

Consolidated quarterly report
as of 31 March 2007



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FINANCIAL STATEMENTS

Balance sheet captions	31.03.2007	31.12.2006	31.03.2006	Change (a - b)		Change (a - c)	
<i>Amounts in thousands of Euro</i>	a	b	c	Amount	%	Amount	%
Loans to customers	4.212.634	4.155.849	3.656.269	56.785	1,4%	556.365	15,2%
Direct deposits from customers	6.118.302	5.979.779	5.186.484	138.523	2,3%	931.818	18,0%
Net amounts due from / (to) banks	338.796	341.865	359.296	-3.069	-0,9%	-20.500	-5,7%
(Net) Financial assets held for trading	479.650	458.748	319.436	20.902	4,6%	160.214	50,2%
Financial assets at fair value through profit or loss	948.317	903.681	760.776	44.636	4,9%	187.541	24,7%
Available-for-sale financial assets	992.801	904.352	784.306	88.449	9,8%	208.495	26,6%
Held-to-maturity financial assets	8.120	8.035	23.335	85	1,1%	-15.215	-65,2%
Total net financial assets	2.428.888	2.274.816	1.887.853	154.072	6,8%	541.035	28,7%
Hedging derivatives - net assets (liabilities) balance	5.757	5.346	373	411	7,7%	5.384	1443,4%

Reclassified Income Statement captions	31.03.2007	31.03.2006	Change	
<i>Amounts in thousands of Euro</i>			Amount	%
Net interest income	54.374	48.086	6.288	13,1%
Net fee and commission income	37.612	33.933	3.679	10,8%
Other net expense / income	55	-477	532	-111,5%
Intermediation margin	92.041	81.542	10.499	12,9%
Net value adjustments / write-backs	-6.355	-5.118	-1.237	24,2%
Premiums and other income / expenses from insurance activities-balance	-916	-916	0	0,0%
Net income from banking and insurance activities	84.770	75.508	9.262	12,3%
Administrative expenses	-50.841	-43.042	-7.799	18,1%
- personnel expenses	-33.631	-27.785	-5.846	21,0%
- other administrative expenses	-17.210	-15.257	-1.953	12,8%
Net provisions for risks and charges	95	-555	650	-117,1%
Net adjustments to the value of tangible and intangible assets	-1.706	-1.341	-365	27,2%
Other operating expenses / income	6.508	5.121	1.387	27,1%
Profits / (losses) from continuing operations before taxes and profit attributable to minority interests	38.826	35.691	3.135	8,8%

Other data	31.03.2007	31.12.2006	31.03.2006	Change (a - b)		Change (a - c)	
<i>Amounts in units</i>	a	b	c	Amount	%	Amount	%
Number of employees	1.644	1.594	1.481	50	3,1%	163	11,0%
Number of bank branches	136	134	122	2	1,5%	14	11,5%

