

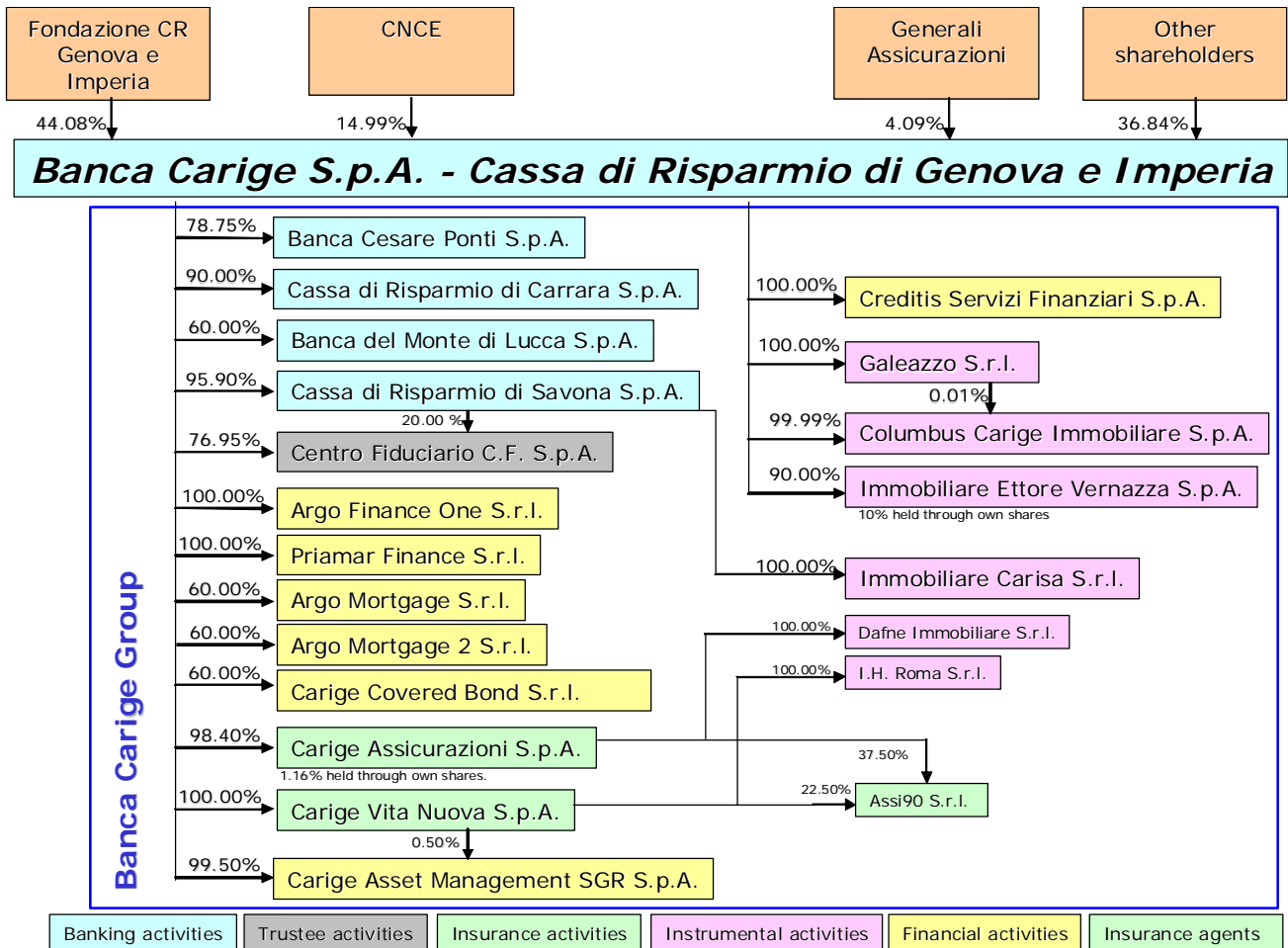


INTERIM REPORT ON OPERATIONS

First Quarter 2009



THE BANCA CARIGE GROUP



BANCA CARIGE GROUP

INTERIM REPORT ON OPERATIONS AS AT 31/3/2009

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REMARKS

The tables of the Reports and of the Financial Statements use the following prearranged signs:

- when data are nought
- ... when data are not significant

CONSOLIDATED FINANCIAL HIGHLIGHTS

	Situation as at			Change %	
	31/3/2009	12/31/2008	31/3/2008	3/09 12/08	3/09 3/08
BALANCE SHEET (1)					
Total assets	32,093,305	31,986,445	30,037,992	0.3	6.8
Funding	23,027,062	22,965,533	20,962,236	0.3	9.9
- Direct Deposits (a)	22,445,605	22,164,080	19,036,905	1.3	17.9
* Amounts owed to customers	12,194,461	12,005,439	10,934,267	1.6	11.5
* Securities in issue	9,667,633	9,578,795	7,589,178	0.9	27.4
* Liabilities at fair value	583,511	579,846	513,460	0.6	13.6
- Amounts owed to banks	581,457	801,453	1,925,331	-27.4	-69.8
Indirect deposits (b)	21,095,397	20,960,268	22,284,938	0.6	-5.3
- Assets under management	10,550,154	10,438,552	10,864,578	1.1	-2.9
- Assets in custody	10,545,243	10,521,716	11,420,360	0.2	-7.7
Financial Intermediation Activities (FIA) (a+b)	43,541,002	43,124,348	41,321,843	1.0	5.4
Investments (2)	27,899,432	27,450,047	25,361,616	1.6	10.0
- Loans to customers (2)	20,751,444	21,119,889	18,718,841	-1.7	10.9
- Loans to banks (2)	1,366,958	986,953	1,371,869	38.5	-0.4
- Securities portfolio (2)	5,781,030	5,343,205	5,270,906	8.2	9.7
Capital and reserves	3,472,271	3,336,250	3,709,932	4.1	-6.4

	Situation as at			Change %	
	31/3/2009	12/31/2008	31/3/2008	3/09 12/08	3/09 3/08

INCOME STATEMENT (1)					
Gross operating income	266,319	1,030,590	216,439		23.0
Net income from financial and insurance management	231,077	910,675	190,815		21.1
Operating income from ordinary activities before taxes	74,961	308,747	65,221		14.9
Profit for the period	45,123	205,504	36,568		23.4

RESOURCES (3)					
Number of branches	643	643	603	-	6.6
Insurance agencies	380	378	376	0.5	1.1
Number of bank employees	5,492	5,523	5,261	-0.6	4.4
Number of bank and insurance employees	5,880	5,906	5,622	-0.4	4.6

FINANCIAL RATIOS					
Operating costs					
Gross operating income	58.61%	58.94%	58.33%		
Operating profit from ordinary activities before taxes					
/ Capital and reserves	2.16%	9.25%	1.76%		
ROE	1.30%	6.16%	0.99%		
ROE (4)	1.60%	7.65%	1.19%		
ROAE (5)	1.33%	6.90%	1.15%		
ROAE (4) (5)	3.20%	8.79%	1.44%		
Earnings per share (in €)					
- basic	0.023	0.118	0.021		
- diluted	0.022	0.118	0.021		

RISK ASSETS AND REGULATORY RATIOS (6)					
Total Risk-Weighted Assets (1)	19,316,375	19,096,988	18,062,002	1.1	6.9
Core Tier1/Total weighted assets	6.80%	7.08%	7.38%		
Tier 1 capital / RWA (6)	7.63%	7.91%	7.38%		
Regulatory capital/Total weighted assets (6)	9.80%	10.56%	8.68%		

- (1) Figures in thousands of €
(2) Gross of value adjustments and net of debt securities classified as L&R.
(3) Statistics of the end of period.
(4) Net of the AFS reserve established against the revaluation of the equity investment in the Bank of Italy.
(5) Net profit on average shareholders' equity (Return On Average Equity).
(6) Figures as at 31/3/2009 and 31/3/2008 result from accounting and management estimates since these data are not officially reported to the Bank of Italy. Figures as at 31/12/2008 are official and reported to the Bank of Italy. They therefore differ from the management data shown in the 2008 financial statements. The ratios are calculated on the basis of supervisory regulations in force from time to time.

MANAGEMENT OF THE PARENT BANK

BOARD OF DIRECTORS

CHAIRMAN
Giovanni Berneschi*

DEPUTY CHAIRMAN
Alessandro Scajola *

DIRECTORS

Andrea Baldini *
Giorgio Binda
Jean-Jacques Bonnaud
Luca Bonsignore
Cesare Castelbarco Albani
Remo Angelo Checconi *
Maurizio Fazzari
Luigi Gastaldi
Pietro Isnardi
Alain Jean Pierre Lemaire
Ferdinando Menconi
Paolo Cesare Odone *
Renata Oliveri *
Jean-Marie Paintendre
Vincenzo Roppo *
Francesco Taranto

GENERAL MANAGEMENT

GENERAL MANAGER
Alfredo Sanguinetto

DEPUTY GENERAL
MANAGER
(COMMERCIAL)
Carlo Arzani (1)

DEPUTY GENERAL
MANAGER
(ADMINISTRATION)
Giacomo Ottonello

DEPUTY GENERAL
MANAGER
(CREDIT AND WEALTH
MANAGEMENT)
Mario Cavanna

DEPUTY GENERAL
MANAGER
(GOVERNANCE AND
CONTROL)
Ennio La Monica (2)

BOARD OF STATUTORY AUDITORS

CHAIRMAN
Andrea Traverso

STANDING AUDITORS
Massimo Scotton
Antonio Semeria

SUBSTITUTE AUDITORS
Adriano Lunardi
Luigi Sardano

AUDIT FIRM
Deloitte & Touche SpA

**Member of the Executive Committee*

The Board of Directors was appointed by the Ordinary Shareholders' Meeting of 20/4/2006 for the financial years 2006-2007-2008. The Ordinary Shareholders' Meeting of 27/4/2007 appointed Mr. Luigi Gastaldi – already co-opted by the Board of Directors on 11/12/2006 – and Mr. Cesare Castelbarco Albani, to replace the outgoing Mr. Raffaele Lauro and Mr. Flavio Repetto, as members of the Board of Directors, with the same expiry of term in office as the other Board members.

Afterwards, during the meeting held on 15/12/2008, the Board of Directors co-opted, pursuant to sub-paragraph 1 of art. 2386, of the Italian Civil Code, Mr. Alain Jean Pierre Lemaire as new Director, with term of office until the next Shareholders' Meeting, to replace the outgoing Mr. Nicolas Mérindol as from 1/12/2008.

The Executive Committee was appointed by the Board of Directors on 8/5/2006 with a duration of term until 31/10/2007, extended until 31/12/2007 by resolution of the Board of Directors of 12/10/2007, and then confirmed up to the expiry of term in office of the current Board of Directors, by resolution of the Board of Directors on 17/12/2007.

The Board of Statutory Auditors was appointed by the Ordinary Shareholders' Meeting of 29/4/2008 for the financial years 2008-2009-2010. The mandate to the Audit Firm was granted by the ordinary Shareholders' Meeting of 20/4/2006 for financial years 2006-2007-2008-2009-2010-2011.

The current organisational structure was approved by the Board of Directors on 22/1/2007, effective from 1/5/2007.

The Extraordinary Shareholders' Meeting of 27/4/2007, in accordance with the provisions under art. 154 bis, paragraph 1 of Legislative Decree 58/1998 (Consolidated Law on Finance), amended Banca Carige's Articles of Association which, under art. 31, established the function of Manager responsible for preparing the company's financial reports, setting forth the requirements of professionalism, in addition to the appointment methods.

On 14/5/2007, in accordance with the new statutory provisions, the Board of Directors appointed Deputy General Manager Governance and Control, Mr. Ennio La Monica, as the Manager responsible for preparing the company's financial reports, verifying the requirements of integrity and experience.

(1) With the role of Substitute Deputy General Manager.

(2) Manager responsible for preparing the company's financial reports, pursuant to Art. 154 bis of the Consolidated Law on Finance.

MANAGEMENT OF THE PARENT BANK FOR THE FINANCIAL YEARS 2009-2011

BOARD OF DIRECTORS

CHAIRMAN
Giovanni Berneschi

DEPUTY CHAIRMAN
Alessandro Scajola

DIRECTORS

Piergiorgio Alberti
Piero Guido Alpa
Jean-Jacques Bonnaud
Luca Bonsignore
Cesare Castelbarco Albani
Remo Angelo Checconi
Bruno Cordazzo
Gabriele Galateri di Genola
Luigi Gastaldi
Pietro Isnardi
Alain Jean Pierre Lemaire
Paolo Cesare Odone
Renata Oliveri
Jean-Marie Paintendre
Guido Pescione
Mario Venturino

GENERAL MANAGEMENT

GENERAL MANAGER
Alfredo Sanguinetto

DEPUTY GENERAL
MANAGER
(COMMERCIAL)
Carlo Arzani (1)

DEPUTY GENERAL
MANAGER
(ADMINISTRATION)
Giacomo Ottonello

DEPUTY GENERAL
MANAGER
(CREDIT AND WEALTH
MANAGEMENT)
Mario Cavanna

DEPUTY GENERAL
MANAGER
(GOVERNANCE AND
CONTROL)
Ennio La Monica (2)

BOARD OF STATUTORY AUDITORS

CHAIRMAN
Andrea Traverso

STANDING AUDITORS
Massimo Scotton
Antonio Semeria

SUBSTITUTE AUDITORS
Adriano Lunardi
Luigi Sardano

AUDIT FIRM
Deloitte & Touche SpA

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The Board of Statutory Auditors was appointed by the Ordinary Shareholders' Meeting of 29/4/2008 for the financial years 2008-2009-2010.

The mandate to the Audit Firm was granted by the ordinary Shareholders' Meeting of 20/4/2006 for financial years 2006-2007-2008-2009-2010-2011.

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(1) With the role of Substitute Deputy General Manager.

(2) Manager responsible for preparing the company's financial reports, pursuant to Art. 154 bis of the Consolidated Law on Finance.

AREA AND METHODS OF CONSOLIDATION

1. EQUITY INVESTMENTS IN WHOLLY-CONTROLLED SUBSIDIARIES AND SUBSIDIARIES SUBJECT TO JOINT CONTROL

Based on the IAS/IFRS standards, the consolidation scope includes all subsidiaries, whether held directly or indirectly: therefore, even companies not classified as credit, financial

or instrumental institutions (i.e. dissimilar activities) have been consolidated on a line-by-line basis.

The concept of control applied is that set out in IAS 27.

During the first three months of 2009 the consolidation scope has not changed compared to that determined for the preparation of the financial statements as at 31/12/2008.

Name of the companies	Head offices	Type of relationship (1)	Shareholding relationship		Availability of votes (2) (3)	
			Holding company	% Shareholding	Actual %	Potential %
A. Companies						
A.1 Consolidated line-by-line						
Banking group						
1. Banca CARIGE SpA	Genoa	1				
2. Cassa di Risparmio di Savona SpA	Savona	1	A1.1	95.90	95.90	4.10
3. Cassa di Risparmio di Carrara SpA	Carrara	1	A1.1	90.00		
4. Banca del Monte Lucca SpA	Lucca	1	A1.1	60.00		
5. Banca Cesare Ponti SpA	Milan	1	A1.1	78.75	78.75	21.25
6. Carige Asset Management SpA	Genoa	1	A1.1	99.50		
			A1.19	0.50		
7. Creditis Servizi Finanziari SpA	Genoa	1	A1.1	100.00		
8. Centro Fiduciario SpA	Genoa	1	A1.1	76.95		
			A1.2	20.00		
9. Argo Finance One Srl	Genoa	1	A1.1	100.00		
10. Priamar Finance Srl	Genoa	1	A1.1	100.00		
11. Argo Mortgage Srl	Genoa	1	A1.1	60.00		
12. Argo Mortgage 2 Srl	Genoa	1	A1.1	60.00		
13. Carige Covered Bond Srl	Genoa	1	A1.1	60.00		
14. Columbus Carige Immobiliare SpA	Genoa	1	A1.1	99.99		
			A1.15	0.01		
15. Galeazzo srl	Genoa	1	A1.1	100.00		
16. Immobiliare Vernazza SpA (4)	Genoa	1	A1.1	90.00	100.00	
17. Immobiliare CARISA Srl	Savona	1	A1.2	100.00		
Insurance companies						
18. Carige Assicurazioni SpA (4)	Milan	1	A1.1	98.40	99.56	
19. Carige Vita Nuova SpA	Genoa	1	A1.1	100.00		
Other companies						
20. Dafne Immobiliare Srl	Milan	1	A1.18	100.00		
21. I. H. Roma Srl	Milan	1	A1.19	100.00		
22. Assi 90 Srl	Genoa	1	A1.18	37.50		
			A1.19	22.50		
A.2 Consolidated proportionally						

Key

(1) Type of relationship:

- 1 = majority of voting rights at ordinary shareholders' meeting
- 2 = dominant influence at ordinary shareholders' meeting
- 3 = agreements with other shareholders
- 4 = other forms of control
- 5 = single management pursuant to article 26, paragraph 1 of Legislative Decree 87/92
- 6 = single management pursuant to article 26, paragraph 2 of Legislative Decree 87/92
- 7 = joint control

(2) Availability of voting rights at ordinary shareholders' meeting, distinguishing between actual and potential

(3) Figure entered only if different from the equity investment share

(4) The percentage of actual availability of votes differs from the equity investment share as it is calculated on the capital excluding own shares.

