



**A Strong Bank,  
Delivering Growth**

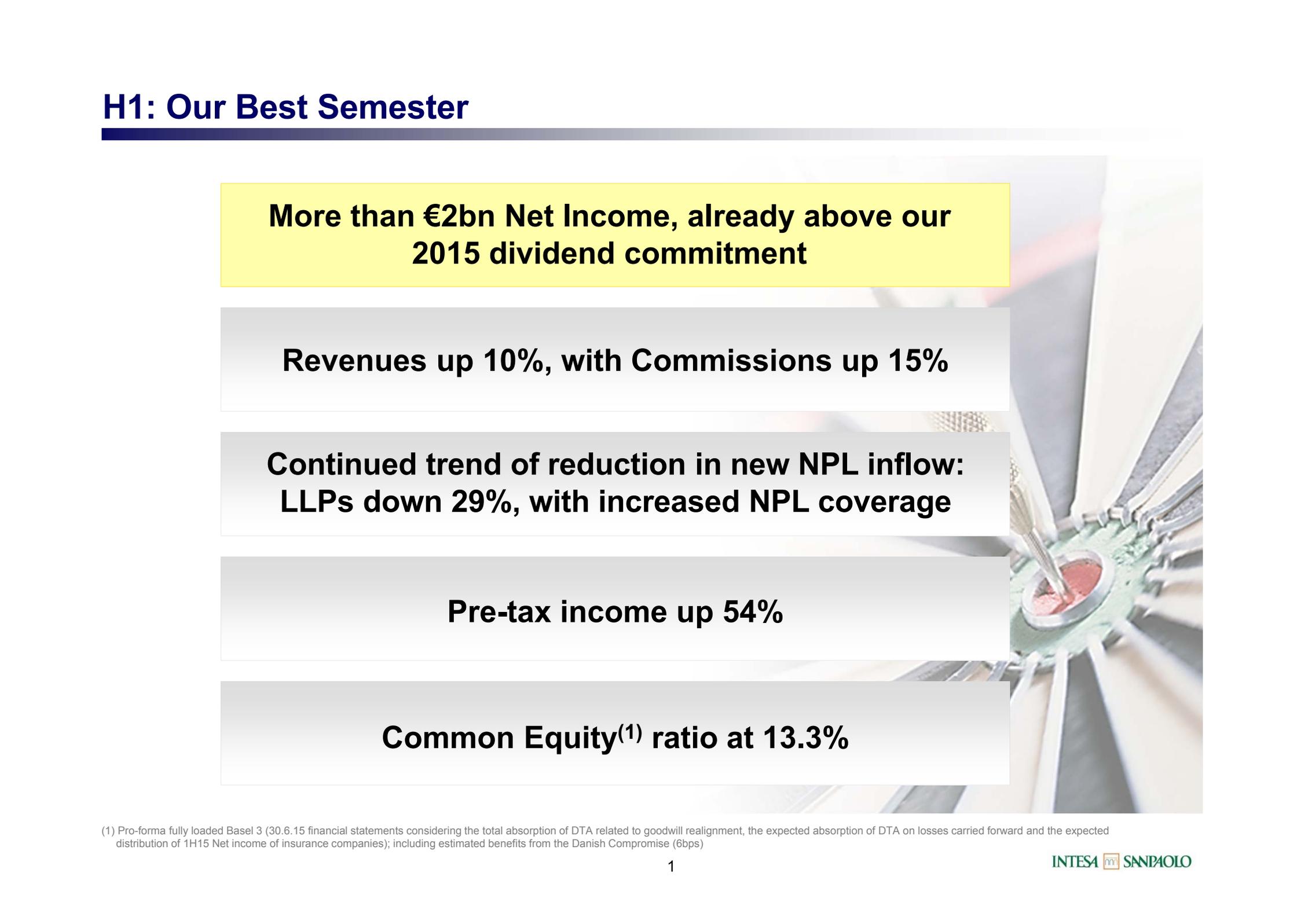
# 1H15 Results

**Our Best Semester**

July 31, 2015

INTESA  SANPAOLO

# H1: Our Best Semester



**More than €2bn Net Income, already above our 2015 dividend commitment**

**Revenues up 10%, with Commissions up 15%**

**Continued trend of reduction in new NPL inflow: LLPs down 29%, with increased NPL coverage**

**Pre-tax income up 54%**

**Common Equity<sup>(1)</sup> ratio at 13.3%**

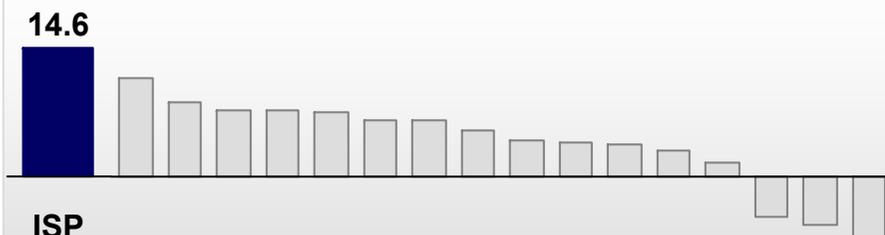
(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 Net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

# A First Class European Bank

# Ranking among peers<sup>(1)</sup>

## Commission income growth

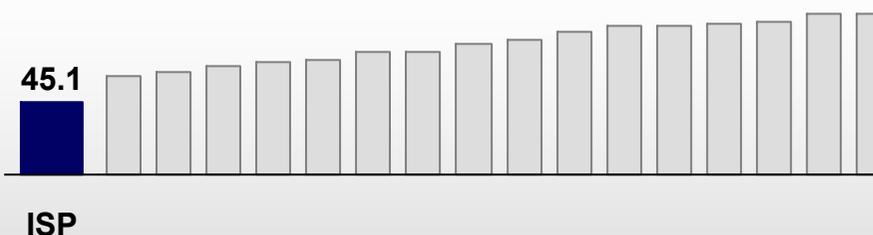
Δ 1H15 vs 1H14, %



#1

## Cost/Income

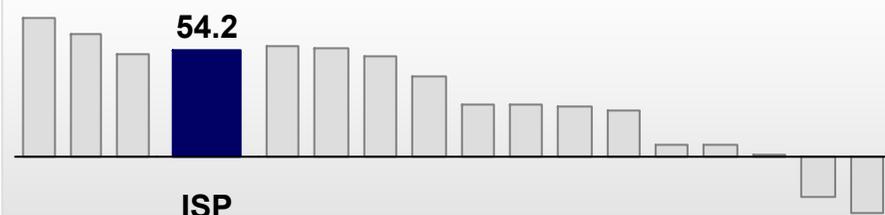
30.6.2015, %



#1

## Pre-tax income growth

Δ 1H15 vs 1H14, %



#4

## Common Equity ratio

Fully loaded Common Equity ratio<sup>(2)</sup>, %



#3

(1) Sample: Barclays, BPCE, Credit Suisse, Deutsche Bank, Nordea, Santander and UBS (30.6.2015 data); BBVA, BNP Paribas, Commerzbank, Crédit Agricole SA, HSBC, ING, Société Générale, Standard Chartered and UniCredit (31.3.2015 data and, if not available, 31.12.2014 data)

(2) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 Net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

# ISP: a “Delivery Machine” Enabled by Our Business Model and Our People

## ISP: a “delivery machine”...

Balance Sheet Strength



Growth in Key Financial Indicators



Operational Efficiency



...enabled by our Business Model and our People

**A Bank supporting the real-economy**, leveraging a strong balance sheet to match healthy credit demand

**A leader in retail banking in Italy** with 11.1m clients with **European scale**, serving an additional 8.3m clients in 12 countries

**A European leader** in a number of high growth / high value businesses: **Private Banking, Asset Management, Insurance**

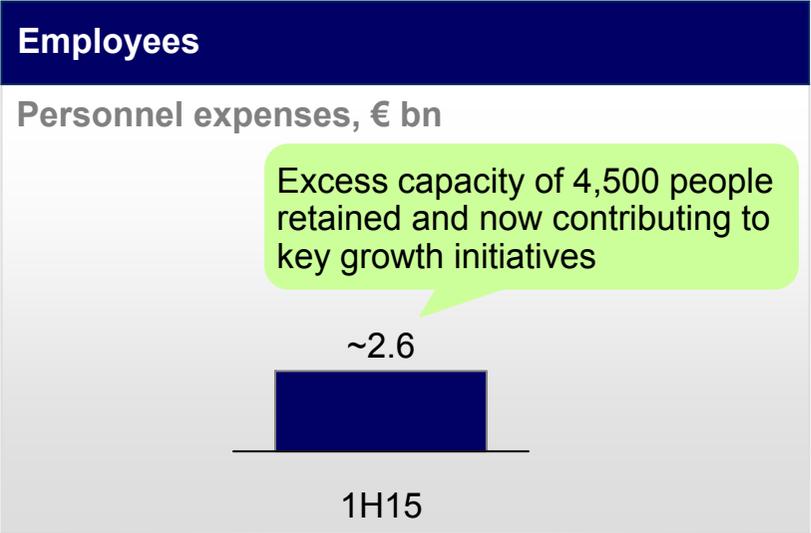
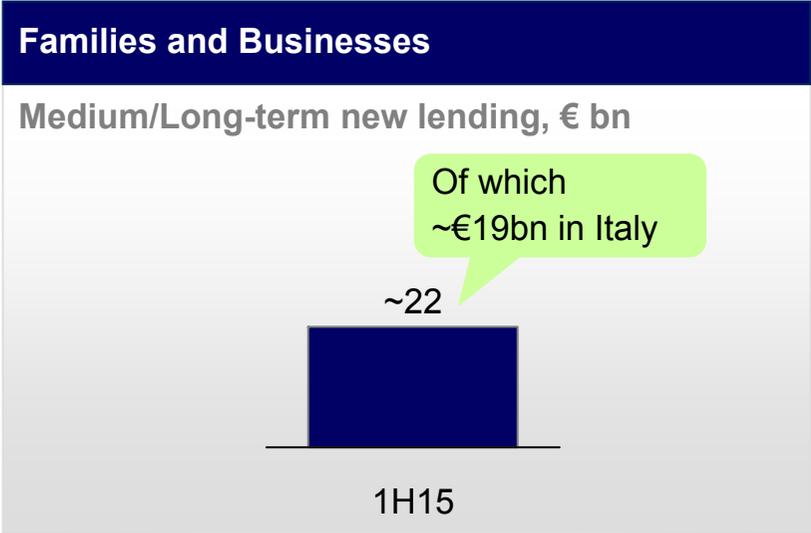
**A leader in corporate and investment banking in Italy**; best-in-class position of Banca IMI

**A simple yet innovative Bank**, moving quickly to a truly multichannel model

Rewarding shareholders with high and sustainable dividends confirmed as a management priority



# All Stakeholders Benefiting From Our Performance

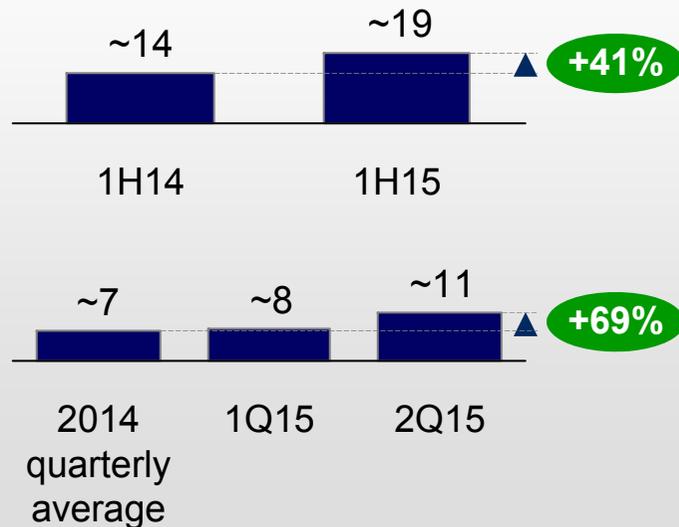


(1) Direct and indirect

# ISP: an Accelerator for the Growth of the Real Economy in Italy

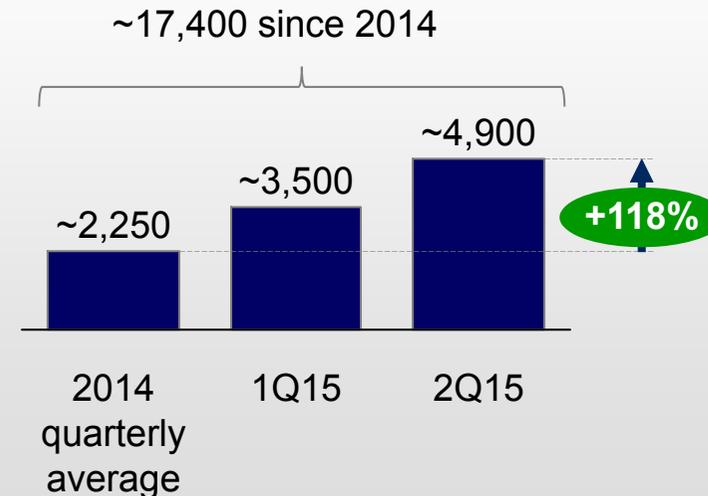
## ISP: supporting the Italian economy to grow...

Medium/Long-term new lending to Italian families and businesses, € bn



## ...and to recover

Italian companies helped to get back to performing status<sup>(1)</sup>



- ISP: a bridge towards internationalisation (e.g., Global Financial Partner of Expo 2015)
- ISP: an innovation driver (e.g., innovation centre located in the new ISP tower in Turin)
- ISP: an engine for social sector initiatives (e.g., Banca Prossima, the largest lender to the Social Sector in Italy)

(1) Deriving from Non-performing loans outflow

# H1: Highlights

## ■ Excellent economic performance driven by high quality earnings:

- Net income at €2,004m (+178% vs 1H14), the highest since 1H08 
- Pre-tax income at €3.3bn (+54% vs 1H14) 
- Increase in Operating income (+10% vs 1H14) driven by the highest Net fees and commissions ever (+15% vs 1H14) 
- Continued strong cost management with C/I down to 45.1% (-3.3pp vs 1H14) 
- Operating margin at €5.2bn (+17% vs 1H14), the highest since the creation of Intesa Sanpaolo 
- Downward trend in loan loss provisions (-29% vs 1H14), coupled with lower NPL inflow and a further increase in NPL coverage 

## ■ Best-in-class capital position with a solid balance sheet:

- Low leverage ratio at 6.7% and high capital base (pro-forma fully loaded Common Equity ratio at 13.3%<sup>(1)</sup>) 
- Strong liquidity position and funding capability with LCR and NSFR well above 100% 
- NPL cash coverage increased to 47.3% (+50bps YoY, +30bps vs FY14) 

(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

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## 1H15: Our best semester

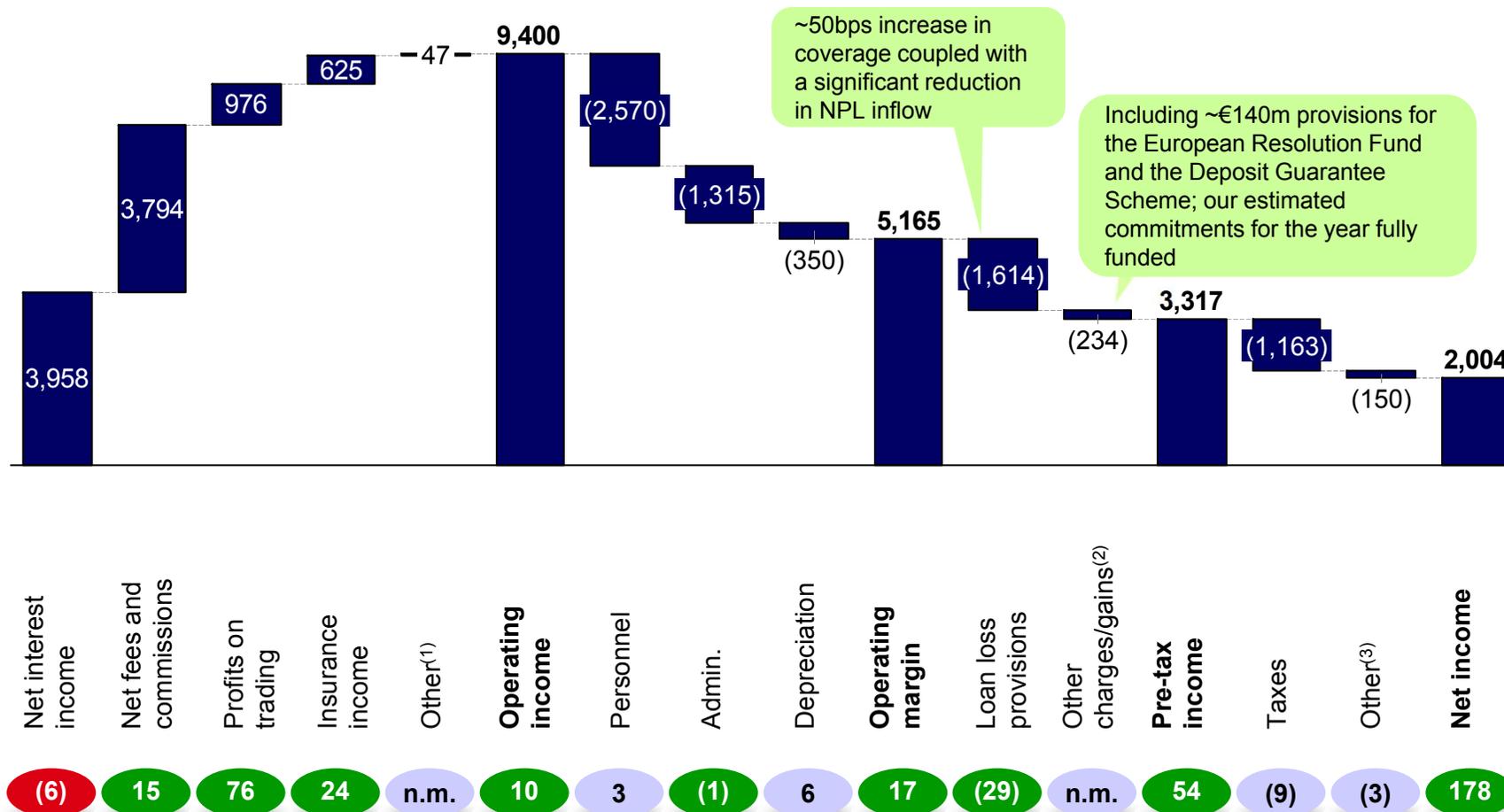
Best-in-class capital position and leverage with a solid balance sheet

Well ahead of our Business Plan

# 1H15 vs 1H14: More Than €2bn Net Income Driven by Quality Earnings

1H15 P&L  
€ m

⊘ Δ vs 1H14



(1) Dividends and other operating income (expenses)

(2) Net impairment losses on assets, Profits (Losses) on HTM and on other investments, Provisions for risks and charges

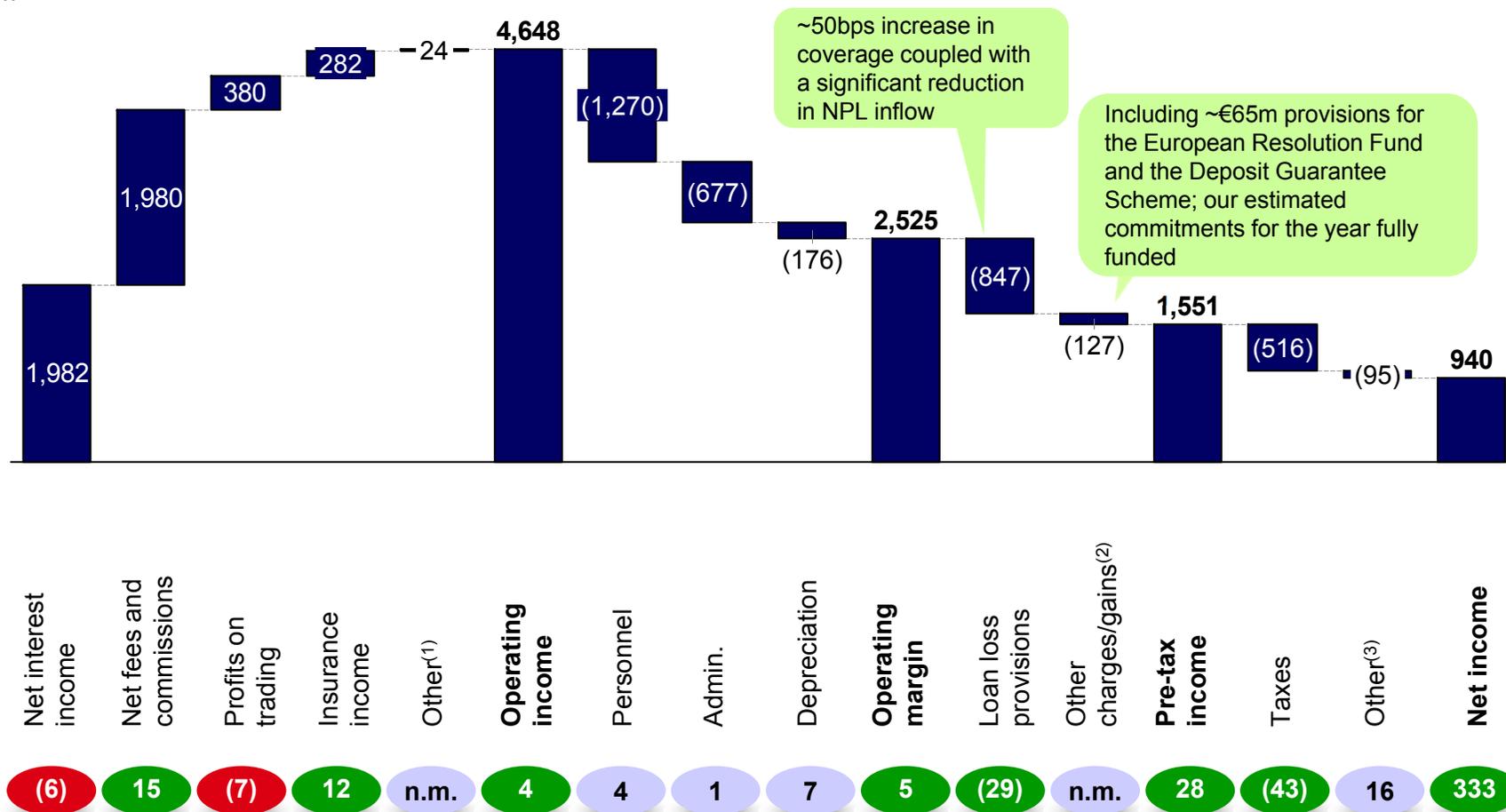
(3) Income (Loss) after tax from discontinued operations, Minority interests, Intangible amortization (after tax), Charges for integration and personnel exit incentives (after tax)

