

# INTERIM REPORT ON OPERATIONS

## AS AT 31 MARCH 2013



GRUPPO BANCA CARIGE



















































































































































## SECURITIES PORTFOLIO *(thousands of euro)*

	Situation as at		Change % 03/2013-12/2012
	31/03/2013	31/12/2012	
<b>Debt securities</b>	<b>7,231,556</b>	<b>7,055,058</b>	<b>2.5</b>
<i>Held for trading</i>	24,272	24,015	1.1
<i>Available for sale</i>	5,060,881	4,819,377	5.0
<i>Loans and Receivables</i>	1,538,035	1,608,889	-4.4
<i>Held to maturity</i>	608,368	602,777	0.9
<b>Equities</b>	<b>926,509</b>	<b>1,043,868</b>	<b>-11.2</b>
<i>Available for sale</i>	926,509	1,043,868	-11.2
<b>Shares in CIS</b>	<b>123,202</b>	<b>121,414</b>	<b>1.5</b>
<i>Held for trading</i>	29,458	29,362	0.3
<i>Available for sale</i>	93,744	92,052	1.8
<b>Total (1)</b>	<b>8,281,267</b>	<b>8,220,340</b>	<b>0.7</b>
<i>of which:</i>			
<i>Held for trading</i>	53,730	53,377	0.7
<i>Available for sale</i>	6,081,134	5,955,297	2.1
<i>Loans and Receivables</i>	1,538,035	1,608,889	-4.4
<i>Held to maturity</i>	608,368	602,777	0.9

(1) Balance sheet items 20 (net of derivatives), 40, 50, 60 (only for the part relative to L&Rs) and 70 (only for the part relative to L&Rs) are included in the aggregate.

### 3. Income statement results

The income statement figures as at 31 March 2012 include income and expenses of the business unit transferred on 31 December 2012 to Banca Carige Italia, therefore, the two periods are not comparable.

As at 31 March 2013, the income statement posted a net profit of euro 23.8 million.

The interest margin amounted to euro 23 million; more specifically, interest income totalled euro 156.7 million. The component regarding the interest accrued on loans to customers came to euro 99.7 million, while

interest accrued on due from banks amounted to euro 8.4 million. Interest income on the securities component (AFS, HFT, HTM) amounted to euro 48.3 million.

As regards interest expenses, amounting to euro 133.7 million, the component relating to securities issued stood at euro 88.2 million, loans to customers totalled euro 13 million and due to banks came to euro 16 million.

#### INTEREST AND SIMILAR INCOME (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Financial assets held for trading	29	1,522	472	-443	-93.9
Financial assets available-for-sale	41,001	254,384	63,531	-22,530	-35.5
Financial assets held to maturity	7,278	5,420	-	7,278	...
Due from banks (1)	8,446	46,217	12,981	-4,535	-34.9
Loans to customers (1)	99,687	799,395	216,868	-117,181	-54.0
Other assets	248	3,428	1,380	-1,132	-82.0
<b>Total interest and similar income</b>	<b>156,689</b>	<b>1,110,366</b>	<b>295,232</b>	<b>-138,543</b>	<b>-46.9</b>

(1) This segment includes interest income on securities classified as L&R.

#### INTEREST AND SIMILAR EXPENSE (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Due to banks (1)	16,048	78,099	16,752	-704	-4.2
Due to customers	13,028	139,726	32,255	-19,227	-59.6
Securities issued	88,216	372,211	100,225	-12,009	-12.0
Financial liabilities designated at fair value through profit and loss	5,009	18,771	6,148	-1,139	-18.5
Other liabilities	41	6,005	183	-142	-77.6
Hedging derivatives	11,374	46,620	5,922	5,452	92.1
<b>Total interest and similar expense</b>	<b>133,716</b>	<b>661,432</b>	<b>161,485</b>	<b>-27,769</b>	<b>-17.2</b>

(1) The figures as at 31/03/2012 were reclassified following clarification of the nature of commissions due to the government for the guarantee granted on securities issued and used in refinancing operations (L.T.R.O) at the ECB. The sub-item fell by euro 4,087 thousand.

Net fee and commission income amounted to euro 24.4 million, of which euro 37.8 million in fee and commission income and euro 13.4 million in fee and commission expense. The latter includes expenses connected to the guarantee received from the Italian government

on liabilities issued by the Bank and repurchased for the purposes of Long Term Refinancing Operations (LTRO) with the ECB.