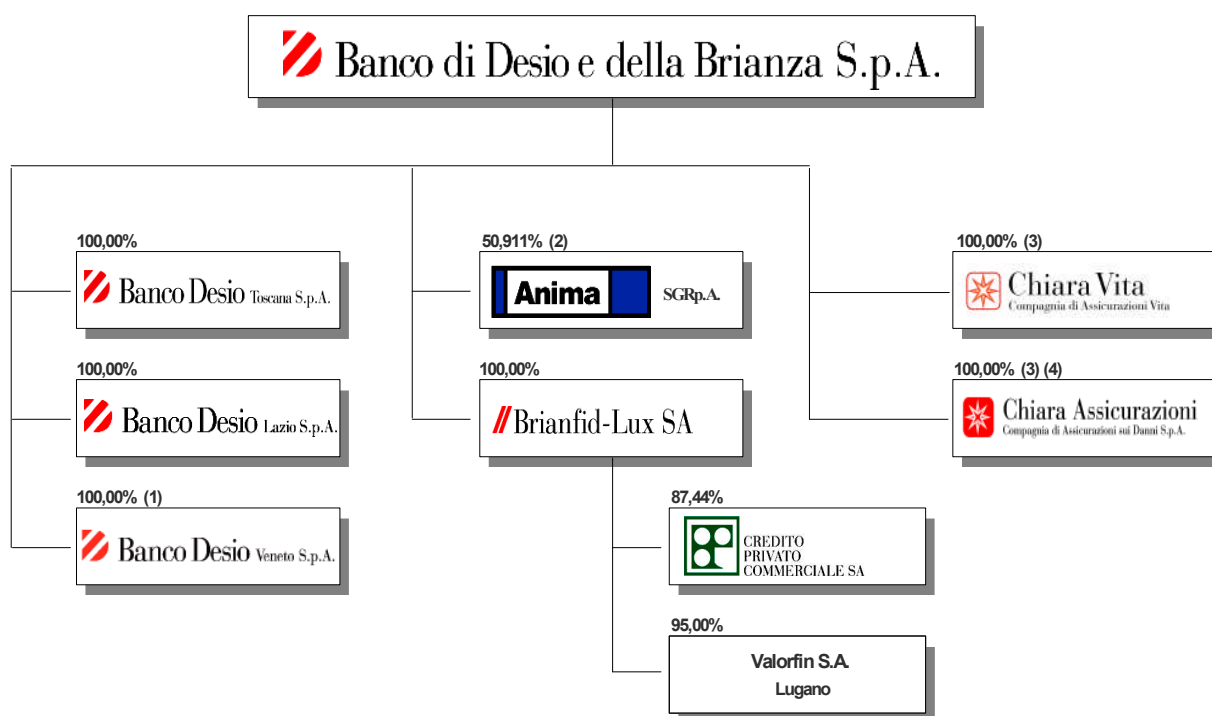
FOREWORD

The quarterly report as of March 31, 2007, of the Banco Desio Group has been prepared pursuant to Article 82 of the Issuers' Regulations in force, in accordance with the International Accounting Standards and the compilation rules issued by the Bank of Italy through the Circular Letter no. 262 of 22 December 2005.

The accounting statements used to prepare the quarterly consolidated accounts have been drawn up by also using estimation procedures other than those adopted to prepare the annual accounts; more specifically, within the frame of *administrative expenses*, the accounting statements have been adjusted by using forecast data taken from the respective expense budgets.

1. BANCO DESIO GROUP STRUCTURE

The consolidated quarterly report relates to the following Group structure:



(1) Operational since 1 October 2006

(2) The share is expected to decrease to 21.191% pursuant to disposal of 29.72%, contingent on obtaining the necessary legal authorizations

(3) Company excluded from the perimeter of the Banking Group

(4) Operational since 1 January 2007. Disposal of a 10% share is in the process of execution

Assignment of a total Shareholding of 29.72% in Anima SGRp.A.'s share capital

The most recent sector orientation, also supported by the views of the Credit and Markets Regulatory Authorities, is that it is increasingly important to separate the production and distribution of investment services. Consistently with this, on 27 March 2007 Banco di Desio e della Brianza S.p.A. entered into an agreement with Banca Popolare di Milano S.c.a.r.l. involving the sale to the latter of 23,500,000 shares, representing 22.1% of Anima SGRp.A.'s share capital at the price of Euro 4.63 per share, with a total value of about Euro 107 milioni to be completed on Banca Popolare di Milano S.c.a.r.l.'s obtaining the required authorisations

from the supervisory bodies pursuant to Article 15 of the Consolidated Finance Law and Articles 53 and 67, paragraphs 1 and 2 of Consolidated Banking Law.

In addition Banco di Desio e della Brianza S.p.A. also entered into an agreement with Koinè S.p.A., subject to the completion of the operation with Banca Popolare di Milano S.c.a.r.l. and the grant of the required authorisations. The Agreement involved the sale of 8 million Anima SGR.p.A. shares to Koinè S.p.A., representing 7.62% of Anima SGR.p.A.'s share capital at the price of Euro 3.83 per share with a total value of about Euro 31 million.

Total income for the sales is about Euro 138 million of which Euro 135 million represents the pre-tax capital gain. It is anticipated that the assignments will be completed in the second half of the year.

2. THE BASELINE SCENARIO

The macro-economic picture for the first quarter of the year has shown a slight down-turn in the growth in *world production*, still driven for the most part by emerging countries and continuing high levels of expansion in the international trade in goods and services.

International financial markets went through a period of turbulence at the end of February, caused by a sharp fall in the Shanghai Stock Exchange and the slow-down of the United States' economy. This was followed by a recovery in the second half of March, demonstrating unexpectedly high levels of variability. This could in turn give rise to changes in the structuring of investor portfolios with a negative effect on share prices and risk premiums.

The recent increase in oil prices, following the significant fall originating in August last year, confirms the forecasts of inflationary pressures in the main industrialised countries.

After the significant expansion in production activities over the last months of 2006 in the main countries in the *Euro zone*, gross domestic production has shown a weakening of development rates, leading to growth forecasts for 2007 of 2.3%.

