UBI Banca: Consolidated results as at 30 June 2009

31 August 2009

UBI Banca
UNIONE DI BANCHE ITALIANE

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Methodology

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

The change in the consolidation also affected the reclassified balance sheet as from 30th June 2008, with changes in particular to direct funding from customers, resulting from the absence of Aviva Assicurazioni Vita financial funding, and to the portfolio of financial assets, resulting from the absence of the related investments.

The reclassified balance sheets (and also the mandatory statements) as from 31st March 2008 were affected by a reclassification of repurchase and reverse repurchase agreements with an institutional counterparty from item "amounts due to/from banks" to item "amounts due to/from customers", which affected also the related items in the income statements. This reclassification was necessary in order to align the classification of this counterparty in the former BLP and former BPU IT systems.

Finally, some items in the reclassified income statements for 2008 have been affected by reclassifications as a result of the following: on the one hand the alignment of the accounting policies of some non banking companies that were merged with Group accounting policies and on the other the implementation of Bank of Italy instructions to reclassify statutory auditors' remuneration from other administrative expenses to staff expenses.

The "notes on the reclassified financial statements" contained in the periodic financial reports of the Group may be consulted for a fuller comprehension of the rules followed in preparing the reclassified financial statements.

Executive summary – 1H2009 Results vs 1H2008 Results

- Core Tier 1 up to 7,24%, Tier 1 to 7,76%, Total capital ratio to 11,63%
- Net profit of 125,9 million euro in stated terms and 130,4 in normalised terms (respectively -75,7% and –68,3% vs 1H2008). Net improvement compared to 2H2008 both in stated and normalised terms
- Operating profit to 2.002,2 mln€ (+8,6% vs 2H2008 and -10,9% year on year)
- Total operating costs to 1.243,9 mln€ (-3,9% vs 2H2008 and -5,5% year on year)
- Cost of credit to 82bp of total loans (86 bps in 2H2008 and 32bp in 1H2008), confirming advantage compared to average of the 6 major banks (116 bps)
  Net NPLs / net total loans as at 30/6/2009 : 1,14% (1,53% at system level*)
  Coverage of NPLs, including collateral, of 79,65% as at June '09 vs 78,14% as at March '09
  Progressive Increase in performing loans coverage from 0,35% in June 2008, 0,47% in March 2009 to 0,53% in June 2009
- Lending (+0,3%) and funding (+2,7%). Loans/funding ratio: 100,7% (103,1% as at June 2008)
- First signs of recovery in AUM and AUC compared to December 2008

**Source: Bank of Italy Bollettino Statistico "Moneta e banche" supplement dd 9 Aug. 2009*

Executive summary

- Carried out and closed in June and July two capital management initiatives announced:
  - public exchange offer with a 41 mln € net capital gain, +5 bps Core Tier 1, 850 mln € EMTN issue*.
  - convertible bond issue for 639 mln €, fully subscribed

- As at 30 June 2009:
  - cost synergies above expectations (102% of expected synergies achieved: 102 mln€)
  - revenue synergies impacted by economic situation (57% of expected synergies achieved: 21,9 mln € vs 38,2 mln € expected): the difference is also linked to indirect funding lower performance and to lower penetration of CPI linked to mortgages

**Offer to exchange preferred shares and LT2 bonds against a new EMTN issue: nominal 640,5 mln€ exchanged (preference shares 116,5 mln€, LT2 524 mln€) vs 1.570 mln€ offered in exchange or 40% of the total. Issued 850 mln€ EMTN, 5 year maturity, 4,939% fixed rate,*

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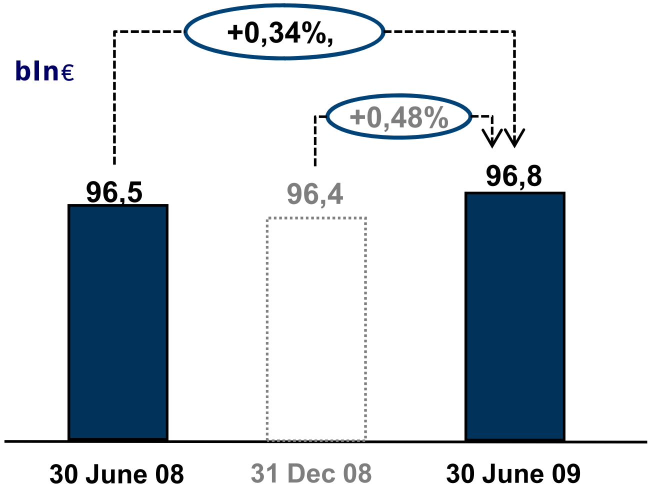
  - Income statement: quarterly evolution
  - Income statement: Reclassified consolidated income statement net of the main non recurring items
  - Credit Quality breakdown

Lending shows a slight increase compared to December '08 and June '08; net of Large Corporates, lending is up by 2,8% YoY



Network Banks perimeter+Banca 24/7+Centrobanca - end of period volumes

bln €	30.06.2008	%	30.06.2009	%	Changes
Retail + Banca 24-7	**42,5**	**52,1%**	**45,5**	**55,6%**	**7,1%**
of which: private customers +B24-7	26,3	32,3%	29,3	35,8%	3,1%
small businesses (network banks)	16,2	19,9%	16,2	19,8%	1,7%
Corporate + Centrobanca	**38,4**	**47,1%**	**35,7**	**43,6%**	**-3,4%**
of which: Core corporates (network banks)	18,8	23,1%	17,8	21,7%	-2,5%
Large corportates (network banks)	12,7	15,6%	10,7	13,1%	-5,1%
Centrobanca	6,9	8,5%	7,2	8,8%	4,6%
Private	**0,7**	**0,8%**	**0,6**	**0,8%**	**-1,7%**
Total	**81,6**	**100,0%**	**81,8**	**100,0%**	**0,4%**

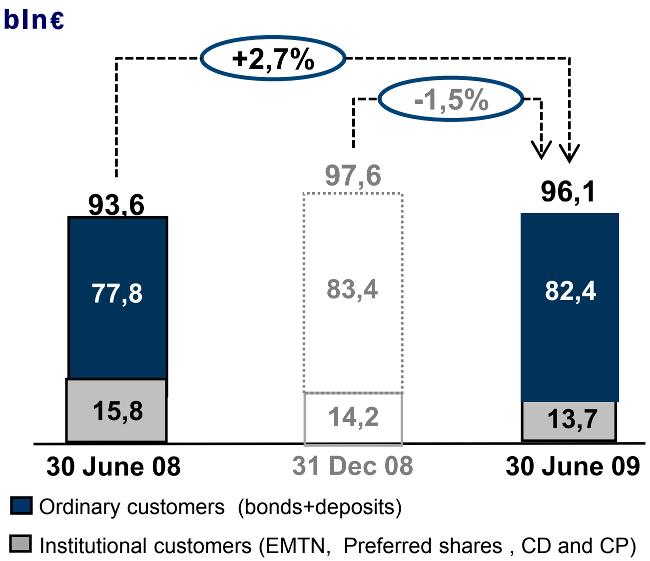
✓At consolidated level, good evolution of the medium to long term component (+6% YoY), which represent 65% of total loans

✓Centrobanca up by 4,6% to 7,2 bln€ also thanks to an increasing cooperation with the network banks leading to a significant growth in new business developed with captive customers: 64% of loans granted through the Group's banking channel compared to 30% as at June '08

✓Product companies (not included in the above table), serving both Corporate and Retail segments, show a positive evolution :

- UBI Leasing up by 7,6% to 9,4 bln€, ranking 3rd in Italy by value of contracts closed in 1H09 with a market share of 7,8%
- UBI Factor up by 4,6% to 1,9 bln€, ranking 5th in Italy by total outstanding with a market share of approx. 6%

