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**CARIGE GROUP: 2011 FINANCIAL STATEMENTS  
CONSOLIDATED NET PROFIT OF €186.7 MILLION (+5.3%)  
DIVIDEND DISTRIBUTION PROPOSAL**

**RIGHT TO INCREASE THE NUMBER OF SHARES TO SERVICE THE CONVERSION EXERCISED**

- Loans to customers of €27.5 billion (+8.5% YoY)
- Total customer deposits (FIA) €52 billion (+2.6%)
- Consolidated net profit of €186.7 million (+5.3%) and of the Parent Bank Banca Carige SpA amounting to €175.8 million (-2.7%)
- Unit dividend proposed unchanged with respect to 2010: ordinary shares €0.0700 and savings shares €0.0875 paid in cash as of 24 May
- The Board exercises the power to increase the number of shares to service the “Banca Carige 4.75% 2010-2015 convertible bond with the option of redemption in shares” (“Banca Carige 4,75% 2010-2015 convertibile con facoltà di rimborso in azioni”)
- Proposal to the Shareholders’ Meeting to authorise the purchase and sale of own shares

*Genoa, 20 March 2012* – The Banca Carige SpA Board of Directors, chaired by Giovanni Berneschi, examined and approved the 2011 financial statements, illustrated by General Manager Ennio La Monica.

The year 2011 was characterised by a gradual spread to the real economy of a new phase of the financial crisis, this time resulting from the over-indebtedness of certain European countries (including Italy). The crisis of confidence among various financial operators, triggered by the presence, in their portfolios, of bonds issued by the countries in the most difficulty, led to a standstill in the institutional financial markets and severe liquidity tensions, which threatened the stability of credit institutions. The European Central Bank intervened with an extraordinary liquidity injection, which helped to re-balance, at least temporarily, bank treasuries, which in some cases started to effect placements on the institutional markets again, auguring a recovery of normal operations, crucial for financing customers.

On the whole, the European macroeconomic scenario remained in difficulty, especially in Italy, where a combination of low growth, high public debt and political uncertainty translated to a fall in stock market indexes and a widening of the spread between Italian and German Government bonds. The loss in the value of savings tied to the unfavourable performance in the financial markets, together with a contraction in disposable income, meant a reduction in spending and, therefore, also affected industrial production and the trend in investments. However, intermediation performed by the banking system recorded moderate growth.

Despite the difficult context, the Carige Group managed to achieve a significant and increased net profit, thanks to the growth in traded volumes, and careful monitoring of credit and control of operating costs.

An increase was registered in both the volumes of total deposits (+2.6% to €52 billion), and loans (up 8.5% to €27.5 billion), confirming the Group's constant commitment to supporting businesses and households that make up the economic fabric; in particular, loans to businesses rose by 4.6% to €15.4 billion and loans to households by 2.4% to €8.1 billion. A satisfactory level of liquidity was maintained, in particular thanks to the consistently high levels of customer funding, with the placement of around €2.4 billion in bonds, and also funding from the international markets through the issuing of €550 million in covered bonds and €750 million in senior bonds as part of the EMTN programme. It was possible to receive liquidity from the Central Bank during the year using own issue covered bonds and by participating in the three-year auction for €1.3 billion with collateral constituted by bonds secured by the Government.

Constant monitoring of credit quality made it possible to keep the net bad loans/loans ratio at 2.8%, in line with the banking system level, and to reduce the annual increase in bad loans to 21.5%.

The Group's net profit (€186.7 million; +5.3%) benefitted from the positive trend in net interest income (+8.3% to €764 million), thanks to the growth in volumes in a general context marked by spreads between falling interest rates, net commissions (+1% to €300.3 million) and income from financial items<sup>1</sup> (+24.1% to €77.9 million). Operating costs rose to €669.8 million (+4.6%), partly due to the inclusion, for the entire year, of the costs relating to the branches acquired in May 2010 from Gruppo Banca Monte dei Paschi di Siena. Careful monitoring of credit allowed the bank to keep the cost of risk (ratio of value adjustments to loans) at 0.43%, in line with previous years and below the banking system level.

Gross profit recorded growth of 6.8%, while taxation benefitted from the exercise of the option of release of goodwill recorded in the consolidated financial statements and discounted the higher expenses brought about by the increase in the IRAP (regional business tax) rate from 4.82% to 5.57%, determining a tax rate of 32.5% (a tax rate of 37.4% in 2010).

Regulatory ratios remained at adequate levels, also taking into consideration the full conversion into shares (effective from 23 March) of the "Banca Carige 4.75% 2010-2015 convertible bond with the option of redemption in shares" ("Banca Carige 4,75% 2010-2015 convertibile con facoltà di rimborso in azioni"), considering which, the CT1 would rise to 6.7% and the TCR to 10.1%. The ROE stood at 5.9%, up compared to 5% in 2010.

