



# SPAFID CONNECT

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*Testo del comunicato*

Vedi allegato.

## Results at June 30th, 2018 approved

- Strong net profit growth:  
**€125.2 million (+20.1% y/y)**
- Gross operating profit: **€187.2 million (+15.8% y/y)**
  - Revenues: **€311.8 million (+10.3% y/y)**
  - Cost/income ratio down: **40% (-2.9 p.p. y/y)**

## COMMERCIAL FIGURES AT JUNE 30th, 2018

- Net sales since the beginning of year: **€3,596 million (+24% y/y)**,  
of which AuM **44%**
  - Total financial assets: **€69.83 billion (+10% y/y)**  
of which relative to the Private segment: **€27.0 billion (+13% y/y)**
  - Guided Products at **64%** of AuM stock **(+5 p.p. y/y)**
    - **Over 1,240,000** total customers **(+7% y/y)**
  - Executed orders in 1H18: **€14.4 million (+6% y/y)**

**FINECOBANK**
**1H18  
HIGHLIGHTS**

- **Revenues at €311.8 million, +10.3% y/y** with a positive contribution from all business areas: **Investing +9.4% y/y**, with management fees up 12.2% y/y, sustained by the continuous improvement in the asset mix and by the network's productivity; **Banking +11.7% y/y**, which benefited from the increase in transactional liquidity and the higher penetration of Lending; **Brokerage +5.7% y/y**, which benefited from greater market volatility and a structural improvement linked to the ongoing expansion of the customer base and continuous product innovation
- **Operating costs well under control at €124.6 million, +2.9% y/y. Cost/Income ratio down to 40.0%, -2.9 p.p.** compared to the first half of 2017
- **Net profit at €125.2 million, +20.1% y/y**

**UPDATE ON  
INITIATIVES**

- **Look-through approach** on underlying assets provided by clients as collateral to credit lombard **implemented with a benefit on CET1 ratio transitional equals to +194bps** in the second quarter 2018
- **The boost in the lending offer continues**, with a strong focus on credit quality. Mortgages up +39.7% q/q, personal loans +31.3% y/y. Growth in Lombard loans, +140.4% y/y supported by new Credit Lombard
- **Strong positioning in the Private segment continues:** total financial assets at €27.0 billion (+12.6% y/y) equal to 39% of total assets
- In June, the new Asset Management Company obtained the authorisations to operate from competent authorities and starting **from July 2nd, 2018, Fineco Asset Management is fully operational**

The Board of Directors of FinecoBank S.p.A. has approved the results as at June 30th, 2018.

Alessandro Foti, CEO and General Manager of FinecoBank, stated:

*"Fineco delivers once again strong results, confirming its ability to record a solid and sustainable growth even in a challenging scenario. These results have been achieved also thanks to a very well diversified business model, able to leverage on the two main structural trends in place in Italy, digitalization and increasingly advisory request. Our customers appreciate our most recent innovative services, as confirmed by the performance of our lending business and advanced advisory solutions able to answer their financial needs. The second half of the year opens with Fineco Asset Management fully operational, which will allow us to be even more efficient and profitable and to better face future challenges."*



B A N K

## TOTAL FINANCIAL ASSETS AND NET SALES

Total Financial Assets at June 30th, 2018 amounted to €69.8 billion, up 10% on the same period of 2017. The stock of Assets under Management increased 11% y/y, reaching €34.5 billion, Assets under Custody totalled €14.4 billion (+7% y/y) and direct deposits came to €21.0 billion (+10% y/y) thanks to the continuous growth in new customers and “transactional” deposits.

The TFA related to Private Banking clients, i.e. with assets above €500,000, totalled €27.0 billion, up 13% y/y.

