

CREDEM group

'04 - '06 plan

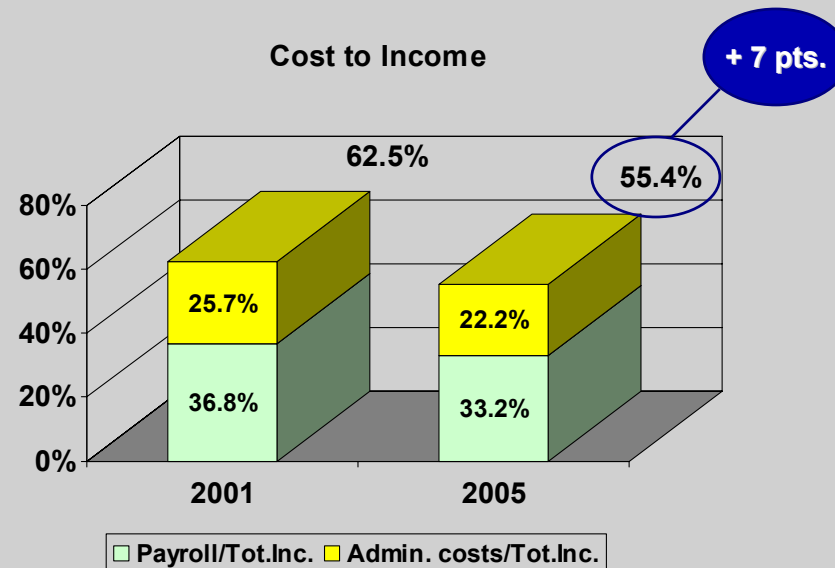
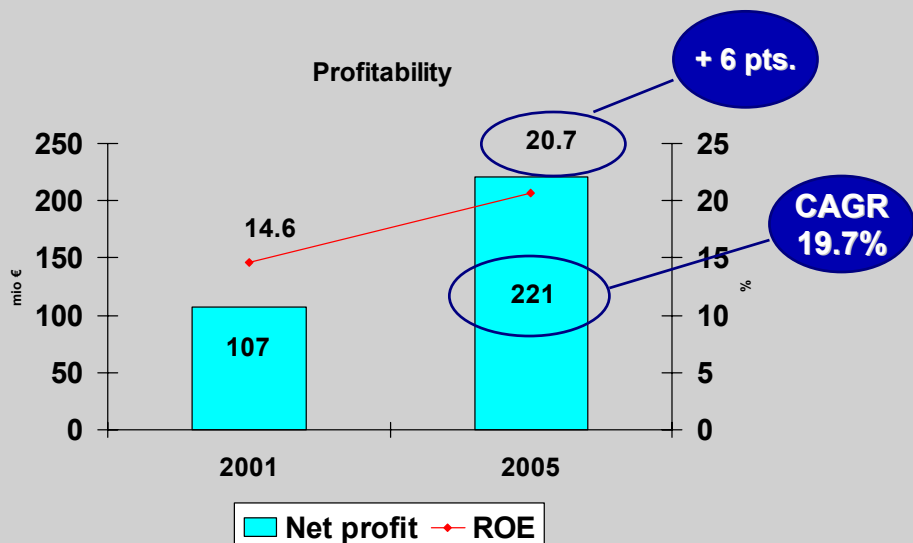
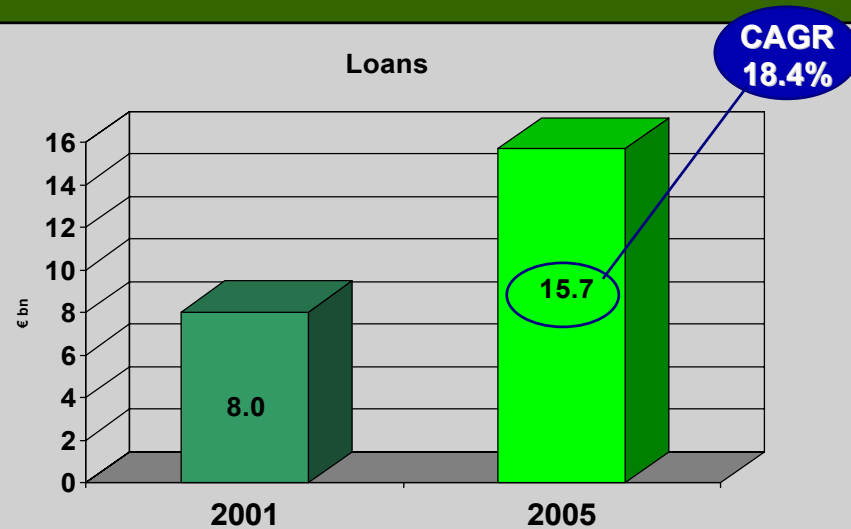
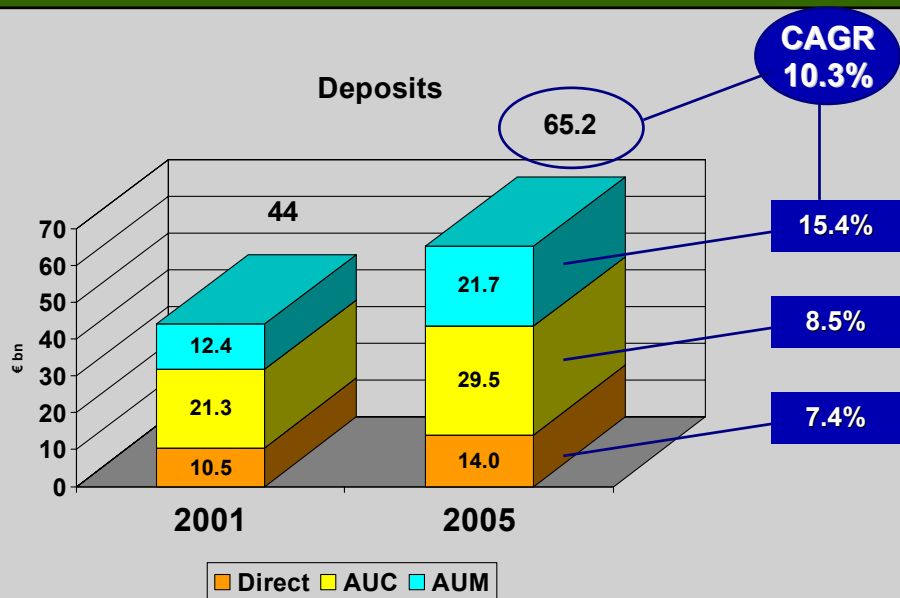
results for IQ '04

2004 - 2006 plan

1st quarter '04

Appendices

*Previous plan
2002 - 2005*



DEVELOPMENT OF
VOLUMES AND TERRITORIAL
EXPANSION

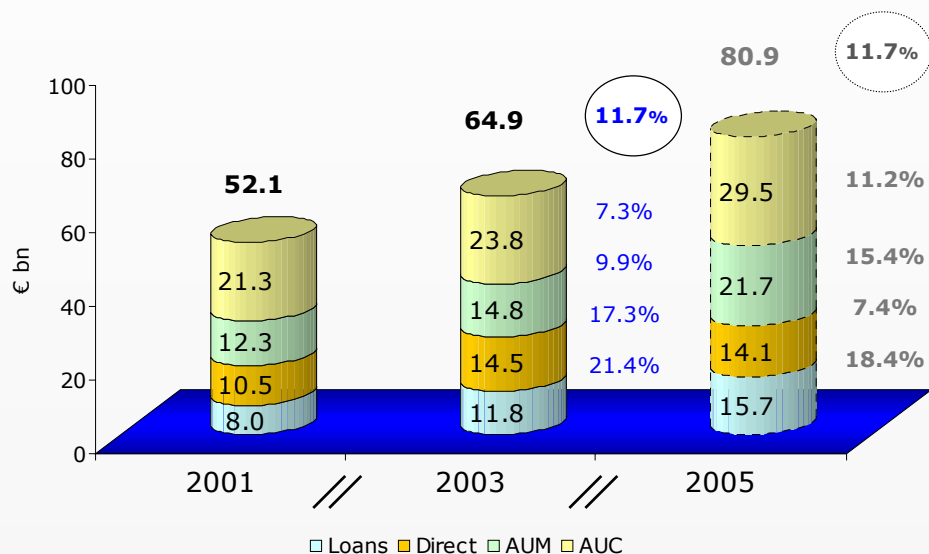
PROFITABILITY OF THE
DISTRIBUTION MODEL

OPTIMIZATION OF THE COST
STRUCTURE

- **Internal growth**
- **Efficiency**

...were the main goals for the future that the Group had set at the end of a ten-year period that witnessed very substantial external growth rates.

Total Customer Business
CAGR% 2002-2003 Vs 2002-2005



Over the period '02 - '03 **Total Customer Business** saw an average annual **growth rate of 11.7%**, a figure that is completely **in line** with the outlook for growth for the four year period '02-'05.

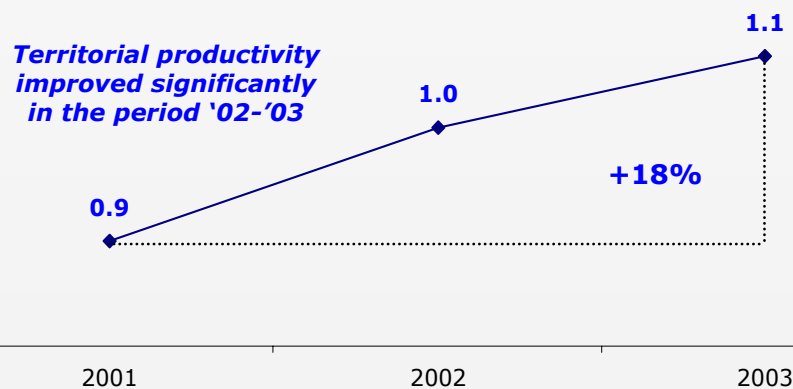
Loans exceeded forecasts - which were challenging already- by three percentage points.

