

# Consolidated results as at 31 March 2012

15 May 2012

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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.*

## ON-GOING STRENGTHENING OF CAPITAL RATIOS AND STRUCTURAL BALANCE

- ✓ CT1 > 9%
- ✓ NSFR > 1
- ✓ LCR > 1

## REVENUES CONSISTENT WITH STRENGTHENING OF CAPITAL RATIOS AND DELEVERAGING

- ✓ Total revenues up by 8.3% YoY and 3.3% QoQ
- ✓ NII impacted by lower loan volumes
- ✓ Good net commission performance
- ✓ Finance result driven by good timing

## COSTS IN LINE WITH BUDGET

- ✓ Total costs down by 1.1% YoY and 3.9% QoQ
- ✓ Costs of extraordinary projects and leaving incentives included
- ✓ D&A benefiting from lower PPA (€12 mln) following impairments on intangibles carried out in 4Q2011

## COST OF CREDIT IN LINE WITH BUDGET

- ✓ 54 bps annualised consistent with seasonal trends

## Further strengthening of ratios as at 31 March 2012: Core Tier 1 at 9.01%, Tier 1 at 9.44% and Total Capital Ratio at 13.88%, calculated including hypothesis of dividend

Key capital ratios	31.12.2011	31.03.2012*
Core Tier 1	8.56%	9.01%
Tier 1	9.09%	9.44%
Total Capital Ratio	13.50%	13.88%
RWAs (bln€)	91.0	88.3

- Ratios calculated under the Standardised model (adoption of the Advanced Model for **Corporate risk and Operational risk** within June 2012). Adoption of the Advanced Model for Retail risk is expected to be anticipated compared to the original 2015 schedule
- Ratios do **not** include the convertible bond
- RWAs according to BIS 2.5 rules: €88.3 bln (from €91 as at 31 Dec 2011 and €93.7 as at 30 Sept 2011), representing **over 67%** of total assets

- With CT1>9%, EBA Shortfall only coming from MtM valuation of Italian Securities Portfolio fixed as at end September 2011.
- Key elements to fill the EBA shortfall:
  - ✓ Adoption of Advanced Model
  - ✓ 2Q12 Retained Earnings
  - ✓ Further deleveraging actions
  - ✓ Further portfolio optimization partially already completed after 1Q12

\* Ratios calculated to be perfectly comparable with December 2011

## Growth in Net Profit both YoY and QoQ

MAIN INCOME STATEMENT ITEMS <i>Figures in € mln</i>	1Q11	4Q11	1Q12	% change 1Q12/1Q11	% change 1Q12/4Q11
Net interest income	528	545	517	(1.9%)	(5.0%)
Net commission income	292	303	299	2.6%	(1.3%)
Performance fees		12		n.s.	n.s.
Net result from finance	15	24	94	n.s.	n.s.
Other income items	28	21	23	(18.4%)	12.8%
<b>Operating income</b>	<b>863</b>	<b>904</b>	<b>934</b>	<b>8.3%</b>	<b>3.3%</b>
Staff costs	(365)	(350) <sup>1</sup>	(364)	(0.1%)	4.0%
Other administrative expenses	(171)	(196)	(176)	2.7%	(10.2%)
Net impairment losses on property, equipment and investment property and intangible assets	(60)	(67)	(49)	(18.4%)	(26.8%)
<b>Operating expenses</b>	<b>(596)</b>	<b>(613)</b>	<b>(589)</b>	<b>(1.1%)</b>	<b>(3.9%)</b>
<b>Net operating income</b>	<b>267</b>	<b>292</b>	<b>345</b>	<b>29.2%</b>	<b>18.3%</b>
Net impairment losses on loans	(105)	(208)	(131)	24.5%	(37.1%)
Net impairment losses on other assets and liabilities	(2)	4	(2)	27.2%	n.s.
Net provisions for risks and charges	(10)	(12)	(4)	(60.5%)	(65.2%)
Profits from disposal of equity investments	0	6	0	(88.4%)	(99.6%)
<b>Pre-tax profit from continuing operations</b>	<b>150</b>	<b>81</b>	<b>208</b>	<b>38.6%</b>	<b>157.1%</b>
Taxes on income for the period from continuing operations	(77)	(49)	(95)	23.6%	95.6%
Profit for the period attributable to non-controlling interests	(8)	(9)	(7)	(13.6%)	(25.1%)
<b>Profit for the period attributable to the shareholders of the Parent before impairments on goodwill and intangible assets</b>	<b>65</b>	<b>23</b>	<b>105</b>	<b>63.1%</b>	<b>n.s.</b>
Impairments on goodwill and intangible assets net of taxes and non-controlling interests		(2,047)			n.s.
<b>Profit for the period</b>	<b>65</b>	<b>(2,024)</b>	<b>105</b>	<b>63.1%</b>	<b>n.s.</b>
<b>Profit for the period NET OF NON RECURRING ITEMS</b>	<b>65</b>	<b>15</b>	<b>95</b>	<b>47.2%</b>	<b>n.s.</b>

Repricing carried out in 2011 partially compensates deleveraging started from 4Q11 (average volumes: €-4.6 bln)

Resilience of commission income

Good timing in catching opportunities offered by market trends

Roughly in line with comparison quarters notwithstanding one-off costs for personnel exits in 1Q12

Lower PPA (€ -12 mln) following impairments of intangibles carried out in 4Q11

1Q12: seasonal trend confirmed compared to 4Q11.  
1Q12>1Q11 due to the deteriorated economic environment

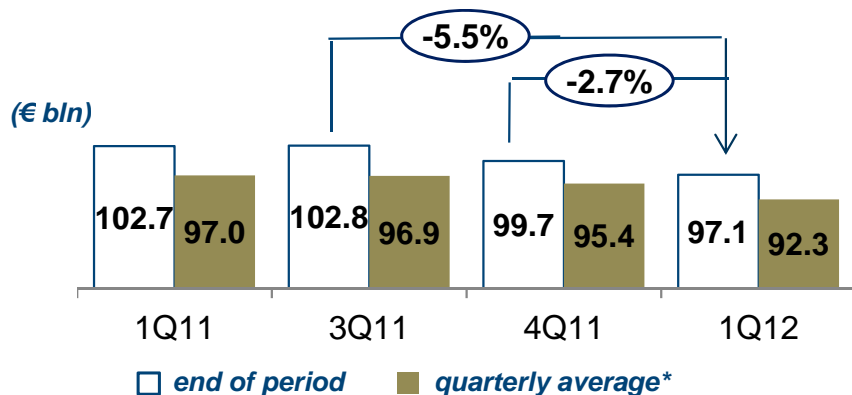
Tax rate at 45.8% vs. 60.2% in 4Q11 and 51.4% in 1Q11, thanks to the improvement in revenues

