

1Q14 Results

**A Good Start
to the Year**

**A Strong Bank,
Ready for Growth**

May 15, 2014







INTESA  SANPAOLO




Q1: Good Start to the Year...


- Strong improvement in profitability, with quality earnings delivered
- Growing Net interest income, reversing recent trends
- Sustained increase in Net fees and commissions confirmed
- Continued cost management success
- Robust provisioning, despite lower NPL inflow
- Balance sheet further strengthened, even after pro quota dividends of €250m

**...firmly on track to deliver our 2014-17
Business Plan commitments**

Q1 at a Glance

- **Strong economic performance driven by quality earnings:**
 - **Net income at €503m, the highest of the past eight quarters** 
 - **Pre-tax income at €953m (+22% vs 1Q13, +43% vs 4Q13)** 
 - **Increase in Net interest income (+4% vs 1Q13, +3% vs 4Q13) after six quarters of a negative YoY trend** 
 - **Sustained growth in Net fees and commissions (+8% vs 1Q13, +6% vs 4Q13⁽¹⁾)** 
 - **Continued strong cost management (flat vs 1Q13, -5% vs 4Q13) with C/I at 50.8%** 
 - **Robust provisioning despite the significant reduction in net NPL inflow from performing loans (lowest quarter of the past three years, -24% vs 1Q13⁽²⁾)** 

- **Strong balance sheet further strengthened: one of the first banks in the world to be fully Basel 3 compliant**
 - **Strengthened capital base vs YE13 (fully loaded pro-forma Common Equity ratio after dividends at 12.6%⁽³⁾); ~€9bn of excess capital⁽⁴⁾ and ~€12bn capital buffer ahead of AQR⁽⁵⁾** 
 - **Strong liquidity position and funding capability with LTRO fully repaid in 2013 and ~80% of 2014 wholesale bond maturities already covered** 
 - **NPL cash coverage increased to 46.7% (+350bps YoY, +70bps QoQ)** 

- **Business Plan initiatives well underway, with a high level of involvement from our people** 

(1) Excluding €128m of performance fees booked in 4Q13

(2) Calculated on net NPL inflow from performing loans

(3) Including estimated benefits from the Danish compromise (14bps) and from the stake in the Bank of Italy (87bps)

(4) Compared to Basel 3 maximum compliance level for Global SIFI of 9.5% (4.5% minimum capital requirement + 2.5% conservation buffer + 2.5% current maximum SIFI buffer)

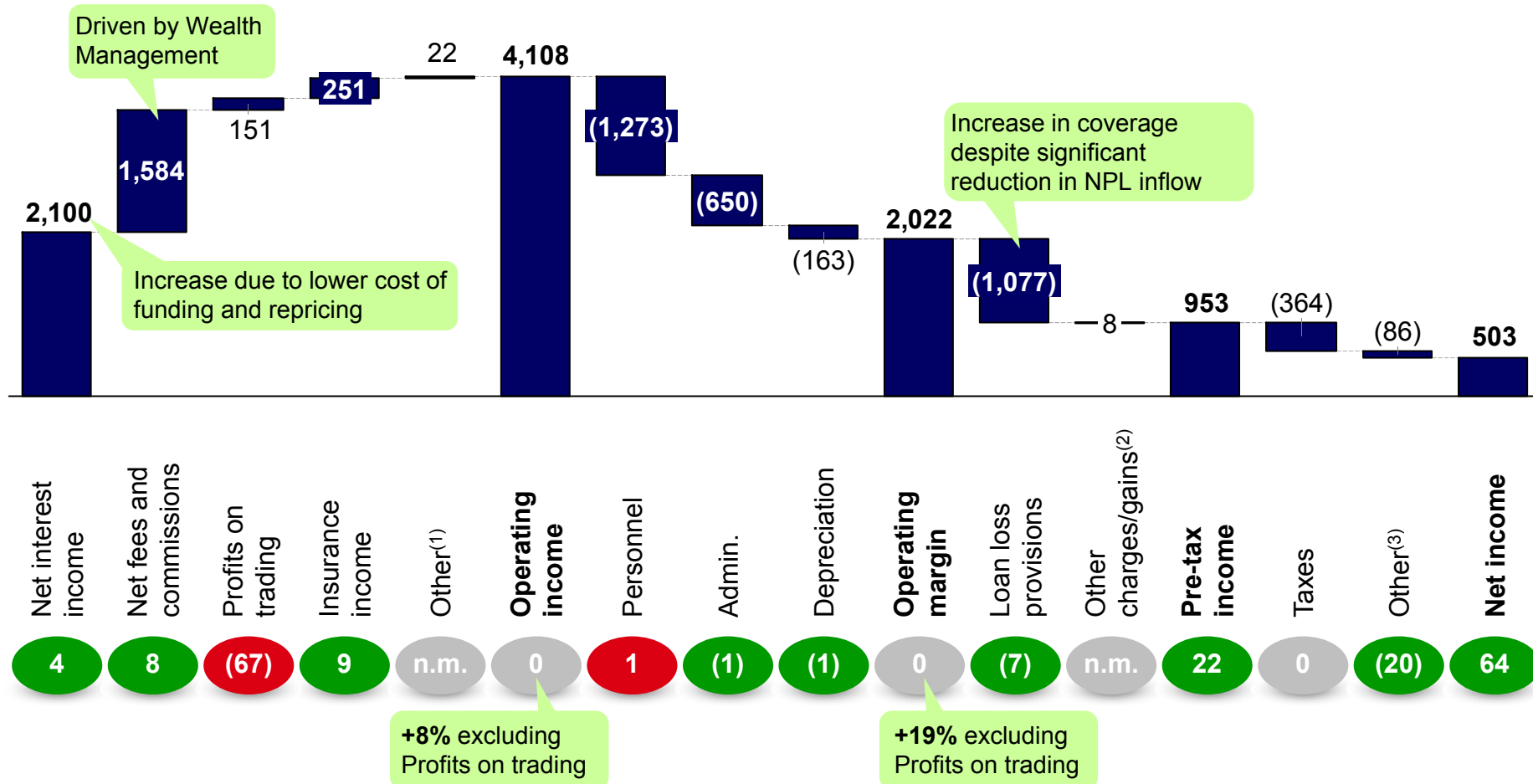
(5) Calculated vs the AQR threshold (8%). Calculation of capital buffer does not take into account the benefit from the stake in the Bank of Italy

1Q14 vs 1Q13: Increase in Profitability with Quality Earnings Delivered

1Q14 P&L

€ m

% Δ vs 1Q13



(1) Dividends and other operating income (expenses)

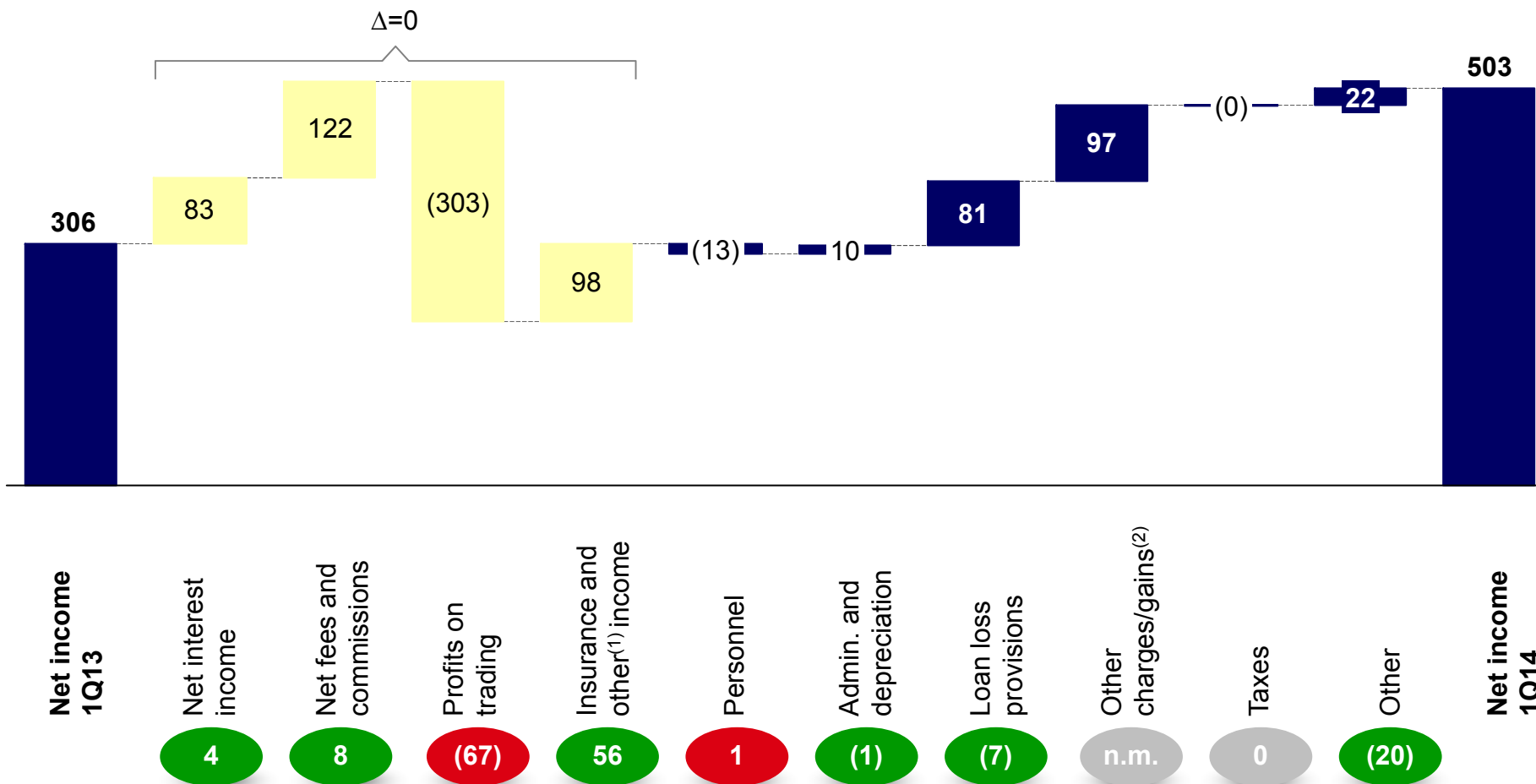
(2) Net impairment losses on assets, Profits (Losses) on HTM and on other investments, Provisions for risks and charges

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

Higher Net Interest Income, Net Commissions and Insurance Income Offset Lower Profits on Trading...

Δ Year on Year
€ m

⊘ % Δ vs 1Q13



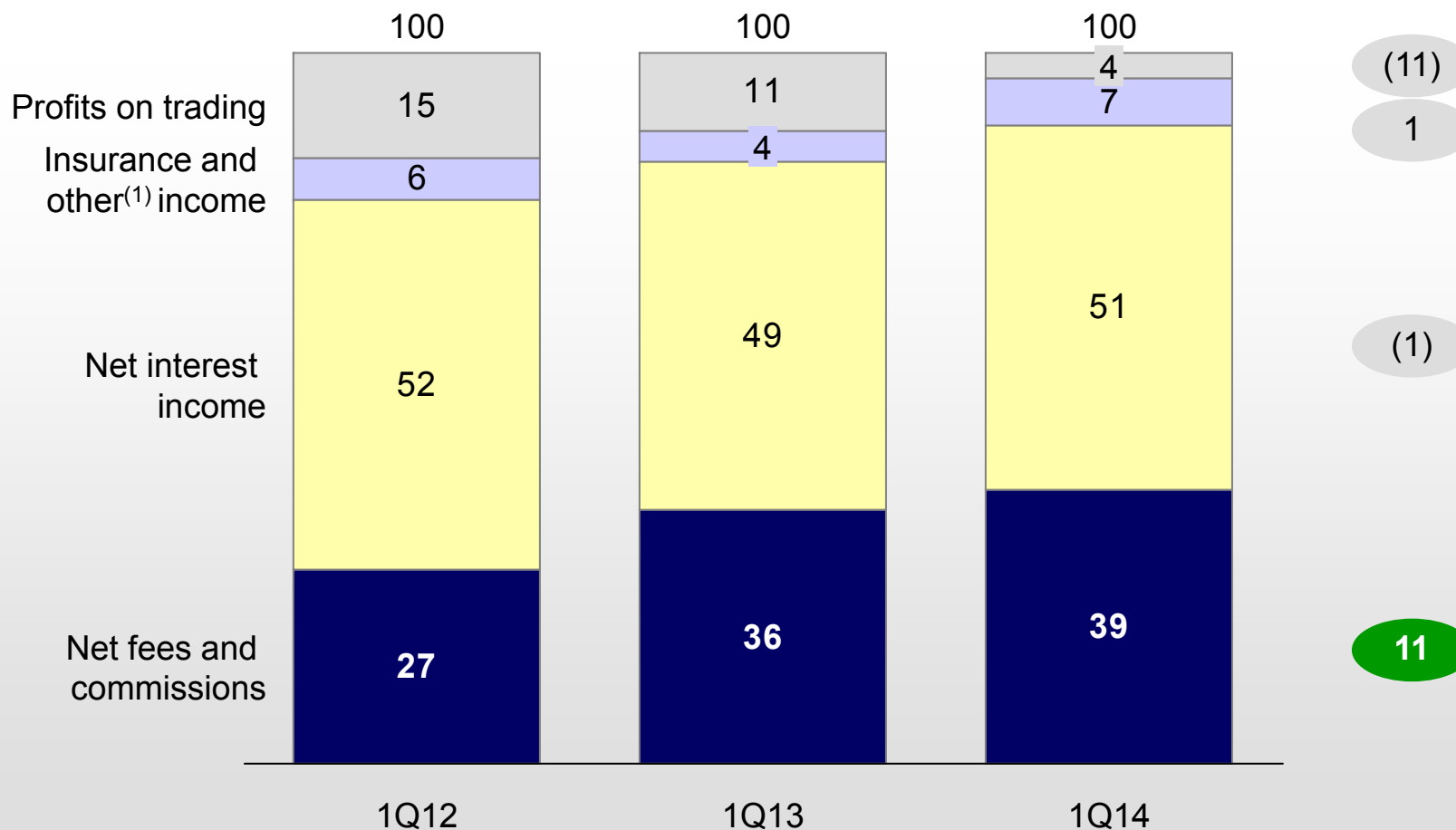
(1) Insurance income, Dividends and other operating income (expenses)

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

...Resulting in an Improved Operating Income Mix

Operating Income Mix
Indexed, %

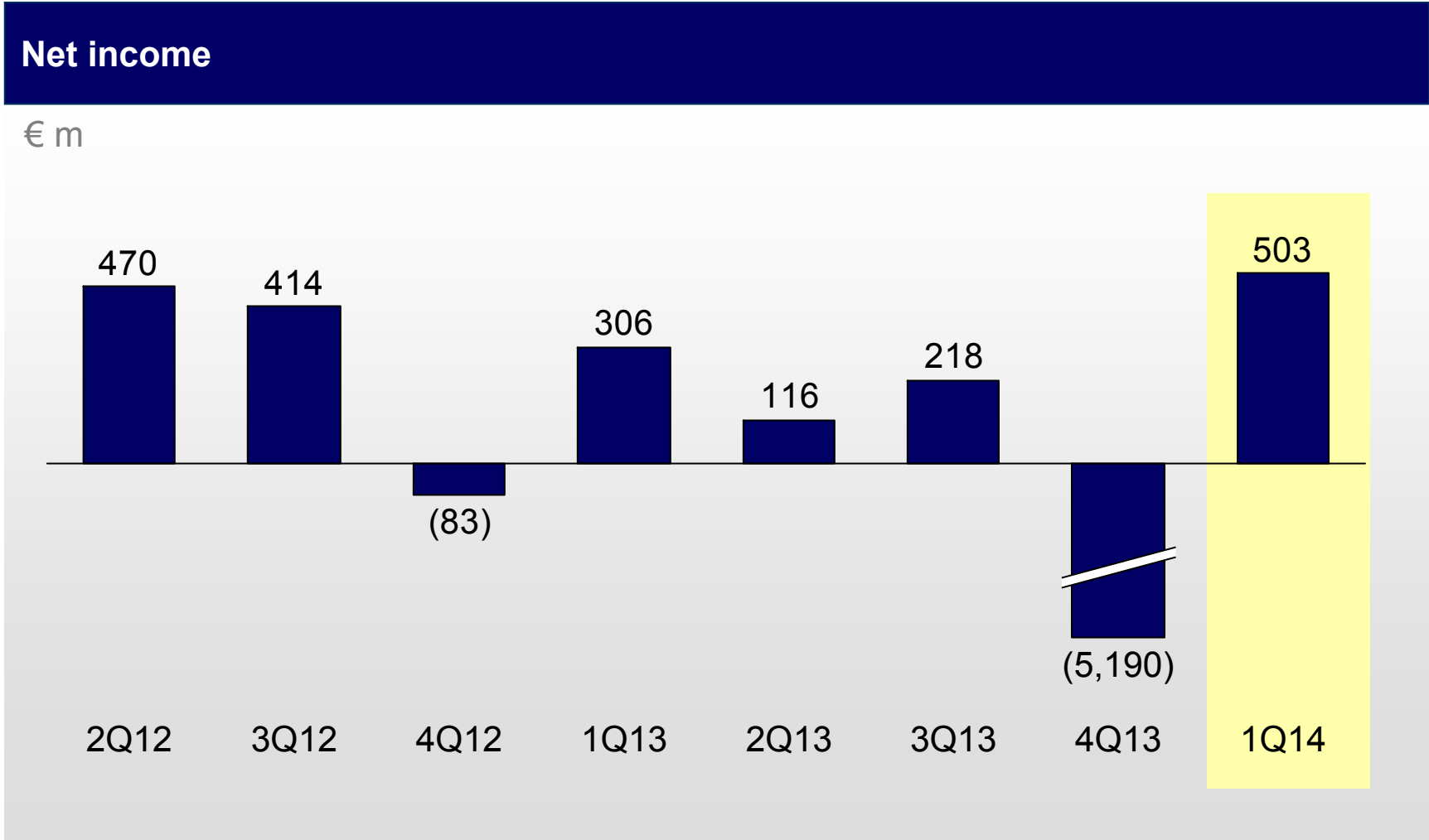
pp Δ mix vs 1Q12



Contribution of Net fees and commissions and Net interest income up 5pp vs 1Q13

Note: figures may not add up exactly due to rounding differences
(1) Insurance Income, dividends and other operating income (expenses)

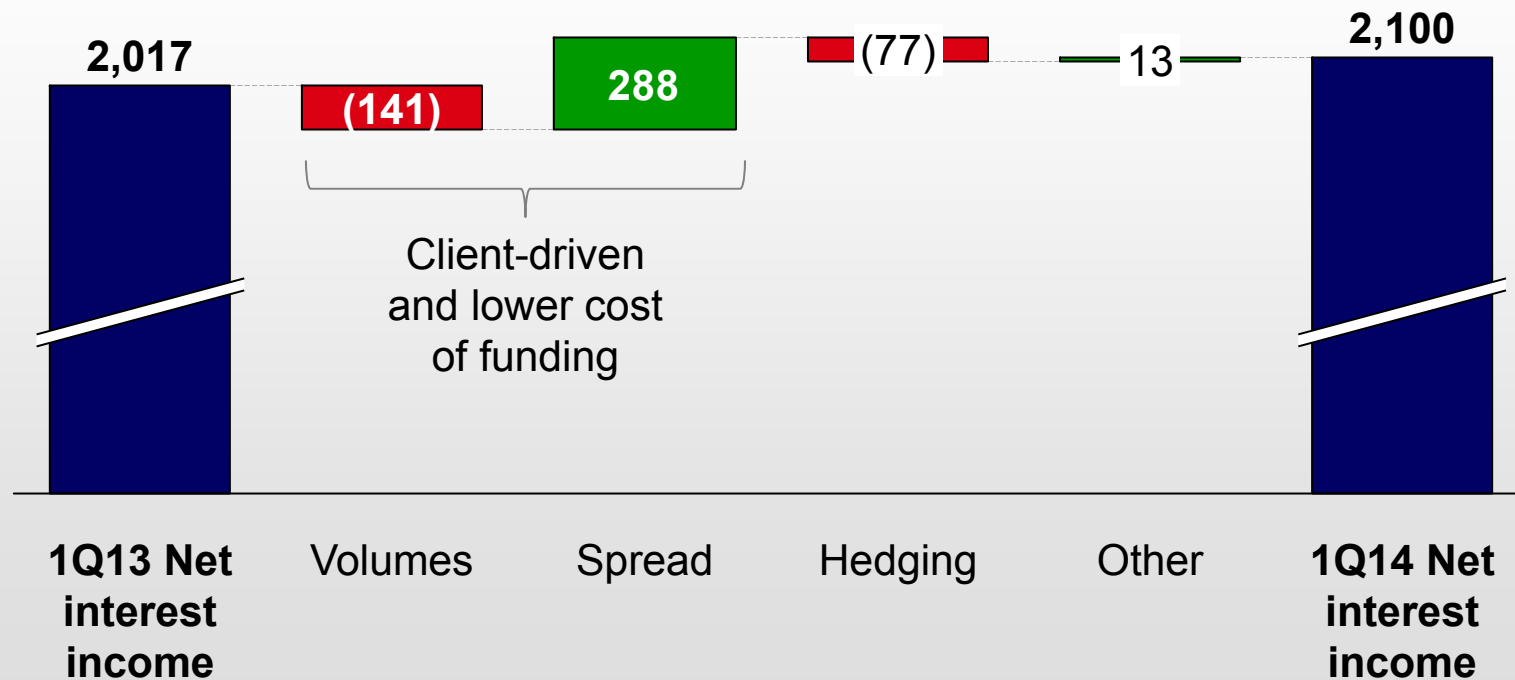
Highest Net Income of the Past Eight Quarters



