

# Consolidated results as at 30 June 2011

30 August 2011

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### Methodology

*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 1H2011/1H2010

- **Capital strength: CT1 to 8.2%, TCR to 13.02%**
- **Strong structural balance** (e.g.: interbank position € -0.6 bln, leverage ratio 16.5x, decrease on loan/deposit ratio by 4.2 pp)
- Net Interest Income down -0.9% (€ 9.7 mln euro) due to change in Banca 24/7 perimeter (exit from special purpose and personal loans to non captive customers: € -17.9 mln)  
**At unchanged perimeter, NII would be up by 0.8%**
- Net commission income down by 3.5% (€ 21 mln) due to lower up front fees on third party bonds (€ -25.1 mln) and change in perimeter (€ -7.7 mln following exit in May 2010 from depositary bank line of business).  
**Excluding up front fees and change in perimeter, net commission income up by 2.1%**
- **Operating costs: -1.6%**
- **Cost of credit: 51 bps annualised**
- **Net profit: € 251.7 mln from € 102.1 mln in 1H2010. Both years include positive and negative one-offs. In 2011, positive: tax relief on goodwill and negative: impairment on product companies and Intesa stake**

**Net profit excluding non recurring items: € 70 mln from € 63.5 mln in 1H2010 (+10.3%)**

**Net profit excluding non recurring items and IRAP increase in 2011: € 78.1 mln from € 63.5 mln in 1H2010 (+23%)**

**Sound and solid capital position together with structural balance**

**First Half 2011 economic results**

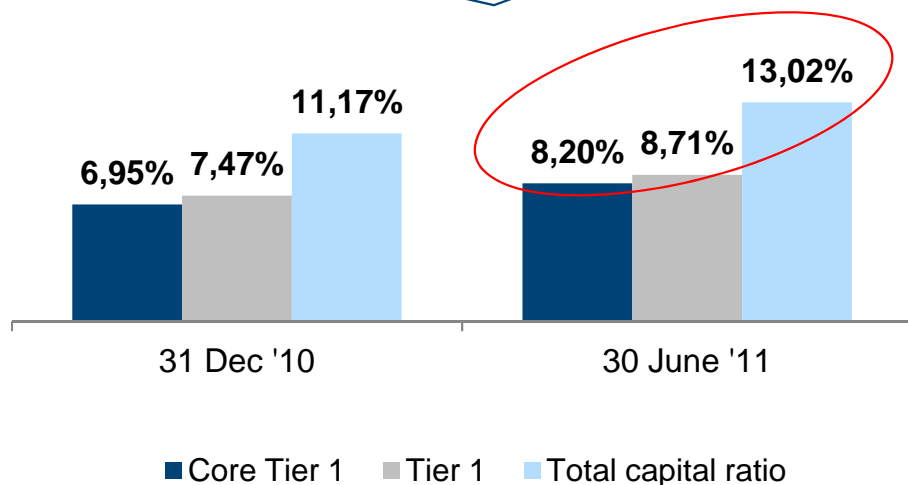
**Annexes:**

- **Reclassified balance sheet: highlights**
- **Indirect funding evolution**
- **Capital ratios details**
- **Securities portfolio**

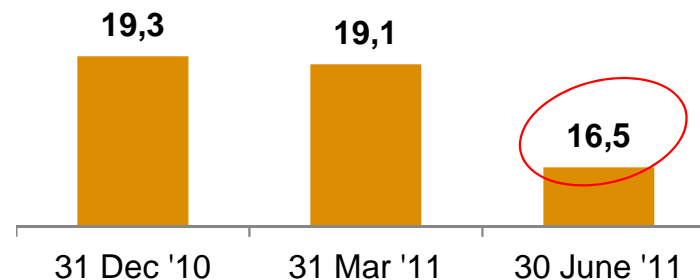
# Higher Core Tier 1 and low leverage

## CAPITAL RATIOS

Basle II standardised RWAs up by 1.5%



## LEVERAGE\* (x)



Including:

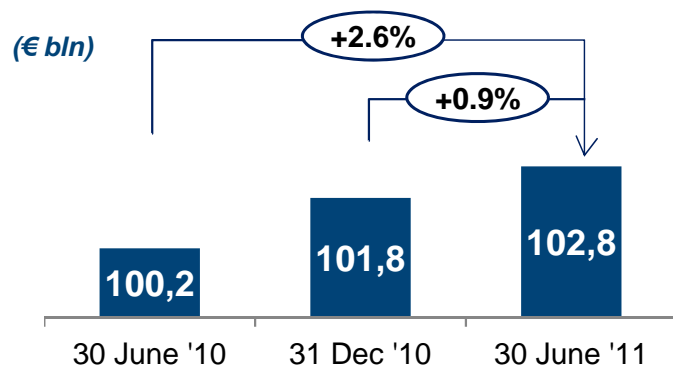
- the share capital increase for € 923 mln, i.e. the amount subscribed within June 2011. Further € 77 mln will be included in 3Q2011
- the effect of the “tax relief on goodwill” (*affrancamento fiscale*) arising mainly from the BPU/BL merger
- a hypothesis of dividend
- the impairment of goodwill on some companies of the Group has **no** effect on capital ratios as goodwill is already fully deducted from Core Tier 1

- Leverage ratio progressively decreasing both as a result of specific action and following the capital increase

**2011 EU-WIDE STRESS TEST RESULTS:  
UBI IS SECOND BEST IN ITALY WITH A 2012 CORE TIER 1 UNDER STRESS  
SITUATION OF 7.4% (8.1% INCLUDING THE CONVERTIBLE BOND)**

\* Total assets (excluding goodwill and other intangible assets) / Tangible equity

## Lending up to €102.8 bln (+2.6% YoY)



In bln€	30 June '10	30 June '11	% Change
<b>Retail</b>	<b>45.9</b>	<b>47.6</b>	<b>3.7%</b>
of which: Private	19.8	20.6	4.3%
Banca 24/7	11.1	11.0	-0.3%
Small business	15.0	15.9	6.1%
<b>Corporate</b>	<b>36.4</b>	<b>36.3</b>	<b>-0.3%</b>
of which: Core corporates	18.1	19.1	5.3%
Large corporates	11.1	10.0	-9.7%
Centrobanca	7.2	7.2	0.0%
<b>Private</b>	<b>0.7</b>	<b>0.9</b>	<b>29.7%</b>
<b>Other*</b>	<b>17.2</b>	<b>18.0</b>	<b>4.6%</b>
<b>Total</b>	<b>100.2</b>	<b>102.8</b>	<b>2.6%</b>