Total net sales since the beginning of the year amounted to €3,596 million (+24% y/y), with a mix consistent with the higher market volatility than the previous year: Assets under Management reached €1,574 million (-13% compared to the same period of 2017), Assets under Custody amounted to €995 million, and direct deposits came to €1,027 million. Since the beginning of the year, sales of “Guided products & services” reached €1,417 million, while the new Plus service continues to find great appreciation among customers, reaching €1,688 million since its recent launch. The penetration of Guided Products on total AuM rose to 64%, compared to 59% in June 2017 and 63% in December 2017.

At June 30th, 2018, the network is composed of 2,621 Personal Financial Advisors across Italy, with 384 Fineco Centers. Net sales through the network of Personal Financial Advisors was €3,237 million, up 22% compared to the same period of 2017.

New customers acquired in the first half of 2018 totalled 58,539. The number of total customers at June 30th, 2018 was over 1,240,000, up 7% compared to the previous year.

**MAIN INCOME STATEMENT RESULTS AT JUNE 30th, 2018**

<i>mln</i>	1Q17	2Q17	1Q18	2Q18	1H17	1H18	1H18/ 1H17	2Q18/ 2Q17	2Q18/ 1Q18
Net interest income	63.0	64.3	68.9	68.7	127.3	137.6	8.1%	6.9%	-0.2%
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	62.7%	121.9%	94.5%
Net commissions	64.7	65.0	71.5	74.5	129.7	146.0	12.5%	14.6%	4.3%
Trading profit	13.7	12.3	14.5	13.1	26.0	27.6	6.3%	6.5%	-10.0%
Other expenses/income	0.5	-0.8	0.5	0.1	-0.2	0.6	<i>n.m.</i>	<i>n.m.</i>	-80.3%
<b>Total revenues</b>	<b>141.9</b>	<b>140.9</b>	<b>155.4</b>	<b>156.4</b>	<b>282.8</b>	<b>311.8</b>	<b>10.3%</b>	<b>11.0%</b>	<b>0.7%</b>
Staff expenses	-19.2	-19.7	-20.5	-21.0	-38.9	-41.5	6.6%	6.4%	2.1%
Other admin.expenses	-39.2	-38.2	-40.8	-37.5	-77.4	-78.3	1.2%	-1.8%	-7.9%
D&A	-2.3	-2.5	-2.3	-2.5	-4.8	-4.8	0.1%	-0.3%	6.8%
<b>Operating expenses</b>	<b>-60.7</b>	<b>-60.4</b>	<b>-63.6</b>	<b>-61.0</b>	<b>-121.2</b>	<b>-124.6</b>	<b>2.9%</b>	<b>0.9%</b>	<b>-4.1%</b>
<b>Gross operating profit</b>	<b>81.2</b>	<b>80.4</b>	<b>91.8</b>	<b>95.4</b>	<b>161.6</b>	<b>187.2</b>	<b>15.8%</b>	<b>18.7%</b>	<b>4.0%</b>
Provisions	-2.4	-0.8	-1.8	-1.9	-3.1	-3.7	17.4%	149.3%	8.5%
LLP	-0.6	-1.1	-1.3	0.2	-1.7	-1.2	-29.9%	<i>n.m.</i>	<i>n.m.</i>
Profit from investments	0.0	-0.4	0.0	5.2	-0.4	5.2	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
<b>Profit before taxes</b>	<b>78.2</b>	<b>78.3</b>	<b>88.7</b>	<b>98.8</b>	<b>156.5</b>	<b>187.5</b>	<b>19.8%</b>	<b>26.3%</b>	<b>11.4%</b>
Income taxes	-26.5	-25.7	-29.7	-32.6	-52.2	-62.3	19.4%	27.0%	9.8%
<b>Net profit</b>	<b>51.7</b>	<b>52.6</b>	<b>59.0</b>	<b>66.2</b>	<b>104.3</b>	<b>125.2</b>	<b>20.1%</b>	<b>25.9%</b>	<b>12.3%</b>

**Revenues** in the first six months of 2018 amounted to €311.8 million, up 10.3% y/y compared to the first half of 2017, with a positive contribution from all the main components.

