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Oggetto	:	Consolidated Results as at 31 March 2019

Testo del comunicato

Vedi allegato.

PRESS RELEASE

CONSOLIDATED RESULTS AS AT 31 MARCH 2019

NET INCOME OF 8.4MLN EURO, AS COMPARED WITH A NET LOSS OF 30 MILLION REPORTED IN Q1 2018

DEPOSITS ON THE RISE, UP 5.6% Q/Q AND 12.4% Y/Y, DRIVEN BY AN EFFECTIVE COMMERCIAL ACTIVITY

FULLY LOADED CET 1 RATIO AT 31 MARCH 2019 OF 14%, IMPROVING FROM 13.5 AT 31/12/18, CONFIRMING THE SOLIDITY OF GRUPPO CREVAL

- **Strong excess capital over the 2019 SREP minimum requirement of 8.25% communicated by the Bank of Italy, with the launch of the related administrative procedure examined by the BoD**

ROBUST LIQUIDITY POSITION

- **LCR > 100% and NSFR > 100%**
- **3.7bn eligible unencumbered assets**[1]

STRENGTHENING OF NPL COVERAGE AT 56.5%

- **Bad loans coverage at 74.9% (75.1% at 31/12/18).**
- **UTP coverage at 45.2% (44.1% at 30/09/2018)**

PRESENTATION OF THE NEW BUSINESS PLAN SCHEDULED ON 18 JUNE 2019

[1] Data at 30/04/19

Sondrio, 8 May 2019 – The Board of Directors of Creval has approved the consolidated results as at 31 March 2019, reporting a net income of 8.4 million euro, as compared with a net loss of 30.1 million euro posted in the same period of 2018.

"The first quarter reflects the solidity of our Bank and confirms our commercial capability. We are working on the new Business Plan, that will lay the foundation for Creval's sustainable growth, putting the households and SMEs in our service territories at the heart of our operations, together with our Employees, our Bank's true asset", said **Luigi Lovaglio**, Creval's CEO.

Key balance sheet items

Direct customer funding, excluding repos, came in at 17.0 billion euro, up by 4.6% compared to 31/12/18, driven by the increase in deposits (+5.6%) that was achieved thanks to the positive performance of our commercial policy. **Total direct funding** stood at 19.6 billion euro, down by 1.6% compared to 31/12/18, driven by repos that over the quarter declined by 29.2%.

Loans and advances to customers, excluding securities, amounted to 14.9 billion euro, down by 5.1% compared to 31/12/18, thanks to a commercial activity more focused on retail clients, which resulted in a 4.1% decline in exposures to corporate and institutional clients.

Including debt securities (mainly government bonds), total net receivables came in at 20 billion euro, down by 6.5% compared to year-end 2018, mainly driven by the ongoing reduction of the securities portfolio.

The liquidity position continues to be robust. Total eligible unencumbered assets added up to 3.7 billion euro and the liquidity ratios "LCR" and "NSFR" are well above the regulatory requirements.

Net non-performing exposures totaled 852 million euro, down by 2.2% compared to 31/12/2018.

In particular, **bad loans** came to 205 million euro, in line with 31/12/18 (204 million euro); **unlikely-to-pay loans** added up to 590 million euro, down by 2.6% compared to 31/12/18; **past-due loans** stood at 57 million euro, down by 7.1% compared to 31/12/18.

The NPL coverage ratio came to 56.5%, further up compared to 55.9% on 31/12/2018.

More specifically, the coverage of the single NPL classes breaks down as follows:

- bad loans at 74.9% (75.1% at 31/12/18);
- UtPs at 45.2% (44.1% at 31/12/18);
- past dues at 11.3% (15.7% at 31/12/18).

The coverage of performing loans to customers (excluding government bonds) came in at 0.60%, in line with 0.60% on 31/12/18.

Indirect funding ran at 10.4 billion euro, up by 2.9% compared to 31/12/18, also thanks to the positive market performance in Q1 2019. Specifically, assets under management came in at 7.3 billion euro, up by 3.1%, and assets under administration amounted to 3.1 billion euro, up by 2.5%.