- Confirmed growth in **core segments**:

- **Retail**: +3.7% vs. June'10 driven both by Network Banks **private** customers evolution and by **small businesses**

Trend registered in **Banca 24-7** reflects its **repositioning towards lower risk activities**

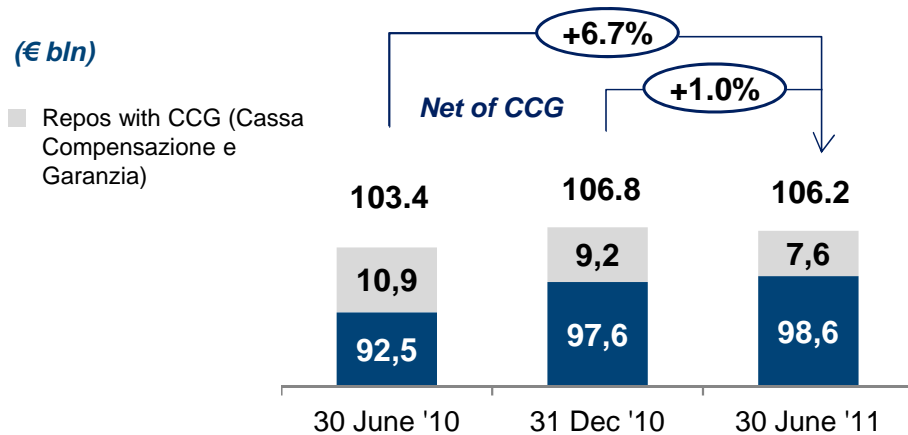
- special purpose and non captive personal loans **-39%**YoY to € 0.9 bln
- other loans +5% YoY to €10.1 bln

- **Corporate**: good performance by **core corporates**, +5.3% vs. June'10

**Centrobanca** lending trend reflects **repositioning announced in the Industrial Plan (plain vanilla loans issued directly by Network Banks)**

\* Including UBI Factor, UBI Leasing, UBI Banca International, IAS adjustments and deteriorated loans not allocated to market segments

# Direct funding up by 6.7% YoY (net of CCG) and by 2.7% including (CCG)



Strong action on funding base to enhance structural balance:

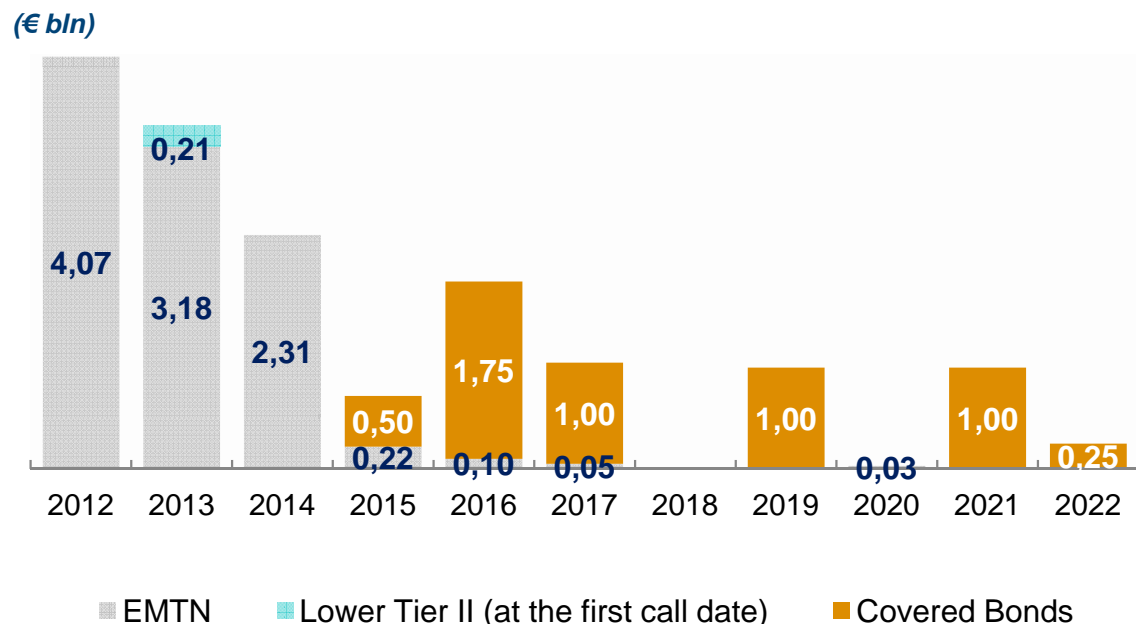
- Confirmed stability of current accounts and deposit base** from ordinary customers notwithstanding strong competition
- Repos:** decrease in the position with Cassa Compensazione e Garanzia (used to fund the financial portfolio, which has decreased YoY)
- Increase in Bonds placed with ordinary customers:** stocks up by € +0.5 bln from Dec10 to June 11. **In 1H2011 117% of bonds matured in the semester have been replaced**
- Wholesale funding:** Issues effected in the January-April 2011 period. **Issues made amount to 130% of bonds expiring for the full year**

€ bln (IAS values)	30 June'10	%	30 June'11	%	Changes YoY	31 Dec'10
<b>Due to customers</b>	<b>58.5</b>	<b>56.6%</b>	<b>56.2</b>	<b>52.9%</b>	<b>-4.0%</b>	<b>58.7</b>
Current accounts and deposits	44.3	42.8%	44.7	42.1%	1.0%	45.2
Term deposits and other payables	2.1	2.1%	2.6	2.5%	22.8%	2.4
Repurchase agreements*	12.1	11.7%	8.9	8.4%	-26.7%	11.0
<b>Securities in issue</b>	<b>44.8</b>	<b>43.4%</b>	<b>50.0</b>	<b>47.1%</b>	<b>11.5%</b>	<b>48.1</b>
<i>of which:</i>						
Ordinary customer base (Network banks+UBI issues)	22.9	22.2%	23.8	22.5%	4.1%	22.4
Centrobanca issues	3.8	3.6%	4.2	4.0%	12.3%	5.2
Covered Bonds	2.4	2.3%	5.6	5.2%	133.6%	3.8
EMTN	10.5	10.1%	11.2	10.6%	6.9%	11.2
CD and ECP	2.7	2.7%	2.8	2.6%	1.0%	3.4
Preferred shares	0.5	0.5%	0.5	0.4%	-2.8%	0.5
<b>Total</b>	<b>103.4</b>	<b>100.0%</b>	<b>106.2</b>	<b>100.0%</b>	<b>2.7%</b>	<b>106.8</b>

