

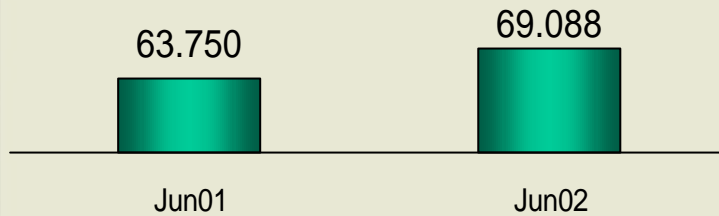


## **2002 Interim Results**

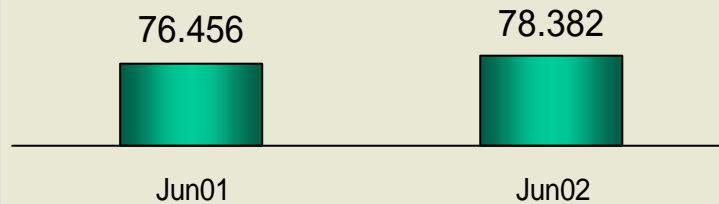
Siena, 13 September 2002

## Net interest income: +7.5% yoy

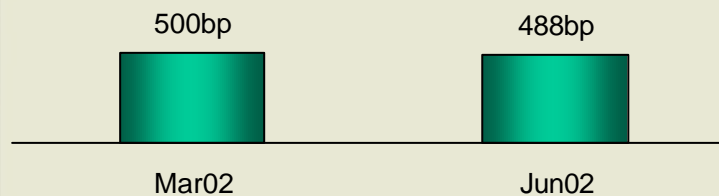
### Customer Loans (€m)



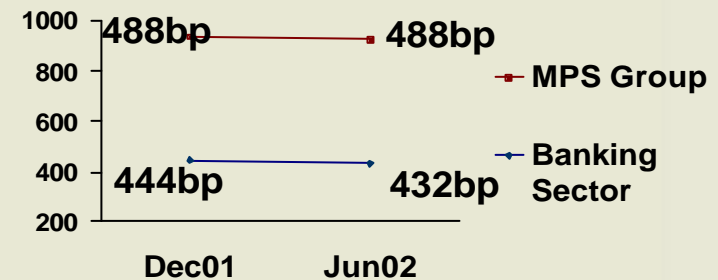
### Direct Deposits (€m)



### Short Term Customer Spread

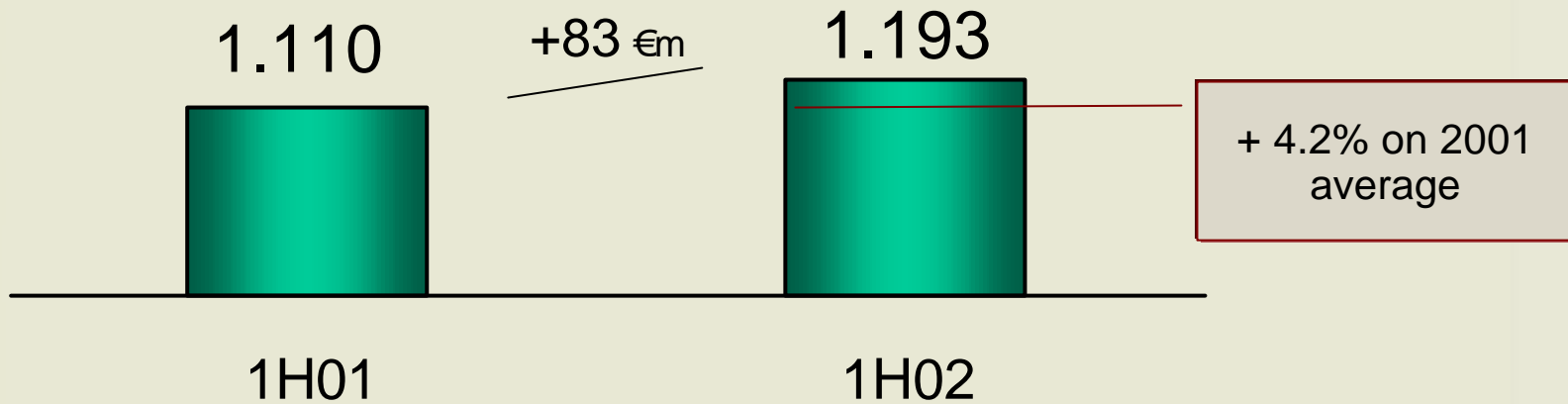


- +8.0% yoy on average balances
- Mortgages: 2,662 €m of new inflows in 1H02 (+40% on 1H01)
- Specialised lending flows: 1,964 €m (+30% on 1H01)
- +8.5% yoy on average balances
- Current accounts: +7.3% yoy
- Bonds: +14.3% yoy
- Careful action on pricing

