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TOKYO

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MEXICO CITY  
SÃO PAULO

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JOHANNESBURG

June 14, 2004

File Number 82-5126

Office of International Corporate Finance, Mail Stop 3-2  
Division of Corporation Finance  
Securities and Exchange Commission  
Judiciary Plaza  
450 Fifth Street, N.W.  
Washington, D.C. 20549

SOPPL  
~~12G32BR~~  
JUN 16 2004

Re: Cassa di Risparmio di Firenze S.p.A. – File Number 82-5126

Ladies and Gentlemen:

I refer to the above-referenced exemption pursuant to Rule 12g3-2(b) (the "Rule") of the Securities Exchange Act of 1934, as amended (the "Act") granted previously to Cassa di Risparmio di Firenze S.p.A. (the "Company") and hereby transmit to you the following documentation and information required to be submitted pursuant to the Rule.

A. Documents filed with Borsa Italiana S.p.A., the Italian stock exchange, and CONSOB, the Italian securities regulatory commission:

1. The 2003 Annual Report of the Company was approved at the Shareholders' meeting of April 26, 2004. A summary of the Annual Report and the consolidated financial statements of the Company for the fiscal year ended December 31, 2003 are included in the press release dated March 22, 2004 attached hereto; and
2. The resolutions of the Shareholders' meeting of April 26, 2004 have been filed with the Italian Stock Exchange and CONSOB and are summarized in the press release dated April 26, 2004 attached hereto.

B. English versions and translations of the following press releases:

1. Notification of the signing of Carinord 2's Scission Act, dated April 21, 2004; and
2. Approval by the shareholders of the balance sheet of the Company and the dividend payment by the Company, dated April 27, 2004.

PROCESSED

JUN 18 2004

THOMSON  
FINANCIAL

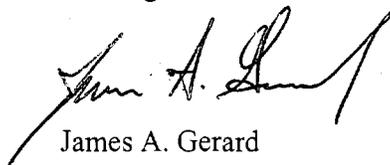
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Securities and Exchange Commission  
Page 2

As stated in paragraph (5) of the Rule, the Company understands that its furnishing the Securities and Exchange Commission with the information set forth above and the documents being transmitted herewith pursuant to the Rule shall not constitute an admission for any purpose that the Company is subject to the provisions of the Act.

Please contact the undersigned in connection with any of the points discussed in this letter.

Best regards,



James A. Gerard

JAG:jag

cc: Marco Falleri  
Cassa di Risparmio di Firenze, S.p.A.



# BANCA CR FIRENZE

Press release

**CONSOLIDATED NET INCOME    € 95.5 MILLION (+15.6%)**

**DIVIDEND CONFIRMED        € 0.052 PER SHARE**

The Board of Directors of Banca CR Firenze SpA, chaired by Aureliano Benedetti, has approved today the draft of the company's financial statement and the consolidated 2003 financial statement, presented by the Chief Executive Officer Lino Moscatelli.

The Board has decided to propose to the Shareholders a **dividend of 0.052 Euros per share**, the same as last year. The dividend is based on the **parent company's net income of 90.5 million Euros**. The drafts of the 2003 financial statement of Banca CR Firenze, the consolidated financial statement, and the dividend distribution proposal will be submitted to the approval of the Shareholders who will meet on April 26, 2004. The proposed **payment date is May 27<sup>th</sup>, 2004** (coupon detachment on May 24<sup>th</sup>, 2004).

The Group's 2003 business has continued to expand through its multiple activities, coherent with the targets set out in the budget and in the Business Plan, and focused on its research for an evermore efficient organization structure. These efforts have contributed to the attainment of significant results, both in terms of profitability, increased overall deposits and investment of funds, while pursuing the best and most efficient allotment of risk capital.

In comparison to the 2002 financial statement, **the net interest income** totaled 612.2 million Euros (+4% increase) and the **total income** totaled **1,009.5 million Euros** (+2.8% increase or **+5.7%** if we adjust 2002 profit/loss account for the extraordinary Eptaconsors dividend which was recorded in Banca CR Firenze accounting books in November 2002 and, as a result of this operation, the aggregated "income of the companies consolidated at equity and dividends from shareholdings" has accounted for the reduction from 60.2 to 24.3 million Euros). This result has been supported by the good profitability of the shareholdings, consolidated with the equity method, which have profited 15 million Euros, consistent with 2002 results. The figure for "**net commissions and other revenues**" gained a **7.3%** and totaled 347.3 Euros.



# BANCA CR FIRENZE

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**Net commissions** by themselves obtained a **+7.9%** (248.4 million Euros). The profits on **financial transactions**<sup>1</sup> totaled 25.7 million Euros.

While continuing the expansion of the business activities in the course of 2003, efforts to improve the Group's cost containment were not spared and **total costs increased a limited 2.6%** with the figure at 676 million Euros, which is **better than the Business Plan target**. In detail, the administrative expenses increased by 3.5% totaling 614.7 million Euros while the **adjustments to tangible and intangible fixed assets** decreased by 61.3 million Euros (-6.1%).