Growth in Net Interest Income Driven by Repricing and Lower Cost of Funding

Net interest income evolution

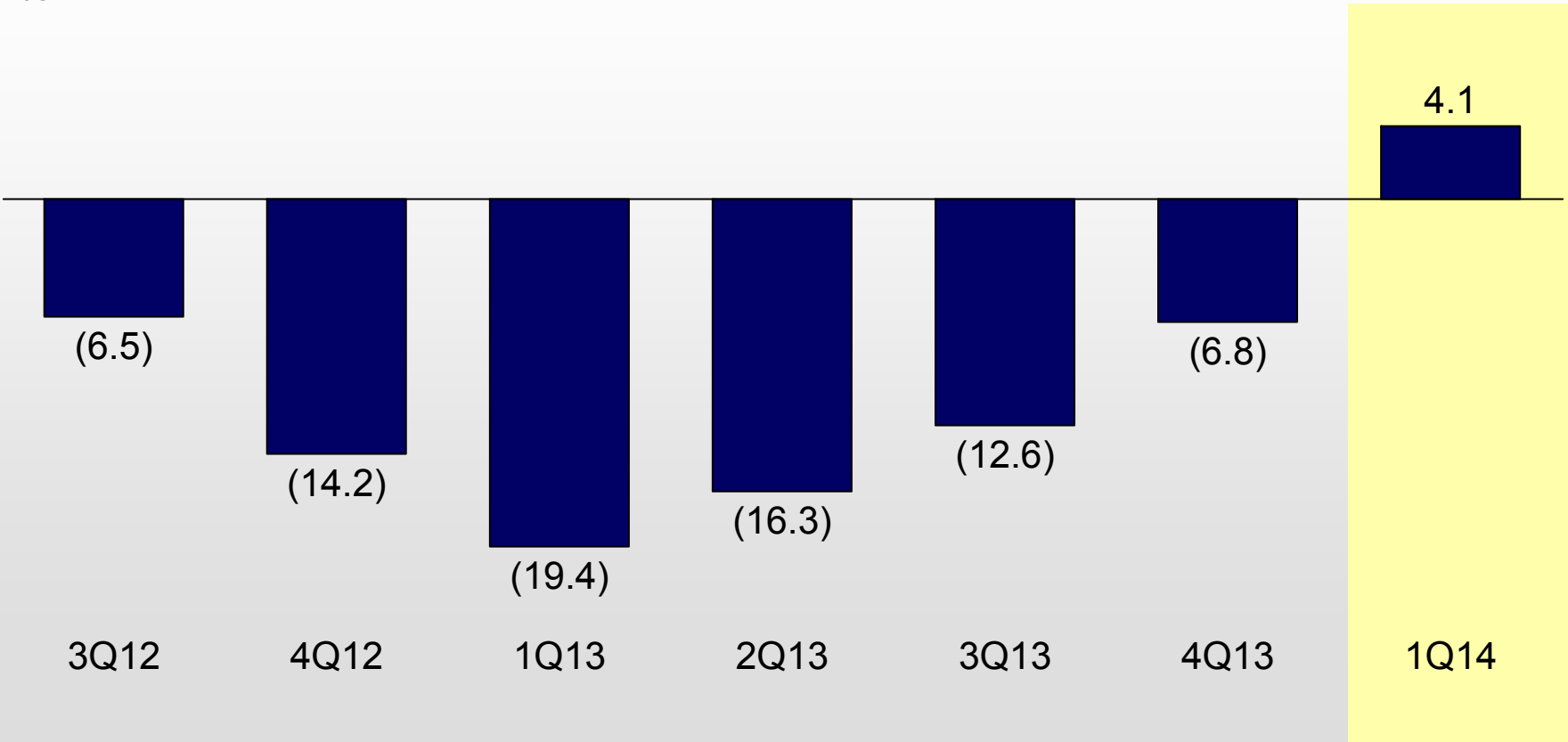
Δ 1Q14 vs 1Q13
€ m



Increase in Net Interest Income After Six Quarters of Negative YoY Trend

Net interest income Δ YoY

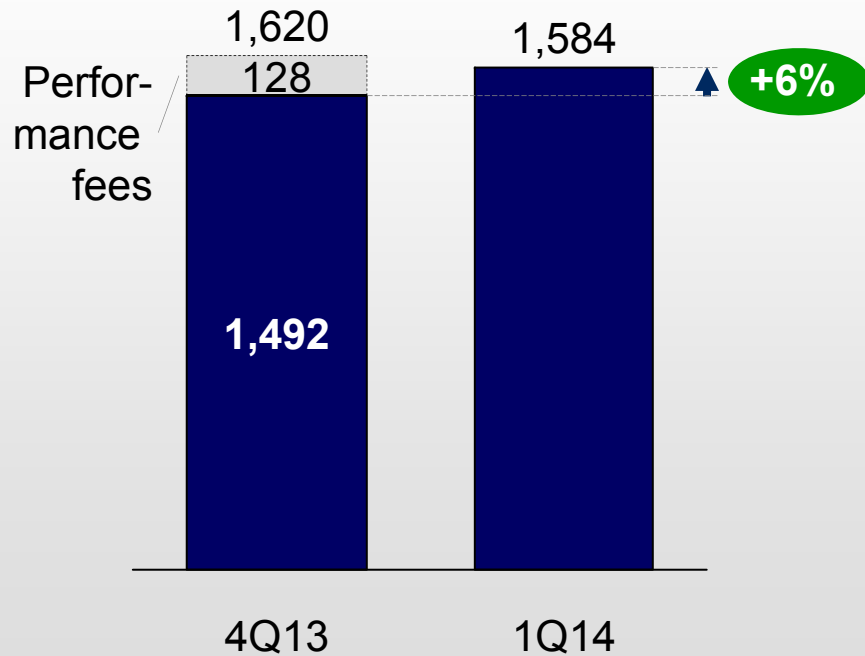
Δ %



Sustained Increase in Net Fees and Commissions...

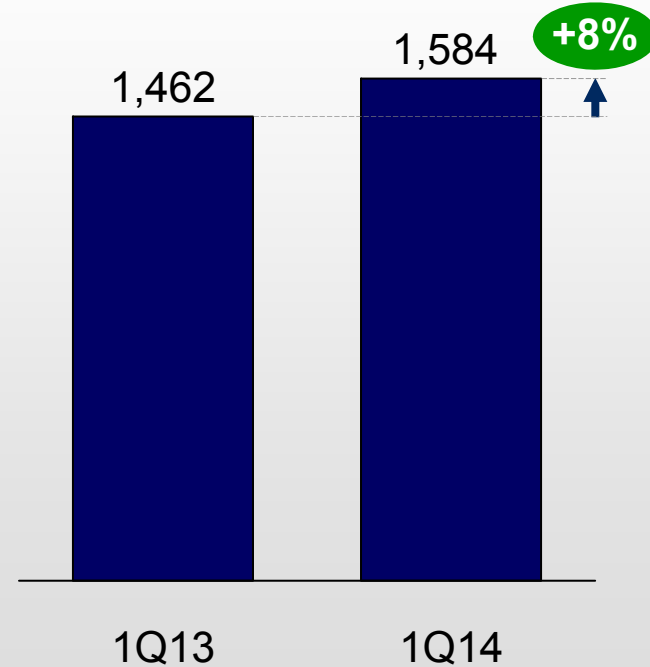
Quarterly comparison

Net fees and commissions
€ m

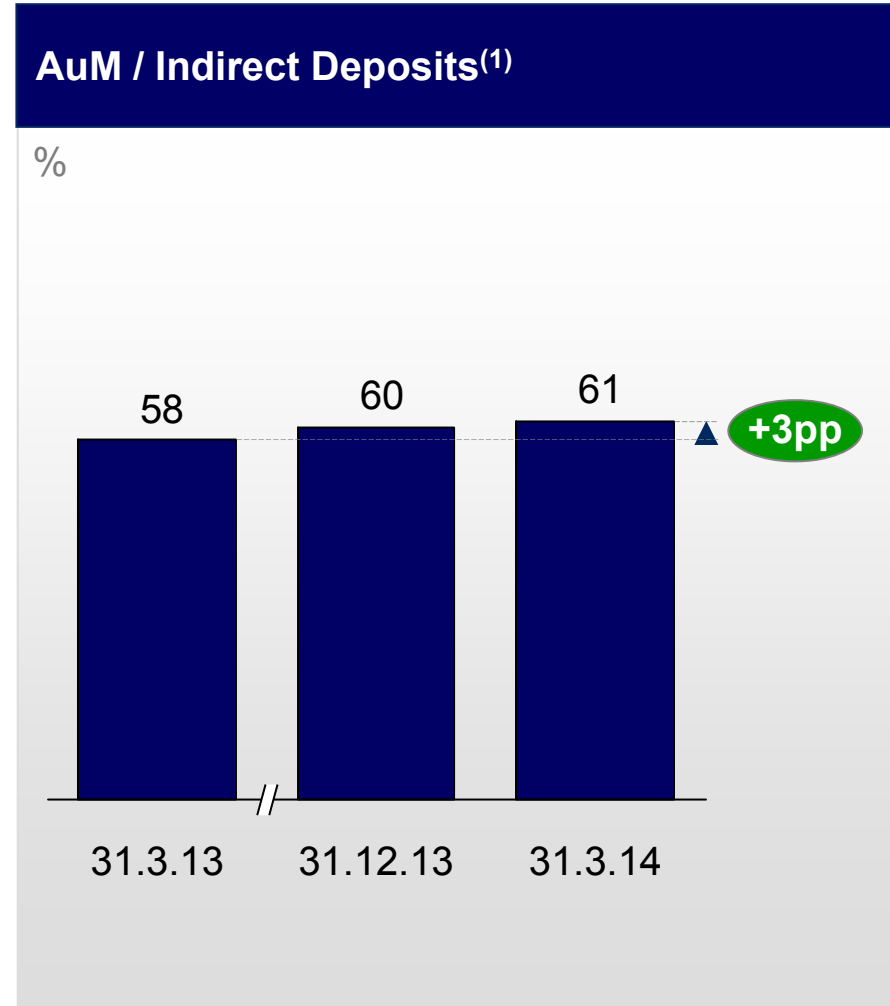


Yearly comparison

Net fees and commissions
€ m

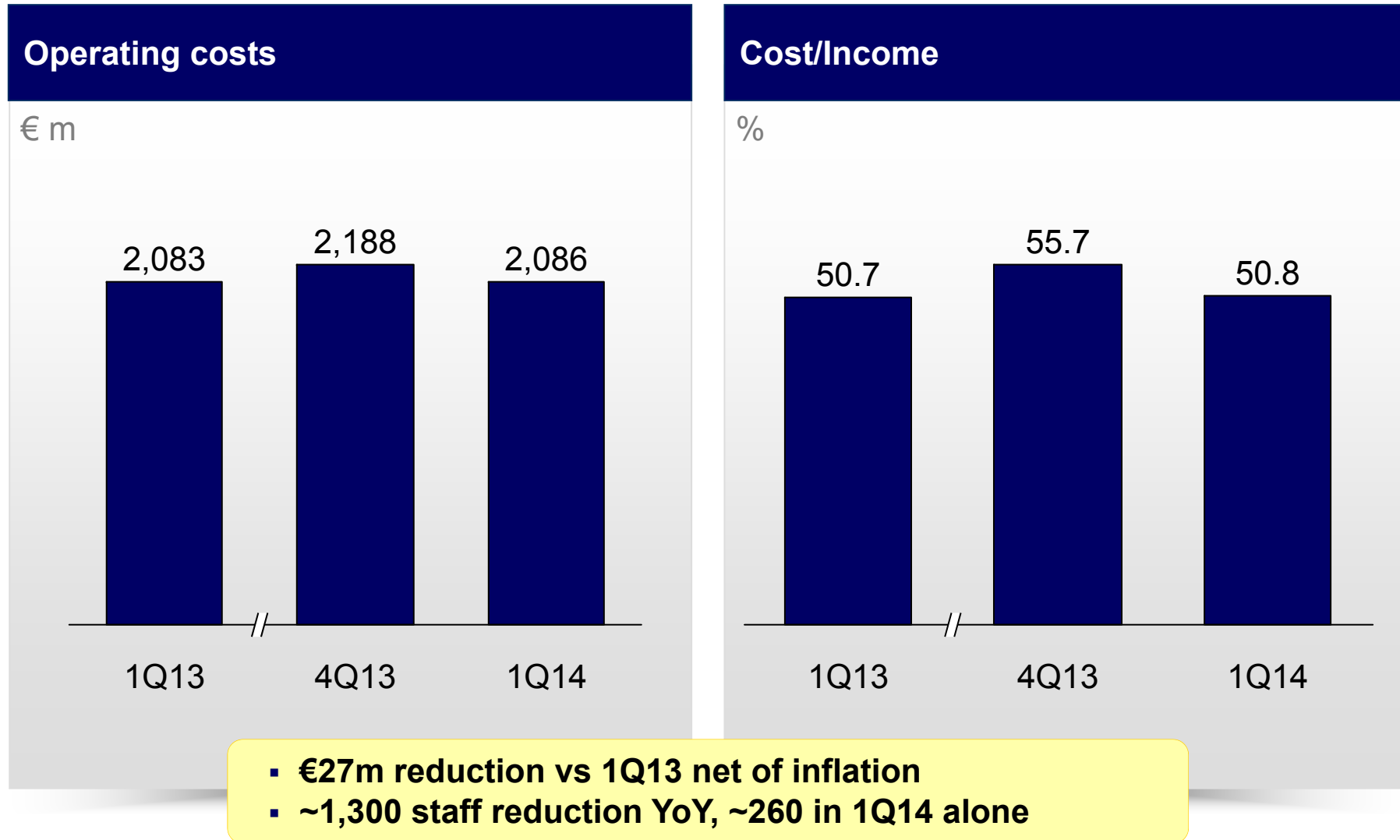


...Driven by Significant Growth in Assets Under Management



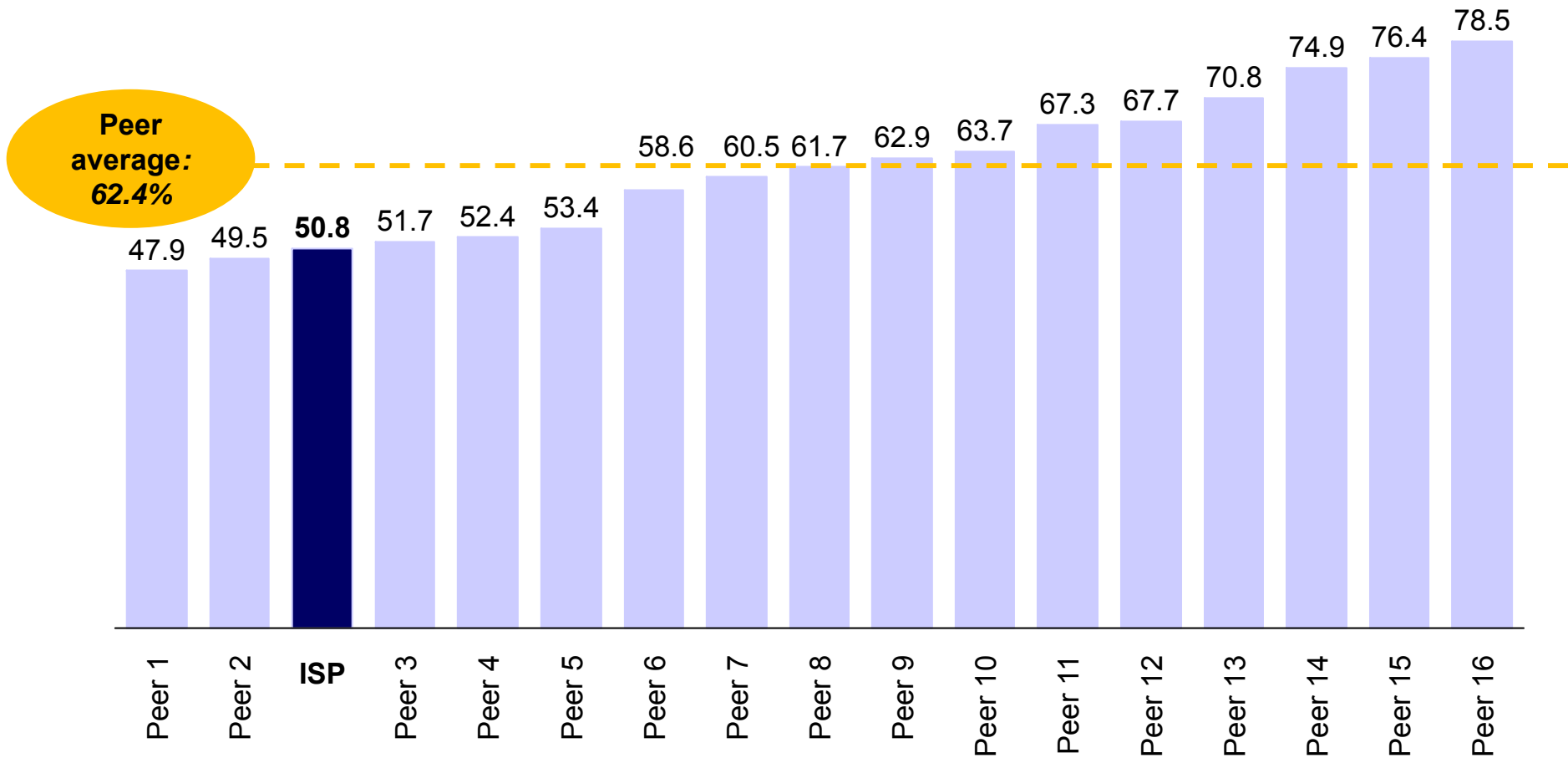
(1) Sum of Assets under Management and Assets under Administration

Stable Operating Costs YoY, Driven by Continued Focus on Cost Management...



...Underpinning our Best-in-class Cost/Income Ratio

Cost/Income⁽¹⁾
%



(1) Sample: Barclays, BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole SA, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Société Générale, UBS and Unicredit (data as of 31.3.14); Standard Chartered (data as of 31.12.13)

Continued Robust Provisioning, Despite NPL Inflow Falling to 2011 Levels

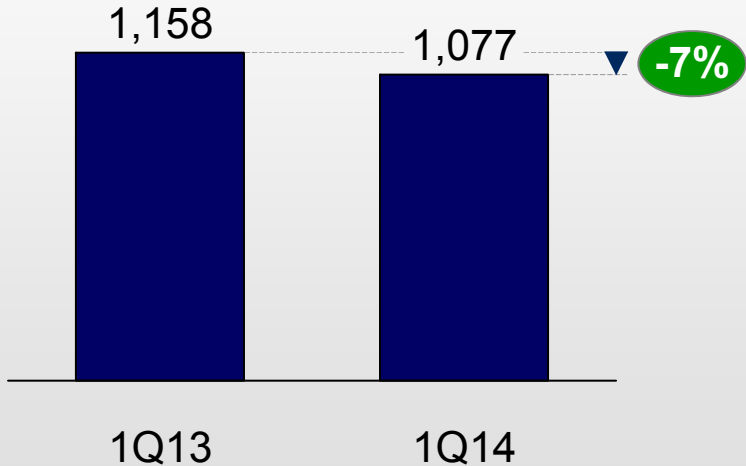
Net NPL inflow⁽¹⁾ from performing loans

€ bn



Loan loss provisions

€ m



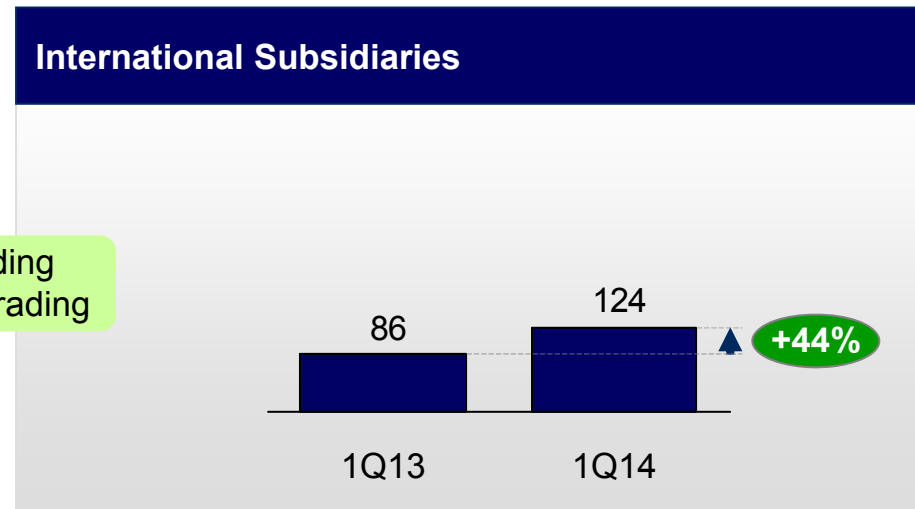
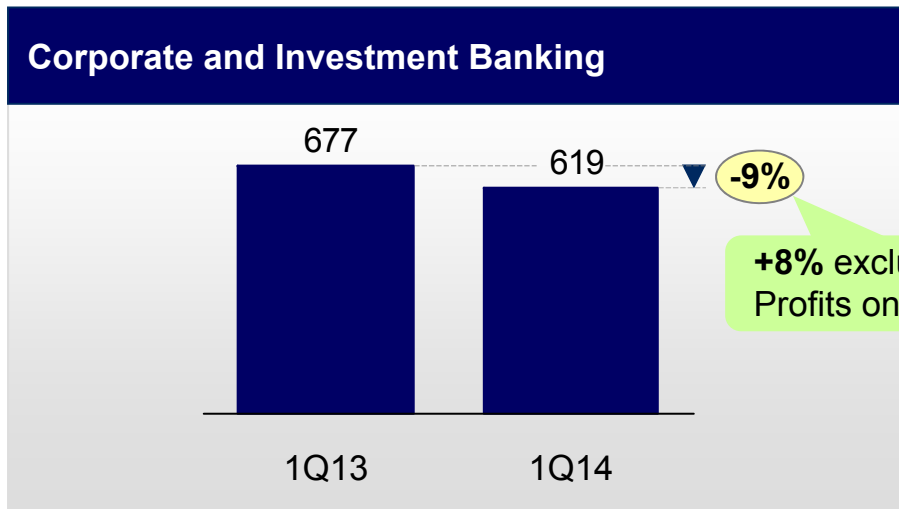
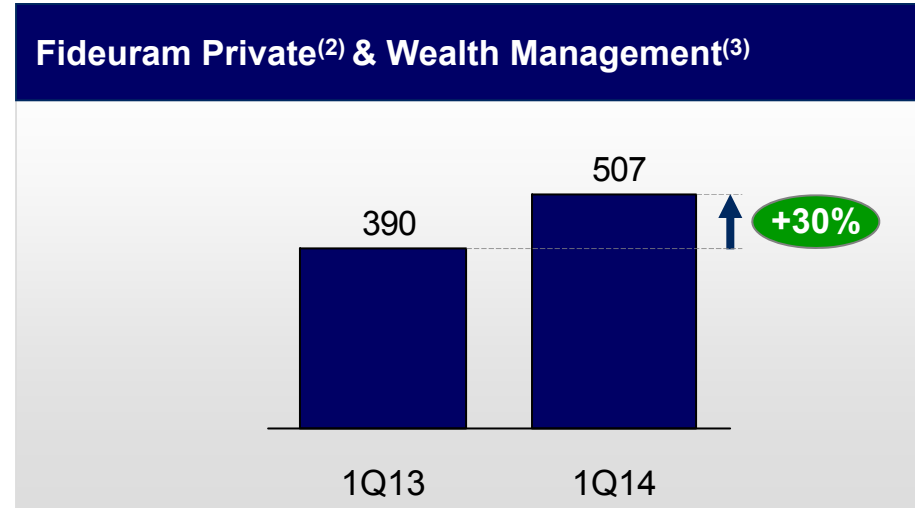
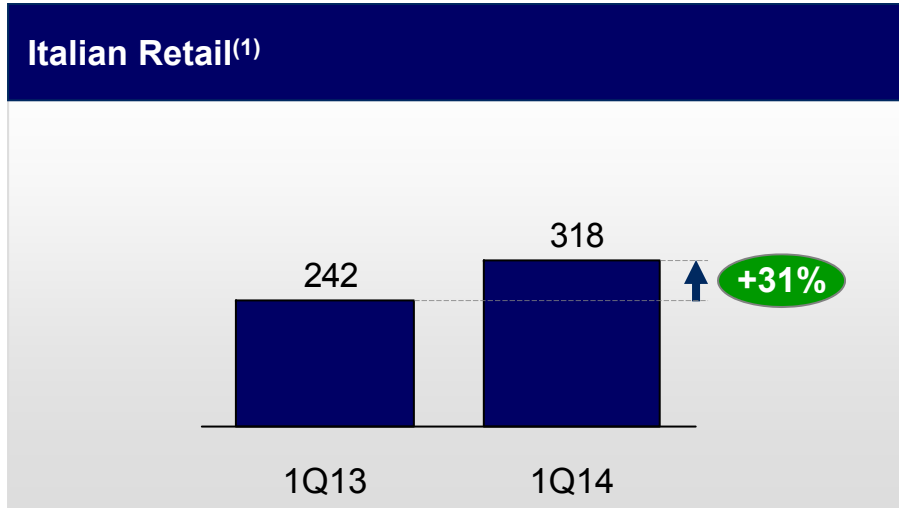
Positive impact of pro-active credit management

(1) Inflow to NPL (Doubtful Loans, Substandard Loans, Restructured and Past Due) from performing loans minus outflow from NPL to performing loans
 (2) Excluding the effect of regulatory changes to Past Due classification criteria introduced by Bank of Italy (90 days since 2012 vs 180 until 31.12.11)

