BANCA
DI CREDITO COOPERATIVO
DI CAMBIANO

FINANCIAL STATEMENTS 2009

126° fiscal year

Shareholders' Meeting 8 May 2010

BANCA DI CREDITO COOPERATIVO DI CAMBIANO (CASTELFIORENTINO – FIRENZE) SOCIETÀ COOPERATIVA PER AZIONI

Registered Office and General Administration:
Castelfiorentino (Florence) – Piazza Giovanni XXIII, 6
ABI Bank Code 08425.1 - Tel. 05716891 - Fax 0571689251

Registered with the Company Register of Florence at no. 00657440483
Fiscal Code and VAT no. 00657440483
Administrative Economic Index no. (R.E.A.) 196037
Registered with the Register of Banks maintained by the Bank of Italy at no. 3556.8.0
Registered with the Register of Traditional Cooperatives prevalent mutuality no. A161000

Bank adhering to the Guarantee Fund for Depositors of Cooperative Credit, to the National Guarantee Fund, the Finance Banking Conciliation and Finance Banking Arbitration Services

Regulatory capital as of 31 December 2009: 235,997,069 Euro

Territorial network: 28 branches distributed throughout the provinces of Florence, Pisa and Siena

Bank founded in 1884. The oldest cooperative credit bank operating in Italy
www.bancacambiano.it

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Administrative, control and general management bodies as of 31 December 2009

Board of Directors

Chairman	*Paolo Regini*
Vice Chairman	*Fabio Campatelli*
Director	*Enzo Anselmi*
Director	*Enzo Bini*
Director	*Gianfranco Gambelli*
Director	*Renzo Maltinti*
Director	*Paolo Profeti*

Board of Statutory Auditors

Chairman	*Aldo Bompani*
Acting Auditor	*Silvano Lepri*
Acting Auditor	*Stefano Sanna*
Alternate Auditor	*Lorenzo Gai*
Alternate Auditor	*Rita Ripamonti*

Board of Internal Arbitrators

Chairman	*Luciano Giomi*
Acting member	*Fausto Falorni*
Acting member	*Giuliano Lastraioli*
Alternate member	*Sanzio Bandini*
Alternate member	*Franco Ciardi*

General Managers

Managing Director	*Francesco Bosio*
Deputy Managing Director	*Giuliano Simoncini*

Auditors

Bompani Audit s.r.l. – Florence

Notice of the Shareholders' Meeting

Official Bulletin Part II no. 43 of 10 April 2010

COMMERCIAL NOTICES
NOTICE OF SHAREHOLDERS' MEETING

BANCA DI CREDITO COOPERATIVO DI CAMBIANO
(Castelfiorentino - Firenze) Società cooperativa per azioni
Registered with the Register of prevalent mutuality Cooperatives at no. A161000
Registered office in Castelfiorentino (FI), piazza Giovanni XXIII no. 6
Registered with the Company Register of Florence at no. 00657440483
Fiscal Code and V.A.T. no. 00657440483

Notice of Ordinary Shareholders' Meeting

The shareholders are hereby given notice of an Ordinary Shareholders' Meeting to be held at first calling on 30 April 2010 at 1:00 pm in the conference room located in Castelfiorentino, via Piave no. 8 and, if necessary, at second calling on 8 May 2010, at 4:00 pm at the Auditorium of the State Institute for Higher Education "F. Enriques" located in Castelfiorentino, via Duca d'Aosta no. 65, to discuss and vote on the following

Agenda:

1. Fiscal year financial statements as of 31 December 2009; directors' report on operations; report of the Board of Statutory Auditors; audit report; proposal for the distribution of fiscal year profits; inherent and consequent resolutions;
2. Determination of the share premium to be paid by new shareholders in accordance with Article 21 of the By-Laws;
3. Determination of the maximum credit to be granted to the same borrower;
4. Remuneration policies for directors, employees and collaborators who are independent contractors as employees approved in accordance with Article 29(2) of the company By-laws. Information to be provided to the Shareholders' Meeting as required by regulations of the Supervisory Authority;
5. Determination of the fees of directors and statutory auditors for fiscal years 2010-2012;
6. Appointment of the Board of Directors, the Board of Statutory Auditors and its chairman for fiscal years 2010-2012, upon determining the election procedure in accordance with Articles 27, 31 and 41 of the By-Laws.

In accordance with Article 24 of the By-Laws, shareholders are entitled to participate and vote at Shareholders' Meeting if they have been recognized in the shareholders' register for at least ninety days.

Castelfiorentino, 31 March 2010

Signed: The Board of Directors
The Chairman

Schedules to the financial statements

Assets

	Asset line items	2009	2008
10	Cash and available liquidity	7,510,375	7,740,610
20	Financial assets held for trading	185,417,589	83,518,215
30	Financial assets measured at fair value	-	-
40	Financial assets available for sale	223,759,371	307,350,748
50	Financial assets held through maturity	-	-
60	Receivables from banks	207,370,256	185,438,086
70	Receivables from customers	1,576,927,845	1,436,615,607
80	Hedges	4,202,082	3,237,913
90	Adjustment of value of generic hedges for financial assets (+/-)	-	-
100	Equity investments	12,201,850	4,234,542
110	Property, plant and equipment	46,055,668	45,019,471
120	Intangible assets	63,744	103,791
	of which:		
	- goodwill	-	-
130	Tax receivables	9,522,344	10,039,459
	a) current	*7,827,996*	*6,111,910*
	b) pre-paid	*1,694,348*	*3,927,549*
140	Noncurrent assets and groups of assets in the course of divestment	-	-
150	Other assets	56,370,055	29,044,451
	Total assets	2,329,401,180	2,112,342,892

Liabilities

	Liability line items and Shareholders' Equity	2009	2008
10	Payables to banks	293,119,008	264,403,019
20	Payables to customers	688,655,896	596,609,954
30	Outstanding securities	1,028,880,000	973,375,640
40	Financial liabilities from trading	-	-
50	Financial liabilities measured at fair value	-	-
60	Hedging derivatives	476,196	1,256,013
70	Adjustment of value of generic hedges for financial liabilities (+/-)	-	-
80	Tax liabilities	8,265,756	11,574,834
	a) current	*3,283,188*	*6,585,169*
	b) deferred	*4,982,568*	*4,989,664*
90	Liabilities associated with assets in the course of divestment	-	-
100	Other liabilities	67,517,268	41,921,172
110	Employee severance pay	3,345,667	3,645,832
120	Risk and expense funds	1,367,959	758,482
	a) pensions and similar commitments	-	-
	b) other funds	*1,367,959*	*758,482*
130	Valuation reserves	10,628,586	3,010,819
140	Redeemable shares	-	-
150	Equity instruments	-	-
160	Reserves	210,929,997	195,980,294
170	Premiums on issue of new shares	239,401	235,648
180	Share capital	2,900,445	2,871,184
190	Treasury shares (-)	-	-
200	Fiscal year profit (loss) (+/-)	13,075,000	16,700,000
	Total Liabilities and Shareholders' Equity	2,329,401,180	2,112,342,892

Income statement

	Income statement	2009	2008
10	Earned interest and similar income	78,805,665	109,709,439
20	Interest payable and similar expenses	(42,609,297)	(60,700,490)
30	Interest income	36,196,368	49,008,949
40	Commission income	9,159,374	9,134,872
50	Commission expenses	(1,452,398)	(1,593,333)
60	Net commissions	7,706,976	7,541,539
70	Dividends and similar income	35,543	23,838
80	Net trading income	1,273,739	(4,023,124)
90	Net hedging result	56,367	70,132
100	Gains (losses) from the disposal or repurchase of:	2,226,973	(184,605)
	a) receivables	-	-
	b) financial assets available for sale	*2,226,973*	*(184,605)*
	c) financial assets held through maturity	-	-
	d) financial liabilities	-	-
110	Financial liabilities and liabilities measured at fair value	-	-
120	Operating income	47,495,967	52,436,730
130	Net adjustments/write-backs of value due to impairment of:	(8,379,113)	(3,377,836)
	a) receivables	*(8,379,113)*	*(3,377,836)*
	b) financial assets available for sale	-	-
	c) financial assets held through maturity	-	-
	d) other financial operations	-	-
140	Net income from financial assets	39,116,854	49,058,894
150	Administrative costs:	(32,522,599)	(30,546,278)
	a) personnel costs	*(16,915,859)*	*(16,283,826)*
	b) other administrative costs	*(15,606,740)*	*(14,262,452)*
160	Net allocations to risk and expense funds	-	-
170	Net adjustments/writebacks of value to property, plant and equipment	(2,471,514)	(2,339,762)
180	Net adjustments/writebacks of value to intangible assets	(61,716)	(200,342)
190	Other operating costs/income	2,373,360	2,381,456
200	Operating costs	32,682,469	30,704,926
210	Profit (loss) from equity investments	6,825,481	23,581
220	Net result of the fair value measurement of property, plant and equipment and intangible assts	-	-
230	Adjustments to value of goodwill	-	-
240	Gains (losses) from the disposal of investments	4,412	(8,342)
250	Profit (loss) from current operations before tax	13,264,278	18,369,207
260	Fiscal year income taxes on current operations	(189,278)	(1,669,207)
270	Profit (loss) from current operations after tax	13,075,000	16,700,000
280	Gains (losses) from groups of assets in the course of divestment after tax	-	-
290	Fiscal year profit (loss)	13,075,000	16,700,000

Schedule of Overall Profitability

(*)

	Line items	2009	2008
10	Fiscal year profit (loss)	13,075,000	16,700,000
	Other income components net of tax		
20	Financial assets available for sale	7,617,768	- 7,494,858
30	Property, plant and equipment	-	-
40	Intangible assets	-	-
50	Hedging foreign investments	-	-
60	Hedging cash flows	-	-
70	Exchange rate differences	-	-
80	Noncurrent assets in the course of divestment	-	-
90	Actuary profit (loss) on defined benefit plans	-	-
100	Share of valuation reserves of equity investments measured on basis of shareholder's equity	-	-
110	Total other income components net of tax	7,617,768	- 7,494,858
120	Overall profitability (line items 10 + 110)	20,692,768	9,205,142

(*) Schedule introduced by the Bank of Italy in the 1° update of 18 November 2009 to Circular no. 262 of 22 December 2005 "Bank financial statements: schedules and rules for compilation"

Report on Operations

To the shareholders

The introduction to our report for fiscal year 2009 has to begin with the consideration that this will be remembered as the year of the worst financial crisis due to its size and scope, which has resulted in an unprecedented slowdown. There seemed to be subtle signs of recovery during the first months of 2010, but they are discontinuous and very different in the various economies. It is premature to speak of a full recovery, and given the minimum levels reached in 2008 and even more so in 2009, it will take some time to return to the levels preceding the crisis.

Italy did not remain untouched by the effects of the global crisis, even though it appears to have been less severely affected in certain respects when compared to the situations of other countries, particularly in the context of its banking and financial systems, which are characterized by lower risk exposure. In other respects, however, the crisis was felt as an aftermath in the context of its infrastructures, low levels of system efficiency and ongoing low growth indexes, which could have an impact on the timeframe, scope and expansion of the recovery in Italy.

The recurring, bothersome question: "How do we get out of the crisis?" remains without any definitive answers. Unfortunately, there are those who are taking advantage of the situation, at times due to exasperated optimism, others due to an evident state of confusion. What is certain is that everyone has to do their part, fully convinced that the time to play games is over, at all levels.

A few days ago it was authoritatively stated: *«The surest way to impede the decline of the entrepreneurial system in our territory is to become part of a network with other social realities, invest in research and innovation, refrain from unfair competition among businesses, never forget our social responsibilities, and provide incentives for quality productivity in order to respond to the true needs of the public»*. Our opinion and actions fully converge with this policy.

Summary of results

Our Bank pursued its objectives with determination, collecting financial resources from the territory where it has settled and reinvesting them in the same territory to support households and the economy. Risk aversion and the reinforcement of capital were our guidelines, which allowed us to achieve a considerable level of development of the volumes managed.

Nearly sixty years ago, Donato Menichella, a great Governor of the Bank of Italy, in referring to the Casse Rurali ed Artigiane to emphasize their merit, expressed *«trust in those who use savings for direct and ongoing contacts with the social classes and persons from whom they are collected»*; a concept that is apparently simple but of great value, which if applied by the entire banking system with the ethical spirit that characterizes it would have avoided various critical situations and the destruction of resources.

The following are the principal indicators that express the Bank's activity during the course of 2009:

SUMMARY OF RESULTS				
(in thousands of Euro)	2009	2008	Absolute var.	Var. %
Capital data				
Receivables from customers	1,576,928	1,436,616	140,312	9.77%
Receivables from banks	207,370	185,438	21,932	11.83%
Financial assets	409,177	390,869	18,308	4.68%
Equity investments	12,202	4,235	7,967	188.12%
Total assets	2,329,401	2,112,343	217,058	10.28%
Direct public savings from customers	1,717,536	1,569,986	147,550	9.40%
Indirect public savings from customers	82,247	74,374	7,873	10.59%
Shareholders' equity (excluding fiscal year profit)	224,698	202,098	22,600	11.18%
Economic data				

SUMMARY OF RESULTS				
(in thousands of Euro)	2009	2008	Absolute var.	Var. %
Interest income	36,196	49,009	-12,813	-26.14%
Operating income	47,496	52,437	-4,941	-9.42%
Net income from financial activity	39,117	49,059	-9,942	-20.27%
Result of operating management	13,264	18,369	-5,105	-27.79%
Fiscal year profit	13,075	16,700	-3,625	-21.71%
Other information				
Number of branches	28	28	0	0.00%

The fiscal year 2009 profit is the result of a management policy implemented and aimed at maintaining a high level of corporate liquidity, a favorable interest rate and the most advantageous conditions for depositors, borrowers and customers of its services, complying in a concrete manner with a policy of widespread mutual aid and a strategy of substantial allocations based on the potential worsening of the credit risk.

Global economic situation

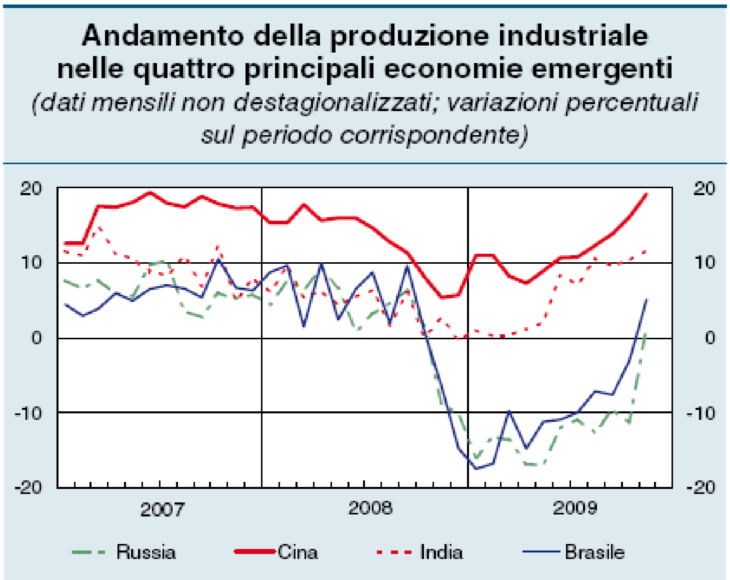
The global economy shows signs of a tendency towards recovery, which has also been confirmed by many indicators, but which indicate that the new cycle that is initiating is still very fragile. Stabilization in terms of a positive situation must necessarily start from the normalization of economic policies, both monetary as well as fiscal. It is a necessary but very delicate transition, and does not exclude the risk of a new slowdown during the second part of the year that impacts, although with various intensities, the worldwide economic system.

Worldwide Industrial Production

Index 2000 = 100

The territorial distribution of the recovery phase that has been taking shape since the end of 2009 involves different situations. The Asian economies have been confirmed as being in the most advanced positions, and the economies of industrialized countries have shown modest signals, but neither stoppage nor recession. European countries indicate a much less intense recovery with respect to the United States and Japan, which had registered the largest drops in production. The growth registered until now with respect to the minimum level reached during the month of March only offsets, however, part of the losses that occurred during the course of the crisis. Inevitably more time will be required for the recession to end with respect to the time of the collapse, because construction is always lengthier and more complex than destruction, and thus the differences among the various countries in terms of the cost of the crisis will become more apparent during the recovery phase than during the phase of the drop in production.

Trend of industrial production in the four major developing economies
(monthly data not seasonally adjusted; percentage variations in the corresponding period)

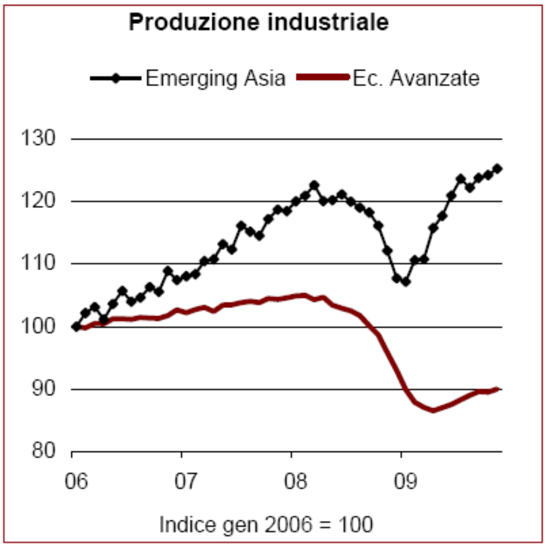


Fonte: Thomson Reuters Datastream e statistiche nazionali.

Source: Thomson Reuters Datastream and national statistics

We therefore believe that in 2010 the recovery phase can become effective with differing intensities in various areas. The recovery might be significant in developing countries (which today are no longer developing but have established themselves), above all in Asia, and may be less significant in advanced economies. In America the indicators have predicted a year that starts at a good pace, but the impulse of budget policies will be reduced during the second half of the year, whereas rising inflation and a labor market that is still weak restrain the recovery of consumption, which was and still remains, throughout the world, the sign of a stable recovery cycle and expansion.

Industrial Production



Black line: Emerging Asia   Red line: Developed Economies

Price of oil

Brent Variety - $ per barrel

The principal macroeconomic data

	GDP (annual % var.)			Industrial Production (annual % var)		
	2007	2008	2009	2007	2008	2009
Usa	2.1	0.4	-2.4	1.5	-2.2	-9.7
Japan	2.3	-1.2	-5.1	2.9	-3.4	-22.3
Euro Area	2.7	0.5	-4.0	3.7	-1.7	-14.9
- Italy	1.6	-1.0	-4.9	2.2	-3.3	-17.6
- Germany	2.6	1.0	-4.9	5.9	0.0	-16.1
- France	2.3	0.3	-2.2	1.2	-2.4	-11.9
- Spain	3.6	0.9	-3.6	1.9	-7.5	-15.5

	Inflation (CPI) * (annual % var.)			Unemployment Level (% val.)		
	2007	2008	2009	2007	2008	2009
Usa	2.9	3.8	-0.3	4.6	5.8	9.3
Japan	0.0	1.0	-1.1	3.9	4.0	5.1
Euro Area	2.1	3.3	0.3	7.5	7.5	9.4
- Italy	2.0	3.5	0.8	6.2	6.8	7.7
- Germany	2.3	2.8	0.2	8.4	7.3	7.5
- France	1.6	3.2	0.1	8.3	7.9	9.4
- Spain	2.8	4.1	-0.3	8.3	11.4	18.1

* The harmonized consumer price index was used for the countries in the Euro Area

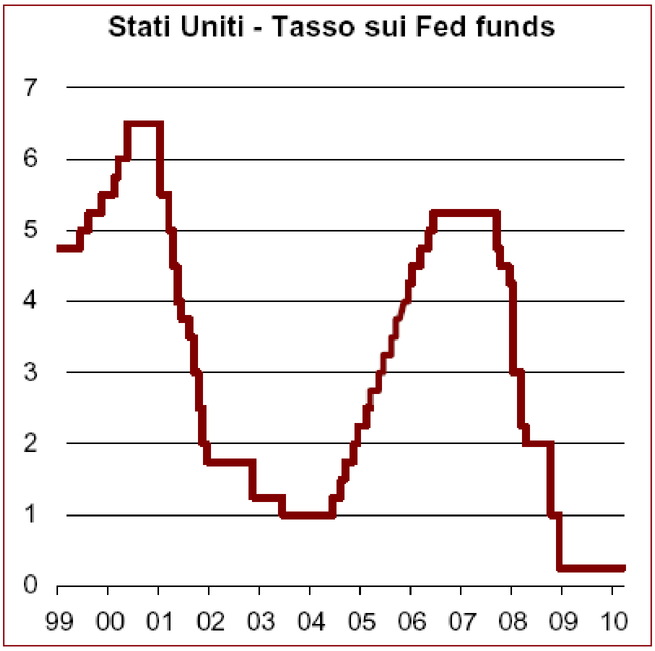
Source: Elaborazione Centro Studi e Ricerche ABI on data provided by Thomson Datastream

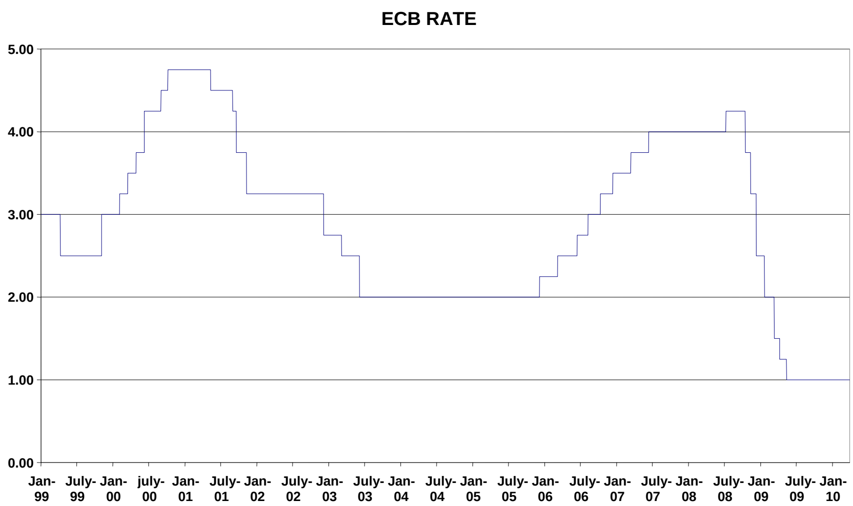
Significant and providential actions were taken by Governments and Monetary Authorities in support of the economies. In fact, the majority of the economic systems have been operating in anomalous conditions for at least the past one and one-half years, justified by the supports introduced given the exceptional nature of the 2008-2009 crisis. The current conditions are not sustainable much longer, with the risk that the treatment can become worse than the illness. The current uncertainty accentuates the operative difficulties of the central banks faced with the risk of remaining too long in a phase of monetary expansion that generates market distortions, or by implementing a freeze that sinks the already weak signs of recovery.

The problems raised by the recent debate refer above all to the possibility that a bubble is occurring on the stock exchanges on the wave of the liquidity injected into the markets by the central banks,

which might not be maintained upon the conclusion of the monetary stimulus, with the risk of creating the basis for a new crisis.
There do not appear to be any signs of an acceleration of inflation for the time being, and notwithstanding the increase with respect to the minimums touched in 2009, the price dynamics should remain below the target of 2 percent. This situation, together with a forecast trend of the interest rate curve for 2010 without excessive sudden changes, should allow the ECB to implement a more gradual approach during the re-entry phase from the expansive monetary maneuvers in course. An additional, non-marginal factor in favor of the gradual abandonment of non-conventional policies will definitely be that originating from the need to finance the public debt that has significantly increased in many countries in just a few quarters.

United States – Interest Rate on Fed Funds

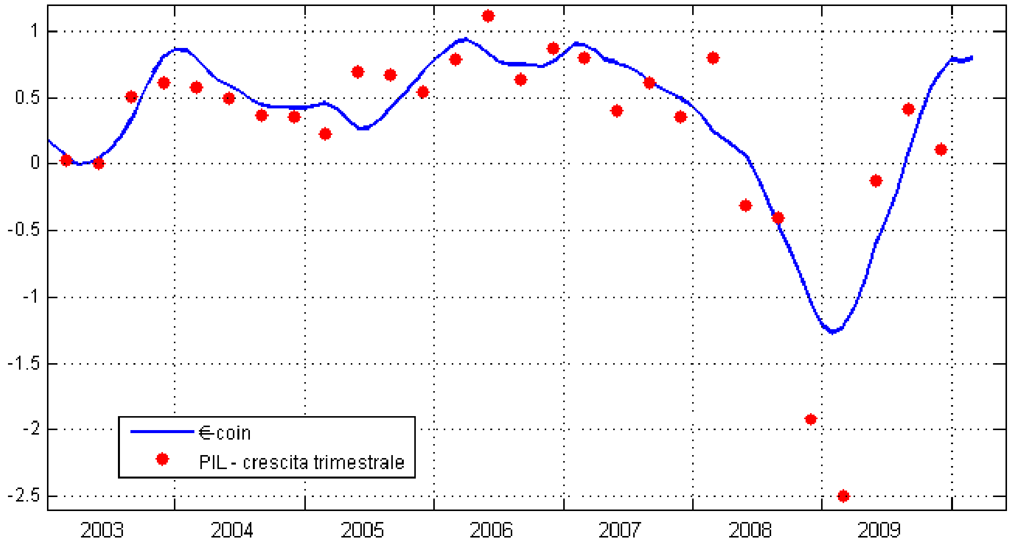




In Europe, the signals of an inversion of the cycle are less marked than elsewhere, and the weak dollar prohibits the recovery of international exchanges, with particularly accentuated effects in Italy. Italian exports have been reduced by more than one-fifth (-20.7 percent with respect to 2008), with the worst

decline seen in past decades. It is, however, possible to identify some positive trends towards some countries and in some sectors, which are registering an inversion of tendency with an initial recovery of exports, even if a great deal of time will still be required to recoup accumulated losses. At a country level, due to the effect of an even more drastic reduction of the amounts, an improvement was registered of the commercial budget, with a decisively reduced deficit.
The turnaround of the indicators of corporate confidence has not yet resulted in the recovery of productive levels; in fact, there are many industrial sectors that are paying the price for a structural excess of productive capacity, which will necessarily result in a delayed recovery of investments.

€-coin and GDP of the area



Source: Bank of Italy and Eurostat. March 2010
Key: blue line € coin; red dots GDP – three-month percentage changes

In addition to the reduction of expansive monetary interventions, significant tax policies, both to their scope as well as approach, were implemented with respect to the imbalanced public finance situations of many countries subsequent to the extraordinary interventions to support their economies. This situation required the framework of tax policies to be reviewed from a different standpoint than that used to date to examine the need for economies to adjust, and which have had to face public finance imbalances in an isolated manner. The time to consider taxation as a way to provide leverage for economic development and programming is ripe, and circumstances impose it: without economic policies the treasury will signify only tax revenue destined to be progressively reduced.
The year 2009 was the worst year since the end of the Second World War for the Italian economy overall. It was not the worst transition for households, due to a combination of intervening safety measures that diluted the direct impact, as on the other hand can be seen looking at the trend of consumer confidence which, with respect to the minimum reached in March 2009, subsequently began to recover ground.
The factors that converged to mitigate the impact are exhausting their effect: the balance of public accounts has reached "watch guard" levels that it will be difficult to overcome by new supportive measures, the demand for labor will continue to decrease in relation to lower production levels, and interest rates are at minimum levels and cannot be lowered any further. The fear appears to be legitimate that 2010 will not represent the year of the recovery for consumers, but rather a year of a further reduction of available income, either due to additional drops in employment levels or a deceleration of real wages. It is unlikely that the year that has just initiated will be accompanied by an increase of consumption, the same as household demand for real property will remain static, if not reduced.

Italy – Investments in construction

Value (billions of Euro)

GDP and principal components
(quantities at constant prices; seasonally adjusted data and corrected by business days; percentage variations with respect to previous period

PIL e principali componenti
(quantità a prezzi concatenati; dati destagionalizzati e corretti per i giorni lavorativi; variazioni percentuali sul periodo precedente)

	2008		2009		
	4° trim.	(1)	1° trim.	2° trim.	3° trim.
PIL	-2,1	-1,0	-2,7	-0,5	0,6
Importazioni totali	-5,7	-4,5	-8,8	-2,5	1,5
Domanda nazionale (2)	-1,6	-1,3	-2,0	-0,5	0,4
Consumi nazionali	-0,7	-0,5	-0,8	0,4	0,3
spesa delle famiglie	*-1,0*	*-0,9*	*-1,2*	*0,1*	*0,4*
altre spese (3)	*0,2*	*0,6*	*0,2*	*1,2*	*-0,2*
Investimenti fissi lordi	-6,8	-3,0	-4,9	-3,1	0,3
costruzioni	*-4,5*	*-1,8*	*-1,2*	*-1,6*	*-2,1*
altri beni	*-9,2*	*-4,2*	*-9,2*	*-4,9*	*3,4*
Variaz. delle scorte e oggetti di valore (4)	0,4	-0,3	-0,4	-0,3	0,1
Esportazioni totali	-7,4	-3,7	-11,7	-2,5	2,5

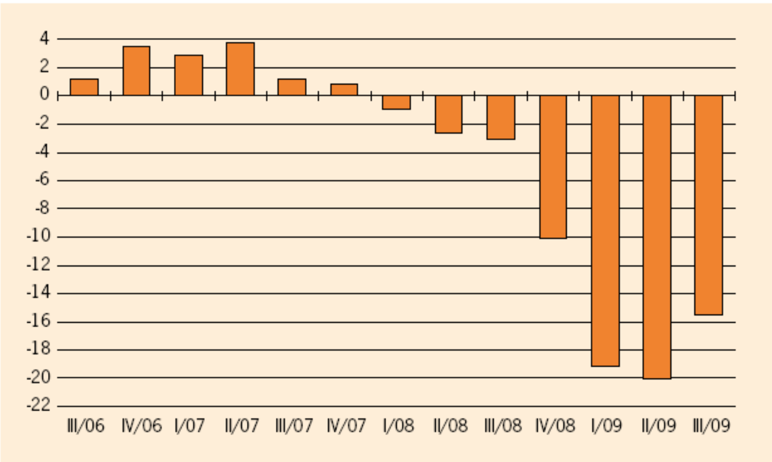
GDP
Total imports
National demand (2)
National consumption
Household spending
Other expenses (3)
Gross fixed capital formation
Construction
Other goods
Variations of stock and valuables (4)
Total Exports

Italy: Unemployment level

Among the European countries, Italy has the lowest level of public deficit originating from anti-crisis actions, but also a lower growth level, being, moreover, among the countries that suffered the greatest product losses, not so much because the crisis didn't affect other countries, but because it was superimposed on Italy's previous and considerable weaknesses, amplifying them. A forecast trend of limited development will result in a rather lengthy period, that some are estimating at least until 2015, for recovery of the contraction of the GDP during the two year period 2008-2009.

Local economic-social situation

Industrial production in Tuscany underwent drastic reductions, with average values ranging from 15 to 20%. All sectors were affected; the smallest reduction regarded the food industry.



Industrial production in Tuscany
% variations on the corresponding quarter of the previous year
Source: Unioncamere Toscana-Confindustria Toscana

SETTORI DI ATTIVITÀ	III/2008	IV/2008	I/2009	II/2009	III/2009
Alimentari, bevande e tabacco	-1,7	0,3	-7,5	-4,4	-5,1
Tessile e abbigliamento	-6,0	-10,4	-17,7	-19,4	-15,4
Cuoio, pelli e calzature	-2,2	-7,2	-24,1	-22,4	-14,2
Legno e mobilio	-7,0	-9,9	-19,4	-16,6	-17,6
Prodotti in metallo	0,0	-13,7	-24,8	-28,8	-23,1
Industria meccanica	0,1	-6,6	-19,7	-24,4	-23,3
Elettronica e mezzi di trasporto	-2,1	-18,2	-22,3	-23,8	-20,3
Prodotti non metalliferi	-8,0	-14,1	-21,1	-21,3	-16,1
Chimica, gomma e plastica	-0,9	-10,0	-13,6	-10,6	-3,3
Manifatturiere varie	-2,6	-6,6	-14,6	-19,3	-10,6
TOSCANA	-3,0	-10,1	-19,2	-20,1	-15,5

Industrial production by sector of activity
% variations with respect to the corresponding quarter of the previous year
Source: Unioncamere Toscana-Confindustria Toscana

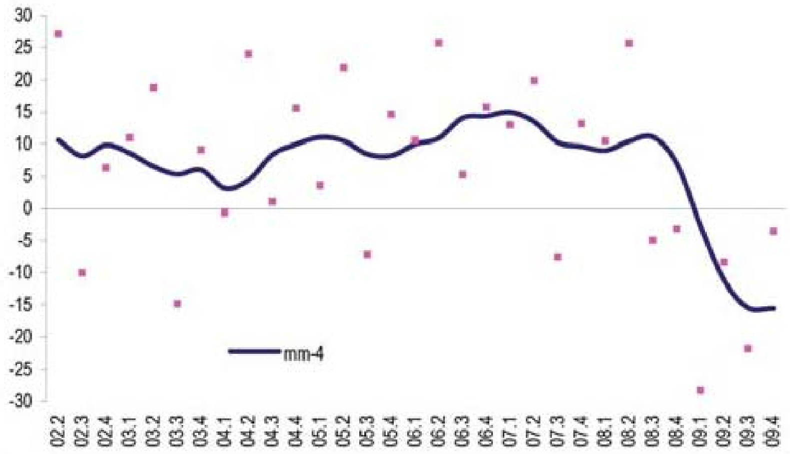
SECTORS OF ACTIVITY

Food, beverages and tobacco
Textiles and clothing
Leather, leather goods and footwear
Wood and furniture
Metal products
Mechanical industry
Electronics and transportation
Non-metallic products
Chemistry, rubber and plastic
Various manufactured goods

TUSCANY

The greatest contribution to the decline of production is generated by the reduction of exports, which often suffered a two digit drop in the area's characteristic sectors (leather goods, with the exclusion of clothing -19.2%; textile products -24.0%; food products -6.8%; furniture -20.0%; articles of clothing -11.8%). There was also a decline in household consumption, which was also affected by the negative repercussions suffered by tourism, in particular the foreign component, which reduced its purchases in Tuscany during the period January-August 2009 by more than 17%. Consequently, even retail sales suffered a decline of 3.7%, with values that were even higher during the first part of the year. For the first time in history, even mass retailers registered decreases in sales.
In brief, the manufacturing industry was the most severely hit, since the crisis immediately manifested itself by a drop in the demand for goods, and in particular durable consumables (both exported goods as well as those destined for the internal market), followed by an even more drastic reduction in investments. During the course of 2009, the added value produced declined by more than 16%, which is particularly serious both due to its absolute value, as well as the fact that it follows the already difficult period prior to the crisis.

Trend of the forecast situation of the manufacturing industry in Tuscany
(rises-falls % balance and moving averages for 4 periods)



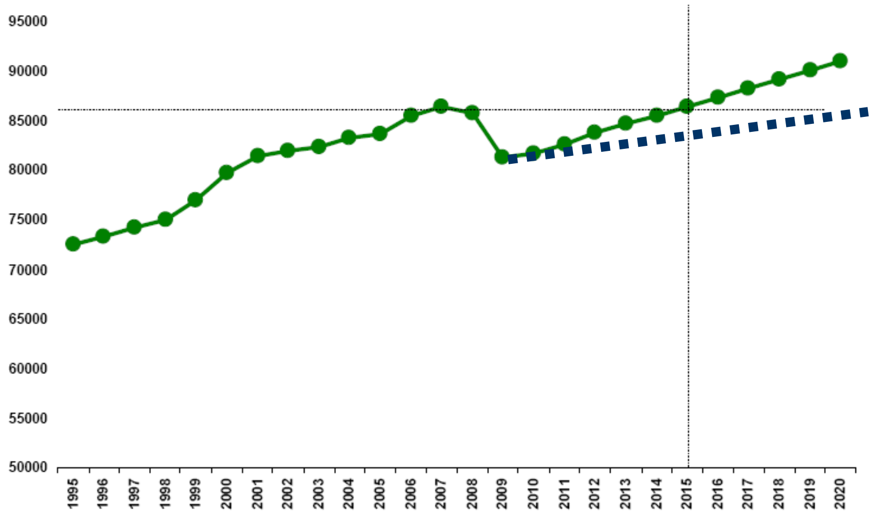
The entire manufacturing industry suffered a severe decline in manufacturing volumes, with a particularly severe impact in the metal and mechanical industry. In effect, while it is true that the global crisis started with a drop in consumption, it is also true that the consequent decline in investments - and, above all those in machinery - was even more severe. Both on an international as well as domestic front, the request for capital goods therefore suffered the greatest reduction. Moreover, within the manufacturing sector, the difficulties extended to all branches of the sector, from the more traditional ones of the fashion industry (which had already been in difficulty for some time), to more modern sectors.

Since exports are fundamentally based on the manufacturing industry and its integration with the service industry (especially its most advanced sectors), a significant reduction in the sector could compromise the future competitiveness of the entire regional productive system. In fact, if the manufacturing industry is compared - with respect to how it might appear at the end of the crisis - with its situation back in 1995, even though we are aware that the comparison of this data does not refer to homogeneous market conditions, we note an average reduction of almost one-fourth of the added value produced, but in some cases (fashion and related industries) it reaches approximately 50%.

After years of uninterrupted growth, the construction industry felt the crisis very acutely, with drops in production which will probably extend into 2010 as well, also due to the effect of the decline of real estate speculation, with a similarly significant reduction of employees. Many initiatives have been affected by the slowdown of transactions due to the climate of uncertainty that the low level of the cost of money is insufficient to dissipate. The outlooks for the sector refer to solid entities with a multiyear presence in the sector and operational flexibility. The time of enthusiasm for the real estate sector as a new "King Midas" should be considered as having been archived forever.

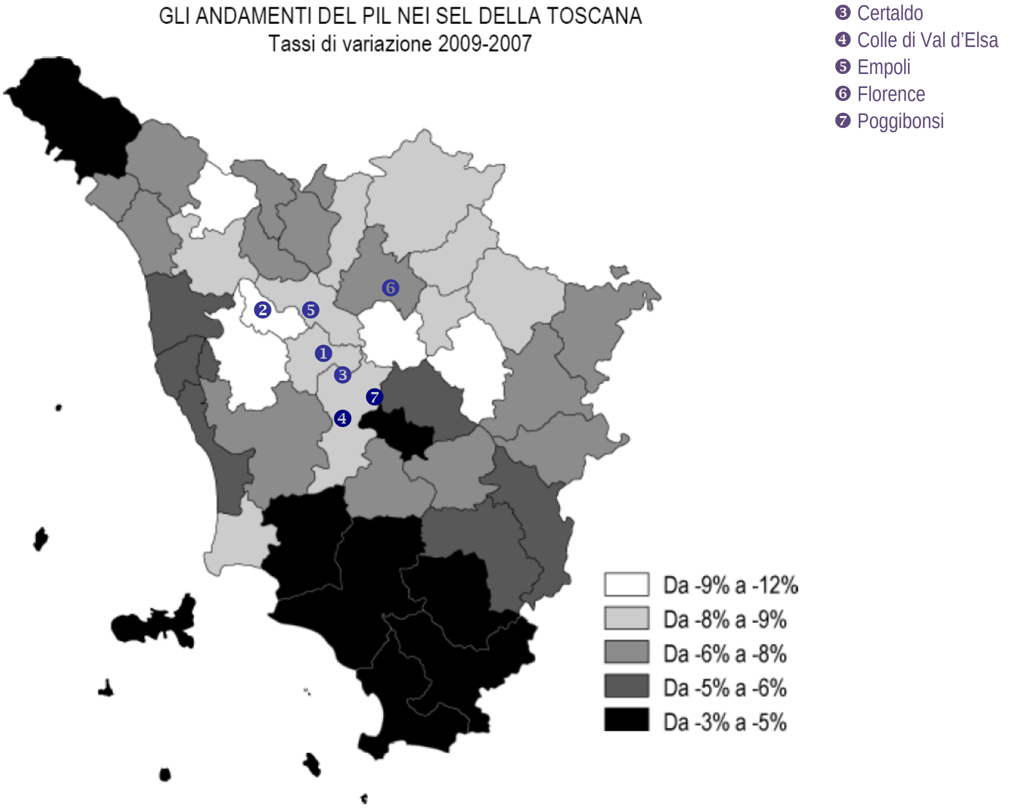
Prevailing forecasts see 2010 as the year in which the Tuscan economy might start growing again, even if at a rather limited pace. The forecasts indicate, in fact, a rise of the GDP of 0.6%. This would initiate, however, a new expansive cycle which should lead to growth of the GDP at 1.1% in 2011, until reaching 1.5% in 2012, substantially in line with what should happen throughout the rest of the country. It should be asked, however, whether the situational growth will be at the same growth levels as prior to the crisis, which moreover were low, or whether they will be even lower.

Growth forecasts in Tuscany – various theoretical cases



The conditions that should enhance the initiation of a moderate expansive cycle are attributable above all to the development of the global commercial forecast of higher interest rates ranging from 5 to 7%. It is thus clear that the recovery must necessarily initiate from a rekindling of the foreign component of demand, which is also advantaged by the growth phase of Asian and developing countries.
Exports will then return, with positive effects on the recovery of investments, even if initially to a reduced extent since the utilization rate of productive capacity was definitely reduced during the crisis.
The recovery should extend to the majority of the productive sectors; only the construction industry might remain in a difficult phase throughout 2010 as well, with the possibility of a subsequent recovery. The recovery of the service industry will be slower.
On a territorial level it is clear that the crisis has heavily impacted all areas in the region, but it was concentrated more intensely in those areas that are more open to international exchanges and that are more industrialized, such as the district areas, and more generally those of central Tuscany. The LES (local economic systems) of the coastal areas and more marginal areas were not as affected.

Chart: Trend of GDP in Tuscany
Variations 2009-2007



Source: IRPET, Dec. 2009

From an overall employment viewpoint there were less reductions with respect to production, also due to the use of unemployment benefits; while the categories excluded from such support (self-employed, professionals, the youngest workers, term contracts) were more severely penalized. All of this again places attention on the issue of the reform of unemployment benefits.

It is then particularly difficult to understand how many and which businesses, after such a sharp drop in invoiced sales, can continue to carry out their productive activity and how many and which must instead convert or cease their activity. From this standpoint it is uncertain whether the potentially most productive businesses are those that have the greatest probability of resisting, since the selection will be made not so much on productive capacity, but on the ability to innovate and know-how to manage the markets, as well as on the sustainability of the financial structure.

The efficient businesses that remain after the crisis, which will still be long and difficult, will be able to benefit from the advantages of a market with less competitors and more selection. Even today there are niches of excellence that have demonstrated that they are capable of facing the crisis with investments in new technologies, know-how and human capital.

The quality of productions, synergies, and entrepreneurial skills which, at a regional level and in our territory in particular, are not lacking, will be the elements that constitute the basis for recovery and success in the new context.