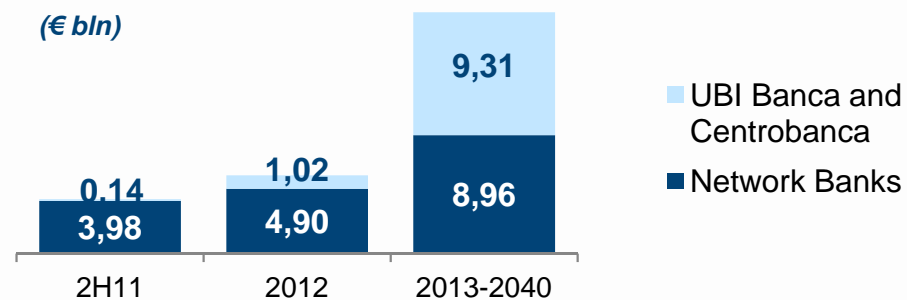
\* Including repurchase agreements with Cassa Compensazione e Garanzia (€ 10.9 bln as at June 2010, € 9.3 bln as at December 2010 and € 7.6 bln as at June 2011)

## Strong placement power confirmed

### EMTN and Covered Bonds Maturing by year as at 30.06.2011 (excluding preference shares amounting to 0.5 bln€)



### Retail Bonds\*\* Maturing by year



#### Wholesale funding:

- medium/long term: **€3.5 bln** issued YTD\*  
**cover total expiries for 2011** (€2.7 bln)

#### Retail bonds:

- in 1H2011 **€5.4 bln issued against €4.6 bln expired**. As at 24 August 2011 the issuances increased to **€ 6 bln**
- **Recomposition:** from bonds placed on third party networks (Centrobanca € -0.9 bln) to bonds placed on own customer base (€ +1.4 bln)

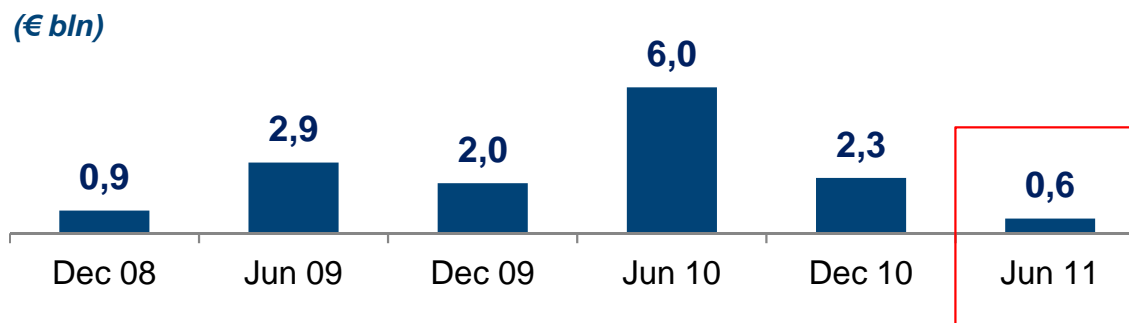
\* € 1.75 bln of Covered Bonds, € 1.75 bln of EMTN issued up to date

\*\* Amounts have been netted, at the end of 2010, of bond repurchases



## Structural balance

- **Interbank exposure:** significantly reduced to **€ 0.6 bln**, the lowest level recorded since Dec 2008, and in any case to be contained also in future to allow wide margin compared to the amount of eligible assets



- **Assets eligible** for refinancing with the Central Bank: presently **€ 8 bln** euro
- **Loan to deposit (excluding CCG)\* ratio** improving from **108.4%** to **104.2%** thanks to strong action on funding and notwithstanding growth in loans
- **Low use of ECB borrowing:**
  - 3 months: null**
  - 6 months: null**
  - weekly: null** at the end of June, opportunistic use in 2H2011

\* Deposits: deposits and bonds from ordinary customer base + institutional funding

## Financial Assets

Financial assets <i>Figures in millions of euro</i>	Total Portfolios			AFS		HFT		FV	
	30.06.2010	30.06.2011	% change	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011
Debt instruments	13,570.9	10,108.5	(25.5%)	11,843.0	9,604.2	1,727.8	504.2		
<i>of which: Italian Govern. securities</i>	11,559.9	8,239.8	(28.7%)	10,010.3	7,789.3	1,549.6	450.5		
Equity instruments	686.8	623.6	(9.2%)	526.6	516.7	160.2	106.9		
Units in O.I.C.R. <i>(collective investment instruments)</i>	287.8	572.8		130.3	102.6	2.4	2.2	155.1	468.0
Others*	751.4	480.7	56.3%	1		750	480.7		
<b>Total</b>	<b>15,296.8</b>	<b>11,785.6</b>	<b>(23.0%)</b>	<b>12,501.3</b>	<b>10,223.6</b>	<b>2,640.3</b>	<b>1,094.0</b>	<b>155.1</b>	<b>468.0</b>

- ✓ Financial Portfolio represents just **~9% of Total Assets**
- ✓ **€10.1 bln** invested in bonds:
  - of which **€8.2 bln** are **Italian government securities**
    - 94% in AFS, with a financial duration of 1.9 years
    - 6% in Trading (HTF), with a financial duration of 0.2 years
    - exposure reduced since June 2010  
further € 2.3 bln will expire within Sept 2011
- ✓ **NO exposure to Portuguese, Greek and Irish government securities, € 2.5 mln in Spanish Government bonds**

