



### Other administrative costs

	1999	1998	Change
Taxes	513,969	469,016	9.58%
Costs of computer services	404,483	379,861	6.48%
Expenses for consultancy fees	266,741	158,404	68.39%
Postal, telephonic, telegraphic and teletransmission expenses	256,592	259,635	(1.17%)
Leasing charges	252,529	245,185	3.00%
Expenses for maintenance	175,179	200,388	(12.58%)
Expenses for advertising and promotional activities	143,581	145,297	(1.18%)
Legal expenses	120,979	94,336	28.24%
Lighting, central heating and air conditioning expenses	85,116	90,565	(6.02%)
Costs of printing and stationery	72,214	73,494	(1.74%)
Training expenses and reimbursements for personnel	71,864	67,016	7.23%
Expenses for delivery services	69,925	78,022	(10.38%)
Insurance premiums	63,981	58,437	9.49%
Machine renting charges	62,726	39,452	58.99%
Cleaning expenses	61,053	69,302	(11.90%)
Security expenses	50,831	46,557	9.18%
Information expenses	15,815	23,511	(32.73%)
Other administrative costs	169,790	249,652	(31.99%)
<b>Total</b>	<b>2,857,368</b>	<b>2,748,130</b>	<b>3.97%</b>

## Section 5 - Adjustments, write-backs and provisions

Statement of income	1999	1998	Changes	
			amount	%
<b>Caption 90</b>				
Adjustments to tangible and intangible fixed assets	1,008,905	869,373	139,532	16.05
<b>Caption 100</b>				
Provisions for risks and charges	356,835	105,880	250,955	237.02
<b>Caption 120</b>				
Adjustments to loans and provisions for guarantees and commitments	1,600,841	1,538,303	62,538	4.07
<b>Caption 130</b>				
Write-back of adjustments to loans and provisions for guarantees and commitments	469,155	398,364	70,791	17.77
<b>Caption 140</b>				
Provisions for possible loan losses	137,861	194,910	(57,049)	(29.27)
<b>Caption 150</b>				
Adjustments to financial fixed assets	48,432	43,383	5,049	11.64
<b>Caption 160</b>				
Write-backs of financial fixed assets	2,455	1,436	1,019	70.96
<b>Caption 230</b>				
Change in the reserve for general banking risks	221,250	29,004	192,246	662.83

### 5.1 Breakdown of caption 120 "Adjustments to loans and provisions for guarantees and commitments"

	1999	1998	Change
a) Adjustments to loans including	1,561,753	1,531,017	2.01%
• lump sum adjustments for Country risk	25,418	57,517	
• other lump sum adjustments	178,253	149,377	
b) Provisions for guarantees and commitments including	39,088	7,286	-
• lump sum adjustments for Country risk		4,512	
• other lump sum adjustments	10,805	1,679	
<b>Total</b>	<b>1,600,841</b>	<b>1,538,303</b>	<b>4.07%</b>

## 5.2 Breakdown of the other Section 5 captions

### Caption 90 "Adjustments to tangible and intangible fixed assets"

	1999	1998	Change
Depreciation of tangible fixed assets	422,151	416,507	1.36%
Amortisation of intangible fixed assets	365,277	307,259	18.88%
Permanent write-downs of tangible fixed assets	-	6,736	-
Permanent write-downs of intangible fixed assets	90,850	-	-
Amortisation of goodwill arising on consolidation and on application of the equity method	130,627	138,871	(5.94%)
<b>Total</b>	<b>1,008,905</b>	<b>869,373</b>	<b>16.05%</b>

### Caption 100 "Provisions for risks and charges"

	1999	1998	Change
Legal disputes and amounts reclaimed	209,097	20,032	-
Provisions for guarantees given	42,000	-	-
Provisions for losses on equity investments	10,000	-	-
Provisions pursuant Art. 16 of CONSOB Regulation 5386	2,000	6,000	(66.67%)
Customer supplementary indemnities	-	2,374	-
Other forecasted charges	93,738	77,474	20.99%
<b>Total</b>	<b>356,835</b>	<b>105,880</b>	<b>237.02%</b>

### Caption 130 "Write-back of adjustments to loans and provisions for guarantees and commitments"

This item of the statement of income contains write-backs in the value of loans and provisions carried out in previous years to cover guarantees and commitments for which the reasons for write-downs no longer apply.

Write-back of adjustments refer to:

	1999	1998	Change
Loans	458,455	373,576	22.72%
Provisions for guarantees and commitments	10,700	24,788	(56.83%)
<b>Total</b>	<b>469,155</b>	<b>398,364</b>	<b>17.77%</b>

### Caption 140 "Provisions for possible loan losses"

	1999	1998	Change
Provisions in the year			
• principal repayments	3,950	37,852	(89.56%)
• interest on non-performing loans	133,911	157,058	(14.74%)
<b>Total</b>	<b>137,861</b>	<b>194,910</b>	<b>(29.27%)</b>

All provisions carried out by companies for exclusively fiscal purposes have been eliminated in the consolidated financial statements.



**Caption 150 "Adjustments to financial fixed assets"**

	1999	1998	Changes	
			amount	%
Adjustments to financial fixed assets	48,432	43,383	5,049	11.64

These write-downs have been carried out following permanent losses from minority equity investments' book value.

**Caption 160 "Write-backs of financial fixed assets"**

	1999	1998	Changes	
			amount	%
Write-backs of financial fixed assets	2,455	1,436	1,019	70.96

Similarly to write-backs of loans (caption 130) this item contains write-backs in book value of certain equity investments which had been written down in previous years since the reasons for such write-downs no longer apply.

## Section 6 - Other statement of income captions

Statement of income	1999	1998	Changes	
			amount	%
<b>Caption 70</b>				
Other operating income	834,233	819,695	14,538	1.77
<b>Caption 110</b>				
Other operating expenses	154,428	165,242	(10,814)	(6.54)
<b>Caption 190</b>				
Extraordinary income	1,980,651	471,742	1,508,909	319.86
<b>Caption 200</b>				
Extraordinary charges	870,174	279,505	590,669	211.33
<b>Caption 30</b>				
Dividends and other revenues	184,910	49,640	135,270	272.50
<b>Caption 240</b>				
Income taxes for the year	630,480	1,409,980	(779,500)	(55.28)

### 6.1 Breakdown of caption 70 "Other operating income"

	1999	1998	Change
Tax recovery	381,435	379,557	0.49%
Legal expenses	34,543	39,880	(13.38%)
Insurance costs recovery	15,124	19,803	(23.63%)
Real estate rentals and recovery of expenses	38,267	45,991	(16.79%)
Recovery of expenses for seconded personnel	17,986	1,243	-
Income from software projects	14,985	14,869	0.78%
Swap indices on bonds	58,320	100,527	(41.99%)
Capital gains on disposal of merchant banking equity investments	53,468	18,233	193.25%
Other income	220,105	199,592	10.28%
<b>Total</b>	<b>834,233</b>	<b>819,695</b>	<b>1.77%</b>

### 6.2 Breakdown of caption 110 "Other operating expenses"

	1999	1998	Change
Expenses related to leasing contracts	18,806	25,830	(27.19%)
Swap indices on bonds	57,469	101,721	(43.50%)
Other expenses	78,153	37,691	107.35%
<b>Total</b>	<b>154,428</b>	<b>165,242</b>	<b>(6.54%)</b>