Considered globally, also total deposits respected the average growth trend (forecasted at 10.3% in the period '02-'05), rising on average by 9.8% at the end of 2003.

A contrasting picture compared to initial forecasts emerges when viewing the trend shown within the three main sub-aggregates.

The preference for liquid and reduced risk assets reflected the general market climate of the past two-three years, partially postponing the arrival of the economic returns awaited from assets with the highest added value. AUM anyway increased by an average of around 10% during the period.

MS deposits / MS branches



Income trend compared to previous plan

(mIn €)	2001	2003	CAGR%	2005	CAGR%
Net interest income	297	308	1.8	426	9.4
Non-interest income	468	511	4.5	743	12.2
Total income	765	819	3.5	1,169	11.2
Operating costs	-478	-522	4.5	-647	7.9
Gross operating profit	287	297	1.8	522	16.1
Depreciation and amortization	-68	-67	-0.7	-77	2.9
Operating profit	219	230	2.5	445	19.5
Adjustments and provisions	-21	-84	ns	-51	25.1
Pre-tax profit	198	146	-14	395	18.9
Net profit	107	96	-5.3	221	19.7
Book profit before tax	198	146	-14.2	395	18.9
Normalization adjustments		79			
Normalized profit before tax	198	225	6.5	18.9	18.9
Net equity	780	885	6.5	1,140	10.0
ROE	14.6	11.1		20.7	

The economic levels reached at the end of '02-'03 period seem rather distant from the objectives established for the entire period of the '02-'05 plan.

However, the results achieved in 2003 and, in particular, the "normalized" results (*Parmalat and bonds in general*), are substantially in line with intra-annual planning, which forecasted a significant rise in income only starting from '04-'05.

It is also evident that market conditions, which were subsequently found to be more negative than the original forecast, led to:

- lower revenues, both in terms of interest and commissions, already in the recent two-year period, which the Group however offset to some extent with a substantial expansion of volumes and with careful management of investments and costs;
- reduced income prospects for the future.

Previous vs current scenario

	2002	2003	2004
MIB	recovery of markets in 2002		
	-23.7%	14.9%	
GDP It	0.9%	2.3%	2.9%
	0.4%	0.4%	1.0%
Bank deposits	6.3%	4.4%	4.5%
	10.2%	3.7%	4.8%
AUM	3.0%	11.0%	13.0%
	0.0%	10.8%	9.7%
Bank loans	5.0%	5.6%	6.6%
	5.9%	6.0%	6.0%
Euribor 1m	3.3%	3.4%	3.8%
	3.3%	2.4%	2.0%
Euribor 3m	3.4%	3.5%	4.0%
	3.3%	2.3%	2.1%

Positioning

14th largest banking group in Italy

11th largest Asset Manager in Italy

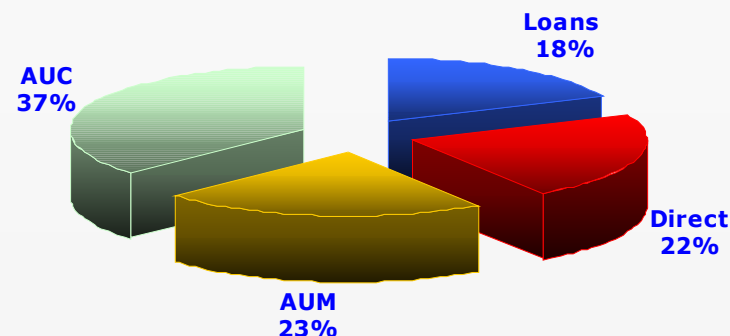
700,000 customers and 65 billion in total customer business

**500 Branches and Corporate Centres
5,000 employees**

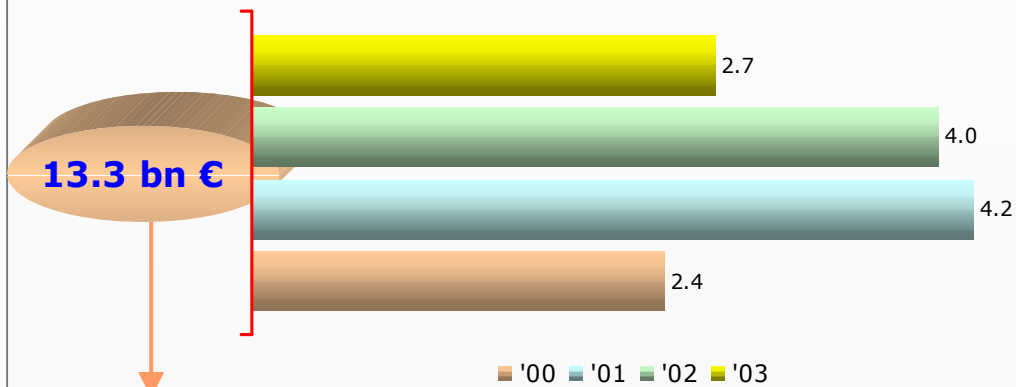
20 companies covering all financial sectors

**Listed since 1997 (*Midex*),
market capital 1.6 billion**

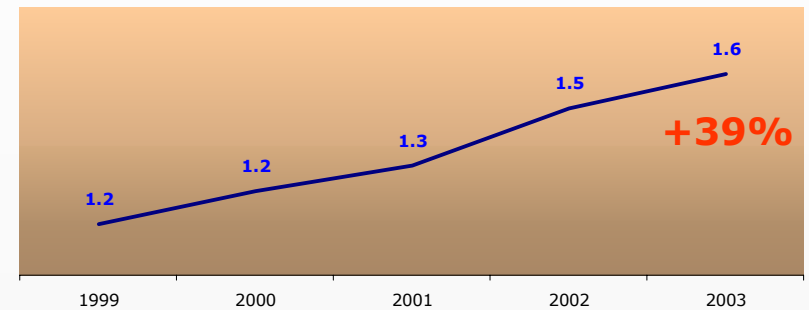
Total Customer Business



New Business track record '00 / '03



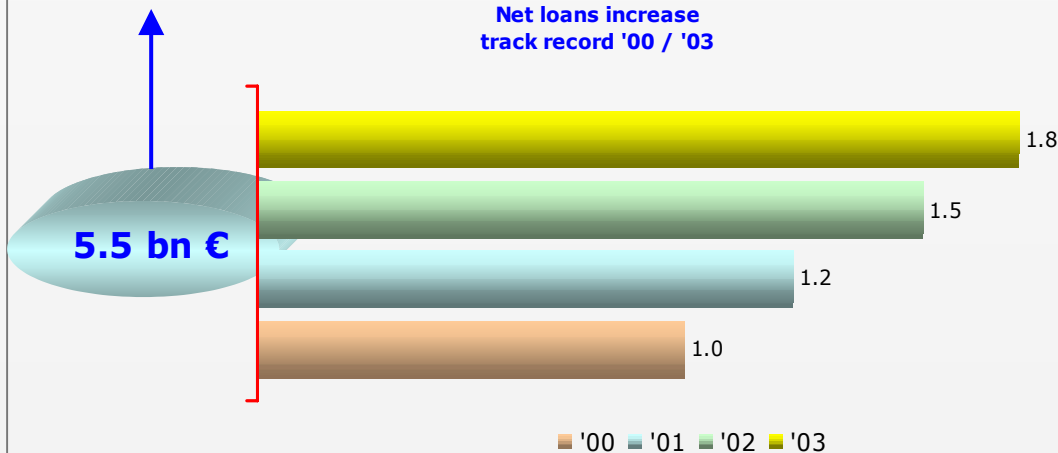
Mkt Share of Total Deposits & Collections



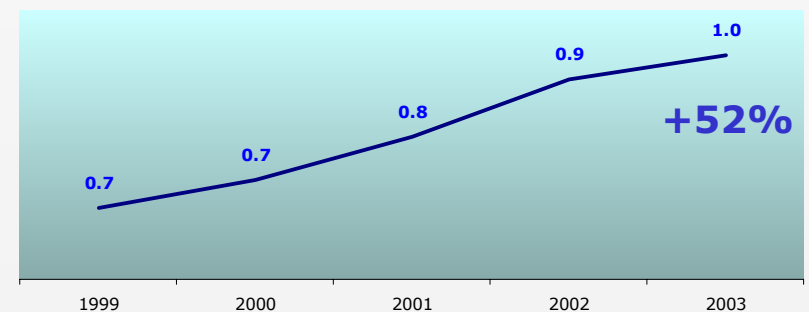
approx.
19 bn €

**Total customer business
has increased by more than 50%**

Net loans increase track record '00 / '03



Mkt Share of Customer Loans

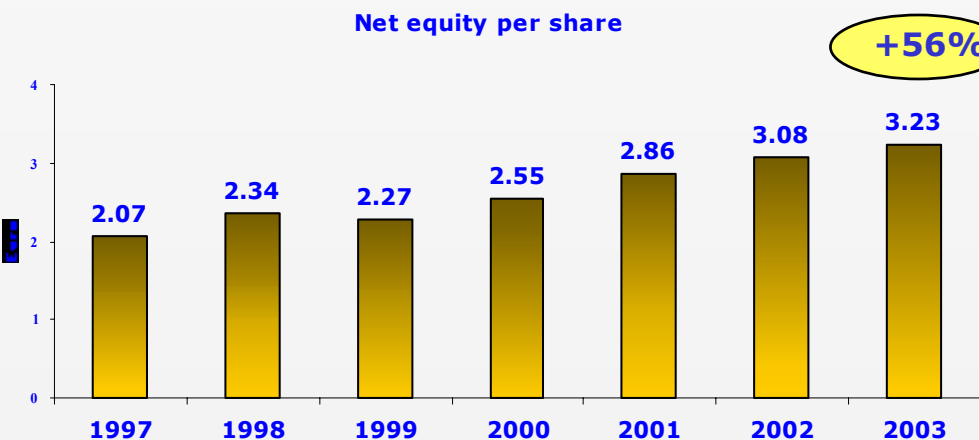


	1997	1998	1999	2000	2001	2002	2003
No. shares (/000)	225,839	253,408	265,464	270,679	272,537	273,309	274,350
Net equity / share	2.07	2.34	2.27	2.55	2.86	3.08	3.23
EPS	0.22	0.26	0.17	0.51	0.39	0.40	0.35
ROE	11.6%	13.5%	8.5%	21.3%	14.6%	13.5%	11.1%
Dividend / share	0.08	0.10	0.12	0.18	0.20	0.20	0.20
Payout ratio	39.2%	37.9%	68.6%	35.3%	50.8%	50.0%	57.1%