## FEE AND COMMISSION INCOME (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Guarantees issued	2,114	17,428	4,297	-2,183	-50.8
Management, intermediation and consultancy services:	12,185	81,194	21,336	-9,151	-42.9
1. Financial instruments trading	403	1,542	383	20	5.2
2. Currency trading	276	2,266	578	-302	-52.2
3. Assets management	1,061	5,673	1,044	17	1.6
4. Securities custody and administration	268	2,379	662	-394	-59.5
6. Placement of securities	5,011	31,109	8,183	-3,172	-38.8
7. Order collection	1,330	8,322	2,878	-1,548	-53.8
8. Consultancy services	-	2	2	-2	-100.0
9. Distribution of third-party services	3,836	29,901	7,606	-3,770	-49.6
- portfolio management	261	1,482	339	-78	-23.0
- insurance products	2,018	12,279	3,432	-1,414	-41.2
- other products	1,557	16,140	3,835	-2,278	-59.4
Collection and payment services	6,334	56,564	12,881	-6,547	-50.8
Servicing for securitisations	682	3,464	828	-146	-17.6
Factoring services	389	1,560	371	18	4.9
Maintenance and management of current accounts	12,499	105,841	27,018	-14,519	-53.7
Other services	3,586	33,288	8,334	-4,748	-57.0
<b>Total fee and commission income</b>	<b>37,789</b>	<b>299,339</b>	<b>75,065</b>	<b>-37,276</b>	<b>-49.7</b>

## FEE AND COMMISSION EXPENSE (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Guarantees received (1)	5,772	20,882	4,363	1,409	32.3
Management and intermediation services	4,454	9,126	2,319	2,135	92.1
1. Financial instruments trading	3	125	11	-8	-72.7
3. Portfolio management	428	1,586	211	217	...
4. Securities custody and administration	290	1,233	273	17	6.2
5. Placement of financial instruments	3,733	6,182	1,834	1,899	...
Collection and payment services	2,031	18,008	3,582	-1,551	-43.3
Other services	1,106	9,803	2,309	-1,203	-52.1
<b>Total fee and commission expense</b>	<b>13,363</b>	<b>57,819</b>	<b>12,573</b>	<b>790</b>	<b>6.3</b>

(1) The figures as at 31/03/2012 were reclassified following clarification of the nature of commissions due to the government for the guarantee granted on securities issued and used in refinancing operations (L.T.R.O) at the ECB. The sub-item increased by euro 4,087 thousand.

Profits on trading were a positive euro 2.8 million.

## PROFITS (LOSSES) ON TRADING (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Debt securities	280	4,588	1,962	(1,682)	-85.7
Equities & collective investment schemes	60	2,046	516	(456)	-88.4
<b>Total equities, debt securities &amp; collective investment schemes</b>	<b>340</b>	<b>6,634</b>	<b>2,478</b>	<b>(2,138)</b>	<b>-86.3</b>
Financial derivatives	2,640	(22,638)	5,269	(2,629)	-49.9
Credit derivatives	(495)	(5,190)	(3,277)	2,782	-84.9
Currency differences	(185)	24,965	(4,763)	4,578	-96.1
Other financial assets/liabilities from trading	493	2,988	1,508	(1,015)	-67.3
<b>Total profits (losses) on trading</b>	<b>2,793</b>	<b>6,759</b>	<b>1,215</b>	<b>1,578</b>	<b>...</b>

Profit (loss) on disposal of loans and financial assets/liabilities was a positive euro 22.3 million, while net profit on financial assets and liabilities designated at fair value amounted to euro 40.4 million. This item is comprised of positive components totalling euro 51.1 million and negative components of euro 10.7 million. The positive components include euro 43.3 million relating to the effect of the amendments

introduced regarding the method of calculating the fair value of all bank issued securities, including those for which the Group availed itself of the so-called "Fair Value Option". These amendments require - for the purposes of the daily calculation of the price for trades with customers and the quarterly calculation for balance sheet purposes - a fair value to be

determined for these financial instruments which incorporates the issuer's current credit spread. Net interest and other banking income therefore amounted to euro 119.1 million. Net losses on impairment of loans and other financial items stood at euro 22.9 million, euro

21.1 million of which relates to adjustments to loans.

Net income from banking activities therefore totalled euro 96.2 million.

