Banca IFIS

HALF - YEAR REPORT 2002

Banca IFIS S.p.A.
Share Capital: euro 21.450.000 fully paid-in
Included in the National Register of Banks: 3205
Venice Company Register and Fiscal Code:
02505630109

REGISTERED OFFICE
Via Terraglio, 65 – 30174 Mestre – Venezia
Web site: www.ifis.it

BRANCH OFFICE
Piazza del Plebiscito, 55 – 60121 ANCONA
Via C. Rosalba, 47/o – 70124 BARI
Via Lungarno Cellini, 25 – 50125 FLORENCE
Via A. Costa, 62 – 40026 IMOLA (BO)
Piazza Cadorna, 10 – 20145 MILAN
Via G. Porzio, 4 – Centro Dir. Isola E4 – 80143 NAPLES
Viale America, 93 – 00144 ROME
Via G. L. Lagrange, 35 – 10123 TURIN
Via Terraglio, 65 – 30174 VENICE – MESTRE

REPRESENTATION OFFICES
Boulevard Burebista, 3 – BUCAREST (ROMANIA)
Str. Andrei Saguna, 3 – TIMISOARA (ROMANIA)
Bajza U., 50 – BUDAPEST (UNGHERIA)

BOARD OF DIRECTORS

President	Sebastien Egon Fürstenberg
Vice President	Alessandro Csillaghy
Chief Executive Officer	Giovanni Bossi *
Board member	Guido Cefalù Leopoldo Conti Roberto Cravero
General Director	Alberto Staccione

BOARD OF STATUTORY AUDITORS

President	Umberto Trenti
Auditors	Franco Giona Mauro Rovida Stefano Berti Garelli Maurizio Simion
Independent Auditors	Deloitte & Touche S.P.A.

* To the Chief Executive Officer is attributed the powers for the ordinary management

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REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF OF 2002

REPORT ON OPERATIONS

Business during the first half of 2002

Banca IFIS starting its banking business as of 1 January 2002. The 30 June 2002 six monthly Report represents the first document on its operating situation written as a credit institution after nineteen years of business in the factoring sector as a non-banking financial company.

The six monthly report consolidated as of 30 June 2002 was written based on the provisions of Italian Legislative Decree no. 87 dated 27 January 1992 which governs the writing of annual and consolidated financial statements of banks and the requirements established by Consob (Italian Securities and Exchange Commission) with regulation n. 11971 and subsequent modifications.

The report is composed of consolidate balance sheets and notes accompanied by annotations on the operating situation of the group. In terms of the consolidated report, many references are made to the business of Banca IFIS holding company, due to the prevalence of banking business it carries out.

The group, as of 31 December 2001, is composed of Banca IFIS and Immobiliare Marocco S.p.A, which it has a 100% stake in.

The balance sheets consolidated as of 30 June 2002 are compared with those of 30 June 2001 and 31 December 2001, which as noted in section 3.1 - Part A of the consolidated notes, have been reclassified based on regulations applicable to credit institutions aimed at making them uniform with the balances of the six monthly consolidated report as of 30 June 2002.

With its transformation into Bank, IFIS started a process aimed at achieving dimensional development of deposits and investments, optimising the product offering for customers, improving the quality of credit and generally increasing the profitability of the company. Banca IFIS did not change its business profile following the transformation, which remains oriented towards financing working capital to small and medium enterprises by acquiring and managing company accounts receivable.

Its new banking role has made it possible for Banca IFIS to progressively increase its size from the start of the six month period by developing contacts with new operators and broadening the scale of its interventions with its old customers, despite the presence of a not very positive general market situation.

The first six months of business as a credit institution also allowed Banca IFIS to establish its development strategies both in terms of commercial activity and related to organisation, risk control and credit quality.

The consolidated six monthly report as of 30 June 2002 of Banca IFIS shows a net result of 1.921 thousand euro compared with a net result of 1.556 thousand euro as of 30 June 2001 (+23.5%).

Consolidated net assets as of 30 June 2002 were 41.777 thousand euro compared with consolidated net assets of 41.650 thousand euro as of 31 December 2001 and 41.840 thousand euro as of 30 June 2001.

Domestic and international development

Business during the first six months of 2002 witnessed a significant increase in operating volumes in terms of investments in customers, amount of acquired accounts receivable and number of customers with primarily positive results on profits.

Banca IFIS continues to pursue a strategy aimed at commercial expansion, demonstrated by the acquisition of new professional resources introduced in areas of great interest for the factoring market. Together with the development of the commercial network increasing the potential of the central organisation continued assigned with risk assessment and management of credit, finance and other operating, administrative and logistical aspects connected to carrying on the business.

Since 1999 Banca IFIS has been involved in acquiring accounts receivables of companies located in the Eastern European countries, in particular Romania and Hungary and is currently evaluating the prospects for working in Slovakia, the Czech Republic and Croatia and with intentions of developing in the former Yugoslavia, Poland, Bulgaria and all the other countries of Central Europe and the Mediterranean. The contacts already made characterised by growing volumes make it possible to confirm Banca IFIS's interest in the area and for the product as well as the expectation of adequate economic returns in the mid period.

The development of customers (assignors and debtors) located in other European Union and non-European Union countries is an increasingly important target for Banca IFIS in the near future. The Bank is firmly convinced that the business of financing the accounts receivables of SME cannot be excluded from the distribution of services following the modus operandi of businesses, and that internationalisation of production must be adequately supported in terms of financing of working capital.

For this reason, Banca IFIS has been accepted starting as of the third quarter of 2002 into the "Factor Chain International Association" which includes most of the major operators in factoring throughout the world and whose members manage approximately 55% of the global turnover of factored accounts receivables in the world.

Internal organization and operations

The first part of the year was very busy for the Bank in terms of operation and organisation .

The new information technology system started operation at the same time as the start of the banking business. It exploits the Company's experience and original approach in factoring. The system which is still being perfected represents a strong point for Banca IFIS in terms of the market. Further implementations were established during the first six months of 2002 which will increase its versatility and improve the ability to provide information in real time to Senior Management, branches and customers.

In terms of developing operation by use of the Web, Banca IFIS has already started a system of internal and external reporting called *IfisOnLine*. The system allows enabled users and all branches to display their accounting records online in secure conditions and to consult their position, the movement of accounts and the situation of assigned accounts receivables. This service is used by 32% of customers.

The mid term aim of the Bank continues to be the creation of an information technology procedure that also allows assigning of customers' accounts receivables and notification of assignments to debtors via the web and digital signature. The concrete effectiveness of this product (*factoring online*) will depend on issuing and distribution of certified digital signature technology.

The growth in size and organisation in recent years and the latest development prospects led the company to move Central Management to a new office in 2001 in order to provide a suitable environment in relation to the growth in organisation that has taken place in the past fiscal years.

The significant development that occurred during 2000 and 2001 combined with the prospects resulting from the transformation into Bank, have made the new office no longer adequate for the dimensional growth forecast for the next two-three years.

A project to rebuild Villa Marocco has been started by the group. This property is held by the entirely controlled company Immobiliare Marocco S.p.A. and is destined to become the company headquarters by 2004. In terms of other real estate, the decision was confirmed to sell company property that is no longer instrumental for the banking business. In particular, the property in Corte Lambruschini (Genoa) and in Padua will be sold when a suitable buyer is found.

The internal organisation has been reorganised aimed at taking into account the changed needs from operation of factoring business in the banking role and to adapt the organisation to the growth in size. In particular the accounts receivables area has been rationalised and redesigned with the addition of new employees, segmentation of activities and definition and formalisation of a growing number of procedures and controls. A process has been started which will lead Banca IFIS to directly access the National Interbanking Network, the direct management of financial flows, together with the possibility to issue cashier's checks to assigning businesses, will allow the Bank to further improve the quality of its service for customers.

Establishment of a new model of internal rating is in the final stages. It has been designed based on international best practices and is compatible with the standards required by the Basel Committee on Banking Supervision, the

provisions of which will probably become obligatory starting in 2006, with positive expected affects on the solvability coefficient for Credit Institutions who intend to bring their organisations and operation into line.

As of 30 June 2002 the staff of the Institution was composed of 2 managers, 17 middle management and 51 employees for a total of 70 employees (57 employees as of 31 December 2001 and 54 as of 30 June 2001). The Bank still operated primarily on a national scale with commercial offices in Ancona, Bari, Imola, Milan, Naples, Rome, Florence, Turin and Venice-Mestre and representation offices in Budapest, Bucharest and Timisoara. The business with non-resident subjects is carried out by the Management, which is also in charge of commercial activity of the branches as well as developing operational contacts with debtors.

Development lines

The programs envisage further rapid increase in the company size and number of customers, in a primarily specialist context aimed at the use of factoring as the key element of the Bank's intervention.

Development will be focussed along the following lines:

a) strengthen the old branches, with the aim of consolidating the important position reached in the factoring field for SME in the reference markets;

b) strengthen management positions particularly in reference to accounts receivable risk assessment and management, considered to be the most important risk the Bank is subject to and the back office, deemed to be a key element for correct company operation and for general risk protection;

c) implementation of international factoring for European Union countries and third party countries using the support of Factor Chain International and establishing standardised exchange agreements and procedures, as well as through the acquisition of an autonomous ability for accounts receivable risk assessment for big international debtors; in the foreign department, development of the acquisition of accounts receivables of companies located in countries with developing financial markets, confirmed by debtor companies located in advanced and high quality countries, in order to maximise profit by containing risk;

d) establishment and rapid implementation of an internal rating system able to standardise analysts' assessments, speed up and simplify the decisions of departments in charge of assessments, improve monitoring of credit risk, improve the definition of financial proposals by the units in charge of commercial development both in terms of credit quality and pricing optimisation;

e) further integration of SCI, an undeniable safeguard for protecting the Bank from risks that its business inevitably makes it subject to;

f) completion of logistical aspects (new headquarters, technological infrastructure) and sale of real estate assets that are not instrumental and have not been transferred.

Economic, asset and financial elements

Turnover of acquired accounts receivables

Turnover continued to grow even in the first and second quarters of 2002. A significant increase is forecast for the 2002 fiscal year. In detail, the numeric analysis related to acquired accounts receivables during the period witnessed a turnover of 366 million euro, a growth of 26,6% compared to the first half of 2001. This increase is justified by the development activity started during the last two year period. Business development is still in progress and the level reached in this six month period is not yet at the maximum level given the current size of the company.

During the first six months significant results were achieved with companies in Eastern European countries. Operations presented important growth rates and satisfactory economic margins. The volume of accounts receivables acquired from foreign assignors was equal to 8,2% of the total. Further improvement dimensional improvement is forecast for the second half of 2002.

Lending

Gross lending with customers, almost entirely represented by working capital financing operations for SME with the factoring formula, went from 183,3 million euro as of 30 June 2001 to 193,9 million euro as of 31 December and 209,7 million euro as of 30 June 2002 (+14,4% compared to 30 June 2001 and 8,1% compared to 31 December 2001). Factoring activity revealed a dimension not seen in the financial statements of a Bank, but it is a good sign for the specific activity, the number of accounts receivables per assignor underlines the total number of existing accounts receivables with debtors for the accounts receivables acquired by the factor at the end of a period. The evolution of total accounts receivables as of 30 June 2001, 31 December 2001 and 30 June 2002 was equal to 224,8 million euro, 271,3 million euro and 311,2 million euro (+38,4% compared to 30 June 2001 and +14,7% compared to 31 December 2001), confirming the increase in company dimension.

The accounts receivables quality has remained basically unchanged compared to December 2001: the net ratio between outstanding payments and investments as of 30 June 2001 is stable at 4,6% as it was as of 31 December 2001.