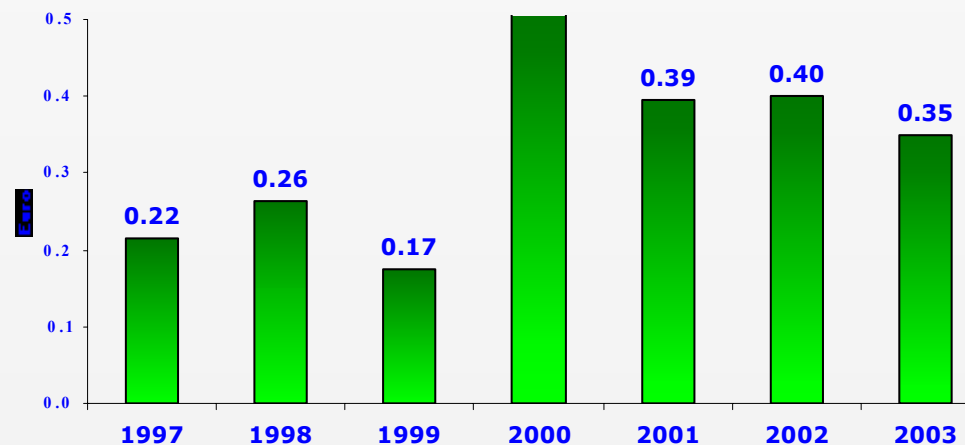
Consistently high creation of value over time

Balanced growth in equity and dividend per share

Net equity per share



EPS



Scenario

	2002	2003	2004	2005	2006
MSCI Eu	-30.9%	16.5%	growth, with slight adjustments from 2005		
Mib It	-23.7%	14.9%	growth, with slight adjustments from 2005		
GDP Uem	0.9%	0.4%	1.3%	2.1%	2.3%
GDP It	0.4%	0.4%	1.0%	2.3%	2.1%
Resident deposits	10.2%	3.7%	4.8%	4.5%	4.2%
Asset under management	0.0%	10.9%	9.7%	9.3%	10.6%
Bank loans	5.9%	6.0%	6.0%	6.2%	5.8%
Euribor 1m	3.3%	2.4%	2.0%	2.0%	2.2%
Euribor 3m	3.3%	2.3%	2.1%	2.2%	2.4%

source: Prometeia

2004 – 2006 Plan

Strategy

CENTRAL ROLE of the CORE BUSINESS

*Commercial Banking with strong Wealth Management
Customers of medium-high standing in RETAIL with focus on
Small Businesses and SMEs in the Corporate sector*

Goal

- Excellence in VALUE CREATION
- Extract VALUE from acquired potential

Drivers

- TARGETED DEVELOPMENT with focus on INCOME
- SELECTIVITY in businesses and capital allocation
- CENTRALITY of Group GOVERNANCE

Strategy

CENTRAL ROLE of the CORE BUSINESS

**Commercial Banking with strong Wealth Management
Customers of medium-high standing in RETAIL with focus on
Small Businesses and SMEs in the Corporate sector**

Group strengths

- Profitability
- Product range
- Wealth Management
- Quality of assets
- Local roots
- Medium-high standing customers
- Efficient and flexible structure
- Quality of resources

Against a background of an uncertain and selective market, the competitive challenge will be increasingly influenced by the ability to focus on **"doing the job properly"**, thereby guaranteeing appropriate profit levels in relation to invested capital and complete management of risks.

Credem confirms and strengthens its main strategic core target.

The Group's strengths (real competitive advantages) and the results achieved so far are guarantees of continuity and success.

Goal

- **Excellence in VALUE CREATION**
- **Extract VALUE from acquired potential**

Focus on Profitability

After three/four years of sustained growth, aimed at achieving a position of balance in terms of market share in relation to the distribution structure, the Group intends to pursue the principal objective of capitalising on its dimensional evolution by focusing on the extraction of value (income).

This guideline mainly concerns:

- financial management, where the goal is to improve the contribution of the interest margin and, in particular, of loans;
- indirect deposits, by extending the consulting activity on AUC, pursuing the policy of conversion of savings into AUM and upgrading of AUM from monetary products to higher risk/profitability profile products, in compliance with the risk propensity of different customer clusters.

Drivers

- **TARGETED DEVELOPMENT** with focus on **INCOME**
- **SELECTIVITY** in businesses and capital allocation
- **CENTRALITY** of Group **GOVERNANCE**

Targeted development

- Distribution policy more-focused with a greater attention to the rationalisation of "less profitable" branches.
- Significant development of the customer base, both corporate and retail, based on the improvement in customer retention and the consolidation of the current trend in new customers acquisition.
- Optimization of existing customers' potential (cross-selling), capitalizing on investments in progress through the implementation of the new CRM system.

Drivers

- **TARGETED DEVELOPMENT** with focus on **INCOME**
- **SELECTIVITY** in businesses and capital allocation
- **CENTRALITY** of Group **GOVERNANCE**

Selectivity in
business and
capital
allocation

- Centrality of Wealth Management, with further specialisation of the offer for private and affluent customers.
- Development of Consumer Finance.
- Increased penetration in the insurance sector.
- Approach to lending focused on segments with better risk profile/yield (retail, small business, medium-sized corporate customers). Maintenance of the non-performing loans ratio at usual physiological levels remains an essential condition for the development of lending activities.
- Rationalization of the Investment Banking chain in accordance with the Group risk appetite in favour of segments in which the Group boasts critical competences recognized by the market.

Drivers

- **TARGETED DEVELOPMENT** with focus on **INCOME**
- **SELECTIVITY** in businesses and capital allocation
- **CENTRALITY** of Group **GOVERNANCE**

Governance

The goal is to arrive at a more effective and global definition of the mechanisms of Group Governance, strengthening Parent company's role of guidance and supervision.

This will facilitate a stronger focus of all business units towards Group's core activities, eliminating and rationalising areas of overlap (Group Finance/Investment Banking), leading also to a more generalized improvement in cost governance.



Investment Banking

- Equity Capital Market
- Debt Capital Market
- M & A
- Private Equity for institutional investors

Financial Markets

- Structured products
- Equity Sales and Research (focus on mid-cap and ECM support)
- Market making for cash and fixed income derivatives, FX
- Prop Trading

CREDEM

Finance BU

- Serving the group's commercial networks
- Brokerage
 - Treasury services
 - Trading