With regard to operations, the subsidiaries can be divided into banking (Banca Carige SpA, Cassa di Risparmio di Savona SpA, Cassa di Risparmio di Carrara SpA, Banca del Monte di Lucca SpA, Banca Cesare Ponti SpA), asset management (Carige Asset Management SGR SpA), financial (Creditis Servizi Finanziari SpA), trust companies (Centro Fiduciario SpA), special purpose vehicles for securitisation transactions (Argo Finance One Srl, Priamar Finance Srl, Argo Mortgage Srl, Argo Mortgage 2 Srl), special purpose vehicles for covered bond issue transactions (Carige Covered Bond Srl), insurance (Carige Vita Nuova SpA, Carige assicurazioni SpA) real estate (Immobiliare Ettore Vernazza Srl, Galeazzo Srl, Columbus Carige Immobiliare SpA, Immobiliare Carisa Srl, Dafne Immobiliare Srl and I.H. Roma Srl) and insurance agencies (Assi 90 Srl).

Concerning the four companies established for the same number of securitisation transactions - Argo Finance One, Priamar Finance, Argo Mortgage and Argo Mortgage 2 – and Carige Covered Bond, it should be mentioned that for these financial statements the line-by-line method has been used for their consolidation.

With regard to the securitisation of Banca Carige's performing loans carried out by Argo Mortgage 2 in 2004, as the transaction does not fully represent the substantial transfer to third parties of related risks and rewards, the

consolidation also concerned items of the segregated equity.

The consolidated interim report on operations has been prepared using:

- draft interim report on operations of the Parent Bank as at 31/3/2009 and draft quarterly reports of the other consolidated companies, approved by their Boards of Directors and prepared according to the approved IAS/IFRS in force;
- reporting packages prepared by the companies that did not adopt the IAS/IFRS and approved by their Boards of Directors.

There were no subsidiaries excluded from the scope of consolidation. The winding-up process of the Savona 2000 company came to an end with the cancellation from the companies registry on 14 January 2009.

Companies for which shares with voting rights have been received as a form of credit guarantee rather than as a means of exercising control over the companies under review were also excluded from the area of consolidation.

2. OTHER INFORMATION

Associates that are entities in which the Group has significant influence were valued according to the equity method.

Equity investments in companies subject to significant influence (consolidated using the equity method)

Name of the companies	Head offices	Shareholding relationship		Availability of votes	
		Holding company	% Shareholding	Actual %	Potential %
A. Companies consolidated with the equity method					
1. Autostrada dei Fiori SpA	Savona	Banca Carige SpA	16.62		
		Cassa di Risparmio di Savona SpA	4.00		
2. Recina Servizi SpA	Rome	Assi 90 Srl	25.00		

Companies on which the Group exerts a significant influence that are not considered to be significant have been valued at cost, in

accordance with the general principles set out in the framework.

Equity investments in companies subject to significant influence excluded from the equity method

Name of the companies	Head offices	Shareholding relationship		Availability of votes	
		Holding company	% Shareholding	Actual %	Potential %
1. Assimilano Srl	Milan	Assi 90 Srl	45.00		
2. Sport e Sicurezza Srl	Florence	Carige Ass.ni SpA	25.00		
		Carige V. N. SpA	25.00		
3. Nuova Erzelli Srl	Genoa	Banca Carige SpA	40.00		
4. Consorzio per il Giurista di Impresa Scrl	Genoa	Banca Carige SpA	50.00		
5. World Trade Center Genoa SpA in liquidati	Genoa	Banca Carige SpA	20.32		

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31/3/2009

BALANCE SHEET

ASSETS (figures in thousands of €)

	31/3/09	31/12/08	31/3/08	Change %	
				3/09 12/08	3/09 3/08
10 · CASH AND CASH EQUIVALENTS	238,831	289,723	240,837	-17.6	-0.8
20 · FINANCIAL ASSETS HELD FOR TRADING	775,794	709,294	2,189,118	9.4	-64.6
30 · FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	701,301	717,250	684,704	-2.2	2.4
40 · AVAILABLE-FOR-SALE FINANCIAL ASSETS	3,326,371	3,001,637	2,471,938	10.8	34.6
50 · FINANCIAL ASSETS HELD TO MATURITY	528,846	460,144	2,460	14.9	...
60 · LOANS TO BANKS	1,644,045	1,248,818	1,371,222	31.6	19.9
70 · LOANS TO CUSTOMERS	20,496,266	20,916,355	18,246,760	-2.0	12.3
80 · HEDGING DERIVATIVES	77,086	56,922	18,585	35.4	...
100 · EQUITY INVESTMENTS	55,055	55,067	56,316	-0.0	-2.2
110 · TECHNICAL RESERVES CHARGED ON REINSURERS	173,678	171,403	157,901	1.3	10.0
120 · TANGIBLE ASSETS	1,120,514	1,125,680	1,220,555	-0.5	-8.2
130 · INTANGIBLE ASSETS	1,703,292	1,701,750	1,723,761	0.1	-1.2
<i>including:</i>					
- goodwill	1,639,657	1,639,576	1,674,911	0.0	-2.1
140 · TAX ASSETS	389,005	395,181	398,746	-1.6	-2.4
a) <i>current</i>	84,879	112,347	207,329	-24.4	-59.1
b) <i>advanced</i>	304,126	282,834	191,417	7.5	58.9
160 · OTHER ASSETS	863,221	1,137,221	1,255,089	-24.1	-31.2
TOTAL ASSETS	32,093,305	31,986,445	30,037,992	0.3	6.8

LIABILITIES (figures in thousands of €)

	31/3/09	31/12/08	31/3/08	Change %	
				3/09 12/08	3/09 3/08
10 · AMOUNTS OWED TO BANKS	581,457	801,453	1,925,331	-27.4	-69.8
20 · AMOUNTS OWED TO CUSTOMERS	12,194,461	12,005,439	10,934,267	1.6	11.5
30 · SECURITIES IN ISSUE	9,667,633	9,578,795	7,589,178	0.9	27.4
40 · FINANCIAL LIABILITIES FROM TRADING	117,503	114,470	135,772	2.6	-13.5
50 · FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	1,291,444	1,305,183	1,224,908	-1.1	5.4
60 · HEDGING DERIVATIVES	160,877	116,290	25,073	38.3	...
80 · TAX LIABILITIES	272,864	244,136	422,702	11.8	-35.4
(a) <i>current</i>	52,793	37,882	188,371	39.4	-72.0
(b) <i>deferred</i>	220,071	206,254	234,331	6.7	-6.1
100 · OTHER LIABILITIES	1,218,456	1,459,158	1,544,254	-16.5	-21.1
110 · STAFF TERMINATION INDEMNITY	100,722	102,233	98,058	-1.5	2.7
120 · PROVISIONS FOR RISKS AND CHARGES:	395,000	390,555	377,276	1.1	4.7
a) <i>pensions and similar obligations</i>	322,313	322,365	322,277	-0.0	0.0
b) <i>other provisions</i>	72,687	68,190	54,999	6.6	32.2
130 · TECHNICAL RESERVES	2,539,725	2,292,606	1,963,656	10.8	29.3
140 · VALUATION RESERVES	302,866	372,349	591,327	-18.7	-48.8
160 · CAPITAL INSTRUMENTS	1,179	1,179	972	0.0	21.3
170 · RESERVES	364,668	159,164	314,310	...	16.0
180 · ADDITIONAL PAID-IN CAPITAL	1,013,259	1,013,259	1,013,392	0.0	-0.0
190 · CAPITAL	1,790,299	1,790,299	1,789,931	0.0	0.0
210 · MINORITY INTERESTS (+/-)	35,769	34,373	51,017	4.1	-29.9
220 · PROFIT (LOSS) FOR THE PERIOD (+/-)	45,123	205,504	36,568	-78.0	23.4
TOTAL LIABILITIES	32,093,305	31,986,445	30,037,992	0.3	6.8

INCOME STATEMENT

INCOME STATEMENT *(figures in thousands of €)*

	31/3/09	30/6/05	31/3/08	Change % 3/09 3/08
10 · INTEREST INCOME AND SIMILAR REVENUES	333,358	1,491,426	339,969	-1.9
20 · INTEREST EXPENSES AND SIMILAR CHARGES	-142,240	-680,717	-159,651	-10.9
30 · NET INTEREST INCOME	191,118	810,709	180,318	6.0
40 · COMMISSION INCOME	68,307	291,763	68,141	0.2
50 · COMMISSION EXPENSES	-8,327	-38,578	-8,762	-5.0
60 · NET COMMISSIONS	59,980	253,185	59,379	1.0
70 · DIVIDENDS AND OTHER SIMILAR REVENUES	86	14,818	681	-87.4
80 · NET INCOME FROM TRADING ACTIVITIES	-8,166	-62,976	-50,171	-83.7
90 · NET INCOME FROM HEDGING ACTIVITIES	2,315	-544	782	...
100 · PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	18,010	15,916	11,100	62.3
a) loans	1,894	3,902	1,324	43.1
b) available-for-sale financial assets	4,296	10,214	8,784	-51.1
d) financial liabilities	11,820	1,800	992	...
110 · NET VALUE ADJUSTMENT ON FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE	2,976	-518	14,350	-79.3
120 · GROSS OPERATING INCOME	266,319	1,030,590	216,439	23.0
130 · NET VALUE ADJUSTMENT ON:	-30,177	-102,795	-18,506	63.1
a) loans	-29,525	-76,929	-19,241	53.4
b) available-for-sale financial assets	-522	-28,041	-	...
d) other financial assets	-130	2,175	735	...
140 · NET INCOME FROM FINANCIAL MANAGEMENT	236,142	927,795	197,933	19.3
150 · NET PREMIUMS	395,996	927,061	153,953	...
160 · BALANCE OF OTHER EXPENSES/REVENUES FROM INSURANCE MANAGEMENT	-401,061	-944,181	-161,071	...
170 · NET INCOME FROM FINANCIAL AND INSURANCE MANAGEMENT	231,077	910,675	190,815	21.1
180 · ADMINISTRATIVE COSTS:	-160,929	-623,102	-136,547	17.9
a) staff costs	-96,852	-375,472	-81,920	18.2
b) other administrative costs	-64,077	-247,630	-54,627	17.3
190 · NET PROVISIONS FOR RISKS AND CHARGES	-1,699	-2,245	3,377	...
200 · DEPRECIATION OF TANGIBLE ASSETS	-5,676	-21,320	-4,680	21.3
210 · AMORTIZATION OF INTANGIBLE ASSETS	-4,600	-17,387	-3,936	16.9
220 · OTHER OPERATING EXPENSES AND REVENUES	16,820	56,577	15,532	8.3
230 · OPERATING COSTS	-156,084	-607,477	-126,254	23.6
240 · PROFIT (LOSS) FROM EQUITY INVESTMENTS	-	5,422	664	-100.0
270 · PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	-32	127	-4	...
280 · OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES	74,961	308,747	65,221	14.9
290 · INCOME TAXES FOR THE PERIOD	-28,495	-95,844	-26,738	6.6
300 · PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES	46,466	212,903	38,483	20.7
320 · PROFIT (LOSS) FOR THE PERIOD	46,466	212,903	38,483	20.7
330 · MINORITY INTERESTS	1,343	7,399	1,915	-29.9
340 · PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT BANK	45,123	205,504	36,568	23.4

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Balance as at 31/12/2008 - group	Balance as at 31/12/2008 - minority interests	Change in opening balances	Balance as at 1/01/2009 - group	Balance as at 1/01/2009 - minority interests	Allocation of profits/losses for the previous year			Changes in the year										Shareholders' equity as at 31/03/2009 - group	Shareholders' equity as at 31/03/2009 - minority interests	
						Reserves - group	Reserves - minority interests	Dividends and other allocations	Changes in reserves - group	Changes in reserves - minority interests	Transactions on shareholders' equity						Profit (Loss) for the period as at 31/03/2009 - group	Profit (Loss) for the period as at 31/03/2009 - minority interests			
											New share issues - group	New share issues - minority interests	Own shares acquisitions - group	Own shares acquisitions - minority interests	Extraordinary distribution of dividends	Changes in capital instruments					Own shares derivatives	Stock options
Capital:	1,790,299	11,602	-	1,790,299	11,602				(5)	-	-									1,790,299	11,597
a) ordinary shares	1,615,032	11,602		1,615,032	11,602				(5)	-	-									1,615,032	11,597
b) other shares	175,267			175,267																175,267	-
Additional paid-in capital	1,013,259	5,128		1,013,259	5,128				49	-										1,013,259	5,177
Reserves:	159,164	6,754	-	159,164	6,754	205,504	7,399	-	-	21	-	-	-	-	-	-	-	-	-	364,668	14,174
a) profits	130,234	6,754	-	130,234	6,754	205,504	7,399			21										335,738	14,174
b) other	28,930	-		28,930	-															28,930	-
Valuation reserves:	372,349	3,507	-	372,349	3,507			(69,483)	(14)	-										302,866	3,493
a) available for sale	392,356	9	-	392,356	9			(54,439)	3											337,917	12
b) hedging of cash flows	(46,767)	(107)	-	(46,767)	(107)			(15,044)	(17)											(61,811)	(124)
d) special revaluation laws	26,760	3,605		26,760	3,605															26,760	3,605
Capital instruments	1,179		-	1,179																1,179	-
Own shares	-	(17)		-	(17)				2	-										-	(15)
Profit (Loss) for the period	205,504	7,399		205,504	7,399	(205,504)	(7,399)	-												45,123	1,343
Shareholders' equity	3,541,754	34,373	-	3,541,754	34,373	-	-	-	(69,483)	53	-	-	-	-	-	-	-	-	-	45,123	1,343
																				3,517,394	35,769

	Balance as at 31/12/2007 - group	Balance as at 31/12/2007 - minority interests	Change in opening balances	Balance as at 1/01/2008 - group	Balance as at 1/01/2008 - minority interests	Allocation of profits/losses for the previous year			Changes in the year										Shareholders' equity as at 31/12/2008 - group	Shareholders' equity as at 31/12/2008 - minority interests				
						Reserves - group	Reserves - minority interests	Dividends and other allocations	Changes in reserves - group	Changes in reserves - minority interests	Transactions on shareholders' equity						Profit (Loss) for the period as at 31/12/2008 - group	Profit (Loss) for the period as at 31/12/2008 - minority interests						
											New share issues - group	New share issues - minority interests	Own shares acquisitions - group	Own shares acquisitions - minority interests	Extraordinary distribution of dividends	Changes in capital instruments					Own shares derivatives	Stock options		
Capital:	1.390.082	10.364	-	1.390.082	10.364					(10)	400.217	1.248										1.790.299	11.602	
a) ordinary shares	1.214.734	10.364		1.214.734	10.364					(10)	400.298	1.248											1.615.032	11.602
b) other shares	175.348			175.348							(81)												175.267	-
Additional paid-in capital	461.064	5.169		461.064	5.169					(41)	552.195	-											1.013.259	5.128
Reserves:	109.652	7.679	-	109.652	7.679	58.105	394	-	(8.532)	(71)	(61)	(1.248)	-	-	-	-	-	-	-	-	-	-	159.164	6.754
a) profits	80.661	6.431	-	80.661	6.431	58.105	394		(8.532)	(71)													130.234	6.754
b) other	28.991	1.248		28.991	1.248						(61)	(1.248)											28.930	-
Valuation reserves:	660.973	3.886	-	660.973	3.886				(288.453)	(379)	(171)												372.349	3.507
a) available for sale	624.512	375	-	624.512	375				(232.156)	(366)													392.356	9
b) hedging of cash flows	9.530	(94)	-	9.530	(94)				(56.297)	(13)													(46.767)	(107)
d) special revaluation laws	26.931	3.605		26.931	3.605				-	-	(171)												26.760	3.605
Capital instruments	1.219		-	1.219							(40)												1.179	
Own shares	-	(17)		-	(17)																		-	(17)
Profit (Loss) for the period	204.813	7.492		204.813	7.492	(58.105)	(7.492)	(146.708)															205.504	7.399
Shareholders' equity	2.827.803	34.573	-	2.827.803	34.573		(7.098)	(146.708)	(296.985)	(501)	952.140												205.504	7.399

(figures in thousands of €)