#### NET LOSSES/RECOVERIES ON IMPAIRMENT OF LOANS AND OTHER FINANCIAL ITEMS (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Due from banks	203	8,828	0	203	...
Loans to customers	20,925	387,659	26,077	-5,152	-19.8
Credit commitments (other financial transactions)	1,355	(35)	(585)	1,940	...
Financial assets available-for-sale	424	152,463	947	-523	-55.2
<b>Total net losses/recoveries on impairment of loans and other financial items</b>	<b>22,907</b>	<b>548,915</b>	<b>26,439</b>	<b>-3,532</b>	<b>-13.4</b>

Operating expenses stood at euro 56.6 million. More specifically, administrative expenses totalled euro 80.9 million, of which euro 48.2 million personnel costs and euro 32.7 million other administrative expenses.

Net provisions for risks and charges amounted to euro 0.7 million, while value adjustments to property and equipment and intangible assets came to euro 10.6 million.

#### OPERATING EXPENSES (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Personnel costs	48,215	322,794	82,731	-34,516	-41.7
Other administrative expenses	32,671	210,617	53,738	-21,067	-39.2
- general expenses	25,308	160,239	38,313	-13,005	-33.9
- indirect taxes (1)	7,363	50,378	15,425	-8,062	-52.3
Net provisions for risks and charges	712	942	179	533	...
Net losses/recoveries on:	10,616	48,621	12,132	-1,516	-12.5
- intangible assets	7,706	30,019	7,538	168	2.2
- property and equipment	2,910	18,602	4,594	-1,684	-36.7
Other operating expenses (income)	(35,591)	(60,536)	(18,796)	-16,795	89.4
<b>Total operating expenses</b>	<b>56,623</b>	<b>522,438</b>	<b>129,984</b>	<b>-73,361</b>	<b>-56.4</b>

(1) The item includes indirect taxes charged to the bank. Their recovery from customers is disclosed under item 190 of the income statement "other expenses/income".

Other operating income amounted to euro 35.6 million (euro 18.8 million in March 2012).

#### OTHER OPERATING EXPENSES (INCOME) (thousands of euro)

	Q1 2013	2012	Q1 2012	Change 03/13 - 03/12	
				absolute	%
Lease income and rent	1,219	5,574	1,365	-146	-10.7
Charges to third parties:	8,762	38,812	13,356	-4,594	-34.4
recovery of arrangement fees	2,703	38,762	13,343	-10,640	-79.7
recovery of taxes (1)	6,050	50	13	6,037	...
customer insurance premiums	9	19,529	-	9	...
Other income	28,724	36,774	9,697	19,027	...
<b>Total other income</b>	<b>38,705</b>	<b>100,689</b>	<b>24,418</b>	<b>14,287</b>	<b>58.5</b>
Operating expenses on financial leases	(430)	(3,694)	(2,208)	1,778	-80.5
Ordinary maintenance costs on investment property	(148)	(626)	(156)	8	-5.1
Expenses for improvement of third parties' assets	(12)	(690)	(163)	151	-92.6
Other expenses	(2,524)	(35,143)	(3,095)	571	-18.4
<b>Total other expenses</b>	<b>(3,114)</b>	<b>(40,153)</b>	<b>(5,622)</b>	<b>2,508</b>	<b>-44.6</b>
<b>Total net operating income and expenses</b>	<b>35,591</b>	<b>60,536</b>	<b>18,796</b>	<b>16,795</b>	<b>89.4</b>

(1) The item includes recoveries of indirect taxes from customers whose cost is included in item 150 b) "Other administrative expenses - indirect taxes"

Taking into account taxes on income from continuing operations of euro 15.8 million (tax rate of 39.8%), net profit stood at euro 23.8 million.

The comprehensive income, which includes income components charged directly to shareholders' equity, stood at a positive euro 23.9 million.

