INTESA SANPAOLO

2008 First Quarter Results

13 May 2008

Foreword

- For comparison purposes, 2007 data have been restated to take into account the changes in the consolidation area - consolidation(1) line by line since 1 January 2007 of CR Firenze (shareholding of 58.9%) and activities of former Nextra - and the recording of the economic effects connected with discontinued operations in its specific caption. 2007 quarterly data have been restated to take into account also the final merger cost allocation as at 31.12.07

- 1Q08 consolidation area differs from that presented in the 2007-2009 Business Plan in so as far it
  - includes Net Income relating to the 198 branches disposed of in compliance with the Antitrust decision up to the respective sale date (up to 18.02.08 for 36 branches, up to 25.02.08 for 84 branches and up to 10.03.08 for 78 branches) recorded in the caption Income (Loss) from discontinued operations
  - takes into account the acquisition of 40.3% of CR Firenze (30.8% remaining purchase finalised in April)
  - does not include the disposal of a business line for the production and management of insurance policies in the implementation of Antitrust commitments
  - does not take into account the assumption of the listing of 30% of former Eurizon Financial Group

- With reference to the divisional figures, 1Q08 differs from the 2007-2009 Business Plan because
  - Casse del Centro, Banca di Trento e Bolzano, EurizonVita and EurizonTutela are entirely included in the Banca dei Territori Division
  - Proprietary trading is fully included in the Corporate and Investment Banking Division
  - Eurizon Capital and Banca Fideuram are distinct Business Units
  - CR Firenze (shareholding of 58.9%) is entirely included in the Banca dei Territori Division

(1) *Main restatements*

1Q08 positive results in a difficult market environment

Sound operating performance and Balance Sheet high quality confirmed

- **Net Income** more than €1.7bn, more than €1.2bn calculated excluding Profits on trading and main non-recurring items (**+34.2% vs 1Q07 on a consistent basis**)
- **Recurring[(1)] Operating Margin up 13.0%** vs 1Q07, in line with 2007-2009 BP
- **Recurring[(1)] revenue growth of 4.1%**
- **Reduction in Operating costs of 3.1%** vs 1Q07, more marked compared to 2007-2009 BP
- Foreseeable further activation of the Solidarity Allowance on account of subscriptions already received which exceed the Agreement dated 1.08.07 (~1,750). **~€400m charges already provisioned in 1Q08**
- **Cost of credit (9bp** not annualised) lower than 2007-2009 BP
- More than €2.3bn reserves on Performing Loans
- **Net Doubtful Loans/Loans stable at 0.9%**
- **Excellent liquidity profile**: Direct customer deposits > Loans to customers

(1) Excluding Profits on trading

1Q08 vs 1Q07 Net Income

Strong growth excluding Profits on trading and main non-recurring items

1Q07 Net Income(1)	(€ m)
1Q07 Net Income	3,966
- Profits on trading	284
+ Integration charges	14
+ Amortisation of acquisition cost	136
- Income from discontinued operations	2,914
of which	
Capital gain on Crédit Agricole agreement	2,803
Total	**918**

1Q08 Net Income(1)	(€ m)
1Q08 Net Income	1,748
- Profits on trading	20
+ Integration charges	321
+ Amortisation of acquisition cost(2)	133
- Income from discontinued operations	950
of which	
Capital gain on 198 Antitrust branches	953
Total	**1,232**

+34.2%

(1) Post-tax data (tax estimated for Profits on trading)
(2) 1Q08 amortisation of acquisition cost also includes charges related to CR Firenze and former Nextra activities acquisitions

Excellent liquidity profile confirmed

Direct Customer Deposits higher than Loans to Customers

- **Direct Customer Deposits > Loans to Customers**

(1) Excluding ~€22.7bn financial liabilities related to insurance sector

Quarterly P&L Analysis: 1Q08 vs 1Q07

Excellent cost reduction

(€ m)	1Q07 Restated	1Q08	Δ%
Net interest income	2,540	2,823	11.1
Dividends and P/L on investments carried at equity	50	66	32.0
Net fee and commission income	1,676	1,602	(4.4)
Profits (Losses) on trading	454	25	(94.5)
Income from insurance business	121	79	(34.7)
Other operating income (expenses)	55	53	(3.6)
Operating income	**4,896**	**4,648**	**(5.1)**
Personnel expenses	(1,507)	(1,453)	(3.6)
Other administrative expenses	(759)	(748)	(1.4)
Adjustments to property, equipment and intangible assets	(202)	(191)	(5.4)
Operating costs	**(2,468)**	**(2,392)**	**(3.1)**
Operating margin	**2,428**	**2,256**	**(7.1)**
Net provisions for risks and charges	(97)	(33)	(66.0)
Net adjustments to loans	(346)	(311)	(10.1)
Net impairment losses on other assets	(2)	(8)	n.m.
Profits (Losses) on HTM and on other investments	37	13	(64.9)
Income before tax from continuing operations	**2,020**	**1,917**	**(5.1)**
Taxes on income from continuing operations	(725)	(608)	(16.1)
Merger and restructuring related charges (net of tax)	(14)	(321)	n.m.
Effect of purchase cost allocation (net of tax)	(136)	(133)	(2.2)
Income (Loss) after tax from discontinued operations	2,914	950	(67.4)
Minority interests	(93)	(57)	(38.7)
Net income	**3,966**	**1,748**	**(55.9)**

+4.1% Excluding Profits on trading

+13.0% Excluding Profits on trading

+20.8% Excluding Profits on trading

+34.2% Excluding Profits on trading and main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 1Q07 figures restated to reflect 1Q08 consolidation area

Quarterly P&L Analysis: 1Q08 vs 4Q07

Strong growth in Net Income, Operating Margin and Income before tax

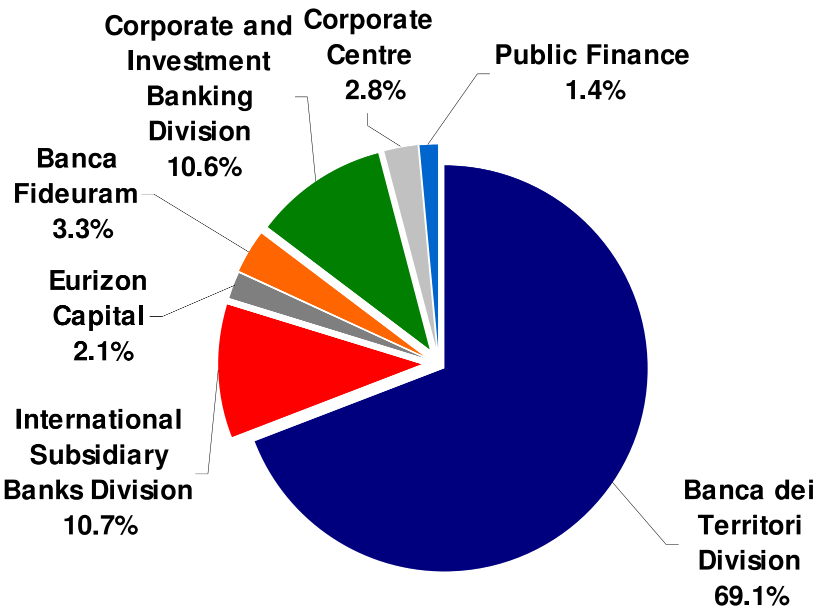
(€ m)	4Q07 Restated	1Q08	Δ%
Net interest income	2,818	2,823	0.2
Dividends and P/L on investments carried at equity	86	66	(23.3)
Net fee and commission income	1,603	1,602	(0.1)
Profits (Losses) on trading	(49)	25	n.m.
Income from insurance business	99	79	(20.2)
Other operating income	43	53	23.3
Operating income	**4,600**	**4,648**	**1.0**
Personnel expenses	(1,566)	(1,453)	(7.2)
Other administrative expenses	(965)	(748)	(22.5)
Adjustments to property, equipment and intangible assets	(246)	(191)	(22.4)
Operating costs	**(2,777)**	**(2,392)**	**(13.9)**
Operating margin	**1,823**	**2,256**	**23.8**
Net provisions for risks and charges	(270)	(33)	(87.8)
Net adjustments to loans	(484)	(311)	(35.7)
Net impairment losses on assets	(52)	(8)	(84.6)
Profits (Losses) on HTM and on other investments	58	13	(77.6)
Income before tax from continuing operations	**1,075**	**1,917**	**78.3**
Taxes on income from continuing operations	(788)	(608)	(22.8)
Merger and restructuring related charges (net of tax)	(126)	(321)	154.8
Effect of purchase cost allocation (net of tax)	399	(133)	n.m.
Income (Loss) after tax from discontinued operations	(6)	950	n.m.
Minority interests	(50)	(57)	14.0
Net income	**504**	**1,748**	**246.8**

Figures may not add up exactly due to rounding differences
Note: 4Q07 figures restated to reflect 1Q08 consolidation area

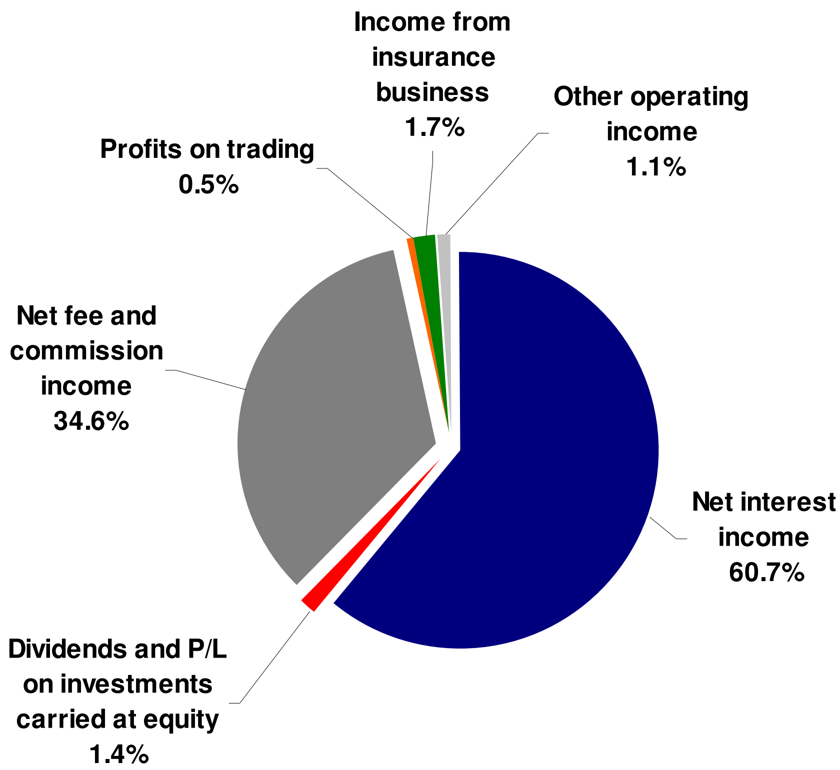
85% of revenues from retail activity(1)

Operating Income

Breakdown by business area



Breakdown by revenue

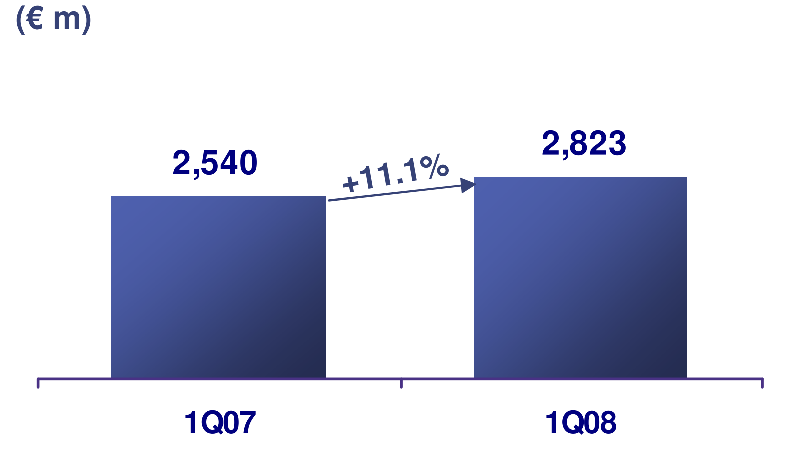


(1) Retail = Banca dei Territori Division, International Subsidiary Banks Division, Eurizon Capital and Banca Fideuram

