

QUARTERLY
REPORT
SEPTEMBER
2009

GRUPPO

CREDEM

Credito Emiliano Spa
Credito Emiliano Banking Group - Credem
3032 - Joint stock company

Registered Office and Headquarters:

Via Emilia San Pietro 4 - 42100 Reggio Emilia
Fully paid-up share capital € 332,392,107
Taxpayer's Code 01806740153 – VAT Number 00766790356
ABI Code 3032
Bank enrolled in the Banks Register under no. 5350
Bank enrolled in the Banking Group Register under no. 3032
Participant in the Interbank Deposit Protection Fund
Tel. 0522 5821 - Telefax 0522 433969 - Telex BACDIR 530658 -- Swift Code
BACRIT22
Internet site: www.credem.it

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**Board of Directors, Board of Statutory auditors,
Senior Management, Manager responsible for
preparing the company's financial reports,
independent auditors**

BOARD OF DIRECTORS

Chairman	Giorgio Ferrari
Vice-Chairmen	Luigi Maramotti* Franco Terrachini*
Directors	Romano Alfieri Vincenzo Calandra Buonauro** Enrico Corradi* Guido Corradi* Anacleto Fontanesi* Ugo Medici** Alberto Milla Benedetto Renda Giovanni Tadolini* Giovanni Viani** Lucio Zanon di Valgiurata*
Secretary	Ottorino Righetti

* Members of the Executive Committee

** Independent Directors under art. 148, paragraph 3, Legislative Decree no. 58/1998 (TUF- Consolidated Financial Act)

BOARD OF STATUTORY AUDITORS

Chairman	Gianni Tanturli
Auditors	Maurizio Bergomi Giulio Morandi
Alternate auditors	Vittorio Guidetti Tiziano Scalabrini

SENIOR MANAGEMENT

General Manager	Adolfo Bizzocchi
Central Managers	Giuliano Baroni Angelo Campani Nazzareno Gregori
Central Co-Managers	Marco Braglia Stefano Morellini Stefano Pilastrì
Deputy Central Managers	Ferdinando Rebecchi Rossano Zanichelli

**MANAGER responsible for preparing the
company's financial reports**

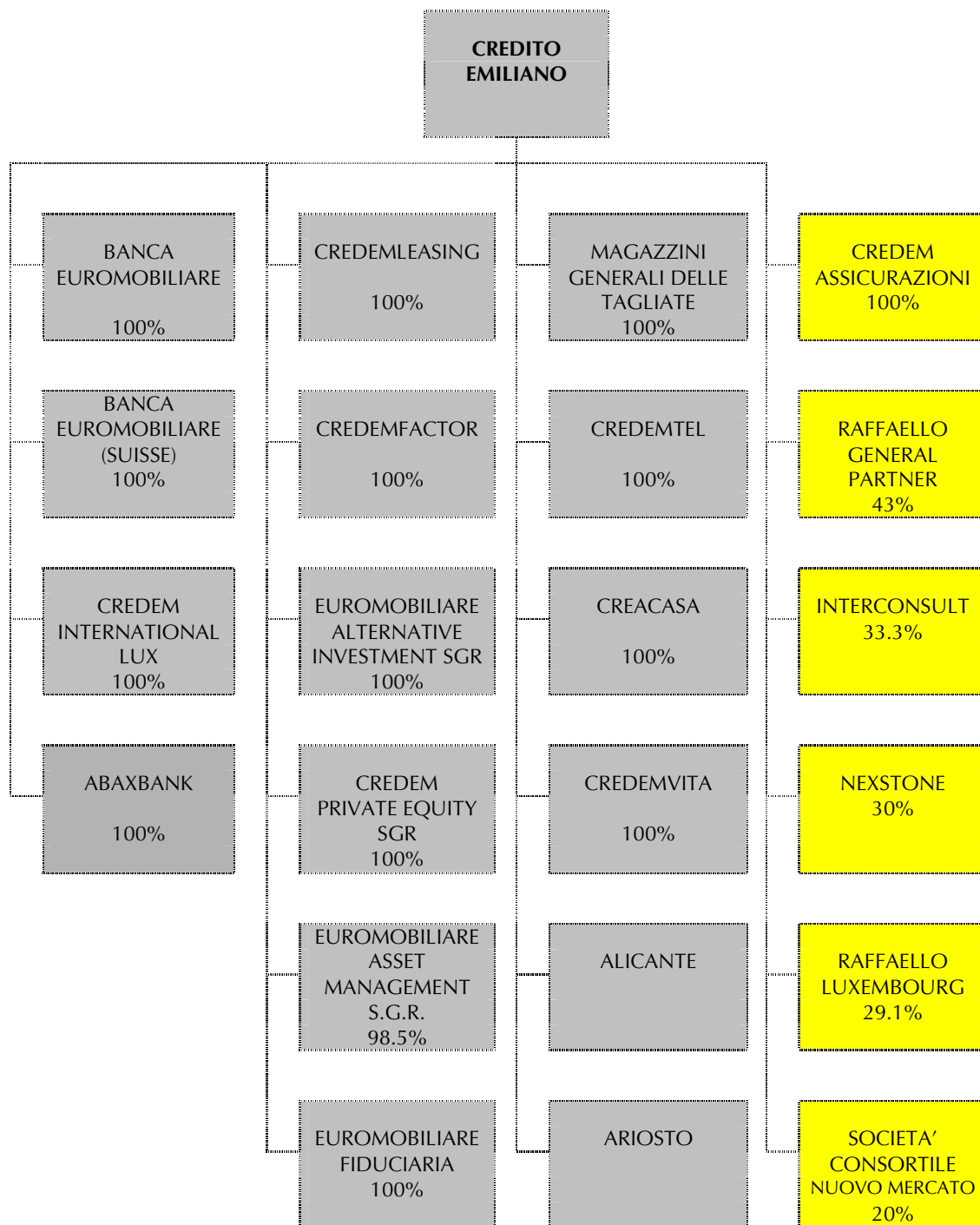
Paolo Tommasini

THE INDEPENDENT AUDITORS

DELOITTE & TOUCHE S.p.A.

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SCOPE OF CONSOLIDATION



Notes:

- The percentages refer to directly or indirectly exercisable voting rights.
 - The highlighted equity investments are valued using the equity method.
 - In accordance with IAS 27 and SIC 12, Ariosto and Alicante, special purpose entities pursuant to Law 130, were considered as controlled by Credem and, as such, were included within the scope of consolidation.
- As of 25 June 2009, Credito Emiliano became the Parent Company of the Banking Group, a position previously held by Credito Emiliano Holding.

Credemassicurazioni, Credem and Reale Mutua Assicurazioni have signed a “bancassurance” agreement to jointly develop the non-life segment. The agreement envisages Credem giving Reale Mutua Assicurazioni a sale option which can be exercised within six months from the third year of the equity investment transfer. The exercise price of the option is equal to the total amount of the investment made by the purchaser net of dividends cashed before the option exercise date and increased by the interest accrued between each payout and the option exercise date. According to international accounting standards, this situation involves the establishment of continuing involvement situations, which will not allow Credem to derecognise the investment in Credemassicurazioni until the expiry of the above-mentioned option.

Following the above, as at 30 September 2009, the Bank consolidated the controlling investment in Credemassicurazioni at equity by applying IAS 31.

BALANCE
SHEET
INCOME
STATEMENT

Balance Sheet
(in €/thousand)

	Asset items	30/09/2009	31/12/2008
10.	Cash and cash equivalents	107,930	1,257,081
20.	Financial assets held for trading	1,581,968	4,509,994
30.	Financial assets valued at fair value	1,089,447	1,402,947
40.	Available-for-sale financial assets	7,190,824	2,024,986
60.	Due from banks	1,479,271	1,472,926
70.	Loans to customers	16,720,944	17,620,513
80.	Hedging derivatives	17,793	301,579
90.	Value adjustments to financial assets subject to macro-hedging (+/-)	37,477	27,156
100.	Equity investments	15,315	20,107
110.	Technical reserves attributable to reinsurers	316	57
120.	Tangible assets	328,810	333,576
130.	Intangible assets	356,764	363,602
	- of which: goodwill	285,945	290,747
140.	Tax assets	186,815	249,384
	a) current	82,472	150,342
	b) prepaid	104,343	99,042
150.	Non-current assets and groups of assets being disposed	2,953	2,784
160.	Other assets	567,472	549,404
	Total assets	29,684,099	30,136,096

The comparative figures reflect the impact of the allocation of the final PPA relating to the subsidiary Credemvita and to the branches acquired from Banco Popolare and the Unicredit Group.

Balance Sheet
(in €/thousand)

	Liabilities and shareholders' equity	30/09/2009	31/12/2008
10.	Due to banks	6,706,939	2,836,608
20.	Due to customers	11,519,943	13,668,480
30.	Outstanding securities	4,742,162	6,808,472
40.	Financial liabilities held for trading	778,675	1,524,398
50.	Financial liabilities valued at fair value	1,560,278	1,364,940
60.	Hedging derivatives	213,844	171,091
70.	Value adjustments to financial liabilities subject to macro-hedging (+/-)	2,730	-
80.	Tax liabilities	128,000	118,979
	a) current	67,578	67,403
	b) deferred	60,422	51,576
100.	Other liabilities	879,965	945,712
110.	Staff Termination Indemnity	87,884	97,450
120.	Provisions for risks and charges:	89,255	106,562
	a) pensions and similar	2,132	2,219
	b) other provisions	87,123	104,343
130.	Technical reserves	1,149,706	740,202
140.	Valuation reserves	-21,293	-25,479
170.	Reserves	1,162,725	1,007,183
180.	Share premium reserve	283,052	283,105
190.	Share capital	332,392	332,392
210.	Minority interests (+/-)	270	226
220.	Profit (loss) for the period (+/-)	67,572	155,775
	Total liabilities and shareholders' equity	29,684,099	30,136,096

The comparative figures reflect the impact of the allocation of the final PPA relating to the subsidiary Credemvita and to the branches acquired from Banco Popolare and the Unicredit Group.

Income Statement

(in €/thousand)

	Items	30/09/2009	30/09/2008
10.	Interest income and similar revenues	838,908	1,083,894
20.	Interest expense and similar charges	(331,420)	(616,103)
30.	Interest margin	507,488	467,791
40.	Commission income	283,540	279,321
50.	Commission expense	(57,507)	(57,745)
60.	Net commissions	226,033	221,576
70.	Dividends and similar revenues	1,749	338,310
80.	Net result from trading activities	(91,809)	(318,810)
90.	Net result from hedging activities	3,536	1,932
100.	Profit (loss) from sale or repurchase of:	51,283	1,106
	a) loans	(6,104)	-
	b) available-for-sale financial assets	39,440	238
	d) financial liabilities	17,947	868
110.	Net result from financial assets and liabilities valued at fair value	(10,595)	26,393
120.	Operating income	687,685	738,298
130.	Net value adjustments/write-backs due to impairment of:	(75,156)	(52,545)
	a) loans	(75,041)	(52,687)
	b) available-for-sale financial assets	-	16
	d) other financial transactions	(115)	126
140.	Net income from banking activities	612,529	685,753
150.	Net premiums	439,607	49,055
160.	Other income/expenses from insurance activities	(444,625)	(75,928)
170.	Net income from banking and insurance activities	607,511	658,880
180.	Administrative costs:	(500,138)	(470,384)
	a) personnel costs	(318,821)	(291,573)
	b) other administrative costs	(181,317)	(178,811)
190.	Net provisions for risks and charges	2,408	(2,791)
200.	Net value adjustments/write-backs to tangible assets	(11,805)	(13,780)
210.	Net value adjustments/write-backs to intangible assets	(10,375)	(12,313)
220.	Other operating income/charges	39,583	41,786
230.	Operating costs	(480,327)	(457,482)
240.	Profit (loss) from equity investments	(829)	1,444
270.	Profit (loss) from disposal of investments	154	(103)
280.	Profit (loss) before tax from continuing operations	126,509	202,739
290.	Taxes on income from continuing operations	(58,894)	(35,008)
300.	Profit (loss) after tax from continuing operations	67,615	167,731
320.	Profit (loss) for the period	67,615	167,731
330.	Profit (loss) attributable to minority interests	(43)	(6)
340.	Profit (loss) attributable to the parent company	67,572	167,725

The comparative figures reflect the impact of the allocation of the final PPA relating to the subsidiary Credemvita and to the branches acquired from Banco Popolare and the Unicredit Group.