Financial assets represented by securities stood at 7.4 billion euro, down by 8.2% compared to 31/12/18, mainly due to the reduction in the securities portfolio currently underway. Specifically, government bonds stood at 5.7 billion euro, down by 9.1% compared to 6.3 billion euro on 31/12/18. The portfolio of Italian government bonds measured at FVTOCI (net of tax effect) is negative by 12 million euro, on the rise compared to 31/12/2018 (-20.5 million euro).

Launch of the decision-making process on specific capital requirements following "SREP" (*Supervisory Review and Evaluation Process*)

The Board of Directors has acknowledged the notification by the Bank of Italy of the launch of the procedure to adopt minimum capital requirements (*Overall Capital Requirements*) that Gruppo Creval will have to comply with starting from the first own fund report following the completion of the administrative procedure. The Board of Directors resolved to raise no remark thereon.

On a consolidated basis, the above requirements have been calculated as follows:

- **CET 1 ratio** of **8.25%**, resulting from the minimum regulatory requirement of 4.5%, the additional SREP-based requirement of **1.25%,** and the residual part tied to the capital conservation buffer;
- **Tier1 ratio** of **9.75%**, resulting from the minimum regulatory requirement of 6.0%, the additional SREP-based requirement of **1.25%** and the residual part tied to the capital conservation buffer;
- **Total Capital ratio** of **11.75%**, resulting from the minimum regulatory requirement of 8.0%, the additional SREP-based requirement of **1.25%** and the residual part tied to the capital conservation buffer.

Shareholders' equity and capital ratios

The Group's **Shareholders' equity** at 31 March 2019 stood at 1,594 million euro, compared to 1,566 million euro at 31 December 2018. The Group's net tangible book value at 31 March 2019 was 1,577 million euro compared to 1,551 million euro at 31 December 2018.

Under the phase-in regime, CET1 ratio at 31/03/19 was 1,851 million euro, against risk-weighted assets (RWA) of 10,106 million euro. Total own funds added up to 2,042 million euro.

The Bank's capital ratios are as follows:

- 18.3% CET1 ratio

- 18.3% Tier 1 ratio

- 20.2% Total Capital ratio

The fully loaded CET1 ratio[2] at 31 March 2018 was 14.0%, reporting a further progress compared to the 31/12/18 data (13.5%), giving rise to an excess capital over the 2019 SREP minimum

[2] Excluding the phase-in regime of the IFRS9 FTA impact.

requirement, communicated by the Bank of Italy with the launch of the related administrative procedure, of 537 basis points.

Operating results

Net interest income stood at 91.3 million euro, up from 88.6 million in Q1 2018 (+3.0%) and basically in line with the prior quarter (91.8 million euro), in spite of the negative impact from the first time adoption of IFRS 16 as of 1/1/2019 and a lower number of days. Under this aggregate, the securities portfolio made a lower quarterly contribution (15.9 million euro from 17.7 million euro in Q4 2018) due to the mentioned reduction of the proprietary portfolio, offset by an improving cost of funding.

Net fees and commissions came out at 61.7 million euro, down by 12.7% y/y and by 10.7% compared to the prior quarter, mainly driven by a decline in commissions from securities distribution.

Net income from **trading, hedging, disposal and repurchase activities** was 1.3 million euro (6.7 million euro in Q1 2018), as compared with a net loss of 7.8 million euro reported in the prior quarter, due to the posting of the write-off of the contribution paid to the voluntary FITD scheme (4.4 million euro).

Operating income added up to 157.2 million euro (167.2 million euro in Q1 2018), basically in line with the prior quarter (180 million euro) excluding the main non-recurring items represented by interim dividends (28.7 million euro) and impairment of the FITD contribution (4.4 million euro).

Personnel expenses amounted to 70.6 million euro (121.9 million euro in Q1 2018), basically in line with Q4 2018 (67.3 million euro) excluding the cost tied to the termination of the employment contract of the prior CEO (2.3 million euro).

Other administrative expenses added up to 39.5 million euro, down by 4% compared to the prior quarter (-23% compared to Q1 2018), notwithstanding the posting of the annual SRF contribution of 8.2 million euro, as a result of the adoption of IFRS 16, and of the savings tied to efficiency gains.

