

BANCA IFIS GROUP: 2012 RESULTS



**CONSOLIDATED
ANNUAL
REPORT**

2012

 **GruppoBancaIFIS**

HIGHLIGHTS

(million Euro)

Net profit	78,1	(26,5 in 2011)	+194,2%
Equity	309,0	(196,3 in 2011)	+57,4%
Funding	7.676,3	(3.659,0 in 2011)	+109,8%

GROUP KPI	2012	2011
ROE	35,6%	12,6%
Credit quality cost	3,0%	1,9%
Cost/income ratio	27,9%	39,1%
Solvency	12,7%	10,8%
Core Tier 1	12,9%	11,2%
Book value per share	5,77	3,72
EPS	1,46	0,51

NET BANKING INCOME

(million Euro)

244,9

(121,5 in 2011)

+101,7%

% change 2012 / 2011

	Trade Receiv.	NPL	Tax Receiv.	G&S
2011	73,8	8,6	2,7	36,3
2012	114,3	18,6	3,8	108,3
Change	40,4	10,0	1,1	72,0
% Change	54,8%	116,0%	39,7%	198,3%
IV Q 2012	35,2	5,4	1,7	35,0
% Change IV Q 12/11	47,7%	13,6%	-17,2%	398,5%

Trade receivables

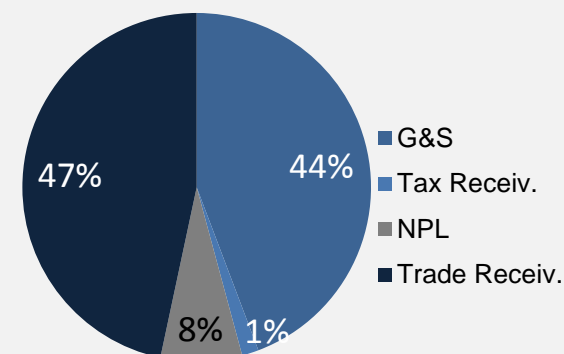
Clients **+20%**

Turnover **4.941,5 +6,4%**

Focus on SMEs

Trade receivables KPI	2012	2011
Net Banking Income/Turnover	2,3%	1,6%

Breakdown NBI 2012



NET RESULT OF FINANCIAL OPERATIONS

(million Euro)

191,2

(89,3 in 2011)

+114,0%

% change 2012 / 2011

	Trade Receiv.	NPL	Tax receiv.	G&S
2011	43,3	8,0	1,7	36,3
2012	69,2	16,6	3,5	101,9
Change	25,9	8,6	1,8	65,6
% Change	59,7%	107,5%	108,0%	180,6%
IV Q 2012	14,8	3,6	1,5	31,2
% Change IV Q 12/11	27,1%	-25,1%	52,9%	344,8%

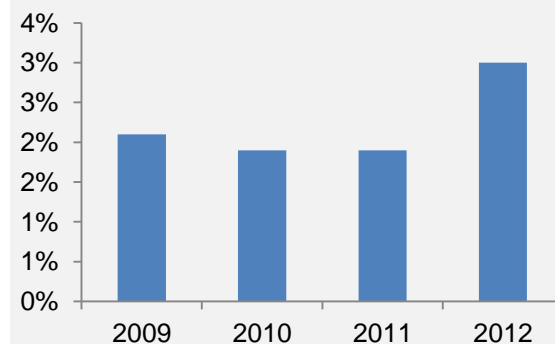
Net value adjustments

Equal to 53,7 VS 32,1 in 2011

(4th quarter 26,2 in 2012 VS 13,2 in 2011)