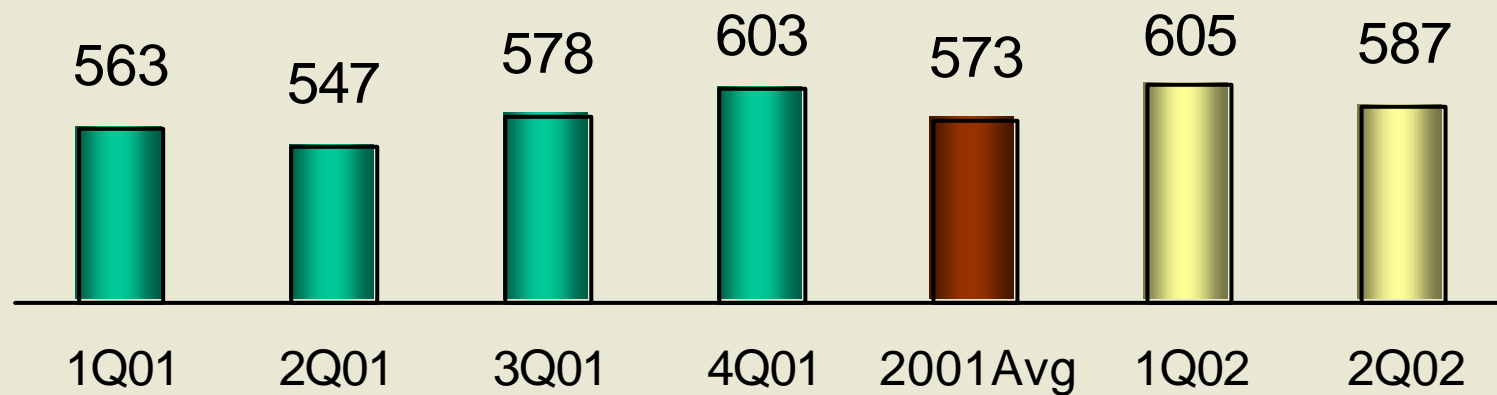


## Net interest income: +7.5% yoy

(€m)

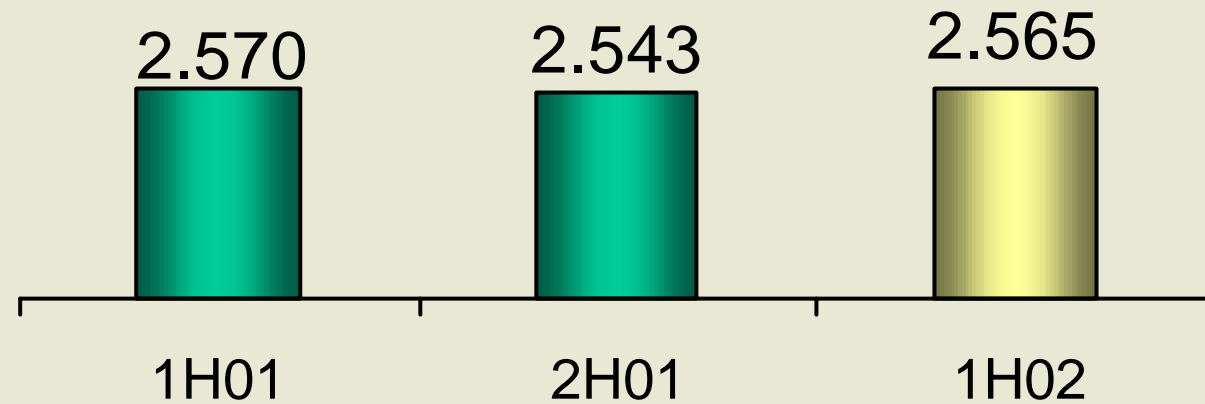


Quarterly trend (€m)