	Balance as at 31/12/2007 - group	Balance as at 31/12/2007 - minority interests	Change in opening balances	Balance as at 1/01/2008 - group	Balance as at 1/01/2008 - minority interests	Allocation of profits/losses for the previous year			Changes in the year										Shareholders' equity as at 31/03/2008 - group	Shareholders' equity as at 31/03/2008 - minority interests	
						Reserves - group	Reserves - minority interests	Dividends and other allocations	Changes in reserves - group	Changes in reserves - minority interests	Transactions on shareholders' equity						Profit (Loss) for the period as at 31/03/2008 - group	Profit (Loss) for the period as at 31/03/2008 - minority interests			
											New share issues - group	New share issues - minority interests	Own shares acquisitions - group	Own shares acquisitions - minority interests	Extraordinary distribution of dividends	Changes in capital instruments					Own shares derivatives	Stock options
Capital:	1,390,082	10,364	-	1,390,082	10,364				(2)	399,849	1,248									1,789,931	11,610
a) ordinary shares	1,214,734	10,364		1,214,734	10,364				(2)	399,849	1,248									1,614,583	11,610
b) other shares	175,348			175,348																175,348	-
Additional paid-in capital	461,064	5,169	-	461,064	5,169				(11)	552,328										1,013,392	5,158
Reserves:	109,652	7,679	-	109,652	7,679	204,813	7,492	-	(94)	14,751	(61)	(1,248)	-	-	-	-	-	-	-	314,310	28,674
a) profits	80,661	6,431	-	80,661	6,431	204,813	7,492		(94)	14,751										285,380	28,674
b) other	28,991	1,248		28,991	1,248						(61)	(1,248)								28,930	-
Valuation reserves:	660,973	3,886	-	660,973	3,886				(69,521)	(209)	(125)									591,327	3,677
a) available for sale	624,512	375	-	624,512	375				(59,900)	(185)										564,612	190
b) hedging of cash flows	9,530	(94)	-	9,530	(94)				(9,621)	(24)										(91)	(118)
d) special revaluation laws	26,931	3,605		26,931	3,605						(125)									26,806	3,605
Capital instruments	1,219		-	1,219							(247)									972	-
Own shares	-	(17)		-	(17)						-									-	(17)
Profit (Loss) for the period	204,813	7,492		204,813	7,492	(204,813)	(7,492)	-												36,568	1,915
Shareholders' equity	2,827,803	34,573	-	2,827,803	34,573				(69,615)	14,529	951,744									36,568	1,915
																				3,746,500	51,017

CASH FLOW STATEMENT

Direct method

A. OPERATING ACTIVITIES	31/3/09	Amount	
		31/12/08	31/3/08
1. Management	312,097	992,696	173,487
- interest income received (+)	278,434	1,483,264	361,187
- interest expenses paid (-)	(157,032)	(640,522)	(171,631)
- dividends and similar revenues (+)	86	14,818	681
- net commissions (+/-)	59,980	253,185	59,379
- staff costs (-)	(81,401)	(307,656)	(69,039)
- net premiums collected	418,056	935,475	189,164
- other insurance revenues and expenses (-)	(152,027)	(471,225)	(161,160)
- other costs (-)	(97,158)	(484,728)	(101,894)
- other revenues (+)	43,829	312,675	67,908
- taxes and duties (-)	(670)	(102,590)	(1,108)
- costs/revenues from discontinued group assets and net of tax effect (+/-)			
2. Liquidity generated/absorbed by financial assets	(110,636)	(3,866,021)	(1,700,171)
- financial assets held for trading	(65,920)	394,117	87,898
- financial assets designated at fair value	15,949	(72,375)	31,663
- available for sale financial assets	(371,513)	(619,611)	(122,680)
- loans to customers	454,511	(3,589,152)	(1,294,431)
- loans to banks: at sight	(992)	(86)	(220,007)
- loans to banks: other loans	(394,180)	524,307	357,637
- other assets	251,509	(503,221)	(540,251)
3. Cash generated/absorbed by financial liabilities	(174,863)	3,173,115	1,597,150
- amounts owed to banks: at sight	(407,345)	149,794	(60,880)
- amounts owed to banks: other	187,748	(1,723,823)	(393,826)
- amounts owed to customers	185,061	2,441,152	1,360,335
- securities in issue	138,535	2,306,643	330,969
- financial liabilities from trading	14,414	(8,130)	16,865
- financial liabilities designated at fair value	(23,470)	6,192	(53,664)
- other liabilities	(269,806)	1,287	397,351
Net liquidity generated/absorbed by operating activities	26,598	299,790	70,466
B. INVESTING ACTIVITIES			
1. Liquidity generated by	3,688	67,295	15,385
- equity investment disposals	12	-	-
- dividends received on equity investments	-	6,444	-
- disposal/reimbursement of financial assets held to maturity	3,271	159	-
- tangible asset disposals	405	30,742	61
- subsidiary and business unit disposals	-	29,950	15,324
2. Liquidity absorbed by	(81,178)	(1,116,540)	(1,038,539)
- equity investment acquisitions	-	(96)	(60)
- acquisitions of financial assets held to maturity	(74,168)	-	-
- tangible asset acquisitions	(947)	(80,942)	(26,157)
- intangible asset acquisitions	(6,063)	(61,452)	(4,479)
- business unit acquisitions	-	(974,050)	(1,007,843)
Net liquidity generated/absorbed by investing activities	(77,490)	(1,049,245)	(1,023,154)
C. FUNDING ACTIVITIES			
- own share issues/acquisitions	-	398,849	398,788
- additional paid-in capital	-	550,415	551,017
- dividend distribution and others	-	(153,806)	-
Net liquidity generated/absorbed by funding activities	-	795,458	949,805
NET LIQUIDITY GENERATED/ABSORBED DURING THE PERIOD	(50,892)	46,003	(2,883)

KEY: (+) generated; (-) absorbed

RECONCILIATION

Balance sheet items	Amount		
	31/3/09	31/12/08	31/3/08
Cash and cash equivalents at the beginning of the period	289,723	243,720	243,720
Total net liquidity generated/absorbed during the period	(50,892)	46,003	(2,883)
Cash and cash equivalents: effect of exchange rate differences	-	-	-
Cash and cash equivalents at period end	238,831	289,723	240,837

ACCOUNTING POLICIES

The Interim Report on Operations of the Banca Carige Group for the first quarter of 2009 was drawn up in accordance with IAS 34 (Interim financial statements). The international accounting standards IAS/IFRS and the related interpretations (SIC/IFRIC), officially approved by the European Union on the date of approval of this Interim report, were applied for the valuation and measurement of the accounting balances, and the directions referred to in the Bank of Italy Circular no. 262 dated 22/12/2005 (financial statements for banks: formats and rules for the drawing up) were also complied with.

As regards the phases of classification, recording, valuation and cancellation of asset and liability items involved in preparing this Report, as with the methods of entering costs and revenues, the same accounting standards used in preparation of the financial statements as at 31/12/2008 were applied, with the exception of what is detailed below.

On 22 November 2007, Regulations (EC) no. 1358/2007 implementing IFRS 8 - Operating Segments was published on the Official Gazette L. 304 of the European Union.

This standard became effective as from 1 January 2009 and replaced the regulations on Segment Reporting provided under IAS 14.

This Interim Report on Operations, not audited, should be read and analysed together with the financial statements for year ended as at 31/12/2008.

THE ACQUISITION OF NO. 40 BRANCHES FROM UNICREDIT GROUP

With regard to Banca Carige's acquisition of business units relating to 40 branches from UniCredit Group, effective from 1 December 2008, the following should be noted:

- on 21 November 2008 a temporary price equal to € 138.4 million was paid;
- the temporary price, as agreed by contract, was subject to up and down adjustment, according to the Direct Deposits and Indirect Deposits of the

business units acquired on the effective date;

- the final price communicated to the Transferor Banks and accepted by Banca Carige on 31 March ult. was less than € 27 million (€ 114.4 million);
- Banca Carige sent, within the terms provided under the contract, further adjustment remarks and objections to the financial positions being defined;
- the acquisition was accounted for in accordance with the provisions of IFRS 3 – Business combinations and so:
 - the acquisition was recorded on the date on which control over acquired assets was obtained;
 - cost of the transaction was determined as the sum of: the fair value, at acquisition date, of the acquired assets and liabilities and any ancillary charge directly attributable to the acquisition, such as the external costs incurred in order to establish the aims of the transaction, such as fees paid to auditors, experts, legal counsels as well as advisory fees incurred;
- goodwill was equal to the price agreed between the parties in € 111.4 million in addition to € 3.7 million relating to directly attributable additional expenses totalling € 115.1 million.

The amount of the goodwill could slightly vary for further directly attributable additional expenses. Goodwill was recorded temporarily in line with the provisions of IFRS 3, para. 62.

**BANCA CARIGE GROUP INTERIM REPORT ON OPERATIONS
OF THE FIRST QUARTER 2009**

THE REAL AND MONETARY SITUATION

The first months of 2009 showed an acceleration in the deterioration of the world economic scenario, even if the presence of signs of stabilisation - including, the recovery in prices of some raw materials, in particular - while waiting for the supporting actions in favour of households and firms - taken by the different governments over these months - and the reduction in interest rates and oil prices to achieve the expected positive effects.

In the **United States**, the crisis of the residential property market seems to have reached the highest point: in February, licences for new constructions interrupted the negative trend of the previous months; even if business confidence was still negative, it showed a slight improvement, especially in the manufacturing sector; consumer confidence indicators also showed signs of improvement even if employment reduction - owing to the drop in the international demand - determined a prudent household behaviour in spending. The lower absorption of foreign products contributed towards reducing trade imbalance but budgetary policy interventions supporting domestic demand and the financial system increased deficit and national debt.

The involvement of **Emerging Countries** in the world economic recession was shown by financing problems on international markets, also due to the weakening of national currencies. In **China**, in particular, expense items are being reclassified from net exports to domestic demand; the growth of Chinese GDP in the first quarter of 2009 stopped at 6.1% on a trend basis (at the lowest levels since 1992), but the latest economic data showed a significant improvement in March, with a 14.7% increase in retail sales and an 8.3% increase in industrial business.

The economy of the **Countries of the European Union (EMU)** showed a decline in growth greater than that of the United States, especially due to the higher exposure towards the Emergent Countries, the East European countries in particular, and to the lower support measures introduced by the European Governments. Above all, Germany is paying for the weakness of the economic framework: due to the importance of its manufacturing sector

(25% of GDP) and exports (50% of GDP) it depends on the international economic cycle to a large extent. Consumer prices in the EMU area, according to the indications of Eurostat, recorded in March a 0.6% yearly growth, on the decrease compared to the previous months, and business and consumer confidence indicators worsened.

In the current global recession framework, **Italy** showed some strong points, including a lower exposure to the international trade slump and lower household vulnerability - less indebted compared to the European average - to the property and financial crisis. However, the characteristics of the production structure penalised the growth rate and maintained a negative gap compared to the EMU. Even if an upturn in vehicle registration occurred in March, thanks to government incentives, the measures approved by the Government until now supporting some industrial sectors seem to have a marginal role in containing the crisis. Industrial production showed a 19.2% drop on a trend basis (consumables by -8.7%, capital goods by -20.4%, intermediate goods by -27.5%, energy by -9%). The slowdown in inflation, from 4.2% in August 2008 to 1.1% in March 2009, and the decline in interest rates mitigated the negative consequences of the crisis on household income but did not prevent drop in consumption: retail sales decreased by 1.3% on a yearly basis, with different trends between large-scale retail trade (+2.1%) and small shops (-3.7%) and between the food (-0.9%) and non-food segment (-1.5%). Business and consumer confidence got worse, in line with the European trend. The foreign trade pattern was not very lively: exports decreased by 27.5% annually (imports by -23.4%); foreign trade balance in the first two months of 2009 was negative for € 4.4 billion, completely attributable to the trade deficit towards the extra-EU Countries.

Public finance worsened: Cash requirements of the public sector of the first three months of 2009 totalled € 29.7 billion, a value greater by ca. € 9 billion to that recorded in the first quarter of 2008; cash tax revenues entered in the national budget decreased by 5.4% on a yearly basis, with a more important decline in indirect taxes (-7.2%).

The **monetary policy** continued to pursue the objective of creating and maintaining favourable credit terms. In the United States, the FED kept the interest rate within 0-0.25, lowest value reached in December 2008. The ECB, on the

back of the decrease in inflationary pressure, lowered the rate of reference significantly with four subsequent measures, decreasing it from 2.5% in December 2008 to 1% in May 2009, the lowest value from the adoption of the single currency. Interest rates of the money market continued to show a decreasing trend, although slowing down: *Euribor* 3 months dropped by ca. 1.7 points, from 3.38% in December to 1.67% in March and the T-bill yield from 4.13% to 3.77%.

The **foreign-exchange market** was characterised by a strong volatility: the euro strengthened against the dollar, by reaching at the end of March the price of 1.331 (1.261 in February), after the devaluation that characterised the first two months of the year (the exchange rate was 1.392 as at 31 December 2008).

As for the banking intermediation, **direct deposits** kept a steady growth rate (+11.3% on a trend basis in March), which reflected the further acceleration of the bond trend (+20.5% on a trend basis), against a slowdown of deposits (+5.5%).

Loans, affected by the economic recession and by the upturn in securitisation transactions, showed a significant slowdown (+2.8% on a trend basis in March 2009), with a slightly better trend for loans to households and to non-financial companies (+3.3%) and with a stronger growth of the short-term loan (+5%) compared to the medium-long term loan (+2.6%). Loans to firms recorded a slight slowdown (+5.1% on a trend basis in February 2009), against a decline in loans to households (-0.4%). Net bad loans recorded a growth, with a ban loans/loans ratio equal to 1.27% in February compared to 1.23% in December.

Bank interest rates declined. The average interest rate on loans to households and to non-financial companies in March stood at 4.90% (6.08% at the end of 2008); the corresponding rate on deposits reached 1.37% (1.99% in December 2008). This did not result in a decrease in spreads, determined by an increase

in the mark up and a decrease in the mark down.

STRATEGY

The fundamental strategic goal of the Group, in line with the path started at the beginning of the nineties, is the creation of value in the medium-long term for all stakeholders, with a particular focus on the development of the relations with clients and on dimensional growth as a key requirement to maintain a relevant position in the domestic banking system.

The mission of the Carige Group is to strengthen its role as banking, financial, welfare and insurance conglomerate at a national level:

- in terms of presence spread throughout Italy, especially strong in certain areas of the Country and with the core centre in Liguria, where it is characterised by the particular care to the development of the relation with the local environment (multilocalism);
- focused on the segments of households, small and medium firms, artisans, traders and local public bodies,
- capable of being different in the service quality offered through integrated multichannelling and a progressive quality development of resources and structures,
- playing also on a wider use of technology.

In compliance with the fundamental strategic goal and in order to realise in full this mission, specific strategies were developed for:

- an increased level of productivity, efficiency and profitability;
- a growth in traded volumes, keeping an adequate level of capitalisation;
- risk protection and management.

The strategy followed by the Group and the results delivered were assessed favourably in the period by international rating agencies: The most recent ratings assigned to the Parent Bank are indicated in the following table:

BANCA CARIGE RATINGS

	Date	short-term	long-term	BFSR (1) (2)	Individual (2)	Support (3)
Fitch	01/12/2008	F1	A	-	B/C	3
Moody's	October 2008 (4)	P-1	A2	C-	-	-
Standard & Poor's	01/03/2009	A2	A-	-	-	-

(1) Bank Financial Strength Ratings.

(2) BFS ratings express the intrinsic strength and solidity of a bank, as well as its financial reliability given the bank's assets. Ratings range from A to E.

(3) Support ratings indicate the likelihood of the Government or other public entity, or shareholders, stepping in to support the bank in the event of crisis. Ratings range from 1 to 5.

(4) Date of the the last credit opinion issued by the rating agency.

SIGNIFICANT EVENTS DURING THE QUARTER

On 23 January Banca Carige – after waiting for the occurred authorisation by the Bank of Italy – subscribed:

- the capital increase from € 148.1 million to € 162.9 million of the Carige Assicurazioni subsidiary, decided by the Shareholders' Meeting of the latter held on 15 July 2008, for an overall equivalent value of € 30 million (operation concluded on 12 March due to the shares non-opted by the other shareholders).
- the capital increase from € 61.4 million to € 84.8 million of Carige Vita Nuova, decided by the Shareholders' Extraordinary Meeting of the subsidiary held on 15 July 2008, for an overall equivalent value of € 45 million.

On 26 January, the Board of Directors of Banca Carige – when re-examining its presence abroad – decided the closing of its London Representative Office and of its Beijing and Moscow Mandates, entrusting the General Management with the exact definition of methods and time and with the carrying-out of all the tasks for closing the aforesaid offices, including the required communications to the Bank of Italy.