\* Others: financial derivatives and financing

**Sound and solid capital position together with structural balance**

**First Half 2011 economic results**

**Annexes:**

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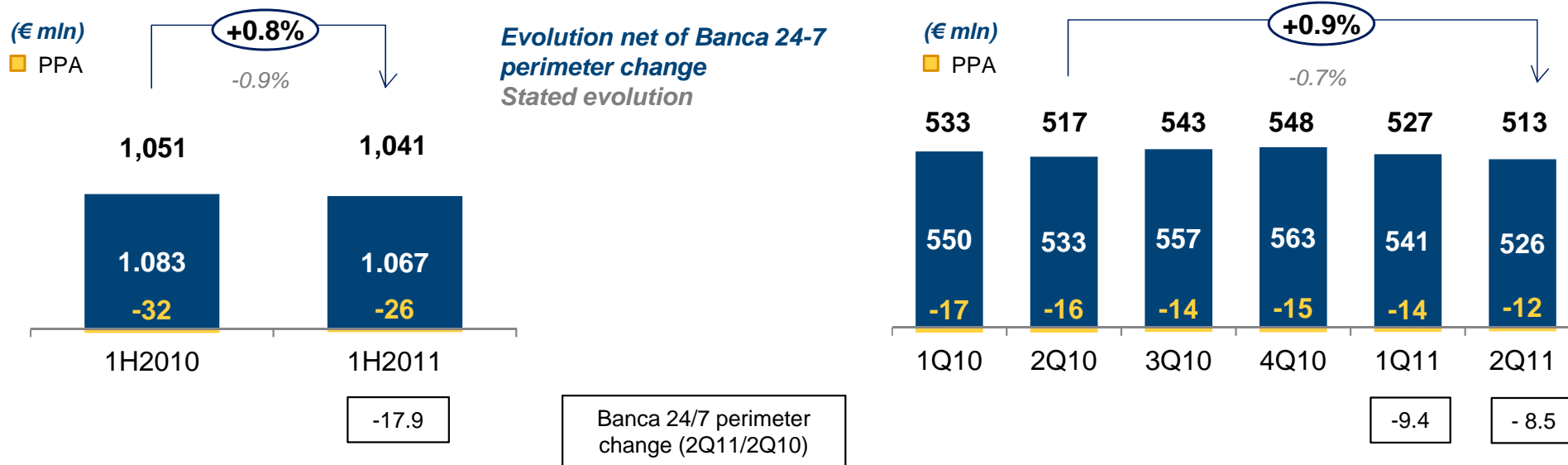
# Income statement 1H2011/1H2010

MAIN INCOME STATEMENT ITEMS <i>Figures in millions of euro</i>	1H2010	1H2011	% change
Net interest income	1,051	1,041	-0.9%
Net commission income	608	587	-3.5%
<i>of which upfront fees</i>	48	23	-51.9%
Net result from finance	(6)	7	n.s.
<b>Operating income</b>	<b>1,723</b>	<b>1,706</b>	<b>-1.0%</b>
Staff costs (A)	(748)	(738)	-1.3%
Other administrative expenses	(385)	(356)	-7.4%
Net impairment losses on property, equipment and investment property and intangible assets (B)	(123)	(141)	14.8%
<b>Operating expenses</b>	<b>(1,255)</b>	<b>(1,235)</b>	<b>-1.6%</b>
<b>Net operating income</b>	<b>468</b>	<b>471</b>	<b>0.6%</b>
Net impairment losses on loans	(322)	(264)	-18.1%
Net impairment losses on other assets and liabilities (C)	(18)	(20)	8.6%
Profits (loss) from disposal of equity investments and net impairment losses on goodwill (D)	(2)	(125)	n.s.
<b>Pre-tax profit from continuing operations</b>	<b>120</b>	<b>48</b>	<b>-59.7%</b>
Taxes on income for the period from continuing operations (E)	(94)	217	n.s.
Post-tax profit from discontinued operations (F)	83	-	n.s.
Profit for the period attributable to non-controlling interests	(7)	(13)	97.1%
<b>Profit for the period</b>	<b>102</b>	<b>252</b>	<b>146.6%</b>
<b>Profit for the period net of non recurring items</b>	<b>64</b>	<b>70</b>	<b>10.3%</b>
<b>Profit for the period net of non recurring items and net of IRAP increase</b>	<b>64</b>	<b>78</b>	<b>23.0%</b>

Both 1Q10 and 1Q11 do not include any recurring items

NON RECURRING ITEMS (net of taxes) (€ mln)	1Q10	2Q10	1Q11	2Q11	Main Ref.
Impairment loss on AFS securities (mainly Intesa Sanpaolo)		(19)		(18)	(C)
Impairment on product companies goodwill				(144)	(B,D)
Tax relief on goodwill and intangibles				353	(E)
Disposal of depository banking operations		84			(F)
Costs re Trade Union agreement May 2010		(22)			(A)
Other		(4)		(9)	
<b>Total effect of non recurring items</b>	<b>0</b>	<b>39</b>	<b>0</b>	<b>182</b>	

# Net interest income affected by change of perimeter in Banca 24/7

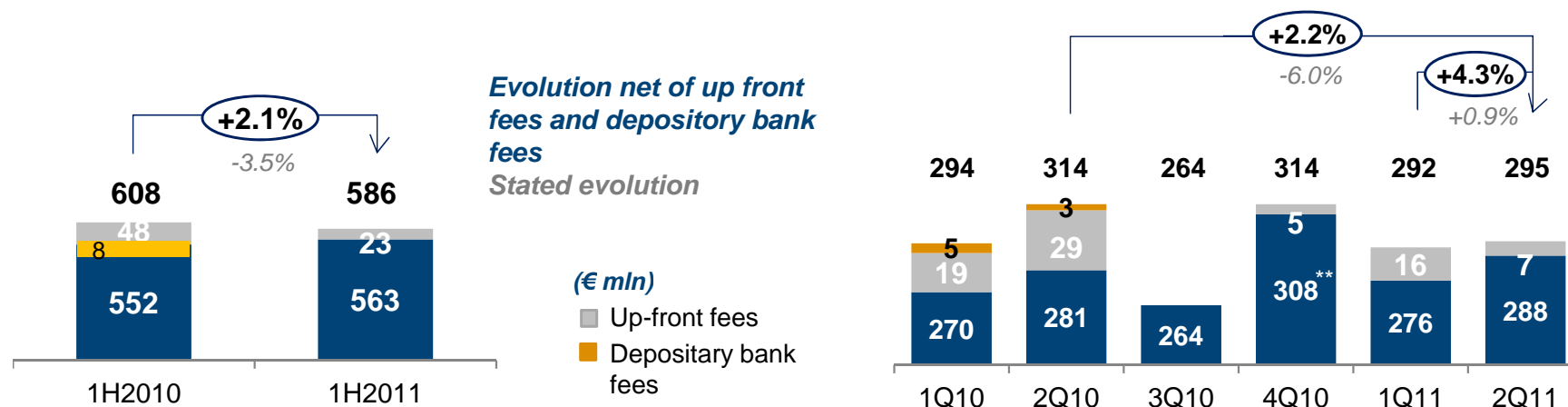


- Decrease 1H2011/1H2010 due to change in Banca 24-7 perimeter, following progressive exit from riskier lines of business (€ -17.9 mln YoY\*)
- Without this change in perimeter in Banca 24-7, the **1H2011 net interest income would have increased to €1,059 mln (+0.8% YoY)**
  - notwithstanding an increase of cost funding due to higher volumes and market conditions
  - thanks to constant actions of repricing on loans which allowed spreads to increase by 5 bps YoY (+12 bps 2Q11/2Q10)\*\*
- **July** net interest income shows growth compared to the average monthly amount in the last quarter