**Net interest income** came to €137.6 million, up on the €127.3 million in the first half of 2017 (+8.1% y/y). Higher transactional liquidity and greater penetration of lending more than offset the reduction in interest income connected to the drop in rates. The average gross margin on interest-earning assets amounted to 1.32% compared to 1.34% at June 30th, 2017.

**Net commissions** in the first half of 2018 amounted to €146.0 million, up €16.3 million compared to the same period of the previous year (+12.5% y/y). The increase is mainly due to the increase in commission income related to management, brokerage and advisory services (+€12.5 million y/y), collection and payment services (+€2 million y/y) and other services mainly related to the introduction of the annual fee on credit cards (+€3 million y/y), partially offset by higher fee and commission expense paid to personal financial advisors (-€1.5 million y/y).

**Trading profit** amounted to €27.6 million, up compared to €26.0 million in the same period of the previous year (+6.3% y/y). The item mainly comprised profit from internalisation of securities and CFDs, financial instruments used for operational hedging of CFDs and the exchange differences on assets and liabilities denominated in currency. Trading profit also incorporates gains and losses from the financial instruments recognised in "Other assets required to be measured at fair value", including the class "C" preferred shares of Visa INC, whose fair-value measurement resulted in a gain of €1.5 million in the first half of 2018.

**Net other expenses/income** showed income of €0.6 million, representing an increase of €0.8 million compared to the first half of the previous year, driven mainly by lower costs for settlement agreements and claims, net of insurance reimbursements.

**Operating costs** for the first six months of 2018 were well under control at €124.6 million (+2.9% y/y) despite the continuous expansion of the business, assets and customers thanks to the strong operational efficiency of the Bank.

**Staff expenses** amounted to €41.5 million, up 6.6% compared to the first half of 2017, mainly due to the increase in the number of employees up to 1,136 at June 30th, 2018 from 1,103 at June 30th, 2017. It should be noted that the increase includes €0.7 million for staff expenses of the subsidiary Fineco AM, which were not present in the first half of 2017.

**Other administrative expenses** net of **Recovery of expenses**, came to €78.3 million, essentially flat year-on-year (+1.2% y/y).

**Gross operating profit** amounted to €187.2 million, up €25.6 million on the same period of the previous year (+15.8% y/y).

**Provisions for risks and charges** amounted to €3.7 million, slightly up on the €3.2 million recorded in the first half of 2017.

**Loan loss provisions** stood at €-1.2 million. It should be noted that the accounting standard IFRS 9, which came into force on January 1st, 2018, introduced a new impairment accounting model for credit exposures and resulted in an extension of the Bank's scope of recognition, so comparison with the first half of 2017 is not significant. The figure for the first half of 2018 saw, on one hand, additional write-downs on retail commercial loans compared to the first half of 2017, driven by the significant increase in performing exposures (non-performing loans remained essentially unchanged compared to the previous year), and on the other hand, benefitted from €2.0 million write-backs on loans and receivables with the Parent Company UniCredit, of which €1.6 million related to deposits, in relation to the improvement in the risk profile of the segment.

**Profit from investments** stood at €5.2 million. As previously described, the accounting standard IFRS 9 introduced significant changes, so comparison with the first half of 2017 is not significant. The profit from investments in the first half of 2018 mainly includes write-backs on exposures to debt securities issued by the Parent Company UniCredit and recognised in "Financial assets at amortised cost" for €5.7 million.

**Profit before taxes** amounted to €187.5 million, up 19.8% compared to 1H 2017.

**Net profit** totalled €125.2 million, up 20.1% compared to the net profit in the first half of 2017.

Fineco maintained its solid capital position with a **CET1 ratio (transitional)** at 20.66% on June 30th, 2018. The leverage ratio was 6.51% and was calculated in accordance with EU Delegated Regulation 2015/62.

