

The rise of online banks in Italy “WIDIBA Bank” Case Study

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Abstract

The digitalization of technologies for the functioning of the country's economy, in particular banking institutions, has made a significant impetus to accelerate their development. It is stated that the use of advanced information technologies in the banking sector of the economy (which was gradually formalized into the concept of "online banking") has greatly facilitated the implementation of financial transactions, in particular, minimized the physical circulation of money. The purpose of the article is to study the features and principles of online banking on the example of the Italian bank WIDIBA. Methodical support of the paper includes a method of analysis of specific situations. The key components of the case method of the study are: research on the basis of literature review; formalization of key theses (issues) in the context of the unresolved part of the study; accumulation and analysis of collected information; identification of key features of the issue. This research was carried out in the light of two aspects: the strategic principles of the spread of online banking in Italy; digital technologies in the context of the strategic perspective of the Italian bank WIDIBA. The paper considers the historical aspects of the introduction and use of online banking services. It is noted that in Italy today there are 207 publicly registered commercial establishments, of which 81 are located abroad, and 6 operate mostly in the format of providing online banking services. The object of this research is the activity of the Italian bank WIDIBA, which is justified by its valuable practical experience in formalizing a plan of adequate timely strategy for entering the market of online banking services on the basis of a carefully developed development strategy. The theoretical researches were carried out in the work, in particular, in the following directions: definition of strategic actions of bank establishment according to a time lag of functioning; analysis of the budget of the banking institution (net profitability, interest margin, operating and administrative expenses, etc.); analysis of the income statement of the bank (the ratio of net profit and loss, interest margin and brokerage margin); work with financial report or balance sheet data on the structure of assets, liabilities and investments, retained earnings; study of trend dynamics of cash flows (operational, financial, investment and free cash flows). Excellent strategies are analyzed, which demonstrate how the banking sector is extremely dynamic and, that technological investments still allow easier access to new operators in case of the implementation of innovation strategies.

Keywords: Online banks; online banking; electronic banking; fintech; financial services; WIDIBA; banking sector; banks' strategies.

JEL Classification: G21, G29.



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Introduction

Financial institutions, along with the digital revolution, have gradually enriched the offer of services by integrating traditional ones with online-based services. Some banks have gone further by offering exclusively or mainly online services. This last type of bank will be considered for the purpose of this research, considering that these banks do not have physical branches where customers can go, but only virtual services and helplines. From the beginning, it is necessary to carry out a brief, but as exhaustive as possible, analysis of the innovations that have affected the financial sector in general, and the banking industry in particular. Therefore, we focus on the Italian banking market, analysing the introduction of online services up to the spread of online banks. Using the database provided by the Italian central bank “Banca D’Italia”, we highlight the case of the last entirely on-line bank that entered the market “Banca Widiba - WISE DIALOG BANK SPA”, in 2014, followed only in 2019 by a another foreign online bank, Germany based, the “N26 BANK GMBH”.

Methodology

The Case Study methodology (Corcoran and Walker, 2004; Tsang, 2013) is particularly suitable for the assessment of specific cases that can be relevant for understanding the reasons of a phenomenon. By merging qualitative and quantitative analyses, case studies summarise and point out relevant information (Zivkovic, 2012). The most frequent cases studied under this methodology are usually biographies, history of groups or communities, companies’ growth or decline. A comparative logic is particularly relevant to start investigating a phenomenon for the first time. Numerous examples are available in the literature (Ketinger et al, 1997).

This case study is carried out following the subsequent steps:

- Focus on the problem to be investigated, through an exhaustive literature review;
- Setting of key questions, according to a specific research gap;
- System analysis, identifying its boundaries;
- Data collection and comprehensive review;
- Data analysis;
- identification of the main relevant distinctive features.

Literature Review

(Step 1). The spread of financial and banking IT technologies is undeniable, the impact of which has radically changed the financial system and the way of carrying out financial transactions. The term “fintech” (Schueffel, 2016; Moşteanu and Faccia, 2020; Moşteanu, et.al, 2019) appears even too common, being able to identify any application, even minimal, of technology, to finance. Nor should we neglect the central role that banks have assumed, thanks to the use of new technologies and the so-called precious big data (Faccia et al, 2019; Srivastava and Gopalkrishnan, 2015) they have, in the fight against tax evasion (Faccia and Moşteanu, 2019) and in macroeconomic analyses (Bremus et al, 2013).

Despite many studies have been carried out on the evolutions of fintech applications, innovations in financial and banking services have been considered mainly from a customer perspective, rather than a technological evolution. Extensive literature on the online banking is based on the Technology Acceptance Model (TAM) (Lee et al, 2003), which was introduced by Davis (1986) for the first time to assess the introduction of information systems into organizations. The approaches based on extended TAM models applied to the online banking industry focused on the following drivers: a) trust; b) usage constraint; c) ease of use; d) accessibility; e) intention to Use (Sikdar et al, 2015); d) perceived usefulness; e) government support; f) risk (Hossain et al, 2020); g) perceived credibility; h) customer awareness; and i) social influence (Lavenjia and Hatammimi, 2015). The case study methodology was also widely used to analyse the evolution of the spread of online banking in general terms regarding security (Hole et al, 2006; Petratos and Faccia, 2019), service quality (Gonzalez et al, 2008; Loonam et O’loughlin, 2008), at a country level application in Saudi Arabia (Al-Somali et Gholami, 2009), in Nigeria (Omonaiye et al, 2015), in Oman (Khalfan et al, 2006), in Malaysia (Tan et al, 2010), in Romania (Guraau, 2002), in Ghana (Perkins and Annan, 2013), in India (Iyengar and Belvalkar, 2009), in Thailand (Nochai and Nochai, 2013), in Finland (Pikkarainen et al, 2006), in China (Hua, 2008), and with regard to specific banks such as Citybank UAE (Al-Mudimigh, 2003), and Saman Bank Iran (Saeednia and Abdollahi, 2012).

Therefore, a gap is identified in academic research for the Italian case in general, and the WIDIBA Bank case study has never been the subject of any research before.

Considering ATMs (Automated Teller Machines) (Ramachandran et al, 1996; McNamara, 2009) as the precursors of the massive use of technology in the banking sector, in this research, taking into account the most relevant existing literature, reference will be made as perfect synonyms to “E-Banking” (Mia et al, 2007), “Electronic Banking” (Keivani et al, 2012), “Home Banking” (Tait and Davis, 1989), “Digital Banking” (Mbama and Exepue, 2018), and “Online Banking” (Chou and Chou, 2000), meaning those services banking that can be used through the use of information technology, with internet access. “Mobile banking” (Fan and Zhan, 2010), can be considered as an extension of the online banking, since it is referred to the access to banking services through mobile phones, smartphones, or electronic tablets, rather than using a laptop or a desktop computer. Moreover, banks offer online services at different levels, therefore it is possible to identify as “online banks” (DeYoung, 2001) those banks that do not have physical branches, but that offer banking services to their customers exclusively online.

Research questions (Step 2). Given the existing literature and having identified a relevant research gap, the following research questions have been set:

- which strategic options allowed online banks to spread in Italy?
- which strategic features and technologies are driving the performances of WIDIBA Bank?

The rise of Online Banks (Step 3). The forerunners of modern online banking services were the first banking services which, starting in the early 1980s, allowed the use of remote banking services with the aid of electronic media. The popularity of the word “online” arose in the late 1980s, and mainly indicated the use of a computer, rather than going to the branch, to access the banking system, transmitting information on a common telephone line. In some cases, the interaction with the online bank took place using a numeric keypad that coded the instructions for the bank in tones, transmitted on the normal telephone line. The first real online services began operating in 1981 in New York, when four of the main local banks (Citibank, Chase Manhattan, Chemicals and Manufacturer Hannover) offered online banking services accessible through the Videotex system (Simmons, 1986). This system soon went bankrupt in much of the world. The United Kingdom was an exception, which adequately developed the technology until in 1983 it created the first institution capable of offering online banking services from home: the Nottingham Building Society (Dover, 1987; Dover, 1993). The infrastructure used was based on the Prestel system (Dover, 1987), which can be used via a computer or keyboard, connected to the telephone network and home television. In this way it was possible for the user of the online bank to query his account and consult his updated balance, or even take advantage of operations such as bank transfers or various payments (the most performed were related to the bill for electricity, telephone or of the gas). The first financial institution to offer Internet Banking was the Stanford Federal Credit Union (Yoon, 2010), which made the first online bank available to its customers in October 1994. Since the appearance of the first online bank, the Stanford Federal Credit Union, which provided Internet banking services to all its customers, the financial services offered online have multiplied to the point where banks have not they no longer even have a physical location and are entirely online.