Positive Contribution from All Business Units

Pre-tax Income contribution by Business Unit

€ m



(1) Banca dei Territori excluding Intesa Sanpaolo Private Banking and Insurance

(2) Banca Fideuram Group and Intesa Sanpaolo Private Banking

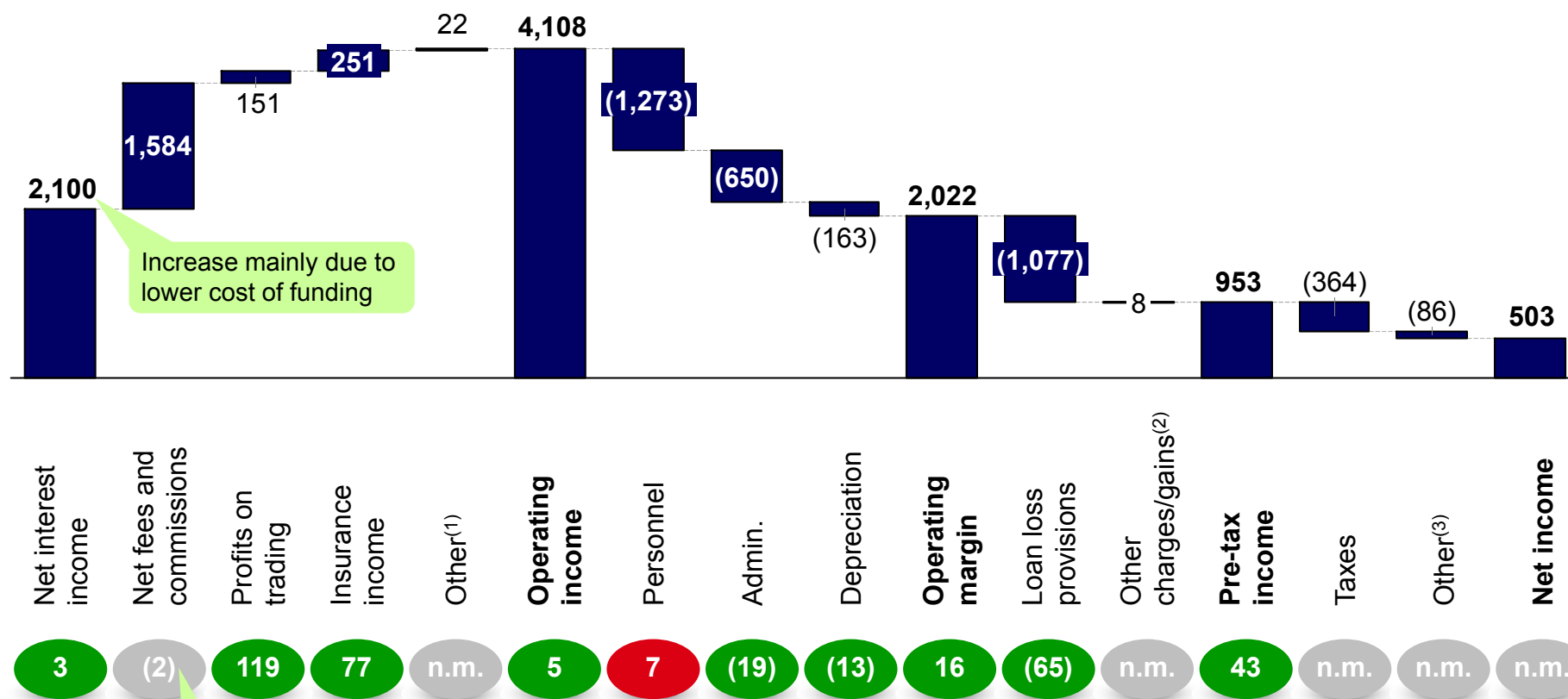
(3) Eurizon Capital and Intesa Sanpaolo Vita

1Q14 vs 4Q13: Strong Increase in Profitability

1Q14 P&L

€ m

⊘ Δ vs 4Q13



Increase mainly due to lower cost of funding

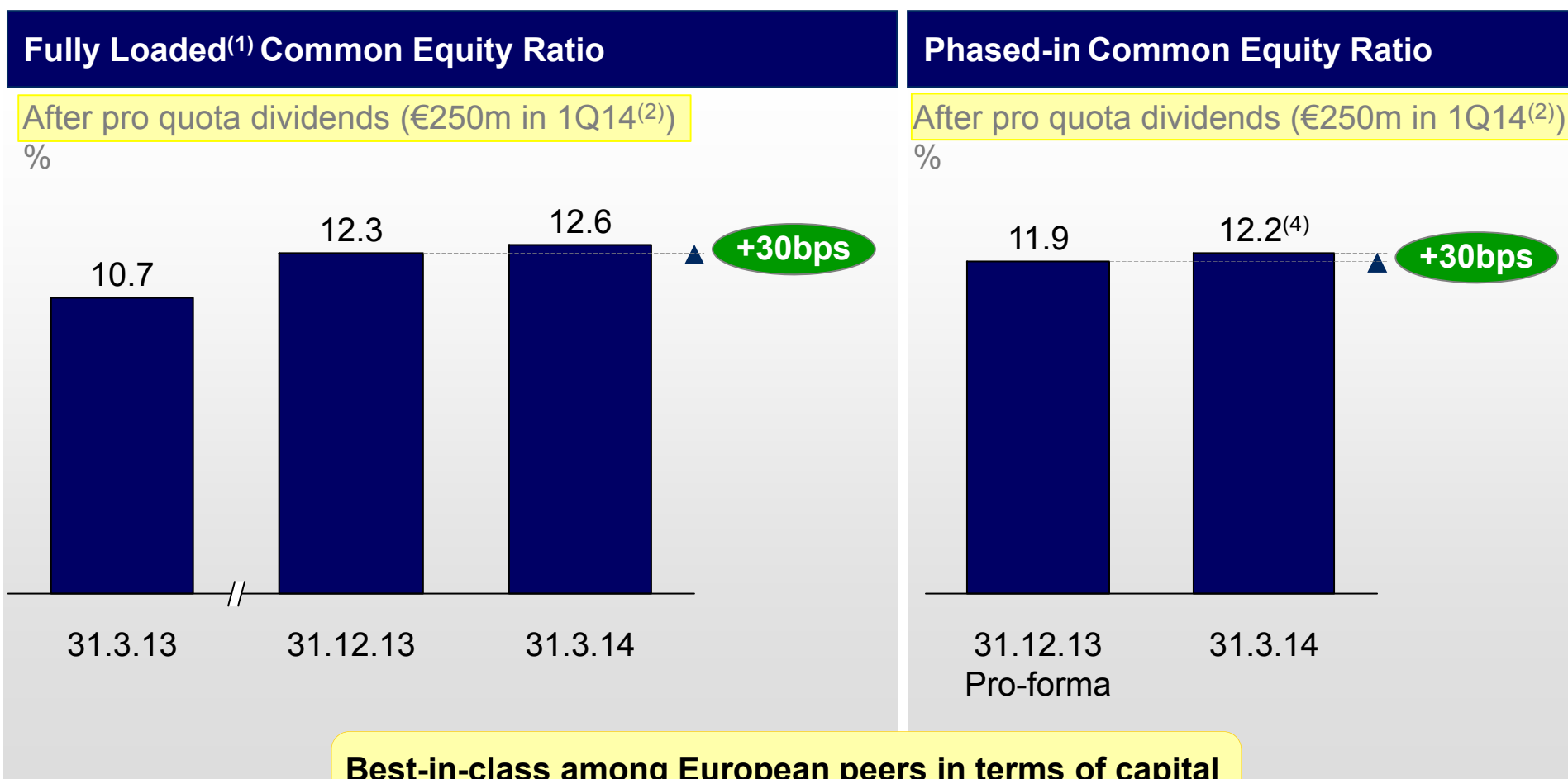
+6% excluding €128m of performance fees in 4Q13

(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)

Further Strengthening of a Solid Capital Base



Best-in-class among European peers in terms of capital and leverage (16.4x vs 24.3x peer average⁽³⁾)

(1) Pro-forma fully loaded Basel 3 (31.3.13, 31.12.13 and 31.3.14 financial statements considering the total absorption of DTA related to goodwill realignment and the expected absorption by 2019 of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps) and from the stake in the Bank of Italy (87bps)

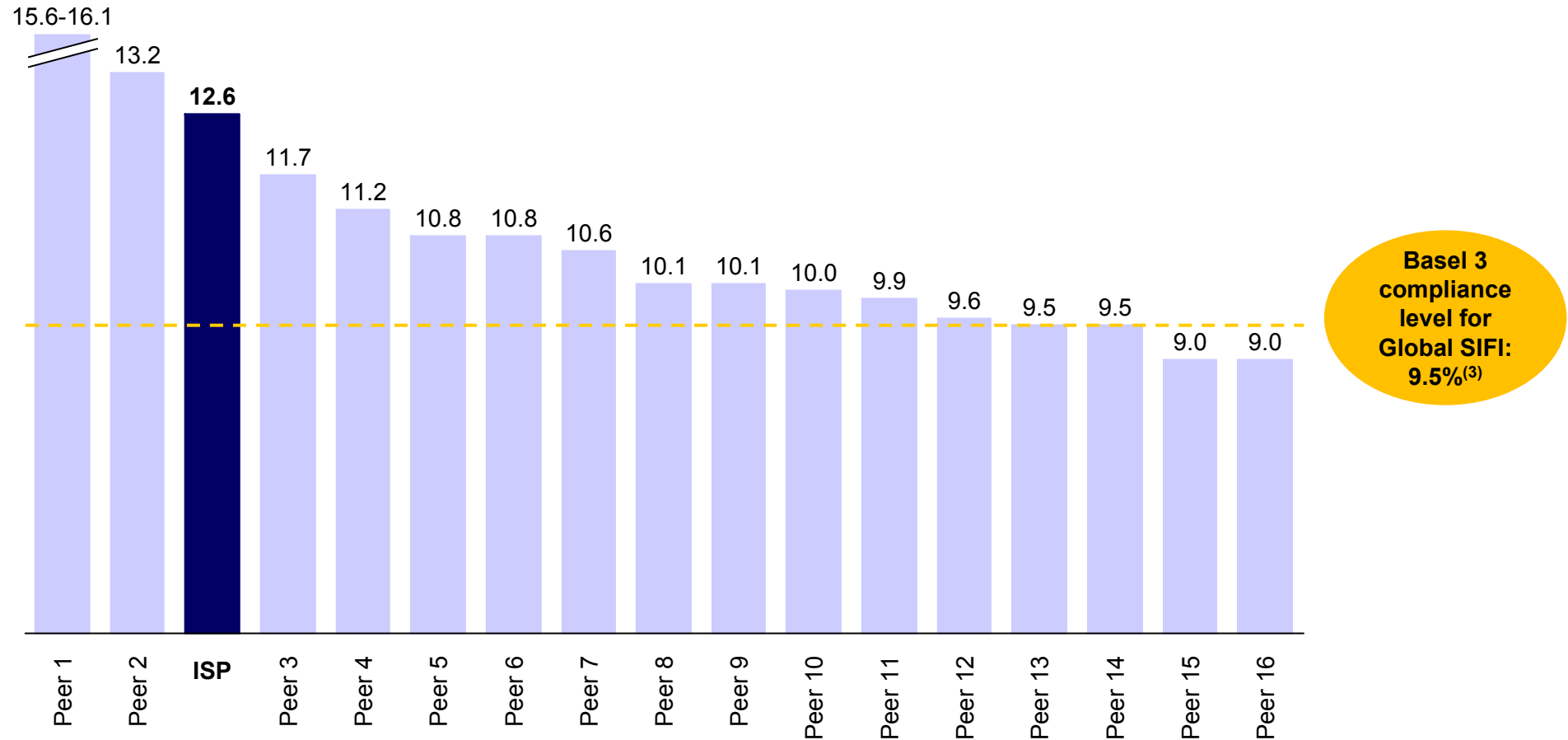
(2) Ratio after pro quota dividends (€250m in 1Q14 assuming the quarterly quota of €1,000m cash dividends envisaged in the Business Plan 2014-17 to be paid in 2015 for 2014)

(3) Sample: Barclays, BBVA, BNP Paribas, BPCE, Crédit Agricole SA, Commerzbank, Credit Suisse, Deutsche Bank, ING, Nordea, Société Générale, Santander, UBS and UniCredit (data as of 31.3.14); HSBC and Standard Chartered (data as of 31.12.13)

(4) 12.1% excluding 1Q14 Net income after pro quota dividends of €250m

Best-in-class Capital Position

Estimated fully-loaded Basel 3 pro-forma Common Equity ratio⁽¹⁾⁽²⁾
%



(1) Sample: Barclays, BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole Group, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Société Générale, UBS and UniCredit (31.03.14 pro-forma data); Standard Chartered (FY13 pro-forma data); Santander (2014E pro-forma data); Data may not be fully comparable due to different estimates hypothesis

(2) CASA CET1 equal to 9.0%

(3) Maximum level assuming a Common Equity ratio of 9.5% (4.5% minimum capital requirement + 2.5% conservation buffer + 2.5% current maximum SIFI buffer)

Source: Investors' Presentations, Press Releases, Conference Calls

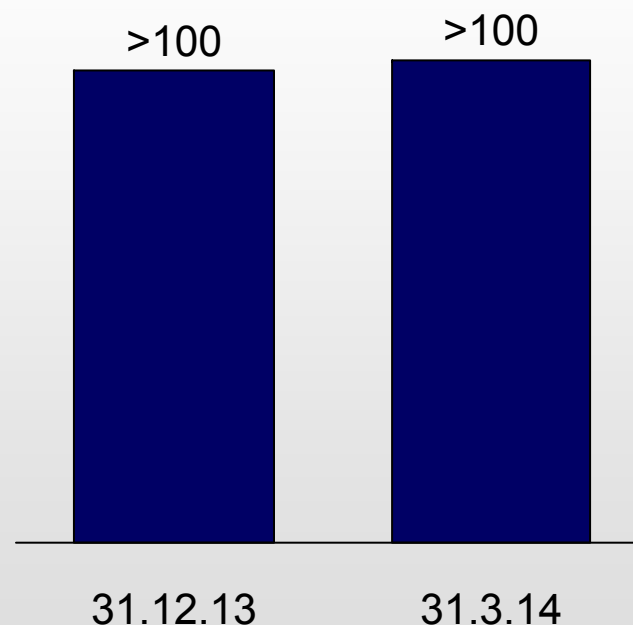
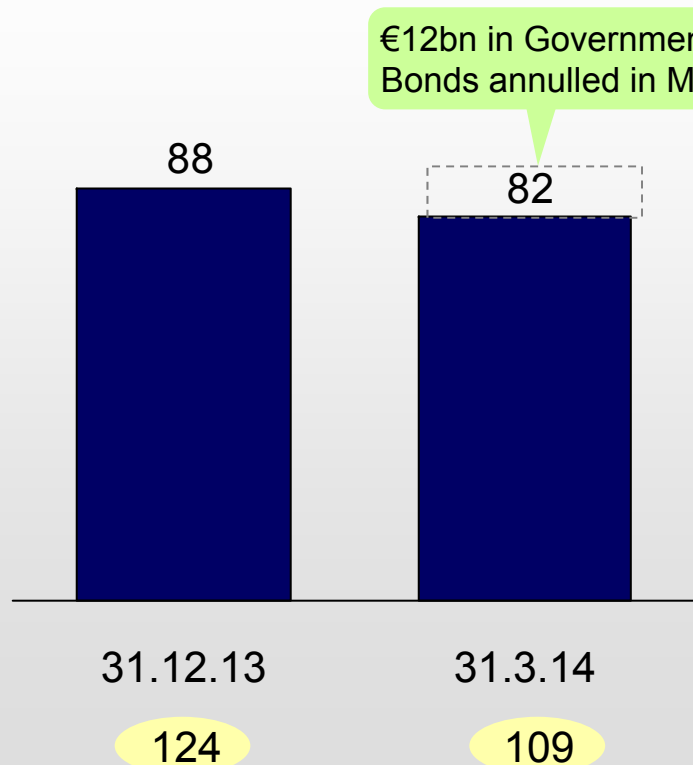
Strong Liquidity Position

Unencumbered eligible assets with Central Banks⁽¹⁾ (net of haircuts)

LCR and NSFR

€ bn

x Liquid assets⁽²⁾ %



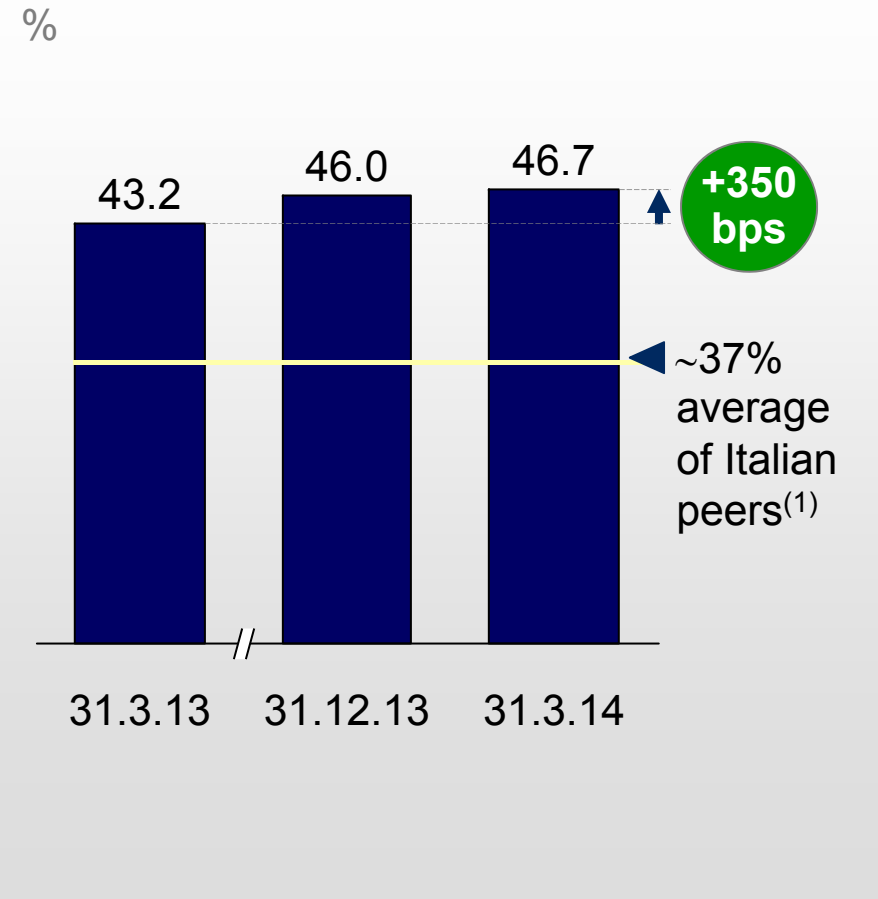
- LCR and NSFR well above Basel 3 requirements for 2018-19
- ~80% of 2014 wholesale bond maturities already covered
- LTRO fully repaid in 2013

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

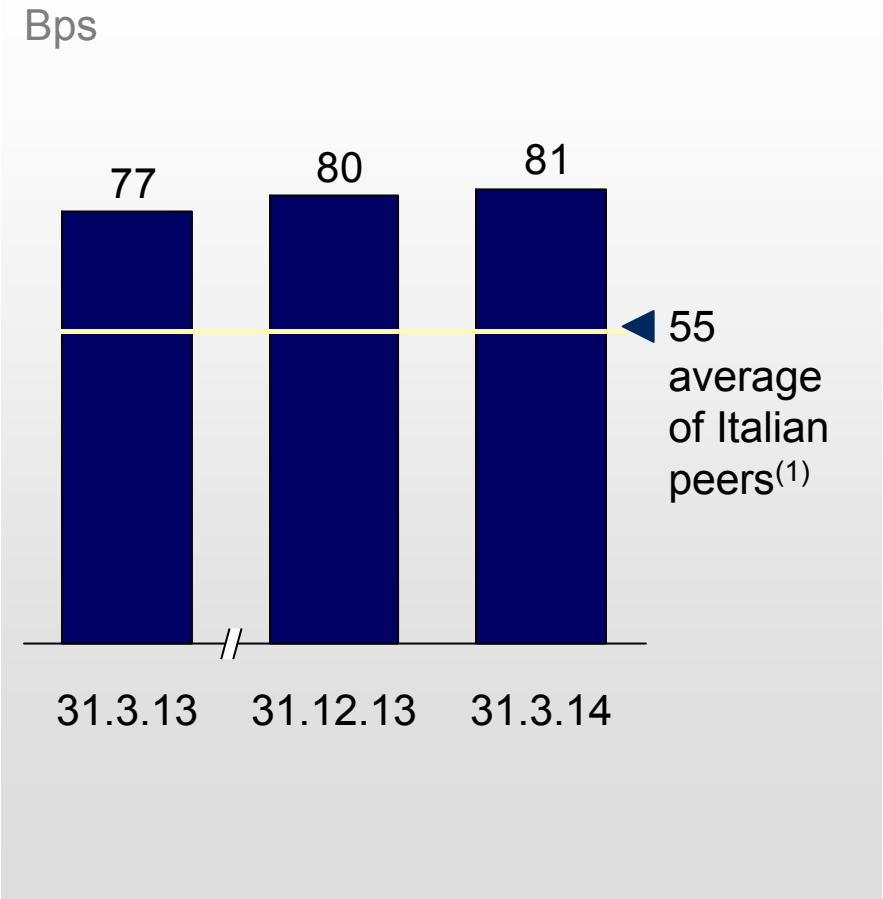
(2) Stock of own-account eligible assets, including assets used as collateral and excluding eligible assets received as collateral

Improved Cash Coverage Ratio for Both NPL and Performing Loans

NPL cash coverage ratio



Performing Loans cash coverage ratio



(1) Sample: BPOP, UBI and UniCredit (data as of 31.3.14); MPS (NPL cash coverage ratio as of 31.3.14; Performing loans cash coverage ratio as of 31.12.13)

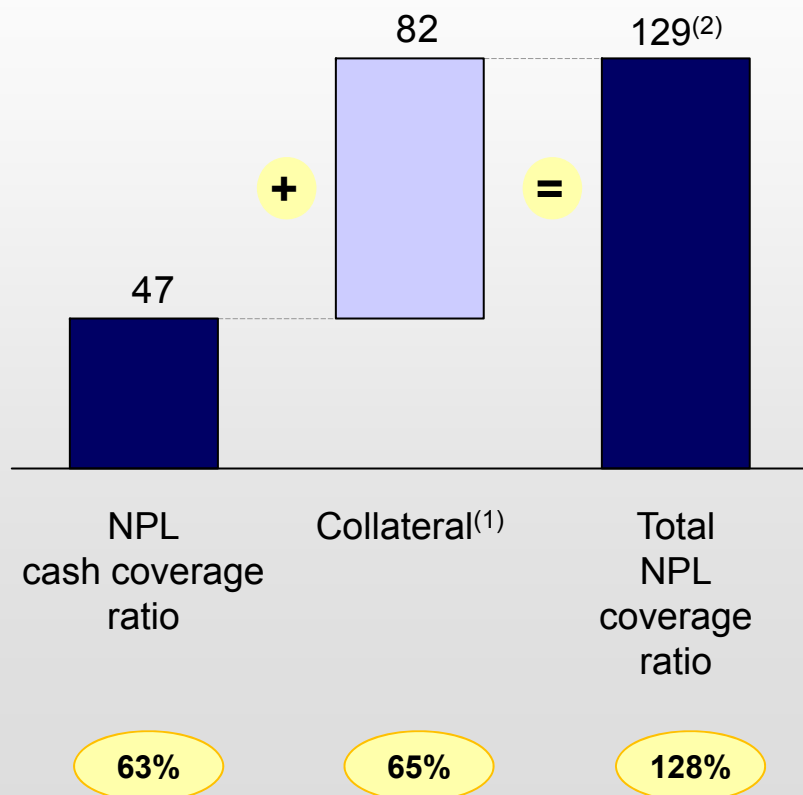
Even Stronger NPL Coverage When Collateral is Considered

○ Incidence on Group Total Loans (gross values)

Total NPL coverage (including collateral⁽¹⁾)

