A Strong Bank, Delivering Growth

Contents

ISP at a glance

- Total Assets: €668bn
- Loans to Customers: €344bn
- Direct Deposits from Banking Business: €365bn
- Net Income: €2,004m in 1H15 (€1,251m(1) in 2014)
- Leverage ratio at 6.8%
- Pro-forma fully loaded Common Equity ratio at 13.3%(2)
- Presence in 41 countries
- ~5,600 branches serving ~19.4 million customers
- ~92,000 employees
- Market cap: €54.3bn(3)

Moody's Investors Service

- Short-term credit rating: P-2
- Long-term credit rating: Baa1
- Outlook: Stable

Standard & Poor's

- Short-term credit rating: A-3
- Long-term credit rating: BBB-
- Outlook: Stable

Fitch Ratings

- Short-term credit rating: F-2
- Long-term credit rating: BBB+
- Outlook: Stable
- Viability rating: bbb+

DBRS Insight beyond the rating.

- Short-term credit rating: R-1 (low)
- Long-term credit rating: A (low)
- Long-term Trend: Stable
- Short-term Trend: Stable

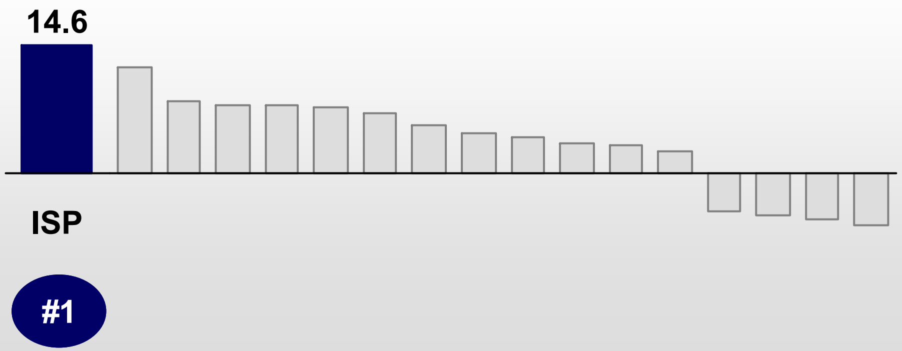
Figures as at 30 June 2015
(1) €1,690m excluding the one-off tax charge (tax rate increase from 12% to 26% on the gain from Bank of Italy stake booked in 4Q13)
(2) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)
(3) As at 31 August 2015

A First Class European Bank

Ranking among peers[1]

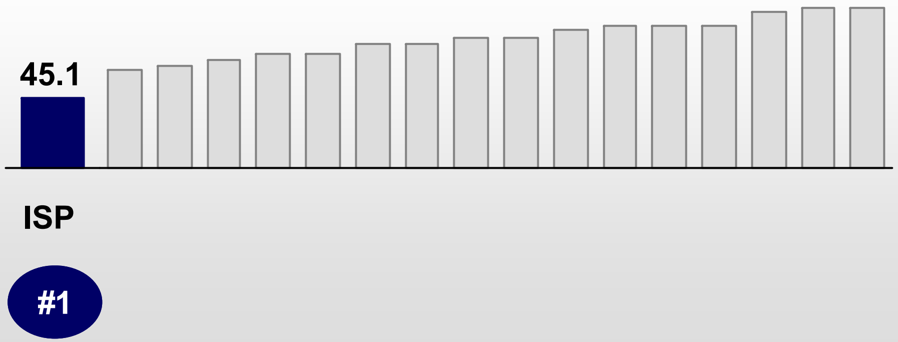
Commission income growth

Δ 1H15 vs 1H14, %



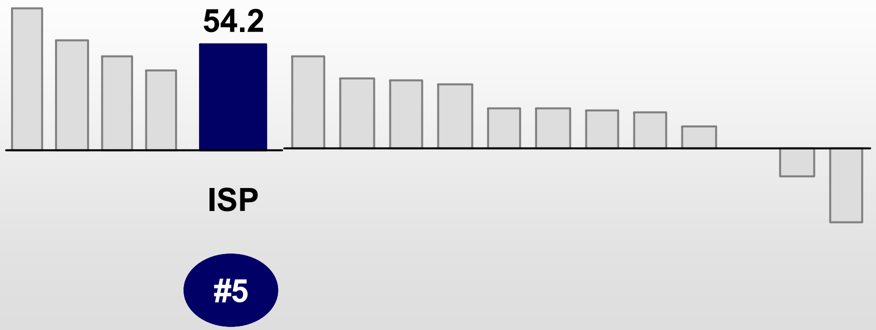
Cost/Income

30.6.2015, %



Pre-tax income growth

Δ 1H15 vs 1H14, %



Common Equity ratio

Fully loaded Common Equity ratio[2],%

(1) Sample: Barclays, BBVA, BNP Paribas, Commerzbank, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Standard Chartered, UBS and UniCredit (30.6.2015 data); BNP Paribas, Crédit Agricole SA and Société Générale (31.3.2015 data and, if not available, 31.12.2014 data)
(2) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 Net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

ISP: a "Delivery Machine" Enabled by Our Business Model and Our People

ISP: a "delivery machine"…

Balance Sheet Strength

Growth in Key Financial Indicators

Operational Efficiency

…enabled by our Business Model and our People

A Bank supporting the real-economy, leveraging a strong balance sheet to match healthy credit demand

A leader in **retail banking in Italy** with 11.1m clients with **European scale**, serving an additional 8.3m clients in 12 countries

A European leader in a number of high growth / high value businesses: **Private Banking**, **Asset Management**, **Insurance**

A leader in **corporate and investment banking in Italy**; best-in-class position of Banca IMI

A simple yet innovative Bank, moving quickly to a truly multichannel model

Rewarding shareholders with **high** and **sustainable dividends** confirmed as a **management priority**

ISP is the Clear Leader in the Italian Market in Retail Banking and in Corporate & Investment Banking

Ranking in Italy

Business	Rank	Market share[(1)]
Retail Banking	**#1**	15.0%
Wealth Management	**#1**	21.4%
Corporate Banking	**#1**	32.4%

- **~11 million customers**
- **~4,200 branches**

- **15,000 Corporate clients**
- The **reference Bank** for **all top Italian corporates** and **key global companies**
- **Italian leader in Capital Markets and Investment Banking**

Figures as at 30 June 2015

(1) Not exhaustive. Retail Banking share is on deposits, including bonds as at 30.6.15; Wealth Management share is on mutual funds as at 31.3.14; Corporate Banking share is the share of wallet on loans as at 31.12.14

Strategic International Presence

International Subsidiary Banks Division

- **Retail and Commercial Banking** in Eastern Europe and North Africa serving **8 million customers** in **11 countries** (with 1,117 branches)
- **Leading position** in some countries with very good risk-return profile (e.g. ~18% market share by assets in Slovakia)

Corporate & Investment Banking Foreign Network

- **Strong international presence** in key international hubs: 29 countries with presence ranging from London to New York, San Paolo, Moscow, Dubai, Hong Kong, Beijing, Shanghai, Sydney, Singapore, Tokyo

Figures as at 30 June 2015

A Customer-oriented Organisation

Managing Director and CEO
Carlo Messina

- **Chief Operating Officer Governance Area** – Eliano Omar Lodesani
- **Chief Innovation Officer Governance Area** – Maurizio Montagnese
- **Chief Lending Officer Governance Area** – Eugenio Rossetti
- **Chief Financial Officer Governance Area** – Stefano Del Punta (Member of the Management Board)
- **Chief Risk Officer Governance Area** – Bruno Picca[1] (Member of the Management Board)
- **Chief Compliance Officer** – Piero Franco Maria Boccassino
- **Chief Governance Officer Governance Area** – Paolo Grandi

- **Corporate and Investment Banking Division** – Gaetano Miccichè (GM and Member of the Management Board)
- **Banca dei Territori Division**(*) – Carlo Messina (CEO)
- **International Subsidiary Banks Division** – Ignacio Jaquotot
- **Private Banking Division** – Paolo Molesini
- **Asset Management Division** – Tommaso Corcos
- **Insurance Division** – Nicola Maria Fioravanti
- **Capital Light Bank** – Giovanni Gilli

(1) From April 2016, Davide Alfonsi
(*) Domestic Commercial Banking

Contents

INTESA SANPAOLO

H1: Our Best Semester

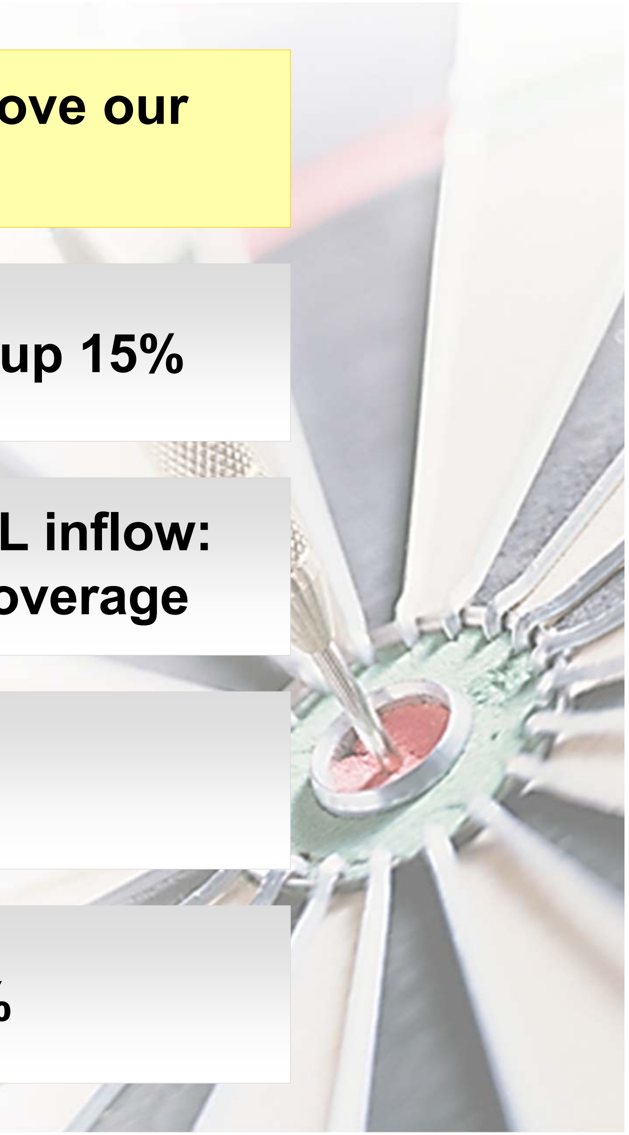
More than €2bn Net Income, already above our 2015 dividend commitment

Revenues up 10%, with Commissions up 15%

Continued trend of reduction in new NPL inflow: LLPs down 29%, with increased NPL coverage

Pre-tax income up 54%

Common Equity(1) ratio at 13.3%



(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 Net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

H1: Highlights

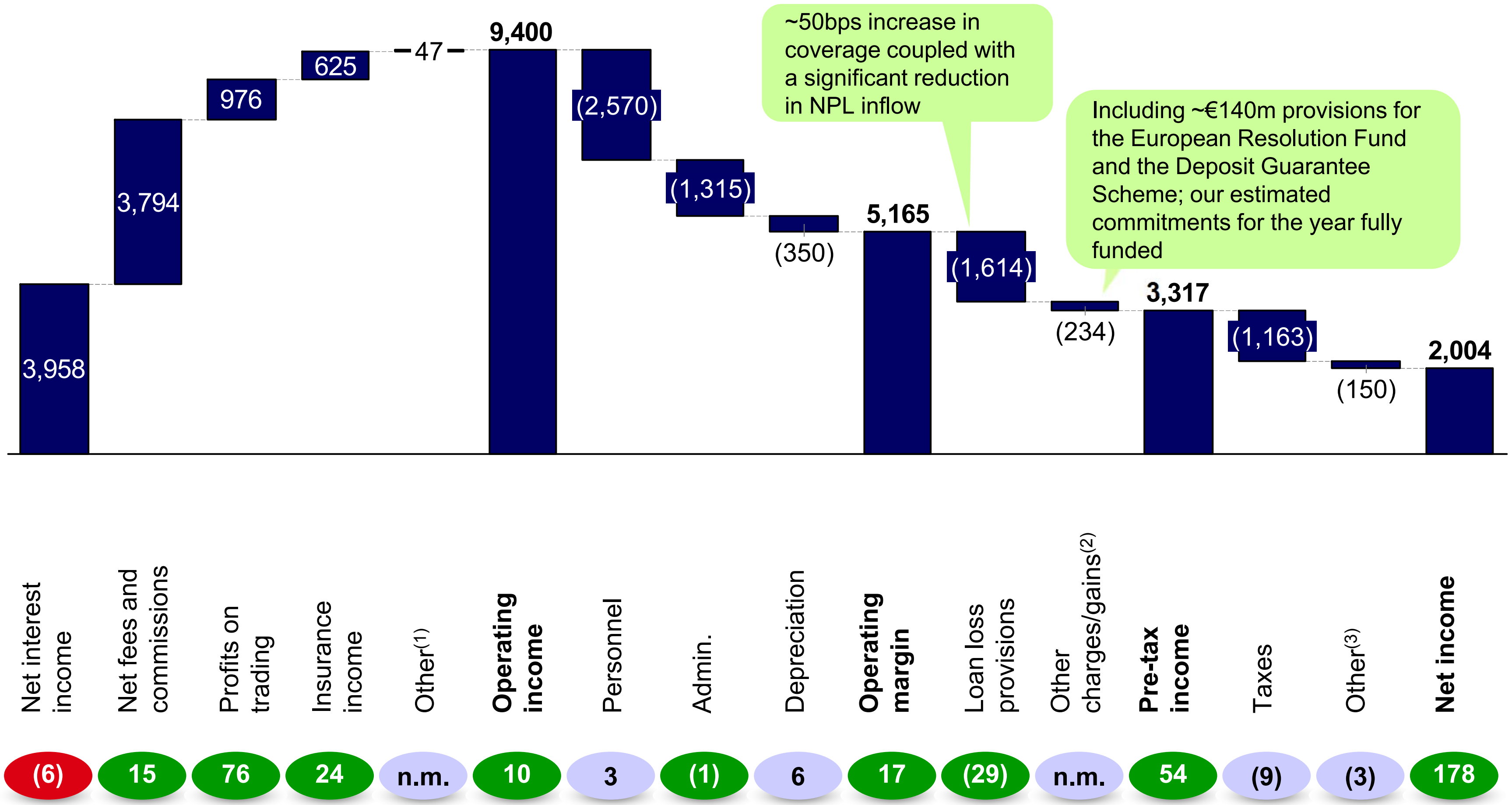
- **Excellent economic performance driven by high quality earnings:**
  - Net income at €2,004m (+178% vs 1H14), the highest since 1H08
  - Pre-tax income at €3.3bn (+54% vs 1H14)
  - Increase in Operating income (+10% vs 1H14) driven by the highest Net fees and commissions ever (+15% vs 1H14)
  - Continued strong cost management with C/I down to 45.1% (-3.3pp vs 1H14)
  - Operating margin at €5.2bn (+17% vs 1H14), the highest since the creation of Intesa Sanpaolo
  - Downward trend in loan loss provisions (-29% vs 1H14), coupled with lower NPL inflow and a further increase in NPL coverage
- **Best-in-class capital position with a solid balance sheet:**
  - Low leverage ratio at 6.8% and high capital base (pro-forma fully loaded Common Equity ratio at 13.3%[1])
  - Strong liquidity position and funding capability with LCR and NSFR well above 100%
  - NPL cash coverage increased to 47.3% (+50bps YoY, +30bps vs FY14)

