Interim Report on Operations at 30 September 2008

Gruppo Banco Desio

Table of Contents

Introduction

This Interim Report on Operations of the Banco Desio Group at 30 September 2008 has been prepared in accordance with Article 154 *ter* of Legislative Decree 58/1998 (*TUF, "Testo Unico della Finanza*", the Italian Consolidated Financial Law), which implements Legislative Decree no. 195 of 6 November 2007, known as the "Transparency Directive", and in conformity to the applicable international accounting standards as adopted in the European Union under Regulation (EC) 1606 of 19 July 2002, and, in particular, to IAS 34, *Interim Financial Reporting.*

By virtue of the possibilities allowed under this principle, this Interim Report on Operations is presented in a condensed form, and therefore does not present the complete disclosures envisaged for annual financial statements. Furthermore, estimating procedures have been adopted that are different from those utilised in the preparation of the annual financial statements, without this affecting their reliability: to be more precise, forecast data taken from the respective expenditure budgets have been used in calculating administrative costs.

The Interim Report on Operations consists of *Explanatory Notes* on consolidated operating performance and *Consolidated Interim Financial Statements at 30 September 2008*, including a Balance Sheet, an Income Statement, a Statement of Changes in Equity and a Cash Flow Statement, which are not subject to inspection by the auditors.

In order to make the comparison of individual items from one period to another more homogeneous, the items in the balance sheet at 30 September 2008 referred to in the comments and details set out in the Explanatory Notes are pro-forma, and are shown in a specific column in the Interim Consolidated Balance Sheet. This is so in that they also include the amounts for subsidiary Chiara Vita S.p.A., which is involved in the Parent Company's sale of 70% of its share capital, completed on 1 October 2008, and now an associate under Article 2359 of the Civil Code by virtue of a 30% shareholding. This is stated in the paragraph on "Significant events after the end of the quarter" in the Explanatory Notes. On the other hand, the first column in the Interim Consolidated Balance Sheet includes these balance sheet balances in the item "Non-current assets held for sale and discontinued operations" and "Liabilities associated with discontinued operations", applying IAS 34.

The recent introduction of the amendment to IAS 39 as a result of the current financial crisis has, as we know, released companies from the obligation to quote market prices also for the "Securities held for trading" portfolio, allowing the possibility, on certain conditions, of quoting the 1 July 2008 price and changing the classification previously adopted for such securities, putting the listed bonds into the "Held to maturity" portfolio or in the "Available for sale" portfolio, thus providing a representation that is closer to any changes in plan for these securities.

The amendment, in practice, is an opportunity to "freeze" any capital losses on these instruments by reporting them in the income statement on 1 July 2008, thus making it unnecessary to report any capital losses deriving from the utilisation of mark to market for their measurement.

Nevertheless, considering the low risk attached to the current portfolio, the Group decided not to avail itself of this opportunity.

The consequence is, among others, that uniformity in the adoption of international accounting standards is also preserved in the period analysed.

Positions in the company

(Banco di Desio e della Brianza S.p.A.)

Board of Directors

Chairman	Agostino Gavazzi*
Deputy Chairmans	Stefano Lado* Guido Pozzoli*
Managing Director	Nereo Dacci*
Directors	Francesco Cesarini Pier Antonio Cutellé Egidio Gavazzi Luigi Gavazzi Paolo Gavazzi Luigi Guatri Gerolamo Pellicanò

* *Members of the Executive Committee*

Board of Statutory Auditors

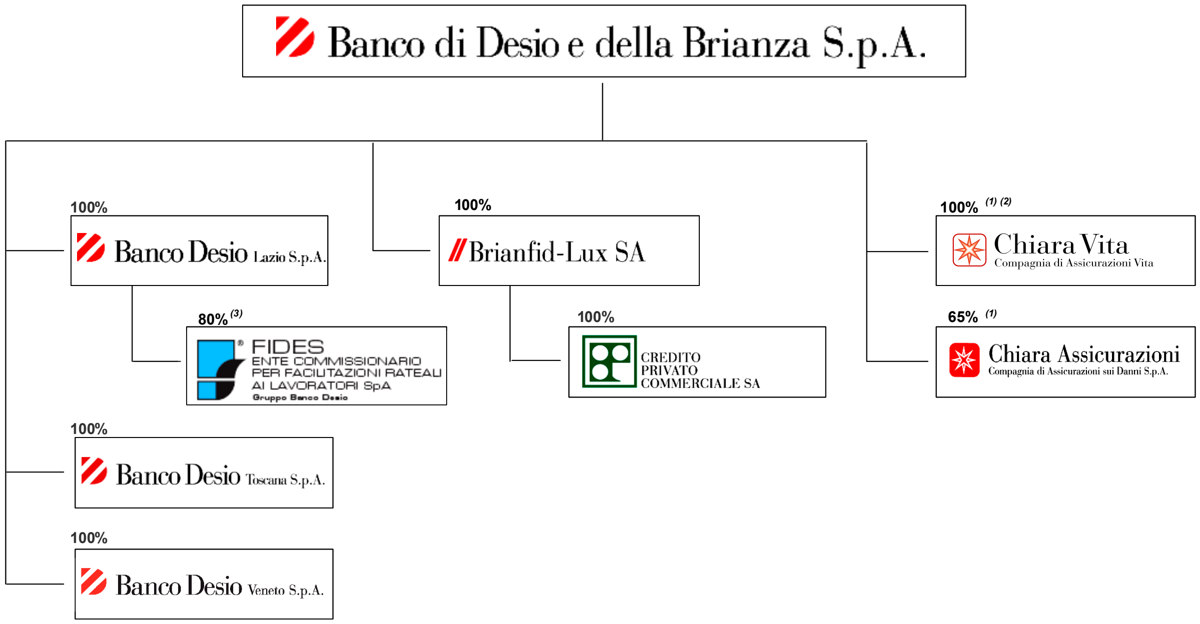
Chairman	Eugenio Mascheroni
Acting Auditors	Rodolfo Anghileri Marco Piazza
Substitute Auditors	Giovanni Cucchiani Clemente Domenici Carlo Mascheroni

Senior Management

Chief Executive Officer	Alberto Mocchi
Deputy Chief Executive Officer	Claudio Broggi
Assistant Chief Executive Officer	Marco Sala

The Banco Desio Group

This interim report relates to the following Banco Desio Group corporate structure:



(1) Company excluded from the perimeter of the Banking Group
(2) Shareholding later declined to 30%due to the sale of the 70% interest completed on 01.10.2008 (as of this date the company became an associate company under the article 2359 of the Civil Code);
(3) Shareholding expected to decline to 75% according to the preliminary agreements drawn up on 18.07.2008 for the sale, presumably being completed by the end of this financial year, of the 5% interest.

Financial Highlights and Ratios

Balance Sheet Data

In thousands of Euros	30.09.2008 pro-forma	30.09.2007	Change Amount	%
Total assets	8,667,784	7,937,473	730,311	9.2%
Financial assets	2,339,614	2,421,372	-81,758	-3.4%
Amounts due from banks	459,876	379,616	80,260	21.1%
Amounts due from customers	5,471,463	4,733,745	737,718	15.6%
Tangible assets	145,075	140,792	4,283	3.0%
Intangible assets	49,111	41,192	7,919	19.2%
Amounts due to banks	137,480	198,179	-60,699	-30.6%
Amounts due to customers	3,871,240	3,613,746	257,494	7.1%
Securities issued	1,687,522	1,435,095	252,427	17.6%
Financial liabilities at fair value through profit or loss	1,497,650	1,232,889	264,761	21.5%
Shareholders' equity (1)	673,795	650,621	23,174	3.6%
of which: net proft for the period (1)	*39,253*	*169,416 (2)*	n.s.	n.s.
Indirect deposits from customers	17,017,452	20,211,244	-3,193,792	-15.8%
Indirect deposits from retail customers	8,078,538	8,601,278	-522,740	-6.1%
of which: assets under management	*3,430,179*	*4,003,366*	*-573,187*	*-14.3%*

Income Statement Data[3]

In thousands of Euros	30.09.2008	30.09.2007	Change Amount	%
Operating income	266,493	249,059	17,434	7.0%
of which Net interest income	*171,948*	*148,261*	*23,687*	*16.0%*
Operating expenses	164,520	149,418	15,102	10.1%
Net operating profit	101,973	99,641	2,332	2.3%
Net profit/(loss) for the period (1)	39,253	169,416 (2)	n.s.	n.s.

(1) pertaining to the Parent Company

(2) it includes the capital gain of Euro 126.5 million, net of tax, coming from the Parent Company's sale of 29.72% interest in the share capital of Anima Sgrp.A. in July 2007

(3) Reclassified Income Statement

Financial Ratios

	30.09.2008 pro-forma	30.09.2007	Change Amount
Shareholders' equity / Total assets	7.8%	8.2%	-0.4%
Shareholders' equity / Amounts due from customers	12.3%	13.7%	-1.4%
Shareholders' equity / Amounts due to customers	17.4%	18.0%	-0.6%
Shareholders' equity / Securities issued	39.9%	45.3%	-5.4%
Financial assets / Total assets	27.0%	30.5%	-3.5%
Amounts due from banks / Total assets	5.3%	4.8%	0.5%
Amounts due from customers / Total assets	63.1%	59.6%	3.5%
Amounts due from customers / Direct deposits from customers	91.4%	90.8%	0.6%
Amounts due to banks / Total assets	1.6%	2.5%	-0.9%
Amounts due to customers / Total assets	44.7%	45.5%	-0.9%
Securities issued / Total assets	19.5%	18.1%	1.4%
Financial liabilities at fair value through profit or loss / Total assets	17.3%	15.5%	1.7%
Direct deposits from customers / Total assets	69.0%	65.7%	3.4%
Operating charges / Operating income (Cost/Income ratio)	61.7%	60.0%	1.7%
Net interest income / Operating income	64.5%	59.5%	5.0%
Net operating profit / Operating income	38.3%	40.0%	-1.7%
Net profit/(loss) for the period / Shareholders' equity (R.O.E.) - annualized	8.2%	n.s.	

