

Prepared by  
Communications and press relations department  
Tel. 010 579 2697  
Fax 010 579 4927  
e-mail: [comunicazione.esterna@carige.it](mailto:comunicazione.esterna@carige.it)



**BANCA CARIGE GROUP: APPROVAL OF THE FIRST HALF-YEAR RESULTS FOR 2010  
CONSOLIDATED NET PROFIT 71.3 MILLION**

- Loans to customers<sup>1</sup> €24.3 billion (+11.1% year on year; +7.6% excluding the former MPS branches)
- Total customer deposits (FIA)<sup>1</sup> €49.3 billion (+10.4% year on year; +7.3% excluding the former MPS branches)
- Consolidated net profit for the half-year period<sup>1</sup> €71.3 million (-36.2% compared to the 6-month period in 2009), in line with budget expectations
- Consolidated net profit for the second quarter of 2010: €39.2 million (+22.2% over the first quarter of 2010)
- The Board of Directors decided on the new General Management structure

*Genoa, 2 August 2010* – The Board of Directors of Banca Carige S.p.A., chaired by Giovanni Berneschi, approved the half-year financial report for the period to 30 June 2010, presented by the General Manager, Ennio La Monica.

The first half of 2010 continued to be difficult but showing faint signs of economic recovery. Interest rates continued to be very low, there was strong pressure on commission revenues and a new negative financial market situation was triggered by a breakdown in confidence in the sustainability of public debt in European countries; despite this, Carige Group has been able to continue development of its traditional intermediation activities, supporting businesses and families, and closed the period with a profit, thanks to increased revenues from services, stable value adjustments and operating costs kept under control, offsetting the fall in interest margin and the valuation of government securities in the trading portfolio.

The Group completed its integration of 22 branches acquired from the Banca del Monte dei Paschi di Siena Group during this period, which brokered loans of 752.3 million and FIAs of 1,395.6 million as at 30 June, of which direct deposits of 479.2 million and indirect deposits of 916.4 million.

The loans granted increased to 24.3 billion, up 11.1% on June 2009 and 5% on December 2009 (7.6% and 1.8% respectively, not including the contribution from the former MPS branches); 14.7 billion was provided to businesses<sup>2</sup> (+9.9% in the twelve month period and +3.6% in the six month period of 2009) and 7.8 billion to families<sup>2</sup> (+8% and +6.7% in the respective periods).

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<sup>1</sup> The figures for the first half of 2010 include the income statement and balance sheet results of the branches acquired from the Banca del Monte dei Paschi di Siena Group, which took effect on 31 May 2010. The intermediation activities of the branches acquired represents 3.1% of the loans to customers and 2.8% of the FIAs, while the economic data is insignificant as it only refers to one month.

<sup>2</sup> Operational data.

Despite the difficult economic situation which has continued for over two years now, the Group's loan quality has a ratio between non-performing loans and total loans of 4.1% due to the strict controls in place. This is substantially in line with the System value<sup>3</sup>.

Total customer savings amount to 49.3 billion, up 10.4% on June 2009 and 5% on December 2009 (7.3% and 2% respectively if the contribution from the former MPS branches is not included). More in detail, there has been a marked rise in assets under management (24% in the twelve month period and 13.3% compared to December 2009) in all the components (mutual funds, asset management and bankassurance products).

Current accounts<sup>4</sup>, equal to about 751 thousand units at the end of June are up by about 5% compared to the end of 2009, due in part to the addition of 32 thousand new accounts as a result of the acquisition of the 22 former MPS branches. However, apart from that contribution, about 40 thousand new accounts were opened, most of which are in the areas being developed outside Liguria.

Positive traditional banking results meant that the Group posted a net profit of 71.3 million, in line with budget expectations, with profits in the second quarter (39.2 million) 22.2% higher than the first quarter. The reduction from the same half-year period last year (-29.5% for gross profits and -36.2% for net profit) is mainly due to two reasons: especially low interest rates, which are reflected in the intermediation activity income due to the reduced spreads (-11.5% for interest margin) and lack of confidence in the financial markets, which translated into write downs of the security trading portfolio. In addition, these are largely (around 8 million) accrued on government securities, for which there is a reasonable expectation of recovery prior to expiry of the securities.

The impact on the gross operating income (-6.7%, to 514 million) was somewhat lessened by commission revenues which recorded an increase of 8.7%.

To complete the picture of the financial items for this half-year period: the tight control on costs (-1.9%) and total adjustments of loans and available for sale financial assets, basically stable at 57.1 million, which increased 41.6% in the loan component (56.1 million).

As regards the main Group companies, Banca Carige posted a profit of 93 million and the insurance companies, Carige Assicurazioni and Carige Vita Nuova, recorded IAS results of 5.1 and 15.3 million respectively.

The regulatory ratio<sup>5</sup>, which includes the effects of acquiring the 22 former MPS branches as at 30 June 2010, is still at adequate levels: Core Tier 1 ratio 6%, Tier 1 ratio 6.8% and Total Capital ratio 9.1%. The full conversion of the convertible bond loan "Banca Carige 4.75% 2010 – 2015 convertible with option of repayment in shares" at current share values on the stock market would increase the above ratios to 7.3%, 8.1% and 10.4% respectively.