**Operating income** accounted for 333.5 million Euros. a 3.2% increase over the previous year. The increase **tops 12.8%** if we exclude for the year 2002 the effect of the extraordinary Eptaconsors dividend.

**Provisions** and net **adjustments** on loans (106.8 million Euros) were **10% higher** than the 2002 figures. Customer loans continued to be of high quality with a 1.13% ratio between **net non-performing/net loans** (1.06% in 2002) and a **recovery percentage of 53.5%**. The ratio between **gross non-performing/gross loans** is 2.40% (2.28% in 2002). Bearing into consideration the provisions for loans losses (line 90 on profit-loss account), the **recovery capacity** for non-performing loans as of 31.12.2003 **reaches 61.6%**.

**Income from ordinary operations** totaled 200.5 million Euros, a slight 2.2% drop. It is basically determined by the amortizations of the positive consolidation differences and by the net shareholder equity. Therefore, it is to be considered as the result of investments in the scope of Group strengthening and innovation. If, however, one deletes the extraordinary Eptaconsors dividend from the 2002 result, the income from ordinary operations would attain a + 16.3%.

**Net income** totals **95.5 million Euros, 15.6% higher** than the previous year.

**Group ROE is 13%** (11.1% as of 31.12.2002) and is calculated by dividing the net income for the fiscal year by average shareholders' equity, profits from contracts in progress excluded, and does not comprise the goodwill amortization. Should we include such amortization, the ROE would be equivalent to **10%**. It was 8.9% as of 31.12.2002. On this

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<sup>1</sup> Includes dividends on shares



## BANCA CR FIRENZE

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matter, let us highlight that for the period 1.1.2002-31.12.2003, the consolidated net shareholder equity has increased by 68.7 million (+7.2%).

**Cost/income**, calculated by dividing the administrative costs and value adjustments over tangible and intangible assets with total income, excluding the recovery of expenses, remains more or less stable at **65.7%**.

In comparison to year 2002, **total deposits** from customers of the Group have marked a **net increase** of **5.9%**, attaining 27,837.7 million Euros. Both components are on the upward trend with direct deposits 7.7% higher (13,294.4 million) and indirect ones 4.2% higher (14,543.3 million).

**Assets under management** have grown significantly (**+7.9%**, equivalent to 8,843.1 million Euros). In detail, **Bancassurance** increased **23.1%**, with technical reserves equivalent to 2,190 million Euros, **discretionary accounts increased 20.5%** (equivalent to 2,347.4 million) and **Mutual Funds** decreased by 3.7%.

**Customer loans** totaled 13,101.4 million Euros, 7.1% higher than in 2002. Let us highlight the fact that **mortgage loans** continue their positive trend with a 13.6% increase.

Florence, March 22<sup>nd</sup>, 2004

**CONSOLIDATED FINANCIAL STATEMENTS**

(Euro million)

<b>ASSETS</b>	<b>31 December 2003</b>	<b>31 December 2002</b>
Cash on hand and with central banks and post offices	123,590	128,192
Italian government securities and similar securities eligible for refinancing with central banks	181,285	304,311
Amounts owing by banks	1,146,480	1,182,942
(a) sight	371,284	343,527
(b) other	775,196	839,415
Customer loans	13,101,453	12,233,395
including loans from third-party funds under administration	493	804
Bonds and other debt securities	1,638,189	1,546,828
(a) of public issuers	1,132,440	1,224,949
(b) of banks	327,846	205,563
including own securities	39,892	34,834
(c) of financial institutions	77,768	51,631
(d) of other issuers	100,135	64,685
Shares and other equity securities	37,116	44,035
Participating interests other than in Group companies	380,829	351,425
(a) valued on equity method	96,435	103,629
(b) other	284,394	247,796
Participating interests in Group companies	42,167	21,021
(a) valued on equity method	40,465	19,140
(b) other	1,702	1,881
Goodwill arising on consolidation	164,191	137,878
Goodwill on equity-valued holdings	165	213
Intangible assets	55,972	53,158
including goodwill	10,558	0
Property and equipment	291,574	334,920
Own shares (nominal value 85,6)	160	2,170
Other assets	1,274,792	1,181,176
Accrued income and prepayments	132,968	120,729
(a) accrued income	91,041	88,136
(b) prepayments	41,927	32,593
including issue discounts on securities	1,729	440
<b>TOTAL ASSETS</b>	<b>18,570,931</b>	<b>17,642,393</b>

**CONSOLIDATED FINANCIAL STATEMENTS**

(Euro million)