Funding

Banca IFIS group considers customer retail funds to be occasional and not part of the core business. The total amount of debts for funds is equal to 6.527 thousand euro as of 30 June 2002. This figure cannot be compared as customer retail funds was not effected as of 31 December 2001. With reference to the closing of the six month period, Banca IFIS did not issue securities or subordinated payables.

Banca IFIS group effects wholesale deposits from other Credit Institutions. As of 30 June 2002 debts to other Credit Institutions for deposits made by them amounted to 182 million euro. Credit lines established and used amounted to 193 million euro and 153 million euro as of 30 June 2001, and 229 million euro and 168 million euro as of 31 December 2001. The Banca IFIS's increase in debts to Credit Institutions compared to the close of the previous six month period was equal to 19% compared to 30 June 2001 and 8,3% compared to 31 December.

Profit and loss account

Reading of the data on the profit and loss statement compared with 30 June 2002, confirms a positive business trend.

The margin between receivable interest and payable interest passed from 3.362 thousand euro to 4.062 thousand euro with a increase of 20,8%. This increase is lower than the growth in average investment; the negative difference is due to the acquisition of high standing clientele and in the consequent improvement in the average quality of accounts receivables portfolio.

The margin for commissions passed from 1.652 thousand euro to 3.248 thousand euro with an increase of 96,6% clearly greater than the increase in turnover and with an incidence on turnover equal to 0,9%, a result of the shifting of the product mix in favour of services with a greater added value and a pricing policy aimed at increasing profit in the services component.

The net interest and other banking income reached an amount of 7.777 thousand euro compared with 5.330 thousand euro at the same terms during the same period of 2001.

Administrative expenses underwent an increase of 38% from 2.238 thousand euro during the first half of 2002 to 3.094 during the same period of this year. This distortion underlines an important variation but which is in line with forecast expenses for personnel (from 1.221 thousand euro to 1.709 thousand euro with a 40% increase) and a more limited growth in administrative expenses (from 1.017 thousand euro to 1.385 thousand euro +36,1%). The increase in administrative expenses is due to strengthening of the commercial network and Management in order to achieve the development plans that allowed the described results.

Adjustments on accounts receivables net of recovered value maintained a steady course and are equal to 1.077 thousand euro against 562 thousand euro during the same period of the previous fiscal year.

Proceeds and additional expenses resulted in a negative balance equal to

95 thousand euro against a positive balance equal to 97 thousand euro for the same period in 2001.

Income taxes account for 1.280 thousand euro on the profit and loss statement, against the 909 thousand euro for the first six months of 2001 and correspond to an average income tax rate of 40% of gross profit against 36,9% for the first six months of 2001.

Net incomes were equal to 1.921 thousand euro against 1.556 thousand euro as of 30 June 2001, with an increase equal to 23,4%.

Business through group companies and other business

As of 30 June 2002 Banca IFIS was the sole stakeholder of Immobiliare Marocco S.p.A..

Immobiliare Marocco S.p.A. is a real estate management company, with major holdings in Genoa and the Veneto, rented at market conditions, suitable for preserving the value over time and to constituting an adequate guarantee towards third parties. The company closed the 2002 half year period with a minor loss.

The Company has updated the corporate scope based on the banking regulations for capital real estate companies. Immobiliare Marocco also possesses the property destined to house the new company headquarters starting in 2004, once the important reconstruction is completed, which administrative procedures have already been started for. The Company, based on instructions from Banca IFIS which has assumed the approved decision for units it directly possesses to sell the company real estate that is no longer instrumental for the banking business of the group. In particular the property in Corte Lambruschini (Genoa) will be transferred once an adequate buyer is found, in conjunction with the approved business of the holding company. Other less important property in the province of Venice (belonging to Immobiliare Marocco) and in Padua (belonging to Banca IFIS) will also be sold.

Banca IFIS has confirmed financing to Immobiliare Marocco S.p.A. which as of 30 June 2002 was equal to 3.406 thousand euro, paid at market conditions. The credit is entered among the "Customer credits" in the Banca IFIS accounts. The interest pursued by Banca IFIS is to allow the held company to best exploit its real estate business. The relationship is characterised by the ordinary management needs of the held company Banca IFIS has also issued in its position of financial broker, a guarantee of 640 thousand euro as surety for fiscal credits of the held company.

Immobiliare Marocco *(figures in thousands of euro)*

	30 June 2002	**31 December 2001**
Assets		
Real estate	5.268	5.497
Other activities	1.195	1.359
Total Assets	*6.463*	*6.856*
Liabilities		
Share Capital	1.530	1.530
Other net amounts	(339)	(326)
Bank loans	1.554	1.635
Debts with Banca IFIS	3.406	3.824
Other liabilities	312	193
Total Liabilities	*6.463*	*6.856*
Profit and Loss Statement		
Proceeds from rentals	182	331
Other proceeds	33	162
Financing fees	(168)	(189)
Depreciation	(6)	(12)
Other costs, fees and expenses	(66)	(207)
Taxes	12	(91)
Results of period	*(13)*	*(6)*

***Corporate Governance* rules**

The Banca IFIS group, in part following the issue of the Self-regulating Code of Quoted Companies prepared by Borsa Italiana S.p.A., has compared its own Corporate Governance system with the provisions in the Code, deeming it basically in compliance with the guidelines of the company dimension of the held company.

The report of the Board of Directors, required by Borsa Italiana S.p.A., comparing the Corporate Governance System in place at the Company and the "Self-regulating Code of quoted Companies" was last approved on 21 March 2001 and is available on the company website *www.ifis.it*.

Risk control

During this six month period Banca IFIS has continued activity aimed at improving the Internal Control System (ICS) put in place to ensure a knowledgeable balance between profitability and assumed risks. The implementation of ICS was created, in compliance with the Supervisory Instructions issued by the Banca d'Italia, as a fundamental internal requirement of the Administrative Bodies and control, in the conviction of the opportunity of better control and management of risks compatible with the company dimension.

In particular Banca IFIS is currently completing the ICS intended as a corporate set of procedures and behaviours to achieve the following aims:

- effective and efficient company processes (administrative, productive, distributive etc.);
- safeguard the value of the businesses and protect from losses;
- reliability and integrity in accounting and management information;
- compliance of operations with the law, vigilance regulations, as well as internal policies, plans, regulations and procedures.

Credit risk

Improvement in the quality of credit is a strategic aim of Banca IFIS, pursuable by adopting integrated and coherent instruments and processes for guiding the management of credit in all its phases (investigation, granting, monitoring and problematic credits). The Internal Control System was established to create regulation of credit risks through integration of line, risk management controls and internal auditing activity controls.

Due to Banca IFIS's particular type of business, credit risk is the most important risk the Bank feels it is subject to. Governing credit risk is systematically and analytically protected for every operation, even with the help of operating procedures able to permit rapid identification of positions which present anomalies, and to monitor the evolution of the credit portfolio quality, through constant and diversified recording even based on the economic sector and type of assignor/debtor.

A project is also in the process of being established to create an Internal Rating System (IRS) able to assign assignors, debtors and the operation a credit standing useful for:

- immediately understanding the risk expressed by single financing operations;
- for each risk class establish adequate pricing from the commercial analysis phase of the operation feasibility;
- manage investments in terms from a portfolio risk logic;
- benefit from possible advantages offered by new planned minimum regulatory asset requirements .

Interest rate and liquidity risk

In principle interest rate and liquidity risk does not involve the management of Banca IFIS, which generally supplies financial resources and uses them in a short/very short term, at mainly floating or fixed rates with a return at sight or very short term maturity.

The risk control assumed by the treasury area, in observance of the strict limits established by the Board of Directors is guaranteed by particularly strict operating procedures and supplementary and reporting instruments aimed at further improving the monitoring of potential risks in this area.

Market risk

In principle market risk does not involve Banca IFIS management, which performs its business almost exclusively in the filed of financing working capital to SME with the factoring formula, without assuming a material market risk. The only exception is a small amount of payable deposits in foreign currency with a good correlation with the euro.

Operating risk

Operating risk are generally defined as risks of economic losses consequent to inadequate or incorrect systems and internal processes, human error or external events. During the second half of 2002 Banca IFIS intends to establish procedures for this type of event by setting up instruments for measuring operating risk. In particular, a periodic verification of operating risks will be made, using the mapping of processes effected for line control auditing.

Deliberation of extraordinary assembly held 30 April 2002. Stock options plan

The Banca IFIS Extraordinary Assembly held on 30 April 2002 gave the Board of Directors the right to increase freely and by payment with surcharge, in one or more times, the company capital, within a maximum period of five years, up to a maximum amount of 2.145.000 nominal euro for the free amount and 2.145.000 nominal euro for the paid amount. The free increase in capital and the paid increase in capital may be effected by issue of ordinary shares with a nominal value of 1 euro each, to assign and offer as a stock option to those who are eligible. The Board of Directors shall have the right to establish on a time to time basis: the surcharge of shares issued for payment, the range will be between 30% and 70% of the difference between the average stock market price from the month previous to the deliberation to increase and the nominal share value; the use, timeframes, procedures and conditions of the offer and breakdown of the increase.

The Assembly also gave the Board of Directors the right to issue a debenture loan convertible in Banca IFIS shares in one or more times, for a total amount not exceeding 10.000.000 euro and not over the limits set by statutory regulations, to be offered as an option to those who are eligible, with a correlated increase in corporate capital not exceeding 10.000.000 euro within a period of five years, determining the procedures, terms, conditions and related regulation and breakdown.

Finally the Assembly, subject to exclusion of option right ex. art. 2441, paragraphs 5 and 6 of the Italian Civil Code, gave the Board the right to increase, in one or more time, within a maximum period for five years, the corporate capital up to a maximum amount of 429.000 nominal euro by issuing a maximum of 129.000 ordinary shares with a nominal value of 1 euro each for a total of 129.000 euro to offer in underwriting to the board members and a maximum number of 300.000 shares with a nominal value of 1 euro each for a total of 300.000 euro to offer in underwriting to the employees of the Company, for the correlated Stock Option Plan, for a price equal to the arithmetic average of the official Stock Market price of ordinary Company shares during the last month prior to the Board of Director's deliberation to increase or if over, equal to the average official Stock Market price in the six months prior to the Board of Director's deliberation to increase, or if over the previous two, equal to the corresponding fraction of net assets resulting from the financial statement of the Company for the last fiscal year that closed before the date of the offering.

The Extraordinary Assembly on 30 April 2002 assigned the Board of Directors with establishing the criteria for the underwriting offering to increase capital with specific regulations as per the previous deliberation, by identifying the names the offering is destined for, the individual quantities to offer to be established according to parameters that take the specific position held within the company into account, the use of the newly issued shares, the breakdown of the increase in observance of the following criteria, limits and conditions as well as those previously specified:

a) for board members:

- recipients of the offering are board members with special positions which shall be established on the deliberation date, based on ad in observance of the motivations of the offering, aimed at instilling loyalty and involving the

recipients in the company project;

- the maximum amount of capital increase reserved for the board members subject of proxy ex. art. 2443 of the Italian Civil Code is equal to 129.000 euro (one hundred twenty-nine thousand) by means of the issue of a maximum number of 129.000 (one hundred twenty-nine thousand) ordinary shares with a nominal value of 1 (one) euro each ;
- ordinary type shares will be issued with no restrictions on inter-transferability, not even temporary;
- the duration of the option cannot exceed four years from the data of the underwriting offering;

b) for employees:

- recipients of the offering are employees in general, with individual quantities to be offered to be established based on parameters which take into account the position within the company, in keeping with plan aims;
- termination of employment, no matter for what reason, including death of the employee, will result in forfeiture of the right to the offered options;
- loans and/or other direct benefits are not provided to favour underwriting of the shares according to art. 2358, paragraph 3, Italian civil code;
- the maximum amount of capital increase reserved for the employees subject of the proxy in ex. art. 2443 of the Italian civil code is equal to 300.000 (three hundred thousand) euro by means of issue of a maximum number of 300.000 (three hundred thousand) ordinary shares of a nominal value of 1 (one) euro each
- ordinary type shares will be issued with no restrictions on inter-transferability, not even temporary;
- the duration of the option cannot exceed four years from the data of the underwriting offering;.