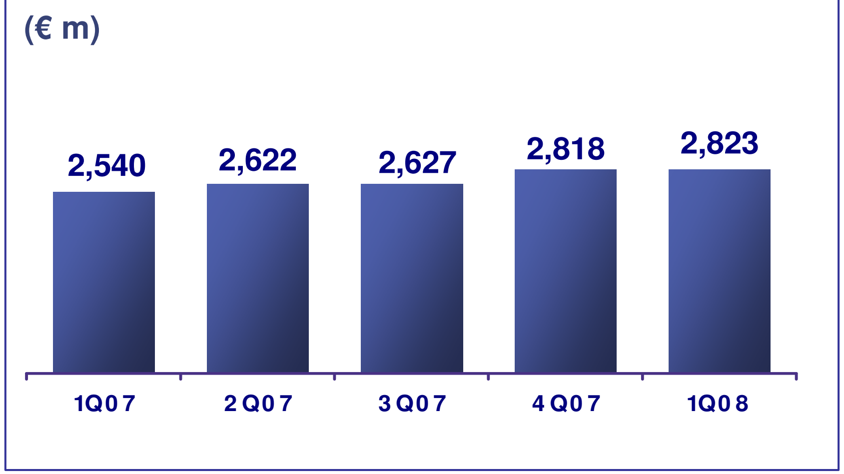
Net Interest Income

Excellent yearly growth and positive trend confirmed

Yearly Analysis



Quarterly Analysis



- Double-digit increase mainly driven by improvement in mark-down and average volume growth in loans to customers (+7.2%)

Loans - Average volumes

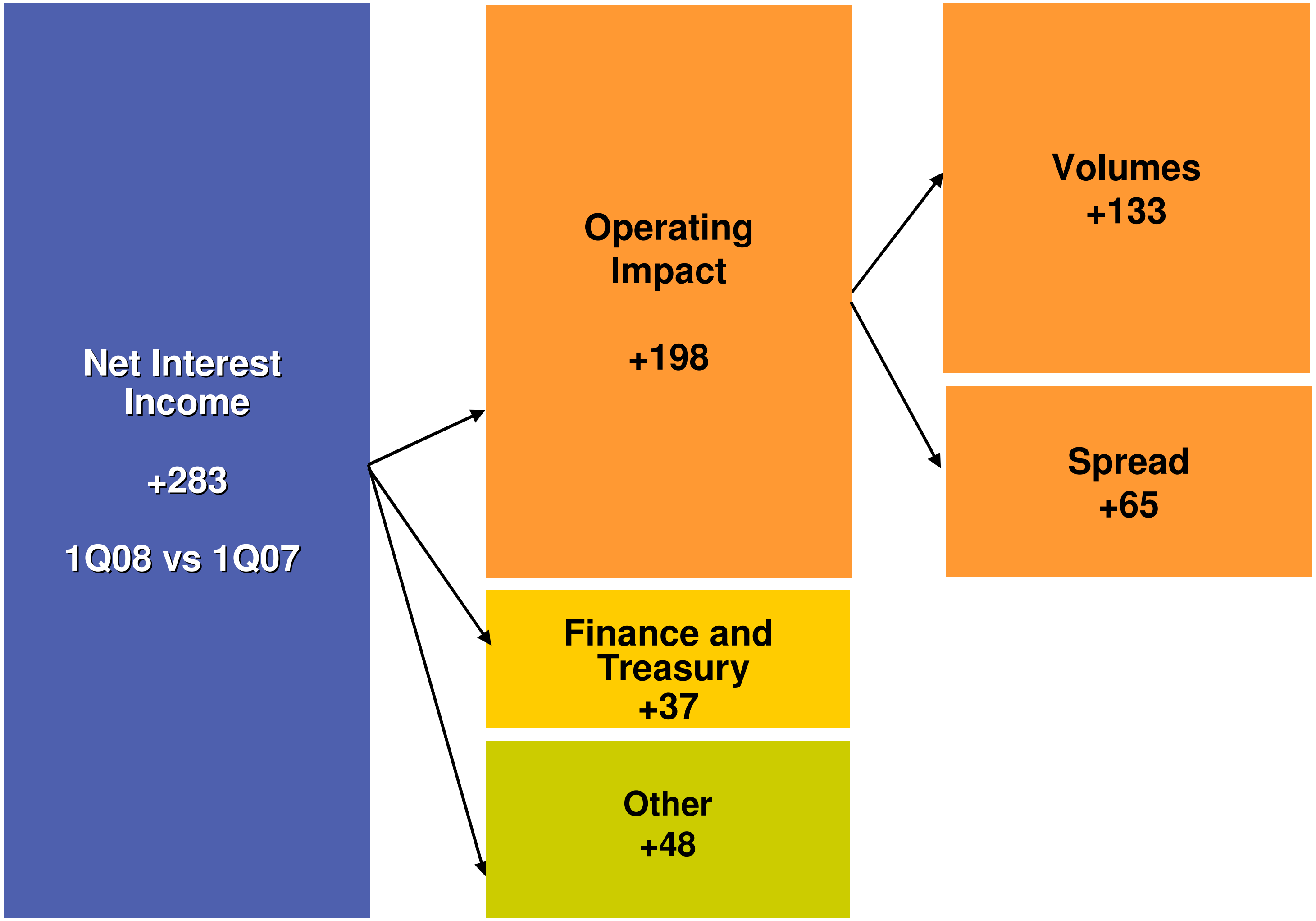
	Δ%	Δ € bn
Retail Italy	+6.0	+7.1
SMEs	+5.1	+3.9
Corporate	+9.7	+5.8
Public Finance	+8.2	+2.3
International Subsidiary Banks Division	+26.1	+4.9

- 1Q08, the best quarter ever recorded
- 1Q08 slightly increased vs 4Q07 thanks to the increase in average intermediated volumes with customers
- Selective lending policy confirmed to deliver sustainable value creation
- Re-pricing actions underway to balance the higher cost of funding

Net Interest Income: 1Q08 vs 1Q07

Double-digit growth mainly due to operations with customers

(€ m)

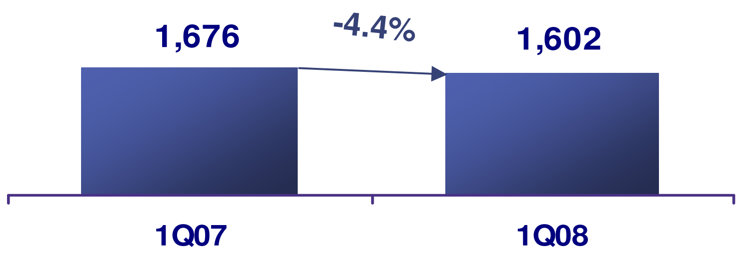


Net Fee and Commission Income

Stability in the last three quarters

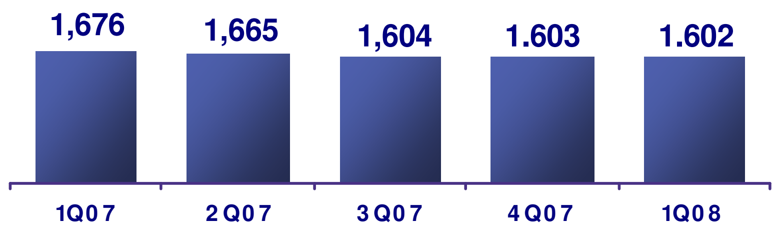
Yearly Analysis

(€ m)



Quarterly Analysis

(€ m)

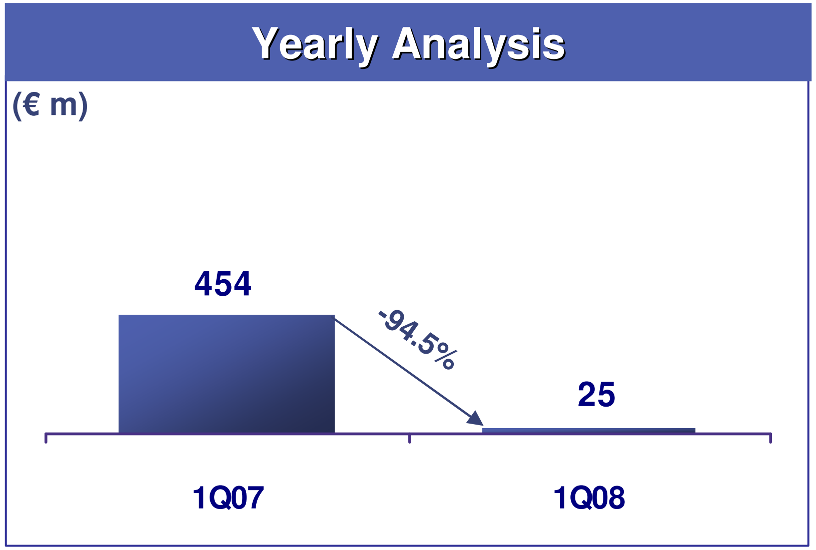


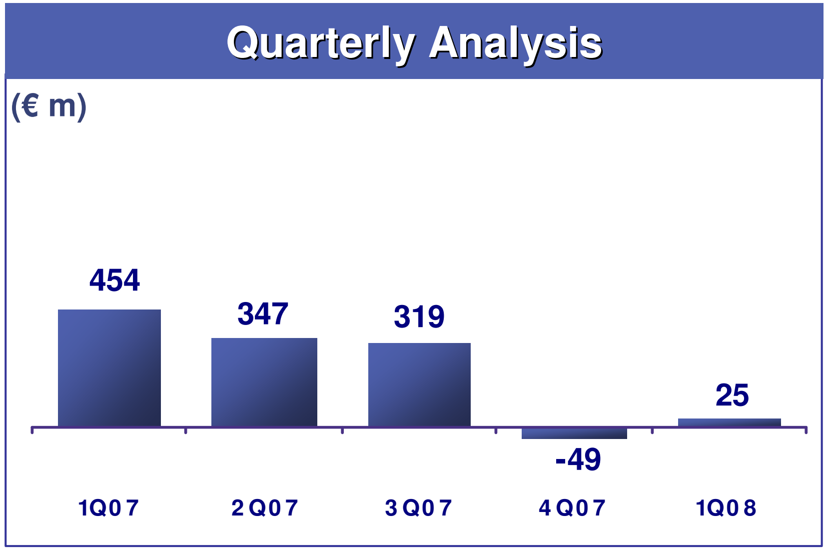
- **Commissions from commercial banking activities stable (€515m; +0.2%) thanks to growth in commissions from Collection and payment services, Guarantees given and Credit and debit cards, compensating for the reduction in commissions from Current accounts due to the higher placement of lower-cost products**
- **Decrease in commissions from Management, dealing and consultancy activities (portfolio management, insurance products, placement of securities, ...) to €909m (-4.9%) due to the adverse market trend and to customer risk aversion**

- **1Q08 in line vs 4Q07 and 3Q07**

Profits on Trading

Return to positive results as expected





- Reduction due to the impact of financial market crisis and decrease of trading activities (-€25bn 31.03.08 vs 31.03.07)
- 1Q08 back to positive results as expected, despite a particularly difficult market