Nowadays, through digitalisation programs, financial institutions use digital distribution channels, typically mobile, to offer competitive retail financial and banking services such as current accounts, savings accounts, loans, insurance, credit cards and capital market transactions (Moşteanu, 2019a,b; Moşteanu 2020c). Europe has seen the first cohort of challenger banks – those without physical branches (Atom Bank, Tandem Bank, Monzo, Starling Bank, Revolut, and N26) – break out, collectively attracting \$1B in funding and over 2.5M customers since 2014. These financial institutions, special banks have grown on the backs of improved user experience, appealing to those who want to be able to bank from their phones instead of visiting a retail location [see Figure 1], (CBINSIGHTS, 2018, Moşteanu, 2020a,b).

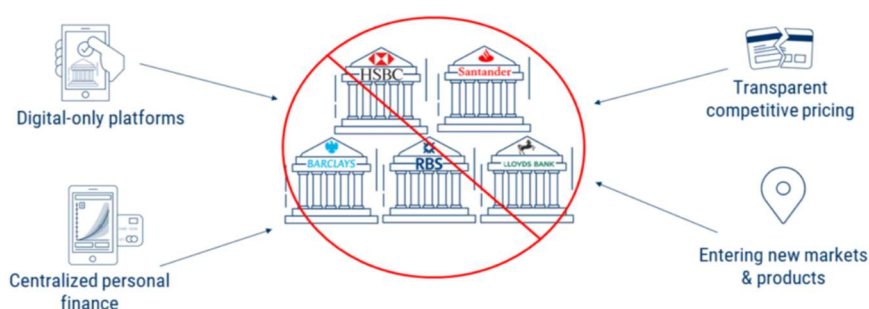


Figure 1. Customer digital interaction model for the financial institution of the future

Source: <https://www.cbinsights.com/research/challenger-bank-strategy/>

The advantages of online banks can be identified in the followings: a) reliability and security: there are no greater risks in terms of reliability and security, online banks are on the same level as traditional banks, since all the banks are currently offering home banking options; b) complete operation: using the banks' web portals, it is possible to manage bank accounts any day (even during weekends) and at any time, without having to physically go to a bank branch; c) Enhanced Home banking: an online bank allows customers to access their bank accounts conveniently from a PC. Moreover, thanks to customised APPs can also allow to turn into a mobile banking account, being able to manage the account from a smartphone; d) savings, since banks that operates online has overhead costs that are significantly lower than a physical bank. In the case of online banks, this does not only mean more profit for them, but mainly more opportunities for customers to save money through reduced or no transaction fees. Online accounts are also usually free of monthly fees.

Online Banks in Italy

The Italian public register of banks, maintained by the Bank of Italy "Banca D'Italia" (Italian Central Bank), shows that there are currently a total of 207 active banks [See Appendix A] (not in liquidation and not cancelled), 81 of these are based abroad. According to our research, there are 6 active banks authorized by the Bank of Italy to operate mainly online in Italy [See Table 1]: a) ING Bank (Netherland-based); b) Fineco; c) CheBanca!; d) IW Bank; e) Widiba; f) N26 (Germany-based).

It should be noted that two well-known online banks do not appear on this list, for well-founded reasons: a) "WEBANK" was cancelled from the register in 2014 as absorbed by "Banca Popolare di Milano – BPM"; the "HELLO BANK" brand operates under the same license as the "Banca Nazionale del Lavoro – BNL" (it is not a separate entity).

Table 1. Public Register of Banks in Italy – Online Banks only

Registration Number "MATR_ISC_AL BO"	Registration date "DATA_ISC_AL BO"	Company Name "DEN_INT"	Fiscal Code "COD_FISCA LE"	Classification "DES_CLASSIF"	COUNTRY	Parent Companies Groups
5229	01.09.1994	ING BANK N.V.	11241140158	OTHER TYPE - FOREIGN BANK	NETHERLAN DS	
5261	23.02.1995	FINECOBANK BANCA FINECO S.P.A.	1392970404	SPA (Limited Joint stock company)	ITALY	Unicredit Group
5329	18.02.1997	CHEBANCA! S.P.A.	10359360152	SPA (Limited Joint stock company)	ITALY	Mediobanca Group
5365	02.03.1998	IW BANK S.P.A.	0485260459	SPA (Limited Joint stock company)	ITALY	UBI Group
5760	25.06.2014	WIDIBA - WISE DIALOG BANK S.P.A.	8447330963	SPA (Limited Joint stock company)	ITALY	MPS Group
8084	14.05.2019	N26 BANK GMBH	10429450967	OTHER TYPE - FOREIGN BANK	GERMANY	

Source: <https://infostat.bancaditalia.it/GIAVAInquiry-public/ng/area-download%20Lista%20intermediari>

Among the banks that operate exclusively online in Italy, two of these are based abroad, ING BANK B.V., Netherlands-based, the first to enter the Italian market in 1994, and N26 BANK GMBH, based in Germany, the latest addition in 2019. The setup of WIDIBA is relatively recent, entered in the public register in 2014, becoming the last Italian bank (subsidiary wholly owned by "MPS - Monte dei Paschi di Siena") to enter the banking market exclusively online.

An overview of company profiles and key features of those six online banks is provided below.

a) ING Bank N.V.

ING Bank, the Dutch forerunner in Italy, was the first bank to operate exclusively online. Although the spectrum of services offered to customers was initially limited to a deposit account with very few straightforward functions, the well-known "Orange Account", the current offer is quite complete, ranging from investments to mortgages, also including current accounts with different features that have integrated the first type of deposit account service. The current accounts offered by this online bank are all characterized by the absence of charges. Interest rates on the capital deposited granted to users depend on the market conditions at the time of subscription. The online offer, however, has only recently been integrated by a network of branches and Orange Points (information points) located throughout the country (*analyses based on the information available in the official website <https://www.ing.com>*).

b) Finecobank – Banca Fineco S.p.A.

Fineco is currently undoubtedly one of the best online banks on the market, first Italian-based, offering a very wide range of services at no cost. A bank that has made ease of use the main mission, prioritising customers' needs, offering a unique selection of current account at zero cost. Among the services included in the current account at zero cost there is also that of online trading, which allows customers to operate within very varied markets and on many financial products. One of the features that makes this banking product interesting is its ease of use thanks to a well-designed and very intuitive portal (*analyses based on the information available in the official website www.finecobank.com*).

c) Chebanca! S.p.A.

Chebanca!, online bank subsidiary managed by the Mediobanca group, aims to expand as much as possible the offer for its customers, thanks to the enhancement of its feedback framework, and its innovative banking functionality. In addition to the traditional banking services (current accounts), Chebanca! provides a wide offer of insurance products, which are very diversified to be as efficient as possible for many types of customers. Two further sectors in which this banking group is very strong are those of investment and savings management, with many specific services that have been designed to be suitable for different types of savers (*analyses based on the information available in the official website www.chebanca.it*).

d) IW BANK S.p.A.

