Net income from banking activities of 81 million euro (79.3 million in 2012); net income of 9.8 million euro (9.5 million in 2012)

Core Tier 1 ratio of 25.8% at the end of the year (21% at 31.12.2012)

Top rankings consolidated in market making, in the brokerage of bonds and equities (2nd place in dealing on behalf of third parties on the DomesticMOT, EuroMOT and EuroTLX, 1st place on the Hi-MTF) and on Borsa Italiana’s Screen-Based Equities Market (MTA) (4th place)

The Bank took part in major capital market operations carried out in Italy during 2013: for example, acting as co-dealer and market maker on behalf of the Ministry of Economy and Finance, the placement on the MOT market of the two “BTP-Italia” issues for over 17 billion euro in April and for over 22 billion euro in November. The latter was the largest issue aimed at the retail public ever carried out in Europe.

Milan, 27 February 2014 - The Board of Directors of Banca Akros - the investment and private banking arm of the Banca Popolare di Milano Group - chaired by Graziano Tarantini and led by the Managing Director Marco Turrina, approved the draft financial statements for 2013.

The main feature of 2013 was the positive trend in major financial markets, even though there were phases of high volatility and an economic climate that continued to be difficult. Enhancing its long-standing presence and expertise in its chosen areas of specialisation, Banca Akros has guaranteed coverage of the main markets in which it operates, with a positive impact on the related market shares, as well as a constant upgrading of the products and services that we provide to reflect the evolution of our customers’ needs”, commented the Managing Director Marco Turrina.

The Bank made net income from banking activities in 2013 of 81 million euro (+2.1% with respect to 2012); net income comes to 9.8 million euro (+3.0%).

At 31 December 2013, the Core Tier 1 ratio and the Total Capital ratio amounted to 25.8% and 27.1% respectively. Taking into account the fact that banks belonging to banking groups no longer enjoy the 25% reduction in capital requirements from 1 January 2014, these ratios would now be 19.3% and 20.3% respectively. Shareholders’ equity comes to 185.7 million euro; the balance sheet does not contain any goodwill or other intangible assets with an indefinite useful life.

In the area of market making:

- the contribution made by the activity in government bonds, domestic bonds and Eurobonds has again been particularly significant; it is worth noting our participation as co-dealer and market maker on behalf of the Ministry of Economy and Finance in the placement on the MOT market of the two BTP-Italia inflation-indexed issues, for over 17 billion euro in April and over 22 billion euro in November, which was the largest issue aimed at the retail public ever carried out in Europe. Correct positioning of the bond portfolio also allowed the Bank to seize the opportunities offered, in particular, by the stabilisation of the Italian public debt market;

- 2013 saw the start of the extension national-wide of a joint project together with BPM, the Parent Company, in the field of Corporate & Investment Banking for business customers; the Bank also has significant operations on behalf of companies and institutional counterparties in hedging instruments for interest risk, exchange risk and commodities;

- operations in derivatives on Italian shares and indices confirmed the Bank as the reference operator in regulated markets, where it operates as a market maker for stock options and stock futures, as well as in OTC derivatives.
In the activity of dealing on behalf of third parties on regulated markets (Source: Assosim), Banca Akros:

- has consolidated its high rankings in the bond markets: 2nd place in brokerage on the DomesticMOT and EuroMOT segments of the Italian Stock Exchange (with a market share of 15.5% and 17.6% respectively), 2nd place on the EuroTLX market (with a market share of 19.1%) and 1st place on the Hi-MTF market (with a market share of 28.1%);
- has reached 4th place in the ranking on Borsa Italiana’s Screen-Based Equities Market (MTA) (5th place in 2012), with a significant increase in its market share (8.2%), and on the ETFPlus market for trading ETFs - Exchange Traded Funds (with a market share of 5.7%);
- has confirmed, on the derivatives markets of the Italian Stock Exchange, its 5th place in futures on the FTSE MIB equity index (with a market share of 3.4%) and 1st place in the IDEX energy derivatives market (with a market share of 34.1%).

Equity brokerage in foreign markets also makes use of the services of ESN - European Securities Network, the equity research and trading partnership made up of Banca Akros and eight other unrelated European investment banks which are active in their domestic stock markets. This guarantees investors that there is no conflict of interest and that they are independent and have broad corporate access, thanks to the coverage of 700 European companies by 100 analysts.

Banca Akros continues to provide a high level of service to the retail customers of the BPM and WeBank network, ensuring access to major domestic and international financial markets, automatic search for dynamic best execution on fixed-income securities through SABE, a proprietary system, and the liquidity of the Group’s bond issues through management of the Systematic Internaliser.

In the field of Equity Capital Markets, the Bank took part in public offerings for the listing of Moleskine S.p.A. and Moncler S.p.A., as well as in the placement and underwriting syndicate for the increase in capital of RCS Mediaproduction S.p.A.