Total direct funding: strong growth in current accounts (10%) and bonds (+8,3%)



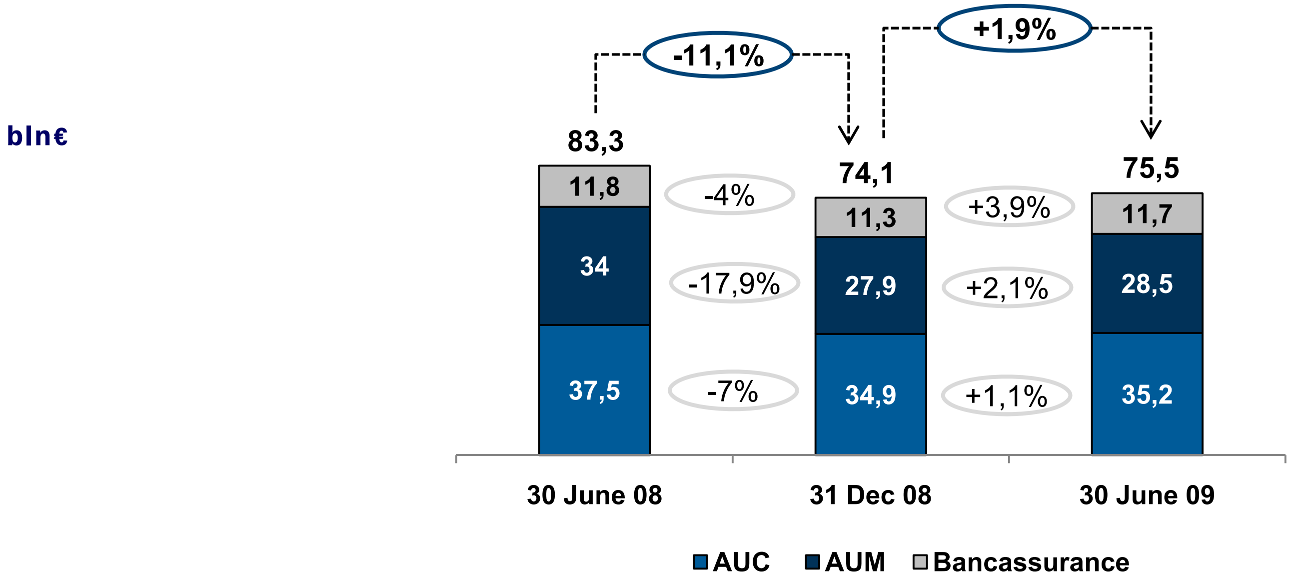
— Composition of direct funding —

bln €	30.06.2008	%	30.06.2009	%	Change yoy	31.12.2008
Due to customers	**51,2**	***54,7%***	**53,6**	***55,8%***	**4,7%**	**54,2**
of which: current accounts and deposits	40,2	*42,9%*	44,2	*46,0%*	10,0%	41,5
repurchase agreements*	8,7	*9,3%*	7,0	*7,3%*	-19,5%	10,4
Securities in issue	**42,4**	***45,3%***	**42,5**	***44,2%***	**0,3%**	**43,4**
of which: Network Banks	18,6	*19,9%*	20,1	*20,9%*	8,3%	20,4
EMTN	13,4	*14,3%*	11,7	*12,1%*	-12,8%	12,3
CD and ECP	1,8	*1,9%*	1,5	*1,6%*	-16,7%	1,3
Preferred shares	0,6	*0,6%*	0,5	*0,5%*	-17,3%	0,6
TOTAL DIRECT FUNDING	**93,6**	***100,0%***	**96,1**	***100,0%***	**2,7%**	**97,6**

- ✓ Current accounts and deposits (46% of direct funding) show constant growth +10% YoY, +6% vs Dec '08 to 44,2 bln€
- ✓ Securities in issue (44,2% of direct funding) are flat yoy (+0,3%) and slightly decreasing vs Dec08 (-2%)
- ✓ Strong Placing power of the Group with significant bond issuance activity carried out in first part of 2009 :
  - EMTN Programme: 3 bln€ issued (inclusive of 850 mln€ relating to public exchange offer) vs 3,5 bln€ matured over the six months period
  - 5,4 bln€ bonds placed on ordinary customers in 1H09 (4,3 bln€ plain vanilla bonds issued by the network banks vs 3,9 expired and 1,1 bln€ LT2 bonds issued by UBI Banca)
  - In July issue of a convertible bond, fully subscribed for 639 mln€
- ✓ 85,8% of total funding from ordinary customer base (14,2% only from institutionals EMTN, CDs, CP, etc..)
- ✓ Net interbank exposure: 2,9 billion euro (3 billion as at June '08 and approx 1 billion euro at YE2008)
- ✓ Assets eligible for refinancing amount to 9 bln€

* Including repurchase agreements with Cassa Compensazione e Garanzia

Indirect funding performance reflects a slight recovery compared to year end



- ✓ All components of indirect funding show a slight recovery compared to year end
- ✓ Net inflows of mutual funds for the UBI Banca Group were positive by 83 mln € in 2Q09 against a negative performance of 239 mln € in 1Q09
  Again in July 2009, net inflows of funds are positive by nearly 190 million euro
- ✓ According to Assogestioni, with regard to Mutual funds, the Group ranks third in Italy by total net worth, with a market share of 4,98% (4,52% as at June 2008 and 4,87% as at December 2008)

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Both in stated and normalised terms, operating margins improve compared to 2H2008 mainly thanks to better results from finance and operating costs in constant reduction (1/2)

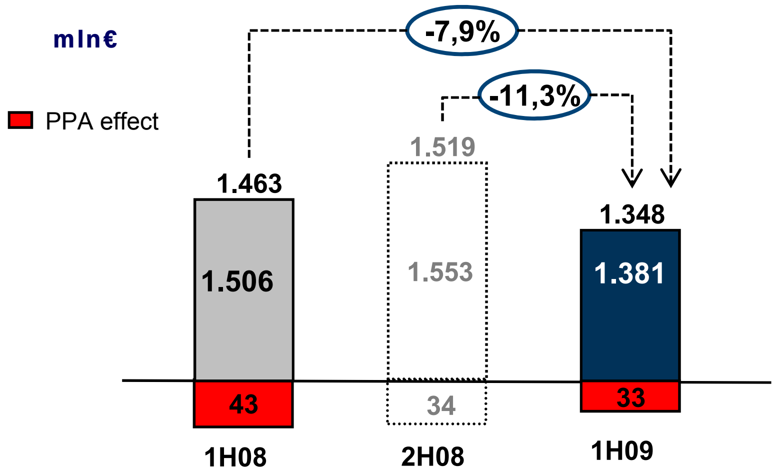
In million euro	1H2009	1H2008	Changes 1H09/1H08	2H2008	Changes 1H09/2H08
STATED					
Net interest income	1.348	1.463	(7,9%)	1.519	(11,3%)
Net commissions	507	627	(19,1%)	561	(9,6%)
Result from finance	67	11	ns	(253)	ns
Operating income	**2.002**	**2.247**	**(10,9%)**	**1.843**	**8,6%**
Operating costs	**(1.244)**	**(1.316)**	**(5,5%)**	**(1.295)**	**(3,9%)**
Net operating income	**758**	**930**	**(18,5%)**	**548**	**38,3%**
Net impairment losses on loans	(395)	(153)	158,4%	(413)	(4,4%)
Net impairment losses on other assets/liabilities	(35)	3	ns	(514)	(93,2%)
Profit on continuing operations before tax	**305**	**834**	**(63,4%)**	**(382)**	**ns**
Tax on income for the period	(153)	(227)	(32,6%)	6	ns
Integration costs net of taxes	(11)	(29)	(61,5%)	(39)	(71,7%)
Profit for the period attributable to the Parent Bank	**126**	**519**	**(75,7%)**	**(450)**	**ns**