(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

1H15 vs 1H14: More Than €2bn Net Income Driven by Quality Earnings

1H15 P&L
€ m

% Δ vs 1H14

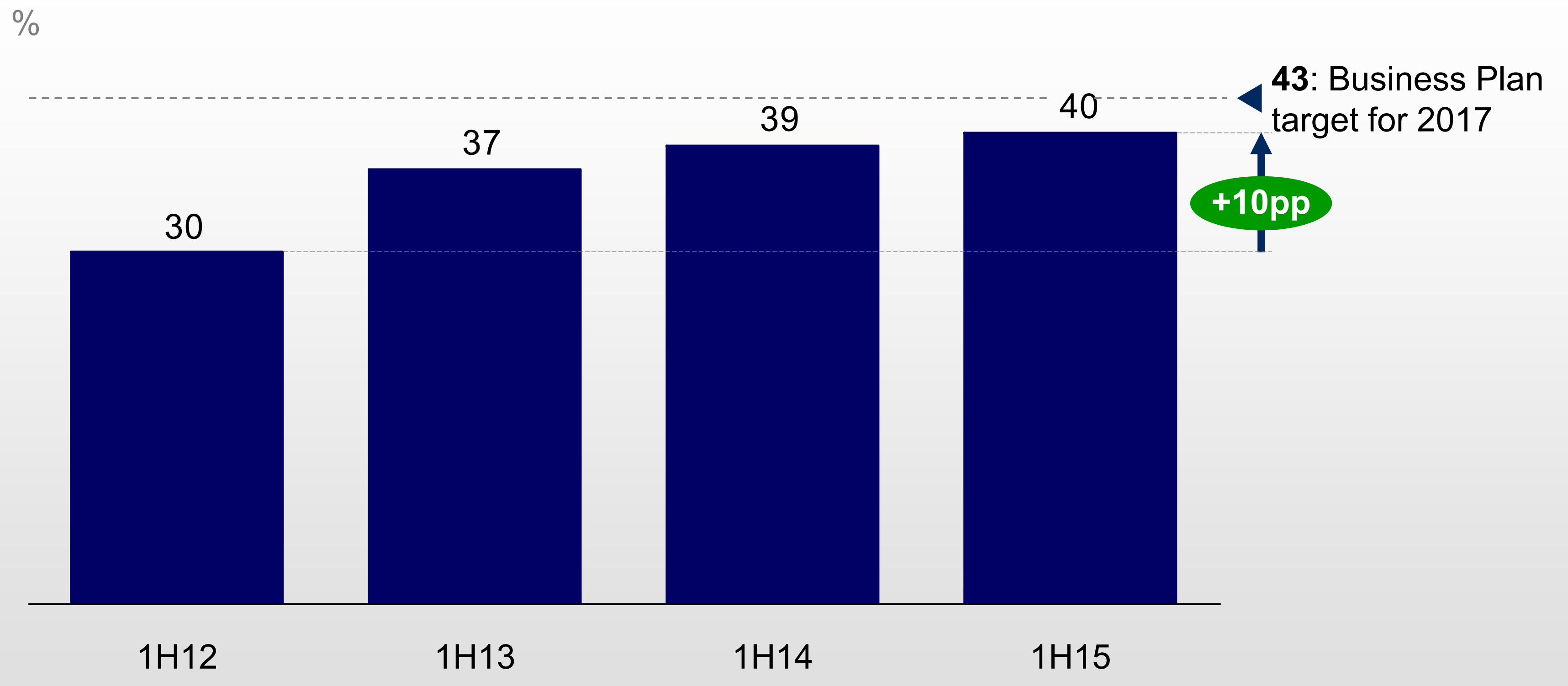


(1) Dividends and other operating income (expenses)
(2) Net impairment losses on assets, Profits (Losses) on HTM and on other investments, Provisions for risks and charges
(3) Income (Loss) after tax from discontinued operations, Minority interests, Intangible amortization (after tax), Charges for integration and personnel exit incentives (after tax)
Note: 2014 data restated for the Ukrainian subsidiary Pravex-Bank

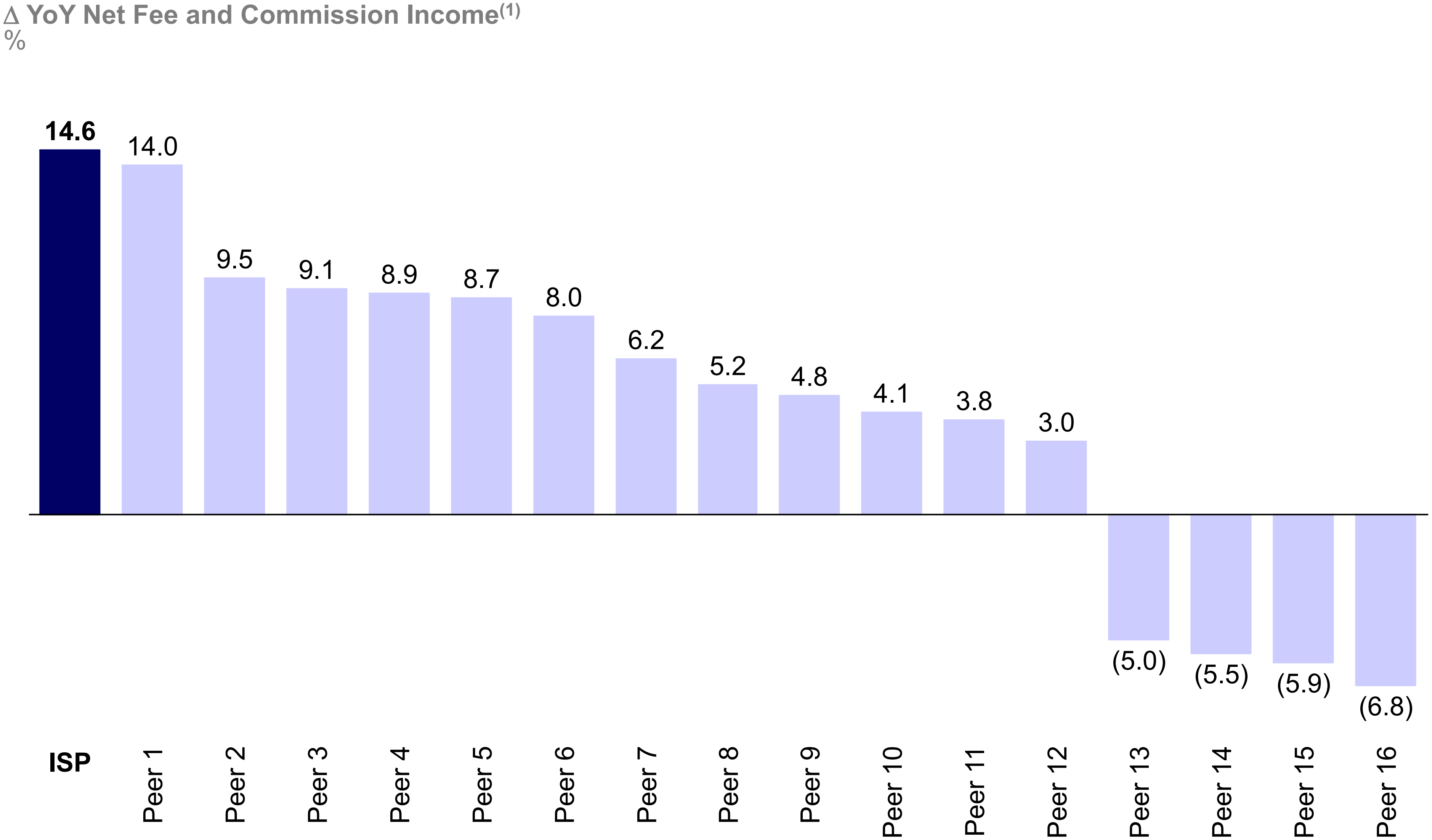
INTESA SANPAOLO

Business Model Becoming More Commission Driven

Contribution of Net fees and commissions to Operating income



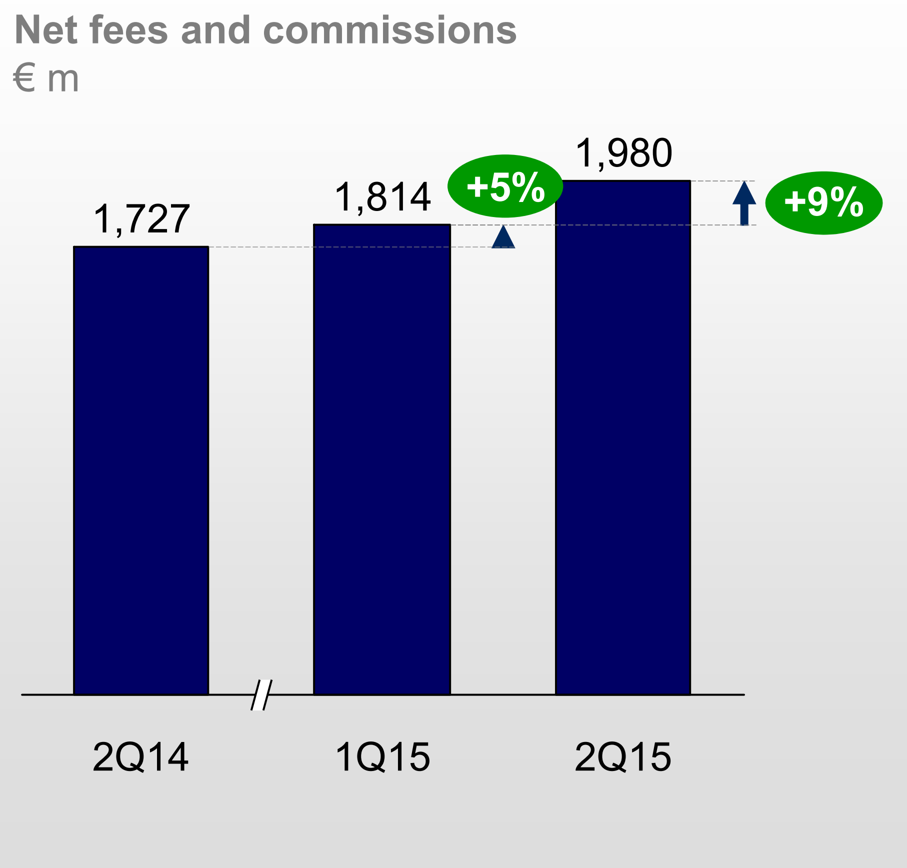
ISP: The Leader in Net Fee and Commission Income Growth in Europe



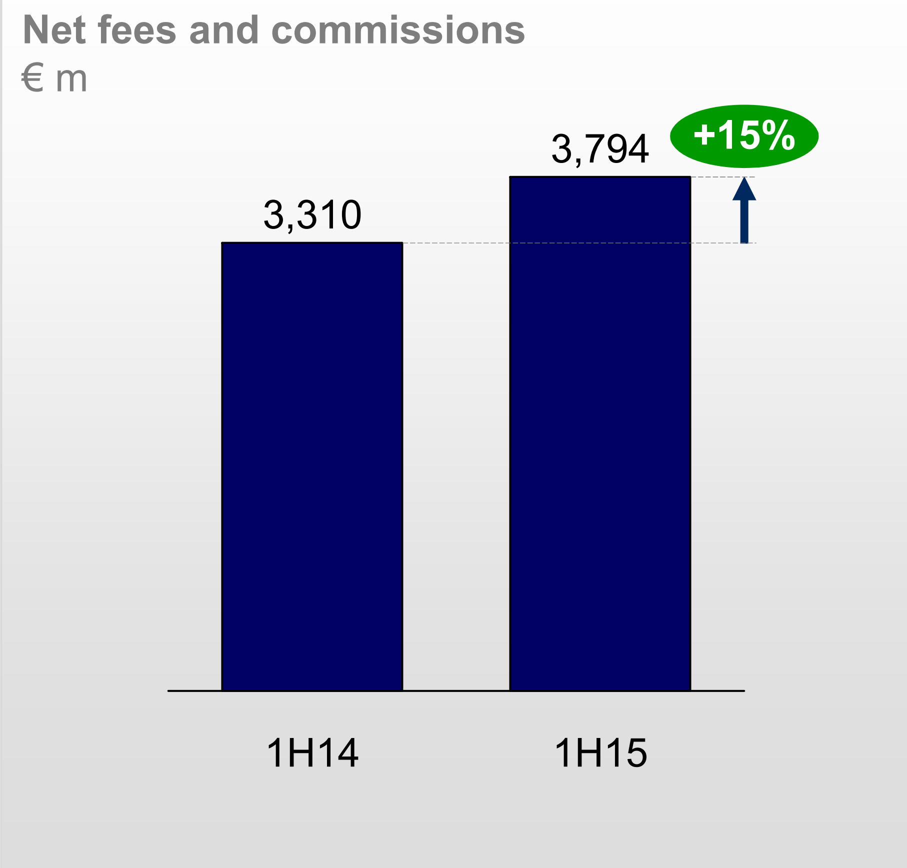
(1) Sample: Barclays, BBVA, BNP Paribas, Commerzbank, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Standard Chartered, UBS and UniCredit (30.6.2015 data); BPCE (31.3.2015 data); Crédit Agricole SA and Société Générale (31.12.2014 data)

All-time Record High in Net Fee and Commission Income…

Quarterly comparison

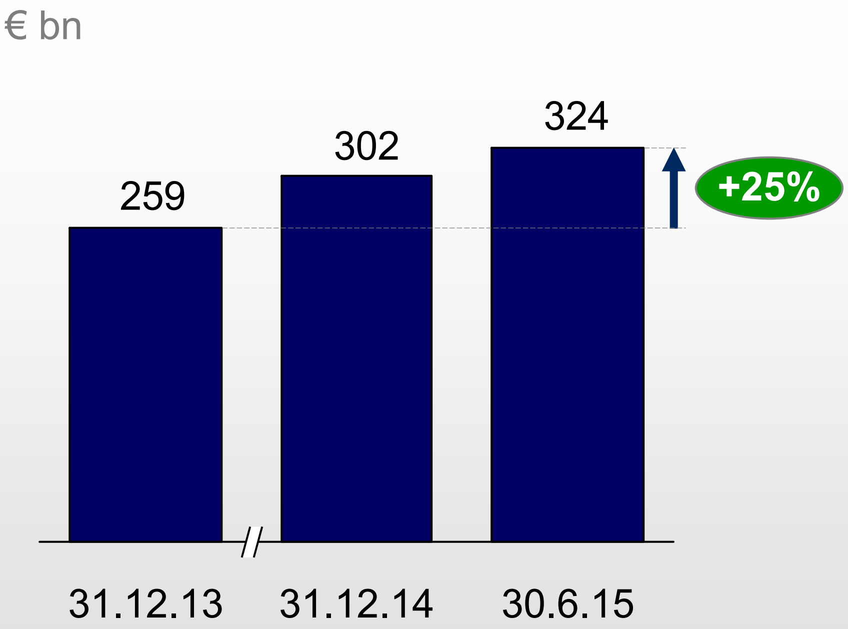


Yearly comparison

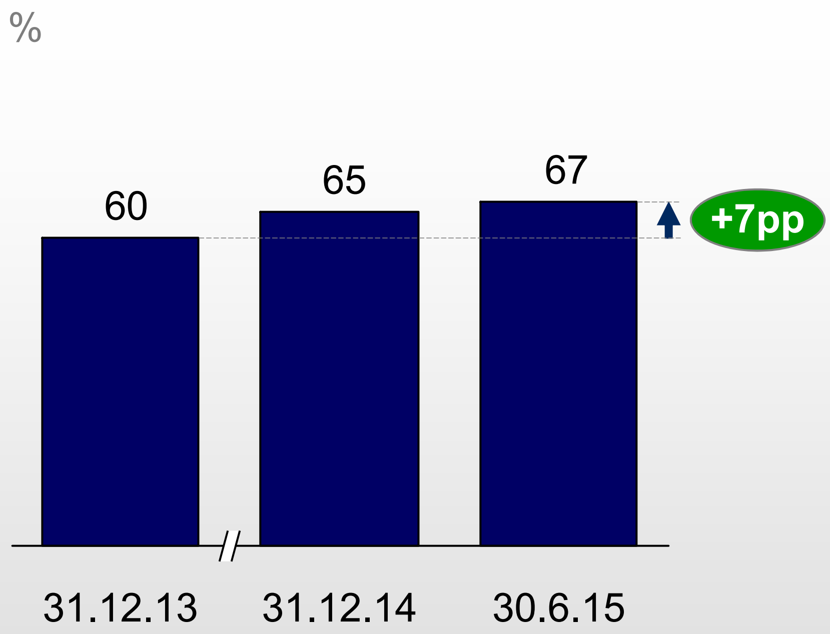


…Driven by Strong Growth in Assets Under Management

Assets under Management



AuM / Indirect Deposits[1]



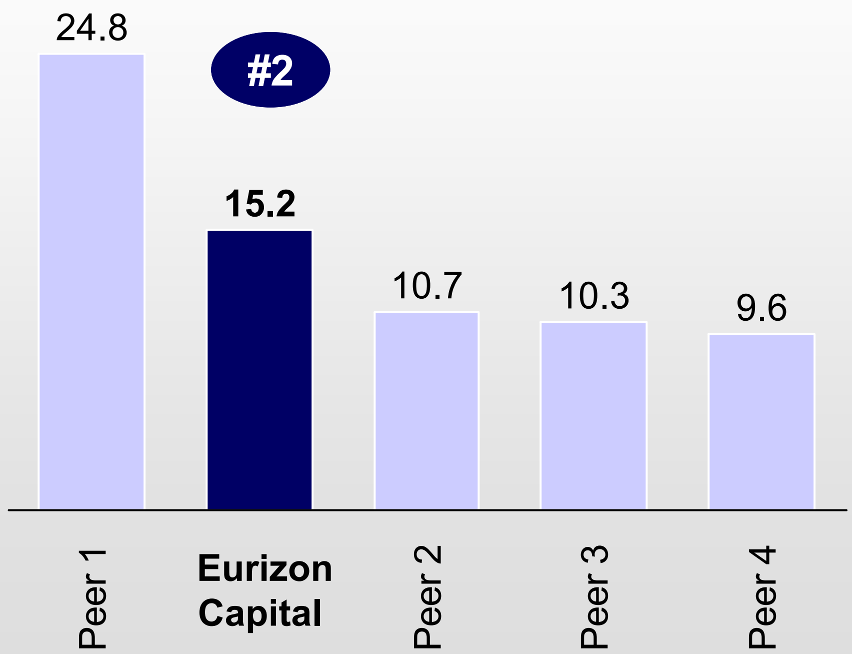
- **Continued shift from Assets under Administration to Assets under Management (€27bn since 31.12.13)**
- **~€66bn increase in AuM in the past 18 months, equivalent to the creation of the #3 asset gatherer in the Italian market**