Even the economy in the area where we are settled suffered the consequences of the difficult cyclical phase in 2009, with a generalized worsening of the principal indicators. Various businesses ceased their activity with the consequent job loss and decline in pro-capita income and household purchasing power, with a further reduction of consumption. The Bank intervened heavily in support of businesses and households, with lending for specific purposes, restructuring operations, and deferrals of maturity dates, regardless of, and even before, specific legislative measures in this regard. There were slight signals of a reversal of the cycle during the latter part of the year.

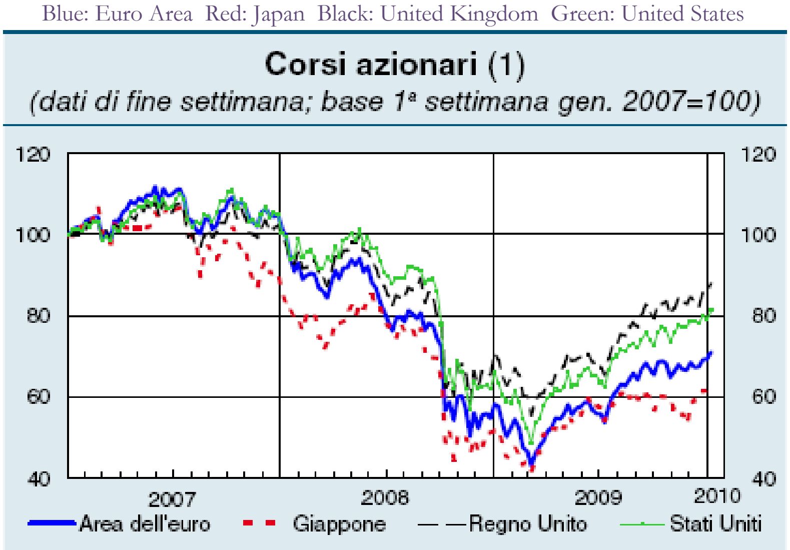
On a sector level in the Empoli-Valdelsa district, the situation at the end of 2009 appears to be different. In fact, the data is less negative with respect to the general situation, both regional and national, for companies operating in the mechanics and ceramics industries, especially with respect to the indicators related to invoiced sales, forecasts and orders, which are all counter-balanced by weak indexes related to profitability and liquidity. The fashion industry in a strict sense (clothing, footwear, accessories), after half year periods of fluctuating trends, instead suffered the crisis in a pronounced manner due to a decline in internal consumption and export flows. The tannery sector, although with data indicating diminished activity and some types of production that were particularly penalized, was able overall to resist the crisis better than other national productive poles. The outdoor camping and furniture sectors suffered severe slowdowns, the food industry maintained a positive tone with modest growth indexes, while the wine sector remained affected by a declining market. Tourism, a fundamental component for the economy in our area, slackened even though in much more restrained manner than with respect to regional and national data. There are strong expectations of consolidation in the sector, with the acquisition of more entrepreneurial management criteria and the creation of "systems". In this sense, the research the Bank is conducting aimed at identifying strategies to promote cultural tourism in collaboration with the *Scuola Superiore Sant'Anna di Studi universitari e di perfezionamento di Pisa* can be a valuable aid. The glass and ceramics industries have been particularly impacted by the fall in foreign flows. Trade, especially that of smaller dimensions, has suffered particularly from the drop in consumption, which has also lead to the closure of activities located outside of commercial centers. In the provincial territory retail sales (-3.0%) have lost less than the regional average, sustained by the slight growth of mass retailers (+0.3%).

Financial markets

The global financial markets proceeded along lines that were remote from those attributable to the real economy.

Equity markets continued the whirlwind dive which began in 2008 until touching bottom during the first ten days of March, to then begin the most rapid and incisive recovery of the last seventy years, supported by the extraordinary measures promulgated by governments and central banks, closing near the annual maximums.

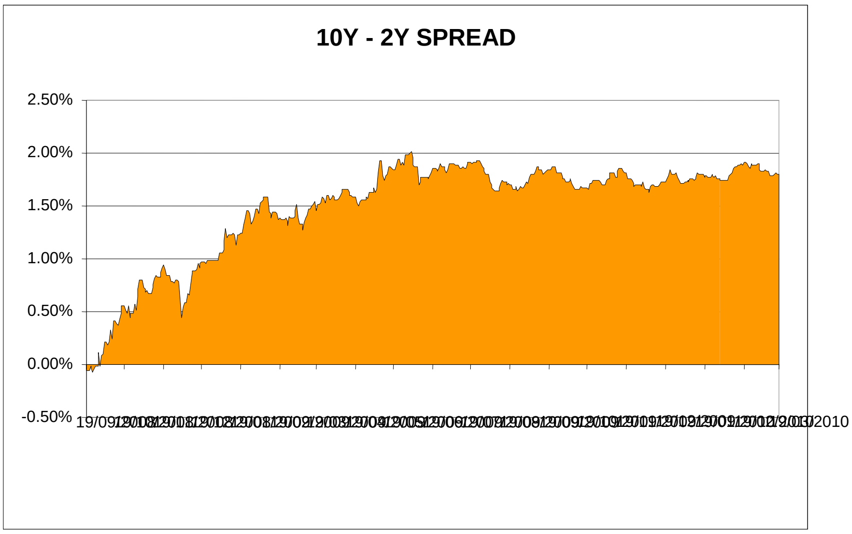
Chart: trend of shares
Data from end of week; base 1st week of Jan. 2007 = 100
Blue: Euro Area Red: Japan Black: United Kingdom Green: United States



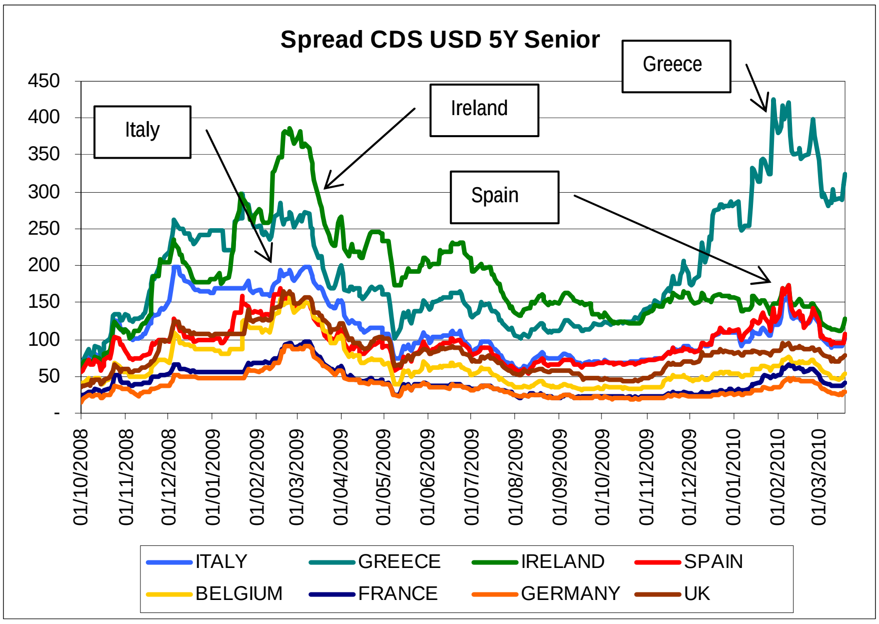
Fonte: Thomson Reuters Datastream.
(1) Dow Jones Euro Stoxx per l'area dell'euro, Nikkei 225 per il Giappone, FTSE All Share per il Regno Unito e Standard & Poor's 500 per gli Stati Uniti.

Source: Thomson Reuters Datastream
(1) Dow Jones Euro Stoxx for the Euro Area, Nikkei 225 for Japan, FTS All Share for the United Kingdom and Standard & Poors 500 for the United States

In the monetary and bond markets, the alleviation of specific risks of issuers and counterparties was reflected in the downsizing of the premiums requested on private placements. The premiums for the issue of corporate bonds diminished for all risk classes and in all principal countries.
The widespread interpretation of more positive horizons made the return structure steeper, due, in addition to expectations of a long term rise of inflation, to the reduction of the stressors which, above all on the short term segment, had inflated the differentials with respect to statutory interest rates.
In Europe, moreover, the latter were significantly reduced by the ECB, so that the curve essentially moved towards the bottom, increasing the inclination and difference between the short and long term parts of the curve (10Y – 2Y spread).
In our opinion, we are skeptical when faced with healthy financial markets in the context of a widespread critical situation regarding the real economy, but market regulators, after the depressing recent experiences, will know how to adequately intervene.

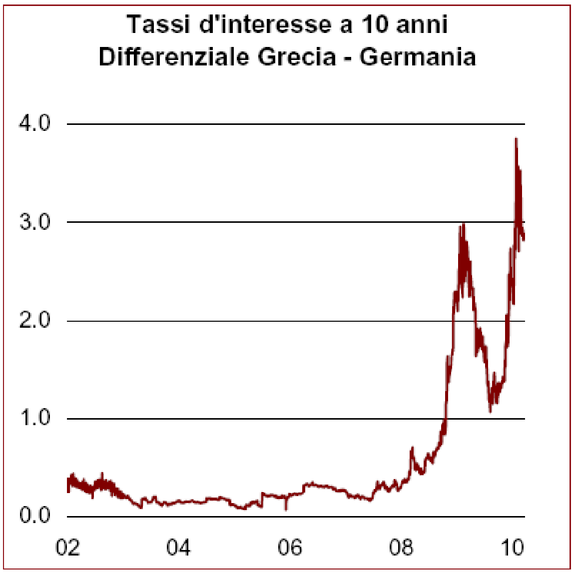


Over the past months tensions intensified, however, that had already been manifested towards the end of 2009 in the government bond markets of specific European nations, Greece above all, reflecting fears of the sustainability of public finances. With respect to last October, the premiums on credit default swaps of government bonds of Greece and Portugal tripled, respectively, to 380 and 150 base points. It instead appears that concerns for the Irish situation have diminished. In order to return to normality, the so-called "PIGS" countries (Portugal, Ireland, Greece and Spain) have to adopt budget policies that are restrictive enough to allow indexes compatible with the requirements of belonging to the EMU to be maintained. The greatest concerns derive from Greece's default risk, with the severe risk this could have of involving other countries with critical public debt situations, those of the Iberian peninsula above all. Such indications are supported by the quotations of Credit Default Swaps on the debt of the principal countries indicated in the following graph:

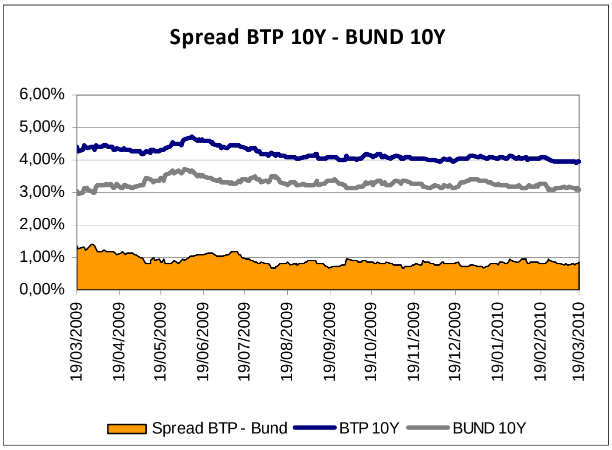


There is a consequent increase of the interest rate differential for having a lower rated risk, as may be the case of the German Bund with respect to Greece's public debt.

Interest rates at 10 years
Germany – Greece Differential



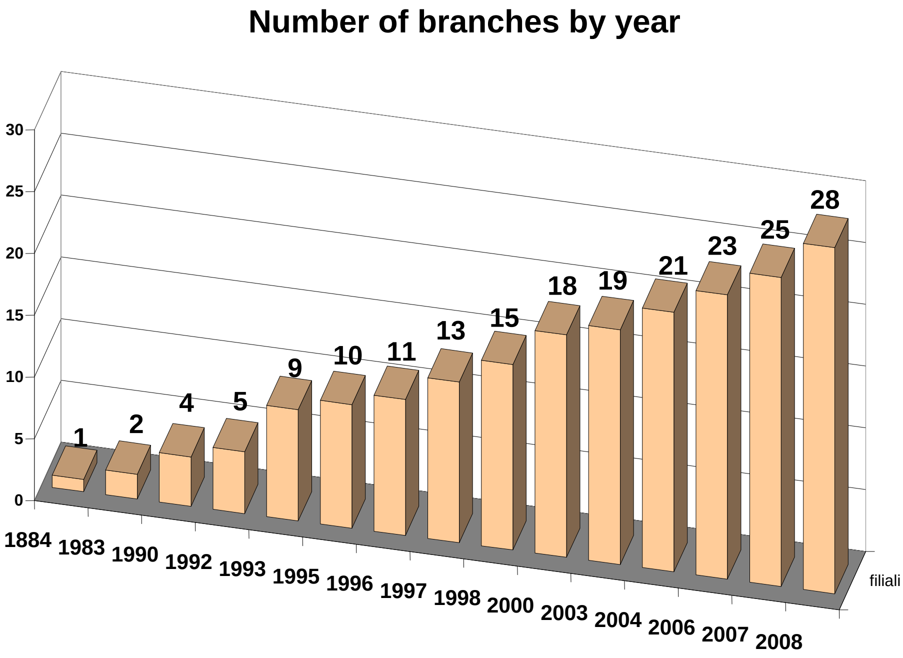
The differential of German Bund with Italian securities remained substantially stable:



From a currency standpoint, in December the phase of the weak US dollar was interrupted, which appreciated with respect to the Euro and yen.

Territorial network

At the end of the fiscal year, our territorial network consisted of 28 branches, unvaried with respect to the prior fiscal year. In view of the situational trend, a decision was made to wait until the more recently opened branches were fully operational before making new investments.
Three new branches will be opened in 2010: two in Florence, thus bringing the branches in the Region's capital to four, and one in Orentano, a section of the Town of Castelfranco di Sotto, where another one of our branch offices has already been opened. With the openings in course we have substantially completed the expansion of the network of branches planned in the 2007-2009 Business Plan.
Our nature as a *cooperating* Bank is expressed above all in our dedicated undertaking to the development and reinforcement of the suburban network in that, even though advanced technologies for remote online operations have been made available to customers, the branch represents the structure that is the best way to manage and consolidate the direct and loyal relationship with customers that represents the essence of our way of doing banking.
We modeled our organizational structure, prepared development plans, consolidated and spread a consistent corporate culture and trained the necessary professional figures in accordance with this consolidated strategic policy.



Shareholders and corporate activity

As of 31 December 2009 there were 3,001 shareholders, an increase by 31 shareholders with respect to the 2,970 shareholders of the previous year. The increase occurred in accordance with criteria conforming to the rules established for the admission of shareholders with reference to their residence, registered office and activity, and is coherent with the territorial expansion in course.

The criteria followed by the Board of Directors in corporate operations to achieve the mutual aid objective, in conformity with the Bank's cooperative nature, were characterized by the constant undertaking to implement operative procedures consistent with concrete social responsibility and according to principles of cooperative mutual aid without objectives of private speculation, for the purpose of acting at the service of the shareholders and local communities, trying to guarantee the improvement of moral, cultural and economic conditions.

In carrying out its activity, the Bank placed itself at the service of the community by promoting development and actions to support the components of the local economy (households, small/medium companies), both by means of the spread of activities aimed at developing cooperation and education about savings and retirement, as well as by particular banking assistance, personalized and oriented towards a broad application of the most advantageous conditions and simplified procedures of access to and use of banking products and services. Part of mutual aid and a cooperative spirit is specifically carried out by transactions with shareholders and customers, responding in such way to the purpose of allowing them to use the Bank on the best possible conditions. We note a series of specific products for employees and retirees that allow access to banking products and services on a totally gratuitous basis.

We shared and sustained numerous initiatives promoted by Onlus (non-profit organizations of social utility), volunteer associations, ecclesiastical entities, scholastic institutions, sports clubs and cultural groups located in our territory; we also note the organization of tourist and cultural initiatives open to shareholders and customers and the collaboration with high schools and universities for scholarships and training internships with the Bank.

Total donations in 2009 amounted to 675,464.34 Euro.

The Bank also duly complied with the obligation of contributing to mutual funds for the promotion and development of cooperation.

In closing this section, we confirm that the conditions to be considered a traditional cooperative exist and remain. For such purpose, in accordance with the provision of Article 2512 of the Italian Civil Code and Article 35 of Legislative Decree no. 385 of 1993 and the related Supervisory Instructions, during the course of the fiscal year the Bank complied with the pre-requisites of the weighted calculation of the prevalent operative parameter with shareholders. In particular, to the extent required by cited Article 35, as appears from the periodic reports sent to the Supervisory Authority, we note that during the course of the year risk activities involving shareholders or zero weighted activities were always greater than 50% of the total, and that as of the date of the financial statements they amounted to 54.160% of the total.

Lending outside of the Bank's territorial area (the towns where the branches are located and neighboring communities) was for a negligible value and fully within the parameters of the Supervisory Authority.

ACTIVITY WITH RESPECT TO SHAREHOLDERS AND ACTIVITIES OUTSIDE OF THE TERRITORIAL AREA

	Regulatory limit	2009	2008
% lending with respect to shareholders and/or zero weighted	> 50.00%	54.160%	51.515%
% lending outside of the territorial area	< 5.00%	2.048%	3.549%

Organizational process and regulatory measures

During the course of 2009, the non-stop regulatory "downpour" continued. Rarely was there a divergence from the tendency in course for some time to issue poor quality, uncoordinated measures, often imposed by urgency and based more on a concrete case than on principles. The progressive use of the implementation of European Directives or institutes of other legal systems at times extraneous or incompatible with the Italian situation did not simplify matters. The delay, then, of regulatory development with respect to time worsened, leaving gaps that did not produce satisfactory results.

State contribution to interest for mortgage loans for primary residential property

Law no. 2/2009 entered into effect at the beginning of the year, converted from Legislative Decree no. 185/2008, which had, among others, established that interest rates of more than 4% for mortgage loans with a variable rate would be borne by the State. Our Bank promptly adjusted to these requirements and, although in the uncertainty that distinguishes the measure and implementing rules, it began contributing to the interest account, for the total amount of 632,402.95 Euro.

Commission on overdraft facilities and maximum overdraft commission

Law no. 2 also regulates the maximum overdraft commission, establishing the terms and conditions of its use. On the basis of the progressive interpretative consolidation of the new law – which entered into effect on 29 January 2009 for new customers and on 27 June 2009 for existing accounts – and considering the indications originating from the Supervisory Authorities with respect to simplification and transparency, the Bank ceased applying the Maximum Overdraft Commission. Differently than the majority of the system, we have not substituted it with other particular and often extravagant commissions. With respect to what is provided by Law no. 102 of 3 August 2009, which contains additional anti-crisis measures, the Commission on Overdraft Facilities was applied, however at a significantly lower rate with respect to the legislative provision. The new approach, consistently with the cooperative policies always applied, was aimed at complying with the principle of not worsening the burden of commissions for customers. The legislation on this issue has created, by means of a sort of "heterogenesis of objectives", a series of applicative problems for banks and incredible confusion among consumers. The scarce quality of the text of the law, coherently with a technique increasingly oriented towards slogans rather than principles, resulted in the need to issue numerous clarifications or alleged clarifications. The by now systematic intervention of the legislator with imposed price policies makes the question arise spontaneously as to whether banking activity is still a business activity, as was emphatically affirmed in the Uniform Banking Law.

Transparency

By means of a Measure on 29 July 2009, the Bank of Italy issued provisions on "Transparency in banking and financial operations and services – Proper relations between intermediaries and customers", aimed at ensuring customers clarity and access to the information provided by intermediaries, the possibility to comprehend the rights and costs connected to services, and the possibility to compare the various offers available in the market.

The banking system was asked to adopt procedures within 2009 to guarantee that adequate attention is paid to the customer during all phases of activity, from the creation of the product through sales, through eventual claims management. In our case, the customer has always been at first place and our relationships are conceived of in terms of duration, maximum transparency and honesty. To be exposed, as a local bank and as operators, to the direct judgment of the market and individual parties, as opposed to the armor of the impenetrable structures of the large banks that act to cleanse even shameful programmed and realized destructions, has always made it necessary for us, in addition to our convinced adhesion to our guiding principles, to approve and apply policies that are truly open and ethically independent from the emergency rules that have been outlined.

Starting from 1° January 2010, the Bank took, however, all necessary and appropriate measures to implement said provisions, even formally, and specifically, it published the following documents on its Internet site:

• the principal rights of the customer;

• the Guidebooks "Bank accounts in simple terms" and "Residential mortgage loans in simple terms", which contain information on what a bank account or mortgage loan is, how to choose it, the attention to be paid before and after the stipulation of the contract, the customer's rights and how they can be enforced;

• analytical, detailed fact sheets, drafted according to the criteria established by the Bank of Italy, and also made available by being displayed at the branches to facilitate consultation by customers.

Banking and Financial Arbitration

Starting from 15 October 2009, the Finance Banking Arbitration Service (*ABF*) became operative, created by the Bank of Italy to manage claims other than those having investment services as their object. The intent of the Supervisory Authority is that such organism should contribute to the settlement of controversies between customers and banks and other financial intermediaries, offering an alternative that is simpler, more rapid and economic with respect to recourse to the courts.

Mifid - level 3

Consob Communication no. 9019104 of 2 March 2009 regulates "The duty of the intermediary to act with honesty and transparency when distributing illiquid financial products (i.e. financial products that it is difficult to disinvest for fair value)".

Such discipline was subsequently flanked by the relevant ABI guidelines, validated by CONSOB in August 2009.

With respect to the need to maintain a level of liquidity for customers' investments in products issued by the Bank, we adhered to the "IBIS" project realized by the subsidiary Invest Bank Spa to develop the trading of bonds issued by banks using the services or "*systematic internaliser*", carried out by Invest Bank in order to provide high level of liquidity to the bonds that are traded. IBIS is a *"quote driven"* trading system, where price calculation is determined by a regulation approved by the Supervisory Authority on financial trading. An efficient mechanism was thus made available that allows the bonds we issue to maintain a high level of liquidity, allowing the depositor to disinvest for a fair value. Such operating approach currently represents a "*unicum*" at a national level for the sector of cooperative banks.

Compliance

The Compliance department conducted ongoing monitoring and controls of management policies and operations carried out with respect to their conformity to law, regulations, and self-disciplinary codes, by means of the constant participation at the meetings of the governance and control bodies and advisory committees. As manager and coordinator of the Claims Office, it verified and clarified all cases that arose, finding, however, that there were no significant claims.
The department actively planned staff training programs, in close cooperation with the Managing Director, subsequently supervising their realization.

Anti-crisis measures

The Law Decree on "Anti-crisis measures" introduced the possibility to repatriate and regularize capital and financial assets for residents in Italy, held starting from a date no later than 31 December 2008 outside of Italy and in violation of tax laws (the so-called Tax Shelter). The Law, even though it has some new features, refers to policies already contained in previous versions of the tax shelter (2001-2003 period).
The same Decree regulates (by legislation) the currencies to be applied to the endorsement of bank and cashier checks, confirming the policy of imposed prices already commented on above.

Information on environmental issues

With reference to information relating to the environment (pursuant to Article 3(1-bis) of Legislative Decree 87/1992, as modified by Legislative Decree 32/2007), it is noted that the Bank has received no claims related to environment damages, nor were any sanctions or penalties applied for environmental offenses or damages. It is specified in any event that the Bank's activities, which are "dematerialized" services, cannot have significant environmental impacts and therefore do not influence the trend and economic and financial situation of the business. The Bank does, however, use the services of specialized companies for the disposal of hazardous wastes and to recycle used paper. Further, it is noted that the Bank takes initiatives aimed at containing energy use and the use of materials having a low environmental impact in the realization of new structures or in restoration work.

Information on staff

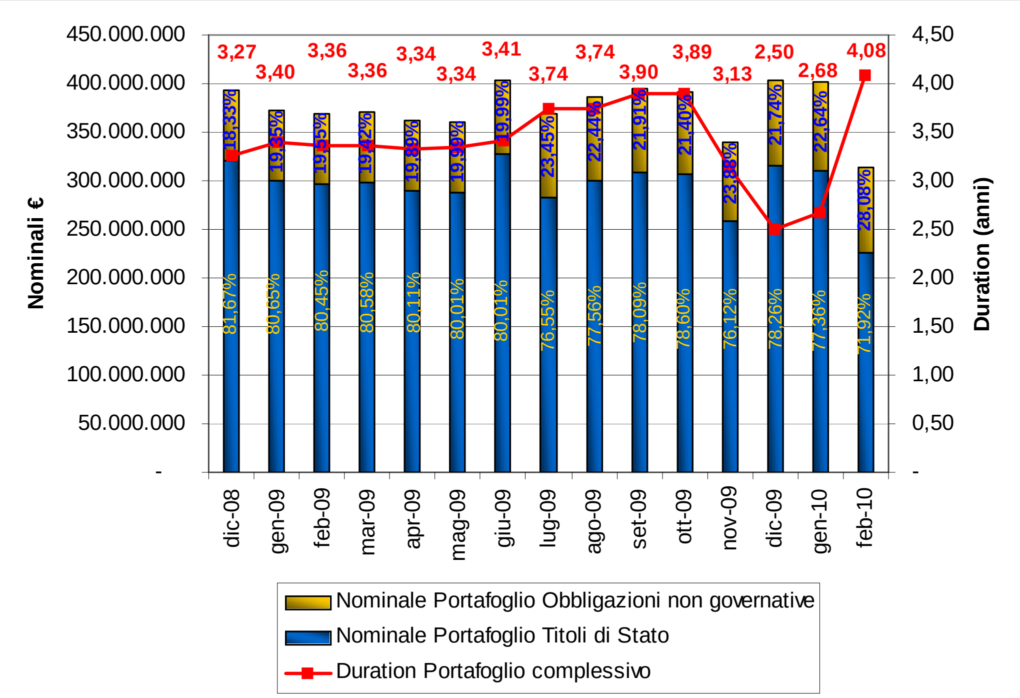
One of the Bank's principal resources is the quality of its staff, and the enhancement of personnel is the indispensable premise of every success story. For that reason, personnel selection and training is done attentively. The Bank had 254 employees at the end of the year, of whom 20 ad interim. Coherently with the organizational structure and orientation towards traditional trading, the distribution of resources was allocated 23% to central structures and the remaining 77% to branches or activities in contact with and of assistance to customers. The educational level tends to position itself at a high level, and 29% are college graduates. The average age of employees is 38 years old, 4 years less that the system average (42.5). The presence of young people is noticeable: people less than 30 represent 24% of the total, while those who are less than 40 years old represent 61%. Women represent 27% of the staff.
With respect to training, it is noted that the constant and rapid development of bank jobs – in terms of laws, products, services, technologies, distribution channels – require everyone to timely broaden and update of their wealth of knowledge. This is the only way one can attempt to dominate change without being overrun. On this conviction, the training activity performed at a corporate level was intense. The work done as vocational education and training regarded knowledge of computer and organizational procedures, as well as knowledge and application of the most updated management techniques and methodologies of management in matters of loans, security and payment systems. In particular, action was taken to enhance and develop human resources by means of specific training activity on sales techniques and customer relations.
In addition, there are undertakings consequent to the many training obligations provided by various specific laws, such as laws on money laundering, privacy, transparency, the administrative liability of legal entities, financial and insurance consulting, MIFID regulations, and workplace safety.
All of the training activity that was conducted involved personnel in classroom activities or in outside training for a total of 18,467 hours per year, with an average of 75 hours per employee.

Equity investments

Equity investments are entirely held in companies of the Cabel Group, and all are functional to corporate operations.
Equity investments are measured based on continuity using the "shareholders' equity" method, and amounted to 12,201,850 Euro at the end of the fiscal year, with an increase of 7,967,308 Euro.
The variations, set forth in detail below, regard:
1) an increase of 2,000,000 Euro of the shareholding in the company Cabel Holding s.r.l.;
2) an increase of 6,128,050 Euro for revaluation of the accounting value of the shareholding in Cabel Holding srl due to the appraisal of real property assets and treasury investments made by said company, in addition to 58,269 Euro due to the fiscal year profit;
3) an increase of 162,852 Euro for equity revaluation of the shareholding in Cabel Leasing s.p.a. due to the fiscal year profit;
4) an increase of 476,311 Euro for gains from the sale of part of the shareholding in Cabel s.r.l.;
5) a decrease of 858,173 Euro for the sale of part of the shareholding in Cabel s.r.l.;
6) we participated in the incorporation of the cooperative company "Cabel ricerca e formazione", aimed at providing systematic professional training for the staff of banks that are part of the network.
The amount of the "revaluation" of 6,349,170 Euro and the value of the gain from the sale of equity investments, amounting to 476,311 Euro, were allocated to line item 210 of the Income Statement "Gain (loss) from equity investments". In compliance with Article 6 of Legislative Decree 38/2005, at the time the fiscal year profit is allocated, the amount of the capital gains (net revaluation) totaling 6,261,869 Euro was allocated to a specific capital reserve included in liability line item 130 "Valuation reserves" (Tier 2). Said amount is the result of the reduction of pre-paid taxes in the amount of 87,301 Euro from the gross amount of 6,349,170 Euro.

Securities and treasury portfolios – Foreign exchanges

The bond markets initiated a path towards normalization of the spreads, which was sustained by investors' search for satisfying yields in a context of substantial liquidity and very low short term interest rates. The equities market, as noted, had performances that were unrelated to the real economy, and may not remain unaffected by a drop in market liquidity due to a reduction of the monetary maneuvers of support that were undertaken and which are still in course.
The Bank's management strategies of its outstanding securities portfolio have been confirmed as being based on normal criteria of maximum prudence in the choice of investment, with a prevalent orientation towards government bonds, or in any event with a zero weight, coherently even with regulatory parameters for the determination of the reference parameter as well as the quantification of operations with shareholders.
Since such investment strategies having a strong aversion to risk, the average financial duration of the portfolio is expected to be approximately 30 months at the end of 2009, with overall profitability of 2.196%, down from 4.177% in 2008, which is clearly reflected in the Income Statement.



Yellow line: Nominal Portfolio of non government Bonds
Blue line: Nominal Portfolio of Government Bonds
Red line: Duration overall Portfolio
Left side: nominal value in Euro Right side: Duration (in years)

The categories of classification of the treasury portfolio in application of International accounting standards are:

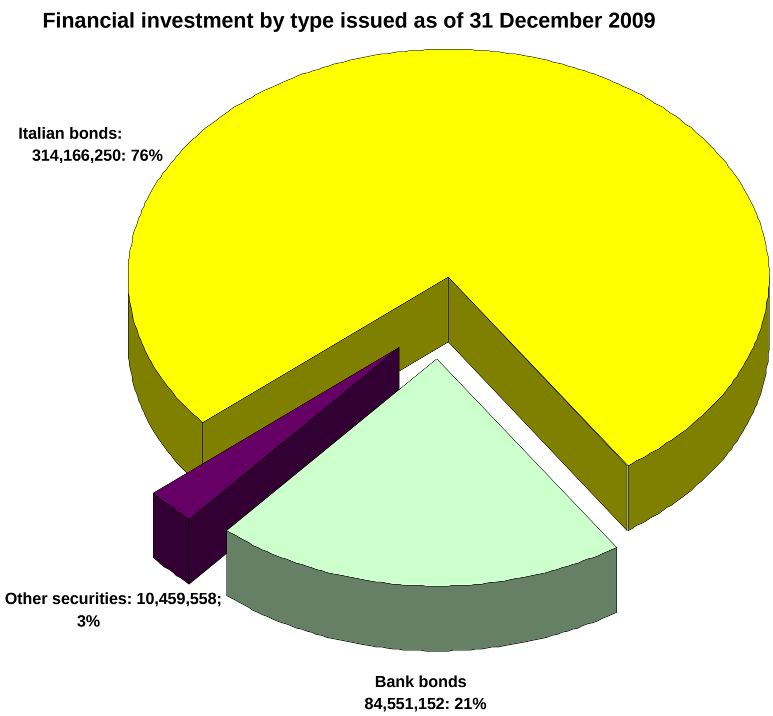
- securities with the nature of loans and receivables (L&R – Loans and Receivables);
- securities available for sale (AFS – Available for Sale);
- securities held for trading (HFT – Held for Trading);
- financial assets measured at fair value (financial assets at fair value through profit or loss);
- investments held through maturity (HTM – Held to Maturity).

At the end of 2009, the Bank's securities portfolio amounted to 409,176,960 Euro with respect to 390,868,963 Euro at the beginning of the year . It consists of financial assets held for trading (HFT) in the amount of 185,417,589 Euro (45%), and financial assets available for sale (AFS) in the amount of 223,759,371 Euro (55%).

With respect to securities available for sale, as of 31 December 2009 the portfolio was made up as follows: 77% government bonds and 23% bank bonds and other securities with high ratings.

The gains resulting from exchange rate transactions, related to trading currencies in foreign interchanges, amounted to 94 thousand Euro.

Trading carried out by the foreign service amounted overall to 1,196 million Euro, an increase of 205% with respect to the prior fiscal year. Although faced with a reduction of the volumes of transactions to and from foreign countries, which characterized the trend of the economy even in our area, the result reached demonstrates the efficiency of the Office and preference given to us by operators in the sector.



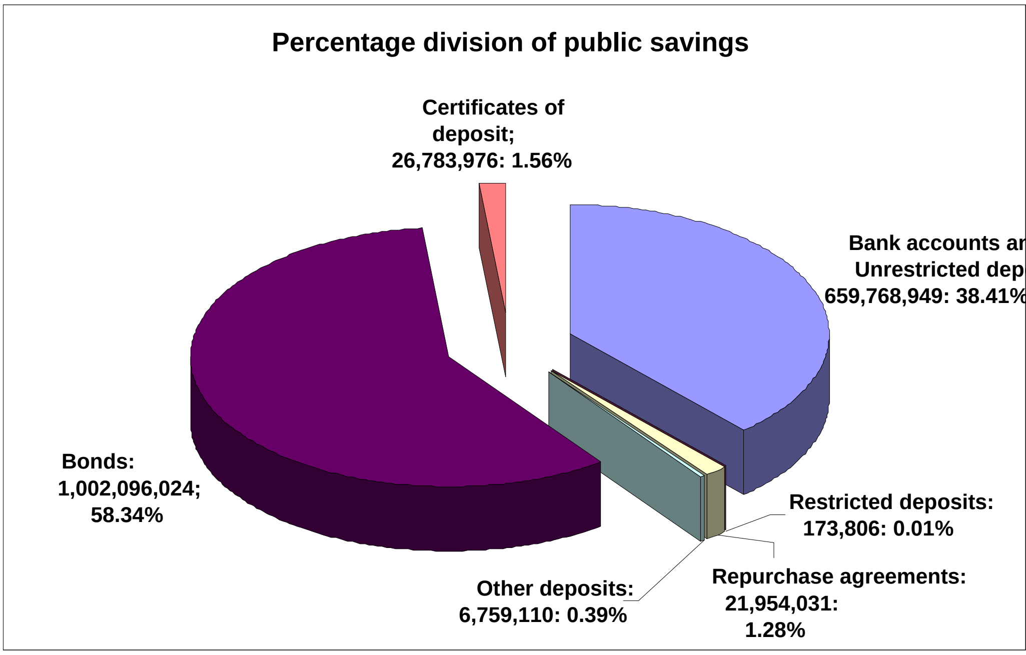
Public savings

Public savings in Italy remained strong. In detail, at the end of 2009 public savings in Euro of the aggregate of Italian banks at an overall level represented by deposits of resident customers (bank accounts, deposits and repurchase agreements) and bonds, showed a growth rate of 9.3% (with respect to 12.4% in 2008). A review of the different components demonstrates that deposits from resident customers showed a growth rate of 8% (with respect to 7.6% in 2008), while bank bonds grew by 11.2% on an annual basis (with respect to 20.4% in 2008). The phase of uncertainty continues, in which investors prefer deposits in bank accounts, also due to the propensity to favor liquidity on demand.

With respect to our Bank, public savings grew by 147,550,302 Euro, the equivalent of 9.40% in percentage terms. The system data indicates the transformation of indirect public savings, which grew by only 2.6% on an annual basis, due to the choice by customers to hold deposits on demand rather than investments in financial instruments given the critical market situation. Our data effectively represents new public savings, given the insignificance of the aggregate indirect public savings managed by our Bank, and is particularly significant in the context of the existing market. It represents the most immediate index of the trust customers place in us. In our view, the public savings sector has always been, and confirms itself as being, a strategic factor for development. In this situation yields are ensured and maintained that are absolutely advantageous to depositors, and generally higher than the rest of the banking system. Our Bank is at the top of the category for public savings in bonds, with more than one billion bonds issued and placed. Such formulation of the public savings policy results on the one hand in an advantage to subscribers, and on the other in a reduction of the Bank's possibilities for maneuver in terms of interest rates, a choice intentionally implemented in view of the expanded mutual aid that characterizes our activity. During the course of 2009, 32 new bond loans were issued for a total of 379,063,000 Euro. There were 108 bonds in circulation at the end of the year.

The work of the *"systematic internaliser"* service, carried out by Invest Bank, as noted, is a value added factor to our savings bonds that reinforces their approval by the market.

DIRECT PUBLIC SAVINGS	2009	2008	Absolute variation	Var. %
Bank accounts and unrestricted deposits	659,768,949	493,389,175	166,379,774	33.72%
Term deposits	173,806	243,555	-69,749	-28.64%
Repurchase agreements	21,954,031	100,222,354	-78,268,323	-78.09%
Other deposits	6,759,110	2,754,870	4,004,240	145.35%
Bonds	1,002,096,024	942,231,686	59,864,338	6.35%
Certificates of deposit	26,783,976	31,143,954	-4,359,978	-14.00%
Total direct public savings	1,717,535,896	1,569,985,594	147,550,302	9.40%



In the context of a corporate policy to favor direct public savings, numerous innovative products were also introduced, aimed at specific categories, with a particular orientation towards young people, characterized by originality of use and with yields on average higher than the system average. Mention should be made of savings accounts and other products aimed at children and teenagers, which were positively received by customers.

As always, we stayed away from products that were purely speculative and difficult for investors to understand, favoring a clear and transparent commercial proposal, always related to the characteristics of the investor, their risk tolerance, timeframe, and by evaluating whether the requested or proposed transaction is appropriate and adequate. The investment, a primary good of constitutional importance, is therefore concretely protected, and not only in words.

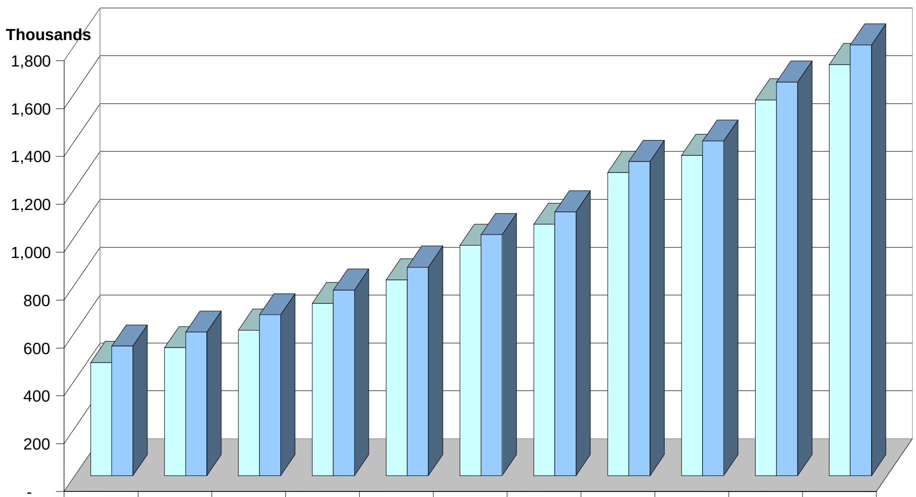
On the basis of these consolidated characteristics, our activity has received consumer trust, both in the territories where our presence is more consolidated, where the Bank's name is already well-known, as well as in the areas where it has recently become located, where it was immediately well received even given the current critical situation.

Indirect public savings from customers reached 82 million Euro at the end of 2009, increased with respect to 2008 (+10.59%).

INDIRECT PUBLIC SAVINGS	2009	2008	Absolute variation	Var. %
Administered assets	81,589,688	73,620,549	7,969,139	10.82%
Asset management	657,009	753,139	-96,130	-12.76%
Total indirect public savings	82,246,697	74,373,688	7,873,009	10.59%

Overall public savings at the end of 2009 therefore amounted to 1,799,782,593 Euro, with an increase of 9.45% with respect to the amount of the prior fiscal year, and confirms the excellent development of the aggregate at a corporate level.

Direct and overall public savings
(data in thousands of Euro



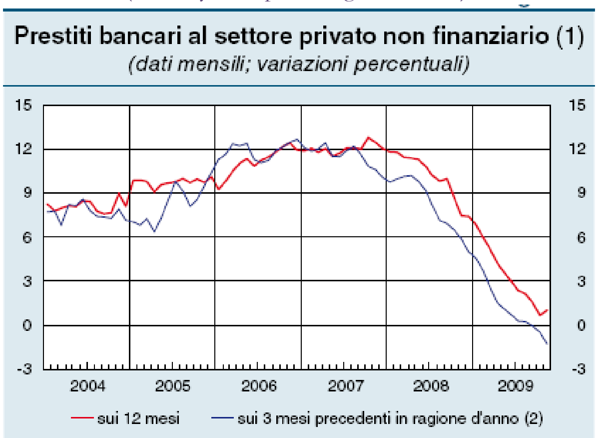
	1999	2000	2001	2002	2003	2004	2005 IAS	2006 IAS	2007 IAS	2008 IAS	2009 IAS
Direct public savings (in thsd.)	472,444	535,042	607,976	718,946	817,946	962,421	1,050,446	1,267,004	1,338,313	1,569,986	1,717,536
Overall public savings (in thsd.)	541,533	599,676	671,891	775,050	870,967	1,007,555	1,102,325	1,312,773	1,398,092	1,644,359	1,799,783

Economic lending and credit quality

During the course of 2009, credit dynamics at the level of the overall data of the banking system manifested a noticeable decline. In part, the reduction is connected to the phase of a severe cyclical slowdown of the Italian economy, and in part to the internal situations of many major banks.

Loans to Italian residents in the private sector had a growth rate at the end of the year of 2.19% (with respect to 4.9% in 2008).

Bank loans to the non finance private sector
(monthly data; percentage variations)



Fonte: elaborazioni su dati Banca d'Italia.
(1) Le variazioni percentuali sono calcolate al netto di riclassificazioni, variazioni del cambio, aggiustamenti di valore e altre variazioni non derivanti da transazioni. I prestiti includono anche una stima di quelli non rilevati nei bilanci bancari perchè cartolarizzati. – (2) I dati sono depurati della componente stagionale, quando presente.

Red line: 12 months Blue line: 3 months prior in terms of year
Source: prepared on the basis of data from the Bank of Italy

(1) The percentage variations are calculated net of reclassifications, variations of exchange rates, adjustments to value and other variations not deriving from transactions. The loans also include an estimate of those not shown in bank balance sheets because securitized. (2) The seasonal component, when present, has been removed from the data.