Note: 2014 data restated for the Ukrainian subsidiary Praxev-Bank

# 2Q15 vs 2Q14: Excellent Performance Driven by Quality Earnings

2Q15 P&L  
€ m

⊘ Δ vs 2Q14



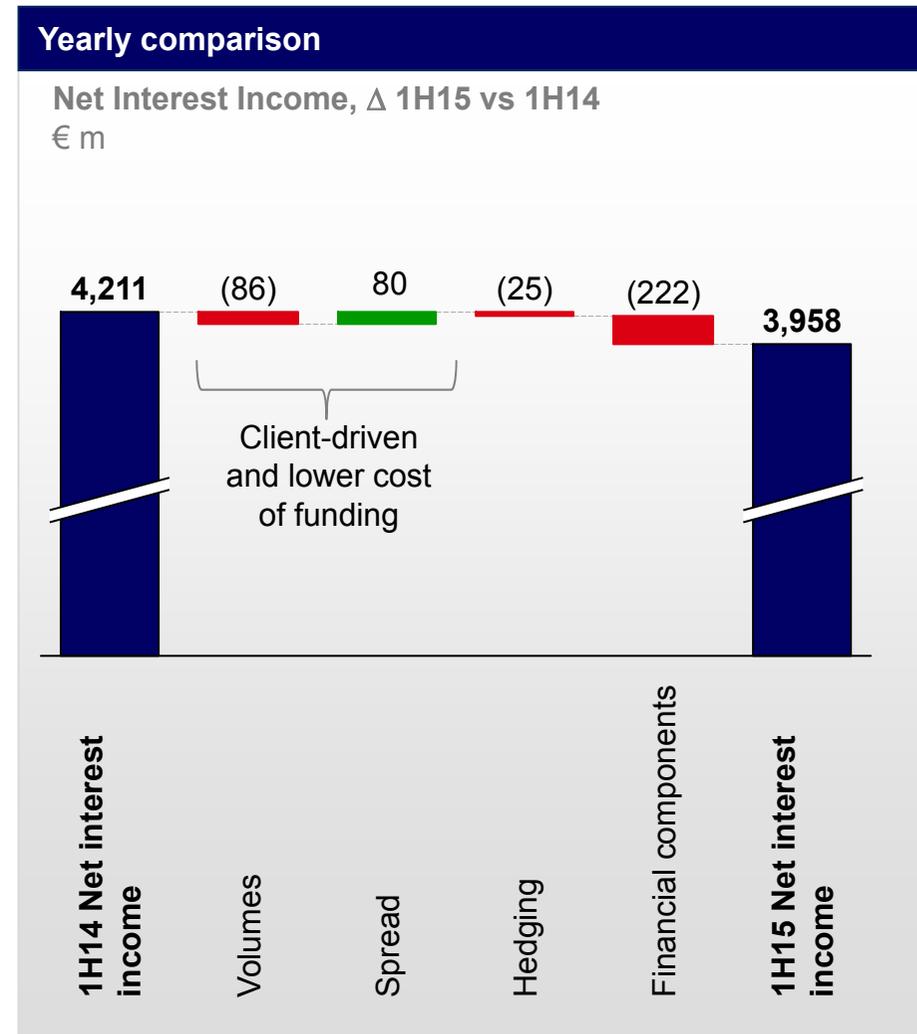
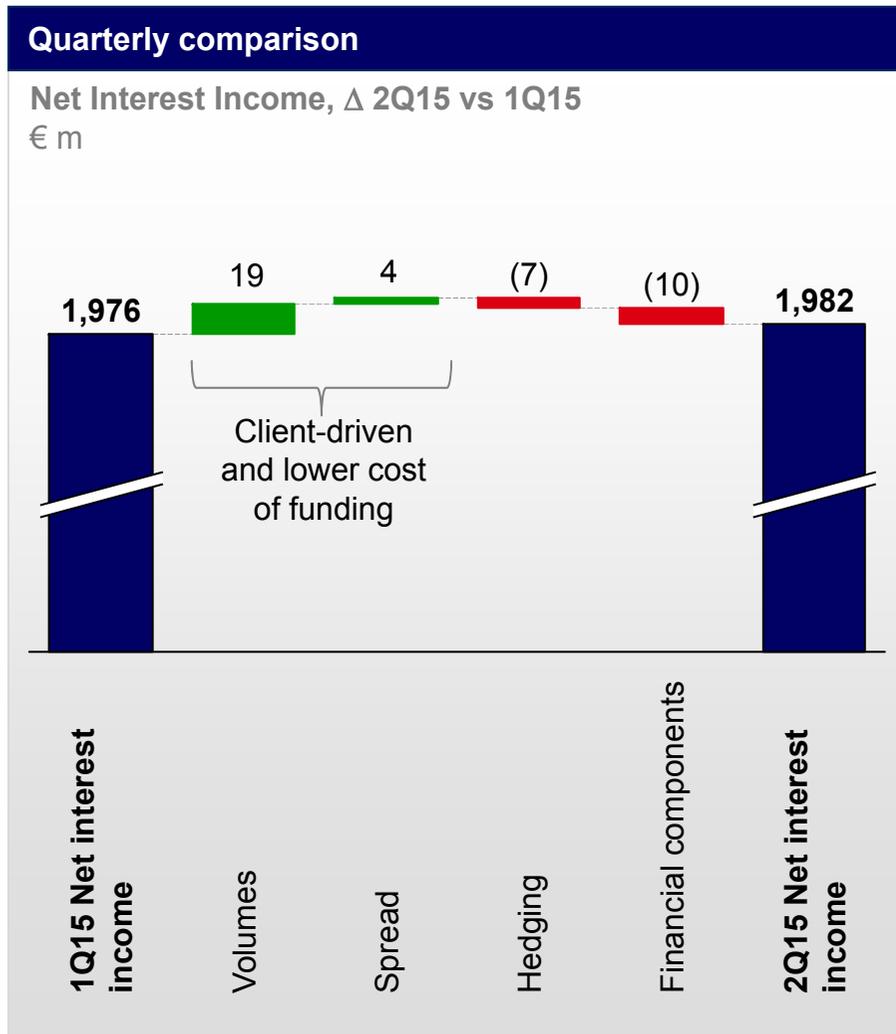
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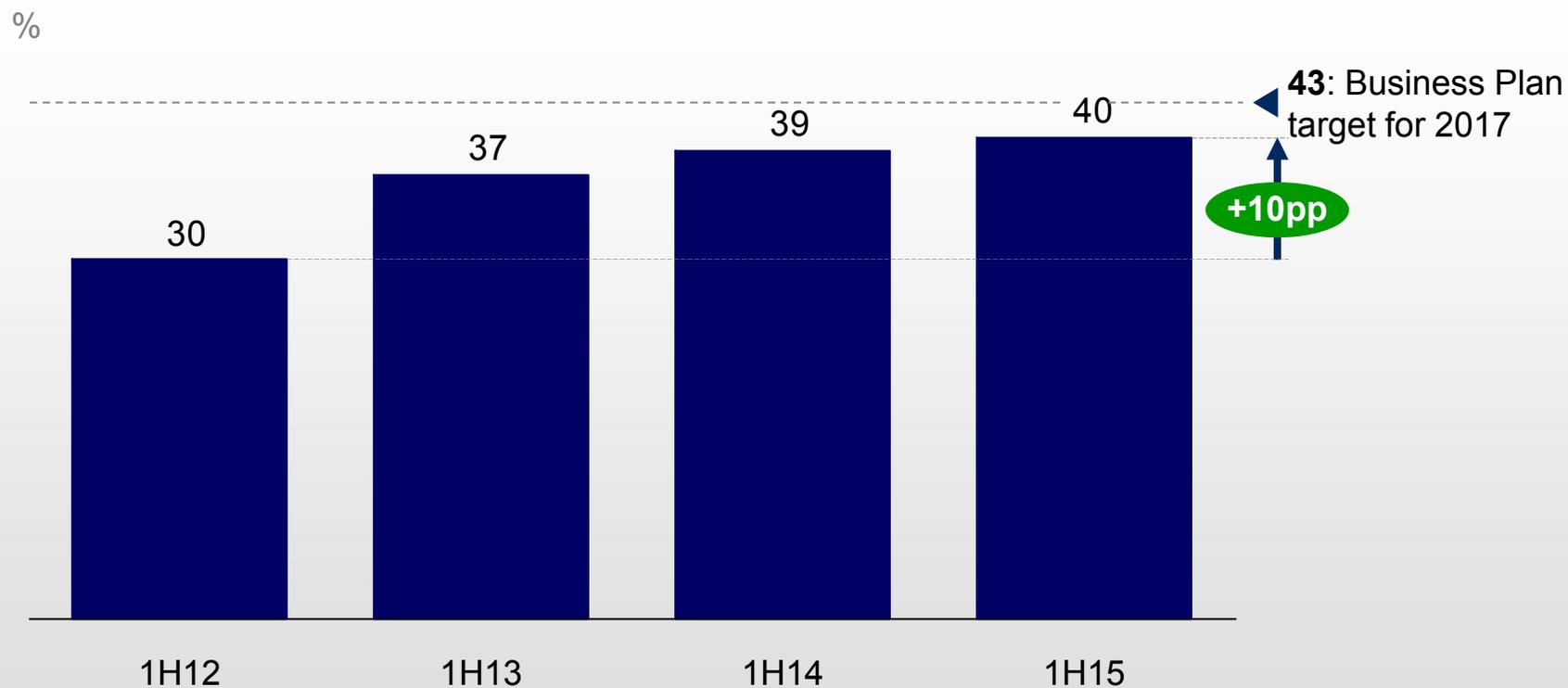
Note: 2014 data restated for the Ukrainian subsidiary Pravax-Bank

# Smart Management of Securities Portfolio: Strong Trading Profits More Than Offset Net Interest Income Decrease



# Business Model Becoming More Commission Driven

## Contribution of Net fees and commissions to Operating income



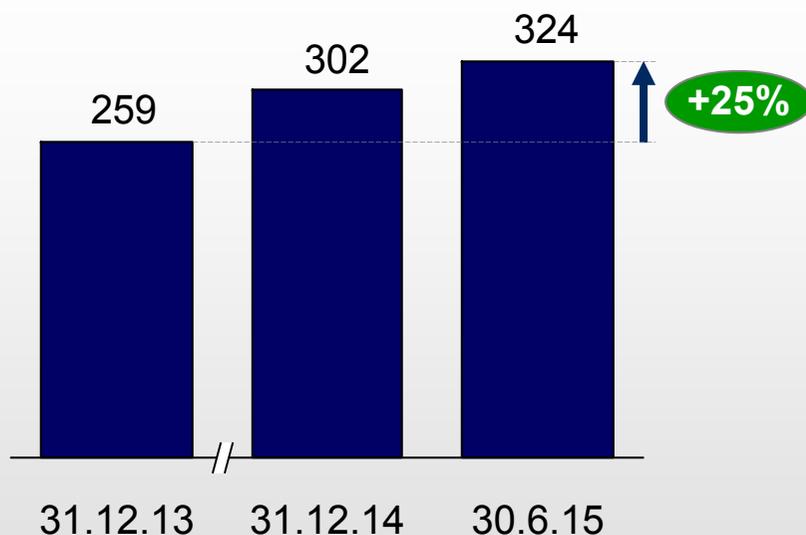
# All-time Record High in Net Fee and Commission Income...



## ...Driven by Strong Growth in Assets Under Management

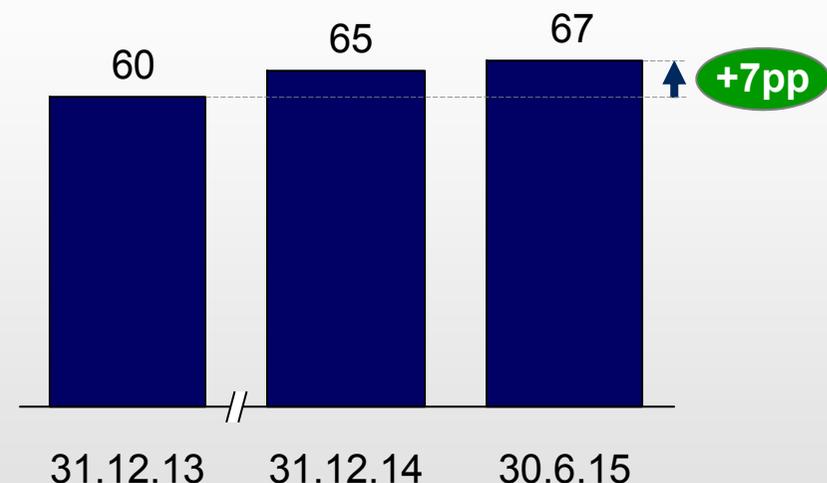
### Assets under Management

€ bn



### AuM / Indirect Deposits<sup>(1)</sup>

%

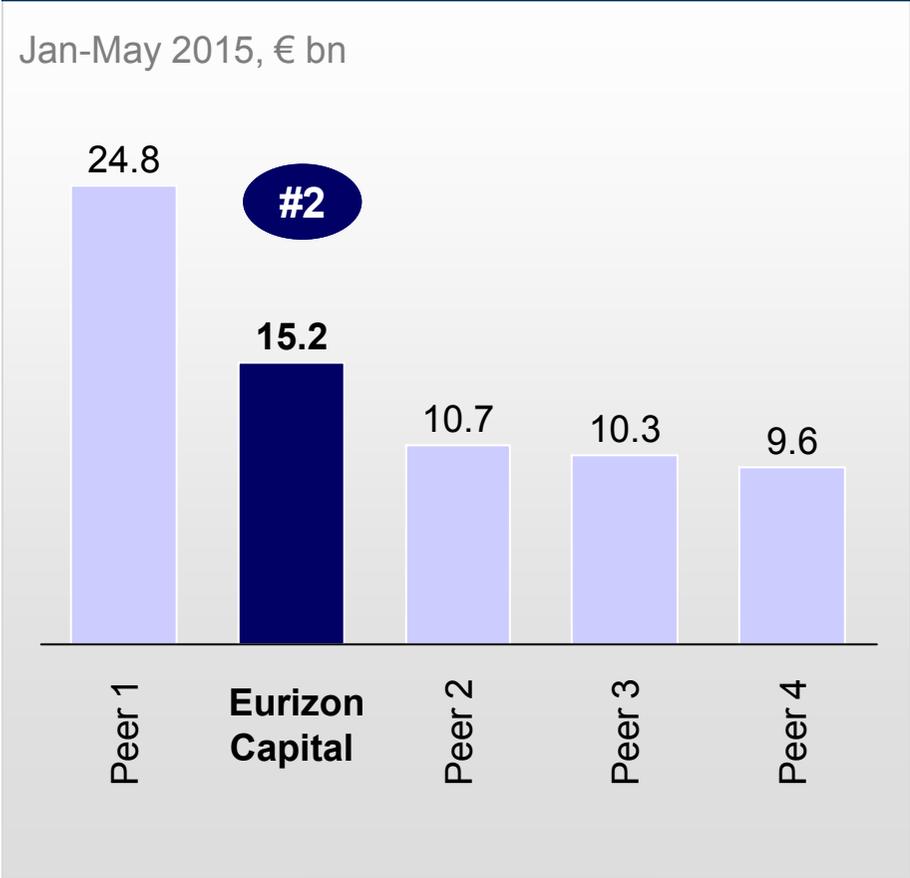


- Continued shift from Assets under Administration to Assets under Management (€27bn since 31.12.13)
- ~€66bn increase in AuM in the past 18 months, equivalent to the creation of the #3 asset gatherer in the Italian market

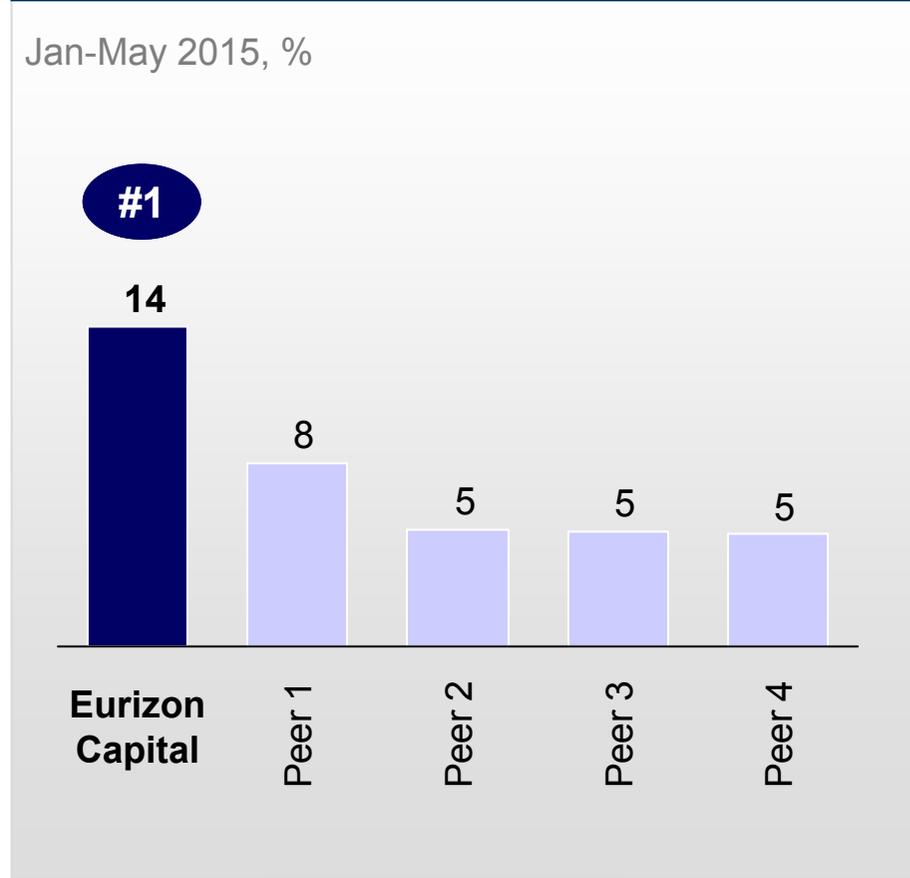
(1) Sum of Assets under Management and Assets under Administration

# A European Leader in Asset Management

**Net Inflows<sup>(1)</sup> of mutual funds in Europe<sup>(2)</sup>**

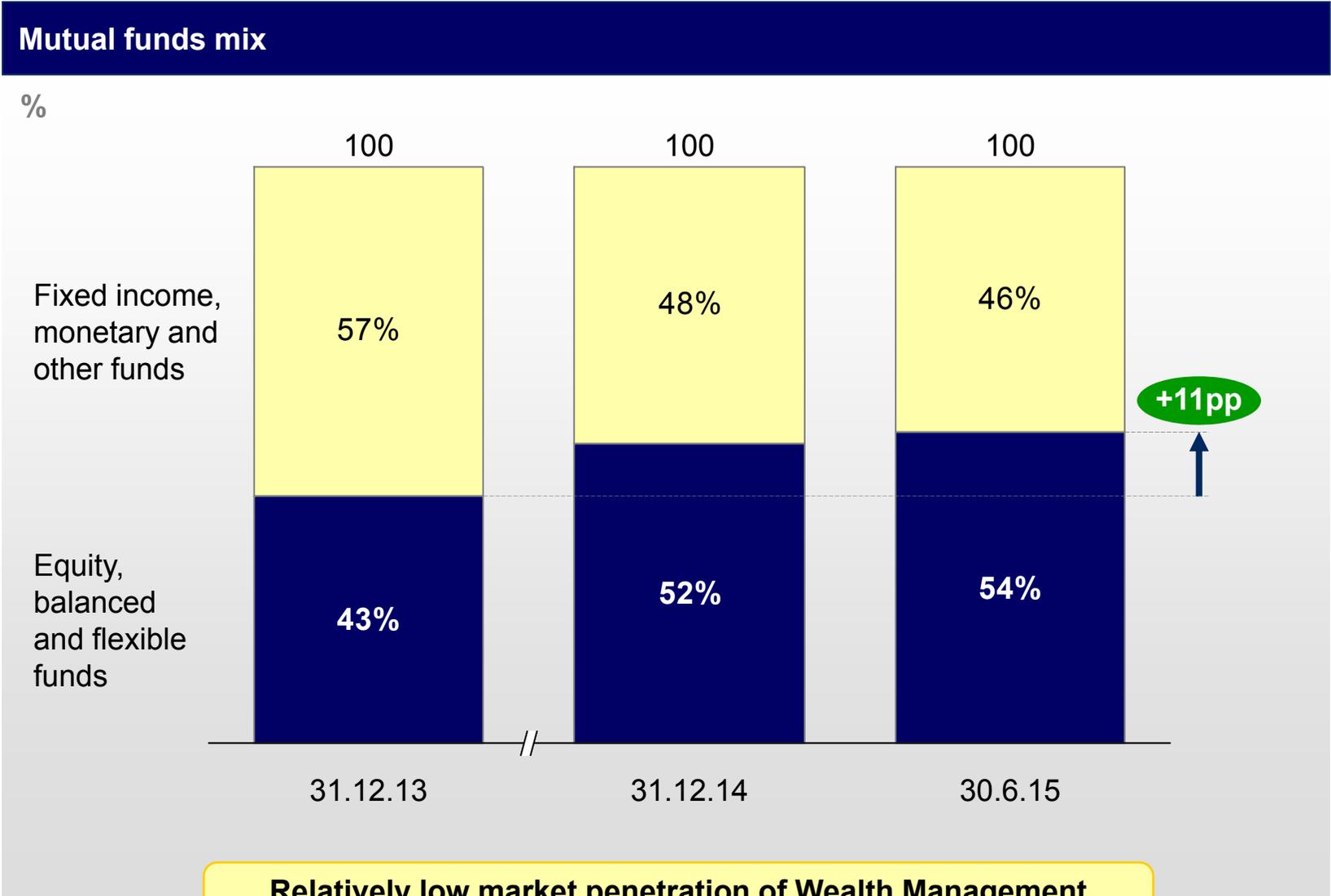


**Net Inflows<sup>(1)</sup> of mutual funds in Europe<sup>(2)</sup> as percentage of AuM stock**



(1) Excluding money market funds  
 (2) Sample: Allianz, BlackRock, Deutsche AWM and UBS  
 Source: Strategic Insights / Simfund Global

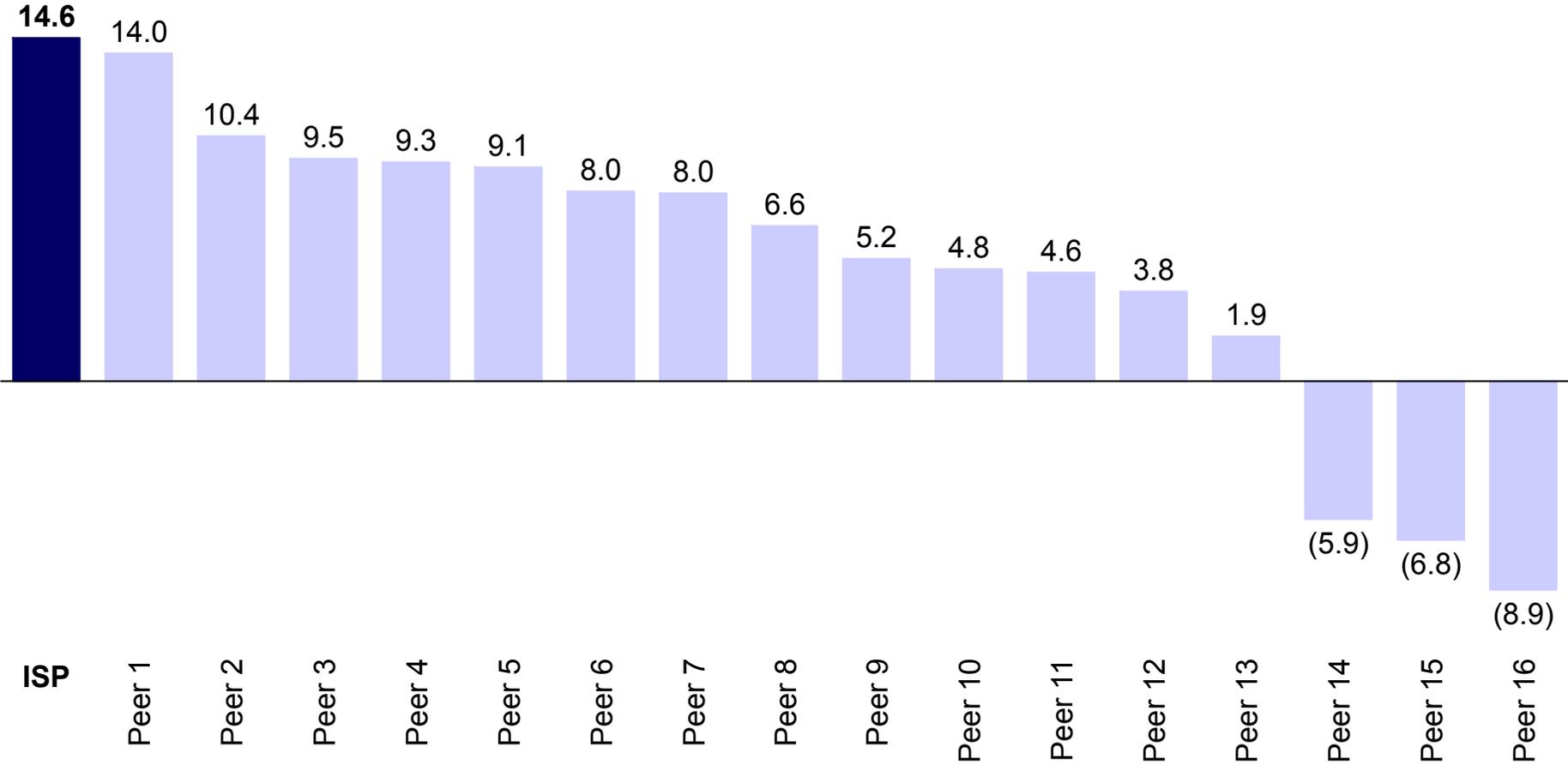
# Favourable Change in Mutual Funds Mix



**Relatively low market penetration of Wealth Management products supports further sustainable growth**

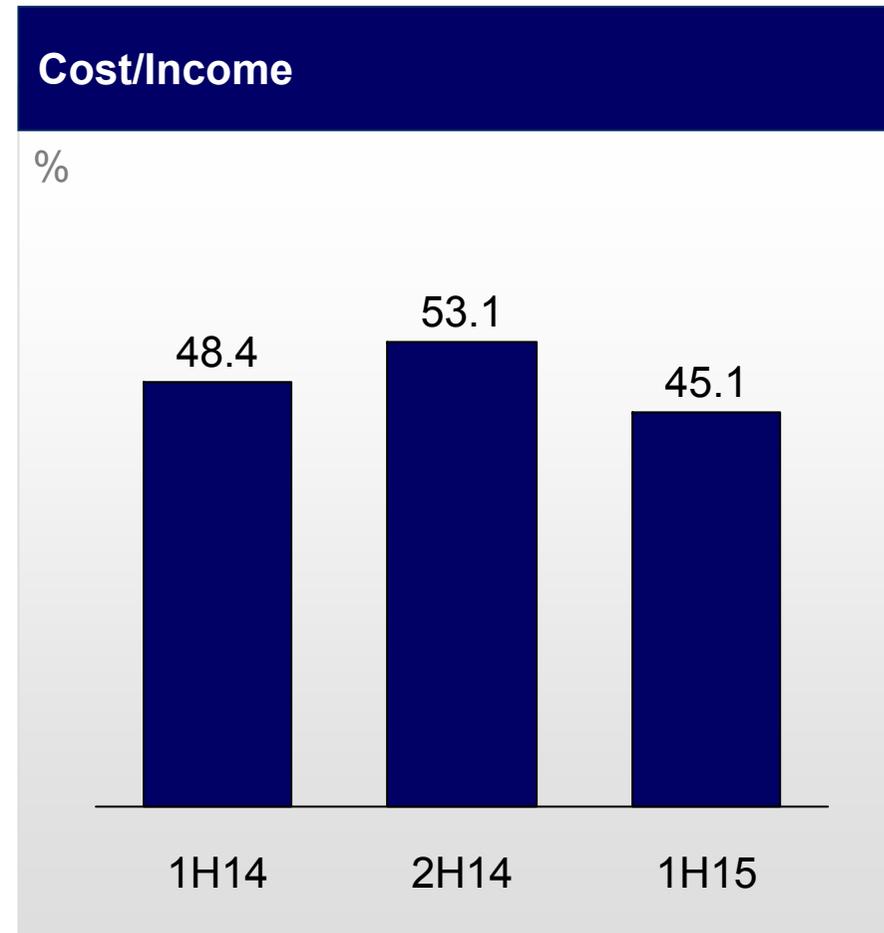
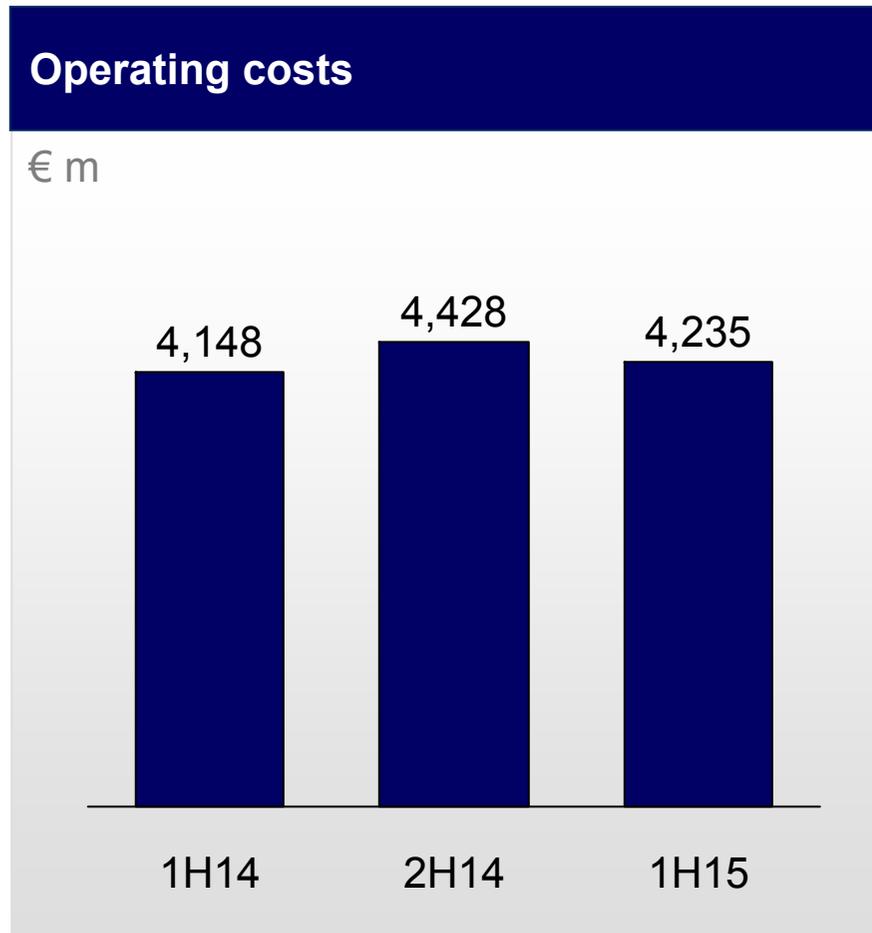
# ISP: The Leader in Net Fee and Commission Income Growth in Europe

