PRESS RELEASE

THE BOARD OF DIRECTORS OF BANCO DI DESIO E DELLA BRIANZA S.P.A.
HAS APPROVED

THE INTERIM CONSOLIDATED REPORT AT 30 SEPTEMBER 2016

- ✓ **NET CONSOLIDATED RESULT (attributable to the Parent Company) HAS INCREASED: Euro 36.4 million (previously Euro 25.5 million) with an increase of 42.6%. The result includes Euro 5 million of costs for the ordinary contribution, net of taxes, to the Single Resolution Mechanism and to the Deposit Guarantee Scheme (previously Euro 2.9 million net)**

- ✓ **RESULT OF OPERATIONS DECREASED: Euro 108.5 million (previously Euro 141.6 million). The result has been affected by a decrease in operating income of Euro 35.6 million, in particular of net interest income for approximately Euro 23.4 million and of the net commission income for Euro 6.3 million, both depending on the state of money markets**

- ✓ **ADJUSTMENTS TO LOANS AND RECEIVABLES DECREASED: Euro 61.8 million (previously Euro 106 million), maintaining high levels of coverage of non-performing and performing loans:**
  Coverage ratio of doubtful loans, (1) gross of cancellations of 64.6% (previously 64.2%)
  Total coverage ratio of non-performing loans,(1) gross of cancellations of 53.1% (previously 52.2%)
  Coverage ratio of performing loans of 0.57% (previously 0.67%)

- ✓ **HIGH AND STABLE CAPITAL VIABILITY MAINTAINING ONE OF THE HIGHEST SREP (2) BUFFERS IN THE SYSTEM, AT 4.0% ON THE CET1 RATIO (11.0%)**
  ***Shareholders' equity* of Euro 886.3 million (previously Euro 870.4 million)**
  ***Own funds* of Euro 1,094.1 million (3) (CET 1 + AT1 Euro 888.4 million + T2 Euro 205.7 million) (previously Euro 1,106.1 million)**

Capital ratios

	Banco Desio Brianza	Banca Popolare Spoleto	Banco Desio Group [A]	SREP [B]	Difference [A]-[B]
CET 1	**16.3%**	**9.5%**	**11.0% (previously 10.8%)**	**7.0%**	**+ 4.0%**
TIER 1	**16.4%**	**9.5%**	**11.1% (previously 11.0%)**	**8.5%**	**+ 2.6%**
Total Capital Ratio	**20.1%**	**9.7%**	**13.7% (previously 13.9%)**	**10.5%**	**+ 3.2%**

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(1) also considering non-performing loans of the subsidiary Banca Popolare di Spoleto S.p.A., shown gross of write-downs;

(2) according to the Bank of Italy's provision notified to the Parent Company on 26 August 2015 concerning the minimum consolidated capital requirements to be complied with at the end of Supervisory Review and Evaluation Process (SREP), which for the Banco Desio Group coincided with the minimum supervisory ones: 7% for the CET 1 ratio, binding - under art. 67-ter of the CBA - to the extent of 5% (of which 4.5% compared to the minimum regulatory requirements and 0.5% against the additional requirements), 8.5% for the Tier 1 ratio, binding - under art. 67-ter of the CBA - to the extent of 6.7% (of which 6% compared to the minimum regulatory requirements and 0.7% against the additional requirements) and 10.5% for the Total Capital ratio, binding - under art. 67-ter of the CBA - to the extent of 8.9% (of which 8% compared to the minimum regulatory requirements and 0.9% against the additional requirements);

(3) considering a pay-out of 40%.

- **TOTAL CUSTOMER DEPOSITS HAVE GROWN COMPARED WITH 31 DECEMBER 2015: Euro 23.5 billion (+4.3%), of which DIRECT DEPOSITS Euro 10.4 billion (+1.6%), with a ratio of Ordinary customer loans to Direct deposits of 94.0% (previously 92.2%) and INDIRECT DEPOSITS of Euro 13.1 billion (+6.5%)**

- **LOANS TO CUSTOMERS GROWTH IN RESPECT OF DECEMBER 31 2015 Euro 9.7 billion (+3.6%) "Net doubtful loans/Net loans" ratio of 4.88% (previously 4.73%)**

- **GREATER EFFICIENCY IN THE OPERATING STRUCTURE: as part of the measures aimed at streamlining and necessary adjustment of the operating structures to cope with the current evolution in the banking sector, the Banco Desio Group has decided to initiate the procedures to access the solidarity fund on the basis of a plan that will be discussed with the Trade Unions.**

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The Board of Directors of Banco di Desio e della Brianza S.p.A., which met on 20 October 2016, has approved the "Consolidated interim report on operations at 30 September 2016 - Press release" (hereinafter "Report"), prepared on a voluntary basis, considering that the obligation of quarterly financial reporting no longer exists, given that only the annual and half-yearly reports are now compulsory based on the new wording of art. 154*ter*, paragraph 5, of Legislative Decree no. 58/1998 ("Consolidated Finance Act" or "CFA") introduced by Legislative Decree no. 25/2016 implementing Directive 2013/50/EU.

Pending the enactment of secondary rules for the implementation of the aforementioned new art.154-*ter*, paragraph 5 of the CFA, Banco is issuing this Report to the market in order to ensure continuity with the previous quarterly reports.

The Report has also been prepared for the purpose of determining own funds and prudential capital ratios.

As regards the criteria for recognition and measurement, this Interim report has been prepared, by applying the IAS/IFRS in force at the reference date as follows.

Results of the period

Key figures and ratios

Table 1 – Balance sheet

Amounts in thousands of Euro	30.09.2016	31.12.2015	Change amount	%
Total assets	12,794,085	12,248,130	545,955	4.5%
Financial assets	2,072,799	1,901,770	171,029	9.0%
Due from banks	335,064	292,992	42,072	14.4%
Loans to customers	9,727,683	9,386,311	341,372	3.6%
Property, plant and equipment	181,462	184,983	-3,521	-1.9%
Intangible assets	18,139	18,207	-68	-0.4%
Due to banks	987,468	753,115	234,353	31.1%
Due to customers	8,863,375	8,244,110	619,265	7.5%
Debt securities in issue and Financial liabilities designated at fair v alue through profit and loss	1,480,185	1,940,932	-460,747	-23.7%
Shareholders' equity (including Net profit/loss for the period) [1]	886,348	870,449	15,899	1.8%
Own Funds	1,094,145	1,106,070	-11,925	-1.1%
Total indirect deposits	13,113,332	12,310,102	803,230	6.5%
of which: Indirect deposits from ordinary customers	*8,345,115*	*8,343,925*	*1,190*	*0.0%*
of which: Indirect deposits from institutional customers	*4,768,217*	*3,966,177*	*802,040*	*20.2%*

Table 2 – Income statement [2]

Amounts in thousands of Euro	30.09.2016	30.09.2015	Change amount	%
Operating income	317,724	353,312	-35,588	-10.1%
of which: Net interest income	*178,808*	*202,182*	*-23,374*	*-11.6%*
Operating costs	209,231	211,685	-2,454	-1.2%
Result of operations	108,494	141,627	-33,133	-23.4%
Profit (loss) from operations after tax	32,095	24,752	7,343	29.7%
Non-recurring profit (loss) after tax	5,326	72	5,254	n.s.
Net profit for the period [1]	36,408	25,539	10,869	42.6%

(1) pertaining to the Parent Company;

(2) from the Reclassified income statement.