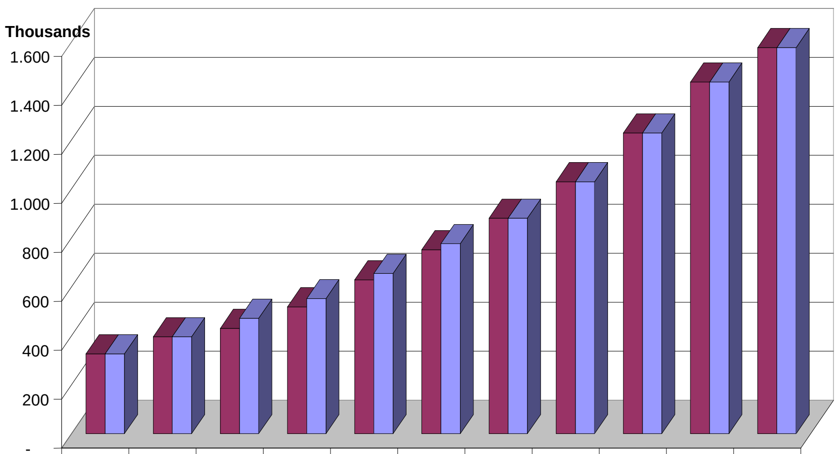
At the end of 2009, at a system level, the dynamics of loans for non finance companies totaled -2.4% with respect to +6.8% at the end of 2008, a value, however, that is more than the average value of the Euro Area: -2.7%, Germany -4.8% and Spain -3.7%. On the other hand, during the course of 2009 companies severely reduced their investment plans: according to what appears from the last report *Bank Lending Survey* (prepared by the National Central Banks of the SEBC in collaboration with the ECB - February 2010) in relation to the importance of factors for the request for loans and credit lines by companies, during the last quarter of 2009 the need for fixed investment funds in Italy showed a negative balance of -25%, after having reached the minimum level of -87.5% during the first quarter of 2009. The request for loans is significant only for purposes of debt restructuring.
The share of loans by companies remains high with respect to the total (63.1%), a value that is noticeably higher than the average of the Euro Area (48.7%). If one considers the ratio of loans used to loans granted to non finance companies and individual businesses, the indicator is placed on September 2009 at 67.4% (66.4% in September 2008), meaning that nominal growth margins still exist, and that the allocation of credit, given the parameter in review, might not suffer particular reductions.

With respect to the situation of the territory where we are operative, the unfavorable development of the economy continued, worsening, even during the course of 2009. With respect to the increased critical situation and the increased credit risk, a more attentive and rigorous selection for new issues was required, also due to the many restrictions imposed by other banks. Similarly, outstanding relations were managed with greater incisiveness. In this context, fully aware of the effects of the economic crisis and the need to preserve the quality of the receivables portfolio, we chose to continue to follow the consolidated strategy of support to the territory, evaluating with an open mind the applications to grant, expand or modify overdraft facilities from worthy customers, and maintain support for initiatives which, even those affected by contingent grave situations, were accepted, with expectations of positive repositioning. This is a way to concretely realize principles of mutual aid without doubt appropriate given the time period and circumstances, fully aware that the banking system's yields for fiscal year 2009 would have been significantly lower with respect to previous yields.
The Bank's dedicated undertaking to lending in favor of the local economy is confirmed by the overall total of lending to customers, which at the end of 2009 amounted, net of value adjustments, to 1,576,927,845 Euro with respect to 1,436,615,607 Euro in the previous fiscal year, with an increase of 140,312,238.51 Euro equivalent to 9.77%, as opposed to the system data, as noted, of 2.19% (see the following chart which indicates the trend of business loans in Italy).

Lending to Businesses

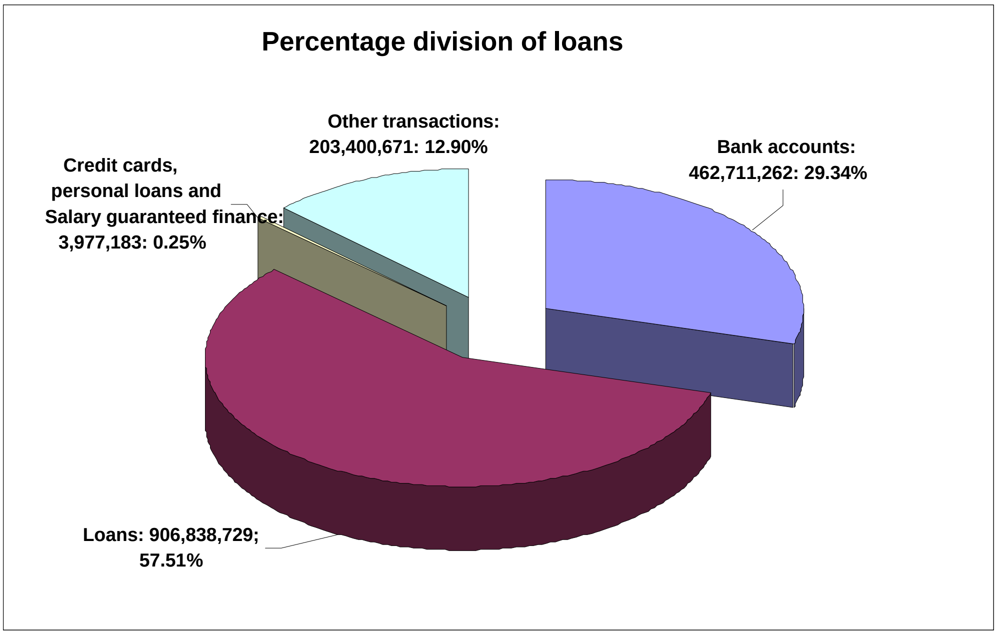
Loans

(data in thousands of Euro)



	1999	2000	2001	2002	2003	2004	2005 IAS	2006 IAS	2007 IAS	2008 IAS	2009 IAS
Loans (in thousand Euro)	326,493	395,852	430,385	518,462	628,976	751,267	879,754	1,029,342	1,228,344	1,436,616	1,576,928
Loans with securitization (in thous. Euro)	326,493	395,852	471,344	551,651	654,472	776,843	879,754	1,029,342	1,228,344	1,436,616	1,576,928

ECONOMIC LENDING	*2009*	*2008*	*Absolute variation*	*Var. %*
Bank accounts	*462,711,262*	*471,102,685*	*-8,391,423*	*-.78%*
Loans	*906,838,729*	*801,621,578*	*105,217,151*	*13.13%*
Credit cards, personal loans and salary guaranteed finance	*3,977,183*	*2,184,081*	*1,793,102*	*82.10%*
Other operations	*203,400,671*	*161,707,262*	*41,693,408*	*25.78%*
Total economic lending	*1,576,927,845*	*1,436,615,607*	*140,312,239*	*9.77%*



The distribution of receivables from customers in the "business" sector indicates lending primarily aimed at the categories "Other services available for sale" (30.34%), "Construction and public works" (20.38%) and "Commercial services" (15.82%).

In 2009 as well the medium-long term component was the one that contributed most significantly to the general growth of the receivables portfolio.
The total of the line item “mortgage loans” rose from 801,621,578 Euro to 906,838,729 Euro, for an increase of 105,217,151 Euro (+13.13%). The decline of real estate transactions and consequently of mortgage loans for the purchase of a primary residential property did not produce a decline in our sector, which was favored, due to the price policy and operating speed applied both to numerous *ex novo* operations as well as to “portable” operations by anyone, especially in the areas of the new branches, who preferred to transfer their mortgage to our Bank. Among the new products in the mortgage loan sector for households, “variable rate mortgage loans with a cap” were favorably received, in that such type of mortgage offers a benefit from the advantage of a variable interest rate that is currently lower, with the additional tranquility of never paying an interest rate higher than the maximum limit of the “cap”.

Italy – loans to households: mortgage loans

The Bank promptly adhered to the agreement signed between the ABI and business organizations in order to suspend the rates of the share of principal of the mortgage loans and grant other credit benefits. Consistently with the cooperative purposes at a corporate level, analogous initiatives had already been autonomously activated in order to re-schedule loans to companies that had outlooks of recovery, but which were in temporary difficulty due to the crisis.
Among the more specific measures in support of small and mid-sized companies, we also note the Convention between *Cassa depositi e prestiti* (CDP) and ABI, approved at the end of May 2009, which in practice is a loan program to which the Bank adhered, issuing loans amounting to 4,721,000 Euro in just a few weeks since its implementation.
As an additional measure to face the crisis, the Bank adhered to the Framework Agreement drafted by ABI and the Italian Episcopalian Conference (IEC) aimed at favoring lending to households with numerous family members, or subject to sever illness or disability, who have lost all form of income but who have a project to re-enter the labor market, or initiate an entrepreneurial activity, by means of the guarantee fund created by IEC.
A particularly important role in lending was played by *Confidi*, which is slowly assuming a role as a qualified guarantor with guarantees on first request capable of effectively supporting new lending.
The sector of leasing transactions, made through the subsidiary Cabel Leasing Spa, had the number of new operations reduced due to the decreased inclination of corporate investment: 88 operations for 9 million Euro in 2009, as opposed to 189 operations for a total of 23 million Euro in 2008.
In the context of economic lending, a residual portion consists of securitized loans which amounted to 2,502,877 Euro at the end of 2009. The market of securitizations (Rmbs) realized in Italy in the year 2009, after the financial crisis triggered by United States subprime mortgages in 2008, did not indicate

any particular performance. Notwithstanding that the Italian "card" is confirmed to be of better quality with respect to mortgage loan receivables, the market remains rather "opaque" and foreign buyers (Senior Noteholders) have more or less disappeared. In this context even our securitization, done with the vehicle company Pontormo Funding s.r.l., has de facto temporarily been suspended because the Senior Noteholder "Natexis" did not renew the undertaking to make further investments on the "Senior" notes subscribed to. The validity of the instrument of securitization as a lending channel for the banking system has been reconfirmed, however, and it is hoped that it can be reactivated, given an adequate regulatory system. It is further hoped that the law on hedged bonds is modified, to extend this possibility to a wider number of banks with respect to the current requirements, which substantially reduce operative possibilities only to groups.

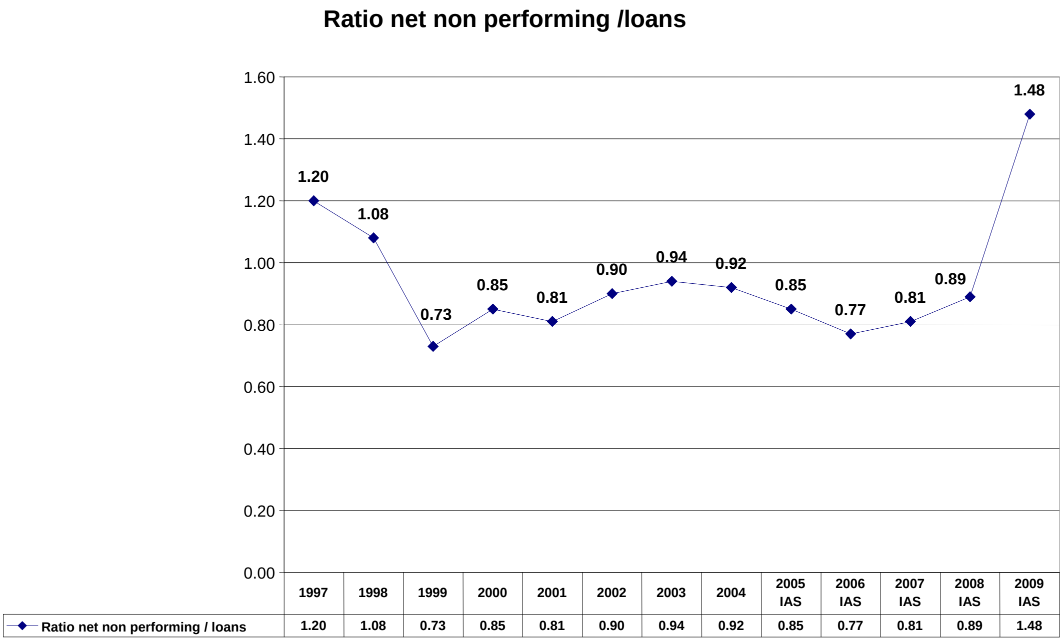
The share of loans secured by a mortgage amounted to 62.33%, in line with the data of fiscal year 2008 (62.86%), while those secured by other collateral amounted to 3.65%, an increase with respect to the data from last year (2.40%). The security and collateral received to cover our exposure, even though in the presence of a negative situation, place us in a deservedly tranquil position.

In line with the general tendencies of 2009, in the overall lending sector, even our Bank registered an increase of the ratio of credit risk out of total loans, and the consequent growth of adjustments to value deemed opportune with respect to their valuation from an extremely prudential outlook.

The data referring to non-performing loans demonstrates the effectiveness of the measures taken in a situation that is certainly difficult. Net non-performing loans, after deducting write-downs, amounted to 23,270,242 Euro, corresponding to 1.48% of total receivables from customers, with respect to 0.89% as of 31 December 2008. The increase is linked to the continuation of the generally negative economic situation. At a banking system level the net ratio of non-performing/total loans was 2.02% (1.24% as of December 2008).

The adjustment of value on outstanding non-performing loans totaled 14,994,475 Euro, a rise of 53.71%. As always, the analytical assessment of non-performing loans was done using extremely prudent criteria, making appropriate write-downs of value which, over time, frequently turned out to be excessive with respect to the losses that effectively occurred. In consideration of the continuation of the critical nature of the overall situation and the possible worsening of credit risks, even in 2010 it was decided to register total write-downs in the amount of 10,858,496 Euro, gross of overall write-backs of value of 2,479,383 Euro.

The effects of the crisis are demonstrated by the data on the increase of bankruptcy procedures, which increased by 26% in 2009 with respect to the previous year. Even worse data should be expected for the year in course.



Watchlist receivables from parties in temporarily difficult situations that it is felt can be removed, amount to 89,370,954 Euro, +98.62%, equal to 5.67% of total receivables from customers, with respect to 3.13% in the previous year. The reasons for the increase are the same already indicated with respect to non performing loans. At the end of 2009 there were no restructured receivables.
Receivables with impaired maturities (past due), net of write-downs, amounted to 26,205,556 Euro with respect to 14,583,933 Euro of the previous fiscal year.

INDEXES OF CREDIT QUALITY	*2009*	*2008*
% of gross receivables		
% gross non performing of total gross receivables	*2.39*	*1.56*
% gross watchlist and restructured of total gross receivables	*5.84*	*3.18*
% gross overdue/overdrawn accounts of total gross receivables	*1.71*	*1.03*
% total gross impaired receivables of total gross receivables	*9.94*	*5.77*
percentage hedges		
non performing	*39.19*	*43.21*
watchlist, restructured and overdue/overdrawn accounts	*4.18*	*2.40*
total impaired receivables	*12.61*	*13.42*
receivables in bonis	*0.07*	*0.07*
% of net receivables		
% net non performing of net total receivables	*1.48*	*0.89*
% net watchlist and restructured of net total receivables	*5.67*	*3.13*
% net overdue/overdrawn accounts of net total receivables	*1.66*	*1.02*
% total net impaired receivables of net total receivables	*8.80*	*5.04*

Information on risk management and the internal control system

The measurement, assumption, management and control of risks represents one of the principal components of banking activity. They are inter-related issues, although each has different characteristics in terms of regulation, related liability and operative approach.
With respect to risks, the structure of the principal prudent regulations issued by the Bank of Italy, as implementation of the regime approved by the Basel Commission – known as "Basel 2" – is based on "three pillars".

The first pillar introduced a capital requirement to deal with the typical risks of banking activity: lending, counterparties, market and operational.

The second requires internal opportune strategies and an assessment process on capital adequacy *(ICAAP - Internal Capital Adequacy Assessment Process)*, current and as an outlook, reserving to the Supervisory Authority the function of verifying the reliability and consistency of results and power to order that the opportune corrective measures be taken *(SREP – Supervisory Review and Evaluation Process)*.

The third pillar introduces the obligation to inform the public of capital adequacy, risk exposure and the general characteristics of the relative management and control systems.

The entry into effect of the new prudent regime has resulted in the need for organizational interventions, a more efficient methodology for identifying and measuring a broader group of risks, and has provided capital parameters that are more commensurate with the effective level of risk exposure.

As application of the principle of proportionality and gradualness provided by law in relation to the characteristics, size and complexity of the activity, the Bank, for supervisory purpose, opted for the use of standardized methods.

Part E of the Explanatory Notes "Information on risks and on the relative hedging policies" provides qualitative and quantitative information on risks.

From a functional standpoint, the policies on risk tolerance, the types of risk, the organizational structure for the risk assumption, recognition, management and control process are established by the Board of Directors as a fundamental prerogative of corporate governance. Implementation and management are entrusted to the executive branch, second level controls to the Inspector's and Risk Management departments, while third level controls are the responsibility of the Internal Audit department.

Business risks are mapped below, with an indication of the calculation methods for capital requirements. To determine internal capital with respect to quantifiable risks, the Bank uses calculation methods of regulatory capital requirements for risks included in the first pillar (receivables and counterparties, market, operational) and the simplified algorithms indicated in regulations for significant quantifiable risks that are different than the above (concentration and interest rate risks).

Specifically, the following are used:

- the standardized method for credit risk;
- the current value method and the simplified method for counterparty risk;
- the standardized method for market risk;
- the base method for operational risk;
- the algorithm of granular adjustment for the risk of concentration, in addition to the valuation methodology of the geo-sector profile prepared by the ABI;
- the simplified "regulatory" algorithm for the interest rate risk.

Credit risk

Based on the central nature of lending in the context of the Bank's traditional activity, the analysis of related risk is particularly important with respect to the ability to select customers and initiatives that are creditworthy, an efficient lending process, ongoing management and control of receivables and an efficient process for the use of soft information available due to our settlement in the territory.

In quantitative terms, credit risk constitutes the most significant risk in relation to the high value of receivables from customers on total capital assets, equivalent to 68% as of 31 December 2009. The standardized calculation methodology of such risk provides for the application of different weighting coefficients for portfolio receivables depending on the activity performed by the lending counterparty, its credit rating and the type of security provided.

The Bank constantly supervises problematic receivables by using a specific operating structure, and for management purposes has begun calculating the PD (probability of default) for the business sector.

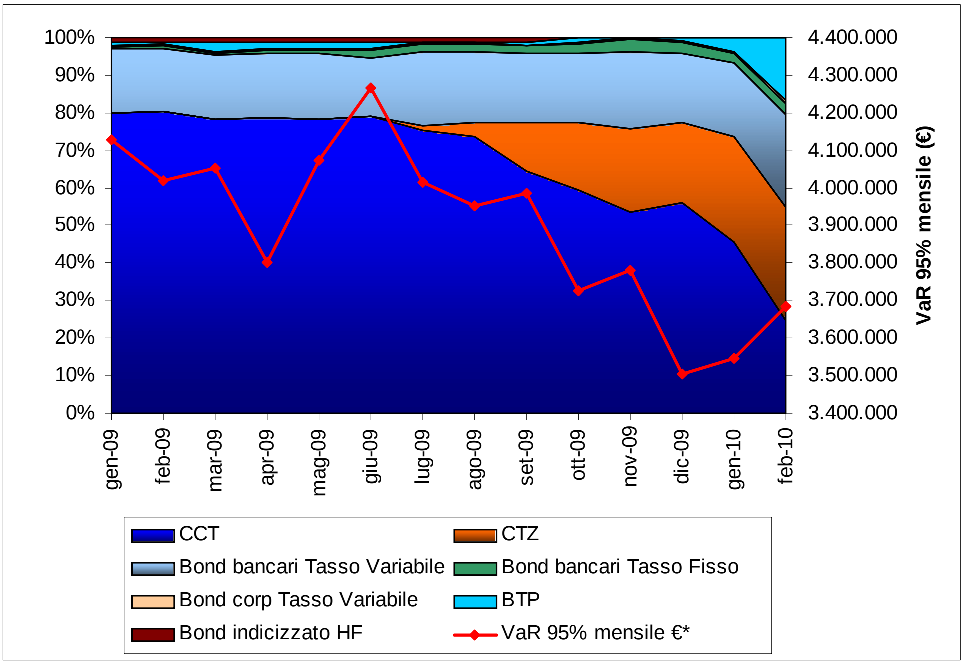
The trend of the receivables sector is the object of systematic report to the governance and control structures.

Risk of concentration

The risk of concentration is adequately monitored, examining exposure of significant amounts to individual counterparties that are related, legally and/or economically, using a model based on the Herfindahl index, in line with Supervisory provisions. Controls are systematically conducted in order to maintain the level of concentration within thresholds consistent with the policy of the diversified allocation of the receivables portfolio defined in the specific Credit Rules in effect.
Further, a monitoring and measurement system of geo-sector concentration was implemented within the ICAAP process, applying the methodology prepared by ABI. The risk of concentration is of an insignificant amount, and results in an increased capital absorption of 1,332,999 Euro.

Market Risk

Market risk includes price, interest rate, currency exchange and liquidity risks.
In consideration as well of the growing volatility that occurred in 2009, the Bank maintained and reinforced its prudent management criteria of the financial portfolio. The orientation was almost exclusively towards the bond sector, with a prevalence of government bonds or issues of credit institutes, in a quantitatively insignificant amount with respect to other types.
A management model is used to measure the price risk of the securities portfolio based on the concept of Value at Risk (V.a.R.), which is able to summarily indicate in monetary terms the maximum possible loss of a static portfolio, in relation to a time horizon and a confidence level chosen using prudence. As development of the V.a.R. basic methodology, a method called C-V.a.R. (Conditional Value at Risk) began to be used, which represents the expected loss in a specific time horizon, conditioned by the fact that an extreme event occurs.
The chart set forth below indicates the historical trend of the portfolio composition, valued considering the nominal amounts invested in the various types of products. Further, the indicative level of the nominal amounts invested in the various types of product is indicated. The indicative level of monthly VaR of a portfolio having a 95% confidence rating is also indicated.



CCT	**CTZ**
Variable rate bank bonds	**Fixed rate bank bonds**
Variable rate corporate bonds	**BTP**
HF indexed bonds	**Monthly 95% VaR €***

Operational risk

The Bank quantifies operational risk using the B.I.A. Basic Indicator Approach method, which requires the capital hedging such type of risk to be quantified as 15% of the operating income realized over the past three fiscal years.

Such measurement results in a capital absorption of 7,524,001 Euro as of 31 December 2009.

Operations are subject to constant monitoring, both during the various phases of the productive and service processes and procedures as well as in the context of the controls carried out with the contribution of the different corporate departments involved in the processes, as to the adequacy of the system used.

The Bank uses the following departments for monitoring and operational risk management:

• Compliance, to provide support in preventing and managing the risk of judicial or administrative sanctions and/or of significant losses consequent to the breach of external or internal regulations;

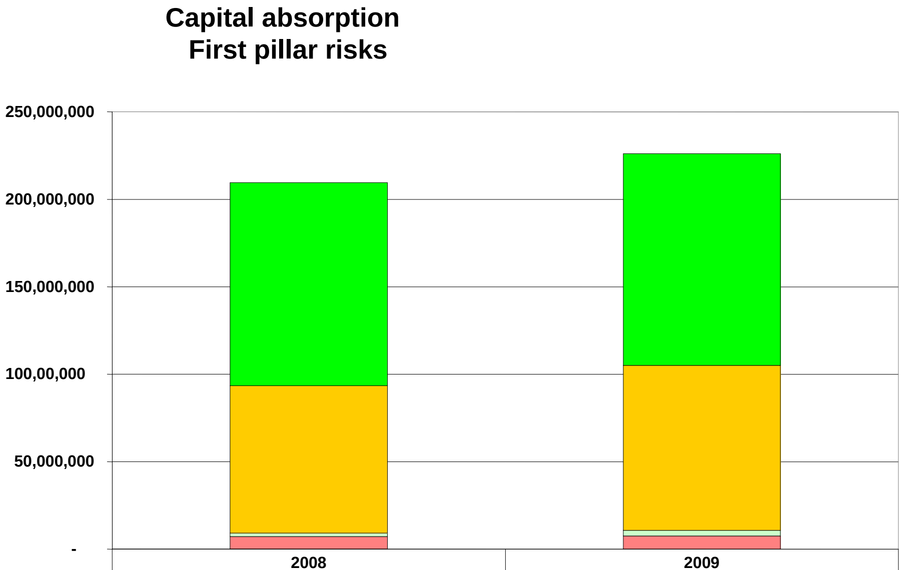
• Risk Management, to register and measure the Bank's typical risks by means of the constant monitoring of the risks assumed and those potentially generated by investment and use strategies and policies;

• Internal Audit, to control regular transactions and trend of risks, and which also conducts on site inspections to evaluate the functioning of the overall internal control system and to suggest improvements to the Board of Directors, Board of Statutory Auditors and General Management.

The Bank supervises the onset of cases of a critical nature which might compromise full operations, and has implemented an "Operational Continuity Plan". Operational procedures were thus prepared, to be activated in the case of catastrophic events, by attributing specific roles and responsibilities to the different parties involved. In the context of actions aimed at monitoring the risks of such type of claim, the Bank's archives are constantly backed up in real time on other databases in different places where the Bank is located.

Operational risk is, in fact, constantly monitored using an advanced system for the recognition and identification of risk assets, and any risks found are dealt with by means of mitigating actions or the appropriate insurance coverage.

The overall capital absorption of the first pillar risks reviewed above is represented in the following chart, together with available shareholders' equity, consisting of surplus capital, and indicates consistent development with respect to the growing volumes and accentuation of the risk level of receivables in course. The amount is significant, and has grown with respect to the previous fiscal year's available capital surplus.



	2008	2009
Capital surplus	116,074,836	120,969,700
Credit risk (including counterparty risk)	84,171,327	94,293,685
Market risk	2,057,468	3,230,792
Operational risk	7,169,934	7,524,001

Liquidity Risk

The liquidity risk involves situations in which the Bank, due to an unexpected lack of liquidity, is unable to promptly face its short term payment obligations, with a risk for it as a going concern.

At a corporate level much attention has always been placed on the liquidity risk, orienting management policy even on parameters that were unrelated to enhancing the economic result.

The management rules for such risk are based on two time period parameters, one of which concentrates on a range of up to 6 months and the other beyond such duration.

The liquidity risk is related to banking activity. The principle types are:

• "Funding liquidity risk": the risk that the Bank is unable to find new funds or is unable to engage in new funding, unless by incurring high costs;

• "Market liquidity risk": risk that the Bank is unable to liquidate its assets or can only do so if it incurs losses to the shareholders' equity account due to market conditions;

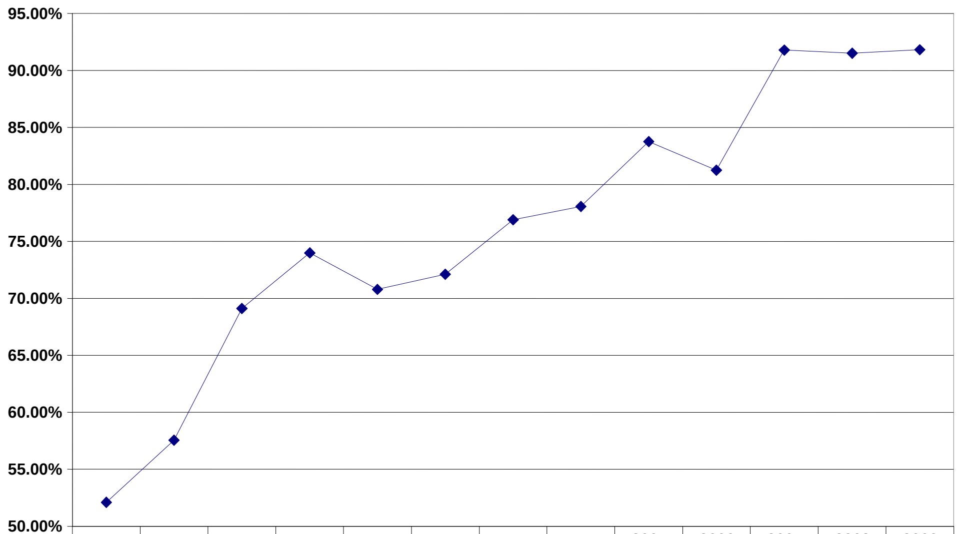
• "Mismatch liquidity risk": risk of non conformity between the amounts and/or times of incoming and outgoing flows.

In line with domestic and international "best practices", and with the indications of the regulations on prudent supervision, the model adopted by the Bank to manage and monitor operating liquidity is based on the approach of "Maturity Mismatch", which requires the construction of a "maturity ladder" (timescale of maturities) and the allocation of certain and forecast flows in the various time period of such ladder, in order to calculate the gap accumulated for each maturity period.

The Bank, as implementation of the legal pre-requisites provided by the new regime of prudential supervision, has also prepared a "Contingency Funding Plan" as a further instrument to measure and attenuate the liquidity risk. The new instrument will indicate the parties and structures responsible for implementation of extraordinary funding, if needed, as well as the actions to be taken to remedy the situation.

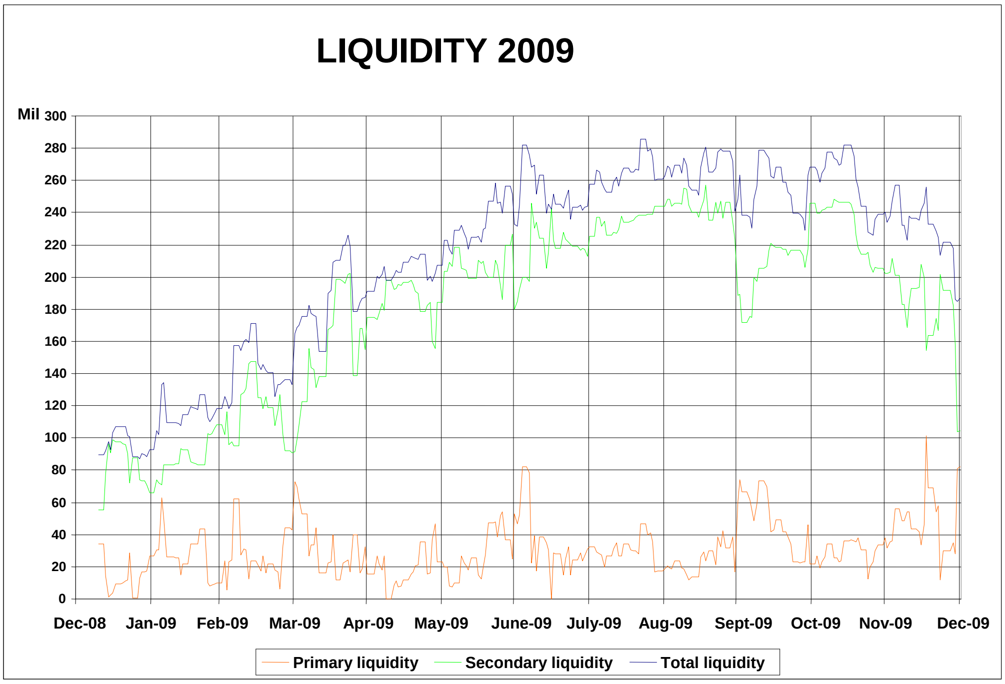
Dealing with the liquidity risk is a primary operative management tool. In such context objectives were determined in view of maintaining a particularly prudent loans/public savings ratio, also considering the ample existing capital invested in financial instruments that can be quickly liquidated.

Ratio loans / public savings



	1997	1998	1999	2000	2001	2002	2003	2004	2005 IAS	2006 IAS	2007 IAS	2008 IAS	2009 IAS
Ratio loans / pubic savings	52.10%	57.56%	69.11%	73.99%	70.79%	72.11%	76.90%	78.06%	83.75%	81.24%	91.78%	91.51%	91.81%

The chart set forth below indicates how the maintenance of a sufficient and constant level of liquidity was a priority management objective. The primary liquidity indicated therein consists of the compulsory reserves and interbank overnight and tomorrow/next deposits; secondary liquidity includes investments in government bonds, repurchase agreements and reverse repurchase agreements, and interbank deposits with either earned interest or interest payable having more extended maturities.



Interest Rate Risk
The interest rate risk is monitored by forecasting models in the context of the ICAAP process. As a further control instrument, an implementation project of the application ALM *(Asset and Liability Management)* is being prepared; it should be implemented during the course of 2010.
Strategic Risk
Strategic risk consists of the risk for the Bank, both current as well as prospective, to incur a drop in profits or shareholders' equity deriving from variations of its operational context or from erroneous corporate decisions, inadequate implementation of decisions, or from a poor reaction to variations of the competitive situation.
In order to measure exposure to strategic risk, the Bank systematically applies a corporate analysis technique which, based on the verification of the trend of the principal economic and capital aggregates, compliance with prudent regulatory requirements, and, more generally, the Bank's capital and organizational ability to deal with the risks assumed in its own operations, allow eventual problems to be timely identified, increasing the possibility of adopting preventive measures. There is constant monitoring of the achievement level of the defined objectives, their consistency with strategies, and level of adequacy with respect to the external situation. Correspondence between strategy and the organizational structure is a priority factor.
Reputation Risk
This represents the risk, current or prospective, of the reduction of profits or shareholders' equity deriving from a negative perception of the Bank's image by customers, counterparties, shareholders, investors or Supervisory Authorities. The activity of the Compliance department is also aimed at dealing with such risk.
Risk deriving from securitizations
As described in another part of the Report, the residual securitization that was initiated is for a modest amount. The related risk is adequately monitored.

Basel 3
At the end of 2009, new documents were issued for consultation, which will update the prudent regime for bank capital. Such documents, the so-called "Basel 3", contain criteria for updating the provisions currently in force that need correction, above all upon the verification of inadequacy with respect to anything evidently deriving from the financial crisis. The impact of Basel 3, as applied in its current state, would not be marginal, above all for the large banking operators, and the impact would be, as always, borne by the usual parties. It should also be considered that the current period will not improve if there are new burdens.
The lines of action, which will presumably enter into effect starting from 2012, move in various directions:
1. Above all by raising the quality of regulatory capital, in order to increase the ability of banks to absorb losses. Specifically, the proposals: (a) reinforce the importance of ordinary shares in the composition of bank assets; (b) extend and harmonize the list of items to be deducted and prudent adjustments; and (c) provide that the deductions be applied to the highest quality capital components;
2. Increased overall risk coverage assumed by the banks. The reinforcement of the capital requirements with respect to counterparty risk has been proposed, with incentives to favor the concentration of exchanges with central counterparties;
3. Containment of the level of the system's financial leverage, by means of the introduction of an indicator that restricts the expansion of overall activity, even off balance sheet, to the availability of an adequate capital base. This restriction should operate during phases of elevated economic expansion and limit the consequences of eventual errors in measuring risks using the rules of Basel 2. Special attention is paid to the differences in accounting rules of various countries, in order to limit differences in the calculation of data;

4. Reduction of the "pro-cyclicality" of prudent regulation, by means of the introduction of the obligation for banks to set aside capital resources during expansive phases of the economic cycle capital to be used during crisis periods. The Committee is also promoting the adoption of calculation methods for the allocations for credit risk based on the estimate of forecast losses over the span of the entire economic cycle;
5. Reinforcement of monitoring with respect to the liquidity risk, by means of the introduction of quantitative rules. Specifically, banks must comply with two indicators aimed at guaranteeing that: (i) the amount of highly liquid resources is at least equivalent to the needs for liquidity deriving from markets that are particularly unstable for a period of 30 days; and (ii) the sources of funding considered to be stable are sufficient to cover assets with a residual maturity date in excess of one year.

Basel 3 lines of action confirm the marginal impact on our Bank, but it will be much different for large-sized lenders, and this will have a waterfall effect on the market. True politicians, without "undignified scuffling", and the Supervisory Authorities must deal with this issue with the courage and responsibility that it implies. In order to understand the actual situation it is sufficient to leave the ivory tower, even briefly.

Internal control system

The Bank gives its internal control system strategic value as an element that determines the maintenance of competitive capacity and stability mid-long term, to protect business and its stakeholders (shareholders, customers, staff, territory).

From this standpoint, the Bank has created a risk control and management system that ensures the separation of control functions from operative management functions, articulated on the basis of control levels determined by the Supervisory Organ:

- first level: management controls, made by the same departments that carried out the transactions or incorporated procedures, aimed at ensuring that transactions are properly performed;
- second level: i) risk management controls, carried out by the internal departments of Risk Management and the Inspector's office, responsible for determining the methods to be used to measure risks, verify compliance with the limits assigned to the various operational departments, control the consistency of the operations of the individual corporate departments with the risk/yield objectives, and quantify the level of risk exposure and eventual economic impact; ii) controls of conformity with law carried out by the Compliance department, also using the Inspector's office, with the specific responsibility of verifying and promoting compliance with laws, regulations, and internal rules in order to minimize the risk of regulatory non-compliance and the related reputational risks;
- third level: internal audits aimed at evaluating the adequacy and functioning of the overall internal control system, as well as identify anomalous aspects and trends of procedures and regulation. The internal audit function is entrusted to the company Meta srl on the basis of an outsourcing agreement. As is the case for all outsourcing activities, the Bank remains entirely responsible for them.

Updating the security policy document

The security policy document was updated as required by rule 19 of Annex B) to Legislative Decree no. 196 of 30 June 2003, "Code on personal data protection", and is kept by the Data Processor.

The update referred to herein is adequate for the activity that took place, in order to precisely implement the Guarantor's measure on the protection of personal data with respect to "system administrators", which definitively entered into effect on 15 December 2009.

Capital and capital ratios

The Bank's capital is at fully adequate levels in relation to its operating growth and size. The difficult general economic situation in course was managed with the security of an adequate endowment of its own means and with capital supervisory coefficients that are amply superior to the required parameters.

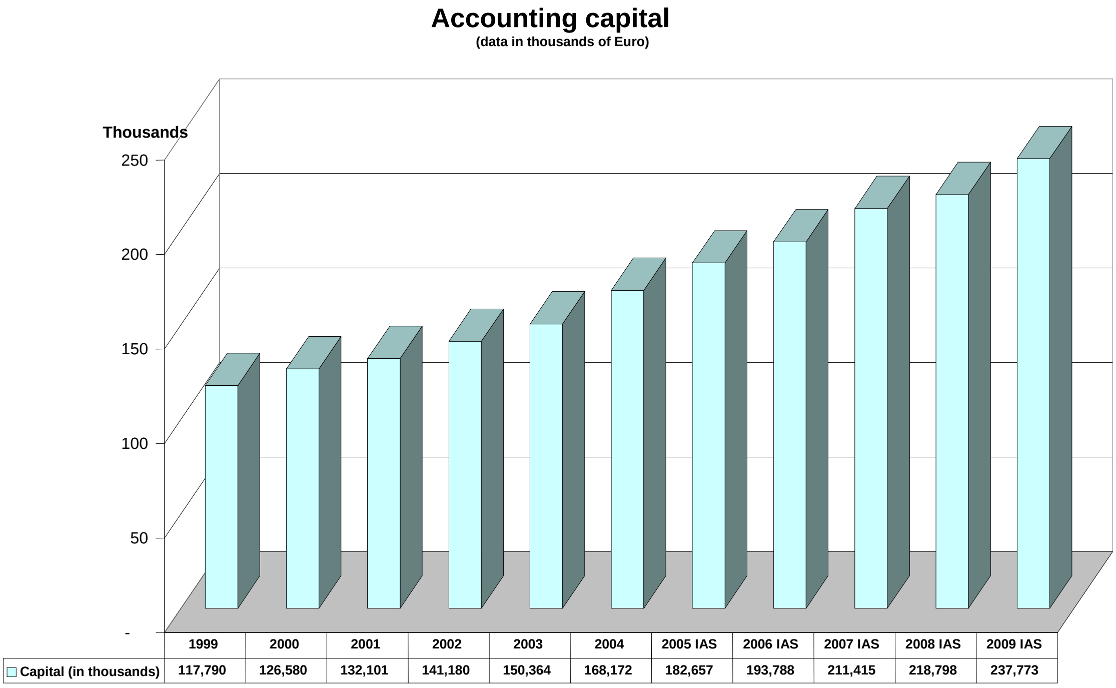
Capital confirms itself as being the principal reference point for determining the Bank's stability, growth outlook, and its ability to deal with the crisis in course. The Supervisory Authority repeatedly intervened on the crucial nature of aggregate capital, with decisive indications for stable capital reinforcement using primary components. We have always followed such approach, as the results confirm.

Shareholders' equity amounts to 2,900,445 Euro, consisting of 10,177 ordinary shares having a nominal value of 285,00 Euro; the reserve for premiums on new issues totals 239,401 Euro.

The other reserves amount to 210,929,997 Euro, up from 14,949,702.52 Euro, equivalent to 7.63%, with respect to the end of the previous year due to the allocation of the 2008 profit subsequent to the resolutions of the Ordinary Shareholders' Meeting of 30 May 2009.

The valuation reserves rose from 3,010,819 Euro to 10,628,586 Euro; the increase of 7,617,767 Euro is due to the "Valuation Reserve for financial assets available for sale", which increased from -7,825,088 Euro to -207,321 Euro. The increase is due to the recovery of the quotations relating to A.F.S. securities, primarily consisting of CCT, with respect to the previous fiscal year.

Upon allocation of the profit according to the proposal of the Board of Directors, shareholders' equity rose to 236,438,517 Euro, with a growth of 8.67%, after dividends were distributed and funds issued to mutual aid funds.



With respect to the development of the capital coefficients, the ratio ("Tier one capital ratio") between tier one capital and the risk weighted assets increased from 17.62% at the end of 2008 to 16.67% as of 31 December 2009; as of the same date the ratio between regulatory capital and risk weighted assets, "Total capital ratio", was 17.97%, with respect to 18.55% at the end of 2008. Variations of the proportions indicated are consistent with the increased traded volumes and are reconfirmed as being at the top at a banking system level.

The development over the past three years of the most significant capitalization indicators are as follows:

	2009	2008	2007
Shareholders' equity / direct public savings from customers	*13.84%*	*13.94%*	*15.80%*
Shareholders' equity / receivables from customers	*15.08%*	*15.23%*	*17.21%*

Shareholders' equity / total assets	10.21%	10.37%	10.73%
Receivables impaired / regulatory capital	58.39%	33.43%	36.15%
Regulatory capital / risk weighted assets (coefficient of solvency)	17.97%	18.55%	16.77%
Tier one capital ratio	16.67%	17.62%	15.90%

Income trend

The Income Statement reflects the trend of assets in relation to the critical nature of the situation, interest rate policy and conditions applied to the customer's advantage.