IW BANK S.p.A is an online bank operating since 1998, specialized in offering online financial and banking services. The offer of products and services includes the negotiation of financial instruments, current accounts, the issuance of credit and debit cards, electronic money, insurance, personal loans and mortgages. IWBANK is part of the UBI Group - Unione Banche Italiane (formerly BPU Group - Banche Popolari Unite) and since 2007 IWBANK has been listed on the Expandi stock market. In 2015, from the merger between IWBANK and UBI Banca Private Investment, IWBANK Private Investments was set up as a synthesis of the skills of a large, modern and dynamic online Bank, and of the network of its financial advisors enabled for Off-Site Offering (*analyses based on the information available in the official website www.iwbank.it*).

e) WIDIBA. – Wise Dialog Bank S.p.A.

Although WIDIBA is one of the last online banks to enter the market, two aspects have ensured its success: a wide services offer and the support of a big banking group. This online bank has been created by the parent company Montepaschi Group – MPS Group. As for the WIDIBA online offer, the main strength is the customisation of the home page according to customer needs and services subscribed. Some service packages can be subscribed under an increasing share scheme, competitive interests rates are offered in greater proportion as long as more services are activated. The current account enable users for online trading. Periodic customised deals are also often offered to current and new potential customers (*analyses based on the information available in the official website www.widiba.it*).

f) N26 BANK GMBH

N26, among online banks, offers one of the best user-friendly websites, especially in terms of management and account opening. It takes only few minutes to open a bank account and it can be done directly on the phone. Despite being the newest, N26 is a bank that operates across the Eurozone and it provides its customers with a free current account which, like all the traditional ones, also grant access to a payment card under a MasterCard circuit. If a customer wishes to activate more performing services, three different types of options are currently available: a) having an overdraft limit on the current account; b) activating investment products; and c) premium current account subscription (N26 Black). This last option is targeted for demanding customers who need to carry out more complex operations, as this option encompasses a full range of services, like those available with current accounts offered by traditional banks (*analyses based on the information available in the official website www.n26.com*).

The research strategy to focus on WIDIBA Bank case study is justified by the fact that this bank appears particularly relevant from different perspectives. First of all, the incubation period has been relatively long and it demonstrate how the plan of adequate entry strategies in the online banking market requires careful strategic reflections. It is also particularly interesting to observe how, after the appearance in Italy of the first four online banks in the nineties (between 1994 and 1998), it took 16 years before we could witness the onset of a new

online bank. It is therefore relevant to observe the strategies adopted and the performances obtained by this relatively recent online bank.

WIDIBA Bank case study (Step 4)

Widiba is one of the last banks to have entered the market of online banking and current accounts. It belongs to the Montepaschi Group, the same as Banca Monte dei Paschi di Siena, one of the oldest Italian traditional banks still operating on the market (the bank was in fact founded in 1472). The online offer of Banca Widiba is outlined by a very high level of customization. According to the number of services activated increasing competitive interest rates are granted to customers. In addition to retail online bank accounts, WIDIBA also offers savings and investment products, with the possibility of using accounts enabled for online trading, with a wide range of financial markets available for trading online. Periodic customised offers target current and new potential customers providing even more competitive high interest rates (compared to the basic account), depending on the amounts deposited. Wise Dialog Bank S.p.A. is therefore a bank that uses a fully customisable platform and a network of about 600 financial advisors rooted throughout Italy. The start of the bank's operations dates back to September 2014 and it is the result of careful market research where thousands of users of the MPS group, WIDIBA's parent holding company, have provided a decisive contribution since the definition of the name, Wise -DIALOG-Bank [see Figure 2], up to the application of countless ideas for services and products currently offered to customers.

Banca WIDIBA, like any other company, has a pyramidal organizational structure, dominated by the Board of Directors, mitigated by the management control carried out by the Board of Statutory Auditors and by the accounting control entrusted to an auditing company. Being also a bank, moreover, it provides in its organization chart specific figures made necessary for compliance with banking regulations, especially related to risk management. In particular, finally, being a wholly owned subsidiary, it is affected by the organizational structures of the parent company, on which the appointments of the Chief Executive Officer (CEO) and all members of the Board of Directors depend.


COMPANY REGISTRATION REPORT	
WISE DIALOG BANK S.P.A. IN BREVE BANCA WIDIBA S.P.A. O WIDIBA	
	
WYVJPS	
<small>The QR Code can be used to check that this document corresponds to the original produced by InfoCamere on behalf of the Italian Chambers of Commerce and Industry on the date indicated at the bottom of this page and at the top of the following pages. The check may be performed with the App 'RI QR Code' or by visiting www.registroimprese.it</small>	
SHORT PROFILE	
Legal form	Joint-stock company
Fiscal code	08447330963
VAT number	08447330963
LEI Code	8156007AE27B7429B185
Registered address	MILANO (MI) VIA MESSINA 38 CAP 20154
Registered e-mail address	bancawidiba@postacert.gruppo.mps.it
REA number	MI-2040086
Registration date	14/05/2014
Founding date	08/11/2013

Figure 2. Company Registration Report (Incorporation in Italy)

Source: Italian Public Registry, Chamber of Commerce of Milan.

Widiba's strategic plan reflects what the bank's pro tempore CEO stated at the beginning of 2020 on the occasion of the presentation of the Widiba 2020 project: *"We entered a market with many players, so we had to do everything better"*. Rather than compete on price, the focus is on the differentiation of customised extra services. Widiba's management therefore decided to innovate by adding in its web-portal an unprecedented feature that did not exist before: a search engine, which made the platform flexible and intuitive, compared to any other competitor. A single point of interaction where the customer must answer a single question: "What do you want to do?". Three simple symbols are accepted: a) "?" to ask a question; b) ":" to access information; and c) "#" to make provisions.

The distinctive strategies, set since the beginning are: a) competence and skills of 600 financial advisors and 145 operational services; b) an open platform guaranteeing personalized investment choices; c) a flexible technological system, available to be used on all mobile and tablet devices, and "individual" for the designed customization dynamics; d) intuitive, understandable, and clear language, in line with the most recent ABI

(Associazione Bancaria Italiana) guidelines; e) multilanguage options in Italian, French, English, Spanish, Portuguese, Romanian, Russian, Arabic and Chinese; f) methods of interaction and communication consistent with the patterns of modern dialogue.

It is no coincidence that over the years WIDIBA deserved several awards, such as the “Innovation Award” issued by the Italian Banking Association (ABI) and “Best Homebanking prize”, by the Italian Financial Observatory. Therefore, detailed and clear planning of the operations can be considered at the base of its success, orientating Widiba’s path. Widiba’s policy to constantly update the app to offer a high quality service to the customer is paying off. The interface is considered user-friendly and highly appreciated by customers. Its intuitiveness is certainly a strength since it allows customers’ dynamic experiences.

However, areas to be improved can be identified, since in the past bugs in the app arose, soon after some updates. Some users have also encountered problems with the TouchID function. The reviews, however, both in the Android application and especially for the iOS application are extremely positive.

Strategic Actions Time-Frame

Taking into account that each project consists of different activities aimed at achieving the objectives in a given period of time, by identifying the fundamental phases of a strategy, the following steps can be identified: a) planning (analysis of the situation, identification of problems, definition of the purpose, formulation of strategies, drafting of a work plan, estimate); b) project implementation (mobilization, use and control of resources, start of the project); c) evaluation of the project; d) Monitoring.

In the WIDIBA case study, the launch of the platform experienced an incubation period of about two years, during which the customers of the MPS group provided an essential contribution in the realization of a project, considering users the focal point. In the first 4 years (as will be better observed in the following paragraph of the financial statement analysis), the project was implemented with huge investments, especially with regard to the rooting and training of personal advisors, cumulating losses mainly due to the incurrence of fixed costs (operating costs), without prejudice to an excellent margin in terms of contribution margin (calculated as a difference between revenues and variable costs) considered as the interest margin.

The prospects for growth and profitability are now higher than in the past, having reduced fixed costs and being able to count on a growing interest margin, the bank will now be able to focus on further possible investments in innovations and always keep the focus on the customer trying to anticipate the market by providing newer functionalities and services, not only up to its corporate mission and vision, but also with a view to implementing the MPS group’s strategy, is the most innovative part.

