



**assonebb**

associazione nazionale per  
l'enciclopedia della banca e della borsa

# review bankpedia

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**Editor's corner**

**Chiara Oldani**

**Assonebb** is a voluntary association and was founded in 1972 by Prof. Piga and Prof. Parrillo to spread and sustain the banking and finance culture in Italy, a country where the first banks and insurance companies were founded in the XV century (**Monte dei Paschi**, Rolo Banca, and **Assicurazioni Generali**). Today, the associates of Assonebb are banks, insurance companies, leaders in the industry and the central bank. This prestigious group shares the common values of culture, knowledge and history. The severe financial crisis in the last years and the mergers and acquisition processes that have taken place after 1990 have contributed to reduce the number of associates, but they have not diminished their interest in achieving a common mission.

Bankpedia Review collects the historical and informational details of Assonebb's associates in order to underline their historical role in the growth of Italy and Europe, in the banking culture and in its development. The strength of the Italian banking system has been the ability to adapt to a changing world, its fortune has been that of having been established in a country where Renaissance took place and commerce boomed. The European integration process has seen Italian banks play a leading role. The financial crisis hit the Italian industry indirectly, since its predominantly domestic-oriented structure prevented it from investing massively in toxic assets. The absence of severe banking difficulties testifies the leading role played by the **Bank of Italy**, and its **moral suasion**.



## ASSICURAZIONI GENERALI



CORPORATE INFORMATION (YEAR 2011)				
Capital	Equity	Total reserves	Solvency ratio (life insurance)	Solvency ratio (damages insurance)
1.556,9	14.259,8	12.703,0	570,8%	1081,0%

**Generali Group** is one of the most significant players in the global **insurance** and **financial products** market. The Group is leader in Italy and Assicurazioni Generali, founded in 1831 in Trieste, is the Group's Parent and principal operating Company. Indeed, Assicurazioni Generali Austro-Italiche was established in Trieste in 1831. Giovanni Cristoforo Ritter de Zahony became the first chairman of the Company. After his resignation in 1835, the post remained vacant until 1909. In 1848, the company changed its name to Assicurazioni Generali and St. Mark's lion was adopted as the company symbol. In 1857, Generali **shares** were quoted for the first time in the Trieste **Stock Exchange**. In 1875, the company began to pay the **dividend** in gold Francs (until 1914). In 1881, the 50th Jubilee year was celebrated and Erste Allgemeine, Generali's first insurance subsidiary, was established in Vienna. A few years later, in 1886, the company's Central Head Office moved to its present location in Trieste, while the first number of "*Il Bollettino*" was issued in 1893. At the beginning of the 20th century, a major **real estate** investment programme was started. In 1906, the 75th anniversary was celebrated, and the share capital was converted into Crowns. Three years later, Marco Besso was appointed chairman. At the end of WW1, Trieste was annexed to Italy and Generali

obtained full Italian nationality status, and consequently the share capital was converted into Italian *Lire*. In 1920, Edgardo Morpugo was appointed chairman. In 1926, the company called the most talented artists, like Marcello Dudovich, to design its posters. The 100th anniversary was celebrated during the world economic and financial crisis begun in 1929, yet in 1933, major investments in farming activities were started. In 1937, an electro-mechanical accounting unit, equipped with state-of-the-art Hollerith calculators was set up. In 1938, Giuseppe Volpi was appointed chairman. After the outbreak of WW2, in 1940 all contacts with the Group's organisation in enemy countries were interrupted. In 1943, Antonio Cosulich was appointed chairman and two years later, at the end of the war, Trieste was ruled by the Allied military government. In 1945, Generali transferred its Registered Office to Rome. The end of the war brought about the loss of all company assets in Central and Eastern Europe. In 1946, the Italian Republic was born and in 1948 the Group restarted its expansion outside Italy. Mario Abbiate was appointed chairman, followed by Mario Tripovich in 1953. In 1956, the 125th anniversary was celebrated and Camillo Giussani was appointed chairman, followed in 1960 by Giro Baroncini. In 1966, Generali signed a co-operation agreement with Aetna, the largest U.S. multi-branch insurer. Two years later, Cesare Merzagora was appointed chairman. In 1971, a new, more modern trademark was launched, using the shortened name "Generali". In 1974, Genagricola was established, and since 1980 it controls all the Group's farms. In 1979, Enrico Randone was appointed chairman. In 1981, the 150th anniversary was celebrated. In 1984, the first advertising campaign was launched on the mass media. Five years later, Generali initiated a joint venture in Hungary becoming the first insurer from the Western world. A new, modern and complex centre was opened in Mogliano Veneto, which today hosts the head offices of Generali Italy. In 1991, Eugenio Coppola di Canzano was appointed chairman. In 1994, Genertel was established, the first Company selling insurance



over the phone. In 1995, Antoine Bernheim became chairman, and in 1996, the first website of the company was created. In 1997, Generali acquired the Migdal group, Israel's largest insurer. Following an agreement with Allianz and AGF, Generali took over the German group AMB and three French companies, thereby significantly increasing its market share in the two countries. In 1998, following the creation of Banca Generali and the acquisition of BSI, the Group entered the Financial Services sector. Alfonso Desiata became chairman. In 2000, the Italian insurer INA became part of the Group. The following year, Gianfranco Guty became chairman. In 2002, Generali China Life Ins. Co. was established in Guandzhou, and after just a few years of operation, it became the leader among the insurance companies with foreign equity interests. In the same year, Antoine Bernheim was re-appointed chairman. In 2003, the first Generali Group's strategic Plan was presented. The bid by CityLife, led by Generali's **real estate arm**, won the tender for the redevelopment of the Milan Fair. The Ethical Code was published. In 2005, the first **Sustainability Report** was presented. In 2006, Generali acquired Toro Group (Italy). A joint venture with Future Group was established in India. In 2007, the 175th anniversary was celebrated and a joint venture with PPF Group was established to promote business in Central and Eastern Europe. In 2008, the joint venture between Generali and PPF Group became operational with activities in thirteen Central and Eastern Europe countries. In 2009, Toro merged with Alleanza. In 2010, Cesare Geronzi was appointed chairman, followed by Gabriele Galateri di Genola in 2011.

Since 1831, Generali Group has been characterised by a strong international drive. It is a key player in Continental Europe, the biggest **life insurer** and leader in direct channels, with a significant presence in all main countries. It ranks 1st in Italy and 2nd in Germany and France. It adopts a multi-brand and multi-local approach, and it implements a multi-channel distribution strategy.

Generali Group, with its experience dating back to almost two centuries, its

recognised financial strength and its consolidated partnerships with major international insurers, operates in all classes of insurance. The lines of business in fact range from mass **risks** (like automobile third party liability and personal injuries) to highly complex industrial plants, from simple policies for family protection to extensive contracts satisfying multinational companies' complex needs. With its capacity to easily adapt to all market changes, Generali has often been the driving force behind innovation in the industry: one example is certainly Europ Assistance, based in Paris, world leader in the assistance sector, or, in Italy, Genertel, specialised in direct selling over the phone and via web.

In the last few years, however, even if adopting a business diversification strategy, Generali has been focusing on providing coverage to individuals, protecting their incomes and optimizing their savings, mainly through life products, with individual and group **pension plans**. In this field, Generali can offer highly sophisticated solutions to multinational companies through a specialised structure, named GEB (Generali Employee Benefits) located in Bruxelles. Moreover, Generali has recently widened its traditional insurance business focus to the financial and asset management services. Along this strategic evolution, it was decided to complement the available products range by setting up an internal banking structure, Banca Generali. At the same time, the Group has started to optimize the products performance for the benefit of savers, and has begun to concentrate the activities of asset management in a few specialised companies, linked in a single European network.

Generali is today present in more than 60 countries, with over 500 international companies, over 82,000 employees, and 65 millions clients worldwide. The Group's own sales network employs more than 100,000 people, more than € 460 billion worth of assets, and it has a property portfolio worth € 28 billion.

Links: **[www.generali.com](http://www.generali.com)**

## BANCA AGRICOLA POPOLARE DI RAGUSA



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
745,9	3.551,3	3.536,9	137,1	31,3%

The history of *Banca Agricola Popolare di Ragusa* (BAPR – Agricultural Cooperative Bank of Ragusa) is tightly connected to that of the territory in which it operates, that is to say the town of Ragusa and southeastern Sicily. The connection with the local context is one of the specific traits of any '*banca popolare*' (cooperative bank), yet in the case of BAPR it is very strong, so that the history of the territory and the history of the bank intertwine and influence each other giving life to an indissoluble pair.

The bank was founded in March 1889 in a social and political context that was particularly favourable to the development of such institutes. Indeed, in that decade, the bases for an important modernisation of the area of Ragusa were set: in the field of credit this meant overcoming the traditional circuit dealers – bankers. Consequently, on 10 March 1889, also thanks to the hardship of *Mutua Popolare* – which had already been operating in town for several years – due to the economic crisis, a group of citizens of Ragusa<sup>1</sup> signed the act of foundation of *Banca Popolare Cooperativa di Ragusa* in the office of the notary public Emanuele Cabibbo.

<sup>1</sup>Luigi Cartia, Giorgio Morana Gulino, Giovanni Lupis, Corrado Schifitto, Gaetano Nicita, Vincenzo Canni, Filippone Criscione and the engineer Carmelo Scrivano.

The first shareholders paid the capital and started looking for new people to involve in the deed: by the end of the year, the young bank had already about sixty shareholders who underwrote **shares** for a total of 56,000 lire. Most shareholders were small and big landowners, while only a few were workers and representatives of other social classes. Differently from the majority of statutes adopted by other cooperative banks, the one of *Popolare Cooperativa di Ragusa* did not regulate the bank's charity work.

After having chosen a location for its headquarters, the bank started its activity: at the top of the Board of Directors, Giorgio Arezzo was named President and Giovanni Lupis was named Vice-President; whereas Carmelo Scribano had the honour of being the first Managing Director. The assets under administration grew rapidly, so that already in 1891 the capital stock amounted to 71,300 lire – the total assets under administration (average values) in the first years: 81,181 lire in 1889; 222,482 in 1891; 461,993 in the period 1892-1896; 561,507 between 1897 and 1901; 965,163 between 1902 and 1906.

Therefore, *Banca Popolare Cooperativa di Ragusa* became a reference point for the other important banks of the time: in 1893 it became qualified to re-discount with *Banco di Sicilia* and *Banca Nazionale del Regno* (National Bank of the Kingdom) – later called *Banca d'Italia* (**Bank of Italy**). In the first years of the Twentieth century, it became the representative in Ragusa for *Banca di Sicilia* and *Banca Commerciale Italiana*. In 1902, at last, it became part of *Associazione Nazionale delle Banche Popolari* (National Association of Cooperative Banks). The greater dynamism of the early 20th century (in 1910 the first branch was inaugurated in Ragusa Ibla) was due to the new Managing Director Luigi Cartia: the shareholders obtained greater **dividends** – in 1903 the peak of 14% was reached – thus reinforcing at the same time the reserve fund.

The first successes and the remarkable increase in dividends led to the birth of other

rival banks: in 1902, *Banca Popolare Agricola Cooperativa*; in 1904, *Banca Cooperativa Agricola Commerciale*; and lastly, in 1910, *Banca Agricola Commerciale la Popolare*. Among these, the institute established in 1902 soon became the main competitor and it started overcoming *Banca Agricola Popolare di Ragusa* in terms of administered funds and deposits. At the time of Fascism, the link between the political framework, the territory and the development of the Bank became stronger than ever. The results were two: the institution of the province of Ragusa, and the recovery of the banking system started by the regime following the economic crisis of 1929. The first was of the highest importance for the future of the bank. The choice of Ragusa as capital of the province, instead of the “red” Vittoria and especially Modica (hub of the area since the early post-unity time), whose expectations were “certainly not unfounded” (also for its size: Modica counted about sixty thousand inhabitants whereas Ragusa had forty-eight thousand<sup>2</sup>), was due to the fact that Ragusa “home of Pennavaria (an Italian politician) was liked by fascists for the anti-proletarian reaction that spread successfully from it”<sup>3</sup>. The generous public works financed by the fascist regime made the economic crisis and the crash of the *Banca Italiana di Sconto* (Italian Discounting Bank) have a less disruptive impact on the Ragusa area as compared to other areas of the country. The second result, that is to say the re-organisation of the banking system, created the right conditions for the merger of the four banks of the area: “considered from a national point of view, the merger was not exceptional. The fusion fitted in the process of simplification and recovery of the entire national banking system that the circumstances imposed”<sup>4</sup> (indeed, the 4,328 banks present in 1927 became 1,424

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<sup>2</sup>Vittorio A., *Economia e società a Ragusa: 1930-1980*, in Di Stefano M., Granozzi L., Micciché G. and A. Vittorio, *La Banca Agricola Popolare di Ragusa. Frammenti di un secolo di storia (1889-1989)*, Palermo, Sellerio Editore, 1989, p. 210.

<sup>3</sup>Micciché G., *Politici e banchieri nell'area degli Iblei*, in *Ibidem*, cit., p. 144.

<sup>4</sup>Granozzi L., *La formazione di un'azienda regionale di credito*, in *Ibidem*, cit., p. 56.

by 1945. In particular, 'Popolari' – cooperative banks – decreased from 662 to 233). On 5 May 1935, indeed, the shareholders' assemblies took place simultaneously and they decided on the merger into *Banca Popolare Agricola Cooperativa* that took the name of *Banca Agricola Popolare di Ragusa*. After the merger, the capital stock increased to 5,321, 400 lire divided in shares of one hundred lire each, a great part of which representing the two main banks: *Banca Popolare Agricola Cooperativa* – 75% - and *Banca Popolare Cooperativa* – 15%. The first President was Salvatore Ottaviano, representing the old *Agricola Popolare*, whereas Gianbattista Cartia, grandson of Luigi, member of *Popolare Cooperativa*, got the post of co-Managing Director together with two other members chosen in minor banks – Nicola Gulino and Giuseppe Licitra Salesio. Yet, because of the outbreak of World War Two, the positive effects of the merger could not fully deploy their potential. The post-war period was marked by the Cartia family that, with Giovanbattista, took the lead of BAPR. The recovery was noticeable, so much that already at the end of the 1940s, the capital stock had more than doubled as compared to 1945 and the investments had grown remarkably. New branches were opened in S. Croce in Camerina, Acate, Ispica, Vittoria and Marina di Ragusa. Later on, the BAPR managed to cross the borders of the province by opening more branches in Rosolini, Francofonte, Pachino and Carlentini. Finally, in 1977, the historical "landing" in Catania: "more than any other public and private bank, in those years, the BAPR developed the loan for craftsmen and farmers, by favouring small and very small enterprises – legitimately considered the skeleton of the economic system"<sup>5</sup>.

From the 1970s until today, the BAPR has experienced only little alternation at its top, as a sign of continuity, which represents one of its strengths: Giovanni Cartia was Chief Executive Officer from 1970 to 2001; Vincenzo Spata followed from 2001

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<sup>5</sup>Vittorio A., *Economia e società a Ragusa: 1930-1980*, cit., p. 155.

to 2006; and lastly, Salvatore Inghilterra is CEO since 2006. Giovanbattista Cartia was President from 1970 to 1988; Mario Schininà from 1988 to 2002; since 2002, Giovanni Cartia, who was also Managing Director from 2001 to 2009, is President. Between the end of the 1980s and the beginning of the 1990s, the evolution of the European framework which matured from Berlin – fall of the Wall - and Maastricht – signing of the Treaty on European Union – passing by the European Single Market, had effects on the BAPR as well. The complex chain of mergers, acquisitions, assimilations and restructurings that took place in the Italian banking system, like those of other Member States of the European Union, concerned the institute of Ragusa as well, even if to a lesser degree than other cooperative banks.

In the early 1990s, the BAPR still operated with only 28 branches, concentrated especially in the province of Ragusa, but present also in the province of Siracusa and Catania. Thanks to the liberalisation of sites allowed by the Supervision Authorities, a period of quick development started. In 1997, it became the leader of the homonymous Banking Group, by getting the control, by means of a public take-over bid, of *Banca Popolare di Augusta*. Between 1997 and 2003, it merged four times through the acquisitions of cooperative banks – *BCC di Linera*, *BCC di Belpasso*, *BCC di Itala* – and, lastly, of the very *Banca Popolare di Augusta*. In 2000, it acquired control of the company *Concordia SIM S.p.A. (Ltd)*, re-named *FinSud SIM S.p.A.*, and headquartered in Milan, where a branch was opened in 2001. In 2008, ten branches of *Banco di Sicilia*, located in the provinces of Messina and Catania, were acquired. In 2010, the branches were a total of 98, 97 of which in Sicily – in the provinces of Ragusa, Siracusa, Catania, Enna and Messina – and one in Milan.

The BAPR favoured a strong and constant policy of capitalisation throughout the years, thus infusing an image of solidity and trust in the future in the investors and costumers, a strong feeling of protection for savings, and a deep sense of respect

for work, as the elective field of expression of human value. BAPR's body of shareholders has a widespread structure and today it is composed of about 15,000 shareholders residing for almost the totality in the areas where the Bank operates, as they usually are also its costumers.

Meanwhile, the development undertaken required a new head office and registered seat. In 1991, a modern, rational and prestigious administrative centre was bought for this reason, and it was inaugurated in 1995. With regret, but aware of the necessity and of the new opportunities, the institutional management left the liberty-style building in the historical centre, which continued to host the branch number "zero", the Seat of Ragusa.

The BAPR strengthened its tie with the territory also through widespread liberal disbursements and sponsorships, some of which were of remarkable visibility: for instance, in the field of sports, the male basketball team *Virtus Ragusa*, which, in the championship 1997-1998, played some good seasons in the A2 series; in the field of scientific research, the sponsorship in favour of the foundation *San Raffaele del Monte Tabor* in the framework of the project "*Trapianto di cellule staminali neurali somatiche come nuovo approccio nel trattamento della sclerosi multipla*" ("Transplant of somatic neural stem cells as a new approach in the treatment of multiple sclerosis"). In the cultural field, in 2010, the BAPR promoted the establishment of the foundation "*Doris e Cesare Zipelli*" in order to administer part of the valuable collections of prints and ancient ceramics belonging to the eclectic man of refined culture and sensitivity who animated Ragusa's society at the end of the last century, and who had recently died.

Under the leadership of Giovanni Cartia (awarded in 2010 with the title of '*Cavaliere del Lavoro*' - that is to say decorated for his service to industry, TN), the BAPR showed dynamism and a bility to evolve, by putting together the principles of cooperation inspired by Luzzatti and the innovative movements of globalisation: the



values of Economic Democracy, Proximity and Solidarity kept characterising this local Bank, the only one among cooperative banks in Sicily to maintain its corporate independence and to represent with continuity the original economic and professional components, by interpreting the concept of “mutuality” as a feeling of “territorial solidarity”.

The orientation of investments in favour of families and enterprises of the area of reference, granted to reward hard-workers and meritocracy; the important support to employment; the services in support of local institutions; the frequent support to social initiatives, in particular to the weakest parts of the population and to non-profit associations; the will to preserve the precious artistic and cultural heritage represented by local artistic and artisan traditions and know-how as valuable resources for the development: they all testify the consistency of an engagement that lasts over time and wants to accompany its community in a real growth of civilisation.

The principles of **Social Responsibility** and Economic Ethics that *Banca Agricola Popolare di Ragusa* follows in its action are summed up in the message of its recent corporate communication, which is both a statement of purpose and an exhortation to rebirth: “*Sicilia, Crescere nei Valori*” (“Sicily, to grow into values”).