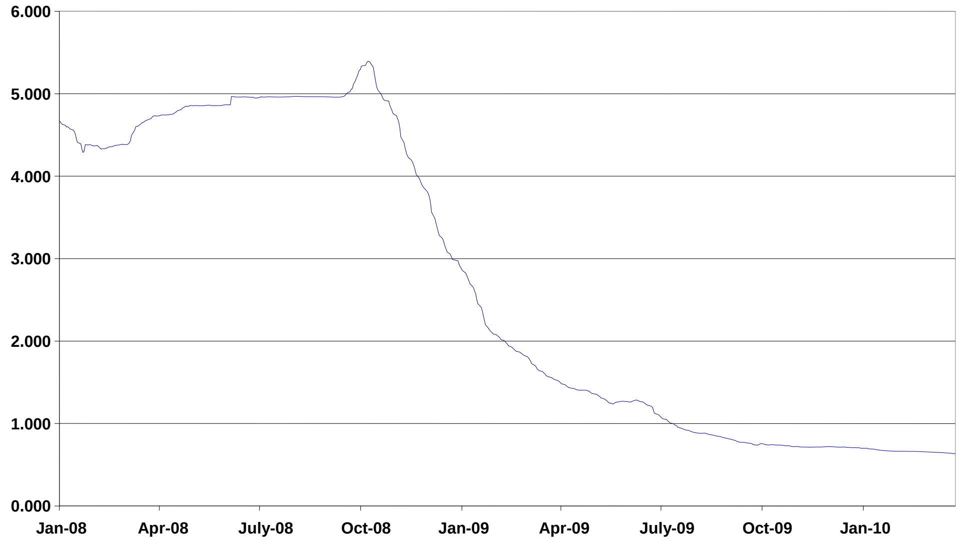
In the first place there is a noticeable decrease of the interest rate margin, consequent to the sharp drop in interest rates starting from the month of October 2008, and an increase of value adjustments subsequent to the increased risk for loans to customers. The recovery of the financial markets, which occurred during the first six months of 2009, allowed positive results to be achieved in financial intermediation, which only partially compensated for the decrease in interest income.

The interest margin, in evident and generalized counter-tendency with respect to the data of the previous fiscal years, settled at 36,196,368 Euro, a decrease of approximately 13 million Euro, equivalent to 26.14%, with respect to 2008.

The reduction of the margin, notwithstanding forms of public savings and use of a variable interest rate, was particularly dependant on a slower adjustment to market rates of the cost of public savings with respect to medium/long term loans during the course of the entire first half of 2009, and to a precise management choice not to penalize public savings with excessive decreases of interest rates.

The following chart represents the negative trend of Euribor, from its maximum on 8 October 2008 (5.393%) through the first months of 2009, with a drop of more than 4 points.

Euribor 3m Trend - January 2008 / March 2010



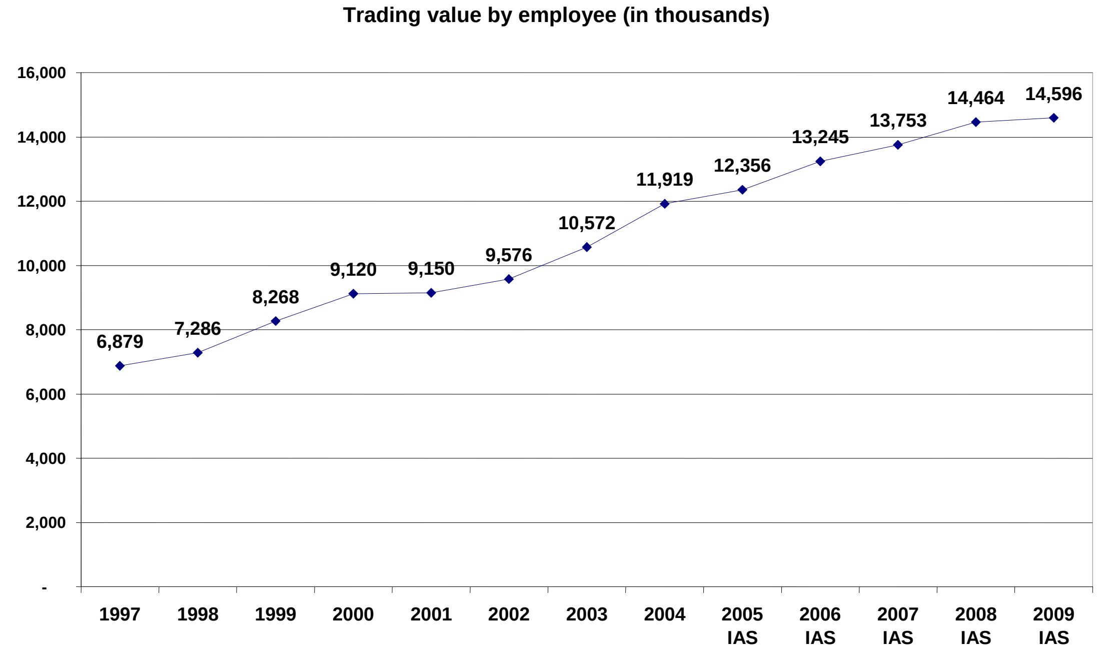
The balance of net commissions, amounting to 7,706,976 Euro, registered an increase of 2.19% with respect to the data from 2008.

The results of financial assets, positive for 3.5 million Euro, benefitted, even if due in part to the effect of the prudent type of investments that have always been made, from recovery of the financial markets.

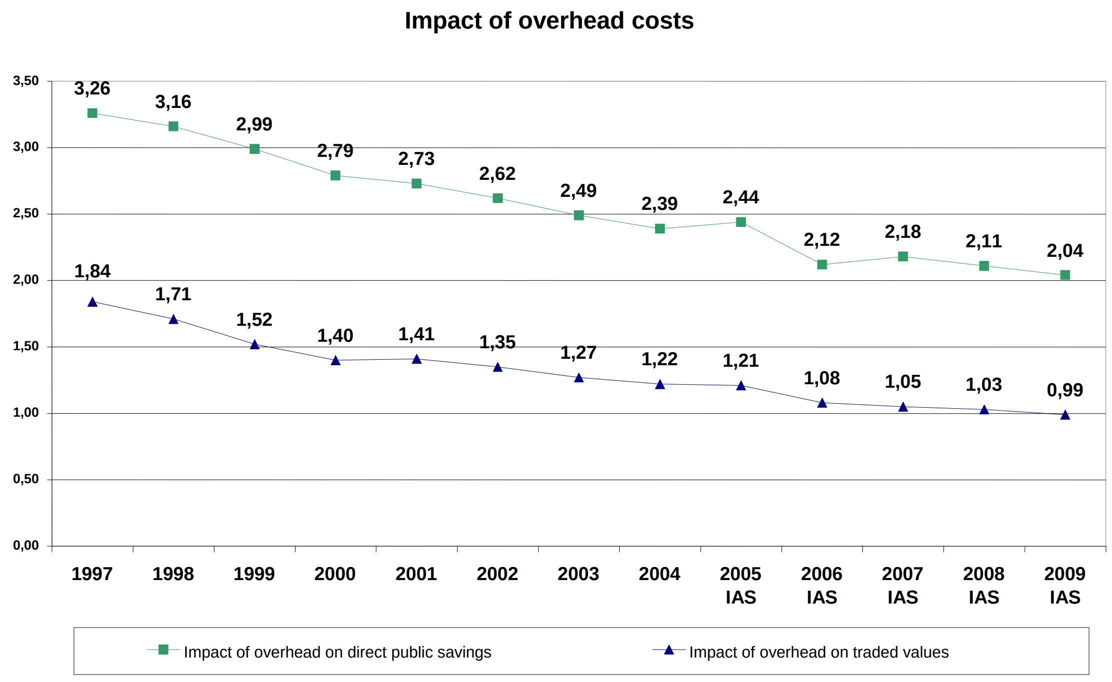
Consequent to the decrease of interest income, operating income also registered a decrease of 4,940,763 Euro, equivalent to 9.42%.

The adjustment to the value of receivables, net of write-backs of value, amount to 8,379,113 Euro at the end of the fiscal year, an increase of 148% with respect to the prior fiscal year. This entry is

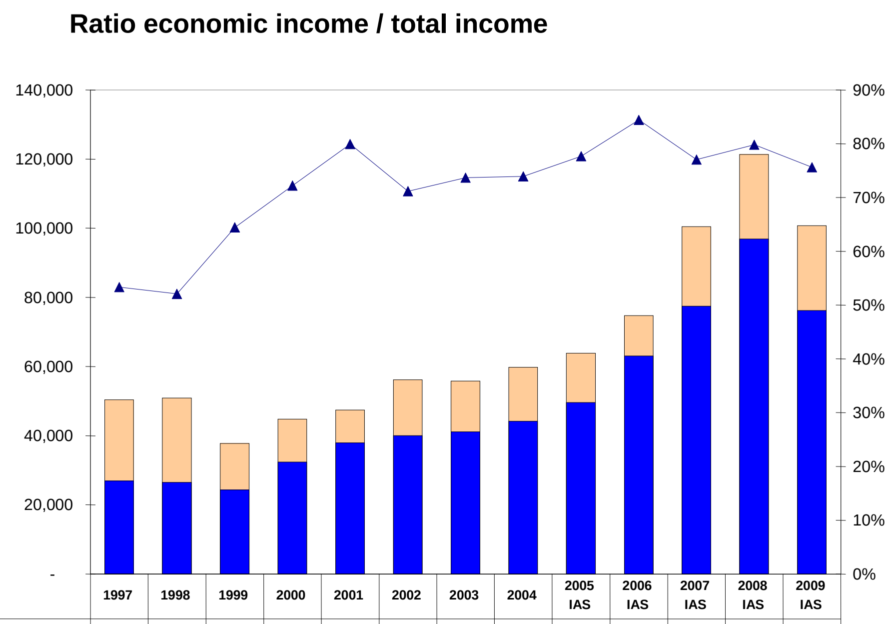
consistent with the objective increase of the risk of loans, but reflects above all the policy followed which favored extremely prudent criteria and significant write-downs of value.
In line with the development of organizational and dimensional profiles, operating costs also increased, even if by a reduced amount with respect to the components of public savings and loans, equivalent, in fact, to 6.4%, due to the rigorous spending policy applied to all components of the aggregate.
Business productivity, which can be demonstrated by an analysis of the trading value, is the sum of public savings, loans and capital, divided by the number of employees. Already at excellent levels, it has further been confirmed to be increasing, ranking among the national maximums for banks with traditional operations.



The ratio operating costs/operating income *(cost income)* was 68.81%, a rise of approximately 10 percentage points with respect to previous fiscal year. Such indicator measures an initial approximation of the levels of efficiency and cost effectiveness of management. The 2009 data is affected by the extraordinary reduction of interest income.
The impact of overhead on public savings and on traded values, a parameter of greater significance than cost income, is constantly decreasing.



Profit from current operations before tax amounted to 13,264,278 Euro, with respect to 18,369,207 Euro in 2008, due to the noted decrease of interest income and increase of the adjustments to the value of receivables.



	1997	1998	1999	2000	2001	2002	2003	2004	2005 IAS	2006 IAS	2007 IAS	2008 IAS	2009 IAS
Total operating income	50,367	50,881	37,764	44,787	47,416	56,137	55,776	59,747	63,873	74,681	100,49	121,343	100,75
Total economic income	26,873	26,506	24,333	32,346	37,894	39,950	41,102	44,168	49,609	63,044	77,426	96.885	76,191
Ratio economic income / total income	53%	52%	64%	72%	80%	71%	74%	74%	78%	84%	77%	80%	76%

The net fiscal year profit is 13,075,000 Euro, down from 21.71% with respect to the previous fiscal year. Net ROE is 5.98%.

On 18 November 2009, the Bank of Italy issued the 1° update to Circular 262 ("Bank financial statements: schedules and rules for compilation"), which requires that a "Schedule of overall profitability" be filed as additional information indicating, in addition to fiscal year profit, also the other income components not set forth in the Income Statement, represented in large part by the variations of the valuation reserves of shareholders' equity.

The considerations made through here as an analysis and commentary on the line items of the Balance Sheet and Income Statement are summarily represented in the following table, which compares data on the principle indicators of capital productivity, efficiency and profitability of the past two fiscal years.

FINANCIAL STATEMENT INDEXES	2009	2008	Variation
STRUCTURAL INDEXES			
Loans / Total assets	67.70%	68.01%	- 0.31
Loans /Direct public savings	91.81%	91.51%	+ 0.30
Traded volumes (Direct public savings + loans for customers + capital)	3,532,237,171	3,225,399,146	+ 9.51%
Employees of network of branches / registered office	3.03	2.89	+ 0.14
PROFITABILITY INDEXES			
Interest income / Total assets	1.55%	2.32%	- 0.77
Operating income / Total assets	2.04%	2.48%	- 0.44
Interest income / Operating income	76.21%	93.46%	- 17.25
Net profit / Shareholders' equity (ROE)	5.98%	7.90%	- 1.92
Net profit / Total assets	0.56%	0.79%	- 0.23
Operating income / Traded volumes	1.35%	1.63%	- 0.28
Adjustments to value of receivables / Operating income	17.64%	6.44%	+ 11.20
PRODUCTIVITY INDEXES			
Traded volumes by employee	13,906,446	13,383,399	+ 3.91%
Loans by employee	6,208,377	5,961,061	+ 4.15%
Direct public savings by employee	6,761,952	6,514,463	+ 3.80%
Operating income by employee	186,992	217,580	- 14.06%
EFFICIENCY INDEXES			
Administrative costs / Total assets	1.40%	1.45%	- 0.05
Administrative costs / Operating income	68.47%	58.25%	+ 10.22
Operating costs / Operating income *(cost income)*	68.81%	58.56%	+ 10.25
Cost income without trading result (ratio between line items of the Income Statement: 200 and 120-80-90-100)	74.38%	54.27%	+ 20.11
Administrative costs / Traded volumes	0.92%	0.95%	- 0.03
Personnel costs / Average number of employees	69.900	73.022	- 3.122
ASSET QUALITY INDEXES			
Net watchlist and overdue receivables / net loans	7.33%	4.15%	+ 3.18
Net non performing / net loans	1.48%	0.89%	+ 0.58
CAPITAL COEFFICIENTS			
Core Tier 1	16.67%	17.62%	- 0.95
Total Capital Ratio	17.97%	18.55%	- 0.58

Project for the allocation of the fiscal year profit

Dear Shareholders,

We are now submitting to your review and approval, in accordance with law and the By-laws, the financial statements as of 31 December 2009 consisting of the balance sheet, income statement, schedule of overall profitability, table of variations to shareholders' equity and cash flow statement, together with the report on operations of the Board of Directors and the explanatory notes, to the extent they are the responsibility of the administrative body. The documentation submitted for approval is completed by the Report of the Board of Statutory Auditors and Independent Auditor, inclusive of the certification of the financial statements.

The financial statements, which close with a fiscal year profit of 13,075,000 Euro, were prepared in accordance with International Accounting Standards and the Provisions of the Bank of Italy set forth in Circular no. 262/05, and were submitted for an audit conducted by Bompani Audit Srl of Florence.

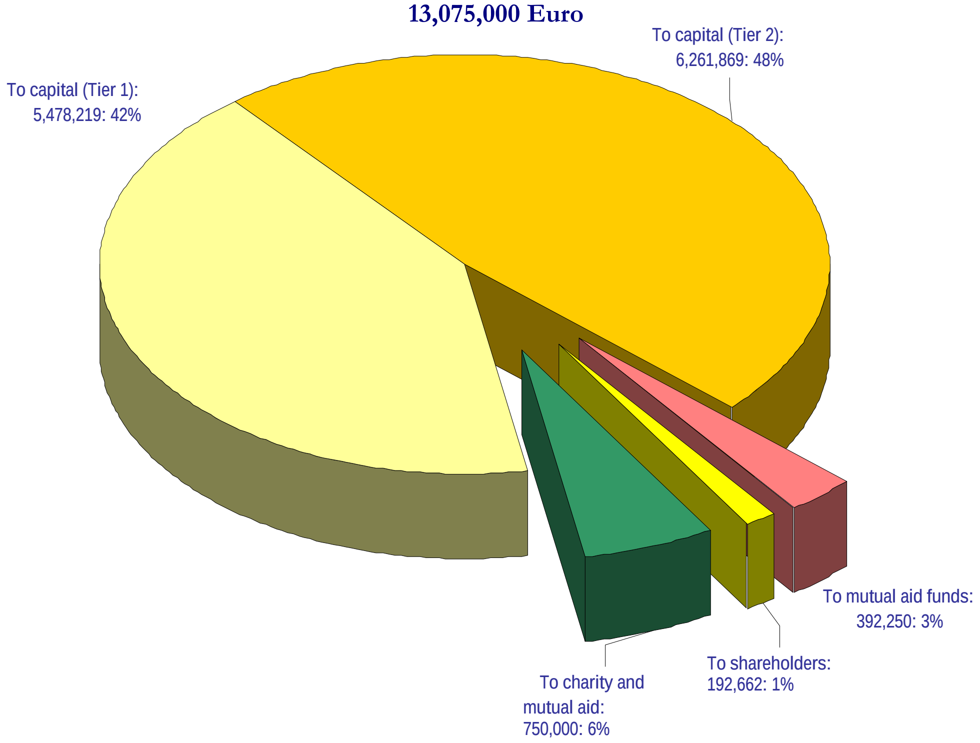
The Board of Directors proposes to the Shareholders' Meeting the distribution of a dividend in the

amount of 6% of the nominal value of the shares, unvaried with respect to the previous fiscal year, and a gratuitous revaluation of the nominal value of 2.00 Euro per share.
The Board of Directors therefore proposes that the fiscal year profit in the amount of 13,075,000.00 Euro be distributed, in accordance with law and the By-laws, as follows:

	Plan for the allocation of the fiscal year profit		Amount
-	To the indivisible reserves set forth in Article 2 of Law no. 904 of 16.12.1977, confirming that they cannot be distributed to the Shareholders in any form, both while the Bank remains in duration as well as when it is dissolved, specifically:		
	the ordinary/legal reserve in accordance with Article 37(1) of Legislative Decree no. 385 of 1.9.1993		11,031,060.62
	of which the reserve pursuant to Article 6 of Legislative Decree 38/2005	*6,261,868.72*	
-	To the extraordinary/statutory reserves		709,027.44
-	To mutual aid funds for the promotion and development of cooperation (equivalent to 3% of net profits in accordance with Article 11(4) of Law no. 59 of 31.1.1992 and subsequent modifications)		392,250.00
-	to Shareholders as dividends in the amount of 6.00% of the nominal value (with respect to shareholders' equity paid and the payment date)		172,307.94
-	To the Shareholders for the gratuitous revaluation of shares (2.00 Euro per share)		20,354.00
-	Available to the Board of Directors for charity and mutual aid		750,000.00
	Net fiscal year profit		13,075,000.00

ALLOCATION OF FISCAL YEAR PROFIT

13,075,000 Euro



General management – Trend and outlook

The financial statements as of 31 December 2009 were prepared from an outlook of business continuity; the uncertainties consequent to the current economic phase do not generate any doubts as to the Bank's ability to continue to operate as a going business.
This initial glance at the year sees the continuation of elements of uncertainty with respect to identifying the turning point of the cycle.
Employment levels will be further reduced, with a touch of criticality for the household sector.

With respect to the Bank's trend, it appears reasonable, due to the cited elements of insecurity, to maintain a prudent attitude with respect to lending. No improvements are expected of the impairment rates with respect to 2009.
The tendency towards savings is in decline. Appropriate actions will be required, both in terms of conditions as well as type of products, to try to increase it according to the forecasts that have been prepared.
The economic management result will be adjusted to lower levels.

Remuneration policy

With respect to this issue, we would repeat the comment made in the report that was already presented to the Shareholders' Meeting of 30 May 2009 and confirm that the criteria set forth herein were precisely implemented during the course of fiscal year 2009, in compliance with cooperative principles of mutual aid without private speculation, and is fully consistent with outstanding law. It is repeated that the remunerations had no additional variable components related to business results with respect to the provisions of the collective bargaining agreements. As part of the agenda of the Shareholders' Meeting called to approve the financial statements, specific information will be provide on the "Remuneration policies for directors, employees and collaborators who are independent contractors", as required.

Significant events that occurred after the close of the fiscal year

No significant events occurred after the close of the fiscal year that would modify or significantly influence the representation of the capital, financial and economic situation of the fiscal year, as reported and indicated in the Financial Statements submitted to your approval.
In any event, we note as follows:
1) In 2010 the Bank adhered to the agreement stipulated on 18 December 2009 between ABI and the Consumers Association aimed at facilitating access and the procedures for using benefits for lending to households in difficult situations. As noted in another part of the Report, the Bank had in any case taken analogous actions on its own initiative.
2) P.S.D. (*Payment Services Directive*) - On 22 January 2010 the Italian legal system implemented the new regime for payment services provided by Directive 2007/64/CE (the P.S.D. Directive – *Payment Services Directive*), fully implemented starting from 1° March 2010.
The Directive's objective is to determine a uniform legal context at a Community level, in which the rights and obligations for providers and the users of payment services are clearly defined.
In particular, the PSD aims at sustaining the creation of a Single European Market for retail payment services in which there is no distinction between cross-border and national payments; increasing competition among operators and among national payment markets, and guaranteeing parity of conditions; increasing transparency, both for payment service providers as well as for users; and standardizing rights and obligations for providers and users of payment services. The Bank promptly adjusted itself to the new regulation, which resulted in costs for organizational activity and a reduction of income due to the operative procedures introduced by the new provisions.
3) On 17 February 2010, the Bank of Italy issued instructions for the calculation of the Synthetic Indicator of Cost (ISC) on bank accounts, which must allow customers a rapid comparison of offers among different intermediaries.
4) As noted in another part of the Report, during the course of 2010 three new branches will be opened, bringing the network to 31 branches.

Final comments

With this document our three year mandate has concluded and we would therefore like to thank everyone who has collaborated during the past three years for the growth and development of our Bank, achieving results that were always positive.

In conclusion, we would like to leave you with a recent statement of the Maestro of Italian banking technique, which summarizes the guiding philosophy of our way of doing business: *«It is my conviction that a good banker must be registered in the list of "simple" people: those who appear on the world scene to confuse those who are "cunning", who shun being in the spotlight, and who help others without any fanfare»*. This even without the need of being "renowned bankers".

We sincerely thank the General Management, in particular, and the staff of every kind and level for the sense of belonging that they demonstrated, their commitment, and their profitable collaboration in carrying out our work.

We thank the Board of Statutory Auditors for the competence, attention and diligence always used in carrying out the delicate supervisory activity, as well as the Auditors for the professionalism that distinguishes their conduct of the audit.

We further thank our friends of the Cabel Group for their constant and qualified support, as well as the Bank of Italy and Consob for the precious advice and clarifications for our daily work.

Finally, but not in terms of importance, a particular thank you is given to all of the shareholders and customers for the preference shown to us and for having chosen our Bank as your "Bank of reference", with the hope for relationships that are increasingly consolidated in order to guarantee the growth of the Bank, which is and which will continue to remain an asset to the advantage of the territorial communities where it is settled.

Castelfiorentino, 29 March 2010

The Board of Directors

Report of the Board of Statutory Auditors

Report of the Board of Statutory Auditors to the Shareholders' Meeting (Article 2429(2) of the Italian Civil Code)

To the Shareholders,
This Report acknowledges the results of the activity performed by the Board of Statutory Auditors during the fiscal year ended 31 December 2009.

The Board of Statutory Auditors performed the supervisory activity required by law in accordance with the criteria established by the Supervisory Instructions of the Bank of Italy, as well as considering the Rules of Conduct for the Board of Statutory Auditors recommended by the National Council of Accountants and Accounting Experts and by the Italian Accounting Body. The audit was performed by the Auditors Bompani Audit srl.

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In accordance with Article 2429(2) of the Italian Civil Code, specific references are made to the following issues.

1 – Fiscal year results

The 2009 data from the Financial Statements submitted to your approval is summarized in the following major aggregates, compared with those of the 2008 Financial Statements:

	2009	2008
BALANCE SHEET		
Financial assets	409,176,960	390,868,963
Receivables from customers	1,576,927,845	1,436,278,322
Other assets	343,296,375	283,190,432
TOTAL ASSETS	2,329,401,180	2,110,337,717
Payables to customers	688,655,896	596,591,933
Outstanding securities	1,028,880,000	973,375,477
Other liabilities	374,091,855	321,572,362
Shareholders' equity	224,698,429	202,097,945
Fiscal year profit	13,075,000	16,700,000
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,329,401,180	2,110,337,717
INCOME STATEMENT		
Interest income	36,196,368	49,001,740
Net commissions	7,706,976	7,537,216
Trading income	47,495,967	52,425,198
Net income from financial management	39,116,854	48,906,738
Operating costs	- 32,682,469	- 30,661,387
Fiscal year income tax on current operations	- 189,278	- 1,669,207
FISCAL YEAR PROFIT	13,075,000	16,700,000

2 – Activities performed in fulfillment of its duties

During fiscal year 2009 the Board of Statutory Auditors supervised compliance with Law and the By-Laws, compliance with principles of proper administration and sound and prudent management, as well as the adequacy of the internal control system, organizational structure and administrative-accounting system.

The supervisory and control activity was performed in the different areas noted above as follows:
1) participation at meetings of the Board of Directors (20), the Executive Committee (45) and the Shareholders' Meeting; 2) meetings with the company entrusted with the audit; 3) controls with the managers of the various corporate departments, in particular with the Compliance and Risk Management department, with the head of the Inspector's Office, with the company entrusted with the internal audit; and 3) meetings with the "Supervisory Authority in accordance with Legislative Decree 231/01".

By participating at the meetings of the Board of Directors and the Executive Committee, the necessary information was acquired both to evaluate the Bank's trend with regard to its overall capital and economic development, as well as to evaluate its most significant operations. The Board of Statutory Auditors can confirm that, to the extent it is aware, management operations were performed in conformity with law and the By-laws, were in the Bank's interests, and did not appear to be manifestly imprudent, irrational or reckless in such a way that would compromise the integrity of shareholders' equity, create a conflict of interest, or conflict with the resolutions approved by the Shareholders' Meeting.

Participation at the meetings of the Board of Directors also allowed us to verify that delegated individuals advised as to the operations they performed in accordance with the power attributed to them, the general management trend, and its foreseeable development. To the extent the Board of Statutory Auditors is aware, the directors also advised of any cases of conflict of interest in accordance with outstanding provisions of the Italian Civil Code in order to allow proper decision-making procedures to be implemented pursuant to Article 136 of the Uniform Banking Law.

Periodic meetings were held with the Auditor, Bompani Audit srl, for the reciprocal exchange of information regarding the adequacy of the accounting-administrative system, its adequacy in view of properly representing management activities, as well as specific accounting issues. The managers of the Auditors did not advise of any circumstances, irregularities or censurable facts that had to be reported to the Supervisory Authority or the Board of Statutory Auditors.

The audits performed by the Board of Statutory Auditors involved both general matters regarding the control system as well as specific issues regarding predetermined scopes of business operations.

The review of the control system's overall structure was done bearing in mind the activity of Meta srl, the company entrusted with internal auditing.

The Board of Statutory Auditors also reviewed and approved the program of activities of the internal control service and evaluated the reports prepared by said Inspectorate regarding the outcome of the controls performed. The structure and composition of the Inspector's Office, which moreover was recently further reinforced, appear to be adequate in relation to the Bank's needs.

During the course of the audits and controls performed, considering the information acquired, including by means of ad hoc reports prepared by the offices entrusted with control functions, no indications appear of any irregularities in corporate management that would indicate any particular organizational deficiencies.

In conclusion, in consideration of the information obtained during the course of the supervisory activity performed, the Board of Statutory Auditors considers that the organizational structure, internal control system and accounting-administrative structure are adequate to its operating needs and have been timely adjusted / supported on the basis of the development of its needs and, specifically, the laws and regulations that regulated the Bank's activity.

Further, according to the information obtained by the Board of Statutory Auditors, no atypical and/or unusual operations were performed during the course of the fiscal year.

The relationships with related parties were governed by normal market conditions provided for individual transactions or aligned, if the pre-requisites exist, to the conditions applied to employees.
Said transactions substantially consisted of relationships with the Directors, Statutory Auditors, General Management and companies referring to them. The Board of Statutory Auditors, in its supervisory function, always found that the regulations on this issue were always complied with.

In accordance with Article 29(2) of the By-Laws, at the Shareholders' Meeting held 30 May 2009 the document *"Remuneration policy for directors, employees and collaborators who are independent contractors"* was approved. The document was found to be adequate, consistent with supervisory regulations and, in conformity with what is indicated by the Internal Audit department, we found that it was properly applied during the course of the fiscal year. In addition to the financial statements, the Shareholders' Meeting is being provided with information, duly formulated, required with respect to the effective manner in which the remuneration policy is applied.

With respect to the activity performed, the Board of Statutory Auditors wishes to specifically note the following business and corporate circumstances:

- the Board of Statutory Auditors met 7 times during the course of the fiscal year;
- no complaints or allegations were made pursuant to Article 2408 of the Italian Civil Code;
- the Board of Statutory Auditors did not have to issue any opinions required by law as there was no need due to the lack of pre-requisites;
- the Bank's Board of Directors approved the update of the "Organizational Model pursuant to Legislative Decree 231/01", in relation to new types of crime regarding said Decree; the Board of Statutory Auditors was informed of the Committee's activity;
- the Board of Directors approved the update of the "Programmatic Security Document" in compliance with law, including subsequent to the introduction of the figure of "System Administrator";
- procedures and activities were also initiated that were required for compliance with the third money laundering directive introduced by Legislative Decree 231/2007; we found in such regard the positive development that characterized the operative adjustment process that the Bank implemented in order to conform to the new regulations; we can certify in such regard that subsequent to the controls performed by the Inspector's Office we are unaware of any breach of the provisions of such Decree;
- the individual capital adequacy assessment process (ICAAP) was promptly established, on the basis of regulatory indications; as discussed by Management, financial capital is entirely adequate for the risks undertaken;
- the legal provisions on the transparency of banking and financial transactions and services were properly applied, modified by the Provisions of the Bank of Italy on 29 July 2009, which entered into effect on 1° January 2010;
- with reference to usury, the Bank's operations were carried out in compliance with Law no. 108/1996 and the new Provisions of the Bank of Italy of 12 August 2009;
- with reference to privacy law, the provisions of Legislative Decree 196/2003 were complied with;
- as required by Article 136 of the Uniform Banking Law, we gave our unanimous consent to the operations performed, directly or indirectly, by the Bank's managers, which were all

approved by resolution in accordance with law, including Article 2391 of the Italian Civil Code;

- we verified that with respect to 16 claims received during the course of 2009, the interested parties received a timely and justified response and said claims were properly represented to the corporate bodies in accordance with law; the Bank adhered to the new organism for conflict resolution, "Finance Banking Arbitration", created by the Bank of Italy;
- we certify that the required training activity took place with respect to money laundering, privacy, the placement of insurance and financial products, transparency and workplace safety.

3 – Comments to the financial statements

With respect to the fiscal year financial statements as of 31 December 2009, which indicate a profit of 13,075.00 Euro, the company Bompani Audit srl issued its professional opinion today on the reliability of the financial statements in object without any comments or objections.

In the explanatory notes to the Report on Operations, the directors have provided the information required by the Consob Document, Bank of Italy, Isvap no. 2 of 6 February 2009 on "business continuity" (ongoing concern) and have prepared the financial statements based on business continuity. On our part, we agree with the judgment expressed and confirm the reasonable expectation that the business will continue its operations in the foreseeable future.

With regard to the supervisory activity of the financial statements for which it is responsible, in addition to the norms of the Italian Civil Code and provisions of the Supervisory Authority, the Board of Statutory Auditors complied with the rules of conduct established by the National Council of Accountants and Auditors.

The Board of Statutory Auditors, considering the specific tasks attributed to Bompani Audit srl, notes in general that the overall structure of the financial statements corresponds to the rules governing their preparation. The Report on Operations is consistent with the resolutions of the Board of Directors and conforms to law.

We approve the 2009 financial statements, which were duly made available to the Board within the prescribed terms.
The fiscal year financial statements, together with the Director's report on operations, were prepared in conformity with Ias-Ifrs International Accounting Standards approved by the European Commission by means of Regulation EC 1606/2002 and in compliance with the rules provided by the Bank of Italy in Circular no. 262 of 22 December 2005, updated on 18 November 2009, as well as document no. 4 of the Bank of Italy-Consob-Isvap of 03/03/2010. The accounting standards applied do not differ from those used to prepare the financial statements of the previous fiscal year.

In accordance with Article 2426(5) of the Italian Civil Code, we give our consent to recording multi-year software costs and expenses, amounting to 63,744.30 Euro in asset line item 120 "Intangible Assets". The entry is at cost, net of constant rates of amortization over five years. Again with our consent, the expenses for improvements to third party assets corresponding to 377,703.63 Euro were allocated to asset line item 150 "Other assets" and were amortized directly on the basis of the duration of the leases.

We certify that the Directors provided the information required by Article 10 of Law no. 72 of 19 March 1983 in a special schedule annexed to the financial statements.

With reference to the mutual aid criteria adopted by corporate management, we confirm that in 2009 as well the Bank pursued its social mission as a cooperative bank, in harmony with its By-Laws. Coherently with said mission, the Bank therefore continued to pursue support to the local economies in all of their various dimensions, the spread of the shareholder-customer concept and the expansion of its social body.
Specifically, during 2009 it opted to mitigate the effects of the crisis on the real economy by favoring, in lending activity, households and businesses and, among the latter, specifically small and mid-sized companies and cooperatives. All of this can be seen not only from the decision not to adopt policies to reduce receivables, but also from the implementation of specific choices such as, for example, the suspension of payables from small and mid-sized companies and households hit by the crisis, the maintenance of mortgage loans for residential purchases, loans to students, loans aimed at developing renewable energy, etc.
Even with respect to public savings, the Bank continued its action aimed at enhancing savings, basing its offer on products characterized by transparency and by a low exposure to risk.

4 – Proposals regarding the financial statements

Upon the conclusion of the specific controls performed, the Board can certify that the Report on Operations is consistent with the Bank's financial statements as of 31 December 2009. This is true with reference both to the above financial information, as well as an analysis of the income, capital and financial situation, indicators of solidity, as well as to other information, such as risks and uncertainties concerning the Bank's activity, its management, human resources, cultural and promotional activities, security, mutual aid activities, and management trend.

As conclusion of our report, in repeating that on the basis of the supervisory activity no critical events appeared and no omissions or irregularities were found, we express our favorable opinion, to the extent of our responsibility, for the approval of the fiscal year 2009 financial statements and related proposal for the use of the fiscal year net profit, in conformity with law and the By-laws and adequate in view of the company's capital and economic situation. With reference to the allocation of 6,261,868.72 Euro, net of pre-paid taxes, deriving from the measurement of equity investments using the criteria of "shareholders' equity", to the unavailable reserve provided by Article 6 del Legislative Decree no. 38/2005, we agree with such allocation and confirm that such reserve is also subject to the indivisibility provided for the ordinary statutory reserve in accordance with Article 12 of Law no. 904/1977.

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The Board sincerely thanks all of the Bank's departments for the collaboration provided to the control body during the course of the fiscal year while carrying out its institutional functions.
At the expiration of our mandate, we sincerely thank you for the trust you have placed in us.

Castelfiorentino, 12 April 2010

The Board of Statutory Auditors

Prof. Aldo Bompani	Chairman of the Board
Dott. Silvano Lepri	Acting auditor
Prof. Stefano Sanna	Acting auditor

Report of the Independent Auditor

(On Bompani Audit S.r.l.'s letterhead)

BANCA DI CREDITO COOPERATIVO DI CAMBIANO

Auditor's report in accordance with art. 14 of Legislative Decree no. 39 of 27.1.2010 on the financial statements for the fiscal year ended as of 31 December 2009

To the Shareholders of the BANCA DI CREDITO
COOPERATIVO DI CAMBIANO
P.za Giovanni XXIII, 6
50051 CASTELFIORENTINO

Florence, 12 April 2010

1. We have performed the audit of the fiscal year financial statements consisting of the balance sheet, income statement, chart of variations to shareholders' equity, the statement of cash flows and relative explanatory notes of the Banca di Credito Cooperativo di Cambiano as of 31 December 2009. The directors of the Banca di Credito Cooperativo di Cambiano are responsible for preparing the financial statements. It is our responsibility to provide a professional opinion on the financial statements based on an accounting audit. The above fiscal year financial statements were prepared in conformity with the International Financial Reporting Standards adopted by the European Union.

2. Our audit was conducted according to the standards and criteria provided for audits that are recommended by CONSOB (the Italian Stock Exchange Commission). In conformity with said standards and criteria, the audit was planned and performed in view of acquiring every element necessary to verify whether the fiscal year financial statements present any significant errors and whether they are accurate overall. The audit procedure included the review, based on sample controls, of the evidence justifying the balances and information contained in the financial statements, as well as an evaluation of the adequacy and fairness of the accounting criteria utilized and the reasonableness of the estimates made by the directors. We believe that the work performed provides a reasonable basis for expressing our professional opinion. The fiscal year financial statements present data corresponding to the previous fiscal year for comparative purposes. With regard to the opinion related to the previous year's financial statements, whose data is presented for comparative purposes as required by law, reference is made to the report we issued on 09 April 2009.
The audit of the financial statements as of 31 December 2009 was conducted in conformity with outstanding law during the course of said financial year.

3. In our judgment, the Banca di Credito Cooperativo di Cambiano's financial statements as of 31 December 2009 conform to the International Financial Reporting Standards adopted by the European Union; therefore they were prepared with clarity and represent in a truthful and accurate manner shareholders' equity and the financial situation, the economic result, variations to shareholders' equity and cash flows of the Banca di Credito Cooperativo di Cambiano for the fiscal year ended on such date.

4. Supplemental Information.
As indicated in the Explanatory Notes, in the fiscal year financial statements ended as of 31 December 2009, the line item 210 of the Income Statement "Gains/losses from Equity Investments", the amount of 6,349,169.80 derives from, the capital gains fro, measurement of the "shareholder's equity" of the shareholding in companies subject to significant influence. The Board of Directors proposed that the same amount, net of pre-paid taxes amounting to 87,301.08 Euro, be set aside as retained earnings in the "Reserve pursuant to Article 6 of Legislative Decree 38/2005", to be allocated to liability line item

130 “Valuation Reserve”. The funds can only be released from said reserve at the time of their effective realization.

5. In accordance with outstanding law, the responsibility for preparing the report on operations rests with the Banca di Credito Cooperativo di Cambiano’s directors. It is our responsibility to express an opinion on the consistency of the report on operations with the financial statements, as required by Article 14(2)(e) of Legislative Decree no. 39 of 27.01.2010. For such purpose, we carried out the procedures indicated by auditing standard no. PR 001 issued by the National Council of Accountants and Auditors and recommended by CONSOB. In our opinion, the report on operations is consistent with the Banca di Credito Cooperativo di Cambiano’s financial statements as of 31 December 2009.

Bompani Audit S.r.l.
by one of its Directors

Bruno Dei
(signature)

Table of variations to shareholders' equity

TABLE OF VARIATIONS TO SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2009

	Value as of 31 December 2008	Modification opening balances	Value as of 1° January 2009	Allocation result prior fiscal year: Reserves	Allocation result prior fiscal year: Dividends and other allocations	Fiscal year variations: Variations of Reserves	Transactions regarding shareholders' equity: Issue new shares	Transactions regarding shareholders' equity: Purchase of Treasury shares	Transactions regarding shareholders' equity: Distribution extraordinary dividends	Transactions regarding shareholders' equity: Variation of Equity instruments	Transactions regarding shareholders' equity: Derivatives on treasury shares	Transactions regarding shareholders' equity: *Stock options*	Overall profitability fiscal year 2009	Shareholders' equity as of 31 December 2009
Share capital:														
a) ordinary shares	2,871,184		2,871,184				29,261							2,900,445
b) other shares	-													
Premiums on issue of new shares	235,648		235,648				3,753							239,401
Reserves:														
a) retained earnings	195,980,294		195,980,294	14,949,703										210,929,997
b) other	-													
Valuation reserves	3,010,819		3,010,819										7,617,768	10,628,586
Equity instruments	-													-
Treasury shares	-													-
Fiscal year profit (loss)	16,700,000		16,700,000	-14,949,703	-1,750,297								13,075,000	13,075,000
Shareholders' equity	218,797,945	-	218,797,945	-	-1,750,297	-	33,014	-	-	-	-	-	20,692,768	237,773,429

TABLE OF VARIATIONS TO SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2008

	Value as of 31 December 2007	Modification opening balances	Value as of 1° January 2008	Allocation result previous fiscal year: Reserves	Allocation result previous fiscal year: Dividends and other allocations	Fiscal year variations: Variations of Reserves	Transactions regarding shareholders' equity: Issue of new shares	Transactions regarding shareholders' equity: Purchase of Treasury shares	Transactions regarding shareholders' equity: Distribution of extraordinary dividends	Transactions regarding shareholders' equity: Variation of Equity instruments	Transactions regarding shareholders' equity: Derivatives o treasury shares	Transactions regarding shareholders' equity: *Stock options*	Overall profitability fiscal year 2008	Shareholders' equity as of 31 December 2008
Share capital:														
a) ordinary shares	2,930,279		2,930,279				-59,095							2,871,184
b) other shares	-													-
Premiums on issue of new shares	235,244		235,244				405							235,648
Reserves:														
a) retained earnings	179,633,673		179,633,673	16,346,621										195,980,294
b) other	-													-
Valuation reserves	10,505,676		10,505,676			-7,494,858								3,010,819
Equity instruments	-													-
Treasury shares	-													-
Fiscal year Profit (Loss)	18,110,000		18,110,000	-16,346,621	-1,763,379								16,700,000	16,700,000
Shareholders' equity	211,414,872	-	211,414,872	-	-1,763,379	-7,494,858	-58,690	-	-	-	-	-	16,700,000	218,797,945

Cash flow statement

CASH FLOW STATEMENT Indirect Method		
A. OPERATING ASSETS	Amount	
	2009	2008
Management	23,686,919	39,049,845
- Fiscal year result(+/-)	13,075,000	16,700,000
- Plus/minus of financial assets held for trading and financial assets/ liabilities measured at fair value (+/-)	-466,927	14,777,730
- Plus/minus of assets used for hedges (+/-)	-56,367	-70,132
- Adjustments/write-backs of net values due to impairment (+/-)	8,379,113	3,377,836
- Adjustments/writebacks of property, plant and equipment and intangible fixed assets (+/-)	2,533,230	2,540,104
- Net allocations to risk and expense funds and other costs/income (+/-)	0	0
- Outstanding taxes (+)	189,278	1,669,207
- adjustments/write-backs of net values of groups of assets being divested net of tax (+/-)	0	0
- others adjustments (+/-)	33,592	55,100
2. Liquidity generated/absorbed by financial assets	-223,006,364	-159,310,097
- Financial assets held for trading	-101,432,447	395,222,455
- Financial assets measured at fair value	0	0
- Financial assets available for sale	83,591,377	-296,263,610
- Receivables from banks: on demand	60,517,010	49,330,718
- Receivables from banks: other receivables	-82,449,180	-91,633,202
- Receivables from customers	-148,691,351	-211,649,020
- Other assets	-34,541,772	-4,317,438
3. Liquidity generated/absorbed by financial liabilities	205,549,962	125,301,555
- Payables to banks: on demand	55,034,602	-6,364,787
- Payables to banks: others payables	-26,318,613	-86,317,869
- Payables to customers	92,045,943	52,529,441
- Outstanding securities	55,504,360	179,143,522
- Financial liabilities from trading	0	0
- Financial liabilities measured at fair value	0	0
- Other liabilities	29,283,670	-13,688,751
Net liquidity generated/absorbed by operating assets	6,230,517	5,041,303
B. INVESTMENT ASSETS		
1. Liquidity generated by	802,709	-236,524
- Sales of equity investments	858,173	0
- Dividends received from equity investments	0	0
- Sales of financial assets held through maturity	0	0
- Sales of property, plant and equipment	-55,464	-236,524
- Sales of intangible assets	0	0
- Sales of branches of business	0	0
2. Liquidity absorbed by	-5,546,177	-2,540,660
- Purchases of equity investments	-2,000,000	0
- Purchases of financial assets held through maturity	0	0
- Purchases of property, plant and equipment	-3,524,508	-2,518,116
- Purchases of intangible assets	-21,670	-22,545
- Purchases of branches of business	0	0
Net liquidity generated/absorbed by investment assets	-4,743,468	-2,777,184
C. FUNDING ACTIVITIES		
- Issues/purchases of treasury shares	33,014	-58,690
- Issues/purchases of equity instruments	0	0
- Distribution of dividends and other purposes	-1,750,297	-1,763,379
Net liquidity generated/absorbed by funding activities	-1,717,284	-1,822,069
NET LIQUIDITY GENERATED/ABSORBED DURING THE FISCAL YEAR	-230,235	442,050

KEY:
(+) generated
(-) absorbed

RECONCILIATION		
LINE ITEMS OF THE FINANCIAL STATEMENTS	Amount	
	2009	2008
Cash and available liquidity at the beginning of the fiscal year	7,740,610	7,298,560
Total net liquidity generated/absorbed during the fiscal year	-230,235	442,050
Cash and available liquidity: effect of variation of exchange rates	0	0
Cash and available liquidity at the close of the fiscal year	7,510,375	7,740,610

Explanatory Notes

Note:
As required by Circular no. 262 of 22 December 2005 issued by the Bank of Italy, "Financial statements for Banks: schedules and rules for compilation":
1) unless otherwise indicated, the amounts are reported in thousands of Euro;
2) tables without any amounts, in that they do not regard the Bank's operations, have not been reported.

