

PRICING SUPPLEMENT dated 27 May 2004

INTERBANCA S.p.A

Issue of

Issue of EUR 10,000,000 Fixed Rate and Inflation Linked Notes due 28 May 2014

**Issued under the
Euro 3,000,000,000 Debt Issuance Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 27 June 2003. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular .

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| 1. | Issuer: | Interbanca S.p.A. |
| | Relevant Jurisdiction: | Republic of Italy |
| 2. | Series Number: | 42 |
| 3. | Specified Currency or Currencies: | Euro("EUR") |
| 4. | Aggregate Nominal Amount: | EUR 10,000,000 |
| 5. | (i) Issue Price: | 100 per cent. |
| | (ii) Net Proceeds: | EUR 10,000,000 |
| 6. | Specified Denominations: | EUR 1,000,000 |
| 7. | Issue Date and Interest Commencement Date: | 28 May 2004 |
| 8. | Maturity Date | 28 May 2014 |
| 9. | Interest Basis: | Fixed Rate and Index Linked
(further particulars specified below) |
| 10. | Redemption / Payment Basis: | at Par |
| 11. | Change of Interest or Redemption / Payment Basis: | Interest automatically converts from Fixed Rate to Index Linked on 28 May 2007 |
| 12. | Put / Call Options: | Not applicable |
| 13. | Status of Notes: | Senior |
| 14. | Listing: | Luxembourg |
| 15. | Method of distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	<p>From the Interest Commencement Date to, but excluding 28 May 2005 the Fixed Rate of Interest is 6.50 per cent per annum.</p> <p>For the period from and including 28 May 2005 to, but excluding, 28 May 2006 the Fixed Rate of Interest is 5.50 per cent per annum.</p> <p>For the period from and including 28 May 2006 to, but excluding, 28 May 2007 the Fixed Rate of Interest is 5.00 per cent per annum.</p>
	(ii) Interest Payment Date(s):	28 May 2005, 28 May 2006 and 28 May 2007, adjusted in accordance with the Following Business Day convention
	(iii) Fixed Coupon Amount(s):	<p>For the Interest Payment Date due 28 May 2005 the Fixed Coupon Amount is EUR 65,000 per Specified Denomination.</p> <p>For the Interest Payment Date due 28 May 2006 the Fixed Coupon Amount is EUR 55,000 per Specified Denomination</p> <p>For the Interest Payment Date due 28 May 2007 the Fixed Coupon Amount is EUR 50,000 per Specified Denomination</p>
	(iv) Broken Amount(s):	Not applicable
	(v) Day Count Fraction:	30/360 (unadjusted)
	(vi) Determination Date(s):	Not applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not applicable
17.	Floating Rate Note Provisions	Not applicable
18.	Zero Coupon Note Provisions	Not applicable
19.	Index / Formula Linked Note Provisions	Applicable
	(i) Index / Formula:	The applicable Interest Rate for each Interest Period will be determined by the

Calculation Agent in accordance with the following:

Inflation Adjustment +1%

Subject to a Minimum Interest Rate of 1 per cent.

Where:

“Inflation Adjustment” for any given Interest Period will be determined by the Calculation Agent as follows:

$[CPI_n / CPI_{n-1} - 1]$

“CPI_n” means the Consumer Prices Index reported for the month which is fifteen months prior to the applicable Interest Payment Date.

“CPI_{n-1}” means the Consumer Prices Index reported for the month which is twenty seven months prior to the applicable Interest Payment Date.

For the avoidance of doubt the applicable Inflation Adjustment for the Interest Payment Date due in May 2008 will be determined with reference to the Consumer Prices Index figures published for the months of February 2006 and February 2007.

“CPI” or “Consumer Prices Index” means the Eurozone Ex Tobacco (non revised series) Index as determined by the Calculation Agent in conjunction with Bloomberg reference page CPTFEMU <Index>, or such successor page or source. This Index will change to reflect the addition of any new countries to the Euro-Zone (see EUROSTAT publication “Statistics in Focus” - Economy and Finance - Theme 2).

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| (ii) | Calculation Agent responsible for calculating the principal and / or interest due: | Deutsche Bank AG London |
| (iii) | Provisions for determining coupon or redemption amount where calculation by reference to Index and / or Formula is impossible or impracticable: | See above |

(iv)	Specified Period(s) / Specified Interest Payment Dates:	28 May in each year, commencing 28 May 2008 up to, and including the Maturity Date.
(v)	Business Day Convention:	Following
(vi)	Additional Business Centre(s) (Condition 5(j)):	London and TARGET
(vii)	Minimum Interest Rate:	1.00 per cent
(viii)	Maximum Interest Rate:	Not applicable
(ix)	Day Count Fraction (Condition 5(j)):	30 / 360 (unadjusted)
20.	Dual Currency Note Provisions	Not applicable