Structure and Productivity Data

	30.09.2008 pro-forma	30.09.2007	Change Amount	%
Number of employees	1,783	1,661	122	7.3%
Number of bank branches	156	142	14	9.8%
In thousands of Euros				
Amounts due from customers by employee	3,069	2,850	219	7.7%
Direct deposits from customers by employee	3,357	3,138	218	7.0%
Operating income by employee - annualized	199	200	-1	-0.3%

Explanatory Notes

The baseline scenario

Last month's events constituted a marked aggravation of the financial crisis that exploded more than a year ago. In September the crisis effectively struck all the main American investment banks, leading to the bankruptcy of Lehman Brothers and to Bank of America's acquisition of Merrill Lynch. To avert the risk of any other major defaults, over a period of a few days the US Government decided to nationalise first Fannie Mae and Freddie Mac, the two companies that handle about half of the mortgages in circulation in the United States, and then AIG, the biggest insurance company in the world.

Owing to the multiplicity of the inter-connections among global financial markets, the American banking crisis is to some extent having repercussions on the European banking system, in which uncertainty regarding the liquidity of the main banks has increased, with a conspicuous effect on money market interest rates also involving a substantial rise in inter-bank rates (1-month Euribor increased by more than half a point in the second half of September, going over 5%).

The Federal Reserve Bank and the ECB have injected large amounts of cash in the last few weeks to reduce the extent of further damage to the stability of the banking system, while on 8 October, after yet another collapse in market prices in all the main world stock markets, these two central banks, together with all the other central banks (except for the Japanese central bank), decided to carry out a coordinated reduction of 50 base points in their policy rates, in the hope of restoring some investor confidence and stimulating the real economy to counter the prospects of a global recession. The desired effect, however, seemed only to be achieved as a result of the agreement reached by the governments of the leading European countries during the following days, the object of which was to guarantee inter-bank market loans too: on 13 October all the world's stock markets started to rise again, making investors more confident. Nevertheless this has not yet been transformed into financial market stability.

According to International Monetary Fund forecasts, the United States, supported by a strong contribution from net exports, will grow by 1.6% in the current year, while it will be on the verge of recession in 2009 with annual growth of 0.1%. The Euro area should record 1.3% growth in 2008 and 0.2% the year after. The forecast for Italy in particular is even worse, with the prospect of a two-year recession: negative growth of 0.1% this year and 0.2% the following year.

Oil prices went down, the average Brent price in the first half of October being about 85.8 dollars per barrel compared with 101.5 on average in September.

In the currency market, in September the monthly average euro rate depreciated by 4.1% against the dollar with respect to the previous month, reaching 1.435, and the average daily rate went down further to 1.366 during the first ten days of October. During this period the euro went down by 6.4% against the Japanese yen and by 1.7% against the Swiss franc, while the trend against the UK pound was substantially stable at +0.6%.

The main international stock market indicators fell significantly during September, with an average monthly decrease in capitalisation of 4.6% in the euro area (28.2% on an annual basis); the fall was much more substantial on the Italian market: 11.6% compared with the previous month and 37.8% compared with the previous twelve months.

According to the first Italian Banking Association estimates, the banking system saw an acceleration in the movements of deposits in euro over Italian banks as a whole: savings deposits, current accounts, time deposits and bonds, with an annual growth rate of 13.4% in September compared with the 6.4% recorded during the same month of the previous year. As regards loans, the trend showed a consolidation at substantial growth rates, with an annual variation of 6.6% at the end of September compared with 10.4% during the same period in 2007.

Evolution of the distribution network

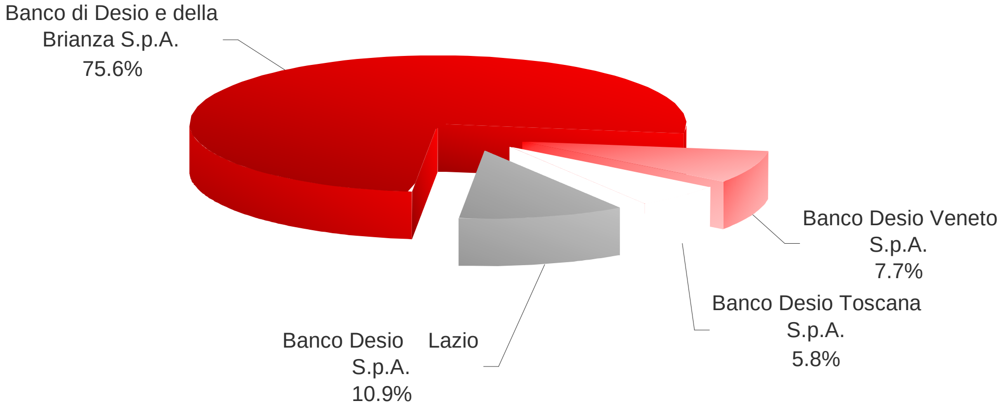
The process of continuity in developing the Group's distribution network led to there being a total of 156 branches at the end of the third quarter of 2008, 14 more than there were at the end of September 2007.

The table below shows the breakdown of the overall distribution network by individual bank of the Group, also indicating the annual changes, while the following chart represents its percentage breakdown at the end of the relevant quarter.

Table no. 1 - **THE GROUP DISTRIBUTION NETWORK: BREAK-DOWN BY BANK**

No. of Branches	30.09.2008	Percentage break-down	30.09.2007	Percentage break-down	Changes Value	Changes %
Banco di Desio e della Brianza S.p.A.	118	75.6%	111	78.2%	7	6.3%
Banco Desio Veneto S.p.A.	12	7.7%	9	6.3%	3	33.3%
Banco Desio Toscana S.p.A.	9	5.8%	8	5.6%	1	12.5%
Banco Desio Lazio S.p.A.	17	10.9%	14	9.9%	3	21.4%
Group distribution network	**156**	**100.0%**	**142**	**100.0%**	**14**	**9.9%**

Chart no. 1 - **THE GROUP DISTRIBUTION NETWORK: PERCENTAGE BREAK-DOWN BY BANK**



Since the period of comparison, the Parent Company inaugurated four new branches in Piedmont, of which one in the regional capital and one at Novara in the last quarter of the previous year, one at Casale Monferrato in the province of Alessandria on 7 January (this completing the 2007 branches plan) and one at Asti on 28 April this year and two new branches in Emilia Romagna, one in Parma at the end of 2007 and one in Reggio Emilia on 5 May 2008, in addition to the first branch in Liguria, opened at Albenga, in the province of Savona, on 1 September, thus finding itself with a distribution network of 118 branches at the end of the third quarter.

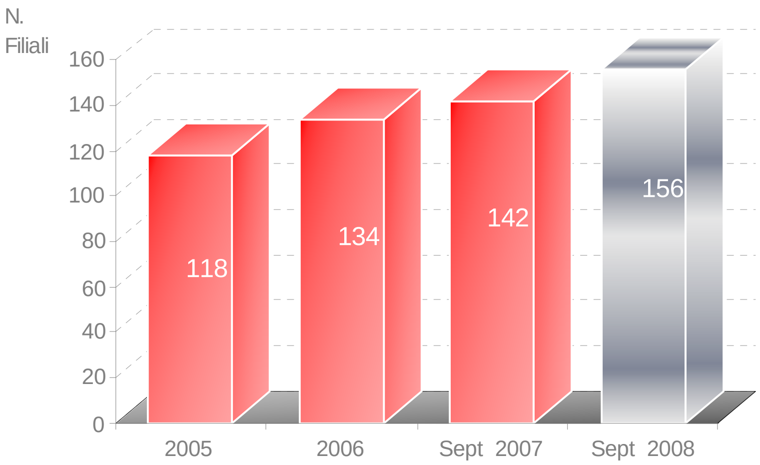
As regards subsidiaries, Banco Desio Veneto S.p.A. reached the number of 12 branches after opening a new branch at Piove di Sacco, in the province of Padua, in the second half of 2007 and then branches at Thiene, in the province of Vicenza, the main town in the Val d'Astico, and at Castelfranco Veneto, in the province of Treviso, on 21 April and 21 July 2008 respectively. This subsidiary is now represented in the provinces of Vicenza, Verona, Padua and Treviso.

Banco Desio Lazio S.p.A. continued to increase its presence in the capital and surrounding areas, opening branches at Ostia, Rome, in the second half of 2007, in Viterbo on 27 March and Pomezia, in the province of Rome, on 16 June 2008, making a total of 17 branches.

Finally, after opening the Florence branch at Novoli in November of the previous year, Banco Desio Toscana S.p.A. has a structure composed of nine branches and is therefore represented in the provinces of Pisa, Prato, Lucca and Leghorn in addition to Florence.

The chart below shows the growth in size of the banking Group in the last few years, with a growth rate corresponding to a Compound Annual Growth Rate (CAGR) of 10.7% as of 2006.

Chart no. 2 - **THE GROUP DISTRIBUTION NETWORK: GROWTH IN SIZE IN THE LAST FEW YEARS**



Significant corporate events

Sale of additional interests in subsidiary Chiara Assicurazioni S.p.A. by the Parent Company

In line with the policy adopted to render increasingly "less captive" the product companies, and consistently with the strategic approach adopted since the start of the "non-life company" project, on 22 September 2008 the Parent Company completed the sale of the additional interest equal to 2.5% in subsidiary Chiara Assicurazioni S.p.A. with a capital gain of Euro 0.2 million, thus reducing to 65% the interest held in the Company.

During the current year this sale follows the sales of 20% of the company to other partners during the first half-year.

Bank of Italy inspections

During the quarter the Bank of Italy inspection of the Parent Company and subsidiary Banco Desio Lazio S.p.A.. came to an end. The findings of the inspection were favourable on the whole: there were some suggestions regarding technical and organisational aspects and certain processes and also certain regarding formal and procedural issues involved in some line and risk controls. The Group, as it has informed the Supervisory Authority, took appropriate steps with regard to these observations, mostly in the framework of projects and plans that are already in progress (for example with regard to risk management policies and systems).

