

Press Release

Q1 2010 results approved

- **Total client assets increased by 59.3% to Euro 2.5 billion, in line with Business Plan targets**
- **Consistent positive trend in net inflows (Euro 145 million) and gradual conversion of total client assets toward discretionary-managed solutions**
- **Total assets recovered in Q1 10 (+7.2%) after the restructuring of the proprietary securities portfolio carried out in 2009, with Tier 1 Ratio above 27%**
- **Strong increase of lending activity in favour of Private Banking clients (+85.7% YoY and +27.3% vs 2009 year-end)**
- **Total income of Euro 9.7 million in Q1 10, as a result of 3x growth in Private Banking revenues and decrease in Finance revenues by 45%**
- **Operating costs down 15.0% to Euro 8.8 million, despite strong investments both in personnel and platforms**
- **Consolidated net profit of Euro 0.8 million versus break-even in Q1 09**

Milan, May 13, 2010 – In a meeting chaired by Matteo Arpe, the Board of Directors of Banca Profilo S.p.A. approved, among other matters, the Consolidated Financial Results as at March 31, 2010.

Consolidated Q1 2010 results

In Q1 10 financial and economic results were in line with budget and Business Plan targets. Particularly, the first quarter recorded a strong increase in Private Banking activities, whose revenues tripled, offsetting the reduction in proprietary trading activity resulting from the deep Bank's restructuring process carried out in 2009.

Total client assets (including deposits) amounted to Euro 2,502.3 billion, up by 59.3% vs Q1 09 and up by 8.4% vs December 31, 2009, with a positive net inflows in Italy of Euro 145 million, which compares to the negative result recorded in Q1 09.

The aggregate shows a strong recovery in Q1 10 of asset under management (+29.8% vs 2009 year-end), which amounted to Euro 654.5 million, as a result of a thorough commercial and operational discipline. In this regards, the Board of Directors particularly appreciated the results recorded by discretionary-management operations which scored, since the beginning of 2010 and despite a complex market scenario, positive results and above-benchmark market performance.

Assets under custody and customer deposits, which benefit from the repatriation of financial assets in Q4 (so-called "Tax Shield"), grew by 140.8% and 165.8% vs Q109, and by 4.0% and 4.5% vs December 31, 2009, respectively.

Consolidated Income Statement shows a total income of Euro 9.7 million, down by 22% vs Euro 12.4 million recorded in Q1 09.

The difference is related to the decrease of trading income (-83.4% YoY), deriving from the significant reduction of proprietary portfolio risk.

Net interest income amounted to Euro 3.5 million in Q1 10 (vs 4.1 million as at March 31, 2010) and decreased as a result of the reduction of proprietary trading portfolio.

Net commissions, equal to Euro 4.1 million, up by 79% vs 2.3 million of Q1 09, as a result of the following factors:

- strong increase of Private Banking commissions, driven by the significant increase of net inflows;
- improved profitability of private clients' assets in Italy;
- growth of brokerage activity, both for institutional and private clients, consistently with Business Plan guidelines of developing customer-driven finance operations.

Operating costs reduced to Euro 8.8 million (-15.0% YoY) as a result of both cost containment actions, particularly at the Swiss subsidiary level, despite strong investments both in personnel and platform, and non-recurring factors of Euro 0.8 million in Q1 10.

First quarter 2010 ended with a consolidated net profit of Euro 0.8 million, which compared with the substantial break-even recorded in Q1 09.

Consolidated total assets amounted to Euro 1,586.2 million as of March 31, 2010, up by 7.2% vs 1,479.6 million as of December 31, 2009, but down by 33.2% YoY.

At the end of March 2010, Group shareholders' equity (including Q1 net profit) amounted to Euro 148.1 million. Capital ratio is still among the highest in Europe, recording a Tier 1 Ratio of 27.6%.

Consolidated results by sector of activity

Private Banking

Private Banking ended first quarter with an operating profit of Euro 834,000, largely driven by the positive trend in net inflows, which reached in Q1 10 Euro 145 million.