The Board of Directors has not exercised any of the rights attributed it by the ordinary assembly on 30 April 2002.

Relationships with non-consolidated group companies and correlated parties

As of 30 June 2002 the group is controlled by La Scogliera A.p.A. as it was as of 31 December 2001.

Scogliera S.p.A. is held by shareholders with historic reference to the group.

Existing relationships as of 30 June 2002 with the correlated parties are shown in the following prospectus (in thousands of euro). For relationships with Immobiliare Marocco, held at 100%, see the paragraph "Activities carried out through group Companies and other activities".

	Assets with:	**Liabilities with:**
HOLDING COMPANY:		
La Scogliera S.p.A.	---	1.574
CORRELATED PARTIES:		
Cofin Investimenti Immobiliari S.r.l.	3.037	---
Selco Immobiliare S.r.l.	1.367	---
Egon von Fürstenberg S.r.l.	433	---
TOTAL	4.837	1.574

During the half year the following operations were also effected with holding or correlated parties :

- The current account relationship continued, entered on the balance sheet in "Receivables with clientele" or if a liability, among the corresponding Debts, with the holding company La Scogliera S.p.A. The balance payable to Banca IFIS as of 30 June 2002 is equal to 1.574 thousand euro. The relationship is regulated by market conditions..
- Opening of credit for Cofin Investimenti Immobiliare S.r.L. has been confirmed for an amount of 3.037 thousand euro against continuation of the real estate initiatives In Veneto, Lombardy and Liguria, in expectation of market realisation. The financing is interest-bearing in line with that normally earned by Banca IFIS on the market. Banca IFIS's interest in the operation consists in the profitable use of available financial resources.
- Opening of credit for correlated Selco Immobiliare S.r.L. held at 50% by Cofin Immobiliari S.r.L. was granted against ordinary real estate interventions undertaken by the company. Banca IFIS's interest in the operation consists in the profitable use of available financial resources. Subsequent to closing of the half year the Company repaid the entire amount.
- Credit to the company Egon von Fürstenberg S.r.l. is from temporary financing granted to the Company, connected to requirements tied to its ordinary operation. Banca IFIS's interest in the operation consists in the profitable use of available financial resources at market rates.
- As of 30 June 2002 there were no guarantees with controlled, connected, holding or correlated parties, other than those previously mentioned. No particular or unusual operations were effected near the half year closing date with held companies or other counterparts.

Operations on own shares

No operations were effected on own shares during the first six months of 2002.

The assembly of Banca IFIS shareholders on 30 April 2002 renewed the authorisation to acquire and transfer own shares, according to articles 2357 and subsequent of the Italian civil code and art. 132 of Legislative Decree 58/98, establishing a price range within which the shares may be purchased from a minimum equal to 30 euro for a maximum total of 2.145.000 euro and also establishing a new duration of the authorisation equal to 18 months from the deliberation..

The administrative body did not exercise this delegation of powers as of the date this report was prepared, therefore Banca IFIS does not hold own shares on the date of half year closing, nor on the date this Report was written.

Significant facts after closing of the half year

No significant event, other than those explained elsewhere occurred after the close of the half year.

Forecast management evolution

The business trend during the months of July and August 2002 continued to witness a significant operating growth compared to the same period in 2001: turnover of accounts receivables limited to the two months after the half year was equal to 128 million euro against 106,3 million for the same period in 2001 (+20,4%). The increase in turnover in January-February 2002 compared to the same period in the previous fiscal year reached 25%.

The premises for the second half of the year are comforting and make it possible to be optimistic on the overall trend, despite the fact that uncertainties remain on the macroeconomic situation for industrial SME, the typical client of Banca IFIS.

Venice - Mestre, 9 September 2002

for the Board of Directors

Sebastien Egon Fürstenberg
President

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30TH JUNE 2002

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30TH JUNE 2002

(in thousands of euro)

	ASSETS	30/06/2002	31/12/2001	30/06/2001
10	Cash and deposits with central banks and post office	4	13	7
30	Due from banks	10.817	6.975	7.812
40	Receivables from Customers	202.384	188.687	180.831
50	Bonds and other fixed income securities	441	444	444
60	Shares, quotas and other forms of capital	62	62	62
80	Investments in Group companies	---	9.058	9.065
110	Intangible assets	554	728	208
120	Tangible assets	20.924	5.053	4.889
150	Other assets	2.710	3.349	3.727
160	Accrued income and prepaid expenses	260	1.074	48
	TOTAL ASSETS	238.156	215.443	207.093

	TOTAL LIABILITIES	30/06/2002	31/12/2001	30/06/2001
10	**Due to banks**	**185.038**	**168.388**	**153.048**
20	**Due to customers**	**6.527**	**25**	**8.802**
50	**Other liabilities**	**2.315**	**2.626**	**2.908**
60	**Accrued liabilities and deferred income**	**683**	**55**	**261**
70	**Employees' severance indemnity**	**474**	**392**	**338**
80	**Provisions for liabilities and expenses**	**1.342**	**2.307**	**896**
150	**Share capital**	**21.450**	**21.450**	**22.156**
160	**Share premium reserve**	**16.675**	**16.675**	**16.675**
170	**Reserves**	**1.731**	**1.159**	**453**
	(a) legal reserve	1.021	902	196
	(b) reserves for own share	775	775	775
	(d) other reserves	(65)	(518)	(518)
200	**Net income for the period**	**1.921**	**2.366**	**1.556**
	TOTAL LIABILITIES	**238.156**	**215.443**	**207.093**

	GUARANTEES AND COMMITMENTS	30/06/2002	31/12/2001	30/06/2001
10	**Guarantees given**	**2.813**	**2.293**	**2.335**
20	**Commitments**	**41.976**	**43.529**	**43.363**

CONSOLIDATED STATEMENTS OF INCOME		30/06/2002	30/6/2001	31/12/2001
10	Interest income and similar revenues	7.348	6.988	15.019
20	Interest payable and similar charges	(3.286)	(3.626)	(7.262)
30	Dividends and other revenues	9	6	6
40	Commission income	3.536	1.883	4.499
50	Commission payable	(288)	(231)	(502)
60	Profits (Losses) on financial transactions	3	36	48
70	Other operating income	455	274	629
80	Administrative costs	(3.094)	(2.238)	(4.805)
90	Adjustments to tangible and intangible assets	(310)	(164)	(403)
110	Other operating charges	---	---	(26)
120	Adjustments to loans and provisions for guarantees and commitments	(1.077)	(562)	(3.391)
170	Income (loss) from investments carried at equity	---	2	(6)
180	Income from operating activities	3.296	2.368	3.806
190	Extraordinary income	9	145	178
200	Extraordinary charges	(104)	(48)	(51)
210	Extraordinary income (loss) net	(95)	97	127
240	Income taxes	(1.280)	(909)	(1.567)
260	Net income for the period	1.921	1.556	2.366

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The purpose of the notes is to provide an illustration and analysis of the contents of the consolidated financial statements and contain the information required by the provisions of Legislative Decree no. 87/92 abd the Regulation of Banca d'Italia no. 14 dated 16 January 1995 and subsequent modifications. In addition, all supplementary information deemed opportune to integrate the representation of the data in the consolidated financial statements, even if nor required by law.

A summary of the variations in the consolidated net assets and the consolidated financial statement are attached to the six monthly consolidated report.

The half-year consolidated report is submitted to Deloitte & Touche S.p.A. for a limited auditing procedure.

The conslidated notes are broken down into four parts:

Part A – Valuation criteria

Section 1 – Description of valuation criteria
Section 2 – Adjustments and provisions recorded for fiscal purposes
Section 3 – Additional information

Part B – Information on Consolidated Corporate Assets

Sezione 1 – Accounts receivable
Sezione 2 – Securities
Sezione 3 – Equity investments
Sezione 4 – Tangible and intangible assets
Sezione 5 – Other assets
Sezione 6 – Debts
Sezione 7 – Allowances
Sezione 8 – Share capital, reserves, general bank risk reserve and subordinated liabilities
Sezione 9 – Other liabilities
Sezione 10 – Guarantees and commitments
Sezione 11 – Concentration and distribution of assets and liabilities
Sezione 12 – Management and trading on behalf of third parties

Part C – Information on Statement of income

Sezione 1 – Interest
Sezione 2 – Commissions
Sezione 3 – Profits and losses from financial transactions
Sezione 4 – Administrative costs
Sezione 5 – Adjustments, recoveries and provisions
Sezione 6 – Other statement of income captions
Sezione 7 – Additional information on the profit and loss statement

Part D – Additional information

Sezione 1 – Board members and auditors

Consolidation area

The six monthly consolidated financial report was written based on the half year financial situation as of 30 June 2002 prepared by the company board members included in the consolidation area for the approval of the Assembly of Shareholders.

The six monthly financial report as of 30 June 2002 includes, according to the full method, the half year financial situation of the controlled company Immobiliare Marocco S.p.A.:

	Headquarters	Net Assets	Six month Result	% direct Stake
Immobiliare Marocco S.p.A.	Mestre (VE)	1.190	(14)	100

Consolidation principles and criteria

The accounting value of the stake held by Banca IFIS in the controlled companies is eliminated during consolidation, against the related net assets in relation to the assumption of receivables and payables of the held company according to the full method. Any positive differences that emerge from this compensation (cost of the stake higher than the pertinent net asset) are charged where possible to the receivable and payable elements of the controlled company and the residual compensated at other reserves. Where the difference is charged to payable elements, where possible this is amortised according to the criteria applicable for the specific item.

From the integral consolidation process which took place during the six month period as of 30 June 2002, a value attributable to property emerged equal to 7.854 thousand euro. This value, which reflects the purchase cost surplus of the stake in Immobiliare Marocco S.p.A. compared to the resulting amount of assets resulting from the financial situation of the controlled company, is shown in the consolidated asset situation at item 120 "Tangible assets".

PART A - VALUATION CRITERIA

SECTION 1 - DESCRIPTION OF VALUATION CRITERIA

The evaluation criteria used to prepare the six month report are listed below.

1.1 Accounts receivables, guarantees and commitments

Accounts receivables

Credits are recorded at their nominal value less the estimated break-up value.

Receivables are calculated distinguishing between current and blocked receivables and outstanding receivables.

Current and blocked receivables are calculated together by estimation of an adjustable fund, this fund is created by applying a flat-rate abatement percentage that takes into account the physiological risk involved in the mass of receivables in part based on Historical-statistical indicators.

Outstanding receivables are calculated analytically. Analytical value adjustments are divided into "depreciations" and "losses on receivables". A depreciation occurs in the presence of an non-definitive reduction in value, even if opportune, the amount of the depreciation is put in an adjustable analytical fund of the receivable it affects. A loss on receivables occurs in the presence of a certain and definitive reduction in the value, the amount of the loss is removed from the receivable, all or in part.

If the value adjustments involve receivables classified as current or blocked at the end of the previous fiscal year, or receivables from the current half year, they are shown as a reduction of the abated adjustable fund in previous fiscal years according to flat rate criteria, with charging to the profit and loss statement for the surplus amount.

For the sole purposes of representing the receivables in the consolidated notes, adjustments of values relative to flat rate calculated receivables have been conventionally attributed to receivables in proportion to the value of each receivable, so that they are uniformly represented with the data shown in the company receivables in the various sections of the notes.