Link: (in Italian only) [www.bapr.it](http://www.bapr.it)



## BANCA CARIGE



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
3.200,4	23.772,1	26.775,9	490.873,3	10,3%

*Carige* is the abbreviation of *Cassa di Risparmio di Genova*, the original name of *Cassa di Risparmio di Genova e Imperia*, founded in 1846 in Genoa. The name change took place in 1967. Until the 1980s, the network of *Cassa* consisted only of the branches open in three provinces of the region Liguria, in addition to one in Turin, one in Milan, and the **shares** in *Mediocredito Ligure*, in whose foundation it had participated in 1953, and in *Istituto di Credito Fondiario della Liguria*, founded in 1967. At the end of the 1980s, *Carige* created three companies in the financial sector: *Columbus Leasing*, *Columbus Factoring*, and *Columbus Domestic*. On the 1st of December, 1991, *Cassa di Risparmio di Genova* became a limited company, by taking the name of *Banca Carige S.p.A.*, organised in a multifunctional credit group headed by the Bank itself, and composed of the aforementioned companies, *Centro Fiduciario S.p.A.*, and building societies. *Mediocredito Ligure* and *Istituto di Credito Fondiario della Liguria* merged into *Banca Carige* in 1993. In 1991, the Bank became a bank-**insurance company** by stipulating an agreement of collaboration with the insurance company *Gruppo d'Assicurazioni La Basilese*, thus becoming a minority shareholder in companies controlled by the Swiss group, *Levante*

*assicurazioni* and *Vita nuova*. The share turned into majority in 1997, when the Swiss group became shareholder of *Banca Carige*. In that same occasion, the Bank took also control of *Norditalia assicurazioni*, then merged with *Levante assicurazioni*. Between 1993 and 1999, it took over, step by step, 95.9% of *Cassa di Risparmio di Savona*, together with the connected *Ligure Leasing* and *Immobiliare Carisa S.r.l.*. Meanwhile, in 1994, *Carige* transformed its organisational model into a “**universal bank**”, that is to say by operating in the short, medium and long term. In January 1995, *Carige* was the first mutual savings bank to be listed on the Milan **Stock Exchange**. In 1999, 51% of *Banca del Monte di Lucca* was taken over. In 2000, 21 branches of *Banco di Sicilia* in the provinces of Palermo and Trapani, and, in the following year, 61 branches of the group *Gruppo Banca Intesa* in Piedmont, Lombardy, Veneto, Emilia Romagna, Tuscany, in Rome, Puglia and Sicily were bought out. The Group *Banca Carige* ranked 17th in the *Mediobanca* 2000 ranking list of Italian banking groups. In 2004, the Group increased its presence in Tuscany thanks to the takeover of *Cassa di Risparmio di Carrara S.p.A.*. In the same year, an historical private bank joined *Gruppo Banca Carige*, too: *Banca Cesare Ponti*. Moreover, in 2004 the savings management company *Carige Asset Management SGR* was founded: the management of **financial products** was assigned to it. In 2008, two significant takeovers took place: 79 branches belonging to *Gruppo Intesa Sanpaolo* in the region Valle d'Aosta, Piedmont, Lombardy, Veneto and Sardinia; 40 branches, instead, of the *Gruppo Unicredit* in the region Lazio, Sicily, Emilia, Veneto and Umbria. The last increase in size took place in 2010 through the takeover of 22 branches belonging to *Banca Monte dei Paschi di Siena*.

*Banca Carige* has always tried to distinguish itself for its orientation towards innovation. Indeed, it has been the first bank to open a fully automated branch, to transform *Cassa di Risparmio* into a limited company listed on the Stock Exchange, to establish a branch dedicated to immigrant customers, to create an integrated

network of banking and insurance outlets operating nationwide, to set up a web point for its customers, to adopt a portable digital signature, and lastly, to issue a cash card with a microchip valid throughout Europe.

Today, *Gruppo Banca Carige* is one of the main Italian banking, financial, insurance and social welfare groups, with more than one thousand branches across the country, and around two million clients.

Furthermore, the Group promotes initiatives to increase the value of the artistic, historical and anthropological heritage, first of all that of the region Liguria, and of its social life. Publishing, art collecting, and collaboration in the realisation of cultural events are the three main ways in which *Carige* has expressed its activity of cultural promotion, also by encouraging the scouting of new areas to be studied.

Link: [www.gruppocarige.it](http://www.gruppocarige.it)



## BANCA FIDEURAM



CORPORATE INFORMATION (YEAR 2011)					
CORPORATE DATA (million euro)		INCOME DATA	CAPITAL RATIO		
Equity	Credits	Net income margin	TIER 1	Customers	Wealth under management
399,0	4.521,8	94,9	17,2%	624.000	Over 70 billion

**Banca Fideuram S.p.A.** is part of **Gruppo Intesa Sanpaolo** and it is specialised in the production, management and distribution of **financial products** and services. Banca Fideuram believed in and focused on financial consulting since its establishment more than forty years ago, at a time when only current accounts, deposits and **Treasury bills** were the options available on the market. Therefore, it presented itself as a provider of personalised assistance and innovative solutions in the field of assets and savings management.

Through its 4,850 private bankers (of which 3,345 belonging to the Fideuram network, and 1,505 to the Sanpaolo Invest network), the bank offers financial consulting, as well as insurance and **pension solutions**. A personalised offer, the attention to details, a leadership attitude and the fact of belonging to a prestigious banking group have made Fideuram one of the main protagonists in the **private banking** sector in Italy.

The most important steps in Fideuram's history:

1968: IMI created a new subsidiary, Fideuram, to market Luxembourg-based mutual fund products.

1984: Fideuram launched the first Italy-based mutual fund.

1996: Fideuram was listed on the Italian **Stock Exchange's** MIB 30 index.

1997: Fideuram diversified into private banking operations.

2002: Banca Sanpaolo Invest was acquired from parent San Paolo IMI.

2004: Banca Fideuram widened its offer with multibrand products of the best International investment providers.

2006: Banca Fideuram launched the private equity investment to retail costumers.

2007: Banca Fideuram implemented the **MiFID**, the regulation that officially recognized the role of the financial consultant, thus establishing Fideuram's consulting model.

2009: SEI, a new approach to the planning of clients' needs, was established.

Banca Fideuram developed as an offshoot of Italy's *Istituto Mobiliare Italiano*, or IMI, created in 1931. IMI had developed a strong business in investment banking, asset management, and other private banking services. The decision of the International Overseas Services in the late 1960s to withdraw from the operation of mutual fund investments opened a new opportunity for IMI. In 1968, it created a new subsidiary, Fideuram, which began offering the Luxembourg-based *Fonditalia* and Interfund mutual fund products to the Italian market. The new company was backed by a team of more than 300 private bankers, who began promoting its products throughout the country. Into the next decade, Fideuram remained limited to promoting foreign fund investments, but in 1984, Fideuram began marketing Italy's first domestic funds, Imirend and Imicapital, backed by parent IMI.

Fideuram represented just one part of IMI's mutual funds and assets management operations. Another important part of IMI's assets management business was *Banca Manusardi*, which functioned as IMI's in house bank, providing back-office



processing for its mutual funds business. In 1992, in the merger between *Banca Manusardi* and Fideuram established a new company named Banca Fideuram, with its **shares** listed on the *Borsa Italiana*, Italian Stock Exchange.

Banca Fideuram started out as a giant in Italy's investment banking sector, with 22 Fideuram bank branches and a nationally operating army of more than 2,200 sales agents working from 220 sales offices. The new Banca Fideuram also included insurance products, notably through the subsidiaries *Fideuram Vita* and *Fideuram Assicurazioni*. Mutual funds remained the company's primary focus, however, and, with control of such mutual fund products as *Fideuram Gestioni* and part-ownership of Imigest, another top Italian mutual fund, Fideuram was the clear market leader. By the early 1990s, Banca Fideuram controlled more than 21 percent of the total mutual fund market.

Fideuram grew strongly into the middle of the 1990s. By 1996, the company was valued among the top Italian public companies, and its listing was added to the prestigious MIB 30 **index**. By then, Fideuram had begun to diversify its product offering. Among the company's new products was a new "Umbrella Fund" launched in 1995 and modelled after the British-styled multilevel funds. In 1997, the company branched out into personalized financial planning and other private banking services through a partnership with the United States' Frank Russell group.

The late 1990s and early 2000s marked a new phase in Fideuram's growth as the company turned toward developing an international base of operations. In 1998, the bank established its first foreign subsidiary in Luxembourg. This was followed in 2001 by the creation of a Swiss subsidiary, in the town of Lugano. By then, Fideuram had moved into the French market as well, when it acquired *Groupe Wargny* in 2000. In 2001, Fideuram consolidated its French presence, regrouping its operations in that country under a new subsidiary, *Banque Privée Fideuram Wargny*. The growth of Fideuram's international operations -which, by 2003, represented 15

percent of the bank's total net revenues - enabled Fideuram to sharpen its focus around a core of assets management and private banking services. In 2002, the group's operations were boosted through an agreement to acquire San Paolo IMI's own financial services and investment consulting arm, Banca Sanpaolo Invest. The addition of the new operation, with its own strong brand and more than 1,500 financial consultants, boosted the total assets under Fideuram's control, placing Fideuram among the top assets management groups not only in Italy but throughout Europe.

With its newly fortified focus as a provider of financial services, assets management, and private banking, Fideuram moved to simplify its own structure at the beginning of 2004. In February of that year, Fideuram and Sanpaolo IMI (now Intesa Sanpaolo) announced their intention to de-merge *Fideuram Vita* from Fideuram, transferring ownership of the insurance operation to San Paolo IMI. In 2005, the equity of Sanpaolo IMI in Banca Fideuram was given to the newly established Eurizon Financial Group S.p.A., directly controlled by Sanpaolo IMI. In 2006, Fideuram launched an investment in Private Equity to Retail costumers, and the following year the MiFID regulation officially recognized the role of private bankers and Fideuram's consulting model. In 2006, Key TV, the business TV of Gruppo Banca Fideuram was set up. In 2007, following the public takeover bid by Eurizon Financial Group, Banca Fideuram's shares were delisted from the Telematic Stock Exchange and it became completely controlled by Intesa Sanpaolo as a consequence of Gruppo Eurizon's reorganisation. Therefore, all the activities and functions previously ceded to Eurizon were reintegrated into Banca Fideuram. In 2008, the 40th anniversary was celebrated. In the same year, *Fideuram Wargny Gestion SAM* in Monaco was transformed into a bank (Fideuram Bank Monaco SAM), whereas *Banque Privée Fideuram* (today Fideuram France S.A.) gave back its banking license. In 2009, the Group started the advanced consulting service SEI,

a new approach to the planning of clients' needs, and the first two Private Centres in Turin and Milan were opened. The Private Banker network of **Banca CR Firenze** was integrated into Sanpaolo Invest SIM, and the merger by takeover of Fideuram France S.A. into *Financière Fideuram S.A.* was completed. Lastly, the arm of Banca Fideuram dedicated to security custodian was transferred to *Intesa Sanpaolo Servizi Transazionali S.p.A.*. In 2010, in the frame of a reorganisation of the insurance and pension sector, *Fideuram Vita* was established: Banca Fideuram held 19.99% of the new **insurance company**, whereas Intesa Sanpaolo held the remaining 80.01%. In the same year, the liquidation of Fideuram Bank Monaco SAM was completed, while Banca Fideuram and *Sara Assicurazioni* signed a deal for the acquisition by Banca Fideuram of *Banca Sara S.p.A.*'s entire share capital. In 2011, Banca Fideuram took over *Banca Sara S.p.A.* and the process of integration was completed by means of a total division of the latter. With regard to foreign activities, Banca Fideuram and Fideuram Bank Luxembourg signed a contract of assignment with *Banca Credinvest S.A.*, thus disposing of *Fideuram Bank Suisse A.G.*. In October, the private banking activity of Fideuram Bank Luxembourg was assigned to *Société Européenne de Banque*, a company belonging to Gruppo Intesa Sanpaolo. In the area of research and development, Banca Fideuram started the project Fideuram Mobile Solution, which, thanks to the latest technologies, allows to dedicate more time to the relation with the client, thus simplifying private bankers' operations. In 2011, the bank kept implementing the "*Patti Chiari*" regulation promoted by ABI (Association of Italian Banks) in order to improve the relations between banks and clients, and it gave new impulse to above-the-line and below-the-line marketing through advertising, flyers, events and so on.

In 2011, Banca Fideuram devolved €250,000 to charity, in support of aid agencies, as well as of scientific research and cultural organisations. The bank is also engaged in fostering green behaviour at work.

Banca Fideuram's head office is in Rome, while a secondary one is in Milan. The bank and its private bankers are present in the main Italian cities with 190 offices and over 100 branches. Abroad, it is present in Ireland, France and Luxembourg. At 31/12/2011, the number of clients of Fideuram and Sanpaolo Invest networks was equal to 624,000.

In 2011, the assets under management were 70,949 million **euros**, the net collection 1,717 million euros, the net profit 175.1 million euros, and the consolidated net worth 549,2 million euros.

The Administrative Board is composed of Enrico Salza (President), Angelo Caloia (Vice President) and Matteo Colafrancesco (Managing Director).

Links: (in Italian only) **[www.bancafideuram.it](http://www.bancafideuram.it)**

Intesa San Paolo Group **[www.group.intesasanpaolo.com](http://www.group.intesasanpaolo.com)**

## BANCA POPOLARE DEL LAZIO



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
255,9	1.275,1	1.394	57,1	16,83%

*Banca Popolare del Lazio* is a “società cooperativa per azioni” (public cooperative bank), whose head office is in Velletri, in the province of Rome.

The bank was established in 1904 as *Cassa Agricola Operaia Pio X* (Agricultural and Workers’ Credit Bank) following Silvio Pellico’s petition and thanks to the donation of 1,000 lire by the Pope, whose name was added to the bank’s name as a sign of thankfulness. The bank was established with the precise objective of helping the less well-off.

In 1937, it changed its business name into *Banca Cooperativa Pio X* (Cooperative Bank Pio X), maintained until 1994, when it adopted the current name as a consequence of the merger with *Banca Popolare di Terracina*. With such a name, it became part of the category of “*Banche Popolari*” (Cooperative Banks). In 1943, the head office of the bank was destroyed by a bombing and its financial means were transferred to Rome. At the end of the war, the bank moved back to Velletri, where it supported the re-establishment of the towns activities, also

absorbing some *Casse Rurali* (rural cooperative banks) in the neighbouring towns. Together with its territory, the bank grew and developed during the following twenty years. In the 1970s, the growth of the bank imposed a review of its organisational and managerial model, which was entrusted to the newly-elected CEO Prof. Renato Mastrostefano in 1977. Thanks to this role, he was awarded public acknowledgement in the framework of Banche Popolari. In 1984, the Head Office and the Directorate - General were transferred from the historical headquarters in Via del Comune in Velletri, to the modern and spacious building in Via Martiri delle Fosse Ardeatine, the current headquarters of the bank. In the second half of the 1980s, a branch in Padova was inaugurated, while the branch of Cori was transferred to Ciampino, as the area appeared economically more active. In 1990, the branch number 1 in Rome was opened, and the following year a new one was opened in Latina. Three more branches were opened in 1992 and 1993. In this year, the need to change the word "*cooperativa*" (cooperative) with "*popolare*" (people's) was felt, for a greater recognizability in the areas of operative establishment. In this way, *Banca Popolare Pio X* was established. Yet, in 1994, the merger between *Banca Popolare Pio X* and *Banca Popolare di Terracina* was completed: *Banca Popolare del Lazio* was then created with the aim of widening the operative network in the entire region. In the following years, branches in Albano Laziale, Frascati, Tivoli, the branch n.3 of Rome and branches in other towns and villages were opened. In 1997, Prof. Mastrostefano ended its role as CEO and Rag. Luciano Fagiolo took after. In the first years of the new millennium, new branches opened, among which the one in Aprilia, whereas the expansion in Rome continued with new branches. In 2004, at the time of the 100th anniversary, the bank reached the area of Frosinone with a branch in Anagni, followed by Frosinone itself. In 2006, in the branch n. 9 of Rome, the new service of Private Banking was introduced, whereas in 2007 a new phase of expansion was started, with six new branch openings planned.

In 2009, the Assembly of Shareholders approved the new statute of the bank, which implemented the changes required by the Supervisory Authority with reference to governance. The project of corporate governance was approved by the Board of Directors and Prof. Mastrostefano, who had been CEO and MD, became Chairman of the bank. In 2010, Rag. Massimo Lucidi was appointed CEO. The expansion of the bank continued in 2011 with the opening of a branch in Viterbo, a new branch in Rome and the project for one in Civita Castellana (Viterbo).

*Banca Popolare del Lazio* is today a stable presence in the region with 53 branches, of which 34 in the province of Rome, 14 in that of Latina, 4 in the province of Frosinone and one in Viterbo. Currently, it is the biggest independent *Banca Popolare* in the Lazio region. It maintains its cooperative spirit with the aim of creating value for shareholders, by supporting the needs of its communities, especially of families and **small and medium sized enterprises**, and by contributing to the enhancement of the territories served.

The bank is also engaged in actions of social and cultural promotion through the numerous aid, sports, religious and educational initiatives promoted by local institutions and associations. In order to best answer to the needs of its clients, the bank has activated various operative channels, focusing on a multi-channel and multi-product approach. It was one of the first banks to apply the typical logic of retail to the financial system, by realising a fidelity program that awards those who use its services the most; for instance, *Operazione Energia*, a competition with prizes for current account holders as well as other clients, at its 11th edition in 2011. As at 31.12.11, *Banca Popolare del Lazio* has 6,246 effective associates and 357 shareholders who are not registered in the bank's list of shareholders, with equity claims only. The social capital is of 22,715,241 **euros**, divided into 7,571,747 **shares** with a nominal value of 3.00 euros.

Link: (in Italian only) **[www.bplazio.it](http://www.bplazio.it)**





## BANCA POPOLARE DELL'EMILIA ROMAGNA



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
3.254,5	22.609,9	23.694,4	455,6	16,67%

Acronym: BPER

*Banca popolare dell'Emilia Romagna*, whose head office is in Modena, is the leader bank of *Gruppo BPER*, the sixth Italian banking group according to number of branches (about 1,300). The total number of clients is about 2 million. *Gruppo BPER* is a federal body composed of 11 local banks, each with its commercial autonomy and deep-rooted in their home territories. This organisation has allowed to combine the closeness to typical customers of local banks with operational efficiency, the quality of services and the economies of scale that only big size organisations can guarantee.

Currently, *Gruppo BPER* is composed of the following commercial banks: *Banca popolare dell'Emilia Romagna*, *Eurobanca del Trentino*, *Banca CRV*, *Banca Popolare di Ravenna*, *Banca Popolare di Aprilia*, *Cassa di Risparmio della Provincia dell'Aquila*, *Banca Popolare di Lanciano e Sulmona*, *Banca della Campania*, *Banca Popolare del Mezzogiorno*, *Banco di Sardegna*, and *Banca di Sassari*.

Moreover, banks specialised in private and corporate banking, as well as numerous **insurance companies**, leasing companies, factoring companies, asset management and service companies, have joined the group.

Through a tight network of partnerships and shareholdings, BPER guarantees an effective presence to its clients in Central-European countries, thanks to the many “Italian Desks” which are operational in local banks. Furthermore, the group is present in representative offices in Shanghai and Hong-Kong.

### *BPER's history*

BPER was established as *Banca Popolare di Modena* in 1867, thanks to the effort of *Società Operaia di Mutuo Soccorso* (Mutual Aid Workers' Association), in order to favour savings, and to fund the economic initiatives of the popular and working social classes. In 1883, the Bank General Assembly resolved to transform the bank into a cooperative, and in 1890 each shareholder was assigned one and one vote only in the assembly, regardless of the number of **shares** owned. These were two decisions that would mark the bank in a permanent way, by making it comply with the principles of participation and economic democracy that still constitute its essence today.

In the following decades, the Bank's number of branches increased even outside the town of Modena, thus becoming the protagonist of the economic development of the territory (for instance, the creation of '*Magazzini Generali*' (warehouses), financing for the realisation of important public works, funds to the University, etc.).

Besides such interventions, it is important to mention the remarkable support provided to the micro-enterprises that were started after World War Two in the province, also thanks to the development of the first craft centres.

In the early 1970s, an important process of expansion outside the area of Modena took place, through the merger of many local cooperative banks: *Banca Popolare di Castelfranco Emilia* (1973), *Banca Popolare Agricola Commerciale di Fabbrico* (1975), *Banca Popolare Cooperativa Consorziale di Castelnuovo di Sotto*, *Banca Cooperativa Valtarese*, and *Banca Popolare Cooperativa Bedoniese* (1979).