Net write-down of tangible and intangible assets came in at 10.9 million euro, up from 6.8 million euro in Q4 2018 (6.3 million in Q1 2018) due to the impact of the adoption of IFRS 16.

Total **operating costs** stood at 121 million euro from 179.4 million euro in the same period of 2018 and 115.2 million in Q4 2018.

Net operating profit came to 36.2 million euro (64.8 million euro in Q4 2018), as compared to a net loss of 12.2 million euro reported in Q1 2018

Net write-down/write-backs for credit risk came in at 27.3 million euro, down from 27.8 million in Q1 2018 and 130.8 million in the prior quarter.

The **gain on sale/repurchase of financial assets measured at amortized cost** amounted to 4.8 million euro, and it is mainly referred to the sale of government bonds held in portfolio during the quarter. This figure compares with a loss of 1.3 million euro in Q1 2018 and of 12.5 million in the prior quarter.

After accounting for net provisions for risks and charges of 4.9 million euro (5 million euro in Q1 2018 and 5.4 million in the prior year) and for the gain from the sale of equity and other investments of 3.4 million, **income on continuing operations before tax** amounted to 12.2 million euro.

After deducting the **income tax** for the period of 3.8 million euro, net income for the period stood at 8.4 million euro.

Operational outlook

This year the focus will be centered on the implementation of the new 2019-2021 Business Plan currently under preparation, that is scheduled to be presented on 18 June.

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Please find below the key financial highlights and alternative performance indicators, together with the reclassified consolidated Statement of Financial Position and Income statement and the consolidated Statement of Financial Position and Income statement

Statement of the financial reporting officer

The financial reporting officer, Mrs. Simona Orietti, in compliance with paragraph two of art. 154 *bis* of the "Consolidated act for financial intermediation", hereby states that the accounting information illustrated in this press release is consistent with documental evidence, accounting books and book-keeping entries.

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CONSOLIDATED FINANCIAL HIGHLIGHTS AND ALTERNATIVE PERFORMANCE INDICATORS

STATEMENT OF FINANCIAL POSITION DATA	31/03/2019	31/12/2018	Change
(in thousands of EUR)			
Loans and receivables with customers	20,026,725	21,413,093	-6.47%
Financial assets and liabilities measured at fair value	1,958,544	2,038,300	-3.91%
Non-current assets held for sale and disposal groups	74,103	75,548	-1.91%
Total assets	25,426,260	26,472,669	-3.95%
Direct funding from customers	19,616,295	19,944,672	-1.65%
Indirect funding from customers	10,353,796	10,060,828	2.91%
of which:			
- Managed funds	7,276,012	7,059,571	3.07%
Total funding	29,970,091	30,005,500	-0.12%
Equity	1,593,767	1,566,242	1.76%

SOLVENCY RATIOS	31/03/2019	31/12/2018
Common Equity Tier 1 capital / Risk-weighted assets (CET1 capital ratio)	18.3%	18.3%
Tier 1 capital / Risk-weighted assets (Tier 1 capital ratio)	18.3%	18.3%
Total own funds / Risk-weighted assets (Total capital ratio)	20.2%	20.2%

Figures calculated provisionally pending the submission to the Supervisory Authority

FINANCIAL STATEMENT RATIOS	31/03/2019	31/12/2018
Indirect funding from customers / Total funding	34.5%	33.5%
Managed funds / Indirect funding from customers	70.3%	70.2%
Direct funding from customers / Total liabilities and equity	77.1%	75.3%
Loans and receivables with customers / Direct funding from customers	102.1%	107.4%
Loans and receivables with customers / Total assets	78.8%	80.9%

CREDIT RISK	31/03/2019	31/12/2018	Change
Net bad loans (in thousands of EUR)	204,854	204,422	0.21%
Other net doubtful loans (in thousands of EUR)	646,732	666,761	-3.00%
Net non-performing loans (in thousands of EUR)	851,586	871,183	-2.25%
Net bad loans / Loans and receivables with customers	1.0%	1.0%	
Other net doubtful loans / Loans and receivables with customers	3.2%	3.1%	
Net non-performing loans / Loans and receivables with customers	4.3%	4.1%	
Coverage ratio of bad loans	74.9%	75.1%	
Coverage ratio of other doubtful loans	43.3%	42.3%	
Coverage ratio of net non-performing loans	56.5%	55.9%	