## MAIN INCOME STATEMENT RESULTS FOR THE SECOND QUARTER 2018

**Revenues** amounted to €156.4 million, up 11.0% y/y, with a positive contribution from all three business areas. The improvement in net interest income and net commissions compared to the first quarter of 2018 resulted into a slight increase in second quarter 2018 revenues (+0.7% q/q).

**Net interest income** for the second quarter 2018 came to €68.7 million, in line with the previous quarter and up 6.9% on the second quarter of 2017, mainly driven by increasing sales and the greater penetration of the lending business.

**Net commissions** totalled €74.5 million, up 4.3% compared to the first quarter of 2018, mainly driven by the increase in management fees and higher banking fees mainly related to credit cards. Net commissions increased by 14.6% compared to the second quarter 2017, mainly driven by management fees and higher banking fees.

**Trading profit** amounted to €13.1 million, down 10.0% on the previous quarter (€14.5 million) but up 6.5% compared to the second quarter of 2017.

**Operating costs** amounted to €61.0 million, down 4.1% compared to €63.6 million in the previous quarter, which was affected by the typical seasonality of this item, mainly attributable to the contributions paid for the activities performed by personal financial advisors (FIRR and ENASARCO). The figure was essentially stable on the €60.4 million recorded in the second quarter of 2017.

**Profit before taxes** amounted to €98.8 million, up 11.4% compared to the previous quarter and 26.3% compared to the second quarter of 2017.

**Net profit** totalled €66.2 million, up 12.3% compared to the first quarter 2018 and 25.9% compared to the second quarter of 2017.

## LOANS AND RECEIVABLES WITH CUSTOMERS

On June 30th, 2018 this item amounted to €2,633 million, up 23.7% compared to December 31st, 2017 and by 75.1% compared to June 30th, 2017, thanks to the revamp in lending activity (mortgages, personal loans and lombard loans). Total non-performing loans (loans with insolvent borrowers, unlikely to pay and past due) amounted to €2.7 million net of impairment (€2.9 million on December 31st, 2017) with a coverage ratio of 89%. The ratio between non-performing loans and total loans with customers was 0.12% (0.16% as at December 31, 2017).

## NEW INITIATIVES MONITORING

During the second quarter the Bank, leveraging on its best-in-class internal operational skills, implemented the look-through approach on underlying assets provided by clients as collateral to credit lombard. This allows to reduce the RWA absorption accordingly with the real underlying asset. The look-through covers around 57% of the collateral, leading to a significant improvement of CET1 ratio transitional by 194bps.

In the Banking area, the Bank added a lot of fuel to lending, with a strong focus on credit quality. Mortgages, launched at the end of 2016, totalled €723 million at June 30th, 2018, +39.7% q/q. Personal loans amounted to €407 million, +14.9% q/q and +31.3% y/y. Lombard loans also increased, with drawn amounts at June 30th amounted to €845 million (+34.2% q/q and +140.4% y/y), of which €600 million relating to the new Credit Lombard.

As for Investing area, the expansion of Private Banking continues to further strengthening the Bank's positioning in this segment, with growing TFA up to €27.0 billion (+12.6% y/y), equal to 39% of the Bank's total financial assets (+1 p.p. y/y).

The productivity of the network is constantly growing. The average portfolio per financial advisor amounted to €23.0 million, up 11.4% y/y and 2.5% q/q.

On June 1, 2018, the new Asset Management Company obtained the necessary authorisations from Luxembourg's Commission de Surveillance du Secteur Financier to replace Amundi Luxembourg S.A. in the management of the "CoreSeries" investment funds' Fineco Asset Management has been fully operational since July 2nd, 2018 following €6.7 billion of Core Series, of which €6.55 billion retail class and €0.14 billion institutional class. We note that the new company will be able to generate significant operating and profit-making efficiencies, thanks to a vertically integrated business model.



