



**A Strong Bank,
Delivering Growth**

9M16 Results

Solid Performance

November 4, 2016

INTESA  SANPAOLO

9M: Solid Performance

€2.3bn Net income

€3.2bn pro-forma⁽¹⁾ Net income already covering full dividend commitment for the year

Cost/Income ratio at 49.9%, among the best in Europe

Declining NPL stock (~-€5bn in one year) driven by the lowest NPL inflow since ISP was created, coupled with increased NPL coverage

Common Equity⁽²⁾ ratio at 13.0% well above SREP + SIB requirements even under EBA stress test adverse scenario

(1) Including €895m additional net capital gain from Setefi and ISP Card disposal to be booked in Q4

(2) Pro-forma fully loaded Basel 3 (30.9.16 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans and the expected absorption of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps)

All Stakeholders Benefit from Our Performance

Households and Businesses

Medium/Long-term new lending, € bn

Of which €34bn in Italy

40



9M16

Employees

Personnel expenses, € bn

Excess capacity of ~4,500 people retained and now contributing to key growth initiatives

3.9



9M16

Public Sector

Taxes⁽¹⁾, € bn

1.6

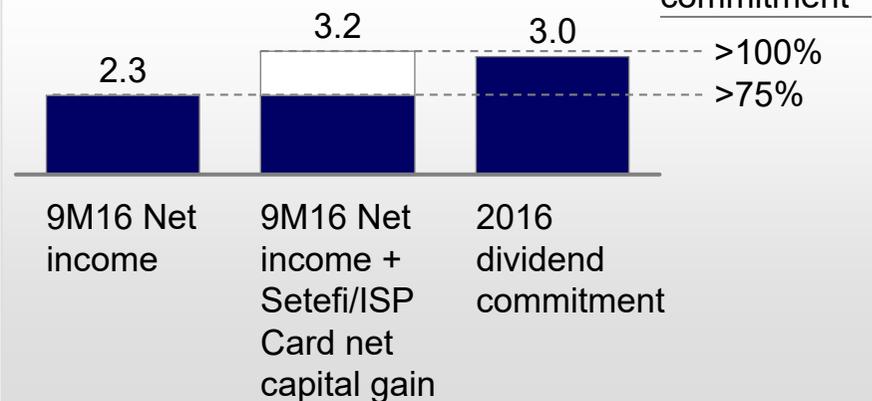


9M16

Shareholders

€ bn

% of dividend commitment



9M16 Net income

9M16 Net income + Setefi/ISP Card net capital gain

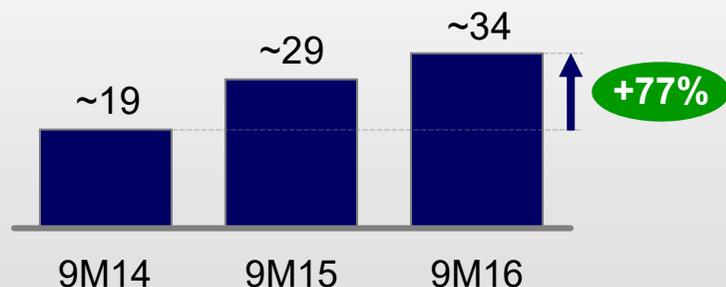
2016 dividend commitment

(1) Direct and indirect

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

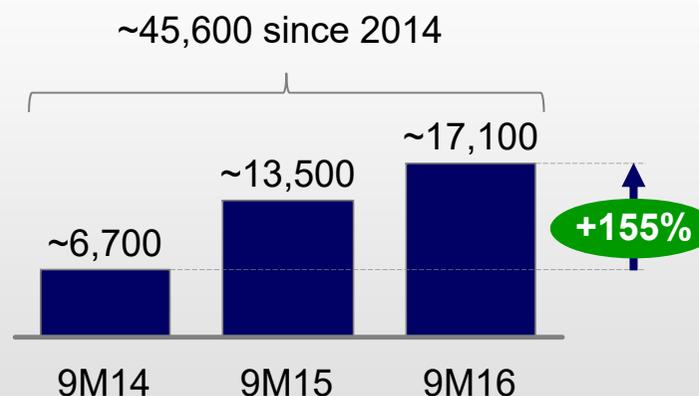
ISP: supporting the Italian economy to grow...

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



...and to recover

Italian companies helped to get back to performing status⁽¹⁾



- **ISP: a bridge towards internationalisation**
- **ISP: an innovation driver (e.g., innovation centre located in the 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

9M: Highlights

- **Solid economic performance:**
 - **€2.3bn Net income, €3.2bn including €895m additional net capital gain from Setefi and ISP Card disposal to be booked in 4Q16** ✓
 - **Growth in Net interest income in Q3 (+2% vs 2Q16)** ✓
 - **Continued effective cost management with C/I ratio at 49.9%** ✓
- **Best-in-class capital position with a solid balance sheet:**
 - **Decreasing NPL stock (~€5bn vs 9M15), the lowest of the past ten quarters, coupled with the lowest NPL inflow since ISP was created** ✓
 - **Increased NPL coverage to 48% (+1pp vs 9M15)** ✓
 - **Pro-forma fully loaded Common Equity ratio at 13.0%⁽¹⁾ well above SREP + SIB requirements even under EBA stress test adverse scenario** ✓
 - **Low leverage ratio at 6.7%** ✓
 - **Strong liquidity position and funding capability with LCR and NSFR well above 100%** ✓

(1) Pro-forma fully loaded Basel 3 (30.9.16 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans and the expected absorption of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps)

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9M16: Solid performance

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

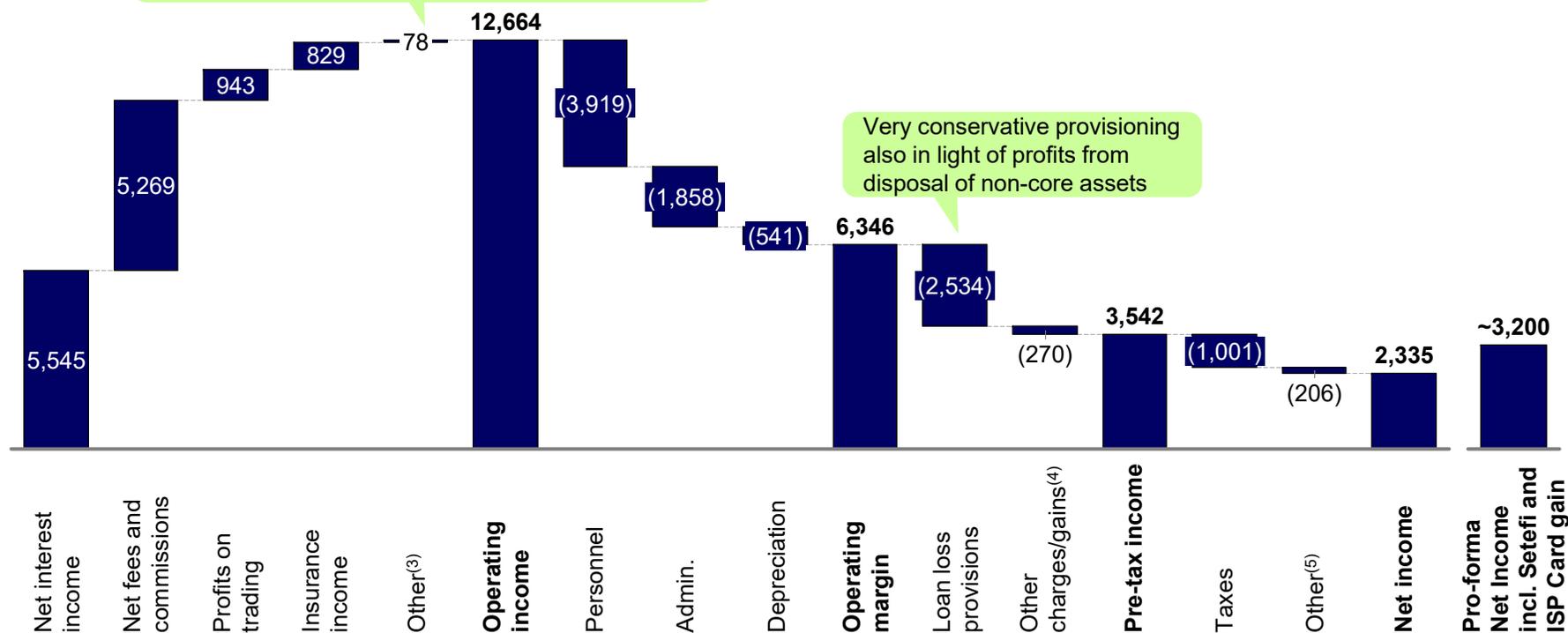
Well ahead of our Business Plan

9M16: €3.2bn Pro-forma Net Income

9M16 P&L

€ m

- ~€170m profit from disposal of Visa Europe stake
- €263m charges for the Resolution Fund⁽¹⁾ and the Deposit Guarantee Scheme⁽²⁾



Very conservative provisioning also in light of profits from disposal of non-core assets

Δ% vs 9M15



(1) €148m pre-tax in Other operating income (expenses) and €103m net of taxes; our commitment for the year fully funded

(2) €115m pre-tax in Other operating income (expenses) and €79m net of taxes; our commitment for the year fully funded

(3) Profit (Losses) on investments carried at equity and other operating income (expenses)

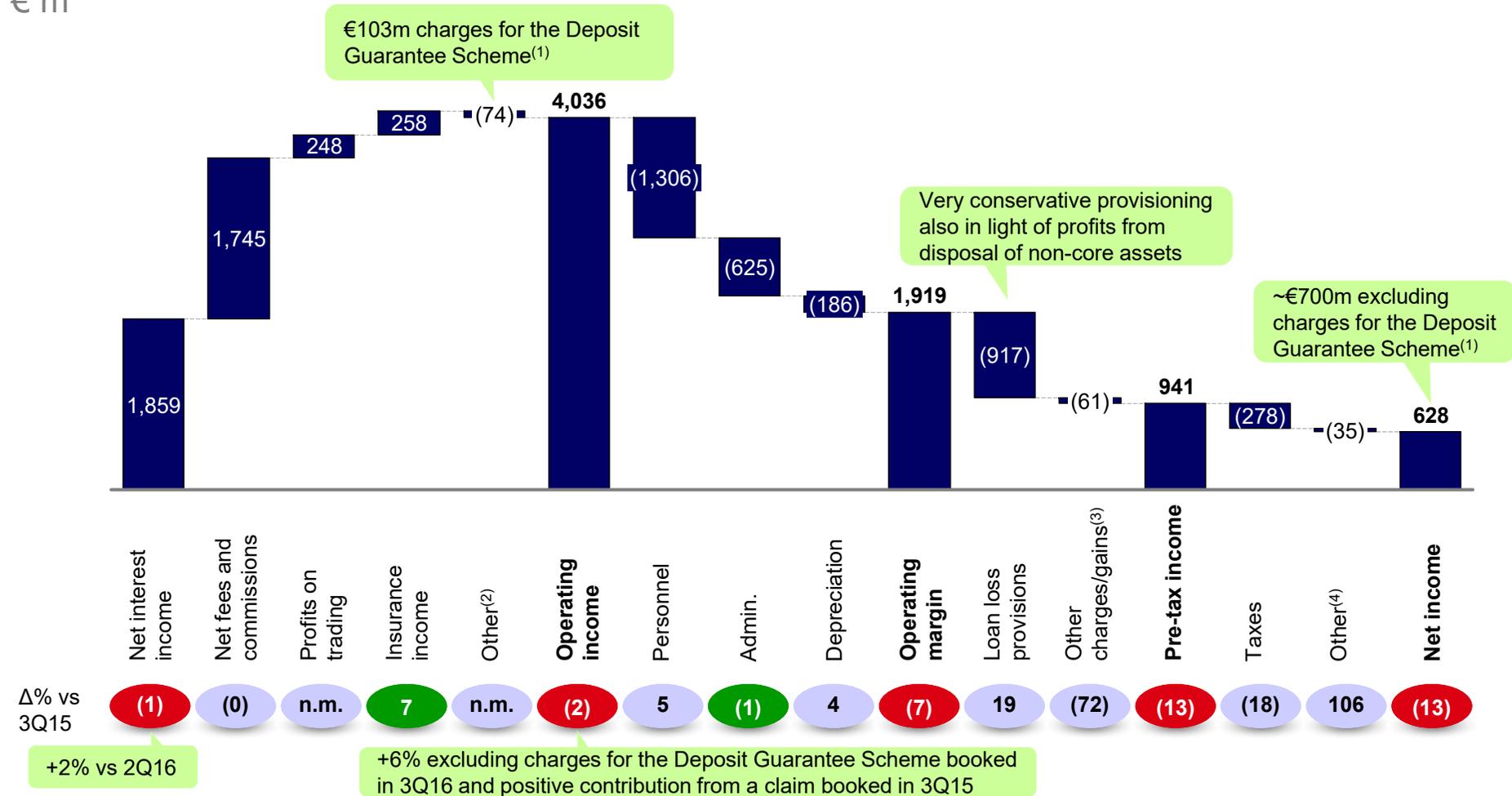
(4) Net impairment losses on assets, Profits (Losses) on HTM and on other investments, Provisions for risks and charges

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

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

3Q16: Solid Operating Performance with Very Conservative Provisioning

3Q16 P&L
€ m



(1) €103m pre-tax in Other operating income (expenses) and €69m net of taxes; our commitment for the year fully funded

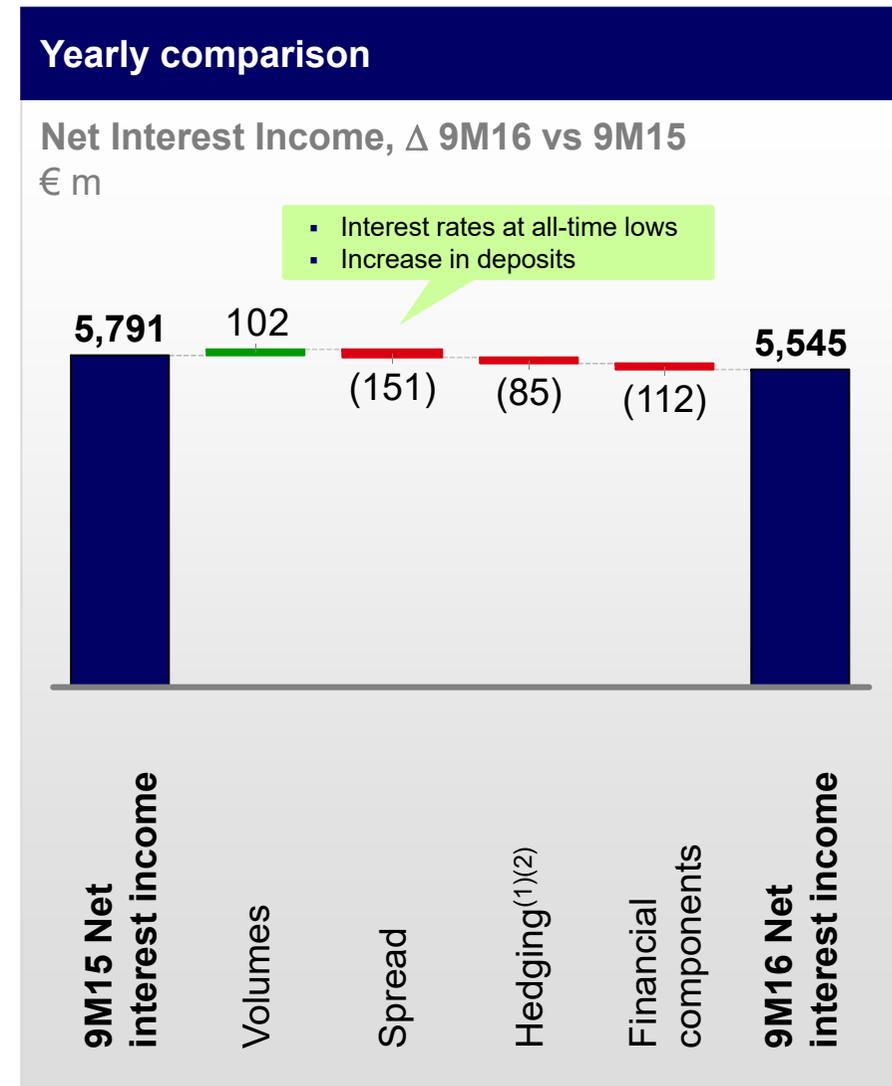
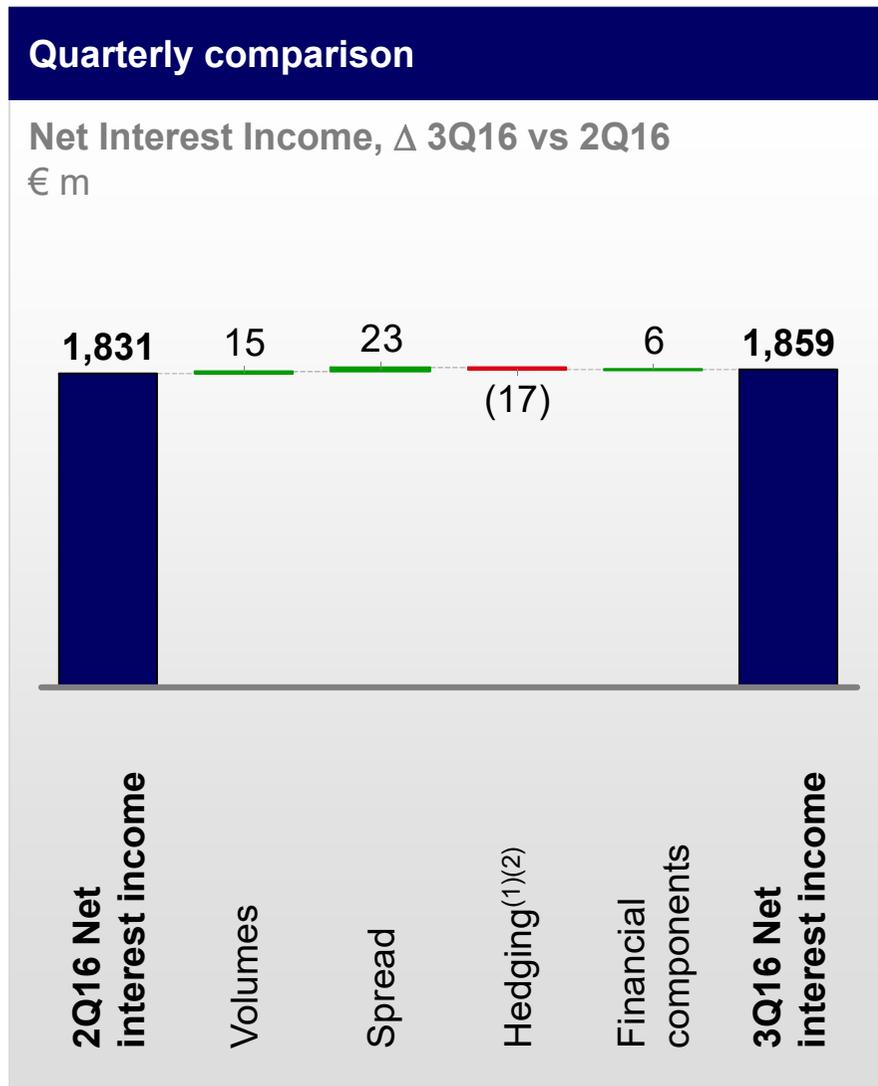
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Net Interest Income Still Affected by All-Time Low Interest Rates; Showing Growth in Q3



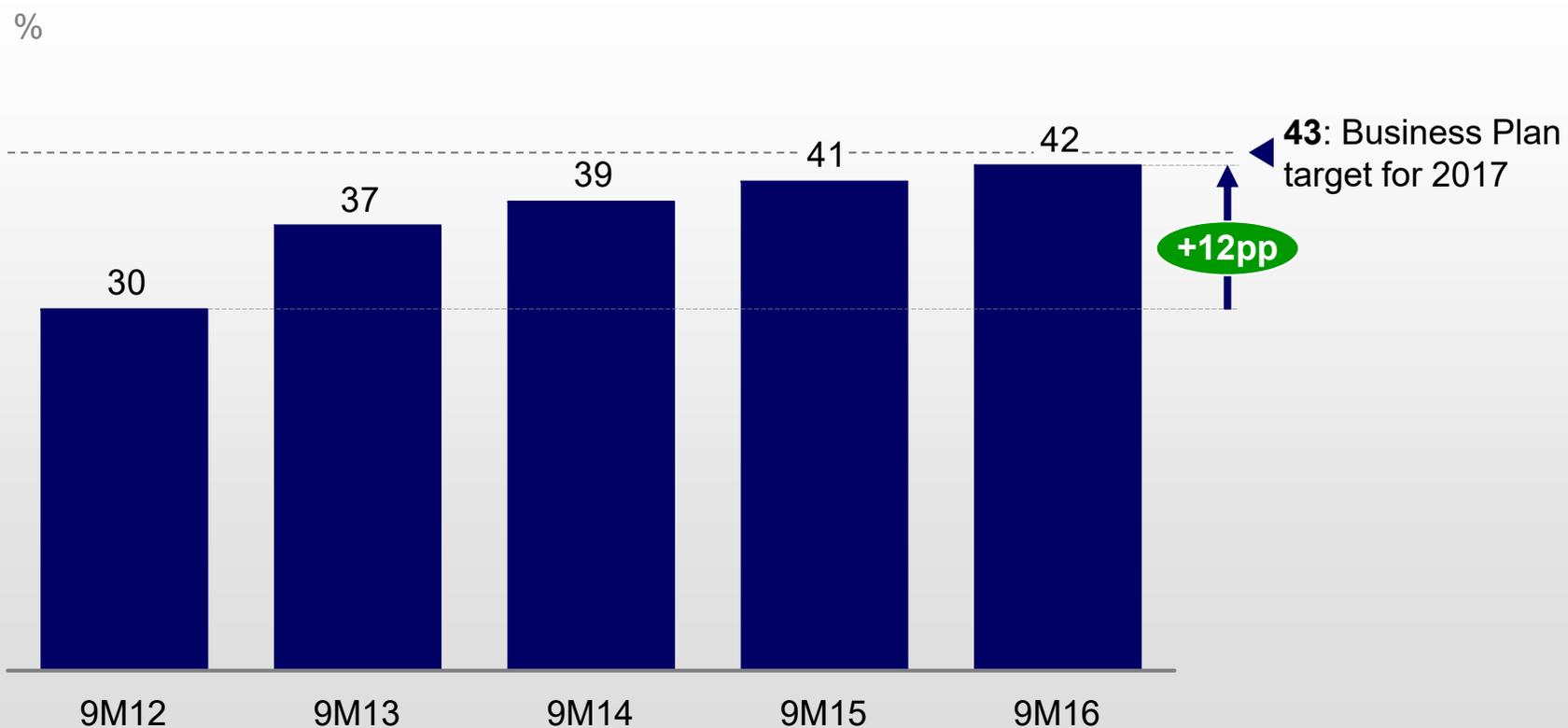
(1) ~€480m benefit from hedging in 9M16, of which ~€150m in 3Q16