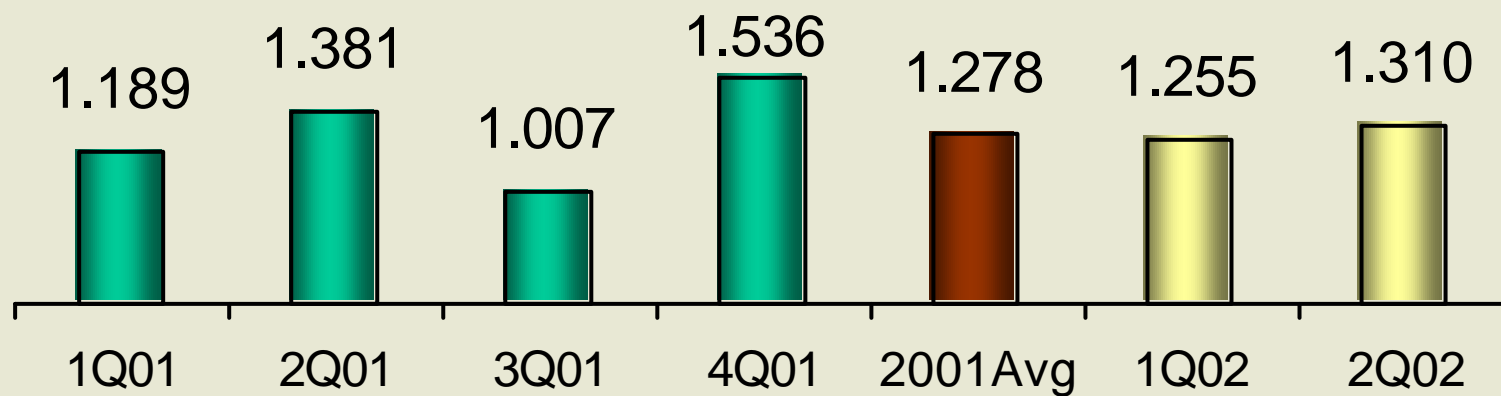


## Total Income: in line with 1H01 results

(€m)

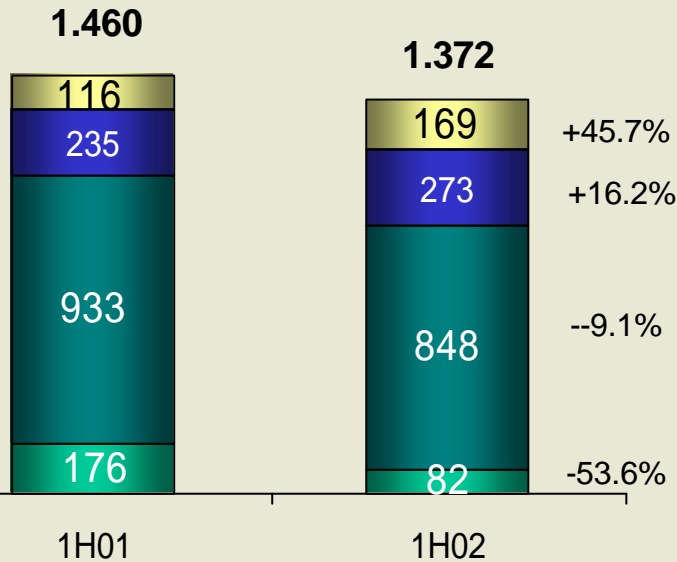


Quarterly trend (€m)

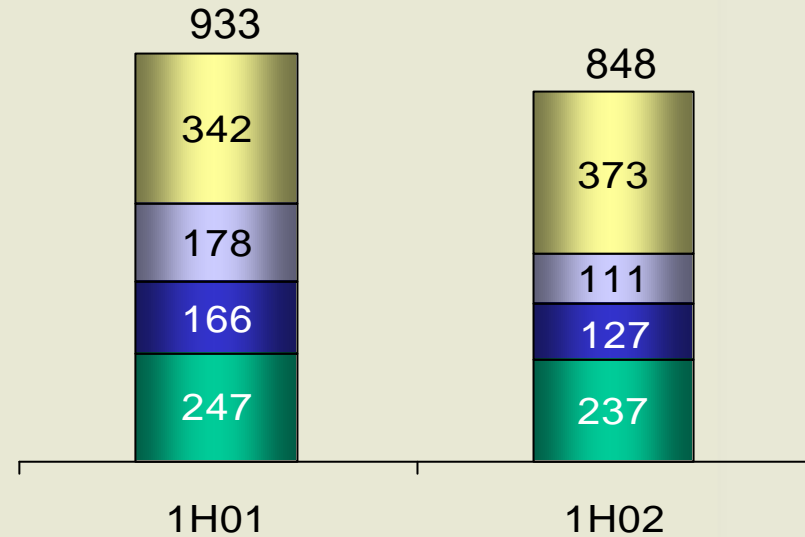


# Non Interest Income breakdown

Non interest income (€m)



Total net banking commissions (€m)



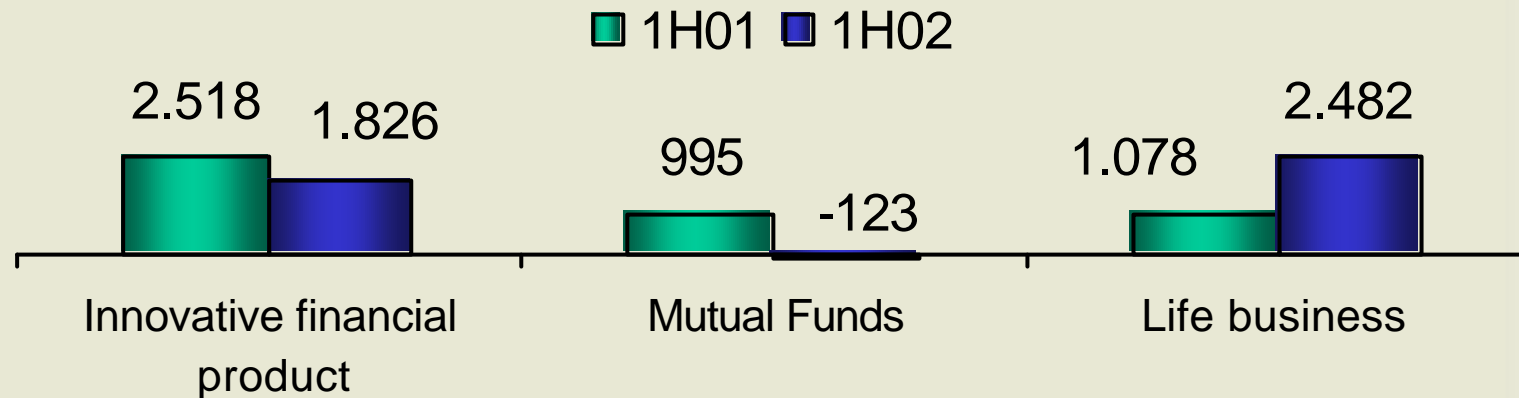
- Dividends and inc. from equity accounted comp.
- Other Operating Income
- Net Banking Commissions
- Profits on financial transactions

