

# Bit Market Services

Informazione Regolamentata n. 0049-93-2016	Data/Ora Ricezione 04 Agosto 2016 17:41:08	MTA
--	--	-----

Societa' : BANCA POPOLARE DI MILANO

Identificativo : 77996

Informazione  
Regolamentata

Nome utilizzatore : BPOPMIN08 - Cidda

Tipologia : IRAG 02

Data/Ora Ricezione : 04 Agosto 2016 17:41:08

Data/Ora Inizio : 04 Agosto 2016 17:56:09

Diffusione presunta

Oggetto : BIPIEMME GROUP - RESULTS AS AT 30  
JUNE 2016 APPROVED

*Testo del comunicato*

Vedi allegato.



BANCA POPOLARE DI MILANO

**BIPIEMME GROUP  
RESULTS AS AT 30 JUNE 2016 APPROVED**

**NET PROFIT IN H1 2016: €158.1 MILLION, +2.6% Y/Y THANKS TO:**

- STABLE NET INTEREST INCOME
- FINANCIAL RESULT: €99.6 MILLION
- LOWER COST OF RISK: 90 BPs VS. 101 BPs IN H1 2015

**SECOND QUARTER NET PROFIT: €109.8 MILLION, +€61.5 MILLION Q/Q:**

- NET FEES AND COMMISSION: +0.5%
- NET FINANCIAL RESULT: €86.1 MILLION
- OPERATING COST UNDER CONTROL: -2.8%

**GOOD TREND IN VOLUMES:**

- CUSTOMER LOANS: +1% Q/Q, +3.1% Y/Y
- DIRECT FUNDING (NET OF REPO<sup>1</sup>) +5.5% Q/Q, +6.4% Y/Y o/w  
→ SIGHT DEPOSITS<sup>2</sup>: +3.9% Q/Q, +14.3% Y/Y
- AUM: +1.9% Q/Q, +5.1% Y/Y

**NPE COVERAGE UP: 40.5%, +90 BPs YEAR TO DATE AND +120 BPs Y/Y**

**NET NPEs DOWN: (-1.8% Y/Y), STEADY FALL OVER THREE QUARTERS**

**BPM's CAPITAL RATIOS ARE MUCH HIGHER THAN THE REGULATORY REQUIREMENTS (SREP 9%):**

- COMMON EQUITY TIER1 RATIO<sup>3</sup>: 11.73% VS. 11.64% IN Q1 2016
- COMMON EQUITY TIER1 RATIO FULLY LOADED: 12.17%<sup>4</sup>

<sup>1</sup> Repos traded on the "MTS" repo market.

<sup>2</sup> Current accounts and demand savings deposits.

<sup>3</sup> Includes the capitalised profit from the half-year results.

<sup>4</sup> Includes the AFS reserves on government bonds as at 30.06.16.

## Main P&L Results:

- Net Interest Income: €403.1 million, stable Y/Y; -4.8% Q/Q;
- Net fees and commission: €303.3 million, -1.1% Y/Y; +0.5% Q/Q;
- Net result from financial activities: €99.6 million, +€28.7 million Y/Y; +€72.7 million Q/Q;
- Operating costs up 3.4% Y/Y, down 2.8% Q/Q;
- Net profit for the period: €158.1 million, +2.6% Y/Y; +€61.5 million Q/Q.

## Main balance-sheet results:

- Core funding<sup>5</sup>: €26.1 billion, +3.9% Q/Q; +6.7% YTD;
- AUM: €21.3 billion, +1.9% Q/Q; +1.7% YTD;
- Customer loans: €34.5 billion, +1.0% Q/Q; +1.0% YTD;
- Strong liquidity position both short term and mid-term;
- Annualised cost of risk in H1 2016: 90 bps.

**Milan, 4 August 2016** - In today's meeting, the Management Board of Banca Popolare di Milano examined and approved BPM Group's results as at 30 June 2016.