(2) Hedging on core deposits

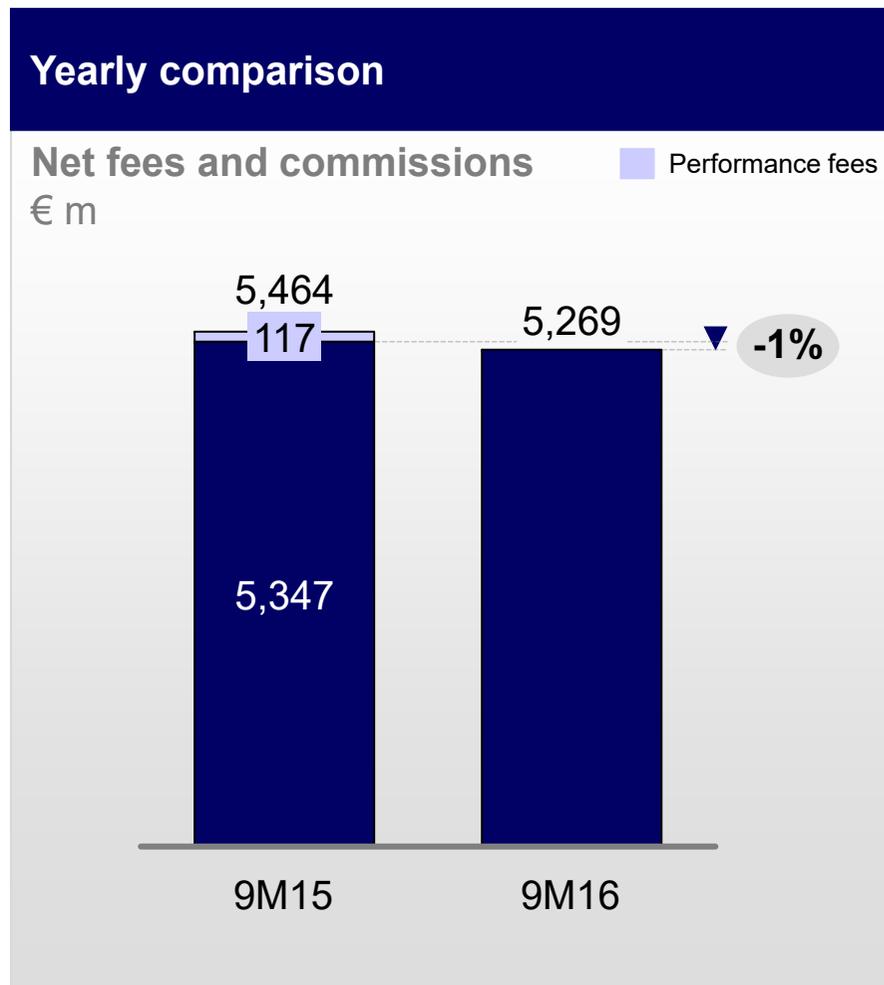
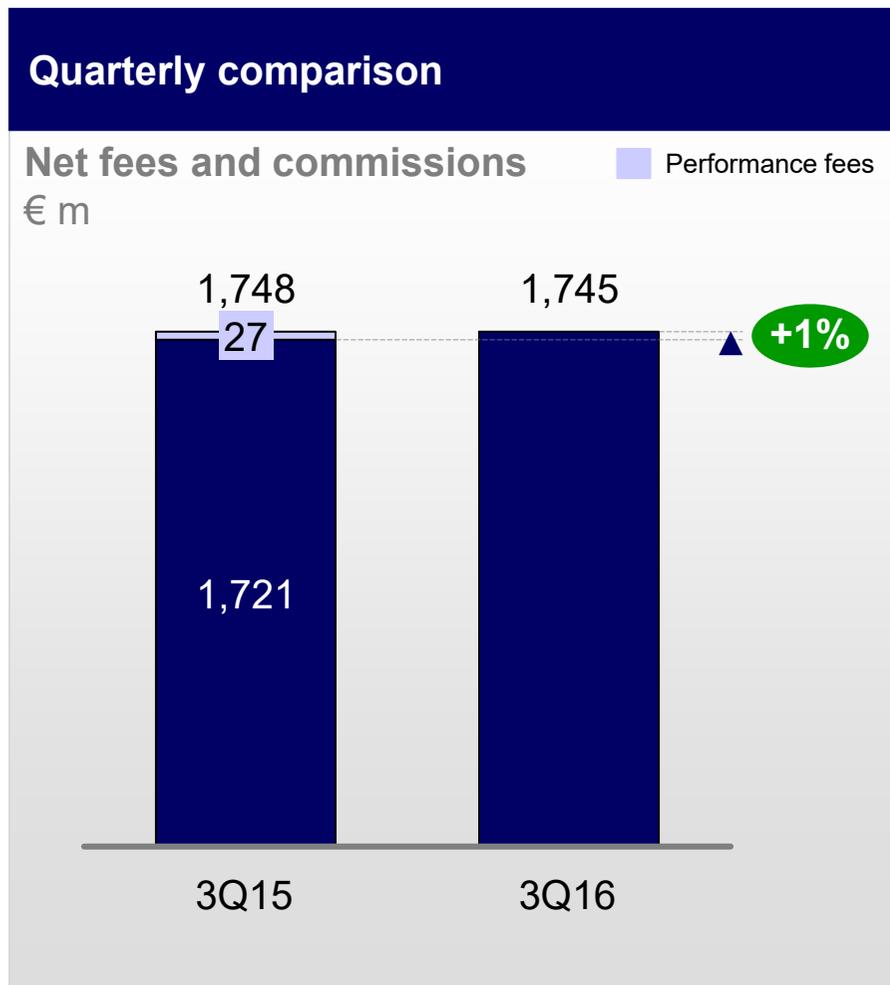
Note: figures may not add up exactly due to rounding differences

Well-balanced and Resilient Business Model

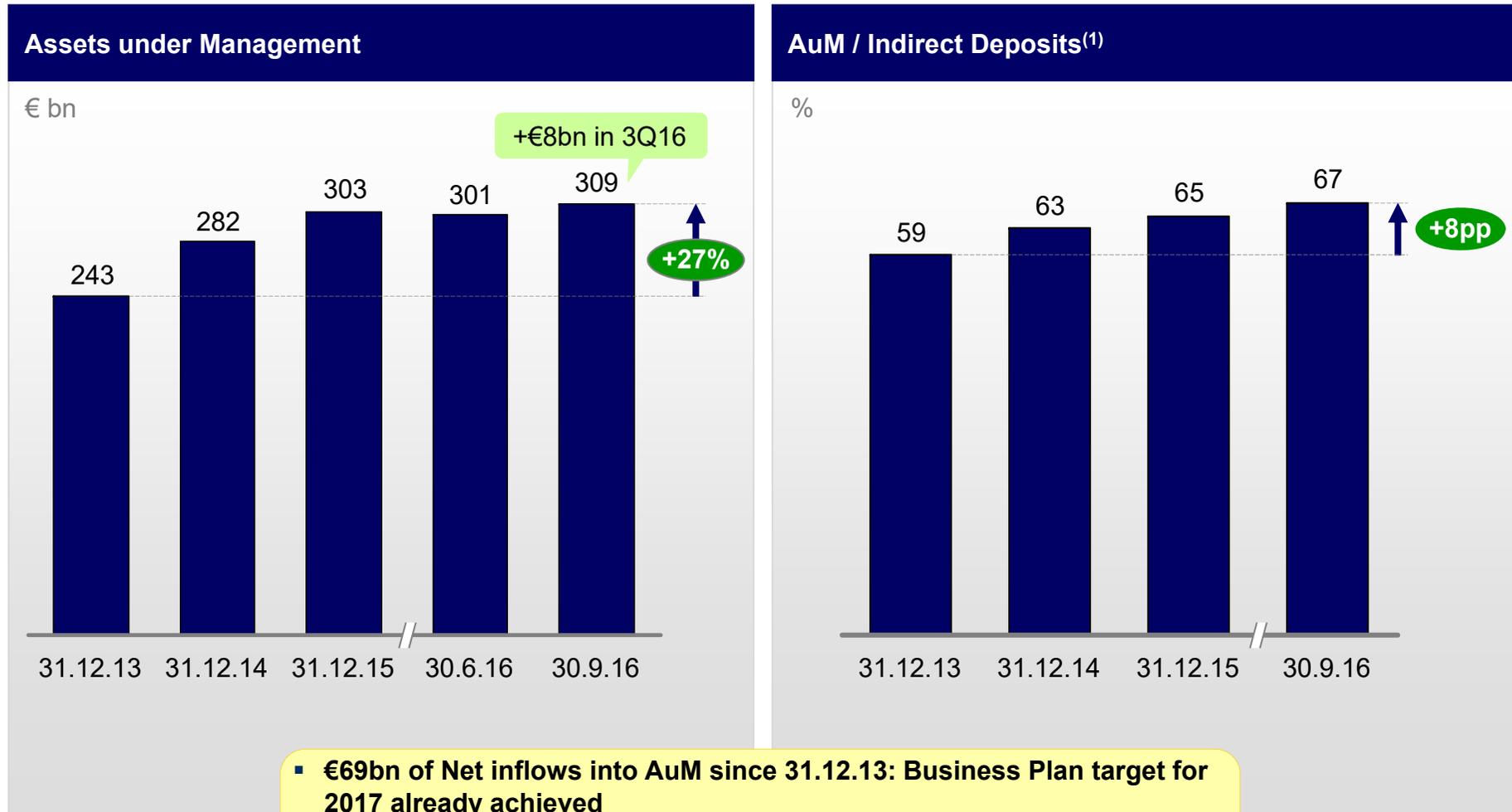
Contribution of Net fees and commissions to Operating income



A Good Quarter for Commissions



€8bn Growth in Assets Under Management in Q3 with Further Upside Going Forward



- €69bn of Net inflows into AuM since 31.12.13: Business Plan target for 2017 already achieved
- €155bn of AuA, increasing Direct deposits and relatively low market penetration of Wealth Management products support further sustainable growth

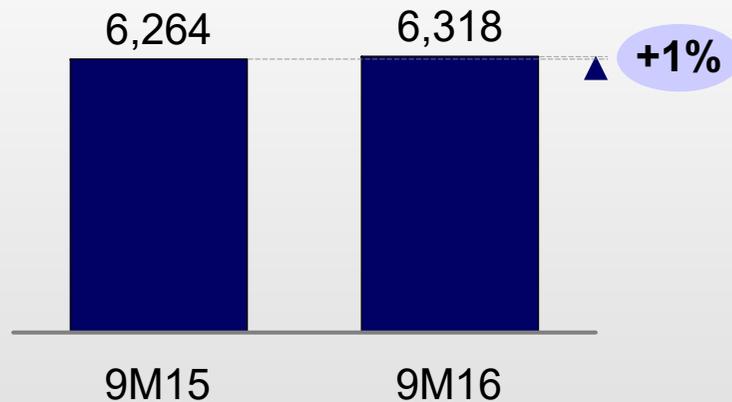
(1) Sum of Assets under Management (AuM) and Assets under Administration (AuA)

Effective Cost Management

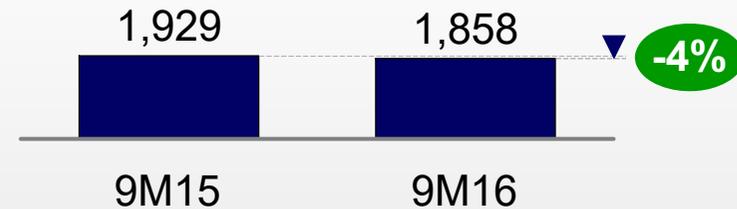
Operating costs

€ m

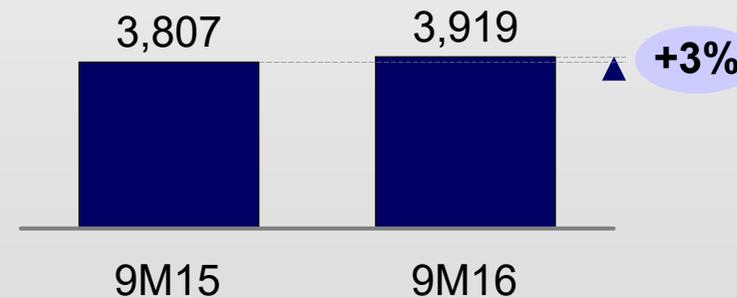
Total Operating costs



Administrative costs



Personnel costs

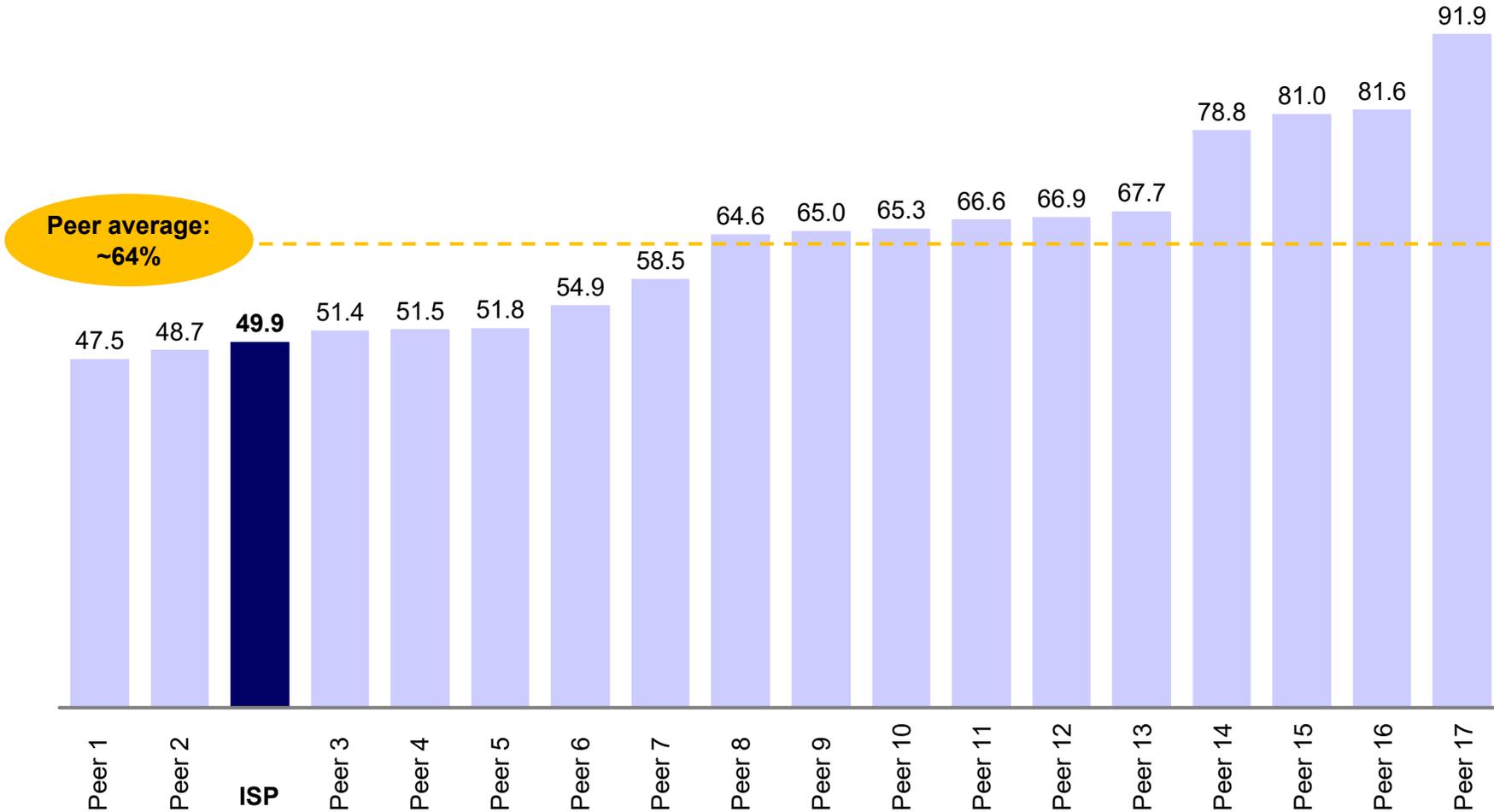


f(x)

- Best-in-class Cost/Income at 49.9%
- ISP maintains high strategic flexibility in managing costs and remains a Cost/Income leader

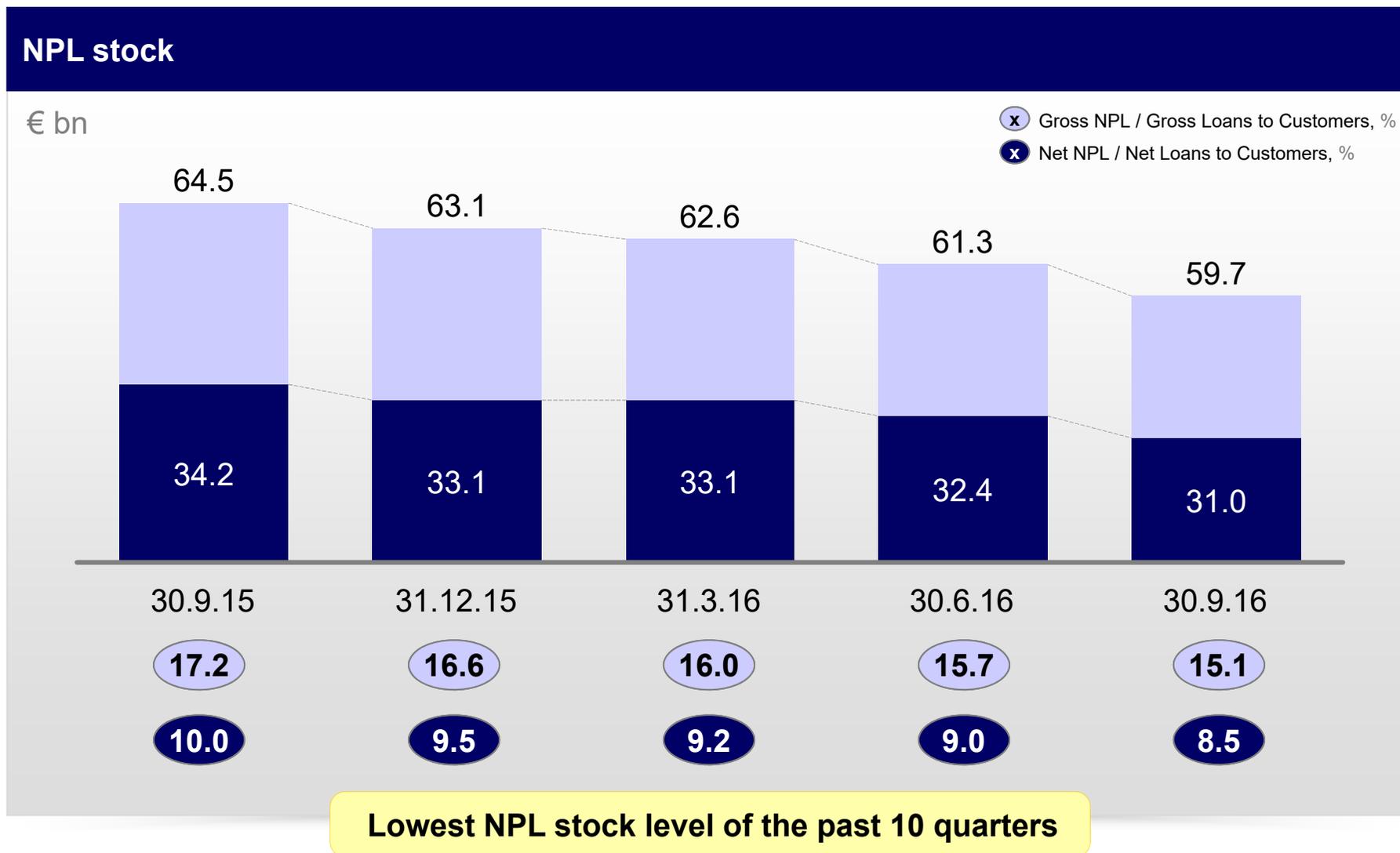
Top-tier Cost/Income Ratio in Europe

Cost/Income⁽¹⁾
%



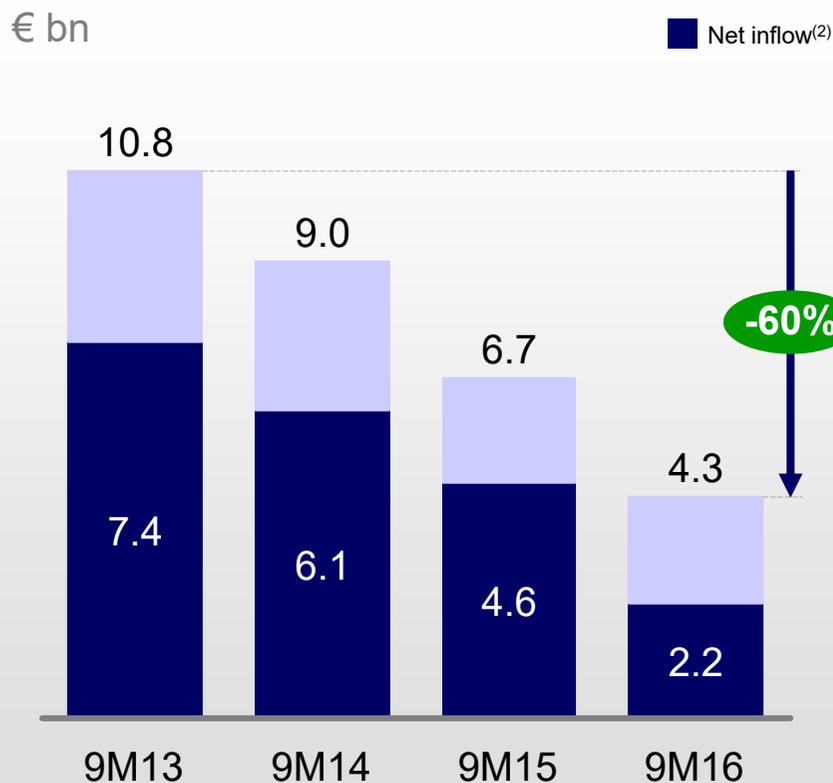
(1) Sample: Barclays, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, ING, Lloyds Banking Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (30.9.16 data); BPCE, Commerzbank, Crédit Agricole SA, HSBC and UniCredit (30.6.16 data)

Accelerated Trend of Decline in NPL Stock

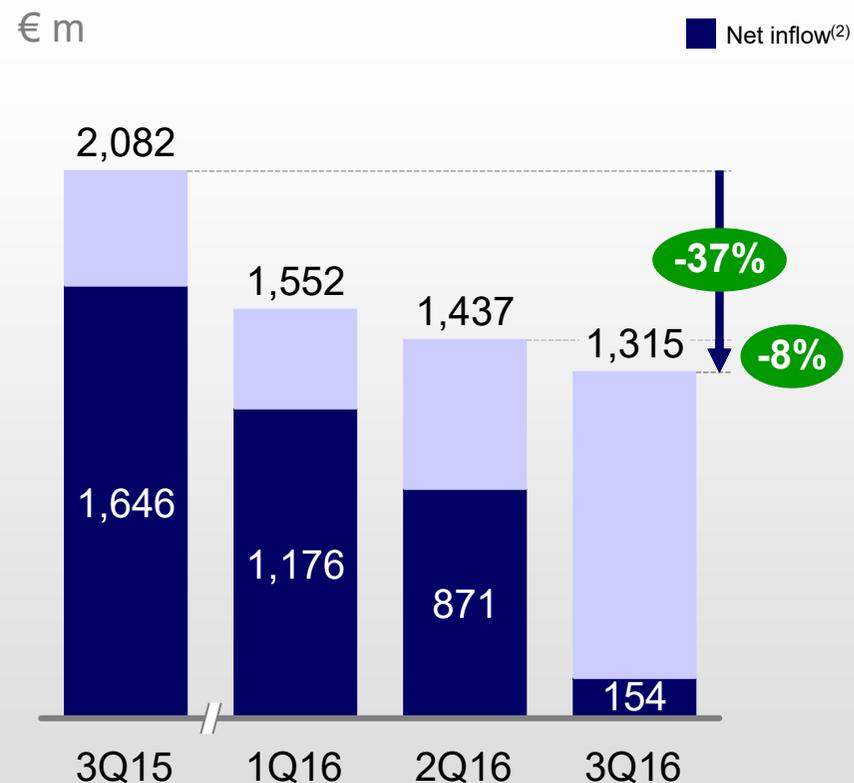


Strong Decline in NPL Inflows

Gross NPL inflow⁽¹⁾ from performing loans



Gross quarterly NPL inflow⁽¹⁾ from performing loans

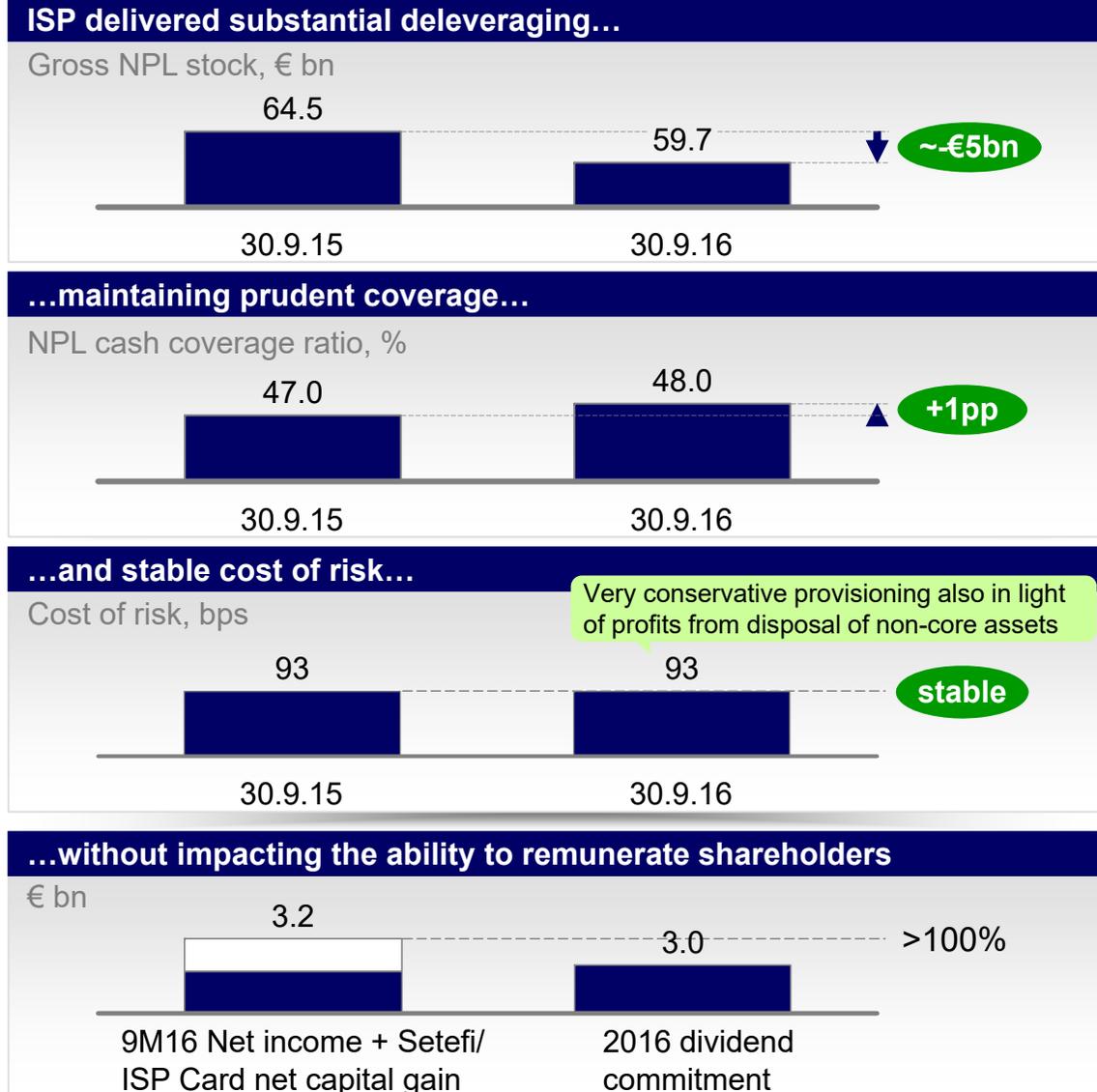
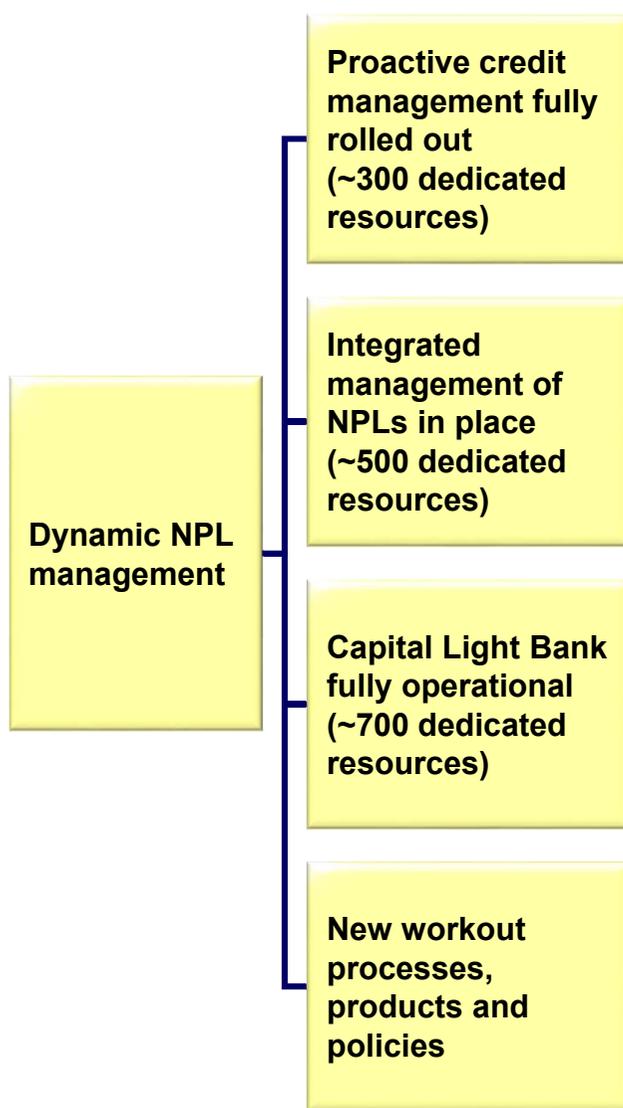