\* Banca 24-7 exit from higher risk business (special purpose loans; personal loans to non captive customers) brought to lower net interest income by € -17.9 mln and lower impairment losses by €21.5 mln

\*\* Network banks perimeter

# Net of up front fees and depository bank fees\*, Net Commission Income up by 2.1% 1H2011/1H2010 and by 4.3% over the last two quarters



Commissions <i>Figures in € mln</i>	1H10	1H11	% Changes vs. 1H10	2Q10	1Q11	2Q11
Guarantees granted	21.5	24.9	15.6%	10.6	12.9	12.0
Management, trading and advisory services	272.4	251.4	-7.7%	136.6	124.3	127.1
<i>Of which:</i>						
Portfolio management	125.5	132.0	5.2%	62.8	64.8	67.2
Placement of securities	25.4	25.3	-0.3%	14.0	13.3	12.0
Third party services distribution	93.4	80.2	-14%	47.8	37.7	42.5
Collection and payment services	40.7	54.3	33.5%	21.1	26.7	27.6
Services for factoring transactions	12.5	13.3	6.0%	6.5	6.9	6.4
Current accounts management	102.5	102.6	0.1%	51.5	50.1	52.5
Other services	109.6	116.9	6.7%	58.2	54.8	62.0
<b>Total net of up-front fees and depository bank activities</b>	<b>551.6</b>	<b>563.3</b>	<b>2.1%</b>	<b>281.3</b>	<b>275.7</b>	<b>287.6</b>
<b>Up-front fees</b>	<b>48.3</b>	<b>23.2</b>	<b>-51.9%</b>	<b>29.6</b>	<b>16.2</b>	<b>7.0</b>
<b>Depository Bank activities</b>	<b>7.7</b>	<b>0.0</b>	<b>-100%</b>	<b>3.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>607.6</b>	<b>586.6</b>	<b>-3.5%</b>	<b>313.9</b>	<b>291.9</b>	<b>294.6</b>

- **Positive trend in ordinary banking business** (collection and payment services and current account management)
- **Positive trend in portfolio management commissions**
- **Exit from depository bank business (sold in 2010)** and lower up front fees on third party bonds placed
- Lower commission from third party services distributed (also from third party credit cards, replaced by Group credit cards, and insurance products)

\* The depository bank line of business was sold in May 2010

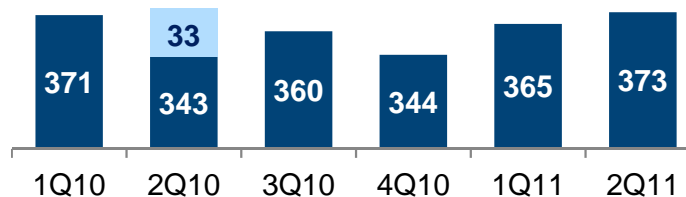
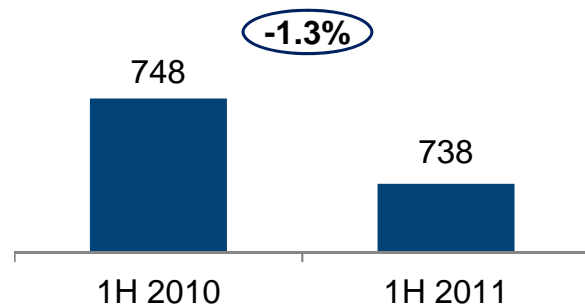
\*\* Including €15 mln of performance fees

# Total operating costs: -1.6% yoy, from €1,255 to 1,235 mln

## EVOLUTION OF TOTAL COSTS

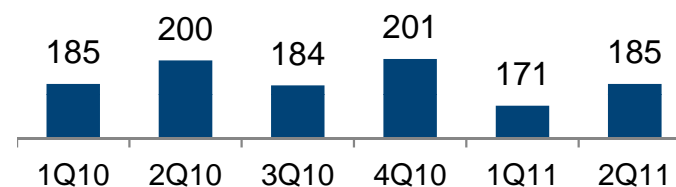
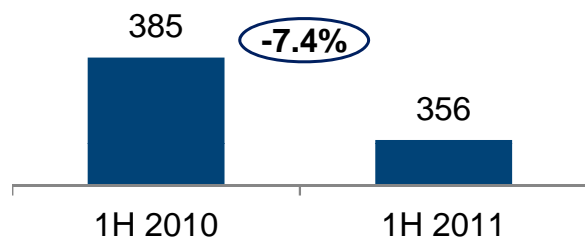
2009/2008	-3.7%
2010/2009	-1.8%
1H2011/1H2010	-1.6%

### Staff costs (€ mln)



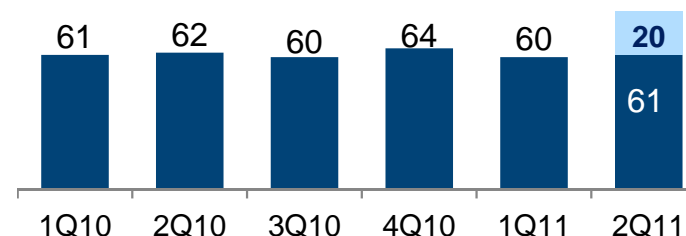
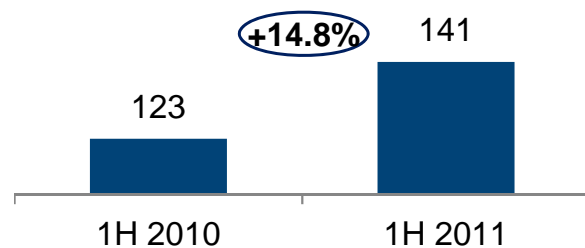
- 2011 includes provisions for variable part of wages and renewal of the National Labour Contract
- 2010 includes € -33.2 mln one off related to trade union agreement and release of provisions related to variable part of wages (€23 mln)