Δ YoY Net Fee and Commission Income<sup>(1)</sup>  
%



(1) Sample: Barclays, Credit Suisse, Deutsche Bank, Nordea, Santander and UBS (30.6.2015 data); BBVA, Commerzbank, HSBC, ING and UniCredit (31.3.2015 data); BNP Paribas, BPCE, Crédit Agricole SA, Société Générale and Standard Chartered (31.12.2014 data)

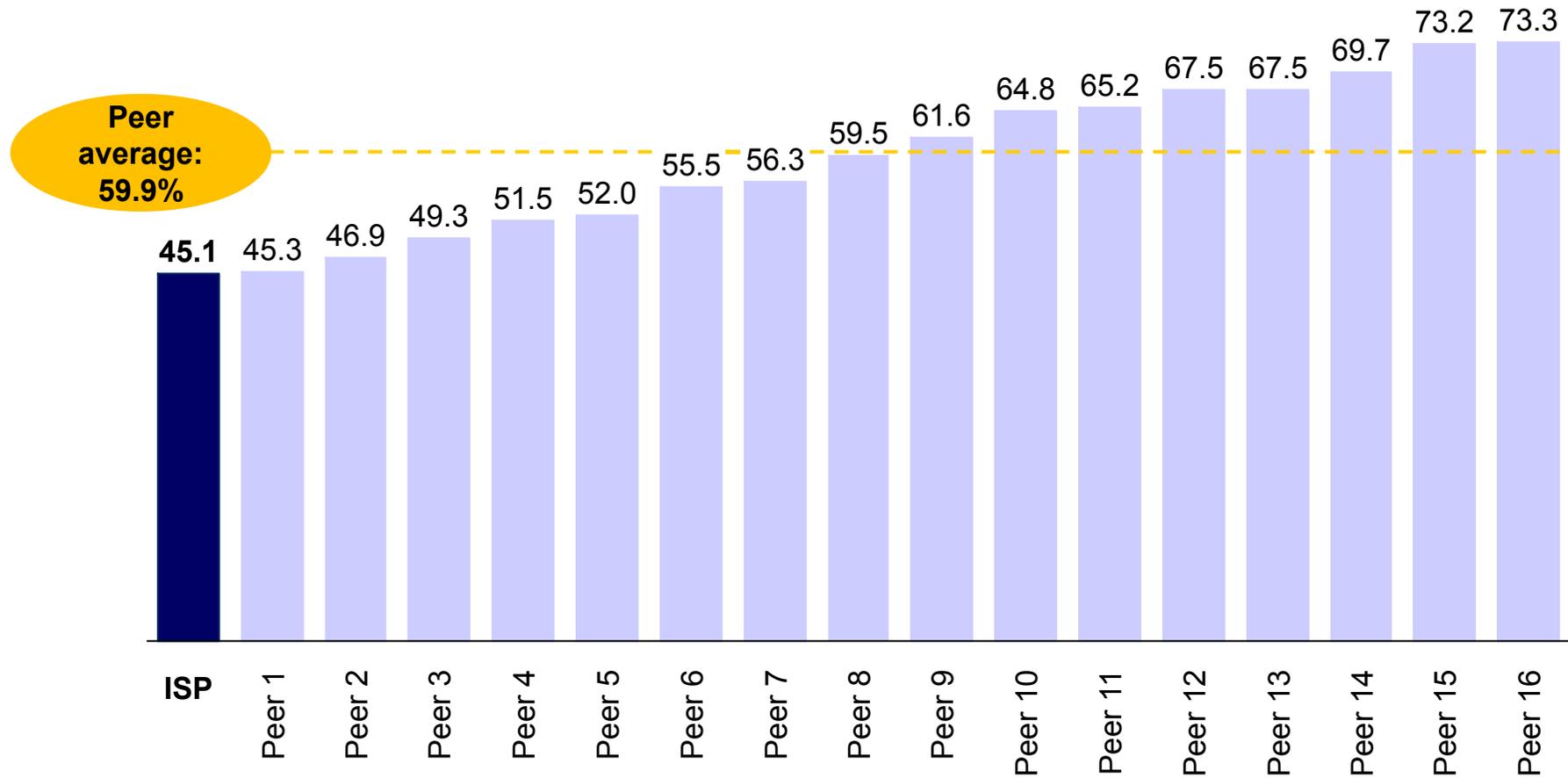
# Continuous Focus on Efficiency with Further Improvement in Cost/Income Ratio



- Further reduction in administrative expenses (-0.5% vs 1H14)
- Pro-quota incentives to trigger growth already factored into personnel costs

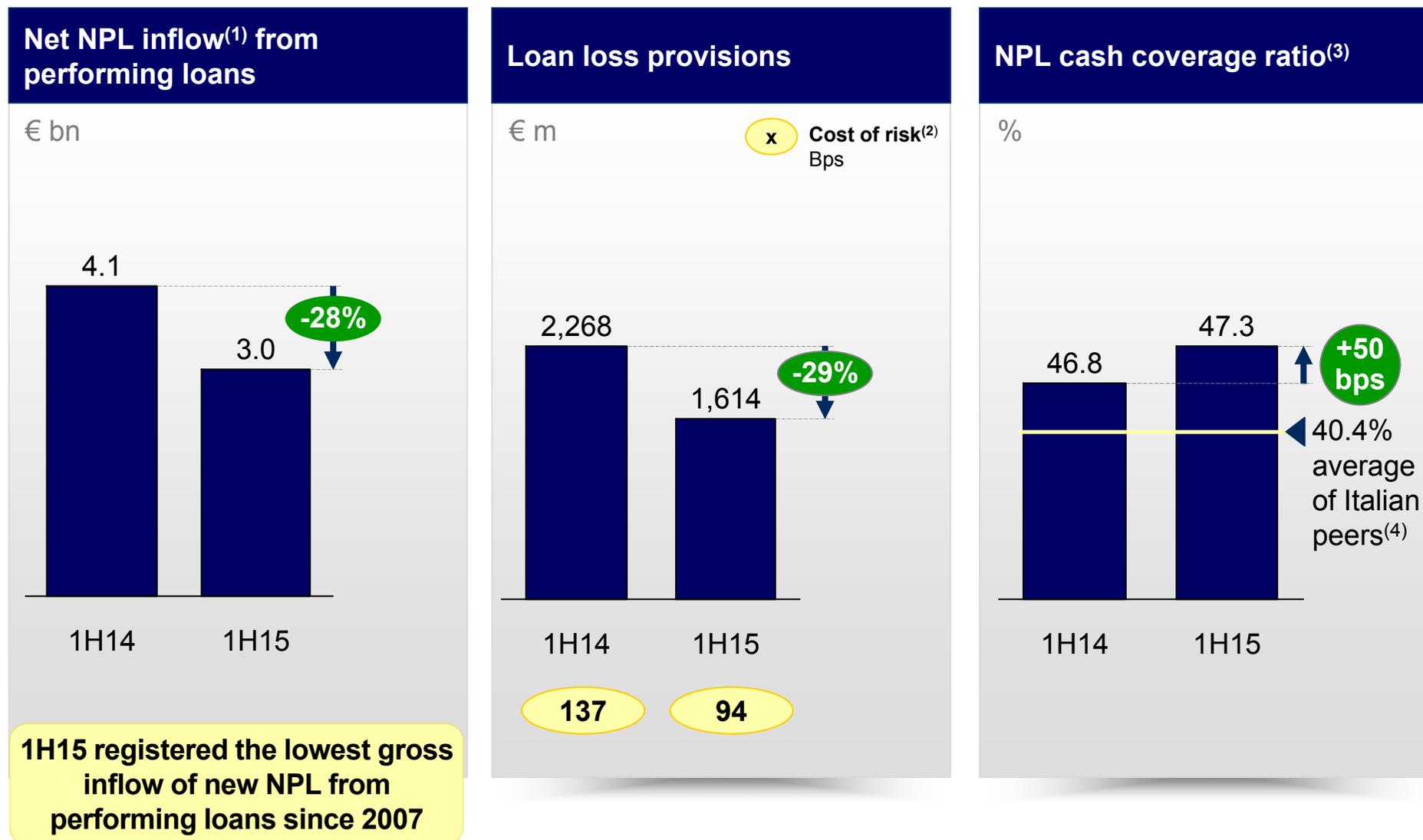
# Best Cost/Income Ratio in Europe

Cost/Income<sup>(1)</sup>  
%



(1) Sample: Barclays, BPCE, Credit Suisse, Deutsche Bank, Nordea, Santander and UBS (30.6.2015 data); BBVA, BNP Paribas, Commerzbank, Crédit Agricole SA, HSBC, ING, Société Générale, Standard Chartered and UniCredit (31.3.2015 data)

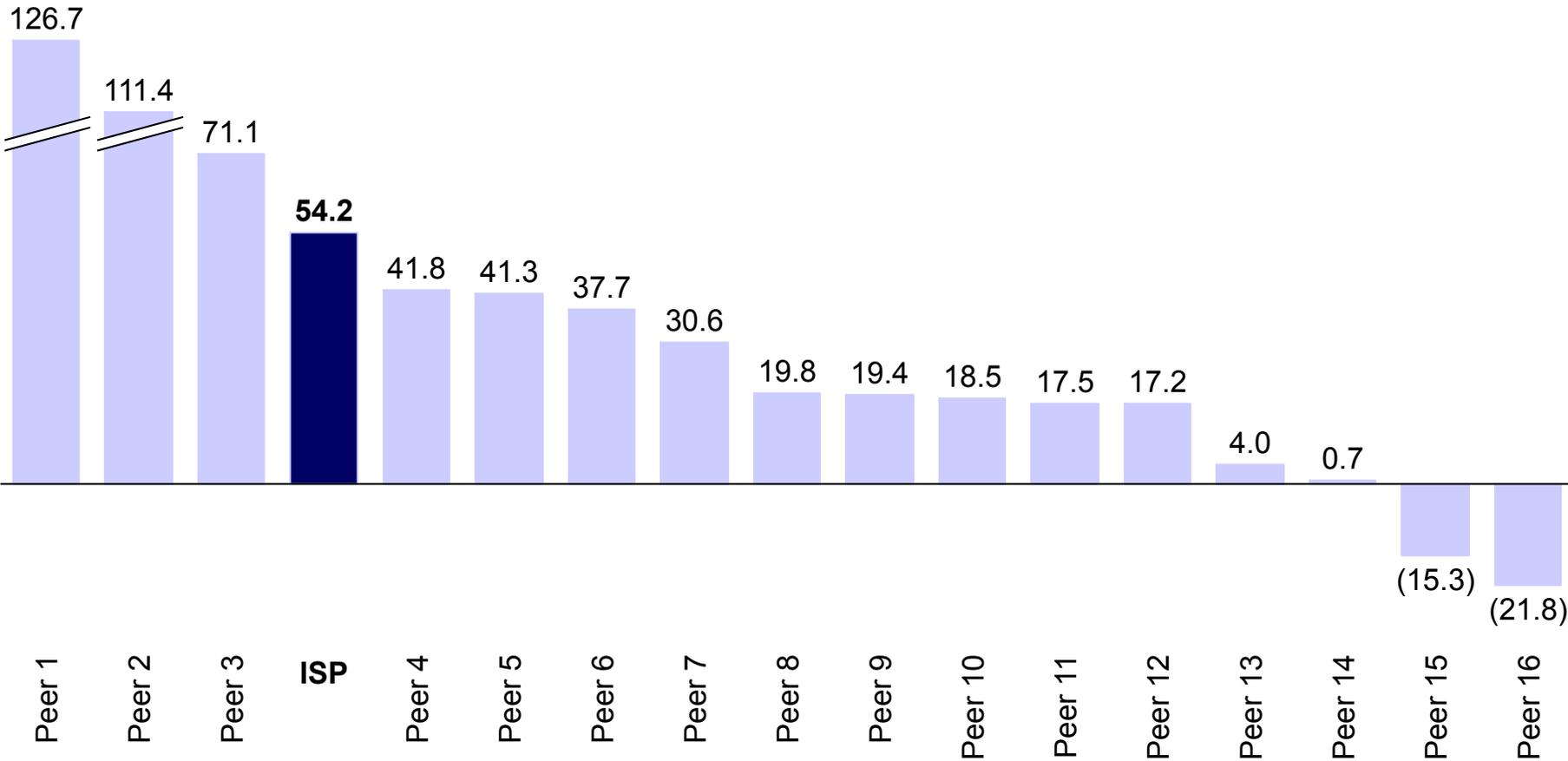
# Significant Improvement in NPL Inflows Driving Reduction in Provisions, Notwithstanding the Increased Coverage Ratio



(1) Inflow to NPL (Doubtful Loans, Unlikely to Pay and Past Due) from performing loans minus outflow from NPL to performing loans. As of 1H15 forbore loans cease being non performing only when one year has passed since the extension of forbearance  
 (2) Annualised  
 (3) Excluding collateral  
 (4) Sample: BPOP, MPS, UBI and UniCredit (data as of 31.3.2015)

# Top-Tier Pre-tax Income Growth in Europe

Δ YoY Pre-tax Income<sup>(1)</sup>  
%

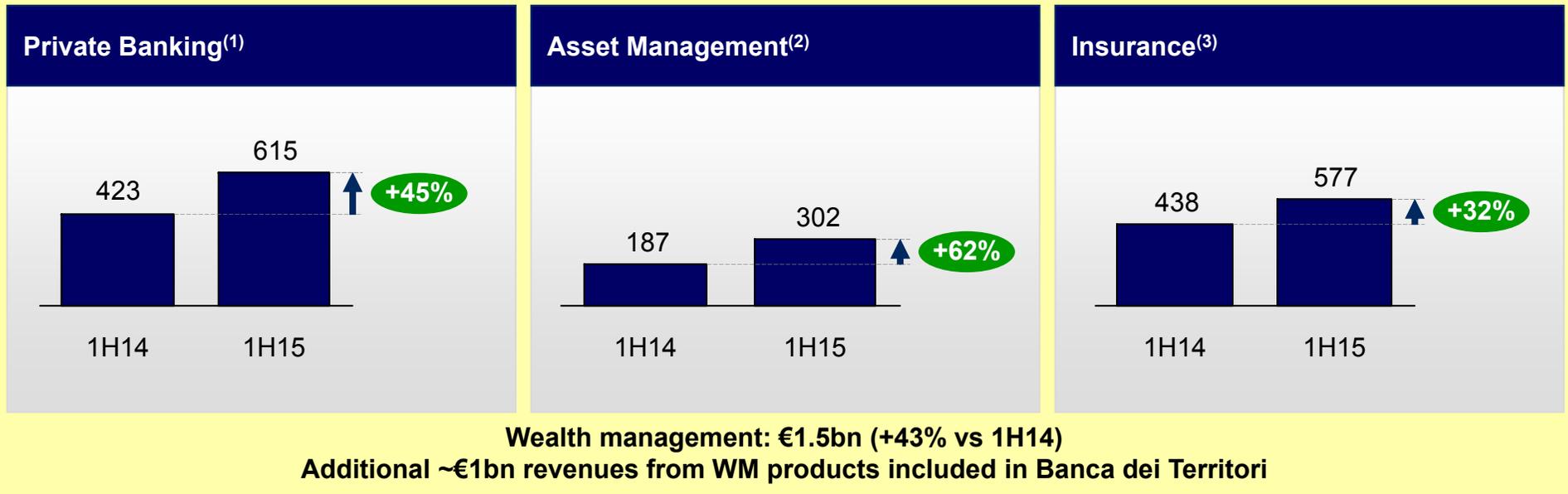


**1H15 Pre-tax income is the highest since 1H08**

(1) Sample: Barclays, BPCE, Credit Suisse, Deutsche Bank, Nordea, Santander and UBS (30.6.2015 data); BBVA, BNP Paribas, Commerzbank, Crédit Agricole SA, HSBC, ING, Société Générale, Standard Chartered and UniCredit (31.3.2015 data)

# Significant Pre-tax Income Contribution from All Divisions

€ m



(1) Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) and Sirefid; (2) Eurizon Capital; (3) Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita  
 Note: Figures may not add up exactly due to rounding differences; figures restated to reflect the new organisational structure (creation of Private Banking, Asset Management, Insurance Divisions and Capital Light Bank)

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1H15: Our best semester

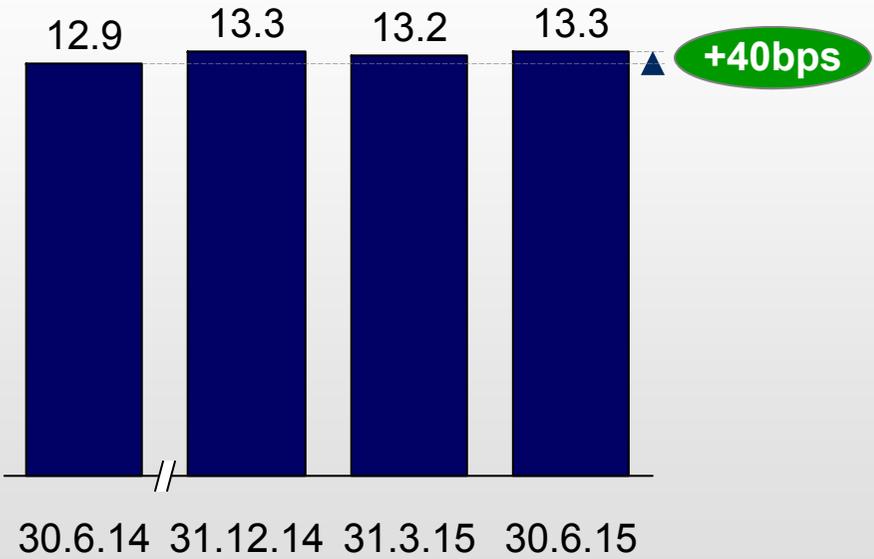
**Best-in-class capital position and leverage with a solid balance sheet**

Well ahead of our Business Plan

# Solid Capital Base

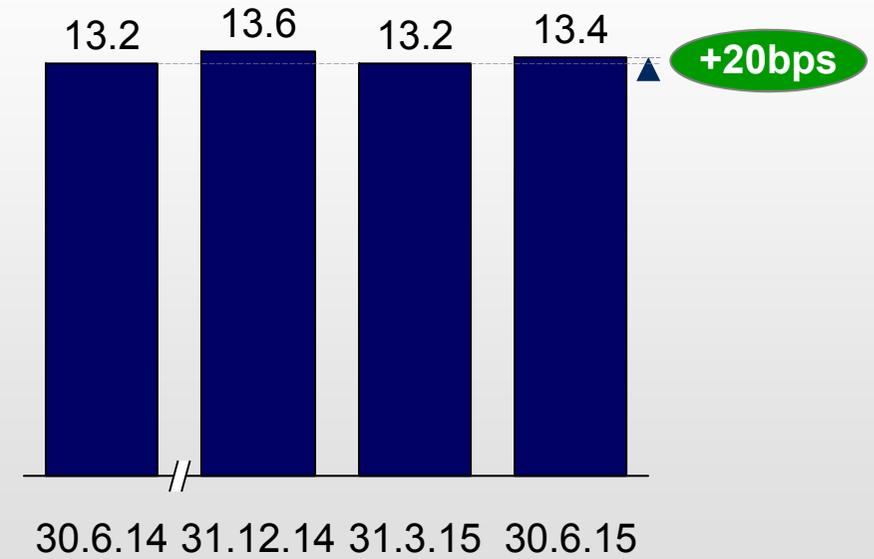
## Fully Loaded<sup>(1)</sup> Common Equity Ratio

After pro quota dividends (€1bn in 1H15<sup>(2)</sup>)  
%



## Phased-in Common Equity Ratio

After pro quota dividends (€1bn in 1H15<sup>(2)</sup>)  
%

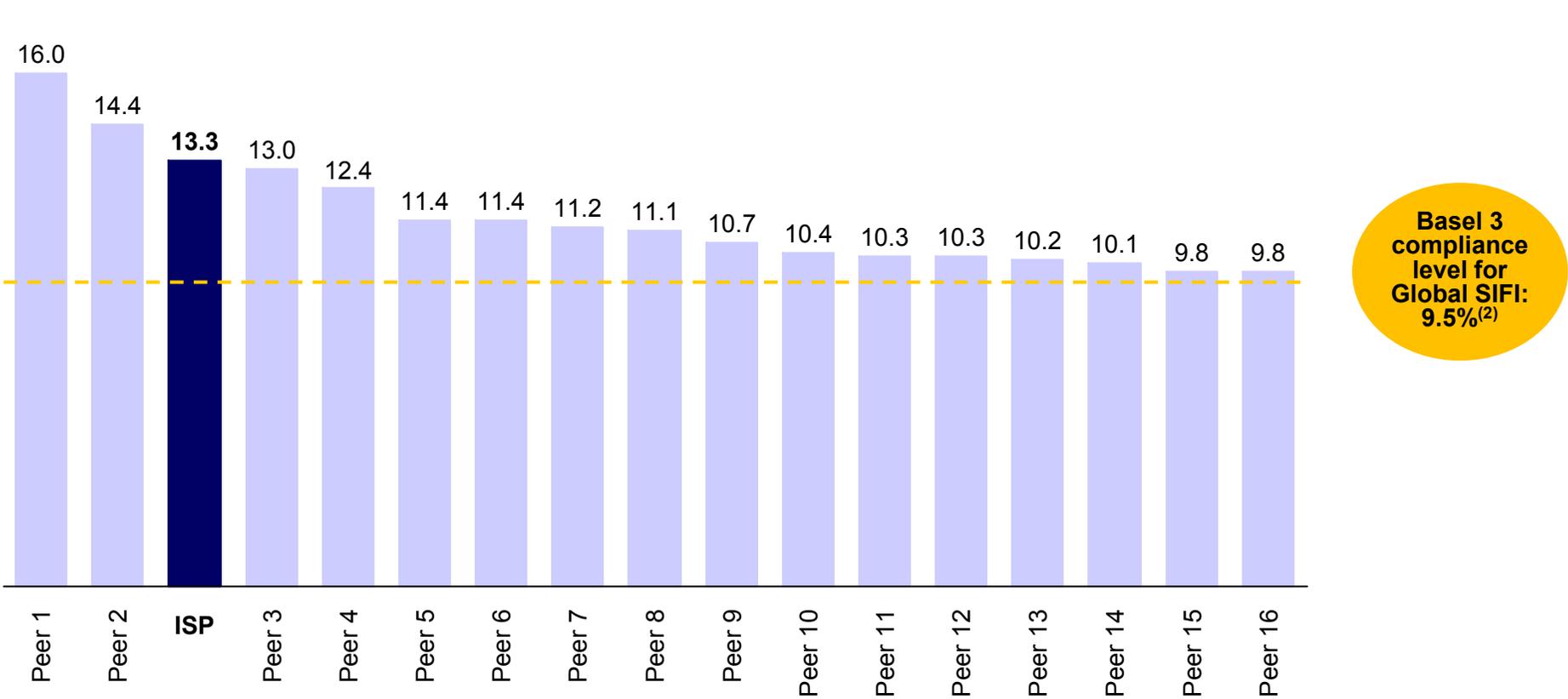


**Best-in-class leverage ratio: 6.7%**

(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 Net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)  
 (2) Ratio after pro quota dividends (€1bn in 1H15 assuming the half-yearly quota of €2bn cash dividends envisaged in the Business Plan 2014-17 to be paid in 2016 for 2015)