Lowest inflow of new NPL since ISP was created

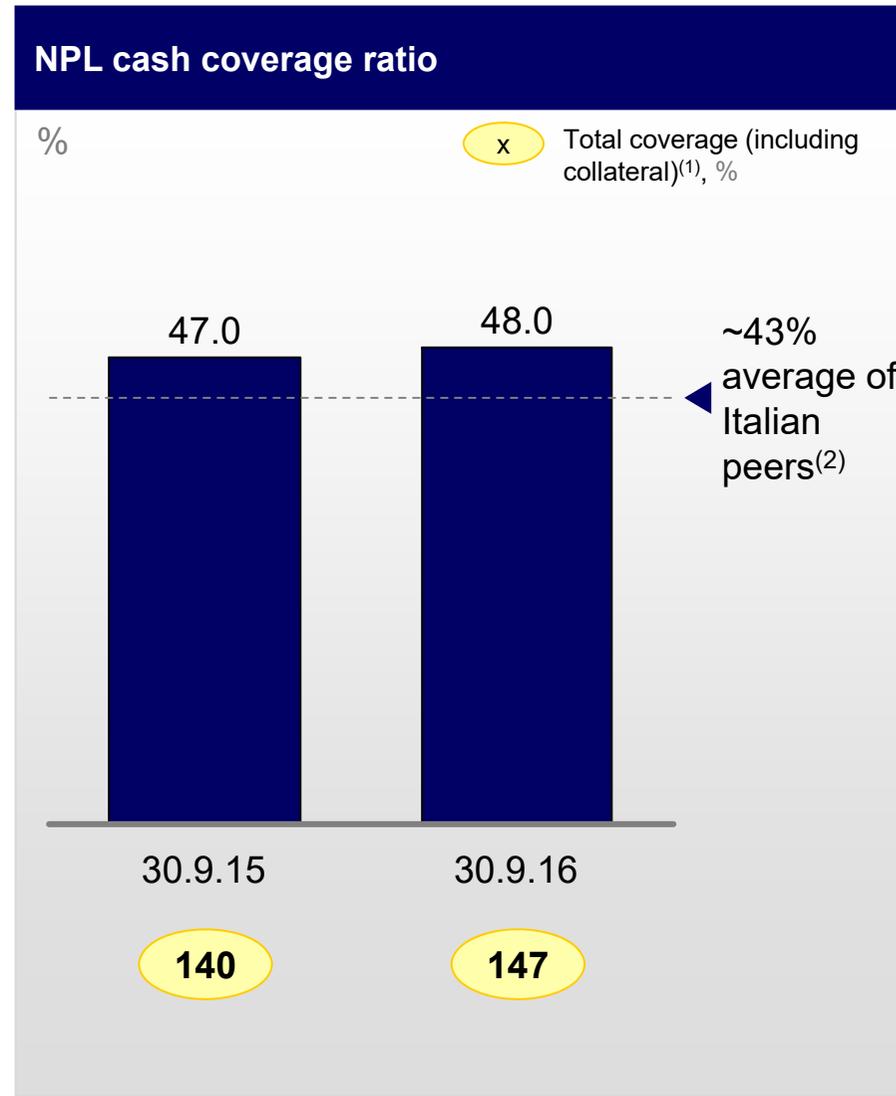
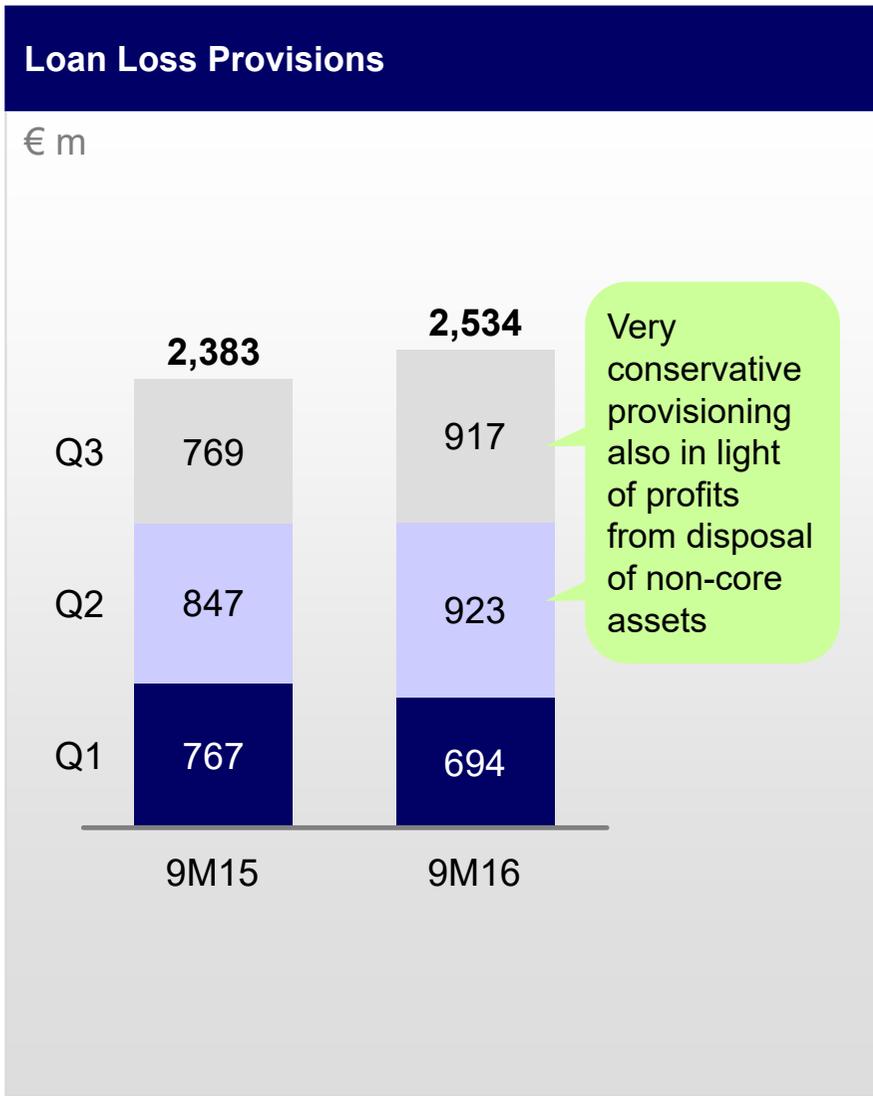
(1) Inflow to NPL (Bad Loans, Unlikely to Pay and Past Due) from performing loans

(2) Inflow to NPL (Bad Loans, Unlikely to Pay and Past Due) from performing loans minus outflow from NPL into performing loans

NPL Reduction: a Key Target for 2016 is Being Achieved

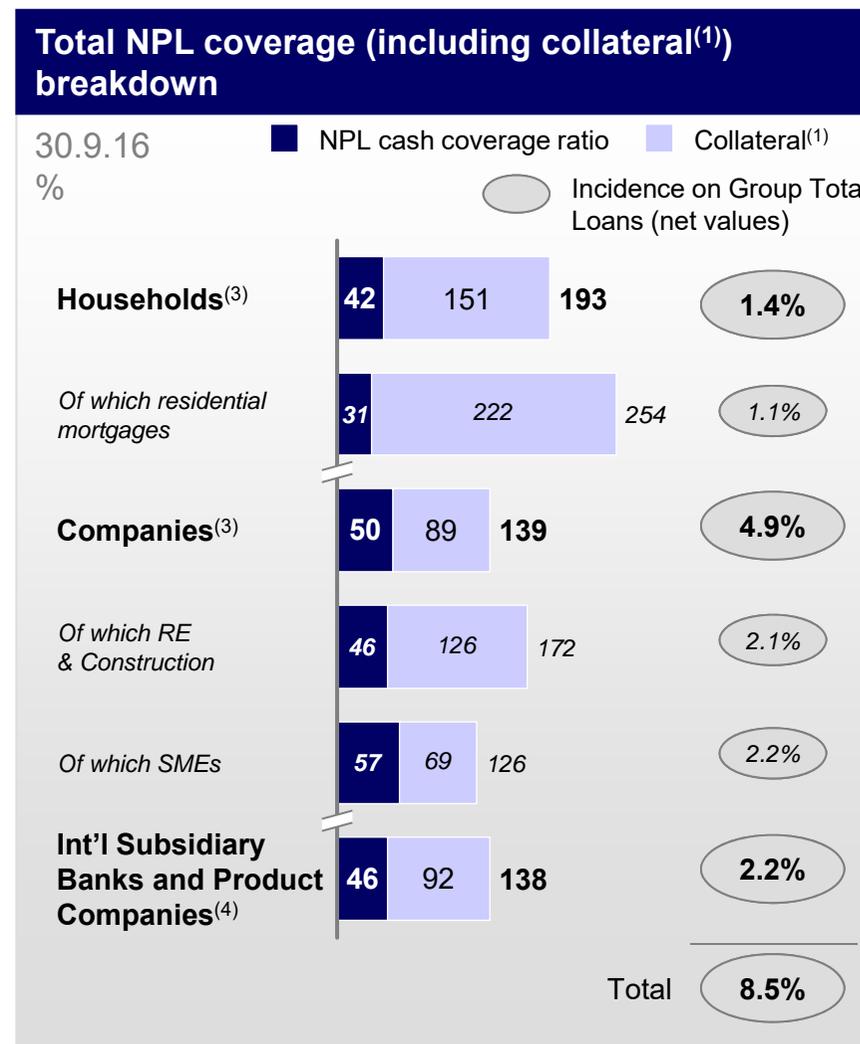
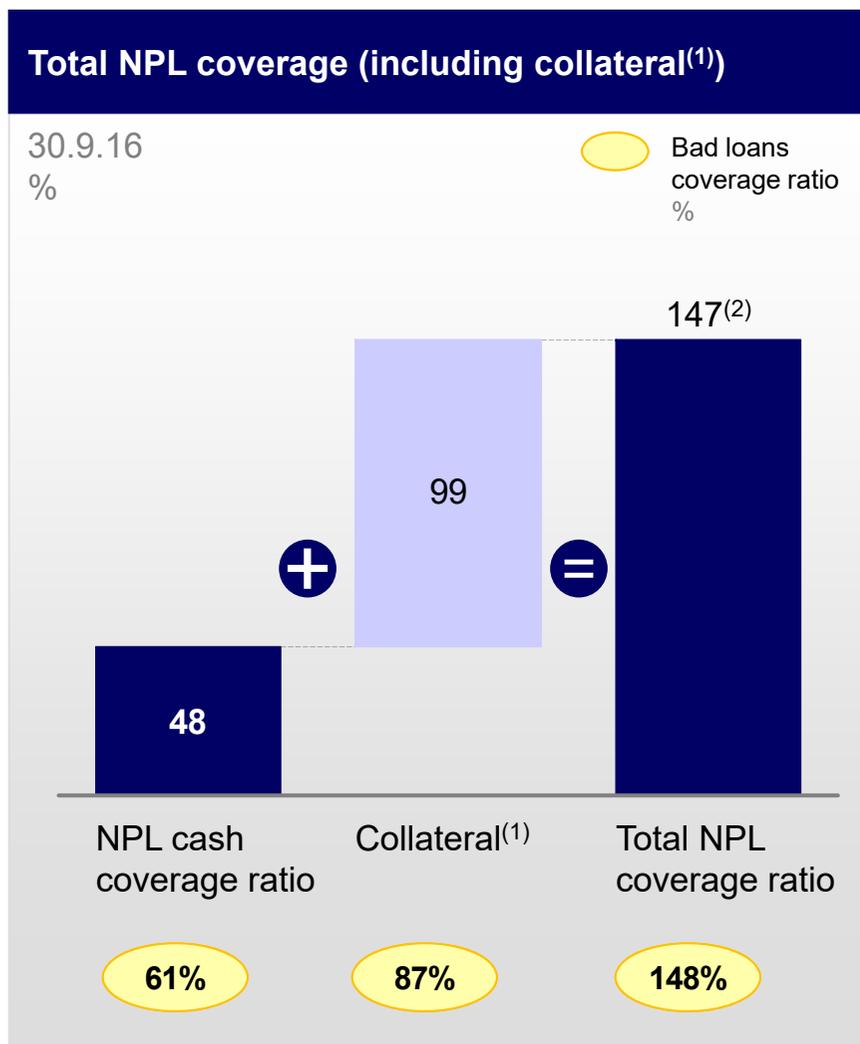


Very Conservative Provisioning Coupled with Increased NPL Coverage



(1) Excluding personal guarantees
 (2) Sample: BPOP, UBI and UniCredit data as of 30.6.16; MPS data as of 30.9.16

Very Strong NPL Coverage when Considering Collateral



(1) Excluding personal guarantees

(2) 155% including personal guarantees

(3) Parent Bank and Italian Subsidiary Banks

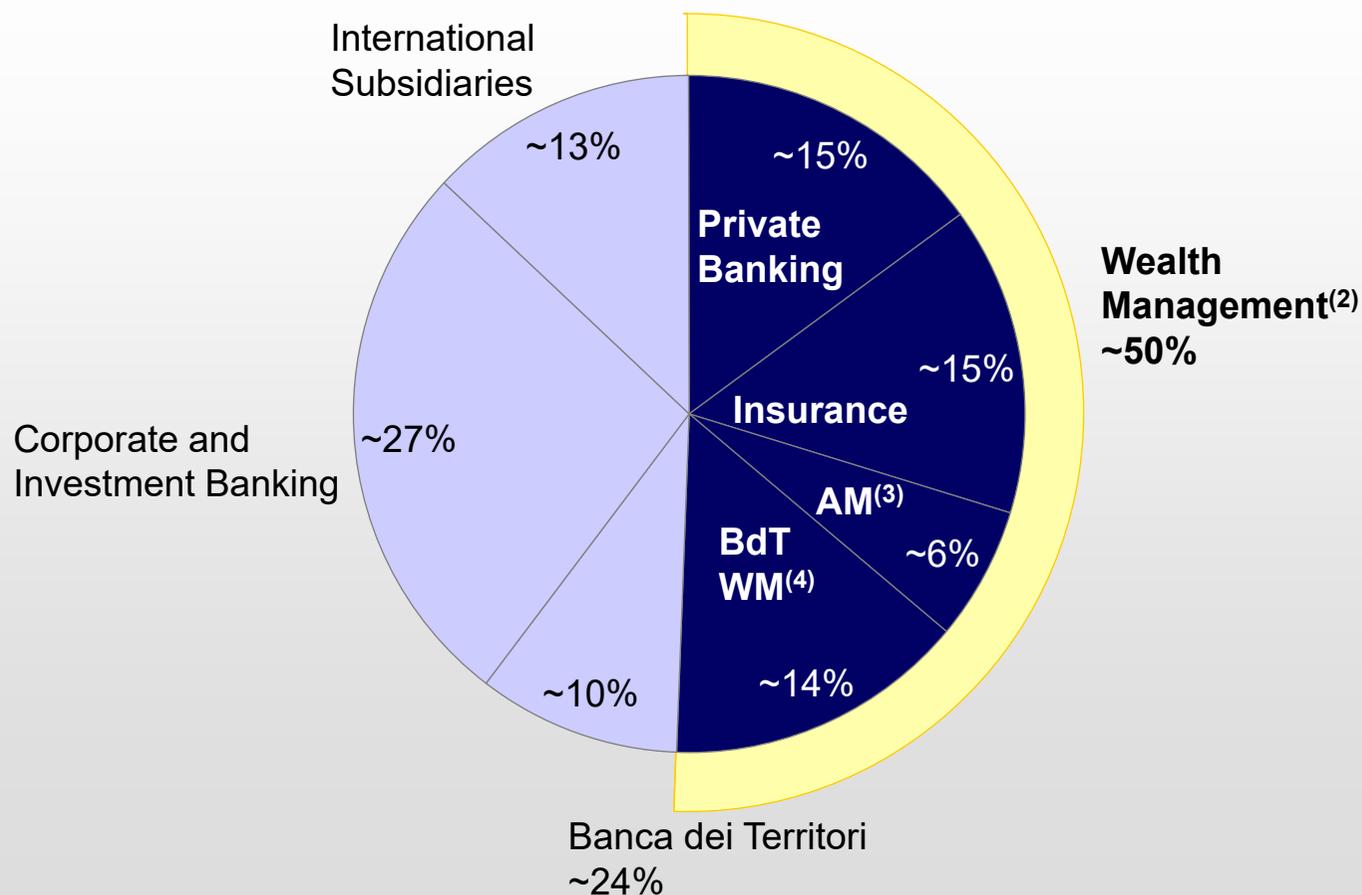
(4) Mediocredito Italiano (Industrial Credit, Factoring and Leasing) and Banca IMI (Capital Markets and Investment Banking)

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

ISP: Evolving into a Successful Wealth Management Company

Pre-tax Income breakdown⁽¹⁾

9M16, %



(1) Excluding Corporate Centre

(2) Private Banking includes Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) and Sirefid; Insurance includes Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita; Asset Management includes Eurizon Capital; BdT WM includes ~€1.3bn revenues from WM products included in Banca dei Territori (applying a C/I of ~37%)

(3) Asset Management

(4) Banca dei Territori Wealth Management

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

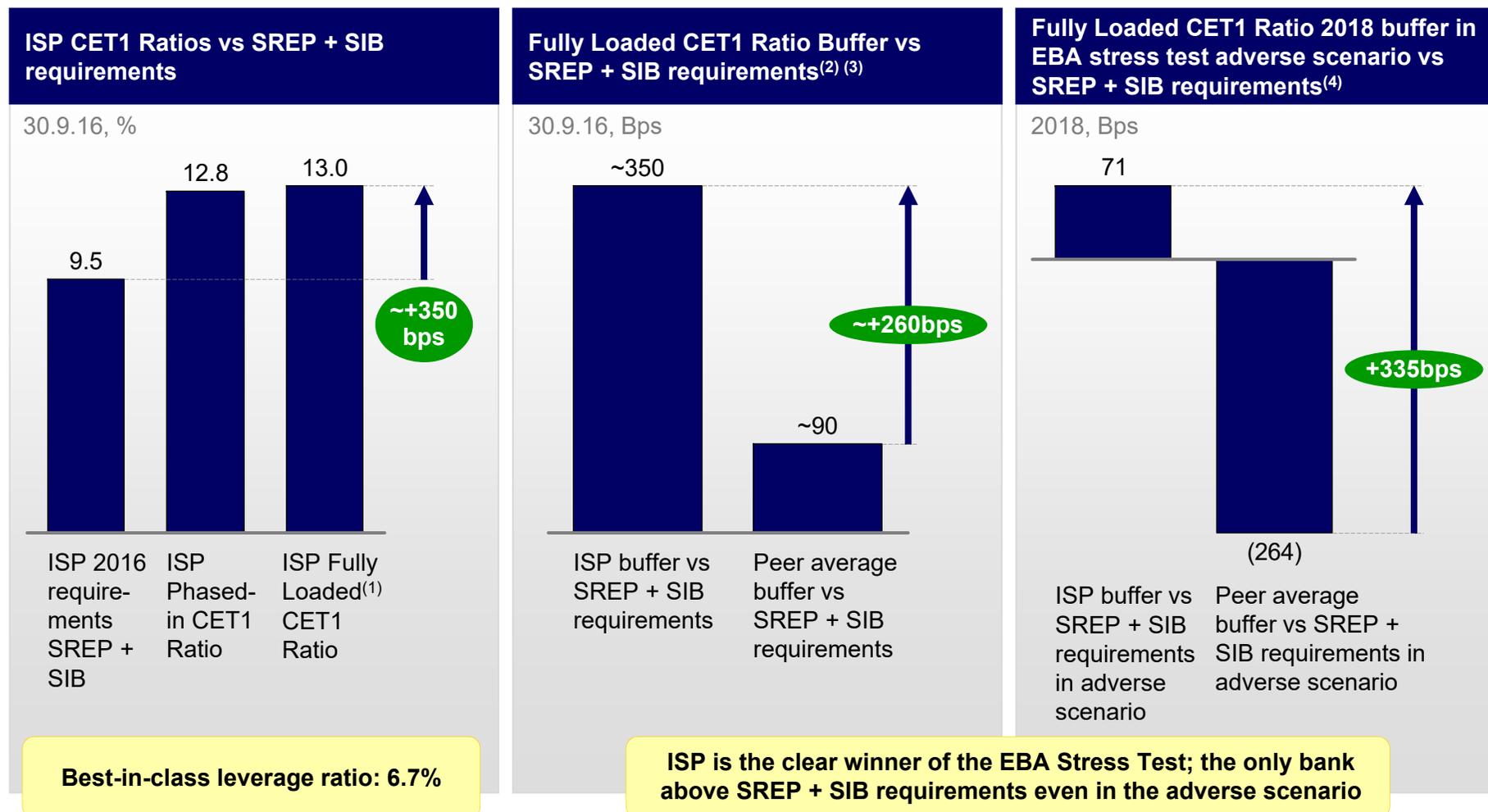
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Solid Capital Base, Well Ahead of Regulatory Requirements



(1) Pro-forma fully loaded Basel 3 (30.9.16 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans and the expected absorption of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps)

(2) Calculated as the difference between the Fully Loaded Common Equity ratio vs SREP and SIB requirements; only top European banks that have communicated their SREP requirement

(3) Sample: BBVA, BNP Paribas, Deutsche Bank, ING, Nordea, Santander and Société Générale as of 30.09.16; BPCE, Commerzbank, Crédit Agricole Group and UniCredit as of 30.06.16; Data may not be fully comparable due to different estimates hypothesis. Source: Investors' Presentations, Press Releases, Conference Calls