On 1 January 1984, *Banca Popolare di Modena* merged with *Banca Cooperativa di Bologna* (founded in 1882), thus giving birth to *Banca Popolare dell'Emilia*, with its head office in Modena. Three years later, in 1987, *Banca Popolare di Cavezzo* merged as well. In 1992, *Banca Popolare dell'Emilia* merged with *Banca Popolare di Cesena* (founded in 1873), taking the current name of *Banca Popolare dell'Emilia Romagna*.

#### *History of Gruppo BPER*

In 1994, the project of constituting a federal banking group became real through the acquisition of numerous local banks, which maintained their autonomy and territorial roots. Between 1994 and 2004, the following banks were bought, but most of them kept their autonomy: *Banca Popolare di Ravenna*, *Cassa Rurale di Sicignano degli Alburni*, *Banca Popolare del Materano*, *Banca Popolare di Lanciano e Sulmona*, *Banca CRV – Cassa di Risparmio di Vignola*, *Banca Popolare di Crotone*, *Credito Commerciale Tirreno*, *Banca Popolare della Val d'Agri*, *Banca del Monte di Foggia*, *Banca Popolare del Sinni*, *Banca Popolare di Aprilia*, *Banca Popolare di Castrovillari e Corigliano Calabro*, *Banca Popolare di Salerno*, *Carispaq- Cassa di Risparmio della Provincia dell'Aquila*, *Banca Popolare dell'Irpinia*, *Banco di Sardegna*, and *Banca di Sassari*, *Eurobanca del Trentino*.

Instead, *Banca Popolare di Crotone*, *Banca Popolare del Materano*, *Banca Popolare della Val d'Agri*, *Banca Popolare del Sinni* merged into the current *Banca Popolare*

*del Mezzogiorno. Banca Popolare dell'Irpinia, Banca del Monte di Foggia, Banca Popolare di Salerno, Credito Commerciale Tirreno, and Cassa Rurale di Sicignano degli Alburni merged into the current Banca della Campania. In 2009, Gruppo Meliorbanca, specialised in corporate and **private banking**, joined the group.*

Links: **www.BPER.it**, **www.gruppoBPER.it**

**BANCA POPOLARE DI SPOLETO S.p.A.**

CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
190,1	2.622,2	2.488,0	77,1	7,87%

Before 1889, the banks in Spoleto were *Cassa di Risparmio*, *Banca Laurenti & C.*, *Banco Ferretti*, *Banco Fratellini* and *Banco Poli*<sup>1</sup>. Around 1890, the difficulties faced by *Banca Laurenti & C.* had repercussions on the other banks, by involving them and creating difficulties with negative effects on the entire society of the town. The end of banks that, even though small, had fuelled the productive activities of Spoleto and of the near Terni was a mortal blow for the economy: even the hope in a future recovery seemed inhibited, and mistrust towards the banking system spread. After a useless attempt to open a branch of *Banco di Perugia*, Giulio Cesari, teacher of law and economics at the *Istituto Tecnico "G. Spagna"* in Spoleto, came up with the idea of a "*Banca Popolare Cooperativa*" (Cooperative Bank), where the resources of all

<sup>1</sup>See F. Trevisan, *Gli istituti di credito di interesse locale in Umbria*, in *Gli archivi degli istituti e delle aziende di credito e le fonti d'archivio per la storia delle banche*, Atti del Convegno, Roma, 14-17 Novembre 1989, Ufficio centrale per i beni archivistici, Roma, 1995: 689-690.

citizens – even modest – could flow together avoiding external interests<sup>2</sup>. On 28 April 1895, through a notarial act by notary public Domenico Arcangeli, written and registered by the lawyer Mr Sinibaldi, *Banca Popolare Cooperativa di Spoleto* was established<sup>3</sup>: forty-seven shareholders were present, who subscribed 143 **shares** of thirty lire, payable in fifteen monthly instalments of 2 lire each, for a total capital to be deposited of 4,290 lire<sup>4</sup>. Giulio Cesari became the Chief Executive, a post he kept until 1951. In 1896, by reading to the shareholders the annual report of the Board of Directors at the end of the first year of activity, he underlined the constant increase in shareholders even if the profit was of only 851 lire.

In the first twenty years of activity, the managers avoided “operations out of proportion to the potential” of the bank, by limiting themselves to small operations, especially with regard to farming and trade<sup>5</sup>, which corresponded to the objective of the institution, that is to say promoting and supporting the process of building farmers, craftsmen and traders’ savings. Through such a management, the trust deposits increased every year, going from 5,607 lire in 1895 to 12,333,299 in 1919, thus allowing the managers to contrast different investment techniques: in this way, the total volume of debt certificates increased from 9,306 to 12,448,139 lire; that of advances on the deposit of valuables from 188 to 88,041 lire, and that of active bank accounts from 1,059 to 1,507,503 lire. The activity of investment and collection was

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<sup>2</sup>See B. Conti, *La Banca Popolare di Spoleto dalla fondazione al 1929*, Tesi di Laurea a.a. 1971/72 (Degree Thesis, academic year 1971/72)

<sup>3</sup>The bank was going to be headquartered in four rooms on the second floor of Palazzo Pianciani for the price of 30 lire a month.

<sup>4</sup>The members of the board were: president: Giuseppe Bachilli; advisers: Amico Rossi, Oliviero Sansi (baron), Geri Morelli De’ Pazzi (earl), Emilio Toni (earl), Roberto Silvestri (engineer), Francesco Antonelli (lawyer), Anchise Pompei (accountant), and U lisse Cardelli (lawyer); auditors: Ettore Bottelli, Attilio Marini, Enrico Antonelli; deputy auditors: Francesco Bocchini and Pompeo Bresadola (engineer); arbitrators: Luigi Santini, Professor Francesco Pennacchietti, Andrea Pila (earl). See *Spoleto. 1895-1995. Una banca, una città, un territorio*, edited by G. Calzoni and A. C. Rossi, Banca Popolare di Spoleto, 1995: 77-78.

<sup>5</sup>“Giovane Umbria” 6 may 1900.

realised through the discount of bills of exchange and working papers, loans to shareholders, advances to non-shareholders against surety of public **securities**, the opening of bank accounts with promissory note guaranty and deposits from shareholders to third parties, the emission of bank cheques payable by all the main offices and branches of the **Bank of Italy**, the acceptance of bills to be cashed by any financial centre of the Italian kingdom and abroad, and the payment of six-month interests on Italian registered certificates of annuity<sup>6</sup>. In 1897, the managers made the territory of Spoleto bankable, thus obtaining, by means of a personal warranty of 20,000 lire, the right to represent locally the Bank of Italy and the following year, against the deposit of Italian certificates of annuity with a 5% interest rate for a total of 1,000 lire, that of *Banco di Napoli*.

In 1900, the Bank allowed the discount on transfers of *Cassa di Prestiti e Risparmi di Cascia*; in July 1903, it opened a transfer account with *Banca Popolare Cooperativa di Norcia* and in 1903 an account with *Banca Cooperativa di Terni*, with *Banca di Perugia* and with *Cassa di Risparmio di Spoleto*. In 1903, the bank started the emission of registered securities of *Banco di Napoli*, by lending a bail of 10,000 lire of State annuity, deposited in the coffers of the Bank itself. In 1904, it granted the opening of a credit in favour of the municipality of Spoleto, a promissory note to *Consorzio (syndicate) del Maraggiolo*, and in 1905 it appointed a commission for the update of some statutory rules with the aim of simplifying the functioning of its activity. In 1906, the possibility of a merger of *Banca Commerciale* with *Banca di Perugia*, which would have determined the suppression of some agencies, offered *Banca di Spoleto* the chance of expanding its sphere of influence, objective realised in 1907 with the opening of a branch in Bevagna, then in 1908 with the opening of a

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<sup>6</sup>See *Spoleto 1895-1995. Una banca, una città, un territorio*, edited by G. Calzoni and A. C. Rossi, cit. page 81.

branch in Trevi and in Arrone, in 1911 in Leonessa, in 1913 in Cascia, and in 1919 in Cerreto and Sellano<sup>7</sup>.

The outbreak of World War One had effects on the banks, of course. The difficulties were highlighted in the Board of Directors' report of 1916, in which it was made reference to some earthquakes that "ravaged Italy". The greatest difficulties came from the lack of possibility to invest, as a consequence of the economic crisis, even though in these years there was a remarkable increase in the number of associates, who went from 254 in 1895 to 1,226 in 1919, and then remained pretty much unchanged between 1920 and 1944. In the early 1920s, the Bank experienced a noteworthy rise in deposits, in line with the expansive trend of the local economy after the crisis of the years following the end of WW1, followed between 1924 and 1929 by a weak development of their collection caused by the crisis of stabilisation due to the "Quota 90" (fixed **exchange rate** of the lira against the pound sterling, TN) and the world exchange rate. In the following years, the Bank supported all the activities of **small and medium enterprises**, factory farms, and businesses thanks to its deep knowledge of the local resources and needs. Moreover, it granted loans to the municipalities of Spoleto, Gualdo Cattaneo, Cascia, Arrone, Acquasparta, Norcia, Preci, Montefalco, Monteleone di Spoleto, Sellano, Scheggino and Leonessa for the expenses of construction of new waterworks, drinkable water pipelines and widened electrical systems<sup>8</sup>. In 1936, the Bank obtained the authorisation to perform the operations of working capital credit for farms, thus continuing to carry out its consistent work of support to the needs of agriculture. In 1941, it participated in the increase in capital of *Istituto Centrale delle Banche Popolari Italiane*, an institute whose aim was that of strengthening such banks, by undertaking, in 1943, the

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<sup>7</sup>See B. Conti, *La Banca Popolare di Spoleto dalla fondazione al 1929*.

<sup>8</sup>See *Spoleto 1895-1995. Una banca, una città, un territorio*, edited by G. Calzoni and A. C. Rossi, cit. page 88.



service of emission of bank cheques, in the interest and for the reputation of the category of cooperative banks. In order to take better care of the needs of the population, to fight usury, and to grant costumers the best facilities compatibles with the safety of operations, the Bank carried out a policy of further territorial expansion: the branches of Monteleone di Spoleto, Giano dell'Umbria and Gualdo Cattaneo (1920), Preci (1921), Stroncone (1922), Norcia (1923) and Amelia (1925) were opened. In the early 1920s, the façade of the Bank in piazza Pianciani was built; the building, bought entirely in 1909, was inaugurated after the renovation on 28 March 1925. Approved by the *Ispettorato per la Difesa del Risparmio e per l'Esercizio del Credito* (Inspectorate for the Defence of Savings and Credit Activity), and recognised by the *Comitato dei Ministri* (Committee of Ministers), on 16 June 1940, the extraordinary meeting of shareholders approved the new Statute<sup>9</sup>, widened on the basis of the standard statutes for cooperative banks.

In the 1940s, a new engagement towards shareholders, customers and in general all the members of the local context was added to the activities of the bank: firstly, the yearly donation of a share of profit to the creation of a fund in order to support important actions of public charity (such as the Committee of assistance to war orphans, the Association of disabled ex-servicemen, the working-class associations, the School of popular culture, the School houses, the Kindergartens, the “*Ricreatorio popolare e cattolico*” (popular and catholic leisure facility, TN), the “*Legione dei giovani esploratori*” (legion of young explorers), the Civil charity institutes, the municipal summer camps); secondly, the contribution to the capital of the new bank for the work of Italians abroad and the subscription of 500,000 lire in favour of the *Prestito Littorio* (a public loan, TN) that was tightly connected to the policy of

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<sup>9</sup>The new statute simplified the functioning of the company, and it increased to 10 the number of members of the Board of Directors, it created the post of vice-president, and it fixed the retribution of managers at 3% of the yearly profit. The Statute was modified in 1948.

reevaluation of the Italian currency; thirdly, the participation in the expense for the monument in honour of the citizens who lost their lives defending the homeland, and in the renovation works of the church of San Damiano and the new hospital; fourthly, the creation, with 400,000 lire, of a special fund designed to support the construction of a block of workman's houses.

Immediately after WW2, the Bank felt the need to have a larger territorial base with a greater possibility of action, as well as the need to adjust quickly to the demands expressed by the new economic situation. From a financial point of view, the Bank, that had a net capital of 8,193,200 lire in 1945, reached the level of 253,150,097 lire in 1960. On 15 August 1951, after fifty-six years of nonstop and intense activity, Professor Giulio Cesari ended his managerial role, yet keeping the post of vice-president until February 1960. In the first months of 1954, the Bank underwent recurrent inspections ordered by supervisory bodies and, as it can be read in the report by the Board of Directors, a "solid capital stock" emerged. A decisive step outside its first and immediate area of influence was taken by the Bank in 1950 through the institution of a branch in Perugia, followed by the ones in Assisi, Castiglione del Lago and San Terenziano. In 1953, the premises for the branch of Bevagna were bought and the new branch in Norcia was built. The year after, *Palazzo Ajò* was bought to host the branch of Perugia, and it was inaugurated on 22 June 1958. In 1954, the inter-regional union between the banks of Umbria and Tuscany was constituted with the aim of examining common problems and enhancing the activity of the banks. On 27 March 1949, the Bank, founded with the name of "*Banca Popolare Cooperativa di Spoleto*", took the new one of "*Banca Popolare di Spoleto – Cooperativa a responsabilità limitata*" (Cooperative Bank of Spoleto – Ltd).

In this way, the Bank arrived to 1960, the year of the economic miracle for the volume of investments and the prodigious development of some sectors of

production. With an official act on 30 July 1992, *Banca Popolare di Spoleto Società Cooperativa a responsabilità limitata*, by taking the opportunity offered by the law “*Legge Amato*”, hived itself off into *Banca Popolare di Spoleto S.p.A.* (Ltd) and *Spoleto Credito e Servizi Società Cooperativa*. The latter became the main shareholder of *BPS S.p.A.*, which succeeded in the rights and legal duties previously entitled to *Banca Popolare di Spoleto Società Cooperativa*. Since September 1996, *Banca Popolare di Spoleto S.p.A.* is listed on the Milan **Stock Exchange**, *Borsa Valori di Milano* (<http://www.borsaitaliana.it/homepage/homepage.en.htm>). In July 1998, a strategic trade agreement was signed in order to establish relations of participation and collaboration with *Banca Monte dei Paschi di Siena* (which bought 25% of the shares of *Banca Popolare di Spoleto S.p.A.*) and with the banking group it belongs to, in order to offer a broad range of products and services to their customers.

Today, there are 107 branches open to the public, distributed in 15 provinces (Perugia, Terni, Rieti, Roma, Latina, Viterbo, Siena, Arezzo, L'Aquila, Teramo, Ascoli Piceno, Macerata, Fermo, Ancona, Milano), while the customer base reached, at the date of 30 September 2010, 131,049 units and a total collection of 3,778 million **euros**.

#### Corporate bodies

The Board of Directors, composed of fourteen members, was appointed by the Assembly of Shareholders on 29 April 2010 and it will be on duty until the approval of the balance sheet for the financial year ending 31 December 2012.

The Assembly itself has appointed the three effective members and the two deputy members of the Board of Statutory Auditors.

President of the Board of Directors: Giovannino Antonini

President of the Board of Statutory Auditors: Michele Fesani

Chief Executive Officer: Alfredo Pallini

Vice Chief Executive Officer: Mauro Conticini

Up-to-date as of 1 December 2010

Link: (only in Italian) **[www.bpspoleto.it](http://www.bpspoleto.it)**

**BANCA POPOLARE DI VICENZA**

CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
3.089,3	26.416,2	25,2	447,8	13,14%

Acronym: BPVi. Founded in 1866, **Banca Popolare di Vicenza** is among the very first cooperative banks in Italy from a chronological point of view. Deep-rooted in its province of origin, the Bank started to spread in the 1980s, through the opening of branches and the takeover of small cooperative banks in the entire Northeast. The banks that were taken over and incorporated were: *Banca Popolare Agricola di Lonigo* in 1985, *Banca Popolare di Thiene* in 1988, *Banca Popolare di Sette Comuni- Asiago* in 1991, and *Banca Popolare di Venezia* in 1994. Later on, controlling interests were acquired in other banks, some of which also merged into the bank: *Banca Popolare di Casterlfranco Veneto*, *Banca Popolare di Treviso* and *Banca Popolare di Trieste* in 1996, *Banca Popolare della provincia di Belluno* in 1997, *Banca Popolare C. Piva di Valdobbiadene* and *Banca Popolare Udinese* in 1998. In September 1998, *Banca Popolare di Vicenza* became part, together with

*Banco Bilbao Vizcaya Argentaria S.A. (BBVA)* and *Assicurazioni Generali*, of BNL's reference shareholders, by buying out about 8% of it, half of which was sold in 2001. Since 2000, the Bank has started a process of expansion outside the region Veneto. *Banca Idea*, a multichannel bank that offers banking, financial and insurance services through contact centres, the Internet, financial promoters, and branches, was founded in Milan. In the same year, the '*Progetto Centro-Sud*' (Project for Central and Southern Italy, TN) was realised through the creation of *Banca Nuova* in Palermo, a bank operating for now only on the island, in the regions Calabria and Lazio through about thirty branches, and that acquired control of *Banca del Popolo* in Trapani (founded in 1883) and its forty branches. *Banca Nuova* operates through the traditional counters, door-to-door services, and the Internet. Lastly, at the beginning of 2001, in the Northwest, branches of *Gruppo Banca Intesa* were bought out, thus increasing the territorial network of the bank to Genoa, Pavia, Parma, Piacenza, Asti, and Imperia. Abroad, the network is constituted of *BPV finance international Ltd* in Dublin, and minority **shares** were bought in banks in Slovenia, the Czech Republic, the Slovak Republic, Hungary, and Croatia. A representative office was opened in Hong Kong, as well as *BPV Suisse*, a branch ruled by Swiss law operating in **private banking**, and, in particular, in the management of **securities** and in financial and general consultancy. At the end of 2002, *Cassa di Risparmio di Prato* entered in Gruppo BPVi. In 2003, *Banca Popolare di Vicenza* ranked 19th in the *Mediobanca* ranking list. In 2005, *Prestinuova S.p.A.*, a company headquartered in Palermo, which provides guaranteed loans against one-fifth of the paycheck, was founded. In 2007, 61 branches of *Gruppo UBI Banca* in the province of Brescia and Bergamo were taken over by BPVi with the aim of increasing its presence in Lombardy. In the same year, the Bank acquired a share of 38.88% in *Farbanca*, an institute of Bologna specialised in the offer of banking services in the pharmacy sector. Moreover, it

started a strategic partnership with the **insurance company** *Gruppo Cattolica Assicurazioni* for the distribution of insurance products through the commercial network of *Banca Popolare di Vicenza*. In 2010, two important openings of representative offices took place: one in Milan, in Via Turati 12, where the offices of *Guardia di Finanza* (Italian military corps dealing with customs, excise and tax crimes, TN) are located as well, and one in Rome, in *Piazza Venezia*. In 2011, instead, representative offices were opened abroad: Sao Paulo in Brazil and New York, in addition to the already existing offices in Shanghai, Hong Kong and New Delhi.

Furthermore, in 2011, the Group assumed a new strategic organisational setup by means of the merger of the already controlled *Cassa di Risparmio di Prato* and *Banca Nuova* with the group leader *Banca Popolare di Vicenza*. At the same time, *Banca Nuova* was hived off without the Lazio branches. Today, *Gruppo Banca Popolare di Vicenza* has more than 680 branches across the country, 5,600 employees, a million clients, and about 60,000 shareholders.

The presence of the bank abroad, besides the aforementioned representative offices in China, India, Brazil and the USA, the financial shares in central-eastern Europe (Slovenia, Croatia, the Czech Republic, the Slovak Republic, Hungary, Romania, Bosnia Herzegovina, where it operates through “international desks” in local partner banks), and the two companies ruled by Irish law based in Dublin, is guaranteed by cooperation agreements with the main foreign banks, for a total of 47 agreements in 29 countries, among which, for instance, Spain and Taiwan.

