Annual report

GRUPPO CARIPARMA
CRÉDIT AGRICOLE

CARISPEZIA | FRIULADRIA | CARIPARMA

Annual Report 2011

2011 Report and Consolidated Financial Statements of the Cariparma Crédit Agricole Group

2011 Report and Financial Statements of Cariparma

Summary

Letter from the Chairperson

In 2011 the world economy was marked by uncertainty and instability. In the second half some European Countries had serious solvency issues and the banking sector was significantly affected by liquidity and capital requirements, as well as by the reform of the regulation set by Basel 3 and EBA (European banking Authority).

Despite the seriousness of this crisis, the Cariparma Crédit Agricole Group continued to grant credit to its customers, substantiating the Group's commitment to pursue sustainable growth in line with its objectives of economic efficiency, risk control and capital soundness. Thanks to the expansion of its traditional banking business, the Group has achieved significant results, consolidated proximity to the areas of operations by providing support to households and businesses, as well as by cooperating with local authorities. In 2011, loans to households increased by 30% against the run of the Italian market where demand for loans decreased by 20%.

2011 was an important year also for the Group's internal structure. Cassa di Risparmio della Spezia and 96 branches transferred from Banca Intesa Sanpaolo became part of our Group, which was set up in 2007 by Crédit Agricole and Fondazione Cariparma: now we are the 7th banking Group in Italy for number of branches, with close to one thousand points of sale, over 8,000 employees and a total of 1.7 million customers. This highly-structured integration project was successfully completed thanks to the IT migration onto Cariparma's single platform, to the training provided to resources and to the commercial and product integration of the Group.

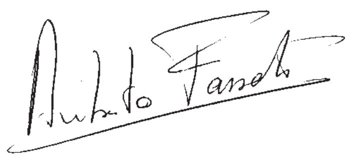
To meet the requirements of the expansion project and to comply with the new Basel capital requirements, the Group also implemented significant measures to enhance its capital adequacy, in order to ensure business growth in a perspective of responsible development.

We presented the “Opera” Strategic Plan, setting forth our growth targets and guidelines up to 2014 designed to enhance our vocation as proximity bank, fully in line with the Strategic Plan of the Parent Company Crédit Agricole and based on full sharing of values and objectives with the other Banks of the Group. The Plan is based on the values characterizing our Group, the centrality of our relations with customers and operating excellence as a structural element of the Group. Standing by the commitments made, in 2011 important investments were made to improve services to customers through the project for a new branch platform, a new, more flexible and responsive organization model for our distribution network, as well as the supply of new, even more competitive products.

With regard to organization and focus on human resources, the design was finalized for the extension of the present Group Management Centre, located in Parma and intended to become the new management centre including all Management offices of the Parent Company, able to ensure greater cohesion between structures, enhancing unity and mutual cooperation. Moreover, the first company child care facility of the Bank was completed and is already operating, substantiating the Group's focus on the quality of life and work of its employees.

Our stakeholders' confidence, which we have gained in the 150 years of our history, represents the best base to face, united and closely connected, the important challenges of 2012.

The Chairperson
ARIBERTO FASSATI



Corporate Bodies and Independent Auditors

Board of Directors

CHAIRPERSON

Ariberto Fassati*

DEPUTY CHAIRPERSONS

Giudo Corradi

Fabrizio Pezzani*

CHIEF EXECUTIVE OFFICER

Giampiero Maioli*

DIRECTORS

Anna Maria Artoni

Giovanni Borri

Bruno De Laâge*

Pierre Derajinski

Joel Fradin[1]

Marco Granelli

Claude Henry[2]

Stefano Lottici

Michel Mathieu

Germano Montanari

Marc Oppenheim*

Philippe Pellegrin

Marco Rosi

Jean-Louis Roveyaz

* Members of the Executive Committee

Board of Auditors

CHAIRPERSON

Marco Ziliotti

STANDING AUDITORS

Paolo Alinovi

Angelo Gilardi

Giovanni Ossola

Umberto Tosi

ALTERNATE AUDITORS

Alberto Cacciani

Giancarlo Ducceschi

Senior Management

CO-GENERAL MANAGER

Philippe Voisin

DEPUTY GENERAL MANAGER

Massimo Basso Ricci

SENIOR MANAGER IN CHARGE OF THE PREPARATION OF THE CORPORATE ACCOUNTING STATEMENTS

Pierre Débourdeaux

Independent Auditors

Reconta Ernst & Young S.p.A.

[1] In office until 1 February 2012, replaced by Nicolas Langevin effective from 1 February 2012.

[2] Left office on 15 February 2012.

Profile of the Cariparma Crédit Agricole Group

As at 31 December 2011, the Cariparma Crédit Agricole Group, led by the Parent Company, Cariparma, had an extensive branch network:

- **902 branches**, divided as follows:
  - 618 Cariparma
  - 208 FriulAdria
  - 76 Carispezia
- **24 Private Banking Centres:**
  - 17 Cariparma
  - 6 FriulAdria
  - 1 Carispezia
- **30 Enterprise Centres:**
  - 17 Cariparma
  - 8 FriulAdria
  - 5 Carispezia
- **7 Corporate Areas:**
  - 5 Cariparma
  - 1 FriulAdria
  - 1 Carispezia

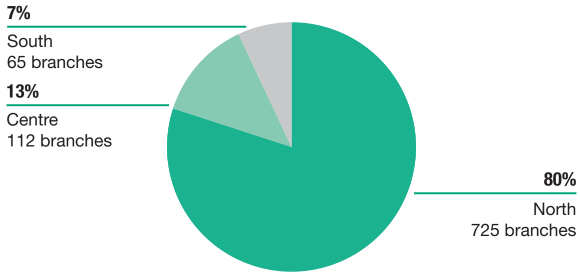
The Group ranks seventh in Italy by number of branches, following the acquisition in 2011 of Cassa di Risparmio della Spezia S.p.A., a Territorial Bank, a bank with strong bonds with the community, with a Network of 83 Points of Sale located in the Liguria, Tuscany and Emilia Romagna Regions, as well as of 96 Branches from Intesa SanPaolo.

The entry of the 96 Retail Branches into the Group has allowed its operations to be significantly enhanced in Italy's largest cities, such as Rome (+26 Branches, for a total of 42 PoS), Milan (+19 Branches, for a total of 40 PoS), Florence (+8 Branches, for a total of 15 PoS) and Padua (+3 Branches, for a total of 7 PoS); it has also allowed operations to start in Umbria, through the acquisition of 4 PoS located in the municipalities of Perugia, Foligno, Città di Castello and Spoleto.

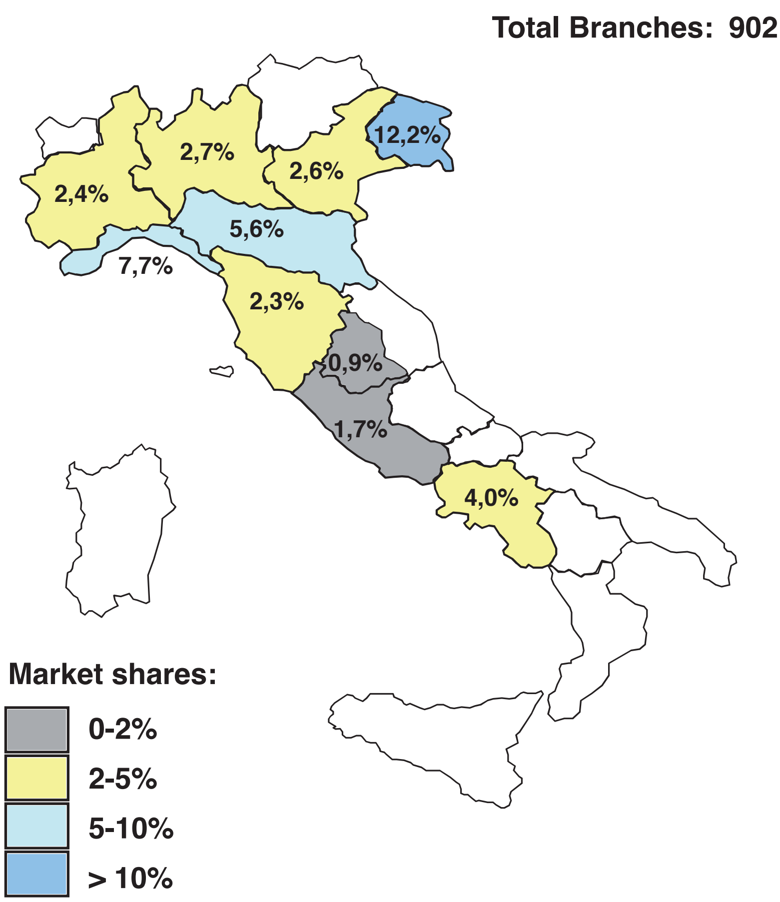
In 2011, the Group opened 6 new branches, 2 in Central Italy and 4 in the North.

The Cariparma Crédit Agricole Group holds a 2.7% market share at a national level (in terms of percentage of branches), with shares of 26.3% in Parma, 25.2% in Piacenza, 19.0% in Pordenone and of 39.9% in La Spezia).

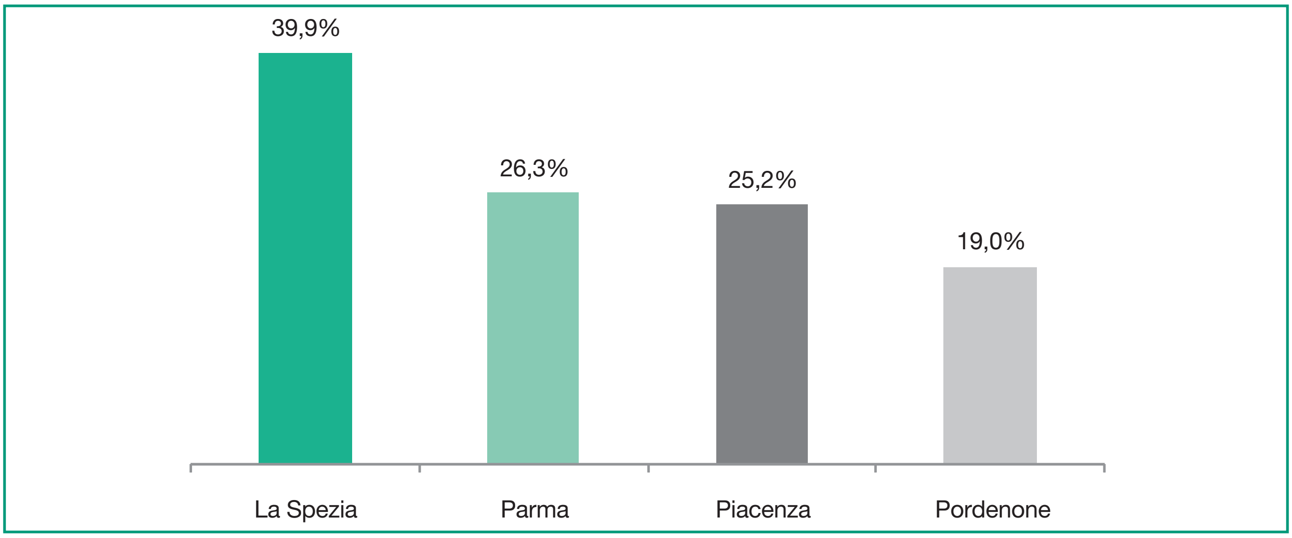
BRANCH DISTRIBUTION AS AT 31 DECEMBER 2011



» BRANCH MARKET SHARE BY REGION



» MARKET SHARES BY BRANCHES IN THE MAIN PROVINCES OF OPERATIONS



Profile

The Crédit Agricole Group is market leader in full-service retail banking in France and one of the largest banks in Europe.

Serving the real economy, the Crédit Agricole Group is a leading partner supporting its Customers with their projects in all areas of retail banking and associated specialized business lines.

With its new pay off “Le bons sens a de l’avenir”, the Crédit Agricole Group reasserts its values and commitment. It focuses its operations on the satisfaction and interests of its 54 million Customers, 1.2 million Shareholders, 6.5 million Cooperative Shareholders and of its 160,000 employees.

On the strength of its cooperative and mutualistic foundations, the Crédit Agricole Group implements policies focused on corporate social responsibilities and respect for the environment which translate into continuous improvement for its Customers, Employees and the environment, as substantiated by the main indexes.

www.credit-agricole.com

54 Mio
Customers worldwide

35,1 Bln €
Net income- Group share

812 Mio €
Net profit - Group share

160 000
Employees

70,7 Bln €
Shareholders’ equity- Group share

10,2 %
Core Tier 1 Ratio excluding floor effects

The Group's organization

6.5 million Cooperative Shareholders form the basis of Crédit Agricole's cooperative organizational structure.

They own the capital of the **2.531 Regional Banks** In the form of shares and appoint their representatives each year: **32.227 directors** who convey their expectations to Group.

The Local Banks hold the most of the share capital of the **39 Regional Banks.**

The Regional Banks are cooperative regional banks providing their Customers with a comprehensive range of products and services.

The discussion body for the Regional Bank is the **Fédération National du Crédit Agricole,** where the Group's main directions are decided.

56,2 %
of Crédit Agricole's share capital held by the 39 Regional Banks via the Holding Company SAS Rue La Boetié

43,5 %
of Crédit Agricole's share capital held by the market
- Institutional Investors: 27.9%
- Individual Shareholders: 10.8%
- Employees Via employee mutual funds: 4.8%

0,3 %
Treasury shares

CRÉDIT AGRICOLE S.A.

Crédit Agricole S.A. holds 25% of the share capital of the Regional Banks (excluding Corsica) and governs its branches in France and abroad

Proximity Bank

Over 11,600 branches serving 33.5 million Customers.

39 REGIONAL BANK OF CRÉDIT AGRICOLE

Cooperative companies and banks with strong bonds with their areas of operations, Crédit Agricole Regional Banks supply the entire range of banking and financial products and services to individuals, farmers, free-lancers, businesses and public bodies.

LCL

LCL is a Retail Bank, with a strong presence in cities throughout France, structured on 4 business lines: proximity bank for individuals, proximity bank for freelancers, private banking and corporate banking.

PROXIMITY BANK TO THE FOREIGN COUNTRIES

Abroad, Crédit Agricole is one of the Main players in Europe, especially in Italy and Greece. It operates also in the Mediterranean Basin.

Specialized Business lines

A leading position in France and Europe
- · Leading player in consumer credit
- Leader in France for leasing and factoring
- Ranks 2nd in europe or asset management
- 7th insurer in Europe
- Relevant positioning in private banking

Corporate and investment banking

A worldwide network In the main Countries in Europe, Americas, Asia and the Middle East:
- Investment banking
- Corporate banking
- Capital market
- Intermediation

Crédit Agricole S.A., the Regional Banks And Local Banks make up the Crédit Agricole Group's perimeter and develop the model of universal proximity bank. This model is based on synergies between proximity banks and the associated business lines.

The Crédit Agricole Group in Italy

In Italy, Crédit Agricole operates in all areas of Italian financial services.

For the Crédit Agricole Group Italy is the second domestic market, ranking immediately after France.

Specialised Financial Services

CRÉDIT AGRICOLE LEASING

- Operates in real estate, equipment, car and energy leasing
- Ranked 12th in the Italian lease market with a market share of about 2%.
- The Italian market in 2011, approx. € 25 Bil. Volumes of which over € 4 Bil. directed to renewable energies.

CRÉDIT AGRICOLE COMMERCIAL FINANCE

- Ranked 16th on the Italian market, a highly competitive market with 32 operators.
- 199 customers and € 349 million in portfolio at the end of 2011.
- Average monthly volumes amounting to approx. € 140 million.

Agos DUCATO

- Ranks 1st in consumer finance in Italy, with a market share of 15.1%.
- Total assets: approx. € 19.4 Bln.
- Widespread presence throughout Italy with 238 direct branches and Cariparma and BPI networks.

Corporate and Investment Bank

CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK

- Operated in the Corporate and Investment Banking sector (capital market, structured finance, issue of debenture loans, distressed assets).
- Works with large companies, finance institutions and public sector.
- Ranked 7th in Corporate issues.

CHEUVREUX CRÉDIT AGRICOLE GROUP

- One of the main brokerage houses in Italy.
- 35 professionals
- Covering over 80 companies, i.e. approximately 90% of total market capitalization of the Italian Stock Exchange

Asset Management

Amundi
ASSET MANAGEMENT

- Manager of 60 Italian based funds And 1 open end pension fund (SecondaPensione).
- Distributes the Luxembourg-based SICAV, Amundi Funds and Amundi International Sicav.
- AUM: approx. € 22.5 Bil.
- 9th AMC and among the leading foreign opeators in Italy for managed assets.

Insurance

CRÉDIT AGRICOLE VITA

- Places its products through the Cariparma Crédit Agricole Group network.
- Ranked 8th in the Italian bancassurance sector.
- € 1.6 mio in premium collection.
- 389.000 existing policies.

CRÉDIT AGRICOLE ASSICURAZIONI

- 100% controller by Crédit Agricole S.A. operates in the Non-life insurance sector.
- 1.6% market share of the Italian non-life bancassurance sector.
- 40,500 existing home policies and 35,000 existing car policies.

CRÉDIT AGRICOLE CREDITOR INSURANCE

- Company specializing in CPI products, credit protection and Life-Style.
- Operates in 14 countries, in Italy since September 2010 with CACI-Life and CACI-Non Life.
- Among the leading specialized companies in the sector, in a market worth approx. € 2.4 Bln. in Italy.

Private Equity

CRÉDIT AGRICOLE PRIVATE EQUITY

- Incorporated in 2009 as AMC.
- Operates with a fund named CAI 1.
- Total equity: € 101 million.
- Focus on unlisted Italian MSEs for support of development plans.

IDIA-SODICA ITALIA
CA AGRO-ALIMENTARE

- Operates in Italy through C3A, and Italian-based financial holding company of which Cariparma e FriulAdria are shareholders.
- Focus on unlisted Italian SMEs and on investment in the agrifood and agri-industrial sectors.

Report and Consolidated Financial Statements of the Cariparma Crédit Agricole Group

Group financial highlights and ratios

			Changes	
Income statement (*) (thousands of euro)	**31.12.2011**	**31.12.2010**	**Total**	**%**
Net interest income	1,066,775	931,997	134,778	14,5
Net commission income	566,754	502,928	63,826	12,7
Dividends	1,642	1,636	6	0,4
Net gain (loss) on trading activities	33,888	67,715	-33,827	-50,0
Other operating revenues (expenses)	-12,554	-8,431	4,123	48,9
Net operating revenues	1,656,505	1,495,845	160,660	10,7
Operating expenses	-1,034,894	-857,226	177,668	20,7
Net operating profit	621,611	638,619	-17,008	-2,7
Provisions for liabilities and contingencies	-44,177	-26,605	17,572	66,0
Net impairment adjustments of loans	-253,560	-218,787	34,773	15,9
Net profit (loss) for the year pertaining to shareholders of the parent company	200,243	240,077	-39,834	-16,6

			Changes	
Balance sheet (*) (thousands of euro)	**31.12.2011**	**31.12.2010 (°)**	**Total**	**%**
Loans to customers	34,783,128	30,406,621	4,376,507	14,4
Net financial assets/liabilities held for trading	13,170	15,396	-2,226	-14,5
Property, plant and equipment and intangible assets	3,686,706	7,185,080	-3,498,374	-48,7
Equity investments	123,222	119,975	3,247	2,7
Property, plant and equipment and intangible assets	2,505,691	1,822,792	682,899	37,5
Total net assets	44,497,974	41,425,688	3,072,286	7,4
Funding from customers	35,558,541	29,296,254	6,262,287	21,4
Indirect funding from customers	46,411,661	43,026,473	3,385,188	7,9
of which: asset management	17,661,529	16,507,648	1,153,881	7,0
Net due to banks	2,416,285	6,448,504	-4,032,219	-62,5
Equity pertaining to shareholders of the parent company	4,095,203	3,880,728	214,475	5,5

			Changes	
Operating structure	**31.12.2011**	**31.12.2010**	**Total**	**%**
Number of employees	8,954	7,616	1,338	17,6
Average number of employees	8,356	7,336	1,020	13,9
Number of branches	902	731	171	23,4

(*) Income statement and balance sheet figures are those restated in the reclassified financial statements shown on pages 23 and 34.

(°) Restated based on the Balance Sheet reclassification criteria set forth on page 34.

Structure ratios (*)	31.12.2011	31.12.2010 (°)
Loans to customers / Total net assets	78,2%	73,4%
Direct customer deposits / Total net assets	79,9%	70,7%
Asset management / Total indirect funding	38,1%	38,4%
Loans to customers / Direct customer deposits	97,8%	103,8%
Total assets / Shareholders' Equity (leverage)	12,0	11,9

Profitability indexes (*)	31.12.2011	31.12.2010 (°)
Net interest income / Net operating revenues	64,4%	62,3%
Net commissions income / Net operating revenues	34,2%	33,6%
Cost / income	62,5%	57,3%
Net income / Average equity (ROE)[(a)]	5,0%	6,3%
Net profit (loss) for the year pertaining to shareholders of the parent company/ Total assets (ROA)	0,4%	0,5%
Net profit (loss) for the year pertaining to shareholders of the parent company/ Risk-weighted assets	0,7%	0,9%

Risk ratios (*)	31.12.2011	31.12.2010 (°)
Net bad debts / Net loans to customers	1,6%	1,4%
Loan writedowns / Net loans to customers	0,7%	0,7%
Cost of risk [(b)] / Operating profit	47,9%	38,4%
Net bad debts / Total regulatory capital [(c)]	16,3%	14,6%
Net impaired loans / Net loans to customers	4,5%	3,9%
Impairment adjustments of loans/ Gross impaired loans	38,2%	39,0%

Productivity ratios (*) (economic)	31.12.2011	31.12.2010
Operating expenses / No. of employees (average)	123,8	116,8
Operating revenues / No. of employees (average)	198,2	203,9

Productivity ratios (*) (capital)	31.12.2011	31.12.2010 (°)
Loans to customers / No. of employees (average)	4,162,7	4,144,9
Direct funding from customers / No of employees (average)	4,255,5	3,993,5

Capital ratios	31.12.2011	31.12.2010
Tier 1 capital [(d)] / Risk-weighted assets	8,7%	8,7%
Total regulatory capital [(e)] / Risk-weighted assets	11,4%	10,2%
Risk-weighted assets (thousands of euro)	30,147,996	28,208,749

(*) The Ratios are based on the income statement and balance sheet figures restated in the reclassified financial statements shown on pages 23 and 34.

(°) Restated based on the Balance Sheet reclassification criteria set forth on page 34.

(a) Ratio of net profit to equity weighted average.

(b) Total risk cost includes the provision for liabilities and contingencies as well as net adjustments of loans.

(c) Tier-1 capital plus revaluation reserves, with application of the so-called "prudential filters", net of investment property and equity investments exceeding the threshold set out by the supervisory regulations.

(d) Paid-up share capital, share premium and reserves established with retained earnings less treasury shares, goodwill and intangible assets and with application of the so called "prudential filters" required under supervisory regulations.

Consolidated Management Report

» MACROECONOMIC DEVELOPMENTS AND THE BANKING SYSTEM IN 2011

Macroeconomic Developments in 2011

After the general economic recovery in 2010, driven by the significant relaunch of international trade, in the first half of 2011 the first signs emerged of a slowdown in the world growth. However, different areas showed different trends. The USA experienced a growth slowdown, determined by a weak labour market, which in turn caused households' consumption spending to decline. Emerging economies decelerated due to both the restriction measures implemented to fight high inflation rates and the slowdown of advances economies. Moreover, in the Euro Zone, in the summer months the sovereign debt crisis worsened, with a still difficult situation of the labour market and high inflation both impacting on the growth rate.

In the Euro Zone, tensions on sovereign debts caused a marked instability of financial markets and the shifting of demand towards US and German government securities, as well as towards shelter goods and currencies, such as gold and the Swiss Franc, thus determining heavy falls in the private share and bond stock prices, in particular in the banking sector due to the exposure to sovereign risk because of the government securities held in portfolio. After Greece, the trust crisis has also impacted Spain and, most of all, Italy. In the second half of 2011, the yields of medium-/long-term government securities of different States in the Euro Zone (Greece, Portugal, Ireland, Spain, Italy, Belgium, but also France) reached new peaks since the introduction of the single currency (the spread between yields on Italian and German 10-year debt reached 550 basis points in November 2011). Moreover, in the second half of 2011, the leading rating agencies (Standard & Poor's, Moody's and Fitch Ratings) reduced the rating on the creditworthiness of some European Countries, including Italy, and also changed the rating of several banks.

The Italian banks' high exposure to sovereign debts has indeed affected the ratings and expectations on the sector's health. In 2011, the European Banking Authority carried out a series of analyses on the banks' financial statements, measuring the Government securities in the Banks' portfolios at market values. The results of these analyses showed high capital gaps at the leading European banks; specifically, four of the top five Italian banks have been requested a capital increase of € 15.4 billion. These capital increase requests, on top of the difficult macroeconomic situation, caused a negative performance of Italian Banks, with the FTSE Italy Banks Index decreasing by -46% in 2011.

With regard to monetary policy, the European Central Bank resumed an expansive action setting the main refinancing rate at 1.00%, after the April and July increases. To ease tensions on liquidity, in December 2011 the European Central Bank implemented an extraordinary measure (Long Term Refinancing Operation), paying out a first tranche of unlimited three-year loans at a subsidized interest rate of 1.00%. The response to this maxi-loan was positive and Italian Banks received € 116 billion, i.e. 23% of the amount given to the Banks of the entire Europe. Italian Banks can use the liquidity injected in the market to repay bonds maturing in the next few years, thus continuing to support both the Italian Government in its refinancing programme and households and businesses, preventing a possible credit crunch.

Comparison of the public accounts of the main European Countries[1] (%)

	Public Debt/ GDP 2011	Deficit/GDP 2011	Debt of the families/ Available Income 2011	GDP (var. 2011/2010)
Italy	121	3,9	66	0,4
France	86	5,7	79	1,6
Germany	82	1,3	89	3,0
Spain	71	8,0	107	0,7
Eurozone	88	4,3	99	1,5

[1] Source: Prometeia Forecast Report of January 2012 to the Bank of Italy

The sovereign debt crisis in the Euro Zone has very strongly impacted Italy. Despite its good fundamentals, lower public deficit and private debt than other European countries, Italy has the fourth highest public debt in the world and very low growth prospects. To restore trust in the markets and avoid serious consequences, between July and December, the Italian Government had to pass three corrective measures of € 81 billion up to 2014, with the objective of balancing the public accounts and foster the Country's growth . The so-called "Save-Italy" Decree (Law Decree 201/11) issued on 4 December (integrating the measures passed in July and August) has the objective of achieving budget balance in 2013 with a public debt/GDP ratio of 116% in 2014. The Italian Government's corrective measure, amounting to € 81 billion up to 2014, has been implemented mostly by acting on revenues: fight against tax evasion, introduction of real estate taxes (Italian acronym: IMU) on main dwellings, increase in excise duties on fuels, tax on luxury goods, levies on capitals subject to the tax shield, VAT increase, which all will significantly impact households' consumption. In terms of spending, the most significant measure concerned social security with the increase in pension age allowing significant savings (approximately € 10 billion up to 2014).

The sovereign debt crisis and the slowdown in the European economy have impacted on the Italian economy, in the third quarter of 2011 the Italian GDP decreased by -0.2% over the previous quarter, due to a decrease in both households' consumption and industrial activity. In September 2011, industrial production decreased by -4.7% over August 2011, only exports have continued to support the GDP performance, which, based on the latest estimates, in 2011 would increase by +0.4% y/y.

The banking system in 2011

In 2011, the Italian banking system was concerned by a stable trend of the bank spread and by a general slowdown in funding and loans, consistently with the signs of deceleration in the economic cycle combined with a progressive further worsening of credit quality.

The strong tensions on the Italian public debt, with a BTP-BUND spread that, in November 2011, came to 550 basis points, combined with the competition in funding, caused a significant increase in the costs of bank funding. In November 2011, the new bond issues reached a spread of 280 basis points over three-months Euribor, i.e. significantly higher than the 148 basis points in December 2010. In a situation of low market rates, in order to offset the increase in funding costs, banks started a strong repricing action on interest rates on loans. Starting from July 2011, interest rates on loans increased more significantly for businesses (+79 basis points over December 2010), than for households (+25 basis points over December 2010).

In terms of volumes, loans to retail customers increased by +2.9% y/y, markedly slowing down after the peak achieved in February 2011 of +6.8% y/y. This was due to loans to households and businesses which posted a 4.9% increase y/y in November 2011, offsetting the decrease in the other financial institutions down by -9.9% y/y. Specifically, in November 2011, loans to businesses posted a +4.9% increase y/y, with the short-term component up by +8.5% y/y, while loans to households progressively slowed down coming to +4.8% y/y in November 2011. This deceleration was mainly due to the slowing in home loans, +4.8% y/y, in line with the progressive increase in interest rates.

The credit quality of the banking system continued to show high risk levels. In November 2011, gross bad debts came to almost € 104.5 billion, up by € 13.3 billion compared with January 2011. The trend of gross bad debts proved the ongoing weakness of the financial situation of households and businesses. In particular, low-capital companies with a high weight of short-term debt were those most affected by the worsening in external conditions. The ratio of bad debts to loans also increased coming to 5.26% in November 2011.

For all 2011, funding growth rate was rather low, due to the ongoing weakness of available income and tensions on the financial markets, posting a +1.3% increase y/y in November 2011. Deposits and repurchase agreements were impacted most significantly by the decrease in households' savings and in November 2011 decreased by -1.6% y/y, while bonds increased, up by +6.2% y/y, mainly due to the many issues in 2011.

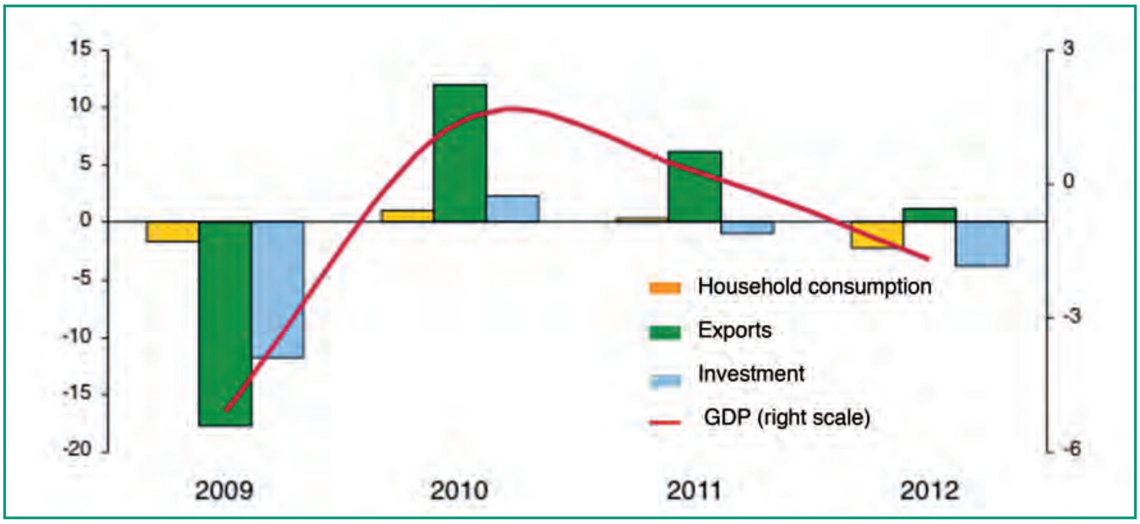
In a situation of limited financial savings by households, the Banks' tendency to bring forward the renewal of own-issue maturing bonds to the first months of the year, further weakened the performance of assets under management and insurance business lines. Moreover, the worsening of the tension on sovereign debts that occurred in the summer affected the distribution of asset management and insurance products. Specifically, net funding for funds in the third quarter of 2011 decreased by - € 9.2 billion, mainly referring to share, bonds and flexible funds. With regard to the insurance business, the new life product range decreased, down by -16% y/y in November 2011.

Macroeconomic outlook for 2012

The economic slowdown of emerging countries that had already started in 2011, will continue until the middle of 2012. Based on the latest estimates, 2012 will be characterized by a decrease in the world GDP growth which will come to +3.3% y/y. The Euro Zone, whose economic slowdown started in the third quarter of 2011, will be affected by the world economic deceleration with a decrease in the GDP by -0.4% y/y. Due to the uncertain and weak macroeconomic scenario, in January 2012 the rating agency Standard & Poor's downgraded the sovereign debts of nine countries in the Euro Zone, including France, Italy (rating from A to BBB+) and Spain.

With regard to monetary policy, after the success posted in 2011, the European Central Bank is expected to continue its programme of subsidized unlimited loans (Long Term Refinancing Operation) to the European Banks, in order to ensure the banking system's ongoing support to households and businesses.

Italy: GDP components[2](%, y/y)



The recession trends that started in the third quarter of 2011 are forecast to continue in 2012, causing a decrease in the GDP by -1,7% y/y. The severity of this recession phase will largely depend on Italy's ability to regain the markets' confidence and to reduce spreads as quckly as possible.

The foreign trade contribution will continue positive; exports will increase by +1.2% y/y, while the worsening of lending conditions and the forecast deterioration of the demand will impact on capital accumulation, causing a decrease in investments by -3.8% y/y. Households spending will be held back by the substantial decrease in available income, due to higher taxation, which will increase in 2012. Decisions to purchase will also be affected by the increase in interest rates and the ongoing uncertainty on work prospects; therefore, household consumption will decrease by -2.2% y/y. Price trends will be affected by the increases in VAT and excise duties, which will cause inflation to increase by +2.6% y/y.

However, analysts have forecast a solution of the sovereign debt crisis and an improvement in the economic conditions starting from the second half of 2012. More favourable effects on growth prospects might result from the approval of the second part of the Monti Cabinet's measure aiming at relaunching growth. With the "Italy-growth" decree, a number of measures have been passed (liberalization of certain sectors, reduction of protection to trade associations, modernization of the labour market and social shock absorbers) aiming at enhancing competition, fostering product growth, positively influencing the markets' expectations as well as spending decisions of households and businesses.

[2] Source: Prometeia Forecast Report of January 2012, seasonally adjusted and corrected for calendar effects

» GUIDELINES AND SIGNIFICANT EVENTS IN THE YEAR

In a situation of weak economic recovery and serious problems for the banking system, the Cariparma Crédit Agricole Group succeeded in consolidating its positioning among the leading Italian banking groups in compliance with the strategic guidelines provided for by its Business Plan:

- its mission as proximity bank which establishes strong bonds with its customers and the communities where it operates;
- pursuing sustainable growth by extending its customer base and continuously innovating its products;
- developing equity soundness as the basis for a balanced growth;
- pursuing efficient management of human and technological resources.

These development lines aim at implementing the Corporate Social responsibility which represents the distinctive feature of the Group's action.

The main events that characterized 2011 for the Group developed following these guidelines and represent a key stage in the consolidation of the Cariparma Crédit Agricole Group's positioning in the Italian market.

The extension of the area in which the Group operates achieved with the entry of Carispezia and of 96 former-Intesa Sanpaolo branches, the presentation of the new Strategic Plan which designs the future bank, the capital strengthening to support the growth process, the enhancing and review of the organization structure to consolidate customer centrality and to improve the services provided to the areas of operations, the design of new Group Management Headquarters, are all as many elements of the Group's strategic project.

Extension of the Group's areas of operations

The entry of Carispezia and of the 96 branches acquired from the Intesa Sanpaolo Group represents an enhancement of the Cariparma Crédit Agricole Group's organization network and an extension of its areas of operations; it has also represented a step up in terms of sizes of the distribution network, of volumes and customers managed.

At the end of 2011, the Group came to a total of 902 branches and, thus, has consolidated its control on the historical areas of operations (Emilia Romagna, Veneto and Friuli Venezia Giulia), increased operations in neighbouring areas (Carispezia holds a significant share of branches located in La Spezia and Massa Carrara), increased its competitiveness, especially in large cities (Rome, Milan and Turin), as well as in Central Italy by starting operations in a new Region (Umbria).

Subsequent to this transaction, the Group ranks seventh in Italy by number of branches, has extended its customer base with the entry of 360,000 new customers that represent a sound basis for the Group's future growth.

2011-2014 Strategic Plan

In June 2011, the 2011-2014 Strategic Plan was presented to the market, which sets forth the guidelines that the Group has set for its operations in the next 4 years. The Plan is intended as a consolidation stage after a period of strong growth which led the Group to rank among the main Italian banking players and concomitantly sets new challenging targets which the Group has cast its mind into.

The Plan is based on three guidelines:

- customer centrality and the increase in the sizes of the customer base, which requires the ability to innovate the model of services to customers;
- efficiency and soundness of the organizational and management model, which entail a review of the entire operating mechanism in an automation and multichannel perspective;
- consolidation of the Group identity by enhancing the values of proximity and social responsibility.

The Plan main theme is the extension of the customer base, a target on which a number of measures are set, from the network enhancement with the opening of ATMs and points of sale, to the innovation of the service model, to the development of direct channels.

Capital strengthening process

In 2011, the Group implemented measured aimed at further strengthening its capital, in order both to carry out the acquisitions made in the year and in anticipation of the new capital requirements that are becoming effective based on Basel III resolutions.

The transactions made include:
- equity increase by € 733 million, including the share premium fully subscribed;
- issue of non-innovative capital instruments for € 120 million, to strengthen Tier 1 capital;
- issue of subordinated loans for € 400 million, to strengthen Tier 2 capital.

Thanks to these capital contributions, the Group can support the growth of internal and external operations maintaining adequate capital ratios.

Enhancement and review of the organization structure

Based on the Business Plan guidelines, the process continued to define a new organization and sales model aimed at achieving "customer centrality”. The first step has been the review of the organization model of the retail sales chain made in order to ensure an effective commercial control by the local roles engaged in governing the network.

The network optimization project has been finally supported by the consolidation of the Back Office system, which has supplied a crucial contribution to the management of the volumes resulting from the entities that have become part of the Group.

The process for the upgrading of IT systems, both in terms of security and adjustment for compliance with the new sales requirements, had a key stage in 2011 with the “migration” of Carispezia branches and of the 96-branches network acquired from the Intesa Sanpaolo Group to Cariparma IT system.

In the year, the project for the making of the New Branch Platform started up, with the creation of a single operating environment for the distribution network to carry out administrative and commercial transactions, with the purpose of increasing the quality of the services provided to customers.

Finally, important measures were implemented aimed at consolidating the use of direct channels by the customers in order for the Group to remain among the market benchmarks. Along this line, the effort to spread the Advanced Branch model continued; the Group's Advanced Branches include self-areas opened 24 hours a day, seven days a week and are now over 150.

Construction of the new Group's Management Headquarters

In 2011, the design for new Group's Management Headquarters was completed and includes the extension of the Cavagnari Service Centre in Parma by constructing new buildings for a total of 880 new work stations. The new management centre will be able to house all Senior Management offices of the Parent Company and of the Group, in order to achieve higher efficiency both in terms of logistics and work quality. The carrying out of this design will contribute to the enhancement of the Cariparma Crédit Agricole brand with the image of state-of-the-art management headquarters conveying values in line with the corporate identity, with specific reference to corporate social values.

» THE GROUP'S PERFORMANCE

The reference perimeter consists of Cariparma (Parent Company), Banca Popolare FriulAdria S.p.A., Cassa di Risparmio della Spezia, Crédit Agricole Leasing Italia S.r.l. and the special purpose entities Mondo Mutui Cariparma S.r.l. and Sliders S.r.l. that are consolidated on a line-item basis, as well as of Crédit Agricole Vita S.p.A. and CA Agro-Alimentare S.p.A. that are consolidated with the equity method.

Specifically, it is pointed out that, subsequent to the acquisition by the Crédit Agricole Group of Cassa di Risparmio della Spezia and of 96 branches from the Intesa Sanpaolo Group, finalized in the first half of 2011, any comparison to 2010 would not be homogeneous in terms of performance and equity figures.

Performance

In 2011, the Cariparma Crédit Agricole Group's operations were unavoidably affected by a very difficult macroeconomic situation, as well as by a further slowdown in the European economy especially in the second part of the year, the downgrade of European Countries by the leading rating agencies, and by the necessary quick adjustment for compliance with the new Basel III requirements in terms of capital ratios.

Despite this difficult situation, the Group succeeded in consolidating its positioning, with a net profit of € 200.2 million. This was achieved through a development of the traditional banking business, with a net operating profit of € 622 million. Net operating revenues increased, mainly supported by the increase in interest and commission income, offsetting the decrease in net income from trading activities. Operating expenses overall increased, mainly due to the extraordinary expenses met for the acquisition of Carispezia and of the 96 branches, which had a negative effect on staff expenses, administrative expenses, on depreciation of tangible assets and amortization of intangible assets.

Net impairment adjustments of loans increased mainly due to the entry in the Group of the loans relating to the assets acquired. The profit before tax on continuing operations was affected by the loss recognized by Crédit Agricole Vita and by the partial impairment of the goodwill relating to the acquisition of Crédit Agricole Leasing Italia.

Substantiating the Group's vocation as proximity bank, which results in a constant support to households and businesses, loans to customers increased coming to € 34.7 billion (up by +14.4%), direct funding from customers came to € 35.6 billion (up by +21.4%), taking assets under administration to a total of € 82 billion, including € 46.4 billion of indirect funding. The Group has thus increased its liquidity level and kept the cost of credit in line with the previous year levels (0.73%), while the coverage ratio of impaired loans improved (38.2%).

ROE came to 5.8% (net op integration expenses) and an effective control of expenses allowed the Cost/Income ratio to come to 59.6% (net of integration expenses). Finally, the Group continued investing capital to support growth, with € 66 million investments mainly dedicated to the development of IT systems, in line with the over € 300 million provided for by the three-years plan.

Anticipating Basel III new capital requirements and to carry out acquisition transactions, the Cariparma Crédit Agricole Group implemented measures for the consolidation of its capital, succeeding in improving all capital ratios: Core Tier 1 came to 8.3%, Tier 1 to 8.7%, Tier Total to 11.4%.

Income Statement reclassification

In order to present performance more effectively, a summary income statement has been prepared with appropriate reclassifications so as to report the various items on the basis of consistent operational standards.
The reclassifications concerned the following:

- the recovery of the time value component on loans, recorded under the net interest income, rather than net impairment adjustments of loans, since this arises directly from applying the amortized cost method when there are no change in expected future cash flows;
- IAS gains resulting from the disposal of leased assets were taken to net interest income rather than to other operating revenues;
- net gains (losses) on trading activities and the net gains (losses) on hedging activities have been reallocated to gains or losses on financial activities;
- gains and losses on the sale or repurchase of available-for-sale financial assets and financial liabilities have been re-allocated to gains or losses on financial activities;
- The recovery of expenses, duties and taxes has been posted as a direct reduction of administrative expenses, rather than being

reported under other operating revenues/expenses;

- net impairment adjustments/writebacks of financial assets available for sale have been reported under other operating revenues/expenses;
- net value adjustments for impairment of other financial transactions, mainly relating to guarantees issued and commitments, were recorded within the net value adjustments on loans.

The figures presented below are expressed in thousands of Euro.

Reclassified Consolidated Income Statement

			Changes	
	31.12.2011	31.12.2010	Total	%
Net interest income	1,066,775	931,997	134,778	14,5
Net commission income	566,754	502,928	63,826	12,7
Dividends	1,642	1,636	6	0,4
Net gain (loss) on trading activities	33,888	67,715	-33,827	-50,0
Other operating revenues (expenses)	-12,554	-8,431	4,123	48,9
Net operating revenues	**1,656,505**	**1,495,845**	**160,660**	**10,7**
Staff expenses	-615,152	-533,406	81,746	15,3
Administrative expenses	-330,042	-251,016	79,026	31,5
Depreciation and amortization	-89,700	-72,804	16,896	23,2
Operating expenses	**-1,034,894**	**-857,226**	**177,668**	**20,7**
Net operating profit	**621,611**	**638,619**	**-17,008**	**-2,7**
Net provisions for liabilities and contingencies	-44,177	-26,605	17,572	66,0
Net impairment adjustments of loans	-253,560	-218,787	34,773	15,9
Gain (loss) from financial assets held to maturity and other investments	-44,536	7,541	-52,077	-
Goodwill value adjustments	**-6,000**	**-**	**6,000**	**-**
Profit before tax on continuing operations	**273,338**	**400,768**	**-127,430**	**-31,8**
Income tax for the period on continuing operations	-65,302	-151,901	-86,599	-57,0
Net profit (loss) for the period	**208,036**	**248,867**	**-40,831**	**-16,4**
Net profit (loss) pertaining to minority interestes	-7,793	-8,790	-997	-11,3
Net profit for the period pertaining to shareholders of the Group	**200,243**	**240,077**	**-39,834**	**-16,6**

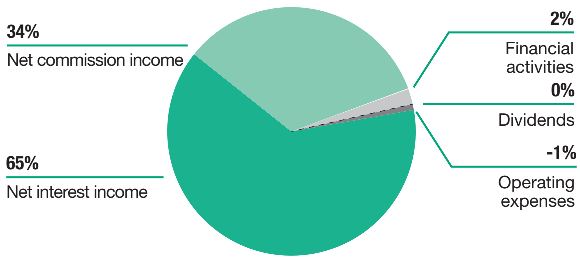
Reconciliation between the Official and Reclassified Income Statements

	31.12.2011	31.12.2010
Net interest income	**1,066,775**	**931,997**
30. Net interest income	1,048,299	918,711
130. Net impairment adjustments of: a) loans, of which time value on impaired loans	17,768	11,291
220. Net gains (IAS) pertaining to Calit	708	1,995
Net commissions income = item 60	**566,754**	**502,928**
Dividends = item 70	**1,642**	**1,636**
Net gain (loss) on trading activities	**33,888**	**67,715**
80. Net gain (loss) on trading activities	21,633	22,536
90. Net gain (loss) on hedging activities	-1,309	2,699
100. Gain (loss) on the disposal or repurchase of: b) financial assets available for sale	13,096	46,427
100. Gain (loss) on the disposal or repurchase of: d) financial liabilities	468	-3,947
Other operating revenues (expenses)	**-12,554**	**-8,431**
220.Other operating revenues (expenses)	205,413	148,979
Less: recovery of expenses	-214,661	-155,297
Less: net gain (IAS) pertaining to Calit	-708	-1,995
130. Net impairment adjustments of: b) financial assets available for sale	-2,598	-118
Net operating revenues	**1,656,505**	**1,495,845**
Staff expenses = 180 a)	**-615,152**	**-533,406**
Administrative expenses	**-330,042**	**-251,016**
180. Administrative expenses: b) other administrative expenses	-544,703	-406,313
190. Other operating revenues/expenses: recovery of expenses	214,661	155,297
Depreciation and amortization	**-89,700**	**-72,804**
200. net adjustments of property, plant and equipment	-30,158	-27,061
210. Net adjustments of intangible assets	-59,542	-45,743
Operating expenses	**-1,034,894**	**-857,226**
Net operating profit (loss)	**621,611**	**638,619**
Net provision for liabilities and contigencies = Item 190	**-44,177**	**-26,605**
Net impairment adjustments of loans	**-253,560**	**-218,787**
100. Gain (loss) on the disposal or repurchase of: a) loans	-4,169	-8,803
130. Net impairment adjustments of: a) loans	-232,036	-201,579
130. Net impairment adjustments of: a) loans, of which time value on impaired loans	-17,768	-11,291
130. Net impairment adjustments of: d) other financial transactions	413	2,886
Goodwill value adjustments = Item 260	**-6,000**	**-**
Gain (loss) from financial assets held to maturity and other investments	**-44,536**	**7,541**
240. Gain (loss) from equity investments	-44,834	5,350
270. Gain (loss) on disposal of investments	298	2,191
Profit before tax on continuing operations	**273,338**	**400,768**
Income tax for the period on continuing operations	-65,302	-151,901
Profit (loss) for the period	**208,036**	**248,867**
Net profit (loss) pertaining to minority interests	-7,793	-8,790
Net profit for the period pertaining to shareholders of the Group	**200,243**	**240,077**

Net operating revenues

Net operating revenues of the Cariparma Crédit Agricole group, which summarize total revenues from lending and service activities, amounted to € 1,656,5 million, up by +10.7% compared with the 2010 figures, which did not include the contribution of Cassa di Risparmio della Spezia and of the 96 branches transferred from the Intesa Sanpaolo Group in the first half of 2011. This was driven by the positive performance of interest income (+14.5%) and of net commissions (+12.7%), which offset the decrease in gains (losses) on trading activities (down by -50.0%), for lower revenues from the ALM (Asset Liability Management) portfolio, and the negative balance of other income/expenses.

NET OPERATING REVENUES



Net interest income

	31.12.2011	31.12.2010	Changes	
			Total	%
Business with customers	1,093,600	867,854	225,746	26,0
Business with banks	-53,919	4,875	-58,794	-
Securities issued	-281,308	-231,600	49,708	21,5
Differences on hedging derivatives	93,395	122,172	-28,777	-23,6
Financial assets held for trading	407	297	110	37,0
Financial assets held to maturity	-	-	-	-
Financial assets available for sale	214,258	168,215	46,043	27,4
Other net interest	342	184	158	85,9
Net interest income	**1,066,775**	**931,997**	**134,778**	**14,5**

Net Interest income came to € 1,066.8 million, up by € 134.8 million (+14.5%) over last year.

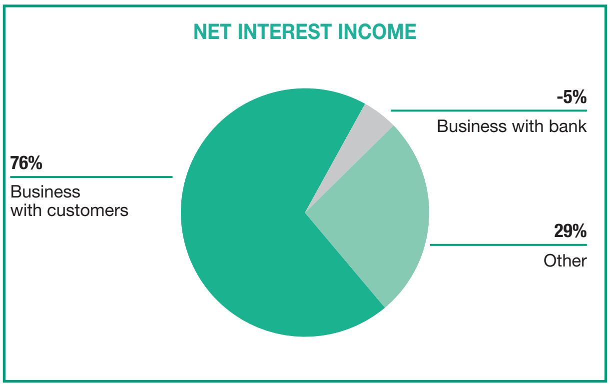
The increase in net interest income was mainly due to the increase by € 225.7 million of the customer component. This increase was supported by both the development of volumes, thanks to the contribution of Cassa di Risparmio della Spezia and of the 96 branches that migrated from the Intesa Sanpaolo Group, and by the market rates which posted a limited increase compared to the same period in the previous year.

The net balance of interest income from securities issued came to - € 281.3 million, with a € 49.7 worsening compared to the same period in the previous year. This change was due to both the increase in bond issues, which, benefiting also from the new perimeter, were in line with the customers' preferences for low-risk products, and to higher expenses for bond funding, due to the worsening of country risk.

The negative balance of interest income from interbank accounts amounted to - € 53.9 million, with a € 58.8 million worsening compared to the same period in the previous year. This aggregate was penalized by the strong increase in repurchase agreements of interbank funding, aimed at the management of government securities owned, which occurred for most part of 2011, despite the sales made in the final part of the year.

Interest income from available-for-sale financial assets increased from € 168.2 million in 2010 to € 214.3 million in 2011, resulting from the purchases of government securities (namely, Italian BTP and French OAT) made in the final part of 2010 and in the first months of 2011. Differences on hedging derivatives decreased by € 28.8 million.

These performances are part of an active policy designed to balance the Group's financial statements items, as well as of governance and management of liquidity and interest rate risks.



Net commission income

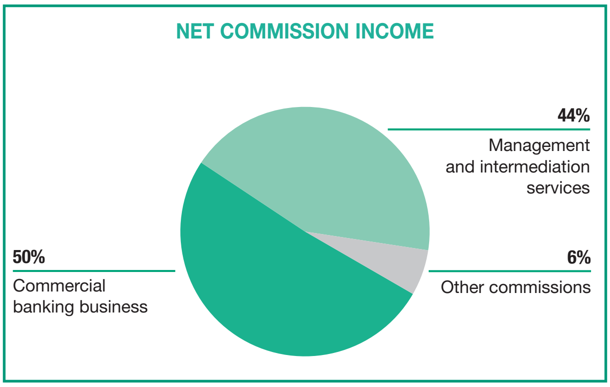
	31.12.2011	31.12.2010 (*)	Changes Total	%
- guarantees issued	12,107	10,432	1,675	16,1
- collection and payment services	42,717	35,818	6,899	19,3
- current accounts	197,589	186,129	11,460	6,2
- debit and credit card services	31,384	30,329	1,055	3,5
Commercial banking business	**283,797**	**262,708**	**21,089**	**8,0**
- securities intermediation and placement	105,205	97,089	8,116	8,4
- foreign exchange	5,235	4,997	238	4,8
- asset management	8,173	8,370	-197	-2,4
- distribution of insurance products	128,371	99,008	29,363	29,7
- other intermediation/management commissions	4,118	2,629	1,489	56,6
Management, intermediation and advisory services	**251,102**	**212,093**	**39,009**	**18,4**
Tax collection services	**-**	**-**	**-**	**-**
Other net commissions	**31,855**	**28,127**	**3,728**	**13,3**
Total net commissions income	**566,754**	**502,928**	**63,826**	**12,7**

(*) Restated with harmonization to the standards used by the Group for 2011

Net commission income amounted to € 566.8 million, up by € 63.8 million compared to last year (+12.7%). This increase, which was also due to the contribution of Cassa di Risparmio della Spezia and of the 96 branches acquired from the Intesa Sanpaolo Group, was driven by both the increase of € 21.1 million (+8.0%) in revenues from the traditional banking business and by the increase of € 39.0 million (+18.4%) in revenues from management, intermediation e advisory services.

Traditional banking business posted a strong increase in commissions on current accounts, up by € 11.5 million (+6.2%); this increase largely offset the negative effect resulting from the application of the new legislation and the pricing adjustment. Commissions on collection and payment services increased significantly, up by € 69 million (+19.3%), as well as commissions for guarantees issued, up by € 1.7 million (+16.1%).

The € 39 million increase in commission income from management, intermediation e advisory services was due, for € 29.4 million, to higher revenues from distribution of insurance products (+29,7%), which benefited from the significant commercial effort and from the contribution of the newly acquired assets; specifically, insurance commission income resulted mostly from life insurance products (79%), and non-life insurance line (21%). Commission income from securities intermediation and placement increased by € 8.1 million, mainly due to the issue of structured bonds.



Net gain (loss) on trading activities

Items	31.12.2011	31.12.2010	Changes	
			Total	%
Interest rates	19,145	16,325	2,820	17,3
Equities	-6	384	-390	-
Foreign exchange	2,841	2,520	321	12,7
Commodities	121	-639	760	-
Total net gain (loss) on financial assets held for trading	**22,100**	**18,590**	**3,511**	**18,9**
Total gain (loss) on hedging activities	**-1,309**	**2,699**	**-4,008**	-
Gain (loss) on disposal of financial assets available for sale	**13,096**	**46,426**	**-33,330**	**-71,8**
Net gain (loss) on trading activities	**33,888**	**67,715**	**-33,827**	**-50,0**

Gains/losses on trading activities came to € 33.9 million, decreasing compared to last year (down by -50.0%). This decrease was due to the € 33.3 million decrease in gains on disposal of available-for-sale financial assets, which was only partially offset by the € 3.5 million increase in gains on financial assets held for trading.

Specifically:
- **Net gains (losses) on financial assets/liabilities held for trading:** these amounted to € 22.1 million, up by 18.9% over the previous year. This increase was mainly due to trading in interest rates which came to € 19.0 million, up by 16.6% on annual basis;
- **Net gains (losses) on disposal of financial assets available for sale:** these amounted to € 13.1 million, with a marked decrease (-€ 33.3 million) due to lower income from the activities on the ALM (Asset Liability Management) portfolio linked to the sales made in the year. These sales were made within the scope of the strategy for the management of the assets aimed at controlling interest rate risk;
- **Net gains (losses) on hedging activities:** these had a negative balance of -€ 1.3 million, decreasing from the +€ 2.7 million of the previous year.

Other operating revenues (expenses)

Other operating revenues and expenses showed a negative balance of € 12.6 million, increasing by € 4.1 million compared to last year and consisted of revenues amounting to € 225 million and expenses amounting to € 238 million. This was mostly due to the writedown of the equity investment in “Aedes S.p.A.” which was written down by € 3.2 million.

Operating expenses

Items	31.12.2011	31.12.2010 (*)	Changes	
			Total	%
- wages and salaries	-429,958	-381,098	48,860	12,8
- social security contributions	-114,130	-99,533	14,597	14,7
- other staff expenses	-71,064	-52,775	18,289	34,7
Staff expenses	**-615,152**	**-533,406**	**81,746**	**15,3**
- general operating expenses	-116,798	-81,068	35,730	44,1
- IT services	-53,169	-39,567	13,602	34,4
- direct and indirect taxes	-86,531	-68,099	18,432	27,1
- facilities management	-60,267	-49,283	10,984	22,3
- legal and other professional services	-32,857	-26,940	5,917	22,0
- advertising and promotion costs	-18,412	-9,430	8,982	95,2
- indirect staff expenses	-11,486	-9,437	2,049	21,7
- other expenses	-165,183	-122,490	42,693	34,9
- recovery of expenses and charges	214,661	155,298	59,363	38,2
Administrative expenses	**-330,042**	**-251,016**	**79,026**	**31,5**
- intangible assets	-59,542	-45,743	13,799	30,2
- property, plant and equipment	-30,158	-27,061	3,097	11,4
Depreciation and amortization	**-89,700**	**-72,804**	**16,896**	**23,2**
Operating expenses	**-1,034,894**	**-857,226**	**177,668**	**20,7**

(*) Restated with harmonization to the standards used by the Group for 2011

Operating expenses for 2011 totalled € 1,034.9 million compared with € 857.2 million of the previous year, up by € 177.7 million (+20.7%). This increase included ordinary expenses for € 129.3 million and integration expenses for € 37.2 million relating to the transfer of the 96 branches from the Intesa Sanpaolo Group and the acquisition of Cassa di Risparmio della Spezia. Net of these components, operating expenses would post a limited increase (up by € 11.2 million, +1.3%) compared with 2010.

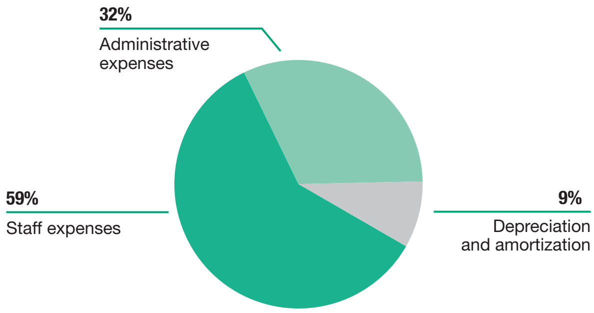
Specifically:

- **Staff expenses:** these accounted for 60% of operating expenses and came to € 615.2 million, up by € 81.7 million (+15.3%), mainly due to the expenses for staff of the assets acquired. In the year, higher expenses were recognized resulting from full implementation of salary increases provided for under the National Collective Bargaining Agreement, only partially offset by a more rigorous management of the remuneration variable component. The increase in "other staff expenses", up by € 18.3 million (+35%), was due to the increases in several components, including voluntary redundancy incentives, expenses for temporary jobs, expenses for secondments, employees' benefits and to the fact that reductions for training in INPS (Italian Social Security Institute) contributions no longer applied. In 2011, the policy for efficiency enhancement and reorganization of the Group's operating and management processes continued being implemented and allowed the optimization of the staff number which decreased by 77 medium-level resources compared with the perimeter before the acquisition;
- **Administrative expenses:** these amounted to € 330.0 million and increased by € 79.0 million (+31.5%) compared to the same period in the previous year. This increase, spread over all expense items, was due to higher ordinary and integration expenses relating to the transfer of the 96 branches and the acquisition of Cassa di Risparmio della Spezia from the Intesa Sanpaolo Group. Specifically, general operating expenses increased by € 35.7 million, expenses for IT services increased by € 13.6 million, expenses for real estate management by € 11.0 million, advertising and promotion expenses by € 9.0 million. The increase in tax expenses, up by € 18.4 million, was due to the increase in business with customers and was fully offset by the recoveries of expenses that were recognized in the specific item. The increase in "other expenses", which amounted to € 165.2 million, up by € 42.7 million, was due to an increase in the premiums paid for CPI (Credit Protection Insurance) policies, which are then placed to customers, generating an "Expense Recovery" of the same amount;
- **Depreciation and amortization,** amounting to € 89.7 million, increased by 23.2% compared to last year, which can be mainly attributed to the fact that depreciation and amortization on investments made in 2010 became fully operation, to the impact of the new investments for 2011, as well as to the depreciation and amortization of property, plant and equipment and intangible assets relating to the assets acquired.

  The above confirm the development policy implemented by the Cariparma Crédit Agricole Group and set forth in the Strategic Plan presented to the market in June.

In this situation, the cost/income ratio increased by 5.2 percentage points Compared to last year, coming to 62.5%; net of integration expenses the cost/income ratio would come to 59.6%, slightly increasing compared with December 2010 (+3.0 percentage points).

OPERATING EXPENSES



Net operating profit

Net operating profit came to € 621.6 million, decreasing by € 17.0 million (-2.7%) on the previous year. Net of integration expenses borne in 2011 for the transfer of the 96 branches and the acquisition of Cassa di Risparmio della Spezia, this item posted a € 20.2 million increase (up by +3.0%). The positive performance of revenues amounting to 160.7 million (up by +10.7%) partially offset the € 177.7 million increase in operating expenses (up by +20.7%) which was due to extraordinary expenses for the acquisition of the new assets.

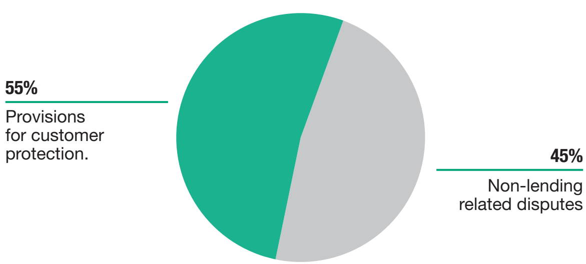
Provisions and other components

Net Provisions for liabilities and contingencies

Net provisions for liabilities and contingencies totalled € 44.2 million, up by € 17.6 million on the previous year. Provisions accrued for non-lending related disputes accounted for € 20.9 million and provisions accrued for customer refund on securities in default accounted for € 25.6 million.

The increase compared to 2010 was mainly due to higher provisions for disputes on financial products and derivative products, which increased by approximately € 14 million, as well as to higher provisions for legal actions with the Group has defendant amounting to € 12 million. A writeback was recognized of about € 3 million relating to revocatory actions, over a provision of over € 8 million in 2010.

NET PROVISIONS FOR LIABILITIES AND CONTINGENCIES



Net impairment adjustments of loans

	31.12.2011	31.12.2010	Changes	
			Total	%
- bad debts	-127,217	-109,214	18,003	16,5
- other impaired loans	-118,600	-133,586	-14,986	-11,2
- performing loans	-8,060	21,128	29,188	-
Net impairment adjustments of loans	**-253,877**	**-221,672**	**32,205**	**14,5**
Net adjustments of guarantees and commitments	317	2,885	2,568	-89,0
Net impairment adjustments of loans	**-253,560**	**-218,787**	**34,773**	**15,9**

The continuing weakness and uncertainties in the macroeconomic situation concerned both households and businesses, affecting bank credit quality.

In such a situation, the Cariparma Crédit Agricole Group's net impairment adjustments of loans increased by € 34.8 million (+15.9%).

The compared to 2010 increase was mainly due to the physiological adjustments generated in the year and to the entry of the loans relating to the assets acquired.

The cost of credit, which measures the percentage weight of net impairment adjustments on net loans to customers, came to 0.73% essentially in line with the 2010 figure, i.e. 0.72%. In an economic situation characterized by a long recession phase, the stability of this ratio was the result of a rigorous credit risk management policy implemented by the Cariparma Crédit Agricole Group, which led to a review of the processes for loan granting and monitoring.

Net impairment adjustments of bad debts, net of writebacks, amounted to € 127.2 million on the € 109.2 million in 2010 (+21.7%); this increase allowed to keep the coverage ratio constant also with the concomitant increase in volumes.

Impairment adjustments of other impaired positions (substandard loans, restructured loans and past-due positions) amounted to € 118.6 million, down by 11.2% compared with December 2010.

The calculation method for the collective writedown of performing loans, which has been applied since 2009, in 2011 resulted in adjustments for € 8.1 million with a positive figure of € 21.1 million recognized in the income statement in the previous year.

Gains (loss) from financial assets held to maturity and other investments

This aggregate showed a negative balance of € 44.5 million, compared with the positive figure of € 7.5 million in 2010. This was due to the negative performance of Crédit Agricole Vita in 2011.

Crédit Agricole Vita, an insurance company of which Cariparma holds a 49.99% stake and which is consolidated with the equity method, in 2011 had a loss of € 90.5 million, originating a negative contribution for the Group amounting to € 44.8 million. This Company's 2011 performance was affected by the writedown of the government securities issued by the Hellenic Republic classified in the available-for-sale financial assets portfolio.

Impairment adjustments of goodwill

In 2011, the Group tested for impairment goodwill (and the assets with a definite useful life) emerged as part of the various acquisitions made by the Group since 2007. In line with the guidelines set by the Controlling Company Crédit Agricole, some of the variables used in the measurement model were reviewed more prudentially than in the previous years; specifically, the cost of capital was increased (to reflect the impairment of the Italian macroeconomic situation) as well as the amount of the target capital (consistently with the Group's new and more prudential internal objectives).

These reviews caused, for the Cash Generating Unit Crédit Agricole Leasing Italia, a decrease in the value in use of cash flows, which is now lower than its book value: consequently, the Group wrote down goodwill on the relevant Cash Generating Unit by the same amount (€ 6.0 million).

Conversely, for the Cash Generating Unit Retail+Private Banking and the Cash Generating Unit Enterprises+Corporate, which reflect the contribution of the segments of the Distribution Networks of the three Group Banks, the impairment test showed no need for writedowns.

Profit before tax on continuing operations

Profit before tax on continuing operation came to € 273.3 million declining by € 127.4 million (-31,8%) compared with 2010. This decrease, higher than that in gross operating profit , was due to the partial recognition of the loss suffered by the company Crédit Agricole Vita for € 44.8 million, to the writedown of goodwill relating to Crédit Agricole Leasing for € 6 million, as well as to higher provisions and adjustments for € 52.3 million.

Income taxes on continuing operations

Current and deferred taxes totalled € 65.3 million, a decrease of € 86.6 million compared with the previous year.

This amount was affected by the realignment of tax values for the purchase of controlling shareholdings, pursuant to Law Decree 98/2011, by Cariparma; taking into account substitute taxes paid and future tax savings, this transaction produced a positive effect on the 2011 income statement of € 84.7 million. In 2011, extraordinary benefits were recognized amounting to € 4.1 million resulting from the realignment pursuant to Article 176 of Presidential Decree 917/86 resolved on part of the goodwill values recognized subsequent to the acquisition of branches by FriulAdria. In this case, too, the benefit resulted from the comparison between substitute taxes paid and taxes which will be saved in the future.

Net of this extraordinary component, the tax burden increased compared with the previous year due to, on the one hand, the non-deductible significant losses on equity investments and writedowns of goodwill and, on the other hand, to the recovery in 2010 of a more significant surplus in provisions for taxes relating to the previous years compared with the taxes actually paid.

The expenses relating to the settlements made with the Italian inland revenue regarding repurchase agreement transactions on foreign securities carried out in the period 2005-2007 by the Group, for a total of € 3.5 million, were also taken to this item. These settlements were defined in agreement with the former controlling company Intesa Sanpaolo in the light of the guarantees provided for by the agreement for the transfer of our Banks from the Intesa Sanpaolo Group to the Crédit Agricole S.A. Group. Even considering the validity of the rights for the transactions made, these settlements allowed significant control of the risk of an unfavourable outcome of the dispute (up to € 23.5 million plus interest).

Net profit (loss) and comprehensive income

Net profit

Net profit came to € 200.2 million, down by € 39.8 million, (-16.6%) on the previous year. The profit for the year, net of the integration expenses met for the acquisition of Cassa di Risparmio della Spezia and of the 96 branches from the Intesa Sanpaolo Group, decreased by € 16.8 million (-6.9%). ROE (net income over average equity) came to 5.0% (5.8% net of integration expenses) compared with 6.3% in 2010, with a value that is however higher than the System data, to be interpreted as favourable in the reference macroeconomic situation.

Comprehensive income

Items		31.12.2011	31.12.2010
10.	**Net profit (loss) for the period**	**208,036**	**248,867**
	Other income after tax		
20.	Financial assets available for sale	-295,623	-145,530
30.	Property, plant and equipment	-	-
40.	Intangible assets	-	-
50.	Hedging of foreign investments	-	-
60.	Cash flow hedges	-234	-1,122
70.	Exchange rate differences	-	-
80.	Disposal groups	-	-
90.	Actuarial gains (losses) on defined-benefit plans	-9,931	-6,453
100.	Share of valuation reserve on equity investments accounted for by equity method	-13,548	-16,976
110.	**Total for other income components after tax**	**-319,336**	**-170,081**
120.	**Comprehensive income (10+110)**	**-111,300**	**78,786**
130.	Consolidated comprehensive income pertaining to minority interests	-3,017	3,065
140.	**Consolidated comprehensive income pertaining to the Parent Company**	**-108,283**	**75,721**

The Cariparma Crédit Agricole Group's comprehensive income consists of the profit for the period and of the changes in assets directly recognized in equity reserves. Comprehensive income for 2011 produced a negative balance of € 108.3 million, compared with a profit of € 75.7 million made in 2010.

This can be mainly ascribed to the reduction in valuation reserves of securities in the "available-for-sale financial assets" portfolio mainly including fixed-rate government securities held to hedge the Bank's interest rate risk, which totally absorbed the profit for the period of € 208 million. These changes can be attributed to the high volatility of sovereign risks of the EU fringe countries, which, in the second half of the year, concerned Italy too.

» PERFORMANCE OF THE BALANCE-SHEET AGGREGATES

Reclassification of the Balance Sheet

In order to supply a more direct representation of the Company's financial situation, a summary balance sheet has been prepared by suitably aggregating the relevant items.

The changes concern:
- presentation of financial Assets/Liabilities held for trading on a net basis;
- presentation of loans to banks and amounts due to banks on a net basis;
- inclusion of the net value of hedge derivatives and of the adjustments to financial assets/liabilities hedged collectively in the "Other" items of Assets/"Other" items of Liabilities, while in the previous year these items were included and modified the respective assets/liabilities hedged;
- grouping of intangible assets and property, plant and equipment into a single aggregate;
- inclusion of the item "Cash and cash equivalents" in the "Other Assets" residual item;
- grouping in the "Funding from customers" item of the "Due to customers" and "Securities issued" items;
- grouping of specific-purpose provisions (i.e. employee severance benefits and provisions for liabilities and contingencies) into a single aggregate.

Reclassified Consolidated Balance Sheet

			Changes	
Assets	**31.12.2011**	**31.12.2010 (*)**	**Total**	**%**
Net financial assets/liabilities held for trading	13,170	15,396	-2,226	-14,5
Financial assets available for sale	3,686,706	7,185,080	-3,498,374	-48,7
Loans to customers	34,783,128	30,406,621	4,376,507	14,4
Equity investments	123,222	119,975	3,247	2,7
Property, plant and equipment and intangible assets	2,505,691	1,822,792	682,899	37,5
Tax assets	988,363	638,020	350,343	54,9
Other assets	2,397,694	1,237,804	1,159,890	93,7
Total net assets	**44,497,974**	**41,425,688**	**3,072,286**	**7,4**

			Changes	
Liabilities	**31.12.2011**	**31.12.2010 (*)**	**Total**	**%**
Net due to banks	2,416,285	6,448,504	-4,032,219	-62,5
Funding from customers	35,558,541	29,296,254	6,262,287	21,4
Tax liabilities	344,345	290,239	54,106	18,6
Other liabilities	1,599,276	1,114,399	484,877	43,5
Specific-purpose provisions	292,058	238,631	53,427	22,4
Share capital	876,762	785,066	91,696	11,7
Reserves (net of treasury shares)	3,441,571	2,965,246	476,325	16,1
Valuation reserves	-423,373	-109,661	-313,712	-
Minority interests	192,266	156,933	35,333	22,5
Net profit (loss) for the period	200,243	240,077	-39,834	-16,6
Total net liabilities and equity	**44,497,974**	**41,425,688**	**3,072,286**	**7,4**

(*) Restated based on the reclassification criteria set forth above.

Reconciliation of the official and reclassified balance sheets

Assets		31.12.2011	31.12.2010 (*)
	Net financial assets/liabilities held for trading	**13,170**	**15,396**
20.	Financial assets held for trading	320,635	299,335
40.	Financial liabilities held for trading	-307,465	-283,939
	Financial assets available for sale	**3,686,706**	**7,185,080**
40.	Financial assets available for sale	3,686,706	7,185,080
	Loans to customers	**34,783,128**	**30,406,621**
70.	Loans to customers	34,783,128	30,406,621
	Equity investments	**123,222**	**119,975**
100.	Equity investments	123,222	119,975
	Property, plant and equipment and intangible assets	**2,505,691**	**1,822,792**
120.	Property, plant and equipment	452,397	389,823
130.	Intangible assets	2,053,294	1,432,969
	Tax assets	**988,363**	**638,020**
140.	Tax assets	988,363	638,020
	Other assets	**2,397,694**	**1,237,804**
10.	Cash and cash equivalents	930,780	214,900
80.	Hedging derivatives	707,001	400,028
90.	Value adjustment of financial assets subject to macro hedging (+/-)	4,203	-
160.	Other assets	755,710	622,876
Total assets		**44,497,974**	**41,425,688**

Liabilities		31.12.2011	31.12.2010
	Net interbank funding	**2,416,285**	**6,448,504**
60.	Loans to banks	-4,485,214	-4,629,496
10.	Due to banks	6,901,499	11,078,000
	Funding from customers	**35,558,541**	**29,296,254**
20.	Due to customers	22,888,810	18,114,794
30.	Securities issued	12,669,731	11,181,460
	Tax liabilities	**344,345**	**290,239**
80.	Tax liabilities	344,345	290,239
	Other liabilities	**1,599,276**	**1,114,399**
60.	Other liabilities	176,602	22,899
70.	Hedging derivatives (assets)	344,469	77,273
100.	Adjustment of financial liabilities hedged generically: liabilities with banks	1,078,205	1,014,227
	Specific-purpose provisions	**292,058**	**238,631**
110.	Employee severance benefits	164,246	133,418
120.	Provisions for liabilities and contingencies	127,812	105,213
	Share capital	**876,762**	**785,066**
180.	Share capital	876,762	785,066
	Reserves (net of treasury shares)	**3,441,571**	**2,965,246**
170.	Reserves	706,109	870,772
180.	Share premium reserve	2,735,462	2,094,474
	Valuation reserves	**-423,373**	**-109,661**
140.	Valuation reserves	-423,373	-109,661
	Assets pertaining to minority interests	**192,266**	**156,933**
210.	Assets pertaining to minority interests	192,266	156,933
	Net profit (loss) for the period	**200,243**	**240,077**
220.	Net profit (loss) for the period	200,243	240,077
Total liabilities and equity		**44,497,974**	**41,425,688**

(*) Restated based on the reclassification criteria set forth above.

Operations with customers

In 2011, the Cariparma Crédit Agricole Group, subsequent to the entry of Carispezia and of 96 branches acquired from the Intesa Sanpaolo Group, has enhanced its operations especially in large cities and has extended its geographical area of operation, thus making a step up in terms of numbers of customers managed and assets under administration.

The newly-acquired assets added to the growth of intermediated assets achieved by the consolidated network of the Group that continued implementing its development policy supporting its customers and the economies of the areas of operation, enhancing its role as proximity bank for the economic entities with whom it interacts. In a phase of severe economic crisis, the Group thoroughly monitored the credit quality of the customers to whom loans would be granted, carried out an accurate analysis of investors' risk appetite (in line with Mifid - Markets In Financial Instruments Directive), within the scope of an effective risk management.

Intermediated assets, consisting of the sum of loans, direct and indirect funding, came to € 116,748 million, posting an increase of € 14,024 million (up by +13.7%) compared with 2010.

In 2011, loans came to € 34,783 million, increasing by € 4,376 million (up by +14.4%), partly resulting from the newly-acquired assets and partly from the activities of the existing network; this growth was mainly driven by medium- and long-term forms, such as mortgage loans .

At the end of 2011, total funds administered on behalf of customers amounted to € 81,970 million with an increase of € 9,647 million (up by +13.3%) compared to last year. Specifically, direct funding came to € 35,559 million increasing by over 21% compared to last year, while indirect funding increased by about 8% coming to € 46,412 million. In the percentage composition of Total Funding, direct funding accounted for 43%, thus posting an increase, while indirect funding accounted for 57%.

Loans to Customers

Items	31.12.2011	31.12.2010 (*)	Changes	
			Total	%
- Current accounts	4,857,668	4,432,845	424,823	9,6
- Mortgage loans	20,723,324	17,086,392	3,636,932	21,3
- Advances and other financing	7,632,017	7,700,679	-68,662	-0,9
- Repurchase agreements	-	-	-	-
- Impaired loans	1,565,057	1,181,725	383,332	32,4
Loans	**34,778,066**	**30,401,641**	**4,376,425**	**14,4**
Loans represented by securities	5,062	4,980	82	1,6
Loans to customers	**34,783,128**	**30,406,621**	**4,376,507**	**14,4**

(*) Restated with harmonization to the standards used by the Group for 2011

In a situation affected by the consequences of the economic recession and by the essential stagnation in private consumption, loans to customers came to € 34,783million, increasing by € 4,377 million year-on-year (up by +14.4%). This performance, benefiting also from the entry of Carispezia and of the new branches acquired from the Intesa Sanpaolo Group, was the result of the significant commercial effort made by the Group's distribution network substantiating the constant support given to households and businesses.

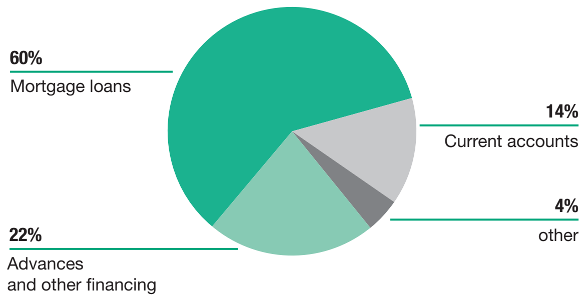
The increase in loans, driven by an increase of all types of loans (with the exception of advances and other financing), substantiates the Group's constant commitment to support customers and local economies: indeed the Group supported its customers' businesses by financing worthy industrial projects and promoting arrangements with institutions and associations.

Loans performance was as follows: current accounts came to € 4,858 million, increasing by € 425 million (up by +9.6%); mortgage loans came to € 20,723 million, increasing by € 3,637 million (up by +21.3%), thus being the main lending component (60% of total lending); financing decreased by € 69 million (down by 0.9%) with a stock of € 7,632 million; this decrease referred mainly to the enterprise segment and reflected the weak economic situation.

With reference to the performance of mortgage loans, which are 56% of loans to customers, over 17,000 new home loans were given to retail customers for approximately € 2,200 million, despite the market being highly competitive and slowing down.

Following the changes for the year, the composition of the loan portfolio was as follows: mortgage loans (60%), advances and other financing (22%), current account (14%) and other (5%).

The significant increase in impaired loans, coming to € 1,565 million and increasing by € 383 million (up by +32.4%), was affected by the newly-acquired assets and reflected the critical phase of the economic system in the areas of operations and its repercussion on bank credit quality.



Credit quality

Items	31.12.2011			31.12.2010 (*)		
	Gross exposure	Total writedowns	Net exposure	Gross exposure	Total writedowns	Net exposure
- Bad debts	1,296,702	738,764	557,938	956,010	535,271	420,739
- Substandard loans	705,671	204,875	500,796	553,466	210,549	342,917
- Restructured loans	132,875	19,848	113,027	73,369	4,375	68,994
- Past-due / overlimit loans	397,711	4,415	393,296	354,077	5,003	349,074
Impaired loans	**2,532,959**	**967,902**	**1,565,057**	**1,936,922**	**755,198**	**1,181,724**
Performing loans	**33,353,399**	**135,328**	**33,218,071**	**29,337,601**	**112,704**	**29,224,897**
Total	**35,886,358**	**1,103,230**	**34,783,128**	**31,274,523**	**867,902**	**30,406,621**

(*) Restated with harmonization to the standards used by the Group for 2011

Net of writedowns, impaired loans totalled € 1,565 million, up by 32% compared with € 1,182 million the previous year; this increase was partly due to the impaired loans brought into the Group by Carispezia and by the 96 branches acquired, as well as to the increasing difficulties experienced by businesses and households in a severe economic situation, which caused a deterioration of credit quality.

At the end of the year, the weight of problem loans on total net loans was 4.5% vs. 3.9% in 2010, while the coverage ratio, calculated as the ratio of total writedowns to gross exposure, came to 38%, essentially in line with the previous year (39%), substantiating the effectiveness of a prudent risk management policy in a difficult economic situation.

Net bad debts came to € 558 million, up by 32.6% compared with the € 421 million in December 2010. Their weight on total net loans to customers came to 1.6% increasing from 1.4% in 2010; the coverage ratio was 57% increasing from 56% the previous year.

Net substandard positions amounted to € 501 million and increased by € 158 million (up by +46%) compared with the end of 2010. Their weight on total net loans to customers came to 1.4% vs. 1.1% at the end on 2010; the coverage ration was 29%, decreasing from 38% in 2010, which can be explained in the light of the different composition of the 2011 substandard loan portfolio, which showed a higher weight of mortgage loans, characterized by higher level guarantees.

Net restructured loans came to € 113 million and accounted for 0.3% total loans to customers.

Net past-due and overlimit positions increased compared to last year (up by +13%) and came to € 393 million vs. € 349 million in December 2010. Past-due and overlimit loans accounted for 1.1% of total loans to customers (in line with 2010); their coverage ration was 1.1%, vs. 1.4% in December 2010.

The cumulative total of writedowns for performing loans came to approximately € 135 million and represented 0.4% of the nominal value of all performing positions. Writedowns on performing loans were measured collectively, using a measurement approach based on in-house estimates of Probability of Default (PD) and Loss Given Default (LGD).

Funding from customers

			Changes	
Items	**31.12.2011**	**31.12.2010 (*)**	**Total**	**%**
- Deposits	1,479,568	325,995	1,153,573	-
- Current and other accounts	21,200,443	17,659,179	3,541,264	20,1
- Other items	113,619	98,795	14,824	15,0
- Repurchase agreements	95,180	30,825	64,355	-
Due to customers	**22,888,810**	**18,114,794**	**4,774,016**	**26,4**
Securities issued	12,669,731	11,181,460	1,488,271	13,3
Total direct funding	**35,558,541**	**29,296,254**	**6,262,287**	**21,4**
Indirect funding	**46,411,661**	**43,026,473**	**3,385,188**	**7,9**
Total funding	**81,970,203**	**72,322,727**	**9,647,476**	**13,3**

(*) Restated with harmonization to the standards used by the Group for 2011

Total funding, which represents the aggregate of total funds administered on behalf of Customers, came to € 81,970 million, increasing by € 9,647 million, i.e. up by 13.3% compared to last year. This significant performance was due to both the contribution of the assets acquired and to the commercial development strategies implemented by the Group.

Direct funding reached € 35,559 million, increasing by € 6,262 million, i.e. up by 21.4% compared to last year. In general, the ongoing uncertainties on the markets in 2011 affected the customers' choices: their low risk appetite led them to prefer high-liquidity investments.

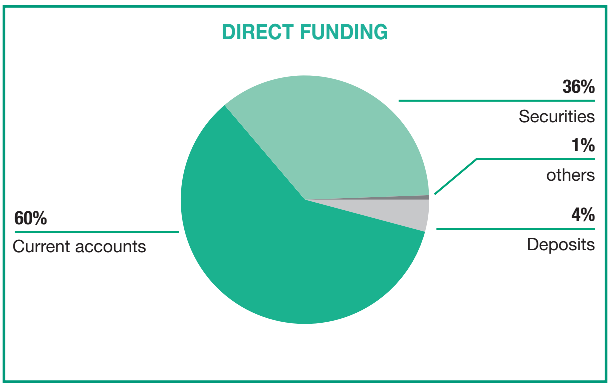
Specifically, customers preferred short-term forms with higher liquidity: savings forms entailing little ties posted a significant increase by € 1,154 million and came to € 1,480 million, essentially thanks to deposits and certificates of deposit in particular, which met the customers' requirements of suitable yields with limited duration terms. Current accounts came to € 21,200 million increasing by 20.1%, and testifying the customers' preference for technical forms with higher liquidity .

Particularly in the last part of the year, short-term products posted a significant increase; these products aim at retaining customers with a competitive return.

Bond funding increased by € 1,488 million (up by +13.3%) and came to € 12,670 million, benefiting also from the customers' securities brought by the newly-acquired assets.

Current accounts keep on reprenting the largely prevailing component of direct funding, with a 60% weight. Deposits posted a marked increase and, at the end of 2011, accounted for over 4% of total direct funding. The weight of debenture loans decreased slightly, coming to 36%.

These trends, combined with an effective lending policy, allowed the Cariparma Crédit Agricole Group to maintain an excellent liquidity level.



Indirect funding

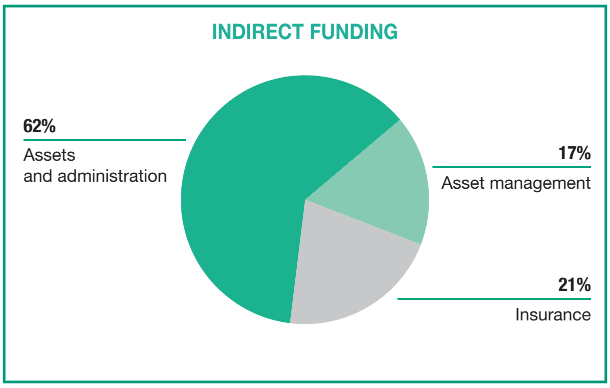
Items	31.12.2011	31.12.2010	Changes Total	%
- Asset management products	7,879,539	8,421,176	-541,637	-6,4
- Insurance products	9,781,990	8,086,472	1,695,518	21,0
Total assets under management	**17,661,529**	**16,507,648**	**1,153,881**	**7,0**
Assets under administration	**28,750,132**	**26,518,825**	**2,231,307**	**8,4**
Indirect funding	**46,411,661**	**43,026,473**	**3,385,188**	**7,9**

Indirect funding accounted for 57% of total funding and came to € 46,412 million at market value, up by € 3,385 million (+7.9%) compared with € 43,026 million of the previous year. This increase was driven by both assets under management (+7.0%) and under administration (+8.4%).

Asset under management came to € 17,662 million increasing by € 1,154 million compared to 2010. This performance benefited from the insurance segment that increased by € 1,696 million (up by +21%) subsequent to the implementation of policies for the network commercial development, which benefited also from the extension of the network itself with the addition of the new branches acquired from the Intesa Sanpaolo Group.

Assets under management on behalf of customers came to € 7,880 million, decreasing by € 542 million (down by -6.4%). This decrease was almost exclusively due to mutual funds and Sicav (investment company with variable capital) which were affected by the negative performance of the sector and by the customers' low risk appetite. Assets management products on behalf of customers were essentially stable.

Assets under administration increased by € 2,231 million (up by +8.4%) coming to € 28,750 million compared with € 26,519 the previous year..



Other investments

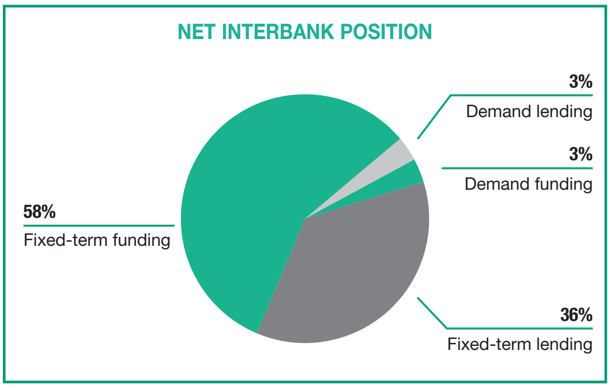
Net interbank position

Items	31.12.2011	31.12.2010 (*)	Changes Total	%
- Loans	368,594	587,232	-218,638	-37,2
- Funding	351,288	53,663	297,625	
Net interbank debt position on demand	**17,306**	**533,569**	**-516,263**	**-96,8**
- Loans	4,116,619	4,042,264	74,355	1,8
- Funding	6,550,210	11,024,337	-4,474,127	-40,6
Net interbank debt/credit position at maturity	**-2,433,591**	**-6,982,073**	**4,548,482**	**-65,1**
Net interbank position	**-2,416,285**	**-6,448,504**	**4,032,219**	**-62,5**

(*) Restated with harmonization to the standards used by the Group for 2011

The net interbank position of the Cariparma Crédit Agricole Group showed a total net debt of € 2,416 million, decreasing by € 4,032 million from the € 6,449 million of the previous year.

This was mainly due to the improvement of the fixed-term net interbank position: the decrease in government securities in the "Available-for-sale financial assets" portfolio caused a partial decrease in requirements of lending from banks through repurchase agreements. These performances are part of an active policy designed to balance the Group's financial statements items, as well as of governance and management of liquidity and interest rate risks.



Financial assets available for sale

Items	31.12.2011	31.12.2010	Changes	
			Total	%
- Bonds and other debt securities	3,558,228	7,063,040	-3,504,812	-49,6
- Equity securities and units in collective investment undertakings	5,606	4,176	1,430	34,3
Securities available for sale	**3,563,834**	**7,067,216**	**-3,503,382**	**-49,6**
- Equity investments	122,872	117,864	5,008	4,2
- Private equity investments	-	-	-	-
Shares investments available for sale	**122,872**	**117,864**	**5,008**	**4,2**
Financial assets available for sale	**3,686,706**	**7,185,080**	**-3,498,374**	**-48,7**

Financial assets available for sale amounted to € 3,687 million, decreasing by € 3,498 million, i.e. down by 48.7%, y/y and mainly consist of bonds and other debt securities, which account for 96% of total value.

This item includes fixed-rate government securities held within the scope of the policy for maturity transformation and management of interest rate risk with customers. Consistently with the strategy of the Controlling Company Crédit Agricole entailing the review of the policies for the management and hedging of risks, in 2011 the exposure to sovereign debts was reduced: government securities were assigned and this accounts for the decrease in total values.

Equity securities referred to capital shares acquired in loan restructuring transactions with customers experiencing temporary financial difficulties. Finally, equity investments amounted to € 123 million, increasing by € 5 million compared to last year.

Government Bond

	31.12.2011		
	Nominal Value	Book value	Valution reserves
FVTPL			
Italian govenment bond	10	11	-
Argentina government bond	21	5	-
AFS			
Italian govenment bond	2,984,854	2,644,867	-405,686
Argentina government bond	24	17	-2
French government bond	782,500	861,774	-514
Total	3,767,409	3,506,674	-406,202

Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets amounted to € 2,506 million, increasing by € 683 million from € 1,823 million in 2010. This increase was essentially due to the recognition of goodwill and intangible assets, representing business with customers, relating to the acquisition of Carispezia and of 96 branches from Intesa Sanpaolo, assets for which the Purchase price allocation was still under way as at the balance-sheet date.

This aggregate includes also goodwill and intangible assets recognized in 2007 and 2008 subsequent to the acquisition of FriulAdria, Crédit Agricole Leasing Italia and transfer of 209 branches from Intesa Sanpaolo.

On the closing date of these financial statements, the intangible assets relating to the assets acquired in 2007 (FriulAdria and 209 branches) were tested for impairment and the consistency of the values recognized was confirmed. A writedown by € 6 million of the goodwill of Crédit Agricole Leasing Italia was recognized.

This item include the Group’s technical investments, that is, but not limited to, owned real estate, technological systems and furnishings in branches.

Specific-purpose provisions

Items	31.12.2011	31.12.2010	Changes	
			Total	%
Employee severance benefits	164,246	133,418	30,828	23,1
Provisions for liabilities and contingencies	127,812	105,213	22,599	21,5
- retirement and similar liabilities	24,048	22,374	1,674	7,5
- other provisions	103,764	82,839	20,925	25,3
Total specific-purpose provisions	**292,058**	**238,631**	**53,427**	**22,4**

Specific-purpose provisions totalled € 292 million, posting a € 53.4 million increase on the previous year (up by +22.4%).
This increase mainly referred to provisions for employees' severance benefits, which came to € 164 million vs. € 133 million in 2010 and were affected by the increase in human resources subsequent to the new asset acquisitions.
This item includes also provisions for liabilities and contingencies, which amounted to € 128 million vs. € 105 million in 2010 and referred to legal disputes relating to staff and operational risks. The increase in 2011 was due to the increase in the provisions made for disputes in which the Group is the Defendant, higher provisions for the renewal of the national collective bargaining agreement, as well as to higher provisions for risks of disputes on financial products.

Equity and supervisory capital

Equity

Items	31.12.2011	31.12.2010	Changes	
			Total	%
Share capital	876,762	785,066	91,696	11,7
Share premium reserve	2,735,462	2,094,474	640,988	30,6
Reserves	706,109	870,772	-164,663	-18,9
Valuation reserves of financial assets available for sale	-390,856	-105,446	285,410	-
Valuation reserves of actuarial gains (losses) pertaining to defined-benefit pension plans	-9,916	-996	8,920	-
Valuation reserves of cash flow hedges	-	185	-185	-
Valuation reserves of other	-22,601	-3,404	19,197	-
Treasury Shares	-	-	-	-
Net profit (loss) for the period	200,243	240,077	-39,834	-16,6
Total equity	**4,095,203**	**3,880,728**	**214,476**	**5,5**

As at 31 December 2011, the book value of equity, including the net profit for the year, came to € 4,095 million, increasing by € 214 million (up by +5.5%) from € 3,881 million of the previous year.

The change in equity was mainly due to the € 733 million share capital increase made by the Controlling Company Cariparma Crédit Agricole for the bank acquisitions finalized in 2011, as well as to the allocation of 2010 retained earnings to reserves.

These increases offset the negative performance of valuation reserves, whose negative balance increased from € 105 million to € 391 million, subsequent to the writedown of government securities in the "Financial assets available for sale" portfolio, resulting from the changes in the economic-financial situation and from the sovereign debt crisis of some countries in the Euro Zone.

Finally, equity was negatively impacted by both an increase in the negative balance of the valuation reserves relating to defined-benefit pension plans and by the lower net profits for the year.

Supervisory Capital

Supervisory capital and capital ratios	31.12.2011	31.12.2010
Tier 1 capital	2,614,335	2,452,640
Tier 2 Capital	877,803	492,625
Deductible elements	58,917	58,917
Supervisory capital	**3,433,221**	**2,886,348**
Credit Risk	2,185,886	2,052,847
Market risk	7,161	6,363
Operational risk	218,793	197,490
Capital requirements	**2,411,840**	**2,256,700**
Excess capital with respect to minimum requirements	**1,021,382**	**629,648**
Risk-weighted assets	**30,147,996**	**28,208,749**
Capital ratios %		
Tier 1 Capital / Total risk-weighted assets	8,67%	8,69%
Total capital / Total risk-weighted assets	11,39%	10,23%

Supervisory capital totalled € 3,433 million, increasing by € 547 million compared with 2010.

This year-on-year increase was mainly due to the measures that the Group implemented in 2011 in order to strengthen its capital and to carry out the acquisitions finalized in the year.

These measures were:

- capital increase by € 733 million, including the share premium;
- issue of non-innovative capital instruments for € 120 million, to strengthen Tier 1 capital;
- issue of subordinated loans for € 400 million, to strengthen Tier 2 capital.

This increase can also be attributed to the portions of 2011 earnings that the Board of Directors of the Group Banks will propose to allocate to reserve.

Risk-weighted assets came to € 30,148 million, up by € 1,939 million on 2010: this increase mainly resulted from the extension of the Group's perimeter, with the entry of Carispezia and of the 96 Branches acquired in the first part of 2011, as well as from the subsequent increase in lending volumes; on the other hand, RWA were controlled by reducing repurchase agreement transactions with Customers and by adopting measures to minimize capital absorption (with equal gross exposure).

Tier total Capital Ratio (Total Capital/Total risk-weighted assets) came to 11.4%, compared with 10.2% in 2010, an increase that substantiates the Group's focus and effective control on the strengthening of capital ratios.

Tier 1 Capital Ratio/Total risk-weighted assets came to 8.7%, in line with 2010 (8.7%); Core Tier 1 was 8.3%.

Supervisory capital and the related capital ratios were calculated in accordance with the instructions of the Bank of Italy, adopting the standardized methods for the calculation of risk weighted assets for credit, counterparty risks, as well as for the calculation of operational risks, as done for the previous year. It should also be noted that ratings were used which were supplied by an authorized ECAI (External Credit Assessment Institution) for loans in the enterprise portfolio.

Corporate development lines

Bank acquisitions

In 2011, the Group finalized the transaction called “Progetto Gemini”, concerning the integration of Banca Carispezia and 96 Branches of the Intesa Sanpaolo Group's Network, made subsequent to the agreements entered into in 2010 (17 February and 7 July) and included within the measures required by the Italian Antitrust Authority with regard to the management of Crédit Agricole's equity investment in Intesa Sanpaolo.

Specifically, at the beginning of January 2011, a 80% shareholding in Carispezia was acquired; Carispezia is a Bank with strong bonds with the community and with a Network of 83 Points of Sale located in the Liguria, Tuscany and Emilia Romagna Regions. At the beginning of July 2011, the Bank's IT migration was successfully completed from the Intesa Sanpaolo Group's platform to the Cariparma Crédit Agricole Group's one.

On the other hand, the 96 Retail Branches entered the Group subdivided in two tranches, in March and May 2011. This transaction has allowed the Group to: (i) significantly enhance its operations in Italy's largest cities, such as Rome (+26 Branches, for a total of 42 PoS), Milan (+19 Branches, for a total of 40 PoS), Florence (+8 Branches, for a total of 15 PoS) and Padua (+3 Branches, for a total of 7 PoS); it has also allowed operations to start in Umbria, through the acquisition of 4 PoS located in the municipalities of Perugia, Foligno, Città di Castello and Spoleto.

By finalizing this transaction, the Cariparma Crédit Agricole Group has risen to the 7th place in the ranking of Italian banks for area of operations, increasing its market share in terms of branches by +0.5% and pursuing an enhancement of its competitive placing:
- in areas neighbouring those where operations are consolidated, such as: La Spezia and Massa Carrara. As a matter of fact, Carispezia has a leading market share in the Province of La Spezia (54 branches, equal to 39.1%) and in the Province of Massa (16 branches, equal to 14.2%);
- in the main Italian cities with high potential for economic development (Rome, Milan, Florence, Genoa, Perugia, Brescia, Bergamo, Padua, Vicenza).

As well as geographical extension, the Gemini operation has allowed the Cariparma Crédit Agricole Group to:
- significantly increase the sizes of its business, thanks to the acquisition of approximately 300,000 new customers (the customer base as it was before the transaction increased by +20%) and about 1,400 new employees, as well as to the increase in total funding (Direct Funding, Indirect Funding and Loans) by about € 14 billion (i.e. by about 14% of the Group's volumes before the transaction);
- to further strengthen its capital and financial soundness, thanks to both Carispezia's excellent capital soundness (Tier 1 of 10.6% and Tier Total of 12.5%), and to the contribution of over € 2 billion of additional liquidity ensured by the newly-acquired perimeter;
- to establish cooperation with Fondazione Carispezia, thus ensuring a capillary presence, as substantiated by the excellent and consolidated relations established with Fondazione Cariparma.

Retail and Private banking channel

Retail Channel

Also in 2011, the Cariparma Crédit Agricole Group set the target of placing customers at the centre of its way to do banking business, supplying high quality, clear and customized banking services and products and always focussing on customers' satisfaction.

DISTRIBUTION CHAIN

One of the year's priorities was keeping in line with this principle despite the material change in the Group's distribution chain subsequent to the integration of a new bank and of the 96 former-Intesa Sanpaolo branches.

Cariparma network is divided into 3 Regions and 10 Areas, while FriulAdria network has 3 Areas and Carispezia network a single one. There are 49 Region Managers that know their areas and represent the bank towards local institutions and that are key figures to achieve growth targets. The distribution chain is also supported by Acquisition Managers and by specialist product control, carried out by dedicated staff in each Group area.

COMMERCIAL STRATEGY

In a more and more competitive and challenging scenario, the customer base extension is a key factor to achieve the economic and capital objectives and to ensure the Group's long-lasting growth. This is pursued by:
- defining dedicated products and services to be supplied to strategic target customers identifying their requirements and making the most of their potential;
- implementing development-targeted measures;
- customer retention and consolidation.

The Group's strategy set the objective of developing worthy supplies, tailored for strategic customer targets, on the basis of two main guidelines:
- revising its product range, in order to supply high-quality, clear and innovative products and services;
- streamlining supply on the basis of the principle “1 requirement = 1 product”, with the objective of promoting its customers' conscious choices: streamlined, clear and transparent products to meet the customers' requirements.

HIGH-QUALITY PRODUCTS FOR STRATEGIC TARGETS

Young people

The Group focussed on young people and prepared a full product range dedicated to them, launching the "VYP Università" (VYP University), a no-fee current account dedicated to University or postgraduate students between 18 ad 28 years of age, CartaConto, rechargeable prepaid card with an IBAN code, which combines payment services and basic banking services in a single product. To promote both products and to make the customer targets aware of them, a number of initiatives were carried out at the universities of the main cities. Moreover, CartaConto was launched as the leading product for the acquisition of all customer targets with basic banking needs, also thanks to its modest prices. The product range for young people also includes VYP Travel, an insurance policy prepared in cooperation with Europe Assistance, for the main insurance coverages relating to travels (there are three packages customized based on the travel purpose: e.g. education, work, sport/skiing). Several development initiatives were carried out aiming at approaching the customer target in a way that would distinguish the Group from the competitors (e.g. the “VYP Machine” street marketing initiative and the VYP&Win contest to increase the number of new young customers and cross selling; “Porta Amici VYP”, an in-house initiative that involved the network young employees in the acquisition of young customers 18-28 years).

These initiatives are part of a more extensive project called “Enhancing the Spirit of Conquest”, an acquisition plan aiming at spreading the spirit of conquest on a full scale involving all co-workers, both network and central offices ones. An example of these initiatives is “Giornate della Conquista” (Days of Conquest), true event days on which the bank employees collected names of potential new customers directly on the road. The card-index tab with the wording “1+1=3” was distributed to all the network branches as a tool to facilitate the collection of active references and to boost word-of-mouth advertising; moreover, prize contests involving both employees and customers were organized to promote the acquisition of new customers. In 2011 the Retail Channel acquired over 101,000 new customers.

Households

In 2011 also the Group focussed on households' requirements and on solving their problems.

In 2011, the strategic importance given by the Group to the consumer credit business was once more confirmed, despite the difficult market situation, an ever-changing legislation and a general fall in consumption.

In 2011 the fruitful cooperation with Agos continued aiming at product innovation and business development.

On the one hand, product innovation was constantly pursued by creating new loans such as "Gran Prestito Su Misura", a product offering significant flexibility with 9 different financing solutions on the basis of duration and amount, and such as Credit Cap, a financing allowing payment by instalments of the Cap premium activated to hedge interest rate volatility risk.

On the other hand, consumption was constantly stimulated and households were constantly provided support with products at favourable and competitive terms and conditions (Gran Prestito Più and Gran Prestito 99), well backed by effective and accurate direct marketing activities.

Linked to the "Gran Prestito" product range, the "Vinci la Nuova Zelanda e vivi i mondiali di rugby" contest was launched offering as a prize the possibility of being present at the Italy-Ireland rugby match of the world championship in New Zealand; this initiative was part of the strategy to enhance the Group's sponsorship of the Italian Rugby Team, which will continue also this year.

The Bank's focus on households' requirements relating to buying homes, despite the difficult economic situation, was substantiated by the "Gran Mutuo 0.99" promotion; this initiative was backed by a significant communication campaign, both internal and external, and produced important results both in terms of sales and in terms of income. Specifically, during the promotion, demand for home loans significantly increased (+60% vs. market drop), all the products offered accelerated (lever effect), the acquisition of new customers came to extraordinary levels (over 60% of home loans being promoted were to new customers).

To complete the home loan product range, "Gran Mutuo Casa Semplice" was launched aligning the branch offer to the intermediation channel one; the latter significantly increased (from 31% to 39% of total production), thanks to the consolidation of the existing important partnerships with national intermediaries. Driven by the good performance of home loans, also the bancassurance non-life segment performed very well. With regard to creditor protection, income from this line significantly increased y/y, up by 41%. In 2011, non-life insurance line posted an increase in both the policies portfolio, exceeding 75,000 policies issued, and the high customer retention rate (over 90% of the policies were renewed).

Households with children

In 2011, the Group's cooperation with Disney was consolidated, which allowed the Group to target households with children through simple, original and high-visibility initiatives (e.g. Disney gifts/gadgets to new customers concomitantly with the launch of the movies “Winnie The Pooh” and “Cars2”).

Another initiative targeting school children was the launch of Citycard, made in cooperation with the Municipality of Salsomaggiore Terme and the Province of Parma; this is a card dedicated to the 1500 students of Salsomaggiore "Istituto Comprensivo" (primary and secondary school) to use the canteen and school bus services.

Senior

The Group also focussed on the Senior target, launching the “Più di Prima” product range, which aims at meeting the requirements of retired people who are an important part of Retail customers. By enhancing the offer of the “Più di Prima” product range the Group aims at meeting specific requirements with solutions for the main banking and non-banking needs.

Affluent

The strategy adopted by the Group for the Saving product line shows its focus on affluent customers, but also the development of targeted solutions which can meet the requests of all customer targets for saving/investments products.

This has allowed the Bank to perform well also in the wealth management segment, despite the fact that 2011 was impacted by high turbulence on financial markets and characterized by decreasing confidence in the main European Countries (including Italy) and by the substantial correction measures aimed at reducing public debts, which have in turn significantly impacted on citizens' saving ability. Specifically, with regard to Medium- and Long-Term Funding, characterized by aggressive competition in terms of product supply and by a strong increase in government securities yields, the maturing volumes were completely renewed (approx. € 3 billion for the Retail segment). With regard to Short-Term Direct Funding, it is pointed out the success of "Crescideposito Più", the new deposit account range of the Cariparma Crédit Agricole Group. In the period between July and December, the new account type generated nearly € 1 billion funding, positively impacting the growth of the Group's assets. "CrescidepositoPiù" products combine the typical advantages of deposit accounts (high remuneration, simplicity/transparency) with the innovation of sale on the traditional channel, with no bonds and expenses for the subscriber, and reward customers' loyalty thanks to a yield increasing over time.

The Life Insurance Funding performed in line with the market trend, decreasing compared to last year by approx. 20%, with a total on new insurance premiums amounting to approx. € 1.2 billion. In a difficult market situation, the Group's assets remained stable due to the achievement of a net funding. In 2011 too, following a trend in line with the market, total assets under management showed a significant erosion regarding in particular liquidity and cash funds, also affected by re-asset activities on the customers' portfolios shifting to liquidity and capital protection products. In this situation came the product supply of the Group that, in the second half of 2011, launched Structured Bonds, which are innovative products combining capital protection to a high performance potential. In addition, the placement of Formula-based Funds and other high-return Funds decreased over the previous year (down by -23%; total placed amount approx. € 813 million) due to the strategic choice of diversifying the product supply (Structured Bonds) and to the difficulties in structuring the product, because of the serious market conditions.

Small Business

With the new Small Business Range, the Group has made available to all Small Business Customers a complete and interesting product range, a mix of solutions that can be customized based on the requirements of the different targets (craft trade, traders, retailers, freelancers and sole-proprietorships). By reviewing the product range and launching of conventions dedicated to the acquisition of specific targets (for example, Traders, Notary Practices and Pharmacies) the objective was also the reduction of cash use and the promotion of electronic money, supplying current accounts with low monthly fees and inclusive of free and unlimited POS transactions.

Despite the negative effects of the economic crisis on the SMEs segment, thanks also to these initiatives, the POS payment service (provided by Cariparma) increased by 10% over 2010 in terms of number of POS, by 13% in terms of transactions carried out, and by 11% for the transaction amounts.

In order to promote the acquisition of new customers in the freelancers target and the retention of those that are already its customers, the Group launched the “Mondo professionisti” product range, a new high-quality proposal, in partnership with Vodafone, which includes current account and easy-term loans dedicated to Freelancers.

In 2011, the Small Business Segment was characterized by a balanced increase in medium- and long-term loans (disbursement was in line with the previous year), a strong growth of funding and a focus on the correct relation between pricing and customers' risk rating.

RETENTION AND CUSTOMER SATISFACTION

Priority and strategic factors for the development of the customer base included not only the implementation of new product supplies and acquisition initiatives, but also the consolidation of relations with customers by monitoring their behaviours and immediately focussing on any dissatisfaction warnings. In 2011 Cariparma continued developing customer relations through systematic Customer satisfaction and Service satisfaction surveys. Excellency in relations with Customers is a primary competitive objective for the Group and, for this, in 2011, the Bank extended its Customer Satisfaction surveys to Carispezia customers. The Customer Satisfaction and Service Satisfaction surveys showed further improvement vs. 2010.

AWARDS AND RECOGNITIONS

The Group's strategy, based on innovation and streamlining, has been appreciated not only by our Customers, but also by sector experts: the Bank was awarded several prizes also in 2011. For example, the bank ranked 1st in the “MF Innovation Award 2011” for the category “Accounts and other targets” with the project “Mondo Professionisti” and achieved excellent ranking in AIFIn “Cerchio d’Oro dell’innovazione finanziaria”: The Bank also ranked 2nd in the “Marketing” category for the“Felici e Clienti” initiative and in the “Payment products” category with Citycard; it ranked 3rd with the innovative lease protection policy in the “Insurance Product” category.

The Bank also received two other important awards substantiating its focus also on social issues: the 2nd prize with Honourable Mention at the “Green Globe Banking Award” recognizing the will to steer one's strategies towards the development of ideas, projects and initiatives aiming at energy saving and environment protection, as well as the 3rd prize as “Banca del Territorio” (a bank strongly roots and involved in the economy of the area) in the AIFIn place list, in the "Social Initiatives" category for the "Progetto Famiglia e Sclerosi Multipla Cariparma a sostegno delle persone con SM" an initiative developed with AISM (the Italian Multiple Sclerosis Association).

Finally, it should be noted the “Proximity” Special Mention awarded by ABI (the Italian Banking Association) to Cariparma within the ABI Prize for innovation in banking services, for the new service model adopted by the Group for farms, which has allowed the establishment and consolidation of new relations with local businesses understanding their specificity and enhancing their potential for development and growth.

Private Banking Channel

2011 closed in a public debt crisis scenario. After the downgrading of the USA from its AAA rating, every European country was closely analyzed by the rating agencies.

The forecast made at the beginning of 2011 of a “normalization of monetary policy” have been proven wrong. Therefore, the year ended in a situation of very low short-term interest rates, with a decrease in interest rates in Europe and with the expectation of a possible new “Quantitative Easing” programme in the USA.

In such a situation, risky assets were significantly impacted. Shares had a 18% loss in the Euro Zone in the year, and negative signs were recorded everywhere: -18% for Japan, -6% for the UK, -19% for China, -27% for Italy, -11% for Korea, -26% for Brazil, -14% for Mexico, while only the USA closed with a better performance: 0% for S&P and +5% for Dow Jones. Not surprisingly, the worst was the Greek market, which suffered a 90% loss from the beginning of the crisis. At the same time, the “flight to quality” movements, the demand for liquidity, the lack of visibility and the strong volatility negatively impacted the corporate debt market, despite the companies' soundness.

In such a complex market situation, the Private Banking segment of the Cariparma Crédit Agricole Group showed a slight decrease in total Funding (-4.3% vs. 2010), a decrease lower than the market one (-5.6% vs. 2010). This performance was mainly due to the negative trend of the markets in the second half of the year, which mostly impacted Assets under Management (-8.3% vs. 2010).

In this situation, the Private Banking segment of the Cariparma Crédit Agricole Group nevertheless achieved a positive performance on total revenues, which increased by approx. + 6,5% vs. 2010, mainly thanks to the excellent performance of the placement of core insurance products (Multi Selection) and to the substantial contribution of Interest Income.

Therefore, the Group's Private Banking segment succeeded in achieving a satisfactory performance in line with the objectives set, thanks also to a stronger and stronger focus on customer retention and acquisition.

Two important development measures were implemented in cooperation with the Enterprises/Corporate and Retail Channels. In the former case (Synergies with Enterprises/Corporate channels) a new form of cooperation was defined between the Private Banking and Enterprises/Corporate channels. Exploiting interchannel synergies, this cooperation allowed the acquisition as Private Banking customers for their personal accounts of entrepreneurs who were consolidated customers of the Enterprises and Corporate channels and vice versa. Thanks to the development of these synergies, in addition to the acquisition of new customers, the Channel could consolidate and strengthen the existing relations and business with customers.

A customer portfolio review was started between the Private Banking and Retail channels, which improved the internal segmentation of customers adjusting it to the service model adopted by the Bank and, thus, ensuring a better and more and more specialized service, through the Managers' specific skills and the supply of products designed specifically for the single Channels.

