

2003 Financial Statements approved:

Net Income +51%

- In the whole 2003 362,345 new contracts and 402,337 credit cards transactions were finalized, for a total value of €1,478.8 mio, +14% versus 2002.
- Net Interest Income rose by 30% yoy to €117.5 mio.
- The Contribution Margin grew by 30% yoy to €103.6 mio.
- The Gross Operating Profit accounted for €64.1 mio, + 47% yoy.
- Net income came out at €18.1 mio, recording a 51% increase against the 2002 figure of €12.0 mln.
- The ROE was 29.0% versus 23.8% of 2002 .
- The Cost/Income Ratio moved from 40.2% in 2002 to 33.7% in 2003.

Turin, 28th April 2004 – On 27th April 2004 the Shareholders' Meeting approved the 2003 results of Finconsumo Banca.

Year 2003 ended up with excellent results on the front of both market positioning and profitability margins, showing results better than budgeted and in significant increase versus 2002.

Net Interest Income rose by 30% yoy to €117.5 mio. The increase reflects not only the favorable trend in interest rates but also more sophisticated funding policies which led to a rise in interest expenses (+10%, 4.0% of total managed assets) smaller than the one showed by the interest income (+22%, 10.4% of total managed assets).

The Contribution Margin grew by +30% yoy to €103.6 mio (5.6% of total managed assets) mainly due to the positive trend of Fees Receivable (+38%) coming from a higher revenue sources diversification, whilst lower was the increase in Fees Payable (+35%), which shows the extremely high competition of the industry.

The little increase in Administrative and Personnel costs (+9% yoy), which in 2003 represented 1.9% of total managed assets (decreasing from the 2.2% of 2002) led to a Gross Operating Profit of €64.1 mio, +47% versus 2002.

Net adjustments to loans, which include effective losses on loans and provisions to the loan loss reserve, were up by 57% to €31.6 mio, representing 1.7% of total managed assets versus the 1.4% figure of 2002. In order to be very conservative, significant provisions were made.

Net of adjustments to loans and income taxes, the net income came out at €18.1 mio, recording a 51% increase against the 2002 figure of €12.0 mio.

The ROE (Return on Equity) was at 29.0% versus 23.8% in 2002.

The ROMA (Return on Managed Assets) came out at 0.98% from 0.81% in 2002.

In 2003 the management particularly focused on:

- The credit portfolio quality (in 2003 the percentage of defaulted loans, meaning loans which have 6 unpaid instalments, on the total managed loans portfolio was 1.18%);
- The cost-saving policy, which led to a significant decrease of the Cost/Income Ratio: from 40.2% in 2002 to 33.7% in 2003.

At 31st December 2003 the Tier 1 Ratio was 6.9% whilst the Total Capital Ratio 10.6%, both of them higher than the minimum required by law.

In 2003 Total Average Managed Assets (including the securitised ones) were € 1,854.7 mio.

For the current year, considering the extremely positive trend of the first three months of 2004 (much higher than the market one) the management forecasts a significant increase in terms of both the value of the new business generated and the profitability margins. As usual, credit quality and costs control will be a focus of attention.

Reclassified Income Statement with allocation of the securitised assets to the original item (€thousand)

| | 2003 | 2002 | Var. |
|--|----------------|---------------|------------|
| Interest receivable | 191,986 | 157,598 | 22% |
| Interest payable | (74,463) | (67,410) | 10% |
| Interest Margin | 117,523 | 90,188 | 30% |
| Fees payable | (42,517) | (31,526) | 35% |
| Fees receivable | 28,620 | 20,748 | 38% |
| Contribution margin | 103,626 | 79,410 | 30% |
| Net administration and personnel costs | (34,946) | (31,937) | 9% |
| Depreciation on fixed assets | (4,576) | (3,835) | 19% |
| Gross operating income | 64,104 | 43,638 | 47% |
| Net adjustments on receivables | (31,616) | (20,165) | 57% |
| Gross Profit | 32,488 | 23,473 | 38% |
| Income taxes and prepaid | (14,339) | (11,454) | 25% |
| Net Profit for the year | 18,149 | 12,019 | 51% |

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