In the first half of 2016, the Italian economy still showed signs of weakness. The estimate for 2016 GDP was revised down to +0.8% from +1% (Source: Prometeia) with the estimate for the second half of the year now being a mere +0.1%. Interest rates – in the wake of the ECB's Quantitative Easing programme – are still negative, with the average Euribor 3M down to -0.27% in June.

In addition to the negative economic situation there was the outcome of the UK's Brexit referendum. The Leave result triggered further uncertainty as fears over a possible slowdown in economic growth in the EU and the consequent increase in market volatility set in.

Given this backdrop, Bipiemme Group's core operating trends in the first half of 2016 were more than positive. Specifically we point out:

- **P&L Results:** the positive performance recorded in revenues, the basically stable net interest income and the positive financial result, as well as a lower cost of risk;
- **Balance-sheet Results:**
  - the positive trend in customer loans, which have grown steadily since December 2014;
  - the good trend in AUM, up both Y/Y and Q/Q;
  - the increase in core funding and, in particular, in sight deposits (+€2.9 billion Y/Y);
- **the group's sound liquidity position**, as highlighted by the significant amount of unencumbered eligible securities (€6.7 billion) and the net liquidity balance of €6.8 billion spot and more than €4 billion at 3 months<sup>6</sup>;
- **excellent capital ratios:** at the end of June 2016, the bank's "Own Funds" totalled €5.0 billion and the Common Equity Tier 1<sup>7</sup> ratio was 11.73%.

## BALANCE-SHEET RESULTS AS AT 30 JUNE 2016

### Direct customer funding and securities issued

Direct customer funding totalled €36,790 million, down vs. both March 2016 (-1.4%) and 31 December 2015 (-2.2%). The YTD decrease reflects on the one hand the growth in sight deposits (+6.5%) and in time deposits (+11.6%) and on the other hand the decrease in wholesale funding (-€1.9 billion).

<sup>5</sup> Current accounts + savings deposits + other technical forms.

<sup>6</sup> Weekly liquidity report as at 26 July 2016

<sup>7</sup> Includes the capitalised profit from the half-year results.

Specifically, "**amounts due to customers**" (€29,617 million) increased by 3.5% vs. December 2015, mainly due to the increase in current accounts and savings deposits (+ €1.6 billion). In particular we point out the increase in sight current accounts (+€1.4 billion), which was driven by both retail and corporate customers. On the other hand, repos were down (-€655 million) because of the fewer trades on the "MTS Repo" market, which was also due to the lower funding needs following the shrinking of the securities portfolio.

**Debt securities issued** totalled €7,071 million, down 20.1% vs. December 2015. Specifically we point out:

- the stock of bonds and structured securities decreased (-€853 million Q/Q) due to the redemption of a €1 billion EMTN in January 2016 and the issue of a €750 million Covered Bond, in addition to the decision of subscribers of retail bonds to change their investment strategy mainly to AUM products when their investments matured;
- the decrease in Repos on "own securities" repurchased (-€893 million) following the expiry of related transactions.

### Indirect customer loans

Indirect customer loans as at June 2016 totalled €32,364 million, down both Q/Q (-2.0%) and vs. December 2015 (-5.0%), because of the decrease in AUC (down to €11,111 million), due to clients' decisions to move their investments to AUM, to the trend in financial markets and to the reduction in AUC zero-margin securities of corporate clients.

**Assets under management** totalled €21,253 million, up 1.9% Q/Q and 1.7% vs. December 2015, and net inflows in the first half of the year were €577 million, approx. 44% in insurance products and 56% in units of UCITS/segregated accounts.

Compared with December 2015, the positive trend in the item was due to the increase in mutual funds (+2.3%) and in insurance products (+4.1%).