These activities were backed by more and more specialized service model and product range. Specifically:

- The Advisory structure intensified its advisory, training and commercial support to Private Banking Centres by sharing investment ideas and portfolio analyses depending on market trends;
- In order to effectively control operational risks relating to routine operations and in compliance with the directives issued by the Controlling Company Crédit Agricole and with the Italian legislation, the role as Operational Risk Manager dedicated to the Private Banking Channel was created;
- a specialized and exclusive training course was provided to private banking managers on tax topics, in addition to the regular mandatory refresher courses;
- To meet the customers' requirements more and more oriented towards a prudent approach to investments, with the use of basic instruments and the tendency to portfolio re - asset with low-risk and short-term products, the Direct Funding short-term product range was extended, including dedicated Deposit Certificates and Deposit Accounts (Crescideposito Private);
- In compliance with the new Group communication line, the Private Banking logos of the three banks (Cariparma, FriulAdria, Carispezia) were harmonized in a brand enhancement logic, which in 2011 also entailed investments targeting sponsorship relating to important sport and cultural events in the area of operations.

Enterprise and Corporate Commercial Channel

In 2011, the Enterprise and Corporate banking channel of the Cariparma Crédit Agricole Group continued following its strategic guidelines aimed at integrating the Group's commercial bank profile with a distinguishing supply of Corporate Banking products and services, levering the skills in Cariparma and in the other structures of the Crédit Agricole Group.

A strategy based on four pillars:
- improving the quality of services provided to customers favouring commercial bank activities;
- consolidating its position as community bank;
- optimizing capital allocation;
- promoting a balanced and sustainable growth of the economic system.

The divisional service model adopted envisages the Enterprise Channel dedicated to coverage on SMEs (turnover between € 2.5 and € 70 million) and the Corporate Channel, dedicated to larger size companies (turnover exceeding € 70 million) with more complex financial requirements.

With the entry of Carispezia, the network consists of 30 Enterprise Centres and 7 Corporate Areas, controlling the entire area of operations with the objective of being near the customers.

The Enterprise Corporate Central department of Cariparma, in its capacity as Parent Company, sets the strategic direction of the Network, supports and controls the commercial targets and manages the organization structure.

To achieve higher geographical coordination, Marketing structures have been set up decentralized at the single Banks, specifically responsible for the Network commercial direction.

In order to provide customers with specialized services, the Corporate Banking organization includes dedicated business functions, such as Corporate Finance and Relations on International Markets, which directly support the Managers' activities.

In an economic and market situation characterized by strong uncertainties, the Network's expertise combined with a structured process of commercial and marketing planning allowed the Group's Enterprise and Corporate Channels to achieve good business performances and to consolidate profit.

Thanks to the contributions of all business lines, both the Enterprise Channel and the Corporate Channel developed their business posting a year-on-year increase in revenues.

As at 31 December 2011, loans to customers came to over € 12 billion. The average volumes increased (on the same perimeter as in 2010, net of Carispezia contribution) year-on-year by 7% for the Enterprise Channel and by 12% for the Corporate Channel.

Direct funding was a priority objective and came to nearly € 3.7 billion, significantly increasing especially in the Enterprise Channel, up by +10% y/y. As at 31 December 2011, total funding amounted to over € 17.8 billion.

The ongoing high market volatility and the crisis of the Italian economy caused a deterioration of the quality of the loan portfolio. The comparison with the previous year shows a year-on-year increase in the cost of credit, mainly due to the fresh outbreak in the second half of the year.

The overall risk profile, however, remained limited thanks to the enhancement of the plans for risk control and monitoring aimed at credit risk fractioning and at the focus of the commercial bank activities on investment grade customers.

Another element instinctivity is the increase in the customer base, with over 1600 new accounts opened in 2011.

Summary of the main commercial initiatives

In 2011, the extension of the product and service range supplied was consolidated, in order to provide the customers with distinguishing and high-value-added financial solutions, such as Time Deposit Corporate and Mondo Agroalimentare.

Several initiatives were implemented to give support to SMEs in overcoming this difficult economic phase. These included joining the ABI MEF Arrangement for credit to SMEs - "Patto per la Crescita" and the ABI - Borsa Italiana Arrangement for the granting of credit lines to newly-listed companies.

Again within initiatives for credit support, the arrangements with the main Industry Associations and loan guarantee consortia (Consorzi Fidi) were renewed dealing with a product panel designed to finance the SMEs investment projects and structural enhancement.

Projects on renewable energies were significantly supported, in particular corporate measures entailing a self-consumption approach aimed at making energy consumption more efficient and/or meeting corporate requirements. In 2011, approximately € 170 million were disbursed in the field of alternative energies, of which 85% was photovoltaic energy and the average size of the measures was about € 0.2 million.

Intra-group synergies

In order to promote the placement of lease products, in the year an initiative was launched specifically targeting the Agri-Food, Electro-medical, Mechanics and Car Rental sectors with preset credit lines on equipment and car leases.

The close cooperation with the factoring company produced an increase in reports and, consequently, an increase in loans and turnover, up by over 80% year-on-year.

In 2011, the Bank focussed on the development of an integrated advisory service covering the requirements of both the enterprise and the entrepreneur. This higher synergy between the Enterprise and Corporate Channels and the Private Banking Channel produced the activation of approximately 300 accounts.

The synergy with the foreign network of the Crédit Agricole Group continued and allowed Italian customers to open important opportunities on foreign markets and foreign customer to convey on the Cariparma Crédit Agricole Group their commercial flows and to use high-value-added services.

Collection and payment services

The strategic importance of collection and payment services and the new European regulations required substantial investments in Cash Management and Trade Finance aimed at implementing and developing the process for the management of this business line.

The measures taken for product development and innovation focussed on the identification of solutions for the rationalization of customers' collection and payment processes, developing and making more efficient the Cash Pooling platform and introducing the Score Swift.

Communication

In order to develop the distinctive profile and enhance the image of the Corporate Bank in the community and consolidating its relations network, the initiatives promoted in cooperation with local authorities were given prominence.

The main communication activities (sponsorships, fairs and events) followed a logic strictly consistent with the Corporate Bank strategic line and positioning, such as business specialization, internationalization, proximity to customers and to the areas of operations, innovative products and services.

It is worth mentioning the publication of the operating guide to enterprise internationalization, made in cooperation with Confindustria (the main organization representing Italian manufacturing and service companies) of the Emilia Romagna Region.

With regard to Internal Communication, in order to foster a constant dialogue between the Network and the Central departments, in 2011 several meeting opportunities were promoted, to analyse market scenarios and to share the strategies to be adopted.

Corporate finance

Actively cooperating with the Managers, the Finance Specialist Team finalized important deals, in particular with Mid-Corporate customers, generating a strong increase in commissions on structured finance over 2010.

In the current reference scenario, operations focussed on leverage buy out transactions (particularly family buy out) and project financing relating to renewable. The role as arranger on syndicated transactions was consolidated.

Customer Satisfaction surveys

Within the scope of customer satisfaction measurement, in cooperation with a specialized company, 500 Group's customers were interviewed and as many competitors' customers with the purpose of detecting the drivers that influence their opinions more significantly and of obtaining the Group's positioning compared with the benchmark.

The survey dealt with the main aspects of the bank-customer relation: credit, relations with the relevant manager, quality-price ratio, foreign office services, communication transparency, collections/payments and remote banking, disservice management.

With regard to both image and customer satisfaction, the Group obtained summary ratings higher than the market benchmarks. It is pointed out that, in the summary ratings, the relations with the relevant manager is one of the most appreciated elements, evidence of the personal and professional quality of the Network staff.

Direct channels

Not only do Direct Channels represent a new interactive communication mode with the customers, but also a new business and sale opportunity for the Cariparma Crédit Agricole Group supporting the branches physical network. Direct Channels provide a convenient mode to manage one's bank accounts remotely, with no limitations as to hour, place or instrument, through a range of dedicated services and technologies: internet banking, mobile banking, Telephone Banking, Information Text Message and Self-Areas.

Direct Channels are very user-friendly and ensure maximum security in transactions, therefore they enhance customer retention and a positive development of relations with customers.

After the launch of the new platforms in 2010, the strategic guidelines for Direct Channels in 2011 can be summarized as follows:
- the objective of consolidating penetration of these services with customers;
- the promotion of and incentives to the use of direct channels;
- the activation of new modes to interact with customers;
- stimulating sales of direct channels and cross selling through direct channels;
- spreading advanced branches.

In 2011, the Group improved its multichannel supply, in particular with the release of new specific functions, such as payment of postal paying-in slips or services dedicated to specific customer targets, such as the Vyp version of Nowbanking Mobile and Nowbanking iPhone Application.

Moreover, the circulation of direct channel culture was focussed on and promoted also via dedicated meetings that directly involved customers and via boosting the Contact Center role, whose Telephone Bank service was integrated into the other available channels.

Security was also focussed on, both for access to the platforms, by introducing three credentials, and for operations, thanks to Securecall (the most advanced security system to give instruction on the market ensuring the highest protection from IT frauds by using two different networks).

In 2011, important initiatives were implemented on three key action scopes:
- stimulating Nowbanking sales through an initiative targeting branch employees;
- providing incentives to Nowbanking use and promoting Direct Channels culture with dedicated meetings;
- stimulating use of Self Areas and awareness of the services supplied, especially cash deposits.

“Nowbanking in tour” was one of the most important projects implemented in 2011. This initiative entailed the organization of 21 happenings throughout Italy at the branches and in the cities deemed strategic for the Group. The meetings, held in unusual hours (after 5.30pm) were attended on average by 30/40 customers expert in the new technologies and communication modes, directly invited by the staff of the branches concerned.

These events featured three different phases: the presentation of the Group's innovations with direct discussion with those present, the user experience of Nowbanking platforms via PC, iPhone and iPad and a social closing with a drink, a new informal way to strengthen relations with customers.

This initiative promoted the circulation of Direct Channels culture in the community, direct discussion, customers' feed-back and requirements and the incentive to use the new services by overcoming distrust towards technological innovations introduced thanks to the platform testing in real time.

“Chi fa da self fa per tre” (if you want something done do it yourself) is the initiative implemented to motivate customers to know and use the services of the Group's Self Areas, especially for cash and cheques deposits. Among all users of the service, the winners of 21 technological prizes (PC, blackberry, iPad2) were drawn.

In 2011, these initiatives contributed to significantly increase the number of customers using Direct Channels (over 51,000 internet banking users for Retail customers, over 8,000 users for enterprise customers and over 91,000 users for the text message service), achieving the Group's alignment with the market benchmark for service penetration over current accounts.

In 2011, the Group focussed on the consolidation of the use of direct channels and obtained significant results: nearly 80% of withdrawals, over 70% of money transfers and nearly 66% of taxes were made through direct channels.

In 2011, the consolidation of the Advanced Branch model continued and is today applied to 143 Cariparma Branches (of which 49 newly-opened, 56 suitably renovated, 38 transferred within the Gemini Project), 22 FriulAdria Branches (of which 7 transferred within the Gemini Project and 15 existing ones) and 1 Carispezia Branch. In these branches, in addition to traditional services, there is a self-service area that is open 24 hours a day 7 days a week and equipped with state-of-the-art machines (multifunction ATM and a payment booth), which allows customers to carry out all the main branch transactions on their own, without queuing and without opening and closing hours.

Organization and IT

While in 2010 the focus was on the development of the new platforms to support the Business, in 2011 the focus was on the operation and commercial integration of the newly-acquired 96 branches and of Cassa di Risparmio di La Spezia. A key factor for success was the synergy work done by all operating units of the Organization and Systems Central department.

The migration steps were all successfully completed:
- 26 - 27 March: Migration of 11 branches from CR Firenze to Cariparma;
- 14 - 15 May: Migration of 70 branches from ISP to Cariparma and 15 from CR Veneto to FriulAdria;
- 9 - 10 July: Carispezia migration.

The volumes managed were high: 245,006 current accounts, 34,447 mortgage loans, 95,910 saving deposits and 120,449 deposits under administration.

Thanks to the optimization measures implemented on Back Offices operations, the upload of the volumes resulting from the acquisition of CariSpezia and of the 96 branches from Intesa Sanpaolo was completed with no increase in staff of the structures engaged in operating processes, who ensured the usual standards of efficiency and administrative accuracy.

Back Offices also gave a crucial contribution to the network optimization project, specifically by ensuring all operating processes required for branch closure.

With regard to innovation of branch tools, in April the New Branch Platform Project was started; the New Branch Platform is an innovative tool that will allow the distribution network to have a single operating environment to make transactions, administrative and sales operations, thus favouring both operation streamlining and the increase in the quality of the services provided to customers. This solution, through the introduction of the biometric digital signature, will allow further streamlining of the processes and electronic storing of all documentation, in line with the "Green Bank" concept. Moreover, the platform guided processes will ensure compliance with the regulations and a consequent significant reduction of operational risks.

In 2011, the implementation of the Sale and After-Sale Module (the first stage of the overall project) was a key achievement and starting from 16 November the eight pilot branches have been activated on the three Group banks. By the end of February 2012, this component will be completed and will be released to all Group branches starting from March 2012; the project will then continue with the implementation of the new Teller whose completion is expected for the end of 2012.

Also in 2011, as in all years, a significant part of investments was made to adjust IT processes and procedures to the new provisions issued by the relevant regulatory bodies. All adjustments were completed in compliance with the regulations and the regulatory deadlines.

Works on security continues in line with the policy for risk control both in IT and in physical terms. The fraud prevention system became fully operational for counterfeiting, and allows detection of potential frauds on the Group's debit cards. Finally, in order to limit the attacks to ATMs, a mitigation action plan was implemented (replacement of scanners in self areas, security control room reinforcement, dedicated task force, implementation of card monitoring lists on fraud prevention application, etc..) which produced a drastic reduction in the year.

The Real Estate Technical unit, in addition to the routine annual plan for branch opening, worked in cooperation with the relevant corporate units, on a network optimization project, targeting the identification of measured on real estate to combine branches or to reduce spaces for cost control purposes.

In conclusion, it is pointed out that, in September 2011, at the Cavagnari Service Centre the new "Company Child Care" facility started operations.

The workforce

The Human Resources Governance Central Department sets the Group's guidelines and policies for Human Resources in compliance with the corporate strategies and, also in connection with the Crédit Agricole S.A. Group guidelines, ensures their implementation.

The Central Department is also responsible for the governance and monitoring of the budget KPI relating to labour cost and staff trends.

The Human Resources Governance Central Departments responsible for the coordination of management, selection, training and development policies for human resources at Group level. The Central Department is also responsible for ensuring the governance of the Group's resources with regard to relations with the trade unions and with the other stakeholders.

As at 31 December 2011, the workforce consisted of 8,954 employees, subdivided among the different entities as follows: Cariparma 6,599, FriulAdria 1,746, Carispezia 553 and CALIT 56. In 2011, 96 branches were transferred from Intesa Sanpaolo and integrated in the Group, for a total of 826 people, as well as Carispezia for a total of 554 people. In 2011, at Group level, 208 resources were recruited and 251 terminated.

Incoming staff (46,6% of which consists of experienced staff) was hired to strengthen Central Department structures, as well as to replace outgoing employees. Terminations were in relation to regular turnover and to the Incentive Scheme.

Intragroup mobility involved 70 employees, equal to 0.78% of staff as at the end of the year.

Over 47% of the 8,954 employees are women and the majority has a permanent employment contract, i.e. 99.5% of the employees.

The Group operates in 10 Italian Regions, however maintaining strong roots for Cariparma in Emilia Romagna, for FriulAdria in Friuli Venezia Giulia and for Carispezia in Liguria, with a workforce presence in the three regions amounting to 51.04% of total resources).

Employees' average age is 44 years and 5 months (Senior managers 51.08 years, Junior managers 47.09 years, Professionals 42.00 years), while the average seniority was 18 years and 5 months (Senior managers 15.08 years, Junior managers 20.11 years, Professionals 16.09 years).

33.1% of staff is a university graduate or hold a postgraduate title.

With regard to training, at Group level, approximately 50 thousand person/day were supplied involving 90% of staff, confirming training as one of the key factors for the Group's development.

Specifically, investments had the objective of quality improvement of the staff's effectiveness and assumption of responsibilities; to supply training suitable to produce sustainable actions and results.

Remuneration Policies

In the last few years, the remuneration policies of the Cariparma Crédit Agricole Group were subjected to significant measures mainly to ensure accurate compliance with developments in the relevant legislation as well as their consistency with the Group's increasing sizes and complexity, maintaining close coordination with the Controlling Company Crédit Agricole.

Specifically, the many legislative measures that came into force on this matter, at both Community and national level caused a complex review process on the Group's remuneration policy to be started in 2010, in close coordination with the Controlling Company Crédit Agricole. This process entailed the preparation of the Remuneration Policy Document of the Cariparma Crédit Agricole Group which was approved by the Parent Company's Board of Directors on 23 March 2011 and later by the Shareholders' General Meeting.

Since the Supervisory Provisions issued by the Bank of Italy entered into force later, on 8 April 2011, the Group's remuneration policies were further reviewed in order to assess their perfect compliance with the new supervisory provisions.

The final document on remuneration policies was approved by the Parent Company's Board of Directors on 28 July 2011 and by the Shareholders' General Meeting on 6 September 2011.

The Group's guidelines and directions relevant for remuneration policies are set by the Controlling Company Crédit Agricole with the objective of ensuring a shared and consistent management at global level, giving at the same time the necessary flexibility to the single entities to comply with the legislation and governance provisions in force at local level, as well as to meet the business and market specific requirements.

The Cariparma Crédit Agricole Group's remuneration policies are differentiated in terms of reference population target for both corporate governance processes and for systems and tools adopted, and are based on the following principles:
- alignment of the business strategies of the Banks and of the Group;
- attraction, motivation and retention of professionally qualified resources;
- rewarding merit in order to suitably appreciate the resources' personal contributions;
- effective value creation and orientation of the performances of all resources towards short-, medium- and long-term targets, within a reference regulation framework targeting an appropriate control of corporate risks, both present and perspective and the maintenance of an adequate liquidity and capitalization levels;
- internal remuneration fairness, ensuring a fair rewarding of the contributions supplied and the responsibilities assigned;
- external remuneration competitiveness through constant reference to the market, also with the support of tools for the analysis and measurement of work positions prepared by specialised companies which supply the reference benchmarks for each type of position, company sizes and market;
- affordability of the remuneration systems by controlling the effects of labour cost on the income statements of the single Banks and of the Group, in the short-, medium- and long-term;
- compliance with the law and regulatory provisions relevant for the single Banks and for the Group in its entirety.

Lending policies and strategies

The Credit Governance Central Department is responsible for the lending operations of the Cariparma Crédit Agricole Group. It has the task of setting, in compliance with the corporate strategies and objectives, the lending policies directions and the guidelines on lending and credit risk management coordinating their implementation by the relevant units of the Banks and of the Group. The Central Department has also the task of controlling the Group's loans portfolio, as well as of managing restructured loan positions, recovering positions classified as substandard loans; it is also responsible for special loans business, with specific reference to land and subsidized loans. Lending operations are performed by the different dedicated structures of the Parent Company and of the Group Banks and Companies.

Cariparma Loan Department has the task of assessing loan applications collected by the Parent Company's network, as well as of setting - in coordination with the same Departments of the Group Banks and Companies - the policies, processes and legislation on lending to be submitted for approval to the Central Loan Governance Department; in this area, an ongoing search for the best solutions is a key factor to maintain excellence of both lending processes and strategies.

Cariparma Loan Department consists of Loan Granting Offices, each of which specializes in the assessment of loan applications segmented by customer type (Retail and Enterprise Corporate) and relating to specific "production chains" representing economic activity sectors that are deemed particularly significant for the Group's strategy.

An Office dedicated to the monitoring of performing loan positions showing performance warnings and requiring specific action plans aimed at their management and settlement also reports to the Loan Department.

A specific Office is also active and dedicated to the activities shared by the Granting and Monitoring Offices and to constant analysis of the credit risk for the Group Banks, with specific focus on loans development, on their specific allocation to the relevant sectors and areas and riskiness, as well on monitoring the effectiveness of lending, granting and management processes.

Lending policies and strategies

Lending policies are effective planning tools since they govern the procedures through which the Bank assumes the credit risk relating to its customers; they also aim at favouring - in line with the business plan targets - a balanced growth in loans to the most creditworthy counterparties and at upgrading and managing exposures with the most risky customers. Lending policies plan the risk appetite since:
- hey adopt the Probabilities of Default (PD) calculated based on rating models;
- they provide for general requirements for granting mortgage loans, also to achieve an appropriate risk mitigation in establishing the Economic Capital;
- they set rules for credit-risk taking towards customers, both in the short- and medium-/long-term;
- they subdivide customers based on the expected loss, so as to prepare specific and different lending strategies to which the Distribution Network refers to process loan applications.

In the present and future market situation, an optimal allocation of capital and loans is crucial. With regard to this, integrating lending policies in the Group's strategic planning process is essential, keeping a strong link between credit risk and yield. Lending policies will become even more advanced tools allowing optimal strategic portfolios to be defined in terms of the ratio of yield to counterparty risk, of RWA, economic sector, geographical area and product.

A corporate project is in its completion stage for the review, by the end of 2012, of lending policies in force, also in order to take into account the medium-/long-term forecasts for the main economic sectors.

Lending policies also provide for specific strategic lines for credit risk towards counterparties operating in the real estate promotion sector and exposures secured with real estate based on the following standards:
- independence of the real estate value from the borrower's creditworthiness;
- independence of the loan service from the real estate income;
- independence of the expert value estimate;
- limits to granting based on the value of the real estate used as security;
- enforcement and effectiveness of the mortgage-backed security;
- surveillance and intangibility of intangible assets.

Moreover:
- loans backed by first mortgages are given preference;
- mortgage loans granted shall not exceed the limits provided for by the regulations on land loans;
- transactions aimed at supporting home projects to be spread over Retail customers also by taking over debts through specific agreements;
- the projects that may be financed shall be accompanied by a detailed measurement of the market risk, both present and future, and shall be subjected to periodic assessment by in-house Experts on works progress.

Lending processes

The loan-granting process in force uses methods based on rating systems and sets the lending decision-making powers based on the Probability of Default assigned to the counterparty and reassessed at least one a year. Therefore:
- it complies with the instructions issued by the Supervisory Body relating to the requirement that loan granting processes and counterparty creditworthiness measurement processes use the instruments envisaged for the economic capital definition;
- it allows lending decision-making powers to be fine-tuned based on the customer's risk rating and therefore their extension for worthy counterparties and their limitation for the weaker ones, stimulating, where necessary, the adoption of appropriate mitigation actions. They are differentiated based upon “Decision-making classes” set by the combining the parameters of Probability of Default assigned to the customers and the riskiness of the technical forms based on the presence or absence of certain and enforceable guarantees. For each decision class a maximum granting ceiling is set.

The granting process is managed by the Corporate IT System within the dedicated specific procedures (“PEF - Electronic Loan Application Process”).

After the first loan has been granted and disbursed, the position is periodically reviewed, at regular intervals or in response to an alert from/ initiative of dedicated structures, both peripheral and central, for the following purposes:
- ascertaining that the counterparty and the counterparty's sureties remain solvent;
- ascertaining the continuing compliance of the guarantees (legal certainty, ease of liquidation and the consistency of their value with the size of the exposure);
- verifying compliance with the risk concentration limits;
- verifying the information on which the counterparty's risk rating is based on and checking possible changes over time.

The review process described above may lead to confirming, increasing or decreasing the loans granted or to their revocation in compliance with the contract provisions. There are cases in which the loan review can be automatic with the support of an expert system applied to positions with low and ascertained risk ratings, by thoroughly examining appropriate and preset indicators.

Monitoring and management of non-performing loans applied also uses methods based on rating system . Customers are subdivided based on risk profile rated monthly using the prescribed tools (performance rating) and combining the parameters of internal rating models (Probability of Default) and other indicators that can be immediately detected and useful to notice a sudden down-grading of counterparty risk.

Moreover, actual risk warnings can be more accurately distinguished from “false alarms" and practical and prompt intervention lines are set, by which:
- counterparties that are temporarily in non-performing positions are reset to normal grading, thus protecting the business relation;
- exposures to counterparties that are structurally in non-performing positions are reduced and/or mitigated, thus controlling credit risk;
- the relation between credit risk and yield is reviewed by amending the conditions applied.

The monitoring process adopted by the Cariparma Crédit Agricole Group is continuous in order to promptly detect any early warnings and, therefore, to maintain a high quality of the loan portfolio; the management of problem loans is dealt with by dedicated structures, both central and peripheral, suitably strengthen in the year.

These structures use procedures and tools which implement the management system for problem loans and ensure prompt activation of the necessary measures for their settlement or their recovery, in the event that the account cannot be regularly continued.

Cost of credit

The cost of credit for the Cariparma Crédit Agricole Group came to € 254 million, up by 16% over 2010.

The year was characterized by the continuing economic crisis begun in 2008, which increasingly hit not only businesses but households as well, which were affected by the reduction in employment rates and by ordinary and extraordinary arrangements for redundancy benefits and mobility. In this situation, the Cariparma Crédit Agricole Group renewed its adhesion to the national agreement entered into by and between ABI and the business associations for the gradual restoration of the amortization schedules for the medium-/long-term loans, previously subjects to moratoria.

The Group strengthened the internal processes and corporate departments responsible for the monitoring and management of non-performing loans and has adhered to different arrangements with Companies or Groups that were temporarily experiencing difficulties but still worthy, for their reorganization or for the restructuring of their debt.

The Cariparma Crédit Agricole Group continued implementing its traditional approach to establish consistent and high provisions to cover impaired position even those backed by substantial and consolidated real guarantees, which, upon realisation, often lead to writebacks.

Finance

The Cariparma Crédit Agricole Group focussed on three main guidelines with regard to the balance of its financial statement items:
- Management of interest rate risk and owned securities portfolio;
- Management of liquidity risk;
- Capital Management.

The targets set by the Group for exchange rate risk management, consistently with the past, concerned the choices on coverage of the exposure, both total Group exposure and exposures of each single Bank. In this perspective, the stock of government securities in the portfolio was prudentially reduced in the year.

With regard to Liquidity, the Group had to face increasing systemic tensions and it did so following two main guidelines: on the one hand, creating new account products targeting stable funding in the various customer segments, in cooperation with the commercial departments concerned. On the other hand, maintaining balanced liquidity positions.

Rating

Another key element of the year was given by the different initiatives of the Rating Agencies that had subsequent repercussions on Cariparma and FriulAdria, the two Group Banks with an assigned rating. In 2011, the ratings of the two Banks showed a significant development, being impacted by both the downgrading of the Italian Republic by the Rating Agencies, and by the changes in the methods used by some Agencies; therefore, the ratings of the Group Banks changed as follows:
- 20 May 2011: S&P downgraded the medium-/long-term rating of Crédit Agricole S.A. and of all its subsidiaries, including Cariparma, from AA- to A+;
- 5 October 2011: following the downgrade by Moody’s, of the medium-/long-term rating of the Italian Republic from Aa2 to A2, the relevant rating of Cariparma and BP FriulAdria was downgraded from Aa3 to A1;
- 29 November 2011: due to changes in rating methods used by S&P which set the ceiling for the Banks' ratings equal to that of the Country where they are based, the long-term rating of several Italian Banking Groups, including Cariparma, was downgraded to A;
- 15 December 2011: subsequent to the downgrade by Moody’s of the medium-/long-term rating of Crédit Agricole S.A., the medium-/long-term ratings of Cariparma and BP FriulAdria were also reviewed and were set at A2;
- 10 July 2012: the Rating Agency S&P issued the new ratings of the Italian Banking System, subsequent to the downgrading of the Italian State's rating from A/A-1 to BBB+/A-2. As a consequence, Cariparma's rating was downgraded from A/A-1 to BBB+/A-2, thus reflecting the new rating standards that entail the impossibility for a Bank to have a rating higher than that of the Country where it is based and operates.

Risk management

Objectives and policies on risk taking, management and hedging

1. Objectives and policies

The Cariparma Crédit Agricole attaches great relevance to the risk management and control, as conditions to ensure a reliable and sustainable growth with controlled risks to give a transparent picture of the riskiness of its portfolios.

The strategy on which the risk management and control is based entails a global and consistent visions of risks, considering both the macroeconomic scenario and the Group's risk profile, and stimulating the growth of a risk culture.

The activities for the control and management of risks adopt the guidelines, models and methods shared with the Controlling Company Crédit Agricole S.A..

Each year, the Group Risk Control Committee of Crédit Agricole S.A. approves the risk strategies of the subsidiaries, which are then adopted by the Board of Directors of the same subsidiaries.

In short, the risk strategy sets the risk levels (credit, financial and market risks and operational risks) which the Group deemed adequate for its subsidiaries, considering the development strategies. The risk strategy set the global limits, which are then translated into operating limits or risk policies.

The principles on which the risk management and control are based are the following:
- clear identification of the responsibilities of risk taking;
- measurement and control systems in line with the international best practices;
- organization segregation between management functions and control functions.

The perimeter including the risks detected, monitored and integrated, considering diversification benefits, in the economic capita, is as follows:
- credit and counterparty risk. This category also includes concentration risk;
- market risk (trading book);
- the banking book, market risk mainly consisting of interest rate risk and exchange rate risk;
- operational risk;
- liquidity risk.

The Parent Company has steering, overall risk management and control functions. Within the scope of their independence, the Banks and subsidiaries of the Cariparma Crédit Agricole Group adopt the directives, resolutions and policies defined by the Parent Company and activate operating action plans allowing effective monitoring and control of the respective areas of operations and customers.

They monitor and control the risk areas relating to the activities carried out, within the scope of management policies and standards set by the Group, also through the adoption and use of tools defined by the Parent Company.

Risk management is also ensured by specific Committees that are part of the Bank structures, including:
- the Internal Control Committee, which coordinates departments having control functions (Audit, Compliance, Risks and Permanent Controls), as well as the combination of internal control bodies, in compliance with the procedures adopted by C.A.sa. at Group level;
- Credit Risk Committee, which performs analyses and measurements, steers the risk strategy in the management and monitoring of global and operating lending limits;
- The ALM and financial risk Committee, which is engaged in monitoring and control of all issues relating to financial risks (market, liquidity, interest rate, exchange rate and counterparty for market transactions);
- The Operational Risks Committee approves guidelines and action plans on operational risks (except Compliance), and monitors control results and activities; it governs continuity of operations for the Group;
- The Compliance Committee analyses the present status of the legislation and makes proposals for any correction measures.

Departments with control functions, based on their responsibilities, take part also in other management Committees, including Credit Committee, New Assets and Products Committee (NAP), Investment Committee, Credit Monitoring Committee.

Finally, Departments with control functions take part in and report to the Audit Committee for Internal Control; this is a BoD committee set up by the Board of Directors to receive support in ensuring the effectiveness of the internal control system, pursuant to the Supervisory Provisions concerning Banks' Organization and Corporate Governance (Bank of Italy, March 2008).

2. Risk management and hedging

Credit Risk

The credit risk management in the Cariparma Crédit Agricole Group is expressed by the Lending Policies, governing the methods with which the Banks in the Cariparma Crédit Agricole Group take the credit risk relating to their customers. Therefore, they are designed to be an advanced tool for credit risk management and aim at favouring - in line with the growth and credit cost control objectives - a balanced development of loans to the most worthy counterparties and to re-qualify and manage exposures to customers with a higher risk profile.

Lending policies are prepared by the Loan Department in cooperation with Sales Departments and with the Risks and Permanent Controls Department, as well as with the Compliance Department with regard to the rules of Ethics and Compliance of the Crédit Agricole Group.

The assumption of credit risk is governed by a framework resolution that has been adopted by the Boards of Directors of the individual banks and subsidiaries in the Crédit Agricole Group. The resolution matches the levels of operating powers and decision-making authority to the levels of exposure to counterparties and the associated direct and indirect risks relating to the counterparties' membership of a given economic group, the technical form of the loan granted, the diversification of risk and the rating assigned to the counterparty by the bank's internal rating system, also in the light of the strategic lines issued by the Controlling Company Crédit Agricole S.A..

To measure credit risk, the Group uses internal rating models that differ according to the operation segment and type of counterparty: Retail, Enterprises and Corporate. These models yield a score which summarizes the counterparty's creditworthiness in a rating, which reflects the probability of default over one-year time horizon.

After the loan has been granted and disbursed, the position is reviewed on a temporal basis, at regular intervals or some other agreed schedule, or in response to an alert from/initiative of dedicated functions (for example loan monitoring function). Review of credit lines is performed by assessing that the counterparty and the counterparty's sureties remain solvent, ascertaining the continuing compliance of the guarantees pledged (legal certainty, the ease of liquidation and the consistency of their value with the size of the exposures), verifying compliance with the risk concentration limits, checking that the information and data stored in database are up to date and examining the causes of any change in the counterparty's risk rating.

The constant monitoring of the loan portfolio quality is performed by adopting precise operating procedures in all phases of the loan position management, in order to achieve a preventive management of default risk.

The Group has implemented a continuous monitoring of loan positions and relevant guarantees, which permits the timely detection of any problems and, thus, helps to maintain a high quality of the loan portfolio. The monitoring of loan performance is based on a loan performance rating, which envisages inputting of the performance rating combined with a series of other early-warning indicators, to which expert criteria assign seriousness thresholds and weights.

The organization structure, procedures and tools on which the management of problem exposures is based, ensure that initiatives and measures to restore performing status are promptly taker, or swift recovery actions if the relationship cannot be maintained.

The monitoring of the loan portfolio quality is also supported by:
- by the progressive release of new Retail risk indicators shared with the Crédit Agricole S.A. Group;
- by the risk analysis or management from different standpoints (sector, geographical, chain, according to the identified priorities);
- by the implementation of a new system for the measurement of counterparty risk on market transactions.

The Group mitigates credit risk with ancillary agreements or adopting instruments and techniques that ensure the effective mitigation of the risk.

Particular attention is given to securing and managing guarantees through the definition of and compliance with general and specific requirements, and to updating the value of the guarantees.

Interest rate risk

Asset Liability Management typically refers to the positions in the banking book and focuses mainly on fixed-rate positions and liquidity. The banking book includes typical positions of the banking business activities, which are lending and funding with different counterparties without trading objectives. Interest rate risk measurement, therefore, refers to all on-balance-sheet and off-balance-sheet transactions, excluding the supervisory trading book

The governance model adopted by the Cariparma Crédit Agricole Group delegated the management of interest rate risk to the Financial Management Department of Cariparma, which is responsible for centralized risk management for the entire Italian banking group, on the basis of the guidelines set out by the Controlling Company Crédit Agricole S.A.. The Risk and Permanent Controls Department is responsible for an independent control of the interest rate risk management system, by assessing its compliance with the risk measurement model defined with management and regulatory requirements.

In compliance with the guidelines issued by the Crédit Agricole S.A. Group and with the prudential regulations, the classification of interest rate risk is generally reviewed annually within the Group's Risk Strategy and is submitted for approval to the Board of Directors and to the Group Risk Committee of Crédit Agricole S.A..

Liquidity risk

Liquidity risk, both short- and medium-/long-term, for a bank is the risk that it may become difficult or impossible to meet promptly and economically its payment obligations, due to the impossibility of both raising funds on the market (funding liquidity risk) and of liquidating its assets (market liquidity risk).

In 2011, the Cariparma Crédit Agricole Group adjusted its risk monitoring system to the standards of the Crédit Agricole S.A. Group. Consequently, the liquidity risk measurement system, the ceiling structure, the early warning system, the contingency funding plan procedures and the controls systems were also reviewed. This important review and updating work led the Group to approve a new liquidity risk policy.

This risk policy complies with the regulatory guidelines, with a specific focus on Title V Chp. 2 of the supervisory provisions issued by the Bank of Italy (circular 263).

The governance model adopted by the Cariparma Crédit Agricole Group delegates the management of liquidity risk to the Financial Management Department (DGF) of Cariparma, which is responsible for risk management for the entire Italian banking group and follows the guidelines set down by the Crédit Agricole S.A. Group.

The Risks and Permanent Controls Department (DRCP) is responsible for liquidity risk monitoring, again in compliance with the guidelines issued by the Crédit Agricole S.A. Group.

The management of short-term liquidity, which concerns the management of events impacting on the Cariparma Crédit Agricole Group’s liquidity position over a time horizon of between over-night and one year, has the primary purpose to sustain the Group’s ability to meet ordinary and extraordinary payment obligations and minimize the associated costs.

The ceiling system is based on stress scenarios, with the purpose of ensuring a liquidity surplus on different time horizons and in increasingly serious scenarios. The stress assumption used cover idiosyncratic crises, systemic crises and global crises. the ceiling structure is completed by a set of management and early warning indicators which allow detection of, for instance, the availability performance of reserves that can be immediately liquidated, any recourse to auctions made by the Central Bank, etc..

Market risk

Market risk is generated by the positions held by the banks in the Cariparma Crédit Agricole Group in the supervisory trading book.

The Group does not engage in significant trading on own account in financial and capital markets. Nevertheless, it has positions deriving from its placement and trading activities on behalf of customers, as well as positions in investment funds.

The entry of Cassa di Risparmio della Spezia in the Cariparma Crédit Agricole Group has not significantly altered the Group's market risk profile, considering the extremely low volumes of the Bank's trading book.

The Group operates in the sale of “over the counter” (OTC) derivative products to the different customer segments, with a specialist team supporting the trading activities. The derivatives traded are hedged back-to-back in order to be immunized from market risk, while the counterparty risk is not transferred.

The Group aims at meeting the requirements of customers who use derivative instruments for their purposes, which are mostly hedging of interest rate risk (retail and businesses mortgage loans) and exchange rate risk (enterprises).

In compliance with the guidelines issued by the Crédit Agricole S.A. Group and with the prudential regulations, the classification of market risk is generally reviewed annually within the Group's Risk Strategy and is submitted for approval to the Board of Directors and to the Group Risk Committee of Crédit Agricole S.A..

Operational risks

Definition The Cariparma FriulAdria Group uses the definition of operational risk envisaged in the Basel 2 International Convergence of Capital Measurement and Capital Standards, prepared by the Basel Committee on Banking Supervision.

Operational risk is defined as "the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events".

This definition includes legal risk, but excludes strategic and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements.

To consolidate and enhance control of operational risk, the Group has pursued:
- full ongoing compliance with regulatory requirements for the use of the Traditional Standardized Approach (TSA) for the calculation of supervisory capital as prescribed by Basel 2;
- such a monitoring of risks and losses so as to adopt a management-oriented approach, especially in terms of risk mitigation initiatives;
- the progressive fine-tuning of the permanent controls system extended to the entire corporate perimeter;
- the achievement of compliance with the regulatory requirements for the use of Advanced Measurement Approaches (AMA) for the calculation of supervisory capital.

The Risks and Permanent Controls Department is the reference department in the management of operational risks and has the task to guarantee the existence, completeness and pertinence of the permanent controls in being in the Group through the implementation of a control plan and its traceability. The relevant mission is therefore to provide the General departments and the Board of Directors with the guarantee that all risks are controlled and monitored.

The management of operational risks requires sharing and proactivity also by non-specialized corporate structures; therefore, within the scope of permanent controls and operational risks, in order be at all times fully aware of the risk issues associated to the different corporate processes, both specific control roles within the corporate departments, and mechanisms that are functional to the targets set:
- Operational Risks Managers; these roles have the task of reporting the presence of any actual and potential risks in the various corporate structures and of coordinating the performance of permanent controls;
- Area Operating Units: at the Distribution Network facilities, with the task of performing permanent controls of 2nd degree 1st level;
- specific roles responsible for specific focuses and analyses (e.g., for frauds the Fraud Prevention Unit (NAF) was set up - coordinated by the Risks and Permanent Controls Department);
- mechanisms and tools, functional to the proper control of risks and to the management of mitigation/improvement measures, including:
  - the remote controls system for the Distribution Network, with the summary early warning indicators, aimed at detecting any out-of-standard situations;
  - Improvement Meetings, meetings with the branches that have experienced problems in the outcome of permanent controls, audit inspections and other assessments, where, with the Area Management, the issues found are analysed and an action plan for improvement is prepared.

With regard to outsourced activities, these are generally governed by a service contract. In addition to governing the service provision, the Contract envisages a controls system aiming at controlling the quality and quantity levels agreed. Based on the subject-matter areas, reference internal role are identified in the Bank's various structures and given the task of reporting the Parent Company's relevant departments on the contract general reliability. Finally, special controls are activated in case the outsourced activities can be defined essential pursuant to the Bankitalia-Consob regulations.

3. Internal Control System

Starting from 2007, its very first year in the Crédit Agricole S.A. Group, the Cariparma Crédit Agricole Group has progressively adjusted its internal controls system to the model adopted by the Controlling Company, in compliance with both the French legislation (which is Crédit Agricole S.A. governing law), and with the Italian one.

In compliance with the corporate law and with the supervisory provisions issued by the Bank of Italy, implementing the guidelines issued by Crédit Agricole and the resolutions of the Board of Directors, the Bank uses an internal controls system, which has been structured and consolidated for four years now, aiming at a constant control of operational risks and at the adequacy of the control activities to the organization; in this regard, at Group level, one of the most significant measure is the “Processes and Controls” Project, expressly aimed at mapping all corporate processes and to harmonize, at different levels, both the same processes and the relevant controls.

The Internal Control System involves the Collective Bodies, the Control departments, the Supervisory Body, the Independent Auditors and Senior Management, as well as - last but not least - all staff.

The analysis and monitoring of operational risks are carried out based on Group taxonomic indications, envisaging audits on compliance with the terms provided for by the legislation, reliability of processes and of their performance, security, conformity and application of best practices for controls.

The controls systems consists of the following:

- **Permanent Control,** consisting of controls of:
  - 1st degree, carried out continuously, upon a transaction beginning and during its validation process, by the same operators, the persons they report to or carried out by automated systems for transaction processing; the activities for the production of accounting data and preparation of the Financial Statement undergo specific first degree control carried out within the accounting units;
  - 2nd degree/level 1 (2.1), carried out by staff having operating tasks, but not directly involved in the decisions on the transaction under examination; in particular within the central administration structures the monitoring controls are performed on all departments having access to the accounting IT system;
  - 2nd degree/level 2 (2.2), carried out by staff specializing in last-level permanent controls and unauthorised to risk assumption, that is to say Compliance department, Risks and Permanent Controls department; the latter two have specific control responsibilities on financial reporting;
- **Periodic control**, consisting of a 3rd degree control, carried out by the Audit Department periodically through inspections on site and document control.

The internal control and risk management system is aimed also at ensuring the reliability, accuracy, trustworthiness and timeliness of financial reporting.

A constant adjustment of the regulatory system is pursued, which, in addition to adjustment to the existing regulations, also entails enhancement of the coverage through specific policies valid for the entire Group.

The departments engaged in 2nd degree/level 2 and in 3rd degree control report directly to the Board of Directors on the activities performed, on the main risks detected, on the identification and construction of mitigation tools, as well as on their application effects.

4. The Basel 2 Projects

As far back as 2007, the Cariparma Crédit Agricole Group started a challenging project for the adoption of Basel 2 advanced metrics for the calculation of credit and operational risks. This project adopts the Supervisory Regulations in compliance and consistently with the guidelines and methods adopted by the Controlling Company Crédit Agricole S.A..

In addition to the regulatory quantities, the work made also succeeded in improving, developing and integrating risk management into the corporate processes. To achieve this, the various project releases were accompanied by specific internal Regulations ensuring an effective management use of the tools released by the project over time.

Overall, the activities performed are in a sufficiently advanced phase to allow discussion to be started with the Supervisory Body, in order to receive the authorization to use, for regulatory purposes, both the advanced IRB model for the retail loans portfolio and the Advanced Measurement Approach (AMA) for the calculation of the capital requirements relating to Operational Risks for Cariparma and FriulAdria.

Audit

In the internal controls system, the Audit Department is responsible of third-degree controls (periodic controls). Its action perimeter includes all the organization structures and processes of all the companies in the Cariparma Crédit Agricole Group: the distribution network, the central structures, the Information Technology Departments and the main providers of outsourced services.

Cariparma Audit Department reports on a dotted line to the CEO of the Cariparma Crédit Agricole Group and on a solid line to the Audit department of Crédit Agricole S.A..

Consistently, the internal audit department of Banca Popolare FriulAdria reports on a solid line to the Audit Department of Cariparma and on a dotted line to FriulAdria Senior Management.

Specifically, the Audit Department of the Parent Company Cariparma Crédit Agricole:
- ensures that periodic controls are carried out on processes and organizational units of all the Companies in the Cariparma Crédit Agricole Group, through a constant and independent monitoring action on the regular performance of operations, to prevent or detect the onset of problem and risk situations or behaviours;
- assesses effectiveness of the internal control system as a whole and its suitability to ensure effectiveness and efficiency of corporate processes, protection of assets value, prevention of losses, reliability and integrity of accounting and management data, compliance of operations with both the policies set by the corporate governance bodies and with internal and external regulations;
- performs a governance and steering action on the internal audit departments of the companies in the Cariparma Crédit Agricole Group;
- provides the Corporate Senior Management, the Corporate Bodies and the Controlling Company C.A.sa with prompt and systematic reporting on the activities carried out.

The audit perimeter is covered with an internal subdivision on the following structures:
- Central Structures Audit Service which covers all central departments of the 3 commercial Banks, the Information Technology (IT) department and CALIT;
- Cariparma Network Audit Service which covers all operating units of the Cariparma and Carispezia distribution networks;
- FriulAdria Audit Service which covers all the units in the distribution network of Banca Popolare FriulAdria.

The methods and tools used comply with the model set forth by the Parent Company. Specifically. preliminary analyses are carried out on potential risks in the various function areas, in order to define priority of review actions and to make an annual planning of audits.

Audit missions are organized to ensure full coverage of the reference perimeter within a maximum of 3 years for the distribution network units and of 5 years for units of other departments. The weaknesses detected are systematically reported to the relevant corporate departments, by formulating specific recommendations: their actual implementation and the improvements actually achieved are then audited in the subsequent follow-up inspections.

The Audit department periodically assesses also the implementation status of the recommendations issued during control interventions performed by the Supervisory Bodies and by the Controlling Company.

Strategic plan and corporate development

OPERA is the project with which the Group has chosen to continue in the four-years period its organic and sustainable growth. In the first quarter of 2011 the 2011-2014 Business Plan was completed; it is based on four solid development pillars: centrality of and increase in customers, efficiency and soundness of the model and the Group's distinctive features. The Plan was presented to the BoDs of the Group Banks, and to the press at the beginning of June.

Each Senior Management gave its contribution to make these pillars tangible, selecting the projects with which the respective Banks would contribute to the achievement of the Plan targets.

The project complexity is high, with work spread over several years, strong interaction of different departments from an implementation standpoint and significant cross impacts, both in terms of IT Human Resources.

The “project machine” is controlled at all levels: a Steering Committee for the governance of strategic directives and priorities, a Central PMO to supervise work progress and 10 work sites to carry out the 37 strategic projects included in the OPERA plan. Overall more than 100 resources are involved in the activities and come from all the Group Banks, backed by the support of BPI specialists.

In the second quarter of 2011 the start-up phase of the Opera Project was completed: each work site prepared the work schedules for the respective projects, following the standard methodology defined by the central PMO; then activities started. Work progress is assessed monthly with specific meetings, while the Steering Committee is briefed every two months on the overall work progress and on specific topics chosen each time.

At the end of 2011, works were progressing regularly, with 35 projects started over the 37 envisaged by the Plan. The resources involved show good motivation, while the discussion with the Trade Unions continues on the main projects in the Plan.

Other information

Tax-related disputes

A dispute relating to registration taxes is presently under way with the Italian Inland Revenue Service. The latter re-qualified - as sale of a company - the transactions carried out in 2007 for the transfer of branches from Intesa Sanpaolo to Cariparma and FriulAdria and the subsequent transfer of the acquired shares to the institutional shareholders of the two Banks. The Group, together with the other subjects involved, paid the registration tax, whose total was jointly due, for approximately € 43 million, concomitantly starting a dispute with the Inland Revenue Service. A similar problem and a similar solution emerged for a transaction carried out by CALIT with the Intesa Sanpaolo Group for € 2.2 million.

As already stated in the 2010 report, an Official Record of Findings was also served to Cariparma regarding a possible charge for a non-recourse factoring transaction performed in 2005, which could give rise to a payment request for taxes amounting to approximately € 5.5 million, plus penalties and interest. In the light of specific opinions from important legal counsels, no provision has been made for this purpose.

On Carispezia a dispute is pending for registration taxes amounting to approximately € 0.6 million, referring to the tax rate applicable on an acquisition of a business concern made in 2006 by Carifirenze, at the time the Bank's Controlling Company.

The Inland Revenue Service filed appeal against the first-instance Court ruling, which was mostly in favour of Carispezia.

In the light of specific opinions from important legal counsels, no accrual has been made for the above disputes.

Internal Customer Satisfaction

Complying with a strict management of processes and logics of good corporate operations, among others, a tool was designed and has been active for 3 years now, to measure the quality of the service supplied by the Central Departments of the various entities in the Group, the Internal Customer Satisfaction (ICS).

ICS can be defined as the “ability of a company to create an effective teamwork involving the different teams in the company and consists in monitoring, assessing and measuring the quality of the services provided by the various corporate departments to their internal customers.

The process key targets are:
- contributing to the creation of a corporate culture increasingly focussed on the requirements of internal customers;
- identifying an ICS Index linked to the assessment of managerial capabilities and to the variable remuneration system.

Assessments are performed on a six-month basis and the results have both an absolute and relative value, as a measurement of the improvement/worsening rate of internal customer satisfaction in the following half years.

The overall measurement shows that the Group Banks rank over the adequacy threshold. Specifically, compared with the previous year, the ICS measurement improved both for Cariparma and for the Group in its entirety.

In 2011, this measurement was started, on an experimental basis, also for Carispezia Senior Management structures.

Performance of consolidated companies

The performance of Banca Popolare FriulAdria S.p.A.

Banca Popolare FriulAdria is subject to the control and coordination of Cariparma, which has a 80.17% shareholding. The remaining stake in FriulAdria consist of diffuse shareholding.

In 2011, the Bank acquired 15 branches from the Intesa Sanpaolo Group, which allows the Bank to maintain a significant inter-regional profile and, at the same time, an important role in one of the leading Italian banking groups, such as Cariparma Crédit Agricole. The Bank's organization structure was subjected to an optimization process and the control and monitoring of the cost of credit were further strengthened.

The combination of these elements produced a net profit as at the end of 2011 amounting to € 44 million, decreasing by € 4.1 million compared to last year (down by -8.6%): a positive performance considering the integration expenses for the new branches and the difficult economic situation in which the Bank operated.

The operating profit came to € 108.9 million, decreasing by € 11.4 million (down by -9.5%) compared to last year, income was stable at € 299 million while expenses increased, both ordinary and extraordinary, due to the branches acquired. Net of these expenses, the operating profit was in line with the previous year.

Operating income benefited from an increase in net interest income (+4.3%) and net commission income (+7.3%), thanks to the positive performance of income from management/intermediation and of net commission income, which offset the negative performance of income from trading (-53%).

Staff and administrative expenses increased by 6% and 6.3% respectively compared to last year, due to ordinary and extraordinary expenses relating to the 15 branches acquired; net of these effects, expenses would decrease by € 0.9 million (-0.5%).

Income before taxes on continuing operations decreased, coming to € 70.4 million (down by -8.1%), and benefited from lower net impairment adjustments of loans (-15.6%) compared with the previous year.

The Bank's constant commitment to the control of expenses and revenues, focus on liquidity and to maintaining the risk profile low in order to ensure sustainable profitability, were rewarded by the increase in capital ratios, with Tier 1 capital ratio of 9.3% and Total Capital ratio of 9.3%.

The performance of Cassa di Risparmio della Spezia S.p.A.

Cassa di Risparmio della Spezia is subject to the control and coordination of Cariparma, which has a 80% shareholding in Carispezia. The remaining stake in Carispezia is held by Fondazione Cassa di Risparmio della Spezia.

In 2011 Carispezia became part of the Cariparma Crédit Agricole Group, to a transfer of a 80% shareholding in Carispezia S.p.A. owned by Intesa Sanpaolo; this event allowed the Bank to maintain a strong bond with its original area of operations and to become part of one of the leading Italian and international Banking Groups, such as Cariparma Crédit Agricole. The integration with the Parent Company was completed also in organization, IT and commercial terms.

The Bank's net gains (losses) benefited from these changes coming to € 8.2 million, increasing by € 17.3 million compared with the previous year, when it closes with a loss of -€ 9.0 million. This performance was due to the increase in net operating revenues which came to € 103.1 million, up by € 84.5 million vs. 2010 (+21.9%), mostly thanks to the increase in net interest income due to the increase in business with customers produced by the spread opening, favoured by the increase in markets interest rates. In 2011, operating expenses increased by € 13.9 million compared to last year, coming to € 72.8 million (+23.6%), due to the high increase in administrative and staff expenses associated to the extraordinary expenses met to become part of the Cariparma Crédit Agricole Group. Net of these expenses, the increase in expenses would be of 5% compared to last year.

The extraordinary expenses for the acquisition impacted on the operating gains (losses) which came to € 30.2 million compared with € 25.7 million in 2010 (+18.1%); net of these expenses the increase was by 52.8%.

Provisions for contingencies and liabilities significantly decreased compared to last year. Net impairment adjustments of loans also decreased, due to the return of part of the loans to the Intesa Sanpaolo Group, pursuant to a specific clause in the agreement for the transfer of the Bank to the Cariparma Crédit Agricole Group, and to the review of the processes of loan granting and control in order to adjust them to the Parent Company's procedures.

Income before taxes on continuing operations increased by € 27.8 million, coming to € 18.2 million compared with the € 9.5 million loss the previous year.

Carispezia has adopted the calculation methods and standards used by the Group for capital ratios, adopting also the harmonized methods to calculate weighted assets for credit risk, counterparty risks and to measure operational risks, as provided for by the Bank of Italy. In the light of these adjustments, Tier 1 capital ratio came to 10.6%, while Total Capital ratio was 12.5%.

The performance of Crédit Agricole Leasing Italia S.r.l. (CALIT)

In Italy, the lease market, after being rather stable for the first part of 2011, had a sharp slowdown in the fourth quarter, concomitantly with the financial crisis that hit the Euro Zone and impacted the entire European economy, with an overall decrease in the volumes of new contract made by approximately 10%. All traditional sectors decreased compared with the previous year, except the “renewable energies” sector, which increased by 10.3%; in the year 37 new contracts were entered into for a loan amount of € 86 million.

In this difficult market situation, the Company implemented specific risk control strategies, limiting operations in some sectors and favouring sectors deemed strategic by the Group for its growth in Italy. The new production total volumes, therefore, decreased by 17.2% while the number of transactions increased by 11.84%. As for the entire sector in 2011 also for the Company the renewable energy sector was particularly significant. In the year 37 new contracts were entered into for a loan amount of € 86 million.

The breakdown of 2011 commercial performance by product is given in the Table below:

	No. of contracts	Difference 2011/2010	Contract value(1000)	Difference 2011/2010	Weight of value 2011	Weight of value 2010
Motor vehicles	1.529	20,4%	63.263	15,4%	13,9%	10,0%
Equipment	1.181	9,6%	188.343	16,2%	41,4%	29,5%
Real estate	134	-23,0%	117.639	-45,9%	25,8%	39,5%
renewable energies	37	-31,5%	86.044	-25,8%	18,9%	21,1%
Total	**2.881**	**11,8%**	**455.289**	**-17,2%**	**100,0%**	**100,0%**

Performance in 2011 had a net loss of -€ 4,7 million, decreasing by € 5.7 million compared with the previous year when the Company had a net gain of € 1.1 million; the operating income came to € 15.6 million, down by € 1.8 million compared to last year (-10.43%). Net operating revenues, amounting to € 24.7 million, also decreased by 7.1% y/y, mainly due to the less favourable market rate trends and to extraordinary capital gains made in 2010 for the early termination of a real estate lease contract ceasing to produced effects.

Operating expenses decreased by 0.7%, thanks to an effective policy of expenses control which allowed the offsetting of the increase in staff expenses due to Company's staff: the average number of employees, including staff seconded to the Company, increased from 54.2 in 2010 to 57.5 in 2011.

Thanks to effective control of expenses, the Cost/Income ratio, despite the decrease in net operating income, was stable at an excellent level of 36.7%. Risk hedging policies, implemented also with a prudential approach, generated an increase in the cost of risk amounting to € 19,7 million (+50%). The cost of risk accounted for 80.2% of net operating income and represented 1% of average loans vs. 0.70% in 2010 (0.80% considering also provisions for liabilities and contingencies).

Loans to customers, which accounted for 98.6% of total assets, were generated almost exclusively by finance lease transactions and amounted to € 1,967 million, up by 8.2% compared to 2010. Net impaired loans came to € 157 million and accounted for 8% total loans to customers. The relating writedowns came to a total of € 32.4 million and represented 17.1% of the book value of loans. The coverage policies implemented allowed the coverage ratio of impaired loans to increase from 14.1% in 2010 to 17.1% at the end of 2011.

Specifically, bad debts had a coverage ratio of 24%, while substandard loans a coverage ratio of 11.5% (in both cases the realizable value of the relating assets was not considered). The ratio of net bad debts to net loans to customers came to 4.5%.

Collective writedowns made on uniform categories of performing loans came to a total of € 7 million and ensured a coverage ratio for said loans of 0.39%.

Debt came to € 1,944 million and consisted mainly of amounts due to Banks for loans totalling € 1,902 million (of which 76% for loans received from the controlling company Cariparma).

The performance of Crédit Agricole Vita S.p.A. (CA Vita)

Crédit Agricole Vita S.p.A. is an insurance company of which Crédit Agricole Assurances holds 50.01% and Cariparma S.p.A. 49.99%.

Crédit Agricole Vita provides the customers of Cariparma, FriulAdria and Carispezia, which are the selling networks, with a wide range of products for both retail customers and businesses, as well as pension and social security opportunities.

As at 31 December 2011, Crédit Agricole Vita's gains/losses (before taxes), calculated based on the International Accounting Standards IAS/IFRS for its consolidation into Cariparma FriulAdria Banking Group, came to a loss of € -123.2 million, while net gains/losses (after taxes) came to a loss of € -90.5 million.

From a financial management perspective, based on the performance of financial markets in the year and at the year's closing date, the Company had:
- € 49.8 million of impairment on shares and "available for sale" common funds;
- € 138.3 million of impairment on "available for sale" government securities issued by the Hellenic Republic;
- € 9,3 million of negative change in fair value on securities measured "at fair value in the income statement".

Total premiums recognized in the year amounted to € 1,666 million, of which:
- € 1,549 million consisted of insurance premiums (IFRS 4 and IAS 39 with profit sharing), that can be attributed for 68% to separate-accounts-linked products, for 22% to composite insurance products and, for the remaining portion almost entirely to index-linked products;
- € 117 million relating to financial products without profit sharing, which can be almost entirely attributed to unit-linked products;

Net funding for all types of products, calculated as the difference between collected premiums and severance payments made (for whatsoever reason), came to € 624 million.
Liabilities linked to commitments to customers totalled € 7,216 million, of which:
- insurance technical reserves (IFRS 4 and IAS 39 with profit sharing), mainly connected to index-linked products, Separate-Accounts-linked products, composite insurance products and to temporary pure life insurance policies, amounting to € 6,429 million;

- liabilities relating to financial products without profit sharing, mainly unit-linked products and open-end pension fund amountin to € 787 million.

For inclusion in the solvency margin, by the deadlines set by the legislation, on 22 December 2011 the Company issued a subordinated loan, subscribed by the shareholder Crédit Agricole Assurances, for an unlimited duration and for an amount of € 80 million.

Again to ensure adequate capital ratios and to comply with the civil law provisions in terms of capitalization, as well as in the perspective of supporting the Company's business and growth, on 23 December 2011 both Shareholders made a capital contribution for a total of € 100,000 thousand (Crédit Agricole Assurances for € 50,010 thousand and Cassa di Risparmio di Parma e Piacenza for € 49,990 thousand).

Reconciliation of Parent Company equity and net profit and consolidated equity and net profit

	31.12.2011 Equity	31.12.2011 of which: Net profit (loss) for the period
Balances in Parent Company accounts	**4.153.853**	**204.621**
Effect of consolidation of subsidiaries	8.878	73.184
Effect of equity method accounting of significant equity investements*	-67.528	-44.927
Dividends receveid in the period	-	-32.635
Others changes	-	-
Balances in consolidated accounts	**4.095.203**	**200.243**

** This can be mainly attributed to Crédit Agricole Vita S.p.A profit (loss).*

Outlook

Overview

The recession that began in the second half of 2011 is expected to fully hit in 2012 with a new GDP fall after the one experienced in 2009. If this is correct, the Italian economy and, to a lesser extent, the European economy would experience that double dip recession which some economists feared at the end of 2009, with the forecast of a long phase of stagnation of the international economy. For Italy this would entail a GDP fall by 1.7%, a decrease in both household spending by 2.2% and in public spending, with a 3.5% reduction in investments, a sensible slowdown of export.

Inflation is expected to be stable at 2.6% with levels similar to those of 2011, without rekindling fears of an inflationary spiral. The ratio of public debt to GDP would be the highest ever experiences (122%) making our Country more vulnerable with respect to the existing crisis in the international financial system and negatively affecting the recovery of real economy. The recession phase would cause the loans performance to slow down even more and a limited growth of funding after the marked slowdown in the last months of 2011. Bank funding performance, moreover, could be affected also by the extraordinary refinancing measures implemented by the European Central Bank, as well as by a revival of customers' interest in government securities.

The reduction in available income of households and the investment fall would negatively affect the demand for loans, despite a further decrease in interest rates associated to a partial abatement of tensions on sovereign debts of the Euro Zone. Lending to businesses is expected to slow down and to concern mainly the short-term segment, which is more sensitive to the economic cycle and showed interesting signs of recovery in 2011. Lending demand for home loans is expected to continue being affected by the negative situation of the real estate market, with a further slowdown in growth rate after the modest growth in 2011. Credit quality is expected to worsen even further in terms of both bad debt flows and in terms of weight of bad debts on total loans, combining the effects of two recession phases coming one close to the other.

Funding from customers is expected to show modest growth rates, for both the short-term segment and the medium-/long-term one. Specifically, deposits, including currents accounts, are expected to go back to a growing trend after the downfall shown especially in the last part of 2011, while bonds are expected to increase modestly after the good performance of last year. Starting from 2012, the harmonization of tax on financial income has made fixed-term deposits more attractive, such as certificates of deposit, which are expected to support the overall deposit trend.

In a situation of limited saving by households and of strong demand for funding by banks, the growth of assets under management will be lower than the most recent expectations. This will be partly offset by assets under administration, which will driven by a still high demand for government securities, due to the continuing uncertainty and to greater desirability of public debt securities.

The banks expect still difficult market conditions, which will affect the possibility of recovering revenues and will favour the deterioration of asset quality requiring strict control on expenses. Interest income will be affected by a modest growth of total funding and by the difficulty in widening the interest rate range with customers. On the other hand, the measures to support liquidity implemented by the ECB could decrease funding costs and allow stabilization of the interest margin. Moreover, interest income could benefit from the higher contribution of the owned portfolio thanks to higher yields of the securities subscribed.

After decreasing in 2011, revenues from services are expected to show signs of recovery with regard to the contributions of assets under management and under administration. A positive contribution to revenues could result from the owned securities portfolio management . The combines effects of these performances is expected to produce a consolidation of revenues starting from 2012. The still uncertain development in revenues will require even more effective cost management policies, but such as not to penalize investments aimed at supporting the business growth and the change in the banks' service model. The slow reduction of staff expenses is expected to continue, also thanks to the reduction of staff and to still prudent variable remunerations. The cost-income ratio is expected to remain higher than it was before the crisis, due to the low performance of revenues.

In 2011, the Cariparma Crédit Agricole Group consolidated its operations form a geographical standpoint with the entry of Carispezia and of 96 branches acquired from the Intesa Sanpaolo Group, and now ranks 7th among the Italian Groups by number of branches, with a total of 902.

The title of the new 2011-2014 Strategic Plan, which was presented to the markets in June of last year, "Continuing a distinctive history of sustainable growth" exhaustively describes the guidelines of the Group that was set up five years ago. The Plan confirms the federal banks model, which target growth in the respective areas of operations, are able to establish stable relations with the economic entities thanks to their nature of proximity banks and are focussed on corporate social responsibility. Being part of a leading international group, such as Crédit Agricole, ensures continuous innovation of products and services supplied to customers, development of the skills required to do banking business today, the adequate equity and financial soundness to face up to the current economic and financial turning point, high reputation able to inspire confidence in our customers.

The new Plan's objective is to integrated and enhance the newly-acquired assets in the Group's consolidated network in order to fully exploit its development potential, to ensure organic and sustainable growth over time, with concomitant excellent levels of efficiency and profitability.

The guidelines of the new Strategic Plan consist of:
- customer centrality pursue also via a profound innovation of the service model for retail/private banking customers based on the new branch platform and on multichannel innovation
- efficiency and soundness of the organization model via the renewal and enhancement of the operating mechanism, maintaining capital soundness and efficient risk management;
- enhancement of professional skills, by harmonizing culture and operating models, developing and innovating key skills, sharing the Group's excellences.

Risks and uncertainties

Referring to the Note to the Financial Statements, a detailed examination of the risks and uncertainties to which the Group companies are exposed and the relevant techniques for the mitigation of the same, it is here possible to emphasize, briefly, that the Group and its management are quite aware that sustainable development and growth are unavoidably achieved also by a careful analysis of the risks to which the same is exposed, of the relevant uncertainties in terms of impacts caused by the risks on the balance-sheet, income-statement and financial structure, and by procedures for the management and reduction of risks to acceptable levels.

Significant events subsequent to the balance-sheet date

In the first months of 2012, the Parent Company Cariparma, to rationalize and develop the Group's core business, formalized an agreement for the transfer of its equity investment in Crédit Agricole Vita to Crédit Agricole Assurances S.A..

At the end of 2011, Cariparma had a 49.99% shareholding in Crédit Agricole Vita and Crédit Agricole Assurances S.A. a 50,01% one, therefore controlling and coordinating Crédit Agricole Vita.

The transfer agreement is expected to be finalized within the first six months of 2012.

Information pursuant to Article 123- bis paragraph 2, letter b) of Legislative Decree 58/98 (the Italian Consolidated Financial Act, Italian acronym TUF)

Internal Control System

Consistently with provisions of corporate law and with the Bank of Italy's supervisory provisions, the Group, implementing the guidelines issued by Crédit Agricole S.A., adopted an internal control system designed for a constant monitoring of the main risks relating to the core activities, to be able to guarantee a corporate management which is sound, proper and consistent with the set targets, as well as in line with the reference models and with the best practices existing at national and international level.

This Internal Control System involves the Collective Bodies, the Control departments, the Supervisory Body, the Independent Auditors and Senior Management, as well as all staff.

It should be noted that, since 2007, the Cariparma Crédit Agricole Group has progressively conformed its Internal Control System to Crédit Agricole S.A.'s model, in compliance with the applicable laws.

The control system is based on two procedures:
1) permanent control, consisting of ongoing controls of:
   - 1st degree, carried out continuously, upon a transaction beginning and during its validation process, by the same operators, the persons they report to or carried out by automated systems for transaction processing; the activities for the production of accounting data and preparation of the Financial Statement undergo specific first degree control carried out within the accounting units;
   - 2nd degree/level 1 (2.1), carried out by staff having operating tasks, but not directly involved in the decisions on the transaction under examination; in particular within the central administration structures the monitoring controls are performed on all departments having access to the accounting IT system;
   - 2nd degree/level 2 (2.2), carried out by staff specializing in last-level permanent controls and unauthorised to risk assumption, that is to say Compliance department, Risks and Permanent Controls department and the Manager in Charge;
2) periodic control, consisting of a 3rd degree control, carried out by the Audit Department periodically through inspections on site and document control.

The internal control and risk management system is aimed also at ensuring the reliability, accuracy, trustworthiness and timeliness of financial reporting.

In 2010, the Parent Company started a process for the methodological revision and integration of control tools, scheduling a progressive mapping of corporate processes and putting in use the Integrated Controls System designed to facilitate exchange of information and synergies between control departments, in order to increase risk control.

Collective Bodies

In line with the Group characteristics, in Cariparma's, FriulAdria's and Carispezia's traditional governance model, the Board of Directors plays a key role for the attainment of an effective and efficient system for risk management and control.

Specifically, the strategic supervisory body adopted organization models as well as operating and control mechanisms that are suitable and complying with the reference regulations and with corporate strategies.

The departments engaged in 2nd degree/level 2 and in 3rd degree control report directly to the Board of Directors on the activities performed, on the main risks detected, on the identification and construction of mitigation tools, as well as on their application effects.

The subsidiary companies' Boards of Directors adopt the "risk policies" for risk management and mitigation approved by the Parent Company's Board of Directors; moreover, the Banks' BoDs identify and assign responsibilities to the various corporate structure and departments, so that the respective duties are clearly assigned and potential conflicts of interests are prevented.

The Audit Committee for Internal Control, consisting of independent Directors, has advisory and proposing functions for the Board of Directors on matters relating to risk management, financial reporting system and internal controls systems, in order to ensure an efficient and effective control system-, it reports periodically to the BoDs on these matters, providing its opinions and assessments, and promptly setting, where necessary, appropriate correction measures in case of deficiencies or warnings. The Chief Executive Officer, together with the Manager in Charge, certifies with a specific report on the Financial Statements for the year, on the Interim Condensed Financial Statements and on the Consolidated Financial Statements, the adequacy and actual application of the administrative and accounting procedures for the preparation of the Separate Financial Statements and of the Consolidated Financial Statements.

Control departments

The CoSO Framework, adopted by the Cariparma Crédit Agricole Group as reference model for the assessment of the Internal Control System, provides for ascertaining the existence of the corporate context that is functional to lower the risks relating to the accounting and financial disclosure; this Framework provides for an analysis relating to Financial Reporting.

At least every six months, the departments in charge of control report directly to the Board of Directors and to the Board of Statutory Auditors on the activities performed, on the main risks detected, on the identification and construction of the mitigation devices, as well as on the outcome of their application.

Risks and Permanent Controls

The Risks and Permanent Controls Department has the task to guarantee proper application of the Crédit Agricole S.A. guidelines relating to the implementation of the Group's Permanent Controls System, by implementing a control plan intended for all Organization Units.

This Department monitors the existence, completeness and proper execution of the permanent controls defined in the control plan, and is also responsible for the execution of 2nd degree 2nd level controls, as well as for reporting the required indicators to Crédit Agricole S.A..

Therefore, the relevant mission is to ensure proper monitoring of the risks to which the Group is exposed.

The Department's control activities concern both the processes for the preparation of the Company and Group financial reporting, and on the relevant feeding processes. The analysis of the risks underlying such activities is carried out based on Group taxonomic standards, which envisage that compliance with deadlines, Financial Reporting reliability, accuracy and conformity is assessed.

The Risks and Permanent Controls Department also uses the audits of the accounts carried out by the Finance Central Department.

Compliance

Compliance has the mission of controlling and managing compliance risk, continuously identifying the regulations that apply to the Group, as well as measuring and assessing the impacts produced by the same on the corporate processes and procedures, and defining prevention and control policies. Specifically , it has the target of putting the customer's interests first, preventing offences pursuant to Legislative Decree No. 231/01, preventing money-laundry and market abuses, protecting the Group Companies, employees and senior managers against the risk of penalties, financial losses and reputational damage, also through advice and assistance.

Manager in charge

In compliance with Article154-bis of the Italian Consolidated Financial Act, the Manager in Charge certifies, with a specific report attached to the Annual Report and Separate Financial Statements, to the Annual report and Consolidated Financial Statements, as well as to the Interim Condensed Financial Report, the adequacy and actual operation of the internal control system relating to financial reporting.

With reference to the above reports and financial statements, the Manager in Charge also states that they were prepared in compliance with the international accounting standards, that they are consistent with the accounting books and records and adequate to give a true and correct representation of the equity, balance-sheet, income and cash flow position of the company.

To draw up this statement, the Manager in Charge assesses the existence of:
- an internal controls system and of a corporate structure functional to reducing error risk and improper behaviours concerning accounting and financial reporting;
- administrative and accounting procedures to prepare the Financial Reports and Statements, by analysing their adequacy and actual application. Processes producing significant impacts on the accounts and on financial reporting and falling within the perimeter of responsibility of the Manager in Charge include accounting and administrative processes strictly speaking, business processes (finance and lending), direction and control processes and support processes.

The approach adopted has a risk-based logic for the identification of significant accounts and corporate processes that are relevant for the Group's financial reporting.

Internal Audit

Third degree controls are performed by the Internal Audit Department; these controls entails periodical analyses of organization structures, processes and conducts; these activities are carried out consistently with the company's own audit model with remote and on-site inspections.

Statutory audit of the accounts

Statutory audit of the accounts for the Cariparma Crédit Agricole Group the statutory audit of the accounts is performed by Independent Auditors carrying out the activities provided for in Article 14, paragraph 1 of Legislative Decree No. 39 of 27 January 2010.

In special reports, the Independent Auditors express a judgement on the separate annual financial statements and on the consolidated annual financial statements, as well as on the interim report.

As at 31 December 2011, the task of statutory audit for the companies Cariparma, FriulAdria, Carispezia and Calit was assigned to the company Reconta Ernst & Young S.p.A..

Corporate social responsibility

The Cariparma Crédit Agricole continued to pursue its corporate social responsibility course.

The consolidation of the Group identity by enhancing the values of proximity, professional ethics and skills and social responsibility represents one of the guidelines on which the 2011-2014 Strategic Plan is based.

Substantiating its commitment, the Cariparma Crédit Agricole Group prepared the 2011 Corporate Social Responsibility Report following the international guidelines of Global Reporting Initiative (G.3.1) and of the Controlling Company Crédit Agricole S.A..

In addition to reporting the environmental, social and governance changes, the Report describes FReD, the project for continuous development, promotion and improvement of the Group actions with regard to 3 pillars:
1. confidence (respect for the customers);
2. respect (respect for employees, in terms of equality, safety and participation);
3. demetra (respect for the environment).

The Corporate Social responsibility Report is available on the company website in the Sustainability section.

Certification of the Consolidated Financial Statements pursuant to Article 154-bis of Legislative Decree no. 58/1998

CARIPARMA
CRÉDIT AGRICOLE

The undersigned Giampiero Maioli, Chief Executive Officer, and Pierre Débourdeaux, Senior Manager in charge of the preparation of the company accounting statements of Cassa di Risparmio di Parma & Piacenza S.p.A., hereby certify, considering also the provisions of Article 154-bis, paragraphs 3 and 4, of legislative decree No. 58 of 24 February 1998:

- the adequacy in relation to the company's characteristics and
- the actual application

of the administrative and accounting procedures for the formation of the Consolidated Financial Statement during the course of the 2011 financial year.

2. With regard to this, no significant aspects have emerged.

3. The undersigned certify also that:

3.1 the consolidated report and financial statements as at 31 December 2011:

a) have been drawn up in compliance with the applicable International Accounting Principles endorsed within the European Union pursuant to EC Regulation no. 1606/2002 of the European Parliament and of the European Council dated 19 July 2002;
b) correspond to the results recorded in the accounting books and registers;
c) furnishes a true and correct representation of the capital, economic and financial situation of the Issuer.

3.2 The management report includes a reliable analysis on the management trend and performance, as well as of the issuer's situation and a description of the major risks and uncertainties to which it is exposed.

Parma, Italy. 27 March 2012

Giampiero Maioli
Chief Executive Officer

Pierre Débourdeaux
Senior Manager in charge of the preparation
of the Company accounting statements

Cassa di Risparmio di Parma e Piacenza S.p.A. - Sede Legale Via Università 1 - 43121 Parma - Telefono 0521 912111 - Capitale Sociale EUR 876.761.620,00 i.v. - Iscritta al Registro Imprese di Parma, Codice Fiscale e Partita Iva n. 02113530345 - Aderente al Fondo Interbancario di Tutela dei Depositi e al Fondo Nazionale di Garanzia - Iscritta all'Albo delle Banche al n. 5435 - Capogruppo del Gruppo Bancario Cariparma Crédit Agricole iscritto all'Albo dei Gruppi Bancari - Soggetta all'attività di Direzione e Coordinamento di Crédit Agricole S.A.

Report of the Board of Auditors on the Separate Annual Report and Financial Statements and on the Consolidated Annual Report and Financial Statements as at 31 December 2011

Dear Shareholders,

The duties of the Board of Auditors of Cassa di Risparmio di Parma e Piacenza S.p.A. (hereinafter also referred to simply as Cariparma) are mainly governed by the Italian Civil Code, by Legislative Decree No. 39 of 27 January 2010 ("Implementation of Directive 2006/43/EC on statutory audit of annual accounts separate annual accounts and consolidated annual accounts"), by Legislative Decree No. 58 of 24 February 1998 ("Consolidated Finance Act") and by and by the supervisory regulations issued by the Bank of Italy. This last item specifically refers to Legislative Decree No. 385 of 1 September 1993 ("Consolidated Act on Banking"), to Legislative Decree No. 231 of 21 September 2007 ("Implementation of Directive 2005/60/EC on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, as well as of Directive 2006/70/EC laying down implementing measured for Directive 2005/60/EC and subsequent amendments and integrations") and, finally, to the Instructions and Provisions issued by the Bank of Italy (specifically "Supervisory Provisions concerning Banks' Organization and Corporate Governance" issued on 4 March 2008).

Supervisory activity

In 2011, the Board of Auditors performed its supervisory activity pursuant to the above decrees and provisions, also considering the standards of conduct recommended by the Italian National Association of Chartered Accountants. The Board supervised:

- compliance with the law, regulations and articles of association, correct management, adequacy of organization and accounting structures (within the scope of its duties);
- effectiveness and function of the overall internal controls system;
- adequacy of the risk management and control system;
- proper performance of strategic control and management activities by Cariparma in its capacity as Parent Company.

Moreover, pursuant to Articles 16 and 19 of the above Legislative Decree No. 39/2010, this Board supervised:

a) the financial reporting process;
b) the effectiveness of the internal control, internal audit and risk management systems;
c) the statutory audit of annual separate and consolidated accounts;
d) the independence of the statutory auditor or of the statutory audit company, specifically regarding the provision of non-audit services to the body subject to the statutory audit of accounts.

The Board of Auditors hereby states that, on 30 March 2012, the same Board received the Independent Auditors' reports on the statutory audit of the Separate Financial Statements and on the consolidated Financial Statements as at 31 December 2011. These reports do not contain any remarks nor disclosure requirements. On 30 March 2012, the Board also received the report pursuant to Article 19, paragraph 3 of Legislative Decree No. 39/2010, which does not show significant shortcomings in the internal control system relating to financial reporting process.

The Board ascertained that the Independent Auditor published on their website the annual transparency report pursuant to Article 18 of the above Legislative Decree No. 39 of 27 January 2010 by the st deadlines. The Independent Auditors also sent to this Board the annual confirmation of independence pursuant to Article 17, paragraph 9, letter a of the above Legislative Decree No. 39/2010.

In order to perform all activities summarized above, the Board of Auditors, having said that in 2011 (from 25 March 2011 - date of preparation of the Report on 2010 Financial Statements - to today's date) 39 meetings were held (as per the minutes in the relevant Book of minutes of the Board of Auditors' meetings):

- supervised the effectiveness and operation of the overall internal controls system, specifically through periodical and constant meetings with the Risks and Permanent Controls Department, the Audit Department, the Compliance Central Department and with the Manager in Charge of the preparation of the corporate accounting documents, obtaining copy of the reports prepared by the different Corporate Bodies and Committees in charge of governance and control;
- supervised the compliance of the Internal Capital Adequacy Assessment Process (ICAAP) with the requirements provided for by the regulations. It is stated that the Board of Directors resolved on this matter at the BoD meeting of 3 May 2011 (approving the document by the title "Supervisory Review - 2011 ICAAP Report"). Moreover, the Board acquired significant information from the

relevant Departments - including the Risks and Permanent Controls Department, at periodical meetings;
- it monitored specifically at the meetings with the Corporate Bodies held on 30 March 2011, 3 November 2011, 19 January 2012, 24 January 2012 and 16 March 2012, the progress made on internal control and compliance projects, also relating to the Integrated Controls System, money-laundering prevention and Mifid;
- it worked in coordination with the the statutory audit Company, Reconta Ernst & Young S.p.A.: to this end periodical meetings were held, both for the examination of of the quarter data and at further meetings held to exchange data and information that were relevant for the performance of the respective duties and for the analysis of the results of the work made by the Independent Auditors.
  As to this, it is to be noted that the latter has never communicated to the Board, neither on said occasions nor with other means, any detection of faults or problems and/or inadequacy;
- the Board also worked in closed coordination with the Board of Auditors of the subsidiary companies, also through meetings held with the respective control bodies. At these meetings no matters to be submitted to the attention of the Controlling Company's shareholders emerged;
- the members of the Board of Auditors attended all General Shareholders' Meetings, all meetings of the Board of Directors and of the Executive Committee. It is stated that the above meetings were held in compliance with Articles of Association and the applicable legislation and it can be reasonably assured that the resolutions were in compliance with the law and with the Company's Articles of Association, and were not blatantly hazardous, in conflict of interests or such as to jeopardize the corporate equity;
- thanks to both the above-mentioned attendance at the meetings of the Board of Directors and of the Committees and the attendance at the meetings with the senior management (CEO, Co-General Manager, Deputy General Manager), the Board obtained information on the Company general performance and outlook, as well as on the transactions carried out by the Company which were most significant due to their sizes or features;
- it operated in coordination, also through specific meetings and contacts, with the Supervisory Body appointed pursuant to Legislative Decree No. 231/01;
- it participated, represented by the Board Chairperson, in the related-parties committee (set up with BoD resolution of 24 November 2010);
- in addition to the direct participation in the specific committee, as stated above, by the Board Chairperson, it supervised, in particular at the meetings of the B.o.D. and of the Executive Committees, intra-group transactions and transactions with related-party.
  With regard to this, as described in "Part H" of the Notes to the Consolidated Financial Statements and Separate Financial Statements, and as confirmed by the the Head of the relevant Departments at meetings held on the matter, this Board acknowledges that the Company, in identifying related-parties, complies with the requirements of IAS 24, as well as with the "Regulations on Transactions with related parties" adopted with Consob resolution No. 17221 of 12 March 2010 as amended and integrated, also by approving, at the BoD meeting held on 20 December 2011, the revisions of the "Regulations on Transactions with related parties" that is binding for all Companies in the Cariparma Crédit Agricole Group. The Board of Auditors acknowledges that in paragraph 2 of the above "Part H", the Board of Directors pointed put that "in the year, no atypical or unusual transactions which, due to their significance/relevance might have given raise to doubts on the protection of corporate equity and of minority interests";
- it ensured its presence, through the attendance of the Chairperson and of one Standing Auditor, at the meetings of both Cariparma and Group Credit Committees;
- it participated, represented by its Chairperson, in the meetings of the Audit Committee for Internal Control and, as stated above, in the meetings of the Related- Parties Committee.

The Board, moreover, gave its opinion on the following matters:
- with minutes dated 31 March 2011, pursuant to Article 2389, paragraph 3 of the Italian Civil Code, also considering the communication of the Bank of Italy dated 28 October 2009, it gave its opinion on the proposal for the Chief Executive Officer's remuneration;
- with minutes dated 14 July 2011 it gave its opinion on the appointment of Cristina Rossi as Manager in Charge of the money-laundering prevention function and of Gianluca Tortora as manager engaged in the examination of "suspicious transactions";
- with minutes dated 11 October 2011 it gave its opinion on the approval by the Board of Directors of the proposal for a Group Policy on the governance of the Advisory Service for Mifid purposes;
- with minutes dated 12 October 2011, pursuant to Article 2389, paragraph 3 of the Italian Civil Code, considering the communication of the Bank of Italy dated 28 October 2009 on "Remuneration and incentive systems", it gave its opinion on the proposal to the change in the remuneration of the Chairperson of the Board of Directors;
- with minutes dated 20 October 2011, it gave its opinion on the approval by the Board of Directors of the document "Project for the Corporate Governance of the Cariparma Crédit Agricole Banking Group" received by the Manager in charge of Corporate Affairs Service;
- with minutes dated 7 December 2011, as provided for by the communication of the Bank of Italy dated 16 March 2011, it essentially agreed on the assessments made by the Internal Audit and Compliance Departments relating to the outsourcing of cash handling activities;
- with minutes dated 12 December 2011, it gave its favourable opinion to the appointment of Daniele Compiani as the new Head of the Audit Department;
- with a note presented to the Board of Directors, at the meeting held on 12 February 2012, it expressed its remarks on the "adequacy assessment of the Compliance Department";
- with minutes dated 7 March 2012, since the term of the assignment given to the Independent Auditors expired on the date of the General Shareholders' Meeting held for the approval of the 2011 Report and Financial Statements, it approved the text of the

"Reasoned proposal of the Board of Auditors to the Shareholders' General Meeting of Cariparma S.p.A., pursuant to Article 13, paragraph 1 of Legislative Decree No. 39 of 27 January 2010", proposing that the task as statutory auditor of the accounts for the period 2012-2020 is assigned to the Company Reconta Ernst & Young, at the conditions set by the same Independent Auditors;
- with minutes dated 16 March 2012, it gave its opinion, complying with both the Italian national regulatory obligations (provisions issued by the Bank of Italy No. 688006 of 10 July 2007), and with the guidelines issued by the Parent Company Crédit Agricole, on the approval by the Board of Directors of the "Report of non.compliance risks" prepared by the Compliance Central Department.

It is pointed out that, at the meeting of the Board with the representatives of the Independent Auditors held on 30 September 2011, this Board received the document dated 30 June 2011 on "changes and integrations to the assignment of auditing of the accounts REY".

As mentioned in this Board's report on the 2010 Report and Financial Statements, in the first half of 2011, the Crédit Agricole Group finalized the acquisition of Cassa di Risparmio della Spezia and the transfer of 96 branches from the Intesa San Paolo Group. This transaction entailed complex and intense activities for the integration of procedures and for the strengthening and implementation of the central structures and departments. In this regard, particular reference is made to the project, currently in its implementation phase, for a integrated controls system, as well as to the many Board resolutions passed in 2011 for progressive adjustments and revisions of the Group's organization structure.

This Board, within the scope of its duties, systematically monitored these activities and projects for the implementation of the structures and the adjustment of the governance to the Group's new sizes, which it holds as a priority, also with reference to the increasing environmental complexity.

In the year and up to date, no notifications were received pursuant to Article 2408 of the Italian Civil Code.

Annual Report and Separate Financial Statements and Annual Report and Consolidated Financial Statements

The Annual Report and Financial Statements as at 31 December 2011 are governed by the provisions set forth in Legislative Decree No. 38 of 28 February 2005 and in the Bank of Italy's Circular No. 262 of 22 December 2005, as revised on 18 November 2009, and were prepared in compliance with the applicable IAS/IFRS in force as at 31 December 2011, endorsed by the European Community pursuant to Regulation EC No. 1606/2002 of the European Parliament and of the Council of 19 July 2002. In the Note to the Financial Statements, the Management Body states that no exceptions were made in applying the IASs/IFRSs.

The Financial Statements and the relevant Directors' Report on operations were deemed adequate to supply information on the Bank's situation, its performance in 2011 and outlook (considering also the indications supplied in the Bank of Italy/ Consob / Isvap joint document No. 4 of 3 March 2010, on IAS/IFRS application).

With specific regard to the Consolidated Financial Statements as at 31 December 2011, it is here stated that they are governed by the provisions of Legislative Decree No. 38 of 28 February 2005 and in the Circular of the Bank of Italy No. 262 of 22 December 2005 as revised on 18 November 2009, and were prepared in compliance with IASs and relevant interpretations issued by IFRIC, endorsed by the European Commission, as provided for by Community Regulation No. 1606 of 19 July 2002.

As set forth by the Directors in the Consolidated Management Report, the consolidation scope consists of the Parent Company Cariparma, the subsidiaries Banca Popolare Friuladria S.p.A., Cassa di Risparmio della Spezia S.p.A., Crédit Agricole Leasing Italia S.r.l., Sliders S.r.l. and of the company Mondo Mutui Cariparma S.r.l., which, even if not formally controlled, is consolidated on a line-item basis, pursuant to SIC 12 (Consolidation - Special Purpose Entities), as wel as of Crédit Agricole Vita S.p.A. and CA Agro-Alimentare S.p.A. consolidated with the equity method. The Board of Directors also stated that, subsequent to the above acquisition by the Crédit Agricole Group of Cassa di Risparmio della Spezia and to the transfer of 96 branches from the Intesa San Paolo Group, the comparison to 2010 is not homogeneous in terms of performance and equity. With reference to the documents that are an integral part of the Annual Report and Financial Statements under examination, however the figures as at 31 December 2011 were compared with 2010 ones.

With regard to the Consolidated Financial Statements as at 31 December 2011, in addition to the above, the Shareholders' General Meeting is informed that this Board supervised the general structuring of the same, their general compliance with the law in terms of preparation and framework, and, in this regard, no specific remarks are to be made. This Board also verified compliance with the rules on the preparation of the Management Report.

Conclusions

Dear Shareholders,

based on all the above, considering that, as at today's date, the information received from Reconta Ernst & Young S.p.A. the independent auditors in charge of the statutory audit of the accounts of Cariparma S.p.A. as at 31 December 2011 do not include any remarks or disclosure requirements; considering also the information received as at today's date from the Manager in Charge in the relevant Report pursuant to Article 154 bis of the Italian Consolidated Finance Act, which does not report significant shortcomings or problems, this Board of Auditors expresses a favourable opinion on the approval of the Financial Statements and the relevant Management Report, as well as of the proposal for the allocation of the profit for the year, which have been sumbitted by the Board of Directors for your approval.

Parma, Italy, 30 March 2012

The Board of Auditors

(Marco Ziliotti)

(Paolo Alinovi)

(Angelo Gilardi)

(Giovanni Ossola)

(Umberto Tosi)

Report of the Independent Auditors

ERNST & YOUNG

Reconta Ernst & Young S.p.A.
Via della Chiusa, 2
20123 Milano
Tel. (+39) 02 722121
Fax (+39) 02 72212037
www.ey.com

Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders of Cassa di Risparmio di Parma e Piacenza S.p.A.

1. We have audited the consolidated financial statements of Cassa di Risparmio di Parma e Piacenza S.p.A. and its subsidiaries ("Cariparma Crédit Agricole Group") as of and for the year ended December 31, 2011, comprising the balance sheet, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Cassa di Risparmio di Parma e Piacenza S.p.A.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. Our audit was performed in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness and correct application of the accounting principles and the reasonableness of the estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

   For our opinion on the consolidated financial statements of the prior year, presented for comparative purposes, reference should be made to our report dated March 25, 2011.

3. In our opinion, the consolidated financial statements of the Cariparma Crédit Agricole Group at December 31, 2011 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of the Cariparma Crédit Agricole Group for the year then ended.

4. The management of Cassa di Risparmio di Parma e Piacenza S.p.A. is responsible for the preparation of the Management Report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Management Report and the specific section on Corporate Governance and the Company's Ownership Structure regarding the information included therein in compliance with art. 123-bis paragraph 2, letter b) of Legislative Decree n. 58 of February 24, 1998, as required by the law. For this purpose, we have

ERNST & YOUNG

performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In our opinion the Management Report and the information reported therein in compliance with article 123-bis paragraph 2, letter b) of the Legislative Decree n. 58 of February 24, 1998,in the specific section of the report, are consistent with the consolidated financial statements of the Cariparma Crédit Agricole Group as of December 31, 2011.

Milan, March 30, 2012

Reconta Ernst & Young S.p.A.
signed by: Massimiliano Bonfiglio, Partner

Consolidated Financial Statements

» CONSOLIDATED BALANCE SHEET

Assets	31.12.2011	31.12.2010
10. Cash and cash equivalents	930,780	214,900
20. Financial assets held for trading	320,635	299,335
30. Financial assets carried at fair value	-	-
40. Financial assets available for sale	3,686,706	7,185,080
50. Financial assets held to maturity	-	-
60. Loans to banks	4,485,214	4,629,496
70. Loans to customers	34,783,128	30,406,621
80. Hedging derivatives	707,001	400,028
90. Value adjustment of financial assets subject to macro hedging (+/-)	4,203	-
100. Equity investments	123,222	119,975
110. Reinsurers' share of technical reserves	-	-
120. Property, plant and equipment	452,397	389,823
130. Intangible assets	2,053,294	1,432,969
of which: goodwill	1,657,328	1,151,534
140. Tax assets	988,363	638,020
(a) current	284,848	257,622
(b) deferred	703,515	380,398
150. Non-current assets or groups of assets being divested	-	-
160. Other Assets	755,710	622,876
Total assets	**49,290,653**	**46,339,123**

Liabilities and shareholder's equity		31.12.2011	31.12.2010
10.	Payables due to banks	6,901,499	11,078,000
20.	Due to clients	22,888,810	18,114,794
30.	Securities issued	12,669,731	11,181,460
40.	Financial liabilities held for trading	307,465	283,939
50.	Financial liabilities carried at fair value	-	-
60.	Hedging derivatives	176,602	22,899
70.	Adjustment of financial liabilities hedged generically (+/-)	344,469	77,273
80.	Tax liabilities	344,345	290,239
	a) current	226,127	219,975
	b) deferred	118,218	70,264
90.	Liabilities associated to assets being divested	-	-
100.	Other liabilities	1,078,205	1,014,227
110.	Employee severance benefits	164,246	133,418
120.	Provisions for liabilities and contingencies	127,812	105,213
	(a) retirement and similar liabilities	24,048	22,374
	(b) other provisions	103,764	82,839
130.	Technical reserves	-	-
140.	Valuation reserves	-423,373	-109,661
150.	of which: related to assets being divested	-	-
160.	Redeemable shares	-	-
170.	Equity instruments	706,109	870,772
180.	Reserves	2,735,462	2,094,474
190.	Share premium reserve	876,762	785,066
200.	Share capital	-	-
210.	Treasury shares (-)	192,266	156,933
220.	Minority interests (+/-)	200,243	240,077
Total liabilities and shareholders' equity		**49,290,653**	**46,339,123**

» CONSOLIDATED INCOME STATEMENT

Items		31.12.2011	31.12.2010
10.	Interest income and similar revenues	1,581,463	1,265,490
20.	Interest expense and similar charges	(533,164)	(346,779)
30.	**Net interest income**	**1,048,299**	**918,711**
40.	Commission income	589,499	522,226
50.	Commission expense	(22,745)	(19,298)
60.	**Net commission income**	**566,754**	**502,928**
70.	Dividends and similar revenues	1,642	1,636
80.	Net gain (loss) on trading activities	21,633	22,536
90.	Net gain (loss) on hedging activities	(1,309)	2,699
100.	Gain (loss) on disposal or repurchase of:	9,395	33,677
	a) loans	(4,169)	(8,803)
	b) financial assets available for sale	13,096	46,427
	c) financial assets held to maturity	-	-
	d) financial liabilities	468	(3,947)
110.	Net gain (loss) on financial assets and liabilities carried at fair value	-	-
120.	**Gross income**	**1,646,414**	**1,482,187**
130.	Net impairment adjustments of:	(234,221)	(198,811)
	a) loans	(232,036)	(201,579)
	b) financial assets available for sale	(2,598)	(118)
	c) financial assets held to maturity	-	-
	d) other financial transactions	413	2,886
140.	**Profit (loss) from financial operations**	**1,412,193**	**1,283,376**
150.	Net premiums	-	-
160.	Other net revenues (expenses) from insurance undertakings	-	-
170.	**Profit (loss) from financial operations and insurance undertakings**	**1,412,193**	**1,283,376**
180.	Administrative expenses:	(1,159,855)	(939,719)
	a) staff expenses	(615,152)	(533,406)
	b) other administrative expenses	(544,703)	(406,313)
190.	Net provisions for liabilities and contingencies	(44,177)	(26,605)
200.	Net adjustments of property, plant and equipment	(30,158)	(27,061)
210.	Net adjustments of intangible assets	(59,542)	(45,743)
220.	Other operating revenues (expenses)	205,413	148,979
230.	**Operating expenses**	**(1,088,319)**	**(890,149)**
240.	Gain (loss) from equity investments	(44,834)	5,350
250.	Gains (losses) from property, plant and equipment and intangible assets measured at fair value	-	-
260.	Value adjustments of goodwill	(6,000)	-
270.	Gain (loss) on disposal of investments	298	2,191
280.	**Gain (loss) before tax on continuing operations**	**273,338**	**400,768**
290.	Income tax for the period on continuing operations	(65,302)	(151,901)
300.	**Profit (loss) after tax on continuing operations**	**208,036**	**248,867**
310.	Profit (loss) after tax of groups of assets/liabilities under disposal	-	-
320.	**Net profit (loss) for the period**	**208,036**	**248,867**
330.	Net profit (loss) pertaining to minority interests	(7,793)	(8,790)
340.	**Profit (loss) for the period pertaining to the Parent Company**	**200,243**	**240,077**

» STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Items		31.12.2011	31.12.2010
10.	**Profit (loss) for the period**	**208,036**	**248,867**
	Other income after tax		
20.	Financial assets available for sale	(295,623)	(145,530)
30.	Property, plant and equipment	-	-
40.	Intangible assets	-	-
50.	Hedging of foreign investments	-	-
60.	Cash flow hedges	(234)	(1,122)
70.	Exchange rate differences	-	-
80.	Disposal groups	-	-
90.	Actuarial gains (losses) on defined-benefit plans	(9,931)	(6,453)
100.	Share of valuation reserves on equity investments accounted for using the equity method	(13,548)	(16,976)
110.	**Total other income components after tax**	**(319,336)**	**(170,081)**
120.	**Comprehensive income (Item 10+110)**	**(111,300)**	**78,786**
130.	Consolidated comprehensive income pertaining to minority interests	(3,017)	3,065
140.	**Consolidated comprehensive income pertaining to the Parent Company**	**(108,283)**	**75,721**

» STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 31 DECEMBER 2011

	Share capital: ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valuation reserves	Net profit (loss) for the period	Equity
Equity of the Group at 31.12.2010	**785,066**	**2,094,474**	**608,790**	**261,982**	**-109,661**	**240,077**	**3,880,728**
Minority Interests at 31.12.2010	**34,367**	**85,628**	**28,553**	**4**	**-409**	**8,790**	**156,933**
Allocation of net profit for previous period							
Reserves	-	-	99,866	-	-	-99,866	**-**
Dividends and other allocations	-	-	-	-	-	-149,001	**-149,001**
Changes in the period							
Changes in reserves	-	-	-	-	-	-	**-**
Equity transactions	91,696	641,234	-	-262,500	-	-	**470,430**
Charity	-	-	1,200	-	-	-	**1,200**
Other variations	-	-	-	-	-	-	**-**
Consolidation adjustments	19,627	16,031	5,841	1,867	-5,067	-	**38,299**
Shares and rights on shares of the Parent Company granted to employees and directors	-	-	-	180	-	-	**180**
Comprehensive income	-	-	-	-	-319,336	208,036	**-111,300**
Group equity at 31.12.2011	**876,762**	**2,735,462**	**704,588**	**1,521**	**-423,373**	**200,243**	**4,095,203**
Minority interests at 31.12.2011	**53,994**	**101,905**	**39,662**	**12**	**-11,100**	**7,793**	**192,266**

» STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 31 DECEMBER 2010

	Share capital: ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valuation reserves	Net profit (loss) for the period	Equity
Equity of the Group at 31.12.2009	**785,066**	**2,094,474**	**475,493**	**-599**	**57,431**	**305,713**	**3,717,578**
Minority Interests at 31.12.2009	**34,367**	**85,628**	**28,680**	**4**	**6,312**	**6,603**	**161,594**
Allocation of net profit for previous period							
Reserves	-	-	129,730	-	-	-129,730	**-**
Dividends and other allocations	-	-	-	-	-	-182,586	**-182,586**
Changes in the period							
Changes in reserves	-	-	-	262,500	-	-	**262,500**
Charity	-	-	1,000	-	-	-	**1,000**
Other variations	-	-	-	-	-	-	**-**
Consolidation adjustments	-	-	2,440	-	-3,732	-	**-1,292**
Shares and rights on shares of the Parent Company granted to employees and directors	-	-	-	81	-	-	**81**
Comprehensive income	-	-	-	-	-170,081	248,867	**78,786**
Group equity at 31.12.2010	**785,066**	**2,094,474**	**608,790**	**261,982**	**-109,661**	**240,077**	**3,880,728**
Minority interests at 31.12.2010	**34,367**	**85,628**	**28,553**	**4**	**-409**	**8,790**	**156,933**

» CONSOLIDATED CASH FLOWS STATEMENT

Items	31.12.2011	31.12.2010
A. Operating Activities		
1. Operations	**972,957**	**899,376**
- net profit (loss) for the period (+/-)	200,243	240,077
- gains (losses) on financial assets held for trading and financial assets/liabilities carried at fair value (-/+)	-31,718	-12,057
- gains (losses) on hedging activities (-/+)	8,390	5,606
- net impairment adjustments (+/-)	279,033	193,291
- net adjustments of property, plant and equipment and intangible assets (+/-)	89,700	72,804
- net provisions for liabilities and contingencies and other costs/revenues (+/-)	44,177	26,605
- unpaid taxes and duties (+)	65,302	151,901
- other adjustments (+/-)	317,830	221,149
2. Liquidity generated/absorbed by financial assets	**601,795**	**-5,930,875**
- financial assets held for trading	10,707	101,678
- financial assets available for sale	3,485,992	-3,506,759
- loans to banks: On demand	-192,477	-57,440
- loans to banks: other loans	1,051,159	-602,376
- loans to customers	-3,515,909	-1,718,103
- other assets	-237,677	-147,875
3. Liquidity generated/absorbed by financial liabilities	**-1,253,706**	**5,038,298**
- due to banks: On demand	379,096	-58,216
- due to banks: other payables	-4,556,342	5,617,307
- due to customers	2,071,901	374,469
- securities issued	1,405,889	-437,859
- financial liabilities held for trading	23,251	-36,111
- other liabilities	-577,501	-421,292
Net liquidity generated/absorbed by operating activities	**321,046**	**6,799**
B. Investing Activities		
1. Liquidity generated by	**2,072**	**9,095**
- sale of equity investments	-	-
- dividends from equity investments	1,642	1,636
- sale of financial assets held to maturity	-	-
- sales of property, plant and equipment	430	7,459
- sale of intangible assets	-	-
- disposal of business units	-	-
2. Liquidity absorbed by	**521,970**	**-102,306**
- purchase of equity investments	-61,629	3,398
- purchases of financial assets held to maturity	-	-
- purchases of property, plant and equipment	-89,804	-72,726
- purchases of intangible assets	-195,308	-32,978
- acquisition of activity through operations of conferment	868,711	-
Net liquidity generated/absorbed by investing activities	**524,042**	**-93,211**
C. Funding		
- issues/purchases of treasury shares	18,593	-
- issues/purchases of capital instruments	-	262,500
- dividend distribution and other	-147,801	-181,586
Net liquidity generated/absorbed by funding	**-129,208**	**80,914**
NET LIQUIDITY GENERATED/ABSORBED DURING THE PERIOD	**715,880**	**-5,498**

RECONCILIATION

Financial Statement items	31.12.2011	31.12.2010
Cash and cash equivalents at beginning of period	214,900	220,398
Total net liquidity generated/absorbed during the period	715,880	-5,498
Cash and cash equivalents at end of period	**930,780**	**214,900**

KEY: (+) generated (-) absorbed

Notes to the consolidated financial statements

Part A Accounting policies

» A.1 GENERAL INFORMATION

Section 1 - Declaration of conformity with international accounting standards

The consolidated Financial Statements of the Cariparma Crédit Agricole Group have been prepared pursuant to Legislative Decree No. 38 of 28 February 2005, in accordance with the International Accounting Standards issued by the International Accounting Standards Board (IASB) and related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission, in accordance with the procedures referred to in Regulation (EC) No. 1606 of 19 July 2002.

Therefore, the IAS/IFRS in force at 31 December 2011 (including the SIC and IFRIC interpretations) have been applied as endorsed by the European Commission and detailed in the specific schedule attached to this Financial Report.

The Financial Statements and tables in the Explanatory Note have been prepared using the format set out in Circular No. 262 "Bank Financial Statements: format and rules for the preparation" of 22 December 2005, issued by the Bank of Italy exercising the powers provided for in Article 9 of Legislative Decree No. 38/2005 as updated on 18 November 2009.

International Accounting Standards endorsed by the European Union and in force from 2011

Standards, amendments or interpretations	Endorsement date	Date of first application
Amendment to IAS 32 on the classification of rights issues on equity instruments.	23 December 2009 (EC No. 1293/2009)	1 January 2011
Modification to IFRS 1, on exceptions for supplying comparative information on financial instruments for new users.	30 June 2010 (EC No. 574/2010)	1 January 2011
New version of IAS 24, on disclosures on related-party transactions.	19 July 2010 (EC No. 632/2010)	1 January 2011
Modification to the interpretation of IFRIC 14 "Prepayments of a minimum funding requirement".	19 July 2010 (EC No. 633/2010)	1 January 2011
Adoption of IFRIC 19 interpretation "Extinguishing financial liabilities with equity instruments";	23 July 2010 (EC No. 662/2010)	1 January 2011
Annual improvements to the following International Accounting Standards: IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34, IFRIC13	18 February 2011 (EC No. 149/2011)	1 January 2011

The new internation accounting standards and the amendments to the standards in force as from 1 January 2011 didn't significantly impact on the Bank's operations and, consequently, on its financial reporting.

Section 2 - General preparation principles

The Consolidated Financial Statements consist of the Balance Sheet, the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity, the Cash Flow Statement and the Explanatory Note to the Financial Statements and also includes a Directors' Report on operations, on the financial results achieved, as well as on the performance of the Cariparma Crédit Agricole Group, and the Corporate Governance Report.

In accordance with Article 5 of Legislative Decree No. 38/2005, the Financial Statements were drawn up using the Euro as accounting currency; in the Financial Statements the amounts are expressed in Euro units while in the Explanatory Note as in the Management Report, they are expressed in thousands of Euro where not otherwise specified.

These financial statements have been prepared in accordance with IAS 1 and the specific accounting standards endorsed by the European Commission and described in Part A.2 of this note, as well as with the general assumptions contained in the "Framework for the Preparation and Presentation of Financial Statements" by the IASB.

No exceptions were made in applying the IASs/IFRSs.

As to the corporate continuity underlying the Financial Statements, it is believed that the Group will continue to operate in the foreseeable future. Accordingly, the Report and Consolidated Financial Statements as at 31 December 2011 were prepared on a going-concern basis.

In the light of the disclosures required by IFRS 7 concerning the risks to which the Group is exposed, appropriate information has been provided in the management report on operations and the note to the financial statements, specifically Section E.

The note to the financial statements also contain information on impairment testing of equity investments, securities available for sale and intangible assets (including goodwill).

The financial statements and the Note also contain comparative figures for the year ended as at 31 December 2010, as well as the figures for the year under review.

Use of estimates and assumptions in preparing the annual report and financial statements

In preparing the annual report and financial statements, the Bank used estimates and assumptions that could have an impact on the amounts recognized in the balance sheet and income statement, as well as the disclosures concerning the assets and liabilities recognized in the financial statements. Subjective assessments were made and available information was used in arriving at these estimates.

By their very nature, the estimates and assumptions used may vary from year to year. The present amounts recognized in the financial statements may therefore differ, perhaps significantly, in future periods due to changes in the subjective assessments used.

The main areas in which subjective assessments by management are required are as follows:
- quantifying impairment losses for loans and receivables and, in general, other financial assets;
- determining the fair value of financial instruments used for reporting purposes;
- using measurement models to determine the fair value of financial instruments not listed on active markets;
- assessing the adequacy of the value of goodwill and other intangible assets;
- quantifying staff expenses and provisions for liabilities and contingencies;
- making estimates and assumptions concerning the recoverability of deferred tax assets.

The descriptions of the accounting policies that apply to the primary categories reported in the financial statements provide detailed information on the major assumptions made and subjective assessments used in preparing the financial statements.

Contents of the financial statements

BALANCE SHEET AND INCOME STATEMENT

The Balance Sheet and Income Statement contain items, sub-items and further information (the "of which" for items and sub-items) and comply with the templates supplied by the Bank of Italy with Circular No. 262 of 22 December 2005, revised on 18 November 2009.

In order to facilitate understanding of the figures, the statements are given in full including also the items with no amounts for the reporting year, nor for the previous year. In the Income Statement, revenues are set forth without a sign, while cost figures are set forth in parenthesis.

STATEMENT OF COMPREHENSIVE INCOME

The statement of comprehensive income consist of items showing the changes in the value of the assets recognized in the year offsetting the valuation reserves, net of the related tax effect.

As for the Balance Sheet and the Income Statement, the items with no amounts for the reporting year, nor for the previous one, have been stated also, differently from the Bank of Italy layouts. Negative amounts are set forth in parenthesis..

STATEMENT OF CHANGES IN EQUITY

To facilitate reading the figures, the rows and columns of the statement of changes in equity were inverted with respect to the same statement prepared in accordance with Bank of Italy Circular no. 262/2005 as revised on 18 November 2009.

The statement shows the composition and movements of the shareholders' equity items during the reporting year and in the previous one, broken down into share capital (ordinary shares and savings shares), capital reserves, income reserves, comprehensive income and net profit or loss. The value of treasury shares is deducted from equity. The value of treasury shares is deducted from equity.

No equity instruments other than ordinary shares have been issued.

CASH FLOWS STATEMENT

The statement of cash flows for the period under review and the previous period were prepared using the indirect method, by which cash flows from operating activities are represented by the profit or loss for the year, adjusted for the effects of non-monetary transactions.

Cash flows are broken down into flows generated by operating, investing and funding activities.

In the Statement, cash flows generated during the year are shown without sign, while those absorbed are shown with a negative sign.

Contents of the Notes to the Financial Statements

The Note to the Financial Statements contains the information required by Circular No. 262/2005 (1st revision of 18 November 2009) issued by the Bank of Italy, as well as further information required by the International Accounting Standards.

As for the Balance Sheet and the Income Statement, the items with no amounts for the reporting year, nor for the previous one, have been stated also, differently from the Bank of Italy layouts.

In the tables relating to the Income statement items, revenues are set forth without a sign, whereas cost figures are set forth in parenthesis.

Section 3 - Scope and method of consolidation

Scope of consolidation

In addition to the Parent Company, Cassa di Risparmio di Parma e Piacenza S.p.A., hereinafter referred to as Cariparma, the scope of consolidation is represented by the subsidiaries and affiliated companies specified below.

Also the special-purpose entities/special-purpose vehicles (SPE/SPV) have been included, when the requirements are met, also independently of the existence of a majority shareholding (SIC 12 - Consolidation - Special Purpose Entities).

Subsidiaries are companies in which the Parent Company, directly or indirectly, holds more than 50% of the voting rights in the shareholders' general meeting or in which, despite holding less than 50% of the voting rights, it has the power to appoint the majority of the directors of the subsidiary or to determine the financial and operating policies of the same (controlling influence).

Joint ventures are those in which the voting rights and control of its business activities are shared equally, directly or indirectly, between the Parent Company and another non-Group company.

Associates are companies in which the Parent Company exercises significant influence, holding, either directly or indirectly, at least 20% of the voting rights or having the power to participate in determining financial and operating policies, despite holding less than 20% of the voting rights, due to specific legal ties such as being party to a shareholders' agreement.

Methods of consolidation

Full consolidation involves the line-by-line aggregation of the Balance Sheet and Income Statement items.

After allocating the relevant portion of the equity and profits or losses to minority interests under a separate appropriate item, the value of the equity investment is cancelled out against the remaining value of the equity of the subsidiary.

Positive differences resulting from this operation are recognized under "Intangible assets" as goodwill or other intangible assets, once any allocations of the subsidiary's assets or liabilities to other items, if applicable, are made. Negative differences are taken to profit or loss.

Acquisitions of businesses are recognized using the purchase method provided for under IFRS 3 applied starting from the date of acquisition, or from the moment in which control of the company is effectively achieved.

Conversely, profit or losses of a subsidiary sold during the period are included in the Consolidated Financial Statements up to the date at which control is transferred.

Consolidation using the Equity method involves initially recognizing the equity investment at cost and subsequently adjusting the value based on the percentage of the shareholders' equity of the equity investment held. The difference between the value of the equity investment and the shareholders' equity of that portion held are included in the book value of the equity investment.

The Group's share of the subsidiary's profit or loss for the period is recognized under a specific item in the income statement.

The other major consolidation operations include:
- elimination of dividends paid or declared by the consolidated companies;
- elimination of significant intercompany transactions from the balance sheet or income statement;
- elimination of gains and losses arising from intercompany sales and relating to amounts included in equity;
- adjustments needed to harmonize accounting policies within the Group;
- where applicable, recognition of the tax effects of any adjustments to harmonize the measurement criteria for items or other consolidation adjustments.

The Financial Statements of the Parent Company and of the other consolidated companies refer to 31 December 2011.

Where necessary - and with the exception of marginal instances - any Financial Statements prepared on the basis of other accounting policies are adjusted to conform with the Group's accounting policies. In a few marginal instances, the companies do not apply the IAS/IFRS and, therefore, for said companies it was assessed that the IAS/IFRS application would not have caused significant effects on the Consolidated Financial Statements of the Cariparma Crédit Agricole Group.

1. Equity investments in subsidiary companies both exclusively and jointly

The following table shows the equity investments included within the scope of consolidation, indicating:
- the type of control/connection;
- the shareholder;
- percentage of voting rights held by the shareholder.