Budget Analysis Banca Widiba S.P.A. (Step 5)

In order to be able to evaluate the bank’s performance, also from a strategic and forward-looking perspective, the data contained in the official financial statements published by the Bank was aggregated. Appropriate adjustments were applied in order to obtain a perfect comparability of the financial statements over time, due to changes in the classifications of the various macro-classes of the financial statements.

By carefully analysing the different trends of each financial statement item, the following features can be considered: a) the net profitability in the first four years, between the incorporation (2014) and 2017, showed a clear negative trend, constantly cumulating losses for a total value of approximately 46 million Euros and correctly reported in the (negative) equity reserves; b) the aforementioned negative result is largely attributable to the performance of the core activity of the banking company in question, i.e. the interest margin, with a large improvement recorded in the 2018 financial statements, but still growing in previous years; c) the growing increase in operating costs largely affected the performance of the first four periods, in particular administrative costs, linked to the development of the bank, which also made it necessary, in 2017, to recapitalize 70 million Euros. Reduced overhead costs stabilised in 2018 allowing, thanks to the simultaneous increase in the interest margin, to achieve the first net profit for the year and to reverse the negative performance trend.

Income Statement Performance Analysis

Despite the negative initial performance, in the first four years, the reduction of overhead operating costs and the positive trend in the interest margin achieved in 2018, not only it allows to rely on constant returns, but it also fuels trust in further growing earnings [See Figure 3].



Figure 3. WIDIBA Income Statements Overview (2014-2018)

Source: Our own elaborations from WIDIBA Official Financial Statements 2014-2018.

Balance Sheet Analysis

Considering the trend of the Equity disclosed in the WIDIBA financial statements, it is evident that the growing investments, especially in financial assets valued at amortised cost, related to receivables from customers and other banks, along with initial equity deficits, is proportional to the increase in the carried forward reserves of losses. This circumstance determined the need for a recapitalization, in 2017, of 70 million euros, also in order to comply with the strict capitalization requirements required by Basel 3.

It is interesting to consider that the constant increase in investments in financial assets measured at amortised cost follows on average the increase in the profitability of the interest margin, allowing to reasonably be able to disclose that the bank's overall profitability is substantially sustainable and that the initial negative performances are attributable only to the initial fixed costs which were necessarily linked to the implementation and development of the personal advisor network, the development of the technological platform and the rooting of the strategic position of the company, as well as the awareness of the brand through marketing investments. Asset are therefore constantly increased especially in the last analysed financial year (2018), suggesting that the trend may still increase in the future [See Figure 4].

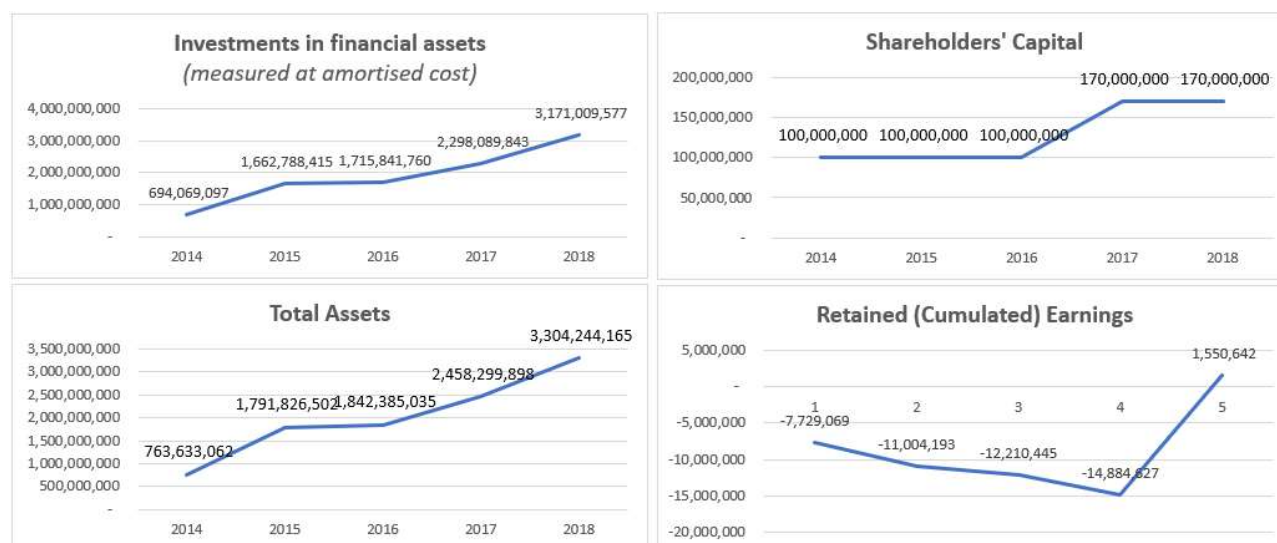


Figure 4. WIDIBA Balance Sheet Overview (2014-2018)

Source: Our own elaborations from WIDIBA Official Financial Statements 2014-2018.

Cash Flow Analysis

Considering the trend of the cash flow it is possible to determine that: a) the cash flow from operating activities showed a fluctuating trend, with suffering in the first year (2014) and 2017, and then showed a positive trend in the last administrative period (2018); b) the cash flow from investing activities shows constant, albeit limited, investments with consequent reduction in cash flow; c) the funding activity, on the other hand, highlights the capital increase of 70 million euros made in 2017; d) the overall net cash flow, on the other hand, shows a negative, albeit limited, trend.

In light of the aforementioned findings, it is possible to observe on the whole how, despite the negative trend of the FCF (Free Cash Flow), considered as the available net cash flow, the composition of the various components shows a rather reassuring combination, at least according to a strategic perspective, thanks to constant investments. It is also hopefully foreseeable, after having covered the negative reserve accumulated for the losses of the first four years, the distribution of dividends in the near future [See Figure 5].

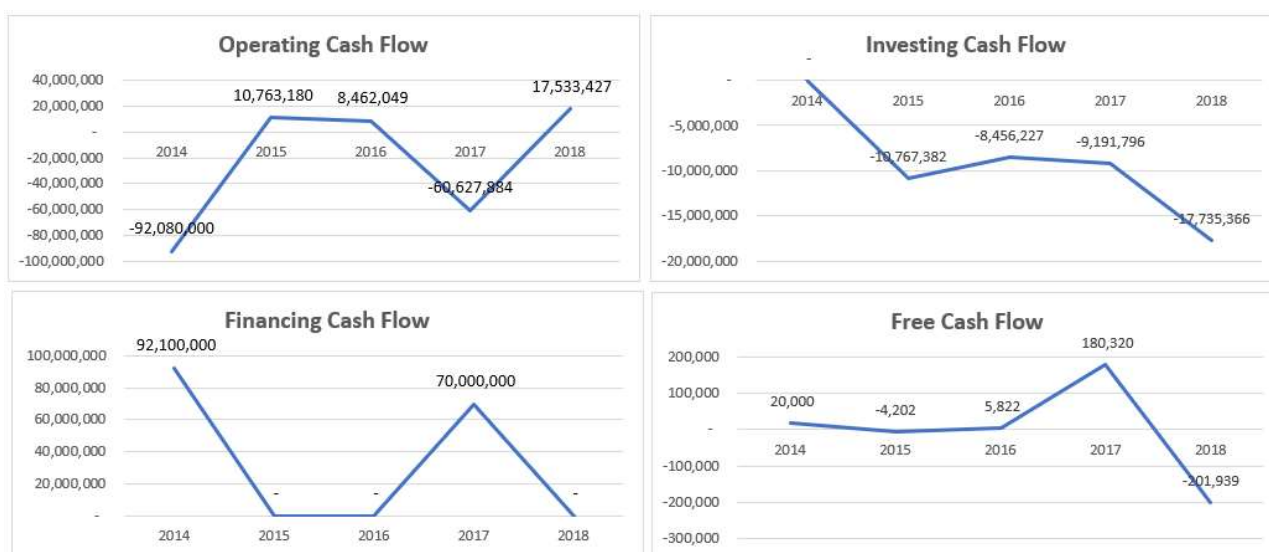


Figure 5. WIDIBA Cash Flow Overview (2014-2018)

Source: Our own elaborations from WIDIBA Official Financial Statements 2014-2018.