(1) benefitted from release of provisions

# Net Interest Income down due to lower loan volumes and notwithstanding more effective pricing (risk/cost of funding).

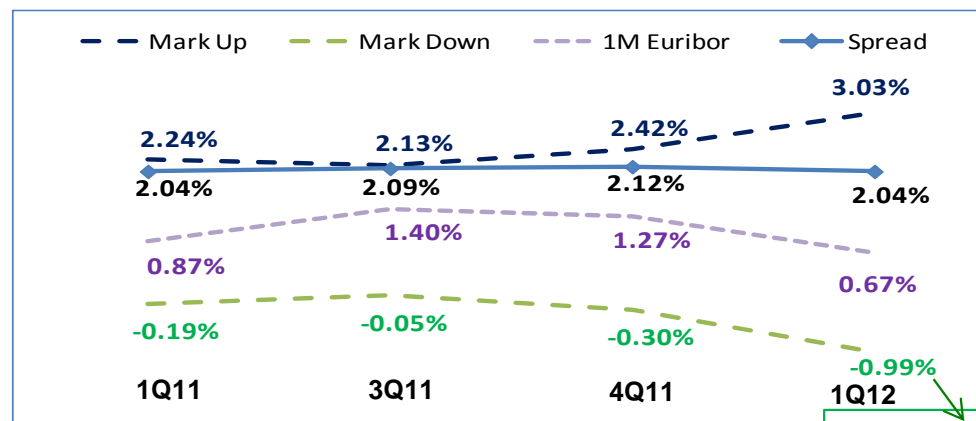
At constant 3Q2011 loan volumes, NII would evidence a significant growth

## LOWER LOAN VOLUMES



## EFFECTIVE REPRICING

Customer Spread Evolution vs. 1M Euribor  
(aggr. stocks: network banks +UBI +product companies)

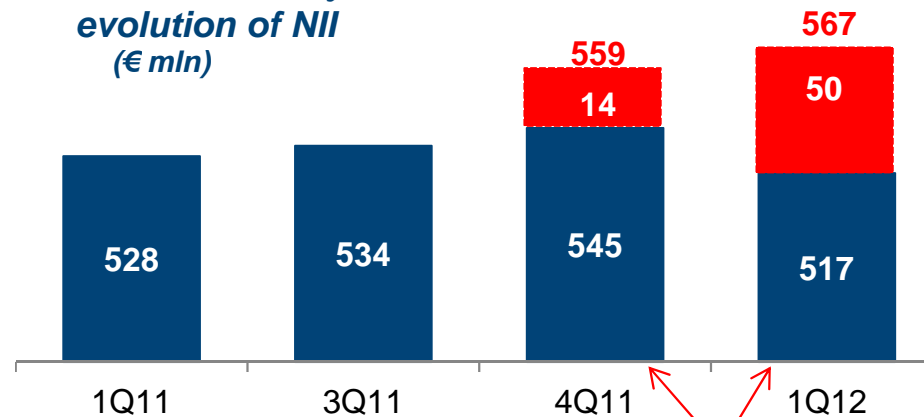


**1Q12 mark down:**  
Sight deposits: +0.03%  
Term deposits: -2.45%  
Retail bonds: -1.60%  
Institutional bonds: -2.11%

## Hypothetic increase in NII at constant 3Q2011 volume levels

Period	Average Loans (€ mln)	Mark Up vs. reference rate**	Δ Loans (€ mln)	Incremental NII (€ mln)
A 3Q11	96.9			
B 4Q11	95.4	3.51%	1.5 (B-A)	14
C 1Q12	92.3	4.30%	4.6 (C-A)	50

## Stated Quarterly evolution of NII (€ mln)



\* Interest bearing assets net of deteriorated loans and net of foreign subsidiaries

\*\* Underlying hypothesis: **short term lending:** average mark up vs 1M Euribor on 1Q12 stocks  
**medium to long term:** average mark up vs reference rate on new disbursements

# Direct Funding from Ordinary Customers: positive trend confirmed in retail funding

€ bln (IAS values, including interest accruals and amortised cost)	31 Mar '11	31 Dec '11	31 Mar '12	% annual changes	% quarterly changes
<b>Retail funding</b>	<b>72.6</b>	<b>75.3</b>	<b>76.1</b>	<b>4.8%</b>	<b>1.1%</b>
Current accounts and deposits	44.4	46.1	45.6	2.6%	-1.1%
Term deposits, other payables and repos	3.6	3.7	4.4	21.4%	17.8%
Securities in issue: Network banks + UBI	22.9	23.5	24.0	4.6%	2.2%
Securities in issue: mainly customer CDs	1.6	2.0	2.1	30.5%	7.7%
<b>Centrobanca funding* (securities in issue)</b>	<b>4.5</b>	<b>4.3</b>	<b>4.3</b>	<b>-6.1%</b>	<b>0.0%</b>
<b>Institutional funding</b>	<b>27.7</b>	<b>23.3</b>	<b>19.1</b>	<b>-31.0%</b>	<b>-18.0%</b>
Repos with CCG**	8.1	4.6	2.4	-70.6%	-48.3%
Securities in issue	19.6	18.7	16.7	-14.7%	-10.5%
<b>Total funding</b>	<b>104.8</b>	<b>102.8</b>	<b>99.4</b>	<b>-5.1%</b>	<b>-3.3%</b>



• **Positive trend in Retail funding, up by 4.8% YoY and 1.1% QoQ:**

- current accounts, deposits, CDs up by 4.9% YoY and by 0.6% QoQ
- bonds placed with ordinary customers up by 4.6% YoY and by 2.2% QoQ.

In 1Q2012, €1.9 bln issued against €1.4 bln matured with a **140% replacement rate**.