Loans and receivables with customers classified under non-current assets held for sale and disposal groups are not included

CREDIT QUALITY	31/03/2019				31/12/2018			
	Gross amount	Impairment losses	Carrying amount	% coverage	Gross amount	Impairment losses	Carrying amount	% coverage
Non-performing loans								
Bad loans	815,531	-610,677	204,854	74.9%	820,875	-616,453	204,422	75.1%
Unlikely to pay	1,076,733	-487,170	589,563	45.2%	1,082,291	-477,036	605,255	44.1%
Past due non-performing loans	64,459	-7,290	57,169	11.3%	72,952	-11,446	61,506	15.7%
Total non-performing loans	**1,956,723**	**-1,105,137**	**851,586**	**56.5%**	**1,976,118**	**-1,104,935**	**871,183**	**55.9%**
Performing loans - stage 1	17,737,466	-28,627	17,708,839	0.16%	19,008,566	-34,170	18,974,396	0.18%
Performing loans - stage 2	1,529,180	-62,880	1,466,300	4.11%	1,629,593	-62,079	1,567,514	3.81%
Total loans and receivables with customers	**21,223,369**	**-1,196,644**	**20,026,725**		**22,614,277**	**-1,201,184**	**21,413,093**	

The coverage ratio is calculated as the ratio between impairment losses and gross amount

Loans and receivables with customers classified under non-current assets held for sale and disposal groups are not included

At 31 March 2019 performing loans includes Government bond for a gross amount of EUR 4,092,817 thousand

Government bond/Countries	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total	HTCS reserve(*)
Italy	6	1,607,207	3,417,800	5,025,013	-12,096
Spain	-	-	598,501	598,501	-
Portugal	-	-	40,050	40,050	-
Other	201	-	35,999	36,200	-
Total	**207**	**1,607,207**	**4,092,350**	**5,699,764**	**-12,096**

(*) Reserve related to financial assets classified as Financial assets at fair value through other comprehensive income calculated after the tax effect

ORGANISATIONAL DATA	31/03/2019	31/12/2018	Change
Number of employees	3,686	3,668	0.49%
Number of branches	365	365	-

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND INCOME STATEMENT

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of EUR)

ASSETS	31/03/2019	31/12/2018	Change
Cash and cash equivalents	158,741	200,153	-20.69%
Financial assets at fair value through profit or loss	224,582	235,378	-4.59%
Financial assets at fair value through other comprehensive income	1,885,488	1,937,531	-2.69%
Loans and receivables with banks	1,390,162	1,205,925	15.28%
Loans and receivables with customers	20,026,725	21,413,093	-6.47%
Equity investments	20,599	20,269	1.63%
Property, equipment and investment property and intangible assets (1)	610,396	447,642	36.36%
Non-current assets held for sale and disposal groups	74,103	75,548	-1.91%
Other assets (2)	1,035,464	937,130	10.49%
Total assets	**25,426,260**	**26,472,669**	**-3.95%**

(1) Include items "90. Property, equipment and investment property" and "100. Intangible assets".
(2) Include items "110. Tax assets" and "130. Other assets".

(in thousands of EUR)

LIABILITIES AND EQUITY	31/03/2019	31/12/2018	Change
Due to banks	3,336,270	4,096,231	-18.55%
Direct funding from customers (1)	19,616,295	19,944,672	-1.65%
Financial liabilities held for trading	138	64	115.62%
Hedging derivatives	151,388	134,545	12.52%
Liabilities included in disposal groups classified as held for sale	2,341	2,271	3.08%
Other liabilities	489,699	491,739	-0.41%
Provisions for specific purpose (2)	236,342	236,885	-0.23%
Equity attributable to non-controlling interests	20	20	-
Equity (3)	1,593,767	1,566,242	1.76%
Total liabilities and equity	**25,426,260**	**26,472,669**	**-3.95%**

(1) Includes item "10. Financial liabilities measured at amortised cost: b) due to customers; c) securities issued".
(2) Include items "60. Tax liabilities", "90. Post-employment benefits" and "100. Provisions for risks and charges".
(3) Includes items "120. Valuation reserves", "150. Reserves", "160. Share premium reserve", "170. Capital", "180. Treasury shares", and "200. Profit (Loss) for the period".