Company name		Registered office	Type of relationship (1)	Equity investment		% Actual votes available
				Investor	% Holding	
A.Company						
Parent Company						
Cassa di Risparmio di Parma e Piacenza S.p.A.	(Cariparma)	Parma				
A1.Consolidated on a line-by-line basis						
1. Banca Popolare FriulAdria S.p.A.	(Friuladria)	Pordenone	1	Cariparma S.p.A	80,17%	80,17%
2. Cassa di Risparmio della Spezia S.p.A.	(Carispezia)	La Spezia	1	Cariparma S.p.A	80,00%	80,00%
3. Crédit Agricole Leasing Italia S.r.l.	(Calit)	Milan	1	Cariparma S.p.A	85,00%	85,00%
4. Sliders S.r.l.		Milan	1	Cariparma S.p.A	100,00%	100,00%
5. Mondo Mutui Cariparma S.r.l. (2)		Milan	4	Cariparma S.p.A	19,00%	19,00%
A2. Proportionately consolidated						

(1) Type of relationship:
1= Majority of voting rights at General meeting
2= Controlling influence of the extraordinary general meeting
3= Agreements with other shareholders
4= Other types of control
(2) See item 2 below. Other information.
5= unitary management pursuant to article 26, paragraph 1, of legislative decree 87/92
6= unitary management pursuant to article 26, paragraph 2, of legislative decree 87/92
7= joint control

2. Other information

In the Consolidated Financial Statements as at 31 December 2011 also the Company Mondo Mutui Cariparma S.r.l. was consolidated, since it is a special-purpose entity (SPE) whose activities are practically carried out exclusively in the interest of the Parent Company with reference to its specific corporate requirements so that the same Parent Company benefits from the SPE's operations (SIC 12).

Section 4 - Events subsequent to the balance sheet date

In the first months of 2012, the Parent Company Cariparma, in order to rationalize and develop the Group's core business, formalized an agreement for the transfer of its equity investment in Crédit Agricole Vita to Crédit Agricole Assurances S.A..

At the end of 2011, Cariparma had a 49.99% shareholding in Crédit Agricole Vita and Crédit Agricole Assurances S.A. a 50,01% one, therefore controlling and coordinating Crédit Agricole Vita.

The transfer agreement is expected to be finalized within the first six months of 2012.

Section 5 - Other aspects

Business combinations and other corporate transactions

General principles

The transfer of control of a business (or a group of activities and integrated assets, carried out and managed individually) is considered a business combination.

The acquisition, and therefore the first consolidation of the entity acquired, must be registered on the date at which the acquiring party obtained effective control over the acquired company or business.

The cost of a combination operation is shown at fair value, at the date of exchange of the business, the liabilities sustained or assumed, the equity issued by the purchaser in exchange for control.

Moreover, as required by IAS 32 the costs incurred by Cariparma and FriulAdria in issuing new shares for the acquisition were offset by the increase in equity subsequent to the increase in capital.

Business combinations are recognized using the purchase method provided for under IFRS 3 which includes registration of (i) assets, liabilities and potential liabilities at fair value at the date of acquisition including any intangible assets identifiable not already recorded in the balance sheet of the acquired company, (ii), the percentage of third party shareholdings in the acquired company in proportion to the relative share of fair value net of said elements, (iii) goodwill belonging to the Group determined as the difference between the cost of business combination and the share of the fair value of the business, net of assets, liabilities, and identifiable potential liabilities.

Recognition of business combinations carried out during 2011

On 3 January 2011, the acquisition of a controlling share (80%) in Cassa di Risparmio della Spezia S.p.A. was finalized.

Part G of the Explanatory Note prepared as part of the Group's Consolidated Financial Statement details the operation authorised by the Bank of Italy on 17 December 2010 which expanded the Parent Company's and Banca Popolare FriulAdria's business structure following the transfer of branches by the Intesa Sanpaolo Group.

The business combinations described above have been recorded according to the criteria provided for by IFRS 3.

As the process for allocating the purchase cost to the relevant Balance Sheet items is complex as is the calculation of the value of the intangible assets of the acquired entity, IFRS 3 allows for this allocation to be carried out within a period of 12 months from the date of acquisition.

This process had not been completed as at the date of preparation of these Financial Statements and therefore the business combinations have been only provisionally recognised.

The provisional recognition carried out as at 31 December 2011 include registration at fair value of buildings owned by the Carispezia and separate registration of intangible assets representing the value attributable to Carispezia's relationship with retail clients and of the branches transferred.

The latter asset represents the current value of future income connected to existing relations with clients at the moment of the acquisition and takes into account the market conditions as at that date, minus the current value of costs required for the realisation of this income.

The intangible assets representing relations with clients will be amortized at a constant rate over its useful life estimated at 15 years.

Part G of the Explanatory Note includes quantitative information on the recognitions carried out.

Securitization

The self-securitization transaction started by Cariparma in 2009 to create available "eligible" assets at the European Central Bank, to have liquidity reserves available continues.

The structure of the transaction envisaged that Cariparma would transfer to MondoMutui Cariparma S.r.l. (special-purpose entity established pursuant to Law 130/1999)the receivables deriving from performing house mortgage loans contracts for which LTV ratio must not exceed 80% secured by first mortgage, originated and already disbursed by Cariparma.

The bank, in turn, fully subscribed the securities issued by the "special-purpose entity"; the "senior" tranche, accepted for trading at the Luxembourg stock exchange, is considered a reserve of liquidity as it can be used, when needed, for open market transaction with the ECB or used as collateral with the same bank.

The transaction did not require the receivables to be derecognized from the financial statement of the Bank as the securitization was performed internally.

In the Note to the Financial Statements - Part E - Section 3 - Liquidity Risk, the breakdown of subscribed financial assets and ABS securities is given in Table “1. Distribution of financial assets and liabilities by residual maturity - Currency: Euro”, as confirmed by the Bank of Italy with communication of August 2010 (Supervisory Bulletin No. 8, August 2010 - 11.3).

Auditing

The consolidated financial statement was audited by Reconta Ernst & Young S.p.A., in accordance with the resolution passed by the General Shareholder Meeting on 29 April 2009, whereby this firm was appointed for the period 2009-2011.

» A.2 INFORMATION ON THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

1. Financial assets held for trading

Classification

This category consists of debt and equity securities and the positive value of derivatives contracts held for trading. Derivatives contracts include derivatives embedded in complex financial instruments that have been recognized separately because:
- their financial and risk characteristics are not strictly correlated with the characteristics of the underlying contract;
- embedded instruments, also if separated, satisfy the definition of derivative;
- hybrid instruments to which they belong are not measured at fair value with the related changes in value recognized in the income statement.

Recognition

Debt and equity securities are initially recognized at the settlement date, while derivative contracts are recognized at the date they are signed.

Financial assets held for trading are initially recognized at fair value, excluding transaction costs and income that can directly be attributed to the instrument itself.

Any derivative contracts embedded in complex contracts that are not strictly correlated with the host instrument and that meet the requirements to be classified as derivative contracts are separated from the host contract and recognized at fair value.

Measurement

Financial assets held for trading are measured at fair value following initial recognition. Any differences arising from the application of this measurement criterion are taken to the income statement.

To determine the fair value of financial instruments listed on an active market, market prices are used. In the absence of an active market, fair value is determined using estimation methods and measurement models that take account of all the risk factors correlated to the instruments and that are based on information available on the market, such as: the measurement of the price of listed instruments with similar features, calculations of discounted cash flows, option pricing models, values reported for recent comparable transactions, etc.

Equity securities and derivatives on equity securities, for which it not possible to reliably determine a fair value according to the above guidelines, are recognized at cost.

Derecognition

Financial assets are derecognized only if their sale has substantially transferred all the risks and rewards associated with ownership of the same assets. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial assets is retained, the asset continues to be recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the assets has been retained. Conversely, if the company retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

2. Financial assets available for sale

Classification

This category includes financial assets that are not otherwise classified as “loans and receivables”, “financial assets held for trading” or “financial assets held to maturity”.

In addition to bonds that are not held for trading and are not classified among “financial assets held to maturity” or “loans and receivables”, this item includes shareholdings not held for trading and not qualifying as subsidiary, associate or joint venture, including private equity and private equity funds investments, as well as the share of syndicated loans subscribed that have been held for sale since inception.

Recognition

Available-for-sale financial assets are initially recognized at the settlement date for debt and equity securities and at the disbursement date in the case of loans. The financial assets are initially recognized at fair value, including direct transaction costs or revenues.

If, in those cases allowed by accounting standards, recognition occurs as a result of reclassification from “assets held to maturity”, they are recognized at the fair value at the time of transfer.

Measurement

Following initial recognition, debt securities classified as “Assets available for sale” are measured at fair value, with the recognition in the income statement of the interests calculated based on the effective rate of return, whereas the gains and losses resulting from changes in the fair value are recognized in a specific equity reserve until the asset is derecognized or an impairment is recognized. Upon disposal or derecognition of an impairment loss, the accumulated gains or losses are recognized in the Income statement.

Fair value is determined using the criteria adopted for “financial assets held for trading”.

Equity instruments included in this category for which the fair value cannot be reliably determined are carried at cost.

“Financial assets available for sale” undergo impairment testing to determine whether there is objective evidence of impairment.

Where impairment is found, the amount of the loss is measured as the difference between purchase cost and fair value net of any losses already recognized in the Income Statement.

For capital securities, a fair value decrease by over 30% below the book value or for a period over 6 months is considered evidence of impairment.

Where the reasons for impairment should cease to obtain subsequent to the recognition of the impairment loss, writebacks are recognized in the income statement for loans or debt securities. The amount of the writeback shall not in any event exceed the loss originally recognized in the income statement.

For equity instruments this writeback is recorded in equity.

Loan restructuring operations entailing the partial or complete conversion into equity instruments classified in the category of financial assets available for sale

For equity instruments received within credit restructuring operations carried out by debtors, the initial recording of the capital instruments received is made at fair value of the same; the difference between the credit book value and the fair value of the capital instruments is recorded in the income statement in the adjustments item.

Moreover, where the restructuring with total or partial equity conversion relates to impaired loan exposures, since the conversion does not modify their quality, the equity instruments received are also considered as issued by an “impaired” subject; this entails that their subsequent fair value reductions are considered impairment evidence and therefore are recognized in the income statement until the issuer is restored to a performing status.

Derecognition

Financial assets are derecognized only if their sale has substantially transferred all the risks and rewards associated with ownership of the same assets. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial assets is retained, the asset continues to be recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the assets has been retained. Conversely, if the company retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

3. Financial assets held to maturity

Classification

This category includes debt securities with fixed or determinable payments and fixed maturity that the Company has the intention and the ability to hold to maturity. If, following a change in such intention or ability, it is no longer appropriate to continue to classify an investment as "held to maturity", is is reclassified under “Financial Assets available for sale”.

Recognition

Financial assets are initially recognized at the settlement date.

Financial assets classified in this category are initially recognized at fair value, including any costs and revenues directly attributable to them. If recognition in this category occurs as a result of reclassification from “Asset available for sale”, the fair value of the asset at the date of reclassification is taken as the new amortized cost of the asset.

Measurement

Following initial recognition, financial assets held to maturity are measured at amortized cost using the effective interest rate method.

Gains and losses relating to assets held to maturity are recognized in the income statement at the moment in which the asset is derecognized or has incurred an impairment loss, as well as through the amortization of the difference between the book value and the amount repayable upon maturity.

Financial assets held to maturity are subject to impairment testing to determine whether there is objective evidence of impairment.

If such evidence exists, the amount of this loss is measured as the difference between the book value of the asset and the current value of expected future cash flows, discounted using the original effective interest rate.

The amount of the loss is recognized in the income statement.

If the reasons for the impairment should be removed subsequent to the recognition of the impairment loss, a writeback is taken to the income statement. The amount of the writeback shall not in any event exceed the amortized cost that the financial instrument would have had in the absence of prior adjustments.

Derecognition

Financial assets are derecognized only if their sale has substantially transferred all the risks and rewards associated with ownership of the same assets. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial assets is retained, the asset continues to be recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the assets has been retained. Conversely, if the company retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

4. Loans and receivables

Classification

Loans and receivables include loans to customers and banks, whether disbursed directly or acquired from third parties, with fixed or determinable payments, that are not listed on an active market and are not originally classified as “Financial Assets available for sale”.

The category also includes trade receivables, repurchase transactions, and securities purchased through subscription or private placements, with fixed or determinable payments, that are not listed on an active market.

Recognition

Loans and receivables are initially recognized at the date of signing, which usually coincides with the disbursement date at fair value. The fair value of the financial instrument is equal to the amount disbursed, or subscription price, including costs and revenues directly attributable to the individual loan and determinable from the inception of the transaction, even if settled at a later time. The initially recognized amount does not include costs to be reimbursed by the debtor or that can be characterized as normal administrative overhead costs, despite having the above characteristics.

Measurement

After initial recognition, loans and receivables are measured at amortized cost. The amortized cost is equal to the amount at which a financial asset is measured at initial recognition, decreased by principal repayments, plus or minus the cumulative amortization - using the effective interest rate method - of any difference between the initial amount and the maturity amount (usually relating to costs and revenues directly attributable to the individual position). The effective interest rate is the rate that exactly discounts the estimated future cash flows generated by the loan in respect of principal and interest to the amount disbursed including costs and revenues attributable to the loan. This accounting treatment, using a financial logic, allows the cost/revenue economic impact to be distributed over the expected remaining life of the loan.

The depreciated cost method is not used for short-term receivables (lower than 12 months) as the effect of discounting back would be negligible. Short-term loans are valued at historic cost. The same approach is adopted for loans without a specified maturity or subject to revocation.

Loans are tested to determine whether events subsequent to recognition have given rise to objective evidence of possible impairment. Loans subject to testing include loans classified as bad debts, substandard loans, restructured loans or loans past due in accordance with the Bank of Italy's current rules and consistent with the IAS/IFRS.

Impaired positions are measured individually and the amount of the writedown of each loan is equal to the difference between the book value of the loan at the time of measurement (amortized cost) and the present value of expected future cash flows, calculated by applying the original effective interest rate.

Expected cash flows take account of expected recovery times, the assumable realizable value of any security, as well as the costs likely to be incurred to recover the claim.

The original effective interest rate of each loan remains unchanged over time unless the position undergoes a restructuring that involves a change in the contractual interest rate, including when it becomes, in effect, an interest-free loan.

The writedown is recognized in the Income Statement.

The original value of the loan is written back in subsequent financial years to the extent that the reasons for the writedown cease to obtain, provided that this assessment is objectively connected with an event that occurred subsequent to the writedown. Writebacks are recognized in the income statement and the value of the loan after the writeback shall not in any event exceed the amortized cost that it would have had in the absence of the prior writedown.

Writebacks connected with the passage of time are posted among writebacks.

Loans for which no individual objective evidence of impairment has been found undergo collective impairment testing. As shown in part E of the Note to the Financial Statements, this is performed by category of loans with uniform credit risk profiles, while the related loss percentages are based on the probability of default (PD) and Loss Given Default (LGD) observable at the date of measurement which allow an estimation of any latent impairment loss. This measurement also takes into account the risks associated with the counterparty's country of residence.

Collective impairment losses are taken to the income statement.

In Part E of the Note to the Financial Statements, the procedures for risk management and control are exhaustively described covering all risk-related aspects.

Derecognition

Transferred loans and receivables are derecognized only if their disposal has substantially transferred all the risks and rewards associated with the ownership of the asset in question. Conversely, when a prevalent share of the risks and rewards associated with the ownership of the loans and receivable is retained, they continue to be recognized, even though legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, loans and receivables are derecognized where no form of control over the instrument has been retained. Conversely, if the company retains even a portion of control, the loan or receivable continues to be recognized to the extent of the continuing involvement, measured by the exposure to changes in the value of the transferred assets and to changes in the related cash flows.

Finally, loans and receivables sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

5. Financial assets carried at fair value

The Group has not exercised the fair value option. In other words, the Group has not opted to measure financial assets at fair value, taking any change in such value to the income statement, of financial assets except in those cases for which IAS 39 requires the application of fair value criterion owing to their specific functional purpose. Therefore, only financial assets classified in the trading portfolio, subject to fair value hedging and fair value hedging derivatives, are measured at fair value and the result of the assessment registered in the income statement.

6. Hedging

Types of hedges

Hedging transactions are used to neutralize potential losses occurring on a given item or group of items attributable to a given risk where the risk event should occur.

The following types of hedges are used:
- fair value hedges: these are used to hedge exposures to changes in the fair value (attributable to the different types of risk) of assets and liabilities or portions thereof, groups of assets and liabilities, irrevocable commitments and portfolios of financial assets and liabilities, including core deposits, as permitted by IAS 39 as endorsed by the European Commission;
- cash flow hedged: these are used to hedge exposures to changes in future cash flows from assets and liabilities recognized in the Financial Statement, from irrevocable commitments. This type of hedge is used to stabilize interest on floating-rate funding to the extent the latter finances fixed rate lending;
- these are used to hedge risks of an investment in a foreign operation denominated in a foreign currency.

Measurement

Hedging derivatives are measured at fair value. Specifically:

- in the case of fair value hedging, changes in the fair value of the hedged item are offset by changes in the fair value of the hedging instrument. This offset is recognized by reporting changes in value in the income statement, both for the hedged item and for the hedging instrument. Any difference that may arise, representing the partial ineffectiveness of the hedge, represents the net financial effect;
- in the case of cash flow hedging, changes in the fair value of the derivative instrument are recognized in equity as to the effective portion of the hedge, and in the income statement only when, with regard to the hedged item, there is a change in the cash flows to be offset;
- hedging of foreign currency investments are recognized in the accounts in the same way as cash flow hedges.

The derivative instrument is considered a hedge where there is formal documentation of the relationship between the hedged item and the hedging instrument and where it is effective at inception and throughout its life.

The effectiveness of the hedge depends on the degree to which changes in the fair value of the hedged instrument or the relative expected cash flows are offset by changes in that of the hedging instrument. Accordingly, the actual effectiveness is gauged by comparing the above-mentioned changes, taking into account the intention of the company at the inception of the hedge.

A hedge is judged effective when changes in the fair value (or the cash flows) of the hedging instrument almost entirely - i.e. within an interval of between 80% and 125% - offset changes in the value of the hedged item for the hedged risk factor.

Effectiveness is assessed at the end of each financial year, or interim period, using:
- prospective tests, which justify the application of hedge accounting, since they demonstrate the expected effectiveness of the hedge;
- retrospective tests, which show the degree of effectiveness of the hedge achieved during the reference period. In other words, they measure how actual results deviate from the perfect hedge;

- any ineffective hedge produced by economic circumstances that are expected to return to normal as confirmed by prospective tests are not taken into account.

Self the tests do not confirm the effectiveness of the hedge, hedge accounting, as described above, is discontinued and the hedge derivative contract is reclassified under trading instruments, while the hedged financial instrument is again measured using the criteria applicable to its original category.

In the case of macro-hedging, IAS 39 allows fair value hedging of the exposure to interest rate risk of designated amount of financial assets or liabilities such that a group of derivative contracts can be used to reduce changes in the fair value of the items hedged against fluctuations in market interest rates.

Macro-hedging may not be used for a net amount calculated as the imbalance between financial assets and liabilities cannot be object of macro-hedging/for a net amount including assets and liabilities. Macro-hedging is deemed to be highly effective if, along with the fair value hedge, both at inception and during the hedge, changes in the fair value of the hedged amount are offset by the changes in the fair value of the hedging derivative, within a range of between 80% and 125%.

7. Equity investments

Recognition, classification and measurement

This item includes shares held in associates and joint ventures.

Joint ventures are companies in which the voting rights and the control of its business activities are shared equally, directly or indirectly, between the Parent Company and another party. Joint ventures also include equity investments in which, despite the lack of equal voting rights, control over the business activities and the strategic policies of the equity investment is shared with other parties under contractual agreements.

Associates are companies in which the Bank exercises a significant influence, holding, either directly or indirectly, at least 20% of the voting rights (including "potential" voting rights as defined above) or having the power to participate in determining its financial and operating policies, despite holding less than 20% of the voting rights , through specific legal ties such as being party to a shareholders' agreement.

Significant influence is not ascribed to interests of more than 20%, in which the Company holds only property rights to a portion of the return on the investments, and does not have a say in management policies and can exercise governance rights only to the extent necessary to protect its interests.

Equity investments in associates and joint ventures are initially recognised at cost and subsequently adjusted to the value of the Parent Company's share in the equity of the same.

8. Property, plant and equipment

Classification

"Property, plant and equipment" includes land, buildings used in operations, investment property, technical plants, furniture, furnishings and equipment of any type.

This item includes assets that are used in providing goods and services, to be rented to third parties, and intended to be used for more than one year.

Recognition

“Property, plant and equipment” is initially recognized at cost, which includes, in addition to the purchase cost, all costs directly attributable to the transaction and placing the asset in service.

Extraordinary maintenance expenses that increase the future economic benefits generated by such assets are recognized as an increase in the value of the assets, while ordinary maintenance costs are recognized in the Income Statement.

Measurement

Property, plant and equipment, including investment property, is measured at cost less depreciation and impairment.

Property, plant and equipment are systematically depreciated over their useful life on a straight-line basis, using the following rates of depreciation for the main categories of assets as follows:

Description	Depreciation schedule
Land	No depreciation
Operating property	33 years
Other investment property -other	
- other	33 years
- prestige building	No depreciation
Furniture, fittings, alarm systems and vehicles	From 4 to 10 days
Computers and electronic equipment	From 3 to 10 days
Works of art	No depreciation

Buildings are depreciated at a rate based on a useful life considered to appropriately represent the deterioration of the assets over time die to use, taking into account any extraordinary maintenance costs, which increase the value of the asset, and ordinary maintenance costs, which maintain the value of the assets for longer periods of time. Tests are however periodically performed to measure the assets’ remaining useful life.

The following assets are not depreciated:
- land, whether acquired separately or incorporated in the value of the building, since is has an indefinite useful life. Where its value is incorporated in the value of the building, under the components approach, the land is considered separable form the building. For buildings entirely owned by, and, therefore, fully available to the company, the division of the value of the land and the value of the building is based on appraisals by independent experts;
- property of art value;
- works of art, since their useful life cannot be estimated and their value normally increases over time.

If there is evidence of impairment of the asset, the asset’s carrying value is compared with its recoverable value. Any writedowns are recognized in the income statement.

If the reasons for the impairment should no longer exist, a writeback is recognized. The book value following the writeback shall not exceed the value the asset would have had, net of depreciation, in the absence of the prior writedowns.

Derecognition

Property, plant and equipment is derecognized when disposed of or when the asset is permanently withdrawn from use and no future benefits are expected from its disposal.

9. Intangible Assets

Classification

Intangible assets are recognized as such if they are identifiable and are based on legal or contractual rights (for example, software). Intangible assets include goodwill representing the positive difference between the purchase cost and fair value of the assets and liabilities acquired, as well as the intangible asset representing the Client relations recorded based on the application of IFRS 3.

Recognition and measurement

Intangible assets acquired separately are initially capitalized at cost, whereas those acquired through business combination operations are carried at fair value as at the acquisition date.

After initial recognition, intangible assets are recognized net of the accumulated amortization and of any accrued impairment losses.

Intangible assets' useful life is assessed as finite or indefinite.

Intangible assets with finite useful life are amortized over their useful life and are tested for impairment every time signals are recorded of a possible impairment. The amortization period and approach for intangible assets with finite useful life are reassessed at least at the end of every year. Changes in the expected useful life or in the modalities with which the future economic benefits linked to the assets occur, are recognized through the change of the period or amortization approach, as the case may be, and are considered as accounting estimate changes. The amortization cost for intangible assets with finite useful life is recognized in the Income Statement in the cost category consistent with the intangible asset function .

The software useful life does not exceed five years.

The useful life of intangible assets representing relations with customers has been set at 15 years, based on the time series available on the rate of customer turnover in the retail segment.

Intangible assets with indefinite useful life, including goodwill are not amortized, but are tested for impairment annually, both at individual level and at level of cash-generating unit. The assessment of indefinite useful life is annually revised to establish if it is still applicable. In the event it is not, the change from indefinite useful life to finite useful life is applied prospectively.

The amount of any impairment is calculated based on the difference between the recoverable value of the cash-generating unit and the book value of the same.

This recoverable value is the higher of the fair value of the cash-generating unit, net of any selling costs, and its value in use. Any subsequent writedown is recognized in the income statement.

Derecognition

Intangible assets are derecognized upon disposal or when no future economic benefits are expected to be generated by the asset.

Profits or losses resulting from the derecognition of intangible assets are calculated as the difference between the net disposal revenue and the book value of the intangible asset and are recognized in the income statement for the year in which the derecognition is made.

10. Non-current assets and disposal groups held for sale

"Non-current assets and disposal groups held for sale" and "Liabilities in respect of assets held for sale" include non-current assets or groups of assets/liabilities which are in the process of being divested, and for which a sale is considered highly probable. Such assets/liabilities are measured at the lower of book value and fair value, net of selling costs.

The related income and expenses (net of tax effects) are taken as a separate item in the Income Statement.

11. Current and Deferred Taxes

The effects of current taxes and deferred tax assets and liabilities are recognized at the applicable tax rates.

Income taxes are recognized in the Income Statement, except for those referring to items directly recognized in equity.

Provisions for income tax are calculated on the basis of a prudential forecast of the current tax liability and deferred tax assets and liabilities. Specifically, deferred tax assets and liabilities are calculated on the basis of temporary timing differences - without time restrictions - between the value attributed to an asset or a liability pursuant to the Italian Civil Code and the corresponding values used for tax purposes.

Deferred tax assets are calculated using the balance sheet liability method.

Deferred tax assets, with regard to deductible timing differences or future tax benefits that can be gained by carrying forward tax losses, are recognized to the extent their recovery is deemed likely.

Deferred tax liabilities are recognized for all taxable temporary differences, except for the reserves on which taxation is suspended, since the amount of available reserves already subject to taxation makes it likely that no taxable operations will be carried out.

Deferred tax assets and liabilities are recognized with open balances without offsets; the former are entered under "Tax assets", the latter under "Tax liabilities".

Deferred tax assets and liabilities are systematically measured to reflect any changes in tax regulations or rates, as well as in any other situation applicable to the company. The effects are recognized in the Income Statement, except when these regard changes in the temporary differences in items for which accounting policies require recognition directly in equity, in which case the change in the deferred tax liability or asset is taken directly to equity.

12. Provisions for liabilities and contingencies:

Retirement and similar liabilities

The company pension plans, created pursuant to corporate agreements, qualify as "defined-benefit plans".

The liability in respect of these plans and relative current service cost are determined on an actuarial basis by applying the projected unit credit method. Under this method, future outlays are projected based on analyses of time series and the demographic curve and the discounting of these cash flows using a market interest rate, as set forth in the relevant tables in the Note to the Financial Statements.

Contributions paid in each period are treated as separate items, recognized and measured individually in calculating the final obligation.

The discount rate used is based on the yield curve of AA-rated European corporate securities.

The present value of the obligation at the balance-sheet date is further adjusted in the amount of the fair value of any plan assets.

Other provisions

Other provisions for liabilities and contingencies include accruals for legal or constructive obligations associated with employment relationships and disputes, including tax disputes, resulting from a past event for which an outflow of economic resources to settle the obligation is probable and for which a reliable estimate can be made of the amount.

Where the time factor is significant, provisions are discounted using current market rates. The accrual is recognized in the Income Statement and includes the increase in the provision due to the passage of time. This item also includes long-term employee benefits, the charges for which are determined using the same actuarial criteria described for retirements benefits. Actuarial gains and losses are immediately recognized in the Income Statement.

13. Debt and securities issued

Classification

"Amounts due to banks", "amounts due to customers" and "securities issued" include all forms of interbank and customer funding, repurchase agreements and funding through certificates of deposit and outstanding bond issues and other instruments, less any amounts repurchased.

Recognition

These financial liabilities are initially recognized upon the signing of the contract, which usually corresponds with receipt of the funds raised or the issue of debt securities.

The financial liabilities are initially recognized at fair value, which is normally equal to the amounts received or the issue price, plus or minus any additional costs or revenues directly attributable to the transaction. Internal administrative costs are excluded.

Measurement

Following initial recognition, the financial liabilities are measured at amortized cost using the effective interest rate method.

This excludes short-term liabilities, which are recognized in the amount received since the time factor is negligible.

Derecognition

Financial liabilities are derecognised when they expire or are extinguished. Liabilities are also derecognized when previously issued securities are repurchased. The difference between the book value of the liability and the amount paid to repurchase it is recognized in the Income Statement.

The subsequent placement of repurchased securities on the market is treated as a new issue and is recognized at the new placement price.

14. Financial liabilities held for trading

This item includes the negative value of derivative contracts held for trading, as well as the negative value of derivatives embedded in complex contracts that are not strictly correlated with such contracts. It also includes liabilities originating from technical overdrafts generated by securities trading.

All trading liabilities are measured at fair value, with the result of such measurement being taken to the Income Statement.

15. Financial Liabilities carried at fair value

The Group has not exercised the fair value option. In other words, the Group has not opted to measure financial assets at fair value, taking any change in such value to the income statement, of financial assets except in those cases for which IAS 39 requires the application of fair value criterion owing to their specific functional purpose. Therefore, only financial liabilities held in the trading book, those subject to fair value hedging and derivative hedging contracts are recognized at fair value with recognition of the result of measurement to the Income Statement.

16. Foreign currency transactions

Initial recognition

Transactions in a foreign currency are initially recognized in the functional currency by translating the amount in the foreign currency at the exchange rate prevailing on the date of the transaction.

Subsequent measurement

At each annual and interim Balance Sheet date, foreign currency items are measured as follows:
- monetary items are translated at the exchange rate prevailing at the balance-sheet date;
- non-monetary items measured at historic cost are translated at the exchange rate prevailing the transaction date;
- non-monetary items measured at fair value are translated using the exchange rate prevailing at balance-sheet date.

Exchange rate differences resulting from the settlement of monetary items or from the translation of monetary items at exchange rates other than the initial translation rate, or the translation of previous Financial Statements, are recognized in the income statement for the period in which they emerge. When gains or losses relating to a non-monetary item are recognized in equity, the exchange rate difference for the item is also recognized in equity. Conversely, when a profit or a loss is recognized in the income statement, the corresponding exchange rate difference is also recognized in the income statement.

17. Other information

Leases

Leases have been recognized based on the provisions of IAS 17.

In particular the definition of a contract agreement as a lease operation (or including a lease operation) is based on the fact that the same agreement depends on the use of one or more specific assets and whether the agreement transfers the right of use of that asset.

Finance lease contracts for which the Cariparma Credit Agricole Group takes up the role as lessor, the assets granted in financial lease are recognized as receivables in the Balance Sheet with a value equal to the lease net investment, while interests receivable (financial components of lease fees) are recognized in the income statement, and the fee part representing principal refunding reduces the receivable value.

Classification of leases

In the initial value of the loan also includes the so-called “initial direct costs”; more in detail, the accounting standard:
- defines the initial direct costs as “incremental costs directly ascribable to the negotiation and stipulation of the lease”, specifying that “the interest rate implicit in the lease is the discount rate making the current value of the minimal payments resulting from the lease and of the non-guaranteed residual value be equal to the current value of the leased plus the initial direct costs borne by the Lessor”;
- specifies that “ Lessors include in the initial lease amount the initial direct costs borne for lease negotiation. This treatment does not apply to Lessors that are manufacturers or dealers”;
- specifies that “the Principle does not allow initial direct costs to be recognized as expenses by the Lessors”.

It is to be noted that the IAS 17 provision for the inclusion of the initial direct costs in the financial lease recognition by the Lessor essentially entails that lease receivables are treated as financial receivables valued at depreciated cost.

Initial direct costs to be ascribed to a net investment increase include only the additional costs directly ascribable to negotiation and finalization of financial lease transaction that are certain and immediately determinable upon the initial recognition of the lease receivable, such as commission and legal costs.

The Cariparma Crédit Agricole Group has also entered into operational lease contracts as Lessee, concerning cars and other operating assets. The payments associated with these operating lease contracts have been recognized in the income statement on a straight-line basis over the duration of the contract.

Insurance Assets and Liabilities

The Consolidated Financial Statements of the Cariparma FriulAdria Group do not include any assets or liabilities bearing insurance risks.

Treasury shares

Treasury shares are deducted from Shareholders' Equity. Similarly, the original costs of these shares and any gains or losses resulting from their subsequent sale are recognized as changes in Shareholders' Equity.

Leasehold improvements

The costs of renovating leased property are capitalized in consideration of the fact that, for the duration of the lease, the tenant has control over and enjoys the future economic benefits of the assets. These costs, classified among "Other Assets" as required by circular letter No. 262/2005 issued by the Bank of Italy, are depreciated over a period that does not exceed the duration of the lease.

Employee severance benefits

Until 31 December 2006 the employee severance benefits of Italian companies was considered a defined-benefit plan. The regulation of these benefits was amended by Law 27 December 2006, No. 296 ("Financial Act 2007") and subsequent Decrees and Regulations issued on the first months of 2007. In the light of said amendments, with particular reference to the Group companies with at least 50 employees, this item is now to be considered a defined benefit scheme exclusively for the portions accrued before 1 January 2007 (and not settled yet as at the Balance-sheet date), whereas after such date it is treated as a defined contribution scheme.

Therefore, with reference to the defined benefit scheme component the benefit cost is calculated separately for each scheme using the actuarial unitary credit projection method. Under this method, future outlays are projected based on an analysis of time series and the demographic curve, and the discounting of these cash flows using a market interest rate. Contributions paid in each period are treated as separate items, recognized and measured individually in calculating the final obligation.

The discount rate used is based on the yield curve of AA-rated European corporate securities.

The costs to service the plan are recognized under staff expenses, include interest accrued, while the total employee severance benefits portion accrued in the year, following the reform of supplementary pension schemes introduced with the 2007 Finance Act, constitutes a "defined-contribution plan".

Actuarial gains and losses, including revaluation of the portions accrued in the previous years, based on the reference ISTAT (Italian National Institute of Statistics) index, are taken to a specific equity reserve, starting from 2010.

Based on the employees' choice, the amounts are allocated to supplementary pension schemes or to the Treasury fund managed by INPS (Italian Social Security Institute). The shares allocated to the defined contribution scheme are calculated based on the contributions due for each year without applying actuarial calculation methods.

Provisions for guarantees and commitments

Financial guarantee liabilities issued by the Group are the contracts requiring a payment to refund the holder of a loss following the default of a specific debtor in making the payment due at the set maturity date based on the contract clauses debt instrument. Financial guarantee contracts are initially recognised as liabilities at fair value, increased by the transaction costs directly ascribable to the guarantee issue.

Later, liabilities are measured as the higher between the best estimate of the cost required to meet the actual obligation as at the financial statement date and the amount initially recognised after deducting the accrued amortization. These guarantees are recognized under "Other Liabilities", pursuant to the above-mentioned Bank of Italy Circular letter No. 262/2005 (1st revision of 18 November 2009).

Share-based payments

Share-based remuneration plans for employees are recognized in the Income Statement, with a corresponding increase in Shareholders' Equity, based on the fair value of the financial instruments allocated at the grant date, divided over the time period covered by the plan.

The fair value of any options is calculated using a model that takes into account information such as the exercise price and the term of the option, as well as the current price of the shares and their expected volatility, expected dividends and the risk-free interest rate, and the specific characteristics of the plan. The measurement model separately measures the options and the probability that the conditions for granting the options will be achieved. Any reduction in the number of financial instruments granted is recognized as a cancellation of a portion of such instruments.

Revenue recognition

Revenues are recognised when realized or when it is probable that future benefits will be received and these future benefits can be reliably determined. Specifically:

- interest is recognised on an accrual basis using the contractual interest rate or the effective interest rate where the amortized cost method is applied;
- default interest, if any, is recognized in the income statement only upon receipt;
- dividends are recognized in the income statement when their distribution is authorized;
- commissions for revenues from services are recognized, in accordance with the terms of the contract, in the period in which the service is rendered;
- revenues from intermediation in financial instruments, calculated on the basis of the difference between the transaction price and the fair value of the financial instrument, are recognized in the Income Statement when the transaction is recognized, if the fair value can be determined with reference to parameters or transactions recently observed in the same market in which the instrument is traded. If these amounts cannot be easily determined or the instrument is not highly liquid, the financial instrument is recognized in an amount equal to the transaction price, excluding the commercial margin; the difference between this amount and the fair value is taken to profit or loss over the duration of the transaction through the gradual reduction in the valuation model of the corrective factor reflecting the reduced liquidity of the instrument.

Method for determining fair value

Fair value represents the amount for which an asset (or a liability) could be exchanged in a transaction between independent parties with a reasonable degree of knowledge about market conditions and important facts concerning the asset or liability traded. Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The fair value reflects the credit quality of the instrument as it incorporates counterparty risk.

Financial Instruments

Fair value is determined using prices from financial markets, in the case of financial instruments listed in active markets, or using internal measurement for other financial instruments.

A market is considered active if quoted prices, representing effective and regular market transactions occurring during an appropriate reference period, are readily and regularly available from sources such as securities markets, dealers, brokers, industry companies, pricing services or regulatory agencies. Mutual funds, spot exchange transactions, futures, options and stocks listed on regulated markets, and bonds, for which at least two "executable" prices on a quotation service with a bid-ask spread that is less than an interval deemed appropriate recognizable on an ongoing basis are considered to be quoted on active markets meeting the above requirements. Finally, hedge funds are also treated as quoted on an active market if they involve the monthly liquidation of units or, where this is not envisaged, if they can be liquidated in a period of no more than four months. Otherwise, all securities, derivatives and hedge funds that do not belong to the above categories are not considered as quoted on an active market.

Per gli strumenti finanziari quotati su mercati attivi viene utilizzato il prezzo definito "ufficiale", alla chiusura del periodo di riferimento.

For financial instruments traded on active markets the price is used which is defined as “official”, as at the closure of the period of reference.

In the case of financial instruments for which the bid-ask spread is immaterial, or for financial assets and liabilities capable of offsetting market risk, a “mid price” is used, i.e. the average market price (on the last day of the reference period) instead of the bid or ask price.

Where there is no active, liquid market, the fair value of financial instruments is defined mainly by using standard measurement techniques designed to establish what the transaction price would have been on the measurement date in an arm’s length trade carried out for normal market reasons. In incorporating all the factors that operators would consider in setting the price, development of the valuation models takes into account the time value of money at the risk-free rate, the volatility of the financial instrument, as well as, where applicable, exchange rates, commodity prices and stock prices.

With finance products for which the fair value determined with measurement technique cannot guarantee a sufficient degree of reliability, the value is prudently calculated as the fair value at the reference date communicated by the parties with which the transactions were signed.

The measurement method chosen for a financial instrument is applied consistently over time and may only be altered if significant changes in market conditions or the subjective condition of the issuer of the financial instrument occur.

For bonds and derivative contracts, measurement models globally accepted have been defined, which refer to market parameters communicated by the Parent Company, to the time value of money and to risk-free rates.

Specifically, fixed-rate bonds relating to financial assets or liabilities are measured using the discounted cash flow method pursuant to the security contractual scheme; variable-rate bonds are measured by discounting back future cash flows estimated on the basis of the forward rates with the application of index-linking parameter.

Derivative contracts are measured using specific calculation algorithms and specific numerical procedures, according to the type of the different categories of transactions.

Share certificates are measured considering the direct transactions, that is, significant transactions on the security registered in a sufficiently short timeframe with respect to the time of measurement and in constant market conditions, the comparable transactions by companies operating in the same sector and supplying the same type of products and services as the associated company being evaluated provides, application of the average of significant stock exchange multiples of companies of a comparable financial size to the financial aggregates of the investee and, finally, analytical financial, profitability and equity measurement methods.

For assets classified as available for sale or for assets and liabilities recognized at cost or amortized cost, the fair value in the Financial Statements or in the note is calculated using the following method:

- medium and long-term fixed-rate assets and liabilities are primarily measured by discounting future cash flows. Future cash flows are determined with a risk-neutral approach by using a risk-free interest rate and adjusting contractually envisaged future cash flows to take into account the counterparty’s credit risk, represented by the Probability of Default (PD) and the Loss Given Default (LGD);
- a good approximation of the fair value of demand or short-term floating-rate assets and liabilities is represented by the initial carrying value, net of collective or individual writedowns;
- the initial carrying value of floating-rate and short-term fixed-rate securities is deemed a reasonable approximation of the fair value, due to the fact that it reflects both the change in rates and the measurement of the credit risk associated with the issuer. An analogous approach is applied in measuring the fair value of medium/long-term, fixed-rate securities and structured securities that are hedged for interest rate risk with respect to which the book value determined for hedge accounting purposes already takes into account market risk. For the latter, in determining the fair value reported in the note to the financial statements, changes in their credit spread were not taken into account, given that they are immaterial.

Non-financial assets

With regard to real estate, for which the fair value is calculated only for the purposes of disclosure in the notes to the financial statements, reference is made to a value primarily based on appraisals by independent experts, considering transactions at current prices in an active market for similar properties in the same geographical area and under the same conditions for leases and other contracts.

Method for calculating amortized cost

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization, calculated using the effective interest method, of any difference between the initial amount and the amount at maturity, and minus any impairment loss.

The effective interest rate is the rate that exactly discounts the estimated future cash flows generated by the financial asset or liability up to maturity or the subsequent repricing date to the present value of the financial asset or liability.

To calculate the present value, the effective interest rate is applied to future cash flows or payments over the life of the financial asset or liability or for a shorter period of time under certain conditions (for example, changes in market rates).

Subsequent to initial recognition, the amortized cost method makes it possible to allocate revenues and costs pertaining to the instruments over their expected lifetime. The calculation of amortized cost differs depending on whether the financial asset or liability being measured is fixed-rate or floating-rate, and - in the case of a floating rate instrument - whether the variability of the rate is known ahead of time. For fixed-rate instruments, or instruments with fixed rate over specified time periods, future cash flows are measured using the known interest rate (single or variable) over the life of the loan. For floating rate financial assets and liabilities whose variability is not known ahead of time (e.g. because it is linked to an index), cash flows are determined using the last known rate. Each time the rate is changed, the amortization schedule is recalculated, as is the effective rate of return over the entire useful life of the instruments, i.e. through maturity. Any adjustments are recognized as expense or income in the Income Statement.

Amortized cost is calculated for loans and receivables, financial assets held to maturity financial assets available for sale, debt and securities issued.

Financial assets and liabilities traded on an arm’s length basis are initially recognized at fair value, which normally corresponds to the amount received or paid, including, for instruments measured at amortized cost, directly attributable transaction costs and commissions.

Transaction costs are incremental internal or external costs or revenues that are directly attributable to the issue, acquisition or disposal of a financial instrument that cannot be charged to the customer. These commissions, which must be directly attributable to individual financial assets or liabilities, affect the original effective rate of return and cause the effective interest rate associated with the transaction to vary from the contractual interest rate. Transaction costs do not include costs and revenues that apply, indiscriminately, to more than one transaction and components relating to events that could occur over the life of the instruments that are not certain at the time the instrument is initially prepared, such as: commissions for retrocession, failure to use a credit line, early repayment, underwriting, facility and arrangement.

In addition, not considered in the amortized cost calculation are the amortized costs that the Bank would sustain independently of the transaction (for example, administrative costs, recording fees, correspondence), nor those that, though specifically attributable to the transaction, fall within normal loan management practices (for example, activities associated with disbursement of the loan), as well as commissions for services received for activities carried out relating to structured finance deals that would however have been received independently of the resulting lending transactions and, intercompany costs and revenues.

With particular reference to loans, costs attributable to the financial instrument include commissions payable to distribution channels, payments for consultancy/assistance to the organisation and/or participation in syndicated loans, costs incurred for loans acquired by subrogation and finally up-front commissions relating to loans issued at rates higher than market rates; while the income considered in the calculation of depreciated costs are up-front commissions for loans disbursed at lower-than-market rates, commission for participating in syndicated transactions and brokerage fees linked to commissions paid by intermediation companies.

As to securities not classified as held for trading, transaction costs include commissions on contracts with stockbrokers operating in Italian markets, commissions paid to intermediaries operating in foreign stock and bond markets based on a prepared schedule of commissions. The amortized cost does not include stamp duties, as these are deemed immaterial.

With regard to securities issued, amortized cost is calculated taking into account commissions for placing bonds paid to third parties, amounts paid to stock exchanges and fees paid to auditors for work done on each individual issue, while excluding commissions paid to rating agencies, legal fees and fees paid to advisors and auditors to annually update the financial reports, costs for using indexes and commissions that arise during the lifespan of the bond issued.

Following initial recognition, they are measured at amortized cost, reporting that the effective interest rate is higher or lower than nominal rate. Finally, structured assets or liabilities not measured at fair value through the income statement are also measured at amortized cost, with the embedded derivative recognized separately from the host financial instrument.

Hedged financial assets and liabilities for which changes in fair value with respect to the hedged risk are recognized in the income statement are not measured at amortized cost. However, the financial instrument is once again measured at amortized cost where the hedge terminates. From that moment, previously recognized changes in fair value are amortized, calculating the new effective interest rate that takes account of the value of the loan adjusted for the fair value of the hedged item, through the originally scheduled expiry of the hedge. Moreover, as stated previously in the section on measuring loans and receivables, debt and securities issued, the amortized cost method does not apply to short-term financial assets and liabilities since the impact of discounting is negligible, nor to loans without a specified maturity or loans subject to revocation.

Methods for determining impairment losses

Financial assets

At every balance-sheet date, financial assets not classified among “Financial Assets held for trading” undergo impairment testing to determine whether there is objective evidence that the book value of the assets is not fully recoverable.

Impairment exists where there is objective evidence of a reduction in future cash flows compared with the original estimates following the occurrence of specific events. The loss must be capable of being reliably measured and must be correlated with actual, not merely expected, events.

Impairment is measured individually for financial assets that show specific evidence of impairment, and collectively for financial assets for which individual measurement is not required or for which individual measurement has not produced a writedown.

Loans to customers and loans to banks subject to individual assessment include those classified as bad debts, substandard loans, restructured loans or loans past due in accordance with the Bank of Italy’s definitions, and consistent with IAS/IFRS.

Impaired positions are measured individually and the amount of the writedown of each loan is equal to the difference between the book value of the loan at the time of measurement (amortized cost) and the present value of expected future cash flows, calculated by applying the original effective interest rate.

Expected cash flows take account of expected recovery times, the assumable realizable value of any security, as well as the costs likely to be incurred to recover the claim. Cash flows from loans for which recovery is expected in the short-term are not discounted, since the impact of the time factor is deemed immaterial.

Loans for which no individual objective evidence of impairment has been found undergo collective impairment testing. To this end performing loans are subdivided into categories with uniform credit risk profile, referred to as “rating classes”, and the scope of application is defined by identifying “sensitive” loans, considered as loans that implicitly include the possibility of incurred losses. The sensitive loan selection process excludes loan issued during the past 12 months but includes renewals of existing credit lines.

The collective impairment value of sensitive loans is, therefore, calculated applying the percentage expressing the probability of default assigned to the rating class, considering also the residual life of the loan (maturity) and the loss given default rate, defined in a perspective of Basel 2 prudential supervision . The loss given default rate is, moreover, further corrected by a sector coefficient, established based on the run-off rates published by the Bank of Italy. The impairment loss measurement also takes into account the risk associated with the counterparty’s country of residence.

Moreover, for shares, objective evidence of impairment is deemed found in the presence of one of the following signals: a rating downgrading by over 2 classes, a market capitalization significantly lower than the Shareholders’ Equity, start of implementation of a debt restructuring plan, a significant negative change in Shareholders’ Equity.

Please, see the relevant section of the notes for information on how the fair value is calculated.

Other non-financial assets

Property, plant and equipment and intangible assets with a definite useful life are subject to impairment testing if there is evidence that the book value of the asset can no longer be recovered.

The recoverable value is calculated for each single asset, except in case this asset generates cash flows that are not widely independent from those generated by other assets or groups of assets.

If the book value of an asset is higher than its recoverable value, that asset is impaired and consequently written down to the recoverable value.

The recoverable value is determined with reference to the fair value of the asset, excluding disposal costs, or value in use, if calculable and higher than fair value.

The fair value of property is determined on the basis of appraisals by independent experts. The appraisal is updated whenever there is a change in the property market trend that could affect the validity of the previous estimates and, in any case, every three years. Impairment losses are recognized only when the fair value or value in use of the asset is lower than its book value for three consecutive years.

For other tangible fixed assets and intangible fixed assets (other than goodwill), Cariparma establishes use value as the current value of the estimated future cash flows using a discounting rate before-taxes reflecting the market valuations (the current cost of money and the asset specific risks).

Method for preparing segment reporting

IFRS 8 requires the Bank to present segment reporting.

The sectors of economic activity included in segment reporting are determined based on the Group's organisational and management structure, as provided for in IFRS8.

The Bank's business segments are:
- Retail + Private Banking;
- Corporate;
- Crédit Agricole Leasing Italia S.r.l. (CALIT)
- Remaining business.

For Segment Reporting purposes Financial Statement figures have been used.

The methods used for the impairment testing of goodwill are detailed at point 13.3 Assets.

» A3 FAIR VALUE REPORTING

A.3.1 Inter-portfolio transfers

In 2011 no inter-portfolio transfers were made.

Classification of financial instruments

Asset Securities

Level 1

All securities measured using prices (without adjustments) on active markets.

Level 2

All securities measured using prices listed on non active markets or active markets for similar (but not identical) instruments, as well as securities measures using Cariparma Crédit Agricole Group standard internal pricing models whose parameters can be observed directly on the market.

Level 3

All securities are measured on non-observable market bases. In this case, the securities are measured on the basis of estimates and assumptions based on historical knowledge or on the basis of measurement communicated by qualified market operators.

Liability Securities

Level 1

All securities measured using prices (without adjustments) on active markets.

Level 2

All securities measured using Cariparma Crédit Agricole Group standard internal pricing models whose parameters can be observed directly on the market.

Level 3

All securities are measured on non-observable market bases.

Listed Derivatives

Level 1

All securities measured using prices (without adjustments) on active markets.

Otc Derivatives

Level 2

All securities measured using Cariparma Crédit Agricole Group standard internal pricing models whose parameters can be observed directly on the market.

Level 3

All derivatives for which an active market does not exist and whose measurement is not based on observable market data, or using the measurement communicated by qualified market operators.

A.3.2.1 Accounting portfolios: breakdown by fair value level

Financial assets/liabilities carried at fair value	31.12.2011			31.12.2010		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets held for trading	265	243,737	76,633	15,717	179,804	103,814
2. Financial assets carried at fair value	-	-	-	-	-	-
3. Financial assets available for sale	3,507,219	-	179,487	7,016,965	-	168,115
4. Hedging derivatives	-	699,360	7,641	-	400,028	-
Total	**3,507,484**	**943,097**	**263,761**	**7,032,682**	**579,832**	**271,929**
1. Financial liabilities held for trading	17	230,623	76,825	5	179,172	104,762
2. Financial liabilities carried at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	176,602	-	-	22,899	-
Total	**17**	**407,225**	**76,825**	**5**	**202,071**	**104,762**

A.3.2.2 Annual changes in financial assets carried at fair value level 3

	Financial Assets			
	held for trading	carried at fair value	available for sale	hedging
1. Opening balance	**103,814**	**-**	**168,115**	**-**
2. Increases	**26,164**	**-**	**18,732**	**7,641**
2.1 Purchases	22,941	-	5,365	7,641
2.2 Profits recognized in:	-	-	-	-
2.2.1 Income Statement	3,210	-	1	-
- of which: Capital gains	3,210	-	-	-
2.2.2 Shareholders' equity	X	X	5,101	-
2.3 Transfers from other categories	2	-	-	-
2.4 Other increases	11	-	8,265	-
3. Decreases	**53,345**	**-**	**7,360**	**-**
3.1 Sales	227	-	355	-
3.2 Redemptions	21,935	-	125	-
3.3 Losses recognized in:				
3.3.1 Income Statement	12,997	-	2,725	-
- of which Capital losses	12,997	-	2,724	-
3.3.2 Shareholders' equity	X	X	4,155	-
3.4 Transfers to other categories	18,171	-	-	-
3.5 Other decreases	15	-	-	-
4. Closing balance	**76,633**	**-**	**179,487**	**7,641**

A.3.2.3 Annual changes in financial liabilities carried at fair value level 3

	Financial Liabilities		
	held for trading	carried at fair value	hedging
1. Opening balance	**104,762**		
2. Increases	**12,198**	**-**	**-**
2.1 Issues	-	-	-
2.2 Losses recognized in:			
2.2.1 Income Statement	12,198	-	-
- of which: capital losses	12,198	-	-
2.2.2 Shareholders' equity	X	X	-
2.3 Transfers from other categories	-	-	-
2.4 Other increases	-	-	-
3. Decreases	**40,135**	**-**	**-**
3.1 Redemptions	9,023	-	-
3.2 Repurchases	-	-	-
3.3 Profits recognized in:			
3.3.1 Income Statement	12,098	-	-
- of which capital gains	9,366	-	-
3.3.2 Shareholders' equity	X	X	-
3.4 Transfers to other categories	19,014	-	-
3.5 Other decreases	-	-	-
4. Closing balance	**76,825**	**-**	**-**

A.3.3 Information on day-one profit/loss

Not applicable to Group.

Part B Notes to the Consolidated Balance Sheet

ASSETS

Section 1 - Cash and cash equivalents - Item 10

1.1 Cash and cash equivalents: composition

	31.12.2011	31.12.2010
a) Cash	250,780	214,900
b) Demand deposits with Central Banks	680,000	-
Total	**930,780**	**214,900**

Section 2 - Financial assets held for trading - Item 20

2.1 Financial assets held for trading: Composition by type

	31.12.2011			31.12.2010		
Items	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. On-balance-sheet assets						
1. Debt securities	248	8,867	1,363	6,278	3,884	1,478
1.1 Structured Securities	5	289	589	5	108	598
1.2 Other debt securities	243	8,578	774	6,273	3,776	880
2. Equity securities	1	9	17	2	9	17
3. Units in collective investment undertakings	-	9,311	149	9,431	-	304
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
TOTALE A	**249**	**18,187**	**1,529**	**15,711**	**3,893**	**1,799**
B. Derivatives						
1. Financial Derivatives	16	225,550	75,104	6	175,911	102,015
1.1 Trading	16	225,550	75,104	6	175,911	102,015
1.2 Associated with fair value option	-	-	-	-	-	-
1.3 Other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 Trading	-	-	-	-	-	-
2.2 Associated with fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
Total B	**16**	**225,550**	**75,104**	**6**	**175,911**	**102,015**
Total (A+B)	**265**	**243,737**	**76,633**	**15,717**	**179,804**	**103,814**

2.2 Financial assets held for trading: Composition by debtor/issuer

Items	31.12.2011	31.12.2010
A. On-balance-sheet assets		
1. Debt securities	**10,478**	**11,640**
a) Governments and central banks	16	6,269
b) Other public entities	-	-
c) Banks	10,443	5,267
d) Other issuers:	19	104
2. Equity securities	**27**	**28**
a) Banks	26	26
b) Other issuers:	1	2
- insurance companies	1	2
- financial companies	-	-
- non-financial companies	-	-
- other	-	-
3. Units in collective investment undertakings	**9,460**	**9,735**
4. Loans	**-**	**-**
a) Governments and central banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other subjects	-	-
Total A	**19,965**	**21,403**
B. Derivatives		
a) Banks		
- fair value	125,376	94,847
b) Customers		
- fair value	175,294	183,085
Total B	**300,670**	**277,932**
Total (A+B)	**320,635**	**299,335**

The "OICR (Collective Investment Undertaking)" item mainly consisted of share funds.

2.3 On-balance-sheet financial assets held for trading: changes for the period

	Debt securities	Equity securities	Units in collective investment undertakings	Loans	Total
A. Opening balance	**11,640**	**28**	**9,735**	**-**	**21,403**
B. Increases	**1,712,221**	**7,440**	**107**	**-**	**1,719,768**
B1. Purchases	1,705,520	7,412	19	-	1,712,951
B2. Fair Value gains	311	-	13	-	324
B3. Other changes	6,390	28	75	-	6,493
C. Decreases	**1,713,383**	**7,441**	**382**	**-**	**1,721,206**
C1 Sales	1,710,328	7,439	18	-	1,717,785
C2. Redemptions	-	-	209	-	209
C3. Fair Value losses	173	-	154	-	327
C4 Transfers to other portfolios	-	-	-	-	-
C5. Other changes	2,882	2	1	-	2,885
D. CLOSING BALANCE	**10,478**	**27**	**9,460**	**-**	**19,965**

Rows B3. and C5. include profits and losses from trading, accrued income on the differences between issue prices and nominal values and on coupon interests, effects resulting from exchange rate fluctuations.

Any initial technical overdrafts are reported in row C5. and final ones in row B3..

Section 4 - Financial assets available for sale - Item 40

4.1 Financial assets available for sale: composition by type

	31.12.2011			31.12.2010		
Items	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
1. Debt securities	**3,506,656**	**-**	**51,572**	**7,015,334**	**-**	**47,706**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	3,506,656	-	51,572	7,015,334	-	47,706
2. Equity securities	**563**	**-**	**125,398**	**1,631**	**-**	**119,989**
2.1 Carried at fair value	563	-	57,728	1,631	-	55,969
2.2 Carried at cost	-	-	67,670	-	-	64,020
3. Units in collective investment undertakings	**-**	**-**	**2,517**	**-**	**-**	**420**
4. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**3,507,219**	**-**	**179,487**	**7,016,965**	**-**	**168,115**

The main equity securities carried at cost are: Bank of Italy (book value € 67,026 thousand whose fair value is equal to the cost, because there is no market, even a secondary one, and the common measuring methods may not be used, given the particular kind of business), Consorzio Agrario Provinciale di Parma (book value € 572 thousand whose fair value is equal to the historic cost because there is no distribution of profits, due to their co-operative company status, and in case of settlement only the share capital is refunded) and Consorzio Agrario Provinciale Piacenza S.c.r.l. (book value € 453.26, whose fair value is equal to the historic cost because there is no distribution of profits, due to their co-operative company status, and in case of settlement only the share capital is refunded, Scuola di vela S. Teresa S.r.l. (book value € 12 thousand) and Distretto ligure e delle tecnologie marine (book value € 60 thousand).

4.2 Financial assets available for sale: composition by debtor/issuer

Items	**31.12.2011**	**31.12.2010**
1. Debt securities	**3,558,228**	**7,063,040**
a) Governments and central banks	3,506,658	7,015,334
b) Other public entities	3,150	350
c) Banks	-	-
d) Other issuers:	48,420	47,356
2. Equity securities	**125,961**	**121,620**
a) Banks	76,501	75,603
b) Other issuers:	**49,460**	**46,017**
- insurance undertakings	-	-
- financial companies	23,649	24,732
- non-financial companies	25,811	21,285
- other	-	-
3. Units in collective investment undertakings	**2,517**	**420**
4. Loans	**-**	**-**
a) Governments and central banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other issuers	-	-
Total	**3,686,706**	**7,185,080**

4.3 Available-for-sale financial assets hedged specifically (micro-hedged)

	31.12.2011	31.12.2010
1. Interest rate risk	**1,717,673**	**3,068,581**
2. Price risk	1,500,952	2,421,900
3. Exchange risk	216,721	646,681
4. Credit Risk	-	-
5. Multiple risks	-	-
With specific cash flow hedges:	-	-
1. Interest rate risk	**-**	**-**
2. Exchange risk	-	-
3. Other	-	-
Total	-	-
Totale	**1,717,673**	**3,068,581**

4.4 Financial assets available for sale: changes for the period

	Debt securities	Equity securities	Units in collective investment undertakings	Loans	Total
A. Opening balance	**7,063,040**	**121,620**	**420**	**-**	**7,185,080**
B. Increases	**1,138,665**	**11,991**	**3,070**	**-**	**1,153,726**
B1. Purchases	983,433	2,320	3,070	-	988,823
B2. Fair value gains	23,584	3,871	-	-	27,455
B3. Writebacks	-	-	-	-	-
- recognized through income statement	-	X	-	-	-
- recognized through equity	-	-	-	-	-
B4. Transfers from other portfolios	-	-	-	-	-
B5. Other changes	131,648	5,800	-	-	137,448
C. Decreases	**4,643,477**	**7,650**	**973**	**-**	**4,652,100**
C1 Sales	4,034,670	1,304	-	-	4,035,974
C2. Redemptions	171,238	-	-	-	171,238
C3. Fair Value losses	326,736	3,315	973	-	331,024
C4. Writedowns for impairment	-	3,031	-	-	3,031
- recognized through income statement	-	3,031	-	-	3,031
- recognized through equity	-	-	-	-	-
C5 Transfers to other portfolios	-	-	-	-	-
C6. Other changes	110,833	-	-	-	110,833
D. Closing balance	**3,558,228**	**125,961**	**2,517**	**-**	**3,686,706**

Rows B5. and C6. include profits and losses from realization, accrued income on the differences beetween issue prices and nominal values and on coupon interests, effects resulting from exchange rate fluctuations.

Section 6 - Loans to banks - Item 60

6.1 Loans to banks: composition by type

Type of Transaction/Values	31.12.2011	31.12.2010
A. Claims on central banks	**151,169**	**450,056**
1. Fixed-term deposits	-	-
2. Reserve requirement	151,169	450,056
3. Repurchase agreements	-	-
4. Other	-	-
B. Loans to banks	**4,334,045**	**4,179,440**
1. Current accounts and demand deposits	330,440	137,963
2. Fixed-term deposits	2,268,466	1,423,851
3. Other financing	16,973	393,487
3.1 Repurchase agreements	-	377,863
3.2 Finance leases	-	-
3.3 Other	16,973	15,624
4. Debt securities	1,718,166	2,224,139
4.1 Structured securities	-	-
4.2 Other debt securities	1,718,166	2,224,139
Total (book value)	**4,485,214**	**4,629,496**
Total (fair value)	**4,485,579**	**4,629,983**

At the end of 2011 no impaired loans to banks were recorded.

6.2 Loans to banks subject to specific hedge/micro hedge

At the end of 2011 there were no loans to banks subject to specific hedge.

6.3 Finance leases

At the end of 2011 there were no loans to banks resulting from finance lease transactions.

Section 7 - Loans to customers- Item 70

7.1 Loans to customers: composition by type

	31.12.2011		31.12.2010	
Type of transaction/Values	Performing	Impaired	Performing	Impaired
1. Current accounts	4,857,668	268,187	4,432,845	194,111
2. Repurchase agreements	-	-	-	-
3. Mortgage loans	20,723,324	955,589	17,086,393	737,530
4. Credit cards, personal loans and loans repaid by automatic deductions from wages	819,306	26,925	775,050	22,790
5. Finance leases	1,687,011	154,047	1,580,559	105,459
6. Factoring	-	-	-	-
7. Other transactions	5,125,700	160,309	5,345,070	121,834
8. Debt securities	5,062	-	4,980	-
8.1 Structured securities	-	-	-	-
8.2 Other debt securities	5,062	-	4,980	-
Total (book value)	**33,218,071**	**1,565,057**	**29,224,897**	**1,181,724**
Total (fair value)	**33,682,866**	**1,565,057**	**29,627,113**	**1,181,724**

7.2 Loans to customers: composition by debitor/issuer

Items	31.12.2011		31.12.2010	
	Performing	Impaired	Performing	Impaired
1. Debt securities:	**5,062**	**-**	**4,980**	**-**
a) Governments	-	-	-	-
b) Other public entities	-	-	-	-
c) Other issuers	5,062	-	4,980	-
- non-financial companies	5,062	-	-	-
- financial companies	-	-	4,980	-
- insurance undertakings	-	-	-	-
- other	-	-	-	-
2. Loans to:	**33,213,009**	**1,565,057**	**29,219,917**	**1,181,724**
a) Governments	291	73	441	2
b) Other public entities	256,650	3	171,967	140
c) Other	32,956,068	1,564,981	29,047,509	1,181,582
- non-financial companies	19,635,540	1,048,630	18,039,331	746,685
- financial companies	638,014	34,773	830,652	30,010
- insurance undertakings	7,421	1	87,273	1
- other	12,675,093	481,577	10,090,253	404,886
Total	**33,218,071**	**1,565,057**	**29,224,897**	**1,181,724**

7.3 Loans to customers subject to specific hedge/micro hedge

Items	31.12.2011	31.12.2010
1. Loans with specific fair value hedges	77,021	92,563
a) interest rate risk	77,021	92,563
b) exchange rate risk	-	-
c) credit risk	-	-
d) multiple risks	-	-
2. Loans with specific cash flow hedges:	-	-
a) interest rate risk	-	-
b) exchange rate risk	-	-
c) other	-	-
Total	**77,021**	**92,563**

7.4 Finance leases

	2011								2010							
				Minimum payments			Gross investment					Minimum payments			Gross investment	
				Capital share								Capital share				
	Gross Impaired Exposures	Specific Writedowns	Net Impaired Exposure		of which residual value guaranteed	Interest share		of which residual value guaranteed	Gross Impaired Exposures	Specific Writedowns	Net Impaired Exposure		of which residual value guaranteed	Interest share		of which residual value guaranteed
- demand	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-
- up to 3 months	26,900	-2,778	24,122	59,236	-	17,050	103,186	604	9,478	-1,738	7,740	54,272	-	16,339	80,089	342
- over 3 months up to 1 year	15,840	-2,815	13,025	172,017	-	48,101	235,958	6,026	14,217	-3,513	10,704	161,001	-	45,449	220,667	4,100
- over 1 year up to 5 year	21,721	-2,296	19,425	644,656	-	182,257	848,634	48,044	13,808	-1,670	12,138	608,153	-	170,353	792,314	47,485
- more than 5 years	65,792	-14,374	51,418	810,588	-	195,189	1,071,569	206,792	45,834	-7,212	38,622	759,650	-	185,441	990,925	208,300
indefinite	55,969	-9,912	46,057	7,344	-	-	63,313	-	39,910	-3,655	36,255	2,745	-	-	42,655	-
Total	**186,222**	**-32,175**	**154,047**	**1,693,841**	**-**	**442,597**	**2,322,660**	**261,466**	**123,247**	**-17,788**	**105,459**	**1,585,821**	**-**	**417,582**	**2,126,650**	**260,227**
Writedowns																
- specific	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
- collective	-	-	-	-6,830	-	-	-	-	-	-	-	-5,262	-	-	-	-
Net Total	**186,222**	**-32,175**	**154,047**	**1,687,011**	**-**	**442,597**	**2,322,660**	**261,466**	**123,247**	**-17,788**	**105,459**	**1,580,559**	**-**	**417,582**	**2,126,650**	**260,227**

Leasing (or financial lease) is a contract by which a subject (user) asks the leasing company (grantor) to purchase (or have made) an item by a manufacturer or Seller (Supplier) to enjoy its use, against the payment of a set period fee.

Crédit Agricole Leasing Italia S.r.l. financial lease contracts envisage that the user, at the close of the set contract duration, and provided that the same has fulfilled all obligations assumed, has the right to choose:
• to acquire the ownership of the asset against payment of a pre-set price;
• return the asset object of the contract.

The contract duration, over the economic useful life of the assets, and the pre-set surrender value of the assets are such to generally induce users to purchase the asset at contract expiry.

The financed assets vary according to the applicant and/or the nature of the activity performed. In general the financed assets fall into 4 categories: motor vehicles (cars, commercial vehicles and industrial vehicles), air rail naval (airplanes, boats, railway cars), equipment and real estate (commercial and industrial buildings both completed and to be built).

Sale and lease-back

Sale and lease-back is a transaction by which the same asset is sold and leased back.

Loans resulting from leaseback contracts, which for Crédit Agricole Leasing Italia S.r.l. have no particular features in contractual clauses, except possibly in the ones relating to the regulation of the Supplier role (identifiable with the user) amounted to € 233.3 million.

Section 8 - Hedging derivatives - Item 80

8.1 Hedging derivatives: composition by type of hedge and levels

Items	Fair Value 31.12.2011			Notional value 31.12.2011	Fair Value 31.12.2010			Notional value 31.12.2010
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A) Financial derivatives	**-**	**699,360**	**7,641**	**12,579,130**	**-**	**400,028**	**-**	**14,407,229**
1) Fair value	-	699,360	7,641	12,579,130	-	400,028	-	14,407,229
2) Cash flows	-	-	-	-	-	-	-	-
3) Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**699,360**	**7,641**	**12,579,130**	**-**	**400,028**	**-**	**14,407,229**

8.2 Hedging derivatives: composition by hedged portfolio and by type of hedge

Transactions/Type of Hedge	Fair value						Cash flows		Investments in foreign operations
	Specific					Generic	Specific	Generic	
	interest rate risk	exchange rate risk	credit risk	price risk	multiple risks				
1. Financial assets available for sale	-	-	-	9,675	-	X	-	X	X
2. Loans	-	-	-	X	-	X	-	X	X
3. Financial assets held to maturity	X	-	-	X	-	X	-	X	X
4. Portfolio	-	-	-	-	-	7,641	-	-	X
5. Other transactions	X	X	X	X	X	X	X	X	-
Total assets	**-**	**-**	**-**	**9,675**	**-**	**7,641**	**-**	**-**	**-**
1. Financial liabilities	302,094	-	-	X	-	X	-	X	X
2. Portfolio	-	-	-	-	-	387,591	-	-	X
Total liabilities	**302,094**	**-**	**-**	**-**	**-**	**387,591**	**-**	**-**	
1. Forecast transactions	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	-	X	-	-

Section 9 - Adjustment of financial assets subject to generic/macro hedging - Item 90

9.1 Adjustment of hedged assets: composition by hedged portfolio

Value adjustments of hedged assets	31.12.2011	31.12.2010
1. Positive adjustment	**4,203**	**-**
1.1 of specific portfolios:	4,203	-
a) loans	4,203	-
b) financial assets available for sale	-	-
1.2 total	-	-
2. Negative adjustment	**-**	**-**
2.1 of specific portfolios:	-	-
a) loans	-	-
b) financial assets available for sale	-	-
2.2 total	-	-
Total	**4,203**	**-**

9.2 Assets hedged generically for interest rate risk

Items	31.12.2011	31.12.2010
Loans	112,320	-
Assets available for sale	-	-
Portfolio	37,857	-
Total	**150,177**	**-**

Section 10 - Equity investments - Item 100

10.1 Equity investments in subsidiaries, joint-ventures or companies subject to significant influence: information on investments

			Equity investment		
	Registered office	Type of relationship	Investor	% holding	% of votes
A. Companies subject to significant influence					
1. Crédit Agricole Vita S.p.A.	Parma	associate	Cariparma	49,99	x
2. Ca- Agroalimentare S.p.A.	Parma	associate	Cariparma FriulAdria	26,32 10,53	x x
3. Greenway Società Agricola a R.L	Camino al Tagliamento (UD)	associate	FriulAdria	35,00	x
4. Glassfin S.r.l.	San Vito al Tagliamento (PN)	associate	FriulAdria	31,66	x
5. Gefil S.p.A.	La Spezia	associate	Carispezia	25,83	x
6. Bauhaus S.p.A.	Milano	associate	Sliders	19,90	x

10.2 Equity investments in subsidiaries, joint-ventures or companies subject to significant influence: accounting data

	Total Assets	Total Revenue	Profit (loss)	Equity	Book value	Fair value
A. Companies accounted for with equity method	6,956,841	2,133,744	-8,172	282,619	123,222	-
A.1 Joint ventures						
A.2 Companies subject to significant influence						
1. Crédit Agricole Vita S.p.A.	6,838,922	2,128,992	-7,290	177,804	102,449	-
2. Ca- Agroalimentare S.p.A.	93,591	283	-948	93,450	17,500	-
3. Greenway Società Agricola a R.L	1,326	273	-9	991	350	-
4. Glassfin S.r.l.	3,785	143	-1	91	317	-
5. Gefil S.p.A	19,217	4,053	76	10,283	2,583	-
6. Bauhaus S.p.A	nd	nd	nd	nd	23	-

The results shown are carried from the most recent financial report approved by each company.

10.3 Equity investments: changes for the period

	31.12.2011	31.12.2010
A. Opening balance	**119,975**	**134,999**
B. Increases	**66,927**	**15,556**
B.1 Purchases	59,050	7,601
B.2 Writebacks	-	-
B.3 Revaluations	-	-
B.4 Other changes	7,877	7,955
C. Decreases	**63,680**	**30,580**
C.1 Sales	81	-
C.2 Writedowns	-	-
C.3 Other changes	63,599	30,580
D. Closing balance	**123,222**	**119,975**
E. Total Revaluations	**-**	**-**
F. Total writedowns	**-**	**-**

10.5 Commitments in respect of joint ventures

At the end of 2011, the remaining commitment to the company CA Agro-Alimentare amounted to € 17.5 million.

Section 12 - Property, plant and equipment - Item 120

12.1 Property, plant and equipment: composition of assets carried at cost

	31.12.2011	31.12.2010
A. Operating assets		
1.1 owned	**441,127**	**381,522**
a) land	117,635	101,690
b) buildings	268,705	228,514
c) movables	16,853	17,221
d) electronic plant	5,040	5,016
e) other	32,894	29,081
1.2 acquired under finance leases	**-**	**-**
a) land	-	-
b) buildings	-	-
c) movables	-	-
d) electronic plant	-	-
e) other	-	-
Total A	**441,127**	**381,522**
B. Investment property		
2.1 owned	**11,270**	**8,301**
a) land	4,340	2,993
b) buildings	6,930	5,308
2.2 acquired under finance leases	**-**	**-**
a) land	-	-
b) buildings	-	-
Total B	**11,270**	**8,301**
Total (A+B)	**452,397**	**389,823**

12.3 Operating property, plant and equipment: changes for the period

	Land	Buildings	Furnishings	Electronic equipment	Other	Total
A. Opening gross balance	**101,690**	**388,752**	**86,759**	**50,960**	**154,385**	**782,546**
A.1 Total net writedowns	-	160,238	69,538	45,944	125,304	401,024
A.2 Opening net balance	**101,690**	**228,514**	**17,221**	**5,016**	**29,081**	**381,522**
B. Increases	**15,945**	**102,540**	**8,081**	**5,377**	**21,127**	**153,070**
B.1 Purchases	-	599	3,674	3,046	14,032	21,351
B.2 Capitalized improvement costs	-	3,119	-	-	-	3,119
B.3 Writebacks	-	-	-	-	-	-
B.4. Fair value gains recognized in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	-	-	-	-
B.7. Other changes	15,945	98,822	4,407	2,331	7,095	128,600
C. Decreases	**-**	**62,349**	**8,449**	**5,353**	**17,314**	**93,465**
C.1 Sales	-	-	4	-	-	4
C.2 Depreciation	-	10,184	4,797	3,267	11,535	29,783
C.3 Writedowns for impairment recognized in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.4 Fair value losses recognized in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) investment property	-	-	-	-	-	-
b) discontinuing operations	-	-	-	-	-	-
C.7. Other changes	-	52,165	3,648	2,086	5,779	63,678
D. Closing net balance	**117,635**	**268,705**	**16,853**	**5,040**	**32,894**	**441,127**
D.1 Total net writedowns	-	222,584	81,180	52,532	144,052	500,348
D.2 Closing gross balance	**117,635**	**491,289**	**98,033**	**57,572**	**176,946**	**941,475**
E. Carried at cost	-	-	-	-	-	-
(*) of which for transfer transactions						
- gross value	15,945	150,984	13,051	5,756	15,623	201,359
- impairment	-	52,779	6,846	3,320	7,229	70,174

12.4 Investment property, plant and equipment: changes for the period

	31.12.2011	
	Land	Buildings
A. Opening balance	**2,993**	**5,308**
B. Increases	**1,439**	**1,950**
B.1 Purchases	-	-
B.2 Capitalized improvement costs	-	72
B.3 fair value gains recognized in	-	-
B.4 Writebacks	-	-
B.5 Positive exchange rate differences	-	-
B.6 Transfers from operating assets	-	-
B.7 Other changes	1,439	1,878
C.Decreases	**92**	**328**
C.1 Sales	92	50
C.2 Depreciation	-	278
C.3 fair value losses	-	-
C.4 Writedowns for impairment	-	-
C.5 Negative exchange rate differences	-	-
C.6 Transfers to other assets portfolios	-	-
a) operating assets	-	-
b) discontinuing operations	-	-
C.7 Other changes	-	-
D. Closing balance	**4,340**	**6,930**
E. Carried at fair value	**6,316**	**12,928**

Section 13 - Intangible assets - Item 130

13.1 Intangible Assets: composition by type of asset

	31.12.2011		31.12.2010	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	**X**	**1,657,328**	**X**	**1,151,534**
A.1.1 pertaining to parent company shareholders	X	1,657,328	X	1,151,534
A.1.2 minority interests	X	-	X	-
A.2 Other intangible assets	**395,966**	**-**	**281,435**	**-**
A.2.1 Assets carried at cost:	395,966	-	281,435	-
a) Intangible assets developed in-house	-	-	-	-
b) Other assets	395,966	-	281,435	-
A.2.2 Assets carried at fair value:	-	-	-	-
a) Intangible assets developed in-house	-	-	-	-
b) Other assets	-	-	-	-
Total	**395,966**	**1,657,328**	**281,435**	**1,151,534**

The cost of intangible fixed assets with finite life is amortized at on a straight-line basis over the useful life of the asset, which, for software, does not exceed five years. The useful life of intangible assets representing relations with customers has been set at 15 years, based on the time series available on the rate of customer turnover in the retail segment.

The transfer of 81 branches to Cariparma and 15 branches to FriulAdria, as well as the acquisition of the controlling share in Carispezia was recognised in a new intangible asset with finite life with a final balance as at 31 December 2011 of € 126 million.

13.2 Intangible Assets: changes for the period

		Other intangible assets: internally generated		Other intangible assets: other		
	Goodwill	with finite life	with indefinite life	with finite life	with indefinite life	Total
A. Opening balance	**1,151,534**	**-**	**-**	**460,738**	**-**	**1,612,272**
A.1 Total net writedowns	-	-	-	179,303	-	179,303
A.2 Opening net balance	**1,151,534**	**-**	**-**	**281,435**	**-**	**1,432,969**
B. Increases (*)	**511,794**	**-**	**-**	**174,185**	**-**	**685,979**
B.1 Purchases	511,794	-	-	143,414	-	655,208
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Writebacks	X	-	-	-	-	-
B.4. Fair value gains:	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6. Other changes	-	-	-	30,771	-	30,771
C. Decreases	**6,000**	**-**	**-**	**59,654**	**-**	**65,654**
C.1 Sales	-	-	-	-	-	-
C.2 Writedowns	6,000	-	-	59,513	-	65,513
- Depreciation and amortization	X	-	-	59,513	-	59,513
- Writedowns:	6,000	-	-	-	-	6,000
+ equity	X	-	-	-	-	-
+ income statement	6,000	-	-	-	-	6,000
C.3 Fair value losses recognized in:	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfer to discontinuing operations	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6. Other changes	-	-	-	141	-	141
D. Net closing balance	**1,657,328**	**-**	**-**	**395,966**	**-**	**2,053,294**
D.1 Total net writedowns	6,000	-	-	169,085	-	175,085
E. Gross closing balance	**1,663,328**	**-**	**-**	**565,051**	**-**	**2,228,379**
F. Carried at cost	-	-	-	-	-	-
(*) of which for transfer transactions	511,794	-	-	132,289	-	644,083

13.3 Other Information

Impairment test on intangible assets with definite useful life

As part of the transactions for the purchasing of Banca Popolare FriulAdria and of the 209 branches conferred in 2007 by Cariparma and Banca Popolare FriulAdria (respectively 180 and 29 branches), a Price Purchase Allocation process was used to identify a set of finite life assets, corresponding to the different sources of recurring profitability linked to business with customers.

Their duration has been set at 15 years, based on the time series available on customer turnover rates for the retail segment.

At the end of 2011 it was verified that the value of each of the elements making up the intangible assets, calculated as current value of future cash flows, was still higher than the financial statement value and in particular:

- for the components relating to loans to clients, the calculation of the current value took into account the trend in early loan redemption, the cost of credit and the level of taxing actually registered in the last two years;
- for the component relating to demand deposits a progressive increase in volumes (and therefore of their stable components) was observed from the time of purchase;
- for the component relating to net commissions the current value of the commissions was recalculated taking into account the expected level of commissions from “banking services”; the result of the analysis was positive.

Therefore, the total value of intangible assets is higher than the value recognized on 31 December 2010 which amounted to:

- Banca Popolare FriulAdria; € 62,225 thousand;
- 180 Cariparma branches purchased in 2007: € 112,512 thousand;
- 29 Banca Popolare FriulAdria branches purchased in 2007: € 11,159 thousand;

For a total of € 185,896 thousand.

For the 81 Cariparma and 15 Banca Popolare FriulAdria branches purchased in 2011 an asset value with finite useful life was identified: Since 12 months had not yet passed since the date of purchase and no extraordinary event has occurred to reduce its value, this asset has not be subjected to impairment testing.

Impairment test on goodwill

As required by IAS/IFRS, the goodwill generated through the purchase of Banca Popolare FriulAdria, of the 180 Cariparma branches and 29 Banca Popolare FriulAdria branches (made in 2007), the 81 Cariparma branches and 15 Banca Popolare FriulAdria branches (made in 2011), and Calit (made in 2009), and Carispezia (made in 2011) and Sliders Srl (made in 2011) was tested for impairment. The goodwill paid in relation to the transactions described above was allocated as follows:

CGU	Goodwill (€/thousand)
Retail+Private Channel	1,575,487
Enterprises+Corporate Channel	64,602
CALIT Channel	23,239

These CGUs, identified in line with the level at which goodwill is monitored for the purpose of the internal management audit, are not broader than the operating sectors identified for Segment reporting purposes. The use value of each CGU has been determined according to the method adopted by Crédit Agricole Group S.A., i.e. using the Discounted Cash Flows method and compared with its absorbed assets. The model adopted for calculating future financial flows, starting with 2011, consists of three stages:

- the first two stages cover a time horizon of 5 years (maximum forecast period allowed by IFRS):
  - for the first stage (2012-2014) the following elements were used: for 2012 the Budget, and for 2013 and 2014 the Rolling forecasts re-considered in the light of the 2012 Budget;
  - for the second stage (2015-2016) we considered the “steadystate” growth rates i.e. growth rates that are consistent with, on the one hand, the trend of economic/equity data considered in the period of analytical forecast and, on the other hand, with a slowly-recovering macroeconomic context (with a return to the middle point of the economic cycle around 2015);
- The last stage considers the terminal value: the cash flow after tax for the last year was therefore projected into perpetuity using a long-term growth rate “g” (2.00%). This rate is consistent with long-term macroeconomic growth forecasts for the Italian economy and in line with the evaluation methods adopted in the sector.

The financial flows (after taxes) thus determined were then discounted back at a rate (ke) calculated using the Capital Asset Pricing Model (risk-free rate plus the product of beta and risk premium) which, in line with the Parent Company was increased from 9.2% (used in the impairment test for the 2010 Financial Statements), to 10% to reflect the deterioration in the macro-economic climate

For CGU Retail + Private and the CGU Enterprises + Corporate the calculation produced a CGU value higher than the corresponding accounting value of the CGU.

It was also observed that this result was obtained even with changes (within a reasonable range of oscillation) of the elements making up the discount rate. In particular, for the sensitivity analysis, the ke rate was subjected to oscillations (due to the changes in risk-free rate, in beta and in risk premium) between 5.6% and 12.2%.

The result of the sensitivity analysis was also positive.

Lastly we determined the discounting rate or long-term growth rate “g” at which the use value becomes equal to the accounting value. This analysis showed how the accounting value is equal to the use value only with a marked increase in the discounting rate ke (11.3% for the Retail+Private Banking CGU and 10.6% for the Enterprise+Corporate CGU) whereas even with a long-term growth rate equal to zero the use value would remain higher than the accounting value for both CGUs.

For the CALIT cash generating unit, the increase in the discounting back rate reduced the current value of financial inflows resulting in a lower book value for the CGU: The goodwill value was consequently reduced from € 23.2 million to € 17.2 million.

Section 14 - Tax assets and liabilities - Assets Item 140 and Liabilities Item 80

14.1 Deferred tax assets: composition

	31.12.2011	31.12.2010
A.Deferred tax assets:	**703,515**	**380,398**
A1. Receivables (including securitization)	91,188	74,337
A2. Other financial instruments	207,373	62,006
A3. Goodwill	360,629	205,746
A4. Long-term costs	285	337
A5. Property, plant and equipment	7,574	6,952
A6. Provisions for liabilities and contingencies	23,198	18,454
A7. Entertainment expenses	-	38
A8. Staff expenses	11,549	10,214
A9. Tax losses	-	-
A10. Unused tax credits to be deducted	-	-
A11. Other	1,719	2,314
B. Offset against deferred tax liabilities	**-**	**-**
C. Net deferred tax assets	**703,515**	**380,398**

14.2 Deferred tax liabilities: composition

	31.12.2011	31.12.2010
A. Gross deferred tax liabilities:	**118,218**	**70,264**
A1. Capital gains spreading	616	519
A2. Goodwill	56,529	90
A3. Property, plant and equipment	17,687	22,352
A4. Financial instruments	13,843	13,424
A5. Staff expenses	253	247
A6. Other	29,290	33,632
B. Offset against deferred tax assets	**-**	**-**
C. Net deferred tax liabilities	**118,218**	**70,264**

14.3 Changes in deferred tax assets (recognized in Income Statement)

	31.12.2011	31.12.2010
Opening balance	**318,265**	**325,686**
Increases	**239,701**	**45,779**
2.1 Deferred tax assets recognized during the period	219,289	45,034
a) in respect of previous years	9	-
b) due to change in accounting policies	-	-
c) writebacks	-	-
d) other (*)	219,280	45,034
2.2 New taxes or increases in tax rates	5,121	92
2.3 Other increases	15,291	653
Decreases	**62,523**	**53,200**
3.1 Deferred tax assets derecognized during the period	50,836	47,552
a) reversals	50,836	47,385
b) writedowns for supervening non-recoverability	-	-
c) change in accounting policies	-	-
d) other	-	167
3.2 Reduction in tax rates	-	-
3.3 Other reductions	11,687	5,648
Closing balance	**495,443**	**318,265**

The other increases and decreases under points 2.3 and 3.3 include the increases or decreases resulting from the more accurate recognition of deferred taxes after the Group filed its income tax return. The related balancing item is not represented by income statement items, but by current tax liabilities.

(*) The amount includes:

- € 165,522 thousand as future deductibility of the amortized goodwill relating to the Banca Popolare FriulAdria and Credit Agricole LEASE Italia S.r.l., equity investment pursuant to Iterministerial Decree No. 98 of 2011;
- € 8,117 thousand as future deductibility in the realignment of values relating to tax suspension for neutral transfers in 2011.

14.4 Changes in deferred tax liabilities (recognized in the Income Statement)

	31.12.2011	31.12.2010
1. Opening balance	**60,520**	**62,474**
2. Increases	**51,132**	**2,331**
2.1 Deferred tax liabilities recognized during the year	706	501
a) in respect of previous years	-	-
b) due to change in accounting policies	-	-
c) other	706	501
2.2 New taxes or increases in tax rates	882	18
2.3 Other increases	49,544	1,812
3. Decreases	**1,981**	**4,285**
3.1 Deferred taxes derecognised in the financial year	1,896	938
a) reversals	1,896	938
b) due to change in accounting policies	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other reductions	85	3,347
4. Closing balance	**109,671**	**60,520**

Other increases include € 48,101 thousand for business combination transactions recognised in 2011.

The other increases and decreases include the increases or decreases resulting from the more accurate recognition of deferred taxes after the Group filed its income tax return. The related balancing item is not represented by items in the income statement but by current tax liabilities, excluding the increase relating to an investment whose balancing item is recognised in the income statement under “deferred tax".

14.5 Changes in deferred tax assets (recognized in shareholders’ equity)

	31.12.2011	31.12.2010
1. Opening balance	**62,133**	**164**
2. Increases	**160,472**	**62,051**
2.1 Deferred tax assets recognized during the period	158,876	62,051
a) in respect of previous years	-	-
b) due to change in accounting policies	-	419
c) other	158,876	61,632
2.2 New taxes or increases in tax rates	1,500	-
2.3 Other increases	96	-
3. Decreases	**14,533**	**82**
3.1 Deferred tax assets derecognized during the period	14,533	82
a) reversals	14,533	82
b) writedowns for supervening non-recoverability	-	-
c) due to change in accounting criteria	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other reductions	-	-
4. Closing balance	**208,072**	**62,133**

14.6 Changes in deferred tax liabilities (recognized in shareholders' equity)

	31.12.2011	31.12.2010
1. Opening balance	**9,744**	**17,932**
2. Increases	**11,887**	**21,818**
2.1 Deferred tax liabilities recognized during the year	11,646	21,812
a) in respect of previous years	-	-
b) due to change in accounting policies	-	-
c) other	11,646	21,812
2.2 New taxes or increases in tax rates	238	6
2.3 Other increases	3	-
3. Decreases	**13,084**	**30,006**
3.1 Deferred taxes derecognised in the financial year	12,977	30,006
a) reversals	12,977	30,006
b) due to change in accounting policies	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other reductions	107	-
4. Closing balance	**8,547**	**9,744**

Section 16 - Other assets - Item 160

16.1 Other assets: composition

	31.12.2011	31.12.2010
Sundry debits in process	123,196	90,261
Sundry receivables for foreign exchange transactions	-	51
Stamp duty and other assets	8	5
Items being processed	243,616	180,796
Uncapitalized accrued income	13,268	9,420
Prepaid expenses not allocated to other items	39,644	27,516
Protested bills and checks	1,923	2,744
Leasehold improvements	11,006	14,542
Tax advances paid on behalf of third parties	35,594	17,544
Sundry items	287,454	279,997
Total	**755,710**	**622,876**

LIABILITIES

Section 1 - Due to Banks - Item 10

1.1 Due to banks: composition by type

	31.12.2011	31.12.2010
1. Due to central banks	**-**	**-**
2. Due to banks	**6,901,499**	**11,078,000**
2.1 Current accounts and demand deposits	465,542	86,446
2.2 Fixed-term deposits	4,377,113	2,722,172
2.3 Financing	2,057,118	8,269,382
2.3.1 Repurchase agreements	861,636	7,506,587
2.3.2 Other	1,195,482	762,795
2.4 Liabilities in respect of commitments to repurchase own equity instruments	-	-
2.6 Other payables	1,726	-
Total	**6,901,499**	**11,078,000**
Fair value	**6,901,499**	**11,078,000**

1.2 Breakdown of item 10 "Due to Banks": subordinated liabilities

Characteristics	Issue date	Maturity	Repayment schedule	Interest rate	Currency	Original value	Book value
Subordinated deposit	17.12.2008	17.12.2018	5 equal installments as from December 2014	3-month Euribor + 334 bp	euro	250,000	250,396
Subordinated deposit	30.03.2011	30.03.2021	5 equal installments as from March 2014	3-month Euribor + 220 bp	euro	400,000	400,040

1.3 Detail of the voice 10 "Debts to banks": structured debts

At the end of 2011 there were no structured debts to banks.

1.4 Due to Banks subject to specific hedge

At the end of 2011 there were no due to banks subject to specific hedge.

1.5 Liabilities in respect of financial leases

At the end of 2011, there were no due to banks resulting from finance lease transactions.

Section 2 - Due to Customers- Item 20

2.1 Due to Customers: composition by type

	31.12.2011	31.12.2010
1. Current accounts and demand deposits	22,363,898	17,961,232
2. Fixed-term deposits	316,113	23,944
3. Loans	95,180	31,053
3.1 Repurchase agreements	95,180	30,825
3.2 Other	-	228
4. Liabilities in respect of commitments to repurchase own equity	-	-
5. Other payables	113,619	98,565
Total	**22,888,810**	**18,114,794**
Fair value	**22,888,810**	**18,114,794**

2.2 Detail of the voice 20 "Debts to customers": subordinate debts

At the end of 2011 there were no subordinate debts to customers.

2.3 Detail of the voice 10 "Debts to customers": structured debts

At the end of 2011 there were no structured debts to customers.

2.4 Due to customers subject to specific hedge

At the end of 2011 there were no due to customers subject to specific hedge.

2.5 Liabilities in respect of financial leases

At the end of 2011, there were no due to banks resulting from finance lease transactions.

Section 3 - Securities issued - Item 30

3.1 Securities issued: composition by type

	31.12.2011				31.12.2010			
	Financial	Fair value			Financial	Fair value		
Items	statement value	Level1	Level 2	Level 3	statement value	Level1	Level 2	Level 3
A. Securities								
1. Bonds	10,955,695	-	10,888,351	120,029	10,259,039	-	10,284,225	-
1.1 structured	108,243	-	110,411	-	110,092	-	111,767	-
1.2 other	10,847,452	-	10,777,940	120,029	10,148,947	-	10,172,458	-
2. Other securities	1,714,036	-	-	1,714,036	922,421	-	-	922,421
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	1,714,036	-	-	1,714,036	922,421	-	-	922,421
Total	**12,669,731**	**-**	**10,888,351**	**1,834,065**	**11,181,460**	**-**	**10,284,225**	**922,421**

The sub-item of other securities "2.2 other" includes certificates of deposit and banker's drafts issued by banks of the group.

3.2 Breakdown of item 30 "Securities issued": subordinated securities

Characteristics	Issue date	Maturity	Repayment schedule	interest rate	Currency	Original Value	Book Value
Subordinated Loan	14.12.2007	14.12.2017	5 quotas from the 14.12.2013	euribor 3 months + 010 %	euro	30,000	29,801
Subordinated Loan	30.06.2009	30.06.2016	50% by 30.06.2015 50% by 30.06.2016	up to 30.06.2012 5%; afthe that 50% Euribor 6 mouth + 1%	euro	77,250	77,477
Subordinated Loan	30.06.2009	30.06.2016	50% by 30.06.2015 50% by 30.06.2016	5% fixed	euro	222,750	228,938
Subordinated Loan	29.06.2011	31.12.2100	perpetual (call 5 years)	euribor 3 months + 729%	euro	120,000	118,576

3.3 Breakdown of item 30 "Securities issued": securities hedged specifically/micro hedged

At the end of 2011, there were € 7,888 million of securities covered by specific interest rate risk hedge.

Section 4 - Financial liabilities held for trading - Item 40

4.1 Financial liabilities held for trading: composition by type

	31.12.2011					31.12.2010				
		Fair Value					Fair Value			
	NV	Level1	Level2	Level3	FV *	NV	Level1	Level2	Level3	FV *
A. On-balance-sheet liabilities										
1. Due to banks	-	-	-	-	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B. Derivatives										
1. Financial Derivatives	-	16	230,624	76,825	-	-	5	179,172	104,762	-
1.1 Trading	X	16	215,750	76,825	X	X	5	178,820	104,762	X
1.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	14,874	-	X	X	-	352	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**-**	**16**	**230,624**	**76,825**	**-**	**-**	**5**	**179,172**	**104,762**	**-**
Total (A+B)	**X**	**16**	**230,624**	**76,825**	**X**	**X**	**5**	**179,172**	**104,762**	**X**

Key:

FV* = fair value calculated excluding changes in value resulting from an alteration in the issuer's credit rating after the date of issue.

NV = nominal value or notional value.

4.2 Detail of the voice 40 "Financial liabilities held for trading": subordinate liabilities

At the end of 2011 there were no subordinate Financial liabilities held for trading.

4.3 Detail of the voice 40 "Financial liabilities held for trading": structured debts

At the end of 2011 there were no structured Financial liabilities held for trading.

Section 6 - Hedging derivatives - Item 60

6.1 Hedging derivatives: composition by type of hedge and levels

	Fair value 31.12.2011			Notional value 31.12.2011	Fair value 31.12.2010			Notional value 31.12.2010
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A) Financial derivatives	**-**	**176,602**	**-**	**2,630,056**	**-**	**22,899**	**-**	**2,333,905**
1) Fair value	-	176,602	-	2,630,056	-	22,899	-	2,333,905
2) Cash flows	-	-	-	-	-	-	-	-
3) Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**176,602**	**-**	**2,630,056**	**-**	**22,899**	**-**	**2,333,905**

6.2 Hedging derivatives: composition by hedged portfolio and by type of hedge

	Fair value						Cash flows		
	Specific								
Items	Interest rate risk	Exchange rate risk	Credit Risk	Price risk	Multiple risks	Generic	Specific	Generic	Investments
1. Financial assets available for sale	162,365	-	-	-	-	X	-	X	X
2. Loans	11,327	-	-	X	-	X	-	X	X
3. Financial assets held to maturity	X	-	-	X	-	X	-	X	X
4. Portfolio	-	-	-	-	-	-	-	-	X
5. Other transactions	X	X	X	X	X	X	X	X	-
Total assets	**173,692**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	2,910	-	-	X	-	X	-	X	X
2. Portfolio	-	-	-	-	-	-	-	-	X
Total liabilities	**2,910**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Forecast transactions	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	X	-	-

Section 7 - Adjustment of financial liabilities subject to generic/macro hedging - Item 70

7.1 Adjustment of hedged financial liabilities

Items	31.12.2011	31.12.2010
1. Positive adjustment of financial liabilities	344,469	81,341
2. Negative adjustment of financial liabilities	-	4,068
Total	**344,469**	**77,273**

7.2 Liabilities hedged generically against interest rate risk: composition

Items	31.12.2011	31.12.2010
Financial liabilities	5,469,700	8,328,631

Section 8 - Tax Liabilities - Item 80

See section 14 - In assets.

Section 10 - Other liabilities- Item 100

10.1 Other liabilities: composition

	31.12.2011	31.12.2010
Trade payables	102,745	68,316
Amounts due to third parties	320,278	205,605
Credit transfers ordered and being processed	221,890	76,980
Amounts payable to tax authorities on behalf of third parties	73,939	54,234
Advances on loans	1,580	580
Adjustments for illiquid items	20,611	176,527
Credits and items being processed	143	136,928
Staff costs	61,992	64,256
Guarantees and commitments	7,248	5,962
Sundry items and deferred income not allocated to other items	267,779	224,839
Total	**1,078,205**	**1,014,227**

Section 11-Employees' Severance Benefits - item 110

11.1 Employee severance benefits: changes for the period

	31.12.2011	31.12.2010
A. Opening balance	**133,418**	**131,190**
B. Increases	**41,720**	**9,744**
B.1 Provision for the period	3,378	2,269
B.2 Other changes	38,342	7,475
C. Decreases	**10,892**	**7,516**
C.1 Severance payments	10,892	7,322
C.2 Other changes	-	194
D. Closing balance	**164,246**	**133,418**
Total	**164,246**	**133,418**

Section 12 - Provisions for liabilities and contingencies - Item 120

12.1 Provisions for liabilities and contingencies: composition

Items	31.12.2011	31.12.2010
1 Company pension plans	24,048	22,374
2. Other provisions for liabilities and contingencies	103,764	82,839
2.1 legal disputes	51,738	45,999
2.2 staff expenses	24,794	20,992
2.3 other	27,232	15,848
Total	**127,812**	**105,213**

12.2 Provisions for liabilities and contingencies: changes for the period

	31.12.2011	
Items	Pension plans	Other provisions
A. Opening balance	**22,374**	**82,839**
B. Increases	**5,097**	**95,888**
B.1 Provision for the period	-	73,454
B.2 Changes due to passage of time	1,065	984
C.2 Changes due to changes in the discount rate	-	601
B.4. Other changes	4,032	20,849
C. Decreases	**3,423**	**74,963**
C.1 Use during the year	3,090	54,076
C.2 Changes due to changes in the discount rate	-	35
C.3. Other changes	333	20,852
D. Closing balance	**24,048**	**103,764**

12.3 Company defined-benefit pension plans

1. DESCRIPTION OF THE PROVISIONS

The section of defined-benefit company pension plans concerns exclusively staff of the Parent Company already retired.

The plan is funded by a provision accrued by the Cariparma Crédit Agricole Group, determined based on the mathematical reserve, certified annually by an independent actuary.

2. CHANGES FOR THE PERIOD

Increases or decreases in the provision are shown in table 12.2 in the pension plan column.

3.CHANGES FOR THE PERIOD IN PLAN ASSETS

There are no specific assets and liabilities serving the plan and the Parent Company and the subsidiary Carispezia cover the debt towards the beneficiaries with their entire equity.

4. RECONCILIATION BETWEEN THE PRESENT VALUE OF THE PROVISION, THE PRESENT VALUE OF PLAN ASSETS AND THE ASSETS AND LIABILITIES RECOGNIZED IN THE BALANCE-SHEET

The difference between present value of the defined-benefit obligation and the fair value of the plan assets amounts to € 24,048 thousand; therefore, liabilities recognised amount to € 24,048 thousand.

5. DESCRIPTION OF THE MAIN ACTUARIAL ASSUMPTIONS

The following essential assumptions have been made with reference to the company defined benefits pension plan:
- Relating to the demographic base, the measurement was developed by adopting the assumptions of survival of SIM2006 mortality tables;
- Differentiated technical bases have been used based on the age and gender of the member for allocation of the surviving family nucleus in the event of the pensioner's death;
- The cost of living index for the families of employees and workers used to adjust the provisions was 2%;
- The annual increase in benefits is governed by the relative regulations

As to the actuarial value, the measurement refers to the yield curve for AA-rated European corporate securities as at 31 December 2011.

12.4 Provisions for liabilities and contingencies - other provisions

Item 2.2 “Other provisions - staff expenses” of table 12.1 includes provisions made in previous years by the Group for liabilities relating to the trade union agreement of 11 January 2007 allowing employees concerned to volunteer for early pension or join employment protection plans: this procedure was closed on 31 December 2007.

Item 2.3 of Table 12.1 "Other provisions -other" includes amounts set aside to protect, despite the lack of a legal obligation, customers who engaged in transactions involving derivatives and insurance policies that have suffered from the impact of the world financial crisis.

Item 2.3 also included provisions for Credit Protection policies determined by ISVAP regulation No. 35 obliging insurance companies to reimburse customers the advance single premium not used following early discharge of the financing linked to the policy itself. The provision is an estimate of the possible future payment by the Cariparma Crédit Agricole Group to reimburse the insurers for the quota of commission received on premiums paid by customers.

The dispute is still pending against the Inland Revenue Service in relation to two notices of registration tax payment with which the Financial Administration has requalified the transactions, as sale of a company, the transfer of Bank branches in 2007 by Intesa SanPaolo followed by sale of shareholdings to institutional shareholders. The amount of the dispute involving all interested parties at various levels amounts to around € 43 million.

In the light of specific opinions from important legal counsels, no accrual has been made for this issue.

A similar problem, with a similar solution, emerged for a transaction carried out by Calit with the Intesa Group for € 2.2 million.

In 2010, the Cariparma Crédit Agricole Group was served formal notice of assessment which would regard a possible charge for a non-recourse factoring transaction carried out in 2005, which could give rise to a payment request for taxes amounting to approximately € 5.5 million, plus penalties and interest. There have been no significant developments in this matter. Also in this case, in the light of specific opinions from legal counsels, no accrual has been made.

Section 15 - Equity pertaining to the Shareholders of the Parent Company - Items 140, 160, 170, 180, 190, 200 and 220

15.1 "Share capital" and "Treasury shares": composition

The Parent Company’s share capital , fully paid-up, consists of 876,761,620 ordinary shares.

There are no treasury shares.

15.2 Share capital - Number of shares of the Parent Company: changes for the period

Items	Ordinary	Other
A. Shares at start of the year	**785,065,789**	**-**
- fully paid	785,065,789	-
- partially paid	-	-
A.1 Treasury shares (-)	-	-
A.2 Shares in circulation: opening balance	785,065,789	-
B. Increases	**91,695,831**	**-**
B.1 New issues	91,695,831	-
- for consideration:	91,695,831	-
- business aggregations	91,695,831	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- bonus issues:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3. Other changes	-	-
C. Decreases	**-**	**-**
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-	-
C.3 Disposal of companies	-	-
C.4. Other changes	-	-
D. Shares in circulation: closing balance	**876,761,620**	**-**
D.1 Treasury shares (+)	-	-
D.2 Shares at the end of the year	876,761,620	-
- fully paid	876,761,620	-
- partially paid	-	-

15.3 Share Capital: other information

The Parent Company's share capital, fully paid up, is composed of 876,761,620 of ordinary shares having a nominal value of € 1 each.

In 2011 further increases were made to the Parent Company's share capital, from the previous nominal of € 785,066 thousand to € 876,762 thousand , by the issue of 91,695,831 ordinary shares having nominal value of € 1 each as well as a share premium of € 641,871 thousand for purchase of the Carispezia shareholding and transfer of 11 branches of CariFirenze and 70 branches of Intesa San Paolo to Cariparma. For further information relating to acquisitions by Parent Company, please refer to Part G of the individual Financial Statements and the Consolidated Financial Statements.

15.4 Income Reserves - Other information

Items	Amounts
Legal reserve	111,356
Reserves estrablished in bylaws	573,295
Reserve under art. 13 Leg.Dec.124/93 *	314
Other reserves	19,623
Total income reserves	**704,588**
Reserve from share-based payments**	1,521
Total reserve	**706,109**

* *Reserve formed pursuant to Art. 13 of Legislative Decree 124/93 to take advantage of tax relief on the portions of the severance benefits designated for supplementary pension plans.*

** *Reserve recognizing the increase in equity resulting from payments based on shares of the Controlling Company Crédit Agricole S.A. made to employees and directors*

Section 16 - Minority interests - Item 210

16.1 Share capital: composition and changes for the period

Items	31.12.2011	31.12.2010
1. Share capital	53,994	34,367
2. Share premium reserve	101,905	85,628
3. Reserves	39,674	28,557
4. (Treasury Shares)	-	-
5. Valuation reserves	-11,100	-409
6. Equity instruments	-	-
7. Net profit (loss) pertaining to minority interests	7,793	8,790
Total	**192,266**	**156,933**

OTHER INFORMATION

1. Guarantees issued and commitments

Transactions	31.12.2011	31.12.2010
1) Financial guarantees issued	**1,099,199**	**1,074,591**
a) Banks	256,398	252,173
b) Customers	842,801	822,418
2) Commercial guarantees issued	**983,150**	**845,506**
a) Banks	39,848	23,985
b) Customers	943,302	821,521
3) Irrevocable commitments to disburse funds	**560,529**	**565,499**
a) Banks	**124,266**	**99,952**
i) certain use	124,266	99,952
ii) uncertain use	-	-
b) Customers	**436,263**	**465,547**
i) certain use	29,975	30,919
ii) uncertain use	406,288	434,628
4) Commitments underlying credit derivatives: sales of protection	**-**	**-**
5) Assets pledged as collateral for third-party debts	**-**	**-**
6) Other commitments	**100,759**	**115,773**
Total	**2,743,637**	**2,601,369**

2. Assets pledged as collateral for own liabilities and commitments

Portfolio	31.12.2011	31.12.2010
1. Financial assets held for trading	-	6,255
2. Financial assets recognized at fair value	-	-
3. Financial assets available for sale	2,035,927	7,481,460
4. Financial assets held to maturity	-	-
5. Loans to banks	113,199	30,810
6. Loans to customers	-	-
7. Property, plant and equipment	-	-

3. Information on operating leases

OPERATING LEASES - LESSEE - IAS 17 ART. 35 - LETTER A/B

Future minimum payments due under non-cancellable leases	< 1 year	1<> 5 years	> 5 years	unspecified maturity	Total
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Furnishings	-	-	-	-	-
Electronic plant - hardware	-	-	-	-	-
Electronic plant - other	-	-	-	-	-
Other - vehicles (including automobiles)	2,167	3,670	-	-	5,837
Other - office machinery	270	285	-	-	555
Other - telephones (fixed and mobile)	-	-	-	-	-
Other - other	-	-	-	-	-
Software	-	-	-	-	-
Total	**2,437**	**3,955**	**-**	**-**	**6,392**

OPERATING LEASES - LESSEE - IAS 17 ART. 35 - LETTER C

Future minimum payments due under non-cancellable leases	1<> 5 years	> 5 years	unspecified maturity	Total
Land	-	-	-	-
Buildings	-	-	-	-
Furnishings	-	-	-	-
Electronic plant - hardware	-	-	-	-
Electronic plant - other	-	-	-	-
Other - vehicles (including automobiles)	2,932	-	-	2,932
Other - office machinery	374	-	-	374
Other - telephones (fixed and mobile)	-	-	-	-
Other - other	-	-	-	-
Software	-	-	-	-
Total	**3,306**	**-**	**-**	**3,306**

OPERATING LEASES - LESSEE - IAS 17 ART. 35 - LETTER D

Description of contracts	Description of contracts installments	Renewal or purchase option	Indexing clause
Other - vehicles (including automobiles)	Installment determined on basis of brand, model, engine size and accessories of each vehicle and including additional services	Customer may request contract extension at prefixed installment	
Other - office machinery	Photocopiers: fixed monthly payment for each machine Franking machine: fixed monthly payment	Photocopiers: purchase option at end of each year Franking machine: tacit renewal every year unless terminated	

5. Management and intermediation services

Typology of services	Amounts
1. Trading on behalf of customers	**-**
a) purchases	-
1. settled	-
2. not yet settled	-
b) sales	-
1. settled	-
2. not yet settled	-
2. Asset management	**928,547**
a) individual	928,547
b) collective	-
3. Custody and administration of securities	
a) third-party securities on deposit: held as part of depository bank services (excluding asset management)	-
1. securities issued by consolidated companies	-
2. other securities	-
b) other third-party securities on deposit (excluding asset management): other	48,762,008
1. securities issued by consolidated companies	11,733,300
2. other securities	37,028,708
c) third-party securities deposited with third parties	47,599,374
d) securities owned by bank deposited with third parties	6,214,440
4. Other transactions	**-**

Part C Information on the Consolidated Income Statement

SECTION 1 - Interests - Items 10 and 20

1.1 Interest income and similar revenues: composition

	Debt securities	Loans	Other transactions	31.12.2011	31.12.2010
1. Financial assets held for trading	407	-	-	407	296
2. Financial assets recognized at fair value	-	-	-	-	-
3. Financial assets available for sale	214,258	-	-	214,258	168,215
4. Financial assets held to maturity	-	-	-	-	-
5. Loans to banks	43,261	55,790	-	99,051	67,364
6. Loans to customers	151	1,174,054	-	1,174,205	907,836
7. Hedging derivatives	X	X	92,319	92,319	121,294
8. Other Assets	X	X	1,223	1,223	485
Total	**258,077**	**1,229,844**	**93,542**	**1,581,463**	**1,265,490**

1.2 Interest income and similar revenues: differences on hedging transactions

	31.12.2011	31.12.2010
A. Positive differences on hedging transactions	371,624	238,091
B. Negative differences on hedging transactions	(279,305)	(116,797)
C. Balance (A-B)	**92,319**	**121,294**

1.3 Interest income and similar revenues: other information

1.3.1 Interest income on foreign-currency financial assets

At the end of 2011, interest income on foreign-currency financial assets came to € 5,369 thousand.

1.3.2 Interest income on finance lease transactions

At the end of 2011, interest income on financial lease transactions came to € 58,899 thousand.

1.4 Interest expense and similar charges: composition

Items	Debts	Securities	Others Transactions	31.12.2011	31.12.2010
1. Due to central banks	-	X	-	-	(1,450)
2. Due to banks	(153,114)	X	-	(153,114)	(60,163)
3. Due to customers	(99,539)	X	(10)	(99,549)	(53,399)
4. Securities issued	X	(280,231)	-	(280,231)	(231,597)
5. Financial liabilities held for trading	-	-	-	-	-
6. Financial liabilities carried at fair value	-	-	-	-	-
7. Other liabilities and provisions	X	X	(270)	(270)	(170)
8. Hedging derivatives	X	X	-	-	-
Total	**(252,653)**	**(280,231)**	**(280)**	**(533,164)**	**(346,779)**

1.6 Interest expense and similar charges: other information

1.6.1 Interest expense on foreign-currency liabilities

At the end of 2011, interest expense on foreign-currency financial assets came to € 2,432 thousand.

