

PRESS RELEASE

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BANCA CARIGE HALF YEARLY REPORT AT 30 JUNE 2005 IAS/IFRS COMPLIANT: INTERIM NET PROFIT OF 103.5 MILLION EURO (CONSOLIDATED NET PROFIT OF 82.6 MILLION)

- The positive performance recorded by Carige during the first six months of the year allied to the first time application of IAS/IFRS contributed to an interim net profit of 103.5 million for Banca Carige and 82.6 million for the Carige Group (respectively +59.1 million and +57.1 million euro in comparison to the previous June's results IAS/IFRS compliant, with the exclusion of IAS 32 and 39).
Banca Carige's cost income ratio at 30th June 2005 was 51.7 per cent, whilst the Group's was 61.3 per cent. Half Yearly ROE was respectively 4.7% and 3.8%.
On the basis also of Italian GAAP interim net profit both for Banca Carige and the Carige Group rose: from 60.1 to 67.9 million (+12.8 per cent) for Banca Carige and from 47.8 million to 58.3 million euro (+22 per cent) for the Group.
- The positive economic effects of IAS/IFRS application stem particularly from the cessation of amortisation of goodwill arising on recent bank and branch acquisitions and the recording of interest related to the sale of a part of Banca Carige's performing loan portfolio during the first half of 2004 and recorded under the first-time adoption of IAS/IFRS.
- The customary prudent approach followed in the running of Banca Carige and the Carige Group continues to bring in substantial financial benefits: in particular, shareholders' equity rose both for Banca Carige (from 1,728.4 to 2,278.6 million euro) and for the Carige Group (from 1,678.1 to 2,250.2 million euro). Also with the exclusion of Carige's revalued investment in the Bank of Italy accounted for by the equity method, net worth for both Banca Carige and the Group rose by 10.9 and 24.7 million euro, respectively.
- Other positive financial effects derive from the revaluation of the parent company and Group's real estate and works of art portfolio; negative effects arose on increased credit writedowns required by IAS/IFRS also to recognise time value on non performing loans.

Genoa, 28th September 2005

The Board of Directors of Banca Carige SpA chaired by Mr Giovanni Berneschi today approved the Half-Yearly Statements as at 30th June 2005, presented by Mr Alfredo Sanguinetto, Carige's General Manager. The Board also approved the financial effects stemming from the first time adoption of new international standards (IAS/IFRS).

The Interim Reports of Banca Carige and the Banca Carige Group were prepared in accordance with CONSOB's deliberation no.14990 of 14th April 2005, which implements and integrates IAS 34 (Interim Financial Reporting) in the way foreseen by the same standard. The new international standards (IAS/IFRS) applied are those endorsed by the European Union and currently in force.

Balance sheet and income statement captions are in accordance with the Bank of Italy's preliminary guidelines and as such may differ from those to be issued by CONSOB in response to present legislation.

The Banca Carige Group, pursuant to IFRS 1, applied IAS 32 and 39 (financial instruments) for statements prepared from 1st January 2005 onwards. Consequently, figures at 30/6/05 relating to those financial instruments within the scope of IAS 32 and 39 have been restated to take into account IAS/IFRS so making them only partially comparable to those stated at 31/12/04. Income statement figures at 30th June 2005 restated under IAS are compared with those prepared on the basis of previous standards in order to highlight the most significant examples of IAS/IFRS impact.

The Group's two insurance subsidiaries, which were previously accounted for under the equity method and so excluded from full consolidation, as at 30th June 2005 are fully consolidated.

Consolidated half-yearly results as at 30th June 2005 IAS/IFRS compliant approved

The Group's net interest income amounted to 244.6 million euro. The positive effect of IAS/IFRS compliance (15 million euro) is principally due to the recording of interest income firstly generated by the recovery of time value on loans and secondly by the sale of performing mortgage loans carried out by the parent company in 2004 and recognised under the first-time adoption of the new accounting standards. Net commission income totalled 115.9 million euro and dividends and similar revenues reached 12.9 million euro. With regards to results from the Group's financial transactions in the period, profits on trading totalled 25.7 million euro, whilst the hedging result was 0.7 million euro. Gross operating income consequently amounted to 398.5 million euro. Net operating income from financial and insurance activities (the latter contributing 5.7 million euro), net of adjustments for loan losses and other financial captions, totalled 371.7 million. Operating costs, which includes other operating revenues and costs, reached 244.2 million euro. Pre-tax income for the period amounted to 130 million euro, benefiting from the positive contribution of 13.4 million euro provided by the cessation of amortisation of goodwill arising on bank and branch acquisitions foreseen by IAS compliance.