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The Group faces into the second half of the year aware that it will hold risks and uncertainties associated with the ongoing economic and financial recession, along with possible unfavourable regulatory and tax developments that could affect the economic, financial and asset management of the Group.

After an in-depth evaluation of these factors, including an analysis of scenarios that take into account macroeconomic stress variables, and despite the fact that certain events cannot be predicted

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<sup>3</sup> The most recent System data available refers to April 2010 (source Bank of Italy).

<sup>4</sup> Operational parameter.

<sup>5</sup> Estimated data. The official data will be noted for regulatory purposes within the prescribed term.

with certainty, the Group is confident that it can continue to grow through development of its traditional intermediation activities – the 22 former MPS branches will also contribute to this – significant investments in technology and the focused attention on efficiency, risk and liquidity factors and a solid asset base.

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### ***Breakdown of the consolidated results***

The interest margin is down in the six month period (-11.5% from June 2009) to 340.9 million due to a tightening of the spreads, while net commissions are up 8.7% to 141.4 million; management of the financial items, including dividends for 6.6 million and losses from the transfer of loans for 1.5 million, give a result of 31.7 million against 35.4 million for the corresponding period of 2009.

Gross operating income therefore amounts to 514 million (-6.7%); considering the net impairment adjustments on loans and other financial entries (57.1 million; +1.7%) and the income from insurance management, net income from financial and insurance management stands at 436.3 million (-11.1%). Net of operating costs which are down (-1.9%), equal to 320 million, profit from ordinary activities before tax is therefore down by 29.5% to 118.8 million.

Net of income tax provisions of 46.7 million, with a tax rate which has increased from 32% to 39.3%, and considering the profit attributable to minority interests of 1 million, net profit amounts to 71.3 million (-36.2% compared to the first half of 2009).

Total customer savings (FIA) amount to 49,278.2 million, up by +5% in the six-month period and +10.4% compared to June 2009. Direct deposits are up to 26,249.5 (2.2% in the six-month period; 10.7% in the year), specifically, in the year, following development of the current account and deposits component.

Indirect deposits, equal to 23,028.7 million, are up both in the six-month period (8.5%), and the year (10.1%). Indirect deposits include assets under management, equal to 9,861.9 million, that grew by 13.3% and 24% in these respective periods, due to development of the bankassurance products (14.6% in the six months and 25.5% in the year), mutual funds and unit trusts (10.3%; 21.6%) and asset management (31.5%; 34.3%); assets in custody, equal to 13,166.8 million are also up on the end of the year figures (5.1%), and essentially stable compared to June 2009 (1.5%).

Loans to customers (including presumed losses) amount to 24,275.7 million, up 5% in the six-month period and 11.1% in the year, with a re-composition in favour of the medium/long term component, up 5.1% in the six-month period and 11.4% in the year.

At the end of June, the Group sales network included 665 bank branches – 22 more than June 2009 – and 427 insurance agencies. There were 6,038 staff employed, of whom 5,577 are bank staff (5,888 and 5,496 respectively as at June 2009).

### ***Breakdown of the Banca Carige S.p.A. results***

Performance of the Parent Bank largely reflects the consolidated performance. Gross operating income amounts to 416.4 million (-11.2%); net income from financial management stands at 369.8 million (-13.9%) net of the loan impairment adjustments and other financial entries, equal to 46.6 million. Operating costs, equal to 246.2 million, fell by 4.1%. Profit from ordinary activities before taxes amounts therefore to 123.6 million (-28.5%). Net of income tax provisions of 30.5 million, net profit stands at 93 million (-30.1%).

Total customer savings stand at 43,349.4 million, up 5% in the six-month period and 11% compared to June 2009. Direct deposits (23,864.5 million) contribute with a 2.8% increase in the six-month period and 12.5% in the year.

Indirect deposits, equal to 19,484.9 million, has grown both in the six-month period (8%), and in the year (9.1%). Within the indirect deposits, assets under management, of 8,357.4 million, is up 12.5% in the six-month period and 22.7% in the year, while assets in custody, of 11,127.5 million, is up on the year end result (4.8%), and stable with respect to June 2009 (+0.8%).

Loans to customers (including presumed losses) amount to 20,606.7 million, up in both the six-month period (4.9%) and compared to June 2009 (11.2%).

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The consolidated and individual financial statements as at 30 June 2010 are attached.

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At today's meeting, the Board of Directors, in accordance with the proposal of the Chairman, Mr. Giovanni Berneschi and the General Manager, Mr. Ennio La Monica, also decided on the new General Management structure, making the following promotions which will take effect from 1 August 2010: Mr. Mario Cavanna and Mr. Giacomo Ottonello, Co-General Directors, and Ms. Daria Bagnasco and Mr. Gabriele Delmonte, Deputy General Managers.

Finally, the Board of Directors thanked Substitute Deputy General Manager, Mr. Carlo Arzani, who will retire from 1 August 2010, for the valuable professional contribution he made in almost 40 years spent at Banca Carige.

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In compliance with the provisions of article 154-ter, paragraph 2 of Legislative Decree 58/1998, the file containing the Half-Year Financial Report for the period to 30 June 2010 of the Banca Carige Group will be available to the public in accordance with the law, at Bank headquarters and Borsa Italiana S.p.A., and will also be available on the internet site [www.gruppocarige.it](http://www.gruppocarige.it). A notice to this effect will be published on the newspaper *Il Sole 24 Ore* and made available on the same date on the same internet site [www.gruppocarige.it](http://www.gruppocarige.it).

