



BPM COVERED BOND 2 S.r.l.

**BANCA POPOLARE DI MILANO
OBBLIGAZIONI BANCARIE GARANTITE**

QUARTERLY TEST PERFORMANCE REPORT (BEFORE AN ISSUER EVENT OF DEFAULT)

COLLECTION PERIOD Q3 2016

Asset Coverage Test PASS/ FAIL PASS

A =		2.826.103.243,61
B =		14.904.723,85
C =		0,00
D =		0,00
Z =		88.856.164,38
W =		51.185.061,19
Total:	A + B + C + D - Z - W	2.700.966.741,88
Method Used for Calculating "A" ii) "Asset Percentage Adjusted Principal Balance"		
Asset Percentage used		81,76%
Amount of Credit Support		557.731.052,02
Overcollateralisation		7,53%

NPV Test PASS/ FAIL PASS

NPV Pool		3.641.649.178,32
NPV Swaps		48.991.171,32
NPV Covered Bonds		-2.693.383.927,36
Expenses		-5.674.364,10
Total		991.582.058,18

Interest Coverage Test PASS/ FAIL PASS

Interest from Pool		764.300.296,02
Net Interest from/to Swaps		48.788.945,68
Interests on Covered Bonds		-198.281.250,00
Expenses		-6.153.330,59
Total		608.654.661,10

**BANCA POPOLARE DI MILANO Società Cooperativa a responsabilità limitatata
as Calculation Agent on behalf of BPM Covered Bond 2 S.r.l.**



BANCA POPOLARE
DI MILANO

BPM COVERED BOND 2 S.r.l.

BANCA POPOLARE DI MILANO
OBBLIGAZIONI BANCARIE GARANTITE

QUARTERLY TEST PERFORMANCE REPORT (BEFORE AN ISSUER EVENT OF DEFAULT)

COLLECTION PERIOD Q3 2016

Detail of Outstanding Covered Bonds

Series	Currency	Notional Outstanding	FX Rate	EUR Countervalue	Maturity	Rate	ISIN CODE	Rating
Series 1	EURO	1.000.000.000,00	"1:1"	1.000.000.000,00	14/09/2022	0,875%	IT0005135725	A2 (Moody's)
Series 2	EURO	750.000.000,00	"1:1"	750.000.000,00	02/12/2025	1,50%	IT0005153975	A2 (Moody's)
Series 3	EURO	750.000.000,00	"1:1"	750.000.000,00	06/06/2023	0,625%	IT0005199465	A2 (Moody's)
Series 4								
Series 5								
Series 6								
Series 7								
Series 8								
Series 9								
Series 10								
TOTAL				2.500.000.000				

Transaction Parties

Role	Name	Ratings
Issuer	BPM	Ba3/NP (Moody's)
Service	BPM	Ba3/NP (Moody's)
Calculation Agent	BPM	Ba3/NP (Moody's)
Series 1 Swap Provider	Barclays	A2/P-1 (Moody's)
Series 2 Swap Provider	HSBC	Aa2/P-1 (Moody's)
Series 3 Swap Provider	HSBC	Aa2/P-1 (Moody's)
.....		
Account Bank	BNP Paribas	A1/P-1 (Moody's)
Collection Account Bank	BPM	Ba3/NP (Moody's)
Back-up Service	Zenith Service	Above Average (S&P)

Cash

Transaction Account	16.280.353,28
Interest	83.190.634,68
Principal	329.479,26
Reserve Account	10.000,00
Quota Capital Account	0,00
Term Deposits	98.810.467,22
Total	

BPM COVERED BOND 2 S.r.l.