Transition from "Blue-Chip" to "Standard" trading segment in Banco di Desio e della Brianza S.p.A.'s share quotation on the Telematic Share Market of the Italian Stock Exchange.

Starting from 25 March 2008 the ordinary and savings shares of the Parent Company Banco di Desio e della Brianza S.p.A., previously traded in the Blue-Chip segment of the Telematic Share Market (Mercato Telematico Azionario, MTA), were transferred to the Class 1 of the Standard segment, in that the capitalisation of the ordinary shares decreased below the Euro 1 billion threshold as provided for in the Instructions to the Italian Stock Exchange Regulations for the distribution of financial instruments between Blue-Chip and other segments.

Furthermore, as before with effect from 25 March 2008, Banco di Desio e della Brianza ordinary shares were excluded from the basket used by the Midex Index.

Other transactions / significant corporate events involving Group companies

Shareholding plan for subsidiary FIDES S.p.A.

With the prior assent of the Parent Company and in line with action taken in connection with other Group projects, above all in the first years of start-up, on 29 July the Banco Desio Lazio S.p.A. Board of Directors and Shareholders' Meeting approved an ad hoc shareholding plan for subsidiary FIDES S.p.A., which may be helpful to the company by providing a further stimulus for its business growth.

20% of the capital involved in the shareholding plan belongs to FIDES S.p.A., corresponding to 220,000 shares at most, and the beneficiaries are intended to be managers and employees of the company and managers of the Group that are directly and/or indirectly concerned with the process of the development of the finance company, the period for the exercise of the options being up to October 2011.

The structure of the plan means that the value of the shares that the beneficiaries may acquire by exercising their options reflects any capital losses affecting the company's assets owing to the assumption of risks greater than those contemplated in the company and the Group's policy and regulations, in line with the most recent prudential recommendations from the Supervisory Authority in the matter of remuneration and incentive mechanisms.

By virtue of the IAS/IFRS criteria applicable to transactions of this kind, the cost of the shareholding plan, which derives from the assignment of the options free of charge, will be borne by FIDES S.p.A., and may be estimated in all at between Euro 0.3 and 0.4 million, to be allocated pro rata to each period included within the date of assignment and the last date for the exercise of the options; the estimated annual cost is about Euro 0.1 million.

Arrangements for the sale of a 5% portion of the share capital of FIDES S.p.A. by subsidiary Banco Desio Lazio S.p.A.

In the framework of a plan to expand FIDES S.p.A.'s distribution network, on 18 July 2008 the arrangements were signed for subsidiary Banco Desio Lazio S.p.A.'s sale of a 5% portion of the company's share capital.

After the completion of this transaction, Banco Desio Lazio S.p.A.'s interest in the subsidiary would be 75%.

Again, as regards FIDES S.p.A., as agreed final regularisation for carrying out the purchase of the interest in question in November 2007, in July Banco Desio Lazio S.p.A. paid Euro 27,000 to the assignor, with a consequent adjustment to the book value of this interest.

Increases in Share Capital of a number of subsidiaries

For the purpose of supporting local development and operating growth, and for the direct strengthening of the regulatory capital of the subsidiaries Banco Desio Lazio S.p.A. (also in light of the recent acquisition of the controlling interest in FIDES S.p.A.), Banco Desio Toscana S.p.A. and Banco Desio Veneto S.p.A., in accordance with the provisions of the respective 2008-2009 two-year Business Plans, the relevant extraordinary meetings approved, in April 2008, the following capital increases against payment, underwritten and paid for by the Parent Company Banco di Desio e della Brianza S.p.A.:

- as regards Banco Desio Lazio S.p.A., a share capital increase of nominal Euro 10 million (from Euro 37.7 million to Euro 47.7 million);
- as regards Banco Desio Toscana S.p.A., a share capital increase of nominal Euro 10 million (from Euro 13,774,017.00 to Euro 23,774,017.00);
- as regards Banco Desio Veneto S.p.A., a share capital increase of nominal Euro 12 million (from Euro 23.1 million to Euro 35.1 million), with a share premium, to be recognised in the appropriate provision, of Euro 3 million.

Sale by the subsidiary Brianfid-Lux S.A. of the controlling interest in Valorfin S.A.

On 6 March 2008, the sale by the Luxembourg subsidiary Brianfid-Lux S.A. of an aggregate 90% interest in the Swiss fiduciary company Valorfin S.A. was executed, thus realising a capital gain of about Euro 0.4 million before taxes.
The transaction thus determined a reduction to 10% of the investment in the company in question and its exit from the consolidation area of the Banco Desio Group.

Further increase to 100% of the equity interest held by the subsidiary Brianfid-Lux S.A. in the subsidiary Credito Privato Commerciale - CPC S.A.

After the exercise of the last put option by the minority shareholders, executed in the first days of 2008, the equity interest held by the subsidiary Brianfid-Lux S.A. in the Swiss subsidiary Credito Privato Commerciale - CPC S.A. reached 100%.

Tuscany Regional Inland Revenue Office inspection of subsidiary Banco Desio Toscana S.p.A.

On 12 May 2008 the Tuscany Regional Inland Revenue Office terminated its inspection of subsidiary Banco Desio Toscana S.p.A., which had begun in the previous month. The inspection regarded the 2004 tax year, especially operating costs and intra-group relations for the purposes of IRES state corporation tax and IRAP regional corporation tax.

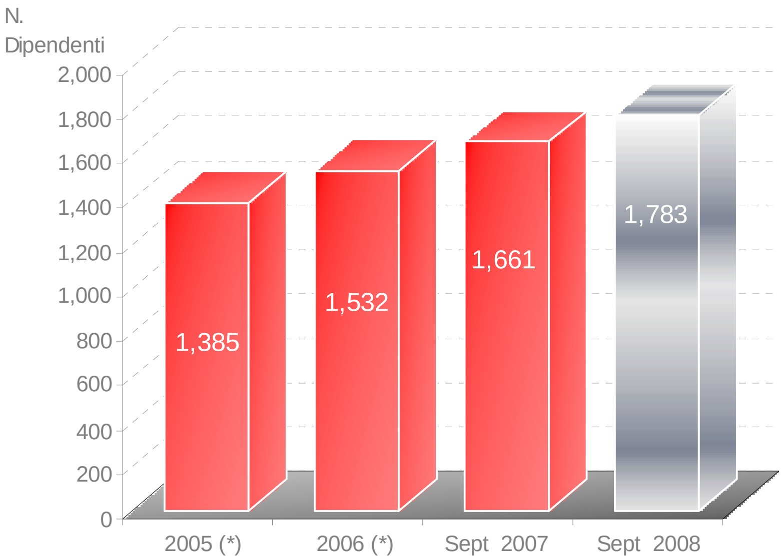
The observations made in the report drawn up at the end of the inspection were considered in defence pleadings submitted to the Inland Revenue. Prudentially, pending a decision, Euro 22,000 were appropriated as a provision.

Human Resources

As at 30 September 2008, the Banco Desio Group counted 1,783 employees, with an increase of 122 units, up 7.3%, compared to final aggregate of the third quarter of the previous financial period.

As of the beginning of 2006, the compound annual growth rate (C.A.G.R.) registered in the headcount was equal to 9.6%, lower than that registered in the distribution network, equal to 10.7%, as evidenced by the numeric data represented in the chart below.

Chart no. 3 - **THE INCREASE IN THE GROUP STAFF NUMBERS IN THE LAST FEW YEARS**



(*) Net of the amount related to Anima Sgrp.A. for historical consistency

The following table shows in details the staff employed based on the qualification level at the end of the third quarter 2008, compared with the final data of the previous year.

Table n. 2 - **GROUP STAFF: BREAK-DOWN BY QUALIFICATION LEVEL**

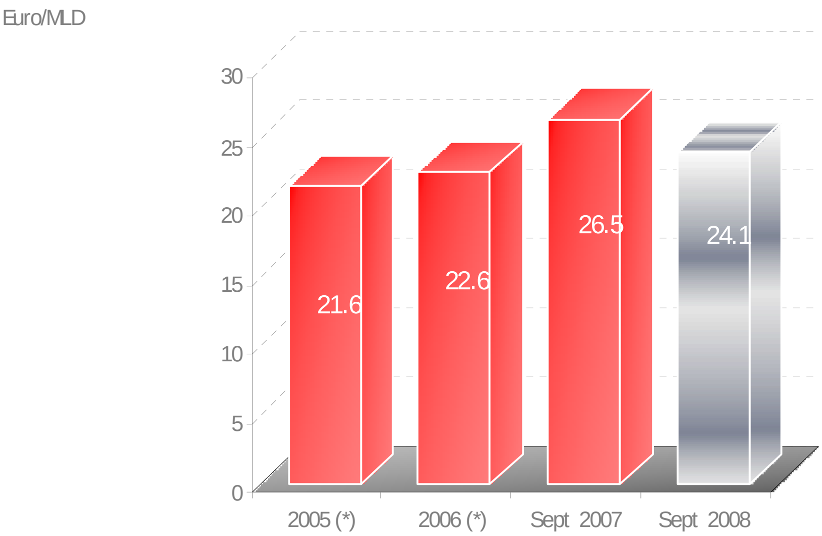
No. of employees	30.09.2008	Percentage break down	30.09.2007	Percentage break-down	Change Value	Change %
Executives	38	2.1%	37	2.2%	1	2.7%
3rd and 4th level managers	416	23.3%	375	22.6%	41	10.9%
1st and 2nd level managers	460	25.8%	405	24.4%	55	13.6%
Other personnel	869	48.7%	844	50.8%	25	3.0%
Group staff	**1,783**	**100.0%**	**1,661**	**100.0%**	**122**	**7.3%**

Savings Deposits: Administered Customer Assets

At the end of the third quarter, administered customer assets came to a total of about Euro 24.1 million, Euro 2.4 million lower than at the end of September 2007, a decrease of 9.1%. The reason was the trend of indirect deposits, especially those of institutional customers after the reduction of the volumes handled in the capacity of custodian; this was partially offset by a Euro 0.8 billion rise in direct deposits.