Findings, Conclusions, Limitations, and Recommendations (Step 6)

Based on the official database of the Italian central bank it was possible to verify that, in the Italian banking market only six banks can be identified as separate entities online banks, providing their services mainly online, namely ING, Fineco, CheBanca!, IW Bank, WIDIBA, and N26. Out of these six online banks, two are based abroad (ING and N26), the other four are spin-offs of large banking groups. Four online banks were created in the 1990s (ING, Fineco, CheBanca! and IW Bank), only in 2014 did Banca Widiba enter the market, followed so far only by the N26 German-based bank in 2019. Two well-known online banks cannot be included in this research: "WEBANK" since it was cancelled from the register in 2014 as absorbed by "Banca Popolare di Milano – BPM", and "HELLO BANK" brand since it operates under the same license as the "Banca Nazionale del Lavoro – BNL" (hence it is not a separate entity).

Banca Widiba, like other online banks, is part of a broader banking Group, focusing the development of a strategy to meet the needs and market trends that increasingly deviate from traditional business.

The Italian Banking groups that are currently running online banks are: Unicredit Group (FINECO); Mediobanca Group (CheBanca!); UBI Group (IW Bank); Montepaschi Group (WIDIBA), in addition to Banca Popolare di Milano – BPM (WEBANK) and Banca Nazionale del Lavoro – BNL (HelloBank) that are not operating as separate entities.

The WIDIBA late entry into the market, compared to the other competitors, albeit resulting in 4 consecutive loss-making exercises, as demonstrated, did not however compromise the success of this bank, which imposed the innovative ideas, matured in a two-year incubation period, prior to its launch, which determined a winning mix between information technology and relationship skills with personal advisors' roots in the territory.

The current organizational structure can be considered appropriate to the size and structure of the bank, also allowing to benefit from cross-skills and unitary strategies shared with the entire Montepaschi Group.

With regard to the available desirable business development, even if the market niche has so far been limited to private “retail” customers, the possibility of also approaching “corporate” customers in the near future cannot be precluded, with the possibility of managing additional volumes of credit. Therefore, it should always be taken into account that such a strategy would in any case determine a careful assessment from the point of view, first of all, of incurring additional fixed operating costs (in terms of training and recruitment of advisors focused on this type of customer), which instead at the present moment they have stabilized and allow to enjoy excellent potential for profitability development, thanks above all to the interest margin.

Banca MPS (Monte dei Paschi di Siena S.p.A.) is the oldest bank in the world (Tonchia and Quagni, 2010), founded in 1472, its headquarters are based in Siena, Italy, the fully owned subsidiary WIDIBA represents its online banking division. The bank’s pride lies in the ability to offer its customers a flexible website, customised by users to meet their particular needs and a network of 600 consultants, offering a wide range of financial advisory services.

Always upgraded IT systems and architectures are essential for any financial institutions, for online banks even more, not only from the perspective of IT security, but also and above all for the manageability and reliability of operations, especially during peaks of transactions. The choice of the best programming language and a customisable software application is essential not only for financial systems design, but also for the related accounting one (Kim et al, 2016; Saksonova and Kuzmina-Merlino, 2017; Faccia et al, 2019a; Faccia, 2019), to take advantage of data analytics, since banks are usually the main source of the so-called “big data” (Yan et al, 2015; Faccia et al, 2019b) in terms of investors’ behaviour.

Any prolonged blackouts of the web portal’s operations could in fact lead to significant losses to trading investors and, consequently, cause lawsuits. The goal of building a single financial services web-platform to serve high-wealth clients, is allowing WIDIBA to provide more efficient high-qualified consultancy in asset management portfolio allocation. The rapid growth experienced has led to the need to improve the speed with which to manage the growing data flows. Also launching new products to keep up with customer requests, but lacking the agility and endurance needed. The more suitable solution is create a network of database, however, unlike other banks opt for ready-made solutions offered by big hi-tech companies, WIDIBA’s experience was different. Requirements were guided exclusively by customers; therefore, management preferred to opt for an open-source software, adaptable to the always changing and demanding customers’ needs.

WIDIBA has recently stepped up its hi-tech innovation through a positive partnership with Huawei. The main aim was to shift to an interactive approach Google-style search engine, along with big data engines to provide featured banking and investing services advise to customers based on analytics algorithms and feedback information. After the implementation and testing period the Huawei’s so-called “OceanStor 5500” web-platform populated the new database (www.cio.com).

The combination of IT and relationship skills (guaranteed by personal advisors) has proved successful, with the realization of the first profit in 2018 with excellent margins for improvement also in the current year.

Financial and technological change ask banks to move from their current or present state to some desired future state to increase their effectiveness or to face new environment challenges (Moşteanu, 2019c). The advent of digitalization present unbounded opportunities to improve decision-making and to ensure more sustainable outcomes. However, like any other technological advance, they also bring challenges that will become increasingly acute as the use of big data, digital systems and application programming interface become more prevalent.

