

**PRESS RELEASE**

INTESA SANPAOLO: CONSOLIDATED RESULTS AS AT MARCH 31<sup>st</sup> 2015

**STRONG PROFITABILITY GROWTH, ABOVE THE BANK'S 2014-2017 BUSINESS PLAN TARGETS.**

**A STRONG CAPITAL BASE WHICH IS WELL ABOVE REGULATORY REQUIREMENTS: THE PRO-FORMA COMMON EQUITY RATIO ON A FULLY LOADED BASIS IS 13.2%, NET OF ACCRUED DIVIDENDS.**

**NET INCOME FOR Q1 2015 WAS OVER €1BN.**

**NET FEE AND COMMISSION INCOME GREW AT A SUSTAINED PACE (THE HIGHEST YEARLY GROWTH SINCE THE CREATION OF INTESA SANPAOLO), WHILE ASSETS UNDER MANAGEMENT PERFORMED STRONGLY.**

**PROVISIONS WERE REDUCED, REFLECTING AN IMPROVING CREDIT TREND.**

**QUARTERLY NPL INFLOW FROM PERFORMING LOANS WAS AT ITS LOWEST SINCE Q1 2011.**

**INTESA SANPAOLO OPERATES AS AN ACCELERATOR FOR THE GROWTH OF THE REAL ECONOMY IN ITALY. THE BANK GRANTED €8BN OF MEDIUM/LONG-TERM NEW LENDING TO ITALIAN FAMILIES AND BUSINESSES AND HELPED 3,500 COMPANIES GET BACK TO PERFORMING STATUS IN THE QUARTER.**

- **NET INCOME IN Q1 2015 ABOVE 50% OF DIVIDEND COMMITMENT FOR 2015, THE HIGHEST QUARTERLY NET INCOME SINCE Q1 2009:**
  - €1,064M VS €48M IN Q4 2014 AND €503M IN Q1 2014
- **STRONG GROWTH IN PRE-TAX INCOME, THE HIGHEST QUARTERLY FIGURE SINCE Q2 2008:**
  - €1,785M VS €374M IN Q4 2014 AND €953M IN Q1 2014
- **SIGNIFICANT INCREASE IN OPERATING MARGIN, THE HIGHEST QUARTERLY FIGURE SINCE Q2 2007:**
  - €2,647M, UP 48.6% VS Q4 2014 AND UP 30.9% VS Q1 2014
- **SUSTAINED GROWTH IN NET FEES AND COMMISSIONS:**
  - €1,812M, IN LINE WITH Q4 2014 AND UP 14.7% VS Q1 2014
- **CONTINUOUS COST MANAGEMENT:**
  - OPERATING COSTS AT €2,106M, DOWN 10.2% VS Q4 2014 AND UP 1% VS Q1 2014
- **REDUCTION IN PROVISIONS, REFLECTING AN IMPROVING CREDIT TREND, COUPLED WITH INCREASE IN COVERAGE:**
  - LOAN LOSS PROVISIONS IN Q1 2015 AT THEIR LOWEST LEVEL SINCE Q3 2011: €755M VS €1,034M IN Q4 2014 (DOWN 27%) AND €1,077M IN Q1 2014 (DOWN 29.9%)
  - NPL INFLOW FROM PERFORMING LOANS IN Q1 2015 AT ITS LOWEST SINCE Q1 2011, DOWN 52% NET AND 32% GROSS VS Q4 2014 AND DOWN 21% NET AND 20% GROSS VS Q1 2014
  - NPL CASH COVERAGE RATIO INCREASED TO 47% (46.8% AT YEAR-END 2014)
- **A STRONG CAPITAL BASE WHICH IS WELL ABOVE REGULATORY REQUIREMENTS. THE COMMON EQUITY RATIO, NET OF €500M DIVIDENDS ACCRUED IN Q1 2015, IS:**
  - 13.2% ON A TRANSITIONAL BASIS FOR 2015<sup>(1)</sup> (“PHASED IN”)
  - 13.2% ON A FULLY LOADED BASIS<sup>(2)</sup>

(1) Includes Q1 2015 net income after the deduction of accrued dividends; Phased-in Common Equity ratio at 13% not considering Q1 2015 net income after pro quota dividends.

(2) Estimated applying the fully loaded parameters to the financial statements as at March 31<sup>st</sup> 2015 considering the total absorption of deferred tax assets (DTAs) related to the goodwill realignment, the expected absorption of DTAs on losses carried forward, the expected distribution of Q1 2015 net income of insurance companies, and the effect of the Danish compromise (under which insurance investments are risk weighted instead of being deducted from capital, with a benefit of 13 basis points).

## **HIGHLIGHTS:**

<b>OPERATING INCOME:</b>	<b>+15.7%</b> AT €4,753M VS €4,108M IN Q1 2014; +15.2% VS €4,127M IN Q4 2014
<b>OPERATING COSTS:</b>	<b>+1%</b> AT €2,106M VS €2,086M IN Q1 2014; -10.2% VS €2,346M IN Q4 2014
<b>OPERATING MARGIN:</b>	<b>+30.9%</b> AT €2,647M VS €2,022M IN Q1 2014; +48.6% VS €1,781M IN Q4 2014
<b>INCOME BEFORE TAX FROM CONTINUING OPERATIONS:</b>	<b>+87.3%</b> AT €1,785M VS €953M IN Q1 2014; VS €374M IN Q4 2014
<b>NET INCOME:</b>	<b>€1,064M</b> VS €503M IN Q1 2014 VS €48M IN Q4 2014
<b>CAPITAL RATIOS:</b>	COMMON EQUITY RATIO AFTER ACCRUED DIVIDENDS: <b>13.2% PRO-FORMA FULLY LOADED<sup>(3)</sup>;</b> <b>13.2% PHASED IN<sup>(4)</sup></b>

*Turin - Milan, May 11<sup>th</sup> 2015* – At its meeting today, the Intesa Sanpaolo Management Board approved the consolidated interim statement as at March 31<sup>st</sup> 2015<sup>(5)</sup>.