### Customer loans

**Customer loans** in June 2016 totalled €34,520 million, up both Q/Q and vs. December 2015 (+1.0%). Compared with December 2015, the increase was mainly in the technical forms of mortgages (+2.1%) and other forms of loans (+1.0%). A segment<sup>8</sup> comparison with December 2015 shows:

- retail loans: +1.2%;
- corporate loans<sup>9</sup> +2.3%, thanks to an overall increase in almost all the industrial sectors, particularly in services, financial and insurance activities and in manufacturing.

The group's loans market share was 1.97% (May 2016 figure), in line with December 2015 (1.96%).

Though there are still signs of uncertainty from a macroeconomic aspect, **asset quality** shows some signs of a recovery.

Specifically, as at 30 June 2016, the group's **gross NPEs** totalled €6,068 million (+0.4% Q/Q), while **net NPEs** (€3,611 million) were down by 0.2% Q/Q. This trend confirmed the slowdown in NPE formation and the group's conservative approach to provisioning. Specifically we point out:

- net bad loans: +0.6% Q/Q, due to the inflow of positions classified as unlikely to pay;
- unlikely to pay: -0.3% Q/Q;
- past-due: -11.8% Q/Q.

---

<sup>8</sup> Management data by customer segment calculated at a point in time.

<sup>9</sup> Corporate loans include *Corporate, SMEs, Small business, Specialised Lending and Real Estate Funds*.

The total coverage rate on NPEs is 40.5%, (+40 bps Q/Q). When we include cancellations carried out on single exposures the coverage rate increases to 45.2%.

Specifically, the coverage rate on single items is significant, as shown in comparison with March 2016:

- bad loans: 54.4% (+10 bps), which rises to 60.5% including cancellations;
- unlikely to pay: 23.0% (+40 bps);
- past-due: 10.1% (+130 bps);
- total coverage: 7.1% (stable).

The coverage rate on performing loans is 0.55%.

As at 30 June 2016, the group's **net equity** was €4,571 million.

The Common Equity Tier 1 ratio<sup>10</sup> was 11.73%, up vs. 11.64% in March 2016; the Common Equity Tier 1 Basel 3 fully phased<sup>11</sup> was 12.17%.

Risk weighted assets totalled €35.1 billion.

## P&L RESULTS

### Total income

Bipiemme Group's **total income** as at 30 June 2016 was €839.1 million, up by 1.9% Y/Y. The trend in total income reflects the good performance in net interest income, basically stable, despite the decrease in the Euribor 3M (-25 bps Y/Y), the slight decrease in net fees and commission and the strong increase in other operating income, which was driven by the net profit from financial activities.

Specifically, **net interest income** was €403.1 million vs. €402.9 million in first half 2015. This item was stable despite the decrease in interest rates, which were driven by the trend in the Euribor 3M. The decrease in interest rates, which weighed on customer spreads (-17 bps Y/Y), was only partially offset by the uptick in volumes. The lower contribution from the government-bond portfolio was more than offset by the decrease in the cost of wholesale funding.

"**Non-net interest income**" (€436.1 million; +3.7% Y/Y) benefitted from the increase in **net profit from financial activities** (+€28.7 million; +40.6% Y/Y), which was mainly due to the increase in "profit/loss from disposals or repurchase of financial assets/liabilities" (+€ 45.3 million) following the capital gains from the disposal of government bonds.

The slight decrease in net fees and commission (-1.1% Y/Y) reflects the lower management fees (-8.9%) and the good increase in traditional banking commission (+7.8%).

### Operating costs

The **operating costs** in H1 2016 totalled €497.6 million, (+3.4%) Y/Y, mostly due to the increase in staff costs.

Specifically, **staff costs** (€314.9 million) rose by 3.8% Y/Y mainly due to the adjustment to the national labour agreement CCNL as well as the higher national insurance, health and pension dues and to the higher variable amounts that are tied to results.

"**Other administrative expenses**" (€145.0 million) were stable Y/Y. Net of the SRF contribution of €14.4 million - which totalled €12.4 million in the first half of 2015 - this item was down by 1.4% Y/Y.