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Appendix A

Table 1. List of Active Registered Banks in Italy

MATR ISC ALBO	DATA ISC ALBO	DEN INT	DES CLASSIF
30	31/12/1936	DEUTSCHE BANK S.P.A.	SPA (Limited Joint Stock Company)
271	31/12/1936	BANCA DEL PIEMONTE S.P.A.	SPA (Limited Joint Stock Company)
371	31/12/1936	BANCA DEL FUCINO - S.P.A.	SPA (Limited Joint Stock Company)
489	31/12/1936	BANCA PICCOLO CREDITO VALTELLINESE, SOCIETA' PER AZIONI	SPA (Limited Joint Stock Company)
543	31/12/1936	BANCA CAPASSO ANTONIO - S.P.A.	SPA (Limited Joint Stock Company)
627	31/12/1936	BANCA POPOLARE VALCONCA - SOCIETA' PER AZIONI	SPA (Limited Joint Stock Company)
648	31/12/1936	CASSA LOMBARDA - S.P.A.	SPA (Limited Joint Stock Company)
1094	31/12/1936	BANCA PASSADORE & C. S.P.A.	SPA (Limited Joint Stock Company)
1121	31/12/1936	BANCA DI SCONTO E CONTI CORRENTI DI SANTA MARIA CAPUA VETERE- S.P.A.	SPA (Limited Joint Stock Company)
1175	31/12/1936	FIDEURAM - INTESA SANPAOLO PRIVATE BANKING S.P.A.	SPA (Limited Joint Stock Company)
1332	31/12/1936	BANCA DI IMOLA S.P.A.	SPA (Limited Joint Stock Company)
1717	31/12/1936	BANCO DI CREDITO P.AZZOAGLIO - S.P.A.	SPA (Limited Joint Stock Company)
2210	31/12/1936	BANCO DI DESIO E DELLA BRIANZA - SOCIETA' PER AZIONI	SPA (Limited Joint Stock Company)
3630	31/12/1936	BANCA POPOLARE DELL'ALTO ADIGE SOCIETA' PER AZIONI (IN TEDESCO SUDTIROLER VOLKSBANK A.G.)	SPA (Limited Joint Stock Company)
8006	31/12/1936	CREDITO FONDARIO S.P.A.	SPA (Limited Joint Stock Company)
4398	10/07/1937	BANCA STABIESE - S.P.A.	SPA (Limited Joint Stock Company)
4753	29/04/1946	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A.	SPA (Limited Joint Stock Company)
4762	25/07/1952	BANCA DEL MEZZOGIORNO - MEDIOCREDITO CENTRALE SPA (IN FORMA ABBREVIATA BDM - MCC S.P.A.)	SPA (Limited Joint Stock Company)
4764	13/03/1953	MEDIOCREDITO TRENINO-ALTO ADIGE - S.P.A. (IN LINGUA TEDESCA INVESTITIONSBANK TRENINO-SUDTIROL - A.G.)	SPA (Limited Joint Stock Company)
4770	28/07/1954	MPS CAPITAL SERVICES BANCA PER LE IMPRESE SPA (IN FORMA ABBREVIATA MPS BANCA PER LE IMPRESE SPA)	SPA (Limited Joint Stock Company)
4774	31/07/1957	BANCA MEDIOCREDITO DEL FRIULI VENEZIA GIULIA S.P.A.	SPA (Limited Joint Stock Company)
4775	24/12/1957	ISTITUTO PER IL CREDITO SPORTIVO - ENTE DI DIRITTO PUBBLICO	SPA (Limited Joint Stock Company)
4630	21/04/1962	CITIBANK N.A.	Other Type – Foreign Bank
4729	05/02/1973	BANCA UBAE S.P.A.	SPA (Limited Joint Stock Company)
4734	09/04/1973	DEPOBANK - BANCA DEPOSITARIA ITALIANA S.P.A.	SPA (Limited Joint Stock Company)
4747	17/12/1973	CASSA CENTRALE RAIFFEISEN DELL'ALTO ADIGE - RAIFFEISEN-LANDESBANK SUDTIROL A.G.	SPA (Limited Joint Stock Company)
4813	05/03/1975	CASSA CENTRALE BANCA - CREDITO COOPERATIVO ITALIANOSOCIETA' PER AZIONI (IN SIGLA CASSA CENTRALE BANCA)	SPA (Limited Joint Stock Company)
4836	13/01/1978	BANK SEPAH	Other Type – Foreign Bank
4858	08/01/1979	SOCIETE' GENERALE	Other Type – Foreign Bank
4918	30/11/1982	BANCO BILBAO VIZCAYA ARGENTARIA S.A. (BBVA)	Other Type – Foreign Bank
4932	02/01/1984	BPER BANCA S.P.A.	SPA (Limited Joint Stock Company)
4999	03/02/1988	BANCA EUROMOBILIARE S.P.A.	SPA (Limited Joint Stock Company)
5001	17/03/1988	UNICREDIT BANK AG	Other Type – Foreign Bank
5035	25/01/1990	ALLIANZ BANK FINANCIAL ADVISORS S.P.A.	SPA (Limited Joint Stock Company)
5043	31/08/1990	CREDIT SUISSE AG	Other Type – Foreign Bank
5074	19/12/1991	BANCA CARIGE S.P.A. - CASSA DI RISPARMIO DI GENOVA E IMPERIA (IN FORMA ABBREVIATA CARIGE S.P.A.)	SPA (Limited Joint Stock Company)
5078	25/12/1991	BANCA CASSA DI RISPARMIO DI SAVIGLIANO S.P.A.	SPA (Limited Joint Stock Company)
5091	25/12/1991	CASSA DI RISPARMIO DI FOSSANO S.P.A.	SPA (Limited Joint Stock Company)
5102	25/12/1991	CASSA DI RISPARMIO DI FERMO S.P.A. (IN FORMA ABBREVIATA CARIFERMO S.P.A.)	SPA (Limited Joint Stock Company)
5107	25/12/1991	CASSA DI RISPARMIO DI SALUZZO S.P.A.	SPA (Limited Joint Stock Company)
5087	31/12/1991	CASSA DI RISPARMIO DI BRA S.P.A.	SPA (Limited Joint Stock Company)
5096	01/01/1992	LA CASSA DI RAVENNA S.P.A.	SPA (Limited Joint Stock Company)

5099	01/01/1992	CASSA DI RISPARMIO DI CENTO S.P.A.	SPA (Limited Joint Stock Company)
5123	15/01/1992	CASSA DI RISPARMIO DI ORVIETO S.P.A.	SPA (Limited Joint Stock Company)
5127	31/05/1992	BANCA DEL MONTE DI LUCCA S.P.A.	SPA (Limited Joint Stock Company)
5139	17/07/1992	CASSA DI RISPARMIO DI ASTI S.P.A. (IN FORMA ABBREVIATA BANCA C.R. ASTI S.P.A.)	SPA (Limited Joint Stock Company)
5169	07/08/1992	BANCO DI SARDEGNA S.P.A.	SPA (Limited Joint Stock Company)
5176	12/08/1992	CASSA DI RISPARMIO DI VOLTERRA S.P.A.	SPA (Limited Joint Stock Company)
5173	14/08/1992	CASSA DI RISPARMIO DI BOLZANO S.P.A. - SUDTIROLER SPARKASSE AG	SPA (Limited Joint Stock Company)
5199	18/02/1993	BIBANCA S.P.A.	SPA (Limited Joint Stock Company)
5209	31/12/1993	FCE BANK PLC	Other Type – Foreign Bank
5229	01/09/1994	ING BANK N.V.	Other Type – Foreign Bank
5230	17/10/1994	COOPERATIEVE RABOBANK U.A.	Other Type – Foreign Bank
5239	01/12/1994	CASSA DI RISPARMIO DI BIELLA E VERCELLI - BIVERBANCA SPA	SPA (Limited Joint Stock Company)
5251	01/01/1995	ICCREA BANCA S.P.A. - ISTITUTO CENTRALE DEL CREDITO COOPERATIVO (IN FORMA ABBREVIATA: ICCREA BANCA S.P.A.)	SPA (Limited Joint Stock Company)
5261	23/02/1995	FINECOBANK BANCA FINECO S.P.A. (IN BREVE FINECOBANK S.P.A. OVVERO BANCA FINECO S.P.A. OVVERO FINECO BANCA S.P.A.)	SPA (Limited Joint Stock Company)
5274	23/08/1995	BANCA MONTE DEI PASCHI DI SIENA S.P.A.	SPA (Limited Joint Stock Company)
5271	11/09/1995	BANCA PROFILO S.P.A. (OVVERO PROFILOBANK S.P.A.)	SPA (Limited Joint Stock Company)
5288	11/10/1995	DEXIA CREDIOP S.P.A.	SPA (Limited Joint Stock Company)
5276	01/12/1995	CREDIT AGRICOLE CORPORATE & INVESTMENT BANK	Other Type – Foreign Bank
5301	01/04/1996	MUFG BANK, LTD	Other Type – Foreign Bank
5335	15/07/1996	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	Other Type – Foreign Bank
5319	01/01/1997	BANCA INTERMOBILIARE DI INVESTIMENTI E GESTIONI SOCIETA' PER AZIONI	SPA (Limited Joint Stock Company)
5328	03/02/1997	BANCA AKROS S.P.A.	SPA (Limited Joint Stock Company)
5327	03/02/1997	BAYERISCHE LANDESBANK	Other Type – Foreign Bank
5332	17/02/1997	BANCA PROGETTO S.P.A.	SPA (Limited Joint Stock Company)
5329	18/02/1997	CHEBANCA' S.P.A.	SPA (Limited Joint Stock Company)
5341	20/06/1997	INVEST BANCA SOCIETA' PER AZIONI	SPA (Limited Joint Stock Company)
5343	08/07/1997	BANCA MEDIOLANUM S.P.A.	SPA (Limited Joint Stock Company)
5350	11/10/1997	CREDITO EMILIANO S.P.A.	SPA (Limited Joint Stock Company)
5355	15/12/1997	BHW BAUSPARKASSE AG	Other Type – Foreign Bank
5361	01/01/1998	INTESA SANPAOLO S.P.A.	SPA (Limited Joint Stock Company)
5362	01/01/1998	HYPO ALPE-ADRIA-BANK S.P.A.	SPA (Limited Joint Stock Company)
5358	01/03/1998	BANCA GENERALI - SOCIETA' PER AZIONI (IN FORMA ABBREVIATA GENERBANCA)	SPA (Limited Joint Stock Company)
5365	02/03/1998	IW BANK S.P.A.	SPA (Limited Joint Stock Company)
5370	16/04/1998	CREDIT SUISSE (ITALY) S.P.A.	SPA (Limited Joint Stock Company)
5375	22/04/1998	BANK OF CHINA LIMITED - FILIALE DI MILANO O IN FORMA ABBREVIATA BANK OF CHINA - FILIALE DI MILANO	Other Type – Foreign Bank
5376	22/05/1998	COMMERZBANK AG	Other Type – Foreign Bank
5378	09/06/1998	AAREAL BANK AG	Other Type – Foreign Bank
5383	21/07/1998	ALETTI & C. BANCA DI INVESTIMENTO MOBILIARE S.P.A. (IN FORMA ABBREVIATA BANCA ALETTI & C. S.P.A.)	SPA
5384	21/07/1998	VOLKSWAGEN BANK GMBH.	Other Type – Foreign Bank
5382	15/09/1998	RCI BANQUE S.A.	Other Type – Foreign Bank
5389	09/11/1998	FARBANCA S.P.A.	SPA (Limited Joint Stock Company)
5391	31/12/1998	CREDIT AGRICOLE FRIULADRIA S.P.A.	SPA (Limited Joint Stock Company)
5396	11/01/1999	FINDOMESTIC BANCA SPA	SPA (Limited Joint Stock Company)