→ Including April 2012 (€0.9 bln issued and €0.4 bln matured), the replacement rate would stand at **159%**

INSTITUTIONAL FUNDING -securities in issue -	31 Mar '11	31 Dec '11	31 Mar '12
Covered Bonds	5.4	6.1	6.1
EMTN	10.7	10.3	8.8
CD and ECP	3.0	1.8	1.5
Preferred shares	0.5	0.5	0.3
<b>Total</b>	<b>19.6</b>	<b>18.7</b>	<b>16.7</b>

- **Institutional funding decrease** driven by:
  - reduction of the recourse to CCG to finance financial portfolios
  - € 1.5 bln EMTN notes matured in 1Q2012
  - no issuances in 1Q 2012
- € 12 bln ECB **LTRO**: more than enough to cover 2012-2013-2014 institutional maturities (overall €9.5 bln)
- **Eligible assets as at 11<sup>th</sup> May 2012 €25.3 bln** (from € 11.6 bln as at 31<sup>st</sup> Dec 2011), of which € 13.3 bln unencumbered (from € 5.6 bln)

Direct funding: breakdown table included in the Annexes (Annex 4)

\*Centrobanca: securities issued are placed on third parties' customers. No issuances in 1Q2012

\*\*CCG: Cassa Compensazione Garanzia, Italian Clearing House

# Lending at €97.1 bln, Following Optimisation Carried out starting from 4Q11

In bln €	31 Mar '11	30 Sept '11	31 Dec '11	31 Mar '12	% annual changes	% quarterly changes
<b>Retail</b>	<b>48.9</b>	<b>49.1</b>	<b>48.2</b>	<b>47.6</b>	<b>-2.5%</b>	<b>-1.2%</b>
<i>of which:</i> Private Customers	21.0	21.5	21.5	21.4	1.7%	-0.4%
Banca 24/7	11.1	10.8	10.5	10.2	-8.0%	-2.6%
Small business	16.7	16.8	16.3	16.0	-4.3%	-1.5%
<b>Corporate</b>	<b>35.7</b>	<b>35.8</b>	<b>32.0</b>	<b>31.8</b>	<b>-10.9%</b>	<b>-0.6%</b>
<i>of which:</i> Core corporates	17.5	17.4	16.3	16.2	-7.3%	-0.5%
Large corporates	11.2	11.2	8.5	8.5	-24.0%	0.3%
Centrobanca	6.9	7.3	7.2	7.0	1.4%	-1.7%
<b>Private</b>	<b>0.7</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>4.7%</b>	<b>-14.8%</b>
<b>Other*</b>	<b>17.4</b>	<b>16.9</b>	<b>18.6</b>	<b>16.9</b>	<b>-2.9%</b>	<b>-9.0%</b>
<i>of which:</i> UBI Leasing	9.7	9.4	9.0	8.9	-8.6%	-1.7%
UBI Factor	2.5	2.6	2.9	2.6	1.8%	-9.9%
UBI **	1.5	0.9	2.6	1.3	-12.6%	-51.4%
<b>Total</b>	<b>102.7</b>	<b>102.8</b>	<b>99.7</b>	<b>97.1</b>	<b>-5.4%</b>	<b>-2.6%</b>

- Low demand due to deteriorated economic conditions
- Optimisation of lending, intensified as from 4Q11
  - Large corporates: € -2.7 bln from 30 Sept 2011
  - Non captive business and higher risk lending, € -1.1 bln from 30 Sept 2011 (Banca 24/7 and UBI Leasing)

## Positive:

- Rationalisation of RWAs, nevertheless continuing to support core customers

## Negative:

- Impact on NII

\* Also including other minor companies, IAS adjustments and network banks' loans not allocated to market segments

\*\* UBI net of intercompany

Market segment figures restated according to current criteria on customer allocation to market portfolios

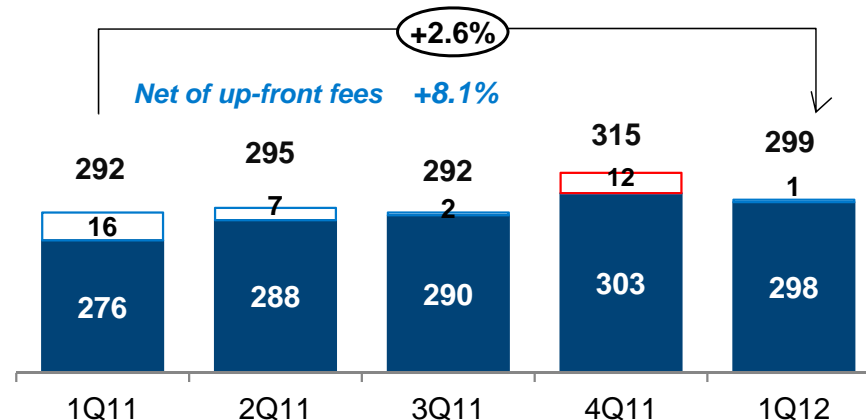


# Net Commission Income is Up by 2.6% YoY.

## Net of up front fees, Net Commission Income is Up by 8.1% YoY

— Net commission income quarterly evolution —

(€ mln)



- Performance fees
- Up-front fees

Commissions <i>Figures in thousands of euro</i>	1Q11	4Q11	1Q12	% Changes 1Q12 vs 1Q11	% Changes 1Q12 vs 4Q11
Guarantees	12.9	12.9	6.1	-52.2%	-52.4%
Management, trading and advisory services	124.3	128.4	141.7	14.0%	10.4%
<i>Of which:</i>					
Portfolio management (net of performance fees)	64.8	64.8	57.6	-11.1%	-11.1%
Placement of securities (net of up-front fees)	13.3	9.4	37.2	n.s.	n.s.
Third party services distribution	37.7	41.7	34.0	-9.8%	-18.4%
Collection and payment services	26.7	26.1	25.9	-2.8%	-0.6%
Services for factoring transactions	6.9	6.8	7.3	5.3%	7.7%
Current accounts management	50.1	57.9	50.9	1.5%	-12.1%
Other services	54.8	71.3	66.1	20.5%	-7.3%
<b>Total net of performance and up-front fees</b>	<b>275.7</b>	<b>303.3</b>	<b>298.0</b>	<b>8.1%</b>	<b>-1.8%</b>
<b>Performance fees</b>	<b>0.0</b>	<b>11.7</b>	<b>0.0</b>	<b>-</b>	<b>n.s.</b>
<b>Up-front fees</b>	<b>16.2</b>	<b>0.1</b>	<b>1.4</b>	<b>n.s.</b>	<b>n.s.</b>
<b>Total</b>	<b>291.9</b>	<b>315.1</b>	<b>299.4</b>	<b>2.6%</b>	<b>-5.0%</b>

← • Guarantees include costs (approx. € 8 mln) relating to € 6 bln of bonds with State guaranty issued\*

← • Placement of securities: launch of a new range of products (e.g. “UBI Sicav Cedola Certa” end 2011/1Q12)

• Significant reduction in up front fees from placement of third parties’ bonds, which traditionally represent a very marginal contribution to commission (below 5% in FY2011 and FY2010)

\* €3 bln value date 2<sup>nd</sup> Jan 2012 and €3 bln value date 27<sup>th</sup> Feb 2012

## Financial Assets: €17.9 bln Mainly Related to Investments in Italian Government Bonds (83% of total) Generating Strong Result from Finance in 1Q12