Background inflation has dropped below the 2% threshold at 1.8%, assisted by the appreciation of the Euro against the dollar and the pound, 1.1% and 1.2% respectively. This has been partially off-set by a slight depreciation against the Yen.

In Italy, as in other countries in the Euro zone, it is estimated that production has slowed over the first few months of the year to what would be an annual rate of between 1 and 1.5% although forecasts still indicate growth of 2% over 2007 as a whole combined with favourable inflation rates.

Bank Credit continues to increase at an expansion rate in the Italian banks which is slightly higher than the European average. The most marked increases were in mortgage applications for house purchases by families, fixed investments and debt restructuring operations by businesses, maintaining the dynamics of medium and long-term loans.

3. DISTRIBUTION NETWORK AND STAFF

At the end of the first quarter of 2007 the total number of Group branch offices had increased to 136 (109 of these belonging to the Parent Company Banco di Desio e della Brianza S.p.A.), representing an increase of 14 as compared with the 122 branches at the end of March 2006.

Two new branch offices were opened during the quarter which has just come to an end, that of Scandiano (RE) opened by the Parent Company and the 14th branch office of the subsidiary Banco Desio Lazio S.p.A. in Rome, Aurelio Area (P.zza Irnerio).

The local development of the distribution network, with a corresponding growth in support structures, has also given rise to an increase in staff, amounting to a total of 1,644 at the end of the period, 1,293 of these employed by the Parent Company. This represents an increase of 163 employees with respect to the figure of 1,481 one year previously.

4. MANAGEMENT TREND

4.1 SAVINGS DEPOSITS: ADMINISTERED CUSTOMER ASSETS

At the end of the first quarter, *total administered customer assets* amounted to Euro 21.9 billion of which Euro 6.1 billion represents *direct deposits* and Euro 15.8 billion *indirect deposits*. There has been an increase of Euro 1.45 billion over the previous 12 months, representing 7.1%.

Direct deposits are in the form of amounts due to customers and securities issued, including financial liabilities at fair value through profit and loss. This figure has grown by Euro 931.8 million with respect to March 2006, an increase of 18.0%.

Indirect deposits continued the growth trends recorded over previous years, being 3.4% higher than the figure for March 2006. This can mainly be accounted for by reference to the growth of investments from institutional customers and the asset administration sector.

The total figure thus stands at almost Euro 15.8 billion, an increase of more than Euro 0.5 billion attributable to a 35.9% growth in deposits from institutional customers and a 16.8% growth in asset administration. These figures were partially set off by a fall in asset management of 5.7%. Even in this latter sector however, there has been significant growth in "life" insurance with growth of about 20% on an annual basis.

Amounts in thousands of Euro	31.03.2007	Percentage break-down	31.03.2006	Percentage break-down	Change	
					Value	%
Asset administration	4.345.186	27,5%	3.719.664	24,3%	625.522	16,8%
Asset management	9.646.376	61,1%	10.230.480	67,0%	-584.104	-5,7%
of which: Mut.Fund and Open-end Inv. (*)	6.951.151	44,0%	7.725.872	50,6%	-774.721	-10,0%
Portfolio management (**)	1.181.511	7,5%	1.242.176	8,1%	-60.665	-4,9%
Bank Insurance	1.513.714	9,6%	1.262.432	8,3%	251.282	19,9%
Deposits from ordinary customers	13.991.561	88,6%	13.950.143	91,3%	41.418	0,3%
Deposits from institutional customers	1.806.379	11,4%	1.328.754	8,7%	477.624	35,9%
Indirect deposits	15.797.940	100,0%	15.278.898	100,0%	519.042	3,4%

(*) net of mutual fund and open-end investments units under portfolio management and fund-based portfolio management

(**) net of liquidity in current accounts and of securities issued by the bank

4.2 CREDIT MANAGEMENT: LOANS TO CUSTOMERS

Consistently with Banco Desio Group policy in recent years, the *bank credit business* has continued to grow, concentrating on the primary objectives of credit quality and spreading risk.

There has been a growth of net customer loans of 15.2% since March 2006, from Euro 3,656 million to Euro 4,213 million.

If one considers that the figure for net non performing loans stands at Euro 25.9, million the loan risk ratio represented by "net non performing loans" / "net loans" is 0.62%, substantially in line with the figure of the previous year (0.61%).

Turning then to the other main Balance Sheet headings, it can be seen that there is a credit balance in the net inter-bank position of Euro 339 million as compared with Euro 359 million in March 2006. Net Financial Assets are recorded at Euro 2,429 million, representing an increase of about Euro 541 million or 28.7%.