5405	01/06/1999	ICCREA BANCAIMPRESA S.P.A.	SPA (Limited Joint Stock Company)
5412	01/10/1999	CA INDOSUEZ WEALTH (ITALY) S.P.A.	SPA (Limited Joint Stock Company)
5422	03/01/2000	ALPENBANK A.G.	Other Type – Foreign Bank
5426	28/01/2000	BANCA REALE S.P.A.	SPA (Limited Joint Stock Company)
5429	27/03/2000	BANCA PER LO SVILUPPO DELLA COOPERAZIONE DI CREDITO S.P.A. E, IN FORMA ABBREVIATA 'BANCA SVILUPPO S.P.A.'	SPA (Limited Joint Stock Company)
5451	15/06/2000	BANCA SISTEMA S.P.A.	SPA (Limited Joint Stock Company)
5435	01/07/2000	CREDIT AGRICOLE ITALIA S.P.A.	SPA (Limited Joint Stock Company)
5439	03/07/2000	DEUTSCHE BANK MUTUI S.P.A.	SPA (Limited Joint Stock Company)
5453	27/10/2000	BANCA CONSULIA S.P.A.	SPA (Limited Joint Stock Company)
5459	16/11/2000	MORGAN STANLEY BANK INTERNATIONAL LIMITED - MILAN BRANCH	Other Type – Foreign Bank
5471	03/01/2001	BANCA REGIONALE DI SVILUPPO S.P.A. IN FORMA ABBREVIATA 'BRS S.P.A.'	SPA (Limited Joint Stock Company)
5481	02/05/2001	BNP PARIBAS LEASE GROUP	Other Type – Foreign Bank
5485	01/06/2001	BANCA IFIGEST - S.P.A.	SPA (Limited Joint Stock Company)
5490	05/06/2001	NATIXIS S.A.	Other Type – Foreign Bank
5482	30/06/2001	BNP PARIBAS	Other Type – Foreign Bank
5483	01/07/2001	BNP PARIBAS SECURITIES SERVICES	Other Type – Foreign Bank
5496	01/10/2001	SANTANDER CONSUMER BANK S.P.A.	SPA (Limited Joint Stock Company)
5508	01/01/2002	BANCA IFIS S.P.A. (OVVERO IFIS BANCA S.P.A. O IN FORMA ABBREVIATA IFIS S.P.A.)	SPA (Limited Joint Stock Company)
5515	12/04/2002	MONTE DEI PASCHI DI SIENA LEASING & FACTORING, BANCA PER I SERVIZI FINANZIARI ALLE IMPRESE S.P.A.	SPA (Limited Joint Stock Company)
5516	15/04/2002	BANCA PATRIMONI SELLA & C. S.P.A. (IN SIGLA B.P.A. S.P.A.)	SPA (Limited Joint Stock Company)
5541	07/11/2002	CNH INDUSTRIAL CAPITAL EUROPE	Other Type – Foreign Bank
5557	01/07/2003	BANCA FINNAT EURAMERICA S.P.A. (IN FORMA ABBREVIATA BANCA FINNAT S.P.A. OVVERO BANCA EURAMERICA S.P.A.)	SPA (Limited Joint Stock Company)
5564	14/07/2003	BANCO DI LUCCA E DEL TIRRENO S.P.A. (IN FORMA ABBREVIATA BANCO DI LUCCA S.P.A.)	SPA (Limited Joint Stock Company)
5580	28/08/2003	BANCA FINANZIARIA INTERNAZIONALE S.P.A. IN BREVE BANCA FININT S.P.A.	SPA (Limited Joint Stock Company)
5554	01/10/2003	INTESA SANPAOLO PRIVATE BANKING S.P.A.	SPA (Limited Joint Stock Company)
5570	01/10/2003	BANCA IMI S.P.A. (IN FORMA ABBREVIATA IMI S.P.A.)	SPA (Limited Joint Stock Company)
5573	03/11/2003	BANCA ALBERTINI S.P.A. (IN FORMA ABBREVIATA BANCA ALBERTINI S.P.A.)	SPA (Limited Joint Stock Company)
5578	01/01/2004	IBL ISTITUTO BANCARIO DEL LAVORO S.P.A. (IN FORMA ABBREVIATA IBL BANCA)	SPA (Limited Joint Stock Company)
5579	01/01/2004	BANCA PROMOS S.P.A.	SPA (Limited Joint Stock Company)
5575	01/01/2004	ABC INTERNATIONAL BANK PLC	Other Type – Foreign Bank
5587	05/01/2004	BANCA GALILEO S.P.A.	SPA (Limited Joint Stock Company)
5595	10/02/2004	BANCA DELLA NUOVA TERRA S.P.A.	SPA (Limited Joint Stock Company)
5596	05/03/2004	ALLFUNDS BANK S.A.	Other Type – Foreign Bank
5597	31/03/2004	SOLUTION BANK S.P.A.	SPA (Limited Joint Stock Company)
5607	01/08/2005	DEUTSCHE BANK AG	Other Type – Foreign Bank
5614	07/09/2005	BPCE LEASE S.A.	Other Type – Foreign Bank
5615	30/09/2005	PRADER BANK S.P.A. (IN LINGUA TEDESCA PRADER BANK AG)	SPA (Limited Joint Stock Company)
5625	31/12/2005	BANCA SELLA HOLDING S.P.A.	SPA (Limited Joint Stock Company)
5622	01/01/2006	SOCIETE' GENERALE SECURITIES SERVICES S.P.A. (IN FORMA ABBREVIATA SGSS S.P.A.)	SPA (Limited Joint Stock Company)
5626	01/01/2006	BANCA SELLA - S.P.A.	SPA (Limited Joint Stock Company)
5623	11/01/2006	BANCA MACERATA S.P.A. (IN FORMA ABBREVIATA BPRM S.P.A.)	SPA (Limited Joint Stock Company)
5628	12/01/2006	RBC INVESTOR SERVICES BANK S.A.	Other Type – Foreign Bank
5630	28/03/2006	GBM BANCA S.P.A.	SPA (Limited Joint Stock Company)
5640	03/07/2006	IGEA BANCA S.P.A.	SPA (Limited Joint Stock Company)
5647	12/09/2006	VIVIBANCA S.P.A.	SPA (Limited Joint Stock Company)
5653	22/12/2006	PICTET & CIE (EUROPE) S.A.	Other Type – Foreign Bank