Accounts receivable assignment operations

The accounts receivables from financing granted to the customers for accounts receivables assigning operations according to law no. 52/91 are recorded as receivables. The nominal value of the acquired accounts receivables is shown in the consolidated notes among the details of the "Accounts receivables from customers clients" item.

Accounts receivables which have been definitively acquired are recorded in receivables at their purchase price. If they were underwritten for a value inferior to their nominal value, the purchase price is entered in receivables, while the nominal value of these receivables is shown in the consolidated notes among the details of the "Accounts receivables from customers" item.

Receivables for which only a collection service is provided are not included in the items of the consolidated six month report and are indicated at their nominal value in the consolidated notes among the details of the "Accounts receivables from customers" item.

Receivables deriving from financing contracts are entered as receivables for the amount paid.

Guarantees and commitments

Specific credit risks regarding guarantees and commitments are calculated using the same criteria for calculating accounts receivables.

The guarantees issued are entered at the contractual value of the commitment underwritten for the beneficiary.

1.2 Securities and "off balance sheet" operations (excluding foreign currency transactions)

Locked up securities

The group does not possess locked up securities in its portfolio

Non-locked-up securities

Securities not destined for stable company investment are calculated at the lesser between purchase price and market value.

1.3 Equity investments

Equity investments

Minor investments are calculated at cost, established based on the purchase or underwriting price. The cost is reduced for lasting losses in value if the controlled companies have sustained losses and proceeds sufficient to absorb these losses are not foreseen for the immediate future. An investment is considered to be held when there is ownership of at least a tenth of the rights to vote in ordinary assembly.

1.4 Currency assets and liabilities (including "off balance sheet" operations)

Currency Assets and Liabilities

Currency assets and liabilities are converted into euro with the end of period exchange rate.

The effect of these calculations is recorded in the profit and loss statement at the item "profits/losses from financial operations". Currency costs and proceeds are obtained with the existing exchange rate at the time of entry.

1.5 Tangible fixed assets

Tangible fixed assets

Tangible assets are entered at purchase cost including direct charge fees as well as expenses with an incremental nature, and are systematically depreciated by calculating certain amounts with reference to rates that represent the useful life cycle of the assets. The depreciation process is interrupted for assets destined to be transferred, their net accounting value is presumed not to be inferior for the market value and for the property being rebuilt destined to house the new company headquarters.

Ordinary maintenance and repair expenses are charged to the profit and loss statement.

Leasing operation receivables and payables

The group is no longer active in the leasing sector. The accounting data for the only remaining position is effected starting from this consolidated report according to the equity method.

Assets held in leasing are represented by the building used by management, current headquarters of Banca IFIS and another property located in San Donà di Piave (VE) destined to be sold.

The criteria used for the assets held in leasing in the consolidated half year report is the equity method.

Use of the equity method, described in IAS accounting principle no. 17, considers the surplus of the total of contractual rental payments on the account of the related assets as receivable interest to be charged to the profit and loss statement based on a constant payment amortisation.

Effects on assets and profits that result from this accounting method are annotated in the "tangible assets" item.

Withdrawn assets, related to terminated leasing contracts are calculated at the amortised cost at the time of withdrawal or, if less, at then assumed break-up value.

1.6 Intangible fixed assets

Intangible fixed assets

Are entered in the balance at the sustained and amortised cost at constant amounts, for a period not exceeding 5 years, with the straight line method.

1.7 Other aspects

Own shares

Own shares are calculated at the lesser between purchase price and market value.

The cost is determined by applying the "Lifo" method.

Accruals and payables

These are calculated according to an accrual period principle, in order to correctly identify the economic components of the six month period.

Debts

Debts are entered at their nominal value.

Redundancy pay

This item includes the redundancy payment benefits accrued by the employees at the close of the period, calculated in compliance with legal provision and statutory labour contracts.

Provisions for liabilities and expenses

Funds for risks and expenses are destined to cover losses, expenses or debts of a certain nature, with a probable or certain existence, that the amount and date they will occur is unknown as of the closing date.

The tax fund contains reserve for current and differed taxes for the specific period.

Costs and proceeds

Interest and commissions, as well as other costs and proceeds, are entered according to the principle of accrual date.

Income tax

Current taxes are calculated taking into account the estimated tax rate for the end of the year applied to the consolidated result of the midyear period, considering any possible applicable exemptions and tax benefits.

The criteria used for recording differed taxes is the "income statement liability method".

Liabilities for differed taxes originate from taxable temporary differences and represent differed taxes that will be paid in the following half year and in subsequent fiscal years. Assets for anticipated taxes originate from deductible temporary differences and represent taxes paid ahead of time that can be recovered in the following semester of subsequent fiscal years.

Accounting of differed tax liabilities is subject to a *probability test*, or rather a verification that the presuppositions exist that the latent fiscal expense will become an effective expense, so allocation is only made for differed tax liabilities related to temporary differences with a predetermined "inversion" time profile.

Prepaid taxes for temporary differences with predetermined "inversion" times are recorded as assets when the "reasonable certainty" requirement of their recovery is met.

The theoretical Irpeg and Irap rates at the time the temporary differences invert have been applied to the nominal value of the temporary differences. Separate calculation have been made for Irpeg and Irap. In the case of Irpeg, given the impossibility of establishing certain future applicable rates, the effective average rate from the last fiscal year was used equal to 30% of taxable income, as this was felt to be an adequate estimate of the average tax rate for future fiscal years. For Irap, a tax rate of 4.75% is applied for 2002 and 4.25% for 2003 and subsequent years.

SECTION 2 - ADJUSTMENTS AND PROVISIONS RECORDED FOR FISCAL PURPOSES

2.1 Value adjustments effected solely in application of tax regulations

No value adjustments were effected solely in application of tax regulations.

2.2 Fiscal reserves effected solely in application of tax regulations

No fiscal reserves were effected solely in application of tax regulations.

SECTION 3 – ADDITIONAL INFORMATION

3.1 Adjustment of some accounts of the consolidate financial statement as of 31 December 2001 and consolidated financial report as of 30 June 2001.

In consideration of the transformation of the parent company from a financial firm to a credit firm as of 1 January 2002, consolidation of the held company Immobiliare Marocco S.p.A. was effected with the full consolidation method, as per provisions of Memorandum 166 dated 30 July 1992 and subsequent updates of the Banca d'Italia. In the half year report as of 30 June 2002 and the financial statement as of 31 December 2001 the stakes were valued with the equity method.

For the purpose of making the half year report as of 30 June 2002 comparable with the consolidated financial statement as of 31 December 2001 and half year report as of 30 June 2001, the balance sheet layouts have been reclassified based on regulations applicable to non-banking financial brokers according to provisions issued for credit institutions In order to adequately annotate the above variations, the details contained in the related notes have also been reclassified.

The balance sheet layouts for the consolidated financial statement as of 31 December 2001 and the consolidated half year report as of June 2001 and details in the respective notes have been converted into euro.

3.2 Modifications of drafting and evaluation criteria

In drafting the half year consolidated situation as of 30 June 2002, with the exception of that mentioned above, the same drafting and evaluation criteria as previous fiscal years were observed

PART B - INFORMATION ON CONSOLIDATED CORPORATE ASSETS

The amounts indicated in the prospectuses, unless otherwise specified, are expressed in thousands of euro.

ASSETS

Section 1 – Accounts receivables

Composition of item 10 "Cash and deposits with central banks and post offices"

		30/06/2002	31/12/2001
(a)	Banknotes and coins	4	13
	Total	**4**	**13**

Composition of item 30 "Due from banks"

		30/06/2002	31/12/2001
	On sight	**10.705**	**6.975**
(a)	Current accounts	10.705	6.975
	Other receivables	**112**	**---**
(b)	Receivables with central banks	112	---
	Total	**10.817**	**6.975**

1.1 Details of "Due from banks"

		30/06/2002	31/12/2001
(a)	Due from central banks	112	---
(b)	Bills receivable to refinancing at central banks	---	---
(c)	Bonds	---	---
(d)	Securities loan	---	---

The amount in point (a) represents the balance of the obligatory operating reserve account at the Banca d'Italia.

The consolidate receivables situation with banks as of 30 June 2002 does not include any receivables with dubious outcome, therefore tables 1.2, 1.3 and 1.4 were not used.

Composition of item 40 "Receivables from customers"

		30/06/2002	31/12/2001
(a)	Ordinary current accounts and other financing	28.686	30.312
(b)	Advance accounts for assignment of paid receivables	127.847	120.850
(c)	Advance accounts for assignment of payable receivables	28.540	24.897
(d)	Receivables with debtors for definitive acquisition	15.066	11.195
(e)	Advance accounts on assignment for future receivables	8.558	7.480
(f)	Open loans	520	18
(g)	Other receivables	578	---
(h)	Value adjustments	(7.411)	(6.065)
	Total	**202.384**	**188.687**

Receivables from customers are entered at the presumed break-up value, determined according to the procedure described in Part A - Section 1 of these notes.

1.5 Detail of item 40 "Receivables from customers"

		30/06/2002	31/12/2001
(a)	Drafts with central banks	---	---
(b)	Bonds	---	---
(c)	Securities loan	---	---

1.6 Secured receivables from customers

		30/06/2002
(a)	From mortgages	---
(b)	From pledges on:	---
	1. Cash deposits	---
	2. Securities	---
	3. Other collateral	---
(c)	From guarantees of:	83.507
	1. States	---
	2. Other public institutions	---
	3. Banks	---
	4. Other operators	83.507
	Total	**83.507**

For receivables partly backed by guarantee, only the guaranteed amount is indicated.

Outstanding receivables (including interest on arrears)

		30/06/2002	31/12/2001
	Outstanding receivables	**9.319**	**8.507**

The incidence of these net outstanding receivables on the total of receivables with clients during the six monthly report consolidated as of 30 June 2002 is equal to 4,6% (4,51% as of 31/12/2001 at the same conditions)..

Receivables for interest on arrears

		30/06/2002	31/12/2001
(a)	Outstanding receivables	103	93
(b)	Other receivables	---	---
	Total	**103**	**93**

1.7 Situation of cash receivables from customers

The following is the situation as of 30 June 2002 for cash receivables from customers, by degree of risk as well as the related dynamics of uncertain credit and overall value adjustments made during the six month period.