## 4. Regulatory capital

### REGULATORY CAPITAL AND SOLVENCY RATIOS

(thousands of euro)

	Situation as at		
	31/03/13 (2)	31/12/12 (1)	31/03/12
<b>Regulatory capital</b>			
Core Tier 1 Capital	3,407,734	3,537,426	1,803,013
Tier 1 capital	3,567,634	3,697,326	1,962,913
Tier 2 capital	707,578	835,096	838,748
less: deductions	-	-249,483	-339,213
Total capital	4,275,212	4,282,940	2,462,448
<b>Tier 3 capital</b>	-	-	-
<b>Tier 3 calculable portion</b>	-	-	-
<b>Regulatory capital including Tier 3</b>	<b>4,275,212</b>	<b>4,282,940</b>	<b>2,462,448</b>
<b>Weighted assets</b>			
Credit risk	14,602,779	14,880,525	18,700,922
Market risk	125,425	151,883	152,756
Operational risk	1,596,040	1,596,040	1,594,690
Other prudential requirements	-	-	-
Total weighted assets	16,324,244	16,628,449	20,448,368
<b>Capital requirements</b>			
Credit risk	1,168,222	1,190,442	1,496,074
Market risk	10,034	12,151	12,221
Operational risk	127,683	127,683	127,575
Other prudential requirements	-	-	-
Capital reduction by 25%	326,485	332,569	408,967
Total requirements	979,455	997,707	1,226,902
<b>Surplus capital</b>	<b>3,295,757</b>	<b>3,285,233</b>	<b>1,235,546</b>
<b>Ratios</b>			
Core Tier 1/75% Total weighted assets	27.8%	28.4%	11.8%
Tier 1/75% Total weighted assets	29.1%	29.6%	12.8%
Regulatory capital including Tier 3 capital/75% Total weighted assets	34.9%	34.3%	16.1%

(1) The data as at 31/12/2012 are due to the effects of the Group Reorganisation Plan, which involved the derecognition, in Carige, of goodwill recorded previously and the recognition of new goodwill in Carige Italia.

(2) Effective as of 01/01/2013, according to Basel 2 regulations, investments in insurance companies and subordinated instruments issued by these companies acquired by banks before 20/07/2006, are no longer deducted from total Tier 1 and Tier 2 capital, but are deducted from tier 1 capital and tier 2 capital based on 50:50 deductions. The data as at 31/12/2012 are the result of the latest regulatory disclosure and therefore differ from those reported in the annual report.



## SUBSIDIARY BANKS

It should be noted that, in 2006, the Parent Company decided to be the only bond issuer, leaving only placement activity to the other Group banks: consequently, subsidiary banks do not take account of bonds placed with customers in direct deposits, but in indirect deposits, especially in the assets under administration segment.

In this context, in order to maintain a balanced distribution of maturities, subsidiary banks issue bonds fully subscribed by the Parent Company and recognised in direct deposits.

For subsidiary banks these transactions resulted in a higher amount of assets under administration and bonds and a decrease in interbank liabilities.

In order to implement the initiatives of the Strategic Plan more effectively, on 21 May 2012, the Carige Group Restructuring Project was approved, which made provision for the incorporation of a new bank (on 23 May 2012), wholly owned by the Parent Company Banca Carige, called "Banca Carige Italia", to which the 353 Banca Carige branches operating outside Liguria were transferred.

The corporate separation of the Extra-Liguria network and its transformation into a separate bank makes it possible to take full account of the unique territorial characteristics of operating as a "network bank" in the strategic business area comprised of families, small economic operators, small and medium sized enterprises and local public authorities, with the priority objective of accelerating the growth in volumes and in the number of customers, and better territorial coverage, through careful monitoring of risk profiles, first and foremost credit and liquidity risks, and of the customer service model.

The table below solely sets out the data as at 31 March 2013, compared with 31 December 2012 (given the company was incorporated on 23 May 2012): whilst the balance sheet data reflect the composition of the above-mentioned

transfer, the income statement acknowledges the effects of the release, treasury management and, from 1 January 2013, ordinary operations in the respective areas.

Financial Intermediation Activities (FIA) of Banca Carige Italia totalled euro 13,876.1 million. Direct deposits totalled euro 5,628.1 million. Indirect deposits, amounting to euro 8,248.1 million, are composed of assets under administration (euro 5,165.3 million) and assets under management (euro 3,082.8 million).

Loans to customers totalled euro 8,595.8 million.

The income statement posted a net profit of euro 8.1 million; the cost/income ratio stood at 59.7%.

The interest margin amounted to euro 60.8 million, net fee and commission income stood at euro 32 million and profits on trading were euro 814 thousand, therefore net interest and other banking income stood at euro 93.6 million.

Net losses on impairment of loans and other financial transactions amounted to euro 22.6 million, almost entirely on loans, while operating costs totalled euro 55.9 million.

Profit before tax from continuing operations amounted to euro 15.1 million. Net of tax on income amounting to euro 7.1 million, the profit for the year totalled euro 8.1 million.

