GRUPPOMONTEPASCHI

**PRESS RELEASE**

# Montepaschi Group: Q1 2010 results approved

- ✓ *EUR 169.9 mln pre-PPA net income (EUR 142.2 mln post PPA as against EUR 301 mln in the first quarter of 2009, when a capital gain arising from disposal of asset management companies was posted for an amount of approximately EUR 194 mln)*
- ✓ *Sales volumes and market shares on the increase: over 20,000 new customers acquired*
- ✓ *Excellent performance in bancassurance with market share increasing by approx. 330 bps as compared to December 2009*
- ✓ *EUR 7 bln worth of wealth management products placed; over EUR 4.5 bln worth of mortgage loans negotiated*
- ✓ *Basic income growing 1.8% as compared to 4Q09 (-2% YoY) with net fees up 2.5% YoY and 6.1% over 4Q09*
- ✓ *Cost reduction is continuing (-3.4% YoY). Cost/income ratio at 60.4% (compared to 64.2% at year end)*
- ✓ *Flows of bad loans slowing down. Impaired loan coverage stable.*

## 1Q10 Highlights

### *Sales volumes and market shares still on the rise.*

- In the first quarter of the year, overall funding progressed by EUR 4 bln as compared to the end of 2009
- Direct funding: +11.3% YoY. Market share at 7.80%[1] (+48 bps compared to December 2009)
- Indirect funding: + 9.7% YoY (+ EUR 4.5 bln as compared to year-end)
- Loans: +4.2% YoY
- Consumer loans disbursed: +8.7% YoY. Market share at 5.11% (+40 bps compared to December 2009)
- Leasing contracts negotiated: +18.6% YoY. Market share at 6.2% (+92 bps compared to December 2009)
- Gross revenue flows from Wealth Management products: approx. EUR 7 bln worth of placements (+ 10% as compared to 1Q09)
- Direct funding from insurance premiums: EUR 2.2 bln worth of placements (+77.2% YoY). Market share at 11.05% (+329 bps compared to December 2009)
- Mortgage loans: contracts negotiated for an amount exceeding EUR 4.5 bln (+142% on 1Q09). Market share at 10.7% (+43 bps compared to end of 2009). Loan to value of past year disbursements at around 57%

### *Good pickup in net fees*

- Total revenues were down 4% YoY but up 4.2% on 4Q09
- Net fees up 2.5% YoY and 6.1% on 4Q09

### *Reduction in operating expenses is continuing (-3.4% YoY). Cost/income ratio at 60.4% from 64.2% at year end*

- Administrative expenses: -3.8% YoY, with personnel expenses and other administrative expenses down 3.1% and 5.2% respectively
- Structural cost reduction and sales network enhancement are continuing: front office/back office ratio up to 67.2% from 66.9% at year end.

### *Cost of credit at 81 bps. Impaired loan provisioning stable. Recoveries are up*

- Impaired loan provisions in the first quarter continue to be commensurate with BMPS traditional risk mitigation levels (approx. 40%)
- Watchlist loans down significantly as compared to first quarter of 2009 (-32%)
- Recovery flows on the increase (+17% YoY) from EUR 141 mln in 1Q09 to EUR 165 mln in 1Q10.

### *Pre-PPA net income at EUR 169.9 mln (142.2 mln post PPA). Tier 1: 7.5%. Total Capital Ratio: 11.8%*

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1 Net of securities placed

**Montepaschi Group consolidated results - Highlights**

*Siena, 13 May 2010* – Today, the Board of Directors of Banca Monte dei Paschi di Siena Spa approved the 2010 first quarter results.

The **Montepaschi Group achieved positive results both in profit and loss terms** (net income exceeding EUR 142 mln; approximately EUR 170 mln excluding PPA), and in **business terms** (direct funding +11.3% YoY, indirect funding +9.7% YoY, loans +4.2% YoY), thus consolidating or improving its competitive positioning in various business sectors. These results were obtained by leveraging a commercial strategy that, in continuity with previous financial years, keeps being centred on customers although against a backdrop of persisting difficulties.