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(in thousands of EUR)

ITEMS	Q1 2019	Q1 2018	Change
Net interest income	**91,273**	**88,594**	**3.02%**
Net fee and commission income	61,665	70,600	-12.66%
Dividends and similar income	633	660	-4.09%
Profit of equity-accounted investments (1)	320	441	-27.44%
Net trading, hedging income (expense) and profit (loss) on sales/repurchases (2)	1,327	6,685	-80.15%
Other operating net income (3)	1,973	241	n.s.
Operating income	**157,191**	**167,221**	**-6.00%**
Personnel expenses	(70,622)	(121,906)	-42.07%
Other administrative expenses (4)	(39,456)	(51,257)	-23.02%
Depreciations/amortisations and net impairment losses on property, equipment and investment property and intangible assets (5)	(10,899)	(6,227)	75.03%
Operating costs	**(120,977)**	**(179,390)**	**-32.56%**
Net operating profit	**36,214**	**(12,169)**	n.s.
Impairment or reversal of impairment and modification gains (losses) (6)	(27,303)	(27,801)	-1.79%
Profit (Losses) on derecognition of financial assets valued at the amortised cost (7)	4,840	(1,341)	n.s.
Net accruals to provisions for risks and charges	(4,937)	(5,024)	-1.73%
Net gains (losses) on sales of investments and valuation differences on property and equipment at fair value (8)	3,384	(36)	n.s.
Pre-tax loss from continuing operations	**12,198**	**(46,371)**	**n.s.**
Income taxes	(3,813)	17,037	n.s.
Post-tax profit (loss) from continuing operations	**8,385**	**(29,334)**	n.s.
Profit (loss) for the period attributable to non-controlling interests	-	(752)	n.s.
Profit (loss) for the period	**8,385**	**(30,086)**	**n.s.**

(1) Net gains on equity-accounted investments include net gains (losses) on equity-accounted investments included in item "250. Net gains on equity investments"; the residual amount of that item is included in gains on sales of investments, together with item 280. "Net gains (losses) on sales of investments"
(2)Includes item "80. Profit (Losses) on trading", "90. Fair value adjustments in hedge accounting", "100. Profit (loss) on sale or repurchase of: a) financial assets at amortised cost; b) financial assets at fair value through other comprehensive income; c) financial liabilities" and "110. Profits (Losses) on other assets and liabilities at fair value through profit or loss: b) other financial assets mandatorily measured at fair value through profit or loss"
(3) Other income and charges correspond to item 230 "Other operating expenses/income" net of the explained reclassifications
(4) Other administrative expenses include recoveries of taxes and other recoveries recognised in item "230. Other operating expenses/income" (EUR 9,200 thousand in the Q1 2019 and EUR 10,701 thousand in the Q1 2018);
(5) The net impairment losses on property and equipment and intangible assets include items "210. Depreciation and net impairment losses on property and equipment", "220. Amortisation and net impairment losses on intangible assets" and the accumulated depreciation of costs incurred for leasehold improvements included in item "230. Other operating expenses/income"(EUR 219 thousand in the Q1 2019 and EUR 249 thousand in the Q1 2018)

(6) Include items "130. Impairment or reversal of impairment on; a) financial assets at amortised cost; b) financial assets at fair value through other comprehensive income" and "140. Modification gains (losses)"
(7) Include item "100. Net gains (losses) on sales or repurchase of: a) financial assets valued at the amortised cost"
(8) Include the residual amount of item 250. "Net gains on equity investments" not included among net gains on equity-accounted investments, together with item "280. Net gains on sales of investments"" and item "260. Net result of property, equipment and investment property and intangible assets at fair value"

NOTES

The statement of financial position as of 31 March 2019, shows the standing of Credito Valtellinese and the companies directly and indirectly controlled by it, or the companies in which Credito Valtellinese directly holds the majority of shares or a shareholding less than the absolute majority that in any event allows it to manage the important assets of the company in which it holds shares.