The Bank has always kept a strong tie with its territory through cultural, social and sports projects. Among these, there is the improvement of *Palazzo Thiene* in Vicenza, and *Palazzo degli Alberti* in Prato, both historical headquarters of banks; the participation in health projects (“*Progetto Sanità*”) and sports projects (sponsorship of the first-team and the youth sector of *Vicenza Calcio* (football), co-

sponsorship of *Rugby Rovigo*, main sponsorship of the youth sector of *Reggiana Pallacanestro* (basketball), of *Women Volley Vicenza*, “*Maratonina di Udine*”, the running competition *StraVicenza*, and the summer “City Camp” of *Vicenza Calcio*). Lastly, the Bank supports education and research through scholarships and the collaboration with the new University of Vicenza, as well as through interventions in support of local economies, with particular attention to **small and medium industrial, craft and commercial enterprises**.

Link: [www.popolarevicenza.it](http://www.popolarevicenza.it)



## BANCO POPOLARE



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
7.756,0	76.011,2	90.785,2	1.378,7	13,02%

Acronym: BP. *Banco Popolare* is a cooperative, whose headquarter is in Verona. It was established on 1 July 2007, at the same time when the group *Gruppo Banco Popolare* was constituted as the result of the merger of *Gruppo Banca Popolare Italiana – Banca Popolare di Lodi* with *Gruppo Banca Popolare di Verona e Novara*, and it assumed the role of Leader Bank.

The historical background of *Banco Popolare* coincides with that of the main banks composing it: the common values are mutual aid, the promotion of social solidarity, a sense of responsibility towards local economies, and the safeguard of economic entrepreneurial freedom. The main banks belonging to the Group originated in the 19th century, and they constitute to a large extent the original core of cooperative banks in Italy, whose key values they have kept alive until today.

Fig. 1 - Dates of establishment of Gruppo Banco Popolare's member banks

Banca Aletti	1826
Cassa di Risparmio di Pisa	1834
Cassa di Risparmio di Lucca	1835
Cassa di Risparmio di Livorno	1836
Cassa di Risparmio di Imola	1855
Banca Popolare di Lodi	1864
Banca Popolare di Cremona	1865
Banca Popolare di Verona S.G.S.P	1867
Banco di Chiavari e della Riviera Ligure	1870
Banca Popolare di Crema	1870
Banca Popolare di Novara	1871
Credito Bergamasco	1891
Banco San Marco	1895
Banco S. Geminiano	1897
Banco S. Prospero	1899
Banca Popolare del Trentino	1984

In particular, *Banca Popolare di Verona – Banco S. Geminiano e S. Prospero* (acronym: BPV) was founded with the name of *Banca Mutua Popolare di Verona* in 1867, the eighth Italian cooperative bank according to founding date, and changed its name into *Banca Popolare di Verona* in 1977. *Banca Popolare di Lodi* (acronym: BPL and *Bipielle*) was the first cooperative bank to be founded in Italy, on 28 March 1864. *Banca Popolare di Novara* (acronym: BPN) was established by means of royal decree on 17 September 1871 as a joint-stock cooperative on the initiative of the city's politicians and entrepreneurs. It soon increased the number of branches, first in the region and then in the regions next to it, also by taking over small local banks. *Credito Bergamasco* was founded in Bergamo in 1891 as a cooperative bank with the name of *Piccolo Credito Bergamasco*.

During the 20th century, especially after WW2, *Banca Popolare di Verona*, *Banco S. Geminiano e S. Prospero*, *Banca Popolare di Novara*, *Banca Popolare di Lodi*, *Credito Bergamasco* and the other banks that are now part of *Gruppo Banco*

*Popolare*, became deep-rooted in their territories and promoted paths of growth for the local economies and communities. The constitution of *Banco Popolare* represents in the same way a further contribution towards the economic, as well as social and cultural development of the people and communities that are involved in the activities of the group.

In March 2007, the Company meetings of *Banco Popolare di Verona*, *Banco Popolare di Novara* and of *Banca Popolare Italiana –Banca Popolare di Lodi* approved the constitution of *Banco Popolare*. The governance of the group was organised according to a ‘dualistic’ model, therefore the Supervisory Board and the Management Board, together with the Company meeting, represent the top of the corporate bodies. The operation, that is to say the merger of the two pre-existing groups, allowed the creation of a new banking body with a cooperative nature and of great importance both at a national and European level. It ranks among the first cooperative banks in Italy and its presence is concentrated in the richest and most industrialised areas of the country, but it is also strong in central Italy, and remarkably present in the Southern regions. *Banco Popolare* can also boast a widespread presence in the territory (over 2,000 branches) and a broad customer base, composed mainly of private individuals and **small and medium enterprises**. The merger project, based on the coherence between *Gruppo BPI*'s industrial plan “*Banca delle Piazze*” and *Gruppo BPVN*'s strategic plan, played on the development of the traditional core business, by enhancing the geographic complementarity -with strong territorial roots- of the distributive networks and the excellence of the factories, as well as by allowing the realisation of important synergies. The attention towards the communities and local territories is integrated by a good presence of the Group on foreign markets, so as to provide support and assistance to client companies that are export-oriented.

Link: [www.bancopopolare.it](http://www.bancopopolare.it)



**BANK OF ITALY**

CORPORATE INFORMATION (2011)			
CORPORATE DATA (million euro)			INCOME DATA
Gold and other monetary activities	Securities	Refinancing operations	Net income
128.480	129.433,0	209.995,0	4.749

The **Bank of Italy** is the central bank of the Republic of Italy and part of the European System of Central Banks (ESCB) and the Eurosystem. It is a public-law institution and pursues aims of general interest in monetary and financial matters: price stability, the primary objective of the Eurosystem under the Treaty establishing the European Community (the EC Treaty); the stability and efficiency of the financial system, thus implementing the principle of the protection of savings embodied in the Constitution (Article 47(1) "The Republic encourages and protects saving in all its forms, it regulates, coordinates and controls the provision of credit"); and the other duties entrusted to it by Italian law.

In performing its tasks, the Bank operates autonomously and independently, in compliance with the principle of transparency and the applicable provisions of Community and Italian law.

Consistently with the public nature of its functions and aware of the importance of its tasks and responsibilities, the Bank prepares information and data for maximum dissemination.

#### *Functions and Governance*

The Bank of Italy's functional and governance arrangements are based on a variety of different legal sources: Community law, which regulates the activity of the

European System of Central Banks (ESCB), the provisions of banking and financial law concerning its supervisory powers, other provisions governing its relations with the Ministry for the Economy and Finance and other authorities, and its Statute. Within the Eurosystem, of which it is an integral part, the Bank contributes to monetary policy decisions through the participation of the Governor in the Governing Council of the European Central Bank and of its experts in the Eurosystem committees and working groups that perform the necessary technical analysis. It performs these functions under Article 105 of the EC Treaty and Article 3 of the Statute of the European System of Central Banks.

At national level, an indirect reference to the Bank's functions can be found in the aforementioned Article 47(1) of the Constitution. The main legal sources concerning the Bank's functions and organization are:

Legislative Decree 385/1993 (the Consolidated Law on Banking);

Legislative Decree 58/1998 (the Consolidated Law on Finance);

Legislative Decree 43/1998, which adapts Italian law to the provisions of the EC Treaty on monetary policy and the European System of Central Banks;

Law 262/2005, containing provisions for the protection of savings and the regulation of financial markets;

Legislative Decree 303/2006, containing provisions coordinating the Consolidated Law on Banking and the Consolidated Law on Finance with Law 262/2005; the Bank's new Statute, approved by a Decree of the President of the Republic dated 12 December 2006.

### *Organization*

The Bank's organizational structure reflects the three levels at which it operates: international, national and local. The Head Office draws up and implements the strategic, management and operational policies.

At the national level, the Bank is organized in branches located in the regional

capitals and in some provincial capitals. Their activities relate to the State treasury service, banking and financial supervision, banknote circulation, payment system services and economic analysis and statistical surveys at the local level. The Bank has representative offices in London, New York and Tokyo; a number of officers are seconded as financial attachés to some Italian embassies and consulates.

The Bank of Italy is currently undergoing a general reorganization designed to enhance the quality, economy and efficiency of the services it provides to the country, in line with the changing economic and financial landscape and with the opportunities offered by technological innovation. This reorganization, involving the Head Office, the branches, and the representative offices abroad, began in 2007 and is now nearing completion.

#### *Members of the Directorate (Governing Board)*

The Directorate (Governing Board) is a collegial body, subject to Articles 21, 22 and 23 of the Statute, that includes the Governor, the Director General and the three Deputy Directors General, and that is authorized to adopt measures of external significance regarding the exercise of the public functions entrusted by law to the Bank in pursuit of its aims, other than decisions falling under the authority of the ESCB.

Resolutions are passed by an absolute majority of those present; where the numbers in a division are equal, the Governor has the casting vote. Minutes are kept of meetings.

Currently, the Governing Board is composed of Ignazio Visco, Governor; Fabrizio Saccomanni, Director General; Giovanni Carosio, Anna Maria Tarantola and Salvatore Rossi, Deputy Directors General.

### *History: Origins*

After national unification in 1861, Italy remained economically behind the leading European countries. Per capita GDP was less than half that of the UK and a little over half of the French figure. The banking system was composed of small individual banks, a small number of public institutions and a few banks of issue; banknote circulation was sparse. The banks of issue had been established in the pre-unity states during the first half of the nineteenth century. United Italy had a single currency (the Italian lira, created by the Pepoli Law of 1862) but fragmented banknote circulation, because almost all of the banks of issue operating in the old states had maintained their right to issue their own banknotes in the new Kingdom of Italy: *Banca Nazionale nel Regno d'Italia* (which resulted from the merger of *Banca di Genova* and *Banca di Torino*) in the North; *Banca Nazionale Toscana* in the Centre, and flanked in 1863 by *Banca Toscana di credito per le industrie e il Commercio*; *Banco di Napoli* and *Banco di Sicilia* in the South. The number of banks of issue rose to six when, after the annexation of Rome in 1870, the Bank of the Papal States became *Banca Romana*. All of these banks issued lira banknotes, convertible into gold, and were in competition with one another. Two, *Banco di Napoli* and *Banco di Sicilia*, were public, the others private; all were supervised by the State. The end of convertibility, in 1866, caused banknote circulation to surpass metallic currency. The first law of the newly unified State on banknote issuance was enacted in 1874. This law specifically identified the six institutions authorized to issue banknotes and thereby created a legalized and regulated oligopoly. That is, a single bank of issue was not established, largely because of the strength of regional interests that did not want to deny themselves a local issuing bank. As bank deposits were not common, the principal source of funds for lending was the issuance of banknotes. In effect, by accepting these banknotes the public provided credit to the issuing banks, which in turn provided credit to their clients. It was only in the 1870s that non-issuing banks (i.e. banks analogous to those we know today)



began to be founded, such as *Credito Mobiliare* and *Banca Generale*, with nationwide coverage and international contacts. In this context, the banks of issue retained an important role. Mainly by discounting bills, they made an essential contribution to the financing of production and investment, helped to combat usury and favoured thoroughgoing transformation of Italy into a monetary economy. The return to convertibility, decreed in 1881 and put into practice in 1883, marked the beginning of a short-lived illusion; euphoria caused economic overheating, to which the appropriate policy response was not forthcoming. By 1887, de facto, the lira was again non-convertible. The building boom triggered by the new national capital, Rome, and fuelled partly by foreign investment, also involved the banks of issue. Overexpansion brought a speculative bubble, followed by crisis. The banking crisis of the early 1890s, coupled with a foreign exchange crisis, took on a scandalous political and judicial dimension in December 1892, when the unsustainable situation of the banks of issue was revealed, and especially the grave irregularities committed by *Banca Romana*, until then kept secret by the government. In an extremely difficult situation, and after a series of bitter political battles, the country found the strength to respond. Sidney Sonnino's idea of radically refounding the system of banknote issue was discarded, and the line taken by Prime Minister Giovanni Giolitti prevailed. The law of 1893 introduced new regulations for issuing banknotes and led to the foundation of the Bank of Italy, with the merger of three existing institutions, *Banca Nazionale* and the two Tuscan banks; it was headed by Director General Giacomo Grillo. *Banca Romana* was liquidated, while the Southern banks of issue continued in business.

#### *The Bank of Italy from its inception to the 1936 Banking Law*

The 1893 Banking Law (Law 449 of 10 August 1893) instituting the Bank of Italy was fundamental. It redefined banknote circulation to base it on gold (more precisely: 40 per cent of notes issued had to be covered by gold reserves) and placed an absolute limit on issues. It created the conditions for restoring the health of the

issuing banks. It began the transition towards a single bank of issue and it established rules whereby the public interest took precedence over the profits of private shareholders (for example: government approval for the appointment of the head of the Bank of Italy - the Director General - and for changes to the discount rate). During these years, Giuseppe Marchiori, Director General from 1894 to 1900, steadily emarginated private shareholder interests and affirmed the Bank's pursuit of public purposes. Yet, the Bank remained a private company, issuing banknotes under concession. A very significant role in the development of the Bank was played by Bonaldo Stringher, who was appointed Director General in 1900. In the Giolitti era, the Bank was able to reconcile (given a favourable economic climate) financial and **exchange rate** stability with support to economic activity. In 1902, the old parity between the lira and gold was reached; from then on Italy behaved as if it adhered to the gold standard, but, having learned from previous crises, did not officially declare the convertibility of the currency. In 1906, the Bank of Italy conducted the fair conversion of pre-existing irredeemable government bonds. Through this success, the Bank confirmed its role as banker and hence as advisor to the government, in addition to the role of treasurer. In parallel with the economic revival and industrialization, the credit system had changed: during the crisis of 1893-94 - which saw the failure of the largest two industrial credit banks - a new system evolved in which the bulk of credit business began to pass from the three surviving banks of issue (*Banca d'Italia*, *Banco di Napoli* and *Banco di Sicilia*) to the large mixed banks recently founded (*Banco di Roma*, *Banca Commerciale Italiana* and *Credito Italiano*). In 1907, the Bank of Italy intervened effectively to prevent a serious financial crisis, reinforcing its role as lender of last resort and consolidating its reputation. To facilitate this work, the system of monetary circulation was made more flexible with a law passed at the end of the year. The need for supervision of the banking system began to be felt. On the eve of World War I, the Bank of Italy held a central position within the national financial system, thanks to the importance

of its credit for the economy, its action to guarantee financial stability, its consolidation of the gold reserve and its assistance to the Treasury in public debt management.

During World War I, the Bank assisted the Treasury massively: with direct credit, with help in arranging domestic war loans and with the management of foreign financial operations. The link between the lira and gold was abandoned and the state monopoly of foreign exchange was instituted. With war's end, problems of reconversion to civilian uses threw many sectors of industry into crisis, and with them the credit institutions that had financed them, to the point of causing major banking failures. The Bank of Italy, with government approval, intervened with massive salvage operations. The foreign exchange monopoly was ended, but in the new circumstances a return to monetary normalcy was impossible. The existing instruments for the control of the money supply in being proved to be totally ineffective. Within the country and at international level, the question under debate was how to return to a system based upon gold. Italy took a conservative stance, in favour of the classic gold standard. In a slightly inflationary situation, the Fascist government revalued the lira in 1926, thereby deflating the economy. As part of the monetary stabilization plan and the return to the gold standard (effected by the Bank of Italy notwithstanding Stringher's doubts regarding the strong risk of deflation), within three years important reforms were made. The Bank of Italy was given the monopoly on banknote issue and assigned to manage the **clearing houses**, central nodes of a modern payment system. A law was enacted to protect savings. Banks' new special obligations were established, including a minimum capital requirement. The Bank of Italy was given new powers of control, the kernel being supervision of the banking system. The reforms were completed in 1927-28 with the fixing of a new gold parity for the lira and the re-establishment of convertibility into gold or convertible foreign currency (gold exchange standard), the introduction of the obligation to maintain a gold or hard currency reserve of at least 40 per cent of the money in circulation, and the redefinition of relations with the Treasury. As a result

of these provisions, the Bank, abandoning its old role of “bank of issue”, became a true central bank and overseer of the credit system. The Bank’s fundamental character as a public institution was reinforced. In 1928, a new Statute was approved, creating the post of Governor at the top of the Directorate (composed of Governor, Director General and Deputy Director General). Responsibility for setting the discount rate passed from the Executive Board to the Governor, still subject to government approval.

After Stringher’s death in 1930, the Governorship passed to Vincenzo Azzolini, who arrived from the Treasury. At the depth of the Great Depression, the devaluation of sterling (in September 1931) and most other currencies was tantamount to a further revaluation of the lira. The deflationary effect of Italian policy was accentuated, with severe repercussions on economic activity and the financial system. The State and the central bank saved the major commercial banks from collapse, their assets swollen with ever more devalued equity holdings. The Bank of Italy found itself with severely illiquid assets, and was thus unable to conduct operations. The response was first the creation of *Istituto Mobiliare Italiano* (IMI) to provide medium and long-term financing and then the Institute for Industrial Reconstruction (*Istituto per la Ricostruzione Industriale* - IRI), which purchased equity holdings of the ailing banks and took a controlling stake in the banks themselves. In the mid-1930s, the tensions that would lead to World War II were foreshadowed in the monetary and currency sphere with the de facto termination of the convertibility of the lira and in the suspension of the gold reserve requirement (which was never to be reinstated). In the context of preparations for war (the invasion of Ethiopia started in 1935) and under IRI, the Banking Law was drafted. The first part of the Law, which is still in force, defined the Bank of Italy as “a public law institution” and entrusted it definitively with the function of monetary issue (no longer just a concession); individual shareholdings were expropriated and equity was reserved to financial institutions of public relevance; the Bank was prohibited from discounting bills itself

to non-banks, underscoring its function as banker to banks. A second part of the law (repealed almost completely in 1993) concerned credit and financial supervision, totally revamping the credit system via a separation between banking and industry and between short- and long-term credit; it determined that banking was an activity of public interest; it concentrated supervision in the Inspectorate for the defence of savings and the exercise of credit (a newly created state body), chaired by the Governor and using resources and personnel of the Bank of Italy, but directed by a ministerial committee chaired by the Prime Minister. Aware of the new developments in economics and the challenge posed by a world in the throes of violent change, Governor Azzolini initiated the creation of a modern research service, taking on professional economists. At the end of 1936, the long-awaited devaluation of the lira stimulated economic recovery and improved the balance of payments. At the same time, by a simple ministerial decree, all limits on State borrowing from the Central Bank were abolished. The autonomy of the Bank was at its nadir.

#### *World War II and post-war monetary stabilization*

World War II - with the country divided, combat throughout most of Italy and foreign occupation - inflicted substantial damage on the national economy. The lira fell to a thirtieth of its pre-war value (by comparison, during World War I it had fallen to one fifth of its initial value). The Bank of Italy, like the country's other institutions, experienced some dramatic moments. Its administration was split in two. Separate commissioners were installed, one in the Nazi-occupied North, in the Social Republic, and another under the Allies in the South, in the Kingdom of Italy. The appointment of Luigi Einaudi as Governor (in January 1945) laid the basis for the return to normality at war's end. The reconversion to a civilian economy, though difficult, did not cause instability for banks, as it had at the end of World War I,

because, thanks to the 1936 reform, they did not have substantial non-liquid assets. But the situation of the lira was much more worrying and the end of 1946 saw the re-emergence of runaway **inflation**. The restoration of monetary stability, achieved between 1945 and 1948 with a sound, consistent plan, had four essential points. The first was halting inflation. In the summer of 1947, the compulsory reserve mechanism was refined and targeted to the needs of monetary control. The power to vary the reserve ratio was assigned to a new body, the Interministerial Committee for Credit and Savings (*Comitato Interministeriale per il Credito e il Risparmio* - CICR), chaired by the Treasury Minister. The reform, clearly specifying the determination of the monetary authorities to put an end to inflation, affected expectations and cut off the rise in prices. The second point was the re-establishment of a limit to the monetary financing of the State: in May 1948 the overdraft on the Treasury's current account at the central bank was limited to 15 per cent of budgeted State spending. The third point was joining the international financial community: in October 1946 Italy was admitted to the Bretton Woods institutions. The liberalization of trade and foreign exchange began, and after the devaluation of November 1947 the two-tier foreign **exchange market** disappeared. The Italian Foreign Exchange Office was formed to handle foreign currency transactions. Italy would later become part of the European Payments Union, created in 1950. The fourth point was the reorganization of banking supervision: after the abolition of the banking inspectorate, created in 1936, the supervisory function was assigned to the Bank of Italy; political responsibility was entrusted to the CICR, whose meetings were attended by the Governor as head of its technical arm. The protection of savings was enshrined in the new constitution of 1948, Article 47. The strengthening of the lira, to which Director General Donato Menichella contributed greatly, laid the foundations for the non-inflationary growth of the successive period. From the aftermath of the war to the early 1950s, the

actions of the Bank of Italy were essential to attracting and managing the international aid (Interim Aid, Marshall Plan and World Bank) that served to bring Italy out of emergency and to kick-start reconstruction.