On the same day, the Board of Directors – in the light of the “Supervisory Regulations on the organisation and corporate governance of Banks” issued by the Bank of Italy on 4/3/2008 – acknowledged positively the first main lines of the Corporate Governance Project of Banca Carige, which represents choices and reasons related to the organisational structures of the

Bank and of the Group with a special attention to the profiles relevant to control systems. The aforesaid Project - after defining the statutory and internal regulation structures and, therefore, following the ordinary and extraordinary Shareholders' Meeting held on 29 April 2009 – must be definitively approved within 30 June 2009.

On 4 February, with regard to the claim submitted by Banca Carige against the administrative monetary penalty of € 420 thousand imposed by the Competition Authority on 7 August 2008 (considering the business practice carried out by the Bank with reference to the so-called mortgage portability unfair, pursuant to Lgs. D. 206/2005), the Regional Administrative Court of Lazio issued a purview with which it upheld the appeal and partially cancelled the decision of the Competition Authority; moreover, at the time of preparing this document, the extent of the reduction was still not known.

On 23 February, the Board of Directors of the Parent Bank – with reference to the possibility of strengthening the financial means of the Banca del Monte di Lucca subsidiary, as well as to transfer the valuation reserves to capital for the same Banca del Monte di Lucca and for Cassa di Risparmio di Savona – decided to express its favourable opinion, subject to the required authorisations of the Bank of Italy, on the following operations:

- bonus issue of Cassa di Risparmio di Savona from € 95.2 million to € 111.2 million, through the issue of no. 30,704,700 new shares with a nominal value of € 0.52 each for a total of ca. € 16 million, by using the same amount of valuation reserves;

- bonus issue of Banca del Monte di Lucca from € 18.7 million to € 24 million, through the issue of no. 10,233,175 new shares with a nominal value of € 0.52 each for a total of € 5.3 million, by using the same amount of valuation reserves;
- rights issue of Banca del Monte di Lucca from € 24 million to € 29.2 million, through the issue of no. 10,000,000 new shares with a nominal value of € 0.52 each for a total of € 10 million.

On 23 March, the Board of Directors – in compliance with the regulations referred to in the Bank of Italy Circular no. 263/2006 that acknowledged the provisions contained in the New Capital Agreement (the so-called Basel 2) – decided to approve “The Model for managing the Public Disclosure Process – Pillar 3”.

For what concerns Insurance Companies, on 16 January 2009, the Meeting of the Board of Directors of Carige Vita Nuova examined the negative effects of the financial crisis on the solvency margin and on the covering of reserves, reported to ISVAP also by means of communications sent by the auditing company and by the Board of Auditors of the Insurance

Company. After the conclusion of the capital increase by € 45 million, considering the assertion of the rights provided under Isvap Regulations no. 28 in pursuance of the derogations granted on share evaluation provided in L.D. 185/2008, Carige Vita Nuova is keeping constantly track of the situation for the purposes of implementing the said regulations. In this regard, the Supervisory Body is continuously informed on the monitoring results. Both the Insurance Company and the Parent Bank reserved the right to submit the interventions to their Administrative Bodies and to the authorisation of the Bank of Italy, considering the said Isvap regulations and the evaluations of the Body itself, also allowing for the requirements returning from the strong development of the life-insurance business being carried out. In this regard, the strong increase in the premium income that in 2008 reached € 588 million (up 57.4% as to 2007) compared to the Italian market that recorded a decline of ca. 12% in September 2008. The strong development trend of the *bancassurance* channel further increased in 2009, reaching over the last few days a premium income of € 340 million in the first four months.

ECONOMIC RESULTS

The first three months of 2009 closed with a net profit of € 45.1 million, against € 36.6 million compared to the same period of 2008. The former Intesa Sanpaolo (ISP) and former UniCredit (UCB) branches contributed to this

trend, consolidated by the Group on 10 March and 1 December 2008, respectively.

Increase in profits was mainly related to the increase in the gross income, improving in all its components; with regards to costs, both net value adjustments and operating costs increased.

INCOME STATEMENT (figures in thousands of €)

	31/3/09	31/12/2008	31/3/08	Change 31/3/09 - 31/3/08	
				absolute	%
10 - INTEREST INCOME AND SIMILAR REVENUES	333,358	1,491,426	339,969	-6,611	-1.9
20 - INTEREST EXPENSES AND SIMILAR CHARGES	-142,240	-680,717	-159,651	17,411	-10.9
30 - NET INTEREST INCOME	191,118	810,709	180,318	10,800	6.0
40 - COMMISSION INCOME	68,307	291,763	68,141	166	0.2
50 - COMMISSION EXPENSES	-8,327	-38,578	-8,762	435	-5.0
60 - NET COMMISSIONS	59,980	253,185	59,379	601	1.0
70 - DIVIDENDS AND OTHER SIMILAR REVENUES	86	14,818	681	-595	-87.4
80 - NET INCOME FROM TRADING ACTIVITIES	-8,166	-62,976	-50,171	42,005	-83.7
90 - NET INCOME FROM HEDGING ACTIVITIES	2,315	-544	782	1,533	...
100 - PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	18,010	15,916	11,100	6,910	62.3
a) loans	1,894	3,902	1,324	570	43.1
b) available-for-sale financial assets	4,296	10,214	8,784	-4,488	-51.1
d) financial liabilities	11,820	1,800	992	10,828	...
110 - NET VALUE ADJUSTMENT ON FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE	2,976	-518	14,350	-11,374	-79.3
120 - GROSS OPERATING INCOME	266,319	1,030,590	216,439	49,880	23.0
130 - NET VALUE ADJUSTMENT ON:	-30,177	-102,795	-18,506	-11,671	63.1
a) loans	-29,525	-76,929	-19,241	-10,284	53.4
b) available-for-sale financial assets	-522	-28,041	-	-522	...
d) other financial assets	-130	2,175	735	-865	...
140 - NET INCOME FROM FINANCIAL MANAGEMENT	236,142	927,795	197,933	38,209	19.3
150 - NET PREMIUMS	395,996	927,061	153,953	242,043	...
160 - BALANCE OF OTHER EXPENSES/REVENUES FROM INSURANCE MANAGEMENT	-401,061	-944,181	-161,071	-239,990	...
170- NET INCOME FROM FINANCIAL AND INSURANCE MANAGEMENT	231,077	910,675	190,815	40,262	21.1
180 - ADMINISTRATIVE COSTS:	-160,929	-623,102	-136,547	-24,382	17.9
a) staff costs	-96,852	-375,472	-81,920	-14,932	18.2
b) other administrative costs	-64,077	-247,630	-54,627	-9,450	17.3
190 - NET PROVISIONS FOR RISKS AND CHARGES	-1,699	-2,245	3,377	-5,076	...
200 - DEPRECIATION OF TANGIBLE ASSETS	-5,676	-21,320	-4,680	-996	21.3
210 - AMORTIZATION OF INTANGIBLE ASSETS	-4,600	-17,387	-3,936	-664	16.9
220 - OTHER OPERATING EXPENSES AND REVENUES	16,820	56,577	15,532	1,288	8.3
230 - OPERATING COSTS	-156,084	-607,477	-126,254	-29,830	23.6
240 - PROFIT (LOSS) FROM EQUITY INVESTMENTS	-	5,422	664	-664	-100.0
270 - PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	-32	127	-4	-28	...
280 - OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES	74,961	308,747	65,221	9,740	14.9
290 - INCOME TAXES FOR THE PERIOD	-28,495	-95,844	-26,738	-1,757	6.6
300 - PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES	46,466	212,903	38,483	7,983	20.7
320 - PROFIT (LOSS) FOR THE PERIOD	46,466	212,903	38,483	7,983	20.7
330 - MINORITY INTERESTS	1,343	7,399	1,915	-572	-29.9
340 - PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT BANK	45,123	205,504	36,568	8,555	23.4

INCOME STATEMENT - RESULTS FOR THE PERIOD (figures in thousands of €)

	31/3/09	31/3/08	CHANGE	4th quarter 2008
10 - INTEREST INCOME AND SIMILAR REVENUES	333,358	339,969	-6,611	403,703
20 - INTEREST EXPENSES AND SIMILAR CHARGES	-142,240	-159,651	17,411	-179,880
30 - NET INTEREST INCOME	191,118	180,318	10,800	223,823
40 - COMMISSION INCOME	68,307	68,141	166	78,657
50 - COMMISSION EXPENSES	-8,327	-8,762	435	-9,854
60 - NET COMMISSIONS	59,980	59,379	601	68,803
70 - DIVIDENDS AND OTHER SIMILAR REVENUES	86	681	-595	2,373
80 - NET INCOME FROM TRADING ACTIVITIES	-8,166	-50,171	42,005	-8,052
90 - NET INCOME FROM HEDGING ACTIVITIES	2,315	782	1,533	-926
100 - PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	18,010	11,100	6,910	37
a) loans	1,894	1,324	570	1,477
b) available-for-sale financial assets	4,296	8,784	-4,488	-52
d) financial liabilities	11,820	992	10,828	-1,388
110 - NET VALUE ADJUSTMENT ON FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	2,976	14,350	-11,374	-15,989
120 - GROSS OPERATING INCOME	266,319	216,439	49,880	270,069
130 - NET VALUE ADJUSTMENT ON:	-30,177	-18,506	-11,671	-22,501
a) loans	-29,525	-19,241	-10,284	-1,593
b) available-for-sale financial assets	-522	-	-522	-23,836
d) other financial assets	-130	735	-865	2,928
140 - NET INCOME FROM FINANCIAL MANAGEMENT	236,142	197,933	38,209	247,568
150 - NET PREMIUMS	395,996	153,953	242,043	300,151
160 - BALANCE OF OTHER EXPENSES/REVENUES FROM INSURANCE MANAGEMENT	-401,061	-161,071	-239,990	-296,039
170 - NET INCOME FROM FINANCIAL AND INSURANCE MANAGEMENT	231,077	190,815	40,262	251,680
180 - ADMINISTRATIVE COSTS:	-160,929	-136,547	-24,382	-172,960
a) staff costs	-96,852	-81,920	-14,932	-109,496
b) other administrative costs	-64,077	-54,627	-9,450	-63,464
190 - NET PROVISIONS FOR RISKS AND CHARGES	-1,699	3,377	-5,076	-5,567
200 - DEPRECIATION OF TANGIBLE ASSETS	-5,676	-4,680	-996	-6,416
210 - AMORTIZATION OF INTANGIBLE ASSETS	-4,600	-3,936	-664	-5,178
220 - OTHER OPERATING EXPENSES AND REVENUES	16,820	15,532	1,288	9,171
230 - OPERATING COSTS	-156,084	-126,254	-29,830	-180,950
240 - PROFIT (LOSS) FROM EQUITY INVESTMENTS	-	664	-664	2,736
270 - PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	-32	-4	-28	105
280 - OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES	74,961	65,221	9,740	73,571
290 - INCOME TAXES FOR THE PERIOD	-28,495	-26,738	-1,757	-28,784
300 - PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES	46,466	38,483	7,983	44,787
320 - PROFIT (LOSS) FOR THE PERIOD	46,466	38,483	7,983	44,787
330 - MINORITY INTERESTS	1,343	1,915	-572	2,331
340 - PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT BANK	45,123	36,568	8,555	42,456

The **net interest income** stood at € 191.1 million, increasing by 6% compared to the first quarter of 2008; interest income was recorded

at € 333.4 million (-1.9%) and interest expense at € 142.2 million (-10.9%).

INTEREST INCOME (figures in thousands of €)

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Financial assets held for trading	6,521	62,302	16,326	- 9,805	- 60.1
Available-for-sale financial assets (1)	24,591	91,276	19,250	5,341	27.7
Financial assets held to maturity	4,949	6,348	39	4,910	...
Loans to banks	10,724	61,328	15,606	- 4,882	- 31.3
Loans to customers (2)	248,050	1,193,408	276,002	- 27,952	- 10.1
Financial assets sold and not cancelled (2)	38,178	74,983	12,276	25,902	...
Other assets	345	1,781	470	- 125	- 26.6
TOTAL INTEREST INCOME	333,358	1,491,426	339,969	- 6,611	- 1.9

INTEREST EXPENSES figures in thousands of €

	31/3/09	2,008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Amounts owed to banks	4,405	61,923	25,816	- 21,411	- 82.9
Amounts owed to customers	38,720	171,966	40,105	- 1,385	- 3.5
Securities in issue (2)	85,215	345,576	72,348	12,867	17.8
Financial liabilities designated at fair value	1,184	15,660	3,759	- 2,575	- 68.5
Financial liabilities corresponding to assets sold and not cancelled (2)	5,110	54,323	10,816	- 5,706	- 52.8
Other liabilities	91	3,213	6	85	...
Hedging derivatives	7,515	28,056	6,801	714	10.5
TOTAL INTEREST EXPENSES	142,240	680,717	159,651	- 17,411	- 10.9

(1) In the financial statements as at 31 December 2008 € 3,405 thousand have been reported in the interest income regarding financial assets designated at fair value and not in the sub-item relative to the available-for-sale financial assets. Figures have now been adequately adjusted.

(2) By letter no. 8309 dated 5 January 2009 (subject: "Regulations on bank financial statements"), the Bank of Italy has sent, inter alia, a note containing some modifications relative to the tables of the explanatory notes. In particular, a specific item "Securities in issue" has been introduced in table C.2.2 "Financial liabilities corresponding to financial assets sold and not cancelled" of part E "Information on risks and the risk hedging policies". This item has to hold in the consolidated financial statements all the securities issued by the vehicle companies consolidated on a line-by-line basis corresponding to assets sold and cancelled from the financial statements of the "originating" bank. In light of such new provision the Bank has decided to record also interest income on the mortgages transferred to the consolidated vehicle company in "interest income on assets sold and not cancelled" and not in "interest income on loans to customers", and the interest expenses on securities issued by the vehicle company in "interest expenses on financial liabilities corresponding to assets sold and not cancelled" and not in "interest expenses on securities in issue". The comparison periods have been adequately reclassified to allow a homogeneous comparison.

Net commissions, equal to € 60 million, increased by 1%, attributable to the decrease in fee and commission expense (€ 8.3 million, -

5%) whereas fee and commission income was mainly in line with the first quarter of 2008 (€ 68.3 million, +0.2%).

COMMISSION INCOME figures in thousands of €

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Guarantees issued	2,490	10,405	2,480	10	0.4
Management, dealing and consultancy services:	19,846	95,744	24,138	- 4,292	- 17.8
1. Financial instruments trading	26	182	119	- 93	- 78.2
2. Currency trading	682	3,524	859	- 177	- 20.6
3. Asset management	8,667	45,714	13,057	- 4,390	- 33.6
4. Securities custody and administration	740	3,148	871	- 131	- 15.0
5. Custodian bank	734	3,665	1,072	- 338	- 31.5
6. Placement of securities	2,389	13,271	2,847	- 458	- 16.1
7. Collection of orders	2,921	10,283	2,396	525	21.9
9. Distribution of third-party services	3,687	15,957	2,917	770	26.4
- asset management	6	72	4	2	50.0
- insurance products	377	2,235	60	317	...
- other products	3,304	13,650	2,853	451	15.8
Collection and payment services	14,389	62,615	13,799	590	4.3
Servicing for securitizations	583	1,109	318	265	83.3
Factoring services	334	1,232	287	47	16.4
Other services	30,665	120,658	27,119	3,546	13.1
TOTAL COMMISSION INCOME	68,307	291,763	68,141	166	0.2

COMMISSION EXPENSES (figures in thousands of €)

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Guarantees received	166	725	139	27	19.4
Management and intermediation services	1,007	3,068	947	60	6.3
1. Financial instruments trading	513	511	173	340	...
3. Asset management	1	1	-	1	...
4. Securities custody and administration	418	2,134	712	- 294	- 41.3
5. Financial instruments placement	1	139	3	- 2	- 66.7
6. Door-to-door sale of securities, financial products and services	74	283	59	15	25.4
Collection and payment services	3,970	21,182	4,583	- 613	- 13.4
Other services	3,184	13,603	3,093	91	2.9
TOTAL COMMISSION EXPENSES	8,327	38,578	8,762	- 435	- 5.0

Dividends and similar revenues amounted to € 86 thousand, against € 0.7 million in March 2008.

The **net income from financial management** was positive for € 15.1 million, against a negative result of € 23.9 million in March 2008; in addition to the better

performance of the net result of trading compared to last year (€ -8.2 million against -50.2 million), the item of the profits on disposal repurchase of loans and financial assets and liabilities, equal to € 18 million (€ 11.1 million in March 2008), had a positive effect.

INCOME FROM TRADING ACTIVITIES (figures in thousands of €)

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Debt securities	11,441	-63,283	-24,588	36,029	...
Equities & collective investment schemes	-252	-6,207	-9,800	9,548	- 97.4
Total equities, debt securities & collective investment schemes	11,189	-69,490	-34,388	45,577	...
Financial derivatives	-19,347	-2,264	-11,938	-7,409	62.1
Credit derivatives	-1,743	8,094	4,850	-6,593	...
Currency differences	-92	-3,941	-2,333	2,241	- 96.1
Other financial assets/liabilities from trading	1,827	4,625	-6,362	8,189	...
INCOME FROM TRADING ACTIVITIES	-8,166	-62,976	-50,171	42,005	- 83.7

Gross operating income rose by 23% to € 266.3 million.