In the first quarter of 2015, the Group has achieved a **strong improvement in profitability - above the 2014-2017 Business Plan targets** - despite prolonged market challenges, and has **confirmed that its balance sheet remains solid**, as the figures below show:

- **net income above 50% of dividend commitment for 2015**, up to **€1,064m**, the highest quarterly result since **Q1 2009**, from €48m in Q4 2014 and €503m in Q1 2014

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(3) Estimated by applying the fully loaded parameters to the financial statements as at March 31<sup>st</sup> 2015, considering the total absorption of deferred tax assets (DTAs) related to the goodwill realignment, the expected absorption of DTAs on losses carried forward, the expected distribution of Q1 2015 net income of insurance companies, and the effect of the Danish compromise (under which insurance investments are risk weighted instead of being deducted from capital, with a benefit of 13 basis points).

(4) Includes Q1 2015 net income after the deduction of accrued dividends; Phased-in Common Equity ratio at 13% not considering Q1 2015 net income after pro quota dividends.

(5) Methodological note on the scope of consolidation on page 18.

- **strong growth in pre-tax income** to €1,785m, the highest quarterly figure since Q2 2008, from €374m in Q4 2014 and €953m in Q1 2014
- **significant increase in operating margin** to €2,647m, the highest quarterly figure since Q2 2007, up 48.6% versus Q4 2014 and up 30.9% versus Q1 2014
- **positive and increasing pre-tax income from all business units**: in Q1 2015, Wealth Management generated €723m pre-tax income (up 42.6% vs Q1 2014) deriving from contributions of €285m from Private Banking (up 34.4% vs Q1 2014), €128m from Asset Management (up 75.3% vs Q1 2014) and €310m from Insurance (up 39.6% vs Q1 2014). Banca dei Territori contributed €594m (up 5.1% vs Q1 2014), Corporate and Investment Banking reached €685m (up 8.7% vs Q1 2014), and International Subsidiary Banks generated €166m (up 11.4% vs Q1 2014)
- **strong growth in assets under management** of approximately €22bn in Q1 2015, with net inflow of approximately €14bn of which approximately 4bn switched from assets previously held under administration. Since year-end 2013 assets under management have increased by approximately €65bn, with net inflow of approximately €45bn of which approximately €23bn switched from assets previously held under administration
- **support to the real economy** with approximately €9bn of medium/long-term new lending in Q1 2015. Of the total figure, approximately €8bn was granted in Italy, of which more than €6bn was borrowed by families and SMEs with an increase of more than 40% on the same quarter of 2014. The Bank helped 3,500 Italian companies return to performing status from non-performing positions in the quarter, in addition to 9,000 companies in full-year 2014
- **sustained growth in net fees and commissions** to €1,812m in Q1 2015, in line with Q4 2014 and up 14.7% versus Q1 2014, the highest yearly growth since the creation of Intesa Sanpaolo
- **high efficiency**, highlighted by a cost/income ratio of 44.3% in Q1 2015, a figure that places Intesa Sanpaolo in the top tier of its European peers
- **continuous cost management** with operating costs down 10.2% versus Q4 2014 and up 1% versus Q1 2014
- **improving credit trend** with quarterly NPL inflow from performing loans at its lowest since Q1 2011. Net inflow was €1.2bn in Q1 2015, from €2.5bn in Q4 2014 (down 52%) and €1.5bn in Q1 2014 (down 21%). Gross inflow was €2.3bn, from €3.3bn in Q4 2014 (down 32%) and €2.8bn in Q1 2014 (down 20%)

- **decline in provisions reflecting improving credit trend**
  - **loan loss provisions** of €755m in Q1 2015, **the lowest quarterly figure since Q3 2011, down 27%** from €1,034m in Q4 2014, and **down 29.9%** from €1,077m in Q1 2014,
  - **NPL cash coverage ratio increased to 47%** at end of March 2015 from 46.8% at year-end 2014 (Italian peers average: 40% in Q4 2014), **with a doubtful loan cash coverage ratio of 62.7%** at end of March 2015, the same as at year-end 2014,
  - **total NPL coverage ratio of 136% including collateral**, at end of March 2015 (**146% with the addition of personal guarantees**), with a total **doubtful loan coverage ratio of 138% (146% with the addition of personal guarantees)**,
  - **robust reserve buffer on performing loans** amounting to 0.8% at end of March 2015, in line with year-end 2014
- **a very solid capital base** with capital ratios well above regulatory requirements. As at March 31<sup>st</sup> 2015, net of dividends accrued for the quarter, the **pro-forma fully loaded Common Equity ratio was 13.2%**<sup>(6)</sup>, **one of the highest levels amongst major European banks**. The phased-in Common Equity ratio came in at 13.2%<sup>(7)</sup>
- **strong liquidity position and funding capability** with **liquid assets of €110bn** and **large availability of unencumbered eligible assets with Central Banks, corresponding to liquidity of €58bn at end of March 2015**. **Basel 3 Liquidity Coverage Ratio and Net Stable Funding Ratio requirements have already been complied with**, well ahead of the implementation timeline (2018). In the first quarter of 2015, the Group's refinancing operations with the ECB to optimise the cost of funding amounted, on average, to €14.8bn (€7.1bn, on average, in 2014). This consisted of four-year TLTRO funding for €13.5bn (under the TLTRO programme, the Group borrowed €12.6bn in the last four months of 2014 and €10bn at end of March 2015) and standard open-market operations with one-week maturity for €1.3bn
- **several Business Plan initiatives are already under way and on track**, with the strong involvement of the Group's people, as illustrated below:
  - **New Growth Bank**
    - **Banca 5<sup>®</sup>**
      - the Banca 5<sup>®</sup> **“specialised” business model has been introduced in more than 2,200 branches**, with over 3,000 dedicated relationship managers. Revenues per client have already increased from €70 to more than €90

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(6) Estimated applying the parameters set out under fully loaded Basel 3 to the financial statements as at March 31<sup>st</sup> 2015, considering the total absorption of deferred tax assets (DTAs) related to the goodwill realignment, the expected absorption of DTAs on losses carried forward, the expected distribution of Q1 2015 net income of insurance companies, and the effect of the Danish compromise (under which insurance investments are risk weighted instead of being deducted from capital, with a benefit of 13 basis points).

(7) Includes Q1 2015 net income after the deduction of accrued dividends; Phased-in Common Equity ratio at 13% not considering Q1 2015 net income after pro quota dividends.