(1) Sum of Assets under Management and Assets under Administration

A European Leader in Asset Management

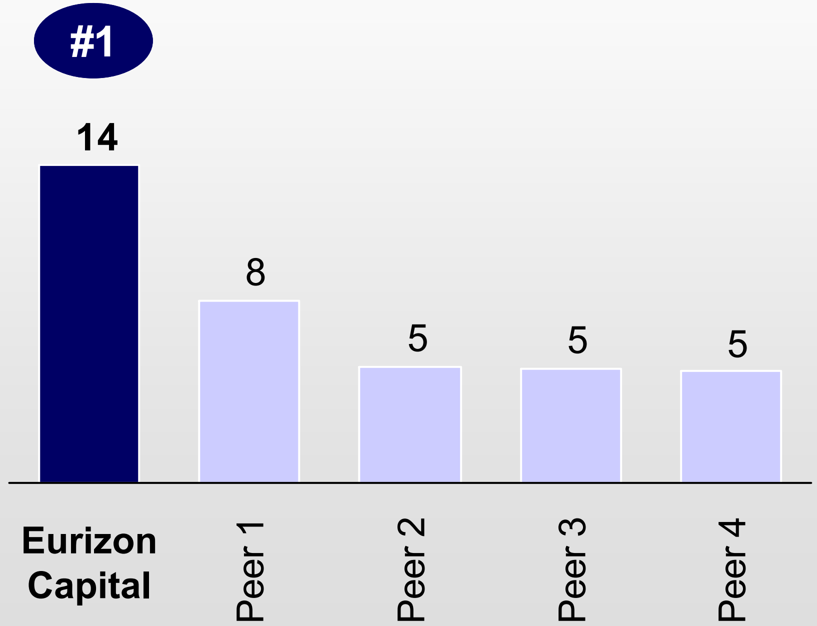
Net Inflows[1] of mutual funds in Europe[2]

Jan-May 2015, € bn



Net Inflows[1] of mutual funds in Europe[2] as percentage of AuM stock

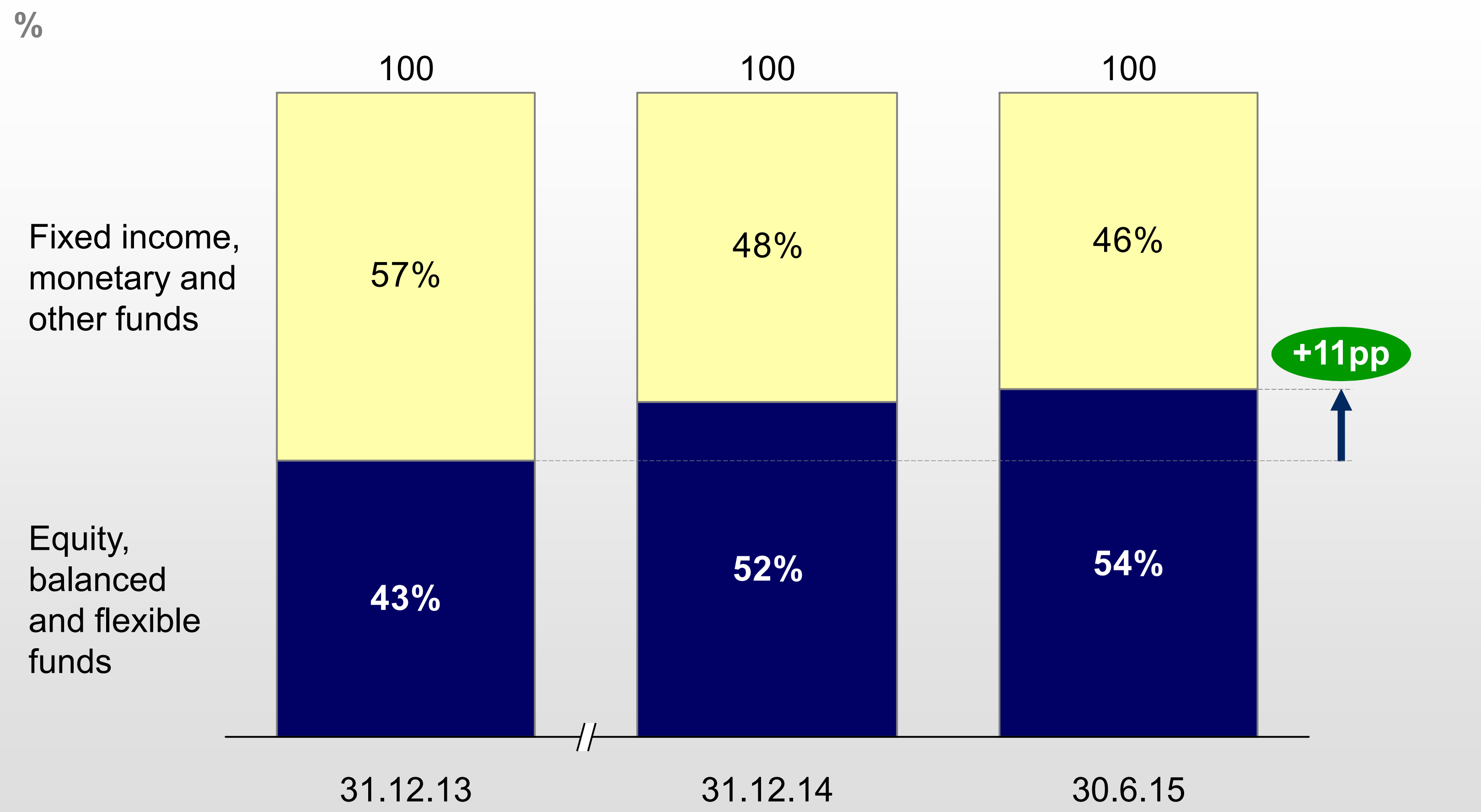
Jan-May 2015, %



(1) Excluding money market funds
(2) Sample: Allianz, BlackRock, Deutsche AWM and UBS
Source: Strategic Insights / Simfund Global

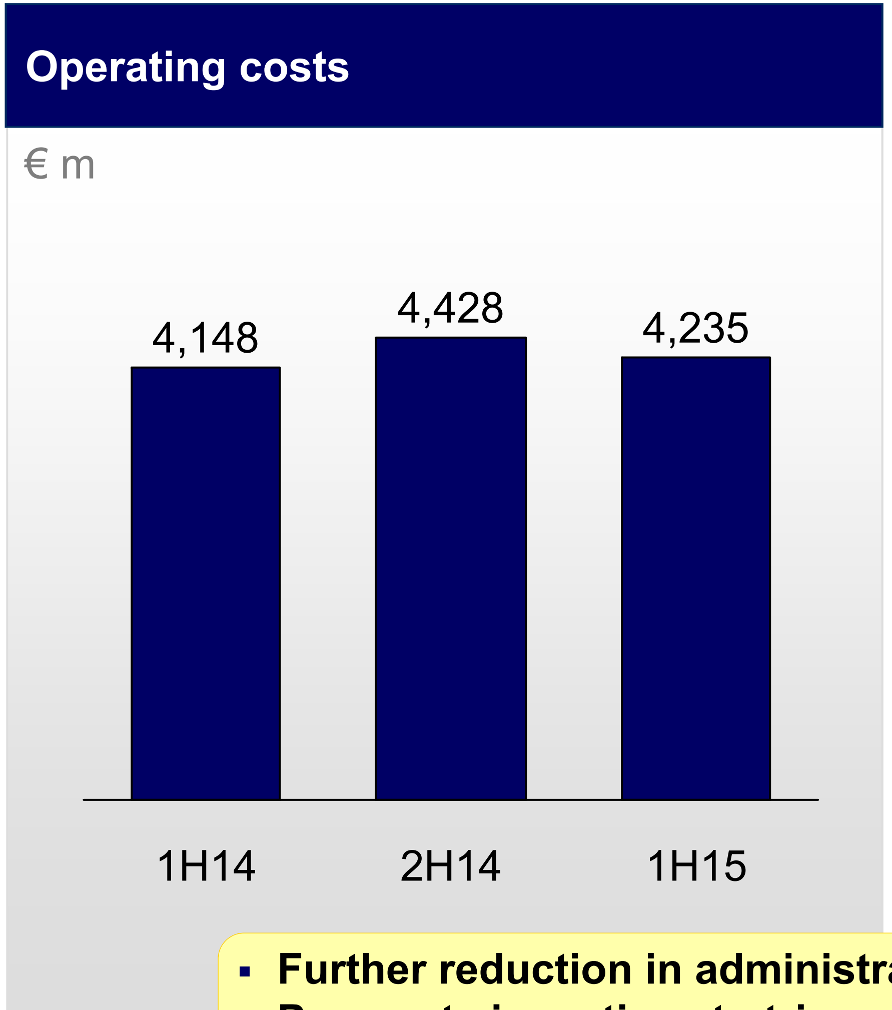
Favourable Change in Mutual Funds Mix

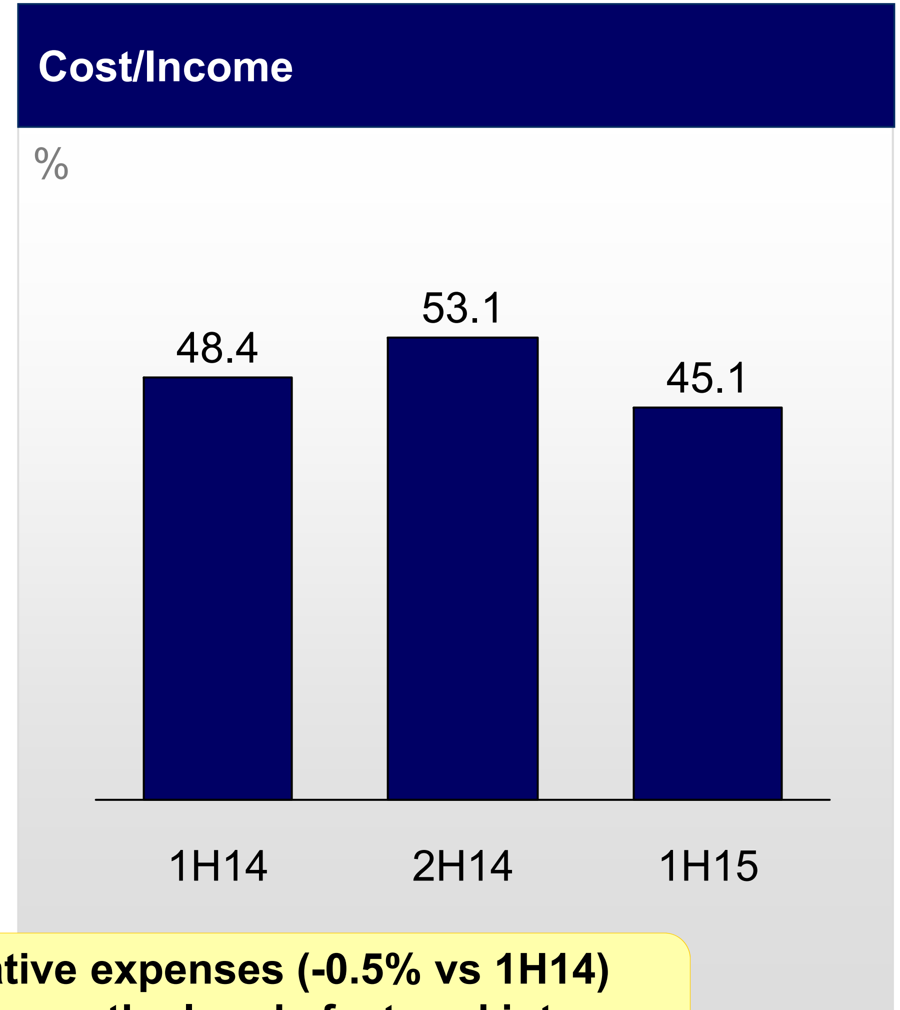
Mutual funds mix



Relatively low market penetration of Wealth Management products supports further sustainable growth

Continuous Focus on Efficiency with Further Improvement in Cost/Income Ratio

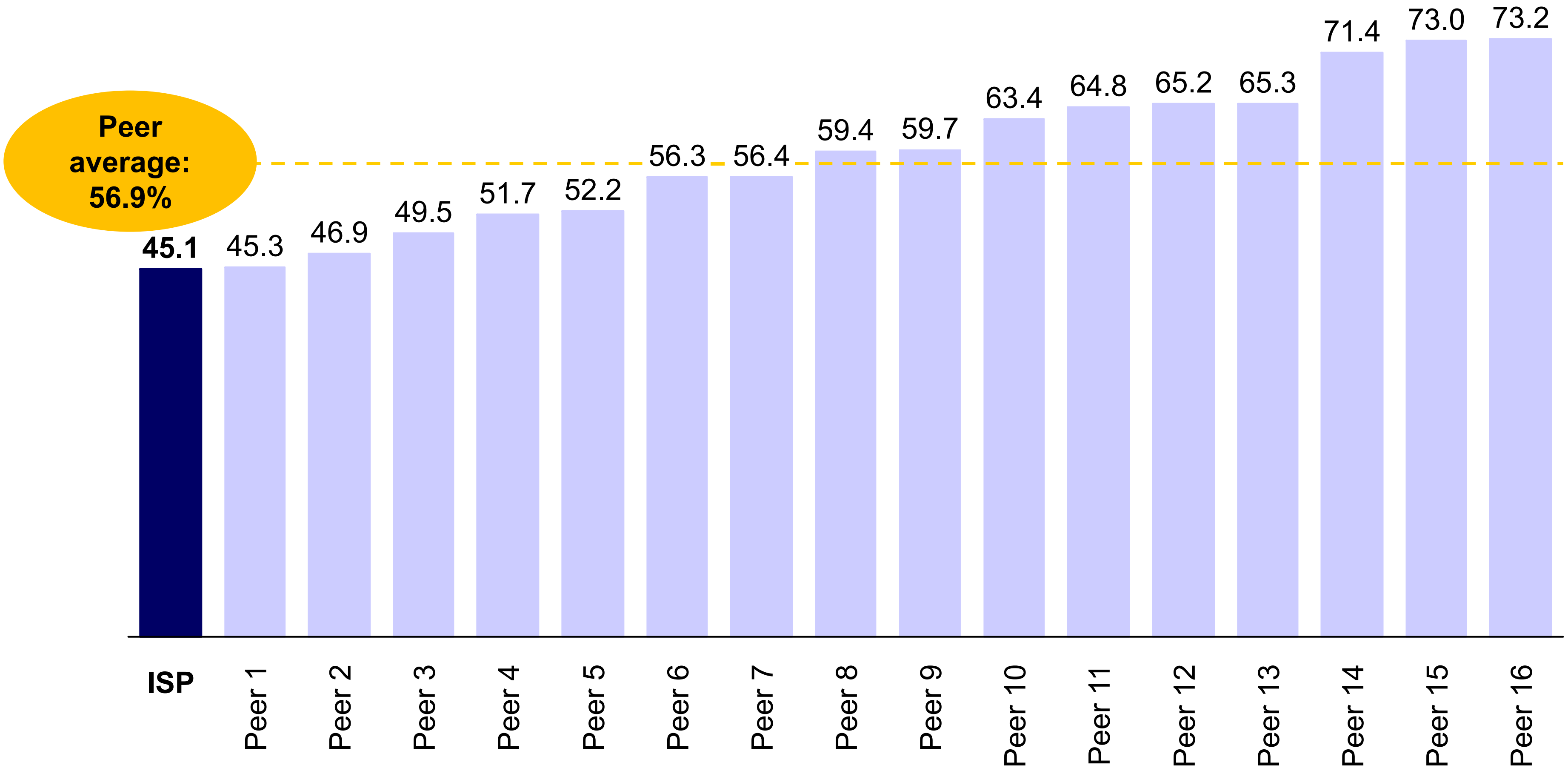




- **Further reduction in administrative expenses (-0.5% vs 1H14)**
- **Pro-quota incentives to trigger growth already factored into personnel costs**

Best Cost/Income Ratio in Europe

Cost/Income[(1)]
%

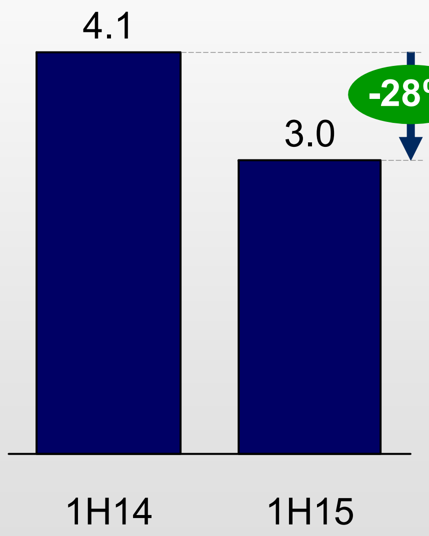


(1) Sample: Barclays, BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole SA, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Société Générale, Standard Chartered, UBS and Unicredit (30.6.2015 data)

Significant Improvement in NPL Inflows Driving Reduction in Provisions, Notwithstanding the Increased Coverage Ratio

Net NPL inflow(1) from performing loans

€ bn

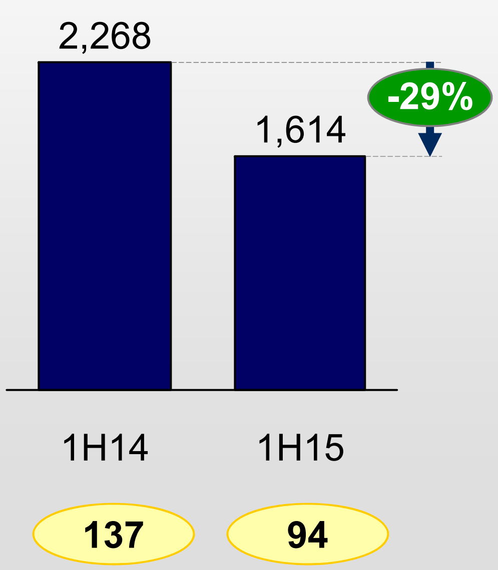


1H15 registered the lowest gross inflow of new NPL from performing loans since 2007

