

PRESS RELEASE

INTESA SANPAOLO: THE BOARDS UNANIMOUSLY RESOLVE TO ACCELERATE DEVELOPMENT OF BANCA FIDEURAM, EURIZON CAPITAL AND EURIZON VITA. LISTING OF THE EURIZON FINANCIAL GROUP NOT NECESSARY

Torino, Milano, 19th June 2007 – Intesa Sanpaolo's Management Board and Supervisory Board met under the chairmanship of Enrico Salza and Giovanni Bazoli respectively to resolve upon the listing project of the Eurizon Financial Group which included the flotation of 30% of the Holding Company.

As already disclosed to the market, a final decision with respect to the above was expected to be made within this June.

The whole project had to be reconsidered after the merger between Banca Intesa and Sanpaolo IMI which significantly increased growth potential in all the segments of Asset Management and set in motion integration processes currently in their early stage of implementation (e.g. the Nextra repurchase). The ongoing consolidation process of the Italian banking system as well as the Antitrust recommendations were further elements taken into consideration when making a decision with respect to a listing of Eurizon.

Both the Management Board and the Supervisory Board unanimously resolved upon not to proceed with the listing of the Eurizon Financial Group in its current configuration, but to pursue even more firmly the development of its three main business lines. In particular, the aim is that of:

- A. further strengthening the domestic leadership of Fideuram and bringing it back in the short term to a successful listing;**
- B. creating through Eurizon Capital a player of European standing in Asset Management;**
- C. creating through Eurizon Vita a leader in the bancassurance sector.**

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- A. Further strengthening the domestic leadership of Fideuram and bringing it back in the short term to a successful listing

Banca Fideuram is the leader in Italy in the sector of financial advisors.

Banca Fideuram can return to significant growth, thus fully satisfying its financial advisors and also attracting the best ones from other networks. In order to do this, Banca Fideuram must:

- fully recoup its corporate identity;
- be equipped with the necessary resources to make the investments required for the enhancement of its traditional strengths (e.g. private banking);

- be put in a position to come back in the short term to a successful listing.

B. Creating through Eurizon Capital a player of European standing in Asset Management

Today, Asset Management represents a sector of great interest for the Intesa Sanpaolo Group: in fact, the Group's total customer financial assets amounts to approximately 550 billion euro.

Eurizon Capital, notwithstanding its leading position in terms of size in the domestic market, still has serious weaknesses:

- its size isn't yet sufficient to be competitive at a European level (117 billion euro of Assets Under Management);
- its presence isn't sufficiently strong in business segments / asset lines of great interest to customers;
- it is an almost wholly captive product company.

The Nextra contribution will help solve the issue of Eurizon Capital's size. In order for Eurizon Capital to become a player of European standing in Asset Management, it will be necessary to:

- upgrade the Asset Management business plan together with Banca dei Territori and ensure the best possible integration in all phases of the process: from designing new products to implementing an open-architecture strategy; from sales support to post-sales services;
- develop all possible synergies with the Intesa Sanpaolo Group's banking subsidiaries abroad;
- acquire volumes, competencies, brands and distribution channels, even through mergers with international players - however maintaining control of the company;
- develop all possible synergies with the bancassurance sector.

C. Creating through Eurizon Vita a leader in the bancassurance sector

Eurizon Vita is one of the leading companies in the life insurance business while it has just begun developing the pension and property-casualty insurance business. Its overall technical reserves amount to approximately 46 billion euro and annual premiums issued to more than 6 billion euro.

In order to consolidate Eurizon Vita's leadership position and accelerate its development in new ranges of activity, relations with Banca dei Territori and the Group's banking subsidiaries abroad will be fully exploited and all possible synergies with Asset Management implemented.

Especially in the life and pension sectors, Eurizon Vita will be able to become supplier/partner of banks other than those of the Intesa Sanpaolo Group and other networks.

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Banca dei Territori will play a very important role in the development of Eurizon Capital and Eurizon Vita, even if both product companies will promote new distribution channels.

Banca dei Territori will increasingly adopt an open-architecture approach in which the Group's product companies' offer is to be however always integrated with complementary offers on the part of third-party suppliers. The close relationship among the marketing structures as well as cooperation in designing new products and training and supporting the Group's networks will undoubtedly be a key factor to success for both the product companies and Banca dei Territori.

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The strategic and organisational decisions that have been reached are a relevant change to the original plans of the Eurizon Financial Group. The Holding Company's role itself results greatly reduced in favour of its three companies. Mario Greco will leave the Intesa Sanpaolo Group; the manager has expressed his willingness to accompany Eurizon in its transitional phase till this summer.

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As regards human resources, further massive investments are planned for the development and training of all staff. Moreover, the commitments made so far are confirmed and, on the basis of operating plans, negotiations with the trade unions will be started within this July.

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The development project of all three of Eurizon's fundamental activities will enable the Intesa Sanpaolo Group to achieve higher targets than the ones envisaged in the 2007-2009 Business Plan, which included the listing of 30% of Eurizon. This improvement with respect to the Business Plan targets - which have currently been left unchanged - will be duly disclosed to the market as the project is being implemented.

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