Financial assets <i>Figures in billions of €</i>	Total portfolios			AFS			HFT			FV			HTM*
	31.03.2011	31.12.2011	31.03.2012	31.03.2011	31.12.2011	31.03.2012	31.03.2011	31.12.2011	31.03.2012	31.03.2011	31.12.2011	31.03.2012	31.03.2012
Debt instruments <i>of which: Italian Govies</i>	10.68	9.69	<b>16.58</b>	9.65	7.55	<b>10.29</b>	1.03	2.14	<b>3.03</b>				<b>3.25</b>
	8.83	7.84	<b>14.75</b>	7.87	5.96	<b>8.58</b>	0.95	1.87	<b>2.91</b>				<b>3.25</b>
Equity instruments	0.61	0.49	<b>0.50</b>	0.49	0.39	<b>0.40</b>	0.12	0.10	<b>0.10</b>				
Units in O.I.C.R. <i>(collective investment units)</i>	0.59	0.23	<b>0.23</b>	0.12	0.10	<b>0.10</b>	0.00	0.00	<b>0.00</b>	0.47	0.13	<b>0.12</b>	
Others **	0.46	0.64	<b>0.55</b>	0.00			0.46	0.64	<b>0.55</b>				
<b>Total</b>	<b>12.34</b>	<b>11.04</b>	<b>17.85</b>	<b>10.25</b>	<b>8.04</b>	<b>10.79</b>	<b>1.61</b>	<b>2.87</b>	<b>3.68</b>	<b>0.47</b>	<b>0.13</b>	<b>0.12</b>	<b>3.25</b>

### Revenues support policy implemented in 1Q2012:

- Investment in Italian Government bonds (€3bln in **HTM** and €2 bln in **AFS**) with 3Y maturity and with **no mismatching** compared to the LTRO.  
Total investments in **Italian Govies** amount to **€14.8 bln** (11.2% of total assets)
- **AFS**: maturities recomposition carried out on € 1.2 bln bonds
- **HFT**: investments in short term (maturity below 1 year) Italian Govies within profit taking strategy linked to Italian credit spread evolution

*Contribution to item  
"Result from  
Finance" in 1Q  
2012:*

→ **€ 51 mln**

→ **€ 31 mln\*\*\***

### No exposure to sovereign bonds of countries at risk

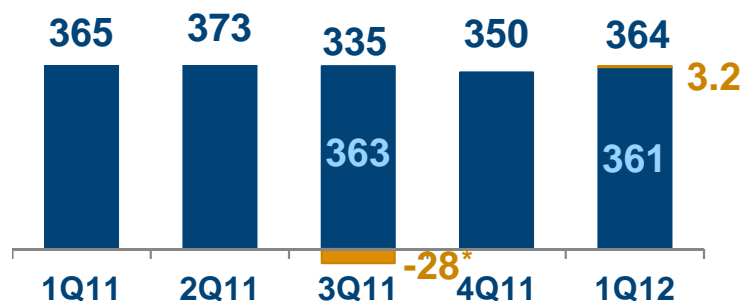
\* Portfolio not present in 2011

\*\* Others: financial derivatives and financing

\*\*\* Out of a total of 48.8 million of trading gains

# Operating Costs Components

## Staff costs (€mln)



■ Non-recurring items

### Net of non-recurring

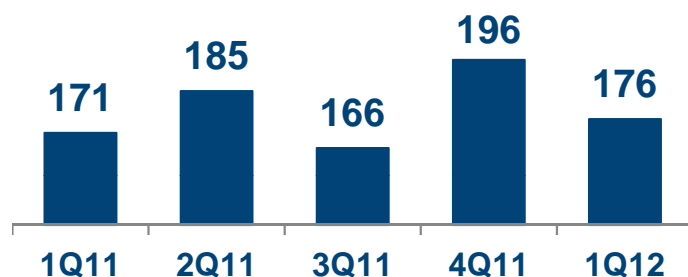
YoY **-1.0%**  
QoQ **+3.1%**

### Stated

YoY **-0.1%**  
QoQ **+4.0%**

- Staff costs in 1Q12: **€ 361 mln** net of **€ 3.2 mln** leaving incentives in compliance with Law 22/12/2011 n. 214\*\* (**52 exits in 2Q2012**)
- 4Q11 included the release of provisions following the signature of the National Labour Contract

## Other administrative costs (€mln)

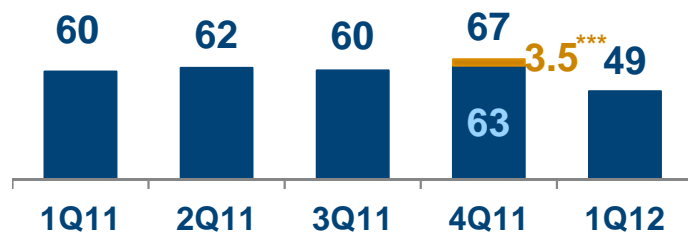


### Net of non-recurring / Stated

YoY **+2.7%**  
QoQ **-10.2%**

- The YoY cost increase is attributable mainly to:
  - the costs related to 2011-2013/2015 Industrial Plan projects and initiatives (+ **€ 3.4 mln**) and related to the Banca 24/7 merger (+ **€ 1.6 mln**)
  - enhanced credit recovery activity (+ **€ 2.3 mln**)
  - the estimated impact of "Save Italy" decree on VAT and real estate taxation
- The QoQ comparison is affected by trend seasonality

## D & A (€mln)



■ Non-recurring items

### Net of non-recurring

YoY **-18.4%**  
QoQ **-22.7%**

### Stated

YoY **-18.4%**  
QoQ **-26.8%**

- 1Q12 benefits from **€ 12 mln** of PPA reduction (both vs. 1Q11 and 4Q11) following intangibles impairments made in Dec. '11
- Net of PPA effect, D&A increase by 3.4% mainly due to amortisation of new software implemented in 2011 and **write-offs related to over 75 branches closed in Feb 2012**