In the Advisory area, the Bank participated, as financial advisor and as the intermediary responsible for coordinating the receipt of acceptances, in the takeover bid launched by Meridiana S.p.A. for Meridiana Fly S.p.A.. With a view to developing alternative channels for the financing requirement of SMEs, Banca Akros acted as arranger to coordinate the setting up of a fund specialising in so-called “mini-bonds” run by Anthilia S.G.R. This fund has been subscribed by BPM and six other banks for a total of 100 million euro. In credit advisory, it is worth mentioning the Bank’s structuring of two operations in the Gas & Power sector, one of which saw the participation of SACE, and the first guaranteed loan for a leading Italian wine producer.

In the Debt Capital Market, Banca Akros participated as lead manager and bookrunner in the issue placed with institutional investors of a senior bond of BPM with a three-year duration at a fixed interest rate; it was originally placed in January 2013 for 750 million euro and then re-opened in October for an amount of 150 million euro. The Bank also took part in more than fifteen other issues, mainly of primary European financial issuers, including five for the European Investment Bank, acting as joint lead manager and bookrunner in one of them. In the corporate segment, the Bank took part as co-lead manager in the placement of an institutional bond by El Towers S.p.A. and in the role of placement bank in the public offering of bonds by Mittel S.p.A.; also worth noting is the Bank’s participation as the intermediary appointed to collect acceptances in the public exchange offer launched by Mittel S.p.A. for its own bonds.

In Private Banking, the Bank continued its focus on a select clientele in the affluent and high net-worth segments, specialising in tailor-made wealth management, order processing and administration services. The Bank completed its membership of the Allfunds Bank S.A. platform, which allows access to a wide selection of investment funds managed internationally by various operators in the field of asset management. The total value of assets at the end of the year amounted to 2 billion euro, with a positive shift towards managed funds; average assets per customer come to more than 1 million euro.

Following authorisation from the Bank of Italy, the merger of Akros Alternative Investments SGR S.p.A. with Banca Akros was finalised with effect from 1 May 2013 (from 1 January 2013 for accounting and tax purposes).

The opening months of 2014 show a positive trend in business.
Banca Akros S.p.A.

<table>
<thead>
<tr>
<th>Reclassified income statement</th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Euro/million)</td>
<td>amount</td>
<td>%</td>
</tr>
<tr>
<td>Net income from banking activities</td>
<td>81.0</td>
<td>79.3</td>
<td>1.7</td>
</tr>
<tr>
<td>Income before taxes</td>
<td>24.7</td>
<td>18.1</td>
<td>6.6</td>
</tr>
<tr>
<td>Net income</td>
<td>9.8</td>
<td>9.5</td>
<td>0.3</td>
</tr>
</tbody>
</table>

The Financial Reporting Manager declares that the accounting information contained in this press release agrees with the supporting documentation, balances on the books of account and accounting entries.

* * * * *

Banca Akros, the investment and private banking arm of the Banca Popolare di Milano Group, has extensive domestic operations complemented by the development of activities in major international markets. It offers high quality products and services, helped by its being a member of one of the leading Italian banking groups.

Investee companies

**ESN – European Securities Network LLP – London**
Banca Akros is one of the founders of “ESN” (European Securities Network LLP), the company owned jointly by 9 leading European banks and brokers, active in trading and the production of equity research based on common standards into approximately 700 European listed companies, with distinctive characteristics of independence and no conflict of interest. ESN is a multi-local partnership that has 100 analysts and 150 salesmen and traders dedicated to European equity markets.

**GSN North America Inc. – New York**
In the USA, Banca Akros also operates through GSN North America Inc., formerly ESN North America Inc., of which it owns about 12%, a “broker-dealer” based in New York and a member of the National Association of Securities Dealers Inc. (NASDAQ); this allows it, among other things, to operate on the NASDAQ and NYSE. GSN North America’s activity is geared to U.S. institutional customers, to whom it offers investment ideas on European stocks making use of the research performed by ESN’s partners, and to European institutional customers to whom it offers more efficient execution of orders on American stock markets. GSN North America’s other shareholders are France’s CM-CIC Securities (85%) and Spain’s BEKA Finance (3%).

**Group S.r.l. – Milan**
Group S.r.l. is the company owned 12.5% by Banca Akros, which carries out market research and the provision of services to its partners (eight major Italian banking groups), in view of the latter’s participation in loans to companies and/or the placement of securities (stocks and bonds) to the general public. Together, Group’s partners have a distribution network of over 7,200 bank branches.

* * * * *

**Contacts**
Banca Akros S.p.A.
Gianluca Verzelli – Communication Department
Milan: Viale Eginardo, 29 – 20149 – Tel. +39.02.4344.41 – Fax +39.02.4344.4300
Rome: Via Gregoriana, 34 - 00187 – Tel. +39.06.4544.0746
www.bancaakros.it

Weber Shandwick | Advisory
Giorgio Catalano | Carola Beretta
Tel.: +39 02-006411.1 int. 04 | Tel.: +39 02 006411.1 int. 05
Mobile: +39 334 6969275 | Mobile +39 335 6111390
gcatalano@advisorywebershandwick.it | cberetta@advisorywebershandwick.it