Profits on Trading analysis
Return to positive results as expected

(€ m)	1Q07	4Q07	1Q08
Total	**454**	**-49**	**25**
of which:			
Customers	223	135	135
Capital markets & Merchant Banking	143	143	40
Proprietary Trading and Treasury (excluding structured credit products)	88	53	-30
Structured credit products		-380	-120[1]

(1) €1m (of which €6m from valuation) positive impact due to ABS and CDOs with US subprime exposure, €40m (entirely from valuation) negative impact due to "contagion effect" and monoline and €81m (of which €78m from valuation) due to other structured credit products (all details in Appendix)

Structured credit products

High quality portfolio confirmed

- US subprime -€28m

Net exposure (€m)	31.12.07	31.3.08
US Subprime	-49	-28
“Contagion” area	572	398
Monoline	61	45
Super senior Corporate Risk	2,414	2,314
European ABS/CDO	2,224	2,162
Other	1,195	906

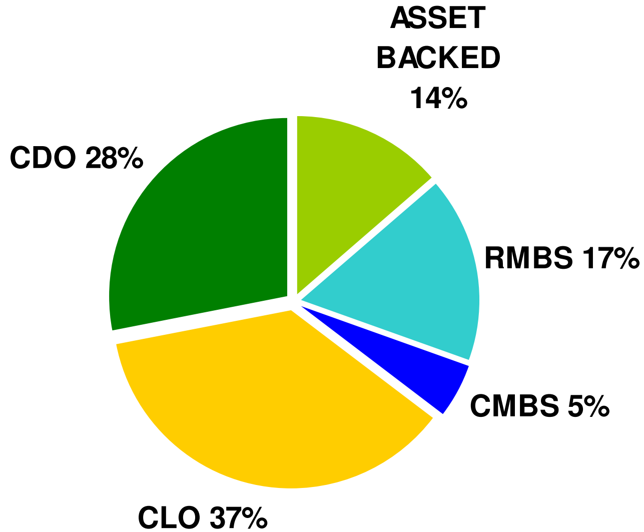
- 100% Investment Grade

Rating	%
Super senior	50%
AAA	33%
AA	11%
A	5%
BBB	1%

- 72% Vintage ≤ 2005

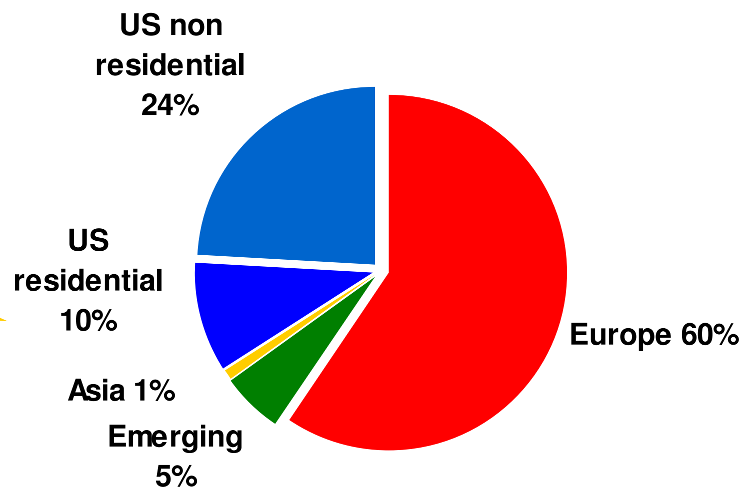
Vintage	%
Before 2005	42%
2005	30%
2006	19%
2007	9%

Products



Geographic area

Only 10% US residential



- Portfolio reduction for ~€500m in first quarter 2008 (with ~€10m P&L loss)
- Further reduction for ~€200m in April (without P&L impact)

US Subprime

Still negative net exposure

There is a net "short" risk exposure of €28m as at 31.03.08, resulting from "long" positions of €49m and "short" positions of €77m

Position as at 31.03.08			
(€m)	Nominal value	Cumulated write-downs and write-backs	Risk exposure
"Long" positions	249	-198	**49**
"Short" positions	187	110	**77**
Net position	62(1)	-88	**-28**

Note: For US subprime exposure, Intesa Sanpaolo intends all cash investments in securities (ABS and CDOs) and derivative positions (unfunded CDOs) with collateral mainly made up of US residential mortgages other than the prime sector (i.e. Home Equity Loans, residential mortgages with B&C ratings and similar products) granted in the years 2005/06/07, irrespective of the FICO score and the loan-to-value. For loans with vintage before 2005, the probability of default is differentiated on the basis of the specific characteristics of the collateral: in these cases the subprime component (characterised by high probability of loss) – which has been identified considering RMBS with FICO score under 629 and loan-to-value over 90% - was immaterial and the related positions were included in the "contagion" area or in the other structured credit products (see page on "Contagion" Area and page on "Multisector super senior CDO not included in the "contagion" area"). The risk on these investments was managed and reduced via "short" positions on ABX indices

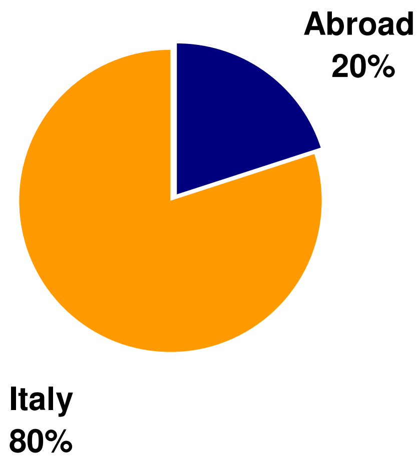
(1) The net nominal exposure of €62m as at 31.03.08 compares with €49m reported as at 31.12.07

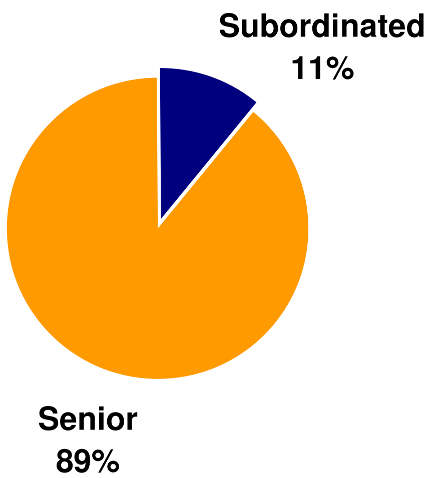
Leveraged Finance(*)

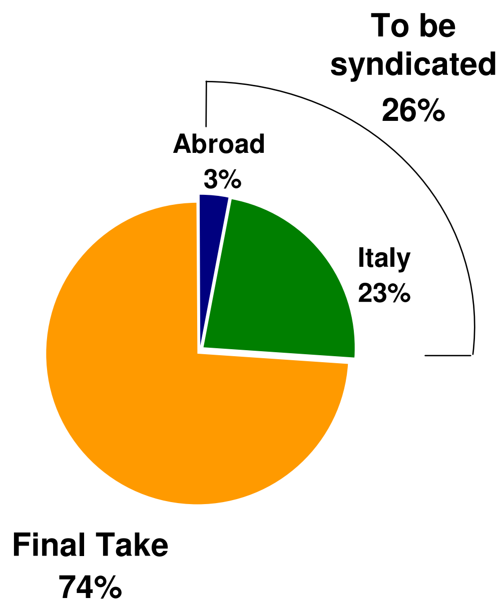
Contained and high quality exposure

No. Transactions	Amount(1)
56	€3,660m

Breakdown







(*) Financing to parties controlled by private equity funds or financial sponsor, pertaining to the Investment Banking Dep. of the Corporate and Investment Banking Division. Including Weather-Wind transaction

(1) Outstanding commitment

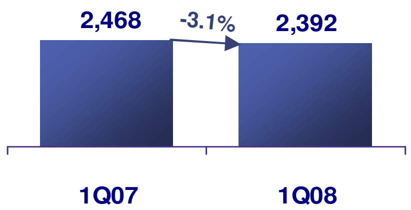
Operating Costs (1/3)

Costs decreasing by more than 3% despite the planned growth in International Subsidiary Banks

Yearly Analysis

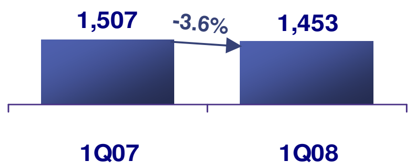
Operating Costs

(€ m)



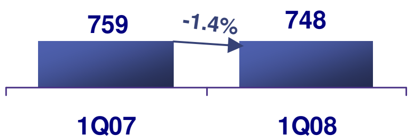
Personnel Expenses

(€ m)



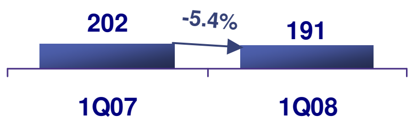
Other Administrative Expenses

(€ m)



Adjustments

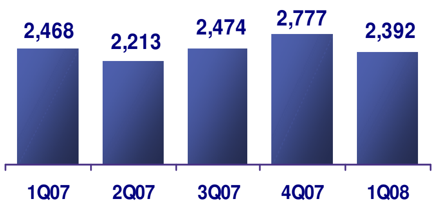
(€ m)



Quarterly Analysis

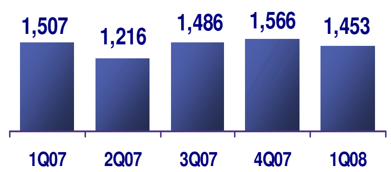
Operating Costs

(€ m)



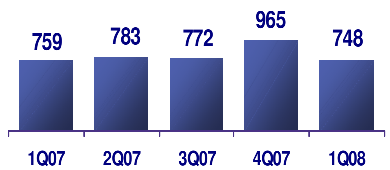
Personnel Expenses

(€ m)



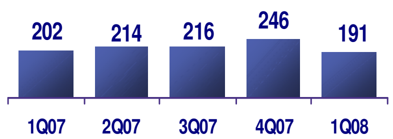
Other Administrative Expenses

(€ m)



Adjustments

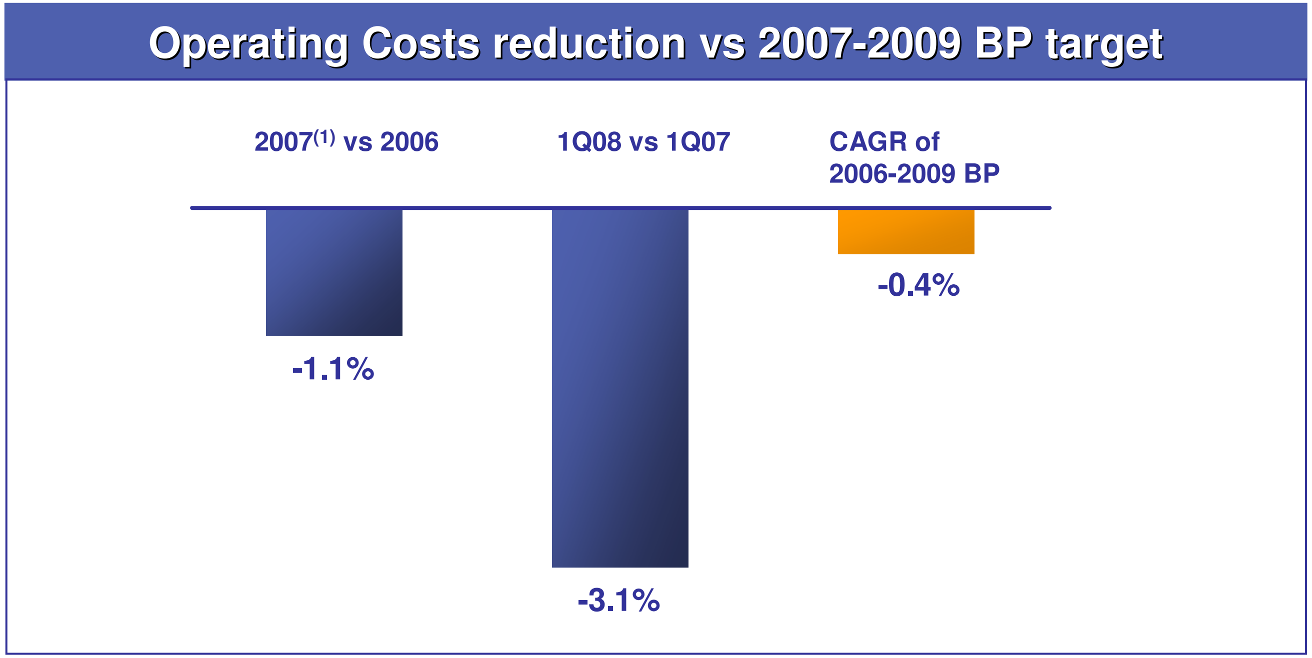
(€ m)