2009 STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY (€/thousand)

	Balance as at 31.12.08		Initial balance changes	Balance as at 01.01.09		Allocation of previous year's results		Dividends and other allocations	Changes during the period										Profit (Loss) for the period as at 30.09.09		Shareholders' equity as at 30.09.09	
	of the Group			of the Group		Reserves			Changes in reserves		Issue of new shares		Purchase of own shares		Extraordinary dividend distribution	Changes in capital instruments	Demerit on own shares	Stock options	of the Group		of the Group	
	of the Group	Minority interests		of the Group	Minority interests	of the Group	Minority interests		of the Group	Minority interests	of the Group	Minority interests	of the Group	Minority interests					of the Group	Minority interests	of the Group	Minority interests
Share capital	332,392	116		332,392	116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	332,392	116	
a) ordinary shares	332,392	116		332,392	116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	332,392	116	
b) other shares	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share premium reserve	283,105	6		283,105	6	-	-	-	-	-53	-	-	-	-	-	-	-	-	-	283,052	6	
Reserves	1,007,181	93		1,007,181	93	155,775	14	-233	-2	-	-	-	-	-	-	-	-	-	-	1,162,725	105	
a) profit	1,004,570	93		1,004,570	93	155,775	14	-290	-2	-	-	-	-	-	-	-	-	-	-	1,160,055	105	
b) other	-2,613	-		-2,613	-	-	-	57	-	-	-	-	-	-	-	-	-	-	-	2,67	-	
Valuation reserve:	-25,479	-3		-25,479	-3	-	-	4,186	3	-	-	-	-	-	-	-	-	-	-	-21,293	-	
a) available-for-sale	-30,506	-3		-30,506	-3	-	-	20,031	3	-	-	-	-	-	-	-	-	-	-	-10,475	-	
b) cash flow hedge	-48,053	-		-48,053	-	-	-	-15,845	-	-	-	-	-	-	-	-	-	-	-	-63,898	-	
c) other:																						
- tangible assets	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- special revaluation regulations	53,080	-		53,080	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53,080	-	
- intangible assets	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- exchange rate differences reserve	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- hedging of investments for foreign transactions	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- reserves for assets being disposed	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital instruments	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Own shares	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Profit (Loss) for the period	155,775	14		155,775	14	-155,775	-14	-	-	-	-	-	-	-	-	-	-	-	67,572	43	67,572	43
Shareholders' equity	1,752,976	226		1,752,976	226	-	-	3,953	1	-53	-	-	-	-	-	-	-	-	67,572	43	1,824,448	270

The comparative figures reflect the impact of the allocation of the final PPA relating to the subsidiary Credemvita and to the branches acquired from Banco Popolare and the Unicredit Group

EXPLANATORY NOTES

ACCOUNTING POLICIES

GENERAL PART

General standards for the preparation of Financial Statements

The Quarterly Report as at 30 September 2009 was drawn up according to the provisions of art. 154-ter of the Consolidated Finance Law and comprises the Balance Sheet, the Income statement, the Statement of Changes in Shareholders' Equity and the Explanatory Notes. The report also includes the Board of Directors' Report on operations, on economic results achieved and on the balance sheet and financial position. Included is also a description of significant events and transactions that have taken place in the period.

The amounts in the Financial Statements and the Explanatory notes - unless otherwise specified - are expressed in €/thousand.

Business continuity

The directors have the reasonable expectation that the company will continue functioning as a business entity in the foreseeable future, and have drawn up the quarterly report on the assumption of said business continuity. Therefore, no doubts are present regarding the continuation of the business. As a result, assets, liabilities and "off balance sheet" transactions are valued in accordance with the operational features, since they are expected to continue in operation for the foreseeable future.

Statement of compliance with the International Accounting Standards

The economic, capital and financial information was drawn up in accordance with the valuation and measurement criteria established by the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure set forth in art. 6 of (EC) Regulation no. 1606/2002 of the European Parliament and Council, dated 19 July 2002, as well as the provisions under art. 9 of Legislative Decree no. 38/2005.

The quarterly report is not subject to accounting audit.

The statements provide the corresponding comparative data relative to the balance sheet for the end of the previous year, while the figures in the Income statement refer to the corresponding period of the previous year (the comparative figures reflect the impact of the allocation of the final PPA relating to the subsidiary Credemvita and to the branches acquired from Banco Popolare and the Unicredit Group). The financial statements correspond to those of the consolidated quarterly report and the annual consolidated financial statements.

Accounting standards

The accounting standards adopted in preparing this quarterly report, with reference to the recording, classification, valuation, write-off and recognition of the income components of the various asset and liability items, as well as the recognition method for revenues and expenses, have remained unchanged from those adopted in the annual financial statements for 2008, to which the reader should refer.

Contents of the Financial Statements

The Consolidated Financial Statements are in compliance with the provisions of Circular no. 262/2005 of the Banca d'Italia.

Balance sheet and Income statement

The Balance Sheet and Income statement are made up of items, sub-items and additional information (the "of which" in the items and sub-items). In the Income statement, revenues are presented as positive numbers without signs and costs as negative numbers in brackets.

Statement of changes in shareholders' equity

The statement presents the breakdown and movements for the shareholders' equity accounts for the period covered by the report, split between share capital, capital reserves, profit reserves, asset and liability valuations reserves and net profit or loss. Capital instruments other than ordinary shares have not been issued.

The capital, reserves and profit or loss for the period have been divided between the amounts pertaining to the Group and to minority interests.

Scope and methods of consolidation

The quarterly report includes the financial statements of Credito Emiliano spa and the companies it directly controls. The companies operating in different business segments than that of the Parent company have also been included within the consolidation scope, as required by international accounting standards. Similarly, the special purpose entities (SPE/SPV) have also been included when an effective controlling interest exists, irrespective of whether equity investments are held. With respect to the situation as at 31 December 2008, the scope of consolidation has not changed.

Criteria and principles of consolidation

The following criteria were adopted in the preparation of the quarterly report:

- upon first consolidation, the book value of equity investments in companies consolidated on a line-by-line basis or on a proportional basis is offset against the shareholders' equity of said companies (or rather the portion of shareholders' equity that said equity investments represent). Accounting for purchases in companies takes place according to the "purchase method", as defined by IFRS 3, with recognition of the assets, liabilities and potential liabilities of companies acquired at fair value as at the acquisition date, which is the moment in which effective control of the acquired company is achieved. Therefore, the operating results of a subsidiary acquired during the year are included in the Consolidated Financial Statements starting from its acquisition date. Similarly, the operating results of a subsidiary that has been sold are included in the Consolidated Financial Statements until the date in which control ceases.
- any surpluses in the book value of equity investments, as per the previous point, compared to the corresponding portion of shareholders' equity, adjusted to the fair value of assets or liabilities, are recorded as goodwill under "Intangible assets" if positive and to the Income statement if negative;
- any additional purchases of equity investments subsequent to the acquisition of control are not specifically regulated by IFRS 3; according to best practice, any positive or negative differences, as defined above, that arise following said acquisition are recorded directly to equity.
- a test of the adequacy of the goodwill value (so-called impairment test) is carried out annually or each time there is evidence of impairment. To this end, the cash-generating unit that produces the cash flow and to which goodwill is attributed is identified. The amount of the impairment is calculated as the negative difference, if any, between the goodwill value recorded and its recovery value, equal to the greater of fair value of the cash-generating unit, net of any sales costs, and the relative value in use of the asset. The subsequent value adjustments are recorded in the Income statement.
- balance sheet and profit & loss items for companies consolidated on a line-by-line basis are fully acquired for each item;
- debit and credit positions, off-balance sheet transactions and income, expenses, profits and losses arising from relations between consolidated companies cancel each other out;
- portions of shareholders' equity and profits for the year belonging to minority shareholders of the consolidated companies are included under the relative sections in the balance sheet and in the Income statement, respectively;
- the quarterly reports prepared and approved by the individual companies were used for consolidation of the companies on a line-by-line basis, adjusted, if necessary, to comply with the international accounting standards used in the preparation of the consolidated position and with the statements used by the consolidating company;
- the book value of significant equity investments held by Credito Emiliano, or by other companies of the group, regarding companies consolidated with the equity method is compared to the relative portion of shareholders' equity of the investee companies. Any excess in the book value – resulting from first-time application to the Consolidated Financial Statements – is included in the book value of the investee company. The changes in equity value that take place during the years subsequent to the year of first-time application are recorded under item 240 of the consolidated Income statement ("profit (loss) from equity investments"), to the extent in which said changes refer to profits or losses of the investee companies;
- if there is evidence that the value of a significant investment may have undergone a reduction, the recoverable value of the investment is estimated, taking into account the present value of future cash flows that the investment may generate, including the final disposal value of the investment. If the recovery value is lower than the book value, the difference is recorded in the Income statement.
- for the consolidation of equity investments in associated companies, the results of the quarterly reports as at 30 September 2009, where possible; alternatively, the figures from the most recent financial statements were used, including half-yearly reports.

The equity investment in subsidiaries, associated companies and joint-controlled companies are provided below:

Equity investments in subsidiaries and associated companies (consolidated under the equity method)

Company name	Registered office	Type of Holding	Shareholding Relationship		% Voting Rights
			Holding Company	% Share	
A. Companies					
A. 1 Consolidated line-by-line					
1. Credem International (Lux) sa	Luxembourg	1	Credito Emiliano	99.99%	
			Banca Euromobiliare	0.01%	
2. Abaxbank spa	Milan	1	Credito Emiliano	100.00%	
3. Credemleasing spa	Reggio Emilia	1	Credito Emiliano	99.90%	
			Magazzini Generali delle Tagliate	0.10%	
4. Credemfactor spa	Reggio Emilia	1	Credito Emiliano	99.00%	
			Credemleasing	1.00%	
5. Euromobiliare Alternative Investments SGR spa	Milan	1	Credito Emiliano	80.00%	
			Banca Euromobiliare	20.00%	
6. Credem Private Equity SGR spa	Reggio Emilia	1	Credito Emiliano	87.50%	
			Banca Euromobiliare	12.50%	
7. Euromobiliare Asset Management SGR spa	Milan	1	Credito Emiliano	98.54%	
8. Credemtel spa	Reggio Emilia	1	Credito Emiliano	99.00%	
			Credemleasing	1.00%	
9. Creacasa S.r.l.	Reggio Emilia	1	Credito Emiliano	100.00%	
10. Magazzini Generali delle Tagliate spa	Reggio Emilia	1	Credito Emiliano	100.00%	
11. Banca Euromobiliare spa	Milan	1	Credito Emiliano	100.00%	
12. Banca Euromobiliare Suisse sa	Lugano	1	Credito Emiliano	100.00%	
13. Euromobiliare Fiduciaria spa	Milan	1	Credito Emiliano	100.00%	
14. Credemvita spa	Reggio Emilia	1	Credito Emiliano	100.00%	
A. 2 Consolidated using the equity method					
1. Credemassicurazioni spa	Reggio Emilia	2	Credito Emiliano	100.00%	50.00%
2. Raffaello General Partner Jersey	St. Helier	3	Credito Emiliano	43.00%	
3. Interconsult	Luxembourg	3	Credito Emiliano	33.33%	
4. Nextone srl	Milan	3	Credito Emiliano	30.00%	
5. Raffaello Luxembourg SCA	Luxembourg	3	Credito Emiliano	15.24%	
			Abaxbank	7.62%	
			Banca Euromobiliare	6.25%	
6. Società Consortile Nuovo Mercato srl	Andria	3	Credito Emiliano	20.00%	

Key

Type of holding:

1 = majority of the voting rights at ordinary Shareholders' Meeting

2 = joint control

3 = associated companies

In accordance with IAS 27 and SIC 12, the companies Ariosto, a special purpose entity 70% owned by Credemholding, and Alicante Finance, a special purpose entity, were considered as controlled by Credem and, as such, included within the scope of consolidation.

The Group holds a majority share in the capital of several mutual funds managed by asset management companies of the

Group itself. Considering the composition of the capital of these funds, essentially comprising financial assets, and given that the reporting benefits resulting from consolidation of the funds are inferior to the costs necessary to provide said reporting, the Bank has decided not to consolidate these mutual funds. The above-mentioned investments are recorded under the item "Financial assets held for trading" for approximately € 100.6 million. As these amounts are recorded at fair value, their consolidation would not have had any impact on the Parent Company's profit or on the Group's shareholders' equity.

Other matters

Goodwill relating to Credemvita and Credemassicurazioni

During the first six months of the year, the process to allocate the goodwill of Credemvita was concluded, recording residual goodwill of € 4.1 million, while the portion allocation to "intangible assets" amounts to € 20.0 million, after the effect of deferred taxes; said item is subject to the standard process of amortisation.