Corporate BU

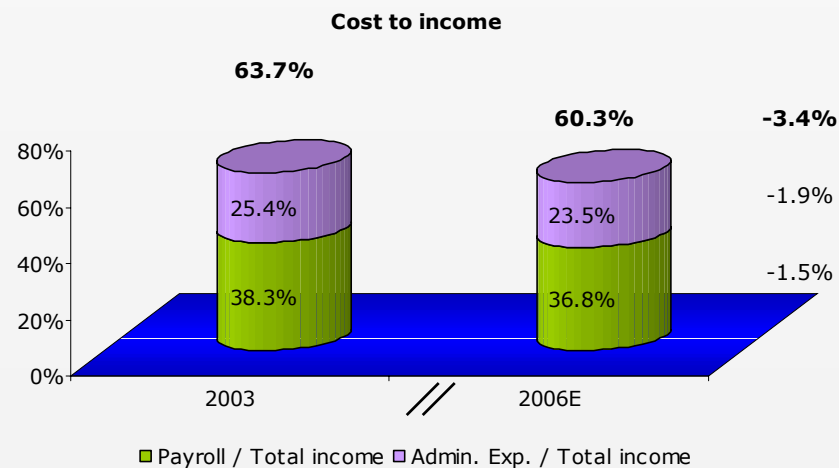
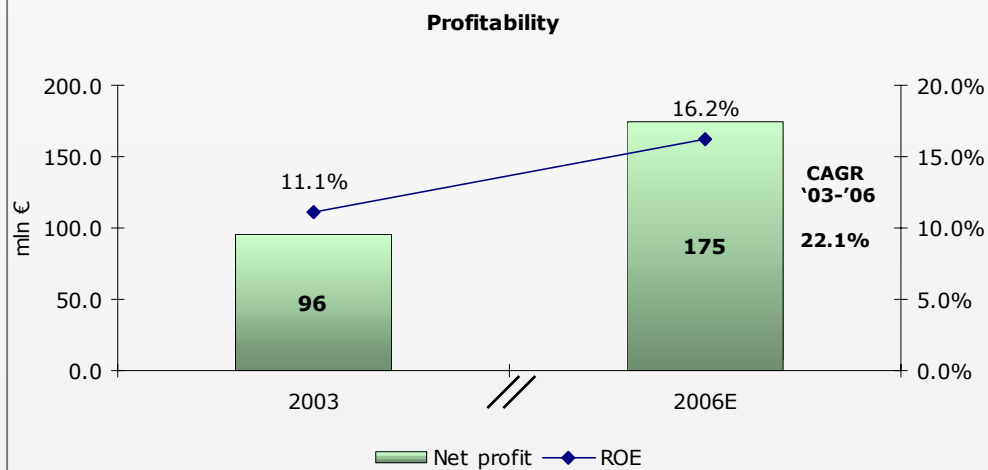
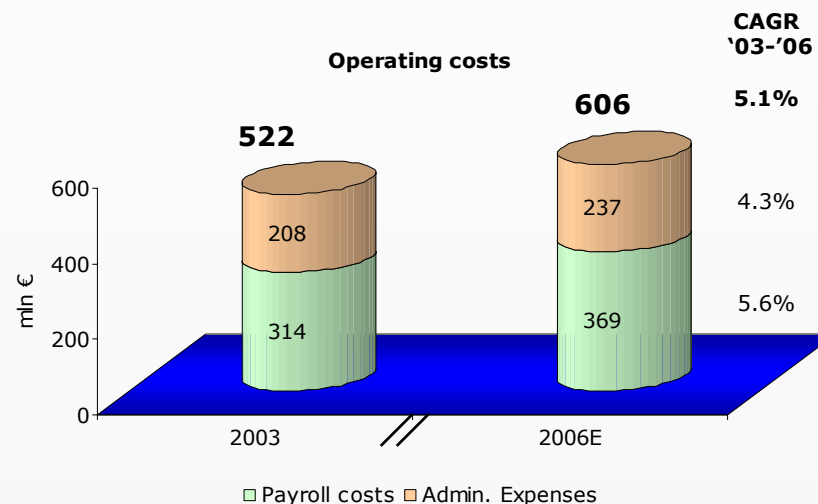
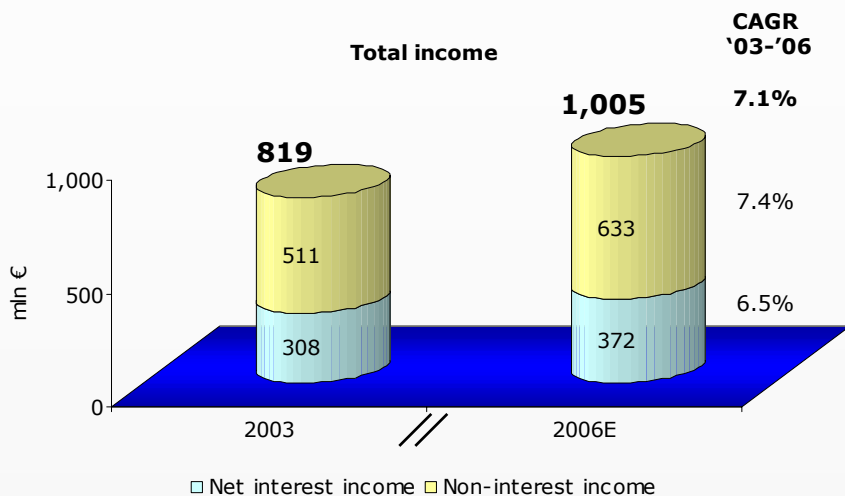
- Single structure in charge for lending business

EUROMOBILIARE S.I.M. S.p.A

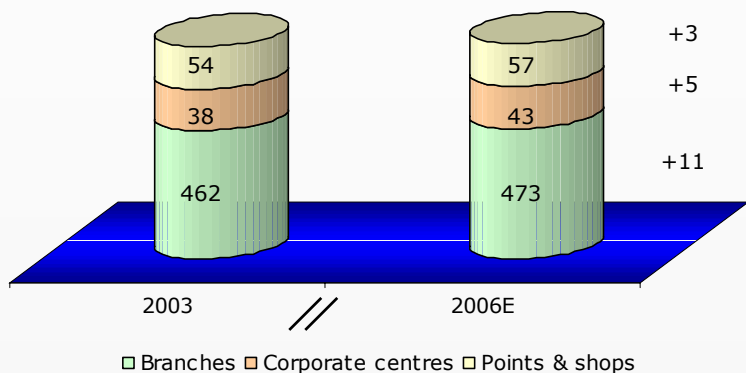
Independent Broker

- Stock brokerage
- Equity Trading
- Equity Research
- Equity Syndication

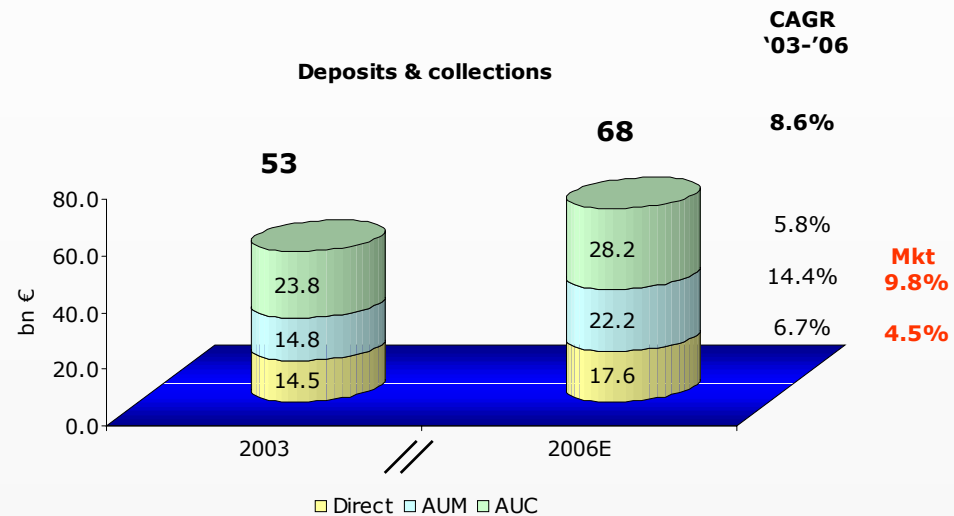
- Presence in strategic and high value added businesses
- Specialized centres of excellence for businesses with greater reciprocal integration
- Reduction of capital absorption trend
- Centralized coordination and control
- Abax curtails lending activities and concentrates M&A business
- Capital Market Equity chain coordinated between Abax and Esim.
- Curbing of operating costs and rationalization of resources (*ECF merged with Credembanca*)



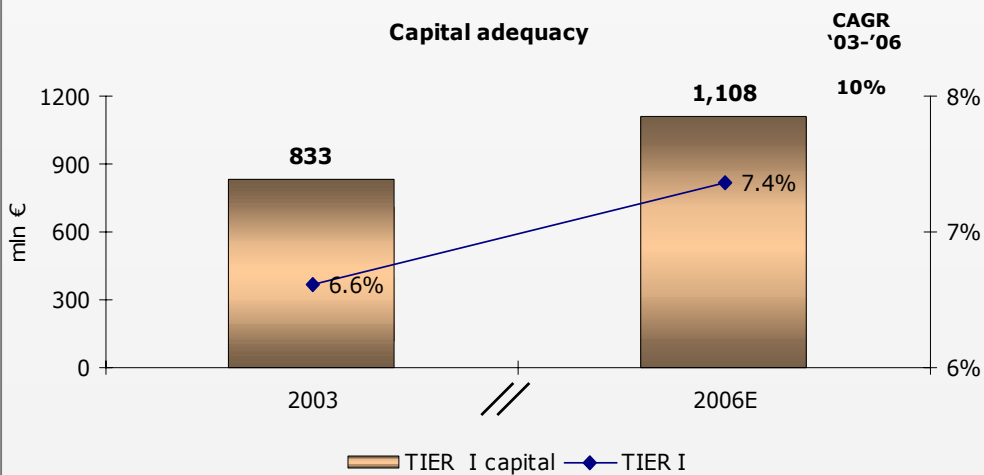
Distribution channels



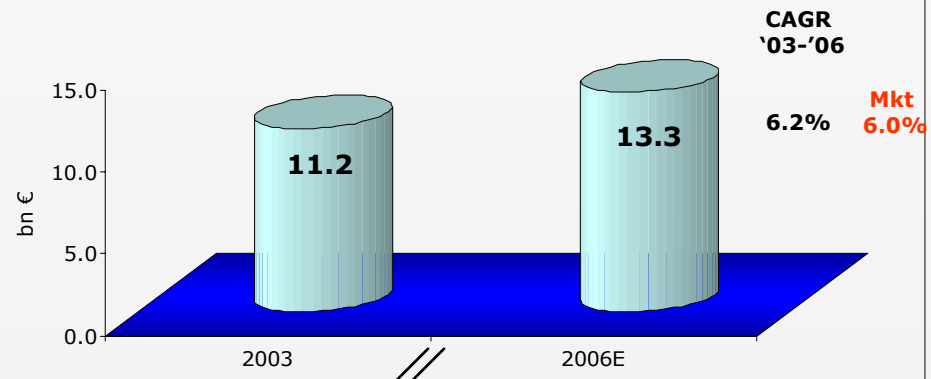
Deposits & collections



Capital adequacy



Customer cash loans



(mln €)	2002	2003	2006E	CAGR
Net interest income	304	308	372	6.5%
Net commissions	340	343	424	7.4%
Securities and currency trading	108	120	134	3.7%
Other income and expenses	48	49	75	15.6%
Non-interest income	496	511	633	7.4%
Total income	800	819	1,005	7.1%
Payroll costs	-303	-314	-369	5.6%
Administrative expenses	-213	-208	-237	4.3%
Operating costs	-516	-522	-606	5.1%
Gross operating profit	284	297	399	10.4%
Amortization and depreciation	-77	-67	-51	-8.8%
Operating profit	207	230	348	14.9%
Net loan adjustments	-28	-75	-35	-22.3%
Provisions for risks and charges	-4	-23	-4	45.4%
Net adj. on equity investments	0	0	0	n.s.
Extraordinary income / charges	21	14	-6	-176.0%
Pre-tax profit	196	146	303	27.7%
Income taxes	-84	-44	-123	40.7%
Minority interest	-3	-6	-6	0.0%
Net profit	109	96	175	22.1%

The **Total Income exceeds one billion euro** in the 2006 forecast, with an average annual **growth trend** estimated at more than **7%** (that **doubles** the most recent trend). As in the past, the contribution expected from the wealth management sector is substantial. Also the predicted contribution from the lending business shows a remarkable rise.