PROVISIONS RELATING TO REDEMPTION

21.	Call Option	Not applicable
22.	Put Option	Not applicable
23.	Final Redemption Amount:	at Par
24.	Early Redemption Amount:	
(i)	Early Redemption Amount(s) payable on redemption for taxation reasons (Condition 6(c)) or on event of default (Condition 10) and / or the method of calculating the same (if required or if different from that set out in the Conditions):	The Calculation Agent will determine and calculate in its sole discretion the redemption amount in good faith as representing the fair economic value of the Note at the date of redemption.
(ii)	Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 6(c)):	Yes
(iii)	Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 7(f)):	Not applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	Form of Notes:	Bearer Notes
(i)	Temporary or permanent global Note / Certificate:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the

		Permanent Global Note.
	(ii) Applicable TEFRA exemption:	D Rules
26.	Additional Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:	Not applicable
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
28.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not applicable
29.	Details relating to Instalment Notes:	Not applicable
30.	Redenomination, renominatisation and reconventioning provisions:	Not applicable
31.	Consolidation provisions:	Not applicable
32.	Other terms or special conditions:	Not applicable

DISTRIBUTION

33.	(i) If syndicated, names of managers:	Not applicable
	(ii) Stabilising Manager (if any):	Not applicable
	(iii) Dealer's commission:	Not applicable
34.	If non-syndicated, name of Dealer:	Deutsche Bank AG London
35.	Additional selling restrictions:	Republic of Italy:

The offering of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) and the Bank of Italy pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to professional investors ("operatori qualificati"), as defined in Article 31, second

paragraph, of CONSOB Regulation No. 11522 of 1st July, 1998, as amended; or (ii) in circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of Legislative Decree No. 58 of 24th February, 1998 (the "Financial Services Act") and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14th May, 1999, as amended.

Any offer, sale or delivery of the Notes or distribution of copies of the Offering Circular or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act and Legislative Decree No. 385 of 1st September, 1993 (the "Banking Act"), as amended; and

(b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy pursuant to which the issue or the offer of securities in the Republic of Italy may need to be preceded and followed by an appropriate notice to be filed with the Bank of Italy depending, inter alia, on the aggregate value of the securities issued or offered in the Republic of Italy and their characteristics; and

(c) in accordance with any other applicable laws and regulations.

OPERATIONAL INFORMATION

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| 36. | ISIN Code: | XS0193146932 |
| 37. | Common Code: | 19314693 |
| 38. | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | Not applicable |
| 39. | Delivery: | Delivery against payment |
| 40. | The Agents appointed in respect of the Notes are: | Fiscal Agent and Principal Paying Agent: |

Citibank, N.A.

Calculation Agent:

Deutsche Bank AG London

Listing Agent:

Dexia-Banque Internationale à Luxembourg

GENERAL

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| 41. Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 11(a): | Not applicable |
| 42. The aggregate nominal amount of Notes issued has been translated into Euro at the rate of [], producing a sum of (for Notes not denominated in Euro): | Not applicable |

LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the Euro 3,000,000,000 Debt Issuance Programme of Interbanca S.p.A.

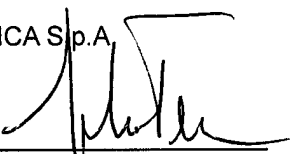
MATERIAL ADVERSE CHANGE STATEMENT

There has been no significant adverse change in the financial or trading position of the Issuer or of the Group since 31st March 2004 and no material adverse change in the financial position or prospects of the Issuer or of the Group since 31st December 2003.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Offering Circular referred to above, contains all information that is material in the context of the issue of the Notes. No responsibility is accepted for the information contained in the attached APPENDIX A which have been provided to us by the Calculation Agent and have not been subjected to any review by the Issuer.

Signed on behalf of the Issuer:

INTERBANCA S.p.A.
By: 
Duly authorised
Guido Franco

By: 
Duly authorised
Franco Fiameni

Enclosure: APPENDIX A - Information relating to the CPI Index

APPENDIX A

Information relating to the CPI Index

General Information

The eurozone harmonized index of consumer prices ("HICP"), published by Eurostat, measures the level of prices for market goods and services consumed by households in the eurozone. The eurozone HICP is the aggregate of the member states' HICP's, and the eurozone is considered as an entity regardless of the elements of which it is composed.

The HICP for the European Monetary Union is calculated and produced monthly, subject to the rules of its sponsor, and is disseminated to numerous public information sources. It is available on Bloomberg page CPTFEMU Index. Each country first publishes its own HICP in conjunction with its national Consumer Price Index.

The HICP is said to be harmonised because the methodology and nomenclatures for the index of prices are the same for all of the countries in the eurozone and the European Union (this is required by article 121 of the European Union Treaty). This makes it possible to compare inflation among different member states of the European Union. Emphasis is placed on the quality and compatibility of the various countries' indices.

Computation of the Index

The HICP is calculated as an annual chained-index, which makes it possible to change the weights every year. The common index reference in 1996 and December is the base month. The weights assigned to each category of the HICP vary from country to country depending on the relative importance of consumers expenditure on each good or service in each country. There is no uniform basket applying to all Member States, but comparability will be ensured.

Following each country's publication of its HICP, Eurostat aggregates these and publishes an HICP for the eurozone, as well as a breakdown by item and country.

In year N, each country's weight in the eurozone HICP equals the share that this country's final household consumption constitutes within that of the eurozone as a whole for the year N-2. These weights are re-estimated every year in the January publication of the eurozone HICP.