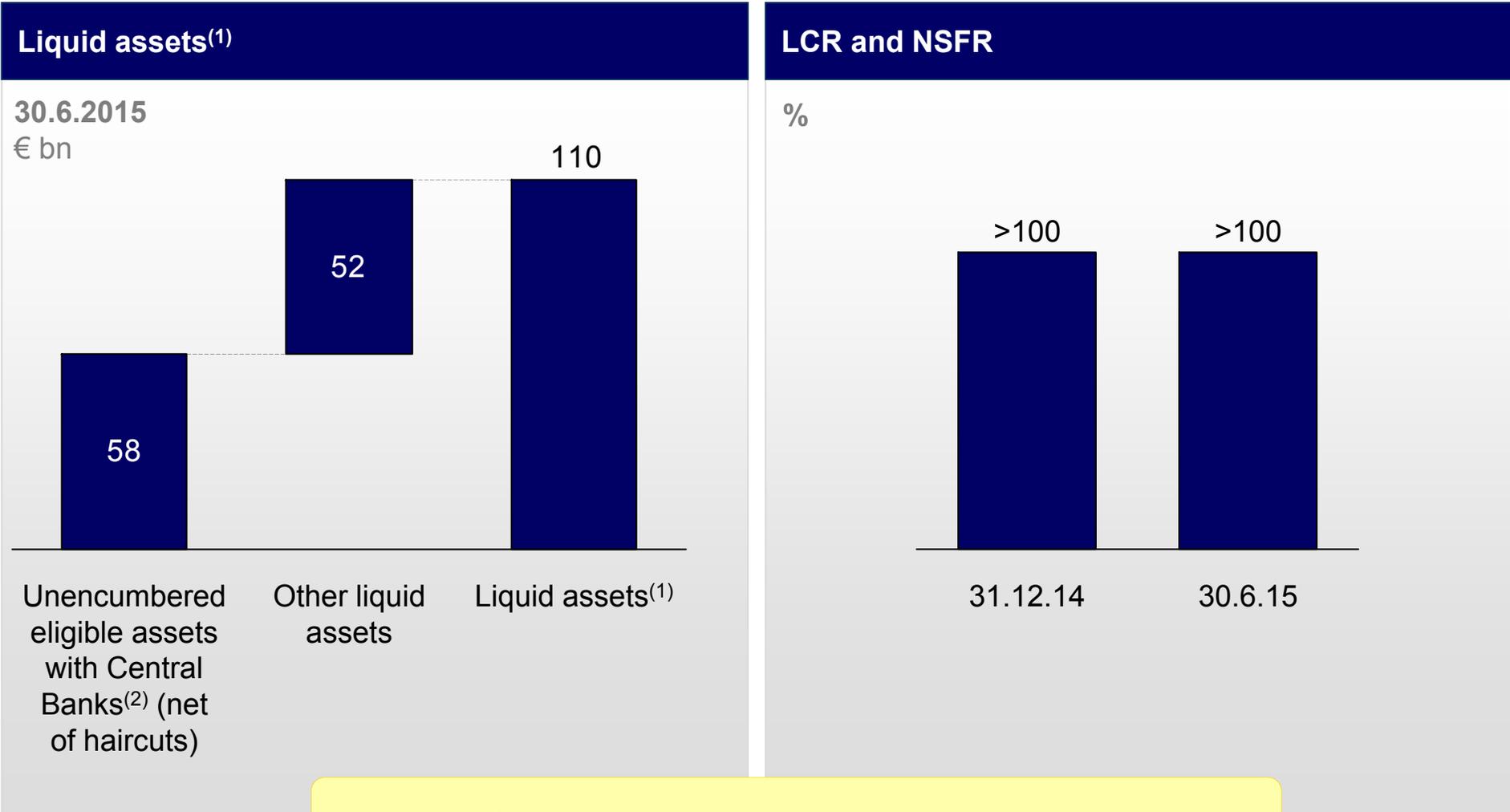
# A Best-in-Class Capital Position in Europe

Estimated pro-forma fully loaded Basel 3 Common Equity ratio<sup>(1)</sup>  
%



(1) Sample: Barclays, BPCE, Credit Suisse, Deutsche Bank, Nordea, Santander and UBS (30.6.2015 data); BBVA, BNP Paribas, Commerzbank, Crédit Agricole Group, HSBC, ING, Société Générale and UniCredit (31.3.2015 data); Standard Chartered (31.12.2014 data); Data may not be fully comparable due to different estimates hypothesis. Source: Investors' Presentations, Press Releases, Conference Calls  
 (2) Maximum level assuming a Common Equity ratio of 9.5% (4.5% minimum capital requirement, +2.5% conservation buffer, +2.5% actual maximum GSIBs buffer)

# Strong Liquidity Position Confirmed



**LCR and NSFR already well above Basel 3 requirements for 2018**

(1) Stock of own-account eligible assets, including assets used as collateral and excluding eligible assets received as collateral

(2) Eligible assets freely available, excluding assets used as collateral and including eligible assets received as collateral

# 1H15 Summary: Strong Improvements in All Key Indicators

	1H15	Δ vs 1H14	
Operating income (€ bn)	9.4	+10%	
Core revenues <sup>(1)</sup> (€ bn)	8.4	+5%	
Operating margin (€ bn)	5.2	+17%	
Cost/Income (%)	45.1	-3.3pp	
Pre-tax income (€ bn)	3.3	+54%	
Net income (€ bn)	2.0	+178%	
Common Equity ratio <sup>(2)(3)</sup> (%)	13.3	+40bps	

(1) Operating Income excluding Profits on trading

(2) After pro quota dividends

(3) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

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1H15: Our best semester

Best-in-class capital position and leverage with a solid balance sheet

**Well ahead of our Business Plan**

# Well Ahead on the Delivery of Our Business Plan Targets

	Business Plan CAGR 13-17 %	1H15 vs 1H14 %	FY14 vs FY13 %
Net fee and commission income	+7.4%	+14.6%	+10.5%
Core Revenues <sup>(1)</sup>	+4.4%	+5.1%	+6.8%
Operating income	+4.1%	+9.7%	+4.0%
Incentives to trigger growth already factored into Personnel costs			
Operating costs	+1.4%	+2.1%	+3.0%
Pre-tax income	+29.6%	+54.2%	+36.5%

(1) Operating income excluding Profits on trading

# Our Business Plan Initiatives: New Growth Bank

## Key highlights on New Growth Bank initiatives

### Banca 5®

- Banca 5® “specialised” business model introduced in more than 2,400 branches, with more than 3,000 dedicated Relationship Managers: revenues per client already increased from €70 to €93 
- "Real Estate" project underway with 8 real estate agencies already opened and an additional 12 planned by year end 

### Multichannel Bank

- New multichannel processes successfully tested:
  - ~750,000 additional multichannel clients since 2014, raising the total to ~5.2m clients, 
  - 2.4m mobile App downloads by customers 
  - The first multichannel bank in Italy with ~80% of products available via multichannel platforms 

### Private Banking Hub

- New entity Fideuram ISPB fully operational as of July 1<sup>st</sup> 
- HNWI competence centre set-up completed and first dedicated HNWI branch already opened 
- International organic expansion with the forthcoming opening of a Private Banking branch in London and the strengthening of Intesa Sanpaolo Private Bank (Suisse) 

### Asset Management Hub

- New product range (i.e. “Best expertise” products) introduced into the Private Banking Division 

### Insurance Hub

- Steering of product mix towards capital-efficient products making good progress (i.e. Unit Linked at 56% of new production vs. 34% in 1H14) 
- Launched new distinctive and innovative product offering both in P&C insurance (new products for home, car and motorcycle) and in life insurance (Fideuram Vita Insieme for Financial Advisory Network and Giusto Mix – Multiramo for Banca dei Territori branches) 
- Full integration of pension fund business (Intesa Sanpaolo Previdenza) 

### Bank 360° for corporate clients

- New Transaction Banking Group unit set up and new commercial initiatives ongoing/ready to be launched 
- New commercial model and product offering for SMEs 
- Specialised finance hub – new Mediocredito Italiano – fully up and running 

# Our Business Plan Initiatives: Core Growth Bank

Key highlights on Core Growth Bank initiatives		
Capturing Untapped Revenue Potential	▪ Project "cash desk service evolution" in progress: already ~1,200 branches with cash desk closing at 1pm and ~120 branches fully dedicated to advisory services	✓
	▪ New e-commerce portal to seize business potential from EXPO 2015	✓
	▪ New Service Model introduced in Banca dei Territori: introduction of 3 specialised commercial value chains, creation of ~1,200 new managerial roles, innovation of the SME Service Model	✓
	▪ Integration of consumer finance in branch network	✓
	▪ New retail branch layout piloted (30-50 branches to be activated by year end)	✓
	▪ C&IB Asset Light model fully operational, with benefits in terms of cross selling; undergoing a distribution reinforcement	✓
	▪ Front-line excellence programme in C&IB ongoing, starting with the Corporate and Public Finance segment and Banca IMI	✓
	▪ New C&IB International organisation in place to serve top international clients	✓
	▪ New Segmentation and Service Model for International Subsidiaries Affluent clients launched	✓
	▪ Banca IMI international strategy being implemented, with focus on core selected products	✓
▪ JV in merchant banking with specialised investor (Neuberger) completed, with deconsolidation of activities	✓	
Continuous Cost Management	▪ Geographical footprint simplification ongoing: additional 101 branches closed in 2Q15, for a total of ~150 since the beginning of 2015 and ~420 since 2014	✓
	▪ Legal entity simplification ongoing: from 7 to 1 product factories in specialised finance and advisory, leasing and factoring and 4 local banks merged into ISP	✓
Dynamic Credit and Risk Management	▪ Proactive credit management value chain empowered across all Divisions	✓
	▪ Integrated management of NPLs <sup>(1)</sup> in place	✓
	▪ New organisation of CLO area, structured by Business Units	✓
	▪ Split of Risk and Compliance, with two Chiefs (CRO and CCO) directly reporting to the CEO	✓

(1) Excluding doubtful loans (managed within the Capital Light Bank)

# Our Business Plan Initiatives: Capital Light Bank, People Initiatives and Investments

## Key highlights on Capital Light Bank and People initiatives and investments

### Capital Light Bank (CLB)

- CLB fully operational with:
  - 675 dedicated people
  - ~€6.5bn of deleveraging already achieved
- New performance management system fully operational on each asset class
- Re.O.Co.<sup>(1)</sup> fully up and running with an estimated positive impact for the Group of ~€22m since 2014



### People and investments as key enablers

- ~3,900 people already reallocated to high priority initiatives
- Investment Plan for Group employees finalised: plan with the highest number of participants in Group's history
- Increased people satisfaction within the Group: +23pp vs 2013
- "Big Financial Data" programme for integrated management of customer and financial data being implemented, with first deliveries expected before year-end
- Chief Innovation Officer fully operational and "Innovation Centre" created to train staff and develop new products, processes and "ideal branches", located in the new ISP Tower in Turin, fully operative
- Large-scale digitisation programme launched to improve efficiency and service level on top priority operating processes

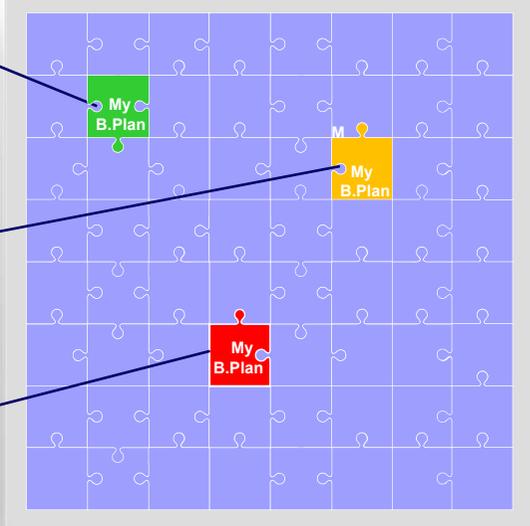


# Over-Delivery on Our Business Plan Commitments Thanks To the Contributions of All Our People

...thanks to the contributions of all our people...

## Strong delivery on Group Business Plan targets...

	Business Plan CAGR 13-17 %	1H15 vs 1H14 %	FY14 vs FY13 %
Net fee and commission income	+7.4%	+14.6%	+10.5%
Core Revenues <sup>(1)</sup>	+4.4%	+5.1%	+6.8%
Operating income	+4.1%	+9.7%	+4.0%
Operating costs	+1.4%	+2.1%	+3.0%
Pre-tax income	+29.6%	+54.2%	+36.5%



...and a Business Plan for each individual to deliver

# Further Potential Upside from the Positive Italian Macroeconomic Outlook

## Macro outlook

- ✓ Both **GDP and Industrial Production already on the rise** (+0.3% QoQ in 1Q15, +3% YoY in May 2015, respectively)
- ✓ **High and increasing** level of Italian household **wealth** (~€4,000bn in financial assets)
- ✓ **Italian Government reforms for growth** (e.g., tax cuts, labour market, bankruptcy and civil law, education, decree on recovery of doubtful loans and absorption of DTA) and **further reforms** to improve productivity in the pipeline (e.g., justice, public administration, taxes, streamlining and competition, institutional reforms)
- ✓ Gradual **recovery of real estate transactions**, further benefiting from potential reduction on property taxes (announced by the Government for 2016)
- ✓ **Consumer and business sentiment** both on positive trends (close to the highest since 2008)
- ✓ **Benefit on growth** deriving from the **combination of low interest rates, depreciation of the euro and low energy costs** (oil price down ~50% vs last year)
- ✓ **Open-ended Quantitative Easing** creating favourable market conditions

**Italian GDP projected to grow by 0.7% in 2015 and by 1.3% in 2016**

# H1: Our Best Semester...

**More than €2bn Net Income, already above our 2015 dividend commitment**

**Revenues up 10%, with Commissions up 15%**

**Continued trend of reduction in new NPL inflow: LLPs down 29%, with increased NPL coverage**

**Pre-tax income up 54%**

**Common Equity<sup>(1)</sup> ratio at 13.3%**

**...well ahead of our 2014-17 Business Plan commitments**

(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)



# 1H15 Results

Detailed Information

July 31, 2015

INTESA  SANPAOLO

## Key P&L Figures

	1H15 (€ m)	Δ vs 1H14
Operating income	9,400	+9.7%
Core revenues <sup>(1)</sup>	8,424	+5.1%
Operating costs	(4,235)	+2.1%
Cost/Income	45.1%	(3.3pp)
Operating margin	5,165	+16.7%
Pre-tax income	3,317	+54.2%
Net income	2,004	+178.3%

(1) Operating income excluding Profits on trading

## Key Balance Sheet Figures

	30.6.15 (€ m)	Δ vs 31.12.14 (%)
Loans to Customers	344,199	+1.5
Customer Financial Assets <sup>(1)</sup>	851,200	+2.9
of which Direct Deposits from Banking Business	364,897	+1.4
of which Direct Deposits from Insurance Business and Technical Reserves	124,415	+4.9
of which Indirect Customer Deposits	484,984	+4.1
- Assets under Management	324,477	+7.5
- Assets under Administration	160,507	(2.2)
RWA	280,296	+3.9

(1) Net of duplications between Direct Deposits and Indirect Customer Deposits

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**Detailed Consolidated P&L Results**

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Divisional Results and Other Information

# H1 vs H1: More Than €2bn Net Income

€ m

	1H14 Restated	1H15	Δ%
Net interest income	4,211	3,958	(6.0)
Dividends and P/L on investments carried at equity	11	43	290.9
Net fee and commission income	3,310	3,794	14.6
Profits (Losses) on trading	555	976	75.9
Income from insurance business	506	625	23.5
Other operating income	(21)	4	n.m.
<b>Operating income</b>	<b>8,572</b>	<b>9,400</b>	<b>9.7</b>
Personnel expenses	(2,497)	(2,570)	2.9
Other administrative expenses	(1,322)	(1,315)	(0.5)
Adjustments to property, equipment and intangible assets	(329)	(350)	6.4
<b>Operating costs</b>	<b>(4,148)</b>	<b>(4,235)</b>	<b>2.1</b>
<b>Operating margin</b>	<b>4,424</b>	<b>5,165</b>	<b>16.7</b>
Net provisions for risks and charges	(236)	(260)	10.2
Net adjustments to loans	(2,268)	(1,614)	(28.8)
Net impairment losses on assets	(79)	(40)	(49.4)
Profits (Losses) on HTM and on other investments	310	66	(78.7)
<b>Income before tax from continuing operations</b>	<b>2,151</b>	<b>3,317</b>	<b>54.2</b>
Taxes on income from continuing operations	(1,276)	(1,163)	(8.9)
Charges (net of tax) for integration and exit incentives	(20)	(31)	55.0
Effect of purchase cost allocation (net of tax)	(99)	(59)	(40.4)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(36)	(60)	66.7
<b>Net income</b>	<b>720</b>	<b>2,004</b>	<b>178.3</b>

Note: figures may not add up exactly due to rounding differences. Data restated for the Ukrainian subsidiary Pravex-Bank

## Q2 vs Q1: €940m Net Income

€ m

	1Q15 Restated	2Q15	Δ%
Net interest income	1,976	1,982	0.3
Dividends and P/L on investments carried at equity	28	15	(46.4)
Net fee and commission income	1,814	1,980	9.2
Profits (Losses) on trading	596	380	(36.2)
Income from insurance business	343	282	(17.8)
Other operating income (expenses)	(5)	9	n.m.
<b>Operating income</b>	<b>4,752</b>	<b>4,648</b>	<b>(2.2)</b>
Personnel expenses	(1,300)	(1,270)	(2.3)
Other administrative expenses	(638)	(677)	6.1
Adjustments to property, equipment and intangible assets	(174)	(176)	1.1
<b>Operating costs</b>	<b>(2,112)</b>	<b>(2,123)</b>	<b>0.5</b>
<b>Operating margin</b>	<b>2,640</b>	<b>2,525</b>	<b>(4.4)</b>
Net provisions for risks and charges	(126)	(134)	6.3
Net adjustments to loans	(767)	(847)	10.4
Net impairment losses on other assets	(9)	(31)	244.4
Profits (Losses) on HTM and on other investments	28	38	35.7
<b>Income before tax from continuing operations</b>	<b>1,766</b>	<b>1,551</b>	<b>(12.2)</b>
Taxes on income from continuing operations	(647)	(516)	(20.2)
Charges (net of tax) for integration and exit incentives	(6)	(25)	316.7
Effect of purchase cost allocation (net of tax)	(26)	(33)	26.9
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(23)	(37)	60.9
<b>Net income</b>	<b>1,064</b>	<b>940</b>	<b>(11.7)</b>

Note: figures may not add up exactly due to rounding differences. Data restated for the Ukrainian subsidiary Pravex-Bank

# Net Interest Income: Slight Quarterly Increase

## Quarterly Analysis

€ m

—◆ Euribor 1M; %  
 (% ) Δ 2Q15 vs 2Q14 and 1Q15

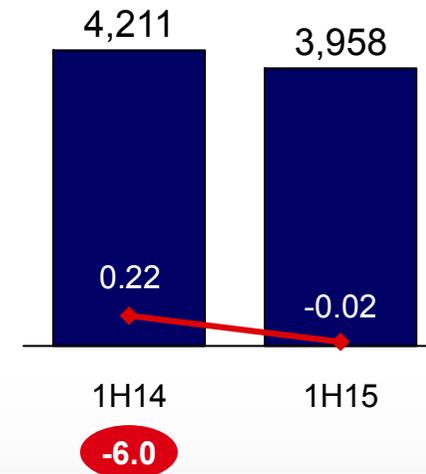


- 0.3% increase vs 1Q15
- Increase (+0.5% vs 1Q15) in average Performing loans to customers for the second quarter in a row (+0.2% in 1Q15) after seven consecutive quarters of decline

## Yearly Analysis

€ m

—◆ Euribor 1M; %  
 (% ) Δ 1H15 vs 1H14

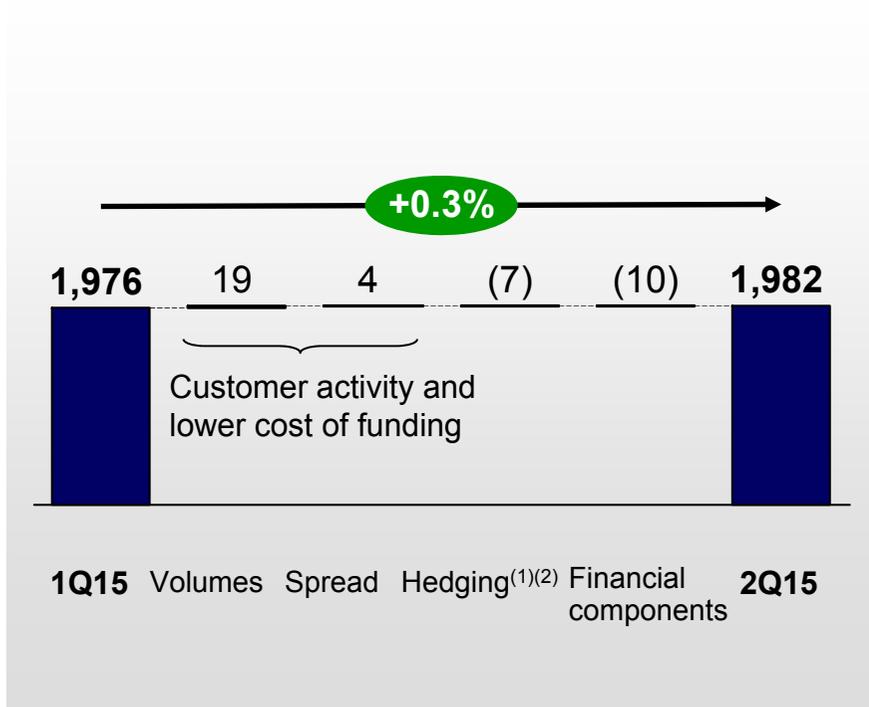


- Decrease mainly due to management of securities portfolio and volume decline
- 1.5% contraction in average Performing loans to customers (vs a 2.5% contraction in 1Q15)

# Net Interest Income: Strong Trading Profits More Than Offset Net Interest Income Decrease vs 1H14

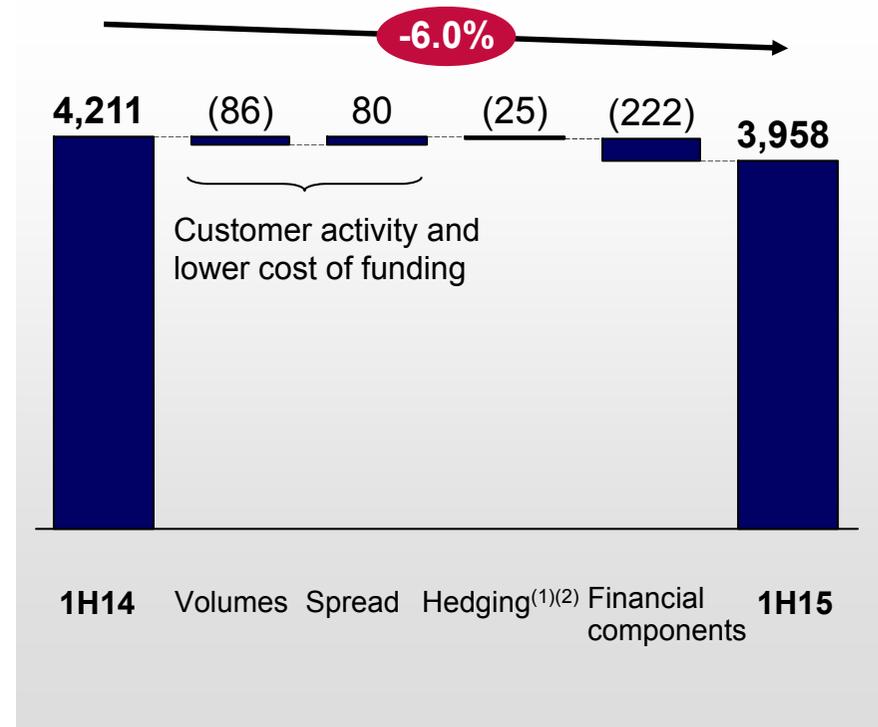
## Quarterly Analysis

€ m



## Yearly Analysis

€ m



Note: figures may not add up exactly due to rounding differences  
 (1) €386m benefit from hedging in 1H15, of which €190m in 2Q15  
 (2) Core deposits