- Traditional banking services
- Brokerage
- Innovative financial products
- Asset management

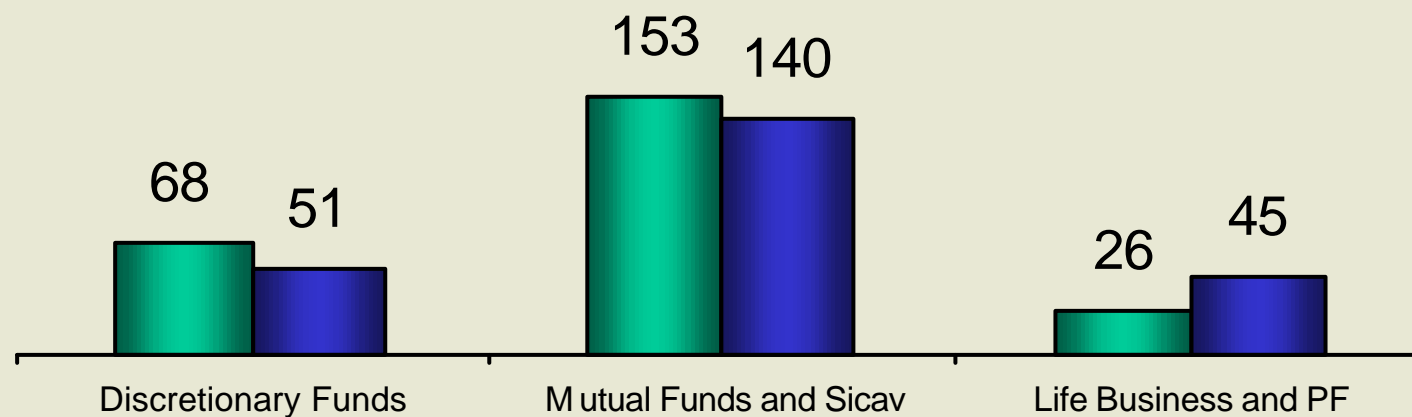
Note: Reclassified following management criteria

## Contribution from saving products

Net Flows(€m)