	Categories/Values	Gross exposure	Adjustments of total value	Net exposure
A.	**Uncertain receivables**	**18.593**	**5.333**	**13.260**
A.1	Outstanding	14.609	5.290	9.319
A.2	Blocked	3.984	43	3.941
A.3	Receivables being rescheduled	---	---	---
A.4	Rescheduled receivables	---	---	---
A.5	Unsecured receivables with risky countries	---	---	---
B.	**In bonus receivables**	**191.202**	**2.078**	**189.124**
	Totals	**209.795**	**7.411**	**202.384**

1.8 Dynamics of uncertain receivables with clientele

	Reasons/Categories	Out-standing	Blocked	Being rescheduled	Resched-uled	Unsecured receivable with risky country	**Total**
A.	**Initial gross exposure**	**12.971**	**942**	**---**	**---**	**---**	**13.913**
A.1	*of which: for interest on arrears*	*660*	---	---	---	---	*660*
B.	**Increased variations**	**2.262**	**3.728**	**---**	**---**	**---**	**5.990**
B.1	afflux from in bonus receivables	1.081	3.683	---	---	---	4.764
B.2	interest on arrears	280	---	---	---	---	280
B.3	transfer from other categories of uncertain receivables	521	---	---	---	---	521
B.4	other increased variations	380	45	---	---	---	425
C.	**Decreased variations**	**624**	**686**	**---**	**---**	**---**	**1.310**
C.1	outlay for in bonus receivables	---	---	---	---	---	---
C.2	cancellations	---	---	---	---	---	---
C.3	collections	624	165	---	---	---	789
C.4	recovery through assignment	---	---	---	---	---	---
C.5	transfers to other uncertain receivable categories	---	521	---	---	---	521
C.6	other decreased variations	---	---	---	---	---	---
D.	**Final gross exposure**	**14.609**	**3.984**	**---**	**---**	**---**	**18.593**
D.1	*of which: for interest on arrears*	*940*	---	---	---	---	*940*

1.9 Dynamics of overall value adjustments from customers

	Reasons/Categories	Out-standing	Blocked	Being rescheduled	Resched uled	Unsecured receivable with risky country	In bonus receiv-ables	**Total**
A.	**Initial overall adjustments**	**4.464**	**---**	**---**	**---**	**---**	**1.601**	**6.065**
A.1	*of which: for interest on arrears*	*567*	---	---	---	---	---	*567*
B.	**Increased variations**	**826**	**43**	**---**	**---**	**---**	**507**	**1.376**
B.1	value adjustments	796	43	---	---	---	507	1.346
B.1.1	*of which: for interest on arrears*	*269*	---	---	---	---	---	*269*
B.2	use of risk funds on receivables	---	---	---	---	---	---	---
B.3	transfer from other receivables categories	30	---	---	---	---	---	30
B.4	other increased variations	---	---	---	---	---	---	---
C.	**Decreased variations**	**---**	**---**	**---**	**---**	**---**	**30**	**30**
C.1	recovery from valuation	---	---	---	---	---	---	---
C.1.1	*of which: for interest on arrears*	---	---	---	---	---	---	---
C.2	recovery from collection	---	---	---	---	---	---	---
C.2.1	*of which: for interest on arrears*	---	---	---	---	---	---	---
C.3	cancellations	---	---	---	---	---	---	---
C.4	transfer to other receivables category	---	---	---	---	---	30	30
C.5	other decreased variations	---	---	---	---	---	---	---
D.	**Final overall adjustments**	**5.290**	**43**	**---**	**---**	**---**	**2.078**	**7.411**
D.1	*of which: for interest on arrears*	*836*	---	---	---	---	---	*836*

Overall value adjustments represent all the direct or straight line devaluations made on receivables, as defined in the Supervisory instructions for compiling the Accounting Matrix.

The operating details for the factoring business effected during the six month period or in existence at its close are provided below:

		30/06/2002
A.	**Existing receivables**	**311.213**
(a)	Current payable receivables	218.610
(b)	Current paid receivables	68.358
(c)	Definitively acquired receivables	14.024
(d)	Only managed receivables	10.221
B.	**Commitments**	**180.011**
(a)	On current payable receivables	127.847
(b)	On current paid receivables	28.540
(c)	On definitively acquired receivables	15.066
(d)	On future receivables	8.558

Section 2 - SECURITIES

Securities owned by Banca IFIS are classified as follows:

		30/06/2002	31/12/2001
A.	**Bonds**	**441**	**444**
	Treasury securities and other similar securities for refinancing at central banks	---	---
	Bonds and other types of securities	441	444
B.	**Shares, quotas and other form of capital**	**62**	**62**
	Total	**503**	**506**

of which:

		30/06/2002	31/12/2001
1.	Locked-up securities	---	---
2.	Non-locked-up securities	503	506
	Total	**503**	**506**

Composition of item 50 "Bonds and other securities"

	30/06/2002	31/12/2001
C.C.T.	441	444
Total	**441**	**444**

The securities indicated in this item are primarily locked up to provide a bank guarantee issued to third parties upon request of the holding company in its own and its clientele's interest.

Composition of item 60 "Shares, quotas and other form of capital"

	30/06/2002	31/12/2001
n. 500 Banca di Genova e S. Giorgio shares	1	1
n. 9.075 Banca Antoniana Popolare Veneta shares	61	61
Total	**62**	**62**

The shares existing as of 30 June 2002 are locked up to provide a bank guarantee issued to third parties upon request of the holding company in its own and its clientele's interest..

2.1 Locked-up securities

Locked up securities are destined to be held for a stable company investment.

As of 30 June 2002 the group did not hold locked-up securities, nor did it hold any as of 30 June 2001 or as of 31 December 2001. Therefore tables 2.1 and 2.2 were not used.

2.3 Non-locked-up securities

		Balance sheet value	Market value
1.	**Securities**	**441**	**448**
1.1	Government Securities	441	448
	- traded	441	448
	- not traded	---	---
1.2	Other securities	---	---
	- traded	---	---
	- not traded	---	---
2.	**Capital securities**	**62**	**166**
	- traded	61	165
	- not traded	1	1
	Totals	**503**	**614**

Comparison of purchase cost of the shares and market value as of 30 June 2002 results in a latent capital gain of approximately 111 thousand euro.

2.4 Variation in non-locked-up securities occurring during the six month period

A.	**Initial amount**	**506**
B.	**Increases**	---
B1.	Purchases	---
	- Securities	---
	+ Government securities	---
	+ other securities	---
	- Capital securities	---
B2.	Recoveries and revaluations	---
B3.	Transfer from locked-up portfolio	---
B4.	Other variations	---
C.	**Decreases**	**3**
C1.	Sales and reimbursements	3
	- Securities	3
	+ Government securities	3
	+ other securities	---
	- Capital securities	---
C2.	Transfer to locked-up portfolio	---
C5.	Other variations	---
D.	**Final amount**	**503**

Section 3 – EQUITY INVESTMENTS

3.1 Significant equity investments

Name		Office	Relation-ship	Net assets	Profit / loss	Stake ratio		Votes in ordinary assembly	Value in consoli-dated statement
						Held company	Share %		
A	Companies included in consolidation								
A.1	full method:								
1.	Immobiliare Marocco S.p.A.	Mestre (VE)	(1)	1.190	(14)	Banca IFIS S.p.A.	100,00	100,00	
A.2	proportional method:	---	---	---	---	---	---	---	
B.	Investments valued at net assets:	---	---	---	---	---	---	---	
C.	Other significant investments	---	---	---	---	---	---	---	---
Legend (1) = control ex art. 2359 c.c., paragraph 1, n. 1									

The data related to net assets and the result shown in the table refer to the six monthly situation of the held company as of 30 June 2002.

3.2 Assets and liabilities with group companies

As of 30 June 2002 the Banca IFIS group had not recorded assets or liabilities with group companies that were not consolidated by the full consolidation method. Therefore the table 3.2 was not used.

3.3 Assets and liabilities with subsidiaries (other than group companies)

As of 30 June 2002 the Banca IFIS group had not recorded assets or liabilities with subsidiaries companies different than group. Therefore the table 3.3 was not used.

3.4 Composition of item 70 "Equity investments"

The group holds a minority investment, equal to 25 thousand euro in an unlisted company, Cofin Aviation S.r.l. in liquidation, which however is devalued for the entire entry value of the stake.

3.5 Composition of item 80 "Investments in group companies"

As of 30 June 2002 the Banca IFIS group did not possess investments in group companies that were not consolidated by the full consolidation method, therefore the table 3.5 was not used

3.6 Changes in equity investments

3.6.1 Investments in Group companies

During the six month period there were no variations in the amount of consolidated stakes, therefore table 3.6.1 was not used.

3.6.2 Other investments

A.	**Initial in existence**	---
B. B1. B2. B3. B4.	**Increases** Purchases Recoveries Revaluations Other variations	--- --- --- --- ---
C. C1. C2. C3.	**Decreases** Sales Value adjustments *of which:* *- prolonged devaluations* Other variations	--- --- --- --- ---
D.	**Final balance**	---
E.	Total revaluations	---
F.	Total adjustments	25

Section 4 - TANGIBLE AND INTANGIBLE FIXED ASSETS

Composition of item 120 "Tangible fixed assets"

This item includes the tangible assets directly possessed by the group, including leased property entered according to the equity method.

	31/12/2001	Increases	Variations due to consolida-tion	Decreases	30/06/2002
real property					
- historic cost	4.155	---	16.557	---	20.712
- depreciation reserve	(610)	(2)	(248)	---	(860)
- net value	3.545	(2)	16.309	---	19.852
withdrawn real property					
- historic cost	209	---	---	(3)	206
- depreciation reserve	(91)	---	---	2	(89)
- net value	118	---	---	(1)	117
furniture and furnishings					
- historic cost	470	29	4	---	503
- depreciation reserve	(210)	(39)	(4)	---	(253)
- net value	260	(10)	---	---	250

	31/12/2001	Increases	Variations due to consolida-tion	Decreases	30/06/2002
machinery and various equipment					
- historic cost	115	12	6	---	133
- depreciation reserve	(108)	(2)	(3)	---	(113)
- net value	7	10	3	---	20
electronic office machines					
- historic cost	400	61	---	---	461
- depreciation reserve	(261)	(48)	---	---	(309)
- net value	139	13	---	---	152
vehicles					
- historic cost	634	205	---	(57)	782
- depreciation reserve	(213)	(79)	---	43	(249)
- net value	421	126	---	(14)	533
assets to be leased					
- historic cost	671	---	(671)	---	---
- depreciation reserve	(108)	(18)	126	---	---
- net value	563	(18)	(545)	---	---
TOTAL					
- HISTORIC COST	**6.654**	**307**	**15.896**	**(60)**	**22.797**
- DEPRECIATION RESERVE	**(1.601)**	**(188)**	**(129)**	**45**	**(1.873)**
- NET VALUE	**5.053**	**119**	**15.767**	**(15)**	**20.924**

The item real property assets refers to the management property located in Genoa (13th, 14th, 15th and 16th floors of the building known as Torre B. of Corte Lambruschini), to the building in the process of being rebuilt possessed by the held company Immobiliare Marocco annotated in the management report, as well as the property in Bucharest (Romania), office of the Banca IFIS representative office and other property of residual value, in addition to property entered with the financing method specified below.

Banca IFIS Board of Directors voted to sell the property in Genoa, consequently depreciation procedures were interrupted starting with the last fiscal year, based on the break-up value. The property owned by Immobiliare Marocco, in the process of being rebuilt, was not depreciated.

In the "assets withdrawn" item the value of an asset from aterminated leasing contract is shown, for which the realisation procedure has been started. The depreciation procedure has been stopped for this property. It is believed that the break-up value of this property is not less than market value.

Accounting of the leasing operations was effected based on the equity method provided by IAS accounting principle no. 17. In terms of accounting effected according to the equity method, the net amount of assets is 2.564 thousand euro higher and the related fund 78 thousand euro lower, the improvements on third party assets is 437 thousand euro lower, the other activity 306 thousand euro, accrued costs 807 thousand euro, accrued income 11 thousand euro, the deferred tax reserve is 54 thousand euro higher, implicit liabilities are equal to 566 thousand euro, and bank debts are 1.512 thousand euro higher, receivable rents are 30 thousand euro lower, payable rents 160 thousand euro lower, depreciations are 18 thousand euro higher, financial proceeds 14 thousand euro higher, financial charges 30 thousand euro higher and special financial charges 16 thousand euro lower.

The positive effect on net assets is equal to 103 thousand euro net the related theoretical fiscal effect. The positive effect on consolidated profits for the half year, net of related theoretical fiscal effect is 73 thousand euro.