Table 3 – Key figures and ratios

	30.09.2016	31.12.2015	Change amount
Capital/Total assets	6.9%	7.1%	-0.2%
Capital/Loans to customers	9.1%	9.3%	-0.2%
Capital/Due to customers	10.0%	10.6%	-0.6%
Capital/Debt securities in issue and Financial liabilities designated at fair v alue through profit a	59.9%	44.8%	15.1%
Common Equity Tier 1 (CET 1)/Risk-weighted assets *(Common Equity Tier 1 ratio)*	11.0%	10.8%	0.2%
Core Tier 1 capital (T1)/Risk-weighted assets *(Tier 1 ratio)*	11.1%	11.0%	0.1%
Total Own Funds/Risk-weighted assets *(Total capital ratio)*	13.7%	13.9%	-0.2%
Financial assets/Total assets	16.2%	15.5%	0.7%
Due from banks/Total assets	2.6%	2.4%	0.2%
Loans to customers/Total assets	76.0%	76.6%	-0.6%
Loans to customers/Direct customer deposits	94.0%	92.2%	1.8%
Due to banks/Total assets	7.7%	6.1%	1.6%
Due to customers/Total assets	69.3%	67.3%	2.0%
Debt securities in issue and financial liabilities designated at fair v alue through profit and loss/T	11.6%	15.8%	-4.2%
Direct customer deposits/Total assets	80.8%	83.2%	-2.4%

	30.09.2016	30.09.2015	Change amount
Cost/Income ratio	65.9%	59.9%	6.0%
Net interest income/Operating income	56.3%	57.2%	-0.9%
Result of operations/Operating income	34.1%	40.1%	-6.0%
Profit (loss) from operations after tax/Capital [(3)] - annualised [(4)]	5.0%	3.9%	1.1%
ROE [(3)] - *annualised* [(4)(5)]	5.7%	4.6%	1.1%
Profit (loss) from operations before tax/Total assets (ROA) - annualised [(4)]	0.5%	0.3%	0.2%

	30.09.2016	31.12.2015	Change amount
Net doubtful loans/Loans to customers	4.9%	4.7%	0.1%
Net non-performing loans/Loans to customers	9.4%	9.6%	-0.2%
% Cov erage of doubtful loans	59.8%	58.5%	1.3%
% Cov erage of doubtful loans, gross of cancellations [(6)]	64.6%	64.2%	0.4%
% Total cov erage of non-performing loans [(6)]	48.9%	47.5%	1.4%
% Cov erage of non-performing loans, gross of cancellations [(6)]	53.1%	52.2%	0.8%
% Cov erage of performing loans	0.57%	0.67%	-0.11%

Table 4 – Structure and productivity ratios

	30.09.2016	31.12.2015	Change amount	Change %
Number of employees	2,363	2,371	-8	-0.3%
Number of branches	271	275	-4	-1.5%
Amounts in thousands of Euro				
Loans and advances to customers per employee (7)	4,110	3,875	235	6.1%
Direct deposits from customers per employee (7)	4,370	4,204	166	3.9%
	30.09.2016	**30.09.2015**	**Change amount**	**Change %**
Operating income per employee (7) - *annualised* (4)	179	195	-16	-8.2%
Result of operations per employee (7) - *annualised* (4)	61	85	-24	-28.2%

(3) net of the profit (loss) for the period;

(4) the amount reported at 30.09.2015 is the final figure at the end of 2015;

(5) the annualised ROE at 30.09.2016 does not take into consideration the annualisation of the Net non-recurring operating profit;

(6) also considering non-performing loans of the subsidiary Banca Popolare di Spoleto S.p.A., reported gross of write-downs;

(7) based on the number of employees calculated as a straight average between the end of the period and the end of the preceding period.

Consolidated income statement

The *net profit attributable to the Parent Company* at 30 September 2016 amounted to 36.4 million euro, an increase of 42.6% on the net profit of 25.5 million euro in the comparison period; particularly relevant are the net impairment adjustments to loans and advances which amounted to 61.8 million euro (previously 106 million euro) and the *Non-recurring profit after tax* of 5.3 million euro (previously 0.1 million), partly offset by the reduced contribution of the *net trading income, hedging income and sale/repurchase of loans, financial assets and liabilities and financial assets and liabilities designated at fair value through profit and loss*, amounting to Euro 13.9 million (previously 19.8 million), by the reduction of 23.4 million in net interest income and 6.3 million in net commission income due to the state of monetary markets.

The main cost and revenue items in the reclassified income statement are analysed below.

Financial income

Core earnings decreased by Euro 35.6 million on the comparative period, coming in at Euro 317.7 million (-10.1%). The trend is mainly attributable to *net interest income* and *net commission income*, in view of the difficult economic and financial environment, which show reductions of Euro 23.4 million (-11.6%) and Euro 6.3 million (-5.3%), as well as to *Net trading income, hedging and disposal/repurchase of loans, financial assets and liabilities and financial assets and liabilities designated at fair value through profit and loss* which is Euro 5.9 million lower than in the comparative period and to *Profit from associates down by 0.4 million and other operating income/expense* by Euro 0.3 million. On the other hand, there has been an increase in the balance of *dividends and similar income* for Euro 0.7 million.

Operating costs

Operating costs, which include *payroll costs*, *other administrative expenses* and *net adjustments to property, plant and equipment and intangible assets* amounted to Euro 209.2 million and have decreased, with respect to the comparative period, by Euro 2.5 million (-1.2%).

In particular, *other administrative expenses reduce by 0.4 million euro (-0.7%) and comprise approximately 7.4 million euro referred to the normal gross contribution "ex-ante" to the Resolution Fund (SRM - "Single Resolution Mechanism ")* and of the gross ordinary contributions to the fund for the protection of guaranteed deposits ("DGS contributions - Deposit Guarantee Scheme") for 2016 (on 4.1 million euro of the comparative period) in addition to higher costs for IT services of 2.4 million euro on the comparative period, mainly due to the technological upgrades currently being developed.
Note that the balance is shown net of Euro 1.6 million for the Parent Company's contribution to the Interbank Fund on behalf of Tercas (recorded under "Other administrative costs" in the financial statements), which is shown under "Net impairment write-downs/write-backs of financial assets held to maturity" to offset the income of the same amount caused by reimbursement of the Tercas contribution.

Payroll costs have decreased by Euro 1.8 million (-1.3%) and the balance of *net adjustments to property, plant and equipment and intangible assets* come to Euro 9.3 million (-2.3%).

Result of operations

The *result of operations* at 30 September 2016, therefore came to Euro 108.5 million, a decrease of Euro 33.1 million on the same period last year (-23.4%).