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Part A – Accounting policies

A.1 – GENERAL PART

Section 1 – Statement of conformity to International Accounting Standards

The Banca di Credito Cooperativo di Cambiano s.c.p.a. states that its financial statements for fiscal year 2009 was prepared in conformity with all of the International Accounting Standards (IAS/IFRS) issued by the International Accounting Standard Board and the relative interpretations of the International Financial Reporting Interpretation Committee, homologated by the European Commission in accordance with the procedure provided by EU Regulation no. 1606/2002, implemented in Italy by means of Legislative Decree no. 38 of 28/02/2005. The Bank of Italy, by means of a measure on 22/12/2005, issued Circular no.. 262/2005 (entirely updated on 18/11/2009) "Instructions for the preparation of company financial statements and the consolidated financial statements of banks and finance companies that are the head company of banking groups", which established the schedules to the financial statements and structure in the form of tables to the explanatory notes, as well as the relative procedures for their compilation.

Section 2 – General preparation standards

The fiscal year financial statements consist of the "Schedules to the financial statements" (balance sheet, income statement, schedule of overall profitability, table of variations to shareholders' equity, and the cash flow statement), and the "Explanatory Notes". They are accompanied by the "Report on Operations". The financial statements were prepared using the general accounting standards provided by IAS 1 (2007), with particular regard to fundamental standards for the preparation of financial statements that regard the prevalence of substance over form, the concept of the materiality and significance of information, as well as the accrual principal from the perspective of an ongoing concern. With respect to the compilation of the "Financial statements", reference is made to the schedules issued by the Bank of Italy in Circular no. 262 of 22/12/2005, which was reviewed and modified on 18/11/2009. The modifications having the greatest impact to the International Accounting Standards IAS/IFRS, and consequently to Circular no. 262 of the Bank of Italy, were as follows:

- issue of the new version of IAS 1 (2007), which introduced the schedule of overall profitability, which, starting from the net fiscal year profit, requires the specification of all of the components that contribute to the effective corporate profitability;
- modification of IFRS 7, which introduced the concept of a "hierarchy" of fair value: in substance, it is necessary to explain the quality and nature of the data used to measure financial instruments. Financial instruments are included in "Level 1" when prices listed on active markets (Effective Market Quotes) are available to measure them, in "Level 2" when quotes of substantially similar other financial instruments are used to measure them (Comparable Approach), and in "Level 3" when quotes that require estimates and assumptions by the appraiser are used to measure them (Mark to Model).

The amounts indicated in the accounting schedules are expressed in Euro, while the data reported in the Explanatory Notes is expressed, unless otherwise specified, in thousands of Euro. The tables of the Explanatory Notes might contain amounts that have been rounded off, and eventual inconsistencies between the data reported in the different tables are the consequence of such rounding off. The Explanatory Notes of the Banca di Credito Cooperativo di Cambiano s.c.p.a. do not indicate line items and tables that have been "left blank", even though provided by Circular no. 262/2005 of the Bank of Italy.

1) Going concern - Assets, liabilities and "off balance sheet" operations are measured according to the Bank's operating value, in that they are destined to last over time.
2) Accrual basis of accounting – Costs and income are recognized, regardless of the date of their monetary regulation, by period of economic maturity and according to the criterion of correlation.
3) Consistency of presentation – Presentation and classification of the line items remain constant from one period to the next in order to guarantee the comparison of information, unless the variation is required by an International Accounting Standard or by an interpretation or it renders more appropriate, in terms of materiality and reliability, the representation of values. If a presentation or classification criterion is changed, the new one is applied, if possible, retroactively; in such case the nature and reason of the variation are also disclosed, as well as the line items involved.
4) Aggregation and materiality – All of the material aggregates of line items having a similar nature or function have been listed separately. Items of a different nature or function, if material, are presented in a distinct manner.
5) Prohibition of offsetting - Assets and liabilities, costs and income are not offset, unless required or allowed by an International Accounting Standard or by an interpretation or by the schedules prepared by the Bank of Italy for the financial statements of banks.
6) Comparative information – The comparative information of the previous fiscal year is indicated for all of the data reported in the accounting tables, unless an International Accounting Standard or an interpretation requires or allows otherwise. Information of a

descriptive nature is also included, when useful for understanding the data.

Section 3 – Events subsequent to the date of reference of the financial statements

See the special section provided in the Directors' Report on Operations.

A.2 – PART RELATED TO THE PRINCIPAL LINE ITEMS OF THE FINANCIAL STATEMENTS

Section 1 – Financial assets held for trading

1.1 Classification criteria

The portfolio of financial assets held for trading includes financial instruments consisting of securities in order to obtain short term profits with trading objectives.

1.2 Recognition and derecognition criteria

Financial instruments represented by securities are measured using the standard of the subscription date.
Subsequent to the modification of Ias 39 on 15/10/2008, it is possible to transfer financial assets held for trading to the following sectors:

- Loan and Receivables Sector if the financial instrument is no longer held for "Trading", with the intent of holding it until a foreseeable future or through maturity; assets with fixed maturities and not listed as of the date of reclassification. The transfer must be made for fair value as of the reclassification date, which therefore will become the new cost;
- Available for Sale Sector if the financial instrument is no longer held for "Trading", with the intent of holding it for the foreseeable future or through maturity; this possibility of reclassification requires that there be "rare circumstances". The transfer must be made for fair value as of the reclassification date, which therefore will become the new amortized cost;
- Held to Maturity if the financial instrument is no longer held for "Trading", with the intent of holding it through maturity; this possibility of reclassification requires both "rare circumstances" as well as that the financial asset have a fixed maturity. The transfer must be made for fair value as of the reclassification date, which will therefore become the new amortized cost.

The above instruments are derecognized from the financial statements only if all of the risks and benefits (or their effective control) are substantially transferred to the buyers. If all of the risks and benefits (or their effective control) are not substantially transferred, a liability is recognized with respect to the buyers for the amount corresponding to the consideration received.

1.3 Measurement criteria

Financial instruments represented by securities and trading derivatives are measured at fair value both upon purchase as well as subsequently. The fair value of instruments listed in active markets are compared with the quotes at the closure of the markets (Level 1). In the lack of an active market the measurement is based on the presumed quote of official quotes on active markets of instruments that are similar in terms of risk factors (Level 2), or is based on quotes that require estimates and assumptions by the appraiser (Level 3).

1.4 Criteria for recognizing income components

Subsequent to initial recognition, financial assets held for trading are measured at fair value, recognizing variations as offsets in the income statement.

Section 2 – Financial assets available for sale

2.1 Classification criteria

The portfolio of financial assets available for sale includes all of the non-derivative financial assets that are not classified as receivables, financial assets held through maturity, and assets measured at fair value.
Specifically, such portfolio includes all of the securities to be sold within periods that are generally longer than those of the trading portfolio and also all of the Bank's minority shareholdings.

2.2 Recognition and derecognition criteria

Subsequent to the modification of Ias 39 on 15/10/2008, it is possible to transfer financial assets available for sale to the following sectors:
Held to Maturity if the financial instrument is no longer available for sale, with the intent of holding it through maturity; this possibility of reclassification requires both "rare circumstances" as well as that the financial asset have a fixed maturity. The transfer must be made for fair value as of the reclassification date, which will therefore become the new amortized cost.
Securities available for sale are derecognized from the financial statements only if substantially all of the risks and benefits (or their effective control) are transferred to the buyers. If all of the risks and benefits (or their effective control) are not substantially transferred, a liability is recognized with respect to the buyers for the amount corresponding to the consideration received.
Interest on the securities is calculated on the basis of their internal rate of return. Structured securities, consisting of the combination of a bond and one or more embedded derivative instruments, are disaggregated and recognized separately from their embedded derivative, if they have different economic and risk characteristics with respect to the underlying securities and if they can be considered autonomous derivative contracts.

2.3 Measurement criteria

Subsequent to initial recognition, assets available for sale continue to be measured at fair value (with the same "Levels" provided for assets held for trading), and recognized in the income statement for the value corresponding to amortized cost with an allocation to a special reserve of shareholders' equity of the profits/losses deriving from the variation of fair value. Equity instruments and the related derivative instruments, for which it is not possible to determine fair value in a reliable manner, are maintained at cost, adjusted upon verification of losses due to a reduction in value.
Verification of the existence of objective evidence of a reduction in value is made at each close of the financial statements or infra-annual situation.

2.4 Criteria for recognizing income components

The allocation of income components in the relevant lines of the income statement is done in accordance with what is set forth below.

- Earned interest and dividends of the securities are respectively allocated to line item 10 of the income statement "Earned interest and similar income" and to line item 70 of the Income Statement "Dividends and similar income".
- Gains and losses from trading securities are allocated to line item 100 of the income statement "Gain/loss on disposal or repurchase of financial assets available for sale": capital gains and capital losses from fair value measurement are directly allocated to shareholders' equity, line item 130 of Liabilities "Valuation reserves", and transferred to the income statement only upon their realization by means of the sale of the securities or subsequent to the recognition of impairment losses.
- Impairment losses and write-backs of values of debt securities are allocated to line item 130 of the income statement "Net adjustments/write-backs of net value due to impairment of financial assets available for sale". Impairment losses on equity instruments are also allocated to line item 130 of the income statement, whereas eventual write-backs of value from fair value are directly allocated to net shareholders' equity, line item 130 of Liabilities "Valuation reserves".

Section 3 – Financial assets held through maturity

The Bank does not currently have "Financial assets held through maturity", asset line item 50.

Section 4 - Receivables

Section 4.1 – Cash Receivables

4.1.1 Classification criteria

The portfolio of receivables includes all cash receivables, of any technical form and including operating receivables from banks and customers, as well as unlisted debt securities that the Bank does not intend to sell short term.

4.1.2 Recognition and derecognition criteria

Receivables and securities are allocated in the present portfolio at the time of issue or purchase and cannot subsequently be transferred to other portfolios, nor can financial instruments of other portfolios be transferred to the portfolio of receivables. Receivables and securities are derecognized from the financial statements only if substantially all of the risks and benefits (or their effective control) are transferred to the purchasing counterparties; otherwise, liabilities are registered in their regard, for an amount corresponding to the amounts received, together with the corresponding costs and income of the underlying assets.
Receivables and securities that are the object of repurchase agreements that have not yet been settled are recognized (if purchased) or derecognized (if sold) according to the standard of the "settlement date". Interest is calculated on the basis of the internal rate of return. The rules on "accounting derecognition" provided by IAS 39 were applied to securitizations performed since 01/01/2004.

4.1.3 Measurement criteria

At the time of issue or purchase, receivables and securities are recognized at fair value, also including, for securities and receivables other than short term, eventual anticipated transaction costs and income, specifically attributable to each security or receivable. Subsequently, measurement is based on the standard of amortized cost, subjecting receivables and securities to an impairment test, if there is symptomatic evidence of the state of impairment of the solvency of borrowers or issuers. With specific regard to receivables, the impairment test is articulated in two phases:

- individual measurement, performed on non performing receivables, to determine the relative adjustments/write-backs of value;
- Collective measurements, made on the remaining receivables, for the lump sum determination of adjustments to value.

The individual impairment of non performing loans was done in a manner conforming to what is required by accounting standard IAS 39, discounting the values of the presumable proceeds of said receivables in relation to the expected time of collection, and more specifically considering:

- the recovery forecasts made by the account managers;
- forecast recovery time estimated on historical-statistical basis and monitored by the managers;
- the "historical" discounting rates, represented by the contractual rates at the time of the classification of the account to non performing.

With reference to the collective measurement of the remaining receivables, the portfolio was classified in two different types:

- watchlist, le overdue/overdrawn accounts more than 180 days, and restructured;
- others receivables in bonis.

For each portfolio, the amount of the lump sum write-down corresponds to the result between the total portfolio value, its PD (averaged default probability) and LGD (parameter that represents the rate of loss in the case of default) of receivables belonging to the same portfolio.

The calculation of PD was done on a historical basis, using as a reference the previous three year period for each kind of portfolio, whereas the LGD value was modified with respect to the previous fiscal year, passing from a “standard” coefficient of 45.00% to 50.00%, coherently with the worsening of the current economic situation. No collective write-downs on receivables from public entities, Poste Italiane s.p.a., and subsidiaries subject to significant influence were calculated.
Subsequent potential write-backs of value cannot exceed the amount of the write-downs from impairment (individual and collective) previously recognized.

4.1.4 Criteria for recognizing income components

The allocation of income components in the pertinent line items of the income statement is done in accordance with what is set forth below:

- Earned interest on receivables and securities are allocated to line item 10 of the income statement “Earned interest and similar income”.
- Gains and losses from the disposal of receivables and securities are allocated to line item 100 of the income statement “Gains/losses from the disposal or repurchase of receivables”.
- Adjustments and write-backs of value of receivables and securities are allocated to line item 130 of the income statement “Adjustments to net value due to impairment of: receivables”.

Section 4.2 – Endorsement receivables

4.2.1 Classification criteria

All of the personal security and collateral issued by the Bank with regard to third party obligations are allocated to the portfolio of endorsement receivables.

4.2.2 Criteria for recognizing income components

Commissions that mature periodically on endorsement receivables are listed in line item 40 of the income statement as “Commission income”.

Section 5 – Financial assets measured at fair value

The Bank, not having exercised the fair value option, did not open a portfolio for financial assets measured at fair value.

Section 6 – Hedges

6.1 Classification criteria

The hedge portfolio includes derivative instruments acquired to cancel interest rate risks on instruments that are the object of protection. The operations performed by the Bank are aimed at the specific hedge of bond issues and the various derivative contracts stipulated have speculative conditions and values linked to those of the hedged bond.

6.2 Recognition and derecognition criteria

Hedge instruments are recognized according to the principle of the “subscription date”. Each hedge is the object of formal documentation and tests aimed at verifying, both at the start as well as subsequently, its retrospective and prospective effectiveness. They are derecognized at the time of their exercise, revocation or early closure or when they fail the effectiveness tests.

6.3 Measurement criteria

Hedge instruments are measured at fair value.
The fair value of the hedges listed in active markets is compared to the quotations at the close of the markets (Level 1). In lack of an active market, measurement is based on the official quotations of active markets on derivative that are similar in terms of risk factors (Level 2), or is based on quotations that require estimates and assumptions by the appraiser (Level 3).
Even the hedged positions are measured at fair value limited to variations of the value produced by the risks that are the object of the hedge, thus “sterilizing” the risk components that are not directly related to such hedge.

6.4 Criteria for recognizing income components

Income components are allocated to the relative line items of the income statement on the basis of what is set forth below:

- The differences matured on hedge instruments for interest rate risk (in addition to the interest of the hedged positions) are allocated to line item 10 of the income statement “Earned interest and similar income” or in line item 20 of the income statement “Interest payable and similar expenses”.
- The gains and losses deriving from the measurement of the hedge instruments and positions that are the object of the hedges are allocated to line item 90 of the income statement “Net hedging income”.
- Gains and losses from trading hedge contracts are allocated to line item 80 of the income statement “Net trading income”.

Section 7 – Equity investments

7.1 Classification criteria

In view of the classification of such line item, the entities for which the power to determine the financial and management policies is held in order to obtain benefits from their activity are deemed to be subsidiaries. This occurs when more than one-half of the voting rights are held directly and/or indirectly, or in the presence of other conditions of de facto control. Entities subject to joint control are those for which there are contractual agreements, shareholder agreements or other kinds of agreements for the joint management of the activity and the appointment of directors. Affiliates are those in which 20% or a greater share of voting rights is held. Entities in which power can be exercised to determine financial and management policies are considered to be subsidiaries subject to significant influence.

7.2 Recognition and derecognition criteria

The line item includes equity investments in subsidiaries, jointly held companies or companies subject to significant influence. At the time of initial recognition, such equity investments are recognized at purchase cost, supplemented by directly attributable costs. Financial assets are derecognized when the contractual rights to the cash flows deriving from said assets expires or when the financial asset is sold, transferring all of the risks and benefits connected to it.

7.3 Measurement criteria

Equity investments are measured with continuity using the “shareholders' equity” method. Equity investments in subsidiaries, jointly controlled companies or companies subject to significant influence are measured at cost, and the accounting value increases or decreases to reflect the share to which the shareholder is entitled of profits or losses of the subsidiary realized after the purchase date. The dividends received from a subsidiary reduce the accounting value of the shareholding. Adjustments to the accounting value might be required due to modifications of the share held by the shareholder in the subsidiary, deriving from modifications of the shareholders' equity of the subsidiary that are not registered in the Income statement (increases of shareholders' equity for payment). Such modifications also include those deriving from the revaluation of property, plant, equipment, equity investments and the adjustment of differences related to business combinations.

7.4 Criteria for recognizing income components

Dividends paid by the subsidiary generated subsequent to the purchase date are allocated to line item 70 of the income statement “Dividends and similar income”. The results of the measurement of shareholders' equity, inclusive of the variations indicated above and with the exclusion of increases of shareholders' equity, are recognized in line item 210 of the income statement “Gains/losses on equity investments”; gains/losses deriving from the sale of equity investments are recognized in the same line item.

Section 8 – Property, plant and equipment

8.1 Classification criteria

Property, plant and equipment include land, instrumental real property, installations, furniture and décor and any kind of equipment. They are property, plant and equipment used in the production or supply of goods and services, to be rented to third parties, or used for administrative purposes, which it is deemed will be utilized for more than one fiscal year. In relation to real property, the components referring to land and buildings constitute separate assets for accounting purposes and are recognized separately at the time of purchase.

8.2 Recognition and derecognition criteria

The above assets are recognized at purchase cost, inclusive of accessory charges and increased by the expenses sustained subsequently to enhance their initial value or productive capacity. They are derecognized from the financial statements at the time they are sold or when their economic function has been entirely exhausted.

8.3 Measurement criteria

Property, plant and equipment are measured at cost, deducting eventual accumulated depreciation and losses of value. Fixed assets are systematically depreciated during their useful life using the straight line method as the depreciation criteria, with the exception of land and artwork, which have an indefinite useful life and which are not depreciated.

8.4 Criteria for recognizing income components

The income components are allocated to the relevant line items of the income statement as follows:

- Periodic depreciation, lasting losses of value and write-backs of value are allocated to line item 170 of the income statement “Net adjustments/writebacks of value of property, plant and equipment”.
- Gains and losses deriving from disposals are allocated to line item 240 of the income statement “Gains/losses on disposal of investments”.

Section 9 – Intangible assets

9.1 Classification criteria

The portfolio of intangible assets includes intangible production factors having multi-year utility, represented in particular by expenses for the purchase of software and by multi-year expenses to be amortized. The expenses for third party assets (branch offices being rented) were recognized in asset line item 150 "Other assets"; the relative amortization was proportional to the duration of the leases.

9.2 Recognition and derecognition criteria

The above assets are recognized at purchase cost, inclusive of accessory costs and increased by expenses subsequently sustained to increase their value or initial productive capacity. Intangible assets are derecognized from the financial statements when their economic function has been entirely exhausted.

9.3 Measurement criteria

Intangible assets of limited duration are recognized net of accumulated amortization. Said assets are amortized on the basis of the estimate made of their residual useful life. If there is symptomatic evidence of the existence of lasting losses, intangible assets are subject to measurement of the damage, recognizing eventual adjustments to value; subsequent write-backs of value cannot exceed the amount of the losses previously recognized.

9.4 Criteria for recognizing income components

Periodic amortizations, lasting losses of value and write-backs of value of intangible assets are allocated to line item 180 of the income statement "Net adjustments/write-backs of value of intangible assets".

Section 10 – Noncurrent assets and groups of assets in the course of divestment

The Bank does not hold noncurrent assets or groups of assets in the course of divestment.

Section 11 – Current and deferred taxation

11.1 Classification criteria

Current tax items include excess payments (current assets) and outstanding payables (current liabilities) for income taxes due for the period. Entries of deferred taxation instead represent income taxes to be recovered in future periods with temporary deductible differences (deferred assets) and income taxes payable in future periods a s a consequence of temporary taxable differences (deferred liabilities).

11.2 Criteria for recognition, derecognition and measurement

Deferred tax receivables are recognized, in conformity with the "balance sheet liability method", only on the condition that there is full ability to absorb the temporary deductible differences from future taxable income, whereas deferred tax liabilities are usually always recognized.

11.3 Criteria for recognizing income components

Tax assets and liabilities are allocated to line item 260 of the income statement "Fiscal year income taxes on current operations".

Section 12 – Risk and expense funds

12.1 Classification criteria

The risk and expense funds express certain or probable liabilities, whose amount or payment date is uncertain.

12.2 Criteria for recognition, derecognition and measurement

When the time for paying a specific liability is more than twelve months from the recognition date, the relative fund is recognized at discounted values. The actuarial values were estimated by independent professionals pursuant to International Accounting Standard no. 19, according to the unit criteria provide by the Projected Unit Credit Method on the following technical entries:

- services related to Employee Severance Pay;
- payment of loyalty bonuses to employees upon reaching the 25° year of effective service.

Actuarial gains and losses are recognized directly as an offset in the income statement.

12.3 Criteria for recognizing income components

The allocation of income components to the relevant line items of the income statement is done in accordance with what is set forth below:

- Provisions for risk and expense funds are allocated to line item 160 of the income statement "Net allocations to risk and expense funds" or to its own item if deemed to be more appropriate;
- Provisions for Employee Severance Pay and loyalty bonuses are allocated to line item 150 of the income statement "Administrative costs – personnel costs".

Section 13 – Liabilities and Outstanding securities

13.1 Classification criteria

The line items "Payables to banks", "Payables to customers" and "Outstanding securities" include the various forms of funding, both inter-bank as well as with regard to customers, collections of savings by certificates of deposit and outstanding bonds, net of eventual repurchases.

13.2 Recognition and derecognition criteria

The financial liabilities noted above are recognized, at the time of issue or replacement subsequent to repurchase, or derecognized at the time of repurchase in accordance with the principle of the "settlement date" and cannot be subsequently transferred to the portfolio of trading liabilities. Interest is calculated on the basis of their internal rate of return. Structured kinds of financial liabilities, consisting of the combination of a security and one or more embedded derivative instruments, are separated and recognized separately from the embedded derivatives.

13.3 Measurement criteria

At the time of their issue, or at the time of replacement subsequent to repurchase, financial liabilities are recognized at fair value, also including eventual anticipated transaction expenses and income specifically attributable to each liability. Subsequently the valuations are based on the principle of amortized cost.

13.4 Criteria for recognizing income components

Income components are allocated to line item 20 of the income statement "Interest payable and similar expenses".

Section 14 – Financial liabilities from trading

The Bank does not currently have financial liabilities from trading.

Section 15 – Financial liabilities measured at fair value

At present the Bank, not having exercised the fair value option, has not opened a portfolio of financial liabilities measured at fair value.

Section 16 – Operations in foreign currency

16.1 Classification criteria

Operations in foreign currency consist of all assets and liabilities denominated in currency other than the Euro. The Bank only holds debt financial assets and liabilities.

16.2 Recognition and derecognition criteria

Operations in foreign currency are registered, at the time of initial recognition, in the accounting currency, applying the exchange rate in effect as of the date of the operation to the amount in foreign currency.

16.3 Measurement criteria

As of the reference date of the report, the conversion of assets and liabilities in foreign currency is done on the basis of the spot exchange rate on that date.

16.4 Criteria for recognizing income components

The exchange rate differences of operations in foreign currency are recognized in line item 80 of the income statement "Net trading income".

A.3 – INFORMATION ON FAIR VALUE

A.3.1 – Transfers among portfolios

By means of a resolution dated 27/10/2008, which became effective as of 01/07/2008, the Banca di Credito Cooperativo di Cambiano s.c.p.a. decided to reclassify part of the accounting portfolio of Assets held for trading (HFT) to Financial assets available for sale (AFS). By means of the operation in question, securities were transferred to more protracted maturity dates, which were the most affected by the liquidity crisis, in order to obtain a new division of the securities portfolio that more faithfully reflects the Bank's investment policy. The reclassification as of 31/12/2008 regarded overall a nominal value of 308,341,000.00 Euro and a balance sheet value of 299,354,732.55 Euro, of which "Government bonds" (CCT) for a nominal value of 293,341,000.00 Euro and a balance sheet value of 286,732,562.75 Euro, and "Other securities" for a nominal value of 15,000,000.00 Euro and a balance sheet value of 12,622,169.80 Euro. With reference to the above mentioned financial instruments, over the course of fiscal year 2009 securities were sold having a nominal value of 187,591,000.00 Euro, of which "Government bonds" (CCT) for a nominal value of 182,591,000.00 Euro and "Other securities" for a nominal value of 5,000,000.00 Euro. The sale in question generated gains from disposal in the amount of 1,122,260.96 Euro which were allocated to line item 100 of the Income Statement "Gains from the disposal or repurchase of: b) Financial assets available for sale".

A.3.1.1 – Reclassified financial assets: balance sheet value, fair value and effects on overall profitability

Values indicated in thousands of Euro

Type of financial instrument	Portfolio of origin	Portfolio of destination	Balance sheet value as of 31/12/2009	Fair value as of 31/12/2009	Income components registered in the lack of the transfer (before tax)		Income components recognized during the fiscal year (before tax)	
					Measured	Other	Measured	Other
Debt securities	HFT	AFS	119,562	119,562	6,287	7,718	5,711	8,289

As of the date of 31/12/2009 reclassified assets remained having an overall nominal value of 120,750,000.00 Euro, of which "Government bonds" (CCT) having a nominal value of 110,750,000.00, and "Other securities" having a nominal value of 10,000,000.00 Euro.

A.3.2 – Hierarchy of fair value

A.3.2.1 – Accounting portfolios: breakdown by level of fair value

Values indicated in thousands of Euro

Financial assets/liabilities measured at fair value	31/12/2009			31/12/2008		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets held for trading	129,927	-	55,490	37,912	-	45,607
2. Financial assets measured at fair value	-	-	-	-	-	-
3. Financial assets available for sale	215,239	-	8,521	306,505	-	846
4. Hedges	-	-	4,202	-	-	3,238
Total	345,166	-	68,213	344,416	-	49,691
1. Financial liabilities held for trading	-	-	-	-	-	-
2. Financial liabilities measured at fair value	-	-	-	-	-	-
3. Hedges	-	-	476	-	-	1,256
Total	-	-	476	-	-	1,256

Key:
Level 1 = Fair value of a financial instrument listed in an active market;
Level 2 = Fair value measured on the basis of measurement techniques that use parameters that can be seen from the market, other than the listings of the financial instrument;
Level 3 = Fair value calculated on the basis of measurement techniques that use parameters that can be seen from the market.

A.3.2.2 – Annual variations of Financial assets measured at fair value (Level 3)

Values indicated in thousands of Euro

	FINANCIAL ASSETS			
	Held for trading	Measured at fair value	Available for sale	Hedges
1. Initial value	45,607	-	846	3,238
2. Additions				
2.1. Purchases	12,476	-	7,519	-
2.2. Profits allocated to:				
2.2.1. Income statement	401	-	-	65
- of which capital gains	401	-	-	65

	FINANCIAL ASSETS			
	Held for trading	Measured at fair value	Available for sale	Hedges
2.2.2. Shareholders' equity	X	X	33	-
2.3. Transfers from other levels	-	-	-	-
2.4. Other additions	175	-	131	1,857
3. Reductions				
3.1. Sales	41	-	-	-
3.2. Redemptions	2,534	-	-	-
3.3. Losses allocated to:				
3.3.1. Income statement	219	-	-	6
- of which capital losses	186	-	-	6
3.3.2. Shareholders' equity	X	X	8	-
3.4. Transfer to other levels	-	-	-	-
3.5. Other reductions	374	-	-	952
4. Final value	55,490	-	8,521	4,202

A.3.2.3 – Annual variations of financial liabilities measured at fair value (Level 3)

Values indicated in thousands of Euro

	FINANCIAL LIABILITIES		
	Held for trading	Measured at fair value	Hedges
1. Initial value	-	-	1,256
2. Additions			
2.1. Issues	-	-	-
2.2. Losses allocated to:			
2.2.1. Income statement	-	-	-
- of which capital losses	-	-	-
2.2.2. Shareholders' equity	X	X	-
2.3. Transfers from other levels	-	-	-
2.4. Other additions	-	-	325
3. Reductions			
3.1. Redemptions	-	-	-
3.2. Repurchases	-	-	-
3.3. Losses allocated to:			
3.3.1. Income statement	-	-	-
- of which capital gains	-	-	-
3.3.2. Shareholders' equity	X	X	-
3.4. Transfer to other levels	-	-	-
3.5. Other reductions	-	-	1,104
4. Final value	-	-	476

Part B – Information on the balance sheet

Assets

Section 1 - Cash and available liquidity - Line item 10

1.1. Cash and available liquidity: breakdown

	31/12/2009	31/12/2008
a) Cash	7,510	7,741
b) Demand deposits with Central banks	-	-
Total	7,510	7,741

The line item "demand deposits with central banks" does not include the compulsory reserve that was noted in asset line item 60 "Receivables from banks".

Section 2 - Financial assets held for trading - Line item 20

2.1 Financial assets held for trading: breakdown by type

Line items/values	31/12/2009			31/12/2008		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. Cash earnings						
1 Debt securities	129,927	-	55,490	37,865	-	45,607
1.1 Structured securities	-	-	5,087	-	-	-
1.2 Other debt securities	129,927	-	50,403	37,865	-	45,607
2 Equity instruments	-	-	-	46	-	-
3 Shares of mutual funds	-	-	-	-	-	-
4 Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Others	-	-	-	-	-	-
Total A	129,927	-	55,490	37,912	-	45,607
B. Derivative instruments						
1 Financial derivatives:	-	-	-	-	-	-
1.1 for trading	-	-	-	-	-	-
1.2 linked to the fair value option	-	-	-	-	-	-
1.3 others	-	-	-	-	-	-
2 Derivatives receivables	-	-	-	-	-	-
2.1 from trading	-	-	-	-	-	-
2.2 connected with the fair value option	-	-	-	-	-	-
2.3 others	-	-	-	-	-	-
Total B	-	-	-	-	-	-
Total (A+B)	129,927	-	55,490	37,912	-	45,607

2.2 Financial assets held for trading: breakdown by borrower/issuer

Line items/values	31/12/2009	31/12/2008
A. CASH EARNINGS		
1 Debt securities		
a) Governments and central banks	118,808	28,646
b) Others public entities	-	-
c) Banks	56,469	46,014
d) Others issuers	10,140	8,812
2 Equity instruments		
a) Banks	-	28
b) Others issuers:	-	18
- Insurers	-	-
- Finance companies	-	-
- Non finance companies	-	18
- Others	-	-
3 Shares of mutual funds	-	-
4 Loans		
a) Governments and central banks	-	-
b) Others public entities	-	-
c) Banks	-	-
d) Others parties	-	-
Total (A)	185,418	83,518
B. DERIVATIVE INSTRUMENTS		
a) Banks	-	-
fair value	-	-
b) Customers	-	-
fair value	-	-
Total (B)	-	-
Total (A+B)	185,418	83,518

An overall increase was noted of the aggregate in the amount of 101,900 thousand Euro (+122.01%). The most significant differential regarded debt securities issued by "Governments and central banks" by 90,162 thousand Euro (+314.75%). "Government" securities consist of Italian government bonds, and there are no bonds issued by Portugal, Ireland, Greece or Spain (PIGS).

2.3 Financial assets held for trading: annual variations

	Debt securities	Equity instruments	Shares of mutual funds	Loans	Total
A Initial value	83,472	46	-	-	83,518
B Additions					
B1. Purchases	444,813	2,331	-	-	447,143
B2. Increases of fair value	383	285	-	-	668
B3. Other additions	1,599	9	-	-	1,607
c Reductions					
C1. Sales	315,152	2,670	-	-	317,822
C2. Redemptions	29,496	-	-	-	29,496
C3. Reductions of fair value	201	-	-	-	201
C4. Transfers to other portfolios	-	-	-	-	-
C5. Other reductions	-	-	-	-	-
D Final value	185,418	-	-	-	185,418

Section 4 - Financial assets available for sale - Line item 40

4.1 Financial assets available for sale: breakdown by type

Line items/values	Total 31/12/2009			Total 31/12/2008		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1, Debt securities	199,782	-	23,132	299,248	-	7,257
1.1 Structured securities	-	-	-	-	-	-
1.2 Others debt securities	199,782	-	23,132	299,248	-	7,257
2. Equity instruments	-	-	846	-	-	846
2.1 Measured at fair value	-	-	-	-	-	-
2.2 Measured at cost	-	-	846	-	-	846
3. Shares of mutual funds	-	-	-	-	-	-
4. Loans	-	-	-	-	-	-
Total	199,782	-	23,978	299,248	-	8,103

4.2 Financial assets available for sale: breakdown by borrower/issuer

Line items/values	Total 31/12/2009	Total 31/12/2008
1. Debt securities	222,913	306,505
a) Governments and Central banks	195,358	286,733
b) Others public entities	-	-
c) Banks	27,555	14,854
d) Others issuers	-	4,918
2. Equity instruments	846	846
a) Banks	527	527
b) Others issuers:	319	319
- Insurers	-	-
- Finance companies	81	81
- Non finance companies	238	238
- Others	-	-
3. Shares of mutual funds	-	-
4. Loans	-	-
a) Governments and Central banks	-	-
b) Others public entities	-	-
c) Banks	-	-
d) Others parties	-	-
Total	223,759	307,351

An overall decrease was recognized of the aggregate amounting to 83,592 thousand Euro (-27.20%). The most significant differential regarded debt securities issued by "Governments and Central banks" in the amount of 91,375 thousand Euro (-31.87%). “Government” securities consist of Italian government bonds, and there are no bonds issued by Portugal, Ireland, Greece or Spain.

4.4 Financial assets available for sale: annual variations

	Debt securities	Equity instruments	Shares of mutual funds	Loans	Total
A. Initial value	306,505	846	-	-	307,351
B. Additions					
B1 Purchases	193,167	-	-	-	193,167
B2 Increases of Fv	8,990	-	-	-	8,990
B3 Write-backs	-	-	-	-	-
- allocated to the income statement	-	-	-	-	-
- allocated to shareholders' equity	-	-	-	-	-
B4 Transfers from other portfolios	-	-	-	-	-
B5 Other additions	3,301	-	-	-	3,301
C. Reductions					
C1 Sales	287,708	-	-	-	287,708
C2 Redemptions	-	-	-	-	-
C3 Reductions of Fv	86	-	-	-	86
C4 Write-downs due to impairment	-	-	-	-	-
- allocated to the income statement	-	-	-	-	-
- allocated to shareholders' equity	-	-	-	-	-
C5 Transfers from other portfolios	-	-	-	-	-
C6 Other reductions	1,256	-	-	-	1,256
D. Final value	222,913	846	-	-	223,759

Section 6 - Receivables from banks - Line item 60

6.1 Receivables from banks: breakdown by type

Type of operation/Values	Total 31/12/2009	Total 31/12/2008
A, Receivables from Central banks		
1. Term deposits	-	-
2. Compulsory reserves	137,157	54,014
3. Repurchase agreements	-	-
4. Other	-	-
B. Receivables from banks		
1. Bank accounts and demand deposits	62,709	85,815
2. Term deposits	-	-
3. Other Loans:	7,504	45,610
3.1 Repurchase agreements – receivables	-	5,188
3.2 Finance leasing	-	-
3.3 Others	7,504	40,422
4, Debt securities	-	-
4.1 Structured securities	-	-
4.2 Other debt securities	-	-
Total (balance sheet value)	207,370	185,438
Total (fair value)	207,370	185,438

An overall increase was recognized of the aggregate in the amount of 21,932 thousand Euro (+11.83%). The most significant differential regarded "Receivables from Central banks - Compulsory reserves" in the amount of 83,143 thousand Euro (+153.93%).

Section 7 - Receivables from customers - Line item 70

7.1 Receivables from customers: breakdown by type

Type of operation/values	Total 31/12/2009		Total 31/12/2008	
	In Bonis	Impaired	In Bonis	Impaired
1. Bank accounts	409,406	53,306	443,306	27,797
2. Repurchase agreements – receivables	-	-	-	-
3. Loans	833,270	73,569	763,258	38,363
4. Credit cards, personal loans and salary guaranteed finance	3,931	46	2,160	24
5. Finance leasing	-	-	-	-
6. Factoring	-	-	-	-
7. Other transactions	191,474	11,926	155,488	6,219
8. Debt securities	-	-	-	-
8.1 Structured securities	-	-	-	-
8.2 Other debt securities	-	-	-	-
Total (balance sheet value)	1,438,081	138,847	1,364,213	72,403
Total (fair value)	1,438,081	138,847	1,364,213	72,403

There was an overall increase of the aggregate in the amount of 140,312 thousand Euro, from 1,436,616 thousand Euro to 1,576,928 thousand Euro (+9.77%). The most significant differential regarded "Mortgages" in the amount of 105,217 thousand Euro (+13.13%). In particular, it is noted that "Impaired receivables" increased by 66,444 thousand Euro (+97.77%).

7.2 Receivables from customers: breakdown by borrower/issuer

Type of operation/Value	Total 31/12/2009		Total 31/12/2008	
	In Bonis	Impaired	In Bonis	Impaired
1. Debt securities				
a) Governments	-	-	-	-
b) Others public entities	-	-	-	-
c) Others issuers	-	-	-	-
- non finance companies	-	-	-	-
- finance companies	-	-	-	-
- insurers	-	-	-	-
- others	-	-	-	-
2. Loans to:				
a) Governments	-	-	-	-
b) Others public entities	7,438	-	7,374	-
c) Others	1,430,643	138,847	1,356,839	72,403
- non finance companies	720,226	92,463	728,639	47,315
- finance companies	74,791	-	64,777	-
- insurers	-	-	-	-
- others	635,626	46,383	563,423	25,088
Total	1,438,081	138,847	1,364,213	72,403

It is noted with reference to the breakdown by borrower/issuer that the most significant increase regarded point 2 c) – "Others" in the amount of 93,498 thousand Euro (+15.89%).

Section 8 - Hedges - Line item 80

8.1 Hedges: breakdown by type of hedge and by level

	Fair value 31/12/2009			Notional value 31/12/2009	Fair value 31/12/2008		
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
A. Financial derivatives	-	-	4,202	201,278	-	-	3,238
1) Fair value	-	-	4,048	194,200	-	-	2,766
2) Cash flows	-	-	154	7,078	-	-	472
3) Foreign investments	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-
Total	-	-	4,202	201,278	-	-	3,238

The table indicates the positive balance sheet value (fair value) of hedge contracts, for hedges done using the hedge accounting instrument.
A series of bonds issued by the Bank were hedged using hedge accounting, in order to hedge the relative interest rate.

8.2 Hedges: breakdown by hedged portfolios and by type of hedge

Transactions/Type of hedge	Fair Value						Cash flows		Foreign investments
	Specific					Generic	Specific	Generic	
	interest rate risk	exchange rate risk	credit risk	price risk	various risks				
1. Financial assets available for sale	-	-	-	-	-	-	-	-	-
2. Receivables	-	-	-	-	-	-	154	-	-
3. Financial assets held through maturity	-	-	-	-	-	-	-	-	-
4. Portfolio	-	-	-	-	-	-	-	-	-
5. Other transactions	-	-	-	-	-	-	-	-	-
Total assets	-	-	-	-	-	-	154	-	-
1. Financial liabilities	4,048	-	-	-	-	-	-	-	-
2. Portfolio	-	-	-	-	-	-	-	-	-
Total liabilities	4,048	-	-	-	-	-	-	-	-
1. Expected transactions	-	-	-	-	-	-	-	-	-
2. Portfolio of financial assets and liabilities	-	-	-	-	-	-	-	-	-

Section 10 - Equity investments - Line item 100

10.1 Equity investments in subsidiaries, jointly controlled companies or companies subject to significant influence: information on shareholdings

Denominations	Registered office	Shareholding %	Votes available %
A. Wholly owned subsidiaries			
B. Jointly held subsidiaries			
C. Companies subject to significant influence			
1. Cabel Leasing s.p.a.	Empoli	13.40%	13.40%
2. Cabel Holding s.r.l.	Empoli	40.00%	40.00%

10.2 Equity investments in subsidiaries, jointly controlled companies or companies subject to significant influence: accounting information

Names	Total assets	Total income	Gain (Loss)	Shareholders' equity	Balance sheet value	Fair value
A. Wholly owned subsidiaries						
B. Jointly held companies						
C. Companies subject to significant influence						
1. Cabel Leasing s.p.a.	217,080	13,871	1,215	11,988	1,606	
2. Cabel Holding s.r.l.	35,405	3,001	146	26,489	10,595	

The fair value of equity investments in companies subject to significant influence was not indicated because none of such companies is a listed company.