Loan loss provisions

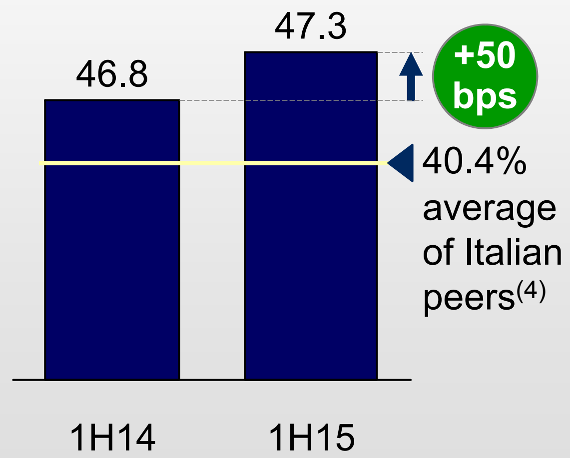
€ m

x **Cost of risk(2)**
Bps



NPL cash coverage ratio(3)

%

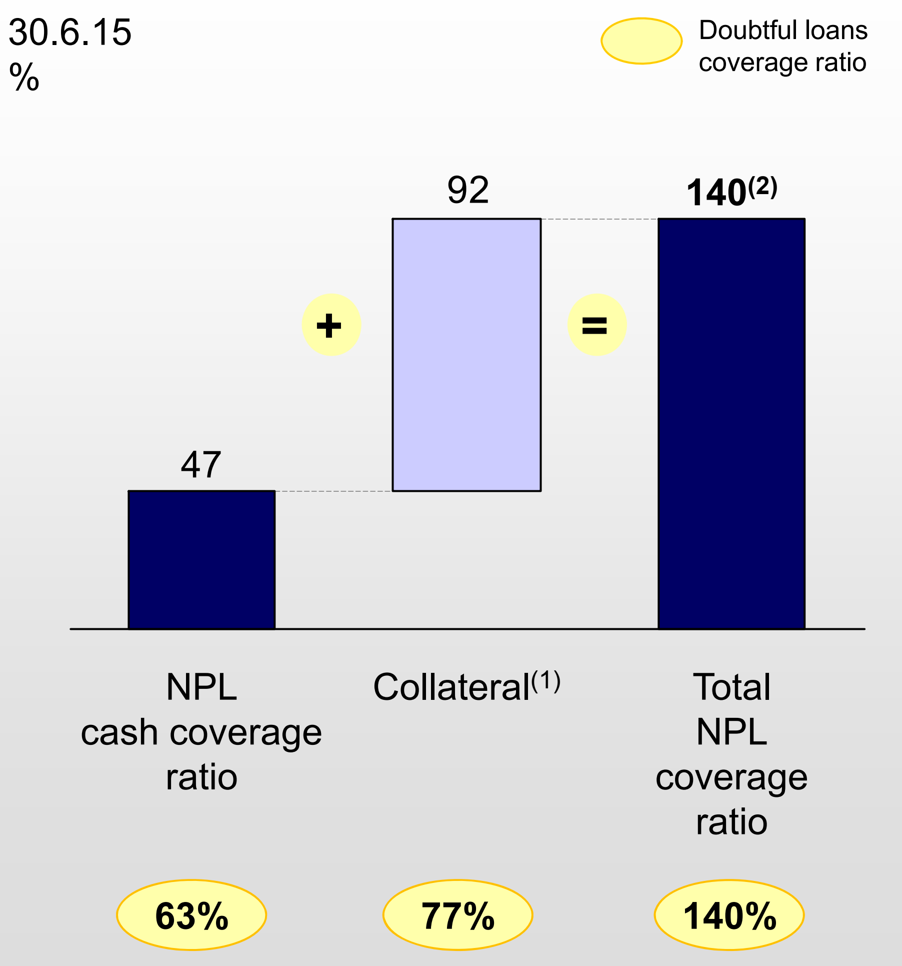


(1) Inflow to NPL (Doubtful Loans, Unlikely to Pay and Past Due) from performing loans minus outflow from NPL to performing loans. As of 1H15 forborne loans cease being non performing only when one year has passed since the extension of forbearance
(2) Annualised
(3) Excluding collateral
(4) Sample: BPOP, MPS, UBI and UniCredit (data as of 30.6.2015)

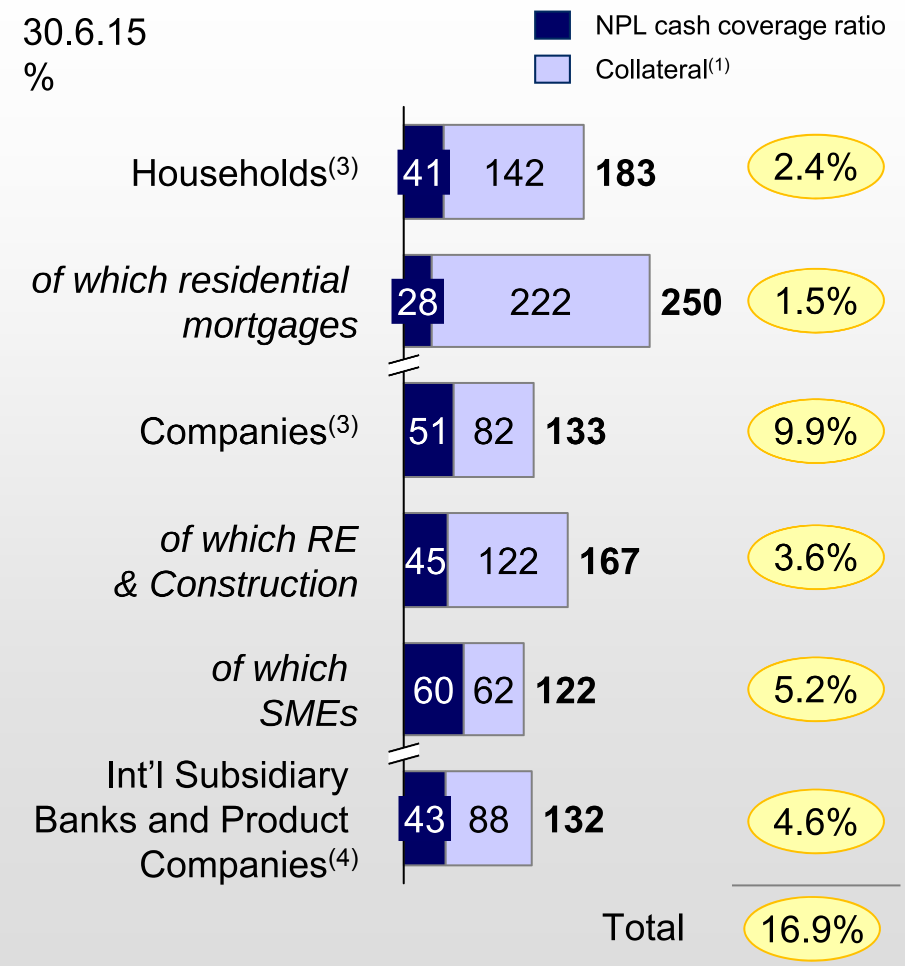
Even Stronger NPL Coverage When Collateral is Included

Incidence on Group Total Loans (gross values)

Total NPL coverage (including collateral[(1)])

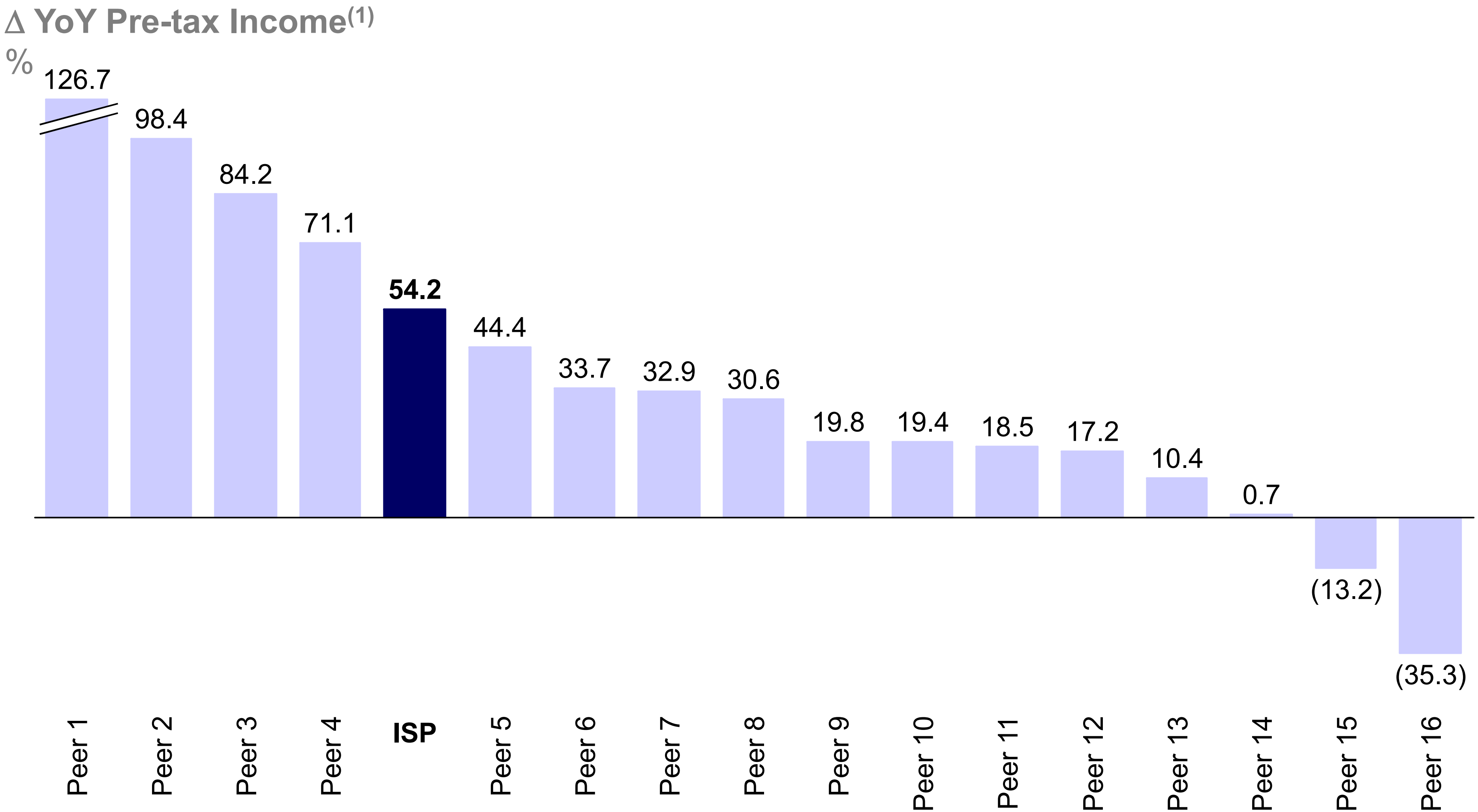


Total NPL coverage (including collateral[(1)]) breakdown



Note: figures may not add up exactly due to rounding differences
(1) Excluding personal guarantees
(2) 146% including personal guarantees
(3) Parent Bank and Italian Subsidiary Banks
(4) Mediocredito Italiano (Industrial Credit, Factoring and Leasing) and Banca IMI (Capital Markets and Investment Banking)

Top-Tier Pre-tax Income Growth in Europe



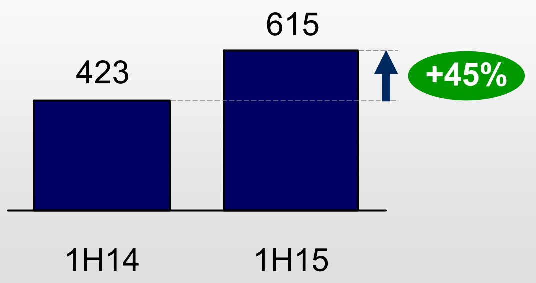
1H15 Pre-tax income is the highest since 1H08

(1) Sample: Barclays, BBVA, BPCE, Commerzbank, Crédit Agricole SA, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Société Générale, Standard Chartered, UBS and Unicredit (30.6.2015 data); BNP Paribas (31.3.2015 data)

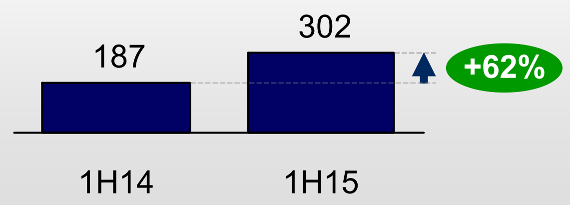
Significant Pre-tax Income Contribution from All Divisions

€ m

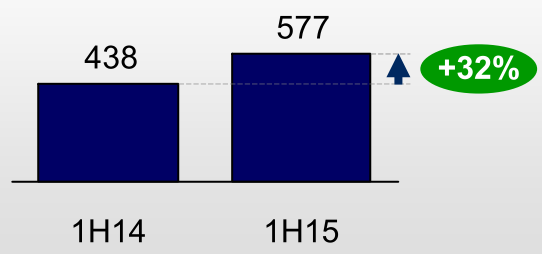
Private Banking[1]



Asset Management[2]

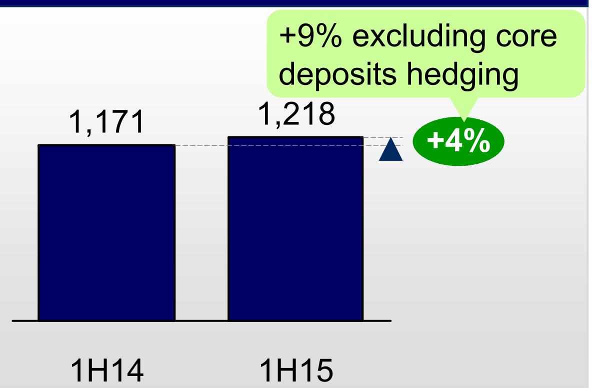


Insurance[3]

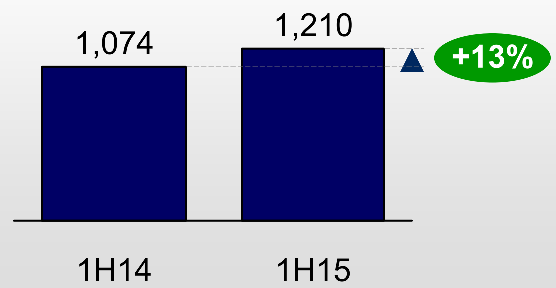


Wealth management: €1.5bn (+43% vs 1H14)
Additional ~€1bn revenues from WM products included in Banca dei Territori

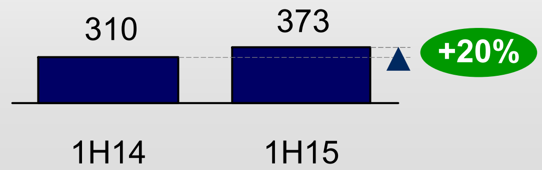
Banca dei Territori



Corporate and Investment Banking



International Subsidiaries

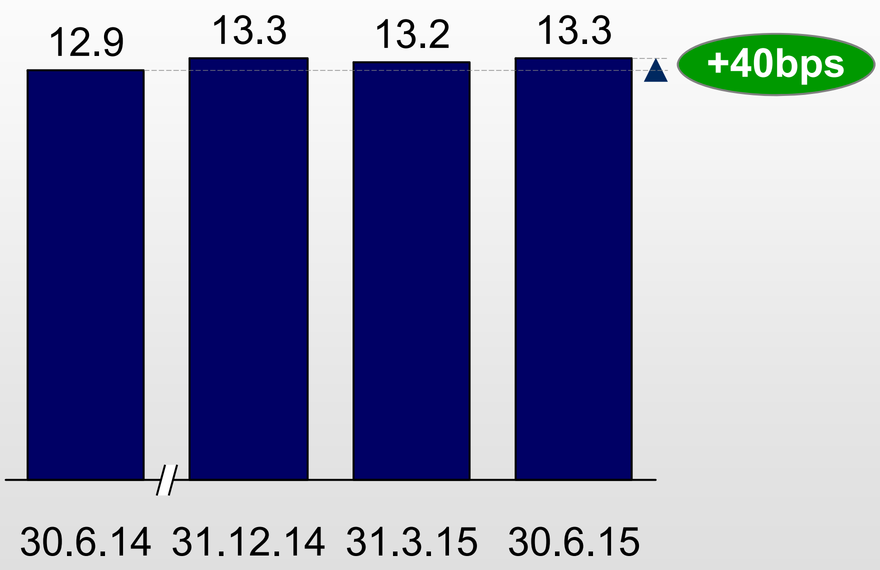


(1) Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) and Sirefid; (2) Eurizon Capital; (3) Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita
Note: Figures may not add up exactly due to rounding differences; figures restated to reflect the new organisational structure (creation of Private Banking, Asset Management, Insurance Divisions and Capital Light Bank)