5659	16/01/2007	CNH INDUSTRIAL FINANCIAL SERVICES S.A.	Other Type – Foreign Bank
5663	26/03/2007	BANCA DEL SUD S.P.A.	SPA (Limited Joint Stock Company)
5657	20/04/2007	MIZUHO BANK LIMITED	Other Type – Foreign Bank
5667	07/05/2007	BANCA CAMBIANO 1884 S.P.A.	SPA (Limited Joint Stock Company)
5671	18/06/2007	CLAAS FINANCIAL SERVICES	Other Type – Foreign Bank
5675	10/08/2007	DE LAGE LANDEN INTERNATIONAL B.V. (DLL)	Other Type – Foreign Bank
5676	01/10/2007	BANCA NAZIONALE DEL LAVORO S.P.A. (IN FORMA CONTRATTA BNL S.P.A.)	SPA (Limited Joint Stock Company)
5678	01/01/2008	UNIONE DI BANCHE ITALIANE SOCIETA' PER AZIONI (IN FORMA ABBREVIATA UBI BANCA)	SPA (Limited Joint Stock Company)
5682	05/02/2008	BANCO DELLE TRE VENEZIE S.P.A. (CON ACRONIMO B.T.V. SPA)	SPA (Limited Joint Stock Company)
5683	28/04/2008	BANCA SANTA GIULIA S.P.A.	SPA (Limited Joint Stock Company)
5690	25/06/2008	SOCIETE GENERALE MUTUI ITALIA S.P.A. (IN FORMA ABBREVIATA S G MUTUI ITALIA SPA)	SPA (Limited Joint Stock Company)
5692	10/07/2008	BANCA 5 S.P.A.	SPA (Limited Joint Stock Company)
5699	25/07/2008	BANQUE CHAABI DU MAROC - IN ABBREVIATO, B.C.D.M.	Other Type – Foreign Bank
5694	04/09/2008	JCB FINANCE	Other Type – Foreign Bank
5688	01/10/2008	ALTO ADIGE BANCA S.P.A.	SPA (Limited Joint Stock Company)
5702	17/11/2008	BANCO SANTANDER S.A.	Other Type – Foreign Bank
5706	28/11/2008	MAINFIRST BANK AKTIENGESELLSCHAFT	Other Type – Foreign Bank
5703	01/01/2009	ARTIGIANCASSA S.P.A.	SPA (Limited Joint Stock Company)
5710	13/02/2009	ILLIMITY BANK S.P.A.	SPA (Limited Joint Stock Company)
5714	29/04/2009	EXTRABANCA S.P.A.	SPA (Limited Joint Stock Company)
5713	06/07/2009	BANCA SIMETICA S.P.A.	SPA (Limited Joint Stock Company)
5719	17/09/2009	IMPREBANCA S.P.A.	SPA (Limited Joint Stock Company)
5720	31/12/2009	SAXO BANK A/S	Other Type – Foreign Bank
5725	02/08/2010	EDMOND DE ROTHSCHILD (FRANCE)	Other Type – Foreign Bank
5727	09/09/2010	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (EUROPE) S.A. IN FORMA ABBREVIATA ICBC (EUROPE) S.A.	Other Type – Foreign Bank
5729	01/11/2010	UNICREDIT, SOCIETA' PER AZIONI	SPA (Limited Joint Stock Company)
5730	01/01/2011	BANCA CESARE PONTI S.P.A.	SPA (Limited Joint Stock Company)
5733	11/03/2011	ATTIJARIWafa BANK EUROPE SEDE SECONDARIA ITALIANA	Other Type – Foreign Bank
5735	01/07/2011	J.P. MORGAN SECURITIES PLC	Other Type – Foreign Bank
5736	29/07/2011	CARREFOUR BANQUE	Other Type – Foreign Bank
5739	09/09/2011	BINCKBANK N.V.	Other Type – Foreign Bank
5734	19/09/2011	BANCA PRIVATA LEASING S.P.A.	SPA (Limited Joint Stock Company)
5740	28/11/2011	BANCA DI CREDITO PELORITANO S.P.A.	SPA (Limited Joint Stock Company)
5741	01/12/2011	UNION BANCAIRE PRIVEE (EUROPE) S.A.	Other Type – Foreign Bank
5744	18/07/2012	CREDITO LOMBARDO VENETO S.P.A.	SPA (Limited Joint Stock Company)
5749	11/03/2013	BMW BANK GMBH	Other Type – Foreign Bank
5751	03/07/2013	BANCA FARMAFACTORING SPA	SPA (Limited Joint Stock Company)
5753	09/09/2013	BANCA TRANSILVANIA S.A.	Other Type – Foreign Bank
5755	01/10/2013	HYPO TIROL BANK AG	Other Type – Foreign Bank
5757	14/11/2013	STATE STREET BANK INTERNATIONAL GMBH SUCCURSALE ITALIA	Other Type – Foreign Bank
5759	24/01/2014	BANCA SVILUPPO TUSCIA S.P.A.	SPA (Limited Joint Stock Company)
5760	25/06/2014	WISE DIALOG BANK S.P.A.	SPA (Limited Joint Stock Company)
5763	12/08/2014	CA INDOSUEZ WEALTH (EUROPE)	Other Type – Foreign Bank
5764	14/01/2015	FCA BANK SPA	SPA (Limited Joint Stock Company)
5767	01/02/2015	BANCO DO BRASIL AG	Other Type – Foreign Bank
5769	09/04/2015	WESTERN UNION INTERNATIONAL BANK GMBH	Other Type – Foreign Bank

8040	22/05/2015	CHINA CONSTRUCTION BANK (EUROPE) SA	Other Type – Foreign Bank
8045	01/10/2015	COMPASS BANCA SPA	SPA (<i>Limited Joint Stock Company</i>)
8044	01/10/2015	CREDIT SUISSE INTERNATIONAL	Other Type – Foreign Bank
8043	06/10/2015	BANCA PSA ITALIA S.P.A.	SPA (<i>Limited Joint Stock Company</i>)
8051	01/01/2016	CITIBANK EUROPE PLC	Other Type – Foreign Bank
8054	04/02/2016	YOUNITED	Other Type – Foreign Bank
8060	15/04/2016	BANK OF COMMUNICATIONS (LUXEMBOURG) S.A.	Other Type – Foreign Bank
8061	19/05/2016	LOMBARD ODIER (EUROPE) S.A.	Other Type – Foreign Bank
8071	22/11/2016	BANQUE POPULAIRE MEDITERRANEE	Other Type – Foreign Bank
8064	01/12/2016	UBS EUROPE SE	Other Type – Foreign Bank
8065	01/01/2017	BANCO BPM SOCIETA' PER AZIONI	SPA (<i>Limited Joint Stock Company</i>)
8067	01/01/2017	CACEIS BANK	Other Type – Foreign Bank
8068	17/02/2017	KBC BANK N.V. ITALIA	Other Type – Foreign Bank
8069	20/02/2017	TOYOTA MATERIAL HANDLING COMMERCIAL FINANCE AB	Other Type – Foreign Bank
8070	01/04/2017	THE BANK OF NEW YORK MELLON SA/NV	Other Type – Foreign Bank
8073	21/04/2017	GRENKE BANK AG	Other Type – Foreign Bank
8074	27/03/2018	GUBER BANCA S.P.A.	SPA (<i>Limited Joint Stock Company</i>)
8075	02/10/2018	EFG BANK (LUXEMBOURG) SA	Other Type – Foreign Bank
8081	18/10/2018	GOLDMAN SACHS BANK EUROPE SE	Other Type – Foreign Bank
8076	21/11/2018	J.P. MORGAN AG	Other Type – Foreign Bank
8077	01/12/2018	BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY	Other Type – Foreign Bank
8080	22/01/2019	NATWEST MARKETS N.V.	Other Type – Foreign Bank
8079	26/01/2019	J.P. MORGAN BANK LUXEMBOURG S.A.	Other Type – Foreign Bank
8078	01/02/2019	HSBC FRANCE	Other Type – Foreign Bank
8082	01/03/2019	BARCLAYS BANK IRELAND PUBLIC LIMITED COMPANY	Other Type – Foreign Bank
8083	18/03/2019	SMBC BANK EU AG	Other Type – Foreign Bank
8084	14/05/2019	N26 BANK GMBH	Other Type – Foreign Bank
8085	20/08/2019	OPEL BANK SA, SUCC. ITAL.	Other Type – Foreign Bank
8087	02/03/2020	PERSIA INTERNATIONAL BANK PLC	Other Type – Foreign Bank
8086	01/04/2020	EUROPE ARAB BANK SA	Other Type – Foreign Bank