Private Banking total client assets – including institutional and private clients' assets, doubled year-on-year from Euro 850.5 million as of March 31, 2009, to Euro 1.7 billion in Q1 10. As described above, AUM composition is gradually shifting towards discretionary-managed solutions, with an increase in assets under management of 73% year-on-year which positively contributed to the improvement in profitability.

Positive trend of lending activity continued, consistently with funds under management increase; as of March 31, 2010, customer lending achieved Euro 45.5 million, up by 85.7% year-on-year.

Also mutual funds, managed by wholly-owned subsidiary Profilo Asset Management SGR showed a positive trend: in Q1 10 net inflows recorded an increase of 155% YoY, from Euro 23.7 million as of Q1 09 to Euro 60.2 million as of March 31, 2010.

Finance

During the first quarter, Finance division activity has been characterized by the stabilization of proprietary trading portfolio to end-2009 level and by the growth of both private and institutional client-driven brokerage activity.

First quarter 2010 saw an operational diversification in Finance division, with the launch of new business services such as the Equity Market Making on the Italian derivatives market, the "direct access" to tailor-made brokerage services for selected Private Banking clients with professional requirements, and the distribution of Banca Profilo's Equity Research.

Q1 10 total income amounts to Euro 4.2 million, despite a VAR which is substantially in line with the end of 2009 and 65% lower than the Q1 09 figure; this item is affected by the decreasing result related to residual illiquid positions which benefited of particular market conditions in Q1 09. This negative trend was only partially offset by the increase in brokerage activities for private and institutional clients.

Foreign Activities

Foreign Activities, which are carried out through the subsidiary Banque Profil de Gestion S.A., ended first quarter with an operating loss of Euro 328,000, due to the decrease in total client asset, down by 14% year-on-year as result of the repatriation process of financial assets started at the end of 2009 (so-called "Tax Shield").

Banca Profilo S.p.A.: Q1 2010 results

Bank ended first quarter with a net profit of euro 928,000, vs Euro 691,000 as of March 31, 2009 (+34%).

Total income, equal to Euro 6.9 million, down 25% vs 9.1 million of Q1 09, mainly due to the reduction of proprietary trading activity and not completely offset by the increase in Private Banking revenues.

The break-down of the aggregate shows:

- a reduction in net result from trading activities and dividends, which decreased from Euro 4.6 million in Q1 09 to Euro 824,000 in Q1 10;
- a slight reduction in net interest income from Euro 3.4 million recorded in Q1 09 to Euro 3.2 million as of March 31, 2010;
- a strong increase in net commissions, which grew from Euro 1.1 million in Q1 09 to Euro 2.8 million in Q1 10 (+162.6% YoY).

Total operating costs amounted to Euro 5.4 million, a considerable reduction vs Euro 6.2 million recorded in Q1 09.

Bank's Balance Sheet highlighted total assets of Euro 1,462 millions, compared to 1,375.6 million as of December 31, 2009 (+6.28%), and a shareholders' equity of Euro 146.2 million, in line with the 2009 year-end figure.

Approval of Stock Option Plan Regulations

The Board of Directors approved the 2010-2016 Stock Option Plan Rules. The Plan has been approved by the Ordinary and Extraordinary Shareholders' Meeting held on April 29, 2010.

DECLARATION PROVIDED BY THE CORPORATE ACCOUNTING DOCUMENTS OFFICER

As required by article 154 bis, paragraph 2, of the TUF (Consolidated Finance Act), Mrs Giovanna Panzeri, in his capacity as Corporate Accounting Documents Officer, declares that the accounting information contained in the present press release is consistent with the underlying accounting documents, records and accounting entries.

Specialized in Private Banking, Investment Banking and Capital Markets, the Profilo Group, has offices in Milan, Rome, Genoa, Reggio Emilia, Turin, Forlì, Brescia, Pistoia in Italy, and Geneva in Switzerland.

For further information:

Banca Profilo

Communications

Leonardo Tesi, ph. +39 02 58408.356

Claudia Volpin, ph. +39 02 58408.441

Investor Relations

Pier Luigi Rossi, ph. +39 02 58408.393

Community – Communication Consultants

Auro Palomba, ph. +39 02 89404231; Marco Rubino di Musebbi, mob. +39 335 6509552