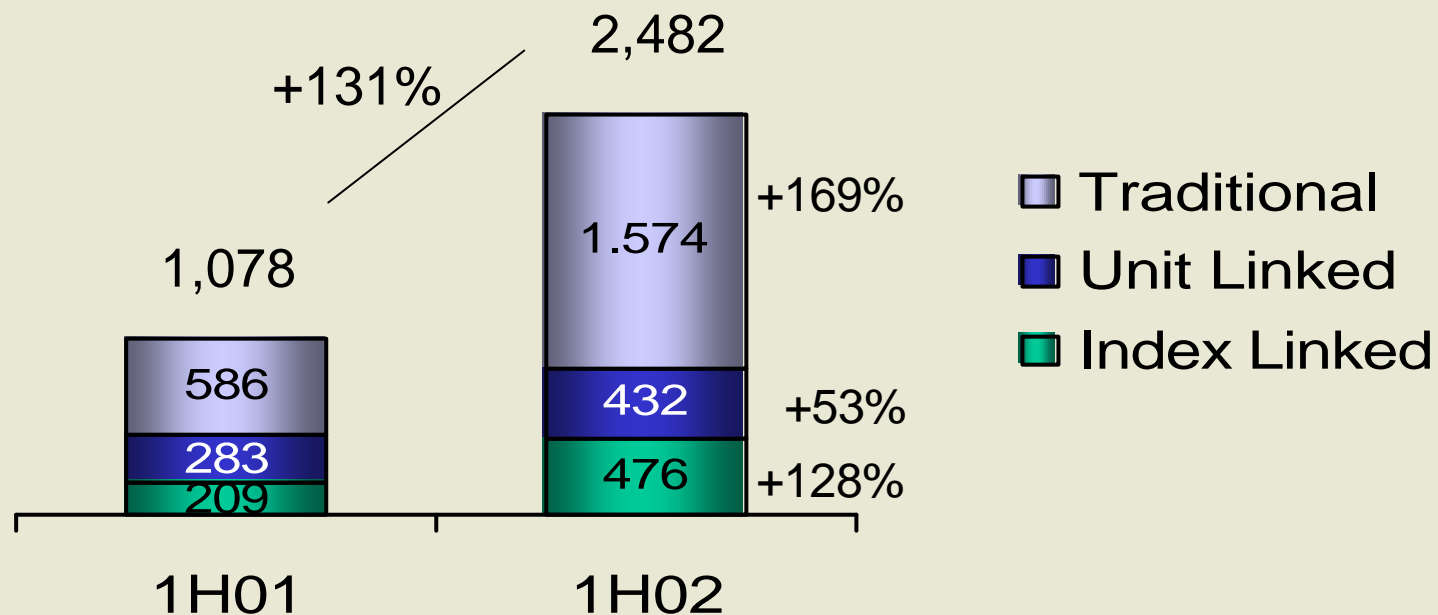


AuM commissions breakdown (€m)



## Strong performance in life insurance business

Life Insurance Premiums (€m)

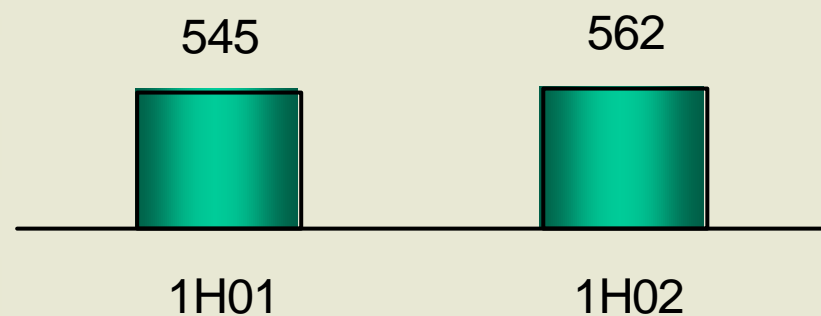


✎ Technical reserves at 12,136 million euro (+37.3% yoy)

✎ Embedded value from new production at 69 million euro

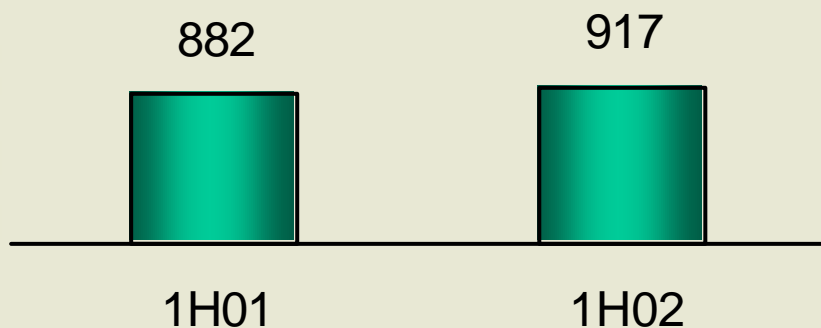
## Operating costs showing a significant deceleration

Administrative costs (€m)



- Growth significantly reduced (+3.1% versus +11.3% at June 01)

Personnel costs (€m)