Section 2 - Commissions - Items 40 and 50

2.1 Commissions income: composition

Items	31.12.2011	31.12.2010
a) guarantees issued	13,916	11,705
b) credit derivatives	-	-
c) management, intermediation and advisory services:	254,047	214,869
1. trading in financial instruments	-	-
2. foreign exchange	5,226	4,998
3. portfolio management	9,409	9,365
3.1. individual	9,409	9,365
3.2. collective	-	-
4. custody and administration of securities	6,751	6,938
5. depository services	-	-
6. securities placement	89,547	83,138
7. order collection	13,331	10,788
8. advisory services	277	94
8.1 in respect of investments	-	-
8.2 in respect of financial structure	277	94
9. distribution of third-party services	129,506	99,548
9.1. asset management	-	285
9.1.1. individual	-	-
9.1.2. collective	-	285
9.2. insurance products	128,371	99,008
9.3. other	1,135	255
d) collection and payment services	46,631	40,603
e) servicing activities for securitizations	-	-
f) services for factoring transactions	-	-
g) tax collection services	-	-
h) management of multilateral exchange systems	-	-
i) keeping and managing current accounts	197,598	164,431
j) other services	77,307	90,618
Total	**589,499**	**522,226**

2.2 Commissions expense: composition

Items	31.12.2011	31.12.2010
a) guarantees received	(1,796)	(1,273)
b) credit derivatives	-	-
c) management and intermediation services:	(4,313)	(2,789)
1. trading in financial instruments	(974)	(36)
2. foreign exchange	-	-
3. asset management:	(1,236)	(1,281)
3.1 own portfolio	-	-
3.2 third-party portfolio	(1,236)	(1,281)
4. custody and administration of securities	(1,024)	(922)
5. placement of financial instruments	(1,079)	(550)
6. off-premises distribution of securities, products and services	-	-
d) collection and payment services	(4,129)	(4,658)
e) other services	(12,507)	(10,578)
Total	**(22,745)**	**(19,298)**

Section 3 - Dividends and similar revenues - Item 70

3.1 Dividends and similar revenues: composition

	31.12.2011		31.12.2010	
Items	dividends	income from units in collective investment undertakings	dividends	income from units in collective investment undertakings
A Financial assets held for trading	1	-	5	-
B. Financial assets available for sale	1,636	-	1,631	-
C. Financial assets carried at fair value	-	-	-	-
D. Equity investments	5	X	-	X
Total	**1,642**	**-**	**1,636**	**-**

Section 4 - Net gain (loss) on trading activities - Item 80

4.1 Net gain (loss) on trading activities: composition

	Capital gains (A)	Trading profits (B)	Capital losses (C)	Trading losses (D)	Net gain [(A+B) - (C+D)]
1. Financial assets held for trading	**325**	**4,601**	**(327)**	**(1,087)**	**3,512**
1.1 Debt securities	312	3,613	(173)	(838)	2,914
1.2 Equity securities	-	28	-	(1)	27
1.3 Units in collective investment undertakings	13	75	(154)	-	-66
1.4 Financing	-	-	-	-	-
1.5 other	-	885	-	(248)	637
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Debts	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Other financial assets and liabilities: exchange rate differences	**x**	**x**	**x**	**x**	**1,687**
4. Derivatives	**179,819**	**254,744**	**(168,898)**	**(249,747)**	**16,434**
4.1 Financial derivatives:	179,819	254,744	(168,898)	(249,747)	16,434
- on debt securities and interest rates	177,129	248,513	(166,069)	(243,777)	15,796
- on equity securities and equity indices	-	-	-	-	-
- on foreign currencies and gold	x	x	x	x	516
- other	2,690	6,231	(2,829)	(5,970)	122
4.2 Credit derivatives	-	-	-	-	-
total	**180,144**	**259,345**	**(169,225)**	**(250,834)**	**21,633**

Section 5 - Net gain (loss) on hedging activities - Item 90

5.1 Net gain (loss) on hedging activities: composition

		31.12.2011	31.12.2010
A	**Gain on:**		
A.1	Fair value hedges	430,744	132,184
A.2	Hedged financial assets (fair value)	269,082	21,360
A.3	Hedged Financial liabilities (fair value)	74,025	45,066
A.4	Cash flow hedges	-	-
A.5	Assets and liabilities in foreign currencies	-	-
Total income on hedging activities (A)		**773,851**	**198,610**
B.	**Loss on:**		
B.1	Fair value hedges	(360,586)	(81,034)
B.2	Hedged financial assets (fair value)	(14,318)	(91,325)
B.3	Hedged financial liabilities (fair value)	(400,256)	(23,552)
B.4	Cash flow hedges	-	-
B.5	Assets and liabilities in foreign currencies	-	-
Total expense on hedging activities (B)		**(775,160)**	**(195,911)**
C.	**Net gain (loss) on hedging activities (A-B)**	**(1,309)**	**2,699**

Section 6 - Gain (loss) on disposal or repurchase - Item 100

6.1 Gain (Loss) on disposal or repurchase: composition

	31.12.2011			31.12.2010		
	Gains	Losses	Net profit	Gains	Losses	Net profit
Financial assets						
1. Loans to banks	-	-	-	-	-	-
2. Loans to customers	1,073	(5,242)	(4,169)	326	(9,129)	(8,803)
3. Financial assets available for sale	54,329	(41,233)	13,096	50,118	(3,691)	46,427
3.1 Debt securities	53,782	(41,233)	12,549	50,118	(3,691)	46,427
3.2 Equity securities	547	-	547	-	-	-
3.3 Units in collective investment undertakings	-	-	-	-	-	-
3.4 Financing	-	-	-	-	-	-
Financial assets held to maturity	-	-	-	-	-	-
Total assets	**55,402**	**(46,475)**	**8,927**	**50,444**	**(12,820)**	**37,624**
Financial liabilities						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	3,038	(2,570)	468	2,248	(6,195)	(3,947)
Total liabilities	**3,038**	**(2,570)**	**468**	**2,248**	**(6,195)**	**(3,947)**

Section 8 - Net impairment adjustments - Item 130

8.1 Net impairment adjustments of loans: composition

Operazioni/ Componenti reddituali	Writedowns			Writebacks				31.12.2011	31.12.2010
	Specific		Portfolio	Specific		Portfolio			
	Writeoffs	Other		A	B	A	B		
Loans to banks			-	-	-	-	-	-	1
- loans	-	-	-	-	-	-	-	-	1
- debt securities	-	-	-	-	-	-	-	-	-
B. Loans to customers	**(6,022)**	**(280,442)**	**(31,172)**	**18,106**	**44,489**	**-**	**23,005**	**(232,036)**	**(201,580)**
- loans	(6,022)	(280,442)	(31,172)	18,106	44,489	-	23,005	(232,036)	(201,580)
- debt securities	-	-	-	-	-	-	-	-	-
C. Total	**(6,022)**	**(280,442)**	**(31,172)**	**18,106**	**44,489**	**-**	**23,005**	**(232,036)**	**(201,579)**

Key:

A= from interest.

B= other writebacks.

8.2 Net impairment adjustments of financial assets available for sale: composition

	Writedowns		Writebacks			
	Specific		Specific			
	Writeoffs	Other	A	B	31.12.2011	31.12.2010
A Debt securities	-	-	-	520	520	-
B. Equity securities	-	(3,118)	X	X	(3,118)	(118)
C. Units in collective investment undertakings	-	-	X	-	-	-
D. Loans to banks	-	-	-	-	-	-
E. Loans to customers	-	-	-	-	-	-
F. Total	**-**	**(3,118)**	**-**	**520**	**(2,598)**	**(118)**

Key:

A= from interest.

B= other writebacks.

8.4 Net impairment adjustments of other financial instruments: composition

	Writedowns			Writebacks					
	Specific			Specific		Portfolio			
	Writeoffs	Other	Portfolio	A	B	A	B	31.12.2011	31.12.2010
A. Guarantees issued	-	(3,073)	-	-	417	-	3,069	413	2,886
B. Credit derivatives	-	-	-	-	-	-	-	-	-
C. Commitments to disburse funds	-	-	-	-	-	-	-	-	-
D. Other transactions	-	-	-	-	-	-	-	-	-
E. Total	**-**	**(3,073)**	**-**	**-**	**417**	**-**	**3,069**	**413**	**2,886**

Key:

A= from interest.

B= other writebacks.

Section 11 - Administrative expenses - Item 180

11.1 Staff expenses: composition

Items	31.12.2011	31.12.2010
1) Employees	(608,580)	(532,059)
a) wages and salaries	(429,958)	(381,098)
b) social security contributions	(114,130)	(99,533)
c) severance benefits	(212)	(175)
d) pensions	-	-
e) allocation to employee severance benefit provision	(3,378)	(2,459)
f) allocation to provision for retirement and similar liabilities:	(1,065)	(1,002)
- defined contribution	-	-
- defined benefit	(1,065)	(1,002)
g) payments to external pension funds:	(41,959)	(35,320)
- defined contribution	(41,959)	(35,320)
- defined benefit	-	-
h) costs in respect of agreements to make payments in own equity instruments	-	-
i) other employee benefits	(17,878)	(12,472)
2) Other personnel	(3,704)	619
3) Directors and auditors	(2,868)	(1,966)
4) Retired personnel	-	-
Total	**(615,152)**	**(533,406)**

11.2 Average number of employees by category:

	31.12.2011
Employees:	8,270
a) senior management	108
b) junior management	3,340
c) other employees	4,822
Other personnel	86

The number of employees takes into account the employees seconded to other entities and other staff seconded to the group. The figure for “other personnel” refers solely to non-employees.

11.3 Defined-benefit company pension plans: total expenses

Items	31.12.2011	31.12.2010
Provision for the year	-	-
Defined-benefit company pension plans: total costs	(1,065)	(1,002)

11.4 Other employee benefits

This item includes expenses for non-occupational insurance policies, early retirement incentives, provision for loyalty bonuses, special premium for assignment of free shares, other fringe benefits and payments to the bank employees' cultural and recreational club.

11.5 Other administrative expenses: composition

Items	31.12.2011	31.12.2010
Direct and indirect taxes	(86,540)	(68,108)
Data processing	(36,531)	(27,309)
Facility rental and management	(59,812)	(49,533)
Professional consulting services	(28,491)	(23,558)
Telephone, postal charges and couriers	(16,919)	(15,042)
Telephone and data transmission	(11,556)	(9,651)
Legal expenses	(4,408)	(3,382)
Property maintenance	(3,579)	(2,414)
Furnishing and plant maintenance	(13,777)	(9,942)
Marketing, development and entertainment	(18,415)	(9,516)
Transportation	(22,648)	(13,900)
Lighting, heating and air conditioning	(13,443)	(11,109)
Office supplies, printed material, print subscriptions, photocopying, etc	(8,769)	(6,851)
Staff training expenses and reimbursements	(11,534)	(9,520)
Security	(5,025)	(4,545)
Information and title searches	(6,407)	(5,023)
Insurance	(135,200)	(92,159)
Cleaning	(6,755)	(5,681)
Leasing of other property, plant and equipment	(6,560)	(5,210)
Management of archives and document handling	(1,062)	(997)
Reimbursement of costs to Group companies	(36,386)	(25,679)
Sundry expenses	(10,886)	(7,184)
Total	**(544,703)**	**(406,313)**

Section 12 - Net provisions for liabilities and contingencies - Item 190

12.1 Net provisions for liabilities and contingencies: composition

The provision of € 44,177 thousand is composed of € 18,340 thousand for non-lending litigation, € 22,083 thousand for provisions to protect customers' investments and € 3,754 thousand for other provisions.

Section 13 - Net adjustments/writebacks of property, plant and equipment: Item 200

13.1 Net adjustments of property, plant and equipment: composition

Items	Depreciation (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Property, plant and equipment:				
A.1 Owned	(30,158)	-	-	(30,158)
- Operating assets	(29,872)	-	-	(29,872)
- Investment property	(286)	-	-	(286)
A.2 Acquired under financial leases	-	-	-	-
- Operating assets	-	-	-	-
- Investment property	-	-	-	-
Total	**(30,158)**	**-**	**-**	**(30,158)**

Section 14 - Net adjustments/writebacks of intangible assets - Item 210

14.1 Net adjustments of intangible assets: composition

Items	Amortization (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Intangible assets				
A.1 Owned	(59,542)	-	-	(59,542)
- Generated internally by the Bank	-	-	-	-
- Other	(59,542)	-	-	(59,542)
A.2 Acquired under financial leases	-	-	-	-
Total	**(59,542)**	**-**	**-**	**(59,542)**

Section 15 - Other operating revenues (expenses)- Item 220

15.1 Other operating expenses: composition

Items	31.12.2011	31.12.2010
Expenses for financial lease transactions	(3,377)	(2,749)
Amortization of expenditure for leasehold improvements	(8,025)	(8,235)
Other charges	(8,560)	(7,298)
Total	**(19,962)**	**(18,282)**

15.2 Other operating income: composition

Items	31.12.2011	31.12.2010
Rental income and recovery of expenses on real estate	1,020	522
Revenues on financial lease contracts	756	1,783
Recovery of taxes and duties	77,466	61,241
Recovery of insurance costs	135,097	92,466
Recovery of other expenses	6,240	5,101
Other income	4,796	6,148
Total	**225,375**	**167,261**

Section 16 - Gain (loss) on equity investments - Item 240

16.1 Gain (loss) on equity investments: composition

Income components/Sectors	31.12.2011	31.12.2010
1. Joint ventures		
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Writebacks	-	-
4. Other income	-	-
B. Losses	-	-
1. Writedowns	-	-
2. Impairments	-	-
3. Losses on disposal	-	-
4. Other charges	-	-
Net profit	**-**	**-**
2. Companies under significant influence		
A. Gains	-	5,350
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Writebacks	-	-
4. Other income	-	5,350
B. Losses	(44,834)	-
1.Writedowns	(44,834)	-
2. Impairments (*)	-	-
3. Losses on disposal	-	-
4. Other charges	-	-
Net profit	**(44,834)**	**5,350**
Total	**(44,834)**	**5,350**

(*) mainly relates to the measurement with the equity method of the shareholding in CA Vita S.p.A.

Section 18 - Value adjustments of goodwill - Item 260

18.1 Value adjustments of goodwill: composition

In 2011, goodwill arising from various acquisitions made by the Group since 2007 was tested for impairment. In line with the guidelines set by the Controlling Company Crédit Agricole, some of the variables used in the measurement model were reviewed more prudentially than in the previous years; specifically, the cost of capital was increased (to reflect the impairment of the Italian macroeconomic situation) as well as the amount of the target capital (consistently with the Group's new and more prudential internal objectives).

These reviews caused, for the Cash Generating Unit Crédit Agricole Leasing Italia, a decrease in the present value of cash flows, which is now lower than its book value: consequently, the Group wrote down goodwill on the relevant Cash Generating Unit by the same amount (€ 6.0 million).

Conversely, for the Cash Generating Unit Retail+Private Banking and the Cash Generating Unit Enterprises+Corporate, which reflect the contribution of the segments of the Distribution Networks of the three Group Banks, the impairment test showed no need for writedowns.

Section 19.1 - Gain (loss) on disposal of investments - Item 270

19.1 Gain (loss) on disposal of investments: composition

Income components/Sectors	31.12.2011	31.12.2010
A. Land and buildings	297	2,197
- Gains on disposal	297	2,197
- Losses on disposal	-	-
B. Other assets	1	(6)
- Gains on disposal	1	2
- Losses on disposal	-	(8)
Net profit	**298**	**2,191**

Section 20 - Income taxes for the period on continuing operations - Item 290

20.1 Income tax for the period on continuing operations: composition

Income components/Sectors	31.12.2011	31.12.2010
1. Current taxes (-) (*)	(241,737)	(155,176)
2. Changes in current taxes from previous periods (+/-)	39	150
3. Reduction of current taxes for the period (+)	2,514	2,952
4. Change in deferred tax assets (+/-) (**)	173,574	(2,259)
5. Change in deferred tax liabilities (+/-)	308	2,432
6. Income taxes for the period (-) (-1+/-2+3+/-4+/-5)	(65,302)	(151,901)

(*) The amount includes the substitute tax pursuant to Interministerial Decree No. 98/2011 of € 80,052 thousand, due to the exemption of goodwill inherent in the equity investments Banca Popolare FriulAdria and Credit Agricole Leasing Italia S.r.l. and the substitute tax of € 4,000 thousand, for the realignment of values qualifying for tax relief for neutral transfers in 2011.

(**) The amount includes ordinary tax of € 165,522 thousand, which will be saved in future following the goodwill inherent in the equity investments Banca Popolare FriulAdria and Credit Agricole Leasing Italia S.r.l., pursuant to Interministerial Decree No. 98/2011 and taxes of € 8,117 thousand relating to the future deductibility of the realignment of values qualifying for tax relief for neutral transfers in 2011.

20.2 Reconciliation of theoretical tax liability and actual tax liability recognized

	31.12.2011
Net profit before tax on continuing operations	273,338
Theoretical taxable income	**273,338**

	31.12.2011
Income tax - Theoretical tax liability	(86,687)
effect of revenues that do not form taxable income	-
effect of income already subject to taxation	-
effect of fully or partially non-deductible expenses	(8,924)
Income tax - actual tax liability	**(95,611)**
- taxes for acceptance of assessment on foreign P/T	**(3,532)**
-tax on realignment gain under Decree Law 98/2011	**(80,052)**
- tax on realignment of suspended values for neutral transfers	**(4,000)**
effect of recovery of future taxes on realignment gain under Decree Law 98/2011	**164,754**
- tax on realignment of suspended values for neutral transfers	**8,118**
- effect of tax credits and deduction	**2,514**
Effect of consolidation entries	**625**
IRAP - Theoretical tax liability	(17,055)
effect of revenues/expenses that do not form taxable income	(74,409)
- effect of other changes	30,156
- effect of tax rate increase	3,191
IRAP - Actual tax liability	**(58,117)**
Other taxes	-
Actual tax liability recognized	**(65,302)**
of which: actual tax liability on continuing operations	(65,302)
Actual tax liabilities on assets being divested	-

Section 22 - net profit (loss) pertaining to minority interests - item 330

22.1 Breakdown of item 330 "net profit (loss) pertaining to minority interests"

The net profit (loss) pertaining to minority interests came to € 7,793 thousand and is entirely attributable to Banca Popolare FriulAdria Spa and Crédit Agricole Leasing Italia S.r.l..

Section 24 - Earnings per share

24.1 Average number of ordinary shares of diluted capital

The Parent Company's capital is comprised of 876,761,620 shares with a nominal value of € 1 each.

Part D Consolidated Comprehensive Income

Statement of consolidated comprehensive income

		Importo lordo	Imposta sul reddito	Importo netto
10.	Net profit (loss) for the period	X	X	208,036
	Other income components			
20.	Other income components	(442,720)	147,097	(295,623)
	a) changes in fair value	(438,602)	145,759	(292,843)
	b) reversal to income statement	(4,118)	1,338	(2,780)
	- writedowns for impairment	(459)	191	(268)
	- profit/loss for realization	(3,659)	1,147	(2,512)
	c) other changes	-	-	-
30.	Property, plant and equipment	-	-	-
40.	Intangible assets	-	-	-
50.	Hedging of foreign investments:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
60.	Cash flow hedges:	(234)	-	(234)
	a) changes in fair value	-	-	-
	b) reversal to income statement	(234)	-	(234)
	c) other changes	-	-	-
70.	Exchange rate differences:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
80.	Attività non correnti in via di dismissione:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
90.	Actuarial gains (losses) on defined-benefit plans	(13,714)	3,783	(9,931)
100.	Share of valuation reserve on equity investments accounted for by equity method:	(13,548)	-	(13,548)
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	- writedowns for impairment	-	-	-
	- profit/loss for realization	-	-	-
	c) other changes	(13,548)	-	(13,548)
110.	Total for other income components	(470,216)	150,880	(319,336)
120.	Comprehensive income (Item 10+110)	X	X	(111,300)
130.	Consolidated comprehensive income pertaining to minority interests	X	X	(3,017)
140.	**Consolidated comprehensive income pertaining to the Parent Company**	**X**	**X**	**(108,283)**

Part E Risks and related Hedging Policies

Section 1: Banking Group Risks

The Cariparma Crédit Agricole Group deems risk management and control very important, as conditions to ensure a reliable and sustainable generation of value and, consequently, the Group's financial soundness and reputation.

Cariparma is the operating Parent Company, both as coordinator and as a commercial bank with its own distribution network, and is engaged in overall risk guidance and control.

The Group companies have their own risk management and control structures in compliance with the Group's guidelines, benefit from the functions directly performed by Cariparma, when centralized, and operate on reference perimeters.

The guidelines on exposure to risks are set by the risk strategy approved by the Controlling Company Crédit Agricole, which provides for, specifically for credit risk, operational risk, market risks and other risks, compliance with Basel II requirements.

Organizational structures have been created to engage in risk measurement and to integrate the same in the Group governance and operations. Said structures are supported by specific Committees, among which are the Internal Control Committee and Risk Committees.

Risk Committees, with different scopes such as Credit Risk, Operational Risk, Financial Risks and Compliance Risks are responsible for designing and formalizing risk management policies, for structuring and assigning tasks and responsibilities to corporate bodies and departments, for monitoring risk trends and steering the relevant action plans, consistently with the Group's risk appetite and with the guidelines issued by the Controlling Company Crèdit Agricole and endorsed by the Board of Directors.

Among the initiatives undertaken by the Group in relation to risk environments deemed particularly critical, an important organisational innovation is the implementation of a strengthened system of protection against internal and external fraud, with the establishment of a specific Anti-Fraud Unit expressly responsible for coordination and control.

The Basel 2 Project

As far back as 2007, the Cariparma Crédit Agricole Group started a challenging project for the adoption of Basel 2 advanced metrics for the calculation of credit and operational risks. This project adopts the Supervisory Regulations in compliance and consistently with the guidelines and methods adopted by the Controlling Company Crédit Agricole S.A..

In addition to the regulatory quantities, the work made also succeeded in improving, developing and integrating risk management into the corporate processes. To achieve this, the various project releases were accompanied by specific internal Regulations ensuring an effective management use of the tools released by the project over time.

Overall, the activities performed are in a sufficiently advanced phase to allow discussion to be started with the Supervisory Body, in order to receive the authorization to use, for regulatory purposes, both the advanced IRB model for the retail loans portfolio and the Advanced Measurement Approach (AMA) for the calculation of the capital requirements relating to Operational Risks for Cariparma and FriulAdria.

Internal Control System

In accordance with the relevant regulations in force and with the guidelines issued by the Controlling Company Crédit Agricole S.A., the internal controls system of the Cariparma Crédit Agricole Group is so structured as to ensure detection, measurement and assessment over time of the risks associated to the performance of the corporate operations.

In general, the internal control system is based on two methods of control: permanent control and periodic control.

Permanent Control is ensured:
- at first degree, by the operators or by the hierarchy within the unit, or by the automated transaction-processing systems, which carry out the transaction or start the process subject to control (e. g. branch operator);
- at second degree - first level, by agents other than those that have started the transaction, but authorized to operate (e.g. back office);
- at second degree - second level, by agents exclusively engaged in specialized top-level permanent controls (controls on credit risk, accounting audits, non-compliance, etc.), without operating tasks involving risk-taking.

Periodic control (called "third-degree control") refers to the regular auditing of all activities (including permanent control and non-compliance control) by the audit unit, both based on documentary evidence and on site.

The internal control tool adopted by the Cariparma Crédit Agricole Group results from a process involving:
- the definition of the scope of control and the areas of responsibility of the different players appointed;
- the identification of the main risk zones, based on the risk mapping;
- the implementation of the classification of operating activities, decision-making powers and controls;
- performance of permanent controls at the different degrees and level envisaged, monitoring a correct application of the procedures and the detection of any early warnings;
- the performance of the periodic control by the Internal Audit Unit;
- the implementation of an appropriate reporting to corporate bodies and senior management engaged in governance and control functions.

The internal control system is designed based on an internal regulation formalized throughout the Group that, based hierarchically on the Governance Documentation, extends to the operating rules that govern processes, activities and controls.

The Cariparma Crédit Agricole Group has three main independent control structures that, within its control scope and based on the relevant tasks, ensure constant control on all corporate operations and the risks generated by the same:
- Risk Management and Permanent Controls Department;
- the Compliance Department, which are responsible for second-degree - second level control;
- the Internal Audit Unit, which is responsible for third-degree control.

Moreover, in compliance with the provisions of Article 154-bis of the Italian Consolidated Financial Act, the nominated manager has the responsibility to monitor the internal control systems relating to accounting and financial information.

Risk Management and Permanent Controls Department

The Risk Management and Permanent Controls Department is independent of any management and decision-making function entailing risk-taking: this independence is ensured by the organizational placement that provides for direct dotted line (function) reporting to the Chief Executive Officer of the Cariparma Crédit Agricole Group and by solid line (hierarchically) reporting to the Group Risk Management Department of the Parent Company Crédit Agricole S.A..

The Risk Management and Permanent Controls Department of the Cariparma FriulAdria Group ensures full monitoring of risks and permanent controls through specialized units within the department, dedicated to monitoring and control of:
- credit risk;
- concentration risk;
- Counterparty risk;
- market and financial risks;
- operational risks.

The Risk Management and Permanent Controls Departments of the subsidiaries report on a solid line (hierarchically) to the Risk Management and Permanent Controls Department of the Parent Company Cariparma and, through continuous coordination and guide, ensure the implementation and constant revision of the respective internal control scope, following the Group guidelines and methods and providing the holding structure with a systematic information flow.

Compliance Unit

The Compliance has been established pursuant to statutory provisions, with the main aim of overseeing and controlling compliance with the rules and regulations by the various activities, including self-regulation, and compliance with the guidelines issued by the Parent Company Crédit Agricole S.A..

The aim of this unit is to ensure, through careful planning, adaptation of the various organisational procedures with the regulations in force and the correct definition of the first and second level control principles in company processes, with positive effects on business.

The unit supports and advises the company's senior management in order to prevent situations which could lead to penalties, generate losses or cause significant damage to the company's reputation.

Moreover, Compliance activities are an opportunity to develop the company's value for the benefit of all stakeholders.

Cariparma's Central Compliance Department reports to the Chief Executive Officer of Cariparma and reports on a dotted line to the Direction de la Conformité of Crédit Agricole S.A..

Each Company has a Compliance Unit which reports to senior management and on a dotted line to Cariparma's Central Compliance Department. The heads of these Units have the mission to mitigate compliance risk within their own Company.

All Compliance Units follow standardised risk assessment criteria according to methodology provided for by current legislation and the guidelines issued by the French Controlling Company, according to the sizes and number of customers of each single entity.

These Compliance Units are an integral part of the internal controls system.

Audit Department

The Audit Department is independent of any management and decision-making function entailing risk-taking: this independence is ensured by the organizational placement that provides for direct dotted line (function) reporting to the Chief Executive Officer of the Cariparma Crédit Agricole Group and by solid line (hierarchically) reporting to the Group Risk Management Department of the Parent Company Crédit Agricole S.A..

The Audit Department:
- ensures that periodic controls are carried out on processes and organizational units of all the Companies in the Cariparma Crédit Agricole Group, through a constant and independent monitoring action on the regular performance of operations, to prevent or detect the onset of problem and risk situations or behaviours;
- assesses effectiveness of the internal control system as a whole and its suitability to ensure:
  - effectiveness and efficiency of corporate processes;
  - protection of assets value;
  - prevention of losses;
  - reliability and integrity of accounting and management data;
  - compliance of operations with both the policies set by the corporate governance bodies and with internal and external regulations.
- performs a governance and steering action on the internal audit units of the companies in the Cariparma Crédit Agricole Group;
- provides the Corporate Senior Management, the Corporate Bodies and the Controlling Company with prompt and systematic reporting on the activities carried out.

Manager in Charge

Pursuant to abovementioned Article 154-bis, the Manager in Charge shall certify, jointly with the Chief Executive Officer, through the appropriate statement attached to the Separate Financial Statements Consolidated Financial Statements and Interim Condensed Financial Statements:

- adequacy and actual application of the administrative and accounting procedures;
- consistency of the corporate financial statements and reports with the accounting books' and records;
- suitability of said financial reports for giving a true and correct representation of the equity, performance and financial situation of the Bank and the Group.

Moreover, the Manager must certify that the Management Report includes a reliable analysis of the trends and performance, as well as the Bank's and the Group's situation, together with a description of the main risks and uncertainties to which they are exposed.

1.1 Credit Risk

QUALITATIVE DISCLOSURES

General aspects

Lending is the core business of the Group, which aims at constantly expanding throughout the country to the extent compatible with a risk management strategy focussed on the most attractive geographical areas, customer segments and sectors of economic activity.

This strategy, which is agreed with the Controlling Company, Crédit Agricole S.A., consists of identifying risk ceilings (sector and individual concentration risk limits, etc.) and ensuring that they are consistent with the Group's budget targets and business plan. The Group continued to improve credit quality by means of constant monitoring of the loan portfolio, which entails verifying that the agreed risk strategy is being implemented, with a focus on major risk exposures.

Credit risk management policies

Organisational aspects

The assumption of credit risk is governed by a framework resolution that has been adopted by the Boards of Directors of the individual banks and companies in the Cariparma FriulAdria Group. The resolution matches the levels of operating powers and decision-making authority to the levels of exposure to counterparties and the associated direct and indirect risks relating to the counterparties' membership of a given economic group, the technical form of the loan granted, the diversification of risk and the rating assigned to the counterparty by the bank's internal rating system.

The lending process is regulated within a system of phased internal controls that delineate the criteria for managing risk ratings, determine the activities to be carried out to ensure the criteria are properly applied, identify the units responsible for these activities and develop the procedures to support them. The division into phases and the assignment of the activities to different organizational structures are intended to enhance the functionality of the process, both as regards its capacity to achieve objectives (process effectiveness) and its capacity to attain them at an appropriate cost (process efficiency).

The reliability of the applicant is assessed in the loan application processing phase, which has the objective of assessing the counterparty's creditworthiness, the risk of the transaction and consistency of the expected return on the transaction with the risks taken, as well as the sustainability - also in the future -of the credit risk taken.

Specifically the principles of the loan application processing in the Cariparma FriulAdria Group are the relevant information on the present and future solvency of the counterparty, the valuation of any guarantees provided by the counterparty, the examination of the specific characteristics of the transaction (amount, technical form, maturity and use to which the funds will be put), the application of a price that guarantees the profitability of the loan is proportionate to the risk assumed, uniform rules of conduct and methods for assessment.

At the loan processing phase, the results from the rating system, where available, and the related estimates of default are given great weight because they are essential elements of any complete assessment of a customer. The loan application processing phase produces a final assessment of the counterparty's creditworthiness which integrates also qualitative information, the importance of which increases in proportion to the size of the counterparty and the amount being sought.

The loan application is accepted based on a decision-making powers system approved by the Board of Directors of each Bank, while credit lines do not become available to the borrower until after the completion of all phases provided for in the resolution (with particular regard to the acquisition, verification and valuation of the guarantees, conditions precedent, covenants...).

The loan disbursement process is governed by:
- a system of limits that ensures compatibility between the risk taken and the Group's risk appetite;
- a system that distributes decision-making powers based on the magnitude of the counterparty risk so that the level of responsibility for loans corresponds to the potential loss.

After the loan has been granted and disbursed, the position is reviewed on a temporal basis, at regular intervals or some other agreed schedule, or in response to an alert from/initiative of dedicated functions (for example loan monitoring function). Review of credit lines is performed by assessing that the counterparty and the counterparty's sureties remain solvent, ascertaining the continuing compliance of the guarantees pledged (legal certainty, the ease of liquidation and the consistency of their value with the size of the exposures), verifying compliance with the risk concentration limits, checking that the information and data stored in database are up to date and examining the causes of any change in the counterparty's risk rating.

In the Cariparma FriulAdria Group, the revision process support decisions on whether to renew or revoke credit lines, or whether to start a new processing phase. The review may also be performed automatically, using an efficient control system, for positions that, on the basis of a rigorous examination of specific indicators, can be deemed as being low risk.

The Cariparma FriulAdria Group has implemented a continuous monitoring of loan positions and relevant guarantees, which permits the timely detection of any problems and, thus, helps to maintain a high quality of the loan portfolio. Management of problem loans is performed through specific organization structures, which were further boosted in the year, and using a management model that is based on alerts and on evidence from monitoring tools used on performing loans, as well as on a series of loan management rules calibrated with reference to the default classification envisaged under supervisory regulations (past-due, substandard loan, restructured loan e bad debts). These rules govern the transfer of exposures to the appropriate functions.

The organization structure, procedures and tools on which the management of problem exposures is based, ensure that initiatives and measures to restore performing status are promptly taker, or swift recovery actions if the relationship cannot be maintained.

Management, measurement and control systems

The Cariparma Crédit Agricole Group has a group of tools available to ensure analytical control of the quality of the loans to customers portfolio.

To measure credit risk, the Cariparma Crédit Agricole Group uses internal rating models that differ according to the segment (economic sector and size) to which the counterparty belongs. These models yield a score which summarizes the counterparty's creditworthiness in a rating, which reflects the probability of default over one-year time horizon.

Consistently with the guidelines issued by Crédit Agricole S.A., the Group has developed different risk measurement models for Retail segment and sub segment customers in-house (management or "at risk"), and has adopted the group-wide rating models developed in-house by Crédit Agricole S.A. for Corporate customers.

The risk assessment system is integrated in the decision-making processes and in the management of the company's operations: In order to ensure basic standardization of the loan and credit risk assessment processes, internal models are used by Cariparma, FriulAdria, Crédit Agricole Leasing Italia and have been progressively extending during 2011 to Carispezia and to the other 96 branches transferred in 2011 from the Intesa San Paolo Group during migration onto the Group's IT system.

Moreover, all internal models used by the Cariparma Crédit Agricole Group are approved by the Comité Normes et Méthodes of the Parent Company Crédit Agricole S.A., internal validation activities by the Cariparma's Ufficio Convalida & Data Quality and Internal Audit by the Department IGL (Inspection Générale Groupe) of Crédit Agricole S.A..

Within the context of the Basel II project, in 2011 the development continued of the internal Retail models, a precondition necessary to apply for the Bank of Italy's authorization to use internal systems for determining capital requirement. The main focus was on the fine-tuning of the internal model for estimating LGD, with the addition of correctives to take into account the effect of a downturn LGD and of open processes, and the recalibration of the PD estimates to take into account a period of recession.

Internal validation and the control of data quality particularly focussed on assessing performance, parameter calibration, stress testing and proper operation of systems for measurement and management of corporate processes risks. Internal validation follows two guiding principles: on the one hand, it maintains constant control on the quality of the results produced by the models and, on the other, ensures control over the quality of source information feeding the models themselves. All the controls, aimed at ensuring the a correct risk assessment, are the constantly checked by model development teams and with other company teams responsible for monitoring and managing credit risk.

With regard to the full management use of Basel 2 risk metrics for lending processes, PEF (electronic loan application process) includes the so-called "lending strategies" to be applied to all Retail customers (both individuals and small business) to create "streamlined paths" in processing loan applications in case of low risk customers and loan products. The Group's lending policies have also been revised to better consider the changed macroeconomic situation.

Among the other tools used by the Group in the management of credit risk is a new ratio for monitoring loan performance which combines the performance rating with a series of additional early warning indicators that expert criteria assign seriousness thresholds and weights. This model monthly produces an information summary on the risk rating of every customer of the Group. The quantitative scores yielded by this monitoring model, sorted based on synthesis requirements, are available at all branches and central departments and are used in loan monitoring processes.

In 2011, the method to determine performing loans collective writedown was consolidated, based on Crédit Agricole S.A. guidelines. In particular, the methodology, in conformity with Crédit Agricole S.A. guidelines, is based on internal PD estimates (Probability of Default) and LGD (Loss Given Default), to which correctives are applied to take into account the residual duration of the contract and the business branch area of the counterparty.

In 2011, the restructuring and production of Group management reporting continued and has its institutional presentation at the quarterly meetings of the Credit Risk Committee and of the Board of Directors.

This document analyses the credit quality of the single entities in the Group, as well as the Risk Exposures developments, on the basis of the main regulation and management guiding principles: the regulatory segmentation of customers, product types, sales structure and customer segments and sub-segments. Not only is credit risk, subdivided into its main components, namely default and migration risk, measured based on its impact on the Income Statement (credit risk cost) and on the Balance Sheet (absorbed supervisory capital), but it is also dealt with in terms of its possible future developments using a "stress scenario" estimating its possible impact according to assumptions of impairment-related migration to worse credit profile statuses.

Management reporting monitors loan coverage policies and also has the task of informing senior management of the performance of the risk summary indicators (performance ratings, early warning, other key risk indicators) so that the action plans necessary to minimize or prevent risk can be better and promptly arranged.

Credit risk mitigation techniques

The Group reduces credit risk with ancillary agreements or adopting instruments and techniques that ensure the effective mitigation of the risk. Particular attention is given to securing and managing guarantees through the definition of and compliance with general and specific requirements, and to updating the value of and checking the guarantee deeds by the relevant Central Departments.

The great preponderance of the retail segment and the substantial increase in mortgage loans in recent years are factors that, also from a Basel 2 perspective, have enabled the Bank to benefit considerably from risk mitigation, which had a notable effect on the weighting of assets in calculating supervisory capital.

Impaired financial assets

The procedures for the management and control of impaired loans are organized on the basis of a number of key principles:
- the use of multiple indicators to identify problems, diversified by customer segment depending on the definition of default used (the risk level of a single counterparty and economic group, PD, the different levels of identification beginning with positions overlimit by more than 30-60 days);
- the use of the PD estimate to support decision-making;
- the diversification of processes depending on the customer's level of risk.

In the light of the definition of default in use since the adoption of Crédit Agricole S.A.'s models for the Corporate segment (according to which a position past-due by 90 days is considered impaired), the loan monitoring and control procedures allow the position to be identified during the first phase of limit-exceeding. As regards the Retail segment, the technical and organizational techniques vary in accordance with the seriousness of the problem, using the definition of default provided for under the Italian law. In addition to periodic specific evaluations of recovery value, the management process for impaired positions also involves:
- verifying whether the counterparty is capable of recovering financial health and, consequently, restoring the business and credit relationship;
- the acquisition of supplementary guarantees, whether security interests in property or unsecured sureties ;
- the preparation of loan workout plans and monitoring of full implementation;
- the enforcement and/or court-ordered acquisition of guarantees.

QUANTITATIVE DISCLOSURES

A. Credit Quality

A.1 IMPAIRED AND PERFORMING POSITIONS: STOCKS, WRITEDOWNS, CHANGES AND DISTRIBUTION

A.1.1 Distribution of financial assets by portfolio and credit quality (book values)

	Banking Group					Other companies		
	Bad debts	Substandard loans	Restructured positions	Past due positions	Other Assets	Impaired	Other	Total
1. Financial assets held for trading	748	12,302	98	122	297,878	-	-	311,148
2. Financial assets available for sale	48,420	-	-	-	3,509,808	-	-	3,558,228
3. Financial assets held to maturity	-	-	-	-	-	-	-	-
4. Loans to banks	-	-	-	-	4,485,198	-	16	4,485,214
5. Loans to customers	557,937	500,796	113,028	393,296	33,218,071	-	-	34,783,128
6. Financial assets recognized at fair value	-	-	-	-	-	-	-	-
7. Financial assets being divested	-	-	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	-	707,001	-	-	707,001
Total 31.12.2011	**607,105**	**513,098**	**113,126**	**393,418**	**42,217,956**	**-**	**16**	**43,844,719**
Total 31.12.2010	**468,831**	**353,047**	**69,228**	**354,170**	**41,543,469**	**-**	**12**	**42,788,757**

All financial assets are classified by credit quality with the exception of capital securities and units in collective investment undertakings. Loans to naks and loans to custumers include both loans and other technical forms (securities, etc.). Financial assets held for trading and financial assets available for sale classified as non-performing both refer to securities maturing on 4 November 2010 and issued by Glitnir Banki hf, put into liquidation by order of the District Court of Reykjavik on 22 November 2010.

A.1.2 Distribution of exposures by portfolio and credit quality (gross and net values)

	Impaired assets			Performing			Total (net exposure)
	Gross exposure	Specific adjustments	Net exposure	Gross exposure	Portfolio adjustments	Net exposure	
A.1 Banking Group							
1. Financial assets held for trading	15,716	2,446	13,270	X	X	297,878	311,148
2. Financial assets available for sale	48,420	-	48,420	3,509,808	-	3,509,808	3,558,228
3. Financial assets held to maturity	-	-	-	-	-	-	-
4. Loans to banks	-	-	-	4,485,198	-	4,485,198	4,485,198
5. Loans to customers	2,532,960	967,903	1,565,057	33,353,399	135,328	33,218,071	34,783,128
6. Financial assets recognized at fair value	-	-	-	X	X	-	-
7. Financial assets being divested	-	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	X	X	707,001	707,001
Total A	**2,597,096**	**970,349**	**1,626,747**	**41,348,405**	**135,328**	**42,217,956**	**43,844,703**
B. Other consolidated companies							
1. Financial assets held for trading	-	-	-	X	X	-	-
2. Financial assets available for sale	-	-	-	-	-	-	-
3. Financial assets held to maturity	-	-	-	-	-	-	-
4. Loans to banks	-	-	-	16	-	16	16
5. Loans to customers	-	-	-	-	-	-	-
6. Financial assets recognized at fair value	-	-	-	X	X	-	-
7. Financial assets being divested	-	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	X	X	-	-
Total B	**-**	**-**	**-**	**16**	**-**	**16**	**16**
Total 31.12.2011	**2,597,096**	**970,349**	**1,626,747**	**41,348,421**	**135,328**	**42,217,972**	**43,844,719**
Total 31.12.2010	**2,004,535**	**759,258**	**1,245,277**	**40,982,781**	**112,704**	**41,543,480**	**42,788,757**

All financial assets are classified by credit quality with the exception of capital securities and units in collective investment undertakings. Loans to banks and loans to customers include both loans and other technical forms (securities, etc.).

Performing loans to customers: analysis of age of past-due loans

	Exposures subject to collective agreement renegotiation			Other performing exposures		
	Gross exposure	Portfolio adjustments	Net exposure	Gross exposure	Portfolio adjustments	Net exposure
1. Non past-due exposures	1,052,334	5,339	1,046,995	30,702,210	117,247	30,584,963
2. Up to 90 days	159,248	1,201	158,047	1,195,282	8,135	1,187,147
3. From 91 to 180 days	21,075	242	20,833	117,038	2,546	114,492
4. From 181 to 1 year	12,699	57	12,642	51,584	343	51,241
5. More than 1 year	12,879	96	12,783	29,050	122	28,928
TOTAL 31.12.2011	**1,258,235**	**6,935**	**1,251,300**	**32,095,164**	**128,393**	**31,966,771**

Detailed disclosure, as specified by the Bank of Italy with the letter of 17 February 2011, states the age of performing loans, calculated considering the entire exposure of counterparties that, as at the reference date, had at least one loan past-due but did not meet the requirements to be included among impaired loans under Bank of Italy Circular No. 272.

Where there are several past due loans for the same debtor counterparty, the longest delay is considered.

A.1.3 Banking Group - On-balance-sheet and off-balance-sheet exposures to Banks: gross and net values

	Gross exposure	Specific writedowns	Portfolio writedowns	Net exposure
A. ON-BALANCE-SHEET EXPOSURES				
a) Bad debts	2,180	1,451	X	729
b) Substandard loans	-	-	X	-
c) Restructured positions	-	-	X	-
d) Past due positions	-	-	X	-
f) Other assets	4,494,905	X	-	4,494,905
Total A	**4,497,085**	**1,451**	**-**	**4,495,634**
B. OFF-BALANCE-SHEET EXPOSURES				
a) Impaired	-	-	X	-
b) Other	1,141,936	X	-	1,141,936
Total B	**1,141,936**	**-**	**-**	**1,141,936**
Total A+B	**5,639,021**	**1,451**	**-**	**5,637,570**

For exposure to bad debts, please refer to the notes to Table A.1.1.

On-balance-sheet exposures summarize all financial assets with banks from items 20 “Financial assets held for trading”, 40 “Financial assets available for sale” and 60 “Loans to banks”, with the exception of derivative contracts, which, in this section, are considered off-balance-sheet. Off-balance-sheet exposures include all financial transactions other than on-balance-sheet ones (guarantees issued, commitments, derivatives, including hedging derivatives) entailing credit risk assumption.

A.1.4 Banking Group - On-balance-sheet exposures to Banks: changes in gross impaired positions

	Bad debts	Substandard loans	Restructured positions	Past due positions
A. Opening gross exposure	**2,180**	**-**	**-**	**-**
- of which: exposures assigned but not derecognized	-	-	-	-
B. Increases	**-**	**-**	**-**	**-**
B.1 from performing loans	-	-	-	-
B.2 transfers from other categories of impaired positions	-	-	-	-
B.3 other increases	-	-	-	-
C. Decreases	**-**	**-**	**-**	**-**
C.1 to performing loans	-	-	-	-
C.2 writeoffs	-	-	-	-
C.3 collections	-	-	-	-
C.4 assignments	-	-	-	-
C.5 transfers to other categories of impaired positions	-	-	-	-
C.6 other decreases	-	-	-	-
D. Closing gross exposure	**2,180**	**-**	**-**	**-**
- of which: exposures assigned but not derecognized	-	-	-	-

A.1.5 Banking Group - On-balance-sheet exposures to Banks: changes in total adjustments of loans

	Bad debts	Substandard loans	Restructured positions	Past due positions
A. Total opening adjustments	**1,451**	**-**	**-**	**-**
- of which: exposures assigned but not derecognized	-	-	-	-
B. Increases	**-**	**-**	**-**	**-**
B.1 writedowns	-	-	-	-
B.2 transfers from other categories of impaired positions	-	-	-	-
B.3 other increases	-	-	-	-
C. Decreases	**-**	**-**	**-**	**-**
C.1 writebacks from valuations	-	-	-	-
C.2 writebacks from collections	-	-	-	-
C.3 writeoffs	-	-	-	-
C.4 transfers to other categories of impaired positions	-	-	-	-
C.5 other decreases	-	-	-	-
D. Total closing adjustments	**1,451**	**-**	**-**	**-**
- of which: exposures assigned but not derecognized	-	-	-	-

A.1.6 Banking Group - On-balance-sheet and off-balance-sheet exposures to customers: gross and net values

	Gross exposure	Specific writedowns	Portfolio writedowns	Net exposure
A. On-balance-sheet exposures				
A.1 Banking Group				
a) Bad debts	1,345,123	738,765	X	606,358
b) Substandard loans	705,672	204,875	X	500,797
c) Restructured positions	132,876	19,848	X	113,028
d) Past due positions	397,711	4,415	X	393,296
f) Other assets	36,863,263	X	135,328	36,727,935
Total A	**39,444,645**	**967,903**	**135,328**	**38,341,414**
B. Off-balance-sheet exposures				
B.1 Banking Group				
a) Impaired	34,530	7,696	X	26,834
b) Other	2,583,696	X	1,099	2,582,597
Total B	**2,618,226**	**7,696**	**1,099**	**2,609,431**
Total A+B	**42,062,871**	**975,599**	**136,427**	**40,950,845**

Specifically, on-balance-sheet exposures summarize all financial assets with banks from items 20 “Financial assets held for trading”, 40 “Financial assets available for sale” and 70 “Loans to banks”, with the exception of derivative contracts, which, in this section, are considered off-balance-sheet. Off-balance-sheet exposures include all financial transactions other than on-balance-sheet ones (guarantees issued, commitments, derivatives, including hedging derivatives) entailing credit risk assumption.

A.1.7 Banking Group - On-balance-sheet exposures to customers: changes in gross impaired positions

	Bad debts	Substandard loans	Restructured positions	Past due positions
A. Opening gross exposure	**1,003,366**	**553,467**	**73,369**	**354,077**
- of which: exposures assigned but not derecognized	-	-	-	-
B. Increases	**490,201**	**663,331**	**84,297**	**930,488**
B.1 from performing loans	57,722	272,895	71,641	879,408
B.2 transfers from other categories of impaired positions	354,420	238,857	2,505	830
B.3 other increases	78,059	151,579	10,151	50,250
C. Decreases	**148,444**	**511,126**	**24,790**	**886,854**
C.1 to performing loans	8,334	45,014	-	578,699
C.2 writeoffs	53,252	6,498	-	50
C.3 collections	81,818	111,827	24,790	57,633
C.4 assignments	1,569	-	-	-
C.5 transfers to other categories of impaired positions	456	345,716	-	250,441
C.6 other decreases	3,015	2,071	-	31
D. Closing gross exposure	**1,345,123**	**705,672**	**132,876**	**397,711**
- of which: exposures assigned but not derecognized	-	-	-	-

A.1.8 Banking Group - On-balance-sheet exposures to customers: changes in total adjustments of loans

	Bad debts	Substandard loans	Restructured positions	Past due positions
A. Total opening adjustments	**535,271**	**210,549**	**4,375**	**5,003**
- of which: exposures assigned but not derecognized	-	-	-	-
B. Increases	**295,390**	**147,871**	**15,537**	**6,737**
B.1 writedowns	144,456	127,642	14,392	3,402
B.2 transfers from other categories of impaired positions	113,016	5,380	780	116
B.3 other increases	37,918	14,849	365	3,219
C. Decreases	**91,896**	**153,545**	**64**	**7,324**
C.1 writebacks from valuations	20,632	22,827	58	2,463
C.2 writebacks from collections	9,442	6,861	6	226
C.3 writeoffs	52,640	5,913	-	50
C.4 transfers to other categories of impaired positions	1,954	113,755	-	3,580
C.5 other decreases	7,228	4,189	-	1,005
D. Total closing adjustments	**738,765**	**204,875**	**19,848**	**4,416**
- of which: exposures assigned but not derecognized	-	-	-	-

A.2 Classification of exposures on the basis of external and internal rating grades

A.2.1 Banking Group - Distribution of on-balance-sheet exposures and off-balance-sheet exposures by external rating grades

	External rating grades							
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Not rated	Total
A. On-balance-sheet exposures	-	2,934,134	848,744	2,729,917	484,095	626,972	35,213,186	42,837,048
B. Derivatives	-	37,559	18,239	18,762	3,171	3,821	926,119	1,007,671
B.1 Financial Derivatives	-	37,559	18,239	18,762	3,171	3,821	926,119	1,007,671
B.2 Credit derivatives	-	-	-	-	-	-	-	-
C. Guarantees issued	-	743,726	156,888	263,373	38,410	47,862	832,090	2,082,349
D. Commitment to disburse	-	311	265	595	-	-	559,358	560,529
Total	-	3,715,730	1,024,136	3,012,647	525,676	678,655	37,530,753	46,487,597

The above distribution by rating grades refers to assessments made by Cerved Group S.p.a. (Ecai - External Credit Assessment Institution - recognized by the Bank of Italy).

The "not rated" column includes exposures with parties for which a Cerved rating is not available.

A.2.2 Distribution of on-balance-sheet exposures and off-balance-sheet exposures by internal rating (book values)

	Internal rating grades					
Exposition	from AAA to BBB+	from BBB to BBB-	from BB+ to B	from B- to D	Not rated	Total
A. On-balance-sheet exposures	11,992,969	7,587,713	8,673,315	3,277,921	11,305,130	42,837,048
B. Derivatives	29,659	53,692	44,496	28,278	851,546	1,007,671
B.1 Financial Derivatives	29,659	53,692	44,496	28,278	851,546	1,007,671
B.2 Credit derivatives	-	-	-	-	-	-
C. Guarantees issued	479,558	651,754	492,469	51,601	406,967	2,082,349
D. Commitment to disburse	314	564	131,455	-	428,196	560,529
Total	12,502,500	8,293,723	9,341,735	3,357,800	12,991,839	46,487,597

Distribution by rating class given below refers to Cariparma Crédit Agricole Group internal models. The column "Without rating" mainly shows exposures to banks, public bodies and sovereign states for which internal rating models are not available.

Excluding counterparties without rating, there is a concentration in the Investment Grade classes (from AAA to BBB-), equal to 62% of the total number, while 27% falls within the BB+/B class and 10% in the B-/D class.

A.3 DISTRIBUTION OF SECURED EXPOSURES BY TYPE OF GUARANTEE

A.3.2 Banking group - Secured exposures to customers

	Net value of exposure	Collateral			Unsecured guarantees									Total (1)+(2)
					Credit					Other guarantees				
						Other derivatives								
		Land and buildings	Securities	Other assets	CLN	Governments and central banks	Other public entities	Banks	Other	Governments and central banks	Other public entities	Banks	Other	
1. Secured on-balance-sheet exposures:	**26,953,299**	**108,900,828**	**559,057**	**768,533**	**-**	**-**	**-**	**-**	**-**	**-**	**160,692**	**95,887**	**21,635,307**	**132,120,304**
1.1 fully secured	23,935,431	107,593,682	433,981	415,568	-	-	-	-	-	-	159,114	72,074	20,990,403	129,664,822
- of which impaired	1,169,234	3,366,999	29,606	45,623	-	-	-	-	-	-	2,048	70	1,973,114	5,417,460
1.2 partially secured	3,017,868	1,307,146	125,076	352,965	-	-	-	-	-	-	1,578	23,813	644,904	2,455,482
- of which impaired	168,576	94,783	911	10,694	-	-	-	-	-	-	103	238	53,779	160,508
2. Secured off-balance-sheet exposures:	**883,195**	**339,725**	**67,707**	**59,915**	**-**	**-**	**-**	**-**	**-**	**-**	**319**	**5,320**	**777,405**	**1,250,391**
2.1 fully secured	714,566	336,749	55,344	39,687	-	-	-	-	-	-	319	4,071	738,518	1,174,688
- of which impaired	5,684	474	1,305	672	-	-	-	-	-	-	-	60	11,849	14,360
2.2 partially secured	168,629	2,976	12,363	20,228	-	-	-	-	-	-	-	1,249	38,887	75,703
- of which impaired	11,938	24	102	50	-	-	-	-	-	-	-	-	2,051	2,227

On-balance-sheet exposures, totally or partially secured, include secured loans and other financial assets, with the exception of derivative contracts and equity securities. Off-balance-sheet exposures include all financial transactions (guarantees issued, commitments, derivatives) entailing credit risk assumption. The value of exposures is net of uncertain outcomes and portfolio adjustments.

Real and personal guarantees are expressed at the fair value estimated as at the financial statements reference date.

B. Distribution and concentration of lending

B.1 Banking group - on-balance-sheet and off-balance-sheet exposures to customers by sector (book value)

	Governments			Other public entities			Financial companies			Insurance undertakings			Non-financial companies			Other		
	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments
A. On-balance sheet exposures																		
A.1 Bad debts	-	-	X	-	-	X	1,557	4,170	X	48,421	22	X	400,345	671,367	X	156,035	63,206	X
A.2 Substandard loans	7	7	X	1	1	X	4,985	2,173	X	-	-	X	356,536	154,917	X	139,268	47,777	X
A.3 Restructured positions	-	-	X	-	-	X	26,866	513	X	-	-	X	86,162	19,335	X			X
A.4 Past due positions	67	5	X	2		X	1,367	29	X	-	-	X	205,588	2,946	X	186,272	1,435	X
A.5 Other	3,506,963	X	-	259,800	X	991	638,020	X	8,795	7,421	X	-	19,640,613	X	92,767	12,675,118	X	32,775
TOTAL A	**3,507,037**	**12**	**-**	**259,803**	**1**	**991**	**672,795**	**6,885**	**8,795**	**55,842**	**22**	**-**	**20,689,244**	**848,565**	**92,767**	**13,156,693**	**112,418**	**32,775**
B. Off-balance-sheet exposures																		
B.1 Bad debts	-	-	X	-	-	X	26	65	X	-	-	X	5,163	1,438	X	13	11	X
B.2 Substandard loans	-	-	X	-	-	X	8	8	X	-	-	X	16,344	5,119	X	240	291	X
B.3 Impaired Assets	-	-	X	-	-	X	-	-	X	-	-	X	4,900	763	X	140	1	X
B.4 Other	121,231	X	-	18,764	X	-	29,624	X	4	27,322	X	5	2,282,363	X	1,060	103,297	X	32
Total B	**121,231**	**-**	**-**	**18,764**	**-**	**-**	**29,658**	**73**	**4**	**27,322**	**-**	**5**	**2,308,770**	**7,320**	**1,060**	**103,690**	**303**	**32**
Total (A+B) 31.12.2011	**3,628,268**	**12**	**-**	**278,567**	**1**	**991**	**702,453**	**6,958**	**8,799**	**83,164**	**22**	**5**	**22,998,014**	**855,885**	**93,827**	**13,260,383**	**112,721**	**32,807**
Total (A+B) 31.12.2010	**7,074,238**	**2**	**-**	**191,578**	**33**	**3**	**890,611**	**8,713**	**8,696**	**161,343**	**23**	**7**	**21,003,542**	**651,761**	**86,520**	**10,598,212**	**98,012**	**23,726**

On-balance-sheet exposures include loans as well as other financial assets, such as debt securities, with the exception of derivative contracts and equity securities.

Off-balance-sheet transactions include all financial transactions.

B.2 Banking group - geographical distribution of on-balance-sheet and off-balance-sheet exposures to customers (book value)

	North-Western Italy		North-Eastern Italy		Central Italy		Southern Italy and Isles	
	Net exposure	Value adjustments	Net exposure	Value adjustments	Net exposure	Value adjustments	Net exposure	Value adjustments
A. On-balance-sheet exposures								
A.1 Bad debts	220,762	301,676	281,229	314,292	68,311	75,318	34,930	42,055
A.2 Substandard loans	195,678	70,781	204,596	87,387	54,621	15,246	43,562	27,294
A.3 Restructured positions	16,142	8,885	86,408	10,483	10,478	480	-	-
A.4 Past due positions	170,946	1,907	146,949	1,605	32,934	460	42,055	442
A.5 Other	12,408,362	53,996	14,847,851	59,705	6,544,099	14,415	1,889,843	6,475
Total	**13,011,890**	**437,245**	**15,567,033**	**473,472**	**6,710,443**	**105,919**	**2,010,390**	**76,266**
B. Off-balance-sheet exposures								
B.1 Bad debts	861	46	1,532	768	2,795	701	15	-
B.2 Substandard loans	3,641	3,920	12,677	1,170	239	275	35	54
B.3 Impaired Assets	1,070	168	3,775	593	43	1	152	-
B.4 Other	774,697	643	1,291,360	149	445,631	300	57,435	5
Total	**780,269**	**4,777**	**1,309,344**	**2,680**	**448,708**	**1,277**	**57,637**	**59**
Total (A+B) 31.12.2011	**13,792,159**	**442,022**	**16,876,377**	**476,152**	**7,159,151**	**107,196**	**2,068,027**	**76,325**
Total (A+B) 31.12.2010	**11,569,439**	**332,481**	**15,940,679**	**399,249**	**8,243,872**	**72,523**	**1,943,627**	**64,094**

B.3 Banking group - geographical distribution of on-balance-sheet and off-balance-sheet exposures to banks (book value)

	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance-sheet exposures										
A.1 Bad debts	-	-	729	1,451	-	-	-	-	-	-
A.2 Substandard loans	-	-	-	-	-	-	-	-	-	-
A.3 Restructured positions	-	-	-	-	-	-	-	-	-	-
A.4 Past due positions	-	-	-	-	-	-	-	-	-	-
A.5 Other	405,228	-	4,058,777	-	20,286	-	6,745	-	3,869	-
Total	**405,228**	**-**	**4,059,506**	**1,451**	**20,286**	**-**	**6,745**	**-**	**3,869**	**-**
B. Off-balance-sheet exposures										
B.1 Bad debts	-	-	-	-	-	-	-	-	-	-
B.2 Substandard loans	-	-	-	-	-	-	-	-	-	-
B.3 Other impaired assets:	-	-	-	-	-	-	-	-	-	-
B.4 Other	350,656	-	759,362	-	13,316	-	14,169	-	4,433	-
Total	**350,656**	**-**	**759,362**	**-**	**13,316**	**-**	**14,169**	**-**	**4,433**	**-**
Total 31.12.2011	**755,884**	**-**	**4,818,868**	**1,451**	**33,602**	**-**	**20,914**	**-**	**8,302**	**-**
Total 31.12.2010	**1,014,958**	**-**	**4,400,224**	**1,451**	**32,961**	**-**	**14,972**	**96**	**7,474**	**8**

B.4 Large risks

As at 31 December 2011, positions having major risk profile, based on the instructions of Circular No. 263 of 27 December 2006 (11th revision of 31 January 2012) were:
a) total nominal amount of € 13,723,478 thousand;
b) weighted total amount of 0;
c) total number of 3.

C. Securitization and asset disposals

C.1.7 Banking group - Servicer - Collections from securitized credits and refund of securities issued by the special-purpose entity

Servicer	Special-purpose vehicle	Securitized assets (end of period figure)		Credit collections in the financial year		% Share of refunded securities (end of period figure)					
						senior		mezzanine		junior	
		Impaired	Performing	Impaired	Performing	Impaired Assets	Performing Assets	Impaired Assets	Performing Assets	Impaired Assets	Performing Assets
Cariparma	Mondo Mutui Cariparma S.r.l.	57,819	3,296,095	2,771	543,326	0,72%	20,3%	-	-	-	-

C.1.8 Banking group - Subsidiary Special-Purpose Entities

As at 31 December 2011, the Parent Company Cariparma was carrying out a so-called “internal” securitization transaction, transferring receivables deriving from home mortgage loans contracts for which the LTV ratio must not exceed 80% secured by first mortgage.

As at 31 December 2011, the residual debt of securitized loans amounted to € 3,354 million.

Following the loans securitization, the Parent company has subscribed all of the securities issued by the special-purpose entity.

The “senior” tranche securities have been accepted for trading at the Luxembourg Stock Exchange , for a nominal value € 3,126 million.

The “junior” tranche is unrated and amounts to nominal € 390 million.

C.2 Asset disposals

C.2.1 Financial assets assigned but not derecognized

Portfolio	Financial assets held for trading			Financial assets recognized at fair value			Financial assets available for sale			Financial assets held to maturity			Loans to banks			Loans to customers			Total	
	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	31.12.2011	31.12.2010
A. On-balance-sheet assets	-	-	-	-	-	-	645,896	-	-	-	-	-	76,626	-	-	-	-	-	722,522	6,933,591
1. Debt securities	-	-	-	-	-	-	645,896	-	-	-	-	-	76,626	-	-	-	-	-	722,522	6,933,591
2. Equity securities	-	-	-	-	-	-	-	-	-	-	X	X	X	X	X	X	X	X	-	-
3. Units in collective investment	-	-	-	-	-	-	-	-	-	-	X	X	X	X	X	X	X	X	-	-
4. Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. Derivatives	-	-	-	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	-	-
Total 31.12.2011	-	-	-	-	-	-	645,896	-	-	-	-	-	76,626	-	-	-	-	-	722,522	-
of which impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totale 31.12.2010	-	-	-	-	-	-	6,919,705	-	-	-	-	-	13,886	-	-	-	-	-	-	6,933,591
of which impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Key:

A = financial assets surrended entirely recognized (Balance sheet value)

B = financial assets surrended partially recognized (Balance sheet value)

C = financial assets surrended partially recognized (Entire value)

C.2.2 Financial liabilities in respect of financial assets assigned but not derecognized

	Financial assets held for trading	Financial assets carried at fair value	Financial assets available for sale	Financial assets held to maturity	Loans to banks	Loans to customers	Total
1. Due to customers	-	-	877	-	78,299	-	79,176
a) in respect of assets fully recognized	-	-	877	-	78,299	-	79,176
b) in respect of assets partially recognized	-	-	-	-	-	-	-
2. Due to banks	-	-	642,978	-	-	-	642,978
a) in respect of assets fully recognized	-	-	642,978	-	-	-	642,978
b) in respect of assets partially recognized	-	-	-	-	-	-	-
3. Securities issued	-	-	-	-	-	-	-
a) in respect of assets fully recognized	-	-	-	-	-	-	-
b) in respect of assets partially recognized	-	-	-	-	-	-	-
Total 31.12.2011	-	-	643,855	-	78,299	-	722,154
Total 31.12.2010	-	-	7,195,996	-	13,930	-	7,209,926

1.2 Banking Group - Market Risk

1.2.1 Interest rate risk and price risk - Supervisory Trading Book

QUALITATIVE DISCLOSURES

General aspects

The Cariparma Crédit Agricole Group (in keeping with the Strategy Plan 2011-2014 and in line with past operations) does not engage in significant trading on own account in financial and capital markets.

Therefore, it has positions deriving from its placement and trading activities on behalf of customers, which allows the Group to only take positions of residual risk

The Cariparma Crédit Agricole Group trading book is historically composed of securities (mainly bonds issued by Banks and fund units) and of over-the-counter derivatives (matched trading); these positions derive from placing and trading activities carried out to satisfy customer requirements and positions in funds.

Entry into the perimeter of the Cassa di Risparmio della Spezia Group has not altered in any appreciable manner the trading book's management profile.

Cariparma, in its capacity as Parent Company, coordinates the interest rate risk and price risk of the Group's trading book, centrally managing financial operations as well as the risk assessment and control activities.

Management and measurement of market risks

Organisational aspects

The market risk in the Group's trading book is managed as part of each bank's risk policies.

This document defines the internal regulatory system for the management of market risk with reference to operations in financial instruments, currencies and commodities, in terms of:
- The principles, objectives, methodologies and tools used for the assessment, control and management of market risk;
- Guidelines and rules on which the market risk management processes are based.

The Market Risk Policy is one of the components of the overall risk governance model adopted by the Group in line with Crédit Agricole guidelines.

Management mechanism

In the context of the market risk management process, primary responsibility is assigned to, according to their respective areas of competence, company bodies/functions which must be completely aware of the Bank's level of exposure:
- the Board of Directors is the body with strategic supervisory functions and is therefore responsible for defining market risk governance policies and management processes;
- Cariparma's Co-General Manager, working with the Area Mercato (Market Area), is the official responsible for market risk management, and defines and directs the Group's mechanism for the management of market risk, in compliance with the instructions and decisions issued by the Asset Liability Management and Financial Risks Committee;
- the Risk Management and Permanent Control Department (Italian acronym: DRCP) is responsible for control; therefore, in compliance with the instructions and resolutions of the Financial Risk and ALM Committee, it audits the management process of corporate risks, supervising compliance of the liquidity risk management with current regulations.

The structure of the limits

The structure of the limits reflects the level of risk deemed acceptable with reference to the individual business areas and constitutes a mechanism for checking that operational practices, at the various organisational levels, are performed in compliance with management guidelines and strategies as defined by senior management.

Consistently with Crédit Agricole Group guidelines, the limits system is composed of global limits and operational limits.

The global limits system must be able to ensure a control development of the activities. The limits are set so as to contain losses within a level deemed acceptable Crédit Agricole Group as a whole.

Global limits on market risk are defined on the basis of the maximum mark-to-market variation compared to the initial value and are set by the Crédit Agricole Group Risk Committee.

Operational limits are authorised by the Boards of Directors of the Group's Banks and must not exceed the global limits of the Cariparma Crédit Agricole Group.

Operational limits are defined on the basis of the nominal value of the open position (that is after compensation of identical purchase and sale positions).

Therefore, operational limits are, consistent with global limits, a declension of the latter by type of activity, product, portfolio, and risk factors.

The Board of Directors retains the authority to set further restrictions on activities (for example, in terms of instruments that can be held, foreign currency risks, etc.), the structure of operational delegation and any sub-limits (for example, by individual entity in the Group and/or portfolio).

Risk monitoring activities are the responsibility of the Risks and Permanent Controls Department, which is responsible for checking:

- compliance with the operating limits on the trading books of the individual banks;
- adequacy and functionality of the finance process;
- compliance with approved risk management rules and criteria;
- proper functioning of activities and controls to protect against risks;
- the presence of any critical issues to be resolved swiftly.

QUANTITATIVE DISCLOSURES

1. Supervisory Trading Portfolio: distribution by residual maturity (repricing date) of the on-balance-sheet financial assets and liabilities and financial derivatives

CURRENCY	US DOLLAR							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**270,795**	**39,090**	**23,574**	**5,722**	**-**	**526**	**-**
3.1 With underlying security	-	798	412	54	-	-	526	-
- Options	-	106	256	54	-	-	-	-
+ long positions	-	53	128	27	-	-	-	-
+ short positions	-	53	128	27	-	-	-	-
- Other	-	692	156	-	-	-	526	-
+ long positions	-	424	-	-	-	-	263	-
+ short positions	-	268	156	-	-	-	263	-
3.2 Without underlying security	-	269,997	38,678	23,520	5,722	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	269,997	38,678	23,520	5,722	-	-	-
+ long positions	-	132,723	19,339	11,760	2,861	-	-	-
+ short positions	-	137,274	19,339	11,760	2,861	-	-	-

CURRENCY	POUND STERLING							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**1**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	1	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	1	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**39,145**	**56,232**	**9,948**	**-**	**26**	**-**	**-**
3.1 With underlying security	-	32	10	12	-	26	-	-
- Options	-	6	10	12	-	-	-	-
+ long positions	-	3	5	6	-	-	-	-
+ short positions	-	3	5	6	-	-	-	-
- Other	-	26	-	-	-	26	-	-
+ long positions	-	13	-	-	-	13	-	-
+ short positions	-	13	-	-	-	13	-	-
3.2 Without underlying security	-	39,113	56,222	9,936	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	39,113	56,222	9,936	-	-	-	-
+ long positions	-	18,780	28,111	4,968	-	-	-	-
+ short positions	-	20,333	28,111	4,968	-	-	-	-

CURRENCY	SWISS FRANK							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**92,369**	**11,682**	**10,074**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	92,369	11,682	10,074	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	92,369	11,682	10,074	-	-	-	-
+ long positions	-	46,202	5,841	5,037	-	-	-	-
+ short positions	-	46,167	5,841	5,037	-	-	-	-

CURRENCY	CANADIAN DOLLAR							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**99,403**	**-**	**1,749**	**158**	**-**	**-**	**-**
3.1 With underlying security	-	1,912	-	1,749	158	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	1,912	-	1,749	158	-	-	-
+ long positions	-	956	-	874	79	-	-	-
+ short positions	-	956	-	875	79	-	-	-
3.2 Without underlying security	-	97,491	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	97,491	-	-	-	-	-	-
+ long positions	-	49,259	-	-	-	-	-	-
+ short positions	-	48,232	-	-	-	-	-	-

CURRENCY	JAPAN YEN							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**1,345**	**1,390**	**10**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	1,345	1,390	10	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	1,345	1,390	10	-	-	-	-
+ long positions	-	679	695	5	-	-	-	-
+ short positions	-	666	695	5	-	-	-	-

CURRENCY	EURO							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**6**	**3,803**	**4,560**	**1,891**	**20**	**14**	**1**	**-**
1.1 Debt securities	6	3,803	4,560	1,891	20	14	1	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	6	3,803	4,560	1,891	20	14	1	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**339,583**	**6,111,885**	**2,539,756**	**1,166,981**	**4,329,216**	**1,104,478**	**310,139**	**-**
3.1 With underlying security	64	262,363	236,567	2,793	3,078	609	88	-
- Options	-	114	314	96	-	-	-	-
+ long positions	-	57	157	48	-	-	-	-
+ short positions	-	57	157	48	-	-	-	-
- Other	64	262,249	236,253	2,697	3,078	609	88	-
+ long positions	32	131,000	118,348	1,118	1,670	297	44	-
+ short positions	32	131,249	117,905	1,579	1,408	312	44	-
3.2 Without underlying security	339,519	5,849,522	2,303,189	1,164,188	4,326,138	1,103,869	310,051	-
- Options	757	84,415	134,740	22,442	440,711	209,616	40,240	-
+ long positions	722	40,003	67,276	11,337	221,159	105,067	20,896	-
+ short positions	35	44,412	67,464	11,105	219,552	104,549	19,344	-
- Other	338,762	5,765,107	2,168,449	1,141,746	3,885,427	894,253	269,811	-
+ long positions	175,762	2,932,622	1,102,477	567,116	1,905,245	424,549	124,733	-
+ short positions	163,000	2,832,485	1,065,972	574,630	1,980,182	469,704	145,078	-

CURRENCY	OTHER CURRENCIES							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	17	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	17	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**18,439**	**12,840**	**20,978**	**432**	**-**	**-**	**-**
3.1 With underlying security	-	775	68	350	432	-	-	-
- Options	-	8	68	34	-	-	-	-
+ long positions	-	4	34	17	-	-	-	-
+ short positions	-	4	34	17	-	-	-	-
- Other	-	767	-	316	432	-	-	-
+ long positions	-	392	-	158	207	-	-	-
+ short positions	-	375	-	158	225	-	-	-
3.2 Without underlying security	-	17,664	12,772	20,628	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	17,664	12,772	20,628	-	-	-	-
+ long positions	-	10,719	6,386	10,314	-	-	-	-
+ short positions	-	6,945	6,386	10,314	-	-	-	-

2. Supervisory Trading Portfolio: distribution of exposure in equity securities and equity indices in the main national markets

	Listed						
	Italy	Germany	France	Switzerland	Great Britain	Rest of the world	Unlisted
A. Equity securities	**1**	**-**	**-**	**-**	**-**	**-**	**26**
- long positions	1	-	-	-	-	-	26
- short positions	-	-	-	-	-	-	-
B. Unsettled transactions in equity securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
C. Other derivatives on equity securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
D. Derivatives on equity indices	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-

1.2.2. Interest rate risk and price risk - Banking Book

QUALITATIVE DISCLOSURES

General aspects

Asset Liability Management typically refers to the positions in the banking book and focuses mainly on fixed-rate positions. Fluctuations in interest rates impact the profits of the Group by reducing both net interest income and gross income, and also affect capital by causing changes in the net present value of future cash flows.

Interest rate risk, therefore, refers to all on-balance-sheet and off-balance-sheet transactions, excluding the supervisory trading book.

The Banking Book price risk is generated by financial-type assets held for various trading objectives.

In compliance with the guidelines issued by the Crédit Agricole S.A. Group and with the prudential regulations, the classification of interest rate risk and price risk is generally reviewed annually within the Group's Risk Strategy and is submitted for approval to the Board of Directors and to the Group Risk Committee of Crédit Agricole S.A..

Cariparma, in its capacity as Parent Company, coordinates the interest rate risk and price risk of the Group’s banking book, centrally managing financial operations as well as the risk assessment and control activities.

Organisational aspects

The governance model adopted by the Group delegated the management of interest rate risk to the Financial Management Department of Cariparma, which is responsible for risk management for the entire Italian banking group, on the basis of the guidelines set out by the Controlling Company Crédit Agricole S.A. .

The Financial Risks and ALM Committee, which includes the Banks’ top management and representatives of the main departments of the Cariparma Group and Crédit Agricole S.A. involved, validated the methods to measure exposures to interest rate risk, analyses the reporting supplied by the Financial Management Department and Risk Management and Permanent Controls Department and resolves on any interventions to be carried out by the Financial Management Department in accordance with the Risk Strategy set with Casa Comité Risque du Groupe.

Risk policy and management

The risk management policy for interest rate risk is designed to implement short- and long-term strategies to identify and quantify interest rate risk by defining a cumulative gap by maturity, and to manage that position with a view to maximizing profitability while complying with the limits set by Crédit Agricole S.A..

The risk management policy for Banking Book price risk has, as its objective, the monitoring of the impact on the book value and regulatory capital of the variations in value of financial instruments held in the bank's portfolio, in line with the acceptable level of risk set by the Board of Directors.

Risk control

ariparma's Department of Risks and Permanent Controls independently oversees the interest-rate-risk control system used by the individual banks and the Group, ensuring that it remains compatible with the risk measurement model developed in compliance with operational and regulatory requirements. Specifically, as part of the tasks assigned to it, the Department:

- checks the risk measurement and stress testing models in line with the guidelines of the Supervisory Body and Crédit Agricole S.A.;
- validates and updates risk assessment models, and evaluates the results of quantitative and qualitative analysis of the models, expressing their opinion in this regard;
- informs Crédit Agricole S.A. Board of Directors as part of its control activities, where the set risk limits have been breached since the last communication and recommends corrective action after consultation with the Financial Management Department.

Risk measurement: methodological aspects

For measuring and managing interest rate risk, the Group adopted an interest-gap-based model, according to which, at each future maturity date, the gap resulting from fixed-rate assets and liabilities existing on that date. To calculate the fixed-rate cumulative gap, sources of exposure to interest rate risk must be previously identified by a full analysis of the financial statements, as well as the stable component of demand items, the estimate of the effects of the “optionality” that is implicit in some banking book positions (early repayment of loans), the estimated maturities of some balance sheet items that do not have certain contractual maturity, in line with the proprietary models of the Parent Company Crédit Agricole.

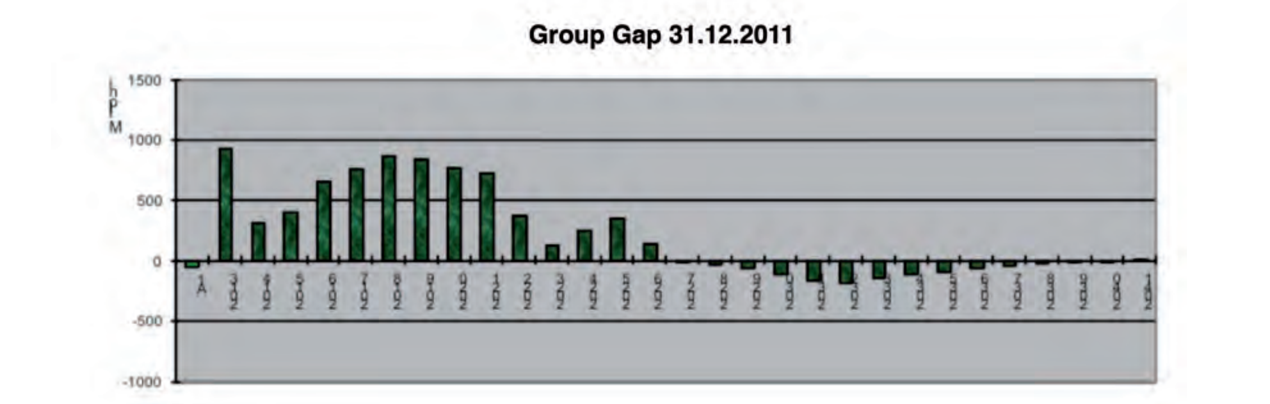
In line with the instructions of Crédit Agricole S.A., a set of limits for the gaps was defined, which represents the maximum acceptable level of risk for the Group. These limits are calculated with reference to a series of risk indicators that measure the impact of a change in interest rates on equity, gross income and gross operating margin. The Market Risk and ALM Committee approve the proposed limits which are then submitted to Group Risk Management Committee of Crédit Agricole S.A., and to the Board of Directors of the banks

To measure exposure to interest rate risk, the Group perimeter considered includes the data relating to the two Banks, Cariparma, FriulAdria and Carispezia, as well as those relating to CALIT (Credit Agricole Leasing Italia S.r.l.).

The Risks Strategy, approved in the second half of 2011, set new limits for the management of interest rate risk:

- Global limit in terms of Current Net Value (CNV);
- Global gap limits divided into different time bands.

The Group gap as at 31st December 2011 is reported below.



The impact, measured with reference to an interest rate shock of -200bp, corresponds to the scenario that has maximum effect on the Group gap, and is equal to 129 € /million in compliance with the current net value global limit.

Consistently with Crédit Agricole Group guidelines, the limits system is composed of global limits, operational limits and warning ceilings. Global limits on banking book price risks are defined on the basis of the type of instrument that can be held (Italian, German, and French Government Bonds) and are expressed with reference to the maximum nominal value that can be held. Within the portfolio, sub-limits of concentration on the three issuing countries are also set.

Operating limits retain the same structure and are set at the level of each individual Bank. They are defined by the Boards of Directors of the individual Banks and must not exceed the Group's global limits.

In 2001, the Group approved a model for stress testing segment asset prices. On this basis, the portfolio is adjusted by applying a market shock weighted on the worst scenario which occurred during a ten-year time period.

The Group has implemented a system of warning ceilings on this basis.

Fair value hedging

The purpose of hedging interest rate risk is to immunize the banking book from changes in the fair value of funding and loans caused by movements in the yield curve and to lower the volatility of cash flows relating to a given asset or liability. In particular, fixed-rate bonds were micro-hedged (specific hedges) and the fixed-rate gaps shown in the internal model were macro-hedged (generic hedges). The hedges were established with the purchase of interest rate swaps, which were used both for micro and macro hedging, as well as with the purchase of Italian and French fixed-rate securities for the purpose of natural hedge.

Pursuant to IASs, the effectiveness of the hedges was assessed by the Financial Management Department, which carries out periodic effectiveness tests and maintains formal documentation for every hedging transaction.

Cash flow hedging

There is no current cash flow hedging.

QUANTITATIVE DISCLOSURES

1. Banking Book: distribution of financial assets and liabilities by residual maturity (repricing date)

CURRENCY	US DOLLAR							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**69,461**	**271,968**	**15,562**	**2,044**	**115**	**7**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	26,698	64,147	-	-	-	-	-	-
1.3 Loans to customers	42,763	207,821	15,562	2,044	115	7	-	-
- current accounts	8,826	3	1	435	-	-	-	-
- other loans	33,937	207,818	15,561	1,609	115	7	-	-
- with early redemption option	8,223	16,738	191	-	-	-	-	-
- other	25,714	191,080	15,370	1,609	115	7	-	-
2. On-balance-sheet liabilities	**150,576**	**188,595**	**14,772**	**2,066**	**-**	**-**	**-**	**-**
2.1 Due to customers	135,311	843	1,881	606	-	-	-	-
- current accounts	133,701	843	1,881	606	-	-	-	-
- other payables	1,610	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	1,610	-	-	-	-	-	-	-
2.2 Due to banks	15,265	187,752	12,891	1,460	-	-	-	-
- current accounts	-	-	-	-	-	-	-	-
- other payables	15,265	187,752	12,891	1,460	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**1,503**	**1,360**	**144**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	1,503	1,360	144	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	1,503	1,360	144	-	-	-	-	-
+ long positions	480	880	144	-	-	-	-	-
+ short positions	1,023	480	-	-	-	-	-	-

CURRENCY	POUND STERLING							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**7,861**	**6,143**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	6,900	4,250	-	-	-	-	-	-
1.3 Loans to customers	961	1,893	-	-	-	-	-	-
- current accounts	495	-	-	-	-	-	-	-
- other loans	466	1,893	-	-	-	-	-	-
- with early redemption option		1,870	-	-	-	-	-	-
- other	466	23	-	-	-	-	-	-
2. On-balance-sheet liabilities	**10,316**	**2,620**	**60**	**49**	**-**	**-**	**-**	**-**
2.1 Due to customers	10,316	226	60	49	-	-	-	-
- current accounts	10,278	226	60	49	-	-	-	-
- other payables	38	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	38	-	-	-	-	-	-	-
2.2 Due to banks	-	2,394	-	-	-	-	-	-
- current accounts	-	-	-	-	-	-	-	-
- other payables	-	2,394	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**12,212**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	12,212	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	12,212	-	-	-	-	-	-
+ long positions	-	6,106	-	-	-	-	-	-
+ short positions	-	6,106	-	-	-	-	-	-

CURRENCY	SWISS FRANK							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**10,877**	**25,737**	**13,316**	**610**	**81**	**-**	**-**	**72**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	3,603	-	-	-	-	-	-	-
1.3 Loans to customers	7,274	25,737	13,316	610	81	-	-	72
- current accounts	213	-	-	-	-	-	-	-
- other loans	7,061	25,737	13,316	610	81	-	-	72
- with early redemption option	23	1,494	-	-	-	-	-	-
- other	7,038	24,243	13,316	610	81	-		72
2. On-balance-sheet liabilities	**6,743**	**43,980**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	6,743	-	-	-	-	-	-	-
- current accounts	6,678	-	-	-	-	-	-	-
- other payables	65	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	65	-	-	-	-	-	-	-
2.2 Due to banks	-	43,980	-	-	-	-	-	-
- current accounts	-	-	-	-	-	-	-	-
- other payables	-	43,980	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**18**	**48,554**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	18	48,554	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	18	48,554	-	-	-	-	-	-
+ long positions	-	24,286	-	-	-	-	-	-
+ short positions	18	24,268	-	-	-	-	-	-

CURRENCY	CANADIAN DOLLAR							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**17,332**	**3,559**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	2,547	3,481	-	-	-	-	-	-
1.3 Loans to customers	14,785	78	-	-	-	-	-	-
- current accounts	585	-	-	-	-	-	-	-
- other loans	14,200	78	-	-	-	-	-	-
- with early redemption option	70	78	-	-	-	-	-	-
- other	14,130	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**7,065**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	7,065	-	-	-	-	-	-	-
- current accounts	7,061	-	-	-	-	-	-	-
- other payables	4	-	-	-	-	-	-	-
- with early redemption option	2	-	-	-	-	-	-	-
- other	2	-	-	-	-	-	-	-
2.2 Due to banks	-	-	-	-	-	-	-	-
- current accounts	-	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-

CURRENCY	JAPAN YEN							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**4,659**	**8,595**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	2,143	-	-	-	-	-	-	-
1.3 Loans to customers	2,516	8,595	-	-	-	-	-	-
- current accounts	170	-	-	-	-	-	-	-
- other loans	2,346	8,595	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	2,346	8,595	-	-	-	-	-	-
2. On-balance-sheet liabilities	**1,704**	**11,766**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	1,622	-	-	-	-	-	-	-
- current accounts	1,620	-	-	-	-	-	-	-
- other payables	2	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	2	-	-	-	-	-	-	-
2.2 Due to banks	82	11,766	-	-	-	-	-	-
- current accounts	82	-	-	-	-	-	-	-
- other payables	-	11,766	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**21,138**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	21,138	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	21,138	-	-	-	-	-	-
+ long positions	-	10,569	-	-	-	-	-	-
+ short positions	-	10,569	-	-	-	-	-	-

CURRENCY	EURO							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**5,876,221**	**19,221,276**	**3,034,087**	**2,957,111**	**4,431,975**	**3,491,346**	**3,284,654**	**62,063**
1.1 Debt securities	136,335	1,026,408	570,092	-	691,217	1,542,476	1,314,928	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	136,335	1,026,408	570,092	-	691,217	1,542,476	1,314,928	-
1.2 Loans to banks	288,221	610,528	-	2,764	1,250,894	490,098	-	-
1.3 Loans to customers	5,451,665	17,584,340	2,463,995	2,954,347	2,489,864	1,458,772	1,969,726	62,063
- current accounts	3,573,893	278,548	178,816	296,780	505,189	206,045	11,700	-
- other loans	1,877,772	17,305,792	2,285,179	2,657,567	1,984,675	1,252,727	1,958,026	62,063
- with early redemption option	113,222	413,616	59,204	76,407	266,034	25,781	2,478	-
- other	1,764,550	16,892,176	2,225,975	2,581,160	1,718,641	1,226,946	1,955,548	62,063
2. On-balance-sheet liabilities	**22,976,729**	**9,057,183**	**3,724,055**	**2,468,455**	**3,819,169**	**19,232**	**2**	**3,890**
2.1 Due to customers	22,282,192	431,419	739	1,073	10	-	-	3,890
- current accounts	20,733,202	300,000	-	70	-	-	-	-
- other payables	1,548,990	131,419	739	1,003	10	-	-	3,890
- with early redemption option	-	-	-	-	-	-	-	-
- other	1,548,990	131,419	739	1,003	10	-	-	3,890
2.2 Due to banks	467,114	4,794,755	1,231,884	125,149	16	16	2	-
- current accounts	9,711	-	-	-	-	-	-	-
- other payables	457,403	4,794,755	1,231,884	125,149	16	16	2	-
2.3 Debt securities	59,798	3,831,009	2,491,432	2,342,233	3,819,143	19,216	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	59,798	3,831,009	2,491,432	2,342,233	3,819,143	19,216	-	-
2.4 Other liabilities	167,625	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	167,625	-	-	-	-	-	-	-
3. Financial Derivatives	**654,646**	**14,613,634**	**1,036,240**	**1,302,842**	**7,080,979**	**2,833,107**	**2,809,178**	**-**
3.1 With underlying security	-	49,707	49,854	125,536	-	221,515	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	49,707	49,854	125,536	-	221,515	-	-
+ long positions	-	49,707	49,854	125,536	-	-	-	-
+ short positions	-	-	-	-	-	221,515	-	-
3.2 Without underlying security	654,646	14,563,927	986,386	1,177,306	7,080,979	2,611,592	2,809,178	-
- Options	3	26	10,016	353	41,929	74,353	94,513	-
+ long positions	3	13	5,010	205	21,278	37,090	46,998	-
+ short positions	-	13	5,006	148	20,651	37,263	47,515	-
- Other	654,643	14,563,901	976,370	1,176,953	7,039,050	2,537,239	2,714,665	-
+ long positions	9,261	2,279,255	794,495	1,173,544	6,909,077	1,712,079	1,953,700	-
+ short positions	645,382	12,284,646	181,875	3,409	129,973	825,160	760,965	-

CURRENCY	OTHER CURRENCIES							
	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**9,862**	**3,094**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	8,476	2,286	-	-	-	-	-	-
1.3 Loans to customers	1,386	808	-	-	-	-	-	-
- current accounts	1,129	-	-	-	-	-	-	-
- other loans	257	808	-	-	-	-	-	-
- with early redemption option	115	808	-	-	-	-	-	-
- other	142	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**4,767**	**6,973**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	4,767	-	-	-	-	-	-	-
- current accounts	4,431	-	-	-	-	-	-	-
- other payables	336	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	336	-	-	-	-	-	-	-
2.2 Due to banks	-	6,973	-	-	-	-	-	-
- current accounts	-	-	-	-	-	-	-	-
- other payables	-	6,973	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**163**	**9,902**	**163**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	163	9,902	163	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other	163	9,902	163	-	-	-	-	-
+ long positions	-	4,951	163	-	-	-	-	-
+ short positions	163	4,951	-	-	-	-	-	-

1.2.3 Exchange Rate Risk

The Cariparma Crédit Agricole Group does not engage in foreign exchange trading on own account, and has no assets or liabilities that are not hedged against exchange rate risk. Consequently, there are no exposures apart from residual positions in respect of activities carried out to meet customer requirements in both the spot and forward markets.

These residual positions are nonetheless monitored daily.

QUANTITATIVE DISCLOSURES

1. Distribution by currency of assets, liabilities and derivatives

	Currencies					
Items	US Dollar	Pound Sterling	Japan Yen	Canadian Dollar	Swiss Frank	Other currencies
A. Financial Assets	359,157	14,005	13,254	6,761	50,693	12,973
A.1 Debt securities	-	1	-	-	-	17
A.2 Equity securities	-	-	-	-	-	-
A.3 Loans to banks	90,845	11,150	2,143	6,028	3,603	10,762
A.4 Loans to customers	268,312	2,854	11,111	733	47,090	2,194
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**5,144**	**1,011**	**109**	**317**	**974**	**574**
C. Financial Liabilities	**356,009**	**13,045**	**13,470**	**7,064**	**50,723**	**11,740**
C.1 Due to banks	217,368	2,394	11,848	1	43,980	6,973
C.2 Due to customers	138,641	10,651	1,622	7,063	6,743	4,767
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**1,944**	**384**	**19**	**23**	**185**	**56**
E. Financial derivatives	**343,408**	**105,302**	**2,744**	**97,491**	**114,124**	**51,174**
- Options	418	30	-	-	-	110
+ long positions	209	15	-	-	-	55
+ short positions	209	15	-	-	-	55
- Other	342,990	105,272	2,744	97,491	114,124	51,064
+ long positions	169,221	51,859	1,378	49,259	57,080	27,420
+ short positions	173,769	53,413	1,366	48,232	57,044	23,644
Total assets	**533,731**	**66,890**	**14,741**	**56,337**	**108,747**	**41,022**
Total liabilities	**531,931**	**66,857**	**14,855**	**55,319**	**107,952**	**35,495**
Difference (+/-)	**1,800**	**33**	**-114**	**1,018**	**795**	**5,527**

1.2.4 Derivative instruments

A. Financial Derivatives

A.1. Supervisory trading book: end-of-period and average notional amounts

	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
1. Debt securities and interest rates	**12,990,795**	**-**	**11,750,631**	**-**
a) Options	6,099,391	-	4,639,113	-
b) Swaps	6,891,404	-	7,111,518	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity securities and equity indices	**19**	**-**	**88,342**	**-**
a) Options	19	-	88,342	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Exchange rates and gold	**786,736**	**-**	**520,895**	**-**
a) Options	112,318	-	112,266	-
b) Swaps	-	-	-	-
c) Forward contracts	674,418	-	408,629	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	**12,987**	**-**	**30,972**	**-**
5. Other underlying assets	**-**	**-**	**-**	**-**
Total	**13,790,537**	**-**	**12,390,840**	**-**
Average values	**13,372,345**	**-**	**12,063,530**	**-**

A.2 Banking book: end-of- period and average notional values

A.2.1 Hedging

	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
1. Debt securities and interest rates	**15,209,185**	**-**	**16,741,648**	**-**
a) Options	152,677	-	2,500	-
b) Swaps	14,831,411	-	16,055,920	-
c) Forward contracts	225,097	-	683,228	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity securities and equity indices	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Exchange rates and gold	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**
5. Other underlying assets	**-**	**-**	**-**	**-**
Total	**15,209,185**	**-**	**16,741,648**	**-**
Average values	**15,504,276**	**-**	**12,191,540**	**-**

A.2.2 Other derivatives

	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
1. Debt securities and interest rates	**426,450**	**-**	**2,500**	**-**
a) Options	426,450	-	2,500	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity securities and equity indices	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Exchange rates and gold	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**
5. Other underlying assets	**-**	**-**	**-**	**-**
Total	**426,450**	**-**	**2,500**	**-**
Average values	**285,540**	**-**	**2,500**	**-**

A.3 Financial derivatives: positive gross fair value - breakdown by product

Underlying assets/Type of derivatives	Positive fair value			
	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
A. Supervisory trading book	**300,639**	**-**	**277,908**	**-**
a) Options	48,863	-	48,733	-
b) Interest rate swaps	238,648	-	219,868	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	12,861	-	6,798	-
f) Futures	-	-	-	-
g) Other	267	-	2,509	-
B. Banking book - hedging	**707,001**	**-**	**400,029**	**-**
a) Options	7,942	-	352	-
b) Interest rate swaps	689,384	-	357,963	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	9,675	-	41,714	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
C. Banking book - Other derivatives	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
Total	**1,007,640**	**-**	**677,937**	**-**

A.4 Financial derivatives: gross negative fair value - breakdown by product

Underlying assets/Type of derivatives	Negative Fair value			
	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
A. Supervisory Trading Portfolio	**297,483**	**-**	**283,576**	**-**
a) Options	38,036	-	48,457	-
b) Interest rate swaps	246,488	-	225,952	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	12,699	-	6,817	-
f) Futures	-	-	-	-
g) Other	260	-	2,350	-
B. Banking book - hedging	**176,603**	**-**	**22,898**	**-**
a) Options	-	-	-	-
b) Interest rate swaps	176,603	-	22,898	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
C. Banking book - Other derivatives	**9,962**	**-**	**352**	**-**
a) Options	9,962	-	352	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
Total	**484,048**	**-**	**306,826**	**-**

A.5 Over-the-counter financial derivatives - supervisory trading book: notional values, positive and negative gross fair value by counterparty - contracts not included in compensation agreements

Contracts not included in compensation agreements	Governments and central banks	Other public entities	Banks	Financial companies	Insurance undertakings	Non-financial companies	Other
1) Debt securities and interest rates							
- notional amount	-	24,276	6,502,264	903,111	-	4,825,289	735,855
- positive fair value	-	378	117,035	12,376	-	153,872	2,156
- negative fair value	-	55	239,157	8,014	-	22,660	12,942
- future exposure	-	55	45,044	4,005	-	13,679	192
2) Equity securities and equity indices							
- notional amount	-	-	19	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	1	-	-	-	-
3) Exchange rate and gold							
- notional amount	-	-	406,742	208	-	366,667	13,119
- positive fair value	-	-	8,196	-	-	6,245	114
- negative fair value	-	-	6,909	8	-	6,983	495
- future exposure	-	-	3,901	2	-	3,507	123
4) Other assets							
- notional amount	-	-	6,492	-	-	6,495	-
- positive fair value	-	-	139	-	-	128	-
- negative fair value	-	-	125	-	-	135	-
- future exposure	-	-	649	-	-	650	-

A.7 Over-the-counter financial derivatives - banking book: notional values, positive and negative gross fair value by counterparty - contracts not included in compensation agreements

Contracts not included in compensation agreements	Governments and central banks	Other public entities	Banks	Financial companies	Insurance undertakings	Non-financial companies	Other
1) Debt securities and interest rates							
- notional amount	-	-	15,185,149	24,036	-	-	426,450
- positive fair value	-	-	706,873	128	-	-	-
- negative fair value	-	-	175,728	875	-	-	9,962
- future exposure	-	-	116,063	98	-	-	1,059
2) Equity securities and equity indices							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
3) Exchange rate and gold							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
4) Other assets							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-

A.9 Residual maturity of OTC financial derivatives: notional values

	Up to 1 year	More than 1 year to 5 years	More than 5 years	Total
A. Supervisory Trading Portfolio	**3,650,803**	**6,339,525**	**3,800,209**	**13,790,537**
A.1 Financial derivatives on debt securities and interest rates	2,856,784	6,333,803	3,800,209	12,990,796
A.2 Financial derivatives on equity securities and equity indices	19	-	-	19
A.3. Financial derivatives on exchange rates and gold	781,013	5,722	-	786,735
A.4 Financial derivatives on other values	12,987	-	-	12,987
B. Banking book	**2,783,554**	**7,450,000**	**5,402,081**	**15,635,635**
B.1 Financial derivatives on debt securities and interest rates	2,783,554	7,450,000	5,402,081	15,635,635
B.2 Financial derivatives on equity securities and equity indices	-	-	-	-
B.3. Financial derivatives on exchange rates and gold	-	-	-	-
B.4 Financial derivatives on other values	-	-	-	-
Total 31.12.2011	**6,434,357**	**13,789,525**	**9,202,290**	**29,426,172**
Total 31.12.2010	**10,439,560**	**12,207,788**	**6,487,640**	**29,134,988**

1.3 Banking Group - Liquidity Risk

QUALITATIVE DISCLOSURES

General aspects, management and measurement of liquidity risk

General and organisation aspects

Starting from 2011, the Group has adopted a system of classifying liquidity risk (the "Liquidity Balance and Limits System"), which includes methodologies for assessing and aggregating risks and stress testing, in line with the mechanism adopted by the Parent Company Crédit Agricole S.A., securing, at the same time, compliance with Italian legislative provisions.

The governance model adopted by the Group delegates the management of liquidity risk to the Financial Management Department of Cariparma, which is responsible for risk management for the entire Italian banking group and follows the guidelines set down by the Crédit Agricole S.A. Group. To measure exposure to liquidity risk, the Group scope considered includes the data relating to the three Banks, Cariparma, FriulAdria and Carispezia, as well as those relating to CALIT (Credit Agricole Leasing Italia S.r.l.)

Cariparma, in its capacity as Parent Company, coordinates the liquidity risk profiles for the Group, centrally managing financial operations as well as the risk assessment and control activities. Specifically, the Parent Company:
- is responsible for the liquidity policy;
- manages funding for all the Group's legal entities;
- manages liquidity risk for the Group's Banks;
- contributes to defining the guidelines to be followed by CALIT in the liquidity management process.

The governance model set up for liquidity risk management processes is defined by the Board of Directors by assigning powers and the relating tasks to the relevant Departments.

The Financial Management Department is responsible for the measurement, management and monitoring of liquidity, while the Department of Risk Management and Permanent Controls is responsible for controlling the relating risk.
The Liquidity Balance and limits system is composed of:
- a governance process that assigns the roles defining the strategies, the management of the process of the assumption of risks and control process;
- a structure of global limits, operational limits and warning ceilings based on stress scenarios;
- a permanent control installation;
- a process that defines the conditions for the start, and methods for the execution, of the contingency funding plan.

Moreover, in 2001, the Group redefined its own contingency funding plan with a view to adapting the pre-existing plan to the new Liquidity System.

Risk management and control: methodological aspects

The main objective of the short-term liquidity management process is to ensure that the Group is able to satisfy on-balance-sheet payment commitments, expected and unexpected, in such a way as not to prejudice normal business.

A basic condition for achieving this objective is to permanently maintain a sufficient balance between incoming and outgoing liquidity flow.

The model adopted for liquidity management is based on the monitoring of the short-term component (up to 12 months) and the medium/long-term one.

To measure short-term exposure to liquidity risk, the maturity mismatch approach has been used, in accordance with the guidelines set down by the Group and with supervisory instructions.

The Group's Liquidity Balance and the limits system consider the following factors:
- maintaining immediate liquidity, represented by the net balance of client investments, surplus own funds and customer loans. This activity is carried out by identifying on-balance-sheet inflows and outflows expected during the different residual maturity bands that make up the "maturity ladder";

- the continuation of commercial activity along planned time scales (monitoring the liquidity trend from client loans/investments).

A material aspect of operating liquidity management is defining a short-term refinancing limit (LCT - Limite Court Terme) that is calibrated using methods defined by the Liquidity Balance and limits systems aimed at ensuring surplus liquidity over a one year horizon in a market under stress conditions.

The liquidity balance and limits systems determine restrictions to the structure of the short term refinancing which impose a "non-concentration" on shorter maturities, with the effect of incentivising the lengthening of the short term inter-bank deposits.

Stress scenarios on which the structure of the limits is based are defined on realistic assumptions but, at the same time, are appropriately conservative in relation to the severity and duration of the simulated shock.
Short-term liquidity risk management and supervision policies are aimed at ensuring the surmounting of any crisis that leads to serious reduction in the Group's normal financing sources; in this regard, three stress scenarios have been identified:

- global crisis with a time horizon of two weeks;
  - the Group must have sufficient liquidity reserves for two weeks to meet, at the same time, an outflow of retail deposits of 10%, a total suspension of market resources (among which operations with Crédit Agricole) and a reduction in liquidity reserves, while maintaining its own business operability unaltered; This scenario represents a grave global crisis originating from an idiosyncratic crisis situation, determined by problems relating to the reputation of the Group and systemic, characterised by market tension;
- idiosyncratic crisis with time horizon of one month;
  - the Group must be able, for a period of one month, to maintain its own business operability unaltered, in a critical situation determined by a reputational risk that has diminished the ability to contract loans on the market (reduced to 25% of normal) and that its clients have withdrawn a significant part of their deposits (around 10% of retail clients). This scenario represents an idiosyncratic crisis situation, as the crisis is determined solely by the Group's reputational problems;
- systemic crisis with time horizon of one year.
  - in the event a systemic crisis striking the markets, the Group must be able to continue its operations for one year, without adopting structural remedies, even if the crisis has seriously hindered its ability to re-finance on the market (among which, inter-bank operations and financing from Crédit Agricole) with a financing renewal rate of around 35% short term and 31.25% long term and with a reduction of the liquidity reserves.

Risk control

The Risk and Permanent Controls Department monitors liquidity ratios on a daily basis.

A process is in place for notifying and formalizing a corrective plan to senior management and Crédit Agricole in the event of any global or operating limits being exceeded, warning ceilings being reached in terms of risks or results, significant variations in risk indicators, potentially negative and unexpected variations in financial markets, insufficiencies or malfunctions of any systems for the management or assessment of risks and results, or any other event or situation deemed relevant in monitoring liquidity risks.

In order to ensure full understanding and governability of liquidity risk and its impact on the Group, in compliance with legislation, the Board of Directors receives specific detailed information on the management of this risk.

The appointed operational units prepare and circulate a liquidity report so that the Group's senior bodies can regularly follow the main indicators, with their commentary on the main changes, and, in particular, forward it to the Chief Financial Officer (CFO), the Risks and Permanent Controls Department, the ALM and Financial Risks Committee, and the Board of Auditors.

The Risks and Permanent Controls Department is responsible for controlling compliance with the set limits and prepares and circulates its own Financial Risks Report, reporting the results of controls and any exceeding of limits or warning ceilings. Moreover, it presents a quarterly summary of said report to the Financial Risks Committee and the ALM, the Internal Control Internal Control Committee and the Board of Directors of Cariparma.

QUANTITATIVE DISCLOSURES

1. Distribution of financial assets and liabilities by residual maturity

CURRENCY **US DOLLAR**

	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**69,462**	**80,542**	**14,542**	**90,680**	**86,540**	**15,562**	**1,856**	**123**	**10**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	69,462	80,542	14,542	90,680	86,540	15,562	1,856	123	10	-
- banks	26,698	64,148	-	-	-	-	-	-	-	-
- customers	42,764	16,394	14,542	90,680	86,540	15,562	1,856	123	10	-
On-balance-sheet liabilities	**149,058**	**16,905**	**13,163**	**82,230**	**76,298**	**14,772**	**2,066**	**-**	**-**	**-**
B.1 Deposits and current accounts	133,702	15,876	13,163	81,446	74,338	14,263	606	-	-	-
- banks	1	15,876	13,163	81,291	73,650	12,382	-	-	-	-
- customers	133,701	-	-	155	688	1,881	606	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	15,356	1,029	-	784	1,960	509	1,460	-	-	-
Off-balance-sheet transactions	**1,840**	**45,055**	**13,586**	**96,450**	**117,062**	**39,078**	**23,574**	**6,077**	**-**	**10**
C.1 Financial Derivatives with exchange of principal	-	44,575	13,586	96,111	116,521	38,934	23,574	5,722	-	10
- long positions	-	20,014	6,580	48,269	58,337	19,467	11,787	2,861	-	6
- short positions	-	24,561	7,006	47,842	58,184	19,467	11,787	2,861	-	4
C.2 Financial derivatives without exchange of principal	337	-	-	-	-	-	-	-	-	-
- long positions	170	-	-	-	-	-	-	-	-	-
- short positions	167	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	1,503	480	-	339	541	144	-	-	-	-
- long positions	480	-	-	339	541	144	-	-	-	-
- short positions	1,023	480	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	355	-	-

CURRENCY	POUND STERLING									
	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**7,860**	**4,250**	**5**	**97**	**1,791**	**-**	**-**	**1**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	1	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	7,860	4,250	5	97	1,791	-	-	-	-	-
- banks	6,900	4,250	-	-	-	-	-	-	-	-
- customers	960	-	5	97	1,791	-	-	-	-	-
On-balance-sheet liabilities	**10,278**	**2,394**	**10**	**-**	**215**	**60**	**49**	**-**	**-**	**-**
B.1 Deposits and current accounts	10,278	2,394	10	-	215	60	49	-	-	-
- banks	-	2,394	-	-	-	-	-	-	-	-
- customers	10,278	-	10	-	215	60	49	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**14,655**	**986**	**17,250**	**18,468**	**56,232**	**9,950**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	2,443	986	17,250	18,468	56,232	9,950	-	-	-
- long positions	-	445	493	8,625	9,234	28,116	4,975	-	-	-
- short positions	-	1,998	493	8,625	9,234	28,116	4,975	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	5,028	-	-	-	-	-	-	-	-
- long positions	-	2,514	-	-	-	-	-	-	-	-
- short positions	-	2,514	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	7,184	-	-	-	-	-	-	-	-
- long positions	-	3,592	-	-	-	-	-	-	-	-
- short positions	-	3,592	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

CURRENCY	SWISS FRANK									
	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**10,951**	**267**	**8,428**	**664**	**9,305**	**752**	**1,889**	**8,066**	**10,426**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	10,951	267	8,428	664	9,305	752	1,889	8,066	10,426	-
- banks	3,603	-	-	-	-	-	-	-	-	-
- customers	7,348	267	8,428	664	9,305	752	1,889	8,066	10,426	-
On-balance-sheet liabilities	**6,678**	**23,857**	**-**	**10,235**	**9,888**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	6,678	23,857	-	10,235	9,888	-	-	-	-	-
- banks	-	23,857	-	10,235	9,888	-	-	-	-	-
- customers	6,678	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**18**	**48,925**	**-**	**38,828**	**53,168**	**11,682**	**10,074**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	389	-	38,828	53,150	11,682	10,074	-	-	-
- long positions	-	172	-	19,414	26,616	5,841	5,037	-	-	-
- short positions	-	217	-	19,414	26,534	5,841	5,037	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	48,536	-	-	-	-	-	-	-	-
- long positions	-	24,268	-	-	-	-	-	-	-	-
- short positions	-	24,268	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	18	-	-	-	18	-	-	-	-	-
- long positions	-	-	-	-	18	-	-	-	-	-
- short positions	18	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

CURRENCY	CANADIAN DOLLAR									
	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**3,202**	**3,481**	**-**	**9**	**70**	**-**	**-**	**-**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	3,202	3,481	-	9	70	-	-	-	-	-
- banks	2,547	3,481	-	-	-	-	-	-	-	-
- customers	655	-	-	9	70	-	-	-	-	-
On-balance-sheet liabilities	**7,062**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	7,062	-	-	-	-	-	-	-	-	-
- banks	1	-	-	-	-	-	-	-	-	-
- customers	7,061	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**3,306**	**-**	**16**	**96,080**	**-**	**-**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	3,306	-	16	96,080	-	-	-	-	-
- long positions	-	2,167	-	8	48,040	-	-	-	-	-
- short positions	-	1,139	-	8	48,040	-	-	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

CURRENCY	JAPAN YEN									
	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**4,658**	**-**	**653**	**2,130**	**5,813**	**-**	**-**	**-**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	4,658	-	653	2,130	5,813	-	-	-	-	-
- banks	2,143	-	-	-	-	-	-	-	-	-
- customers	2,515	-	653	2,130	5,813	-	-	-	-	-
On-balance-sheet liabilities	**1,702**	**11,766**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	1,702	11,766	-	-	-	-	-	-	-	-
- banks	82	11,766	-	-	-	-	-	-	-	-
- customers	1,620	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**21,164**	**-**	**402**	**918**	**1,390**	**10**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	26	-	402	918	1,390	10	-	-	-
- long positions	-	19	-	201	459	695	5	-	-	-
- short positions	-	7	-	201	459	695	5	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	21,138	-	-	-	-	-	-	-	-
- long positions	-	10,569	-	-	-	-	-	-	-	-
- short positions	-	10,569	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

CURRENCY	EURO									
	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**5,012,148**	**521,917**	**214,059**	**628,301**	**1,510,094**	**1,241,840**	**2,877,388**	**12,174,390**	**17,292,296**	**47,943**
A.1 Government securities	-	-	-	-	1	-	-	649,262	2,857,408	-
A.2 Other debt securities	48,425	-	-	1	155,437	2,203	251,866	1,323,405	26	3,880
A.3 Units in collective investment undertakings	11,976	-	-	-	-	-	-	-	-	-
A.4 Loans	4,951,747	521,917	214,059	628,300	1,354,656	1,239,637	2,625,522	10,201,723	14,434,862	44,063
- banks	286,376	400,004		50,001	145,431	-	9,536	1,250,894	500,132	-
- customers	4,665,371	121,913	214,059	578,299	1,209,225	1,239,637	2,615,986	8,950,829	13,934,730	44,063
On-balance-sheet liabilities	**22,941,479**	**2,386,521**	**106,903**	**654,250**	**2,964,825**	**2,319,137**	**1,243,983**	**8,411,308**	**1,016,251**	**-**
B.1 Deposits and current accounts	22,662,446	2,345,606	50,480	313,986	864,825	896,281	33,443	251,796	145,193	-
- banks	465,456	2,045,606	50,480	312,908	855,621	895,551	28,867	251,796	145,193	-
- customers	22,196,990	300,000	-	1,078	9,204	730	4,576	-	-	-
B.2 Debt securities	57,086	40,915	51,386	205,400	1,714,990	1,110,256	1,084,663	7,977,346	320,497	-
B.3 Other liabilities	221,947	-	5,037	134,864	385,010	312,600	125,877	182,166	550,561	-
Off-balance-sheet transactions	**988,985**	**319,620**	**17,608**	**224,888**	**421,304**	**292,462**	**548,381**	**1,788,005**	**1,265,854**	**-**
C.1 Financial Derivatives with exchange of principal	-	303,806	13,798	201,545	284,707	163,563	187,732	5,448	9,675	-
- long positions	-	151,040	7,094	125,431	142,275	106,696	156,674	2,722	-	
- short positions	-	152,766	6,704	76,114	142,432	56,867	31,058	2,726	9,675	-
C.2 Financial derivatives without exchange of principal	591,527	15,778	2,128	19,391	114,376	88,800	280,640	1,542,360	1,124,534	-
- long positions	302,377	9,960	995	11,882	56,815	43,567	169,444	1,021,456	663,027	-
- short positions	289,150	5,818	1,133	7,509	57,561	45,233	111,196	520,904	461,507	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	397,458	36	1,682	3,952	22,221	40,099	80,009	240,197	131,645	-

Comment on Securitized Mortgages

As at 31 December 2011, the residual debt of securitized loans amounted to € 3,354 million.

Following the loans securitization, two securities (Senior and Junior) have been fully subscribed, having the following characteristics:
- Senior with a nominal value of € 3,126 million, maturity 31 Jan. 2058, indexed EUR 6M+0.35;
- Junior with a nominal value of € 390 million maturity 31 Jan. 2058 indexed EUR 6M+0.6+variable rate.

To ensure liquidity for the Special Purpose Vehicle for payment of the coupons, an Interest Rate Swap of notional value 3,126 million Euro, maturity 31.01.2058 was agreed with the same; amortization of the derivative reflects the amortization of the Senior security.

CURRENCY	OTHER CURRENCIES									
	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified
On-balance-sheet assets	**8,813**	**1,082**	**-**	**-**	**808**	**-**	**-**	**17**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	17	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	8,813	1,082	-	-	808	-	-	-	-	-
- banks	7,428	1,082	-	-	-	-	-	-	-	-
- customers	1,385	-	-	-	808	-	-	-	-	-
On-balance-sheet liabilities	**6,295**	**7,050**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	6,295	7,050	-	-	-	-	-	-	-	-
- banks	1,864	7,050	-	-	-	-	-	-	-	-
- customers	4,431	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**163**	**15,185**	**-**	**5,452**	**7,706**	**13,003**	**20,662**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	5,283	-	5,452	7,706	12,840	20,662	-	-	-
- long positions	-	4,538	-	2,726	3,853	6,420	10,331	-	-	-
- short positions	-	745	-	2,726	3,853	6,420	10,331	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	6,554	-	-	-	-	-	-	-	-
- long positions	-	3,277	-	-	-	-	-	-	-	-
- short positions	-	3,277	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	163	3,348	-	-	-	163	-	-	-	-
- long positions	-	1,674	-	-	-	163	-	-	-	-
- short positions	163	1,674	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

1.4 Banking Group - Operational Risks

QUALITATIVE DISCLOSURES

A. General aspects, management and measurement of operational risks

The Cariparma Crédit Agricole Group uses the definition of operational risk envisaged in the Basel 2 International Convergence of Capital Measurement and Capital Standards, prepared by the Basel Committee on Banking Supervision. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements.

To consolidate and enhance control of operational risk, the Group has pursued:

- full ongoing compliance with the regulatory requirements for the use of the Traditional Standardized Approach (TSA) for the calculation of supervisory capital as prescribed by Basel 2. CALIT uses the base method;
- a considerable improvement in the monitoring of risks and losses with a view to adopting a management-oriented approach, with particular regard to risk mitigation initiatives;
- the achievement of compliance with the regulatory requirements for the use of Advanced Measurement Approaches (AMA) for the calculation of supervisory capital.

Macro-organisational aspects

Governance of Group risks is the responsibility of the Cariparma's Risk Management and Permanent Controls Department, which follows the guidelines of the Risk Management of the Controlling Company Crédit Agricole S.A.. Therefore, the risk management units of the other banks in the Italian Group report on a solid line (hierarchically) to the Risk Management and Permanent Controls Department of Cariparma, while they report on a dotted line (functionally) to their respective Senior Management. This has the objective of achieving uniform guidelines and risk management.