Intangible assets were calculated using the Value of In-Force Business (VIF) method, determined using the method underlying the Traditional Embedded Value (TEV); this method, widely adopted in valuations regarding intangible assets for insurance businesses, is based on time-discounting the economic flows associated specifically to the asset being valued. The intangible asset, VIF was identified and valued by considering the broad insurance product types separately present in the portfolio of Credemvita on the acquisition date, considering the characteristics of the tariffs and of the insured products portfolio in order to better identify the specific nature of the customer in terms of behaviour and length of the relationship, the expected dynamics of technical reserves and the valuation of the VIF.

The process to allocate the goodwill of Credemassicurazioni was also concluded during the first six months of the year, recording residual goodwill of € 3.7 million, confirming the value already recorded as at 31 December 2008 under "Equity Investments".

Goodwill relating to the Banco Popolare and Unicredit Group Branches

The transactions to purchase business branches, which took place in 2008 fall within the scope of the provisions of International Accounting Standard IFRS 3 (Business Combination), which requires that all business combinations that entail acquiring control are recorded using the Purchase Method.

On the basis of said method, with reference to the acquisition date, the purchaser must allocate the cost of the business combination (Purchase Price Allocation - PPA) recognising assets (including any intangible assets not recorded), liabilities and potential liabilities, at the relative fair values (FV) as at said date.

Any positive difference between the acquisition cost and the fair value (net of any deferred taxes) of the assets, liabilities and potential liabilities, determines the goodwill.

With regard to the identification of intangible assets not recorded on the acquisition balance sheets, intangibles linked to relations with clients acquired (Client Relationship) were identified, while other intangibles expressly excluded from the purchase contracts of the business branches were retained unidentifiable, or in any event not an item of the acquisition (e.g. brand name, specific software, operating systems, non-competition agreements).

As regards the Client Relationship in general, contracts that substantiate the relationship with the acquired client were identified as specific intangibles.

In particular, given the specific nature of the acquisitions in question, and consolidated practice in the banking sector, the following specific intangibles were identified:

- **Core Deposits (CD):** these represent a source of direct deposits (current accounts and savings deposits) with which the bank funds loan activities. Their value for the purchaser is represented by the circumstance that their cost is lower than alternative sources of funding (e.g. interbank market). This markdown is valued for the "economic term" of the account, statistically higher than the contractual term of standard "on demand" accounts.
- **Assets under Custody and Managed Assets (AUM):** this intangible represents "indirect deposits". Its value, for the purchaser, is given by the net commission margin for the statistically-determined economic term, of the account acquired, distinguishing the net profitability attributable to the different technical forms.

With regard to the above-described intangibles, a segmentation was made between "Retail" and "Corporate" clients, in order to better convey the specific nature of the underlying account, in terms of duration of the same, volume dynamics, profitability and costs to manage the account.

The intangibles identified (CD and AUM) were valued, in line with practice in the banking sector, on the basis of a financial method. Specifically, the value was given by time-discounting, as at the acquisition date, the net flows expected for the duration of the residual useful life of the intangibles identified.

As already mentioned, in order to convey the specific nature of the client relationship, the intangibles identified were valued, distinguishing between Retail and Corporate clients.

The method adopted entails determining the following basic elements:

- Initial volumes;

- Evolution of initial volumes;
- Revenues;
- Operating costs;
- Contributory Asset Charges (CACs);
- Taxes;
- Discount rate.

In the absence of a sufficiently extensive historic-statistical database as regards the clients acquired, as often happens with acquisitions of business branches, the valuation of the intangibles was conducted on the basis of an analysis of relations that Credem has with its own clients ("purchaser database").

Initial volumes:

The volumes used as a starting point for the valuation of the CD and AUM, refer to assignment contracts and the relative reference balance sheets.

As the Client Relationship represents the value of the relationship of the bank with the acquired client, initial volumes were extracted from the assets relating to standard clients at the time of the acquisition.

Evolution of initial volumes:

The evolution of initial volumes was estimated on the basis of the decay curve (likelihood of the closure or likelihood of divestment) of the accounts existing at the time of the acquisition.

These probabilities were estimated specifically for the different types of client (Corporate and Retail) and for the different intangibles (CD, AUM), on the basis of statistical actuarial techniques commonly adopted for valuations.

In particular, the "lifing curves" were determined by observing the behaviour of Credem clients on a time horizon of three years (from May 2006 to May 2009) from which the probability of CD being closed and AUMs being divested was taken.

In valuation practice, the definition of the lifing curves relating to AUM entails eliminating the market effect of assets at the end of the observation period, in order to only value the divestment flows of the client and therefore his behaviour in terms of permanence of the assets net of the market effect. From the information available, it was not possible to isolate said effect, which was therefore estimated adopting the historic Euribor rate in the observation period as the reference rate.

For valuation purposes, the evolution of initial volumes is estimated on the basis of the lifing curves and an asset revaluation rate. For CDs this was prudently assumed as equal to estimates of expected inflation (source IMF). For AUM, a revaluation coefficient equal to the forward 1-year Euribor rate at the valuation dates was prudently assumed (in coherence with that performed to sterilise historic data from the market effect).

Revenues:

Revenue flows of CDs are represented by the markdown and by the commissions on savings and current accounts.

The markdown was established by comparing the average cost of funding from deposits and current accounts for Credem and the 1-week Euribor (Group TIT) for the period 2006-2008. The average markdown calculated in this way was maintained constant for the valuation horizon.

The commission margin, also maintained constant, was determined on the basis of the average figure for the period 2006-2008.

The revenue flows of AUM are represented by the commission margin on the relative volumes of assets under custody and managed assets.

Also in this case, in order to stabilise the valuation parameter in question, the average figure for the period 2006-2008, specifically for assets under custody and managed assets was maintained constant.

Operating costs:

For the purposes of valuation, the operating costs associated with managing the client account, as a function of the services provided, must be deducted from the operating income determined with reference to CDs and AUM.

Therefore, a cost/income parameter was determined on the basis of the operating segment. In particular, distinguishing between Retail and Corporate, the cost/income parameter was determined on the basis of data recorded for the period 2006-2008, deducting extraordinary components and those not related to managing the existing client relationship.

The cost/income parameter calculated in this way (Retail and Corporate), were assumed as constants for the entire time horizon of the valuation.

Contributory Asset Charges (CACs):

CACS represent the contribution (cost) of any other intangibles, acquired with the business combinations in question, to the value of the intangibles being valued. This is performed in order to avoid any double counting.

CACS relating to Brand Names, Software and operating systems, non-competition agreements and contractual agreements were not considered (as not identifiable).

On the other hand, the workforce (not identifiable as a separate intangible, but part of goodwill) was considered.

The value referring to the acquired workforce was determined on the basis of the associated economic benefits (savings in terms of recruiting and training costs, taking into consideration any surplus personnel acquired with the branches compared to the average for a branch of the Credem Group).

Taxes:

In order to determine the net flows associated to the intangibles being valued, a full notional tax rate of 32.3% was considered (27.5% IRES and 4.8% IRAP, taking into account the respective taxable income base).

Discount rate:

Net flows generated by intangibles must be discounted to the reference date of the valuation.

In line with standard practice, it was prudently assumed that the riskiness of the flows underlying the intangibles identified was similar to banking risk as a whole. Therefore, the cost of own capital was considered as the discount rate.

This valuation parameter was estimated on the basis of the CAPM model:

$$K_e = R_f + (R_m - R_f) * \beta$$

R_f = risk-free rate of return (assumed to be the rate of return of ten-year BTP as at the valuation date).

β = correlation factor between the effective return of a share and the overall return of the reference market (assumed to be the beta coefficient of the Credem share as at the valuation date).

$R_m - R_f$ = risk premium of an investment in shares with respect to a risk-free investment (assumed to be 5%, in line with Italian valuation practice).

The valuation of the intangibles identified: Fundamental aspects and assumptions

€ '000	RETAIL		CORPORATE	
	Banco Popolare	Unicredit	Banco Popolare	Unicredit
<i>CD</i>				
<u>Current accounts</u>				
Adjusted initial volumes	233,655	233,403	11,944	6,998
Annual revaluation	<i>expected inflation</i>	<i>expected inflation</i>	<i>expected inflation</i>	<i>expected inflation</i>
Markdown	2.39%	2.39%	1.65%	1.65%
<u>Savings deposits</u>				
Adjusted initial volumes	11,537	35,205	0.1	-
Annual revaluation	<i>expected inflation</i>	<i>expected inflation</i>	<i>expected inflation</i>	<i>expected inflation</i>
Markdown	2.43%	2.43%	0.85%	0.85%
Commissions	0.76%	0.76%	0.82%	0.82%
<u>AUM</u>				
<u>Assets under custody</u>				
Adjusted initial volumes	257,708	286,347	710	332
Annual revaluation	<i>Euribor curve</i>	<i>Euribor curve</i>	<i>Euribor curve</i>	<i>Euribor curve</i>
Commissions	0.29%	0.29%	0.02%	0.02%
<u>Managed assets</u>				
Adjusted initial volumes	209,251	168,169	4,078	55
Annual revaluation	<i>Euribor curve</i>	<i>Euribor curve</i>	<i>Euribor curve</i>	<i>Euribor curve</i>
Commissions	1.03%	1.03%	0.62%	0.62%
<u>COMMON ELEMENTS</u>				
Cost income	65.9%	65.9%	40.1%	40.1%
CACS (Workforce)	1.71%	1.69%	2.28%	1.60%
Taxes	32.32%	32.32%	32.32%	32.32%
- Ires	27.50%	27.50%	27.50%	27.50%
- Irap	4.82%	4.82%	4.82%	4.82%
Cost of capital	9.18%	8.82%	9.18%	8.82%

Summary of results

€ '000	BANCO POPOLARE		UNICREDIT	
	Corporate	Retail	Corporate	Retail
CD				
- Fair Value	521	8,831	314	9,843
- % of adjusted initial volumes	4.37%	3.60%	4.49%	3.66%
- Amortisation period (years)	13	18	13	18
- Annual amortisation amount	40	491	24	547
AUM				
- Fair Value	24	4,192	0.4	3,590
- % of adjusted initial volumes	0.50%	0.90%	0.10%	0.79%
- Amortisation period (years)	5	19	5	19
- Annual amortisation amount	4.8	221	0.08	189

Residual goodwill

€ '000	BANCO POPOLARE	UNICREDIT
Price paid (including accessory charges)	133,494	108,180
Balance sheet deficit	-	-
Goodwill pre PPA	133,494	108,180
CD Retail	8,831	9,843
CD Corporate	521	314
AUM Retail	4,192	3,590
AUM Corporate	24	0.4
Total allocated	13,568	13,748
<i>Total allocated as % of Goodwill pre PPA</i>	<i>10.16%</i>	<i>12.71%</i>
Goodwill post PPA	119,926	94,433

Allocation of residual goodwill: general considerations

The residual goodwill resulting from the above-described PPA process for each of the Business Combinations examined, was allocated to relatively autonomous “organisational units” in terms of management, able to generate cash flows largely independent from those generated by other areas of business (so-called Cash Generating Unit or CGU, in IAS-IFRS terminology).

As envisaged by accounting standard IAS 36, goodwill must undergo impairment testing at least on an annual basis. As goodwill by definition does not generate cash flows that are independent from other business activities, the impairment test of goodwill must necessarily be performed at the level of the CGU to which it has been allocated.

The current management and operating structure has led us to prefer to establish CGUs corresponding to the “Corporate” and “Retail” business units. This solution has enabled the Business Combinations in question to be represented in a coherent way, in terms of the levels at which strategic and operating investment/divestment and resource allocation decisions are

taken within the Group. Furthermore, for the purposes of the Impairment Test, it enabled us to fully convey the synergies gained from the acquisitions and to give wide flexibility, over time, to managing any reorganisation of the current business model.

In the light of the above comments, two CGUs (Corporate and Retail) have been considered, to which the goodwill resulting from the PPA process has been allocated. The allocation process in this case can be represented as follows:

€ '000	BANCO POPOLARE			UNICREDIT			TOTAL		
	CR	RT	Total	CR	RT	Total	CR	RT	Total
Price paid (including accessory charges)	5,095	128,399	133,494	1,576	106,605	108,181	6,671	235,004	241,675
Balance sheet deficit	-	-	-	-	-	-	-	-	-
Goodwill pre PPA	5,095	128,399	133,494	1,576	106,605	108,181	6,671	235,004	241,675
CD	521	8,831	9,352	314	9,843	10,157	835	18,674	19,509
AUM	24	4,192	4,216	0.4	3,590	3,590	24.4	7,782	7,806
Total allocated	545	13,023	13,568	315	13,433	13,748	860	26,456	27,316
<i>Total allocated as % of Goodwill pre PPA</i>	10.70%	10.14%	10.16%	19.98%	12.60%	12.71%	12.89%	11.26%	11.30%
Goodwill post PPA	4,550	115,376	119,926	1,261	93,172	94,433	5,811	208,548	214,359
Annual amortisation	45	711	756	24	736	760	68	1,448	1,516

Election for domestic tax consolidation

Starting from 2004 Credem and the Group's Italian companies adopted the "domestic tax consolidation", governed by articles 117-129 of the Consolidation Act on Income Taxes, introduced into tax legislation by Legislative Decree no. 344/2003.