10.3 Equity investments: annual variations

	Total 31/12/2009	Total 31/12/2008
A. Initial value	4,235	4,211
B. Additions		
B.1 Purchases	2,000	-
B.2 Write-backs	-	-
B.3 Revaluations	6,349	24
B.4 Other additions	476	-
C. Reductions		
C.1 Sales	858	-
C.2 Adjustments to value	-	-
C.3 Other reductions	-	-
D. Final value	12,202	4,235
E. Total revaluations	7,532	1,529
F. Total adjustments	-	-

Line B.1 "Purchases" includes the purchase of 2,000,000 shares at 1.00 Euro per share of the company Cabel Holding s.r.l. for 2,000 thousand Euro.
Line B.3 "Revaluations" includes the revaluation of the company Cabel Leasing s.p.a. for 163 thousand Euro (from fiscal year profits), and the revaluation of the company Cabel Holding s.r.l. for 6,186 thousand Euro (of which: 58 thousand Euro from fiscal year profit, 1,690 thousand Euro from the revaluation of property, plant and equipment, and 4,438 thousand Euro from the revaluation of equity investments).
Line B.4 "Other variations" includes profit from equity investments deriving from the sale of shares of the company Cabel s.r.l. for 476 thousand Euro.
Line C.1 "Sales" includes the sale of 69,000 shares at 12.44 Euro of the company Cabel s.r.l. for 858 thousand Euro.
The data from the 2008 financial statements refer to the last financial statements approved by subsidiaries (31/12/2007).
The data from the 2009 financial statements refer to the last financial statements approved by subsidiaries (31/12/2008).

Section 11 - Property, plant and equipment - Line item 110

11.1 Property, plant and equipment: breakdown of assets measured at cost

Assets/values	Total 31/12/2009	Total 31/12/2008
A. Assets having a functional use		
1.1 own assets	46,056	45,019
a) land	12,523	12,523
b) buildings	23,457	23,733
c) furniture	6,661	5,430
d) electronic equipment	1,030	960
e) other	2,385	2,374
1.2 purchased in finance leasing	-	-
a) land	-	-
b) buildings	-	-
c) furniture	-	-
d) electronic equipment	-	-
e) other	-	-
Total A	46,056	45,019
b Assets held for investment purposes		
2.1 own assets	-	-
a) land	-	-
b) buildings	-	-
2.2 purchased in finance leasing	-	-
a) land	-	-
b) buildings	-	-
Total B	-	-
Total (A+B)	46,056	45,019

All of the Bank's property, plant and equipment is measured at cost; the line item "land" indicates the value of the land that is separated from the value of buildings.

11.3 Property, plant and equipment for functional use: annual variations

	Land	Buildings	Furniture	Electronic systems	Other	Total 31/12/2009
A. Initial gross value	12,523	36,970	8,523	5,537	9,628	73,180
A.1 Total net reductions of value	-	13,237	3,093	4,577	7,253	28,161
A.2 Initial net value	12,523	23,733	5,430	960	2,374	45,019
B. Additions:						
B.1 Purchases	-	319	1,721	438	759	3,238
B.2 Expenses for capitalized improvements	-	287	-	-	-	287
B.3 Write-backs of value	-	-	-	-	-	-
B.4 Increases of fair value allocated to:						
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Transfers from real property held for investment	-	-	-	-	-	-
B.7 Other additions	-	-	-	-	39	39
C. Reductions:						
C.1 Sales	-	-	-	-	55	55
C.2 Depreciation	-	882	490	368	731	2,472
C.3 Adjustments to value from impairment allocated to:						
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.4 Reductions of fair value allocated to:						
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Transfers to:						
a) property. plant and equipment held for investment	-	-	-	-	-	-
b) assets in the course of divestment	-	-	-	-	-	-
C.7 Other reductions	-	-	-	-	-	-
D. Net final value	12,523	23,457	6,661	1,030	2,385	46,056
D.1 Reductions of total net value	-	14,119	3,583	4,945	8,040	30,688
D.2 Final gross value	12,523	37,576	10,244	5,975	10,426	76,743
E. Measurement al cost	-	-	-	-	-	-

Section 12 - Intangible assets - Line item 120

12.1 Intangible assets: breakdown by type of asset

Assets/values	Total 31/12/2009		Total 31/12/2008	
	Limited duration	Unlimited duration	Limited duration	Unlimited duration
A.1 Goodwill	-	-	-	-
A.2 Other Intangible assets				
A,2,1 Assets measured at cost:	64	-	104	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	64	-	104	-
A,2,2 Assets measured at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	64	-	104	-

All of the Bank's intangible assets are measured at cost.

12.2 Intangible assets: annual variations

	Goodwill	Other Intangible assets: generated internally		Other Intangible assets: other		Total 31/12/2009
		limited duration	unlimited duration	limited duration	unlimited duration	
A., Initial value	-	-	-	3,329	-	3,329
A.1 Total net reductions of value	-	-	-	3,225	-	3,225
A.2 Initial net values	-	-	-	104	-	104
B. Additions						
B.1 Purchases	-	-	-	22	-	22
B.2 Increases of internal intangible assets	-	-	-	-	-	-
B.3 Write-backs of value	-	-	-	-	-	-
B.4 Increases of fair value						
- to shareholders' equity	-	-	-	-	-	-
- to the income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Other additions	-	-	-	-	-	-
C. Reductions						
C.1 Sales	-	-	-	-	-	-
C.2 Adjustments of value						
- Amortizations	-	-	-	62	-	62
- Write-downs						
+ shareholders' equity	-	-	-	-	-	-
+ income statement	-	-	-	-	-	-
C.3 Reductions of fair value						
- shareholders' equity	-	-	-	-	-	-
- income statement	-	-	-	-	-	-
C.4 Transfers to noncurrent assets in the course of divestment	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Other reductions	-	-	-	-	-	-
D. Final net value	-	-	-	64	-	64
D.1 Total net adjustments of value	-	-	-	3,287	-	3,287
E. Final gross value	-	-	-	3,350	-	3,350
F. Measurement at cost	-	-	-	-	-	-

Section 13 – Tax assets and liabilities - Asset line item 130 and Liability line item 80

13.1 Assets related to pre-paid taxes : breakdown

Line items/values	Total 31/12/2009	Total 31/12/2008
1. Multi-year costs	-	-
2. Personnel costs	18	18
3. Receivables	988	-
4. Entertainment expenses	6	13
5. Financial instruments (Securities Available for Sale)	682	3,896
6. Tax losses	-	-
7. Other	-	-
Total	1,694	3,928

Among assets for pre-paid taxes, we note the line "Receivables": tax receivables due to adjustments to value on receivables not deducted during the fiscal year because they exceeded the limit of Article 106 of TUIR. Such adjustments are deductible over the following fiscal years according to the mechanism of eighteen constant rates.
The line "Financial instruments" indicates tax receivables related to financial instruments classified in the portfolios of assets available for sale,

13.2 Liabilities for deferred taxes: breakdown

Line items/values	Total 31/12/2009	Total 31/12/2008
1. Property, plant and equipment	4,097	4,227
2. Personnel costs	149	149
3. Ex credit risk fund	-	-
4. Equity investments	104	420
5. Financial instruments (Securities Available for Sale)	583	160
6. Other	50	33
Total	4,983	4,990

Among liabilities for deferred taxes, we note the line "Property, plant and equipment": the tax liability was calculated between the Ias value and the "tax" value of the property, plant and equipment owned.
The line "Equity investments" indicates the tax liability referring to equity investments calculated at the Ires tax rate (27.50) on 5.00% of the overall capital gains (7,532 thousand Euro).
The line "Financial instruments" indicates tax liabilities related to financial instruments classified in the portfolios of assets available for sale,

13.3 Variations of pre-paid taxes (as an offset to the income statement)

	Total 31/12/2009	Total 31/12/2008
1. Initial value	31	163
2. Additions		
2.1 Pre-paid taxes recognized during the fiscal year		
a) related to previous fiscal years	-	-
b) due to change of accounting policies	-	-
c) write-backs of value	-	-
d) other	988	8
2.2 New taxes or increases of tax rates	-	-
2.3 Others increases	-	-
3. Reductions		
3.1 Pre-paid taxes derecognized during the fiscal year		
a) reversals	7	140
b) write-downs for receivables written off as unrecoverable	-	-
c) change of accounting policies	-	-
d) other	-	-
3.2 Reductions of tax rates	-	-
3.3 Other reductions	-	-
4. Final value	1,012	31

The table summarizes all pre-paid taxes which will be absorbed in subsequent fiscal years as offsets to the income statement.
The principal pre-paid tax that arose during the fiscal year was that generated by the write-downs on receivables exceeding the deductible limit in the fiscal year totaling 988 thousand Euro.

13.4 Variations of deferred taxes (as an offset to the income statement)

	Total 31/12/2009	Total 31/12/2008
1. Initial value	4,830	9,917
2. Additions		
2.1 Deferred taxes recognized during the fiscal year		
a) related to previous fiscal years	-	-
b) due to a change of accounting policies	-	-
c) other	131	40
2.2 New taxes or increases of tax rates	-	-
2.3 Others increases	-	-
3. Reductions		
3.1 Deferred taxes derecognized during the fiscal year		
a) reversals	562	2,627
b) due to a change of accounting policies	-	-
c) other	-	-
3.2 Reduction of tax rates	-	-
3.3 Other reductions	-	2,501
4. Final value	4,399	4,830

The table summarizes all deferred taxes that will be absorbed during subsequent fiscal years as offsets to the income statement.

13.5 Variations of pre-paid taxes (as an offset to shareholders' equity)

	Total 31/12/2009	Total 31/12/2008
1. Initial value	3,896	-
2. Additions		
2.1 Pre-paid taxes recognized during the fiscal year		
a) related to previous fiscal years	-	-
b) due to changes of accounting policies	-	-
c) other	-	3,896
2.2 New taxes or increases of tax rates	-	-
2.3 Others additions	-	-
3. Reductions		
3.1 Pre-paid taxes derecognized during the fiscal year		
a) reversals	3,214	-
b) write-downs for receivables written off as unrecoverable	-	-
c) due to a change of accounting policies	-	-
d) other	-	-
3.2 Reduction of tax rates	-	-
3.3 Other reductions	-	-
4. Final value	682	3,896

The variations are exclusively due to the pre-paid taxes recorded in movements to the reserves of shareholders' equity related to the financial instruments classified in the portfolio "Financial assets available for sale".

13.6 Variations of deferred taxes (as a offset to shareholders' equity)

	Total 31/12/2009	Total 31/12/2008
1. Initial value	160	-
2. Additions		
2.1 Deferred taxes recognized during the fiscal year		
a) related to previous fiscal years	-	-
b) due to changes of accounting criteria	-	-
c) other	424	160
2.2 New taxes of increases of tax rates	-	-
2.3 Others increases	-	-
3. Reductions		
3.1 Deferred taxes derecognized during the fiscal year		
a) reversals	-	-
b) due to changes of accounting policies	-	-
c) other	-	-
3.2 Reductions of tax rates	-	-
3.3 Other reductions	-	-
4. Final value	583	160

The variations are exclusively due to the deferred taxes recorded in movements to the reserves of shareholders' equity related to the financial instruments classified in the portfolio "Financial assets available for sale".

13.7 Other information - Assets due to current taxes - Breakdown

	Total 31/12/2009	Total 31/12/2008
1. Accounts paid to the Tax Authority	7,115	5,612
2. Tax receivables – capital	116	140
3. Tax receivables – interest	341	336
4. Other withholdings	256	24
Total	7,828	6,112

13.7 Other information - Liabilities due to current taxes - Breakdown

	Total 31/12/2009	Total 31/12/2008
1. Fund for Ires tax	679	2,798
2. Fund for Irap tax	1,494	1,822
3.Fund for stamp duties	183	215
4. Tax fund - substitute tax Law 244/2007	750	1,750
5. Tax fund – other	176	-
Total	3,283	6,585

The "Tax fund – Substitute tax Law 244/2007" represents the residual rate of the substitute tax related to the release of off-balance sheet deductions provided by Law 244/2007 (table EC of the Tax Return).
The "Tax fund - other" represents the liability to the Tax Authority for the payment of taxes from previous fiscal years (2004, 2005, 2006 and 2007), originating from the Bank's acceptance of the Tax Authority's notice of tax assessment.

Section 15 - Other assets - Line item 150

15.1 Other assets: breakdown

	Total 31/12/2009	Total 31/12/2008
1. Entries transferred among branches and non-liquid entries	1,222	2,100
2. Other assets from securitizations	70	70
3. Diverse borrowers for sales of securities to be settled	19,626	86
4. Pre-paid expenses/deferred liabilities not included in their own line item	308	355
5. Entries in progress and diverse borrowers	35,144	26,432
Total	56,370	29,044

Liabilities

Section 1 - Payables to banks - Line item 10

1.1 Payables to banks: breakdown by type

Type of operation/values	Total 31/12/2009	Total 31/12/2008
1. Payables to central banks	61,132	-
2. Payables to banks		
2.1 Bank accounts and demand deposits	56,635	15,621
2.2 Term deposits	175,351	42,325
2.3 Loans	-	206,457
2.3.1 Repurchase agreements – payables	-	206,457
2.3.2 Others	-	-
2.4 Liabilities for commitments to repurchase own shares	-	-
2.5 Others liabilities	-	-
Total	293,119	264,403
Fair value	293,119	264,403

Payables to banks are all measured at cost or at amortized cost.
The aggregate increased with respect to the previous fiscal year by 28,716 thousand Euro (+10.86%). Payables to central banks amounts to 61,132 thousand Euro, and consists of repurchase agreements – payables with the Bank of Italy on Italian government bonds.

Section 2 - Payables to customers - Line item 20

2,1 Payables to customers: breakdown by type

Type of operation/values	Total 31/12/2009	Total 31/12/2008
1. Bank accounts and demand deposits	659,769	493,389
2. Term deposits	174	244
3. Loans	26,665	100,222
3.1 Repurchase agreements – payables	21,954	100,222
3.2, Others	4,711	-
4. Liabilities for commitments to repurchase own shares	-	-
5. Other liabilities	2,048	2,755
Total	688,656	596,610
Fair value	688,656	596,610

Payables to customers are all measured at cost or amortized cost.
There was an overall increase of 92,046 thousand Euro (+15.43%). In particular, there was an increase of "Bank accounts and unrestricted deposits" in the amount of 166,380 thousand Euro (+33.72%), and a reduction of "Repurchase agreements - payables" in the amount of 78,268 thousand Euro (-78.09%).
Line 3.2 "Loans - Others" in the amount of 4,711 thousand Euro includes transactions with Cassa Depositi e Prestisti s.p.a..

Section 3 - Outstanding securities - Line item 30

3.1 Outstanding securities: breakdown by type

Type of security/values	Total 31/12/2009				Total 31/12/2008			
	Balance sheet value	Fair value			Balance sheet value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
A. Securities								
1. Bonds	1,002,096	-	-	1,002,096	942,232	-	-	942,232
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	1,002,096	-	-	1,002,096	942,232	-	-	942,232
2. Others securities	26,784	-	-	26,784	31,144	-	-	31,144
2.1 structured	-	-	-	-	-	-	-	-
2.2 others	26,784	-	-	26,784	31,144	-	-	31,144
Total	1,028,880	-	-	1,028,880	973,376	-	-	973,376

The table indicates public savings consisting of securities that includes, in addition to bonds, also outstanding and matured certificates of deposit to be reimbursed.
All of the liabilities are measured at cost or amortized cost, with the exception for the entries that are the object of specific hedges of the interest rate risk on which the effect of the Swap was capitalized. Liabilities are indicated net of the repurchased bonds.
The aggregate increased with respect to the previous fiscal year by 55,504 thousand Euro (+5.70%),

3.3 Outstanding securities: securities that are the object of specific hedges

Type of operation/values	Total 31/12/2009	Total 31/12/2008
1. Securities subject to specific fair value hedges:		
a) interest rate risk	253,054	225,999
b) exchange rate risk	-	-
c) various risks	-	-
2. Securities subject to specific cash flow hedges:		
a) interest rate risk	-	-
b) exchange rate risk	-	-
c) other	-	-
Total	253,054	225,999

The table indicates the outstanding securities that are the object of a specific hedge.
The object of specific hedges are the fair value of the interest rate risk on the securities issued by the Bank for which the hedge decision was made subsequent to the issue or for which there is the intention to maintain the hedge for the entire contractual duration of the issue.

Section 6 - Hedges - Line item 60

6.1 Hedges: breakdown by type of hedge and by hierarchical level

	Fair value 31/12/2009			Notional value 31/12/2009	Fair value 31/12/2008			Notional value 31/12/2008
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A. Financial derivatives	-	-	476	64,061	-	-	1,256	99,096
1) Fair value	-	-	325	57,000	-	-	1,071	90,500
2) Cash flows	-	-	152	7,061	-	-	185	8,596
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	-	476	64,061	-	-	1,256	99,096

The table indicates the negative balance sheet value (fair value) of hedge contracts, for hedges made using the hedge accounting instrument.
Due to the application of hedge accounting, a series of bonds issued by the Bank were hedged in order to hedge the relative interest rate risk.

6.2 Hedges: breakdown by hedged portfolio and by type of hedge

Operations/Type of hedge	Fair Value						Cash flows		Foreign investments
	Specific					Generic	Specific	Generic	
	interest rate risk	exchange rate risk	credit risk	price risk	various risks				
1. Financial assets available for sale	-	-	-	-	-	-	-	-	-
2. Receivables	-	-	-	-	-	-	152	-	-
3. Financial assets held through maturity	-	-	-	-	-	-	-	-	-
4. Portfolio	-	-	-	-	-	-	-	-	-
5. Other operations	-	-	-	-	-	-	-	-	-
Total assets	-	-	-	-	-	-	152	-	-
1. Financial liabilities	325	-	-	-	-	-	-	-	-
2. Portfolio	-	-	-	-	-	-	-	-	-
Total liabilities	325	-	-	-	-	-	-	-	-
1. Expected transactions	-	-	-	-	-	-	-	-	-
2. Portfolio of financial assets and liabilities	-	-	-	-	-	-	-	-	-

Section 10 - Other liabilities - Line item 100

10.1 Other liabilities: breakdown

	Total 31/12/2009	Total 31/12/2008
1. Various tax entries	3,063	2,203
2. Entries transferred among branch offices	1,251	4,748
3. Differences receivables on offsets of third party portfolios	11,566	10,272
4. Suppliers	1,881	1,617
5. Deferred income not included in its own line item	20,830	520
6. Entries in progress and various creditors	28,926	22,561
Total	67,517	41,921

Section 11 - Employee severance pay - Line item 110

11.1 Employee severance pay: annual variations

	Total 31/12/2009	Total 31/12/2008
A. Initial value	3,646	3,282
B. Additions		
B.1 Allocation during fiscal year	716	524
B.2 Other additions	-	-
C. Reductions		
C.1 Payments made	316	160
C.2 Other reductions	700	-
D. Final value	3,346	3,646
Total	3,346	3,646

Section 12 - Risk and expense funds - Line item 120

12.1 Risk and expense funds: breakdown

Line items/values	Total 31/12/2009	Total 31/12/2008
1. Funds for company pensions	-	-
2. Other Risk and expense funds	1,368	758
2.1 Lawsuits	65	-
2.2 Personnel costs	250	65
2.3 Others	1,053	693
Total	1,368	758

The table indicates an increase of 610 thousand Euro (+80.47%).
Line 2.1 "lawsuits", refers to the Tax Authority for tax sanctions on "Notice with acceptance" for tax periods 2004/2007. Line 2.2 "Personnel costs" includes costs referring to the "Loyalty bonuses" for employees. Line 2.3 "Others" includes the profit fund available to the Board of Directors for charity and mutual aid.

12.2 Risk and expense funds: annual variations

	Pension fund	Other funds	Total 31/12/2009
A. Initial value	-	758	758
B. Additions			
B.1 Allocation during fiscal year	-	1,254	1,254
B.2 Additions due to the passage of time	-	-	-
B.3 Additions due to modifications of the discount rate	-	-	-
B.4 Other additions	-	-	-
C. Reductions			
C.1 Use during the fiscal year	-	644	644
C.2 Reductions due to modifications of the discount rate	-	-	-
C.3 Other reductions	-	-	-
D. Final value	-	1,368	1,368

Section 14 – Shareholders' equity - Line items 130, 150, 160, 170, 180, 190 and 200

14.2 Share capital – Number of shares: annual variations

Line items/Type	Ordinary	Other
A. Outstanding shares at the start of the fiscal year	10,328	-
- entirely unrestricted	10,328	-
- with restrictions	-	-
A.1 Treasury shares (-)	-	-
B.2 Outstanding shares: initial value	10,328	-
B. Additions		
B.1 New issues		
- for payment:	220	-
- mergers	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	220	-
- on a gratuitous basis:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3 Other additions	-	-
C. Reductions		
C.1 Cancellation	371	-
C.2 Buy backs of treasury shares	-	-
C.3 Sales of companies	-	-
C.4 Other reductions	-	-
D. Outstanding shares: final value	10,177	-
D.1 Treasury shares (+)	-	-
D.2 Outstanding shares at the end of the fiscal year	10,177	-
- entirely unrestricted	10,177	-
- with restrictions	-	-

14.3 Share capital: other information - annual variations

	Amount	Number of shares	Number of shareholders
A. Initial value	2,871	10,328	2,970
B. Additions			
B.1 New shareholders	31	111	82
B.2 From revaluation	71	-	-
B.3 From succession	21	74	13
B.4 From other additions	10	35	8
C. Reductions			
C.1 Redemptions	70	252	45
C.2 Partial Redemptions	3	10	-
C.3 From successions	21	74	20
C.4 From other reductions	10	35	7
D. Final value	2,900	10,177	3,001

14.4 Retained earnings: other information - breakdown of share capital

	Total 31/12/2009	Total 31/12/2008
1. Share capital	2,900	2,871
2. Premiums on issue of new shares	239	236
3. Reserves	210,930	195,980
3.1 Ordinary/extraordinary reserves	169,480	157,790
3.2 Statutory reserve	42,214	38,954
3.3 Reserves - Fist Time Adoption I.A.S.	-763	-763
4. (Treasury shares)	-	-
5. Valuation reserves	10,629	3,011
5.1 Financial assets available for sale	-207	-7,825
5.2 Property, plant and equipment	-	-
5.3 Intangible assets	-	-
5.4 Hedges of foreign investments	-	-
5.5 Hedges of cash flows	-	-
5.6 Exchange rate differences	-	-
5.7 Noncurrent assets in the course of divestment	-	-
5.8 Actuarial profits (losses) on defined benefit plans	-	-
5.9 Share of the valuation reserves of equity investments	-	-
5.10 Special revaluation Laws	10,836	10,836
6. Equity instruments	-	-
6. Fiscal year profit (loss)	13,075	16,700
Total	237,773	218,798

14.4 Retained earnings: other information – division and use of fiscal year profits

	Amount	Accounting classification of capital
Ordinary/Legal Reserve	4,769	Increase of Liability line item 160 – Tier 1
Reserve in accordance with Article 6, Legislative Decree 38/2005	6,262	Increase of Liability line item 130 – Tier 2
Statutory Reserve	709	Increase of Liability line item 160 – Tier 1
Shareholders for dividends	172	
Shareholders for gratuitous revaluation of shares	20	Increase of Liability line item 180 – Tier 1
Fund to promote and develop cooperation Law 59/1992	392	
Available to the Board of Directors for charity and mutual aid	750	
Total	13,075	

SCHEDULE ON THE ORIGIN, POTENTIAL USE AND DISTRIBUTION OF THE LINE ITEMS OF SHAREHOLDERS' EQUITY (Article 2427()(no. 7 bis), Italian Civil Code)

In accordance with Article 2427(7-bis) of the Italian Civil Code, the breakdown of shareholders' equity, according to the origin and level of availability and potential distribution of the various entries, is as follows:

	Amount	Possibility of use	Available share	Summary of the loans made in the last three fiscal years	
				To cover losses	For other reasons
Share capital	2,900,445.00	B - C	2,900,445.00		322,930.20
Share premium reserve	239,401.01	B - C	239,401.01		23,652.09
Fund for general bank risks					
Valuation reserves:					
- revaluation reserve pursuant to Law 576/75	11,829.61	A - B - C	11,829.61		
- revaluation reserve pursuant to Law 72/83	695,365.68	A - B - C	695,365.68		
- revaluation reserve pursuant to Law 413/91	273,336.93	A - B - C	273,336.93		
- AFS securities reserve	-207,320.52	B	-207,320.52		
Retained earnings:					
- indivisible legal/statutory reserve	211,693,423.15	B	211,693,423.15		
- reserve from transition to International Accounting Standards	9,091,948.34	B	9,091,948.34		
TOTAL	224,698,429.20		224,698,429.20		
Non distributable share			223,717,896.98		
Residual distributable share			980,532.22		

Value in Euro

Key: A: to increase share capital; B: to cover losses; C: to distribute to the Shareholders

Other information

1. Guarantees given and loans

Operations	Amount 31/12/2009	Amount 31/12/2008
1) Financial guarantees given to	125,986	123,421
a) Banks	2,589	-
b) Customers	123,396	123,421
2) Commercial guarantees given to:	9,843	10,945
a) Banks	283	-
b) Customers	9,560	10,945
3) Irrevocable commitments to disburse funds to	37,303	38,753
a) Banks	5,951	2,613
i) for certain use	5,951	24
ii) for uncertain use	-	2,589
b) Customers	31,352	36,140
i) for certain use	6	36,140
ii) for uncertain use	31,347	-
4)Underlying commitments for credit derivatives: sales of protection	-	-
5) Assets pledged as collateral for third party obligations	-	-
6) Others loans	-	-
Total	173,132	173,119

2. Assets used to guarantee own liabilities and loans

Portfolios	Amount 31/12/2009	Amount 31/12/2008
1. Financial assets held for trading	36,251	19,563
2. Financial assets measured at fair value	-	-
3. Financial assets available for sale	48,004	242,108
4. Financial assets held through maturity	-	-
5. Receivables from banks	-	-
6. Receivables from customers	-	-
7. Property. plant and equipment	-	-

The table indicates the amount of the securities used to guarantee repurchase agreements.

4. Management and trading on behalf of third parties

Type of services	Amount
1. Trading financial instruments on behalf of customers	-
a) Purchases	-
settled	-
not settled	-
b) Sales	-
settled	-
Not settled	-
2. Asset management	657
a) individual	657
b) collective	-
3. Custody and management of securities	2,325,799
a) third party securities on deposit: related to bank performance of the depository bank (excluding asset management)	-
1, securities issued by the bank preparing the balance sheet	-
2. others securities	-
b) third party Securities on deposit (excluding asset management): others	970,899
1. securities issued by the bank that prepares the balance sheet	894,674
2. others securities	76,225
c) third party securities deposited with third parties	943,928
d) treasury securities deposited with third parties	410,972
4. Other transactions	-

Part C – Information on the Income statement

Section 1 - Interest - Line items 10 and 20

1.1 Earned interest and similar income: breakdown

Line items/Technical forms	Debt securities	Loans	Other operations	Total 31/12/2009	Total 31/12/2008
1. Financial assets held for trading	2,114	-	-	2,114	6,362
2. Financial assets available for sale	6,139	-	-	6,139	11,052
3. Financial assets held through maturity	-	-	-	-	-
4., Receivables from banks	-	1,137	-	1,137	3,699
5. Receivables from customers	-	67,032	-	67,032	87,750
6. Financial assets measured at fair value	-	-	-	-	-
7. Hedges	-	-	2,275	2,275	557
8. Other assets	-	-	109	109	289
Total	8,253	68,169	2,383	78,806	109,709

The modification of Circular no. 262 of the Bank of Italy of 18/11/2009 resulted in two important modifications of this table.
The first modification regards interest on impaired assets, which is no longer indicated in a special column, but which is charged to the various original technical forms. The second modification consists of eliminating the line related to interest on assets sold but not derecognized, which is included in the lines related to the portfolios in which such assets continue to be recognized.
In order to make the comparison with the previous fiscal year, the 2008 data was reclassified in accordance with the above specifications..

1.2 Earned interest and similar income: differences relating to hedging

Line items	Total 31/12/2009	Total 31/12/2008
A. Positive differences related to hedging:	5,777	1,989
B. Negative differences related to hedging:	3,503	1,432
C. Balance (A-B)	2,275	557

The table indicates positive interest margins in the amount of 2,275 thousand Euro, which appear from the difference between earned interest (5,777 thousand Euro) and payable interest (3,503 thousand Euro). These differences are the consequence of the transformation from a fixed to a variable interest rate of a series of bonds issued by the Bank which were combined with mirror I.R.S. hedges.

1.3 Earned interest and similar income: other information

1.3.1 Interest earned on financial assets in foreign currency

Line items/values	Total 31/12/2009	Total 31/12/2008
Earned interest on financial assets in foreign currency	619	1,147

1.4 Interest payable and similar expenses: breakdown

Line items/Technical forms	Liabilities	Securities	Other operations	Total 31/12/2009	Total 31/12/2008
1. Payables to central banks	-195	-	-	-195	-
2. Payables to banks	-967	-	-	-967	-6,425
3. Payables to customers	-6,671	-	-	-6,671	-13,871
4. Outstanding securities	-	-34,649	-	-34,649	-36,991
5. Financial liabilities from trading	-	-	-	-	-
6. Financial liabilities measured at fair value	-	-	-	-	-
7. Other liabilities and funds	-	-	-12	-12	-242
8. Hedges	-	-	-115	-115	-3,173
Total	-7,834	-34,649	-127	-42,609	-60,700

The modification of Circular no. 262 of the Bank of Italy of 18/11/2009 changed the procedures for exposure of interest on liabilities with respect to assets that were sold but not derecognized. Due to this variation, the line related to liabilities sold but not derecognized was eliminated from the table, because the interest sustained by the Bank with respect to repurchase agreements on its own securities were recognized in the column "Liabilities" in lines 1,2 and 3 on the basis of the classification of the transaction's counterparty.

1.5 Interest payable and similar expenses: differences related to hedging

	Total 31/12/2009	Total 31/12/2008
A. Positive differences related to hedging:	817	9,684
B. Negative differences related to hedging:	932	12,857
C. Balance (A-B)	-115	-3,173

The table indicates negative interest margins amounting to 115 thousand Euro, which appear from the difference between earned interest (817 thousand Euro) and interest payable (932 thousand Euro). These differences are the consequence of the transformation from a fixed to a variable interest rate of a series of bonds issued by the Bank, which were combined with mirror I.R.S. hedges.

1.6 Interest payable and similar expenses: other information

1.6.1 Interest payable on liabilities in foreign currency

Line items/values	Total 31/12/2009	Total 31/12/2008
Interest payable on financial liabilities in foreign currency	-42	-155

Section 2 - Commissions - Line items 40 and 50

2.1 Commissions earned: breakdown

Type of service/values	Total 31/12/2009	Total 31/12/2008
a) guarantees given	267	201
b) credit derivatives	-	-
c) management, intermediation and consulting services:	1,034	1,337
1 trading financial instruments	9	15
2 trading foreign currencies	289	207
3 asset management	18	20
3.1 individual	18	20
3.2 collective	-	-
4 custody and management of securities	79	103
5 depository Bank	-	-
6 securities placement	98	127
7 receipt and transmission of orders	141	102
8 consulting activity	-	-
8.1 on investments	-	-
8.2 on financial structure	-	-
9 distribution of third party services	400	762
9.1 asset management	-	6
9.1.1, individual	-	6
9.1.2 collective	-	-
9.2 insurance products	37	46
9.3 other products	363	711
d) collection and payment services	3,577	3,752
e) servicing securitizations	-	1
f) factoring services	-	-
g) fiscal year tax collection and payee services	-	-
h) asset management of multilateral exchange systems	-	-
i) maintenance and management of bank accounts	3,784	3,345
j) other services	496	498
Total	9,159	9,135

2.2 Commissions earned: distribution channels of products and services

Channels/values	Total 31/12/2009	Total 31/12/2008
a) at its own branches:	517	910
1. asset management	18	20
2. securities placement	98	127
3. third party services and products	400	762
b) offers outside of its registered office:	-	-
1. asset management	-	-
2. securities placement	-	-
3. third party services and products	-	-
c) other distribution channels	-	-
1. asset management	-	-
2. securities placement	-	-
3. third party services and products	-	-

2.3 Commissions due: breakdown

Services /values	Total 31/12/2009	Total 31/12/2008
a) guarantees received	-	-
b) credit derivatives	-	-
c) management and intermediation services:	-121	-56
1. trading of financial instruments	-2	-7
2. trading of foreign currency	-119	-49
3. asset management	-	-
3.1 own portfolios	-	-
3.2 third party portfolios	-	-
4. custody and management of securities	-	-
5. placement of financial instruments	-	-
6. offers outside of its registered office of financial instruments, products and services	-	-
d) collection and payment services	-1,322	-1,536
e) other services	-9	-1
Total	-1,452	-1,593

Section 3 - Dividends and similar income - Line item 70

3.1 Dividends and similar income: breakdown

Line items/income	Total 31/12/2009		Total 31/12/2008	
	Dividends	Income from shares of mutual funds	Dividends	Income from shares of mutual funds
A. Financial assets held for trading	-	-	3	-
B. Financial assets available for sale	36	-	21	-
C. Financial assets measured at fair value	-	-	-	-
D. Equity investments	-	-	-	-
Total	36	-	24	-

Section 4 - Il Net trading income - Line item 80

4,1 Net trading income: breakdown

Operations/Income components	Capital gains (A)	Trading profits (B)	Capital losses (C)	Trading losses (D)	Net income [(A+B) - (C+D)]
1. Financial assets for trading	668	868	201	61	1,274
1.1 Debt securities	668	783	201	61	1,188
1.2 Equity instruments	-	-	-	-	-
1.3 Shares of mutual funds	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	86	-	-	86
2. Financial liabilities from trading	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-
2.2 Liabilities	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange rate differences	-	-	-	-	-
4. Derivative instruments	-	-	-	-	-
4.1 Financial derivatives	-	-	-	-	-
- On debt securities and interest rates	-	-	-	-	-
- On equity instruments and equity indexes	-	-	-	-	-
- On foreign currency and gold	-	-	-	-	-
- Others	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
Total	668	868	201	61	1,274

The table indicates the economic result from the portfolio of assets held for trading.

Section 5 - Il Net hedging income - Line item 90

5.1 Net hedging income: breakdown

Income components/values	Total 31/12/2009	Total 31/12/2008
A. Income related to:		
A.1 Hedges of fair value	56	70
A.2 Hedged financial assets (fair value)	-	-
A.3 Hedged financial liabilities (fair value)	-	-
A.4 Hedges of cash flows	-	-
A.5 Assets and liabilities in foreign currency	-	-
Total income from hedged assets (A)	56	70
B. Expenses related to:		
B.1 Hedges of fair value	-	-
B.2 Hedged financial assets (fair value)	-	-
B.3 Hedged financial liabilities (fair value)	-	-
B.4 Hedged cash flows	-	-
B.5 Assets and liabilities in foreign currency	-	-
Total expenses for hedged assets (B)	-	-
C. Net hedging income (A-B)	56	70

The table indicates the net income deriving from hedged assets. Therefore, the income components recognized in the income statement derive from the measurement process between liabilities that are the object of hedges and the relative hedge contracts.

Section 6 - Gains (Losses) from disposal/repurchase - Line item 100

6.1 Gains (Losses) from disposal/repurchase: breakdown

Line items/Income components	Total 31/12/2009			Total 31/12/2008		
	Gains	Losses	Net income	Gains	Losses	Net income
Financial assets						
1. Receivables from banks	-	-	-	-	-	-
2. Receivables from customers	-	-	-	-	-	-
3. Financial assets available for sale	2,801	574	2,227	-	185	-185
3.1 Debt securities	2,801	574	2,227	-	185	-185
3.2 Equity instruments	-	-	-	-	-	-
3.3 Shares of mutual funds	-	-	-	-	-	-
3.4 Loans	-	-	-	-	-	-
4. Financial assets held through maturity	-	-	-	-	-	-
Total assets	2,801	574	2,227	-	185	-185
Financial liabilities						
1. Payables to banks	-	-	-	-	-	-
2. Payables to customers	-	-	-	-	-	-
3. Outstanding securities	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-

The table indicates the economic result deriving from the disposal of financial assets other than financial assets held for trading,
With respect to assets available for sale, line item 3.1, there was a positive net income in the amount of 2,227 thousand Euro, of which profits on government bonds (CCT) in the amount of 2,801 thousand Euro and losses on other securities issued by banks in the amount of 574 thousand Euro.

Section 8 - Adjustments/write-backs of value due to impairment - Line item 130

8.1 Adjustments of net value due to impairment of receivables: breakdown

Operations/Income components	Adjustments of value			Write-backs of value				Total 31/12/2009	Total 31/12/2008
	Specific		From portfolio	Specific		From portfolio			
	Derecognition	Other		From interest	Other write-backs	From interest	Other write-backs		
A. Receivables from banks									
- loans	-	-	-	-	-	-	-	-	-
- debt securities	-	-	-	-	-	-	-	-	-
B. Receivables from customers									
- loans	-	-7,269	-3,589	163	1,035	-	1,281	-8,379	-3,378
- debt securities	-	-	-	-	-	-	-	-	-
C. Total	-	-7,269	-3,589	163	1,035	-	1,281	-8,379	-3,378

The table summaries adjustments to value and write-backs of value recorded due to the impairment of receivables from customers.
In particular, the column "Other" includes specific write-downs of impaired receivables subject to “analytical” measurement, while the column "From portfolio" includes adjustments quantified exclusively on receivables in bonis.
The aggregate recorded a significant increase with respect to the previous fiscal year, increasing from 3,378 thousand Euro to 8,379 thousand Euro (+5,001 thousand Euro / +148.05%), consistent with the worsening of the current economic situation and with the use of greater prudence in measuring receivables.

Section 9 - Administrative costs - Line item 150

9.1 Personnel costs: breakdown

Type of expense/Value	Total 31/12/2009	Total 31/12/2008
1) Employees	-15,905	-15,386
a) salaries and wages	-11,205	-10,585
b) social security contributions	-2,767	-2,583
c) severance pay	-	-
d) social security	-	-
e) allocation to employee severance pay	-716	-1,176
f) allocation to pension fund and similar obligations:	-	-
- to a defined contribution plan	-	-
- to a defined services plan	-	-
g) payments to outside complementary pension funds	-423	-358
- to a defined contribution plan	-423	-358
- to a defined services plan	-	-
h) costs deriving from payment agreements based on its own equity instruments	-	-
i) other employee benefits	-795	-684
2) Other personnel	-779	-682
3) Directors and Statutory Auditors	-231	-215
4) Retired personnel	-	-
5) Recovery of expenses for personnel temporarily transferred to other companies	-	-
6) Recovery of expenses for third party personnel temporarily transferred to the company	-	-
Total	-16,916	-16,284

The table indicates an increase of the aggregate in the amount of 632 thousand Euro (+3.88%).

9.2 Average number of employees by category

Description	Number 31/12/2009	Number 31/12/2008
Employees	225	209
a) Managers	3	3
b) Middle management employees	32	32
c) Remaining employees	190	174
Other personnel	17	14
Total	242	223

Precise number of employees by category

Description	Value 31/12/2009	Value 31/12/2008
Employees	234	223
a) Managers	3	3
b) Middle management employees	34	32
c) Remaining employees	197	188
Other personnel	20	18
Total	254	241

9.5 Other administrative costs: breakdown

Line items/values	Total 31/12/2009	Total 31/12/2008
1. Insurers and security	-949	-902
2. Advertising and entertainment	-1,644	-1,355
3. Rent for real property	-885	-804
4. Maintenance, repairs, transformation of real and personal property	-2,252	-2,000
5. Electricity, heating and local clearing	-829	-853
6. Telex, telephone and postage	-1,256	-1,394
7. Costs for data processing	-1,223	-1,185
8. Stamped paper and stationary	-396	-422
9. Fees to outside professionals	-590	-466
10. Expenses for write-backs of value of receivables	-9	-5
11. Technical assistance and maintenance of software products	-398	-451
12. Information and registry searches	-1,270	-1,050
13. Charitable contributions charged to the income statement	-39	-67
14. Expenses for treasury assets	-126	-92
15. Travel and transportation expenses	-381	-303
16. Indirect taxes	-2,700	-2,503
17. Other costs	-661	-410
Total	-15,608	-14,262

Section 11 - Net adjustments/writebacks of value of Property, plant and equipment - Line item 170

11.1 Net adjustments of value of property, plant and equipment: breakdown

Assets/Income component	Depreciation (a)	Adjustments of value due to impairment (b)	Write-backs of value (c)	Net income (a+b-c)
A. Property, plant and equipment				
A.1 Owned	-2,472	-	-	-2,472
- for functional use	-2,472	-	-	-2,472
- for investment	-	-	-	-
A. 2 Acquired in finance leasing	-	-	-	-
- for functional use	-	-	-	-
- for investment	-	-	-	-
Total	-2,472	-	-	-2,472

Section 12 - Net adjustments/writebacks of value of intangible assets - Line item 180

12.1 Net adjustments of value of intangible assets: breakdown

Assets/Income component	Amortization (a)	Adjustments of value due to impairment (b)	Write-backs of value (c)	Net income (a+b-c)
A. Intangible assets				
A.1 Owned	-62	-	-	-62
- Generated internally by the company	-	-	-	-
- Other	-62	-	-	-62
A.2 Acquired in finance leasing	-	-	-	-
Total	-62	-	-	-62

Section 13 – Other management income and expenses - Line item 190

13.1 Others management expenses: breakdown

Line items/values	Total 31/12/2009	Total 31/12/2008
1., Contingent liabilities and non-existent assets	-117	-265
2. Use of the Guarantee Fund for BCC's depositors	-33	-11
3. Depreciation of third party assets	-39	-11
Total	-189	-287

13.2 Other management income: breakdown

Line items/values	Total 31/12/2009	Total 31/12/2008
1. Recovery of expense	2,445	2,291
4. Contingent assets and non-existent liabilities	118	378
5. Other income	-	-
Total	2,563	2,669

Section 14 – Gains and losses from equity investments - Line item 210

14.1 Gains (losses) from equity investments: breakdown

Income component/values	Total 31/12/2009	Total 31/12/2008
A. Income		
1. Revaluations	6,349	24
2. Gains from disposals	476	-
3. Write-backs of value	-	-
4. Other income	-	-
B. Expenses		
1. Write-downs	-	-
2. Adjustments of value from impairment	-	-
3. Losses from disposals	-	-
4. Other expenses	-	-
Net income	6,825	24

Line A.1 "Revaluations" includes the following transactions:
- Revaluation of Cabel Leasing s.p.a. in the amount of 163 thousand Euro for the fiscal year profit achieved by the subsidiary.
- Revaluation of Cabel Holding s.r.l. in the amount of 58 thousand Euro for the fiscal year profit achieved by the subsidiary.
- Revaluation of Cabel Holding s.r.l. in the amount of 1,690 thousand Euro due to revaluations of the subsidiary's real property.
- Revaluation of Cabel Holding s.r.l. in the amount of 4,438 thousand Euro due to revaluations of the subsidiary's equity investments .