*From the 1950s to Maastricht*

For Italy, the 1950s was a time of sustained economic development in a context of monetary stability. The choice of international opening, which introduced salutary competitive stimulus into the economy, was consolidated by membership in the European Economic Community (1957) and the introduction (1958) of convertibility of the lira into other currencies for non-residents (external convertibility). The Bank, headed by Donato Menichella (who had succeeded Einaudi in 1948, when the latter became President of the Republic), aimed to maintain the long-term conditions for investment. It took direct interest in problems of economic development and of Southern Italy without ever abandoning monetary control. The instruments of monetary policy consisted of discount rates and central bank advances - which, however, held stable for eight years from 1950 to 1958 - and control of credit, in part through **moral suasion**. Periodically, excess liquidity was mopped up via bond issues. Banking supervision was directed primarily to avoiding the repetition of episodes of asset illiquidity. An effort was made to align the structure of the banking system with industry: hence the encouragement of smaller banks, presumed to be more closely tied to small businesses (localism). In 1960, Guido Carli was named Governor of the Bank. In the years that followed, the economic structure of the country was gradually transformed. More and more the role of the credit system was to reallocate resources between consumption and investment and between the public and private sectors. From the mid-1960s onwards, monetary policy was oriented to stabilizing security prices, to facilitate the placement of issues and thereby encourage investment. The Research Department perfected its analytical instruments, most notably with the construction of the Bank of Italy's econometric

model and the realization of the “financial accounts”. As regards the credit system, for the first time since the 1930s banking mergers were encouraged, in order to enhance technical efficiency, but definitely excluding a return to **universal banking**. The Central Credit Register was established.

The 1960s ended in the midst of serious economic difficulties. The end of the Bretton Woods System (August 1971), the switch to floating exchange rates and the sharp **rise in oil prices** ushered in a long period in which two evils previously considered antitheses coexisted: stagnation and inflation. Inflation in Italy was notably higher than the average for the other industrial countries. Between 1973 and 1984, the rate was never below 10 per cent. In addition to world price rises, Italian inflation had major domestic causes: severe labour market tensions, an increase in public expenditure without a corresponding increase in revenue and lack of competition. An important role was also played by the removal of the discipline of fixed exchange rates. The policy of stabilizing securities prices became too onerous and was abandoned. In order to sustain investment and at the same time keep a check on domestic demand, while containing rises in interest rates, in 1973 administrative credit control measures (a ceiling on bank lending and portfolio constraints) and foreign exchange controls were introduced. Monetary policy in Italy, as in the other industrial countries, tended to be restrictive and to focus on explicitly announced medium-term target aggregates (total domestic credit). In 1975, Carli left the governorship to be replaced by Paolo Baffi, who had been Director General since 1960. During the foreign exchange crisis of 1976, the Bank made the lending ceiling more constraining and tightened foreign exchange controls to make the restrictive measures more effective. The Bank repeatedly underscored the costs and limitations of this set of policy tools. Action was begun to enhance the ability to conduct monetary policy through the market, especially via the buying and selling of **securities** (open market operations). To this end, in 1975, the first steps were taken



to create a true money market, with procedural changes in the issue of **Treasury bills** and a reform of compulsory reserves. In December 1978, Italy joined the European Monetary System, negotiating a broad fluctuation band for the lira of 6 per cent above or below the central rate, while the other participating countries had a narrower band of plus or minus 2.25 per cent, because Italy's inflation differential, though narrower, was still substantial. Supervisory action sought to encourage the capital strengthening of banks, to improve their by-laws and organization, and to broaden the scope for competition. In the second part of the decade, on-site inspections became more extensive and analytical techniques were perfected. To meet the growing need for international supervisory cooperation, the **Basel Agreement** was signed in 1983. In 1979, the leadership of the Bank of Italy was struck down by a judicial initiative regarding banking supervision. Although the action subsequently proved to have been completely groundless, Governor Baffi was incriminated and Deputy Director General Mario Sarcinelli arrested. The events were a difficult test for the Bank. Thanks to the general demonstration of solidarity on the part of qualified opinion, both Italian and international, and the independence and prestige of the Bank and its staff, the institution weathered the crisis. Paolo Baffi chose to resign in October 1979 and was replaced by Carlo Azeglio Ciampi, who had been appointed Director General in 1978 following a long career in the Bank.

The second oil shock of 1979-80 again caused prices to rise, but three factors helped foster a process of disinflation and the restructuring of industry. In 1979, the European Monetary System began operating, accompanied by an unaccommodating monetary policy stance, which reinforced the real exchange rate of the lira. In 1981, the Bank of Italy gained full autonomy to decide whether or not to purchase Treasury bills not taken up by brokers at auctions (the so-called "divorce"). Wage moderation was produced by the surge in unemployment and the weakening of wage indexation. Real interest rates returned to positive values. The drive begun in

the second half of the 1970s to enhance the effectiveness of monetary control through market instruments was continued. At last, with the introduction of an efficient **auction** system for issuing Treasury bills and a functioning interbank deposit market, a true money market came into being. In 1987, the inflation rate reached a low of 4.7 per cent and in 1990 the lira moved into the “narrow band” of the EMS. However, inflation turned up again to 6.5 per cent in 1990, owing among other things to unresolved structural problems. The deficit of the current account of the balance of payments became worrying and investments declined. The rehabilitation of the Italian economy, that is, was still partial and fragile. The Single European Act in February 1986 laid down the stages of the process for the removal of the remaining trade barriers dividing EU national markets. Six years later, in February 1992, the Treaty of Maastricht was signed, forming the basis for the single currency and the European System of Central Banks. In 1990, the completion of liberalization had brought an end to foreign exchange controls, which had been in place in Italy, in one form or another since 1934. This facilitated the international integration of the Italian economy and the financial system. In the 1980s, the supervision of the Bank of Italy was extended to non-bank intermediaries, albeit only for matters impinging on the stability of the financial system. The Bank began the transition from “structural” supervision (which used powers of authorization to shape the structure of system) to “prudential” supervision, based principally on general rules of conduct. In 1990, three fundamental laws were passed: one on commercial banks and groups (called the “Amato-Carli” law), one on securities business, and one on safeguarding competition. The first established a level playing field for bank operators, specifying the joint stock company as the general model for banking business, laid a basis for the privatization of banks, and regulated credit groups. The second regulated securities intermediaries and stock markets. The third introduced antitrust principles and instruments. During the same years, the Bank of Italy set the objective of improving the integrity and efficiency of payments services. The

national clearing system and the transactions on banks' accounts at the Bank of Italy were completely computerized. The screen-based Interbank Deposit Market (*Mercato Interbancario dei Depositi* - MID) was launched.

### *In Europe*

The Treaty of Maastricht set strict convergence parameters for countries intending to join the Economic and Monetary Union. The calendar for monetary union was fixed: a first stage of economic and institutional convergence; a second stage of regulatory and procedural harmonization to prepare for the implementation of a common monetary policy, envisaging the creation of the European Monetary Institute, the precursor to the European Central Bank, in 1994; and a third stage, beginning in 1999, for the actual launch of the single currency. In the summer of 1992, the different economic policy stances of the United States and Germany, coupled with uncertainty regarding ratification of the Treaty of Maastricht, triggered a foreign exchange crisis that hit many countries. The lira was devalued by around 20 per cent. In 1993, Antonio Fazio, Deputy Director General, succeeded to the governorship when Carlo Azeglio Ciampi was named Prime Minister (he was later made President of the Republic). In Italy, the crisis prompted a vigorous reaction. First, the public finances were put in order by way of substantial cuts in expenditure and above all increases in revenue. In the summer of 1994, a monetary tightening inaugurated a period of rigour. In 1995, a year that saw another foreign exchange crisis, the discount rate reached 9 per cent. The resolute action of the Bank of Italy in these years helped to reduce inflation expectations. Price rises having been curbed, in 1996 monetary conditions were eased. Renewed confidence, both domestically and internationally, permitted a reduction in long-term interest rates and led to a drastic cut in interest payments on the public debt; so monetary policy contributed significantly to public financial adjustment. On the strength of these efforts, Italy was in the first wave of countries to adopt the single European currency.

During the 1990s, there was also a process of institutional convergence. In line with the requirements of the Treaty of Maastricht, the independence of central banks was reinforced. In Italy, this was done in a series of steps. At the beginning of 1992, the Bank of Italy was given fully independent power to set official interest rates. In the autumn, a law prohibited the State from financing itself by current account **overdrafts** with the Bank. The Bank of Italy has not participated in government securities auctions since 1994. The transposition of the Second Banking **Directive** (1992) into Italian law set the fundamental rules for the financial sector. Banking specialization, which had characterized the credit system put together in 1936, was abolished and universal banks became possible. The series of measures taken over the years, such as those to encourage savers shift to investment in **shares**, supplementary **pension plans** and managed assets, substantially reformed the regulatory framework for banking and finance. All this was codified in the Consolidated Law on Banking of 1993 (*Testo unico bancario*) and the Consolidated Law on Finance of 1998 (*Testo unico dell'intermediazione finanziaria*). The 1993 law also made the Bank of Italy responsible for the smooth running of the payment system. Law 262 of 28 December 2005 on the protection of savings and the regulation of financial markets also modified the organization and institutional structure of the Bank of Italy. Governor Antonio Fazio resigned in the same month. On 31 May 2006, Mario Draghi, who had been appointed Governor on 29 December 2005, presented his first Concluding Remarks to the General Meeting of Shareholders. The Governor noted the complexity of the field in which every modern central bank must operate. The field of operation has become even vaster for the central banks of the Eurosystem. It ranges from setting common monetary policy to payment system operations. Decisions and institutional arrangements must be adapted to the needs of an advanced, but diversified, economic area. The Bank of Italy also moves in a broader international context embracing supervisory guidelines, economic analysis and initiatives to safeguard financial stability.

Since 1 November 2011, Mario Draghi is President of the European Central Bank and Ignazio Visco has succeeded to the governorship of the Bank of Italy.

*The Governors of the Bank of Italy*

2011 - present	Ignazio Visco
2005 - 2011	Mario Draghi
1993 - 2005	Antonio Fazio
1979 - 1993	Carlo Azeglio Ciampi
1975 - 1979	Paolo Baffi
1960 - 1975	Guido Carli
1948 - 1960	Donato Menichella
1945 - 1948	Luigi Einaudi
1931 - 1944	Vincenzo Azzolini
1928 - 1930	Bonaldo Stringher (First Governor)
1894 - 1900	Giuseppe Marchiori (Director General)
1894	Giacomo Grillo (Director General)

Link: [www.bancaditalia.it](http://www.bancaditalia.it)



## CASSA DI RISPARMIO DI FIRENZE



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
1.769,8	11.786,9	8.236,0	322,35	18,37%

Founded in 1829 as an association between private citizens, at the beginning it acted as a credit institution with mainly social functions, whose deposits contributed to improving the wellbeing of savers, and to facilitating the investments in the local economy. The results obtained since the first years of activity allowed *Cassa di Risparmio di Firenze* to develop rapidly, and to spread its territorial network through a few branches in other provinces of Tuscany, where, moreover, the presence and autonomy of the other provincial mutual savings banks continued. In 1992, the bank transformed itself according to law 30.7.1990 n.218, thus originating *Cassa di Risparmio di Firenze S.p.A.*, in charge of the banking activities, and *Ente Cassa di Risparmio di Firenze*, a shareholder of the bank and the institution in charge of continuing the social, cultural and research activities.

By inheriting the role of the original *Cassa di Risparmio di Firenze*, the foundation *Ente Cassa di Risparmio di Firenze* pursues its statutory objectives by operating in Tuscany, with particular attention to the territory of Florence and to the areas where the banks has traditionally operated. The foundation employs the proceeds of its large heritage in order to realise and fund projects. Furthermore, it supports those in

need of solidarity, rehabilitation, and assistance. It promotes civil growth and the development of the city of Florence, as well as of the territories where it is present. The sectors in which the foundation works are: art, cultural activities and cultural assets; environmental safeguard and quality; scientific research and technological innovation; charity and philanthropy; youth education.

In order to make its action more effective and to satisfy the needs of the territory in an organic and programmed way, every year, the priorities of intervention are listed in a programmatic document, in line with the general strategic guidelines. Such a document defines the objectives to pursue according to the available resources. The foundation operates through its own projects, as well as by supporting third party initiatives that pursue the same objectives. The *Ente* has three operational foundations through which it intervenes indirectly with the aim of preserving the environmental and historical heritage, of promoting the territory, and of developing financial studies: *Fondazione Parchi monumentali Bardini e Peyron*, *Fondazione Rinascimento Digitale*, and *Fondazione Cesifin*.

With regard to *Cassa*, since 1998, it became the group leader of *Gruppo Bancario Cassa di Risparmio di Firenze*, which has **shares** in the capital stock of *Cassa di Risparmio di Pistoia e Pescia*, *Cassa di Risparmio di Civitavecchia* (51%), *Cassa di Risparmio di Orvieto* (73.57%), and also of: *Cassa di Risparmio di Mirandola*, *Centrovita Assicurazioni*, *Findomestic banca*, *Findomestic sviluppo*, *Centrofactoring*, *Centroleasing*, *Eptaconsors* and other service companies. *Findomestic*, today the main consumer credit provider in Italy, was created together with the French of Bnp-Paribas. The latter are indeed shareholders of *Cassa di Risparmio di Firenze S.p.A.* (6.99%), together with *Ente Cassa di Risparmio di Firenze* (43.18%), *San Paolo IMI* (19.09%), *Ente Cassa di Risparmio di Pistoia* (3.95%) and a few minor ones. In the *Mediobanca* ranking list of 2003 of the national banking groups by collection, *Cassa di Risparmio di Firenze* ranked 16th. Today, the bank has 269 branches in Tuscany



and three representative offices abroad. Since 29/01/2008, following a public takeover bid, *Cassa di Risparmio di Firenze S.p.A.* was delisted from the Midex segment of the Milan **Stock Exchange** and it became controlled by *Gruppo Intesa Sanpaolo*.

Links (in Italian only): [www.bancacrfirenze.it](http://www.bancacrfirenze.it); [www.entecarifirenze.it](http://www.entecarifirenze.it)



**FIAT S.p.A.**

CORPORATE DATA (2011)		
Debt	Revenues	Net profit
2.449	37.382	1.006

Fiat, a promoter of **Assonebb**, is an international auto group that designs, produces and sells vehicles for the mass market under the Fiat, Alfa Romeo, Lancia, Abarth and Fiat Professional brands, as well as luxury and performance cars under the Ferrari and Maserati brands. The Group has expanded its global reach through the alliance with Chrysler Group, whose product portfolio includes Chrysler, Jeep, Dodge, Ram and SRT brand vehicles. Fiat Group also operates in the components sector, through Magneti Marelli and Teksid, and in the production systems sector, through Comau.

Fiat was founded at the end of the 1800s – a period filled with the fervour of grand initiatives, inventive spirit and new ideas – and was destined to rapidly become one of the world's leading industrial groups. Its story is deeply connected with that of industrialisation in Italy and the brand is today a byword for beauty, Italian style, roaring engines and affordable quality.



## History of Fiat

Fiat history began over a century ago. Moments that have made the history of the brand, period photographs and events that have distinguished the evolution of tastes and society.

On 11 July 1899, the deed of incorporation was signed giving birth to *Società Anonima Fabbrica Italiana di Automobili Torino* – F.I.A.T. The first car built was the 4 HP. In 1900, the first plant was inaugurated and production reached 24 cars a year. In 1902, Giovanni Agnelli became Managing Director. In 1903, the company was listed on the **stock exchange** and began producing its first vehicles for goods transport. In 1906, out of a total 8 million lire in annual sales, export sales reached 6 million lire. The auto production was expanded with the addition of the 8, 10, 12, 24, 60, 100 and 130 HP models. The company also began making trucks, buses, trams and marine engines. In 1908, the company began the manufacture of aircraft engines: the first developed was the 50hp SA 8/75, which incorporated the experience acquired on the auto racing circuit.

In Europe, as the new century unfolded, significant economic and scientific progress continued. But the outbreak of the Great War had a considerable impact on the industrial activity, as it had to be transformed to support the country's military effort. In 1910, six new models were launched: the 12-15 HP, 15-20 HP, 20-30 HP, 30-45 HP and the Type 5 and Type 6. Between 1912 and 1914, Fiat cars won a number of international races, such as the American Grand Prize, the Indianapolis 500-Mile Race and the Gothenburg-Stockholm Winter Cup. The first small displacement

production car, the Fiat Zero, was created. In 1914, as part of the war effort, almost 20,000 units of the 18BL lorry were produced and, in the following years, various aircraft engines. Between 1915 and 1917, construction began in the *Lingotto* factory, the largest in Europe at the time. The Group entered the steel and railway sectors. In 1919, immediately after the war, the 501 "economy", 505 and 510, as well as its first tractor, the 702 came out. Life in post-war Italy was marked by intense political and social conflict. These were difficult years for the company, requiring rigorous attention to cost management. In 1923, the crisis being overcome, the *Lingotto* factory was inaugurated and it became the symbol of a Fiat whose future was then inextricably linked to the concept of industrialised production. Inside the factory, the assembly line was introduced and working methods were transformed. In 1920, Giovanni Agnelli became Chairman of Fiat. In 1922, the AL biplane, Fiat's first civil aviation aircraft, took its maiden flight. The same year, the company established *Grandi Motori* for the construction of marine engines.

The Twenties saw the release of many models, including the launch of the SuperFiat, the 519, a six-cylinder luxury car, the 509 and the 503. In 1927, the 520 was offered in left-hand drive and, in 1928, aluminium cylinder heads were adopted on production model cars, representing a world first. 1929 saw the arrival of the economical 514 and the elegant 525. The 1014 van was also launched: with six wheels, dual transmission and articulated chassis, this vehicle was unbeatable off road.

For Fiat, the early 1930s were marked by the consolidation of its manufacturing base and by significant expansion abroad: from France to Spain, Poland and the USSR. In 1930, the "*Littorina*", the world's first railcar, was introduced, while the 700C tractor was launched in 1932. Between 1930 and 1935, Fiat released 15 more models. Some were to become milestones in automobile history: the popular 508 *Balilla*, the deluxe 518 and 527 *Ardita*, the aerodynamic 1500, the economic 500

*Topolino* and the 1100 "*Musone*". In 1934, Francesco Agello reached 709.209 kilometres per hour in a Macchi-Castoldi M.C.72 powered by a Fiat AS6 engine, setting a world record for propeller-driven seaplanes that remains unbeaten. In 1937, construction began in the Mirafiori plant. It was inaugurated two years later, introducing the most advanced working methods in Italy.

With entry into the war, Fiat had to convert production to military purposes. The company dramatically reduced the production of cars, while the output of trucks was multiplied five-fold. Armoured vehicles, airplanes and marine engines were also produced. In 1940, the Fiat 016 locomotive exceeded 160 kilometres per hour, breaking the world speed record in the diesel engine category. In 1942, the 700D wheeled tractor and the model "50", the first diesel-powered heavy crawler, were launched. The latter was hidden underground for fear of requisition by the Germans. It was recovered at the end of the war and mass production began. Senator Agnelli died on 16 December 1945 and Vittorio Valletta became Chairman. The large-scale production of cars was resumed, with models such as the 500B *berlinetta* and *estate*, the refreshed 1100 and 1500, and the sporty 1100S. Alongside these were trucks and buses, high-power tractors, railcars, airplanes and large marine engines. In 1949, the number of employees topped 71,000 and the company returned to bottom line growth.