This is an optional system through which the overall net income or tax loss of each subsidiary participating in the tax consolidation – together with withholdings, deductions and tax credits – is transferred to the Parent Company (Credemholding), producing a single taxable income or single taxable loss carried forward for the latter (resulting from the algebraic sum of its own income/losses and those of the subsidiaries taking part and, consequently, in a single tax debit or credit).

In exercising this option, the companies of the Group that applied the "domestic tax consolidation" calculated their own tax liability, and the corresponding taxable income was transferred to Credemholding. Should one or more of the investee companies have a negative taxable income, where there is consolidated income for the period or a high probability of future taxable income, the tax losses are transferred to Credemholding.

Following the end of the first three-year period of exercising of the option, the results of which were positive, participation in the Group tax consolidation for the period 2007-2009 as well was formally communicated to the financial department in June 2007.

Estimated data

The accounting results relative to the items "other general expenses", "commission income" and "commission expense" include accruals calculated also in accordance with the 2009 budget, in order to correctly determine the year of reference. The usual methods for determining the economic year of reference were used for all other items of the Income statement.

Forecast on operations

As far as the Group is concerned, we do not expect significant changes in economic trends for the last quarter of the year, nor do we envisage any other problematic aspects beyond those that have already emerged in the first nine months.

In order to take the above-mentioned macroeconomic and financial conditions into account, but also on the assumption that the current scenario is not sufficiently stable, forecasting is underway, subject to the approval, by the end of the year, of the new three-year plan.

PERFORMANCE OF THE MAIN FINANCIAL AGGREGATES

RECLASSIFIED BALANCE SHEET (€/million)

	9/09	12/08	9/08	Change 9/09-12/08	
				absolute	%
Cash and cash equivalents	107.9	1,257.1	96.9	-1,149.2	-91.4
Loans to customers	16,720.9	17,620.5	17,201.3	-899.6	-5.1
Due from banks	1,479.3	1,472.9	2,859.1	6.4	0.4
Other financial assets	9,880.0	8,239.5	8,888.4	1,640.5	19.9
Equity investments	15.3	20.1	20.3	-4.8	-23.9
Tangible and intangible assets	685.6	686.8	583.7	-1.2	-0.2
Other assets	795.1	828.9	849.2	-33.8	-4.1
TOTAL ASSETS	29,684.1	30,125.8	30,498.9	-441.7	-1.5
Due to customers	11,519.9	13,668.5	12,506.2	-2,148.6	-15.7
Outstanding securities	6,302.4	8,173.4	8,316.2	-1,871.0	-22.9
Technical reserves	1,149.7	740.2	675.2	409.5	55.3
<i>Customer deposits (including insurance)</i>	<i>18,972.0</i>	<i>22,582.1</i>	<i>21,497.6</i>	<i>-3,610.1</i>	<i>-16.0</i>
Due to banks	6,706.9	2,836.6	4,433.5	3,870.3	136.4
Other financial liabilities	992.5	1,695.5	1,576.0	-703.0	-41.5
Specific risk provisions	177.1	204.0	196.4	-26.9	-13.2
Other liabilities	1,010.8	1,059.0	1,204.2	-48.2	-4.6
Minority interests	0.3	0.2	0.2	0.1	50.0
TOTAL LIABILITIES	27,859.6	28,377.4	28,907.9	-517.8	-1.8
				0.0	
Share capital	332.4	332.4	282.5	0.0	0.0
Reserves	1,424.5	1,259.0	1,140.8	165.5	13.1
Profit (Loss) for the period	67.6	157.0	167.7	-89.4	-56.9
GROUP SHAREHOLDERS' EQUITY	1,824.5	1,748.4	1,591.0	76.1	4.4
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	29,684.1	30,125.8	30,498.9	-441.7	-1.5

The comparative data reflect the effects of the allocation of the final PPA as regards the subsidiary Credemvita and the branches acquired from Banco Popolare and the Unicredit Group.

LOANS TO CUSTOMERS

	€/million		% change on		
	9/09	12/08	9/08	12/08	9/08
loans to customers	6,500	7,551	7,500	-13.9	-13.3
mortgage loans and leases	10,221	10,070	9,701	1.5	5.4
TOTAL LOANS TO CUSTOMERS	16,721	17,621	17,201	-5.1	-2.8
<i>without acquisitions</i>	<i>16,255</i>	<i>17,155</i>	<i>17,201</i>	<i>-5.2</i>	<i>-5.5</i>

The following table analyses loans by company:

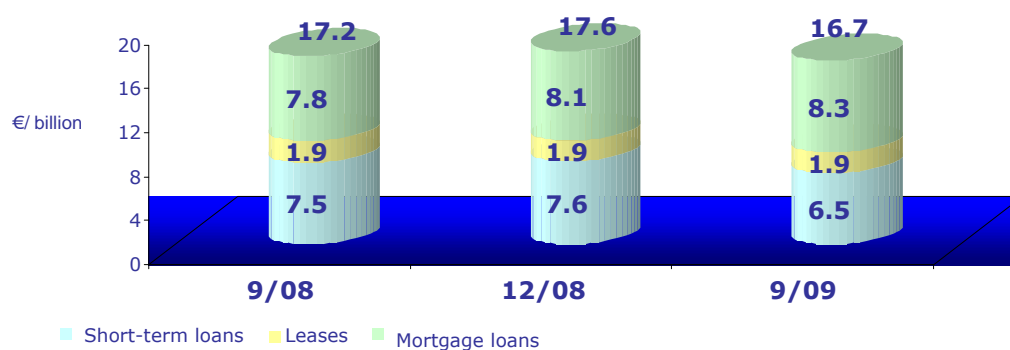
	9/09		12/08		9/08		% change on	
	Amount	%	Amount	%	amount	%	12/08	9/08
Credito Emiliano	14,990	85.5	15,936	85.9	15,318	85.2	-5.9	-2.1
Credemleasing	1,936	11.0	1,947	10.5	1,925	10.7	-0.6	0.6
Credemfactor	223	1.3	297	1.6	233	1.3	-24.9	-4.3
ABAXBANK	141	0.8	154	0.8	304	1.7	n.s.	-53.6
Banca Euromobiliare	183	1.0	131	0.7	138	0.8	39.7	32.6
Credem International (Lux)	48	0.3	52	0.3	15	0.1	-7.7	n.s.
Other companies	14	0.1	30	0.2	32	0.2	-53.3	-56.3
Aggregate	17,535	100.0	18,547	100.0	17,965	100.0	-5.5	-2.4
Consolidation adjustments	-814		-926		-764			
Consolidated	16,721		17,621		17,201		-5.1	-2.8

Overall, loans amounted to € 16.7 billion, recording a year-on-year decrease of 2.8%, confirming the trend underway in the first two quarters of the year; if the acquisitions are not considered, there would have been a fall of 5.5% against September 2008 and of 5.2% against the end of 2008.

The medium-term trend continues to be positive (+5.4% compared to September 2008), even though only a slight rise was recorded against the end of 2008 (+1.5%).

Mortgage loans to households continue to make a significant contribution (over € 5.5 billion, +9.7% against September 2008); loans disbursed also rose (+16.2%).

LOANS

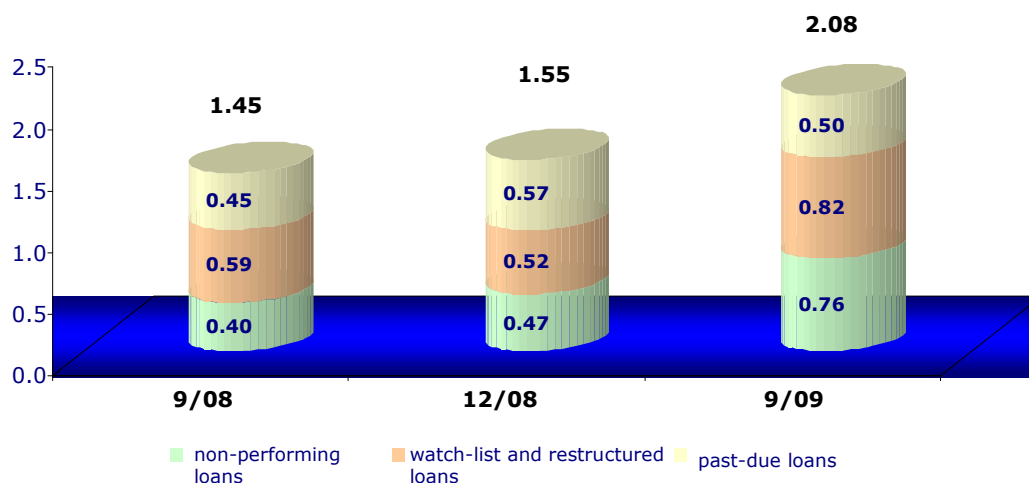


NON-PERFORMING LOANS

	9/09	12/08	9/08
% net non-performing loans/ net loans to customers	0.76	0.47	0.40
% provisions for losses on non-performing loans	60.3	62.0	63.0
nominal values			
non-performing loans	317.8	215.6	186.4
watch-list loans	159.4	123.7	147.9
restructured loans	6.2	4.1	4.3
past-due loans	86.4	102.3	81.9
total nominal values	569.8	445.7	420.5
specific writedowns	221.7	171.7	171.5
estimated recoveries			
- non-performing loans	126.3	82.0	68.9
- watch-list loans	132.7	88.7	98.7
- restructured loans	4.8	3.2	3.2
- "past-due loans"	84.3	100.1	78.2
total recoveries	348.1	274.0	249.0
reconstruction of "accounting funds":	279.7	224.5	220.9
- <i>specific write-downs</i>	221.7	171.7	171.5
- <i>collective write-downs on performing loans</i>	58.0	52.8	49.4

The increasing weakness of the economic cycle has undoubtedly led to a significant rise in credit risk in the banking system, both in terms of the non-performing loans/total loans ratio and in terms of the entity of value adjustments to loans. The group inevitably felt the impact of this situation; the worsening of problem loans regarded above all small companies that have more directly suffered from the general conditions; in addition, Credembanca has practically finished reviewing the loans acquired in the recent acquisitions, and the consequent alignment of the same to the bank's prudential standards.

% net non-performing loans / total loans



CUSTOMER DEPOSITS

	€/million			% change on	
	9/09	12/08	9/08	12/08	9/08
- current accounts and savings accounts	10,094	10,444	9,550	-3.4	5.7
- certificates of deposit	1,207	2,266	1,843	-46.7	-34.5
- other	1,037	1,009	1,123	2.8	-7.7
DEPOSITS	12,338	13,719	12,516	-10.1	-1.4
- bonds and subordinated debt	3,997	4,853	5,275	-17.6	-24.2
DIRECT DEPOSITS EXCLUDING REPURCHASE AGREEMENTS	16,335	18,572	17,791	-12.0	-8.2
- repurchase agreements and stock lending activity	389	2,216	1,830	-82.4	-78.7
TOTAL BANK DIRECT DEPOSITS	16,724	20,788	19,621	-19.5	-14.8
- 2008 acquisitions	336	336	-	-	-
BANK DIRECT DEPOSITS "harmonised"	16,388	20,452	19,621	-19.9	-16.5
INSURANCE RESERVES	2,247	1,794	1,877	25.3	19.7
INDIRECT DEPOSITS at countervalue	36,988	31,554	33,623	17.2	10.0
- 2008 acquisitions	496	496	-	-	-
INDIRECT DEPOSITS at countervalue "harmonised"	36,492	31,058	33,623	17.5	8.5
GRAND TOTAL	55,959	54,136	55,121	3.4	1.5
- 2008 acquisitions	832	832	-	-	-
GRAND TOTAL	55,127	53,304	55,121	3.4	0.0

The following table shows the breakdown of indirect deposits by technical form (at countervalue):

	€/million			% change on	
	9/09	12/08	9/08	12/08	9/09
asset management	4,096	3,519	3,908	16.4	4.8
mutual funds	3,900	3,666	4,101	6.4	-4.9
SICAV	4,901	3,214	3,278	52.5	49.5
other and third party products	1,455	1,077	955	35.1	52.4
total managed	14,352	11,476	12,242	25.1	17.2
<i>total managed without acquisitions</i>	<i>14,272</i>	<i>11,396</i>	<i>12,242</i>	<i>25.2</i>	<i>16.6</i>
total under custody	22,636	20,078	21,381	12.7	5.9
Indirect deposits at countervalue	36,988	31,554	33,623	17.2	10.0

In a climate that continues to favour maintaining liquid, risk-free assets, the Group has decided to bring forward (significantly with respect to the banking system) the repositioning of its clients' financial assets, them towards managed asset products, principally bonds and monetary products characterised by higher expected returns than similar products issued directly by the bank (in particular certificates of deposit and repurchase agreements).