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The Parent Bank recorded a profit of €175.8 million, which allowed the bank to submit to the Ordinary Shareholders' Meeting – called on 27 April 2012 – the proposal to distribute a dividend in cash, unchanged with respect to the previous year, amounting to €0.0700 per ordinary share and €0.0875 per savings share. The proposed dividend coupon detachment date is 21 May 2012, with payment starting on 24 May 2012.

Subsidiary banks closed the year with a total profit of €30.4 million (the profit of Banca Cesare Ponti amounted to €9.7 million, and includes €6.6 million in tax benefits tied to the effects of exercising the option of the tax release of goodwill recorded under assets following the transfer of the business unit by the Parent Bank at the start of the year). Insurance companies recorded a total

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<sup>1</sup> Dividends, profits/losses on trading, valuation gains/losses (items 70,80,90,100 b-c-d and 110 of the income statement).

profit of €13.1 million (Carige Vita Nuova €25.5 million; Carige Assicurazioni, a negative €12.4 million); Creditis (€8.1 million) and Carige AM SGR (€1.1 million) also recorded positive net results.

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Group activities will be carried out in the coming months in an environmental context characterised by ongoing recessionary prospects for the Italian economy and a high level of volatility in the financial markets, which will also affect banks. Banks will also have to cope with the penalising effects of the industry regulations introduced in recent years and which are, more recently, gradually governing the pricing of banking services and imposing growing capitalisation requirements. Constant attention focused by the Carige Group on liquidity profiles, capitalisation and risk, the return to efficiency of investments in information technology, which continued in the year just ended, and the positive trends in intermediation and income seen in the first few months of this year mean that we may be able to forecast, even for the future, continued balanced growth for the Group, with adequate income returns.

### ***Details of consolidated results***

During the year, net interest income rose to €764 million (+8.3% over 2010) and net commissions increased slightly to €300.3 million (+1%); despite the high level of volatility resulting from persistent market tensions, financial items recorded income of €77.9 million, up by 24.1% compared to 2010, including a profit of roughly €30 million deriving from the repurchase of own securities.

Gross operating income amounted to €1,144.1 million (+7.1% YoY); net value adjustments due to impairment of loans and other financial items increased by 51.1% to €175.7 million, especially in relation to the write-down of Greek Government bonds; net income from financial and insurance management stood at €944.6 million (up 5.5%). Net of operating costs up 4.6% to €669.8 million, profits on ordinary activities before taxes totalled €279.5 million.

Taking into consideration provisions for income taxes of €90.9 million and profit attributable to minority interests of €2 million, net profit comes to €186.7 million (up 5.3% compared to 2010).

Total customer savings (FIA) stood at €52,011 million, up by 2.6% over 2010. Direct deposits increased by 7% during the year, up to €28,440 million. Indirect deposits fell 2.2% to €23,571.2 million. These included assets under management of €9,523.3 million, down by 7.9%. Assets in custody, amounting to €14,047.8 million, were up 2.2%, with Government bonds totalling €5,653.3 million, an increase of 15.9%.

Loans to customers (before presumed losses) came to €27,534.6 million, up by 8.5%, with the breakdown favouring the short-term component, up by 11.3% (medium/long-term component 6.8%).

The Group's sales network consists of 677 bank branches – 10 more than December 2010 – and 431 insurance agencies. The Group employs 5,974 staff, including 5,481 banking personnel.

### ***Details of Banca Carige S.p.A.'s results***

The Parent Bank's performance essentially mirrors the consolidated performance. Gross operating income amounted to €858.2 million (+3.5% YoY); net of value adjustments due to impairment of loans and other financial items, amounting to € 108.3 million, net income from financial management came to € 749.9 million (+2.2% YoY). Operating costs (+1.9%) totalled € 512.5 million. The profit from ordinary activities before taxes amounts to €237.4 million (+2.8%). After provisions for income taxes of €61.5 million, net profit totals €175.8 million (down 2.7%).

Total customer savings (FIA) stood at € 46,181.2 million, essentially stable with respect to September 2010 (down 0.5%). Direct deposits (€26,775.9 million) contributed, with an increase of 8%, almost offsetting the fall in indirect deposits, down 10.2% to €19,405.4 million. Both assets under management, amounting to €7,863.2 million, and assets in custody, standing at €11,542.2 million, fell by 14.1% and 7.3% respectively.

Loans to customers (before presumed losses) totalled €23,722.2 million, up by 8.5%.