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***Declaration of the manager responsible for preparing the company's financial reports pursuant to paragraph 2 of Article 154-bis of the Italian Legislative Decree no. 58/1998 (Consolidated Law on Finance)***

*The manager responsible for preparing the Company's financial reports, Ms. Daria Bagnasco, Deputy General Manager (Governance and Control) of Banca CARIGE S.p.A, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.*

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**INVESTOR RELATIONS**

Via Cassa di Risparmio 15

16123 GENOA GE

tel. +39 010 579 4877

fax +39 010 579 2443

e-mail: [investor.relations@carige.it](mailto:investor.relations@carige.it)

**FINANCIAL STATEMENTS  
OF THE BANCA CARIGE GROUP**

# CONSOLIDATED FINANCIAL HIGHLIGHTS

	Situation as at				Change %	
	30/6/2010	31/3/2010	31/12/2009	30/6/2009	06/10 12/09	06/10 06/09
<b>BALANCE SHEET (1)</b>						
Total assets	39,442,830	37,288,763	36,299,374	33,711,301	8.7	17.0
Funding	28,668,688	26,756,889	26,355,057	24,237,075	8.8	18.3
- Direct Deposits (a)	26,249,484	25,477,435	25,695,779	23,711,470	2.2	10.7
* Amounts owed to customers	15,856,800	14,860,166	15,061,675	13,412,317	5.3	18.2
* Securities in issue	9,302,972	9,929,162	10,019,877	9,685,828	-7.2	-4.0
* Liabilities at fair value (2)	1,089,712	688,107	614,227	613,325	77.4	77.7
- Amounts owed to banks	2,419,204	1,279,454	659,278	525,605	...	...
Indirect deposits (b)	23,028,692	21,078,266	21,225,626	20,919,953	8.5	10.1
- Assets under management (3)	9,861,934	9,180,272	8,701,235	7,953,861	13.3	24.0
- Assets in custody (3)	13,166,758	11,897,994	12,524,391	12,966,091	5.1	1.5
Financial Intermediation Activities (FIA) (a+b)	49,278,176	46,555,701	46,921,405	44,631,423	5.0	10.4
Investments	35,091,244	33,367,968	32,387,413	29,300,415	8.3	19.8
- Loans to customers (4)	24,275,729	22,865,826	23,116,726	21,854,345	5.0	11.1
- Loans to banks (4)	1,415,394	2,375,612	1,074,538	832,045	31.7	70.1
- Securities portfolio	9,400,121	8,126,530	8,196,149	6,614,025	14.7	42.1
Capital and reserves	3,503,392	3,805,395	3,605,708	3,514,342	-2.8	-0.3

	Situation as at				Change %	
	30/6/2010	31/3/2010	31/12/2009	30/6/2009	06/10 12/09	06/10 06/09
<b>INCOME STATEMENT (1)</b>						
Gross operating income	514,000	252,941	1,119,487	550,699		-6.7
Net income from financial and insurance management	436,284	213,012	942,611	491,026		-11.1
Operating income from ordinary activities before taxes	118,825	56,419	313,113	168,439		-29.5
Profit for the period	71,296	32,093	205,381	111,708		-36.2

<b>RESOURCES (5)</b>						
Number of branches	665	643	643	643	3.4	3.4
Insurance agencies	427	414	394	383	8.4	11.5
Number of bank employees	5,577	5,443	5,500	5,496	1.4	1.5
Number of bank and insurance employees	6,038	5,895	5,906	5,888	2.2	2.5

<b>FINANCIAL RATIOS</b>						
Operating costs						
Gross operating income	62.25%	61.91%	56.88%	59.22%		
Operating profit from ordinary activities before taxes /Capital and reserves	3.39%	1.48%	8.68%	4.79%		
ROE	2.04%	0.84%	5.70%	3.18%		
ROE (6)	2.62%	1.05%	7.17%	4.03%		
ROAE (7)	2.01%	0.88%	5.92%	3.26%		
ROAE (6) (7)	2.55%	1.09%	7.40%	4.09%		
Earnings per share (in euro)						
- basic	0.039	0.014	0.113	0.060		
- diluted	0.039	0.014	0.113	0.060		

<b>RISK ASSETS AND REGULATORY RATIOS (8)</b>						
Total Risk-Weighted Assets (1)	20,677,785	20,037,588	19,812,888	19,537,605	4.4	5.8
Core Tier 1/Total Risk-Weighted Assets	6.04%	6.98%	7.06%	7.04%		
Tier 1 capital / RWA	6.82%	7.78%	7.87%	7.86%		
Regulatory capital including Tier 3 capital/Total weighted assets	9.09%	9.96%	10.03%	10.23%		

(1) Figures in thousands of euro

(2) 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.

(3) At the end of 2009, a review was made of the financial investment procedures of part of the securities portfolio of the Group Insurance Companies, with the result that the agreements between the Parent Bank and the subsidiary insurance companies for the management of investments was terminated, replacing them with a consultancy only contract, given to Carige AM SGR. In view of this change of procedure, the Insurance company amounts were reclassified from assets under management to assets in custody. The aggregates for the periods prior to 31/12/2009 were adequately reclassified to allow a homogeneous comparison.