Net value adjustments due to impairment of loans and other financial items were equal to € 30.2 million, value greater than that of the first quarter of 2008 and were mainly represented by value adjustments to

loans. Considering the contribution from insurance management, negative for € 5.1 million, **net income from financial and insurance management** increased by 21.1% to € 231.1 million.

NET ADJUSTMENTS TO LOANS AND OTHER FINANCIAL ITEMS (figures in thousands of €)

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Loans to banks	-	170	-	-	...
Loans to customers	29,525	76,759	19,241	10,284	53.4
Credit commitments (other financial transactions)	130	- 2,175	- 735	865	...
Available-for-sale financial assets	522	28,041	-	522	...
NET VALUE ADJUSTMENTS TO LOANS AND OTHER FINANCIAL ITEMS	30,177	102,795	18,506	11,671	63.1

Operating costs amounted to € 156.1 million, a 23.6% increase compared to the first three months of 2008.

In particular, **administrative costs** totalled € 160.9 million, a 17.9% increase due to the growth in the **staff costs**, (+18.2% to € 96.9 million) and **other administrative costs** (+17.3% to € 64.1 million).

Net provisions for risks and charges amounted to € 1.7 million against recoveries in value of € 3.4 million in March 2008.

Net adjustments to tangible and intangible assets amounted to € 5.7 million and € 4.6 million respectively, both increasing in comparison with March 2008 (21.3% and 16.9% respectively).

OPERATING COSTS (figures in thousands of €)

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Staff costs	96,852	375,472	81,920	14,932	18.2
Other administrative costs	64,077	247,630	54,627	9,450	17.3
- general costs	51,703	197,150	42,866	8,837	20.6
- indirect taxes	12,374	50,480	11,761	613	5.2
Net provisions for risks and charges	1,699	2,245	- 3,377	5,076	...
Amortization and depreciation on:	10,276	38,707	8,616	1,660	19.3
- intangible fixed assets	4,600	17,387	3,936	664	16.9
- tangible fixed assets	5,676	21,320	4,680	996	21.3
Other operating expenses and revenues	- 16,820	- 56,577	- 15,532	- 1,288	8.3
TOTAL OPERATING COSTS	156,084	607,477	126,254	29,830	23.6

Other operating revenues and expenses increased compared to March 2008 (€ 16.8 million +8.3%).

OTHER OPERATING REVENUES AND EXPENSES (figures in thousands of €)

	31/3/09	2008	31/3/08	Change 3/09 - 3/08	
				absolute	%
Lease income and rent	4,963	18,464	4,689	274	5.8
Charges to third parties:	10,975	43,676	10,189	786	7.7
- recovery of taxes	10,647	42,195	9,834	813	8.3
- customer insurance premiums	328	1,481	355	- 27	- 7.6
Other revenues	4,363	23,914	5,643	- 1,280	- 22.7
Total other revenues	20,301	86,054	20,521	- 220	- 1.1
Operating costs on financial leases	- 62	- 2,027	- 954	892	- 93.5
Ordinary maintenance costs on investment property	- 892	- 3,783	- 913	21	- 2.3
Expenses for improvement of third parties' assets	- 289	- 1,325	- 204	- 85	41.7
Other expenses	- 2,238	- 22,342	- 2,918	680	- 23.3
Total other expenses	- 3,481	- 29,477	- 4,989	1,508	- 30.2
TOTAL NET REVENUES	16,820	56,577	15,532	1,288	8.3

Considering also losses on disposal of investments of € 32 thousand (€ -4 thousand in March 2008), **operating profit from ordinary activities before taxes** reached € 75 million (+14.9% compared to March 2008). Taking into account income tax provisions, equal to € 28.5 million (€ 26.7 million in March 2008), and the profit attributable to minority interests, equal to € 1.3 million (€ 1.9 million in March 2008), the **net profit** amounted to € 45.1 million compared to € 36.6 million registered in March 2008.

OWN SHARES, CASH FLOW STATEMENT AND SHAREHOLDERS' EQUITY

At the end of the first three months of 2009, Banca Carige held an essentially insignificant number of own shares (less than € 500).

During the first three months, operating assets generated liquidity amounting to € 26.6 million. In particular, management generated a positive flow for € 312.1 million, financial assets and liabilities absorbed liquidity totalling € 110.6 million and € 174.9 million, respectively. Cash absorbed by investments amounted to € 77.5

million. Net cash flow absorbed during the three months amounted to € 50.9 million.

The net consolidated shareholders' equity pertaining to the Parent Bank and the net consolidated profit are obtained from the net shareholders' equity and profit for the year of Banca Carige through the following changes:

RECONCILIATION STATEMENT OF BANCA CARIGE SHAREHOLDERS' EQUITY AND INCOME AND CONSOLIDATED FIGURES

	Shareholders' equity (1)	Income statement (1)
Balance as at 31/3/2009 - Banca Carige	3,688,712	35,779
Positive variations on book value	-105,434	12,322
Value adjustments to allocated gains	-7,391	-214
Share options survey - subsidiaries	-12,444	-200
Amortised goodwill (previous accounting periods)	-43,485	-
Dividends distributed by subsidiaries and written off	-1,800	-1,800
Other	-764	-764
Consolidated balance as at 31/3/2009	3,517,394	45,123

(1) figures in thousands of €

NET INCOME FROM INTERMEDIATION ACTIVITIES

The aggregate of **Financial Intermediation Activities on behalf of the customers (FIA)** – direct and indirect deposits – amounted to € 43,541 million, up by 1% compared to December 2008 and by 5.4% on a YoY basis.

Direct deposits stood at € 22,445.6 million, up by 1.3% from the beginning of the year and by 17.9% compared to March 2008; **indirect deposits** were equal to € 21,095.4 million, down by 5.3% in the twelve month period whereas they increased in the quarter by 0.6%. Indirect deposits represented 48.4% of total FIA and comprised assets under management, for 50%, and assets in custody, for the remaining 50%.

FINANCIAL INTERMEDIATION ACTIVITIES (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Total (A+B)	43,541,002	43,124,348	41,321,843	1.0	5.4
Direct deposits (A)	22,445,605	22,164,080	19,036,905	1.3	17.9
% on Total	51.6%	51.4%	46.1%		
Indirect deposits (B)	21,095,397	20,960,268	22,284,938	0.6	-5.3
% on Total	48.4%	48.6%	53.9%		
- Assets under management	10,550,154	10,438,552	10,864,578	1.1	-2.9
% on Total	24.2%	24.2%	26.3%		
% on Indirect deposits	50.0%	49.8%	48.8%		
- Assets in custody	10,545,243	10,521,716	11,420,360	0.2	-7.7
% on Total	24.2%	24.4%	27.6%		
% on Indirect deposits	50.0%	50.2%	51.2%		

Total funding, which included direct deposits from clients (€ 22,445.6 million) and banks (€ 581.5 million), amounted to € 23,027.1 million, basically stable in the quarter and up by 9.9% on a YoY basis.

Direct deposits increased by 1.3% from the beginning of the year and by 17.9% in the twelve month period. This trend was supported both by the growth in **amounts owed to customers**, equal to € 12,194.5 million, (+1.6% in the three month period and +11.5% in the twelve period) and by the increase in **securities in issue** equal to € 9,667.6 million (+0.9% and +27.4% against December and against March 2008, respectively) and mainly consisting in bonds (€ 9,423.1 million, +0.8% in the three month period and +27.9% in the twelve month period).

Short term deposits (€ 12,372 million), which represented 55.1% of the aggregate, were up by 1.7% from the beginning of the year and by 11.7% against March 2008, whereas the medium/short term component (€ 10,073.6 million) was up by 0.8% compared to the end of 2008 and by 26.5% on a YoY basis.

Liabilities designated at fair value (€ 583.5 million, +0.6% compared to December, and +13.6% compared to March 2008) mainly comprised structured bonds, placed through Poste Italiane; they did not include liabilities at fair value of Carige Vita Nuova, related to those insurance products the investment risk of which rests on the insured.

Amounts owed to banks totalled € 581.5 million, with a decrease of 27.4% in the first three months and of 69.8% on a YoY basis.

FUNDING (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Total (A+B)	23,027,062	22,965,533	20,962,236	0.3	9.9
Direct deposits (A)	22,445,605	22,164,080	19,036,905	1.3	17.9
Amounts owed to customers	12,194,461	12,005,439	10,934,267	1.6	11.5
current accounts and free deposits	11,865,190	11,522,358	10,178,730	3.0	16.6
repurchase agreements	156,503	292,028	534,965	-46.4	-70.7
term deposits	35,339	33,759	16,527	4.7	...
loans	3,588	11,433	59,908	-68.6	-94.0
funds managed on behalf of third parties	129	128	183	0.8	-29.5
commitments to repurchase own equity instruments	25,340	25,127	35,146	0.8	-27.9
other deposits	108,372	120,606	108,808	-10.1	-0.4
Securities in issue	9,667,633	9,578,795	7,589,178	0.9	27.4
bonds	9,423,101	9,344,042	7,365,891	0.8	27.9
other securities	244,532	234,753	223,287	4.2	9.5
Liabilities at fair value (1)	583,511	579,846	513,460	0.6	13.6
bonds	583,511	579,846	513,460	0.6	13.6
short term	12,372,042	12,167,499	11,073,624	1.7	11.7
% on Total	55.1	54.9	58.2		
medium-long term	10,073,563	9,996,581	7,963,281	0.8	26.5
% on Total	44.9	45.1	41.8		
Amounts owed to banks (B)	581,457	801,453	1,925,331	-27.4	-69.8
Deposits of central banks	-	-	50,481	...	-100.0
Current accounts and free deposits	126,342	210,106	57,184	-39.9	...
Term deposits	31,685	296,042	1,463,106	-89.3	-97.8
Repurchase agreements	130,666	-	62,324	...	...
Loans	292,758	295,298	292,234	-0.9	0.2
Other	6	7	2	-14.3	...

(1) Carige Vita Nuova liabilities, designated at fair value and relating to products for which risk is borne by the insured, are not included in this table.

Liguria's contribution to direct deposits fell to 55.3% (55.7% in December and 57.8% in March 2008) also due to the acquisition of the former UniCredit branches, mainly located in Sicily and Latium. The second region for importance was Tuscany, with a share of 9.2%

of the aggregate (9.5% in December and 8.3% in March 2008). Lombardy, the third region for importance, represented a 9% share, followed by Veneto (6.3%) and by Latium (6.1%).

DIRECT DEPOSITS (1) - GEOGRAPHICAL DISTRIBUTION (2) (figures in thousands of €)

	Situation as at					
	31/3/09		31/12/08		31/3/08	
		%		%		%
Liguria	10,428,646	55.3%	10,295,330	55.7%	9,082,480	57.8%
Tuscany	1,733,431	9.2%	1,751,295	9.5%	1,307,514	8.3%
Lombardy	1,694,343	9.0%	1,627,059	8.8%	1,373,373	8.7%
Veneto	1,191,762	6.3%	1,164,622	6.3%	922,635	5.9%
Latium	1,152,905	6.1%	1,121,021	6.1%	1,028,203	6.5%
Sicily	965,113	5.1%	930,916	5.0%	583,341	3.7%
Piedmont	754,051	4.0%	706,493	3.8%	690,191	4.4%
Emilia Romagna	304,139	1.6%	286,579	1.5%	222,825	1.4%
Apulia	251,178	1.3%	250,712	1.4%	218,021	1.4%
Sardinia	151,562	0.8%	151,952	0.8%	124,334	0.8%
Marches	104,844	0.6%	97,753	0.5%	81,166	0.5%
Valle d'Aosta	44,250	0.2%	43,589	0.2%	29,216	0.2%
Umbria	38,886	0.2%	38,859	0.2%	22,630	0.1%
Total Italy	18,815,110	99.8%	18,466,180	99.8%	15,685,929	99.8%
Abroad	30,828	0.2%	31,100	0.2%	23,803	0.2%
Total Italy + Abroad	18,845,938	100.0%	18,497,280	100.0%	15,709,732	100.0%
Other Items (3)	3,599,667		3,666,800		3,327,173	
Total direct deposits	22,445,605		22,164,080		19,036,905	

(1) Items 20, 30 and 50 of Liabilities and Shareholders' equity. Carige Vita Nuova liabilities, designated at fair value and relating to products for which investment risk is borne by the insured, are not included in this table.

(2) Figures per branch province.

(3) Bonds issued under the EMTN programme, bonds issued and placed through the BancoPosta network, and other bonds issued by the SPV relating to the securitization of loans.

The 66.4% of the amounts owed to customers referred to families with € 8,096.9 million (66% in December and 63.3% in March 2008). The share of non-financial businesses and personal businesses decreased by 20% (€ 2,435.8 million (21% in December and 23.2% in March 2008);

public bodies intermediated € 719.8 million (5.9% of the aggregate), private social bodies and non classified entities € 553.2 million (4.5% of the aggregate) and financial businesses € 319.6 million (2.6% of the aggregate).

DIRECT DEPOSITS (1) - DISTRIBUTION BY BUSINESS SEGMENT (figures in millions of €)

	31/3/09		31/12/08		31/3/08	
		%		%		%
Amounts owed to customers	12,194,461		12,005,439		10,934,267	
Public Administration	719,768	5.9%	642,994	5.4%	620,621	5.7%
Financial businesses	319,640	2.6%	384,267	3.2%	320,904	2.9%
Non-financial businesses and personal businesses	2,435,757	20.0%	2,516,711	21.0%	2,542,888	23.2%
Private social bodies	553,192	4.5%	477,121	4.0%	455,553	4.2%
Families	8,096,853	66.4%	7,920,302	66.0%	6,919,072	63.3%
Total residents	12,125,210	99.4%	11,941,395	99.5%	10,859,038	99.3%
Non residents	69,251	0.6%	64,044	0.5%	75,229	0.7%
Total	12,194,461	100.0%	12,005,439	100.0%	10,934,267	100.0%
Securities in issue	9,667,633		9,578,795		7,589,178	
Liabilities at fair value	583,511		579,846		513,460	
TOTAL DIRECT DEPOSITS	22,445,605		22,164,080		19,036,905	

(1) items 20, 30 and 50 of Liabilities and Shareholders' equity. Carige Vita Nuova liabilities, designated at fair value and relating to products for which investment risk is borne by the insured, are not included in this table.

Indirect deposits amounted to € 21,095.4 million, basically stable compared to the beginning of the year but on the decrease in the twelve month period (-5.3%).

Assets under management equal to € 10,550.2 million increased by 1.1% compared to 31/12/2008 but decreased by 2.9% compared to the first three months of 2008. Unit trusts amounted to € 4,283.5 million (-8.6% and -29.4% in the three and in twelve months period, respectively), asset management to € 3,364.2 million (+9% and +6.4%) and

bancassurance products to € 2,902.4 million (+8.9% and +78%).

Assets in custody totalled € 10,545.2 million, up by 0.2% in the nine month period and down by 7.7% in the twelve month period. Government securities, equal to € 5,946.6 million, decreased by 1% and by 2.5% in the three and twelve month period, respectively; other components of the total registered a 1.9% increase in the quarter and a 13.6% decrease in the twelve month period, totalling € 4,598.6 million.

INDIRECT DEPOSITS (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Total (A+B)	21,095,397	20,960,268	22,284,938	0.6	-5.3
Assets under management (A)	10,550,154	10,438,552	10,864,578	1.1	-2.9
Mutual funds and unit trusts	4,283,532	4,688,404	6,070,626	-8.6	-29.4
Assets management	3,364,194	3,085,316	3,163,095	9.0	6.4
Bancassurance products	2,902,428	2,664,832	1,630,856	8.9	78.0
Assets in custody (B)	10,545,243	10,521,716	11,420,360	0.2	-7.7
Government securities	5,946,596	6,007,358	6,098,264	-1.0	-2.5
Other	4,598,647	4,514,358	5,322,097	1.9	-13.6

Premiums collected on bancassurance products increased from € 31.6 million of the first quarter of 2008 to € 268.5 million of the same period this year. This trend was determined by the trend of traditional life insurance products (€ 265.3 million compared to € 22.8 million in the three month period of 2008), in particular of the new

“Carige soluzione rendimento” policy and by the Risparmio assicurato product. Unit linked and Gestlink policy premiums amounted to € 1.4 million, down by 79.9% compared to March 2008. Premiums collected in non-life insurance amounted to € 1.8 million (-3.8%).