<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>31 December 2003</b>	<b>31 December 2002</b>
<b>Amounts owing to banks</b>	<b>2,318,001</b>	<b>2,378,569</b>
(a) sight	356,762	506,530
(b) at maturity date or notice	1,961,239	1,872,039
<b>Customer deposits</b>	<b>8,212,536</b>	<b>7,783,533</b>
(a) sight	7,376,029	6,843,885
(b) at maturity date or notice	837	939,648
<b>Debt securities issued</b>	<b>4,045,362</b>	<b>3,814,165</b>
(a) bonds	3,632,281	3,323,869
(b) certificates of deposit	351,785	429,046
(c) other	61,296	61,250
<b>Third party funds in administration</b>	<b>2,396</b>	<b>3,273</b>
<b>Other liabilities</b>	<b>1,121,172</b>	<b>1,117,898</b>
<b>Accrued liabilities and deferred income</b>	<b>116,148</b>	<b>111,742</b>
(a) accrued liabilities	86,044	86,397
(b) deferred income	30,104	25,345
<b>Provision for staff termination pay</b>	<b>153,001</b>	<b>146,679</b>
<b>Provisions for risks and charges</b>	<b>366,890</b>	<b>371,626</b>
(a) provisions for pensions and similar obligations	161,347	160,034
(b) tax provisions	137,838	135,542
(d) other provisions	67,705	76,050
<b>Provisions for loan losses</b>	<b>26,249</b>	<b>26,077</b>
<b>Reserve for general banking risks</b>	<b>65,615</b>	<b>65,615</b>
<b>Subordinated debt</b>	<b>1,034,190</b>	<b>739,190</b>
<b>Negative differences arising on consolidation</b>	<b>8</b>	<b>8</b>
<b>Negative differences on equity-valued holdings</b>	<b>601</b>	<b>538</b>
<b>Minority interests</b>	<b>150,641</b>	<b>168,752</b>
<b>Share capital</b>	<b>620,152</b>	<b>619,155</b>
<b>Share premium</b>	<b>375</b>	<b>0</b>
<b>Reserves</b>	<b>240,719</b>	<b>210,826</b>
(a) legal reserve	127,087	126,432
(b) reserve for own shares	160	2,170
(c) statutory reserves	23,202	20,652
(d) other reserves	90,270	61,572
<b>Revaluation reserves</b>	<b>1,412</b>	<b>2,163</b>
<b>Net profit for the year</b>	<b>95,463</b>	<b>82,584</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>18,570,931</b>	<b>17,642,393</b>

**CONSOLIDATED FINANCIAL STATEMENTS**

(Euro million)

<b>CONSOLIDATED PROFIT AND LOSS ACCOUNT</b>	<b>31 December 2003</b>	<b>31 December 2002</b>
Interest earned and similar income	<b>909,277</b>	<b>954,268</b>
including: on Customer loans	831,709	851,307
on debt securities	49,316	69,717
Interest expense and similar charges	<b>-297,032</b>	<b>-365,851</b>
including: on customer deposits	-84,368	-114,013
on debt securities	-133,356	-150,669
Dividends and other income	<b>9,676</b>	<b>46,791</b>
on shares and other equity securities	397	1,617
on participating interests	9,279	45,174
Commissions earned	<b>319,892</b>	<b>286,083</b>
Commissions expense	<b>-71,538</b>	<b>-57,863</b>
Gain (losses) on financial transactions	<b>25,304</b>	<b>8,433</b>
Income from investments earmarked for pension funds and similar obligations	<b>8,607</b>	<b>4,867</b>
Other operating income	<b>127,942</b>	<b>123,927</b>
Administrative expenses	<b>-614,671</b>	<b>-593,817</b>
(a) staff costs	-378,669	-370,071
including salaries and wages	-272,238	-269,318
social security contributions	-70,053	-65,310
staff severance pay	-22,545	-20,420
pensions and similar obligations	-6,472	-6,081
other personnel contributions	-7,361	-8,942
(b) other administrative expenses	-236,002	-223,746
Transfer out of income from investments earmarked for pension funds and similar obligations	<b>-8,607</b>	<b>-4,867</b>
Value adjustments to intangible assets and property and equipment	<b>-87,527</b>	<b>-86,232</b>
Provisions for risks and charges	<b>-12,966</b>	<b>-23,570</b>
Other operating expenses	<b>-28,998</b>	<b>-30,532</b>
Value adjustments to loans and provisions for guarantees and commitments	<b>-108,942</b>	<b>-96,851</b>
Value re-adjustments to loans and provisions for guarantees and commitments	<b>33,241</b>	<b>44,427</b>
Provisions for loan losses	<b>-16,135</b>	<b>-17,804</b>
Value adjustments to non-current financial assets	<b>-2,626</b>	<b>-3,378</b>
Value re-adjustments to non-current financial assets	<b>573</b>	<b>101</b>
Profit (Losses) of companies recorded on equity method	<b>14,979</b>	<b>15,011</b>
Profit (Losses) from ordinary activities	<b>200,449</b>	<b>205,143</b>
Exceptional income	<b>27,346</b>	<b>24,812</b>
Exceptional charges	<b>-16,123</b>	<b>-29,404</b>
Gain (loss) on exceptional items - net	<b>11,223</b>	<b>-4,592</b>
Income taxes for the year	<b>-102,576</b>	<b>-103,911</b>
Profit for the year pertaining to minority interests	<b>-13,633</b>	<b>-14,056</b>
<b>NET PROFIT FOR THE YEAR</b>	<b>95,453</b>	<b>82,584</b>