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Furthermore, the Board of Directors, by virtue of the authority granted to it by the extraordinary shareholders' meeting of 13 February 2012 pursuant to Article 2443 of the Italian Civil Code, and as a supplement to the previous resolution approved on 11 February 2010, fixed at 386,916,573 the number of ordinary shares to be issued supporting the "Banca Carige 4.75% 2010-2015 convertible bond with the redemption in shares" ("Banca Carige 4,75% 2010-2015 convertibile con facoltà di rimborso in azioni"), in order to fully exercise its right to pay the redemption value in shares, including the redemption premium, amounting to 10% of the nominal value of the bond, taking into account the market value of the ordinary shares of Banca Carige registered in the "Period of Reference for the Early Redemption", envisaged in art. 12 of the Bond Regulations.

The arithmetic average of the official prices of the Banca Carige ordinary shares registered in the Period of Reference for the Early Redemption, started on 24 February 2012 and ended on 15 March 2012, is equal to Euro 1.1128 (the "Market Value of the Ordinary Shares"), i.e. less than the "Conversion Price" of Euro 2.40.

Consequently, in accordance with art. 12, paragraph 3, letter b) of the Bond Regulations, at the early redemption date, set for 23 March 2012, the Bank will deliver to the holders of the bonds a number of newly issued ordinary shares (the "Early Redemption Shares") equal to the division between (i) the nominal value of the bonds increased by the 10% premium and (ii) the Market Value of the Ordinary Shares, i.e. 2.37239396 ordinary shares of Banca Carige per each bond, using the newly issued shares; it being understood that each bondholder will receive up to a rounded down number of shares and for any fractional shares will be paid in cash, rounded up to the nearest euro cent, based on the Market Value of the Ordinary Shares.

Further details regarding the conditions of the early redemption of the Bond will be provided by a special notice that will be published tomorrow in the financial newspaper "Il Sole 24 Ore" and will be made available, both in Italian and in English, on the web site [www.gruppocarige.it](http://www.gruppocarige.it), pursuant to Articles 12 and 21 of the inherent Bond Regulations.

The fully exercise of the early redemption in shares will allow to increase the Bank's equity, depending on the value of the bond (equal to about €91 million), thus implementing an effective capital management initiative with net estimated positive effects on the adequacy ratios of about 170 basis points, thereby assuring the utmost stability for the Bank's development, in line with the forecasts already formulated in the 2011-2014 Strategic Plan of the Banca Carige Group.

*The Italian text is the only legally binding version on which investors can rely (i) in respect of any decision regarding an investment in the Notes and (ii) in respect of the interpretation of the characteristics of the Notes themselves. Such Italian text will prevail over the English translation in the event of conflict.*

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Lastly, the Board of Directors resolved the proposal to the Ordinary Shareholders' Meeting, already called for 27 April, to authorise said Board, for a period of 18 months effective as of the resolution of the shareholders' meeting, to carry out the purchase/sale of own shares.

The purchase may take place on regulated markets, in accordance with the methods set forth in art. 144-bis, parag. 1, points b) and c) of Consob Issuers' Regulation, up to a maximum value of the available funds in the Reserve for the purchase of own shares of €77 million and a maximum total of 71,617,211 Banca Carige S.p.A. shares may be held, including up to 71,515,043 ordinary shares and up to 102,168 convertible savings shares, corresponding to one twenty-fifth of ordinary and savings capital respectively.

The purchase may be made at a minimum price equal to the average official price recorded on the MTA (electronic share market) in the last 10 trading days before the day of the transaction, reduced by 25%, and a maximum price equal to the average official price recorded on the MTA in the last 10 trading days before the day of the transaction, increased by 25%.

All or a portion of the shares held by the Bank may be sold in accordance with the forms and methods permitted by the applicable legislation at a minimum price no lower than the average official price recorded on the MTA in the last 10 trading days before the day of the transaction, reduced by 25%, with the understanding that the payment will be recharged to the "reserve for purchase of own shares: available portion".

The reasons for the request of the new authorisation fall within the scope of the objectives allowed by the applicable legislation and, in particular, the endowment of a strategic and operational flexibility instrument.

In relation to the previous authorisation of the shareholders' meeting regarding the purchase of own shares, it should be noted that, from the date of said authorisation (29 April 2011), until the present day, the Bank did not purchase or sell any ordinary or savings shares.

