

BANCA CARIGE SpA

Cassa di Risparmio di Genova e Imperia

European Banks & Misc. Financials
KBW – Conference 2006



Agenda

Banca Carige overview

Carige share performance

1H06 results

The Strategic Plan 2006 - 2008

Focus on main strategic projects

Annexes



Banca Carige Group

Fondazione CR
Genova e
Imperia

40.46%

CNCE

14.75%

WestLB

5.34%

Others

39.44%

Banca Carige SpA
Cassa di Risparmio di Genova e Imperia

Banking

- Banca Carige
- BM Lucca
- Cr Carrara
- Cr Savona
- B.Cesare Ponti

Insurance

- Carige Vita Nuova (life)
- Carige Ass.ni (non life)

Finance

- Carige AM SGR

Trustee

Real Estate

Rating and Ranking

Carige Group: rating and ranking in Italian Market

RATING	
Fitch	A
Moody's	A2
Standard&Poor's	A-

RANKING BY SIZE
~15
(Branches & Total Assets)

M A R K E T C A P	RANKING BY SIZE	
	1 Unicredito	66.2
	2 Intesa + San Paolo	57.0
	3 Capitalia	17.2
	4 MPS	11.6
	5 BPVN	8.4
	6 BPU	7.5
	7 BPI	5.7
	8 B Lombarda	5.6
	9 Banca Carige	5.4
	10 Bca Fideuram	4.9
	11 BPM	4.3
	12 CR Firenze	3.4
	13 Credem	3.1
	14 Banca Italease	2.8
15 Cr Bergamasco	1.8	

Our mission

Financial Group

- Complete offer of banking, financial and insurance products and services
- Aggregation point for smaller banks

National

- Stronghold in Liguria
- Out of Liguria it distinguishes itself for the attention to the relationship with local communities

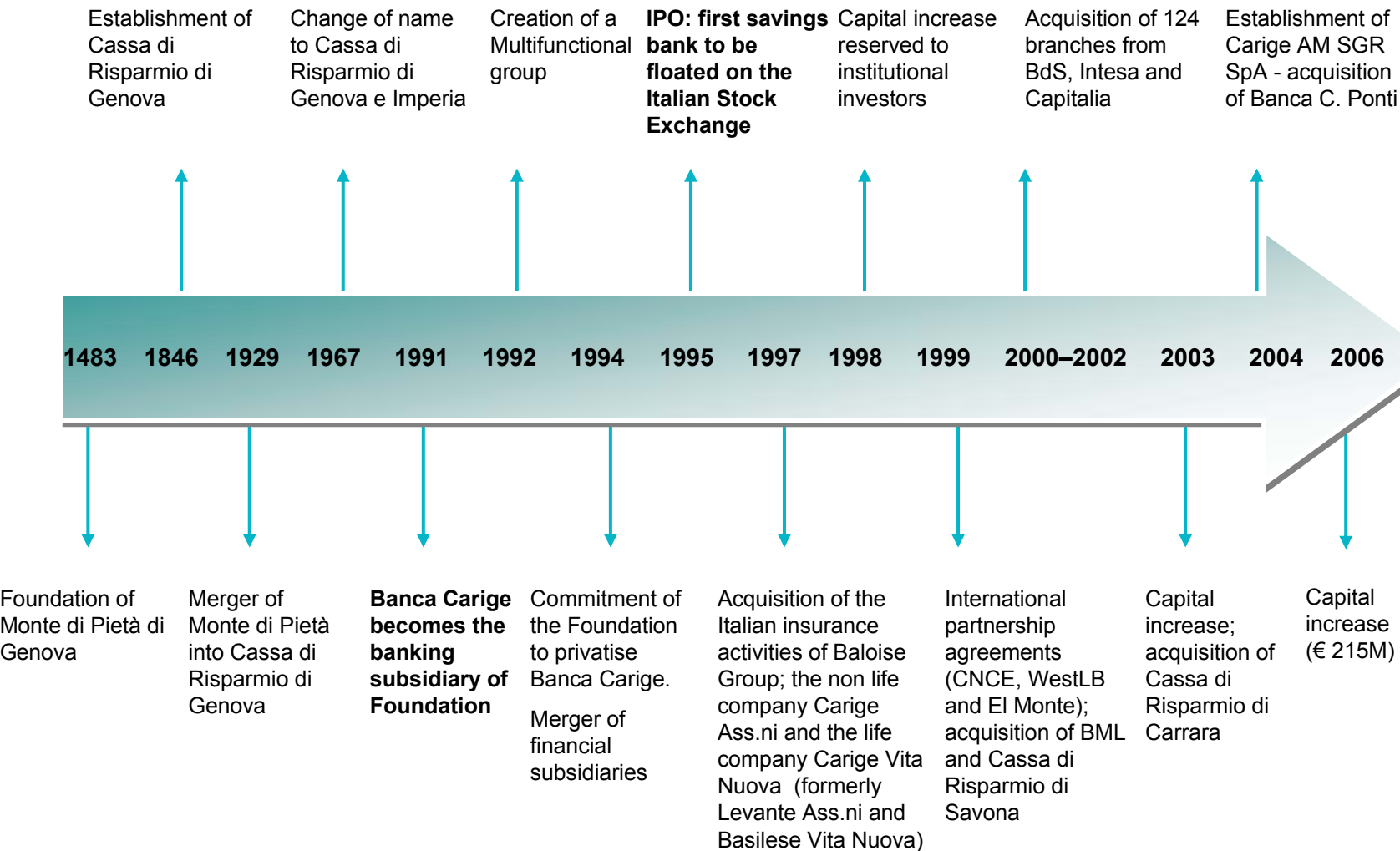
Quality of service

- Focus on retail
- Widespread and intensive use of technology

Quality of resources and structures

- Specialisation of distribution and production structures
- Unitary management of the Group's key-expertises
- Professional development of human resources

Our history



M&A activity

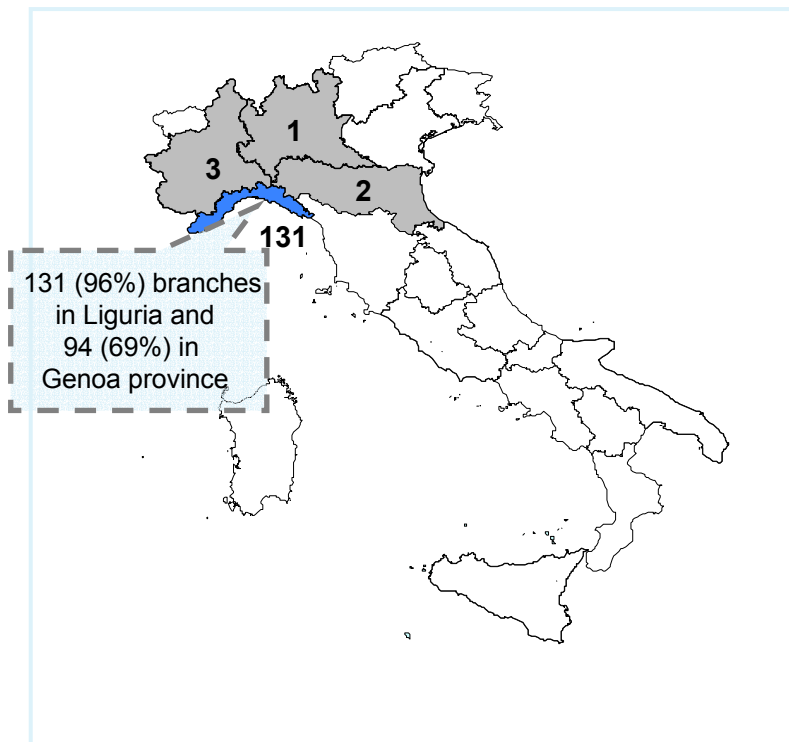
Year	Capital collected	Euro M	Year	Acquisitions	Euro M
1994-95	IPO	105	1993-95-99	Cassa di Risparmio di Savona	227
1996-97	Bond conversion into new shares	61	1991-2004	Insurance companies	303
1997	Capital increase underwritten by La Basilese	46	1999 - 2002	Banca del Monte di Lucca	63
1998	Capital increase underwritten by institutional investors	116	2000	21 branches from Banco di Sicilia	60
1999	Capital increase underwritten by CNCEP, CDC, WestLB	236	2001	61 branches from Intesa	277
2001	Issue of a subordinated loan	400	2002	42 branches from Capitalia	127
2003	Capital increase and issue of subordinated convertible bonds	306	2003	Cassa di Risparmio di Carrara	174
			2004-2006	Banca Cesare Ponti	38
		Total 1,270			Total 1,269