- the real estate project “**Intesa Sanpaolo Casa**”, focused on real estate sale and brokerage, is being implemented, and **20 real estate agencies** will be opened in the most important cities by the end of 2015
- **Multichannel Bank**
  - **new multichannel processes have been successfully tested and the number of multichannel clients has increased since 2014 by around 600,000 to 5 million** (Intesa Sanpaolo ranks number one in Italy in multichannel banking, with around 80% of products available via the multichannel platform)
- the **Private Banking hub**
  - **the set-up of a competence centre for High Net Worth Individuals has been completed** and dedicated initiatives for HNWI have been launched
  - **best practice sharing** has been adopted as a lever to increase profitability (i.e. upgrade of the customer segmentation, launch of new insurance products reserved for the Intesa Sanpaolo Private Banking clients)
  - **international organic expansion**, with the forthcoming opening of a Private Banking branch in London and the strengthening of Intesa Sanpaolo Private Bank (Suisse)
- the **Asset Management hub**
  - a **new product range** has been introduced into the Private Banking division (e.g., “**Best expertise**” products)
- the **Insurance hub**
  - **Intesa Sanpaolo Previdenza has been integrated** into Intesa Sanpaolo Vita
  - a new **distinctive P & C insurance offer for home and car products** has been launched
  - a **new product** combining traditional and unit linked policies has been launched
- **Banca 360° for corporate clients**
  - the **new Transaction Banking Group strategy and commercial initiatives** are ongoing
  - a new commercial model and product offering for the **SME Finance hub** have been developed (new Mediocredito Italiano)
- **Core Growth Bank**
  - **capturing untapped revenue potential**
    - the roll-out of the “**cash desk service evolution**” project is in progress with around **1,240 branches with cash desks already closing at 1 pm and approximately 130 branches fully dedicated to advisory**
    - a new **e-commerce portal** has been launched, ready to fully seize **business potential from EXPO 2015**
    - a **new service model** has been introduced in the **Banca dei Territori division**, with the creation of three specialised commercial value chains, the creation of approximately 1,200 managerial roles, and the innovation of the SME service model
    - a new retail **branch layout** has been defined
    - the **Corporate and Investment Banking Asset Light model is fully operational**, with benefits in terms of cross-selling

- a **front-line excellence programme** is being implemented in the Corporate and Investment Banking division, starting from the Corporate and Public Finance segment
- the **organisation of the Corporate and Investment Banking division** has been revised to better serve top international clients
- a **new segmentation and a new service model** have been adopted for **affluent clients of the International Subsidiary Banks division**
- the **international strategy of Banca IMI** is being implemented, with a focus on core selected products
- **continuous cost management**
  - the **geographical footprint simplification** continues, with an additional **46 branches closed in the first quarter** of 2015, reaching a **total of approximately 320 branch closures since 2014**
  - the **simplification of legal entities is ongoing: the rationalisation of seven product factories**, performing leasing, factoring, specialised finance and advisory activities, **into one** (new Mediocredito Italiano) has been finalised, and **four local banks have been merged** into the Parent Company
- **dynamic credit and risk management**
  - the **proactive credit management value chain** has been empowered: it is fully in place for the Banca dei Territori division and the Corporate and Investment Banking division with approximately **500 dedicated specialists** and has been launched in pilot Countries for International Subsidiary Banks
  - **integrated management of substandard loans** is in place
- **Capital Light Bank**
  - Capital Light Bank is **fully operational** with **630 dedicated people** in place and **approximately €4.7bn of deleveraging has already been achieved**
  - a **new performance management system** is fully operational on each asset class
  - **Re.O.Co.** (Real Estate Owned Company) is **fully up and running**, and has generated an estimated **positive impact** for the Group of around **€15m** since 2014
- **people and investment as key enablers:**
  - around **3,600 people** have already been **reallocated** to high priority initiatives
  - the **Investment Plan for Group employees has been finalised, registering the highest number of participants** in the Group's history
  - **people satisfaction within the Group has increased by 23 percentage points** versus 2013
  - the **“Big Financial Data”** programme for integrated management of customer and financial data is being implemented
  - the **Chief Innovation Officer** is fully operational
  - the **“Innovation Centre”**, created for training and developing new products, processes and the “ideal branch”, is fully operational at the **new Intesa Sanpaolo Tower** in Turin
  - a **large-scale digitalisation programme** has been launched with the aim of improving efficiency and service level in top priority operating processes.

## **The income statement for the first quarter of 2015**

The consolidated income statement for Q1 2015<sup>(8)</sup> recorded **operating income** of €4,753m, up 15.2% from €4,127m in Q4 2014 and up 15.7% from €4,108m in Q1 2014.

**Net interest income** for Q1 2015 amounted to €1,973m, down 4.2% from €2,060m in Q4 2014 and down 6% from €2,100m in Q1 2014.

**Net fee and commission income** amounted to €1,812m, the same as in Q4 2014. In detail, commissions on commercial banking activities were down 5.3%, and those on management, dealing and consultancy activities (including portfolio management, distribution of insurance products, dealing and placement of securities, etc.) were up 8.1%. Under the latter, commissions on dealing and placement of securities were up 45.7%, commissions on portfolio management were up 4.3% (performance commissions contributed approximately €30m in Q1 2015, collected on a yearly basis on target maturity funds, and around €100m in Q4 2014), and those on distribution of insurance products were down 1.1%. Net fee and commission income increased by 14.7% in Q1 2015, compared with €1,580m in Q1 2014. In detail, commissions on commercial banking activities were unchanged, while those on management, dealing and consultancy activities were up 30.7%. Under the latter, commissions on portfolio management were up 50.9%, commissions on distribution of insurance products were up 16.7%, and those on dealing and placement of securities were up 0.7%.

(8) During the preparation of the interim statement at September 30<sup>th</sup> 2008, in the wake of the global financial crisis, certain amendments to international accounting standards were introduced and adopted by the European Commission. In short, in accordance with these amendments it is possible to reclassify - in specific circumstances considered to be rare - unquoted financial instruments, or no longer quoted, in an active market and no longer held for trading or available for sale: in particular, out of the category “fair value through profit and loss” into the categories “available-for-sale” or the “held-to-maturity” or “loans and receivables”, and out of the category “available-for-sale” into the category “loans and receivables”. The Group, largely basing on the prices at July 1<sup>st</sup> 2008, reclassified financial assets held for trading of €756m into loans and receivables and €2m into financial assets available for sale; the Group also reclassified financial assets available for sale of €5,692m into loans and receivables. If these reclassifications had not been made, the profits/losses on trading for the first quarter of 2015 would have recorded a negative pre-tax impact of €2m (a positive impact of €60m in full-year 2014, a positive impact of €94m in full-year 2013, a positive impact of €135m in full-year 2012, a negative impact of €11m in full-year 2011, a positive impact of €92m in full-year 2010 and of €73m in full-year 2009, and a negative impact of €460m in full-year 2008) and the shareholders’ equity as at March 31<sup>st</sup> 2015 would have included a negative pre-tax direct impact of €855m (with a positive impact of €215m in the first quarter of 2015).