Operating costs are expected to develop in accordance with a forecast that is substantially lined up to recent trends. The average depreciation and amortization amount is down by approximately 9% on an annual basis.

Operating Profit is predicted to increase by approximately **15%** annually.

Loan adjustments, which cannot be compared in their predicted evolution with the exceptional figure recorded in 2003, will return within the normal Credem parameters (approx. 0.25% on stock).

At the end of the three-year term ROE will exceed 16%.

Breakdown of Income statement (mln €)	2002	2003	2006E	contribution % at 12/06
Total Income	800	819	1,005	
. Captive	669	718	882	87.7%
. Non captive	131	101	123	12.3%
Operating Costs	-516	-522	-606	
. Captive	-443	-450	-544	89.8%
. Non captive	-74	-72	-62	10.3%
Gross Op. Profit	284	297	399	
. Captive	227	269	338	84.6%
. Non captive	57	29	61	15.3%
Net Profit	110	96	175	
. Captive	80	106	145	82.9%
. Non captive	30	-10	30	17.1%

At the end of the three-year term approximately 83% of profit will be generated by the core business.

Distribution structure	2002	2003	2006E
Credembanca and others	429	440	451
B.ca Euromobiliare	21	22	22
Branches	450	462	473
Corporate Centres	37	38	43
Points and Shops	59	54	57

Personnel & other resources	2002	2003	2006E
FA Banca Euromobiliare	410	372	387
FA Credem	385	521	700
FA with mandate	795	893	1,087
<i>FA (personal financial manager)</i>	<i>212</i>	<i>231</i>	<i>320</i>
<i>Total</i>	<i>1,007</i>	<i>1,124</i>	<i>1,407</i>
Group Employees	4,863	4,961	5,330
. Credembanca	4,049	4,139	4,435

The increase of 11 branches in the three-years is the result of the opening of 26 new branches in interesting areas and the closure of 15 branches judged to have insufficient prospects for development.

In parallel, a total of 5 new Corporate Centres will be opened.

Group staff will increase by around 300 employees dedicated exclusively to strengthening the commercial sector.

The number of FA will increase by slightly less than 200 during the three-year period.

(mln €)

Breakdown of deposits	2002	2003	2006E
Deposits	6,135	6,991	7,071
Bonds	3,676	4,601	7,232
Total direct w/o Repos	9,811	11,592	14,303
Repos	2,736	2,862	3,273
Total direct deposits	12,547	14,454	17,576
AUM	12,276	14,827	22,172
AUC	21,478	23,750	28,167
Total indirect deposits ^(m1)	33,754	38,577	50,339
Total deposits & collections	46,301	53,031	67,915

Total deposits will grow at a rate of slightly less than 9% annually.

Within the field of direct deposits the already substantial growth trend of bonds is expected to continue and reach the same level as more traditional deposits and banking accounts.

AUM is the aggregate showing the highest projection of growth within the context of total deposits, at approx. 14%, a figure that is well above market trend forecasts (9%).

(mln €)	2002	2003	2006E	CAGR
Customer loans	9,903	11,052	13,244	6.2%
. short-term	5,199	5,568	6,644	
. medium-term	4,704	5,484	6,600	
Repo	314	99	100	
Total cash loans	10,217	11,151	13,344	6.2%
Guarantees	731	634	800	
Total direct loans	10,948	11,785	14,144	6.3%

Lending is predicted to grow at rates that are closer to the forecasted market trend overall. Moreover, the increase based on average principal is expected to be higher than 8% annually.

The spread is expected to remain substantially stable (2.70% compared to the 2.80% at the end of 2003)

The short-term and medium-term sectors are expected to remain essentially balanced. As in the past, leasing and home mortgage loans will make a very significant contribution.

BU Retail is expected to continue to grow rapidly (15%).

BU Corporate will consolidate and concentrate on the development of business with SMEs and medium-sized corporate customers.

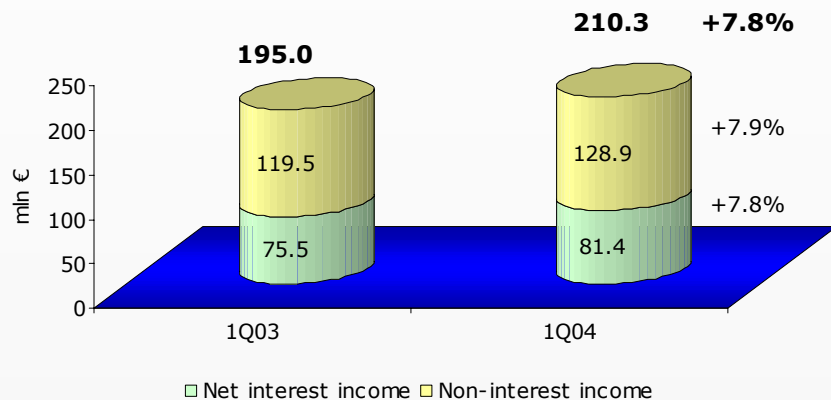
(mln €)	2002	2003	2006E	CAGR
Breakdown by business unit				
short-term	2,950	3,564	3,204	-3.5%
medium-term	337	405	531	9.4%
Total BU Corporate	3,287	3,969	3,735	-2.0%
short-term	1,139	1,377	2,020	13.6%
medium-term	2,490	3,004	4,632	15.5%
Total BU Retail	3,629	4,381	6,652	14.9%
short-term	793	1,046	1,586	14.9%
medium-term	162	208	230	3.4%
Total Other customer loans	955	1,254	1,816	13.1%
Total gross cust. loans (ap)	7,871	9,604	12,203	8.3%