## **BANCA CARIGE ITALIA** (thousands of euro)

	Situation as at	
	31/03/13	31/12/12
<b>BALANCE SHEET</b>		
Total assets	11,447,626	11,223,982
Direct deposits (a)	5,628,057	5,637,586
Indirect deposits (b)	8,248,075	8,271,945
- Assets under management	3,082,810	2,973,867
- Assets under administration	5,165,266	5,298,078
Financial Intermediation Activities (FIA) (a+b)	13,876,132	13,909,531
Loans to customers (1)	8,595,783	8,811,944
Due from banks (1)	95,144	6,178
Capital and reserves	2,485,223	2,219,841
<b>INCOME STATEMENT</b>		
Net interest and other banking income	93,611	40
Net income from banking activities	71,061	40
Income (loss) before tax from continuing operations	15,134	30
Profit for the period	8,065	266,420
<b>RESOURCES</b>		
Number of branches	353	353
Staff	1,916	1,921

(1) Before value adjustments

Financial Intermediation Activities (FIA) of Cassa di Risparmio di Savona S.p.A., amounting to euro 3,230.7 million, fell by 1.1% compared to December 2012, but increased by 2.5% over March 2012. Direct deposits (euro 1,488.8 million) were down 0.7% over December 2012 and up 10.4% over March 2012. Indirect deposits (euro 1,741.9 million) fell over both December 2012 (-1.4%) and March 2012 (-3.4%); more specifically, assets under administration (euro 1,057.6 million) fell by 3.2% from December 2012 and 7.7% from March 2012, against an increase in assets under management (euro 684.3 million, +1.6% and +4.3% respectively).

Loans to customers, totalling euro 1,599.8 million, recorded an increase of 1.1% and 3.3% in three and twelve months respectively.

The securities portfolio amounted to euro 38.6 million, down compared to euro 168.5 million

in December 2012 and euro 322.9 million in March 2012.

The income statement posted a net profit of euro 4.9 million, compared to euro 5.4 million in the first quarter of 2012.

Net interest and other banking income fell by 9.8% to euro 17.2 million due to the decrease in the interest margin (-17%), equal to euro 10.2 million.

Net losses on impairment of loans and other financial transactions amounted to euro 1.3 million (-8.8%). Operating expenses decreased by 6.6% to euro 8.5 million.

Income before tax from continuing operations amounted to euro 7.4 million, 13.4% lower than March 2012. Net of taxes on income from continuing operations amounting to euro 2.5 million, the profit for the year therefore totalled euro 4.9 million, down 9.1% compared to March 2012.

## CASSA DI RISPARMIO DI SAVONA *(thousands of euro)*

	Situation as at			Change %	
	31/03/13	31/12/12	31/03/12	03/13 12/12	03/13 03/12
<b>BALANCE SHEET</b>					
Total assets	1,798,738	1,846,571	1,950,852	-2.6	-7.8
Direct deposits (a)	1,488,839	1,498,991	1,348,013	-0.7	10.4
Indirect deposits (b)	1,741,871	1,766,076	1,802,597	-1.4	-3.4
- Assets under management	684,250	673,474	656,164	1.6	4.3
- Assets under administration	1,057,621	1,092,603	1,146,433	-3.2	-7.7
Financial Intermediation Activities (FIA) (a+b)	3,230,710	3,265,067	3,150,610	-1.1	2.5
Loans to customers (1)	1,599,818	1,582,509	1,548,121	1.1	3.3
Securities portfolio	38,608	168,464	322,932	-77.1	-88.0
Capital and reserves	194,183	177,362	192,160	9.5	1.1
<b>INCOME STATEMENT</b>					
Net interest and other banking income	17,156	74,217	19,029		-9.8
Net income from banking activities	15,849	60,492	17,596		-9.9
Income (loss) before tax from continuing operations	7,381	25,968	8,526		-13.4
Profit for the period	4,871	16,810	5,359		-9.1
<b>RESOURCES</b>					
Number of branches	50	50	50	-	-
Staff	325	330	333	-1.5	-2.4

(1) Before value adjustments

Financial Intermediation Activities (FIA) on behalf of customers of Banca del Monte di Lucca S.p.A. increased over December and March 2012 (up 2.8%), amounting to euro 1,445.7 million. Direct deposits, equal to euro 924.9 million, are up 5% over December 2012 and 6.8% in twelve months; indirect deposits totalled euro 520.8 million, down both in the last quarter (-1%) and in the year (-3.6%). More specifically, indirect deposits saw a decrease in assets under administration (euro 387.4 million; -2.5% and -7.6% compared to December and March 2012) and growth in assets under management (euro 133.4 million; +3.6% and +10.2% respectively).