- **Excellent cost reduction only benefiting from first part of merger synergies**
- **Strong decrease in Operating Costs notwithstanding growth-related investments, mainly abroad (International Subsidiary Banks Operating Costs: +12.4%; +€28m)**
- **Cost/Income ratio at 51.5% (vs 51.6% as at 31.12.07)**
- **1Q08 Operating Costs down (-13.9%) vs 4Q07 due to staff reduction and seasonal trend in Other Administrative Expenses and Adjustments**

Operating Costs (2/3)

Cost reduction ahead of and more marked than the 2007-2009 BP target

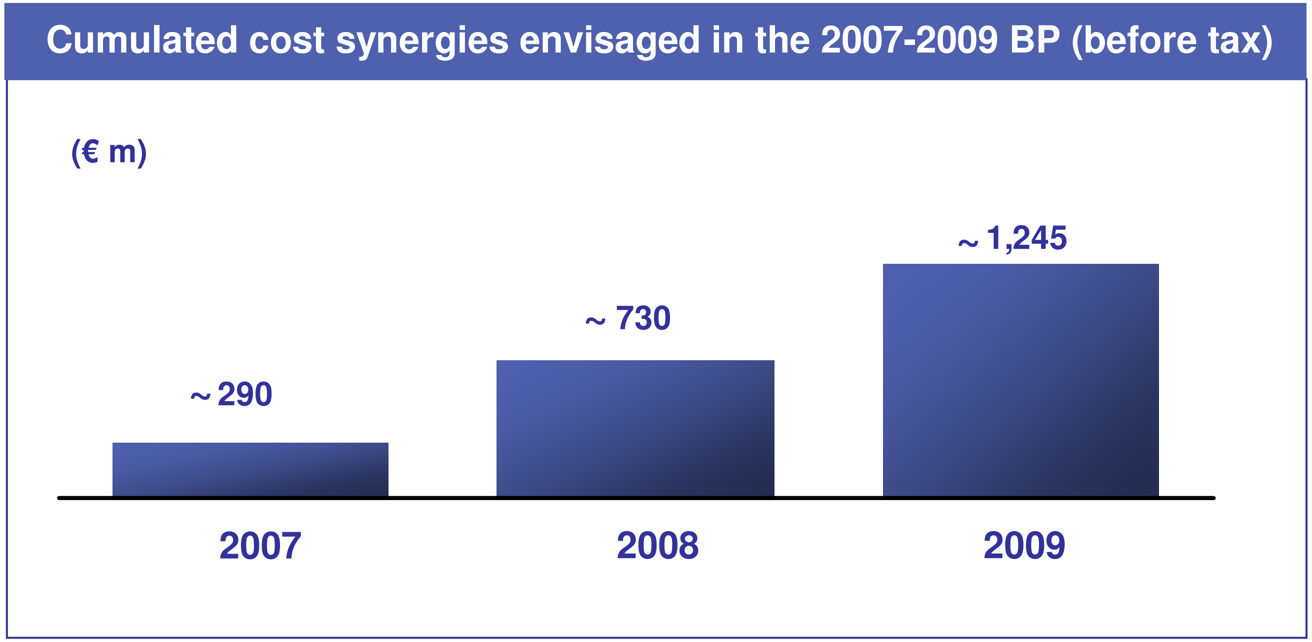


- ~4,300 people exited the Group in 2007 (of which ~2,300 as at 31.12.07)
- ~1,500 will exit the Group in 2008 and 800 in 2009 (charges already recorded in 2007)
- Foreseeable further activation of the Solidarity Allowance on account of subscriptions already received which exceed the Agreement dated 1.08.07 (~1,750). Charges already provisioned in 1Q08 (~ €0.4bn before tax)

(1) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)

Operating Costs (3/3)

Only first part of cost synergies already included in Group's results



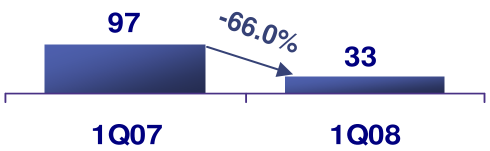
- **In 2007 ~€290m synergies realised**
- **In 1Q08 ~€140m synergies realised**

Provisions for Risks and Charges and Adjustments to Loans
Cost of credit decreasing and lower than the 2007-2009 BP

Yearly Analysis	Quarterly Analysis

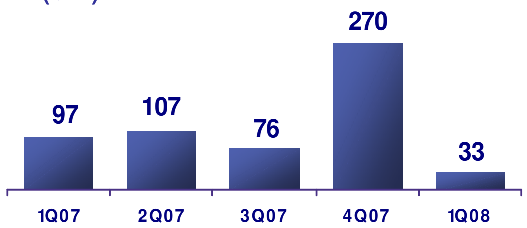
Net Provisions for risks and charges

(€ m)



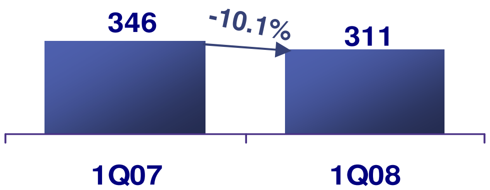
Net Provisions for risks and charges

(€ m)



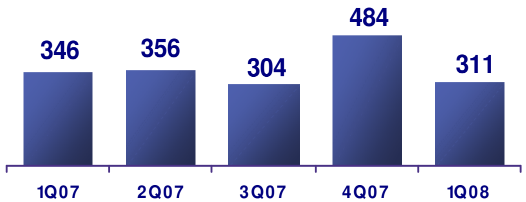
Net Adjustments to Loans

(€ m)



Net Adjustments to Loans

(€ m)

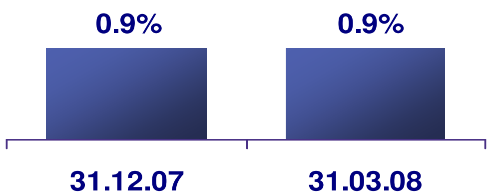


- Strong decrease in Provisions for risks and charges also due to conservative provisions in 2007
- 1Q08 Net Adjustments to Loans/Loans at 9bp (not annualised)
- Contained cost of credit thanks to the high loan portfolio quality due to the selective lending policy adopted in recent years and further reinforced

- 1Q08 Net Provisions for risks and charges down after the particularly high provisions made in 2007
- Strong decrease in 1Q08 Net Adjustments to Loans vs 4Q07 (-35.7%)

Non Performing Loans
High quality Loan portfolio confirmed

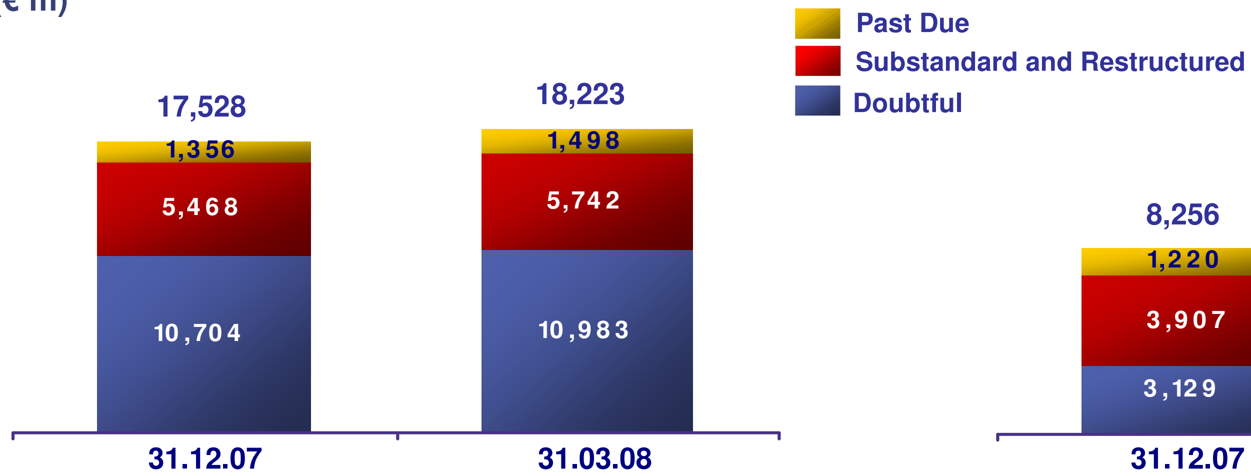
Net Doubtful Loans/Loans



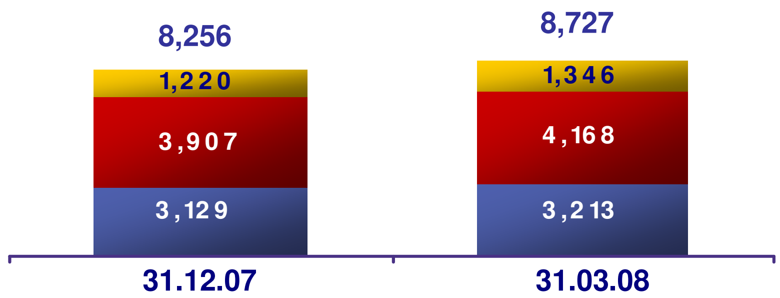
Gross Non Performing Loans

Net Non Performing Loans

(€ m)



(€ m)



- **Doubtful Loans Coverage stable at 71% and over €2.3bn reserves on Performing Loans**

Capital Ratios

Adequate capital base in line with the 2007-2009 BP targets

	31.03.08 Basel 1 (estimated)	31.03.08 Basel 2 (standardised)
Core Tier 1 ratio	6.0%	6.1%
Tier 1 ratio	6.6%	6.7%
Total Capital ratio	9.1%	9.3%
RWA (€ bn)	400.7	392.5

- **31.03.08 data do not take into consideration**
  - \+ **disposal of AGOS underway**
  - \+ **planned listing of IMMIT**
  - \+ **planned listing of Fideuram**
  - \+ **implementation related to Antitrust decision regarding insurance business**
  - \- **Public Tender Offer on 30.8% of CR Firenze finalised in April**
  - \- **acquisition of Pravex-Bank underway**

- **Capital ratios as at 31.03.08 are already net of dividends of over €0.9bn (1/4 of €3.7bn, overall ordinary dividends to be distributed in 2009 planned in the 2007-2009 BP)**

- ***6% Core Tier 1 target confirmed***
- ***More disposals of non-strategic shareholdings/business in view than set out in the Business Plan***
- ***Further significant benefits expected from Basel 2 IRB foundation***