Total deposit trends in recent years showed a compound annual growth rate (CAGR) of 4% and are illustrated in the chart below.

Chart no. 4 - **TOTAL DEPOSITS FROM CUSTOMERS: THE TREND OVER THE LAST FEW YEARS**



(*) Net of the amount related to Anima Sgrp.A. for historical consistency

With reference to the breakdown of the aggregate figure, table 3 shows the changes in the various components during the relevant period.

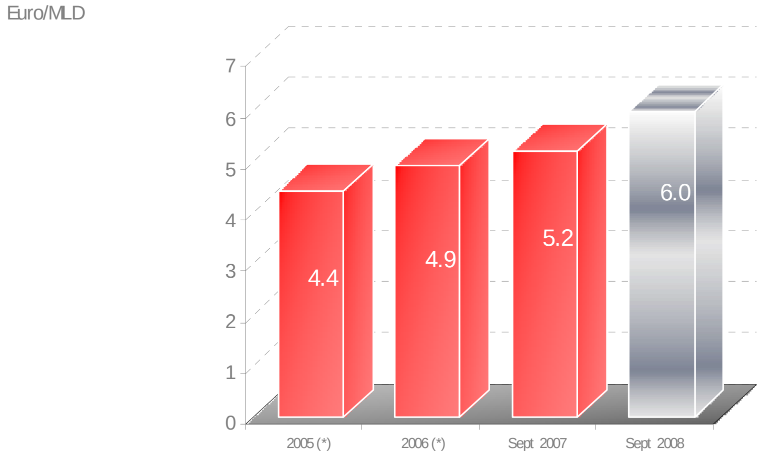
Table no. 3 - **TOTAL DEPOSITS FROM CUSTOMERS**

Amounts in thousands of Euros	30.09.2008	Percentage break-down	30.09.2007	Percentage break-down	Change Value	Change %
Amounts due to customers	3,871,240	16.1%	3,613,746	13.6%	257,494	7.1%
Securities issued	1,687,522	7.0%	1,435,095	5.4%	252,427	17.6%
Financial liabilities at fair value through profit or loss (Banking Group)	426,094	1.8%	164,051	0.6%	262,043	159.7%
Direct deposits	**5,984,856**	**24.9%**	**5,212,892**	**19.7%**	**771,964**	**14.8%**
Financial liabilities at fair value through profit or loss (Insurance company)	**1,071,556**	**4.5%**	**1,068,838**	**4.0%**	**2,718**	**0.3%**
Indirect deposits	**17,017,452**	**70.7%**	**20,211,244**	**76.3%**	**-3,193,792**	**-15.8%**
Total deposits from customers	**24,073,864**	**100.0%**	**26,492,974**	**100.0%**	**-2,419,110**	**-9.1%**

Direct deposits

As of 30.09.08 direct deposits reached around Euro 6 billion, up 14.8%. The increase in direct deposits during the last few years of business for the Group, is represented in the chart below, with annual growth rates corresponding to a CAGR of 11.4% as of 2006.

Chart no. 5 - **DIRECT DEPOSITS: THE TREND OVER THE LAST FEW YEARS**



(*) Net of the amount related to Anima Sgrp.A. for historical consistency

Financial liabilities at fair value through profit and loss (Insurance company)

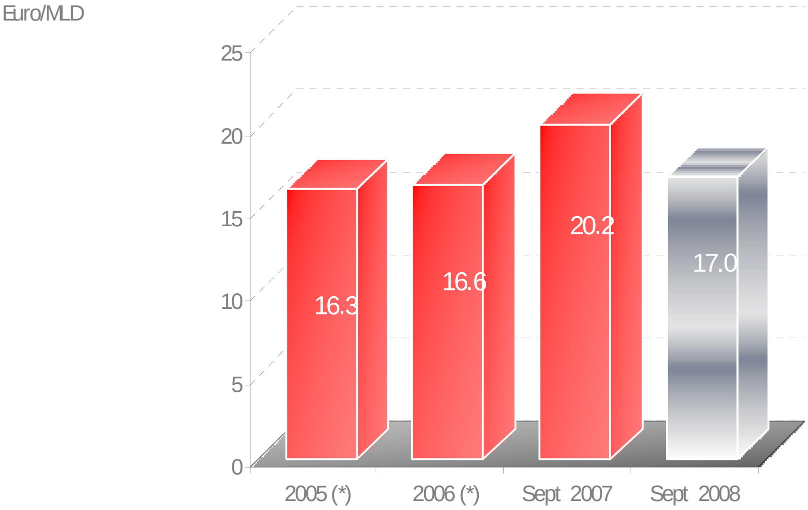
The amount is made up of amounts due to customers of the company Chiara Vita S.p.A. for underwritten insurance products.

Indirect deposits

Indirect deposits at the end of the period came in all to about Euro 3.2 billion lower than in the third quarter of 2007, a decrease of 15.8%, continuing to be affected by the prolonged and increasingly unfavourable performance of international financial markets. Attention is particularly drawn to the unfavourable trend of deposits from institutional customers, Euro 2.7 billion, as a result of the reduction in the volumes handled in the capacity of custodian, mainly involving associate Anima Sgr.p.A; the fall in deposits from ordinary customers was Euro 0.5 billion.

The chart below shows the growth trend in indirect deposits as of 2006, characterised by a compound annual growth rate (C.A.G.R.) of 1.6%, while the following table details the breakdown of the aggregate figure at the end of the third quarter, reporting the changes recorded against the comparison period.

Chart no. 6 - **INDIRECT DEPOSITS: THE TREND OVER THE LAST FEW YEARS**



(*) Net of the amount related to Anima Sgrp.A. for historical consistency

Table no. 4 - **INDIRECT DEPOSITS**

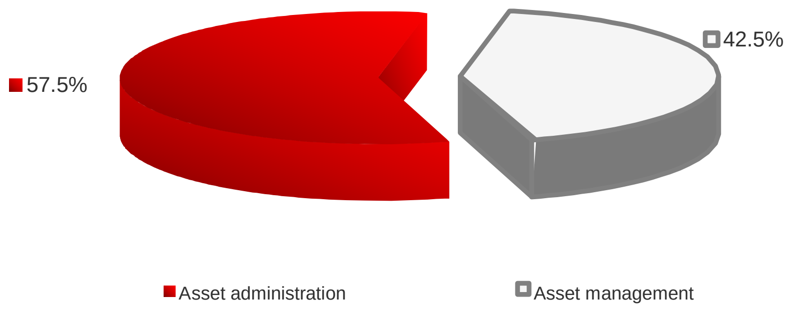
Amounts in thousands of Euros	30.09.2008	Percentage break-down	30.09.2007	Percentage break-down	Change Value	Change %
Asset administration	4,648,359	27.3%	4,597,912	22.7%	50,447	1.1%
Asset management	3,430,179	20.2%	4,003,366	19.8%	-573,187	-14.3%
of which: Mut.Fund and Open-end Inv.	*1,054,422*	*6.2%*	*1,358,207*	*6.7%*	*-303,785*	*-22.4%*
Portfolio management	*820,686*	*4.8%*	*1,107,855*	*5.5%*	*-287,169*	*-25.9%*
Bank-insurance	*1,555,072*	*9.1%*	*1,537,305*	*7.6%*	*17,767*	*1.2%*
Deposits from retail customers	8,078,538	47.5%	8,601,278	42.6%	-522,740	-6.1%
Deposits from institutional customers	8,938,914	52.5%	11,609,966	57.4%	-2,671,052	-23.0%
Indirect deposits	17,017,452	100.0%	20,211,244	100.0%	-3,193,792	-15.8%

(1) net of mutual fund and open-end investments units under portfolio management and fund-based portfolio management
(2) net of liquidity in current accounts and of securities issued by Group banks

The analysis of indirect deposits from retail customers shows a decrease of nearly Euro 0.5 billion, which may mainly be attributed to the "asset management".

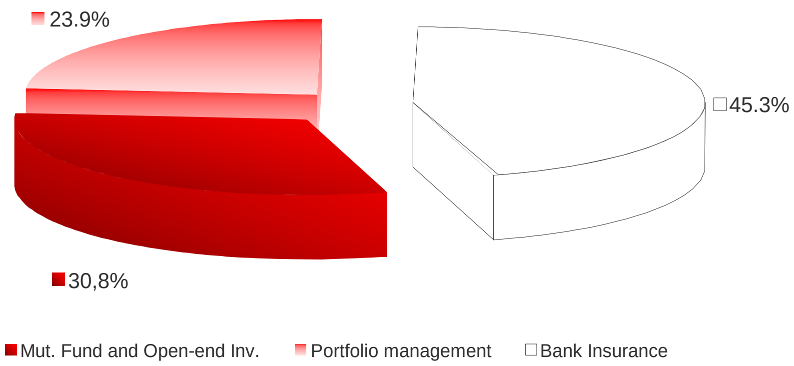
The percentage breakdown by segment of the indirect deposits from retail clients as of 30 September 2008, as represented in the chart below, shows the prevalence of the portion attributable to "asset administration".

Chart no. 7 - **INDIRECT DEPOSITS FROM RETAIL CUSTOMERS BY SECTOR AS OF 30.09.2008: BREAK-DOWN**



The graph set out below concentrates rather, on the percentage break-down of asset under management, indicating how bank-insurance "life" sector represents the most important component, 45.3% of the total.