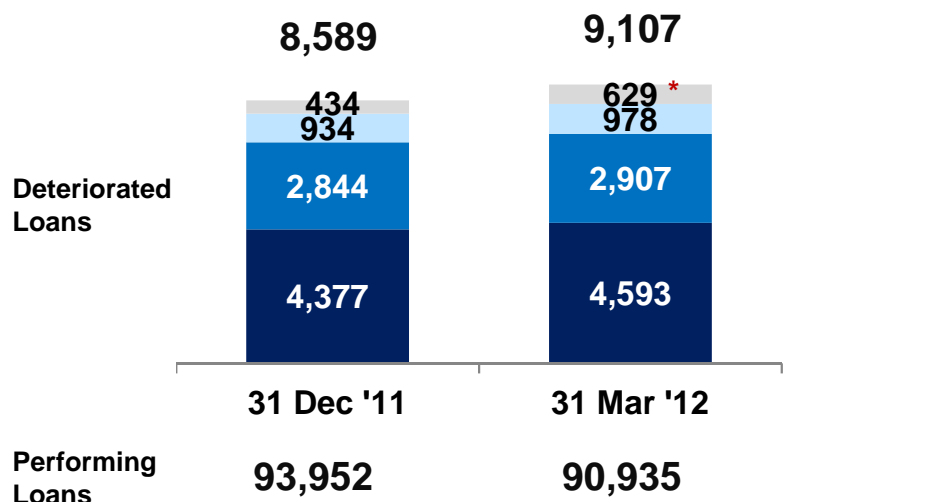
\* Staff costs 3Q11: non-recurring € 28 mln related to the release of provisions following the actuarial recalculations for post retirement benefits.

\*\* The "General Leaving Incentive Proposal" made by the Group in March 2012 falls within this context. It is designed for employees who are covered by the safeguards provided for by the "Save Italy" decree for those who met pension requirements by 31st Dec 2011.

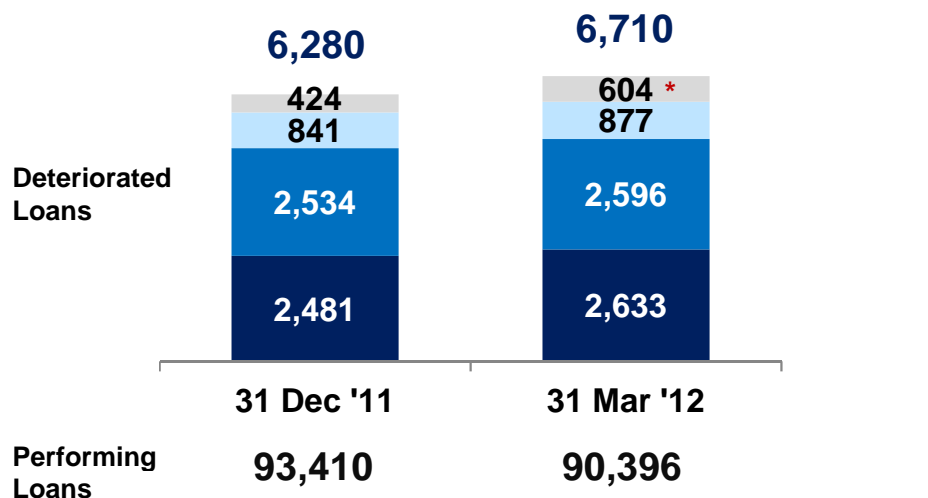
\*\*\* D&A 4Q11 includes € 3.5 mln one-off related to Banca 24/7 migration activities before the merger.

# Evolution of Credit Quality

## GROSS AMOUNTS (€mln)



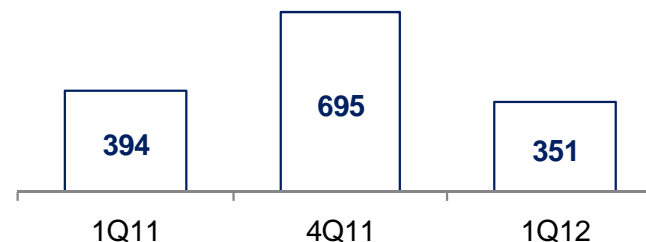
## NET AMOUNTS (€mln)



■ Past Due  
■ Restructured loans  
■ Impaired loans  
■ NPLs

## GROSS INFLOWS FROM PERFORMING LOANS TO NPLS (*sofferenze*) and IMPAIRED LOANS (*incagli*) (€mln)

- Positive trend, with progressive lower amount of inflows



## ASSET QUALITY RATIOS

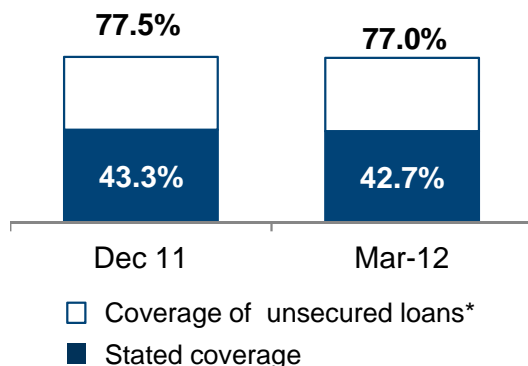
	31 Mar '11	31 Dec '11	31 Mar '12
Net NPLs / net total loans	2.02%	2.49%	2.71%
<b>Net NPLs / net total loans (system)**</b>	<b>2.59%</b>	<b>3.12%</b>	<b>2.98%</b>
Net impaired loans / net total loans	2.17%	2.54%	2.67%
Net impaired + NPL / net total loans	4.19%	5.03%	5.38%
Total deteriorated loans / total loans (gross)	7.49%	8.38%	9.10%
Total deteriorated loans / total loans (net)	5.50%	6.30%	6.91%

2.56% with loan volumes stable at Sept11 level

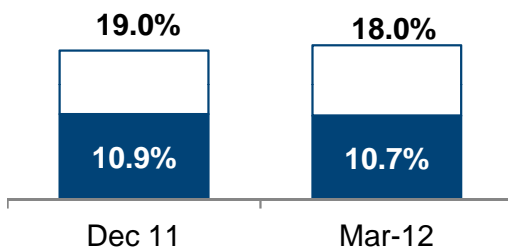
\* Past due loans affected by new regulation effective 1/1/2012 also including all arrears between 90 and 180 days not backed by real estate collateral. This would have implied, if applied to December '11 data, higher past due by 182 million gross and 172 net. \*\* Only available system data (source Bank of Italy)

# Coverage of Deteriorated and Performing Loans

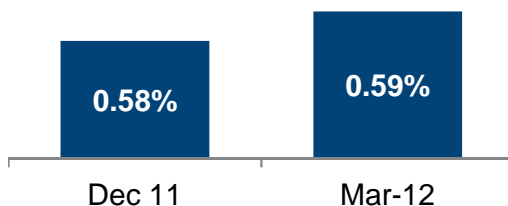
## Coverage of NPLs



## Coverage of IMPAIRED LOANS



## Coverage of PERFORMING LOANS



## NPLs and impaired loans:

- **growth in collateralised NPLs and impaired loans**, as shown in the table below:

Collateralised positions	Dec 2010	Dec 2011	Mar 2012
% of gross NPLs	54.2%	60.6%	61.0%
% of gross impaired loans	60.7%	65.0%	68.5%

Taking also into account personal guarantees, only **11% of net NPLs do not have any kind of guarantee.**

- increase in **NPLs written off**

Amount of loans amortised - sent to losses in relation to legal procedures	Dec 2010	Dec 2011	Mar 2012
(€ mln)	1,552	1,684	1,709

## Performing loans:

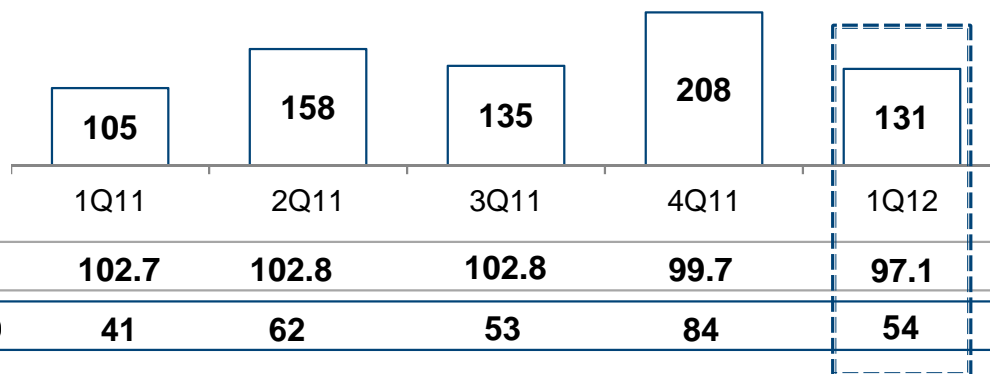
- **decrease of riskier positions** from 9.4% of loans in Dec 2011 to 8.9% in March 2012
- **increase in the relative guarantees** from 65.3% in Dec 2011 to 66.9% in March 2012
- concentration risk: **top ten customer exposure represents 3.3% of total loan book** from 3.5% in Dec 2011 and 4.1% in Dec 2010

\* Unsecured: including loans with no collateral or assisted only by personal guarantees. This coverage is calculated by adding back NPLs sent to losses to nominator and denominator and netting NPLs assisted by collateral and relevant adjustments

# Annualised Cost of Credit at 54 bps vs. 41 bps in 1Q2011

## IMPAIRMENT LOSSES ON LOANS

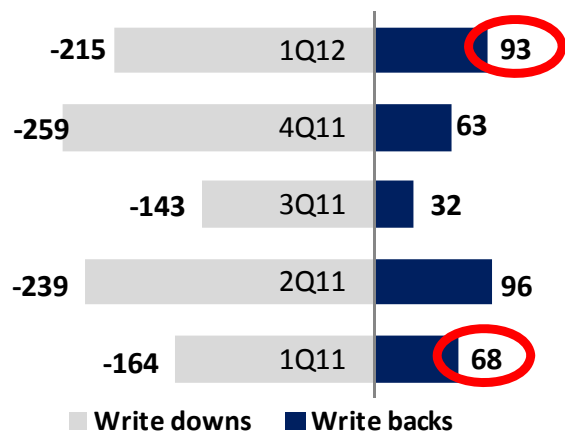
(€ mln)



Total customer loans (bln€)	102.7	102.8	102.8	99.7	97.1
Quarterly cost of credit (bps annualised)	41	62	53	84	54

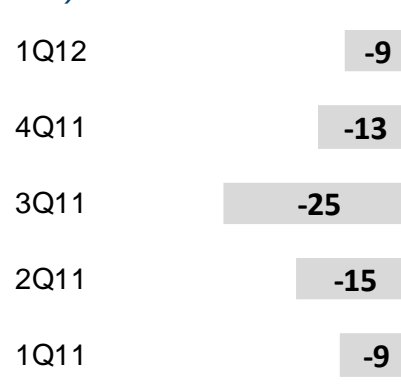
## BREAKDOWN OF ANALYTICAL IMPAIRMENT

(€ mln)



## EVOLUTION OF COLLECTIVE IMPAIRMENT

(€ mln)



### Analytical impairment:

- **Write downs:**  
€215 mln vs. €164mln in 1Q2011
- **Increase in write backs\*\*:**  
€ 93 mln vs. € 68 mln in 1Q2011, showing adequacy of adjustments

\*\* Write backs net of Time reversal: €75 mln in 1Q2012 vs €51.5 mln in 1Q2011

## UBI Banca 1Q12 results consistent with strengthening of capital ratios and structural balance, coupled with good economic performance

<b>Structure Ratios</b>	<b>1Q11</b>	<b>2011</b>	<b>1Q12</b>
Core Tier I Ratio	6.94%	8.56%	9.01%
Total RWAs/Total Assets	71.6%	70.1%	67.2%
Concentration of risk <sup>1</sup>	4.10%	3.50%	3.30%
Leverage Ratio <sup>2</sup>	19.10	18.51	17.06
<b>Liquidity Ratios</b>	<b>1Q11</b>	<b>2011</b>	<b>1Q12</b>
Loan/Deposit ratio	98.0%	97.0%	97.6%
NSFR			>1
LCR			>1
<b>Profitability (€ mln)</b>	<b>1Q11</b>	<b>1Q12</b>	<b>1Q12/1Q11</b>
Net operating income	267	345	+29.2%
Pre-tax profit from continuing operations	150	208	+38.6%
Net stated profit	65	105	+63.1%
Net normalised profit	65	95	+47.1%

The outlook for FY2012 must remain prudent because of uncertain environment and regulatory constraints.

However, an improvement is expected in profit for the year (net of non recurring items) compared to 2011, at unchanged market conditions.