Net income after tax totalled 82.6 million, an increase on the basis of IAS compliance (excluding IAS 32 and 39) of 44.7 per cent over the previous year's interim result (June 2004: 57.1 million).

Comparison between the consolidated balance sheet at 31st December 2004 and 30th June 2005 is made on the basis of pro forma figures restated to take into account IAS/IFRS, including IAS 32 and 39.

The Carige Group's total financial intermediation activities (TFIA) amounted to 32,296.2 million euro, an increase of 2.2 per cent over December 2004 and 7.1 per cent over June 2004. Indirect deposits (17,373.7 million euro) recorded particularly strong growth, rising 4.6 per cent over six months and 8 per cent over twelve. Robust performances in the area of assets under management aided this aggregate in particular, ending the period at 8,982.7 million euro (December 2004: + 6.9 per cent; June 2004: +11.1 per cent). Direct or Customers Deposits remained substantially unchanged over six months at 14,922.5 million euro, but were up 6 per cent over the previous June's result.

Loans to customers totalled 12,998.5 million, rising 5 per cent in comparison to December 2004 and 4.5 per cent over June 2004. The Group's mortgage business (30th June 2005: 6,202.1 million) was vibrant with increases in balances over both six and twelve months of 13.4 and 23.9 per cent, respectively.

Banca Carige's half-yearly results as at 30th June 2005 IAS/IFRS compliant approved

Net interest income at 30/6/05 totalled 183.3 million euro. The positive effects stemming from IAS-adoption recorded at consolidated level also emerged in the parent company's statements. The recording of interest income generated both by the recovery of time value on loans and the sale of performing mortgage loans carried out by Banca Carige in 2004 recognised under the first-time adoption of the new accounting standards amounted to 14.4 million euro. Net commission income totalled 87.3 million euro and dividends and similar revenues reached 46.6 million euro; the latter item includes the positive difference (22 million euro) between dividends collected and dividends written down in the period (34.8 million-12.8 million euro). Banca Carige's activity on securities markets brought in a trading profit at 30/6/05 of 24.9 million euro. Gross operating income consequently amounted to 342 million euro. Net operating income, net of adjustments for loan losses and other financial captions of 27.6 million euro, totalled 314.4 million. Operating costs, which includes other operating revenues and costs, reached 177 million euro. Pre-tax income for the period amounted to 137.5 million, benefiting from the positive contribution of 7 million euro provided by the cessation of amortisation of goodwill arising on bank and branch acquisitions foreseen by IAS compliance.

Net income after tax at 30th June 2005 amounted to 103.5 million euro, an increase on the basis of IAS compliance (excluding IAS 32 and 39) of 75 per cent over the previous year's interim result (June 2004: 59.1 million).

Net profit for both Banca Carige and the Carige Group at 31st December 2005 is on track to meet Budget targets, which seek significant improvements in comparison to 2004.

Impact of First Time Application of IAS/IFRS

In accordance with the provisions of IFRS 1 and CONSOB's deliberation no. 14990 of 15th April 2005, balance sheet figures as at 1/1/04, 31/12/04 and 1/1/05 in addition to income statement figures as at 1/1/05 have been restated. These figures have been examined by the external auditors, Deloitte & Touche SpA.

Impact of first time application of IAS/IFRS on the net assets of Banca Carige meant an increase from the figure stated at 31/12/04 calculated on the basis of Italian GAAP of 1,728.4 million to 2,278.6 million (+550.2 million euro). This positive variation was the result of the following adjustments:

- valuation of tangible fixed assets on the basis of the fair value criteria determined a positive variation of 164.8 million (real estate: 141.5 million; works of art: 23.3 million). This amount is recognised to the item "valuation reserves", which is not calculated as part of Tier 1 capital. The recognition of the item within Tier 1 capital is subject to its inclusion in the Company's share capital as foreseen by article 7, paragraph 6 of Legislative decree 38/2005;
- positive variations of 32.1 million euro, which include written back amortisation arising on land (12.4 million euro) and writebacks relating to reserves for credit risks and risks and charges (12.9 million), recognised in the calculation of Tier 1 capital;
- the valuation of marketable securities in portfolio on the basis of fair value generated a positive variation of 549.8 million euro, for the most part (539.3 million euro) attributable to the valuation of Banca Carige's holding in the Bank of Italy via the application of the equity method. This IAS reserve cannot be recognised as part of share capital and according to the

Bank of Italy's draft proposal released last spring only 50 per cent can be considered as part of Tier 2 capital;

- negative variations amounting to 196.6 million euro stem from increased revaluations on cash credits and guarantees (105.8 million euro), the economic effects deriving from the restatement of credits sold in 2004 (34.8 million euro), dividends (24.7 million euro), and other components (31.3 million euro). With the application of Legislative decree 38/2005 (see above) negative variations result in a reduction of IAS reserves.