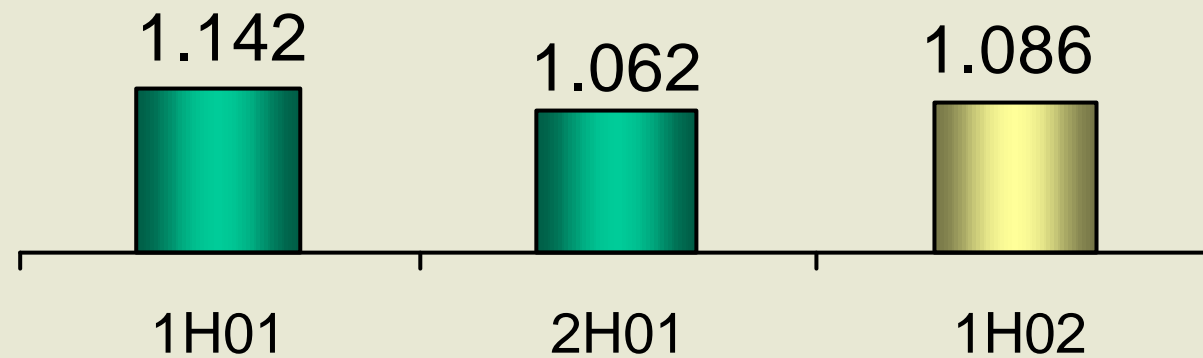


- Growth mainly linked to new labour contracts

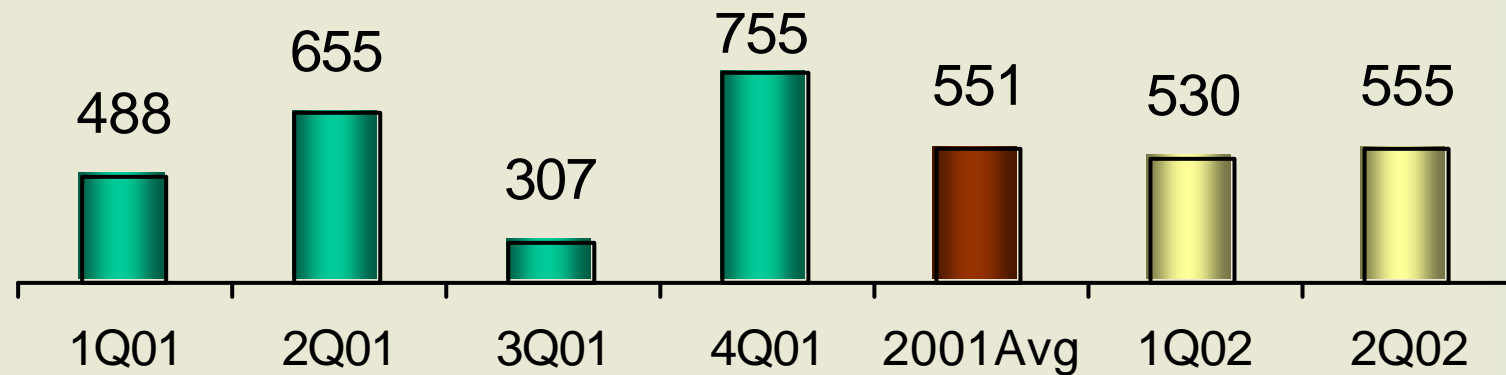


## Gross Operating Income

(€m)



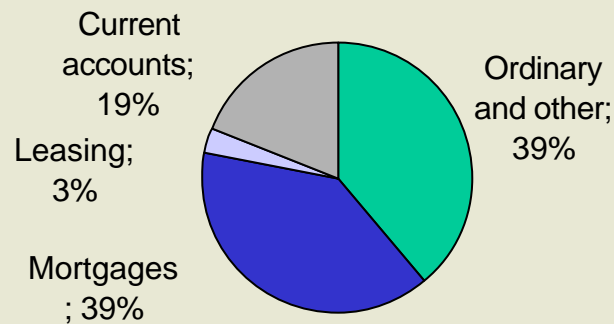
Quarterly trend (€m)



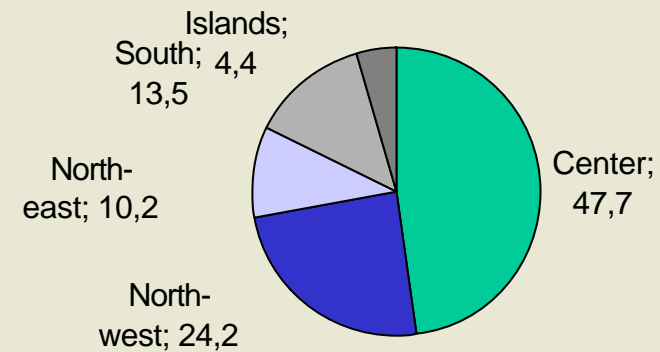
# Asset quality:

## Good diversification and low international exposure

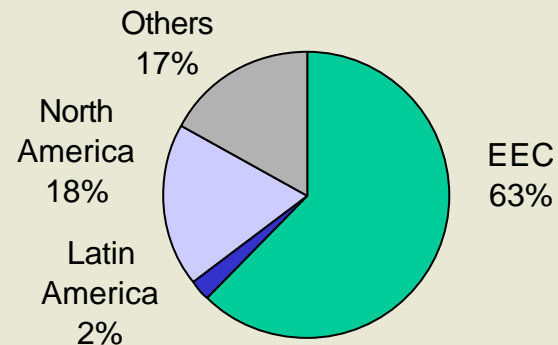
### By product



### By geography



### Breakdown of international exposure (less than 5% of total loans)

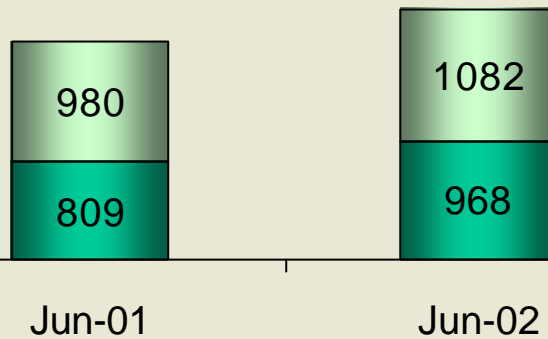


### Low concentration

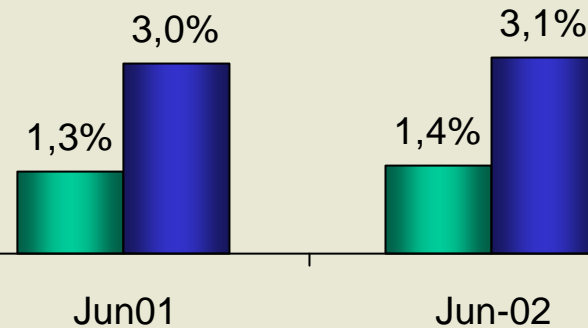
✎ 53% of loans with an exposure below 2.5 million euros