# Net Fee and Commission Income: ~€2bn in 2Q15, the Best Result Ever

## Quarterly Analysis

€ m

(%) Δ 2Q15 vs 2Q14 and 1Q15

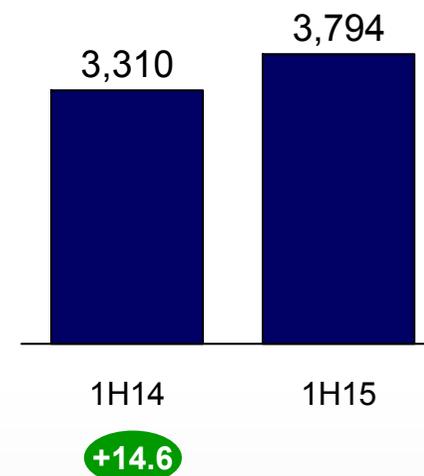


- 2Q15 is by far the best quarter ever
- Strong growth on a quarterly basis even when excluding performance commissions (€60m in 2Q15 and €30m in 1Q15)
- Robust increase in Commissions from Management, dealing and consultancy activities vs 2Q14 (+29%; +€263m) and vs 1Q15 (+11%; +€113m)

## Yearly Analysis

€ m

(%) Δ 1H15 vs 1H14



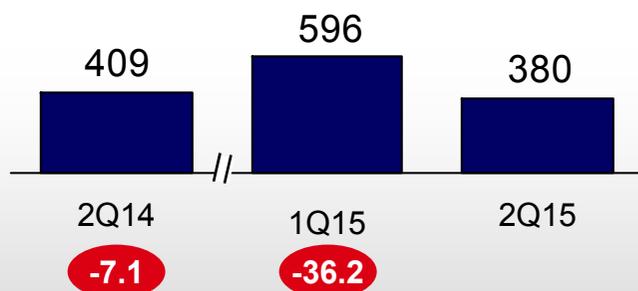
- The best semester since the creation of ISP
- Sustained growth in commissions from Management, dealing and consultancy activities (+30%; +€514m) owing mainly to AuM and insurance products
- €44bn growth in AuM stock vs 1H14

# Profits on Trading: A Very Good First Half with Strong Growth in Customer Driven Activity

## Quarterly Analysis

€ m

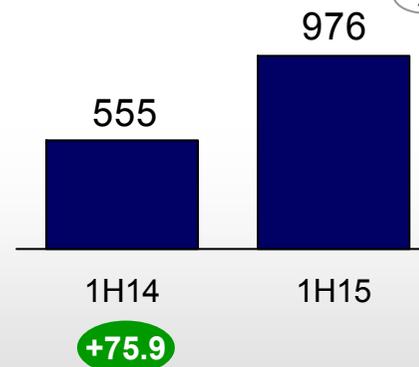
(%) Δ 2Q15 vs 2Q14 and 1Q15



## Yearly Analysis

€ m

(%) Δ 1H15 vs 1H14



■ The best result since the creation of ISP

## Contributions by Activity

	2Q14	1Q15	2Q15	1H14	1H15
Customers	84	157	69	146	227
Capital markets & Financial assets AFS	41	88	58	83	145
Trading and Treasury	269 <sup>(1)</sup>	352	251 <sup>(2)</sup>	301 <sup>(1)</sup>	603 <sup>(2)</sup>
Structured credit products	15	(2)	3	25	1

Note: figures may not add up exactly due to rounding differences

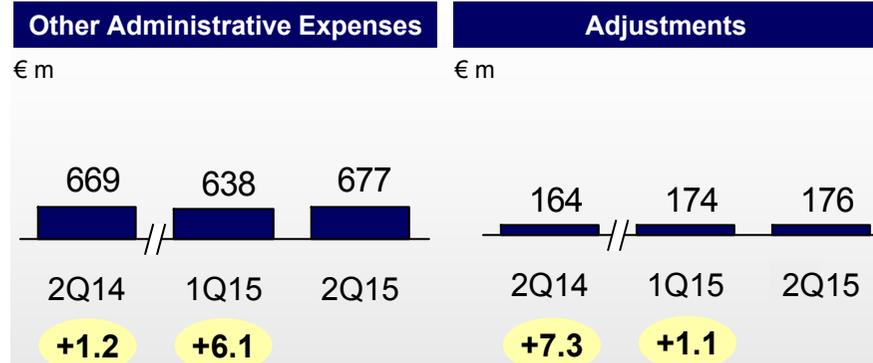
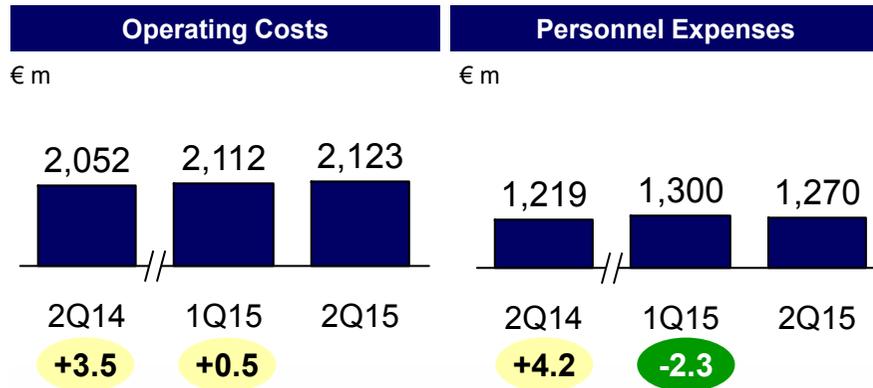
(1) Of which €161m Bank of Italy dividend

(2) Of which €144m Bank of Italy dividend

# Operating Costs: Cost/Income Down to 45.1%

## Quarterly Analysis

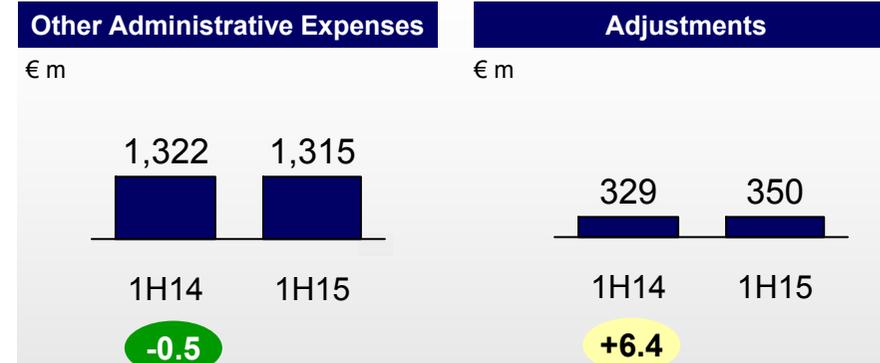
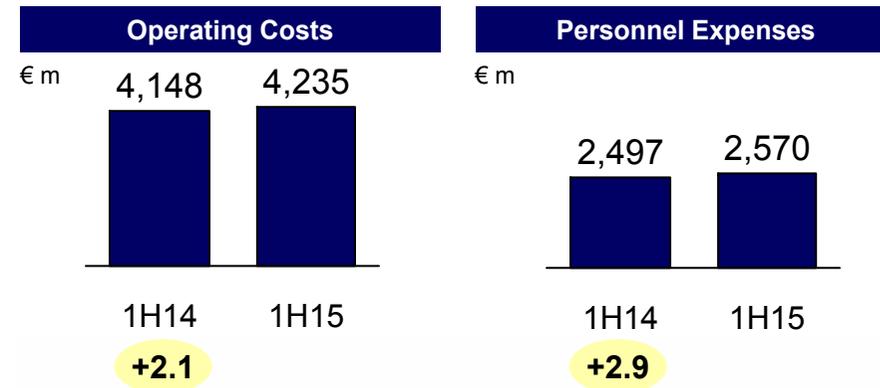
(%) Δ 2Q15 vs 2Q14 and 1Q15



- Other administrative expenses up vs 1Q15 due to seasonal effects and advertising costs
- ~200 headcount reduction in 2Q15

## Yearly Analysis

(%) Δ 1H15 vs 1H14



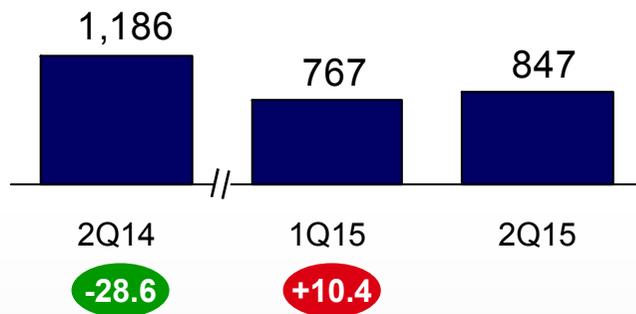
- 0.5% decline in Other Administrative Expenses
- 3.3pp decrease in Cost/Income to 45.1%
- ~1,200 yearly headcount reduction

# Net Adjustments to Loans: Significant Yearly Reduction in Provisions and Cost of Credit Coupled with Improved NPL Coverage

## Quarterly Analysis

€ m

(%) Δ 2Q15 vs 2Q14 and 1Q15

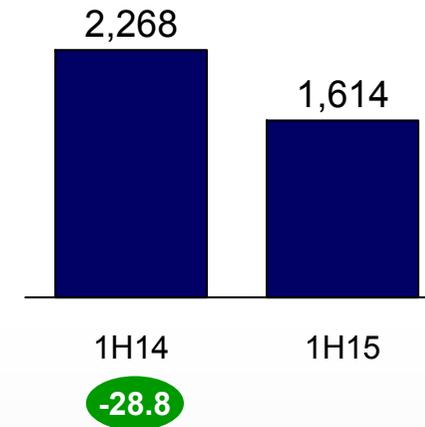


- Annualised cost of credit down to 98bps (vs 143bps in 2Q14 and vs 89bps in 1Q15)
- Non-performing loans cash coverage up to 47.3% (~50bps vs 30.6.14 and ~10bps vs 31.3.15)
- Strong decline in net inflow from Performing loans to Non-performing loans (-36.8% vs 2Q14)

## Yearly Analysis

€ m

(%) Δ 1H15 vs 1H14



- 1H15 saw the lowest gross inflow of new NPL from Performing loans since 2007
- Annualised cost of credit down to 94bps (vs 137bps)
- Non-performing loans cash coverage up ~50bps (47.3% vs 46.8%)
- Strong decline in net inflow from Performing loans to Non-performing loans (-27.7%)

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**Liquidity, Funding and Capital Base**

Asset Quality

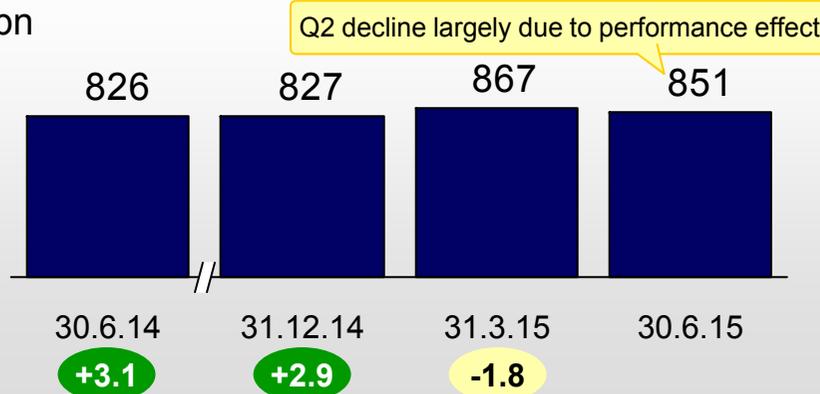
Divisional Results and Other Information

# Growth in Customer Financial Assets Driven by a Strong Increase in AuM

% Δ 30.6.15 vs 30.6.14, 31.12.14 and 31.3.15

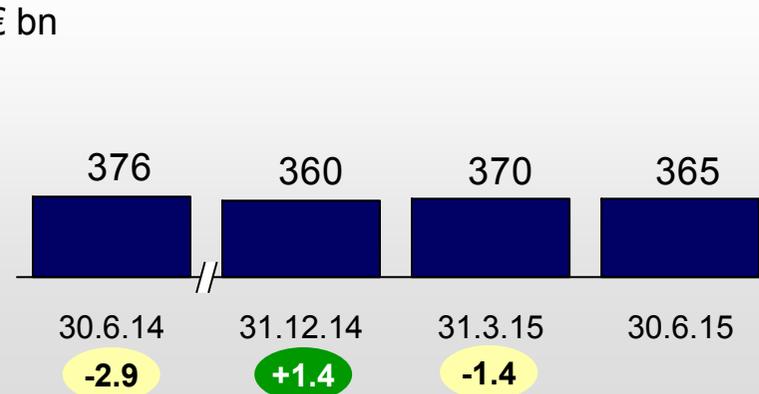
## Customer Financial Assets<sup>(1)</sup>

€ bn



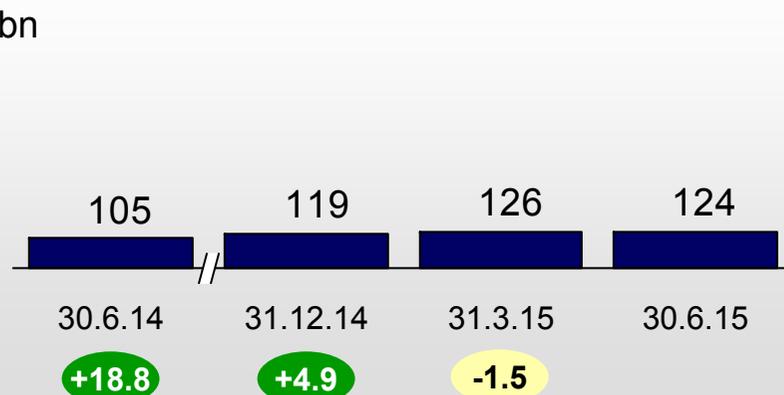
## Direct Deposits from Banking Business

€ bn



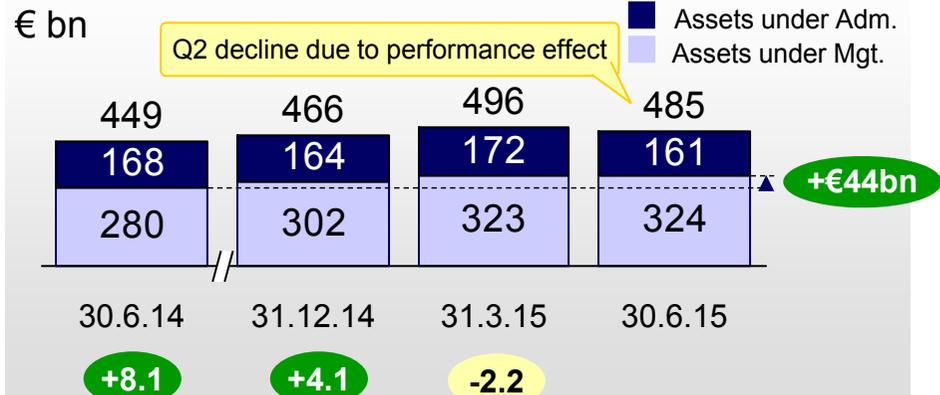
## Direct Deposits from Insurance Business and Technical Reserves

€ bn



## Indirect Customer Deposits

€ bn



**AuM / Indirect Customer Deposits ratio up to 67% vs 65% in 1Q15**

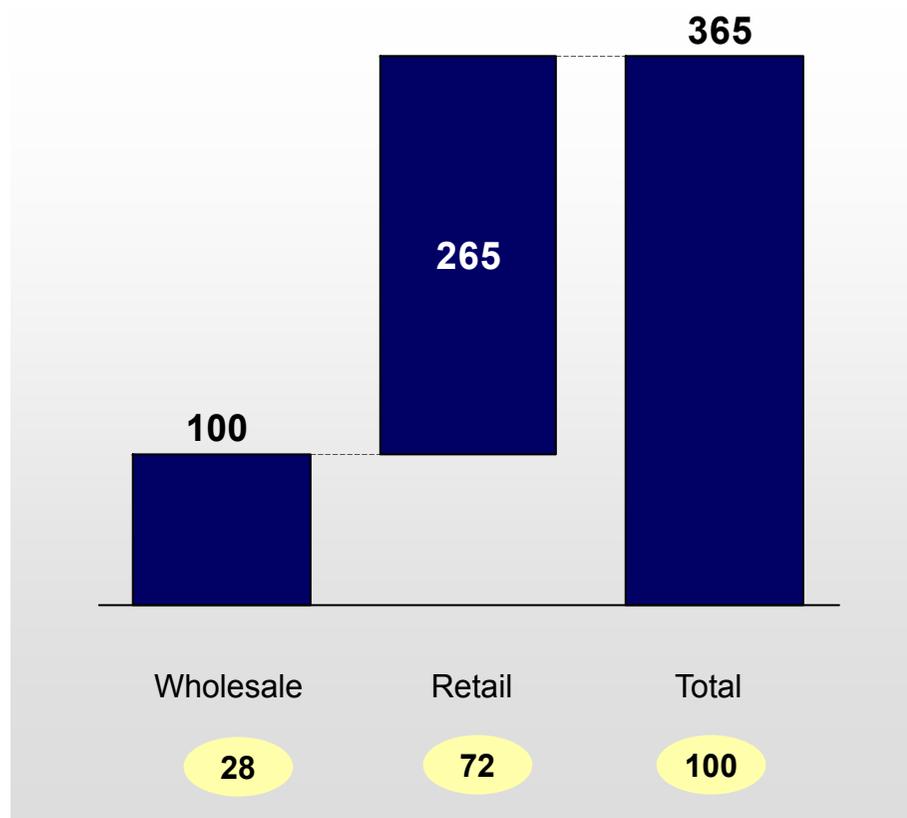
Note: figures may not add up exactly due to rounding differences

(1) Net of duplications between Direct Deposits and Indirect Customer Deposits

# Stable and Reliable Source of Funding from Retail Branch Network

## Breakdown of Direct Deposits from Banking Business

€ bn as of 30.6.15; % Percentage of total



	Wholesale	Retail
■ Current accounts and deposits	4	200
■ Repos and securities lending	28	-
■ Senior bonds	32	43
■ Covered bonds	14	-
■ EMTN puttable	4	-
■ Certificates of deposit + Commercial papers	7	2
■ Subordinated liabilities	11	3
■ Other deposits	1	17

**Retail funding represents 72% of Direct deposits from banking business**

Note: figures may not add up exactly due to rounding differences

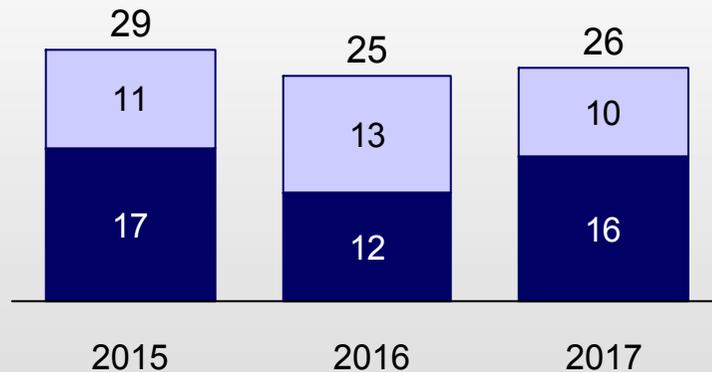
# Strong Funding Capability: Broad and Continued Access to International Markets

## 2015-2017 MLT Bond Maturities

€ bn

Wholesale  
Retail

€12.4bn of bonds already placed, of which €8.2bn wholesale<sup>(1)</sup>



## Main Wholesale Issues

### 2014

- €5bn of eurobonds (of which €1bn subordinated Tier 2 and €1.25bn of covered bonds), \$4.5bn of US bonds (of which \$2bn subordinated Tier 2) and CNY 650m bonds placed on international markets. On average more than 80% demand from foreign investors; targets exceeded by more than 140%

### 2015

- €5.25bn of eurobonds placed on international markets (of which €1bn of covered bonds). On average more than 77% demand from foreign investors; targets exceeded by 140%:
  - January: €1.25bn 5y senior unsecured benchmark eurobond issue on international markets and €1bn 7y benchmark covered bonds issue backed by residential mortgages
  - February: €1.5bn 7y senior unsecured benchmark eurobond issue on international markets
  - April: €500m 10y subordinated Tier 2 eurobond issue
  - June: €1bn 5y senior unsecured benchmark eurobond issue on international markets

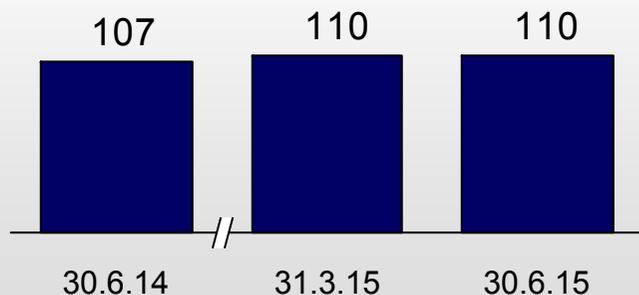
Note: figures may not add up exactly due to rounding differences

(1) Data as of 30.6.15

# High Liquidity: LCR and NSFR Well Above Basel 3 Requirements for 2018

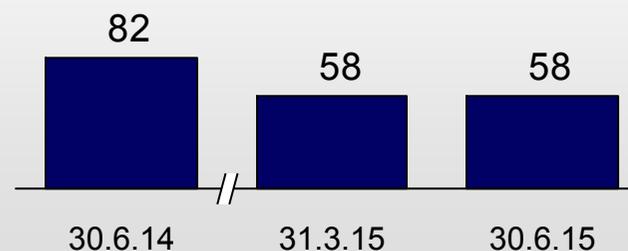
## Liquid assets<sup>(1)</sup>

€ bn



## Unencumbered eligible assets with Central Banks<sup>(2)</sup> (net of haircuts)

€ bn



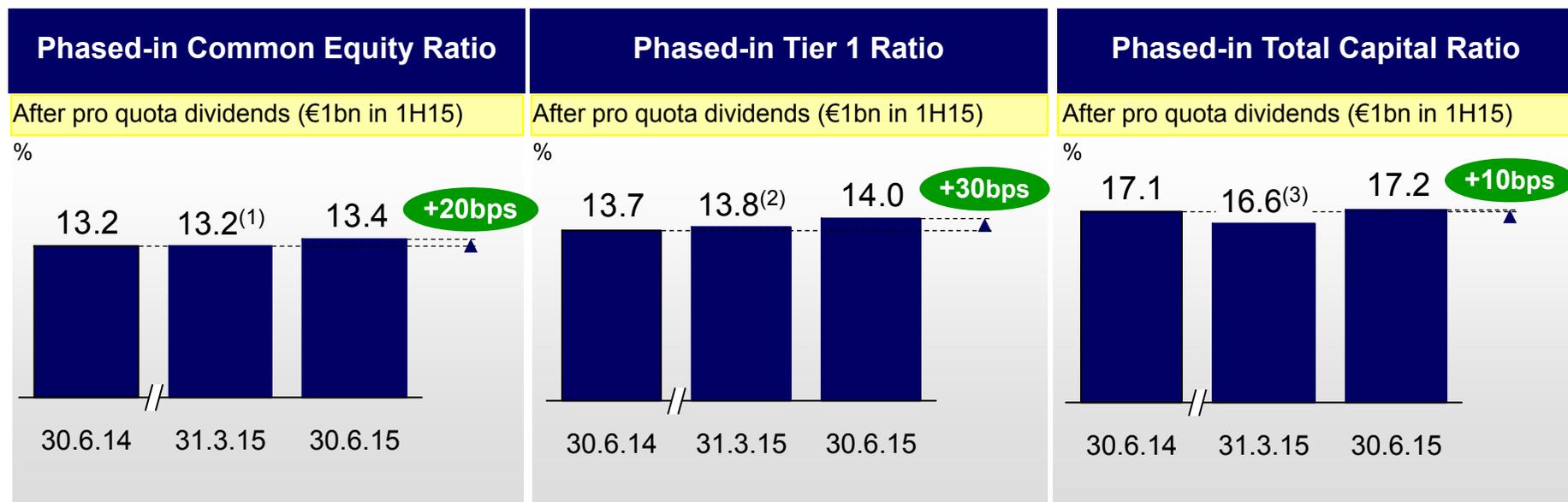
- ~€27.6bn TLTRO: ~€12.6bn in 2014, €10bn in March 2015 and €5bn in June 2015
- Loan to Deposit ratio<sup>(3)</sup> at 94.3%

(1) Stock of own-account eligible assets, including assets used as collateral and excluding eligible assets received as collateral

(2) Eligible assets freely available, excluding assets used as collateral and including eligible assets received as collateral