Net profit (loss) from operations after tax

The result of operations of Euro 108.5 million leads to a *net profit (loss) from operations after tax* of Euro 32.1 million, growing29.7%, compared with Euro 24.8 million recorded in the previous period, considering:

- *net impairment adjustments to loans and advances* of Euro 61.8 million, which are Euro 44.2 million lower than in the comparative period (-41.7%), reflecting the slowdown in loan impairment, while maintaining one of the highest coverage rates.
- *gains on disposal or repurchase of loans and receivables* of 0.6 million euro (which in the comparative period showed a loss of 1.2 million euro);
- net provisions for risks and charges of 3.5 million euro which recorded a net provision of 1.8 million euro in the comparative period;
- revenue arising from other minor items for 0.2 million euro (losses of 0.2 million euro in the comparative period);
- taxes on income from continuing operations of Euro 11.9 million.

In particular the taxation for the period benefited for Euro 1.4 million from the step-up for tax purposes (pursuant to art. 15, paragraph 10, of D.L. 185/2008) of the goodwill recorded by Banca Popolare di Spoleto in the balance sheet for the contribution by the Parent Company of the business unit made up of former branches of Banco Desio Toscana and Banco Desio Lazio.

Non-recurring profit after tax

At 30 September 2016 there was a *non-recurring profit after tax* of 5.3 million euro. This balance mainly consists of the net gain of Euro 4.1 million following the Parent Company's derecognition of the investment in CPC in liquidation and the simultaneous recognition of an amount due from the liquidators equal to the residual equity of this company, as well as the reversal of future charges provided for in the consolidated financial statements of the previous year of 1.1 million euro (for a total net amount of Euro 5.2 million as the final effect of the procedure compared with the original plan of the liquidators of the former Swiss subsidiary, on the Banco Desio Group, though its structure had already changed as of 1 January 2016 with CPC's elimination from the scope of consolidation).

Moreover, the balance includes the net impact of Euro 0.4 million related to the disposal of the Parent Company's investment in Istifid Spa (which at individual level, on the other hand, posted a net gain of Euro 1.1 million), the net value of the Euro 0.5 million release of provisions for risks and charges accrued in previous years (reclassified from net provisions for risks and charges), the net gain of Euro 0.1 million as a result of the derecognition of Rovere (equal to the difference between the amount due from the liquidators and that company's residual equity, net of future estimated charges of the liquidation procedure) as well as the impact of IAS discounting of the Solidarity Fund and voluntary severance bonuses of Euro 0.1 million.

The balance shown in the comparative period of Euro 0.1 million refers to the share of profit for the period of the investment in Istifid Spa for Euro 0.9 million, offset by the net impact of Euro 0.8 million relating to consulting fees for the planned acquisition and integration of Banca Popolare di Spoleto.

Parent Company net profit/(loss)

The total of the profit from operations after tax and the non-recurring profit after tax, as well as the result attributable to minority interests, leads to the *Parent Company net profit for the period* ended 30 September 2016 of Euro 36.4 million, an increase of 42.6% compared with a net result for the comparative period of Euro 25.5 million.

Table 5 – Reclassified consolidated income statement

Captions *Amounts in thousands of Euro*		30.09.2016	30.09.2015	Change Amount	 %
10+20	Net interest income	178,808	202,182	-23,374	-11.6%
70	Dividends and similar income	974	300	674	224.7%
	Profit (loss) from equity investments in associates	302	702	-400	-57.0%
40+50	Net commission income	112,212	118,491	-6,279	-5.3%
80+90+100 +110	Net income from trading, hedging and disposal/repurchase of financial assets and liabilities designated at fair value through profit and loss	13,937	19,838	-5,901	-29.7%
220	Other operating income/expense	11,491	11,799	-308	-2.6%
	Operating income	**317,724**	**353,312**	**-35,588**	**-10.1%**
180 a	Payroll costs	-133,568	-135,368	1,799	-1.3%
180 b	Other administrative costs	-66,390	-66,825	436	-0.7%
200+210	Net adjustments to property, plant and equipment and intangible as	-9,273	-9,492	219	-2.3%
	Operating costs	**-209,231**	**-211,685**	**2,454**	**-1.2%**
	Result of operations	**108,494**	**141,627**	**-33,133**	**-23.4%**
	Gains (Losses) on disposal or repurchase of loans	623	-2,064	2,687	n.s.
130 a	Net impairment adjustments to loans and advances	-61,779	-105,971	44,191	-41.7%
130 b	Net impairment adjustments to financial assets available for sale	-135	-325	190	-58.5%
130 d	Net impairment adjustments to other financial assets	323	152	171	112.5%
190	Net provisions for risks and charges	-3,529	-1,757	-1,771	100.8%
	Profit (loss) from operations before tax	**43,997**	**31,662**	**12,335**	**39.0%**
290	Income taxes on current operations	-11,902	-6,910	-4,992	72.2%
	Profit (loss) from operations after tax	**32,095**	**24,752**	**7,342**	**29.7%**
240+270	Profit (loss) from investments and disposal of investments	4,984	871	4,113	472.2%
	Extraordinary provisions for risks and charges, other provisions and losses / gains on disposal of financial assets held to maturity	621	-1,171	1,792	n.s.
	Non-recurring profit (loss) before tax	**5,605**	**-300**	**5,905**	**n.s.**
	Income taxes from non-recurring items	-279	372	-651	n.s.
	Non-recurring profit (loss) after tax	**5,326**	**72**	**5,255**	**n.s.**
320	**Net profit (loss) for the period**	**37,421**	**24,824**	**12,597**	**50.7%**
330	Minority interests	-1,013	715	-1,728	n.s.
340	**Parent Company net profit (loss)**	**36,408**	**25,539**	**10,869**	**42.6%**

Consolidated financial position

Deposits

Total customer funds under management at 30 September 2016 reached Euro 23.5 billion, representing an increase of some Euro 1 billion with respect to the 2015 year end balance (4.3%), mainly attributable to indirect deposits.

Direct deposits at 30 September 2016 amounted to around 10.3 billion euro with an increase of some 0.2 billion euro arising from the growth in due to customers of 0.6 billion (+7.5%) partly offset by the decline in debt securities in issue and in financial liabilities designated at fair value through profit and loss of 0.4 billion euro (-23.7%).

Overall, at 30 September 2016 indirect deposits recorded an increase of 6.5% on the balance at the end of the previous year, coming in at Euro 13.1 billion. Ordinary customer deposits totalled 8.3 billion euro, in line with the figure at the end of the previous year; the decrease in assets under administration (-7.5%) was partially offset by an increase in assets under management (+6.3%). On the other hand, institutional customer deposits increased during the period by 20.2% (+Euro 0.8 billion).

The following tables show the trend in deposits during the reporting period and the breakdown of indirect deposits.