Solid Capital Base

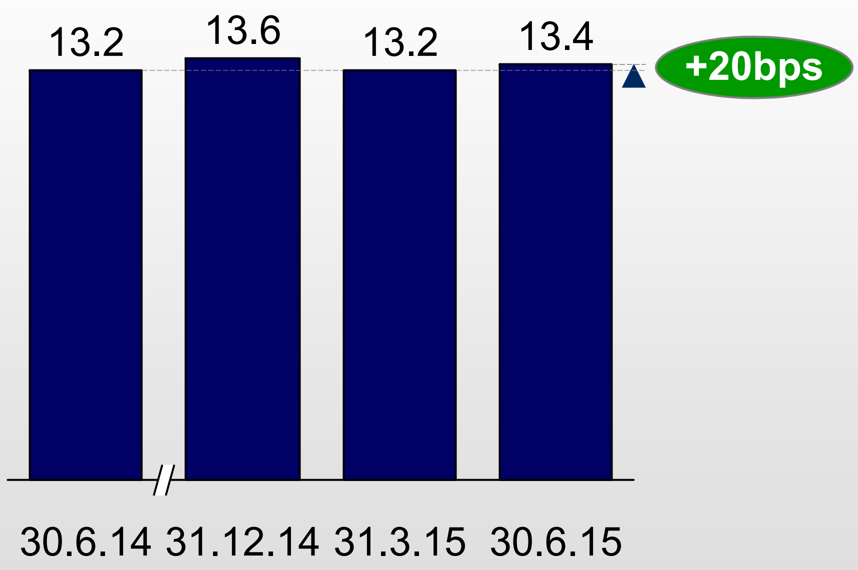
Fully Loaded(1) Common Equity Ratio

After pro quota dividends (€1bn in 1H15(2))
%



Phased-in Common Equity Ratio

After pro quota dividends (€1bn in 1H15(2))
%

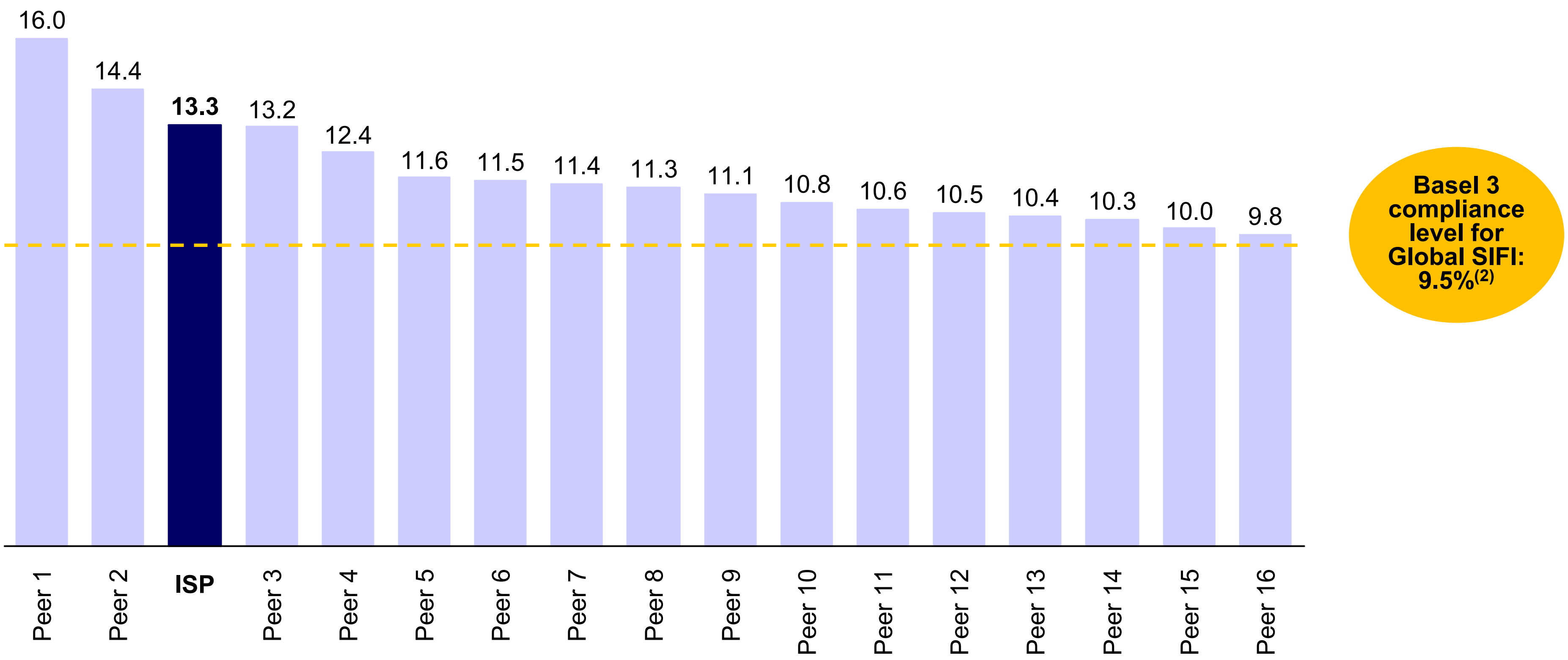


Best-in-class leverage ratio: 6.8%

(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 Net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)
(2) Ratio after pro quota dividends (€1bn in 1H15 assuming the half-yearly quota of €2bn cash dividends envisaged in the Business Plan 2014-17 to be paid in 2016 for 2015)

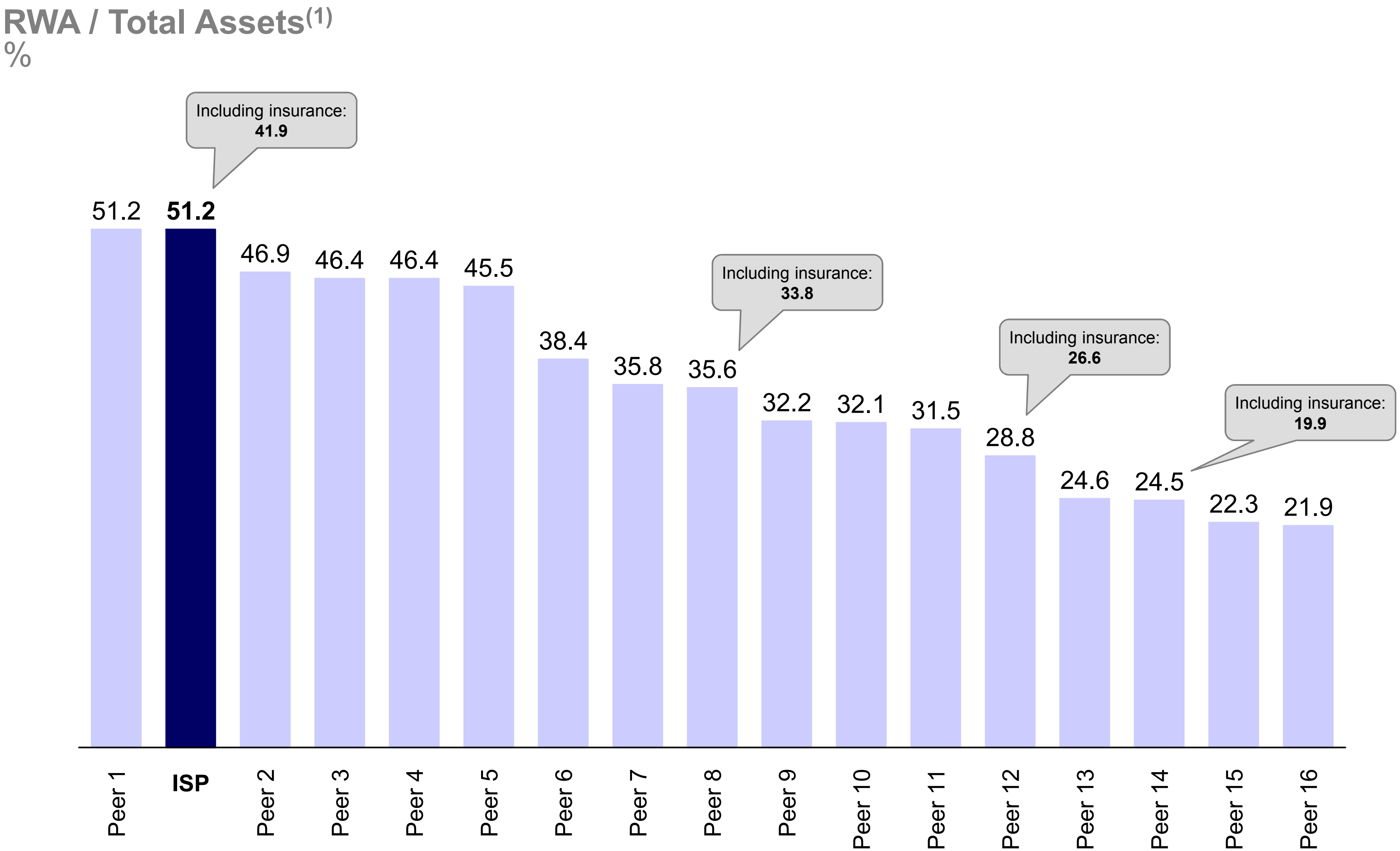
A Best-in-Class Capital Position in Europe

Estimated pro-forma fully loaded Basel 3 Common Equity ratio[(1)]
%



(1) Sample: Barclays, BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole Group, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Société Générale, Standard Chartered, UBS and Unicredit (30.6.2015 data). Data may not be fully comparable due to different estimates hypothesis. Source: Investors' Presentations, Press Releases, Conference Calls
(2) Maximum level assuming a Common Equity ratio of 9.5% (4.5% minimum capital requirement, +2.5% conservation buffer, +2.5% actual maximum GSIBs buffer)

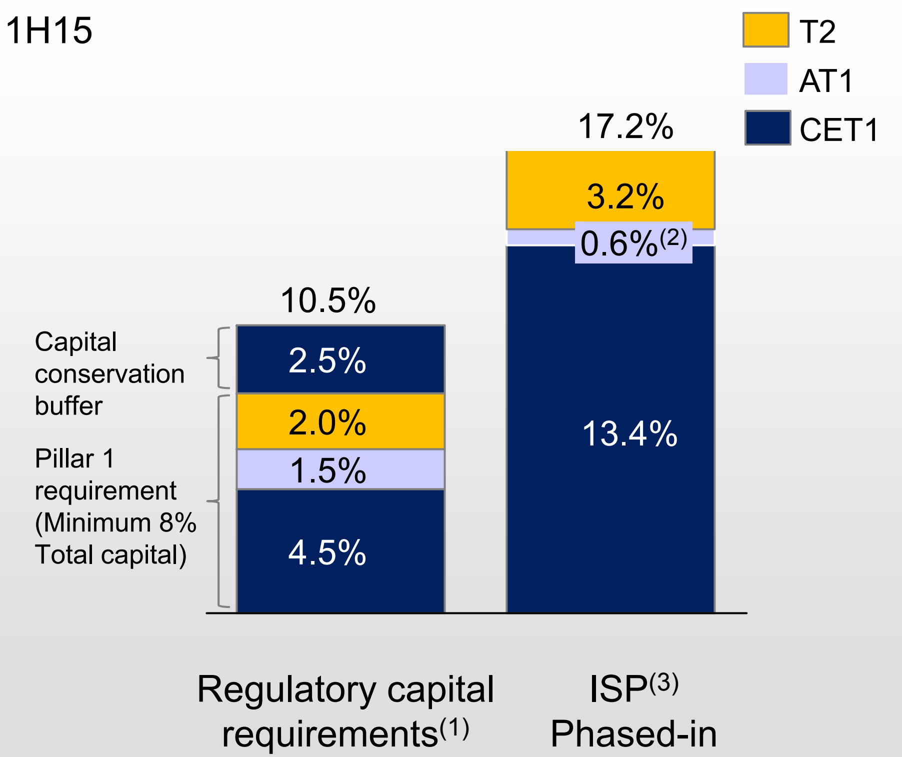
High RWA Density



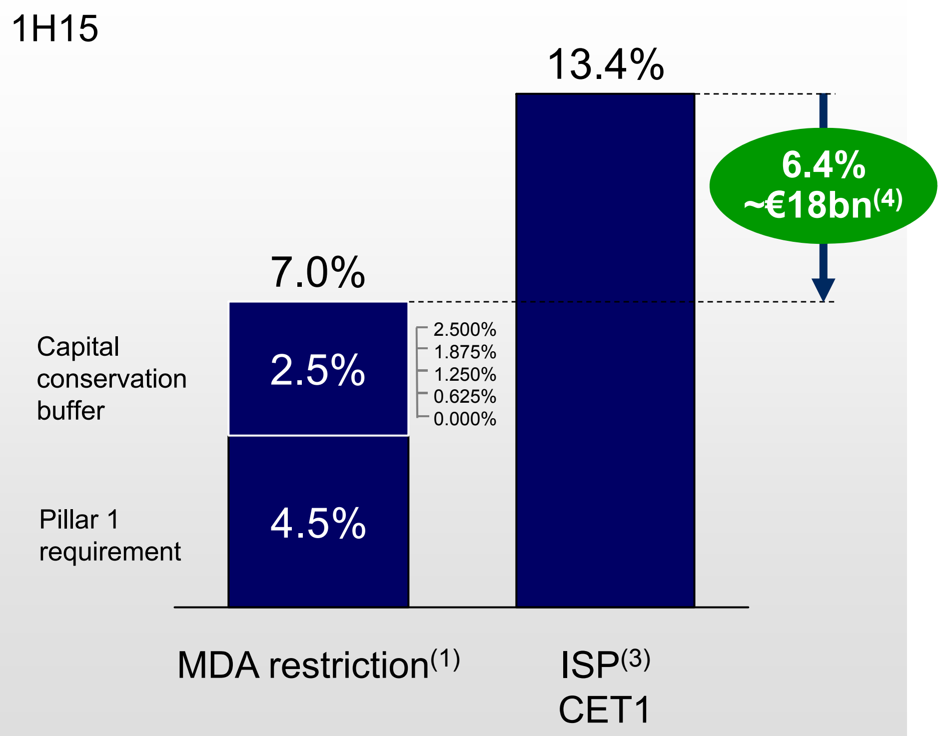
Sample: Barclays, BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole SA, Credit Suisse, Deutsche Bank, HSBC, ING, Nordea, Santander, Société Générale, Standard Chartered, UBS and UniCredit (30.6.2015 data)
(1) Excluding insurance

Sizeable Distance to Regulatory Capital Requirements and MDA Restrictions

Capital ratios



Distance to MDA restrictions

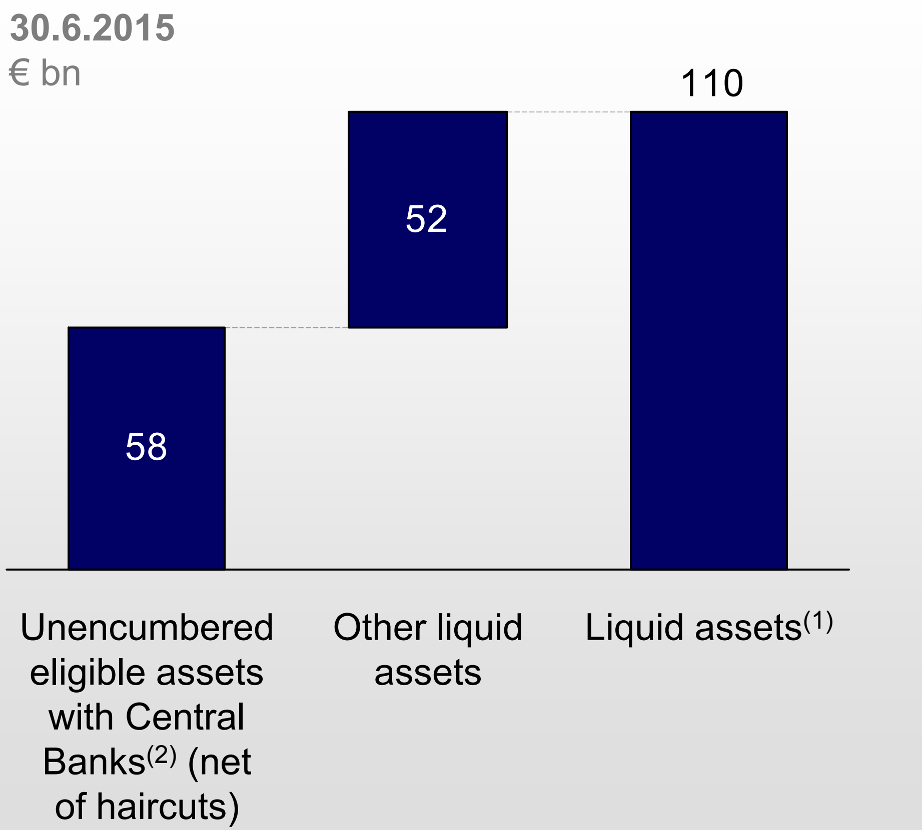


Distributable items approximately €23bn[5]