Group KPI	2012	2011
Credit quality cost	3,0%	1,9%

Credit quality cost



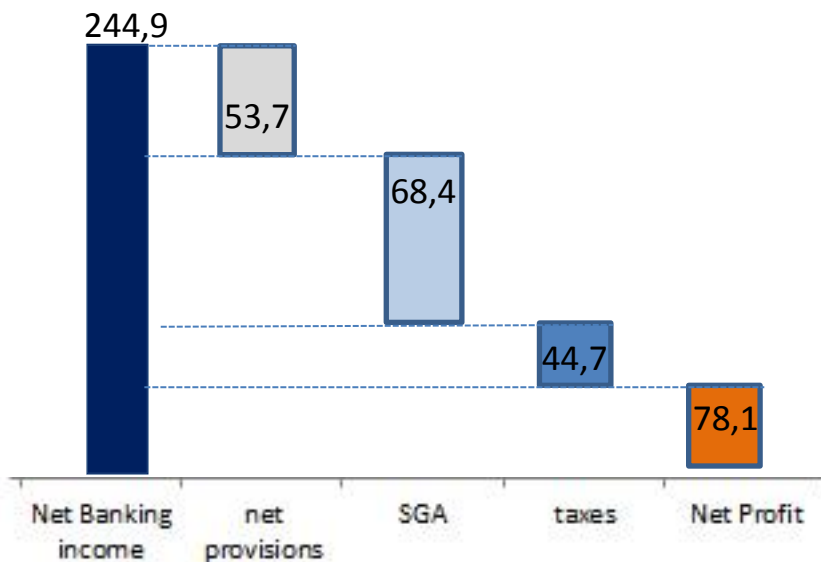
NET PROFIT

(million Euro)

78,1
+194,2%

(26,5 in 2011)

% change 2012 / 2011



Group KPI	2012	2011
Credit quality cost	3,0%	1,9%
Cost/income ratio	27,9%	39,1%
Tax rate	36,4%	36,6%

Trade Receiv. KPI	2012	2011
NBI/Commitments	6,4%	4,8%
Net value adjustments/ Commitments	2,5%	2,0%

BALANCE SHEET - ASSET STRUCTURE

(million Euro)

Loans to customers

2.292,3 +33,1%

% change 2012 / 2011

of which

104,0

NPL

83,2 Tax
receivables

Assets available for sale (AFS + HTM + L&R)