**Profits on trading** were €602m, compared with €81m in Q4 2014. Profits from customers increased to €157m from €40m. Profits from capital markets and AFS financial assets increased to €88m from €34m. Profits from trading and treasury activities increased to €358m from €3m. Profits from structured credit products were €2m negative from profits of €4m. Profits on trading of €602m for Q1 2015 are compared with profits on trading of €151m in Q1 2014, which recorded profits from customers of €62m, profits from capital markets and AFS financial assets of €42m, profits from trading and treasury activities of €37m, and profits from structured credit products of €10m. Without the IAS reclassification of financial assets held for trading into loans and receivables and financial assets available for sale made in past years, profits on trading for Q1 2015 would have recorded a negative pre-tax impact of €2m.

**Income from insurance business** amounted to €343m, compared with €186m in Q4 2014 and €255m in Q1 2014.

**Operating costs** amounted to €2,106m, down 10.2%, compared with the €2,346m of Q4 2014 which was affected by year-end seasonality. Personnel expenses were down 4.1%, administrative expenses down 21%, and adjustments down 8%. Operating costs for Q1 2015 were up 1%, compared with €2,086m in the same quarter of 2014, due to personnel expenses rising 1.9%, adjustments rising 6.1% and administrative expenses declining 2.2%.

As a result, **operating margin** amounted to €2,647m, up 48.6% from €1,781m in Q4 2014 and up 30.9% from €2,022m in Q1 2014. The cost/income ratio was 44.3% in Q1 2015 versus 56.8% in Q4 2014 and 50.8% in Q1 2014.

Net **provisions** and adjustments (net provisions for risks and charges, net adjustments to loans, net impairment losses on other assets) amounted to €890m, compared with €1,412m in Q4 2014 and €1,144m in Q1 2014. Net provisions for risks and charges amounted to €126m (this includes estimated charges of approximately €75m for the European Resolution Fund covering the entire 2015), compared with €294m in Q4 2014 and €55m in Q1 2014. The figure for Q4 2014 included charges of approximately €160m resulting from the enactment of a legislation in Hungary concerning customer reimbursement and impacting the local banking system and, therefore, the Group's Hungarian subsidiary CIB Bank. Net adjustments to loans amounted to €755m, compared with €1,034m in Q4 2014 and €1,077m in Q1 2014. Net impairment losses on other assets were €9m, compared with €84m in Q4 2014 and €12m in Q1 2014.

**Profits/losses on investments held to maturity and on other investments** generated profits of €28m, compared with €5m in Q4 2014 and €75m in Q1 2014.

**Income before tax from continuing operations** amounted to €1,785m, compared with €374m in Q4 2014 and €953m in Q1 2014.

**Consolidated net income** for the quarter amounted to €1,064m, compared with €48m in Q4 2014 and €503m in Q1 2014, after accounting:

- taxes of €647m
- charges (net of tax) for integration and exit incentives of €6m
- charges from purchase cost allocation (net of tax) of €26m
- loss after tax from discontinued operations of €19m
- minority interests of €23m.

### **Balance sheet as at March 31<sup>st</sup> 2015**

As regards the consolidated balance sheet figures, as at March 31<sup>st</sup> 2015 **loans to customers** amounted to €346bn, an increase of 2.1% from December 31<sup>st</sup> 2014 and March 31<sup>st</sup> 2014 (a 0.2% increase vs Q4 2014 and a 2.5% decrease vs Q1 2014 when taking into account average quarterly volumes instead of those at the end of the period). Total **non-performing loans** (doubtful, substandard, restructured and past due) - net of adjustments - amounted to €33,629m, up 0.5% from €33,461m at year-end 2014. In detail, doubtful loans rose to €14,413m from €14,178m at year-end 2014, with a doubtful loans to total loans ratio of 4.2% (the same as at year-end 2014) and a cash coverage ratio of 62.7% (the same as at year-end 2014). Adding **collateral and guarantees** to the cash coverage, the total doubtful loan coverage ratio was 138% including collateral and 146% adding also personal guarantees. Substandard loans were unchanged at €15,485m, compared with year-end 2014. Restructured loans decreased to €2,536m from €2,546m as at year-end 2014. Past due loans decreased to €1,195m from €1,252m at year-end 2014.

**Customer financial assets** amounted to €867bn (net of duplications between direct deposits and indirect customer deposits), up 4.9% from year-end 2014 and up 6.2% from end of March 2014. Under customer financial assets, **direct deposits from banking business** amounted to €370bn, up 2.8% from year-end 2014 and down 0.7% from end of March 2014; **direct deposits from insurance business and technical reserves** amounted to €126bn, up 6.5% from year-end 2014 and up 27.3% from end of March 2014. Indirect customer deposits amounted to €496bn, up 6.4% from year-end 2014 and up 12% from end of March 2014. **Assets under management** reached €323bn, up 7.2% from year-end 2014 and up 19.9% from end of March 2014. As for bancassurance, in the first quarter of 2015, new business for life policies amounted to €6.5bn (2.9% higher than in Q1 2014). Assets under administration and in custody amounted to €172bn, up 5% from year-end 2014 and down 0.3% from end of March 2014.

**Capital ratios** as at March 31<sup>st</sup> 2015 - calculated by applying the transitional arrangements for 2015 and net of the dividends accrued for the first quarter - were as follows:

- Common Equity ratio<sup>(9)</sup> at 13.2% (13.6% at year-end 2014),
- Tier 1 ratio<sup>(10)</sup> at 13.8% (14.2% at year-end 2014),
- total capital ratio<sup>(11)</sup> at 16.6% (17.2% at year-end 2014).