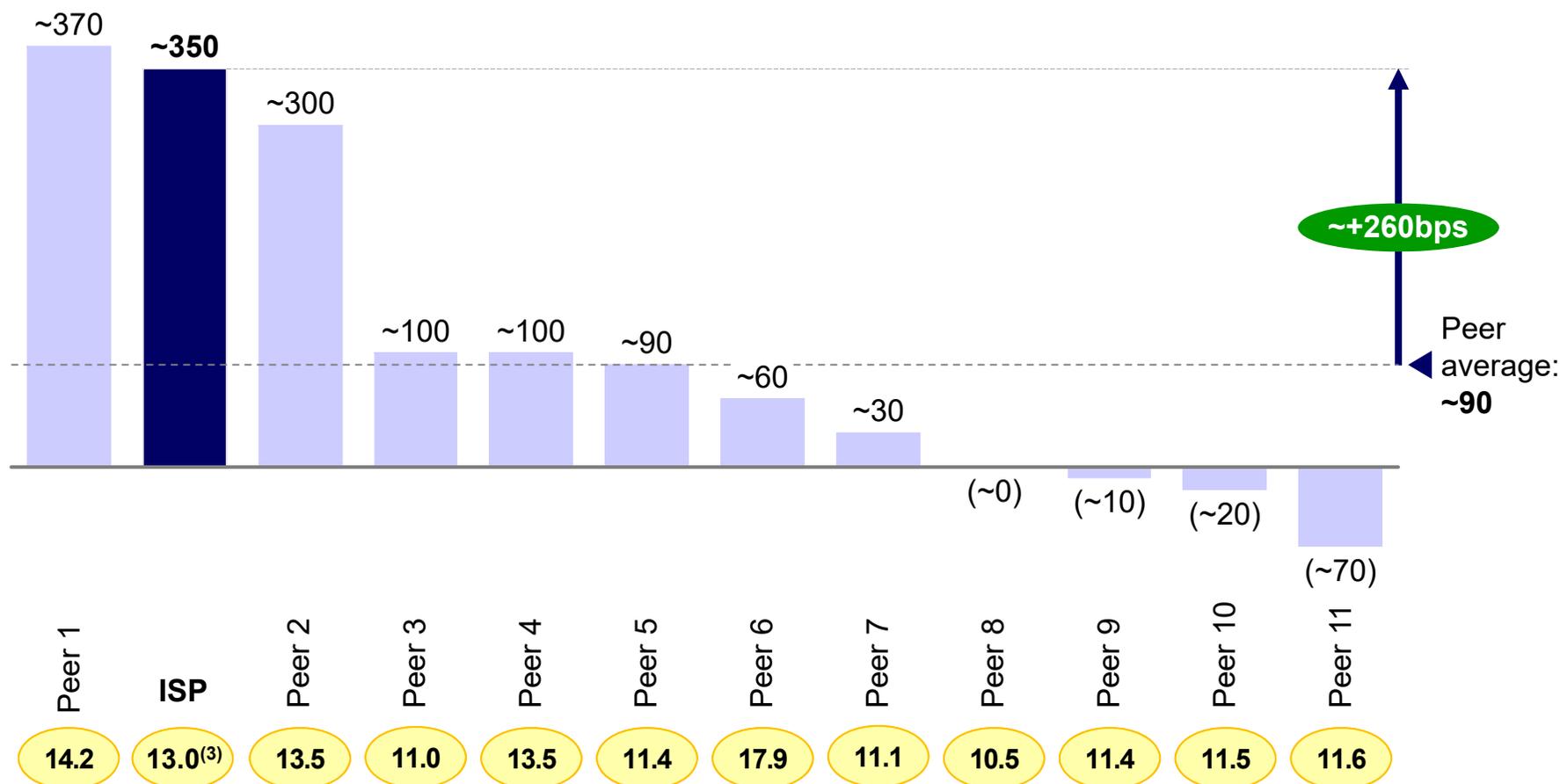
(4) Sample: BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole Group, Deutsche Bank, ING, Nordea, Santander, Société Générale and UniCredit

Best-in-Class Excess Capital

Fully Loaded CET1 Ratio Buffer vs SREP + SIB requirements⁽¹⁾⁽²⁾

Bps

Fully Loaded CET1 Ratio⁽¹⁾, %



(1) Sample: BBVA, BNP Paribas, Deutsche Bank, ING, Nordea, Santander and Société Générale as of 30.09.16; BPCE, Commerzbank, Crédit Agricole Group and UniCredit as of 30.06.16; Data may not be fully comparable due to different estimates hypothesis. Source: Investors' Presentations, Press Releases, Conference Calls

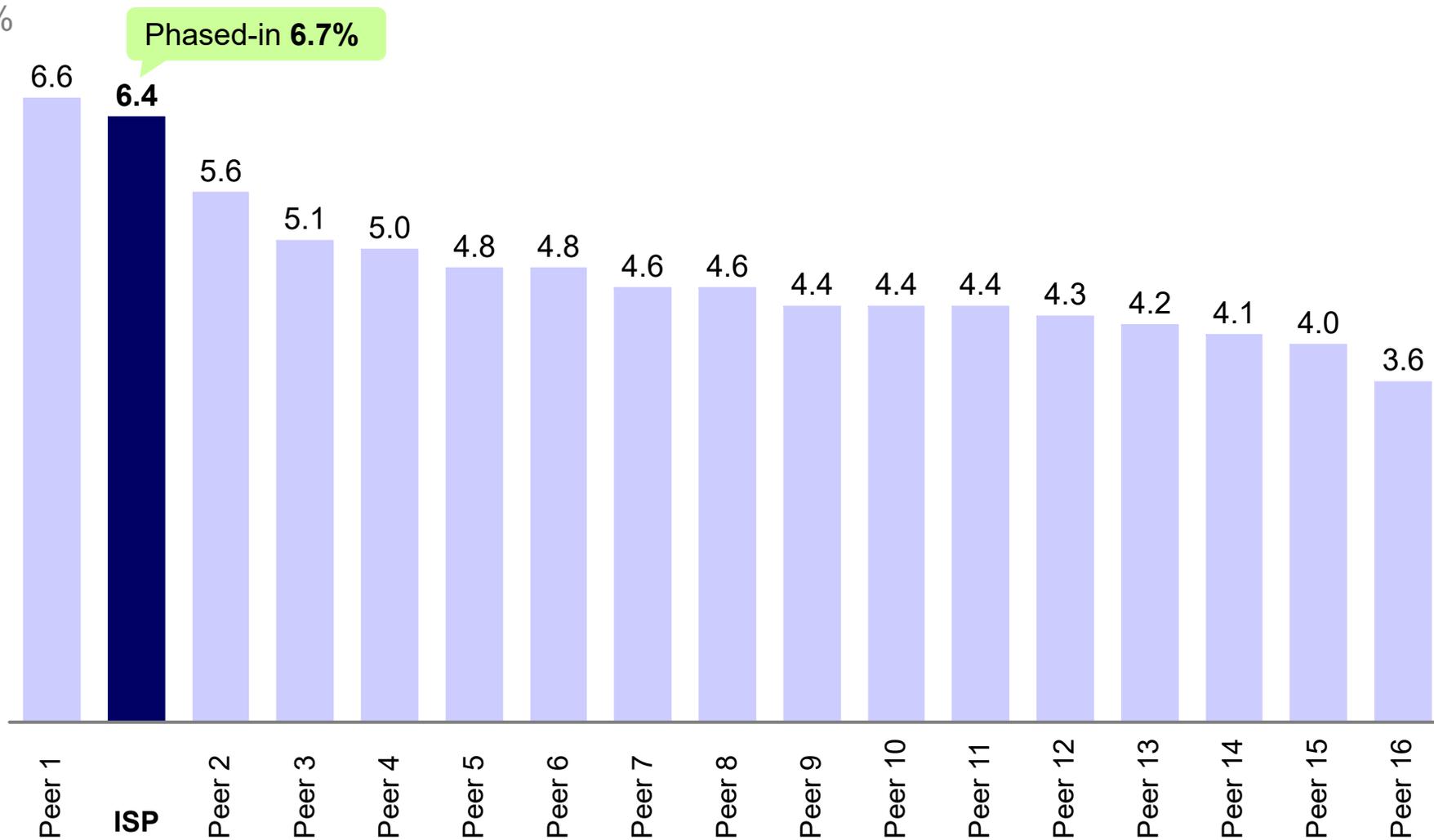
(2) Calculated as the difference between the Fully Loaded Common Equity ratio vs SREP + SIB requirements; only top European banks that have communicated their SREP requirement

(3) Pro-forma fully loaded Basel 3 (30.9.16 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans and the expected absorption of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps)

Best-in-Class Leverage Ratio

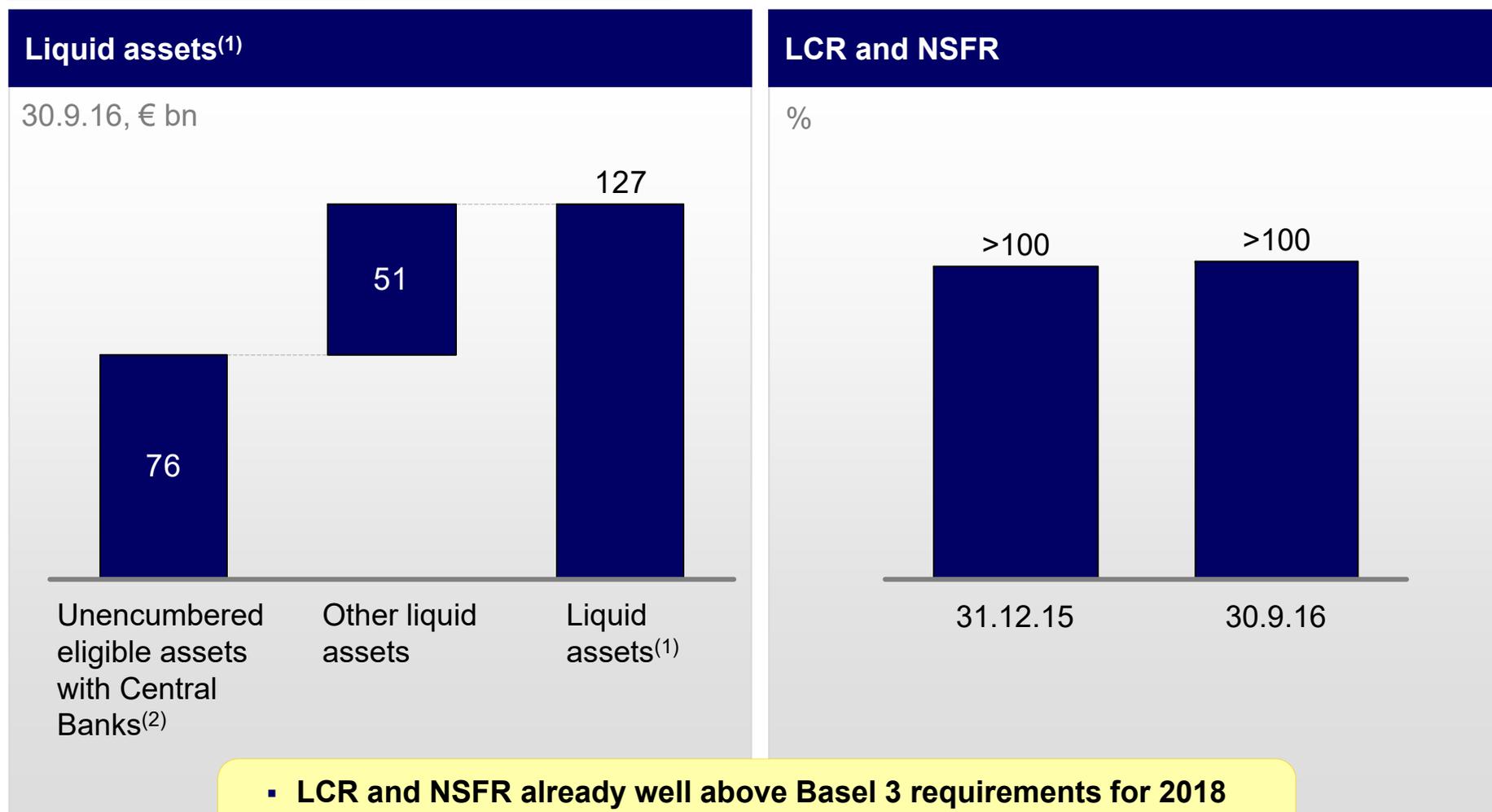
Fully loaded Basel 3 pro-forma Leverage ratio⁽¹⁾

%



(1) Sample: Barclays, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, ING, Lloyds Bkg Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (30.09.2016 pro-forma data); BPCE, Commerzbank, HSBC and UniCredit (30.06.2016 pro-forma data); Data may not be fully comparable due to different estimates hypothesis. UBS Leverage ratio calculated on the basis of fully applied Swiss SRB rules. Source: Investors' Presentations, Press Releases, Conference Calls

Strong Liquidity Position Confirmed



- LCR and NSFR already well above Basel 3 requirements for 2018
- ~€41bn taken under TLTRO II against a full pay-back of the €27.6bn that the Group borrowed under TLTRO I

(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks
 (2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral), net of haircuts; including cash & deposits with Central Banks

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with a solid balance sheet

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Well Ahead of Our Business Plan

Dividends

**2014 dividend
commitment: €1bn**



(Over) Delivered

**2015 dividend
commitment: €2bn**



(Over) Delivered

**2016 dividend
commitment: €3bn**



**€3.2bn pro-forma 9M Net income
including €895m additional net
capital gain from Setefi and ISP Card
disposal to be booked in Q4**

Our Business Plan Initiatives: New Growth Bank (1/2)

Key highlights on New Growth Bank initiatives

Banca 5®

- Banca 5® “specialised” business model introduced in ~70% of the branches, with 3,600 dedicated Relationship Managers: **revenues per client increased from €70 to €112**
- “Real Estate” project underway with **29 real estate agencies already opened**



Multichannel Bank

- **New multichannel processes successfully launched:**
 - ~1.3m additional multichannel clients since the beginning of 2014, raising the total to **~5.8m clients**
 - 3.7m mobile Apps for smartphone/tablet downloaded by customers
 - The first multichannel bank in Italy with ~80% of products available via multichannel platforms
 - **Digitisation across all branches with ~100% paperless transactions for all priority products** (~6.4m transactions completed)
 - **Online Branch fully active for “Service To Sale”**, with ~18,000 products sold in the first 9 months of 2016
 - **New digital marketing capabilities** built to fully exploit search engines and social media presence
 - Launch of **new Intesa Sanpaolo digital experience**, with new internet banking site, new website and new Apps



Private Banking Hub

- **Fideuram-ISPB successfully operational as of July 1st, 2015**
- **PB branch in London fully up and running and strengthening of ISPB Suisse**
- **Launched first wave of new products** for the **entire Division** (e.g., Fideuram Private Mix)
- Opened **5 dedicated HNWI boutiques** with targeted service model for HNWI clientele
- **Launch of advisory tool “View”** on the ISPB network with **more than €3bn of assets** under advisory
- **Roll out of new digital office for private bankers**



Our Business Plan Initiatives: New Growth Bank (2/2)

Key highlights on New Growth Bank initiatives

Asset Management Hub

- **Digital platform enriched** (e.g., “model portfolio”, “scenario analysis” added)
- **New product range** introduced into **Banca dei Territori**, the **Private Banking Division**, and the **Insurance Hub** and new offer dedicated to **international clients** (e.g., “Best expertise”) and to **SMEs** (e.g., *GP Unica Imprese*)
- **Product range enhanced** with **moderate risk profile** solutions aimed at **responding to current market volatility** (e.g., Epsilon Difesa Attiva)
- Launch of products allowing investors to **sustain the real economy** while capturing the evolution of the European **structured credit market** (Eurizon Easy Fund – Securitised Bond Fund)
- Asset Management Division **growing in Europe** (e.g., partnership in London, ongoing authorisation processes for Eurizon Capital in Frankfurt and Paris) **and Asia** (e.g., ongoing authorisation process for Eurizon Capital Hong Kong and set up of new WM company in China)



Insurance Hub

- Steering of product mix towards **capital-efficient products making good progress** (e.g., Unit Linked at 64% of new production vs 57% in 2015)
- Launch of **new Unit Linked Product with capital protection** (“Exclusive Insurance”)
- **Expansion of life-business products** with the launch of “*Base Sicura Tutelati*”, designed for underage clients and those with disabilities, and “*Vicino a Te*” for minors who lost parents in the earthquake
- Consolidation of **products** (Fideuram Private Mix and Synthesis) and **launch of new composite product for HNWI within the Private Banking Division**
- **Restyling of product “Giusto Mix”** with introduction of a **volatility reduction tool**
- **Continuation of offer diversification in P&C business** with products in the **health-care sector** (new product dedicated to surgery, prevention and illnesses with “Dread Disease”) in the **corporate sector** (new product dedicated to agriculture)
- **Completion of activities** for the **development of Pension Funds dedicated to company employees**
- **Full integration of Pension Fund Business**
- Launch of a new system which targets new customers based on the **registration of license plates**



Bank 360° for corporate clients

- **New Transaction Banking Group unit set up** and **new commercial initiatives** ongoing
- **New commercial model** and **product offering** for **SMEs**
- **Specialised finance hub** – new Mediocredito Italiano – fully up and running
- Strengthening of the **international presence of C&IB Division** (e.g., office set up in Washington, strengthening of ISP Bank Luxembourg)



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 ~2,000 branches with cash desks closing at 1pm and ~250 branches fully dedicated to **advisory services**
- **New e-commerce portal** to continue seizing **business potential** after **EXPO 2015**
- Offer aimed at **growth in lending to private sector** reinforced (e.g., new “**Mutuo Giovan?**”)
- **New Service Model introduced at Banca dei Territori**: introduction of three specialised commercial value chains, creation of ~1,200 new managerial roles, innovation of the SME Service Model
- **New advanced analytics / machine learning models** to identify high potential clients
- Launch of the “**Programma Filiere**” with important initiatives in relevant economic sectors (Agriculture)
- **Integration of consumer finance in branch network**
- **C&IB Asset Light model fully operational**, with benefits in terms of cross selling; distribution capabilities eventually being enhanced
- **Front-line excellence programme** in C&IB ongoing
- New C&IB **organisation** in place to reinforce the “industry driven” client service model and the international growth
- **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: **104 branches closed since the beginning of 2016 and 669 since 2014**
- **Legal entity simplification ongoing: from 7 to 1 product factories** in specialised finance and advisory, leasing and factoring and **9 local banks merged into ISP**



Dynamic Credit and Risk Management

- **Proactive credit management value chain** empowered across **all Divisions**
- **Integrated management of NPLs⁽¹⁾** in place
- **New organisation of CLO area**, structured by Business Unit
- **Split of Risk and Compliance**, with two Chiefs (CRO and CCO) **reporting directly to the CEO**



(1) Excluding Bad 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:
 - ~720 dedicated people
 - ~€18bn of deleveraging of non-core assets already achieved
- New performance management system fully operational for each asset class
- Re.O.Co.⁽¹⁾ fully up and running with an estimated positive impact for the Group of €45m since 2014
- Partnership with KKR-Pillarstone up and running

People and investments as key enablers

- ~4,500 people already reallocated to high priority initiatives
- Investment Plan for Group employees finalised: plan with the highest number of participants in Group history
- “Big Financial Data” programme fully in line with our targets (~500 employees involved)
- Chief Innovation Officer established in role and “Innovation Centre” created to train staff and develop new products, processes and “ideal branches”, located in the new ISP Tower in Turin
- Large-scale digitisation programme launched to improve efficiency and service level on top priority operating processes; Digital Factory fully operational, digitisation of 11 key processes launched, 6 already up and running
- Advanced Analytics programme launched on commercial/operating initiatives in several business / governance units
- Investment to renew the layout of 1,000 branches already activated (~60 branches converted up to now)
- More than 180 agreements with labour unions signed
- More than 5,000 employees have already adopted “smart working”
- Launched an “Integrated Welfare Programme”



(1) Real Estate Owned Company

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...

Well Ahead of Our Business Plan

Dividends

2014 dividend commitment: €1bn



(Over) Delivered

2015 dividend commitment: €2bn

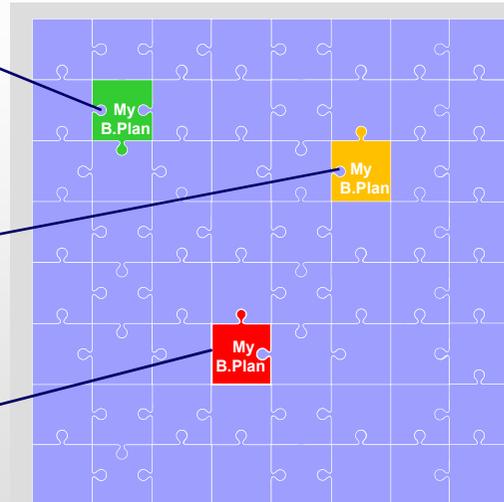


(Over) Delivered

2016 dividend commitment: €3bn



€3.2bn pro-forma 9M Net income including €895m additional net capital gain from Setefi and ISP Card disposal to be booked in Q4



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

Macroeconomic Outlook: The Recovery Continues

Macro outlook

- ✓ **Employment increased by ~162,000 people** YoY in August 2016. From May to August, the **employment rate was at the highest level since 2009**
- ✓ **Household real disposable income expected to rise by 2.1% in 2016** (vs ~1% average growth in pre-crisis 2000-07)
- ✓ **New car registrations** rose by 18% in the first 9 months of 2016 (highest level since 1997)
- ✓ **Lending volumes to the private sector at a four-year peak** (+0.7% YoY in August 2016; +39% YoY for residential mortgages in the first 8 months of 2016)
- ✓ **+23% YoY growth in 2Q16** for residential real estate transactions. Business confidence rising among construction companies
- ✓ **Government reforms for growth** already delivering a positive impact with **further reforms** in the pipeline capable of **raising GDP by more than 2pp in five years** on top of expected growth

Italian GDP projected to grow by ~1% in both 2016 and 2017

9M: Solid Performance

€2.3bn Net income

€3.2bn pro-forma⁽¹⁾ Net income already covering full dividend commitment for the year

Cost/Income ratio at 49.9%, among the best in Europe

Declining NPL stock (~-€5bn in one year) driven by the lowest NPL inflow since ISP was created, coupled with increased NPL coverage

Common Equity⁽²⁾ ratio at 13.0% well above SREP + SIB requirements even under EBA stress test adverse scenario

€3bn cash dividend commitment confirmed 

(1) Including €895m additional net capital gain from Setefi and ISP Card disposal to be booked in Q4

(2) Pro-forma fully loaded Basel 3 (30.9.16 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans and the expected absorption of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps)



9M16 Results

Detailed Information

November 4, 2016

INTESA  SANPAOLO

Key P&L and Balance Sheet Figures

€ m

	9M16		30.9.16
Operating income	12,664 ⁽¹⁾	Loans to Customers	364,836
Operating costs	(6,318)	Customer Financial Assets ⁽²⁾	844,860
Cost/Income ratio	49.9%	of which Direct Deposits from Banking Business	379,620
Operating margin	6,346 ⁽¹⁾	of which Direct Deposits from Insurance Business and Technical Reserves	143,063
Pre-tax income	3,542 ⁽¹⁾	of which Indirect Customer Deposits	463,920
Net income	2,335 ⁽¹⁾	- Assets under Management	309,408
		- Assets under Administration	154,512
		RWA	286,006

+5% vs 31.12.15

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

(1) Including charges for the Resolution Fund: €148m pre-tax (€103m net of taxes) booked in Other operating income (expenses) and charges for Deposit Guarantee Scheme: €115m pre-tax (€79m net of taxes) booked in Other operating income (expenses); our commitment for the year fully funded

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

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9M vs 9M: Net Income at €2.3bn, €3.2bn Pro-forma Including Setefi and ISP Card Capital Gain

€ m

	9M15 Restated	9M16	Δ%
Net interest income	5,791	5,545	(4.2)
Profits (losses) on investments carried at equity	95	188	97.9
Net fee and commission income	5,464	5,269	(3.6)
Profits (Losses) on trading	977	943	(3.5)
Income from insurance business	866	829	(4.3)
Other operating income	73	(110)	n.m.
Operating income	13,266	12,664	(4.5)
Personnel expenses	(3,807)	(3,919)	2.9
Other administrative expenses	(1,929)	(1,858)	(3.7)
Adjustments to property, equipment and intangible assets	(528)	(541)	2.5
Operating costs	(6,264)	(6,318)	0.9
Operating margin	7,002	6,346	(9.4)
Net provisions for risks and charges	(344)	(164)	(52.3)
Net adjustments to loans	(2,383)	(2,534)	6.3
Net impairment losses on assets	(60)	(84)	40.0
Profits (Losses) on HTM and on other investments	87	(22)	n.m.
Income before tax from continuing operations	4,302	3,542	(17.7)
Taxes on income from continuing operations	(1,475)	(1,001)	(32.1)
Charges (net of tax) for integration and exit incentives	(46)	(67)	45.7
Effect of purchase cost allocation (net of tax)	(86)	(82)	(4.7)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	44	44	0.0
Minority interests	(13)	(101)	676.9
Net income	2,726	2,335	(14.3)