4.3 THE ECONOMIC RESULTS

The first quarter of the year closed with *profits / (losses) from continuing operations before taxes and profit attributable to minority interests* of Euro 38.9 million. When compared with the results for the same period of the preceding year of Euro 35.7 million it can be seen that there has been an increase of 8.8%, as demonstrated in the following table, setting out the reclassified Income Statement:

Reclassified Income Statement <i>(amounts in thousands of Euro)</i>	31.03.2007	31.03.2006	Change	
			Amount	%
Net interest income	54.374	48.086	6.288	13,1%
Net commissions	37.612	33.933	3.679	10,8%
Net other expenses/income	55	-477	532	-111,5%
Primary intermediation margin	92.041	81.542	10.499	12,9%
Net value adjustment	-6.355	-5.118	-1.237	24,2%
Net premiums and other income/expenses from insurance activities	-916	-916	0	0,0%
Net income from banking and insurance activities	84.770	75.508	9.262	12,3%
Administrative expenses	-50.841	-43.042	-7.799	18,1%
<i>of which: personnel expenses</i>	-33.631	-27.785	-5.846	21,0%
<i>other administrative expenses</i>	-17.210	-15.257	-1.953	12,8%
Net provisions for risks and charges	95	-555	650	-117,1%
Net adjustments to the value of /write-backs to tangible and intangible assets	-1.706	-1.341	-365	27,2%
Net operating profit	38.826	35.691	3.135	8,8%
Profits / (losses) from continuing operations before taxes and profit attributable to minority interests	38.826	35.691	3.135	8,8%

On the basis of the above, it is possible to summarise the trends of the main Income Statement headings as follows:

Net Interest Income

Over the three months of business the *net interest income* reached Euro 54.4 million, representing an increase of Euro 6.3 million, 13.1% as compared to the first quarter of the previous year. These figures reflect positive trends in volumes traded. The contribution of the net interest income to the *margin on banking and insurance activities* (including *other operating income and expenses*) amounted to 55.7%, compared to 56.1% of the first quarter 2006 .

Net fees and commissions, net income from insurance activities and other operating income and expenses

The contribution to the headings considered as a whole amounted to Euro 43.2 million, representing the 44.3% of *net income from banking and insurance activities* (including other operating income and expenses), and shows a positive increase of Euro 5.1 million (13.3%) as compared to March 2006, reflecting the positive development of customer relations activities.

Margin on banking and insurance activities

The *margin on banking and insurance activities* shows an increase of Euro 11.9 million, 13.9%, compared to the first quarter of the previous year.

Net income from banking and insurance activities

Once *net value adjustments* of Euro 6.4 million (of which Euro 6.2 million relating to loans to customer, 0.15% of net loans) have been made to the previous margin, *net income from banking and insurance activities* amounts to Euro 91.3 million, an annual increase of 13.2% with respect to the period of comparison.

Profits / (losses) from continuing operations before taxes and profit attributable to minority interests

Profits / (losses) from continuing operations before taxes and profit attributable to minority interests total Euro 38.8 million having taken account of total *administrative expenses* of Euro 50.8 million, *net provisions for risks and charges* of Euro 0.1 million and *net adjustments to the value of tangible and intangible assets* of Euro 1.7 million. When compared with the first quarter of 2006 *administrative expenses* show an increase of Euro 7.8 million, 18.1%. This is attributable, for the most part, to the continuing development of the banking Group with the addition of 163 staff and the expansion of the distribution network by 14 branch offices. Overall *operating costs* accounted for 57.5% of the *net income from banking and insurance activities*, substantially in line with the March 2006 figure (55.7%).

5. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE PERIOD

Improvement in the Parent Company rating

On 26 April 2007 Fitch Ratings, the international agency up-dated the rating levels assigned to the Parent Company Banco di Desio e della Brianza S.p.A., based on “strong profitability, on the size of its assets, the rapid but controlled expansion and careful costs control”.

Long-term	Short-term	Forecast
A	F 1	Stable

Opening of new Branch Offices

As part of the branch office plan, a new branch office was opened in Bassano Del Grappa (VI) in April while the Treviso branch office was inaugurated at the beginning of this month, both belonging to the subsidiary Banco Desio Veneto S.p.A., increasing the Group’s distribution network to a total of 138 branch offices, 4 of which having been opened since the beginning of the year.

Request for information by Consob pursuant to Article 114, paragraph 5 of Legislative Decree 58/98

The following information is provided in relation to the assignment of 29.72% of Anima SGRp.A.'s share capital in response to Consob's requests of 8 May 2007 to such effect:

- (i) Description of the operation by Banco di Desio e della Brianza S.p.A. involving 29.72% of Anima SGRp.A.'s share capital with an indication of the reasons behind the operation concerned.