Loans to customers, standing at euro 930.9 million, were stable in the quarter (-0.2%) and in the 12-month period (-0.9%).

The securities portfolio amounted to euro 462 thousand, down compared to euro 58.4 million in December 2012 and euro 48.5 million in March 2012.

The income statement posted a loss of euro 2.9 million, compared to euro 1.8 million in the first quarter of 2012.

The interest margin fell by 25.2% to euro 4.4 million and net fee and commission income fell by 2.8%, amounting to euro 2.6 million. On the whole, net interest and other banking income fell by 21.3%, amounting to euro 6.9 million.

Net losses on impairment of loans and other financial transactions amounted to euro 5.1 million, while these totalled euro 607 thousand in the previous year, made up entirely of adjustments on loans to customers.

Operating expenses increased by 5.3% to euro 5.5 million. In particular, personnel costs rose by 30.6%, reaching euro 4.1 million, while other administrative expenses decreased by 11.5% to euro 2 million.

Income before tax from continuing operations amounted to euro 3.7 million (profit of euro 2.9 million in March 2012). Net of taxes, the quarter closed with a loss of euro 2.9 million.

## BANCA DEL MONTE DI LUCCA (thousands of euro)

	Situation as at			Change %	
	31/03/13	31/12/12	31/03/12	03/13 12/12	03/13 03/12
<b>BALANCE SHEET</b>					
Total assets	1,088,114	1,025,271	1,023,603	6.1	6.3
Direct deposits (a)	924,886	880,858	865,607	5.0	6.8
Indirect deposits (b)	520,802	525,938	540,179	-1.0	-3.6
- Assets under management	133,410	128,715	121,054	3.6	10.2
- Assets under administration	387,392	397,223	419,125	-2.5	-7.6
Financial Intermediation Activities (FIA) (a+b)	1,445,688	1,406,796	1,405,786	2.8	2.8
Loans to customers (1)	930,948	933,132	939,671	-0.2	-0.9
Securities portfolio	462	58,406	48,485	-99.2	-99.0
Capital and reserves	125,989	79,839	83,420	57.8	51.0
<b>INCOME STATEMENT</b>					
Net interest and other banking income	6,904	31,999	8,774		-21.3
Net income from banking activities	1,757	18,764	8,167		-78.5
Income (loss) before tax from continuing operations	-3,744	653	2,944		...
Profit for the period	-2,913	52	1,772		...
<b>RESOURCES</b>					
Number of branches	23	23	23	-	-
Staff	166	168	168	-1.2	-1.2

(1) Before value adjustments

Financial Intermediation Activities (FIA) on behalf of the customers of Cassa di Risparmio di Carrara S.p.A. totalled euro 2,101.7 million, up 1.1% in the first quarter of the year and 1.4% in the twelve-month period. Direct deposits amounted to euro 1,093.7 million, up by 3.8% from December and by 8.6% over the year. Indirect deposits came to euro 1,008 million, down in both the quarter (-1.7%) and in the year (-5.5%): more specifically, assets under management (euro 330.1 million) increased compared to both December 2012 (1.6%) and March 2012 (1.4%), while assets under administration (euro 677.8 million) fell both over the quarter (-3.2%) and over March 2012 (-8.5%).

Loans to customers totalled euro 1,024 million, down by 3% in the quarter and 5.9% in the year. The securities portfolio amounted to euro 22.5 million, down compared to December 2012 (-79.9%) and March 2012 (-91.1%).

The income statement posted a net profit of euro 0.4 million, down 85.3% compared to March 2012; the cost/income ratio increased from 57.5% to 70.9%.

The interest margin fell by 35.2% to euro 5.9 million; net fee and commission income rose by euro 4.1 million, down by 9.7%.

Net interest and other banking income reached euro 10 million, down by 30.5% compared to the first quarter of 2012.

Net losses on impairment of loans and other financial transactions increased from euro 1.6 million to euro 1.9 million, almost entirely on loans.

Operating expenses totalled euro 7.1 million, down 14.3% compared to the first quarter of 2012. The item, excluding other net operating income of euro 1.4 million, amounted to euro 8.5 million, down by 6.1%.

