



Banking Group
CREDITO EMILIANO - CREDEM

PRESS RELEASE

Reggio Emilia, 19 January 2005

Credem launches a seven-year €350-mn Eurobond

Terms and conditions

Yesterday, Credem launched a €350 million senior floater Eurobond with a maturity of seven years and a minimum size of € 50,000. The bond was issued and placed at 99.871%.

The securities have a value date and entitlement date of January 31, 2006 and pay gross quarterly coupons at the three-month Euribor rate plus 20 bp. They will mature on January 31, 2013. The loan will be reimbursed at par and bonds cannot be redeemed in advance.

Target investors and outcome

The bonds were offered on January 18, 2005 to qualified dealers only. The breakdown of investors by nationality is as follows: Germany 55.7%; Italy 25.3%; United Kingdom 9.4%; Luxembourg 5.3%; France 2%; Asia 1.4% and Greece 0.9%. The bond was subscribed to 87% by banks, 10% by investment funds, 2% insurance company and 1% by other subject.

Ratings

The bond has been rated "A" by Fitch and "A-" by S&P, mirroring the two agencies' recent Credem ratings.

Placement syndicate

The bonds were placed on the Euromarket by joint bookrunners Abaxbank, Barclays Bank PLC, and Calyon, which have assumed no underwriting commitments.

Listing

The bonds will be listed on the Luxembourg Stock Exchange.

Covenants and guarantees

The bond is backed by no covenants or guarantees issued by Credem Group companies or third parties.

Use of funds

The funds raised by the bond will be used for ordinary banking and lending activities.

EMTN Programme

The present bond is part of the EMTN programme renewed on 13 December 2005 for a total amount of 2.5 billion Euro with a duration of twelve months, signed by Credito Emiliano with Calyon as arranger.

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