Both in stated and normalised terms, operating margins improve compared to 2H2008 mainly thanks to better results from finance and operating costs in constant reduction (2/2)

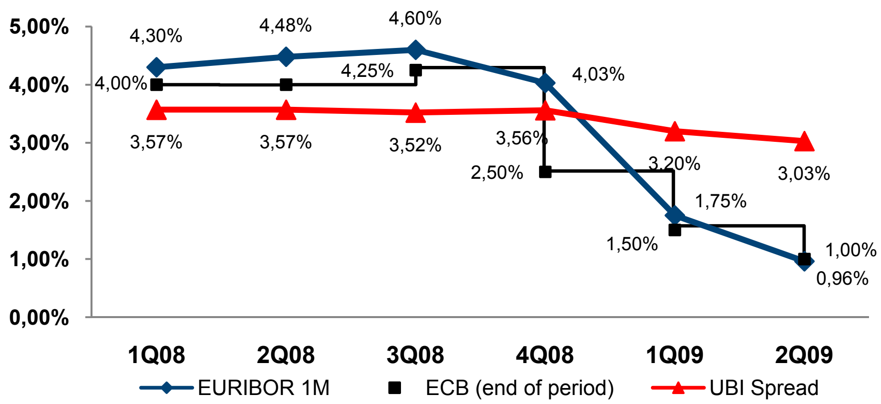
In million euro	1H2009	1H2008	Changes 1H09/1H08	2H2008	Changes 1H09/2H08
NORMALIZED					
Net interest income	1.348	1.463	(7,9%)	1.519	(11,3%)
Net commissions	507	627	(19,1%)	561	(9,6%)
Result from finance	31	4	ns	(207)	ns
Operating income	**1.967**	**2.239**	**(12,2%)**	**1.902**	**3,4%**
Operating costs	**(1.244)**	**(1.316)**	**(5,5%)**	**(1.287)**	**(3,3%)**
Net operating income	**723**	**923**	**(21,7%)**	**616**	**17,4%**
Net impairment losses on loans	(395)	(153)	158,4%	(404)	(2,1%)
Net impairment losses on other assets/liabilities	(3)	1	ns	(9)	(70,5%)
Profit on continuing operations before tax	**306**	**746**	**(59,0%)**	**202**	**51,5%**
Tax on income for the period	(157)	(291)	(46,1%)	(157)	(0,2%)
Integration costs net of taxes	-	-	-	-	-
Profit for the period attributable to the Parent Bank	**130**	**411**	**(68,3%)**	**14**	**ns**

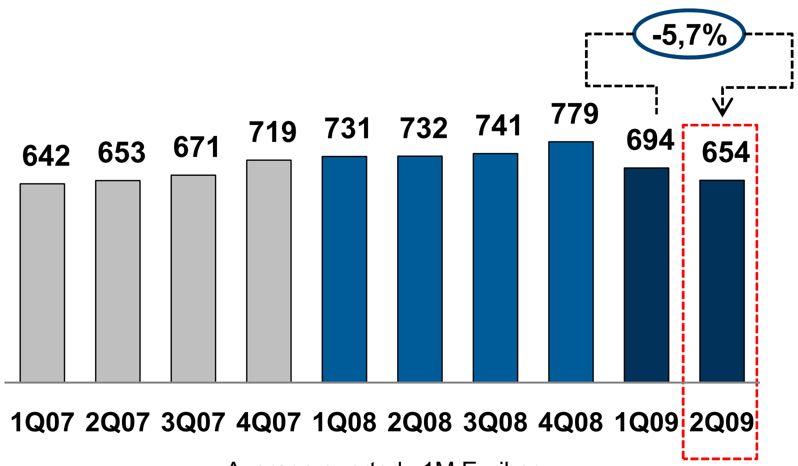
Net interest income decreases by 7,9% yoy, mainly impacted by the reduction in reference rates

— Net Interest Income —



— UBI Spread, average1MEuribor and ECB rates —





Average quarterly 1M Euribor

3,75	4,01	4,33	4,45	4,30	4,48	4,60	4,03	1,75	0,96

✓ Interest margin evolution impacted by:
- declining rates (in avg. terms:1 month Euribor -303 bp 1H09/1H08, -352 bp 2Q09/2Q08)
- composition of direct funding, more stable but more influenced by market rates (86% retail and 14% institutional)*
- higher capitalisation **

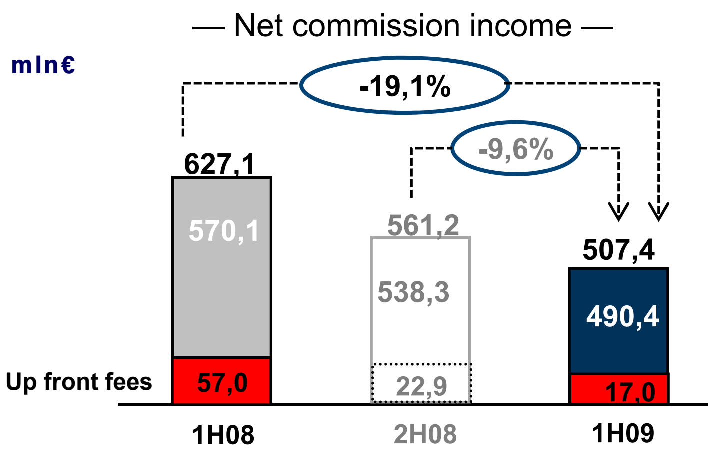
✓ Decrease in interest margin partially offset by:
- prudent increase in Asset and liabilities sensitivity to reduce interest margin sensitivity
- repricing of risk carried out from 2008 (although taking into account the role of the bank in the territory)

✓ As from 30 June 2009, maximum overdraft commission will be replaced by a commitment fee booked in the commission item

*A different composition in funding (20% institutional and 80% retail) would mean a lower reduction of NII vs 1H08 estimated in 1,7%

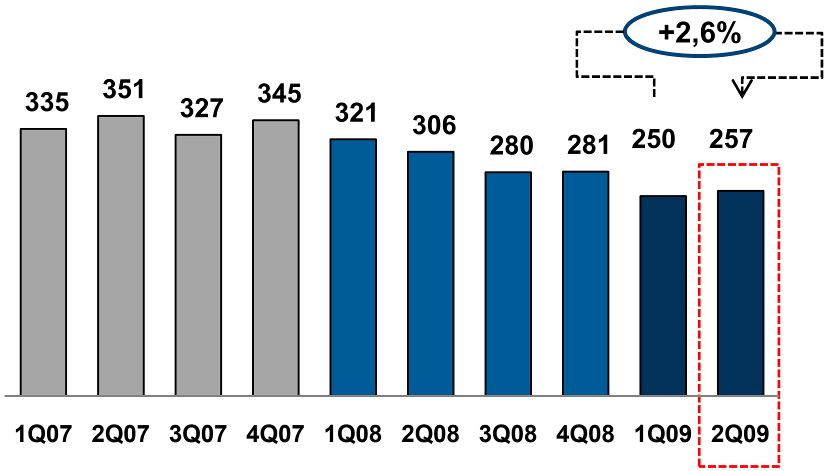
**a 1% lower Core Tier 1 would mean an estimated lower reduction in NII vs 1H08 by 0,8%

Net Commissions continue to be affected by trends in indirect funding and by lower customers' business activities even though 2Q09 shows a slight improvement compared to 1Q09



Breakdown of net commissions

Figures in thousands of euro	30.06.2008	30.06.2009
Guarantees granted	22.679	19.832
Management, trading and advisory services	345.488	249.301
Of which:		
Portfolio management	*161.080*	*111.303*
Placement of securities	*55.916*	*22.838*
Collection and payment services	55.042	47.949
Services for factoring transactions	11.025	14.904
Other services	192.889	175.455