The estimated pro-forma common equity ratio for the Group on a **fully loaded basis** stands at 13.2% (year-end 2014: 13.3%). It has been calculated applying the fully loaded parameters to the financial statements as at March 31<sup>st</sup> 2015, and considering the total absorption of deferred tax assets (DTAs) related to the goodwill realignment, the expected absorption of DTAs on losses carried forward, the expected distribution of Q1 2015 net income of insurance companies, and the effect of the Danish compromise (under which insurance investments are risk weighted instead of being deducted from capital, with a benefit of 13 basis points).

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As a result of the strategic decisions taken, **Intesa Sanpaolo** has confirmed its position as **one of the most solid international banking Groups**. In addition to the asset quality and level of capital ratios commented on above, the Group has continued to build on the following key strengths:

- a **robust liquidity profile** with
  - large availability of unencumbered eligible assets with Central Banks (including eligible assets received as collateral and excluding eligible assets currently used as collateral), corresponding to liquidity of €58bn at end of March 2015
  - high level of liquid assets (made up of eligible assets available - excluding eligible assets received as collateral - and eligible assets currently used as collateral) equal to €110bn at end of March 2015
  - the Group's refinancing operations with the ECB to optimise the cost of funding amounting, on average, to €14.8bn in the first quarter of 2015 (€7.1bn, on average, in 2014). This consisted of four-year TLTRO funding for €13.5bn (under the TLTRO programme, the Group borrowed €12.6bn in the last four months of 2014 and €10bn at end of March 2015) and standard open-market operations with one-week maturity for €1.3bn
  - stable and well-diversified sources of funding, with 72% of direct deposits from the banking business (including securities issued) generated from retail operations

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(9) Includes Q1 2015 net income after the deduction of accrued dividends; Phased-in Common Equity ratio at 13% not considering Q1 2015 net income after pro quota dividends.

(10) Includes Q1 2015 net income after the deduction of accrued dividends; Tier 1 ratio at 13.6% not considering Q1 2015 net income after pro quota dividends.

(11) Includes Q1 2015 net income after the deduction of accrued dividends; total capital ratio at 16.4% not considering Q1 2015 net income after pro quota dividends.

- medium/long-term funding of approximately €7bn raised to date, of which €1.8bn retail
- as regards medium/long-term wholesale funding, €3.25bn of Eurobonds and €1bn of covered bonds placed on international markets (the demand - more than 75% from foreign investors - on average exceeded the issue target by 160%)
- **low leverage** with
  - leverage ratio (6.5% as at March 31<sup>st</sup> 2015) and tangible net shareholders' equity to tangible assets ratio, both best-in class among major European banking groups;

\* \* \*

As at March 31<sup>st</sup> 2015, the Intesa Sanpaolo Group's **operating structure** had a total network of 5,779 branches - of which 4,392 were in Italy and 1,387 were abroad - with 89,315 employees.

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## **Breakdown of results by business area**

The **Banca dei Territori** division comprises:

- Retail customers (individual customers with financial assets up to €100,000 and businesses/companies with low-complexity needs)
- Personal customers (individual customers with financial assets between €100,000 and €1m)
- SME customers, including companies whose group's turnover is below €350m.

The division includes Banca Prossima, at the service of non-profit entities and operating through the Group's branches with regional centres and a team of specialists, and comprises product companies such as Mediocredito Italiano, which is the SME Finance Hub, Intesa Sanpaolo Personal Finance operating in the consumer credit business, and Setefi operating in electronic payments.

In the first quarter of 2015, the Banca dei Territori division recorded:

- operating income of €2,348m, -1.0% versus €2,372m in Q4 2014 and -3.3% versus €2,427m in Q1 2014, contributing approximately 49% of the consolidated operating income (59% in Q1 2014);
- operating costs of €1,233m, -4.4% versus €1,290m in Q4 2014 and -2.4% versus €1,263m in Q1 2014;
- operating margin of €1,115m, +3.1% versus €1,082m in Q4 2014 and -4.2% versus €1,164m in Q1 2014;
- a cost/income ratio of 52.5%, versus 54.4% in Q4 2014 and 52% in Q1 2014;
- net provisions and adjustments of €521m, versus €846m in Q4 2014 and €599m in Q1 2014;
- income before tax from continuing operations of €594m, versus €235m in Q4 2014 and €565m in Q1 2014;
- net income of €351m, versus €71m in Q4 2014 and €332m in Q1 2014.

The **Corporate and Investment Banking** division includes:

- International Network & Global Industries, which manages relationships with approximately 1,200 global industrial corporates operating in eight key industries with high growth potential (automotive & industrial; basic resources & diversified; consumer, retail & luxury; healthcare & chemical; infrastructures; oil & gas; power & utilities; telecom, media & technology). Furthermore, this department is responsible for foreign branches, representative offices and foreign subsidiaries carrying out corporate banking (Société Européenne de Banque and Intesa Sanpaolo Bank Ireland), and provides specialist support toward the internationalisation of Italian corporates and export development
- Corporate and Public Finance, which manages relationships with approximately 700 large to mid-sized Italian corporates and provides services to government, public entities, local authorities, universities, public utilities, general contractors, and public and private healthcare providers

- Global Banking & Transaction, which is responsible for relationships with financial institutions, management of transactional services related to payment systems, trade and export finance products and services, as well as custody and settlement of Italian securities (local custody)
  - Banca IMI, which operates in investment banking (M&A and advisory), structured finance, capital markets and primary markets (equity and debt capital market).
- The division also comprises the management of the Group's proprietary trading.

In the first quarter of 2015, the Corporate and Investment Banking division recorded:

- operating income of €956m, +25.4% versus €763m in Q4 2014 and +9.3% versus €875m in Q1 2014, contributing approximately 20% of the consolidated operating income (21% in Q1 2014);
- operating costs of €224m, -14.6% versus €262m in Q4 2014 and +7.7% versus €208m in Q1 2014;
- operating margin of €732m, +46.3% versus €500m in Q4 2014 and +9.7% versus €667m in Q1 2014;
- a cost/income ratio of 23.4%, versus 34.4% in Q4 2014 and 23.8% in Q1 2014;
- net provisions and adjustments of €47m, versus €125m in Q4 2014 and €84m in Q1 2014;
- no profits/losses on investments held to maturity and on other investments, versus -€22m in Q4 2014 and €47m in Q1 2014;
- income before tax from continuing operations of €685m, versus €354m in Q4 2014 and €630m in Q1 2014;
- net income of €461m, versus €236m in Q4 2014 and €421m in Q1 2014.