With regard to the development of **total revenues, income from banking and insurance stood at EUR 1,424 mln** as at 31 March 2010, (as against EUR 1,483 mln at 31 March 2009 and EUR 1,367 mln in 4Q09), up approximately 4% as compared to 4Q09. More specifically, **basic income totalled** approximately **EUR 1,380 mln** (vs. EUR 1,408 mln as at 31 March 2009), **up 1.8% on 4Q09**.

In particular:

- **net interest income** at EUR 886 mln, down 4.3% as compared to 31 March 2009 and substantially in line with 4Q09 levels. The downturn is accounted for by a still restrained (although improving) trend in average active loans and interest rate levels standing at all-time lows for a long time now (1-month Euribor stood at 41 bps as at 31/03/10; -6 bps on 31/12/09; -72 bps on 31/03/09).

- **Net fees came to approx. EUR 494 mln**, up **2.5% on 31/03/09 and 6.1% on 4Q09** on account of the positive trend in placements and pickup in asset management, driven by Bancassurance and collective investment schemes. A positive contribution also came from fees on lending, which benefited from a boost in financing and Corporate Finance.

- **Net income from trading/valuation of financial assets stood at EUR 19.8 mln**, an improvement on 4Q09 as a result of profits from trading picking up again (EUR 23 mln as compared to -24 mln in 4Q09).

Total revenues also include **dividends, similar income and profit/losses from equity investments** which totalled approx. EUR 18 mln (as compared to EUR 21.2 mln as at 31/03/09).

As a whole, **consolidated income from banking and insurance activities** stood at EUR 1,424 mln (-4% as compared to 31/03/09 but +4.2% on 4Q09).

Highlights on cost of credit and financial assets include the following:

 **“Net value adjustments due to impairment of loans” stood at approx EUR 307 mln** (428 mln in 4Q09; 287 mln as at 31/3/2009). The afore-mentioned figure reflects a **provisioning rate of 81 bps**, which continues to be impacted by the difficult economic situation and is reflective of the Group's unchanged policy of prudential provisioning.

 “**Net value adjustments due to impairment of financial assets”** were negative by approx. EUR 0.7 mln, due to the depreciation of AFS stock that became impaired and revaluation of other financial transactions.

**Operating expenses were down 3.4% on the same period of 2009, which bears witness to the importance attached by the Montepaschi Group to the structural containment of costs.** In particular:

 **“Personnel expenses**'', totalling EUR 557 mln, **decreased 3.1% YoY** on account of the structural effects of the headcount reduction and rearrangement processes put underway as of mid 2008;

 ''**Other administrative expenses**'', totalling EUR 263 mln (net of stamp duty and client expense recovery) were down **5.2% on 1Q09** mainly as a result of cost management measures adopted and cost synergies obtained from the reorganization processes put in place;

 ''**Value adjustments on tangible and intangible assets**'' stood at approx. EUR 40 mln, up 5.7% as compared to 31 March 2009, mainly as a result of the ICT investments made in the 2008/2009 period.

As a result of the above, the **net operating income** came to EUR 257 mln. The cost/income ratio stood at 60.4% (vs. 64.2% at the end of 2009).

A contribution to net income also came from:

 **net provisions for risks and charges and other operating income/expenses for an amount of approx. EUR -41 mln** (-11 mln as at 31 March 2009), of which EUR -32 mln worth of provisions to the fund for risks and charges (covering primarily legal disputes, revocatory actions and impairment losses on junior notes) and roughly -9 mln worth of other net operating expenses (arising in particular from legal actions and improvements on third-party assets);

Against this background, **income from continuing operations before taxes,** stood at approx. EUR 215 mln.

To complete the revenue picture, income taxes for the period were negative for an amount of approx. EUR 43 mln owing to the positive effect arising from the application of Legislative Decree no. 185/08.

The Montepaschi Group’s **net income** for the period before Purchase Price Allocation (PPA) came to approx. **EUR 170 mln** which, considering the net effects of PPA, equals approximately EUR **142 mln**.