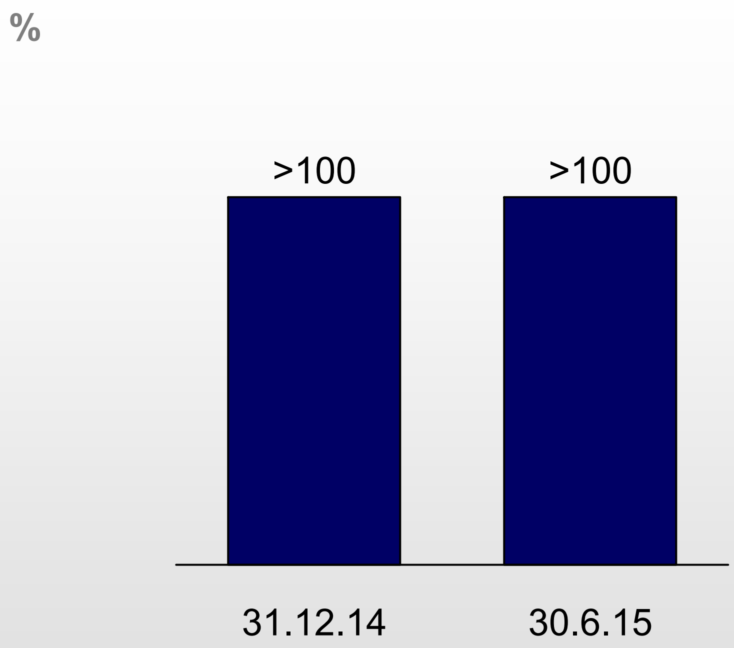
Note: figures may not add up exactly due to rounding differences
(1) The minimum capital requirements and the capital conservation buffer have no phased-in introduction; 2015 SREP set by the ECB at 9% CET1 ratio and 11.5% Total Capital ratio
(2) Savings shares + grandfathered Tier 1 instruments - transitional deductions from AT1
(3) Consolidated figures
(4) The distance to MDA restrictions is substantially equivalent both in phased-in and in fully loaded frameworks; This percentage assumes the fulfilment of the Additional Tier1 regulatory bucket. The 2014-2017 Business Plan includes a management target of €4bn in issuance of Additional Tier1 Notes
(5) Parent Company data as of 31.12.14

Strong Liquidity Position Confirmed

Liquid assets[1]



LCR and NSFR



LCR and NSFR already well above Basel 3 requirements for 2018

(1) Stock of own-account eligible assets, including assets used as collateral and excluding eligible assets received as collateral
(2) Eligible assets freely available, excluding assets used as collateral and including eligible assets received as collateral

1H15 Summary: Strong Improvements in All Key Indicators

	1H15	Δ vs 1H14	
Operating income (€ bn)	9.4	+10%	✔
Core revenues[1] (€ bn)	8.4	+5%	✔
Operating margin (€ bn)	5.2	+17%	✔
Cost/Income (%)	45.1	-3.3pp	✔
Pre-tax income (€ bn)	3.3	+54%	✔
Net income (€ bn)	2.0	+178%	✔
Common Equity ratio[2][3] (%)	13.3	+40bps	✔

(1) Operating Income excluding Profits on trading
(2) After pro quota dividends
(3) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

Well Ahead on the Delivery of Our Business Plan Targets

	Business Plan CAGR 13-17 %	1H15 vs 1H14 %	FY14 vs FY13 %
Net fee and commission income	+7.4%	+14.6%	+10.5%
Core Revenues(1)	+4.4%	+5.1%	+6.8%
Operating income	+4.1%	+9.7%	+4.0%
Operating costs	+1.4%	+2.1%	+3.0%
Pre-tax income	+29.6%	+54.2%	+36.5%

Incentives to trigger growth already factored into Personnel costs

(1) Operating income excluding Profits on trading

INTESA SANPAOLO

Our Business Plan Initiatives: New Growth Bank

Key highlights on New Growth Bank initiatives	
Banca 5®	▪ **Banca 5® "specialised" business model** introduced in **more than 2,400 branches,** with **more than 3,000 dedicated Relationship Managers: revenues per client already increased from €70 to €93** ✓ ▪ **"Real Estate"** project underway with **8 real estate agencies already opened** and an additional 12 planned by year end ✓
Multichannel Bank	▪ **New multichannel processes successfully tested**: – ~**750,000 additional multichannel clients since 2014,** raising the total to **~5.2m clients,** ✓ – 2.4m mobile App downloads by customers ✓ – The first multichannel bank in Italy with ~80% of products available via multichannel platforms ✓
Private Banking Hub	▪ **New entity Fideuram ISPB fully operational as of July 1st** ✓ ▪ **HNWI competence centre set-up completed** and first dedicated **HNWI** branch already opened ✓ ▪ **International organic expansion** with the forthcoming opening of a Private Banking branch in London and the strengthening of Intesa Sanpaolo Private Bank (Suisse) ✓
Asset Manage-ment Hub	▪ **New product range** (i.e. **"Best expertise"** products) introduced into the Private Banking Division ✓
Insurance Hub	▪ Steering of product mix towards **capital-efficient products making good progress** (i.e. Unit Linked at 56% of new production vs. 34% in 1H14) ✓ ▪ Launched **new distinctive and innovative product offering** both in P&C insurance (new products for home, car and motorcycle) and in life insurance (Fideuram Vita Insieme for Financial Advisory Network and Giusto Mix – Multiramo for Banca dei Territori branches) ✓ ▪ **Full integration of pension fund business** (Intesa Sanpaolo Previdenza) ✓
Bank 360° for corporate clients	▪ **New Transaction Banking Group unit set up** and **new commercial initiatives** ongoing/ready to be launched ✓ ▪ **New commercial model** and **product offering** for **SMEs** ✓ ▪ **Specialised finance hub** – new Mediocredito Italiano – fully up and running ✓

Our Business Plan Initiatives: Core Growth Bank

Key highlights on Core Growth Bank initiatives

Capturing Untapped Revenue Potential

- Project **"cash desk service evolution"** in progress: already **~1,200** branches with **cash desk closing at 1pm** and **~120 branches** fully dedicated to **advisory services** ✓
- **New e-commerce portal** to seize **business potential** from **EXPO 2015** ✓
- **New Service Model introduced in Banca dei Territori:** introduction of 3 specialised commercial value chains, creation of ~1,200 new managerial roles, innovation of the SME Service Model ✓
- **Integration** of **consumer finance** in **branch network** ✓
- New **retail branch layout piloted** (30-50 branches to be activated by year end) ✓
- **C&IB Asset Light model fully operational**, with benefits in terms of cross selling; undergoing a distribution reinforcement ✓
- **Front-line excellence programme** in C&IB ongoing, starting with the Corporate and Public Finance segment and Banca IMI ✓
- New C&IB International **organisation** in place to serve **top international clients** ✓
- **New Segmentation** and **Service Model for International Subsidiaries Affluent** clients launched ✓
- **Banca IMI international strategy** being implemented, with focus on core selected products ✓
- **JV** in **merchant banking** with specialised investor (Neuberger) completed, with deconsolidation of activities ✓

Continuous Cost Management

- **Geographical footprint simplification** ongoing: additional **101 branches closed in 2Q15**, for a **total of ~150 since the beginning of 2015 and ~420 since 2014** ✓
- **Legal entity simplification ongoing: from 7 to 1 product factories** in specialised finance and advisory, leasing and factoring and **4 local banks merged** into ISP ✓

Dynamic Credit and Risk Management

- **Proactive credit management value chain** empowered across **all Divisions** ✓
- **Integrated management** of **NPLs**(1) in place ✓
- **New organisation** of **CLO area**, structured by Business Units ✓
- **Split of Risk and Compliance**, with two Chiefs (CRO and CCO) **directly reporting** to the **CEO** ✓

(1) Excluding doubtful loans (managed within the Capital Light Bank)

Our Business Plan Initiatives: Capital Light Bank, People Initiatives and Investments

Key highlights on Capital Light Bank and People initiatives and investments

Capital Light Bank (CLB)

- CLB **fully operational** with:
  - **675** dedicated people ✓
  - **~€6.5bn of deleveraging** already achieved ✓
- **New performance management system** fully operational on each asset class ✓
- **Re.O.Co.**[1] **fully up and running** with an estimated positive **impact for the** Group of **~€22m** since 2014 ✓

People and investments as key enablers

- **~3,900 people already reallocated** to high priority initiatives ✓
- **Investment Plan for Group employees** finalised: plan with the **highest number of participants** in Group's history ✓
- Increased **people satisfaction** within the Group: **+23pp vs 2013** ✓
- **"Big Financial Data"** programme for integrated management of customer and financial data being implemented, with first deliveries expected before year-end ✓
- **Chief Innovation Officer** fully operational and **"Innovation Centre" created** to train staff and develop new products, processes and "ideal branches", located in the **new ISP Tower** in Turin, fully operative ✓
- **Large-scale digitisation programme** launched to improve efficiency and service level on top priority operating processes ✓

(1) Real Estate Owned Company

Further Potential Upside from the Positive Italian Macroeconomic Outlook

Macro outlook

- Both **GDP and Industrial Production already on the rise** (+0.3% QoQ in 1Q15, +3% YoY in May 2015, respectively)
- **High and increasing** level of Italian household **wealth** (~€4,000bn in financial assets)
- **Italian Government reforms** for **growth** (e.g., tax cuts, labour market, bankruptcy and civil law, education, decree on recovery of doubtful loans and absorption of DTA) and **further reforms** to improve productivity in the pipeline (e.g., justice, public administration, taxes, streamlining and competition, institutional reforms)
- Gradual **recovery** of **real estate transactions,** further benefiting from potential reduction on property taxes (announced by the Government for 2016)
- **Consumer** and **business sentiment** both on positive trends (close to the highest since 2008)
- **Benefit on growth** deriving from the **combination of low interest rates**, **depreciation** of the **euro** and **low energy costs** (oil price down ~50% vs last year)
- **Open-ended Quantitative Easing** creating favourable market conditions

Italian GDP projected **to grow** by **0.7% in 2015** and by **1.3% in 2016**

Note: IMF estimates on GDP

H1: Our Best Semester…

More than €2bn Net Income, already above our 2015 dividend commitment

Revenues up 10%, with Commissions up 15%

Continued trend of reduction in new NPL inflow: LLPs down 29%, with increased NPL coverage

Pre-tax income up 54%

Common Equity[1] ratio at 13.3%

…well ahead of our 2014-17 Business Plan commitments

(1) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

Appendix

Contents

H1 vs H1: More Than €2bn Net Income

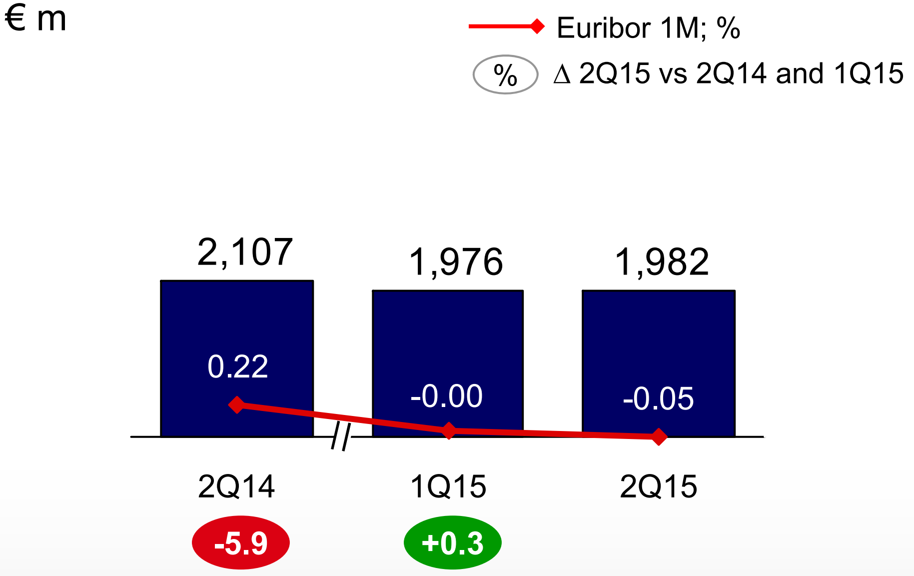
€ m

	1H14 Restated	1H15	Δ%
Net interest income	4,211	3,958	(6.0)
Dividends and P/L on investments carried at equity	11	43	290.9
Net fee and commission income	3,310	3,794	14.6
Profits (Losses) on trading	555	976	75.9
Income from insurance business	506	625	23.5
Other operating income	(21)	4	n.m.
Operating income	**8,572**	**9,400**	**9.7**
Personnel expenses	(2,497)	(2,570)	2.9
Other administrative expenses	(1,322)	(1,315)	(0.5)
Adjustments to property, equipment and intangible assets	(329)	(350)	6.4
Operating costs	**(4,148)**	**(4,235)**	**2.1**
Operating margin	**4,424**	**5,165**	**16.7**
Net provisions for risks and charges	(236)	(260)	10.2
Net adjustments to loans	(2,268)	(1,614)	(28.8)
Net impairment losses on assets	(79)	(40)	(49.4)
Profits (Losses) on HTM and on other investments	310	66	(78.7)
Income before tax from continuing operations	**2,151**	**3,317**	**54.2**
Taxes on income from continuing operations	(1,276)	(1,163)	(8.9)
Charges (net of tax) for integration and exit incentives	(20)	(31)	55.0
Effect of purchase cost allocation (net of tax)	(99)	(59)	(40.4)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(36)	(60)	66.7
Net income	**720**	**2,004**	**178.3**

Note: figures may not add up exactly due to rounding differences. Data restated for the Ukrainian subsidiary Pravex-Bank

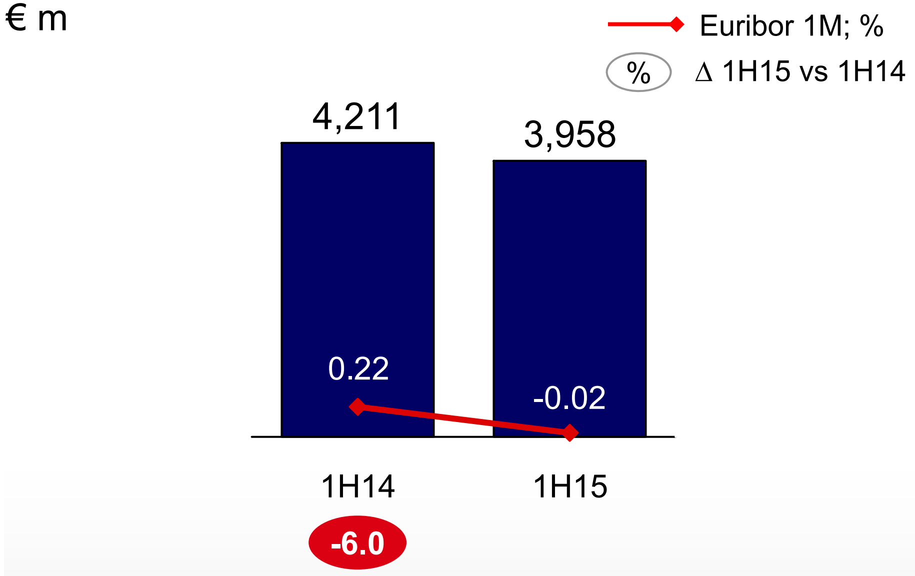
Net Interest Income: Slight Quarterly Increase

Quarterly Analysis



- 0.3% increase vs 1Q15
- Increase (+0.5% vs 1Q15) in average Performing loans to customers for the second quarter in a row (+0.2% in 1Q15) after seven consecutive quarters of decline

Yearly Analysis

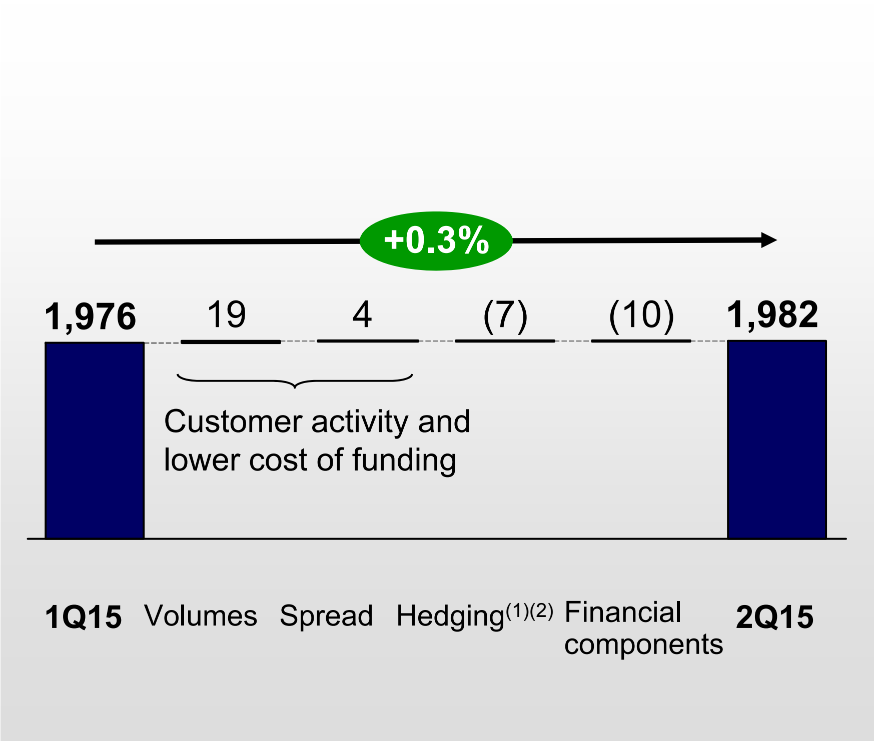


- Decrease mainly due to management of securities portfolio and volume decline
- 1.5% contraction in average Performing loans to customers (vs a 2.5% contraction in 1Q15)