- ✓ Commissions trend affected by the contraction in commissions on indirect funding (fees on management, trading and advisory services -94,3 mln€ net of fx trading) and by the slowdown in customers' business activities
- ✓ 2Q09 shows first signs of recovery (+2,6% vs 1Q09) mainly attributable to fees on management, trading and advisory services +9 mln€ 2Q/1Q
- ✓ Up front fees 17 mln€ vs 57 in 1H2008: net of up front fees, net commissions decrease by 14% YoY
- ✓ As from 2H2009, commitment fee will replace maximum overdraft commission

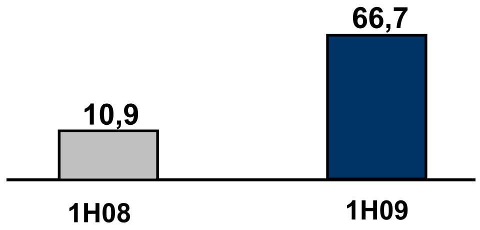
Core business indicators per employee (ranking among 7 major Italian banking groups*)

		Δ vs Nr. 2	Δ vs average
Nr. 1	in Loans per employee	+3,8%	+27,2%
Nr. 1	in Direct funding per employee	+1,3%	+18,7%
Nr. 1	in NII+Net commissions per employee	+5,4%	+16,0%

* UBI, UCI, ISP, BPM, BMPS, BP, BPER

Result from finance positive by 67 mln€ in 1H09 also thanks to success of the Public Exchange Offer

mln€

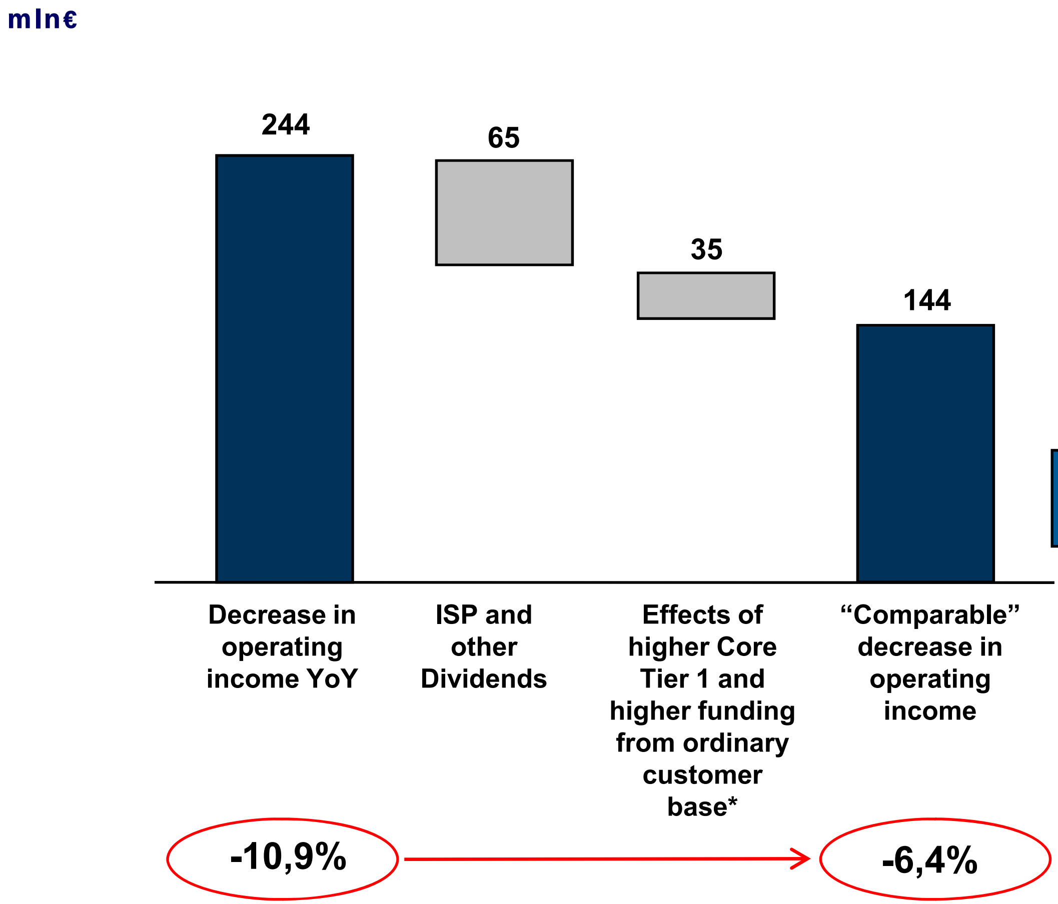


in mln €	1H2008	1H2009
a) Net result from trading activities	(12)	29
b) Net result from hedging activities	14	1
c) Profit from disposal of financial assets/liabilities	10	64
d) Net result from fin. Assets/liabilities at fair value	(2)	(28)
TOTAL	11	67
TOTAL IN NORMALISED TERMS	3,8	31,3

Hedge funds portfolio: further disinvestments in 2Q09 for 137 mln€; NAV of the portfolio of 276 mln€ as at 30 June 2009. NAV as of today of 215,6 mln€ due to progressive inflows from redemptions

How to compare decline in operating income (-244 mln€ or 10,9% yoy)

— Decrease in operating income —



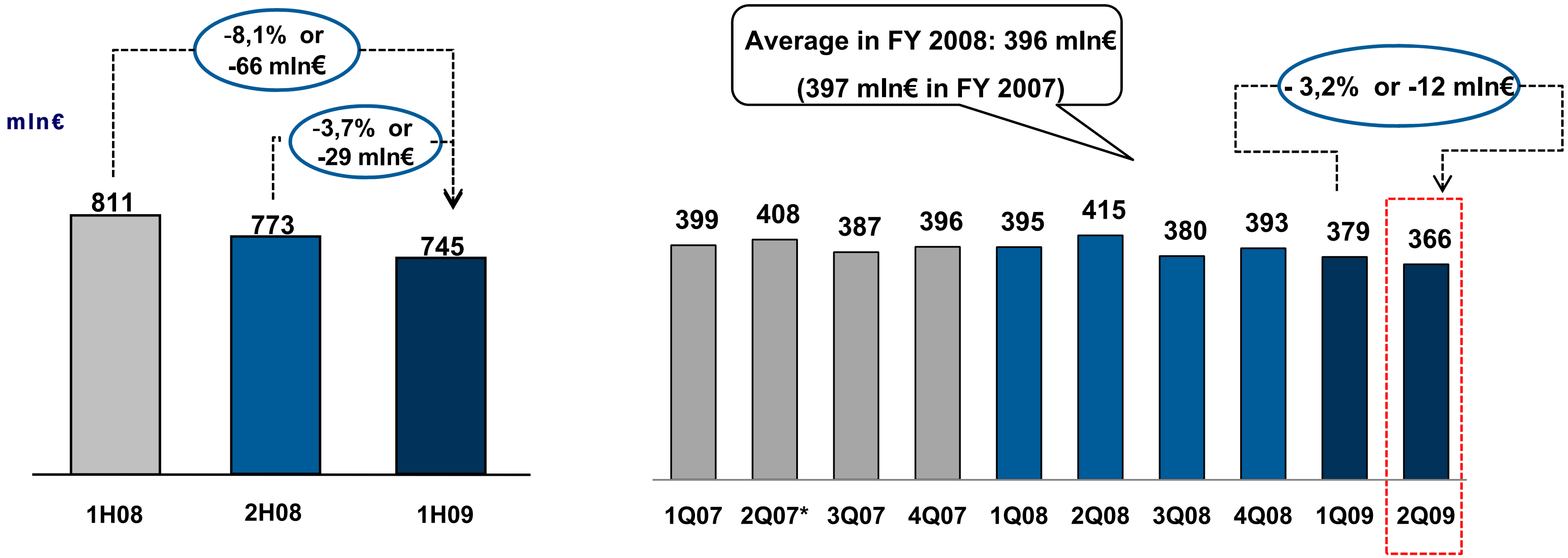
In 1H09:

✓ Client friendly upfront policy

✓ Very conservative approach on proprietary trading

*A different composition in funding (20% institutional and 80% retail) mean s a lower reduction of NII vs 1H08 estimated in 1,7%; a 0,5% lower Core Tier 1 means an estimated lower reduction in NII vs 1H08 by 0,4%

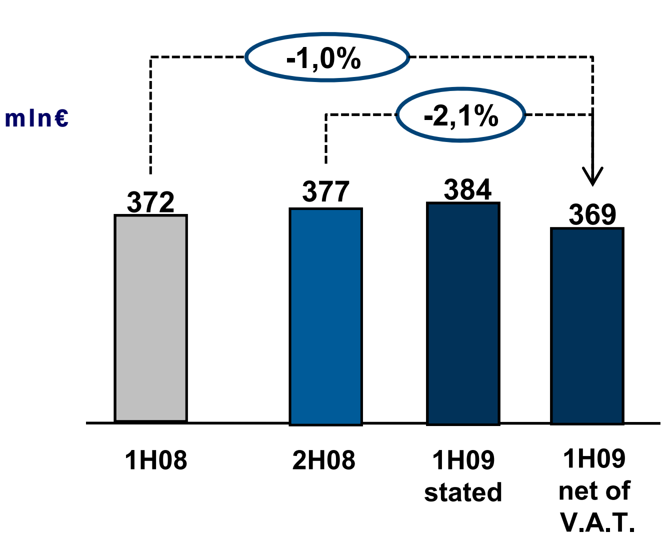
Total costs down 5,5% yoy to 1.243,9 million euro (1.316,3 in 1H208) of which: Staff costs: -8,1%, the lowest level recorded since the merger and well below 2008 average

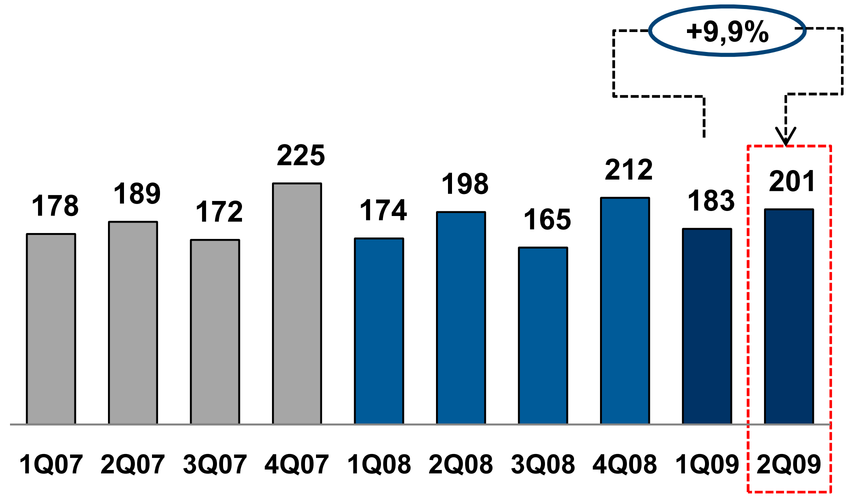


- ✓ 2Q2009 positively impacted by staff decrease (on average -229 resources compared to 30 June 2008) and compression in variable remuneration due to difficult economic context
- ✓ In end of period terms, on going reduction of "interinali" (staff on leasing contract) following completion of IT migrations (-480 units or -48%) - Permanent staff down by -93 units year on year – Temporary staff -147 units

* To allow like-for-like comparison 2Q07 excludes 49,4 mln€ positive one-off due to changes to the accounting rules for the staff severance provisions

Other administrative expenses impacted by introduction in 2009 of VAT on intragroup services and higher indirect taxes



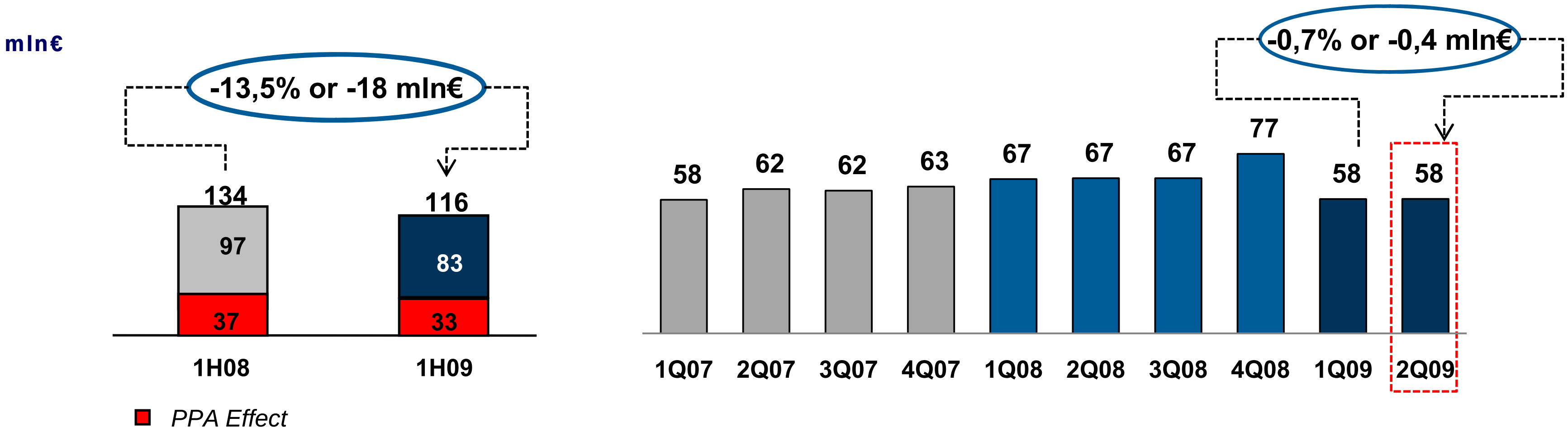


✓ Evolution of the two components of other administrative expenses:

- "other administrative expenses": -2,2% decrease from 358,7 to 350,9 million euro confirming good cost control of recurring expenses, notwithstanding increase in credit recovery expenses by 3,9 million euros
- "indirect taxes": from 13,5 to 32,7 million euro. Increase is mainly due to introduction in 2009 of V.A.T. on intragroup services (+15 mln€ in 1H2009) -which will impact going onward on all quarters of the year- and to indirect taxes linked to credit recovery activities of 1,7 million euro

✓ net of V.A.T., the aggregate other administrative expenses would show a 1,0% decrease YoY, also including higher credit recovery expenses and related indirect taxes counting for approx. 6 mln€

Depreciation and amortization costs benefiting from completion of IT migrations

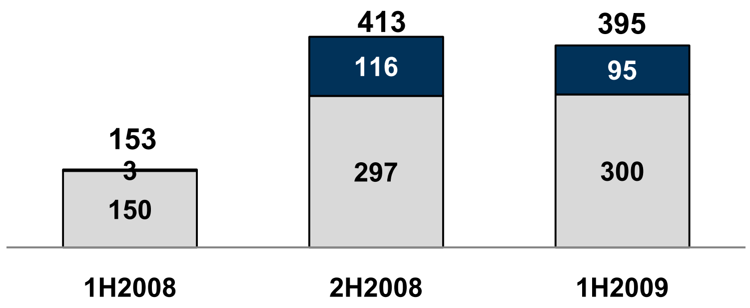


✓ Depreciation and amortisation costs down by 13,5% YoY following the switch off of the dismissed IT system with a positive effect of approx. 16 mln€ in the six months period