In complying with supervisory regulations, the Group formalized the roles and responsibilities of the corporate bodies and functions involved in the management of operational risks.

The governance model envisages the use of a centralized system of operational risk management and tight coordination with the Permanent Control activities, also with a view to achieving synergies with the Compliance Unit.

Risk policy and management

The Group has adopted a model that encompasses not only a process of operational risk management (pursuant to the guidelines of Crédit Agricole S.A.) that is structured and governed by the central unit of Cariparma, but also a specialized decentralized role (MRO - Operational Risk Manager), whose task is to support the central function in activities relating to operations and risk management and mitigation.

The Board of Directors approved the roles and responsibilities of the company functions involved in the management of operational risk, in accordance with the provisions of Circular No. 263 of 2006 of the Bank of Italy ("New regulations for the prudential supervision of banks") and the directives of the controlling company Crédit Agricole S.A.

The updating of the process for the management and control of operational risk to comply with the guidelines of Crédit Agricole S.A. and the adoption of the same general methods as the Group was done with a view to meeting the required standards for the adoption of Advanced Measurement Approaches (AMA)for the determination of the statutory capital requirements.

Risk mitigation

The Group has implemented a policy of operational risk mitigation, by means of:

- an annual Action Plan, approved by the Board of Directors, which contains all the initiatives, aimed at minimizing the main existing operational risks, which the persons in charge of the various corporate processes have deemed necessary through a specific Self Risk Assessment;
- insurance policies to offset the impact of unexpected losses: to this end, a special structure was set up and tasked with, among other things, assessing and managing insurance policies;

- continuing development of a new series of permanent controls both at branches and central departments aimed at target control of those processes with specific weaknesses;
- establishment of an interdepartmental desk to coordinate company units in the interception, management and prevention of fraud.

Risk management

The process of operational risk management is divided into the following macro-phases:
- detection, identification and classification of risks and losses and their recognition in the accounts where necessary;
- assessment and measurement of risk rating;
- identification of mitigation actions and adjustment of the permanent controls plan;
- control of the correct performance of the interventions and production of reports.

As well as a Loss Data Collection structured process, in the above phases the following processes are also applied:
- self-assessment of exposure to operational risks (scenario analysis);
- the examination and qualitative assessment of the operating environment in relation to risk factors.

Each of these processes entails processing information using a predefined method and specific support tools.

Risk control

The role of the operational risks committee, composed of the main corporate functions, has been consolidated and is responsible for:
- approving guidelines and action plans on operational risks (other than Compliance);
- monitoring results and control activities as well as:
  - periodically validating operational risk mapping;
  - periodically validating the identification of risk scenarios being measured during the Scenario Analysis Process.
- governing continuity of operations for the Cariparma Crédit Agricole Group. The relevant responsibilities include:
  - validating the scope of critical processes to be submitted to business continuity measures and relating particularly significant changes;
  - validating business continuity strategies, in compliance with the applicable supervisory regulations.

IT systems security

In 2011, the Group continued work on the "three-year action plan" defined according to the assessment by the Head of IT Systems Security, who reports on a dotted line to the Risks and Permanent Controls Department.

Measures implemented in 2001 increased security both for clients as well as within the Bank, for example, in the area of fraud prevention. The plan includes updates in security policy of the Parent Company Crédit Agricole and instructions issued by the Supervisory Authority.

Continuity of Operations Plan (Italian acronym: PCO)

In 2011, the Group updated and checked the Continuity of Operations Plan to take into account changes in Group's economic framework and in its organisational infrastructure, technology and software through:
- the development of new projects (in particular "Continuity of Operations Plan - New Scenarios");
- management of the campaign to update the "business impact analysis" (BIA) for which a specific tool is used;
- certification sessions with favourable results;
- implementation of the "Disaster Recovery" solution for the Department in relation to the Group Information System.

Purchasing management - essential services

2011 saw increased organisational supervision and regulations relating to the most important areas of purchasing management; in particular, the externalisation of services defined as "essential", pursuant to Bank of Italy-Consob joint regulation, was specifically reviewed.

Loss data

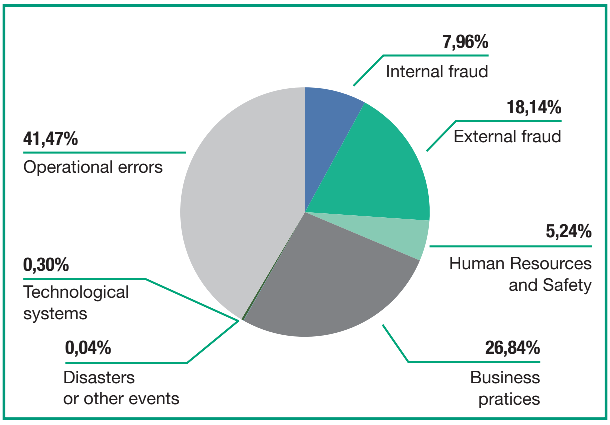
Operational losses, which the model considers as quantitative data, are collected, managed and analysed, to different levels of granularity and detail, using an event classification scheme that conforms to the rules set out in Basel II Framework and the requirements of the supervisory authorities and Crédit Agricole S.A.. The basic structure is as follows:

- **Internal fraud:** losses due to deliberate acts committed by at least one party internal to the Bank and causing economic loss to the Bank;
- **External fraud:** losses due to deliberate acts committed exclusively by parties external to the Bank, generally for the purpose of personal gain;
- **Employment practices and workplace safety:** losses relating to the relations between the company and its staff or to the failure of the workplace to meet health and safety standards. These include liabilities arising from accidents to employees in company offices or vehicles;
- **Business practices:** events linked to the supply of services and products to clients carried out in an improper or negligent manner (fiduciary requirements and adequate information on investments), as well as defects in the nature or characteristics of products/ models/contracts. These include liabilities arising from breach of public security laws or other legislation not specific to the banking sector;
- **Disasters or other events:** events stemming from natural causes or human acts, which give rise to damages to company resources (tangible or intangible goods, persons, etc.) and/or interruption of services or other events (including incorrect behaviour/improper acts by third party companies which damage the Company); The category also includes liabilities arising from political changes and retroactive changes in legislation and tax;
- **Technological systems and services:** losses arising from the malfunctions, logical or structural defects in technological and other support systems;
- **Execution, delivery and process management:** losses arising from unintentional errors in the management of operational and support assets or caused by counterparties other than customers and suppliers.

To report consolidated loss data, the Cariparma Crédit Agricole Group has adopted a new IT application especially designed to facilitate the adoption of advanced methods, and has also adopted specific tools and models developed directly by Crédit Agricole S.A..

QUANTITATIVE DISCLOSURES

With reference to the sources of operational risk, the chart below shows the distribution of net losses (gross losses net of recoveries other than insurance-related ones) by type of event in 2011, compiled according to the classification system described above. So-called boundary losses are excluded.
Recognised net losses, boundary losses are excluded (so-called "boundary loss credit risk" and "boundary loss market")



DISCLOSURE TO THE PUBLIC

Disclosure pursuant to supervisory regulations at Title IV, Chapter 1 of Bank of Italy Circular No. 263 of 27 December 2006 is published on the Parent Company website at www.cariparma.it.

The disclosures consist only of tables 3 and 4 relating to the composition of supervisory capital and capital adequacy. Since the Cariparma FriulAdria Group is controlled by a parent credit institution based in the EU, it has opted to apply the conditions provided for in section II, point 1 of the aforementioned chapter of the regulations.

.

Part F Information on consolidated shareholders' equity

Section 1 - Shareholders' equity

A. QUALITATIVE DISCLOSURES

The capital management policy of the Cariparma Credit Agricole Group is aimed at maintaining the level of resources needed at any time to cope with the risks undertaken.

B. QUANTITATIVE DISCLOSURES

B.1 Consolidated shareholders' equity: Breakdown by type of enterprise

As at the end of 2011, the consolidated shareholders' equity breaks down as follows:

	Banking group	Insurance undertakings	Other companies	Elisions and adjustments from consolidation	31.12.2011
Share capital	**1,165,076**	-	**22**	**-234,342**	**930,756**
Share premium reserve	3,249,540	-	-	-412,173	2,837,367
Reserves	773,393	-	-	-27,610	745,783
Equity instruments	-	-	-	-	-
(Treasury Shares)	-	-	-	-	-
Valuation reserves:	**-400,783**	-	-	**-33,690**	**-434,473**
- Financial assets available for sale	-390,436	-	-	-11,089	-401,525
- Property, plant and equipment	-	-	-	-	-
- Intangible assets	-	-	-	-	-
- Hedging of foreign investments	-	-	-	-	-
- Cash flow hedges	-	-	-	-	-
- Exchange rate differences	-	-	-	-	-
- Disposal groups	-	-	-	-	-
- Actuarial gains (losses) pertaining to defined-benefit pension plans	**-10,347**	-	-	-	**-10,347**
- Shares of valuation reserves pertaining to subsidiaries accounted for with equity method	-	-	-	-22,601	-22,601
- Special revaluation laws	-	-	-	-	-
Profit (loss) for the period (+/-) of group and minority interest	**252,196**	-	-	**-44,160**	**208,036**
Equity	**5,039,422**	-	**22**	**-751,975**	**4,287,469**

B.2 Valuation reserves for financial assets available for sale: composition

	Banking group		Insurance undertakings		Other companies		Elisions and adjustments from consolidation		31.12.2011	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	**13,492**	**-418,443**	**-**	**-**	**-**	**-**	**-40**	**-**	**13,452**	**-418,443**
2. Equity securities	15,167	-	-	-	-	-	-11,133	84	4,034	84
3. Units in collective investment undertakings	-	-652	-	-	-	-	-	-	-	-652
4. Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2011	**28,659**	**-419,095**	**-**	**-**	**-**	**-**	**-11,173**	**84**	**17,486**	**-419,011**
Total 31.12.2010	**34,578**	**-129,287**	**-**	**-**	**-**	**-**	**-11,173**	**-**	**23,405**	**-129,287**

B.3 Valuation reserves for financial assets available for sale: changes for the period

	Debt securities	Equity securities	Units in collective investment undertakings	Loans
1. Opening balance	**-109,632**	**3,750**	**-**	**-**
2. Increases	**50,183**	**3,849**	**-**	**-**
2.1. Fair value gains	18,446	3,678	-	-
2.2 Reversal to income statement of negative reserves:	31,737	87	-	-
- for impairment	184	87	-	-
- for realization	31,553	-	-	-
2.3. Other changes	-	84	-	-
3. Decreases	**345,542**	**3,481**	**-652**	**-**
3.1 Fair value losses	311,029	3,286	-652	-
3.2 Impairment losses	539	-	-	-
3.3 Reversal to income statement of positive reserves: for realization	33,960	105	-	-
3.4. Other changes	14	90	-	-
4. Closing Balance	**-404,991**	**4,118**	**-652**	**-**

Section 2 - Supervisory capital and capital ratios

2.1 Scope of application of the regulations

Supervisory capital, minimum capital requirements and the consequent capital ratios were determined on the basis of the provisions of Bank of Italy Circular No. 263 of 27 December 2006 (7th revision of 31 January 2012) “New regulations for the prudential supervision of banks” and Circular No. 155 of 18 December 1991 (13th revision of 21 December 2011) “Instructions for the preparation of reports on supervisory capital and capital ratios”.

As at 31 December 2011, the scope of consolidation for the supervisory calculations includes the Parent Company Cariparma, Banca Popolare Friuladria, Cassa di Risparmio della Spezia and the leasing company Crédit Agricole S.r.l..

The consolidation scope that is relevant for prudential calculations does not include the figures relating to the Insurance Company Crédit Agricole Vita Compagnia di Assicurazione S.p.A., to the company Crédit Agricole Agro-Alimentare S.p.A., which are consolidated using the equity method for financial reporting purposes, but are not included in the banking group, as well as the figures relating to the company Sliders S.r.l. and MondoMutui Cariparma S.r.l. (the latter consolidated on a line-item basis pursuant to SIC 12) but also not included in the banking group.

2.2 Regulatory capital

A. QUALITATIVE DISCLOSURES

1. Tier 1 capital

Tier 1 capital is composed of high quality components (share capital, reserves, share premium accounts and net profit for the period) pertaining to the shareholders of the Parent Company and minority interests, appropriately adjusted for intangible assets and negative prudential filters.

In 2001 a unredeemable subordinated debenture loan was issued of 120 million; this loan is recorded in the Tier 1 Capital under non-innovative capital instruments.

A deduction was made equal to 50% of the value of equity investments in banking and financial companies: Bank of Italy and CA Agro- Alimentare S.p.A..

The increase in the value of the investment in CA Vita Compagnia di assicurazione S.p.A., recognized as from 20 July 2006, is deducted at 50%.

The amount of this equity investment prior to 20 July 2006 is deducted in full from the sum of Tier 1 and Tier 2 Capital.

2. Tier 2 Capital

Tier 2 Capital includes, among the positive elements, the Valuation Reserves, subordinate liabilities and among the negative elements, the negative prudential filters.

Tier 2 capital is reduced by the deduction of the remaining 50% of the elements deducted for Tier 1 capital, namely the equity investments in the Bank of Italy and e CA Agro-Alimentare S.p.A. and the increase in the value of the investment in CA Vita Compagnia di assicurazione S.p.A. that have been made since 20 July 2006.

The Group has loans and computable subordinate deposits in the Tier 2 Capital of € 980 million. In accordance with the supervisory provisions issued by the Bank of Italy with regulation of 18 May 2010 by the title “Tier 1 capital - prudential filters”, the Cariparma Crédit Agricole Group has opted, as envisaged in the above-mentioned regulation, to entirely neutralize both capital losses and capital gains resulting from debt securities held in the “Available-for-sale financial assets” (AFS) portfolio, issued by central governments of EU Member States. This option was chosen to prevent an unjustified volatility of the supervisory capital, which could be determined by sudden changes in the securities quotations that are not linked to durable changes in the issuers’ creditworthiness. This also enables a partial alignment to the principles already followed by the Controlling Company, Crédit Agricole S.A..

The Bank of Italy has been informed of this choice, as well as of the commitment by all the companies in the Group to apply this approach uniformly, continuously in time and on all securities of this type, starting from 30 June 2010.

3. Tier 3 Capital

To date, no Tier 3 instruments have been issued.

B. QUANTITATIVE DISCLOSURES

	31.12.2011	31.12.2010
A. Tier 1 capital prior to the application of prudential filters	**2,712,078**	**2,570,197**
B. Tier 1 prudential filters:	4	50,970
B1 - positive IAS/IFRS prudential filters (+)	4	-
B2 - negative IAS/IFRS prudential filters (-)	-	50,970
C. Tier 1 Capital including deductible elements (A+B)	2,712,082	2,519,227
D. Elements to be deducted from Tier 1 capital	97,747	66,587
E. Total Tier 1 capital (TIER 1) (C-D)	**2,614,335**	**2,452,640**
F. Tier 2 capital prior to the application of prudential filters	**981,573**	**569,445**
G. Tier 2 prudential filters:	6,023	10,233
G1 - positive IAS/IFRS prudential filters (+)	-	-
G2 - negative IAS/IFRS prudential filters (-)	6,023	10,233
H. Tier 2 capital including deductible elements (F+G)	**975,550**	**559,212**
I. Elements to be deducted from Tier 2 capital	97,747	66,587
L. Total Tier 2 capital (TIER2) (H-I)	**877,803**	**492,625**
M. Items to be deducted from Tier 1 and Tier 2 capital	58,917	58,917
N. Supervisory capital (E + L - M)	**3,433,221**	**2,886,348**
O. TIER 3 capital	-	-
P. Supervisory Capital including TIER3 (N + O)	**3,433,221**	**2,886,348**

Additional Tier 1 instruments

Details on additional Tier 1 instruments:

Characteristics	Issue date	Maturity	Repayment schedule	Interest rate	Currency	Original Value	Book Value	Amount eligible for inclusion in Tier 1 capital
Subordinated loan	29.06.2011	31.12.2100	perpetual,with call from 28.06.2016	Euribor 3 months + 729 b.p.	euro	120,000	118,576	120,000

The following table details outstanding subordinated liabilities, indicating the portion eligible for inclusion in Tier 2 capital

Characteristics	Issue date	Maturity	Repayment schedule	Interest rate	Currency	Original value	Book value	Amount eligible for inclusion in Tier 2 capital
Subordinated loan	14.12.2007	14.12.2017	5 equal instalments as from 14 Dec. 2013	3-month Euribor + 10 b.p.	euro	30,000	29,801	29,920
Subordinated deposit	17.12.2008	17.12.2018	5 equal instalments as from 17 Dec. 2014	3-month Euribor + 334 b.p.	euro	250,000	250,396	250,000
Subordinated deposit	30.03.2011	30.03.2021	5 equal instalments as from 30 March 2017	3-month Euribor + 220 b.p.	euro	400,000	400,040	400,000
Subordinated loan	30.06.2009	30.06.2016	50% by 30 June 2015 50% by 30 June 2016	up to 30.06.2012 5%; after to 50% Euribor 6 months+ 100 b.p.	euro	77,250	77,477	77,250
Subordinated loan	30.06.2009	30.06.2016	50% by 30 June 2015 50% by 30 June 2016	5% fixed	euro	222,750	228,938	222,706

2.3 Capital Adequacy

A. QUALITATIVE DISCLOSURES

Compliance with minimum capital requirements is checked by calculating the ratio of supervisory capital, as computed above, to total risk-weighted assets calculated in accordance with the provisions of Bank of Italy Circular No. 263 of 27 December 2006 (7th update of 31 January 2012) "New regulations for the prudential supervision of banks" and Circular No. 155 of 18 December 1991 (13th update of 21 December 2011) "Instructions for the preparation of reports on supervisory capital and capital ratios".

The resulting Tier Total Ratio at 31 December 2011 was in compliance with the thresholds specified in supervisory regulations.

B. QUANTITATIVE DISCLOSURES

	Non-weighted amounts		Weighted amounts/ requirements	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
A. Risk assets				
A.1 Credit and counterparty risk	**49,988,573**	**53,893,708**	**27,323,569**	**25,660,595**
1. Standardized approach	49,988,573	53,893,708	27,323,569	25,660,595
2. IRB approach	-	-	-	-
2.1 Foundation	-	-	-	-
2.2 Advanced	-	-	-	-
3. Securitizations	-	-	-	-
B. Capital requirements	**-**	**-**	**-**	**-**
B.1 Credit and counterparty risk	**-**	**-**	**2,185,886**	**2,052,847**
B.2 Market risk	**-**	**-**	**7,161**	**6,363**
1. Standardized method	-	-	7,161	6,363
2. Internal models	-	-	-	-
3. Concentration risk	-	-	-	-
B.3 OPerational risk	**-**	**-**	**218,793**	**197,490**
1. Basic indicator approach	-	-	3,178	3,027
2. Standardized approach	-	-	215,615	194,463
3. Advanced measurement approach	-	-	-	-
B.4 Other prudential requirements	**-**	**-**	**-**	**-**
B.5 Other measurement elements	**-**	**-**	**-**	**-**
B.6 Total prudential requirements	**-**	**-**	**2,411,840**	**2,256,700**
C. Exposures and capital adequacy ratios	**-**	**-**	**-**	**-**
C.1 Risk-weighted assets	-	-	30,147,996	28,208,749
C.2 Tier 1 capital/risk-weighted assets (Tier 1 capital ratio)	-	-	8,67 %	8,69%
C.3 Supervisory capital including TIER 3/risk-weighted assets (Total capital ratio)	-	-	11,39%	10,23%

Part G Business combinations

Section 1 - Transactions made in the period

1.1 Business combinations

Name	Transaction date (A)	Transaction cost (B)	Shareholding % (C)	Net banking income (D)	Profit/ Loss for the year (E)	Profit/ Loss from the date of acquisition (F)
1. Cassa di Risparmio della Spezia S.p.A.	03.01.2011	288,000	80,00%	101,479	8,187	8,187
2. Transfer of 11 Cassa di Risparmio di Firenze S.p.A. branches to Cariparma	28.03.2011	52,098	100,00%	n/a	n/a	n/a
3. Transfer of 70 branches from Intesa Sanpaolo to Cariparma	16.05.2011	331,469	100,00%	n/a	n/a	n/a
4. Transfer of 15 Cassa di Risparmio del Veneto S.p.A. branches to Banca Popolare Friuladria	16.05.2011	68,269	100,00%	n/a	n/a	n/a

(A) date of acquisition of control

(B) transaction cost

(C) percentage of shareholding acquired with voting rights at the Ordinary Shareholders' General Meeting.

(D) net banking income (item 120 of the Income Statement) relating to the entire 2011.

(E) Profit/Loss recognized by the subsidiary company for the entire 2011.

(F) Profit/Loss recognized by the subsidiary company subsequent to the date of acquisition and included in the Cariparma Crédit Agricole Group consolidated performance.

On 3 January 2011 Cariparma acquired from CariFirenze 80% of the shareholding in Cassa di Risparmio della Spezia for an overall value of € 288 million. The transaction described was recognised as required by IFRS 3 criteria for business combinations, which provides that the cost of aggregation must be allocated to assets, liabilities and potential liabilities, and at intangible values not registered in the financial statement within their fair value limits. The residual amount after this allocation shall be recognised as goodwill and annually undergo impairment testing.

In view of the complexity of this process, the international accounting standards permit entities to complete the allocation of the transaction cost within 12 months of its finalization. At the moment of preparation of these Financial Statements, this process was not completed as the price of the transaction is still being finalised. It is pointed out that the difference between the acquisition price and the value of the assets and liabilities acquired has been partially allocated to a new intangible asset with finite life for € 30,767 thousand and at the higher value of the tangible assets for € 20,356 thousand. The residual quota of the above difference is currently allocated to goodwill and amounts to € 128,748 thousand. This has produced effects on the 2011 Income Statement for € 2,668 thousand due to amortization for the period.For further information relating to acquisitions by the Parent Company, please refer to Part G of the Note to the Separate Financial Statements.

1.2 Other information on business combinations

In 2011 the Parent Company and the subsidiary Banca Popolare FriulAdria finalized several increase in capital operations to service the wider growth of Cariparma Crédit Agricole Group. A summary of the details of the operation is given below:

Banca Popolare FriulAdria	
Issue of new shares - transfer of 15 CariVeneto branches	**68,269**
of which Share Capital	6,106
of which Share Premium	62,163
Costs associated to the share capital increase operation	**-307**
Equity increase	**67,962**

Cariparma	
Issue of new shares - acquisition of 80.00% of Carispezia	**350,000**
of which Share Capital	43,750
of which Share Premium	306,250
Issue of new shares - transfer of 11 CariFirenze branches	**52,097**
of which Share Capital	6,512
of which Share Premium	45,585
Issue of new shares - transfer of 70 Intesa Sanpaolo branches	**331,470**
of which Share Capital	41,434
of which Share Premium	290,036
Costs associated to the share capital increase operation	**-637**
Equity increase	**732,930**

On 16 May 2011 the share capital of Banca Popolare FriulAdria was increased from the previous nominal € 114,583 thousand to € 120,689 thousand by issue of 1,221,280 ordinary shares having a nominal value of € 5 each, as well as a premium of € 62,163 thousand following the transfer of 15 branches of CariVeneto to Banca Popolare FriulAdria.

The transaction described was accounted for as required by IFRS 3 criteria for business combinations, which provides that the cost of aggregation shall be allocated to assets, liabilities and potential liabilities, at intangible values not recognised in the financial statement within their fair value limits. The residual amount after this allocation shall be recognised to goodwill and annually undergo impairment testing.

In view of the complexity of this process, the international accounting standards permit entities to complete the allocation of the transaction cost within 12 months of its finalization. At the time of preparation of these Financial Statements, this process was not completed. It is pointed out that the difference between the acquisition price and the value of the assets and liabilities acquired has been partially allocated to a new intangible asset with finite life for € 16,844 thousand. The residual quota of the cited aggregation difference is currently allocated to goodwill and amounts to € 56,789 thousand. This has produced negative effects net of tax on the 2011 Income Statement for an amount of € 610 thousand due to amortization for the period.

In 2011 further increases in share capital of the Parent Company were made, from the previous nominal of € 785,066 thousand to € 876,762 thousand, by the issue of 91,695,831 ordinary shares having a nominal value of € 1 each as well as a share premium of € 641,871 thousand following transfer of 11 branches of CariFirenze and 70 branches of Intesa San Paolo to Cariparma. For further information relating to acquisitions by the Parent Company, please refer to Part G of the Note to separate Financial Statements.

1.2.1 Goodwill - changes for the period

Goodwill as at 31.12.2010	1,151,534
Increases	**511,794**
For the purchase of 15 Banca Popolare FriulAdria branches	56,769
For the purchase of 81 Cariparma branches	326,267
For the purchase of 80.00% of Carispezia	128,748
For the purchase of 100.00% of Sliders S.r.l.	10
Decreases	**-6,000**
Impairment of Crédit Agricole Leasing Italia S.r.l. goodwill	-6,000
Goodwill as at 31.12.2011	**1,657,328**

The operations described, after allocation of the value price of the assets, the liabilities, the potential liabilities and any intangible fixed assets not previously recognised in the Financial Statements of the purchaser/purchase, within their fair value limits, recorded goodwill of € 511,794 thousand. Pursuant to the provisions of IFRS 3, the quantification is to be considered as provisional.

As provided for by the IAS/IFRS, the Group has submitted to impairment testing the goodwill arising from the various company aggregation operations recorded as from 2007 in order to assess any impairment. For the CGU CALIT, the increase in the discount rate lowered the current value of financial inflows resulting in a lower book value for the CGU: the goodwill value was consequently reduced from € 23.2 million to € 17.2 million.

1.2.2 Other Information

Accounting values and fair value of Carispezia's identifiable assets and liabilities as at 3 January 2011 are as follows:

Assets	book values	delta fair value	recognized value
Cash and cash equivalents	32,248	-	32,248
Financial assets held for trading	698	-	698
Financial assets available for sale	5,184	-	5,184
Loans to banks	84,281	-	84,281
Loans to Customers	1,802,094	-	1,802,094
Hedging derivatives	5,953	-	5,953
Equity investments	7,029	-	7,029
Property, plant and equipment	47,968	20,356 (1)	68,324
Intangible Assets	-	30,767 (1)	30,767
Tax assets	20,583	-	20,583
Other assets	49,227	-	49,227
Total assets	**2,055,265**	**51,123**	**2,106,388**

Items of liabilities	book values	delta fair value	recognized value
Due to banks	96,261	-	96,261
Due to customers:	1,419,132	-	1,419,132
Securities issued	262,444	-	262,444
Financial liabilities held for trading	796	-	796
Hedging derivatives	676	-	676
Adjustment of financial liabilities hedged generically	2,042	-	2,042
Tax liabilities	251	16,523 (2)	16,774
Other liabilities	75,493	-	75,493
Employee severance benefits	9,613	-	9,613
Provisions for liabilities and contingencies:	24,092	-	24,092
Minority interests	32,893	6,920	39,813
Total liabilities	**1,923,693**	**23,443**	**1,947,136**
Equity	131,572	27,680	159,252
Goodwill from acquisition	-	-	128,748
Total cost	**-**	**-**	**288,000**

(1) Portion of the purchase price allocated to property, plant and equipment and intangible assets representing the fair value of buildings and the value of business with customers, respectively.

(2) Registration of deferred taxes recognized at the moment of partial allocation of the purchase price.

The combination total cost was € 288 million. Settlement was financed with the issue of shares totalling € 43,750 thousand and a total share premium of € 306,250 thousand.

Net liquidity acquired from the combination stands at € 31,248 thousand.

Book values and fair value of the assets and liabilities identifiable in the 15 branches transferred to Banca Popolare FriulAdria as at 16 May 2011 are as follows:

Assets	book values	delta fair value	recognized value
Cash and cash equivalents	3,647	-	3,647
Financial assets held for trading	159	-	159
Loans to banks	150,000	-	150,000
Loans to Customers	217,477	-	217,477
Property, plant and equipment and intangible assets	1,034	16,844 (1)	17,878
Tax assets	239	-	239
Other assets	50,275	-	50,275
Total assets	**422,831**	**16,844**	**439,675**

Items of liabilities	book values	delta fair value	recognized value
Due to banks	712	-	712
Due to customers:	391,971	-	391,971
Securities issued	318	-	318
Financial liabilities held for trading	159	-	159
Tax liabilities	-	5,344 (2)	5,344
Other liabilities	27,840	-	27,840
Employee severance benefits	1,831	-	1,831
Provisions for liabilities and contingencies:	-	-	-
Total liabilities	**422,831**	**5,344**	**428,175**
Equity	-	11,500	11,500
Goodwill from acquisition	-	-	56,769
Total cost			**68,269**

(1) Portion of the purchase price allocated to intangible assets representing the fair value of business with customers..

(2) Registration of deferred taxes recognized at the moment of partial allocation of the purchase price.

The total combination cost is € 68,269 million. Settlement was financed with the issue of shares totalling € 6,106 thousand and a total share premium of € 62,163 thousand. Costs connected with the increase were € 307 thousand net of relative tax effect.

Net liquidity acquired from the combination stands at € 3,647 thousand.

Part H Transactions with related parties

On 20 December 2011, Cariparma Board of Directors updated the “Regulation for transactions with related parties” binding all the companies in the Cariparma Crédit Agricole Group, and improving control of any risks deriving from operations with related parties.

This Regulation consists of:
- a general part setting forth the reference legislation, definitions and scope of application;
- a part describing the procedure adopted for transactions with related parties;
- a conclusion containing several Annexes.

Moreover, it also sets the scope of the natural and legal persons qualifying as related parties.

Specifically, related parties are considered the following:
- the Controlling Company;
- any other shareholders that, directly or indirectly, including through shareholders’ agreements, exercise a significant influence on the Bank;
- direct and indirect subsidiaries;
- associates and companies under common control;
- Directors and Senior Managers with strategic responsibilities (Directors, Auditors, General Managers and subjects directly reporting to Senior Managers);
- other related parties:
  - members of the immediate families of Directors, Auditors and General Managers, as well as companies controlled by or associated with Directors, Auditors, General Managers or their immediate family;
  - members of the immediate families of other key management personnel, as well as companies controlled by or associated with such managers or their immediate family members.
- the Pension Plan.

1. Information on remuneration of senior managers with strategic responsibilities

In the light of the above-mentioned Regulation senior managers with strategic responsibilities include managers having the direct and indirect power and the responsibility over the planning, management and control of the Bank’s operations, including Directors and the members of control bodies.

The remuneration of the members of the Board of Directors and the Board of Auditors is established with specific resolutions of the Shareholders’ General Meeting.

	31.12.2011
Short-term employee benefits	14,580
Benefits subsequent to severance from employment	420
Other long-term benefits	-
Employee severance benefits	144
Share-based payments (Stock options)	44

2. Information on transactions with related parties

Transactions with related parties are the transfer of resources, services or securities between a company of the Group (or companies directly and/or indirectly controlled) and one or more of the related parties, independently of the whether payment was agreed or not. Transactions carried out with related parties have followed the specific procedures provided for by the above Regulation. During the year, no atypical or unusual transactions were carried out whose size or features might have jeopardized the protection of corporate assets and the interests of minority shareholders.

Type of related parties	Financial assets held for trading	Financial assets available for sale	Loans to customers	Banks receivable	Due to customers	Due to banks	Guarantees issued
Holding company	-	-	-	3,885,575	-	5,033,167	-
Entities exercising significant influence on company	-	-	-	-	25,507	-	5,031
Associates	-	48,420	8,136	-	379,238	-	76
Directors and key management personnel	-	-	1,900	-	4,371	-	-
Other related parties	39,923	1,888	248,251	1,131	130,118	1,292,478	23,451
Total	**39,923**	**50,308**	**258,287**	**3,886,706**	**539,234**	**6,325,645**	**28,558**

Part I Share-based Payment Agreements

The Board of Directors of the Controlling Company Crédit Agricole S.A. approved, on 9 November 2011, a plan for the free allocation of shares to all employees of the Crédit Agricole Group. Recipients are over 80,000 employees of the Group worldwide, who will each receive 60 Crédit Agricole shares, independently of their sector of activity, their citizenship or their role in the company.

he shares will be assigned at the end of 2013 and will be tied for three years, at the end of which time each employee may freely dispose of them. From 2011 to 2013, a higher cost equal to the fair value of the shares allocated to its employees will be recorded in the Financial Statement, calculated as at the date of approval of the plan and offsetting an equal increase in equity.

The importance of the initiative is highlighted which, through recognition of an equal quantity of shares to all Crédit Agricole Group collaborators confirms, once again, the attention the Group pays to its employees and great confidence it places in the future of the Group.

In the year 2011, the Cariparma Crédit Agricole Group allocated free shares to 8,955 beneficiaries with an impact on the Income Statement of € 142 thousand.

Part L Segment reporting

Operations and Income by business segment

Data relating to operation and income by business segment are given in compliance with IFRS 8 - Operating Segments - using the "management reporting approach".

The Cariparma Group's operates through an organisation structure that includes: Retail and Private channels designed for individuals and families as well as businesses falling within the small business segment; Enterprise and Corporate channels designed for larger-size companies.

Segment reporting also includes data relating to the operations and income of Crédit Agricole Leasing S.r.l., set forth in a specific segment.

The channel Other has a residual nature and is not an aggregation of other sectors specifically detected; in particular, this channel includes entities that have not been assigned to the other channels, also due to the specificity of the operations detected, such as the operations pertaining to the central staff functions, such as the banking book, capital market and governance.

The Cariparma Crédit Agricole Group data as at December 2011 refer to a new perimeter which includes the contribution of 96 branches (81 Cariparma, 15 Banca Popolare FriulAdria) acquired from the Gruppo Intesa Sanpaolo (11 branches as from 28 March and 85 branches as from 15 May), entirely allocated to the Retail channels of Cariparma and Banca Popolare FriulAdria respectively, as well as the contribution of the Cassa di Risparmio della Spezia, which entered into the Group in the first few days of 2011. Following the acquisitions during the year, it is highlighted that a comparison with 2010 is not standardized.

As at 31 December 2011, income from the Retail and Private Segments of the Cariparma Crédit Agricole Group, standing at € 1,434.7 million, and accounted for approximately 77.5% of the total aggregate. The Corporate and Enterprise channels came to € 286.4 million accounting for 15.5% of the total operating income.

Compared to last year, the contribution to the Bank's total income by the Retail and Private channels registers an increase of 3.6%, a variation that benefits also from the new perimeter; the contributions from Corporate and Enterprise channels were in line with the previous year.

With regards to expenses, as at 31 December 2011, the Retail and Private channels, reaching € 1,069.5 million, accounted for 70.0% of total expenses. The Corporate and Enterprise channels at € 160.6 million accounted for around 10.5%.

Compared to 2010, the percentage weight of the Retail and Private channels dropped by 1.9%, and the Corporate and Enterprise channels registered a drop of 0.6%.

The loss recognized by Crédit Agricole Vita (49.99% owned by Cariparma) was allocated to the item gain/loss in equity investments with the write-down of goodwill for Crédit Agricole Leasing S.r.l. was allocated to the item adjustment of goodwill values.

Assets by segment are made up of loans to customers and property, plant and equipment and intangible assets that can be allocated directly to the operating segments. In particular, with reference to intangible assets, data includes also goodwill for the 209 branches of Gruppo Intesa Sanpaolo in 2007, Banca Popolare FriulAdria, Crédit Agricole Leasing, of 96 branches of Intesa Sanpaolo Group in 2011 and the Cassa di Risparmio della Spezia, allocated to the specific relevant segments.

Specifically, as at 31 December 2011, assets of the Retail and Private Banking channels accounted for approximately 50.2% of the Bank's assets, while the Corporate and Enterprise channels accounted for approximately 21.8% of these assets.

This aggregate also includes Crédit Agricole Leasing assets that accounted for approximately 4.2% of the Bank's assets.

Liabilities by segment are made up of direct deposits from customers that can be directly allocated to the operating segments.

Specifically, as at 31 December 2011, liabilities of the Retail and Private Banking channels accounted for approximately 63,2% of the Cariparma Crédit Agricole Group's liabilities, while Corporate and Enterprise channels accounted for approximately 7,4% of these liabilities.

In accordance with IFRS 8, we specify that the Group's business operations are essentially carried out in the Italian national territory, they are not subject to periodic management reporting on the performances distinguishing by foreign geographical areas. The Group has not achieved revenues resulting from transactions with single external customers for amounts exceeding 10% of the revenues recognized in the financial statements.

Segment information as at 31 December 2011

	Retail and Private	Corporate and Enterprises	Calit	Other	Total
External operating revenues					
Net interest income	769,135	201,797	23,679	53,688	1,048,299
Net commission income	505,296	75,450	(2,754)	(11,238)	566,754
Gain (loss) on trading activities	15,245	8,016	(4)	(1,624)	21,633
Dividends	-	-	-	1,642	1,642
Other net operating revenues	145,093	1,105	1,561	65,740	213,499
Total operating revenues	**1,434,769**	**286,368**	**22,482**	**108,208**	**1,851,827**
Impairment adjustments of loans	(113,473)	(98,673)	(19,696)	(194)	(232,036)
Impairment adjustments of AFS financial assets and other financial transactions	-	-	-	(2,185)	(2,185)
Staff expenses, administrative expenses and depreciation/amortization	(956,006)	(61,941)	(9,143)	(222,465)	(1,249,555)
Provisions for risks	(11,925)	(22,036)	(100)	(10,116)	(44,177)
Total expenses	**(1,081,404)**	**(182,650)**	**(28,939)**	**(234,960)**	**(1,527,953)**
Gains (losses) from property, plant and equipment and intangible assets measured at fair value	-	-	-	(44,834)	(44,834)
Value adjustments of goodwill	-	-	(6,000)	-	(6,000)
Gain (loss) on disposal of investments	-	-	-	298	298
Result by segment	**353,365**	**103,718**	**(12,457)**	**(171,288)**	**273,338**
Unallocates operating expenses	-	-	-	-	-
Share of profit of associates pertaining to Group	-	-	-	-	-
Profit before tax	**353,365**	**103,718**	**(12,457)**	**(171,288)**	**273,338**
Taxes	(157,691)	(45,583)	310	137,662	(65,302)
Profit for the period	**195,674**	**58,135**	**(12,147)**	**(33,626)**	**208,036**
Assets and liabilities					
Assets by segment	24,752,149	10,750,722	2,002,192	539,465	38,044,528
Equity investments in associates	-	-	-	123,222	123,222
Unallocated assets	-	-	49,480	11,073,423	11,122,903
Total assets	**24,752,149**	**10,750,722**	**2,051,672**	**11,736,110**	**49,290,653**
Liabilities by segment	31,168,674	3,669,370	3,927	716,571	35,558,542
Unallocated liabilities	-	-	2,024,507	11,707,604	13,732,111
Total liabilities	**31,168,674**	**3,669,370**	**2,028,434**	**12,424,175**	**49,290,653**

Segment information as at 31 December 2010

	Retail and Private	Corporate and Enterprises	Calit	Other	Total
External operating revenues					
Net interest income	654,482	167,116	23,584	73,529	918,711
Net commission income	444,045	67,673	(2,145)	(6,645)	502,928
Gain (loss) on trading activities	13,975	8,578	(6)	(11)	22,536
Dividends	-	-	-	1,636	1,636
Other net operating revenues	93,264	698	2,834	88,559	185,355
Total operating revenues	**1,205,766**	**244,065**	**24,267**	**157,068**	**1,631,166**
Impairment adjustments of loans	(104,634)	(83,759)	(13,119)	(67)	(201,579)
Impairment adjustments of AFS financial assets and other financial transactions	-	-	-	2,768	2,768
Staff expenses, administrative expenses and depreciation/amortization	(774,262)	(53,333)	(9,193)	(175,735)	(1,012,523)
Provisions for risks	(1,404)	-	(994)	(24,207)	(26,605)
Total expenses	**(880,300)**	**(137,092)**	**(23,306)**	**(197,241)**	**(1,237,939)**
Gains (losses) from property, plant and equipment and intangible assets measured at fair value	5,350	-	-	-	5,350
Value adjustments of goodwill	-	-	-	-	-
Gain (loss) on disposal of investments	-	-	-	2,191	2,191
Result by segment	**330,816**	**106,973**	**961**	**(37,982)**	**400,768**
Unallocates operating expenses	-	-	-	-	-
Share of profit of associates pertaining to Group	-	-	-	-	-
Profit before tax	**330,816**	**106,973**	**961**	**(37,982)**	**400,768**
Taxes	(119,792)	(39,339)	(1,520)	8,750	(151,901)
Profit for the period	**211,024**	**67,634**	**(559)**	**(29,232)**	**248,867**
Assets and liabilities					
Assets by segment	20,320,908	10,080,955	1,859,793	590,632	32,852,288
Equity investments in associates	-	-	-	119,975	119,975
Unallocated assets	-	-	80,627	13,286,233	13,366,860
Total assets	**20,320,908**	**10,080,955**	**1,940,420**	**13,996,840**	**46,339,123**
Liabilities by segment	25,267,749	3,644,152	6,950	377,404	29,296,255
Unallocated liabilities	-	-	606,748	16,436,120	17,042,868
Total liabilities	**25,267,749**	**3,644,152**	**613,698**	**16,813,524**	**46,339,123**

Reporting of fees paid for auditing and other services pursuant to the Italian Civil Code, Article 2427 paragraph 16-BIS)

Fees owed for the activities of:	31.12.2011
statutory audit of annual accounts	914
other auditing services	427
services other than account auditing	-
Total	**1,340**

Report and Financial Statements of Cariparma

Financial highlights and ratios

Income statement (*) (thousands of euro)	31.12.2011	31.12.2010	Change Total	Change %
Net interest income	787,704	722,774	64,930	9.0
Net commission income	433,809	409,252	24,557	6.0
Dividends	33,920	41,241	-7,321	-17.8
Net gain (loss) on financial activities	18,964	49,550	-30,586	-61.7
Other operating revenues (expenses)	-9,792	-10,238	-446	-4.4
Net operating revenues	1,264,605	1,212,579	52,026	4.3
Operating expenses	-752,091	-661,430	90,661	13.7
Operating profit	512,514	551,149	-38,635	-7.0
Provisions for liabilities and contingencies	-42,683	-24,267	18,416	75.9
Net impairment adjustments of loans	-184,787	-161,220	23,567	14.6
Net profit	204,621	241,574	-36,953	-15.3

Balance sheet (*) (thousands of euro)	31.12.2011	31.12.2010 (°)	Change Total	Change %
Loans to customers	26,061,240	23,734,083	2,327,157	9.8
Net financial assets/liabilities held for trading	3,202	5,161	-1,959	-38.0
Financial assets available for sale	2,705,954	5,900,410	-3,194,456	-54.1
Equity investments	1,510,221	1,147,792	362,429	31.6
Property, plant and equipment and intangible assets	1,553,901	1,151,754	402,147	34.9
Total net assets	34,661,262	33,445,992	1,215,270	3.6
Net due to banks	997,638	4,278,918	-3,281,280	-76.7
Funding from customers	27,854,701	24,113,236	3,741,465	15.5
Indirect funding from customers	38,978,388	37,596,918	1,381,470	3.7
of which: asset management	*13,710,352*	*13,704,043*	*6,309*	-
Shareholders' equity	4,153,853	3,870,199	283,654	7.3

Operating structure	31.12.2011	31.12.2010	Change Total	Change %
Number of employees	6,599	5,934	665	11.2
Average number of employees	6,160	5,699	461	8.1
Number of branches	618	537	81	15.1

(*) Income statement and balance sheet figures are drawn from the reclassified financial statements shown on pages 226 and 234.

(°) Restated following the change in the reclassification criteria for Hedging Derivatives and Adjustments of macro-hedged financial assets/liabilities now recognized in Other assets/Other liabilities.

Structure ratios (*)	31.12.2011	31.12.2010 (°)
Loans to customers / Total net assets	75.2%	71.0%
Direct customer deposits / Total net assets	80.4%	72.1%
Asset management / Total indirect funding	35.2%	36.4%
Loans to customers / Direct customer deposits	93.6%	98.4%
Total assets / Shareholders' Equity (leverage)	9.7	10.0

Profitability ratios (*)	31.12.2011	31.12.2010
Net interest income / Net operating revenues	62.3%	59.6%
Net commissions income / Net operating revenues	34.3%	33.8%
Cost / income	59.5%	54.5%
Net income / Average equity (ROE) [(a)]	5.1%	6.4%
Net profit / Total assets (ROA)	0.5%	0.6%
Net profit / Risk-weighted assets	0.9%	1.1%

Risk ratios (*)	31.12.2011	31.12.2010
Net bad debts / Net loans to customers	1.3%	1.1%
Cost of risk [(b)] / Operating profit	44.4%	33.7%
Net bad debts / Total regulatory capital [(c)]	8.9%	8.1%
Net impaired loans / Net loans to customers	4.2%	3.5%
Impairment adjustments of loans/ Gross impaired loans	38.1%	38.7%

Productivity ratios (*) (economic)	31.12.2011	31.12.2010
Operating expenses / No. of employees (average)	122.1	116.1
Operating revenues / No. of employees (average)	205.3	212.8

Productivity ratios (*) (capital)	31.12.2011	31.12.2010 (°)
Loans to customers / No of employees (average)	4,230.7	4,164.6
Direct customer deposits / No of employees (average)	4,521.9	4,231.1

Capital ratios [(#)]	31.12.2011	31.12.2010
Tier 1 capital [(d)] / Risk-weighted assets	13.84%	13.03%
Total regulatory capital [(e)] / Risk-weighted assets	17.32%	15.01%
Risk-weighted assets (thousands of euro)	22,746,950	21,854,390

(*) The Ratios are based on the balance sheet and income statement figures of the reclassified financial statements shown on pages 226 and 234.

(°) Restated following the change in the reclassification criteria for Hedging Derivatives and Adjustments of macro-hedged financial assets/liabilities now recognized in Other assets/Other liabilities.

(#) In calculating capital ratios the 25% reduction provided for by the applicable legislation was not considered in order to prevent too marked a difference between individual and consolidated capital requirements.

(a) Ratio of net profit to equity weighted average (including the net profit for the year).

(b) Total risk cost includes the provision for liabilities and contingencies as well as net adjustments of loans.

(c) Tier-1 capital plus revaluation reserves with application of prudential filters, net of investment property and equity investments exceeding the threshold set by supervisory regulations.

(d) Paid-up share capital, share premium and reserves established with retained earnings less treasury shares, goodwill and intangible assets, including application of the prudential filters required under supervisory regulations.

Management Report

» FINANCIAL PERFORMANCE

Income Statement reclassification

In order to present performance more effectively, a summary income statement has been prepared with appropriate reclassifications so as to report the various items on the basis of consistent operational principles.

The reclassifications concerned the following:
- The recovery of the time value component on loans reported under net interest income rather than net impairment adjustments of loans, since this arises directly from applying the amortized cost method when there are no changes in Expected future cash flows;
- Net gains (losses) on trading activities and the net gains (losses) on hedging activities have been allocated to net gains (losses) on financial activities;
- Gains and losses on the sale or repurchase of available-for-sale financial assets and financial liabilities have been reallocated to net gain (loss) on financial activities;
- The recovery of expenses, taxes and duties has been posted as a direct reduction of administrative expenses, rather than being reported under other operating revenues/expenses;
- Net impairment adjustments/writebacks of available-for-sale financial assets have been reported under other operating revenues/expenses;
- Net impairment adjustments of other financial transactions, mainly relating to guarantees and commitments, have been moved to net impairment adjustments of loans.

The figures presented below are expressed in thousands of euro.

Reclassified income statement

			Change	
	31.12.2011	31.12.2010	Total	%
Net interest income	787,704	722,774	64,930	9.0
Net commission income	433,809	409,252	24,557	6.0
Dividends	33,920	41,241	-7,321	-17.8
Gain (loss) on financial activities	18,964	49,550	-30,586	-61.7
Other operating revenues (expenses)	-9,792	-10,238	-446	-4.4
Net operating revenues	**1,264,605**	**1,212,579**	**52,026**	**4.3**
Staff expenses	-461,459	-424,214	37,245	8.8
Administrative expenses	-220,417	-178,129	42,288	23.7
Depreciation and amortization	-70,215	-59,087	11,128	18.8
Operating expenses	**-752,091**	**-661,430**	**90,661**	**13.7**
Operating profit	**512,514**	**551,149**	**-38,635**	**-7.0**
Net provisions for liabilities and contingencies	-42,683	-24,267	18,416	75.9
Net impairment adjustements of loans	-184,787	-161,220	23,567	14.6
Gain (loss) from financial assets held to maturity and other investments	-49,803	-	49,803	-
Profit before tax on continuing operations	**235,241**	**365,662**	**-130,421**	**-35.7**
Income tax for the period on continuing operations	-30,620	-124,088	-93,468	-75.3
Profit (loss) for the period	**204,621**	**241,574**	**-36,953**	**-15.3**

Cariparma 2011 performance refers to the new perimeter including the 81 branches acquired from the Intesa Sanpaolo Group; the comparison to 2010 is not therefore homogeneous in terms of income statement and balance sheet figures.

The transfer was based with different timeframes: the first 11 branches, which joined Cariparma in March, contributed to the profit (loss) for nine months, while the remaining 70 branches, entered in May, for seven months and a half.

Reconciliation between the Official and Reclassified Income Statements

	31.12.2011	31.12.2010	Notes to financial statement part C
Net interest income	**787,704**	**722,774**	
30. Interest margin	777,666	716,097	
130. Net impairment adjustments of: a) loans, of which time value on impaired loans	10,038	6,677	Table 8.1 b
Net commissions income = item 60	**433,809**	**409,252**	
Dividends = item 70	**33,920**	**41,241**	
Net gain (loss) on financial activities	**18,964**	**49,550**	
80. Net gain (loss) on trading activities	14,439	18,093	
90. Net gain (loss) on hedging activities	-1,133	-1,270	
100. Gain (loss) on the disposal or repurchase of: b) financial assets available for sale	5,252	36,792	
100. Gain (loss) on the disposal or repurchase of: d) financial liabilities	406	-4,065	
Other operating revenues (expenses)	**-9,792**	**-10,238**	
190. Other operating revenues (expenses)	189,820	139,051	
Less: recovery of expenses	-198,668	-149,171	Table 13.2
130. Net impairment adjustments of: b) financial assets available for sale	-944	-118	
Net operating revenues	**1,264,605**	**1,212,579**	
Staff expenses = 150 a)	**-461,459**	**-424,214**	
Administrative expenses	**-220,417**	**-178,129**	
150. Administrative expenses: b) other administrative expenses	-419,085	-327,300	
190. Other operating revenues/expenses: recovery of expenses	198,668	149,171	Table 13.2
Depreciation and amortization	**-70,215**	**-59,087**	
170. Net adjustments of property, plant and equipment	-21,028	-20,890	
180. Net adjustments of intangible assets	-49,187	-38,197	
Operating expenses	**-752,091**	**-661,430**	
Operating profit	**512,514**	**551,149**	
Goodwill value adjustments = item 230	**-**	**-**	
Net provisions for liabilities and contingencies = Item 160	**-42,683**	**-24,267**	
Net impairment adjustments of loans	**-184,787**	**-161,220**	
100. Gain/loss on the disposal of: a) loans	-3,883	-8,803	
130. Net impairment adjustments of: a) loans	-170,422	-148,380	
130. Net impairment adjustments of: a) loans, of which time value on impaired loans	-10,038	-6,677	Table 8.1 b
130. Net impairment adjustments of: d) other financial transactions	-444	2,640	
Gain (loss) from financial assets held to maturity and other investments	**-49,803**	**-**	
210. Gain (loss) from equity investments	-50,100	-	
240. Gain (loss) on disposal of investments	297	-	
Profit before tax on continuing operations	**235,241**	**365,662**	
Income tax on continuing operations = item 260	**-30,620**	**-124,088**	
Profit (loss) for the period	**204,621**	**241,574**	

Net operating revenues

Cariparma net operating revenues amounted to €1,264.6 million, increasing (up by +4.3%) compared with the 2010 figure, which did not include the contribution of the 81 branches transferred from the Intesa Sanpaolo Group in the first half of 2011. This was mainly driven by the positive performance of interest margin and net commission income, which offset the decrease in the performance of trading activities and the lower contribution of dividends.

Net interest income

			Change	
Items	**31.12.2011**	**31.12.2010**	**Total**	**%**
Business with customers	794,747	655,411	139,336	21.3
Business with banks	-24,237	20,306	-44,543	-
Securities issued	-239,533	-207,216	32,317	15.6
Differences on hedging derivatives	86,364	116,052	-29,688	-25.6
Financial assets held for trading	14	13	1	7.7
Financial assets available for sale	170,081	138,093	31,988	23.2
Other net interest	268	115	153	-
Net interest income	**787,704**	**722,774**	**64,930**	**9.0**

Net Interest income came to €787.7 million, up by €64.9 million (+9.0%) over 2010.

The increase in net interest income was mainly due to the increase by €139.3 million of the customer component. This increase was due to both the increase in volumes, which benefited also from the contribution of the 81 migrated branches, and to the interest rate trend that was more favourable than in the previous year.

The net balance of interest income from securities issued came to -€239.5 million, with a €32.3 million worsening year-on-year. This decrease was due to both the increase in bond issues in line with the customers' preference for low-risk products, and to the higher cost of bond funding associated to the worsening of country risk.

Interests on available-for-sale financial assets, which increased from €138.1 million to €170.1 million, in 2011 benefited from the purchase of government securities made in the final part of 2010, despite the sales made in the last quarter of 2011.

Dividends

Dividends from equity investments amounted to €33.9 Million, down by €7.3 Million over the previous year figure. This decrease was mainly due to the non-contribution of the dividend from Crédit Agricole Vita, an insurance company of which Cariparma holds 49.99%, Which in 2010 paid dividends amounting to €11.0 Million.

The total amount of dividends for the year consisted for €32.6 Million of the dividends distributed by Banca Popolare FriulAdria, vs. €29.0 Million distributed the previous year, and for € 1.2 Million of dividends referring to the equity investment in the bank of Itay.

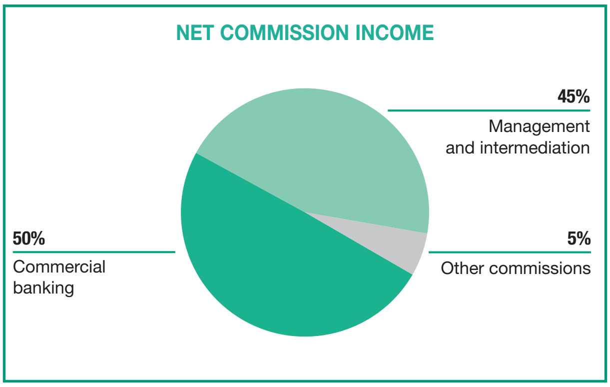
Net commission income

Items	31.12.2011	31.12.2010	Change Total	Change %
- guarantees issued	8,436	8,069	367	4.5
- collection and payment services	31,415	28,244	3,171	11.2
- current accounts	150,341	145,896	4,445	3.0
- debit and credit card services	25,009	25,262	-253	-1.0
Commercial banking business	**215,201**	**207,471**	**7,730**	**3.7**
- securities intermediation and placement	79,654	81,004	-1,350	-1.7
- foreign exchange	4,093	3,947	146	3.7
- asset management	6,324	6,926	-602	-8.7
- distribution of insurance products	99,012	82,316	16,696	20.3
- other intermediation/management commissions	5,251	4,773	478	10.0
Management, intermediation and advisory services	**194,334**	**178,966**	**15,368**	**8.6**
Tax collection services	**-**	**-**	**-**	**-**
Other net commissions	**24,274**	**22,815**	**1,459**	**6.4**
Total net commissions income	**433,809**	**409,252**	**24,557**	**6.0**

Net commission income came to €433.8 million, up by €24.6 million (+6.0%) over 2010. This increase, which benefited also from the contribution of the 81 migrated branches, was driven by both traditional banking business and by management, intermediation and advisory services. The former benefited from the increase in commissions on current accounts by €4.4 million (up by +3.0%) and on collection and payment services by €3.2 million (up by +11.2%).

Commissions on management, intermediation and advisory services also increased by €15.4 million (up by +8.6%) due to higher commissions on placement of insurance products up by +€16,7 million (+20.3%), which offset the negative impact resulting from the implementation of the provisions issued by the Bank of Italy on Usury and Transparency.

In the year commission trend increased: this was driven by the increase in both income form current accounts in the traditional banking business, and in revenues from distribution of insurance products within the scope of management, intermediation and advisory services.



Net gain (loss) on financial activities

Items	31.12.2011	31.12.2010	Change	
			Total	%
Interest rates	13,363	12,969	394	3.9
Equities	-	394	-394	-
Foreign exchange	1,361	1,304	57	4.4
Commodities	121	-639	760	-
Total net gain (loss) on financial assets held for trading	**14,845**	**14,028**	**817**	**5.8**
Total gain (loss) on hedging activities	**-1,133**	**-1,270**	**-137**	**-10.8**
Gain (loss) on disposal of financial assets available for sale	**5,252**	**36,792**	**-31,540**	**-85.7**
Net gain (loss) on financial activities	**18,964**	**49,550**	**-30,586**	**-61.7**

Financial activities came to €19.0 million, down by €30.6 million (-61.7%) compared with the previous year. Gains on disposal of available-for-sale financial assets came to €5.3 million, decreasing by €31.5 million, due to lower income from security portfolio operations. Gains on trading activities came to €14.8 million, increasing by €0.8 million (+5.8%) year-on-year.

Other operating revenues (expenses)

Other operating revenues/expenses showed a negative balance of €9.8 million, with a €0.5 million worsening year-on-year. This resulted from operating revenues amounting to €4.4 million and operating expenses amounting to €14.1 million including amortization of leasehold improvement costs and the writedown of the equity investment in Aedes (investment classified among financial assets available for sale).

Operating expenses

Items	31.12.2011	31.12.2010	Change	
			Total	%
- wages and salaries	-321,430	-300,346	21,084	7.0
- social security contributions	-85,472	-78,014	7,458	9.6
- other staff expenses	-54,557	-45,854	8,703	19.0
Staff expenses	**-461,459**	**-424,214**	**37,245**	**8.8**
- general operating expenses	-86,880	-73,945	12,935	17.5
- IT services	-49,226	-39,715	9,511	23.9
- direct and indirect taxes	-64,250	-54,056	10,194	18.9
- facilities management	-49,725	-40,750	8,975	22.0
- legal and other professional services	-28,952	-23,346	5,606	24.0
- advertising and promotion costs	-13,367	-7,383	5,984	81.1
- indirect staff expenses	-8,373	-7,136	1,237	17.3
- other expenses	-118,312	-80,969	37,343	46.1
- recovery of expenses and charges	198,668	149,171	49,497	33.2
Administrative expenses	**-220,417**	**-178,129**	**42,288**	**23.7**
- intangible assets	-49,187	-38,197	10,990	28.8
- property, plant and equipment	-21,028	-20,890	138	0.7
Depreciation and amortization	**-70,215**	**-59,087**	**11,128**	**18.8**
Operating expenses	**-752,091**	**-661,430**	**90,661**	**13.7**

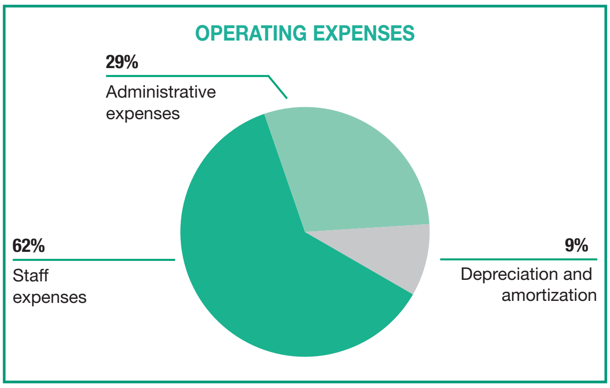
In 2011 operating expenses included €33 million of integration expenses relating to the transfer of the 81 branches and to the acquisition of Cassa di Risparmio della Spezia from the Intesa Sanpaolo Group. This aggregate came to €752.1 million, increasing year-on-year by €90.7 million (+13.7%); net of integration expenses, the increase would be + €67.6 million (+10.4%), also due to the entry of 81 branches in Cariparma perimeter.

Specifically:

- **Staff expenses:** these came to €461.5 million, up by +8.8%, due to both the perimeter extension and to higher expenses resulting from full implementation of the remuneration increases provided for by the Italian National Collective Bargaining Agreement. However, in 2011, the policy for efficiency enhancement and reorganization of the Group's operating and management processes continued being implemented and allowed the optimization of the staff number which decreased by 62 medium-level resources on the before-transfer perimeter.
- **Administrative expenses:** these amounted to €220.4 million and increased by €42.3 million (+23.7%) YOY, mainly due to the expenses relating to the transfer of the 81 branches and to the acquisition of Cassa di Risparmio della Spezia from the Intesa Sanpaolo Group and for the new perimeter. This increase can be attributed to a series of expense items: from general operating expenses (+ €12.9 million), to expenses for IT services (+ €9.5 million), to expenses for facilities management (+ €9.0 million), to advertising expenses (+ €6.0 million). Specifically, in 2011 the migration onto Cariparma platform of the acquired assets was completed.
- **Depreciation and amortization:** depreciation and amortization came to €70.2 Million, up by 18.8% Year-on-year, subsequent to amortization of investments made in 2010 becoming fully operational, as well as to the impact of the new investments made in 2011, substantiating the development policy implemented by the Cariparma crédit agricole group and stated in the strategic plan, which was presented to the market in june. This item also includes depreciation and amortization relating to the acquired assets.

In this situation, the cost/income ratio increased by 4.9 percentage points year-on-year, coming to 59.5%; net of integration expenses, the cost/income ratio would come to 56.9%, slightly increasing compared with December 2010, +3.1 percentage points.

Quarterly figures posted significant increases concentrated in the second and fourth quarters of the year and mainly due to a strong increase in expenses relating to the migration of the 81 branches and of Cassa di Risparmio della Spezia onto the Cariparma Crédit Agricole group's systems.



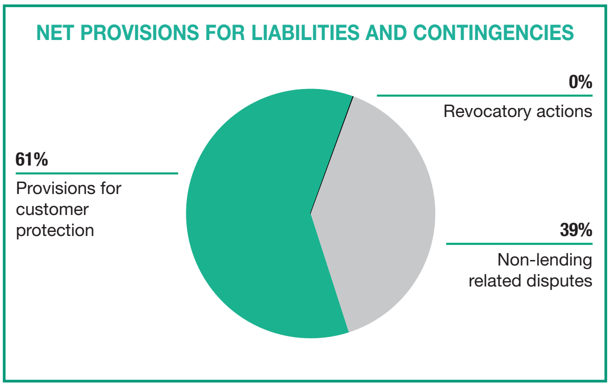
Net operating profit

Net operating profit came to €512.5 million, decreasing by €38.6 million (-7.0%) on the previous year. Net of integration expenses borne in 2011 for the above transfer, this item decreased by €15.6 million (-2.8%). The increase in revenues by €52.0 million (+4.3%) partially offset the increase in expenses by €90.7 million (+13.7%), which can be mainly attributed to extraordinary expenses.

Provisions and other components

Net Provisions for liabilities and contingencies

Net provisions for liabilities and contingencies totalled €42.7 million, up by €18.4 million on 2010. Provisions for non-lending related disputes accounted for €16.8 million, provisions for customer refund on securities in default accounted for €22.8 million and other provisions for €3.0 million. The provision for revocatory actions amounting to €3.1 million was offset by recoveries having the same amount.



Net impairment adjustments of loans

Items	31.12.2011	31.12.2010	Change	
			Total	%
- bad debts	-85,129	-70,304	14,825	21.1
- other impaired loans	-96,013	-105,807	-9,794	-9.3
- performing loans	-3,201	12,251	15,452	-
Net impairment adjustments of loans	**-184,343**	**-163,860**	**20,483**	**12.5**
Net adjustments of guarantees and commitments	-444	2,640	3,084	-
Net adjustments of loans	**-184,787**	**-161,220**	**23,567**	**14.6**

The continuing weakness and uncertainty of the economic situation significantly affected the performance of this aggregate in 2011.

Net impairment adjustments of loans totalled €184.8 million, up by €23.6 million (+14.6%) year-on-year. This increase mainly concerned bad debts, which increased in volumes, causing a concomitant increase in impairment adjustments by €14.8 million (+21.1%), which allowed the coverage ratio to remain stable. Adjustments of other impaired loans conversely decreased by €9.8 million, with the coverage ratio again remaining stable. Adjustments of performing loans amounted to €3.2 million, with a stable coverage ratio compared with 2010.

Gains (loss) from financial assets held to maturity and other investments

The recognized values of the equity investments held by Cariparma were tested for impairment. Compared with the previous year, in line with the guidelines issued by the parent company crédit agricole, a more prudential review was made of the variables used in the measurement model; specifically, the cost of capital was increased (to reflect the impairment of the italian macroeconomic situation) as well as capital absorption (in accordance with the new and more prudential internal objectives of the Group). This review caused, for the equity investments in calit and FriulAdria, a decrease in the present value of cash flows, which is now lower than the book value of the equity investment: consequently, Cariparma wrote down (by €10 million and €40 million, respectively) the values of the two equity investments.

Profit before tax on continuing operations

Profit before tax on continuing operation came to €235.2 Million declining by €130.4 Million (-35.7%) Compared with 2010. This decrease, higher than the one in gross operating profit, can be attributed to the partial writedown of the equity investments held by Cariparma in crédit agricole leasing and Banca Popolare FriulAdria for €50.1 Million, as well as to higher provisions and adjustments for €42.0 Million.

Income taxes on continuing operations

Current and deferred taxes totalled €30.6 Million, a decrease of about €93.5 Million compared with the previous year. This year value was affected by the realignment of tax values for the purchase of controlling shareholdings, pursuant to law decree 98/2011, which produced a positive effect on the income statement of about €84.7 Million. Net of this extraordinary component, in percentage terms, the tax load increased compared with the previous year, specifically due to significant writedowns of equity investments, which are not deductible from taxes, as well as to a more significant recovery in the previous year of surplus in provisions for taxes in recent years compared with the taxes actually paid.

Net profit (loss) and comprehensive income

Net profit

Net profit came to €204.6 million, down by €37.0 million, (-15.3%) on the previous year. Net of the integration expenses borne in 2011, net profit amounted to €226.7 million, down by €21.5 million (-8.7%) year-on-year. ROE (ratio of net profit to average shareholders' equity) came to 5.1%, vs. 6.4% in 2010, however higher than the average system score, and, therefore, a positive result considering the reference macroeconomic situation.

Comprehensive income

Items		31.12.2011	31.12.2010
10.	**Profit (loss) for the period**	**204,621**	**241,574**
	Other income after tax		
20.	Financial assets available for sale	-243,887	-120,204
30.	Property, plant and equipment	-	-
40.	Intangible assets	-	-
50.	Hedging of foreign investments	-	-
60.	Cash flow hedges	-	-
70.	Exchange rate differences	-	-
80.	Disposal groups	-	-
90.	Actuarial gains (losses) on defined-benefit plans	-7,267	-5,471
100.	Share of valuation reserves on equity investments accounted for using the equity method	-	-
110.	**Total other income components after tax**	**-251,154**	**-125,675**
120.	**Comprehensive income (Item 10+110)**	**-46,533**	**115,899**

Comprehensive income consists of the profit for the period and of the changes in assets directly recognized in equity reserves. Comprehensive income for 2011 produced a negative balance of €468.5 million, compared with a profit of €115.9 million made in 2010. This can be mostly attributed to the reduction in valuation reserves of the securities in the portfolio of “Available-for-sale financial assets”, which mainly include fixed-rates government securities held to hedge the Bank's interest rate risk. These changes reflected the high volatility of sovereign risk of the EU fringe countries, which, in the second half of the year, affected Italy, too.

» PERFORMANCE OF BALANCE-SHEET AGGREGATES

Reclassification of the Balance Sheet

In order to supply a more direct representation of the Company's financial situation, a summary balance sheet has been prepared by suitably aggregating the relevant items. The changes concern:

- presentation of financial assets and liabilities held for trading on a net basis;
- presentation of loans to banks and amounts due to banks on a net basis;
- inclusion of the net value of fair value hedge Derivatives and of the Adjustment of macro-hedged assets and liabilities in the "Other" item of Assets/"Other" item of Liabilities, while in the previous year these items were included and modified the respective assets/ liabilities hedged;
- grouping of intangible assets and property, plant and equipment into a single aggregate;
- inclusion of "Cash and cash equivalents" within the "Other assets" residual item;
- grouping in the "Funding from customers" item of the "Due to customers" and "Securities Issued" items;
- grouping of specific-purpose provisions (i.e. employee severance benefits and provisions for liabilities and contingencies) into a single aggregate.

Reclassified Balance Sheet

			Changes	
Assets	**31.12.2011**	**31.12.2010 (*)**	**Total**	**%**
Net financial assets/liabilities held for trading	3,202	5,161	-1,959	-38.0
Financial assets available for sale	2,705,954	5,900,410	-3,194,456	-54.1
Loans to customers	26,061,240	23,734,083	2,327,157	9.8
Equity investments	1,510,221	1,147,792	362,429	31.6
Property, plant and equipment and intangible assets	1,553,901	1,151,754	402,147	34.9
Tax assets	810,939	536,428	274,511	51.2
Other assets	2,015,805	970,364	1,045,441	-
Total net assets	**34,661,262**	**33,445,992**	**1,215,270**	**3.6**

			Changes	
Liabilities	**31.12.2011**	**31.12.2010 (*)**	**Total**	**%**
Net due to banks	997,638	4,278,918	-3,281,280	-76.7
Funding from customers	27,854,701	24,113,236	3,741,465	15.5
Tax liabilities	229,015	215,688	13,327	6.2
Other liabilities	1,206,830	771,059	435,771	56.5
Specific-purpose provisions	219,225	196,892	22,333	11.3
Share capital	876,762	785,066	91,696	11.7
Reserves (net of treasury shares)	3,417,132	2,937,067	480,065	16.3
Valuation reserves	-344,662	-93,508	251,154	
Net profit (loss) for the period	204,621	241,574	-36,953	-15.3
Total net liabilities and equity	**34,661,262**	**33,445,992**	**1,215,270**	**3.6**

(*) Restated based on the reclassification criteria set forth above.

Reconciliation of the official and reclassified balance sheets

	Assets	31.12.2011	31.12.2010 (*)
	Net financial assets/liabilities held for trading	**3,202**	**5,161**
20.	Financial assets held for trading	271,174	243,050
40.	Financial liabilities held for trading	-267,972	-237,889
	Financial assets available for sale	**2,705,954**	**5,900,410**
40.	Financial assets available for sale	2,705,954	5,900,410
	Loans to customers	**26,061,240**	**23,734,083**
70.	Loans to customers	26,061,240	23,734,083
	Equity investments	**1,510,221**	**1,147,792**
100.	Equity investments	1,510,221	1,147,792
	Property, plant and equipment and intangible assets	**1,553,901**	**1,151,754**
110.	Property, plant and equipment	287,872	288,917
120.	Intangible assets	1,266,029	862,837
	Tax assets	**810,939**	**536,428**
130.	Tax assets	810,939	536,428
	Other assets	**2,015,805**	**970,364**
10.	Cash and cash equivalents	847,476	160,238
150.	Other Assets	563,633	437,044
80.	Hedging derivatives	602,457	373,082
90.	Value adjustement of financial assets subject to macro hedging	2,239	-
Total assets		**34,661,262**	**33,445,992**

	Liabilities and equity	31.12.2011	31.12.2010 (*)
	Net due to banks	**997,638**	**4,278,918**
10.	Due to banks	6,463,382	9,252,787
60.	Loans to banks	-5,465,744	-4,973,869
	Funding from customers	**27,854,701**	**24,113,236**
20.	Due to customers	17,250,810	14,284,235
30.	Securities issued	10,603,891	9,829,001
	Tax liabilities	**229,015**	**215,688**
80.	Tax liabilities	229,015	215,688
	Liabilities in respect of assets being divested	**-**	**-**
	Other liabilities	**1,206,830**	**771,059**
100.	Other liabilities	794,464	679,660
60.	Hedging derivatives	130,680	11,075
70.	Adjustment of financial liabilities hedged generically	281,686	80,324
	Specific-purpose provisions	**219,225**	**196,892**
110.	Employee severance benefits	127,240	109,831
120.	Provisions for liabilities and contingencies	91,985	87,061
	Share capital	**876,762**	**785,066**
180.	Share capital	876,762	785,066
	Reserves (net of treasury shares)	**3,417,132**	**2,937,067**
160.	Reserves	681,128	842,297
170.	Share premium reserve	2,736,004	2,094,770
	Valuation reserves	**-344,662**	**-93,508**
130.	Valuation reserves	-344,662	-93,508
	Net profit (loss) for the period	**204,621**	**241,574**
200.	Net profit (loss) for the period	204,621	241,574
Total liabilities and equity		**34,661,262**	**33,445,992**

(*) Restated based on the reclassification criteria set forth above.

Operations with customers

Loans to Customers

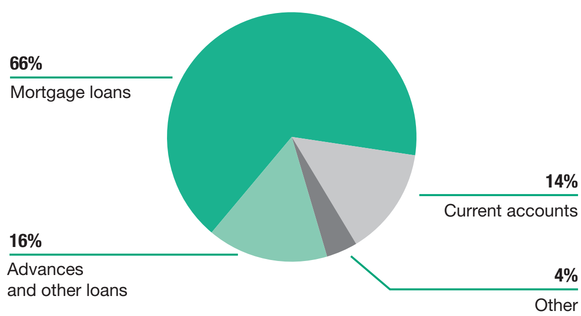
Items	31.12.2011	31.12.2010	Changes Total	%
- Current accounts	3,648,581	3,496,675	151,906	4.3
- Mortgage loans	17,261,509	15,013,334	2,248,174	15.0
- Advances and other loans	4,088,246	4,388,403	-300,156	-6.8
- Impaired loans	1,057,842	830,691	227,151	27.3
Loans	**26,056,178**	**23,729,103**	**2,327,075**	**9.8**
Loans represented by securities	5,062	4,980	82	1.6
Loans to customers	**26,061,240**	**23,734,083**	**2,327,157**	**9.8**

Loans to customers came to €26,061 million, up by 9.8% year-on-year; this increase benefited also from the new perimeter including the 81 branches transferred from the Intesa Sanpaolo Group.

This increase was mainly driven by the good performance of mortgage loans, which came to €17,262 million, up by 15.0% year-on-year. Currents accounts came to €3,649 million, posting a slight increase, up by +4.3%.

Following the changes for the year, the composition of the loan portfolio was as follows: mortgage loans (66%), advances and other loans (16%), current accounts (14%) and other (4%).

LOANS TO CUSTOMERS



Credit quality

Items	31.12.2011 Gross exposure	31.12.2011 Total writedowns	31.12.2011 Net exposure	31.12.2010 Gross exposure	31.12.2010 Total writedowns	31.12.2010 Net exposure
- Bad debts	847,272	497,211	350,061	634,268	367,943	266,325
- Substandard loans	452,219	132,854	319,365	350,413	148,827	201,586
- Restructured loans	114,288	17,836	96,452	59,306	3,271	56,035
- Past-due / overlimit loans	295,192	3,228	291,964	311,218	4,473	306,745
Impaired loans	**1,708,971**	**651,129**	**1,057,842**	**1,355,205**	**524,514**	**830,691**
Performing loans	**25,091,896**	**88,498**	**25,003,398**	**22,985,910**	**82,518**	**22,903,392**
Total	**26,800,867**	**739,627**	**26,061,240**	**24,341,115**	**607,032**	**23,734,083**

In 2011, the continuing weakness of the external situation caused a worsening of credit quality, relating to both households and businesses. Net of writedowns impaired loans totalled €1,058 million, increasing from €831 million the previous year, with a coverage ratio that was essentially unchanged compared with the previous year coming to 38.1%, substantiating a prudent and effective risk management.

As at the end of the year, the weight of problem loans on total net loans was 4.1%, increasing year-on-year; this ratio was partly affected also by the new perimeter which included the impaired loans of the assets acquired.

Net bad debts came to €350 million, equal to 1.3% of loans to customers with a coverage ratio of 58.7%, in line with the previous year (2010 coverage ratio was 58.0%). Substandard loans came to €319 million, accounted for 1.2% the loans portfolio and had a 29.4% coverage ratio, vs. 42.5% in 2010. This can be attributed to the different composition of the 2011 substandard loans portfolio, which showed a higher weight of mortgage loans characterized by higher guarantees.

Past due/overlimit loans amounted to €292 million, had a coverage ratio of 1.1%, whereas restructured loans came to €96 million with a coverage ratio of 15.6%. Net performing loans amounted to €25,003 million, with a coverage ratio of 0.35% in line with 2010.

Funding from customers

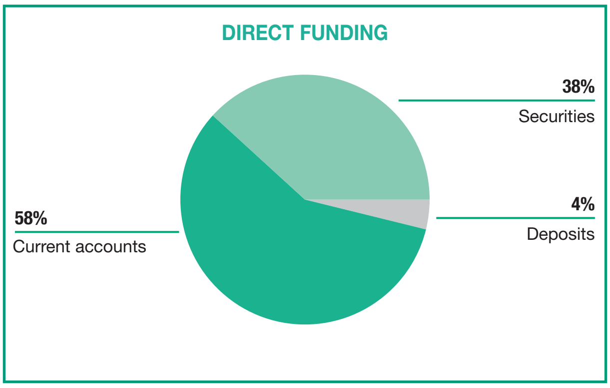
			Changes	
Items	**31.12.2011**	**31.12.2010 (*)**	**Total**	**%**
- Deposits	1,066,355	320,230	746,125	-
- Current and other accounts	16,051,360	13,897,065	2,154,295	15.5
- Other items	68,142	56,908	11,234	19.7
- Repurchase agreements	64,953	10,032	54,921	-
Due to customers	**17,250,810**	**14,284,235**	**2,966,575**	**20.8**
Securities issued	**10,603,891**	**9,829,001**	**774,890**	**7.9**
Total direct funding	**27,854,701**	**24,113,236**	**3,741,465**	**15.5**
Indirect funding	**38,978,388**	**37,596,918**	**1,381,470**	**3.7**
Total funding	**66,833,089**	**61,710,154**	**5,122,935**	**8.3**

(*) Restated based on the reclassification criteria set forth above.

Total funding, which represent the total funds intermediated on behalf of customers, came to €66,833 million, posting a 8.3% increase year-on-year. This was due to the increase in both direct and indirect funding, which benefited also from the new perimeter including the 81 branches transferred from the Intesa Sanpaolo Group.

Direct funding totalled €27,855 million, up by 15.5% compared with 2010 and accounted for 42% of total funding. This increase was driven by the good performance of current accounts, which increased by €2,154 million (+15.5%) substantiating the low risk appetite of customers, who preferred high-liquidity investments. In general, in 2011 the continuing uncertainty affected the choices of customers who preferred higher-liquidity components of funding. In the last part of the year in particular, the performance of direct funding was driven by short-term products aimed at customer retention thanks to a competitive return. Bond funding increased by €775 million (+7.9%), benefiting from the new perimeter.

Cariparma liquidity ratio (loans/funding) came to 94%, substantiating that, even in a difficult market situation, Cariparma maintained a good liquidity level and succeeded in supporting the developments in loans with funding from customers, in line with its mission to support the growth of local economies.

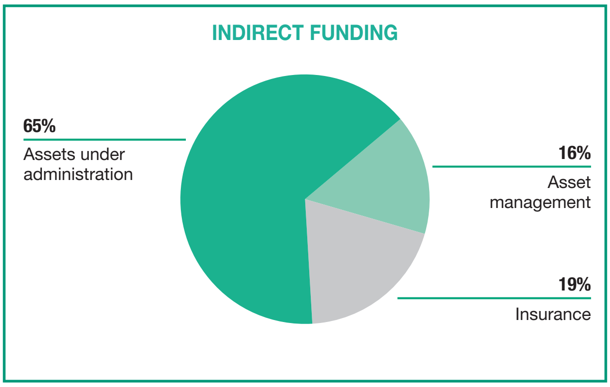


Indirect funding

Items	31.12.2011	31.12.2010	Changes	
			Total	%
- Asset management products	6,081,544	7,096,864	-1,015,320	-14.3
- Insurance products	7,628,808	6,607,179	1,021,629	15.5
Total assets under management	**13,710,352**	**13,704,043**	**6,309**	**-**
Assets under administration	**25,268,036**	**23,892,875**	**1,375,161**	**5.8**
Indirect funding	**38,978,388**	**37,596,918**	**1,381,470**	**3.7**

Indirect funding came to €38,978 million, up by 3.7% year-on-year, an increase due also to the new perimeter; this aggregate accounted for 58% of total funding.

Asset management products increased by €6,309 million, driven by the insurance segment, which reached €7,629 million, up by €1,022 million (+15.5%) year-on-year; assets under management came to €6,081 million, down by €1,015 million (-14.3%). Assets under administration posted an increase (+5.8%), and came to €25,268 million.



Other investments

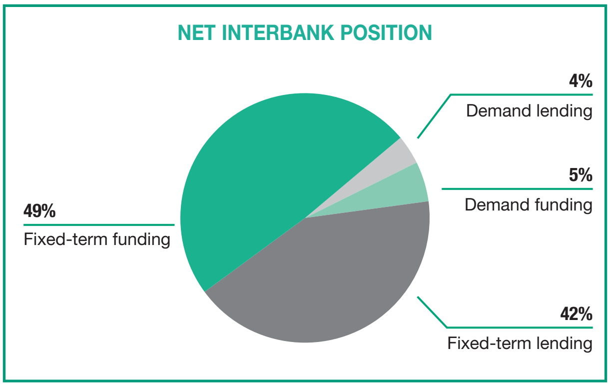
Net interbank position

Items	31.12.2011	31.12.2010 (*)	Changes Total	Changes %
- Loans	450,657	695,277	-244,620	-35.2
- Funding	620,746	56,328	564,418	-
Net interbank position - demand	**-170,089**	**638,949**	**-809,038**	**-**
- Loans	5,015,087	4,278,592	736,495	17.2
- Funding	5,842,636	9,196,459	-3,353,823	-36.5
Net interbank position - fixed term	**-827,549**	**-4,917,867**	**-4,090,318**	**-83.2**
Net interbank position	**-997,638**	**-4,278,918**	**-3,281,280**	**-76.7**

(*) Restated based on the reclassification criteria set forth above.

The net interbank position showed a negative balance of €998 million, improving year-on-year compared with the euro -4,279 million of 2010. The improvement in the interbank balance can be attributed to the decrease in interbank fixed-term funding: the decrease in the set of government securities held in the “Available-for-sale financial assets” portfolio caused a partial decrease in requirements of loans from bank counterparties through repurchase agreements.

These performances are part of an active policy designed to balance the Group’s financial statements items, as well as of governance and management of liquidity and interest rate risks.



Financial assets available for sale

Items	31.12.2011	31.12.2010 (*)	Changes Total	Changes %
- Bonds and other debt securities	2,622,958	5,820,071	-3,197,113	-54.9
- Equity securities and units of collective investment undertakings	4,115	4,071	44	1.1
Securities available for sale	**2,627,073**	**5,824,142**	**-3,197,069**	**-54.9**
- Equity investments	78,881	76,268	2,613	3.4
Shares investments available for sale	**78,881**	**76,268**	**2,613**	**3.4**
Financial assets available for sale	**2,705,954**	**5,900,410**	**-3,194,456**	**-54.1**

(*) Restated based on the reclassification criteria set forth above.

Available-for-sale financial assets consisted almost entirely of bonds and other debt securities available for sale in the short-term, as well as, for smaller amounts, of equity investments. They totalled €2,706 million, down by €3,197 million year-on-year.

The decrease in financial assets can be totally attributed to the disposal of fixed-rate government securities (italian and french): in accordance with the strategy of the parent company crédit agricole for the review of risk management and control policies; in 2011, the exposure to sovereign debts.

The following table shows the composition of Government bonds held by Cariparma: the Government bonds are part of the financial assets held for trading and AFS and comprise principally Italian Government bonds.

	31.12.2011		
	Nominal value	Book value	Valuation reserves
FVTPL			
Italian Governament bond	10	9	X
Argentina Governament bond	-	-	X
AFS			
Italian Governament bond	2,448,700	2,167,802	-333,503
Argentina Governament bond	-	-	-
French Governament bond	367,500	406,735	-5,770
Total	**2,816,210**	**2,574,546**	**-339,273**

Equity investments

Items	31.12.2011	31.12.2010	Changes	
			Total	%
Subsidiaries	1,327,836	1,021,646	306,190	30.0
Associates	182,385	126,146	56,239	44.6
Total	**1,510,221**	**1,147,792**	**362,429**	**31.6**

Equity investments came to €1,510 million, up by €362 million compared with 2010.

Equity investments in subsidiaries, equal to €1,328 million, increased by €306 million subsequent to both the acquisition of 80% of Cassa di Risparmio della Spezia, and to the share capital increase made by Banca Popolare FriulAdria in 2011 to support the transfer of the 15 branches from the Intesa Sanpaolo Group.

Equity investments in associates increased by €56 million, mainly subsequent to the increase in Crédit Agricole Vita Assicurazioni share capital: the Company, of which Cariparma holds 49.99%, closed 2011 with a loss (- €90.5 million) mainly due to the impairment of the government securities issued by the Hellenic Republic; the share capital increase was made to ensure adequate coverage of the capital requirement.

Property, plant and equipment and intangible assets

This aggregate includes also the goodwill and intangible assets recognized following both the 2007 transfer from the Intesa Sanpaolo Group of 181 branches, and the recent transfer of further 81 branches again from the Intesa Sanpaolo Group, whose cost is in the process of being allocated.

Specific-purpose provisions

Items	31.12.2011	31.12.2010	Changes	
			Total	%
Employee severance benefits	**127,240**	**109,831**	**17,409**	**15.9**
Provisions for liabilities and contingencies	**91,985**	**87,061**	**4,924**	**5.7**
- retirement and similar liabilities	20,739	22,374	-1,635	-7.3
- other provisions	71,246	64,687	6,559	10.1
Total specific-purpose provisions	**219,225**	**196,892**	**22,333**	**11.3**

Specific-purpose provisions totalled €219 million, increasing by €22.3 million on the previous year. This increase mainly concerned employee severance benefits, which were affected by the entry of the resources of the 81 branches transferred from the Intesa Sanpaolo Group. This aggregate also includes provisions for liabilities and contingencies, amounting to €92.0 million vs. €87.1 million in the previous year, which referred to disputes, staff expenses and operational risk.

Equity and Supervisory Capital

Equity

Items	31.12.2011	31.12.2010	Changes	
			Total	%
Share capital	876,762	785,066	91,696	11.7
Share premium reserve	2,736,004	2,094,770	641,234	30.6
Income reserves	679,903	842,297	-162,394	-19.3
Other reserves	1,225	-	1,225	-
Valuation reserves of financial assets available for sale	-336,506	-92,619	243,887	
Valuation reserves of actuarial gains (losses) pertaining to defined-benefit pension plans	-8,156	-889	7,267	
Net profit (loss) for the period	204,621	241,574	-36,953	-15.3
Total equity	4,153,853	3,870,199	283,654	7.3

As at 31 December 2011, the book value of equity, including the net profit for the year, came to €4,154 million, up by €283.6 million over the previous year. In the first half of 2011, the share capital was increased by €733 million to meet the requirements for the acquisition of the assets from the Intesa Sanpaolo Group.

In 2011, the negative balance of valuation reserves for available-for sale financial assets increased from -€92.6 million in 2010 to -€336.5 million in 2011; this increase was mainly due to the writedown of government securities (Italian and French) in portfolio, subsequent to the changes in the economic-financial situation.

Supervisory Capital

Supervisory capital and capital ratios	31.12.2011	31.12.2010
Tier 1 capital	3,147,362	2,847,929
Tier 2 capital	851,497	490,876
Deductible elements	58,917	58,917
Supervisory capital	**3,939,942**	**3,279,888**
Credit Risk	1,650,502	1,588,675
Market risk	4,927	4,297
Operational risk	164,327	155,379
Other measurement elements (*)	-454,939	-437,088
Capital requirements	**1,364,817**	**1,311,263**
Excess capital with respect to minimum requirements	**2,575,125**	**1,968,625**
Risk-weighted assets	**22,746,950**	**21,854,390**
Capital ratios %		
Tier 1 Capital / Total risk-weighted assets	13.84%	13.03%
Total capital / Total risk-weighted assets	17.32%	15.01%

(*) Bank of Italy regulations allow banks belonging to Italian groups to reduce capital requirements by 25%.

In calculating capital ratios the 25% reduction provided for by the applicable legislation was not considered in order to prevent too marked a difference between individual and consolidated capital requirements.

Supervisory capital totalled €3,940 million, increasing by €660 million compared with 2010.

This increase was mainly due to the capital management measures implemented in the year:
- capital increase by €733 million, including share premium, to strengthen core tier 1;
- issue of non-innovative capital instruments for €120 million, to strengthen Tier 1 capital;
- issue of subordinated loans for €400 million to strengthen Tier-2 capital.

This capital increase can also be attributed to the portions of 2011 earnings that the Bank's Board of Directors will propose to allocate to reserve.

Risk-weighted assets came to €22,747 million, up by €893 million on 2010; this increase was due to both the entry of the new assets acquired in the year and to the lending extension policy which caused a concomitant increase in credit risk, the main component of risk-weighted assets with over 90%.

The total capital ratio (ratio of Tier 1 capital to total risk-weighted assets) came to 17.3%, increasing from 15.0% in 2010.

The Tier 1 capital ratio (ratio of Tier-1 Capital to total risk-weighted assets), came to 13.8%, (13.0% in 2010); the core tier 1 was 13.3%.

Supervisory capital and the relating capital ratios were calculated in compliance with the instructions issued by the Bank of Italy, adopting the standardized methods for the calculation of risk-weighted assets, credit and counterparty risks, as well as for the calculation of operational risks, as done in the previous year. It should also be noted that ratings were used which were supplied by an authorized ECAI (External Credit Assessment Institution) for loans in the enterprise portfolio.

Other information

This report includes our remarks on Cariparma performance only. For any other information required by Law, reference is made to the consolidated management report or to the Note to these financial statements.

Finally, with regard to personal data protection, the periodic revision of the Security Policy Document was carried out, in compliance with the provisions of Article 34 of Legislative Decree No. 196 of 30 June 2003, (Code on Personal Data Protection), according to the terms and instructions set forth in item 19 of the Technical Regulation on minimum requirements for security measures (Annex B of the above-mentioned Code).

Risks and uncertainties

Making reference to the Note to the Financial Statements for a detailed examination of the risks and uncertainties to which the Group companies are exposes and the relevant mitigation techniques, it is pointed out here that, in short, the Group and its management are fully aware that sustainable development and growth cannot but be supported also by a thorough analysis of the risks to which the same Group is exposed, of the related uncertainties in terms of impacts that these risks can have on the Group's equity, financial and income position, as well as by effective management of these risks to reduce them to acceptable levels.

Proposal to Shareholders

Dear Shareholders,

The annual report and financial statements for the year started on 1 january and closed on 31 december 2011, which id hereby submitted to this general meeting for approval, include the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, the related explanatory note and annexes, as well as the accompanying management report.

The proposed allocation of net profit in the amount of €204,621,158 is as follows:

5% to the legal reserve	10,231,058
to the charity fund	1,500,00
To shareholders in the amount of 0.125 euro to each of the 876,761,620 ordinary shares	109,595,202
to extraordinary reserve	83,294,898

Based on this allocation of the net profit for the year, the Company's equity, including income components allocated to valuation reserves in accordance with the IAS/IFRSs, would be as follows:

Share capital	876,761,620
Share premium reserve	2,736,003,683
Ordinary reserve	116,524,152
Extraordinary Reserve	655,984,874
Valuation reserves	-344,661,772
Reserve pursuant to Legislative Decree 124/83	314,374
Other reserves	1,830,854
Total Capital and reserves	4,042,757,785

Certification of the Financial Statements for the year pursuant to Article 154-bis of Legislative Decree No.58/1998

CARIPARMA
CRÉDIT AGRICOLE

The undersigned Giampiero Maioli, Chief Executive Officer, and Pierre Débourdeaux, Senior Manager in charge of the preparation of the company accounting statements of Cassa di Risparmio di Parma & Piacenza S.p.A., hereby certify, considering also the provisions of Article 154-bis, paragraphs 3 and 4, of legislative decree No. 58 of 24 February 1998:

- the adequacy in relation to the company's characteristics and
- the actual application

of the administrative and accounting procedures for the formation of the Financial Statement during the course of the 2011 financial year.

2. With regard to this, no significant aspects have emerged.

3. The undersigned certify also that:

3.1 the report and financial statements as at 31 December 2011:

a) have been drawn up in compliance with the applicable International Accounting Principles endorsed within the European Union pursuant to EC Regulation no. 1606/2002 of the European Parliament and of the European Council dated 19 July 2002;

b) correspond to the results recorded in the accounting books and registers;

c) furnishes a true and correct representation of the capital, economic and financial situation of the Issuer.

3.2 The management report includes a reliable analysis on the management trend and performance, as well as of the issuer's situation and a description of the major risks and uncertainties to which it is exposed.

Parma, Italy 27 March 2012

Giampiero Maioli	Pierre Débourdeaux
Chief Executive Officer	Senior Manager in charge of the preparation of the Company accounting statements

Cassa di Risparmio di Parma e Piacenza S.p.A. - Sede Legale Via Università 1 - 43121 Parma - Telefono 0521.912111 - Capitale Sociale EUR 876.761.620,00 i.v. - Iscritta al Registro Imprese di Parma, Codice Fiscale e Partita Iva n. 02113530345 - Aderente al Fondo Interbancario di Tutela dei Depositi e al Fondo Nazionale di Garanzia - Iscritta all'Albo delle Banche al n. 5435 - Capogruppo del Gruppo Bancario Cariparma Crédit Agricole iscritto all'Albo dei Gruppi Bancari - Soggetta all'attività di Direzione e Coordinamento di Crédit Agricole S.A.

Report of the Independent Auditors

ERNST & YOUNG

Reconta Ernst & Young S.p.A.

Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders of Cassa di Risparmio di Parma e Piacenza S.p.A.

1. We have audited the financial statements of Cassa di Risparmio di Parma e Piacenza S.p.A. as of and for the year ended December 31, 2011, comprising the balance sheet, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Cassa di Risparmio di Parma e Piacenza S.p.A.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. Our audit was performed in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness and correct application of the accounting principles and the reasonableness of the estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

   For our opinion on the financial statements of the prior year, presented for comparative purposes, reference should be made to our report dated March 25, 2011.

3. In our opinion, the financial statements of Cassa di Risparmio di Parma e Piacenza S.p.A. at December 31, 2011 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of Cassa di Risparmio di Parma e Piacenza S.p.A. for the year then ended.

4. The management of Cassa di Risparmio di Parma e Piacenza S.p.A. is responsible for the preparation of the Management Report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Management Report and the specific section on Corporate Governance and the Company's Ownership Structure, regarding the information included therein in compliance with art. 123-bis paragraph 2, letter b) of Legislative Decree n. 58 of February 24, 1998, as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In our opinion the Management Report and the

information reported therein in compliance with article 123-bis paragraph 2, letter b) of the Legislative Decree n. 58 of February 24, 1998 in the specific section of the report are consistent with the financial statements of Cassa di Risparmio di Parma e Piacenza S.p.A. as of December 31, 2011.

Milan, March 30, 2012

Reconta Ernst & Young S.p.A.
signed by: Massimiliano Bonfiglio, Partner

Financial Statements

» BALANCE SHEET

Assets	31.12.2011	31.12.2010
10. Cash and cash equivalents	847,475,686	160,237,886
20. Financial assets held for trading	271,173,989	243,050,131
30. Financial assets carried at fair value	-	-
40. Financial assets available for sale	2,705,953,636	5,900,410,111
50. Financial assets held to maturity	-	-
60. Loans to banks	5,465,743,669	4,973,869,206
70. Loans to Customers	26,061,239,727	23,734,083,434
80. Hedging derivatives	602,457,073	373,081,966
90. Value adjustment of financial assets subject to macro hedging (+/-)	2,238,887	-
100. Equity investments	1,510,221,348	1,147,791,796
110. Property, plant and equipment	287,871,773	288,916,586
120. Intangible Assets	1,266,029,426	862,837,123
of which: goodwill	989,249,865	662,981,720
130. Tax assets	810,938,962	536,427,748
(a) current	223,516,798	214,169,699
(b) deferred	587,422,164	322,258,049
140. Non-current assets or groups of assets being divested	-	-
150. Other assets	563,633,499	437,043,880
TOTAL ASSETS	**40,394,977,675**	**38,657,749,867**

Liabilities and shareholders' equity	31.12.2011	31.12.2010
10. Due to banks	6,463,381,920	9,252,786,654
20. Due to customers	17,250,809,783	14,284,235,235
30. Securities issued	10,603,890,635	9,829,000,772
40. Financial liabilities held for trading	267,971,607	237,889,431
50. Financial liabilities carried at fair value	-	-
60. Hedging derivatives	130,679,976	11,075,386
70. Adjustment of financial liabilities hedged generically (+/-)	281,686,492	80,323,513
80. Tax liabilities	229,015,362	215,688,266
(a) current	174,944,886	182,909,440
(b) deferred	54,070,476	32,778,826
90. Liabilities in respect of assets being divested	-	-
100. Other liabilities	794,464,454	679,660,164
110. Employee severance benefits	127,239,678	109,830,542
120. Provisions for liabilities and contingencies	91,984,781	87,060,847
(a) retirement and similar liabilities	20,738,627	22,374,290
(b) other provisions	71,246,154	64,686,557
130. Valuation reserves	-344,661,772	-93,508,028
140. Redeemable shares	-	-
150. Equity instruments	-	-
160. Reserves	681,128,298	842,297,159
170. Share premium reserve	2,736,003,683	2,094,769,655
180. Share capital	876,761,620	785,065,789
190. Treasury shares (+/-)	-	-
200. Net profit (loss) for the period	204,621,158	241,574,482
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**40,394,977,675**	**38,657,749,867**

» INCOME STATEMENT

Items		31.12.2011	31.12.2010
10.	Interest income and similar revenues	1,218,614,956	1,010,022,745
20.	Interest expense and similar charges	(440,948,566)	(293,926,172)
30.	**Net interest income**	**777,666,390**	**716,096,573**
40.	Commission income	450,645,032	424,119,456
50.	Commission expense	(16,835,937)	(14,867,104)
60.	**Net commission income**	**433,809,095**	**409,252,352**
70.	Dividends and similar revenues	33,919,683	41,240,779
80.	Net gain (loss) on trading activities	14,439,250	18,092,643
90.	Net gain (loss) on hedging activities	(1,132,994)	(1,269,726)
100.	Gain (loss) on the disposal or repurchase of:	1,774,454	23,923,924
	a) loans	(3,883,284)	(8,803,491)
	b) financial assets available for sale	5,251,714	36,792,466
	c) financial assets held to maturity	-	-
	d) financial liabilities	406,024	(4,065,051)
110.	Net gain (loss) on financial assets and liabilities carried at fair value	-	-
120.	**Gross income**	**1,260,475,878**	**1,207,336,545**
130.	Net impairment adjustments of:	(171,809,921)	(145,858,142)
	a) loans	(170,422,721)	(148,380,063)
	b) financial assets available for sale	(943,578)	(118,300)
	c) financial assets held to maturity	-	-
	d) other financial transactions	(443,622)	2,640,221
140.	**Profit (loss) from financial operations**	**1,088,665,957**	**1,061,478,403**
150.	Administrative expenses:	(880,543,218)	(751,514,063)
	a) staff expenses	(461,458,557)	(424,213,664)
	b) other administrative expenses	(419,084,661)	(327,300,399)
160.	Net provisions for liabilities and contingencies	(42,682,668)	(24,267,084)
170.	Net adjustments of property, plant and equipment	(21,028,283)	(20,889,835)
180.	Net adjustments of intangible assets	(49,186,761)	(38,197,360)
190.	Other operating revenues (expenses)	189,818,353	139,052,872
200.	**Operating expenses**	**(803,622,577)**	**(695,815,470)**
210.	Gain (loss) from equity investments	(50,100,000)	-
220.	Net gains (losses) from property, plant and equipment and intangible assets measured at fair value	-	-
230.	Value adjustments of goodwill	-	-
240.	Gain (loss) on disposal of investments	297,342	(380)
250.	**Gain (loss) before tax on continuing operations**	**235,240,722**	**365,662,553**
260.	Income tax for the period on continuing operations	(30,619,564)	(124,088,071)
270.	**Profit (loss) after tax on continuing operations**	**204,621,158**	**241,574,482**
280.	Profit (loss) after tax of groups of assets/liabilities under disposal	-	-
290.	**Net profit (loss) for the period**	**204,621,158**	**241,574,482**

» STATEMENT OF COMPREHENSIVE INCOME

Items		31.12.2011	31.12.2010
10.	**Profit (loss) for the period**	**204,621,158**	**241,574,482**
	Other income after tax		
20.	Financial assets available for sale	(243,887,266)	(120,204,402)
30.	Property, plant and equipment	-	-
40.	Intangible assets	-	-
50.	Hedging of foreign investments	-	-
60.	Cash flow hedges	-	-
70.	Exchange rate differences	-	-
80.	Disposal groups	-	-
90.	Actuarial gains (losses) on defined-benefit plans	(7,266,478)	(5,470,752)
100.	Share of Valuation Reserves on equity investments accounted for using the equity method	-	-
110.	**Total other income components after tax**	(251,153,744)	(125,675,154)
120.	**Comprehensive income (Item 10+110)**	**(46,532,586)**	**115,899,328**

» STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2011

	Share capital: ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valuation reserves	Net profit (loss) for the period	Shareholders' equity
Equity at 31.12.2010	**785,065,789**	**2,094,769,655**	**578,714,808**	**263,582,351**	**-93,508,028**	**241,574,482**	**3,870,199,057**
Allocation of net profit for previous period							
Reserves	-	-	101,187,969	-	-	-101,187,969	-
Dividends and ather allocation	-	-	-	-	-	-140,386,513	-140,386,513
Changes for the period							
Change in reserves	-	-	-	-	-	-	-
Equity transactions							
New issues	91,695,831	641,234,028	-	-262,500,000	-	-	470,429,859
Purchase of treasury shares	-	-	-	-	-	-	-
Extraordinary distribution of dividends	-	-	-	-	-	-	-
Changes in equity instruments	-	-	-	-	-	-	-
Treasury share derivatives	-	-	-	-	-	-	-
Shares and rights on shares of the Parent Company granted to employees and directors	-	-	-	143,170	-	-	143,170
Comprehensive income	-	-	-	-	-251,153,744	204,621,158	-46,532,586
Equity at 31.12.2011	**876,761,620**	**2,736,003,683**	**679,902,777**	**1,225,521**	**-344,661,772**	**204,621,158**	**4,153,852,987**

» STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2010

	Share capital: ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valuation reserves	Net profit (loss) for the period	Shareholders' equity
Equity at 31.12.2009	**785,065,789**	**2,094,769,655**	**457,909,487**	**1,001,616**	**32,167,126**	**295,734,729**	**3,666,648,402**
Allocation of net profit for previous period							
Reserves	-	-	120,805,321	-	-	-120,805,321	-
Dividends and ather allocation	-	-	-	-	-	-174,929,408	-174,929,408
Changes for the period							
Change in reserves	-	-	-	262,500,000	-	-	262,500,000
Equity transactions							
New issues	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Extraordinary distribution of dividends	-	-	-	-	-	-	-
Changes in equity instruments	-	-	-	-	-	-	-
Treasury share derivatives	-	-	-	-	-	-	-
Shares and rights on shares of the Parent Company granted to employees and directors	-	-	-	80,735	-	-	80,735
Comprehensive income	-	-	-	-	-125,675,154	241,574,482	115,899,328
Equity at 31.12.2010	**785,065,789**	**2,094,769,655**	**578,714,808**	**263,582,351**	**-93,508,028**	**241,574,482**	**3,870,199,057**

» CASH FLOW STATEMENT

Items	31.12.2011	31.12.2010
A. Operating activities		
1. Operations	**786,382,330**	**762,640,431**
- net profit (loss) for the period (+/-)	204,621,158	241,574,482
- gains (losses) on financial assets held for trading and financial assets/liabilities carried at fair value (-/+)	-16,714,928	-10,677,832
- gains (losses) on hedging activities (-/+)	11,661,220	9,574,857
- net impairment adjustments (+/-)	217,661,960	142,394,259
- net adjustments of property, plant and equipment and intangible assets (+/-)	70,215,044	59,087,195
- net provisions for liabilities and contingencies and other costs/revenues (+/-)	42,682,668	24,267,084
- unpaid taxes and duties (+)	30,619,564	124,088,071
- net adjustments/writebacks of discontinuing operations net of tax effects (-/+)	-	-
- other adjustments (+/-)	225,635,644	172,332,315
2. Liquidity generated/absorbed by financial assets	**1,357,544,498**	**-5,367,818,728**
- financial assets held for trading	-11,278,940	52,978,392
- financial assets carried at fair value	-	-
- financial assets available for sale	3,156,167,072	-3,140,935,035
- loans to banks: demand	-55,011,776	-160,203,471
- loans to banks: other loans	127,537,313	-246,435,743
- loans to customers	-1,608,328,034	-1,784,808,965
- other assets	-251,541,137	-88,413,906
3. Liquidity generated/absorbed by financial liabilities	**-1,824,464,634**	**4,571,374,032**
- due to banks: demand	564,252,729	47,323,472
- due to banks: other payables	-3,353,690,169	5,226,523,472
- due to customers	656,430,301	265,919,167
- securities issued	704,644,461	-533,258,606
- financial liabilities held for trading	29,966,074	-18,320,878
- financial liabilities carried at fair value	-	-
- other liabilities	-426,068,030	-416,812,595
Net liquidity generated/absorbed by operating activities	**319,462,194**	**-33,804,265**
B. Investing activities		
1. Liquidity generated by:	**34,350,200**	**41,241,807**
- sale of equity investments	-	-
- dividends from equity investments	33,919,683	41,240,779
- sale of financial assets held to maturity	-	-
- sales of property, plant and equipment	430,517	1,028
- sales of intangible assets	-	-
- sales of business units	-	-
2. Liquidity absorbed by:	**386,948,708**	**-98,118,548**
- purchases of equity investments	-412,529,552	-7,250,600
- purchases of financial assets held to maturity	-	-
- purchases of property, plant and equipment	-24,321,672	-58,055,231
- purchases of intangible assets	-41,264,254	-32,812,717
- acquisition of assets through transfer transactions	865,064,186	-
Net liquidity generated/absorbed by investing activities	**421,298,908**	**-56,876,741**
C. Funding		
- issues/purchases of treasury shares	86,863,211	-
- issues/purchases of capital instruments	-	262,500,000
- dividend distribution and other	-140,386,513	-174,929,406
Net liquidity generated/absorbed by funding	**-53,523,302**	**87,570,594**
NET LIQUIDITY GENERATED/ABSORBED IN THE PERIOD	**687,237,800**	**-3,110,412**

RECONCILIATION

Items	31.12.2011	31.12.2010
Cash and cash equivalents at beginning of period	160,237,886	163,348,298
Total net liquidity generated/absorbed in the period	687,237,800	-3,110,412
Cash and cash equivalents: effect of exchange rates changes	-	-
Cash and cash equivalents at end of period	**847,475,686**	**160,237,886**

Key: (+) generated (-) absorbed

Notes to the financial statements

Part A Accounting policies

» A.1 GENERAL INFORMATION

Section 1 - Declaration of conformity with international accounting standards

The financial statements of Cariparma have been prepared, pursuant to Legislative Decree No. 38 of 28 February 2005, in accordance with the standards issued by the International Accounting Standards Board (IASB) and the related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission as provided for by Community Regulation No. 1606 of 19 July 2002.

Therefore, the IASs/IFRSs in force as at 31 December 2011 (including the SIC and IFRIC interpretations) were applied as endorsed by the European Commission and listed in detail in the relevant annex to these financial statements.

The financial statements and tables in the note have been prepared using the format set out in Circular No. 262 of 22 December 2005, “Bank financial statements”, of 22 December 2005 issued by the Bank of Italy exercising the powers provided for in Article 9 of Legislative Decree No. 38/2005 as revised on 18 November 2009.

International Accounting Standards endorsed by the European Union and in force from 2011

Standards, amendments or interpretations	Endorsement date	Date of first application
Amendment to IAS 32 on the classification of rights issues on equity instruments.	23 dicembre 2009 (CE n° 1293/2009)	1° gennaio 2011
Modification to IFRS 1, on exceptions for supplying comparative information on financial instruments for new users.	30 giugno 2010 (CE n° 574/2010)	1° gennaio 2011
New version of IAS 24, on disclosures on related-party transactions.	19 luglio 2010 (CE 632/2010)	1° gennaio 2011
Modification to the interpretation of IFRIC 14 “Prepayments of a minimum funding requirement”.	19 luglio 2010 (CE 633/2010)	1° gennaio 2011
Adoption of IFRIC 19 interpretation “Extinguishing financial liabilities with equity instruments”.	23 luglio 2010 (CE n° 662/2010)	1° gennaio 2011
Annual improvements to the following International Accounting Standards: IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34, IFRIC13	18 febbraio 2011 (CE n° 149/2011)	1° gennaio 2011

The new international accounting standards and the amendments to the standards in force as from 1 January 2011 did not significantly impact on the Bank's operations and, consequently, on its financial reporting.

Section 2 - General preparation principles

The financial statements consist of the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the note to the financial statements, and are accompanied by the Directors' Report on operations, on the Bank's performance and on its equity and financial position.

In accordance with Article 5 of Legislative Decree No. 38/2005, the Euro has been used as the reporting currency in the preparation of the financial statements. The figures reported in the financial statements are expresses in Euro, whereas those in the tables in the Note and in the management report, are expresses in thousands of Euro, unless otherwise specified.

These financial statements have been prepared in accordance with IAS 1 and the specific accounting standards endorsed by the European Commission and described in part A 2 of this note, as well as with the general assumptions contained in the "framework for the preparation and presentation of financial statements" by the IASB.

No exceptions were made in applying the IASS/IFRSS.

It is believed that the Bank will continue to operate in the foreseeable future (at least 12 months). Therefore, the financial statements as at 31 December 2011 have been accordingly prepared on a going-concern basis.

In the light of the disclosures required by IFRS 7 concerning the risks to which the Bank is exposed, appropriate information has been provided in the management report and in the note to the financial statements, specifically in Section E.

The note to the financial statements also contains information on impairment testing of equity investments, available-for-sale securities and intangible assets (including goodwill).

The financial statements and the Note also contain comparative figures for the year ended as at 31 December 2010, as well as the figures for the year under review.

Use of estimates and assumptions in preparing the annual report and financial statements

In preparing the annual report and financial statements, the bank used estimates and assumptions that could produce significant effects on the amounts recognized in the balance sheet and in the income statement, as well as the disclosures concerning the potential assets and liabilities recognized. Subjective assessments were made and available information was used in arriving at these estimates.

By their very nature, the estimates and assumption used may vary from year to year. The present amounts recognized in the financial statements may, therefore, differ, perhaps significantly, in future periods due to changes in the subjective assessments used.

The main areas in which subjective assessments by management are required are as follows:
- Quantifying impairment losses for loans and receivables and, in general, of other financial assets;
- Determining the fair value of financial instruments used for reporting purposes;
- Using measurement models to determine the fair value of financial instruments not listed on active markets;
- Assessing the consistency of the value of godwill and other intangible assets;
- Quantifying staff provisions and provisions for liabilities and contingencies fondi per rischi e oneri;
- Making estimates and assumptions concerning the recoverability of deferred tax assets.

The description of the accounting policies applied to the main aggregates reported in the financial statements provide detailed information on the major assumptions made and subjective assessments used in preparing the financial statements.

Contents of the financial statements

BALANCE SHEET AND INCOME STATEMENT

The balance sheet and income statement contain items, sub-items and further information (the "of which" for items and sub-items), and comply with the templates supplied by the Bank of Italy with Circular No. 262 of 22 December 2005, as revised on 18 November 2009. In order to facilitate understanding of the figures, the statements are given in full including also the items with non amounts for the reporting year, nor for the previous year.

In the Income Statement, revenues are set forth without a sign, while expense figures are set forth in parenthesis.

STATEMENT OF COMPREHENSIVE INCOME

The statement of comprehensive income consist of items showing the changes in the value of the assets recognized in the year offsetting the valuation reserves, net of the related tax effect.

As for the Balance Sheet and the Income Statement, differently from the Bank of Italy layouts, the items with non amounts for the reporting year, nor for the previous year have also been reported.

Negative amounts are set forth in parenthesis.

STATEMENT OF CHANGES IN EQUITY

In order to facilitate understanding of the figures, the rows and columns of the statement of changes in equity have been inverted with respect to the same statement prepared in accordance with Bank of Italy Circular No. 262/2005 as revised on 18 November 2009. The Statement shows the composition and movements of the shareholders' equity items during the reporting year and in the previous one, broken down into share capital (ordinary shares and saving shares), capital reserves, income reserves, comprehensive income and net profit or loss. The value of treasury shares is deducted from equity.

No equity instruments other than ordinary shares have been issued.

CASH FLOWS STATEMENT

The statement of cash flows for the reporting year and the previous one was prepared using the indirect method, by which cash flows from operations are represented by the profit or loss for the year, adjusted for the effects of non-monetary transactions.

Cash flows are broken down into flows generated by operating, investing and funding activities.

Cash flows generated during the year are shown without sign, while those absorbed are shown with a negative sign.