4.1 Variations in tangible fixed assets

The variations in tangible fixed assets during the six month period are shown below:

A.	**Initial amount**	**5.053**
B.	**Increases**	**16.671**
B.1.	Purchases	340
B.2.	Recoveries	
B.3.	Revaluations	
B.4.	Other variations	16.331
C.	**Decreases**	**800**
C.1.	Sales	15
C.2.	Value adjustments	240
	of which:	
	a) depreciations	*240*
	b) prolonged devaluation	
C.3.	Other variations	545
D.	**Final amount**	**20.924**
E.	**Total revaluations**	
F.	**Total adjustments**	**1.825**
	a) depreciations	1.825
	b) prolonged devaluations	-

Composition of item 110 "Intangible fixed assets"

	31/12/2001	Increases	Decreases	30/06/2002
Software installation and acquisition costs	195	113	(41)	267
Permits on property units	---	135	(1)	134
System costs and expansion	55	58	(14)	99
Work on third party assets	465	55	(477)	43
Other intangible fixed assets	13	---	(2)	11
TOTAL	**728**	**361**	**(535)**	**554**

4.2 Changes in intangible fixed assets

		System costs	Other fixed assets	Total
A.	**Initial amount**	**55**	**673**	**728**
B.	**Increases**	**58**	**303**	**361**
B1.	Purchases	58	168	226
B2.	Recoveries	---	---	---
B3.	Revaluations	---	---	---
B4.	Other variations	---	135	135
C.	**Decreases**	**14**	**521**	**535**
C1.	Sales	---	---	---
C2.	Value adjustments	14	84	98
	of which:			
	a) depreciations	*14*	*84*	*98*
	b) prolonged devaluation	---	---	---
C3.	Other variations	---	437	437
D.	**Final amount**	**99**	**455**	**554**
E.	**Total revaluations**	**---**	**---**	**---**
F.	**Total adjustments**	**36**	**223**	**259**
	a) depreciations	36	223	259
	b) prolonged devaluations	---	---	---

Section 5 - OTHER ASSETS

5.1 Composition of item 150 "Other assets"

		30/06/2002	31/12/2001
(a)	Credits with Erario	2.043	3.134
	- Tax credits to be reimbursed	58	25
	- Irap advance	186	234
	- Irpeg advance	786	---
	- Irpeg credits - new	---	2.052
	- Crdits for prepaid taxes	744	796
	- T.F.R. advance	10	10
	- Other credits	259	17
(b)	Debits for invoices	372	94
(c)	Down payments	26	23
(d)	Other different items	269	98
	Total	**2.710**	**3.349**

5.2 Composition of item 160 "Accrued income and prepaid expenses"

		30/06/2002	31/12/2001
	Accrued income	**107**	**13**
	on interest and amounts related to:		
(a)	securities	8	11
(b)	loans, financing and other credit to clients	98	---
(c)	other operations	1	2

		30/06/2002	31/12/2001
	Prepaid expenses	**153**	**1.061**
	on interest and amounts related to:		
(a)	payable leasing payments	79	945
(b)	commissions on financing	36	---
(c)	insurance premiums	21	14
(d)	other operations	17	102
	Total	**260**	**1.074**

5.3 Adjustments for accruals income and prepaid expenses

No adjustments were made on the assets and liabilities items for accruals and prepaid expenses, therefore the table in question was not used.

5.4 Distribution of subordinated assets

Banca IFIS groups does not possess liabilities with credit institutions and with clientele or securities that present subordination clauses so the table in question was not used.

Section 6 - DEBTS

Composition of the item 10 "Due to banks"

		30/06/2002	31/12/2001
	On sight	**124.729**	**116.421**
(a)	Current accounts	9.804	16.114
(b)	Overdrafts	114.925	100.307
	At maturity or on notice	**60.309**	**51.967**
(a)	Financing and other funding	55.488	50.332
(b)	Loans	4.821	1.635
	Total	**185.038**	**168.388**

6.1 Detail item 10 "Due to banks"

		30/06/2002	31/12/2001
(a)	Bonds	---	---
(b)	Security loan	---	---

Composition of item 20 "Due to customers"

		30/06/2002	31/12/2001
	On sight		
(a)	Current accounts	6.034	---
(b)	Debts for definitive acquisition	493	25
	Total	**6.527**	**25**

6.2 Details of item 20 "Due to customers"

		30/06/2002	31/12/2001
(a)	Bonds	---	---
(b)	Security loan	---	---

Section 7 - ALLOWANCES

Variations in the amount of item 70 "Employee severance indemnity"

(a)	**Initial amount**	**392**
(b)	**Increases** - Reserves - Other variations	**88** 88 ---
(c)	**Decreases** - Uses - Other variations	**6** 5 1
(d)	**Final amount**	**474**

7.1 Composition of item 90 "Allowances for possible loan losses"

As of the 30 June Banca IFIS group has not entered allowances for possible loan losses, therefore tables 7.1 and 7.2 were not used.

7.3 Composition of item 80 "Allowance for risks and charges"

		30/06/2002	31/12/2001
(a)	Retirement and similar obligation reserve	---	---
(b)	Tax reserve	1.342	2.307
(c)	Risk and charges reserve: other reserves	---	---
	Total	**1.342**	**2.307**

The composition of these reserves is shown below along with operations during the period.

- Sub-item a) "Retirement and similar obligation reserve"

Banca IFIS has not instituted any internal social security reserve.

- Sub-item b) "Tax reserve "

Composition of item 80 b) "tax reserve"

		30/06/2002	31/12/2001
(a)	Irpeg reserve	961	1.852
(b)	Irap reserve	244	455
(c)	Deferred tax reserve	137	---
	Total	**1.342**	**2.307**

Fiscal cases are in progress for taxes due by a previously 100% held company in liquidation, strongly positive opinions have been assumed on the outcome and based on this it is not deemed opportune to create any reserve.

Variations made to item 80 b) "Tax reserve "

(a)	**Initial amount**	**2.307**
(b)	**Increases** - Reserves - Other variations	**1.359** 1.205 154
(c)	**Decreases** - Uses - Other variations	**2.324** 2.324 ---
(d)	**Final amount**	**1.342**

Reserves are related to taxes for the period.

7.4 Variations made to "Activity for prepaid taxes"

1.	**Initial amount**	**796**
2.	**Increases** 2.1 Taxes prepaid during the six month period 2.2 Other increases	**---** --- ---
3.	**Decreases** 3.1 Prepaid taxes cancelled during the six month period 3.2 Other decreases	**52** 52 ---
4.	**Final amount**	**744**

The taxes prepaid and cancelled during the period were entered, with the pertinent algebraic sign in "half year income taxes".

The main cases in point that the prepaid tax activity refers to is shown below:

Activity for prepaid taxes	
Adjustments of accounts receivables value with clientele deductible in various fiscal years	742
Others	2
Total	**744**

7.5 Variations made in "Liability for deferred taxes"

1.	**Initial amount**	**---**
2.	**Increases** 2.1 Deferred taxes occurring during the six month period 2.2 Other increases	**154** 40 114
3.	**Decreases** 3.1 Cancelled deferred taxes during the six month period 3.2 Other decreases	**17** 17 ---
4.	**Final amount**	**137**

The deferred taxes indicated in point 2.2 "other increases" derive from the full consolidation of the controlled Immobiliare Marocco and from accounting in the consolidated assets granted and held in leasing according to the equity method.

The main cases in point that the tax liability refers to is shown below:

Liability for deferred taxes	
Instalment payments for capital gains from fixed asset transfer Depreciation amounts on assets granted in leasing Others	83 54 ---
Total	**137**

Please note that no activity for prepaid taxes and liability for deferred taxes was recorded that can be charged to net assets..

- Sub-item c) "Reserve for risks and charges: other reserves"

Banca IFIS group did not create any reserve for risks and charges.

Section 8 – SHARE CAPITAL, RESERVES, GENERAL BANK RISK RESERVE AND SUBORDINATE LIABILITIES

Consolidate half year net assets were composed of the following items:

	30/06/2002	**31/12/2001**
150. Share Capital 160. Share premium reserve 170. Reserves	21.450 16.675 1.731	21.450 16.675 1.159
Total consolidated net assets	**39.856**	**39.284**
200. Profit	1.921	2.366
Total	**41.777**	**41.650**

The following is shown related to each single item:

Composition item 150 "Share Capital"

		30/06/2002	31/12/2001
150	Share capital	21.450	21.450
	Number of ordinary shares	21.450.000	21.450.000
	Nominal value of ordinary shares	1 euro	1 euro

Composition of item 160 "Share premium reserve"

		30/06/2002	31/12/2001
160	Share premium reserve	16.675	16.675

Composition of item 170 "Reserves"

		30/06/2002	31/12/2001
a)	Legal reserve	1.021	902
b)	Reserve for own shares	775	775
c)	Statutory reserve	---	---
d)	Other reserves	(65)	(518)
	Total	**1.731**	**1.159**

Composition of item 200 "Half year profit (loss) "

		30/06/2002	31/12/2001
170	Half year profit	1.921	2.366

8.1 Assets and regulatory requirements

	Categories / Values	30/06/2002
A.	**Regulatory assets**	
A.1	Basic assets	41.232
A.2	Supplementary assets	---
A.3	Elements to deduct	---
A.4	Regulatory assets	41.232
B.	**Regulatory requirements**	
B.1.	Credit risks	19.145
B.2	Market risks	10
	- of which:	
	- non-locked-up portfolio risks	10
	- exchange risk	---
B.3	3rd level subordinate loans	---
B.4	Other regulatory requirements	---
B.4	Total regulatory requirements	19.155

Categories/Values	30/06/2002
C. Risk activity and supervisory coefficient	
C.1 Activity of weighted risk	239.438
C.2 Basic assets / Weighted risk activity	17,2%
C.3 Regulatory assets / Weighted risk activity	17,2%

Section 9 - OTHER LIABILITIES

9.1 Composition of the item 50 "Other liabilities"

		30/06/2002	31/12/2001
(a)	Sums available to customers	1.018	1.354
(b)	Debts with suppliers	674	736
(c)	Debts with personnel for unused vacation days and leave	203	101
(d)	Debts with Inland Revenue or Social Security	189	261
(e)	Other entries	231	174
	Total	**2.315**	**2.626**

9.2 Composition of the item 60 "Accrued liabilities and deferred income

		30/06/2002	31/12/2001
	Accrued liabilities	**646**	**25**
	on interest and amounts related to:		
(a)	Relationships with banks	234	---
(b)	Personnel costs	300	---
(c)	Other operations	112	25
	Deferred income	**37**	**30**
	on interest and amounts related to:		
(a)	Relationships with customers	18	19
(b)	Other operations	19	11
	Total	**683**	**55**

9.3 Adjustments for accrued liabilities and deferred income

No adjustments were made to the assets and liabilities items for accrued liabilities and payables, therefore the table in question was not used.

Section 10 - GUARANTEES AND COMMITMENTS

10.1 Composition of item 10 "Guarantees given"

		30/06/2002	31/12/2001
(a)	**Commercial guarantees**	---	---
	- documentary credits	---	---
	- commercial nature acceptances	---	---
	- commercial nature backing and guarantees	---	---
(b)	**Financial guarantees**	**2.813**	**2.290**
	- financial nature backing and guarantees	2.813	2.290
	- financial nature acceptance	---	---
(c)	**Assets given as guarantees**	---	**3**
	Total	**2.813**	**2.293**

Financial nature signatory credits are referred to 888 thousand euro for guarantees issued in the previous fiscal years by banks for third parties upon request of the holding company for itself or clients, these guarantees for 600 thousand euro are counter-guaranteed by government securities and shares. They are referred to 729 thousand euro for commitments in favour of insurance companies against guarantee policies issued as guarantee for tax credit refunds.