At 30th June 2005, consolidated net equity rose from 1,678.1 million euro to 2,250.2 million euro (+572.2 million euro).

The Banca Carige Group network's operating structure at 30/6/05 was made up by 495 bank branches and 4,779 employees (December 2004: 4,787 employees). The Group has 402 insurance offices located throughout the country.

The half-yearly report will be available at www.gruppocarige.it.

INVESTOR RELATIONS

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FINANCIAL STATEMENTS

-BANCA CARIGE S.p.A.-

FINANCIAL HIGHLIGHTS - Banca Carige S.p.A.

	30/6/05 (1)	31/12/04 (2)	31/12/04 pro forma (1)	30/6/04 (2)	30/6/04 pro forma (1)	Change %	
						6/05 12/04 p.f.	6/05 6/04 p.f.
BALANCE SHEET (3)							
Total assets	18,416,500	16,014,217	17,359,526	15,816,602	17,145,310	6.1	7.4
Funding	14,247,761	12,941,390	13,684,455	12,561,439	13,346,355	4.1	6.8
– Customer Deposits (a)	12,403,570	11,811,966	12,555,031	11,153,969	11,938,885	-1.2	3.9
– Deposits from Banks	1,844,191	1,129,424	1,129,424	1,407,470	1,407,470	63.3	31.0
Other Financial Intermediation Activities (OFIA) (b)	14,287,480	13,640,556	13,640,556	13,215,580	13,215,580	4.7	8.1
– Assets Under Management	7,459,241	6,977,540	6,977,540	6,708,456	6,708,456	6.9	11.2
– Assets in Custody	6,828,239	6,663,016	6,663,016	6,507,124	6,507,124	2.5	4.9
Total Financial Intermediation Activities (TFIA) (a+b)	26,691,050	25,452,522	26,195,587	24,369,549	25,154,465	1.9	6.1
Lending (4)	15,544,737	13,482,027	14,833,873	13,191,297	14,616,776	4.8	6.3
– Loans to Customers (4)	10,669,486	9,349,132	10,144,243	9,424,502	10,303,005	5.2	3.6
– Loans to Banks (4)	1,292,913	1,595,491	1,595,491	1,216,408	1,216,408	-19.0	6.3
– Securities (4)	3,582,338	2,537,404	3,094,139	2,550,387	3,097,363	15.8	15.7
Shareholders' Equity	2,202,021	1,772,242	2,188,632	1,730,938	2,137,624	0.6	3.0
INCOME STATEMENT (3)							
Operating Income	342,038	572,483		288,499			18.6
Net income from financial operations	314,432	418,106		180,654			74.1
Income before Taxation	137,492	112,395		70,534			94.9
Net Income	103,504	89,969		59,132			75.0
RESOURCES (5)							
Number of branches	393	393		393		0.0	0.0
Number of employees	3,720	3,719		3,734		0.0	-0.4
FINANCIAL RATIOS							
Operating costs/ Operating Income	51.74%	53.38%		38.14%			
Income before Taxation/ Shareholders' Equity	6.24%	6.34%		4.07%			
ROE	4.70%	5.08%		3.42%			
ROAE	5.21%	5.10%		3.39%			
SOLVENCY RATIOS (6)							
Risk-Weighted Assets (RWA) (3)	12,073.1	10,955.8		10,722.1		10.2	12.6
Tier 1 % of RWA	9.99%	10.73%		10.48%			
Total Capital % of RWA	12.90%	13.19%		13.09%			

(1) IAS/IFRS 32 e 39 including.

(2) IAS/IFRS 32 e 39 excluding.

(3) Thousand of euro.

(4) Impairment losses including.

(5) Data at 12/31/04.