Contents of the Note to the Financial Statements

The note to the financial statements contains the information required by Circular No. 262/2005 issued by the Bank of Italy, as revised on 18 November 2009), as well as furhter information required by thye international accounting standards.

As for the Balance Sheet and the Income Statement, differently from the Bank of Italy layouts, the items with non amounts for the reporting year, nor for the previous year have also been reported.

In the tables relating to the Income statement items, revenues are set forth without a sign, whereas expense figures are set forth in parenthesis.

Section 3 - Events subsequent to the balance-sheet date

In the first months of 2012, Cariparma, in order to rationalize and develop the Group's core business, formalized an agreement for the transfer of the equity investment in Crédit Agricole Vita to Crédit Agricole Assurances S.A.

At the end of 2011, Cariparma had a 49.99% shareholding in Crédit Agricole Vita and Crédit Agricole Assurances S.A. A 50.01% One, therefore controlling and coordinating Crédit Agricole Vita.

The transfer agreement is expected to be finalized within the first six months of 2012.

Section 4 - Events subsequent to the balance-sheet date

Business combinations and other corporate transactions

General principles

The cost of a combination transaction is the fair value, at the date of exchange of the business, of assets transferred, liabilities sustained or assumed, and of the capital instruments issued by the purchaser in exchange for control.

Moreover, as required by IAS 32, the expenses met by Cariparma to issue the new shares for the acquisition transactions made were deducted from the increases in equity subsequent to capital increases.

Business combination transactions are recognized with the "purchase method" which envisages recognition (i) of assets, liabilities and potential liabilities at the respective fair values as at the acquisition date, including any identifiable intangible assets that have not already been recognized in the financial statements of the business acquired, (ii) of the goodwill pertaining to the business calculated as the difference between the business combination cost and the fair value of the equity investment held net of assets, liabilities and identifiable potential liabilities.

Recognition of business combinations carried out in 2011

In part G of the Note to the Financial Statements included in the Annual Report of Cariparma, an exhaustive description is given of the transaction authorized by the Bank of Italy on 17 December 2010 for the purchase of a controlling share (80.00%) of the capital of Cassa di Risparmio della Spezia S.p.A. and for the increase in the latter's structures through a transfer of branches from the Intesa Sanpaolo Group.

The business combination transaction, relating to the transfer of 71 branches described above, was recognized in accordance with IFRS3 - Business Combinations.

Since determining the final cost of the acquisition is very complex, considering the contractual agreements and the process for the allocation of the acquisition cost to the relevant financial statement items, IFRS 3 allows for this allocation to be carried within a period of 12 months from the date of acquisition.

This process had not been completed as at the date of preparation of these Financial Statements and therefore the business combination has been only provisionally recognised.

The provisional recognition made on 31 December 2011 entailed the separate recognition of an intangible asset representing the value that can be attributed to the business with the retail customers of the branches transferred.

The latter asset represents the present value of future revenues from the business with customers as at the acquisition date and considering the market conditions as at then date, less the present value of the costs required to make these revenues.

The intangible asset representing relations with customers will be amortized at a constant rate over its useful life estimated at 15 years.

Part G of the Explanatory Note includes quantitative information on the recognitions carried out.

Securitization

The self-securitization transaction started by Cariparma in 2009 to create eligible assets with the European Central Bank, in order to have liquidity reserves available.

The structure of the transaction envisaged that Cariparma would transfer to MondoMutui Cariparma S.r.l. (special-purpose entity established pursuant to Law 130/1999) the receivables deriving from performing house mortgage loans contracts for which LTV ratio must not exceed 80% secured by first mortgage, originated and already disbursed by Cariparma.

The Bank then fully subscribed the securities issued by the special-purpose entity, whose senior tranche, accepted for trading at the Luxembourg stock exchange, is considered a liquidity reserve as it can be used, when needed, for open-market transactions with the ECB or used as collateral with the same bank.

The transaction did not require the receivables to be derecognized from the financial statement of the Bank as the securitization was performed internally.

In the Note to the Financial Statements - Part E - Section 3 - Liquidity Risk, the breakdown of subscribed financial assets and ABS securities is given in Table "1. Distribution of financial assets and liabilities by residual maturity - Currency: Euro", as confirmed by the Bank of Italy with communication of August 2010 (Supervisory Bulletin No. 8, August 2010 - 11.3).

Auditing

The financial statements have been audited by Reconta Ernst & Young S.p.A., in accordance with the Resolution passed by the Shareholders' General Meeting on 29 April 2009, whereby this firm was engaged to perform the audits for the period 2009-2011.

» A.2 INFORMATION ON THE MAIN AGGREGATES OF THE FINANCIAL STATEMENTS

1. Financial assets held for trading

Classification

This category consists of debt and equity securities and the positive value of derivatives contracts held for trading. Derivatives contracts include derivatives embedded in complex financial instruments that have been recognized separately because:
- Their financial and risk characteristics are not strictly correlated with the characteristics of the underlying contract;
- Embedded instruments, also if separated, satisfy the definition of derivative;
- Hybrid instruments to which they belong are not measured at fair value with the related changes in value recognized in the income statement.

Recognition

Debt and equity securities are initially recognized at the settlement date, while derivative contracts are recognized at the date they are signed.

Financial assets held for trading are initially recognized at fair value, excluding transaction costs and income that can be directly attributed to the instrument itself.

Measurement

Financial assets held for trading are measured at fair value following initial recognition. The effects of the application of this measurement criterion are taken to the Income Statement.

To determine the fair value of financial instruments listed on an active market, market prices are used. In the absence of an active market, fair value is determined using estimation methods and measurement models that take account of the risk factors correlated to the instruments and that are based on information available on the market: the measurement of the price of listed instruments with similar features, calculations of discounted cash flows, option pricing models, values reported for recent comparable transactions, etc.

Equity securities and derivatives on equity securities and units of collective investment undertakings for which it is not possible to reliably determine the fair value in accordance to the above guidelines, are recognized at cost.

Derecognition

Financial assets are derecognized only if their sale has substantially transferred all the risks and rewards associated with ownership of the same assets. Conversely, when a prevalent share of the risks and rewards associated with ownership of the sold financial assets is retained, the assets continue to be recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether all the risks and reward have been substantially transferred, financial assets are derecognized when no form of control over the assets has been retained. Conversely, if the company retains even a portion of control, the assets continue being recognized to the extent of the continuing involvement, measured by exposure to changes in value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized if contractual rights to receive the related cash flows are retained with the concomitant assumption of an obligation to pay such flows, and only such flows, to other third parties.

2. Financial assets available for sale

Classification

This category includes financial assets that are not otherwise classified as “Loans and Receivables”, “Financial Assets held for trading” or “Financial Assets held to maturity”.

Specifically, in addition to bonds that are not held for trading and are not classified among “Financial Assets held to maturity” or “Loans and Receivables”, this item also includes shareholdings not held for trading and not qualifying as subsidiary, associate or joint ventures, including private equity investments and private equity funds investments, as well as the share of syndicated loans subscribed that have been held for sale since inception.

Recognition

Available-for-sale financial assets are initially recognized at the settlement date for debt and equity securities and at the disbursement date in the case of loans. Financial assets are initially recognized at fair value, including direct transaction costs or revenues.

If, in those cases allowed by accounting standards, recognition occurs as a result of reclassification from “Assets held to maturity”, they are recognized at the fair value at the time of transfer.

Measurement

Following initial recognition, debt securities classified as “Assets available for sale” are measured at fair value, with the recognition in the income statement of the interests calculated based on the effective rate of return, whereas the gains and losses resulting from changes in the fair value are recognized in a specific equity reserve until the asset is derecognized or an impairment is recognized. Upon disposal or recognition of an impairment loss, the accumulated profits or losses are recognized in the income statement.

Fair value is determined using the criteria adopted for “Financial Assets held for trading”.

Equity instruments included in this category for which the fair value cannot be reliably determined are carried at cost.

“Financial assets available for sale” undergo impairment testing to determine whether there is objective evidence of impairment.

Where impairment is found, the amount of the loss is measured as the difference between purchase cost and fair value net of any losses already recognized in the Income Statement.

For equity instruments, a fair value decrease by over 30% below the book value or for a period over 6 months is considered evidence of impairment.

Should the reasons for impairment be removed subsequent to an event occurred after the recognition of the impairment loss, writebacks are recognized in the income statement for loans and debt securities. The amount of the writeback shall not in any event exceed the loss originally recognized in the income statement.

For equity instruments this writeback is recorded in equity.

Loan restructuring transactions entailing the partial or complete conversion into equity instruments classified in the category of financial assets available for sale

For equity instruments received within loan restructuring transactions carried out by debtors, the received equity instruments are initially recognized at fair value; the difference between the loan book value and the fair value of the equity instruments is taken to the income statement among adjustments.

Moreover, where the restructuring with total or partial conversion into equity instruments refers to impaired loan exposures, since the conversion does not modify their quality, the equity instruments received are also considered as issued by an "impaired" issuer; this entails that their subsequent fair value reductions are considered impairment evidence and, therefore, are recognized in the income statement until the issuer is restored to a performing status.

Derecognition

Financial assets are derecognized only if their sale has substantially transferred all the risks and rewards associated with ownership of the same assets. Conversely, when a prevalent share of the risks and rewards associated with ownership of the sold financial assets is retained, the assets continue to be recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether all the risks and reward have been substantially transferred, financial assets are derecognized when no form of control over the assets has been retained. Conversely, if the company retains even a portion of control, the assets continue being recognized to the extent of the continuing involvement, measured by exposure to changes in value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized if contractual rights to receive the related cash flows are retained with the concomitant assumption of an obligation to pay such flows, and only such flows, to other third parties.

3. Financial assets held to maturity

Classification

This category includes debt securities with fixed or determinable payments and fixed maturity that the Company has the intention and the ability to hold to maturity. If, following a change in such intention or ability, it is no longer appropriate continuing to classify an investment as "held to maturity" this is reclassified under "Financial Assets available for sale".

Recognition

Financial assets are initially recognized at the settlement date.

Financial assets classified in this category are initially recognized at fair value, including any costs and revenues directly attributable to them. If recognition in this category occurs as a result of reclassification from "Assets available for sale, the fair value of the asset at the date of reclassification is taken as the new amortized cost of the asset.

Measurement

Following initial recognition, financial assets held to maturity are measured at amortized cost using the effective interest rate method.

Gains and losses relating to assets held to maturity are recognized in the income statement at the moment in which the assets are derecognized or has incurred an impairment loss, as well as through the amortization of the difference between the book value and the amount repayable upon maturity.

Assets held to maturity are subject to impairment testing to determine whether there is objective evidence of impairment.

Where impairment is found, the amount of this loss is measured as the difference between the book value of the asset and the present value of estimated future cash flows, discounted using the original effective interest rate.

The amount of the loss is recognized in the income statement.

Should the reasons for impairment be removed subsequent to an event occurred after the recognition of the impairment loss, writebacks are taken to the income statement. The amount of the write back shall not in any event exceed the amortized cost that the financial instrument would have had in the absence of prior adjustments.

Derecognition

Financial assets are derecognized only if their sale has substantially transferred all the risks and rewards associated with ownership of the same assets. Conversely, when a prevalent share of the risks and rewards associated with ownership of the sold financial assets is retained, the assets continue to be recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether all the risks and reward have been substantially transferred, financial assets are derecognized when no form of control over the assets has been retained. Conversely, if the company retains even a portion of control, the assets continue being recognized to the extent of the continuing involvement, measured by exposure to changes in value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized if contractual rights to receive the related cash flows are retained with the concomitant assumption of an obligation to pay such flows, and only such flows, to other third parties.

4. Loans and receivables

Classification

“Loans and receivables” include loans to customers and banks, whether disbursed directly or acquired from third parties, with fixed or determinable payments, that are not listed on an active market and were not originally classified as "Financial assets available for sale".

This category also includes trade receivables, repurchase transactions and securities purchased through subscription or private placements, with fixed or determinable payments, that are not listed on an active market.

Recognition

Loans and receivables are initially recognized at the date of signing, which usually coincides with the disbursement date at fair value.

The fair value of the financial instrument is equal to the amount disbursed, or subscription price, including costs and revenues directly attributable to the individual loan and determinable from the inception of the transaction, even if settled at a later time.

The initially recognized amount does not include costs to be reimbursed by the debtor or that can be characterized as normal administrative overhead costs, despite having the above characteristics.

Measurement

Following initial recognition, loans and receivables are measured at amortized cost. The amortized cost is equal to the amount at which the financial asset is measured at initial recognition plus or minus principal repayments, writedowns or writebacks and amortization - calculated with the effective interest rate method - the difference between the amount disbursed and the amount repayable at maturity, typically resulting from the costs/revenues directly attributable to the individual position. The effective interest rate is the rate that exactly discounts the estimated future cash flows generated by the loan in respect of principal and interest to the amount disbursed including costs and revenues attributable to the loan. This accounting treatment, using a financial logic, allows the cost/revenue economic impact to be distributed over the expected remaining life of the loan.

The amortized cost method is not used for short-term loans (below 12 months) as the effect of discounting would be negligible. Short-term loans are valued at historic cost. The same approach is adopted for loans without a specified maturity or subject to revocation.

Loans are tested to determine whether events subsequent to recognition have given rise to objective evidence of impairment. Loans subject to testing include loans classified as bad debt, substandard loan, restructured loan or past-due in accordance with the Bank of Italy's current rules consistent with the IAS/IFRS.

Impaired positions are measured individually and the amount of the writedown of each loan is equal to the difference between the book value of the loan at the time of measurement (amortized cost) and the present value of expected future cash flows, calculated by applying the original effective interest rate.

Expected cash flows take account of expected recovery times, the estimated realizable value of any guarantees, as well as the costs likely to be incurred to recover the loan exposure.

The original effective interest rate of each loan remains unchanged over time unless the position undergoes a restructuring that involves a change in the contractual interest rate, including when it becomes, in practice, an interest-free loan.

The writedown is recognized in the Income Statement.

The original value of the loans is written back in subsequent years to the extent that the reasons for its writedown cease to produce effects, provided that this assessment is objectively connected to an event that occurred after the writedown. Writebacks are recognized in the income statement and the value of the loan after the writeback shall not in any event exceed the amortized cost that it would have had in the absence of prior writedowns.

Writebacks connected with the passage of time are posted among writebacks.

Loans for which no individual objective evidence of impairment has been found undergo collective impairment testing. As described in Part E of the Note to the Financial Statements, this is performed by category of loans with uniform credit risk profiles, while the related loss percentages are based on the probability of default (PD) and Loss Given Default (LGD), observable at the date of measurement, which allow an estimation of any latent impairment loss. This measurement also takes into account the risks associated with the counterparty's country of residence.

Collective impairment losses are taken to the income statement.

In Part E of the Note to the Financial Statements, the procedures for risk management and control are exhaustively described covering all risk-related aspects.

Derecognition

Transferred loans and receivables are derecognized only if their disposal has substantially transferred all the risks and rewards associated with the ownership of the asset in question. Conversely, when a prevalent share of the risks and rewards associated with ownership of the loans and receivables is retained, they continue being recognized, even if legal title has been transferred.

Where it is not possible to ascertain whether all the risks and rewards have been substantially transferred, loand and receivables are derecognized if no form of control over the instrument has been retained. Conversely, if the company retains even a portion of control, the loan or receivable continues being recognized to the extent of the continuing involvement, measured by the exposure to changes in the value of the transferred assets and to changes in the related cash flows.

Finally, loans and receivables sold are derecognized if contractual rights to receive the related cash flows are retained with the concomitant assumption of an obligation to pay such flows, and only such flows, to other third parties.

5. Financial assets carried at fair value

The Bank has not exercised the fair value option. In other words, it has not opted to measure financial assets at fair value, taking any change in such value to the income statement, except those cases for which IAS 39 requires application of the fair value criterion owing to their specific functional purpose. Therefore, only financial assets held in trading book, subject to fair value hedging and fair value hedging derivatives are measured at fair value with recognition of the result of measurement in the income statement.

6. Hedging

Types of hedges

Hedging transactions are used to neutralize potential losses occurring on a given item or group of Items attributable to a given risk where the risk event should occur.

The following types of hedges can be used:
- Fair value hedges: these are used to hedge exposures to changes in the fair value (attributable to different types of risks) of assets and liabilities recognized or portions thereof, groups of assets and liabilities, irrevocable commitments and portfolios of financial assets and Liabilities, including core deposits, as permitted by ias 39 as endorsed by the european commission;
- Cash flow hedges: these are used to hedge exposures to changes in future cash flows attributable to specific risks associated to financial statement items. This type of hedges is used to stabilize interest flow of floating rate funding to the extent the latter finances fixed-rate loans;
- Hedges of an investment in foreign currency: these are used to hedge risks of an investment in a foreign business denominated in a foreign currency.

Measurement

Hedging derivatives are measured at fair value. Specifically:
- In the case of fair value hedging, changes in the fair value are offset by changes in the fair value of the hedging instrument. This offset is recognized by reporting changes in value in the income statement, both for the hedged items and for the hedging instrument. Any difference that may arise, representing the partial ineffectiveness of the hedge, represents the net financial effect;
- In the case of cash flow hedging, changes in the fair value of the derivative instrument are recognized in equity, as to the effective portion of the hedge, and in the income statement only when, with regard to the hedged item, there is a change in the cash flows to be offset;
- Hedges of an investment in a foreign business are treated in the way as cahs flow hedges.

The derivative instrument is considered a hedge where there is formal documentation of the relationship between the hedged item and the hedging instrument and where is is effective at inception and throughout its life.

The effectiveness of the hedge depends on the degree to which changes in fair value of the hedged instrument or the relative expected cash flows are offset by changes in that of the hedging instrument. Accordingly, the actual effectiveness is gauged by comparing the above-mentioned changes, taking into account the intention of the company at the inception of the hedge.

A hedge is judged effective when changes in the fair value (or the cash flows) of the hedging instrument almost entirely - i.e.within an 80-125% interval - offset changes in the value of the hedged item for the hedged risk factor.

Effectiveness is assessed at the end of each year, or interim period, using:

- Prospective tests, which justify the application hedge acccounitng since they prove the expected effectiveness of the hedge;
- Retrospective tests, which show the degree of hedge effectiveness achieved in the reference period. In other words, they measure how much actual results deviate from the perfect hedge.

Any ineffective hedges produced by economic circumstances that are expected to return to normal as confirmed by prospective tests are not taken into account.

If the tests do not confirm the effectiveness of the hedge, hedge accounting, as described above, is discontinued and the hedge derivative is reclassified under trading instruments, while the hedged financial instruments is again measured using the measurement criterion applied to its classification in the financial statements.

In the case of macro-hedging, IAS 39 allows fair value hedging of exposure to interest rate risk of a designated amount of financial assets or liabilities such that a group of derivative contracts may be used to reduce changes in the fair value of the items hedged against fluctuations in market interest rates.

Amounts determined as a gap between financial assets and liabilities cannot be macro-hedged. Macro-hedging is deemed to be highly effective if, along with the fair value hedge, both at inception and during the hedge changes in the fair value of the hedged amount are offset by the changes in the fair value of the hedging derivatives, with a ratio ranging between 80 and 125%.

7. Equity investments

Classification

This item includes interests in subsidiaries, associates and joint ventures.

Subsidiaries are companies in which the Company holds, directly or indirectly, more than half of the voting rights or for which, despite holding less than 50% of the voting rights, it has the power to appoint most of its directors or to determine its financial and operating policies. In determining voting rights, "potential" voting rights are also taken into account, which may be currently exercised or converted into effective voting rights at any time the Parent Company.

Joint ventures are companies in which the voting rights and the control of its business operations are shared equally, directly or indirectly, between the Company and another party. Joint ventures also include equity investments in which, despite the lack of equal voting rights, control over the business operations and strategic policies of the joint venture is shared with other parties under contractual agreements.

Associates are companies in which the Bank exercises a significant influence, holding, either directly or indirectly, at least 20% of the voting rights (including “potential” voting rights as defined above) or in which - despite holding less than 20% of the voting rights - the Bank has the power to participate in determining its financial and operating policies, by virtue of specific legal ties, such as being party to a shareholders' agreement.

Significant influence is not ascribed to interests exceeding 20%, in which the Company holds only property rights to a portion of the return on the investments, does not have a say in management policies and can exercise governance rights only to the extent necessary to protect its interests.

Recognition

Equity investments are recognized at the settlement date. Equity investments are initially recognized at cost.

Measurement

Equity investments are measured at cost, adjusted for any impairment losses. Where there is evidence that the value of an equity investment may be impaired, its recoverable value is estimated, taking into account the present value of future cash flows that the equity investment could generate, including its value upon final divestment.

If the recoverable value is lower than the book value, the difference is recognized in the income statement.

Should the reasons for impairment be removed subsequent to an event occurred after the recognition of the impairment loss, writebacks are taken to the income statement.

Derecognition

Equity investments are derecognized when the contractual rights to the cash flows generated by the same assets expire, or when the equity investments are sold and all risks and rewards connected with ownership are essentially transferred

8. Property, plant and equipment

Classification

The “Property, plant and equipment” item includes land, buildings used in operations, investment property, technical plants, furniture, furnishings and equipment of any type.

This item includes assets that are used in the production or provision of goods and services, rented to third parties and intended to be used for more than one year.

This item includes leases assets provided that the lessor retains legal title on them.

Recognition

Property, plant and equipment items are initially recognized at cost, which includes, in addition to the purchase cost, all ancillary expenses directly attributable to the purchase and to the start-up of the asset.

Extraordinary maintenance expenses that increase the future economic benefits generated by such assets are recognized as an increase in the value of the assets, while ordinary maintenance expenses are recognized in the income statement.

Measurement

Property, plant and equipment, including investment property, is measured at cost less depreciation and impairment.

Assets are systematically depreciated over their useful life, on a straight-line basis, using the rates of depreciation shown in the following table:

Description	Duration amortization
Land	No depreciation
Operating property	33 years
Other investment property -other	
- Other	33 years
- property of artistic value;	No depreciation
Furniture, fittings, alarm systems and vehicles	From 4 to 10 years
Computers and electronic equipment	From 3 to 10 years
Works of art	No depreciation

Real estate is depreciated based on a useful life which is deemed appropriate to represent the deterioration of the assets over time due to use, taking into account any extraordinary maintenance expenses, which increase the value of the assets and ordinary maintenance expenses, which maintain the value of the assets for very long periods of time. Tests are however periodically performed to measure the assets' remaining useful life.

The following assets are not depreciated:
- Land, whether acquired separately or incorporated in the value of the buildings, since it has an indefinite useful life. Where its value is incorporated in the value of the building, under the components approach, the land is considered separable from the building; for real estate fully owned by the company and, therefore, the land is fully available to the company, the division between the value of the land and the value of the building is made based on independent experts' opinions;
- Property of artistic value;
- Works of art, since their useful life cannot be estimated and their value normally increases over time.

If there is evidence of impairment of the asset, the asset’s book value is compared to its recoverable value. Any writedowns are recognized in the income statement.

If the reasons for impairment should no longer exist, a writeback is recognized. The book value following the writeback shall not exceed the value that the asset would have had net of depreciation in the absence of prior writedowns.

Derecognition

Property, plant and equipment items are derecognized upon divestment or when the asset is permanently withdrawn from use and no future benefits are expected from their divestment.

9. Intangible Assets

Classification

Intangible assets are recognized as such if they are identifiable and based on legal or contractual rights (for example, software). Intangible assets include goodwill representing the positive difference between the purchase cost and the fair value of the assets and liabilities acquired, as well as the intangible asset representing business with customers recognized subsequent to the application of IFRS 3.

Recognition and measurement

Intangible assets acquired separately are initially capitalized at cost, whereas those acquired through business combinations are capitalized at fair value as at the acquisition date.

Intangible assets’ useful life is assessed as finite or indefinite.

Intangible assets with a finite useful life are amortized over their useful life and undergo testing to assess value consistency each time signals are recorded of possible impairment. The amortization schedule and approach for intangible assets with finite useful life are reassessed at least at the end of every year. Changes in the expected useful life or in the ways in which the future economic benefits linked to the assets will be realized, are recognized by changing the amortization schedule or approach, as the case may be, and are considered as changes in accounting estimates. The cost of amortization of intangible assets with finite useful life is recognized in the Income Statement in the cost category consistent with the intangible asset function.

The software useful life does not exceed five years. The useful life of intangible assets representing business with customers has been set at 15 years, based on the historic data available on customer turnover rate in the in the Retail segment in a 15-years period.

Intangible assets with indefinite useful life, including goodwill, are not amortized, but are tested for impairment annually both at individual level and at the level of cash-generating unit. The assessment of indefinite useful life is annually revised to establish if it is still applicable. In the event it is not, the change from indefinite useful life to definite useful life is applied prospectively.

The amount of any impairment is calculated based on the difference between the recoverable value of the cash-generating unit and the book value of the same.

This recoverable value is the higher of the fair value of the cash-generating unit, net of any selling costs, and its value in use. Any subsequent writedown is recognized in the income statement.

Derecognition

Intangible asset are derecognized upon disposal or when no future economic benefits are expected to be generated by the asset.

Profit or losses resulting from the derecognition of intangible assets are measured as the difference between the net revenues from disposal and the book value of the intangible asset, and are recognized in the income statement for the year in which derecognition is made.

10. Non-current assets and disposal groups held for sale

“Non-current assets and disposal groups held for sale" and “Liabilities associated to assets held for sale" include non current assets or groups of assets/liabilities which are in the process of being divested and whose sale is deemed highly probable. These assets/liabilities are measured at the lower of book value and their fair value net of selling costs.

The related income and expenses (net of tax effects) are recognized as a separate item in the Income Statement.

11. Current and Deferred Taxes

The effects of current taxes and deferred tax assets and liabilities are recognized at the applicable tax rates.

Income taxes are recognized in the Income Statement, except for those referring to items directly recognized in equity.

Provisions for income taxes are calculated on the basis of a prudential forecast of the current tax liability and deferred tax assets and liabilities. Specifically, deferred tax assets and liabilities are calculated on the basis of temporary timing differences - without time limits - between the value attributed to an asset or a liability pursuant to the Italian Civil Code and the corresponding values used for tax purposes.

Deferred tax assets are calculated using the balance sheet liability method.

Deferred tax assets, relating to deductible timing differences or to future tax benefits that can be gained by carrying forward tax losses, are recognized to the extent their recovery is deemed probable.

Deferred tax liabilities are recognized for all taxable temporary differences, with the sole exception of the reserves on which taxation is suspended, since the amount of available reserves already subject to taxation, makes it probable that no transactions are carried out which make it taxable.

Deferred tax assets and liabilities are recognized with open balances without offsets; the former are entered under “Tax assets”, the latter under “Tax liabilities”.

Deferred tax assets and liabilities are systematically measured to reflect any changes in the tax regulations or rates, as well as in any other situation applicable to the Company. The effects are recognized in the income statement, except when these regard changes in the temporary differences in items for which the accounting policies require recognition directly in equity, in which case the change in the deferred tax liabilities or assets is taken directly to equity.

12. Provisions for liabilities and contingencies

Retirement and similar liabilities

The company pension plans, created pursuant to corporate agreements, qualify as “defined-benefit plans”. The liability in respect of these plans and the relative social security expenses for current service are determined based on actuarial assumptions by applying the “projected unit credit method”. Under this method future outlays are projected based on analyses of time series and of the demographic curve, as well as the discount of such flows using market interest rates, as set forth in the relevant tables in the Note to the Financial Statements. Contributions paid in each period are treated as separate items, recognized and measured individually in calculating the final obligation. The discount rate used is based on the yield curve of AA-rated European corporate securities.

Other provisions

Other provisions for liabilities and contingencies include accruals for legal obligations or constructive obligations associated with employment relationship and disputes, resulting from a past event for which an outflow of economic resources to settle the obligation is probable and for which a reliable estimate can be made of the amount.

Where the time factor is significant, provisions are discounted using current market rates.

The accrual is recognized in the Income Statement and includes the increase in the provision due to the passage of time.

This item also includes long-term employee benefits, the charges for which are determined using the same actuarial criteria described for retirements benefits. Actuarial gains and losses are immediately recognized in full in the Income Statement.

13. Debt and securities issued

Classification

"Due to banks", "Due to customers" and "Securities issued" include all forms of interbank and customer funding, repurchase agreements and funding through certificates of deposit, outstanding bonds and other funding instruments, less any amounts repurchased.

Recognition

These financial liabilities are initially recognized at date of contract signing, which usually coincides with the date on which the funding amounts are received or debt securities are issued.

The financial liabilities are initially recognized at fair value, which is normally equal to the amounts received or the issue price, plus or minus any additional costs or revenues directly attributable to the funding or issue transaction.

Internal administrative expenses are excluded.

Measurement

Following initial recognition, the financial liabilities are measured at amortized cost using the effective interest rate method.

This excludes short-term liabilities, which are recognized in the amount received since the time factor is negligible.

Derecognition

Financial liabilities are derecognised when they expire or are extinguished. Liabilities are also derecognized when previously issued securities are repurchased. The difference between the book value of the liability and the amount paid to repurchase it is recognized in the Income Statement.

The subsequent placement of repurchased securities on the market is treated as a new issue and is recognized at the new placement price.

14. Financial liabilities held for trading

This item includes the negative value of derivative contracts hed for trading, as well as the negative value of implicit derivatives embedded in complex contracts but not strictly correlated with such contracts. It also includes liabilities originating from technical overdrafts generated by securities trading.

All trading liabilities are measured at fair value, with the result of such measurement is taken to the Income Statement.

15. Financial liabilities carried at fair value

Cariparma has chosen not to exercise the fair value option. In other words, it has not opted to measure financial liabilities at fair value, taking any change in such value to the income statement, except in those cases for which IAS 39 requires application of the fair value criterion owing to their specific functional purpose. Therefore, only financial liabilities held in trading book, those subject to fair value hedging and hedging derivatives are measured at fair value with recognition of the result of measurement in the income statement.

16. Foreign currency transactions

Initial recognition

Transactions in a foreign currency are initially recognized in the functional currency by translating the amount in the foreign currency at the exchange rate prevailing on the date of the transaction.

Subsequent measurement

At each annual and interim Balance Sheet date, foreign currency items are measured as follows:
- Monetary items are translated at the exchange rate in force as at the balance-sheet date;
- Non-monetary items measured at historic cost are translated at the exchange rate in force as at the transaction date;
- Non-monetary items measured at fair value are translated at the exchange rates in force as at the balance-sheet date.

Exchange rate differences resulting from the settlement of monetary items or from the translation of monetary items at exchange rates other than the initial translation rate, or the translation of previous financial statements, are recognized in the income statement for the period in which they emerge.

When gains or losses relating to a non-monetary item are recognized in equity, the exchange rate difference for the item is also recognized in equity. Conversely, when a profit or a loss is recognized in the income statement, the corresponding exchange rate difference is also recognized in the income statement.

17. Other information

Leases

Leases have been recognized based on the provisions of IAS 17.

Cariparma has signed operating lease contracts - as lessee - for cars and other capital goods.

The payments associated with these operating lease contracts have been recognized in the income statement on a straight-line basis over the duration of the contract.

Cariparma has no finance lease contracts currently active.

Insurance Assets and Liabilities

The financial statements of Cariparma do not include assets or liabilities bearing insurance risks.

Treasury shares

Treasury shares are deducted from Shareholders' Equity. Similarly, the original costs of these shares and any gains or losses resulting from their subsequent sale are recognized as changes in Shareholders' Equity.

Leasehold improvements

The costs of renovating leased property are capitalized in consideration of the fact that, for the duration of the lease, the tenant has control over and enjoys the future economic benefits of the assets. These expenses, classified among "Other Assets" as required by Circular No. 262/2005 issued by the Bank of Italy, are depreciated over a period that does not exceed the duration of the lease.

Employee severance benefits

Until 31 December 2006 the employee severance benefits of Italian companies were considered a defined-benefit plan.

The regulation of these benefits was amended by Law No. 296 of 27 December 2006, (“2007 Finance Act”) and subsequent Decrees and Regulations issued in the first months of 2007. In the light of these amendments, this item is now to be considered a defined-benefit plan exclusively for the portions accrued before 1 January 2007 (and not settled yet as at the balance-sheet date), whereas after such date it is treated as a defined-contribution plan.

Therefore, with reference to the defined-benefit plan component the benefit cost is calculated separately for each plan using the actuarial projected unit credit method. Under this method future outlays are projected based on an analysis of time series and of the demographic curve, as well as the discount of such flows using market interest rates. Contributions paid in each period are treated as separate items, recognized and measured individually in calculating the final obligation. The discount rate used is based on the yield curve of AA-rated European corporate securities.

The costs to service the plan are recognized under staff expenses include interest accrued, while the total employee severance benefits portion accrued in the year, following the reform of supplementary pension schemes introduced with the 2007 Finance Act, constitutes a “defined-contribution plan”.

Actuarial gains and losses, including revaluation of the portions accrued in the previous years, based on the reference ISTAT (Italian National Institute of Statistics) index, are taken to a specific equity reserve, starting from 2010.

Based on the employees' choice, the amounts are allocated to supplementary pension schemes or to the treasury fund managed by INPS (Italian Social Security Institute). The portions allocated to the defined-contribution plan are calculated based on the contributions due for each year without using any actuarial calculation methods.

Provisions for guarantees and commitments

Financial guarantee liabilities issued by Cariparma are contracts requiring a payment to refund the holder of a loss following the default of a specific debtor in making the payment due at the set payment date based on the contract clauses of the debt instrument. Financial guarantee contracts are initially recognised as liabilities at fair value, increased by the transaction costs directly ascribable to the guarantee issue. Later, liabilities are measured as the higher of the best estimate of the cost required to meet the actual obligation as at the balance-sheet date and the amount initially recognised after deducting the accrued amortization. These guarantees are recognized under "Other Liabilities", pursuant to the above-mentioned Bank of Italy Circular No. 262/2005 (1st revision of 18 November 2009).

Share-based payments

Share-based remuneration plans for employees are recognized in the Income Statement, with a corresponding increase in Shareholders' Equity, based on the fair value of the financial instruments allocated at the grant date, dividing the relevant expenses over the time period covered by the plan.

The fair value of any option is calculated using a model that takes into account information, such as the exercise price and the term of the option, as well as the current price of the shares and their expected volatility, expected dividends and the risk-free interest rate, and the specific characteristics of the plan. The measurement model separately measures the options and the probability that the conditions for granting the options will be achieved.

Any reduction in the number of financial instruments granted is recognized as a cancellation of a portion of such instruments.

Revenue recognition

Revenues are recognised when realized or when it is probable that future benefits will be received and these future benefits can be reliably quantified. Specifically:

- Interest is recognized on an accrual basis using the contractual interest rate or the effective interest rate where the amortized cost method is applied;
- Default interest, if any provided for by contract, are recognized in the income statement only upon their actual collection;
- Dividends are recognized in the income statement when their distribution is passed by the relevant body;
- Commissions for revenues from services are recognized in accordance with any contract terms, in the period in which the same services have been provided;
- Revenues from intermediation of financial instruments held for trading, calculated as the difference between the transaction price and the fair value of the financial instrument, are recognized in the income statement when the transaction is recognized, if the fair value can be determined with reference to parameters or transactions recently observed in the same market in which the instrument is traded.

If these amounts cannot be easily determined or the instrument is not highly liquid, the financial instrument is recognized in an amount equal to the transaction price, excluding the commercial net income; the difference between this amount and the fair value is taken to profit or loss over the duration of the transaction through the gradual reduction in the valuation model of the corrective factor reflecting the reduced liquidity of the instrument.

Method for determining fair value

Fair value represents the amount for which an asset (or a liability) could be exchanged in a transaction between independent parties with a reasonable degree of knowledge about market conditions and the important facts concerning the asset or liability traded.

Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate or to materially curtail the scale of operations, or to undertake a transaction on adverse terms. The fair value reflects the credit quality of the instrument as it incorporates counterparty risk.

Financial Instruments

Fair value is determined using prices from financial markets, in the case of financial instruments listed in active markets, or using internal measurement models for other financial instruments.

A market is considered active if quoted prices, representing effective and regular market transactions occurring in an appropriate reference period, are readily and regularly available from sources such as stock exchanges, brokers, intermediaries, industry companies, pricing services or regulatory agencies. Mutual funds, spot exchange transactions, futures, options and stocks listed on regulated markets, and bonds, for which at least two “executable” prices on a quotation service with a bid-ask spread that is less than an interval deemed appropriate recognizable on an ongoing basis are considered to be listed on active markets meeting the above requirements. Finally, hedge funds are also treated as quoted on an active market if they involve the monthly liquidation of units or, where this is not envisaged, if they can be liquidated in a period of no more than four months. Otherwise, all securities, derivatives and hedge funds that do not belong to the above categories are not considered as quoted on an active market.

For financial instruments traded on active markets the price is used which is defined as “official”, as at the closure of the period of reference.

In the case of financial instruments for which the bid-ask spread is immaterial, or for financial assets and liabilities capable of offsetting market risk, a “mid price” is used, i.e. the average market price (on the last day of the reference period) instead of the ask or bid price.

Where there is no active, liquid market, the fair value of financial instruments is defined mainly by using standard measurement techniques designed to establish what the transaction price would have been on the measurement date in an arm’s length trade carried out for normal market reasons. In incorporating all the factors that operators would consider in setting the price, development of the valuation models takes into account the time value of money at the risk-free rate, the volatility of the financial instrument, as well as, where applicable, exchange rates, commodity prices and stock prices.

For financial products, for which the fair value is arrived at using measurement techniques and does not guarantee sufficient reliability, the fair value as at the reference date and as communicated by the counterparties with which these transactions have been made, is prudentially used.

The measurement method chosen for a financial instrument is applied consistently over time and may only be altered if significant changes in market conditions or the subjective condition of the issuer of the financial instrument occur.

Measurement models have been defined for bonds and derivative contracts, which are globally accepted and which refer to market parameters communicated by the Parent Company, to the time value of money and to risk-free rates.

Specifically, fixed-rate bonds relating to financial assets or liabilities are measured by discounting future cash flows provided for in the contract for the security; variable-rate bonds are measured by discounting back future cash flows estimated on the basis of the forward rates with the application of index-linking parameters.

Derivative contracts are assessed using specific calculation algorithms and specific numerical procedures, according to the type of the different categories of transactions.

Share certificates are measured considering the direct transactions, that is, significant transactions on the security registered in a sufficiently short timeframe with respect to the time of measurement and in constant market conditions, the comparable transactions by companies operating in the same sector and supplying the same type of products and services as the investee company being evaluated provides, application of the average of significant stock exchange multiples of companies of a comparable financial size to the financial aggregates of the investee and, finally, analytical financial, profitability and equity valuation methods.

For assets classified as available for sale and for assets and liabilities recognized at cost or amortized cost, the fair value in the financial statements or in the Note is calculated using the following method:

- Medium - and long-term fixed rate assets and liabilities are mainly measured by discounting future cash flows. This has been

determined with a risk neutral approach, by using a risk-free interest rate and adjusting contractually envisaged future cash flows to take into account the counterparty's credit risk, represented by the Probability of Default (PD) and the Loss Given Default (LGD);
- A good approximation of the fair value of demand or short-term floating-rate assets and liabilities is represented by the book value upon recognition net of collective/individual writedowns;
- The intial recognition book value of of floating-rate and short-term fixed-rate securities is deemed a reasonable approximation of the fair value, due to the fact that it reflects both the the change in rates and the measurement if the credit risk associated with the issuer. An analogous approach is applied in measuring the fair value of medium/long-term, fixed rate securities and structured securities that are hedged for interest rate risk with respect to which the book value determined for hedge accounting purposes already takes into account market risk. For the latter, in determining the fair value reported in the Note to the financial statements, changes in their credit spread were not taken into account, given that they are immaterial.

Non-financial assets

With regard to real estate, for which the fair value is calculated only for the purposes of disclosure in the note to the financial statements, reference is made to a value primarily based on appraisals by independent experts, considering transactions at current prices in an active market for similar properties, in the same geographical area and conditions, under similar terms for leases and other contracts.

Method for calculating amortized cost

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, the financial asset or liability net of principal repayments, plus or minus accrued amortization calculated using the effective interest method, any difference between the initial amount and the amount at maturity, and net of any impairment loss.

The effective interest rate is the rate that exactly discounts the estimated future cash flows generated by the financial asset or liability up to maturity or the subsequent repricing date to the present value of the financial asset or liability.

To calculate the present value, the effective interest rate is applied to future cash cash collections or payments over the useful life of the financial asset or liability or for a shorter period of time, in certain circumstances (for example, changes in market rates).

Subsequent to initial recognition, the amortized cost method makes it possible to allocate revenues and costs decreasing or increasing the instrument value over the entire useful life of the same instruments through amortization. The calculation of amortized cost differs depending on whether the financial asset or liability being measured is fixed-rate or floating-rate, and - in the case of a floating rate instrument - whether the variability of the rate is known ahead of time. For fixed-rate instruments, or instruments with fixed rates over specified time periods, future cash flows are measured using the known interest rate (single or variable) over the life of the loan. For floating-rate financial assets/liabilities, whose variability is not known ahead of time (e.G. Because it is linked to an index), cash flows are determined using the last known rate. Each time the rate is revised, the amortization schedule is recalculated, as is the effective rate of return over the entire useful life of the instruments, i.e. until maturity date. Any adjustments are recognized as expense or income in the Income Statement.

Measurement at amortized cost is made for loans, financial assets held to maturity and financial assets available for sale, for debt and securities issued.

Financial assets and liabilities traded on an arm's length basis are initially recognized at fair value, which normally corresponds to the amount received or paid, including, for instruments measured at amortized cost, directly attributable transaction expenses and commissions.

Transaction expenses are incremental internal or external expenses or income that are directly attributable to the issue, acquisition or disposal of a financial instrument that cannot be charged to the customer. These commissions, which must be directly attributable to individual financial assets or liabilities, affect the original effective rate of return and cause the effective interest rate associated with the transaction to vary from the contractual interest rate. Expenses/income are excluded which apply indiscriminately to more than one transaction and components relating to events that might occur over the life of the financial instrument, but are not certain at the time the instrument is initially prepared, such as: commissions for retrocession, failure to use, early repayment.

In addition, not considered in the amortized cost calculation are the expenses that the Bank would sustain independently of the transaction (for example, administrative expenses, recording fees, communication expenses), nor those that, although specifically attributable to the transaction, fall within normal loan management (for example, activities for the loan disbursement), as well as commissions for services collected for activities carried out relating to Structured Finance deals that would however have been received independently of the subsequent transaction financing (such as arrangement commissions).

For loans, expenses attributable to the financial instrument include commissions paid to distribution channels, fees for advice/assistance in arranging and/or participating in syndicated loans, expenses for loans acquired by subrogation and finally up-front commissions for loans disbursed at higher-than-market rates.

Revenues considered in calculating amortized cost are up-front commissions for loans disbursed at lower-than-market rates, commissions for participating in syndicated transactions and brokerage fees associated to commissions paid by intermediation companies.

As to securities not classified as held for trading, transaction costs include commissions on contracts with stockbrokers operating in Italian markets, commissions paid to intermediaries operating in foreign stock and bond markets based on a prepared schedule of commissions. The amortized cost does not include stamp duties, as these are deemed immaterial.

With regard to securities issued, amortized cost is calculated taking into account commissions for placing bonds paid to third parties, amounts paid to stock exchanges and fees paid to auditors for work done on each individual issue, while excluding commissions paid to rating agencies, legal fees and fees paid to advisors and auditors to annually update the financial reports, costs for using indexes and commissions that arise during the lifespan of the bond issued.

Following initial recognition, they are measured at amortized cost, reporting that the effective interest rate is higher or lower than nominal rate. Finally, structured assets or liabilities not measured at fair value in the income statement are also measured at amortized cost, with the embedded derivative recognized separately from the host financial instrument.

Hedged financial assets and liabilities for which changes in fair value with respect to the hedged risk are recognized in the income statement are not measured at amortized cost. However, the financial instrument is once again measured at amortized cost where the hedge terminates.

From that moment, previously recognized changes in fair value are amortized, calculating the new effective interest rate that takes account of the value of the loan adjusted of the hedged item, through the originally scheduled expiry of the hedge. Moreover, as stated previously in the section on measuring loans and receivables, debt and securities issued, the amortized cost method does not apply to short-term financial assets and liabilities, since the impact of discounting is negligible, nor for loans without a specified maturity or loans subject to revocation.

Methods for determining impairment losses

Financial assets

At every balance-sheet date, financial assets not classified among “Financial Assets held for trading” undergo impairment testing to determine whether there is objective evidence that the book value of the assets is not fully recoverable.

Impairment exists where there is objective evidence of a reduction in future cash flows compared with the original estimates following the occurrence of specific events. It must be possible to reliably measure the loss and it must be correlated with actual, not merely expected, events.

Impairment is measured individually for financial assets that show specific evidence of impairment, and collectively for financial assets for which individual measurement is not required or for which individual measurement has not produced a writedown.

Loans to customers and loans to banks subject to individual measurement include those classified as bad debts, substandard loans, restructured loans according to the Bank of Italy’s definitions and consistently with the IAS/IFRS.

Impaired positions are measured individually and the amount of the writedown of each loan is equal to the difference between the book value of the loan at the time of measurement (amortized cost) and the present value of expected future cash flows, calculated by applying the original effective interest rate.

Expected cash flows take account of expected recovery times, the estimated realizable value of any guarantees, as well as the costs likely to be incurred to recover the loan exposure. Cash flows from loans whose recovery is expected in the short term are not discounted, as the financial factor is not significant.

Loans for which no individual objective evidence of impairment has been found undergo collective impairment testing. To this end performing loans are subdivided into categories with uniform credit risk profile, referred to as “rating classes”, and the scope of application is defined by identifying “sensitive” loans, considered as loans that implicitly include the possibility of incurred losses. The sensitive loan selection process excludes loans disbursed during the past 12 months, but includes renewals of existing credit lines.

The collective impairment value of sensitive loans is, therefore, calculated applying the percentage expressing the probability of default assigned to the rating class, considering also the residual life of the loan (maturity) and the loss-given-default rate, defined in a perspective of Basel 2 prudential supervision.. The loss given default rate is, moreover, further corrected by a sector coefficient, established based on the run-off rates published by the Bank of Italy. The collective impairment loss measurement also takes into account the risk associated with the counterparty's country of residence.

Moreover, for shares, objective evidence of impairment is deemed found in the presence of one of the following signals: rating downgrading by over 2 classes, a market capitalization significantly lower than the Shareholders' Equity, start of implementation of a debt restructuring plan, a significant negative change in Shareholders' Equity.

Please, see the relevant section of the Note for information on how the fair value is calculated.

Other non-financial assets

Property, plant and equipment and intangible assets with a definite useful life are subject to impairment testing if there is evidence that the book value of the asset can no longer be recovered.

The recoverable value is calculated for each single asset, except in case this asset generates cash flows that are not widely independent of those generated by other assets or groups of assets.

If the book value of an asset is higher than its recoverable value, that asset is impaired and consequently written down to the recoverable value.

The recoverable value is determined with reference to the fair value of the asset, excluding disposal costs, or value in use, if calculable and higher than the fair value.

The fair value of property is determined on the basis of appraisals by independent experts.

The appraisal is updated whenever there is a change in the property market trend that could affect the validity of the previous estimates and, in any case, every three years. Impairment losses are recognized only when the fair value or value in use of the asset is lower than its book value for three consecutive years.

For other property, plant and equipment and intangible assets (other than goodwill), Cariparma assumes the use value as the present value of the estimated future cash flows using a discounting rate before-taxes reflecting the market measurements (the present cost of money and the asset specific risks).

Method for preparing segment reporting

IFRS 8 requires the Bank to present segment reporting.

The sectors of economic activity included in segment reporting are determined based on the Group's organisational and management structure. The Bank's business segments are:
- retail + private;
- corporate;
- other.

For segment reporting purposes, management figures, suitably reconciled with Financial Statement figures, have been used.

A.3 FAIR VALUE REPORTING

A.3.1 Inter-portfolio transfers

In 2011 non inter-portfolio transfers were made.

A.3.2 Fair value hierarchy

Classification of financial instruments

Asset securities

Level 1

All securities measured using prices (without adjustments) on active markets.

Level 2

All securities measured based on prices in non-active markets or in active markets for similar instruments (but not identical), as well as all those securities measured with the bank's standard pricing standard models, whose parameters can be directly observed on the market.

Level 3

All securities measured on non-observable market bases.

In this case securities are measured based on estimates and assumptions by the assessor, derived from historical data or based on trend assumptions, or using the measurement communicated by qualified market operators.

Liability securities

Level 1

All securities measured using prices (without adjustments) on active markets.

Level 2

All securities measured with the Bank's standard pricing models, whose parameters can be directly observed on the market.

Level 3

All securities are measured on non-observable market bases.

Listed derivatives

Level 1

All securities measured using prices (without adjustments) on active markets.

OTC derivatives

Level 2

All derivatives measured with the Bank's standard pricing models, whose parameters can be directly observed on the market.

Level 3

All derivatives for which an active market does not exist and whose measurement is not based on observable market data, or using the measurement communicated by qualified market operators.

A.3.2.1 Accounting portfolios: breakdown by fair value level

Financial Assets/Liabilities carried at fair value	31.12.2011			31.12.2010		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets held for trading	248	204,114	66,812	9,449	151,445	82,156
2. Financial assets carried at fair value	-	-	-	-	-	-
3. Financial assets available for sale	2,574,734	-	131,220	5,773,138	-	127,272
4. Hedging derivatives	-	599,074	3,383	-	373,082	-
Total	**2,574,982**	**803,188**	**201,415**	**5,782,587**	**524,527**	**209,428**
1. Financial liabilities held for trading	14	199,391	68,567	3	154,132	83,754
2. Financial Liabilities carried at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	130,680	-	-	11,075	-
Total	**14**	**330,071**	**68,567**	**3**	**165,207**	**83,754**

A.3.2.2 Annual changes in financial assets carried at fair value (level 3)

	Financial assets			
	Held for trading	Carried at fair value	Available for sale	Hedging
1. Opening balance	**82,156**	**-**	**127,272**	**-**
2. Increases	**25,377**	**-**	**6,752**	**3,383**
2.1 Purchases	22,880	-	4,494	3,383
2.2 Profits recognized in:	2,497	-	2,258	-
2.2.1 Income Statement	2,497	-	-	-
- of which: Capital gains	2,497	-	-	-
2.2.2 Shareholders' equity	X	X	2,258	-
2.3 Transfers from other categories	-	-	-	-
2.4 Other increases	-	-	-	-
3. Decreases	**40,721**	**-**	**2,804**	**-**
3.1 Sales	-	-	274	-
3.2 Redemptions	18,789	-	-	-
3.3 Losses recognized in:	-	-	-	-
3.3.1 Income Statement	9,902	-	1,316	-
- of which Capital losses	9,902	-	1,316	-
3.3.2 Shareholders' equity	X	X	1,214	-
3.4 Transfers to other categories	12,030	-	-	-
3.5 Other decreases	-	-	-	-
4. Final inventories	**66,812**	**-**	**131,220**	**3,383**

A.3.2.3 Annual changes in financial liabilities carried at fair value (level 3)

	Financial liabilities		
	Held for trading	Carried at fair value	Hedging
1. Opening balance	**83,754**	**-**	**-**
2. Increases	**11,366**	**-**	**-**
2.1 Issues	-	-	-
2.2 Losses recognized in:	-	-	-
2.2.1 Income Statement	11,366	-	-
- of which Capital losses	11,366	-	-
2.2.2 Shareholders' equity	X	X	-
2.3 Transfers from other categories	-	-	-
2.4 Other increases	-	-	-
3. Decreases	**26,553**	**-**	**-**
3.1 Redemptions	4,493	-	-
3.2 Repurchases	-	-	-
3.3 Profits recognized in:	-	-	-
3.3.1 Income Statement	9,366	-	-
- of which capital gains	9,366	-	-
3.3.2 Shareholders' equity	X	X	-
3.4 Transfers to other categories	12,694	-	-
3.5 Other decreases	-	-	-
4. Final inventories	**68,567**	**-**	**-**

A.3.3 Disclosure on day-one profit/loss

Item not relevant for Cariparma.

Part B Information on the Balance Sheet

ASSETS

Section 1 - Cash and cash equivalents - Item 10

1.1 Cash and cash equivalents: composition

	31.12.2011	31.12.2010
a) Cash	167,476	160,238
b) Demand deposits with Central Banks	680,000	-
Total	**847,476**	**160,238**

Section 2 - Financial assets held for trading - Item 20

2.1 Financial assets held for trading: composition by type

	31.12.2011			31.12.2010		
Items/Amounts	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. On-Balance-Sheet Assets						
1. Debt securities	235	14	40	13	59	40
1.1 Structured Securities	3	-	-	3	58	-
1.2 Other debt securities	232	14	40	10	1	40
2. Equity securities	-	-	17	-	-	17
3. Units in collective investment undertakings	-	9,311	116	9,431	-	188
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total A	**235**	**9,325**	**173**	**9,444**	**59**	**245**
B. Derivatives						
1. Financial Derivatives	13	194,789	66,639	5	151,386	81,911
1.1 trading	13	194,789	66,639	5	151,386	81,911
1.2 associated with fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading	-	-	-	-	-	-
2.2 associated with fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total B	**13**	**194,789**	**66,639**	**5**	**151,386**	**81,911**
Total (A+B)	**248**	**204,114**	**66,812**	**9,449**	**151,445**	**82,156**

2.2 Financial assets held for trading: composition by debtor/issuer

Items/Amounts	31.12.2011	31.12.2010
A. On-balance-sheet assets		
1. Debt securities	**289**	**112**
a) Governments and central banks	9	2
b) Other public entities	-	-
c) Banks	261	109
d) Other issuers	19	1
2. Equity securities	**17**	**17**
a) Banks	17	17
b) Other issuers:	-	-
- insurance companies	-	-
- financial companies	-	-
- non-financial companies	-	-
- other	-	-
3. Units in collective investment undertakings	**9,427**	**9,619**
4. Loans	**-**	**-**
a) Governments and central banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other subjects	-	-
Total A	**9,733**	**9,748**
B. Derivatives		
a) Banks		
- fair value	108,977	83,171
b) Customers		
- fair value	152,464	150,131
Total B	**261,441**	**233,302**
Total (A+B)	**271,174**	**243,050**

The "O.I.C.R. (Collective Investment Undertaking)" item mainly consisted of share funds.

2.3 On-balance-sheet financial assets held for trading: changes for the period

	Debt securities	Equity securities	Units in collective investment undertakings	Loans	Total
A. Opening balance	**112**	**17**	**9,619**	**-**	**9,748**
B. Increases	**1,236,454**	**1,179**	**30**	**-**	**1,237,663**
B1. Purchases	1,233,906	1,179	17	-	1,235,102
B2. Fair Value gains	-	-	13	-	13
B3. Other changes	2,548	-	-	-	2,548
C. Decreases	**1,236,277**	**1,179**	**222**	**-**	**1,237,678**
C1 Sales	1,236,089	1,179	17	-	1,237,285
C2. Redemptions	-	-	85	-	85
C3. Fair Value losses	14	-	120	-	134
C4 Transfers to other portfolios	-	-	-	-	-
C5. Other changes	174	-	-	-	174
D. Closing balance	**289**	**17**	**9,427**	**-**	**9,733**

Rows B3. and C5. include profits and losses from trading, accrued income on the differences between issue prices and nominal values and on coupon interests, effects resulting from exchange rate fluctuations. Any initial technical overdrafts are reported in row C5. and final ones in row B3.

Section 4 - Financial assets available for sale - Item 40

4.1 Financial assets available for sale: composition by type

	31.12.2011			31.12.2010		
Items/Amounts	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**2,574,538**	**-**	**48,420**	**5,772,716**	**-**	**47,356**
1.1 Structured Securities	-	-	-	-	-	-
1.2 Other debt securities	2,574,538	-	48,420	5,772,716	-	47,356
2. Equity securities	**196**	**-**	**80,912**	**422**	**-**	**79,601**
2.1 Carried at Fair Value	196	-	16,892	422	-	15,581
2.2 Carried at cost	-	-	64,020	-	-	64,020
3. Units in collective investment undertakings	**-**	**-**	**1,888**	**-**	**-**	**315**
4. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**2,574,734**	**-**	**131,220**	**5,773,138**	**-**	**127,272**

The main equity securities carried at cost are: Banca d'Italia (book value €63,447,591.60, whose fair value is equal to the cost as there is no market, not even a secondary one, and the regular measuring methods cannot be used , given the particular kind of business), Consorzio Agrario Provinciale di Parma (book value €572,000.00; whose fair value is equal to the historic cost because, due to their co-operative company status, there is no distribution of profits and in case of settlement only the share capital is refunded) and Consorzio Agrario Provinciale Piacenza S.c.r.l. (book value €453.26 Euro; whose fair value is equal to the historic cost because, due to their co-operative company status, there is no distribution of profits and in case of settlement only the share capital is refunded).

4.2 Financial assets available for sale: composition by debtor/issuer

Items/Amounts	31.12.2011	31.12.2010
1. Debt securities	**2,622,958**	**5,820,072**
a) Governments and central banks	2,574,538	5,772,716
b) Other public entities	-	-
c) Banks	-	-
d) Other issuers	48,420	47,356
2. Equity securities	**81,108**	**80,023**
a) Banks	63,448	63,448
b) Other issuers	17,660	16,575
- insurance companies	-	-
- financial companies	243	1,355
- non-financial companies	17,417	15,220
- other	-	-
3. Units in collective investment undertakings	**1,888**	**315**
4. Loans	**-**	**-**
a) Governments and central banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other subjects	-	-
Total	**2,705,954**	**5,900,410**

4.3 Available-for-sale financial assets hedged specifically (micro-hedged)

At the end of 2011, there were 1,154 million of securities micro-hedged, i.e. hedged specifically for interest rate risk.

4.4 Financial assets available for sale: changes for the period

	Debt securities	Equity securities	Units in collective investment undertakings	Loans	Total
A. Opening balance	**5,820,072**	**80,023**	**315**	**-**	**5,900,410**
B. Increases	**744,960**	**3,360**	**2,303**	**-**	**750,623**
B1. Purchases	633,266	2,192	2,303	-	637,761
B2. Fair value gains	8,932	1,168	-	-	10,100
B3. Writebacks	-	-	-	-	-
- recognized through income statement	-	X	-	-	-
- recognized through equity	-	-	-	-	-
B4. Transfers from other portfolios	-	-	-	-	-
B5. Other changes	102,762	-	-	-	102,762
C. Decreases	**3,942,074**	**2,275**	**730**	**-**	**3,945,079**
C1 Sales	3,420,663	274	-	-	3,420,937
C2. Redemptions	165,113	-	-	-	165,113
C3. Fair Value losses	266,368	537	730		267,635
C4. Writedowns for impairment	-	1,464	-	-	1,464
- recognized through income statement	-	1,464	-	-	1,464
- recognized through equity	-	-	-	-	-
C5 Transfers to other portfolios	-	-	-	-	-
C6. Other changes	89,930	-	-	-	89,930
D. Closing balance	**2,622,958**	**81,108**	**1,888**	**-**	**2,705,954**

Rows B5. and C6. include profits and losses from realization, accrued income on the differences between issue prices and nominal values and on coupon interests, effects resulting from exchange rate fluctuations.

Section 6 - Loans to banks - Item 60

6.1 Loans to banks: composition by type

Type of transaction/values	31.12.2011	31.12.2010
A. Claims on central banks	**151,169**	**450,056**
1. Fixed-term deposits	-	-
2. Reserve requirement	151,169	450,056
3. Repurchase agreements	-	-
4. Other	-	-
B. Loans to banks	**5,314,575**	**4,523,813**
1. Current accounts and demand deposits	299,363	244,351
2. Fixed-term deposits	3,120,198	1,792,546
3. Other financing:	237,328	323,103
3.1 Repurchase agreements	224,560	310,137
3.2 Finance lease	-	-
3.3 Other	12,768	12,966
4. Debt securities	1,657,686	2,163,813
4.1 Structured Securities	-	-
4.2 Other debt securities	1,657,686	2,163,813
Total (book value)	**5,465,744**	**4,973,869**
Total (fair value)	**5,466,122**	**4,974,369**

At the end of 2011 no impaired loans to banks were recorded.

6.2 Loans to banks subject to specific hedge

At the end of 2011 there were no loans to banks subject to specific hedge.

6.3 Finance leases

At the end of 2011 there were no loans to banks resulting from finance lease transactions.

Section 7 - Loans to customers - Item 70

7.1 Loans to customers: composition by type

	31.12.2011		31.12.2010	
Type of transactions/Amounts	Performing	Impaired	Performing	Impaired
1. Current accounts	3,648,581	177,683	3,496,675	129,579
2. Repurchase agreements	-	-	-	-
3. Mortgage loans	17,261,509	763,269	15,013,334	620,938
4. Credit cards, personal loans and loans repaid by automatic deductions from wages	601,053	22,274	624,076	19,278
5. Finance leases	-	-	-	-
6. Factoring	-	-	-	-
7. Other transactions	3,487,193	94,616	3,764,327	60,896
8. Debt securities	5,062	-	4,980	-
8.1 Structured Securities	-	-	-	-
8.2 Other debt securities	5,062	-	4,980	-
Total (book value)	**25,003,398**	**1,057,842**	**22,903,392**	**830,691**
Total (fair value)	**25,337,442**	**1,057,842**	**23,203,039**	**830,691**

7.2 Loans to customers: composition by debtor/issuer

	31.12.2011		31.12.2010	
Type of transactions/Amounts	Performing	Impaired	Performing	Impaired
1. Debt securities:	**5,062**	**-**	**4,980**	**-**
a) Governments	-	-	-	-
b) Other public entities	-	-	-	-
c) Other issuers	5,062	-	4,980	-
- non-financial companies	5,062	-	-	-
- financial companies	-	-	4,980	-
- insurance undertakings	-	-	-	-
- other	-	-	-	-
2. Loans to:	**24,998,336**	**1,057,842**	**22,898,412**	**830,691**
a) Governments	286	6	418	2
b) Other public entities	135,667	1	128,360	6
c) Other	24,862,383	1,057,835	22,769,634	830,683
- non-financial companies	12,949,615	609,696	12,470,248	439,059
- financial companies	2,033,425	32,856	2,070,497	28,252
- insurance undertakings	6,218	1	2,060	1
- other	9,873,125	415,282	8,226,829	363,371
Total	**25,003,398**	**1,057,842**	**22,903,392**	**830,691**

7.3 Loans to customers subject to specific hedge

At the end of 2011 there were no loans to customers subject to specific hedging.

7.4 Finance leases

At the end of 2011 there are no loans to customers resulting from finance lease transactions.

Section 8 - Hedging derivatives - Item 80

8.1 Hedging derivatives: composition by type of hedge and levels

	Fair value 31.12.2011			Notional value 31.12.2011	Fair value 31.12.2010			Notional value 31.12.2010
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A. Financial Derivatives	**-**	**599,074**	**3,383**	**9,976,949**	**-**	**373,082**	**-**	**12,568,465**
1) Fair value	-	599,074	3,383	9,976,949	-	373,082	-	12,568,465
2) Cash flows	-	-	-	-	-	-	-	-
3) Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**599,074**	**3,383**	**9,976,949**	**-**	**373,082**	**-**	**12,568,465**

8.2 Hedging derivatives: composition by hedged portfolio and by type of hedge

Transactions / Type of hedge	Fair value						Cash flows		Investments in foreign operations
	Specific								
	Interest rate risk	Exchange rate risk	Credit risk	Price risk	Multiple risks	Generic	Specific	Generic	
1. Financial assets available for sale	-	-	-	-	-	X	-	X	X
2. Loans and receivables	-	-	-	X	-	X	-	X	X
3. Financial assets held to maturity	x	-	-	X	-	X	-	X	X
4. Portfolio	-	-	-	-	-	3,383	-	-	X
5. Other transactions	x	X	X	X	X	X	X	X	-
Total assets	**-**	**-**	**-**	**-**	**-**	**3,383**	**-**	**-**	**-**
1. Financial liabilities	286,770	-	-	X	-	X	-	X	X
2. Portfolio	-	-	-	-	-	312,304	-	-	X
Total liabilities	**286,770**	**-**	**-**	**-**	**-**	**312,304**	**-**	**-**	
1. Forecast transactions	x	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	x	X	X	X	X	-	X	-	-

Section 9 - Adjustments of financial assets subject to generic/macro heding - Item 90

9.1 Adjustment of hedged assets: composition by hedged portfolio

Value adjustments of hedged assets:	31.12.2011	31.12.2010
1. Positive adjustment	**2,239**	**-**
1.1 of specific portfolios:	2,239	-
a) loans	2,239	-
b) financial assets available for sale	-	-
1.2 total	-	-
2. Negative adjustment	**-**	**-**
2.1 of specific portfolios:	-	-
a) loans	-	-
b) financial assets available for sale	-	-
2.2 total	-	-
Total	**2,239**	**-**

9.2 Assets hedged generically for interest rate risk

Type of transactions/Amounts	31.12.2011	31.12.2010
Financial assets	**75,019**	**-**

Section 10 - Equity investments - Item 100

10.1 Equity investments in subsidiaries, joint ventures or companies subject to significant influence: information on investments

Name	Registered office	% holding	% of vote
A. Exclusively-controlled companies			
1. Banca Popolare FriulAdria S.p.A	Pordenone	80.17	
2. Crédit Agricole Leasing Italia - Calit S.r.l.	Milano	85.00	
3. Cassa di Risparmio della Spezia S.p.A.	La Spezia	80.00	
4. Sliders S.r.l.	Milano	100.00	
B. Joint ventures			
not present			
C. Companies subject to significant influence			
1. Crédit Agricole Vita S.p.A.	Parma	49.99	
2. Ca - Agroalimentare	Parma	26.32	
3. MondoMutui Cariparma S.r.l.	Milano	19.00	

10.2 Equity investments in subsidiaries, joint ventures or companies subject to significant influence: accounting data

Name	Total Assets	Total Revenue	Profit (loss)	Equity	Book value	Fair value
A. Exclusively-controlled companies	**12,477,439**	**534,039**	**40,782**	**867,086**	**1,327,836**	
1. Banca Popolare FriulAdria S.p.A	8,501,354	383,228	48,180	638,347	971,566	X
2. Crédit Agricole Leasing Italia - Calit S.r.l.	1,920,809	48,894	1,050	64,266	68,250	X
3. Cassa di Risparmio della Spezia S.p.A.	2,055,265	101,917	(8,447)	164,465	288,000	X
4. Sliders S.r.l.	11	-	(1)	8	20	X
B. Joint ventures	**-**	**-**	**-**	**-**	**-**	
not present						X
C. Companies subject to significant influence	**6,932,542**	**2,129,317**	**(8,238)**	**271,266**	**182,385**	
1. Crédit Agricole Vita S.p.A.	6,838,922	2,128,992	(7,290)	177,804	169,883	-
2. Ca - Agroalimentare S.p.A	93,591	283	(948)	93,450	12,500	-
3. MondoMutui Cariparma S.r.l.	29	42	-	12	2	-
Total	**19,409,981**	**2,663,356**	**32,544**	**1,138,352**	**1,510,221**	**-**

The results shown are taken from the last approved financial statements of each company.
The fair value of equity investments in companies subject to significant influence has not been set forth since none of these companies is listed.

10.3 Equity investments: changes for the period

	31.12.2011	31.12.2010
A. Opening balance	**1,147,792**	**1,140,541**
B. Increases	**412,529**	**7,251**
B.1 Purchases	412,529	7,251
B.2 Writebacks	-	-
B.3 Revaluations	-	-
B.4. Other changes	-	-
C. Decreases	**50,100**	**-**
C.1 Sales	-	-
C.2 Writedowns	50,100	-
C.3. Other changes	-	-
D. Closing balance	**1,510,221**	**1,147,792**
E. Total Revaluation	**-**	**-**
F. Total writedowns	**-**	**-**

10.4 Commitments in respect of subsidiaries

At the end of 2011 there were no commitments in respect to subsidiaries.

10.6 Commitments in respect of companies subject to significant influence

At the end of 2011, the remaining commitment to the company CA Agro-Alimentare amounted to €12.5 million.

Section 11 - Property, plant and equipment - Item 110

11.1 Property, plant and equipment: composition of assets carried at cost

Assets/Amounts	31.12.2011	31.12.2010
A. Operating assets		
1.1 owned	**279,878**	**280,615**
a) land	72,352	72,352
b) buildings	165,896	168,690
c) movables	11,384	12,221
d) electronic equipment	2,979	3,369
e) other	27,267	23,983
1.2 acquired under finance leases	**-**	**-**
a) land	-	-
b) buildings	-	-
c) movables	-	-
d) electronic equipment	-	-
e) other	-	-
Total A	**279,878**	**280,615**
B. Investment property		
2.1 owned	**7,994**	**8,302**
a) land	2,902	2,994
b) buildings	5,092	5,308
2.2 acquired under finance leases	**-**	**-**
a) land	-	-
b) buildings	-	-
Total B	**7,994**	**8,302**
Total (A+B)	**287,872**	**288,917**

11.3 Operating property, plant and equipment: changes for the period

	Land	Buildings	Furnishing	Electronic equipment	Other	Total
A. Opening gross balance	**72,352**	**291,057**	**59,977**	**35,850**	**126,118**	**585,354**
A.1 Total net writedowns	-	122,367	47,756	32,481	102,135	304,739
A.2 Opening net balance	**72,352**	**168,690**	**12,221**	**3,369**	**23,983**	**280,615**
B. Increases:	**-**	**2,825**	**2,468**	**1,812**	**12,990**	**20,095**
B.1 Purchases (*)	-	472	2,468	1,812	12,990	17,742
B.2 Capitalized improvement costs	-	2,353	-	-	-	2,353
B.3 Writebacks	-	-	-	-	-	-
B.4. Fair Value gains recognized in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	-	-	-	-
B.7. Other changes	-	-	-	-	-	-
C. Decreases:	**-**	**5,619**	**3,305**	**2,202**	**9,706**	**20,832**
C.1 Sales	-	-	3	-	-	3
C.2 Depreciation	-	5,619	3,302	2,202	9,618	20,741
C.3 Writedowns for impairment recognized in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.4 Fair Value losses recognized in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) investment property	-	-	-	-	-	-
b) discontinuing operations	-	-	-	-	-	-
C.7. Other changes	-	-	-	-	88	88
D. Closing net balance	**72,352**	**165,896**	**11,384**	**2,979**	**27,267**	**279,878**
D.1 Total net writedowns	-	127,986	53,462	35,455	112,640	329,543
D.2 Closing gross balance	**72,352**	**293,882**	**64,846**	**38,434**	**139,907**	**609,421**
E. Carried at cost	**-**	**-**	**-**	**-**	**-**	**-**
(*) of which for transfer transactions						
- gross value	-	-	3,486	811	1,935	6,232
- impairment	-	-	2,404	772	887	4,063

11.4 Investment property, plant and equipment: changes for the period

	31.12.2011	
	Land	Buildings
A. Opening balance	**2,994**	**5,308**
B. Increases	**-**	**21**
B.1 Purchases	-	-
B.2 Capitalized improvement costs	-	21
B.3 Fair Value gains recognized in	-	-
B.4 Writebacks	-	-
B.5 Positive exchange rate differences	-	-
B.6 Transfers from operating assets	-	-
B.7. Other changes	-	-
C. Decreases	**92**	**237**
C.1 Sales	92	50
C.2 Depreciation	-	187
C.3 Fair Value losses	-	-
C.4 Writedowns for impairment	-	-
C.5 Negative exchange rate differences	-	-
C.6 Transfers to other assets portfolios	-	-
a) operating assets	-	-
b) discontinuing operations	-	-
C.7. Other changes	-	-
D. Closing balance	**2,902**	**5,092**
E. Carried at fair value	**4,774**	**9,461**

Section 12 - Intangible assets - Item 120

12.1 Intangible Assets: composition by type of asset

	31.12.2011		31.12.2010	
Assets/Amounts	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	**X**	**989,250**	**X**	**662,982**
A.2 Other intangible assets	**276,779**	**-**	**199,855**	**-**
A.2.1 Assets carried at cost:	276,779	-	199,855	-
a) Intangible assets developed in-house	-	-	-	-
b) Other assets	276,779	-	199,855	-
A.2.2 Assets carried at fair value:	-	-	-	-
a) Intangible assets developed in-house	-	-	-	-
b) Other assets	-	-	-	-
Total	**276,779**	**989,250**	**199,855**	**662,982**

The cost of the intangible assets with a finite life is amortized on a straight-line basis over the remaining useful life of the assets, which for software does not exceed five years (final net balance €83.2 million). as regards the intangible asset represented by business with customers, useful life has been set at 15 years, based on the historic data available on customer turnover rate in the in the Retail segment.

Due to the transfer of 11 branches from Cassa di Risparmio di Firenze a new finite-life intangible asset was recognized for €12 million and due to the transfer of 70 branches from Intesa Sanpaolo a new finite-life intangible asset was recognized for €72.6 million. As at 31 December 2011, the final balance of the new intangible assets came to €81.1 million.

12.2 Intangible Assets: changes for the period

		Other intangible assets: internally generated		Other intangible assets: other		
	Goodwill	with finite life	with indefinite life	with finite life	with indefinite life	Total
A. Opening balance	**662,982**	**-**	**-**	**350,429**	**-**	**1,013,411**
A.1 Total net writedowns	-	-	-	150,574	-	150,574
A.2 Opening net balance	**662,982**	**-**	**-**	**199,855**	**-**	**862,837**
B. Increases	**326,268**	**-**	**-**	**126,224**	**-**	**452,492**
B.1 Purchases (*)	326,268	-	-	126,224	-	452,492
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Writebacks	X	-	-	-	-	-
B.4. Fair Value gains:	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6. Other changes	-	-	-	-	-	-
C. Decreases	**-**	**-**	**-**	**49,300**	**-**	**49,300**
C.1 Sales	-	-	-	-	-	-
C.2 Writedowns	-	-	-	49,159	-	49,159
- Depreciation and amortization	X	-	-	49,159	-	49,159
- Writedowns:	-	-	-	-	-	-
+ equity	X	-	-	-	-	-
+ income statement	-	-	-	-	-	-
C.3 Fair Value losses recognized in:	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfers to discontinuing operations	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6. Other changes	-	-	-	141	-	141
D. Closing net balance	**989,250**	**-**	**-**	**276,779**	**-**	**1,266,029**
D.1 Total net writedowns	-	-	-	199,733	-	199,733
E. Closing gross balance	**989,250**	**-**	**-**	**476,512**	**-**	**1,465,762**
F. Carried at cost	-	-	-	-	-	-
(*) of which for transfer transactions	326,268	-	-	84,678	-	410,946

12.3 Other Information

Impairment test on intangible assets with finite life

Within the 2007 transfer of 180 branches, through a Purchase Price Allocation process, Cariparma identified a set of finite-life assets corresponding to the different sources of recurrent income linked to business with customers.

Their duration was defined based on the available time series for Retail+Private Banking customer turnover, over a 15 year period.

At the end of 2011 it was verified whether the value of each of the components making up intangible assets, calculated as the present value of future cash flows, was still higher than the book value. Specifically:

- for the component relating to loans to customers, the present value was calculated taking into account the trend in early loan redemption, the cost of credit and the level of taxation actually recorded in the last two years;
- for the component relating to demand deposits a progressive increase in volumes (and threfore of their stable component) was observed from the time of purchase;
- for the component relating to net commissions the present value of commission was recalculated taking into account the expected level of commissions from “banking services”; the result of the analysis was favourable.

Therefore, the total value of intangible assets is higher than the value recognized on 31 December 2011 which amounted to €112,502 thousand for the 180 branches.

For the 81 branches transferred in 2011 the value of finite-life assets was identified: it was also considered that since 12 months elapsed from the transfer date and no extraordinary events occurred suggesting impairment, these assets were not tested for impairment.

Impairment test on goodwill

As required by IAS/IFRS, Cariparma tested for impairment the goodwill emerged as part of the transaction for the transfer of the 180 branches in 2007 and of the 81 branches in 2011, in order to assess any impairment.

First the Cash Generating Unit (CGU) was identified: this is the minimum unit generating cash flows, to which goodwill (equal to €989,250 thousand) was to be allocated. Based on the customer segments used for reporting to the management, the CGU was identified with the Retail+ Private channel of Cariparma (which includes the 180 branches transferred in 2007 and the 81 transferred in 2011).

The CGU value in use was then calculated consistently with the method adopted by the Crédit Agricole S.A. Group, i.e. using the discounted cash flows method and compared with owned assets absorbed.

Information on the method for calculating future cash flows and discount rate is provided in the Annual Report and Consolidated Financial statements of the Cariparma Crédit Agricole Group.

The test showed that the CGU value is higher than the corresponding goodwill value.

This result also held when the parameters were varied (within a reasonable range of fluctuation). More specifically, the sensitivity analysis was calculated varying the parameters as follows:

- Risk-free rate: within a range from 1.86% and 7.00%;
- Beta: within a range between 0.90 and 1.20;
- Risk premium: within a range from 3.70% and 4.30%;

The sensitivity analysis produced a positive outcome.

Lastly we determined the discount rate or long-term growth rate “g” at which the use value becomes equal to the accounting value. This analysis showed that the book value is equal to the use value only with a marked increase in the discount rate Ke (13.2%), while also with a long-term growth rate equal to zero the use value would remain equal to the book value.

As stated in the annual report and consolidated financial statements of the Cariparma Crédit Agricole Group, some of the variables used in the measurement model, specifically the cost of capital were prudentially reviewed. These reviews caused, for the equity investments in CALIT and in FriulAdria, a decrease in the present value of cash flows, which is now lower than the book value of the equity investment: Cariparma therefore wrote down by the same amount (€10 million and €40 million, respectively) the values of the two equity investments.

Section 13 - Tax assets and tax liabilities - Item 130 of assets and Item 80 of liabilities

13.1 Deferred tax assets: composition

	(*)	Reversal year 2012	2013	2014	Beyond	Undetermined reversal	Total assets Financial Statement	IRES	IRAP	Total taxes
Deductible temporary differences										
Loan writedowns (eighteenths)	27.50	11,509	11,509	11,509	144,376	-	**178,903**	49,198	-	49,198
Writedowns on valuation of securities	33.08	-	1,218	2,850	507,335	-	**511,403**	140,636	28,552	169,188
Provisions to Risks and Charges Funds	-	-	-		-	-	**-**	-	-	-
- legal disputes and revocatory actions	27.50	27,678	2,839	2,036	-	-	**32,553**	8,952	-	8,952
- guarantees	27.50	2,820	-	-	-	-	**2,820**	776	-	776
- staff costs	27.50	1,388	100	98	-	21,283	**22,869**	6,289	-	6,289
- other	27.50	15,824	-	-	-	-	**15,824**	4,351	-	4,351
Maintenance expenses exceeding 5% ceiling	-	-	-	-	-	-	**-**	-	-	-
Recognition for tax purposes of goodwill from transfer	33.08	66,130	116,162	116,162	723,561	-	**1,022,015**	281,054	57,059	338,113
Other costs or provisions not yet deducted	da 27.50 a 33.08	546	207	207	536	33,254	**34,750**	9,555	1,000	10,555
Tax losses carried forward	-	-	-	-	-	-	**-**	-	-	-
Total		**125,895**	**132,035**	**132,862**	**1,375,808**	**54,537**	**1,821,137**	**500,811**	**86,611**	**587,422**

(*) Indicates the percentage used in calculating deferred tax liabilities and assets.

13.2 Deferred tax liabilities: composition

	(*)	Reversal year 2012	2013	2014	Beyond	Undetermined reversal	Total assets Financial Statement	IRES	IRAP	Total taxes
Taxable temporary differences										
Realized capital gains	from 27.50 to 33,083	250	319	257	61	-	**887**	244	-	244
Tax-suspension reserves	from 27.50 to 33,084	-	-	-	-	-	**-**	-	-	-
Assets not recognized for tax purposes	from 27.50 to 33,083	6,102	6,436	5,960	72,025	124,147	**214,670**	41,641	11,630	53,271
Accelerated depreciation	from 27.50 to 33,083	-	-	-	2,007	-	**2,007**	552	3	555
Other revenues not yet taxed	from 27.50 to 33,083	-	-	-	-	-	**-**	-	-	-
Total		**6,352**	**6,755**	**6,217**	**74,093**	**124,147**	**217,564**	**42,437**	**11,633**	**54,070**

(*) Indicates the percentage used in calculating deferred tax liabilities and assets.

13.3 Changes in deferred tax assets (recognized in the income statement)

	31.12.2011	31.12.2010
1. Opening balance	**267,521**	**277,277**
2. Increases	**201,437**	**33,348**
2.1 Deferred tax assets recognized during the period	196,518	32,643
a) in respect of previous years	-	-
b) due to change in accounting policies	-	-
c) writebacks	-	-
d) other	196,518	32,643
2.2 New taxes or increases in tax rates	4,540	92
2.3 Other increases (*)	379	613
3. Decreases	**51,359**	**43,104**
3.1 Deferred tax assets derecognized during the period	41,103	40,908
a) reversals	41,103	40,908
b) writedowns for supervening non-recoverability	-	-
c) change in accounting policies	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other reductions	10,256	2,196
4. Closing balance	**417,599**	**267,521**

(*) This amount includes deferred tax assets for €165,522 thousand relating to the future deductibility of the amortization of the good will relating to the equity investments in BPFA and Calit pursuant to Legislative Decree No. 98 of 2011.

Other increases and decreases as outlined in points 2.3 and 3.3 represent increases and decreases resulting from the correct recognition of deferred tax assets subsequent to the filing of the tax return. The related balancing item is not represented by income statement items, but rather by current tax liabilities.

13.4 Changes in deferred tax liabilities (recognized in the income statement)

	31.12.2011	31.12.2010
1. Opening balance	**23,142**	**23,184**
2. Increases	**29,991**	**675**
2.1 Deferred tax liabilities recognized during the year	866	38
a) in respect of previous years	-	-
b) due to change in accounting policies	-	-
c) other	866	38
2.2 New taxes or increases in tax rates	1,518	18
2.3 Other increases (*)	27,607	619
3. Decreases	**1,366**	**717**
3.1 Deferred taxes derecognised in the financial year	1,359	717
a) reversals	1,359	717
b) due to change in accounting policies	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other reductions	7	-
4. Closing balance	**51,767**	**23,142**

(*) of which for transfer transactions € 27,379.

Other increases and decreases as outlined in points 2.3 and 3.3 represent increases and decreases resulting from the correct recognition of deferred taxes subsequent to the filing of the tax return. The related balancing item is not represented by income statement items, but rather by current tax liabilities, with the exception of the increase relating to an equity investment having as offset the income statement item “deferred tax liabilities”.

13.5 Changes in deferred tax assets (recognized in shareholders' equity)

	31.12.2011	31.12.2010
1. Opening balance	**54,737**	**164**
2. Increases	**129,191**	**54,655**
2.1 Deferred tax assets recognized during the period	127,932	54,655
a) in respect of previous period	-	-
b) due to change in accounting policies	-	419
c) other	127,932	54,236
2.2 New taxes or increases in tax rates	1,259	-
2.3 Other increases	-	-
3. Decreases	**14,105**	**82**
3.1 Deferred tax assets derecognized during the period	14,105	82
a) reversals	14,105	82
b) writedowns for supervening non-recoverability	-	-
c) change in accounting policies	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other reductions	-	-
4. Closing balance	**169,823**	**54,737**

13.6 Changes in deferred tax liabilities (recognized in shareholders' equity)

	31.12.2011	31.12.2010
1. Opening balance	**9,637**	**12,842**
2. Increases	**5,641**	**10,498**
2.1 Deferred tax liabilities recognized during the period	5,403	10,492
a) in respect of previous period	-	-
b) due to change in accounting policies	-	-
c) other	5,403	10,492
2.2 New taxes or increases in tax rates	238	6
2.3 Other increases	-	-
3. Decreases	**12,975**	**13,703**
3.1 Deferred taxes derecognised in during the period	12,975	13,703
a) reversals	12,975	13,703
b) due to change in accounting policies	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**2,303**	**9,637**

Section 15 - Other assets - item 150

15.1 Other assets: composition

	31.12.2011	31.12.2010
Sundry debits in process	115,106	90,261
Sundry receivables for foreign exchange transactions	-	51
Stamp duty and other assets	7	5
Items being processing	182,347	91,942
Uncapitalized accrued income	9,886	8,802
Prepaid expenses not allocated to other items	35,314	25,498
Protested bills and checks	1,564	2,744
Leasehold improvements	9,119	12,761
Tax advances paid on behalf of third parties	12,762	17,544
Sundry items	197,528	187,436
Total	**563,633**	**437,044**

LIABILITIES

Section 1 - Due to banks - Item 10

1.1 Due to banks: composition by type

Type of transactions/Amounts	31.12.2011	31.12.2010
1. Due to central banks	-	-
2. Payables due to banks	**6,463,382**	**9,252,787**
2.1 Current accounts and demand deposits	619,868	55,615
2.2 Fixed-term deposits	4,466,321	2,768,764
2.3 Loans	1,376,315	6,427,695
2.3.1 Repurchase agreements	647,840	6,154,205
2.3.2 Other	728,475	273,490
2.4 Liabilities in respect of commitments to repurchase own equity instruments	-	-
2.5 Other payables	878	713
Total	**6,463,382**	**9,252,787**
Fair value	**6,463,382**	**9,252,787**

1.2 Breakdown of item 10 "Due to banks": subordinated liabilities

Characteristics	Issue date	Maturity	Method of reimbursement	Interest rate	Currency	Original value	Book value
Subordinated deposit	17.12.2008	17.12.2018	5 equal installments as from December 2014	3 month Euribor + 334 b.p.	euro	250,000	250,396
Subordinated deposit	30.03.2011	30.03.2021	5 equal installments as from March 2017	3 mounth Euribor + 220 b.p.	euro	400,000	400,040

1.4 Due to banks subject to specific hedge

At the end of 2011 there were no due to banks subject to specific hedge.

1.5 Liabilities in respect of financial leases

At the end of 2011, there were no due to banks resulting from finance lease transactions.

Section 2 - Due to customers - Item 20

2.1 Due to customers: composition by type

Type of transactions/Amounts	31.12.2011	31.12.2010
1. Current accounts and demand deposits	16,802,720	14,199,116
2. Fixed-term deposits	314,995	18,179
3. Loans	64,953	10,032
3.1 Repurchase agreements	64,953	10,032
3.2 Other	-	-
4. Liabilities in respect of commitments to repurchase own equity	-	-
5. Other payables	68,142	56,908
Total	**17,250,810**	**14,284,235**
Fair value	**17,250,810**	**14,284,235**

2.4 Due to customers subject to specific hedge

At the end of 2011 there were no due to customers subject to specific hedge.

2.5 Liabilities in respect of finance leases

At the end of 2011 there were no loans to customers resulting from finance lease transactions.

Section 3 - Securities issued - Item 30

3.1 Securities issued: composition by type

Type of securities/ values	31.12.2011				31.12.2010			
	Financial statement value	Fair value			Financial statement value	Fair value		
		Level1	Level2	Level3		Level1	Level2	Level3
A. Securities								
1. Bonds	9,229,884	-	9,159,969	120,029	8,996,884	-	9,011,836	-
1.1 structured	2,489	-	2,489	-	2,453	-	2,453	-
1.2 other	9,227,395	-	9,157,480	120,029	8,994,431	-	9,009,383	-
2. Other securities	1,374,007	-	-	1,374,007	832,117	-	-	832,117
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	1,374,007	-	-	1,374,007	832,117	-	-	832,117
Total	**10,603,891**	**-**	**9,159,969**	**1,494,036**	**9,829,001**	**-**	**9,011,836**	**832,117**

The sub-item of other securities “2.2 other” includes certificates of deposit and banker's drafts issued by the Bank.

3.2 Breakdown of item 30 “Securities issued”: subordinated securities

Characteristics	Issue date	Maturity	Method of reimbursement	Interest rate	Currency	Original value	Book value
Subordinated loan	30.06.2009	30.06.2016	50% by 30.06.2015 50% by 30.06.2016	up to30.06.2012 5%; after that 50% 6 month Euribor + 1%	euro	77,250	77,477
Subordinated loan	30.06.2009	30.06.2016	50% by 30.06.2015 50% by 30.06.2016	5% fixed	euro	222,750	228,938
Subordinated loan	29.06.2011	31.12.2100	perpetual, with call from 28 June 2016	3 month Euribor +7,29%	euro	120,000	118,576

3.3 Securities issued subject to specific hedge

At the end of 2011, there were 6,572 million of securities subject to specific hedge for interest rate risk.

Section 4 - Financial liabilities held for trading - Item 40

4.1 Financial liabilities held for trading: composition by type

	31.12.2011					31.12.2010				
		Fair value					Fair value			
Type of transactions/Amounts	NV	Level 1	Level 2	Level 3	FV*	NV	Level 1	Level 2	Level 3	FV*
A. On-balance-sheet liabilities										
1. Payables due to banks	-	-	-	-	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	-	-	-	-	-	-
3.2.1 structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B. Derivatives										
1. Financial Derivatives	-	14	199,391	68,567	-	-	3	154,132	83,754	-
1.1 Trading	X	14	191,267	68,567	X	X	3	153,780	83,754	X
1.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	8,124	-	X	X	-	352	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**14**	**199,391**	**68,567**	**X**	**X**	**3**	**154,132**	**83,754**	**X**
Total (A+B)	**X**	**14**	**199,391**	**68,567**	**X**	**X**	**3**	**154,132**	**83,754**	**X**

Key:

FV = fair value calculated excluding changes in value resulting from an alteration in the issuer's credit rating after the date of issue.*

NV = nominal value or notional value.

Section 6 - Hedging derivatives - Item 60

6.1 Hedging derivatives: composition by type of hedge and levels

	Fair value 31.12.2011			Notional amount 31.12.2011	Fair value 31.12.2010			Notional amount 31.12.2010
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A) Financial Derivatives	**-**	**130,680**	**-**	**1,978,594**	**-**	**11,075**	**-**	**1,695,458**
1) Fair value	-	130,680	-	1,978,594	-	11,075	-	1,695,458
2) Cash flows	-	-	-	-	-	-	-	-
3) Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**130,680**	**-**	**1,978,594**	**-**	**11,075**	**-**	**1,695,458**

6.2 Hedging derivatives: composition by hedged portfolio and by type of hedge

	Fair value						Cash Flows		
	Specific								
Transactions/ Type of hedge	Interest rate risk	Exchange rate risk	Credit risk	Price risk	Multiple risks	generic	Specific	Generic	Investments in foreign operations
1. Financial assets available for sale	128,592	-	-	-	-	X	-	X	X
2. Loans and receivables	-	-	-	X	-	X	-	X	X
3. Financial assets held to maturity	X	-	-	X	-	X	-	X	X
4. Portfolio	-	-	-	-	-	-	-	-	X
5. Other transactions	X	X	X	X	X	X	X	X	-
Total assets	**128,592**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	2,088	-	-	X	-	X	-	X	X
2. Portfolio	-	-	-	-	-	-	-	-	X
Total liabilities	**2,088**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
1. Forecast transactions	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	X	-	-

Section 7 - Adjustments of financial liabilities subject to macro-hedgeing - Item 70

7.1 Adjustment of hedged financial liabilities

Adjustment of hedged liabilities/Amounts	31.12.2011	31.12.2010
1. Positive adjustment of financial liabilities	281,686	81,341
2. Negative adjustment of financial liabilities	-	-1,017
Total	**281,686**	**80,324**

7.2 Liabilities subject to macro-hedging against interest rate risk: composition

Type of transaction/Values	31.12.2011	31.12.2010
Financial liabilities	4,231,700	6,957,000

Section 8 - Tax Liabilities - Item 80

See section 13 in assets.

Section 10 - Other liabilities - Item 100

10.1 Other liabilities: composition

	31.12.2011	31.12.2010
Payables to suppliers	88,313	68,316
Amounts due to third parties	249,718	167,525
Credit transfers ordered and being processed	148,938	78,027
Amounts payable to tax authorities on behalf of third parties	53,254	54,234
Advances on loans	1,471	580
Adjustments for illiquid items	18,382	176,527
Staff costs	53,088	51,043
Uncapitalized accrued expenses	877	443
Deferred income not allocated to other items	29,101	16,817
Guarantees and commitments	2,820	2,273
Sundry items	148,502	63,875
Total	**794,464**	**679,660**

Section 11 - Employee severance benefits - Item 110

11.1 Employee severance benefits: changes for the period

	31.12.2011	31.12.2010
A. Opening balance	**109,831**	**107,900**
B. Increases	**25,422**	**7,899**
B.1 Provisions for the period	2,589	1,877
B.2. Other changes	22,833	6,022
C. Decreases	**8,013**	**5,968**
C.1 Severance payments	8,013	5,968
C.2. Other changes	-	-
D. Closing balance	**127,240**	**109,831**
Total	**127,240**	**109,831**

11.2 Other Information

Description of the main actuarial assumptions

The following technical demographic bases were assumed:

- annual probabilities of exclusion due to death of staff were calculated based on RGS48 tables;
- annual probabilities of exclusion for reasons other than death of staff, average annual turnover rate equal to 3.25%, were calculated by appropriately smoothing Cariparma historical data;
- the percentage of annual promotions (for age and seniority) were calculated based on Cariparma historical data;
- annual probabilities of requests for advances on employee severance benefits were calculated based on Cariparma's experience and were set at an average annual rate of 3%;
- the age for retirement has been revised in accordance with the latest legislation provisions issued.

The following technical economic bases were assumed:

- to calculate the present value the yield curve of AA-rated European Corporate bonds as at 30.12.2011 was used;
- the cost of living index for the families of employees and workers used to adjust amounts of the provisions for employees' severance benefits was 2%;
- the remuneration trend, proportional to seniority increasing only due to pay increments, was calculated, on avaerage, with reference to Cariparma employees, based on the interpolation and smoothing of seniority pays distribution, on the national bargaining agreements and company employment agreements;
- for the average annual rate of increase in pay for changes in the work load distribution, which is to be linked to the fluctuation of the value of currency, a 2% rate has been used;
- the percentage of the accrued employee severance benefits, which has been requested in advance and amounts to 60%, was calculated based on historical data supplied by Cariparma.

Section 12 - Provisions for liabilities and contingencies - Item 120

12.1 Provisions for liabilities and contingencies: composition

Items/Amounts	31.12.2011	31.12.2010
1 Company pension plans	20,739	22,374
2. Other provisions for liabilities and contingencies	71,246	64,687
2.1 legal disputes	35,382	36,546
2.2 staff expenses	21,067	19,162
2.3 Other	14,797	8,979
Total	**91,985**	**87,061**

12.2 Provisions for liabilities and contingencies: changes for the period

	Pension plans	Other Funds	Total
A. Opening balance	**22,374**	**64,687**	**87,061**
B. Increases	**990**	**64,029**	**65,019**
B.1 Provisions for the period	-	62,480	62,480
B.2 Changes due to passage of time	899	833	1,732
B.3 Changes due to changes in the discount rate	-	88	88
B.4. Other changes	91	628	719
C. Decreases	**2,625**	**57,470**	**60,095**
C.1 Use during the year	2,625	47,469	50,094
C.2 Changes due to changes in the discount rate	-	15	15
C.3. Other changes	-	9,986	9,986
D. Closing balance	**20,739**	**71,246**	**91,985**

12.3 Company defined-benefit pension plans

1. DESCRIPTION OF PROVISIONS

The section of defined-benefit company pension plans concerns exclusively staff of the Parent Company already retired.

The plan is funded by a provision accrued by the Company, determined based on the mathematical reserve, certified annually by an independent actuary.

2. CHANGES FOR THE PERIOD

Increases or decreases in the provision are shown in table 12.2 in the "Pension Plans" column.

3. CHANGES FOR THE PERIOD IN PLAN ASSETS AND OTHER INFORMATION

There are no specific assets or liabilities serving the plan and the Company backs the liability towards beneficiaries with its full equity.

4. RECONCILIATION BETWEEN THE PRESENT VALUE OF THE PROVISION, THE PRESENT VALUE OF PLAN ASSETS AND THE ASSETS AND LIABILITIES RECOGNIZED IN THE BALANCE SHEET

The difference between present value of the defined-benefit obligation and the fair value of the plan assets amounts to €20,739 thousand; therefore, liabilities recognised amount to €20,739 thousand.

5. DESCRIPTION OF THE MAIN ACTUARIAL ASSUMPTIONS

The following essential assumptions have been made with reference to the company defined benefits pension plan:
- annual probabilities of exclusion due to death of retired staff were calculated based on sim2006 tables;
- for assignement to the surving family nucleus in the event of the pensioner's death differentiated technical bases have been used based on the age and gender of the member.
- the cost of living index for the families of employees and workers used to adjust amounts of the provisions for employees' severance benefits was 2%;
- the annual increase in benefits is governed by the relative regulations.

As to the actuarial value, the measurement refers to the yield curve for AA-rated European corporate securities as at 31 December 2011.

12.4 Provisions for liabilities and contingencies - other provisions

Item 2.2 "Other provisions - staff expenses" of Table 12.1 also includes the amounts accrued in previous years by the Bank, due to the liabilities resulting from the trade union agreement of 11 January 2007 which allowed employees interested to voluntarily opt for early retirement forms or to join the banking Solidarity Fund; this procedure was completed on 31 December 2007.

Item 2.3 of Table 12.1 includes amounts set aside to protect, even though not legally bound to do so, customers who engaged in transactions involving derivatives and insurance policies that have suffered from the impact of the world financial crisis.

Item 2.3 includes the provision relating to Credit Protection policies established pursuant to ISVAP Regulation No. 35 which requires insurance companies to refund the share of the single-premium paid in advance to customers who did not use it due to the early repayment of the loan linked to the same policy. This provision represents an estimate of the potential future liability which the Bank might incur in to refund the share of commissions on premiums paid by customers to the insurance company.

The dispute with the Agenzia delle Entrate (the Italian Inland Revenue Service) is still pending relating to two notices of registration tax payment with which the the Financial Administration has requalified the transactions - as sale of a company- for the transfer of branches made in 2007 by Intesa SanPaolo; later the shares received were transferred to the institutional shareholders by the transferee.
The amount of the dispute involving all interested parties at various levels amounts to around €39 million. In the light of specific opinions from important legal counsels, no accrual has been made for this issue.

In 2010, a notification was served which would regard a possible charge for a non-recourse factoring transaction carried out in 2005, which could give rise to a payment request for taxes amounting to approximately €5.5 million, plus penalties and interest. There have been no significant developments in this matter. Also in this case, in the light of specific opinions from legal counsels, no accrual has been made.

Section 14 - Shareholders' equity - items 130, 150, 160, 170, 180, 190 and 200

14.1 "Share capital" and "Treasury shares": composition

The share capital, fully paid-in, consists of 876,761,620 ordinary shares. There are no treasury shares.

14.2 Share capital - Number of shares: changes for the period

Items/Types	Ordinary	Other
A. Shares at start of the year	**785,065,789**	**-**
- fully paid	785,065,789	-
- partially paid	-	-
A.1 Treasury shares (-)	-	-
A.2 Shares in circulation: opening balance	**785,065,789**	**-**
B. Increases	**91,695,831**	**-**
B.1 New issues	91,695,831	-
- for consideration:	91,695,831	-
- business combinations	91,695,831	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- bonus issues:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3. Other changes	-	-
C. Decreases	**-**	**-**
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-	-
C.3 Disposal of companies	-	-
C.4. Other changes	-	-
D. Shares in circulation: final inventories	**876,761,620**	**-**
D.1 Treasury shares (+)	-	-
D.2 Shares at the end of the year	876,761,620	-
- fully paid	876,761,620	-
- partially paid	-	-

14.3 Share Capital: other information

The nominal unit value of the 876,761,620 ordinary shares is €1.

14.4 Income Reserves - Other information

Items/Types	Amounts
Legal reserve	106,293
Reserves established in bylaws	573,296
Reserve under Art. 13 of Legislative Decree 124/93 (*)	314
Total income reserves	**679,903**
Reserve from share-based payments (**)	1,226
Total	**681,129**

(*) Reserve formed pursuant to Art.13 of Legislative Decree 124/93 to take advantage of tax relief on the portions of the severance pay provisions, designated for supplementary pension schemes.

(**) Reserve recording the increase in capital resulting from payments to employees and directors based on shares of the holding company Crédit Agricole SA.

OTHER INFORMATION

1. Guarantees issued and commitments

Operations	31.12.2011	31.12.2010
1) Financial guarantees issued	917,690	956,770
a) Banks	237,905	242,254
b) Customers	679,785	714,516
2) Commercial guarantees issued	698,206	601,347
a) Banks	28,106	19,647
b) Customers	670,100	581,700
3) Irrevocable commitments to disburse funds	369,301	377,146
a) Banks	90,073	68,764
i) certain use	90,073	68,764
ii) uncertain use	-	-
b) Customers	279,228	308,382
i) certain use	23,054	22,576
ii) uncertain use	256,174	285,806
4) Commitments underlying credit derivatives: Protection sales	-	-
5) Assets pledged as guarantee for third-party debts	-	-
6) Other commitments	-	-
Total	**1,985,197**	**1,935,263**

2. Assets pledged as collateral for own liabilities and commitments

Portfolios	31.12.2011	31.12.2010
1. Financial assets held for trading	-	-
2. Financial assets carried at fair value	-	-
3. Financial assets available for sale	1,567,569	6,238,841
4. Financial assets held to maturity	-	-
5. Loans to banks	84,005	10,024
6. Loans to customers	-	-
7. Property, plant and equipment	-	-

At the end of 2011, the following securities, not recognized in the balance sheet assets, were pledged as collateral:
- 3,126 million in senior securities resulting from the internal securitization transaction;
- 221 million in securities, used for repurchase agreements for funding purposes, acquired in repurchase agreements transactions for lending purposes.

3. Information on operating leases

OPERATING LEASE - LESSEE - IAS 17 § 35 - LETTERS A/B

Future minimum payments due under non- cancellable leases	< 1 year	1<> 5 years	> 5 years	Unspecified maturity	Total
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Furnishings	-	-	-	-	-
Electronic plant - Hardware	-	-	-	-	-
Electronic plant - other	-	-	-	-	-
Other - vehicles (including automobiles)	1,962	2,462	-	-	4,424
Other - office machinery	174	203	-	-	377
Other - telephones (fixed and mobile)	-	-	-	-	-
Other - other	-	-	-	-	-
Software	-	-	-	-	-
Total	**2,136**	**2,665**	**-**	**-**	**4,801**

OPERATING LEASE - LESSEE- IAS 17 § 35 - LETTER C

Expenses for 2011	Minimum payments	Potential lease installments	Subletting payments	Total
Land	-	-	-	-
Buildings	-	-	-	-
Furnishings	-	-	-	-
Electronic plant - Hardware	-	-	-	-
Electronic plant - other	-	-	-	-
Other - vehicles (including automobiles)	1,967	-	-	1,967
Other - office machinery	174	-	-	174
Other - telephones (fixed and mobile)	-	-	-	-
Other - other	-	-	-	-
Software	-	-	-	-
Total	**2,141**	**-**	**-**	**2,141**

OPERATING LEASE - LESSEE- IAS 17 § 35 - LETTER D

Description of contracts	Criterial for determining lease installments	Renewal or purchase option	Indexing clause
Other - vehicles (including automobiles)	Installment determined on basis of brand, model, engine size and accessories of each vehicle and including additional service	Customer may request contract extension at prefixed installment	
Other - office machinery	Photocopiers: fixed monthly rate for each machine	Photocopiers: purchase option at end of each year	

4. Management and intermediation services

Type of services	Amount
1. Trading on behalf of customers	-
a) purchases	-
1. settled	-
2. not yet settled	-
b) sales	-
1. settled	-
2. not yet settled	-
2. Asset management	**786,450**
a) individual	786,450
b) collective	-
3. Custody and administration of securities	
a) third-party securities on deposit held as part of depository bank services (excluding asset management)	-
1. securities issued by the bank drawing up the Financial Statement	-
2. other securities	-
b) third-party securities on deposit (excluding asset management): other	43,576,108
1. securities issued by the bank drawing up the Financial Statement	9,838,090
2. other securities	33,738,018
c) third-party securities deposited with third parties	42,506,493
d) securities owned by bank deposited with third parties	4,964,356
4. Other transactions	**-**

Part C Information on the income statement

Section 1 - Interest - Items 10 and 20

1.1 Interest income and similar revenues: composition

Items/Technical forms	Debt securities	Loans	Other transactions	31.12.2011	31.12.2010
1. Financial assets held for trading	14	-	-	14	13
2. Financial assets available for sale	170,081	-	-	170,081	138,093
3. Financial assets held to maturity	-	-	-	-	-
4. Loans to banks	42,158	65,190	-	107,348	68,962
5. Loans to customers	151	853,669	-	853,820	686,534
6. Financial assets carried at fair value	-	-	-	-	-
7. Hedging derivatives	X	X	86,364	86,364	116,052
8. Other Assets	X	X	988	988	369
Total	**212,404**	**918,859**	**87,352**	**1,218,615**	**1,010,023**

1.2 Interest income and similar revenues: differences on hedging transactions

Items/Amounts	31.12.2011	31.12.2010
A. Positive differences on hedging transactions	313,271	212,098
B. Negative differences on hedging transactions	(226,907)	(96,046)
C. Balance (A-B)	**86,364**	**116,052**

1.3 Interest income and similar revenues: other information

1.3.1 Interest income on foreign-currency financial assets

At the end of 2011, interest income on foreign-currency financial assets came to €4,334 thousand.

1.3.2 Interest income on finance lease transactions

In 2011, no interest income was recognized resulting from finance lease transactions.

1.4 Interest expense and similar charges: composition

Items/Technical forms	Debts	Securities	Other transactions	31.12.2011	31.12.2010
1. Due to central banks	-	X	-	-	(1,450)
2. Due to banks	(131,762)	X	-	(131,762)	(47,206)
3. Due to customers	(69,442)	X	-	(69,442)	(37,931)
4. Securities issued	X	(239,533)	-	(239,533)	(207,216)
5. Financial liabilities held for trading	-	-	-	-	-
6. Financial liabilities carried at fair value	-	-	-	-	-
7. Other liabilities and provisions	X	X	(212)	(212)	(123)
8. Hedging derivatives	X	X	-	-	-
Total	**(201,204)**	**(239,533)**	**(212)**	**(440,949)**	**(293,926)**

1.6 Interest expense and similar charges: other information

1.6.1 Interest expense on foreign-currency liabilities

At the end of 2011, interest expense on foreign-currency financial assets came to €1,874 thousand.

1.6.2 Interest expenses resulting from finance lease transactions

In 2011, no interest expenses were recognized resulting from finance lease transactions.

Section 2 - Commissions - Items 40 and 50

2.1 Commissions income: composition

Type of services / Amounts	31.12.2011	31.12.2010
a) guarantees issued	9,527	8,643
b) credit derivatives	-	-
c) management, intermediation and advisory services:	198,049	182,095
1. trading in financial instruments	-	-
2. foreign exchange	4,093	3,947
3. portfolio management	7,431	7,815
3.1. individual	7,431	7,815
3.2. collective	-	-
4. security custody and administration	5,358	5,962
5. depository services	-	-
6. securities placement	68,052	69,604
7. order collection	10,094	9,049
8. advisory services	31	20
8.1 in respect of investments	-	-
8.2 in respect of financial structure	31	20
9. distribution of third-party services	102,990	85,698
9.1. asset management	-	285
9.1.1. individual	-	-
9.1.2. collective	-	285
9.2 insurance products	99,012	82,316
9.3 other	3,978	3,097
d) collection and payment services	34,389	31,912
e) servicing activities for securitizations	-	-
f) services for factoring transactions	-	-
g) tax collection services	-	-
h) management of multilateral exchange systems	-	-
i) keeping and managing current accounts	150,341	145,896
j) other services	58,339	55,573
Total	**450,645**	**424,119**

2.2 Commissions income: distribution channels for products and services

	31.12.2011	31.12.2010
a) own branches:	**178,473**	**163,117**
1. portfolio management	7,431	7,815
2. securities placement	68,052	69,604
3. third-party services and products	102,990	85,698
b) off-premises distribution:	**-**	**-**
1. portfolio management	-	-
2. securities placement	-	-
3. third-party services and products	-	-
c) other distribution channels:	**-**	**-**
1. portfolio management	-	-
2. securities placement	-	-
3. third-party services and products	-	-

2.3 Commissions expense: composition

	31.12.2011	31.12.2010
a) guarantees received	(1,092)	(574)
b) credit derivatives	-	-
c) management and intermediation services:	(3,723)	(3,139)
1. trading in financial instruments	(790)	(33)
2. foreign exchange	-	-
3. portfolio management	(1,107)	(1,174)
3.1 own portfolio	-	-
3.2 third-party portfolio	(1,107)	(1,174)
4. securities custody and administration	(937)	(914)
5. placement of financial instruments	(889)	(1,018)
6. off-premises distribution of securities, products and services	-	-
d) collection and payment services	(3,170)	(3,668)
e) other services	(8,851)	(7,486)
Total	**(16,836)**	**(14,867)**

Section 3 - Dividends and similar revenues - Item 70

3.1 Dividends and similar revenues: composition

	31.12.2011		31.12.2010	
	Dividends	Income from units in collective investment undertakings	Dividends	Income from units in collective investment undertakings
a Financial assets held for trading	1	-	4	-
B. Financial assets available for sale	1,284	-	1,231	-
C. Financial assets carried at fair value	-	-	-	-
D. Equity investments	32,635	X	40,006	X
Total	**33,920**	**-**	**41,241**	**-**

Section 4 - Net gain (loss) on trading activities - Item 80

4.1 Net gain (loss) on trading activities: composition

Transactions/Income components	Capital gains (A)	Trading profits (B)	Capital losses (C)	Trading losses (D)	Net gain [(A+B) - (C+D)]
1. Financial assets held for trading	**13**	**3,038**	**(134)**	**(344)**	**2,573**
1.1 Debt securities	13	2,545	(14)	(174)	2,370
1.2 Equity securities	-	-	-	-	-
1.3 Units in collective investment	-	-	(120)	-	(120)
1.4 Loans	-	-	-	-	-
1.5 Other	-	493	-	(170)	323
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Debts	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial Assets and Liabilities: exchange rate differences	**X**	**X**	**X**	**X**	**738**
4. Derivatives	**116,101**	**204,173**	**(109,841)**	**(199,605)**	**11,128**
4.1 Financial Derivatives:	116,101	204,173	(109,841)	(199,605)	11,128
- on debt securities and interest rates	113,411	197,942	(107,012)	(193,635)	10,706
- on equity securities and equity indices	-	-	-	-	-
- on foreign currencies and gold	X	X	X	X	300
- other	2,690	6,231	(2,829)	(5,970)	122
4.2 Credit derivatives	-	-	-	-	-
Total	**116,114**	**207,211**	**(109,975)**	**(199,949)**	**14,439**

Section 5 - Net gain (loss) on hedging activities - Item 90

5.1 Net gain (loss) on hedging activities: composition

		31.12.2011	31.12.2010
A.	**Gain on:**		
A.1	Fair value hedges	325,250	108,975
A.2	Hedged financial assets (fair value)	209,828	-
A.3	Hedged financial liabilities (fair value)	70,162	36,815
A.4	Cash flow hedges	-	-
A.5	Assets and liabilities in foreign currencies	-	-
Total income on hedging activities (A)		**605,240**	**145,790**
B.	**Loss on:**		
A.1	Fair value hedges	(283,692)	(72,912)
A.2	Hedged financial assets (fair value)	(1,048)	(50,733)
A.3	Hedged financial liabilities (fair value)	(321,633)	(23,415)
A.4	Cash flow hedges	-	-
A.5	Assets and liabilities in foreign currencies	-	-
Total expense on hedging activities (B)		**(606,373)**	**(147,060)**
C.	**Net gain (loss) on hedging activities (A-B)**	**(1,133)**	**(1,270)**

Section 6 - Gain (loss) on disposal or repurchase - Item 100

6.1 Gain (Loss) on disposal or repurchase: composition

	31.12.2011			31.12.2010		
	Gains	Losses	Net gain	Gains	Losses	Net gain
Financial assets						
1. Loans to banks	-	-	-	-	-	-
2. Loans to customers	1,073	(4,956)	(3,883)	326	(9,129)	(8,803)
3. Financial assets available for sale	35,234	(29,982)	5,252	36,792	-	36,792
3.1 Debt securities	35,081	(29,982)	5,099	36,792	-	36,792
3.2 Equity securities	153	-	153	-	-	-
3.3 Units in collective investment undertakings	-	-	-	-	-	-
3.4 Loans	-	-	-	-	-	-
4. Financial assets held to maturity	-	-	-	-	-	-
Total assets		**(34,938)**	**1,369**	**37,118**	**(9,129)**	**27,989**
Financial liabilities						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	2,487	(2,081)	406	1,579	(5,644)	(4,065)
Total liabilities	**2,487**	**(2,081)**	**406**	**1,579**	**(5,644)**	**(4,065)**

Section 8 - Net impairment adjustments - Item 130

8.1 Net impairment adjustments of loans:composition

	Writedowns			Writebacks					
	Specific			Specific		Portfolio			
	Writeoffs	Other	Portfolio	A	B	A	B	31.12.2011	31.12.2010
A. Loans to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**
- loans	-	-	-	-	-	-	-	-	1
- debt securities	-	-	-	-	-	-	-	-	-
B. Loans to customers	**(4,248)**	**(201,224)**	**(17,425)**	**10,038**	**28,213**	**-**	**14,224**	**(170,422)**	**(148,381)**
- loans	(4,248)	(201,224)	(17,425)	10,038	28,213	-	14,224	(170,422)	(148,381)
- debt securities	-	-	-	-	-	-	-	-	-
C. Total	**(4,248)**	**(201,224)**	**(17,425)**	**10,038**	**28,213**	**0**	**14,224**	**(170,422)**	**(148,380)**

Key:

A = from interest

B = other writebacks

8.2 Net impairment adjustments of financial assets available for sale: composition

	Writedowns		Writebacks			
	Specific		Specific			
	Writeoffs	Other	A	B	31.12.2011	31.12.2010
A Debt securities	-	-	-	520	520	-
B. Equity securities	-	(1,464)	X	X	(1,464)	(118)
C Units in collective investment undertakings	-	-	X	-	-	-
D. Loans to banks	-	-	-	-	-	-
E. Loans to customers	-	-	-	-	-	-
F. Total	**-**	**(1,464)**	**-**	**520**	**(944)**	**(118)**

Key:

A = from interest

B = other writebacks

8.4 Net impairment adjustments of other financial instruments: composition

	Writedowns			Writebacks					
	Specific			Specific		Portfolio			
	Writeoffs	Other	Portfolio	A	B	A	B	31.12.2011	31.12.2010
A. Guarantees issued	-	(904)	-	-	268	-	192	(444)	2,640
B. Credit derivatives	-	-	-	-	-	-	-	-	-
C. Commitments to disburse funds	-	-	-	-	-	-	-	-	-
D. Other transactions	-	-	-	-	-	-	-	-	-
E. Total	**-**	**(904)**	**-**	**-**	**268**	**-**	**192**	**(444)**	**2,640**

Key:

A = from interest

B = other writebacks

Section 9 - Administrative expenses - Item 150

9.1 Staff expenses: composition

	31.12.2011	31.12.2010
1) Employees	(456,136)	(420,933)
a) wages and salaries	(321,431)	(300,346)
b) social security contributions	(85,471)	(78,014)
c) severance benefits	-	(175)
d) pensions	-	-
e) allocation to employee severance benefit provision	(2,589)	(1,877)
f) allocation to provision for retirement and similar liabilities:	(898)	(1,002)
- defined contribution	-	-
- defined benefit	(898)	(1,002)
g) payments to external pension funds:	(32,174)	(28,546)
- defined contribution	(32,174)	(28,546)
- defined benefit	-	-
h) costs in respect of agreements to make payments	-	-
i) other employee benefits	(13,573)	(10,973)
2) Other personnel	(2,091)	(423)
3) Directors and auditors	(1,381)	(1,009)
4) Retired personnel	-	-
5) Recovery of the cost for employees seconded to other companies	3,389	2,662
6) Reimbursements for third-party employees seconded to the company	(5,240)	(4,511)
Total	**(461,459)**	**(424,214)**

9.2 Average number of employees by category:

	31.12.2011
Employees:	
a) senior management	83
b) Junior management	2,467
c) other employees	3,548
Other personnel	62

9.3 Defined-benefit company pension plans: total expenses

	31.12.2011	31.12.2010
Provision for the year	-	-
Changes due to passage of time	(898)	(1,002)
Total	**(898)**	**(1,002)**

9.4 Other employee benefits

This item represents costs for non-occupational insurance policies, severance package benefits, provisions for loyalty premiums, extra-bonus related to free allocation of shares to employees, and other fringe benefits and payments to the bank employees' recreational club.