The **International Subsidiary Banks**<sup>(12)</sup> division is responsible for activities in foreign markets where the Group has operations through commercial banking subsidiaries and associates, and provides guidelines, coordination and support for the Group's subsidiaries. It is responsible for defining the Group's development strategy related to its direct presence abroad, including exploring and analysing new growth opportunities in markets where the Group already has a presence, as well as in new ones. This division also coordinates operations of international subsidiary banks and their relations with the Parent Company's head office departments and the Corporate and Investment Banking division's branches and offices abroad. The division is in charge of the Group's operations in the following geographical areas: i) South-Eastern Europe, through Privredna Banka Zagreb in Croatia, Banca Intesa Beograd in Serbia, Intesa Sanpaolo Banka Bosna i Hercegovina in Bosnia and Herzegovina, Intesa Sanpaolo Bank Albania, Intesa Sanpaolo Bank Romania; ii) Central-Eastern Europe, through Banka Koper in Slovenia, VUB Banka in Slovakia and CIB Bank in Hungary; iii) CIS & South Mediterranean, through Banca Intesa in the Russian Federation and Bank of Alexandria in Egypt.

In the first quarter of 2015, the International Subsidiary Banks division recorded:

- operating income of €506m, -0.3% versus €508m in Q4 2014 and +3.9% versus €487m in Q1 2014, contributing approximately 11% of the consolidated operating income (12% in Q1 2014);
- operating costs of €254m, -10.4% versus €284m in Q4 2014 and +1.6% versus €250m in Q1 2014;
- operating margin of €252m, +12.5% versus €224m in Q4 2014 and +6.3% versus €237m in Q1 2014;
- a cost/income ratio of 50.2%, versus 55.9% in Q4 2014 and 51.3% in Q1 2014;
- net provisions and adjustments of €85m, versus €188m in Q4 2014 and €89m in Q1 2014;
- profits/losses on investments held to maturity and on other investments of -€1m, versus -€1m in Q4 2014 and €1m in Q1 2014;
- income before tax from continuing operations of €166m, versus €35m in Q4 2014 and €149m in Q1 2014;
- net income of €120m, versus €7m in Q4 2014 and €114m in Q1 2014;

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(12) The International Subsidiary Banks division does not include Pravex-Bank in Ukraine, which is currently under discontinued operations, and the bad bank of CIB Bank in Hungary. Both have been placed in a reporting line to the Capital Light Bank business unit.

The **Private Banking** division serves the top customer segment (Private and High Net Worth Individuals) and coordinates the operations of Banca Fideuram, Fideuram Investimenti, Intesa Sanpaolo Private Banking, Sirefid, Fideuram Fiduciaria, Intesa Sanpaolo Private Bank (Suisse) and Fideuram Asset Management Ireland.

In the first quarter of 2015, the Private Banking division recorded:

- operating income of €427m, +9.3% versus €391m in Q4 2014 and +22% versus €350m in Q1 2014, contributing approximately 9% of the consolidated operating income (9% in Q1 2014);
- operating costs of €128m, -12.5% versus €146m in Q4 2014 and +6.7% versus €120m in Q1 2014;
- operating margin of €299m, +22.4% versus €244m in Q4 2014 and +30% versus €230m in Q1 2014;
- a cost/income ratio of 30%, versus 37.5% in Q4 2014 and 34.3% in Q1 2014;
- net provisions and adjustments of €14m, versus €35m in Q4 2014 and €18m in Q1 2014;
- income before tax from continuing operations of €285m, +36.1% versus €209m in Q4 2014 and +34.4% versus €212m in Q1 2014;
- net income of €178m, +40.4% versus €127m in Q4 2014 and +45.9% versus €122m in Q1 2014.

The **Asset Management** division develops asset management solutions targeted at the Group's customers, commercial networks outside the Group and the institutional clientele through Eurizon Capital. Eurizon Capital controls Eurizon Capital SA (Luxembourg), a company specialising in managing Luxembourg mutual funds with low tracking error and VUB Asset Management (Slovakia) which is 50.12% owned by Eurizon Capital SA and heads up the Hungarian CIB IFM and the Croatian PBZ Invest (Eastern European asset management hub). Eurizon Capital also controls Epsilon Associati SGR, a company specialising in managing structured products and mutual funds using quantitative methods which is 51% owned by Eurizon Capital and 49% owned by Banca IMI. Eurizon Capital owns a 49% stake in a Chinese asset management company, Penghua Fund Management.

In the first quarter of 2015, the Asset Management division recorded:

- operating income of €160m, -10% versus €178m in Q4 2014 and +58.4% versus €101m in Q1 2014, contributing approximately 3% of the consolidated operating income (2% in Q1 2014);
- operating costs of €32m, -14.4% versus €37m in Q4 2014 and +14.3% versus €28m in Q1 2014;
- operating margin of €128m, -8.8% versus €140m in Q4 2014 and +75.3% versus €73m in Q1 2014;
- a cost/income ratio of 20%, versus 21% in Q4 2014 and 27.7% in Q1 2014;



- no provisions and adjustments, versus net provisions and adjustments of €2m in Q4 2014 and no provisions and adjustments in Q1 2014;
- income before tax from continuing operations of €128m, -7.8% versus €139m in Q4 2014 and +75.3% versus €73m in Q1 2014;
- net income of €94m, versus €93m in Q4 2014 and €47m in Q1 2014.

The **Insurance** division develops insurance products tailored for the Group's clients and coordinates the operations of Intesa Sanpaolo Vita (which controls Intesa Sanpaolo Assicura) and Fideuram Vita.

In the first quarter of 2015, the Insurance division recorded:

- operating income of €345m, +90.1% versus €181m in Q4 2014 and +32.2% versus €261m in Q1 2014, contributing approximately 7% of the consolidated operating income (6% in Q1 2014);
- operating costs of €35m, -17.4% versus €42m in Q4 2014 and -10.3% versus €39m in Q1 2014;
- operating margin of €310m, +123% versus €139m in Q4 2014 and +39.6% versus €222m in Q1 2014;
- a cost/income ratio of 10.1%, versus 23.4% in Q4 2014 and 14.9% in Q1 2014;
- income before tax from continuing operations of €310m, versus €139m in Q4 2014 and €222m in Q1 2014;
- net income of €204m, versus €71m in Q4 2014 and €144m in Q1 2014.