In the Fifties, Italy experienced a period of economic boom and the car industry was one of the main drivers of intense growth: one car for every 96 inhabitants in 1949 became one for every 28 inhabitants in 1958 and one for every 11 inhabitants by 1963. Fiat had more than 85,000 employees and car production grew six-fold over the decade. In 1951, the transatlantic liner *Giulio Cesare*, powered by a Fiat engine, entered service and Italy's first jet, the Fiat G.80, took flight. In 1952, the high-performance 8V sports car reached 200 kilometres per hour and the 7002 model helicopter was presented. The same year, production began on the 682N lorry which

went on to be produced for more than a quarter of a century and became a milestone in transport history. In 1953, the 1400, Italy's first diesel-powered passenger car, was launched. In 1955, the popular 600 arrived, the first Fiat rear-wheel drive passenger car. Fiat Impresit, a company specialised in civil engineering founded in 1929, constructed roads, tunnels, bridges and dams, such as the Kariba dam on the Zambesi river. In 1956, the new 500 and the Autobianchi *Bianchina* were launched. The Fiat G.91 was selected as tactical fighter for the NATO. The decade of the Sixties began with a general spirit of optimism and the economic miracle continued in Italy. Fiat experienced a dramatic increase in production volumes: the number of cars constructed per year went from 425,000 to 1,741,000; trucks from 19,000 to 64,800; tractors from 22,637 to 50,558; earthmovers from 3,000 to 6,255. Fiat doubled the number of employees to almost 171,000. In 1964, the two-door, five-seat Fiat 850 sedan was launched. In 1966, Giovanni Agnelli, grandson of the founder, became Chairman. A major agreement was signed for the construction of the Vaz plant in Togliattigrad, Russia, which would produce two thousand *Ziguli* passenger cars a day. In 1967, Vittorio Valletta died. Production began at the Rivalta plant, and Fiat took a majority stake in Magneti Marelli. The 124 was named "Car of the Year" and the Fiat *Dino Coupé* was launched with its engine based on Ferrari technology. In 1969, the company acquired Lancia and purchased a 50% interest in Sefac-Ferrari. The same year, *Fiat Ferroviaria* designed and produced the *Pendolino*, the world's first tilting train. In 1970, the 128, Fiat's first front-wheel drive car, was named "Car of the Year".

Toward the end of the 1960s, there was a long period of protests and social unrest that also involved Fiat and had significant repercussions on the group's results. Despite these difficulties, the group invested heavily in Southern Italy and began the construction of plants located in Termini Imerese, Cassino, Termoli, Sulmona, Vasto, Bari, Lecce and Brindisi. During the same period, Fiat began the process of

decentralising its operating activities, transforming the company into an industrial holding. Among the first companies to be established were Fiat *Macchine Movimento Terra*, Fiat Engineering, and Iveco. In 1971, the 127 was presented, which achieved extraordinary success and the following year won the “Car of the Year” award. The historic sports brand Abarth became part of the Group. In 1972, Lancia started the production of *Beta*, which was followed by *Stratos*, *Gamma* and *Delta*. The same year, Lancia won the World Rally Constructors’ Championship and took the title again in 1974, 1975 and 1976. Fiat won in 1977 and 1978. In 1975, Ferrari won the Formula 1 World Championship. This triumph was repeated in 1977 and 1979. In 1976, *Centro Ricerche Fiat* was founded. In 1978, the innovative car chassis assembly system, “Robogate”, was installed at some plants. At the same time, new factories were constructed in Italy and Brazil. Comau and Teksid were established. In 1979, Fiat Auto grew and eventually brought together the Fiat, Lancia, Autobianchi and Ferrari brands.

In the Eighties, the industrial world underwent profound changes, linked above all to the development of electronics and new materials. Attention to the environment also increased, and Fiat demonstrated its sensitivity by creating electric and natural gas vehicles, and by setting up the Fare project, for the recycling of cars destined for demolition. In 1980, the launch of Panda took place, which immediately became a key player in the economy segment. In 1983, at Cape Canaveral in Florida, Fiat Auto presented the new *Uno*, a symbol of innovation and technological rebirth for the company. It went on to win the “Car of the Year” award in 1984. In 1984, Alfa Romeo became part of the Group.

In 1985, the production of the innovative FIRE (Fully Integrated and Robotised Engine) began. Two years later, the world’s first direct-injection diesel engine for passenger cars was developed. In 1988, the state-of-the-art research centre Elasis was established at the Group’s initiative. The same year, the Fiat Tipo was named



"Car of the Year". Other cars to achieve success during the decade were the Fiat *Regata* and *Croma*, the Lancia *Delta*, *Thema* and Y10, the Alfa Romeo 164, and the Ferrari GTO, *Testarossa* and F40, as well as the commercial vehicles *Fiorino* and *Ducato*.

In the 1990s, in response to increasingly tough international competition, Fiat Group adopted a multi-track strategy: on one side, it invested in product and process innovation and the search for new markets with high development potential outside Europe, and, on the other, it implemented a plan for cost containment and internal reorganisation. In 1990, *Panda Elettra* was the first mass-produced electric vehicle. In 1993, the company acquired the prestigious automaker Maserati and also introduced Progetto Autonomy to facilitate mobility for the disabled. In 1995, 1996 and 1998, Fiat *Punto*, Fiat *Bravo-Brava* and then Alfa Romeo 156 were named "Car of the Year". In 1997, Alfa Romeo 156 became the first car in the world to be fitted with a diesel engine with the Common Rail system, which, within the space of a few years, revolutionised the market for diesel-powered cars. In 1998, the Fiat *Multipia*, Lancia *Lybra* and new *Punto* arrived on the market. In 1999, the world's first automated manual transmission (Selespeed) went into mass production. During the same year, CNH-Case New Holland was formed to create a leading global player in agricultural and construction equipment.

During the first decade of the 21st century, the Group went through a profound cultural change and refocused its activities to concentrate on the automotive sector. All the brands of the Group launched new models: Fiat presented a restyling of *Punto*, the new *Idea*, *Bravo*, and re-launched the iconic 500; Alfa Romeo debuted with the 159, 166, *MiTo* and *Giulietta*; for its 100th anniversary, Lancia launched the new *Ypsilon*; from Maranello, production of the innovative Ferrari F430 and 599 GTB *Fiorano* began; whereas Maserati came out with the captivating *GranSport* and *GranTurismo coupés*. In 2000, an industrial alliance was formed with **General**

**Motors** that would be dissolved in 2005. Alfa Romeo brought out the 147, which was elected “Car of the Year” the following year. In 2000, Fiat presented *Stilo*, and the following year Lancia launched *Thesis*, its new flagship luxury model. In 2003, after almost half a century at the helm of the company, Giovanni Agnelli died and his brother Umberto took over as Chairman. Fiat invented the MultiJet technology and the SDE, the smallest direct-injection diesel engine ever produced. In Brazil, the company introduced the flexfuel technology, which enables two different fuels (e.g., gasoline and ethanol) to be mixed in the same tank. In 2004, Umberto Agnelli died and the Group’s new leaders were appointed: Luca Cordero di Montezemolo as Chairman, John Elkann as Vice Chairman and Sergio Marchionne as Chief Executive Officer. *Panda* won the “Car of the Year” award. In 2005, Fiat Group returned to profitability and the 16v 1.3 MultiJet engine was named “Engine of the Year”. FPT Powertrain Technologies was established. In 2006, the launch of the TetraFuel system for alternative fuels took place. In 2007, at the end of January, Fiat launched the new *Bravo*. In March, one of the most prestigious sports car brands in history, Abarth, was re-launched with its reinterpretation of *Grande Punto*. On July 4th, the new Fiat 500 hit the market and became an instant success. In 2008, it was named “Car of the Year”. In 2008, the new Lancia *Delta*, Alfa 8C Spider, the 500 Abarth and *Fiorino* were all presented for the first time at the Geneva Motor Show. A few months later, Fiat launched the “free space” Qubo and the *Grande Punto* Natural Power. On 10 June 2009, Fiat Group and Chrysler Group LLC announced that they had signed a global strategic alliance. The same year, FPT introduced the MultiJet II as well as the MultiAir, a revolutionary electro-hydraulic valve control system. In December, the new *Doblò* arrived. In addition, Fiat S.p.A. was recognised as a sustainability leader and entered the Dow Jones Sustainability World and Dow Jones Sustainability STOXX **indexes**. In 2010, John Elkann became Chairman of Fiat. The company launched two important innovations, the TCT (Twin Clutch

Transmission) technology and the TwinAir, the world's first high-tech two-cylinder engine. In April, the debut of Alfa Romeo *Giulietta* took place, and the 500,000th unit of the new 500 rolled off the production line. On September 16th, the shareholders approved the plan for the demerger of Fiat S.p.A.'s industrial activities and the creation of a new group headed by Fiat Industrial S.p.A.. The demerger took effect on 1 January 2011. Under the new structure, Fiat consists of FGA, Ferrari, Maserati, Magneti Marelli, Teksid, Comau and Fiat Powertrain Technologies (the "Passenger & Commercial Vehicles" powertrain business). The new group headed by Fiat Industrial S.p.A., which is listed on *Borsa Italiana* (Italian Stock Exchange), consists of CNH, Iveco and FPT Industrial (the "Industrial & Marine" powertrain business). Fiat S.p.A. is today engaged in accelerating and consolidating the process of integration with Chrysler, in order to establish an international car-building company determined to be one of the leaders in the sector.

At 31.12.2012, the total revenues of Gruppo Fiat were 59,559 million **euros**, with 197,021 employees all over the world, 155 plants (46 of which in Italy), 77 research and development centres, and international deals in Europe, Asia and America. Lastly, since 1963, *Centro Storico Fiat*, located in Turin, is hosted by an Art Nouveau building that was built as the first expansion (1907) of the workshops located on Corso Dante, the company's first home. *Centro Storico Fiat* hosts a collection of automobiles, mementos, models and advertising manifestos by artists spanning the company's entire history.

Fiat is a promoter of **Assonebb** and it supports the development of Bankpedia. The history of Fiat in six minutes has been summarised by **Sky Tg 24** (audio in Italian).

Link: **[www.fiatspa.com](http://www.fiatspa.com)**



## INTERBANK DEPOSIT PROTECTION FUND



*Fondo Interbancario di Tutela dei Depositi*

CORPORATE INFORMATION (2011)		
CORPORATE DATA (million euro)		
Net profit	Tot. Assets	Number of associated banks
66	1.194.872	259

### *The institution*

The Interbank Deposit Protection Fund, established in 1987 as a voluntary consortium, is now a private-law mandatory consortium, recognised by the **Bank of Italy**; the activities of which are regulated by the Statutes and by laws. In accordance with Legislative Decree 659/96, effective from January 11, 1997, the **EU Directive** 19/94 on deposit guarantee schemes was implemented in the Italian legislative system. The purpose of the Fund is to guarantee the depositors of member banks. Member banks undertake to pay contributions to the consortium fund and, upon request of the Fund, to make regular payments to defray operating expenses.

Following the provisions of article 96 of Legislative Decree n. 385 of September 11, 1993, the principle of mandatory membership in a deposit guarantee system was introduced in Italy. All Italian banks (about 300) are members of the Fund, except for "mutual banks" (*banche di credito cooperativo*), which are members of the Deposit

Guarantee System of Mutual Banks (*Garanzia dei Depositanti del Credito Cooperativo*). Membership is open to the branches of EU banks operating in Italy, for the purpose of supplementing deposit protection provided by their home country schemes. Non-EU banks authorised to operate in Italy are required to become members, unless the deposit protection schemes of their home countries are equivalent. Following articles 9-bis and 9-ter of Leg. Decree 385/1993, the Bank of Italy has full powers in supervising and coordinating the activities of deposit protection funds.

#### *The bodies of the fund*

The bodies of the Fund are: the General Meeting; the Board; the Executive Committee; the Chairman; the Deputy Chairman; the Board of Auditors; the Secretary General.

The members of the Board are elected by the General Meeting, on the basis of a number of candidates, also represented by associations of member banks.

The Chairman of the Italian Banking Association (ABI) is an ex officio member. A representative from the Bank of Italy attends the meeting.

#### *Statutory bodies*

Chairman: Paolo Savona

Deputy Chairman: Bruno Picca

Cousellor by right: Giuseppe Mussari, Chairman of A.B.I.

Representative from the bank of Italy: Stefano Mieli

Secretary General: Roberto Moretti

Board in alphabetical order:

- Marco Berlanda (Banca Popolare Soc.Coop.) - Giovanni Berneschi (**Banca Carige S.p.A.**) - Adolfo Bizzocchi (Credito Emiliano S.p.A.) - Lucano Filippo

Camagni (Credito Valtellinese) - Paolo D'Amico (Banca Nazionale del Lavoro S.p.A.) - Ranieri De Marchis (**Unicredit S.p.A.**) - Divo Gronchi (**Banca Popolare di Vicenza S.c.p.A.**) - Carmine Lamanda (Unicredit S.p.A.) - Giampiero Maioli (Cariparma S.p.A.) - Giuseppe Menzi (**Banca Monte dei Paschi di Siena S.p.A.**) - Carlo Messina (**Intesa Sanpaolo S.p.A.**) - Alberto Mocchi (Banca di Desio e della Brianza S.p.A.) - Antonio Patuelli (Cassa di Risparmio di Ravenna S.p.A.) - Bruno Picca (Intesa Sanpaolo S.p.A.) - Massimo Ponzellini (Banca Popolare di Milano S.c.a.r.l.) - Vito Primiceri (Banca Popolare Pugliese S.c.p.A.r.l.) - Fabrizio Rossi (Banca Monte dei Paschi di Siena S.p.A.) - Alfredo Santini (Cassa di Risparmio di Ferrara S.p.A.) - Flavio Trinca (**Veneto Banca S.p.A.**) - Flavio Valeri (Deutsche Bank S.p.A.) - Camillo Venesio (Banca del Piemonte S.p.A.) - Fabrizio Viola (**Banca Popolare dell'Emilia Romagna S.c.a.r.l.**) - Emilio Zanetti (**Unione di Banche Italiane S.c.p.A.**)

*Executive Committee in alphabetical order:*

- Giovanni Berneschi (Banca Carige S.p.A.) - Divo Gronchi (Banca Popolare di Vicenza S.c.p.A.) - Alberto Mocchi (Banca di Desio e della Brianza S.p.A.) - Antonio Patuelli (Cassa di Risparmio di Ravenna S.p.A.) - Fabrizio Rossi (Banca Monte dei Paschi di Siena S.p.A.)

*Board of auditors:*

Chairman: Giovanni Salsi (Banca di Piacenza S.p.A.)

- Francesco Passadore (Banca Passadore & C. S.p.A.) - Norbert Plattner (Cassa di Risparmio di Bolzano S.p.A.)

*Supplementary auditors:*

- Giuseppe Alloccoù (Banca Cassa di Risparmio di Savigliano S.p.A.) - Giovanni Salsi (Banca di Piacenza S.p.A.)

*Deposit guarantee*

Along with the supervisory activities and the lender of last resort function, the deposit guarantee is one of the basic elements of the safety net, which is aimed at the stability of the banking system. Through deposit guarantee, the social function of savings and the monetary function of bank intermediation are recognised and supported, and in the event of a bank failure, traumatic effects on depositors may be avoided. Directive 94/19/EC provides for a minimum level of guarantee equal to 20,000 euros for each depositor. The Italian legislator implemented the Directive 94/19/EC with the Legislative Decree n. 659 of 4 December 1996 and the Directive 2009/14/EC with the legislative decree n. 49 of 24 March 2011, effective from 7 May 2011.

The legislative decree n. 49 of 24 March 2011 provides for the application of a maximum level of guarantee equal to 100,000 euros and a 20 working days payout limit, which may be extended by the Bank of Italy only in exceptional circumstances for a further 10 days. The payout limit starts from the compulsory administrative liquidation of the bank in accordance with article 83 of the legislative decree n. 385 of 1 September 1993 (Italian Banking Law).

The Interbank Deposit Protection fund also compensates, up to the limits set forth in the Statutes, the depositors of members, foreign branches in Italy of EU and non-EU banks, provided that they are members of the Fund.

According to the Statutes of the Fund (Article 27 paragraph 1) and pursuant to the Banking Law, claims eligible for reimbursement are those relating to repayable funds acquired by the members, in **Euros** and in foreign currency, in the form of deposits or in other forms as well as bankers' drafts and equivalent instruments. Guarantee



schemes shall make payments in cases of compulsory administrative liquidation of banks authorised in Italy according to the norms on compulsory administrative liquidation of legislative decree n. 385, 1 September 1993.

According to art. 27 of the Fund's Statute, the following shall be excluded from protection:

- bearer deposits and other funds reimbursable to bearer;
- bonds and claims arising from acceptances, promissory notes and **securities** transactions;
- the banks' **share** capital, reserves and other elements of capital; the financial instruments regulated by the Civil code;
- deposits arising from transactions for which there has been a conviction for crimes referred to in Articles 648 bis and 648 ter of the Penal Code;
- deposits from central government departments, regions provinces and municipalities and other local authorities;
- deposits made by banks in their own name and on their own behalf, as well as banks claims;
- deposits from: financial companies referred to in Article 59, paragraph 1 sub paragraph b) **insurance companies**; collective investment undertakings; other companies of the same banking group; electronic money institutions;
- deposits, including those made by nominees, from owners of significant holdings for the purpose of Article 19;
- deposits including those made by nominees, from members of the governing bodies and senior managers of the bank or of the banking groups parent undertaking;
- deposits for which the depositor has, on an individual basis obtained from the bank rates and conditions which helped to aggravate the banks financial situation on the basis of the findings of the liquidators.

Protection is offered to the so-called "unaware (or not sophisticated) depositor", who, having no access to needed information, may not be able to evaluate the **risk** position of the financial institution where his or her deposits are kept.

- **Joint Account Protection**
- **Certificates of deposits**
- **Ciphered accounts**
- **Liquidation and reimbursement**

Link: [www.fitd.it](http://www.fitd.it)

## INTESA SANPAOLO GROUP



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
44.270,9	170.045,4	238.021,0	2.444,5	25,0%

The **Intesa Sanpaolo Group** is Italy's leading banking group, with 10.8 million customers and 5,600 branches in the country. It is also one of the top banking groups in Europe.

The Group was formed in January 2007 following the merger of *Sanpaolo IMI* and *Banca Intesa*. Both banks were already key players in the Italian market and had contributed to the consolidation process of the country's banking industry. *Banca Intesa* was the result of a series of integrations completed successfully: in 1998, the merger of *Cariplo* and *Banco Ambrosiano Veneto*. In 1999, *Banca Commerciale Italiana* (BCI), following a Tender Offer, joined the Intesa Group. With the subsequent merger of BCI into *Banca Intesa* (May 2001), the group took the name *IntesaBci*. In December 2002, the Shareholders' Meeting resolved to change the company name to *Banca Intesa*, effective as of January 1, 2003. On its side, *Sanpaolo IMI* was formed in 1998 from the merger of *Istituto Bancario San Paolo di Torino* and IMI (*Istituto Mobiliare Italiano*). These two banks were highly complementary: *Istituto Bancario San Paolo di Torino* was specialised in retail

lending; while IMI, a public entity founded in 1931 to support the reconstruction of the national industrial system, was a leading business and investment bank. *Banco di Napoli* and *Gruppo Cardine* joined the Group respectively in 2000 and 2002. The first steps toward the merger process of *Banca Intesa* and *Sanpaolo IMI* were taken on August 26, 2006, when the Boards of Directors of the two banks approved the guidelines for a merger plan. The plan was then agreed by the Boards on October 12 and ratified by the Extraordinary Shareholders' Meetings of the two banks on December 1 of the same year.