**CONDENSED BALANCE SHEET**

	DECEMBER 31 2017	JUNE 30 2018	Absolute changes	%	JANUARY 1 2018
<b>ASSETS</b>					
Cash and cash balances	613	1,733	1,120	182.7%	613
Financial assets held for trading	8,827	10,871	2,044	23.2%	8,827
Loans and receivables with banks	3,039,207	3,224,477	185,270	6.1%	3,036,333
Loans and receivables with customers	2,129,219	2,632,749	503,530	23.6%	2,128,528
Financial investments	16,715,041	17,188,339	473,298	2.8%	16,724,188
Hedging instruments	10,048	2,667	(7,381)	-73.5%	119
Property, plant and equipment	15,205	15,036	(169)	-1.1%	15,205
Goodwill	89,602	89,602	-	-	89,602
Other intangible assets	7,909	7,827	(82)	-1.0%	7,909
Tax assets	9,249	10,914	1,665	18.0%	8,639
Non-current assets and disposal groups classified as held fo	-	91	91	-	-
Other assets	315,415	241,054	(74,361)	-23.6%	315,415
<b>TOTAL ASSETS</b>	<b>22,340,335</b>	<b>23,425,360</b>	<b>1,085,025</b>	<b>4.9%</b>	<b>22,335,378</b>

(Amounts in € thousand)

	DECEMBER 31 2017	JUNE 30 2018	Absolute changes	%	JANUARY 1 2018
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Deposits from banks	926,001	907,794	(18,207)	-2.0%	926,001
Deposits from customers	20,205,036	21,196,653	991,617	4.9%	20,205,036
Financial liabilities held for trading	11,936	4,568	(7,368)	-61.7%	11,936
Hedging instruments	(397)	2,374	2,771	698.0%	(397)
Tax liabilities	10,234	22,038	11,804	115.3%	7,718
Other liabilities	455,699	417,933	(37,766)	-8.3%	456,150
Shareholders' Equity	731,826	874,000	142,174	19.4%	728,934
- capital and reserves	526,046	763,818	237,772	45.2%	521,178
- revaluation reserves (available-for-sale financial assets and actuarial gains (losses) for defined benefits plans)	(8,340)	(14,997)	(6,657)	79.8%	(6,364)
- net profit (loss)	214,120	125,179	(88,941)	-41.5%	214,120
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>22,340,335</b>	<b>23,425,360</b>	<b>1,085,025</b>	<b>4.9%</b>	<b>22,335,378</b>

(Amounts in € thousand)

**CONDENSED BALANCE SHEET- QUARTERLY FIGURES**

	JUNE 30	SEPTEMBER 30	DECEMBER 31	JANUARY 1	MARCH 31	JUNE 30
ASSETS	2017	2017	2017	2018	2018	2018
Cash and cash balances	2,902	1,671	613	613	745	1,733
Financial assets held for trading	7,834	8,572	8,827	8,827	10,368	10,871
Loans and receivables with banks	2,979,553	2,834,849	3,039,207	3,036,333	3,487,848	3,224,477
Loans and receivables with customers	1,503,866	1,715,683	2,129,219	2,128,528	2,318,096	2,632,749
Financial investments	16,609,762	16,878,524	16,715,041	16,724,188	17,095,494	17,188,339
Hedging instruments	15,417	16,172	10,048	119	356	2,667
Property, plant and equipment	15,396	15,197	15,205	15,205	14,839	15,036
Goodwill	89,602	89,602	89,602	89,602	89,602	89,602
Other intangible assets	8,025	7,712	7,909	7,909	7,584	7,827
Tax assets	9,277	14,279	9,249	8,639	6,428	10,914
Non-current assets and disposal groups classified as held for sale	-	-	-	-	-	91
Other assets	271,613	233,188	315,415	315,415	203,695	241,054
<b>TOTAL ASSETS</b>	<b>21,513,247</b>	<b>21,815,449</b>	<b>22,340,335</b>	<b>22,335,378</b>	<b>23,235,055</b>	<b>23,425,360</b>

(Amounts in € thousand)