✓ Investments in the new IT system progress as planned notwithstanding the economic situation

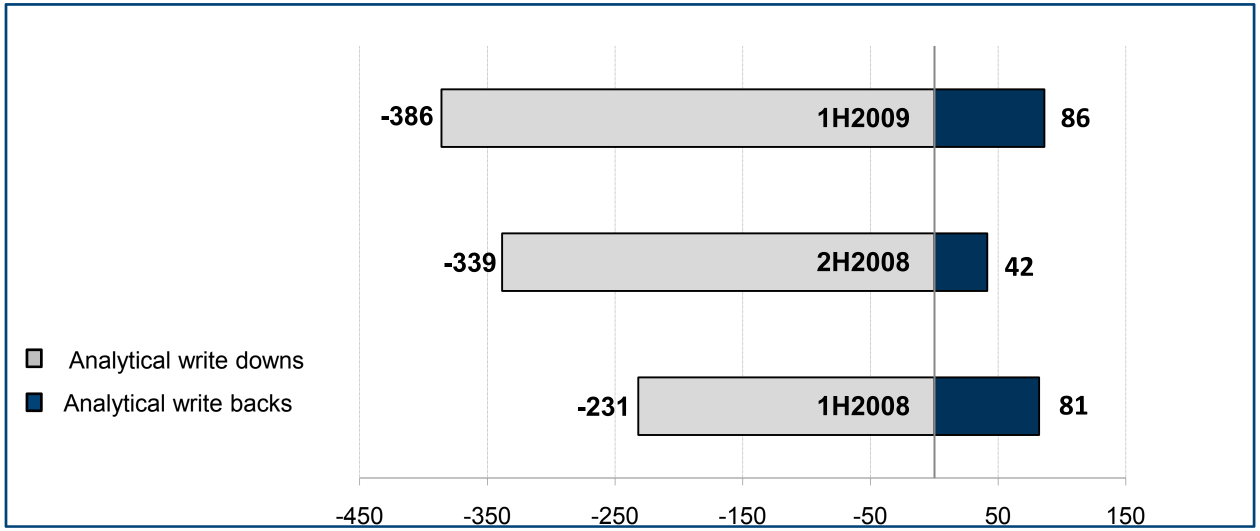
Cost of credit (82 bps) reflects the deterioration of the economic context but is lower than the average of the six major Italian banking groups* (116 bps)

mln€



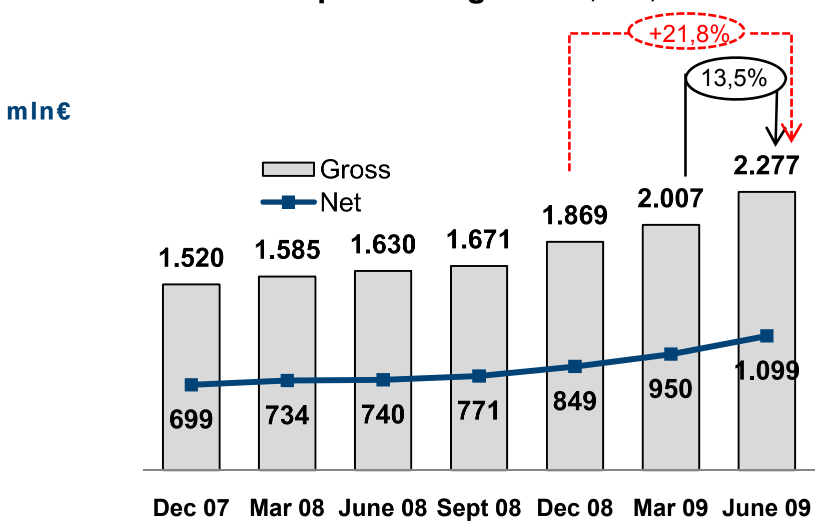
	1H2008	2H2008	1H2009
Total loans	*96.506*	*96.368*	*96.830*
Annualised cost of credit (bps)	**32**	**86**	**82**

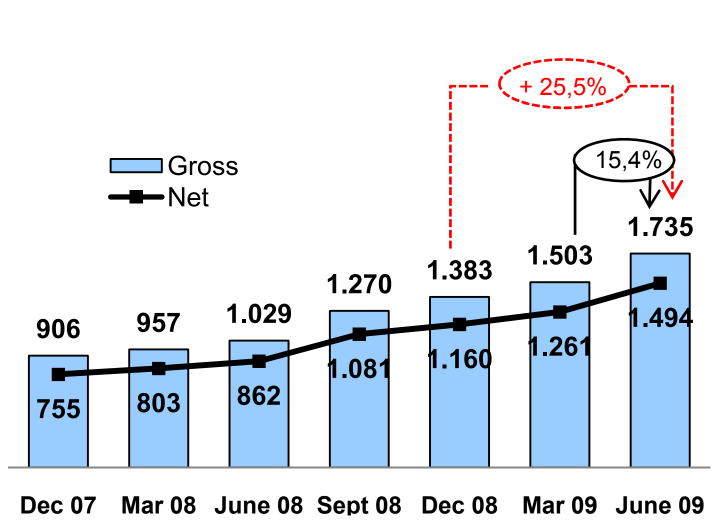
- ✓ Lower adjustments to loans in 1H2009 (82bps) compared to 2H2008 (86bps), although significantly increasing vs 1H2008 (32bps)

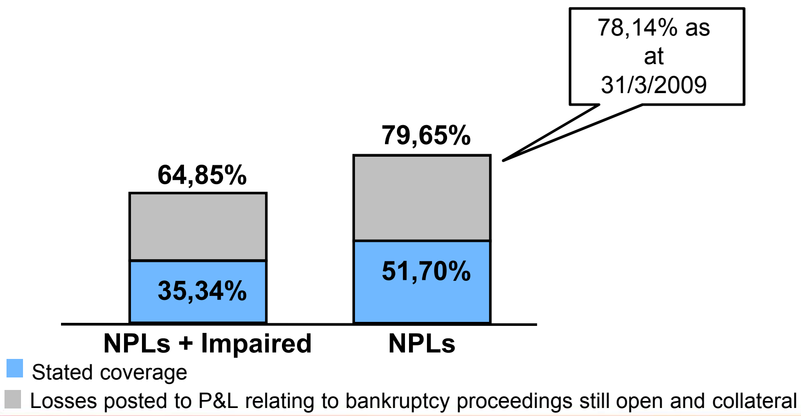


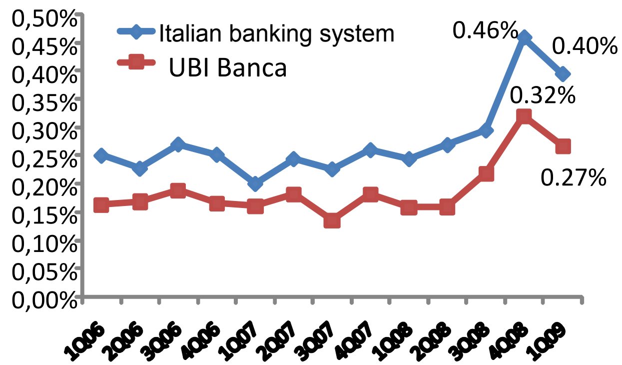
*UBI, UCI, ISP, BPM, BMPS, BP, BPER

Credit quality: net NPLs and net impaired loans on net total loans respectively at 1,14% and 1,54%









* Excluding personal guarantees amounting to over 500 mln euro

Capital ratios: Core Tier 1 and total capital ratio respectively of 7,24% and above 11%