1) CONCENTRATION RISK related to first 10 Group customers; 2) LEVERAGE = (tangible assets)/(tangible equity + non controlling interests + net result for the year)

□ Annexes



## Ratios as at 31 Mar 2012: Core Tier 1 at 9.01%, Tier 1 at 9.44% and Total Capital Ratio at 13.88%

<i>Figures in millions of euro</i>	31 Dec 2011 Basel II standardised	31 Mar 2012 Basel II standardised*
Tier 1 (before filters)	8,075.3	8,173.8
Preference shares, minorities saving and priv. shares net of grandfathering	489.2	380.2
Tier 1 capital filters	-137.5	-62.8
<b>Tier 1 (after filters)</b>	<b>8,426.9</b>	<b>8,491.1</b>
Deductions from Tier 1	-150.6	-153.4
<b>Tier 1 after filters and specific deductions</b>	<b>8,276.3</b>	<b>8,337.7</b>
<b>Supplementary capital after filters</b>	<b>4,305.1</b>	<b>4,233.2</b>
Deductions from supplementary capital	-150.6	-153.4
<b>Supplementary capital after filters and specific deductions</b>	<b>4,154.5</b>	<b>4,079.8</b>
Deductions from Tier 1 + supplementary capital	-148.6	-154.2
<b>Total supervisory capital</b>	<b>12,282.2</b>	<b>12,263.3</b>
Credit risk	6,746.5	6,535.7
Market risk	73.5	70.9
Operational risk	460.7	460.7
<b>Total prudential requirements</b>	<b>7,280.8</b>	<b>7,067.3</b>
<b>Risk weighted assets</b>	<b>91,010.2</b>	<b>88,341.7</b>
<b>Core Tier I after deductions from Core capital</b>	<b>8.56%</b>	<b>9.01%</b>
<b>Tier I</b>	<b>9.09%</b>	<b>9.44%</b>
<b>Total capital ratio</b>	<b>13.50%</b>	<b>13.88%</b>

€ 1 bln share capital increase in June/July 2011

Lower credit risk RWAs mainly following optimisation of loans to customers

\* Restated to allow comparison with December 2011 data

## Reclassified balance sheet: highlights

<b>MAIN ASSETS ITEMS</b> <i>Figures in millions of euro</i>	31.03.2011	31.12.2011	31.03.2012	% annual change	% quarterly change
Financial assets (AFS, HFT, FV, HTM)	12,340	11,038	17,852	44.7%	61.7%
Loans to customers	102,702	99,690	97,106	(5.4%)	(2.6%)
Property, equipment and investment property	2,087	2,046	2,021	(3.1%)	(1.2%)
Intangible assets	5,452	2,988	2,980	(45.3%)	(0.3%)
<i>of which: goodwill</i>	4,417	2,539	2,539	(42.5%)	0.0%
Tax assets	1,705	2,818	2,641	54.9%	(6.3%)
Non-current assets and disposal groups held for sale	6	22	37	n.s.	69.0%
Other assets	2,442	2,244	1,190	(51.3%)	(47.0%)
<b>Total assets</b>	<b>132,738</b>	<b>129,804</b>	<b>131,511</b>	<b>(0.9%)</b>	<b>1.3%</b>
<b>MAIN LIABILITIES AND EQUITY ITEMS</b> <i>Figures in millions of euro</i>	31.03.2011	31.12.2011	31.03.2012	% annual change	% quarterly change
Net interbank position*	2,823	3,588	10,218	262.0%	184.7%
Due to customers	56,145	54,431	52,358	(6.7%)	(3.8%)
Securities issued	48,679	48,377	47,085	(3.3%)	(2.7%)
Tax liabilities	1,083	702	807	(25.5%)	15.0%
Net worth attributable to the Parent	11,089	10,781	9,497	(14.4%)	(11.9%)
Non-controlling interests	973	899	909	(6.6%)	1.2%
Profit for the period	65	(1,841)	105	63.1%	n.s.
<b>Total liabilities and equity</b>	<b>132,738</b>	<b>129,804</b>	<b>131,511</b>	<b>(0.9%)</b>	<b>1.3%</b>

\* Including € 12 bln LTRO

# Securities Portfolio Details\*

Composition of the portfolio		31.03.2011	31.12.2011	31.03.2012
<b>BY TYPE OF FINANCIAL INSTRUMENT</b>	Government bonds	76.7%	70.6%	85.5%
	Corporate bonds (mainly bank issues)	16.6%	27.1%	13.1%
	Hedge funds	1.4%	1.2%	0.7%
	ABS	0.8%	0.0%	0.0%
	Funds, shares and derivatives	4.5%	1.1%	0.7%
<b>BY FINANCIAL PROFILE</b>	Floating rate**	65.0%	44.4%	30.3%
	Fixed rate	21.6%	47.5%	64.0%
	Structured securities	7.5%	5.9%	4.3%
	Shares, funds, convertible bonds	5.9%	2.3%	1.5%
<b>BY CURRENCY</b>	Securities in euro	99.0%	98.9%	99.3%
<b>BY GEOGRAPHICAL DISTRIBUTION</b>	Securities of the euro area	96.0%	96.3%	97.6%
	USA securities	2.1%	1.7%	1.2%
<b>BY RATINGS (BONDS)</b>	Investment grade	98.2%	98.2%	98.7%
	Average rating	A2	Baa1	Baa1

Reflects investments made in Italian Government bonds

Mainly due to the impact of Italy downgrade by rating agencies in the last part of the year

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

\*\* Fixed rate securities with asset swaps are considered as floating rate securities; securities in asset swap represent 78% of floating rate securities as at 31 March 2012

## Direct Funding: Breakdown as Stated in the Annual Report

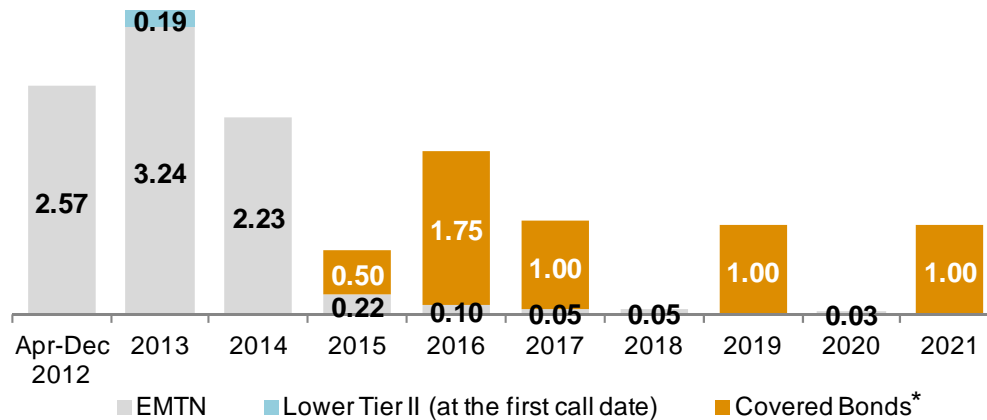
€ bln (IAS values, including interest accruals and amortised cost)	31 Mar'11	31 Dec '11	31 Mar '12	% annual changes	% quarterly changes
<b>Due to customers</b>	<b>56.1</b>	<b>54.4</b>	<b>52.4</b>	<b>-6.7%</b>	<b>-3.8%</b>
Current accounts and deposits	44.4	46.1	45.6	2.6%	-1.1%
Term deposits and other payables	2.5	2.8	3.9	57.2%	38.3%
Repurchase agreements	9.3	5.6	2.9	-68.4%	-47.3%
<i>of which</i> : with CCG	8.1	4.6	2.4	-70.6%	-48.3%
with retail customers	1.2	1.0	0.5	-53.4%	-42.5%
<b>Securities in issue</b>	<b>48.7</b>	<b>48.4</b>	<b>47.1</b>	<b>-3.3%</b>	<b>-2.7%</b>
Ordinary customer base (Network banks+UBI issues)	22.9	23.5	24.0	4.6%	2.2%
Centrobanca issues	4.5	4.3	4.3	-6.1%	0.0%
Covered Bonds	5.4	6.1	6.1	13.2%	0.0%
EMTN	10.7	10.3	8.8	-18.1%	-14.7%
CD and ECP	3.0	1.8	1.5	-51.0%	-18.8%
Preferred shares	0.5	0.5	0.3	-25.7%	-24.0%
Other (mainly foreign currency CDs with retail customers)	1.6	2.0	2.1	30.5%	7.7%
<b>Total</b>	<b>104.8</b>	<b>102.8</b>	<b>99.4</b>	<b>-5.1%</b>	<b>-3.3%</b>