	JUNE 30	SEPTEMBER 30	DECEMBER 31	JANUARY 1	MARCH 31	JUNE 30
LIABILITIES AND SHAREHOLDERS' EQUITY	2017	2017	2017	2018	2018	2018
Deposits from banks	929,859	696,554	926,001	926,001	960,046	907,794
Deposits from customers	19,440,617	20,007,773	20,205,036	20,205,036	20,916,380	21,196,653
Financial liabilities held for trading	18,716	18,656	11,936	11,936	4,892	4,568
Hedging instruments	1,481	3,349	(397)	(397)	(460)	2,374
Tax liabilities	19,525	49,310	10,234	7,718	36,307	22,038
Other liabilities	482,182	368,307	455,699	456,150	325,843	417,933
Shareholders' Equity	620,867	671,500	731,826	728,934	992,047	874,000
- capital and reserves	522,475	524,273	526,046	521,178	937,076	763,818
- revaluation reserves (available-for-sale financial assets and actuarial gains (losses) for defined benefits plans)	(5,875)	(3,811)	(8,340)	(6,364)	(3,994)	(14,997)
- net profit (loss)	104,267	151,038	214,120	214,120	58,965	125,179
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>21,513,247</b>	<b>21,815,449</b>	<b>22,340,335</b>	<b>22,335,378</b>	<b>23,235,055</b>	<b>23,425,360</b>

(Amounts in € thousand)

**CONDENSED INCOME STATEMENT**

	1 HALF 2017	1 HALF 2018	Absolute changes	%
Net interest	127,297	137,646	10,349	8.1%
Dividends and other income from equity investments	12	20	8	66.7%
Net fee and commission income	129,707	145,978	16,271	12.5%
Net trading, hedging and fair value income	25,992	27,618	1,626	6.3%
Net other expenses/income	(233)	583	816	n.c.
<b>OPERATING INCOME</b>	<b>282,775</b>	<b>311,845</b>	<b>29,070</b>	<b>10.3%</b>
Payroll costs	(38,924)	(41,499)	(2,575)	6.6%
Other administrative expenses	(123,893)	(126,931)	(3,038)	2.5%
Recovery of expenses	46,492	48,623	2,131	4.6%
Impairment/write-backs on intangible and tangible assets	(4,833)	(4,836)	(3)	0.1%
<b>Operating costs</b>	<b>(121,158)</b>	<b>(124,643)</b>	<b>(3,485)</b>	<b>2.9%</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>161,617</b>	<b>187,202</b>	<b>25,585</b>	<b>15.8%</b>
Net write-downs of loans and provisions for guarantees and commitments	(1,650)	(1,156)	494	-29.9%
<b>NET OPERATING PROFIT (LOSS)</b>	<b>159,967</b>	<b>186,046</b>	<b>26,079</b>	<b>16.3%</b>
Provisions for risks and charges	(3,150)	(3,699)	(549)	17.4%
Integration costs	(13)	(4)	9	-69.2%
Net income from investments	(353)	5,158	5,511	n.c.
Impairment of goodwill	-	-	-	n.c.
<b>PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>156,451</b>	<b>187,501</b>	<b>31,050</b>	<b>19.8%</b>
Income tax for the period	(52,184)	(62,322)	(10,138)	19.4%
<b>PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>104,267</b>	<b>125,179</b>	<b>20,912</b>	<b>20.1%</b>
Total profit (loss) after tax from continuing operations	-	-	-	-
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>104,267</b>	<b>125,179</b>	<b>20,912</b>	<b>20.1%</b>

(Amounts in € thousand)