With respect to the Montepaschi Group's Segment Reporting obligations under IFRS 8, highlights include the following:

**Consumer Banking:**

- total revenues: -7.0% YoY.
- customer loans: +12.2% YoY; +4.9% on 31/12/09
- direct funding: +3.9% YoY; + EUR 800 mln on 31/12/09

**Corporate Banking:**

- total revenues: +2.7% YoY.
- customer loans: -2.1% YoY; + 2.6% (i.e. + EUR 1.9 bln) on 31/12/09
- direct funding: +12.4% YoY.

**<u>Capital aggregates</u>**

With respect to funding aggregates, **total stocks stood at approximately EUR 292 bln (+10.5% compared to March 2009), namely up by almost EUR 4 bln as compared to the end of 2009. The figure reflects the ongoing growth of asset management volumes (+ EUR 1.7 bln on 31/12/2009) mainly on the back of positive inflows from insurance premiums and collective investment schemes.**

**Direct funding** came to approx. EUR 155 bln, up about EUR 16 bln as compared to March 2009, whereas **indirect funding** rose by EUR 4.5 bln as compared to the end of 2009 and was up 9.7% on March 2009.

More specifically, intense activity in the **asset management business** resulted into **approx. EUR 7 bln worth of placements,** up significantly from the same period of 2009 (+10% indicatively). Results in the bancassurance segment were remarkable: EUR 2.2 bln worth of premiums were collected, up both QoQ (+86%) and YoY (+77%), with trends common to all policy classes. Premiums paid on traditional policies still account for the largest share of total (65.2% vs. 70.4% in 4Q09), followed by those paid on unit-linked policies (19.4% vs. 22.7% in 4Q09) and index-linked policies (15.4% vs. 6.9% in 4Q09).

The lending trend in the first quarter of 2010 benefited from new **mortgage loans negotiated for an amount exceeding EUR 4.5 bln, up 142%** as compared to the same period of 2009, thus consolidating the 4Q09 record result of EUR 5.6 bln. As for 'special purpose' (industrial and consumer) loans, which are disbursed by the Group through dedicated product companies, new flows totalled approx. EUR 2.8 bln (+12.4% YoY.; -2.3% on 4Q09).

With respect to credit quality, the total stock of net impaired loans has been slightly increasing (+3.7%) with respect to December 2009 and showed a better trend as compared to previous months;

**Impaired loan coverage continues to be commensurate with risk mitigation** and are in line with the Montepaschi Group's traditional provisioning levels (approx. 40%). In particular, value adjustments for gross NPLs alone account for 56% of total. Finally, portfolio value adjustments on gross performing loans were in line with the reference aggregate value of 0.6%.

With regard to capital ratios, (BIS II AIRB floor RWA at 90%), Tier I stood at 7.5%.

*This press release will be posted on the following Web site*www.mps.it

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Pursuant to para. 2, article 154 bis of the Consolidated Law on Finance, the Financial Reporting Officer, Mr. Daniele Bigi, declares that the accounting information contained in this press release corresponds to the underlying documentary evidence and accounting records.

## MPS GROUP RECLASSIFICATION PRINCIPLES FOR OPERATING PURPOSES

The following accounting statements illustrate balance-sheet and profit-and-loss accounts reclassified on the basis of operating criteria. In particular, the major changes introduced to the income statement of the two financial years involve aggregations and reclassifications of accounts for the purpose of providing a clearer view of Group performance. Following are the major changes as at 31 March 2010:

a) **"Net profits/losses from trading/valuation of financial assets"** in the reclassified income statement, includes the items under Account 80 (Net profit/loss from trading), Account 100 (Gains (losses) on disposals / repurchases of loans, financial assets available for sale or held to maturity and financial liabilities) and Account 110 (Net profit/loss on financial assets and liabilities designated at fair value). This account includes the values of dividends from securities transactions closely associated with the trading component (approx. EUR 18 mln as at 31/03/10) and excludes losses arising from the disposal of loans (approx. EUR 3.1 mln) which were eliminated from Account 100 "Gains/losses on disposal of loans";

b) **"Dividends, similar income and gains (losses) on equity investments"** in the reclassified income statement incorporates account 70 "Dividends and similar income" and a portion of account 240 "Gains (losses) on equity investments" (approx. EUR 14 million as at 31/03/10 corresponding to the contribution to the income statement that is 'guaranteed' by the portion of profit arising from equity investments related thereto (valued at equity). Dividends from some trading transactions, as outlined under item a) above, have been eliminated from the aggregate;