31.3.14
%

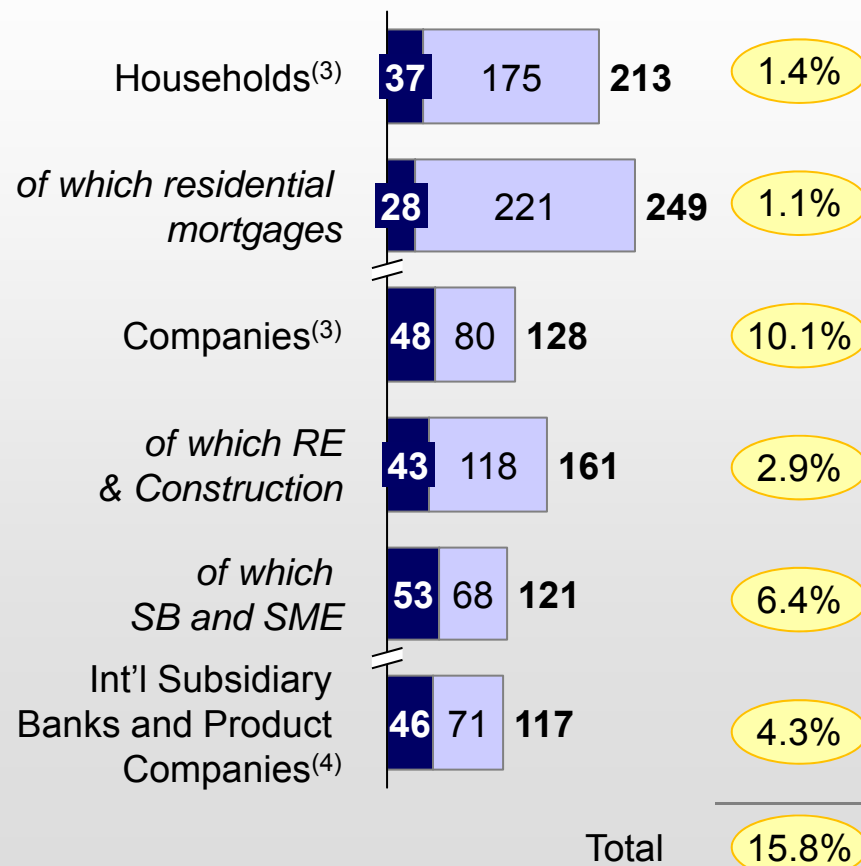
○ Doubtful loans coverage ratio



Total NPL coverage (including collateral⁽¹⁾) breakdown

31.3.14
%

■ NPL cash coverage ratio
□ Collateral⁽¹⁾



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

(1) Excluding personal guarantees

(2) 138% including personal guarantees

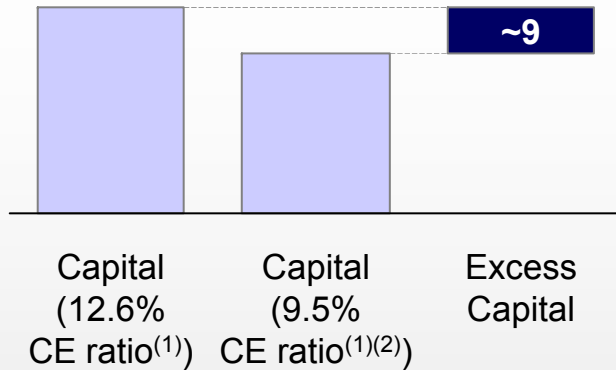
(3) Parent Bank and Italian Subsidiary Bank

(4) Factoring, Banca IMI, ISP Personal Finance

Significant Excess Capital Allows Ample Strategic Flexibility

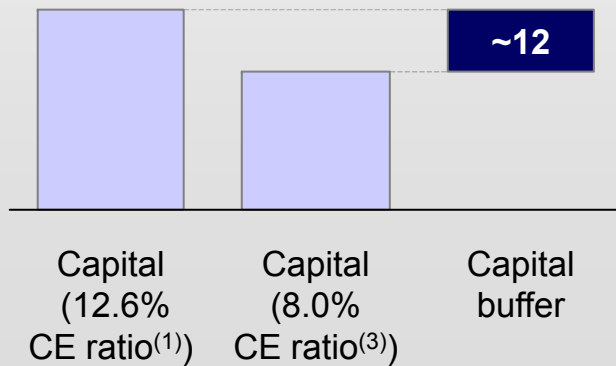
~€9bn Excess Capital...

Common Equity, € bn



...and ~€12bn capital buffer ahead of AQR

Common Equity, € bn



Ample strategic flexibility...

...Growth

...Payback to shareholders

...Virtually unlimited buffer vs any AQR exercise/other regulation

Focus of Business Plan

(1) Pro-forma fully loaded Basel 3

(2) Basel 3 compliance level for Global SIFI (4.5% minimum capital requirement + 2.5% conservation buffer + 2.5% current maximum SIFI buffer)

(3) AQR threshold. Calculation of capital buffer does not take into account the benefit from the stake in the Bank of Italy

Several Business Plan Initiatives Already Underway

1

New Growth Bank



Key highlights

- Already launched **Banca 5[®]**, with 1,800 dedicated RMs in place since the beginning of May (out of 3,000 by 2017)
- Set up of **SME Finance Hub** (new Mediocredito Italiano) completed
- Kicked-off **integration plans** for **Private Banking Hub**, **Asset Management Hub** and **Insurance Hub**

2

Core Growth Bank



- Launched **CIB Asset Light** model
- **Proactive credit management** piloted in Lombardy now up and running in all 7 Regions
- **Cost management actions** ongoing (74 branches closed in 1Q14)

3

Capital Light Bank



- Set up of **Capital Light Bank** completed
- Established a legal entity to manage **repossessed assets** (Re.o.Co.⁽¹⁾), with a **new executive team** in place and the **first auction attended** in May 2014

4

People and investment as key enablers



- Agreement with Unions to **assign ISP shares to Group employees**
- **Investment Plan for Group employees** approved at Shareholders' meeting

(1) Real Estate Owned Company

Q1: Good Start to the Year...

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- **Growing Net interest income, reversing recent trends**
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- **Robust provisioning, despite lower NPL inflow**
- **Balance sheet further strengthened, even after pro quota dividends of €250m**

**...firmly on track to deliver our 2014-17
Business Plan commitments**



1Q14 Results

Detailed Information

May 15, 2014

INTESA  SANPAOLO

Key P&L Figures

	1Q14 (€ m)	Δ vs 4Q13	Δ vs 1Q13
Operating income	4,108	+4.5%	+0.0%
Operating costs	(2,086)	(4.7%)	+0.1%
Cost/Income	50.8%	(4.9pp)	+0.1pp
Operating margin	2,022	+16.0%	(0.1%)
Pre-tax income	953	+42.9%	+22.5%
Net income	503	n.m.	+64.4%

Key Balance Sheet Figures

	31.3.14 (€ m)	Δ vs 31.12.13 (%)
Loans to Customers	339,020	(1.4)
Customer Financial Assets ⁽¹⁾	816,176	+1.6
of which Direct Deposits from Banking Business	372,470	+0.1
of which Direct Deposits from Insurance Business and Technical Reserves	99,203	+6.1
of which Indirect Customer Deposits	442,660	+2.9
- Assets under Management	269,869	+4.4
- Assets under Administration	172,791	+0.6
RWA	277,582	(2.1) ^(*)

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

(*) Calculated on pro-forma data as of 31.12.13 (€283.5bn)

Contents

Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

Asset Quality

Divisional Results and Other Information

Q1 vs Q1: Highest Net Income of the Past Eight Quarters

€ m

	1Q13 Restated	1Q14	Δ%
Net interest income	2,017	2,100	4.1
Dividends and P/L on investments carried at equity	(43)	30	n.m.
Net fee and commission income	1,462	1,584	8.3
Profits (Losses) on trading	454	151	(66.7)
Income from insurance business	230	251	9.1
Other operating income	(12)	(8)	(33.3)
Operating income	4,108	4,108	0.0
Personnel expenses	(1,260)	(1,273)	1.0
Other administrative expenses	(658)	(650)	(1.2)
Adjustments to property, equipment and intangible assets	(165)	(163)	(1.2)
Operating costs	(2,083)	(2,086)	0.1
Operating margin	2,025	2,022	(0.1)
Net provisions for risks and charges	(26)	(55)	111.5
Net adjustments to loans	(1,158)	(1,077)	(7.0)
Net impairment losses on assets	(68)	(12)	(82.4)
Profits (Losses) on HTM and on other investments	5	75	n.m.
Income before tax from continuing operations	778	953	22.5
Taxes on income from continuing operations	(364)	(364)	0.0
Charges (net of tax) for integration and exit incentives	(12)	(7)	(41.7)
Effect of purchase cost allocation (net of tax)	(74)	(46)	(37.8)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	(10)	(13)	30.0
Minority interests	(12)	(20)	66.7
Net income	306	503	64.4

+8.3% excluding
Profits on trading

+19.1% excluding
Profits on trading

Note: figures may not add up exactly due to rounding differences. 2013 data has been restated to include Pravex-Bank in the discontinued operations following the sale agreement signed in January 2014

Q1 vs Q4: Strong Increase in Profitability

€ m

	4Q13 Restated	1Q14	Δ%
Net interest income	2,032	2,100	3.3
Dividends and P/L on investments carried at equity	(2)	30	n.m.
Net fee and commission income	1,620	1,584	(2.2)
Profits (Losses) on trading	69	151	118.8
Income from insurance business	142	251	76.8
Other operating income (expenses)	70	(8)	n.m.
Operating income	3,931	4,108	4.5
Personnel expenses	(1,194)	(1,273)	6.6
Other administrative expenses	(806)	(650)	(19.4)
Adjustments to property, equipment and intangible assets	(188)	(163)	(13.3)
Operating costs	(2,188)	(2,086)	(4.7)
Operating margin	1,743	2,022	16.0
Net provisions for risks and charges	(249)	(55)	(77.9)
Net adjustments to loans	(3,098)	(1,077)	(65.2)
Net impairment losses on other assets	(170)	(12)	(92.9)
Profits (Losses) on HTM and on other investments	2,441	75	(96.9)
Income before tax from continuing operations	667	953	42.9
Taxes on income from continuing operations	28	(364)	n.m.
Charges (net of tax) for integration and exit incentives	(42)	(7)	(83.3)
Effect of purchase cost allocation (net of tax)	(75)	(46)	(38.7)
Impairment (net of tax) of goodwill and other intangible assets	(5,797)	0	(100.0)
Income (Loss) after tax from discontinued operations	(4)	(13)	225.0
Minority interests	33	(20)	n.m.
Net income	(5,190)	503	n.m.

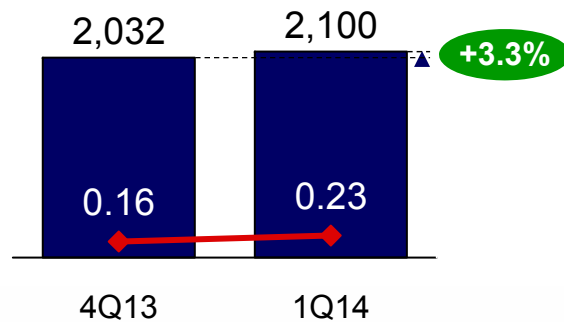
Note: figures may not add up exactly due to rounding differences. 2013 data has been restated to include Pravex-Bank in the discontinued operations following the sale agreement signed in January 2014

Net Interest Income: Picking Up Despite Continuing Low Market Rates

Quarterly Analysis

€ m

—◆— Euribor 1M; %

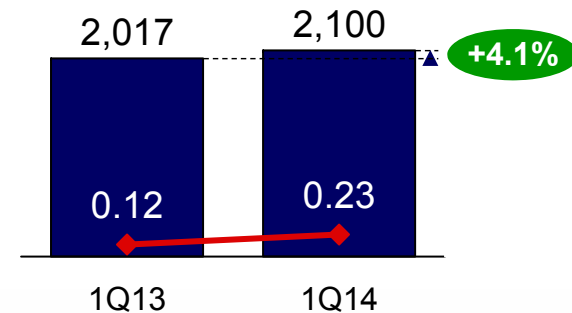


- Increase mainly due to lower funding cost, which more than offset the lower contribution from core deposit hedging, selective deleveraging and two fewer days in the quarter
- Decrease in average Direct deposits from banking business vs 4Q13 (-1.7%) lower than the decrease in average Performing loans to customers (-1.9%)

Yearly Analysis

€ m

—◆— Euribor 1M; %

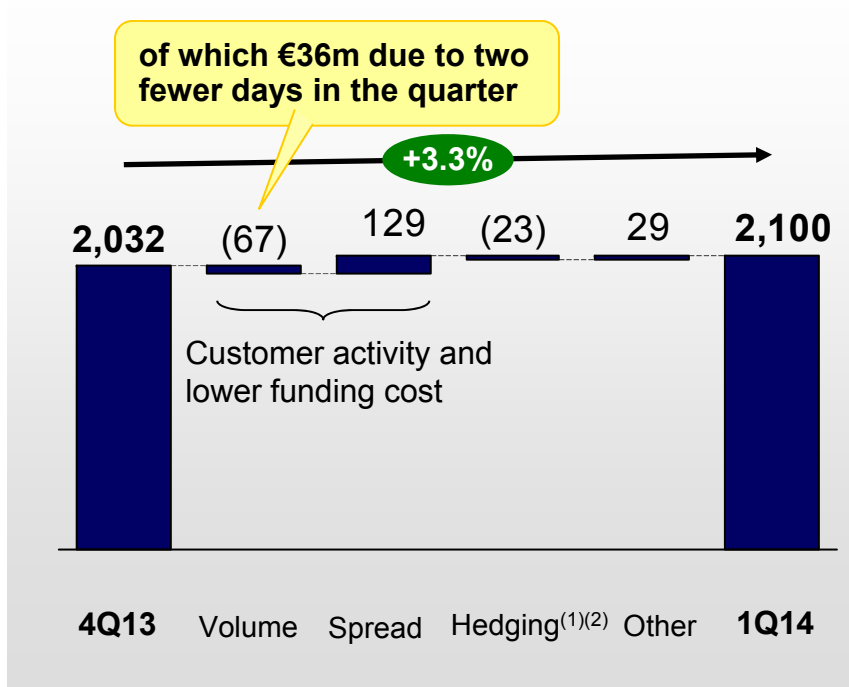


- 1Q14 has the best Net interest income of the past five quarters
- Sound yearly increase after four quarters of decline
- Increase due to lower funding cost and loan re-pricing, which more than offset the impact of selective deleveraging and the lower contribution from core deposits hedging
- 8.2% decrease in average Performing loans to customers, mainly due to Hungary, Large and International Corporate, Financial Institutions and SME clients

Net Interest Income: Positive Performance Due To Customer Activity and Lower Funding Cost

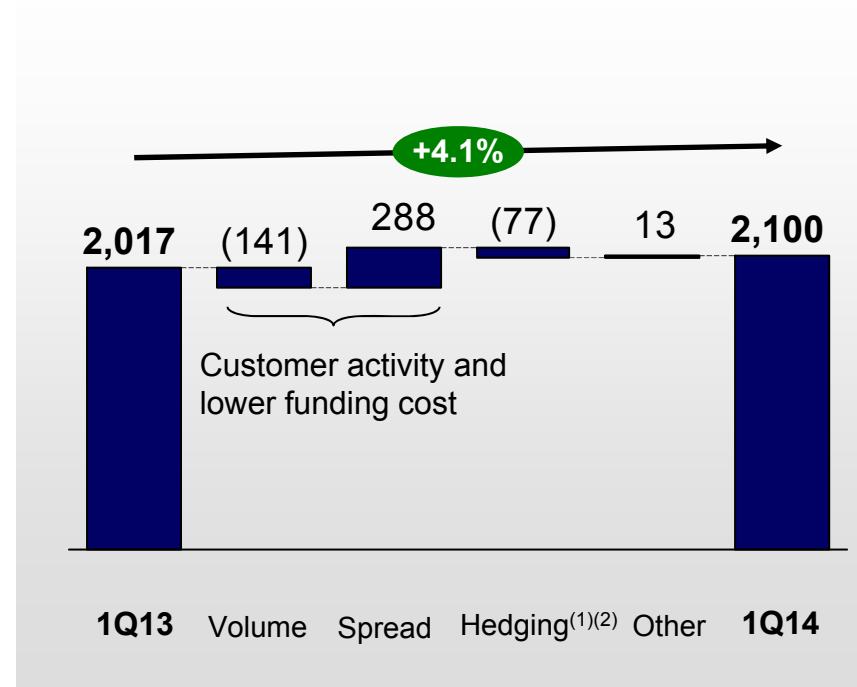
Quarterly Analysis

€ m



Yearly Analysis

€ m

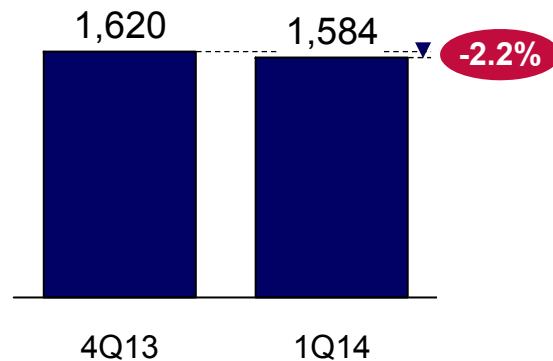


(1) ~€210m benefit from hedging in 1Q14
 (2) Core deposits

Net Fee and Commission Income: Sound Yearly Growth

Quarterly Analysis

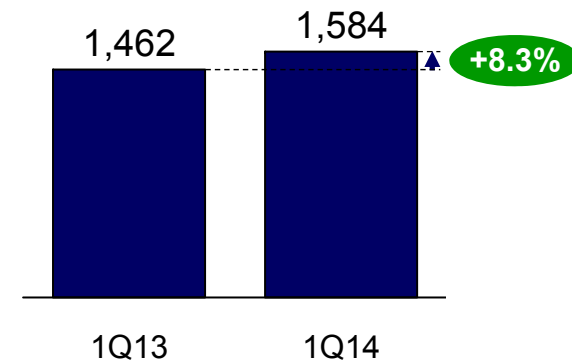
€ m



- 6.2% growth excluding performance commissions (€128m in 4Q13)
- 16.6% increase in Commissions from Management, dealing and consultancy activities excluding performance commissions
- Strong increase in commissions from insurance products (+9.1% vs 4Q13)
- €11.3bn increase in AuM stock in 1Q14

Yearly Analysis

€ m

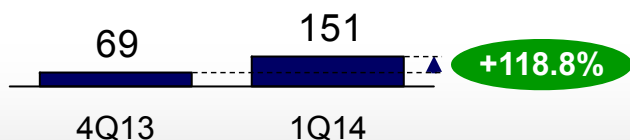


- 1.3% growth in commissions from Commercial banking activities largely due to Collection and payment services
- Strong increase in commissions from Management, dealing and consultancy activities (+22.9%; +€153m) owing mainly to AuM and insurance products
- €30.4bn increase in AuM stock vs 1Q13

Profits on Trading: Strong Quarterly Increase with Positive Contributions from All Activities

Quarterly Analysis

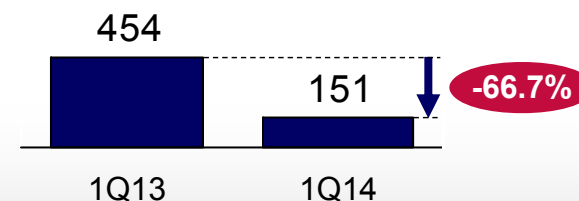
€ m



■ More than double the 4Q13 result

Yearly Analysis

€ m



Contributions by Activities

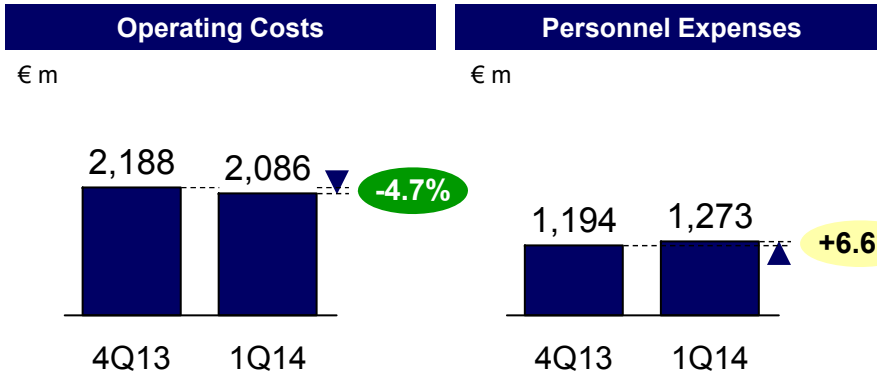
	1Q13	4Q13	1Q14
Customers	84	45	62
Capital markets & Financial assets AFS	151	13	42
Proprietary Trading and Treasury	189	11 ⁽¹⁾	37
Structured credit products	30	1	10

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

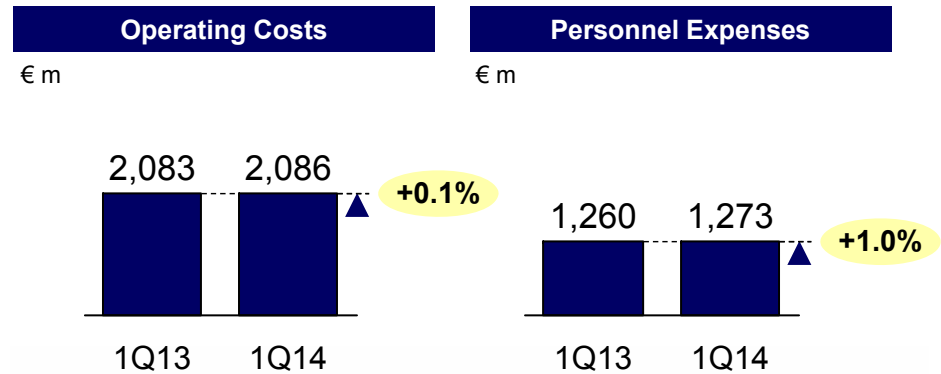
(1) Of which €84m capital gain on sale of Assicurazioni Generali stake

Operating Costs: Stable on a Yearly Basis

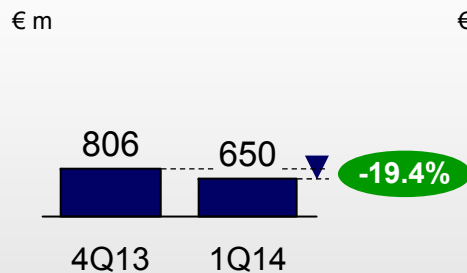
Quarterly Analysis



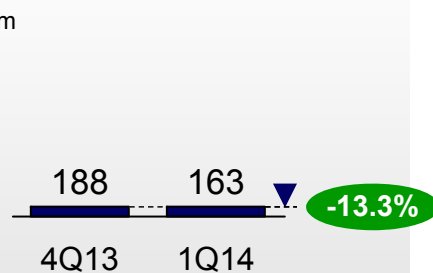
Yearly Analysis



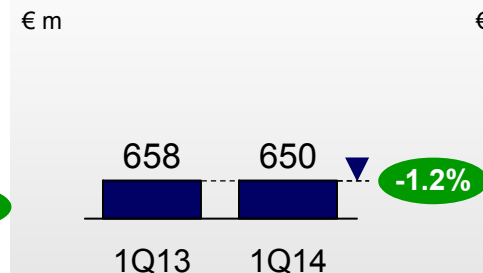
Other Administrative Expenses



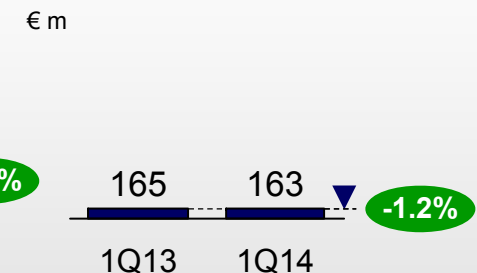
Adjustments



Other Administrative Expenses



Adjustments



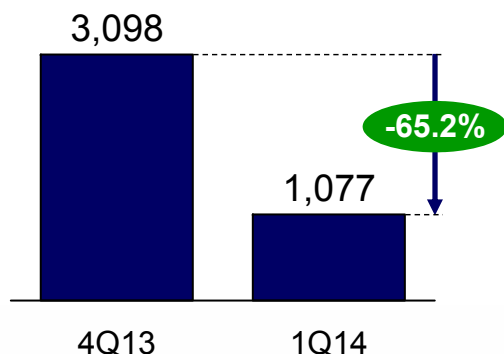
- Operating costs down 4.7% vs 4Q13
- Other administrative expenses down 19.4% vs 4Q13, which was affected by seasonal year-end effect
- ~260 headcount reduction in 1Q14