Divisional Financial Highlights

85% of revenues from retail activity

(Figures as at 31.03.08)	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Capital	Banca Fideuram	Corporate Centre / Others	Total
Operating Income (€ m)	3,215	491	64	497	96	154	131	4,648
Operating Margin (€ m)	1,597	277	41	240	54	71	(24)	2,256
Cost/Income (%)	50.3	43.6	35.9	51.7	43.8	53.9	n.m.	51.5
RWA (€ bn)	187.1	115.4	18.0	29.7	0.9	4.6	36.8	392.5
Allocated Capital(1) (€ bn)	12.1	6.9	1.1	1.8	0.2	0.3	2.2	24.7
Pre-tax ROE(2) (%)	42.8	14.8	16.4	44.9	95.6	82.3	1.6	31.5
Direct Customer Deposits (€ bn)	224.3	71.0	8.2	26.4	n.m.	6.9	57.0	393.8
Loans to Customers (€ bn)	214.9	86.5	34.3	24.4	n.m.	1.1	0.8	361.9
EVA ® (€ m)	596	6	n.m.	94	30	44	248	1,018

€135m excluding Proprietary trading

Note: Retail activity = Banca dei Territori + International Subsidiaries Banks + Eurizon Capital + Banca Fideuram
Figures may not add up exactly due to rounding differences
(1) Allocated capital = 6% RWA + insurance risk, allocated capital for Eurizon Capital = 6% RWA + 0.2% AuM
(2) Income before tax from continuing operations/Allocated Capital (figure annualised)

Banca dei Territori

Cruising speed to be reached after completion of the IT unification

(€ m)	1Q07 Restated[1]	1Q08	Δ%
Net interest income	1,845	1,994	8.1
Dividends and P/L on investments carried at equity	29	14	(51.7)
Net fee and commission income	1,127	1,076	(4.5)
Profits (Losses) on trading	70	28	(60.0)
Income from insurance business	126	78	(38.1)
Other operating income (expenses)	24	25	4.2
Operating income	**3,221**	**3,215**	**(0.2)**
Personnel expenses	(1,006)	(966)	(4.0)
Other administrative expenses	(633)	(635)	0.3
Adjustments to property, equipment and intangible assets	(18)	(17)	(5.6)
Operating costs	**(1,657)**	**(1,618)**	**(2.4)**
Operating margin	**1,564**	**1,597**	**2.1**
Net provisions for risks and charges	(26)	(24)	(7.7)
Net adjustments to loans	(265)	(286)	7.9
Net impairment losses on other assets	1	0	n.m.
Profits (Losses) on HTM and on other investments	2	1	(50.0)
Income before tax from continuing operations	**1,276**	**1,288**	**0.9**
Cost / Income (%)	**51.4**	**50.3**	
Pre-tax ROE (%)	**41.4**	**42.8**	
EVA ® (€ m)	**542**	**596**	

+2.8% excluding Profits on trading and Income from Insurance Business

+9.0% excluding Profits on trading and Income from Insurance Business

+9.4% excluding Profits on trading and Income from Insurance Business

- **Sustained growth in Net interest income due to the improvement in mark-down and to the selective increase in average intermediated volumes (Loans +5.6%)**
- **Decline in commissions for larger distribution of low cost current accounts and lower contribution of AuM and insurance products due to customer risk aversion**
- **Costs down 2.4%**
- **21% increase in Income before tax compared to 4Q07**
- **Cost/Income ratio down to 50.3%**

Figures may not add up exactly due to rounding differences

(1) 1Q07 figures restated to reflect 1Q08 consolidation area. Data include the entire CR Firenze Group

Eurizon Capital

Good performance despite the difficult market environment

(€ m)	1Q07 Restated[1]	1Q08	Δ%
Net interest income	3	2	(33.3)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	94	92	(2.1)
Profits (Losses) on trading	1	2	n.m.
Other operating income (expenses)	1	0	n.m.
Operating income	**99**	**96**	**(3.0)**
Personnel expenses	(16)	(16)	0.0
Other administrative expenses	(25)	(25)	0.0
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	**(42)**	**(42)**	**0.0**
Operating margin	**57**	**54**	**(5.3)**
Net provisions for risks and charges	(1)	(1)	0.0
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**56**	**53**	**(5.4)**
Cost / Income (%)	**42.4**	**43.8**	
Pre-tax ROE (%)	**103.8**	**95.6**	
EVA ® (€ m)	**34**	**30**	

- **Asset Manager leader in Italy with ~€163bn of AuM**
- **Operating income almost in line notwithstanding the decrease in Asset under Management**
- **Costs stable without benefiting yet from cost synergies deriving from the reorganisation of IT and back-office activities**
- **Former Nextra activities, part of the Group since the end of 2007, fully and successfully integrated since April 2008**
- **Launch of the new integrated mutual fund range only since the beginning of May**
- **New products for the retail network starting from June**

Figures may not add up exactly due to rounding differences
(1) 1Q07 figures restated to reflect 1Q08 consolidation area

Corporate and Investment Banking (1/2)

Positive results in a challenging market environment

(€ m)	1Q07 Restated[(1)]	1Q08	Δ%
Net interest income	240	267	11.3
Dividends and P/L on investments carried at equity	0	2	n.m.
Net fee and commission income	219	231	5.5
Profits (Losses) on trading	273	(19)	n.m.
Other operating income (expenses)	10	10	0.0
Operating income	**742**	**491**	**(33.8)**
Personnel expenses	(92)	(97)	5.4
Other administrative expenses	(118)	(105)	(11.0)
Adjustments to property, equipment and intangible assets	(4)	(12)	n.m.
Operating costs	**(214)**	**(214)**	**0.0**
Operating margin	**528**	**277**	**(47.5)**
Net provisions for risks and charges	(4)	(1)	(75.0)
Net adjustments to loans	(37)	(18)	(51.4)
Net impairment losses on other assets	0	(3)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**487**	**255**	**(47.6)**

+8.7% Excluding Profits on trading

+16.1% Excluding Profits on trading

+28.0% Excluding Profits on trading

	1Q07	1Q08
Cost / Income (%)	28.8	43.6
Pre-tax ROE (%)	29.5	14.8
EVA ® (€ m)	152	6

- Increase in Net interest income sustained by the strong commercial development (average Corporate customer loans +9.7%)
- Operating costs down (-6.1%) excluding a non-recurring provision recovery in 1Q07
- Decrease in Net adjustments to loans
- Cost/Income at 31.4% excluding Proprietary trading

Figures may not add up exactly due to rounding differences

(1) 1Q07 figures restated to reflect 1Q08 consolidation area. Data include results of Proprietary trading

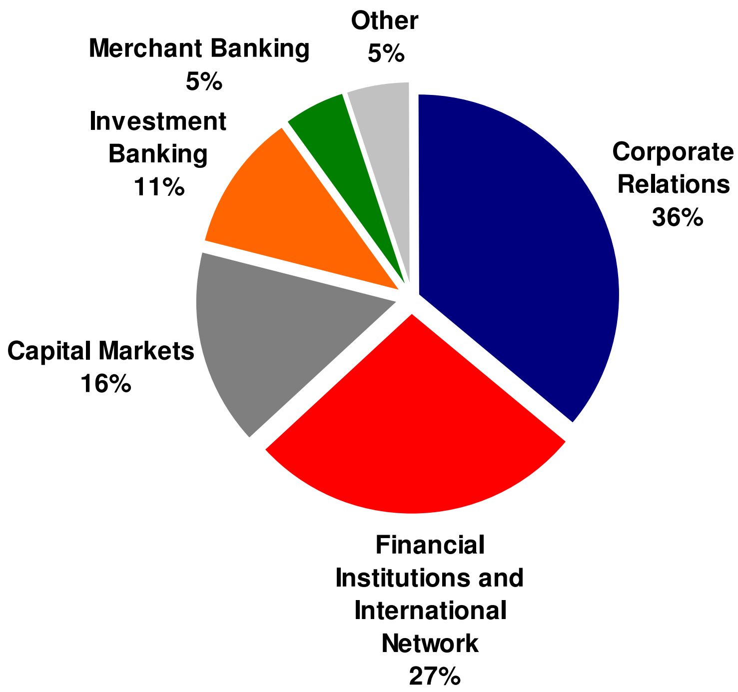
Corporate and Investment Banking (2/2)

Limited risk exposure

Income before tax from continuing operations

(€ m)	1Q07	1Q08	Δ% 1Q08/ 1Q07
Corporate Relations	141	155	9.9
Financial Institutions and International Network	105	115	9.5
Capital Markets	95	67	(29.5)
Investment Banking	40	49	22.5
Merchant Banking	48	20	(58.3)
Other	18	23	27.8
Total excluding Proprietary trading	447	429	(4.0)
Proprietary trading	40	(174)	n.m.
TOTAL	**487**	**255**	**(47.6)**

Breakdown % as at 31.03.08 (excluding Proprietary trading)



Figures may not add up exactly due to rounding differences

Public Finance

Double-digit growth in Net interest income

(€ m)	1Q07 Restated[1]	1Q08	Δ%
Net interest income	51	57	11.8
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	10	18	80.0
Profits (Losses) on trading	3	(11)	n.m.
Other operating income (expenses)	3	0	n.m.
Operating income	**67**	**64**	**(4.5)**
Personnel expenses	(9)	(9)	0.0
Other administrative expenses	(12)	(14)	16.7
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(21)**	**(23)**	**9.5**
Operating margin	**46**	**41**	**(10.9)**
Net provisions for risks and charges	0	1	n.m.
Net adjustments to loans	1	2	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**47**	**44**	**(6.4)**

	1Q07	1Q08
Cost / Income (%)	**31.3**	**35.9**
Pre-tax ROE (%)	**19.1**	**16.4**
EVA® (€ m)	**5**	**n.m.**

+17.2% Excluding Profits on trading

+20.9% Excluding Profits on trading

+25.0% Excluding Profits on trading

- 11.8% growth in Net interest income mainly driven by the increase in average customer loans (+8.2%)
- Strong increase in Net fee and commission income (+80%)
- Merger BIIS – Banca OPI effective since 1 January 2008

Figures may not add up exactly due to rounding differences
(1) *1Q07 figures restated to reflect 1Q08 consolidation area*

International Subsidiary Banks

Strong increase in volumes and in recurring revenues

(€ m)	1Q07 Restated[1]	1Q08	Δ%
Net interest income	257	307	19.5
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	111	134	20.7
Profits (Losses) on trading	77	57	(26.0)
Other operating income (expenses)	(2)	(1)	(50.0)
Operating income	**443**	**497**	**12.2**
Personnel expenses	(113)	(130)	15.0
Other administrative expenses	(87)	(94)	8.0
Adjustments to property, equipment and intangible assets	(29)	(33)	13.8
Operating costs	**(229)**	**(257)**	**12.2**
Operating margin	**214**	**240**	**12.1**
Net provisions for risks and charges	(2)	(5)	n.m.
Net adjustments to loans	(24)	(38)	58.3
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	3	2	(33.3)
Income before tax from continuing operations	**191**	**199**	**4.2**

	1Q07	1Q08
Cost / Income (%)	**51.7**	**51.7**
Pre-tax ROE (%)	**52.8**	**44.9**
EVA® (€ m)	**100**	**94**

+20.2% Excluding Profits on trading

+33.6% Excluding Profits on trading

+24.6% Excluding Profits on trading

- **Sustained growth in customer revenue lines confirmed**
  - Strong increase in Net interest income mainly due to the sizeable increase in average customer volumes (Loans +26% and Deposits +16%)
  - Strong growth in Net fee and commission income mainly driven by commissions from financing and Guarantees given, Payments and AuM
- **Increase in Operating costs mainly due to the planned expansion of commercial network (+76 branches) and staff (~ +600 employees)**
- **Cost/Income ratio stable at 51.7%**

Figures may not add up exactly due to rounding differences
(1) 1Q07 figures restated to reflect 1Q08 consolidation area