€2,517m excluding charges for the RF/DGS⁽¹⁾

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

(1) Charges for the Resolution Fund: €148m pre-tax (€103m net of taxes) booked in Other operating income (expenses) and charges for Deposit Guarantee Scheme: €115m pre-tax (€79m net of taxes) booked in Other operating income (expenses); our commitment for the year fully funded

Q3 vs Q2: Net Interest Income Growth

€ m

	2Q16	3Q16	Δ%
Net interest income	1,831	1,859	1.5
Profits (losses) on investments carried at equity	84	30	(64.3)
Net fee and commission income	1,848	1,745	(5.6)
Profits (Losses) on trading	467	248	(46.9)
Income from insurance business	239	258	7.9
Other operating income (expenses)	136	(104)	n.m.
Operating income	4,605	4,036	(12.4)
Personnel expenses	(1,338)	(1,306)	(2.4)
Other administrative expenses	(638)	(625)	(2.0)
Adjustments to property, equipment and intangible assets	(178)	(186)	4.5
Operating costs	(2,154)	(2,117)	(1.7)
Operating margin	2,451	1,919	(21.7)
Net provisions for risks and charges	(97)	(51)	(47.4)
Net adjustments to loans	(923)	(917)	(0.7)
Net impairment losses on other assets	(36)	(28)	(22.2)
Profits (Losses) on HTM and on other investments	(35)	18	n.m.
Income before tax from continuing operations	1,360	941	(30.8)
Taxes on income from continuing operations	(340)	(278)	(18.2)
Charges (net of tax) for integration and exit incentives	(38)	(16)	(57.9)
Effect of purchase cost allocation (net of tax)	(27)	(26)	(3.7)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	15	16	6.7
Minority interests	(69)	(9)	(87.0)
Net income	901	628	(30.3)

€697m excluding charges for the Deposit Guarantee Scheme⁽¹⁾

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

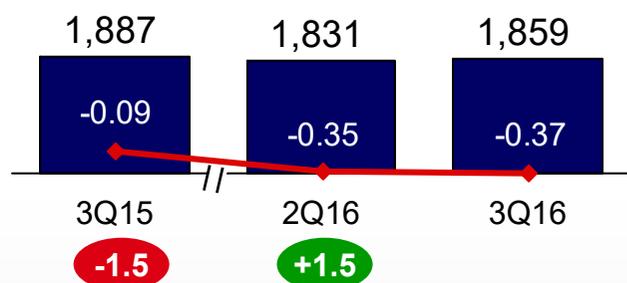
(1) €103m pre-tax (€69m net of taxes) booked in Other operating income (expenses)

Net Interest Income: Quarterly Increase Despite All-Time Low Interest Rates

Quarterly Analysis

€ m

—◆— Euribor 1M; %
 (○) % Δ 3Q16 vs 3Q15 and 2Q16

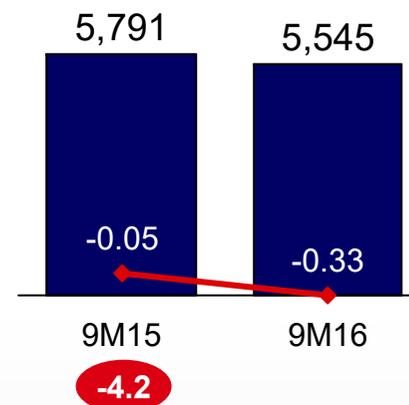


- 1.5% increase vs 2Q16
- Average Performing loans to customers up ~1% vs 2Q16
- Average Direct deposits from banking business up 2% vs 2Q16

Yearly Analysis

€ m

—◆— Euribor 1M; %
 (○) % Δ 9M16 vs 9M15

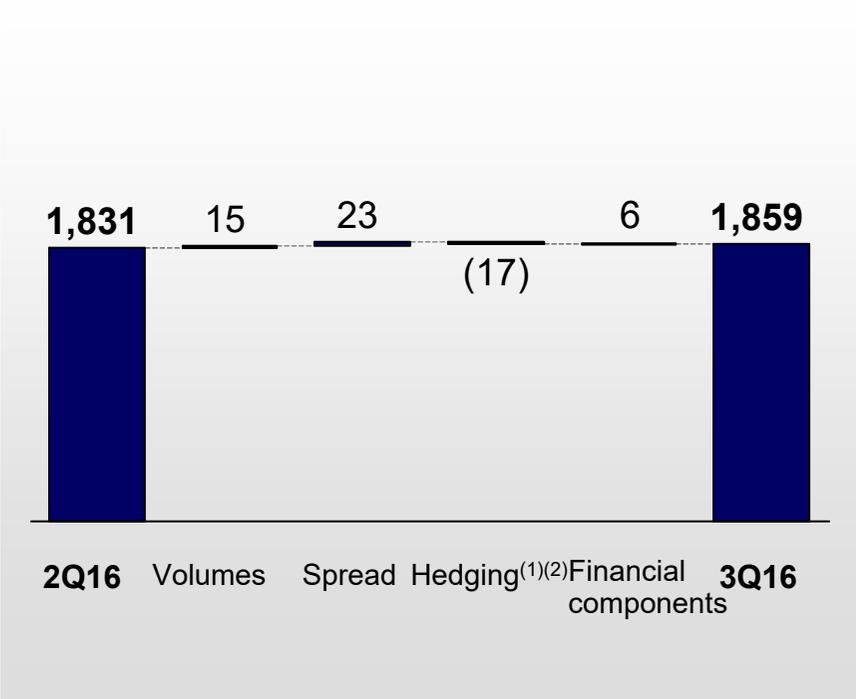


- Decrease due to active management of securities portfolio, a decline in market rates and lower contribution from core deposit hedging
- 2.6% growth in average Performing loans to customers, +3.3% excluding the Capital Light Bank
- 6.4% growth in average Direct deposits from banking business

Net Interest Income: Quarterly Increase Mainly Due to Volumes and Spread

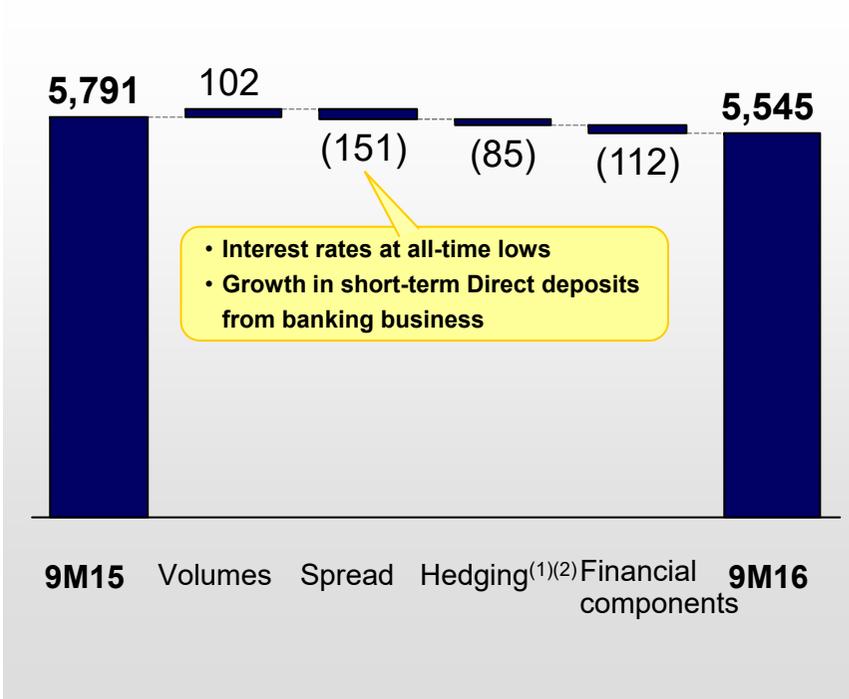
Quarterly Analysis

€ m



Yearly Analysis

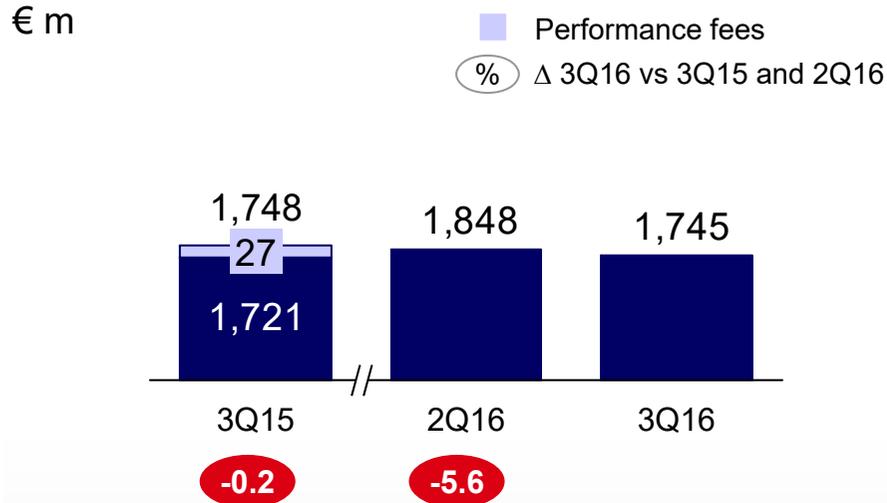
€ m



Note: figures may not add up exactly due to rounding differences
 (1) ~€480m benefit from hedging in 9M16, of which ~€150m in 3Q16
 (2) Hedging on core deposits

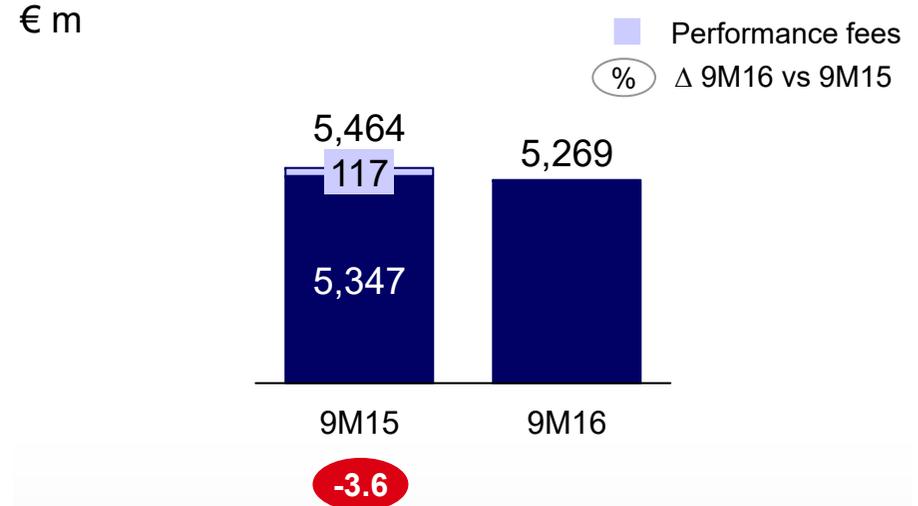
Net Fee and Commission Income: Increase vs 3Q15 when Excluding Performance Fees

Quarterly Analysis



- 1.4% increase vs 3Q15 when excluding performance fees
- Decrease vs 2Q16 mainly due to the usual seasonal business slowdown in summer

Yearly Analysis



- Decrease due to the difficult market environment in the first months of 2016 and the absence of performance fees booked in 9M15
- Strong increase in commissions from Distribution of insurance products (+14%; +€124m)

Profits on Trading: ~€1bn in 9M16

Quarterly Analysis

€ m

(%) Δ 3Q16 vs 3Q15 and 2Q16

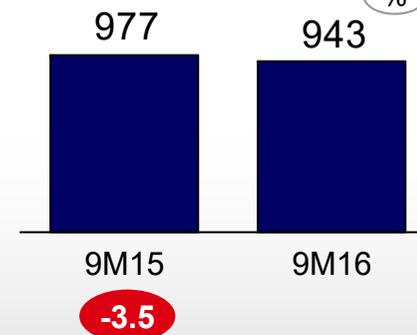


- Decrease vs 2Q16 largely due to the absence of the Bank of Italy dividend booked in the previous quarter and to the seasonal summer slowdown in customer driven activity

Yearly Analysis

€ m

(%) Δ 9M16 vs 9M15



- Positive 9M16 in part due to the increase in customer driven activity

Contributions by Activity

	3Q15	2Q16	3Q16	9M15	9M16
Customers	50	136	96	277	339
Capital markets & Financial assets AFS	(15)	85	15	130	174
Trading and Treasury	(32)	240 ⁽¹⁾	130	571	418
Structured credit products	(3)	6	6	(2)	11

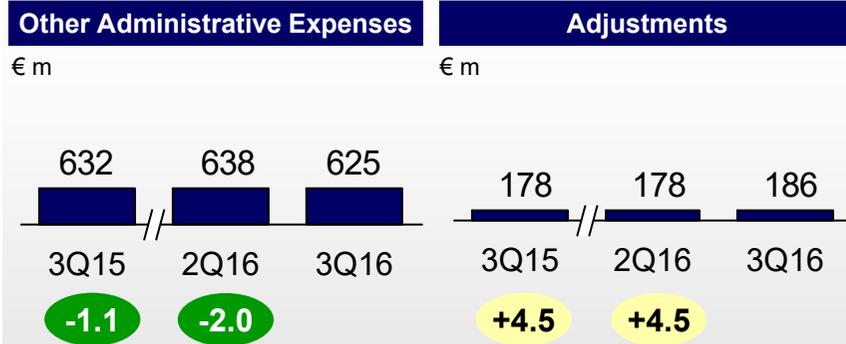
Note: figures may not add up exactly due to rounding differences

(1) Of which €121m Bank of Italy dividend

Operating Costs: Cost/Income Ratio at 49.9%

Quarterly Analysis

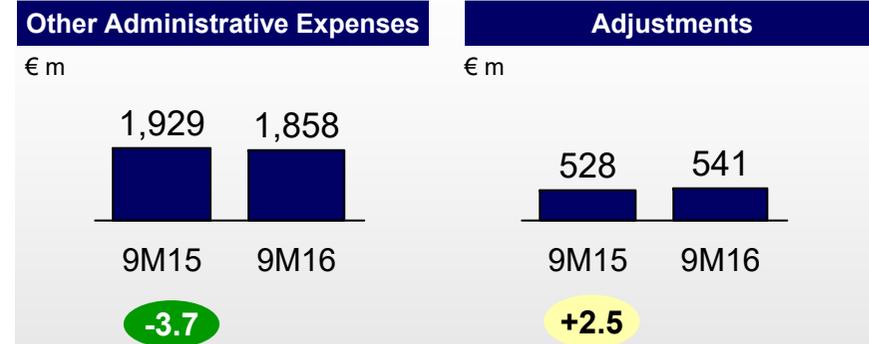
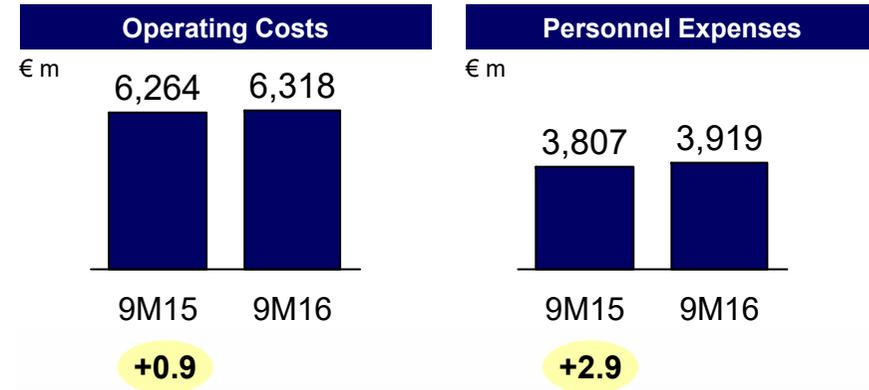
(%) Δ 3Q16 vs 3Q15 and 2Q16



- 2% decrease in Other Administrative Expenses vs 2Q16 and 1.1% vs 3Q15
- ~370 headcount reduction in Q3

Yearly Analysis

(%) Δ 9M16 vs 9M15



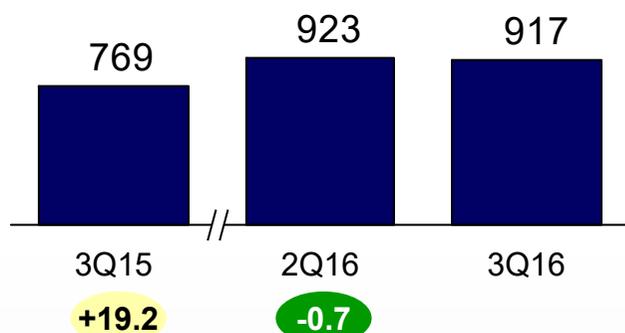
- 3.7% decrease in Other Administrative Expenses
- ~1,200 headcount reduction

Net Adjustments to Loans: Increased Coverage Coupled with Reduction in NPL Stock and Inflow

Quarterly Analysis

€ m

(%) Δ 3Q16 vs 3Q15 and 2Q16

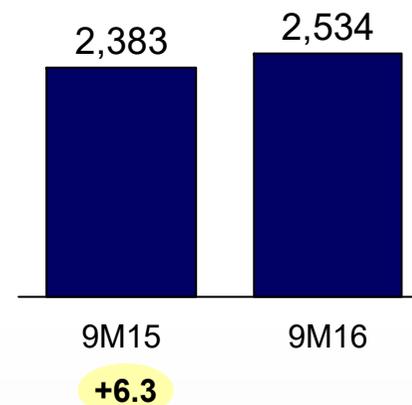


- Very conservative provisioning in 2Q16 and 3Q16 also taking into account capital gains on the disposal of non-core assets
- Fourth consecutive quarterly reduction in NPL stock, marking the lowest level of the past ten quarters
- 3Q16 saw the lowest quarterly inflow of NPL from Performing loans in ISP's history
- Non-performing loans cash coverage up to 48.0% (vs 47.3% in Q2)

Yearly Analysis

€ m

(%) Δ 9M16 vs 9M15



- 9M16 saw the lowest inflow of NPL from Performing loans since ISP was created
- Strong decline in inflow from Performing loans to Non-performing loans (-36% gross and -52% net)
- Very conservative provisioning in 9M16 also taking into account capital gains on the disposal of non-core assets
- Annualised cost of credit at 93bps, stable vs 9M15
- Non-performing loans cash coverage up to 48.0% (vs 47.0% as of 30.9.15)

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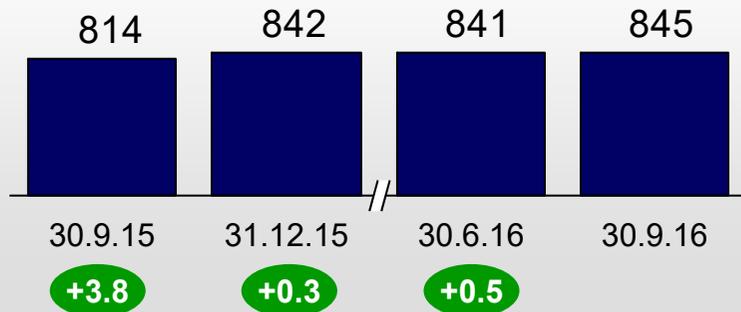
Divisional Results and Other Information

Growth in Customer Financial Assets

(%) Δ 30.9.16 vs 30.9.15, 31.12.15 and 30.6.16

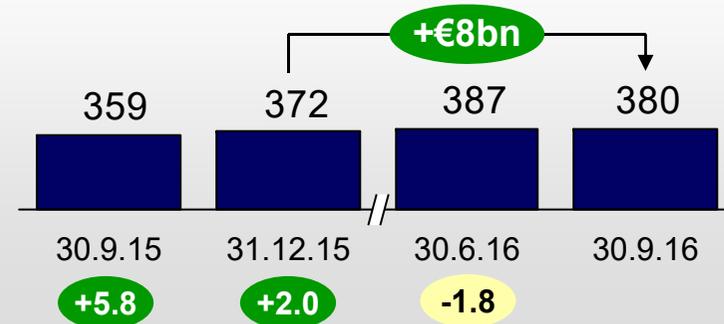
Customer Financial Assets⁽¹⁾

€ bn



Direct Deposits from Banking Business

€ bn



Direct Deposits from Insurance Business and Technical Reserves

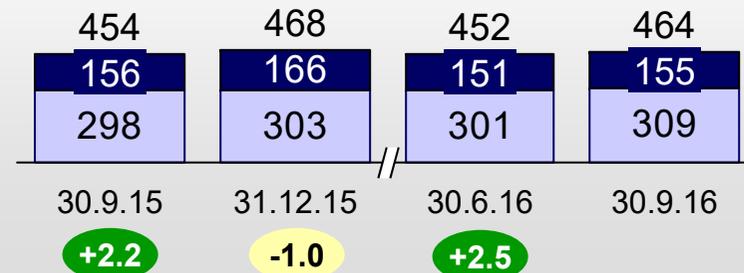
€ bn



Indirect Customer Deposits

€ bn

■ Assets under Adm.
■ Assets under Mgt.



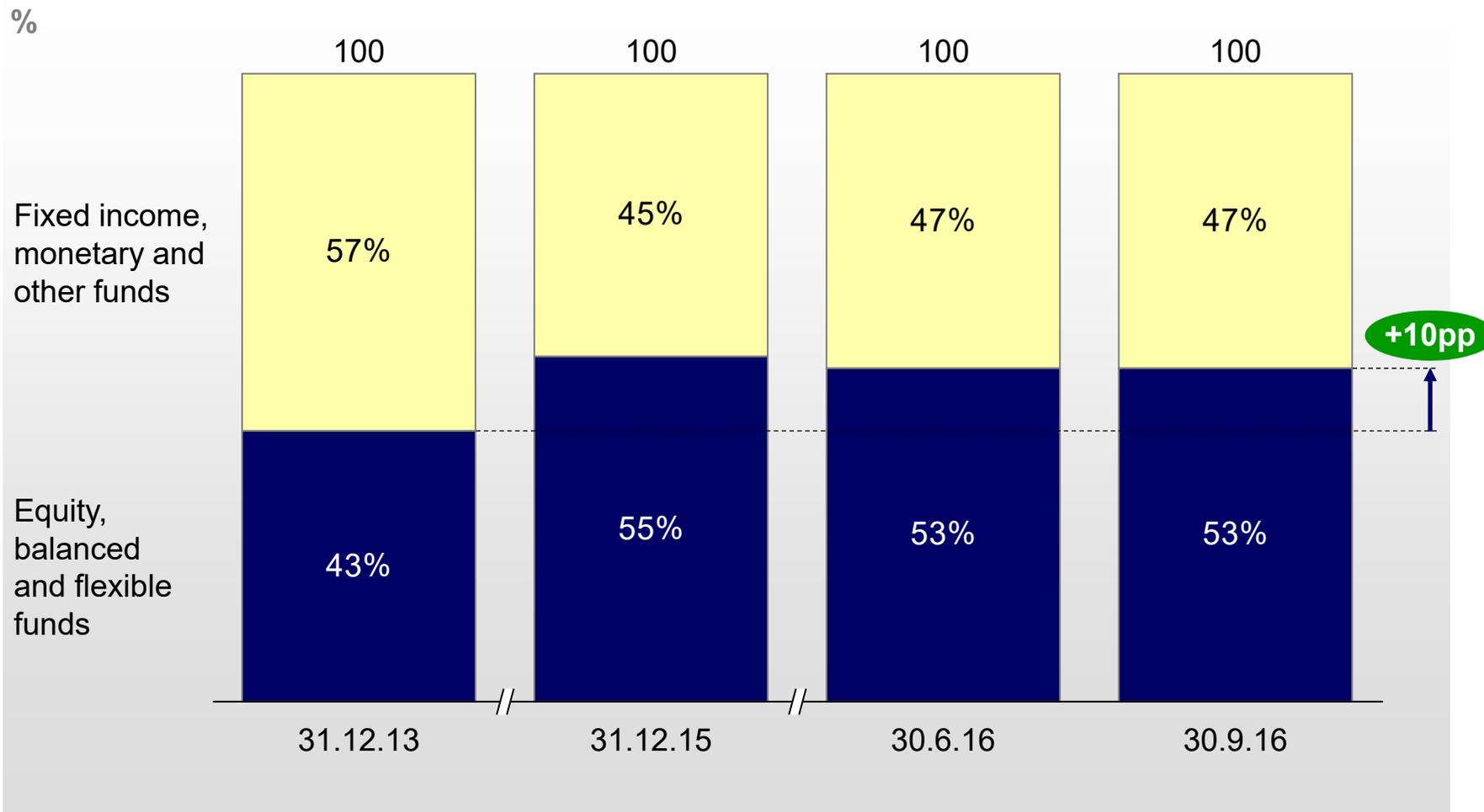
€8bn increase in AuM in Q3

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

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

Mutual Funds Mix

Mutual funds mix



Stable and Reliable Source of Funding from Retail Branch Network

Breakdown of Direct Deposits from Banking Business

€ bn as of 30.9.16; % Percentage of total



	Wholesale	Retail
■ Current accounts and deposits	5	231
■ Repos and securities lending	25	-
■ Senior bonds	40	23 ⁽¹⁾
■ Covered bonds	13	-
■ EMTN puttable	2	-
■ Certificates of deposit + Commercial papers	5	2
■ Subordinated liabilities	12	2
■ Other deposits	2	17 ⁽²⁾