### **The outlook for 2015**

In 2015, the Intesa Sanpaolo Group is expected to register an improvement in operating income, driven by net fees and commissions, as well as in operating margin, and in income before tax from continuing operations with a decline in the cost of risk, all within the framework of a sustainable profitability. The commitment to distribute €2 billion cash dividends for 2015, as indicated in the 2014-2017 Business Plan, is confirmed.

\* \* \*

Income statement and balance sheet figures for 2014 relating to the business areas were restated to take into account the new organisational structure as defined in the last quarter of 2014 with the creation of three new divisions (Private Banking, Asset Management, and Insurance) and the Capital Light Bank business unit.

\* \* \*

*In order to present more complete information on the results generated in the first quarter of 2015, the reclassified consolidated income statement and the reclassified consolidated balance sheet included in the interim statement approved by the Management Board are attached. Please note that these statements and the interim statement have not been reviewed by the auditing company.*

\* \* \*

**The manager responsible for preparing the company's financial reports, Ernesto Riva, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.**

\* \* \*

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This press release contains certain forward-looking statements, projections, objectives, estimates and forecasts reflecting the Intesa Sanpaolo management's current views with respect to certain 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 Intesa Sanpaolo's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where Intesa Sanpaolo participates or is seeking to participate.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Intesa Sanpaolo Group's ability to achieve its projected objectives or results is dependent on many factors which are outside management's control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to Intesa Sanpaolo as of the date hereof. Intesa Sanpaolo undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to Intesa Sanpaolo or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.

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# Intesa Sanpaolo Group

## Reclassified consolidated statement of income

	31.03.2015	31.03.2014	(millions of euro)	
			Changes amount	%
Net interest income	1,973	2,100	-127	-6.0
Profits (losses) on investments carried at equity	28	30	-2	-6.7
Net fee and commission income	1,812	1,580	232	14.7
Profits (Losses) on trading	602	151	451	
Income from insurance business	343	255	88	34.5
Other operating income (expenses)	-5	-8	-3	-37.5
Operating income	4,753	4,108	645	15.7
Personnel expenses	-1,297	-1,273	24	1.9
Other administrative expenses	-636	-650	-14	-2.2
Adjustments to property, equipment and intangible assets	-173	-163	10	6.1
Operating costs	-2,106	-2,086	20	1.0
Operating margin	2,647	2,022	625	30.9
Net provisions for risks and charges	-126	-55	71	
Net adjustments to loans	-755	-1,077	-322	-29.9
Net impairment losses on other assets	-9	-12	-3	-25.0
Profits (Losses) on investments held to maturity and on other investments	28	75	-47	-62.7
Income (Loss) before tax from continuing operations	1,785	953	832	87.3
Taxes on income from continuing operations	-647	-364	283	77.7
Charges (net of tax) for integration and exit incentives	-6	-7	-1	-14.3
Effect of purchase price allocation (net of tax)	-26	-46	-20	-43.5
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Income (Loss) after tax from discontinued operations	-19	-13	6	46.2
Minority interests	-23	-20	3	15.0
<b>Net income (loss)</b>	<b>1,064</b>	<b>503</b>	<b>561</b>	
Basic EPS - euro	0.06	0.03		
Diluted EPS - euro	0.06	0.03		

Figures restated where required by international accounting standards and, where necessary, considering the changes in the scope of consolidation.

# Intesa Sanpaolo Group

## Quarterly development of the reclassified consolidated statement of income

	(millions of euro)				
	2015		2014		
	First quarter	Fourth quarter	Third quarter	Second quarter	First quarter
Net interest income	1,973	2,060	2,110	2,104	2,100
Profits (losses) on investments carried at equity	28	2	53	-19	30
Net fee and commission income	1,812	1,812	1,646	1,724	1,580
Profits (Losses) on trading	602	81	136	409	151
Income from insurance business	343	186	240	251	255
Other operating income (expenses)	-5	-14	21	-12	-8
Operating income	4,753	4,127	4,206	4,457	4,108
Personnel expenses	-1,297	-1,353	-1,251	-1,215	-1,273
Other administrative expenses	-636	-805	-648	-666	-650
Adjustments to property, equipment and intangible assets	-173	-188	-168	-164	-163
Operating costs	-2,106	-2,346	-2,067	-2,045	-2,086
Operating margin	2,647	1,781	2,139	2,412	2,022
Net provisions for risks and charges	-126	-294	-12	-181	-55
Net adjustments to loans	-755	-1,034	-1,248	-1,179	-1,077
Net impairment losses on other assets	-9	-84	-64	-67	-12
Profits (Losses) on investments held to maturity and on other investments	28	5	73	235	75
Income (Loss) before tax from continuing operations	1,785	374	888	1,220	953
Taxes on income from continuing operations	-647	-183	-322	-912	-364
Charges (net of tax) for integration and exit incentives	-6	-74	-9	-13	-7
Effect of purchase price allocation (net of tax)	-26	-45	-49	-53	-46
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-	-
Income (Loss) after tax from discontinued operations	-19	-15	-11	-9	-13
Minority interests	-23	-9	-14	-16	-20
<b>Net income (loss)</b>	<b>1,064</b>	<b>48</b>	<b>483</b>	<b>217</b>	<b>503</b>

Figures restated where required by international accounting standards and, where necessary, considering the changes in the scope of consolidation.