The consequent trend of direct deposits reflects the substantial maintenance of more liquid components, the high reduction of deposits in "time" repurchase agreements and certificates of deposit and the high reduction of the institutional bond segment following the relevant maturities.

As mentioned above, the Group intends to bring forward the repositioning of its clients' savings, privileging and encouraging investments with a low-risk profile associated to the managed assets segment; therefore we have seen a recovery in indirect deposits and in particular managed assets. The insurance segment also recorded a satisfactory recovery, focused on traditional policies, namely on proposals that meet the primary need to protect the investor's capital. The generalised growth of the various technical forms particularly regarded the segment of foreign UCITs.

Assets under custody show an increase of 12.7% against the end of 2008, and 5.9% yoy.

The following table shows the breakdown of direct bank deposits by company:

	9/09		12/08		9/08		% change on	
	Amount	%	Amount	%	Amount	%	12/08	9/08
Credito Emiliano	17,157	80.0	20,855	82.3	17,724	81.1	-17.7	-3.2
Credemleasing	870	4.1	808	3.2	914	4.2	7.7	-4.8
Credemfactor	18	0.1	23	0.1	18	0.1	-21.7	0.0
Banca Euromobiliare	999	4.7	1,484	5.9	1,122	5.1	-32.7	-11.0
Abaxbank	801	3.7	620	2.4	802	3.7	29.2	-0.1
Credem International (Lux)	1,489	6.9	1,490	5.9	1,231	5.6	-0.1	21.0
Other companies	110	0.5	47	0.2	55	0.3	134.0	100.0
Aggregate	21,444	100.0	25,327	100.0	21,866	100.1	-15.3	-1.9
Consolidation adjustments	-4,720		-4,539		-2,245			
DIRECT DEPOSITS	16,724		20,788		19,621		-19.5	-14.8

The following table shows the breakdown of indirect deposits by company:

	managed			custody/administered			total		
	amount	% change		amount	% change		amount	% change	
		12/08	9/08		12/08	9/08		12/08	9/08
Credito Emiliano	11,601	26.0	22.0	19,675	13.3	6.1	31,276	17.7	11.5
Euromobiliare Asset Manag. SGR	3,845	7.5	-2.8	-	-	-	3,845	7.5	-2.8
Banca Euromobiliare	4,108	21.5	9.6	2,342	-1.0	-3.0	6,450	12.2	4.7
Credem International (Lux)	120	34.8	20.0	590	83.2	19.9	710	72.7	19.9
Eurom. International Fund SICAV	4,901	52.5	49.5	-	-	-	4,901	52.5	49.5
Eurom. Alternative Investment SGR	119	-38.3	-55.1	-	-	-	119	-38.3	-55.1
Credem Private Equity	37	-2.6	-2.6	-	-	-	37	-2.6	-2.6
Banca Euromobiliare (Suisse)	358	36.6	13.7	351	-20.8	-12.9	709	0.6	-1.3
Aggregate indirect deposits	25,089	25.7	18.3	22,958	12.0	5.1	48,047	18.7	11.6
Consolidation adjustments	-10,737			-322			-11,059		
Total indirect consolidated	14,352	25.1	17.2	22,636	12.7	5.9	36,988	17.2	10.0

It should be noted that in both the breakdowns of managed assets, the insurance deposits are not evident, which, following the line-by-line consolidation of CredemVita, represent a financing source for the group in these financial statements. For this reason, this component was separately identified in the introductory table to this section.

PERFORMANCE OF GROUP COMPANIES

CREDITO EMILIANO

	1st Quarter	2nd Quarter	3rd Quarter	9/2009	9/2008	% change
interest margin	93.6	90.3	98.3	282.2	384.4	(26.6)
dividends from equity investments	0.0	2.6	0.0	2.6	4.1	(36.6)
non-interest margin	89.7	85.5	97.3	272.5	211.9	28.6
operating income	183.3	178.4	195.6	557.3	600.4	(7.2)
personnel costs	(83.8)	(84.7)	(88.9)	(257.4)	(235.1)	9.5
administrative costs	(50.0)	(48.6)	(48.7)	(147.3)	(141.4)	4.2
operating costs	(133.8)	(133.3)	(137.6)	(404.7)	(376.5)	7.5
GROSS OPERATING PROFIT	49.5	45.1	58.0	152.6	223.9	(31.8)
depreciation & amortisation	(5.4)	(5.4)	(6.0)	(16.8)	(21.3)	(21.1)
operating profit	44.1	39.7	52.0	135.8	202.6	(33.0)
provisions for risks and charges	(1.4)	2.8	1.9	3.3	(2.4)	(237.5)
extraordinary income/charges	0.2	(2.9)	(2.0)	(4.7)	(2.5)	88.0
plus/minus on equity investments	0.0	(0.4)	3.6	3.2	0.0	n.s.
adjustments to loans, net	(24.4)	(32.3)	(12.9)	(69.6)	(36.9)	88.6
PROFIT BEFORE TAX	18.5	6.9	42.6	68.0	160.8	(57.7)
income taxes	(8.0)	(6.3)	(21.8)	(36.1)	(24.7)	46.2
NET PROFIT	10.5	0.6	20.8	31.9	136.1	(76.6)

KEY:

Interest margin

- + Item 30 Interest margin
- Reclassification of extraordinary financial transactions (-128.6 as at 9/09)

Dividends on equity investments

- + Item 70 Dividends and similar revenues (solely for the portion relating to dividends from minority shareholdings)

Non-Interest Margin

- + Item 60 Net Commissions
- + Item 70 Dividends and similar revenues (solely for the portion relating to dividends on shares)
- + Item 80 Net result from trading activities
- + Item 90 Net result from hedging activities
- + Item 100 Profit/Loss from sale or repurchase, with exclusion of € 3.6 million of profits from the sale of minority shareholdings
- + Item 110 Net result of financial assets and liabilities valued at fair value
- + Item 190 Other operating income/charges (net of extraordinary components)
- + Reclassification of extraordinary financial transactions (+128.6 as at 9/09)

Operating Income

(Interest Margin + Dividends on Equity Investments + Non-interest Margin)

Operating costs

- + Item 150 Administrative costs

Gross operating profit

(Operating income – Operating costs)

Depreciation & amortisation

- + Item 170 Net value adjustments/write-backs to tangible assets
- + Item 180 Net value adjustments/write-backs to intangible assets

Operating profit

(Gross operating profit – Depreciation & Amortisation)

Net provisions for risks and charges

- + Item 160 Net provisions for risks and charges

Extraordinary income (charges)

- + Item 190 Other operating income/charges (net of extraordinary items)
- + Item 240 Profit (Loss) from disposal of investments

Plus/minus on equity investments

- + Voce 100 Profit/Loss from sale or repurchase, only for the component of € 3.6 million of profits from the sale of minority shareholdings

Adjustments to loans, net

- + Item 130 Net value adjustments/write-backs due to impairment of credit

Profit before tax

(Operating profit +/- Net provisions for risks and charges +/- Extraordinary income/charges +/- Plus/minus on equity investments – Net adjustments to loans)

ROE

Net profit/(equity in period of reference + equity at end of previous year)

2

The comparative data shows the impact of the allocation of the final PPA related to the branches acquired from Banco Popolare and from the Unicredit Group.

The rapid fall in interest rates, the downtrend in volumes, particularly as regards corporate clients, together with the higher viscosity associated to sources of funding, led to a significant fall in the interest margin.

With regard to the “non-interest margin” aggregate (+30.8%) the fall in commission on managed assets and brokerage has slowed down (-11.6%); particularly individual portfolio management fell by 39.9% while the growth in revenues linked to the placement of insurance products continued to rise (+17.4%).

A strong upward trend was recorded for commission on securities trading for third parties (+75.9%) while the “traditional banking” component continues to be positive (+17.2%).

The “securities trading and exchange rates” component made an important contribution (€ 54 million), which decidedly inverts the trend of the last few quarters.

Personnel costs (+5.2%) reflected the addition of staff in the new branches acquired from Unicredit and Banco Popolare, as well as the cost of staff leaving incentives for Credembanca; if said components were excluded, the aggregate would have recorded a fall of 1.3%.

Other administrative costs (+1.4%) also felt the impact of costs associated with the new branches acquired from Unicredit and Banco Popolare: without them, but considering the Audit currently in Credembanca, the increase would have been 1,9%.

Total operating costs (+3.9%) net of the acquisitions, restructuring costs and staff leaving incentives, were substantially unchanged (-0.1%).

The effects of the economic crisis on value adjustments to loans are evident; the latter stand at € 69.9 million, but represent 0.46% of total loans; the trend shows a slowdown compared to previous quarters.

The adjustment of the loans portfolio, giving the increasing riskiness of the system, was made in good time, and was concentrated in the first half of the year.

The high increase of the tax rate is mainly attributable to IRAP, against a lower pre-tax profit and slightly higher personnel costs.

		9/2009	9/2008	2008
customer loans	€/million	14,990	15,318	15,936
direct deposits		17,157	17,724	20,855
indirect deposits		31,276	28,045	26,581
total deposits	€/million	48,433	45,769	47,436
employees	no.	5,169	4,967	5,205(*)
branches	no.	551	521	562
financial advisors	no.	656	617	640

(*) including the addition of audit staff to Credembanca in the first part of 2009

As far as assets are concerned, a fall in loans to € 14,990 million was recorded (-2.1% against September 2008 and -5.9 against the end of 2008).

In terms of deposits, compared to September 2008, a fall in direct deposits was recorded (17,157 million, -3.2% against September 2008 and -17.7% against the end of 2008) and a significant recovery in indirect deposits (31,276 million, +11.5% compared to September 2008 and +17.7% compared to the end of 2008).

CREDEMLEASING

		9/09	9/08	9/07
number of contracts stipulated				
- movables		1,867	2,389	2,767
- real estate		160	178	270
	no.	2,027	2,567	3,037
amount of contracts stipulated				
- movables		143.8	205.8	185.5
- real estate		146.2	140.8	174.8
	€/million	290.0	346.6	360.3
domestic market share	%	1.58	1.16	1.06
outstanding principal from financial leases	€/million	1,944.5	1,934.4	1,854.9

In line with the observations made for the first half of 2009, results for the financial lease market were heavily impacted by the recession of the Italian economy, recording, in comparison to the same period of 2008, a reduction in both the value of investments financed (-39.2% and around € 18.4 million) and in the number of new contracts stipulated (-33%).

The reduction was substantially the same in both the real estate sector (-38.1% in the value of production, -35.8% in the number of new contracts stipulated) and in the movables sector (-39.9% in the value of production, -32.9% in the number of new contracts stipulated).

In this context, the company recorded better results than those of the "System", particularly as a result of the positive trend of the "real estate" sector, which rose by 3.9% against the same period of the previous year.

Overall, market share increased to 1.58% (1.30% at December 2008).

Average productive capital recorded an increase of 2.1% compared to the same period of the previous year.

The fall in net profit, compared to the corresponding period of 2008, is justified by the absence of non-recurring components, mostly resulting from the use of deferred taxes consequent to the redemption of off-balance sheet provisions (quantifiable as around € 3.9 million).

CREDEMFACOR

Description		9/09	9/08	% change
Turnover (flows)		781.1	765.9	2.0
- with recourse	€/million	516.6	490.0	5.4
- without recourse	€/million	264.4	275.9	-4.2
Outstanding	€/million	320.5	326.3	-1.8
Investment :				
. at the end of the period	€/million	211.4	217.6	-2.8
. average	€/million	222.9	238.3	-6.5

For the first nine months of 2009, turnover was € 781 million, up 2% compared to € 766 million recorded in September 2008.