Banca Fideuram

Operating performance affected by the negative market trend

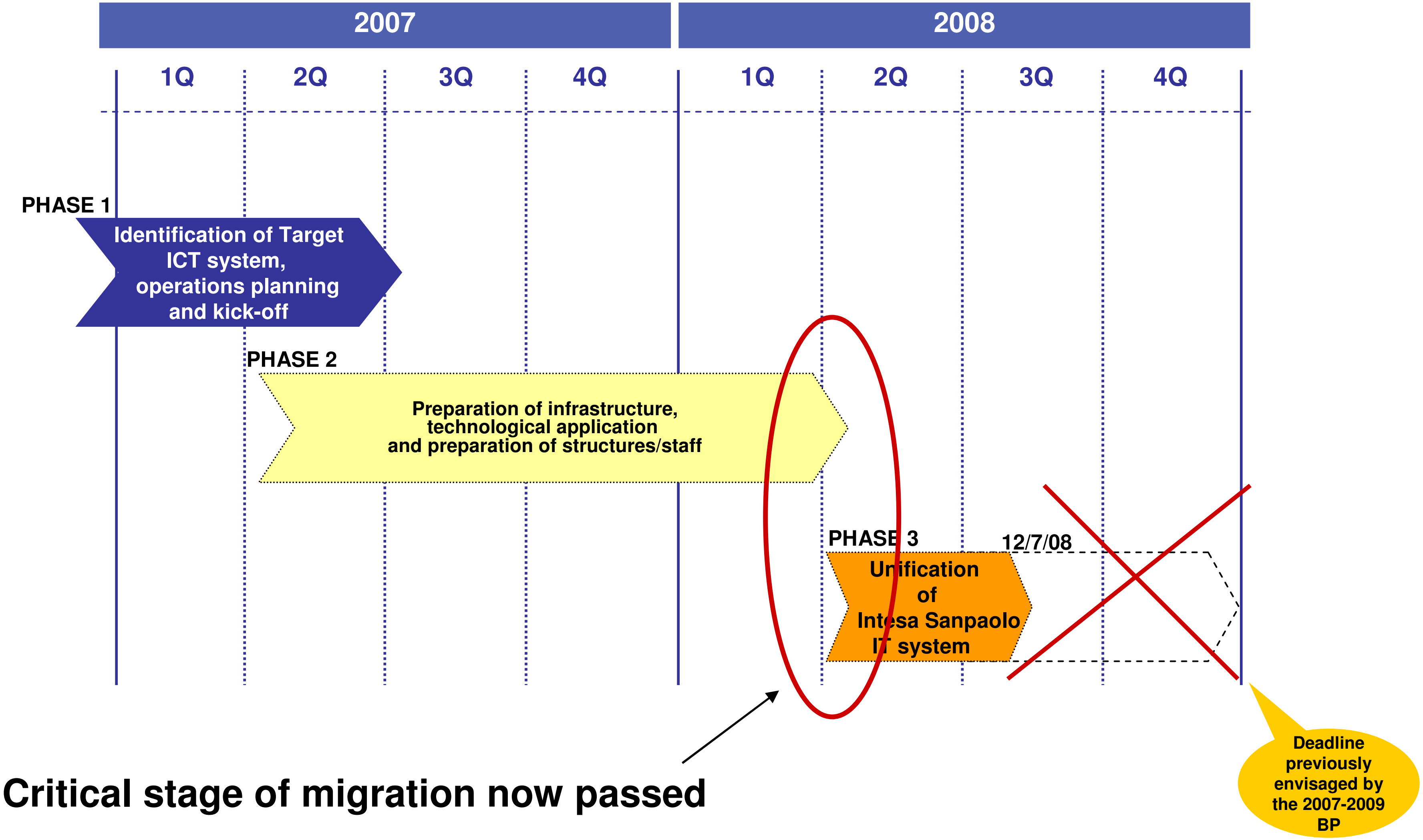
(€ m)	1Q07 Restated(1)	1Q08	Δ%
Net interest income	30	37	23.3
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	153	120	(21.6)
Profits (Losses) on trading	4	(6)	n.m.
Other operating income (expenses)	0	3	n.m.
Operating income	**187**	**154**	**(17.6)**
Personnel expenses	(35)	(32)	(8.6)
Other administrative expenses	(44)	(47)	6.8
Adjustments to property, equipment and intangible assets	(4)	(4)	0.0
Operating costs	**(83)**	**(83)**	**0.0**
Operating margin	**104**	**71**	**(31.7)**
Net provisions for risks and charges	(13)	(1)	(92.3)
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**91**	**70**	**(23.1)**
Cost / Income (%)	**44.4**	**53.9**	
Pre-tax ROE (%)	**113.0**	**82.3**	
EVA ® (€ m)	**63**	**44**	

- **Strong increase in Net interest income mainly due to the growth in average intermediated volumes**
- **14% increase in net collection at ~€200m despite the persistent negative trend in financial markets, thanks to the good performance of Asset under Administration and Portfolio management**
- **Decrease in Total Customer Financial Assets to €65.5bn (-3.8% vs 31.03.07) totally due to the impact of the negative performance of financial markets**
- **Decline in commissions mainly due to the reduction of AuM average volumes**
- **4,282 Private bankers (+36 vs 31.03.07)**

Figures may not add up exactly due to rounding differences
(1) 1Q07 figures restated to reflect 1Q08 consolidation area

IT systems to be unified by the end of July

Over 400 branches already migrated to Group's IT system



- Critical stage of migration now passed

Accelerating the drivers of growth

Banca dei Territori

In 2008 significant drivers of growth will be accelerated. Banca dei Territori

- is completing the implementation of its operating model and building a unique network in the world with approximately 6,000 branches
- is completing the rationalisation and the further strengthening of the commercial offer
- is introducing "state of the art" marketing and sale tools
- is creating a European scale player in Private Banking
- is creating a strong Italian leader in medium term lending through new Mediocredito Italiano
- has recently launched Banca Prossima to play a leading role in the development of social enterprises and non-profit initiatives

Corporate and IB Division

From 2008 the Corporate and Investment Banking Division is positioned to benefit from

- the total integration of Corporate Relations
- the creation of the "new" Banca IMI (1 October 2007)
- the integration of International Trade Services
- the strengthening of Merchant Banking activity
- the even stronger leadership in factoring (Mediofactoring)

Public Finance

From 2008 BIIS is positioned to benefit from

- the completion of the merger (1 January 2008) between Banca Intesa Infrastrutture e Sviluppo and Banca OPI
- the enlargement of the product and services range offered (factoring to public sector and VAT credits)
- the launch of a covered bond issue programme guaranteed by BIIS assets
- the selective development of Public Finance in Europe (opening of a desk in London already planned) and in the Mediterranean Basin
- the development of Project Finance
- the strong territorial presence, also leveraging on the Group's branches

In 2008 significant drivers of growth are being accelerated

International Subsidiary Banks Division

From 2008 the International Subsidiary Banks Division is positioned to benefit from

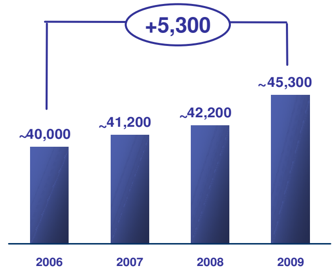
- internal growth, mainly in the retail segment, also due to the significant extension of the territorial network (+47 branches in 2007 and ~+150 openings planned in 2008)
- the completion of the integration after the merger of the banks of the two former Groups in Albania, Bosnia, Serbia and Hungary
- the integration of centres of excellence (leasing, credit cards, consumer credit, ...) at both Division and Group level
- the acquisition of Pravex-Bank in Ukraine

Asset Management

From 2008 Asset Management is positioned to benefit from

- the completion of the merger (1 April 2008) between Eurizon Capital and Eurizon Investimenti (former Nextra)
- the development of a significantly higher product innovation capacity compared to present levels through: hiring of professionals, joint ventures and/or focused acquisitions
- the deeper integration with Banca dei Territori in all distribution process phases
- the development of synergies with the Group's International Subsidiary Banks Division
- the development of new distribution channels outside the Group

Commercial staff headcount



- In 2008 approximately 3,000 customer relationship managers are to be trained and will become fully operational in 2009

Conclusions

- **1Q08 positive results in a difficult market environment and solid risk and liquidity position**
  - 13% growth in recurring[1] Operating Margin, in line with the 2007-2009 BP
  - 4.1% growth in recurring[1] revenues
  - more than 3% cost reduction, more marked compared to the 2007-2009 BP targets
  - cost of credit at 9bp (not annualised), lower than the 2007-2009 BP
  - Net doubtful loans/Loans ratio stable at 0.9% and more than €2.3bn of reserve for Performing Loans
  - Direct customer deposits > Loans to Customers
- **Integration ahead of schedule**

(1) Excluding Profits on trading

Appendix

Key Aggregates
Excellent liquidity profile

(€ m)	31.03.07 Restated	31.03.08	Δ%
Total Assets	632,494	605,241	(4.3)
Loans to Customers	346,363	361,920	4.5
Direct Customer Deposits	387,527	393,819	1.6
Indirect Customer Deposits	668,767(1)	653,033	(2.4)
of which Assets under Management	*284,190*	*255,772*	*(10.0)*
Customer Financial Assets(2)	1,028,094	1,020,325	(0.8)

+7.2% average customer volumes
+7.3% excluding repurchase agreements

- Direct Customer Deposits > Loans to Customers
- Indirect Customer Deposits decrease due to performance effect and to relationship with Institutional clients

Note: 31.03.07 figures restated to reflect 31.03.08 consolidation area
(1) Net of GEO fund, sold in July 2007
(2) Net of duplications between Direct Customer Deposits and Asset Management