Net Interest Income: Strong Trading Profits More Than Offset Net Interest Income Decrease vs 1H14

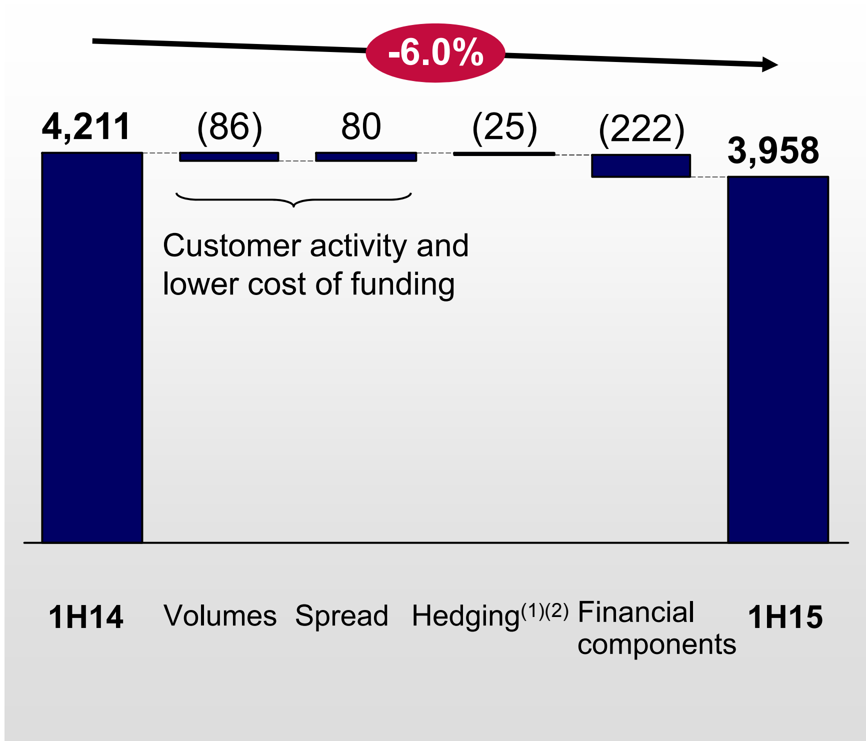
Quarterly Analysis

€ m



Yearly Analysis

€ m



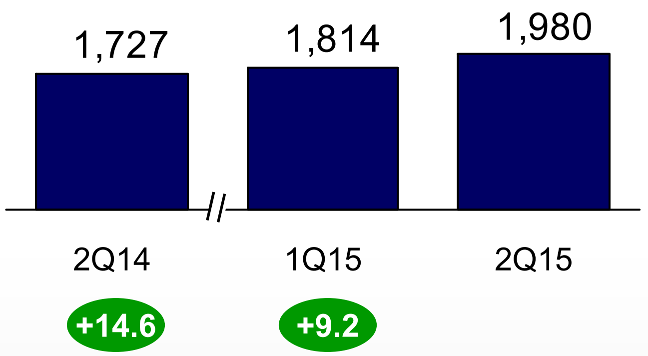
Note: figures may not add up exactly due to rounding differences
(1) €386m benefit from hedging in 1H15, of which €190m in 2Q15
(2) Core deposits

Net Fee and Commission Income: ~€2bn in 2Q15, the Best Result Ever

Quarterly Analysis

€ m

% ∆ 2Q15 vs 2Q14 and 1Q15

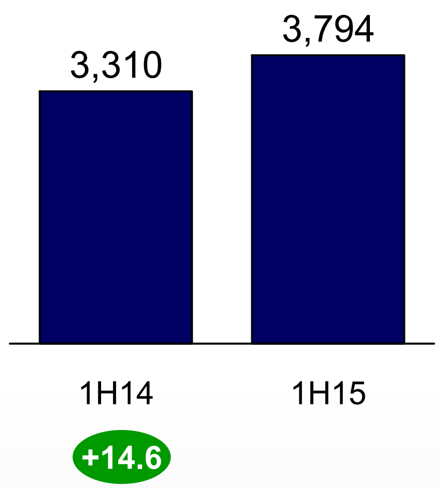


- **2Q15 is by far the best quarter ever**
- **Strong growth on a quarterly basis even when excluding performance commissions (€60m in 2Q15 and €30m in 1Q15)**
- **Robust increase in Commissions from Management, dealing and consultancy activities vs 2Q14 (+29%; +€263m) and vs 1Q15 (+11%; +€113m)**

Yearly Analysis

€ m

% ∆ 1H15 vs 1H14



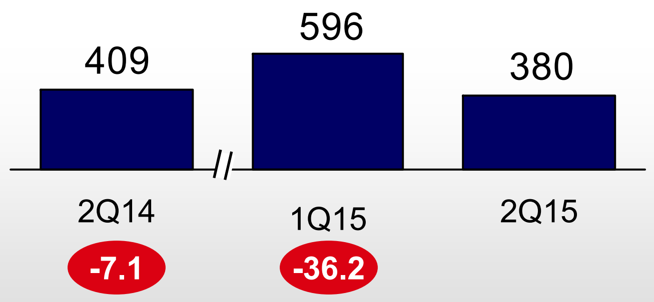
- **The best semester since the creation of ISP**
- **Sustained growth in commissions from Management, dealing and consultancy activities (+30%; +€514m) owing mainly to AuM and insurance products**
- **€44bn growth in AuM stock vs 1H14**

Profits on Trading: A Very Good First Half with Strong Growth in Customer Driven Activity

Quarterly Analysis

€ m

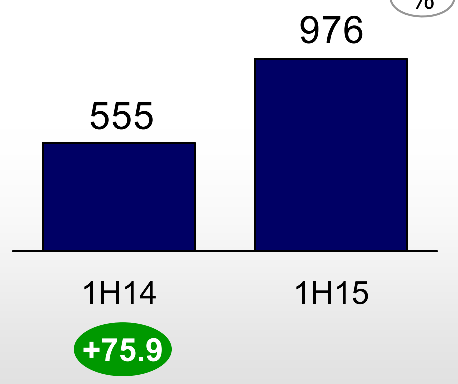
% Δ 2Q15 vs 2Q14 and 1Q15



Yearly Analysis

€ m

% Δ 1H15 vs 1H14



- **The best result since the creation of ISP**

Contributions by Activity

	2Q14	1Q15	2Q15	1H14	1H15
Customers	**84**	**157**	**69**	**146**	**227**
Capital markets & Financial assets AFS	**41**	**88**	**58**	**83**	**145**
Trading and Treasury	**269**(1)	**352**	**251**(2)	**301**(1)	**603**(2)
Structured credit products	**15**	**(2)**	**3**	**25**	**1**

Note: figures may not add up exactly due to rounding differences
(1) Of which €161m Bank of Italy dividend
(2) Of which €144m Bank of Italy dividend

Operating Costs: Cost/Income Down to 45.1%

Quarterly Analysis

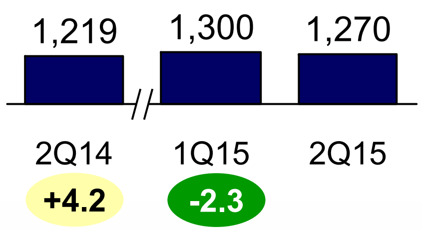
% Δ 2Q15 vs 2Q14 and 1Q15

Operating Costs

€ m

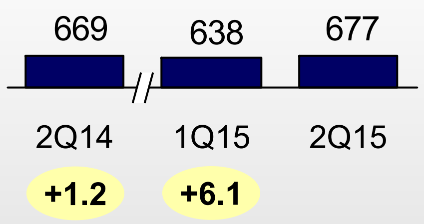
Personnel Expenses

€ m



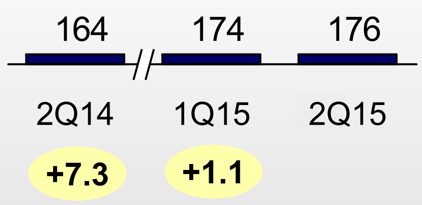
Other Administrative Expenses

€ m



Adjustments

€ m



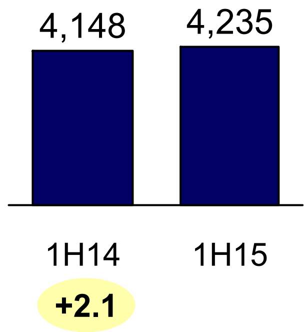
- Other administrative expenses up vs 1Q15 due to seasonal effects and advertising costs
- ~200 headcount reduction in 2Q15

Yearly Analysis

% Δ 1H15 vs 1H14

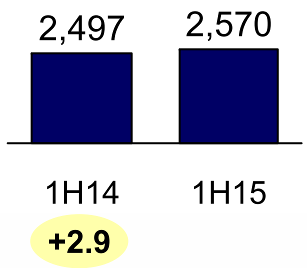
Operating Costs

€ m



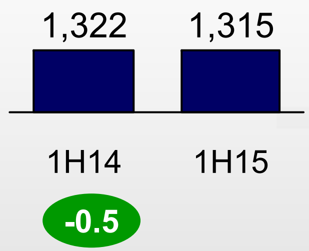
Personnel Expenses

€ m



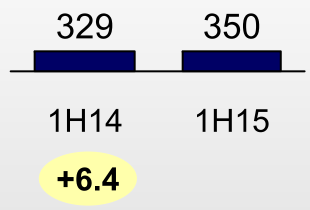
Other Administrative Expenses

€ m



Adjustments

€ m



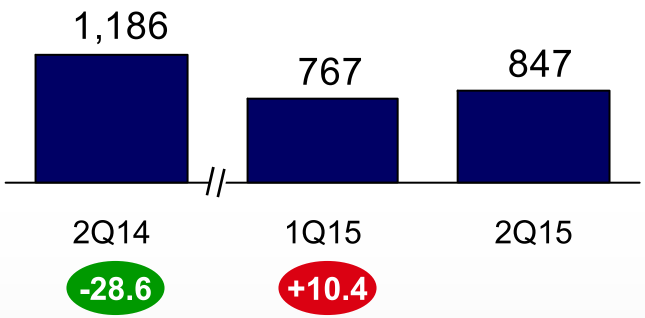
- 0.5% decline in Other Administrative Expenses
- 3.3pp decrease in Cost/Income to 45.1%
- ~1,200 yearly headcount reduction

Net Adjustments to Loans: Significant Yearly Reduction in Provisions and Cost of Credit Coupled with Improved NPL Coverage

Quarterly Analysis

€ m

% Δ 2Q15 vs 2Q14 and 1Q15

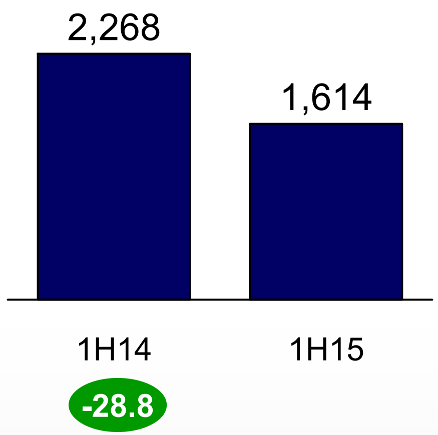


- Annualised cost of credit down to 98bps (vs 143bps in 2Q14 and vs 89bps in 1Q15)
- Non-performing loans cash coverage up to 47.3% (~50bps vs 30.6.14 and ~10bps vs 31.3.15)
- Strong decline in net inflow from Performing loans to Non-performing loans (-36.8% vs 2Q14)

Yearly Analysis

€ m

% Δ 1H15 vs 1H14



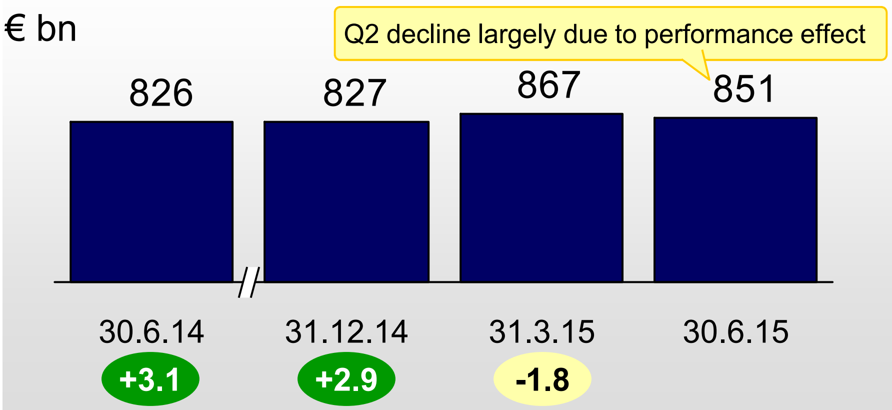
- 1H15 saw the lowest gross inflow of new NPL from Performing loans since 2007
- Annualised cost of credit down to 94bps (vs 137bps)
- Non-performing loans cash coverage up ~50bps (47.3% vs 46.8%)
- Strong decline in net inflow from Performing loans to Non-performing loans (-27.7%)

Contents

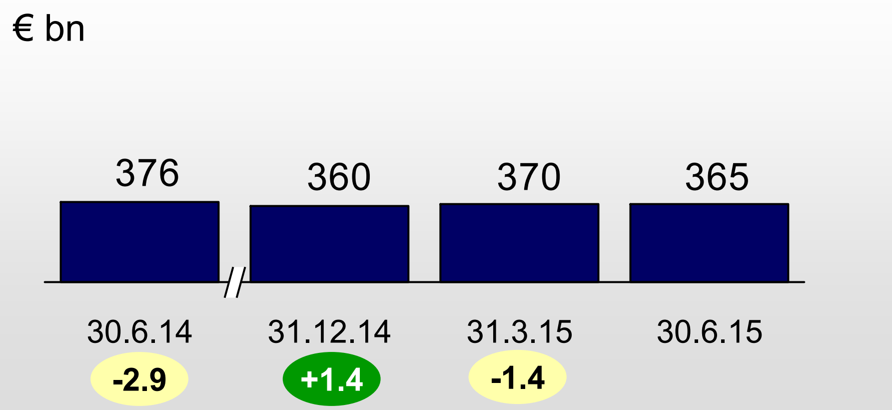
Growth in Customer Financial Assets Driven by a Strong Increase in AuM

% Δ 30.6.15 vs 30.6.14, 31.12.14 and 31.3.15

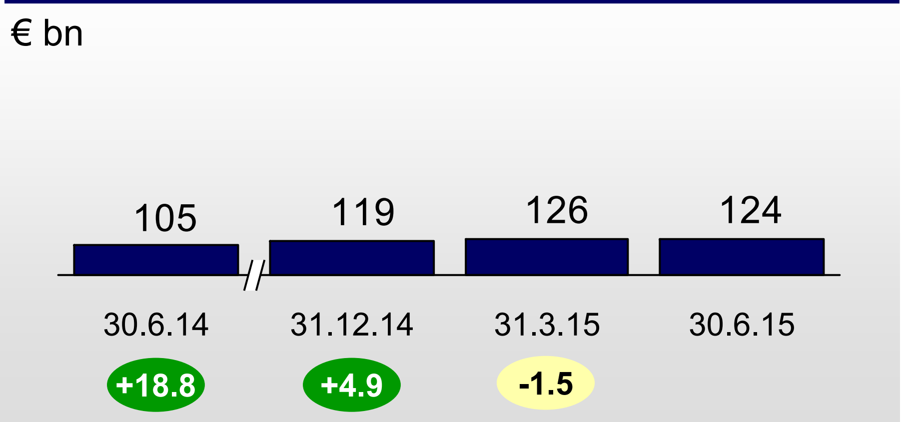
Customer Financial Assets(1)