**2006:
Capital increase
of € 215M**

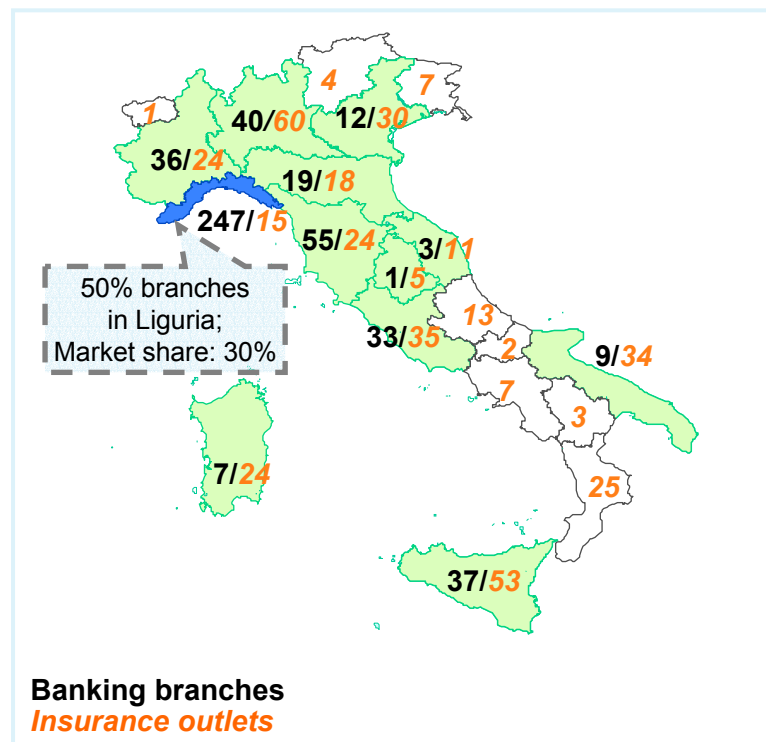
The capital collected was entirely invested in acquisition

The geographical expansion

1989



2006



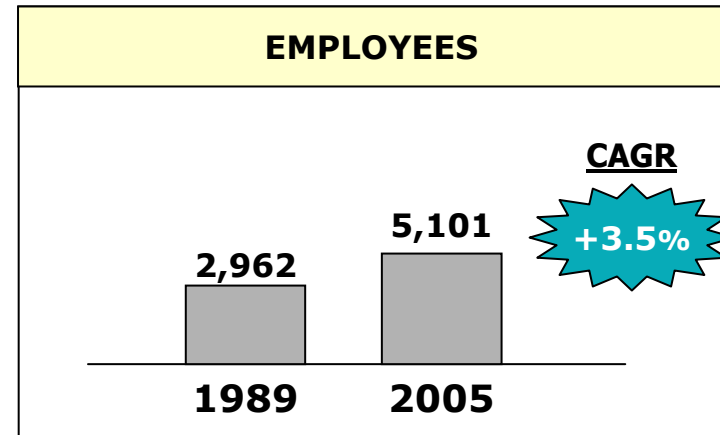
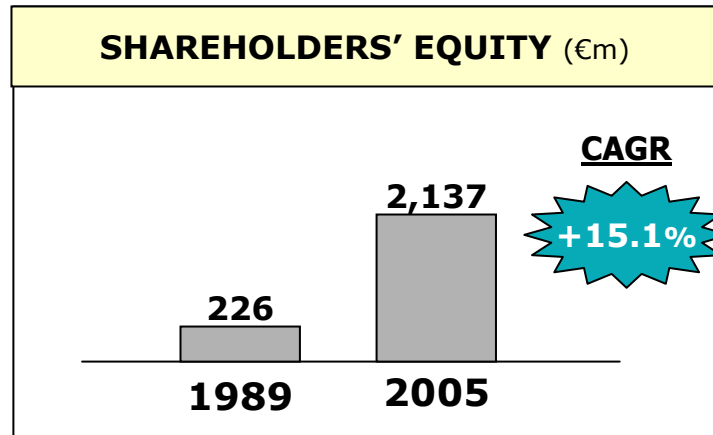
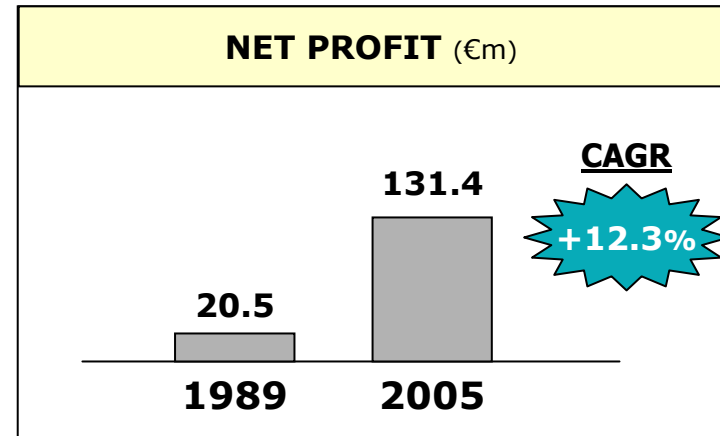
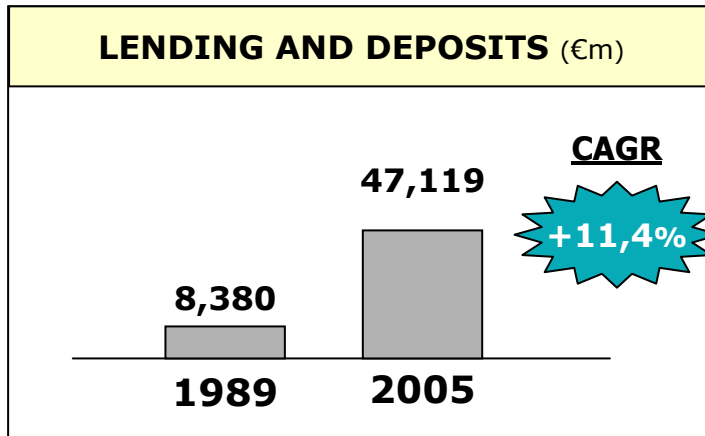
Banking branches
Insurance outlets