Quarterly P&L Analysis

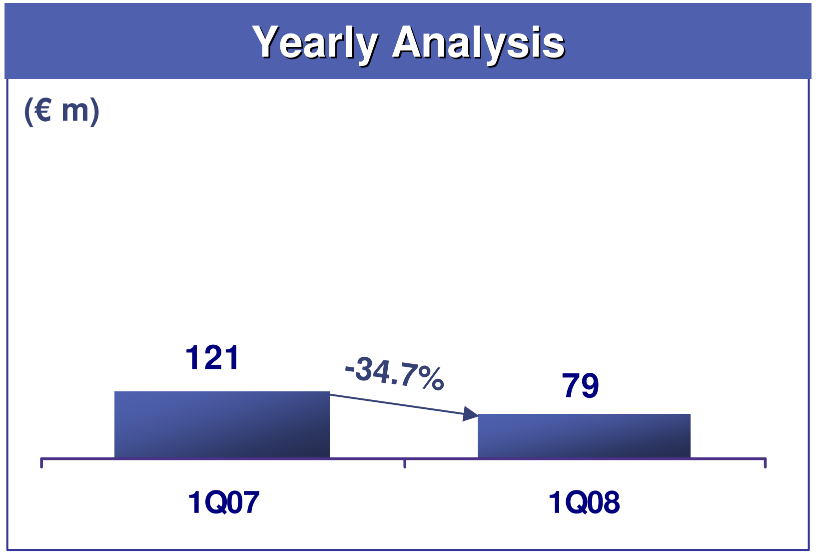
Strong trend in Net interest income

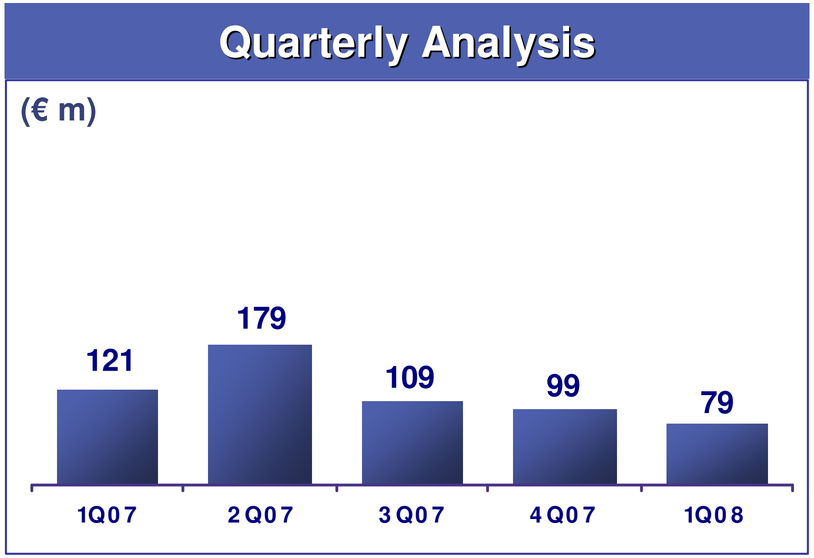
(€ m)	1Q07	2Q07	3Q07	4Q07	1Q08
	Restated				
Net interest income	2,540	2,622	2,627	2,818	2,823
Dividends and P/L on investments carried at equity	50	106	63	86	66
Net fee and commission income	1,676	1,665	1,604	1,603	1,602
Profits (Losses) on trading	454	347	319 [(3)]	(49)	25
Income from insurance business	121	179	109	99	79
Other operating income (expenses)	55	31	63	43	53
Operating income	**4,896**	**4,950**	**4,785**	**4,600**	**4,648**
Personnel expenses	(1,507)	(1,216) [(2)]	(1,486)	(1,566)	(1,453)
Other administrative expenses	(759)	(783)	(772)	(965)	(748)
Adjustments to property, equipment and intangible assets	(202)	(214)	(216)	(246)	(191)
Operating costs	**(2,468)**	**(2,213)**	**(2,474)**	**(2,777)**	**(2,392)**
Operating margin	**2,428**	**2,737**	**2,311**	**1,823**	**2,256**
Net provisions for risks and charges	(97)	(107)	(76)	(270)	(33)
Net adjustments to loans	(346)	(356)	(304)	(484)	(311)
Net impairment losses on other assets	(2)	(20)	3	(52)	(8)
Profits (Losses) on HTM and on other investments	37	8	(1)	58	13
Income before tax from continuing operations	**2,020**	**2,262**	**1,933**	**1,075**	**1,917**
Taxes on income from continuing operations	(725)	(778)	(588)	(788) [(5)]	(608)
Merger and restructuring related charges (net of tax)	(14)	(66)	(401)	(126)	(321)
Effect of purchase cost allocation (net of tax)	(136)	(137)	(136)	399	(133)
Income (Loss) after tax from discontinued operations	2,914 [(1)]	124	740 [(4)]	(6)	950 [(6)]
Minority interests	(93)	(85)	(88)	(50)	(57)
Net income	**3,966**	**1,320**	**1,460**	**504**	**1,748**

Note: 2007 figures restated to reflect 1Q08 consolidation area
(1) Including €2,803m capital gain on the Crédit Agricole transaction
(2) Including €289m non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(3) Including €169m capital gain related to Borsa Italiana
(4) Including €708m capital gain on the Crédit Agricole transaction
(5) Including non-recurring ~€296m for 2008 Finance Law tax rate reduction with positive effect in 2008 and ~€90m from different dividends taxation vs 2006 introduced by the 2008 Finance Law
(6) Including €953m capital gain for the sale of 198 branches related to Antitrust decision

Income from Insurance Business

Performance affected by the difficult market environment





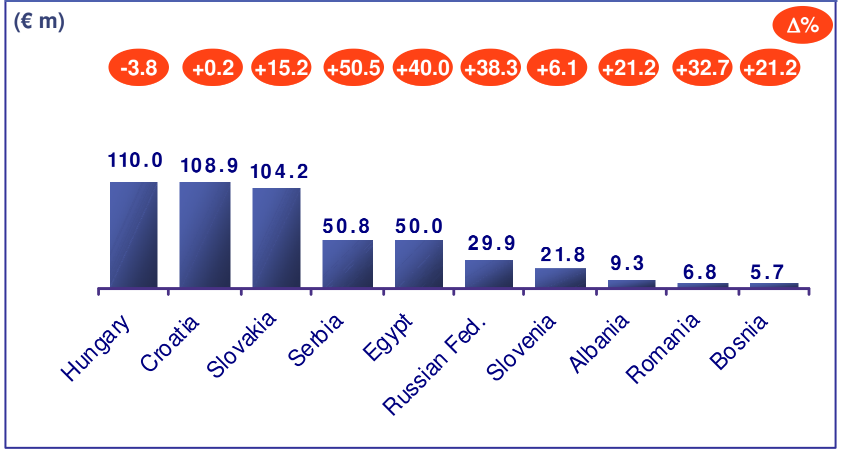
- **Decrease mainly due to financial management due to the market instability that affacted the whole industry**

Note: *Income from Insurance Business gathers revenues from Life and Casualty companies operating in the Group*

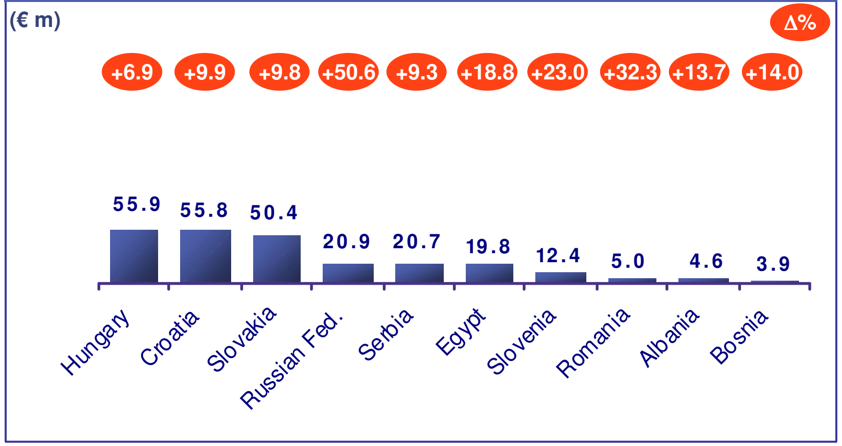
International Subsidiary Banks (2/2)

Figures by Country 1Q08 vs 1Q07

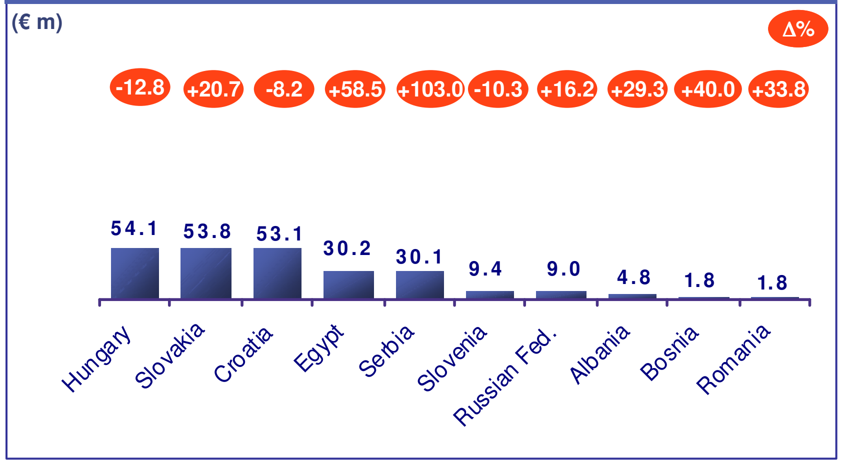
Operating Income



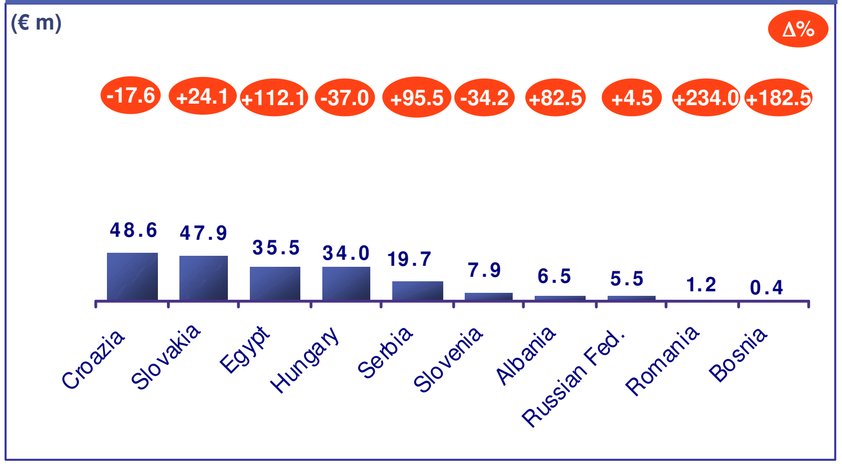
Operating Costs



Operating Margin



Pre-Tax Income(1)



- **Performance in Hungary, Croatia and Slovenia influenced by the decrease in Profits on trading**

(1) *Income before tax from continuing operations*

“Contagion” area
Good quality of structures

- **Multisector CDOs**: such products are almost entirely present in Unfunded super senior CDOs, with collateral represented by US RMBS, European ABS, CMBS, HY CBO and Consumer ABS

Multisector CDOs
- “Long” positions of €331m as at 31.03.08 (€393m as at 31.12.07), against which there are investments in funds with “short” positions on the US residential market of €169m (€115m as at 31.12.07)
- 1Q08 income statement impact(1) -€5m (2007 -€17m)

- *Collateral*: 59% US RMBS (for 59% *vintage* prior to 2005 and an average 4.5% exposure to *subprime*); 17.9% European ABS; 6.2% CMBS; 3.8% HY CBO; 1.4% Consumer ABS
- 100% AAA Rating
- Average Attachment point 31%
- Written down for 20% of the nominal value on the basis of the mark to model

- **Alt-A – Alternative A Loans**: ABS (securities) with underlying residential mortgages normally of high quality characterised however by penalising factors, mostly for incomplete documentation, which do not permit their classification in standard prime contracts

Alt-A
- Net risk exposure totalled €80m as at 31.03.08 (€93m as at 31.12.07) of which €45m (€52m as at 31.12.07) on securities issued by the Federal National Mortgage Association (FNMA)
- 1Q08 income statement impact(1) -€2m (2007 -€28m)

- 100% AAA Rating
- 100% 2005 Vintage
- Valued on the basis of effective market quotes

- **TruPS – Trust Preferred Securities of REITs (Real Estate Investment Trust)**: financial instruments similar to preferred shares issued by real estate-trustee to finance residential or commercial initiatives present almost entirely in Unfunded super senior CDOs

TruPS
- Net risk exposure totalled €110m as at 31.03.08 (€146m as at 31.12.07)
- 1Q08 income statement impact(1) -€24m (2007 -€85m)

- Average Attachment point 47%
- Written down for 53% of the nominal value on the basis of the mark to model

- **Prime CMOs**: securities issued with guarantee mostly represented by loans assisted by mortgages on residential buildings

Prime CMOs
- Net risk exposure totalled €46m as at 31.03.08 (€55m as at 31.12.07)
- 1Q08 income statement impact(1) -€0.3m (2007 -€1m)

- 100% AAA Rating
- 100% 2005 Vintage
- Valued on the basis of effective market quotes

(1) Including realised gains/losses and write-downs/write-backs

Monoline

No material exposure

No direct exposure but only indirect positions connected to hedging derivatives purchased from monoline insurers to buy protection on the default risk of assets held by the Group, which therefore only generate counterparty risk. Such hedging derivatives are part of two types of activities performed by Intesa Sanpaolo: packages(1) and fully hedged(2) credit derivatives transactions

Monoline

- **Net counterparty risk exposure totalled €45m as at 31.03.08 (€61m as at 31.12.07)**
- **1Q08 income statement impact(3) -€8m (2007 -€25m)**