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In compliance with the provisions of art. 154-ter of the Consolidated Financial Law, the annual financial report, including the financial statements, the consolidated financial statements, Directors' report and certification of the delegated Administrative bodies and of the Manager responsible for preparing the company's financial reports, along with the Independent Auditors' Report and the Statutory Auditors' Report, will be made available to the public at the Bank's registered office (in Genoa, Via Cassa di Risparmio 15, General Secretary) and at the market management company - Borsa Italiana S.p.A., with registered office in Milan, Piazza degli Affari 6), as well as on the website [www.gruppocarige.it](http://www.gruppocarige.it), by 5 April 2012.

The proper notice will be published in newspaper "Il Sole 24 Ore" on the same date and posted to said website [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**

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**FINANCIAL STATEMENTS  
OF THE BANCA CARIGE GROUP**

# CONSOLIDATED FINANCIAL HIGHLIGHTS

	Situation as at				Change %	
	31/12/2011	30/09/2011	31/12/2010	31/12/2009	12/2011 09/2011	12/2011 12/2010
<b>BALANCE SHEET (1)</b>						
Total assets	44.860.061	42.838.700	40.009.957	36.299.374	4,7	12,1
Funding	34.362.190	32.084.935	29.545.550	26.355.057	7,1	16,3
- Direct deposits (a)	28.439.887	28.678.067	26.583.549	25.695.779	-0,8	7,0
* Amounts owed to customers	15.919.602	15.930.731	15.592.197	15.061.675	-0,1	2,1
* Securities in issue	11.616.164	11.484.744	9.659.630	10.019.877	1,1	20,3
* Liabilities at fair value (2)	904.121	1.262.592	1.331.722	614.227	-28,4	-32,1
- Amounts owed to banks	5.922.303	3.406.868	2.962.001	659.278	73,8	99,9
Indirect deposits (b)	23.571.160	23.726.648	24.090.570	21.225.627	-0,7	-2,2
- Assets under management	9.523.339	9.892.984	10.341.649	8.701.235	-3,7	-7,9
- Assets in custody	14.047.821	13.833.664	13.748.921	12.524.392	1,5	2,2
Financial Intermediation Activities (FIA) (a+b)	52.011.047	52.404.715	50.674.119	46.921.406	-0,8	2,6
Investments	39.951.781	38.427.732	36.022.114	32.387.413	4,0	10,9
- Loans to customers (3) (4)	27.534.610	27.081.146	25.373.267	23.116.726	1,7	8,5
- Loans to banks (3) (4)	1.638.928	1.751.041	1.242.861	1.074.538	-6,4	31,9
- Securities portfolio (5)	10.778.243	9.595.545	9.405.986	8.196.149	12,3	14,6
Capital and reserves	2.634.729	2.864.419	3.516.943	3.605.708	-8,0	-25,1
<b>INCOME STATEMENT (1)</b>						
Gross operating income	1.144.144	818.135	1.067.914	1.116.848		7,1
Net income from financial and insurance management	944.635	687.726	895.735	939.972		5,5
Operating profit from ordinary activities before taxes	279.491	181.298	261.655	310.632		6,8
Profit for the period	186.651	138.656	177.241	205.381		5,3
<b>RESOURCES (6)</b>						
Number of branches	677	674	667	643	0,4	1,5
Insurance agencies	431	432	432	394	-0,2	-0,2
Number of bank employees	5.481	5.523	5.536	5.500	-0,8	-1,0
Number of bank and insurance employees	5.974	6.019	6.003	5.912	-0,7	-0,5
<b>FINANCIAL RATIOS</b>						
Operating costs						
Gross operating income	58,5%	62,2%	59,9%	57,0%		
Operating profit from ordinary activities before taxes / Capital and reserves	10,6%	6,3%	7,4%	8,6%		
ROE	7,1%	4,8%	5,0%	5,7%		
ROE (7)	5,9%	6,7%	6,5%	6,8%		
ROAE (8)	6,1%	4,3%	5,0%	5,9%		
ROAE (7) (8)	6,0%	5,8%	6,3%	6,9%		
Earnings per share (in Euro)						
- basic	0,114	0,076	0,097	0,113		
- diluted	0,100	0,075	0,097	0,113		
<b>RISK ASSETS AND REGULATORY RATIOS</b>						
Total weighted assets	(10) 23.132.074	(9) 22.602.461	21.887.400	19.812.909	2,3	5,7
Core Tier 1/Total Risk-Weighted Assets (10)	6,7%	5,9%	6,0%	7,1%		
Tier 1 capital / RWA	7,4%	6,6%	6,7%	7,9%		
Regulatory capital including Tier 3 capital/Total weighted assets	10,1%	9,0%	9,1%	10,0%		

(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) Before value adjustments.

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

(5) The aggregate includes Balance Sheet items 20 (net of derivatives), 30, 40, 60 (only the portion relating to L&R) and 70 (only the portion relating to L&R).