	Branches	Employees	Regions
Bank	137	2,962	4

	Branches/ outlets	Employees	Regions
Banks (*)	500	4,736	12/20
Insurances	395	365	20/20
Group	895	5,101	20/20

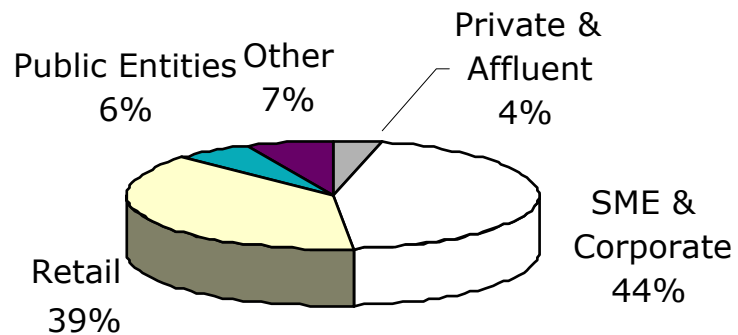
(*) Nice (France) included.

The growth of volumes and results

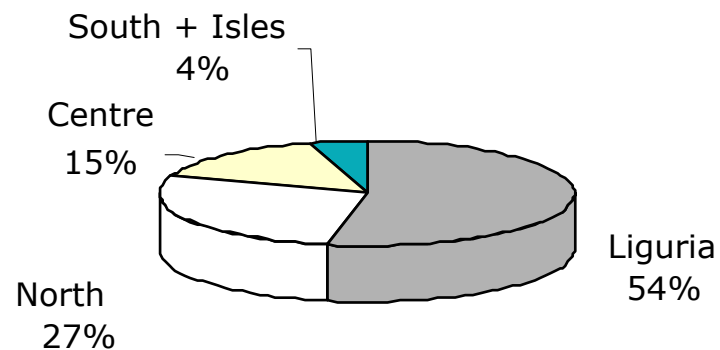


Loans to customers

Loans by segment



Loans by area



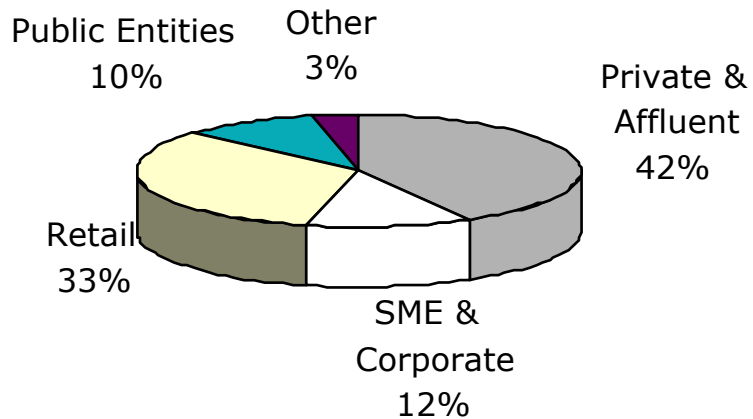
**Total Loans
(1H06)
14.8 billion**

1H06 data

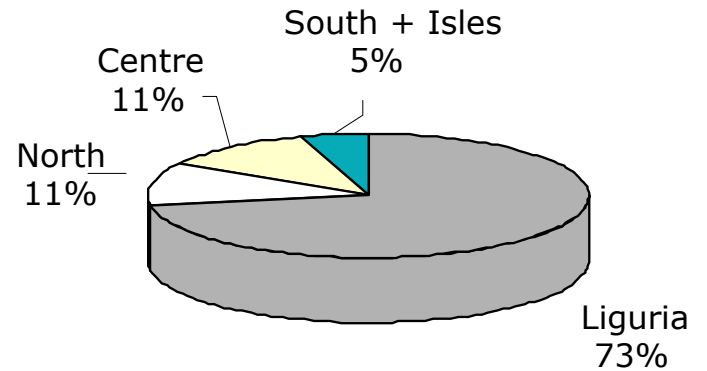


Deposits

Deposits by segment



Deposits by area



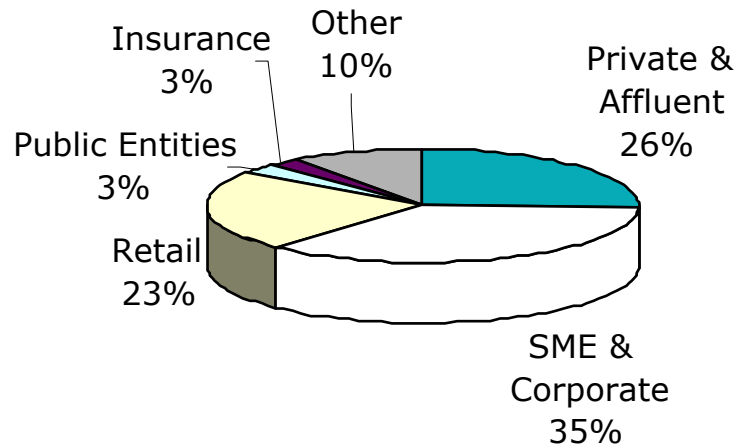
**Total Deposits
(direct+indirect, 1H06)**

34.5 billion

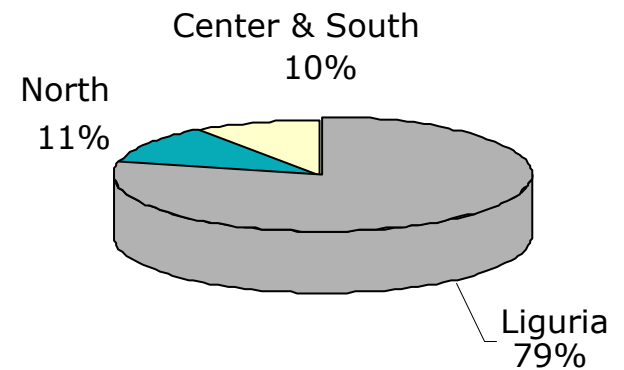
1H06 data

Net Profit

Net Profit by segment



Net Profit by area





Agenda

Banca Carige overview

Carige share performance

1H06 results

The Strategic Plan 2006 - 2008

Focus on main strategic projects

Annexes



Ordinary shares

Annual average yield per ordinary share since IPO (1994)

Total Return 17.4%
(with dividends reinvested in security)

Simple price appreciation 13.6%

Price at 31 August 2006 (3.95 €)