- **65% vs MBIA**
- **35% vs other monoline con rating AAA or A**

(1) *Both the security and the connected derivative have been valued with the mark-to-model methodologies, also considering any available prices, if lower; such valuation did not have any impact on Profits (Losses) on trading, with the exception of those referred to the counterparty risk component, mostly due to transactions in which the hedge was stipulated with monoline insurers, for which a credit risk adjustment has been calculated, determined on the basis of the cost of protection CDS on the default of the monoline insurer, with nominal value equal to the current and potential future exposure (so-called add-on) and expiry equal to the average residual life of the underlying assets. Even though packages do not lead to market risk connected with the nature of the underlying asset, for the sake of completeness, please note that, assets which are part of packages include, for €176m nominal value as at 31.03.08, securities with US RMBS collateral with a significant subprime content (equal to 33%)*

(2) *Intesa Sanpaolo's activities in fully hedge derivatives are made up of the simultaneous purchase and sale of protection on the same reference entity (underlying asset) with two different counterparties. Also in this case activities do not expose to the market risk generated by the underlying asset, but with the sole counterparty risk generated by the "short" position in the protection purchase, further mitigated by the fact that Intesa Sanpaolo has a right of substitution of monoline insurer, which is however prudently not considered in the valuation*

(3) *Including realised gains/losses and write-downs/write-backs*

Other structured credit products (1/3)

High quality of structures

The remaining Intesa Sanpaolo portfolio of structured credit products was not affected or was affected in only a limited way by the financial markets turmoil. It includes, in particular, non-monoline packages, funded ABS/CDOs, unfunded super senior Multisector CDOs not comprised in the "contagion" area, Super Senior Corporate Risk and other unfunded positions:

- **Non-monoline packages: assets with specific hedges stipulated with primary international banks(1)**

Packages

- **Net exposure to counterparty risk €340m as at 31.03.08 (€454m as at 31.12.07)**
- **1Q08 income statement impact(2) +€1m (2007 -€5m)**

- **Hedges from banks generally with a AA rating (in one case AAA and in one case A rating) mostly object of specific collateral agreements**

- **Unfunded super senior Multisector CDOs: this component includes super senior positions with High-Grade, widely diversified collateral or characterised by high credit quality RMBS and therefore not included in the "contagion" area**

Unfunded super senior Multisector CDOs not included in the "contagion" area

- **Net risk exposure €686m as at 31.03.08 (€743m as at 31.12.07)**
- **1Q08 income statement impact(2) -€3m (2007 -€16m)**

- **59.4% collateral in CMBS and corporate loans, only 21.1% average US RMBS and 3.2% average subprime**
- **100% AAA Rating**
- **89% Vintage prior to 2005**
- **18.6% average attachment point**

(1) Underlying assets were mostly made up of CLOs and ABS CDOs with a limited portions of US subprime (equal to approximately 22%)
(2) Including realised gains/losses and write-downs/write-backs

Other structured credit products (2/3)
High quality of structures

- **European ABS/CDOs**: portfolio with collateral diversified in RMBS/CMBS, CLOs, CDOs and ABS of receivables (Credit Card, Leasing, Personal Loans, etc)

European ABS/CDOs

- Net risk exposure €2,162m as at 31.03.08 (€2,224m as at 31.12.07)
- 1Q08 income statement impact(1) -€60m (2007 -€78m)

- Rating: 77% AAA
  18% AA/A
  3% BBB

- Collateral: 35% RMBS (of which ~50% Italy)
  26% CLOs mainly SMEs
  15% CDOs
  12% CMBS
  12% ABS of receivables

- **US ABS/CDOs**: portfolio includes securities with US underlying, with collateral mostly represented by Credit Card and Student Loans

US ABS/CDOs

- Net risk exposure €93m as at 31.03.08 (€139m as at 31.12.07)
- 1Q08 income statement impact(1) -€6m (2007 -€15m)

- Rating: 60% AAA
  31% AA/A
  9% BBB

- **Funded ABS/CDOs ascribable to the Romulus vehicle**: securities classified in available for sale with mainly US underlying (Credit Card, Leveraged Loans, Student Loans)

US funded ABS/CDOs Romulus

- Net risk exposure €229 as at 31.03.08 (€263m as at 31.12.07)

- Rating: 99% AAA

(1) Including realised gains/losses and write-downs/write-backs

Other structured credit products (3/3)

High quality of structures

- **Unfunded super senior Corporate Risk CDOs**: super senior in this category are mostly characterised by collateral subject to corporate risk

Unfunded super senior Corporate Risk CDOs

- Net risk exposure €2,314m as at 31.03.08 (€2,414m as at 31.12.07)
- 1Q08 income statement impact(1) -€11m (2007 -€71m)

- 37% average attachment point

- Collateral: 37% US (mainly CLOs)
  36% Europe (44% consumer credit Italy and 36% CLOs)
  27% Emerging Market (Bond and Project Finance)

- **Other unfunded positions**: these comprise "short" positions in unfunded CDOs (to purchase protection) with mainly European underlying

Other unfunded positions

- Net risk exposure €443m as at 31.03.08 (-€404m as at 31.12.07)
- 1Q08 income statement impact(1) -€2m (2007 +€2m)

- Almost entirely on mezzanine tranches

(1) Including realised gains/losses and write-downs/write-backs

US Subprime

(€m)	Position as at 31.03.08			31.03.08 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs) (1)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Funded ABS	24	**5**	-19	-2	-2	
Funded CDOs	24	**2**	-21	-4	-4	
Unfunded super senior CDOs(2)	192	**34**	-158	-12	-12	
Other(3)	9	**7**				
"Long" positions	249	**49**	-198	-18	-18	
Mezzanine short position						
ABX hedges	187	**77**	110	19	24	-5
"Short" positions	187	**77**	110	19	24	-5
Net position	"long" 62	**"short" 28**	-88	1	6	-5

(1) The column "Risk exposure" sets out: for securities, fair value; for derivatives, the nominal value of the contract, net of capital gains and losses recorded at year-end. Such amounts correspond, for "long" positions, to the maximum potential loss (in the event of 100% default and recovery rate of 0). For "short" positions, viceversa, they indicate the maximum potential gain (in the same scenario in terms of default and recovery level)

(2) With mezzanine collateral. Including a position with underlying made up for approximately one third of subprime mortgages. This table includes the sole portion represented by subprime mortgages, whereas the residual exposure is reported in the "contagion" area

(3) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale. The relevant fair value decrease was recorded in the specific Reserve under Shareholders' equity. Romulus is an asset-backed commercial paper conduit vehicle, set up to offer customers an alternative financial channel via access to the international commercial paper market.

As at 31.03.08, the portfolio of investments included €291m of financial assets available for sale and €762m of loans to customers. Of the €291m of securities, €9m were attributable to the US subprime segment, €26m to the "contagion" area (see pages on Multisector CDOs and Alt-A), €256m to other structured credit products. Negative fair value changes recorded on securities available for sale totalled €33m and were recorded in the specific Reserve under Shareholder' equity, of which -€2m recorded on positions included in the subprime segment, -€4m on positions attributed to the so-called "contagion" area (see page on Multisector CDOs), -€27m on securities which fall under other structured credit products

“Contagion” area (1/3)
Multisector CDOs

(€m)	Position as at 31.03.08			31.03.08 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Unfunded super senior CDOs	386	**317**	-69	-15	-15	
Other (funded)[1]	18	**14**				
"Long" positions	404	**331**	-69	-15	-15	
"Short" positions of funds	160	**169**	50	9	9	
Total			-19	-5	-5	

(1) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale. The relevant fair value decrease was recorded in the specific Reserve under Shareholders’ equity (see page on US subprime, note 3)

"Contagion" area (2/3)
Alt-A

(€m)	Position as at 31.03.08			31.03.08 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Alt-A Agency[1]	47	**45**	-1	-1	-1	
Alt-A No Agency	43	**35**	-8	-2	-2	
Other[2]	8					
"Long" positions	97	**80**	-9	-2	-2	

(1) Securities issued by the Federal National Mortgage Association (FNMA)
(2) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale (see page on US subprime, note 3)

"Contagion" area (3/3)

TruPS and Prime CMOs

TruPS

(€m)

Product	Position as at 31.03.08			31.03.08 income statement Profits (Losses) on trading		
	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Funded CDOs	3	**3**	-0.3	0.1	0.1	
Unfunded super senior CDOs	209	**107**	-102	-24	-24	
"Long" positions	**212**	110	**-102**	**-24**	-24	

Prime CMOs

(€m)

Product	Position as at 31.03.08			31.03.08 income statement Profits (Losses) on trading		
	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
CMOs (Prime)	51	**46**	-4	-0.3	-0.3	
"Long" positions	51	**46**	-4	-0.3	-0.3	

Monoline

(€m)	Position as at 31.03.08					31.03.08 income statement Profits (Losses) on trading
	Nominal value of the underlying asset	Fair value of the underlying asset	Credit risk exposure to monoline insurers (fair value of the CDS) *pre* write-down	Credit risk exposure to monoline insurers (fair value of the CDS) *post* write-down	Fair value cumulated write-downs of the hedge from monoline insurers	Fair value write-down of the hedge from monoline insurers
Positions in Packages:						
US RMBS with a significant Subprime content	176	125	51	**33**	-18	-6
Other underlying assets[1]	46	44	2	**0**	-2	-0.4
Sub-Total	222	169	53	**33**	-20	-6
Positions in other derivatives						
Other underlying assets	304	279	25	**12**	-13	-1
Total	526	448	78	**45**	-32	-8

(1) Underlying other than US RMBS, both European and US

Other structured credit products

(€m)

Product	Position as at 31.03.08					31.03.08 income statement Profits (Losses) on trading
	Nominal value of the underlying asset	Fair value of the underlying asset	Credit risk exposure to primary international banks (fair value of the CDS) *pre* write-down	Credit risk exposure to primary international banks (fair value of the CDS) *post* write-down	Fair value cumulated write-downs of the hedge from primary international banks	Fair value write-down of the hedge from primary international banks
Non monoline packages[(1)]	2,324	1,979	345	340	-6[(2)]	1

(€m)

Product	Position as at 31.03.08			31.03.08 income statement Profits (Losses) on trading		
	Nominal value	Fair value	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Funded ABS/CDO	2,396	2,255	-141	-66	-62	-3
Unfunded super senior multisector CDOs and corporate risk	2,651	2,558	-93	-16	-16	
Other[(3)]	256	229				

(1) Underlying assets were mostly made up of CLOs and ABS CDOs with a limited portion of US subprime (equal to approximately 22%)
(2) Referring to systematic adjustments made on the entire derivatives' universe to incorporate the credit risk in the fair value, in this particular case minimum, of the derivative counterparty (so-called credit risk adjustment), even considering that the operations are mainly object of specific collateral agreement
(3) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale. The relevant fair value decrease was recorded in the specific Reserve under Shareholders' equity (see page on US subprime, note 3)

Disclaimer

“The manager responsible for preparing the company’s financial reports, Bruno Picca, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records”.

* * *

This presentation contains certain forward looking statements and forecasts reflecting Intesa Sanpaolo management’s current views with respect to certain future events. The Intesa Sanpaolo Group’s ability to achieve its projected results is dependent on many factors which are outside management’s control. Actual results may differ materially from those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

The following important factors could cause the Group’s actual results to differ materially from those projected or implied in any forward-looking statements:

- the Group’s ability to successfully integrate the employees, products, services and systems of the merger of Banca Intesa S.p.A. and Sanpaolo IMI S.p.A. as well as other recent mergers and acquisitions;
- the impact of regulatory decisions and changes in the regulatory environment;
- the impact of political and economic developments in Italy and other countries in which the Group operates;
- the impact of fluctuations in currency exchange and interest rates; and
- the Group’s ability to achieve the expected return on the investments and capital expenditures it has made it Italy and in foreign countries.

The foregoing factors should not be construed as exhaustive. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Accordingly, there can be no assurance that the Group will achieve its projected results.