(6) Statistics of the end of period.

(7) Net of the AFS reserve (item 140 of balance sheet liabilities).

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

(9) Figures as at 30/09/2011 are the official figures and differ from the management data shown in the quarterly report.

(10) The figures as at 31/12/2011 are stated on a pro-forma basis, taking into account the conversion of the "Banca Carige 4.75% 2010-2015 convertible bond with the option of redemption in shares" ("Banca Carige 4,75% 2010-2015 convertibile con facoltà di rimborso in azioni").



## BALANCE SHEET

**ASSETS** (figures in thousands of euro)

	31/12/11	31/12/10
10 - CASH AND CASH EQUIVALENTS	604.122	300.103
20 - FINANCIAL ASSETS HELD FOR TRADING	170.364	325.819
30 - FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	534.176	641.522
40 - AVAILABLE-FOR-SALE FINANCIAL ASSETS	9.665.750	8.109.848
60 - LOANS TO BANKS	1.986.409	1.431.781
70 - LOANS TO CUSTOMERS	26.885.944	24.899.599
80 - HEDGING DERIVATIVES	152.543	108.296
100 - EQUITY INVESTMENTS	53.885	54.994
110 - TECHNICAL RESERVES CHARGED ON REINSURERS	154.748	163.930
120 - TANGIBLE ASSETS	1.206.593	1.130.288
130 - INTANGIBLE ASSETS	1.859.969	1.858.779
of which:		
- goodwill	1.779.644	1.779.504
140 - TAX ASSETS	1.063.682	489.253
a) current	109.880	129.453
b) advanced	953.802	359.800
160 - OTHER ASSETS	521.876	495.745
<b>TOTAL ASSETS</b>	<b>44.860.061</b>	<b>40.009.957</b>

**LIABILITIES** (figures in thousands of euro)

	31/12/11	31/12/10
10 - AMOUNTS OWED TO BANKS	5.922.303	2.962.001
20 - AMOUNTS OWED TO CUSTOMERS	15.919.602	15.592.197
30 - SECURITIES IN ISSUE	11.616.164	9.659.630
40 - FINANCIAL LIABILITIES FROM TRADING	66.150	69.345
50 - FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	1.460.833	1.998.959
60 - HEDGING DERIVATIVES	1.212.376	580.434
80 - TAX LIABILITIES	412.785	301.138
(a) current	47.454	17.334
(b) deferred	365.331	283.804
100 - OTHER LIABILITIES	894.101	872.415
110 - STAFF TERMINATION INDEMNITY	85.206	89.417
120 - PROVISIONS FOR RISKS AND CHARGES:	298.726	324.382
a) pensions and similar obligations	269.263	292.717
b) other provisions	29.463	31.665
130 - TECHNICAL RESERVES	4.096.189	3.823.093
140 - VALUATION RESERVES	(514.516)	415.850
160 - CAPITAL INSTRUMENTS	15.772	15.784
170 - RESERVES	329.804	281.836
180 - ADDITIONAL PAID-IN CAPITAL	1.013.277	1.013.164
190 - CAPITAL	1.790.392	1.790.309
210 - MINORITY INTERESTS (+/-)	54.246	42.762
220 - PROFIT (LOSS) FOR THE PERIOD (+/-)	186.651	177.241
<b>TOTAL LIABILITIES</b>	<b>44.860.061</b>	<b>40.009.957</b>

## INCOME STATEMENT

(figures in thousands of euro)