c) **"Net value adjustments due to impairment of loans"** in the reclassified income statement was determined by reclassifying charges for an amount of approximately EUR 11 mln (namely, value adjustments to junior notes: approx. EUR 8 mln and charges in relation to financial plans: approx. EUR 3 mln), which are more properly classified under "Net provisions for risks and charges and other operating income/expenses". Additionally, EUR 3.1 mln worth of losses arising from disposal of loans were reclassified out of "Gains/losses on disposal of loans" into this account in a logic of recovery, managing them in a similar way to loan value adjustments;

d) **"Other administrative expenses"** in the reclassified income statement was integrated with the portion of stamp duty and client expense recovery (approx. EUR 76 mln) posted in the balance sheet under Account 220 "Other operating income/expenses".

e) The account **"Net provisions for risks and charges and other operating income/expenses"** in the reclassified income statement incorporates Account 190 "Net provisions for risks and charges" and Account 220 "Other operating income/expenses". It also includes value adjustments to junior notes for an amount of approx. EUR 8 mln and financial plans for an amount of approx. EUR 3 mln as described under item c) above and excludes stamp duty and client expense recovery as described under item d) above;

f) **"Gains (losses) on equity investments"** is stripped of components reclassified as "Dividends and similar income" (see item c);

g) The effects of *Purchase Price Allocation* (PPA) were reclassified out of other accounts (in particular "***Interest income" for approx. EUR 21 mln and depreciation/amortization for approx. EUR 20 mln with a related theoretical tax burden of approx. EUR 13 mln which integrate the account***") into one single account named "***Net effects of Purchase Price Allocation***".

Following are the major reclassifications of the **consolidated balance-sheet**:

h) **"Tradable Financial assets"** on the assets side of the reclassified balance-sheet includes Account 20 (*Financial assets held for trading* ), Account 30 (*Financial assets designated at fair value*) and Account 40 (*Financial assets available for sale)*;

i) **"Other assets"** on the assets side of the reclassified balance-sheet incorporates Account 80 (*Hedging derivatives*), Account 90 (*Changes in value of macro-hedged financial assets*), Account 140 (*Tax assets*), Account 150 (*Non-current assets and groups of assets held for sale*) and Account 160 (*Other assets*);

j) **"Customer accounts and securities"** on the liabilities side of the reclassified balance-sheet includes Account 20 (Customer accounts), Account 30 (*Debt securities* in issue) and Account 50 (*Financial liabilities designated at fair value)*;

k) **"Other liabilities"** on the liabilities side of the reclassified balance-sheet incorporates Account 60 (*Hedging derivatives*), Account 70 (Changes in value of macro-hedged financial liabilities), Account 80 (*Tax liabilities*), Account 90 (*Liabilities included in disposal groups held for sale*) and Account 100 (*Other liabilities*).