(6) Risk-Weighted Assets calculated on the basis of current supervision principles. Estimates on the basis of IAS/IFRS principles: a) Risk-Weighted Asset at 6/30/05: 12,179.3 million;

b) Tier 1: 8.76%; c) Total Capital Ratio: 15.26%.

BALANCE SHEET - Banca Carige S.p.A.

	30/6/05	31/12/04 ⁽¹⁾	30/06/04 ⁽¹⁾	Change %	
				6/05 12/04	6/05 6/04
10. Cash and highly liquid assets	131,873	151,897	127,635	- 13.2	3.3
20. Financial assets held for trading	2,854,662	2,359,067	2,356,730	21.0	21.1
30. Financial assets designated at fair value	-	-	-	...	...
40. Available-for-sale financial assets	727,676	178,337	193,657	...	275.8
50. Held-to-maturity investments	-	-	-	...	...
60. Loans to banks	1,287,767	1,590,752	1,212,093	- 19.0	6.2
70. Loans to customers	10,399,206	9,198,087	9,275,952	13.1	12.1
80. Derivatives used for hedging	79,203	20,885	14,612	279.2	...
90. Fair value changes of generically hedged items	-	-	-	...	...
100. Investments in associates, subsidiaries and joint ventures	893,061	893,061	836,353	-	6.8
110. Tangible assets	598,637	603,849	583,291	- 0.9	2.6
120. Intangible assets	462,473	459,600	458,943	0.6	0.8
130. Tax assets	245,882	122,905	81,793	100.1	200.6
140. Non-current assets and groups of assets being disposed	-	-	-	...	...
150. Other assets	736,062	435,776	675,542	68.9	9.0
Total assets	18,416,500	16,014,217	15,816,602	15.0	16.4

	30/6/05	31/12/04 ⁽¹⁾	30/06/04 ⁽¹⁾	Change %	
				6/05 12/04	6/05 6/04
10. Due to banks	1,844,191	1,129,424	1,407,470	63.3	31.0
20. Due to customers	7,587,656	6,710,231	6,165,748	13.1	23.1
30. Debt securities issued	4,815,914	5,101,735	4,988,221	- 5.6	- 3.5
40. Financial liabilities held for trading	222,469	94,872	148,537	134.5	49.8
50. Financial liabilities designated at fair value	-	-	-	...	...
60. Derivatives used for hedging	47,803	2,750	4,168	...	...
80. Tax liabilities	218,935	122,736	123,916	78.4	76.7
100. Other liabilities	976,668	575,291	796,502	69.8	22.6
110. Staff severance pay provision	88,271	89,637	88,361	- 1.5	- 0.1
120. Provision for liabilities and contingencies	309,068	325,329	303,608	- 5.0	1.8
130. Revaluation reserves:	718,053	172,794	172,794	...	...
150. Capital instruments	11,507	-	-	...	...
160. Reserves	97,731	224,583	224,975	- 56.5	- 56.6
170. Share premium account	262,839	262,839	258,666	-	1.6
180. Share Capital	1,113,327	1,113,327	1,113,327	-	-
190. Treasury stock (-)	- 1,436	- 1,301	- 38,824	10.4	- 96.3
200. Income (loss) for the period	103,503	89,969	59,132	15.0	75.0
Total liabilities	18,416,500	16,014,217	15,816,602	15.0	16.4

(1) IAS 32 and 39 excluding.

INCOME STATEMENT - Banca Carige S.p.A.