Today, the Intesa Sanpaolo Group is the leading provider of **financial products** and services to both households and businesses in Italy, notably of banking intermediation (a 16% market share in customer loans and 17% in customer deposits), bancassurance (23%), **pension funds** (26%), asset management (26%) and factoring (26%).

The Group also has strategic operations in Central and Eastern Europe, and in Middle Eastern and North African countries. It is among the top players in several countries with 8.3 million customers and a network of approximately 1,600 branches. Through its local subsidiary banks, the Intesa Sanpaolo Group ranks first in Serbia, second in Croatia and Slovakia, third in Albania, fifth in Egypt, Hungary and Bosnia and Herzegovina, and eighth in Slovenia. Moreover, an international network of specialists in support of corporate customers spreads across 29 countries, in particular in the Middle East and North Africa, and in those areas where Italian companies are most active, such as the United States, Russia, China and India. As at 31 March 2012, the Intesa Sanpaolo Group had total assets of 652,630 million **euros**, customer loans of 378,050 million euros, direct deposits from banking business of 371,555 million euros, and direct deposits from **insurance** business and technical reserves of 77,003 million euros.

The Group operates through six business units:

- *Banca dei Territori* - this division includes the Italian subsidiary banks. It is based on a model that supports and enhances regional brands, upgrades local commercial positioning and strengthens relations with individuals, small businesses, **SMEs** and non-profit entities. **Private banking**, bancassurance and industrial credit are also part of this Division.
- Corporate and Investment Banking - this division supports, by taking a medium-long term view, the balanced and sustainable development of corporate and financial institutions, both nationally and internationally. The division acts as a “global partner”, with an in-depth knowledge of corporate strategies and a complete range of services. Its main activities include M&As, structured finance and capital markets carried out through Banca IMI, as well as leasing, factoring and merchant banking. The division is present in 29 countries where it facilitates the cross-border activities of its customers through a specialist network made up of branches, representative offices, and subsidiary banks focused on corporate banking. The division operates in the public finance sector through its subsidiary *Banca Infrastrutture Innovazione e Sviluppo* which acts as global partner for the public administration, public utilities and the execution of infrastructure, with product specialists and a dedicated branch network.
- International Subsidiary Banks - this division includes the following retail and commercial subsidiaries: Intesa Sanpaolo Bank Albania, *Intesa Sanpaolo Banka Bosna i Hercegovina* in Bosnia and Herzegovina, *Privredna Banka Zagreb* in Croatia, the Prague branch of *VUB Banka* in the Czech Republic, Bank of Alexandria in Egypt, the Athens branch of Intesa Sanpaolo Bank Albania in Greece, CIB Bank in Hungary, Intesa Sanpaolo Bank Romania and **Banca CR Firenze** Romania, Banca Intesa in the Russian Federation, *Banca Intesa Beograd* in Serbia, *VUB Banka* in Slovakia, *Banka Koper* in Slovenia and *Pravex-Bank* in Ukraine.
- Eurizon Capital - this company is the leading asset manager in Italy with

approximately 137 billion euro of assets under management.

- **Banca Fideuram** - this company is the leader in Italy in the sector of financial advisors with 4,922 private bankers and 97 domestic branches.

Intesa Sanpaolo is among the top banking groups in the eurozone, with a market capitalisation of 18.7 billion euro and aims at becoming the benchmark for value creation in the European banking system.

The current CEO and MD is Enrico Tommaso Cucchiani.

Link: [www.group.intesasanpaolo.com](http://www.group.intesasanpaolo.com)

## ISTITUTO CENTRALE DELLE BANCHE POPOLARI ITALIANE



CORPORATE INFORMATION (2011)			
CORPORATE DATA (million euro)		INCOME DATA	CAPITAL RATIO
Equity	Credits	Net income margin	TIER 1
660	1,964,4	46,85	14,4%

The *Istituto Centrale delle Banche Popolari Italiane* (ICBPI – Central Institute of Italian Cooperative Banks) is the group leader that operates in support of the growth and consolidation of banks, financial and insurance institutions, companies, and public administration.

ICBPI, in particular, is a System bank specialised in payment systems and services (national and international), in security services - offered according to a business process outsourcing model, and in the services of liaison between banks and companies and the public administration. In the payment services, through a partnership with *Equens SE*, the Institute manages one billion transactions yearly and it is the leader in Europe with a 15% market share. In the services of Automated **Clearing House** (ACH), ICBPI holds 45% of the domestic market (together with *Iccrea Banca*, with which it constitutes a single ACH), it participates in the EACHA (European ACH Association), and it provides the SCT (Sepa Credit Transfer) service to 33 direct adherents and 428 indirect ones. For these services, ICBPI guarantees the compliance to the rules and the criteria established by the European

legislation (PSD- Payment Services **Directive**, and **SEPA- Single Payments Area**). In the framework of security services, ICBPI covers the entire supply chain of investment services: collection and transmission of orders, negotiation, consultancy, placement, clearing, settlement and custody. The Institute is also the only national operator carrying out the activity of Custodian Bank and Fund Administration. In the services of liaison between banks and companies and the public administration, ICBPI supports the infrastructure of *Consorzio CBI* (Interbank corporate banking consortium) with more than 80 banks managed in the role of *Gestore Punto di Accesso* (Access Point Provider), and with more than 170,000 companies active in the services of *Struttura Tecnica Delegata* (Technical Subject)). Moreover, ICBPI is the leader in Italy in the services and solutions of integrated e-invoicing. With Collections and Payments, the Institute has over 300 client banks and it offers innovative services in support of the import-export of enterprises (Global Trade Services).

ICBPI was established in 1939 on the initiative of six *Banche Popolari* (Cooperative Banks) – Cremona, Intra, Lecco, Lodi, Luino and Varese, Verona – as a body with the aim of strengthening and coordinating the action of cooperative banks. In time, the shareholders increased and included all Italian cooperative banks; today, its corporate structure is open to the participation of other banks and **insurance companies**.

Initially, the main objective was that of ensuring to the category of cooperative banks the service of bank cheque emission through the use of the so-called “representative bank cheque” (property of the Institute, but issued in the name and on behalf of the Institute itself by the single cooperative banks). In the following years, the Institute characterised itself as a reference point for the category due to all the initiatives in support of cooperative credit and its philosophy. From an operative point of view, it also assumed the function of clearing house for the majority of interbank



transactions still based on paper exchange (i.e. cheques and bills) and that entailed an accounting intermediation between the associated banks and the rest of the domestic and foreign banking system.

In the 1980s, also through the support of the subsidiary joint-stock company *Servizi Centralizzati-Seceti*, the Institute assumed an active role in all events and transformation processes that led to the creation of SETIF (*Servizio Elettronico Trasferimento Interbancario Fondi* – Electronic Service of Interbank Fund Transfer) and SITRAD (*Sistema Interbancario Trasferimento Dati* – Interbank Data Transfer System), and consequently to the establishment of the modern interbank systems of payment (bank transfers, simple collections, documented operations, etc.). In this context, the Institute was an essential reference for the care of the specific interests of cooperative banks, and it performed the accounting settlement of the transactions passing through the Category Network of Cooperative Banks (whose network operator was *Seceti*) in a centralised way.

Afterwards, the Institute continued to preside over the section of the systems of payment, by carrying out the function of guide and support to the Category in the preparatory and testing phases of the various innovative events that took place both nationally and internationally: the dismantling of the Category networks constituting SITRAD, and the contemporaneous launch of the Applicative Centres of RNI (*Rete Nazionale Interbancaria*- Interbank National Network); the progressive extension of monetary settlements to all interbank payment services; the procedure of exchange and settlement of non-local cheques in the Clearing Houses; the Electronic Cheque Clearance; BIREL; TARGET; EBA.

Today, the Institute, together with its subsidiaries and controlled companies, although maintaining its role of service provider and cooperative credit supporter, is open to other banking and financial organisations, thus widening further its range of services provided.

Link: (website partly in Italian and partly in English) [www.icbpi.it](http://www.icbpi.it)



## MONTE DEI PASCHI DI SIENA



CORPORATE INFORMATIO (2011)				
CORPORATE DATA (milion euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
9.406,9	126.928,8	137.430	2.119,4	14,94%

It is the name by which *Banca Monte dei Paschi di Siena S.p.A.* (acronym: BMPS) is currently known. It was established in 1995, by means of a decree by the **Minister of the Treasury** dated 8 August 1995, to accept the banking institution *Monte dei Paschi di Siena* (acronym: MPS), one of the six public credit institutions according to the **budget** law of 1936. *Monte dei Paschi di Siena* then transformed itself on 28 August 1995 into *Fondazione Monte dei Paschi di Siena*, thus remaining a public institution (but not a credit one anymore). Through the ratification of the new statute, on 8 may 2001, the Foundation assumed a non-profit private legal status, whose mission is pursuing assistance and charity, besides social utility in the fields of scientific research, education, art and health, especially with reference to the town and province of Siena. The bank *Banca Monte dei Paschi di Siena*, instead, continues with the typical credit, financial and insurance operations as a **universal bank**, by operating also through the controlled banks. *Monte dei Paschi di Siena*

seems to be the oldest bank in the world that is still operational. Indeed, its origin dates back to the *Monte Pio di Siena*, constituted by the Magistrates of the Republic of Siena in 1472 to carry out the foreclosure in favour of the population's most disadvantaged classes in a particularly difficult moment for the local economy. *Monte Pio* was funded by permanent loans and free grant contributions by the State of Siena, brotherhoods and other charity bodies of the city. A first reform in 1568 extended the financing to town institutions (e.g. the University) and to farmers of the *Maremma* area, and it gave *Monte Pio* penal jurisdiction. In 1580, the collectorship service was assigned to *Monte Pio*. Between 1619 and 1624, Gran Duke Ferdinando II of Tuscany constituted *Monte non vacabile de' paschi della Città e dello Stato di Siena* by giving it tasks of a real bank in order to re-launch the stagnant economy of the town and its territories. The Gran Duke's warranty was granted to the collection by binding to this aim the state-owned revenues of the *Maremma* (the so called "*Paschi*" the bank was named after). *Monte Pio* and *Monte de' paschi* merged in 1783 into one institution called *Monti riuniti*, to which a section of *Cassa di Risparmio* (savings bank) was added in 1834. After the unification of Italy, the operational area and the activity fields of *Monte* became wider and wider. The current name of *Monte dei Paschi di Siena* was attributed in 1872 by the ratification decree of the new statute.

After WW1, *Monte dei Paschi di Siena* started a phase of remarkable expansion, by opening about a hundred branches, by taking on many collectorship services, and by taking over some local banks in trouble. From the merger of two of these banks, *Credito Toscano* and *Banca di Firenze*, *Banca Toscana* was created, which became soon controlled by *Monte*. The growth continued with a faster pace after WW2, through the opening of new branches and the takeover of banks. The most relevant takeovers were those of *Credito Lombardo* from *Compagnia di Assicurazioni di Milano* (Milan Insurance Company) in 1976 (and sold out to *Banca Antoniana* –

*Popolare Veneta* in 1995), that of *Credito Commerciale* from *Italmobiliare* in 1979 (then sold out to *Cassa di Risparmio di Parma e Piacenza* in 1994), that of the Italian international bank in London (whose activities flew together in the London's branch of *Monte*), of the *Istituto nazionale di credito per il lavoro italiano all'estero* – ICLE (incorporated by *Mediocredito Toscano* – another bank controlled by *Monte* – in 1992) from *Banca Nazionale del Lavoro* (BNL). In 1992, *Monte* bought out *Cassa di Risparmio di Prato - Cariprato*, *Banque Atlantis* in Geneva, and *Mediocredito Toscano*. The latter, transformed into a limited company in 1992, was re-named *MPS Merchant S.p.A.* in 2001. In 1997, *Monte* bought a **share** in *San Paolo IMI*, reaching 5%, and between the end of 1997 and the beginning of 1998, it made a takeover bid for *Banca Agricola Mantovana* – BAM, by buying 70% of it, and by putting back 19% of it on the market later on.

Afterwards, in 2000, *Monte* bought, partly through a takeover bid, almost 94% of *Banca del Salento –Credito Popolare Salentino*, and, in 2001, 4.75% of *Banca Nazionale del Lavoro* (BNL). A fundamental step for the entire group *Monte dei Paschi di Siena* was the listing of the group leader *Banca Monte dei Paschi di Siena* on the Milan **Stock Exchange**, on 25 June 1999. Indeed, following the listing on the stock exchange, an intense phase of territorial and operational expansion started. This was characterised not only by the acquisition of shares of regional banks with deep roots in the territory, but also by the enhancement of production structures in strategic segments of the market, through the development of spinoff companies (*Consum.it* in the area of consumer credit, *MPS Leasing & Factory* in the activities allied to banking, *MPS Finance* in the field of **investment banking**, *MP Asset Management SGR* in the asset management, *MPS Banca Personale* (Personal Banking) in financial promotion). The activities in the specialised sector of enterprises and corporate finance services credit were gathered in *MPS Banca per l'Impresa* (MPS Banking for the Enterprise), and an increase in commercial

productivity through models of specialised service according to client segment was remarked. Moreover, the Group focused its attention on some strategic areas in particular, like **private banking** and the social security savings market. Lastly, a widespread distribution network was created, composed of more than 2,000 branches (end of 2006). Once this radical transformation had been completed, in 2007, the process of expansion started again. Indeed, 55% of *Biverbanca - Cassa di Risparmio di Biella e Vercelli* in 2007, and *Banca Antonveneta* in 2008 were bought. Today, *Banca Monte dei Paschi di Siena* heads the third Italian banking group, with more than 3,000 branches, about 33,000 employees, and more than 6 million clients.

Links: [www.mps.it](http://www.mps.it)

## UBI BANCA

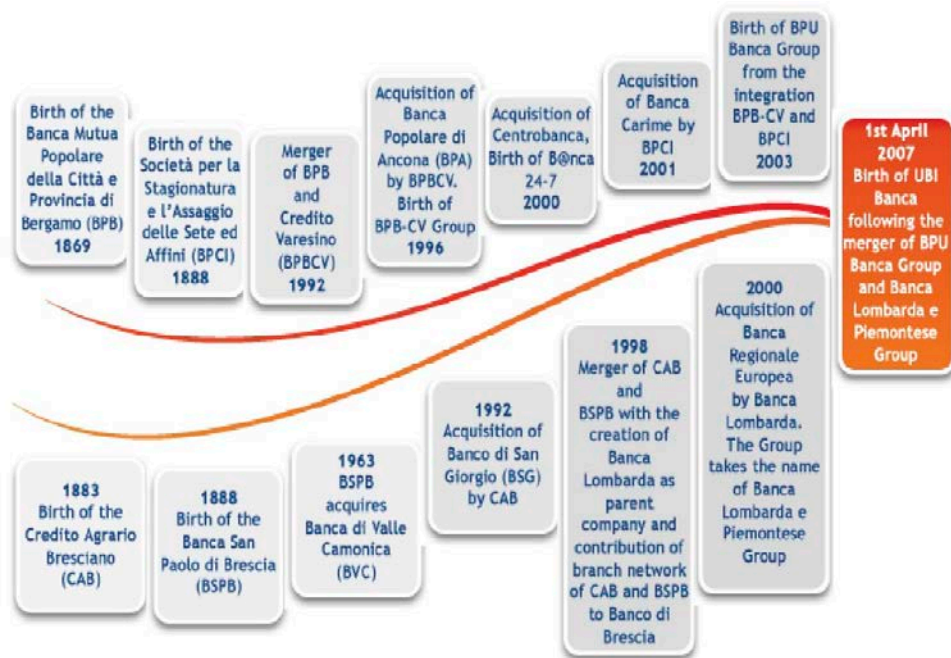


CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
7.609,8	15.692,7	35.223,0	195,2	59,23%

**UBI Banca** (*Unione di Banche Italiane S.c.p.a.*<sup>1</sup>) is a cooperative Group, listed on the Milan **Stock Exchange** and included in the FTSE/MIB **index**. It was created on the 1st of April 2007 from the merger between BPU - *Banche Popolari Unite* and *Banca Lombarda e Piemontese*. It is organised on the basis of a poly-functional, federal and integrated model. It is composed of a listed co-operative Parent Bank (UBI Banca) performing centralised functions of governance, control, coordination and support; nine Network Banks (*Banca Popolare di Bergamo, Banco di Brescia, Banca Popolare Commercio e Industria, Banca Regionale Europea, Banca Popolare di Ancona, Banco di San Giorgio, Banca Carime, Banca di Valle Camonica, UBI Banca Private Investment*), in charge of the relationship with the historical reference territories; an online Bank (IW Bank); and specialist companies operating in different sectors (corporate banking, consumer credit, asset management, factoring (UBI Factor), leasing (UBI Leasing), **life** and non-life bancassurance (*UBI Assicurazioni* and *UBI Assicurazioni Vita S.p.A.*)).

<sup>1</sup>The acronym stands for 'Società Consortile per Azioni', Italian Consortium Joint-Stock Company.

Fig. 1 - History of the Group UBI Banca (source: UBI Banca official website)

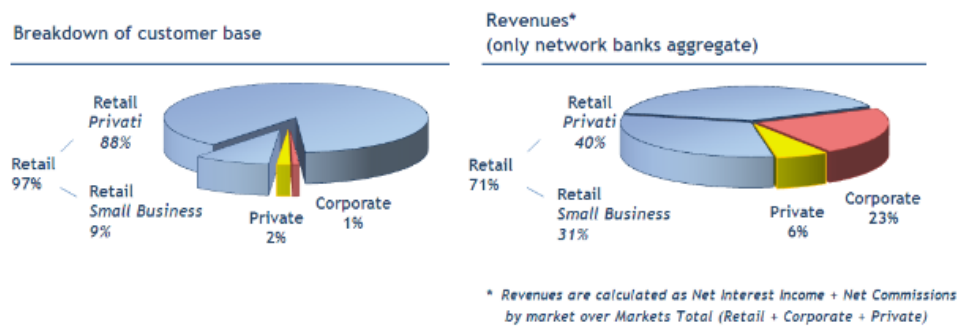


With such a composite structure, the Group has a market share of approximately 6% in Italy and it counts nearly 1,800 branches (fifth largest Italian Group), with a significant concentration in Piedmont and Lombardy, but a strong presence in Central and Southern Italy as well. Furthermore, the Group has an international network made up of foreign banks and branches, representative offices and product companies. For instance, UBI Banca International offers services to corporate customers and High Net Worth individuals in Luxembourg, China and Singapore (such as fiduciary operations and corporate financing, financial and estate planning through engineering solutions, corporate and syndicated loans, international bonds and guarantees issues). As it clearly emerges from fig.2 (data as at 31st December 2011), the Group has a large retail component. However, it also has a traditional presence in the sector of **small and medium enterprises** and a



**private banking** activity that places the Group among the top players in the Italian market.

Fig.2 - UBI Group retail component (source: UBI Banca official website)



The Group's main figures as at 31st December 2011 show that it is close to 4 million customers served through a divionalised and segmented commercial model, it has 19,405 employees at the end of the period, 102.8 billion **euros** of direct funding, 99.7 billion euros of loans to customers, 72.1 billion euros of indirect funding, 129.8 billion euros of total assets, 349.4 million euros of net profit for the year before impairments on goodwill and intangible assets, and 1,841.5 million euros of net loss for the year after impairments on goodwill and intangible assets. UBI Banca has adopted a new governance model, recently introduced into the Italian legislation and known as the "dualistic" system. The dualistic governance system consists of a Supervisory Board and a Management Board; shareholders appoint the Supervisory Board, which then appoints the Management Board. The Supervisory Board performs the duties of strategic policy-making and control of the management of the company. Currently, its chairman is Corrado Faissola. The Management Board has exclusive responsibility for the management of the company and for performing all those operations necessary for implementing the business purpose of the company in compliance with the general strategies and plans drawn up by the Supervisory Board. Currently, its chairman is Emilio Zanetti.

Link: [www.ubibanca.it](http://www.ubibanca.it)



## UNICREDIT GROUP



CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
49.694,3	256.251,0	273.166,0	4.704,3	28,1%

**UniCredit** is a major international financial institution that operates in 22 European countries approximately with 9,466 branches and more than 159,000 employees. With its strategic position in Western and Eastern Europe the group has one of the region's highest market shares.