BANCASSURANCE (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 3/08	
Total premiums collected	268,504	628,869	31,622	...	
Life, of which:	266,682	624,475	29,729	...	
. Unit-linked policies/Gestlink	1,390	165,835	6,912	-79.9	
. Traditional policies	265,293	458,640	22,817	...	
Non life, of which:	1,822	4,394	1,893	-3.8	
. Car insurance	278	964	296	-6.2	
. Non car insurance	1,544	3,430	1,597	-3.3	

Within indirect deposits, Liguria's contribution was equal to 63.9% (63% in December and 65.7% in March 2008), followed by Lombardy

(11.1%; 11.3% in December and 10.8% in March 2008) and by Tuscany (6%; 5.9% in December and 5.5% in March 2008).

INDIRECT DEPOSITS - GEOGRAPHICAL DISTRIBUTION (1) (figures in thousands of €)

	Situation as at					
	31/3/09		31/12/08		31/3/08	
		%		%		%
Liguria	13,490,233	63.9%	13,195,470	63.0%	14,647,731	65.7%
Lombardy	2,337,327	11.1%	2,360,773	11.3%	2,405,203	10.8%
Tuscany	1,267,791	6.0%	1,245,737	5.9%	1,225,074	5.5%
Veneto	1,189,473	5.6%	1,243,699	5.9%	1,398,152	6.3%
Piedmont	768,412	3.6%	781,165	3.7%	764,255	3.4%
Sicily	707,174	3.4%	739,403	3.5%	448,555	2.0%
Latium	705,665	3.3%	740,309	3.5%	704,864	3.2%
Emilia Romagna	261,925	1.2%	272,275	1.3%	263,916	1.2%
Apulia	97,495	0.5%	104,307	0.5%	138,799	0.6%
Valle d'Aosta	82,845	0.4%	83,285	0.4%	84,945	0.4%
Sardinia	71,053	0.3%	77,237	0.4%	86,932	0.4%
Marches	65,341	0.3%	65,486	0.3%	84,072	0.4%
Umbria	45,679	0.2%	45,889	0.2%	25,552	0.1%
Total Italy	21,090,412	100.0%	20,955,035	100.0%	22,278,050	100.0%
Abroad	4,985	0.0%	5,233	0.0%	6,888	0.0%
Total indirect deposits	21,095,397	100.0%	20,960,268	100.0%	22,284,938	100.0%

(1) Figures per branch province.

The main portion of indirect deposits was concentrated in the family segment, with 76% (77.6% at the end of the year and 80.4% in

March 2008). Financial businesses represented 16.5% of the aggregate (15.1% in December and 11.8% in March 2008).

INDIRECT DEPOSITS - DISTRIBUTION BY BUSINESS SEGMENT (figures in thousands of €)

	31/3/09		31/12/08		31/3/08	
		%		%		%
Public Administration	126,504	0.6%	115,528	0.6%	140,676	0.6%
Financial businesses	3,477,662	16.5%	3,169,367	15.1%	2,631,942	11.8%
Non-financial businesses and personal businesses	1,131,595	5.4%	1,112,479	5.3%	1,329,348	6.0%
Private social bodies	172,926	0.8%	168,616	0.8%	186,902	0.8%
Families	16,034,921	76.0%	16,274,079	77.6%	17,905,303	80.4%
Total residents	20,943,608	99.2%	20,840,069	99.4%	22,194,171	99.6%
Non residents	151,789	0.7%	120,199	0.6%	90,767	0.4%
Total	21,095,397	99.9%	20,960,268	100.0%	22,284,938	100.0%

Cash loans to customers, net of value adjustments for € 495.9 million, totalled € 20,255.5 million, down by 1.9% compared to the end of 2008 (+11% in the twelve month period); before value adjustments, they totalled € 20,751.4 million (-1.7% and +10.9% in the three and twelve month period).

Value adjustments represented a hedging degree of bad loans equal to 72.2% on the decrease compared to 75.9% in December and

to 76.8% in March 2008. The Carige Group did not issue loans or offered collateral securities directly referring to the *subprime* mortgage segment.

Mortgages, amounting to € 8,758.9 million, represented the largest caption of loans to customers and increased by 3.8% compared to December and decreased by 10.6% compared to March 2008. This decrease was related to the execution of a securitisation of performing loans

and of a program of issue of covered bonds, respectively, in November and December 2008. The relevant loans transferred, totalling € 2.3 million in March 2009, were recorded under Assets sold and not cancelled, increasing during the year from € 507.4 million to € 2,608.2 million. Mortgages, inclusive of such loans, increased by 12% during the year.

Current accounts, amounting to € 2,778.3 million, decreased by 5.3% against December and grew by 4.3% against March 2008. In particular, "credit cards, personal loans and salary backed loans" rose, reaching € 531.3 million (+1.2% in three months and +4.5% from the end of March 2008), as did factoring at € 127.3 million (-4.4% over December and +9.8% over March 2008) whereas leasing decreased, reaching € 814.8 million (-0.9% and 2.2% in three and twelve months, respectively).

As regards maturities, short term lending, equal to € 4,932.5 million, was down by 11.8% in the three month period and was up by 13.1%

against March 2008; the medium-long term component, equal to € 15,131.6 million, was up by 1.5% in three month period and by 10.1% in the twelve month period.

Bad loans amounted to € 687.3 million, equal to 3.3% of total lending, up compared to 2.9% of December and stable compared to March 2008.

Loans to banks, net of value adjustments for € 0.8 million (same value in December and € 0.6 million in March 2008), amounted to € 1,366.2 million, up by 38.5% in the three month period and by 0.4% in the twelve month period; they are mostly comprised of short term loans.

The **net interbank position** (difference between loans and amounts owed to banks) showed a net credit position of € 784.7 million, against a credit balance of € 184.7 million in December and a debit balance of € 554.1 million in March 2008.

LOANS (1) (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Total (A+B)	21,621,705	21,634,328	19,617,982	-0.1	10.2
Loans to customers (A)	20,255,525	20,648,153	18,246,760	-1.9	11.0
-nominal value (2)	20,751,444	21,119,889	18,718,841	-1.7	10.9
current accounts	2,778,291	2,932,602	2,664,988	-5.3	4.3
lending repurchase agreements	-	658,796	-	-100.0	...
mortgage loans (3)	8,758,866	8,434,698	9,798,311	3.8	-10.6
credit cards, personal loans and salary-backed loans	531,280	525,232	508,497	1.2	4.5
leasing	814,799	821,860	832,913	-0.9	-2.2
factoring	127,303	121,903	115,962	4.4	9.8
other loans	3,838,333	3,667,322	3,183,484	4.7	20.6
assets sold and not cancelled (3)	2,608,170	2,703,241	507,443	-3.5	...
impaired assets (3)	1,294,402	1,254,235	1,107,243	3.2	16.9
-short term	4,932,531	5,595,357	4,359,596	-11.8	13.1
% on nominal value	23.8	26.5	23.3		
-medium/long term	15,131,605	14,902,783	13,744,741	1.5	10.1
% on nominal value	72.9	70.6	73.4		
- Bad loans	687,308	621,749	614,504	10.5	11.8
% on nominal value	3.3	2.9	3.3		
-Value adjustments (-)	495,919	471,736	472,081	5.1	5.0
Loans to banks (B)	1,366,180	986,175	1,371,222	38.5	-0.4
-nominal value (2)	1,366,958	986,953	1,371,869	38.5	-0.4
compulsory reserves	283,295	327,713	119,932	-13.6	...
other loans to central banks	-	-	111	...	-100.0
current accounts and free deposits	50,227	112,932	394,269	-55.5	-87.3
term deposits	767,169	401,145	477,393	91.2	60.7
repurchase agreements	163,777	23,122	268,395	...	-39.0
loans	86,273	105,925	95,324	-18.6	-9.5
impaired assets	16,217	16,116	16,445	0.6	-1.4
-short term	1,292,207	939,591	1,296,983	37.5	-0.4
% on nominal value	94.5	95.2	94.5		
-medium/long term	74,751	47,362	74,886	57.8	-0.2
% on nominal value	5.5	4.8	5.5		
-Value adjustments (-)	778	778	647	-	20.2

(1) Net of debt securities classified as L&R (see section on securities portfolio, following in this paragraph).

(2) Before value adjustments.

(3) By letter no. 8309 dated 5 January 2009 (subject: "Regulations on bank financial statements"), the Bank of Italy has sent, *inter alia*, a note containing some modifications relative to the tables of the explanatory notes. In particular, a specific item "Securities in issue" has been introduced in table C.2.2 "Financial liabilities corresponding to financial assets sold and not cancelled" of part E "Information on risks and the risk hedging policies". This item has to hold in the consolidated financial statements all the securities issued by the vehicle companies consolidated on a line-by-line basis corresponding to assets sold and cancelled from the financial statements of the "originating" bank. In light of such new provision the Bank has decided to record also the assets sold to the consolidated vehicle companies in item "assets sold and not cancelled" and no longer in item "mortgages" and "impaired assets". The aggregates for the previous periods have been adequately reclassified to allow a homogeneous comparison as at 31/12/2008.

As regards the geographical breakdown, Liguria accounted for 47% of loans to customers, down against the 48.3% registered in December and stable compared to March 2008. Lombardy was the second region, with a share of 14.2%

(13.9% in December and 15.5% in March 2008), Tuscany was third with a share of 8.7% (8.4% and 9% in December and March 2008, respectively).

TOTAL LOANS TO CUSTOMERS (1) - GEOGRAPHICAL DISTRIBUTION (2) (figures in thousands of €)

	Situation as at					
	31/3/09		31/12/08		31/3/08	
		%		%		%
Liguria	9,760,511	47.0%	10,197,692	48.3%	8,803,695	47.0%
Lombardy	2,952,026	14.2%	2,930,072	13.9%	2,905,333	15.5%
Tuscany	1,811,522	8.7%	1,783,681	8.4%	1,690,593	9.0%
Piedmont	1,398,481	6.7%	1,434,984	6.8%	1,255,411	6.7%
Emilia Romagna	1,179,924	5.7%	1,168,265	5.5%	1,003,440	5.4%
Veneto	1,168,031	5.6%	1,145,467	5.4%	1,094,166	5.8%
Latium	888,114	4.3%	879,277	4.2%	807,879	4.3%
Sicily	610,991	2.9%	608,445	2.9%	380,351	2.0%
Apulia	238,107	1.1%	242,756	1.1%	226,921	1.2%
Sardinia	235,207	1.1%	232,316	1.1%	216,423	1.2%
Marches	162,610	0.8%	163,817	0.8%	150,755	0.8%
Umbria	100,610	0.5%	102,733	0.5%	80,676	0.4%
Valle d'Aosta	21,771	0.1%	22,050	0.1%	20,284	0.1%
Total Italy	20,527,905	98.9%	20,911,555	99.0%	18,635,927	99.6%
Abroad	223,539	1.1%	208,334	1.0%	82,914	0.4%
Total loans to customers	20,751,444	100.0%	21,119,889	100.0%	18,718,841	100.0%

(1) Gross of value adjustments and net of debt securities classified as L&R.

(2) Figures per branch province.

With reference to the breakdown by business segment, non-financial businesses and personal businesses represented 58.9% of loans to customers, totalling € 12,218.8 million (56.7% in December and 56.6% in March 2008); the share represented by families was equal to 31%

compared to 30.8% in December and 34.8% in March 2008, totalling € 6,439.7 million; the share of public administrations was equal to 5.1%, stable compared to December and on the increase compared to 4.5% of March 2008.

LOANS TO CUSTOMERS (1) - DISTRIBUTION BY BUSINESS SEGMENT (figures in thousands of €)

	31/3/09		31/12/08		31/3/08	
		%		%		%
Public Administration	1,060,392	5.1%	1,077,441	5.1%	843,424	4.5%
Financial businesses	678,897	3.3%	1,305,698	6.2%	550,320	2.9%
Non-financial businesses and personal businesses	12,218,777	58.9%	11,974,739	56.7%	10,591,013	56.6%
<i>Sales-related services</i>	3,591,001	17.3%	3,547,708	16.8%	2,851,097	15.2%
<i>Building and public works</i>	2,080,020	10.0%	2,068,387	9.8%	1,921,623	10.3%
<i>Wholesale & retail trade, salvage and repairs</i>	2,038,343	9.8%	2,061,208	9.8%	1,971,598	10.5%
<i>Hotel and catering services</i>	675,748	3.3%	666,969	3.2%	634,580	3.4%
<i>Energy goods</i>	345,996	1.7%	371,928	1.8%	150,474	0.8%
<i>Other</i>	3,487,669	16.7%	3,258,539	15.4%	3,061,640	16.4%
Private social bodies	108,735	0.4%	106,718	0.5%	105,146	0.6%
Families	6,439,650	31.0%	6,494,433	30.8%	6,511,790	34.8%
Total residents	20,506,451	98.8%	20,959,029	99.3%	18,601,692	99.4%
Non residents	244,974	1.2%	160,860	0.8%	117,150	0.6%
Total	20,751,425	100.0%	21,119,889	100.1%	18,718,841	100.0%

(1) Gross of value adjustments and net of debt securities classified as L&R.

Impaired loans amounted to € 1,364.5 million, up by 3.5% from the beginning of the year and by 16.9% in the twelve month period. The corresponding value adjustments were equal to € 426.4 million, with an increase of 5.3% in the three month period and of 8.8%

against end of March 2008, with a hedging degree of the loans equal to 31.2% on total.

Impaired cash loans amounted to € 1,340.2 million, equal to 6.1% of the aggregate and were faced up with value adjustments totalling € 421.5 million. In details:

- **bad loans** were equal to € 687.3 million, up by +10.5% from the beginning of the year and by +11.8% in March 2008; they were written down by 52.2% (53.8% in December and 55.4% in March 2008). The bad loans/loans ratio, with reference to customers, was equal to 3.3%;
 - **watchlists** amounted to € 404.4 million, down by 1.1% from the beginning of the year and up by 57% in the twelve month period. They were written down by 13.8% (14.8% and 14% in December and in March 2008);
 - **rescheduled loans** amounted to € 21.2 million, up against December and March 2008 (+0.7% and 4.6%, respectively). They were written down by 5.1% (same percentage in December and 3.8% in March 2008);
 - **past due loans** amounted to € 227.3 million, down both in the three month period (-6.2%) as well as against March 2008 (-9.5%). They were written down by 2.6% (1.8% and 5.6% in December and March 2008, respectively).
- Impaired credit commitments** totalled € 24.2 million, on the increase compared to € 24 million in December and € 23.2 million in March 2008. The related write-downs represented 20.3% of the total (20.6% in December and 19.3% in March 2008). Performing loans amounted to € 22,385.1 million, 20,778.2 of which refer to cash loans and € 1,606.9 million to endorsement loans. Overall, value adjustments amounted to € 505.9 million, € 496.7 million of which refer to cash loans and € 9.2 million to credit commitments.