## Highlights at 31/03/10

### ■ INCOME STATEMENT AND BALANCE SHEET FIGURES AND KEY INDICATORS

| Montepaschi Group | | | |
|---|---|---|---|
| • INCOME STATEMENT FIGURES (in millions of euros) | **03/31/2010** | **03/31/2009** | **% chg** |
| Income from banking activities | 1,379.7 | 1,407.8 | -2.0% |
| Financial and insurance income (loss) | 1,424.2 | 1,483.3 | -4.0% |
| Net operating income | 256.7 | 289.1 | -11.2% |
| Net profit (loss) for the period | 142.2 | 300.6 | -52.7% |
| • BALANCE SHEET FIGURES AND INDICATORS (in millions of euros) | **03/31/2010** | **12/31/2009** | **% chg** |
| Direct funding | 155,024 | 155,391 | -0.2 |
| Indirect funding | 136,671 | 132,217 | 3.4 |
| *of which: assets under management* | *50,486* | *48,783* | 3.5 |
| *of which: assets under custody* | *86,185* | *83,434* | 3.3 |
| Customer loans | 150,804 | 152,413 | -1.1 |
| Group net equity | 17,167 | 17,175 | 0.0 |
| • KEY LOAN QUALITY RATIOS (%) | **03/31/2010** | **12/31/2009** | |
| Net non-performing loans/Customer loans | 3.25 | 3.05 | |
| Net watchlist loans/Customer loans | 2.66 | 2.47 | |
| • PROFITABILITY RATIOS (%) | **03/31/2010** | **12/31/2009** | |
| Cost/Income ratio | 60.4 | 64.2 | |
| R.O.E. (on average equity)(1) | 2.21 | 1.46 | |
| R.O.E. (on year-end equity)(2) | 2.35 | 1.49 | |
| Net adjustments to loans / Year-end investments | 0.81 | 0.96 | |
| • CAPITAL RATIOS (%) | **03/31/2010** | **12/31/2009** | |
| Solvency ratio | 11.8 | 11.9 | |
| Tier 1 ratio | 7.5 | 7.5 | |
| • INFORMATION ON BMPS STOCK | **03/31/2010** | **12/31/2009** | |
| Number of ordinary shares outstanding | 5,569,271,362 | 5,569,271,362 | |
| Number of preference shares outstanding | 1,131,879,458 | 1,131,879,458 | |
| Number of savings shares outstanding | 18,864,340 | 18,864,340 | |
| Price for ordinary share: | from the **12/31/09** to the **03/31/10** | from the **12/31/08** to the **12/31/09** | |
| average | 1.17 | 1.24 | |
| low | 1.08 | 0.77 | |
| high | 1.33 | 1.62 | |
| • OPERATING STRUCTURE | **03/31/2010** | **12/31/2009** | **Abs. chg** |
| Total head count - year-end | 32,115 | 32,003 | 112 |
| Number of branches in Italy | 3,088 | 3,088 | |
| Financial advisor branches | 155 | 163 | -8 |
| Number of branches & rep. offices abroad | 41 | 41 | |

(1) **R.O.E. on average equity**: net profit for the period/average of net shareholder's equity (including net profit)

(2) **R.O.E. at year-end equity**: net profit for the period/net shareholder's equity at year end

**INCOME STATEMENT RESTATED ACCORDING TO OPERATING CRITERIA** (in millions of euros)

| Montepaschi Group | 03/31/2010 | 03/31/2009 (*) | Change abs | Change % |
|---|---|---|---|---|
| **Net interest income** | 885.8 | 925.9 | -40.1 | -4.3% |
| Net commissions | 493.9 | 481.9 | 12.0 | 2.5% |
| **Income from banking activities** | **1,379.7** | **1,407.8** | **-28.1** | **-2.0%** |
| Dividends, similar income and profits (losses) from equity investments | 17.9 | 21.2 | -3.3 | -15.6% |
| Net result from realisation/valuation of financial assets | 19.8 | 47.8 | -28.0 | -58.5% |
| Net gain (loss) from hedging | 6.7 | 6.5 | 0.2 | 3.3% |
| **Financial and insurance income (loss)** | **1,424.2** | **1,483.3** | **-59.1** | **-4.0%** |
| Net adjustments for impairment of: | **-307.7** | **-304.4** | **-3.3** | **1.1%** |
| a) loans | -307.0 | -286.6 | -20.4 | 7.1% |
| b) financial assets | -0.7 | -17.8 | 17.1 | -96.0% |
| **Net financial and insurance income (loss)** | **1,116.5** | **1,178.9** | **-62.4** | **-5.3%** |
| Administrative expenses: | -819.6 | -851.8 | 32.2 | -3.8% |
| a) personnel expenses | -556.5 | -574.4 | 17.9 | -3.1% |
| b) other administrative expenses | -263.1 | -277.4 | 14.3 | -5.2% |
| Net adjustments to the value of tangible and intangible fixed assets | -40.1 | -38.0 | -2.2 | 5.7% |
| **Operating expenses** | **-859.8** | **-889.8** | **30.0** | **-3.4%** |
| **Net operating income** | **256.7** | **289.1** | **-32.4** | **-11.2%** |
| Net provisions for risks and liabilities and Other operating income/costs | -41.4 | -10.7 | -30.7 | n.s. |
| Income (loss) on equity investments | -0.2 | 1.9 | -2.1 | -108.1% |
| Integration costs | | -4.3 | 4.3 | -100.0% |
| Gains (losses) from disposal of investments | 0.0 | 0.0 | 0.0 | n.s. |
| **Gain (loss) from current operations before taxes** | **215.1** | **276.0** | **-60.8** | **-22.0%** |
| Taxes on income for the year from current operations | -43.4 | -135.9 | 92.5 | -68.1% |
| **Gain (loss) from current operations after taxes** | **171.8** | **140.1** | **31.7** | **22.6%** |
| Gain (loss) on fixed assets due for disposal, net of taxes | -1.3 | 193.8 | -195.2 | -100.7% |
| **Net profit (loss) for the year including minority interests** | **170.5** | **333.9** | **-163.5** | **-49.0%** |
| Minority interests in profit (loss) for the year | -0.5 | -0.1 | -0.4 | n.s. |
| **Net profit (loss) for the year pre PPA** | **169.9** | **333.9** | **-163.9** | **-49.1%** |
| PPA (Purchase Price Allocation) | -27.7 | -33.3 | 5.6 | -16.8% |
| **Net profit (loss) for the year** | **142.2** | **300.6** | **-158.3** | **-52.7%** |