BANCA POPOLARE DI MILANO
OBBLIGAZIONI BANCARIE GARANTITE

QUARTERLY TEST PERFORMANCE REPORT (BEFORE AN ISSUER EVENT OF DEFAULT)

COLLECTION PERIOD Q3 2016

Portfolio Summary

Total Cover Pool	3,057,731,052,02
Residential Loan Balance	3,042,826,328,17
Account Balance (Cash)	14,904,723,85
Average Residential Loan Balance	109,845,36
Number of Loans	27,701
Residential mortgages (% of Res. Pool)	100,00
EUR (% of assets)	100,00
WA Seasoning (months):	26,51
WAL Remaining Terms (months):	248,41
WAL Residential Pool (years):	11,41
WAL Covered Bond (years)	7,11
WAL LTV (%):	55,06
Fixed Rate loans (% of Res. Pool)	41,44
Variable Rate Loans (% of Res. Pool)	58,56
WA Interest rate of assets (%)	2,15
WA margin on floating rate loans (%)	1,91
Arrears >90 days (% of Res. Pool)	0,09

Years to Maturity	Amount	Number of Loans	% of Total
Up to 5 yrs	16,244,909,46	619	0,53
over 5 - 10 yrs	260,659,420,00	4,014	8,57
over 10 - 15 yrs	457,911,831,06	5,185	15,05
over 15 - 20 yrs	649,894,559,89	5,873	21,36
over 20 - 25 yrs	750,832,396,47	5,659	24,68
over 25 - 30 yrs	907,283,211,29	6,351	29,82
over 30 yrs	0,00	0	0,00
Total	3,042,826,328,17	27,701	100,00

Current Loan to Value	Amount	Number of Loans	% of Total
Up to 10%	15,294,117,52	570	0,50
over 10% - 20%	97,330,386,15	1,753	3,20
over 20% - 30%	216,424,333,96	2,833	7,11
over 30% - 40%	321,125,645,85	3,516	10,55
over 40% - 50%	452,543,094,94	4,241	14,87
over 50% - 60%	580,708,877,46	4,722	19,08
over 60% - 70%	594,114,608,53	4,564	19,53
over 70% - 80%	742,852,432,43	5,345	24,41
over 80% - 90%	14,054,620,55	105	0,46
over 90% - 95%	3,188,830,19	20	0,10
over 95% - 100%	5,189,400,59	32	0,17
Total	3,042,826,328,17	27,701	100,00

Current Balance	Amount	Number of Loans	% of Total
0,00 <	4,999,99	81	0,01
5,000,00 <	99,999,99	14,362	30,66
100,000,00 <	149,999,99	7,905	32,00
150,000,00 <	199,999,99	3,284	18,50
200,000,00 <	249,999,99	1,163	8,48
250,000,00 <	299,999,99	458	4,09
300,000,00 <	349,999,99	184	1,94
350,000,00 <	399,999,99	91	1,12
400,000,00 <	449,999,99	67	0,85
450,000,00 <	499,999,99	36	0,56
500,000,00 <	749,999,99	54	1,04
750,000,00 <	999,999,99	12	0,32
Over 1,000,000,00	13,125,270,36	10	0,43
Total	3,042,826,328,17	27,701	100,00

Borrower Region	Amount	Number of Loans	% of Total
ABRUZZO	12,516,448,13	131	0,41
BASILICATA	5,067,398,50	43	0,17
CALABRIA	6,335,678,62	64	0,21
CAMPANIA	51,143,321,27	439	1,58
EMILIA ROMAGNA	132,441,994,94	1,305	4,35
FRILU VENEZIA GIULIA	10,863,205,47	115	0,36
LAZIO	776,353,333,61	6,208	25,51
LIGURIA	53,625,999,79	524	1,76
LOMBARDIA	1,455,953,791,94	13,157	47,85
MARCHE	23,047,441,92	203	0,76
MOULISE	2,185,144,63	26	0,07
PIEMONTE	189,529,710,11	2,248	6,23
PUGLIA	81,303,674,14	897	2,67
SARDEGNA	24,709,282,47	239	0,81
SICILIA	20,202,842,30	224	0,66
TOSCANA	94,284,373,00	851	3,10
TRENTINO ALTO ADIGE	6,217,217,94	50	0,20
UMBRIA	10,677,576,29	111	0,35
VALLE D'AOSTA	1,934,877,61	17	0,06
VENETO	84,267,726,94	847	2,77
STATO ESTERO	165,288,55	2	0,01
Total	3,042,826,328,17	27,701	100,00

BANCA POPOLARE DI MILANO Società Cooperativa a responsabilità limitata
as Calculation Agent on behalf of BPM Covered Bond 2 S.r.l.