- €27m Operating costs reduction taking inflation into account
- Cost/Income down to 50.8% vs 51.1% in FY13
- ~1,300 yearly headcount reduction

Net Adjustments to Loans: Decline in Provisioning with Further Increase in NPL Coverage

Quarterly Analysis

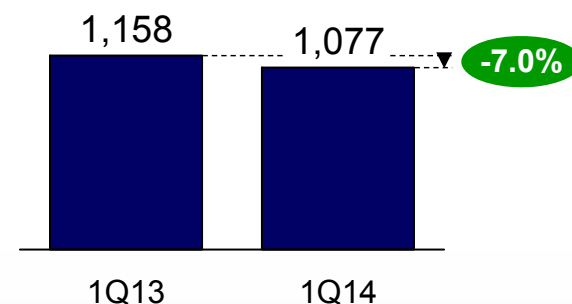
€ m



- Non-performing loans cash coverage up 70bps in 1Q14 (46.7% vs 46.0% in 4Q13)
- Decline in annualised cost of credit to 127bps vs 360bps in 4Q13
- €45m increase in Performing loans reserve taking flat coverage into consideration
- Strong decline in net inflow from Performing loans to Non-performing loans (-58%)

Yearly Analysis

€ m



- 1Q14 Net adjustments to loans are the most contained of the past eight quarters
- Non-performing loans cash coverage up 350bps vs 1Q13 (46.7% vs 43.2%)
- Annualised cost of credit at 127bps (vs 125bps in 1Q13 and 207bps in 2013)
- €142m increase in Performing loans reserve taking flat coverage into consideration
- Strong decline in net inflow from Performing loans to Non-performing loans (-24%)

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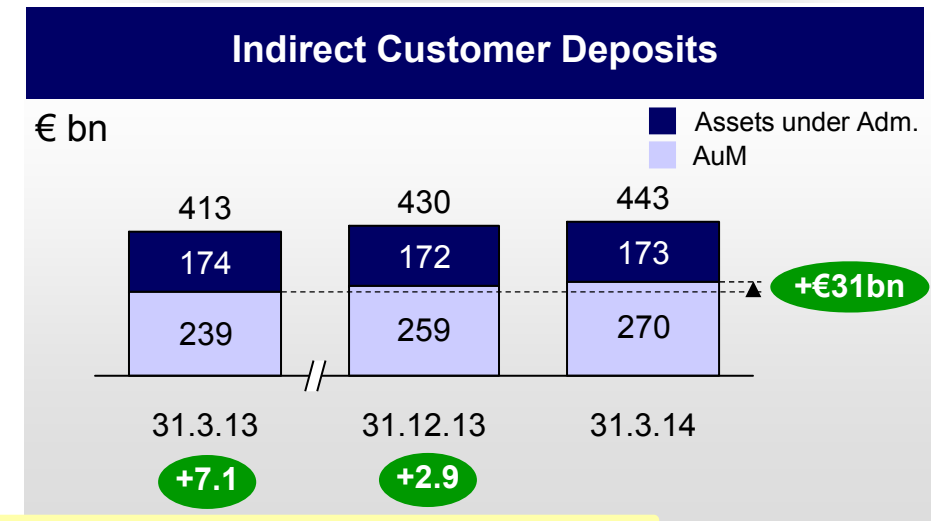
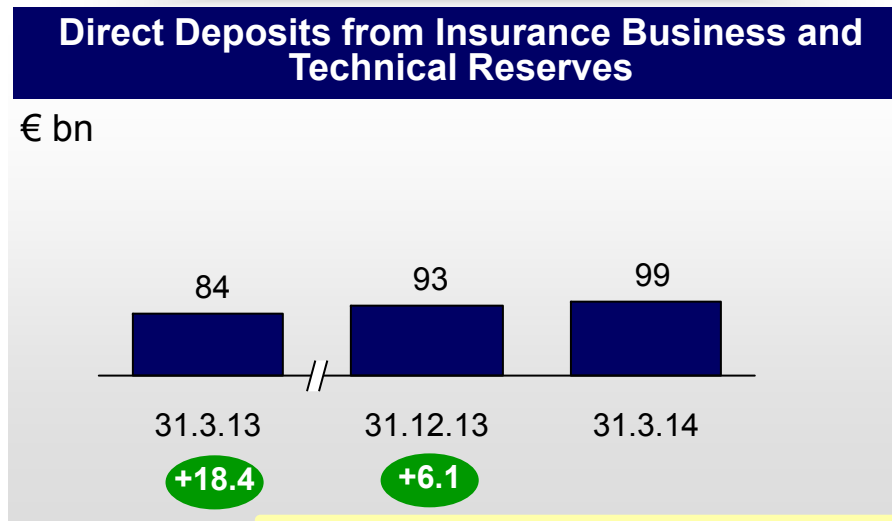
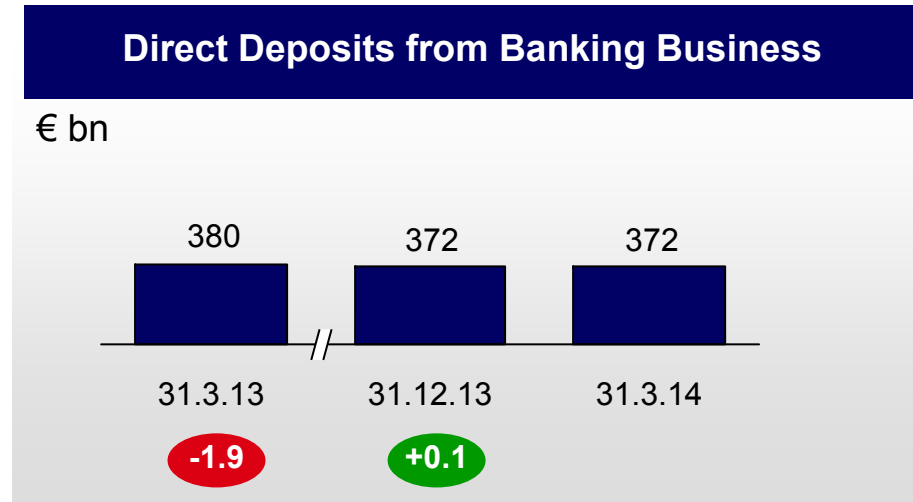
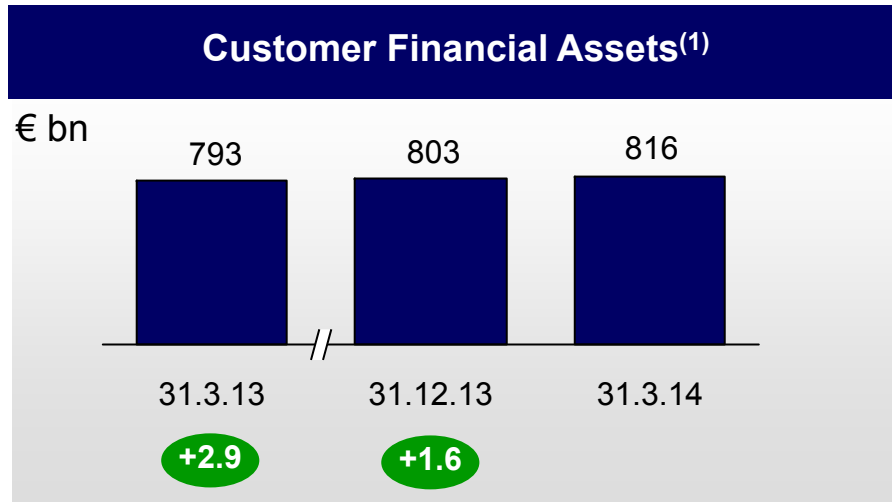
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Growth in Customer Financial Assets Due To Higher AuM

% Δ 31.3.14 vs 31.12.13 and 31.3.13



AuM / Indirect Customer Deposits ratio up to 61% vs 58% in 1Q13

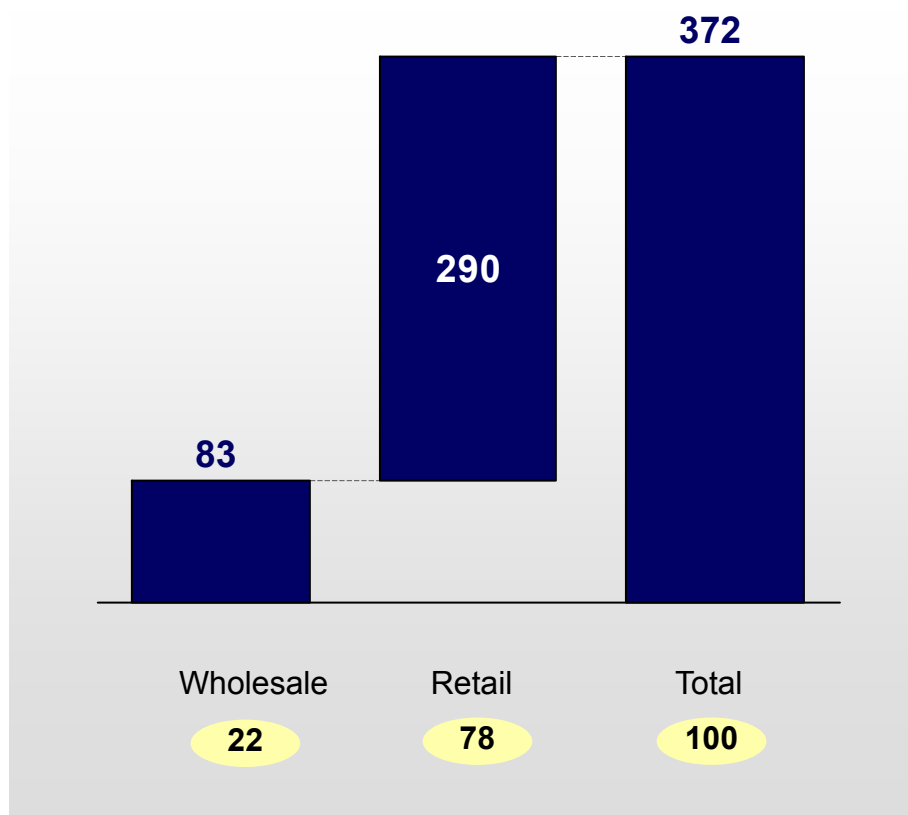
Note: figures may not add up exactly due to rounding differences

(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 31.3.14; % Percentage of Total



	Wholesale	Retail
■ Current accounts and deposits	4	196
■ Repos and securities lending	18	-
■ Senior bonds	25	73
■ Covered bonds	13	-
■ EMTN puttable	7	-
■ Certificates of deposit + Commercial papers	8	1
■ Subordinated liabilities	8	5
■ Other deposits	-	15

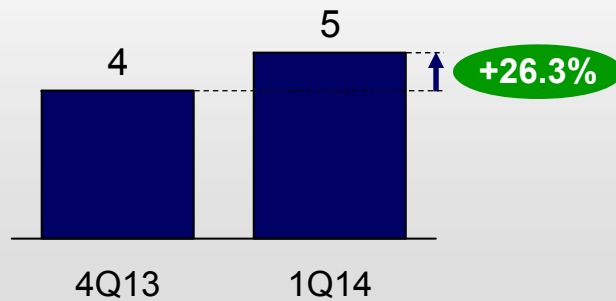
Retail funding represents 78% of Direct deposits from banking business

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

Strong Funding Capability: ~80% of 2014 wholesale bond maturities already covered

18/24-month Time Deposit Placements

€ bn

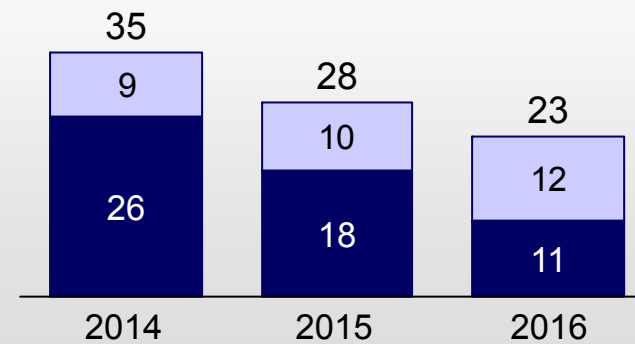


2014-2016 MLT Bond Maturities

€ bn

Wholesale
Retail

€10bn of bonds already placed, of which €7bn wholesale⁽¹⁾



- Continuing the switch from retail bonds to 18/24-month Time Deposits
- In 2013, €31bn of bonds placed, of which €13bn wholesale

(1) Data as of 6.5.14

Strong Funding Capability: Broad and Continued Access to International Markets

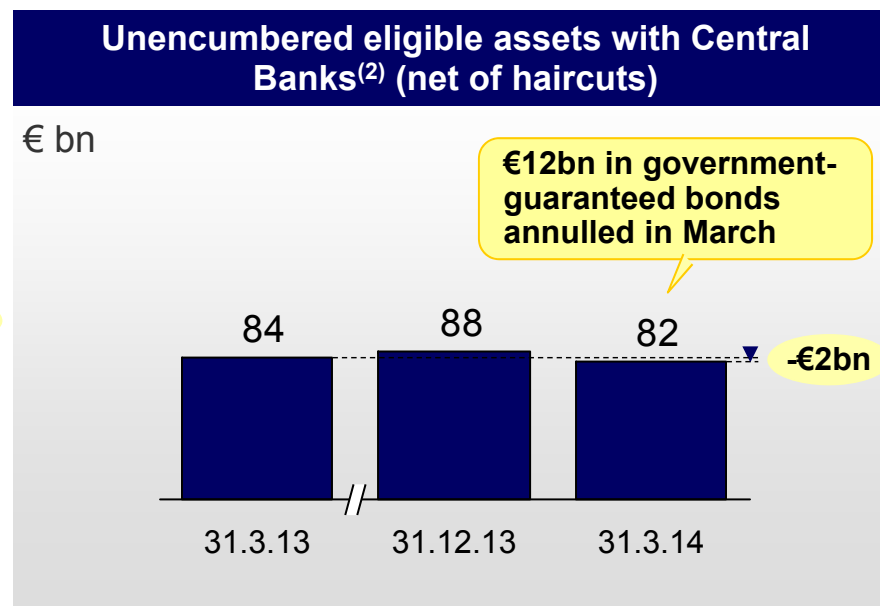
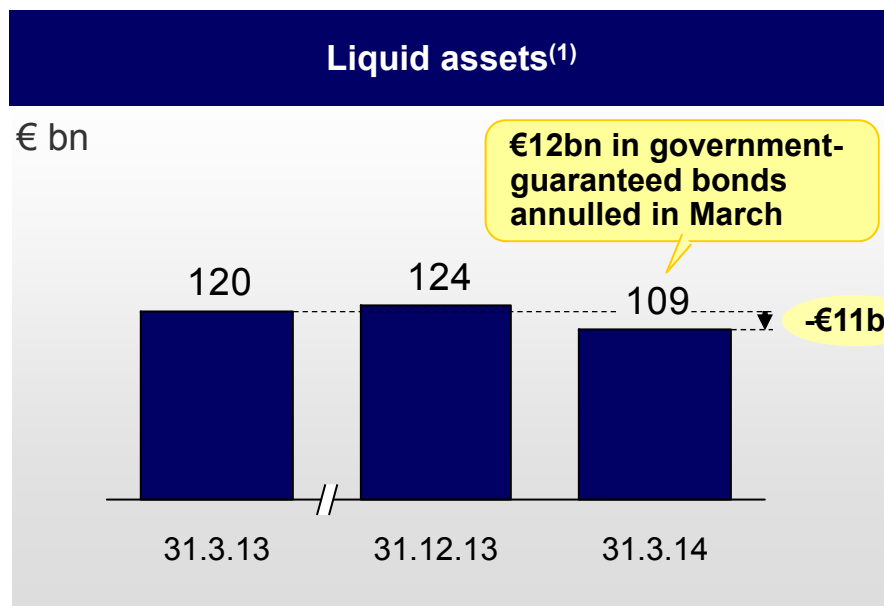
2013

- **€5.15bn of eurobonds, €1.75bn of covered bonds and \$4.75bn of US bonds placed on the international markets (~85% demand from foreign investors; target exceeded by more than 130%):**
 - **January:**
 - \$3.5bn 3y and 5y senior dual tranche bond issue on the US market, the largest public issue by a European financial issuer on the US\$ market since January 2011
 - €1bn 12y benchmark covered bonds backed by residential and commercial mortgages, the longest maturity bond issued by a Southern European bank since February 2011
 - €750m 2.5y eurobond senior unsecured issue
 - **April: €250m 2.5y eurobond senior unsecured issue (2nd tranche of the €750m January issue)**
 - **September:**
 - €650m 18m senior unsecured benchmark eurobond
 - €750m 5y benchmark covered bonds backed by residential and commercial mortgages (priced at BTP-125bps, the tightest spread ever achieved by an Italian issuer)
 - **October:**
 - €1bn 10y eurobond, the first senior unsecured benchmark issue from a eurozone “peripheral” bank since March 2010
 - \$1.25bn 5y senior bond issue on the US market
 - **November: €1bn 5y senior unsecured benchmark eurobond**
 - **December: €1.5bn 2y senior unsecured benchmark eurobond**

2014

- **€1.75bn of eurobonds, €1.25bn of covered bonds, \$2.5bn of US bonds and CNY 650m bonds placed on the international markets (~80% demand from foreign investors; target exceeded by more than 90%):**
 - **January:**
 - \$2.5bn 3y and 10y senior dual tranche bond issue on the US market
 - €750m 8y senior unsecured benchmark eurobond
 - €1.25bn 12y benchmark covered bonds backed by residential and commercial mortgages
 - **February: CNY 650m (~€80m) 5y senior unsecured bond issue, the first medium-long term Renminbi denominated issue by an Italian bank**
 - **April: €1bn 5y senior unsecured benchmark eurobond**

High Liquidity: ISP not “Addicted” to ECB



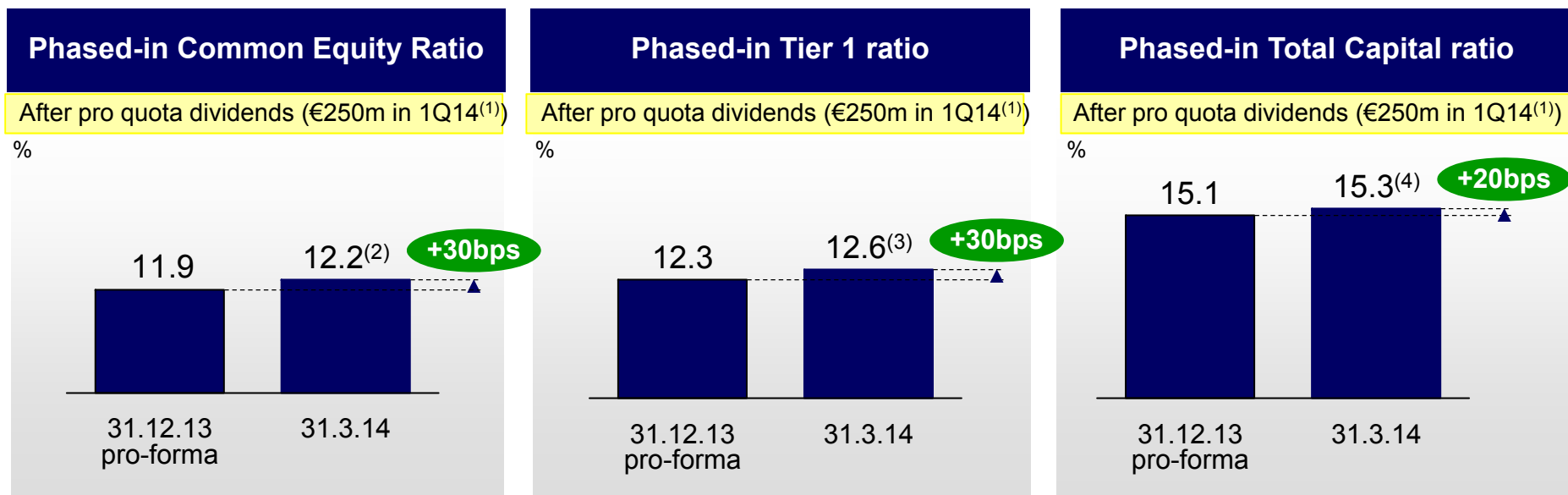
- LTRO fully paid back in 2013 (€12bn in Q2 and €24bn in Q4)
- LCR and NSFR well above Basel 3 requirements for 2018-2019
- Loan to Deposit ratio⁽³⁾ down to 91.0% (-1.4pp vs 31.12.13)

(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

Further Strengthening of a Solid Capital Base



12.6% pro-forma fully-loaded Common Equity ratio⁽⁵⁾

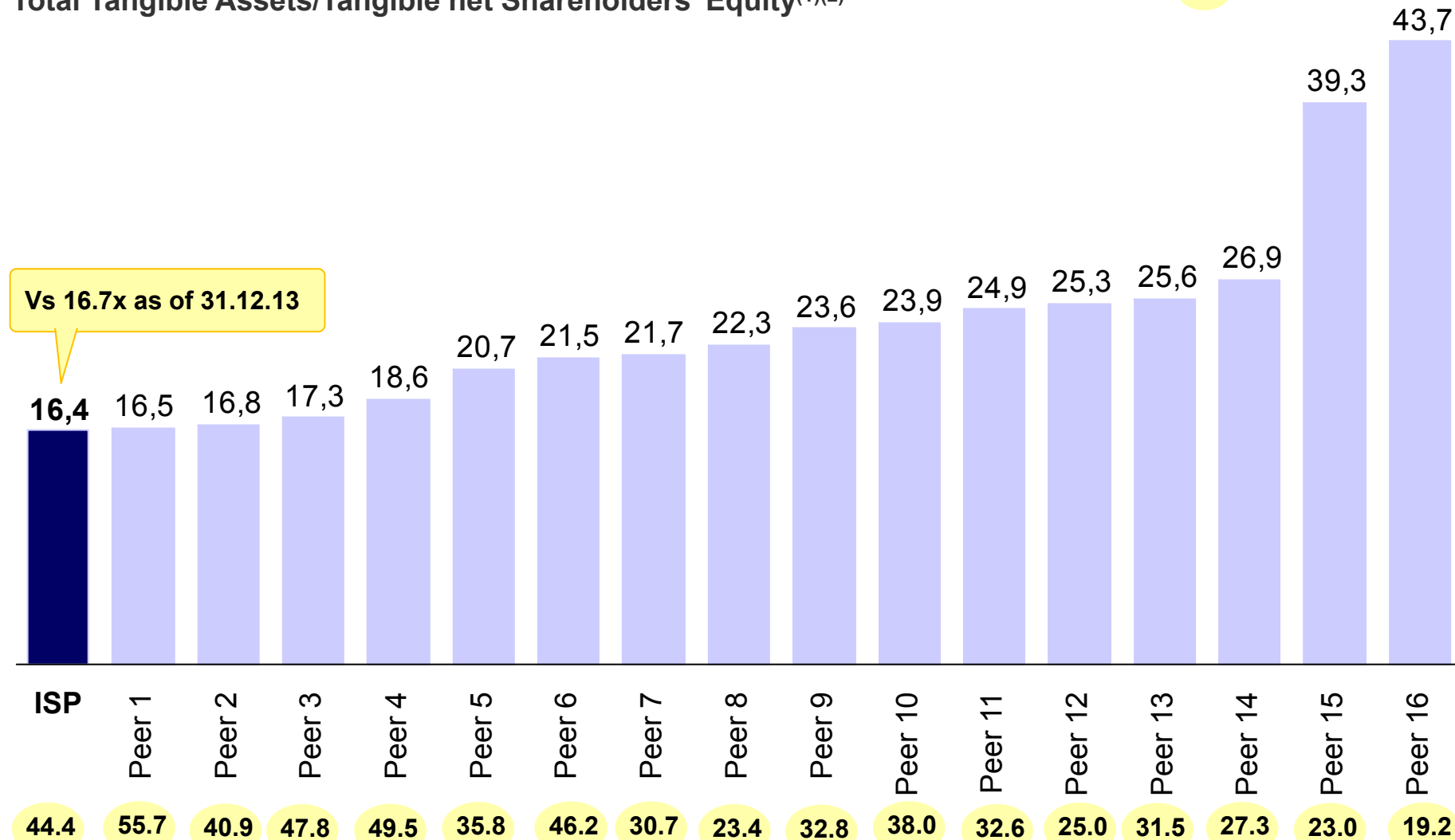
Note: figures may not add up exactly due to rounding differences