9.5 Other administrative expenses: composition

	31.12.2011	31.12.2010
Direct and indirect taxes	(64,250)	(54,056)
Data processing	(29,844)	(23,668)
Facility rental and management	(49,664)	(40,988)
Professional consulting services	(25,906)	(20,973)
Telephone, postal charges and couriers	(12,436)	(12,108)
Telephone and data transmission	(8,926)	(8,125)
Legal expenses	(3,046)	(2,373)
Property maintenance	(2,809)	(2,141)
Furnishing and plant maintenance	(11,913)	(8,978)
Marketing, development and entertainment	(13,367)	(7,383)
Transportation	(16,945)	(10,539)
Lighting, heating and air conditioning	(8,907)	(8,650)
Office supplies, printed material, print subscriptions, photocopying, etc	(5,957)	(5,394)
Staff training expenses and reimbursements	(8,404)	(7,192)
Security	(4,333)	(4,106)
Information and title searches	(4,300)	(3,739)
Insurance	(110,473)	(77,791)
Cleaning	(5,095)	(4,561)
Leasing of other property, plant and equipment	(5,107)	(3,921)
Management of archives and document handling	(566)	(599)
Reimbursement of costs to Group companies	(21,567)	(15,929)
Sundry expenses	(5,270)	(4,086)
Total	**(419,085)**	**(327,300)**

Section 10 - Net provisions for liabilities and contingencies - Item 160

10.1 Net provisions for liabilities and contingencies: composition

The provision of €42,683 thousand is composed of €16,842 thousand for non-lending-related disputes, of €22,836 thousand to protect, even though not legally bound to do so, customers who made transactions on derivatives and of €3,005 thousand for other provisions.

Section 11 - Net adjustments of property, plant and equipment - Item 170

11.1 Net adjustments of property, plant and equipment: composition

	Depreciation (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Property, plant and equipment				
A.1 owned	(21,028)	-	-	(21,028)
- Operating assets	(20,832)	-	-	(20,832)
- Investment property	(196)	-	-	(196)
A.2 acquired under finance leases	-	-	-	-
- Operating assets	-	-	-	-
- Investment property	-	-	-	-
Total	**(21,028)**	**-**	**-**	**(21,028)**

Section 12 - Net adjustments of intangible assets - Item 180

12.1 Net adjustments of intangible assets: composition

	Amortization (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Intangible assets				
A.1 Owned	(49,187)	-	-	(49,187)
- Generated internally by the Bank	-	-	-	-
- Other	(49,187)	-	-	(49,187)
A.2 acquired under finance leases	-	-	-	-
Total	**(49,187)**	**-**	**-**	**(49,187)**

Section 13 - Other operating revenues (expenses) - Item 190

13.1 Other operating expenses: compositione

	31.12.2011	31.12.2010
Amortization of expenditure for leasehold improvements	(6,824)	(7,333)
Other charges	(5,857)	(4,981)
Total	**(12,681)**	**(12,314)**

13.2 Other operating income: composition

	31.12.2011	31.12.2010
Rental income and recovery of expenses on real estate	317	340
Recovery of taxes and duties	57,544	48,441
Recovery of insurance costs	109,704	77,365
Recovery of other expenses	3,186	2,495
Recovery service	28,234	20,866
Other income	3,516	1,858
Total	**202,501**	**151,365**

Section 14 - Gain (loss) on equity investments - Item 210

14.1 Gain (loss) on investments: composition

Income compoment / Amounts	31.12.2011	31.12.2010
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Writebacks	-	-
4. Other income	-	-
B. Losses	(50,100)	-
1. Writedowns	-	-
2. Impairments	(50,100)	-
3. Losses on disposal	-	-
4. Other charges	-	-
Net profit	**(50,100)**	**-**

Section 17 - Gain (loss) on disposal of investments - Item 240

17.1 Gain (loss) on disposal of investments: composition

	31.12.2011	31.12.2010
A. Land and buildings	296	-
- Gains on disposal	296	-
- Losses on disposal	-	-
B. Other assets	1	-
- Gains on disposal	1	-
- Losses on disposal	-	-
Net gain	**297**	**-**

Section 18 - Income taxes for the period on continuing operations - Item 260

18.1 Income tax for the period on continuing operations: composition

Income component/Amounts	31.12.2011	31.12.2010
1. Current taxes (-)	(192,064)	(118,567)
2. Changes in current taxes from previous periods (+/-)	-	-
3. Reduction of current taxes for the period (+)	2,514	1,991
4. Change in deferred tax assets (+/-)	159,955	(8,173)
5. Change in deferred tax liabilities (+/-)	(1,025)	661
6. Income taxes for the period (-) (-1+/-2+3+/-4+/-5)	(30,620)	(124,088)

(*) The amount includes the substitute tax pursuant to Law Decree 98/2011, amounting to €80,052 thousand, due because of the discharge of the tax liability in respect of goodwill relating to the equity investments in BPFA and Calit.

(**) This amounts includes ordinary taxes, amounting to €165,522 thousand which will be saved in future subsequent to the goodwill relating to the equity investments in BPFA and Calit pursuant to Law Decree 98.2011

18.2 Reconciliation of theoretical tax liability and actual tax liability recognized

Income component/Amounts	31.12.2011
Net profit before tax on continuing operations	235,241
Theoretical taxable income	235,241

	31.12.2011
Income tax - Theoretical tax liability	(64,691)
- Effect of revenues that do not form taxable income	-
- Effect of income already subject to taxation	-
- Effect of fully or partially non-deductible expenses	(7,815)
Income tax - actual tax liability	**(72,506)**
- Taxes for acceptance of assessment on foreign P/T esteri	**(742)**
-Tax on realignment gain under Decree Law 98/2011	**(80,052)**
- Effect of recovery of future taxes on realignment gain under Decree Law 98/2011	**164,754**
- Effect of tax credits and deduction	**2,514**
IRAP - Theoretical tax liability	(13,133)
- Effect of revenues/expenses that do not form taxable income	(57,239)
- Effect of other changes	22,760
- Effect of tax rate increase	3,024
IRAP - Actual tax liability	**(44,588)**
Actual tax liability recognized	**(30,620)**
Of which: actual tax on continuing operations	(30,620)

Section 21 - Earnings per share

21.1 Average number of ordinary shares of diluted capital

The Bank's capital is represented by 876,761,620 shares with a par value of €1 each.

Part D Comprehensive income

Analytical statement of comprehensive income

		Gross amount	Income tax	Net amount
10.	**Net profit (loss) for the period**	**X**	**X**	**204,621**
	Other income components			
20.	Financial assets available for sale:	(366,178)	122,291	(243,887)
	a) changes in fair value	(369,246)	123,333	(245,913)
	b) reversal to income statement	3,068	(1,042)	2,026
	- writedowns for impairment	(546)	191	(355)
	- profit/loss for realization	3,614	(1,233)	2,381
	c) other changes	-	-	-
30	Property, plant and equipment	-	-	-
40.	Intangible assets	-	-	-
50.	Hedging of foreign investments:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
60.	Cash flow hedges:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
70.	Exchange rate differences:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
80.	Discontinuing operations:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	c) other changes	-	-	-
90.	Actuarial gains (losses) on defined-benefit plans	(10,023)	2,756	(7,267)
100.	Share of valuation reserve on equity investments accounted for by equity method:	-	-	-
	a) changes in fair value	-	-	-
	b) reversal to income statement	-	-	-
	- writedowns for impairment	-	-	-
	- profit/loss for realization	-	-	-
	c) other changes	-	-	-
110.	**Total of other income components**	**(376,201)**	**125,047**	**(251,154)**
120.	**Comprehensive income (10+110)**			**(46,533)**

Part E Risks and risk management policy

Cariparma deems risk management and control very important, as conditions to ensure and maintain over time both a reliable and sustainable generation of value and, consequently, the bank's financial stability and reputation. Cariparma is the operating Parent Company, both as coordinator and as a commercial bank with its own distribution network, and is engaged in overall risk guidance and control.

The Group Companies have their own management and control structures in line with the directions issued by the Group, benefit from the functions directly controlled by the Parent Company, when centralized, and operate in the respective reference perimeters.

Section 1 - Credit risk

QUALITATIVE DISCLOSURES

1. General aspects

Lending is the core business of Cariparma, which aims at constantly expanding volumes in the area of operations to the extent compatible with a risk management strategy focussed on the most atteactive geographical areas, customer segments and sectors of economic activity.

This strategy, which is agreed at group level with the controlling company Crédit Agricole S.A., consists of identifying risk ceilings that may be assumed in lending (sector and individual concentration risk, etc.) and ensuring that they are consistent with the Group's budget targets and business plan.

Credit quality improvement is pursued by continuously monitoring the loan portfolio, verifying compliance with the risk strategy agreed upon, with a focus on major risk exposures.

2. Credit risk management policies

2.1 Organisational aspects

The assumption of credit risk is governed by a framework resolution that has been adopted by the Board of Directors. This resolution matches the levels of delegated powers and decision-making authority to the levels of exposure to counterparties and the associated direct and indirect risks relating to the counterparties' membership of a given economic group, the technical form of the loan granted, the diversification of risk and the rating assigned to the counterparty by the Bank's internal rating system.

The lending process is regulated within a system of phased internal controls that delineate the criteria for managing risk profiles, determine the activities to be carried out to ensure the criteria are properly applied, identify the units responsible for these activities and develop the procedures to support them. The division into phases and the assignment of the activities to different organizational structures are intended to enhance the functionality of the process, both as regards its capacity to achieve objectives (process effectiveness) and its capacity to attain them at an appropriate cost (process efficiency).

The reliability of the applicant is assessed in the loan application processing phase, which has the objective of assessing the counterparty's creditworthiness, the risk of the transaction and consistency of the expected return on the transaction with the risks taken, as well as the sustaibnability, also in the future, of the crdit risk taken.

The principles of the loan application processing phase are the following: the present and future solvency of the counterparty, the valuation of any guarantees provided by the counterparty, the examination of the specific characteristics of the transaction (amount, technical form, maturity and use to which the funds will be put), the application of a price that guarantees the profitability of the loan is proportionate to the risk assumed, uniform rules of conduct and methods for assessment.

At the loan processing phase, the results from the rating system are essential elements of any complete assessment of a customer.
In assessing the most relevant counterparties, qualitative information relating to management methods, market positioning and future prospects are also significant.

The loan application is accepted based on a decision-making powers system approved by the Board of Directors, while credit lines do not become available to the borrower until after the completion of all phases provided for in the resolution (with particular regard to the acquisition, verification and valuation of the guarantees, conditions precedent, covenants…).

The loan disbursement process is governed by:
- A system of limits that ensures compatibility between the risk taken and the group's risk appetite;
- A system that distributes decision-making powers based on the magnitude of the counterparty risk so that the level of responsibility for loans corresponds to the potential loss.

After the loan has been granted and disbursed, the position is reviewed on a temporal basis, at regular intervals or some other agreed schedule, or in response to an alert from/initiative of dedicated functions (for example loan monitoring function).

Review of credit lines is performed by assessing that the counterparty and the counterparty's sureties remain solvent, ascertaining the continuing compliance of the guarantees pledged (legal certainty, the ease of liquidation and the consistency of their value with the size of the exposures), verifying compliance with the risk concentration limits, checking that the information and data stored in database are up to date and examining the causes of any change in the counterparty's risk rating.

These activities support decisions on whether to renew or revoke credit lines, or whether to start a new processing phase. The review may also be performed automatically, using an efficient control system, for positions that, on the basis of a rigorous examination of specific indicators, can be deemed as being low risk.

The Bank has implemented a continuous monitoring of loan positions and relevant guarantees, which permits the timely detection of any problems and, thus, helps to maintain a high quality of the loan portfolio.

Management of problem loans is performed through specific organization structures, which were developed in 2011, and using a management model that is based on alerts and on evidence from monitoring tools used on performing loans, as well as on a series of loan management rules calibrated with reference to the default classification envisaged under supervisory regulations (past-due, substandard loan, restructured loan e bad debts) governing the assumption of these positions by the relevant departments.

The organization structure, procedures and tools on which the management of problem exposures is based, ensure that initiatives and measures to restore performing status are promptly taker, or swift recovery actions if the relationship cannot be maintained.

2.2 Measurement, management and control systems

Cariparma has a group of tools available to ensure analytical control of the quality of the loans to customers portfolio.

To measure credit risk, Cariparma uses internal rating models that differ according to the segment (economic sector and size) to which the counterparty belongs. These models yield a score which summarizes the counterparty's creditworthiness in a rating, which reflects the probability of default over one-year time horizon.

Consistently with the guidelines issued by Crédit Agricole S.A., Cariparma has developed and applies different internal models according to the different retail customer segments and sub-segments (management or "risk"), while for corporate customers the groupwide models developed in-house by Crédit Agricole S.A. are used.

The risk measurement system is integrated in decision-making processes and in the management of corporate operations: in order to ensure essential uniformity of lending and credit risk measurement processes, the internal models are used Cariparma, Friuladria, Crédit Agricole leasing italia and, in 2011, have been progressively extended to carispezia and to the 96 branches transferred in 2011 from the Intesa Sanpaolo Group, based on the migration of the Group IT system.

All internal models used by Cariparma are submitted for approval to the comité normes et méthodes of the parent company Crédit Agricole S.A., for internal validation to the validation & data quality unit of Cariparma and to the internal audit unit by the IGL (inspection Générale Groupe) department of Crédit Agricole S.A..

In 2011, within the Basel 2 Project, the internal Retail models continued being developed, which is a preparatory activity to apply to the Bank of Italy for authorization to use internal systems to determine capital requirements. The main measures concerned the fine-tuning of the internal model for LGD estimate, by making corrections taking into account the effects of recession (downturn LGD) and open processes, as well as the recalibration of Pd estimates, in roder to consider the recession.

The internal validation and assessment of data quality focussed on verifying the performances, parameter calibration, stress testing and proper operation of risk measurement and management systems in corporate processes. The internal validation activity moved along two main directions: on the one hand, constant control on the quality of the results produced by the models; on the other it ensured control on the quality of information feeding the same models. All assessments, aimed at ensuring correct risk detection, are continuously discussed with the departments in charge of model development and with the other corporate departments in charge of credit risk monitoring and management.

With regard to the full management use of Basel 2 risk metrics for lending processes, PEF (electronic loan application process) includes the so-called “lending strategies” to be applied to all Retail customers to create “streamlined paths” in processing loan applications in case of low risk customers and loan products. The Group’s lending policies have also been revised to better consider the changed macroeconomic situation.

The tools used by the Group for credit risk management include the monitoring of loan performance, which envisaged inputting of the performance rating combined with a series of early warning indicators, to which expert criteria assign seriousness thresholds and weights. This model monthly produces an information summary on the risk profile of every customer of the Bank. The quantitative scores yielded by this monitoring model, sorted based on synthesis requirements, are available at all branches and central departments and are used in monitoring processes of non-performing loans.

In 2011, the method to determine performing loans collective writedown was consolidated, based on Crédit Agricole S.A. guidelines. Specifically: in accordance with the guidelines issued by Crédit Agricole S.A., the method is based on internal estimates of pd (probability of default) and lgd (loss given default), which are adjusted to take into account the residual life of the account and the economic activity of the counterparty.

2.3 Risk mitigation techniques

The Bank reduces credit risk with ancillary agreements or adopting instruments and techniques that ensure the effective mitigation of the risk. In this scope, guarantee collection and management is particularly focussed on, by setting and complying with general and specific requirements, specifically those relating to value updating.

The significance of the Retail segment and the development of mortgage loans in recent years are the factors that, even in a Basel 2 perspective, allow a significant mitigation degree to be achieved with positive effects on assets-weighing for the calculation of supervisory capital.

2.4 Impaired financial assets

The procedures for the management and control of impaired loans are organized on the basis of a number of key principles:

- the use of multiple indicators different for each customer segment, depending on the defintion of default used (the risk level of a single counterparty and economic group, PD, the different levels of identification beginning with positions overlimit by more than 30-60 days);
- the use of probability of default to support decision-making;
- the diversification of processes depending on the customer's risk level.

In the light of the definition of default used in Crédit Agricole S.A. models for the corporate segment, which envisages passing to impaired loan status for positions past-due by over 90 days, the loan monitoring and control procedures allow these positions to be identified as early as at the time of the first overlimit.

With regard to the Retail segment, the technical and organizational techniques vary in accordance with the seriousness of the problem, using the definition of default provided for under the Italian law. In addition to the periodic specific measurement of recovery value, the management process for impaired positions also involves:

- verifying whether the counterparty is capable of recovering financial health and, consequently, restoring the business and credit relationship;
- the acquisition of supplementary guarantees, either real or unsecured;
- the preparation of loan workout plans and monitoring of full implementation;
- the enforcement and/or court-ordered acquisition of guarantees.

QUANTITATIVE DISCLOSURES

A. Credit Quality

A.1 Impaired and performing positions: stocks, writedowns, changes, and distribution

A.1.1 Distribution of exposures by portfolio and credit quality: book values

	Bad debts	Substandard loans	Restructured positions	Past due positions	Other Assets	Total
1. Financial assets held for trading	3	11,488	-	65	250,174	261,730
2. Financial assets available for sale	48,420	-	-	-	2,574,538	2,622,958
3. Financial assets held to maturity	-	-	-	-	-	-
4. Loans to banks	-	-	-	-	5,465,744	5,465,744
5. Loans to customers	350,061	319,365	96,452	291,964	25,003,398	26,061,240
6. Financial assets carried at fair value	-	-	-	-	-	-
7. Financial assets being divested	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	-	602,457	602,457
Total 31.12.2011	**398,484**	**330,853**	**96,452**	**292,029**	**33,896,311**	**35,014,129**
Total 31.12.2010	**313,688**	**207,340**	**56,035**	**311,839**	**34,245,616**	**35,134,518**

All financial assets are classified by credit quality with the exception of capital securities and units in collective investment undertakings Loans to banks and loans to customers include both loans and other technical forms (securities, etc.).

Available-for-sale financial assets classified as bad debt are Index-linked policies with embedded securities issued by Glitnir banki Hf, which was wound up by the ruling of the District Court of Reykjavik dated 22 November 2010.

A.1.2 Distribution of exposures by portfolio and credit quality (gross and net values)

	Impaired assets			Performing			
	Gross exposure	Specific adjustments	Net exposure	Gross exposure	Portfolio adjustments	Net exposure	Total (net exposure)
1. Financial assets held for trading	13,327	1,771	11,556	X	X	250,174	261,730
2. Financial assets available for sale	48,420	-	48,420	2,574,538	-	2,574,538	2,622,958
3. Financial assets held to maturity	-	-	-	-	-	-	-
4. Loans to banks	-	-	-	5,465,744	-	5,465,744	5,465,744
5. Loans to customers	1,708,971	651,129	1,057,842	25,091,896	88,498	25,003,398	26,061,240
6. Financial assets carried at fair value	-	-	-	X	X	-	-
7. Financial assets being divested	-	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	X	X	602,457	602,457
Total 31.12.2011	**1,770,718**	**652,900**	**1,117,818**	**33,132,178**	**88,498**	**33,896,311**	**35,014,129**
Total 31.12.2010	**1,414,990**	**526,088**	**888,902**	**33,732,494**	**82,518**	**34,245,616**	**35,134,518**

All financial assets are classified by credit quality with the exception of capital securities and units in collective investment undertakings. Loans to banks and loans to customers include both loans and other technical forms (securities, etc.).

Performing loans to customers: analysis of age of past-due loans

	Exposures subject to collective agreement renegotation			Other performing exposures		
	Gross exposure	Portfolio adjustments	Net exposure	Gross exposure	Portfolio adjustments	Net exposure
1. Non past-due exposures	682,796	2,987	679,809	23,210,435	79,274	23,131,161
2. Up to 90 days	110,628	597	110,031	896,870	4,137	892,733
3. From 91 to180 days	13,535	174	13,361	85,516	886	84,630
4. From 181 to 1 days	9,582	42	9,540	44,751	205	44,546
5. More than 1 year	12,086	91	11,995	25,698	106	25,592
Total	**828,627**	**3,891**	**824,736**	**24,263,270**	**84,608**	**24,178,662**

A.1.3 On-balance-sheet and off-balance-sheet exposure to banks gross and net values

Type of exposures/amounts	Gross exposure	Specific writedowns	Portfolio writedowns	Net exposure
A. On-balance-sheet exposures				
a) Bad debts	-	-	X	-
b) Substandard loans	-	-	X	-
c) Restructured positions	-	-	X	-
d) Past due positions	-	-	X	-
e) Other assets	5,466,004	X	-	5,466,004
Total A	**5,466,004**	**-**	**-**	**5,466,004**
B. Off-balance-sheet exposures				
a) impaired	-	-	X	-
b) other	991,255	X	-	991,255
Total B	**991,255**	**-**	**-**	**991,255**
Total A+B	**6,457,259**	**-**	**-**	**6,457,259**

On-balance-sheet exposures summarize all financial assets with banks from items 20 “Financial assets held for trading”, 40 “Financial assets available for sale” and 60 “Loans to banks”, with the exception of derivative contracts, which, in this section, are considered off-balance-sheet. Off-balance-sheet exposures include all financial transactions other than on-balance-sheet ones (guarantees issued, commitments, derivatives, including hedging derivatives) entailing credit risk assumption.

A.1.6 On-balance-sheet and off-balance-sheet exposure to customers (gross and net values)

Type of exposures/amounts	Gross exposure	Specific writedowns	Portfolio writedowns	Net exposure
A. On-balance-sheet exposures				
a) Bad debts	895,693	497,212	X	398,481
b) Substandard loans	452,220	132,854	X	319,366
c) Restructured positions	114,288	17,836	X	96,452
d) Past due positions	295,192	3,228	X	291,964
f) Other assets	27,666,462	X	88,498	27,577,964
Total A	**29,423,855**	**651,130**	**88,498**	**28,684,227**
B. Off-balance-sheet exposures				
a) Impaired	24,201	3,420	X	20,781
b) Other	1,837,335	X	276	1,837,059
Total B	**1,861,536**	**3,420**	**276**	**1,857,840**

Specifically, on-balance-sheet exposures summarize all financial assets with banks from items 20 “Financial assets held for trading”, 40 “Financial assets available for sale” and 70 “Loans to banks”, with the exception of derivative contracts, which, in this section, are considered off-balance-sheet. Off-balance-sheet exposures include all financial transactions other than on-balance-sheet ones (guarantees issued, commitments, derivatives, including hedging derivatives) entailing credit risk assumption.

A.1.7 On-balance-sheet exposure to customers: changes in gross impaired positions

Reasons / categories	Bad debts	Substandard loans	Restructured positions	Past due positions
A. Opening gross exposure	**681,624**	**350,414**	**59,307**	**311,218**
- of which: exposures assigned but not derecognized	-	-	-	-
B. Increases	**293,052**	**427,512**	**79,193**	**753,597**
B.1 from performing loans	14,262	183,388	71,059	713,357
B.2 transfers from other categories of impaired positions	267,963	203,821	-	590
B.3 other increases	10,827	40,303	8,134	39,650
C. Decreases	**78,983**	**325,706**	**24,212**	**769,623**
C.1 to performing loans	256	28,015	-	523,846
C.2 writeoffs	43,051	4,235	-	45
C.3 collections	34,107	25,949	24,212	40,863
C.4 assignments	1,569	-	-	-
C.5 transfers to other categories of impaired positions	-	267,507	-	204,869
C.6 other decreases	-	-	-	-
D. Closing gross exposure	**895,693**	**452,220**	**114,288**	**295,192**
- of which: exposures assigned but not derecognized	-	-	-	-

A.1.8 On-balance-sheet exposure to customers: changes in total adjustments of loans

Reasons / categories	Bad debts	Substandard loans	Restructured positions	Past due positions
A. Initial overall adjustments	**367,943**	**148,827**	**3,271**	**4,473**
- of which: exposures assigned but not derecognized	-	-	-	-
B. Increases	**192,368**	**99,631**	**14,628**	**4,929**
B.1 writedowns	97,728	95,625	14,309	2,743
B.2 transfers from other categories of impaired positions	94,574	2,690	-	83
B.3 other increases	66	1,316	319	2,103
C. Decreases	**63,099**	**115,604**	**63**	**6,174**
C.1 writebacks from valuations	14,149	13,771	57	2,318
C.2 writebacks from collections	5,896	2,844	6	187
C.3 writeoffs	43,051	4,235	-	45
C.4 transfers to other categories of impaired positions	-	94,629	-	2,717
C.5 other decreases	3	125	-	907
D. Total closing adjustments	**497,212**	**132,854**	**17,836**	**3,228**
- of which: exposures assigned but not derecognized	-	-	-	-

A.2 Classification of exposures on the basis of external and internal rating grades

QUALITATIVE DISCLOSURES

Distribution by rating class given below refers to Cariparma Crédit Agricole Group internal models and to external ratings .

QUANTITATIVE DISCLOSURES

A.2.1 Distribution of on-balance-sheet exposures and off-balance-sheet exposures by external rating grades

Exposures	External rating grades						Not rated	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6		
A. On-balance-sheet exposures	**-**	**2,271,165**	**604,154**	**1,942,152**	**351,584**	**481,287**	**28,499,889**	**34,150,231**
B. Derivatives	**-**	**34,381**	**12,296**	**16,378**	**2,045**	**2,975**	**795,822**	**863,897**
B.1 Financial Derivatives	-	34,381	12,296	16,378	2,045	2,975	795,822	863,897
B.2 Credit derivatives	-	-	-	-	-	-	-	-
C. Guarantees issued	**-**	**584,786**	**133,124**	**191,891**	**27,343**	**25,046**	**653,706**	**1,615,896**
D. Commitments to disburse funds	**-**	**311**	**204**	**527**	**-**	**-**	**368,259**	**369,301**
Total	**-**	**2,890,643**	**749,778**	**2,150,948**	**380,972**	**509,308**	**30,317,676**	**36,999,325**

The above distribution by rating grades refers to assessments made by Cerved Group S.p.A. (ECAI authorized by the Bank of Italy).

The “without rating" column includes exposures with counterparties for which a Cerved rating is not available.

A.2.2 Distribution of on-balance-sheet exposures and off-balance-sheet exposures by internal rating grades

Exposures	Internal rating grades				Not rated	Total
	from AAA to BBB+	from BBB to BBB-	from BB+ to B	from B- to D		
A. On-balance-sheet exposures	**9,096,992**	**5,342,861**	**5,881,555**	**2,337,814**	**11,491,009**	**34,150,231**
B. Derivatives	**24,407**	**50,368**	**34,521**	**25,601**	**729,000**	**863,897**
B.1 Financial Derivatives	24,407	50,368	34,521	25,601	729,000	863,897
B.2 Credit derivatives	-	-	-	-	-	-
C. Guarantees issued	**350,804**	**520,862**	**366,178**	**31,295**	**346,757**	**1,615,896**
D. Commitments to disburse funds	**303**	**534**	**94,044**	**-**	**274,420**	**369,301**
Total	**9,472,506**	**5,914,625**	**6,376,298**	**2,394,710**	**12,841,186**	**36,999,325**

Distribution by rating class given below refers to Cariparma Crédit Agricole Group internal models.

The “Not rated” column includes mostly exposures to banks, public bodies and sovereign states for which internal rating models are not available.

If we exclude unrated parties, the concentration in Investment Grade (AAA to BBB-), equal to 64% of the total is found, while 26% is in BB+/BB and 10% in B-/D.

A.3 Distribution of secured exposures by type of guarantee

A.3.2 Secured exposures to customers

	Net value of exposure	Collateral			Unsecured guarantees (2)									Total (1)+(2)
					Credit					Other guarantees				
						Other derivative								
		Land and buildings	Securities	Other assets	CLN	Governmentsand central banks	Other public entities	Banks	Other	Governments and central banks	Other public entities	Banks	Other	
1. Secured on-balance-sheet exposures:	**19,094,578**	**78,229,141**	**414,748**	**334,434**	**-**	**-**	**-**	**-**	**-**	**-**	**7,199**	**83,881**	**14,865,563**	**93,934,966**
1.1 fully secured	17,796,016	77,788,460	304,177	290,592	-	-	-	-	-	-	6,852	60,821	14,360,532	92,811,434
- of which impaired	862,927	2,447,082	14,755	35,759	-	-	-	-	-	-	425	52	1,192,805	3,690,878
1.2 partially secured	1,298,562	440,681	110,571	43,842	-	-	-	-	-	-	347	23,060	505,031	1,123,532
- of which impaired	46,559	12,668	520	4,608	-	-	-	-	-	-	27	-	43,540	61,363
2. Secured off-balance-sheet exposures:	**634,060**	**175,767**	**51,321**	**40,802**	**-**	**-**	**-**	**-**	**-**	**-**	**301**	**2,681**	**532,312**	**803,184**
2.1 fully secured	502,267	174,056	43,232	22,962	-	-	-	-	-	-	301	2,207	503,107	745,865
- of which impaired	2,076	-	1,012	410	-	-	-	-	-	-	-	60	3,723	5,205
2.2 partially secured	131,793	1,711	8,089	17,840	-	-	-	-	-	-	-	474	29,205	57,319
- of which impaired	11,637	24	35	50	-	-	-	-	-	-	-	-	1,826	1,935

On-balance-sheet exposures, totally or partially secured, include secured loans and other financial assets, with the exception of derivative contracts and equity securities. Off-balance-sheet exposures include all financial transactions (guarantees issued, commitments, derivatives) entailing credit risk assumption. The value of exposures is net of uncertain outcomes and portfolio adjustments.

Real and personal guarantees are expressed at the fair value estimated as at the financial statements reference date.

B. Distribution and concentration of exposures

B.1 On-balance-sheet and off-balance-sheet exposures to customers by sector (book value)

	Governments			Other public entities			Financial companies			Insurance undertakings			Non-financial companies			Other		
	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments	Net exposure	Specific value adjustments	Portfolio value adjustments
A. On-balance-sheet exposures																		
A.1 Bad debts	-	-	X	-	-	X	697	3,033	X	48,421	23	X	209,292	444,311	X	140,071	49,845	X
A.2 Substandard loans	6	7	X	1	1	X	4,643	2,118	X	-	-	X	203,054	94,237	X	111,662	36,491	X
A.3 Restructured loans	-	-	X	-	-	X	26,865	513	X	-	-	X	69,587	17,323	X	-	-	X
A.4 Past due positions	-	-	X	-	-	X	652	5	X	-	-	X	127,764	1,932	X	163,548	1,291	X
A.5 Other	2,574,833	X	-	135,667	X	-	2,033,432	X	8,331	6,218	X	-	12,954,688	X	55,326	9,873,126	X	24,841
Total A	**2,574,839**	**7**	**-**	**135,668**	**1**	**-**	**2,066,289**	**5,669**	**8,331**	**54,639**	**23**	**-**	**13,564,385**	**557,803**	**55,326**	**10,288,407**	**87,627**	**24,841**
B. Off-balance-sheet exposures																		
B.1 Bad debts	-	-	X	-	-	X	1	-	X	-	-	X	4,485	216	X	3	6	X
B.2 Substandard loans	-	-	X	-	-	X	-	-	X	-	-	X	12,196	2,233	X	223	275	X
B.3 Impaired Assets	-	-	X	-	-	X	-	-	X	-	-	X	3,758	689	X	115	1	X
B.4 Other	85,401	X	-	4,568	X	-	32,534	X	5	27,322	X	5	1,614,254	X	249	72,980	X	17
Total B	**85,401**	**-**	**-**	**4,568**	**-**	**-**	**32,535**	**-**	**5**	**27,322**	**-**	**5**	**1,634,693**	**3,138**	**249**	**73,321**	**282**	**17**
Total (A+B) 31.12.2011	**2,660,240**	**7**	**-**	**140,236**	**1**	**-**	**2,098,824**	**5,669**	**8,336**	**81,961**	**23**	**5**	**15,199,078**	**560,941**	**55,575**	**10,361,728**	**87,909**	**24,858**
Total (A+B) 31.12.2010	**5,811,691**	**2**	**-**	**133,526**	**5**	**-**	**2,135,855**	**7,694**	**8,424**	**76,131**	**23**	**7**	**14,525,617**	**437,430**	**56,651**	**8,661,212**	**81,945**	**20,852**

On-balance-sheet exposures include loans as well as other financial assets, such as debt securities, with the exception of derivative contracts and equity securities.

Off-balance-sheet transactions include all financial transactions other than on-balance-sheet ones (guarantees issued, commitments, derivatives) entailing credit risk assumption.

B.2 On-balance-sheet and off-balance-sheet exposures to customers by geographical area (book value)

Exposures/Geographical areas	North-Western Italy		North-Eastern Italy		Central Italy		Southern Italy and Isles	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance-sheet exposures								
A.1 Bad debts	177,384	261,614	152,206	135,627	41,530	59,655	27,358	37,655
A.2 Substandard loans	152,639	58,236	81,450	35,342	43,056	12,678	42,120	26,566
A.3 Restructured loans	13,940	7,327	72,098	10,129	10,414	380	-	-
A.4 Past due positions	141,227	1,615	84,032	836	24,405	336	41,903	440
A.5 Other	11,906,362	42,286	7,984,609	28,930	5,432,660	11,128	1,745,903	5,803
Total A	**12,391,552**	**371,078**	**8,374,395**	**210,864**	**5,552,065**	**84,177**	**1,857,284**	**70,464**
B. Off-balance-sheet exposures								
B.1 Bad debts	794	1	1,011	153	2,669	68	15	-
B.2 Substandard loans	741	1,869	11,623	530	20	56	35	53
B.3 Impaired Assets	877	98	2,801	591	43	1	152	-
B.4 Other	629,078	90	804,088	10	352,703	174	49,840	-
Total B	**631,490**	**2,058**	**819,523**	**1,284**	**355,435**	**299**	**50,042**	**53**
Total 31.12.2011	**13,023,042**	**373,136**	**9,193,918**	**212,148**	**5,907,500**	**84,476**	**1,907,326**	**70,517**
Total 31.12.2010	**11,932,855**	**309,480**	**8,837,844**	**172,558**	**7,080,428**	**66,980**	**1,801,470**	**60,779**

B.3 On-balance-sheet and off-balance-sheet exposures to banks by geographical area (book value)

Exposures/Geographical areas	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance-sheet exposures										
A.1 Bad debts	-	-	-	-	-	-	-	-	-	-
A.2 Substandard loans	-	-	-	-	-	-	-	-	-	-
A.3 Restructured loans	-	-	-	-	-	-	-	-	-	-
A.4 Past due positions	-	-	-	-	-	-	-	-	-	-
A.5 Other	1,428,432	-	4,023,628	-	7,731	-	3,779	-	2,434	-
Total A	**1,428,432**	**-**	**4,023,628**	**-**	**7,731**	**-**	**3,779**	**-**	**2,434**	**-**
B. Off-balance-sheet exposures										
B.1 Bad debts	-	-	-	-	-	-	-	-	-	-
B.2 Substandard loans	-	-	-	-	-	-	-	-	-	-
B.3 Impaired Assets	-	-	-	-	-	-	-	-	-	-
B.4 Other	332,174	-	634,069	-	13,316	-	7,406	-	4,290	-
Total B	**332,174**	**-**	**634,069**	**-**	**13,316**	**-**	**7,406**	**-**	**4,290**	**-**
Total (A+B) 31.12.2011	**1,760,606**	**-**	**4,657,697**	**-**	**21,047**	**-**	**11,185**	**-**	**6,724**	**-**
Total (A+B) 31.12.2010	**1,408,947**	**-**	**4,273,590**	**-**	**25,882**	**-**	**12,052**	**-**	**5,280**	**8**

B.4 Large risks

As at 31 December 2011, positions having major risk profile, so assessed based on the joint instructions of Circular No. 263 of 27 December 2006 (11th revision of 31 January 2012) and of the provisions issued with letter of 2 March 2011, posted the following figures:

a1) a total nominal amount of €12,312,4088 thousand;
a2) total weighted amount of 0;
b) they were 3 in total.

C. Securitization and asset disposals

C.1 Securitization

C.1.6 Interest in special-purpose vehicle companies

Name	Registered Office	Interest %
1. MondoMutui Cariparma S.r.l.	Milano	19.00

C.2 Asset disposals

C.2.1 Financial assets assigned but not derecognized

	Financial assets held for trading			Financial assets carried at fair value			Financial assets available for sale			Financial assets held to maturity			Loans to banks			Loans to customers			Total	
	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	31.12.2011	31.12.2010
A. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**406,735**	**-**	**-**	**-**	**-**	**-**	**84,456**	**-**	**-**	**-**	**-**	**-**	**491,191**	**5,688,158**
1. Debt securities	-	-	-	-	-	-	406,735	-	-	-	-	-	84,456	-	-	-	-	-	491,191	5,688,158
2. Equity securities	-	-	-	-	-	-	-	-	-	X	X	X	X	X	X	X	X	X	-	-
3. Units in collective investment	-	-	-	-	-	-	-	-	-	X	X	X	X	X	X	X	X	X	-	-
4. Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. Derivatives				**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**-**	**-**
Total 31.12.2011	**-**	**-**	**-**	**-**	**-**	**-**	**406,735**	**-**	**-**	**-**	**-**	**-**	**84,456**	**-**	**-**	**-**	**-**	**-**	**491,191**	**5,688,158**
of which impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total 31.12.2010	**-**	**-**	**-**	**-**	**-**	**-**	**5,678,142**	**-**	**-**	**-**	**-**	**-**	**10,016**	**-**	**-**	**-**	**-**	**-**	**-**	**5,688,158**
of which impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Key

A = assigned financial assets fully recognized (book value)

B = assigned financial assets partially recognized (book value)

C = assigned financial assets partially recognized (full value)

C.2.2 Financial liabilities in respect of financial assets assigned but not derecognized

	Financial assets held for trading	Financial assets carried at fair value	Financial assets available for sale	Financial assets held to maturity	Loans to banks	Loans to customers	Total
1. Due to customers	**-**	**-**	**-**	**-**	**64,953**	**-**	**64,953**
a) in respect of assets fully recognized	-	-	-	-	64,953	-	-
b) in respect of assets partially recognized	-	-	-	-	-	-	-
2. Due to banks	**-**	**-**	**409,730**	**-**	**19,453**	**-**	**429,183**
a) in respect of assets fully recognized	-	-	409,730	-	19,453	-	-
b) in respect of assets partially recognized	-	-	-	-	-	-	-
Total 31.12.2011	**-**	**-**	**409,730**	**-**	**84,406**	**-**	**494,136**
Total 31.12.2010	**-**	**-**	**5,843,614**	**-**	**10,032**	**-**	**5,853,646**

SECTION 2 - MARKET RISK

2.1 Interest rate risk and price risk - Supervisory Trading Book

QUALITATIVE DISCLOSURES

A. General aspects

Cariparma (consistently with the 2011-2014 strategic plan and in line with operation historical data) does not engage in significant trading on own account in financial and capital markets. Therefore, trading is essentially instrumental and carried out on behalf of customers on an intermediation principle, which allows Cariparma to take only residual financial risk positions.

Cariparma trading book historically consists of securities (mostly bonds issues by banks and units in investment undertakings) as well as of over-the-counter derivatives (in arbitration); these positions result from placing and trading activities carried out to meet the customers' requests and positions in investment funds.

In its capacity as Parent Company, Cariparma has a coordination function on interest rate risk and price risk profiles in the trading book of the Group, managing centrally all financial operations and risk measurement and control activities.

B. Management and measurement of market risks

Organisational aspects

The market risk in the Group's trading book is managed as part of each bank's risk policies.
This document defines the internal regulatory system for the management of market risk with reference to operations in financial instruments, currencies and commodities, in terms of:
- The principles, objectives, methodologies and tools used for the assessment, control and management of market risk;
- Guidelines and rules on which the market risk management processes are based.

The Market Risk Policy is one of the components of the overall risk governance model adopted by the Group in line with Crédit Agricole S.A. guidelines.

Management mechanism

Within the liquidity risk management, the main responsibility is assigned, according to the respective scopes, to corporate bodies/ departments, who shall be fully aware of the Bank's exposure level:
- the board of directors is the body with strategic supervision functions and, therefore, its is responsible for defining governance policies and management process for market risk.
- Cariparma co-general manager (cdg), with power delegation to the market area (am), is the role responsible for management, therefore defines and steers the group mechanism for market risk management, in compliance with the directions and resolutions issued by the alm and financial risks committee
- the risks and permanent controls department (drcp) is responsible for control and, therefore, in compliance with the directions resolutions issued by the ALM and Financial Risks Committee, it verifies the process for the management of corporate risks, supervising compliance of market risk treatment with the legislation currently in force.

The limit structure

The limit structure reflects the risk level deemed acceptable with reference to the single business areas and is a mechanism by which it is possible to control that operating practices, at the various levels of the operating structure, are performed in compliance with the management and strategic directions defined by the senior management. Consistently with Crédit Agricole Group guidelines, the limits system is composed of global limits and operational limits. The global limits system must be able to ensure a control development of the activities. The limits are designed for the following purposes: keep losses at a level that is deemed acceptable by the Crédit Agricole Group as a whole.

Global limits on market risk are defined on the basis of the maximum mark-to-market variation compared to the initial value and are set by the risk committee of the Crédit Agricole Group (CRG).

Operational limits are defined by the board of directors and shall not exceed the global limits set for the Cariparma Créditagricle Group; operational limits are defined on the basis of the nominal value of the open position (that is after compensation of identical purchase and sale positions).Therefore, operational limits are, consistent with global limits, a declension of the latter by type of activity, product, portfolio, and risk factors.

The Board of Directors has the power to set further limitations on operations (for example, in terms of instruments that may be held, currency risks, etc…), the structure of executive delegated powers and any sub-limits (e.g., for single entity and/or portfolio).

Risk monitoring activities are the responsibility of the Risks and Permanent Controls Department, which is responsible for checking:
- compliance with the operating limits on the trading books of the individual banks;
- adequacy and functionality of the finance process;
- compliance with approved risk management rules and criteria;
- proper functioning of activities and controls to protect against risks;
- the presence of any critical issues to be resolved swiftly.

QUANTITATIVE DISCLOSURES

1. Supervisory Trading Portfolio: distribution by residual maturity (repricing date) of the on-balance-sheet financial assets and liabilities and financial derivatives

Currency: **US DOLLAR**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**110,363**	**10,778**	**12,142**	**-**	**-**	**526**	**-**
3.1 With underlying security	-	798	274	54	-	-	526	-
- Options	-	106	118	54	-	-	-	-
+ long positions	-	53	59	27	-	-	-	-
+ short positions	-	53	59	27	-	-	-	-
- Other derivatives	-	692	156	-	-	-	526	-
+ long positions	-	424	-	-	-	-	263	-
+ short positions	-	268	156	-	-	-	263	-
3.2 Without underlying security	-	109,565	10,504	12,088	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	109,565	10,504	12,088	-	-	-	-
+ long positions	-	54,523	5,252	6,044	-	-	-	-
+ short positions	-	55,042	5,252	6,044	-	-	-	-

Currency: UK POUND STERLING

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**24,836**	**15,168**	**1,448**	**-**	**26**	**-**	**-**
3.1 With underlying security	-	32	10	12	-	26	-	-
- Options	-	6	10	12	-	-	-	-
+ long positions	-	3	5	6	-	-	-	-
+ short positions	-	3	5	6	-	-	-	-
- Other derivatives	-	26	-	-	-	26	-	-
+ long positions	-	13	-	-	-	13	-	-
+ short positions	-	13	-	-	-	13	-	-
3.2 Without underlying security	-	24,804	15,158	1,436	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	24,804	15,158	1,436	-	-	-	-
+ long positions	-	12,016	7,579	718	-	-	-	-
+ short positions	-	12,788	7,579	718	-	-	-	-

Currency: SWISS FRANK

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**6,910**	**-**	**202**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	6,910	-	202	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	6,910	-	202	-	-	-	-
+ long positions	-	3,418	-	101	-	-	-	-
+ short positions	-	3,492	-	101	-	-	-	-

Currency: CANADIAN DOLLAR

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**54,198**	**-**	**-**	**158**	**-**	**-**	**-**
3.1 With underlying security	-	160	-	-	158	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	160	-	-	158	-	-	-
+ long positions	-	80	-	-	79	-	-	-
+ short positions	-	80	-	-	79	-	-	-
3.2 Without underlying security	-	54,038	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	54,038	-	-	-	-	-	-
+ long positions	-	27,167	-	-	-	-	-	-
+ short positions	-	26,871	-	-	-	-	-	-

Currency: JAPAN YEN

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**423**	**30**	**10**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	423	30	10	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	423	30	10	-	-	-	-
+ long positions	-	218	15	5	-	-	-	-
+ short positions	-	205	15	5	-	-	-	-

Currency: EURO

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**191**	**2**	**53**	**12**	**12**	**1**	**-**
1.1 Debt securities	-	191	2	53	12	12	1	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	191	2	53	12	12	1	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**221,796**	**4,810,375**	**1,631,657**	**1,036,501**	**3,349,406**	**1,024,931**	**301,876**	**-**
3.1 With underlying security	-	192,544	169,417	2,583	2,619	433	88	-
- Options	-	114	120	96	-	-	-	-
+ long positions	-	57	60	48	-	-	-	-
+ short positions	-	57	60	48	-	-	-	-
- Other derivatives	-	192,430	169,297	2,487	2,619	433	88	-
+ long positions	-	96,107	84,868	1,053	1,389	209	44	-
+ short positions	-	96,323	84,429	1,434	1,230	224	44	-
3.2 Without underlying security	221,796	4,617,831	1,462,240	1,033,918	3,346,787	1,024,498	301,788	-
- Options	47	5,427	7,399	18,043	279,895	185,097	33,023	-
+ long positions	20	986	3,729	9,119	140,735	92,757	17,119	-
+ short positions	27	4,441	3,670	8,924	139,160	92,340	15,904	-
- Other derivatives	221,749	4,612,404	1,454,841	1,015,875	3,066,892	839,401	268,765	-
+ long positions	111,101	2,348,937	729,402	508,344	1,520,953	397,551	124,210	-
+ short positions	110,648	2,263,467	725,439	507,531	1,545,939	441,850	144,555	-

Currency: OTHER CURRENCIES

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	17	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	17	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreement liabilities	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**1,305**	**48**	**1,822**	**432**	**-**	**-**	**-**
3.1 With underlying security	-	451	-	34	432	-	-	-
- Options	-	8	-	34	-	-	-	-
+ long positions	-	4	-	17	-	-	-	-
+ short positions	-	4	-	17	-	-	-	-
- Other derivatives	-	443	-	-	432	-	-	-
+ long positions	-	230	-	-	207	-	-	-
+ short positions	-	213	-	-	225	-	-	-
3.2 Without underlying security	-	854	48	1,788	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	854	48	1,788	-	-	-	-
+ long positions	-	500	24	894	-	-	-	-
+ short positions	-	354	24	894	-	-	-	-

2. Supervisory Trading Portfolio: distribution of exposures in equity securities and equity indices in the main national markets

	Listed						
	Italy	Germany	France	Switzerland	Great Britain	Rest of the word	Unlisted
A. Equity securities	**-**	**-**	**-**	**-**	**-**	**-**	**17**
- long positions	**-**	**-**	**-**	**-**	**-**	**-**	**17**
- short positions	-	-	-	-	-	-	-
B. Unsettled transactions in equity securities	-	-	-	-	-	-	-
- long positions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- short positions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Other derivatives on equity securities	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
D. Derivatives on equity indices	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-

2.2 Interest rate risk and price risk - Banking book

QUALITATIVE DISCLOSURES

A. General aspects, management and measurement of interest rate risk and price risk

General aspects

Asset Liability Management typically refers to the positions in the banking book and focuses mainly on fixed-rate positions. Fluctuations in interest rates impact the profits of the Bank by reducing net interest income and gross income, and also affect capital by causing changes in the net present value of future cash flows.

Interest rate risk, therefore, refers to all on-balance-sheet and off-balance-sheet transactions, excluding the supervisory trading book.

The Banking Book price risk is generated by financial-type assets held for various trading objectives.

in compliance with the guidelines issued by the Crédit Agricole Group and with the prudential regulations, the system to classify interest rate risk and price risk of the banking book is usually reviewed annually within the Group Risk Strategy and is submitted for approval to both the board of directors and to the group risk committee of crédit agricole.

In its capacity as Parent Company, Cariparma has a coordination function on interest rate risk and price risk profiles in the banking book of the Group, centrally managing financial operations and risk measurement and control activities.

Organisational aspects

The governance model adopted by the Group assigns responsibility for interest rate risk management to the Financial Management Department (DGF) of Cariparma, which manages this risk at group levelfor the Cariparma Crédit Agricole Group, in compliance with the guidelines set by the controlling company Crédit Agricole S.A..

The Market Risk and ALM Committee, which comprises the top management of the Banks and representatives from the main functions involved of the Group and of Crédit Agricole S.A., validates the methodologies used for measuring interest rate risk exposures, examines the reporting supplied by the Financial Management Department and by the Risks and Permanent Controls Department and resolves on any actions that the Financial Management Department implements consistently with the risk strategy defined with the comité des risques du Groupe of Crédit Agricole S.A.

Risk policy and management

The interest rate risk management policy has the objective of implementing the short- and long-term strategic directions, in order to identify and quantify interest rate risk by defining a maturity-cumulative gap and managing this position in order to maximize income in compliance with the limits and guidelines set by Crédit Agricole S.A.

The policy for the management of banking book price risk has the objective of monitoring impacts on the book capital and supervisory capital of any changes in the value of financial instruments held in the Bank's portfolio, consistently with the acceptable risk level set by the Board of Directors.

Risk control

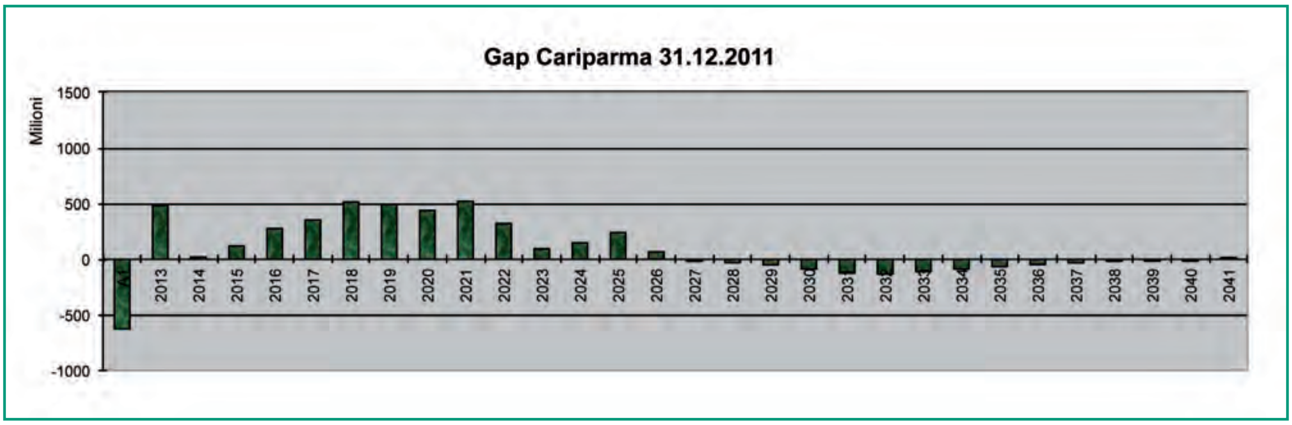
The independent control of interest rate management system is performed by the Risks and Permanent Controls Department of Cariparma for the single banks and for the Group, by assessing its compliance with the risk measurement model set with management and regulatory requirements. Specifically, as part of the tasks assigned to it, the Department:

- checks, in accordance with the directions supplied by the supervisory body and with the modus operandi defined by da Crédit Agricole S.A, the models for risk measurement and stress testing;
- in the process for the validation and updating of risk measurement modeld, it assess the results of the quantitative and qualitative analyses of the models, giving its opinion on them;
- it informs the board of directors and Crédit Agricole S.A. (within the control process) of any case the limits set for risk management are exceeded in the period of time elapsed from the previous communication, as well of any corrective actions to be taken, after consulting the Financial Management Department.

Risk measurement: methodological aspects

For measuring and managing interest rate risk, Cariparma adopted an interest-gap-based model, according to which, at each future maturity date, the gap resulting from fixed-rate assets and liabilities existing on that date. To calculate the fixed-rate cumulative gap, sources of exposure to interest rate risk must be previously identified by a full analysis of the financial statements, as well as the stable component of demand items, the estimate of the effects the “optionality” that is implicit in some banking book positions (early repayment of loans), the estimated maturities of some balance sheet items that do not have certain contractual maturity, in line with the proprietary models of the Parent Company Crédit Agricole. A set of limits has been defined for the gaps that represent the maximum acceptable level of risk for the Group.

The following chart shows the gap of Cariparma as at 31 December 2011.



The Risk Strategy submitted to and approved by the Group Risk Committee (CRG) on 20 October 2011 and by the Board of Directors of Cariparma on 20 December 2011 has set new limits in the management of interest rate risk:

- van (net present value) global limit: €344 million
- gap global limits €3,000 million for 1 and 2 years ranges;€2,000 million for ranges from 3 to 15 years; for rangers over 15 years, only financial transactions reducing the gap generated by the Group's continuing commercial operations shall be admitted.

B. Fair value hedging

The purpose of hedging interest rate risk is to immunize the banking book from changes in the fair value of deposits and loans caused by movements in the yield curve and to lower the volatility of cash flows relating to a given asset or liability. In particular, fixed-rate bonds were micro-hedged (specific hedge) and the fixed-rate gaps shown in the internal model were macro-hedged (generic hedges). The hedges were established with the purchase of interest rate swaps or with the purchase of italian or french fixed-rate government bonds for natural hedge purposes.

Pursuant to IASs, the effectiveness of the hedges was assessed by the Financial Management Department, which carries out montly effectiveness tests and maintains formal documentation for every hedging transaction.

C. Cash flow hedging

There is no current cash flow hedging.

QUANTITATIVE DISCLOSURES

1. Banking book: distribution of financial assets and liabilities by residual maturity (repricing date)

Currency: **US DOLLAR**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**53,382**	**248,878**	**14,687**	**1,580**	**-**	**7**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	15,268	63,923	-	-	-	-	-	-
1.3 Loans to customers	38,114	184,955	14,687	1,580	-	7	-	-
- current accounts	7,905	1	1	1	-	-	-	-
- other loans	30,209	184,954	14,686	1,579	-	7	-	-
- with early redemption option	7,447	14,338	60	-	-	-	-	-
- other	22,762	170,616	14,626	1,579	-	7	-	-
2. On-balance-sheet liabilities	**117,449**	**182,786**	**14,749**	**2,007**	**-**	**-**	**-**	**-**
2.1 Due to customers	99,557	688	1,858	547	-	-	-	-
- current accounts	98,038	688	1,858	547	-	-	-	-
- other loans	1,519	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	1,519	-	-	-	-	-	-	-
2.2 Due to banks	17,892	182,098	12,891	1,460	-	-	-	-
- current accounts	4,368	-	-	-	-	-	-	-
- other payables	13,524	182,098	12,891	1,460	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**1,383**	**1,257**	**126**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	1,383	1,257	126	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	1,383	1,257	126	-	-	-	-	-
+ long positions	480	777	126	-	-	-	-	-
+ short positions	903	480	-	-	-	-	-	-

Currency: UK POUND STERLING

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**5,272**	**6,120**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	4,813	4,250	-	-	-	-	-	-
1.3 Loans to customers	459	1,870	-	-	-	-	-	-
- current accounts	4	-	-	-	-	-	-	-
- other loans	455	1,870	-	-	-	-	-	-
- with early redemption option	-	1,870	-	-	-	-	-	-
- other	455	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**10,766**	**226**	**60**	**49**	**-**	**-**	**-**	**-**
2.1 Due to customers	9,511	226	60	49	-	-	-	-
- current accounts	9,473	226	60	49	-	-	-	-
- other loans	38	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.2 Due to banks	1,255	-	-	-	-	-	-	-
- current accounts	1,255	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**7,184**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	7,184	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	7,184	-	-	-	-	-	-
+ long positions	-	3,592	-	-	-	-	-	-
+ short positions	-	3,592	-	-	-	-	-	-

Currency: **SWISS FRANK**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**6,856**	**22,880**	**116**	**610**	**81**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	1,855	321	-	-	-	-	-	-
1.3 Loans to customers	5,001	22,559	116	610	81	-	-	-
- current accounts	213	-	-	-	-	-	-	-
- other loans	4,788	22,559	116	610	81	-	-	-
- with early redemption option	23	100	-	-	-	-	-	-
- other	4,765	22,459	116	610	81	-	-	-
2. On-balance-sheet liabilities	**5,923**	**24,790**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	5,522	-	-	-	-	-	-	-
- current accounts	5,457	-	-	-	-	-	-	-
- other loans	65	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	65	-	-	-	-	-	-	-
2.2 Due to banks	401	24,790	-	-	-	-	-	-
- current accounts	401	-	-	-	-	-	-	-
- other payables	-	24,790	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**10,694**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	10,694	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	10,694	-	-	-	-	-	-
+ long positions	-	5,347	-	-	-	-	-	-
+ short positions	-	5,347	-	-	-	-	-	-

Currency: **CANADIAN DOLLAR**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**2,163**	**3,533**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	1,568	3,481	-	-	-	-	-	-
1.3 Loans to customers	595	52	-	-	-	-	-	-
- current accounts	585	-	-	-	-	-	-	-
- other loans	10	52	-	-	-	-	-	-
- with early redemption option	10	52	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**5,892**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	5,054	-	-	-	-	-	-	-
- current accounts	5,052	-	-	-	-	-	-	-
- other loans	2	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	2	-	-	-	-	-	-	-
2.2 Due to banks	838	-	-	-	-	-	-	-
- current accounts	838	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-

Currency: **JAPAN YEN**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**2,989**	**7,895**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	1,241	798	-	-	-	-	-	-
1.3 Loans to customers	1,748	7,097	-	-	-	-	-	-
- current accounts	170	-	-	-	-	-	-	-
- other loans	1,578	7,097	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	1,578	7,097	-	-	-	-	-	-
2. On-balance-sheet liabilities	**1,616**	**9,381**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	1,562	-	-	-	-	-	-	-
- current accounts	1,560	-	-	-	-	-	-	-
- other loans	2	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	2	-	-	-	-	-	-	-
2.2 Due to banks	54	9,381	-	-	-	-	-	-
- current accounts	54	-	-	-	-	-	-	-
- other payables	-	9,381	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**-**	**16,368**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	16,368	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	16,368	-	-	-	-	-	-
+ long positions	-	8,184	-	-	-	-	-	-
+ short positions	-	8,184	-	-	-	-	-	-

Currency: **EURO**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**4,568,241**	**16,163,718**	**2,185,359**	**2,200,512**	**3,557,766**	**2,758,171**	**2,328,829**	**-**
1.1 Debt securities	130,582	1,026,408	503,467	-	531,027	1,263,357	830,866	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	130,582	1,026,408	503,467	-	531,027	1,263,357	830,866	-
1.2 Loans to banks	274,279	1,488,089	49,770	127,779	1,250,894	511,625	-	-
1.3 Loans to customers	4,163,380	13,649,221	1,632,122	2,072,733	1,775,845	983,189	1,497,963	-
- current accounts	2,675,829	227,312	136,507	230,464	381,137	106,516	4,761	-
- other loans	1,487,551	13,421,909	1,495,615	1,842,269	1,394,708	876,673	1,493,202	-
- with early redemption option	80,788	263,219	44,476	57,728	194,128	6,946	27	-
- other	1,406,763	13,158,690	1,451,139	1,784,541	1,200,580	869,727	1,493,175	-
2. On-balance-sheet liabilities	**17,534,313**	**8,021,712**	**3,272,720**	**1,992,964**	**3,030,804**	**18,625**	**-**	**-**
2.1 Due to customers	16,747,302	374,889	646	545	-	-	-	-
- current accounts	15,625,894	300,000	-	-	-	-	-	-
- other loans	1,121,408	74,889	646	545	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	1,121,408	74,889	646	545	-	-	-	-
2.2 Due to banks	611,964	4,317,050	1,151,593	125,096	-	-	-	-
- current accounts	244,266	-	-	-	-	-	-	-
- other payables	367,698	4,317,050	1,151,593	125,096	-	-	-	-
2.3 Debt securities	56,365	3,329,773	2,120,481	1,867,323	3,030,804	18,625	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	56,365	3,329,773	2,120,481	1,867,323	3,030,804	18,625	-	-
2.4 Other liabilities	118,682	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	118,682	-	-	-	-	-	-	-
3. Financial Derivatives	**520,651**	**11,821,550**	**909,940**	**955,285**	**5,574,411**	**2,135,612**	**1,957,206**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	520,651	11,821,550	909,940	955,285	5,574,411	2,135,612	1,957,206	-
- Options	1	16	10,008	184	21,001	37,591	49,806	-
+ long positions	1	8	5,005	104	10,660	18,754	24,771	-
+ short positions	-	8	5,003	80	10,341	18,837	25,035	-
- Other derivatives	520,650	11,821,534	899,932	955,101	5,553,410	2,098,021	1,907,400	-
+ long positions	-	1,925,807	723,985	955,101	5,540,410	1,344,021	1,388,700	-
+ short positions	520,650	9,895,727	175,947	-	13,000	754,000	518,700	-

Valuta di Currency: **OTHER CURRENCIES**

Type/Residual maturity	on demand	up to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years to 10 years	more than 10 years	unspecified maturity
1. On-balance-sheet assets	**6,808**	**3,487**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	5,423	2,679	-	-	-	-	-	-
1.3 Loans to customers	1,385	808	-	-	-	-	-	-
- current accounts	1,129	-	-	-	-	-	-	-
- other loans	257	808	-	-	-	-	-	-
- with early redemption option	115	808	-	-	-	-	-	-
- other	142	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**4,659**	**4,752**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	2,795	-	-	-	-	-	-	-
- current accounts	2,459	-	-	-	-	-	-	-
- other loans	336	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	336		-	-	-	-	-	-
2.2 Due to banks	1,864	4,752	-	-	-	-	-	-
- current accounts	1,864	-	-	-	-	-	-	-
- other payables	-	4,752	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial Derivatives	**163**	**6,002**	**163**	**-**	**-**	**-**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	163	6,002	163	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	163	6,002	163	-	-	-	-	-
+ long positions	-	3,001	163	-	-	-	-	-
+ short positions	163	3,001	-	-	-	-	-	-

2.3 Exchange rate risk

QUALITATIVE DISCLOSURES

The Bank does not engage in foreign exchange trading on own account, and has no assets or liabilities that are not hedged against exchange rate risk. Consequently, there are no exposures apart from residual positions in respect of activities carried out to meet customer requirements in both the spot and forward markets.

These residual positions are nonetheless monitored daily.

QUANTITATIVE DISCLOSURES

1. Distribution by currency of assets and liabilities and derivatives

	Valute					
Items	Us Dollar	Uk Pound Sterling	Japan Yen	Canadian Dollar	Swiss Frank	Other Currencies
A. Financial Assets	**318,534**	**11,392**	**10,884**	**5,697**	**30,545**	**10,313**
A.1 Debt securities	-	-	-	-	-	17
A.2 Equity securities	-	-	-	-	-	-
A.3 Loans to banks	79,191	9,063	2,040	5,049	2,176	8,102
A.4 Loans to customers	239,343	2,329	8,844	648	28,369	2,194
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**1,150**	**588**	**78**	**71**	**629**	**296**
C. Financial Liabilities	**316,992**	**11,101**	**10,998**	**5,893**	**30,713**	**9,411**
C.1 Due to banks	214,342	1,255	9,436	838	25,192	6,616
C.2 Due to customers:	102,650	9,846	1,562	5,055	5,521	2,795
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**1,075**	**256**	**19**	**22**	**136**	**26**
E. Financial derivatives	**137,510**	**41,430**	**462**	**54,038**	**7,112**	**2,731**
- Options	280	30	-	-	-	42
+ long positions	140	15	-	-	-	21
+ short positions	140	15	-	-	-	21
- Other derivatives	137,230	41,400	462	54,038	7,112	2,689
+ long positions	68,357	20,314	237	27,167	3,519	1,418
+ short positions	68,873	21,086	225	26,871	3,593	1,271
Total assets	**388,181**	**32,309**	**11,199**	**32,935**	**34,693**	**12,048**
Total liabilities	**387,080**	**32,458**	**11,242**	**32,786**	**34,442**	**10,729**
Difference (+/-)	**1,101**	**149**	**43**	**149**	**251**	**1,319**

2.4 Derivatives

A. Financial Derivatives

A.1 Supervisory Trading Book: end-period and average notional amounts

Underlying assets/Type of derivative	31.12.2011 Over the counter	31.12.2011 Central counterparties	31.12.2010 Over the counter	31.12.2010 Central counterparties
1. Debt securities and interest rates	10,280,501	-	9,263,963	-
a) Options	4,655,571	-	3,632,889	-
b) Swaps	5,624,930	-	5,631,074	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity securities and equity indices	-	-	-	-
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Exchange rates and gold	292,012	-	202,379	-
a) Options	71,031	-	99,394	-
b) Swaps	-	-	-	-
c) Forward contracts	220,981	-	102,985	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	12,987	-	30,972	-
5. Other underlying assets	-	-	-	-
Total	**10,585,500**	**-**	**9,497,314**	**-**
Average amounts	**10,275,849**	**-**	**9,368,178**	**-**

A.2 Banking Book: end-period and average notional amounts

A.2.1 Hedging

	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
1. Debt securities and interest rates	11,955,543	-	14,263,923	-
a) Options	77,519	-	2,500	-
b) Swaps	11,878,024	-	13,784,729	-
c) Forward contracts	-	-	476,694	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity securities and equity indices	-	-	-	-
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Exchange rates and gold	-	-	-	-
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	-	-	-	-
5. Other underlying assets	-	-	-	-
Total	**11,955,543**	**-**	**14,263,923**	**-**
Average amounts	**12,471,348**	**-**	**10,789,840**	**-**

A.2.2 Other derivatives

	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
1. Debt securities and interest rates	345,784	-	2,500	-
a) Options	345,784	-	2,500	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity securities and equity indices	-	-	-	-
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Exchange rates and gold	-	-	-	-
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forward contracts	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	-	-	-	-
5. Other underlying assets	-	-	-	-
Total	**345,784**	**-**	**2,500**	**-**
Average amounts	**232,544**	**-**	**2,500**	**-**

A.3 Financial derivatives: positive fair value - breakdown by product

	Positive fair value			
	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
A. Supervisory trading book	261,412	-	233,286	-
a) Options	36,231	-	37,416	-
b) Interest rate swaps	221,122	-	191,806	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	3,792	-	1,555	-
f) Futures	-	-	-	-
g) Other	267	-	2,509	-
B. Banking book - hedging	602,457	-	373,082	-
a) Options	3,684	-	352	-
b) Interest rate swaps	598,773	-	344,651	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	28,079	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
C. Banking book - Other derivatives	-	-	-	-
a) Options	-	-	-	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
Total	**863,869**	**-**	**606,368**	**-**

A.4 Financial derivatives: negative fair value - breakdown by product

	Negative fair value			
	31.12.2011		31.12.2010	
	Over the counter	Central counterparties	Over the counter	Central counterparties
A. Supervisory trading book	259,832	-	237,533	-
a) Options	28,294	-	37,429	-
b) Interest rate swaps	227,641	-	196,187	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	3,637	-	1,567	-
f) Futures	-	-	-	-
g) Other	260	-	2,350	-
B. Banking book - hedging	130,680	-	11,075	-
a) Options	-	-	-	-
b) Interest rate swaps	130,680	-	11,075	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
C. Banking book - Other derivatives	8,124	-	352	-
a) Options	8,124	-	352	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
Total	**398,636**	**-**	**248,960**	**-**

A.5 Over-the-counter derivatives - supervisory trading book: notional amounts, positive and negative gross fair value by counterparty - contracts not included in compensation agreements

Contracts not included in compensation agreements	Governments and central banks	Other public entities	Banks	Financial companies	Insurance undertakings	Non-financial companies	Other
1) Debt securities and interest rates							
- notional amount	-	24,052	5,369,195	610,647	-	3,888,888	387,719
- positive fair value	-	377	105,844	11,439	-	137,214	1,497
- negative fair value	-	55	227,159	1,256	-	20,506	5,975
- future exposure	-	54	37,192	2,700	-	11,537	121
2) Equity securities and equity indices							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
3) Exchange rates and gold							
- notional amount	-	-	192,433	208	-	86,252	13,119
- positive fair value	-	-	2,986	-	-	1,674	114
- negative fair value	-	-	2,784	8	-	1,334	495
- future exposure	-	-	1,744	2	-	694	123
4) Other assets							
- notional amount	-	-	6,492	-	-	6,495	-
- positive fair value	-	-	139	-	-	128	-
- negative fair value	-	-	125	-	-	135	-
- future exposure	-	-	649	-	-	650	-

A.7 Over-the-counter derivatives - banking book: notional amounts, positive and negative gross fair value by counterparty - contracts not included in compensation agreements

Contracts not included in compensation agreements	Governments and central banks	Other public entities	Banks	Financial companies	Insurance undertakings	Non-financial companies	Other
1) Debt securities and interest rates							
- notional amount	-	-	11,955,543	-	-	-	345,784
- positive fair value	-	-	602,457	-	-	-	-
- negative fair value	-	-	130,680	-	-	-	8,124
- future exposure	-	-	88,909	-	-	-	858
2) Equity securities and equity indices							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
3) Exchange rate and gold							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
4) Other assets							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-

A.9 Residual maturity of OTC financial derivatives: notional values

	up to 1 year	More than 1 year to 5 years	More than 5 years	Total
A. Supervisory trading book	**2,538,529**	**4,811,840**	**3,235,131**	**10,585,500**
A.1 Financial derivatives on debt securities and interest rates	2,233,530	4,811,840	3,235,131	10,280,501
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3. Financial derivatives on exchange rates and gold	292,012	-	-	292,012
A.4 Financial derivatives on other values	12,987	-	-	12,987
B. Banking book	**2,337,193**	**5,883,694**	**4,080,440**	**12,301,327**
B.1 Financial derivatives on debt securities and interest rates	2,337,193	5,883,694	4,080,440	12,301,327
B.2 Financial derivatives on equity securities and equity indices	-	-	-	-
B.3. Financial derivatives on exchange rates and gold	-	-	-	-
B.4 Financial derivatives on other values	-	-	-	-
Total 31.12.2011	**4,875,722**	**10,695,534**	**7,315,571**	**22,886,827**
Total 31.12.2010	**8,436,320**	**9,934,370**	**5,393,048**	**23,763,738**

Section 3 - Liquidity risk

QUALITATIVE DISCLOSURES

A. General aspects, management and measurement of liquidity risk

General aspects

Cariparma has an independent centralized treasury aligned with the Crédit Agricole Group standards.

The Treasury has the following tasks:
- centralized management of short-term liquidity;
- directly fulfilling the reserve obligations provided for by the Central Bank;
- ensuring availability of the funds that are necessary to meet payment obligations;
- ikeeping relations with the Bank of Italy for the issues relating to treasury activities, payment system, monetary policy transactions and reporting on liquidity;
- optimizing the management of available resources;
- compliance with liquidity limits set for single instrument and counterparty.
- making the banks' issues of debenture loans

Organisational aspects

The adopted governance model delegates the management of liquidity risk to the Financial Management Department (DGF) of Cariparma, which is responsible for risk management for the entire Italian banking group and follows the guidelines set down by Crédit Agricole S.A.

As Parent Company, Cariparma:
- is responsible for the liquidity policy;
- manages funding;
- manages liquidity risk.

The governance model set up for liquidity risk management processes is defined by the Board of Directors by assigning powers and the relating tasks to the relevant Departments.

The Financial Management Department is responsible for the measurement, management and monitoring of liquidity, while the Department of Risk Management and Permanent Controls is responsible for controlling the relating risk.

Risk management and control: methodological aspects

In 2011, the Group adopted a system for the classification of liquidity risk (the “Liquidity Balance”), which includes methods for risk measurement and aggregation and for stress testing, in line with the mechanism implemented by the parent company Crédit Agricole S.A., ensuring at the same time compliance with the Italian regulatory provisions.

in line with the instructions issued by the parent company Crédit Agricole S.A., for liquidity risk monitoring purposes, Cariparma has adopted the pélican software.

The model adopted for liquidity management is based on the monitoring of the short-term component (up to 12 months) and the medium/long-term one on crisis limits under stress conditions. Specifically, on 3 May 2011, the Board of Directors of Cariparma approved the following crisis limits under stress conditions:

- **global crisis with a time horizon of two weeks:**
  the Group shall have sufficient liquidity reserves for two week to be able to face, at the same time, a 10% outflow of retail deposits, total suspension of resources from the market (including the transactions with Crédit Agricole S.A.) and a decrease in liquidity reserves, maintaining its commercial operations unchanged. This scenario represents a serious global crisis since it would be originated by a idiosyncratic crisis situation, caused by reputational problems referring to the Group, as well as a systemic crisis characterized by tensions on the market;
- **idiosyncratic crisis with a time horizon of one month:**
  the Group shall be able to maintain its commercial operations unchanged for one month, in a critical situation caused by a reputational risk decreasing its ability to take out loans on the market (down to 25% of its normal performance) and by the fact that its customers have withdrawn a significant portion of their deposits (about 10% of Retail customers). This scenario represents an idiosyncratic crisis situation, as the crisis is determined solely by the Group’s reputational problems;
- **systemic crisis with a time horizon of one year:**
  in the event of a systemic crisis striking the markets, the Group shall be able to continue its operations for one year, without adopting structural remedies, even if the crisis has seriously hindered its ability to re-finance on the market (among which inter-bank transactions and financing with Crédit Agricole S.A.) with a financing renewal rate of around 35% on the short-term and of 31.25% on the long term and with a reduction of its liquidity reserves.

Liquidity risk classification is based on the stress scenario global limits described above and on the short-term re-financing global limit (LCT - Limite Court Terme). LCT is calibrated using a method that aims at ensuring a liquidity surplus over a time horizon of one year in a stressed market.

This limit is recalibrated every six months.

Moreover, in 2011, the Group revised its own contingency funding plan, with a view to adapting the pre-existing plant to the new Liquidity Risk Management System.

QUANTITATIVE DISCLOSURES

1. Distribution of financial assets and liabilities by residual maturity

Currency: **Us Dollar**

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**53,382**	**69,090**	**12,613**	**90,759**	**76,170**	**14,687**	**1,824**	**-**	**10**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	53,382	69,090	12,613	90,759	76,170	14,687	1,824	-	10	-
- banks	15,268	55,801	-	5,412	2,710	-	-	-	-	-
- customers	38,114	13,289	12,613	85,347	73,460	14,687	1,824	-	10	-
On-balance-sheet liabilities	**115,930**	**15,876**	**13,163**	**81,682**	**72,065**	**14,749**	**2,007**	**-**	**-**	**-**
B.1 Deposits and current accounts	102,406	15,876	13,163	81,291	71,243	14,240	547	-	-	-
- banks	4,368	15,876	13,163	81,291	70,555	12,382	-	-	-	-
- customers	98,038	-	-	-	688	1,858	547	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	13,524	-	-	391	822	509	1,460	-	-	-
Off-balance-sheet transactions	**1,720**	**18,045**	**11,576**	**42,518**	**39,481**	**10,748**	**12,142**	**-**	**-**	**10**
C.1 Financial Derivatives with exchange of principal	-	17,565	11,576	42,179	39,043	10,622	12,142	-	-	10
- long positions	-	8,602	5,575	21,303	19,521	5,311	6,071	-	-	6
- short positions	-	8,963	6,001	20,876	19,522	5,311	6,071	-	-	4
C.2 Financial derivatives without exchange of principal	337	-	-	-	-	-	-	-	-	-
- long positions	170	-	-	-	-	-	-	-	-	-
- short positions	167	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	1,383	480	-	339	438	126	-	-	-	-
- long positions	480	-	-	339	438	126	-	-	-	-
- short positions	903	480	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

Currency: **Uk pound sterling**

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**5,271**	**4,250**	**-**	**97**	**1,773**	**-**	**-**	**-**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	5,271	4,250	-	97	1,773	-	-	-	-	-
- banks	4,813	4,250	-	-	-	-	-	-	-	-
- customers	458	-	-	97	1,773	-	-	-	-	-
On-balance-sheet liabilities	**10,728**	**-**	**10**	**-**	**215**	**60**	**49**	**-**	**-**	**-**
B.1 Deposits and current accounts	10,728	-	10	-	215	60	49	-	-	-
- banks	1,255	-	-	-	-	-	-	-	-	-
- customers	9,473	-	10	-	215	60	49	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**8,846**	**986**	**5,996**	**16,194**	**15,168**	**1,450**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	1,662	986	5,996	16,194	15,168	1,450	-	-	-
- long positions	-	445	493	2,998	8,097	7,584	725	-	-	-
- short positions	-	1,217	493	2,998	8,097	7,584	725	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	7,184	-	-	-	-	-	-	-	-
- long positions	-	3,592	-	-	-	-	-	-	-	-
- short positions	-	3,592	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

Currency: **Swisse Frank**

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**6,858**	**575**	**8,362**	**644**	**6,510**	**107**	**1,541**	**5,280**	**657**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	6,858	575	8,362	644	6,510	107	1,541	5,280	657	-
- banks	1,855	321	-	-	-	-	-	-	-	-
- customers	5,003	254	8,362	644	6,510	107	1,541	5,280	657	-
On-balance-sheet liabilities	**5,858**	**5,018**	**-**	**9,884**	**9,888**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	5,858	5,018	-	9,884	9,888	-	-	-	-	-
- banks	401	5,018	-	9,884	9,888	-	-	-	-	-
- customers	5,457	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**11,023**	**-**	**5,264**	**1,316**	**-**	**202**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	329	-	5,264	1,316	-	202	-	-	-
- long positions	-	128	-	2,632	658	-	101	-	-	-
- short positions	-	201	-	2,632	658	-	101	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	10,694	-	-	-	-	-	-	-	-
- long positions	-	5,347	-	-	-	-	-	-	-	-
- short positions	-	5,347	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

Currency: **Canadian Dollar**

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**2,163**	**3,481**	**-**	**9**	**44**	**-**	**-**	**-**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	2,163	3,481	-	9	44	-	-	-	-	-
- banks	1,568	3,481	-	-	-	-	-	-	-	-
- customers	595	-	-	9	44	-	-	-	-	-
On-balance-sheet liabilities	**5,890**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	5,890	-	-	-	-	-	-	-	-	-
- banks	838	-	-	-	-	-	-	-	-	-
- customers	5,052	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**470**	**-**	**16**	**53,712**	**-**	**-**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	470	-	16	53,712	-	-	-	-	-
- long positions	-	383	-	8	26,856	-	-	-	-	-
- short positions	-	87	-	8	26,856	-	-	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

Currency: **Japan Yen**

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**2,988**	**798**	**581**	**2,130**	**4,386**	**-**	**-**	**-**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	2,988	798	581	2,130	4,386	-	-	-	-	-
- banks	1,241	798	-	-	-	-	-	-	-	-
- customers	1,747	-	581	2,130	4,386	-	-	-	-	-
On-balance-sheet liabilities	**1,614**	**9,381**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	1,614	9,381	-	-	-	-	-	-	-	-
- banks	54	9,381	-	-	-	-	-	-	-	-
- customers	1,560	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**-**	**16,394**	**-**	**-**	**398**	**30**	**10**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	26	-	-	398	30	10	-	-	-
- long positions	-	19	-	-	199	15	5	-	-	-
- short positions	-	7	-	-	199	15	5	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	16,368	-	-	-	-	-	-	-	-
- long positions	-	8,184	-	-	-	-	-	-	-	-
- short positions	-	8,184	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

Currency: EURO

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**3,891,238**	**482,735**	**165,961**	**914,093**	**1,556,456**	**932,996**	**2,293,554**	**10,025,029**	**13,576,396**	**1**
A.1 Government securities	-	-	-	-	1	-	-	480,321	2,094,225	-
A.2 Other debt securities	48,425	-	-	1	155,289	-	250,594	1,257,104	20	1
A.3 Units in collective investment undertakings	11,314	-	-	-	-	-	-	-	-	-
A.4 Loans	3,831,499	482,735	165,961	914,092	1,401,166	932,996	2,042,960	8,287,604	11,482,151	-
- banks	274,279	400,004	-	481,034	602,050	49,770	132,780	1,250,894	511,625	-
- customers	3,557,220	82,731	165,961	433,058	799,116	883,226	1,910,180	7,036,710	10,970,526	-
On-balance-sheet liabilities	**17,531,156**	**2,382,631**	**101,709**	**694,070**	**2,578,200**	**2,066,429**	**931,524**	**6,793,128**	**793,203**	**-**
B.1 Deposits and current accounts	17,289,802	2,345,606	50,480	422,075	850,997	875,553	2,952	-	-	-
- banks	611,087	2,045,606	50,480	421,015	842,121	874,907	-	-	-	-
- customers	16,678,715	300,000	-	1,060	8,876	646	2,952	-	-	-
B.2 Debt securities	53,653	37,025	46,192	147,627	1,540,588	914,190	803,476	6,611,743	268,588	-
B.3 Other liabilities	187,701	-	5,037	124,368	186,615	276,686	125,096	181,385	524,615	-
Off-balance-sheet transactions	**532,497**	**216,932**	**13,349**	**66,684**	**196,647**	**97,363**	**236,296**	**1,239,193**	**850,842**	**-**
C.1 Financial Derivatives with exchange of principal	-	202,970	11,882	51,793	107,604	24,905	15,016	99	-	-
- long positions	-	100,586	6,137	25,702	53,821	12,453	7,563	47	-	-
- short positions	-	102,384	5,745	26,091	53,783	12,452	7,453	52	-	-
C.2 Financial derivatives without exchange of principal	532,497	13,962	1,467	14,891	89,043	72,458	221,280	1,239,094	850,842	-
- long positions	271,228	9,049	736	9,414	41,146	38,182	135,761	839,762	503,375	-
- short positions	261,269	4,913	731	5,477	47,897	34,276	85,519	399,332	347,467	-
C.3 Deposits and loans to receive	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

As at 31 December 2011, the residual debt of securitized loans amounted to €3,354 million.

Following the loans securitization, two securities (Senior and Junior) have been fully subscribed, having the following characteristics:

- Senior with a nominal value of €3,945,400,000, currently amounting to €3,126,407,555 maturity on 31 January 2058 linked to eur 6m+0.35%;
- junior with a nominal value of 390,256,126 maturity on 31 January 2058 linked to eur 6m+0.6%+variable rate.

To ensure liquidity for coupons payment to the Special Purpose Vehicle, an Interest Rate Swap transaction has been entered into with the special purpose vehicle for a notional value of €3,945,400,000 with maturity on 31 January 2058; amortization of the derivative reflects amortization of the Senior security and the first amortization quota was on 30 July 2011.

Currency: **Other currencies**

Items/Timeframe	on demand	more than 1 day to 7 days	more than 7 days to 15 days	more than 15 days to 1 month	more than 1 month to 3 months	more than 3 months to 6 months	more than 6 months to 1 year	more than 1 year to 5 years	more than 5 years	unspecified maturity
On-balance-sheet assets	**6,808**	**2,679**	**-**	**-**	**808**	**-**	**-**	**17**	**-**	**-**
A.1 Government securities	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	17	-	-
A.3 Units in collective investment undertakings	-	-	-	-	-	-	-	-	-	-
A.4 Loans	6,808	2,679	-	-	808	-	-	-	-	-
- banks	5,423	2,679	-	-	-	-	-	-	-	-
- customers	1,385	-	-	-	808	-	-	-	-	-
On-balance-sheet liabilities	**4,323**	**4,752**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	4,323	4,752	-	-	-	-	-	-	-	-
- banks	1,864	4,752	-	-	-	-	-	-	-	-
- customers	2,459	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet transactions	**163**	**7,299**	**-**	**8**	**-**	**211**	**1,822**	**-**	**-**	**-**
C.1 Financial Derivatives with exchange of principal	-	1,297	-	8	-	48	1,822	-	-	-
- long positions	-	731	-	4	-	24	911	-	-	-
- short positions	-	566	-	4	-	24	911	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive	-	2,654	-	-	-	-	-	-	-	-
- long positions	-	1,327	-	-	-	-	-	-	-	-
- short positions	-	1,327	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	163	3,348	-	-	-	163	-	-	-	-
- long positions	-	1,674	-	-	-	163	-	-	-	-
- short positions	163	1,674	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-

Section 4 - Operational risks

QUALITATIVE DISCLOSURES

A. General aspects, management and measurement of operational risks

Cariparma uses the definition of operational risk envisaged in the Basel II International Convergence of Capital Measurement and Capital Ratios, prepared by the Basel Committee on Banking Supervision.

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk. Legal risk includes, but it is not limited to, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements.

To consolidate and enhance control of operational risk, the Bank has pursued:
- full ongoing compliance with the regulatory requirements for the use of the Traditional Standardized Approach (TSA) for the calculation of supervisory capital as prescribed by Basel II;
- a considerable improvement in the monitoring of risks and losses with a view to adopting a management-oriented approach, with particular regard to risk mitigation initiatives;
- the achievement of compliance with the regulatory requirements for the use of Advanced Measurement Approaches (AMA) for the calculation of supervisory capital.

Macro-organisational aspects

Risk management is the responsibility of the Risk Management and Permanent Controls Department, which follows the guidelines of the risk management department of the controlling company Crédit Agricole S.A. therefore, the risk management units of the the other banks in the Cariparma crédit agricole group report on a solid line (hierarchically) to Cariparma Department of Risk Management and Permanent Controls, while they report on a dotted line(functionally) to the respective Senior Management.

In complying with supervisory regulations, the Group formalized the roles and responsibilities of the corporate bodies and functions involved in the management of operational risks.

The governance model envisages the use of a centralized system of operational risk management and tight coordination with the Permanent Control activities, also with a view to achieving synergies with the Compliance Unit and the Audit Department.

Risk policy and management

Cariparma has adopted a model that encompasses not only a process of operational risk management (pursuant to the guidelines of Crédit Agricole S.A.) that is structured and governed by the central unit of Cariparma, but the consolidated and complementary contribution in its operating, management and mitigation activities given by a specialized decentralized role (MRO - Operational Risk Manager).

Cariparma Board of Directors approved the roles and responsibilities of the company functions involved in the management of operational risk, in accordance with both the provisions of Circular No. 263 of 2006 of the Bank of Italy (“New regulations for the prudential supervision of banks”) and the directives of the controlling company Crédit Agricole S.A.

The adjustment of the process for the management and control of operational risk to comply with the guidelines of Crédit Agricole S.A. and the adoption of the same general methods as the Group was done with a view to meeting the required standards for the adoption of Advanced Measurement Approaches (AMA) to determine the capital requirement for Operational Risks

Risk mitigation

Cariparma has implemented a policy of operational risk mitigation, by means of:
- an annual Action Plan, approved by the Board of Directors, which contains all the initiatives, aimed at minimizing the main existing operational risks, which the persons in charge of the various corporate processes have deemed necessary through a specific Self Risk Assessment;
- insurance policies to offset the impact of unexpected losses: to this end, a special structure was set up and tasked with, among other

things, assessing and managing insurance policies;
- continuous development of a new series of permanent controls both at branches and central departments aimed at target control of those processes with specific weaknesses.
- establishment of an interdepartmental desk to coordinate company units in the interception, management and prevention of fraud.

Risk management

The process of operational risk management is divided into the following macro-phases:
- detection, identification and classification of risks and losses and their recognition in the accounts where necessary;
- assessment and measurement of risk profile;
- identification of mitigation actions and adjustment of the permanent controls plan;
- control of the correct performance of the actions and production of reports.

As well as a Loss Data Collection structured process, in the above phases the following processes are also applied:
- self-assessment of exposure to operational risks (scenario analysis);
- the examination and qualitative assessment of the operating environment in relation to risk factors.

Each of these processes entails processing information using a predefined method and specific support tools.

Risk control

The role of the operational risks committee, composed of the main corporate functions, has been consolidated and is responsible for:
- approving guidelines and action plans on operational risks (other than Compliance);
- monitoring results and control activities as well as:
  - periodically validating operational risk mapping;
  - periodically validating the identification of risk scenarios being measured during the Scenario Analysis Process.
- governing continuity of operations for the Cariparma Crédit Agricole Group. The relevant responsibilities specifically include:
  - validating the perimeter of critical processes to be submitted to business continuity measures and relating particularly significant changes;
  - validating business continuity strategies, in compliance with the applicable supervisory regulations.

IT systems security

In 2011, the Group continued work on the “Three-year action plan” defined according to the assessment by the Head of the IT System Security, who reports on a dotted line with the Risks and Permanent Controls Department.

Measures implemented in 2001 increased security both for customers as well as within the Bank, for example, in the area of fraud prevention. The plan includes updated in the security policy of the Parent Company Crédit Agricole and instructions issued by supervisory authorities.

Continuity of Operations Plan (Italian acronym: PCO)

In 2011, the Group continued updating and assessing the Continuity of Operations Plan (PCO), in accordance with the developments in the situation and the changed occurred in the Group's organization, technological and logistic infrastructure, by means of:

- the development of new projects (in particular “Continuity of Operations Plan - New Scenarios”);
- management of the campaign to update the “business impact analysis” (BIA) for a specific tool is used;
- certification sessions with favourable results;
- implementation of the “Disaster Recovery” solution for the Department in relation to the Group Information System.

Purchasing management - essential services

2011 saw increased organizational supervision and regulations relating to the most important areas of purchasing management; in particular the outsourcing of services that are defined as essential pursuant to the Bank of Italy-Consob joint regulation was specifically revised.

Loss data

Operating losses, which the model considers quantitative data, are collected, managed and analysed using an event classification scheme that conforms with the rules set out in Basel 2 Framework and the requirements of the supervisory authorities and Crédit Agricole S.A. to different levels of granularity and detail.

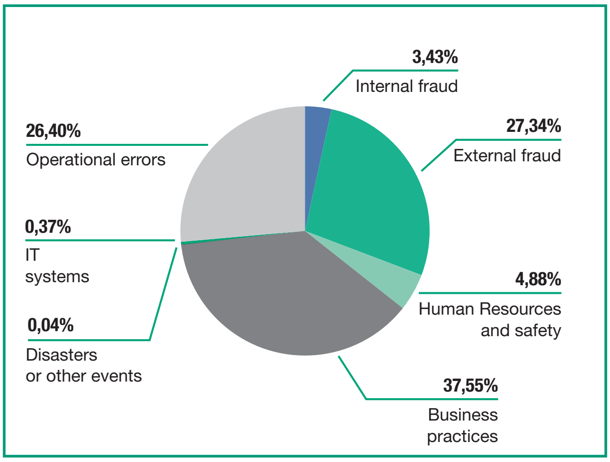
The basic structure is as follows:

- **internal fraud:** losses due to deliberate acts committed by at least one party internal to the Bank and causing economic loss to the Bank;
- **external fraud:** losses due to deliberate acts committed exclusively by parties external to the Bank, generally for the purpose of personal gain;
- **employment practices and workplace safety:** losses relating to the relations between the company and its staff or to the failure of the workplace to meet health and safety standards. These include liabilities arising from accidents to employees in company offices or vehicles;
- **business practices:** Losses arising from an unintentional or negligent failure to deliver services and products to customers (including fiduciary requirements and requirements of adequate information on investments), or due to defects in the design or properties of products/models/contracts. These include liabilities arising from breach of public security laws or other legislation not specific to the banking sector;
- **disasters or other events:** losses caused by natural disasters or human action that damage company resources (tangible or intangible assets, persons, etc.) and/or service interruptions or other events (including improper conduct/illegal acts by third-party companies that damage the company). The category also includes liabilities arising from political changes and retroactive changes in legislation and tax.
- **technological systems and services:** losses arising from the malfunctions, logical or structural defects in technological and other support systems;
- **execution, delivery and process management:** losses arising from unintentional errors in the management of operational and support activities or caused by counterparties other than customers and suppliers.

For Loss Data Collection and to report consolidated loss data, Cariparma has adopted an IT application especially designed to facilitate the adoption of advanced methods, and has also adopted specific tools and models developed directly by Crédit Agricole S.A.

QUANTITATIVE DISCLOSURES

With reference to the sources of operational risk, the chart below shows the distribution of net losses (gross losses net of recoveries other than insurance-related ones) by type of event in 2011, compiled according to the classification system described above. So-called boundary losses are excluded.



Part F Information on Shareholders’ equity

Section 1 - Shareholders’ equity

A. QUALITATIVE DISCLOSURES

Cariparma has implemented an equity management policy aimed at maintaining a level of resources appropriate to its exposures to risks on an ongoing basis.

B. QUANTITATIVE DISCLOSURES

B.1 Shareholders’ equity: composition

Shareholders’ equity as at 31 December 2011 breaks down as follows:

	31.12.2011	31.12.2010
1. Share capital	876,762	785,066
2. Share premium reserve	2,736,004	2,094,770
3. Reserves	681,128	842,297
- income	679,902	578,715
a) legal	106,293	94,214
b) established in bylaws	573,295	484,187
c) treasury shares	-	-
d) other	314	314
- other	1,226	263,582
4. Equity instruments	-	-
5. (Treasury Shares)	-	-
6. Valuation reserves	-344,662	-93,508
- Financial assets available for sale	-336,506	-92,619
- Property, plant and equipment	-	-
- Intangible assets	-	-
- Hedging of foreign investments	-	-
- Cash flow hedges	-	-
- Exchange rate differences	-	-
- Discontinuing operations	-	-
- Actuarial gains (losses) pertaining to defined-benefit pension plans	-8,156	-889
- Shares of valuation reserves pertaining to subsidiaries accounted for with equity method	-	-
- special revaluation laws	-	-
7. Net profit (loss) for the period	204,621	241,574
Total	**4,153,853**	**3,870,199**

With reference to income reserves “d) other”, they consist of the special reserve under Article 13 of Legislative Decree 124/93.

“Other” reserves consist of quotas resulting from the assignation of shares or rights on shares of the parent company Crédit Agricole S.A..

B.2 Valuation reserves for financial assets available for sale: composition

	31.12.2011		31.12.2010	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	1,251	339,273	19,330	113,504
2. Equity securities	2,004	-	1,920	365
3. Units in collective investment undertakings	-	488	-	-
4. Loans	-	-	-	-
Total	**3,255**	**339,761**	**21,250**	**113,869**

B.3 Valuation reserves for financial assets available for sale: changes for the year

	Debt securities	Equity securities	Units in collective investment undertakings	Loans
1. Opening balance	**-94,174**	**1,555**	**-**	**-**
2. Increases	**32,132**	**1,067**	**-**	**-**
2.1. Fair value gains	3,898	1,067	-	-
2.2. Reversal to income statement of negative reserves:	-	-	-	-
- for impairment	183	-	-	-
- for realization	28,051	-	-	-
2.3. Other changes	-	-	-	-
3. Decreases	**275,980**	**618**	**488**	**-**
3.1 Fair value losses	249,876	513	488	-
3.2 Impairment losses	539	-	-	-
3.3 Reversal to Income Statement of positive reserves: for realization	25,565	105	-	-
3.4. Other changes	-	-	-	-
4. Final inventories	**-338,022**	**2,004**	**-488**	**-**

Section 2: Supervisory capital and capital ratios

2.1 Supervisory Capital

The supervisory (or regulatory) capital, minimum capital requirements and the consequent capital ratios were determined on the basis of the provisions of Bank of Italy Circular No. 263 of 27 December 2006 (11th update of 28 January 2012) “New regulations for the prudential supervision of banks” and Circular no. 155 of 18 December (14th update of 21 December 2011) “Instructions for the preparation of reports on Supervisory Capital and capital ratios”.

A. QUALITATIVE DISCLOSURES

1. Tier 1 capital

Tier 1 capital is composed by high quality capital (share capital, reserves, share premium accounts and net profit for the period) pertaining to the shareholders of the Bank, appropriately adjusted for intangible assets.

In 2001 a unredeemable subordinated debenture loan was issued of 120 million; this loan is recorded in the Tier 1 Capital under non-innovative capital instruments.

It does not include any innovative capital instruments.

A deduction is also made for equity investments in banking and financial companies equal to 50% of the value of the investments: the Bank of Italy, CA Agro-Alimentare S.p.A. and MondoMutui Cariparma S.r.l..

The increase in the value of the investment in CA Vita Compagnia di Assicurazione S.p.A., recognized as from 20 July 2006, was deducted by 50%.

The amount of this equity investment prior to 20 July 2006 was deducted in full from the sum of Tier 1 and Tier 2 capital.

2. Tier 2 Capital

Tier 2 Capital includes, among the positive elements, the Valuation Reserves, subordinate liabilities and among the negative elements, the negative prudential filters.

Tier 2 capital is reduced by the deduction of the remaining 50% of the elements deducted for Tier 1 capital, namely the equity investments in the Bank of Italy, CA Agro-Alimentare S.p.A. and MondoMutui Cariparma S.r.l., as well as the increase in the value of the investment in CA Vita Compagnia di Assicurazione S.p.A. since 20 July 2006.

The Group has loans and computable subordinate deposits in the Tier 2 Capital of €950 million.

In accordance with the supervisory provisions issued by the Bank of Italy with regulations of 18 May 2010 by the title supervisory capital - prudential filters", the Cariparma Crédit Agricole Group, and consequently Cariparma, has opted, as envisaged in the above-mentioned regulation, to entirely neutralize both capital losses and capital gains resulting from debt securities held in the "Financial assets available for sale" (AFS) portfolio, issued by the central governments of EU Member States. This option was chosen to prevent unjustified volatility of the supervisory capital associated with sudden changes in the performance of securities not linked to lasting changes in the issuers' creditworthiness. This also enables partial alignment to the principles already followed by the controlling company Crédit Agricole S.A.

This decision was notified to the Bank of Italy and all the companies in the Banking Group have undertaken to apply this approach uniformly continuously in time and on all the securities of this type as of 30 June 2010.

3. Tier 3 Capital

To date, no Tier 3 instruments have been issued.

B. QUANTITATIVE DISCLOSURES

Items	31.12.2011	31.12.2010
A. Tier 1 capital prior to the application of prudential filters	**3,240,816**	**2,960,483**
B. Tier 1 prudential filters:	4	-47,216
B1 - positive IAS/IFRS prudential filters (+)	4	
B2 - negative IAS/IFRS prudential filters (-)	-	-47,216
C. Tier 1 Capital including deductible elements (A+B)	3,240,820	2,913,267
D. Elements to be deducted from Tier 1 capital	93,458	65,338
E. Total Tier 1 capital (Tier 1) (C-D)	**3,147,362**	**2,847,929**
F. Tier 2 capital prior to the application of prudential filters	**948,110**	**563,317**
G. Tier 2 prudential filters:	-3,155	-7,103
G1- positive IAS/IFRS prudential filters (+)	-	-
G2- negative IAS/IFRS prudential filters (-)	-3,155	-7,103
H. Tier 2 capital including deductible elements (F+G)	**944,955**	**556,214**
I. Elements to be deducted from Tier 2 capital	93,458	65,338
L. Total Tier 2 capital (H-I)	**851,497**	**490,876**
M. Elements to be deducted from Tier 1 and Tier 2 capital	58,917	58,917
N. Regulatory capital (E + L - M)	**3,939,942**	**3,279,888**
O. Tier 3 capital	-	-
P. Regulatory capital including Tier 3 (N + O)	**3,939,942**	**3,279,888**

Additional tier 1 intrument

Information on contractual characteristics of additional Tier1 intrument:

Characteristics	Issue date	Maturity	Method of reimbursement	Interest rate	Currency	Original value	Book value	Amount eligible for inclusion in Tier 1 capital
Subordinated loan	29.06.2011	31.12.2100	perpetual, with call from 28 June 2016	3 month Euribor + 729 b.p.	euro	120,000	118,576	120,000

Subordinated liabilites - contribution to tier 2 capital

Information on contractual characteristics of subordinated liabilities included in Tier2:

Characteristics	Issue date	Maturity	Method of reimbursement	Interest rate	Currency	Original value	Book value	Amount eligible for inclusion in Tier 2 capital
Subordinated deposit	17.12.2008	17.12.2018	5 equal installments as from December 2014	3 month Euribor + 334 b.p.	euro	250,000	250,396	250,000
Subordinated deposit	30.03.2011	30.03.2021	5 equal installments as from March 2017	3 month Euribor + 220 b.p.	euro	400,000	400,040	400,000
Subordinated loan	30.06.2009	30.06.2016	50% by 30.06.2015 50% by 30.06.2016	up to 30.06.2012 5%; after that 50% 6 month Euribor + 100 b.p.	euro	77,250	77,477	77,250
Subordinated loan	30.06.2009	30.06.2016	50% by 30.06.2015 50% by 30.06.2016	5% fixed	euro	222,750	228,938	222,706

2.2 Capital Adequacy

A. QUALITATIVE DISCLOSURES

Compliance with minimum capital requirements is determined by calculating the ratio of supervisory capital, as computed above, to total risk-weighted assets calculated in accordance with the provisions of Bank of Italy Circular No. 263 of 27 December 2006 (11th update of 31 January 2012) “New regulations for the prudential supervision of banks” and Circular No. 155 of 18 December 1991 (14th update of 21 December 2011) “Instructions for the preparation of reports on supervisory capital and capital ratios”.

The resulting Tier Total Ratio at 31 December 2011 was in compliance with the thresholds specified in supervisory regulations.
This outcome was also the result of a specific company policy, which gives preference to the distribution of net profit to shareholders as long as the regulatory limits are met.

B. QUANTITATIVE DISCLOSURES

	Non-weighted amounts		Weighted amounts/ requirements	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
A. Risk assets				
A.1 Credit and counterparty risk	**41,077,455**	**45,111,384**	**20,631,274**	**19,858,434**
1. Standardized approach	41,077,455	45,111,384	20,631,274	19,858,434
2. IRB approach	-	-	-	-
2.1 Foundation	-	-	-	-
2.2 Advanced	-	-	-	-
3. Securitizations	-	-	-	-
B. Capital requirements				
B.1 Credit and counterparty risk	**-**	**-**	**1,650,502**	**1,588,675**
B.2 Market risks	**-**	**-**	**4,927**	**4,297**
1. Standardized method	-	-	4,927	4,297
2. Internal models	-	-	-	-
3. Concentration risk	-	-	-	-
B.3 Operational risk	**-**	**-**	**164,327**	**155,380**
1. Basic indicator approach	-	-	-	-
2. Standardized approach	-	-	164,327	155,380
3. Advanced measurement approach	-	-	-	-
B.4 Other prudential requirements	**-**	**-**	**-**	**-**
B.5 Other measurement elements	**-**	**-**	**-454,939**	**-437,088**
B.6 Total prudential requirements	**-**	**-**	**1,364,817**	**1,311,264**
C. Exposures and capital adequacy ratios				
C.1 Risk-weighted assets	-	-	22,746,950	21,854,390
C.2 Tier 1 capital/risk-weighted assets (Tier 1 capital ratio)	-	-	13.84%	13.03%
C.3 Supervisory capital including TIER 3/risk-weighted assets (Total capital ratio)	-	-	17.32%	15.01%

In calculating total prudential requirements, account was taken of the 25% reduction provided for under supervisory regulations and included in the item B.5 Other measurement elements. Risk-weighted assets are calculated based on the total capital requirements, gross of the benefit resulting from the above 25% reduction, multiplied by the reciprocal of the minimum capital adequacy ratio equal to 8%.

Part G Business combinations

Section 1 - Transactions made in the period

1.1 Business combinations

Name	Transaction date (A)	Transaction cost (B)	Shareholding % (C)	Gross income (D)	Profit/Loss for the period (E)	Profit/Loss recognized from the acquisition date (F)
1. Transfer of branches from Cassa di Risparmio di Firenze	28.03.2011	52.098	100%	n/a	n/a	n/a
2. Transfer of branches from Intesa Sanpaolo	16.05.2011	331.469	100%	n/a	n/a	n/a

(A) date of acquisition of control

(B) cost of transaction

(C) percentage of shareholding acquired with voting rights at the Ordinary Shareholders' General Meeting.

(D) intermediation income (item 120 of the Income Statement) relating to the entire 2011 financial year.

(E) Profit/Loss recognized by the subsidiary company for the entire 2011 financial year.

(F) Profit/Loss recognized after the acquisition date.

On 28 March 2011 the transaction was finalized for the transfer of 11 branches from Cassa di Risparmio di Firenze to Cariparma and, on 16 May 2011, the transaction was finalized for the transfer of 70 branches from Intesa Sanpaolo to Cariparma.

These transactions have been reported in accordance with IFRS 3 - Business Combinations, which provides for the business combination cost to be allocated to assets, liabilities and potential liabilities and to the intangible assets not recognized within the limits of their fair value. The residual amount after this allocation shall be recognised to goodwill and annually undergo impairment testing.

In view of the complexity of this process, the international accounting standards permit entities to finalize the allocation of this price within 12 months of its finalization. At the time of preparation of these Financial Statements, this process was not completed. It is pointed out that the difference between the acquisition price and the value of assets and liabilities acquired has been partially allocated to a new finite-life intangible asset for €84,678 thousand. The residual quota of the above aggregation difference is currently allocated to goodwill and amounts to €326,268 thousand. This has produced negative effects on the 2011 Income Statement for €3.558 thousand due to amortization for the period.

1.2 Other information on business combinations

In 2011 Cariparma finalized some share capital increases within the scope of the more extensive growth project of the Cariparma Crédit Agricole Group. The breakdown of these transactions is given below:

	Amounts
Issue of new shares - acquisition of 80.00% of Carispezia	**350,000**
of which Share Capital	43,750
of which share premium	306,250
Issue of new shares - acquisition through transfer of 11 branches from Cassa di Risparmio di Firenze	**52,097**
of which Share Capital	6,512
of which share premium	45,585
Issue of new shares - acquisition through transfer of 70 branches from Intesa Sanpaolo	**331,470**
of which Share Capital	41,434
of which share premium	290,036
Costs associated with the share capital increase	**-637**
Capital increase	**732,930**

On 25 February 2011, Cariparma share capital was increased from a nominal amount of €785,066 thousand to €828,816 thousand, by issuing 43,750,000 ordinary share with a nominal value of €1 each, in addition to a share premium of €306,250 thousand, for the acquisition of 80.00% of Carispezia.

On 28 March 2011, Cariparma share capital was increased from a nominal amount of €828,816 thousand to €876,762 thousand, by issuing 47,945,831 ordinary share with a nominal value of €1, in addition to a share premium of €335,621 thousand, for the transfer of 11 branches from Cassa di Risparmio di Firenze and 70 branches from Intesa Sanpaolo to Cariparma.

1.2.1 Change for the year in goodwill

Goodwill as at 31.12.2010	662,982
Increases	**326,268**
transfer of 11 branches from Cassa di Risparmio di Firenze	43,952
transfer of 70 branches from Intesa Sanpaolo	282,316
Goodwill as at 31.12.2011	**989,250**

The above transactions, after the allocation of the price to the value of assets, liabilities, potential liabilities and to any intangible assets not previously recognized in the financial statements of the transferors, within the limits of their fair value, entailed the recognition of goodwill for €326,268 thousand. In compliance with IFRS 3, this amount is to be considered provisional.

1.2.2 Other Information

The book value and fair value of assets and liabilities that can be identified in the 11 branches transferred from Cassa di Risparmio di Firenze as at 28 March 2011 are the following:

Assets	Original book values	Delta fair value	Values recognized
Cash and cash equivalents	1,810	-	1,810
Loans to banks	170,000	-	170,000
Loans to Customers	144,225	-	144,225
Property, plant and equipment	141	-	141
Intangible Assets	-	12,038 (1)	12,038
Tax assets	66	-	66
Other assets	40,123	-	40,123
Total assets	**356,365**	**12,038**	**368,403**

Items of liabilities	Original book values	Delta fair value	Values recognized
Due to banks	33	-	33
Due to customers	329,631	-	329,631
Securities issued	2,479	-	2,479
Tax liabilities	-	3,892 (2)	3,892
Other liabilities	21,382	-	21,382
Employee severance benefits	2,840	-	2,840
Provisions for liabilities and contingencies	-	-	-
Total liabilities	**356,365**	**3,892**	**360,257**
Equity	-	8,146	8,146
Goodwill from acquisition			43,952
Total cost			**52,098**

(1) Quota as part of the purchase price allocated to intangible assets and representing the value of business with customers.

(2) Registration of deferred taxes recognized at the moment of partial allocation of the purchase price.

The book value and fair value of assets and liabilities that can be identified in the 70 branches transferred from Intesa Sanpaolo as at 16 May 2011 are the following:

Assets	Original book values	Delta fair value	Values recognized
Cash and cash equivalents	863,254	-	863,254
Financial assets held for trading	130	-	130
Financial assets available for sale	-	-	-
Loans to banks	394,400	-	394,400
Loans to Customers	787,329	-	787,329
Hedging derivatives	-	-	-
Equity investments	-	-	-
Property, plant and equipment	2,028	-	2,028
Intangible Assets	-	72,640 (1)	72,640
Tax assets	1,405	-	1,405
Other assets	52,240	-	52,240
Total assets	**2,100,786**	**72,640**	**2,173,426**

Items of liabilities	Original book values	Delta fair value	Values recognized
Due to banks	-	-	-
Due to customers	1,980,513	-	1,980,513
Securities issued	5,928	-	5,928
Financial liabilities held for trading	116	-	116
Hedging derivatives	-	-	-
Adjustment of macro-hedged financial liabilities	-	-	-
Tax liabilities	-	23,487 (2)	23,487
Other liabilities	103,084	-	103,084
Employee severance benefits	11,145	-	11,145
Provisions for liabilities and contingencies	-	-	-
Total liabilities	**2,100,786**	**23,487**	**2,124,273**
Equity	-	49,153	49,153
Goodwill from acquisition			282,316
Total cost			**331,469**

(1) Quota as part of the purchase price allocated to intangible assets and representing the value of business with customers.

(2) Registration of deferred taxes recognized at the moment of partial allocation of the purchase price.

The total combination cost was €383,567 thousand. Settlement was financed with the issue of shares totalling €47,946 thousand plus a total share premium of €335,621 thousand. Expenses associated with the increase amounted to to €876 thousand, gross of a tax effect of €239 thousand.

Net liquidity acquired from the combination came to €865,064 thousand.

Part H Transactions with related parties

On 20 December 2011, Cariparma Board of Directors revised the "Regulation for transactions with related parties", which is binding for all companies in the Cariparma Crédit Agricole Group, in order to achieve better control on any risks resulting from transactions with related parties.

This Regulation consists of:
- a general part setting forth the reference legislation, definitions and scope of application;
- a part describing the procedure adopted for transactions with related parties;
- a conclusion containing several Annexes.

Moreover, it also sets the scope of the natural and legal persons qualifying as related parties.