CREDIT QUALITY (1) (figures in thousands of €)

	31/3/09				31/12/08			
	Gross exposure (a)	Value adjustments (b)	Net exposure (a)-(b)	% b/a	Gross exposure (a)	Value adjustments (b)	Net exposure (a)-(b)	% b/a
Cash loans								
Bad loans	687,308	358,568	328,740	52.2	621,749	334,315	287,434	53.8
- customers	687,308	358,568	328,740	52.2	621,749	334,315	287,434	53.8
Watchlist loans	404,376	55,895	348,481	13.8	408,737	60,301	348,436	14.8
- banks	243	21	222	8.6	241	21	220	8.7
- customers	404,133	55,874	348,259	13.8	408,496	60,280	348,216	14.8
Rescheduled loans	21,207	1,072	20,135	5.1	21,068	1,069	19,999	5.1
- banks	15,972	757	15,215	4.7	15,873	757	15,116	4.8
- customers	5,235	315	4,920	6.0	5,195	312	4,883	6.0
Past due loans	227,328	5,915	221,413	2.6	242,266	4,437	237,829	1.8
- banks	2	-	2	-	2	-	2	-
- customers	227,326	5,915	221,411	2.6	242,264	4,437	237,827	1.8
Impaired loans	1,340,219	421,450	918,769	31.4	1,293,820	400,122	893,698	30.9
Performing loans	20,778,183	75,247	20,702,936	0.4	20,813,022	72,392	20,740,630	0.3
- banks	1,350,741	-	1,350,741	-	970,837	-	970,837	-
- customers (2)	19,427,442	75,247	19,352,195	0.4	19,842,185	72,392	19,769,793	0.4
Total cash loans	22,118,402	496,697	21,621,705	2.2	22,106,842	472,514	21,634,328	2.1
- banks	1,366,958	778	1,366,180	0.1	986,953	778	986,175	0.1
- customers	20,751,444	495,919	20,255,525	2.4	21,119,889	471,736	20,648,153	2.2
Credit commitments								
Impaired	24,249	4,922	19,327	20.3	23,974	4,933	19,041	20.6
- customers	24,249	4,922	19,327	20.3	23,974	4,933	19,041	20.6
Other loans	1,606,866	4,278	1,602,588	0.3	1,668,585	4,137	1,664,448	0.2
- banks	36,891	-	36,891	-	56,870	-	56,870	-
- customers	1,569,975	4,278	1,565,697	0.3	1,611,715	4,137	1,607,578	0.3
Total credit commitments	1,631,115	9,200	1,621,915	0.6	1,692,559	9,070	1,683,489	0.5
- banks	36,891	-	36,891	-	56,870	-	56,870	-
- customers	1,594,224	9,200	1,585,024	0.6	1,635,689	9,070	1,626,619	0.6
Total	23,749,517	505,897	23,243,620	2.1	23,799,401	481,584	23,317,817	2.0
- banks	1,403,849	778	1,403,071	0.1	1,043,823	778	1,043,045	0.1
- customers	22,345,668	505,119	21,840,549	2.3	22,755,578	480,806	22,274,772	2.1

	31/3/08				31/12/07			
	Gross exposure (a)	Value adjustments (b)	Net exposure (a)-(b)	% b/a	Gross exposure (a)	Value adjustments (b)	Net exposure (a)-(b)	% b/a
Cash loans								
Bad loans	614,504	340,307	274,197	55.4	620,714	345,365	275,349	55.6
- customers	614,504	340,307	274,197	55.4	620,714	345,365	275,349	55.6
Watchlist loans	257,543	36,154	221,389	14.0	223,443	26,988	196,455	12.1
- banks	41	40	1	97.6	43	40	3	93.0
- customers	257,502	36,114	221,388	14.0	223,400	26,948	196,452	12.1
Rescheduled loans	20,277	778	19,499	3.8	22,625	1,051	21,574	4.6
- banks	16,169	607	15,562	3.8	16,605	607	15,998	3.7
- customers	4,108	171	3,937	4.2	6,020	444	5,576	7.4
Past due loans	251,258	14,051	237,207	5.6	236,905	14,273	222,632	6.0
- banks	235	-	235	-	231	-	231	-
- customers	251,023	14,051	236,972	5.6	236,674	14,273	222,401	6.0
Impaired loans	1,143,582	391,290	752,292	34.2	1,103,687	387,677	716,010	35.1
Performing loans	18,947,128	81,438	18,865,690	0.4	17,885,570	73,754	17,811,816	0.4
- banks	1,355,424	-	1,355,424	-	1,494,213	-	1,494,213	-
- customers	17,591,704	81,438	17,510,266	0.5	16,391,357	73,754	16,317,603	0.4
Total cash loans	20,090,710	472,728	19,617,982	2.4	18,989,257	461,431	18,527,826	2.4
- banks	1,371,869	647	1,371,222	0.0	1,511,092	647	1,510,445	0.0
- customers	18,718,841	472,081	18,246,760	2.5	17,478,165	460,784	17,017,381	2.6
Credit commitments								
Impaired	23,201	4,470	18,731	19.3	24,615	5,068	19,547	20.6
- customers	23,201	4,470	18,731	19.3	24,615	5,068	19,547	20.6
Other loans	1,590,003	6,075	1,583,928	0.4	1,531,507	5,864	1,525,643	0.4
- banks	85,875	-	85,875	-	23,421	-	23,421	-
- customers	1,504,128	6,075	1,498,053	0.4	1,508,086	5,864	1,502,222	0.4
Total credit commitments	1,613,204	10,545	1,602,659	0.7	1,556,122	10,932	1,545,190	0.7
- banks	85,875	-	85,875	-	23,421	-	23,421	-
- customers	1,527,329	10,545	1,516,784	0.7	1,532,701	10,932	1,521,769	0.7
Total	21,703,914	483,273	21,220,641	2.2	20,545,379	472,363	20,073,016	2.3
- banks	1,457,744	647	1,457,097	0.0	1,534,513	647	1,533,866	0.0
- customers	20,246,170	482,626	19,763,544	2.4	19,010,866	471,716	18,539,150	2.5

(1) Net of debt securities classified as Loans & Receivables (L&R)

(2) Balance as at 31/12/08 includes nominal €112.9 million relating to the reclassification of the ongoing leasing transactions and to assets pending financial lease previously recorded in Item 110 - Tangible assets. This reclassification is due to the explanations provided by the Bank of Italy on this matter.

The portion of bad loans related to Liguria was equal to 39% of the aggregate, on the decrease by 40% in December and 49.5% in March

2009. Lombardy was the second region, with a share of 20.1%, followed by Piedmont and Tuscany 11.8% and 9.3%, respectively.

BAD LOANS TO CUSTOMERS (1) - GEOGRAPHICAL DISTRIBUTION (2) (figures in thousands of €)

	31/3/09		31/12/08		31/3/08	
		%		%		%
Liguria	268,023	39.0%	248,497	40.0%	303,913	49.5%
Lombardy	138,192	20.1%	119,292	19.2%	102,000	16.6%
Piedmont	80,899	11.8%	71,159	11.4%	58,294	9.5%
Tuscany	64,152	9.3%	58,882	9.5%	54,114	8.8%
Emilia Romagna	47,950	7.0%	40,804	6.6%	24,144	3.9%
Latium	27,807	4.0%	26,102	4.2%	22,158	3.6%
Sicily	16,185	2.4%	15,723	2.5%	14,618	2.4%
Veneto	13,695	2.0%	11,741	1.9%	9,577	1.6%
Apulia	10,511	1.5%	10,602	1.7%	8,612	1.4%
Marches	7,506	1.1%	7,389	1.2%	6,889	1.1%
Sardinia	6,429	0.9%	6,011	1.0%	5,077	0.8%
Umbria	4,739	0.7%	4,082	0.7%	3,858	0.6%
Valle d'Aosta	225	0.0%	14	0.0%	0	0.0%
Total Italy	686,313	99.9%	620,298	99.8%	613,254	99.8%
Abroad	995	0.1%	1,451	0.2%	1,250	0.2%
Total	687,308	100.0%	621,749	100.0%	614,504	100.0%

(1) Gross of value adjustments and net of debt securities classified as L&R.

(2) Figures per branch province.

The bad loans/lending ratio stood at 3.3%, with irregular regional trends: the ratio in Liguria was recorded at 2.7%, on the increase compared to 2.4% in December, but on the decrease compared to 3.5% in March 2008; whilst in Lombardy it grew by 4.7%, compared to 4.1% in

December and to 3.5% in March 2008. Piedmont registered the highest ratio (5.8%), on the increase both compared to December (5%) and to March 2008 (4.6%).

BAD LOANS/LENDING RATIO (1) - GEOGRAPHICAL DISTRIBUTION (2)

(Percentage values)

	31/3/09	31/12/08	31/3/08
Piedmont	5.8%	5.0%	4.6%
Lombardy	4.7%	4.1%	3.5%
Umbria	4.7%	4.0%	4.8%
Marches	4.6%	4.5%	4.6%
Apulia	4.4%	4.4%	3.8%
Emilia Romagna	4.1%	3.5%	2.4%
Tuscany	3.5%	3.3%	3.2%
Latium	3.1%	3.0%	2.7%
Sardinia	2.7%	2.6%	2.3%
Sicily	2.6%	2.6%	3.8%
Liguria	2.7%	2.4%	3.5%
Veneto	1.2%	1.0%	0.9%
Valle d'Aosta	1.0%	0.1%	0.0%
Total Italy	3.3%	3.0%	3.3%
Abroad	0.4%	0.7%	1.5%
Total	3.3%	2.9%	3.3%

(1) Gross of value adjustments and net of debt securities classified as L&R.

(2) Figures per branch province.

The breakdown by business segment showed a concentration of bad loans in non-financial businesses and personal businesses (€ 485.8 million) with a share of 70.7% (71.2% in December and 76.4% in March 2008). The segment with the highest share of bad loans was

the building and public works segment (€ 126.3 million, 18.4%), followed by the wholesale and retail trade segment (€ 107.1 million, 15.6%). Financial businesses represented 26.4% of the aggregate (25.8% in December and 20.6% in March 2008).

BAD LOANS (1) - DISTRIBUTION BY BUSINESS SEGMENT (figures in thousands of €)

	31/3/09		31/12/08		31/3/08	
		%		%		%
Public Administration	-	-	-	-	-	-
Financial businesses	12,928	1.9%	12,506	2.0%	12,502	2.0%
Non-financial businesses and personal businesses	485,825	70.7%	442,855	71.2%	469,612	76.4%
<i>Building and public works</i>	126,264	18.4%	110,167	17.7%	111,393	18.1%
<i>Wholesale & retail trade, salvage and repairs</i>	107,109	15.6%	92,579	14.9%	81,739	13.3%
<i>Sales-related services</i>	83,771	12.2%	74,926	12.1%	60,208	9.8%
<i>Metal products</i>	21,683	3.2%	19,221	3.1%	17,385	2.8%
<i>Textiles, clothing and leather goods</i>	18,582	2.7%	17,793	2.9%	14,695	2.4%
<i>Other</i>	128,416	18.7%	128,168	20.6%	184,192	30.0%
Private social bodies	1,853	0.2%	1,800	0.3%	1,443	0.2%
Families	181,635	26.4%	160,614	25.8%	126,853	20.6%
Total residents	682,241	99.2%	617,775	99.3%	610,409	99.3%
Non residents	5,068	0.8%	3,974	0.7%	4,095	0.7%
Total	687,309	100.0%	621,749	100.0%	614,504	100.0%

(1) Gross of value adjustments and net of debt securities classified as L&R.

The bad loans/loans ratio was equal to 2.8% for families (against 2.5% registered in December and the 1.9% in March 2008) and to 4% for non-financial businesses and personal

businesses (3.7% and 4.4% in December and March 2008, respectively).

BAD LOANS/LENDING RATIO (1) - DISTRIBUTION BY BUSINESS SEGMENT

(Percentage values)

	Situation as at		
	31/3/09	31/12/08	31/3/08
Financial businesses	1.9%	1.0%	2.3%
Non-financial businesses and personal businesses	4.0%	3.7%	4.4%
- of which (2):			
Sales-related services	2.3%	2.1%	2.1%
Building and public works	6.1%	5.3%	5.8%
Wholesale & retail trade, salvage and repairs	5.3%	4.5%	4.1%
Hotel and catering services	2.7%	2.6%	2.5%
Energy goods	0.0%	0.0%	0.0%
Private social bodies	1.7%	1.7%	1.4%
Families	2.8%	2.5%	1.9%
Total residents	3.3%	2.9%	3.3%
Rest of the world	2.1%	2.5%	3.5%
Total	3.3%	2.9%	3.3%

(1) Gross of value adjustments and net of debt securities classified as L&R.

(2) Only main business segments in terms of overall credit exposure shown.

The **securities in portfolio** amounted to € 5,262.4 million, down by 1.5% in the quarter and by 0.2% in the twelve month period. They consisted in debt securities by 77%.

Debt securities, equal to € 4,051.3 million, decreased by 0.4% in the three month period and decreased by 8.8% on a YoY basis; equities, equal to € 858.5 million, were down by 5.8% against December and by 12.9% against March 2008.

Equities available for sale included the equity investment in Bank of Italy, accounted for at € 696.7 million; this figure resulted from a valuation at fair value - using shareholders' equity as the most reliable proxy of fair value – performed on the basis of the balance sheet data of Bank of Italy as at 31/12/2007 approved, consistently with the accounting

principle adopted for the preparation of the consolidated financial statements of the Banca Carige Group and of the financial statements of the Bank as at 31 December 2008.

Mutual fund shares amounted to € 352.7 million, down by 3.1% and by 37.3% in the three and twelve month periods respectively.

As for the breakdown, 63.2% of the portfolio was represented by securities available for sale that increased by 10.8% from the beginning of the year and by 34.6% on a trend basis. Securities held for trading accounted for 13.6% and were up by 10.6% in the quarter and down by 66.3% in the twelve month period.

SECURITIES PORTFOLIO (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Debt securities	4,569,871	4,067,667	3,722,817	12.3	22.8
<i>Held for trading</i>	666,709	597,229	1,856,091	11.6	-64.1
<i>Available for sale</i>	2,357,321	1,977,338	1,448,128	19.2	62.8
<i>Negative</i>	498,389	502,111	416,138	-0.7	19.8
<i>Loans and Receivable</i>	518,606	530,845	-	-2.3	...
<i>Held to maturity</i>	528,846	460,144	2,460	14.9	...
Equities	858,470	911,417	985,585	-5.8	-12.9
<i>Held for trading</i>	1,216	1,505	18,133	-19.2	-93.3
<i>Available for sale</i>	857,254	909,912	967,452	-5.8	-11.4
Shares in collective investment schemes	352,689	364,121	562,504	-3.1	-37.3
<i>Held for trading</i>	45,163	46,057	240,687	-1.9	-81.2
<i>Available for sale</i>	111,796	114,387	56,358	-2.3	98.4
<i>Negative</i>	195,730	203,677	265,459	-3.9	-26.3
Total	5,781,030	5,343,205	5,270,906	8.2	9.7
<i>including:</i>					
<i>Held for trading (1)</i>	713,088	644,791	2,114,911	10.6	-66.3
<i>Available for sale</i>	3,326,371	3,001,637	2,471,938	10.8	34.6
<i>Loans and Receivable</i>	518,606	530,845	-	-2.3	...
<i>Fair value (2)</i>	694,119	705,788	681,597	-1.7	1.8
<i>Held to maturity</i>	528,846	460,144	2,460	14.9	...

(1) The breakdown does not correspond to the item 20 "Financial assets held for trading" as it does not include derivatives.

(2) The breakdown does not correspond to the item 30 "Financial assets designated at fair value" as it does not include any amount temporarily invested in liquidity by Carige Vita Nuova against the unit linked e index linked insurance contracts for which investment risk is borne by the insured.

The changes applied in October and November 2008 to the International Accounting Standards IAS 39 and IFRS 7 allowed new types of reclassification to be performed with the possibility of a retroactive effect as from 1 July 2008 if carried out no later than 31 October 2008 and effective as from the reclassification date if subsequent.

Pursuant to such changes, the Carige Group reclassified securities, effective as from 1 July and 1 October, for an overall residual value as at 31 March 2009 of € 1,513.1 million (fair value as at the reclassification date), as noted in the following table.

RECLASSIFICATIONS OF FINANCIAL ASSETS(1)(figures in thousands of €)

<i>from/to</i>	AFS	HTM	L&R	TOTAL
HFT	557,187	447,708	183,847	1,188,742
AFS	-	-	324,387	324,387
TOTAL	557,187	447,708	508,234	1,513,129

(1) Amounts net of accruals

In the absence of such reclassification, the Group would have reported as at 31 March 2009:

- greater write-downs totalling 126.8 million (increased during the quarter by € 3.6 million compared to € 130.4 million on 31 December 2008) that generated € 96.7

- million of greater negative fairvalue reserves (including € 13.3 million during the quarter);
- lower interest income concerning the amortised cost calculated for € 7.6 million including € 2.6 million during the quarter;

- greater negative fairvalue reserves for € 35.4 million increased by € 10.9 million compared to € 24.5 million on 31 December 2008.

These values were calculated including their tax effects.

The Group, also according to the latest analyses carried out by leading international research companies, thinks that the current write-downs relevant to debt securities (mostly comprised of public, bank and corporate bonds with high credit standing)) may be gradually reabsorbed within their maturity/repayment.

The negative phase of the financial markets and problems that affected very important banking institutions led the supranational and national Supervisory Bodies to recommend the operators utmost transparency towards shareholders and investors when describing the principles used for determining the fair value of financial assets and liabilities classified in the held for trading (Held For Trading – HFT), available for sale (Available For Sale – AFS) and with Fair Value Option (FVO) categories.

The Accounting bodies intervened in order to regulate the market situations in which many financial instruments showed prices modified by strong illiquidity conditions. The International Accounting Standards Board (IASB) issued an application manual on the theme that underlines the possibility of using non “dislocated”¹ market data or internal inputs instead of the prices reported on the dislocated markets.

With this manual it is possible to evaluate some financial instruments not according to the so-called “level 1” (effective market quotes) but according to the “level 2” (comparable approach) or “level 3” (mark to model approach), giving top priority to the official prices available on the active markets (effective market quotes) and, failing this, to the evaluation of assets and liabilities based on approximate prices or referring to similar assets and liabilities (comparable approach), finally, and only in a residual manner, to evaluation techniques based on inputs that cannot be

¹ A market referring to a specific issuer was considered by the Banca Carige Group dislocated according to the following indicators:

- the inconstant availability of price contributions;
- the inconstant reliability of price contributions;
- the extent of the bid-offer spread;
- the volatility in time of price contributions referring to the same instrument;
- the volatility between contributors of price contributions referring to the same instrument.

observed and hence more discretionary (Mark-to-Model Approach).

A summary of the different fair value levels used by the Group is indicated below for evaluating one's own financial assets and liabilities as at 31 March 2009, consistently with what is carried out in the preparation of the consolidated financial statements as at 31 December 2008:

- **Effective market quotes** – Fair Value Level 1. The evaluation is carried out at the market price of the financial instrument currently being assessed, obtained according to prices expressed by an active market. The percentage of the financial instruments valued with this method of all the instruments valued at fair value for the Group is equal to 63.69%.