Ordinary shares Market Cap: ~ € 4.7 bn
Saving shares Market Cap: ~€ 0.7 bn

Carige Market Cap: > € 5.4 bn





Agenda

Banca Carige overview

Carige share performance

1H06 results

The Strategic Plan 2006 - 2008

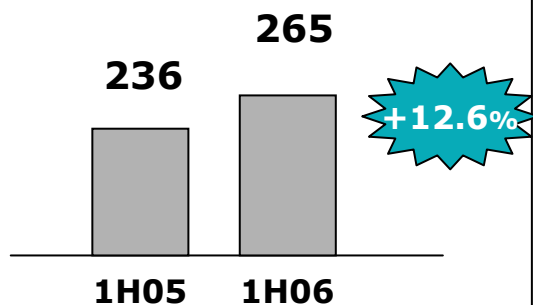
Focus on main strategic projects

Annexes

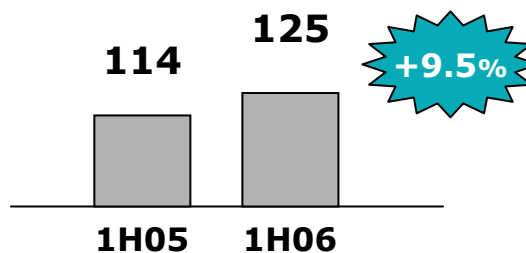


PROFIT & LOSS

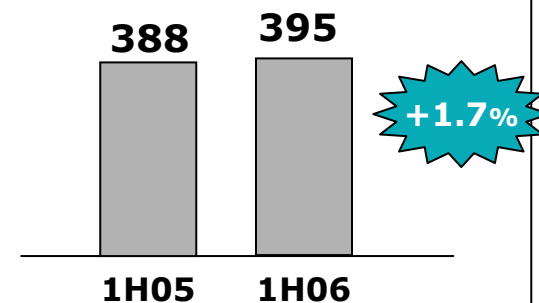
NET INTEREST INCOME (€m)



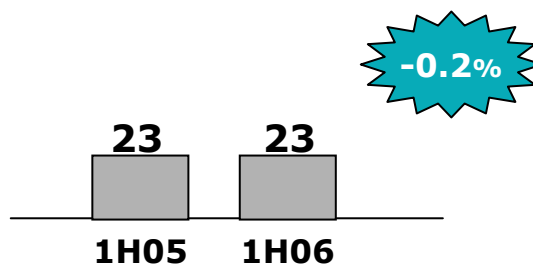
NET COMMISSION (€m)



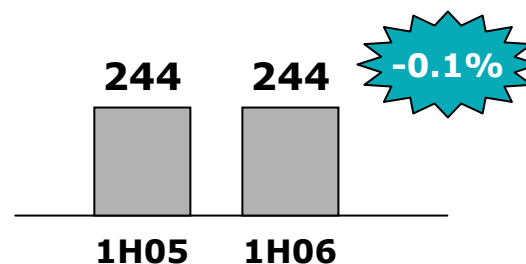
TOTAL REVENUES (€m)



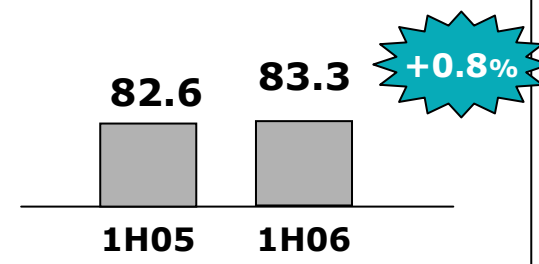
PROVISIONS (€m)



OPERATING COSTS (€m)

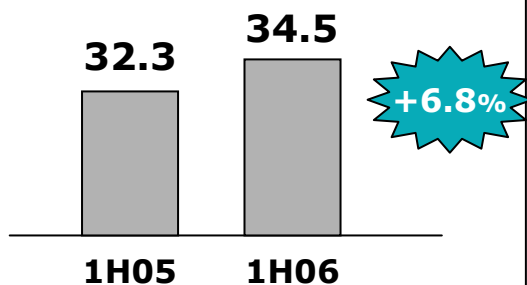


NET PROFIT (€m)

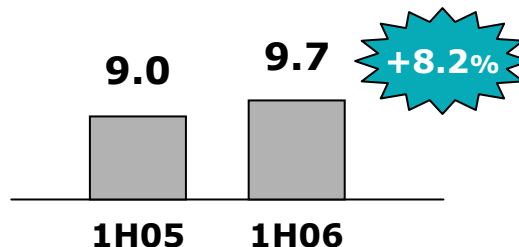


INTERMEDIATION ACTIVITIES & RATIOS

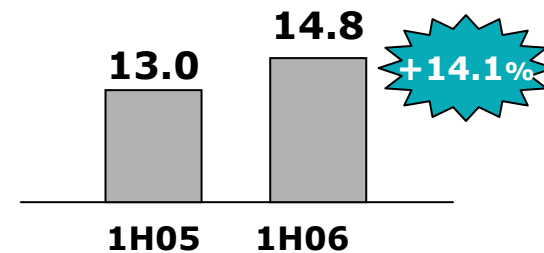
TFA (€b)



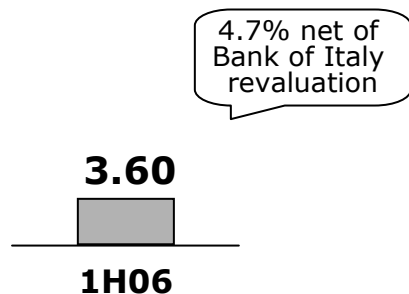
AUM (€b)



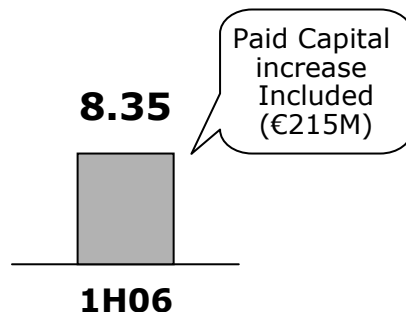
LOANS TO CUSTOMERS (€b)



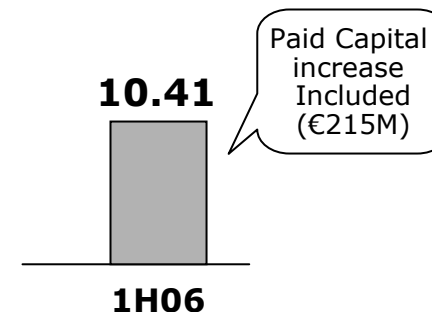
ROE (%)



TIER I (%)



TOTAL CAPITAL (%)





Agenda

Banca Carige overview

Carige share performance

1H06 results

The Strategic Plan 2006 - 2008

Focus on main strategic projects

Annexes



Our strategy

Independence through growth

1990 - 1998

1999 - 2004

2005 - 2008

Capital base
strengthening and
opening to new
shareholders

Expansion and
diversification

Rationalisation
and
profitability
enhancement

The core priorities of the Strategic Plan

Strengthening of operating efficiency and profitability enhancement

- Profitability enhancement of subsidiaries (banks and insurances) and of each business area (lending, wealth management, payment system)
- Cost Management

Growth through productivity improvement

- Increase of volumes per employee:
 - cross-selling, up-selling and retention in Liguria
 - rising of market share outside Liguria, also in synergy with insurance agents

Risk management

- Re-engineering of business processes
- Control of the economic impact of risks

2008 Targets

CARIGE GROUP

	2005	2008E	CAGR 05-04	CAGR 08-05
Total Intermediation (€ b)	47	57	8.2%	6.7%
- TFA (€ b)	33	40	6.3%	6.4%
- Loans to customers (€ b)	14	17	13.1%	7.3%
Net profit (€ m)	131	220	18.2%	18.9%
Shareholders' equity (€ b)	2,1	2,7	1.0%	7.9%
ROE	6.2%	8.2%		
ROE adjusted (*)	8.3%	10.3%		
Cost Income	66.4%	54.7%		
Tier 1	6.5%	8.2%		
Total capital ratio	8.8%	11.8%		