Income before tax from continuing operations amounted to euro 1 million, 76.8% lower than the euro 4.5 million in the first quarter. Net of taxes on income from continuing operations amounting to euro 0.6 million, the profit for the year totalled euro 0.4 million, down 85.3% compared to euro 2.7 million in the first quarter of 2012.

## CASSA DI RISPARMIO DI CARRARA (thousands of euro)

	Situation as at			Change %	
	31/03/13	31/12/12	31/03/12	03/13 12/12	03/13 03/12
<b>BALANCE SHEET</b>					
Total assets	1,305,593	1,284,921	1,420,111	1.6	-8.1
Direct deposits (a)	1,093,736	1,053,259	1,006,971	3.8	8.6
Indirect deposits (b)	1,007,963	1,025,274	1,066,197	-1.7	-5.5
- Assets under management	330,114	324,856	325,613	1.6	1.4
- Assets under administration	677,849	700,418	740,584	-3.2	-8.5
Financial Intermediation Activities (FIA) (a+b)	2,101,699	2,078,533	2,073,168	1.1	1.4
Loans to customers (1)	1,024,028	1,055,822	1,088,375	-3.0	-5.9
Securities portfolio	22,524	112,172	253,916	-79.9	-91.1
Capital and reserves	125,840	118,650	125,249	6.1	0.5
<b>INCOME STATEMENT</b>					
Net interest and other banking income	9,975	52,550	14,348	-	-30.5
Net income from banking activities	8,108	44,689	12,713	-	-36.2
Income (loss) before tax from continuing operations	1,037	13,717	4,462	-	-76.8
Profit for the period	390	7,181	2,660	-	-85.3
<b>RESOURCES</b>					
Number of branches	37	37	37	-	-
Staff	308	309	316	-0.3	-2.5

(1) Before value adjustments

Financial Intermediation Activities (FIA) on behalf of the customers of Banca Cesare Ponti S.p.A., totalled euro 2,461.4 million, up 5.5% in the last quarter and 6.5% in the twelve-month period. Direct deposits totalled euro 414.6 million, up over both December 2012 (+10.4%), and March 2012 (+12.9%). Indirect deposits (euro 2,046.7 million) increased by 4.5% over December 2012 and 5.3% over March 2012; more specifically, assets under management (euro 996.5 million) rose by 13.2% from December and 47.2% from March 2012, while assets under administration (euro 1,050.2 million) fell over both December and March 2012 (-2.6% and -17.1% respectively).

Loans to customers amounted to euro 114.8 million, an increase of 0.8% compared to December 2012 and 0.3% over March 2012. The securities portfolio amounted to euro 552.1 million, up by 7.8% compared to December 2012 and down 11.9% over March 2012.

The income statement posted a net profit of euro 379 million, compared to euro 1.7 million in March 2012. The cost/income ratio stood at 78.4% (53.2% in the first quarter of 2012). The interest margin amounted to euro 1.5 million and net fee and commission income stood at euro 2.7 million; profits on trading were euro 87 thousand and fair value adjustments in hedging accounting came to euro 142 thousand. Net interest and other banking income therefore amounted to euro 4 million. Net losses on impairment of loans and other financial transactions amounted to euro 175 thousand, almost entirely on loans. Operating expenses stood at euro 3.1 million. Gross income from operations amounted to euro 0.7 million. Net of tax on income from continuing operations amounting to euro 0.3 million, the profit for the year totalled euro 0.4 million.

## BANCA CESARE PONTI *(thousands of euro)*

	Situation as at			Change %	
	31/03/13	31/12/12	31/03/12	03/13 12/12	03/13 03/12
<b>BALANCE SHEET</b>					
Total assets	950,854	892,049	886,410	6.6	7.3
Direct deposits (a)	414,638	375,551	367,384	10.4	12.9
Indirect deposits (b)	2,046,739	1,958,402	1,943,497	4.5	5.3
- Assets under management	996,514	880,273	677,093	13.2	47.2
- Assets under administration	1,050,225	1,078,129	1,266,404	-2.6	-17.1
Financial Intermediation Activities (FIA) (a+b)	2,461,377	2,333,953	2,310,881	5.5	6.5
Loans to customers (1)	114,760	113,828	114,449	0.8	0.3
Securities portfolio	552,114	512,051	626,519	7.8	-11.9
Capital and reserves	68,585	62,082	66,941	10.5	2.5
<b>INCOME STATEMENT</b>					
Net interest and other banking income	4,014	25,879	6,565		-38.9
Net income from banking activities	3,839	25,108	6,281		-38.9
Income (loss) before tax from continuing operations	693	10,452	2,787		-75.1
Profit for the period	379	6,501	1,740		-78.2
<b>RESOURCES</b>					
Number of branches	7	7	7	-	-
Staff	82	79	81	3.8	1.2

(1) Before value adjustments.