**Net adjustments on tangible and intangible assets** totalled €37.8 million, up Y/Y by approx. 4.6 million due to the higher investments carried out in financial year 2015.

---

<sup>10</sup> Includes the capitalised profit from the half-year results.

<sup>11</sup> Includes the AFS reserves on government bonds as at 30.06.16.

### **Profit from equity and other investments**

"Profit from equity and other investments" totalled €32.2 million, down Y/Y (-€5.3 million). The result includes the higher net equity value of SelmaBipiemme Leasing following the incorporation of Teleleasing (+€21.6 million) and the profit from the disposal of 2.18% of the bank's stake in Anima Holding (€9.7 million).

### **Provisions, adjustments and other items**

"**Net adjustments on loans and other operations**" as at 30 June 2016 totalled €155.8 million, vs. €168.3 million in first half 2015 (-€12.5 million; -7.4%).

The **cost of risk** was 90 bps (vs. 101 bps in June 2015). Despite the Y/Y decrease in the cost of risk, we point out a 40 bps increase in the coverage rate of NPEs.

### **Net result**

After booking approx. €64 million for taxes (28.7% tax rate), the group's **net profit** was €158.1 million, up by €4 million vs. the net profit of €154.1 million as at 30 June 2015.

### **Prospects for the current financial year**

The outcome of the UK's Brexit referendum and the consequent uncertainty over when and how the negotiations of the various accords that govern the relations between the UK and the EU will be carried out pose a new threat for the global economy, the impact of which is currently hardly quantifiable. According to the IMF's recent economic forecasts, 2016 GDP for the euro area ought to increase by 1.6%.

As far as Italy is concerned, GDP is estimated to grow by 0.9%, i.e. 0.1 percentage points lower than the IMF's previous forecast. According to the IMF, the UK will suffer the greatest consequences and its GDP is seen falling to 1.7% (-0.2 p.p.). Owing to the risks from the global economy, the ECB has said it is ready to take further steps to stimulate the EU economy if necessary, while the Fed has postponed any restrictive monetary policy measures.

Given the current macroeconomic context, with its fragility and extremely low interest rates, the banking sector will continue to take measures to recover adequate and sustainable profitability in the mid-term, including a revision of the business model.

The search for better operating efficiencies will be an underlying factor in reaching the goal. Regulatory bodies and the market alike will continue to pay great attention to the size of NPE stock and to the measures taken to normalise such stock.

Given this backdrop, Bipiemme Group's activities will continue along the current path in compliance with the guidelines set in the Business Plan. The commercial business strategy will continue to be honed to improving the group's territorial foothold, the level of its services to its customers and attention to credit activities which, thanks to the sound capital base and the liquidity, ought to confirm, especially in the corporate segment, the signs of a recovery in volumes despite the higher competition. As regards funding, the bank envisages it will continue to shift from maturing liabilities to sight deposits and make greater use of the TLTRO, in so doing bringing down funding costs and helping to limit the reduction in the spread between lending interest rates and deposit interest rates. Under non-net interest income, net fees and commission ought to post good results thanks to the increase in loans and the effects of the economic recovery on bank services, whereas the income from management, brokerage and advisory services will be affected by the uncertainty on financial markets. The careful control of operating costs and of risks will continue to be an important lever to maintaining profitability.

In view of the announced merger project with Banco Popolare, Bipiemme Group will be engaged in the coming months in the necessary and opportune activities to develop the project, in parallel with carrying out the formal procedures required for said merger.