Products with recourse reached € 517 million, with an increase over the previous year of 5.4%, while products without recourse, which represent 33.8% of total volumes (36% in September 2008) recorded a fall of 4.2%, and amounting to € 264.4 million.

In the period, 356 new contracts stipulated with assigning customers (+ 49 compared to the previous year).

Loans at the end of September 2009 amounted to € 211 million, recording a decrease of 2.8% compared to the previous year (€ 218 million) while average loans amounted to € 223 million (-6.5% against the previous year).

The outstanding component fell from € 326 million in September 2008 to € 320 million in June 2009 (-1.8%).

System data was as follows (change compared to 9/2008): turnover -5.9, outstanding -3.2 and investment -3.2.

EUROMOBILIARE ASSET MANAGEMENT SGR

In the first nine months of 2009, the managed assets sector recorded a fall in deposits of € 7.6 billion.

Going against market trends, net deposits as regards funds and SICAVs of Euromobiliare Asset Management were up € 1,610 million.

The Company's market share, in terms of managed assets (including Italian funds, speculative funds and SICAVs) rose from 1.71% in 2008 to 2.10% in September 2009. If only Italian funds and SICAVs are considered, the market share rose from 1.66% in 2008 to 2.07% in September 2009.

The increase in net profit as at September 2009 compared to the same period of 2008, is attributable to the increase in net commissions (+29.1%) and the fall in overheads (-6.4%).

EUROMOBILIARE ALTERNATIVE INVESTMENTS SGR

Net deposits as at September 2009 fell by € 67 million, due to the continual decline of Market Neutral and Market Neutral Plus funds.

In any event, this trend is in line with the overall trend of the system, which continues to record outflows on hedge funds (a fall in deposits of € 5.2 billion since the beginning of the year).

Managed assets, corresponding to € 119 million, were lower than those recorded at the end of the previous year (€ 187 million).

The Company's market share, in terms of managed assets in speculative funds, fell from 0.89% at the end of 2008 to 0.73% in September 2009.

This result is substantially attributable to a fall in net commissions (-42.9% against September 2008) and due to the drastic reduction in managed fund assets.

CREDEM PRIVATE EQUITY

The company recorded a reasonable net result for the first nine months of 2009.

The main aggregates of the balance sheet and income statement were substantially unchanged compared to the same quarter of the previous year.

All investee companies recorded positive results at the end of 2008, with the exception of the subsidiary Arketipo, a minority shareholding, which was prudently written down by 50%.

To date, 48.3% of deposits have been invested.

At present, the negative economic scenario is impacting several of the investee companies managed and is making forecasts for the same as well as decision on new investments particularly difficult.

Despite the uncertainties of the macroeconomic scenario, Credem Private Equity is analysing several opportunities for further investments, in order to reach a figure of 75% of deposits invested by 2010, as envisaged by the fund's plan.

CREDEM INTERNATIONAL LUX

With regard to the services provided to Euromobiliare International Fund Sicav, work to update the products offered by the company continued in the third quarter; in fact, the merger of two segments was organised and the investment characteristics of another segment were changed. The assets managed in SICAVs recorded a significant increase compared to the end of 2008 (+52.47%), with a result of € 4,900.7 million.

As regards private banking, total deposits amounted to € 872 million, with an increase of 38% compared to the end of 2008. In this context, assets under custody increased considerably (+268 million), both by virtue of new deposits, and following a rise in share prices; managed assets improved (+28.8 million) while direct deposits fell by € 58 million.

Activities in the credit segment have been restricted to managing the existing portfolio, which recorded a balance of € 54.7 million, down 13.9 million, due to several maturities. Credit commitments amounted to € 13.4 million (down 2.1 million).

BANCA EUROMOBILIARE SUISSE

Deposits for the first nine months of 2009 increased.

In fact, managed assets amounted to 1,242 million Swiss francs (1,115 as at December 2008).

A more than satisfactory result, especially given the current market scenario was recorded for new deposits, which amounted to 68.3 million Swiss francs.

The first nine months of the year closed with performance of the income statement impacted by both the economic scenario and positioning of customer portfolios on very prudent asset classes with low returns.

As a result of this, the non-interest margin fell compared to the previous period, totalling 9.1 million Swiss francs (-10% compared to the same period of 2008).

The relentless fall in interest rates has also had a negative impact on the interest margin, which was substantially halved (-45%) compared to the same period of the previous year.

BANCA EUROMOBILIARE

In September 2009, overall customer assets amounted to around € 7,000 million, against around € 6,750 million at the end of December 2008, with an increase of almost € 250 million (+3.5%).

This increase mainly results from the positive market trend recorded in the first nine months of the year (+6%, corresponding to € 400 million), while net deposits fell by €140 million.

The percentage represented by managed assets rose from 51% at the end of 2008 to 59% at the end of September, with a significant rise in net managed assets (+460 million), due to the reallocation of assets extracted from the direct deposits component (-465 million) and assets under custody (-130 million), which also benefitted from better market conditions.

Lastly, loans to customers rose significantly by € 52 million (from 131 to 183, +40% in nine months).

Operating income overall fell in comparison to the same period of the previous year (-12%).

In particular, the interest margin felt the impact of monetary interest rates close to zero since the beginning of the year, which led both to a fall in the profitability of direct customer deposits and in liquid assets from treasury deposits, and to a higher inclination of customers towards managed asset products, resulting in lower funds in current accounts.

As regards the non-interest margin, the continual growth in managed assets (in absolute values and in terms of the percentage of the total), the positive trend of the financial markets and the asset mix less unbalanced towards administered asset products, direct deposits and monetary managed asset products, led to a recovery of average profitability and of the margin generated by traditional business activities with respect to the last few months of 2008 and the first few months of 2009, still marked by the crisis; the comparison with the first nine months of 2008 is still negative however; lastly, we would like to draw attention to the positive contribution of brokerage activities, particularly the recent investments of the bank's portfolio in government bonds.

Administrative costs rose compared to the same period of the previous year (+8%): personnel costs also rose (+6%) mainly due to salaries associated to the acquisition of Citibank International PLC ("fully operational" only as of this year), while in terms of overheads (+10%) higher rental costs were recorded (substantially due to the acquisition of Citibank International PLC branches).

In the light of the above circumstances, the net loss for the period was -6.0 million, compared to -1.4 million in the same period of the previous year.

Finally, looking at the evolution of quarterly figures, a positive trend of operating income can be seen (from € 8.3 million in the first quarter, to 10.0 in the second and in the third) and a slight fall in operating costs (from € 12.1 million in the first quarter to € 12.0 million in the second and € 11.8 million in the third), with a gradual improvement of the net result for the period, from quarter to quarter (from € -2.6 million in the first, to € -1.9 in the second, to € 1.5 million in the third).

ABAXBANK

Abaxbank recorded a net profit of € 13.7 million at September 2009.

The trend of the financial markets in the first nine months of 2009, as well as being well-interpreted, also had a positive impact on the Fixed Income segment, which made a substantial contribution to operating income, which stood at € 54 million.

This aggregate recorded a growth of 38.4% compared to the same period of the previous year (€ 39 million).

Operating costs (€ 29.4 million), on one hand incorporated a reduction of € 3.2 million in administrative costs and on the other suffered from restructuring costs of € 9.6 million.

As regards the balance sheet as at 30 September 2009, considering the bank's traditional activities, the main asset and liability items are financial trading instruments, cash and derivatives and the associated funding and loan transactions recorded under payables and receivables.

Trading assets amounted to around € 1,214 million, corresponding to 43% of total assets, significantly down with respect to the figure recorded as at December 2008, which amounted to € 3,201 million.

MAGAZZINI GENERALI DELLE TAGLIATE

Deposits increased slightly both with regard to the same period of the previous year and to the previous quarter. This figure is very positive considering the downtrend in the production of Parmigiano-Reggiano (-3.5%) and the reduction in stocks of matured products, which mark a substantial maintenance of consumption.

Revenues rose on the whole, despite the gradual and continuous erosion of warehousing rates and the modest contribution of complementary services, which are highly useful to consolidating relations with customers, but not an easy source of income in the increasingly complex sector of third-party maturing warehousing.

Labour and energy costs were lower, while costs for the maintenance of industrial facilities, plant and specific and general machinery rose.

There was a significant rise in depreciation and financial charges mostly due to the photovoltaic plant, which is starting to generate income from the sale of the surplus energy produced and from the contribution of the incentive scheme.

CREDEMTEL

The "Interbank Corporate Banking" sector represents 45.4% of revenues and is the service that generates the highest margins, which we retain may rise over time due to efficiencies; revenues from customers that have subscribed directly with Credemtel.

The "Electronic Document Management" sector, which represents 51.2% of revenues, is certainly the area that is showing the fastest growth trend and that in the future should continue at a very good pace. Figures for the first half of the year have risen with respect to the same period of the previous year by 22.3%.

CREDEMVITA

		9/09	9/08
premiums collection (flows)	€/million	530	317
active policies	no.	92,189	90,883

The number of new contracts, corresponding to 11,158, shows a significant increase with respect to the figure of 6,606 of September 2008 (+68.9%) due to the contribution generated by new products in Segment I, which met with considerable success.

The stock of existing policies on the other hand showed a more restrained growth (+1.4%) due to a considerable flow of redemptions recorded as of September 2008, which drastically reduced the size of the contracts portfolio at the end of 2008 and the beginning of 2009.

Premiums collected in the period amounted to € 530 million, marking an increase of 67.2% yoy, due to the significant amount of premiums collected for Segment I products (both revaluable products, and TCM and CPI policies) and for the Pension Fund.

The result for the period is an improvement over the same period of the previous year, also due to a fall in costs attributable to the period.

Equity shows a considerable increase, due mainly to the increase in share capital finalised in September 2009 of € 10.3 million and to the carrying forward of the profit of the previous year to equity reserves: as a whole, equity, excluding the result for the period, is € 18.3 million higher than that recorded as at 31 December 2008, totalling € 75.8 million.

CREDEMASSICURAZIONI

		9/09	9/08
premiums issued	€/thousand	18,039	17,911
active policies	no.	105,945	87,402

As at September 2009, the Company recorded premiums amounting to € 23.8 million compared to € 19.7 million in the same period of the previous year (+21%) confirming, also in the third quarter, a positive commercial trend.

With regard to the premiums aggregate for the period, the growth trend with respect to September 2008 was 1%.

Sales activities, also in the third quarter of 2009, tended to follow the main trends of market demand, focusing sales efforts on new bank (CPI), Leasing and CreaCasa products, generating income from premiums of € 6.7 million.

Premiums issued for the Comprehensive Home Protection (€ 2.9 million, +14%) and Casualty and Health (€ 0.7 million +19%) product lines also recorded good results.

Premiums relating to car insurance products, on the other hand fell, amounting to € 12.4 million (-19%).

Overall, the number of policies in the portfolio was 105,945, up 22% against September 2008.

In economic terms, Credemassicurazioni recorded a loss of around € 1 million, due mainly to the deterioration of claims in the car insurance sector, both due to systemic elements that have affected the market for the whole of 2009, and due to the concentration of large claims made to the Company. The overall claims trend for the other segments continued to be positive.

EUROMOBILIARE FIDUCIARIA

Commission income was down 6.5%, mainly due to the fall in the amount of trust assets due to the crisis that hit the market in 2008.

Existing fiduciary mandates were 948 against 1058 in September 2008, while trust assets fell from € 822 million in September 2008 to € 696 million in September 2009.

The fall in mandates and in trust assets is mainly attributable to the final closure of the Rome branch and the transfer of the customer packages managed by two agents that worked in the operating unit to another trust company.