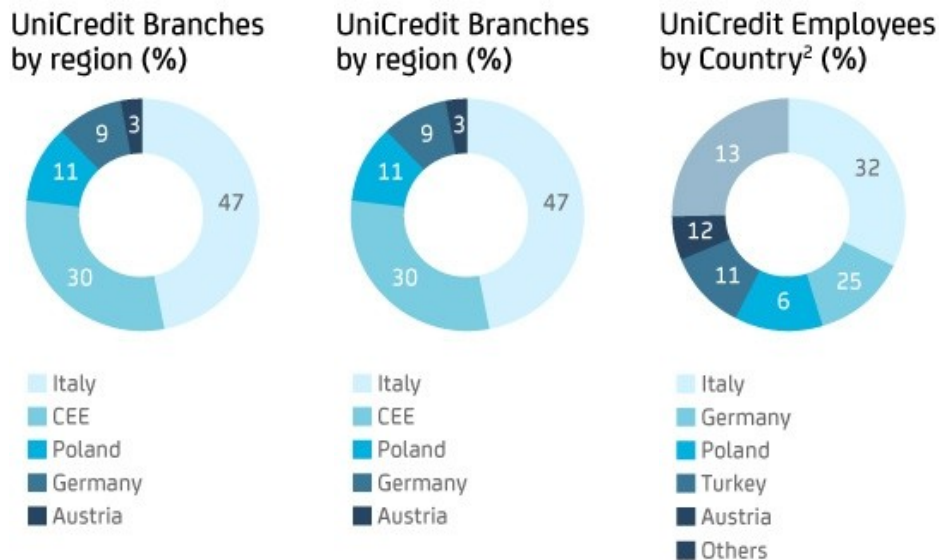
Fig. 1 - UniCredit Group International Presence (source: unicreditgroup.eu)



As shown in Fig.1, the group has its presence in the following countries: Austria, Azerbaijan, Bosnia-Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Germany, Hungary, Italy, Latvia, Lithuania, Kazakhstan, Kyrgyzstan, Poland,

Romania, Russia, Serbia, Slovakia, Slovenia, Turkey and Ukraine. In Fig.2 the data are shown by country.

Fig. 2 - Data by country (source: unicreditgroup.eu)



The group's origins date back to the establishment of *Rolo Banca* in 1473, when *Monte di Pietà*, a public institute providing secured loans, was created in Bologna. In 1998, *UniCredito italiano* was created through the merger of *Credito Italiano*, *Rolo Banca*, *Cariverona*, *Cassa di Risparmio di Torino*, *Cassamarca*, *Cassa di risparmio di Trento e Rovereto*, *Cassa di Risparmio di Trieste*. The expansion process in Central and Eastern Europe dates back to 1999 with the acquisition of the Polish bank *Bank Pekao* and continued with the acquisition in 2000 of *Bulbank* (Bulgaria) and *Poľnobanka* - then *Unibanka* - (Slovakia). In 2000, the group also acquired the US fund manager Pioneer Investment of Boston which was followed by the creation of Pioneer Global Asset Management. Thus, the Global Investment Management Division was established. In 2001, the Group reorganised according to market segments through the "S3 Project". In 2002, the interest in growing markets was

renewed through the acquisition of *Zagrebacka Banka* (Croatia), *Demirbank Romania* - then UniCredit Romania - and *Živnostenskâ Banka* (Czech Republic). An agreement with *Koç* (Turkey) was signed as well. During the same year, Pioneer Investments acquired Momentum, one of the world leaders in **hedge funds**. In 2003, the “S3 Project” was completed and three new national banks specialised by customer segment opened for business (*UniCredit Banca*, *UniCredit Banca d'Impresa*, UniCredit **Private Banking**). After the creation of the New Europe Division and the Global Banking Services Division, the Group acquired *Yapi Kredi* through *Koç* (Turkey) and merged with the German HVB Group, which was created in 1998 from the combination of two Bavarian banks (*Bayerische Vereinsbank* and *Bayerische Hypotheken-und Wechsel-Bank*), thereby giving rise to a single large European bank. In 2006, the **investment banking** activities of *Bayerische Hypo-und Vereinsbank AG* (HVB Corporates & Markets), *Bank Austria Creditanstalt* (International Markets and CA IB) and *UniCredit Banca Mobiliare S.p.A.* united into a single global division. Then, in 2007, UniCredit focused on the expansion into Ukraine, and it pushed into Central Asia with acquisitions in Kazakhstan, Tajikistan and Kyrgyzstan. In the same year, UniCredit strengthened its position in the Italian market thanks to the integration with *Capitalia Group* - formed in 2002 out of a combination of *Bancaroma Group* and *Bibop-Carino Group*. *Banco di Sicilia*, MCC and *Fineco* became part of the group as well. In 2008, due to the **crisis that hit the banking system reputation**, the Group decided to redefine its mission, by establishing sustainability and customer-centricity as its core business. In 2010, the “One4C” program provided for the merger of seven Italian subsidiaries within the parent company UniCredit S.p.A., in order to simplify the Group’s corporate

structure, to combine the specialisation of businesses with their strong geographical roots, and to strengthen the proximity to territories and local markets.

Fig. 3 - UniCredit's history (source: unicreditgroup.eu)



Today, Unicredit Group is divided into several specialised business divisions:

- The Families & **SME**, Private Banking and Corporate & Investment Banking Divisions: each one concentrates all marketing activities, services and product development for their respective customer segments. They are also responsible for the managerial coordination of specific and relevant businesses;
- The CEE Division: it is dedicated to operations in 19 countries in Central and Eastern Europe, a significant growth area for the Group.

UniCredit combines an international presence with a multi-local approach. To gain a better understanding of the needs of the markets in which it operates, the position of Country Chairman was created. This position has the dual task of maintaining a strategic perspective on business activities at the country level while directly engaging in the management of the main business entities in each country. Currently, the Chairman of the Group is Giuseppe Vita, whereas the CEO is Federico Ghizzoni.

Link: [www.unicreditgroup.eu](http://www.unicreditgroup.eu)

**VENETO BANCA S.c.p.a.**

CORPORATE INFORMATION (2011)				
CORPORATE DATA (million euro)			INCOME DATA	CAPITAL RATIO
Equity	Credits	Deposits	Net income margin	TIER 1
2.892,8	19.688,4	25,9	323.870,1	7,63%

In a country like Italy, marked by municipalities and a deep tie with the territory, local banks have often played an important role in the economic, social and political development of their area. This is the case for **Veneto Banca S.C.p.A.**<sup>1</sup> as well, the bank leading the twelfth Italian banking group for administered funds – *Gruppo Veneto Banca* -, current outcome of the “ancient” *Banca popolare di Montebelluna* (Cooperative Bank of Montebelluna), a town in the province of Treviso.

The economic history shows many examples of a single event from which important repercussions for the economic development of entire communities have spread. In this case, the creation, between 1869 and 1872, of a general market that made of Montebelluna a sort of centre of gravity for the surrounding area was decisive. The foundation of the bank, together with the establishment of the general market, can then be seen as one of the main tools through which the modernisation of

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<sup>1</sup> The acronym stands for ‘*Società Consortile per Azioni*’, Italian Consortium Joint-Stock Company.

Montebelluna took place. The establishment of the bank fitted in with a context of development that was fruitful for cooperative banks: indeed, in the same period similar banks were established in Asolo, Valdobbiadene and Vicenza.

On 8 August 1877, in the presence of notary public Guido Dall'Armi – future first CEO of the bank -, the promoting committee<sup>2</sup> signed the founding act and deposited the capital stock – 21,096 lire divided into **shares** of 20 lire each – thus allowing the Board of Directors to take office<sup>3</sup>. The first statute was approved by the assembly only in April 1883: the articles regulated the institutional activity of the bank, but they also defined the action of the bank as a protagonist of local charity –the statute established that 10% of profit had to be put towards charity, at the Board of Directors' discretion<sup>4</sup>.

The first years were dedicated above all to the strengthening of the bank, thus postponing the development to a second phase to such a degree that the first branch, Pederobba, became operative only in January 1914. Shortly after this first important step, war broke out in the territory of Treviso: in November 1917, after the defeat of Caporetto, the prefect was even obliged to order a stop to the operations by inviting the bank to transfer its **securities** in an area sheltered from the Austrian menace – the Bank therefore suspended all operations and moved to Ferrara.

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<sup>2</sup>The promoting committee was composed of: Francesco Calvi and Gaspare Marangoni-Ghirlanda, big landlords; Francesco Pasqualetti, Giacinto Baldo, Edoardo Guillion Mangilli, Clarimbardo Corunda, landowners; Lodovico Boschieri, Giovanni Aurelio Legrenzi, lawyers; Antonio Saccardo, professor; Antonio Gobbato, spinning mill owner; Francesco Grilli, Luigi Gandin, Giovanni Gasperini, traders.

<sup>3</sup>The first Board of Directors: Antonio Serena, spinning mill owner and future mayor of Cornuda; Giovanni Ferrari and Giovanni Peratoner, chemists; Antonio Bolzon and Giobatta dell'Armi, engineers; Giovanni Polin, landowner; Gaetano Legrenzi, doctor; Giobatta Marcato, trader; Giovanni Nardello, investor.

<sup>4</sup>Statute of *Banca popolare di Montebelluna (Società Cooperativa Anonima* – cooperative joint-stock company), *titolo V: Bilancio, utili e loro riparto e riserve, Articolo 45* (title V: Balance, profits and their share-out and reserve, Article 45 -TN).



The reconstruction that followed the Great War represented a big opportunity of expansion (in the mid 1920s, the profits increased four times as compared to 1914), but it brought with it also the first "attentions" from other big banks ("Rizzardi, the CEO, reported of a meeting held in Padova in order to agree on a strategy to resist against the attempts of the greatest banks to expand in small centres with the 'clear aim of absorbing cooperative banks'"<sup>5</sup>), therefore *Popolare di Montebelluna* tried immediately to establish alliances by joining, with a fee of 20,000 lire, the *Istituto Federale di Credito e Risorgimento delle Venezie*. The new statute, approved in the meeting of 1923, opened up the possibility to grant loans to third parties and non - shareholders, thus stimulating further the fundraising skills of the bank (confirmed by two significant increases in capital: the first in 1923 – from 104,409 to 423,280 lire - and the second in 1935 – from 439,680 to 769,440 lire) and differentiating its action in the territory – 1934 was the year in which it started a collection of works of art as well.

During Fascism, the regime put the bank under pressure when appointing the chief executive officers and managers – with particularly clear effects in 1940<sup>6</sup> - and by asking repeatedly funding for the various fascist organisations – in particular the *Opera Nazionale Balilla* (Fascist youth organisation, TN) and *dopolavoro* (club organising leisure activities for workers in their free time, TN).

Thanks to the Marshall Plan and the start of the European process of integration, Italy, as other European countries, experienced an economic boom in the second post-war period and especially in the 1950s. In the province of Treviso, the average per-capita income shifted from 110,481 lire in 1951 to 363,907 lire in 1961. The

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<sup>5</sup>Gasparini D., *1918-1945: una banca, più banche: il radicamento nel mandamento*, in Gasparini D. and L. De Bortoli, *Storia di una banca di territorio. Dalla popolare di Montebelluna a Veneto Banca (1877-2007)*, Treviso, Canova edizioni, 2008, p. 141.

<sup>6</sup>*Ibidem*, pages 152-153.

industrial take-off of the Italian North-East can be seen also in the remarkable “fall” in support to agricultural credit by *Popolare di Montebelluna* and the parallel rise in the industrial one (between 1951 and 1971, the number of people employed in the primary sector decreased from 36.7% to 10.5%, whereas those in the industry increased from 43.8% to 66.9%). In 1954, the barrier of one billion deposits was overcome – they were only 100 million in 1946 and 400 in 1951.

The new economic and social context required stronger ties and alliances between small-medium banks: as a consequence, on 1 December 1955, *Popolare di Montebelluna* joined *Unione delle banche popolari della Marca trevigiana* (Union of the cooperative banks of the area of Treviso) – composed also of Asolo, Valdobbiadene, Castelfranco. A simple union, though, was not enough. Hence, tighter and tighter contacts with the bank *Popolare di Asolo* were made – a bank that was very courted by other two cooperative banks of the area and by other banks – until the merger was reached in July 1966, thus creating *Banca Popolare di Asolo e Montebelluna*, whose president was Roberto Tomatis from Montebelluna, while the vice-president was Leandro Biadene, former president in Asolo. The shares of the new bank were paid on a par with those of Montebelluna, and in a ratio 5 to 2 for those of Asolo. After the Asolo operations, more followed: in 1967, the merger with *Cassa rurale e artigiana di Ponzano Veneto*, and in 1969, the takeover of *Cassa rurale di Borso del Grappa*.

The 1970s were a time when the Bank became stronger, also thanks to the take-off of the industrial district of sport footwear – the Moon Boot snow boots became very popular -, yet, the one hundred years of activity were celebrated in an undertone, without big events. Instead, the following decade can be defined as a phase of high technological innovation for the entire banking system, and therefore for *Popolare di Asolo e Montebelluna* as well: in 1982, the first ATMs were bought and a few years later the bank joined *Cartasi* (a credit card provider, TN). At the same time, personal

computers, printers and fax machines invaded the offices of the headquarters and branches requiring new competences – a revolution that ended up influencing deeply the profile of the average employee and eliminating the classic “accountant”. In 1983, the Bank opened its first historical branch in Treviso. A few months later, the bank was the victim of a resounding robbery in its headquarter in piazza Dell’Armi, a robbery that provided a huge plunder of more than twenty billion lire and brought the bank in the limelight at local and national level<sup>7</sup>. The increased structural dimension – in the mid 1980s, the amount of 500 billion lire from the collection of funds from customers was reached – led to the decision of establishing a Foundation “to face in a rational way all the new demands of intervention in the social and cultural field”<sup>8</sup>.

The national, European, and world framework changed rapidly between the end of the 1980s and the beginning of the 1990s. It was a decade of great social and economic transformations (just one fact: the immigrants in Montebelluna were about 120 in 1991 and ten years after they reached almost 4,000 units); with the start of the European Single Market and the ratification of the Treaty of Maastricht, the challenge for any small-medium bank was to grow or to succumb. Such a dilemma afflicted *Popolare di Asolo e Montebelluna* as well, also because in the region Veneto, like in the other Italian regions, long and complex chains of mergers and takeovers were taking place, thus threatening the bank headquartered in Montebelluna. Consequently, between 1996 and 1997, a draft of agreement with

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<sup>7</sup>E intanto vicino Treviso portano via 760 milioni (In the meanwhile, near Treviso, 760 million lire are carried away- TN), *“la Repubblica”*, 3 July 1984. The amount cited in the article does not include the money stolen from the safe-deposit boxes.

<sup>8</sup>Gasparini D., 1967-1996. *Oltre il miracolo economico: da Asolo a...Torri di Quartesolo*, in Gasparini D. and L. De Bortoli, *Storia di una banca di territorio. Dalla popolare di Montebelluna a Veneto Banca (1877-2007)*, op. cit., p. 275.

San Paolo was started, and the agreement was reached on 4 February 1997 and ratified by both Boards of Directors. The draft provided for “the distribution of products and services of the bank of Turin through the [network of *Popolare*]”, while *San Paolo* accepted the offer “of limiting its presence in the province of Treviso, by programming the cession [to *Popolare*] of two of its branches in Treviso, one in Castelfranco Veneto and one ready for the opening in Montebelluna”<sup>9</sup>. The “immaterial” cost of the operation was rather clear: to join forces with *San Paolo* meant, at least, to loosen the relationship with the territory that had been built tenaciously in more than one hundred and twenty years of activity. For this reason, several shareholders and some leading personalities of Montebelluna carried out an intense secret activity in order to break the deal with the bank of Turin. The right occasion took place on 22 March 1997: in the framework of *Palazzetto Legrenzi*, crowded with almost two thousand shareholders, the assembly substituted almost entirely the Board of Directors by electing different representatives, like the new President Flavio Trinca and the Vice President Franco Antiga, who were against the deal with *San Paolo*. In a matter of a few days, the agreement was cancelled and the Managing Director Vincenzo Consoli was appointed CEO. The new decade saw *Popolare* move on three fronts: 1) the takeover of other banks; 2) the European approach; 3) the much needed corporate reorganisation in order to better manage the articulate and complex activity of what was becoming a group and not a simple cooperative bank anymore. With reference to the first point, *Popolare di Asolo e Montebelluna* took over *Banca di Credito Cooperativo del Piave e Livenza*: a new dimension that pushed it to change its name into *Veneto Banca* and to give itself broader objectives. Afterwards, it took over *Banca di Bergamo*, *Banca Meridiana*, *Banca del Garda* and *Banca Popolare di Intra*, together with the controlled *Banca*

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<sup>9</sup>Gasparini D., 1997-2007. 22 marzo 1997: la difesa dell'identità e dell'autonomia, in *Ibidem*, op. cit., p. 282.

*Popolare di Monza e Brianza*. Long before, the dynamic North-East had started to establish economic ties with the countries of the former communist bloc: therefore, the newborn *Veneto Banca* started a series of strategic takeovers, like the one of *Banca Italo Romena*, of the Moldavian *Eximbank*, of *Banca Italiana di Sviluppo* – now *Veneto Banka Albania* – and of *Gospodarsko Creditna Banka* – now *Veneto Banka Croatia*.

In 2004, the futuristic and prestigious administrative centre of the group was inaugurated. It substituted the previous headquarter in piazza Dell'Armi, which had seen all the events of the "old" *Popolare di Montebelluna* since the very beginning. Along its path, *Veneto Banca* did not renounce to its status of cooperative bank, deep-rooted in the territory (interviewed by the newspaper "*Corriere della Sera*", Vincenzo Consoli, Managing Director of *Veneto Banca*, answered in this way to the journalist who asked about the many occasions in which various banks had tried to attack the bank: "We are a beautiful lady and the suitors are many, but we are a serious lady". About the hypothesis of listing *Veneto Banca* on the **stock exchange**, he replied curtly: "I can't see the need for it: nobody sells shares here, we have twenty thousand shareholders but there's no queue to get in"<sup>10</sup>). Between 1997 and 2007, *Veneto Banca* more than doubled the number of branches, employees and shareholders, and managed to triple the dividend yield. In December 2010, the *Gruppo Veneto Banca* had almost six hundred branches representing a well-structured territorial network, depending on *Veneto Banca* in the North, on *Cassa di Risparmio di Fabriano e Cupramontana* in the Centre, and on *Banca Apulia* in the South – the latter two had become part of the Group at the beginning of 2010. In 2011, *Veneto Banca* merged with *Compagnia Finanziaria Torinese (Cofito)*, former

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<sup>10</sup>Pica P., interview to V. Consoli, *Consoli, il "popolare" Veneto tra sportelli, finanza e Generali*, "*Corriere della Sera*", 4 september 2007. See also Righi S., *La campagna d'Italia del ragionier Consoli*, "*Corriere della Sera*", 26 January 2009.

holding company of Banca Intermobiliare (BIM), specialised in wealth management and **private banking**, and it made a takeover bid on the totality of its shares: such an operation confirmed the strength and dynamism of the Group in a quite negative phase for the Italian economy.

From the small group of men who founded *Popolare* in Montebelluna in 1877, to a bank with over 40,000 shareholders and 6,200 employees, "one of the first twelve Italian banks for administered funds"<sup>11</sup>.

Links: **[www.venetobanca.it](http://www.venetobanca.it)**

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<sup>11</sup>Brochure Veneto Banca Holding, *Conoscere il territorio, riconoscere il valore*, page 3. Downloadable from **[http://www.venetobanca.it/pagine/pagina.aspx?ID=La\\_banca001&L=IT](http://www.venetobanca.it/pagine/pagina.aspx?ID=La_banca001&L=IT)** (consultazione aprile 2011). On the topic, see Possamai P., *Veneto banca entra nella top ten del credito*, "la Repubblica", 7 september 2009.