(3) Loans to Customers/Direct Deposits from Banking Business

# Solid Capital Base



**13.3% pro-forma fully loaded Common Equity ratio<sup>(4)</sup>**

Note: figures may not add up exactly due to rounding differences

(1) 13.0% not considering 1Q15 Net income after pro quota dividends

(2) 13.6% not considering 1Q15 Net income after pro quota dividends

(3) 16.4% not considering 1Q15 Net income after pro quota dividends

(4) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

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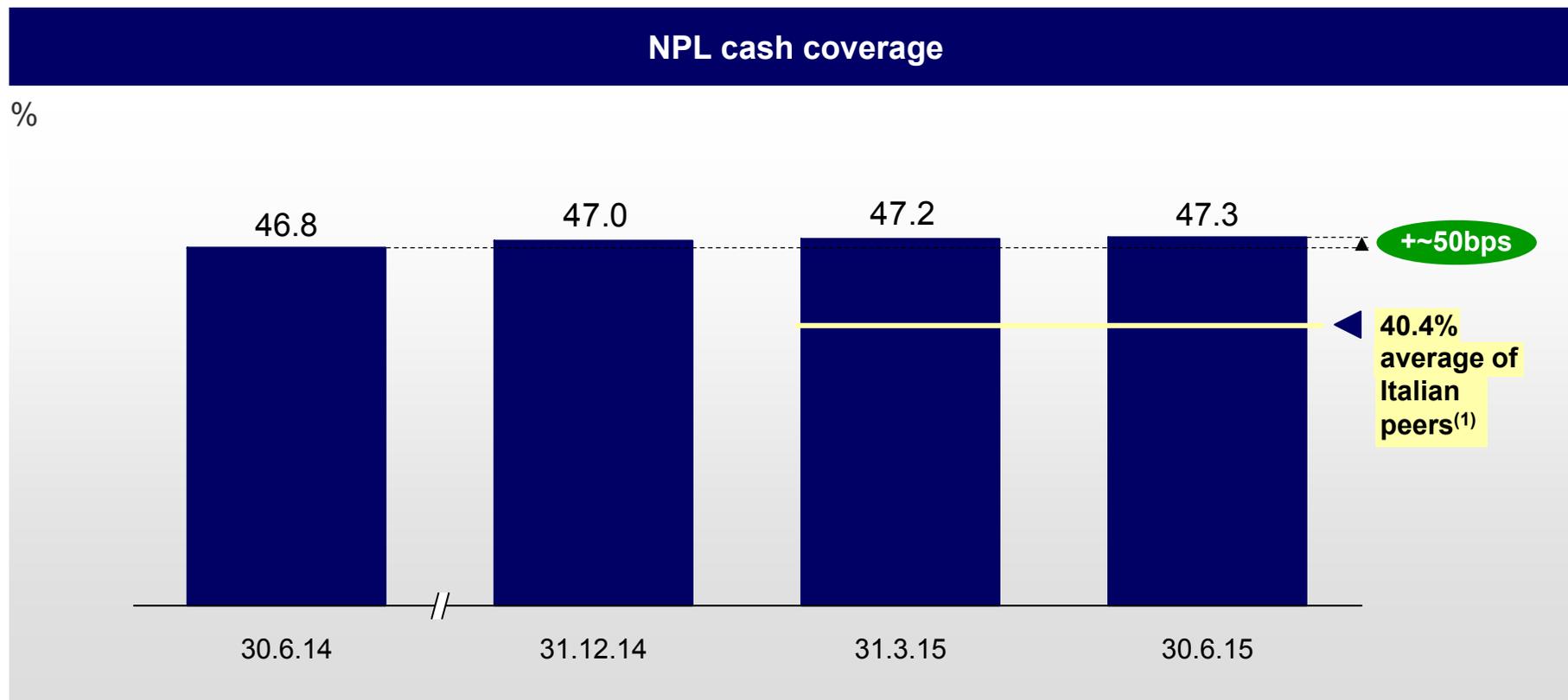
Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

**Asset Quality**

Divisional Results and Other Information

# Non-performing Loans: Sizeable and Increased Cash Coverage



- Doubtful Loans recovery rate<sup>(2)</sup> at 134% in the period 2009 - 30.6.15
- Stable Performing Loans cash coverage at 0.8%

(1) Sample: BPOP, MPS, UBI and UniCredit (data as of 31.3.15)

(2) Repayment on Doubtful Loans/Net book value

# Non-performing Loans: Increase in Cash Coverage

Cash coverage; %



(1) Doubtful Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

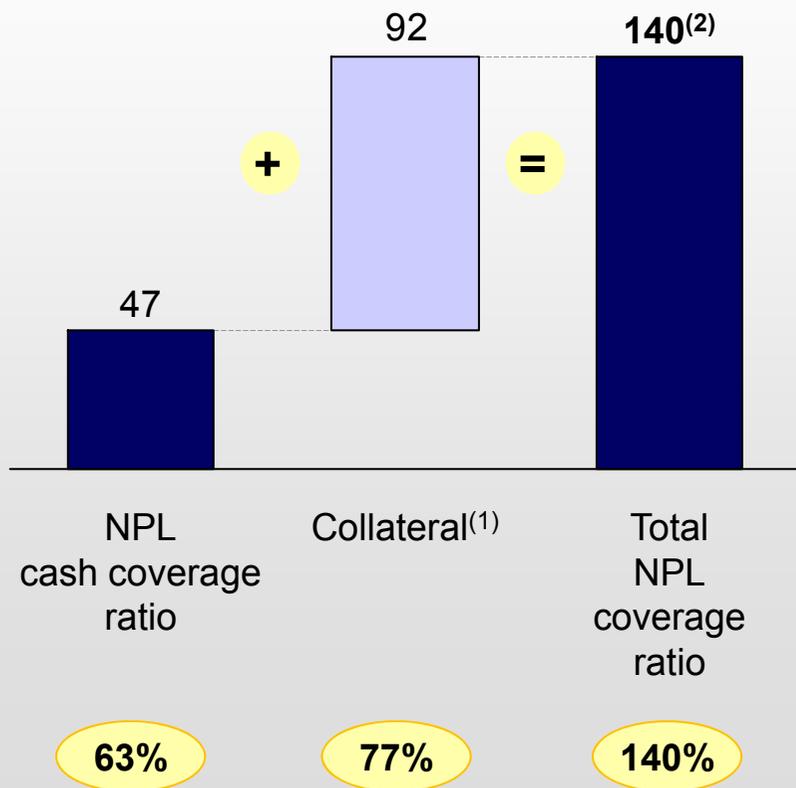
# Even Stronger NPL Coverage When Collateral is Included

Incidence on Group Total Loans (gross values)

## Total NPL coverage (including collateral<sup>(1)</sup>)

30.6.15  
%

Doubtful loans coverage ratio

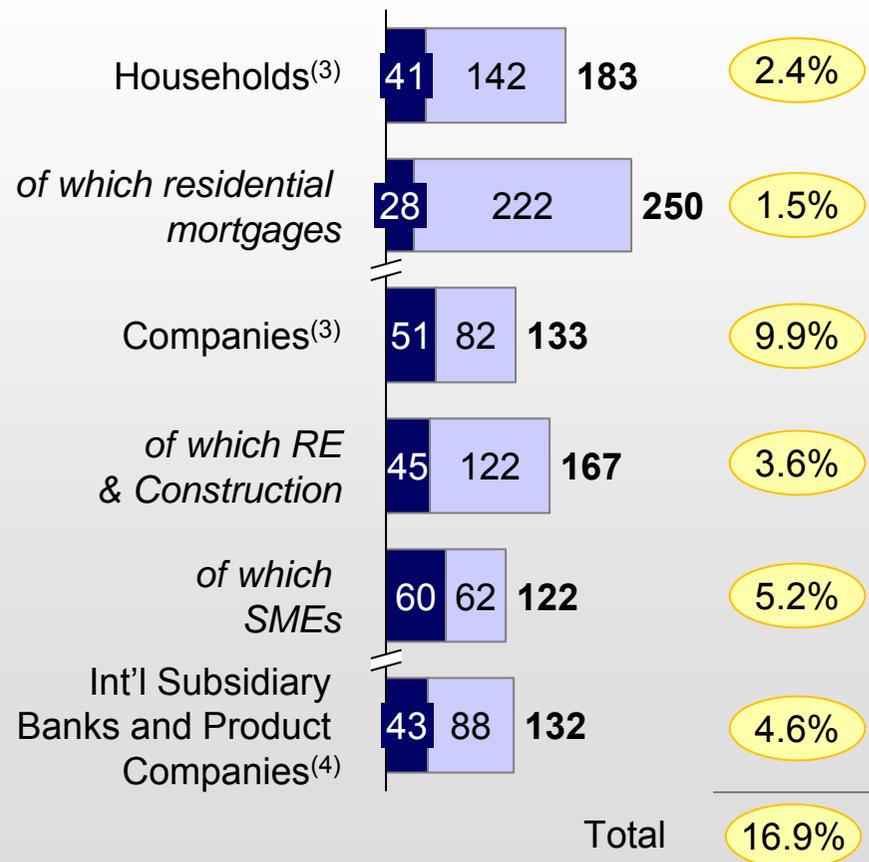


## Total NPL coverage (including collateral<sup>(1)</sup>) breakdown

30.6.15  
%

NPL cash coverage ratio

Collateral<sup>(1)</sup>



Note: figures may not add up exactly due to rounding differences

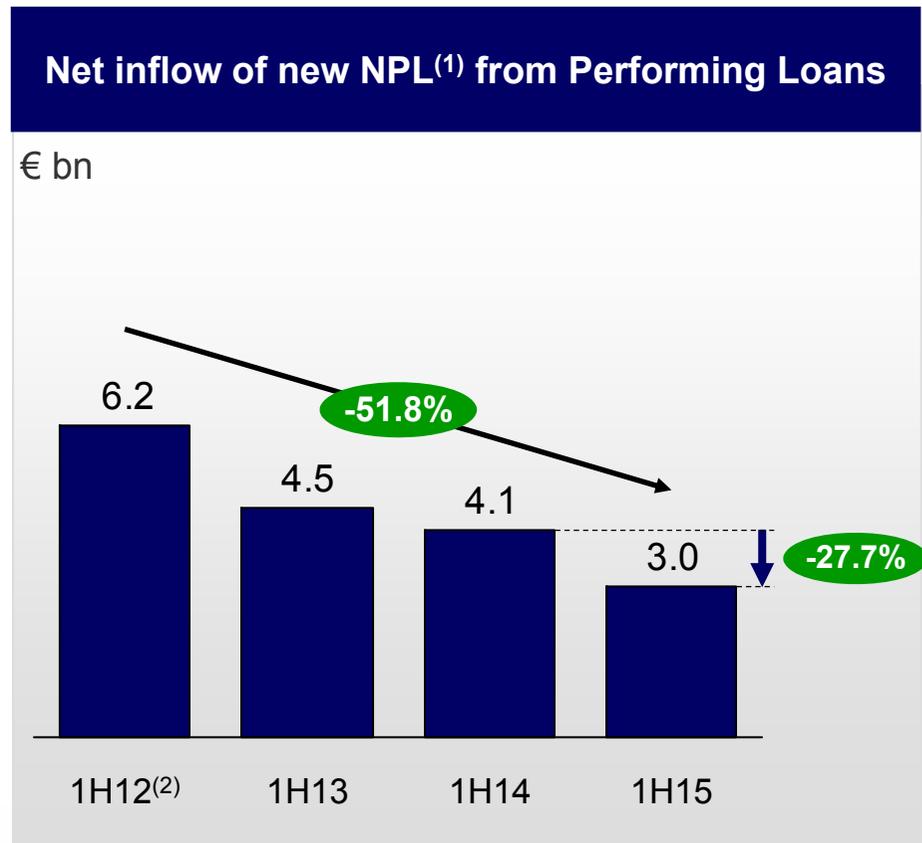
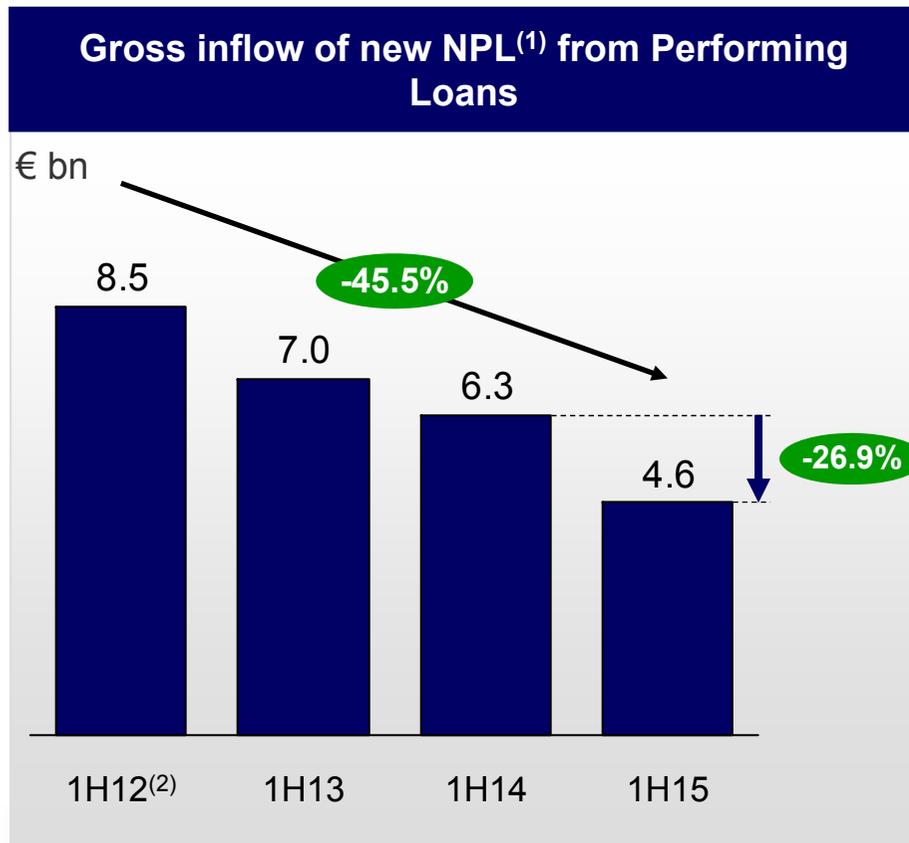
(1) Excluding personal guarantees

(2) 146% including personal guarantees

(3) Parent Bank and Italian Subsidiary Banks

(4) Mediocredito Italiano (Industrial Credit, Factoring and Leasing) and Banca IMI (Capital Markets and Investment Banking)

# Non-performing Loans: the Lowest Gross Inflow of New NPL from Performing Loans since 2007

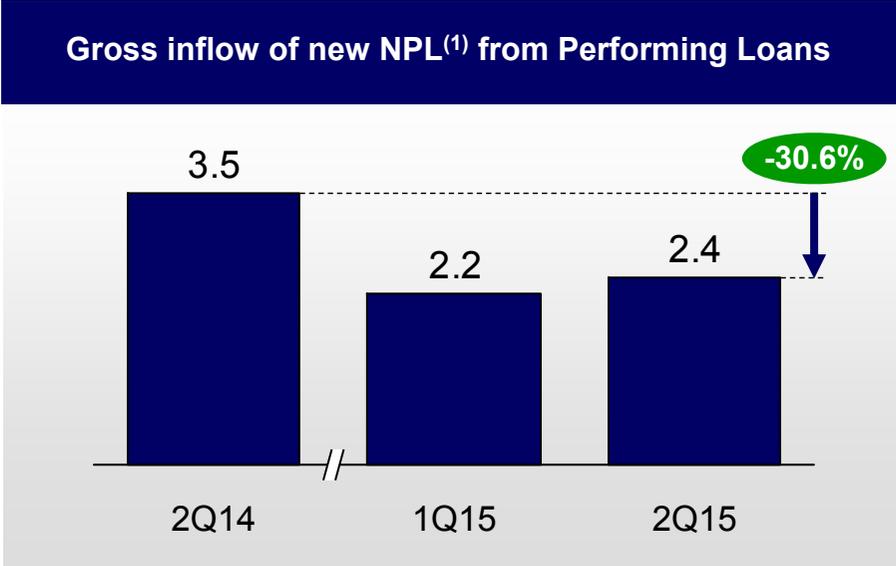


(1) Doubtful Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

(2) 2012 figures recalculated to take into consideration the regulatory changes to Past Due classification criteria introduced by Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11). As of 1H15, Forborne loans cease being non-performing only when one year has passed since the extension of forbearance, subject to other performing conditions being met

# Non-performing Loans: Strong Decline in Gross Inflow from Performing Loans on a Yearly Basis

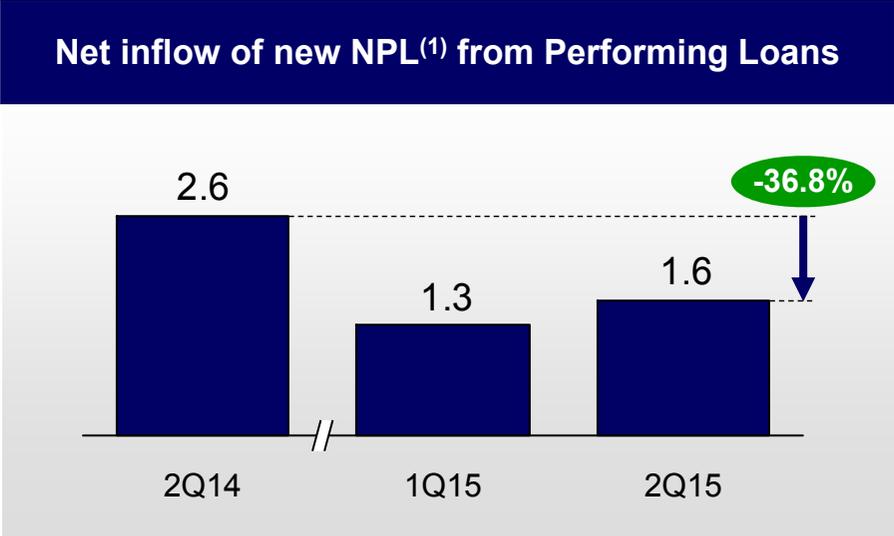
€ bn



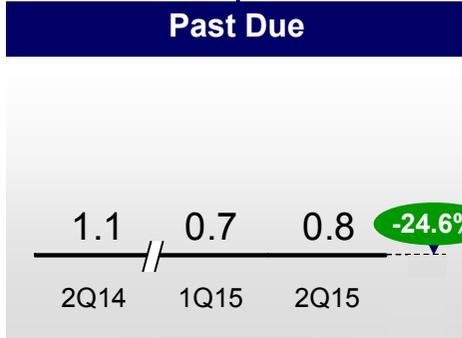
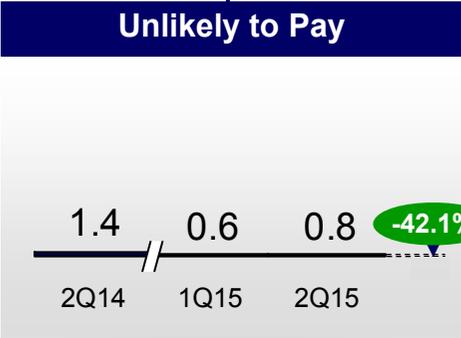
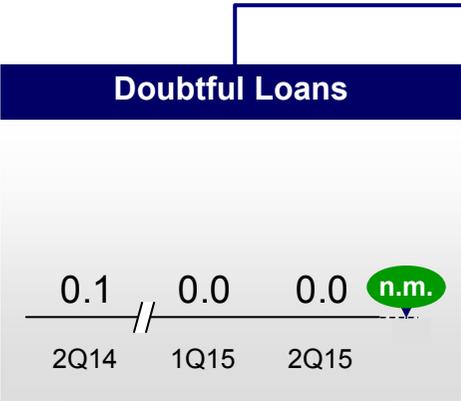
Note: figures may not add up exactly due to rounding differences  
 (1) Doubtful Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

# Non-performing Loans: Strong Decline in Net Inflow from Performing Loans on a Yearly Basis

€ bn



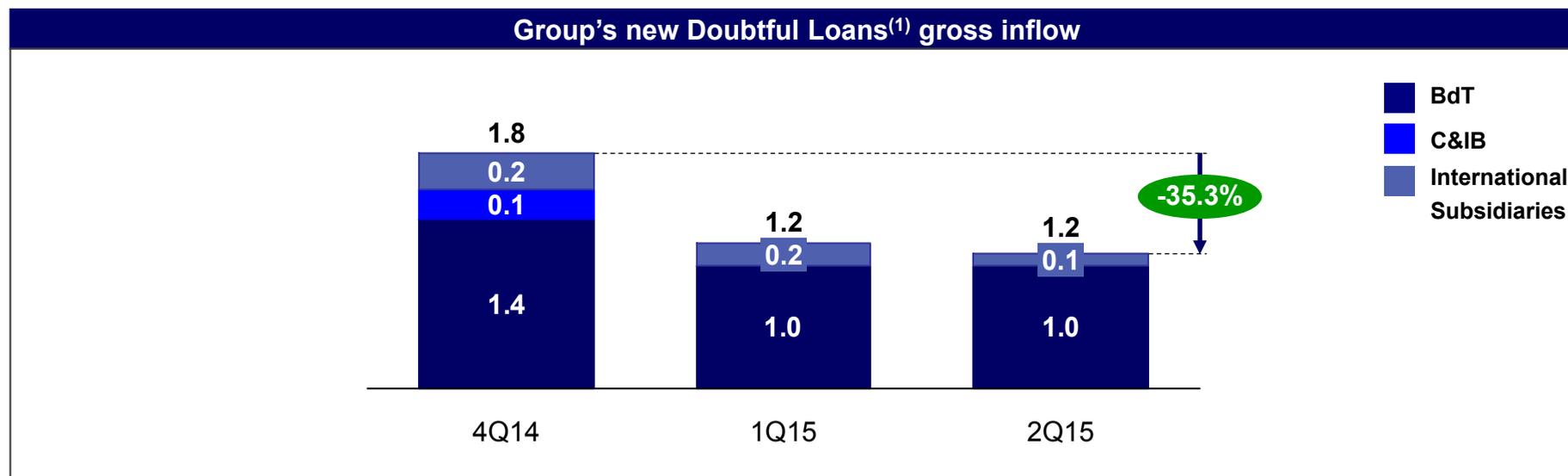
As of 1H15, Forborne loans cease being non-performing only when one year has passed since the extension of forbearance, subject to other performing conditions being met



Note: figures may not add up exactly due to rounding differences  
 (1) Doubtful Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

# New Doubtful Loans: Gross Inflow Stabilising at Significantly Lower Levels vs 4Q14

€ bn



## BdT's new Doubtful Loans<sup>(1)</sup> gross inflow

	4Q14	1Q15	2Q15
<b>Total</b>	<b>1.4</b>	<b>1.0</b>	<b>1.0</b>
Mediocredito Italiano <sup>(2)</sup>	0.2	0.2	0.2
Households	0.4	0.3	0.2
SMEs	0.8	0.6	0.6

## C&IB's new Doubtful Loans<sup>(1)</sup> gross inflow

	4Q14	1Q15	2Q15
<b>Total</b>	<b>0.1</b>	<b>-</b>	<b>-</b>
Banca IMI <sup>(3)</sup>	-	-	-
Corporate and Public Finance	-	-	-
International Network & Global Industries	0.1	-	-
Financial Institutions	-	-	-

Note: figures may not add up exactly due to rounding differences

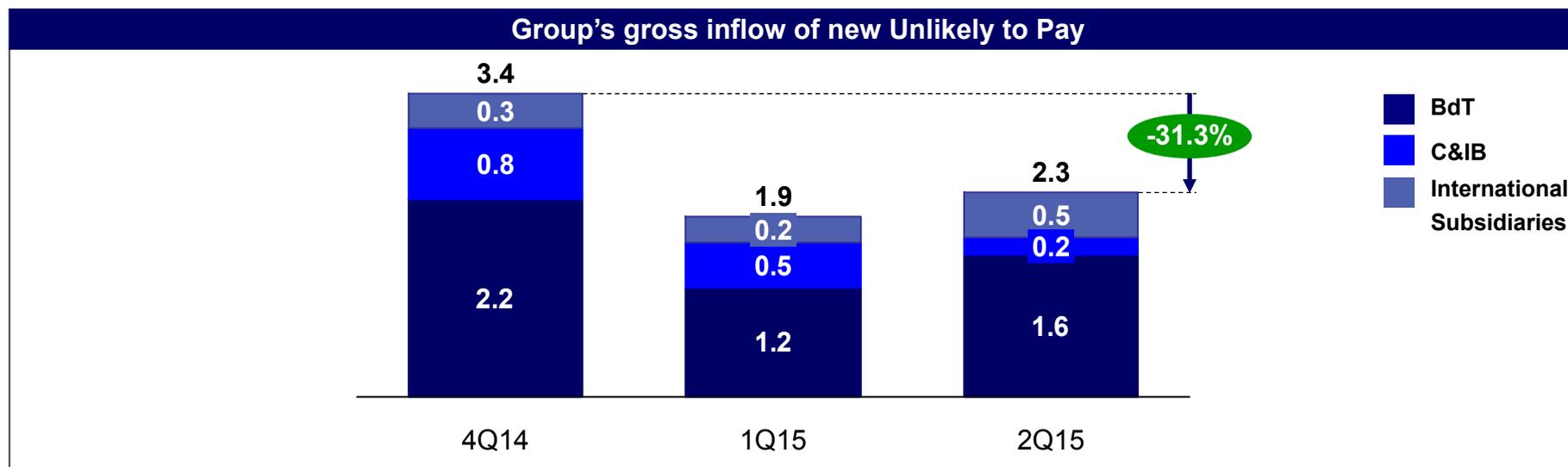
(1) Sofferenze

(2) Industrial Credit, Factoring and Leasing

(3) Capital Markets and Investment Banking

# New Unlikely to Pay: Gross Inflow Stabilising at Significantly Lower Levels vs 4Q14

€ bn



## BdT's gross inflow of new Unlikely to Pay

## C&IB's gross inflow of new Unlikely to Pay

	4Q14	1Q15	2Q15
<b>Total</b>	<b>2.2</b>	<b>1.2</b>	<b>1.6</b>
Mediocredito Italiano <sup>(1)</sup>	0.6	0.3	0.3
Households	0.5	0.3	0.4
SMEs	1.1	0.7	0.9

	4Q14	1Q15	2Q15
<b>Total</b>	<b>0.8</b>	<b>0.5</b>	<b>0.2</b>
Banca IMI <sup>(2)</sup>	-	-	-
Corporate and Public Finance	0.2	0.2	0.2
International Network & Global Industries	0.6	0.3	-
Financial Institutions	-	-	-

