

BNL GROUP SELLS ITS ARGENTINEAN ACTIVITIES

- *Separate sale of the banking, pension management and insurance activities for an overall amount of US\$ 205 million*
- *The banking subsidiary BNL S.A. sold to HSBC Bank Argentina*

Rome, 24th January 2006. In the context of the planned sale of the Argentinean activities, BNL Group has signed today an agreement for the sale of the banking activities - Banca Nazionale del Lavoro S.A. and BNL Inversiones Argentinas S.A. - to HSBC Bank Argentina for US\$ 155 million.

This transaction follows the signing, finalized yesterday 23rd January 2006, of the sale agreement of the pension management activities related to La Estrella S.A. to a consortium formed by Caja de Seguros S.A. for 50% and by private individuals for the remaining 50%.

The two transactions, together with the sale of the insurance activities of Fidia S.A., which is expected to be finalized over the next few days, complete the sale of the Argentinean activities for an overall amount of US\$ 205 million as communicated to the market with the press release of 14th November 2005.

The completion of the sale transactions is subject to the necessary approval of local regulatory authorities which is expected to be received in the course of the first quarter 2006.

Upon finalization of all the sale transactions, BNL Group's consolidated income statement shall benefit from an overall capital gain estimated at US\$ 155 million before the impact of fiscal and sundry charges and provisions on contractual guarantees.

As at 30th September 2005 the Argentinean activities held for sale contributed a total of euro 1,394 million to BNL Group's consolidated assets (equivalent to 1.6% of total assets) and euro 32 million (inclusive of significant non-recurrent impacts) to the economic result of the period.

BNL's advisor for this transaction was UBS.

Please note that the original Press Release is in Italian. In case of doubt the Italian version prevails.

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