10.2 Composition of item 20 "Commitments"

		30/06/2002	31/12/2001
(a)	**Commitments to lend funds for a certain use**	---	**1.593**
	- future leasing payments	---	1.593
(b)	**Commitments to lend funds for an uncertain use**	**41.976**	**41.936**
	- approval of paid receivable issued	41.976	41.936
	Total	**41.976**	**43.529**

10.3 Assets given as collateral of own debts

The assets established as a guarantee by the Bank against its own obligations are represented by the property in Genoa owned by the group mortgaged against payable loans for the amount indicated below (balance sheet value):

		30/06/2002	31/12/2001
(a)	Against payable loans	3.189	1.635
(e)	Against payable rents	---	3
	Total	**3.189**	**1.638**

10.4 Undrawn credit lines

		30/06/2002	31/12/2001
(a)	Central banks	---	---
(b)	Other banks	51.219	60.612

10.5 Forward transactions

No forward transactions existed at the end of the half year. Therefore, description of the table in question is omitted.

10.6 Credit derivatives outstanding

No credit derivatives outstanding existed at the end of the half year. Therefore, description of the table in question is omitted.

Section 11 – CONCENTRATION AND DISTRIBUTION OF ASSETS AND LIABILITIES

11.1 Large credit risks

	30/06/2002
a) amount	50.456
b) number	8

11.2 Distribution of receivables to customers by borrower's economic sector

		30/06/2002
a)	States	278
b)	Other public agencies	376
c)	Non-financial companies	188.894
d)	Financial companies	9.662
e)	Manufacturing families	2.165
f)	Other operators	1.009
	Total	**202.384**

11.3 Distribution of receivables to non-financial companies and manufacturing families

		30/06/2002
a)	Other saleable services	44.755
b)	Construction and public works	26.598
c)	Sales, recovery and repair services	25.298
d)	Agricultural and industrial machines	16.586
e)	Textile products, leather and shoes, clothing	12.116
f)	Other branches	61.589
	Total	**186.942**

11.4 Distribution of guarantees given by counterparty sector

		30/06/2002
a)	States	---
b)	Other public agencies	---
c)	Banks	--
d)	Non-financial enterprises	674
e)	Financial institutions	522
f)	Manufacturing families	---
g)	Other operators	---
	Total	**1.196**

The amounts shown refer to guarantees issued directly by the holding company.

11.5 Territorial distribution of assets and liabilities

	Items/Countries	Italy	Other E.U. Countries	Other Countries
1.	**Assets**	**201.222**	**8.548**	**3.934**
1.1	Receivables from banks	10.817	---	---
1.2	Loan to customers	189.902	8.548	3.934
1.3	Securities	503	---	---
2.	**Liabilities**	**184.680**	**56**	**6.829**
2.1	Due to banks	178.241	---	6.797
2.2	Due to customers	6.439	56	32
2.3	Securities issued	---	---	---
2.4	Other accounts	---	---	---
3.	**Guarantees and commitments**	**44.789**	**---**	**---**

11.6 Distribution of assets and liabilities by maturity

Items/residual duration	Determined duration							Undetermined duration
	at sight	up to 3 months	over 3 months up to 12 months	over 1 year up to 5 years		over 5 years		
				fixed rate	floating rate	fixed rate	floating rate	
1. Assets								
1.1 Refinancable	—	—	—	—	—	—	—	—
Treasury Bonds	—	—	—	—	—	—	—	—
1.2 Receivables with banks	10.705	—	—	—	—	—	—	112
1.3 Receivables from customers	32.617	71.969	18.858	79	893	11	—	77.957
1.4 Bonds and other securities	—	—	159	—	282	—	—	—
1.5 "Off balance sheet" operations	—	—	—	—	—	—	—	—
Total assets	**43.322**	**71.969**	**19.017**	**79**	**1.175**	**11**	**—**	**78.069**
2. Liabilities								
2.1 Due to banks	124.729	35.125	20.834	—	2.421	—	1.929	—
2.2 Due to customers	6.527	—	—	—	—	—	—	—
2.3 securities issued								
- bonds	—	—	—	—	—	—	—	—
- certificates of deposit	—	—	—	—	—	—	—	—
- other securities	—	—	—	—	—	—	—	—
2.4 Subordinated liabilities	—	—	—	—	—	—	—	—
2.5 "Off balance sheet" operations	—	—	—	—	—	—	—	—
Total liabilities	**131.256**	**35.125**	**20.834**	**—**	**2.421**	**—**	**1.929**	**—**

The table shows the breakdown of assets and liabilities with reference to their residual life, i.e. the difference between the balance sheet reference date and the maturity of each operation, taking into account any modifications made to the original agreements. For operations with an amortisation plan the breakdown is effected taking into account the residual life of the individual instalments.

The obligatory reserve deposit is included among the receivables with banks of "undetermined duration".

Outstanding receivables and other past due receivables with clientele are shown among the receivables with clientele with "undetermined duration".

The "at sight" section includes all receivables and payables with banks and clientele entered in company assets in the "at sight" sub-items. Past due payables are considered "at sight".

11.7 Currency assets and liabilities denominated in foreign currencies

		30/06/2002	31/12/2001
a)	**Assets**	**---**	**---**
	1. Due from banks	---	---
	2. Receivables from customers	---	---
	3. Securities	---	---
	4. equity investments	---	---
	5. Other accounts	---	---
b)	**Liabilities**	**6.797**	**2.502**
	1. Due to banks	6.797	2.505
	2. Due to customers	---	---
	3. Securities issued	---	---
	4. Other accounts	---	---

The due to banks in currency represents short term financing in Swiss francs.

11.8 Securitisations

Banca IFIS did not effect any operations of securitisations during the half year.

Section 12 - MANAGEMENT AND TRADING ON BEHALF OF THIRD PARTIES

12.2 Portfolio management

The group does not directly manage assets for other subjects. Therefore the related tables were not used.

PART C - INFORMATION ON STATEMENTS OF INCOME

Section 1 - INTEREST

1.1 Composition of item 10 "interest income and similar revenues"

		30/06/2002	30/06/2001
(a)	On receivables from banks	6	4
	of which:		
	- on receivables with central banks	---	---
(b)	On receivables from customers	7.311	6.952
	of which:		
	-on receivables with funds of third parties in administration	---	---
(c)	On securities	9	12
(d)	Other interest income	22	20
(e)	Positive balance of spread on hedge operations	---	---
	Total	**7.348**	**6.988**

Interest on receivables from customers include interest on arrears, matured during the six month period and collected or deemed collectable, for 11 thousand euro, the amount matured in the first six months of the fiscal year directly adjusted in the profit and loss statement because it was deemed non-collectable amounted to 269 thousand euro.

1.2 Composition of item 20 "Payable interest and similar charges"

		30/06/2002	30/06/2001
(a)	On due to banks	3.216	3.475
(b)	On due to customers	70	151
(c)	On securities issued	---	---
	of which:		
	- on certificates of deposit	---	---
(d)	On third party funds in administration	---	---
(e)	On subordinate payables	---	---
(f)	Negative balance of spread on hedge operations	---	---
	Total	**3.286**	**3.626**

1.3 Details of item 10 "Interest income and similar revenues"

		30/06/2002
(a)	on foreign currency assets	---

1.4 Details of item 20 "Payable interest and similar charges"

		30/06/2002
(a)	on foreign currency assets	26

Section 2 - COMMISSIONS

2.1 Composition of item 40 "Commissions income"

		30/06/2002	30/06/2001
(a)	Guarantees given	1	1
(b)	Credit derivatives	---	---
(c)	Management, dealing and consultation services:	---	---
	1. negotiating securities	---	---
	2. negotiating currencies	---	---
	3. portfolio management	---	---
	4. custody and administration of securities	---	---
	5. deposit bank	---	---
	6. placement of securities	---	---
	7. taking orders	---	---
	8. consultation services	---	---
	9. distribution of third party services	---	---
(d)	Collection and payment services	114	19
(e)	Services related to securitisation	---	---
(f)	Tax collection	---	---
(g)	Other services	3.421	1.863
	Total	**3.536**	**1.883**

Receivable commissions in other services refers to 3,326 thousand euro for commissions on factoring operations.

2.2 Details of item 40 "Commissions income"

	Product and service distribution channels	30/06/2002	30/06/2001
(a)	At own offices:	---	---
	1. portfolio management	---	---
	2. placement of securities	---	---
	3. third party products and services	---	---
(b)	Offered off-site:	---	---
	1. portfolio management	---	---
	2. placement of securities	---	---
	3. third party products and services	---	---

2.3 Composition of item 50 "Payable commissions"

		30/06/2002	30/06/2001
(a)	Received guarantees	7	2
(b)	Credit derivatives	---	---
(b)	Management and dealing services	3	---
	1. negotiating securities	---	---
	2. negotiating currencies	---	---
	3. portfolio management	---	---
	4. custody and administration of securities	3	---
	5. placement of securities	---	---
	6. "door-to-door" sale of securities, products and services	---	---
(d)	Collection and payment services	41	66
(e)	Other services	237	163
	Total	**288**	**231**

Section 3 - PROFITS AND LOSSES FROM FINANCIAL TRANSACTIONS

3.1 Composition of item 60 "Profits/losses from financial transactions"

	Items/transactions	Operations on securities	Operations on currencies	Other operations
A.1	Revaluations	---	---	---
A.2	Devaluations	---	---	---
B.	Other profits losses	---	3	---
	Totals	**---**	**3**	**---**
1.	Government Securities	---		
2.	Other securities	---		
3.	Share , quotas and other form of capital	---		
4.	Security derivatives	---		

Section 4 - ADMINISTRATIVE COSTS

4.1 Average number of employees by category

Average number of employees	30/06/2002
a) Management	2
b) 3rd and 4th level middle management	13
c) Remaining personnel	48.5
Total	**63.5**

The average number of group employees as of 30 June 2002 was calculated as the arithmetic average of employees on the job at the start of the half year (57) and at the end of the period (70).

Details of sub-item 80 a) "Personnel costs"

		30/06/2002	30/06/2001
(a)	- Wages and salaries	1.279	873
(b)	- Welfare contributions	341	274
(c)	- Severance pay	88	62
(d)	- Retirement pay and similar	---	---
(e)	- Other personnel related expenses	1	12
	Total	**1.709**	**1.221**

Detail of sub-item 80 b) "Other administrative costs"

This sub-item, equal to a total of 1.313 thousand euro, is shown in detail below:

		30/06/2002	30/06/2001
(a)	Expenses for professional services	450	335
	- Expenses for welfare charges	271	232
	- Legal and consultation expenses	122	77
	- Auditing expenses	29	26
	- Internal auditing expenses	28	---
(b)	Indirect taxation and taxes	87	36
(c)	Maintenance expenses	32	15
(d)	Vehicle management and maintenance	89	70
(e)	Expenses for purchase of non-professional goods and services	488	411
	- Office and branch management	167	185
	- Telephone expenses	93	85
	- Office supplies	67	42
	- Postal expenses and tax stamps	47	41
	- Business trips	44	42
	- Software assistance	70	16
	Other expenses	239	150
	- Expenses for client information	91	80
	- Advertising	34	9
	- Other different expenses	114	61
	Total	**1.385**	**1.017**

Section 5 - ADJUSTMENTS, RECOVERIES AND PROVISIONS

Composition of item 90 "Adjustments to tangible and intangible fixed assets"

As also shown in the tables in Part B - Section 4, the following adjustments in the value of depreciation for tangible and intangible fixed assets have been charged to the profit and loss statement:

		30/06/2002	30/06/2001
(a)	Intangible fixed assets	99	42
(b)	Tangible fixed assets	211	122
	Total	**310**	**164**

Depreciations have been calculated based on the rate believed to represent the remaining possibility of using the relative tangible fixed assets and are shown below:

	%
Real estate	3
Furniture and furnishings	12
Machinery and various equipment	15
Electronic office machines	20
Vehicles	25
Work on third party goods	20
Software installation and purchase costs	20
System costs and expansion	20
Other intangible fixed assets	20

5.1 Composition of item 120 "Adjustments to loans and provisions for guarantees and commitments

		30/06/2002	30/06/2001
(a)	**Adjustments to loans**	**1.077**	**562**
	of which:		
	- lump-sum adjustments for country risk	---	---
	- other lump-sum adjustments	*550*	*310*
(b)	**Provisions for guarantees and commitments**	**---**	**---**
	of which:		
	- lump-sum adjustments for country risk	---	---
	- other lump-sum adjustments	---	---
	Total	**1.077**	**562**

Section 6 - OTHER PROFIT AND LOSS STATEMENT ITEMS

6.1 Composition of item 70 "Other management proceeds"

This item refers to the following components:

		30/06/2002	30/06/2001
(a)	Recovery of third party expenses	143	65
(b)	Receivable rents	312	127
(c)	Receivable leasing payments	---	78
(d)	Other proceeds	---	4
	Total	**455**	**274**

6.2 Composition of item 110 "Other management charges"

As of 30 June 2002 Banca IFIS group had not recorded management charges, therefore table 6.2 was not used.