# Asset quality

Net doubtful loans (€m)



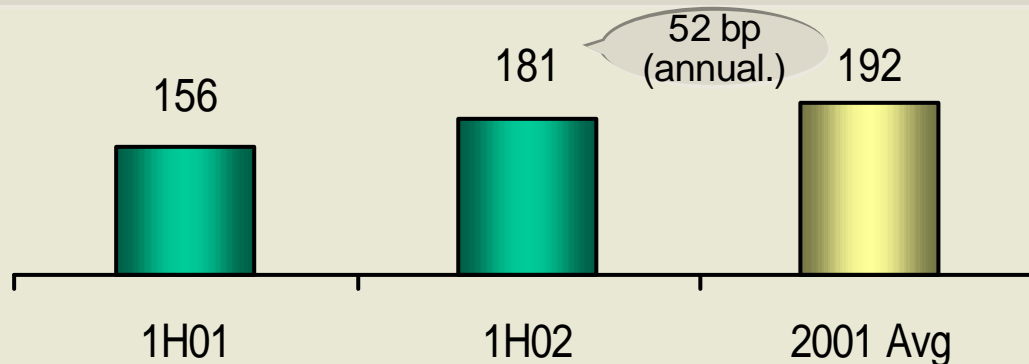
Asset quality ratios



■ NPL ■ Substandard loans

■ Net NPL ratio  
■ Net Doubtful Loans ratio

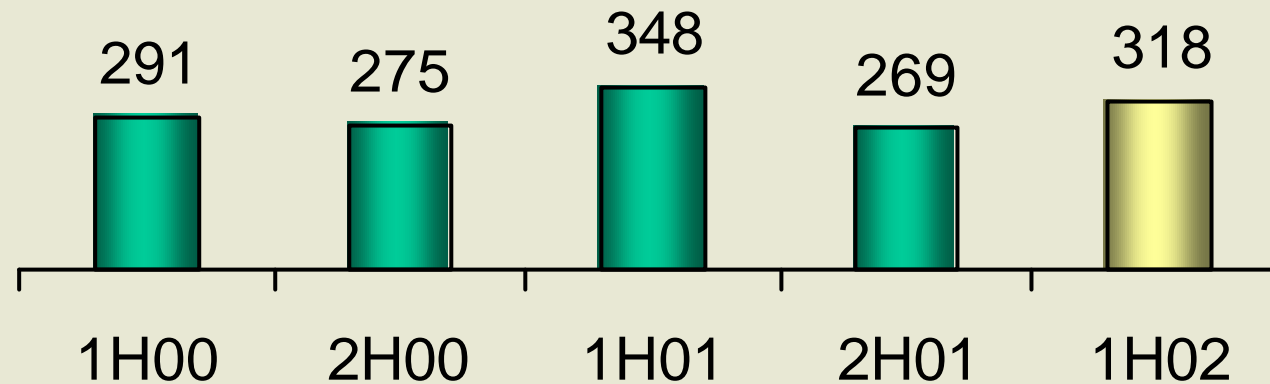
Credit Risk Provisions (€m)



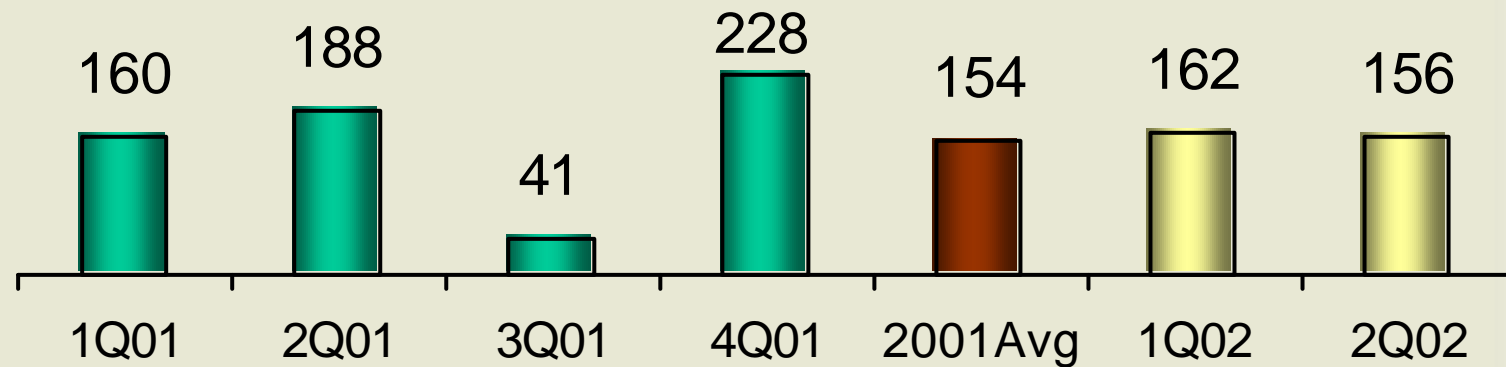
Coverage ratio at 73% including writedowns, reserve for loan losses and generic provisioning