Placed with Private Banking clients

Retail funding represents 73% of Direct deposits from banking business

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

(1) ~30% placed with Private Banking clients

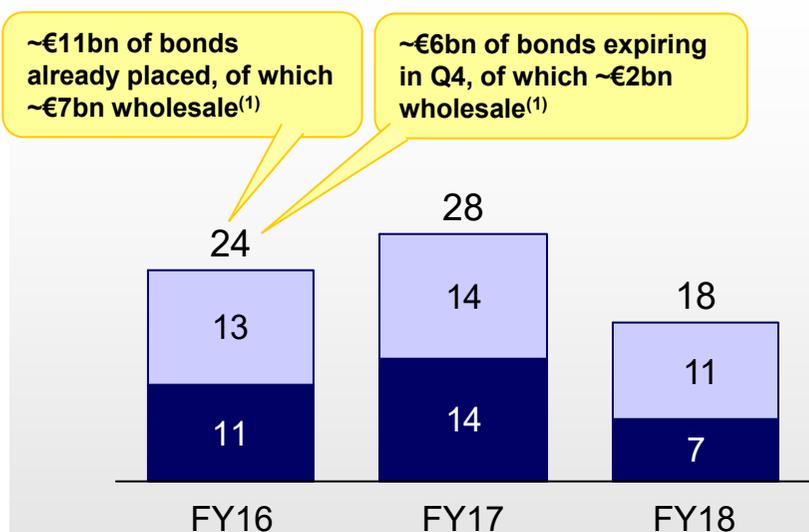
(2) Including Certificates

Strong Funding Capability: Broad Access to International Markets

2016-2018 MLT Bond Maturities

€ bn

Wholesale
Retail



Main Wholesale Issues

2015

- €6.5bn of eurobonds (of which €2.25bn of covered bonds) and \$1bn Additional Tier 1 placed. On average 80% demand from foreign investors; targets exceeded by 210%:
 - January: €1.25bn 5y senior unsecured eurobond issue and €1bn 7y covered bonds backed by residential mortgages
 - February: €1.5bn 7y senior unsecured eurobond issue
 - April: €500m 10y subordinated Tier 2 eurobond issue
 - June: €1bn 5y senior unsecured eurobond issue
 - September: \$1bn Additional Tier 1 issue targeted at the U.S. and Canadian markets
 - December: €1.25bn 10y covered bonds backed by residential mortgages

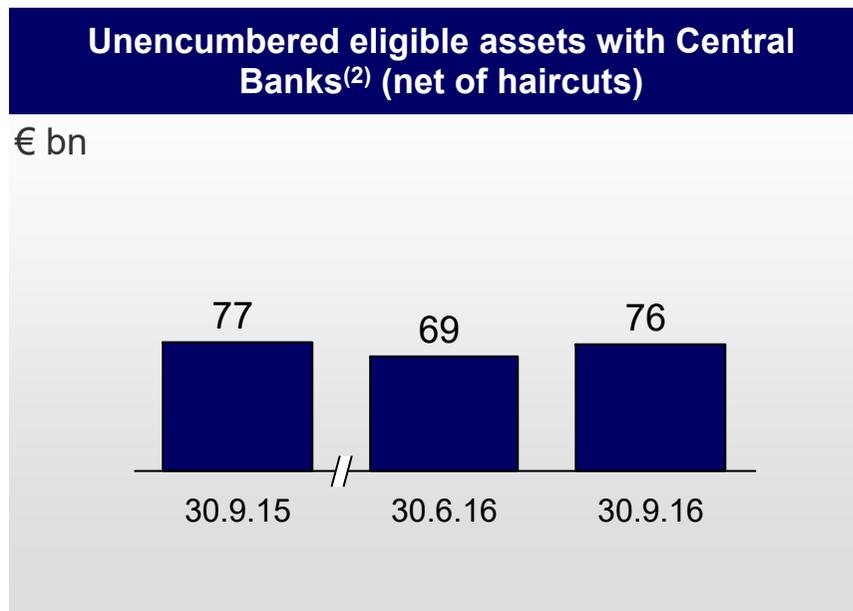
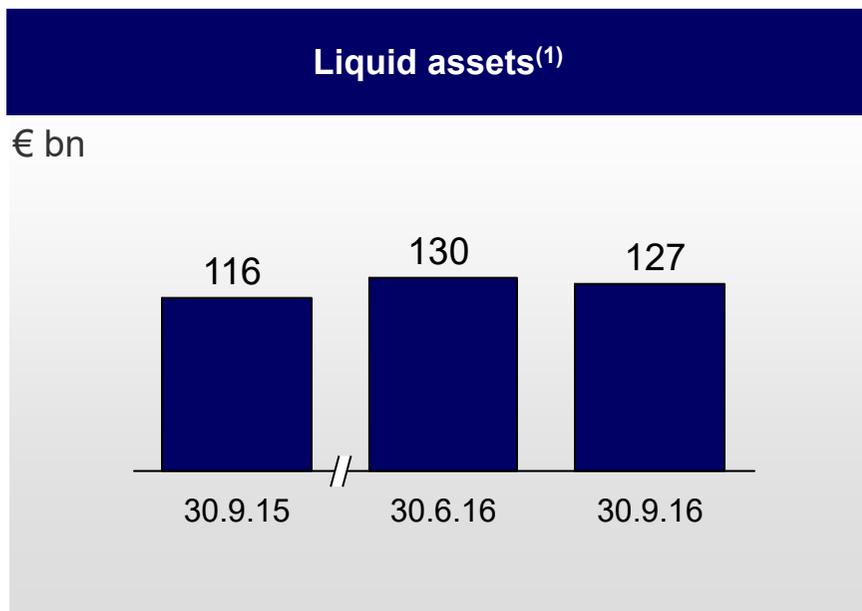
2016

- \$1.5bn subordinated Tier 2, €1.25bn Additional Tier 1 and €1.25bn of covered bonds placed. On average 88% demand from foreign investors; targets exceeded by 168%:
 - January: \$1.5bn subordinated Tier 2 issue targeted at the US and Canadian markets only and €1.25bn Additional Tier 1 issue targeted at international markets
 - March: €1.25bn 7y covered bonds backed by residential mortgages

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

(1) Data as of 30.9.16

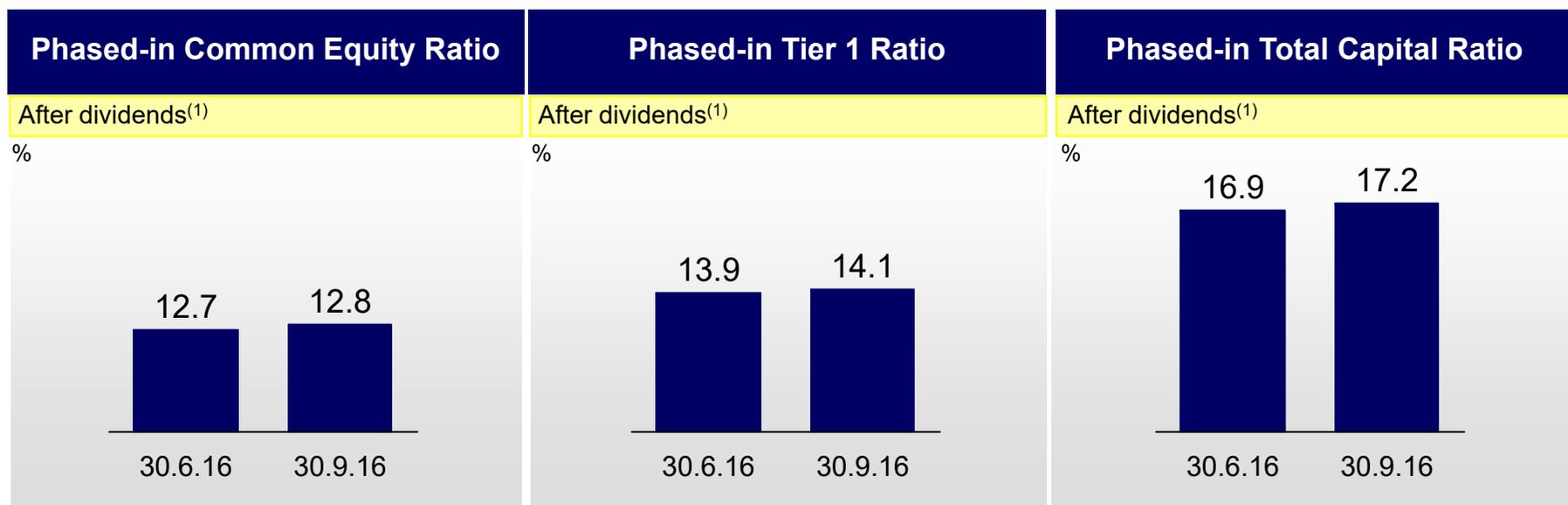
High Liquidity: LCR and NSFR Well Above Basel 3 Requirements for 2018



- **TLTRO II: ~€41bn**
 - In June, the Group took ~€36bn under the first TLTRO II (maximum borrowing allowance of ~€57bn) against a full pay-back of the €27.6bn that the Group borrowed under TLTRO I
 - In September, the Group took ~€5bn under the second TLTRO II
- **Loan to Deposit ratio⁽³⁾ at 96%**

(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks
 (2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash & deposits with Central Banks
 (3) Loans to Customers/Direct Deposits from Banking Business

Solid Capital Base Confirmed by the EBA Stress Test



- **13.0% pro-forma fully loaded Common Equity ratio⁽²⁾**
- **6.7% leverage ratio**

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

(1) After deduction of accrued dividends (~€2,250m), assumed equal to the Net income for the nine months minus accrued coupons on Additional Tier 1 issues

(2) Pro-forma fully loaded Basel 3 (30.9.16 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans and the expected absorption of DTA on losses carried forward); including estimated benefits from the Danish Compromise (14bps)

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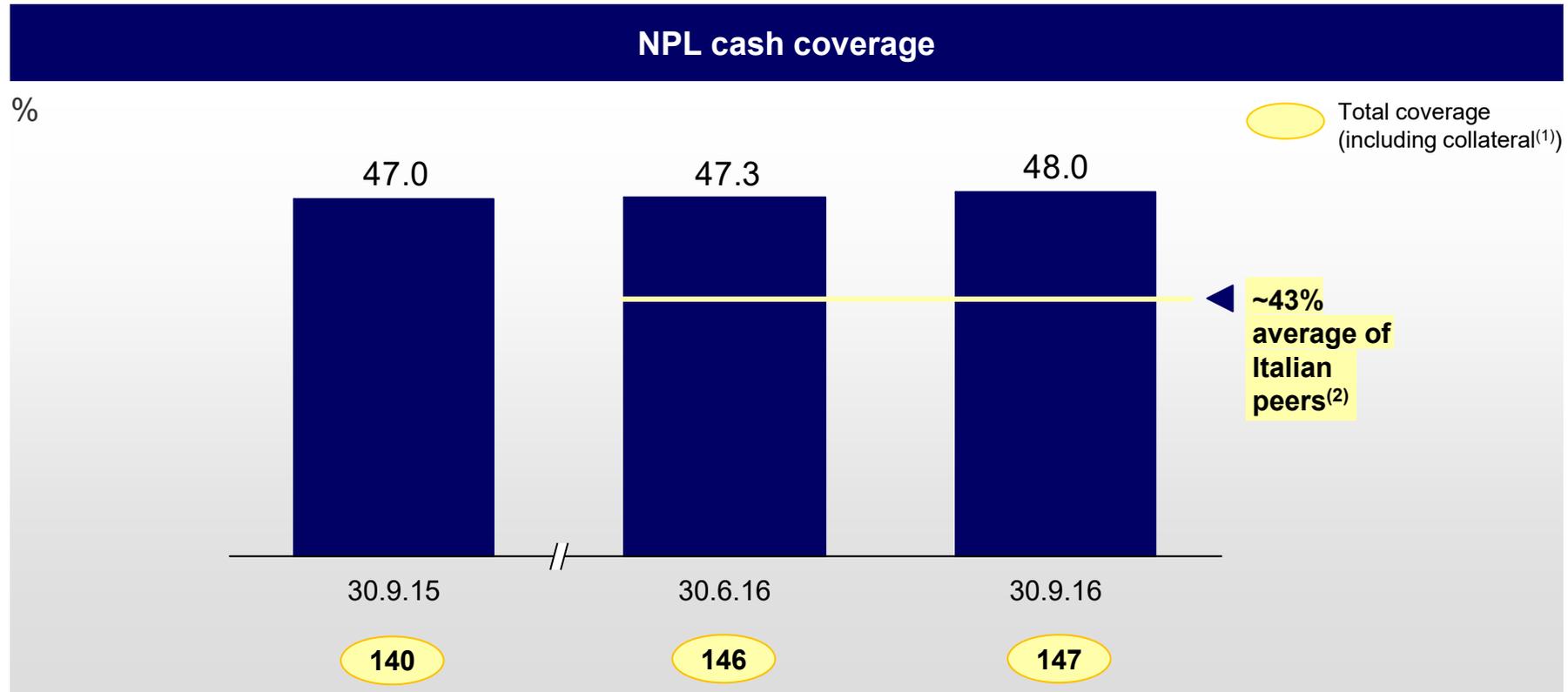
Detailed Consolidated P&L Results

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Non-performing Loans: Sizeable and Increased Coverage



- **Bad Loans recovery rate⁽³⁾ at ~130% in the period 2009 - 30.9.16**
- **Performing Loans cash coverage at 0.6%**

(1) Excluding personal guarantees

(2) Sample: BPOP, UBI and UniCredit (data as of 30.6.16); MPS (data as of 30.9.16)

(3) Repayment on Bad Loans/Net book value

Non-performing Loans: Cash Coverage Increased

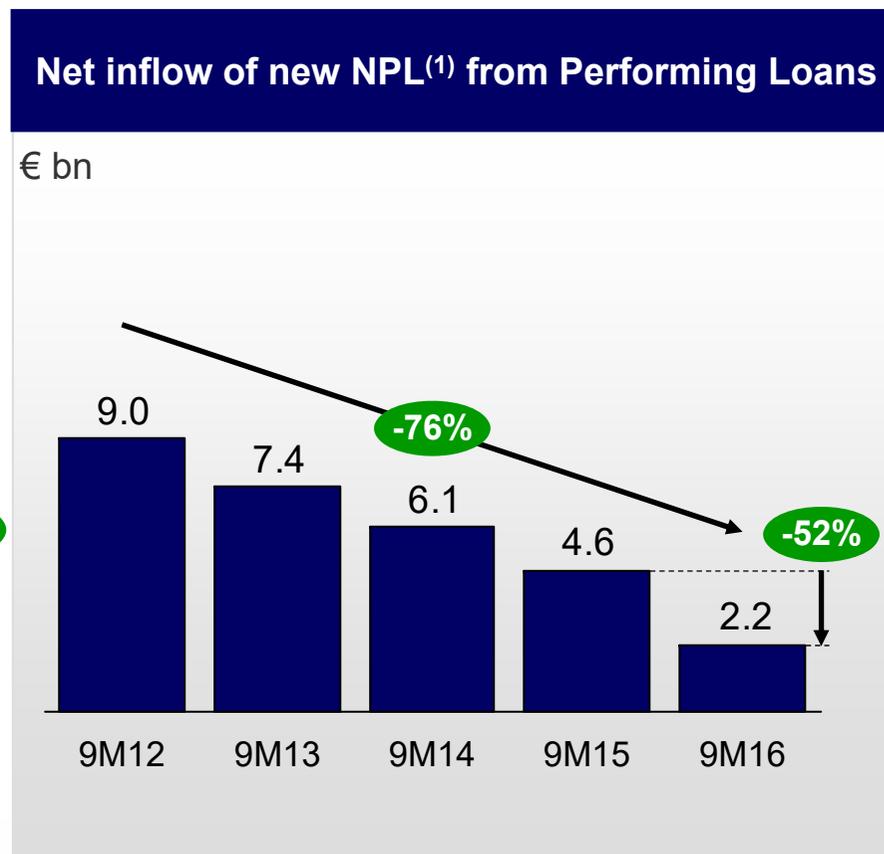
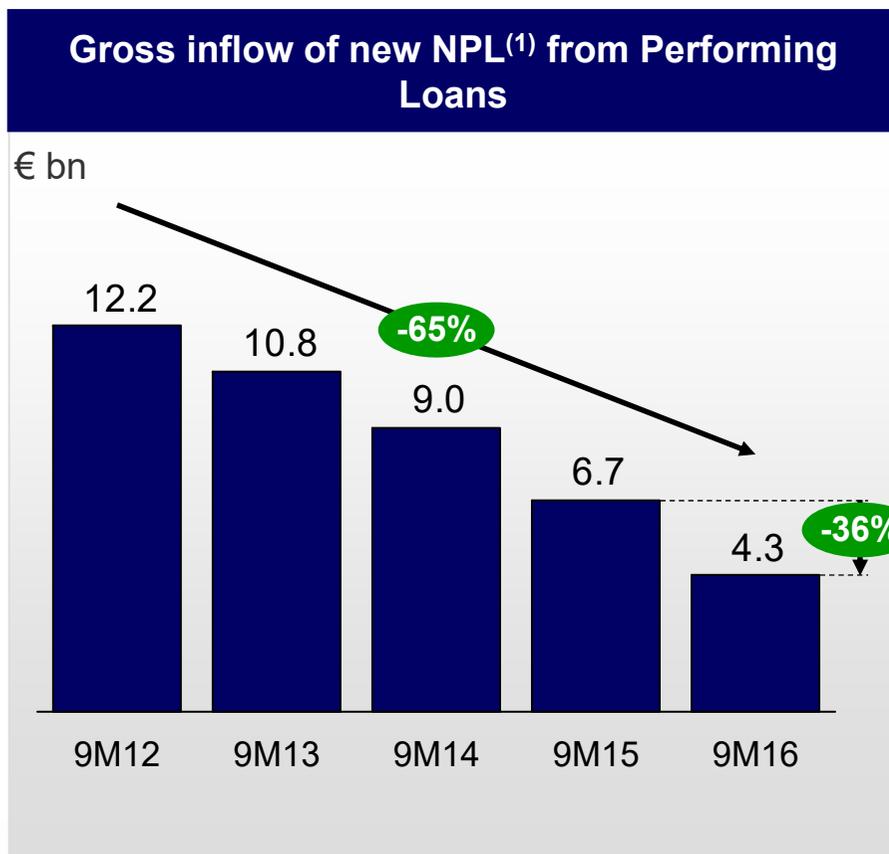
Cash coverage; %



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

(2) Excluding personal guarantees

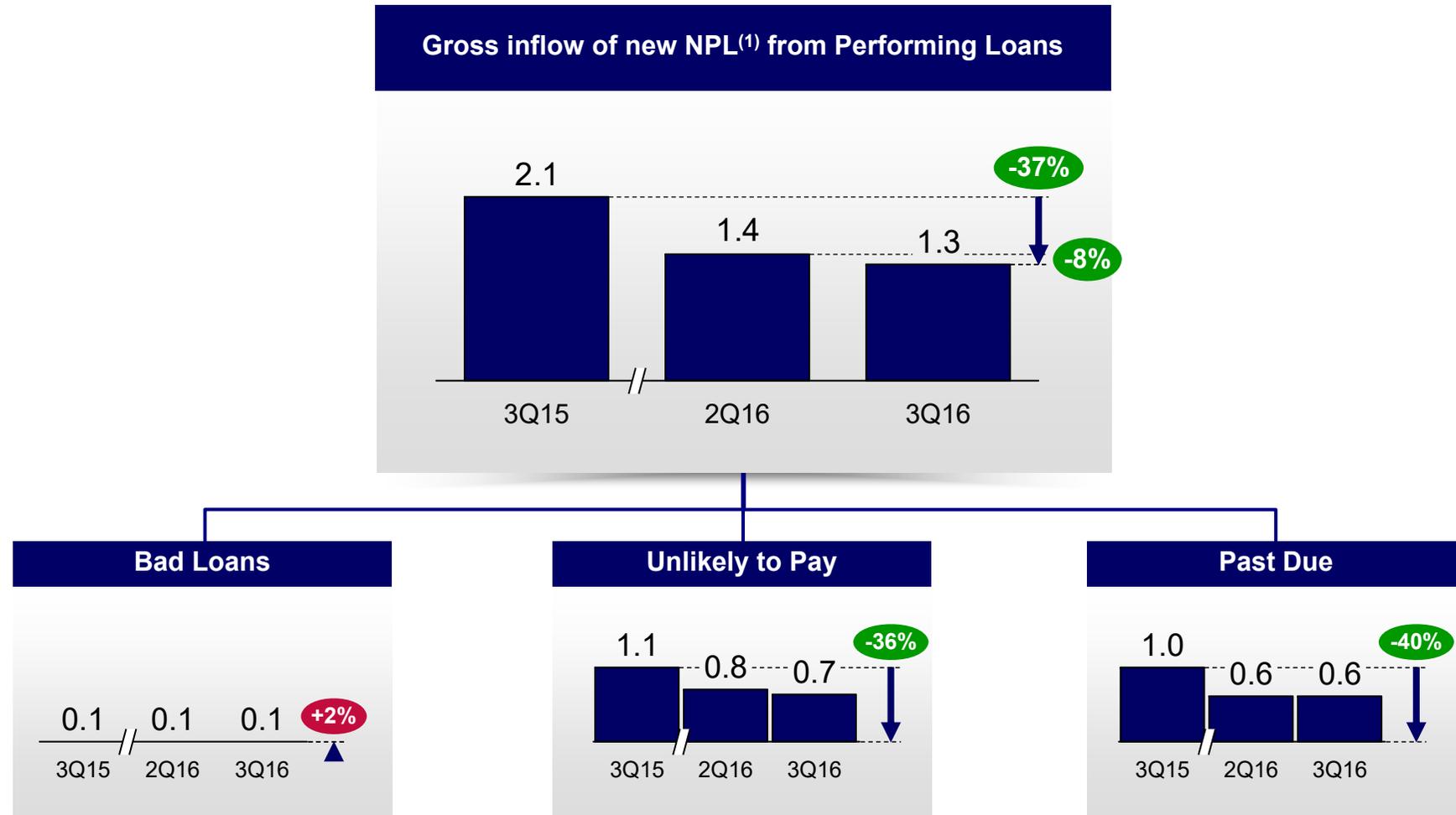
Non-performing Loans: Lowest Gross Inflow of NPL from Performing Loans since ISP was Created (2007)



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

Non-performing Loans: Lowest Quarterly Gross Inflow from Performing Loans since ISP was Created (2007)

€ bn

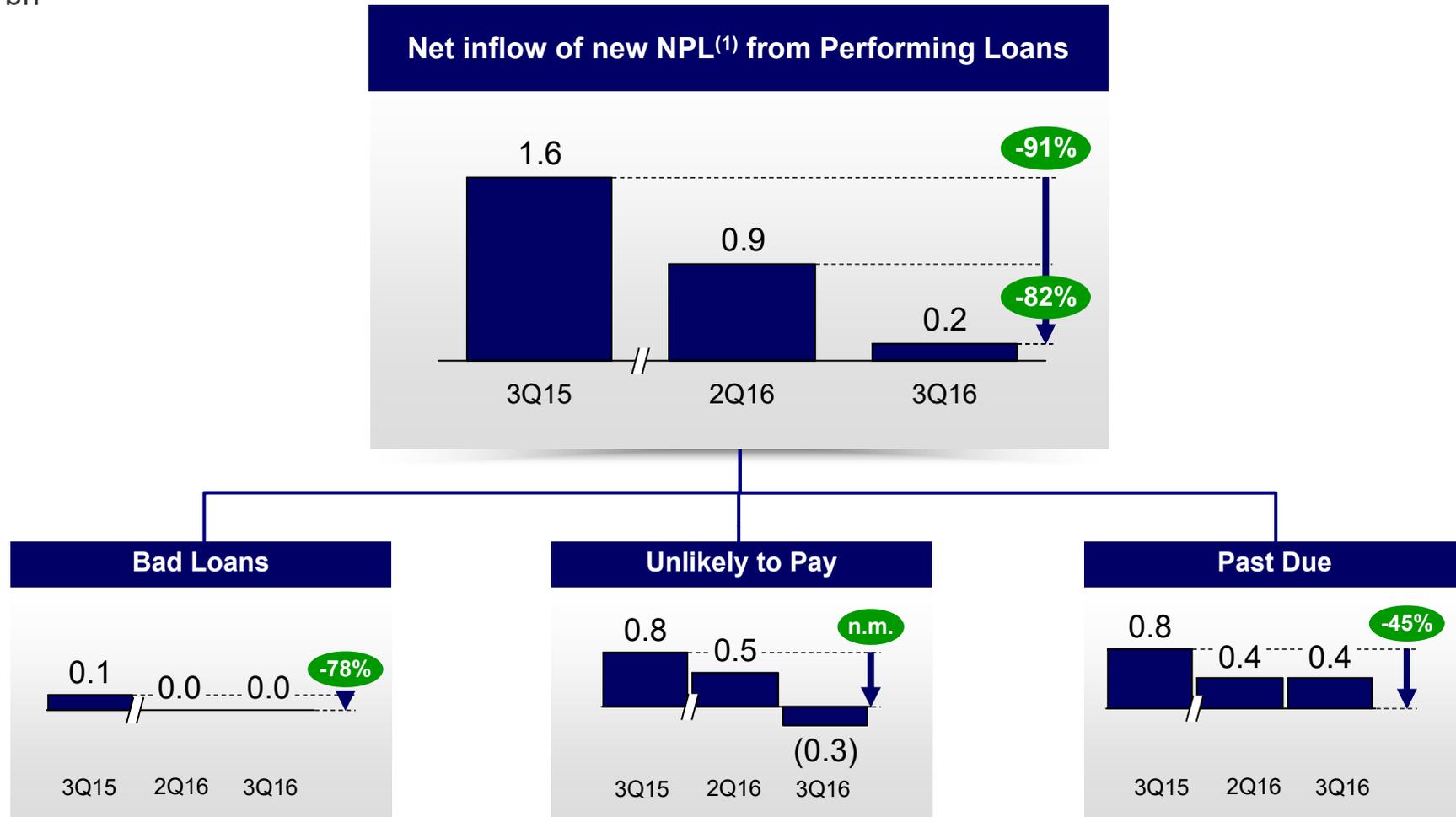


Note: figures may not add up exactly due to rounding differences

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

Non-performing Loans: Lowest Quarterly Net Inflow from Performing Loans since ISP was Created (2007)