	30/6/05	31/12/04 ⁽¹⁾	30/06/04 ⁽¹⁾	Change %	
				6/05	6/04
10. Interest income and similar revenues	355,919	598,502	279,588		27.3
20. Interest expense and similar charges	- 172,667	- 256,169	- 104,979		64.5
30. <i>Net interest income</i>	183,253	342,333	174,609		5.0
40. Commission income	96,231	185,354	90,572		6.2
50. Commission expense	- 8,978	- 18,026	- 8,382		7.1
60. Net commissions	87,253	167,328	82,190		6.2
70. Dividends and other similar income	46,623	34,409	29,293		59.2
80. Income/loss on financial assets and liabilities held for trading (net)	24,932	18,119	2,706		...
90. Income/loss from hedging activities (net)	877	210	-		...
100. Income/loss on disposal of:	- 899	10,084	- 299		200.5
a) <i>loans</i>	1,599	- 31	- 294		...
b) <i>available-for-sale financial assets</i>	- 7	10,115	- 5		34.0
c) <i>held-to-maturity investments</i>	-	-	-		...
d) <i>financial liabilities</i>	- 2,491	-	-		...
110. Net value adjustments on financial assets designated at fair value	-	-	-		...
120. Net value adjustments on financial liabilities designated at fair value	-	-	-		...
130. Total revenues	342,038	572,483	288,499		18.6
140. Net value adjustments on:	- 27,606	- 154,377	- 107,845		- 74.4
a) <i>loans</i>	- 25,084	- 154,435	- 107,942		- 76.8
b) <i>available-for-sale financial assets</i>	- 2,522	-	97		...
c) <i>held-to-maturity investments</i>	-	-	-		...
d) <i>other financial assets</i>	-	58	-		...
150. Net income from financial operations	314,432	418,106	180,654		74.1
160. General and administrative expenses:	- 190,200	- 388,000	- 184,086		3.3
a) <i>staff costs</i>	- 120,434	- 243,234	- 115,347		4.4
b) <i>other administrative expenses</i>	- 69,766	- 144,766	- 68,739		1.5
170. Provisions for risks and charges	- 1,190	667	- 147		...
180. Amortisation and depreciation of tangible fixed assets	- 4,884	- 10,223	- 5,014		- 2.6
190. Amortisation and depreciation of intangible fixed assets	- 4,119	- 9,537	- 4,041		...
200. Other income/loss	23,428	101,514	83,246		- 71.9
210. Operating expenses	- 176,965	- 305,579	- 110,041		60.8
220. Value adjustments of goodwill	-	-	-		...
230. Net value adjustments on tangible and intangible assets designated at fair value	-	-	-		...
240. Income/loss from equity investments	-	-	-		...
250. Income/loss from disposal of investments	23	- 132	- 79		- 129.5
260. Income/loss before taxes from continuing operations	137,491	112,395	70,534		94.9
270. Tax expense (income) related to profit or loss from continuing operations	- 33,988	- 22,426	- 11,402		198.1
280. Income/loss after taxes from continuing operations	103,503	89,969	59,132		75.0
290. Profit/loss after taxes from discontinued assets classified as held for sale	-	-	-		...
300. Net profit/loss for the period	103,503	89,969	59,132		75.0

(1) Data at 12/31/04 and 6/30/04: IAS 32 e 39 excluding.

INCOME STATEMENT - Banca Carige S.p.A.

	30/6/05	31/12/04 ⁽¹⁾	30/06/04 ⁽¹⁾	Change % 6/05 6/04
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a) loans	1,599	- 31	- 294	...
b) available-for-sale financial assets	- 7	10,115	- 5	34.0
c) held-to-maturity investments	-	-	-	...
d) financial liabilities	- 2,491	-	-	...
110. Net value adjustments on financial assets designated at fair value	-	-	-	...
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130. Total revenues	342,038	572,483	288,499	18.6
140. Net value adjustments on:	- 27,606	- 154,377	- 107,845	- 74.4
a) loans	- 25,084	- 154,435	- 107,942	- 76.8
b) available-for-sale financial assets	- 2,522	-	97	...
c) held-to-maturity investments	-	-	-	...
d) other financial assets	-	58	-	...
150. Net income from financial operations	314,432	418,106	180,654	74.1
160. General and administrative expenses:	- 190,200	- 388,000	- 184,086	3.3
a) staff costs	- 120,434	- 243,234	- 115,347	4.4
b) other administrative expenses	- 69,766	- 144,766	- 68,739	1.5
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250. Income/loss from disposal of investments	23	- 132	- 79	- 129.5
260. Income/loss before taxes from continuing operations	137,491	112,395	70,534	94.9
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280. Income/loss after taxes from continuing operations	103,503	89,969	59,132	75.0
290. Profit/loss after taxes from discontinued assets classified as held for sale	-	-	-	...
300. Net profit/loss for the period	103,503	89,969	59,132	75.0

(1) Data at 12/31/04 and 6/30/04: IAS 32 e 39 excluding.