### Parent bank

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

Direct funding	35,677 million euros (-1.4% vs. 31.12.2015)
Customer loans	33,959 million euros (+1.4%)
Indirect funding	30,401 million euros (-4.5%)
Total income	789.8 million euros (+2.5% vs. 30.06.2015)
Operating costs	455.4 million euros (+3.0%)
Operating profit	334.5 million euros (+1.8%)
Net profit	148.9 million euros (+ 20.2%)

\*\*\*

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

\*\*\*

Bipiemme Group's interim results as at 30 June 2016 will be filed and made available to its stakeholders and the public at this bank's headquarters and will also be posted under "Investor Relations" on the group's website [www.gruppobpm.it](http://www.gruppobpm.it) and on the storage system NIS-Storage at the internet address [www.emarketstorage.com](http://www.emarketstorage.com).

\*\*\*

Bipiemme Group's results as at 30 June 2016 will be presented to the financial community at a conference call set for 5:45pm (C.E.T.) today. The instructions to connect to the event can be found under Investor Relations on the home page of the bank's website [www.gruppobpm.it](http://www.gruppobpm.it).

Milan, 4 August 2016

*For the purpose of providing more complete data on Bipiemme Group's First Half 2016 results, the consolidated reclassified balance sheet and income statement, as approved by the Management Board, are herewith attached. For management reporting purposes, the results have been presented in a reclassified balance sheet and income statement, in which line items have been aggregated and reclassified in keeping with market practices in such a way as to provide a clearer interpretation of trends and performances.*

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

For information:

## **Banca Popolare di Milano**

### **Communication**

Matteo Cidda  
+39 02.77.00.7438  
[matteo.cidda@bpm.it](mailto:matteo.cidda@bpm.it)

### **Press Office**

Monica Provini  
+39 02.77.00.3515  
[monica.provini@bpm.it](mailto:monica.provini@bpm.it)

### **Investor Relations & Research**

Roberto Peronaglio  
+39 02.77.00.2057  
[investor.relations@bpm.it](mailto:investor.relations@bpm.it)



## Bipiemme Group - Balance Sheet Reclassified

(euro/000)

Assets	30.06.2016	31.03.2016	31.12.2015	30.06.2015	Change A-B		Change A-C	
	A	B	C	D	amount	%	amount	%
Cash and equivalents	206,240	249,899	300,714	224,184	-43,659	-17.5	-94,474	-31.4
Financial assets at fair value and hedging derivatives	10,425,227	12,478,732	11,416,540	11,715,087	-2,053,505	-16.5	-991,313	-8.7
- <i>Financial assets held for trading</i>	1,858,106	1,876,692	1,797,874	1,824,944	-18,586	-1.0	60,232	3.4
- <i>Financial assets designated at fair value</i>	33,367	32,803	75,543	81,410	564	1.7	-42,176	-55.8
- <i>Financial assets available for sale</i>	8,413,727	10,469,201	9,491,248	9,632,210	-2,055,474	-19.6	-1,077,521	-11.4
- <i>Hedging derivatives</i>	107,758	87,336	40,638	161,979	20,422	23.4	67,120	165.2
- <i>Changes in fair value of hedged items (+ / -)</i>	12,269	12,700	11,237	14,544	-431	-3.4	1,032	9.2
Loans and advances to banks	1,812,384	1,831,511	1,224,717	1,162,731	-19,127	-1.0	587,667	48.0
Loans and advances to customers	34,520,420	34,181,648	34,186,837	33,483,029	338,772	1.0	333,583	1.0
Fixed assets	1,209,490	1,215,900	1,199,459	1,156,028	-6,410	-0.5	10,031	0.8
Non-current assets (or disposal groups) held for sale and discounted operations	0	0	0	6,118	0	n.a.	0	n.a.
Other assets	1,523,965	1,583,741	1,875,033	1,561,095	-59,776	-3.8	-351,068	-18.7
<b>Total Assets</b>	<b>49,697,726</b>	<b>51,541,431</b>	<b>50,203,300</b>	<b>49,308,272</b>	<b>-1,843,705</b>	<b>-3.6</b>	<b>-505,574</b>	<b>-1.0</b>