	2011	2010	Change 2011-2010	
			absolute	%
10 - INTEREST INCOME AND SIMILAR REVENUES	1.285.725	1.102.708	183.017	16,6
20 - INTEREST EXPENSES AND SIMILAR CHARGES	-521.775	-397.072	-124.703	31,4
<b>30 - NET INTEREST INCOME</b>	<b>763.950</b>	<b>705.636</b>	<b>58.314</b>	<b>8,3</b>
40 - COMMISSION INCOME	334.867	332.126	2.741	0,8
50 - COMMISSION EXPENSES	- 34.523	- 34.811	288	-0,8
<b>60 - NET COMMISSIONS</b>	<b>300.344</b>	<b>297.315</b>	<b>3.029</b>	<b>1,0</b>
70 - DIVIDENDS AND OTHER SIMILAR REVENUES	8.654	8.607	47	0,5
80 - NET INCOME FROM TRADING ACTIVITIES	26.124	-6.629	32.753	...
90 - NET INCOME FROM HEDGING ACTIVITIES	3.088	1.059	2.029	...
100 - PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	40.895	58.632	-17.737	-30,3
a) loans	1.928	2.176	-248	-11,4
b) available-for-sale financial assets	8.560	38.914	-30.354	-78,0
d) financial liabilities	30.407	17.542	12.865	73,3
110 - NET VALUE ADJUSTMENT ON FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE	1.089	3.294	-2.205	-66,9
<b>120 - GROSS OPERATING INCOME</b>	<b>1.144.144</b>	<b>1.067.914</b>	<b>76.230</b>	<b>7,1</b>
130 - NET VALUE ADJUSTMENTS DUE TO IMPAIRMENT OF:	-175.720	-116.317	-59.403	51,1
a) loans	-117.999	-114.219	-3.780	3,3
b) available-for-sale financial assets	-54.998	-1.704	-53.294	...
d) other financial assets	-2.723	-394	-2.329	...
<b>140 - NET INCOME FROM FINANCIAL MANAGEMENT</b>	<b>968.424</b>	<b>951.597</b>	<b>16.827</b>	<b>1,8</b>
150 - NET PREMIUMS	1.194.021	1.416.805	-222.784	-15,7
160- BALANCE OF OTHER EXPENSES/REVENUES FROM INSURANCE	-1.217.810	-1.472.667	254.857	-17,3
<b>170- NET INCOME FROM FINANCIAL AND INSURANCE MANAGEMENT</b>	<b>944.635</b>	<b>895.735</b>	<b>48.900</b>	<b>5,5</b>
180 - ADMINISTRATIVE COSTS:	-677.614	-655.535	-22.079	3,4
a) staff costs	-403.613	-392.386	-11.227	2,9
b) other administrative costs	-274.001	-263.149	-10.852	4,1
190 - NET PROVISIONS FOR RISKS AND CHARGES	-2.492	-3.206	714	-22,3
200 - DEPRECIATION OF TANGIBLE ASSETS	-25.982	-25.250	-732	2,9
210 - AMORTIZATION OF INTANGIBLE ASSETS	-32.283	-27.550	-4.733	17,2
220 - OTHER OPERATING EXPENSES AND REVENUES	68.547	71.467	-2.920	-4,1
<b>230 - OPERATING COSTS</b>	<b>-669.824</b>	<b>-640.074</b>	<b>-29.750</b>	<b>4,6</b>
240 - PROFIT (LOSS) FROM EQUITY INVESTMENTS	4.325	5.801	-1.476	-25,4
270 - PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	355	193	162	83,9
<b>280 - OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES</b>	<b>279.491</b>	<b>261.655</b>	<b>17.836</b>	<b>6,8</b>
290 - INCOME TAXES FOR THE PERIOD	-90.855	-97.954	7.099	-7,2
<b>300 - OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES</b>	<b>188.636</b>	<b>163.701</b>	<b>24.935</b>	<b>15,2</b>
310 - PROFIT (LOSS) FROM DISCONTINUED OPERATIONS AFTER TAXES	-	15.935	-15.935	-100,0
<b>320 - PROFIT (LOSS) FOR THE PERIOD</b>	<b>188.636</b>	<b>179.636</b>	<b>9.000</b>	<b>5,0</b>
330 - MINORITY INTERESTS	1.985	2.395	-410	-17,1
<b>340 - PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT BANK</b>	<b>186.651</b>	<b>177.241</b>	<b>9.410</b>	<b>5,3</b>

**FINANCIAL STATEMENTS  
OF BANCA CARIGE**

# FINANCIAL HIGHLIGHTS

	Situation as at				Change %	
	31/12/11	30/09/11	31/12/10 (8)	31/12/09	12/11 09/11	12/11 12/10
<b>BALANCE SHEET (1)</b>						
Total assets	38.475.355	36.148.820	33.491.277	29.786.703	6,4	14,9
Funding	32.757.316	30.318.824	27.844.425	24.098.953	8,0	17,6
- Direct deposits (a)	26.775.861	26.744.733	24.798.250	23.224.989	0,1	8,0
* Amounts owed to customers	13.966.699	13.913.806	13.933.214	13.174.643	0,4	0,2
* Securities in issue	11.906.543	11.569.807	9.535.038	9.438.159	2,9	24,9
* Liabilities at fair value	902.619	1.261.120	1.329.998	612.187	-28,4	-32,1
- Amounts owed to banks	5.981.455	3.574.091	3.046.175	873.964	67,4	96,4
- Indirect deposits (b)	19.405.375	19.634.032	21.601.123	18.043.855	-1,2	-10,2
- Assets under management	7.863.223	8.187.432	9.149.946	7.427.002	-4,0	-14,1
- Assets in custody	11.542.153	11.446.600	12.451.177	10.616.853	0,8	-7,3
Financial Intermediation Activities (FIA) (a+b)	46.181.236	46.378.765	46.399.373	41.268.844	-0,4	-0,5
Investments	33.711.066	31.869.647	29.598.151	26.010.763	5,8	13,9
- Loans to customers (2) (3)	23.722.184	23.309.352	21.861.238	19.637.247	1,8	8,5
- Loans to banks (2) (3)	2.320.161	1.970.938	1.391.888	1.306.428	17,7	66,7
- Securities portfolio (4)	7.668.721	6.589.357	6.345.025	5.067.088	16,4	20,9
Capital and reserves	3.024.566	3.199.914	3.632.626	3.728.496	-5,5	-16,7