Table 6 - Customer deposits

					Change	
Amounts in thousands of Euro	**30.09.2016**	**%**	**31.12.2015**	**%**	**Amount**	**%**
Due to customers	8,863,375	37.8%	8,244,110	36.7%	619,265	7.5%
Debt securities in issue and Financial liabilities de	1,480,185	6.3%	1,940,932	8.6%	-460,747	-23.7%
Direct deposits	**10,343,560**	**44.1%**	**10,185,042**	**45.3%**	**158,518**	**1.6%**
Ordinary customer deposits	8,345,115	35.6%	8,343,925	37.1%	1,191	0.0%
Institutional customer deposits	4,768,217	20.3%	3,966,177	17.6%	802,039	20.2%
Indirect deposits	**13,113,332**	**55.9%**	**12,310,102**	**54.7%**	**803,230**	**6.5%**
Total customer deposits	**23,456,892**	**100.0%**	**22,495,144**	**100.0%**	**961,748**	**4.3%**

Table 7 – Indirect deposits from customers

Amounts in thousands of Euro	30.09.2016	%	31.12.2015	%	Change Amount	Change %
Assets under administration *(1*	**3,497,929**	**26.7%**	**3,782,519**	**30.7%**	**-284,590**	**-7.5%**
Assets under management	**4,847,186**	**37.0%**	**4,561,406**	**37.1%**	**285,780**	**6.3%**
of which: Mutual funds and Sicavs	*1,773,168*	*13.5%*	*1,584,561*	*12.9%*	*188,608*	*11.9%*
Managed portfolios	*812,599*	*6.2%*	*730,153*	*5.9%*	*82,447*	*11.3%*
Bancassurance	*2,261,419*	*17.2%*	*2,246,693*	*18.3%*	*14,726*	*0.7%*
Ordinary customer deposits *(1)*	**8,345,115**	**63.6%**	**8,343,925**	**67.8%**	**1,191**	**0.0%**
Institutional customer deposits *(2)*	**4,768,217**	**36.4%**	**3,966,177**	**32.2%**	**802,039**	**20.2%**
Indirect deposits *(1) (2)*	**13,113,332**	**100.0%**	**12,310,102**	**100.0%**	**803,230**	**6.5%**

(1) at 30.09.2016 the volumes are less than for the Bonds issued by the Parent Company and placed with customers of Banca Popolare di Spoleto S.p.A. (Euro 76.2 million) and vice versa (Euro 0.1 million) (at 31.12.2015 Euro 117.6 million and Euro 0.8 million respectively);

(2) institutional customer deposits at 30.09.2016 include securities of the Bancassurance segment of ordinary customers of the Parent Company and of Banca Popolare di Spoleto S.p.A. for Euro 2.2 billion (Euro 2.2 billion at 31.12.2015).

Loans and coverage

The total amount of *loans to customers* at 30 September 2016 reached 9.7 billion euro, up on the balance at the end of 2015 (+3.6%).

The main indicators on the coverage of non-performing and performing loans are reported below. They substantially confirm the same coverage levels of non-performing loans as at 31 December 2015.

Table 8 – Credit quality at 30 September 2016

Amounts in thousands of Euro	30.09.2016					
	Gross exposure	% of total loans and receivables	Write-downs	Coverage ratio	Net exposure	% of total loans and receivables
Doubtful loans	1,179,200	11.1%	(704,744)	59.8%	474,456	4.9%
Unlikely to pay	579,806	5.4%	(166,499)	28.7%	413,307	4.2%
Past due non-performing loans	32,070	0.3%	(4,247)	13.2%	27,823	0.3%
Total non-performing loans	**1,791,076**	**16.8%**	**(875,490)**	**48.9%**	**915,586**	**9.4%**
Performing exposure	8,862,401	83.2%	(50,304)	0.57%	8,812,097	90.6%
Total loans to customers	**10,653,477**	**100.0%**	**(925,794)**	**8.7%**	**9,727,683**	**100.0%**

Table 8-bis – Credit quality at 31 December 2015

Amounts in thousands of Euro	31.12.2015					
	Gross exposure	% of total loans and receivables	Write-downs	Coverage ratio	Net exposure	% of total loans and receivables
Doubtful loans	1,069,107	10.4%	(625,181)	58.5%	443,926	4.7%
Unlikely to pay	597,811	5.8%	(185,847)	31.1%	411,964	4.4%
Past due non-performing loans	56,132	0.5%	(7,466)	13.3%	48,666	0.5%
Total non-performing loans	**1,723,050**	**16.8%**	**(818,494)**	**47.5%**	**904,556**	**9.6%**
Performing exposure	8,539,212	83.2%	(57,457)	0.67%	8,481,755	90.4%
Total loans to customers	**10,262,262**	**100.0%**	**(875,951)**	**8.5%**	**9,386,311**	**100.0%**

* considering the gross value and the write-downs of non-performing loans of Banca Popolare di Spoleto S.p.A. without taking into account the changes needed to represent the acquisition value of:
a) Doubtful loans: 212,513 thousand euro (previously 220,248);
b) Unlikely to pay: 25,643 thousand euro (previously 33,961);
c) Past due non-performing loans: 10 thousand euro (previously 35).

Securities portfolio and the net interbank position

At 30 September 2016, the Group's total financial assets amounted to some Euro 2.1 billion, an increase of some Euro 0.2 billion compared with the final balance of 2015 (+9%). With reference to the issuers of securities, the total portfolio at 30 September 2016 relates for 88.7% to government securities, 5.8% to securities issued by banks and the remainder to other issuers.

The following table gives information on sovereign risk, i.e. on the bonds issued by central and local governments and government agencies, as well as loans granted to them.

Table 9 - Exposure in sovereign debt securities

Amounts in thousands of Euro		30.09.2016			31.12.2015		
		Italy	Spain	Total	Italy	Spain	Total
Financial assets available for trading	Nominal value	2,181		2,181	2,147		2,147
	Book value	1,576		1,576	1,402		1,402
Financial assets available for sale	Nominal value	1,734,129	75,000	1,809,129	1,593,000	75,000	1,668,000
	Book value	1,756,819	79,377	1,836,196	1,634,028	76,946	1,710,974
Sovereign debt	**Nominal value**	**1,736,310**	**75,000**	**1,811,310**	**1,595,147**	**75,000**	**1,670,147**
	Book value	**1,758,395**	**79,377**	**1,837,772**	**1,635,430**	**76,946**	**1,712,376**

The Group's net interbank position is negative for Euro 0.7 billion, compared with the position at the end of the previous year, which was also negative for Euro 0.5 billion.

Capital and capital adequacy ratios

Shareholders' equity pertaining to the Parent Company at 30 September 2016, including net profit for the period, amounts to Euro 886.3 million, compared with Euro 870.4 million at the end of 2015.

In application of the regulatory provisions, the amount of Own Funds, considering a pay out of 40%, amounted to 1,094.1 million (CET1 + AT1 of Euro 888.4 million + T2 of Euro 205.7 million) compared with the figure at the end of the previous year of Euro 1,106.1 million, mainly due to the reduction in the amount attributable to own funds of subordinated loans due to the amortisation, as well as the increase in the credit limit that can be used for the repurchase of own subordinated loans.