Liabilities and Shareholder Equities	30.06.2016	31.03.2016	31.12.2015	30.06.2015	Change A-B		Change A-C	
	A	B	C	D	amount	%	amount	%
Due to banks	4,728,161	6,098,843	4,839,439	4,494,906	-1,370,682	-22.5	-111,278	-2.3
Due to customers	29,616,683	30,896,392	28,622,852	28,777,043	-1,279,709	-4.1	993,831	3.5
Debt securities in issue	7,070,866	6,280,400	8,849,290	7,867,754	790,466	12.6	-1,778,424	-20.1
Financial liabilities and hedging derivatives	1,633,559	1,619,043	1,379,948	1,543,437	14,516	0.9	253,611	18.4
- <i>Financial liabilities held for trading</i>	1,433,077	1,376,168	1,183,557	1,326,834	56,909	4.1	249,520	21.1
- <i>Financial liabilities designated at fair value</i>	102,099	132,454	129,627	157,702	-30,355	-22.9	-27,528	-21.2
- <i>Hedging derivatives</i>	71,194	85,526	48,678	44,092	-14,332	-16.8	22,516	46.3
- <i>Changes in fair value of hedged items (+ / -)</i>	27,189	24,895	18,086	14,809	2,294	9.2	9,103	50.3
Other liabilities	1,647,236	1,538,829	1,429,895	1,650,859	108,407	7.0	217,341	15.2
Provisions for specific use	409,908	413,444	434,555	467,674	-3,536	-0.9	-24,647	-5.7
Share capital and reserves	4,413,071	4,626,198	4,338,440	4,333,508	-213,127	-4.6	74,631	1.7
Minority interests (+/-)	20,107	19,972	19,974	19,038	135	0.7	133	0.7
Net profit (loss) of the period (+/-)	158,135	48,310	288,907	154,053	109,825	n.s.	-130,772	n.s.
<b>Total liabilities and Shareholder Equity</b>	<b>49,697,726</b>	<b>51,541,431</b>	<b>50,203,300</b>	<b>49,308,272</b>	<b>-1,843,705</b>	<b>-3.6</b>	<b>-505,574</b>	<b>-1.0</b>

## Bipiemme Group - Balance Sheet Reclassified - quarterly evolution

(euro/000)

Assets	2016		2015			
	30.6	31.3	31.12	30.9	30.6	31.3
Cash and equivalents	206,240	249,899	300,714	226,822	224,184	209,129
Financial assets at fair value and hedging derivatives	10,425,227	12,478,732	11,416,540	11,965,118	11,715,087	12,780,251
- <i>Financial assets held for trading</i>	1,858,106	1,876,692	1,797,874	1,832,200	1,824,944	2,284,325
- <i>Financial assets designated at fair value</i>	33,367	32,803	75,543	80,854	81,410	105,443
- <i>Financial assets available for sale</i>	8,413,727	10,469,201	9,491,248	9,947,242	9,632,210	10,208,114
- <i>Hedging derivatives</i>	107,758	87,336	40,638	91,173	161,979	160,497
- <i>Changes in fair value of hedged items (+ / -)</i>	12,269	12,700	11,237	13,649	14,544	21,872
Loans and advances to banks	1,812,384	1,831,511	1,224,717	1,287,592	1,162,731	1,050,829
Loans and advances to customers	34,520,420	34,181,648	34,186,837	33,401,500	33,483,029	32,600,377
Immobilizzazioni	1,209,490	1,215,900	1,199,459	1,167,942	1,156,028	1,127,543
Non-current assets (or disposal groups) held for sale and discounted operations	0	0	0	6,118	6,118	0
Other assets	1,523,965	1,583,741	1,875,033	1,459,941	1,561,095	1,541,504
<b>Total Assets</b>	<b>49,697,726</b>	<b>51,541,431</b>	<b>50,203,300</b>	<b>49,515,033</b>	<b>49,308,272</b>	<b>49,309,633</b>