€ bn

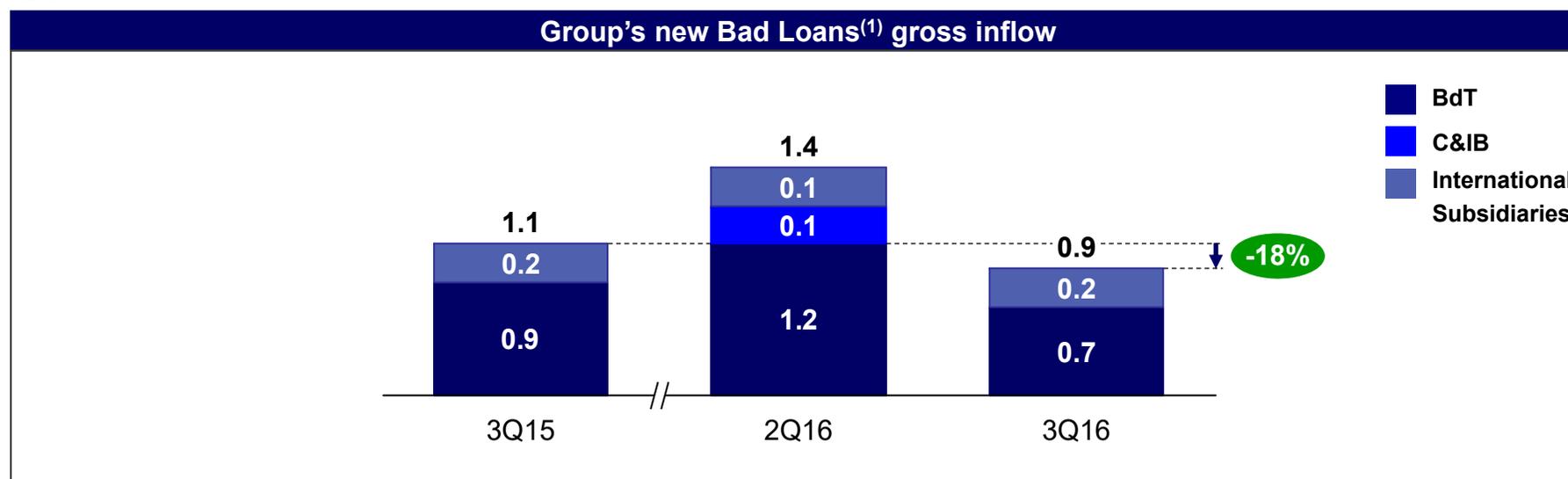


Note: figures may not add up exactly due to rounding differences

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

New Bad Loans: Strong Decrease in Gross Inflow

€ bn



BdT's new Bad Loans⁽¹⁾ gross inflow

	3Q15	2Q16	3Q16
Total	0.9	1.2	0.7
Mediocredito Italiano ⁽²⁾	0.2	0.3	0.1
Households	0.2	0.3	0.2
SMEs	0.5	0.6	0.4

C&IB's new Bad Loans⁽¹⁾ gross inflow

	3Q15	2Q16	3Q16
Total	-	0.1	-
Banca IMI ⁽³⁾	-	-	-
Corporate and Public Finance	-	-	-
International Network & Global Industries	-	-	-
Financial Institutions	-	-	-

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

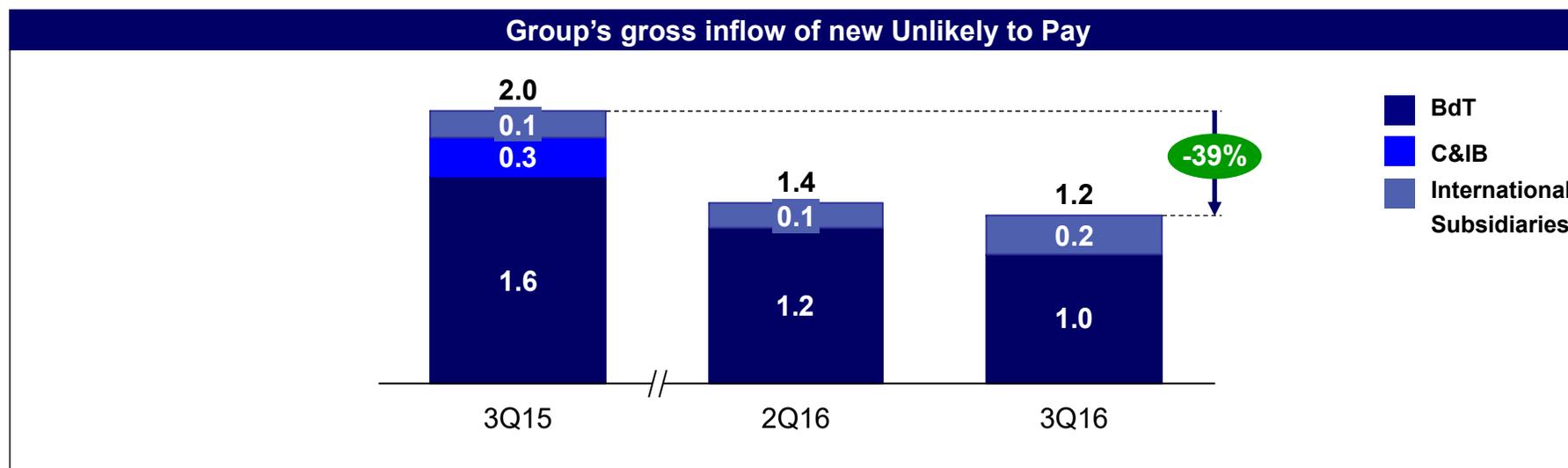
(1) *Sofferenze*

(2) Industrial Credit, Factoring and Leasing

(3) Capital Markets and Investment Banking

New Unlikely to Pay: Strong Decrease in Gross Inflow

€ bn



BdT's gross inflow of new Unlikely to Pay

	3Q15	2Q16	3Q16
Total	1.6	1.2	1.0
Mediocredito Italiano ⁽¹⁾	0.3	0.3	0.2
Households	0.4	0.3	0.2
SMEs	0.9	0.7	0.6

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

	3Q15	2Q16	3Q16
Total	0.3	-	-
Banca IMI ⁽²⁾	0.1	-	-
Corporate and Public Finance	-	-	-
International Network & Global Industries	0.2	-	-
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: Fourth Consecutive Quarterly Decline in Stock, Marking the Lowest Level of the Past Ten Quarters

Gross NPL			
€ m	30.9.15	30.6.16	30.9.16
Bad Loans	38,968	38,570	38,028
- of which forborne	1,344	2,050	2,220
Unlikely to pay	24,151	21,993	20,981
- of which forborne	9,285	9,463	9,196
Past Due	1,358	777	686
- of which forborne	237	129	96
Total	64,477	61,340	59,695

Net NPL			
€ m	30.9.15	30.6.16	30.9.16
Bad Loans	14,484	15,159	15,014
- of which forborne	590	934	1,002
Unlikely to pay	18,559	16,560	15,480
- of which forborne	7,321	7,220	6,995
Past Due	1,133	633	550
- of which forborne	207	113	81
Total	34,176	32,352	31,044

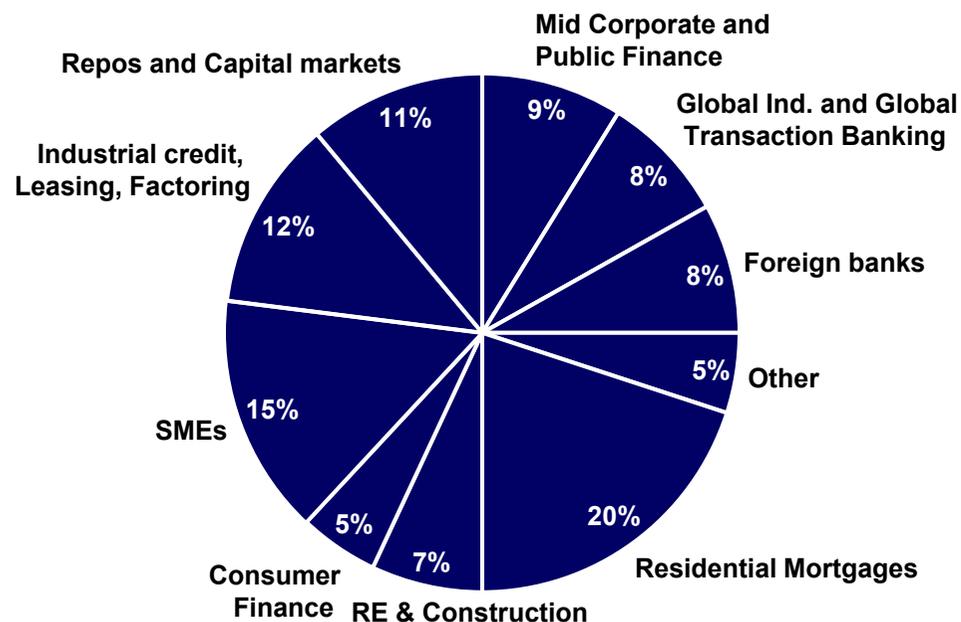
-7%

-9%

~€5bn decrease in Gross NPL stock in one year

Loans to Customers: Well-Diversified Portfolio

Breakdown by business area
(Data as of 30.9.16)



■ Low risk profile of residential mortgage portfolio

- Instalment/available income ratio at 34%
- Average Loan-to-Value equal to 54%
- Original average maturity equal to ~22 years
- Residual average life equal to ~18 years

Breakdown by economic business sector

	30.6.16	30.9.16
Loans of the Italian banks and companies of the Group		
Households	23.4%	23.4%
Public Administration	4.9%	4.9%
Financial companies	6.4%	7.6%
Non-financial companies	36.2%	35.7%
<i>of which:</i>		
SERVICES	5.9%	5.9%
DISTRIBUTION	6.0%	5.8%
REAL ESTATE	4.4%	4.2%
UTILITIES	3.4%	3.0%
CONSTRUCTION	2.7%	2.6%
METALS AND METAL PRODUCTS	1.9%	1.9%
AGRICULTURE	1.7%	1.6%
TRANSPORT	1.4%	1.6%
FOOD AND DRINK	1.4%	1.4%
MECHANICAL	1.2%	1.1%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.1%	1.1%
FASHION	0.9%	0.9%
ELECTROTECHNICAL AND ELECTRONIC	0.6%	0.6%
TRANSPORTATION MEANS	0.5%	0.5%
ENERGY AND EXTRACTION	0.4%	0.5%
HOLDING AND OTHER	0.5%	0.5%
INFRASTRUCTURE	0.4%	0.4%
BASE AND INTERMEDIATE CHEMICALS	0.4%	0.4%
PUBLISHING AND PRINTING	0.4%	0.4%
MATERIALS FOR CONSTRUCTION	0.4%	0.3%
FURNITURE	0.2%	0.2%
PHARMACEUTICAL	0.2%	0.2%
OTHER CONSUMPTION GOODS	0.2%	0.2%
MASS CONSUMPTION GOODS	0.1%	0.1%
WHITE GOODS	0.1%	0.1%
NON-CLASSIFIED UNITS	0.0%	0.0%
Rest of the world	11.1%	11.0%
Loans of the foreign banks and companies of the Group	8.9%	9.0%
Non-performing loans	9.0%	8.5%
TOTAL	100.0%	100.0%

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

Contents

Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

Asset Quality

Divisional Results and Other Information

Divisional Financial Highlights

Data as of 30.9.16

	Divisions							Total
	Banca dei Territori	Corporate & Investment Banking	International Subsidiary Banks ⁽¹⁾	Private Banking ⁽²⁾	Asset Management ⁽³⁾	Insurance ⁽⁴⁾	Corporate Centre / Others ⁽⁵⁾	
Operating Income (€ m)	6,555	2,390	1,596	1,290	468	970	(605)	12,664
Operating Margin (€ m)	2,928	1,707	878	899	371	855	(1,292)	6,346
Net Income (€ m)	854	1,055	578	529	282	560	(1,523)	2,335
Cost/Income (%)	55.3	28.6	45.0	30.3	20.7	11.9	n.m.	49.9
RWA (€ bn)	85.8	97.5	31.8	9.4	1.0	0.0	60.6	286.0
Direct Deposits from Banking Business (€ bn)	166.7	109.2	34.0	23.8	0.0	0.2	45.6	379.6
Loans to Customers (€ bn)	186.5	97.6	26.9	9.3	0.3	0.0	44.2	364.8

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

(1) Excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian "bad bank" which are 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: 9M vs 9M

€ m

	9M15	9M16	Δ%
	Restated		
Net interest income	3,666	3,476	(5.2)
Profits (losses) on investments carried at equity	0	0	n.m.
Net fee and commission income	3,046	2,904	(4.7)
Profits (Losses) on trading	49	48	(2.0)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	15	127	746.7
Operating income	6,776	6,555	(3.3)
Personnel expenses	(2,208)	(2,257)	2.2
Other administrative expenses	(1,406)	(1,369)	(2.6)
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	(3,615)	(3,627)	0.3
Operating margin	3,161	2,928	(7.4)
Net provisions for risks and charges	(48)	(40)	(16.7)
Net adjustments to loans	(1,512)	(1,499)	(0.9)
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	1,601	1,389	(13.2)
Taxes on income from continuing operations	(679)	(558)	(17.8)
Charges (net of tax) for integration and exit incentives	(17)	(15)	(11.8)
Effect of purchase cost allocation (net of tax)	(1)	(4)	300.0
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	42	42	0.0
Minority interests	0	0	n.m.
Net income	946	854	(9.7)

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

Banca dei Territori: Q3 vs Q2

€ m

	2Q16	3Q16	Δ%
Net interest income	1,154	1,162	0.7
Profits (losses) on investments carried at equity	0	0	n.m.
Net fee and commission income	1,004	961	(4.3)
Profits (Losses) on trading	15	17	17.9
Income from insurance business	0	0	n.m.
Other operating income (expenses)	118	6	(94.7)
Operating income	2,290	2,146	(6.3)
Personnel expenses	(775)	(747)	(3.6)
Other administrative expenses	(466)	(451)	(3.1)
Adjustments to property, equipment and intangible assets	(0)	(0)	(96.7)
Operating costs	(1,241)	(1,198)	(3.5)
Operating margin	1,049	949	(9.6)
Net provisions for risks and charges	(19)	(10)	(46.8)
Net adjustments to loans	(485)	(569)	17.4
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	545	370	(32.2)
Taxes on income from continuing operations	(195)	(167)	(14.4)
Charges (net of tax) for integration and exit incentives	(8)	(5)	(39.3)
Effect of purchase cost allocation (net of tax)	(1)	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	14	14	(5.0)
Minority interests	0	0	n.m.
Net income	356	212	(40.5)

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

Corporate and Investment Banking: 9M vs 9M

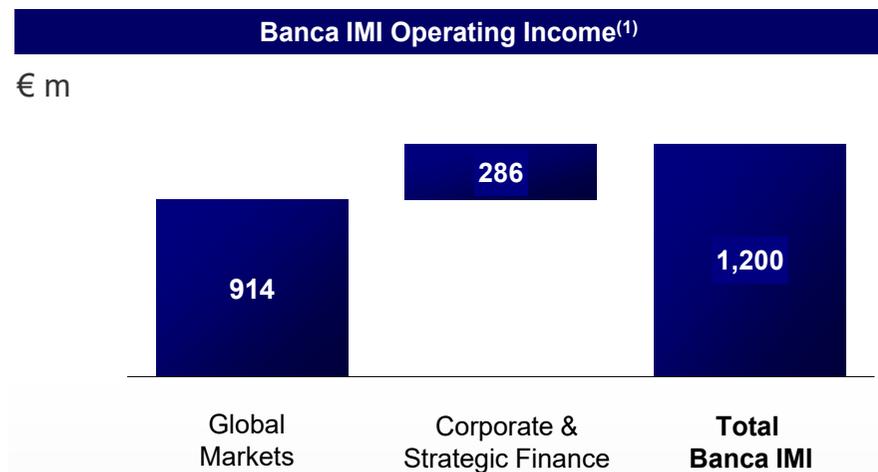
€ m

	9M15	9M16	Δ%
	Restated		
Net interest income	1,157	1,094	(5.4)
Profits (losses) on investments carried at equity	6	6	0.0
Net fee and commission income	612	698	14.1
Profits (Losses) on trading	600	592	(1.3)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	6	0	(100.0)
Operating income	2,381	2,390	0.4
Personnel expenses	(249)	(258)	3.6
Other administrative expenses	(430)	(422)	(1.9)
Adjustments to property, equipment and intangible assets	(2)	(3)	50.0
Operating costs	(681)	(683)	0.3
Operating margin	1,700	1,707	0.4
Net provisions for risks and charges	2	(1)	n.m.
Net adjustments to loans	(190)	(195)	2.6
Net impairment losses on other assets	(4)	(2)	(50.0)
Profits (Losses) on HTM and on other investments	0	20	n.m.
Income before tax from continuing operations	1,508	1,529	1.4
Taxes on income from continuing operations	(461)	(470)	2.0
Charges (net of tax) for integration and exit incentives	0	(4)	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	1,047	1,055	0.8

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

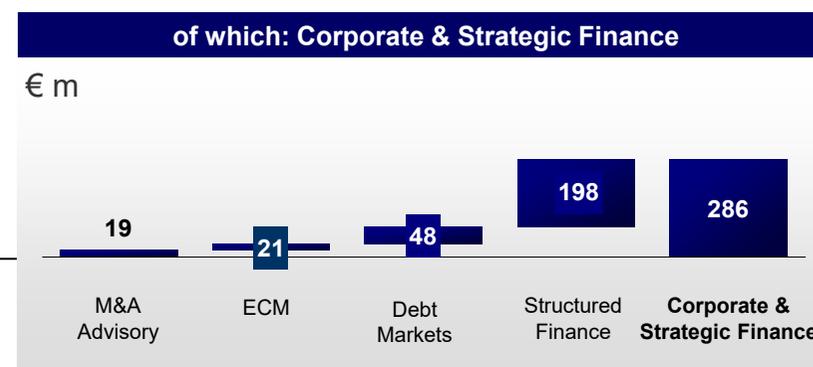
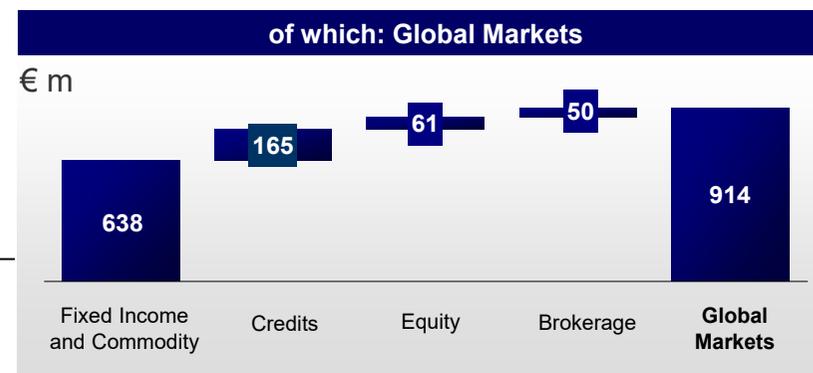
Banca IMI: A Significant Contribution to Group Results

9M16 Results



Cost/Income ratio	25.7%	32.1%	27.2%
RWA (€ bn)	22.8	7.5	30.3

- ~66% of Operating income is customer driven
- 9M16 average VaR at €89m
- 9M16 Net income at €584m



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

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

Corporate and Investment Banking: Q3 vs Q2

€ m

	2Q16	3Q16	Δ%
Net interest income	365	383	4.7
Profits (losses) on investments carried at equity	2	3	47.2
Net fee and commission income	265	214	(19.2)
Profits (Losses) on trading	265	112	(57.7)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	0	(43.1)
Operating income	898	712	(20.7)
Personnel expenses	(89)	(86)	(3.8)
Other administrative expenses	(148)	(137)	(7.1)
Adjustments to property, equipment and intangible assets	(1)	(1)	89.9
Operating costs	(237)	(224)	(5.6)
Operating margin	661	488	(26.1)
Net provisions for risks and charges	(1)	0	n.m.
Net adjustments to loans	(86)	(71)	(17.0)
Net impairment losses on other assets	(1)	(1)	0.0
Profits (Losses) on HTM and on other investments	18	2	(88.9)
Income before tax from continuing operations	591	418	(29.2)
Taxes on income from continuing operations	(189)	(120)	(36.8)
Charges (net of tax) for integration and exit incentives	(3)	(1)	(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.
Net income	399	298	(25.4)

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

International Subsidiary Banks: 9M vs 9M

€ m

	9M15	9M16	Δ%
	Restated		
Net interest income	1,118	1,095	(2.1)
Profits (losses) on investments carried at equity	51	38	(25.5)
Net fee and commission income	382	360	(5.8)
Profits (Losses) on trading	81	91	12.3
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(58)	12	n.m.
Operating income	1,574	1,596	1.4
Personnel expenses	(409)	(401)	(2.0)
Other administrative expenses	(269)	(250)	(7.1)
Adjustments to property, equipment and intangible assets	(71)	(67)	(5.6)
Operating costs	(749)	(718)	(4.1)
Operating margin	825	878	6.4
Net provisions for risks and charges	(178)	17	n.m.
Net adjustments to loans	(222)	(147)	(33.8)
Net impairment losses on other assets	(1)	(2)	100.0
Profits (Losses) on HTM and on other investments	1	4	300.0
Income before tax from continuing operations	425	750	76.5
Taxes on income from continuing operations	(111)	(155)	39.6
Charges (net of tax) for integration and exit incentives	(3)	(20)	566.7
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	3	3	0.0
Minority interests	(1)	0	(100.0)
Net income	313	578	84.7

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: Q3 vs Q2

€ m

	2Q16	3Q16	Δ%
Net interest income	360	367	2.0
Profits (losses) on investments carried at equity	15	14	(7.2)
Net fee and commission income	121	124	2.5
Profits (Losses) on trading	27	31	12.1
Income from insurance business	0	0	n.m.
Other operating income (expenses)	42	(9)	n.m.
Operating income	566	527	(6.8)
Personnel expenses	(131)	(135)	3.1
Other administrative expenses	(86)	(82)	(4.3)
Adjustments to property, equipment and intangible assets	(22)	(22)	3.5
Operating costs	(239)	(240)	0.5
Operating margin	327	287	(12.1)
Net provisions for risks and charges	17	(3)	n.m.
Net adjustments to loans	(64)	(41)	(35.9)
Net impairment losses on other assets	1	(1)	n.m.
Profits (Losses) on HTM and on other investments	(0)	1	n.m.
Income before tax from continuing operations	281	243	(13.3)
Taxes on income from continuing operations	(48)	(54)	11.1
Charges (net of tax) for integration and exit incentives	(16)	(1)	(91.8)
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	1	1	4.3
Minority interests	(0)	(0)	(27.7)
Net income	217	190	(12.8)