Table 10 – Own funds

	30.09.2016	31.12.2015
A. Common Equity Tier 1 (CET 1) prior to application of prudential filters	901,982	884,433
of which: CET 1 capital instruments subject to transitional provisions	-	-
B. CET 1 prudential filters (+/-)	- 55	- 291
C. CET 1 gross of amounts to be deducted and the effects of transitional provisions (A +/- B)	901,927	884,142
D. Items to be deducted from CET 1	23,528	24,738
E. Transitional provisions – Impact on CET 1 (+/-)	- 668	750
F. Total Common Equity Tier 1 (CET 1) (C – D +/-E)	**877,731**	**860,154**
G. Additional Tier 1 (AT1) gross of amounts to be deducted and the effects of transitional provisions	14,057	13,862
of which: AT1 capital instruments subject to transitional provisions	6,865	6,865
H. Items to be deducted from AT1	-	-
I. Transitional provisions – Impact on AT1 (+/-)	- 3,328	- 3,294
L. Total Additional Tier 1 (AT1) (G - H +/- I)	**10,729**	**10,568**
M. Tier 2 (T2) gross of amounts to be deducted and the effects of transitional provisions	205,146	234,424
of which: T2 capital instruments subject to transitional provisions	-	-
N. Items to be deducted from T2	-	-
O. Transitional provisions – Impact on T2 (+/-)	539	924
P. Total Tier 2 (T2) (M - N +/- O)	**205,685**	**235,348**
Q. Total Own Funds (F + L + P)	**1,094,145**	**1,106,070**

At 30 September 2016, the Common Equity Tier 1 ratio (CET1/Risk-weighted assets) was 11.0% (10.8% at 31 December 2015). The Tier 1 ratio (T1/Risk-weighted assets) was 11.1% (11% at 31 December 2015), while the Total capital ratio (total Own Funds/Risk-weighted assets) was 13.7% (13.9% at 31 December 2015).

At the end of the Supervisory Review and Evaluation Process (SREP), the Bank of Italy communicated to the Parent Company in August 2015 the minimum levels for the consolidated capital ratios and that for Banco Desio Group coincided with those set out in the regulatory provisions, including the capital conservation buffer of 2.5%, corresponding to the following capital ratios: 7% Common Equity Tier 1 ratio, 8.5% Tier 1 ratio and 10.5% Total Capital ratio.
As a result, at 30 September 2016 the Group again had capital ratios well above the established minimum requirements, confirming its high capital viability.

Table 11 – Capital adequacy ratios

Categories/Amounts	Unweighted amounts		Weighted amounts/Requirements	
	30/09/2016	31.12.2015	30/09/2016	31.12.2015
A. ASSETS AT RISK				
A.1 Credit and counterparty risk	**12,993,794**	**12,502,276**	**7,171,974**	**7,089,800**
1. Standardised methodology	12,993,322	12,501,738	7,171,502	7,089,262
2. Methodology based on internal ratings				
2.1 Basic				
2.2 Advanced				
3. Securitisations	472	537	472	537
B. CAPITAL ADEQUACY REQUIREMENTS				
B.1 Credit and counterparty risk			**573,758**	**567,184**
B.2 Risk of credit valuation adjustment			**1,481**	**1,828**
B.3 Regulatory risk				
B.4 Market risks			**962**	**441**
1. STANDARDISED METHODOLOGY			962	441
2. INTERNAL MODELS				
3. CONCENTRATION RISK				
B.5 Operational risk			**65,042**	**65,042**
1. BASIC APPROACH			65,042	65,042
2. STANDARDISED APPROACH				
3. ADVANCED APPROACHES				
B.6 Other items			0	0
B.7 Total precautionary requirements			**641,243**	**634,495**
C. RISK ASSETS AND CAPITAL RATIOS				
C.1 Risk-weighted assets			**8,015,543**	**7,931,181**
C.2 Common Equity Tier 1 ratio/Risk-weighted assets (CET 1 capital ratio)			10.950%	10.845%
C.3 Core Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio)			11.084%	10.978%
C.4 Total Own Funds/Risk-weighted assets (Total capital ratio)			13.650%	13.946%

Frame of reference

Performance of the Parent Company Banco di Desio e della Brianza S.p.A.[4]

Net profit at 30 September 2016 amounted to around 34.6 million euro, an increase of 53.6% on the profit of the comparative period of 22.5 million euro; of particular importance is the decline in *net impairment adjustments to loans and advances* amounted to 28.9 million euro (formerly 65.2 million euro) and the *Non-recurring profit (loss) after tax* of 5.6 million euro (formerly -0.8 million) thanks to the profits from equity investments, partially offset by the lower contribution made by *net income from trading, hedging and the sale/repurchase of loans, financial assets and liabilities and financial assets and liabilities designated at fair value through profit and loss*, equal to Euro 13.3 million (formerly 17.2 million), by the erosion of *net interest income* of 18.3 million euro and of *net commission income* for 5.4 million euro.
Loans to customers increased from 5,977.8 million euro at the end of 2015 to 6,266.5 million euro at the reference date, an increase of 4.8% or 288.7 million euro.
Book *Shareholders' equity* has increased from 852.0 million euro at 31 December 2015 to 873.5 million at the reporting date, while *Own funds* increased from 1,051.6 euro at the end of 2015 to 1,043.9 million euro.

Performance of the subsidiary Banca Popolare di Spoleto S.p.A.[5]

At the reference date, the Parent Company Banco di Desio e della Brianza S.p.A. held an investment of 81.7%.
The *profit* at 30 September 2016 amounted to 11.4 million euro, an increase of 60.8% on the figure of 7.1 million euro in the comparative period; of particular importance is the decline in net impairment adjustments to loans and advances which came to 29.4 million euro (formerly 41.2 million euro), partially offset by the lower contribution made by *net income from trading, hedging and the sale/repurchase of loans, financial assets and liabilities and financial assets and liabilities designated at fair value through profit and loss*, equal to Euro 3.3 million (formerly 7.9 million) and by the erosion of net interest income of 5.5 million euro.
Loans to customers increased from 3,331.4 million euro at the end of 2015 to 3,396.6 million euro at the reference date, an increase of 2.0% or 65.2 million euro.
Book *Shareholders' equity* has increased from 256.3 million euro at 31 December 2015 to 262.9 million at the reporting date, while *Own funds* increased from 248.5 euro at the end of 2015 to 252.5 million euro.

Performance of the subsidiary Fides S.p.A.

At the reference date, the Parent Company Banco di Desio e della Brianza S.p.A. held an investment of 100%.
Profit at 30 September 2016 amounted to 4.5 million euro, in line with 4.6 million euro in the comparative period; *net interest income* is more or less stable at 8.5 million euro (at 30 September 2015), the *net interest and other banking income* at 8.2 million euro (previously 8.3 million euro), the *result of operations* at 6.4 million euro (previously 6.6 million euro), which includes *net impairment adjustments to financial assets* of 0.2 million euro (previously 0.2 million), and tax for 1.9 million euro (previously 2.0 million).
Loans to customers went from 503.4 million euro at the end of 2015 to 547.7 million euro at the reference date.
Net book *Shareholders' equity* has increased from 35.2 million euro at 31 December 2015 to 36.2 million at the reporting date, while *Own funds* increased from 30.9 euro at the end of 2015 to 31.9 million euro.