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

(5) Statistics of the end of period.

(6) Net of the AFS reserve established against the revaluation of the equity investment in the Bank of Italy.

(7) Net profit on average shareholders' equity (Return On Average Equity).

(8) Amounts as at 30.06.10 are estimated on management data; final amounts will be reported to the Bank of Italy within the deadlines provided by the legislation in force. Figures as at 31.03.10 result from accounting and management estimates, as the official consolidated figures (Information form "I") are provided only every six months. Amounts as at 31.12.09 and as at 30.06.09 are official and reported to the Bank of Italy. They may differ from the estimated data shown in the 2009 financial statements and in the half-year report drawn in June 2009. The ratios are calculated on the basis of supervisory regulations in force from time to time.

## BALANCE SHEET

### ASSETS (figures in thousands of euro)

	30/6/10	31/3/10	31/12/09	30/6/09	Change %	
					6/10	6/10
					12/09	6/09
<b>10 - CASH AND CASH EQUIVALENTS</b>	283,997	250,415	294,937	263,630	-3.7	7.7
<b>20 - FINANCIAL ASSETS HELD FOR TRADING</b>	542,135	711,108	695,323	822,284	-22.0	-34.1
<b>30 - FINANCIAL ASSETS DESIGNATED AT FAIR VALUE</b>						
	660,749	666,315	680,400	670,414	-2.9	-1.4
<b>40 - AVAILABLE-FOR-SALE FINANCIAL ASSETS</b>	7,828,670	6,396,798	6,412,790	4,168,194	22.1	87.8
<b>50 - FINANCIAL ASSETS HELD TO MATURITY</b>	-	-	-	510,024	...	-100.0
<b>60 - LOANS TO BANKS</b>	1,644,660	2,573,621	1,312,196	1,087,803	25.3	51.2
<b>70 - LOANS TO CUSTOMERS</b>	23,873,421	22,493,105	22,786,425	21,603,385	4.8	10.5
<b>80 - HEDGING DERIVATIVES</b>	142,790	109,529	78,180	63,242	82.6	...
<b>100 - EQUITY INVESTMENTS</b>	62,345	55,601	55,601	58,122	12.1	7.3
<b>110 - TECHNICAL RESERVES CHARGED ON REINSURERS</b>						
	180,716	185,745	184,412	174,802	-2.0	3.4
<b>120 - TANGIBLE ASSETS</b>	1,115,587	1,115,430	1,118,215	1,119,370	-0.2	-0.3
<b>130 - INTANGIBLE ASSETS</b>	1,853,178	1,726,741	1,723,767	1,705,321	7.5	8.7
including:						
- goodwill	1,775,425	1,649,160	1,644,822	1,639,657	7.9	8.3
<b>140 - TAX ASSETS</b>	431,758	318,853	323,030	352,750	33.7	22.4
a) current	124,170	90,042	92,274	96,802	34.6	28.3
b) advanced	307,588	228,811	230,756	255,948	33.3	20.2
<b>150 - NON-CURRENT ASSETS AND DISCONTINUED GROUPS OF ASSETS</b>	-	3,427	3,427	-	-100.0	...
<b>160 - OTHER ASSETS</b>	822,824	682,075	630,671	1,111,960	30.5	-26.0
<b>TOTAL ASSETS</b>	<b>39,442,830</b>	<b>37,288,763</b>	<b>36,299,374</b>	<b>33,711,301</b>	<b>8.7</b>	<b>17.0</b>

### LIABILITIES (amounts in thousands of euro)

	30/6/10	31/3/10	31/12/09	30/6/09	Change %	
					6/10	6/10
					12/09	6/09
<b>10 - AMOUNTS OWED TO BANKS</b>	2,419,204	1,279,454	659,278	525,605	...	...
<b>20 - AMOUNTS OWED TO CUSTOMERS</b>	15,856,800	14,860,166	15,061,675	13,412,317	5.3	18.2
<b>30 - SECURITIES IN ISSUE</b>	9,302,972	9,929,162	10,019,877	9,685,828	-7.2	-4.0
<b>40 - FINANCIAL LIABILITIES FROM TRADING</b>	90,033	97,222	95,950	105,924	-6.2	-15.0
<b>50 - FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE</b>						
	1,776,232	1,381,542	1,303,966	1,292,229	36.2	37.5
<b>60 - HEDGING DERIVATIVES</b>	602,919	458,851	317,741	167,561	89.8	...
<b>80 - TAX LIABILITIES</b>	291,065	316,262	278,100	281,321	4.7	3.5
(a) current	45,021	89,039	50,449	54,320	-10.8	-17.1
(b) deferred	246,044	227,223	227,651	227,001	8.1	8.4
<b>100 - OTHER LIABILITIES</b>	1,488,618	1,189,210	1,063,404	1,326,291	40.0	12.2
<b>110 - STAFF TERMINATION INDEMNITY</b>	93,641	93,838	96,924	99,976	-3.4	-6.3
<b>120 - PROVISIONS FOR RISKS AND CHARGES:</b>	329,526	340,585	345,561	353,239	-4.6	-6.7
a) pensions and similar obligations	297,739	304,808	308,101	322,051	-3.4	-7.5
b) other provisions	31,787	35,777	37,460	31,188	-15.1	1.9
<b>130 - TECHNICAL RESERVES</b>	3,578,029	3,462,527	3,203,897	2,804,509	11.7	27.6
<b>140 - VALUATION RESERVES</b>	412,719	562,515	587,238	484,173	-29.7	-14.8
<b>160 - CAPITAL INSTRUMENTS</b>	15,785	15,785	1,178	1,178	...	...
<b>170 - RESERVES</b>	277,822	424,052	214,250	225,657	29.7	23.1
<b>180 - ADDITIONAL PAID-IN CAPITAL</b>	1,012,742	1,012,742	1,012,742	1,013,034	0.0	-0.0
<b>190 - CAPITAL</b>	1,790,301	1,790,301	1,790,300	1,790,300	0.0	0.0
<b>200 - OWN SHARES (-)</b>	-5,977	-	-	-	...	...
<b>210 - MINORITY INTERESTS (+/-)</b>	39,103	42,456	41,912	30,451	-6.7	28.4
<b>220 - PROFIT (LOSS) FOR THE PERIOD (+/-)</b>	71,296	32,093	205,381	111,708	-65.3	-36.2
<b>TOTAL LIABILITIES</b>	<b>39,442,830</b>	<b>37,288,763</b>	<b>36,299,374</b>	<b>33,711,301</b>	<b>8.7</b>	<b>17.0</b>