### Other administrative costs (€ mln)



- Seasonality confirmed 2Q on 1Q
- 7.4% reduction both 2Q11/2Q10 and 1Q11/1Q10

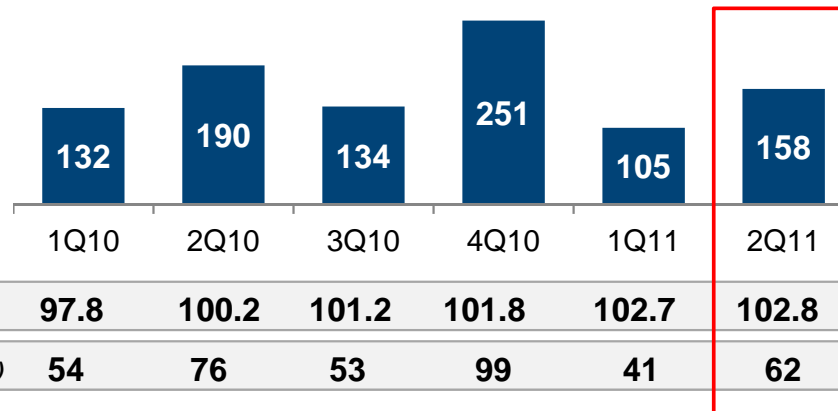
### D& A (€ mln)



- 2Q11 includes € 20 mln euro one off write-down of intangible assets related to BY YOU
- Net of one-off, regular evolution confirmed

# Cost of credit at 51 bps annualised vs. 64 in 1H2010

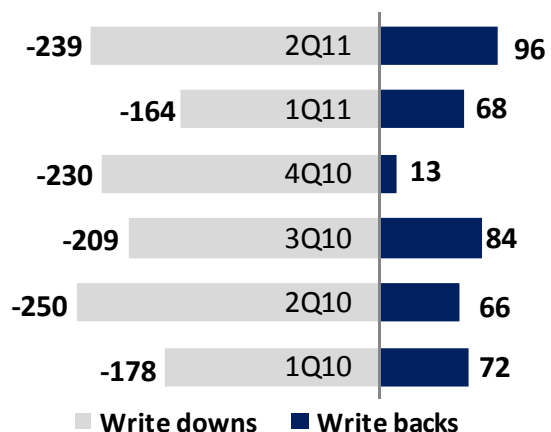
## IMPAIRMENT LOSSES ON LOANS (€ mln)



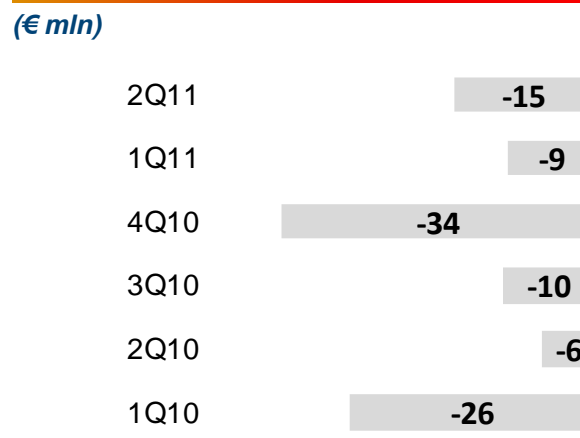
Total customer loans (bln€)	97.8	100.2	101.2	101.8	102.7	102.8
Quarterly cost of credit (bps annualised)	54	76	53	99	41	62

- Cost of credit lower in 2011, both as 6M average and quarter by quarter

## BREAKDOWN OF ANALYTICAL IMPAIRMENT (€ mln)



## EVOLUTION OF COLLECTIVE IMPAIRMENT (€ mln)



- In 1H2011 improving trend both in
  - write downs:** € 403 mln vs. € 428 mln in 1H2010 (-6%)
  - write backs:** € 164 mln vs. € 138 mln in 1H2010 (+19%)\*

\* +19% net of time reversal, from €112.8 mln 1H2010 to €134.5 mln in 1H2011



## Cost of credit confirms improvement

Bps, annualised	FY2009	1H2010	FY2010	1H2011
Banca Popolare di Bergamo	55	47	47	32
Banco di Brescia	49	54	65	37
Banca Popolare Commercio Industria	134	20	35	9
Banca Carime	44	54	48	53
Banca Popolare di Ancona	158	57	67	62
Banca Regionale Europea	46	37	40	27
Banca di Valle Camonica	59	49	71	102*
Banco di San Giorgio	64	92	64	47
Banca 24-7	170	158	134	104
Centrobanca	159	75	94	78
UBI Leasing	62	85	118	95
UBI Factor	35	10	11	9
<b>UBI Banca Group</b>	<b>88</b>	<b>64</b>	<b>69</b>	<b>51</b>

- ✓ **Network banks' cost of credit to 37 bps** from 52 bps as at 31 Dec 2010 (-15 bps)
- ✓ **Product companies' cost of credit to 87 bps** from 108 bps as at 31 Dec 2010 (-21 bps)

\* Total cost of credit in Banca Valle Camonica to €9.8 mln in 1H2011 vs €4.6 mln in 1H2010, due to a one off event

## Evolution of credit quality: NPLs, impaired and past due loans show decelerating growth June11/March11 compared to March11/December10

(€ mln)	30 June 11	Mar 11 / Dec 10	June 11 / Mar 11
Gross total doubtful loans	8,009	5.9%	1.3%
Net total doubtful loans	5,802	7.3%	2.8%
Gross NPLs	4,022	5.3%	1.1%
Net NPLs	2,195	6.8%	6.0%
Gross impaired loans	2,697	7.9%	7.7%
Net impaired loans	2,404	9.8%	7.7%
Gross restructured loans	917	1.0%	2.1%
Net restructured loans	841	0.2%	1.3%
Gross past due loans	373	10.2%	-28.7%
Net past due loans	361	10.8%	-29.2%
Gross performing loans	97,498	0.5%	-0.1%
<b>Net performing loans</b>	<b>96,973</b>	<b>0.5%</b>	<b>-0.1%</b>
Gross total loans	105,508	0.9%	0.0%
<b>Net total loans</b>	<b>102,774</b>	<b>0.9%</b>	<b>0.1%</b>

<b>Net NPLs / net total loans</b>	<b>2.14%</b>
<b>Net impaired loans / net total loans</b>	<b>2.34%</b>
<b>Net impaired + NPL / net total loans</b>	<b>4.48%</b>
<b>Total doubtful loans / total loans (gross)</b>	<b>7.59%</b>
<b>Total doubtful loans / total loans (net)</b>	<b>5.65%</b>