Specifically, related parties are considered the following:
- the Controlling Company;
- any other shareholders that, directly or indirectly, including through shareholders' agreements, exercise a significant influence on the Bank;
- direct and indirect subsidiaries;
- associates and joint ventures;
- Directors and Senior Managers with strategic responsibilities (Directors, Auditors, General Managers and subjects directly reporting to Senior Managers);
- other related parties:
  a) smembers of the immediate families of Directors, Auditors and General Managers, as well as companies controlled by or associated with Directors, Auditors, General Managers or their immediate family,
  b) members of the immediate families of other key management personnel, as well as companies controlled by or associated with such managers or their immediate family members;
- the Pension Plan.

1. Information on remuneration of senior managers with strategic responsibilities

In the light of the above-mentioned Regulation key management personnel includes managers having the direct and indirect power and the responsibility over the planning, management and control of the Bank's operations, including Directors and the members of control bodies.

The remuneration of the members of the Board of Directors and the Board of Auditors is established with specific resolutions of the Shareholders' General Meeting.

The following table shows the amounts of the main benefits granted to the Directors, Auditors and Senior Managers with strategic responsibilities.

	31.12.2011
Short-term employee benefits	7,988
Benefits subsequent to severance from employment	236
Other long-term benefits	-
Employee severance benefits	144
Share-based payments	44

2. Information on transactions with related parties

Transactions with related parties consisted in transfers of resources, services or bonds between the Company (or its direct and/or indirect subsidiaries) and one or more related parties, irrespective of whether a consideration has been agreed upon.

Transactions carried out with related parties have followed the specific procedures provided for by the above Regulation.

During the year, the Bank did not carry out any atypical or unusual transactions (with related parties or other parties) whose size or features might have jeopardized the protection of corporate assets and the interests of minority shareholders.

	Financial assets held for trading	Financial assets available for sale	Loans to customers	Loans to banks	Due to customers	Due to banks	Guarantees issued
Holding company	-	-	-	3,868,045	-	5,004,609	-
Entity exercising significant influence on company	-	-	-	-	25,507	-	-
Subsidiaries	847	-	1,472,652	1,145,534	38,720	379,808	8,523
Associates	-	48,420	5,853	-	302,247	-	76
Directors and key management personnel	-	-	1,526	-	2,043	-	-
Other related parties	30,508	1,888	205,500	1,073	109,934	995,267	23,451
Total	**31,355**	**50,308**	**1,685,531**	**5,014,652**	**478,651**	**6,379,684**	**32,050**

Part I Share-based payments

On 9 november 2011, the board of directors of the controlling company Crédit Agricole S.A. approved a plan for the assignation of shares free of charge to the entire staff of the Crédit Agricole Group.

The beneficiaries of this are the over 80,000 employees of the group worldwide, who will receive 60 shares of crédit agricole each, irrespective of the work sector, the country and the role in the company.

The shares will be assigned at the end of 2013 and will be tied for three years, at the end of which time each employee may freely dispose of them.

From 2011 to 2013, higher expenses will be recognized equal to the fair value of the shares assigned to the Group's employees, as calculated on the date of the plan approval, offsetting them by an equity increase of the same amount

This initiative is particularly significant, since, by assigning the same amount of shares to all employees of the Crédit Agricole Group, it conferms once again the group's focus on its employees and confidence in the Group future.

In 2011, Cariparma allocated free shares to 6,628 beneficiaries with an impact on the Income Statement of €105 thousand.

Part L Segment information

Operation and Income by business segment

As set forth in Accounting Policies, Section 4 - Other aspects, the clarifications supplied in the application introduction 1st revision of Circular No. 262 of 22 December 2005, published by the Bank of Italy on 18 November 2009, specified that segment reporting, provided for by IFRS 8, shall be supplied by listed intermediaries and security issuers.

In this situation, to identify the business segments envisaged by the new IFRS 8, Cariparma has adopted a management reporting approach opting to report based on the main business segments where it operates. This is the reason why it has issued no infra-segment reporting: the latter is not included in the periodic reporting used by the management.

Cariparma operates through an organizational structure that includes the Retail and Private Banking channels, which are designed for individuals, households and small businesses; the Enterprise and Corporate channels designed for larger-size enterprises. The Other channel has a residual nature and consequently includes anything not included in other channels; specifically, the activities pertaining to the central departments, such as the banking book, capital market and governance.

It is pointed out that in 2011 Cariparma included also the contribution of the 81 branches transferred from the Intesa Sanpaolo group, which have been totally allocated to the Retail Channel. The acquisition was carried out in different phases: the first 11 branches were transferred starting from the end of March 2011, while the remaining 70 starting from mid May 2011. Following the transfer made in the year, it is highlighted that a comparison with 2010 is not standardized.

In December 2011, the aggregation of total operating income for the Retail and Private Banking channels came to €1,099.7 million and accounts for 75.8% of this aggregate, increasing, also thanks to the perimeter, year-on-year, when it accounted for 71.8% of the item, with a contribution of €966.1 million. The Corporate and Enterprise channels came to €212.2 million accounting for 14.6% of the total operating income, essentially in line with December 2010 (14.1%).

With regards to expenses, the Retail and Private Banking Channels reached €807.4 million, vs. €700.5 million the previous year, they accounted for 69.3% of total expenses compared with 71.4% in 2010. The Corporate and Enterprise channels came to €139.9 million, accounted for 12.0% of total expenses, increasing year-on-year, since in 2010 they accounted for 9.4% of this item, with a balance of €92.1 million.

Assets by segment are made up of loans to customers and property, plant and equipment and intangible assets that can be allocated directly to the operating segments.

In particular, as at 31 December 2011, assets of the Retail and Private channels accounted for 45,8% of the Bank’s assets, increasing from 41.3% of December 2010. This increase was also due to the contribution of the new perimeter which includes the 81 branches transferred from the Intesa Sanpaolo Group. The Corporate and Enterprise Channels accounted for 23.3% of the Bank's assets, essentially in line with December 2010 (23.6%).

Liabilities by segment consisted of direct deposits from customers that can be directly allocated to the operating segments.

In December 2011 the liabilities of the Retail and Private Banking Channels accounted for 59.9% of Cariparma liabilities increasing year-on-year (53.1%), benefiting also from the new perimeter, while the Corporate and Enterprise Channels came to 6.9% vs. 7.5% of December 2010.

Segment information as at 31 December 2011

	Retail and Private	Corporate e Imprese	Other	Total
External operating revenues				
Net interest income	596.148	149,524	31,994	777,666
Net commission income	390.734	55,262	(12,187)	433,809
Gain (loss) on trading activities	11.110	6,918	(3,588)	14,439
Dividends	-	-	33,920	33,920
Other net operating revenues (item 90, 100, 190)	101.706	482	88,274	190,462
Total operating revenues	**1.099.698**	**212,186**	**138,412**	**1,450,296**
Impairment adjustments of loans	(91.510)	(78,680)	(232)	(170,422)
Impairment adjustments of AFS financial assets and other financial transactions	-	-	(1,388)	(1,388)
Staff expenses, administrative expenses and depraction/amortization	(703.547)	(38,096)	(209,116)	(950,759)
Provisions for risks	(12.315)	(23,083)	(7,285)	(42,683)
Total expenses	**(807.372)**	**(139,859)**	**(218,021)**	**(1,165,252)**
Gain (loss) from equity investments	-	-	(50,100)	(50,100)
Gain (loss) on disposal of investments	-	-	297	297
Result by segment	**292.326**	**72,327**	**(129,412)**	**235,241**
Profit before tax	**292.326**	**72,327**	**(129,412)**	**235,241**
Taxes	(133.388)	(33,003)	135,771	(30,620)
Profit for the period	**158.938**	**39,324**	**6,359**	**204,621**
Assets and liabilities				
Assets by segment (customers + intangible)	18.489.417	9,401,344	288,013	28,178,774
Equity investments in associates	-	-	1,510,221	1,510,221
Unallocated assets	-	-	10,705,984	10,705,982
Total Assets	**18.489.417**	**9,401,344**	**12,504,216**	**40,394,977**
Liabilities by segment	24.203.702	2,797,990	853,008	27,854,700
Unallocated liabilities	-	-	12,540,277	12,540,277
Total Liabilities	**24.203.702**	**2,797,990**	**13,393,285**	**40,394,977**

The Retail includes the contribution of the 81branches transferred from the Intesa Sanpaolo Group (11 branches migrated on 28 March, the remaining 70 branches migrated on 16 May).

Segment information as at 31 December 2010

	Retail and Private	Corporate e Imprese	Other	Total
External operating revenues				
Net interest income	525.577	129,067	61,453	716,097
Net commission income	362.831	53,284	(6,863)	409,252
Gain (loss) on trading activities	10.984	7,603	(494)	18,093
Dividends	-	-	41,241	41,241
Other net operating revenues (item 90, 100, 190)	66.738	259	94,708	161,705
Total operating revenues	**966.130**	**190,213**	**190,045**	**1,346,388**
Impairment adjustments of loans	(96.719)	(51,594)	(67)	(148,380)
Impairment adjustments of AFS financial assets and other financial transactions	-	-	2,522	2,522
Staff expenses, administrative expenses and depraction/amortization	(603.827)	(40,541)	(166,233)	(810,601)
Provisions for risks	-	-	(24,267)	(24,267)
Total expenses	**(700.546)**	**(92,135)**	**(188,045)**	**(980,726)**
Gain (loss) from equity investments	-	-	-	-
Gain (loss) on disposal of investments	-	-	-	-
Result by segment	**265.584**	**98,078**	**2,000**	**365,662**
Profit before tax	**265.584**	**98,078**	**2,000**	**365,662**
Taxes	(97.575)	(36,034)	9,521	(124,088)
Profit for the period	**168.009**	**62,044**	**11,521**	**241,574**
Assets and liabilities				
Assets by segment (customers + intangible)	15.961.591	9,119,480	241,810	25,322,881
Equity investments in associates	-	-	1,147,792	1,147,792
Unallocated assets	-	-	12,187,077	12,187,077
Total Assets	**15.961.591**	**9,119,480**	**13,576,679**	**38,657,750**
Liabilities by segment	20.524.772	2,904,090	684,374	24,113,236
Unallocated liabilities	-	-	14,544,514	14,544,514
Total Liabilities	**20.524.772**	**2,904,090**	**15,228,888**	**38,657,750**

Financial statements of the controlling company Crédit Agricole S.A.

ACTIF

(en millions d'euro)	31.12.2010	31.12.2009
Opérations interbancaires et assimilées	**139,785**	**121,040**
Caisse, banques centrales	3,396	5,528
Effets publics et valeurs assimilées	20,262	15,828
Créances sur les établissements de crédit	116,127	99,684
Opérations internes au Crédit Agricole	**260,735**	**248,276**
Opérations avec la clientèle	**2,475**	**2,457**
Opérations sur titres	**33,904**	**31,157**
Obligations et autres titres à revenu fixe	33,289	29,552
Actions et autres titres à revenu variable	615	1,605
Valeurs immobilisées	**69,470**	**69,891**
Participations et autres titres détenus à long terme	11,365	12,532
Parts dans les entreprises liées	57,910	57,177
Immobilisations incorporelles	35	12
Immobilisations corporelles	160	170
Capital souscrit non versé	**-**	**-**
Actions propres	**92**	**132**
Comptes de régularisation et actifs divers	**23,008**	**45,935**
Autres actifs	4,180	28,418
Comptes de régularisation	18,828	17,517
Total actif	**529,469**	**518,888**

PASSIF

(en millions d'euro)	31.12.2010	31.12.2009
Opérations interbancaires et assimilées	**83,974**	**70,807**
Banques centrales	1	2
Dettes envers les établissements de crédit	83,973	70,805
Opérations internes au Crédit Agricole	31,911	23,581
Comptes créditeurs de la clientèle	**221,644**	**208,903**
Dettes représentées par un titre	**92,593**	**93,640**
Comptes de régularisation et passifs divers	**19,686**	**44,829**
Autres passifs	1,940	26,826
Comptes de régularisation	17,746	18,003
Provisions et dettes subordonnées	**43,126**	**39,746**
Provisions	1,644	1,468
Dettes subordonnées	41,482	38,278
Fonds pour risques bancaires généraux	**876**	**854**
Capitaux propres hors FRBG	**35,659**	**36,528**
Capital souscrit	7,205	6,959
Primes d'émission	21,830	21,353
Réserves	2,827	2,774
Écart de réévaluation	-	-
Provisions réglementées et subventions d'investissement	2	3
Report à nouveau	4,347	4,373
Résultat de l'exercice	(552)	1,066
Total passif	**529,469**	**518,888**

HORS-BILAN DE CRÉDIT AGRICOLE S.A.

(en millions d'euro)	31.12.2010	31.12.2009
Engagements donnés	**56,296**	**24,385**
Engagements de financement	33,068	5,364
Engagements de garantie	22,437	19,021
Engagements sur titres	790	-
Engagements reçus	**45,959**	**36,900**
Engagements de financement	43,118	34,520
Engagements de garantie	2,701	2,375
Engagements sur titres	140	5

COMPTE DE RÉSULTAT DE CRÉDIT AGRICOLE S.A.

(en millions d'euro)	31.12.2010	31.12.2009
Intérêts et produits assimilés	12,959	15,092
Intérêts et charges assimilées	(14,043)	(16,083)
Revenus des titres à revenu variable	2,787	3,345
Commissions (produits)	790	929
Commissions (charges)	(1,337)	(1,197)
Gains ou pertes sur opérations des portefeuilles de négociation	(60)	280
Gains ou pertes sur opérations des portefeuilles de placement et assimilés	(138)	219
Autres produits d'exploitation bancaire	98	142
Autres charges d'exploitation bancaire	(128)	(150)
Produit net bancaire	**928**	**2,577**
Charges générales d'exploitation	(734)	(639)
Dotations aux amortissements et aux dépréciations sur immobilisations incorporelles	(11)	(13)
Résultat brut d'exploitation	**183**	**1,925**
Coût du risque	(17)	(41)
Résultat d'exploitation	**166**	**1,884**
Résultat net sur actifs immobilisés	(1,832)	(1,338)
Résultat courant avant impôt	**(1,666)**	**546**
Résultat exceptionnel	-	-
Impôt sur les bénéfices	1,136	544
Dotations/reprises de FRBG et provisions réglementées	(22)	(24)
Résultat net de l'exercice	**(552)**	**1,066**

Annexes

International accounting standards endorsed as at 31 December 2011

List of IAS/IFRS		Endorsement regulation
IFRS 1	First-time adoption of International Financial Reporting Standards	1136/2009 - 550/2010 - 574/2010 - 662/2010 - 149/2011 - 1205/2011
IFRS 2	Share-based payment	1126/2008 - 1261/2008 - 495/2009 - 243/2010 - 244/2010
IFRS 3	Business combinations	495/2009 - 149/2011
IFRS 4	Insurance contracts	1126/2008 - 494/2009 - 1165/2009
IFRS 5	Non-current assets held for sale and discontinued operations	1126/2008 - 494/2009 - 243/2010
IFRS 6	Exploration for and evaluation of mineral assets	1126/2008
IFRS 7	Financial instruments: Disclosures	1126/2008 - 70/2009 - 495/2009 - 824/2009 - 1165/2009 - 574/2010 - 149/2011 - 1205/2011
IFRS 8	Operating segments	1126/2008 - 243/2010 - 632/2010 - 1126/2008
IAS 1	Presentation of Financial Statements	1274/2008 - 53/2009 - 70/2009 - 494/2009 - 243/2010 - 149/2011
IAS 2	Inventories	1126/2008 - 70/2009
IAS 7	Statement of cash flows	1126/2008 - 53/2009 - 70/2009 - 494/2009 - 243/2010
IAS 8	Accounting policies, changes in accounting estimates and errors	1126/2008 - 70/2009
IAS 10	Events after the reporting period	1126/2008 - 70/2009 - 1142/2009
IAS 11	Construction contracts	1126/2008
IAS 12	Income taxes	1126/2008 - 495/2009
IAS 16	Property, plant and equipment	1126/2008 - 70/2009 - 70/2009 - 495/2009
IAS 17	Leases	1126/2008 - 243/2010
IAS 18	Revenue	1126/2008 - 69/2009
IAS 19	Employee benefits	1126/2008 - 70/2009
IAS 20	Accounting for government grants and disclosure of government assistance	1126/2008 - 70/2009
IAS 21	The effects of changes in foreign exchange rates	1126/2008 - 69/2009 - 494/2009 - 149/2011
IAS 23	Borrowing costs	1260/2008 - 70/2009
IAS 24	Related party disclosures	1126/2008 - 632/2010
IAS 26	Accounting and reporting by retirement benefit plans	1126/2008
IAS 27	Consolidated and separate financial statements	494/2009 -
IAS 28	Investments in associates	1126/2008 - 70/2009 - 494/2009 - 495/2009 - 149/2011
IAS 29	Financial reporting in hyperinflationary economies	1126/2008 - 70/2009
IAS 31	Interests in joint ventures	1126/2008 - 70/2009 - 494/2009 - 149/2011
IAS 32	Financial instruments: presentation	1126/2008 - 53/2009 - 70/2009 - 494/2009 - 495/2009 - 1293/2009 - 149/2011
IAS 33	Earning pershare	1126/2008 - 494/2009 - 495/2009
IAS 34	Interim financial reporting	1126/2008 - 70/2009 - 495/2009 - 149/2011
IAS 36	Impairment of assets	1126/2008 - 69/2009 - 70/2009 - 495/2009 - 243/2010
IAS 37	Previsions, contingent liabilities and contingent assets	1126/2008 - 495/2009
IAS 38	Intangible assets	1126/2008 - 70/2009 - 495/2009 - 243/2010
IAS 39	Financial instruments: recognition and measurement (except a few provisions relating to recognition of hedging transactions)	1126/2008 - 53/2009 - 70/2009 - 494/2009 - 495/2009 - 824/2009 - 839/2009 - 1171/2009 - 243/2010 - 149/2011
IAS 40	Investment property	1126/2008 - 70/2009
IAS 41	Agricolture	1126/2008 - 70/2009
IFRIC 1	Changes in existing decommissioning, restoration and similar liabilities	1126/2008
IFRIC 2	Members' shares in cooperative entities and similar instruments	1126/2008
IFRIC 4	Determining whether an arrangement contains a lease	1126/2008 - 254/2009
IFRIC 5	Rights to interests arising from decommissioning, restoration and environmental reclamation funds	1126/2008 - 70/2009 - 1142/2009
IFRIC 6	Liabilities arising from participating in a specific market - Waste electrical and electronic equipment	1126/2008
IFRIC 7	Applying the restatement approach under IAS 29. Financial reporting in hyperinflationary economies	1126/2008

List of IAS/IFRS		Endorsement regulation
IFRIC 8	Reassessment of embedded derivatives	1126/2008
IFRIC 9	Interim financial reporting and impairment	1126/2008 - 495/2009 - 1171/2009 - 243/2010
IFRIC 10	IFRS 2 - Group and treasury share transactions	1126/2008
IFRIC 11		1126/2008
IFRIC 12	Service Concession Arrangements	254/2009
IFRIC 13	Customer loyalty programmes	1262/2008 - 149/2011
IFRIC 14	IAS 19 - the limit on a Defined-Benefit-Asset, minimum funding requirements and their interaction	1263/2008 - 633/2010
IFRIC 15	Agreements for the construction of real estate	636/2009
IFRIC 16	Hedges of a net investment in a foreign operation	460/2009
IFRIC 17	Distribution of Non-cash Assets to Owners	1142/2009
IFRIC 18	Transfers of assets from Customers	1164/2009
IFRIC 19	Extinguishing financial liabilities with equity instruments	662/2010
SIC 7	Introduction of the Euro	1126/2008 - 494/2009
SIC 10	Government assistance - No specific relation to operations	1126/2008
SIC 12	Consolidation - Special purpose entities	1126/2008
SIC 13	Jointly controlled entities - Non-monetary contributions by venturers	1126/2008
SIC 15	Operating leases - Incentives	1126/2008
SIC 21	Income taxes - Recovery of revalued non-depreciable assets	1126/2008
SIC 25	Income taxes - Changes in the tax status of an enterprise or its shareholders	1126/2008
SIC 27	Evaluating the substance of transactions in the legal form of a lease	1126/2008
SIC 29	Service Concession Arrangements Disclosures	1126/2008 - 254/2009
SIC 31	Revenue - Barter transactions involving advertising services	1126/2008
SIC 32	Intangible assets - Website costs	1126/2008

Tax disclosures on reserves

Disclosures on equity reserves

	Reserves and provisions that do not form part of shareholders' income in the event of distribution	Reserves and provisions that form part of taxable income of company in the event of distribution	Reserves and provisions of shareholders' taxable income in the event of distribution	Valuation reserves not available for distribution
Share premium reserve	2,693,560	42,444		
Reserve pursuant to Article 13 of Legislative Decree 124/93		314		
Legal reserve			106,293	
Extraordinary Reserve			663,098	
Reserve from first time adoption of IAS/IFRS			-97,651	
Reserve for tax adjustment from first time adoption of IAS/IFRS for realignment of tax and reporting values			12,319	
Valuation reserve other: corridor elimination			-5,076	
Valuation reserves for financial assets available for sale				-336,506
Reserve from actuarial valuation reserve - defined-benefit pension plans				-8,156
Reserve for share-based payments	517		604	
Reserve for free assignation of shares			105	
Reserve from adjustment of 2007 transfer Purchase Price Allocation			605	
	2,694,077	**42,758**	**680,297**	**-344,662**

Capital and reserves: possible uses and availability for distribution
(Article 2427 - paragraph 7 bis of the Italian Civil Code)

					Sommary of uses in last three years	
Items of liabilities		**Amount**	**Possible uses (*)**	**Amount available**	**Loss coverage**	**Other uses**
Share capital		876,762				
Share premium reserve		2,693,560	A, B, C	2,693,560	-	-
Tax share premium reserve - Law 266/2005		42,444	A, B (2), C (3)	42,444		
Reserves		681,128				
legal reserve	106,293		A(1), B		-	-
Extraordinary Reserve	663,098		A, B, C	663,098	-	-
Reserve pursuant to Article 13 of Legislative Decree 124/93	314		A, B, C	314	-	-
Reserve for share-based payments	1,121		A, B, C	1,121	-	-
Reserve for free assignation of shares	105		A, B, C	105	-	-
Reserve from adjustment of 2007 transfer Purchase Price Allocation	605		A, B, C	605	-	-
Reserve from first time adoption of IAS/IFRS	-97,651				-	-
Reserve for tax adjustment from first time adoption of IAS/IFRS for realignment of tax and reporting values	12,319				-	-
Valuation reserve other: corridor elimination	-5,076				-	-
Valuation reserves		-344,662				
Valuation reserves for financial assets available for sale	-336,506			-	-	-
Reserve from actuarial valuation reserve - defined-benefit pension plans	-8,156			-	-	-
Net profit (loss) for the period		204,621		-	-	-
Total		**4,153,853**		**3,401,247**	**-**	**-**

(*) A = capital increases B = coverage of losses C = distribution to shareholders.

(1) Can be used for increase in capital (A) for the quota higher than one-fifth of the share capital.

(2) If the reserve is used to cover losses, no profits may be distributed until such reserve is restored or reduced by a corresponding amount. The reduction must be approved by the Extraordinary Shareholders' Meeting without applying the provisions of the second and third paragraphs of Art. 2445 of the Italian Civil Code.

(3) Unless the reserve is transferred to share capital, it may only be reduced with the application of the provisions of Article 2445 paragraphs 2 and 3 of the Italian Civil Code. If distributed, it shall form part of the Company's taxable income.

Assets revalued pursuant to special laws

List of assets that have been revalued and are still held by setting forth the amount of revaluations pursuant

PROPERTY	Book value net of revaluations	L.11.2.52 no. 74	L. 19.2.73 no. 823	L. 2.12.75 no. 576
AGAZZANO - VIA MACALLÈ 11	32,262	-	-	-
AGENZIA DI CITTÀ N. 5	3,881,000	-	-	-
ALBARETO	179,826	-	-	-
ALSENO - VIA EMILIA OVEST 18	171,038	-	-	-
AMPLIAMENTO CAVAGNARI	1,007,391	-	-	-
ANNICCO - P.ZZA GARIBALDI 3	56,152	1,176	3,176	-
ASOLA - P.ZZA XX SETTEMBRE 23	265,396	1,501	19,641	-
ASTI SEDE - CORSO V.ALFIERI, 213	2,141,331	-	-	-
AVERSA - VIALE GIOLITTI 17	816,786	-	-	-
BARDI	129,082	-	11,930	5,967
BASILICANOVA	100,957	-	-	-
BEDONIA - NUOVA SEDE	574,643	-	-	-
BELGIOIOSO - VIA VITT. VENETO, 2	40,189	1,151	11,204	-
BERCETO	85,007	-	2,161	11,500
BETTOLA - P.ZZA COLOMBO, 11	83,016	-	-	-
BOBBIO - P.ZZA S. FRANCESCO, 11/A	262,152	-	-	-
BORGONOVO VAL TIDONE - VIA ROMA, 23	289,221	-	-	-
BORGOTARO	287,205	-	11,389	18,401
BRONI - VIA EMILIA, 371	761,581	-	-	-
BUSSETO FILIALE	523,085	-	22,360	-
CADEO LOC.ROVELETO - VIA EMILIA PARMENSE, 146	284,853	-	-	-
CALENDASCO - PIAZZA BERGAMASCHI, 4	285,670	-	-	-
CALESTANO	20,541	-	9,321	1,911
CAORSO - VIA ROMA, 8	126,359	-	-	-
CAPUA - LARGO PORTA NAPOLI	1,222,279	-	-	-
CASALBUTTANO - P.ZZA DELLA LIBERTÀ, 21	72,358	506	31,536	-
CASALMAGGIORE - VIA CAVOUR, 40/42	130,380	2,359	22,273	-
CASALPUSTERLENGO - LARGO CASALI, 31	561,653	-	-	-
CASERTA - P.ZZA ALDO MORO	4,337,331	-	-	-
CASSOLNOVO - VIA LAVATELLI, 32	378,821	-	-	10,329
CASTEL S.GIOVANNI - GALLERIA BRAGHIERI, 1	536,372	-	-	-
CASTELLUCCHIO - VIA G. MATTEOTTI, 18	561,213	-	-	-
CASTELVERDE - P.ZZA MUNICIPIO, 3-9-11	55,397	-	12,946	-
CERTOSA DI PAVIA - V.LE CERTOSA, 78	352,169	-	4,692	-
CHIAVARI - P.ZZA GIACOMO MATTEOTTI, 4	2,883,867	-	-	-

to Article 10 of Law No. 72 of 19 March 1983

L. 19.03.83 no. 72	L.29.12.90 no. 408	L.30.12.91 no. 413	L. 30.7.90 no. 218	1994 merger revaluation	Total cost	Accumulated depreciation 31.12.2011	Net book value at 31.12.2011
108,456	-	37,567	53,139	-	231,423	54,336	177,087
-	-	-	2,518	-	3,883,518	1,573,592	2,309,926
-	-	22,958	64,005	-	266,788	155,686	111,102
51,646	-	47,211	108,998	-	378,892	169,359	209,533
-	-	-	-	-	1,007,391	-	1,007,391
-	-	52,652	-	67,277	180,434	104,690	75,744
-	-	66,395	-	227,909	580,842	188,466	392,376
-	-	-	-	-	2,141,331	98,347	2,042,984
-	-	-	-	-	816,786	37,513	779,273
61,540	-	76,594	106,574	-	391,687	186,049	205,638
57,102	13,316	147,621	167,520	-	486,517	237,326	249,191
-	-	112,306	182,435	-	869,384	415,046	454,338
-	-	21,180	-	229,336	303,059	147,211	155,848
61,274	-	55,926	87,586	-	303,453	141,747	161,706
61,975	-	27,484	134,658	-	307,133	134,709	172,424
43,608	-	20,969	112,497	-	439,225	177,001	262,224
56,810	-	31,598	87,567	-	465,196	185,992	279,204
95,615	-	16,994	128,117	-	557,722	342,819	214,903
328,983	-	300,316	-	50,149	1,441,029	795,864	645,165
-	-	100,485	468,356	-	1,114,287	532,498	581,789
-	-	102,983	16,673	-	404,510	267,621	136,890
-	-	41,650	36,431	-	363,751	104,675	259,076
47,801	-	17,398	94,609	-	191,581	91,810	99,771
98,127	-	41,257	101,462	-	367,205	161,305	205,899
-	-	-	-	-	1,222,279	56,137	1,166,142
-	-	57,722	-	100,940	263,062	128,556	134,507
-	-	36,030	-	292,244	483,286	211,499	271,787
211,740	-	409,979	-	266,529	1,449,901	1,030,499	419,401
-	-	-	-	-	4,337,331	199,205	4,138,126
-	-	21,130	91,583	-	501,863	149,904	351,959
171,844	-	88,751	413,391	-	1,210,359	481,575	728,784
-	-	226,505	-	49,464	837,182	629,279	207,903
-	-	40,216	-	111,816	220,375	92,280	128,095
120,851	-	82,275	-	28,618	588,605	240,313	348,291
-	-	-	-	-	2,883,867	52,150	2,831,717

PROPERTY	Book value net of revaluations	L.11.2.52 no. 74	L. 19.2.73 no. 823	L. 2.12.75 no. 576
CINGIA DE'BOTTI - VIA GIUSEPPINA, 152	2,619	429	5,941	-
CODOGNO - PIAZZA CAIROLI, 3	1,073,902	-	-	-
COENZO	371,668	-	1,808	-
COLLECCHIO	1,917,887	-	-	-
COLLECCHIO - VIA LA SPEZIA, 8	760,303	-	-	-
COLORNO - NUOVA SEDE	792,255	-	-	-
COMO SEDE - VIA PIETRO BOLDONI, 1	2,589,762	-	-	-
CORNIGLIO	64,911	-	26,353	928
CORTE DE' CORTESI - P.ZZA VITT. VENETO, 4 - 6	123,356	-	713	-
CORTEMAGGIORE - VIA CAVOUR, 1/A	108,578	-	-	-
CORTEOLONA - VIA CARDINAL MAFFI, 2	47,714	-	9,608	-
CREMA - VIA G. MATTEOTTI, 26/28	343,191	5,881	68,655	-
CREMONA - CORSO MAZZINI, 2	1,595,814	25,087	350,772	-
DESIO - LARGO VOLONTARI DEL SANGUE	3,873,731	-	-	-
FELINO - PIAZZA MIODINI, 2	657,786	-	35,969	10,329
FERRIERE - VIA DEL CONSORZIO, 7	172,784	-	-	-
FIDENZA AGENZIA, 1	1,827,179	-	83,677	29,665
FIDENZA AGENZIA, 2	473,170	-	-	-
FILIALE DI PAROLA FONTANELLATO	553,173	-	-	-
FIORENZUOLA D'ARDA - CORSO GARIBALDI, 120	469,168	-	-	-
FONTANELLATO	527,707	-	29,897	-
FONTANELLE - STRADA PROVINCIALE, 59	87,762	-	9,533	2,582
FONTEVIVO - STRADA PER BUSSETO, 135	238,868	-	11,927	20,658
FORNOVO TARO	1,067,880	-	8,156	19,437
GAMBOLÒ - VIA COTTA, 2	403,081	-	-	10,329
GENOVA 2 - PEGLI-PZZA A.PONCHIELLI, 2	1,775,331	-	-	-
GRAGNANO TREBBIENSE - VIA ROMA, 63	152,934	-	-	-
GRUMELLO CREMONESE - VIA MAZZINI, 8	156,510	59	2,644	-
GUSSOLA - VIA ROMA, 8	47,520	-	7,753	-
LAGRIMONE	172,191	-	-	-
LANGHIRANO	837,098	-	42,532	12,128
LANGHIRANO 2 - PIAZZA DEL POPOLO, 22	57,180	-	34,618	15,494
LANGHIRANO AGENZIA 3	405,811	-	-	-
LESIGNANO BAGNI - NUOVA SEDE	577,256	-	-	-
LODI - VIA MARSALA, 18	635,576	4,127	113,691	-
LUGAGNANO VAL D'ARDA - P.ZZA CASTELLANA, 22	622,159	-	-	-
MANTOVA - VIA I. NIEVO 18/VIA OBERDAN	4,433,451	-	-	-
MARMIROLO - VIA XXV APRILE, 1	126,415	-	10,252	-
MEDE - VIA GRAMSCI, 1	46,786	-	-	-
MEDESANO	44,982	-	18,132	9,531
MEZZANI - VIA M. LIBERTÀ, 322	27,311	-	5,127	5,210
MILANO	2,257,211	-	-	-
MILANO - P.ZZA FRATTINI, 19	366,661	-	81,632	-

L. 19.03.83 no. 72	L.29.12.90 no. 408	L.30.12.91 no. 413	L. 30.7.90 no. 218	1994 merger revaluation	Total cost	Accumulated depreciation 31.12.2011	Net book value at 31.12.2011
-	-	12,612	-	74,914	96,516	51,623	44,894
-	-	217,624	171,309	-	1,462,836	919,201	543,634
-	-	9,465	138,121	-	521,062	259,070	261,992
-	-	191,196	288,117	-	2,397,200	1,001,718	1,395,483
73,636	59,469	641,640	-	-	1,535,047	726,045	809,002
-	-	108,667	786,454	-	1,687,375	677,520	1,009,855
-	-	-	-	-	2,589,762	117,673	2,472,089
48,146	-	35,078	194,040	-	369,456	116,504	252,951
-	-	7,370	-	47,582	179,020	53,910	125,110
77,469	-	35,055	87,409	-	308,511	138,381	170,130
-	-	20,950	-	74,440	152,711	73,245	79,466
363,586	-	767,004	-	313,804	1,862,120	1,140,967	721,153
2,076,157	-	1,870,791	-	803,837	6,722,458	2,386,457	4,336,001
-	-	-	-	-	3,873,731	116,598	3,757,134
87,798	301,908	220,281	-	-	1,314,071	527,027	787,045
-	-	53,147	4,523	-	230,454	144,958	85,497
215,527	-	-	307,531	-	2,463,579	776,249	1,687,331
28,659	-	48,093	345,710	-	895,632	362,422	533,211
-	-	-	-	-	553,173	8,381	544,791
194,704	-	144,239	195,074	-	1,003,186	312,898	690,288
111,655	-	15,582	379,247	-	1,064,088	457,624	606,465
45,448	151,905	63,487	-	-	360,718	149,915	210,804
103,291	350,998	299,492	-	-	1,025,234	348,511	676,723
-	-	14,142	198,065	-	1,307,680	535,503	772,177
-	-	4,474	94,165	-	512,049	188,132	323,917
-	-	-	-	-	1,775,331	81,537	1,693,794
41,317	-	29,569	23,034	-	246,854	138,978	107,876
-	-	9,162	-	66,174	234,549	44,328	190,221
-	-	58,355	-	51,318	164,945	102,379	62,566
-	99,980	-	-	-	272,171	221,814	50,357
90,543	-	50,672	562,140	-	1,595,113	390,892	1,204,222
162,684	255,039	217,764	-	-	742,779	328,170	414,609
-	-	-	138	-	405,949	210,593	195,356
-	-	-	-	-	577,256	209,160	368,097
-	-	259,762	-	1,051,150	2,064,306	890,004	1,174,303
65,107	-	26,297	28,660	-	742,224	179,115	563,109
-	-	1,560,197	-	321,766	6,315,413	5,109,144	1,206,269
-	-	78,068	-	61,702	276,436	169,384	107,052
-	-	-	-	-	46,786	10,488	36,298
108,953	-	40,468	219,782	-	441,848	188,298	253,549
38,218	65,506	53,984	-	-	195,356	108,375	86,981
-	-	158,469	1,555,993	-	3,971,673	2,012,132	1,959,541
371,849	-	543,908	-	268,264	1,632,314	920,421	711,893

PROPERTY	Book value net of revaluations	L.11.2.52 no. 74	L. 19.2.73 no. 823	L. 2.12.75 no. 576
MILANO - P.ZZA VELASCA, 4	409,016	-	191,991	-
MILANO - VIA ARMORARI, 4	2,703,807	-	1,313,331	-
MILANO - VIA ARMORARI, 8	2,268,382	-	-	-
MILANO - VIA FARINI, 82	2,026,231	-	-	-
MILANO - VIA MUSSI, 4	413,668	-	92,969	-
MILANO - VIA PISTRUCCI, 25	231,722	-	41,673	-
MILANO - VIA RIPAMONTI, 177	404,816	-	103,421	-
MONCHIO	23,882	-	1,143	5,726
MONTICELLI D'O - VIA MARTIRI LIBERTÀ, 35	313,240	-	-	-
MONZA 2 - V.MONTE CERVINO 3	2,446,331	-	-	-
MORFASSO - PIAZZA INZANI	189,384	-	-	-
NAPOLI - P.ZZA MEDAGLIE D'ORO, 17	4,288,467	-	-	-
NAPOLI 18 - VIA ENRICO FERMI, 2	3,727,331	-	-	-
NAPOLI 25 - VIA ABATE MINICHINI, 1/A	1,409,567	-	-	-
NAPOLI 6 - VIA FERRANTE IMPARATO, 29	1,043,331	-	-	-
NEVIANO ARDUINI	70,408	-	3,954	2,574
NOCETO - FILIALE	698,182	-	14,143	10,558
OSTIGLIA - VIA PIAVE, 18-20	53,018	-	-	-
OTTONE - P.ZZA VITTORIA, 25	39,457	-	-	-
PADERNO PONCHIELLI - P.ZZA DELLA LIBERTÀ, 6	60,910	-	4,106	-
PALANZANO	63,538	-	974	8,767
PANDINO - VIA MILANO, 20-22	119,135	1,731	27,915	-
PARMA - VIA MISTRALI, 1/3	4,779,397	-	369,753	377,014
PARMA - AGENZIA 22 (FORUM)	529,382	-	-	-
PARMA - AGENZIA CITTÀ N.1	603,555	-	99,914	-
PARMA - AGENZIA CITTÀ N.2	1,239,589	-	-	-
PARMA - AGENZIA CITTÀ N.3	1,269,815	-	56,793	3,788
PARMA - AGENZIA CITTÀ N.6	803,101	-	2,406	25,203
PARMA - AGENZIA CITTÀ N.8	821,477	-	37	-
PARMA - ASILO NIDO AZIENDALE C/O CAVAGNARI VIA SPEZIA, 138/A	2,216,956	-	-	-
PARMA - B.GO S. AMBROGIO, 3/5/7	1,703,080	-	-	-
PARMA - V.LE MARTIRI DELLA RESISTENZA, 16/18	181,610	-	-	-
PARMA - VIA CAVESTRO	1,180,493	-	385,900	-
PARMA - VIA EMILIO LEPIDO, 12/A	974,280	-	-	-
PARMA - VIA FARINI, 20	48,487	-	-	-
PARMA - VIA GRAMSCI, 13	345,376	-	-	-
PARMA - VIA SPEZIA C.S.C.	29,031,997	-	-	-
PARMA - VIA SPEZIA NUOVO CRAL	112,781	-	-	-
PARMA - VIA UNIVERSITÀ, 1	1,503,351	-	510,263	195,089
PARMA - VIALE VITTORIA	-34,946	-	2,594	-
PARMA AG. 11	527,548	-	-	-
PARMA - AGENZIA CITTÀ, 4	3,570,599	-	-	-

L. 19.03.83 no. 72	L.29.12.90 no. 408	L.30.12.91 no. 413	L. 30.7.90 no. 218	1994 merger revaluation	Total cost	Accumulated depreciation 31.12.2011	Net book value at 31.12.2011
192,122	-	433,140	-	889,114	2,115,383	1,127,037	988,346
7,266,549	-	19,847,235	-	7,308,423	38,439,344	9,279,730	29,159,614
-	-	7,164,345	-	5,498,307	14,931,034	3,825,671	11,105,362
-	-	933,643	-	278,488	3,238,361	2,778,034	460,327
291,282	-	439,674	-	275,121	1,512,714	799,658	713,056
127,048	-	258,173	-	351,453	1,010,069	584,733	425,336
335,697	-	381,513	-	161,503	1,386,950	802,065	584,885
59,171	-	10,666	90,515	-	191,103	87,762	103,341
-	-	69,145	-	-	382,385	235,435	146,950
-	-	-	-	-	2,446,331	112,355	2,333,976
-	-	49,730	-	-	239,113	177,301	61,812
-	-	-	-	-	4,288,467	196,618	4,091,849
-	-	-	-	-	3,727,331	171,189	3,556,142
-	-	-	-	-	1,409,567	64,739	1,344,829
-	-	-	-	-	1,043,331	47,918	995,413
46,044	-	11,935	88,290	-	223,206	88,540	134,666
76,036	-	28,103	108,038	-	935,058	414,127	520,932
-	-	54,938	-	77,867	185,824	117,073	68,751
15,494	-	7,709	33,085	-	95,745	36,762	58,983
-	-	14,653	-	84,481	164,150	67,581	96,569
46,594	-	13,092	122,582	-	255,548	110,091	145,456
-	-	66,462	-	159,407	374,649	131,599	243,050
1,508,925	897,799	2,460,915	-	-	10,393,803	3,421,837	6,971,966
-	-	-	-	-	529,382	254,347	275,035
249,070	-	378,832	983,272	-	2,314,642	927,424	1,387,218
-	57,092	98,378	793,152	-	2,188,211	886,343	1,301,868
285,627	-	189,474	807,691	-	2,613,188	1,075,061	1,538,127
112,926	-	166,015	159,997	-	1,269,648	700,831	568,817
382,861	-	328,259	901,626	-	2,434,261	855,217	1,579,044
-	-	-	-	-	2,216,956	33,590	2,183,366
140,699	1,050,126	295,927	-	-	3,189,833	1,289,265	1,900,568
-	-	-	-	-	181,610	34,378	147,232
1,501,229	-	389,474	3,609,776	-	7,066,872	1,667,684	5,399,188
179,927	498,958	177,237	-	-	1,830,402	916,610	913,792
-	70,902	40,567	-	-	159,956	42,625	117,331
-	436,369	70,280	-	-	852,026	439,559	412,467
-	42,608	4,005,756	23,209,647	-	56,290,007	26,650,721	29,639,287
-	-	-	-	-	112,781	-	112,781
2,039,910	-	428,631	6,708,770	-	11,386,015	2,388,560	8,997,455
9,353	-	6,485	16,515	-	-	-	-
-	-	54,888	131,803	-	714,239	646,951	67,288
-	-	607,415	1,954,872	-	6,132,885	3,192,462	2,940,423

PROPERTY	Book value net of revaluations	L.11.2.52 no. 74	L. 19.2.73 no. 823	L. 2.12.75 no. 576
PARMA - AGENZIA CITTÀ, 9	398,762	-	15,987	-
PAROLA AREA EDIFICABILE	-50,298	-	-	-
PAROLA NUOVA FILIALE IN COSTRUZIONE	-	-	-	-
PARONA - VIA XXV APRILE, 17	95,145	-	-	-
PAVIA - P.ZZA DEL LINO, 4	1,081,842	3,079	92,263	-
PAVIA - VIALE CAMPARI, 12	533,484	-	-	-
PAVIA 2 - CORSO CAVOUR, 12	3,606,858	-	-	-
PELLEGRINO - FILIALE	236,593	-	15,431	2,998
PIACENZA - VIA COLOMBO, 101	1,090,091	-	-	-
PIACENZA - VIA POGGIALI, 18	3,493,419	-	-	769,851
PIACENZA - VIA S. BARTOLOMEO, 40	19,917,234	-	-	-
PIACENZA - VIALE DANTE ALIGHIERI, 14	1,507,178	-	-	-
PIACENZA - PALCO TEATRO MUNICIPALE	58	-	-	-
PIANELLO VAL TIDONE - LARGO DAL VERME, 3	292,528	-	-	-
PIANO DI SORRENTO - CORSO ITALIA, 122	1,542,576	-	-	-
PIEVE D'OLMI - VIA ROMA, 1	9,452	-	12,488	-
PIEVE PORTO MORONE - VIA ROMA, 24	124,526	-	-	-
PIEVEOTTOVILLE	25,499	-	342	-
PIZZIGHETTONE - LARGO DELLA VITTORIA, 7	305,723	-	-	-
PODENZANO - VIA MONTE GRAPPA, 49	305,440	-	-	-
POLESINE	384,863	-	-	-
PONTE DELL'OLIO - VIA VITTORIO VENETO, 90	355,720	-	-	-
PONTENURE - P.ZZA TRE MARTIRI, 11	522,240	-	-	-
PONTETARO	521,333	-	19,513	3,367
PORTICI - VIA LIBERTÀ, 175	1,930,991	-	-	-
RIETI- VIA GARIBALDI, 281	1,348,331	-	-	-
RIVAROLO DEL RE - VIA DELLA LIBERTÀ, 10-16	385,352	-	1,600	-
ROBECCO D'OGLIO - VIA MARTIRI LIBERTÀ, 48-50	49,968	948	8,786	-
ROCCABIANCA	636,201	-	-	-
ROMA - VIA SISTINA, 104/A	4,041,324	-	-	-
ROMANENGO - VIA G. VEZZOLI, 2	717,526	795	12,932	-
ROTTOFRENO - VIA EMILIA EST, 33	47,391	-	-	-
ROVERBELLA - VIA CUSTOZA, 124	147,277	-	14,949	-
S. POLO TORRILE - STRADA ASOLANA, 128	734,622	-	-	-
S.ANDREA BAGNI	205,545	-	1,859	-
S.GIOVANNI IN CROCE - VIA GIUSEPPINA, 15-17	583,649	664	3,813	-
S.GIULIANO MILANESE - VIA ROMA, 5	391,020	-	43,900	-
S.MARIA DEL TARO	45,412	-	3,146	-
S.SECONDO	216,101	-	145	-
SALA BAGANZA	87,452	-	46,459	6,907
SALA BAGANZA - P.ZZA GRAMSCI, 24	453,208	-	15,749	-
SALSOMAGGIORE	1,473,681	-	60,047	41,818
SAN GIORGIO PIACENTINO - P.ZZA MARCONI, 2	335,200	-	-	-

L. 19.03.83 no. 72	L.29.12.90 no. 408	L.30.12.91 no. 413	L. 30.7.90 no. 218	1994 merger revaluation	Total cost	Accumulated depreciation 31.12.2011	Net book value at 31.12.2011
186,612	-	149,334	319,851	-	1,070,547	472,343	598,203
-	19,656	30,642	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	12,941	75,689	-	183,775	63,147	120,628
481,035	-	941,760	-	217,178	2,817,157	1,789,058	1,028,099
-	-	32,726	22,047	-	588,256	322,152	266,104
-	-	-	-	-	3,606,858	54,649	3,552,209
49,259	-	19,224	182,482	-	505,987	145,988	359,999
-	-	196,597	195,554	-	1,482,243	572,766	909,477
1,567,362	-	1,952,811	5,788,954	-	13,572,397	4,014,614	9,557,783
-	-	-	-	-	19,917,234	5,181,331	14,735,903
-	-	215,624	426,870	-	2,149,672	796,425	1,353,247
-	-	-	-	-	58	12	45
-	-	9,449	60,751	-	362,727	172,525	190,203
-	-	-	-	-	1,542,576	70,847	1,471,729
-	-	21,534	-	48,712	92,186	52,300	39,887
-	-	53,937	-	84,966	263,429	133,063	130,365
45,249	-	8,525	73,623	-	153,236	70,939	82,297
178,694	-	99,878	-	20,092	604,387	326,010	278,377
67,139	-	70,923	115,376	-	558,877	293,444	265,433
-	-	70,135	150,460	-	605,458	356,363	249,095
-	-	115,908	172,170	-	643,798	277,866	365,932
-	-	68,083	-	-	590,323	373,747	216,576
66,243	26,289	116,981	93,310	-	847,035	400,111	446,924
-	-	-	-	-	1,930,991	88,589	1,842,402
-	-	-	-	-	1,348,331	61,926	1,286,405
-	-	90,021	-	14,886	491,859	327,883	163,975
-	-	15,957	-	81,443	157,102	53,732	103,369
-	-	17,912	241,824	-	895,937	560,625	335,312
-	-	-	-	-	4,041,324	1,984,048	2,057,277
-	-	21,601	-	110,278	863,132	162,492	700,640
56,810	-	24,581	61,128	-	189,910	84,629	105,281
-	-	22,589	-	155,423	340,238	117,211	223,028
-	-	11,996	-	-	746,618	295,064	451,554
-	-	5,253	129,517	-	342,174	179,451	162,723
-	-	11,034	-	54,843	654,003	239,423	414,580
232,406	-	369,534	-	73,368	1,110,228	635,927	474,301
58,320	-	10,200	100,472	-	217,551	108,400	109,150
105,674	-	71,430	392,743	-	786,092	301,415	484,678
72,054	-	59,315	323,203	-	595,390	157,256	438,134
235,765	670,239	14,659	-	-	1,389,621	629,254	760,368
338,509	-	16,718	424,119	-	2,354,892	968,648	1,386,244
-	-	-	-	-	335,200	161,626	173,574

PROPERTY	Book value net of revaluations	L.11.2.52 no. 74	L. 19.2.73 no. 823	L. 2.12.75 no. 576
SANT'ANGELO LODIGIANO - P.ZZA DEI CADUTI, 10	648,796	1,411	13,012	-
SESTO CREMONESE - V.LE G.MATTEOTTI, 6-8	87,707	508	3,370	-
SISSA	317,311	-	3,353	7,578
SOLIGNANO	26,999	-	4,209	5,424
SORAGNA	120,003	-	18,533	17,254
SORBOLO	1,133,390	-	-	-
SORESINA - VIA F. GENALA, 17	186,512	830	35,251	-
SPORTELLO AREA S.P.I.P.	895,350	-	-	-
SUZZARA	795,762	-	-	-
TABIANO TERME	68,799	-	757	19,119
TALIGNANO	614,759	-	-	-
TORINO - P.ZZA DE AMICIS, 121/BIS	1,152,461	-	-	-
TORINO 15 - CORSO G. GABETTI, 2/A	1,783,241	-	-	-
TRAVERSETOLO	947,313	-	23,043	8,221
TRAVO - VIA ANGUISSOLA, 4	133,642	-	-	-
TRIGOLO - VIA ROMA, 73	46,345	129	8,539	-
TROMELLO - P.ZZA CAMPEGI, 2	446,883	-	-	-
VALENZA	342,964	-	-	56,334
VARESE SEDE - VIA MARCOBI, 5	4,531,553	-	-	-
VESCOVATO - VIA GARIBALDI, 2	8,463	51	12,911	-
VICOBARONE DI ZIANO PIACENTINO - VIA ZIANO 9	48,378	-	-	-
VIGEVANO - CORSO MILANO, 65	237,159	-	-	7,230
VIGEVANO - P.ZZA DUCALE, 43	1,589,878	-	-	129,114
VIGEVANO - P.ZZA VOLTA, 4	120,671	-	-	15,494
VILLANOVA SULL'ARDA - VIA MORO, 4	337,493	-	-	-
VINOVO	292,719	-	-	-
ZIANO PIACENTINO - VIA ROMA, 175	69,449	-	-	-
ZIBELLO	176,504	-	136	-
TOTAL PROPERTY	198,085,988	52,423	4,837,824	1,903,826
MOBILI E IMPIANTI	-	-	-	-
MOBILI E ARREDI	64,823,120	-	3,414	18,701
IMPIANTI E MACCHINE	178,328,752	-	1,807	11,178
TOTAL FURNITURE AND PLANT	243,151,873	-	5,222	29,878
TOTAL PROPERTY, PLANT AND EQUIPMENT	441,237,860	52,423	4,843,045	1,933,704

L. 19.03.83 no. 72	L.29.12.90 no. 408	L.30.12.91 no. 413	L. 30.7.90 no. 218	1994 merger revaluation	Total cost	Accumulated depreciation 31.12.2011	Net book value at 31.12.2011
-	-	66,702	-	8,769	738,689	313,075	425,615
-	-	12,890	-	76,972	181,447	63,364	118,083
-	-	27,414	159,671	-	515,328	225,513	289,815
51,082	-	9,218	97,942	-	194,874	90,727	104,147
67,759	-	39,340	177,224	-	440,112	190,166	249,946
-	-	62,444	651,020	-	1,846,854	1,128,018	718,836
-	-	97,091	-	382,504	702,189	326,327	375,861
-	-	9,560	14,843	-	919,753	363,108	556,646
-	-	18,414	539,476	-	1,353,652	880,934	472,719
85,501	-	16,618	132,004	-	322,800	159,100	163,700
-	289,767	-	1,710,026	-	2,614,552	628,013	1,986,539
-	-	-	-	-	1,152,461	52,930	1,099,531
-	-	-	-	-	1,783,241	81,785	1,701,456
72,176	-	84,935	259,432	-	1,395,119	480,973	914,146
-	-	38,548	1,640	-	173,830	112,097	61,733
-	-	14,433	-	61,857	131,303	52,238	79,065
-	-	17,078	78,092	-	542,052	95,643	446,409
252,201	-	90,987	-	858,291	1,600,777	837,044	763,734
-	-	-	-	-	4,531,553	207,065	4,324,488
-	-	18,956	-	106,168	146,550	72,969	73,581
15,494	-	8,451	14,084	-	86,408	42,864	43,544
-	-	17,382	163,008	-	424,779	151,557	273,223
1,077,258	-	417,537	1,004,817	-	4,218,604	1,294,278	2,924,326
-	-	45,829	270,714	-	452,707	137,349	315,358
-	-	71,327	57,044	-	465,863	163,218	302,645
-	-	20,734	-	148,416	461,869	294,361	167,507
20,658	-	8,838	45,381	-	144,327	52,663	91,664
98,960	-	6,056	278,852	-	560,508	246,833	313,675
26,230,901	5,357,925	55,824,498	62,762,672	22,147,563	377,203,620	130,961,796	246,241,824
-	-	-	-	-	-	-	-
-	-	-	-	-	64,845,235	53,461,489	11,383,747
-	-	-	-	-	178,341,737	148,095,536	30,246,202
-	-	-	-	-	243,186,973	201,557,024	41,629,948
26,230,901	5,357,925	55,824,498	62,762,672	22,147,563	620,390,592	332,518,820	287,871,773

Shareholdings and assets available for sale	Book value net of revaluations	L. 30.7.90 no. 218	Impairment	Measurement equity investment/ AFS	Total cost	Net book value at 31.12.2011
Alma Scuola Cucina	72,175	-	-	-	72,175	72,175
Banca d'italia	3,148	63,444,444	-	-	63,447,592	63,447,592
Banca Popolare Friuladria S.p.A.	1,011,566,006	-	-40,000,000	-	971,566,006	971,566,006
Ca Agroalimentare S.p.A.	12,500,000	-	-	-	12,500,000	12,500,000
Calit S.r.l.	78,350,000	-	-10,100,000	-	68,250,000	68,250,000
Cariparma Mortgage S.r.l.	2,280	-	-	-	2,280	2,280
Cassa di Risparmio della Spezia	288,000,000	-	-	-	288,000,000	288,000,000
Ce.P.I.M. S.p.A.	801,542	-44,831	-	703,289	1,460,000	1,460,000
Centro Agro-Alimentare di Parma S.r.l.	619,748	-9,296	-	-161,648	448,804	448,804
Centro Ricerca e Formazione (Socris)	-	-	-	-	-	-
Cons. Agrario Provinciale Pavia S.c.r.l.	-	-	-	-	-	-
Cons. Agrario Provinciale Piacenza S.c.r.l.	26	427	-	-	453	453
Cons. Agrario Provinciale di Parma S.c.r.l.	84,915	487,535	-	-450	572,000	572,000
Crédit Agricole Vita Assicurazioni S.p.A.	169,883,062	-	-	-	169,883,062	169,883,062
Eurocasse Società di Intermediazione Mobiliare	-	-	-	-	-	-
Fidi Toscana	199,992	-	-	-	199,992	199,992
Fiere di Parma S.p.A.	9,472,852	-416,050	-	1,043,672	10,100,474	10,100,474
Impianti S.r.l.	-	-	-	-	-	-
Piacenza Expo S.p.A. (Ex So.Pr.A.E. S.p.A.)	1,288,405	94,063	-	-334,037	1,048,431	1,048,431
S.W.I.F.T. Sc	22,950	971	-	18,959	42,880	42,880
Sep	12,234	-	-	-	12,234	12,234
Si.Te.Ba Sistemi Telematici Bancari S.p.A.	23,190	-	-	126,623	149,813	149,813
Sia-Ssb S.p.A.	225,443	7,012	-	627,849	860,304	860,304
Sliders S.r.l.	20,000	-	-	-	20,000	20,000
So.Ge.A.P. Aeroporto di Parma Società per la Gestione S.p.A.	236,125	-38,911	-37,238	86,024	246,000	246,000
Società Prov.Le Insediamenti Prod. S.p.A. - So.Pr.I.P.	130,124	1,033	-	86,895	218,052	218,052
Stellina 10	1,900	-	-	-	1,900	1,900
Visa Europe Limited	1	-	-	-	1	1
Total equity investments and assets available for sale	**1,573,516,118**	**63,526,397**	**-50,137,238**	**2,197,176**	**1,589,102,452**	**1,589,102,452**

Branches and Customer centres

DISTRICT OF PARMA			
PARMA SEDE	Via Università, 1/A	PR	43100
PARMA SEDE 2	Piazza Cesare Battisti, 7/A	PR	43100
PARMA AG. 1	Via M. d'Azeglio, 10	PR	43100
PARMA AG. 2	Via Emilia Ovest, 10	PR	43100
PARMA AG. 3	Piazzale V. Emanuele II, 5/A	PR	43100
PARMA AG. 4	Viale Mentana, 131	PR	43100
PARMA AG. 5	Piazzale Barbieri, 29/A	PR	43100
PARMA AG. 6	Via C. Farini, 71	PR	43100
PARMA AG. 7	Via Verdi, 2 - C/O Borsa Merci	PR	43100
PARMA AG. 8	Via P. Torelli, 51/A	PR	43100
PARMA AG. 9	Via Cuneo, 21/A	PR	43100
PARMA AG. 10	Via Abbeveratoia, 4/D	PR	43100
PARMA AG. 11	Strada Mercati, 9/B	PR	43100
PARMA AG. 12	Via La Spezia, 138/A	PR	43100
PARMA AG. 13	Viale Gramsci, 13/A	PR	43100
PARMA AG. 14	Via Langhirano, 51	PR	43100
PARMA AG. 15	Via E. Lepido, 12/A - S. Lazzaro P.se	PR	43100
PARMA AG. 16	Via S. Leonardo, 187	PR	43100
PARMA AG. 17	Via Montanara, 21	PR	43100
PARMA AG. 18 S.P.I.P.	Via Mercalli, 13	PR	43100
PARMA AG. 19	Via S. Leonardo, 2A	PR	43100
PARMA AG. 20	Via E. Lepido, 51/A	PR	43100
PARMA AG. 22	Viale Piacenza, 29/A (Forum)	PR	43100
PARMA AG. 23	Via Montebello, 23	PR	43100
PARMA AG. 24	Via Emilia Ovest, 151/A - San Pancrazio P.se	PR	43016
PARMA AG. 25	Via Traversetolo, 20/F	PR	43100
PARMA AG. 26	Via Mantova, 166 - C/O Barilla G.R. F.lli S.p.A.	PR	43100
PARMA	Via delle Scienze	PR	43100
ALBARETO	Via della Repubblica, 36	PR	43051
BARDI	Via Roma, 1	PR	43032
BEDONIA	Via Garibaldi, 25	PR	43041
BERCETO	Piazza Micheli, 5/Ter	PR	43042
BORE	Via Colombo, 12	PR	43030
BORGO VAL DI TARO	Via Nazionale, 27	PR	43043
BUSSETO	Via Roma, 125	PR	43011
CALESTANO	Piazza Europa, 1/A	PR	43030
COLLECCHIO	Via La Spezia, 10	PR	43044
COLORNO	Via Cavour, 28	PR	43052
CORNIGLIO	Via Rustici, 2/A	PR	43021
CORNIGLIO	Via Costa, 10 - Frazione Beduzzo	PR	43021
FELINO	Piazza Miodini, 3	PR	43035
FIDENZA	Via Gramsci, 41	PR	43036
FIDENZA 2	Via Togliatti, 4/6	PR	43036

FIDENZA 3	Piazza Garibaldi, 22	PR	43036
FONTANELLATO	Piazza Garibaldi, 12	PR	43012
FONTANELLATO	Via Borsellino, 1 - Parola	PR	43012
FONTEVIVO	Strada Provinciale di Busseto, 135	PR	43010
FONTEVIVO	Via Martiri della Libertà, 1 - Pontetaro	PR	43010
FONTEVIVO	Località Bianconese - C/O Ce.P.I.M.	PR	43010
FORNOVO DI TARO	Via XXIV Maggio, 17	PR	43045
LANGHIRANO AG. 1	Via O. Ferrari, 9	PR	43013
LANGHIRANO AG. 2	Via del Popolo, 22	PR	43013
LANGHIRANO	Strada Parma 20/B - Pilastro	PR	43010
LANGHIRANO	Via Fanti d'Italia, 9	PR	43013
LESIGNANO DE BAGNI	Piazza Marconi, 13	PR	43037
MEDESANO	Via Cisa, 1 - Felegara	PR	43040
MEDESANO	Via Martiri della Libertà, 1	PR	43014
MEDESANO	Via Puccini, 4 - S.Andrea Bagni	PR	43048
MEZZANI	Via Martiri Libertà, 170 - Mezzano Inferiore	PR	43054
MONCHIO DELLE CORTI	Via Brigata Alpina Julia, 1	PR	43010
MONTECHIARUGOLO	Via Argini Sud, 6/A - Basilicanova	PR	43030
NEVIANO DEGLI ARDUINI	Via Buca, 21	PR	43024
NEVIANO DEGLI ARDUINI	Strada Scurano, 11	PR	43020
NOCETO	Via Reduci, 4	PR	43015
PALANZANO	Piazza Cardinal Ferrari, 97	PR	43025
PELLEGRINO PARMENSE	Via Roma, 60	PR	43047
POLESINE PARMENSE	Piazza Angelo Balestrieri, 5	PR	43010
ROCCABIANCA	Strada Provinciale, 59 - Fontanelle	PR	43010
ROCCABIANCA	Piazza Garibaldi, 5	PR	43010
SALA BAGANZA	Piazza Gramsci, 9	PR	43038
SALSOMAGGIORE TERME AG. 1	Via Romagnosi, 10	PR	43039
SALSOMAGGIORE TERME AG. 2	Viale Matteotti, 12	PR	43039
SALSOMAGGIORE TERME AG. 3	Via Parma, 72	PR	43039
SALSOMAGGIORE TERME	Viale alle Terme, 7 - Tabiano Bagni	PR	43030
SAN SECONDO PARMENSE	Via Garibaldi, 75	PR	43017
SISSA	Via Matteotti, 38	PR	43018
SOLIGNANO	Via Fondovalle, 9	PR	43040
SORAGNA	Piazza Garibaldi, 18	PR	43019
SORBOLO	Via Rabaglia, 25 - Coenzo	PR	43058
SORBOLO	Viale delle Rimembranze, 5/A	PR	43058
TIZZANO VAL PARMA	Via Lagrimone, 12 - Lagrimone	PR	43020
TIZZANO VAL PARMA	Piazza Roma, 25	PR	43028
TORRILE	Via Asolana, 64 - S.Polo	PR	43056
TRAVERSETOLO	Piazza Vittorio Veneto, 45	PR	43029
TRECASALI	Via Verdi, 1	PR	43010
VARANO DE' MELEGARI	Via Martiri della Libertà, 27	PR	43040
VARSI	Piazza Monumento, 3	PR	43049
TORNOLO	Strada Privata, 2 - S.Maria del Taro	PR	43057
TORNOLO	Via Provinciale Sud, 22 - Tarsogno	PR	43050
VALMOZZOLA	Via Provinciale, 27	PR	43050
ZIBELLO	Via IV Novembre, 13 - Pieveottoville	PR	43010
ZIBELLO	Piazza Garibaldi, 51	PR	43010

DISTRICT OF ALESSANDRIA			
ALESSANDRIA	Corso Roma, 5	AL	15100
CASALE MONFERRATO	Piazza Martiri della Libertà, 19	AL	15033
CASSANO SPINOLA	Via IV Novembre, 5	AL	15063
CASTELNUOVO SCRIVIA	Via Solferino, 2	AL	15053
GAVI	Via Voltaggio, 1/4 Ang. Via Roma	AL	15066
NOVI LIGURE	Corso Romualdo Marenco, 30	AL	15067
SALE	Via Mentana, 2	AL	15045
SAN SEBASTIANO CURONE	Via Anselmi	AL	15056
TORTONA	Corso Romita, 10/B	AL	15057
VALENZA	Via Cunietti, 8	AL	15048
VIGUZZOLO	Via Vittorio Veneto, 5	AL	15058
VOLPEDO	Via Pellizza, 55	AL	15059
DISTRICT OF AREZZO			
AREZZO	Via Pietro Aretino, 1	AR	52100
SAN GIOVANNI VALDARNO	Corso Italia, 73	AR	52027
DISTRICT OF ASTI			
ASTI	Corso Vittorio Alfieri, 213	AT	14100
DISTRICT OF BERGAMO			
BERGAMO	Largo Belotti, 5/A	BG	24121
BERGAMO AG. 1	Via Broseta, 70	BG	24128
BERGAMO AG. 2	Via A. Maj, 14 Ang. Via Casalino 27	BG	24121
ALZANO LOMBARDO	Piazza Italia, 1	BG	24022
CURNO	Via Bergamo, 18/24	BG	24035
DALMINE	Largo Europa, 6	BG	24044
LOVERE	Vicolo Del Porto, 1	BG	24065
SERIATE	Via Dante Alighieri Ang. Via IV Novembre	BG	24068
STEZZANO	Via Santuario, 25/G	BG	24040
DISTRICT OF BIELLA			
BIELLA	Via Lamarmora, 15/D	BI	13900
VALLE MOSSO	Piazza Repubblica, 15	BI	13068
DISTRICT OF BOLOGNA			
BOLOGNA SEDE	Via Marconi, 16	BO	40122
BOLOGNA AG. 1	Via dei Mille, 19	BO	40121
BOLOGNA AG. 2	Via Vittoria, 2/A	BO	40133
BOLOGNA AG. 3	Via Montegrappa Ang. Vicolo Ghirlanda	BO	40121
BOLOGNA AG. 5	Via Emilia Levante, 1	BO	40137
BOLOGNA AG. 6	Via Molino Parisio, 1	BO	40139
BOLOGNA AG. 7	Via Massarenti, 50	BO	40138
BOLOGNA AG. 8	Viale Carlo Pepoli, 84/G - Ang. Via Andrea Costa	BO	40123
BOLOGNA AG. 9	Via Toscana, 119	BO	40141
CASALECCHIO DI RENO	Via Mazzini, 4	BO	40033
SAN LAZZARO DI SAVENA	Via Emilia, 160	BO	40068
SAN PIETRO IN CASALE	Via Matteotti, 125	BO	40018
DISTRICT OF BRESCIA			
BRESCIA AG. 1	Via Cipro, 170	BS	25124
BRESCIA AG. 2	Via Fornaci, 88	BS	25131
BRESCIA	Via Cefalonia 70	BS	25124
MANERBIO	Via XX Settembre, 26	BS	25025

DISTRICT OF CASERTA			
CASERTA SEDE	Piazza Aldo Moro	CE	81100
CASERTA AG. 1	Via Bernini N.13	CE	81100
AVERSA	Piazza Bernini	CE	81031
AVERSA AG. 2	Viale Giolitti, 17	CE	81031
CAPUA	Via Appia Porta Roma 52	CE	81043
CAPUA AG. 2	Largo Porta Napoli	CE	81043
CELLOLE	Corso Fredda, 170	CE	81030
MACERATA CAMPANIA	Via G. Matteotti, 48/50	CE	81047
MADDALONI	Corso 1 Ottobre, 38/40	CE	81024
ROCCAMONFINA	Via Napoli	CE	81035
SAN NICOLA LA STRADA	S.S.Sannitica Km.23.300	CE	81020
SESSA AURUNCA	Corso Lucilio, 42	CE	81037
TEVEROLA	Via Roma, 270	CE	81030
TRENTOLA - DUCENTA	Via Circumvallazione, 46/52	CE	81038
DISTRICT OF CUNEO			
ALBA	Piazza Savona, 8	CN	12051
DISTRICT OF COMO			
COMO SEDE	Via Pietro Boldoni, 1	CO	22100
COMO AG. 2	Lora - Via Oltrecolle, 39	CO	22100
COMO AG. 3	Via Bellinzona, 177	CO	22100
CANTÙ	Vighizzolo - Piazza Piave	CO	22063
CANZO	Via Mazzini, 2	CO	22035
DOMASO	Via Case Sparse, 11	CO	22013
ERBA	Via Dante Alighieri, 32	CO	22036
FIGINO SERENZA	Via Crocefisso, 22	CO	22060
LOMAZZO	Piazza Brolo San Vito, 8	CO	22074
MENAGGIO	Via IV Novembre, 17	CO	22017
PORLEZZA	Via Colombaio, 27	CO	22018
SAN FERMO DELLA BATTAGLIA	Via Diaz, 12/A	CO	22020
TAVERNERIO	Via Provinciale, 12	CO	22038
DISTRICT OF CREMONA			
CREMONA SEDE	Corso Mazzini, 2	CR	26100
CREMONA AG. 1	Via Buoso da Dovara, 64/A	CR	26100
CREMONA AG. 2	Via Dante, 236	CR	26100
CREMONA AG. 3	Piazza Risorgimento, 3	CR	26100
ANNICCO	Piazza Garibaldi, 3	CR	26021
CASALBUTTANO ED UNITI	Piazza della Libertà, 21	CR	26011
CASALMAGGIORE	Via Cavour, 40/42	CR	26041
CASTELVERDE	Piazza Municipio, 11	CR	26022
CINGIA DE' BOTTI	Via Giuseppina, 152	CR	26042
CORTE DE' CORTESI CON CIGNONE	Piazza Vittorio Veneto, 6	CR	26020
CREMA	Via G. Matteotti, 26/28	CR	26013
CROTTA D'ADDA	Via Roma, 35	CR	26020
GRUMELLO CREMONESE ED UNITI	Via Mazzini, 8	CR	26023
GUSSOLA	Via Roma, 16	CR	26040
PADERNO PONCHIELLI	Piazza della Libertà, 6	CR	26024
PANDINO	Via Milano, 20	CR	26025
PERSICO DOSIMO	Via Ostiano, 227 - Persichello	CR	26043
PIADENA	Via della Libertà, 3	CR	26034

PIEVE D'OLMI	Via Roma, 1	CR	26040
PIZZIGHETTONE	Largo della Vittoria, 7	CR	26026
RIVAROLO DEL RE ED UNITI	Via della Libertà, 10	CR	26036
ROBECCO D'OGLIO	Via Martiri della Libertà, 48	CR	26010
ROMANENGO	Via G. Vezzoli, 2	CR	26014
SAN GIOVANNI IN CROCE	Via Giuseppina, 15	CR	26037
SESTO ED UNITI	Viale G. Matteotti, 6 - Sesto Cremonese	CR	26028
SONCINO	Via Regina della Scala, 38 - Gallignano	CR	26020
SORESINA	Via F. Genala, 17	CR	26015
SOSPIRO	Piazza Libertà, 2	CR	26048
SPINADESCO	Via Mazzini, 25	CR	26020
TRIGOLO	Via Roma, 73	CR	26018
VESCOVATO	Via Garibaldi, 2	CR	26039
DISTRICT OF FERRARA			
FERRARA	Corso Giovecca, 41	FE	44100
CENTO	Via Guercino, 2	FE	44042
DISTRICT OF FIRENZE			
FIRENZE SEDE	Via S. Lavagnini, 38	FI	50129
FIRENZE AG. 1	Via Taddeo Alderotti, 26/H	FI	50139
FIRENZE AG. 2	Via Pietrapiana, 78/80R	FI	50121
FIRENZE AG. 3	Via Di Novoli, 57	FI	50127
FIRENZE AG. 4	Viale Vasco Pratolini, 19	FI	50124
FIRENZE AG. 5	Via Elbano Gasperi, 3	FI	50131
FIRENZE AG. 6	Viale Gramsci, 59/61	FI	50121
FIRENZE AG. 7	Largo Guido Novello ,1 /B Ang.Viale Europa	FI	50126
FIRENZE AG. 8	Piazza delle Cure, 17-18/R	FI	50131
FIRENZE AG. 9	Via De' Vecchietti, 5/R	FI	50123
FIRENZE AG. 10	Via Por Santa Maria, 19/R	FI	50122
FIRENZE AG. 11	Via L. Bartolini, 20/R	FI	50124
FIRENZE AG. 12	Via dei Bardi, 50-52/R	FI	50125
FIRENZE AG. 13	Piazza Bernardo Tanucci, 20/R	FI	50134
FIRENZE AG. 14	Via Masaccio, 206/B	FI	50132
CALENZANO	Via G. Puccini, 167	FI	50041
CAMPI BISENZIO AG. 1	Piazza Dante, 1	FI	50013
CAMPI BISENZIO AG. 2	Via Rucellai, 2/2 A	FI	50013
CERTALDO	Piazza Boccaccio, 53/54/55	FI	50052
EMPOLI	Via Tinto Da Battifolle, 6	FI	50053
IMPRUNETA	Via Montebuoni 200 - Tavarnuzze	FI	50023
LASTRA A SIGNA	Piazza Firenze, 1	FI	50055
SCANDICCI	Piazza Matteotti, 18	FI	50018
SESTO FIORENTINO	Via G. di Vittorio, 14 - Neto	FI	50019
SESTO FIORENTINO	Via C. Monteverdi, 45-47 - Quinto	FI	50019
DISTRICT OF FROSINONE			
FROSINONE	Via Aldo Moro, 289	FR	03100
CASSINO	Viale Dante, 97	FR	03043
DISTRICT OF GENOVA			
GENOVA SEDE	Via XX Settembre 187/R	GE	16121
GENOVA AG. 1	Via di Brera 34/R	GE	16121
GENOVA AG. 2	Pegli - Piazza Amilcare Ponchielli 2	GE	16156
GENOVA AG. 3	Sestri Ponente - Piazzetta Balestrino, 3	GE	16154

GENOVA AG. 4	Piazza Tommaseo, 17	GE	16129
GENOVA AG. 5	Via P. Anfossi, 212	GE	16164
CHIAVARI	Piazza Giacomo Matteotti 4	GE	16043
GROSSETO	Largo Manetti, 1	GR	58100
RAPALLO	Via Diaz, 12	GE	16035
DISTRICT OF IMPERIA			
IMPERIA	Via Felice Cascione 72/A	IM	18100
BORDIGHERA	Via Roma, 4	IM	18012
SAN REMO	Via Roma, 62	IM	18038
VENTIMIGLIA	Via Roma, 18/D	IM	18039
DISTRICT OF LECCO			
LECCO	Via Adamello, 8	LC	23900
BRIVIO	Via G. Magni, 9	LC	23883
DISTRICT OF LIVORNO			
LIVORNO	Largo Del Duomo, 22	LI	57123
LIVORNO AG. 1	Viale Petrarca, 37	LI	57124
DISTRICT OF LODI			
LODI SEDE	Via Marsala, 18	LO	26900
LODI AG. 2	Via Dalmazia, 9	LO	26900
LODI AG. 3	Corso Mazzini, 85	LO	26900
LODI AG. 4	Viale Pavia, 30	LO	26900
CASALPUSTERLENGO	Largo Casali, 31	LO	26841
CASALPUSTERLENGO STABILIMENTO LEVER GIBBS	Via Lever Gibbs	LO	26841
CODOGNO	Piazza Cairoli, 3	LO	26845
SANT'ANGELO LODIGIANO	Piazza dei Caduti, 10	LO	26866
DISTRICT OF LATINA			
LATINA	Via Emanuele Filiberto, 10	LT	04100
DISTRICT OF LUCCA			
LUCCA SEDE	Viale Pacini, 75	LU	55100
LUCCA AG. 1	Viale San Concordio, 839	LU	55100
LUCCA AG. 2	Viale Catalani, 229	LU	55100
ALTOPASCIO	Via Gavinana, 19	LU	55011
FORTE DEI MARMI	Via Duca d'Aosta, 9	LU	55042
VIAREGGIO	Corso Garibaldi, 47	LU	55049
DISTRICT OF MONZA BRIANZA			
DESIO	Largo Volontari del Sangue Ang. Via Tripoli	MB	20033
ARCORE	Via Casati, 88	MB	20043
CESANO MADERNO	Via Volta, 25	MB	20031
MONZA	Via Borgazzi, 5	MB	20052
MONZA AG. 2	Via Monte Cervino, 3 Ang. Piazza Giovanni Xxiii	MB	20052
MONZA AG. 3	Via Boito, 65	MB	20900
DISTRICT OF MILANO			
MILANO SEDE	Via Armorari, 4	MI	20123
MILANO AG. 1	Piazza Velasca, 4	MI	20122
MILANO AG. 2	Via Farini, 82	MI	20159
MILANO AG. 3	Via F. Filzi, 25	MI	20124
MILANO AG. 4	Via P. Verri, 2	MI	20121
MILANO AG. 5	Viale Monza, 2	MI	20127
MILANO AG. 6	Via Ripamonti, 177	MI	20141
MILANO AG. 7	Via Pistrucci, 25	MI	20137

MILANO AG. 8	Via Mussi, 4	MI	20154
MILANO AG. 9	Piazza Frattini, 19	MI	20146
MILANO AG. 10	Via G. Pacini, 37	MI	20131
MILANO AG. 11	Corso di Porta Vittoria, 5	MI	20122
MILANO AG. 12	Via Broletto, 37	MI	20121
MILANO AG. 13	Via Crema, 1	MI	20135
MILANO AG. 15	Via Gustavo Modena. 22	MI	20129
MILANO AG. 18	Via Molino delle Armi, 23	MI	20123
MILANO AG. 19	Via Tibaldi, 5	MI	20136
MILANO AG. 20	Via G. Washington, 102	MI	20146
MILANO AG. 21	Viale Papiniano, 59	MI	20123
MILANO AG. 22	Via Previati, 72	MI	20149
MILANO AG. 23	Via della Moscova, 53	MI	20121
MILANO AG. 24	Piazzale Porta Lodovica, 1/3	MI	20136
MILANO AG. 25	Via Farini, 1	MI	20154
MILANO AG. 26	Via delle Forze Armate, 260	MI	20152
MILANO AG. 27	Via Cimarosa, 4	MI	20144
MILANO AG. 28	Viale Regina Giovanna, 3	MI	20129
MILANO AG. 29	Via Michelangelo Buonarroti, 7	MI	20149
MILANO AG. 30	Via Turati, 40	MI	20121
MILANO AG. 31	Via Urbano III, 3	MI	20123
MILANO AG. 32	Corso Lodi, 102	MI	20139
MILANO AG. 33	Piazzale Susa,1	MI	20133
MILANO AG. 34	Piazza Ascoli - Ang. Via Stoppani, 40	MI	20129
MILANO AG. 35	Via Vincenzo Monti, 21	MI	20123
MILANO AG. 36	Piazza del Tricolore, 3 - Ang. Viale Piave	MI	20129
MILANO AG. 37	Piazzale Maciachini ,9 Ang. Via Menabrea	MI	20159
MILANO AG. 38	Via Dalmazia, 2/A	MI	20138
MILANO AG. 39	Piazza Udine, 3	MI	20132
MILANO AG. 40	Piazza Caneva, 7	MI	20154
MILANO AG. 41	Via Corradino d'Ascanio, 4	MI	20142
MILANO AG. 42	Viale Troya, 22	MI	20144
ABBIATEGRASSO	Via San Pietro, 69	MI	20081
CERNUSCO SUL NAVIGLIO	Viale Assunta, 21	MI	20063
CESANO BOSCONE	Via Milano, 7	MI	20090
CINISELLO BALSAMO	Via Libertà, 45	MI	20092
CUSANO MILANINO	Via Matteotti, 43	MI	20095
GARBAGNATE MILANESE	Via Manzoni, 25	MI	20024
INVERUNO	Corso Europa, 24	MI	20010
MELEGNANO	Via Marsala, 1	MI	20077
MOTTA VISCONTI	Via San Giovanni, 4	MI	20086
PAULLO	Via Matteotti, 1	MI	20067
SAN GIULIANO MILANESE	Via Roma, 5	MI	20098
SESTO SAN GIOVANNI	Viale Casiraghi, 452	MI	20099
SAN DONATO MILANESE	Via XXV Aprile, 4	MI	20097
DISTRICT OF MANTOVA			
MANTOVA SEDE	Via Oberdan, 21/23	MN	46100
MANTOVA AG. 1	Corso Garibaldi, 175	MN	46100
MANTOVA AG. 3	Via Imre Nagy, 1	MN	46100
MANTOVA BELELLI IND. MECCANICHE S.R.L.	Via G. Taliercio, 1	MN	46100

MANTOVA ECP ENICHEM POLIMERI S.R.L.	Via G. Taliercio, 14	MN	46100
ASOLA	Piazza XX Settembre, 20	MN	46041
BAGNOLO SAN VITO	Strada Stata Romana Zuccona - San Biagio	MN	46031
CASTEL D'ARIO	Piazza Garibaldi, 77	MN	46033
CASTELLUCCHIO	Via G. Matteotti, 18	MN	46014
CASTIGLIONE DELLE STIVIERE	Via Perati, 9	MN	46043
MARMIROLO	Via XXV Aprile, 1	MN	46045
OSTIGLIA	Via Piave, 18	MN	46035
PORTO MANTOVANO	S.da Gramsci, 1/H - S. Antonio di P.to Mantovano	MN	46047
RONCOFERRARO	Piazza A. dall'Oca, 24	MN	46037
ROVERBELLA	Via M. Custoza, 124	MN	46048
SUZZARA	Via Donatori del Sangue, 10	MN	46029
VIADANA	Via Milano, 66 - Cogozzo	MN	46016
DISTRICT OF MODENA			
MODENA SEDE	Via P. Giardini, 145	MO	41100
MODENA AG. 1	Via Ciro Menotti, 391	MO	41100
MODENA AG. 2	Via Emilia Est, 382	MO	41100
MODENA AG. 3	Via G. Amendola, 140	MO	41100
MODENA AG. 4	Corso Duomo, 41	MO	41100
CARPI	Via Carlo Marx, 80	MO	41012
CASTELFRANCO EMILIA	Piazza Garibaldi, 38	MO	41013
CAVEZZO	Via Cavour, 42	MO	41032
FIORANO MODENESE	Via Vittorio Veneto, 150	MO	41042
MARANELLO	Via Nazionale, 46	MO	41053
NONANTOLA	Via Walter Tabacchi, 4/E	MO	40015
NOVI DI MODENA	Piazza 1° Maggio, 1	MO	41016
SAN FELICE SULA PANARO	Via Mazzini, 46	MO	41038
SASSUOLO	Piazza Martiri Partigiani, 30	MO	41049
SERRAMAZZONI	Piazza T. Tasso, 2/3	MO	41028
SOLIERA	Via IV Novembre, 23/25	MO	41019
VIGNOLA	Via Mazzini, 10	MO	41058
DISTRICT OF MASSA CARRARA			
PONTREMOLI	Via Pirandello, 1	MS	54027
DISTRICT OF NAPOLI			
NAPOLI SEDE	Via Toledo, 129	NA	80134
NAPOLI AG. 1	Piazza Giovanni Bovio,11	NA	80133
NAPOLI AG. 2	Via Enrico Pessina, 69	NA	80135
NAPOLI AG. 3	Piazza della Repubblica,2	NA	80122
NAPOLI AG. 4	Piazza Garibaldi,137	NA	80142
NAPOLI AG. 5	Corso Novara Al Vasto 10	NA	80143
NAPOLI AG. 6	Via Imparato, 29	NA	80146
NAPOLI AG. 7	Via Santa Lucia 151	NA	80132
NAPOLI AG. 8	Piazza Amedeo 8	NA	80121
NAPOLI AG. 9	Via A. Scarlatti 200/E	NA	80127
NAPOLI AG. 10	Piazza Medaglie d'Oro 17	NA	80129
NAPOLI AG. 11	Via Eduardo Nicolardi, 21	NA	80131
NAPOLI AG. 12	Via Francesco De Pinedo, 25	NA	80144
NAPOLI AG. 13	Via Bartolomeo Chioccarelli 2	NA	80133
NAPOLI AG. 14	Via Sant'alfonso Maria De'Liguori, 40	NA	80141
NAPOLI AG. 15	Via Principessa Rosina Pignatelli, 218	NA	80121

NAPOLI AG. 16	Centro Direzionale - Isola F, 12 Palazzo Unigest	NA	80143
NAPOLI AG. 17	Via Paolo della Valle, 51	NA	80126
NAPOLI AG. 18	Via E. Fermi, 2	NA	80122
NAPOLI AG. 19	Fuorigrotta - Piazza S. Vitale 13	NA	80125
NAPOLI AG. 20	Vomero - Piazzetta Santo Stefano, 1	NA	80127
NAPOLI AG. 21	Via Ziviello, 30 Ang. Corso Secondigliano, 162/164	NA	80144
NAPOLI AG. 22	Via Chiaia, 110	NA	80121
NAPOLI AG. 23	Via Benedetto Croce, 25	NA	80134
NAPOLI AG. 24	Piazza Vanvitelli, 27	NA	80129
NAPOLI AG. 25	Via Abate Minichini, 1/A	NA	80137
NAPOLI AG. 26	Via Cilea, 282/286	NA	80127
NAPOLI AG. 27	Via Giulio Palermo, 53	NA	80131
NAPOLI AG. 28	Largo Sermoneta 21	NA	80123
NAPOLI AG. 29	Via Terracina 407/A	NA	80125
AFRAGOLA	Via G. Amendola, 126	NA	80021
BACOLI	Via G. De Rosa, 124	NA	80070
CASTELLAMMARE DI STABIA AG. 1	Corso Alcide De Gasperi 1	NA	80053
CASTELLAMMARE DI STABIA AG. 2	Via G. Cosenza Ang. Via Cassiodoro	NA	80053
GIUGLIANO IN CAMPANIA	Corso Campano, 544/L	NA	80014
NOLA	Via Anfiteatro Laterizio, 9	NA	80035
PIANO DI SORRENTO AG. 1	Corso Italia 122	NA	80063
PIANO DI SORRENTO AG. 2	Via delle Rose	NA	80063
POMIGLIANO D'ARCO AG. 1	Viale Impero C/O Fiat Avio Spa	NA	80038
POMIGLIANO D'ARCO AG. 2	Piazza Sant'Agnese, 20	NA	80038
POMPEI	Via Piave, 14/16/18	NA	80045
PORTICI	Via Libertà 175	NA	80055
SAN GENNARO VESUVIANO	Piazza Margherita, 3/4	NA	80040
SAN GIORGIO A CREMANO	Via Pittore, 137 Ang. Piazza G. Bruno	NA	80046
SAN GIUSEPPE VESUVIANO	Via XX Settembre, 37	NA	80047
SANT'AGNELLO	Via Don Minzoni, 13/15	NA	80065
SANT'ANTONIO ABATE	Via Roma, 156/158	NA	80057
SORRENTO	Viale degli Aranci 143/A	NA	80067
TORRE DEL GRECO AG. 1	Corso Vittorio Emanuele, 117	NA	80059
TORRE DEL GRECO AG. 2	Via Nazionale, 224/226	NA	80059
VICO EQUENSE	Piazza Umberto I, 8	NA	80069
DISTRICT OF NOVARA			
NOVARA SEDE	Via Cairoli, 4	NO	28100
NOVARA AG. 1	Via Galilei, 15	NO	28100
NOVARA	Corso Vercelli, 101	NO	28100
NOVARA	Via Pietro Micca, 68 Ang. Via Gnifetti	NO	28100
BORGOMANERO	Piazza XX Settembre	NO	28021
TRECATE	Via Garibaldi, 1	NO	28069
DISTRICT OF PIACENZA			
PIACENZA SEDE	Via Poggiali, 18	PC	29100
PIACENZA AG. 1	Via Cavour, 30	PC	29100
PIACENZA AG. 2	Via Roma, 135	PC	29100
PIACENZA AG. 3	Via XXI Aprile, 1	PC	29100
PIACENZA AG. 4	Via C. Colombo, 101 D/E	PC	29100
PIACENZA AG. 5	Viale Dante Alighieri, 14	PC	29100
PIACENZA AG. 6	Via Martiri della Resistenza, 16/18	PC	29100

PIACENZA AG. 7	Via Vittorio Veneto, 36	PC	29100
PIACENZA AG. 8	Via Fioruzzi, 3 - Besurica	PC	29100
PIACENZA AG. 9	Via Emilia, 194 - Montale	PC	29100
PIACENZA AG. 10	Via Manfredi, 128	PC	29100
PIACENZA AG. 11	Via Emilia Pavese, 250	PC	29100
PIACENZA AG. 12	Via Farnesiana, 58	PC	29100
AGAZZANO	Via Macallè, 11	PC	29010
ALSENO	Via Emilia Ovest, 18	PC	29010
BETTOLA	Piazza C. Colombo, 11	PC	29021
BOBBIO	Piazza San Francesco, 11/A	PC	29022
BORGONOVO VAL TIDONE	Via Roma, 23	PC	29011
CADEO	Via Emilia Parmense, 146 - Roveleto	PC	29010
CALENDASCO	Piazza Bergamaschi, 4	PC	29010
CAORSO	Via Roma, 8/A	PC	29012
CARPANETO PIACENTINO	Viale Vittoria, 2	PC	29013
CASTEL SAN GIOVANNI	Galleria Braghieri, 1	PC	29015
CASTELL'ARQUATO	Via Roma, 2	PC	29014
CASTELVETRO PIACENTINO	Via Bernini, 29	PC	29010
COLI	Via Nazionale, 3 - Perino	PC	29020
CORTEMAGGIORE	Via Cavour, 1/A	PC	29016
FERRIERE	Via Del Consorzio, 7	PC	29024
FIORENZUOLA D'ARDA AG. 1	Corso Garibaldi, 120	PC	29017
FIORENZUOLA D'ARDA AG. 2	Via U. Foscolo, 18	PC	29017
GOSSOLENGO	Via Matteotti, 87	PC	29020
GRAGNANO TREBBIENSE	Via Roma, 63	PC	29010
GROPPARELLO	Via Roma, 7	PC	29025
LUGAGNANO VAL D'ARDA	Piazza Castellana, 22	PC	29018
MONTICELLI D'ONGINA	Via Martiri della Libertà, 35	PC	29010
MORFASSO	Piazza Inzani	PC	29020
NIBBIANO	Via Roma, 17	PC	29010
OTTONE	Piazza Vittoria, 25	PC	29026
PIANELLO VAL TIDONE	Largo dal Verme, 3	PC	29010
PODENZANO	Via Monte Grappa, 49	PC	29027
PODENZANO	Via Colombo, 22 - San Polo	PC	29010
PONTE DELL'OLIO	Via Vittorio Veneto, 88	PC	29028
PONTENURE	Piazza Tre Martiri, 11	PC	29010
RIVERGARO	Piazza Paolo, 46	PC	29029
ROTTOFRENO	Via Emilia Est, 33/A	PC	29010
ROTTOFRENO	Via Agazzano - San Nicolò a Trebbia	PC	29010
SAN GIORGIO PIACENTINO	Piazza Marconi, 2/A	PC	29019
SAN GIORGIO PIACENTINO	Località San Damiano	PC	29019
SARMATO	Piazza Roma, 2	PC	29010
TRAVO	Via G.B. Anguissola, 4	PC	29020
VERNASCA	Via Roma, 45/E	PC	29010
VIGOLZONE	Via Roma, 80	PC	29020
VILLANOVA SULL'ARDA	Via Aldo Moro, 4	PC	29010
ZIANO PIACENTINO	Via Roma, 175	PC	29010
ZIANO PIACENTINO	Strada Comunale Per Ziano, 9 - Vicobarone	PC	29010
DISTRICT OF PERUGIA			
PERUGIA	Via Marconi, 49	PG	06121

CITTÀ DI CASTELLO	Viale V. Veneto, 12	PG	06012
FOLIGNO	Largo Giosuè Carducci, 12	PG	06034
PERUGIA	Via Quintina, 39 41 - Ponte S. Giovanni	PG	06135
SPOLETO	Piazza Giuseppe Garibaldi, 37 /40	PG	06049
DISTRICT OF PISA			
PISA	Lungarno Gambacorti, 4	PI	56125
DISTRICT OF PRATO			
PRATO	Via Valentini, 4	PO	59100
DISTRICT OF PISTOIA			
PISTOIA	Largo Treviso, 4	PT	51100
MONTECATINI TERME	Via U. Bassi, 56	PT	51016
DISTRICT OF PAVIA			
PAVIA SEDE	Piazza del Lino, 4	PV	27100
PAVIA AG. 1	Via Campari, 12	PV	27100
PAVIA AG. 2	Corso Cavour 12	PV	27100
BELGIOIOSO	Piazza Vittorio Veneto, 2	PV	27011
BORGO SAN SIRO	Via Roma, 16	PV	27020
BRESSANA BOTTARONE	Via De Pretis, 206	PV	27042
BRONI	Via Emilia, 371	PV	27043
CASSOLNOVO	Via Lavatelli, 32	PV	27023
CASTEGGIO	Via Garibaldi, 6	PV	27045
CERTOSA DI PAVIA	Viale Certosa, 78	PV	27012
CORTEOLONA	Via Cardinal Maffi, 2	PV	27014
GAMBOLO'	Via Cotta, 2	PV	27025
GARLASCO	Piazza della Repubblica, 7	PV	27026
MEDE	Via Gramsci, 1	PV	27035
MORTARA	Piazza Urbano Ii	PV	27036
PARONA	Via XXV Aprile, 17	PV	27020
PIEVE PORTO MORONE	Via Roma, 24	PV	27017
SAN MARTINO SICCOMARIO	Via Piemonte, 12	PV	27028
SANNAZZARO DE' BURGONDI	Piazza Mercato, 2	PV	27039
STRADELLA	Piazza Vittorio Veneto, 25	PV	27049
TROMELLO	Piazza Campegi, 2	PV	27020
VIGEVANO SEDE	Piazza Ducale, 43	PV	27029
VIGEVANO AG. 1	Piazza Volta, 4	PV	27029
VIGEVANO AG. 2	Corso Milano, 65/B	PV	27029
VIGEVANO AG. 3	Viale dei Mille, 107	PV	27029
DISTRICT OF REGGIO EMILIA			
REGGIO EMILIA SEDE	Viale Timavo, 95/97	RE	42100
REGGIO EMILIA AG. 1	Via Gian Battista Vico, 29/A - Villa Cella	RE	42100
REGGIO EMILIA AG. 2	Via Emilia Ospizio, 47	RE	42122
REGGIO EMILIA AG. 3	Via Samoggia, 11	RE	42100
REGGIO EMILIA AG. 4	Via Emilia all'Angelo, 38	RE	42100
BAGNOLO IN PIANO	Via M. M. Boiardo, 2/D	RE	42011
CASALGRANDE	Strada Statale, 123 - S. Antonino di Casalgrande	RE	42013
CORREGGIO	Piazzale di Porta Reggio, 3	RE	42015
GUASTALLA	Via Cisa Ligure, 13	RE	42016
MONTECCHIO EMILIA	Via dei Mille, 14/16	RE	42027
QUATTRO CASTELLA	Piazza Matteotti, 7 - Montecavolo	RE	42020
REGGIOLO	Piazza dei Martiri, 10/D	RE	42046

SAN MARTINO IN RIO	Via Roma, 42	RE	42018
SANT'ILARIO D'ENZA	Piazza della Repubblica, 11/P	RE	42049
SCANDIANO	Corso Vallisneri, 11/B	RE	42019
DISTRICT OF RIETI			
RIETI	Via Garibaldi 281 - Palazzo Carotti	RI	02100
DISTRICT OF ROMA			
ROMA SEDE	Via Sistina, 104/A	RM	00187
ROMA AG. 1	Via Cola di Rienzo, 23/D	RM	00192
ROMA AG. 2	Viale Regina Margherita, 188	RM	00198
ROMA AG. 3	Viale Rossini, 23	RM	00198
ROMA AG. 4	Piazza Morelli, 25	RM	00151
ROMA AG. 5	Viale Europa, 126 (Eur)	RM	00144
ROMA AG. 6	Piazza Re di Roma, 12	RM	00183
ROMA AG. 7	Via Ugo Ojetti, 197/203	RM	00137
ROMA AG. 8	Largo Valtournanche, 15	RM	00141
ROMA AG. 9	Piazza Pio XI, 14/19	RM	00165
ROMA AG. 10	Via Giacinto Carini, 75	RM	00152
ROMA AG. 11	Via Tiburtina, 627	RM	00159
ROMA AG. 12	Via Tuscolana, 975 A/B/C	RM	00174
ROMA AG. 13	Piazza di Porta San Paolo, 6	RM	00153
ROMA AG. 14	Viale Tor di Quinto, 31	RM	00191
ROMA AG. 15	Via Santa Croce in Gerusalemme, 81/C	RM	00185
ROMA AG. 16	Via Francesco Grimaldi, 149	RM	00146
ROMA AG. 17	Piazza dei Tribuni, 64	RM	00175
ROMA AG. 18	Corso Vittorio Emanuele II, 219	RM	00186
ROMA AG. 19	Via Jenner, 159	RM	00151
ROMA AG. 20	Via Cortina d'Ampezzo, 359/365	RM	00135
ROMA AG. 21	Via Balduina, 234	RM	00136
ROMA AG. 22	Via Stefano Jacini, 82/84	RM	00191
ROMA AG. 23	Via XXI Aprile, 24/26	RM	00162
ROMA AG. 24	P.zza Irnerio, 8 Ang. Via B.da Sassoferrato	RM	00165
ROMA AG. 25	Piazza Colonna, 361	RM	00187
ROMA AG. 26	Piazza Lodovico Cerva, 12	RM	00143
ROMA AG. 28	Piazza della Radio, 30	RM	00146
ROMA AG. 30	Piazza dei Consoli, 55 - 55/A	RM	00175
ROMA AG. 31	Piazza Righi, 18	RM	00146
ROMA AG. 32	Via di Torrevecchia, 321	RM	00168
ROMA AG. 33	Via Appia Nuova, 38	RM	00183
ROMA AG. 34	Via della Giuliana, 41	RM	00195
ROMA AG. 35	Via Cipro, 59	RM	00136
ROMA AG. 36	Via Ostiense, 131 C	RM	00154
ROMA AG. 37	Via Po, 78	RM	00198
ROMA AG. 38	Via Bevagna, 54	RM	00191
ROMA AG. 39	Via Flaminia, 453	RM	00191
ROMA AG. 40	Via Tuscolana Ang. Via Don Rua, 341	RM	00181
ROMA	Via Cola di Rienzo, 150	RM	00192
ROMA	Via Vejo, 4	RM	00138
ROMA	Via Paolo di Dono, 3	RM	00142
CIVITAVECCHIA	Corso Centocelle, 47/49	RM	00053

DISTRICT OF SIENA			
SIENA	Piazza Gramsci, 7	SI	53100
POGGIBONSI	Largo A. Gramsci, 15	SI	53036
DISTRICT OF LA SPEZIA			
LA SPEZIA	Viale San Bartolomeo, 111	SP	19121
DISTRICT OF SAVONA			
SAVONA SEDE	Via Paleocapa 121/R Ang. Corso Italia	SV	17100
SAVONA AG. 1	Via Guidobono, 137/R	SV	17100
LOANO	Via Aurelia, 266	SV	17025
PIETRA LIGURE	Via Matteotti, 46	SV	17027
DISTRICT OF TORINO			
TORINO SEDE	Via Giolitti, 1	TO	10123
TORINO AG. 1	Piazza Pitagora, 18	TO	10137
TORINO AG. 2	Via Principi d'Acaja, 39	TO	10138
TORINO AG. 4	Corso Racconigi, 135/B	TO	10141
TORINO AG. 5	Corso Giulio Cesare, 144	TO	10154
TORINO AG. 6	Piazza E. De Amicis, 121/Bis/A	TO	10126
TORINO AG. 7	Piazza della Repubblica, 17	TO	10152
TORINO AG. 8	Corso Peschiera, 172/E	TO	10138
TORINO AG. 9	Corso Regina Margherita, 85/B	TO	10124
TORINO AG. 10	Via Cadorna, 24	TO	10136
TORINO AG. 11	Corso Monte Cucco, 108	TO	10141
TORINO AG. 12	Via San Marino, 73/A	TO	10137
TORINO AG. 13	Corso Traiano, 140	TO	10127
TORINO AG. 14	Corso Re Umberto, 64/F	TO	10128
TORINO AG. 15	Corso Giuseppe Gabetti, 2/A	TO	10131
TORINO AG. 16	Via F.lli Carle, 9/E	TO	10128
TORINO AG. 17	Corso De Gasperi, 26	TO	10129
TORINO AG. 18	Via Roma, 282	TO	10121
TORINO AG. 19	Via Giordano Bruno, 172	TO	10134
TORINO AG. 20	Corso Unione Sovietica, 483	TO	10135
TORINO AG. 21	Corso Grosseto, 229	TO	10147
TORINO AG. 22	Corso Trapani, 71/A	TO	10139
TORINO AG. 23	Corso Francia 312/A	TO	10146
TORINO AG. 24	Viale Thovez, 2	TO	10131
TORINO AG. 25	Via Cibrario, 37	TO	10144
TORINO AG. 26	Piazza Respighi, 5/7	TO	10154
TORINO MIRAFIORI	Corso Giovanni Agnelli, 200	TO	10135
BRUINO	Piazzale Alba Serena, 5	TO	10090
CARMAGNOLA	Piazza Quattro Martiri, 17	TO	10022
CHIERI	Piazza Umberto I, 3	TO	10023
CHIVASSO	Piazza Carletti, 3	TO	10034
CUORGNÈ	Via Torino, 13	TO	10082
IVREA	Corso Costantino Nigra, 60	TO	10015
MONCALIERI	Borgo San Pietro - Via Sestriere, 54	TO	10021
NICHELINO	Via Torino, 57	TO	10042
ORBASSANO	Piazza Umberto I, 7	TO	10043
RIVAROLO CANAVESE	Corso Torino, 50	TO	10086
RIVOLI	Piazza Principe Eugenio, 5/B	TO	10098
SETTIMO TORINESE	Via Giuseppe Mazzini, 12	TO	10036

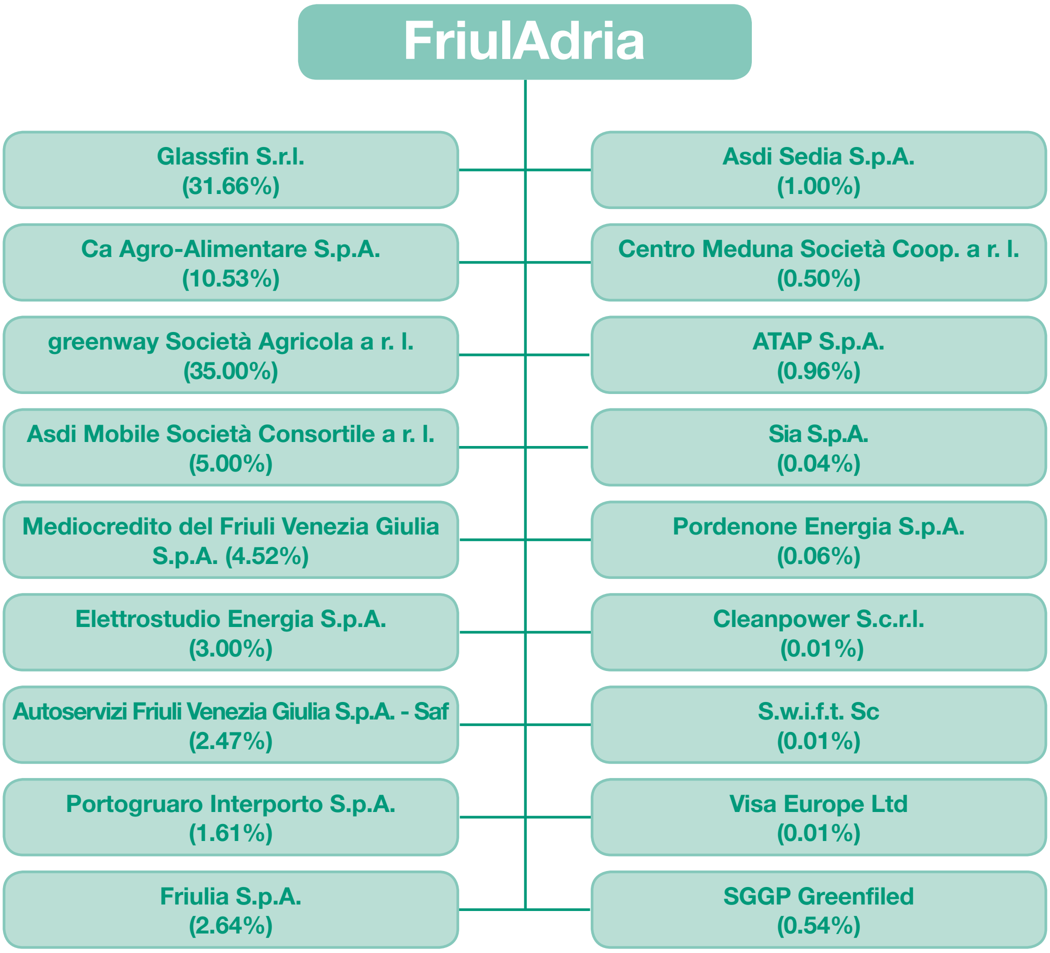
TROFARELLO	Piazza I Maggio, 6	TO	10028
VINOVO	Via Cottolengo, 68	TO	10048
DISTRICT OF VARESE			
VARESE SEDE	Via Marcobi, 5	VA	21100
VARESE AG. 1	Via Tonale, 3	VA	21100
VARESE AG. 2	Vicolo S. Michele, 2	VA	21100
ALBIZZATE	Via Roma, 1	VA	21041
BUSTO ARSIZIO AG. 1	Piazza Manzoni, 17	VA	21052
BUSTO ARSIZIO AG. 2	Viale Boccaccio, 36	VA	21052
BUSTO ARSIZIO AG. 3	Via Quintino Sella, 64	VA	21052
CARONNO PERTUSELLA	Viale 5 Giornate, 7	VA	21042
FAGNANO OLONA	Piazza XX Settembre, 5	VA	21054
GALLARATE	Via Ronchetti, 2 - Ang. Piazza Risorgimento	VA	21013
OLGIATE OLONA	Via Piave, 49	VA	21057
SAMARATE	Via Cinque Giornate, 19	VA	21017
TRADATE	Via Mameli, 3	VA	21049
DISTRICT OF VERBANIA			
DOMODOSSOLA	Via Col. Binda, 25	VB	28845
DISTRICT OF VERCELLI			
VERCELLI AG. 1	Via Trino, 47	VC	13100
DISTRICT OF VERONA			
VERONA	Corso Porta Nuova, 78	VR	37122
DISTRICT OF VITERBO			
VITERBO	Piazza dei Caduti, 14	VT	01100

ENTERPRISE CENTERS			
BOLOGNA	Via P. Togliatti, 9 - 1° Piano	BO	40133
CREMONA	Corso Mazzini	CR	26100
FIRENZE	Via di Novoli, 57	FI	50127
GENOVA	Via XX Settembre, 31	GE	16121
LODI	Via Marsala, 18	LO	26900
MANTOVA	Via Oberdan, 21/23	MN	46100
MILANO	Via Armorari, 4	MI	20123
MILANO	Via Borgazzi, 5	MI	20052
MODENA	Via Vellani Marchi, 20 - Scala A - 3° Piano -Interno 10	MO	41100
NAPOLI	Centro Direzionale - Isola F, 12 - Palazzo Unigest	NA	80134
PARMA	Via Giolitti - Torre Nord	PR	43100
PARMA	Via Emilia Ovest, 10	PR	43100
PIACENZA	Via Poggiali, 18	PC	29100
REGGIO EMILIA	Via M. Ruini, 74/L - 5° Piano - Interni 14, 15 E 16	RE	42100
ROMA	Via Xxi Aprile, 24/26	ROMA	00162
TORINO	Via Roma, 282	TO	10121
VARESE	Via Gaetano Donizzetti, 4	VA	21100
CORPORATE CENTERS			
MODENA	Via Vellani Marchi, 20 - Scala A - 3° Piano - Interno 10	MO	41100
MILANO	Via Armorari, 4	MI	20123
PARMA	Via Giolitti, 2 - Torre Nord	PR	43100
ROMA	Piazzale Adenauer, 1 - 3	ROMA	00144
TORINO	Via Roma, 284	TO	10121
PRIVATE BANKING CENTERS			
ALESSANDRIA	Corso Roma, 5	AL	15100
BOLOGNA	Via dei Mille, 19	BO	40121
COLLECCHIO	Via La Spezia, 8	PR	43044
CREMONA	Corso Mazzini, 2	CR	26100
FIRENZE	Via Pellico, 10	FI	50121
GENOVA	Via XX Settembre, 187/7	GE	16121
MANTOVA	Via Oberdan, 21/23	MN	46100
MILANO	Via Armorari, 4	MI	20123
MILANO	Via Armorari, 4	MI	20123
NAPOLI	Palazzo Crispi - Via F. Crispi, 122	NA	80122
PARMA	Via Cavestro, 3	PR	43100
PAVIA	Corso Cavour, 12	PV	27100
PIACENZA	Via Poggiali, 18	PC	29100
REGGIO EMILIA	Viale Timavo, 95/97	RE	42100
ROMA	Viale Rossini, 23	ROMA	00198
TORINO	Via Giolitti, 1	TO	10123
VARESE	Via Gaetano Donizzetti, 4	VA	21100

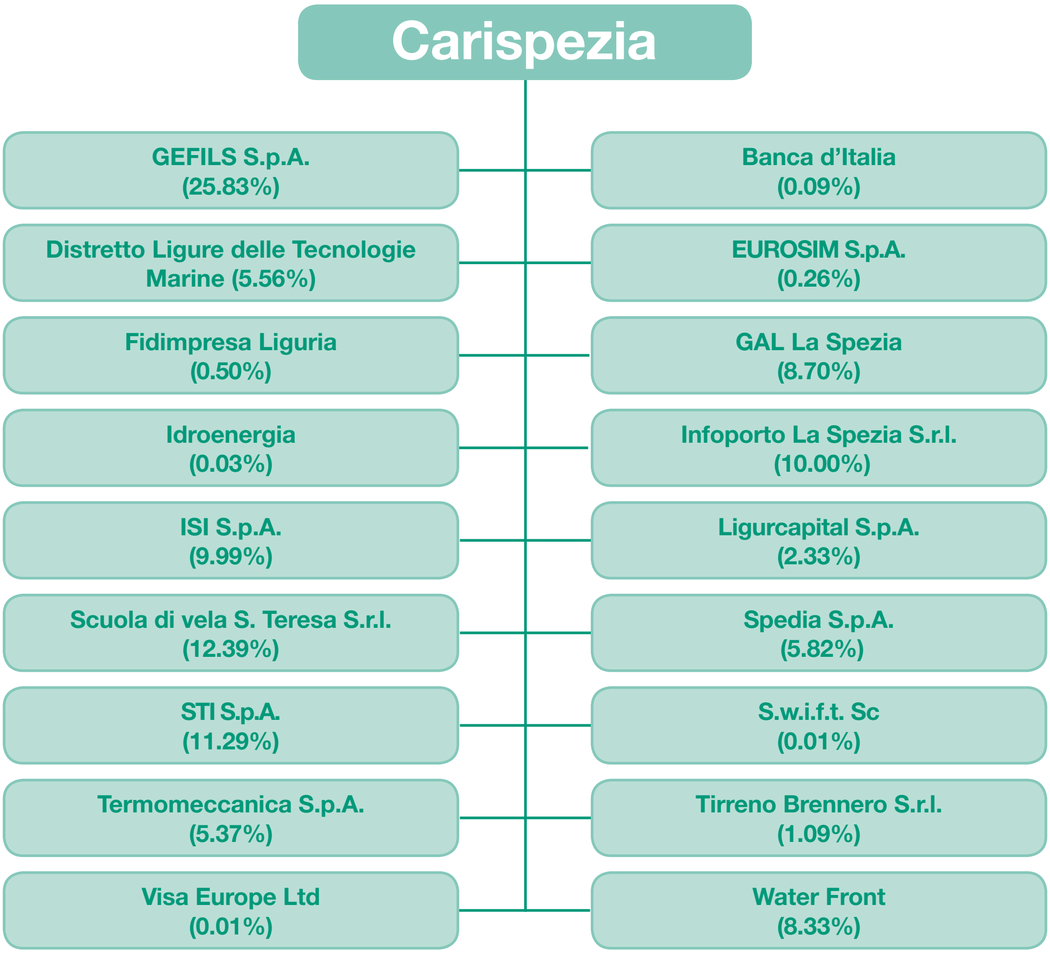
Group equity investments

Equity investments of Cariparma

Equity investments of FriulAdria



Equity investments of Carispezia



CARIPARMA
CRÉDIT AGRICOLE

Cassa di Risparmio di Parma e Piacenza S.p.A.
Sede Legale: Via Università, 1 - 43121 Parma
Telefono 0521.912111
Capitale Sociale € 876.761.620,00 i.v.
Iscritta al Registro Imprese di Parma, Codice Fiscale e Partita IVA n. 02113530345
Aderente al Fondo Interbancario di Tutela dei Depositi e al Fondo Nazionale di Garanzia
Iscritta all'Albo delle Banche al n. 5435
Capogruppo del Gruppo bancario Cariparma Crédit Agricole iscritto all'Albo dei Gruppi bancari
Soggetta all'attività di direzione e coordinamento di Crédit Agricole S.A.