The operation involved: (a) the assignment to Banca Popolare di Milano S.c.a.r.l. of 23,205,000 shares, representing 22.1% of Anima SGRp.A.'s share capital at the price of Euro 4.63 per share once Banca Popolare di Milano S.c.a.r.l. has obtained the required authorisations from the supervisory bodies pursuant to Article 15 of the Consolidated Finance Law and Articles 53 and 67, paragraphs 1 and 2, of the Consolidated Banking Law, (b) the completion of the operation with Banca Popolare di Milano S.c.a.r.l. and the obtaining of the necessary authorisations is subject to the assignment of 8 million Anima shares to Koinè S.p.A., representing 7.62% of Anima's share capital, at the price of Euro 3.83 per share.

From a strategic point of view, the operation comes within a development business plan and diversification programme of Anima SGRp.A.'s Shareholder structure, with a view to allowing Anima to be characterised as an independent Asset Management Company which is not subject to control by a single bank Shareholder, clearing the way for Anima to take an important role in the expected transformation of the asset management sector. This strategy is, among other things, consistent with the indications provided recently by the Supervisory Authorities, advising the separation of management activities from investment distribution services in order to allow profitable development in the independent company product markets. Once the operation has been completed Banco di Desio e della Brianza S.p.A. will still retain a significant Shareholding in Anima SGRp.A..

From an economic point of view the operation is undoubtedly a profitable one for Banco Desio given that Anima's average share assignment value.

- (ii) Manner in which the directors fixed the assignment prices for Banca Popolare di Milano S.c.a.r.l. and Koinè S.p.A., clarifying the reasons for the different prices.

The price set for the assignment of 22.10% of Anima SGRp.A.'s share capital to Banca Popolare di Milano S.c.a.r.l. was based mainly on the financial valuation of Anima, also taking account of forecast trends whereas the price set for the 7.62% Shareholding in Anima's share capital in the sale to Koinè S.p.A. was essentially based on the company's list price, applying a price greater than the market averages 10 and 30 days preceding the conclusion of the operation. The different prices agreed by Banco di Desio e della Brianza S.p.A. with Banca Popolare di Milano S.c.a.r.l. and Koinè S.p.A. also take account of the fact that the share package forming the subject matter of the sale to Banca Popolare di Milano S.c.a.r.l. was substantial in size.

- (iii) Illustration of Shareholding relations with Koinè S.p.A.

Banco di Desio e della Brianza S.p.A. does not own any shares, whether directly or indirectly, in Koinè S.p.A.. On 1 June 2006 it sold its shares in Koinè S.p.A., amounting to 0.99% of its share capital, to the said company.

- (iv) Illustrate, so far as you are aware, the parties to which Koinè S.p.A. refers

So far as Banco di Desio e della Brianza S.p.A. is aware, Koinè S.p.A. is owned by the main managers of Anima SGRp.A..

- (v) Confirm that no Shareholding agreements exist apart from that communicated on 30 June 2004 between Banco di Desio e della Brianza S.p.A. and Koinè S.p.A.

There are no Shareholder agreements between Banco di Desio e della Brianza S.p.A. and Koinè S.p.A. except for the Shareholder agreement entered into on 30 June 2004 and communicated to Consob on 28 October 2005 pursuant to Article 122 of the Consolidated Finance Law. This latter agreement merely sets out Koinè's undertaking not to dispose of 50% of its Anima SGRp.A. Shareholding following Anima's quotation (hence 10,021,725 shares) for the period of two years from the date on which Anima SGRp.A. was to be admitted as a listed company, and hence over the period from 29 September 2005 to 29 September 2007.

- (vi) Indicate details of any agreements you are aware of underlying the transfer of the Anima SGRp.A. shares from Koinè S.p.A. to Banca Popolare di Milano S.c.a.r.l. at a price equivalent to that applied in the contemporaneous assignment of the same shares from Banco di Desio e della Brianza S.p.A. to Banca Popolare di Milano S.c.a.r.l.

Banco di Desio e della Brianza S.p.A. is not aware of any agreements underlying the transfer of Anima SGRp.A. shares from Koinè S.p.A. to Banca Popolare di Milano S.c.a.r.l.

6. BUSINESS OUTLOOK

The continuation of a moderately positive economic cycle combined with the trends evident over the first months of the year at a Group level, should permit the achievement of the envisaged equity and economic objectives.

May, 10th 2007

The Board of Directors