CONSOLIDATED FINANCIAL STATEMENTS

- BANCA CARIGE GROUP S.p.A. -

CONSOLIDATED HIGHLIGHTS

	30/6/05	31/12/04	31/12/04	30/6/04	30/6/04	Change %	
	(1)	(2)	pro forma (1)	(2)	pro forma (1)	6/05 12/04 p.f.	6/05 6/04 p.f.
BALANCE SHEET (3)							
Total assets	23,473,293	20,786,317	22,139,494	20,307,174	21,629,159	6.0	8.5
Funding	16,673,129	15,247,497	15,971,166	14,658,747	15,367,653	4.4	8.5
– Customer Deposits (a)	14,922,460	14,265,671	14,989,340	13,368,235	14,077,141	-0.4	6.0
– Deposits from Banks	1,750,669	981,826	981,826	1,290,512	1,290,512	78.3	35.7
Other Financial Intermediation Activities (OFIA) (b)	17,373,712	16,615,838	16,615,838	16,081,299	16,081,299	4.6	8.0
– Assets Under Management	8,982,696	8,406,719	8,406,719	8,082,391	8,082,391	6.9	11.1
– Assets in Custody	8,391,016	8,209,119	8,209,119	7,998,908	7,998,908	2.2	4.9
Total Financial Intermediation Activities (TFIA) (a+b)	32,296,172	30,881,509	31,605,178	29,449,534	30,158,440	2.2	7.1
Lending (4)	18,913,636	17,250,447	18,057,261	16,566,315	17,628,265	4.7	7.3
– Loans to Customers (4)	12,998,485	11,610,381	12,378,009	11,417,403	12,441,304	5.0	4.5
– Loans to Banks (4)	1,231,046	1,576,866	1,576,866	1,243,804	1,243,804	-21.9	-1.0
– Securities (4)	4,684,105	4,063,200	4,102,386	3,905,108	3,943,158	14.2	18.8
Shareholders' Equity	2,152,333	1,733,462	2,114,723	1,691,604	2,063,659	1.8	4.3
INCOME STATEMENT (3)							
Operating Income	398,496	732,628		348,834			14.2
Net income from financial operations	365,974	569,688		236,666			54.6
Income before Taxation	129,951	163,824		77,806			67.0
Net Income	82,600	111,214		57,102			44.7
RESOURCES (5)							
Number of branches	495	495	495	491	491	0.0	0.8
Number of employees	4,779	4,787	4,787	4,691	4,691	-0.2	1.9
FINANCIAL RATIOS							
Operating costs/ Operating Income	61.28%	58.32%		49.65%			
Income before Taxation/ Shareholders' Equity	6.04%	9.45%		4.60%			
ROE	3.84%	6.42%		3.38%			
ROAE	3.87%	6.40%		3.33%			
SOLVENCY RATIOS (6)							
Risk-Weighted Assets (RWA) (3)	13,666.1	12,439.7		12,036.0		9.9	13.5
Tier 1 % of RWA	6.93%	7.38%		7.23%			
Total Capital % of RWA	9.58%	9.64%		9.70%			

(1) IAS/IFRS 32 e 39 including.

(2) IAS/IFRS 32 e 39 excluding.

(3) Thousand of euro.

(4) Impairment losses including.

(5) Data at 12/31/04.

(6) Risk-Weighted Assets calculated on the basis of current supervision principles. Estimates on the basis of IAS/IFRS principles: a) Risk-Weighted Asset at 6/30/05: 13,809.4 million; b) Tier 1: 5.83%; c) Total Capital Ratio: 10.51%.

CONSOLIDATED BALANCE SHEET

	30/6/05	31/12/2004 (1)	30/06/2004 (1)	Change %	
				6/05	6/04
10. Cash and highly liquid assets	166,311	189,053	156,326	- 12.0	6.4
20. Financial assets held for trading	4,101,702	3,535,528	3,433,019	16.0	19.5
30. Financial assets designated at fair value	582,403	527,672	472,089	10.4	23.4
40. Available-for-sale financial assets	1,151,406	597,111	615,634	92.8	87.0
50. Held-to-maturity investments	2,834	2,907	2,974	- 2.5	- 4.7
60. Loans to banks	1,225,900	1,572,127	1,239,489	- 22.0	- 1.1
70. Loans to customers	12,655,698	11,407,231	11,224,425	10.9	12.8
80. Derivatives used for hedging	89,014	23,351	15,216	281.2	...
90. Fair value changes of generically hedged items	-	-	-	...	...
100. Investments in associates, subsidiaries and joint ventures	99,667	66,922	63,354	48.9	57.3
110. Technical reserves reassured with third parties	188,447	180,376	185,810	4.5	1.4
120. Tangible assets	1,020,581	1,024,850	986,178	- 0.4	3.5
130. Intangible assets	679,477	676,686	650,857	0.4	4.4
140. Tax assets	322,183	181,778	131,881	77.2	144.3
150. Non-current assets and groups of assets being disposed	-	-	-	...	...
160. Other assets	1,187,670	800,723	1,129,920	48.3	5.1
Total assets	23,473,293	20,786,317	20,307,174	12.9	15.6