# Intesa Sanpaolo Group

## Reclassified consolidated balance sheet

Assets	31.03.2015	31.12.2014	(millions of euro)	
			Changes amount	%
Financial assets held for trading	62,257	53,741	8,516	15.8
of which: Insurance Companies	823	785	38	4.8
Financial assets designated at fair value through profit and loss	48,620	43,863	4,757	10.8
of which: Insurance Companies	47,361	42,657	4,704	11.0
Financial assets available for sale	138,067	124,150	13,917	11.2
of which: Insurance Companies	74,813	71,604	3,209	4.5
Investments held to maturity	1,470	1,471	-1	-0.1
Due from banks	34,750	31,372	3,378	10.8
Loans to customers	346,147	339,105	7,042	2.1
Investments in associates and companies subject to joint control	2,066	1,944	122	6.3
Property, equipment and intangible assets	12,010	12,127	-117	-1.0
Tax assets	14,308	14,431	-123	-0.9
Non-current assets held for sale and discontinued operations	183	229	-46	-20.1
Other assets	22,540	23,994	-1,454	-6.1
<b>Total Assets</b>	<b>682,418</b>	<b>646,427</b>	<b>35,991</b>	<b>5.6</b>
Liabilities and Shareholders' Equity	31.03.2015	31.12.2014	Changes amount	%
Due to banks	57,868	51,495	6,373	12.4
Due to customers and securities issued	364,168	354,506	9,662	2.7
of which: Insurance Companies	1,303	1,289	14	1.1
Financial liabilities held for trading	54,394	46,376	8,018	17.3
of which: Insurance Companies	234	333	-99	-29.7
Financial liabilities designated at fair value through profit and loss	42,088	37,622	4,466	11.9
of which: Insurance Companies	42,088	37,622	4,466	11.9
Tax liabilities	3,227	2,323	904	38.9
Liabilities associated with non-current assets held for sale and discontinued operations	140	201	-61	-30.3
Other liabilities	25,849	23,868	1,981	8.3
Technical reserves	82,925	79,701	3,224	4.0
Allowances for specific purpose	5,189	5,273	-84	-1.6
Share capital	8,725	8,725	-	-
Reserves	37,545	36,329	1,216	3.3
Valuation reserves	-1,147	-1,622	-475	-29.3
Minority interests	383	379	4	1.1
Net income (loss)	1,064	1,251	-187	-14.9
<b>Total Liabilities and Shareholders' Equity</b>	<b>682,418</b>	<b>646,427</b>	<b>35,991</b>	<b>5.6</b>

Figures restated where required by international accounting standards and, where necessary, considering the changes in the scope of consolidation and discontinued operations.

# Intesa Sanpaolo Group

## Quarterly development of the reclassified consolidated balance sheet

(millions of euro)

Assets	2015	2014			
	31/3	31/12	30/9	30/6	31/3
Financial assets held for trading	62,257	53,741	55,445	52,071	52,352
of which: Insurance Companies	823	785	745	763	834
Financial assets designated at fair value through profit and loss	48,620	43,863	40,197	38,459	36,665
of which: Insurance Companies	47,361	42,657	39,024	37,303	35,539
Financial assets available for sale	138,067	124,150	115,391	118,350	113,424
of which: Insurance Companies	74,813	71,604	63,628	61,395	57,098
Investments held to maturity	1,470	1,471	1,465	1,455	1,526
Due from banks	34,750	31,372	29,437	30,882	28,052
Loans to customers	346,147	339,105	337,265	332,211	339,020
Investments in associates and companies subject to joint control	2,066	1,944	2,170	2,128	1,951
Property, equipment and intangible assets	12,010	12,127	12,104	12,200	12,304
Tax assets	14,308	14,431	15,109	14,973	14,938
Non-current assets held for sale and discontinued operations	183	229	277	369	468
Other assets	22,540	23,994	24,844	25,207	24,433
<b>Total Assets</b>	<b>682,418</b>	<b>646,427</b>	<b>633,704</b>	<b>628,305</b>	<b>625,133</b>
<b>Liabilities and Shareholders' Equity</b>	<b>2015</b>	<b>2014</b>			
	<b>31/3</b>	<b>31/12</b>	<b>30/9</b>	<b>30/6</b>	<b>31/3</b>
Due to banks	57,868	51,495	34,495	34,557	41,819
Due to customers and securities issued	364,168	354,506	367,118	370,175	366,795
of which: Insurance Companies	1,303	1,289	544	568	569
Financial liabilities held for trading	54,394	46,376	44,573	41,183	41,482
of which: Insurance Companies	234	333	416	411	369
Financial liabilities designated at fair value through profit and loss	42,088	37,622	35,461	33,441	31,433
of which: Insurance Companies	42,088	37,622	35,453	33,433	31,424
Tax liabilities	3,227	2,323	3,091	2,593	2,825
Liabilities associated with non-current assets held for sale and discontinued operations	140	201	211	203	212
Other liabilities	25,849	23,868	24,194	25,992	23,394
Technical reserves	82,925	79,701	74,759	70,694	67,210
Allowances for specific purpose	5,189	5,273	4,675	4,694	4,360
Share capital	8,725	8,725	8,554	8,549	8,549
Reserves	37,545	36,329	36,166	36,230	37,031
Valuation reserves	-1,147	-1,622	-1,308	-1,241	-1,076
Minority interests	383	379	512	515	596
Net income (loss)	1,064	1,251	1,203	720	503
<b>Total Liabilities and Shareholders' Equity</b>	<b>682,418</b>	<b>646,427</b>	<b>633,704</b>	<b>628,305</b>	<b>625,133</b>

Figures restated where required by international accounting standards and, where necessary, considering the changes in the scope of consolidation and discontinued operations.

# Intesa Sanpaolo Group

## Breakdown of financial highlights by business area

Income statement (millions of euro)	Banca dei Territori		Corporate and Investment Banking		International Subsidiary Banks		Private Banking		Asset management		Insurance	
	3103.2015	3103.2014	3103.2015	3103.2014	3103.2015	3103.2014	3103.2015	3103.2014	3103.2015	3103.2014	3103.2015	3103.2014
Operating income	2,348	2,427	956	875	506	487	427	350	160	101	345	261
Operating costs	-1,233	-1,263	-224	-208	-254	-250	-128	-120	-32	-28	-35	-39
Operating margin	1,115	1,164	732	667	252	237	299	230	128	73	310	222
Net income (loss)	351	332	461	421	120	114	178	122	94	47	204	144

Balance sheet (millions of euro)	Banca dei Territori		Corporate and Investment Banking		International Subsidiary Banks		Private Banking		Asset management		Insurance	
	3103.2015	3112.2014	3103.2015	3112.2014	3103.2015	3112.2014	3103.2015	3112.2014	3103.2015	3112.2014	3103.2015	3112.2014
Loans to customers	188,529	187,319	87,014	82,432	25,320	24,974	7,876	7,614	262	473	13	13
Direct deposits from banking business	157,309	162,411	100,806	97,400	31,721	31,078	18,813	17,959	9	9	203	182

The figures from the comparative period have been restated to reflect the changes in the Group's organisational model, which became operational in late 2014. Figures are also restated where required by international accounting standards and, where necessary, considering the changes in the scope of consolidation and discontinued operations.