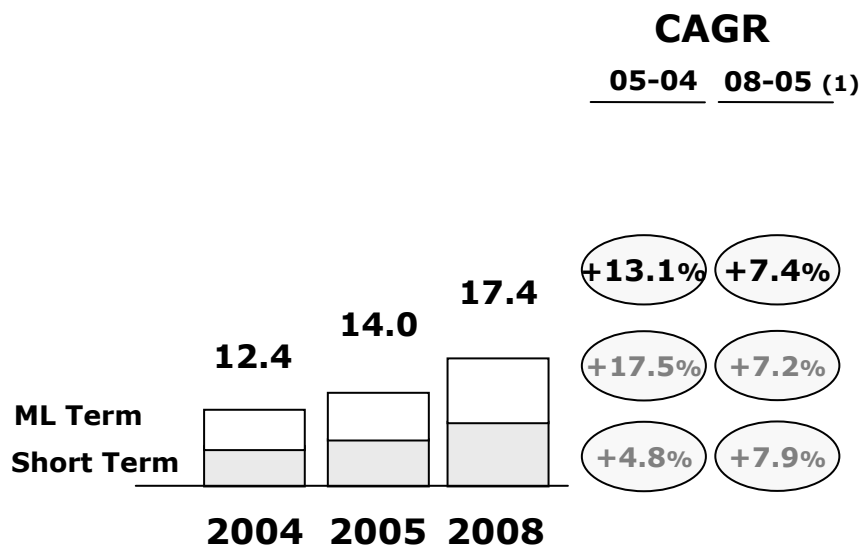
CARIGE BANK

Net profit (€ m)	137	207	52.2%	14.7%
Dividends (€ m)	88	108	5.3%	7.1%
EPS (€)	0.123	0.148		
BVPS (€)	1.962	1.907		
P/E (€)	24.5	22.3		
P/BV (€)	1.54	1.73		

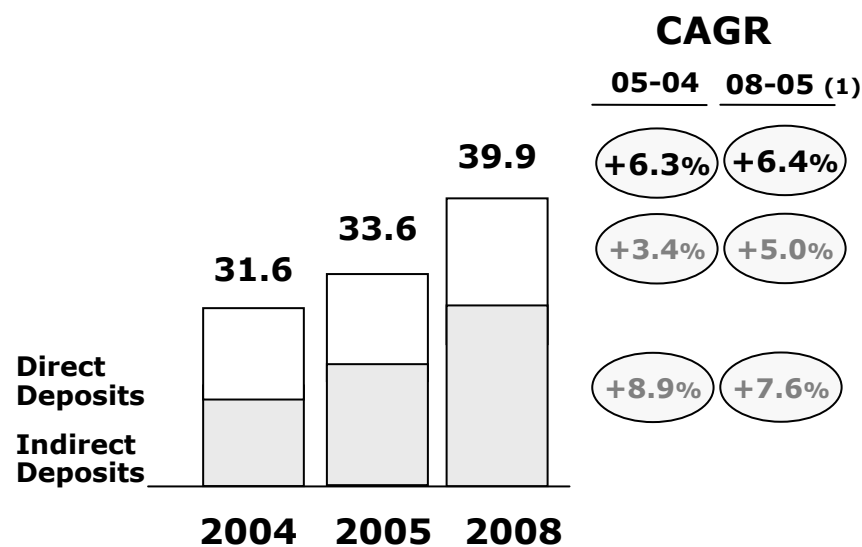
(*) Equity net of the revaluation of the participation in Bank of Italy (547 €m)

Loans and TFA: 2008 targets

LOANS TO CUSTOMERS (€b)



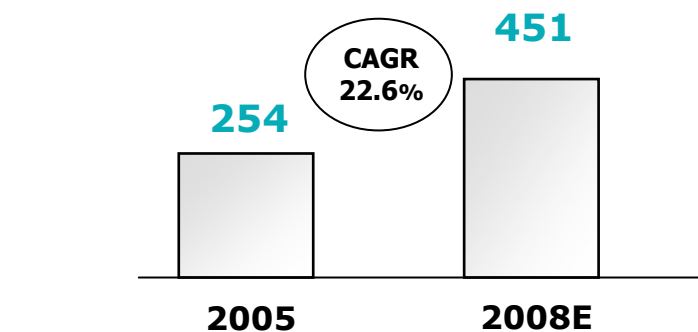
TFA (€b)



(1) 2008 targets / 2005 results

Cost income, revenues and costs: : 2008 targets

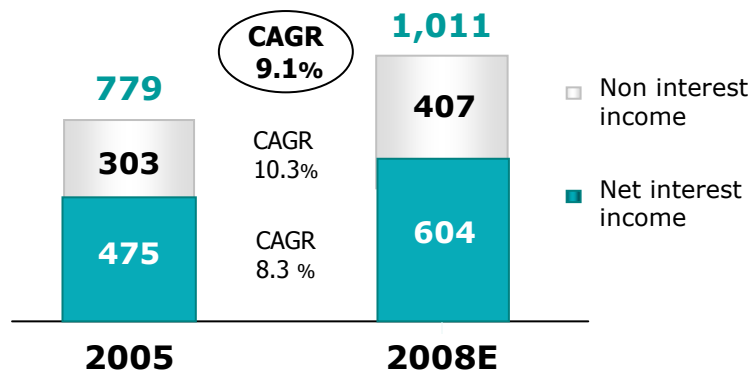
NET OPERATING INCOME



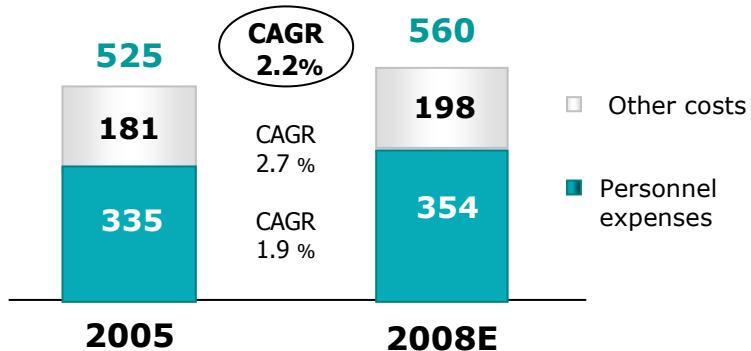
Cost income (1) 66.4% (2005) 54.7% (2008E)

1H06: 60.5%

REVENUES



OPERATING COSTS



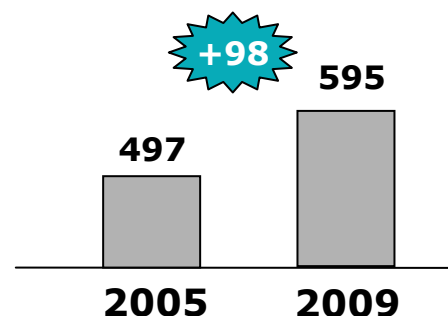
(1) Cost income 2005 pro forma (provisions to reserves for risks and charges not included)

The plan of internal growth

The Group has drawn up a plan to increase the number of its branches between 2006 and 2009. The new branches will be principally localised in the regions next to Liguria (Lombardia, Piemonte, Emilia Romagna, Toscana, South France), in order to enforce the brand where it already exists.

The Plan foresees *98 openings* (75 under Carige brand and 23 under the brands of the other banks of the Group).