Figures in thousands of euro	30.06.2009 Basel II standardised	31.12.2008 Basel II standardised
Tier 1 (before filters)	6.533.289	6.660.050
Preference shares	453.460	570.000
Tier 1 capital filters	-110.900	-180.445
Tier 1 (after filters)	**6.875.848**	**7.049.605**
Deductions from Tier 1	-125.478	-104.882
Tier 1 after filters and specific deductions	**6.750.370**	**6.944.723**
Supplementary capital after filters	**3.700.568**	**3.379.370**
Deductions from supplementary capital	-125.479	-104.882
Supplementary capital after filters and specific deductions	**3.575.090**	**3.274.488**
Deductions from Tier 1 + supplementary capital	-207.002	-258.399
Total supervisory capital	**10.118.458**	**9.960.812**
Credit risk	6.283.998	6.456.869
Market risk	150.113	205.842
Operational risk	527.797	528.635
Other prudential requirements	0	0
Total prudential requirements	**6.961.908**	**7.191.346**
Tier III subordinated liabilities (fully included)		
Nominal value	0	0
Computable value	0	0
Risk weighted assets	**87.023.850**	**89.891.825**
Core Tier I after deductions from Core capital	**7,24%**	**7,09%**
Tier I	**7,76%**	**7,73%**
Total capital ratio	**11,63%**	**11,08%**

As at 30 June '08:
Core Tier I 7,02%
Tier I 7, 59%
Total Capital ratio 10,33%

Main operations impacting Capital Ratios in 1H09:

✓ Exchange Offer:
Core Tier I +5bp;
Tier I -8bp;
TCR (including issue in 1H09 of 1,1bln €):+26bp.

✓Further 500mln € of Lower Tier II in issue in 2H2009

✓ Lower RWA mainly related to :
-Loans composition
-Modest increase in loans
-Lower hedge fund exposure (favourably impacting credit and market risk)
- increased accountability of mortgage guarantees

✓ Capital ratios level as at 30 June 2009 allow, within the Group's 10bln € Covered Bonds Programme, the assignment of assets to the cover pool with no limits (according to Bank of Italy supervisory Regulations, no limits assignment when TCR ≥ 11% and Tier I ≥ 7%)

Low Leverage of balance sheet

Core Tier1 Capital / Tangible Assets:	5,5%
Tier 1/ Tangible Assets:	5,8%

Tangible Equity / Total Assets:	6,3%
Tangible Equity / Tangible Assets:	6,5%

Tangible equity = Share Capital + Share premiums + Reserves + Minority interests + Net profit for the period – Goodwill
Tangible assets = Total assets – goodwill

Closing considerations

- Nr. 1 among comparables by core revenues per employee, customer deposits per employee and customer loans per employee
- revenues focussed on recurring items, adverse to risk taking
- sustainable cost control from full success of integration and measures adopted to face the crisis
- if no further economic deterioration or unexpected events occur, UBI Banca will maintain its structural advantage in terms of quality of credit compared to the average of the system
- strong capitalisation and low leverage of balance sheet

UBI Banca faces the crisis by increasing its structural soundness

Contents

- 1H09 results:
  - Assets and liabilities
  - Income statement

- Annexes:
  - Income statement: quarterly evolution
  - Income statement: Reclassified consolidated income statement net of the main non recurring items
  - Credit Quality breakdown

Income statement: quarterly results

Figures in thousands of euro	2009		2008			
	2Q	1Q	4Q	3Q	2Q	1Q pro-forma
Net interest income	654.067	693.791	778.524	740.671	731.909	731.023
of which: effects of the purchase price allocation	*(18.027)*	*(15.060)*	*(18.768)*	*(15.172)*	*(24.079)*	*(19.219)*
Net interest income excluding the effects of the PPA	672.094	708.851	797.292	755.843	755.988	750.242
Dividends and similar income	1.656	1.844	1.210	1.519	66.839	1.636
Profit (loss) of equity investments valued using the equity method	5.956	4.208	(14.556)	374	5.470	8.730
Net commission income	257.037	250.404	280.957	280.195	305.747	321.376
Net income from trading, hedging and disposal/repurchase activities and from assets/liabilities at fair value	48.429	18.254	(192.557)	(60.596)	37.980	(27.088)
Net income from insurance operations	16.088	5.941	(6.915)	2.743	9.700	4.111
Other operating income / (expense)	23.226	21.291	13.848	17.815	20.793	28.281
Operating income	**1.006.459**	**995.733**	**860.511**	**982.721**	**1.178.438**	**1.068.069**
Operating income excluding the effects of the PPA	**1.024.486**	**1.010.793**	**879.279**	**997.893**	**1.202.517**	**1.087.288**
Staff costs	(366.294)	(378.564)	(393.405)	(380.090)	(415.289)	(395.394)
Other administrative expenses	(200.793)	(182.782)	(211.799)	(165.293)	(198.404)	(173.764)
Net impairment losses on property, plant and equipment and intangible assets	(57.546)	(57.954)	(77.467)	(66.949)	(66.942)	(66.552)
of which: effects of the purchase price allocation	*(16.525)*	*(16.525)*	*(26.663)*	*(18.237)*	*(18.237)*	*(18.227)*
Net impairment losses on property, plant and equipment and intangible assets excluding the effects of the PPA	(41.021)	(41.429)	(50.804)	(48.712)	(48.705)	(48.325)
Operating costs	**(624.633)**	**(619.300)**	**(682.671)**	**(612.332)**	**(680.635)**	**(635.710)**
Operating costs excluding the effects of the PPA	**(608.108)**	**(602.775)**	**(656.008)**	**(594.095)**	**(662.398)**	**(617.483)**
Net operating income	**381.826**	**376.433**	**177.840**	**370.389**	**497.803**	**432.359**
Net operating income excluding the effects of the PPA	**416.378**	**408.018**	**223.271**	**403.798**	**540.119**	**469.805**
Net impairment losses on loans	(235.622)	(159.573)	(310.399)	(102.868)	(93.299)	(59.657)
Net impairment losses on other assets/liabilities	39.372	(74.346)	(516.179)	2.122	3.517	(10)
Net provisions for liabilities and charges	(17.081)	(9.790)	4.531	(13.100)	(17.431)	(8.489)
Profits (loss) from disposal of equity investments	(357)	4.188	4.699	1.196	21.708	57.382
Profit (loss) on continuing operations before tax	**168.138**	**136.912**	**(639.508)**	**257.739**	**412.298**	**421.585**
Profit (loss) on continuing operations before tax excluding the effects of the PPA	**202.690**	**168.497**	**(594.077)**	**291.148**	**454.614**	**459.031**
Taxes on income for the period for continuing operations	(50.367)	(102.668)	125.544	(120.023)	(66.345)	(160.740)
of which: effects of the purchase price allocation	*11.106*	*10.144*	*14.320*	*11.123*	*13.782*	*12.033*
Integration costs	(4.555)	(6.402)	(21.825)	(16.954)	(14.037)	(14.420)
of which: staff costs	*(3.998)*	*(4.968)*	*(14.538)*	*(14.735)*	*(8.634)*	*(9.889)*
other administrative expenses	*(1.136)*	*(2.874)*	*(12.442)*	*(8.288)*	*(10.788)*	*(10.402)*
net impairment losses on property, plant and equipment and intangible assets	*(1.312)*	*(1.263)*	*(4.232)*	*(951)*	*(718)*	*(322)*
taxes	*1.891*	*2.703*	*9.387*	*7.020*	*6.103*	*6.193*
After tax profit (loss) from discontinued operations	(5)	5.193	(4.698)	-	(11.029)	-
Profit (loss) for the period attributable to minority interests	(11.619)	(8.690)	(10.552)	(19.908)	(20.971)	(27.155)
of which: effects of the purchase price allocation	*4.117*	*3.483*	*6.152*	*3.646*	*4.942*	*4.128*
Profit (loss) for the period attributable to the Parent Bank excluding the effects of the PPA	*120.921*	*42.303*	*(526.080)*	*119.494*	*323.508*	*240.555*
Profit (loss) for the period attributable to the Parent Bank	**101.592**	**24.345**	**(551.039)**	**100.854**	**299.916**	**219.270**