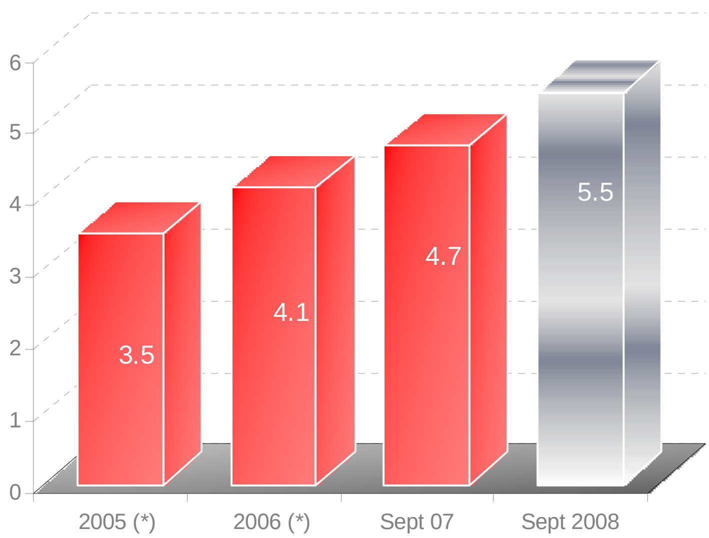
Chart no. 8 - **INDIRECT DEPOSITS FOR ASSET MANAGEMENT AS OF 30.09.2008: BREAK-DOWN**



Loans to Customers

As of September, 30 2008, the total value of loans to customers reached about Euro 5.5 billion, with an increase of 15.6% over the same comparison period. This is a performance essentially in line with the average recorded as of 2006, which represents a compound annual growth rate of 17.5% – the related trends have been illustrated in the graph set out below.

Chart no. 9 - **THE TREND OF LOANS TO CUSTOMERS OVER THE LAST FEW YEARS**
Euro/BL



(*) Net of the amount related to Anima Sgrp.A. for historical consistency

Considering Euro 37.5 million net non-performing loans, at the end of the quarter in question the credit risk ratio, "net non-performing loans/net loans", was 0.69%, compared with 0.63% at the end of September 2007, lower than the last figure reported at banking system level, which was 1.0% in July 2008.

The Securities Portfolio and the Inter-Bank Activities

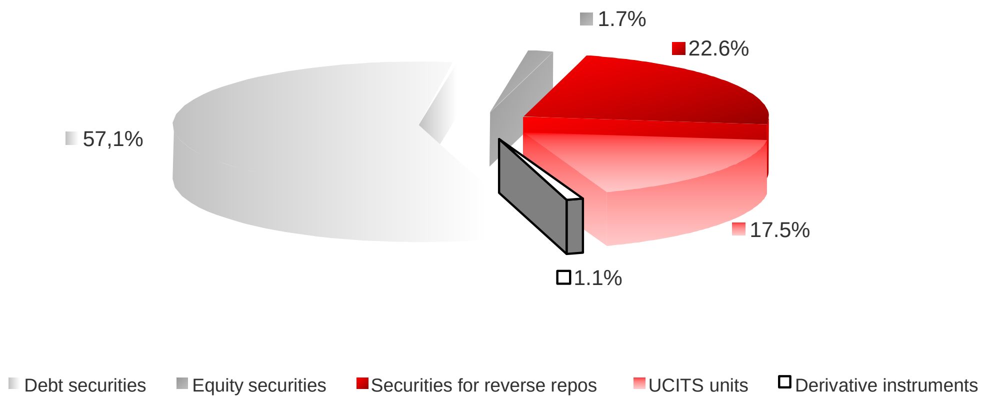
The securities portfolio

As of 30 September 2008 the Group total financial assets stood at a value of Euro 2.3 billion, showing a decrease of 0.1 billion with respect to the final figure in the same period of the previous year.

As mentioned in the Introduction, the Group decided not avail itself of the opportunity afforded by the recent amendment to IAS 39 with regard to the re-allocation of instruments measured at fair value; it adjusted the value of those potentially involved and reported a capital loss of Euro 2.6 million at the end of the period, calculated on the basis of mark to market.

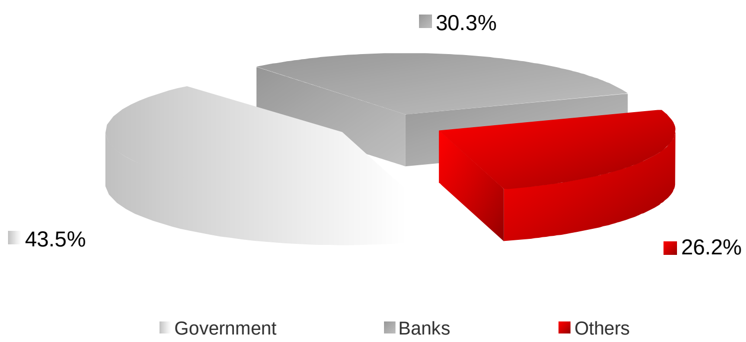
The chart below presents the percentage breakdown of the portfolio based on the types of securities, showing debt securities as the most significant element, followed by the securities used in reverse repurchases agreements with customers and banks.

Chart no. 10 - **FINANCIAL ASSETS: PERCENTAGE BREAK-DOWN BY TYPE OF SECURITY AT 30.09.2008**



As evidenced in the graph below, with reference to the issuers of the securities, the aggregate portfolio at the end of the third quarter of the year is comprised by Government securities, the major share (45.5%), followed by bank securities (29.6%). The third component, “other issuers”, accounts for 25% of the total.

Chart no. 11 - **FINANCIAL ASSETS: PERCENTAGE BREAK-DOWN BY ISSUER AT 30.09.2008**



Inter-bank activities

The inter-bank balance at 30 September 2008 showed a positive amount of about Euro 0.3 billion, compared with that reported (about Euro 0.2 billion) last year at the end of the third quarter.

Shareholders’ equity and capital adequacy

The Shareholders’ Equity at 30 September 2008, including the net profits of the period, amounted to a total of Euro 673.8 million, an increase of Euro 23.2 million with respect to the figure recorded for the third quarter 2007.

Shareholders’ Equity calculated in accordance with the supervisory regulations in force, amounted to Euro 590 million. The figure is made up of basic shareholders’ equity of Euro 569.4 million and of supplementary shareholders’ equity of Euro 67 million from revaluation reserves, positive reserves on securities and subordinated liabilities. The elements to be deducted amounted to Euro 46.8 million and refer to equity investments in financial and insurance bodies.

The capital ratios calculated according to the supervisory regulation Basel 2 standard at 30 June 2008 are reported as approved by the Parent Company’s Board of Directors in October.

The Tier 1 ratio, consisting of core equity capital in relation to risk-weighted assets was 9.6%, while the Tier 2 solvency ratio, the relationship between regulatory capital and risk-weighted assets, was 10.0%.

The net financial position at 30 June 2008, namely the amount of capital that is “free”, in that it is not absorbed by credit risk (solvency ratio) and market risks (portfolio of securities not held to maturity, currency risks, concentration risks), is Euro 121.7 million.

The reclassified Income Statement

A reclassified Income Statement was drawn up, with differences from the financial statements format, in order to provide a view that is more consistent with the state of affairs, and this is the basis for the comments that follow.

This is a summary of the criteria for the preparation of the statement:

- net income from insurance activities includes the following insurance Companies revenues (Chiara Vita S.p.A. e Chiara Assicurazione S.p.A.): net interest income (of which items 10 and 20), net insurance premiums (item 150), net profits (losses) from trading activities (of which item 80), profit (loss) from assignment or repurchase of available-for-sale financial assets (of which item 100), net gain (loss) on financial assets/liabilities at fair value through profit and loss (of which item 110), other operating expenses/income (of which item 220) and the balance of other income/charges arising on insurance management activities (item 160);

- tax recoveries (of which item 220 “other operating expenses/income”) are reclassified as reductions of item 180b, “Other administrative expenses”;

- profit (loss) from equity investments in associate companies includes the portions for the period related to these associate companies (of which item 240 “Profits (losses) from equity investments”);

- items 200-210 “Net adjustments to the value of tangible and intangible assets” also includes the amortization of leasehold improvements (of which item 220 “other operating expenses/income”);

- profit (loss) from equity investments and sale of investments includes item 240 “Profits (losses) from equity investments”, net of the portions for the period related to the associated companies and item 270 “Profits (losses) from sale of investments”;

- item 130a “Net impairment losses on loans and receivables” also includes Profit (loss) from assignment or repurchase of receivables (item 100a) and uses of / accruals to the provisions for claw-back actions in bankruptcy and litigation (item 190, “Net provisions for risks and charges”).

The third quarter accounting period ended with net profits for the Parent Company of Euro 39,3 million, as shown in the following table setting out the reclassified Income Statement compared to the Income Statement of the previous period.

Table no. 5 - **RECLASSIFIED INCOME STATEMENT**

Items	*Amounts in thousands of Euros*	30.09.2008	30.09.2007	Change Value	Change %
10+20	Net interest income	171,948	148,261	23,687	16.0%
70	Dividend and similar income	1,257	986	271	27.5%
	Profits from associates	1,082	1,958	-876	-44.7%
40+50	Net fee and commission income	57,474	62,816	-5,342	-8.5%
80+90+ 100+110	Net profit/(losses) from trading activities, hedging activities, assignment/repurchase and from financial assets and liabilities at fair value through profit and loss	3,537	8,003	-4,466	-55.8%
150+160	Net result of insurance activities	13,577	12,960	617	4.8%
220	Other operating income and expenses	17,618	14,075	3,543	25.2%
	Operating income	**266,493**	**249,059**	**17,434**	**7.0%**
180 a	Staff expenses	-102,581	-98,936	-3,645	3.7%
180 b	Administrative expenses	-54,394	-44,042	-10,352	23.5%
200+210	Net adjustments to the value of /write-backs to tangible and intangible assets	-7,545	-6,440	-1,105	17.2%
	Operating expenses	**-164,520**	**-149,418**	**-15,102**	**10.1%**
	Net operating profit	**101,973**	**99,641**	**2,332**	**2.3%**
130 a	Net impairment losses on loans and receivables	-36,565	-14,958	-21,607	144.5%
130 b	Net impairment losses on financial assets available for sale	-878	0	-878	
130 d	Net impairment losses on other financial transactions	-550	-176	-374	212.5%
190	Net provisions for risks and charges	118	1,630	-1,512	-92.7%
240+270	Profit (loss) from equity investments and sale of investments	1,805	126,493	-124,688	-98.6%
	Profits/(losses) before taxes from continuing operations	**65,903**	**212,630**	**-146,727**	**-69.0%**
290	Taxes for the period on income from continuing operations	-26,692	-42,893	16,201	-37.8%
330	(Profit)/loss for the period attributable to minority interests	42	-321	363	-113.1%
	Parent Bank net profit (loss)	**39,253**	**169,416** (1)	**-130,163**	**-76.8%**

(1) *The item as of 30 September 2007 includes the capital gain of Euro 126.5 million, net of tax, from the Parent Company's sale of 29.72% shareholding in Anima Sgrp.A. in July 2007*

In order to facilitate the adaptation of the reclassified Income Statement to the data in the financial statements, shown below, for each period, is a reconciliation statement linking the figures associated with the aggregates in the statement with the amounts in the reclassifications that were carried out.