PERFORMANCE OF THE MAIN ECONOMIC AGGREGATES

RECLASSIFIED INCOME STATEMENT (€/million)

	9/09	9/08	% change	12/08
interest margin	327.2	427.7	(23.5)	562.8
non-interest margin	383.9	329.9	16.4	353.3
operating income	711.1	757.6	(6.1)	916.1
personnel costs	(318.8)	(291.6)	9.3	(391.9)
administrative costs	(181.3)	(178.8)	1.4	(243.7)
operating costs	(500.1)	(470.4)	6.3	(635.6)
gross operating profit	211.0	287.2	(26.5)	280.5
depreciation & amortisation	(22.2)	(26.1)	(14.9)	(36.9)
net operating profit	188.8	261.1	(27.7)	243.6
provisions for risks and charges	2.4	(2.8)	n.s.	(4.3)
extraordinary income/charges	10.5	(3.1)	n.s.	(0.4)
adjustments to loans, net	(75.2)	(52.5)	43.2	(58.1)
PROFIT BEFORE TAX	126.5	202.7	(37.6)	180.8
income taxes	(58.9)	(35.0)	68.3	(25.0)
NET PROFIT	67.6	167.7	(59.7)	155.8
ROE	3.8%	12.1%		
<i>non-interest margin / operating income</i>	54.0%	43.5%		38.6%
<i>operating costs / operating income</i>	70.3%	62.1%		69.4%
<i>tax rate</i>	46.6%	17.3%		13.8%

KEY:

Interest margin

- + Item 30 Interest margin
- + Item 240 Profit (Loss) from equity investments
- + Item 70 Dividends and similar revenues (solely for the portion relating to dividends from minority shareholdings)
- Interest margin of Abaxbank and Credemvita
- Reclassification of extraordinary financial transactions (-128.6 as at 9/09)

Non-Interest Margin

- + Item 60 Net Commissions
- + Item 70 Dividends and similar revenues (solely for the portion relating to dividends from minority shareholdings)
- + Item 80 Net result from trading activities
- + Item 90 Net result from hedging activities
- + Voce 100 Profit/loss from sale or repurchase, with the exclusion of loans, of € 17 million to repurchase and eliminate a doubtful loan in 2009 and € 3.6 million of profit on the sale of minority shareholdings
- + Voce 110 Net result from financial assets and liabilities valued at fair value
- + Item 150 Net premiums
- + Item 160 Other income/charges from insurance activities
- + Voce 220 Other operating income/charges (net of extraordinary components)
- + Interest margin of Abaxbank and Credemvita
- + Reclassification of extraordinary financial transactions (+128.6 as at 9/09)

Operating income

(Interest margin + Non-interest margin)

Operating costs

- + Item 180 Administrative costs

Gross operating profit

(Operating income – Operating costs)

Depreciation & amortisation

- + Item 200 Net value adjustments/write-backs to tangible assets
- + Item 210 Net value adjustments/write-backs to intangible assets

Operating profit

(Gross operating profit – Depreciation & Amortization)

Net provisions for risks and charges

+ Item 190 Net provisions for risks and charges

Extraordinary income (charges)

- + Voce 100 Profit/loss from sale or repurchase, for the loan component only, and € 17 million to repurchase and eliminate a doubtful loan in 2009 and € 3.6 million of profit on the sale of minority shareholdings
- + Item 220 Other operating income/charges (only extraordinary items)
- + Item 270 Profit (Loss) from disposal of investments
- + Voce 310 Profit (Loss) from non-current assets being disposed, net of taxes

Adjustments to loans, net

- + Item 130 Net value adjustments/write-backs due to impairment

Profit before tax

(Operating profit +/- Net provisions for risks and charges - Adjustments to loans +/- Extraordinary income/charges)

ROE

Net profit/(equity in period of reference + equity at end of previous year)

The comparative figures reflect the impact of the allocation of the final PPA relating to the subsidiary Credemvita and to the branches acquired from Banco Popolare and the Unicredit Group

ANALYSIS OF INTEREST MARGIN

	12/08	9/08	9/09	% change
average interest on loans	6.08%	6.07%	3.99%	-2.08%
average interest on deposits	-2.55%	-2.53%	-1.20%	1.33%
Customer spread	3.53%	3.54%	2.79%	-0.75%

The rapid fall in interest rates, the downtrend in volumes, particularly as regards corporate clients, together with the higher viscosity associated to sources of funding, led to a significant fall in the interest margin.

ANALYSIS OF NON-INTEREST MARGIN

	9/09	9/08	% change
management and brokerage	121.5	132.2	-8.1
banking services	105.2	90.1	16.8
net commissions	226.7	222.3	2.0
Abaxbank operating income	43.1	40.7	5.9
securities trading, exchange rates and derivatives of other companies	54.0	13.2	309.1
securities trading, exchange rates and derivatives	97.1	53.9	80.1
insurance business operating income	16.3	10.7	52.3
other income and charges	43.8	43.0	1.9
non-interest margin	383.9	329.9	16.4

As regards the “non-interest” aggregate (+16.4%), the fall in commission on managed assets and brokerage has slowed down (-8.1%); in particular both individual and collective portfolio management recorded falls of 28% and 17% respectively, while revenues linked to the placement of insurance products (+30%) and of securities and third-party products (+78%) continued to rise.

Commission on securities trading for third parties is showing a very positive upward trend (+ 55%), while the “traditional banking” component continued to make a steady contribution (+16.8%).

While the margin of Axabank continues to remain substantially stable, the “securities trading and exchange rates” component made a significant contribution (€ 54 million), inverting the trend of the last few quarters.

OPERATING INCOME

	9/ 09		9/ 08		change %
	amount	% impact	amount	% impact	
Credito Emiliano	557.0	76.5	600.4	78.3	-7.2
Credem International (Lux)	15.5	2.1	11.9	1.6	30.3
Credemleasing	23.0	3.2	26.7	3.5	-13.9
Credemfactor	9.6	1.3	10.6	1.4	-9.4
Banca Euromobiliare	29.6	4.1	33.0	4.3	-10.3
Euromobiliare A.M. SGR	13.3	1.8	10.4	1.4	27.9
Magazzini Generali delle Tagliate	2.6	0.4	2.4	0.3	8.3
Credemtel	7.3	1.0	7.1	0.9	2.8
Abaxbank	44.5	6.1	40.7	5.3	9.3
Credemvita	13.7	1.9	10.7	1.4	28.0
Banca Euromobiliare (Suisse)	6.9	0.9	7.7	1.0	-10.4
Other companies	5.2	0.7	4.5	0.6	15.6
aggregate	728.2	100.0	766.1	100.0	-4.9
consolidation adjustments	-17.1		-8.5		
Operating income	711.1		757.6		-6.1

OPERATING COSTS

	9/ 09		9/ 08		change %
	amount	% impact	amount	% impact	
Credito Emiliano	404.7	78.4	376.5	77.9	7.5
Credem International (Lux)	3.4	0.7	3.4	0.7	0.0
Credemleasing	6.8	1.3	7.2	1.5	-5.6
Credemfactor	4.0	0.8	4.4	0.9	-9.1
Banca Euromobiliare	37.4	7.3	35.0	7.2	6.9
Euromobiliare A.M. SGR	8.8	1.7	9.4	1.9	-6.4
Magazzini Generali delle Tagliate	1.9	0.4	1.8	0.4	5.6
Credemtel	5.5	1.1	5.7	1.2	-3.5
Abaxbank	28.9	5.6	26.4	5.5	9.5
Credemvita	4.4	0.9	3.9	0.8	12.8
Banca Euromobiliare (Suisse)	4.3	0.8	4.9	1.0	-12.2
Other companies	5.3	1.0	4.9	1.0	8.2
aggregate	515.4	100.0	483.5	100.0	6.6
consolidation adjustments	-15.3		-13.1		
Operating costs	500.1		470.4		6.3

Personnel costs (+9.3%) reflected the addition of the staff from the branches acquired from Unicredit, Banco Popolare and Citibank International PLC, as well as from restructuring costs for Abaxbank and the cost of staff leaving incentives for Credembanca; if these components are excluded, the aggregate would record a fall of 1.4%.

Other administrative costs (+1.4%) also felt the impact of costs associated with the new branches acquired from Unicredit and Banco Popolare and Citibank International PLC: without them, but considering the Audit function currently in Credembanca, the increase would have been 2.2%.

Total operating costs (+6.3%) net of the acquisitions, restructuring costs and staff leaving incentives, were substantially unchanged (-0.1%).

GROSS OPERATING PROFIT

	9/ 09		9/ 08		change %
	amount	% impact	amount	% impact	
Credito Emiliano	152.3	71.7	223.9	79.1	-32.0
Credem International (Lux)	12.1	5.7	8.5	3.0	42.4
Credemleasing	16.2	7.6	19.5	6.9	-16.9
Credemfactor	5.6	2.6	6.2	2.2	-9.7
Banca Euromobiliare	-7.8	-3.7	-2.0	-0.7	n.s.
Euromobiliare A.M. SGR	4.5	2.1	1.0	0.4	n.s.
Magazzini Generali delle Tagliate	0.7	0.3	0.6	0.2	16.7
Credemtel	1.8	0.8	1.4	0.5	28.6
Abaxbank	15.6	7.3	14.3	5.1	9.1
Credemvita	9.3	4.4	6.8	2.4	36.8
Banca Euromobiliare (Suisse)	2.6	1.2	2.8	1.0	-7.1
Other companies	-0.1	0.0	-0.4	-0.1	-75.0
Aggregate	212.8	100.0	282.6	100.0	-24.7
Consolidation adjustments	-1.8		4.6		
Gross operating profit	211.0		287.2		-26.5

The effects of the economic crisis on value adjustments to loans are evident; the latter stand at € 75.2 million, but represent 0.45% of total loans; the trend shows a slowdown compared to previous quarters.

The adjustment of the loans portfolio, given the increasing riskiness of the system, was made in good time, and was concentrated in the first half of the year.

The high increase of the tax rate is mainly attributable to IRAP, against a lower pre-tax profit and slightly higher personnel costs.

In order to be able to fully analyse the results of the period in question, the following table provides compares quarterly economic performance, that of the previous year and that of the current quarter.

	I/08	II/08	III/08	IV/08	2008	I/09	II/09	III/09	9/2009
interest margin	145.4	141.5	140.8	135.1	562.8	119.4	94.9	112.9	327.2
non-interest margin	91.9	154.5	83.5	23.4	353.3	102.9	131.4	149.6	383.9
operating income	237.3	296.0	224.3	158.5	916.1	222.3	226.3	262.5	711.1
personnel costs	(99.9)	(101.6)	(90.1)	(100.3)	(391.9)	(103.2)	(103.2)	(112.4)	(318.8)
administrative costs	(60.6)	(60.3)	(57.9)	(64.9)	(243.7)	(61.8)	(60.0)	(59.5)	(181.3)
operating costs	(160.5)	(161.9)	(148.0)	(165.2)	(635.6)	(165.0)	(163.2)	(171.9)	(500.1)
GROSS OPERATING PROFIT (LOSS)	76.8	134.1	76.3	(6.7)	280.5	57.3	63.1	90.6	211.0
depreciation & amortisation	(8.5)	(8.8)	(8.8)	(10.8)	(36.9)	(7.1)	(7.2)	(7.9)	(22.2)
operating profit	68.3	125.3	67.5	(17.5)	243.6	50.2	55.9	82.7	188.8
provisions for risks and charges	4.4	(1.3)	(5.9)	(1.5)	(4.3)	(1.4)	(6.4)	10.2	2.4
extraordinary income/charges	(0.2)	(1.2)	(1.7)	2.7	(0.4)	0.6	8.6	1.3	10.5
adjustments to loans, net	(10.0)	(14.0)	(28.5)	(5.6)	(58.1)	(25.9)	(35.0)	(14.3)	(75.2)
PROFIT BEFORE TAX	62.5	108.8	31.4	(21.9)	180.8	23.5	23.1	79.9	126.5
income taxes	(15.3)	(7.3)	(12.4)	10.0	(25.0)	(8.0)	(14.2)	(36.7)	(58.9)
NET PROFIT	47.2	101.5	19.0	(11.9)	155.8	15.5	8.9	43.2	67.6

PROFIT FOR THE YEAR

	9/ 2009				9/ 2008				
	profit	adjust.	contr. to profit	% impact	profit	adjust.	contr. to profit	% impact	% change
Credito Emiliano	31.9	-3.3	28.6	42.3	135.5	-1.6	133.9	80.0	-78.6
Credem International (LUX)	11.4	-0.4	11.0	16.3	9.7	-0.1	9.6	5.7	14.6
Credemleasing	7.8	0.0	7.8	11.5	14.9	0.0	14.9	8.9	-47.7
Credemfactor	2.3	0.0	2.3	3.4	4.0	0.0	4.0	2.4	-42.5
Banca Euromobiliare	-6.0	0.3	-5.7	-8.4	-1.4	0.2	-1.2	-0.7	n.s.
Euromobiliare A.M. SGR	3.0	0.0	3.0	4.4	0.4	0.0	0.4	0.2	n.s.
CredemVita	6.2	0.0	6.2	9.2	5.9	-1.3	4.6	2.7	34.8
Abaxbank	13.7	0.0	13.7	20.3	-1.0	0.0	-1.0	-0.6	n.s.
Banca Euromobiliare (Suisse)	1.9	0.0	1.9	2.8	2.1	0.0	2.1	1.3	-9.5
Other	0.2	-1.4	-1.2	-1.8	2.2	-1.8	0.4	0.2	n.s.
Consolidated	72.4	-4.8	67.6	100.0	172.3	-4.6	167.7	100.0	-59.7

We provide here (in €/ thousands) the reconciliation between the shareholders' equity and the profit for the year of the Credembanca with the results of the Consolidated Financial Statements:

	Shareholder' equity:	of which: profit for the period:
Balances as at 30.09.09 as per Credem Individual Financial Statements	1,605,566	31,947
Surpluses compared with book values:		
• fully consolidated companies	198,459	39,955
• companies valued using the equity method	(5,289)	(829)
Dividends collected during the period	-	(2,701)
Goodwill	9,285	-
Elimination of intergroup profits and other adjustments	16,427	(800)
Balances as at 30 September 2009 as per Consolidated Financial Statements	1,824,448	67,572

CAPITAL AND RISKS

	9/2009	12/2008	12/2007
Regulatory Capital	1,942.3	1,795.5	1,501.1
<i>of which TIER 1 Capital</i>	1,414.6	1,342.3	1,305.9
Capital absorption relative to risk:			
. credit	1,068.7	1,190.8	1,072.3
. for securitisation	-	6.1	4.2
. operating	120.8	120.8	-
. market	98.5	176.7	221.2
. special requirement for Abaxbank	38.6	-	-
Overall capital requirement	1,326.6	1,494.4	1,297.7
Surplus capital	615.7	301.1	203.4
Tier 1 capital ratio	8.53%	7.19%	8.05%
Total capital ratio (minimum 8%)	11.71%	9.61%	9.25%

The overall Capital requirement was € 1,326.6 million against a Regulatory Capital of € 1,942.3 million, with an available margin of € 615.7 million, corresponding to around 32% of the Regulatory Capital.