2004 - 2006 plan

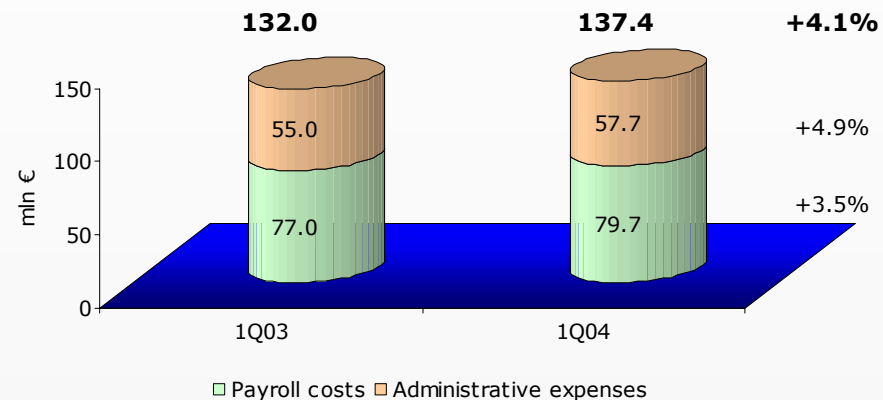
1st quarter '04

Appendices

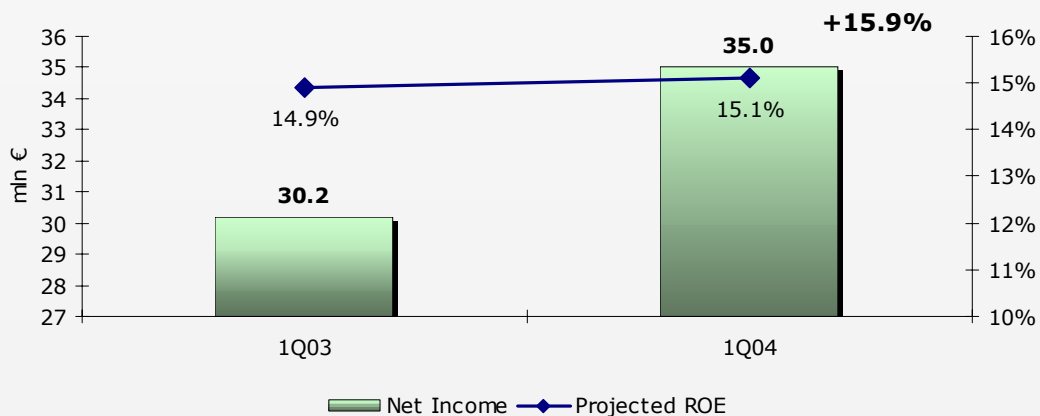
Total income



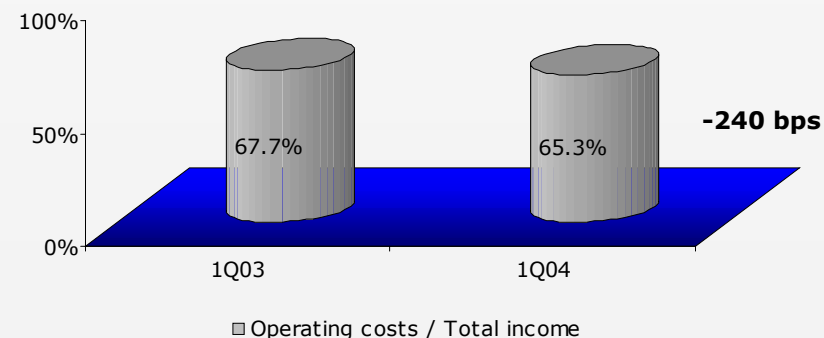
Operating costs



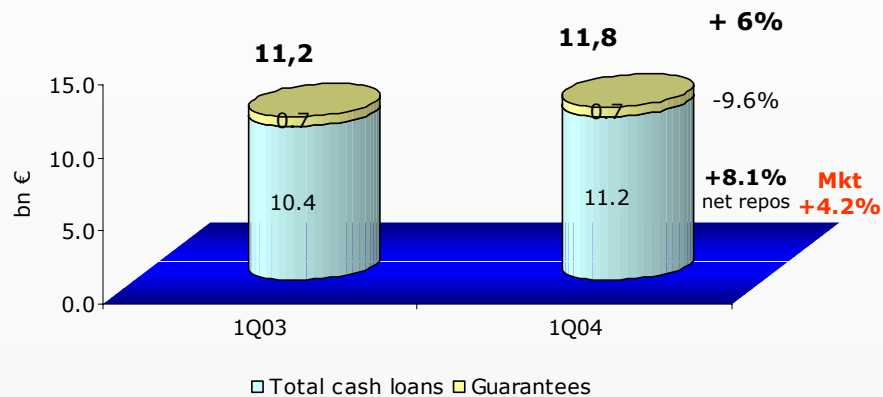
Profitability



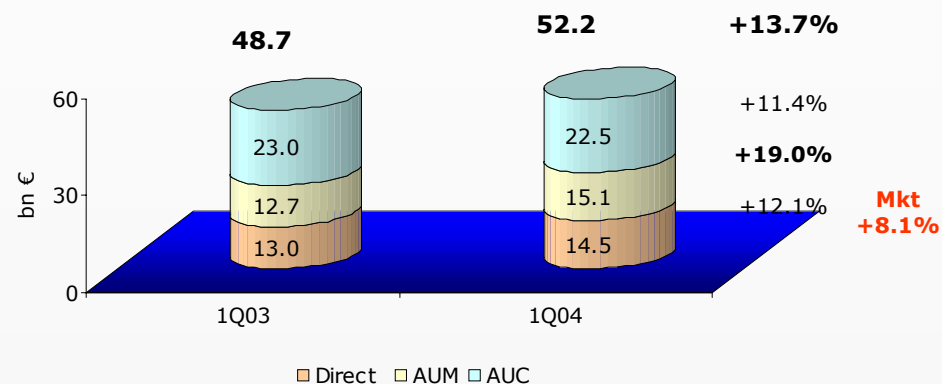
Cost to income



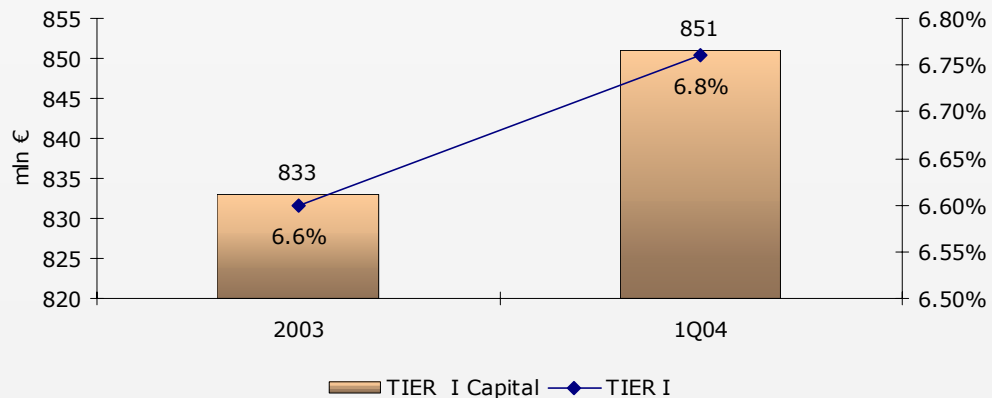
Customer loans



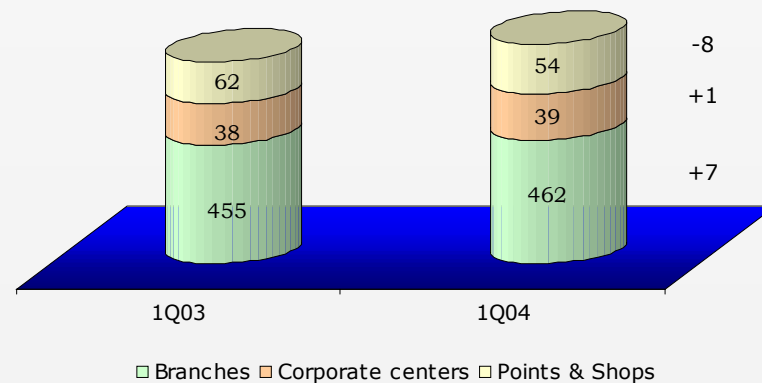
Deposit & Collections



Capital adequacy



Distribution channels



growth

MS deposits
MS loans

2002	2003	1Q04
1.5%	1.6%	1.6%
0.9%	1.0%	1.0%

profitability

ROE
Net interest income / total income
Non-interest income / total income

2002	2003	1Q04
13.5%	11.1%	15.1%
38.0%	37.6%	38.7%
62.0%	62.4%	61.3%

efficiency

Operating costs / total income
Operating costs + depr. / total income
Operating costs / non-interest income

2002	2003	1Q04
64.5%	63.7%	65.3%
74.1%	71.9%	72.5%
1.04	1.02	1.07

credit quality

NPL ratio
Net "substandard" loans / net loans

2002	2003	1Q04
0.16%	0.34%	0.35%
0.35%	0.58%	0.55%

capital adequacy

TIER I
TIER total (*minimum supervisory level 8%*)
TIER I capital (mln €)
TIER total capital (mln €)

2002	2003	1Q04
6.7%	6.6%	6.8%
8.0%	9.0%	9.1%
781	833	851
910	1,120	1,131

(€ mln)	2003	1Q03	1Q04	% yoy
Net interest income	307.7	75.5	81.4	7.8%
Spread	2.79%	2.99%	2.69%	-30bp
Net commissions	342.8	75.2	92.9	23.5%
. of which "management and brokerage"	233.5	51.1	65.1	27.4%
. of which "banking services"	109.3	24.1	27.8	15.4%
Securities and currency trading	119.7	33.7	24.0	-28.8%
. of which "Abaxbank"	52.6	18.5	12.7	-31.4%
. of which "other companies"	67.1	15.2	11.3	-25.7%
Other income and expenses	48.7	10.6	12.0	13.2%
Non-interest income	511.2	119.5	128.9	7.9%
Total income	818.9	195.0	210.3	7.8%

Total Income **+7.8%**.

Net interest income improved by 7.8% on an annual basis due to the effect of the volumes growth and the slowing of the reduction of interest rate spreads, which became progressively more stable in the period.

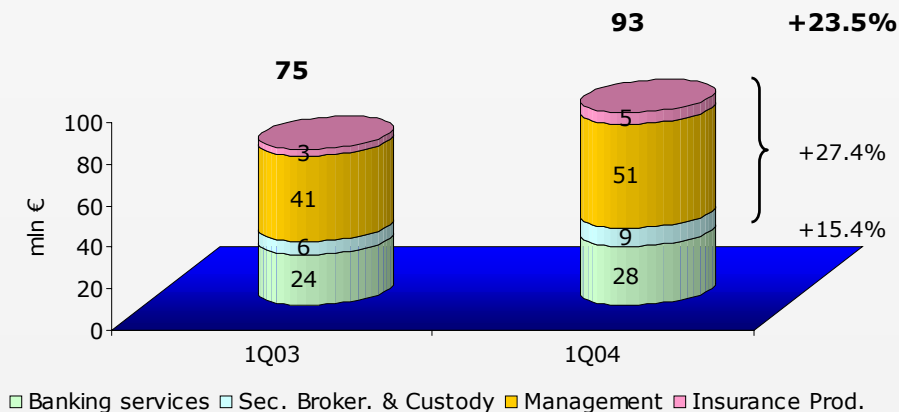
Non-interest income increased by a significant **7.9%** too.

Growth in net commissions income overall was also decisive. Specifically:

- commissions from the **"securities"** area **+27.4%** and, in particular, commissions generated by management fees **+22.6%**;

- commissions from the **banking area** **+15.5%**.

Breakdown of net commissions



(€ mln)	2003	1Q03	1Q04	% yoy
Total income	818.9	195.0	210.3	7.8%
Payroll costs	-313.5	-77.0	-79.7	3.5%
Administrative expenses	-208.2	-55.0	-57.7	4.9%
Operating costs	-521.7	-132.0	-137.4	4.1%
Gross operating profit	297.2	63.0	72.9	15.7%
Depreciation & Amortization	-67.4	-19.2	-15.1	-21.4%
Operating profit	229.8	43.8	57.8	32.0%
Net loan adjustments	-74.7	-5.2	0.3	-105.8%
Provisions for risks and charges	-23.0	-0.1	-0.1	0.0%
Net adj. on equity investments	-0.2	0.0	0.0	n.s.
Extraordinary income/charges	13.7	9.8	-0.3	n.s.
Pre-tax profits	145.6	48.3	57.7	19.5%
Income taxes	-44.1	-17.5	-21.8	24.6%
Minority interests	-5.6	-0.6	-0.9	50.0%
Net profit	95.9	30.2	35.0	15.9%

Gross operating profit +15.7%

Operating profit +32%

Cost are managed flexibly in accordance with '04 budget.

The excellent result of 1Q'04 is highlighted by the absence of any extraordinary income, amounting to 9.8 mln Euro in 1Q'03.