Table no. 6 - **RECONCILIATION STATEMENT BETWEEN THE FINANCIAL STATEMENT AND THE RECLASSIFIED INCOME STATEMENT AS OF 30.09.2008**

Items		Financial statement	Reclassifications						Reclassified statement
Amounts in thousands of Euros		30.09.2008	Net result of insurance activities	Tax recovery	Profits from associates	Amortization of leasehold improvements	Profits (losses) from assignment/repurchase of receivables	Uses of / accruals to the provisions for risks and charges	30.09.2008
10+20	Net interest income	200,578	-28,630						171,948
70	Dividend and similar income	1,257							1,257
	Profit (loss) from equity investments in associate companies				1,082				1,082
40+50	Net fees and commissions	57,474							57,474
80+90+100+110	Net profits (losses) from trading activities, hedging activities, assignment/repurchase and from financial assets/liabilities at fair value through profit and loss	-7,417	10,588				366		3,537
150+160	Net result of insurance activities	-4,256	17,833						13,577
220	Other operating income / expenses	23,898	209	-8,078		1,589			17,618
	Operating income	**271,534**	**0**	**-8,078**	**1,082**	**1,589**	**366**	**0**	**266,493**
180 a	Staff expenses	-102,581							-102,581
180 b	Other administrative expenses	-62,472		8,078					-54,394
200+210	Net adjustments to the value of /write-backs to tangible and intangible assets	-5,956				-1,589			-7,545
	Operating expenses	**-171,009**	**0**	**8,078**	**0**	**-1,589**	**0**	**0**	**-164,520**
	Net operating profit	**100,525**	**0**	**0**	**1,082**	**0**	**366**	**0**	**101,973**
130 a	Net impairment losses on loans and receivables	-36,424					-366	225	-36,565
130 b	Net impairment losses on financial assets available for sale	-878					0	0	-878
130 d	Net impairment losses on other financial transactions	-550							-550
190	Net provisions for risks and charges	343						-225	118
240+270	Profit (loss) from equity investments and sale of investments	2,887			-1,082				1,805
	Profits/(losses) before taxes from continuing operations	**65,903**	**0**	**0**	**0**	**0**	**0**	**0**	**65,903**
290	Taxes for the period on income from continuing operations	-26,692							-26,692
330	(Profit)/loss for the period attributable to minority interests	42							42
	Parent Bank net profit (loss)	**39,253**	**0**	**0**	**0**	**0**	**0**	**0**	**39,253**

Table no. 7 - **RECONCILIATION STATEMENT BETWEEN THE FINANCIAL STATEMENT AND THE RECLASSIFIED INCOME STATEMENT AS OF 30.09.2007**

Items		Financial statement	Reclassifications					Reclassified statement
Amounts in thousands of Euros		30.09.2007	Net result of insurance activities	Tax recovery	Profits from associates	Amortization of leasehold improvements	Uses of / accruals to the provisions for risks and charges	30.09.2007
10+20	Net interest income	170,897	-22,636					148,261
70	Dividend and similar income	986						986
	Profit (loss) from equity investments in associate companies	0			1,958			1,958
40+50	Net fees and commissions	62,816						62,816
80+90+100+110	Net profits (losses) from trading activities, hedging activities, assignment/repurchase and from financial assets/liabilities at fair value through profit and loss	1,274	6,729					8,003
150+160	Net result of insurance activities	-2,734	15,694					12,960
220	Other operating income / expenses	20,673	213	-8,185		1,374		14,075
	Operating income	**253,912**	**0**	**-8,185**	**1,958**	**1,374**	**0**	**249,059**
180 a	Staff expenses	-98,936						-98,936
180 b	Other administrative expenses	-52,227		8,185				-44,042
200+210	Net adjustments to the value of /write-backs to tangible and intangible assets	-5,066				-1,374		-6,440
	Operating expenses	**-156,229**	**0**	**8,185**	**0**	**-1,374**	**0**	**-149,418**
	Net operating profit	**97,683**	**0**	**0**	**1,958**	**0**	**0**	**99,641**
130 a	Net impairment losses on loans and receivables	-14,978					20	-14,958
130 b	Net impairment losses on financial assets available for sale	0						0
130 d	Net impairment losses on other financial transactions	-176						-176
190	Net provisions for risks and charges	1,650					-20	1,630
240+270	Profit (loss) from equity investments and sale of investments	128,451			-1,958			126,493
	Profits/(losses) before taxes from continuing operations	**212,630**	**0**	**0**	**0**	**0**	**0**	**212,630**
290	Taxes for the period on income from continuing operations	-42,893						-42,893
330	(Profit)/loss for the period attributable to minority interests	-321						-321
	Parent Bank net profit (loss)	**169,416**	**0**	**0**	**0**	**0**	**0**	**169,416** (1)

(1) The item as of 30 September 2007 includes the capital gain of Euro 126.5 million, net of tax, from the Parent Company's sale of 29.72% shareholding in Anima Sgrp.A. in July 2007

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

Operating income

The postings that were the features of operational management show a total increase of 7.0% over the third quarter of the previous period, reaching Euro 266.5 million. The increase was especially attributable to the net interest income performance, which, amounting to Euro 171.9 million, was 64.5% of the total amount, with a variation of +16.0%.

Net fees and commissions reached Euro 57.5 million, representing 21.6% of operating income, slightly lower than the previous period mainly owing to the poor performance of commissions on the placement of securities and in the asset management sector in general, penalised by the serious and prolonged crisis in the financial markets in general and by the contingent difficulties of the industry at a system level.

The net profit from trading activities, hedging activities, assignment /repurchase and from financial assets and liabilities at fair value through profit and loss, showed a balance of Euro 3,5 million: the negative change here, with respect to Euro 8 million result at the end of September 2007, is attributable to the trading and hedging activities, partially offset by the increase of other items.

The other items in the total are increasing: dividends and similar income, net result of insurance activities and other operating income and expenses amounting to Euro 4.4 million in all, while the profit (loss) from equity investments in associate companies was affected by the lower amount of Anima Sgr.p.A.'s result compared with the period under comparison.

Operating expenses

Total operating expenses, including staff expenses, other administrative expenses and net adjustments to the net value of tangible and intangible assets, came to Euro 164.5 million, up 10,1% compared to the third quarter 2007, partly reflecting the increase in staff (122 employees) and partly the development of the distribution network (14 branches) and of the operations of the Group.

Net operating profit

Net operating profit at the end of the period in question, about Euro 102 million, was consequently 2.3% higher than at 30 September 2007, when it was Euro 99.6 million.

Profits (losses) before taxes from continuing operations

When to the net operating profit were applied net impairment losses on loans and receivables, amounting to Euro 36.6 million, almost entirely due to the extent of the write-downs carried out (inasmuch as losses recognised in the Income Statement came to Euro 2.4 million); net impairment losses on financial assets available for sale and on other financial transactions, Euro 1.4 million; a positive balance of Euro 0.1 million from the net provision for risks and charges; and Euro 1.8 million for the total profit (loss) from equity investments and the sale of investments, the profits (losses) before taxes from continuing operations was Euro 65.9 million.

A comparison of this result with that of the third quarter of the previous year is not significant at all, since the latter included a capital gain of Euro 126.5 million in the item "Profit (loss) from equity investments" net of tax, the proceeds of the Parent Company's sale of 29.72% of the share capital of Anima Sgrp.A. in July 2007. Nevertheless, particularly noteworthy are higher adjustments to the net value of receivables, Euro 21.6 million, higher adjustments to net impairment losses on financial assets available for sale and on other financial transactions, Euro 1.3 million, and the lower amount coming from net appropriations to the provision for risks and charges, Euro 1.5 million .

Parent Bank Net Profit (Loss)

Considering an income tax burden of Euro 26.7 million, the Parent Bank Net Profit was Euro 39.3 million, compared with a result of Euro 42.9 million at 30 September 2007, net of the capital gain mentioned above, amounting to Euro 126.5 million net of tax , from the Parent Company's sale of a 29.72% shareholding in Anima Sgrp.A. in July 2007.

Significant events after the end of the quarter

Opening of new branches

The new branch at Crema, in the province of Cremona, was opened on 6 October 2008. This brought the number of banks in the Parent Company's retail network to 119, while on 3 November 2008 subsidiary Banco Desio Lazio S.p.A. opened its 18th branch at Monterotondo, in the province of Rome.

Distribution partnership between the Parent Company and Helvetia and change in the ownership structure of Chiara Vita S.p.A.

After the statutory clearances had been obtained, on 1 October the partnership agreements drawn up on 29 May between Parent Company Banco di Desio e della Brianza S.p.A. and the Swiss insurance group, Helvetia, were completed on 1 October. As we know, these agreements envisaged the entry of the Helvetia Group into Chiara Vita S.p.A.'s capital with a 70% share against a payment of Euro 79.6 million to the Parent Company (partially subject to adjustment in accordance with a mechanism that is usual in cases of this kind).