	Situation as at				Change %	
	31/12/11	30/09/11	31/12/10 (8)	31/12/09	12/11 09/11	12/11 12/10

<b>INCOME STATEMENT (1)</b>						
Gross operating income	858.250	624.872	829.254	861.363		3,5
Net income from financial management	749.949	548.687	733.722	766.621		2,2
Operating profit from ordinary activities before taxes	237.350	154.663	230.850	271.100		2,8
Profit for the period	175.809	132.711	180.601	201.103		-2,7

<b>RESOURCES (5)</b>						
Number of branches	560	559	560	534	0,2	-
Staff	4.577	4.613	4.692	4.557	-0,8	-2,5

<b>FINANCIAL RATIOS</b>						
Operating costs / Gross operating income	59,7%	63,1%	60,6%	57,5%		
Operating profit from ordinary activities before taxes /Capital and reserves	7,8%	4,8%	6,4%	7,3%		
ROE	5,8%	4,1%	5,0%	5,4%		
ROE (6)	5,4%	4,1%	5,6%	6,4%		
ROAE (7)	5,3%	3,9%	4,9%	5,4%		
ROAE (6) (7)	5,5%	4,1%	5,7%	6,3%		

<b>RISK ASSETS AND REGULATORY RATIOS</b>						
Total Risk-Weighted Assets (1)	20.315.041	19.816.427	19.342.954	17.366.060	2,5	5,0
Core Tier 1/75% Total Risk-Weighted Assets	9,2%	10,0%	9,8%	11,8%		
Tier 1 capital / 75% RWA	10,3%	11,1%	10,9%	13,0%		
Regulatory capital including Tier 3 capital/75% Total weighted assets	13,5%	14,6%	14,7%	16,1%		

(1) Figures in thousands of euro.

(2) Before value adjustments.

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

(4) The aggregate includes Balance Sheet items 20 (net of derivatives), 30, 40, 60 (only the portion relating to L&R) and 70 (only the portion relating to L&R).

(5) Statistics of the end of period.

(6) Net of the AFS reserve (item 130 of balance sheet liabilities).

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

(8) Including the contribution of Banca Cesare Ponti, merged into Banca Carige on 31 December 2010.

## BALANCE SHEET

**ASSETS** (figures in thousands of euro)

	31/12/11	31/12/10
10 - CASH AND CASH EQUIVALENTS	551.888	252.852
20 - FINANCIAL ASSETS HELD FOR TRADING	259.010	373.000
40 - AVAILABLE-FOR-SALE FINANCIAL ASSETS	6.036.795	4.851.828
60 - LOANS TO BANKS	3.819.310	2.507.446
70 - LOANS TO CUSTOMERS	23.119.985	21.373.808
80 - HEDGING DERIVATIVES	154.046	100.708
100 - EQUITY INVESTMENTS	1.163.171	1.044.350
110 - TANGIBLE ASSETS	676.948	680.027
120 - INTANGIBLE ASSETS	1.597.031	1.634.043
of which:		
- goodwill	1.526.407	1.564.992
130 - TAX ASSETS	704.565	324.240
a) current	59.659	84.981
b) advanced	644.906	239.259
150 - OTHER ASSETS	392.606	348.975
<b>TOTAL ASSETS</b>	<b>38.475.355</b>	<b>33.491.277</b>