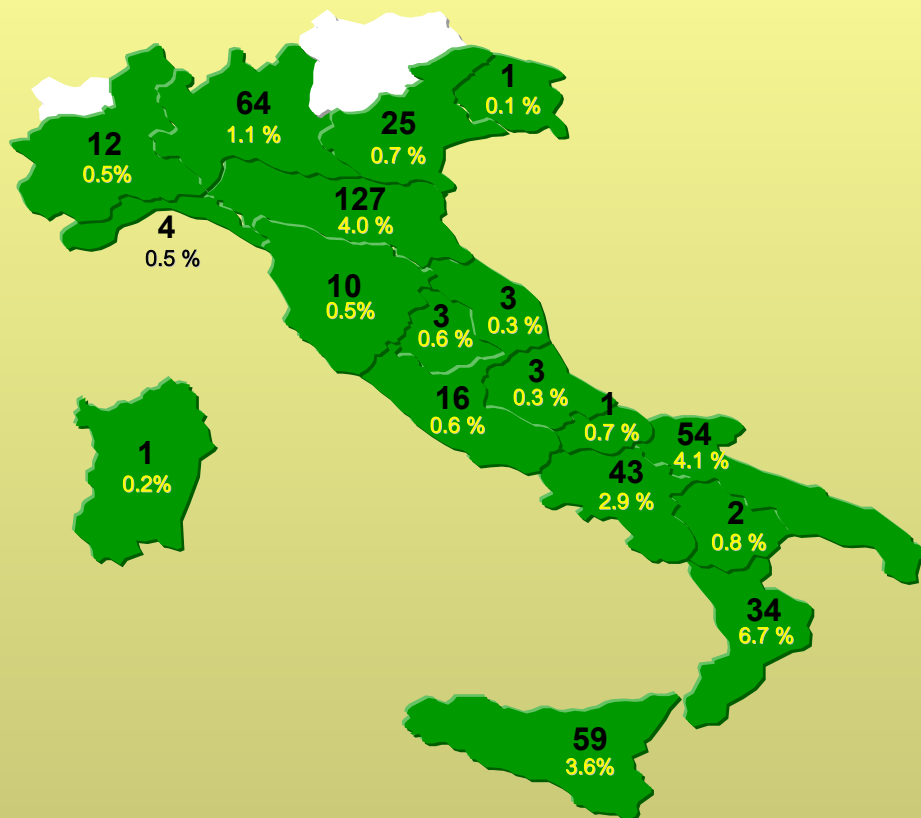
Breakdown of gross operating profit

(mln €)	2003	1Q03	1Q04	contribution % at 31/03/04
Total Income	818.9	195.0	210.3	
. Captive	711.6	162.9	185.3	88.1%
. Non captive	107.3	32.1	25.0	11.9%
Operating costs	521.7	132.0	137.4	
. Captive	-445.8	-113.5	-119.6	-87.0%
. Non captive	-75.9	-18.5	-17.8	-13.0%
Gross Op. Profit	297.2	63.0	72.9	
. Captive	265.8	49.4	65.7	90.1%
. Non captive	31.4	13.6	7.2	9.9%

Contribution to net profit by company (€ mln)	2003	1Q03	1Q04	contribution % at 31/3/04
"Captive" companies	104.4	24.8	33.2	94.9%
Credembanca (incl. CredemLux)	70.4	24.1	26.1	74.6%
Banca Euromobiliare	-1.6	-2.6	0.3	0.9%
Euromobiliare A.M. SGR	6.5	1.0	2.7	7.7%
Credemleasing	8.3	2.3	2.6	7.4%
Other companies and adj.	20.8	0.0	1.5	4.3%
"Non-captive" companies	-8.5	5.4	1.8	5.1%
Euromobiliare SIM	8.6	1.8	1.6	4.6%
Abaxbank	-19.5	3.6	0.2	0.6%
Euromobiliare Corporate F.	0.5	-0.5	-0.5	-1.4%
Banca Euromobiliare (Suisse)	1.9	0.5	0.5	1.4%
Total	95.9	30.2	35.0	

90% of gross operating profit, which was confirmed to be in line with the FY2003 figure (80% in 2002 and 78% in 2001) was generated by **"captive"** companies representing the Group's core business. Revenues coming from captive companies provide **continuity** and stability to the group business.

CREDEM Group branches and market share



Distribution structure	2003	1Q03	1Q04
Credembanca and others	440	434	440
B.ca Euromobiliare	22	21	22
Branches	462	455	462
Corporate Centres	38	38	39
Points and Shops	54	62	54

Personnel & other resources	2003	1Q03	1Q04
FA Banca Euromobiliare	372	418	381
FA Credem	521	410	520
FA with mandate	893	828	901
<i>Personal Financial Managers</i>	231	220	221
<i>Total</i>	1,124	1,048	1,122

Credem Group employees	4,961	4,886	4,965
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Breakdown of deposits	2003	1Q03	1Q04	% yoy	
Deposits	6,991	6,273	7,254	15.6%	
Bonds	4,601	3,844	4,417	14.9%	
Total direct w/o Repos	11,592	10,117	11,671	15.4%	
Repos	2,862	2,851	2,865	0.5%	
Total direct deposits	14,454	12,968	14,536	12.1%	
Discretionary accounts	2,229	1,829	2,412	31.9%	
Mutual funds and Sicav	10,868	9,396	10,847	15.4%	
Insurance products	1,569	1,332	1,701	27.7%	without
Other	161	157	170	8.3%	institutional
Total AUM	14,827	12,714	15,130	19.0%	effect
AUC	23,750	23,031	22,571	-2.0%	11.4%
Total indirect deposits (mv)	38,577	35,745	37,647	5.3%	14.4%
Total deposits & collections	53,031	48,713	52,183	7.1%	13.7%

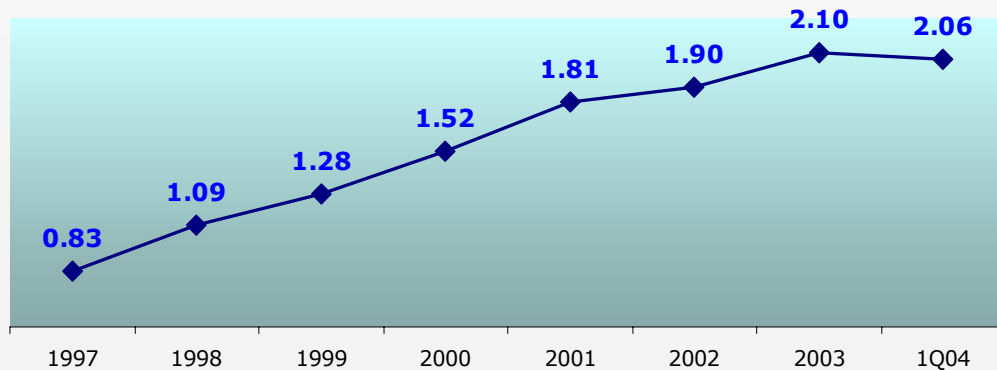
Net inflows at April '04 show a balance of approximately 320 million euro, which was mainly distributed to AUM and AUC.

The value of inflows, although lower than forecasts, can be viewed in a positive light when considered against the background of the prudent behaviour of savers, which was particularly evident in the first few months of the year.

Deposits increased globally by 13.7% on an annual basis; the trend of AUM (+19%) was satisfactory, also if compared to December (+2%).

Assets managed in **Funds** amount approximately to **10.8** bn € (+15%). The Group confirms its role as one of the main players on the market.

Mutual Funds Market Share



(mln €)	2003	1Q03	1Q04	% yoy
Customers loans	11,052	10,103	10,922	8.1%
Repos	99	325	248	-23.7%
Total cash loans	11,151	10,428	11,170	7.1%
Guarantees	712	731	661	-9.6%
Total direct loans	11,863	11,159	11,831	6.0%

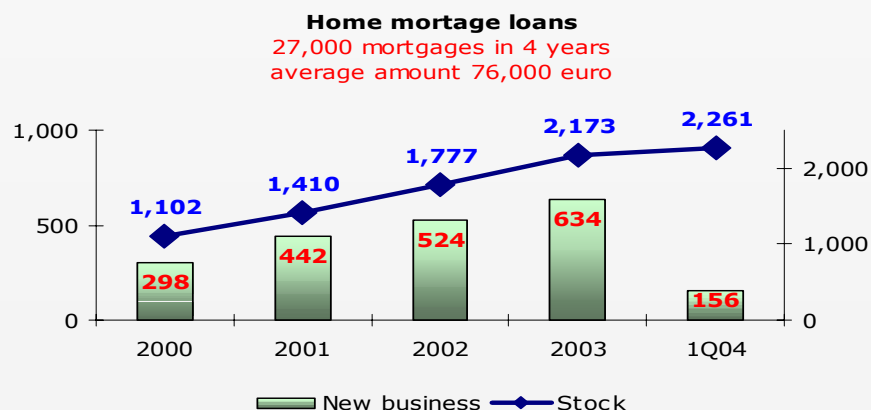
Loans progressed, reflecting a growth of 8% (+10% at average principal).

•The comparison at average principals shows far more significant gains looking at main customer categories:

- “private” + 20%
- “small business” +21%
- “SMEs” +14%

The following contributions were of particular importance:

- Leasing**, with 132 million in new business (+27%) and 1,432 million of stock (+18.4%);
- Home mortgage loans** (approx. 2.3 bn in total stock +22.5% and new business during the quarter in the amount of approximately 156 mln +28%).



The high **credit quality** was confirmed, with a NPL ratio that remained unchanged with respect to December 2003 at **0.35%** (NPL coverage ratio to 65.9%).

Market risks (mln €)	2002	2003	1Q04
VaR banking and trading book (99% 10 days)			
Credem Banca			
average	1.2	2.8	2.4
maximum	3	4.8	3.7
Abaxbank			
average	2.6	2.3	1.3
maximum	9.6	3.9	1.9
Other companies - overall risk	1.6	1.7	3.7

Market risk is primarily focused on Credembanca and Abaxbank.

Overall, risks are limited and remain virtually unchanged from one period to the next.