**CONDENSED INCOME STATEMENT – QUARTERLY FIGURES**

	EXERCISE 2017	1 QUARTER 2017	2 QUARTER 2017	3 QUARTER 2017	4 QUARTER 2017	1 QUARTER 2018	2 QUARTER 2018
Net interest	264,781	62,963	64,334	67,415	70,069	68,904	68,742
Dividends and other income from equity invest	29	6	6	6	11	7	13
Net fee and commission income	270,083	64,681	65,026	69,680	70,696	71,462	74,516
Net trading, hedging and fair value income	48,219	13,710	12,282	11,127	11,100	14,538	13,080
Net other expenses/income	3,760	531	(764)	63	3,930	487	96
<b>OPERATING INCOME</b>	<b>586,872</b>	<b>141,891</b>	<b>140,884</b>	<b>148,291</b>	<b>155,806</b>	<b>155,398</b>	<b>156,447</b>
Payroll costs	(79,294)	(19,216)	(19,708)	(19,769)	(20,601)	(20,533)	(20,966)
Other administrative expenses	(236,945)	(62,442)	(61,451)	(53,021)	(60,031)	(65,467)	(61,464)
Recovery of expenses	93,367	23,277	23,215	21,888	24,987	24,701	23,922
Impairment/write-backs on intangible and tangible assets	(10,369)	(2,330)	(2,503)	(2,628)	(2,908)	(2,339)	(2,497)
<b>Operating costs</b>	<b>(233,241)</b>	<b>(60,711)</b>	<b>(60,447)</b>	<b>(53,530)</b>	<b>(58,553)</b>	<b>(63,638)</b>	<b>(61,005)</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>353,631</b>	<b>81,180</b>	<b>80,437</b>	<b>94,761</b>	<b>97,253</b>	<b>91,760</b>	<b>95,442</b>
Net write-downs of loans and provisions for guarantees and commi	(5,351)	(597)	(1,053)	(1,577)	(2,124)	(1,311)	155
<b>NET OPERATING PROFIT (LOSS)</b>	<b>348,280</b>	<b>80,583</b>	<b>79,384</b>	<b>93,184</b>	<b>95,129</b>	<b>90,449</b>	<b>95,597</b>
Provisions for risks and charges	(19,025)	(2,377)	(773)	(21,029)	5,154	(1,774)	(1,925)
Integration costs	408	(14)	1	(7)	428	(2)	(2)
Net income from investments	(13,399)	8	(361)	(1,448)	(11,598)	1	5,157
Impairment of goodwill	-	-	-	-	-	-	-
<b>PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>316,264</b>	<b>78,200</b>	<b>78,251</b>	<b>70,700</b>	<b>89,113</b>	<b>88,674</b>	<b>98,827</b>
Income tax for the period	(102,144)	(26,506)	(25,678)	(23,929)	(26,031)	(29,709)	(32,613)
<b>PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>214,120</b>	<b>51,694</b>	<b>52,573</b>	<b>46,771</b>	<b>63,082</b>	<b>58,965</b>	<b>66,214</b>
Total profit (loss) after tax from continuing operations	-	-	-	-	-	-	-
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>214,120</b>	<b>51,694</b>	<b>52,573</b>	<b>46,771</b>	<b>63,082</b>	<b>58,965</b>	<b>66,214</b>

(Amounts in € thousand)

**Declaration of the nominated official in charge of drawing up company accounts**

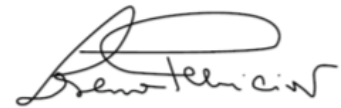
The undersigned Lorena Pelliciarì, as nominated official in charge of drawing up company accounts of FinecoBank S.p.A.,

DECLARES

in compliance with the provisions of the second paragraph of Article 154-bis of the "Consolidated Finance Act", that the accounting information contained in this press release corresponds to results in the Company's accounts, books and records.

Milan, July 31st, 2018

The nominated official in charge of drawing up  
company accounts



**FinecoBank**

FinecoBank is the direct, multi-channel bank of the UniCredit Group. It has one of the largest advisory networks in Italy\* and is the leading bank in Italy for equity trades\*\*. FinecoBank offers an integrated business model combining direct banking and financial advice, with a single free-of-charge account including a full range of banking, credit, trading and investment services, which are also available through applications for smartphone and tablet. With its fully integrated platform, FinecoBank is the benchmark for modern investors.

\* Source: Assoreti

\*\* Source: Assosim

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