	30/6/05	31/12/2004 (1)	30/06/2004 (1)	Change %	
				6/05	6/04
10. Due to banks	1,750,669	981,826	1,290,512	78.3	35.7
20. Due to customers	8,429,547	8,365,350	7,613,704	0.8	10.7
30. Debt securities issued	6,492,913	5,900,321	5,754,531	10.0	12.8
40. Financial liabilities held for trading	201,189	73,833	148,441	172.5	35.5
50. Financial liabilities designated at fair value	582,403	527,672	472,089	10.4	23.4
60. Derivatives used for hedging	51,615	2,813	3,782	...	...
90. Tax liabilities	279,549	172,717	159,763	61.9	75.0
110. Other liabilities	1,615,331	1,084,741	1,368,945	48.9	18.0
120. Staff severance pay provision	130,321	131,353	128,047	- 0.8	1.8
130. Provision for liabilities and contingencies	343,540	361,896	342,375	- 5.1	0.3
140. Technical reserves	1,338,130	1,292,769	1,241,499	3.5	7.8
150. Revaluation reserves:	741,564	191,073	191,074	288.1	288.1
160. Capital instruments	11,507	-	-	...	...
180. Reserves	24,532	167,524	167,361	- 85.4	- 85.3
190. Share premium account	262,839	262,839	258,666	-	1.6
200. Share Capital	1,113,327	1,113,327	1,113,327	0.0	0.0
210. Treasury stock (-)	- 1,436	- 1,301	- 38,824	10.4	- 96.3
220. Minority interest (+/-)	23,153	46,352	34,781	- 50.1	- 33.4
230. Income (loss) for the period	82,600	111,214	57,102	- 25.7	44.7
Total liabilities	23,473,293	20,786,317	20,307,174	12.9	15.6

(1) IAS 32 and 39 excluding.

CONSOLIDATED INCOME STATEMENT

	30/6/05	31/12/04 (1)	30/06/04 (1)	Change % 6/05 6/04
10. Interest income and similar revenues	435,050	752,592	352,386	23.5
20. Interest expense and similar charges	- 190,446	- 291,249	- 119,153	59.8
30. Net interest income	244,604	461,343	233,233	4.9
40. Commission income	125,249	225,481	109,661	14.2
50. Commission expense	- 9,313	- 17,190	- 7,839	18.8
60. Net commissions	115,936	208,291	101,822	13.9
70. Dividends and other similar income	12,867	5,784	5,013	156.6
80. Income/loss on financial assets and liabilities held for trading (net)	25,698	34,929	1,295	...
90. Income/loss from hedging activities (net)	730	226	15	...
100. Income/loss on disposal of:	- 1,339	9,793	- 299	...
a) loans	1,599	- 430	- 294	...
b) available-for-sale financial assets	184	10,223	- 5	...
c) held-to-maturity investments	-	-	-	...
d) financial liabilities	- 3,123	-	-	...
110. Net value adjustments on financial assets designated at fair value	-	12,261	7,754	- 100.0
120. Net value adjustments on financial liabilities designated at fair value	-	-	-	...
130. Total revenues	398,496	732,628	348,834	14.2
140. Net value adjustments on:	- 32,522	- 162,940	- 112,168	- 71.0
a) loans	- 30,112	- 163,349	- 112,403	- 73.2
b) available-for-sale financial assets	- 3	125	-	...
c) held-to-maturity investments	-	-	-	...
d) other financial assets	- 2,407	284	235	...
150. Net income from financial operations	365,974	569,688	236,666	54.6
160. Net premiums	263,179	632,025	308,430	- 14.7
170. Net income/loss from insurance operations	- 257,490	- 625,879	- 304,807	- 15.5
180. Net income from financial and insurance operations	371,663	575,834	240,289	54.7
190. General and administrative expenses:	- 252,046	- 495,593	- 240,362	4.9
a) staff costs	- 158,432	- 308,792	- 148,809	6.5
b) other administrative expenses	- 93,614	- 186,801	- 91,553	2.3
200. Provisions for risks and charges	- 1,312	1,284	- 1,204	9.0
210. Amortisation and depreciation of tangible fixed assets	- 9,322	- 18,049	- 8,909	4.6
220. Amortisation and depreciation of intangible fixed assets	- 8,152	- 13,994	- 6,644	22.7
230. Other income/loss	26,639	99,072	83,908	- 68.3
240. Operating expenses	- 244,193	- 427,280	- 173,211	41.0
250. Value adjustments of goodwill	2,436	14,507	10,799	- 77.4
260. Net value adjustments on tangible and intangible assets designated at fair value	-	-	-	...
270. Income/loss from equity investments	-	-	-	...
280. Income/loss from disposal of investments	45	763	- 72	- 162.3
290. Income/loss before taxes from continuing operations	129,951	163,824	77,806	67.0
300. Tax expense (income) related to profit or loss from continuing operations	- 45,459	- 49,687	- 19,295	135.6
310. Income/loss after taxes from continuing operations	84,492	114,137	58,511	44.4
320. Profit/loss after taxes from discontinued assets classified as held for sale	-	-	-	...
330. Net profit/loss for the period	84,492	114,137	58,511	44.4
340. Minority interests	1,892	2,923	1,409	34.3
350. Net profit/loss for the period after minority interests	82,600	111,214	57,102	44.7