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[4] The comments on the economic trends are based on the comparison of the financial results at the reference date with the reclassified income statement at 30 September 2015 which was made comparable by restating it with the contribution for the first quarter of 2015 of the business unit consisting of 32 branches located in Tuscany and Lazio transferred by the Parent Company to Banca Popolare di Spoleto on 1 April 2015, net of the contribution of the Milan branch sold by Banca Popolare di Spoleto to the Parent Company.

[5] The comments on economic trends are based on a comparison of the results at the reporting date with the reclassified income statement at 30 September 2015, made comparable by integrating the first quarter 2015 contribution by the business unit consisting of 32 branches located in the regions of Tuscany and Lazio transferred by the parent company to Banca Popolare di Spoleto on 1 April 2015, net of the contribution of the Milan branch sold at the same time by Banca Popolare di Spoleto to the parent company.

Distribution network and employees of the Banco Desio Group

The Group's distribution network at 30 September 2016 consists of 271 branches, including 149 in the Parent Company Banco di Desio e della Brianza and 122 of Banca Popolare di Spoleto. As part of the rationalisation of the distribution network, in June, Banca Popolare di Spoleto S.p.A. closed four branches, in Sferracavallo, near Orvieto (TR), San Secondo, frazione di Città di Castello (PG), Cerreto di Spoleto (PG) and Recanati (MC).

At 30 September 2016, the Group had 2,363 employees, a decrease of eight employees compared with the end of the previous year. The same reference date the employees of the Parent Company Banco di Desio e della Brianza stood at 1,413 employees, an increase of 2 resources compared to the previous year.

Action for damages against former corporate officers of Banca Popolare di Spoleto S.p.A.

The Annual Shareholders' Meeting of the subsidiary Banca Popolare di Spoleto was held on 7 April 2016; among other things, it made a number of decisions regarding the action for damages against former corporate officers: i) confirmation of the action for damages already taken by the Commissioners; ii) extension of the action for damages against the former Statutory Auditors; iii) decision to act as a civil party in the criminal proceedings before the Court of Spoleto (General Crime Reports sub number 649/2011).On completion of the preliminary phase, Banca Popolare di Spoleto was admitted as a civil party and the requests for prosecutions were only admitted for some of the people involved.

Credito Privato Commerciale S.A. in liquidation ("CPC")

On 4 August 2016, the Extraordinary Meeting of CPC approved certain amendments to its articles of association, resulting in the cancellation of the Swiss company from the register of banking groups held by the Bank of Italy with effect from 17 August 2016. At the same time, the liquidators have provided for the distribution of equity reserves to Banco di Desio e della Brianza for a total of Euro 38.4 million. The residual liquidation activities continued for the sole purpose of achieving the company's cancellation from the commercial register in the shortest time possible.

Rovere Societé de Gestion S.A. in liquidation (“Rovere")

On 26 September 2016 Rovere's Extraordinary General Meeting approved amendments to its articles of association, eliminating inter alia all references to being part of the Banco Desio Group; the related supervisory requirements to update the register of banking groups held by the Bank of Italy are currently being performed.

Because of these events, Banco di Desio e della Brianza considered its investment in Rovere definitively disposed of due to the loss of control over it; the Bank therefore took steps in its separate financial statements to derecognise the investment, at the same time recording in caption "150 - Other assets" a receivable from the liquidator of the amount considered virtually certain and recoverable, net of future estimated charges for the company's cancellation from the commercial register.

Contributions to the Single Resolution Mechanism and Deposit Guarantee Scheme

In accordance with the interpretation of IFRIC 21, the Bank has recorded the fact that the "binding event" has taken place:

- at 31 March 2016 the current year's ordinary contribution to the Single Resolution Mechanism of Euro 3.8 million gross (Euro 2.9 million by the Banco Desio and Euro 0.9 million by Banca Popolare di Spoleto). The payment of the contribution took place in June;
- at 30 September 2016, the estimate of around Euro 3.6 million gross (Euro 2.1 million by Banco Desio and Euro 1.5 million by Banca Popolare di Spoleto) of the ordinary contribution that the Deposit Guarantee Scheme (DGS) will request before the end of the current year.

"Voluntary Intervention Scheme" of the Interbank Deposit Protection Fund

The General Meeting of the FITD Voluntary Intervention Scheme held on 17 June 2016 resolved to increase the financial framework for future interventions to Euro 700 million (over and above the intervention already made in favour of Tercas). On 16 September 2016 the "Voluntary Intervention Scheme" asked the member banks for a contribution of Euro 281 million, with a view to subscribing for Caricesena's reserved increase in capital of Euro 280 million (plus Euro 1.0 million of operating expenses). As the contra-entry for the contribution of Euro 2.2 million (Euro 1.3 million for Banco Desio and Euro 0.9 million for Banca Popolare di Spoleto), we recognised a financial asset equivalent to an equity instrument measured at fair value.
The Group has therefore adjusted its residual commitment to the FITD to Euro 3.3 million (Euro 2.0 million for Banco Desio and Euro 1.3 million for Banca Popolare di Spoleto).

Adherence to the A.BA.CO. procedure

An important event during the quarter was the Group's adherence to the A.BA.CO. procedure (*Attivi BAncari COllateralizzati* or collateralised bank assets) prepared by the Bank of Italy for the management of "eligible" loans with the European Central Bank, i.e. those that are suitable for collateralised funding by the ECB. At the end of the authorisation process, a credit line of Euro 767.9 million was made available to the Parent Company at 30 September 2016.
This enabled the Parent Company to improve the consolidated liquidity position, registering a higher LCR indicator than the minimum level required by the regulations that will take effect on 1 January 2018.

Industrial relations

As part of the measures to streamline its operating structures to cope with the current evolution in the banking sector, safeguarding the Group's human and professional capital and a level of personnel cost that is consistent with the current medium/long-term macroeconomic scenarios for the banking sector, Banco Desio has decided to initiate the procedures to access the solidarity fund on a voluntary basis, according to a plan that will be discussed with the Trade Unions.

Outlook

Macroeconomic scenario

GDP in Italy remained unchanged in the second quarter of 2016 compared with the previous quarter, but it increased by 0.8% on the same period of 2015. Recent GDP estimates for 2016 in Italy foresee growth of 0.7% y/y (previously 1.1%) due to the expected weakness in international demand which will affect investments and exports.

With reference to the banking system, the trend in resident customer deposits declined less during the summer compared with the reduction seen at the end of 2015 (-0.2%, previously 0.6%). The average remuneration of bank deposits was 1.04%, decreasing again on the December figure (1.19%).
From a lending point of view, loans to households grew by 1.8% per annum in July (previously 0.8% in December), as opposed to those in favour of businesses (-0.5%, previously -0.2% in December). Breaking down loans by duration, the medium/long-term component posted an annual increase (+1.4%, previously +2.2% in December 2015), whereas the short-term one remained negative (-5.3%, previously -4.8% in December 2015). Interest rates on new loans have remained low; the rate on home purchase loans to households came to 2.20% (previously 2.51% in December 2015).

The outlook for the current year

Despite suffering from the trend in interest rates and the general performance of the banking sector, despite the decline in loan adjustments, the figures at 30 September 2016 suggest that the results for the entire year will be positive, also considering the potential impact of access to the Solidarity Fund, which can currently be assumed.