**LIABILITIES** (figures in thousands of euro)

	31/12/11	31/12/10
10 - AMOUNTS OWED TO BANKS	5.981.455	3.046.175
20 - AMOUNTS OWED TO CUSTOMERS	13.966.699	13.933.214
30 - SECURITIES IN ISSUE	11.906.543	9.535.038
40 - FINANCIAL LIABILITIES FROM TRADING	187.178	107.251
50 - FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	902.619	1.329.998
60 - HEDGING DERIVATIVES	1.087.832	553.538
80 - TAX LIABILITIES	270.013	208.367
(a) current	36.407	12.664
(b) deferred	233.606	195.703
100 - OTHER LIABILITIES	640.700	604.031
110 - STAFF TERMINATION INDEMNITY	60.818	64.266
120 - PROVISIONS FOR RISKS AND CHARGES:	271.123	296.172
a) pensions and similar obligations	250.143	272.143
b) other provisions	20.980	24.029
130 - VALUATION RESERVES	(224.540)	435.492
150 - CAPITAL INSTRUMENTS	15.772	15.784
160 - RESERVES	429.665	377.877
170 - ADDITIONAL PAID-IN CAPITAL	1.013.277	1.013.164
180 - CAPITAL	1.790.392	1.790.309
200 - PROFIT (LOSS) FOR THE PERIOD	175.809	180.601
<b>TOTAL LIABILITIES</b>	<b>38.475.355</b>	<b>33.491.277</b>

**INCOME STATEMENT**

(figures in thousands of euro)

	2011	2010	Change 12/11 - 12/10	
			absolute	%
10 INTEREST INCOME AND SIMILAR REVENUES	1.008.020	854.071	153.949	18,0
20 INTEREST EXPENSES AND SIMILAR CHARGES	-517.147	-368.191	-148.956	40,5
<b>30 NET INTEREST INCOME</b>	<b>490.873</b>	<b>485.880</b>	<b>4.993</b>	<b>1,0</b>
40 COMMISSION INCOME	282.318	282.081	237	0,1
50 COMMISSION EXPENSES	-32.117	-33.017	900	-2,7
<b>60 NET COMMISSIONS</b>	<b>250.201</b>	<b>249.064</b>	<b>1.137</b>	<b>0,5</b>
70 DIVIDENDS AND OTHER SIMILAR REVENUES	50.422	63.664	-13.242	-20,8
80 NET INCOME FROM TRADING ACTIVITIES	26.839	-8.802	35.641	...
90 NET INCOME FROM HEDGING ACTIVITIES	3.214	452	2.762	...
100 PROFIT (LOSS) ON DISPOSAL OR REPURCHASE OF:	36.942	36.244	698	1,9
a) loans	-847	775	-1.622	...
b) available-for-sale financial assets	7.439	18.119	-10.680	-58,9
d) financial liabilities	30.350	17.350	13.000	74,9
110 NET VALUE ADJUSTMENT ON FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE	-241	2.752	-2.993	...
<b>120 GROSS OPERATING INCOME</b>	<b>858.250</b>	<b>829.254</b>	<b>28.996</b>	<b>3,5</b>
130 NET VALUE ADJUSTMENTS DUE TO IMPAIRMENT OF:	-108.301	-95.532	-12.769	13,4
a) loans	-92.818	-95.026	2.208	-2,3
b) available-for-sale financial assets	-13.238	-101	-13.137	...
d) other financial assets	-2.245	-405	-1.840	...
<b>140 NET INCOME FROM FINANCIAL MANAGEMENT</b>	<b>749.949</b>	<b>733.722</b>	<b>16.227</b>	<b>2,2</b>
150 ADMINISTRATIVE COSTS:	-541.390	-531.939	-9.451	1,8
a) staff costs	-321.986	-320.125	-1.861	0,6
b) other administrative costs	-219.404	-211.814	-7.590	3,6
160 NET PROVISIONS FOR RISKS AND CHARGES	-812	-1.885	1.073	-56,9
170 DEPRECIATION OF TANGIBLE ASSETS	-17.610	-17.178	-432	2,5
180 AMORTIZATION OF INTANGIBLE ASSETS	-28.064	-23.899	-4.165	17,4
190 0,0	75.330	72.109	3.221	4,5
<b>200 0,0</b>	<b>-512.546</b>	<b>-502.792</b>	<b>-9.754</b>	<b>1,9</b>
210 PROFIT (LOSS) FROM EQUITY INVESTMENTS	137	-83	220	...
240 PROFIT (LOSS) FROM DISPOSAL OF INVESTMENTS	-190	3	-193	...
<b>250 OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES</b>	<b>237.350</b>	<b>230.850</b>	<b>6.500</b>	<b>2,8</b>
260 INCOME TAXES FOR THE PERIOD	-61.541	-66.074	4.533	-6,9
<b>270 OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES AFTER TAXES</b>	<b>175.809</b>	<b>164.776</b>	<b>11.033</b>	<b>6,7</b>
280 PROFIT (LOSS) FROM NON-CURRENT ASSETS HELD FOR DISPOSAL AFTER TAXES	-	15.825	-15.825	-100,0
<b>290 PROFIT (LOSS) FOR THE PERIOD</b>	<b>175.809</b>	<b>180.601</b>	<b>-4.792</b>	<b>-2,7</b>