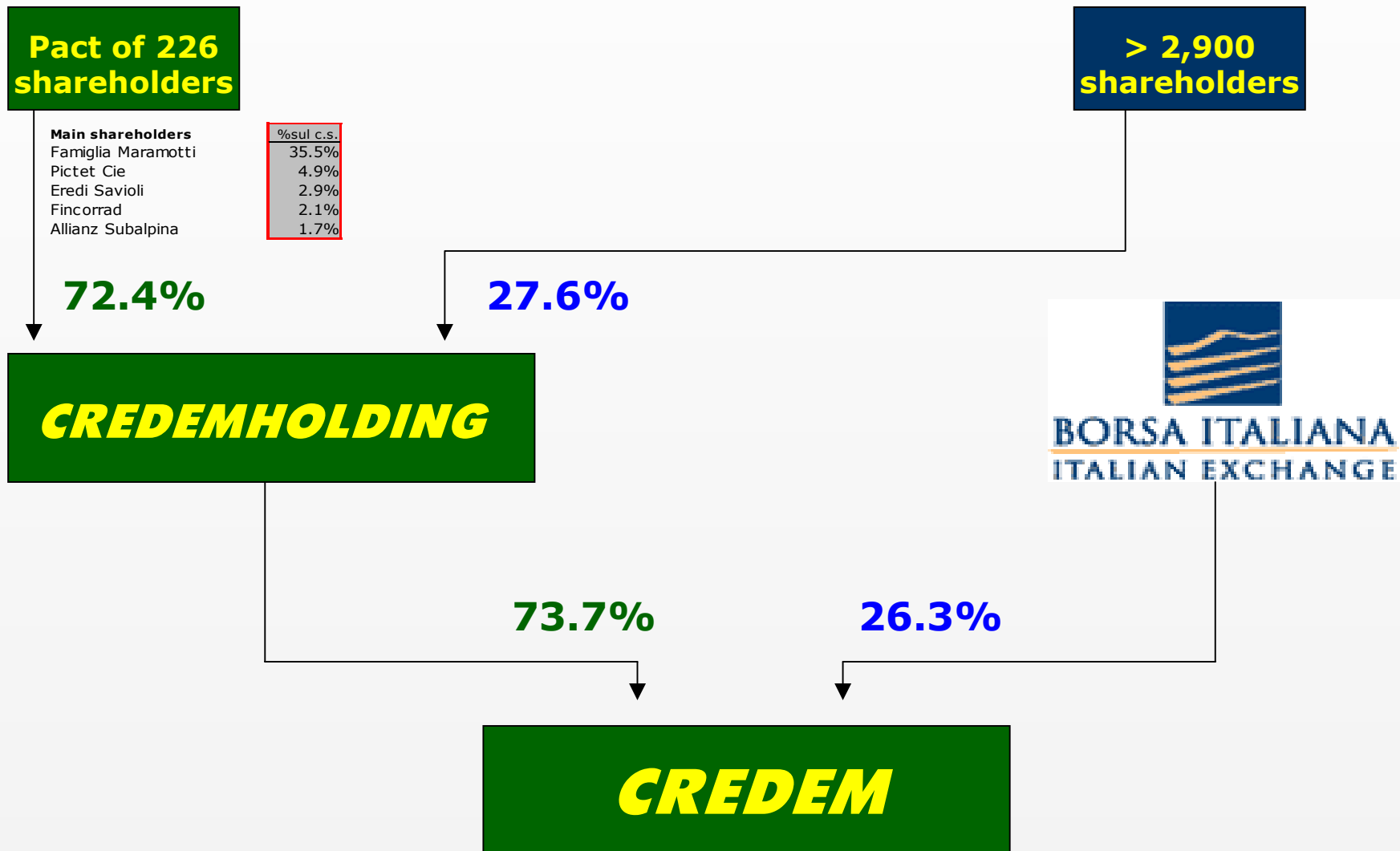
2004 - 2006 plan

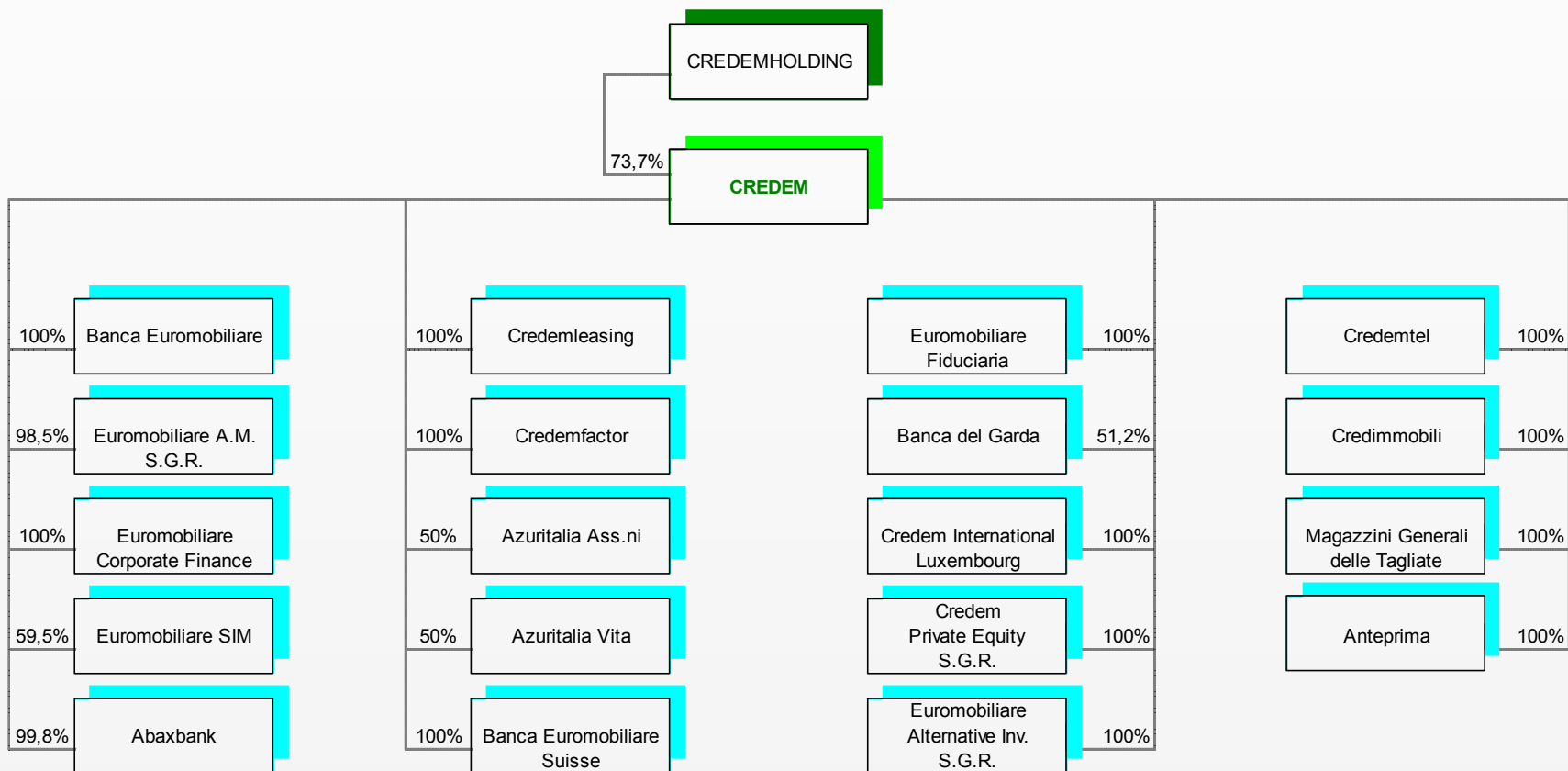
1st quarter '04

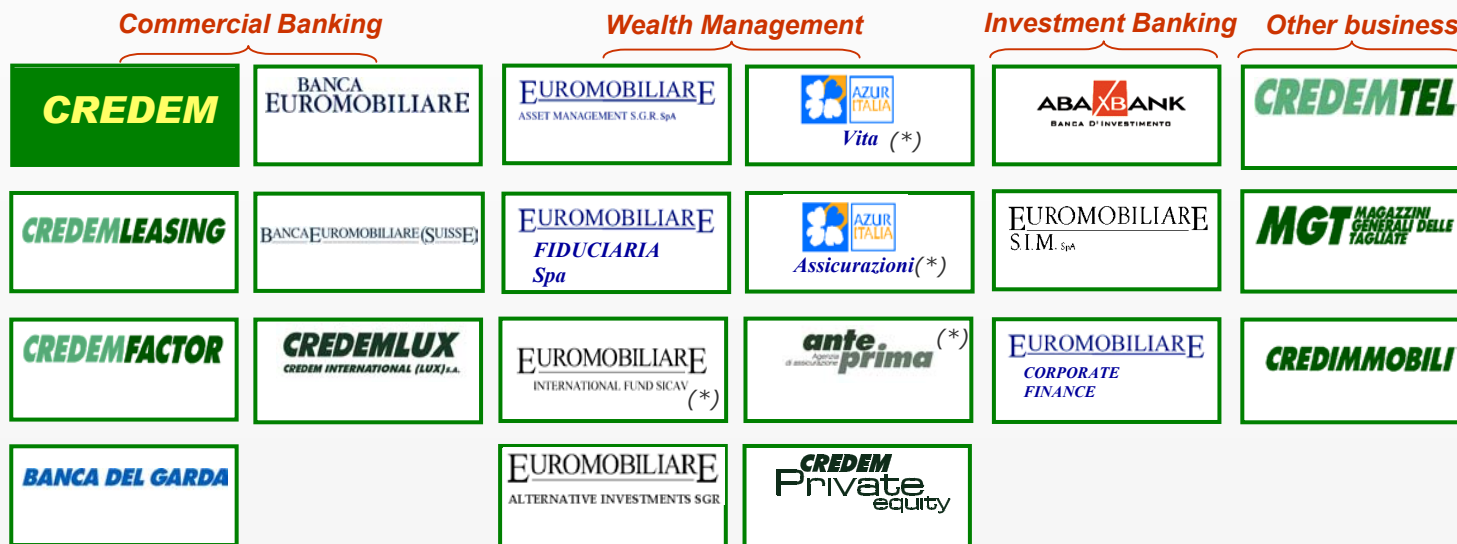
Appendices

Information on the Group:

- Capital structure
- Group structure
- Business areas







(*) companies not included within the Banking Group