Note: figures may not add up exactly due to rounding differences

(1) Industrial Credit, Factoring and Leasing

(2) Capital Markets and Investment Banking

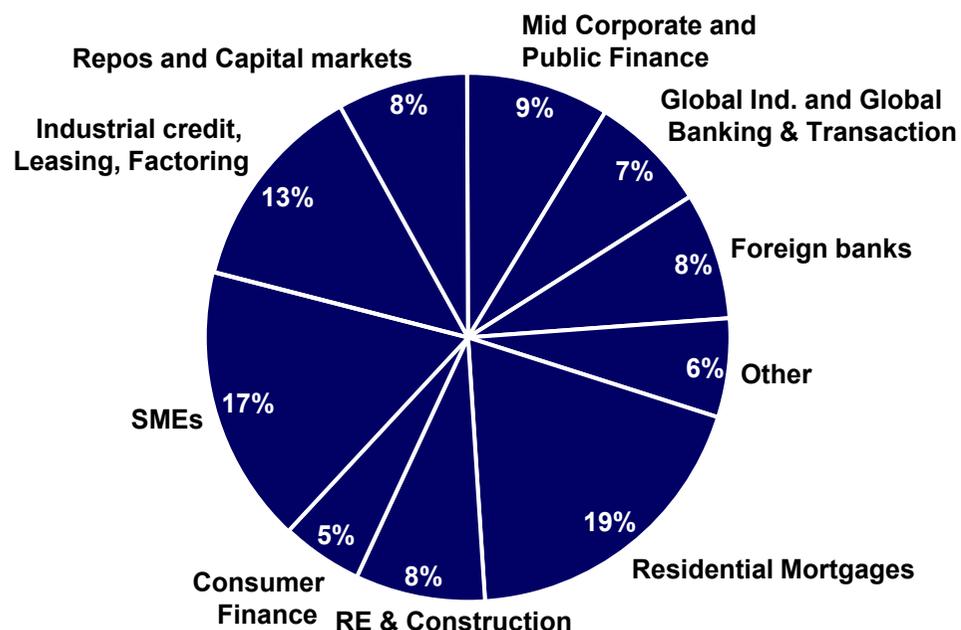
## Non-performing Loans: Breakdown by Category

Gross NPL				Net NPL			
€ m	31.12.14	31.3.15	30.6.15	€ m	31.12.14	31.3.15	30.6.15
<b>Total</b>	<b>62,838</b>	<b>63,449</b>	<b>63,756</b>	<b>Total</b>	<b>33,316</b>	<b>33,487</b>	<b>33,600</b>
Past Due	1,472	1,387	1,433	Past Due	1,253	1,196	1,216
- of which forborne	224	284	359	- of which forborne	197	253	314
Unlikely to pay	23,156	23,218	23,721	Unlikely to pay	17,845	17,832	18,129
- of which forborne	8,295	8,465	9,063	- of which forborne	6,595	6,622	7,087
Doubtful	38,210	38,844	38,602	Doubtful	14,218	14,459	14,255
- of which forborne	886	946	944	- of which forborne	398	450	437

- 1H15 increase in gross NPL stock is the lowest since 2007
- Decline in Doubtful stock in Q2

# Loans to Customers: Well-Diversified Portfolio

**Breakdown by business area**  
(Data as of 30.6.15)



## ■ Low risk profile of residential mortgage portfolio

- Instalment/available income ratio at 36%
- Average Loan-to-Value equal to 53%
- Original average maturity equal to ~22 years
- Residual average life equal to ~18 years

**Breakdown by economic business sectors**

	31.3.15	30.6.15
<b>Loans of the Italian banks and companies of the Group</b>		
Households	25.0%	24.9%
Public Administration	5.6%	5.5%
Financial companies	5.5%	5.4%
Non-financial companies	42.7%	43.0%
<i>of which:</i>		
DISTRIBUTION	6.3%	6.4%
SERVICES	5.9%	6.3%
REAL ESTATE	5.7%	5.7%
CONSTRUCTION	4.3%	4.2%
UTILITIES	3.8%	3.9%
METALS AND METAL PRODUCTS	2.6%	2.5%
TRANSPORT	2.5%	2.3%
AGRICULTURE	1.9%	1.9%
FOOD AND DRINK	1.4%	1.4%
MECHANICAL	1.3%	1.3%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.2%	1.2%
FASHION	1.1%	1.1%
ELECTROTECHNICAL AND ELECTRONIC	0.7%	0.7%
TRANSPORTATION MEANS	0.5%	0.5%
HOLDING AND OTHER	0.5%	0.5%
MATERIALS FOR CONSTRUCTION	0.5%	0.5%
BASE AND INTERMEDIATE CHEMICALS	0.5%	0.5%
PUBLISHING AND PRINTING	0.5%	0.5%
INFRASTRUCTURE	0.5%	0.4%
ENERGY AND EXTRACTION	0.3%	0.4%
FURNITURE	0.3%	0.3%
OTHER CONSUMPTION GOODS	0.2%	0.2%
PHARMACEUTICAL	0.2%	0.2%
MASS CONSUMPTION GOODS	0.1%	0.1%
WHITE GOODS	0.0%	0.0%
NON-CLASSIFIED UNITS	0.1%	0.1%
<b>Rest of the world</b>	<b>8.3%</b>	<b>8.3%</b>
<b>Loans of the foreign banks and companies of the Group</b>	<b>8.7%</b>	<b>8.8%</b>
<b>Doubtful Loans</b>	<b>4.2%</b>	<b>4.1%</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Note: figures may not add up exactly due to rounding differences

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Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

Asset Quality

**Divisional Results and Other Information**

# Divisional Financial Highlights

Data as of 30.6.15

	Divisions							Total
	Banca dei Territori	Corporate & Investment Banking	International Subsidiary Banks <sup>(1)</sup>	Private Banking <sup>(2)</sup>	Asset Management <sup>(3)</sup>	Insurance <sup>(4)</sup>	Corporate Centre / Others <sup>(5)</sup>	
Operating Income (€ m)	4,699	1,782	1,048	887	371	650	(37)	9,400
Operating Margin (€ m)	2,266	1,340	537	627	303	577	(485)	5,165
Net Income (€ m)	698	829	276	372	223	393	(787)	2,004
Cost/Income (%)	51.8	24.8	48.8	29.3	18.3	11.2	n.m.	45.1
RWA (€ bn)	91.3	83.0	30.7	8.4	1.0	0.0	65.9	280.3
Direct Deposits from Banking Business (€ bn)	153.6	103.7	31.7	19.6	0.0	0.2	56.1	364.9
Loans to Customers (€ bn)	186.0	83.5	25.4	8.1	0.2	0.0	40.9	344.2

Note: figures may not add up exactly due to rounding differences. Income statement and balance sheet figures for the 2014 business areas have been restated to take into account the new organisational structure defined in 4Q14 with the creation of three new Divisions (Private Banking, Asset Management and Insurance) and a new business unit (Capital Light Bank)

(1) Excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian “bad bank” included in the Capital Light Bank

(2) Fideuram, Intesa Sanpaolo Private Bank (Suisse), Intesa Sanpaolo Private Banking and Sirefid

(3) Eurizon Capital

(4) Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita

(5) Treasury Department, Central Structures, Capital Light Bank and consolidation adjustments

## Banca dei Territori: H1 vs H1

€ m

	1H14	1H15	Δ%
	Restated		
Net interest income	2,785	2,473	(11.2)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	1,982	2,172	9.6
Profits (Losses) on trading	29	32	10.3
Income from insurance business	0	0	n.m.
Other operating income (expenses)	22	22	0.0
<b>Operating income</b>	<b>4,818</b>	<b>4,699</b>	<b>(2.5)</b>
Personnel expenses	(1,495)	(1,486)	(0.6)
Other administrative expenses	(974)	(946)	(2.9)
Adjustments to property, equipment and intangible assets	(2)	(1)	(50.0)
<b>Operating costs</b>	<b>(2,471)</b>	<b>(2,433)</b>	<b>(1.5)</b>
<b>Operating margin</b>	<b>2,347</b>	<b>2,266</b>	<b>(3.5)</b>
Net provisions for risks and charges	(24)	(29)	20.8
Net adjustments to loans	(1,152)	(1,019)	(11.5)
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>1,171</b>	<b>1,218</b>	<b>4.0</b>
Taxes on income from continuing operations	(470)	(507)	7.9
Charges (net of tax) for integration and exit incentives	(16)	(11)	(31.3)
Effect of purchase cost allocation (net of tax)	(15)	(2)	(86.7)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>670</b>	<b>698</b>	<b>4.2</b>

Note: figures may not add up exactly due to rounding differences

## Banca dei Territori: Q2 vs Q1

€ m

	1Q15	2Q15	Δ%
	Restated		
Net interest income	1,266	1,207	(4.6)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	1,058	1,114	5.4
Profits (Losses) on trading	16	16	3.6
Income from insurance business	0	0	n.m.
Other operating income (expenses)	13	9	(33.5)
<b>Operating income</b>	<b>2,352</b>	<b>2,346</b>	<b>(0.3)</b>
Personnel expenses	(750)	(736)	(1.9)
Other administrative expenses	(472)	(473)	0.3
Adjustments to property, equipment and intangible assets	(1)	(1)	27.7
<b>Operating costs</b>	<b>(1,223)</b>	<b>(1,210)</b>	<b>(1.0)</b>
<b>Operating margin</b>	<b>1,129</b>	<b>1,136</b>	<b>0.6</b>
Net provisions for risks and charges	(13)	(16)	22.6
Net adjustments to loans	(501)	(519)	3.5
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	(0)	n.m.
<b>Income before tax from continuing operations</b>	<b>616</b>	<b>602</b>	<b>(2.2)</b>
Taxes on income from continuing operations	(255)	(252)	(1.0)
Charges (net of tax) for integration and exit incentives	(4)	(8)	103.1
Effect of purchase cost allocation (net of tax)	2	(4)	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>359</b>	<b>338</b>	<b>(5.8)</b>

Note: figures may not add up exactly due to rounding differences

# Corporate and Investment Banking: H1 vs H1

€ m

	1H14 Restated	1H15	Δ%
Net interest income	887	776	(12.5)
Dividends and P/L on investments carried at equity	2	4	100.0
Net fee and commission income	406	400	(1.5)
Profits (Losses) on trading	442	601	36.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(2)	1	n.m.
<b>Operating income</b>	<b>1,735</b>	<b>1,782</b>	<b>2.7</b>
Personnel expenses	(149)	(172)	15.4
Other administrative expenses	(249)	(269)	8.0
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
<b>Operating costs</b>	<b>(399)</b>	<b>(442)</b>	<b>10.8</b>
<b>Operating margin</b>	<b>1,336</b>	<b>1,340</b>	<b>0.3</b>
Net provisions for risks and charges	(3)	4	n.m.
Net adjustments to loans	(263)	(132)	(49.8)
Net impairment losses on other assets	0	(2)	n.m.
Profits (Losses) on HTM and on other investments	4	0	(100.0)
<b>Income before tax from continuing operations</b>	<b>1,074</b>	<b>1,210</b>	<b>12.7</b>
Taxes on income from continuing operations	(349)	(381)	9.2
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>725</b>	<b>829</b>	<b>14.3</b>

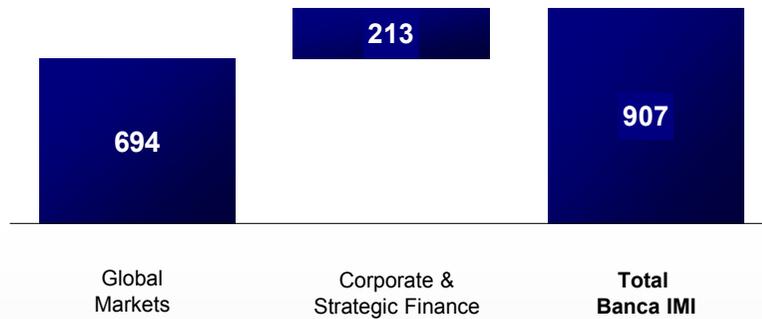
Note: figures may not add up exactly due to rounding differences

# Banca IMI: A Significant Contribution to Group Results

1H15 Results

## Banca IMI Operating Income<sup>(1)</sup>

€ m



Cost/Income	23.1%	28.1%	24.3%
RWA (€ bn)	16.9	6.1	23.0

- ~64% of Operating income is customer driven
- H1 average VaR at €70m
- H1 Net income at €416m

## of which: Global Markets

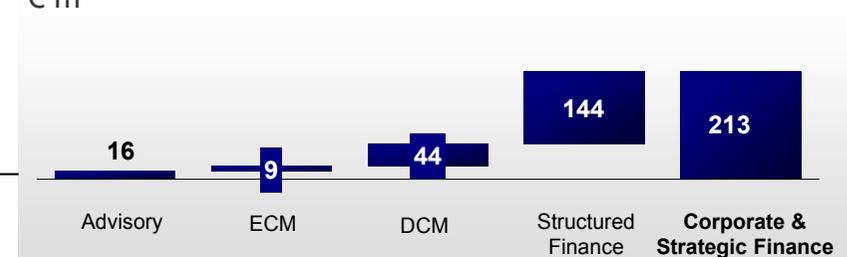
€ m



+

## of which: Corporate & Strategic Finance

€ m



Note: figures may not add up exactly due to rounding differences

(1) Banca IMI S.p.A. and its subsidiaries

## Corporate and Investment Banking: Q2 vs Q1

€ m

	1Q15	2Q15	Δ%
	Restated		
Net interest income	369	407	10.4
Dividends and P/L on investments carried at equity	1	3	201.9
Net fee and commission income	185	215	16.2
Profits (Losses) on trading	385	215	(44.2)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	1	1	(30.7)
<b>Operating income</b>	<b>941</b>	<b>841</b>	<b>(10.6)</b>
Personnel expenses	(90)	(82)	(8.8)
Other administrative expenses	(131)	(138)	5.7
Adjustments to property, equipment and intangible assets	(1)	(1)	4.5
<b>Operating costs</b>	<b>(221)</b>	<b>(221)</b>	<b>(0.2)</b>
<b>Operating margin</b>	<b>720</b>	<b>620</b>	<b>(13.8)</b>
Net provisions for risks and charges	(5)	9	n.m.
Net adjustments to loans	(34)	(97)	181.9
Net impairment losses on other assets	(2)	(0)	(94.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>678</b>	<b>532</b>	<b>(21.6)</b>
Taxes on income from continuing operations	(224)	(157)	(30.0)
Charges (net of tax) for integration and exit incentives	(0)	(0)	70.8
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>454</b>	<b>375</b>	<b>(17.5)</b>

Note: figures may not add up exactly due to rounding differences

## International Subsidiary Banks: H1 vs H1

€ m

	1H14	1H15	Δ%
	Restated		
Net interest income	711	735	3.4
Dividends and P/L on investments carried at equity	26	36	38.5
Net fee and commission income	255	262	2.7
Profits (Losses) on trading	61	48	(21.3)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(56)	(33)	(41.1)
<b>Operating income</b>	<b>997</b>	<b>1,048</b>	<b>5.1</b>
Personnel expenses	(266)	(278)	4.5
Other administrative expenses	(189)	(183)	(3.2)
Adjustments to property, equipment and intangible assets	(52)	(50)	(3.8)
<b>Operating costs</b>	<b>(507)</b>	<b>(511)</b>	<b>0.8</b>
<b>Operating margin</b>	<b>490</b>	<b>537</b>	<b>9.6</b>
Net provisions for risks and charges	(16)	(7)	(56.3)
Net adjustments to loans	(159)	(157)	(1.3)
Net impairment losses on other assets	(5)	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>310</b>	<b>373</b>	<b>20.3</b>
Taxes on income from continuing operations	(77)	(96)	24.7
Charges (net of tax) for integration and exit incentives	(2)	(1)	(50.0)
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>231</b>	<b>276</b>	<b>19.5</b>

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian "bad bank" which are included in the Capital Light Bank

## International Subsidiary Banks: Q2 vs Q1

€ m

	1Q15	2Q15	Δ%
	Restated		
Net interest income	364	372	2.2
Dividends and P/L on investments carried at equity	19	17	(12.1)
Net fee and commission income	129	133	3.0
Profits (Losses) on trading	16	31	92.4
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(22)	(10)	(54.6)
<b>Operating income</b>	<b>505</b>	<b>542</b>	<b>7.3</b>
Personnel expenses	(137)	(141)	3.0
Other administrative expenses	(92)	(91)	(1.5)
Adjustments to property, equipment and intangible assets	(25)	(25)	(1.3)
<b>Operating costs</b>	<b>(254)</b>	<b>(256)</b>	<b>1.0</b>
<b>Operating margin</b>	<b>251</b>	<b>286</b>	<b>13.7</b>
Net provisions for risks and charges	(2)	(5)	171.4
Net adjustments to loans	(83)	(74)	(11.2)
Net impairment losses on other assets	0	(0)	n.m.
Profits (Losses) on HTM and on other investments	(1)	1	n.m.
<b>Income before tax from continuing operations</b>	<b>166</b>	<b>207</b>	<b>25.0</b>
Taxes on income from continuing operations	(46)	(50)	10.3
Charges (net of tax) for integration and exit incentives	(0)	(1)	388.9
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>120</b>	<b>156</b>	<b>29.9</b>

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian "bad bank" which are included in the Capital Light Bank

# Private Banking: H1 vs H1

€ m

	1H14	1H15	Δ%
Net interest income	114	97	(14.9)
Dividends and P/L on investments carried at equity	7	7	0.0
Net fee and commission income	575	766	33.2
Profits (Losses) on trading	13	22	69.2
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(3)	(5)	66.7
<b>Operating income</b>	<b>706</b>	<b>887</b>	<b>25.6</b>
Personnel expenses	(125)	(143)	14.4
Other administrative expenses	(109)	(109)	0.0
Adjustments to property, equipment and intangible assets	(7)	(8)	14.3
<b>Operating costs</b>	<b>(241)</b>	<b>(260)</b>	<b>7.9</b>
<b>Operating margin</b>	<b>465</b>	<b>627</b>	<b>34.8</b>
Net provisions for risks and charges	(42)	(12)	(71.4)
Net adjustments to loans	(1)	0	(100.0)
Net impairment losses on other assets	1	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>423</b>	<b>615</b>	<b>45.4</b>
Taxes on income from continuing operations	(128)	(185)	44.5
Charges (net of tax) for integration and exit incentives	0	(16)	n.m.
Effect of purchase cost allocation (net of tax)	(48)	(42)	(12.5)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>247</b>	<b>372</b>	<b>50.6</b>

1H15 result at €414m excluding the Effect of purchase cost allocation

Note: figures may not add up exactly due to rounding differences

# Private Banking: Q2 vs Q1

€ m

	1Q15	2Q15	Δ%
Net interest income	48	50	4.8
Dividends and P/L on investments carried at equity	4	2	(50.0)
Net fee and commission income	358	408	14.2
Profits (Losses) on trading	19	3	(81.6)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(1)	(4)	(232.8)
<b>Operating income</b>	<b>427</b>	<b>460</b>	<b>7.7</b>
Personnel expenses	(70)	(73)	4.7
Other administrative expenses	(54)	(56)	4.0
Adjustments to property, equipment and intangible assets	(4)	(4)	(4.8)
<b>Operating costs</b>	<b>(127)</b>	<b>(133)</b>	<b>4.1</b>
<b>Operating margin</b>	<b>300</b>	<b>327</b>	<b>9.2</b>
Net provisions for risks and charges	(13)	0	n.m.
Net adjustments to loans	(1)	2	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>285</b>	<b>329</b>	<b>15.3</b>
Taxes on income from continuing operations	(85)	(100)	17.6
Charges (net of tax) for integration and exit incentives	(1)	(15)	910.3
Effect of purchase cost allocation (net of tax)	(21)	(21)	(0.0)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(0)	0	(100.0)
<b>Net income</b>	<b>178</b>	<b>194</b>	<b>8.7</b>

2Q15 result at €215m excluding the Effect of purchase cost allocation

Note: figures may not add up exactly due to rounding differences

# Asset Management: H1 vs H1

€ m

	1H14	1H15	Δ%
Net interest income	1	1	0.0
Dividends and P/L on investments carried at equity	18	38	111.1
Net fee and commission income	222	329	48.2
Profits (Losses) on trading	6	1	(83.3)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	2	n.m.
<b>Operating income</b>	<b>247</b>	<b>371</b>	<b>50.2</b>
Personnel expenses	(28)	(31)	10.7
Other administrative expenses	(34)	(36)	5.9
Adjustments to property, equipment and intangible assets	0	(1)	n.m.
<b>Operating costs</b>	<b>(62)</b>	<b>(68)</b>	<b>9.7</b>
<b>Operating margin</b>	<b>185</b>	<b>303</b>	<b>63.8</b>
Net provisions for risks and charges	2	(1)	n.m.
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>187</b>	<b>302</b>	<b>61.5</b>
Taxes on income from continuing operations	(45)	(75)	66.7
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(19)	0	(100.0)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(3)	(4)	33.3
<b>Net income</b>	<b>120</b>	<b>223</b>	<b>85.8</b>

Note: figures may not add up exactly due to rounding differences

## Asset Management: Q2 vs Q1

€ m

	1Q15	2Q15	Δ%
Net interest income	0	0	3.8
Dividends and P/L on investments carried at equity	14	24	65.1
Net fee and commission income	143	186	30.4
Profits (Losses) on trading	2	(0)	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	1	0	(55.9)
<b>Operating income</b>	<b>160</b>	<b>211</b>	<b>31.5</b>
Personnel expenses	(15)	(16)	3.9
Other administrative expenses	(17)	(19)	11.4
Adjustments to property, equipment and intangible assets	(0)	(0)	(2.8)
<b>Operating costs</b>	<b>(32)</b>	<b>(35)</b>	<b>7.9</b>
<b>Operating margin</b>	<b>128</b>	<b>176</b>	<b>37.5</b>
Net provisions for risks and charges	0	(1)	n.m.
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>128</b>	<b>174</b>	<b>36.5</b>
Taxes on income from continuing operations	(31)	(43)	38.1
Charges (net of tax) for integration and exit incentives	(0)	(0)	(97.8)
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(2)	(2)	30.4
<b>Net income</b>	<b>94</b>	<b>128</b>	<b>36.4</b>

Note: figures may not add up exactly due to rounding differences

# Insurance: H1 vs H1

€ m

	1H14	1H15	Δ%
Net interest income	0	0	n.m.
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	0	0	n.m.
Profits (Losses) on trading	0	0	n.m.
Income from insurance business	506	651	28.7
Other operating income (expenses)	5	(1)	n.m.
<b>Operating income</b>	<b>511</b>	<b>650</b>	<b>27.2</b>
Personnel expenses	(29)	(32)	10.3
Other administrative expenses	(42)	(40)	(4.8)
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
<b>Operating costs</b>	<b>(72)</b>	<b>(73)</b>	<b>1.4</b>
<b>Operating margin</b>	<b>439</b>	<b>577</b>	<b>31.4</b>
Net provisions for risks and charges	0	0	n.m.
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	(1)	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>438</b>	<b>577</b>	<b>31.7</b>
Taxes on income from continuing operations	(123)	(168)	36.6
Charges (net of tax) for integration and exit incentives	0	(1)	n.m.
Effect of purchase cost allocation (net of tax)	(19)	(15)	(21.1)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>296</b>	<b>393</b>	<b>32.8</b>

1H15 result at €408m excluding the Effect of purchase cost allocation

Note: figures may not add up exactly due to rounding differences

## Insurance: Q2 vs Q1

€ m

	1Q15	2Q15	Δ%
Net interest income	0	0	n.m.
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	0	0	n.m.
Profits (Losses) on trading	0	0	n.m.
Income from insurance business	345	306	(11.1)
Other operating income (expenses)	(0)	(1)	(175.9)
<b>Operating income</b>	<b>344</b>	<b>306</b>	<b>(11.3)</b>
Personnel expenses	(16)	(16)	(4.0)
Other administrative expenses	(18)	(21)	17.1
Adjustments to property, equipment and intangible assets	(1)	(1)	(0.5)
<b>Operating costs</b>	<b>(35)</b>	<b>(38)</b>	<b>7.0</b>
<b>Operating margin</b>	<b>309</b>	<b>268</b>	<b>(13.4)</b>
Net provisions for risks and charges	0	0	79.5
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	(1)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
<b>Income before tax from continuing operations</b>	<b>310</b>	<b>267</b>	<b>(13.6)</b>
Taxes on income from continuing operations	(98)	(70)	(28.9)
Charges (net of tax) for integration and exit incentives	(1)	(1)	4.0
Effect of purchase cost allocation (net of tax)	(7)	(8)	14.1
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	(0)	n.m.
Minority interests	0	0	n.m.
<b>Net income</b>	<b>204</b>	<b>189</b>	<b>(7.3)</b>