Under the shareholders' agreement entered into at the same time, Banco di Desio e della Brianza S.p.A. was assured a place on Chiara Vita S.p.A.'s Board of Directors.

ICAAP (Internal Capital Adequacy Assessment Process) Report for the Bank of Italy

In conformity to Bank of Italy instructions (Circular 263 of 27 December 2006, *Nuove disposizioni di vigilanza prudenziale per le banche* ("New prudential supervision requirements for banks"), and in the context of the internal capital adequacy assessment process (ICAAP), the Group carried out an independent assessment of its capital adequacy, both present and prospective, in relation to the risks assumed and its corporate strategies.

The ICAAP document referring to the consolidated position at 30 June 2008, prepared by the Parent Company in the form suggested by the Bank of Italy (Circular 263 of 27 December 2006 and subsequent amendments, Part III, Chapter I, Appendix E), was approved by the Board of Directors on 23 October 2008 and was then sent to the Supervisory Board.

The data in this document show that the capital resources are adequate to guarantee the Group's solvency with regard to the losses deriving from present and prospective risks, both Tier 1 and Tier 2, in normal business conditions and also in stress scenarios. Furthermore, the capital ratios calculated for Tier 1 risks appear to be in line with the capitalisation targets that have been planned and the maintenance of the present rating.

Other Information

The rating

On 29 April 2008 the international rating agency Fitch Ratings confirmed all rating levels previously assigned to the Parent Company Banco di Desio e della Brianza S.p.A., based on its stable profitability, which remains good, on the strength of its assets, on the low risk appetite, on the solid and healthy capital structure and levels, despite the rapid expansion, and also based on the fact that costs remained under control.

Long-term	Short-term	Forecast
A	F 1	Stable

Extremely low exposure to Lehman risk

Examination of the Group's exposure to the Lehman risk at 30 September showed:

- about Euro 100,000 of bonds reported in the portfolio;
- exposure to a negative mark to market derivative about Euro 300,000;
- no inter-bank deposit.

Existence of the conditions specified in Articles 36 and 37 of the "Consob Market Regulations"

Under Article 2.6.2, paragraph 15, of the Borsa Italiana Regulations and in conformity to the procedures prescribed in the said market Regulator's circular of 13 October 2008, notice is given that the conditions exist that are specified in Articles 36 and 37 of the Consob Market Regulations (Resolution 16191 of 29 October 2007).

It is certified, in accordance with Article 36 of the Consob Market Regulations, that Parent Company Banco di Desio e della Brianza S.p.A., as regards subsidiary Credito Privato Commerciale S.A:

- has provided its accounts for consultation by the public (by connecting with its website and that of its subsidiary), prepared, for the purposes of the consolidated financial statements, in the form of at least the balance sheet and income statement;
- has obtained its articles of association and the composition and powers of its corporate bodies;
- guarantees that the subsidiary provides the Parent Company's auditors with all the information necessary for the Parent to exercise accounting control and that the subsidiary has an administrative and accounting system that is capable of regularly letting the Parent and the auditor have the data necessary for the preparation of the consolidated financial statements.

It is also certified that, in accordance with Article 37 of the "Consob Market Regulations", even if the Parent Company, Banco di Desio e della Brianza S.p.A., is a subsidiary of Brianza Unione di Luigi Gavazzi & C. S.a.p.a., Banco di Desio e della Brianza S.p.A. is not subject to the latter's management and coordination under an express provision in the Parent Company's articles of association.

Business Outlook

The growing deterioration of the international financial crisis significantly increases the uncertainty that is a feature of the marco-economic scenario, inevitably affecting the progress of operations.

Nevertheless, commercial expansion and the increase in operations in the framework of a prudential philosophy and the recent lines of strategy adopted by the Group, which is, moreover, characterised by an increasingly sound financial position, allow us to forecast satisfactory growth in capital values by the end of the current period, nearly to the extent envisaged in the Business Plan.

In view and in the light of the results attained at consolidated level and by the Parent Company, and the results forecast for the current quarter, the Board of Directors considers that it will be possible to ask the next Shareholders' Meeting held to approve the financial statements to agree to the distribution of a dividend substantially unchanged from dividend distributed the previous year.

November, 13 2008

The Board of Directors

Banco di Desio e della Brianza S.p.A.

Consolidated interim financial statements at 30 September 2008

Consolidated Balance Sheet

ASSETS *In thousands of Euros*	30.09.2008	30.09.2007	30.09.2008 pro-forma
10 Cash and cash equivalents	21,958	19,663	21,958
20 Financial assets held for trading	422,098	673,215	437,891
30 Financial assets at fair value through profit or loss		907,680	961,541
40 Available-for-sale financial assets	462,981	832,329	931,988
50 Held-to-maturity investments	8,194	8,148	8,194
60 Amounts due from banks	459,876	379,616	459,876
70 Amounts due from customers	5,471,463	4,733,745	5,471,463
80 Hedging derivatives		4,425	
100 Equity investments	10,002	10,460	10,002
110 Technical reserves arising from reinsurance	4,084	1,856	5,566
120 Tangible assets	145,026	140,792	145,075
130 Intangible assets	49,029	41,192	49,111
of which: goodwill	*47,018*	*39,302*	*47,018*
140 Tax assets	15,118	30,208	34,310
a) current	*1,047*	*10,394*	*13,505*
b) deferred	*14,071*	*19,814*	*20,805*
150 Non-current assets held for sale and discontinued operations	1,474,413		
160 Other assets	123,542	154,144	130,809
Total Assets	**8,667,784**	**7,937,473**	**8,667,784**

LIABILITIES AND SHAREHOLDERS' EQUITY *In thousands of Euros*	30.09.2008	30.09.2007	30.09.2008 pro-forma
10 Amounts due to banks	137,480	198,179	137,480
20 Amounts due to customers	3,871,240	3,613,746	3,871,240
30 Securities issued	1,687,522	1,435,095	1,687,522
40 Financial liabilities held for trading	12,531	33,186	12,531
50 Financial liabilities at fair value through profit or loss	426,094	1,232,889	1,497,650
60 Hedging derivatives	1,292	1,772	1,292
80 Tax liabilities	23,843	52,200	32,112
a) current	*6,233*	*31,321*	*11,209*
b) deferred	*17,610*	*20,879*	*20,903*
90 Liabilities associated with discontinued operations	1,514,953		
100 Other liabilities	245,925	243,822	251,759
110 Reserve for employee termination indemnities	24,866	26,809	24,946
120 Provisions for risks and charges:	26,060	27,873	26,128
a) pensions and similar commitments	*106*	*87*	*106*
b) other provisions	*25,954*	*27,786*	*26,022*
130 Technical Reserves	10,068	418,958	447,532
140 Valuation reserves	14,865	21,379	6,547
170 Reserves	544,208	376,078	544,208
180 Share premium reserve	16,145	16,145	16,145
190 Share capital	67,705	67,705	67,705
200 Treasury shares (-)	-63	-102	-63
210 Minority interest (+/-)	3,797	2,323	3,797
220 Net profit / (loss) for the period	39,253	169,416 (1)	39,253
Total Liabilities and shareholders' equity	**8,667,784**	**7,937,473**	**8,667,784**

(1) The item as of 30 September 2007 includes the capital gain of Euro 126.5 million, net of tax, from the Parent Company's sale of 29.72% shareholding in Anima Sgrp.A. in July 2007

Consolidated Income Statement

INCOME STATEMENT *In thousands of Euros*		30.09.2008	30.09.2007
10	Interest income and similar revenues	357,842	277,864
20	Interest expense and similar charges	-157,264	-106,967
30	**Net interest income**	**200,578**	**170,897**
40	Fee and commission income	71,890	76,268
50	Fee and commission expense	-14,416	-13,452
60	**Net fee and commission income**	**57,474**	**62,816**
70	Dividends and similar income	1,257	986
80	Net profits/(losses) from trading activities	-11,030	-3,001
90	Net profits/(losses) from hedging activities	80	372
100	Profit/(loss) from disposal or repurchase of:	1,411	2,029
	a) loans and receivables	*-366*	
	b) available-for-sale financial assets	*1,777*	*1,983*
	d) financial liabilities		*46*
110	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	2,122	1,874
120	**Net interest and other banking income (intermediation margin)**	**251,892**	**235,973**
130	Net value adjustments /write-backs for impairment of:	-37,852	-15,154
	a) loans and receivables	*-36,424*	*-14,978*
	b) available-for-sale financial assets	*-878*	
	d) other financial transactions	*-550*	*-176*
140	**Net income from banking activities**	**214,040**	**220,819**
150	Net insurance premiums	84,251	80,351
160	Balance of other income/charges arising from insurance managem	-88,507	-83,085
170	**Net result of financial and insurance activities**	**209,784**	**218,085**
180	Administrative expenses:	-165,053	-151,163
	a) staff expenses	*-102,581*	*-98,936*
	b) other administrative expenses	*-62,472*	*-52,227*
190	Net provisions for risks and charges	343	1,650
200	Net value adjustments to/write-backs of tangible assets	-5,368	-4,514
210	Net value adjustments to/write-backs of intangible assets	-588	-552
220	Other operating income/(expenses)	23,898	20,673
230	**Operating expenses**	**-146,768**	**-133,906**
240	Profits/(losses) from equity investments	2,123	128,451
270	Profits/(losses) from sale of investments	764	
280	**Profits/(losses) before taxes from continuing operations**	**65,903**	**212,630**
290	Taxes for the period on income from continuing operations	-26,692	-42,893
300	**Net profits (loss) after tax from continuing operations**	**39,211**	**169,737**
330	Profit (loss) for the period attributable to minority interests	42	-321
340	**Parent Bank net profit (loss)**	**39,253**	**169,416**

(1) The item as of 30 September 2007 includes the capital gain of Euro 126.5 million, net of tax, from the Parent Company's sale of 29.72% shareholding in Anima Sgrp.A. in July 2007