## INSURANCE SUBSIDIARIES

The results of the two insurance companies of the Group (Carige Assicurazioni SpA and Carige Vita Nuova SpA) are presented below, prepared in accordance with the applicable provisions of the Italian Civil Code and with the specific provisions for the insurance industry in Italy (Legislative Decree 173/1997, Legislative Decree 209/2005, ISVAP Regulation No. 22/2008 amended and supplemented by ISVAP Provision 2771 dated 29 January 2010 and by ISVAP Provision No. 2845 dated 17 November 2010).

It should be noted that such results are different from those reported in the section "Insurance activities" of this Report in which the information, gathered from the so-called reporting packages, is prepared by the companies based on the joint provisions of Bank of Italy Instruction no. 262 dated 22 December 2005, ISVAP Regulation no. 7 dated 13 July 2007 amended by ISVAP Provision No. 2784/2010 and consistent instructions from the Parent Company.

The first three months of 2013 for Carige Assicurazioni SpA (operating in the non-life segment) closed with a positive result of euro

4.3 million, versus profit of euro 0.1 million in the same period in 2012.

As at 31 March 2013, technical reserves net of the reinsurance amount in the twelve months increased by 26.2%, while investments decreased by 2.6% and stood at euro 758.7 million. From an economic point of view, an improvement was registered in the result of the technical account, up from a positive value of euro 0.9 million in March 2012 to euro 7.9 million in 2013. The result was determined by a decrease in amounts paid for claims, including claims of previous years, net of reinsurance (-10.6% to euro 95.5 million), the trend in premiums in the period net of reinsurance (-3.8% to euro 140.1 million), the reduction in operating expenses (-11.9% to euro 31.4 million) and the transfer of a portion of the profit from investments equal to euro 6.3 million. The income statement consolidates the effects of the issuing, by ISVAP, of Regulation no. 43 of 12 July 2012 which limited, with respect to Regulation no. 28 previously in force, the possibility of the sterilisation of losses from the market alignment of solely Government bonds issued or secured by EU Member States. Due to the adoption of the above-mentioned new provisions, write-backs totalling around euro 0.5 million were booked to the income statement. The undistributable reserve as at 31 March 2013, calculated on the basis of new Regulation no. 43, amounted to euro 4.4 million.

### CARIGE ASSICURAZIONI *(thousands of euro)*

	Situation as at			Change %	
	31/03/13	31/12/12	31/03/12	03/13 12/12	03/13 03/12
Recognised gross premiums	121,486	634,516	151,736		-19.9
Premiums excluding reinsurance	140,116	597,227	145,626		-3.8
Claims incurred and settled net of reinsurance	95,485	652,750	106,828		-10.6
Operating costs	31,419	143,930	35,676		-11.9
Profit/loss from technical account	7,883	-197,007	878		...
Profit for the period	4,323	-169,164	137		...
Investments (1)	758,735	762,881	779,309	-0.5	-2.6
Technical reserves net of reinsurance	963,503	969,930	763,595	-0.7	26.2
Shareholders' equity with income (2)	179,232	-41,487	127,814	...	40.2
Insurance agencies	397	409	425	-2.9	-6.6
Staff	356	366	386	-2.7	-7.8

(1) Included cash equivalents.

(2) The figures as at 31/03/2013 include the share capital increase transaction for euro 216.4 million resolved by the Shareholders' Meeting of 26/04/2013.















I the undersigned Daria Bagnasco, Deputy General Manager (Governance and Control) of Banca CARIGE S.p.A., in my capacity as Manager responsible for preparing the Company's financial reports

**declare**

that the accounting information contained in the Interim report on operations of the Banca CARIGE Group as at 31 March 2013 corresponds to the document results, books and accounting records.

Genoa, 13 May 2013

The Manager responsible  
for preparing the Company's financial reports  
Daria Bagnasco

*[signed on the original]*