Section 17 - Gains (losses) from the disposal of investments - Line item 240

17.1 Gains (losses) from the disposal of investments: breakdown

Income component/ Value	Total 31/12/2009	Total 31/12/2008
A. Property, plant and equipment		
- Gains from disposal	-	-
- Losses from disposal	-	-
B, Other assets		
- Gains from disposal	4	1
- Losses from disposal	-	-9
Net income	4	-8

Section 18 - Fiscal year income taxes on current operations - Line item 260

18.1 Fiscal year income taxes on current operations: breakdown

Income components/values	Total 31/12/2009	Total 31/12/2008
1. Current taxes (-)	-1,425	-4,124
2. Variation of current taxes of previous fiscal years (+/-)	-176	-
3. Reduction of current taxes for fiscal year (+)	-	-
4. Variation of pre-paid taxes (+/-)	981	-132
5. Variation of deferred taxes (+/-)	431	2,587
6. Fiscal year income taxes (-) (1+/-2+3+/-4+/-5)	-189	-1,669

18.2 Reconciliation between theoretical tax burden and effective tax burden in the balance sheet

Line items/values	Total 31/12/2009	Total 31/12/2008
(A) Profit (Loss) from current operations before tax	13,264	18,369
(B) Profit (Loss) of groups of assets in the course of divestment before tax	-	-
(A + B) Profit (Loss) before tax	13,264	18,369
Current Ires tax rate (%)	27,50%	27,50%
Theoretical tax burden	-3,648	-5,052
Other differences	-4,902	-5,104
Irap	-1,444	-1,722
Fiscal year income taxes	-189	-1,669

Section 20 - Other information

Mutual aid

It is noted that the conditions of prevalent traditional cooperation exist and remain.
For such purpose, in accordance with what is provided by Article 2512 of the Italian Civil Code and by Article 35 of Legislative Decree 385/93 and the related Supervisory Instructions, during the course of fiscal year 2009 the Bank satisfied the pre-requisites on prevalent operations with shareholders.
It is documented that "risk assets" for shareholders or zero weighted assets exceeded 50% of the total during the course of fiscal year 2009. Specifically, as of the reporting date of the 2009 Financial Statements, the above ratio was 54.16%.

Part D – Overall Profitability

ANALYTICAL SCHEDULE OF OVERALL PROFITABILITY

Line items	Gross amount	Income tax	Net amount
10. Fiscal year profit (loss)	X	X	13,075
Other income components			
20. Financial assets available for sale:	11,256	3,638	7,618
a) variations of fair value	13,600	4,395	
b) reversal to the income statement	-2,344	-758	
- adjustments due to impairment	-	-	
- gains/losses from use	-2,344	-758	
c) other variations	-	-	
30. Property, plant and equipment	-	-	-
40. Intangible assets	-	-	-
50. Hedges of foreign investments:	-	-	-
a) variations of fair value	-	-	
b) reversal to the income statement	-	-	
c) other variations	-	-	
60. Hedges of cash flows:	-	-	-
a) variations of fair value	-	-	
b) reversal to the income statement	-	-	
c) other variations	-	-	
70. Exchange rate differences:	-	-	-
a) variations of fair value	-	-	
b) reversal to the income statement	-	-	
c) other variations	-	-	
80. Noncurrent assets in the course of divestment:	-	-	-
a) variations of fair value	-	-	
b) reversal to the income statement	-	-	
c) other variations	-	-	
90. Actuarial gains(losses) on defined benefit plans	-	-	-
100. Share of the valuation reserve from measurement of equity investments :	-	-	-
a) variations of fair value	-	-	
b) reversal to the income statement	-	-	
- adjustments due to impairment	-	-	
- gains/losses from use	-	-	
c) other variations	-	-	
110. Total other income components	11,256	3,638	7,618
120. Overall profitability (10+110)			20,693

Part E – Information on risks and the relative hedge policies

Section 1 - Credit risk

Qualitative Information

1. General Information

The Bank's credit policy, as implementation of its cooperative mission, is aimed at providing financial support to local economies in the territory by means of the supply of financial resources to parties who satisfy adequate criteria of creditworthiness.
The size and breakdown of the credit portfolio reflects the financial needs of two specific segments of customers: sound small and mid-sized companies and households.
The Bank favors loans to mid-size companies and to small economic operators because they are entities that, being extraneous to larger financial circuits, require an intermediary of reference, able to understand their needs, satisfy them with recognized qualities of competence, efficiency and executive speed, and that follows their development over time.
In such context lending activity is based on prudence and the initiation of a relationship with borrowers based on reciprocal trust and transparency and which is aimed, even in new regulatory and market contexts, at enhancing the Bank's distinctive aptitude in maintaining personalized and long-term relationships with the economy in the territory by means of efficient internal processes.
The distribution of resources is traditionally based on broad diversification in order to minimize risks.
Exposures of significant amounts towards individual counterparties, or counterparties who are legally and/or economically related, are constantly monitored and maintained within extremely prudent thresholds in relation to the Bank's capital and economic equilibrium.
The credit portfolio is also broadly diversified with respect to economic sectors and/or geographic areas in such a way as to contain eventual negative impacts due to reduced performance.
The strategic and management guidelines discussed herein were not modified during the year in course with respect to the previous fiscal year.

2. Credit risk management policies

2.1. Organizational aspects

The factors that generate credit risk originate from the possibility that an unexpected variation of a counterparty's creditworthiness, with respect to whom there is exposure, generates a corresponding unexpected variation of the market value of the credit position.
Therefore, a manifestation of credit risk must be considered to be not only the possibility of a counterparty's insolvency, but also the simple impairment of its creditworthiness.
Management of the credit process is aimed at maximum efficiency, oriented towards personalization with respect to the customer, and provides a series of controls intended to mitigate risks in its individual phases and sub-phases.
The procedures and organizational structure provided for this purpose have been formalized, clearly specifying activities, roles and responsibilities. Said procedures have been formalized in "Credit Rules".
In order to avoid conflicts of interest, the necessary separation is ensured between operative functions and control functions, with the determination of levels of responsibility.
The system of delegations of lending authority, approved by the Board of Directors in compliance with the principle of «cascade» delegations of authority, provides for fairly prudent lending limits to be delegated to the branch structures.
The bodies and principal corporate departments that supervise the lending process are indicted below, as well as their primary responsibilities.
– The *Board of Directors.* Supervises and oversees the proper allocation of resources, and specifically:

- determines strategic lines and credit policies;
- determines the criteria for the recognition, management and measurement of risks;
- approves the structure of the system of delegations of authority and controls that they are properly exercised;
- verifies that the organization of control functions is determined coherently with strategic guidelines, and that they have appropriate autonomy of judgment and qualitatively and quantitatively adequate resources.

- The *Executive Committee* deliberates within the scope of powers delegated by the Board of Directors.
– *General Management.* Implements the strategies and policies determined by the Board of Directors, and specifically:

- prepares adequate rules, activities, procedures and organizational structures to ensure the adoption and maintenance of an efficient credit process and a solid risk control system associated with it;
- verifies the adequacy and functioning of the above components, including in view of internal and external changes that affect the Bank;
- takes the necessary measures to eliminate any shortcomings or dysfunctions that might eventually be disclosed. Further, it deliberates within the scope of its delegated powers.

– The *Branches.* They are assigned the primary task of managing the relationship with borrowers/customers in the process of becoming borrowers. They acquire the documentation, make an initial selection of applications, decide directly on the applications for which they are competent and transmit those beyond their scope of competence to higher Bodies, accompanied by their opinion.
– The *Coordination structures (Area Manager).* They ensure fundamental support to the branches in managing the more complex credit positions and/or which present factors of a critical nature. They review credit applications, deliberate with respect to those for which they are competent and express an opinion of merit on those transmitted to higher Bodies.
– *The Central Risk Area*. Supports, by means of the Secretariat risk office, the central deliberating bodies by receiving the credit applications from the branches, verifies formal accuracy and completeness, completes the credit application process. It deliberates with respect to those for which it is competent, and expresses an opinion of merit on those transmitted to higher Bodies.
– *The Credit Control Office*. Monitors the accounts entrusted to it, identifies those that appear to be anomalous and, based on their gravity, places them under observation or proposes to restructure them, assign them to the watchlist, or classify them as non performing.
– *The Legal and Claims Department.* Provides the system with consulting services and legal assistance. Specifically, it takes the necessary legal action to recover receivables for «non performing» accounts and, together with the Credit Control Office, performs extrajudicial activity.
– *The Inspector's Office.* Verifies the functioning of controls and compliance with rules and procedures. In particular, it verifies compliance with the criteria for the proper classification of receivables.
– *Risk Committee – Credit Risk Department.* Composed of the managers of the Central Risk Area's Secretariat, Credit Control Office, Legal-Claims Department, Inspector's Office and Organizational Office, performs consulting activity and assistance to the General Management in determining the

means, activities, and procedures aimed at ensuring the adoption and maintenance of an efficient credit process and a solid system of risk control associated with it. Specifically, the Committee in staff to the Managing Director acts as a point of synthesis with respect to the supervision of the internal control system. In accordance with various kinds of analysis, it analyzes the risk level of the portfolio of receivables, produces the relative informational flows, and makes them available to the competent bodies and operative functions.

2.2 Management, measurement and control systems

The individual articulations of the structure involved in the various phases of the credit process perform the controls commonly defined as «frontline or first level», aimed at guaranteeing the propriety of the procedures followed. The Inspector's Office works on "second level" controls and the Internal Audit department acts transversally with respect to the entire system..

The borrowing positions are subject to periodic review aimed at determining, in relation to the situations discovered at the time of the credit application process, the continuation of the conditions of the borrower's solvency as well as that of any eventual guarantors, credit quality, validity and level of protection of the relative security, and profitability of the conditions applied in relationship to the risk profile.

The fiduciary positions are subject to supervision and monitoring in order to timely ascertain the occurrence or continuation of eventual anomalies by means of early warning instruments and procedures.

In such context, an important role is granted to the Bank's offices that hold the loan accounts in that, by maintaining relationships with customers, they are able to immediately perceive eventual signals of impairment; their activity is integrated by that of the Credit Control Office.

As support to the governance activities of the credit processes, the Bank has implemented specific procedures, both for the phases of the credit application/deliberative process as well as for the phases of the measurement/control of credit risk.

Specifically, the application process and decision are regulated by a decision-making bureaucratic procedure in which the diverse competent bodies, belonging both to the central structures as well as that of the network, intervene on the basis of the levels of the delegations of authority granted.

Such phases are supported by the "Electronic Line of Credit Procedure", which allows verification (at any time and by all of the departments entrusted with credit management) of the status of each borrower or in the phase of becoming a borrower. Such procedure also allows the process that has led to the valuation of creditworthiness of the borrower to be reconstructed at any time, monitoring the various steps leading to the decision and the kinds of analysis made.

The measurement, control and monitoring of the credit risk trend is based on a procedure that indicates the risk factors, actual or potential for each account, and thus the relative risk profile.

The constant monitoring of the indications provided by the procedure, made by the network's staff (responsible for the first level controls), but also by the central units entrusted with the same, allows timely intervention as soon as anomalous positions arise and the opportune measures to be taken in cases of problematic receivables.

A model has currently been determined for the attribution of an internal rating to the Bank's "business" customers. Such rating consists of a synthetic final score determined on the basis of a series of qualitative considerations, and its insertion in the credit management process (from issue to the monitoring and control of the relative risk level) has been implemented, attributing the network of branch offices graduated authority with regard to amounts and the applicable economic conditions in relation to the business customer's rating class. The objective is that of increasingly utilizing it for management purposes as a synthetic index of the counterpart's creditworthiness. With respect to the new regulations on Share Capital (the so-called Basel II regulations), it is noted that the Bank, in order to calculate the equity coefficient relative to the credit risk, has for the time being opted to use the "standard" method.

During the credit application process, as well as during the issue and monitoring phases, controls are made of the concentration of risks with reference to significant exposure with regard to individual counterparts or groups of counterparts that are legally or economically related.

For such purpose, individual limits are used as references for major loans which, according to the outstanding supervisory system, constitute a «large risk».

2.3 Techniques for mitigating credit risk

In line with the Bank's objectives and strategies, the principal form of mitigation of the credit risk related to lending activity is represented by the technical form of a guarantee. The Bank acquires the typical guarantee found in banking activity: primarily collateral consisting of real property and financial instruments, as well as personal security.

The latter, represented above all by generic limited bank guarantees, are issued in almost all cases by individuals and manufacturers whose creditworthiness, object of a specific rating, is deemed adequate.

Whether or not security has been offered is considered when weighing the overall credit that can be granted to a customer or to the legal and/or economic group to which it might belong.

Prudential «discounts» are applied to the estimated value of the collateral offered by the counterpart, in proportion to the type of hedge provided (mortgages on real property, pledges on cash or other financial instruments).

Structural configurations and processes are used during the acquisition, appraisal/valuation, control and realization phases of the guarantee aimed at ensuring, over time, enforceability against third parties and general enforceability.

The controls in object are performed by centralized structures that are separate from those that disburse and review the loan; the Inspector's Office ensures that the assets are managed properly and prudently by means of periodic controls.

No significant changes were registered with respect to the information provided above during the course of the fiscal year.

2.4 Impaired financial assets

Risk profiles are supervised during all of the administrative phases that characterize the fiduciary relationship and, specifically, by means of an efficient supervisory and monitoring activity aimed at formulating timely assessments of eventual anomalies as soon as they arise.

Receivables that give signals of particularly serious impairment are classified as «impaired» and, depending on the type and gravity of the anomaly, are divided into the following categories:

– *Non performing*, total of the existing exposure with parties in states of insolvency or in substantially comparable situations, regardless of the security guaranteeing them and/or eventual loss forecasts;

– *Watchlist*, total of the existing exposure with respect to borrowers who are in temporary situations of objective difficulty, which it is expected can be eliminated within a suitable period of time;

– *Restructured*, exposure for which, due to the deterioration of the borrower's economic-financial conditions, modifications are agreed to the original contractual conditions that result in a loss;

– *Overdue/Overdue/overdrawn*, exposure that remains unpaid and/or overdue/overdrawn in a continuous manner according to parameters of amounts and duration determined by outstanding supervisory measures.
Receivables that do not fall within the above categories are considered to be performing (*in bonis)*.
The management of «impaired» receivables requires suitable initiatives with respect to the gravity of the situation, in order to bring them back within normal limits or, in the event this is not possible, implementation of adequate credit recovery procedures.

More specifically, with regard to accounts that are:
– *non performing,* the opportune credit recovery procedures are implemented; in the event circumstances allow it, repayment plans are prepared and/or settlement proposals are evaluated aimed at the definitive closure of the relationship extra-judicially when required by criteria of economic considerations;
– *watchlist,* they are restored when the original conditions of creditworthiness and the economic conditions of the relationship are restored within a suitable period of time, or when, after determining that such solution is impossible, the necessary measures are taken to transfer these accounts to non performing accounts;
– *restructured,* precise compliance with the conditions that had been agreed upon is verified over time. The qualification as a restructured account remains, except that after a suitable period of time has elapsed from the date of stipulation of the restructuring agreement and upon verifying the restoration of conditions of full solvency as well as the lack of unpaid items on all existing credit lines, the return of the customer to «*in bonis*» status is provided. Upon verification of the first breach by the borrower, whatever steps are required to transfer the account to watchlist or non performing are taken;
– *overdue*, their development is monitored and timely attempts are made to bring the account back to a normal situation; upon verifying the effective state of the borrower's financial difficulty and when the necessary conditions exist, whatever steps are required to transfer the account to watchlist or non performing are taken.

Adjustments of value are made in strict compliance with laws and regulations and in accordance with principles of absolute prudence. The ratings, due to the use of reliable and rigorous calculation methodology and the frequent updating of their underlying factors, are adequate with respect to the portfolio's effective risk level.

Quantitative Information

A. Credit quality

A.1 Exposure to impaired and in bonis receivables: amount, adjustments to value, dynamics, economic and territorial distribution

A.1.1 Distribution of financial assets by the portfolio to which they belong and by credit quality (balance sheet value)

Portfolio/type	Non performing	Watchlist	Restructured accounts	Overdue/overdrawn accounts	Other assets	Total 31/12/2009
1. Financial assets held for trading	-	-	-	-	185,418	185,418
2. Financial assets available for sale	-	-	-	-	222,913	222,913
3. Financial assets held through maturity	-	-	-	-	-	-
4. Receivables from banks	-	-	-	-	207,370	207,370
5. Receivables from customers	23,270	89,371	-	26,206	1,438,081	1,576,928
6. Financial assets measured at fair value	-	-	-	-	-	-
7. Financial assets in the course of divestment	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	-	4,202	4,202
Total 31/12/2009	23,270	89,371	-	26,206	2,057,984	2,196,831
Total 31/12/2008	12,822	44,997	-	14,584	1,943,758	2,016,161

The table indicates classification by type of receivables of the entire portfolio of financial assets, with the exception of equity instruments and shares of mutual funds amounting to 846 thousand Euro.
The values indicated are those of the balance sheet, net, therefore, of the relative impaired loans.

A.1.2 Distribution of financial assets by portfolio to which they belong and by credit quality (gross and net values)

Portfolio/type	Impaired assets			In bonis			Total (Net exposure)
	Gross exposure	Specific adjustments	Net exposure	Gross exposure	Portfolio adjustment	Net exposure	
1. Financial assets held for trading	-	-	-	185,418	-	185,418	185,418
2. Financial assets available for sale	-	-	-	222,913	-	222,913	222,913
3. Financial assets held through maturity	-	-	-	-	-	-	-
4. Receivables from banks	-	-	-	207,370	-	207,370	207,370
5. Receivables from customers	158,883	20,036	138,847	1,439,046	965	1,438,081	1,576,928
6, Financial assets measured at fair value	-	-	-	-	-	-	-
7. Financial assets in the course of divestment	-	-	-	-	-	-	-
8. Hedges	-	-	-	4,202	-	4,202	4,202

Total 31/12/2009	158,883	20,036	138,847	2,058,950	965	2,057,984	2,196,831
Total 31/12/2008	83,623	11,220	72,403	1,944,711	953	1,943,758	2,016,161

The table indicates the classification by type of receivables of the entire portfolio of financial assets, with the exception of equity instruments and shares in mutual funds amounting to 846 thousand Euro

The values indicated are taken from the balance sheet, and thus net of the relative impaired loans.

A.1.3 Cash and off balance sheet exposure to banks: gross and net values

Type of exposure/value	Gross exposure	Adjustments to specific value	Adjustments to portfolio value	Net exposure
A, CASH EXPOSURE				
a) Non performing	-	-	-	-
b) Watchlist	-	-	-	-
c) Restructured accounts	-	-	-	-
d) Overdue/overdrawn accounts	-	-	-	-
e) Other assets	291,395	-	-	291,395
TOTAL A	291,395	-	-	291,395
B. OFF BALANCE SHEET EXPOSURE				
a) Impaired	-	-	-	-
b) Other	8,823	-	-	8,823
TOTAL B	8,823	-	-	8,823
TOTAL A+B	300,218	-	-	300,218

The cash values indicated are taken from the balance sheet, net of relative impaired loans. In addition to asset line item 60, parts of asset line items 20, and 40 were included, amounting to 84,024 thousand Euro

A.1.6 Cash exposure and off balance sheet exposure to customers: gross and net values

Type of exposure/values	Gross exposure	Adjustments to specific value	Adjustments to portfolio value	Net exposure
A. CASH EXPOSURE				
a) Non performing	38,265	14,994	-	23,270
b) Watchlist	93,270	3,899	-	89,371
c) Restructured accounts	-	-	-	-
d) Overdue/overdrawn accounts	27,349	1,143	-	26,206
e) Other assets	1,763,353	-	965	1,762,388
TOTAL A	1,922,236	20,036	965	1,901,234
B. OFF BALANCE SHEET EXPOSURE				
a) Impaired	10,563	-	-	10,563
b) Other	153,746	-	-	153,746
TOTAL B	164,309	-	-	164,309

The table indicates, with reference to accounts with customers, the breakdown by type of receivable. Specifically, all financial assets regarding customers are reported, taken from balance sheet line items "20 - Financial assets held for trading", "40 - Financial assets available for sale", and "70 - Receivables from customers". Equity instruments and shares of mutual funds amounting to 846 thousand Euro were excluded, as well as securities issued by banks in the amount of 84,024 thousand Euro

A.1.7 Cash exposure to customers: dynamics of gross impaired accounts

Variables/Categories	Non performing	Watchlist	Restructured accounts	Overdue/overdrawn accounts
A. Initial gross exposure	22,577	46,103	-	14,943
- of which: exposure disposed of but not derecognized	-	-	-	-
B. Additions				
B.1 entry from receivables in bonis	14,886	57,750	-	24,246
B.2 transfers from other categories of impaired exposure	7,969	5,370	-	-
B.3 other additions	3,338	6,884	-	369
C. Reductions				
C.1 transfers to receivables in bonis	1	13,196	-	6,413
C.2 derecognition	-	-	-	-
C.3 collections	1,697	-	-	45
C.4 income from disposals	-	-	-	-
C.5 transfers to other categories of impaired exposure	-	7,857	-	5,482
C.6 other reductions	8,808	1,784	-	268

D. Final gross exposure	38,265	93,270	-	27,349
- of which: exposure disposed of but not derecognized	-	-	-	-

A.1.8 Cash exposure to customers: dynamics of adjustments to overall value

Variables/Categories	Non performing	Watchlist	Restructured accounts	Overdue/overdrawn accounts
A. Initial overall adjustments	9,755	1,106	-	359
- of which: exposure disposed of but not derecognized	-	-	-	-
B. Additions				
B.1 adjustments to value	5,574	520	-	45
B.2 transfers from other categories of impairment exposure	-	129	-	-
B.3 other additions	644	2,664	-	1,025
C. Reductions	-	-	-	-
C.1 write-backs of value from measurement	-	-	-	-
C.2 write-backs of value from collections	685	38	-	-
C.3 derecognition	-	-	-	-
C.4 transfers to other categories of impairment exposure	-	-	-	129
C.5 Other reductions	294	483	-	157
D. Final overall adjustments	14,994	3,899	-	1,143
- of which: exposure disposed of but not derecognized	-	-	-	-

A.2 Classification of exposure based on external and internal ratings

A.2.1 Distribution of cash and off balance sheet exposure by class o f external rating

Exposure	Classes of external ratings						Without rating	Total 31/12/2009
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Cash exposure	8,626	461,268	5,094	-	-	-	1,717,640	2,192,629
B. Derivatives								
B,1 Financial derivatives	1,720	2,328	-	-	-	-	154	4,202
B.2 Credit derivatives	-	-	-	-	-	-	-	-
C. Security given	-	-	-	-	-	-	173,132	173,132
D. Commitments to issue funds	-	-	-	-	-	-	-	-
Total	10,346	463,596	5,094	-	-	-	1,890,927	2,369,963

Class 1 = AAA/AA-
Class 2 = A+/A-
Class 3 = BBB+/BBB-
Class 4 = BB+/BB-
Class 5 = B+/B-
Class 6 = Lower than B-
The exposure considered was taken from the balance sheets present in the previous tables A.1.3 (exposure to banks) and A.1.6 (exposure to customers), as well as Hedges.

A.3 Distribution of secured exposure by type of guarantee

A.3.2 Secured off balance sheet exposure to customers - part 1

	Net exposure value	Collateral (1)		
		Property, plant and equipment	Securities	Other collateral
1. Secured cash exposure:				
1,1 totally secured	1,225,637	995,462	23,428	665
- of which impaired	132,946	113,146	1,765	27
1.2 partially secured	62,056	-	26,962	40
- of which impaired	1,062	-	523	-
2 Secured off balance sheet exposure:				
2.1 totally secured	64,695	1,767	5,420	1,901
- of which impaired	5,415	474	761	192
2.2 partially secured	15,815	-	816	3,020
- of which impaired	708	-	-	-

A.3.2 Secured exposure to customers - part 2

	Personal security (2)									Total (1)+(2)
	Credit derivatives					Receivables endorsement				
	CLN	Other derivatives: Governments and central banks	Other derivatives: Other public entities	Other derivatives: Banks	Other derivatives: Others parties	Governments and central banks	Others public entities	Banks	Others parties	
1. Secured cash exposure:										
1.1 totally secured	-	-	-	-	-	-	478	199	200,211	1,220,443
- of which impaired	-	-	-	-	-	-	-	-	17,994	132,932
1.2 partially secured	-	-	-	-	-	-	-	-	5,876	32,878
- of which impaired	-	-	-	-	-	-	-	-	65	588
2 Secured off balance sheet exposure:										
2.1 totally secured	-	-	-	-	-	-	-	-	54,554	63,643
- of which impaired	-	-	-	-	-	-	-	-	3,932	5,358
2.2 partially secured	-	-	-	-	-	-	-	-	3,710	7,546
- of which impaired	-	-	-	-	-	-	-	-	17	17

B. Distribution and concentration of secured credit

B.1 Cash and off balance sheet exposure to customers (balance sheet value) by sector - part 1

Exposure/Offsets	Governments			Others public entities		
	Net exposure	Special adjustments to value	Portfolio adjustments	Net exposure	Special adjustments to value	Portfolio adjustments
A. Cash exposure						
A.1 Non performing	-	-	-	-	-	-
A.2 Watchlist	-	-	-	-	-	-
A.3 Restructured accounts	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	-	-	-	-	-	-
A.5 Other exposure	314,166	-	-	7,438	-	-
TOTAL A	314,166	-	-	7,438	-	-
B. Off balance sheet exposure						
B.1 Non performing	-	-	-	-	-	-
B.2 Watchlist	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposure	-	-	-	940	-	-
TOTAL B	-	-	-	940	-	-
TOTAL (A+B) 31/12/2009	314,166	-	-	8,378	-	-
TOTAL (A+B) 31/12/2008	315,379	-	-	8,022	-	5

B.1 Cash and "off balance sheet" exposure to (balance sheet value) by sector- part 2

Exposure/Counterparties	Finance companies			Insurers		
	Net exposure	Special adjustments to value	Portfolio adjustments	Net exposure	Special adjustments to value	Portfolio adjustments
A. Cash exposure						
A.1 Non performing	-	-	-	-	-	-
A.2 Watchlist	-	-	-	-	-	-
A.3 Restructured accounts	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	-	-	-	-	-	-
A.5 Other exposure	76,305	-	21	8,626	-	-
TOTAL A	76,305	-	21	8,626	-	-
B. Off balance sheet exposure						
B.1 Non performing	-	-	-	-	-	-
B.2 Watchlist	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposure	403	-	-	6	-	-
TOTAL B	403	-	-	6	-	-
TOTAL (A+B) 31/12/2009	76,707	-	21	8,632	-	-
TOTAL (A+B) 31/12/2008	71,249	-	45	7,342	-	-

B.1 Cash and "off balance sheet" exposure to customers (balance sheet value) by sector) - part 3

Exposure/Offsets	Non finance companies			Others parties		
	Net exposure	Special adjustments to value	Portfolio adjustments	Net exposure	Special adjustments to value	Portfolio adjustments
A. Cash exposure						
A.1 Non performing	16,124	11,720	-	7,146	3,274	-
A.2 Watchlist	65,376	2,852	-	23,995	1,047	-
A.3 Restructured accounts	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	10,963	478	-	15,242	665	-
A.5 Other exposure	720,226	-	499	635,626	-	445
TOTAL A	812,690	15,050	499	682,009	4,986	445
B. "Off balance sheet" exposure						
B.1 Non performing	1,563	-	-	-	-	-
B.2 Watchlist	8,100	-	-	900	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposure	130,018	-	-	22,380	-	-
TOTAL B	139,681	-	-	23,280	-	-
TOTAL (A+B) 31/12/2009	952,371	15,050	499	705,289	4,986	445
TOTAL (A+B) 31/12/2008	923,273	7,450	1,471	675,965	2,304	897

B.2 Cash and "off balance sheet" exposure to customers (balance sheet value) by territory - part 1

Exposure/Geographic areas	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	Net exposure	Adjustments overall value	Net exposure	Adjustments overall value	Net exposure	Adjustments overall value	Net exposure	Adjustments overall value	Net exposure	Adjustments overall value
A. Cash exposure										
A.1 Non performing	23,270	14,994	-	-	-	-	-	-	-	-
A.2 Watchlist	89,371	3,899	-	-	-	-	-	-	-	-
A.3 Restructured accounts	-	-	-	-	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	26,205	1,143	-	-	-	-	-	-	-	-
A.5 Other exposure	1,759,754	965	2,634	1	-	-	-	-	-	-
TOTAL (A)	1,898,600	21,001	2,634	1	-	-	-	-	-	-
B. "Off balance sheet" exposure										
B.1 Non performing	1,563	-	-	-	-	-	-	-	-	-
B.2 Watchlist	8,999	-	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-	-	-
B.4 Other exposure	153,746	-	-	-	-	-	-	-	-	-
TOTAL (B)	164,309	-	-	-	-	-	-	-	-	-
TOTAL (A + B) 31/12/2009	2,062,909	21,001	2,634	1	-	-	-	-	-	-
TOTAL (A + B) 31/12/2008	1,994,369	12,173	6,859	-	-	-	-	-	-	-

The cash exposure indicated in the chart (1,901,234 thousand Euro) is measured in the balance sheet net of impaired assets distributed throughout the territory according to the counterparty's country of residence.
Specifically, all financial assets with respect to customers indicated are recorded in balance sheet line items "20 - Financial assets held for trading", "40 - Financial assets available for sale", and "70 - Receivables from customers". Equity instruments and shares of mutual funds in the amount of 846 thousand Euro have been excluded, as well as securities issued by banks equivalent to 84,024 thousand Euro

B.2 Cash and "off balance sheet" exposure to customers (balance sheet value) by territory - part 2

Exposure/Geographic areas	NORTH WEST ITALY		NORTH EAST ITALY		CENTRAL ITALY		SOUTHERN ITALY AND ISLANDS	
	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value
A. Cash exposure								
A.1 Non performing	-	5	271	104	22,998	14,600	1	285
A.2 Watchlist	-	-	-	-	89,362	3,898	9	-
A.3 Restructured accounts	-	-	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	-	-	4	-	25,698	1,121	504	22
A.5 Other exposure	5,137	4	4,398	3	1,427,102	957	1,443	1
TOTAL (A)	5,138	8	4,673	108	1,565,160	20,576	1,957	309
B. "Off balance sheet" exposure								
B.1 Non performing	-	-	-	-	1,563	-	-	-
B.2 Watchlist	-	-	-	-	8,999	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-
B.4 Other exposure	1,445	-	116	-	152,180	-	5	-
TOTAL (B)	1,445	-	116	-	162,743	-	5	-
TOTAL (A + B) 31/12/2009	6,583	8	4,789	108	1,727,903	20,576	1,962	309

Cash exposure indicated in the table (1,576,928 thousand Euro) is the exposure measured in the balance sheet, net of impaired assets distributed by territory according to the macro-area of the counterparty's residency. Specifically, all financial assets regarding customers were taken from balance sheet line item "70 - Receivables from customers",

B.3 Cash and "off balance sheet" exposure to banks (balance sheet value by territory - part 1

Exposure/Geographic areas	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value
A. Cash exposure										
A.1 Non performing	-	-	-	-	-	-	-	-	-	-
A.2 Watchlist	-	-	-	-	-	-	-	-	-	-
A.3 Restructured accounts	-	-	-	-	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	-	-	-	-	-	-	-	-	-	-
A.5 Other exposure	286,388	-	2,494	-	2,343	-	93	-	76	-
TOTAL (A)	286,388	-	2,494	-	2,343	-	93	-	76	-
B. "Off balance sheet" exposure										
B.1 Non performing	-	-	-	-	-	-	-	-	-	-
B.2 Watchlist	-	-	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-	-	-
B.4 Other exposure	11,121	-	941	-	-	-	-	-	12	-
TOTAL (B)	11,121	-	941	-	-	-	-	-	12	-
TOTAL (A + B) 31/12/2009	297,509	-	3,435	-	2,344	-	93	-	88	-
TOTAL (A + B) 31/12/2008	183,814	-	2,187	-	1,907	-	116	-	27	-

The values of cash exposure to banks cash (291,395 thousand Euro) are those of the balance sheet, net of impaired loans. In addition to asset line item 60, parts of asset line items 20 and 40 were included in the amount of 84,024 thousand Euro

The data is distributed territorially according to the country of the counterparty's residence.

B.3 Cash and "off balance sheet" exposure to banks (balance sheet value) by territory - part 2

Exposure/Geographic areas	NORTH WEST ITALY		NORTH EAST ITALY		CENTRAL ITALY		SOUTHERN ITALY AND ISLANDS	
	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value	Net exposure	Overall adjustments of value
A. Cash exposure								
A.1 Non performing	-	-	-	-	-	-	-	-
A.2 Watchlist	-	-	-	-	-	-	-	-
A.3 Restructured accounts	-	-	-	-	-	-	-	-
A.4 Overdue/overdrawn accounts	-	-	-	-	-	-	-	-
A.5 Other exposure	12,680	-	-	-	278,715	-	-	-
TOTAL (A)	12,680	-	-	-	278,715	-	-	-
B. "Off balance sheet" exposure								
B.1 Non performing	-	-	-	-	-	-	-	-
B.2 Watchlist	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-
B.4 Other exposure	2,925	-	5,000	-	4,149	-	-	-
TOTAL (B)	2,925	-	5,000	-	4,149	-	-	-
TOTAL (A + B) 31/12/2009	15,605	-	5,000	-	282,864	-	-	-

The cash values indicated (291,395 thousand Euro) are those of the balance sheet, net of impaired loans. In addition to Asset line item 60, parts of Asset line items 20 and 40 were included in the amount of 84,024 thousand Euro

The data is distributed by territory according to the macro-area of the counterparty's residence.

B.5 Large risks

Description	31/12/2009	31/12/2008
a, Amount of large risks	75,864,60	61,833,92
b, Number of large risks	2	2

According to the provisions of the Bank of Italy, "large risks" consist of weighted cash loans, endorsements and commitments to customers or groups of "related" customers that exceed 10% of the regulatory capital.

C. Securitizations and the assignment of assets

Qualitative Information

1. Pontormo Funding S.r.l. securitization

The securitization with SPV Pontormo Funding s.r.l. was performed on 08/10/2007. The initial amount of the assigned loans corresponded to 4,739,750.07 Euro. In exchange for the assignment of these receivables a Junior note was subscribed for 522,096.00 Euro (nominal value 451,000.00 plus a cash reserve of 71,096.00 Euro), the Bank paid 156,075.00 Euro for up-front commissions (entirely allocated to the income statement), took over a collateral cash reserve of 24,244.07 Euro, and collected 4,037,335.00 Euro. The securitization in question is a "traditional" multi-originators and revolving securitization, whose object are performing receivables related to residential or company mortgage loans. The SPV's interest rate risk is hedged by a "Back to back swap" that the banks stipulated with the counterpart Ixis Corporate & Investment Bank. The other originators of Pontormo Funding s.r.l. are the Banca di Credito Cooperativo of Fornacette, Castagneto Carducci, and Viterbo, the overall amount of the operation at the time of the termination of the revolving is expected to be 400,000,000.00 Euro, the maximum amount that regards us is 70,000,000.00 Euro. It is represented in the financial statements as follows: the residual amount, at amortized cost, of the securitized loans totaling 2,502,876.96 Euro was allocated to asset line item 70; the net cash reserve of 70,065.93 Euro was allocated to asset line item 150; liabilities for assets sold but not derecognized totaling 2,754,869.99 Euro were allocated to liability line item 20; earned income on assets sold but not derecognized was calculated as 101,123.51 Euro and allocated to line item 10 of the income statement; and 524,338.64 Euro of the Junior note was cancelled.

The securitization in question involved the parties listed below:

- Issuer vehicle company:	Pontormo Funding S.r.l. having its registered office in Empoli (FI);
- Originators:	Banca Credito Cooperativo di Cambiano S.c.p.a. having its registered office in Castelfiorentino (FI); Banca Credito Cooperativo di Fornacette S.c.p.a. having its registered office in Calcinaia (PI); Banca Credito Cooperativo di Castagneto Carducci S.c.p.a. having its registered office in Castagneto Carducci (LI); Banca di Viterbo Credotp Cooperativo s.c.p.a. having its registered office in Viterbo (VT);
- Servicers:	Banca Credito Cooperativo di Cambiano S.c.p.a. having its registered office in Castelfiorentino (FI); Banca Credito Cooperativo di Fornacette S.c.p.a. having its registered office in Calcinaia (PI); Banca Credito Cooperativo di Castagneto Carducci S.c.p.a. having its registered office in Castagneto Carducci (LI); Banca di Viterbo Credito Cooperativo s.c.p.a. having its registered office in Viterbo (VT);
- Corporate service provider:	Cabel Holding S.r.l. having its registered office in Empoli (FI);
- Noteholders' Representative:	Bank of New York having its registered office in London;
- Arrangers:	Ixis Corporate Investment Banking having its registered office in London;
- Advisor to the Originators:	Invest Bank S.p.a. having its registered office in Empoli (FI);
- Calculation Agent:	Invest Bank S.p.a. having its registered office in Empoli (FI);
- Registrar:	Bank of New York having its registered office in Milan;
- Bank Account Provider:	Bank of New York having its registered office in London;
- Cash Manager:	Invest Bank S.p.a. having its registered office in Empoli (FI);
- Legal assistance:	SJ Berwin LLP having its registered office in Milan;
- Project development:	Invest Bank s.p.a. having its registered office in Empoli (FI);
- Coordination of data collection:	Cabel Industry S.p.a. having its registered office in Empoli (FI);
- Rating Agency:	Standard and Poors having its registered office in London. Moody's having its registered office in London.

The Pontormo Funding s.r.l. securitization has, de facto, temporarily been suspended because the Senior Noteholder "Natexis" did not renew its undertaking to make further investments related to the "senior" note subscribed to.

Breakdown of the receivables portfolio assigned by the "originator" banks to the vehicle company Pontormo Funding S.r.l. - Classification of by "originator" – reference to initial assignment (at nominal value):

Originators	Amounts	%
BCC Cambiano	4,739,750.00	4.84
BCC Fornacette	45,049,579.00	45.97
BCC Castagneto Carducci	33,208,325.00	33.89
BCC Viterbo	14,998,210.00	15.30
Total receivables assigned	97,995,864.00	100.00

Breakdown of the portfolio of receivables assigned by the "originator" Banks to the vehicle company Pontormo Funding S.r.l. - Classification by "originator" (at nominal value) – Reference to 31/12/2009:

Originators	Amounts	%
BCC Cambiano	2,499,891.00	1.64
BCC Fornacette	72,068,664.00	47.24
BCC Castagneto Carducci	69,076,287.00	45.28
BCC Viterbo	8,915,227.00	5.84
Total receivables assigned	152,560,069.00	100.00

The vehicle company issued the following notes (absolute values) with respect to the initial assignment of receivables set forth above:

Originators	"Senior" Notes	"Junior" Notes	Total notes issued
BCC Cambiano	4,287,720.00	451,000.00	4,738,720.00
BCC Fornacette	40,753,201.00	4,296,000.00	45,049,201.00
BCC Castagneto Carducci	30,041,248.00	3,167,000.00	33,208,248.00
BCC Viterbo	13,567,831.00	1,430,000.00	14,997,831.00
Total	88,650,000.00	9,344,000.00	97,994,000.00

The vehicle company issued the following notes (absolute values) as of 31/12/2009:

Originators	"Senior" Notes	"Junior" Notes	Total securities issued
BCC Cambiano	4,287,720.00	451,000.00	4,738,720.00
BCC Fornacette	72,097,541.00	7,606,000.00	79,703,541.00
BCC Castagneto Carducci	70,096,908.00	7,395,000.00	77,491,908.00
BCC Viterbo	13,567,831.00	1,430,000.00	14,997,831.00
Total	160,050,000.00	16,882,000.00	176,932,000.00

During the course of the year 2009 no notes issued by SPV Pontormo Funding s.r.l. were repaid.

Characteristics of the notes issued by Pontormo Funding s.r.l.:

Characteristics of the "Senior" Note:

Isin Code:	IT0004286099;
Issue Date:	15/10/2007;
Maturity Date:	01/04/2048;
Coupon:	Quarterly 21/01 - 21/04 - 21/07 - 21/10
Rate	Indexed rate Euribor 3 months/360 spread +45 b.p.;
Type of amortization:	Pass-through starting from 15/10/2010,

Characteristics of the "Junior" note:

Isin Code:	IT0004286107;
Issue Date:	15/10/2007;
Maturity Date:	01/04/2048;
Coupon:	Quarterly 21/01 - 21/04 - 21/07 - 21/10
Rate	Indexed rate Euribor 3 months/360 spread +105 b.p. + Additional return;
Type of amortization:	Subordinate with respect to the "Senior" notes – The prepayment of principal cannot be made until the principal of the "Senior" class notes has been repaid in its entirety.

Characteristics of the assets assigned by B.C.C. Cambiano:

Description	31/12/2009
Residual principal	2,499,890.09
Number of loans	99
Average residual life of the portfolio in years	6.40
Weighted average seniority of the portfolio in years	6.10
Weighted average rate of the loans	2.25%
Weighted average LTV	27.65%
Weighted average amount of the loans	25,251.42

SERVICING ACTIVITY

The "originator" Banks also act as Servicer, each for their own accumulation of assigned receivables; the Banca di Credito Cooperativo di Cambiano therefore used its own Servicing Office dedicated to collection management, as required by the instructions of the Supervisory Authority.
The Servicing Office is entrusted with the following responsibilities:
- Oversee collection of the assigned receivables for the vehicle company, transferring such amounts to the Bank of New York - London, and simultaneously guarantee the strict separation of said assigned portfolio with respect to other assignments made and all of the Bank's other receivables, and must specifically:
- Avoid the creation of situations of conflict of interest and of confusion in general in order to protect the holders of the notes issued by the vehicle company;

- Guarantee the separate indication of the information flows related to the collection process of the securitized loans;
- Allow the above processes and flows to be reconstructed at any time;
- Maintain adequate documentation of the transactions performed, including for purposes of potential controls by interested parties such as the "Rating Agency", "Vehicle Company", "Noteholders' Representative", "Bank of Italy" etc.;
- Ensure adequate information reporting to the Bank's Bodies, General Management, and operators involved in the supervisory process.

The servicing commissions amounted to 402.00 Euro.

Detail of collections recorded during the year 2009:

Collection of principal on assigned loans	689,104.94
Collection of interest on assigned loans	113,855.96
Total collections	802,960.90

As of 31/12/2009 there were no suspended rates of securitized mortgage loans and there were no "defaults" of assigned loans.