**CONSOLIDATED FINANCIAL STATEMENTS**  
(Euro million)

<b>RECLASSIFIED CONSOLIDATED PROFIT AND LOSS ACCOUNT</b>	<b>31 December 2001</b>	<b>31 December 2002</b>	<b>31 December 2002 pro-forma</b>	<b>Change 2003/2002</b>	<b>Change 2003/2002 pro-forma</b>
Interest margin	612.2	584.4	568.4	-4.0%	-4.0%
Dividends	9.3	46.8	45.2	-80.1%	-79.4%
Net commissions	248.4	230.2	230.2	7.9%	7.9%
Other operating income	98.9	93.4	93.4	5.9%	5.9%
Gain/(losses) on financial transactions and share dividends (net)	25.7	10.0	10.0	157.0%	157.0%
Profits of equity associated companies	15.0	13.4	15.0	11.9%	0.0%
<b>Overall business margin</b>	<b>1,009.5</b>	<b>987.2</b>	<b>987.2</b>	<b>2.6%</b>	<b>2.6%</b>
Administrative expenses	-614.7	-593.8	-593.8	3.5%	3.5%
Staff costs	-378.7	-370.1	-370.1	2.3%	2.3%
Depreciation of property, plant and equipment	-236.0	-223.7	-223.7	5.5%	5.5%
Amortization of intangible assets	-61.3	-65.3	-65.3	-6.1%	-6.1%
<b>Operating profit</b>	<b>333.5</b>	<b>323.1</b>	<b>323.1</b>	<b>3.2%</b>	<b>3.2%</b>
Amortization of goodwill on consolidated and equity valued companies	-26.2	-20.9	-26.2	25.4%	0.0%
Provisions for risks, revaluations and net value adjustments to loans and non-current financial assets	-106.8	-97.1	-97.1	10.0%	10.0%
<b>Profit from ordinary activities</b>	<b>200.5</b>	<b>204.1</b>	<b>199.8</b>	<b>-2.2%</b>	<b>-0.4%</b>
Gain/(losses) on exceptional items (net)	11.2	-4.6	-4.6	n.s.	n.s.
<b>Gross profit</b>	<b>211.7</b>	<b>200.5</b>	<b>195.2</b>	<b>5.6%</b>	<b>8.5%</b>
Income taxes for the year	-102.6	-103.9	-103.9	-1.3%	-1.3%
Net profit pertaining to minority interests	-13.6	-14.0	-13.3	-2.9%	2.3%
<b>GROUP NET PROFIT FOR THE YEAR</b>	<b>95.5</b>	<b>82.6</b>	<b>78.0</b>	<b>15.6%</b>	<b>22.4%</b>

**TOTAL FUNDING**  
(Euro million)

	<b>31 December 2001</b>	<b>31 December 2002</b>	<b>Var.</b>
<b>Direct funding</b>	<b>13,294.4</b>	<b>12,340.2</b>	<b>7.7%</b>
<b>Indirect funding</b>	<b>14,543.3</b>	<b>13,956.2</b>	<b>4.2%</b>
Assets under custody	5,700.2	5,758.0	-1.0%
Assets under management	8,843.1	8,198.2	7.9%
Discretionary accounts	2,347.4	1,948.4	20.5%
Mutual funds	4,305.7	4,471.1	-3.7%
Insurance products	2,190.0	1,778.7	23.1%
<b>TOTAL FUNDING</b>	<b>27,837.7</b>	<b>26,296.4</b>	<b>5.9%</b>



# BANCA CR FIRENZE

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Press Release

## **THE SHAREHOLDERS APPROVE THE FINANCIAL STATEMENTS FOR 2003**

### **CONFIRMED THE € 0.052 DIVIDEND PROPOSAL**

### **APPOINTMENT OF THE NEW STATUTORY AUDITORS**

The Shareholders' Meeting of Banca CR Firenze SpA, chaired by Aureliano Benedetti, which took place today in Florence in the first session, approved the parent company financial statements and the consolidated statements for the year 2003.

The shareholders also approved the Board of Directors' proposal to distribute a gross, pre-tax € 0.052 dividend pay-out per outstanding ordinary share. The Coupon 4 ex-dividend date shall be May 24, 2004 and the dividend settlement date shall be May 27, 2004. At the current stock market prices, this dividend corresponds to a gross yield of about 3.5%. In addition, in the past 12 months the stock's upward trend continued and topped the 32% growth mark.

The extraordinary session of the Shareholders' Meeting approved:

- The share capital increase, excluding the right of option which was reserved for the Fondazione Cassa di Risparmio della Spezia. The share capital will therefore be increased to € 645,882,823.20 through the issuance of 44,666,603 ordinary shares at a price of € 1.79105 per share (nominal value € 0.57);
- The amendment of Articles 2,6,7,9,12,15 and 19 of the company by-laws, as described in the Board of Directors' Report, to enable the company to comply with new regulations and with the new capital share total.