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: 9M vs 9M

€ m

	9M15	9M16	Δ%
Net interest income	149	132	(11.4)
Profits (losses) on investments carried at equity	9	9	0.0
Net fee and commission income	1,111	1,128	1.5
Profits (Losses) on trading	20	22	10.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(5)	(1)	(80.0)
Operating income	1,284	1,290	0.5
Personnel expenses	(211)	(215)	1.9
Other administrative expenses	(164)	(165)	0.6
Adjustments to property, equipment and intangible assets	(12)	(11)	(8.3)
Operating costs	(387)	(391)	1.0
Operating margin	897	899	0.2
Net provisions for risks and charges	(23)	(40)	73.9
Net adjustments to loans	0	5	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	874	864	(1.1)
Taxes on income from continuing operations	(261)	(249)	(4.6)
Charges (net of tax) for integration and exit incentives	(23)	(23)	0.0
Effect of purchase cost allocation (net of tax)	(63)	(63)	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	n.m.
Net income	527	529	0.4

€592m excluding the
Effect of purchase
cost allocation

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

Private Banking: Q3 vs Q2

€ m

	2Q16	3Q16	Δ%
Net interest income	42	44	2.8
Profits (losses) on investments carried at equity	4	2	(61.4)
Net fee and commission income	383	364	(4.9)
Profits (Losses) on trading	1	12	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(1)	(1)	14.6
Operating income	430	421	(2.0)
Personnel expenses	(72)	(73)	1.9
Other administrative expenses	(58)	(57)	(1.6)
Adjustments to property, equipment and intangible assets	(4)	(4)	0.0
Operating costs	(133)	(134)	0.3
Operating margin	296	288	(3.0)
Net provisions for risks and charges	(15)	(12)	(15.2)
Net adjustments to loans	(1)	(1)	71.4
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	281	274	(2.5)
Taxes on income from continuing operations	(79)	(82)	3.4
Charges (net of tax) for integration and exit incentives	(10)	(6)	(41.2)
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	n.m.
Net income	170	165	(3.2)

€186m excluding the Effect of purchase cost allocation

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

Asset Management: 9M vs 9M

€ m

	9M15	9M16	Δ%
Net interest income	1	0	(100.0)
Profits (losses) on investments carried at equity	66	53	(19.7)
Net fee and commission income	482	407	(15.6)
Profits (Losses) on trading	1	8	700.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	2	0	(100.0)
Operating income	552	468	(15.2)
Personnel expenses	(45)	(42)	(6.7)
Other administrative expenses	(55)	(55)	0.0
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	(100)	(97)	(3.0)
Operating margin	452	371	(17.9)
Net provisions for risks and charges	(1)	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	451	371	(17.7)
Taxes on income from continuing operations	(108)	(81)	(25.0)
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	(6)	(8)	33.3
Net income	337	282	(16.3)

+4% excluding performance fees

+6% excluding performance fees

+7% excluding performance fees

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

Asset Management: Q3 vs Q2

€ m

	2Q16	3Q16	Δ%
Net interest income	0	0	15.4
Profits (losses) on investments carried at equity	17	19	12.5
Net fee and commission income	135	145	7.5
Profits (Losses) on trading	(1)	4	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(1)	0	n.m.
Operating income	151	168	11.6
Personnel expenses	(14)	(14)	0.5
Other administrative expenses	(19)	(18)	(3.7)
Adjustments to property, equipment and intangible assets	(0)	(0)	(2.5)
Operating costs	(33)	(32)	(1.9)
Operating margin	118	136	15.3
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	118	137	15.7
Taxes on income from continuing operations	(26)	(30)	14.5
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	(3)	(4)	37.3
Net income	89	103	15.4

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

Insurance: 9M vs 9M

€ m

	9M15	9M16	Δ%
Net interest income	0	0	n.m.
Profits (losses) 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	934	973	4.2
Other operating income (expenses)	(3)	(3)	0.0
Operating income	931	970	4.2
Personnel expenses	(47)	(49)	4.3
Other administrative expenses	(62)	(64)	3.2
Adjustments to property, equipment and intangible assets	(2)	(2)	0.0
Operating costs	(111)	(115)	3.6
Operating margin	820	855	4.3
Net provisions for risks and charges	0	(2)	n.m.
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	(13)	(9)	(30.8)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	807	844	4.6
Taxes on income from continuing operations	(238)	(265)	11.3
Charges (net of tax) for integration and exit incentives	(3)	(3)	0.0
Effect of purchase cost allocation (net of tax)	(22)	(16)	(27.3)
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	544	560	2.9

€576m excluding the Effect of purchase cost allocation

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

Insurance: Q3 vs Q2

€ m

	2Q16	3Q16	Δ%
Net interest income	0	0	n.m.
Profits (losses) 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	307	298	(2.8)
Other operating income (expenses)	(1)	(1)	(135.4)
Operating income	306	297	(3.0)
Personnel expenses	(17)	(16)	(2.2)
Other administrative expenses	(21)	(22)	5.1
Adjustments to property, equipment and intangible assets	(1)	(1)	(0.2)
Operating costs	(39)	(39)	1.9
Operating margin	267	257	(3.8)
Net provisions for risks and charges	(1)	(2)	120.9
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	(7)	(1)	(90.7)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	259	255	(1.6)
Taxes on income from continuing operations	(76)	(81)	6.5
Charges (net of tax) for integration and exit incentives	(1)	(1)	(39.2)
Effect of purchase cost allocation (net of tax)	(6)	(6)	(8.3)
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	176	168	(4.7)

€174m excluding the Effect of purchase cost allocation

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

Quarterly P&L Analysis

€ m

	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
	Restated						
Net interest income	1,950	1,954	1,887	1,926	1,855	1,831	1,859
Profits (losses) on investments carried at equity	39	15	41	1	74	84	30
Net fee and commission income	1,775	1,941	1,748	1,878	1,676	1,848	1,745
Profits (Losses) on trading	596	380	1	57	228	467	248
Income from insurance business	343	282	241	131	332	239	258
Other operating income (expenses)	(77)	(59)	209	(378)	(142)	136	(104)
Operating income	4,626	4,513	4,127	3,615	4,023	4,605	4,036
Personnel expenses	(1,295)	(1,263)	(1,249)	(1,479)	(1,275)	(1,338)	(1,306)
Other administrative expenses	(629)	(668)	(632)	(791)	(595)	(638)	(625)
Adjustments to property, equipment and intangible assets	(174)	(176)	(178)	(200)	(177)	(178)	(186)
Operating costs	(2,098)	(2,107)	(2,059)	(2,470)	(2,047)	(2,154)	(2,117)
Operating margin	2,528	2,406	2,068	1,145	1,976	2,451	1,919
Net provisions for risks and charges	(54)	(68)	(222)	(55)	(16)	(97)	(51)
Net adjustments to loans	(767)	(847)	(769)	(923)	(694)	(923)	(917)
Net impairment losses on other assets	(9)	(31)	(20)	(108)	(20)	(36)	(28)
Profits (Losses) on HTM and on other investments	28	38	21	51	(5)	(35)	18
Income before tax from continuing operations	1,726	1,498	1,078	110	1,241	1,360	941
Taxes on income from continuing operations	(634)	(502)	(339)	(60)	(383)	(340)	(278)
Charges (net of tax) for integration and exit incentives	(6)	(25)	(15)	(37)	(13)	(38)	(16)
Effect of purchase cost allocation (net of tax)	(26)	(33)	(27)	(33)	(29)	(27)	(26)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	0	0	0	0
Income (Loss) after tax from discontinued operations	15	14	15	15	13	15	16
Minority interests	(11)	(12)	10	18	(23)	(69)	(9)
Net income	1,064	940	722	13	806	901	628

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

Net Fee and Commission Income: Quarterly Development Breakdown

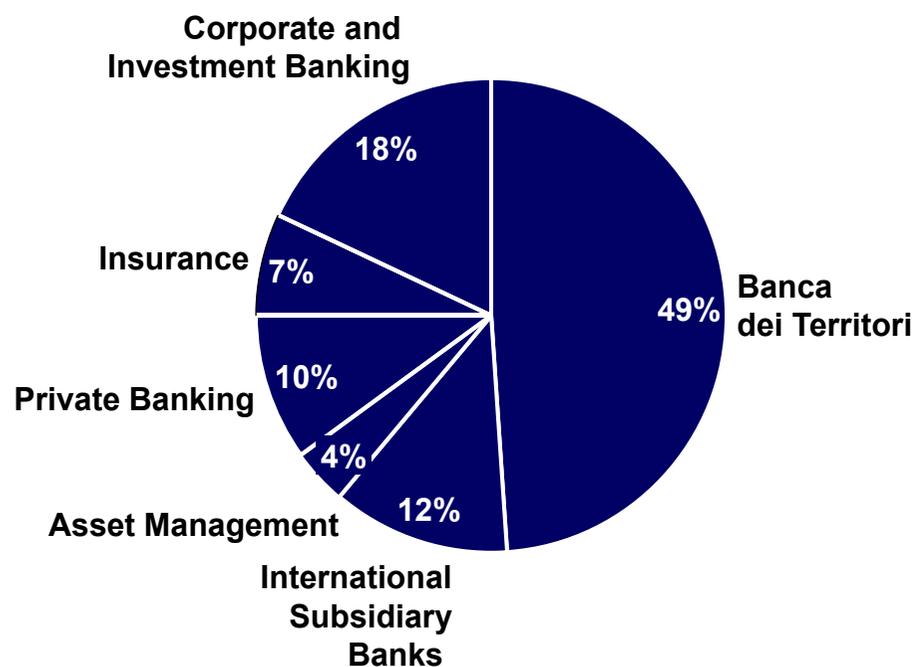
€ m

Net Fee and Commission Income							
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
	Restated						
Guarantees given / received	92	78	88	86	83	83	90
Collection and payment services	86	95	89	104	85	91	90
Current accounts	254	255	268	255	247	255	251
Credit and debit cards	86	96	106	92	90	94	98
Commercial banking activities	518	524	551	537	505	523	529
Dealing and placement of securities	233	197	107	118	91	153	137
Currency dealing	11	11	11	11	10	10	10
Portfolio management	514	590	552	564	493	512	504
Distribution of insurance products	265	335	300	332	327	362	335
Other	45	48	42	49	41	38	47
Management, dealing and consultancy activities	1,068	1,181	1,012	1,074	962	1,075	1,033
Other net fee and commission income	189	236	185	267	209	250	183
Net fee and commission income	1,775	1,941	1,748	1,878	1,676	1,848	1,745

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

Market Leadership in Italy

9M16 Operating Income Breakdown by business area⁽¹⁾



Leader in Italy (data as of 30.9.16)

Ranking	Market share	%
1	Loans	15.8
1	Deposits ⁽²⁾	16.4
1	Life Premiums ⁽³⁾	19.3
1	Asset Management ⁽⁴⁾	20.1
1	Pension Funds ⁽³⁾	21.7
1	Factoring	29.2

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

(1) Excluding Corporate Centre

(2) Including bonds

(3) Data as of 30.6.16

(4) Mutual funds; data as of 30.6.16

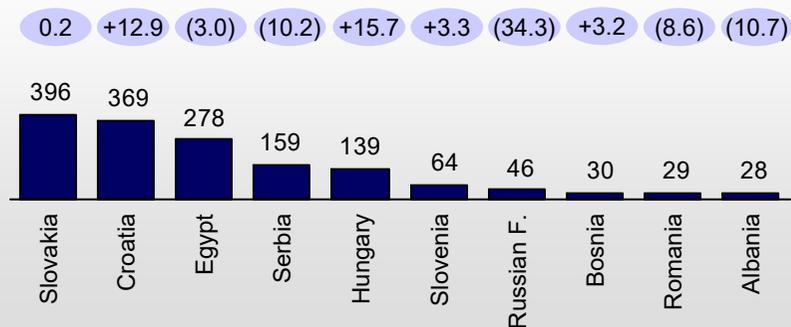
International Subsidiary Banks: Key P&L Data by Country

Data as of 30.9.16

(Δ% vs 9M15)

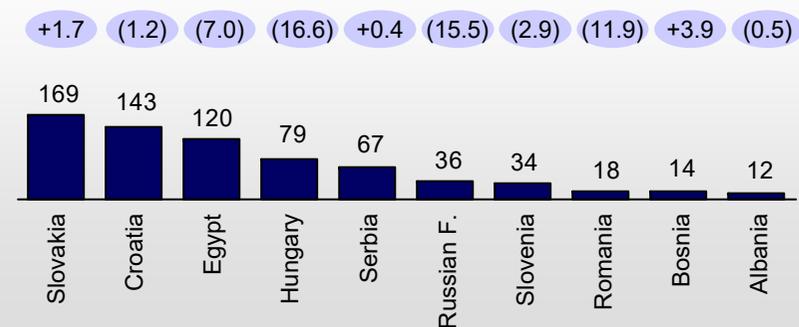
Operating Income

€ m



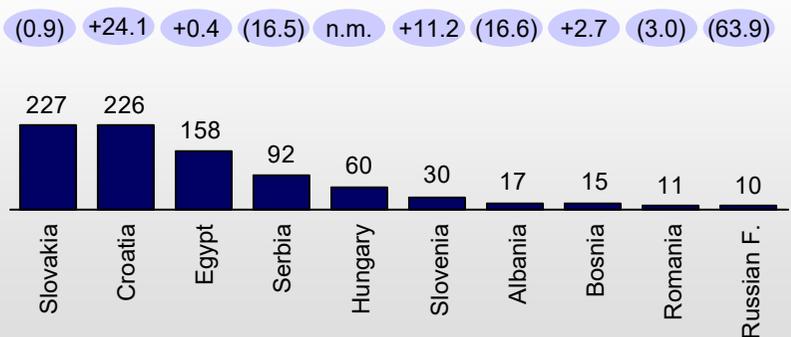
Operating Costs

€ m



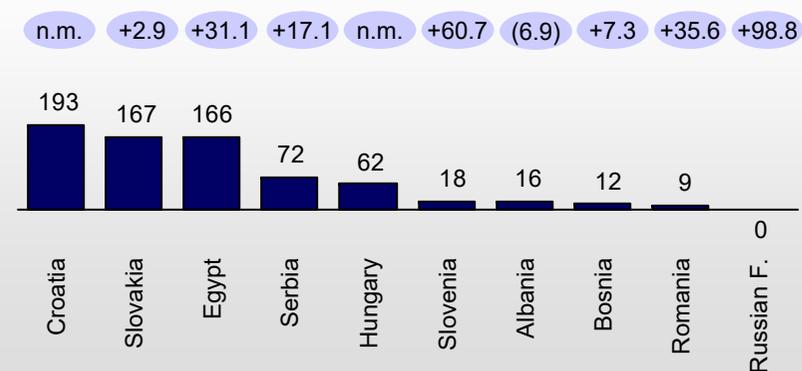
Operating Margin

€ m



Pre-Tax Income

€ m



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 30.9.16

	 Hungary ^(*)	 Slovakia	 Slovenia	 Croatia	 Serbia	 Bosnia	 Albania	 Romania	 Russian F.	 CEE Total	 Egypt	 Total
Oper. Income (€ m)	139	396	64	369	159	30	28	29	46	1,260	278	1,539
% of Group total	1.1%	3.1%	0.5%	2.9%	1.3%	0.2%	0.2%	0.2%	0.4%	10.0%	2.2%	12.1%
Net income (€ m)	40	126	15	152	61	10	14	9	(0)	426	112	538
% of Group total	1.7%	5.4%	0.6%	6.5%	2.6%	0.4%	0.6%	0.4%	n.m.	18.2%	4.8%	23.0%
Customer Deposits (€ bn)	3.6	11.3	1.8	7.3	3.1	0.6	0.9	0.6	0.4	29.6	4.4	34.1
% of Group total	1.0%	3.0%	0.5%	1.9%	0.8%	0.2%	0.2%	0.2%	0.1%	7.8%	1.2%	9.0%
Customer Loans (€ bn)	2.6	10.5	1.4	6.3	2.3	0.6	0.3	0.6	0.5	25.1	2.6	27.7
% of Group total	0.7%	2.9%	0.4%	1.7%	0.6%	0.2%	0.1%	0.2%	0.1%	6.9%	0.7%	7.6%
Total Assets (€ bn)	5.2	13.8	2.2	9.9	4.4	0.9	1.1	0.9	0.8	39.2	5.4	44.6
% of Group total	0.7%	1.9%	0.3%	1.4%	0.6%	0.1%	0.2%	0.1%	0.1%	5.5%	0.8%	6.2%
Book value (€ m)	707	1,396	278	1,824	1,001	118	131	116	169	5,740	477	6,217
- goodwill/intangibles	22	60	4	12	6		4	4	10	122	3	125

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 30.9.16

	 Hungary ^(*)	 Slovakia	 Slovenia	 Croatia	 Serbia	 Bosnia	 Albania	 Romania	 Russian F.	 CEE Total	 Egypt	 Total
Performing loans (€ bn)	2.3	10.2	1.3	6.0	2.1	0.6	0.3	0.6	0.4	23.7	2.4	26.1
of which:												
Retail local currency	39%	55%	49%	21%	21%	10%	12%	33%	5%	39%	57%	40%
Retail foreign currency	0%	0%	0%	32%	26%	41%	15%	39%	0%	12%	0%	11%
Corporate local currency	33%	39%	49%	12%	4%	27%	23%	10%	88%	29%	29%	29%
Corporate foreign currency	28%	6%	2%	35%	49%	23%	50%	18%	7%	20%	14%	20%
Bad loans⁽¹⁾ (€ m)	130	125	55	99	96	11	15	9	25	565	5	570
Unlikely to pay⁽²⁾ (€ m)	225	116	45	218	75	5	15	12	24	735	169	904
Performing loans coverage	2.5%	0.9%	1.2%	1.2%	0.7%	0.7%	4.0%	1.7%	2.1%	1.2%	2.3%	1.3%
Bad loans⁽¹⁾ coverage	60%	66%	61%	70%	61%	77%	44%	64%	74%	65%	96%	67%
Unlikely to pay⁽²⁾ coverage	42%	36%	33%	32%	45%	38%	42%	37%	52%	39%	29%	37%
Annualised cost of credit⁽³⁾ (bps)	n.m.	73	130	73	116	74	n.m.	24	237	58	48	57

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 30.9.16: from Phased-in to Pro-forma Fully Loaded

	~€ bn	~bps
Transitional adjustments		
Reserve shortfall	(0.0)	(0)
Valuation reserves	(0.2)	(6)
Minorities exceeding requirements	(0.1)	(2)
DTA on losses carried forward ⁽¹⁾	0.1	4
Total	(0.1)	(5)
Deductions exceeding cap^(*)		
Total	(0.9)	(35)
(*) as a memo, constituents of deductions subject to cap:		
- Other DTA ⁽²⁾	1.5	
- Investments in banking and financial companies	0.8	
- Investments in insurance companies	4.7	
RWA from 100% weighted DTA⁽³⁾	(8.5)	38
Benefit from the Danish Compromise		14
Total estimated impact		12
Pro-forma fully loaded Common Equity ratio		13.0%

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 30.9.16)

(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 convertible into tax credit related to goodwill realignment (€4.9bn as of 30.9.16) and adjustments to loans (€3.6bn as of 30.9.16)

Total Exposure⁽¹⁾ by Main Countries

€ m

	DEBT SECURITIES								LOANS
	Banking Business						Insurance Business	Total	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT	Total			
EU Countries	9,692	50,833	968	955	7,948	70,396	66,514	136,910	348,550
Austria	134	36	4		50	224	5	229	718
Belgium		938			209	1,147	191	1,338	1,050
Bulgaria					1	1	82	83	13
Croatia	181	156	2	746	69	1,154	78	1,232	6,290
Cyprus									100
Czech Republic									682
Denmark		53			18	71	44	115	176
Estonia									2
Finland		161			60	221	32	253	98
France	155	3,594		201	331	4,281	1,569	5,850	3,467
Germany	72	5,336	4		1,789	7,201	1,890	9,091	3,991
Greece	16					16		16	8
Hungary	50	453			136	639	38	677	2,793
Ireland	198	330			190	718	256	974	300
Italy	7,716	28,334	355		4,124	40,529	57,234	97,763	287,507
Latvia		14				14		14	52
Lithuania		97				97		97	9
Luxembourg	155	23			141	319	132	451	3,595
Malta									139
The Netherlands	71	831			582	1,484	901	2,385	4,111
Poland	32	51				83	20	103	699
Portugal	207				14	221	14	235	236
Romania		118			-1	117	140	257	766
Slovakia		528	603			1,131		1,131	9,209
Slovenia		272				272	8	280	1,392
Spain	358	9,303			20	9,681	2,254	11,935	2,123
Sweden		8			95	103	5	108	161
United Kingdom	347	197		8	120	672	1,621	2,293	18,863
North African Countries		1,326				1,326		1,326	2,703
Algeria									6
Egypt		1,326				1,326		1,326	2,628
Libya									5
Morocco									57
Tunisia									7
Japan		14			951	965	124	1,089	465

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 30.9.16

(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 Main Countries

€ m

	DEBT SECURITIES									LOANS
	Banking Business					Total	Insurance Business	Total	AFS Reserve ⁽⁴⁾	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT ⁽³⁾					
EU Countries	6,961	47,643	964	745	4,726	61,039	56,470	117,509	425	17,734
Austria			4			4	3	7		
Belgium		903			16	919	8	927	5	
Bulgaria							60	60		
Croatia	95	156	2	745	67	1,065	61	1,126		997
Cyprus										
Czech Republic										9
Denmark		18				18		18		
Estonia										
Finland		144			5	149	9	158		7
France	103	3,240			119	3,462	149	3,611	7	14
Germany		5,186			1,325	6,511	1,097	7,608	19	
Greece										
Hungary	37	453			136	626	38	664		174
Ireland		78			-1	77	101	178	2	
Italy	6,422	26,740	355		3,123	36,640	53,437	90,077	334	15,869
Latvia		14				14		14		52
Lithuania		97				97		97		
Luxembourg										
Malta										
The Netherlands		550			85	635	126	761	3	
Poland	32	51				83	20	103	1	
Portugal	17					17		17		25
Romania		118			-1	117	140	257	3	2
Slovakia		386	603			989		989	6	132
Slovenia		242				242	8	250	6	172
Spain	255	9,267			-135	9,387	1,213	10,600	39	281
Sweden					-1	-1		-1		
United Kingdom					-12	-12		-12		
North African Countries		1,325				1,325		1,325	-5	
Algeria										
Egypt		1,325				1,325		1,325	-5	
Libya										
Morocco										
Tunisia										
Japan					707	707		707		

**Banking Business Government bond
duration: ~5.3 years
Adjusted duration due to hedging: ~0.3 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 30.9.16

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

(3) Taking into account cash short positions

(4) 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⁽¹⁾

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT				
EU Countries	847	1,486	4	201	1,390	3,928	4,034	7,962	20,835
Austria	124	12			41	177		177	337
Belgium		24			145	169	59	228	768
Bulgaria									1
Croatia	58					58		58	46
Cyprus									
Czech Republic									
Denmark		25			18	43	16	59	92
Estonia									
Finland		17			35	52		52	79
France		208		201	158	567	535	1,102	1,909
Germany	4	50	4		360	418	161	579	1,813
Greece									2
Hungary									194
Ireland		94				94	90	184	66
Italy	437	733			156	1,326	1,881	3,207	6,336
Latvia									
Lithuania									5
Luxembourg	60				70	130	100	230	1,906
Malta									100
The Netherlands	22	75			249	346	314	660	506
Poland									174
Portugal							1	1	15
Romania									91
Slovakia		142				142		142	1
Slovenia		23				23		23	4
Spain					118	118	305	423	738
Sweden					-2	-2	2		20
United Kingdom	142	83			42	267	570	837	5,632
North African Countries		1				1		1	83
Algeria									1
Egypt		1				1		1	21
Libya									
Morocco									57
Tunisia									4
Japan		14			117	131	46	177	19

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

(1) Book Value of Debt Securities and Net Loans as of 30.9.16

(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⁽¹⁾

€ m

	DEBT SECURITIES								LOANS
	Banking Business					Total	Insurance Business	Total	
	L&R	AFS	HTM	CFV ⁽²⁾	HFT				
EU Countries	1,884	1,704		9	1,832	5,429	6,010	11,439	309,981
Austria	10	24			9	43	2	45	381
Belgium		11			48	59	124	183	282
Bulgaria					1	1	22	23	12
Croatia	28			1	2	31	17	48	5,247
Cyprus									100
Czech Republic									673
Denmark		10				10	28	38	84
Estonia									2
Finland					20	20	23	43	12
France	52	146			54	252	885	1,137	1,544
Germany	68	100			104	272	632	904	2,178
Greece	16					16		16	6
Hungary	13					13		13	2,425
Ireland	198	158			191	547	65	612	234
Italy	857	861			845	2,563	1,916	4,479	265,302
Latvia									
Lithuania									4
Luxembourg	95	23			71	189	32	221	1,689
Malta									39
The Netherlands	49	206			248	503	461	964	3,605
Poland									525
Portugal	190				14	204	13	217	196
Romania									673
Slovakia									9,076
Slovenia		7				7		7	1,216
Spain	103	36			37	176	736	912	1,104
Sweden		8			98	106	3	109	141
United Kingdom	205	114		8	90	417	1,051	1,468	13,231
North African Countries									2,620
Algeria									5
Egypt									2,607
Libya									5
Morocco									
Tunisia									3
Japan					127	127	78	205	446

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

(1) Book Value of Debt Securities and Net Loans as of 30.9.16

(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”.

* * *

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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