- **Evaluation Techniques** (*Comparable Approach*) – Fair Value Level 2. The evaluation is not based on significant quotes of the financial instrument being assessed, but on approximate evaluations found by trustworthy infoproviders or on prices determined by using an appropriate calculation method (pricing) and observable market parameters, including credit spreads inferred from official prices of instruments that are substantially similar in terms of risk factor.

If calculation (pricing) methods are used in the comparable approach, these reduce the prices of listed financial instruments on active markets (calibration of the model) without including discretionary parameters – i.e. parameters whose value cannot be inferred from prices of financial instruments present on the active markets or cannot be fixed on such levels as to repeat prices present on active markets – in such a way as to definitely affect the final evaluation price.

The percentage of the financial instruments valued with this method of all the instruments valued at fair value for the Carige Group is equal to 35.06%.

- **Evaluation Techniques** (*Mark-to-Model Approach*) – Fair Value Level 3. Evaluations are carried out by using different inputs, not all directly inferred from parameters observable on the market and imply estimates and assumptions of the evaluator.

More precisely, two different methods were used in this approach:

- with reference to the shareholding in the Bank of Italy, the fair value was determined in an amount equal to the corresponding portion of net equity as at 31/12/2007. This evaluation is a significant

approximation of the fair value of the investment;

- a calculation method (pricing) that is based on specific assumptions concerning:
 - the increase in future cash flows, if necessary affected by future events whose chances can derive from historical experience or based on behaviour assumptions;
 - the level of certain input parameters not listed on active markets, for whose assessment preference is given to the information acquired from prices and spread observed on the market. The percentage of the financial instruments

valued with this evaluation technique on all the instruments valued at fair value for the Carige Group is equal to 1.25%.

Except for the shareholding in Bank of Italy, the Fair Value Level 3 was only used with reference to the evaluation of capitalisation policies.

Summarised in the following table are the values and the respective percentages of the various Fair Value levels utilised by the Banca Carige Group for the valuation of the financial instruments classified in the categories held for trading (Held For Trading – HFT), available for sale (Available For Sale – AFS) and recorded as Fair Value Options (FVO) categories:

FAIR VALUE UTILISED (1) (figures in thousands of €)

	Level 1		Level 2		Level 3		Total
	Countervalue	%	Countervalue	%	Countervalue	%	
Financial assets	2,240,722	83.1	938,577	63.3	749,061	100.0	3,928,360
Financial liabilities	454,133	16.9	127,043	8.6	-	-	581,176
Credit	36	-	417,771	28.2	366	-	418,172
Total	2,694,890	100.0	1,483,391	100.0	749,427	100.0	4,927,708
% on Total	54.69%		30.10%		15.21%		
% on Total net of the equity investment in Bank of Italy	63.69%		35.06%		1.25%		

(1) Net of accruals and some minor positions, which are not included in the scheme.

As at 31 March 2009, exposure of the Group to certain instruments that the marketplace considers to be high-risk regards:

- securities resulting from securitisation transactions (with the exclusion of CDOs – Collateralised Debt Obligations), allocated to both the trading portfolio and to the portfolio of assets available for sale, for a total book value of approximately € 83 million, (1.4% of the securities portfolio). It should be noted that such securitisation transactions do not include any exposure to subprime mortgages, and that 62% of said transactions is comprised of Junior, Mezzanine and Senior tranches of the securitisations of mortgages granted by the banks of the Group and originating from proprietary vehicles;
- CDOs portfolio, for a book value of approximately € 6.5 million (0.1% of the aggregate portfolio), comprised of synthetic securitisations which include CDS - Credit Default Swap, and by securitisations of securitisations with exposures to RMBS - Residential Mortgage-Backed Securities, CMBS - Commercial Mortgage-Backed Securities, ABS - Asset-Backed Securities, and by subprime positions with a book value

of € 1.6 million (equal to three per thousand of the aggregate portfolio). It should be noted that 79% of the CDOs in the portfolio was above investment grade, while 74% of the total (determined at book value) had a rating equal or above "AA";

- securities and derivatives related to leverage finance transactions comprised of funded and unfunded securities. The former had a book value of € 132 million (equal to 2.3% of the aggregate portfolio) and 93.5% of these (equal to a nominal value of € 128 million) was structured in a protected/guaranteed format, with the hedging of the specific risk or, in any case, with the provision for the repayment at par at maturity. Unfunded securities were subdivided in credit and interest rate instruments; credit instruments had a notional amount of € 20 million and a negative economic impact for € 0.5 million. Interest rate structured derivatives, on the other hand, against a notional amount of € 40 million had a negative impact of roughly € 0.5 million.

It should be noted that the exposures towards Special Purpose Entities (SPE) were limited to vehicle companies in the securitisation

transactions carried out directly by the Group and included in the consolidation perimeter.

As regards transactions with the Lehman Brothers group, it should be highlighted that, as at 31/3/2009, the Group held securities in portfolio for a nominal amount of € 20 million, partially offset at the end of 2008 currently laden for € 1.5 million.

Hedging derivative assets amounted to € 77.1 million, on the increase compared to € 56.9 million in December (+35.4%) and to €

18.6 million in March 2008. The value of **hedging derivative liabilities**, equal to € 160.9 million was greater than € 116.3 million in December (+38.3%) and € 25.1 million in March 2008.

Revaluations amounting to € 21.4 million and write-downs to € 19.6 million were registered on hedging derivative contracts; taking into account the net variation in the underlying assets for € 0.5 million, the net result was positive for € 2.3 million.

ASSETS FROM HEDGING DERIVATIVES BY HEDGE TYPE

(figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Asset hedging derivatives	-	1,688	931	-100.0	-100.0
Fair value hedging	-	1,688	931	-100.0	-100.0
<i>interest rates</i>	-	1,688	931	-100.0	-100.0
Cash flow hedging	-	-	-	...	...
General interest rate risk hedging	-	-	-	...	...
Liability hedging derivatives	77,086	55,234	17,654	39.6	...
Fair value hedging	75,183	53,065	6,974	41.7	...
<i>interest rates</i>	75,183	53,065	6,974	41.7	...
Cash flow hedging	-	-	-	...	...
General interest rate risk hedging	1,903	2,169	10,680	-12.3	-82.2
Total	77,086	56,922	18,585	35.4	...

LIABILITIES FROM HEDGING DERIVATIVES BY HEDGE TYPE

(figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Asset hedging derivatives	69,871	49,556	11,181	41.0	...
Fair value hedging	69,871	49,556	11,181	41.0	...
<i>interest rates</i>	69,871	49,556	11,181	41.0	...
Cash flow hedging	-	-	-	...	...
General interest rate risk hedging	-	-	-	...	...
Liability hedging derivatives	91,006	66,734	13,892	36.4	...
Fair value hedging	130	843	7,744	-84.6	-98.3
<i>interest rates</i>	130	843	7,744	-84.6	-98.3
Cash flow hedging	-	-	-	...	...
General interest rate risk hedging	90,876	65,891	6,148	37.9	...
Total	160,877	116,290	25,073	38.3	...

The notional value of derivative contracts was equal to € 6,832.4 million, greater than the value in December (+2.2%) and March 2008 (+5%).

Financial derivatives represent 96.9% of the aggregate.

NOTIONAL VALUES OF DERIVATIVE CONTRACTS (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Financial derivatives	6,617,737	6,472,194	6,280,450	2.2	5.4
<i>futures</i>	-	-	11,006	...	-100.0
<i>forward agreements</i>	487,851	728,956	621,878	-33.1	-21.6
<i>swap</i>	4,955,314	4,548,596	4,233,603	8.9	17.0
<i>options purchased</i>	1,018,410	1,028,597	1,139,451	-1.0	-10.6
<i>others</i>	156,162	166,045	274,512	-6.0	-43.1
Credit derivatives	214,617	215,153	224,473	-0.2	-4.4
<i>tror</i>	4,471	6,060	8,487	-26.2	-47.3
<i>cds</i>	210,146	209,093	215,986	0.5	-2.7
TOTAL	6,832,354	6,687,347	6,504,923	2.2	5.0

Trading derivative contracts totalled € 180,2 million, essentially stable compared to December (-0.7%) and on the decrease compared to March 2008 (-14.2%).

Revaluations for € 20.5 million, write-downs for € 32.8 million and net trading profits for € 8.8 million were recorded on trading derivative contracts; consequently, the net negative result amounted to € 21.1 million.

TRADING DERIVATIVES (figures in thousands of €)

	Situation as at			Change %	
	31/3/09	31/12/08	31/3/08	3/09 12/08	3/09 3/08
Positive countervalues	62,706	64,503	74,207	-2.8	-15.5
Financial derivatives	52,304	52,864	68,464	-1.1	-23.6
<i>forward agreements</i>	14,670	11,098	8,624	32.2	70.1
<i>swap</i>	21,204	19,178	10,875	10.6	95.0
<i>options purchased</i>	16,430	22,587	48,965	-27.3	-66.4
<i>others</i>	-	1	-	-100.0	...
Credit derivatives	10,402	11,639	5,743	-10.6	81.1
<i>cds</i>	10,402	11,639	5,743	-10.6	81.1
TOTAL	62,706	64,503	74,207	-2.8	-15.5
Negative countervalue	117,503	114,470	135,772	2.6	-13.5
Financial derivatives	114,589	111,505	134,075	2.8	-14.5
<i>forward agreements</i>	8,517	11,516	3,235	-26.0	...
<i>swap</i>	104,056	97,229	120,344	7.0	-13.5
<i>issued options</i>	2,016	2,760	10,496	-27.0	-80.8
Credit derivatives	2,914	2,965	1,697	-1.7	71.7
<i>tror</i>	9	13	26	-30.8	-65.4
<i>cds</i>	2,905	2,952	1,671	-1.6	73.8
TOTAL	117,503	114,470	135,772	2.6	-13.5

Overall, the net result on derivative contracts showed a profit for € 18.8 million: trading contracts gave a positive contribution with €

21.1 million, whereas hedging contracts showed a negative balance of € 2.3 million.

NET INCOME ON DERIVATIVE CONTRACTS AS AT 31/3/09

(figures in thousands of €)

	Revaluations	Write-downs	Net profit on trading	Net income
1. Trading contracts	20,468	- 32,760	- 8,798	- 21,090
1.1 Financial derivatives	18,631	- 29,760	- 8,218	- 19,347
1.2 Credit derivatives	1,837	- 3,000	- 580	- 1,743
	Revaluations	Write-downs	Changes in underlying from hedging	Net income
2. Hedging contracts	21,401	- 19,628	542	2,315
2.1 Asset hedging	146	- 19,381	19,575	340
2.2 Liability hedging	21,255	- 247	- 19,033	1,975
TOTAL	41,869	- 52,388	- 8,256	- 18,775

INCOME BY ECONOMIC BUSINESS SEGMENT

IFRS 8 – Operating Segments has become effective as from 1 January 2009 replacing completely IAS 14 – Segment Reporting. The new regulation focused on the definition of the reporting segments according to the so-called “management approach”, i.e. required identification of operating segments based on internal reports that were regularly reviewed by the company's "chief operating decision maker" in order to make strategic decisions: no distinction was made between the primary and the secondary sector.

With reference to the Carige Group, the business model had a twofold importance: a territorial reorganisation where the branch network was divided in the Liguria and Outside Liguria (hereinafter referred to as External) geographical areas; reorganisation by customer segment, considering that the organisational and operating structure contemplated specific service logics (in terms of products, prices and infrastructures) directed to the different types of customers.

In compliance with what was provided by the “management approach”, the company chose as model of reference for segment reporting the “**territorial**” reorganisation that broke down the results and the activities among the following operating segments:

- “**Liguria**”: operating customers at the branch banks of the Parent Bank located in this geographic area, together with the results of Cassa di Risparmio di Savona, mainly located in this region;
- “**External**”: operating customers at the branch banks of the Parent Bank located in the rest of the regions, together with the results of subsidiary banks located in these geographic areas (Cassa di Risparmio di Carrara, Banca del Monte di Lucca and Banca Cesare Ponti);
- “**Other operating segments**”: includes the residual customers and the other companies of the Group carrying out asset management, insurance (life and non-life

insurance), financial and instrumental activities;

- “**Netting-off and non-allocated items**”: residual segment provided explicitly by the regulations to underline infragroup netting-off and reconciliation items as to the accounting data.

This report shall be integrated with a summary representation by customer segment of the income statement and balance-sheet values.

The figures for previous periods have been recalculated in accordance with the current statement logics in order to allow a significant time comparison.

The turbulence of the financial markets during 2008 generated particular criticalities with regard to traded volumes and interest rates: accordingly, a general decline occurred in the profitability produced by loan and assets under management sectors. This phenomenon is also characterising 2009, during which a further reduction in profitability deriving from credit intermediation activities is anticipated.

With this condition and considering that the External Network was affected during 2008 by the acquisition of 119 branch banks by Intesa Sanpaolo and UniCredit, the results at the end of the first quarter of 2009 are set below:

- the Liguria network showed a gross operating income of € 109.4 million, decreasing by 3% compared to the first quarter of 2008; net of value adjustments, income from financial management amounted to € 98.4 million; operating costs remained basically stable compared to the first quarter of 2008 and were recorded at € 54.2 million: These results were reflected in cost/income ratio of 49.6% at the end of the first quarter of 2009. With reference to volumes, all aggregates increased significantly: amount of lending up by +13.4%, equal to € 8,652 million, short-term deposits up by 15.2% (€ 6,120 million), securities in issue and financial liabilities designated at fair value up by 22.9%, equal to € 4,420 million.

- the External network showed a gross operating income of € 109 million (+23.5% compared to the first quarter of 2008) and an income from financial management of € 90 million (+17.7% compared to March 2008). Operating costs, after the large investment related to the entrance of the purchased branches, increased by 35.4% compared to March 2008, and stood at € 71.1 million. The cost/income ratio is equal to 65.2% (59.5% in the first quarter of 2008). Loans to customers amounted to € 10,104 million (+10.7% compared to March 2008), amounts owed to customers totalled € 5,751 million (+7.1% compared to March 2008), securities in issue amounted to € 2,209 million (+76.9% compared to March 2008).
- the other operating segments showed an improvement of profitability compared to the first quarter of 2008, supported by the improved results achieved by the Finance area. As to the balance-sheet items, loans and amounts owed to customers had a secondary importance as to the Group aggregates, whereas securities in issue, equal to € 5,163 million, represented 47.1% of the Group aggregate.

Business geographic areas

(figures in thousands of €)

	Liguria	Foraneo	Other operating segments	Netting-off and other items	TOTAL
Gross operating income (1)					
1Q 2009	109,376	109,048	43,681	-851	261,254
year 2008	453,649	427,453	183,389	-51,021	1,013,470
1Q 2008	112,802	88,319	22,247	-14,047	209,321
Net income from financial and insurance management (2)					
1Q 2009	98,430	89,988	43,667	-1,040	231,045
year 2008	438,840	372,056	151,233	-45,905	916,224
1Q 2008	106,562	76,482	22,157	-13,726	191,475
Operating costs					
1Q 2009	-54,211	-71,132	-28,804	-1,937	-156,084
year 2008	-234,772	-255,354	-109,892	-7,459	-607,477
1Q 2008	-54,659	-52,539	-17,382	-1,674	-126,254
Profit (Loss) from ordinary activities					
1Q 2009	44,219	18,856	14,863	-2,977	74,961
year 2008	204,068	116,702	41,341	-53,364	308,747
1Q 2008	51,903	23,943	4,775	-15,400	65,221
Cost income (%)					
1Q 2009	49.6	65.2	65.9		59.7
year 2008	51.8	59.7	59.9		59.9
1Q 2008	48.5	59.5	78.1		60.3
Net interbank					
1Q 2009	-	-	2,134,248	-1,071,659	1,062,588
year 2008	-	-	1,361,331	-913,966	447,365
1Q 2008	-	-	-1,184	-552,926	-554,109
Loans to customers					
1Q 2009	8,652,485	10,104,060	1,914,707	-174,986	20,496,266
year 2008	8,727,942	10,016,230	2,619,575	-447,392	20,916,355
1Q 2008	7,632,517	9,130,108	1,544,450	-60,315	18,246,760
Amounts owed to customers					
1Q 2009	6,119,698	5,750,910	791,678	-467,825	12,194,461
year 2008	5,996,811	5,606,411	785,521	-383,304	12,005,439
1Q 2008	5,312,227	5,371,399	828,690	-578,049	10,934,267
Securities in issue and financial assets designated at fair value					
1Q 2009	4,420,278	2,209,503	5,162,747	-833,451	10,959,077
year 2008	4,270,054	2,081,721	5,318,675	-786,472	10,883,978
1Q 2008	3,596,318	1,249,299	4,027,344	-58,875	8,814,086

(1) Including income from insurance management

(2) Including profits from equity investments and disposal of investments.