# INCOME STATEMENT

## INCOME STATEMENT (amounts in thousands of euro)

	30/6/10	31/3/10	31/12/09	30/6/09	Change % 6/10 6/09
10 - INTEREST INCOME AND SIMILAR REVENUES	523,203	254,874	1,160,731	634,249	-17.5
20 - INTEREST EXPENSES AND SIMILAR CHARGES	-182,310	-92,295	-433,551	-248,976	-26.8
<b>30 - NET INTEREST INCOME</b>	<b>340,893</b>	<b>162,579</b>	<b>727,180</b>	<b>385,273</b>	<b>-11.5</b>
40 - COMMISSION INCOME	157,324	77,627	314,612	146,995	7.0
50 - COMMISSION EXPENSES	-15,933	-7,249	-35,956	-16,941	-6.0
<b>60 - NET COMMISSIONS</b>	<b>141,391</b>	<b>70,378</b>	<b>278,656</b>	<b>130,054</b>	<b>8.7</b>
70 - DIVIDENDS AND OTHER SIMILAR REVENUES	6,584	23	12,948	9,825	-33.0
80 - NET INCOME FROM TRADING ACTIVITIES	-3,951	5,602	15,160	4,035	...
90 - NET INCOME FROM HEDGING ACTIVITIES	-480	200	2,565	2,324	...
100 - PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	26,822	11,999	83,628	18,065	48.5
a) loans	-1,502	259	2,034	1,080	...
b) available-for-sale financial assets	27,122	9,340	63,493	1,577	...
c) financial assets held to maturity	-	-	2,627	-	...
d) financial liabilities	1,202	2,400	15,474	15,408	-92.2
110 - NET VALUE ADJUSTMENT ON FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE	2,741	2,160	-650	1,123	...
<b>120 - GROSS OPERATING INCOME</b>	<b>514,000</b>	<b>252,941</b>	<b>1,119,487</b>	<b>550,699</b>	<b>-6.7</b>
130 - NET VALUE ADJUSTMENTS DUE TO IMPAIRMENT OF:	-57,092	-24,607	-130,913	-56,133	1.7
a) loans	-56,095	-25,157	-99,539	-39,613	41.6
b) available-for-sale financial assets	-878	-42	-30,888	-16,651	-94.7
d) other financial assets	-119	592	-486	131	...
<b>140 - NET INCOME FROM FINANCIAL MANAGEMENT</b>	<b>456,908</b>	<b>228,334</b>	<b>988,574</b>	<b>494,566</b>	<b>-7.6</b>
150 - NET PREMIUMS	742,222	413,007	1,449,133	784,598	-5.4
160 - BALANCE OF OTHER EXPENSES/REVENUES FROM INSURANCE	-762,846	-428,329	-1,495,096	-788,138	-3.2
<b>170 - NET INCOME FROM FINANCIAL AND INSURANCE MANAGEMENT</b>	<b>436,284</b>	<b>213,012</b>	<b>942,611</b>	<b>491,026</b>	<b>-11.1</b>
180 - ADMINISTRATIVE COSTS:	-330,028	-160,092	-654,150	-333,807	-1.1
a) staff costs	-196,452	-93,588	-385,515	-198,753	-1.2
b) other administrative costs	-133,576	-66,504	-268,635	-135,054	-1.1
190 - NET PROVISIONS FOR RISKS AND CHARGES	-1,282	-496	-5,079	-2,773	-53.8
200 - DEPRECIATION OF TANGIBLE ASSETS	-12,159	-5,926	-24,048	-11,570	5.1
210 - AMORTIZATION OF INTANGIBLE ASSETS	-12,800	-6,197	-22,302	-9,607	33.2
220 - OTHER OPERATING EXPENSES AND REVENUES	36,305	16,112	68,835	31,612	14.8
<b>230 - OPERATING COSTS</b>	<b>-319,964</b>	<b>-156,599</b>	<b>-636,744</b>	<b>-326,145</b>	<b>-1.9</b>
240 - PROFIT (LOSS) FROM EQUITY INVESTMENTS	2,317	-	7,257	3,583	-35.3
270 - PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	188	6	-11	-25	...
<b>280 - OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES</b>	<b>118,825</b>	<b>56,419</b>	<b>313,113</b>	<b>168,439</b>	<b>-29.5</b>
290 - INCOME TAXES FOR THE PERIOD	-46,662	-23,771	-104,094	-53,895	-13.4
<b>300 - PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES</b>	<b>72,163</b>	<b>32,648</b>	<b>209,019</b>	<b>114,544</b>	<b>-37.0</b>
310 - PROFIT (LOSS) FROM DISCONTINUED OPERATIONS AFTER TAXES	111	-	-	-	...
<b>320 - PROFIT (LOSS) FOR THE PERIOD</b>	<b>72,274</b>	<b>32,648</b>	<b>209,019</b>	<b>114,544</b>	<b>-36.9</b>
330 - MINORITY INTERESTS	978	555	3,638	2,836	-65.5
<b>340 - PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT BANK</b>	<b>71,296</b>	<b>32,093</b>	<b>205,381</b>	<b>111,708</b>	<b>-36.2</b>
Earnings per share (in euro)					
- basic	0.039	0.014	0.113	0.060	
- diluted	0.039	0.014	0.113	0.060	