2Q15 result at €197m excluding the Effect of purchase cost allocation

Note: figures may not add up exactly due to rounding differences

# Quarterly P&L Analysis

€ m

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
	<b>Restated</b>					
<b>Net interest income</b>	2,104	2,107	2,113	2,063	1,976	1,982
<b>Dividends and P/L on investments carried at equity</b>	30	(19)	53	2	28	15
<b>Net fee and commission income</b>	1,583	1,727	1,648	1,814	1,814	1,980
<b>Profits (Losses) on trading</b>	146	409	136	77	596	380
<b>Income from insurance business</b>	255	251	240	186	343	282
<b>Other operating income (expenses)</b>	(8)	(13)	22	(14)	(5)	9
<b>Operating income</b>	<b>4,110</b>	<b>4,462</b>	<b>4,212</b>	<b>4,128</b>	<b>4,752</b>	<b>4,648</b>
<b>Personnel expenses</b>	(1,278)	(1,219)	(1,255)	(1,356)	(1,300)	(1,270)
<b>Other administrative expenses</b>	(653)	(669)	(650)	(808)	(638)	(677)
<b>Adjustments to property, equipment and intangible assets</b>	(165)	(164)	(170)	(189)	(174)	(176)
<b>Operating costs</b>	<b>(2,096)</b>	<b>(2,052)</b>	<b>(2,075)</b>	<b>(2,353)</b>	<b>(2,112)</b>	<b>(2,123)</b>
<b>Operating margin</b>	<b>2,014</b>	<b>2,410</b>	<b>2,137</b>	<b>1,775</b>	<b>2,640</b>	<b>2,525</b>
<b>Net provisions for risks and charges</b>	(55)	(181)	(12)	(294)	(126)	(134)
<b>Net adjustments to loans</b>	(1,082)	(1,186)	(1,257)	(1,043)	(767)	(847)
<b>Net impairment losses on other assets</b>	(12)	(67)	(64)	(84)	(9)	(31)
<b>Profits (Losses) on HTM and on other investments</b>	75	235	73	5	28	38
<b>Income before tax from continuing operations</b>	<b>940</b>	<b>1,211</b>	<b>877</b>	<b>359</b>	<b>1,766</b>	<b>1,551</b>
<b>Taxes on income from continuing operations</b>	(364)	(912)	(322)	(183)	(647)	(516)
<b>Charges (net of tax) for integration and exit incentives</b>	(7)	(13)	(9)	(74)	(6)	(25)
<b>Effect of purchase cost allocation (net of tax)</b>	(46)	(53)	(49)	(45)	(26)	(33)
<b>Impairment (net of tax) of goodwill and other intangible assets</b>	0	0	0	0	0	0
<b>Income (Loss) after tax from discontinued operations</b>	0	0	0	0	0	0
<b>Minority interests</b>	(20)	(16)	(14)	(9)	(23)	(37)
<b>Net income</b>	<b>503</b>	<b>217</b>	<b>483</b>	<b>48</b>	<b>1,064</b>	<b>940</b>

Note: figures may not add up exactly due to rounding differences. Data restated for the Ukrainian subsidiary Pravax-Bank

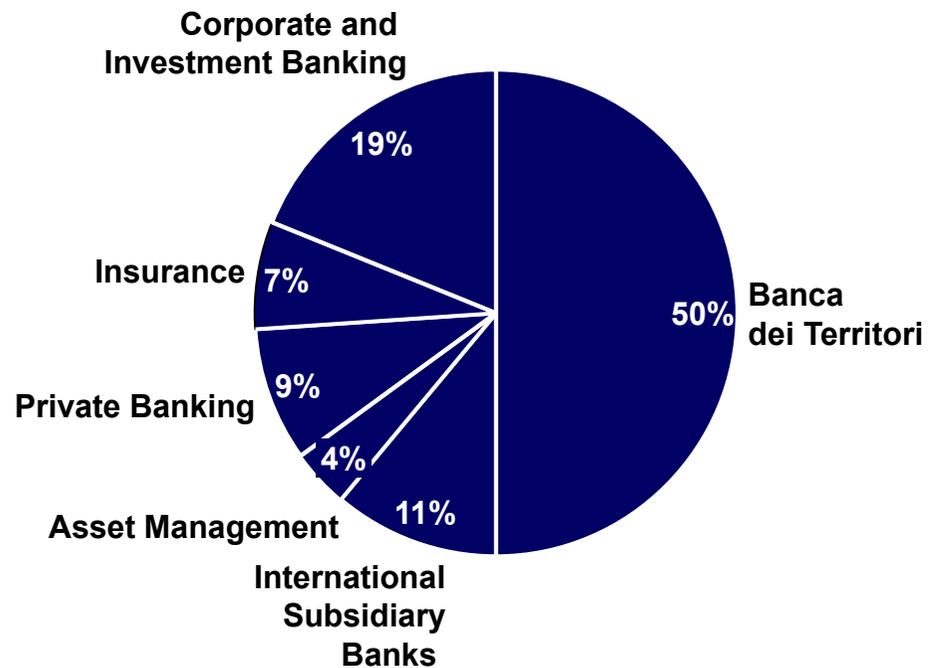
# Net Fee and Commission Income: Quarterly Development

€ m

Net Fee and Commission Income						
	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Guarantees given / received	71	87	93	80	93	79
Collection and payment services	88	101	87	108	86	95
Current accounts	279	279	277	271	254	255
Credit and debit cards	117	130	135	126	121	132
<b>Commercial banking activities</b>	<b>555</b>	<b>597</b>	<b>592</b>	<b>585</b>	<b>554</b>	<b>561</b>
Dealing and placement of securities	152	159	87	105	153	132
Currency dealing	10	10	11	10	11	11
Portfolio management	388	468	482	561	594	655
Distribution of insurance products	227	242	234	268	265	335
Other	40	39	39	44	45	48
<b>Management, dealing and consultancy activities</b>	<b>817</b>	<b>918</b>	<b>853</b>	<b>988</b>	<b>1,068</b>	<b>1,181</b>
Other net fee and commission income	211	212	203	241	192	238
<b>Net fee and commission income</b>	<b>1,583</b>	<b>1,727</b>	<b>1,648</b>	<b>1,814</b>	<b>1,814</b>	<b>1,980</b>

# Market Leadership in Italy

## 1H15 Operating Income Breakdown by business area<sup>(1)</sup>



## Leader in Italy (data as of 30.6.15)

Ranking	Market share
1	Deposits <sup>(2)</sup> 15.0
1	Loans 15.2
1	Life Premiums <sup>(3)</sup> 16.9
1	Asset Management <sup>(4)</sup> 21.4
1	Pension Funds <sup>(3)</sup> 21.7
1	Factoring 30.4

Note: figures may not add up exactly due to rounding differences

(1) Excluding Corporate Centre

(2) Including bonds

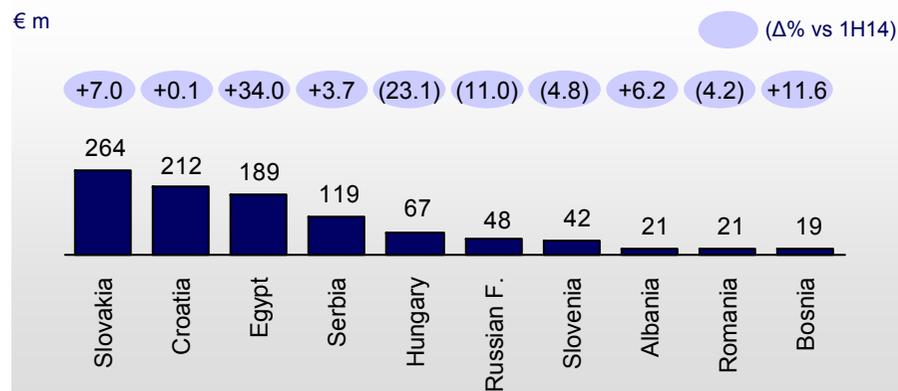
(3) Data as of 31.3.15

(4) Mutual funds; data as of 31.3.15

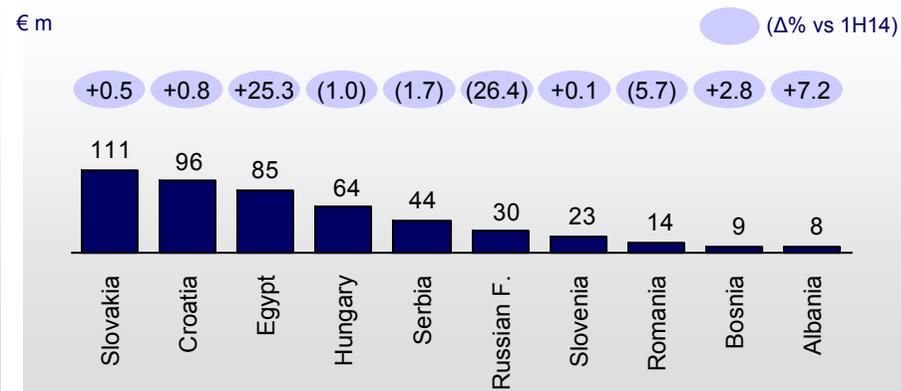
# International Subsidiary Banks: Key P&L Data by Country

Data as of 30.6.15

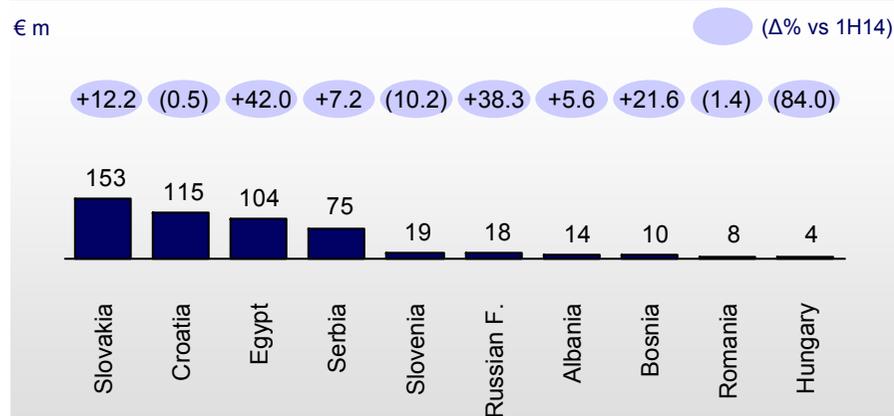
## Operating Income



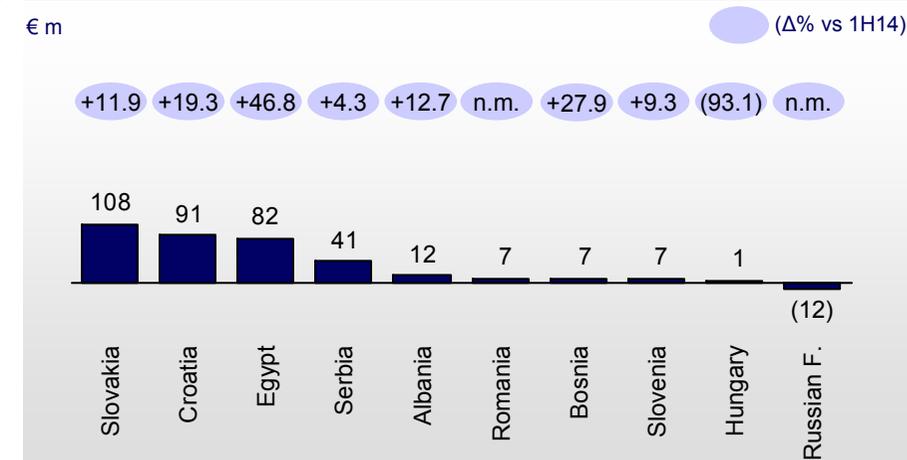
## Operating Costs



## Operating Margin



## Pre-Tax Income



Note: excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian "bad bank" included in the Capital Light Bank

# International Subsidiary Banks by Country: ~8% of the Group's Total Loans

Data as of 30.6.15

									<b>CEE Total</b>		<b>Total</b>
Hungary(*)	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.		Egypt	

<b>Oper. Income (€ m)</b>	67	264	42	212	119	19	21	21	48	813	189	1,002
<b>% of Group total</b>	<b>0.7%</b>	<b>2.8%</b>	<b>0.4%</b>	<b>2.3%</b>	<b>1.3%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.5%</b>	<b>8.7%</b>	<b>2.0%</b>	<b>10.7%</b>
<b>Net income (€ m)</b>	(17)	83	5	73	35	6	10	7	(10)	193	53	247
<b>% of Group total</b>	<b>n.m.</b>	<b>4.1%</b>	<b>0.3%</b>	<b>3.6%</b>	<b>1.8%</b>	<b>0.3%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>n.m.</b>	<b>9.6%</b>	<b>2.7%</b>	<b>12.3%</b>
<b>Customer Deposits (€ bn)</b>	3.7	9.8	1.7	6.8	2.8	0.5	0.8	0.6	0.6	27.4	4.4	31.8
<b>% of Group total</b>	<b>1.0%</b>	<b>2.7%</b>	<b>0.5%</b>	<b>1.9%</b>	<b>0.8%</b>	<b>0.1%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>7.5%</b>	<b>1.2%</b>	<b>8.7%</b>
<b>Customer Loans (€ bn)</b>	3.2	8.6	1.6	6.2	2.1	0.6	0.3	0.7	0.8	23.9	2.8	26.7
<b>% of Group total</b>	<b>0.9%</b>	<b>2.5%</b>	<b>0.5%</b>	<b>1.8%</b>	<b>0.6%</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>7.0%</b>	<b>0.8%</b>	<b>7.8%</b>
<b>Total Assets (€ bn)</b>	5.3	12.0	2.4	9.6	4.1	0.8	1.0	1.1	1.2	37.4	5.4	42.7
<b>% of Group total</b>	<b>0.8%</b>	<b>1.8%</b>	<b>0.4%</b>	<b>1.4%</b>	<b>0.6%</b>	<b>0.1%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>5.6%</b>	<b>0.8%</b>	<b>6.4%</b>
<b>Book value (€ m)</b>	525	1,332	277	1,698	851	105	124	150	218	5,280	435	5,715
<b>- goodwill/intangibles</b>	20	56	4	11	7	2	4	5	9	118	3	121

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank which is included in the Capital Light Bank

(\*) Balance sheet figures incorporate the Hungarian "bad bank" which is included in the Capital Light Bank

# International Subsidiary Banks by Country: Loans Breakdown and Coverage

Data as of 30.6.15

	 Hungary <sup>(*)</sup>	 Slovakia	 Slovenia	 Croatia	 Serbia	 Bosnia	 Albania	 Romania	 Russian F.	 CEE Total	 Egypt	 Total
<b>Performing loans (€ bn)</b>	2.6	8.3	1.3	5.7	1.9	0.5	0.2	0.6	0.7	<b>21.9</b>	2.7	<b>24.6</b>
<b>of which:</b>												
<b>Retail local currency</b>	30%	56%	58%	19%	15%	6%	5%	32%	4%	<b>36%</b>	55%	<b>38%</b>
<b>Retail foreign currency</b>	6%	0%	1%	34%	22%	40%	14%	61%	0%	<b>14%</b>	0%	<b>13%</b>
<b>Corporate local currency</b>	28%	39%	39%	13%	10%	26%	32%	3%	84%	<b>29%</b>	30%	<b>29%</b>
<b>Corporate foreign currency</b>	36%	5%	2%	33%	54%	27%	50%	3%	11%	<b>21%</b>	14%	<b>20%</b>
<b>Doubtful loans<sup>(1)</sup> (€ m)</b>	217	131	72	130	105	15	24	82	21	<b>797</b>	8	<b>805</b>
<b>Unlikely to pay<sup>(2)</sup> (€ m)</b>	357	132	84	336	139	4	13	16	33	<b>1,114</b>	127	<b>1,241</b>
<b>Performing loans coverage</b>	2.3%	1.1%	1.1%	1.5%	1.3%	0.9%	4.5%	1.2%	1.1%	<b>1.4%</b>	2.4%	<b>1.5%</b>
<b>Doubtful loans<sup>(1)</sup> coverage</b>	65%	64%	63%	68%	56%	73%	56%	70%	76%	<b>65%</b>	95%	<b>67%</b>
<b>Unlikely to pay<sup>(2)</sup> coverage</b>	39%	29%	18%	35%	37%	20%	43%	30%	43%	<b>35%</b>	32%	<b>35%</b>
<b>Annualised Cost of credit<sup>(3)</sup> (bps)</b>	287	94	143	44	325	111	119	12	733	<b>150</b>	147	<b>149</b>

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank which is included in the Capital Light Bank

(\*) Including the Hungarian "bad bank" which is included in the Capital Light Bank

(1) *Sofferenze*

(2) Including Past due

(3) Net adjustments to loans/Net customer loans

# Common Equity Ratio as of 30.6.15: from Phased-in to Pro-forma Fully Loaded

	~€ bn	~bps
<b>Transitional adjustments</b>		
Reserve shortfall	(0.0)	(0)
Valuation reserves	(0.2)	(9)
Minorities exceeding requirements	(0.1)	(4)
DTA on losses carried forward <sup>(1)</sup>	0.1	4
<b>Total</b>	<b>(0.3)</b>	<b>(9)</b>
<b>Deductions exceeding cap<sup>(*)</sup></b>		
<b>Total</b>	<b>(0.8)</b>	<b>(34)</b>
<sup>(*)</sup> as a memo, constituents of deductions subject to cap:		
- Other DTA <sup>(2)</sup>	1.5	
- Investments in banking and financial companies	0.7	
- Investments in insurance companies <sup>(3)</sup>	4.5	
<b>RWA from 100% weighted DTA<sup>(4)</sup></b>	<b>(5.0)</b>	<b>23</b>
Benefit from the Danish Compromise		6
<b>Total estimated impact</b>		<b>(15)</b>
<b>Pro-forma fully loaded Common Equity ratio</b>		<b>13.3%</b>

Note: figures may not add up exactly due to rounding differences

(1) Considering the expected absorption of DTA on losses carried forward (€0.2bn as of 30.6.15)

(2) Other DTA: mostly related to provisions for risks and charges. DTA related to goodwill realignment and adjustments to loans are excluded due to their treatment as credits to tax authorities

(3) Considering the expected distribution of 1H15 net income of insurance companies

(4) Considering the total absorption of DTA related to goodwill realignment (€5.1bn as of 30.6.15)

# Total Exposure<sup>(1)</sup> by Main Countries

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV <sup>(2)</sup>	HFT				
<b>EU Countries</b>	<b>10,383</b>	<b>53,399</b>	<b>1,142</b>	<b>1,014</b>	<b>14,143</b>	<b>80,081</b>	<b>62,558</b>	<b>142,639</b>	<b>328,029</b>
Austria	133	24	3		63	223	8	231	496
Belgium		1,169			320	1,489	106	1,595	279
Bulgaria							44	44	38
Croatia	146	108	23	821	8	1,106	39	1,145	6,305
Cyprus									85
Czech Republic									321
Denmark		10			57	67	43	110	167
Estonia									2
Finland		183			165	348	19	367	21
France	218	5,926		193	1,222	7,559	845	8,404	2,650
Germany	221	7,169	4		1,183	8,577	2,677	11,254	3,543
Greece	1				2	3		3	14
Hungary	45	239			237	521	31	552	3,266
Ireland	79	295			225	599	279	878	284
Italy	8,087	30,333	473		7,565	46,458	54,744	101,202	276,592
Latvia									55
Lithuania		40				40		40	8
Luxembourg	146	13			434	593	319	912	3,222
Malta									410
The Netherlands	166	988	38		925	2,117	560	2,677	2,595
Poland	26	47			158	231	15	246	384
Portugal	216				67	283	14	297	208
Romania		175			7	182	51	233	771
Slovakia		1,069	601		23	1,693		1,693	8,027
Slovenia		225				225	8	233	1,484
Spain	493	4,860			476	5,829	1,570	7,399	2,575
Sweden		8			498	506	5	511	26
United Kingdom	406	518			508	1,432	1,181	2,613	14,201
<b>North African Countries</b>		<b>1,411</b>				<b>1,411</b>		<b>1,411</b>	<b>2,896</b>
Algeria									2
Egypt		1,411				1,411		1,411	2,853
Libya									5
Morocco									27
Tunisia									9
<b>Japan</b>					<b>268</b>	<b>268</b>	<b>91</b>	<b>359</b>	<b>218</b>

Note: figures may not add up exactly due to rounding differences

(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as of 30.6.15

(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

# Exposure to Sovereign Risks<sup>(1)</sup> by Main Countries

€ m

	DEBT SECURITIES										LOANS
	Banking Business					Total	Insurance Business	Total	AFS Reserve <sup>(3)</sup>		
	L&R	AFS	HTM	CFV <sup>(2)</sup>	HFT						
<b>EU Countries</b>	<b>7,653</b>	<b>50,948</b>	<b>1,003</b>	<b>815</b>	<b>9,083</b>	<b>69,502</b>	<b>54,194</b>	<b>123,696</b>	<b>-86</b>	<b>19,768</b>	
Austria			3		6	9		15			
Belgium		1,169			75	1,244	10	1,254	1		
Bulgaria							35	35			
Croatia	134	105	23	815	3	1,080	33	1,113		908	
Cyprus											
Czech Republic											
Denmark					18	18		18			
Estonia											
Finland		81			142	223	8	231		9	
France	105	5,694			891	6,690	77	6,767	-40	15	
Germany	40	7,140			756	7,936	2,063	9,999	12		
Greece											
Hungary	30	239			230	499	31	530		254	
Ireland		225				225	88	313	-3		
Italy	7,048	28,990	376		5,652	42,066	50,751	92,817	32	17,758	
Latvia										55	
Lithuania		40				40		40			
Luxembourg											
Malta											
The Netherlands		728			533	1,261	127	1,388	1		
Poland	26	47			155	228	15	243	-2		
Portugal	17				18	35		35		20	
Romania		175			7	182	51	233	1	8	
Slovakia		970	601		22	1,593		1,593	21	111	
Slovenia		202				202	8	210	6	162	
Spain	253	4,795			161	5,209	891	6,100	-115	468	
Sweden					414	414		414			
United Kingdom		348				348		348			
<b>North African Countries</b>		<b>1,409</b>				<b>1,409</b>		<b>1,409</b>	<b>-3</b>		
Algeria											
Egypt		1,409				1,409		1,409	-3		
Libya											
Morocco											
Tunisia											
<b>Japan</b>					<b>226</b>	<b>226</b>		<b>226</b>			

**Banking Business Government bond duration: ~4 years**  
**Adjusted duration due to hedging: ~0.2 years**

Note: figures may not add up exactly due to rounding differences

(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as of 30.6.15

(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

(3) Net of tax and allocation to insurance products under separate management; referred to all debt securities; almost entirely regarding sovereign risks

# Exposure to Banks by Main Countries<sup>(1)</sup>

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV <sup>(2)</sup>	HFT				
<b>EU Countries</b>	<b>632</b>	<b>1,121</b>	<b>139</b>	<b>196</b>	<b>2,481</b>	<b>4,569</b>	<b>3,959</b>	<b>8,528</b>	<b>17,372</b>
Austria	123				31	154		154	245
Belgium					193	193	31	224	150
Bulgaria									1
Croatia				3	4	7		7	36
Cyprus									1
Czech Republic									1
Denmark		10			39	49	19	68	123
Estonia									
Finland		62			23	85		85	10
France		125		193	186	504	233	737	1,148
Germany	111		4		267	382	176	558	1,475
Greece									3
Hungary									103
Ireland					52	52	95	147	31
Italy	86	604	97		643	1,430	2,215	3,645	5,325
Latvia									
Lithuania									5
Luxembourg	50				423	473	290	763	1,818
Malta									388
The Netherlands	22	83	38		162	305	228	533	355
Poland									135
Portugal					6	6	1	7	17
Romania									32
Slovakia		99			1	100		100	
Slovenia		22				22		22	5
Spain	100	5			251	356	257	613	837
Sweden					83	83		83	8
United Kingdom	140	111			117	368	414	782	5,120
<b>North African Countries</b>		<b>2</b>				<b>2</b>		<b>2</b>	<b>117</b>
Algeria									1
Egypt		2				2		2	85
Libya									
Morocco									27
Tunisia									4
<b>Japan</b>							<b>42</b>	<b>42</b>	<b>46</b>

Note: figures may not add up exactly due to rounding differences

(1) Book Value of Debt Securities and Net Loans as of 30.6.15

(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

# Exposure to Other Customers by Main Countries<sup>(1)</sup>

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV <sup>(2)</sup>	HFT				
<b>EU Countries</b>	<b>2,098</b>	<b>1,330</b>		<b>3</b>	<b>2,579</b>	<b>6,010</b>	<b>4,405</b>	<b>10,415</b>	<b>290,889</b>
Austria	10	24			26	60	2	62	251
Belgium					52	52	65	117	129
Bulgaria							9	9	37
Croatia	12	3		3	1	19	6	25	5,361
Cyprus									84
Czech Republic									320
Denmark							24	24	44
Estonia									2
Finland		40				40	11	51	2
France	113	107			145	365	535	900	1,487
Germany	70	29			160	259	438	697	2,068
Greece	1				2	3		3	11
Hungary	15				7	22		22	2,909
Ireland	79	70			173	322	96	418	253
Italy	953	739			1,270	2,962	1,778	4,740	253,509
Latvia									
Lithuania									3
Luxembourg	96	13			11	120	29	149	1,404
Malta									22
The Netherlands	144	177			230	551	205	756	2,240
Poland					3	3		3	249
Portugal	199				43	242	13	255	171
Romania									731
Slovakia									7,916
Slovenia		1				1		1	1,317
Spain	140	60			64	264	422	686	1,270
Sweden		8			1	9	5	14	18
United Kingdom	266	59			391	716	767	1,483	9,081
<b>North African Countries</b>									<b>2,779</b>
Algeria									1
Egypt									2,768
Libya									5
Morocco									
Tunisia									5
<b>Japan</b>					<b>42</b>	<b>42</b>	<b>49</b>	<b>91</b>	<b>172</b>

Note: figures may not add up exactly due to rounding differences

(1) Book Value of Debt Securities and Net Loans as of 30.6.15

(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

# Disclaimer

**“The manager responsible for preparing the company’s financial reports, Fabrizio Dabbene, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records”.**

\* \* \*

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