- (1) Ratio after pro quota dividends (€250m in 1Q14 assuming the quarterly quota of €1,000m cash dividends envisaged in the Business Plan 2014-17 to be paid in 2015 for 2014)
- (2) 12.1% not considering 1Q14 Net income after pro quota dividends of €250m
- (3) 12.5% not considering 1Q14 Net income after pro quota dividends of €250m
- (4) 15.3% not considering 1Q14 Net income after pro quota dividends of €250m
- (5) Pro-forma fully-loaded Basel 3 (31.3.14 financial statements considering the total absorption of DTA related to goodwill realignment and the expected absorption by 2019 of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps) and from the stake in the Bank of Italy (87bps)

Deliberate Low Leverage Strategy

Total Tangible Assets/Tangible net Shareholders' Equity⁽¹⁾⁽²⁾

X % RWA/Total Assets



(1) Sample: Barclays, BBVA, BNP Paribas, BPCE, Crédit Agricole SA, Credit Suisse, Commerzbank, Deutsche Bank, ING, Nordea, Santander, Société Générale, UBS and UniCredit (data as of 31.3.14); HSBC and Standard Chartered (data as of 31.12.13)

(2) Net Shareholders' Equity including Minorities, Net Income – net of dividends paid or to be paid – and excluding Goodwill and other Intangibles

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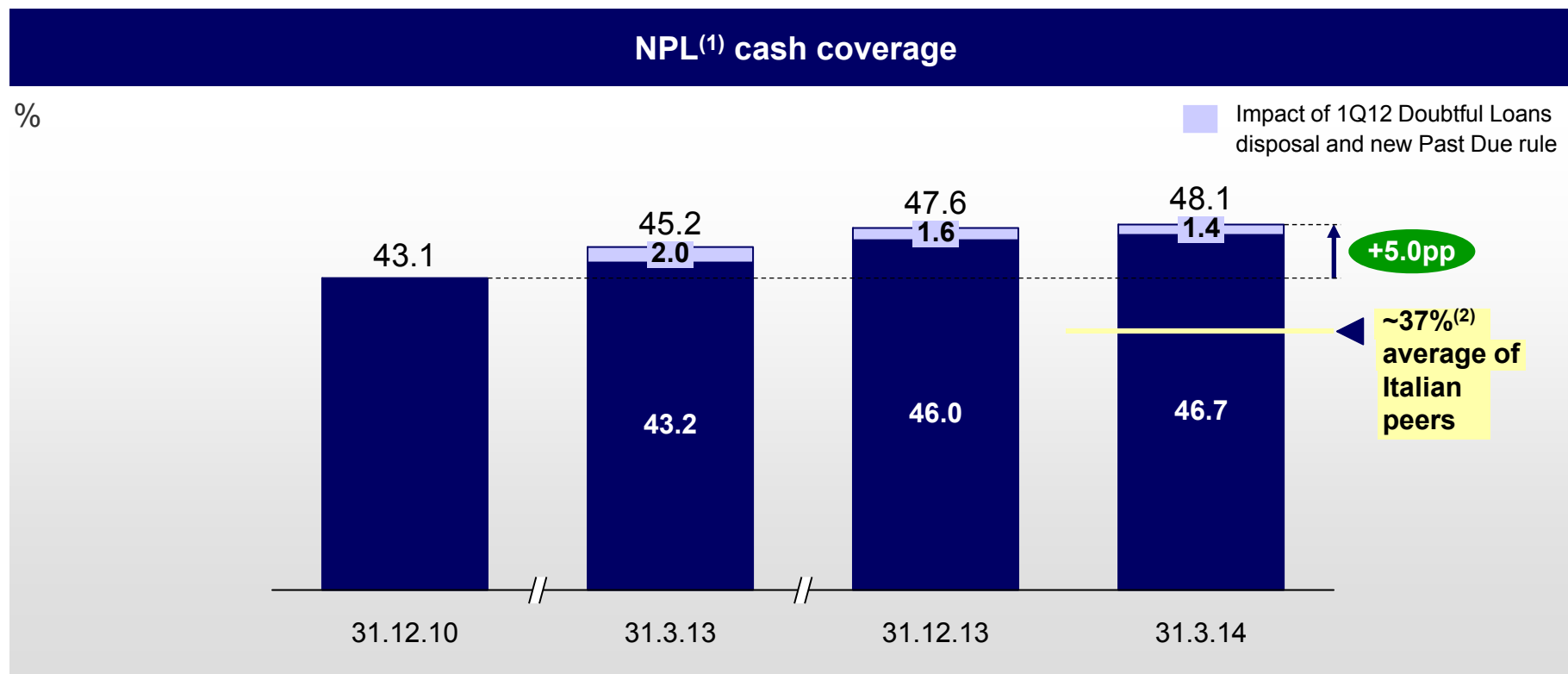
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Non-performing Loans: Sizeable and Increased Coverage



Doubtful Loans recovery rate⁽³⁾ at 139% in the period 2009-1Q14

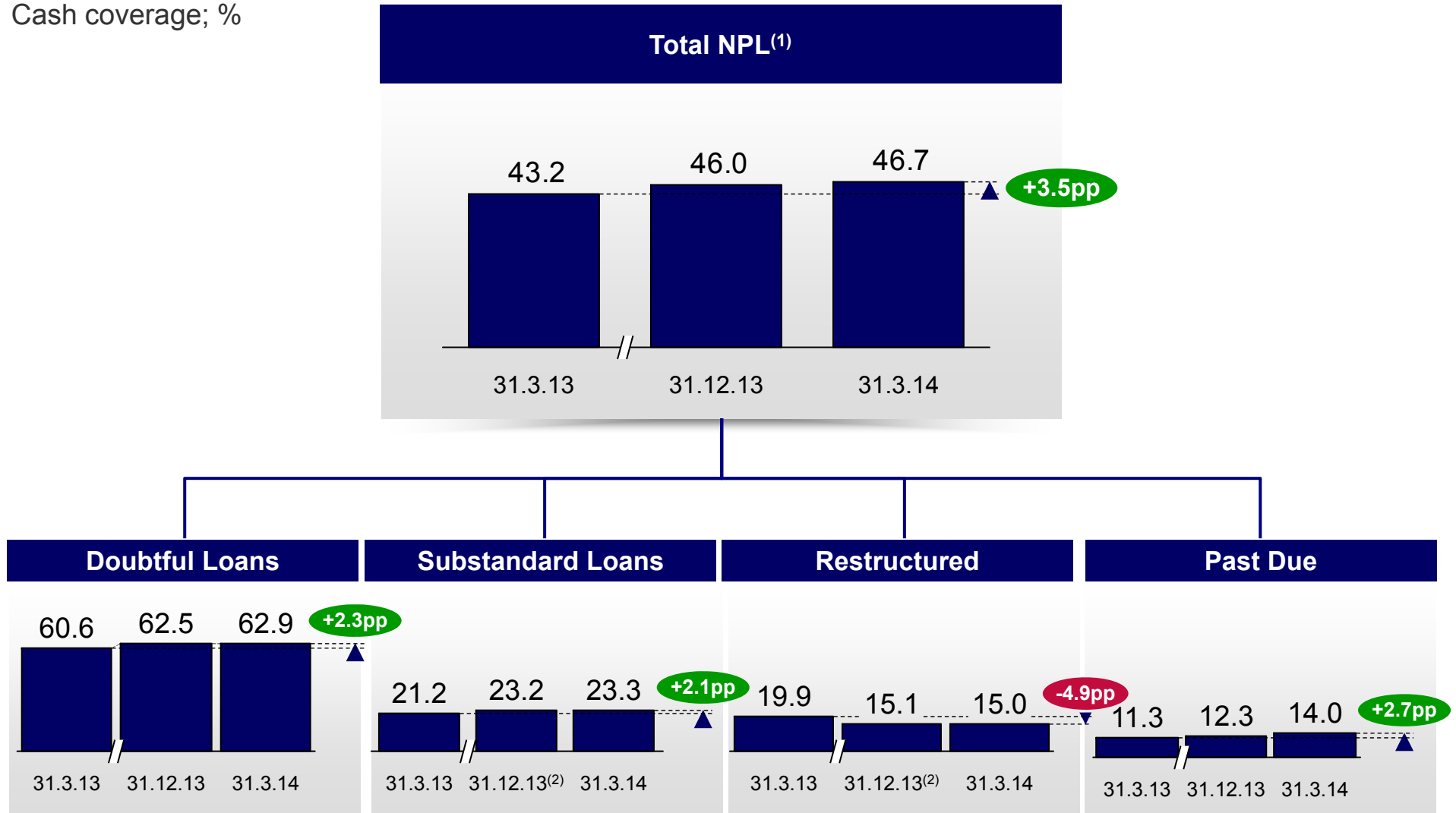
(1) Doubtful Loans (sofferenze), Substandard Loans (incagli), Restructured (ristrutturati) and Past Due (scaduti e sconfinanti; 90 days since 2012 vs 180 days up until 31.12.11)

(2) Sample: BPOP, MPS, UBI and UniCredit (data as of 31.3.14)

(3) Repayment on Doubtful Loans/Net book value

Non-performing Loans: Further Increase in Cash Coverage

Cash coverage; %



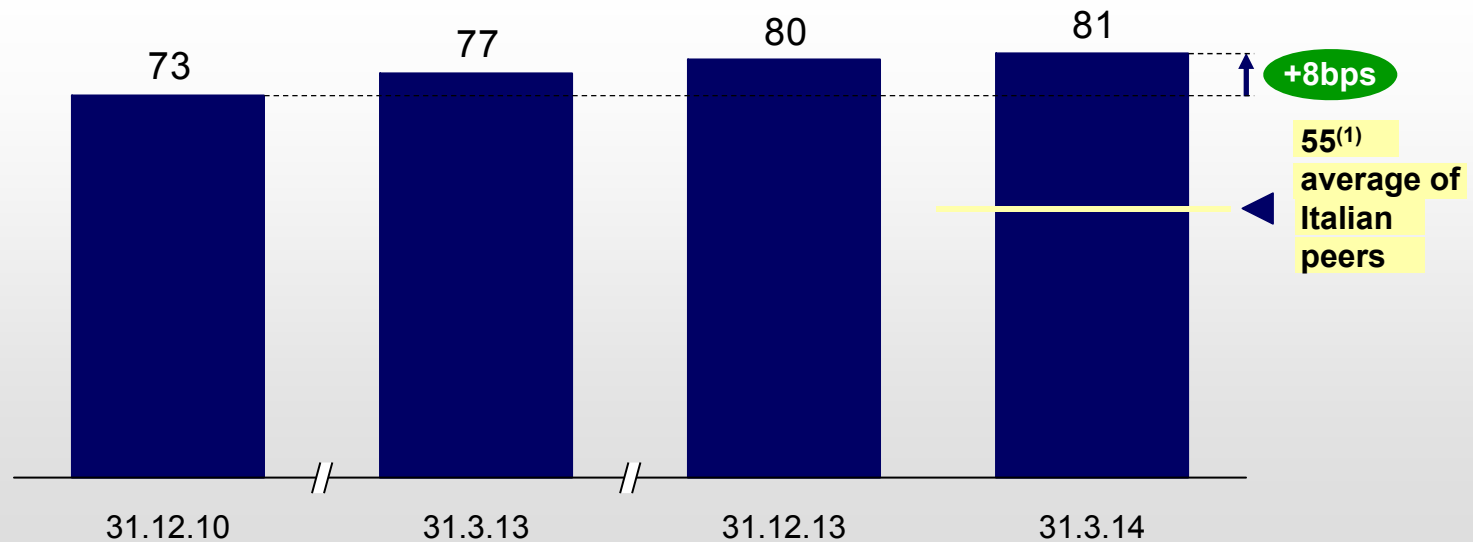
(1) Doubtful Loans (sofferenze), Substandard Loans (incagli), Restructured (ristrutturati) and Past Due (scaduti e sconfinanti)

(2) Figures take into consideration the reclassification to Substandard Loans of a single name in 2Q13, previously included under Restructured loans (~€1.2bn gross and ~€0.8bn net of adjustments, which were unchanged, down to ~€1.1bn and ~€0.7bn respectively in 3Q13 and further down to ~€0.7bn and ~€0.6bn in 4Q13 and in 1Q14)

Performing Loans: Robust and Increased Cash Coverage

Performing Loans cash coverage

Bps

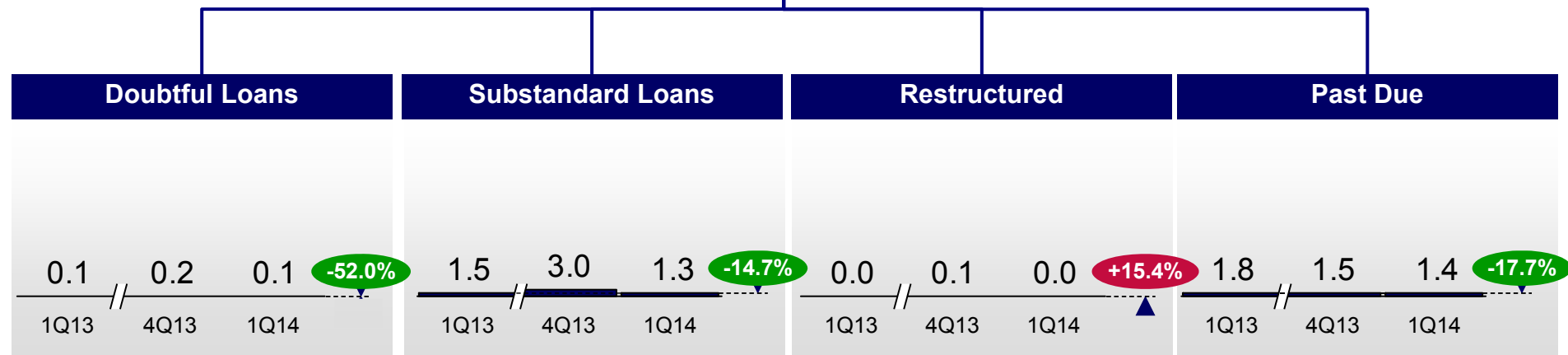
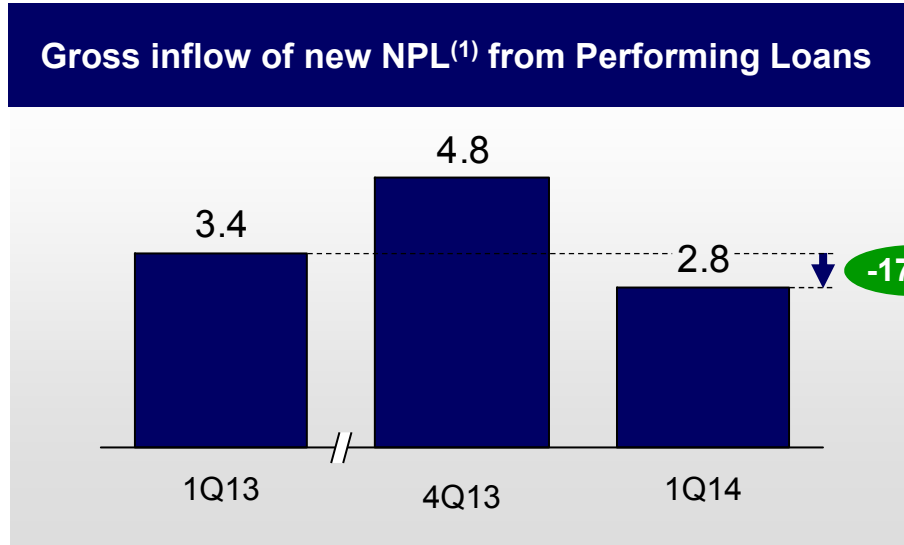


€45m increase in 1Q14 taking flat coverage into consideration

(1) Sample: BPOP, UBI and UniCredit (data as of 31.3.14); MPS (data as of 31.12.13)

Non-performing Loans: Strong Decline in Gross Inflow from Performing Loans

€ bn



1Q14 is the lowest quarter since 3Q11 for gross inflow of new NPL from Performing Loans

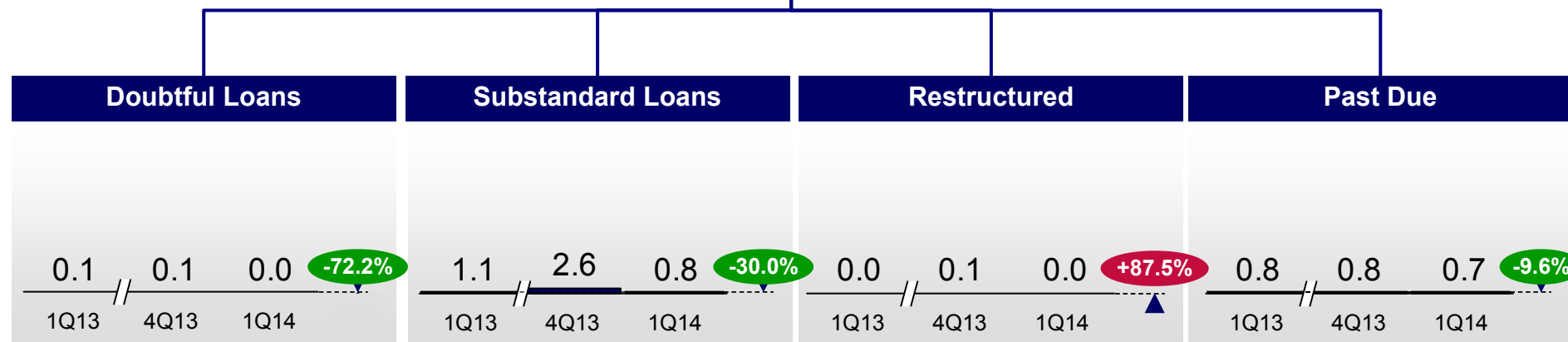
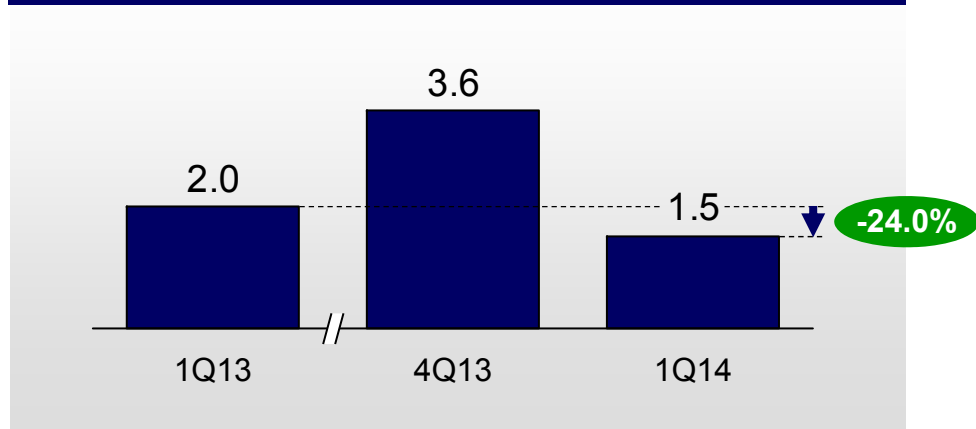
Note: figures may not add up exactly due to rounding differences

(1) Doubtful Loans (sofferenze), Substandard Loans (incagli), Restructured (ristrutturati) and Past Due (scaduti e sconfinanti)

Non-performing Loans: Strong Decline in Net Inflow from Performing Loans

€ bn

Net inflow of new NPL⁽¹⁾ from Performing Loans



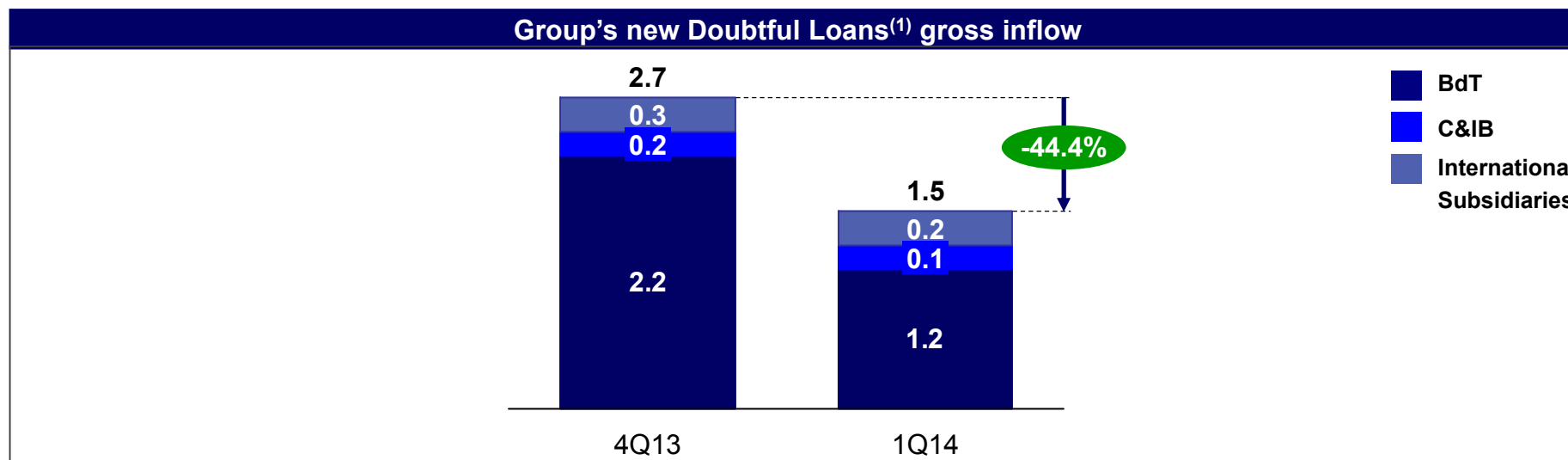
1Q14 is the lowest quarter since 1Q11 for net inflow of new NPL from Performing Loans

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

(1) Doubtful Loans (sofferenze), Substandard Loans (incagli), Restructured (ristrutturati) and Past Due (scaduti e sconfinanti)

New Doubtful Loans: Gross Inflow Nearly Halved vs 4Q13

€ bn



BdT's new Doubtful Loans⁽¹⁾ gross inflow

	4Q13	1Q14
Total	2.2	1.2
Product Companies ⁽²⁾	0.5	0.4
Small Business	0.2	0.2
Individuals	0.1	0.1
SMEs	1.3	0.5