Liabilities and Shareholder Equities	2016		2015			
	30.6	31.3	31.12	30.9	30.6	31.3
Due to banks	4,728,161	6,098,843	4,839,439	4,550,638	4,494,906	4,171,724
Due to customers	29,616,683	30,896,392	28,622,852	28,577,221	28,777,043	27,589,895
Debt securities in issue	7,070,866	6,280,400	8,849,290	8,281,217	7,867,754	8,677,218
Financial liabilities and hedging derivatives	1,633,559	1,619,043	1,379,948	1,450,858	1,543,437	1,981,271
- <i>Financial liabilities held for trading</i>	1,433,077	1,376,168	1,183,557	1,256,371	1,326,834	1,746,892
- <i>Financial liabilities designated at fair value</i>	102,099	132,454	129,627	132,536	157,702	161,759
- <i>Hedging derivatives</i>	71,194	85,526	48,678	43,438	44,092	58,053
- <i>Changes in fair value of hedged items (+ / -)</i>	27,189	24,895	18,086	18,513	14,809	14,567
Other liabilities	1,647,236	1,538,829	1,429,895	1,568,866	1,650,859	1,686,438
Provisions for specific use	409,908	413,444	434,555	459,406	467,674	502,403
Share capital and reserves	4,413,071	4,626,198	4,338,440	4,404,959	4,333,508	4,613,588
Minority interests (+/-)	20,107	19,972	19,974	19,816	19,038	19,493
Net profit (loss) of the period (+/-)	158,135	48,310	288,907	202,052	154,053	67,603
<b>Total liabilities and Shareholder Equity</b>	<b>49,697,726</b>	<b>51,541,431</b>	<b>50,203,300</b>	<b>49,515,033</b>	<b>49,308,272</b>	<b>49,309,633</b>

## Bipiemme Group - Reclassified Profit & Loss

(euro/000)

	Q1 2016	Q1 2015	Change	
			Amount	%
<b>Net interest income</b>	<b>403,077</b>	<b>402,880</b>	<b>197</b>	<b>0.0</b>
<b>Non-interest income:</b>	<b>436,051</b>	<b>420,653</b>	<b>15,398</b>	<b>3.7</b>
- Net fees and commission income	303,344	306,753	(3,409)	(1.1)
- Other operating income	132,707	113,900	18,807	16.5
- <i>Share of Profit (loss) on investments valued under the equity method</i>	<i>13,870</i>	<i>19,083</i>	<i>(5,213)</i>	<i>(27.3)</i>
- <i>Net income (loss) from financial activities</i>	<i>99,567</i>	<i>70,827</i>	<i>28,740</i>	<i>40.6</i>
- <i>Other operating income/expenses</i>	<i>19,270</i>	<i>23,990</i>	<i>(4,720)</i>	<i>(19.7)</i>
<b>Operating income</b>	<b>839,128</b>	<b>823,533</b>	<b>15,595</b>	<b>1.9</b>
Administrative expenses:	(459,839)	(448,249)	(11,590)	(2.6)
<i>a) personnel expenses</i>	<i>(314,852)</i>	<i>(303,365)</i>	<i>(11,487)</i>	<i>(3.8)</i>
<i>b) other administrative expenses</i>	<i>(144,987)</i>	<i>(144,884)</i>	<i>(103)</i>	<i>(0.1)</i>
Depreciations and ammortisation	(37,772)	(33,124)	(4,648)	(14.0)
<b>Operating costs</b>	<b>(497,611)</b>	<b>(481,373)</b>	<b>(16,238)</b>	<b>(3.4)</b>
<b>Operating profit</b>	<b>341,517</b>	<b>342,160</b>	<b>(643)</b>	<b>(0.2)</b>
Net adjustments to loans and other operations	(155,842)	(168,339)	12,497	7.4
Net provisions for risks and charges	4,787	1,092	3,695	n.s.
Profit (loss) from equity and other investments	32,171	37,453	(5,282)	(14.1)
<b>Profit (loss) before tax from continuing operations</b>	<b>222,633</b>	<b>212,366</b>	<b>10,267</b>	<b>4.8</b>
Tax on income from continuing operations	(64,000)	(58,144)	(5,856)	(10.1)
<b>Net profit (loss) for the period</b>	<b>158,633</b>	<b>154,222</b>	<b>4,411</b>	<b>2.9</b>
Minority interests	(498)	(169)	(329)	(194.7)
<b>Net profit</b>	<b>158,135</b>	<b>154,053</b>	<b>4,082</b>	<b>2.6</b>