# Institutional and Retail Maturities and Issuances

## EMTN and Covered Bonds

### Maturities by year (€bln)

(nominal amounts, excluding preference shares for €0.5 bln)

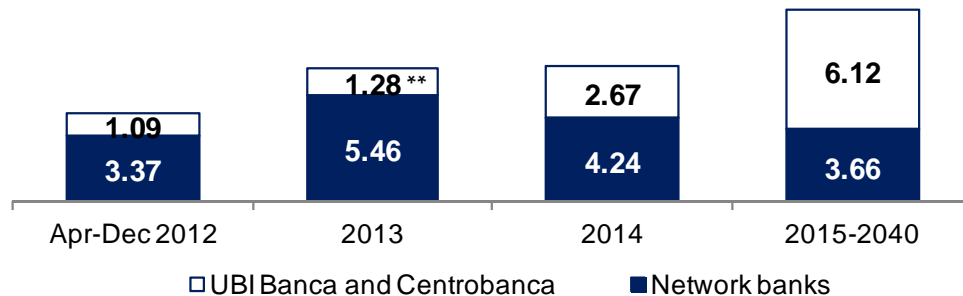


Maturities 2012 (€bln)	1Q	2Q	3Q	4Q
EMTN	1.5	1.5	0.07	1

## Retail Bonds

### Maturities by year (€bln)

(nominal amounts netted of bond repurchase)



Maturities 2012 (€bln)	1Q	2Q	3Q	4Q
UBI Banca+ Centrobanca	0.05	0.06	0.73	0.30
Network banks	1.38	1.22	1.18	1.00

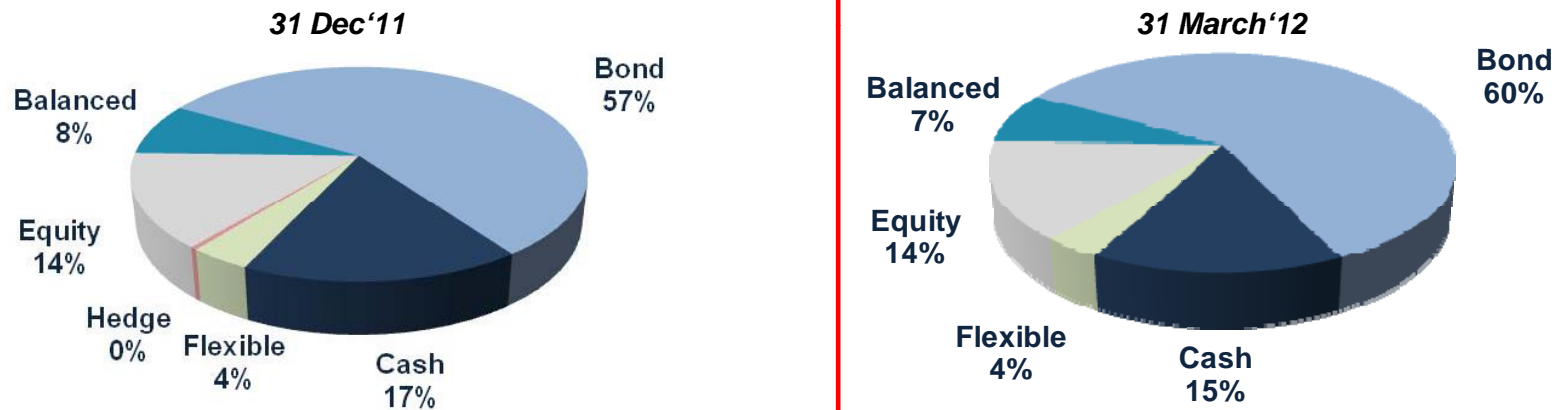
\* Plus 0.5 billion euro with BEI issued in 2010 (0.25 bln) and in 2011 (0.25 bln), expiring respectively in 2022 and 2021 and subject to progressive amortisation

\*\* Including soft mandatory convertible bond

## Indirect Funding Evolution

In bln€	Mar '11	Dec '11	Mar '12	Mar '12 vs. Dec '11
AUM (excl.bancassurance)	29.6	25.2	25.9	2.9%
Bancassurance	12.3	11.7	11.7	-0.1%
AUC	36.1	35.2	34.8	(1.1%)
<b>Total indirect funding</b>	<b>78.0</b>	<b>72.1</b>	<b>72.4</b>	<b>0.4%</b>

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



Source: Assogestioni's "PATRIMONIO GESTITO\*" aggregate. As from Sept '11 Assogestioni does not include in this aggregate the amounts managed by third parties, i.e. approx. €3.1 bln managed by Prudential. For comparison reasons, these data are included in the above charts

\* Customers assets managed to which assets received for management under a mandate from other managers are added and from which assets entrusted under mandate to other managers are subtracted

## Cost of Credit in all Main Group Companies

Bps, annualised	1Q11	FY2011	1Q12
Banca Popolare di Bergamo	28	42	49
Banco di Brescia	28	48	37
Banca Popolare Commercio Industria	10	29	27
Banca Carime	59	47	65
Banca Popolare di Ancona	72	55	46
Banca Regionale Europea	17	39	33
Banca di Valle Camonica	56	96	30
Banco di San Giorgio	19	71	110
Banca 24-7	97	100	88
Centrobanca	48	84	45
UBI Leasing	58	123	108
UBI Factor	1	52	30
<b>UBI Banca Group</b>	<b>41</b>	<b>61</b>	<b>54</b>