C&IB's new Doubtful Loans⁽¹⁾ gross inflow

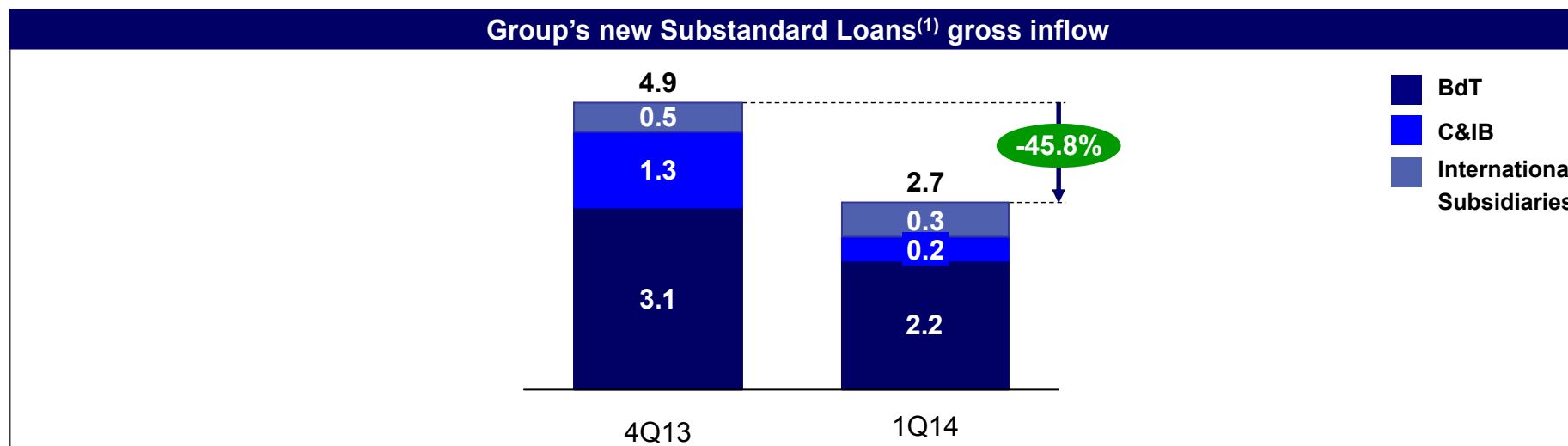
	4Q13	1Q14
Total	0.2	0.1
Banca IMI	0.1	-
Corporate and Public Finance	-	-
Global Industries	0.1	-
Financial Institutions	-	-
International	-	0.1

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

(1) Sofferenze (2) Industrial credit, Leasing and Factoring

New Substandard Loans: Gross Inflow Nearly Halved vs 4Q13

€ bn



BdT's new Substandard Loans⁽¹⁾ gross inflow

	4Q13	1Q14
Total	3.1	2.2
Product Companies ⁽²⁾	0.7	0.4
Small Business	0.4	0.3
Individuals	0.4	0.3
SMEs	1.7	1.1

C&IB's new Substandard Loans⁽¹⁾ gross inflow

	4Q13	1Q14
Total	1.3	0.2
Banca IMI	0.9	-
Corporate and Public Finance	0.2	0.1
Global Industries	0.1	-
Financial Institutions	-	-
International	0.1	-

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

(1) Incagli

(2) Industrial credit, Leasing and Factoring

Non-performing Loans: Breakdown by Category

Gross NPL			
€ m	31.3.13	31.12.13	31.3.14
Total	50,779	57,342	58,414
Past Due	2,683	2,232	1,779
- of which 90-180 days	1,049	817	611
Restructured	3,605	2,728 ⁽³⁾	2,869 ⁽³⁾
Substandard ⁽¹⁾	15,340	17,979 ⁽³⁾	18,262 ⁽³⁾
Doubtful ⁽²⁾	29,151	34,403	35,504

Net NPL			
€ m	31.3.13	31.12.13	31.3.14
Total	28,848	30,987	31,160
Past Due	2,381	1,958	1,530
- of which 90-180 days	958	753	560
Restructured	2,889	2,315 ⁽³⁾	2,439 ⁽³⁾
Substandard ⁽¹⁾	12,093	13,815 ⁽³⁾	14,004 ⁽³⁾
Doubtful ⁽²⁾	11,485	12,899	13,187

Slowdown in stock growth

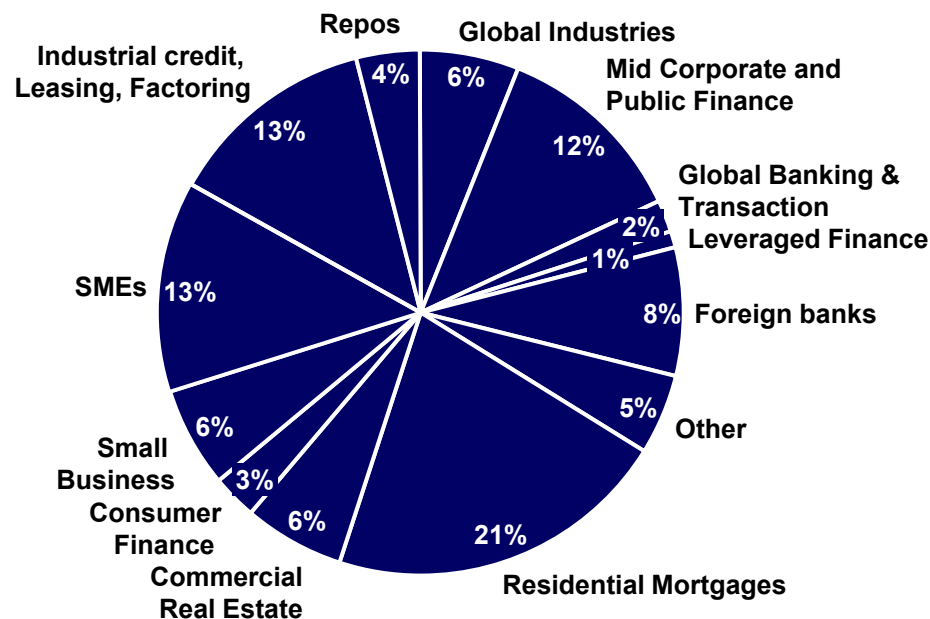
(1) Incagli

(2) Sofferenze

(3) Substandard loans increase in 2Q13 largely due to the reclassification to Substandard Loans of a single name, previously included under Restructured loans (~€1.2bn gross and ~€0.8bn net of adjustments, which were unchanged, down to ~€1.1bn and ~€0.7bn respectively in 3Q13 and further down to ~€0.7bn and ~€0.6bn in 4Q13 and in 1Q14)

Loans to Customers: Well-Diversified Portfolio

Breakdown by business area
(Data as of 31.3.14)



- **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 ~20 years
- Residual average life equal to ~13 years

Breakdown by economic business sectors

	31.12.13	31.3.14
Loans of the Italian banks and companies of the Group		
Households	25.0%	25.0%
Public Administration	4.6%	4.4%
Financial companies	4.8%	4.7%
Non-financial companies	47.5%	47.6%
of which:		
HOLDING AND OTHER	8.8%	8.8%
CONSTRUCTION AND MATERIALS FOR CONSTR.	6.8%	6.9%
DISTRIBUTION	6.2%	6.2%
SERVICES	6.0%	6.0%
UTILITIES	3.0%	2.9%
TRANSPORT	2.6%	2.6%
METALS AND METAL PRODUCTS	2.4%	2.4%
AGRICULTURE	1.8%	1.9%
FOOD AND DRINK	1.7%	1.7%
MECHANICAL	1.6%	1.6%
FASHION	1.3%	1.3%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.2%	1.2%
ELECTROTECHNICAL AND ELECTRONIC	0.9%	0.9%
TRANSPORTATION MEANS	0.5%	0.6%
BASE AND INTERMEDIATE CHEMICALS	0.5%	0.5%
PUBLISHING AND PRINTING	0.5%	0.5%
ENERGY AND EXTRACTION	0.6%	0.4%
FURNITURE	0.3%	0.3%
PHARMACEUTICAL	0.3%	0.3%
OTHER CONSUMPTION GOODS	0.2%	0.2%
MASS CONSUMPTION GOODS	0.1%	0.1%
WHITE GOODS	0.1%	0.1%
Rest of the world	5.7%	5.9%
Loans of the foreign banks and companies of the Group	8.7%	8.5%
Doubtful Loans	3.8%	3.9%
TOTAL	100.0%	100.0%

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

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Divisional Financial Highlights

Data as of 31.3.14

	Banca dei Territori	Eurizon Capital	Corporate & Investment Banking	International Subsidiary Banks	Banca Fideuram	Corporate Centre / Others ⁽¹⁾	Total
Operating Income (€ m)	2,863	95	886	509	240	(485)	4,108
Operating Margin (€ m)	1,506	67	673	250	160	(634)	2,022
Net Income (€ m)	361	42	413	85	78	(476)	503
Cost/Income (%)	47.4	29.5	24.0	50.9	33.3	n.m.	50.8
RWA (€ bn)	106.5	0.6	95.8	28.3	5.9	40.5	277.6
Direct Deposits from Banking Business (€ bn)	189.9	n.m.	116.2	30.4	7.6	28.4	372.5
Loans to Customers (€ bn)	205.5	0.2	90.4	26.4	4.3	12.1	339.0

Note: figures may not add up exactly due to rounding differences. Figures take into account the change in scope of the Banca dei Territori Division and the Corporate and Investment Banking Division approved by the Management Board on May 21st 2013.

(1) Treasury Department, Central Structures and consolidation adjustments

Banca dei Territori: Q1 vs Q1

€ m

	1Q13	1Q14	Δ%
	Restated		
Net interest income	1,562	1,521	(2.6)
Dividends and P/L on investments carried at equity	12	0	(100.0)
Net fee and commission income	992	1,089	9.8
Profits (Losses) on trading	19	14	(26.3)
Income from insurance business	212	227	7.1
Other operating income (expenses)	8	12	50.0
Operating income	2,805	2,863	2.1
Personnel expenses	(789)	(806)	2.2
Other administrative expenses	(572)	(550)	(3.8)
Adjustments to property, equipment and intangible assets	(2)	(1)	(50.0)
Operating costs	(1,363)	(1,357)	(0.4)
Operating margin	1,442	1,506	4.4
Net provisions for risks and charges	(13)	(9)	(30.8)
Net adjustments to loans	(940)	(882)	(6.2)
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	489	615	25.8
Taxes on income from continuing operations	(212)	(233)	9.9
Charges (net of tax) for integration and exit incentives	(9)	(5)	(44.4)
Effect of purchase cost allocation (net of tax)	(42)	(16)	(61.9)
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	0	0	n.m.
Net income	226	361	59.7

Note: figures may not add up exactly due to rounding differences. Figures take into account the change in scope of the Banca dei Territori Division and the Corporate and Investment Banking Division approved by the Management Board on May 21st 2013

Banca dei Territori: Q1 vs Q4

€ m

	4Q13	1Q14	Δ%
	Restated		
Net interest income	1,532	1,521	(0.7)
Dividends and P/L on investments carried at equity	0	0	(100.0)
Net fee and commission income	1,077	1,089	1.1
Profits (Losses) on trading	13	14	4.7
Income from insurance business	126	227	79.8
Other operating income (expenses)	2	12	408.1
Operating income	2,751	2,863	4.1
Personnel expenses	(711)	(806)	13.4
Other administrative expenses	(632)	(550)	(12.9)
Adjustments to property, equipment and intangible assets	(2)	(1)	(56.0)
Operating costs	(1,344)	(1,357)	0.9
Operating margin	1,407	1,506	7.0
Net provisions for risks and charges	(19)	(9)	(51.6)
Net adjustments to loans	(2,238)	(882)	(60.6)
Net impairment losses on other assets	0	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	(100.0)
Income before tax from continuing operations	(849)	615	n.m.
Taxes on income from continuing operations	361	(233)	n.m.
Charges (net of tax) for integration and exit incentives	(37)	(5)	(86.5)
Effect of purchase cost allocation (net of tax)	(40)	(16)	(59.7)
Impairment (net of tax) of goodwill and other intangible assets	(3,912)	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	(4,477)	361	n.m.

Note: figures may not add up exactly due to rounding differences. Figures take into account the change in scope of the Banca dei Territori Division and the Corporate and Investment Banking Division approved by the Management Board on May 21st 2013

Eurizon Capital: Q1 vs Q1

€ m

	1Q13	1Q14	Δ%
	Restated		
Net interest income	0	0	n.m.
Dividends and P/L on investments carried at equity	4	4	0.0
Net fee and commission income	69	88	27.5
Profits (Losses) on trading	1	3	200.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	0	n.m.
Operating income	74	95	28.4
Personnel expenses	(13)	(13)	0.0
Other administrative expenses	(13)	(15)	15.4
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	(26)	(28)	7.7
Operating margin	48	67	39.6
Net provisions for risks and charges	0	0	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.
Income before tax from continuing operations	48	67	39.6
Taxes on income from continuing operations	(10)	(16)	60.0
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(9)	(8)	(11.1)
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	(1)	(1)	0.0
Net income	28	42	50.0

1Q14 result at €50m
excluding the Effect of
purchase cost
allocation

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

Eurizon Capital: Q1 vs Q4

€ m

	4Q13	1Q14	Δ%
	Restated		
Net interest income	0	0	(100.0)
Dividends and P/L on investments carried at equity	2	4	64.8
Net fee and commission income	137	88	(35.7)
Profits (Losses) on trading	1	3	351.9
Income from insurance business	0	0	n.m.
Other operating income (expenses)	1	0	(100.0)
Operating income	141	95	(32.6)
Personnel expenses	(19)	(13)	(30.7)
Other administrative expenses	(17)	(15)	(10.0)
Adjustments to property, equipment and intangible assets	(0)	0	(100.0)
Operating costs	(36)	(28)	(21.3)
Operating margin	105	67	(36.4)
Net provisions for risks and charges	11	0	(100.0)
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.
Income before tax from continuing operations	116	67	(42.3)
Taxes on income from continuing operations	(47)	(16)	(66.3)
Charges (net of tax) for integration and exit incentives	(0)	0	(100.0)
Effect of purchase cost allocation (net of tax)	(12)	(8)	(31.9)
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	(3)	(1)	(70.3)
Net income	53	42	(21.4)

+20.3% excluding performance commissions

+55.8% excluding performance commissions

+24.1% excluding performance commissions

1Q14 result at €50m excluding the Effect of purchase cost allocation

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

Corporate and Investment Banking: Q1 vs Q1

€ m

	1Q13 Restated	1Q14	Δ%
Net interest income	434	458	5.5
Dividends and P/L on investments carried at equity	1	3	200.0
Net fee and commission income	224	177	(21.0)
Profits (Losses) on trading	333	249	(25.2)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	(1)	n.m.
Operating income	992	886	(10.7)
Personnel expenses	(81)	(81)	0.0
Other administrative expenses	(121)	(131)	8.3
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	(203)	(213)	4.9
Operating margin	789	673	(14.7)
Net provisions for risks and charges	0	(2)	n.m.
Net adjustments to loans	(90)	(91)	1.1
Net impairment losses on other assets	(22)	(8)	(63.6)
Profits (Losses) on HTM and on other investments	0	47	n.m.
Income before tax from continuing operations	677	619	(8.6)
Taxes on income from continuing operations	(222)	(206)	(7.2)
Charges (net of tax) for integration and exit incentives	(1)	0	(100.0)
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.
Net income	454	413	(9.0)

(3.3%) excluding
Profits on trading

(7.0%) excluding
Profits on trading

+7.6% excluding
Profits on trading

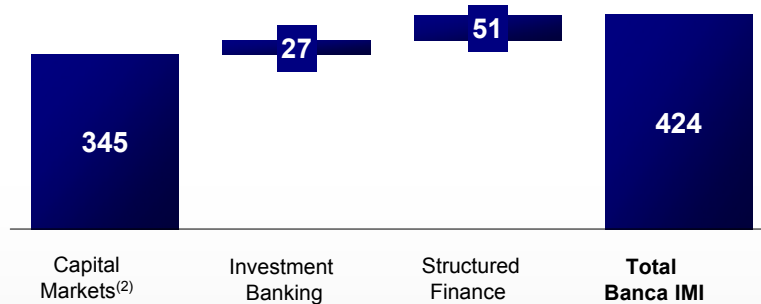
Note: figures may not add up exactly due to rounding differences. Figures take into account the change in scope of the Banca dei Territori Division and the Corporate and Investment Banking Division approved by the Management Board on May 21st 2013

Banca IMI: Significant Contribution to Group Results

1Q14 Results

Banca IMI Operating Income⁽¹⁾

€ m



Cost/Income	20.4%	44.0%	28.0%	22.9%
RWA (€ bn)	17.6	0.2	6.7	24.5

- ~60% of Operating income is customer driven
- Q1 average VaR at €37m
- Q1 Net income at €180m

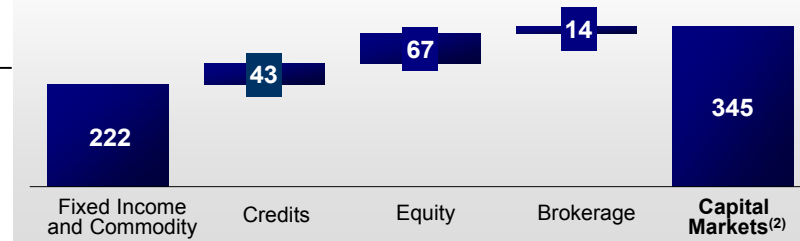
Note: figures may not add up exactly due to rounding differences

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

(2) Including Finance and Capital Management

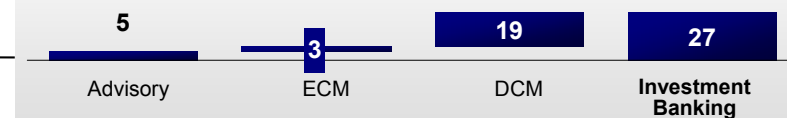
of which: Capital Markets⁽²⁾

€ m



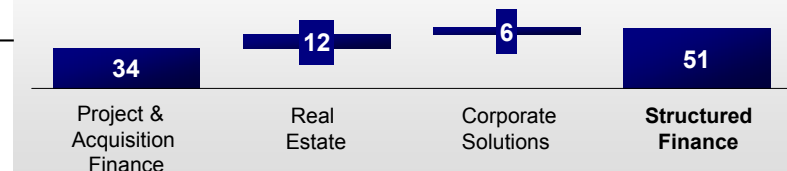
of which: Investment Banking

€ m



of which: Structured Finance

€ m



Corporate and Investment Banking: Q1 vs Q4

€ m

	4Q13	1Q14	Δ%
	Restated		
Net interest income	466	458	(1.7)
Dividends and P/L on investments carried at equity	2	3	86.2
Net fee and commission income	166	177	6.5
Profits (Losses) on trading	105	249	137.3
Income from insurance business	0	0	n.m.
Other operating income (expenses)	3	(1)	n.m.
Operating income	741	886	19.6
Personnel expenses	(68)	(81)	18.3
Other administrative expenses	(143)	(131)	(8.3)
Adjustments to property, equipment and intangible assets	(1)	(1)	41.9
Operating costs	(212)	(213)	0.5
Operating margin	529	673	27.2
Net provisions for risks and charges	(6)	(2)	(63.8)
Net adjustments to loans	(445)	(91)	(79.6)
Net impairment losses on other assets	(39)	(8)	(79.7)
Profits (Losses) on HTM and on other investments	(29)	47	n.m.
Income before tax from continuing operations	10	619	n.m.
Taxes on income from continuing operations	(93)	(206)	121.6
Charges (net of tax) for integration and exit incentives	(1)	0	(100.0)
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	(1,134)	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	(1,218)	413	n.m.

Note: figures may not add up exactly due to rounding differences. Figures take into account the change in scope of the Banca dei Territori Division and the Corporate and Investment Banking Division approved by the Management Board on May 21st 2013

International Subsidiary Banks^(*): Q1 vs Q1

€ m

	1Q13	1Q14	Δ%
	Restated		
Net interest income	378	369	(2.4)
Dividends and P/L on investments carried at equity	8	15	87.5
Net fee and commission income	127	129	1.6
Profits (Losses) on trading	17	21	23.5
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(22)	(25)	13.6
Operating income	508	509	0.2
Personnel expenses	(142)	(134)	(5.6)
Other administrative expenses	(103)	(99)	(3.9)
Adjustments to property, equipment and intangible assets	(29)	(26)	(10.3)
Operating costs	(274)	(259)	(5.5)
Operating margin	234	250	6.8
Net provisions for risks and charges	(1)	(3)	200.0
Net adjustments to loans	(130)	(120)	(7.7)
Net impairment losses on other assets	(17)	(3)	(82.4)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	86	124	44.2
Taxes on income from continuing operations	(39)	(39)	0.0
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.
Net income	47	85	80.9

1Q14 result at €113m
excluding Hungary

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

(*) Not including Ukraine subsidiary Pravex-Bank following the signing of an agreement for the sale of 100% of the bank in January 2014. Finalisation of the transaction is subject to regulatory approval

International Subsidiary Banks^(*): Q1 vs Q4

€ m

	4Q13	1Q14	Δ%
	Restated		
Net interest income	388	369	(4.8)
Dividends and P/L on investments carried at equity	6	15	159.1
Net fee and commission income	142	129	(9.2)
Profits (Losses) on trading	30	21	(29.6)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(24)	(25)	4.1
Operating income	541	509	(5.9)
Personnel expenses	(145)	(134)	(7.6)
Other administrative expenses	(111)	(99)	(10.8)
Adjustments to property, equipment and intangible assets	(30)	(26)	(12.0)
Operating costs	(285)	(259)	(9.3)
Operating margin	256	250	(2.2)
Net provisions for risks and charges	(7)	(3)	(58.7)
Net adjustments to loans	(325)	(120)	(63.1)
Net impairment losses on other assets	(75)	(3)	(96.0)
Profits (Losses) on HTM and on other investments	(1)	0	(100.0)
Income before tax from continuing operations	(152)	124	n.m.
Taxes on income from continuing operations	(53)	(39)	(25.9)
Charges (net of tax) for integration and exit incentives	(0)	0	(100.0)
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	(722)	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	(927)	85	n.m.

