue premiums	7.100.378	7.100.378	7.100.378
Share capital	1.597.865	1.597.865	1.597.865
Own shares (-)	-	-	-
Minority interests (+/-)	1.094.986	1.085.839	866.910
Profit (loss) for the period (+/-)	519.186	880.812	333.610
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**120.718.032**	**121.491.566**	**123.615.282**

The figures as at 30th June 2007 are different from those already published as a result of the standardisation of accounting policies made necessary following the merger which gave rise to the UBI Banca Group. The mandatory statements as at 30th June 2007 and as at 31st December 2007 were also affected by the reclassification of repurchase and reverse repurchase agreements with the Cassa di Compensazione e Garanzia (central counterparty clearing) from the item "net interbank position" to the item "due to/ from customers".

The figures as at 30th June 2007 and as at 31st December 2007 contain results for the period that do not include the contribution from the former Banca Lombarda e Piemontese Group for the first quarter.

UBI Banca Group: Mandatory financial statements (Bank of Italy Directive of 22/12/2005) Consolidated income statement

	30.6.2008	30.6.2007	31.12.2007	IIQ2008	IIQ2007
Interest income and similar	3.049.072	2.261.178	5.255.442	1.505.235	1.396.069
Interest expense and similar	(1.578.257)	(1.101.143)	(2.683.449)	(793.837)	(688.712)
Net interest income	**1.470.815**	**1.160.035**	**2.571.993**	**711.398**	**707.357**
Commission income	727.481	647.988	1.422.798	361.006	402.985
Commission expenses	(107.651)	(93.060)	(207.179)	(56.702)	(58.813)
Net commission income	**619.830**	**554.928**	**1.215.619**	**304.304**	**344.172**
Dividends and similar income	68.475	79.454	83.249	66.839	74.488
Net profit (loss) from trading	(11.812)	23.731	30.232	23.665	16.504
Net profit (loss) from hedging activity	14.116	4.436	4.541	593	2.026
Net profit (loss) from sale or the repurchase of:	10.208	27.128	46.953	8.553	5.496
a) loans	(728)	4.163	(140)	(286)	873
b) available-for-sale financial assets	60	20.015	40.342	147	2.454
c) held-to-maturity financial assets	7.054	-	-	6.900	-
d) financial liabilities	3.822	2.950	6.751	1.792	2.169
Net profit (loss) on financial assets and liabilities at fair value	(1.620)	-	1.607	5.169	-
Gross income	**2.170.012**	**1.849.712**	**3.954.194**	**1.120.521**	**1.150.043**
Net impairment losses on:	(150.688)	(103.079)	(356.512)	(90.456)	(56.494)
a) loans	(154.195)	(97.396)	(328.015)	(93.973)	(51.827)
b) available-for-sale financial assets	(6.617)	(5.964)	(20.046)	(3.240)	(5.961)
c) held-to-maturity financial assets	(52)	(60)	-	182	(60)
d) other financial transactions	10.176	341	(8.451)	6.575	1.354
Net financial operating income	**2.019.324**	**1.746.633**	**3.597.682**	**1.030.065**	**1.093.549**
Net premiums	99.296	196.663	402.298	4.845	95.916
Other net profit (loss) on insurance operations	(91.120)	(205.518)	(421.586)	16.831	(97.560)
Net income from financial and insurance operations	**2.027.500**	**1.737.778**	**3.578.394**	**1.051.741**	**1.091.905**
Administrative expenses:	(1.302.563)	(1.178.536)	(2.489.011)	(672.967)	(780.958)
a) staff costs	(827.776)	(802.559)	(1.601.756)	(422.747)	(541.097)
b) other administrative expenses	(474.787)	(375.977)	(887.255)	(250.220)	(239.861)
Net provisions for liabilities and charges	(25.920)	(4.639)	(29.968)	(17.431)	(3.249)
Net impairment losses on property, plant and equipment	(60.680)	(61.368)	(124.118)	(29.801)	(42.415)
Net impairment losses on intangible assets	(69.089)	(34.081)	(107.878)	(35.360)	(26.798)
Other operating income (expense)	130.592	112.121	269.006	64.125	74.192
Operating costs	**(1.327.660)**	**(1.166.503)**	**(2.481.969)**	**(691.434)**	**(779.228)**
Profits (losses) of equity investments	14.198	5.523	15.248	9.184	3.543
Net result of fair valuation of property, plant and equipment and intangible assets	-	-	-	-	-
Net impairment losses on goodwill	-	(136)	-	-	(136)
Profits (losses) on disposal of investments	79.092	21.680	22.085	21.110	21.661
Profit (loss) on continuing operations before tax	**793.130**	**598.342**	**1.133.758**	**390.601**	**337.745**
Taxes on income for the period for continuing operations	(214.789)	(251.883)	(460.673)	(58.685)	(139.611)
Profit (loss) on continuing operations after tax	**578.341**	**346.459**	**673.085**	**331.916**	**198.134**
Profit (loss) after tax on disposal groups held for sale	(11.029)	16.584	308.547	(11.029)	16.868
Profit (loss) for the period	**567.312**	**363.043**	**981.632**	**320.887**	**215.002**
Profit (loss) for the period attributable to minority interests	(48.126)	(29.433)	(100.820)	(20.971)	(19.080)
Profit (loss) for the period attributable to the Parent Bank	**519.186**	**333.610**	**880.812**	**299.916**	**195.922**