6.3 Composition of item 190 "Additional income"

This item is composed as follows:

		30/06/2002	30/06/2001
(a)	Windfall gain and non-existence of liability	8	126
(b)	Proceeds from realisation of tangible fixed assets	1	19
	Total	**9**	**145**

6.4 Composition of item 200 "Additional charges"

		30/06/2002	30/06/2001
1.	Windfall loss and non-existence of asset	104	34
2.	Losses from realisation of tangible fixed assets	---	14
	Total	**104**	**48**

The windfall loss and non-existence of assets refer to 86 thousand euro difference in the tax calculation of the previous fiscal year.

6.5 Composition of item 240 "Half year income taxes"

The details of item which totals 1,280 thousand euro are shown below:

		Irpeg	Irap	Other taxes	Total
(a)	Current taxes	961	244	---	1.205
(b)	Variations in prepaid taxes	45	7	---	52
(c)	Variations in deferred taxes	18	5	---	23
(d)	Half year income taxes	1.024	256	---	1.280

PART D - OTHER INFORMATION

Section 1 - BOARD MEMBER AND AUDITORS

1.1 Remuneration

Remuneration for Board Members, Auditors and General

The remuneration in euro paid to the Board Members, Auditors and Managing Directors is shown below as per Consob regulation no. 11971/99.

BOARD OF DIRECTORS

Name	Position	Duration of Appointment	Emoluments for appointment	Fringe	Bonuses	Other Remuneration
Fürstenberg Sebastien Egon	President	Approval financial statement at 31/12/2003	26.000	---	---	---
Csillaghy Alessandro	Vice President	Approval financial statement at 31/12/2003	77.500	---	---	---
Bossi Giovanni	Chief Executive Officer	Approval financial statement at 31/12/2003	116.500	---	30.200	---
Cefalù Guido	Board Member	Approval financial statement at 31/12/2003	---	---	---	---
Conti Leopoldo	Board Member	Approval financial statement at 31/12/2003	---	---	---	---
Cravero Roberto	Board Member	Approval financial statement at 31/12/2003	---	---	---	---

BOARD OF AUDITORS

Name	Position	Duration of appointment	Emoluments for appointment	Fringe	Bonuses	Other Remuneration
Trenti Umberto	President	Approval financial statement at 31/12/2003	10.999	---	---	---
Rovida Muro	Auditor	Approval financial statement at 31/12/2003	8.648	---	---	820*
Giona Franco	Auditor	Approval financial statement at 31/12/2003	8.648	---	---	---

GENERAL DIRECTOR

Name	Position	Duration of appointment	Emoluments for appointment	Fringe	Bonuses	Other Remuneration
Staccione Alberto	General Manager	Open	64.667	1.710	15.100	---

* presence bonus and flat rate expense account

Stakes held by the Board Members, Auditors and General Managers

BOARD OF DIRECTORS AND GENERAL MANAGER

Name	Holding in	Number of shares to last fiscal year	Number of Shares Acquired	Number of Shares Sold	Number of shares owned at half year end
Fürstenberg Sebastien Egon	---	---	---	---	---
Csillaghy Alessandro	---	---	---	---	---
Bossi Giovanni	Banca IFIS S.p.A.	570.250**	---	25.950	544.300**
Cefalù Guido	---	---	---	---	---
Conti Leopoldo	---	---	---	---	---
Cravero Roberto	---	---	---	---	---
Staccione Alberto	Banca IFIS S.p.A.	25.000	---	4.500	20.500

BOARD OF AUDITORS

Name	Holding in	Number of shares to last fiscal year	Number of Shares Acquired	Number of Shares Sold	Number of shares owned at half year end
Trenti Umberto	---	---	---	---	---
Rovida Mauro	---	---	---	---	---
Giona Franco	---	---	---	---	---

** of which 500.000 shares owned in bare ownership

1.2 Credits and guarantees issued

At the end of the period no credits were paid or guarantees issued to group Board Members and Auditors.

Venice - Mestre, 9 September 2002

for the Board of Directors

Sebastien Egon Fürstenberg
President

ATTACHMENT TO THE HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Reclassified consolidated statement of income
(in thousands of euro)

	30/06/2002	30/06/2001	31/12/2001
INTEREST MARGIN	**4.062**	**3.362**	**7.757**
NET COMMISSIONS	3.248	1.652	3.997
PROFITS (LOSSES) ON FINANCIAL TRANSACTIONS	3	36	48
DIVIDENDS AND OTHER REVENUES	9	6	6
OTHER NET OPERATING INCOME	455	274	603
NET INTEREST AND OTHER BANKING INCOME	**7.777**	**5.330**	**12.411**
ADMINISTRATIVE COSTS	(3.094)	(2.238)	(4.805)
(a) payroll expenses	*(1.709)*	*(1.221)*	*(2.511)*
(b) other administrative expenses	*(1.385)*	*(1.017)*	*(2.294)*
ADJUSTMENTS TO FIXED ASSETS AND INTANGIBLES	(310)	(164)	(403)
OPERATING MARGIN	**4.373**	**2.928**	**7.203**
NET ADJUSTMENTS TO LOANS	(1.077)	(562)	(3.391)
INCOME (LOSS) FROM INVESTMENTS CARRIED AT EQUITY	---	2	(6)
INCOME FROM OPERATING ACTIVITIES	**3.296**	**2.368**	**3.806**
EXTRAORDINARY INCOME	(95)	97	127
PROFITS BEFORE TAX	**3.201**	**2.465**	**3.933**
INCOME TAXES FOR THE PERIOD	(1.280)	(909)	(1.567)
NET INCOME FOR THE PERIOD	**1.921**	**1.556**	**2.366**

INDIPENDENT AUDITORS' REVIEW REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 30TH JUNE 2002

Deloitte & Touche S.p.A.
Revisione e organizzazione contabile
Corso Garibaldi, 18
35122 Padova
Italia

Tel: + 39 049 66 18 61
Fax: + 39 049 87 79 885
R.E.A. Padova n. 317881
www.deloitte.it

Deloitte & Touche

AUDITORS' REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED JUNE 30, 2002

To the Shareholders of
BANCA IFIS S.p.A.

We have reviewed the accompanying interim financial information for the six months ended June 30, 2002, made up of the accounting schedules (balance sheet and income statement), both statutory and consolidated, and of the related footnotes of **BANCA IFIS S.p.A.**. In addition, we have verified the consistency of the footnotes with the related information contained in the above accounting schedules.

Our review was carried out in accordance with the auditing standards recommended by Consob under Resolution n. 10867 of July 31, 1997. Our review consisted principally in applying analytical procedures to the underlying financial data, assessing whether accounting policies have been consistently applied and making enquiries of management responsible for financial and accounting matters. The review excluded audit procedures such as tests of controls and verification of assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with auditing standards. Accordingly, unlike our report on the year-end financial statements, we do not express an audit opinion on the interim financial information.

As regards comparable data for the year ended December 31, 2001, both statutory and consolidated, and for the interim financial information for the six months ended June 30, 2001, reference is made to our report issued on April 10, 2002 and on August 8, 2001 respectively.

Based on our review, we are not aware of any material modifications that should be made to the interim financial information mentioned in paragraph 1 above in order for it to be in conformity with the criteria provided by Consob regulations for the preparation of the interim financial information for the six months approved with Resolution n. 11971 of May 14, 1999 and subsequent modifications.

DELOITTE & TOUCHE S.p.A.

Signed by
Guido Zanardi
Partner

Padova, 11 September 2002

This report has been translated into the English language solely for the convenience of international readers.

BANCA IFIS
PARENT COMPANY'S
FINANCIAL STATEMENTS
AS AT 30TH JUNE 2002

Banca IFIS - FINANCIAL STATEMENTS AS AT 30th JUNE 2002
(in thousands of euro)

	ASSETS	30/06/2002	31/12/2001	30/06/2001
10	Cash and deposits with central banks and post office	3	13	7
30	Due from banks	10.786	6.975	7.812
40	Receivables from customers	205.224	188.687	181.112
50	Bonds and other fixed income securities	441	444	444
60	Shares, quotas and other forms of capital	62	62	62
80	Investments in Group companies	9.836	9.836	9.836
90	Intangible assets	857	728	208
100	Tangible assets	5.157	5.053	4.889
130	Other assets	2.006	3.349	3.446
140	Accrued income and prepaid expenses	1.049	1.074	48
	TOTAL ASSETS	235.422	216.220	207.863

	TOTAL LIABILITIES	30/06/2002	31/12/2001	30/06/2001
10	**Due to banks**	**181.852**	**168.387**	**153.048**
20	**Due to customers**	**6.527**	**25**	**8.802**
50	**Other liabilities**	**2.265**	**2.627**	**2.908**
60	**Accrued liabilities and deferred income**	**637**	**55**	**261**
70	**Employees' severance indemnity**	**474**	**392**	**338**
80	**Provisions for liabilities and expenses**	**1.202**	**2.307**	**896**
120	**Share capital**	**21.450**	**21.450**	**22.156**
130	**Share premium reserve**	**16.675**	**16.675**	**16.675**
140	**Reserves**	**2.479**	**1.931**	**1.225**
	(a) legal reserve	1.020	902	196
	(b) reserves for own share	775	775	775
	(d) other reserves	684	254	254
170	**Net income for the period**	**1.861**	**2.371**	**1.554**
	TOTAL LIABILITIES	**235.422**	**216.220**	**207.863**

	GUARANTEES AND COMMITMENTS	30/06/2002	31/12/2001	30/06/2001
10	**Guarantees given**	**3.453**	**2.293**	**2.335**
20	**Commitments**	**42.670**	**43.529**	**43.363**

STATEMENTS OF INCOME		30/06/2002	30/6/2001	31/12/2001
10	Interest income and similar revenues	7.459	6.988	15.019
20	Interest payable and similar charges	(3.221)	(3.626)	(7.262)
30	Dividends and other revenues	9	6	6
40	Commission income	3.536	1.883	4.499
50	Commission payable	(287)	(231)	(502)
60	Profits (Losses) on financial transactions	3	36	48
70	Other operating income	270	274	629
80	Administrative costs	(3.022)	(2.238)	(4.805)
90	Adjustments to tangible and intangible assets	(286)	(164)	(403)
110	Other operating charges	(156)	---	(26)
120	Adjustments to loans and provisions for guarantees and commitments	(1.077)	(562)	(3.391)
170	Income from operating activities	3.227	2.366	3.812
180	Extraordinary income	7	145	178
190	Extraordinary charges	(119)	(48)	(51)
200	Extraordinary income (loss) net	(113)	97	127
220	Income taxes	(1.253)	(909)	(1.567)
230	Net income for the period	1.861	1.554	2.372