With reference to the principal risks and uncertainties, please note that this Consolidated Interim Report at 30 September 2016 has been prepared on a going-concern basis, as there is no plausible reason to believe the opposite in the foreseeable future.

Basis of preparation

This "Consolidated interim report at 30 September 2016 - Press release" has been prepared on a voluntary basis, in order to ensure continuity of information with the previous quarterly reports, given that only the annual and half-yearly reports are now compulsory based on the new wording of art. 154*ter*, paragraph 5, of Legislative Decree no. 58/1998 ("Consolidated Finance Act" or "CFA") introduced by Legislative Decree no. 25/2016 implementing Directive 2013/50/EU.

As regards the criteria for recognition and measurement, this Report has been prepared in accordance with the applicable IAS/IFRS issued by the International Accounting Standards Board (IASB) and related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) applicable for the explanatory notes of the half-yearly report as of 30 June 2016.

In terms of financial disclosure, as the consolidated interim report has been prepared in accordance with art. 154-ter, paragraph 5, of the CBA and for the purposes of determining capital for supervisory purposes (Own Funds), it does not include the explanatory notes that would be required to give the Group's financial position and results of operations for the period in accordance with IAS 34.

The following changes in the scope of consolidation have taken place compared with the situation at 31 December 2015:

- Elimination of Credito Privato Commerciale S.A. in liquidation and of Rovere Societé de Gestion S.A. in liquidation as a result of the loss of control, in accordance with IFRS 10 - Consolidated Financial Statements, by Banco di Desio e della Brianza. The liquidation activities continue for both companies for the sole purpose of achieving their cancellation from the respective commercial registers.
- Elimination of the SPV Spoleto Mortgages S.r.l., whose separate assets had been formed through the sale of performing loans by Banca Popolare di Spoleto S.p.A., following the early termination of the securitisation on 25 February 2016, with which Banca Popolare di Spoleto repurchased its portfolio of outstanding receivables and the SPV repaid the Notes it had issued in full.

The comparative figures in the consolidated balance sheet include the reclassification required by IFRS 5 for the assets and liabilities of Rovere Societé de Gestion S.A. in liquidation, which has been excluded from the scope of consolidation in the meantime.

Declaration of the Financial Reporting Manager

The Financial Reporting Manager, Mauro Walter Colombo, declares pursuant to paragraph 2 of Article 154 bis of the Consolidated Finance Act that the accounting information contained in this press release agrees with the supporting documents, books of account and accounting records.

Desio, 20 October 2016

BANCO DI DESIO E DELLA BRIANZA S.p.A.

Financial Reporting Manager
Mauro Walter Colombo

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We attach the consolidated financial statements at 30 September 2016 which are an integral part of the interim consolidated financial report at 30 September 2016. Deloitte & Touche S.p.A., the independent auditors, are completing their limited audit tests with a view to issuing the report needed for inclusion of the profit of the period in the Bank's capital for supervisory purposes.

Desio, 20 October 2016

BANCO DI DESIO E DELLA BRIANZA S.p.A.

The Chairman
Agostino Gavazzi

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2016

Attachment 1 – Consolidated balance sheet

Assets	30.09.2016	31.12.2015	Change Amount	Change %
10 Cash and cash equivalents	46,792	62,306	-15,514	-24.9%
20 Financial assets available for trading	21,369	16,038	5,331	33.2%
40 Financial assets available for sale	2,048,672	1,881,131	167,541	8.9%
60 Due from banks	335,064	292,992	42,072	14.4%
70 Loans to customers	9,727,683	9,386,311	341,372	3.6%
80 Hedging derivatives	2,758	4,601	-1,843	-40.1%
90 Adjustment to financial assets with generic hedge (+/-)	2,138	1,408	730	51.8%
100 Equity investments	13,109	13,261	-152	-1.1%
120 Property, plant and equipment	181,462	184,983	-3,521	-1.9%
130 Intangible assets	18,139	18,207	-68	-0.4%
of which: goodwill	*15,322*	*15,322*		
140 Tax assets	209,670	224,266	-14,596	-6.5%
a) current	*16,621*	*29,105*	*-12,484*	*-42.9%*
b) deferred	*193,049*	*195,161*	*-2,112*	*-1.1%*
- of which Law 214/2011	*169,504*	*173,678*	*-4,174*	*-2.4%*
150 Non-current assets and disposal groups held for sale	0	4,967	-4,967	-100.0%
160 Other assets	187,229	157,659	29,570	18.8%
Total assets	**12,794,085**	**12,248,130**	**545,955**	**4.5%**

Liabilities and shareholders' equity	30.09.2016	31.12.2015	Change Amount	Change %
10 Due to banks	987,468	753,115	234,353	31.1%
20 Due to customers	8,863,375	8,244,110	619,265	7.5%
30 Debt securities in issue	1,459,815	1,918,104	-458,289	-23.9%
40 Financial liabilities held for trading	5,759	5,148	611	11.9%
50 Financial liabilities designated at fair value through profit and loss	20,370	22,828	-2,458	-10.8%
60 Hedging derivatives	9,017	24,758	-15,741	-63.6%
80 Tax liabilities	30,981	31,616	-635	-2.0%
a) current	*1,312*	*75*	*1,237*	n.s
b) deferred	*29,669*	*31,541*	*-1,872*	*-5.9%*
90 Liabilities associated with groups of assets held for sale	0	754	-754	-100.0%
100 Other liabilities	405,769	249,205	156,564	62.8%
110 Provision for termination indemnities	31,642	29,712	1,930	6.5%
120 Provisions for risks and charges	41,791	46,725	-4,934	-10.6%
b) other provisions	*41,791*	*46,725*	*-4,934*	*-10.6%*
140 Valuation reserves	18,988	21,767	-2,779	-12.8%
170 Reserves	747,102	726,660	20,442	2.8%
180 Share premium reserve	16,145	16,145		0.0%
190 Capital	67,705	67,705		0.0%
210 Minority interests (+/-)	51,750	51,606	144	0.3%
220 Net profit (loss) for the period (+/-)	36,408	38,172	-1,764	-4.6%
Total liabilities and shareholders' equity	**12,794,085**	**12,248,130**	**545,955**	**4.5%**