	INCOME STATEMENT - Quarterly trend *In thousands of Euros*	3° quarter 2008	2nd quarter 2008	1st quarter 2008	3rd quarter 2007	2nd quarter 2007	1st quarter 2007
10	Interest income and similar revenues	124,517	120,644	112,681	100,151	91,504	86,209
20	Interest expense and similar charges	-56,765	-52,814	-47,685	-40,682	-34,450	-31,835
30	**Net interest income**	**67,752**	**67,830**	**64,996**	**59,469**	**57,054**	**54,374**
40	Fee and commission income	20,780	24,876	26,234	-23,026	44,628	54,666
50	Fee and commission expense	-5,276	-4,813	-4,327	20,266	-16,664	-17,054
60	**Net fee and commission income**	**15,504**	**20,063**	**21,907**	**-2,760**	**27,964**	**37,612**
70	Dividends and similar income	-226	1,462	21	12	962	12
80	Net profits/(losses) from trading activities	2,708	-7,487	-6,251	-6,141	6,611	-3,471
90	Net profits/(losses) from hedging activities	133	-56	3	515	-727	584
100	Profit/(loss) from disposal or repurchase of:	-65	-206	1,682	455	642	932
	a) loans and receivables	*21*	*-387*				
	b) available-for-sale financial assets	*-80*	*177*	*1,680*	*456*	*604*	*923*
	d) financial liabilities	*-6*	*4*	*2*	*-1*	*38*	*9*
110	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	196	-2,600	4,526	4,792	-4,916	1,998
120	**Net interest and other banking income (intermediation margin)**	**86,002**	**79,006**	**86,884**	**56,342**	**87,590**	**92,041**
130	Net value adjustments/write-backs for impairment of:	-13,569	-13,690	-10,593	-5,241	-3,558	-6,355
	a) loans and receivables	*-12,522*	*-13,385*	*-10,517*	*-5,291*	*-3,522*	*-6,165*
	b) available-for-sale financial assets	*-878*					
	d) other financial transactions	*-169*	*-305*	*-76*	*50*	*-36*	*-190*
140	**Net income from banking activities**	**72,433**	**65,316**	**76,291**	**51,101**	**84,032**	**85,686**
150	Net insurance premiums	19,042	45,379	19,830	17,325	32,982	30,044
160	Balance of other income/charges arising from insurance management activities	-22,455	-45,422	-20,630	-18,053	-34,072	-30,960
170	**Net result of financial and insurance activities**	**69,020**	**65,273**	**75,491**	**50,373**	**82,942**	**84,770**
180	Administrative expenses:	-54,043	-58,942	-52,068	-44,070	-56,252	-50,841
	a) staff expenses	*-33,976*	*-34,566*	*-34,039*	*-35,088*	*-30,217*	*-33,631*
	b) other administrative expenses	*-20,067*	*-24,376*	*-18,029*	*-8,982*	*-26,035*	*-17,210*
190	Net provisions for risks and charges	-407	-447	1,197	-188	1,743	95
200	Net value adjustments to/write-backs of tangible assets	-1,956	-1,688	-1,724	-1,239	-1,796	-1,479
210	Net value adjustments to/write-backs of intangible assets	-186	-195	-207	-111	-214	-227
220	Other operating income/(expenses)	8,012	8,807	7,079	6,410	7,755	6,508
230	**Operating expenses**	**-48,580**	**-52,465**	**-45,723**	**-39,198**	**-48,764**	**-45,944**
240	Profits/(losses) from equity investments	471	275	1,377	128,434	17	
270	Profits/(losses) from sale of investments	2	762				
280	**Profits/(losses) before taxes from continuing operations**	**20,913**	**13,845**	**31,145**	**139,609**	**34,195**	**38,826**
290	Taxes for the period on income from continuing operations	-8,750	-7,268	-10,674	-12,705	-13,182	-17,006
300	**Net profits (loss) after tax from continuing operations**	**12,163**	**6,577**	**20,471**	**126,904**	**21,013**	**21,820**
330	Profit (loss) for the period attributable to minority interests	134	-166	74	4,373	-1,341	-3,353
340	**Parent Bank net profit (loss)**	**12,297**	**6,411**	**20,545**	**131,277** (1)	**19,672**	**18,467**

(1) The item as of 30 September 2007 includes the capital gain of Euro 126.5 million, net of tax, from the Parent Company's sale of 29.72% shareholding in Anima Sgrp.A. in July 2007

Statement of changes in consolidated shareholders' equity as of 30 September 2008

In thousands of Euros	Equity as of 31.12.2007		Change in opening balances	Equity as of 01.01.2008		Allocation of result from previous period			Changes over the period												
									Changes in reserves		Transactions in shareholders' equity								Net Profit (Loss) for the year as of 30.09.2008		Equity as of 30.09.2008	
						Reserves		Dividends and other allocations			Issue of new shares		Purchase of treasury shares		Extraordinary distribution of dividends	Change in capital instruments	Derivatives on treasury shares	Stock options				
Items	Group	Minority interests		Group	Minority interests	Group	Minority interests		Group	Minority interests	Group	Minority interests	Group	Minority interests					Group	Minority interests	Group	Minority interests
Shareholders' equity:																						
a) ordinary shares	*60,840*	*1,490*		*60,840*	*1,490*									*1,355*							*60,840*	*2,845*
b) other shares	*6,865*			*6,865*																	*6,865*	
Share premium reserve	16,145			16,145																	16,145	
Reserves:																						
a) retained earnings	*365,418*	*1,017*		*365,418*	*1,017*	*169,682*	*96*		*-1,826*	*-87*											*533,274*	*1,026*
b) others	*10,877*			*10,877*					*0*	*0*								*57*			*10,934*	
Revaluation reserves:																						
a) available for sale	*-4,275*			*-4,275*					*-4,643*	*-33*											*-8,918*	*-33*
b) cash-flow hedge																						
c) others:																						
tangible assets																						
special revaluation laws	22,896			22,896																	22,896	
employee benefits	1,021			1,021					-134	1											887	1
Capital instruments																						
Treasury shares	-92			-92									29								-63	
Net Profit (loss) for the year	183,630	96		183,630	96	-169,682	-96	-13,948	0										39,253	-42	39,253	-42
Shareholders' equity	**663,325**	**2,603**		**663,325**	**2,603**			**-13,948**	**-6,603**	**-119**			**29**	**1,355**				**57**	**39,253**	**-42**	**682,113**	**3,797**

Consolidated Cash Flow Statement

Items *In thousands of Euros*	30.09.2008	30.09.2007
A. OPERATIONS		
1. Management activities	**99,680**	**76,414**
- interest income earned (+)	357,918	277,143
- interest expenses paid (-)	-157,117	-105,834
- dividends and similar income (+)	1,257	986
- net commissions (+/-)	58,090	63,370
- staff expenses (-)	-97,211	-93,920
- net premiums earned (+)	84,251	80,351
- other insurance income/charges (+/-)	-88,507	-83,085
- other costs (-)	-60,269	-42,513
- other revenues (+)	27,960	22,809
- taxes and duties (-)	-26,692	-42,893
- costs/revenues related to discontinued operations net of tax effect (+/-)		
2. Liquid assets generated/absorbed by financial assets	**-638,794**	**-493,128**
- financial assets held for trading	14,735	-187,973
- financial assets at fair value through profit or loss	-55,295	-3,999
- available-for-sale financial assets	52,590	71,046
- amounts due from customers	-458,410	-598,289
- amounts due from banks: on demand	-113,810	-27,902
- amounts due from banks: other receivables	-74,784	94,306
- other assets	-3,820	159,683
3. Liquid assets generated/absorbed by financial liabilities	**552,770**	**330,228**
- amounts due to banks: on demand	-28,759	101,299
- amounts due to banks: other payables	-3,562	-7,258
- amounts due to customers	12,788	99,949
- securities issued	211,948	45,888
- financial liabilities held for trading	-1,113	4,297
- financial liabilities at fair value through profit or loss	193,367	157,010
- other liabilities	168,101	-70,957
Net liquid assets generated/absorbed by operations (A)	**13,656**	**-86,486**
B. INVESTMENTS		
1. Liquid assets generated by	**3,255**	**135,478**
- sale of equity investments	2,191	
- dividends received from equity investments		
- sale/redemption of financial assets held to maturity		
- sale of tangible assets	1,064	5,664
- sale of intangible assets		1,363
- sale of subsidiaries and business divisions		128,451
2. Liquid assets absorbed by	**-6,485**	**-10,561**
- purchase of equity investments		-10,460
- purchase of financial assets held to maturity	-106	-101
- purchase of tangible assets	-5,794	
- purchase of intangible assets	-585	
- purchase of subsidiaries and business divisions		
Net liquid assets generated/absorbed by investments (B)	**-3,230**	**124,917**
C. FUNDING ACTIVITIES		
- issues/purchases of treasury shares	29	
- issues/purchases of capital instruments		
- distribution of dividends and other purposes	-14,044	-44,702
Net liquid assets generated/absorbed by funding activities (C)	**-14,015**	**-44,702**
NET LIQUID ASSETS GENERATED/ABSORBED DURING THE YEAR (A+B+C)	**-3,589**	**-6,271**

Financial statements' items	**2008**	**2007**
Cash and cash equivalents at beginning of year	25,547	25,934
Total liquid assets generated/absorbed during the year	-3,589	-6,271
Cash and cash equivalents: effect of exchange rate changes		
Cash and cash equivalents at end of year	**21,958**	**19,663**

Declaration of the Executive responsible for preparing the corporate accounting documents

The undersigned Piercamillo Secchi, in the capacity of Executive responsible for the preparation of Banco di Desio e Brianza's corporate accounting documents, hereby declares, in compliance with Article 154 *bis,* paragraph 2, of Legislative Decree 58/1998, T.U.F. ("*Testo Unico della Finanza*", the Italian Consolidated Financial Law), that the accounting information contained in this "Interim Report of Operations at 30 September 2008" corresponds to the document results, books, and accounting records.

Desio, November 13 2008

The Executive responsible for preparing
the corporate accounting documents

Piercamillo Secchi