1Q14 result at €113m
excluding Hungary

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

(*) Not including Ukraine subsidiary Pravex-Bank following the signing of an agreement for the sale of 100% of the bank in January 2014. Finalisation of the transaction is subject to regulatory approval

Banca Fideuram: Q1 vs Q1

€ m

	1Q13	1Q14	Δ%
	Restated		
Net interest income	28	34	21.4
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	144	175	21.5
Profits (Losses) on trading	5	6	20.0
Income from insurance business	18	25	38.9
Other operating income (expenses)	0	0	n.m.
Operating income	195	240	23.1
Personnel expenses	(34)	(34)	0.0
Other administrative expenses	(44)	(42)	(4.5)
Adjustments to property, equipment and intangible assets	(3)	(4)	33.3
Operating costs	(81)	(80)	(1.2)
Operating margin	114	160	40.4
Net provisions for risks and charges	(16)	(18)	12.5
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	(3)	1	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	95	143	50.5
Taxes on income from continuing operations	(16)	(41)	156.3
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(22)	(24)	9.1
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.
Net income	57	78	36.8

1Q14 result at €102m excluding the Effect of purchase cost allocation

Note: including Fideuram Vita. Figures may not add up exactly due to rounding differences

Banca Fideuram: Q1 vs Q4

€ m

	4Q13	1Q14	Δ%
	Restated		
Net interest income	48	34	(29.0)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	192	175	(9.0)
Profits (Losses) on trading	2	6	172.7
Income from insurance business	13	25	97.0
Other operating income (expenses)	(5)	0	(100.0)
Operating income	250	240	(3.8)
Personnel expenses	(35)	(34)	(3.7)
Other administrative expenses	(53)	(42)	(21.3)
Adjustments to property, equipment and intangible assets	(4)	(4)	7.4
Operating costs	(92)	(80)	(13.4)
Operating margin	157	160	1.8
Net provisions for risks and charges	(25)	(18)	(29.2)
Net adjustments to loans	(9)	0	(100.0)
Net impairment losses on other assets	1	1	(19.0)
Profits (Losses) on HTM and on other investments	(3)	0	(100.0)
Income before tax from continuing operations	122	143	17.3
Taxes on income from continuing operations	(57)	(41)	(28.1)
Charges (net of tax) for integration and exit incentives	(0)	0	(100.0)
Effect of purchase cost allocation (net of tax)	(23)	(24)	4.4
Impairment (net of tax) of goodwill and other intangible assets	(29)	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	13	78	512.4

+6.7% excluding performance commissions

+21.2% excluding performance commissions

+47.4% excluding performance commissions

1Q14 result at €102m excluding the Effect of purchase cost allocation

Note: including Fideuram Vita. Figures may not add up exactly due to rounding differences

Quarterly P&L Analysis

€ m

	1Q13	2Q13	3Q13	4Q13	1Q14
	Restated	Restated	Restated	Restated	
Net interest income	2,017	2,035	2,026	2,032	2,100
Dividends and P/L on investments carried at equity	(43)	2	(6)	(2)	30
Net fee and commission income	1,462	1,571	1,479	1,620	1,584
Profits (Losses) on trading	454	236	400	69	151
Income from insurance business	230	215	203	142	251
Other operating income (expenses)	(12)	15	33	70	(8)
Operating income	4,108	4,074	4,135	3,931	4,108
Personnel expenses	(1,260)	(1,149)	(1,199)	(1,194)	(1,273)
Other administrative expenses	(658)	(682)	(661)	(806)	(650)
Adjustments to property, equipment and intangible assets	(165)	(167)	(169)	(188)	(163)
Operating costs	(2,083)	(1,998)	(2,029)	(2,188)	(2,086)
Operating margin	2,025	2,076	2,106	1,743	2,022
Net provisions for risks and charges	(26)	(38)	(1)	(249)	(55)
Net adjustments to loans	(1,158)	(1,390)	(1,465)	(3,098)	(1,077)
Net impairment losses on other assets	(68)	(147)	(32)	(170)	(12)
Profits (Losses) on HTM and on other investments	5	(3)	(35)	2,441	75
Income before tax from continuing operations	778	498	573	667	953
Taxes on income from continuing operations	(364)	(271)	(264)	28	(364)
Charges (net of tax) for integration and exit incentives	(12)	(21)	(5)	(42)	(7)
Effect of purchase cost allocation (net of tax)	(74)	(73)	(72)	(75)	(46)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	(5,797)	0
Income (Loss) after tax from discontinued operations	(10)	(14)	(3)	(4)	(13)
Minority interests	(12)	(3)	(11)	33	(20)
Net income	306	116	218	(5,190)	503

Note: figures may not add up exactly due to rounding differences. 2013 data has been restated to include Pravex in the discontinued operations following the sale agreement signed in January 2014

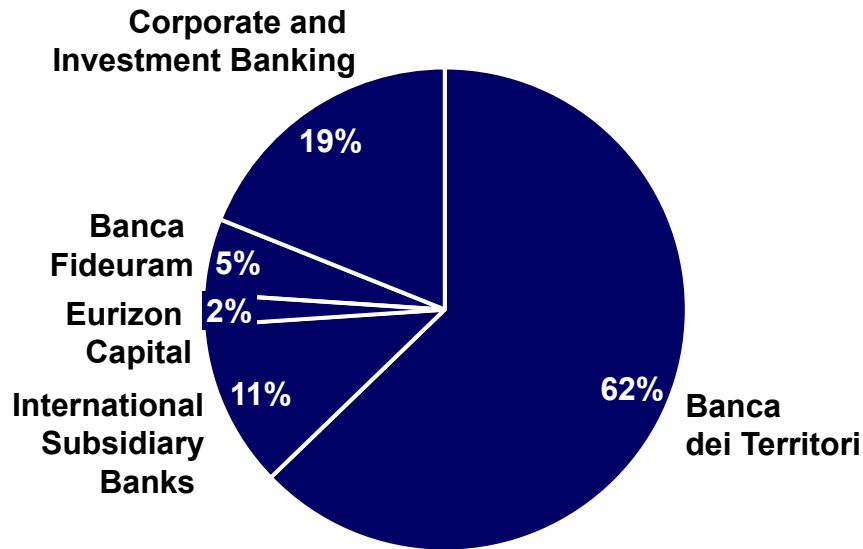
Net Fee and Commission Income: Quarterly Development

€ m

Net Fee and Commission Income					
	1Q13	2Q13	3Q13	4Q13	1Q14
Guarantees given / received	88	61	69	83	71
Collection and payment services	66	81	84	108	85
Current accounts	280	285	288	286	279
Credit and debit cards	111	122	125	127	117
Commercial banking activities	545	549	566	604	552
Dealing and placement of securities	137	119	97	110	152
Currency dealing	10	11	11	9	10
Portfolio management	301	391	349	466	391
Distribution of insurance products	184	211	202	208	227
Other	36	44	41	39	41
Management, dealing and consultancy activities	668	776	700	832	821
Other net fee and commission income	249	246	213	184	211
Net fee and commission income	1,462	1,571	1,479	1,620	1,584

Market Leadership in Italy

1Q14 Operating Income Breakdown by business area⁽¹⁾



Leader in Italy (data as of 31.3.14)

Ranking	Market share
1	Loans 15.1
1	Deposits ⁽²⁾ 16.4
1	Asset Management ⁽³⁾ 22.1
1	Pension Funds ⁽⁴⁾ 23.9
1	Factoring 30.1

Note: figures may not add up exactly due to rounding differences. Figures take into account the change in scope of the Banca dei Territori Division and the Corporate and Investment Banking Division approved by the Management Board on May 21st 2013

(1) Excluding Corporate Centre

(2) Including bonds

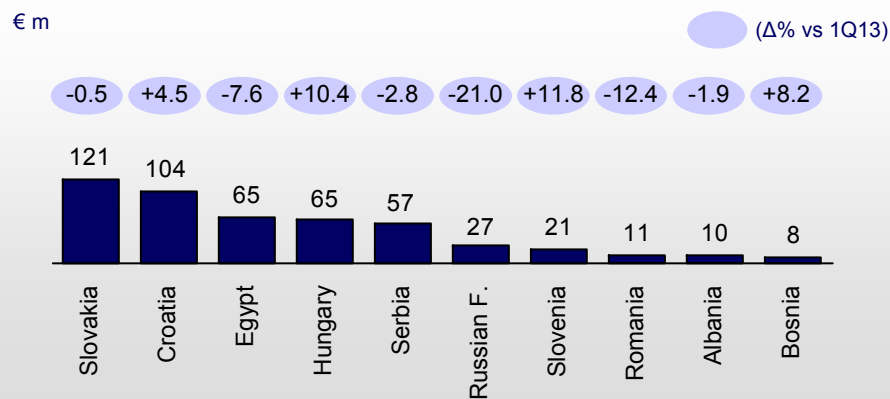
(3) Mutual funds; data as of 31.12.13

(4) Data as of 31.12.13

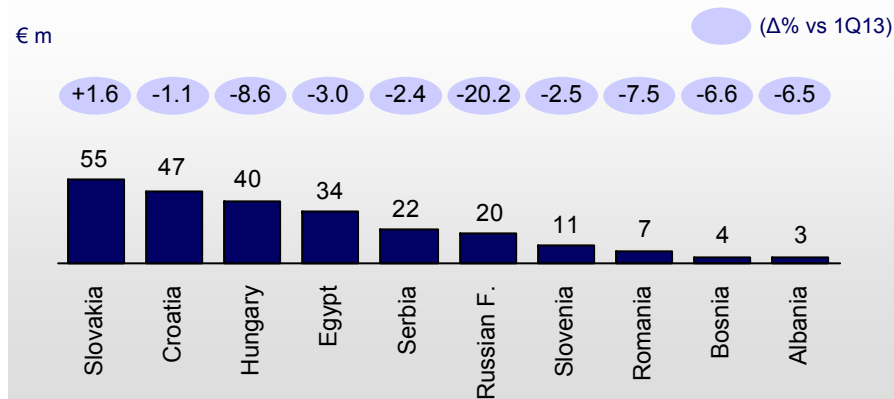
International Subsidiary Banks(*): Key P&L Data by Country

Data as of 31.3.14

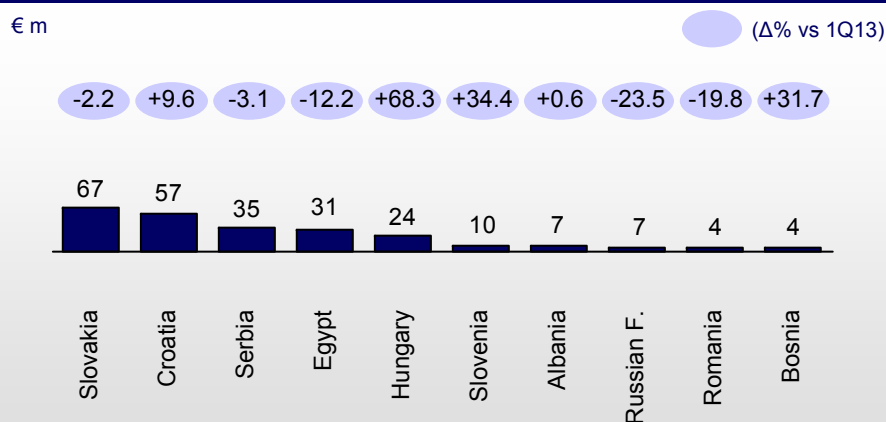
Operating Income



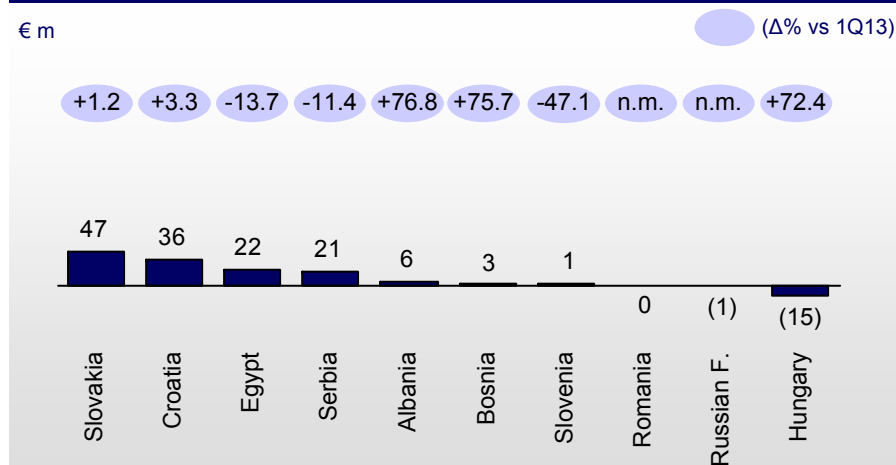
Operating Costs



Operating Margin
















Pre-Tax Income



(*) The Ukraine subsidiary Pravex-Bank is included in discontinued operations following the sale agreement signed in January 2014. Finalisation of the transaction is subject to regulatory approval

International Subsidiary Banks: ~8% of Group's Total Loans

Data as of 31.3.14












	 Hungary	 Slovakia	 Slovenia	 Croatia	 Serbia	 Bosnia	 Albania	 Romania	 Russian F.	 CEE Total	 Egypt	 Total	 Ukraine(*)
Oper. Income (€ m)	65	121	21	104	57	8	10	11	27	425	65	490	2
% of Group total	1.6%	3.0%	0.5%	2.5%	1.4%	0.2%	0.3%	0.3%	0.7%	10.3%	1.6%	11.9%	0.0%
Net income (€ m)	(28)	37	1	28	18	2	5	(0)	(1)	63	15	78	(13)
% of Group total	n.m.	7.3%	0.3%	5.6%	3.5%	0.5%	1.0%	n.m.	n.m.	12.5%	3.0%	15.5%	n.m.
Customer Deposits (€ bn)	3.9	9.4	1.8	6.2	2.5	0.5	0.8	0.7	1.0	26.8	3.6	30.4	0.2
% of Group total	1.1%	2.5%	0.5%	1.7%	0.7%	0.1%	0.2%	0.2%	0.3%	7.2%	1.0%	8.2%	0.1%
Customer Loans (€ bn)	4.0	7.7	1.8	6.2	2.2	0.5	0.3	0.8	1.1	24.5	2.0	26.5	0.2
% of Group total	1.2%	2.3%	0.5%	1.8%	0.6%	0.2%	0.1%	0.2%	0.3%	7.2%	0.6%	7.8%	0.0%
Total Assets (€ bn)	5.8	11.5	2.4	9.3	3.9	0.7	1.0	1.1	1.7	37.5	4.4	41.9	0.3
% of Group total	0.9%	1.8%	0.4%	1.5%	0.6%	0.1%	0.2%	0.2%	0.3%	6.0%	0.7%	6.7%	0.0%
Shareholder's Equity (€ m)	535	1,297	270	1,302	823	92	132	164	250	4,865	354	5,219	69
% of Group total	1.2%	2.9%	0.6%	2.9%	1.8%	0.2%	0.3%	0.4%	0.6%	10.8%	0.8%	11.6%	0.2%
Book value (€ m)	539	1,342	263	1,421	836	92	124	164	293	5,074	357	5,432	74
- of which goodwill/intangibles	23	52	5	10	8	2	3	5	16	123	3	126	14

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

(*) Pravax-Bank is included in discontinued operations following the sale agreement signed in January 2014. Finalisation of the transaction is subject to regulatory approval

International Subsidiary Banks: Loans Breakdown and Coverage

Data as of 31.3.14

										CEE Total		Total	
	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.		Egypt		Ukraine(*)
Performing loans (€ bn)	3.1	7.4	1.6	5.7	1.9	0.5	0.2	0.6	1.0	22.0	1.8	23.9	0.1
of which:													
Retail local currency	7%	55%	50%	13%	12%	6%	3%	27%	5%	29%	60%	31%	59%
Retail foreign currency	32%	0%	1%	40%	24%	40%	17%	64%	0%	20%	0%	18%	18%
Corporate local currency	24%	39%	47%	14%	12%	25%	33%	3%	79%	30%	26%	29%	18%
Corporate foreign currency	37%	5%	2%	32%	52%	30%	47%	5%	16%	22%	15%	21%	6%
Doubtful loans⁽¹⁾ (€ m)	528	129	63	155	146	18	46	103	48	1,236	12	1,248	43
Substandard and Restructured⁽²⁾ (€ m)	359	84	89	401	123	4	19	32	5	1,116	191	1,307	23
Performing loans coverage	2.5%	1.3%	0.9%	1.2%	1.5%	1.2%	5.0%	1.7%	1.3%	1.5%	2.6%	1.6%	1.7%
Doubtful loans⁽¹⁾ coverage	65%	62%	63%	66%	51%	67%	49%	63%	63%	63%	92%	64%	74%
Substandard and Restructured loans⁽²⁾ coverage	27%	33%	25%	30%	33%	33%	24%	37%	50%	29%	23%	28%	12%
Cost of credit⁽³⁾ (bps; annualised)	398	101	95	134	262	102	105	223	279	183	152	181	1,195

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

(*) Praxex-Bank is included in discontinued operations following the sale agreement signed in January 2014. Finalisation of the transaction is subject to regulatory approval

(1) Sofferenze

(2) Including Past due

(3) Net adjustments to loans/Net customer loans

Common Equity Ratio as of 31.3.14: from Phased-in to Pro-forma Fully-loaded

€ bn

	~€ bn	~pbs
Transitional adjustments		
Reserve shortfall	(0.6)	(21)
Valuation reserves	0.2	8
Minorities exceeding requirements	(0.2)	(8)
DTA on losses carried forward ⁽¹⁾	0.1	2
Total	(0.5)	(19)
Deductions exceeding cap^(*)		
Total	(1.7)	(61)
(*) as a memo, constituents of deductions subject to cap:		
- Other DTA ⁽²⁾	1.1	
- Investments in banking and financial companies	0.7	
- Investments in insurance companies	4.7	
RWA from 100% weighted DTA⁽³⁾	(5.3)	22
Benefit from the Danish Compromise		14
Benefit from the stake in the Bank of Italy		87
Total estimated impact		43
Pro-forma fully-loaded Common Equity ratio		12.6%

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

(1) Considering the expected absorption by 2019 of DTA on losses carried forward (€0.3bn out of a total of €0.4bn as of 31.3.14)

(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 total absorption of DTA related to goodwill realignment (€5.3bn as of 31.3.14)

Total Exposure⁽¹⁾ by Country

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT				
EU Countries	12,294	47,329	1,163	958	15,984	77,728	52,675	130,403	321,618
Austria	158	23	3		59	243	12	255	568
Belgium		121			184	305	29	334	1,071
Bulgaria					4	4	3	7	53
Croatia	152	75	24	696	37	984	11	995	6,136
Cyprus	10					10		10	112
Czech Republic									530
Denmark	125				40	165	35	200	168
Estonia									2
Finland	200	12			44	256	3	259	23
France	94	356		194	1,273	1,917	710	2,627	2,378
Germany	207	193	3	20	889	1,312	2,412	3,724	2,327
Greece					47	47		47	419
Hungary	20	728			166	914	24	938	4,005
Ireland	30				83	113	109	222	612
Italy	9,486	43,017	420	48	11,379	64,350	47,508	111,858	276,647
Latvia									58
Lithuania	25					25		25	11
Luxembourg	316	63			458	837	352	1,189	1,934
Malta									310
The Netherlands	282	203	26		353	864	289	1,153	1,241
Poland	40				46	86		86	102
Portugal	217	10			128	355	77	432	201
Romania	145	144			1	290	6	296	918
Slovakia		1,402	687		45	2,134		2,134	7,426
Slovenia		180				180	6	186	1,724
Spain	538	705			158	1,401	554	1,955	1,574
Sweden	25				283	308	27	335	67
United Kingdom	224	97			307	628	508	1,136	11,001
North African Countries		1,155	4			1,159		1,159	2,141
Algeria									21
Egypt		1,155	4			1,159		1,159	2,100
Libya									8
Morocco									3
Tunisia									9
Japan					152	152		152	203
Other Countries	3,053	2,143	359	62	2,366	7,983	2,987	10,970	23,668
Total consolidated figures	15,347	50,627	1,526	1,020	18,502	87,022	55,662	142,684	347,630

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

Debt securities of Insurance Business are classified as follows: €54,002m at AFS, €1,200m at CFV, €405m at HFT and €55m at L&R

(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as of 31.3.14

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

Exposure to Sovereign Risks⁽¹⁾ by Country

€ m

	DEBT SECURITIES									LOANS
	Banking Business					Total	Insurance Business	Total	AFS Reserve ⁽³⁾	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT					
EU Countries	8,349	45,033	1,069	756	12,105	67,312	46,525	113,837	349	21,230
Austria	36	3	3		28	70	10	80		
Belgium		121			84	205	20	225		
Bulgaria					3	3		3		
Croatia	132	72	24	688	37	953	3	956		1,057
Cyprus	10					10		10		
Czech Republic										25
Denmark					15	15		15		
Estonia										
Finland	200				44	244	3	247		12
France	35	101			735	871	73	944	1	17
Germany	40	177		20	693	930	2,044	2,974	6	
Greece					42	42		42		
Hungary	1	728			166	895	24	919	-1	261
Ireland	30				5	35	71	106	1	
Italy	6,923	41,434	355	48	9,305	58,065	43,962	102,027	291	19,002
Latvia										58
Lithuania	25					25		25		
Luxembourg	116				408	524		524		
Malta										
The Netherlands	51	33			179	263	68	331	1	
Poland	11				45	56		56	-1	
Portugal	145				22	167	30	197		15
Romania	145	144			1	290	6	296		15
Slovakia		1,338	687		45	2,070		2,070	43	116
Slovenia		153				153	6	159	5	177
Spain	370	705			10	1,085	184	1,269	3	475
Sweden	25				193	218	21	239		
United Kingdom	54	24			45	123		123		
North African Countries		1,152				1,152		1,152	-6	
Algeria										
Egypt		1,152				1,152		1,152	-6	
Libya										
Morocco										
Tunisia										
Japan					152	152		152		
Other Countries	210	1,104	353	37	1,815	3,519	799	4,318	9	347
Total consolidated figures	8,559	47,289	1,422	793	14,072	72,135	47,324	119,459	352	21,577

Banking Business
Government bond
duration: 2.8 years

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

Debt securities of Insurance Business are classified as follows: €46,811m at AFS, €288m at CFV and €225m at HFT

(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as of 31.3.14

(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 Country⁽¹⁾

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT				
EU Countries	775	1,549	94	197	2,320	4,935	3,691	8,626	13,743
Austria	122				29	151		151	379
Belgium					79	79	6	85	854
Bulgaria					1	1		1	1
Croatia				3		3		3	82
Cyprus									1
Czech Republic									183
Denmark	125				25	150	19	169	117
Estonia									
Finland		12				12		12	5
France		167		194	437	798	258	1,056	1,139
Germany	96		3		91	190	217	407	1,302
Greece									400
Hungary									29
Ireland					78	78	33	111	26
Italy	94	1,131	65		1,071	2,361	2,087	4,448	3,138
Latvia									
Lithuania									5
Luxembourg	200				8	208	337	545	1,215
Malta									289
The Netherlands	30	91	26		122	269	158	427	366
Poland	29					29		29	12
Portugal					56	56	38	94	23
Romania									60
Slovakia		64				64		64	63
Slovenia		26				26		26	2
Spain	27				108	135	208	343	61
Sweden					86	86		86	34
United Kingdom	52	58			129	239	330	569	3,957
North African Countries		2				2		2	57
Algeria									1
Egypt		2				2		2	47
Libya									
Morocco									3
Tunisia									6
Japan									33
Other Countries	426	39	6		458	929	631	1,560	8,925
Total consolidated figures	1,201	1,590	100	197	2,778	5,866	4,322	10,188	22,758

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

Debt securities of Insurance Business are classified as follows: €3,768m at AFS, €335m at CFV, €166m at HFT and €53m at L&R

(1) Book Value of Debt Securities and Net Loans as of 31.3.14

(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 Country⁽¹⁾

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT				
EU Countries	3,170	747		5	1,559	5,481	2,459	7,940	286,645
Austria		20			2	22	2	24	189
Belgium					21	21	3	24	217
Bulgaria							3	3	52
Croatia	20	3		5		28	8	36	4,997
Cyprus									111
Czech Republic									322
Denmark							16	16	51
Estonia									2
Finland									6
France	59	88			101	248	379	627	1,222
Germany	71	16			105	192	151	343	1,025
Greece					5	5		5	19
Hungary	19					19		19	3,715
Ireland							5	5	586
Italy	2,469	452			1,003	3,924	1,459	5,383	254,507
Latvia									6
Lithuania									6
Luxembourg		63			42	105	15	120	719
Malta									21
The Netherlands	201	79			52	332	63	395	875
Poland					1	1		1	90
Portugal	72	10			50	132	9	141	163
Romania									843
Slovakia									7,247
Slovenia		1				1		1	1,545
Spain	141				40	181	162	343	1,038
Sweden					4	4	6	10	33
United Kingdom	118	15			133	266	178	444	7,044
North African Countries		1	4			5		5	2,084
Algeria									20
Egypt		1	4			5		5	2,053
Libya									8
Morocco									3
Tunisia									3
Japan									170
Other Countries	2,417	1,000		25	93	3,535	1,557	5,092	14,396
Total consolidated figures	5,587	1,748	4	30	1,652	9,021	4,016	13,037	303,295

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

Debt securities of Insurance Business are classified as follows: €3,423m at AFS, €577m at CFV, €14m at HFT and €2m at L&R

(1) Book Value of Debt Securities and Net Loans as of 31.3.14

(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, Ernesto Riva, 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”.

* * *

This presentation includes certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words “may,” “will,” “should,” “plan,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “project,” “goal” or “target” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Company’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Company participates or is seeking to participate.

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