The ordinary session of the Shareholders' Meeting approved:



## BANCA CR FIRENZE

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- The appointment of the Board of Statutory Auditors because their previous three-year term expired today after the approval of the 2003 financial statements. Vieri Fiori has been nominated Chairman of the Board of Auditors. Marco Sacconi and Domenico Muratori have been appointed effective auditors. Angelo Falbo and Guido Sansoni are the new substitute auditors;
- The appointment as member of the Board of Directors of Banca CR Firenze of Alessio Colomeiciuc, who was nominated by the board itself in the course of the year 2003. His term shall expire on the same date as that of the other board members. The Meeting of Shareholders has also granted its general authorisation to all board members to hold similar positions in other companies, if these have been nominated by Banca CR Firenze. This authorisation is also valid for nominations to positions in subsidiaries of the groups Sanpaolo IMI and BNP Paribas, the strategic partners of Banca CR Firenze.
- The authorisation to buy and sell the bank's own shares;
- The renewal of the civil responsibility insurance policy for the board members.

Florence, April 26, 2004



# BANCA CR FIRENZE

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Press Release

## CARINORD 2'S SCISSION ACT SIGNED TODAY

Carinord 2 S.p.A.'s scission act was signed today in Milano. Carinord 2, a holding company which possesses 90% of Cassa di Risparmio di Carrara shares and 68.09% of Cassa di Risparmio della Spezia, was purchased on July 16th, 2003 by Banca CR Firenze and Banca CARIGE.

Following the scission operation, Banca CR Firenze will remain the sole proprietor of the holding Carinord 2 which will own only CARISPE shares. The newly founded Caricarrara Holding S.p.A., whose sole owner is Banca CARIGE, will be endowed with Cassa di Risparmio di Carrara shares.

This programmed operation implements the July 2003 agreements signed by Banca CR Firenze, Banca CARIGE, Banca Intesa, Fondazione Cassa di Risparmio di Carrara and Fondazione Cassa di Risparmio della Spezia and had the scope of perfecting Banca CR Firenze's control of CARISPE and Banca CARIGE's control of CR Carrara.

Florence, April 21, 2004

Translation of Press Release dated April 27, 2004

CR FIRENZE BANK

**The Balance sheet and consolidated balance sheet as at December 31, 2003**

The balance sheet and the consolidated balance sheet as at December 31, 2003, approved by the Shareholders' Meeting dated April 26, 2004, and accompanied by the Management Report, the Board of Statutory Auditors' Report and the Accountancy Firm's Report are available to the public at its registered office and with Borsa Italiana S.p.A. The minutes of the Meeting shall be available to the public within the time provisions under the law.

**Dividend Payment**

In compliance with the deliberations of the Shareholders' Meeting dated April 26, 2004, payment of the dividend relating to the financial year 2003 shall be paid from May 27, 2004. This amount, before tax, is

**€0,052**

for each ordinary share in circulation.



## BANCA CR FIRENZE

Press release

**CONSOLIDATED NET INCOME    € 95.5 MILLION (+15.6%)**

**DIVIDEND CONFIRMED    € 0.052 PER SHARE**

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The Board has decided to propose to the Shareholders a **dividend of 0.052 Euros per share**, the same as last year. The dividend is based on the **parent company's net income of 90.5 million Euros**. The drafts of the 2003 financial statement of Banca CR Firenze, the consolidated financial statement, and the dividend distribution proposal will be submitted to the approval of the Shareholders who will meet on April 26, 2004. The proposed **payment date is May 27<sup>th</sup>, 2004** (coupon detachment on May 24<sup>th</sup>, 2004).

The Group's 2003 business has continued to expand through its multiple activities, coherent with the targets set out in the budget and in the Business Plan, and focused on its research for an evermore efficient organization structure. These efforts have contributed to the attainment of significant results, both in terms of profitability, increased overall deposits and investment of funds, while pursuing the best and most efficient allotment of risk capital.

In comparison to the 2002 financial statement, **the net interest income** totaled 612.2 million Euros (+4% increase) and the **total income** totaled **1,009.5 million Euros** (+2.8% increase or **+5.7%** if we adjust 2002 profit/loss account for the extraordinary Eptaconsors dividend which was recorded in Banca CR Firenze accounting books in November 2002 and, as a result of this operation, the aggregated "income of the companies consolidated at equity and dividends from shareholdings" has accounted for the reduction from 60.2 to 24.3 million Euros). This result has been supported by the good profitability of the shareholdings, consolidated with the equity method, which have profited 15 million Euros, consistent with 2002 results. The figure for "**net commissions and other revenues**" gained a **7.3%** and totaled 347.3 Euros.



## BANCA CR FIRENZE

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**Net commissions** by themselves obtained a **+7.9%** (248.4 million Euros). The profits on **financial transactions**<sup>1</sup> totaled 25.7 million Euros.

While continuing the expansion of the business activities in the course of 2003, efforts to improve the Group's cost containment were not spared and **total costs increased a limited 2.6%** with the figure at 676 million Euros, which is **better than the Business Plan target**. In detail, the administrative expenses increased by 3.5% totaling 614.7 million Euros while the **adjustments to tangible and intangible fixed assets** decreased by 61.3 million Euros (-6.1%).