Total impact of the purchase price allocation on the income statement	*(19.329)*	*(17.958)*	*(24.959)*	*(18.640)*	*(23.592)*	*(21.285)*

Reclassified consolidated income statement net of the main non recurring items

Figures in thousands of euro	30 June 09	Non-recurring items: Gain on OPA	Non-recurring items: Disposal and impairment of equity investments	Non-recurring items: Write-down DD Growth Fund	Non-recurring items: Integrations costs	Non-recurring items: Fiscal allignement ex art. 15, par.3, law decree 185/2008	Non-recurring items: Disposal of UBI Assicurazioni 's advisors network and sale to BPVI of 1 branch + part CBU by BPCI	Non-recurring items: Loss provision for Coralis Rent	30 June 09 *net of the most significant non-recurring items* A	30 June 08	Non-recurring items: Disposal and impairment equity investments	Non-recurring items: Tax redemption EC section	Non-recurring items: Provisions on credit commitments	Non-recurring items: Price adjustment fod disposal of BPCI and Carime branches	Non-recurring items: Integration costs	30 June 08 *net of most non-recurring items* B	Changes A-B	% Changes A/B
Net interest income (including the effects of PPA)	1.347.858								1.347.858	1.462.932						1.462.932	(115.074)	(7,9%)
Dividends and similar income	3.500								3.500	68.475						68.475	(64.975)	(94,9%)
Profit (loss) of equity investments valued using the equity method	10.164								10.164	14.200						14.200	(4.036)	(28,4%)
Net commission income	507.441								507.441	627.123						627.123	(119.682)	(19,1%)
Net income from trading, hedging and disposal/repurchase activities and from assets/liabilities at fair value	66.683	(60.592)		25.234					31.325	10.892	(7.055)					3.837	27.488	n.s.
Net income from insurance operations	22.029								22.029	13.811						13.811	8.218	59,5%
Other net operating income/(expense)	44.517								44.517	49.074						49.074	(4.557)	(9,3%)
Operating income (including the effects of PPA)	**2.002.192**	**(60.592)**	**-**	**25.234**	**-**	**-**	**-**	**-**	**1.966.834**	**2.246.507**	**(7.055)**	**-**	**-**	**-**	**-**	**2.239.452**	**(272.618)**	**(12,2%)**
Staff costs	(744.858)								(744.858)	(810.683)						(810.683)	(65.825)	(8,1%)
Other administrative expenses	(383.575)								(383.575)	(372.168)						(372.168)	11.407	3,1%
Net impairment losses on property, plant and equipment and intangible assets (including the effects of PPA)	(115.500)								(115.500)	(133.494)						(133.494)	(17.994)	(13,5%)
Operating costs (including the effects of PPA)	**(1.243.933)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.243.933)**	**(1.316.345)**	**-**	**-**	**-**	**-**	**-**	**(1.316.345)**	**(72.412)**	**(5,5%)**
Net operating income (including the effects of PPA)	**758.259**	**(60.592)**	**-**	**25.234**	**-**	**-**	**-**	**-**	**722.901**	**930.162**	**(7.055)**	**-**	**-**	**-**	**-**	**923.107**	**(200.206)**	**(21,7%)**
Net impairment losses on loans	(395.195)								(395.195)	(152.956)						(152.956)	242.239	158,4%
Net impairment losses on other assets and liabilities	(34.974)		32.369						(2.605)	3.507	6.432		(8.501)			1.438	(4.043)	n.s.
Net provisions for liabilities and charges	(26.871)							6.761	(20.110)	(25.920)						(25.920)	(5.810)	(22,4%)
Profit (loss) from disposal of equity investments	3.831		(2.618)						1.213	79.090	(79.053)					37	1.176	n.s.
Profit (loss) on continuing operations before tax (incl. PPA)	**305.050**	**(60.592)**	**29.751**	**25.234**	**-**	**-**	**-**	**6.761**	**306.204**	**833.883**	**(79.676)**	**-**	**(8.501)**	**-**	**-**	**745.706**	**(439.502)**	**(58,9%)**
Taxes on income for the period for continuing operations	(153.035)	19.602	(576)	(8.156)		(12.629)		(2.185)	(156.979)	(227.085)	7.548	(73.832)	2.338			(291.031)	(134.052)	(46,1%)
Integration costs	(10.957)				10.957				-	(28.457)					28.457	-	-	-
of wich: staff costs	*(8.966)*				*8.966*				-	*(18.523)*					*18.523*	-	-	-
other administrative expenses	*(4.010)*				*4.010*				-	*(21.190)*					*21.190*	-	-	-
net impairment losses on property, plant and equipment and intangible assets	*(2.575)*				*2.575*				-	*(1.040)*					*1.040*	-	-	-
taxes	*4.594*				*(4.594)*				-	*12.296*					*(12.296)*	-	-	-
After tax profit (loss) from discontinued operations	5.188						(5.155)		33	(11.029)				11.029		-	33	n.s.
Profit (loss) for the period attributable to minority	(20.309)		185		(907)	1.838	424	(66)	(18.835)	(48.126)	563	6.115	970	(1.831)	(1.324)	(43.633)	(24.798)	(56,8%)
Profit (loss) for the period attributable to the Parent Bank	**125.937**	**(40.990)**	**29.360**	**17.078**	**10.050**	**(10.791)**	**(4.731)**	**4.510**	**130.423**	**519.186**	**(71.565)**	**(67.717)**	**(5.193)**	**9.198**	**27.133**	**411.042**	**(280.619)**	**(68,3%)**

UBI Banca

Credit quality breakdown

CREDIT QUALITY INDICATORS
- absolute values -

In mln€	31 Mar 08	30 June 08	30 Sept 08	31 Dec 08	31 Mar 09	30 Jun 09	Change 2Q09/1Q09
Gross total doubtful loans	2.771	2.901	3.216	3.608	3.879	4.634	19,5%
Net total doubful loans	1.738	1.815	2.095	2.316	2.546	3.166	24,4%
Gross NPLs	1.585	1.630	1.671	1.869	2.007	2.276	13,4%
Net NPLs	734	740	771	849	950	1.100	15,8%
Gross impaired loans	957	1.029	1.270	1.383	1.503	1.735	15,4%
Net impaired loans	803	862	1.081	1.160	1.261	1.494	18,5%
Gross restructured loans	109	110	112	142	141	346	145,4%
Net restructured loans	88	89	90	103	116	318	174,1%
Gross past due loans	120	131	163	214	229	277	21,0%
Net past due loans	113	123	153	204	218	254	16,5%
Gross performing loans	91.717	95.022	96.264	94.487	94.788	94.159	-0,7%
Net performing loans	91.388	94.691	95.925	94.053	94.347	93.664	-0,7%
Gross total loans	94.488	97.923	99.481	98.094	98.667	98.793	0,1%
Net total loans	93.126	96.506	98.020	96.368	96.892	96.830	-0,1%

Net impaired loans/net total loans	**0,86**	**0,89**	**1,10**	**1,20**	**1,30**	**1,54**
Net NPLs/ net total loans	**0,79**	**0,77**	**0,79**	**0,88**	**0,98**	**1,14**
Net impaired + NPL / net total loans	**1,65**	**1,66**	**1,89**	**2,08**	**2,28**	**2,68**