There was an increase in the available margin of € 314.6 million with respect to the position as at December 2008, due to the following:

- a reduction the Capital Requirement of € 167.8 million;
- an increase in Regulatory Capital of € 146.8 million.

In particular, the change in Capital Requirements is attributable to:

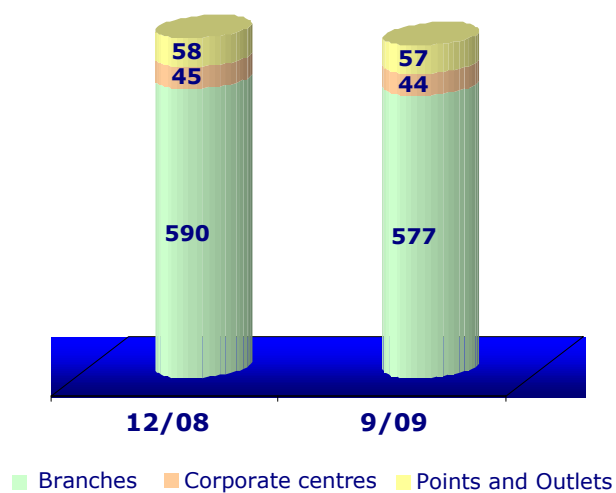
- lower credit risk (€-128.2 million);
- lower market risk (€ -78.2 million); this reduction falls to 38.6 if the specific requirement envisaged by the Banca d'Italia for Abaxbank is considered.

As regards Regulatory Capital, the increase is primarily due to the issue of a new subordinate bond worth 100 million and to the profit for the period.

THE TERRITORIAL ORGANISATION AND EMPLOYEES

	9/09	2008
EMPLOYEES	5,868	5,993
<i>from acquisitions</i>	430	456
<i>former Credemholding</i>	73	73
BRANCHES (by company)		
Credem	551	562
Banca Euromobiliare	25	27
Banca Euromobiliare (Suisse)	1	1
TOTAL BRANCHES	577	590
regions in which branches are located	19	19
provinces in which branches are located	88	87
abroad	1	1
external financial advisors:		
- Credem	656	640
- Banca Euromobiliare	353	362
total external financial advisors	1,009	1,002
“Credempoints”	39	36
Banca Euromobiliare Financial Outlets	18	22
TOTAL FINANCIAL OUTLETS	57	58
Corporate centres	44	45
TOTAL CORPORATE CENTRES	44	45

DISTRIBUTION CHANNELS



DECLARATION BY THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS

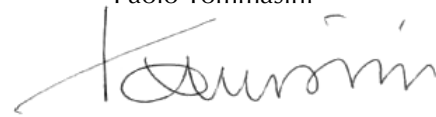
DECLARATION BY THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS

The undersigned, Paolo Tommasini, as Manager responsible for preparing the financial reports of Credito Emiliano SpA hereby declares, pursuant to paragraph 2 of art. 154-bis of Legislative Decree 58/1998 (Consolidated Finance Law), that the accounting information contained in this consolidated quarterly report as at 30 September 2009 corresponds to the information contained in the documents, books and accounting entries.

Reggio Emilia, 12 November 2009

Manager responsible for preparing
the company's financial reports

Paolo Tommasini

A handwritten signature in black ink, appearing to read 'Tommasini', with a long horizontal stroke extending to the left.

ATTACHMENTS

INDIVIDUAL FINANCIAL STATEMENTS

BALANCE
SHEET
INCOME
STATEMENT

Balance Sheet

(in €)

	Asset items	30/09/2009	31/12/2008
10.	Cash and cash equivalents	106,380,113	1,255,691,496
20.	Financial assets held for trading	619,200,784	1,750,694,178
30.	Financial assets valued at fair value	78,886,605	457,784,469
40.	Available-for-sale financial assets	5,393,713,106	486,327,056
60.	Due from banks	3,767,347,176	5,177,773,242
70.	Loans to customers	14,989,818,410	15,936,199,204
80.	Hedging derivatives	17,230,890	274,478,123
90.	Value adjustments to asset items subject to macro-hedging (+/-)	37,477,018	27,155,638
100.	Equity investments	446,427,219	436,528,056
110.	Tangible assets	250,981,868	255,866,592
120.	Intangible assets	285,600,061	290,704,461
	- of which: goodwill	240,060,423	244,855,613
130.	Tax assets	118,320,575	164,858,829
	a) current	43,778,598	100,751,565
	b) prepaid	74,541,977	64,107,264
140.	Non-current assets and groups of assets being disposed of	3,106,416	1,900,296
150.	Other assets	465,751,424	472,720,901
	Total assets	26,580,241,665	26,988,682,541

The comparative figures reflect the impact of the allocation of the final PPA relating to the branches acquired from Banco Popolare and the Unicredit Group

Balance Sheet

(in €)

	Liabilities and shareholders' equity	30/09/2009	31/12/2008
10.	Due to banks	6,357,058,392	3,092,868,746
20.	Due to customers	9,756,652,323	11,778,258,723
30.	Outstanding securities	6,945,447,557	8,757,490,386
40.	Financial liabilities held for trading	280,738,933	336,349,985
50.	Financial liabilities valued at fair value	454,675,355	318,916,264
60.	Hedging derivatives	168,012,746	124,626,754
70.	Value adjustments to financial liabilities subject to macro-hedging (+/-)	2,730,010	
80.	Tax liabilities	73,928,966	75,451,415
	a) current	40,727,386	49,349,988
	b) deferred	33,201,580	26,101,427
100.	Other liabilities	779,649,000	736,202,490
110.	Staff termination indemnity	82,058,386	90,323,957
120.	Provisions for risks and charges:	73,722,911	88,805,290
	a) pensions and similar	2,055,081	2,055,081
	b) other provisions	71,667,830	86,750,209
130.	Valuation reserves	-32,841,616	-12,995,037
160.	Reserves	991,017,081	829,061,484
170.	Share premium reserve	283,052,330	283,105,255
180.	Share capital	332,392,107	332,392,107
190.	Own shares(-)		
200.	Profit (Loss) for the period (+/-)	31,947,184	157,824,722
	Total liabilities and shareholders' equity	26,580,241,665	26,988,682,541

The comparative figures reflect the impact of the allocation of the final PPA relating to the branches acquired from Banco Popolare and the Unicredit Group

Income Statement

(in €)

	Items	30/09/2009	30/09/2008
10.	Interest income and similar revenues	767,068,541	949,434,867
20.	Interest expense and similar charges	(356,258,235)	(517,315,730)
30.	Interest margin	410,810,306	432,119,137
40.	Commission income	200,309,024	194,765,037
50.	Commission expense	(29,111,262)	(28,026,234)
60.	Net commissions	171,197,762	166,738,803
70.	Dividends and similar revenues	2,574,816	175,331,262
80.	Net result from trading activities	(105,090,133)	(209,647,281)
90.	Net result from hedging activities	7,421	78,232
100.	Profit (Loss) from sale or repurchase of:	39,316,875	1,026,329
	b) available-for sale financial assets	38,709,148	157,971
	d) financial liabilities	607,727	868,358
110.	Net result from financial assets and liabilities valued at fair value	(726,917)	(10,606,975)
120.	Operating income	518,090,130	555,039,507
130.	Net value adjustments/write-backs due to the impairment of:	(69,626,765)	(36,854,109)
	a) loans	(69,511,905)	(37,540,103)
	b) available-for-sale financial assets		15,529
	d) other financial transactions	(114,860)	670,465
140.	Net income from banking activities	448,463,365	518,185,398
150.	Administrative costs:	(404,713,613)	(376,455,872)
	a) personnel costs	(257,382,838)	(235,059,998)
	b) other administrative costs	(147,330,775)	(141,395,874)
160.	Net provisions for risks and charges	3,289,016	(2,404,792)
170.	Net value adjustments/write-backs to tangible assets	(9,654,956)	(11,532,482)
180.	Net value adjustments/write-backs to intangible assets	(7,164,777)	(9,705,896)
190.	Other operating income/charges	38,080,537	42,817,348
200.	Operating costs	(380,163,793)	(357,281,694)
210.	Profit (Loss) from equity investments	(400,000)	
240.	Profit (Loss) from disposal of investments	150,418	(104,673)
250.	Profit (Loss) from continuing operations before tax	68,049,990	160,799,031
260.	Taxes on income from continuing operations	(36,102,806)	(24,690,038)
270.	Profit (Loss) from continuing operations after tax	31,947,184	136,108,993
290.	Profit (Loss) for the period	31,947,184	136,108,993

The comparative figures reflect the impact of the allocation of the final PPA relating to the branches acquired from Banco Popolare and the Unicredit Group

2009 STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY (in €)

	Balance as at 31/12/2008	Changes to opening balance	Balance as at 01/01/2009	Allocation of previous year's result		Changes in the period							Profit (Loss) for the period 30/09/2009	Shareholders' equity as at 30/09/2009	
				Reserves	Dividends and other allocations	Transactions on shareholders' equity									
						Changes in reserves	Issue of new shares	Purchase of own shares	Distribution of extraordinary dividends	Changes in equity instruments	Derivatives on own shares	Stock options			
Share capital	332,392,107	-	332,392,107	-	-	-	-	-	-	-	-	-	-	-	332,392,107
a) ordinary shares	332,392,107	-	332,392,107	-	-	-	-	-	-	-	-	-	-	-	332,392,107
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserves	283,105,255	-	283,105,255	-	-	-	-52,925	-	-	-	-	-	-	-	283,052,330
Reserves	829,061,484	-	829,061,484	157,824,722	-	4,130,875	-	-	-	-	-	-	-	-	991,017,081
a) profit	826,448,574	-	826,448,574	157,824,722	-	4,073,619	-	-	-	-	-	-	-	-	988,346,915
b) other shares	2,612,910	-	2,612,910	-	-	57,256	-	-	-	-	-	-	-	-	2,670,166
Valuation reserves:	-12,995,037	-	-12,995,037	-	-	-19,846,579	-	-	-	-	-	-	-	-	-32,841,616
a) available-for-sale assets	-6,296,284	-	-6,296,284	-	-	-6,021,816	-	-	-	-	-	-	-	-	-12,318,100
b) cash flow hedges	-42,328,892	-	-42,328,892	-	-	-13,824,763	-	-	-	-	-	-	-	-	-56,153,655
c) other:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- special revaluation regulations	35,630,139	-	35,630,139	-	-	-	-	-	-	-	-	-	-	-	35,630,139
- intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- exchange rate differences reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- hedging of investments for foreign transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- reserves for assets to be disposed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Own shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit (Loss) for the period	157,824,722	-	157,824,722	-157,824,722	-	-	-	-	-	-	-	-	31,947,184	-	31,947,184
Shareholders' equity	1,589,388,531	-	1,589,388,531	-	-	-15,929,523	-52,925	-	-	-	-	-	31,947,184	-	1,605,567,086

The comparative figures reflect the impact of the allocation of the final PPA relating to the branches acquired from Banco Popolare and the Unicredit Group