## Bipiemme Group - Quarterly Reclassified Profit & Loss

(euro/000)

	2016		2015			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Net interest income</b>	<b>196,575</b>	<b>206,502</b>	<b>199,930</b>	<b>203,936</b>	<b>206,759</b>	<b>196,121</b>
<b>Non-interest income:</b>	<b>253,454</b>	<b>182,597</b>	<b>268,321</b>	<b>171,497</b>	<b>191,007</b>	<b>229,646</b>
- Net fees and commission income	152,049	151,295	154,357	144,886	158,461	148,292
- Other operating income	101,405	31,302	113,964	26,611	32,546	81,354
- <i>Share of Profit (loss) on investments valued under the equity method</i>	5,238	8,632	8,225	5,269	7,574	11,509
- <i>Net income (loss) from financial activities</i>	86,112	13,455	100,077	10,820	12,434	58,393
- <i>Other operating income/expenses</i>	10,055	9,215	5,662	10,522	12,538	11,452
<b>Operating income</b>	<b>450,029</b>	<b>389,099</b>	<b>468,251</b>	<b>375,433</b>	<b>397,766</b>	<b>425,767</b>
Administrative expenses:	(225,954)	(233,885)	(287,722)	(209,007)	(220,251)	(227,998)
<i>a) personnel expenses</i>	(159,827)	(155,025)	(160,339)	(148,678)	(148,632)	(154,733)
<i>b) other administrative expenses</i>	(66,127)	(78,860)	(127,383)	(60,329)	(71,619)	(73,265)
Depreciations and amortisation	(19,305)	(18,467)	(24,067)	(17,582)	(16,629)	(16,495)
<b>Operating costs</b>	<b>(245,259)</b>	<b>(252,352)</b>	<b>(311,789)</b>	<b>(226,589)</b>	<b>(236,880)</b>	<b>(244,493)</b>
<b>Operating profit</b>	<b>204,770</b>	<b>136,747</b>	<b>156,462</b>	<b>148,844</b>	<b>160,886</b>	<b>181,274</b>
Net adjustments to loans and other operations	(89,737)	(66,105)	(95,925)	(77,972)	(94,029)	(74,310)
Net provisions for risks and charges	4,498	289	14,638	(4,972)	2,364	(1,272)
Profit (loss) from equity and other investments	30,298	1,873	(19)	(1)	37,453	0
<b>Profit (loss) before tax from continuing operations</b>	<b>149,829</b>	<b>72,804</b>	<b>75,156</b>	<b>65,899</b>	<b>106,674</b>	<b>105,692</b>
Tax on income from continuing operations	(39,778)	(24,222)	11,938	(17,306)	(20,339)	(37,805)
<b>Net profit (loss) for the period</b>	<b>110,051</b>	<b>48,582</b>	<b>87,094</b>	<b>48,593</b>	<b>86,335</b>	<b>67,887</b>
Minority interests	(226)	(272)	(239)	(594)	115	(284)
<b>Net profit</b>	<b>109,825</b>	<b>48,310</b>	<b>86,855</b>	<b>47,999</b>	<b>86,450</b>	<b>67,603</b>



Fine Comunicato n.0049-93

Numero di Pagine: 14