

## **PRESS RELEASE**

### **Farbanca: Board of Directors approves draft financial statements at 31 December 2009:**

- **Net income rises to 2.9 million euro (+11.5%);**
- **Net loans up by 10.5%, confirming growth of the bank's support for the pharmacy sector;**
- **Dividend of 0.50 euro per share proposed, confirming the 2008 amount.**

The Board of Directors of Farbanca S.p.A., a bank specializing in services to the pharmacy sector and member of the Banca Popolare di Vicenza Group, has approved the draft financial statements at 31 December 2009. These statements were prepared in compliance with international accounting standards (IAS/IFRS).

The income statement reports **net interest income** of 7.8 million euro; the decrease of 12.8% compared with 2008 reflects the trend in market rates during the year. **Net fee and commission income** has risen strongly, from 746 thousand euro in the year to 31 December 2008 to 1.1 million euro in 2009, up by 51.6%. As a result, **net interest and other banking income** amounts to 8.9 million euro, representing a fall of 746 thousand euro compared with 2008.

**Net income from financial activities** is 3.7% higher at 8.9 million euro, partly due to the favourable trend in net adjustments to loans recorded in 2009.

The efficiency of the organizational model adopted by Farbanca, designed to optimize all possible synergies with Group structures, is confirmed by the 2009 cost/income ratio of just 48.2%.

**Net income for the year** amounts to 2.9 million euro, up by 11.5% from 2.6 million euro in the year to 31 December 2008.

Turning to Farbanca's **balance sheet**, net loans to customers have risen by 10.5% from 319 million euro in December 2008 to 352 million euro at the end of 2009; of this amount, more than 213 million euro comprises long-term mortgages, up by 27% during the year to December 2009. This confirms the desire of the bank to support the long-term plans of pharmacists.

In addition, the contained level of gross and net impaired loans, amounting respectively to 1.8% and 1.1% of lending, demonstrates that growth has been achieved while paying great attention to the quality of the loans made.



**Direct deposits** now exceed 188 million euro, up by 97.7% since the end of 2008. This rise was due to the success of bond placements with investors and subscription by the Parent Bank to a 4-year bond totalling 100 million euro. The market value of **indirect deposits** is 36 million euro at the end of 2009.

**Capital stock** exceeds 28 million euro; Banca Popolare di Vicenza is the reference stockholder with 47.52% of capital and the Parent Bank, while the bank also has more than 500 private stockholders who are mostly pharmacists. Stockholders' equity, including net income for the year, exceeds 38 million euro.

Lastly, the Board of Directors has resolved to propose to the Stockholders' Meeting the distribution of a 2009 dividend of 0.50 euro for each share with a nominal value of 10 euro: accordingly, despite continuing tensions in the real economy, the dividend paid for 2008 is confirmed.

The close of this financial year also marks the end of the mandates granted to the Board of Directors and the Board of Statutory Auditors. The Stockholders' Meeting is therefore called upon to appoint new Directors and Statutory Auditors for the three-year period 2010-2012.

A copy of the financial statements will be available to the general public at the registered office and on the website [www.farbanca.com](http://www.farbanca.com) from 6 April 2010.

Bologna, 11 March 2010

#### Attachments

The balance sheet and income statement are provided below.

BALANCE SHEET

ASSETS		31 DECEMBER 2009	31 DECEMBER 2008
10.	Cash and balances with central banks	11.537	37.736
40.	Financial assets available for sale	10.613	10.613
60.	Loans and advances to banks	2.082.792	2.799.103
70.	Loans and advances to customers	352.491.062	319.021.771
100.	Equity investments	40.988	40.988
110.	Property, plant and equipment	198.141	299.276
120.	Intangible assets <i>including: - goodwill</i>	16.727	27.513
130.	Tax assets	317.248	224.190
	a) current	98.867	-
	b) deferred tax assets	218.381	224.190
150.	Other assets	19.957.610	18.697.378
<b>Total assets</b>		<b>375.126.718</b>	<b>341.158.568</b>

EQUITY AND LIABILITIES		31 DECEMBER 2009	31 DECEMBER 2008
10.	Due to banks	145.904.647	204.473.554
20.	Due to customers	74.729.341	85.511.492
30.	Debt securities in issue	114.061.302	9.980.922
80.	Tax liabilities:	1.728	569.844
	a) current	-	567.964
	b) deferred	1.728	1.880
100.	Other liabilities	1.078.532	2.811.130
110.	Provision for severance indemnities	70.181	74.370
120.	Provisions for risks and charges:	376.141	381.000
	b) other provisions	376.141	381.000
160.	Reserves	2.737.765	1.493.651
170.	Additional paid-in capital	4.964.286	4.964.286
180.	Capital stock	28.242.100	28.242.100
200.	Net income (loss) for the year (+/-)	2.960.695	2.656.219
<b>Total Equity and Liabilities</b>		<b>375.126.718</b>	<b>341.158.568</b>

INCOME STATEMENT

CAPTIONS		31 DECEMBER 2009	31 DECEMBER 2008
10.	Interest income and similar revenues	12.352.419	18.336.213
20.	Interest expense and similar charges	(4.579.636)	(9.420.736)
30.	<b>Net interest income</b>	<b>7.772.783</b>	<b>8.915.477</b>
40.	Fee and commission income	1.327.661	876.922
50.	Fee and commission expense	(196.918)	(131.312)
60.	<b>Net fee and commission income</b>	<b>1.130.743</b>	<b>745.610</b>
80.	Net trading income	4.794	(6.137)
100.	Gains (losses) on disposals/repurchases of:	25	532
	d) financial liabilities	25	532
120.	<b>Net interest and other banking income</b>	<b>8.908.345</b>	<b>9.655.482</b>
130.	Net impairment adjustments on:	(56.527)	(1.115.242)
	a) loans and advances	(56.527)	(1.115.242)
140.	<b>Net income from financial activities</b>	<b>8.851.818</b>	<b>8.540.240</b>
150.	Administrative costs:	(4.301.592)	(4.321.366)
	a) payroll	(2.374.866)	(2.373.178)
	b) other administrative costs	(1.926.726)	(1.948.188)
160.	Net provisions for risks and charges	-	(101.000)
170.	Net adjustments to property, plant and equipment	(76.654)	(54.334)
180.	Net adjustments to intangible assets	(12.382)	(8.400)
190.	Other operating charges/income	196.812	235.631
200.	<b>Operating costs</b>	<b>(4.193.816)</b>	<b>(4.249.469)</b>
240.	Gains (losses) on disposal of investments	(7.879)	20
250.	<b>Profit (loss) on current operations before income taxes</b>	<b>4.650.123</b>	<b>4.290.791</b>
260.	Income taxes on current operations	(1.689.428)	(1.634.572)
270.	<b>Profit (loss) from current operations after tax</b>	<b>2.960.695</b>	<b>2.656.219</b>
290.	<b>Net income (loss) for the year</b>	<b>2.960.695</b>	<b>2.656.219</b>