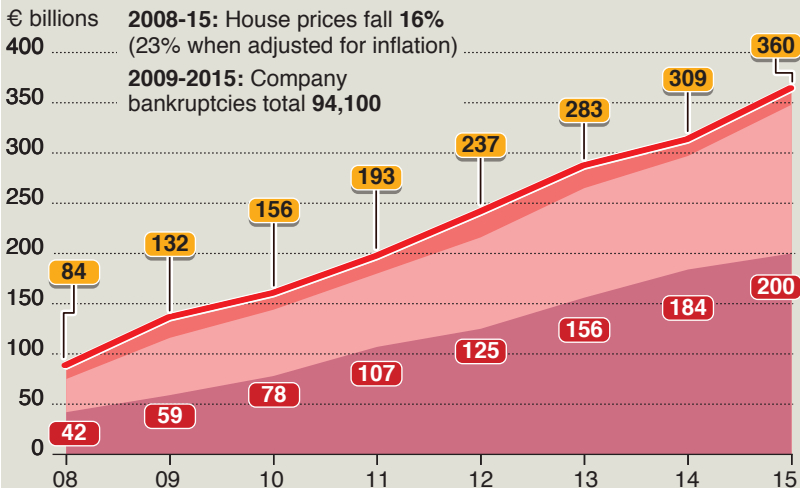


Italy's mountain of debt

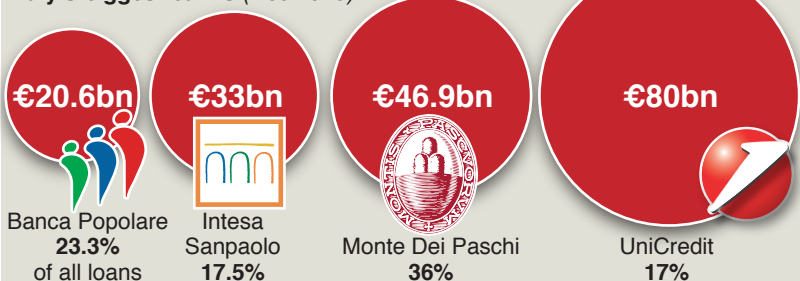
Italy's banks hold some €360 billion of bad loans which challenge new EU rules that require private investors to be "bailed in" before banks are "bailed out" with EU taxpayers' money

Non-performing loans

- Overdue by 90 days (*scaduti o sconfinanti*)
- Unlikely to pay (*incagli*)
- Rotten debt (*sofferenze*)



€180.5 billion: Non-performing loans held by Italy's biggest banks (Dec 2015)



Bail-in rules: Force losses on bondholders and depositors before tax-payer funds are used. **Individuals and households could lose estimated €180 billion-worth of bank bonds – securities designed to attract ordinary families' savings**