**Operating income** accounted for 333.5 million Euros, a 3.2% increase over the previous year. The increase **tops 12.8%** if we exclude for the year 2002 the effect of the extraordinary Eptaconsors dividend.

**Provisions** and net **adjustments** on loans (106.8 million Euros) were **10% higher** than the 2002 figures. Customer loans continued to be of high quality with a 1.13% ratio between **net non-performing/net loans** (1.06% in 2002) and a **recovery percentage of 53.5%**. The ratio between **gross non-performing/gross loans** is 2.40% (2.28% in 2002). Bearing into consideration the provisions for loans losses (line 90 on profit-loss account), the **recovery capacity** for non-performing loans as of 31.12.2003 **reaches 61.6%**.

**Income from ordinary operations** totaled 200.5 million Euros, a slight 2.2% drop. It is basically determined by the amortizations of the positive consolidation differences and by the net shareholder equity. Therefore, it is to be considered as the result of investments in the scope of Group strengthening and innovation. If, however, one deletes the extraordinary Eptaconsors dividend from the 2002 result, the income from ordinary operations would attain a + 16.3%.

**Net income** totals **95.5 million** Euros, **15.6% higher** than the previous year.

**Group ROE is 13%** (11.1% as of 31.12.2002) and is calculated by dividing the net income for the fiscal year by average shareholders' equity, profits from contracts in progress excluded, and does not comprise the goodwill amortization. Should we include such amortization, the ROE would be equivalent to **10%**. It was 8.9% as of 31.12.2002. On this

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<sup>1</sup> Includes dividends on shares



# BANCA CR FIRENZE

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matter, let us highlight that for the period 1.1.2002-31.12.2003, the consolidated net shareholder equity has increased by 68.7 million (+7.2%).

**Cost/income**, calculated by dividing the administrative costs and value adjustments over tangible and intangible assets with total income, excluding the recovery of expenses, remains more or less stable at **65.7%**.

In comparison to year 2002, **total deposits** from customers of the Group have marked a **net increase of 5.9%**, attaining 27,837.7 million Euros. Both components are on the upward trend with direct deposits 7.7% higher (13,294.4 million) and indirect ones 4.2% higher (14,543.3 million).

**Assets under management** have grown significantly (**+7.9%**, equivalent to 8,843.1 million Euros). In detail, **Bancassurance** increased **23.1%**, with technical reserves equivalent to 2,190 million Euros, **discretionary accounts increased 20.5%** (equivalent to 2,347.4 million) and **Mutual Funds** decreased by 3.7%.

**Customer loans** totaled 13,101.4 million Euros, 7.1% higher than in 2002. Let us highlight the fact that **mortgage loans** continue their positive trend with a 13.6% increase.

Florence, March 22<sup>nd</sup>, 2004

**CONSOLIDATED FINANCIAL STATEMENTS**

(Euro million)

<b>ASSETS</b>	<b>31 December 2003</b>	<b>31 December 2002</b>
Cash on hand and with central banks and post offices	123,590	128,192
Italian government securities and similar securities eligible for refinancing with the ECB	181,285	304,311
Amounts owing by banks	1,146,480	1,182,942
(a) sight	371,284	343,527
(b) bills	1,000,000	1,000,000
(c) deposits	775,196	839,415
(d) other		
Customer loans	13,101,453	12,233,395
including loans transferred party funds	493	804
under administration		
Bonds and other debt securities	1,638,189	1,546,828
of public issuers	1,132,440	1,224,949
of banks	327,846	205,563
including own securities	39,892	34,834
of financial institutions	77,768	51,631
of other issuers	100,135	64,685
Shares and other equity securities	37,116	44,035
Participating interests other than in Group companies	380,829	351,425
(a) valued on equity method	96,435	103,629
(b) other	284,394	247,796
Participating interests in Group companies	42,167	21,021
(a) valued on equity method	40,465	19,140
(b) other	1,702	1,881
Goodwill arising on consolidation	164,191	137,878
Goodwill on equity-valued holdings	165	213
Intangible assets	55,972	53,158
including goodwill	10,558	0
Property and equipment	291,574	334,920
Own shares (nominal value 85,6)	160	2,170
Other assets	1,274,792	1,181,176
Accrued income and prepayments	132,968	120,729
(a) accrued income	91,041	88,136
(b) prepayments	41,927	32,593
including issue discounts on securities	1,729	440
<b>TOTAL ASSETS</b>	<b>18,570,931</b>	<b>17,642,393</b>