(*) These figures were disclosed in the Annual Financial report as at 31 December 2009. Please be reminded that, effective as of the third quarter of 2009, the aggregates of net interest income and net fees and commissions of the first two quarters of 2009 were reported on a proforma basis with a view to taking into consideration the different method of accounting of some revenue items, with no impact on basic income.

**QUARTERLY TREND IN INCOME STATEMENT FIGURES RECLASSIFIED ACCORDING TO OPERATING CRITERIA** (in millions of eu

| Montepaschi Group | 2010 | 2009 (*) | | | |
|---|---|---|---|---|---|
| | 1st quarter | 4th quarter | 3rd quarter | 2nd quarter | 1st quarter |
| **Net interest income** | 885.8 | 889.6 | 913.3 | 909.6 | 925.9 |
| Net commissions | 493.9 | 465.7 | 476.4 | 469.3 | 481.9 |
| **Income from banking activities** | **1,379.7** | **1,355.3** | **1,389.7** | **1,378.9** | **1,407.8** |
| Dividends, similar income and profits (losses) from equity investments | 17.9 | 24.1 | 19.6 | 45.4 | 21.2 |
| Net result from realisation/valuation of financial assets | 19.8 | -20.8 | 8.3 | 31.5 | 47.8 |
| Net gain (loss) from hedging | 6.7 | 8.1 | -10.3 | -5.8 | 6.5 |
| **Financial and insurance income (loss)** | **1,424.2** | **1,366.8** | **1,407.3** | **1,450.0** | **1,483.3** |
| Net adjustments for impairment of: | **-307.7** | **-440.4** | **-360.0** | **-405.3** | **-304.4** |
| a) loans | -307.0 | -428.3 | -351.0 | -400.1 | -286.6 |
| b) financial assets | -0.7 | -12.2 | -9.0 | -5.2 | -17.8 |
| **Net financial and insurance income (loss)** | **1,116.5** | **926.3** | **1,047.3** | **1,044.7** | **1,178.9** |
| Administrative expenses: | -819.6 | -983.2 | -844.9 | -821.9 | -851.8 |
| a) personnel expenses | -556.5 | -614.8 | -563.6 | -537.4 | -574.4 |
| b) other administrative expenses | -263.1 | -368.5 | -281.2 | -284.5 | -277.4 |
| Net adjustments to the value of tangible and intangible fixed assets | -40.1 | -45.9 | -39.7 | -39.4 | -38.0 |
| **Operating expenses** | **-859.8** | **-1,029.1** | **-884.6** | **-861.3** | **-889.8** |
| **Net operating income** | **256.7** | **-102.8** | **162.7** | **183.4** | **289.1** |
| Net provisions for risks and liabilities and Other operating income/costs | -41.4 | -154.7 | -30.7 | -24.1 | -10.7 |
| Income (loss) on equity investments | -0.2 | 0.3 | 0.1 | -5.0 | 1.9 |
| Integration costs | | -54.8 | | -27.6 | -4.3 |
| Gains (losses) from disposal of investments | 0.0 | -4.6 | 46.8 | 0.0 | 0.0 |
| **Gain (loss) from current operations before taxes** | **215.1** | **-316.6** | **179.0** | **126.6** | **276.0** |
| Taxes on income for the year from current operations | -43.4 | 167.0 | -74.7 | -58.0 | -135.9 |
| **Gain (loss) from current operations after taxes** | **171.8** | **-149.6** | **104.2** | **68.6** | **140.1** |
| Gain (loss) on fixed assets due for disposal, net of taxes | -1.3 | 0.2 | -0.3 | 1.7 | 193.8 |
| **Net profit (loss) for the year including minority interests** | **170.5** | **-149.4** | **104.0** | **70.3** | **333.9** |
| Minority interests in profit (loss) for the year | -0.5 | -0.9 | -1.0 | -2.5 | -0.1 |
| **Net profit (loss) for the year pre PPA** | **169.9** | **-150.3** | **103.0** | **67.8** | **333.9** |
| PPA (Purchase Price Allocation) | -27.7 | -31.0 | -33.6 | -36.3 | -33.3 |
| **Net profit (loss) for the year** | **142.2** | **-181.3** | **69.3** | **31.5** | **300.6** |