The Group accounting policies used for preparing the information provided, with reference to the registration, valuation and deletion criteria for each asset and liability item, as with the recognition methods for revenue and costs, remained the same as those used for the financial statements at 31 December 2018, except for the accounting policies linked to the introduction of the new international accounting principle in effect as of 1 January 2019, the IFRS 16 "Leases". Specifically, the effects of the IFRS 16 "Leases" are summarised below.

The statement of financial position was not submitted for audit by an independent auditor.

New international accounting standard IFRS 16 - Leases

Regulation (EU) no. 1986/2017 adopted the international accounting standard IFRS 16 Leases, which introduces new rules for representing lease contracts both for lessors and for lessees and that replaces the previously issued standards and interpretations in the field.

The new Accounting Standard requires the identification of whether a contract is (or contains) a lease, based on the concept of controlling the use of an identified asset for a specific period of time in exchange for a consideration. Consequently, the scope of application of the standard also includes lease, rental or gratuitous lease agreements, which were not previously treated as leases.

The main changes concern the recognition of lease transactions in the lessee's financial statements. In particular, the lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. After initial recognition the asset is measured using the cost model (cost net of accumulated amortisation and accumulated impairment losses and adjusted to take account of any restatement of the lease liability) and the liability is measured by increasing the carrying amount to take account of interest on the lease liability and decreased to take account of lease payments made and by restating the carrying amount to take account of any new lease measurement or changes. This also implies a change in the method for recognising Income Statement items. In particular, while previously (IAS 17) the lease payments were represented under the item "190.b) Other administrative expenses", on the basis of the new standard, the charges accrued on the lease payable will be recognised in the item "20. Interest and similar expense" and the amortisation charges of the right of use will be recorded under the item "210. Depreciation and net impairment losses on property, equipment and investment property".

However, there are no substantial changes, apart from a few more requests for information, in the recognition of lease contracts for lessors, for which the distinction between operating leases and financial leases is maintained.

Upon first-time adoption the Modified Retrospective Approach was used, which allows the cumulative effect of the initial application of the Standard to be recognized at the date of the FTA, and not to restate the comparative figures of the first-time financial statements of IFRS 16.

Furthermore the Creval Group adopted some of the practical expedients and exemptions envisaged by the Standard. Specifically:

- contracts with a maturity of less than or equal to 12 months were excluded;
- contracts with a new value of the underlying asset less than or equal to EUR 5,000 were excluded (underlying asset of low value);
- initial direct costs were excluded from the measurement of the right of use at the date of first-time adoption.

With reference to the discount rate, the Group adopted a rate curve that takes into account, among other components, the premium for the specific risk of Creval Group.

According to the analyses carried out, the contracts falling within the scope of application mainly concern real estate lease contracts (Real Estate area), car rental contracts (Automotive) and other contracts that mainly concern rental contracts of IT equipment and, more generally, IT assets.

With reference to the impacts of first-time adoption of IFRS 16, as at 1° January 2019, assets consisting of the right to use the asset subject to the leasing contract (RoU Asset) and corresponding liabilities consisting of the current value of payments due for the contract were recognized for a total of approximately EUR 169.4 million.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of EUR)

ASSETS	31/03/2019	31/12/2018
10. Cash and cash equivalents	158,741	200,153
20. Financial assets at fair value through profit or loss	224,582	235,378
a) financial assets held for trading	18,595	40,010
c) other financial assets mandatorily measured at fair value	205,987	195,368
30. Financial assets at fair value through other comprehensive income	1,885,488	1,937,531
40. Financial assets at amortised cost	21,416,887	22,619,018
a) loans and receivables with banks	1,390,162	1,205,925
b) loans and receivables with customers	20,026,725	21,413,093
70. Equity investments	20,599	20,269
90. Property, equipment and investment property	593,807	432,573
100. Intangible assets	16,589	15,069
110. Tax assets	736,508	746,744
a) current	66,620	66,629
b) deferred	669,888	680,115
120. Non-current assets held for sale and disposal groups	74,103	75,548
130. Other assets	298,956	190,386
Total assets	**25,426,260**	**26,472,669**