CARIGE GROUP BRANCHES



NEW BRANCHES BY BANK

 BANCA CARIGE <small>Cassa di Risparmio di Genova e Imperia</small>	75
 CASSA DI R DI SIONNA	4
 BANCA DEL MONTE DI LUCCA SPA	9
 CR Carrara	10
TOTAL	<u>98</u>

The localisation of the new branches responds to two main principles:

- *market attractiveness* (potential customers, competition)
- *achievement of a market share of 5%* (the minimum market share to grant the development of the business).



Agenda

Banca Carige overview

Carige share performance

1H06 results

The Strategic Plan 2006 - 2008

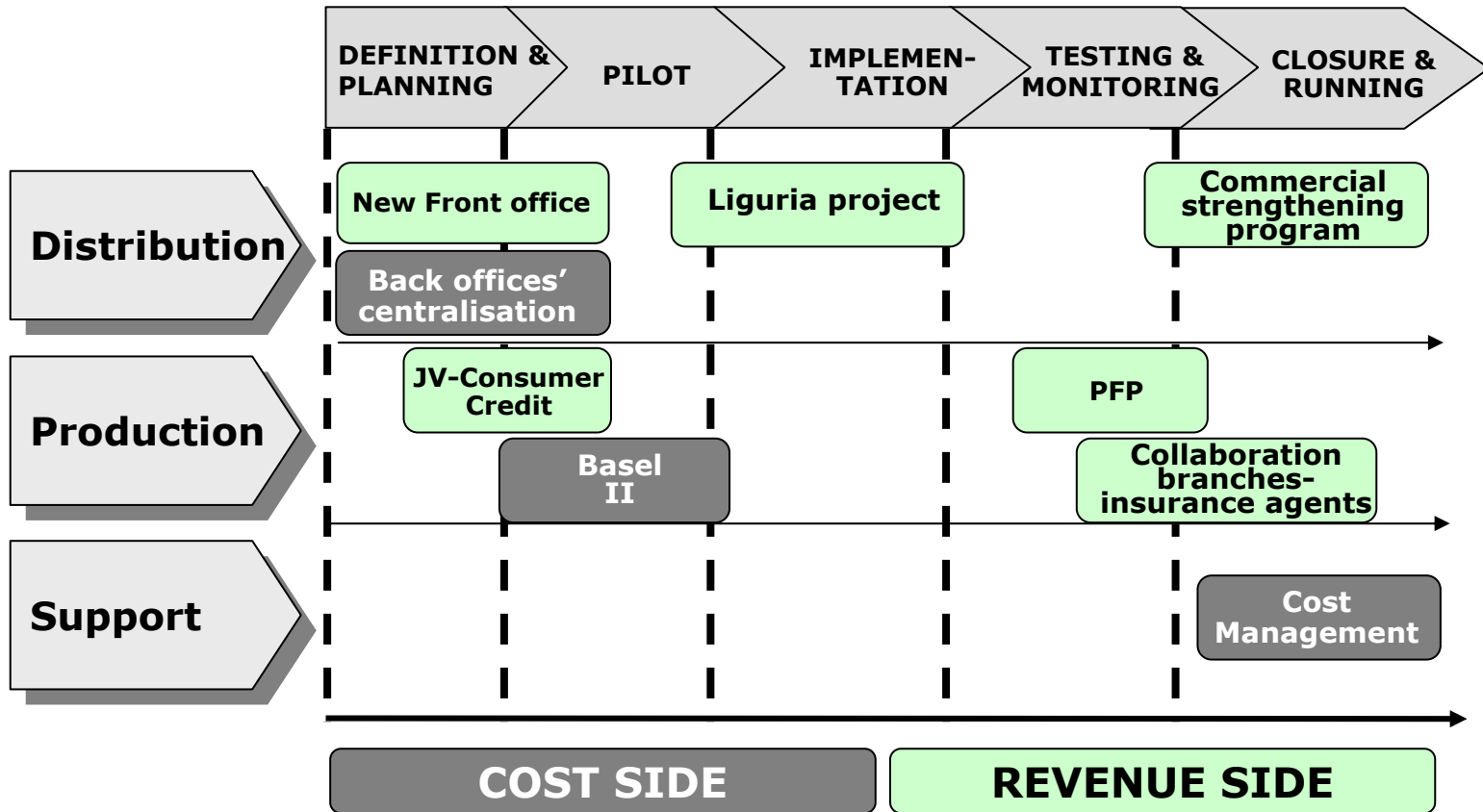
Focus on main strategic projects

Annexes



The Projects of the Strategic Plan

THE STRATEGIC PROJECTS: IMPACTS & LIFECYCLE



The Projects of the Strategic Plan

COST SIDE

Cost Management Project

What is it?

A rationalisation of the cost structure

Scope of the project

- Reducing the cost structure
- Reengineering of the process of purchasing

Project highlights

- Two new functions at a Group level:
- purchasing Office at a Group level
 - Management of deals and purchases
 - Benchmarking (prices and services)
 - Price/volume analysis
 - Zero based costing method
 - Cost Management office
 - Control of expense levels
 - Support to short and medium term planning
 - Process Reengineering

Results

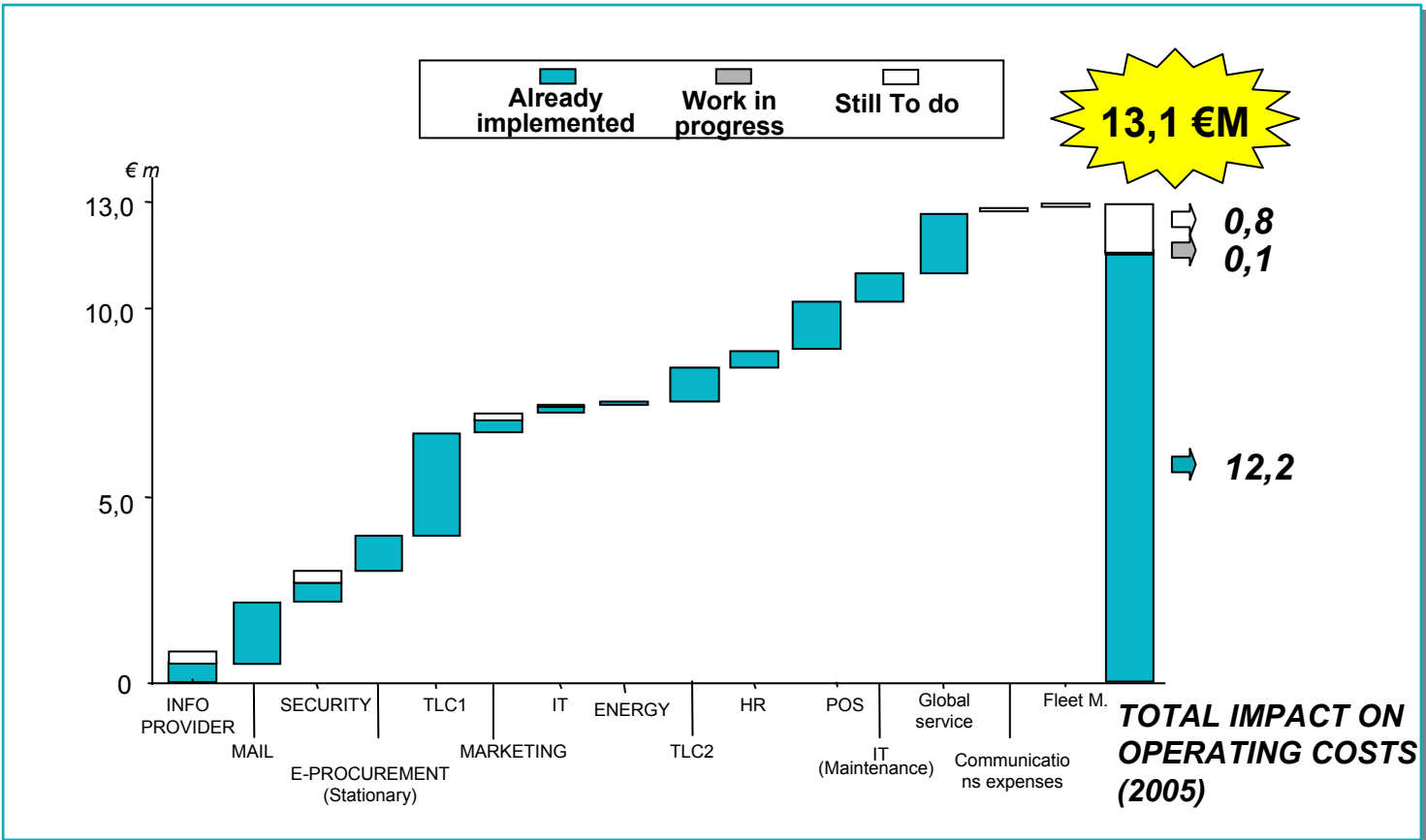
- First results of the project at 12/31/2005:
- savings: 12,2 million of euro (on total target of 13,3)