(*) These figures were disclosed in the Annual Financial report as at 31 December 2009. Please be reminded that, effective as of the third quarter of 2009, the aggregates of net interest income and net fees and commissions of the first two quarters of 2009 were reported on a proforma basis with a view to taking into consideration the different method of accounting of some revenue items, with no impact on basic income.

■ **RECLASSIFIED BALANCE SHEET** (in millions of euros)

| **ASSETS** | **03/31/2010** | **12/31/2009** | **03/31/2009** | **% chg vs 12/31/09** | **% chg vs 03/31/09** |
|---|---|---|---|---|---|
| Cash and cash equivalents | 781 | 1,296 | 860 | -39.7 | -9.2 |
| Receivables : | | | | | |
| a) Customer loans | 150,804 | 152,413 | 144,708 | -1.1 | 4.2 |
| b) Due from banks | 10,474 | 10,328 | 11,935 | 1.4 | -12.2 |
| Financial assets held for trading | 47,855 | 38,676 | 28,946 | 23.7 | 65.3 |
| Financial assets held to maturity | 0 | 0 | 0 | 0.7 | 7.9 |
| Equity investments | 759 | 742 | 597 | 2.3 | 27.1 |
| Tangible and intangible fixed assets | 10,374 | 10,395 | 10,489 | -0.2 | -1.1 |
| *of which:* | | | | | |
| *a) goodwill* | *6,619* | *6,619* | *6,670* | | -0.8 |
| Other assets | 9,254 | 10,965 | 10,086 | -15.6 | -8.2 |
| **Total assets** | **230,301** | **224,815** | **207,621** | **2.4** | **10.9** |

| **LIABILITIES** | **03/31/2010** | **12/31/2009** | **03/31/2009** | **% chg vs 12/31/09** | **% chg vs 03/31/09** |
|---|---|---|---|---|---|
| Payables | | | | | |
| a) Due to customers and securities | 155,024 | 155,391 | 139,309 | -0.2 | 11.3 |
| b) Due to banks | 25,628 | 22,758 | 23,395 | 12.6 | 9.5 |
| Financial liabilities from trading | 23,188 | 19,481 | 20,609 | 19.0 | 12.5 |
| Provisions for specific use | | | | | |
| a) Provisions for employee leaving indemnities | 304 | 304 | 504 | -0.3 | -39.7 |
| b) Reserve for retirement benefits | 459 | 458 | 436 | 0.2 | 5.3 |
| c) Other reserves | 920 | 911 | 910 | 1.0 | 1.0 |
| Other liabilities | 7,330 | 8,055 | 7,159 | -9.0 | 2.4 |
| Group portion of shareholders' equity | 17,167 | 17,175 | 15,019 | 0.0 | 14.3 |
| a) Valuation reserves | 580 | 721 | 303 | -19.5 | 91.3 |
| b) Reimbursable shares | | | | | |
| c) Capital instruments | 1,949 | 1,949 | 47 | | n.s. |
| d) Reserves | 5,986 | 5,766 | 5,857 | 3.8 | 2.2 |
| e) Share premium account | 4,048 | 4,048 | 4,094 | 0.0 | -1.1 |
| f) Share capital | 4,502 | 4,502 | 4,487 | | 0.3 |
| g) Treasury shares (-) | -40 | -32 | -70 | 25.7 | -42.0 |
| h) Net profit (loss) for the year | 142 | 220 | 301 | -35.4 | -52.7 |
| Minority interests in shareholders' equity | 282 | 281 | 279 | 0.2 | 0.9 |
| **Total liabilities and shareholders' equity** | **230,301** | **224,815** | **207,621** | **2.4** | **10.9** |