**FINANCIAL STATEMENTS  
OF BANCA CARIGE**

# CONSOLIDATED FINANCIAL HIGHLIGHTS

	Situation as at				Change %	
	30/6/10	31/3/10	31/12/09	30/6/09	06/10 12/09	06/10 06/09
<b>BALANCE SHEET (1)</b>						
Total assets	32,446,488	31,495,175	29,786,703	27,525,935	8.9	17.9
Funding	26,351,234	25,561,284	24,098,953	21,910,953	9.3	20.3
- Direct Deposits (a)	23,864,540	24,115,554	23,224,989	21,207,823	2.8	12.5
* Amounts owed to customers	13,896,684	13,965,365	13,174,643	11,649,623	5.5	19.3
* Securities in issue	8,880,084	9,464,098	9,438,159	8,947,006	-5.9	-0.7
* Liabilities at fair value	1,087,772	686,091	612,187	611,194	77.7	78.0
- Amounts owed to banks	2,486,694	1,445,730	873,964	703,130	...	...
- Indirect deposits (b)	19,484,898	17,717,401	18,043,855	17,854,197	8.0	9.1
- Assets under management (2)	8,357,360	7,795,004	7,427,002	6,809,728	12.5	22.7
- Assets in custody (2)	11,127,538	9,922,397	10,616,853	11,044,469	4.8	0.8
Financial Intermediation Activities (FIA) (a+b)	43,349,438	41,832,955	41,268,844	39,062,020	5.0	11.0
Investments	28,257,617	27,687,872	26,010,763	23,431,851	8.6	20.6
- Loans to customers (3)	20,606,729	19,377,792	19,637,247	18,536,672	4.9	11.2
- Loans to banks (3)	1,719,435	2,629,214	1,306,428	898,066	31.6	91.5
- Securities portfolio	5,931,453	5,680,866	5,067,088	3,997,113	17.1	48.4
Capital and reserves	3,622,601	3,901,530	3,728,496	3,646,948	-2.8	-0.7
<b>INCOME STATEMENT (1)</b>						
Gross operating income	416,364	181,019	864,002	468,915	-11.2	
Net income from financial management	369,765	159,050	769,260	429,479	-13.9	
Operating profit from ordinary activities before taxes	123,555	38,396	273,581	172,859	-28.5	
Profit for the period	93,008	22,012	201,103	133,093	-30.1	
<b>RESOURCES (5)</b>						
Number of branches	554	534	534	534	3.7	3.7
Staff	4,628	4,521	4,557	4,554	1.6	1.6
<b>FINANCIAL RATIOS</b>						
Operating costs / Gross operating income	59.13%	66.65%	57.37%	54.73%		
Operating profit from ordinary activities before taxes / Capital and reserves	3.41%	0.98%	7.34%	4.74%		
ROE	2.57%	0.56%	5.39%	3.65%		
ROE (6)	3.26%	0.69%	6.70%	4.56%		
ROAE (7)	2.53%	0.58%	5.56%	3.72%		
ROAE (6) (7)	3.18%	0.71%	6.86%	4.68%		
<b>RISK ASSETS AND REGULATORY RATIOS (8)</b>						
Total Risk-Weighted Assets (1)	18,163,562	17,633,370	17,366,060	17,097,057	4.6	6.2
Core Tier 1/Total Risk-Weighted Assets	10.52%	11.59%	11.77%	11.90%		
Tier 1 capital / RWA (9)	11.70%	12.80%	13.00%	13.15%		
Regulatory capital including Tier 3 capital/Total weighted assets (9)	15.03%	15.87%	16.06%	16.54%		

(1) Figures in thousands of euro

(2) At the end of 2009, a review was made of the financial investment procedures of part of the securities portfolio of the Group Insurance Companies, with the result that the agreements between the Parent Bank and the subsidiary insurance companies for the management of investments was terminated, replacing them with a consultancy only contract, given to Carige AM SGR. In view of this change of procedure, the Insurance company amounts were reclassified from assets under management to assets in custody. The aggregates for the periods prior to 31/12/2009 were adequately reclassified to allow a homogeneous comparison.