C.1 Securitizations

C.1.1 Exposure deriving from securitizations separated by type of underlying asset - part 1

Type of underlying asset/Exposure	Cash exposure					
	Senior		Mezzanine		Junior	
	Gross exposure	Net exposure	Gross exposure	Net exposure	Gross exposure	Net exposure
A. With own underlying assets						
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	455	455
B. With third party underlying assets						
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	-	-

C.1.1 Exposure from securitizations separated by type of underlying asset - part 2

Type of underlying asset/Exposure	Guarantees issued					
	Senior		Mezzanine		Junior	
	Gross exposure	Net exposure	Gross exposure	Net exposure	Gross exposure	Net exposure
A. With own underlying assets						
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	-	-
B. With third party underlying assets						
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	-	-

C.1.1 Exposure from securitizations separated by type of underlying asset - part 3

Type of underlying asset/Exposure	Credit lines					
	Senior		Mezzanine		Junior	
	Gross exposure	Net exposure	Gross exposure	Net exposure	Gross exposure	Net exposure
A. With own underlying assets						
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	-	-
B. With third party underlying assets						
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	-	-

C.1.2 Exposure from principal "own" securitizations divided by type of securitized assets and type of exposure - part 1

Type of securitized assets/exposure	Cash exposure					
	Senior		Mezzanine		Junior	
	Balance sheet value	Adj./write-backs of value	Balance sheet value	Adj./write-backs of value	Balance sheet value	Adj./write-backs of value
C. Not derecognized in the balance sheet						
C.1 Pontormo Funding s.r.l.	-	-	-	-	455	-

C.1.2 Exposure from principal "own" securitizations divided by type of securitized assets and type of exposure - part 2

Type of securitized assets/exposure	Guarantees given					
	Senior		Mezzanine		Junior	
	Net exposure	Adj./write-backs of value	Net exposure	Adj./write-backs of value	Net exposure	Adj./write-backs of value
C. Not derecognized in the balance sheet						
C.1 Pontormo Funding s.r.l.	-	-	-	-	-	-

C.1.2 Exposure from principal "own" securitizations divided by type of securitized assets and type of exposure - part 3

Type of securitized assets/exposure	Credit lines					
	Senior		Mezzanine		Junior	
	Net exposure	Adj./write-backs of value	Net exposure	Adj./write-backs of value	Net exposure	Adj./write-backs of value
C. Not derecognized in the financial statements						
C.1 Pontormo Funding s.r.l.	-	-	-	-	-	-

C.1.4 Exposure from securitizations divided by portfolio and type

Exposure/portfolio	Financial assets held for trading	Financial assets fair value option	Financial assets available for sale	Financial assets held to maturity	Receivables	Total 31/12/2009	Total 31/12/2008
1. Cash exposure							
Senior	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-
junior	-	-	-	-	455	455	454
2. Off balance sheet exposure							
Senior	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-
junior	-	-	-	-	-	-	-

C.1.5 Total amount of securitized assets underlying the junior notes or other forms of credit security

Assets/Value	Traditional securitizations	Synthetic securitizations
A. Own underlying assets:		
A.1 Totally derecognized		
1. Non performing	-	-
2. Watchlist	-	-
3. Restructured accounts	-	-
4. Overdue/overdrawn accounts	-	-
5. Other assets	-	-
A.2 Partially derecognized		
1. Non performing	-	-
2. Watchlist	-	-
3. Restructured accounts	-	-
4. Overdue/overdrawn accounts	-	-
5. Other assets	-	-
A.3 Not derecognized		
1. Non performing	-	-
2. Watchlist	-	-
3. Restructured accounts	-	-
4. Overdue/overdrawn accounts	-	-
5. Other assets	67	-
B. Third party underlying assets:		
B.1 Non performing	18	-
B.2 Watchlist	14	-
B.3 Restructured accounts	-	-
B.4 Overdue/overdrawn accounts	41	-
B.5 Other assets	3,936	-

C.1.7 The servicer's assets – Collections of securitized receivables and repayment of the notes issued by the vehicle company

Vehicle company	Securitized assets (at the end of the reporting period)		Collections of receivables during the year		Percentage share of notes repaid (at the end of the reporting period)					
					Senior		Mezzanine		Junior	
	Impaired	In bonis	Impaired	In bonis	Impaired assets	Assets in bonis	Impaired assets	Assets in bonis	Impaired assets	Assets in bonis
Pontormo Funding s.r.l.	-	2,500	-	689	-	-	-	-	-	-

Note:
- The amount of securitized assets is indicated at the nominal value of the assigned receivables.
- The amount of collected receivables during the year only refers to principal.

C.2 Sales

C.2.1 Financial assets sold but not derecognized - part 1

Technical forms/Portfolio	Financial assets held for trading			Financial assets measured at fair value			Financial assets available for sale		
	recognized in full (balance sheet value)	Partially recognized (balance sheet value)	Partially recognized (entire value)	recognized in full (balance sheet value)	partially recognized (balance sheet value)	partially recognized (entire value)	recognized in full (balance sheet value)	partially recognized (balance sheet value)	partially recognized (entire value)
A. Cash assets									
1. Debt securities	36,286	-	-	-	-	-	56,341	-	-
2. Equity instruments	-	-	-	-	-	-	-	-	-
3. Mutual funds	-	-	-	-	-	-	-	-	-
4. Loans	-	-	-	-	-	-	-	-	-
B. Derivative instruments	-	-	-	-	-	-	-	-	-
Total 31/12/2009	36,286	-	-	-	-	-	56,341	-	-
of which impaired	-	-	-	-	-	-	-	-	-
Total 31/12/2008	19,563	-	-	-	-	-	249,024	-	-
of which impaired	-	-	-	-	-	-	-	-	-

C.2.1 Financial assets sold but not derecognized - part 2

Technical forms/Portfolio	Financial assets held through maturity			Receivables from banks			Receivables from customers			Total 12/12/2009	Total 12/12/2008
	recognized in full (balance sheet value)	partially recognized (balance sheet value)	partially recognized (entire value)	recognized in full (balance sheet value)	partially recognized (balance sheet value)	partially recognized (entire value)	recognized in full (balance sheet value)	partially recognized (balance sheet value)	partially recognized (entire value)		
A. Cash earnings											
1. Debt securities	-	-	-	-	-	-	-	-	-	92,626	268,587
2. Equity instruments	-	-	-	-	-	-	-	-	-	-	-
3. Mutual funds	-	-	-	-	-	-	-	-	-	-	-
4. Loans	-	-	-	-	-	-	2,501	-	-	2,501	3,209
B. Derivative instruments	-	-	-	-	-	-	-	-	-	-	-
Total 31/12/2009	-	-	-	-	-	-	2,501	-	-	95,128	-
of which impaired	-	-	-	-	-	-	-	-	-	-	-
Total 31/12/2008	-	-	-	-	-	-	3,209	-	-	-	271,796
of which impaired	-	-	-	-	-	-	-	-	-	-	-

C.2.2 Financial liabilities for financial assets sold but not derecognized

Liabilities/Portfolio assets	Financial assets held for trading	Financial assets measured at fair value	Financial assets available for sale	Financial assets held through maturity	Receivables from banks	Receivables from customers	Total 31/12/2009	Total 31/12/2008
1. Payables to customers								
a) regarding assets recognized in full	15,869	-	6,085	-	-	-	21,954	102,977
b) regarding partially recognized assets	-	-	-	-	-	-	-	-
2. Payables to banks								
a) regarding assets recognized in full	20,002	-	41,110	-	-	-	61,112	206,457
b) regarding partially recognized assets	-	-	-	-	-	-	-	-
Total 31/12/2009	35,871	-	47,195	-	-	-	83,066	-
Total 31/12/2008	91,198	-	215,481	-	-	2,755	-	309,434

D. Models to measure credit risk

Internal models and procedures used to classify customers in risk classes allow, as noted above, a more accurate management of credit risk. Such models are not currently used to calculate capital coefficients because the Bank uses standardized methodology for such purpose.

Section 2 – Market Risks

D.2 Market risks

2.1 Interest rate risk - Regulatory trading portfolio

Qualitative Information

A. General information

For purposes of compiling this section, only financial instruments falling within the "regulatory trading portfolio" were considered, as defined in the regulation relative to the supervisory indications of market risks.
The principal source of interest rate risk consists of treasury bonds. The objectives and strategies underlying trading activities aimed at managing the securities portfolio are influenced by the regulatory requirement that the prevalence of weighted assets be held by shareholders or be zero weight securities, and therefore there is an approach aimed at containing risks, that is translated into a bond portfolio characterized by a very limited "duration".
The investment strategy is traditionally characterized by the prudent management of all risks; the Finance Area Regulations contribute to this, by means of an attentive and well-balanced containment of risks, establishing limits and operative autonomies in this regard.

B. Management processes and methods to measure interest rate risk

The Finance Area Regulations establish both operating limits (in terms both of value of the portfolio as well as the breakdown by type of security), as well as exposure to interest rate risk (in terms of financial duration or "duration"),

D.2.1 Interest rate risk and price risk –Regulatory trading portfolio

D.2.1.1 Regulatory trading portfolio: distribution by residual duration (repricing date) of cash financial assets and liabilities and financial derivatives – All currencies

Type/Residual duration	On demand	Up to 3 months	Beyond 3 months through 6 months	Beyond 6 months through 1 year	Beyond 1 year through 5 years	Beyond 5 years through 10 years	Beyond 10 years	Indefinite duration
1. Cash assets								
1.1 Debt securities								
- with an early repayment option	-	-	-	-	-	-	-	-
- others	-	32,466	79,815	20,682	44,440	-	8,014	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. Cash liabilities								
2.1 Repurchase agreements on debt	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-
- Others derivatives								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-
- Others derivatives								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-

2.2 Interest rate and price risk – Bank Portfolio

Qualitative Information

A. General information, management processes and methods to measure interest rate risk and price risk

The principal sources of interest rate risk consist of fixed rate entries. There is a limited amount of assets in the mortgage loan sector; while liabilities are represented by fixed rate bonds whose risk is hedged by IRS operations for issues with more prolonged maturities.

The interest rate risk inherent in the bank portfolio is monitored by the Bank on a quarterly basis by an analysis of maturities, which consists of separating the accounts (assets, liabilities, derivatives, etc.) in different time periods according to the residual life of their interest rate renegotiation time, in accordance with supervisory regulations.

The overall interest rate risk exposure, calculated according to the Supervisory Instructions, totals 5,984,312 Euro, corresponding to 2.54% of the Regulatory Capital.

D.2.2 Interest rate risk and price risk - Bank portfolio

D.2.2.1 Bank portfolio: distribution by residual duration (repricing date) of financial assets and liabilities – All currencies

Type/Residual duration	On demand	Through 3 months	Beyond 3 months through 6 months	Beyond 6 months through 1 year	Beyond 1 year through 5 years	Beyond 5 years through 10 years	Beyond 10 years	Indefinite duration
1. Cash assets								
1.1 Debt securities								
- with early repayment option	-	-	-	-	-	-	-	-
- others	32,035	77,793	59,341	-	53,744	-	-	-
1.2 Loans and banks	199,866	-	2,501	2,501	2,501	-	-	-
1.3 Loans and customers								
- bank account	418,655	2,890	9,918	7,715	13,341	16	1,534	-
- Other loans								
- with early repayment option	52	56,635	808	-	-	-	-	-
- others	43,687	78,221	25,611	48,796	351,310	234,189	260,280	23,270
2. Cash liabilities								
2.1 Payables to customers								
- bank accounts	630,427	-	-	-	-	-	-	-
- other liabilities								
- with early repayment option	-	-	-	-	-	-	-	-
- others	52,144	6,085	-	-	-	-	-	-
2.2 Payables to banks								
- bank account	1,656	-	-	-	-	-	-	-
- other liabilities	75,002	178,364	-	38,097	-	-	-	-
2.3 Debt securities								
- with early repayment option	-	-	-	-	-	-	-	-
- other	2,074	84,200	204,766	233,442	420,086	72,456	11,856	-
2.4 Other liabilities								
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long-term positions	-	-	-	-	-	-	-	-
+ short-term positions	-	-	-	-	-	-	-	-
- Others derivatives								
+ long-term positions	-	39,000	22,000	23,000	83,200	72,000	12,000	-
+ short-term positions	-	97,200	142,000	12,000	-	-	-	-

D.2.3 Exchange rate risk

Qualitative Information

A. General information, management processes and methods to measure the exchange rate risk

The exchange rate risk represents the risk of suffering losses on operations in foreign currency, due to adverse changes in the course of foreign currencies.
During the fiscal year the Bank did not speculate in operations with foreign exchanges. In any event the Bank limits its eventual net exchange rate account to no more than 2% of its regulatory capital, as provided by the rules of the Bank of Italy for cooperative credit banks.
The Bank is marginally exposed to the exchange rate risk resulting from servicing activities for customers.
Exposure to the exchange rate risk is determined using a methodology that follows what is provided by relative Supervisory rules.
It is measured based on a calculation of the "net foreign currency account", i.e. the balance of all assets and liabilities (in the balance sheet and "off balance sheet") related to each foreign currency, inclusive of operations in Euro, indexed to the exchange rate trend of foreign currency.

The organizational structure refers exchange rate risk management to the foreign office for customer services and to the securities office for financial instruments, while the Risk Management Office is attributed with measuring exposure based on data provided by the Management Control Office.
The "net foreign currency account" amounted to 38,000 Euro as of the reference date, corresponding to 0.016% of the Regulatory Capital, which is within the 2.00% threshold established by the Supervisory Instructions of the Bank of Italy that can be held by cooperative credit banks. There are no current swap operations involving exchange rates.

B. Hedged assets for the exchange rate risk

D.2.3.1 Distribution by type of currency of assets, liabilities and derivatives

Line items	Foreign currency					
	US dollars	British pound sterling	Yen	Canadian dollars	Swiss francs	Other foreign currencies
A. Financial assets						
A.1 Debt securities	-	-	-	-	-	-
A.2 Equity instruments	-	-	-	-	-	-
A.3 Loans to banks	668	99	168	141	110	276
A.4 Loans to customers	3,956	2,256	107	-	-	-
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	47	38	31	8	23	98
C. Financial liabilities						
C.1 Payables to banks	2,466	2,404	303	146	134	362
C.2 Payables to customers	2,149	-	2	-	-	18
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	-	-	-	-	-	-
E. Financial derivatives						
- Options						
+ Long-term positions	-	-	-	-	-	-
+ Short-term positions	-	-	-	-	-	-
- Other derivatives						
+ Long-term positions	4,771	2,284	-	-	-	-
+ Short-term positions	4,795	2,289	-	-	-	-
Total assets	9,441	4,677	307	148	134	373
Total liabilities	9,409	4,693	305	146	134	379
Imbalance (+/-)	32	-16	1	2	-1	-6

D.2.4 Derivative instruments

A. Financial derivatives

D.2.4.A.2.1 Bank Portfolio: notional values of end and mid-period - hedges

Underlying assets/Type of derivatives	Total 31/12/2009		Total 31/12/2008	
	Over the counter	Central counterparties	Over the counter	Central counterparties
1. Debt securities and interest rates				
a) Options	-	-	-	-
b) Swap	251,200	-	223,965	-
c) Forward	-	-	-	-
d) Futures	-	-	-	-
e) Others	-	-	-	-
2. Equity instruments and equity indexes	-	-	-	-
a) Options	-	-	-	-
b) Swap	-	-	-	-
c) Forward	-	-	-	-
d) Futures	-	-	-	-
e) Others	-	-	-	-
3. Foreign currency and gold	-	-	-	-
a) Options	-	-	-	-
b) Swap	-	-	-	-
c) Forward	-	-	-	-
d) Futures	-	-	-	-
e) Others	-	-	-	-
4. Goods	-	-	-	-
5. Other underlying assets	-	-	-	-
Total	251,200	-	223,965	-
Average values	237,582	-	286,465	-

D.2.4.A.3 Financial derivatives: positive gross fair value – division by type

Portfolios/Type of derivatives	Positive fair value			
	Total 31/12/2009		Total 31/12/2008	
	Over the counter	Central counterparties	Over the counter	Central counterparties
. Regulatory trading portfolio				
a) Options	-	-	-	-
b) Interest rate swap	-	-	-	-
c) Cross currency swap	-	-	-	-
d) Equity swap	-	-	-	-
e) Forward	-	-	-	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
B. Bank Portfolio – hedges				
a) Options	-	-	-	-
b) Interest rate swap	4,048	-	3,042	-
c) Cross currency swap	-	-	-	-
d) Equity swap	-	-	-	-
e) Forward	154	-	196	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
C. Bank Portfolio - others derivatives				
a) Options	-	-	-	-
b) Interest rate swap	-	-	-	-
c) Cross currency swap	-	-	-	-
d) Equity swap	-	-	-	-
e) Forward	-	-	-	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
Total	4,202	-	3,238	-

D.2.4.A.4 Financial derivatives: gross negative fair value – division by type

Underlying assets/Type of derivative	Negative fair value			
	Total 31/12/2009		Total 31/12/2008	
	Over the counter	Central counterparties	Over the counter	Central counterparties
A. Regulatory trading portfolio				
a) Options	-	-	-	-
b) Interest rate swap	-	-	-	-
c) Cross currency swap	-	-	-	-
d) Equity swap	-	-	-	-
e) Forward	-	-	-	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
B. Bank Portfolio - hedges				
a) Options	-	-	-	-
b) Interest rate swap	325	-	1,071	-
c) Cross currency swap	-	-	-	-
d) Equity swap	-	-	-	-
e) Forward	152	-	185	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
C. Bank Portfolio - other derivatives				
a) Options	-	-	-	-
b) Interest rate swap	-	-	-	-
c) Cross currency swap	-	-	-	-
d) Equity swap	-	-	-	-
e) Forward	-	-	-	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
Total	476	-	1,256	-

D.2.4.A.7 Financial derivatives OTC – Bank portfolio: notional values, positive and negative gross fair value of counterparties – contracts that are not part of netting agreements

Contracts that are not part of a netting agreement	Governments and Central banks	Others public entities	Banks	Finance companies	Insurers	Non finance companies	Others parties
1) Debt securities and interest rates							
- notional value	-	-	251,200	-	-	-	-
- positive fair value	-	-	4,048	-	-	-	-
- negative fair value	-	-	325	-	-	-	-
- future exposure	-	-	1,676	-	-	-	-
2) Equity instruments and equity indexes							
- notional value	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
3) Foreign currency and gold							
- notional value	-	-	7,037	-	-	6,034	1,011
- positive fair value	-	-	154	-	-	-	-
- negative fair value	-	-	-	-	-	133	19
- future exposure	-	-	69	-	-	59	10
4) Others value							
- notional value	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-

D.2.4.A.9 Residual life of over the counter financial derivatives: notional values

Underlying/Residual life	Up to 1 year	Beyond 1 year through 5 years	Beyond 5 years	Total 31/12/2009
A. Regulatory trading portfolio				
A.1 Financial derivatives on debt securities and interest rates	-	-	-	-
A.2 Financial derivatives on equity instruments and equity indexes	-	-	-	-
A.3 Financial derivatives on exchange rates and gold	-	-	-	-
A.4 Financial derivatives on other values	-	-	-	-
B. Bank Portfolio				
B.1 Financial derivatives on debt securities and interest rates	69,000	83,200	99,000	251,200
B.2 Financial derivatives on equity instruments and equity indexes	-	-	-	-
B.3 Financial derivatives on exchange rates and gold	14,083	-	-	14,083
B.4 Financial derivatives on other values	-	-	-	-
Total 31/12/2009	83,083	83,200	99,000	265,283
Total 31/12/2008	111,743	90,800	32,000	234,543

Section 3 – Liquidity Risk

Qualitative Information

A. General information, management procedures and methods to measure liquidity risk

The principal sources of liquidity risk are found in equity investments, loans and treasury services performed on behalf of institutional entities.
The liquidity position, both short as well as mid and long term, is managed by policies aimed at maintaining a situation of substantial equilibrium.
The liquidity risk is managed by the Bank's Treasury Service, while risk is measured by the Risk Management department which, on a quarterly basis, in the framework of the analysis contained in the document prepared for ICAAP purposes, prepares and reports to the General Management and Board of Directors its analysis of the Bank's liquidity trend, listing the factors that have most significantly influenced it development, or which could influence it.
The liquidity risk is primarily measured using an integrated model (maturity ladder) that evaluates the equilibrium of expected cash flows as well as, by means of the reconstruction of cumulative imbalances, the net balance of financial needs (or surplus) in the time period considered and the allocation of certain and estimated flows in various time periods in order to calculate the cumulated GAP for each range of maturity.
The Bank also analyzes and monitors its liquidity account on a daily basis.
Traditionally the Bank has always shown a significant availability of liquidity, both due to the breakdown of its assets as well as to company policies aimed at privileging the direct collection of public savings.
The structure of the Bank's financial assets, the Bank's direct adhesion to the Interbank Market for Deposits (aimed at facilitating eventually finding funding in the market, if necessary), and the Interbank Market for Collaterals as well as the techniques and instruments used to manage and measure liquidity risk represent the principal risk mitigation tools.

Quantitative Information

A.1 Residual contractual duration of financial assets and liabilities by time - All currencies

Line items/time periods	On demand	Beyond 1 day through 7 days	Beyond 7 days through 15 days	Beyond 15 days through 1 month	Beyond 1 month through 3 months	Beyond 3 months through 6 months	Beyond 6 months through 1 year	Beyond 1 year through 5 years	Beyond 5 years	Indefinite duration
Cash assets										
A.1 Government bonds	-	-	-	-	54,688	26,425	-	228,934	4,120	-
A.2 Others debt securities	-	-	-	-	7,088	5,010	22,196	47,331	12,540	-
A.3 Shares of mutual funds	-	-	-	-	-	-	-	-	-	-
A.4 Loans	650,430	2,227	4,437	15,446	115,452	39,285	60,392	368,218	505,141	23,270
- Banks	199,866	-	-	-	-	2,501	2,501	2,501	-	-
- Customers	450,564	2,227	4,437	15,446	115,452	36,783	57,891	365,716	505,141	23,270
Cash liabilities										
B.1 Deposits and bank accounts	718,467	75,241	40,172	32,554	72,075	466	38,104	4,696	-	-
- Banks	29,985	75,223	40,125	32,481	72,062	448	38,097	4,696	-	-
- Customers	688,482	19	46	72	12	17	7	-	-	-
B.2 Debt securities	2,060	515	21,302	2,260	60,123	100,795	190,559	552,388	98,878	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
"Off balance sheet" Transactions										
C.1 Financial derivatives with an exchange of principal	-	-	-	-	-	-	-	-	-	-
- Long-term positions	-	-	-	-	-	-	-	-	-	-
- Short-term positions	-	-	-	-	-	-	-	-	-	-
C.2 Financial derivatives without an exchange of principal	-	-	-	-	-	-	-	-	-	-
- Long-term positions	-	-	-	-	-	-	-	-	-	-
- short-term positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be received	-	-	-	-	-	-	-	-	-	-
- Long-term positions	-	-	-	-	-	-	-	-	-	-
- Short-term positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to issue funds	-26,140	-	-	-	451	697	2,514	6,217	16,261	-
- Long-term positions	6,163	5,000	-	-	451	697	2,514	6,217	16,261	-
- Short-term positions	32,303	5,000	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	8,828	3	130	248	1,234	2,704	10,016	46,342	56,481	-

Section 4 – Operational risks

Qualitative Information

A. General information, management procedures, and methods to measure operational risk

Operational risk is identified as the possibility of suffering losses deriving from the inadequacy or dysfunction of procedures, human resources and internal systems, or from external factors. Operational risk includes legal risk, whereas strategic risks and reputation risks are excluded.

The Bank, aware that emergence of the risks in review can generate losses able, in a worst case scenario, to actually jeopardize stability initiated a project during the course of fiscal year 2006 to identify, manage, measure and control risks.

The guidelines for such project refer to the standards in this area established by the New Agreement on Share Capital (Basel II), which were substantially adopted by the Bank of Italy by means of the «New regulations for the prudential supervision of Banks», in effect since 1° January 2007.

In the context of this project, a recognition and measurement method was delineated and subsequently developed, based on an integrated qualitative as well as quantitative approach, which in practice permits risk to be measured both in terms of potential losses as well as to weigh any losses actually suffered.

In the specific case at hand, the «qualitative» analysis consists of a self-diagnostic assessment process that measures the level of risk exposure by also directly involving the area managers of the principal departments.

For such purpose, corporate processes are broken down into phases, sub-phases and activities following a tree-like structure: activities are associated with one or more risks and the controls to be applied are determined for each of them. A rating is attributed to the risk based on a review of the information thus obtained; such rating is an evaluation of potential risk and enhances the focus of monitoring and control activity.

Potential losses the Bank might incur are estimated for each risk, which have been preventively determined by the Bank's analytical processes, bearing in mind the significance of its impact (average unitary amount of the loss) and frequency (periodic nature of the event over the course of the year).

The quantitative approach involves data collection related to the losses suffered and evaluates both the allocations for expected losses as well as the use of economic capital to face unexpected losses, taking adequate historical series into consideration and applying suitable statistical methodologies.

The criteria for controlling any operative losses that the Bank suffers, in conformity with what is required by the new prudential regulations, in addition naturally to the measurement of the scope of the loss and recovery, provide that detailed qualitative and descriptive information must be disclosed such as the causes of the loss, identification of the type of loss that occurred and the line of business of the context in which it arose.

Internal qualitative and quantitative data, as well as external data, is gathered using a specific electronic procedure prepared for the acquisition and codification of this information in accordance with the rules of the new regulations.

Historical data regarding the most significant losses and the relative write-backs is processed and saved in a special electronic archive: the persons entrusted with data collection, i.e. the heads of the central offices and outlying areas, are required to register information relating to the amounts, times and manner in which the loss occurred, as well as follow the development of the situation and eventual write-backs.

Periodic audits and control procedures of the processed data guarantee the homogeneity, completeness and reliability of said data.

The comments and evaluations made in analyzing the company processes, the estimates of potential losses and indicators that reflect the trend of the most significant risk phenomenon complete the overall data that is processed and maintained.

The confidentiality of the gathered data is guaranteed by dedicated control procedures that limit and register access to the information.

The review of available data allows identifying the situations in which the mitigation and control activities are adequate and conforming, and those with respect to which, given the high risk associated, it is necessary to act on a priority basis.

The above described organic mapping activities for the operational risks department and to control the monitoring process were initiated during the course of 2006, flanked by the constant management and monitoring activity performed to date.

The Bank uses the Base Method (BIA - Basic Indicator Approach) to calculate regulatory capital, on the basis of which the capital to hedge such type of risk is 15% of the average operating income of the last three fiscal years.

Capital absorption for such type of risk as of 31 December 2009 was 7,524,001 Euro, a slight increase with respect to 7,169,934 Euro as of 31 December 2008.

Quantitative Information

With reference to fiscal year 2009, it is noted that gross losses originating from operating risks are of a modest amount, quantifiable as approximately 79,000 Euro, reduced with respect to 150,000 Euro in 2008.

Information to the public

The information on capital adequacy, risk exposure and the characteristics of the systems responsible for identifying, measuring and managing such risks required by the New Prudential Regulatory Provisions for Banks (Circular no. 263 of 27 December 2006), Title IV “Information to the public”, “Pillar 3”, is published on the Bank’s website at the address: www.bancacambiano.it.

Part F – Information on capital

Section 1 – Share capital

A. Qualitative Information

One of the Bank's consolidated objective strategies is represented by the ongoing consolidation of its capital. Its capital, together with its personnel and organization, represents the indispensable resource for the Bank's sound and prudent management.
Capital, in fact, constitutes "the first defense against risks connected to the Bank's overall activities".
The growth of capital has precisely accompanied the development of the Bank's size.
The Bank's objective is to maintain an adequate level of coverage exceeding the mandatory parameters determined by the Supervisory Regulations. Its capital dynamics are constantly monitored by the Administrative and Control Bodies and by General Management. Multiple aspects are controlled: among the most important are the ratios with respect to the Bank's financial structure (loans, impaired receivables, total assets, fixed assets), the level of hedged risks, and the level of free capital. The analyses are also performed in prospective, both short-term (connected to the Budget) as well as mid-term (connected to the Corporate Plan).
The proper capital dynamic is determined above all by self-financing, i.e. by the reinforcement of reserves by means of the substantial allocation of fiscal year net profits to capital funds.
Capital also plays a role as a guarantee for depositors and creditors, as required by the Supervisory Authority, in that it is a financial resource capable of absorbing possible losses generated by the risks to which the Bank is exposed.
In such sense, starting from fiscal year 2008 the new rules have required the adoption of a structured procedure known as ICAAP (Internal Capital Adequacy Assessment Process), so that the Bank can perform an autonomous assessment of its own capital adequacy, both current and prospective, in relation to the risks assumed by means of determining the capital deemed to be adequate – by amount and breakdown, for the permanent hedge of all risks.
Such regulations entrusts the Supervisory Body with verifying the reliability and coherency of the relative results and adopting the opportune corrective measures (Supervisory Review and Evaluation Process – SREP).
ICAAP is an internal control process aimed at verifying adequacy to sustain the Bank's strategies.
The Bank has articulated the ICAAP's production process in the following six phases:
1) *Risk identification:* the Risk Management department identifies the risks to be assessed– with the eventual collaboration of other departments (General Management, General Accounting, Organization, Compliance, Ced);
2) *Risk assessment (measurement, assessment and stress testing):* the Risk Management department, with the eventual collaboration of other departments, assesses risk (measurement, assessment and stress testing). It determines the internal capital required for individual and overall risks;
3) *Determination of overall capital/reconciliation with regulatory capital:* the Risk Management department, together with the Accounting department, determines overall capital and indicates its reconciliation with regulatory capital;
4) *Final risk assessment review:* the Risk Management department, together with General Management, review the results of Phases 1-3 and propose eventual actions to the Board of Directors;
5) Corrective measures/ mitigation: the Board of Directors approves eventual corrective and/or mitigating measures proposed by the Risk Management department and/or General Management and entrusts the competent departments to implement them.
6) *Internal audit – Conformity of the procedure to the regulations*: the Internal Audit department reviews the procedure and expresses an opinion on its conformity with outstanding regulations.
The performance of the inherent activities occurs in a framework involving different organizational levels. The Bank decided which departments were responsible for the development and preparation of the various phases and/or activities of the ICAAP procedure in consideration of its size and operations.

B. Quantitative Information

B.1 Share capital: breakdown

Line items\Value	Amount 31/12/2009	Amount 31/12/2008
1. Share capital	2,900	2,871
2. Premiums on issue of new shares	239	236
3. Reserves	210,930	195,980
- retained earnings	210,930	195,980
a) legal	168,716	157,026
b) statutory	42,214	38,954
c) Treasury shares	-	-
d) other	-	-
- other	-	-
4. Equity instruments	-	-
5. (Treasury shares)	-	-
6. Valuation reserves	10,629	3,011
- Financial assets available for sale	-207	-7,825
- Property. plant and equipment	-	-
- Intangible assets	-	-
- Hedges of foreign investments	-	-
- Hedges of cash flows	-	-
- Exchange rate differences	-	-
- Noncurrent assets in the course of divestment	-	-
- Actuarial profits (losses) related to defined benefit plans	-	-
- Shares of Valuation reserves related to subsidiaries measured at shareholders' equity	-	-
- Special laws on revaluation	10,836	10,836
7. Fiscal year profit (loss)	13,075	16,700
Total	237,773	218,798

B.2 Valuation reserves of financial assets available for sale: breakdown

Assets/Value	Total 31/12/2009		Total 31/12/2008	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	1,221	1,428	334	8,159
2. Equity instruments	-	-	-	-
3. Shares in mutual funds	-	-	-	-
4. Loans	-	-	-	-
Total	1,221	1,428	334	8,159

B.3 Valuation reserves of financial assets available for sale: annual variations

	Debt securities	Equity instruments	Shares of mutual funds	Loans
1. Initial value	-7,825	-	-	-
2. Additions	11,375	-	-	-
2.1 Increases of fair value	6,402	-	-	-
2.2 Reversal to income statement of negative reserves:	494	-	-	-
- from impairment	-	-	-	-
- from use	494	-	-	-
2.3 Other additions	4,480	-	-	-
3. Reductions	3,758	-	-	-
3.1 Reductions of fair value	78	-	-	-
3.2 Adjustments from impairment	-	-	-	-
3.3 Reversal to income statement from positive reserves: from use	2,838	-	-	-
3.4 Other reductions	842	-	-	-
4. Final value	-207	-	-	-

Section 2 - Regulatory capital and coefficients

2.1 Regulatory capital

A. Qualitative Information

The regulatory capital and capital coefficients are calculated on the basis of the capital value and economic result, calculated by applying the regulations on financial statements provided by the IAS/IFRS International Accounting Standards and considering the regime of the Bank of Italy on regulatory capital and prudent coefficients.
Regulatory capital is calculated as the total of the positive and negative components, on the basis of their type of capital; the positive components must be fully available to the Bank, so that they can be used in calculating asset absorption.
This constitutes the reference factor for the provisions of prudent regulatory requirements, and consists of base capital and additional capital, net of some deductions, in particular:

Base capital (Tier 1)

Share capital, premiums on issue of new shares, retained earnings and capital reserves are the primary type of capital elements. Base capital consists of the total of such elements, after deducting treasury shares or quotas, intangible assets, as well as eventual losses recorded in prior fiscal years and the one in course.

Additional capital (Tier 2)

Measurement reserves, hybrid capitalization instruments and subordinate liabilities are the positive elements of additional capital, included in the calculation of regulatory capital within a maximum amount equal to base capital; the subordinate liabilities cannot exceed 50% of Tier 1 (*eventually integrated with what is indicated on line item "Miscellaneous"*).
The following are deducted from such aggregates: equity investments, innovative capital instruments, hybrid capitalization instruments and subordinate assets held in other banks and finance companies.
The Bank has not issued hybrid capitalization instruments or subordinate liabilities.

Third level capital

The elements included in third level capital can only be used to hedge capital requirements on market risks - excluding the requirements of the counterparty's risks and regulatory risk related to the "regulatory trading portfolio" – and within the limit of 71.4% of said requirements. Third level capital can include the following:
- the subordinate liabilities of the second level that cannot be included in the additional capital because they exceed the limit of 50% of the base capital, gross of the items to be deducted;
- subordinate liabilities of the third level.
At present the Bank does not use instruments included in this type of capital.

B. Quantitative Information

	Total 31/12/2009	Total 31/12/2008
A. Base capital prior to application of prudential filters	219,548	214,037
B. Prudential filters of base capital:	-649	-8,316
B.1 IAS/IFRS positive (+) prudential filters	-	-
B.2 IAS/IFRS negative (-) prudential filters	-649	-8,316
C. Base capital prior to application of prudential filters (A + B)	218,899	205,720
D. Items to be deducted from base capital	-	-
E. Total base capital (TIER 1) (C - D)	218,899	205,720
F. Additional capital prior to application of Prudential filters	17,098	10,836
G. Prudential filters of additional capital:	-	-
G.1 IAS/IFRS positive (+) prudential filters	-	-
G.2 IAS/IFRS negative (-) prudential filters	-	-
H. Additional capital prior to application of prudent filters (F + G)	17,098	10,836
I. Items to be deducted from additional capital	-	-
L. Total additional capital (TIER 2) (H - I)	17,098	10,836
M. Items to be deducted from base and additional capital	-	-
N. Regulatory capital (E + L - M)	235,997	216,556
O. Third level capital (TIER 3)	-	-
P. Regulatory capital inclusive of TIER 3 (N + O)	235,997	216,556

2.2 Capital adequacy

A. Qualitative Information

The new structure of prudent regulation according to the Basel Accord on Capital (Basel 2) is based on three Tiers as already indicated in the Report on Operations.

In order to measure capital adequacy, the Tier 1 capital ratio is extremely important, represented by the ratio between base capital and the overall risk weighted assets.
As appears from the breakdown of regulatory capital and from the following detail of the prudential requirements, the Bank has a ratio of base capital and risk weighted assets (Tier 1 capital ratio) of 16.670% (17.621% as of 31.12.2008) and a ratio between regulatory capital and risk weighted assets (total capital ratio) of 17.972% (18.549% as of 31.12.2008), more than the minimum requirement of 8%.

Quantitative Information

Categories/Values	Non weighted amounts		Weighted amounts/prerequisites	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
A. RISK ASSETS				
A.1 Credit risk and counterparty's credit risk	2,959,759	2,713,578	1,178,671	1,052,142
1. Standard methodology	2,959,759	2,713,578	1,178,671	1,052,142
2. Method based on external ratings	-	-	-	-
2.1 Base	-	-	-	-
2.2 Advanced	-	-	-	-
3. Securitizations	-	-	-	-
B. REGULATORY CAPITAL REQUIREMENTS				
B.1 Credit risk and counterparty's credit risk			94,294	84,171
B.2 Market risk			3,231	2,057
1. Standard methodology			3,231	2,057
2. Internal models			-	-
3. Risk concentration			-	-
B.3 Operational risk			7,524	7,170
1. Base method			7,524	7,170
2. Standard method			-	-
3. Advanced method			-	-
B.4 Others prudential requirements			-	-
B.5 Others calculation items			-	-
B.6 Total prudential requirements			105,048	93,399
C. RISK ASSETS AND REGULATORY COEFFICIENTS				
C.1 Risk weighted assets			1,313,106	1,167,484
C.2 Base capital/risk weighted assets (Tier 1 capital ratio)			16.670%	17.621%
C.3 Regulatory capital inclusive of TIER 3/risk weighted assets (Total capital ratio)			17.972%	18.549%

Part H – Transactions with related parties

Section 1. Information on the remuneration of Managers with strategic responsibilities (gross fees)

Description	2009	2008
a. Directors' fees	127	117
b. Fees of statutory auditors	72	68
c. Remuneration of managers	855	734

The amount indicated for "Managers with strategic responsibility", intending anyone with the power and responsibility for planning, direction and control, includes the amount of the remuneration paid and the share of severance pay matured during the fiscal year.
For the Managers, and for all personnel in general, no incentive bonuses were provided related to profits achieved, there are no pension plans other than those established in the employment contracts, and there are no stock incentive plans.

Section 2. Information on transactions with related parties

Directors	2009	2008
a. Receivables	4,040	3,656
b. Security given	1,895	1,871
Total	5,934	5,527

Statutory auditors	2009	2008
a. Receivables	388	364
b. Security given	-	-
Total	388	364

Managers	2009	2008
a. Receivables	46	-
b. Security given	-	-
Total	46	0

The relations and transactions with related parties had no critical factors, in that they were part of the ordinary activities and services.
During the fiscal year there were no atypical or unusual transactions with related parties which, due to their significance or amount, might have resulted in doubts as to the safety of the corporate capital.
The application process related to requests for loans from related parties follows the same lending process reserved to other non related counterparties with analogous creditworthiness. With respect to transactions with parties exercising the Bank's administrative, direction and control functions, Article 136 of Legislative Decree 385/1993 and Article 2391 of the Italian Civil Code are applied.
Transactions with related parties take place on market conditions and in any event on the basis of an assessment of economic convenience and always in compliance with outstanding law.
In particular, Managers with strategic responsibilities are subject to the conditions reserved to all personnel or provided by the employment contract; and Directors and Statutory Auditors are subject to the conditions of customers having analogous professional profiles and standing.

List of real property with an indication of the appraisals performed as of 31 December 2009 - Law no. 72 of 19/03/1983, Article 10

Value in Euro

Location	Description	Historical cost	Rev. Law 576/75	Rev. Law 72/83	Rev. Law 413/91	Rev. from las F.T.A. 01/01/2005	Total Real property as of 31/12/2009	of which value of land as of al 31/12/2009	of which value of building as of 31/12/2009	Depreciation fundal 31/12/2009	Valore di financial statements al 31/12/2009
Castelfiorentino P.za Giovanni XXIII, 6	Registered office	4,094,258,77	0,00	0,00	179,686,49	3,749,133,86	8,023,079,12	2,000,000,00	6,023,079,12	2,976,962,99	5,046,116,13
Gambassi Terme Via Garibaldi, 18	Branch	26,829,87	1,032,91	23,240,56	3,351,63	153,497,10	207,952,07	0,00	207,952,07	60,468,32	147,483,75
Castelfiorentino Loc. Cambiano	Recapito	1,336,07	156,13	12,452,13	4,523,08	182,045,73	200,513,14	0,00	200,513,14	76,638,49	123,874,65
Castelfiorentino Via Piave, 8	Registered office	19,156,41	10,640,56	179,368,07	42,041,82	1,258,393,70	1,509,600,56	480,000,00	1,029,600,56	502,612,41	1,006,988,15
Castelfiorentino Via Carducci, 8/9	Registered office	1,179,534,54	0,00	480,304,92	63,973,86	2,409,821,62	4,133,634,94	1,800,000,00	2,333,634,94	1,093,799,04	3,039,835,90
Certaldo Viale Matteotti, 29/33	Branch	3,487,215,44	0,00	0,00	31,824,23	1,999,994,92	5,519,034,59	1,574,000,00	3,945,034,59	1,736,585,23	3,782,449,36
Empoli Via Chiarugi, 4	Branch	4,104,244,45	0,00	0,00	0,00	2,747,576,29	6,851,820,74	2,000,000,00	4,851,820,74	1,916,052,39	4,935,768,35
Poggibonsi Via S.Gimignano, 24/26	Branch	2,272,577,34	0,00	0,00	0,00	710,081,76	2,982,659,10	935,000,00	2,047,659,10	857,800,87	2,124,858,23
Castelfiorentino Via Cerbioni	Archive 1	530,024,22	0,00	0,00	0,00	227,843,68	757,867,90	185,000,00	572,867,90	205,636,00	552,231,90
Castelfiorentino Via Dante 2/a	Registered office	574,926,35	0,00	0,00	0,00	62,634,22	637,560,57	0,00	637,560,57	116,695,68	520,864,89
Barberino V,E, P.za Capocchini, 21/23	Branch	74,025,50	0,00	0,00	0,00	475,967,92	549,993,42	0,00	549,993,42	103,635,02	446,358,40
Gambassi Terme Via Garibaldi, 16	Branch	37,565,01	0,00	0,00	0,00	182,506,08	220,071,09	0,00	220,071,09	42,354,09	177,717,00
Empoli Via Cappuccini, 4	Branch	44,546,63	0,00	0,00	0,00	156,468,03	201,014,66	0,00	201,014,66	39,830,46	161,184,20
Castelfiorentino Via Cerbioni	Archive 2	415,529,86	0,00	0,00	0,00	98,100,76	513,630,62	150,000,00	363,630,62	97,261,92	416,368,70
Castelfiorentino Via Gozzoli, 45	Branch	1,007,904,84	0,00	0,00	0,00	1,012,59	1,008,917,43	250,000,00	758,917,43	127,662,63	881,254,80
Cerreto Guidi Via V. Veneto, 59	Branch	460,623,37	0,00	0,00	0,00	216,285,98	676,909,35	0,00	676,909,35	108,939,80	567,969,55
Castelfiorentino Via Veneto/Via Piave	Registered office Non operative	1,706,212,09	0,00	0,00	0,00	-70,200,00	1,636,012,09	600,000,00	1,036,012,09	0,00	1,636,012,09
Gambassi Terme Via Volta, 19/21	Archive 3 Non operative	1,584,122,46	0,00	0,00	0,00	0,00	1,584,122,46	552,655,12	1,031,467,34	26,246,31	1,557,876,15
Castelfiorentino Via Piave, 10	Registered office Non operative	233,987,64	0,00	0,00	0,00	0,00	233,987,64	0,00	233,987,64	0,00	233,987,64
Florence Via Varchi, 2/4 Viale Gramsci	Registered office Non operative	7,846,428,10	0,00	0,00	0,00	0,00	7,846,428,10	1,222,000,00	6,624,428,10	0,00	7,846,428,10
Colle di Val d'Elsa Piazza Arnolfo	Registered office Non operative	774,000,00	0,00	0,00	0,00	0,00	774,000,00	774,000,00	0,00	0,00	774,000,00
	Total	30,475,048,96	11,829,60	695,365,68	325,401,11	14,561,164,24	46,068,809,59	12,522,655,12	33,546,154,47	10,089,181,65	35,979,627,94