Gross amount evolution: sale of unsecured loans for € 129.7 mln (99% impaired) which generated a capital gain of € 0.4 mln (more than appropriate valuation)

Shift from higher rating / risk categories to lower rating / risk customers

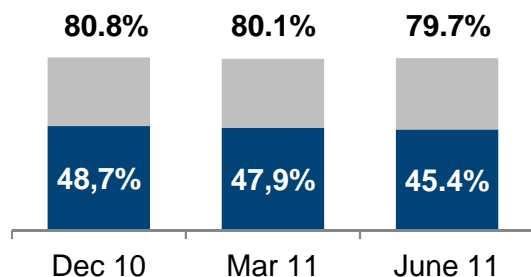
	30/06/2010	30/06/2011
Low risk	52.1%	54.9%
Medium risk	32.3%	30.6%
High risk	11.6%	10.3%
No rating	4.0%	4.2%

**2011-2013/2015 Industrial Plan:**  
net doubtful loans are expected to peak in 2011

## Coverage of deteriorated and performing loans

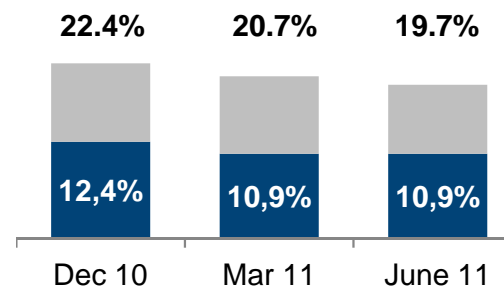
- PERFORMING LOANS coverage unchanged to 0.54% (€ 525.6 mln)

Coverage of NPLs



- Slight decrease as at 30 June 2011 following the sale of unsecured loans (99% impaired)

Coverage of IMPAIRED LOANS



■ Stated coverage ■ Coverage incl. loans posted to P&L (for NPLs) and excluding positions covered by collateral (excluding personal guarantees)

Collateralised positions*		Dec 2010	Mar 2011	June 2011
NPLs	Stock (€mln)	2,051	2,161	2,364
	% of total NPLs	54.2%	54.3%	58.8%
Impaired loans	Stock (€mln)	1,408	1,585	1,739
	% of total impaired loans	60.7%	63.3%	64.5%

Amount of loans amortised - sent to losses in relation to legal procedures	Dec 2010	Mar 2011	June 2011
(€ mln)	1,552	1,562	1,623

- Increasing incidence of positions collateralised throughout the semester

- Increase in loans sent to losses

\* Amounts restated to include IAS effect and legal procedures guarantees

## Tax relief on Goodwill and Intangible Assets amounting to 352.8 million euro

	Original Balance Sheet amounts in mln €
In 2007 the BPU/BL merger generated consolidation differences allocated to	
<i>Goodwill</i>	3,181
<i>Intangible assets*</i>	1,167
<i>Tangible assets*</i>	735

Law 111 of 15 July 2011 allows tax relief "affrancamento fiscale" on amounts relating to goodwill and other intangible assets and investments in subsidiaries deriving from business combination recognized in the consolidated balance sheet.

The UBI Board of Directors decided to take advantage of this opportunity to obtain tax relief on residual amounts related to the BPU/BL merger and in IW Bank, as follows:

	Current Balance Sheet amounts in mln €
<i>BPU/BL Goodwill remaining after tax relief accounted for in 2008 F/S according to Law 2 of 28 January 2009</i>	2,361
<i>BPU/BL Intangible assets* net of amortisation</i>	869
<i>IW Bank Goodwill</i>	55
<b>TOTAL</b>	<b>3,285</b>

Substitute tax 16%	525.6
<u>Deferred tax (IRES) 27.5%</u>	<u>903.4</u>
Difference	377.8
<u>Write off of pre paid IRAP**</u>	<u>- 25.0</u>
<b>TAX RELIEF</b>	<b>352.8</b>

\* Both consolidation differences allocated to intangible and tangible assets are written gross of tax in the Balance Sheet (net of tax, they amount to €1,027 mln, and, together with goodwill, they sum up to total consolidation differences from the BPU/BL merger of €4,208 mln). \*\*As a consequence of tax relief, UBI Banca will not dispose of a tax base sufficient to recover pre-paid IRAP

## Outlook for 2011

- ❑ The trend for operating income will continue to be influenced by the sovereign debt crisis with consequent pressures on financial markets and on interest rate levels. Commercial action has nevertheless been taken which is designed to achieve **a higher rate of operating income in the second half** than that recorded in the first part of the year.
- ❑ **Operating expenses**, which already include a hypothesis provisions in relation to the renewal of the national labour contract and to variable remuneration (not present last year), **are expected to fall as a whole compared to 2010**, partly as a result of the effects of the trade union agreement signed in May 2010.
- ❑ As concerns **credit quality**, despite the unfavourable economic background, current trends should allow an annual level of writedowns against net loans **lower than that recorded in 2010**.
- ❑ If current stock market trading prices are confirmed, it will be necessary to recognise further **impairment losses** on the stake held in Intesa Sanpaolo.
- ❑ Net of non recurring items, **an improvement in profits on ordinary activities is expected for the full year 2011 compared to 2010**, in absence of a further deterioration of the economic-financial context.
- ❑ From an organisational point of view, further simplification actions are under way, which will be communicated in due time.

**☐ Sound and solid capital position together with structural balance**

**☐ First Half 2011 economic results**

**☐ Annexes:**

- **Reclassified balance sheet: highlights**
- **Indirect funding evolution**
- **Capital ratios details**
- **Securities portfolio**

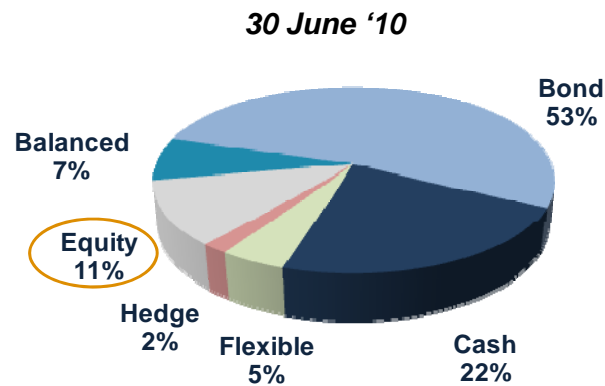
## Reclassified balance sheet: highlights