(3) Before value adjustments.

(4) Net of debt securities classified as L&R.

(5) Statistics of the end of period.

(6) Net of the AFS reserve established against the revaluation of the equity investment in the Bank of Italy.

(7) Net profit on average shareholders' equity (Return On Average Equity).

(8) Pending official regulatory figures to be disclosed ("Y" information form), figures relating to the capital requirements result from accounting and management estimates.

(9) The capital ratios, starting from 31.12.2009, take account of the 18.11.2009 update from the Bank of Italy Circular no. 262 of 22/12/2005 with respect to calculation of the weighted risk assets in the individual financial statements of the Group banks. The 30.6.2009 data was reclassified in order to standardise comparison with the historic statistics.

# BALANCE SHEET

## ASSETS

	30/6/10	31/3/10	31/12/09	30/6/09	Change %	
					6/10	6/09
<b>10 - CASH AND CASH EQUIVALENTS</b>	232,739	207,390	241,490	213,506	(3.6)	9.0
<b>20 - FINANCIAL ASSETS HELD FOR TRADING</b>	617,908	736,140	725,117	826,524	(14.8)	(25.2)
<b>40 - AVAILABLE-FOR-SALE FINANCIAL ASSETS</b>	4,476,171	4,136,986	3,514,450	1,974,570	27.4	...
<b>50 - FINANCIAL ASSETS HELD TO MATURITY</b>	-	-	-	404,230	...	(100.0)
<b>60 - LOANS TO BANKS</b>	2,590,986	3,443,430	2,129,509	1,676,042	21.7	54.6
<b>70 - LOANS TO CUSTOMERS</b>	20,186,166	18,986,493	19,272,873	18,225,660	4.7	10.8
<b>80 - HEDGING DERIVATIVES</b>	139,817	104,806	72,885	58,254	91.8	...
<b>100 - EQUITY INVESTMENTS</b>	1,076,078	1,069,463	1,061,688	1,037,145	1.4	3.8
<b>110 - TANGIBLE ASSETS</b>	654,381	653,728	655,057	577,109	(0.1)	13.4
<b>120 - INTANGIBLE ASSETS</b>	1,585,510	1,481,722	1,483,235	1,470,898	6.9	7.8
including:						
- goodwill	1,518,561	1,415,493	1,415,493	1,415,481	7.3	7.3
<b>130 - TAX ASSETS</b>	291,075	204,821	197,587	213,139	47.3	36.6
a) current	73,887	47,768	48,676	54,766	51.8	34.9
b) advanced	217,188	157,053	148,911	158,373	45.9	37.1
<b>150 - OTHER ASSETS</b>	595,657	470,196	432,812	848,858	37.6	(29.8)
<b>TOTAL ASSETS</b>	<b>32,446,488</b>	<b>31,495,175</b>	<b>29,786,703</b>	<b>27,525,935</b>	<b>8.9</b>	<b>17.9</b>

## LIABILITIES

	30/6/10	31/3/10	31/12/09	30/6/09	Change %	
					6/10	6/09
<b>10 - AMOUNTS OWED TO BANKS</b>	2,486,694	1,445,730	873,964	703,130	...	...
<b>20 - AMOUNTS OWED TO CUSTOMERS</b>	13,896,684	13,965,365	13,174,643	11,649,623	5.5	19.3
<b>30 - SECURITIES IN ISSUE</b>	8,880,084	9,464,098	9,438,159	8,947,006	(5.9)	(0.7)
<b>40 - FINANCIAL LIABILITIES FROM TRADING</b>	165,090	157,335	152,261	155,059	8.4	6.5
<b>50 - FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE</b>	1,087,772	686,091	612,187	611,194	77.7	78.0
<b>60 - HEDGING DERIVATIVES</b>	539,283	413,067	276,657	132,257	94.9	...
<b>80 - TAX LIABILITIES</b>	206,417	245,733	217,875	197,843	(5.3)	4.3
(a) current	25,525	68,693	43,071	35,257	(40.7)	(27.6)
(b) deferred	180,892	177,040	174,804	162,586	3.5	11.3
<b>100 - OTHER LIABILITIES</b>	1,102,737	816,910	726,153	954,167	51.9	15.6
<b>110 - STAFF TERMINATION INDEMNITY</b>	65,453	65,724	68,317	70,657	(4.2)	(7.4)
<b>120 - PROVISIONS FOR RISKS AND CHARGES:</b>	300,665	311,580	316,888	324,958	(5.1)	(7.5)
a) pensions and similar obligations	276,613	283,340	286,734	300,326	(3.5)	(7.9)
b) other provisions	24,052	28,240	30,154	24,632	(20.2)	(2.4)
<b>130 - VALUATION RESERVES</b>	432,059	558,301	600,978	520,528	(28.1)	(17.0)
<b>150 - CAPITAL INSTRUMENTS</b>	15,785	15,785	1,178	1,178	...	...
<b>160 - RESERVES</b>	377,691	524,401	323,298	321,908	16.8	17.3
<b>170 - ADDITIONAL PAID-IN CAPITAL</b>	1,012,742	1,012,742	1,012,742	1,013,034	-	(0.0)
<b>180 - CAPITAL</b>	1,790,301	1,790,301	1,790,300	1,790,300	0.0	0.0
<b>190 - OWN SHARES</b>	(5,977)	-	-	-	...	...
<b>200 - PROFIT (LOSS) FOR THE PERIOD</b>	93,008	22,012	201,103	133,093	(53.8)	(30.1)
<b>TOTAL LIABILITIES</b>	<b>32,446,488</b>	<b>31,495,175</b>	<b>29,786,703</b>	<b>27,525,935</b>	<b>8.9</b>	<b>17.9</b>