**CONSOLIDATED FINANCIAL STATEMENTS**  
(Euro million)

<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>31 December 2007</b>	<b>31 December 2006</b>
Amounts owing to banks	2,318,001	2,378,569
(a) sight	356,762	506,530
(b) 3 to 12 months	1,961,239	1,872,039
Customer deposits	8,212,536	7,783,533
(a) sight	7,376,029	6,843,885
(b) 3 to 12 months	837	939,648
Debt securities issued	4,045,362	3,814,165
(a) sight	3,632,281	3,323,869
(b) 3 to 12 months	351,785	429,046
(c) other	61,296	61,250
Third party funds in administration	2,396	3,273
Other liabilities	1,121,172	1,117,898
Accrued liabilities and deferred income	116,148	111,742
(a) accrued liabilities	86,044	86,397
(b) deferred income	30,104	25,345
Provision for staff termination pay	153,001	146,679
Provisions for risks and charges	366,890	371,626
(a) provision for risks and charges	161,347	160,034
(b) provisions	137,838	135,542
(c) other provisions	67,705	76,050
Provisions for allowances	26,249	26,077
Reserve for general banking risks	65,615	65,615
Subordinated debt	1,034,190	739,190
Negative differences arising on consolidation	8	8
Negative differences on equity valued holdings	601	538
Minority interests	150,641	168,752
Share capital	620,152	619,155
Share premium	375	0
Reserves	240,719	210,826
(a) legal reserves	127,087	126,432
(b) reserve for own shares	160	2,170
(c) statutory reserves	23,202	20,652
(d) other reserves	90,270	61,572
Revaluation reserves	1,412	2,163
Net profit for the year	95,463	82,584
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>18,570,931</b>	<b>17,642,393</b>

**CONSOLIDATED FINANCIAL STATEMENTS**  
 (Euro million)

<b>CONSOLIDATED PROFIT AND LOSS ACCOUNT</b>	<b>31 December 2003</b>	<b>31 December 2002</b>
Interest earned on loans (including income)	909,277	954,268
Interest earned on securities (including income)	831,709	851,307
Interest earned on deposits (including income)	49,316	69,717
Interest expense on loans (including charges)	-297,032	-365,851
Interest expense on securities (including charges)	-84,368	-114,013
Interest expense on deposits (including charges)	-133,356	-150,669
Income from other income	9,676	46,791
Income from other income	397	1,617
Income from other income	9,279	45,174
Commissions earned	319,892	288,083
Commissions earned	-71,538	-57,863
Gain (losses) on financial transactions	25,304	8,433
Income from investments in structured derivatives, pension funds and similar instruments	8,607	4,867
Other operating income	127,942	123,927
Administrative expenses	-614,671	-593,817
Administrative expenses	-378,669	-370,071
Administrative expenses	-272,238	-269,318
Administrative expenses	-70,053	-65,310
Administrative expenses	-22,545	-20,420
Administrative expenses	-6,472	-6,081
Administrative expenses	-7,361	-8,942
Administrative expenses	-236,002	-223,746
Transfer of assets to other investments earmarked for pension funds and similar obligations	-8,607	-4,867
Value adjustments to intangible assets and property and equipment	-87,527	-86,232
Provisions for risks and charges	-12,966	-23,570
Other operating expenses	-28,998	-30,532
Value adjustments to loans and provisions for guarantees and commitments	-108,942	-96,851
Value re-adjustments to loans and provisions for guarantees and commitments	33,241	44,427
Provisions for loan losses	-16,135	-17,804
Value adjustments to non-current financial assets	-2,626	-3,378
Value re-adjustments to non-current financial assets	573	101
Profit (Losses) of companies recorded on equity method	14,979	15,011
Profit (Losses) from ordinary activities	200,449	205,143
Exceptional income	27,346	24,812
Exceptional charges	-16,123	-29,404
Gain (loss) on exceptional items - net	11,223	-4,592
Income taxes for the year	-102,576	-103,911
Profit for the year pertaining to minority interests	-13,633	-14,056
	95,463	82,564

**CONSOLIDATED FINANCIAL STATEMENTS**  
(Euro million)

**RECLASSIFIED CONSOLIDATED  
PROFIT AND LOSS ACCOUNT**

	31 December 2007	31 December 2006	31 December 2005	Change 2007/2006	Change 2007/2005
Net interest income	412.7	388.8	385.4	+3.9%	+4.0%
Net fee income	9.3	46.8	45.2	-80.1%	-79.4%
Commission income	248.4	230.2	230.2	+7.9%	+7.9%
Income from securities	98.9	93.4	93.4	+5.9%	+5.9%
Income from real estate	25.7	10.0	10.0	+157.0%	+157.0%
Income from other financial assets	15.0	13.4	15.0	+11.9%	+0.0%
Administrative expenses	-614.7	-593.8	-593.8	+3.5%	+3.5%
Depreciation and amortization	-378.7	-370.1	-370.1	+2.3%	+2.3%
Provisions for doubtful debts	-236.0	-223.7	-223.7	+5.5%	+5.5%
Provisions for other risks	-61.3	-65.3	-65.3	-6.1%	-6.1%
Income from other financial liabilities	-26.2	-20.9	-26.2	+25.4%	+0.0%
Income from other financial assets	-106.8	-97.1	-97.1	+10.0%	+10.0%
Income from other financial liabilities	209.5	204.3	199.6	+2.4%	+0.4%
Income from other financial assets	11.2	-4.6	-4.6	n.s.	n.s.
Income from other financial liabilities	-102.6	-103.9	-103.9	-1.3%	-1.3%
Income from other financial assets	-13.6	-14.0	-13.3	-2.9%	+2.3%