■ **RECLASSIFIED BALANCE SHEET - QUARTERLY TREND** (in millions of euros)

| **ASSETS** | **03/31/2010** | **12/31/2009** | **09/30/2009** | **06/30/2009** | **03/31/2009** |
|---|---|---|---|---|---|
| Cash and cash equivalents | 781 | 1,296 | 682 | 798 | 860 |
| Receivables : | | | | | |
| a) Customer loans | 150,804 | 152,413 | 146,208 | 145,111 | 144,708 |
| b) Due from banks | 10,474 | 10,328 | 13,401 | 13,017 | 11,935 |
| Financial assets held for trading | 47,855 | 38,676 | 38,749 | 32,707 | 28,946 |
| Financial assets held to maturity | 0 | 0 | 0 | 0 | 0 |
| Equity investments | 759 | 742 | 725 | 721 | 597 |
| Tangible and intangible fixed assets | 10,374 | 10,395 | 10,428 | 10,468 | 10,489 |
| *of which:* | | | | | |
| *a) goodwill* | *6,619* | *6,619* | *6,648* | *6,670* | *6,670* |
| Other assets | 9,254 | 10,965 | 8,868 | 9,241 | 10,086 |
| **Total assets** | **230,301** | **224,815** | **219,061** | **212,062** | **207,621** |

| **LIABILITIES** | **03/31/2010** | **12/31/2009** | **09/30/2009** | **06/30/2009** | **03/31/2009** |
|---|---|---|---|---|---|
| Payables | | | | | |
| a) Due to customers and securities (°) | 155,024 | 155,391 | 155,816 | 147,635 | 139,309 |
| b) Due to banks | 25,628 | 22,758 | 19,294 | 21,826 | 23,395 |
| Financial liabilities from trading | 23,188 | 19,481 | 20,674 | 18,710 | 20,609 |
| Provisions for specific use | | | | | |
| a) Provisions for employee leaving indemnities | 304 | 304 | 340 | 347 | 504 |
| b) Reserve for retirement benefits | 459 | 458 | 456 | 441 | 436 |
| c) Other reserves | 920 | 911 | 888 | 886 | 910 |
| Other liabilities | 7,330 | 8,055 | 5,924 | 6,820 | 7,159 |
| Group portion of shareholders' equity | 17,167 | 17,175 | 15,391 | 15,124 | 15,019 |
| a) Valuation reserves | 580 | 721 | 646 | 513 | 303 |
| b) Reimbursable shares | | | | | |
| c) Capital instruments | 1,949 | 1,949 | 52 | 47 | 47 |
| d) Reserves | 5,986 | 5,766 | 5,789 | 5,768 | 5,857 |
| e) Share premium account | 4,048 | 4,048 | 4,041 | 4,035 | 4,094 |
| f) Share capital | 4,502 | 4,502 | 4,487 | 4,487 | 4,487 |
| g) Treasury shares (-) | -40 | -32 | -25 | -57 | -70 |
| h) Net profit (loss) for the year | 142 | 220 | 401 | 332 | 301 |
| Minority interests in shareholders' equity | 282 | 281 | 280 | 273 | 279 |
| **Total liabilities and shareholders' equity** | **230,301** | **224,815** | **219,061** | **212,062** | **207,621** |