Amounts in thousands of euro

# INCOME STATEMENT

## INCOME STATEMENT (amounts in thousands of euro)

	30/6/10	31/3/10	31/12/09	30/6/09	Change % 6/10
10 - INTEREST INCOME AND SIMILAR REVENUES	408,487	201,024	942,192	520,735	(21.6)
20 - INTEREST EXPENSES AND SIMILAR CHARGES	(176,878)	(89,626)	(411,867)	(234,649)	(24.6)
<b>30 - NET INTEREST INCOME</b>	<b>231,609</b>	<b>111,398</b>	<b>530,325</b>	<b>286,086</b>	<b>(19.0)</b>
40 - COMMISSION INCOME	133,161	66,361	257,998	126,906	4.9
50 - COMMISSION EXPENSES	(14,470)	(6,657)	(31,234)	(14,152)	2.2
<b>60 - NET COMMISSIONS</b>	<b>118,691</b>	<b>59,704</b>	<b>226,764</b>	<b>112,754</b>	<b>5.3</b>
70 - DIVIDENDS AND OTHER SIMILAR REVENUES	58,503	15	61,430	56,097	4.3
80 - NET INCOME FROM TRADING ACTIVITIES	(5,761)	4,077	8,573	574	...
90 - NET INCOME FROM HEDGING ACTIVITIES	(298)	263	2,316	1,789	...
100 - PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	11,673	3,441	35,333	10,558	10.6
a) loans	(1,529)	218	2,412	1,051	...
b) available-for-sale financial assets	12,150	845	21,308	(2,135)	...
d) financial liabilities	1,052	2,378	11,613	11,642	(91.0)
110 - NET VALUE ADJUSTMENT ON FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE	1,947	2,121	(739)	1,057	84.2
<b>120 - GROSS OPERATING INCOME</b>	<b>416,364</b>	<b>181,019</b>	<b>864,002</b>	<b>468,915</b>	<b>(11.2)</b>
130 - NET VALUE ADJUSTMENTS DUE TO IMPAIRMENT OF:	(46,599)	(21,969)	(94,742)	(39,436)	18.2
a) loans	(46,583)	(22,656)	(83,323)	(38,201)	21.9
b) available-for-sale financial assets	(69)	36	(10,997)	-1,531	(95.5)
d) other financial assets	53	651	(422)	296	(82.1)
<b>140 - NET INCOME FROM FINANCIAL MANAGEMENT</b>	<b>369,765</b>	<b>159,050</b>	<b>769,260</b>	<b>429,479</b>	<b>(13.9)</b>
150 - ADMINISTRATIVE COSTS:	(262,759)	(127,307)	(526,092)	(269,393)	(2.5)
a) staff costs	(156,754)	(74,688)	(307,525)	(159,492)	(1.7)
b) other administrative costs	(106,005)	(52,619)	(218,567)	(109,901)	(3.5)
160 - NET PROVISIONS FOR RISKS AND CHARGES	(649)	(172)	(3,302)	(2,165)	(70.0)
170 - DEPRECIATION OF TANGIBLE ASSETS	(8,160)	(3,919)	(15,540)	(7,253)	12.5
180 - AMORTIZATION OF INTANGIBLE ASSETS	(11,099)	(5,389)	(18,723)	(8,017)	38.4
OTHER OPERATING EXPENSES AND REVENUES	36,473	16,132	68,018	30,209	20.7
<b>200 - OPERATING COSTS</b>	<b>(246,194)</b>	<b>(120,655)</b>	<b>(495,639)</b>	<b>(256,619)</b>	<b>(4.1)</b>
210 - PROFIT (LOSS) FROM EQUITY INVESTMENTS	(8)	-	(52)	-	...
240 - PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	(8)	1	12	(1)	...
<b>250 - OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES</b>	<b>123,555</b>	<b>38,396</b>	<b>273,581</b>	<b>172,859</b>	<b>(28.5)</b>
260 - INCOME TAXES FOR THE PERIOD	(30,547)	(16,384)	(72,478)	(39,766)	(23.2)
<b>270 -</b>					
<b>PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES</b>	<b>93,008</b>	<b>22,012</b>	<b>201,103</b>	<b>133,093</b>	<b>(30.1)</b>
<b>290 - PROFIT (LOSS) FOR THE PERIOD</b>	<b>93,008</b>	<b>22,012</b>	<b>201,103</b>	<b>133,093</b>	<b>(30.1)</b>