**GROUP NET PROFIT FOR THE YEAR**

**TOTAL FUNDING**  
(Euro million)

	31 December 2007	31 December 2006	Change 2007/2006
<b>TOTAL FUNDING</b>	<b>27,837.7</b>	<b>26,256.4</b>	<b>+5.9%</b>
Direct funding	13,294.4	12,340.2	+7.7%
Indirect funding	14,543.3	13,956.2	+4.2%
- Deposits	5,700.2	5,758.0	-1.0%
- Loans	8,843.1	8,198.2	+7.9%
- Other	2,347.4	1,948.4	+20.5%
- Other	4,305.7	4,471.1	-3.7%
- Other	2,190.0	1,778.7	+23.1%



# BANCA CR FIRENZE

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Press Release

**THE SHAREHOLDERS APPROVE THE FINANCIAL STATEMENTS FOR 2003**  
**CONFIRMED THE € 0.052 DIVIDEND PROPOSAL**  
**APPOINTMENT OF THE NEW STATUTORY AUDITORS**

The Shareholders' Meeting of Banca CR Firenze SpA, chaired by Aureliano Benedetti, which took place today in Florence in the first session, approved the parent company financial statements and the consolidated statements for the year 2003.

The shareholders also approved the Board of Directors' proposal to distribute a gross, pre-tax € 0.052 dividend pay-out per outstanding ordinary share. The Coupon 4 ex-dividend date shall be May 24, 2004 and the dividend settlement date shall be May 27, 2004. At the current stock market prices, this dividend corresponds to a gross yield of about 3.5%. In addition, in the past 12 months the stock's upward trend continued and topped the 32% growth mark.

The extraordinary session of the Shareholders' Meeting approved:

- The share capital increase, excluding the right of option which was reserved for the Fondazione Cassa di Risparmio della Spezia. The share capital will therefore be increased to € 645,882,823.20 through the issuance of 44,666,603 ordinary shares at a price of € 1.79105 per share (nominal value € 0.57);
- The amendment of Articles 2,6,7,9,12,15 and 19 of the company by-laws, as described in the Board of Directors' Report, to enable the company to comply with new regulations and with the new capital share total.

The ordinary session of the Shareholders' Meeting approved:



## BANCA CR FIRENZE

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- The appointment of the Board of Statutory Auditors because their previous three-year term expired today after the approval of the 2003 financial statements. Vieri Fiori has been nominated Chairman of the Board of Auditors. Marco Sacconi and Domenico Muratori have been appointed effective auditors. Angelo Falbo and Guido Sansoni are the new substitute auditors;
  
- The appointment as member of the Board of Directors of Banca CR Firenze of Alessio Colomeiciuc, who was nominated by the board itself in the course of the year 2003. His term shall expire on the same date as that of the other board members. The Meeting of Shareholders has also granted its general authorisation to all board members to hold similar positions in other companies, if these have been nominated by Banca CR Firenze. This authorisation is also valid for nominations to positions in subsidiaries of the groups Sanpaolo IMI and BNP Paribas, the strategic partners of Banca CR Firenze.
  
- The authorisation to buy and sell the bank's own shares;
  
- The renewal of the civil responsibility insurance policy for the board members.

Florence, April 26, 2004



# BANCA CR FIRENZE

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Press Release

## CARINORD 2' S SCISSION ACT SIGNED TODAY

Carinord 2 S.p.A.'s scission act was signed today in Milano. Carinord 2, a holding company which possesses 90% of Cassa di Risparmio di Carrara shares and 68.09% of Cassa di Risparmio della Spezia, was purchased on July 16th, 2003 by Banca CR Firenze and Banca CARIGE.

Following the scission operation, Banca CR Firenze will remain the sole proprietor of the holding Carinord 2 which will own only CARISPE shares. The newly founded Caricarrara Holding S.p.A., whose sole owner is Banca CARIGE, will be endowed with Cassa di Risparmio di Carrara shares.

This programmed operation implements the July 2003 agreements signed by Banca CR Firenze, Banca CARIGE, Banca Intesa, Fondazione Cassa di Risparmio di Carrara and Fondazione Cassa di Risparmio della Spezia and had the scope of perfecting Banca CR Firenze's control of CARISPE and Banca CARIGE's control of CR Carrara.

Florence, April 21, 2004

Translation of Press Release dated April 27, 2004

CR FIRENZE BANK

**The Balance sheet and consolidated balance sheet as at December 31, 2003**

The balance sheet and the consolidated balance sheet as at December 31, 2003, approved by the Shareholders' Meeting dated April 26, 2004, and accompanied by the Management Report, the Board of Statutory Auditors' Report and the Accountancy Firm's Report are available to the public at its registered office and with Borsa Italiana S.p.A. The minutes of the Meeting shall be available to the public within the time provisions under the law.

**Dividend Payment**

In compliance with the deliberations of the Shareholders' Meeting dated April 26, 2004, payment of the dividend relating to the financial year 2003 shall be paid from May 27, 2004. This amount, before tax, is

**€0,052**

for each ordinary share in circulation.