## Net Income: +2.9% on 2001 average

(€m)



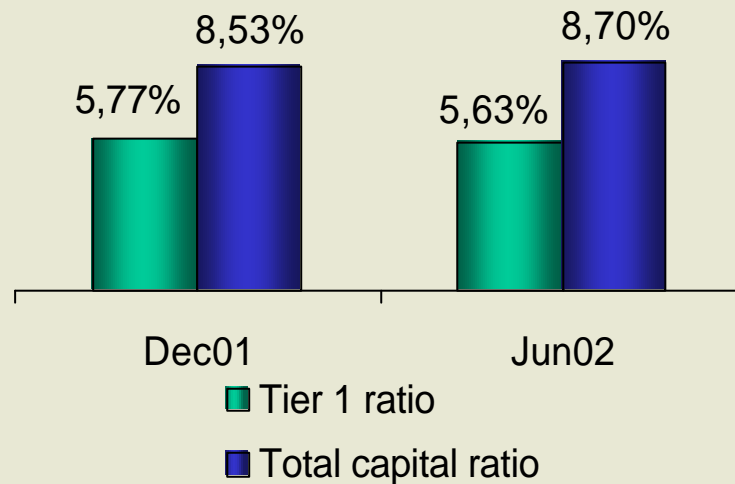
Quarterly trend (€m)



# Risk management

## Capital ratios

Total BIS capital: €6.9bn



2002 Tier 1 ratio target >6%

## Market risks (€m, Jun-02)

### Banking book

(shift 200bp)

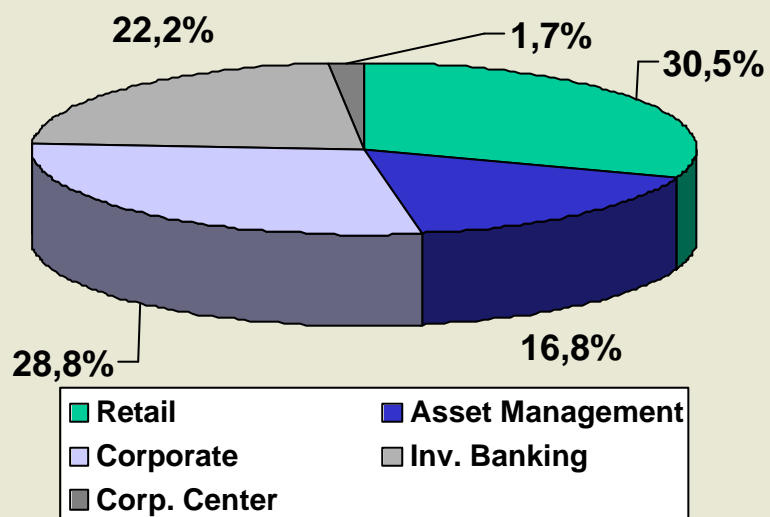
- Equity at risk/Tier 1 1.92%
- Equity at risk/Total capital 1.33%

### Trading book

- Uncorrelated Var 99% 1 day (estimate) : 18.5 €m

## Results By Business Area: estimates

### Contribution to NOPAT



### RORAC

Retail (°)	18.7%
Asset Management	35.9%
Corporate	8.3%
Invest. Banking	27.9%
Corp. Center	nm

(°) incl small business

# Annexes

---

## Summary of 1H02 results

### Profit and Loss

	1H02	YoY chg. %
€m		
Net Interest Income	1,193	+7.5
Total Income	2,565	-0.2
Administrative costs	1,479	+3.6
Operating Income	1,086	-5.0
Net Income	318	-8.8
Net Adjusted Income	360	-7.4
Cost / Income (excl deprec.)	57.7%	+80bp
Annualized Adj. ROE	15.0%	+60bp



## Summary of 1H02 results

### Loans, Deposits and AuM

	1H02	YoY chg. %
€m		
Total Customer Funds	173,660	+2.9
Direct Funds *	78,382	+2.5
Indirect Funds	95,278	+3.2
AuM	38,716	-5.2
Assets Under Custody	56,562	+9.9
Customer Loans	69,088	+8.4

\* Incl. subordinated debts

## Market Shares

	Dec. 2001	June 2002
Customer Deposits	7.0%	6.8%
Customer Loans	6.3%	6.5%
Mutual Funds (stock)	4.4%	4.3%
Bancassurance (flows)	11.5%	13.2%

## Distribution Network and Customers

	Dec. 2001	June 2002
Domestic Branches	1.838	1.853
Financial Shops – Teleboutiques	248	266
No of employees	28,310	28,452
ATM	2,336	2.356
POS	59,699	63.902
No of customers	4,482,500	4.547.170