5.140,1

Portfolio of Italian
securities held

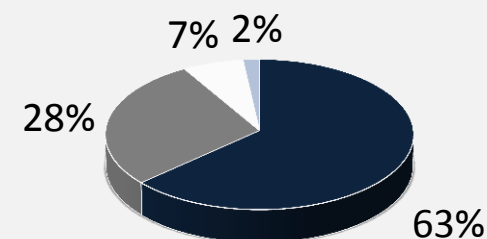
5.008,2

Due from banks

545,5 +72,7%

% change 2012 / 2011

Total assets
8.124,1



- Assets available for sale
- Due from customers
- Due from banks
- Other assets

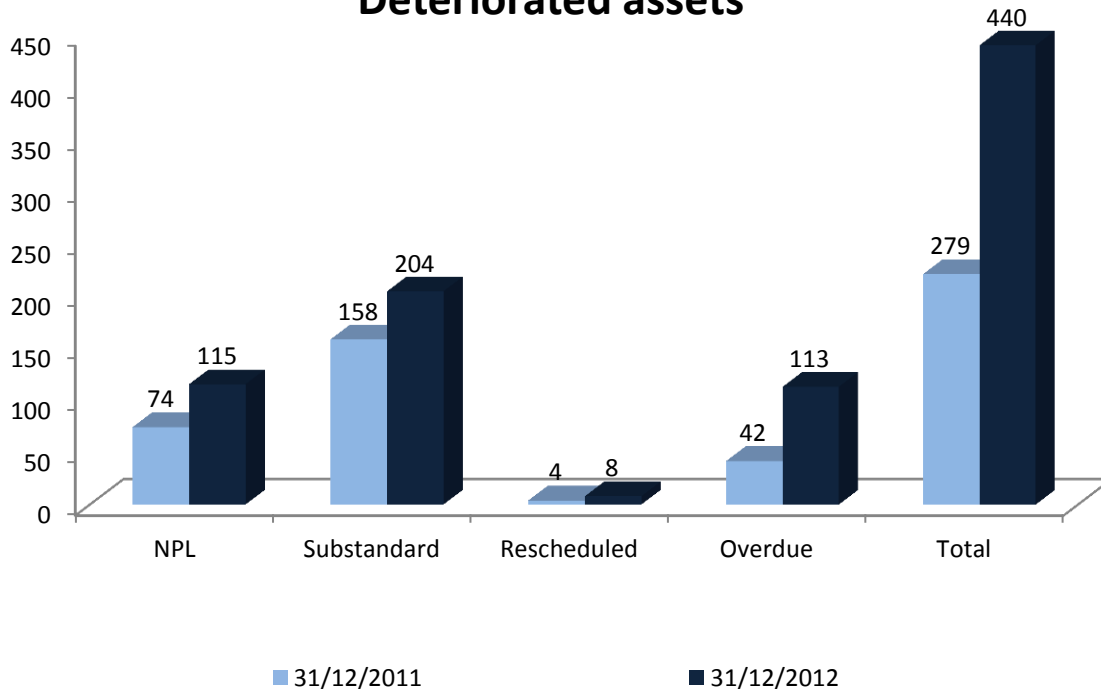
CREDIT QUALITY

(million Euro)

Loans to customers

2.292,3 +33,1%
% change 2012 / 2011

Deteriorated assets



Discontinuity:

since 1/1/2012 max 90 days (and no longer 180 days) to define past-due loans

Incidence of **deteriorated assets / net total receivables:**
19,2% VS 16,1% (20,5% like for like)

Incidence of **NPL / net total receivables:**
5,0% VS 4,3%

Incidence **substandard / net total receivables:**
8,9% vs 9,2%

SECURITIES PORTFOLIO

(million Euro)

	up to 3 months	from over 3 to 6 months	from over 6 months to 1 year	from over 1 year to 2 years	from over 2 to 5 years	Total
Total	204,4	553,6	1.068,6	1.902,4	1.411,2	5.140,1
% on total	4,0%	10,8%	20,8%	36,9%	27,5%	100,0%

Composition	31.12.2012	31.12.2011	% Change
Available for sale financial assets	1.961,5	1.670,9	17,4%
Held to maturity financial assets	3.120,4	-	n.a
Receivables due from banks-bonds	58,1	110,8	-47,5%
Financial assets held for trading	-	0,2	n.s
Total securities in portfolio	5.140,1	1.781,8	188,5%

BALANCE SHEET - FUNDING STRUCTURE

(million Euro)

rendimax on line deposit account

3.046,2

+95,8%

% change 2012 / 2011

Wholesale funding

557,3 due to banks

-72,2%

% change 2012 / 2011

Wholesale funding

4.039,3 PCT

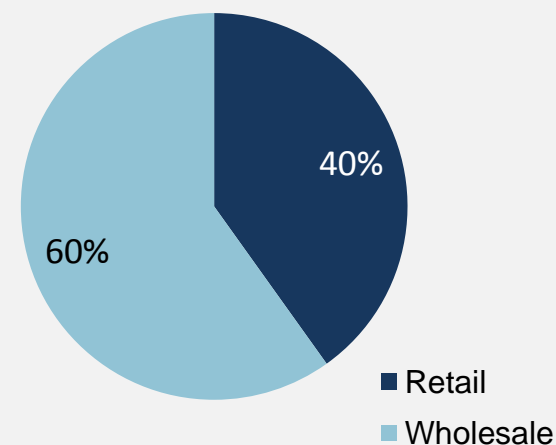
Repurchase agreements with underlying government bonds and the Cassa di Compensazione e Garanzia as counterparty

Total funds and deposits

7.676,3

+109,8%

% change 2012/2011



BANCA IFIS GROUP: 2012 RESULTS

(million Euro)

EQUITY: CHANGES	
Net equity at 31.12.2011	196,3
Increases:	130,4
Profit for the period	78,1
Sale/issuance of treasury shares	7,7
Valuation reserve:	44,6
- Available for sale assets	42,2
- Exchange differences	2,4
Decreases:	(17,7)
Dividends distributed	(13,4)
Purchase of treasury shares	(4,2)
Net equity at 31.12.2012	309,0

BANCA IFIS GROUP: SUMMARY

- Considerable growth in the Bank.
- All three of the Bank's mainstays reinforced: profitability, liquidity, equity.
- Excellent ability to react to economic deterioration.
- Significant size of securities' portfolio.
- Optimum trends in the rendimax savings account.