LIABILITIES AND EQUITY	31/03/2019		31/12/2018	
10. Financial liabilities at amortised cost		22,952,565		24,040,903
a) due to banks	3,336,270		4,096,231	
b) due to customers	18,132,142		18,395,288	
c) securities issued	1,484,153		1,549,384	
20. Financial liabilities held for trading		138		64
40. Hedging derivatives		151,388		134,545
60. Tax liabilities		5,771		5,665
a) current	2,254		1,955	
b) deferred	3,517		3,710	
70. Liabilities associated with discontinued operations		2,341		2,271
80. Other liabilities		489,699		491,739
90. Post-employment benefits		35,650		35,571
100. Provisions for risks and charges:		194,921		195,649
a) commitments and guarantees given	17,035		15,815	
b) pension and similar obligations	34,855		35,669	
c) other provisions for risks and charges	143,031		144,165	
120. Valuation reserves		-19,782		-33,560
150. Reserves		-950,186		-987,270
160. Share premium reserve		638,667		638,667
170. Share capital		1,916,783		1,916,783
180. Treasury shares (-)		-100		-100
190. Equity attributable to non-controlling interests (+/-)		20		20
200. Profit for the period (+/-)		8,385		31,722
Total liabilities and equity		**25,426,260**		**26,472,669**

CONSOLIDATED INCOME STATEMENT

(in thousands of EUR)

ITEMS	Q1 2019		Q1 2018	
10. Interest and similar income		112,736		113,779
20. Interest and similar expense		(21,463)		(25,185)
30. Net interest income		**91,273**		**88,594**
40. Fee and commission income		68,992		77,624
50. Fee and commission expense		(7,327)		(7,024)
60. Net fee and commission income		**61,665**		**70,600**
70. Dividends and similar income		633		660
80. Profits (Losses) on trading		2,042		(857)
90. Net hedging income (expense)		8		(37)
100. Profit (Loss) on sale or repurchase of:		5,464		7,550
a) financial assets at amortised cost	4,840		(1,341)	
b) financial assets at fair value through other comprehensive income	624		8,825	
c) financial liabilities	-		66	
110. Profits (losses) on other assets and liabilities at fair value through profit or loss		(1,347)		(1,312)
b) other financial assets mandatorily measured at fair value	(1,347)		(1,312)	
120. Total income		**159,738**		**165,198**
130. Net impairment losses for credit risk on:		(27,490)		(27,686)
a) financial assets at amortised cost	(27,417)		(27,583)	
b) financial assets at fair value through other comprehensive income	(73)		(103)	
140. Gains/losses from amendments to contracts without derecognition		187		(115)
150. Net financial income		**132,435**		**137,397**
190. Administrative expenses:		(119,278)		(183,864)
a) personnel expenses	(70,622)		(121,906)	
b) other administrative expenses	(48,656)		(61,958)	
200. Net accruals to provisions for risks and charges		(4,937)		(5,024)
a) commitments and guarantees given	(1,220)		(161)	
b) other net accruals	(3,717)		(4,863)	
210. Depreciation and net impairment losses on property, equipment and investment property		(9,010)		(4,308)
220. Amortisation and net impairment losses on intangible assets		(1,670)		(1,670)
230. Other operating net income		10,881		10,693
240. Operating costs		**(124,014)**		**(184,173)**
250. Net gains (losses) on equity investments		320		441
280. Net gains (losses) on sales of investments		3,457		(36)
290. Pre-tax loss from continuing operations		**12,198**		**(46,371)**
300. Income taxes		(3,813)		17,037
330. Profit (loss) for the period		**8,385**		**(29,334)**
340. Profit for the period attributable to non-controlling interests		-		(752)
350. Profit (loss) for the period attributable to owners of the parent		**8,385**		**(30,086)**

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