Basic EPS (Earnings Per Share) "annualised"	1,5947	1,2318	1,5379
Diluted EPS (Earnings Per Share) "annualised"	1,5947	1,2318	1,5379

The figures to 30th June 2007 and to 31st December 2007 do not include the contribution from the former Banca Lombarda e Piemontese Group for the first quarter. The figures to 30th June 2007 do not incorporate the effects of the Purchase Price Allocation

UBI Banca Scpa: reclassified balance sheet

Figures in thousands of euro	30.06.2008 A	31.12.2007 pro-forma B	30.06.2007 pro-forma C	% changes A/C
ASSETS				
Cash and cash equivalents	89.797	66.812	53.231	68,7%
Financial assets held for trading	2.017.122	2.753.772	5.341.853	-62,2%
Financial assets at fair value	1.195.485	981.148	1.889.981	-36,7%
Available-for-sale financial assets	2.132.791	2.060.909	1.247.385	71,0%
Held-to-maturity financial assets	1.391.788	1.244.574	1.240.169	12,2%
Loans to banks	27.526.361	19.708.390	21.201.983	29,8%
Loans to customers	9.244.410	10.266.957	8.478.901	9,0%
Hedging derivatives	25.396	48.975	28.508	-10,9%
Equity investments	11.709.110	11.606.918	11.484.117	2,0%
Property, plant and equipment	659.019	678.205	695.735	-5,3%
Intangible assets	576.559	588.673	611.495	-5,7%
of which: goodwill	*569.058*	*569.694*	*578.294*	*-1,6%*
Tax assets	277.708	528.085	290.307	-4,3%
Non current assets and disposal groups held for sale	13.687	43.866	8.065	69,7%
Other assets	1.274.995	1.404.609	839.603	51,9%
Total assets	**58.134.228**	**51.981.893**	**53.411.333**	**8,8%**
LIABILITIES				
Due to banks	26.641.509	20.505.577	22.178.367	20,1%
Due to customers	3.788.211	2.872.466	2.271.058	66,8%
Securities in issue	14.567.300	14.657.253	15.241.039	-4,4%
Financial liabilities held for trading	831.400	842.341	1.168.412	-28,8%
Hedging derivatives	70.276	54.001	68.800	2,1%
Tax liabilities	349.267	606.326	508.711	-31,3%
Other liabilities	1.056.770	1.421.759	881.931	19,8%
Staff severance payments	44.197	51.037	54.136	-18,4%
Provision for liabilities and charges:	16.045	8.993	55.832	-71,3%
a) pension and similar obligations	-	-	-	-
b) other provisions	16.045	8.993	55.832	-71,3%
Share capital, issue premiums and reserves	10.060.756	10.141.731	10.165.110	-1,0%
Profit for the period	708.497	820.409	817.937	-13,4%
Total liabilities	**58.134.228**	**51.981.893**	**53.411.333**	**8,8%**

UBI Banca Scpa: reclassified income statement

Figures in thousands of euro	30.06.2008	30.06.2007 pro-forma	% changes	31.12.2007 pro-forma
Net interest income	(112.822)	(90.336)	24,9%	(195.803)
Dividend and similar income	901.919	970.818	(7,1%)	972.298
Net commission income	6.749	8.074	(16,4%)	19.181
valued at fair value	(24.613)	42.774	n.s.	64.015
Other net operating income/(expense)	96.339	171.235	(43,7%)	305.474
Operating income	**867.572**	**1.102.565**	**(21,3%)**	**1.165.165**
Staff costs	(81.781)	(128.910)	(36,6%)	(228.151)
Other administrative expenses	(79.799)	(92.861)	(14,1%)	(192.062)
Net impairment losses on property, plant and equipment and intangible assets	(32.165)	(36.391)	(11,6%)	(68.838)
Operating costs	**(193.745)**	**(258.162)**	**(25,0%)**	**(489.051)**
Net operating income	**673.827**	**844.403**	**(20,2%)**	**676.114**
Net impairment losses on loans	160	42	281,0%	(1.192)
Net impairment losses on other assets and liabilities	(185)	(22)	740,9%	(5.927)
Net provisions for liabilities and charges	(1.376)	(1.375)	0,1%	(3.742)
Profit (loss) from disposal of equity and other investments	18.351	(141)	n.s.	(44)
Profit (loss) on continuing operations before tax	**690.777**	**842.907**	**(18,0%)**	**665.209**
Taxes on income for the period for continuing operations	30.081	24.260	24,0%	222.014
Integration costs	(12.361)	(49.230)	*(74,9%)*	(66.736)
of which: staff costs	*(6.466)*	*(44.003)*	*(85,3%)*	*(52.019)*
other administative expenses	*(10.530)*	*(6.103)*	*72,5%*	*(24.779)*
net impairment losses on tangible and intangible assets	*(54)*	*(25.877)*	*(99,8%)*	*(26.854)*
taxes	*4.689*	*26.753*	*(82,5%)*	*36.916*
Profit (loss) of non current assets held for sale and discontinued operations net of taxes	-	-	-	(78)
Profit for the period	**708.497**	**817.937**	**(13,4%)**	**820.409**