The Projects of the Strategic Plan

COST SIDE

Some detail...
 .. 12,2 € million of savings at 12/31/2005

Cost Management Project



The Projects of the Strategic Plan

COST SIDE

Back offices' centralisation

What is it?

Reengineering of the branches' processes in order to re-focus branches on their core sale activities

Scope of the project

Conversion of more than 100 employees from back office activities to sales

Project highlights

- transfer of 35-40% of the back-office activities from the branches to two new central structures
- process reengineering – more synergies will be reached when new front office procedures are completed



The Projects of the Strategic Plan

REVENUE SIDE	Commercial strengthening program
What is it?	A structural reengineering of the branches' selling process (branches outside Liguria)
Scope of the project	<ul style="list-style-type: none">• Improvement of the branch cost/income ratio outside Liguria: target cost/income <50%• creation of the organisational conditions (structure, skills and systems) to permanently support the network in further commercial development of the Group ("selling more and selling better")
Project highlights	<ul style="list-style-type: none">• more than 250 branches interested• 7 phases of the project (first phase started in November 2004, the last one in October 2005)• a customer analysis system• identification of commercial initiatives / alliances on the target customers• dedicated sale channel (developers and call center)• dedicated monitoring system
Results	Results of the project at 31 Dec '05: <ul style="list-style-type: none">• revenues: +13 €M• branches' Cost income: - 5 pp (from 50% to 45%)• volumes: + 800 million



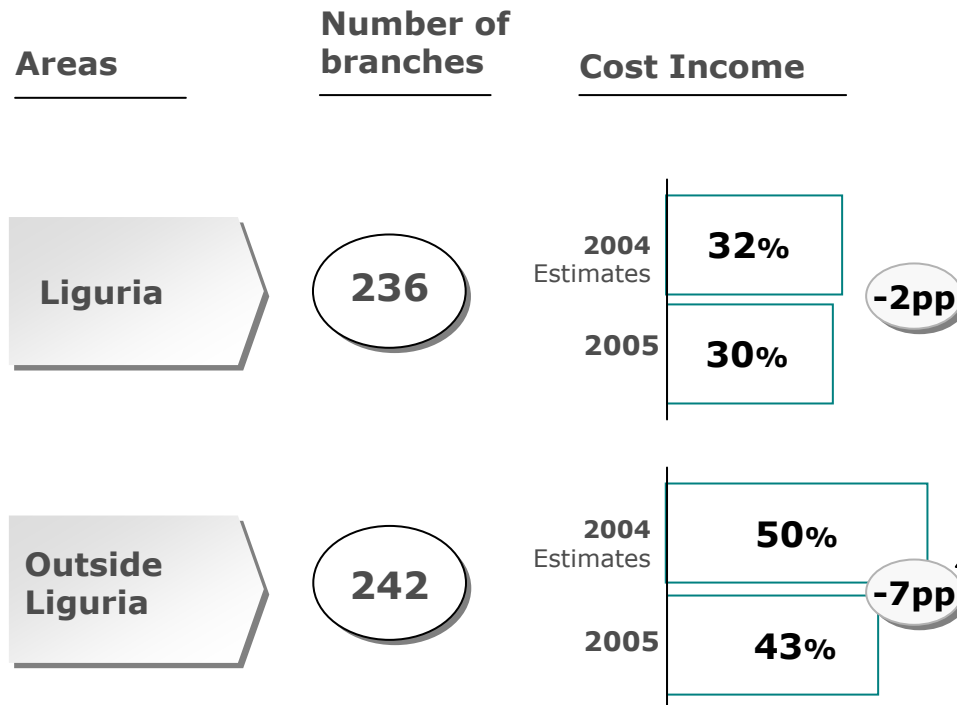
The Projects of the Strategic Plan

REVENUE SIDE

Commercial strengthening program

Some detail..

..first results



Thanks to strategic projects, performances of Branches Outside Liguria are increasing but there is still a great potential to exploit

The Projects of the Strategic Plan

REVENUE SIDE

Collaboration branches - insurance agents

What is it?

A definition of a set of rules and methods in the relationship between branches and insurance agents

Scope of the project

Exploitation of the respective customer relationships:
increasing of the cross-selling ratio between banks' customers and insurances' customers

Project highlights

- monitoring and coordination system at a central level
- a system based on customers' lists and referrals
- exploitation of natural skills: banks' employees sell banking products to insurance customers and insurance agents sell insurance products to bank customers