(1) Data at 12/31/04 and 6/30/04: IAS 32 e 39 excluding.

IAS/IFRS IMPACTS ON CONSOLIDATED INCOME STATEMENT

	30/06/2005 Italian GAAP	IAS/IFRS Effects	30/06/2005 IAS/IFRS
10. Interest income and similar revenues	409,983	25,068	435,050
20. Interest expense and similar charges	- 180,422	10,024	- 190,446
30. Net interest income	229,560	15,044	244,604
40. Commission income	123,946	1,302	125,249
50. Commission expense	- 8,693	620	- 9,313
60. Net commissions	115,254	682	115,936
70. Dividends and other similar income	12,867	-	12,867
80. Income/loss on financial assets and liabilities held for trading (net)	20,283	5,415	25,698
90. Income/loss from hedging activities (net)	- 32	762	730
100. Income/loss on disposal of:	1,375	- 2,714	- 1,339
a) loans	1,191	409	1,599
b) available-for-sale financial assets	185	- 0	184
c) held-to-maturity investments	-	-	-
d) financial liabilities	-	- 3,123	- 3,123
110. Net value adjustments on financial assets designated at fair value	26,500	- 26,500	-
120. Net value adjustments on financial liabilities designated at fair value	-	-	-
130. Total revenues	405,807	- 7,311	398,496
140. Net value adjustments on:	- 30,111	2,411	- 32,522
a) loans	- 29,936	176	- 30,112
b) available-for-sale financial assets	-	3	- 3
c) held-to-maturity investments	-	-	-
d) other financial assets	- 175	2,232	- 2,407
150. Net income from financial operations	375,696	- 9,722	365,974
160. Net premiums	317,796	- 54,617	263,179
170. Net income/loss from insurance operations	- 336,417	78,927	- 257,490
180. Net income from financial and insurance operations	357,075	14,588	371,663
190. General and administrative expenses:	- 249,599	2,447	- 252,046
a) staff costs	- 158,513	- 81	- 158,432
b) other administrative expenses	- 91,087	2,528	- 93,614
200. Provisions for risks and charges	- 1,411	- 99	- 1,312
210. Amortisation and depreciation of tangible fixed assets	- 8,759	563	- 9,322
220. Amortisation and depreciation of intangible fixed assets	- 10,765	- 2,613	- 8,152
230. Other income/loss	27,240	602	26,639
240. Operating expenses	- 243,294	899	- 244,193
250. Value adjustments of goodwill	1	2,434	2,436
260. Net value adjustments on tangible and intangible assets designated at fair value	-	-	-
270. Income/loss from equity investments	13,426	- 13,426	-
280. Income/loss from disposal of investments	92	- 47	45
290. Income/loss before taxes from continuing operations	100,450	29,501	129,951
300. Tax expense (income) related to profit or loss from continuing operations	- 40,303	5,156	- 45,459
310. Income/loss after taxes from continuing operations	60,147	24,345	84,492
320. Profit/loss after taxes from discontinued assets classified as held for sale	-	-	-
330. Net profit/loss for the period	60,147	24,345	84,492
340. Minority interests	1,804	88	1,892
350. Net profit/loss for the period after minority interests	58,343	24,257	82,600