Attachment 2 – Consolidated income statement

	30.09.2016	30.09.2015	Change Amount	Change %
10 Interest and similar income	234,120	280,688	-46,568	-16.6%
20 Interest and similar expense	-55,312	-78,506	23,194	-29.5%
30 Net interest income	**178,808**	**202,182**	-23,374	-11.6%
40 Commission income	127,478	135,178	-7,700	-5.7%
50 Commission expense	-15,266	-16,687	1,421	-8.5%
60 Net commission income	**112,212**	**118,491**	-6,279	-5.3%
70 Dividends and similar income	974	300	674	224.7%
80 Net trading income	1,610	6,481	-4,871	-75.2%
90 Net hedging gains (losses)	-950	-1,036	86	-8.3%
100 Gains (losses) on disposal or repurchase of:	13,970	12,431	1,539	12.4%
a) loans	*623*	*-2,064*	*2,687*	*130.2%*
b) financial assets available for sale	*14,551*	*17,322*	*-2,771*	*-16.0%*
d) financial liabilities	*-1,204*	*-2,827*	*1,623*	*-57.4%*
110 Net results on financial assets and liabilities designated at fair value	-70	-102	32	-31.4%
120 Net interest and other banking income	**306,554**	**338,747**	-32,193	-9.5%
130 Net impairment adjustments to:	-59,865	-105,213	45,348	-43.1%
a) loans	*-61,624*	*-105,040*	*43,416*	*-41.3%*
b) financial assets available for sale	*-135*	*-325*	*190*	*-58.5%*
d) other financial assets	*1,894*	*152*	*1,742*	*n.s.*
140 Net profit from financial activities	**246,689**	**233,534**	13,155	5.6%
170 Net profit from financial and insurance activities	**246,689**	**233,534**	13,155	5.6%
180 Administrative costs	-227,699	-228,804	1,105	-0.5%
a) payroll costs	*-133,737*	*-135,547*	*1,810*	*-1.3%*
b) other administrative costs	*-93,962*	*-93,257*	*-705*	*0.8%*
190 Net provisions for risks and charges	-2,894	-2,688	-206	7.7%
200 Net adjustments to property, plant and equipment	-6,109	-6,255	146	-2.3%
210 Net adjustments to intangible assets	-1,454	-1,007	-447	44.4%
220 Other operating charges/income	35,783	35,009	774	2.2%
230 Operating costs	**-202,373**	**-203,745**	1,372	-0.7%
240 Profit (loss) from equity investments	5,286	1,573	3,713	236.0%
280 Profit (loss) from current operations before tax	**49,602**	**31,362**	18,240	58.2%
290 Income taxes on current operations	-12,181	-6,538	-5,643	86.3%
300 Profit (loss) from current operations after tax	**37,421**	**24,824**	12,597	50.7%
320 Net profit (loss) for the period	**37,421**	**24,824**	12,597	50.7%
330 Net profit (loss) pertaining to minority interests	-1,013	715	-1,728	n.s.
340 Parent Company net profit (loss)	**36,408**	**25,539**	10,869	42.6%

	30.09.2016	30.09.2015
Basic earnings per share (Euro)	0.28	0.19
Diluted earnings per share (Euro)	0.28	0.19

Attachment 3 – Statement of consolidated comprehensive income

	captions	30.09.2016	30.09.2015
10.	**Net profit (loss) for the period**	**37,421**	**24,824**
	Other elements of income, net of income taxes without reversal to income statement		
20.	Property, plant and equipment	-	-
30.	Intangible assets	-	-
40.	Defined-benefit pension plans	(1,559)	1,355
50.	Non-current assets and disposal groups held for sale	-	-
60.	Portion of the valuation reserves of the equity investments carried at equity	-	-
	Other elements of income, net of income taxes with reversal to income statement	-	-
70.	Foreign investment hedges	-	-
80.	Exchange differences	-	7,907
90.	Cash-flow hedges	(3,031)	329
100.	Financial assets available for sale	1,677	(3,775)
110.	Non-current assets and disposal groups held for sale	-	-
120.	Portion of the valuation reserves of the equity investments carried at equity	(64)	(113)
130.	**Total other elements of income (net of income taxes)**	**(2,977)**	**5,703**
140.	**Total comprehensive income (Captions 10+130)**	**34,444**	**30,527**
150.	Total comprehensive income pertaining to minority interests	(815)	251
160.	**Total consolidated comprehensive income pertaining to Parent Company**	**33,629**	**30,778**

Attachment 4 – Statement of changes in consolidated shareholders' equity for the period 1 January - 30 September 2016

	Balance at 31.12.2015	Changes in opening balances	Balance at 01.01.2016	Allocation of prior year results		Changes during the year									Group shareholders' equity at 30.09.2016	Minority interests at 30.09.2016
						Changes in reserves	Transactions on shareholders' equity							Comprehensive income at 30.09.2016		
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity investments			
Share capital:																
a) ordinary shares	118,578		118,578										(96)		60,840	57,642
b) other shares	6,865		6,865												6,865	
Share premium reserve	31,569		31,569										1		16,145	15,425
Reserves:																
a) from profits	683,485		683,485	26,009		(1,718)									733,306	(25,530)
b) other	22,611		22,611			(4,999)									13,796	3,816
Valuation reserves:	21,400		21,400											(2,977)	18,988	(565)
Equity instruments																
Treasury shares	(51)		(51)													(51)
Net profit (loss) for the period	37,598		37,598	(26,009)	(11,589)									37,421	36,408	1,013
Group shareholders' equity	**870,449**		**870,449**		**(11,589)**	**(6,141)**								**33,629**	**886,348**	
Minority interests	**51,606**		**51,606**			**(576)**							**(95)**	**815**		**51,750**

Attachment 5 – Statement of changes in consolidated shareholders' equity for the period 1 January - 30 September 2015

	Balance at 31.12.2014	Changes in opening balances	Balance at 1.01.2015	Allocation of prior year results		Changes during the year									Group shareholders' equity at 30.09.2015	Minority interests at 30.09.2015
						Changes in reserves	Transactions on shareholders' equity							Comprehensive income at 30.09.2015		
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity investments			
Share capital:																
a) ordinary shares	121,161		121,161										(2,583)		60,840	57,738
b) other shares	6,865		6,865												6,865	
Share premium reserve	38,813		38,813										(7,244)		16,145	15,424
Reserves:																
a) from profits	642,801		642,801	29,423		(3,682)							9,745		702,430	(24,143)
b) other	23,927		23,927									169			20,511	3,585
Valuation reserves:	27,135		27,135											5,703	33,214	(376)
Equity instruments																
Treasury shares	(75)		(75)										24			(51)
Net profit (loss) for the period	39,427		39,427	(29,423)	(10,004)									24,824	25,539	(715)
Group shareholders' equity	**845,627**		**845,627**		**(10,004)**	**(3,682)**						**169**	**2,656**	**30,778**	**865,544**	
Minority interests	**54,427**		**54,427**										**(2,714)**	**(251)**		**51,462**

Attachment 6 – Reconciliation between the Parent Company's net profit and shareholders' equity and the Group's consolidated net profit and shareholders' equity

Amounts in thousands of Euro	*Shareholders' equity*	*of which: Net profit (loss) for the period*
Parent Company balances at 30 September 2016	**873,537**	**34,608**
Effect of consolidation of subsidiaries	13421	9109
Effect of valuation of associates at net equity	-610	-1166
Dividends collected during the period	0	-6143
Other changes	0	0
Consolidated balances at 30 September 2016	**886,348**	**36,408**

Attachment 7 - Reconciliation between the net profit and shareholders' equity shown in the consolidated income statement and the net profit based on the perimeter of the banking group for the purposes of calculating the consolidated capital for supervisory purposes

Amounts in thousands of Euro	**Amount**
Profit of the Group	**36,408**
Elements deducted	13,843
- proposal of recognition of dividends to shareholders of the parent company (40% payout)	*13,843*
The Group's Common Equity Tier 1 is well above this new prudential requirement	**22,565**