The Projects of the Strategic Plan

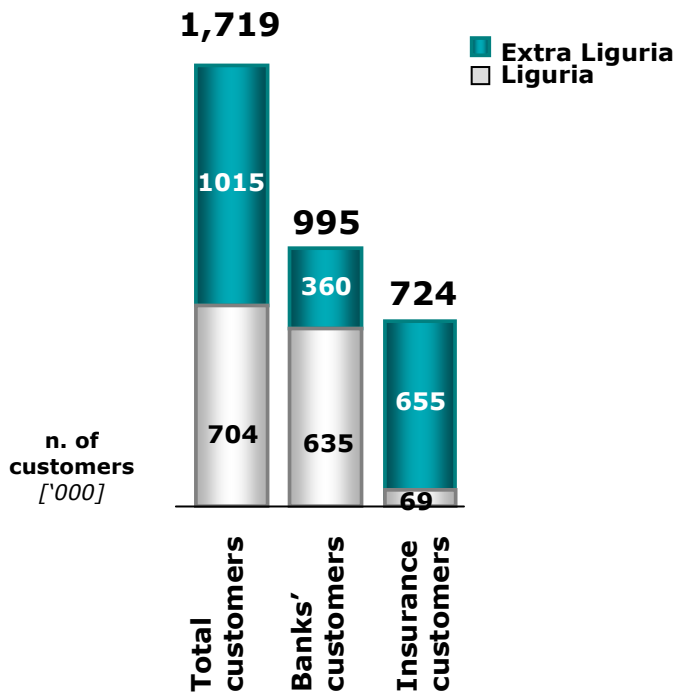
REVENUE SIDE

Collaboration branches - insurance agents

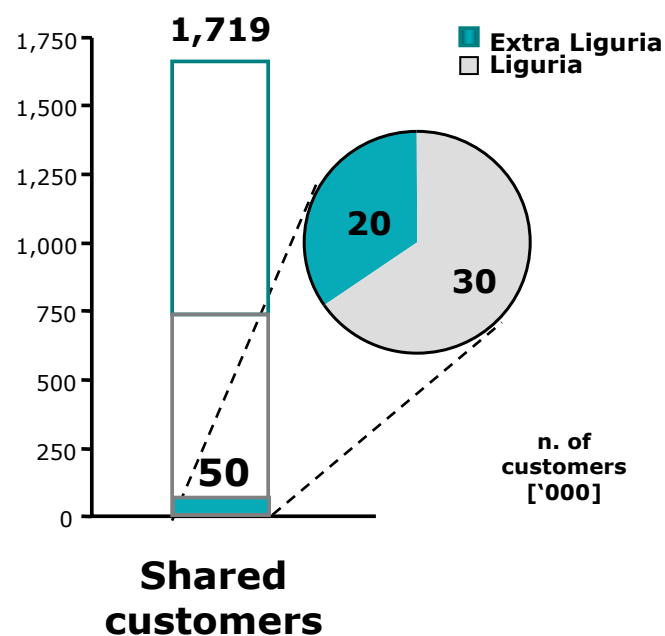
Some detail...

..an high potential to exploit, mainly outside Liguria

Customers of the Group



Shared customers



The Projects of the Strategic Plan

REVENUE SIDE

JV - Consumer Credit

What is it?

A newco in the sector of the consumer credit between Carige (51%) and its French shareholder CNCE (through GCE Financial Services, 49%).

Scope of the project

- a growth in the penetration of the consumer credit products both on the Carige client base and on the open market
- exploitation skills and technologies of CNCE

Project highlights

- starting of the commercial activities: end of 2006
- the newco will be located in Genoa
- products: personal loans and revolving cards



Agenda

Banca Carige overview

1H06 results

Carige share performance

The Strategic Plan 2006 - 2008

Focus on main strategic projects

Annexes



The participation in Bank of Italy

Banking Groups owning Bank of Italy shares	% participation in Bank of Italy	N. of Shares	Value of the participation entered in the balance sheet (millions of euro) (a)	Value of each share (euro)	Value of each share at book value (*) (euro)	Value of the participation at book value (millions of euro) (b)
Banca Intesa	26.8	80,430	433	5,384	45,472	3,657
San Paolo Imi	17.2	51,690	185	3,579	45,472	2,350
Capitalia	11.2	33,450	229	6,846	45,472	1,521
Unicredito	10.8	32,310	46	1,424	45,472	1,469
Bnl	2.8	8,490	117	13,781	45,472	386
Mps	2.5	7,500	4	533	45,472	341
Carifirenze	1.9	5,556	55	9,899	45,472	253
Total first seven groups (without Carige)	73.1	219,426	1,069	4,872		9,978
Banca Carige	4.0	11,869	0.5	41	45,472	540
C.R. Savona	0.0	123	1.7	13,450	45,472	6
C.R. Carrara	0.0	101	0.4	3,497	45,472	5
Banca del Monte di Lucca	0.0	2	0.0	9,988	45,472	0
Total shares owned by Carige	4.0	12,095	2.5	208		550
Total shares		300,000				

(*) Shareholders' equity (Book value) of Bank of Italy at 31 dec 2003

13,641,585,767 €

Bank of Italy's total shares

300,000

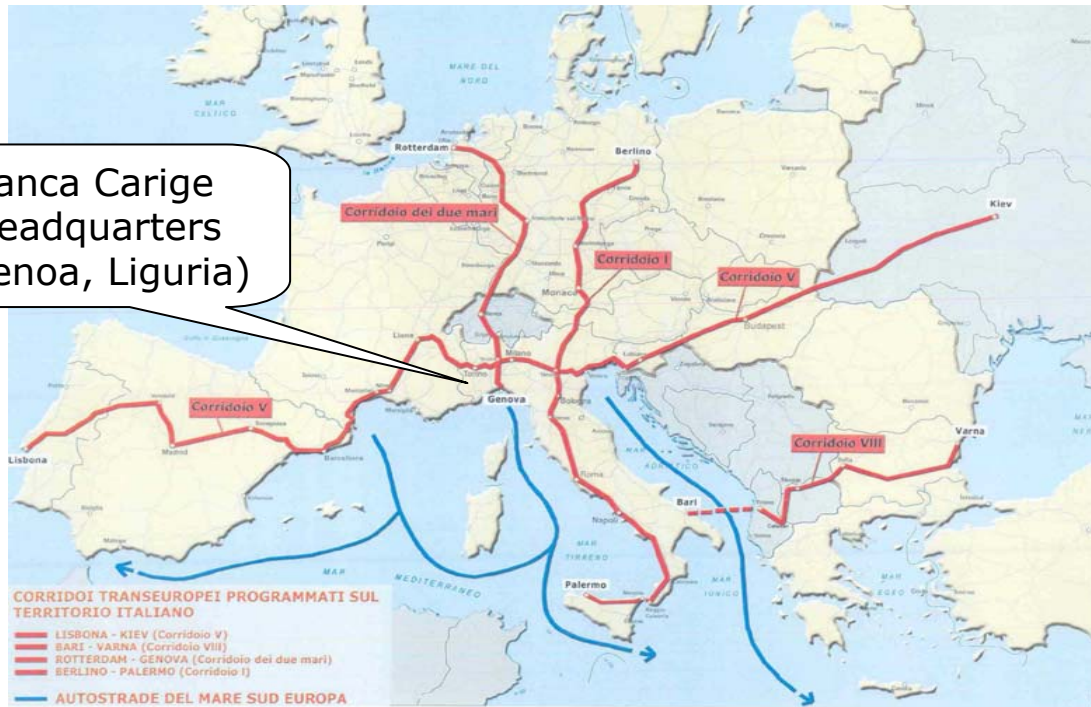
Value of each share at book value at 31 december 2003

45,472 €

A strategic location

The new Trans-European Corridors: an opportunity for Carige

Banca Carige
headquarters
(Genoa, Liguria)



- From a geographic point of view Genoa and Liguria Region are in a strategic position
- The market share of Carige in Liguria is about 30%

Giacomo Burro
Director

Maurizio Marchiori
Planning & Control

Emilio Chiesi
UK Representative

Roberta Famà
Investor Relations
investor.relations@carige.it
Tel: 00390105794092



Disclaimer

This document has been prepared by Banca Carige Spa solely for information purposes and for use in presentation of the Group's strategies and financials. The information contained herein has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. Neither the company, its advisors or representatives shall have any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document. The forward-looking information contained herein has been prepared on the basis of a number of assumptions which may prove to be incorrect and, accordingly, actual results may vary.

This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

The distribution of this presentation in certain jurisdictions may be restricted by law. Recipients of this presentation should inform themselves about and observe such restrictions.

The information herein may not be reproduced or published in whole or in part, for any purpose, or distributed to any other party. By accepting this document you agree to be bound by the foregoing limitations.