<b>MAIN ASSETS ITEMS</b> <i>Figures in millions of euro</i>	<b>30.06.2010</b>	<b>31.12.2010</b>	<b>30.06.2011</b>
Financial assets (AFS, HFT, FV)	15,297	13,133	11,786
Loans to customers	100,158	101,815	102,774
Property, equipment and investment property	2,098	2,113	2,078
Intangible assets	5,476	5,475	5,287
<i>of which: goodwill</i>	4,398	4,417	4,286
Tax assets	1,362	1,723	2,313
Other assets	1,801	1,173	2,476
<b>Total assets</b>	<b>132,099</b>	<b>130,559</b>	<b>132,751</b>
<b>MAIN LIABILITIES AND EQUITY ITEMS</b> <i>Figures in millions of euro</i>	<b>30.06.2010</b>	<b>31.12.2010</b>	<b>30.06.2011</b>
Net interbank position	5,961	2,264	582
Due to customers	58,534	58,666	56,200
Securities issued	44,828	48,094	49,964
Tax liabilities	814	993	1,310
Net worth attributable to the Parent (including the profit for the year)	10,970	10,979	12,073
Non-controlling interest	870	963	943
<b>Total liabilities and equity</b>	<b>132,099</b>	<b>130,559</b>	<b>132,751</b>

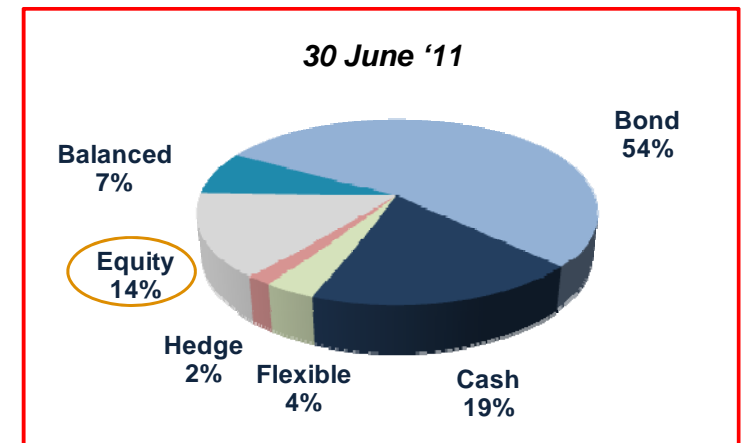
# Indirect funding evolution: stable yoy with different mix due to market conditions

In bln€	June '10	June '11	June '11 vs. June '10
AUM (excl.bancassurance)	30.0	29.0	-3.2%
Bancassurance	12.6	12.1	-3.6%
AUC	35.9	37.4	4.2%
<b>Total indirect funding</b>	<b>78.5</b>	<b>78.6</b>	<b>0.1%</b>

## Mix of AuM: breakdown by fund type in UBI Pramerica



- YoY increased incidence of equity funds (+0.5bln€) thanks to switch from cash and flexible funds
- Comparison with system still evidences room to increase weight of equity funds (14% vs 23%)\*



\* Source: Assogestioni "Trend mensile sui fondi aperti, Luglio 2011"



## Core Tier 1 at 8.20%, Tier 1 at 8.71% and Total Capital Ratio at 13.02%

<i>Figures in millions of euro</i>	<b>31 Dec 2010 Basel II standardised</b>	<b>30 June 2011 Basel II standardised</b>
Tier 1 (before filters)	6,766.8	8,017.7
Preference shares, minorities saving and priv. shares net of grandfathering	489.2	489.2
Tier 1 capital filters	-73.6	-32.5
<b>Tier 1 (after filters)</b>	<b>7,182.4</b>	<b>8,474.4</b>
Deductions from Tier 1	-134.5	-136.7
<b>Tier 1 after filters and specific deductions</b>	<b>7,047.9</b>	<b>8,337.6</b>
<b>Supplementary capital after filters</b>	<b>3,770.5</b>	<b>4,416.7</b>
Deductions from supplementary capital	-134.5	-136.7
<b>Supplementary capital after filters and specific deductions</b>	<b>3,636.0</b>	<b>4,279.9</b>
Deductions from Tier 1 + supplementary capital	-147.7	-150.4
<b>Total supervisory capital</b>	<b>10,536.2</b>	<b>12,467.2</b>
Credit risk	6,952.9	7,093.9
Market risk	106.6	77.7
Operational risk	489.3	489.3
<b>Total prudential requirements</b>	<b>7,548.9</b>	<b>7,660.9</b>
<b>Risk weighted assets</b>	<b>94,360.9</b>	<b>95,761.3</b>
<b>Core Tier I after deductions from Core capital</b>	<b>6.95%</b>	<b>8.20%</b>
<b>Tier I</b>	<b>7.47%</b>	<b>8.71%</b>
<b>Total capital ratio</b>	<b>11.17%</b>	<b>13.02%</b>

# UBI Banca's Securities portfolio\*: details

Composition of the portfolio		31.12.2010	30.06.2011
<b>BY TYPE OF FINANCIAL INSTRUMENT</b>	Government bonds	80.3%	76.6%
	Corporate bonds (mainly bank issues)	15.9%	16.7%
	Hedge funds	1.3%	1.3%
	ABS**	0.8%	0.9%
	Funds, shares and derivatives	1.7%	4.5%
<b>BY FINANCIAL PROFILE</b>	Floating rate***	63.4%	63.7%
	Fixed rate	26.8%	23.4%
	Structured securities	6.7%	7.0%
	Shares, funds, convertible bonds	3.1%	5.9%
<b>BY CURRENCY</b>	Securities in euro	98.8%	98.8%
<b>BY GEOGRAPHICAL DISTRIBUTION</b>	Securities of the euro area	95.2%	95.9%
	USA securities	2.9%	2.0%
<b>BY RATINGS (BONDS)</b>	Investment grade	97.8%	98.3%
	Average rating	A2	A2

In 1H 2011 investments in UBI Pramerica funds

\* Analysis refers to a portfolio which excludes participations and some smaller portfolios

\*\* ABS investments amount to € 89.4 mln (€ 89.6 mln as at Dec 2010) and comprise securitizations issued by INPS (Italian National Welfare Institute) for a consideration of € 89 mln

\*\*\* Fixed rate securities with asset swaps are considered as floating rate securities; securities in asset swap represent 80% of floating rate securities in 1H2011