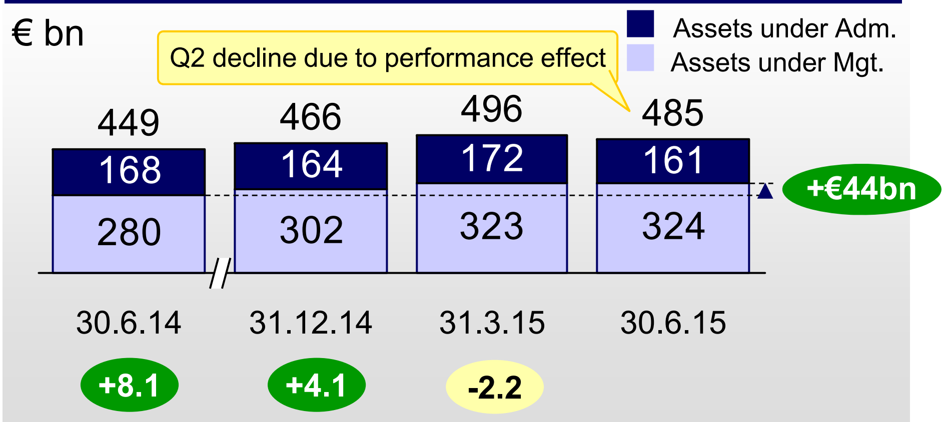
Direct Deposits from Banking Business



Direct Deposits from Insurance Business and Technical Reserves



Indirect Customer Deposits



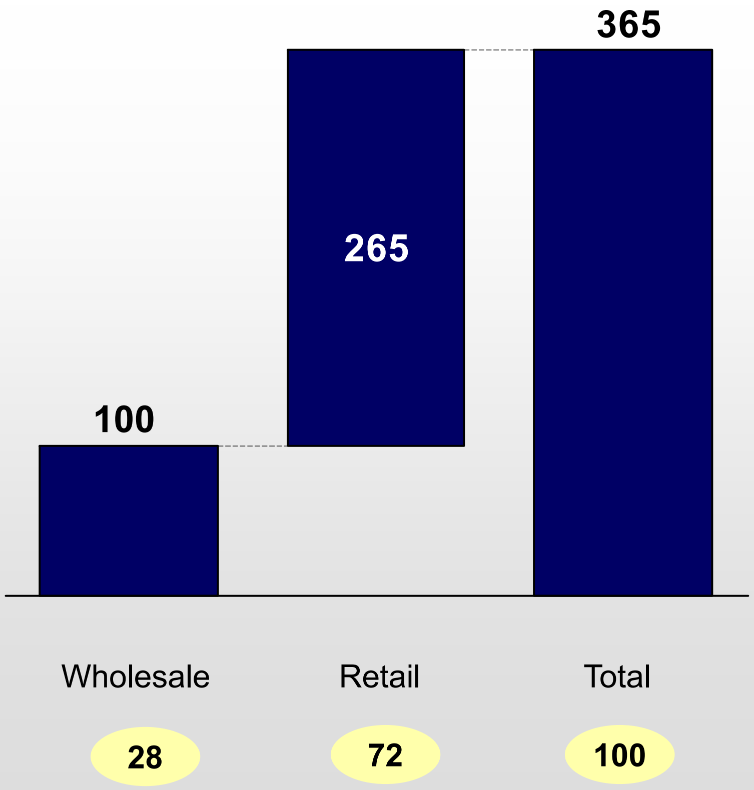
AuM / Indirect Customer Deposits ratio up to 67% vs 65% in 1Q15

Note: figures may not add up exactly due to rounding differences
(1) Net of duplications between Direct Deposits and Indirect Customer Deposits

Stable and Reliable Source of Funding from Retail Branch Network

Breakdown of Direct Deposits from Banking Business

€ bn as of 30.6.15; % Percentage of total



	Wholesale	Retail
Current accounts and deposits	4	200
Repos and securities lending	28	-
Senior bonds	32	43
Covered bonds	14	-
EMTN puttable	4	-
Certificates of deposit + Commercial papers	7	2
Subordinated liabilities	11	3
Other deposits	1	17

Retail funding represents 72% of Direct deposits from banking business

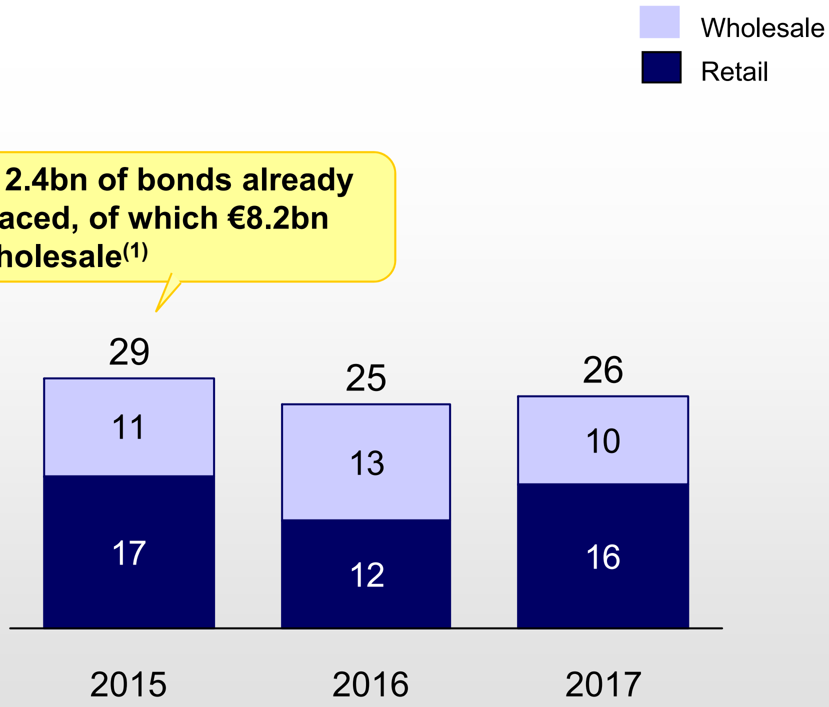
Note: figures may not add up exactly due to rounding differences

Strong Funding Capability: Broad and Continued Access to International Markets

2015-2017 MLT Bond Maturities

€ bn

€12.4bn of bonds already placed, of which €8.2bn wholesale(1)



Main Wholesale Issues

2014

- €5bn of eurobonds (of which €1bn subordinated Tier 2 and €1.25bn of covered bonds), $4.5bn of US bonds (of which $2bn subordinated Tier 2) and CNY 650m bonds placed on international markets. On average more than 80% demand from foreign investors; targets exceeded by more than 140%

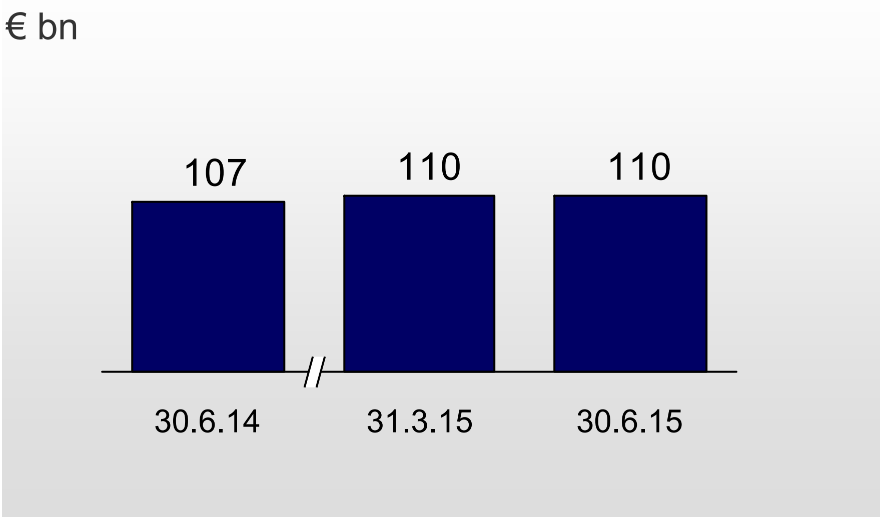
2015

- €5.25bn of eurobonds placed on international markets (of which €1bn of covered bonds). On average more than 77% demand from foreign investors; targets exceeded by 140%:
  - January: €1.25bn 5y senior unsecured benchmark eurobond issue on international markets and €1bn 7y benchmark covered bonds issue backed by residential mortgages
  - February: €1.5bn 7y senior unsecured benchmark eurobond issue on international markets
  - April: €500m 10y subordinated Tier 2 eurobond issue
  - June: €1bn 5y senior unsecured benchmark eurobond issue on international markets

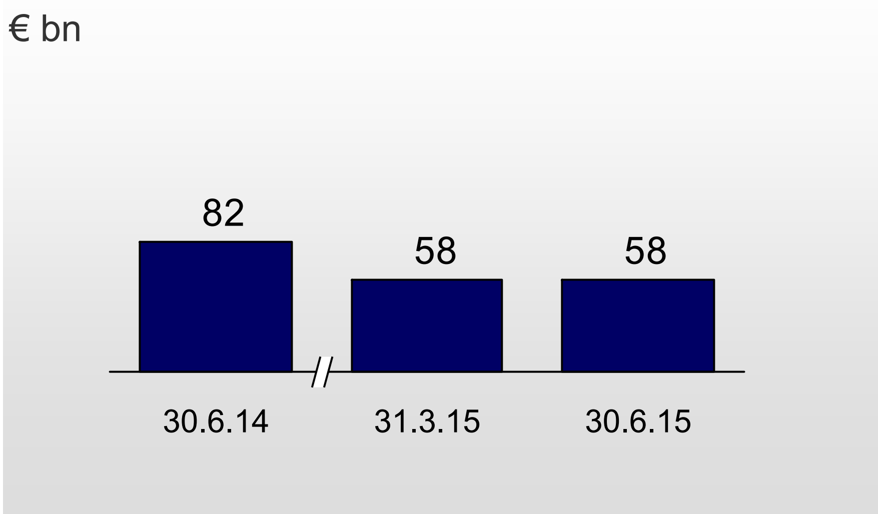
Note: figures may not add up exactly due to rounding differences
(1) Data as of 30.6.15

High Liquidity: LCR and NSFR Well Above Basel 3 Requirements for 2018

Liquid assets[1]



Unencumbered eligible assets with Central Banks[2] (net of haircuts)



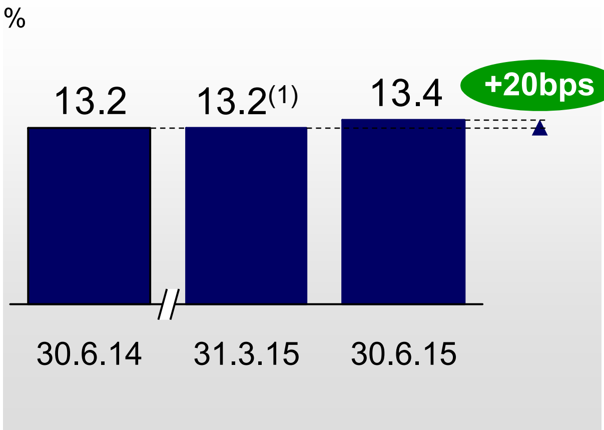
- **~€27.6bn TLTRO: ~€12.6bn in 2014, €10bn in March 2015 and €5bn in June 2015**
- **Loan to Deposit ratio[3] at 94.3%**

(1) Stock of own-account eligible assets, including assets used as collateral and excluding eligible assets received as collateral
(2) Eligible assets freely available, excluding assets used as collateral and including eligible assets received as collateral
(3) Loans to Customers/Direct Deposits from Banking Business

Solid Capital Base

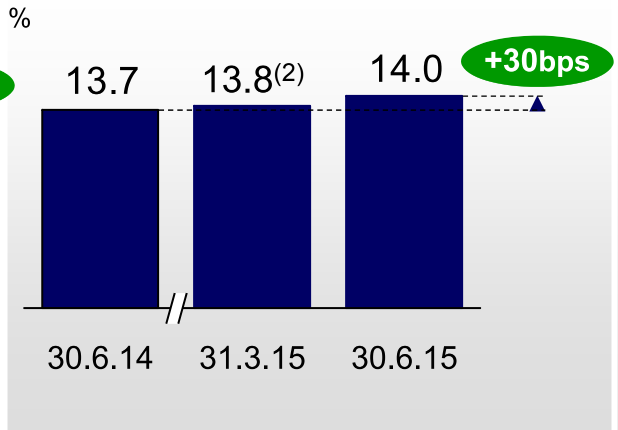
Phased-in Common Equity Ratio

After pro quota dividends (€1bn in 1H15)



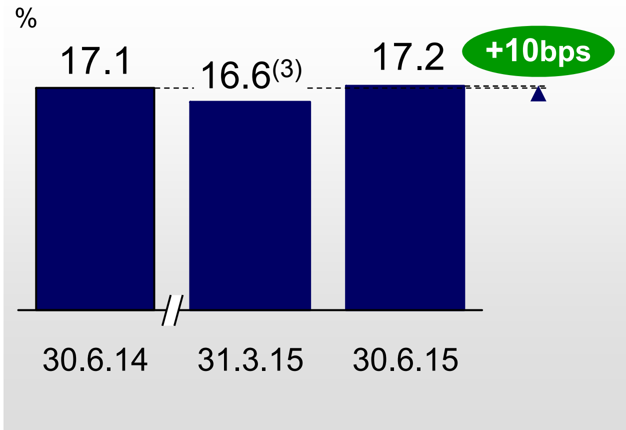
Phased-in Tier 1 Ratio

After pro quota dividends (€1bn in 1H15)



Phased-in Total Capital Ratio

After pro quota dividends (€1bn in 1H15)



13.3% pro-forma fully loaded Common Equity ratio[4]

Note: figures may not add up exactly due to rounding differences
(1) 13.0% not considering 1Q15 Net income after pro quota dividends
(2) 13.6% not considering 1Q15 Net income after pro quota dividends
(3) 16.4% not considering 1Q15 Net income after pro quota dividends
(4) Pro-forma fully loaded Basel 3 (30.6.15 financial statements considering the total absorption of DTA related to goodwill realignment, the expected absorption of DTA on losses carried forward and the expected distribution of 1H15 net income of insurance companies); including estimated benefits from the Danish Compromise (6bps)

Common Equity Ratio as of 30.6.15: from Phased-in to Pro-forma Fully Loaded

	~€ bn	~bps
Transitional adjustments		
Reserve shortfall	(0.0)	(0)
Valuation reserves	(0.2)	(9)
Minorities exceeding requirements	(0.1)	(4)
DTA on losses carried forward(1)	0.1	4
Total	**(0.3)**	**(9)**
Deductions exceeding cap(*)		
Total	**(0.8)**	**(34)**
(*) as a memo, constituents of deductions subject to cap:		
- Other DTA(2)	1.5	
- Investments in banking and financial companies	0.7	
- Investments in insurance companies(3)	4.5	
RWA from 100% weighted DTA(4)	**(5.0)**	**23**
Benefit from the Danish Compromise		6
Total estimated impact		**(15)**
Pro-forma fully loaded Common Equity ratio		**13.3%**

Note: figures may not add up exactly due to rounding differences

(1) Considering the expected absorption of DTA on losses carried forward (€0.2bn as of 30.6.15)

(2) Other DTA: mostly related to provisions for risks and charges. DTA related to goodwill realignment and adjustments to loans are excluded due to their treatment as credits to tax authorities

(3) Considering the expected distribution of 1H15 net income of insurance companies

(4) Considering the total absorption of DTA related to goodwill realignment (€5.1bn as of 30.6.15)

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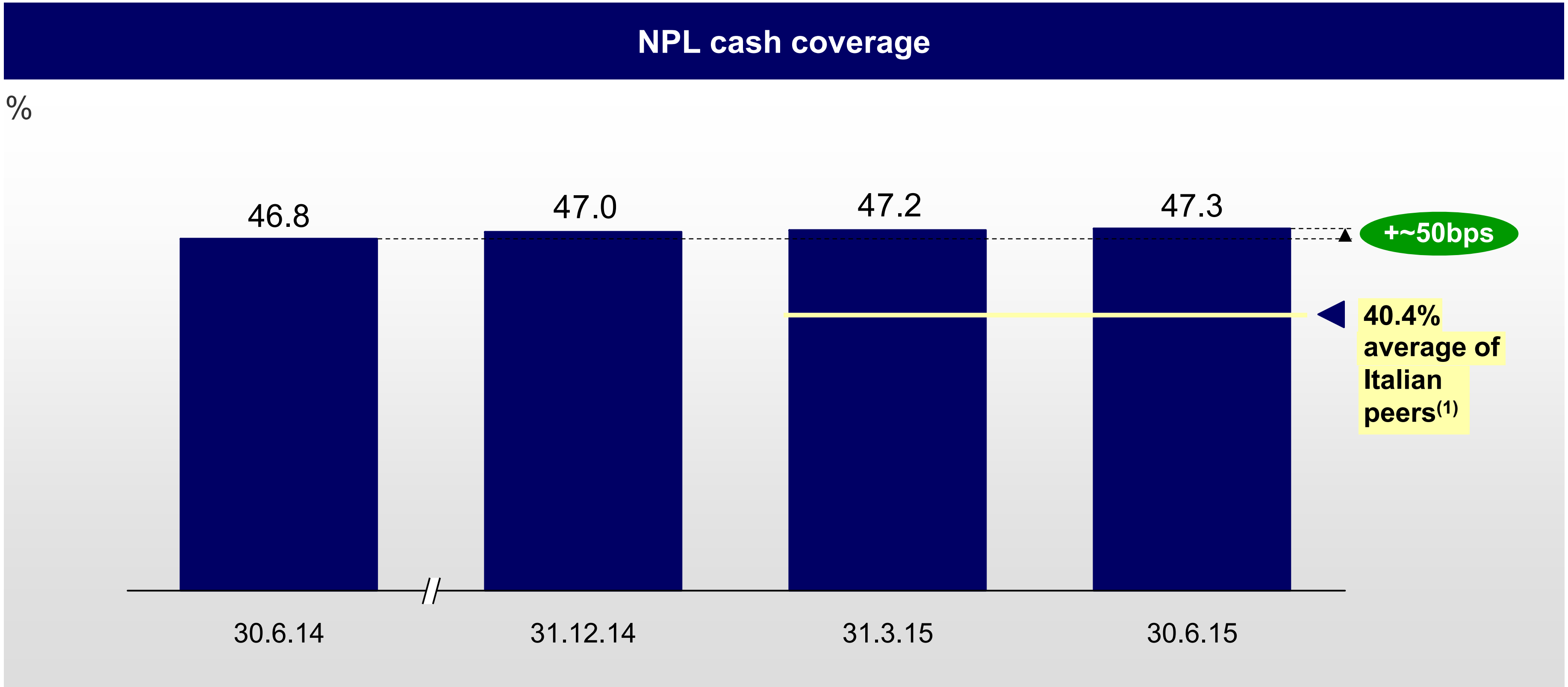
Non-performing Loans: Sizeable and Increased Cash Coverage

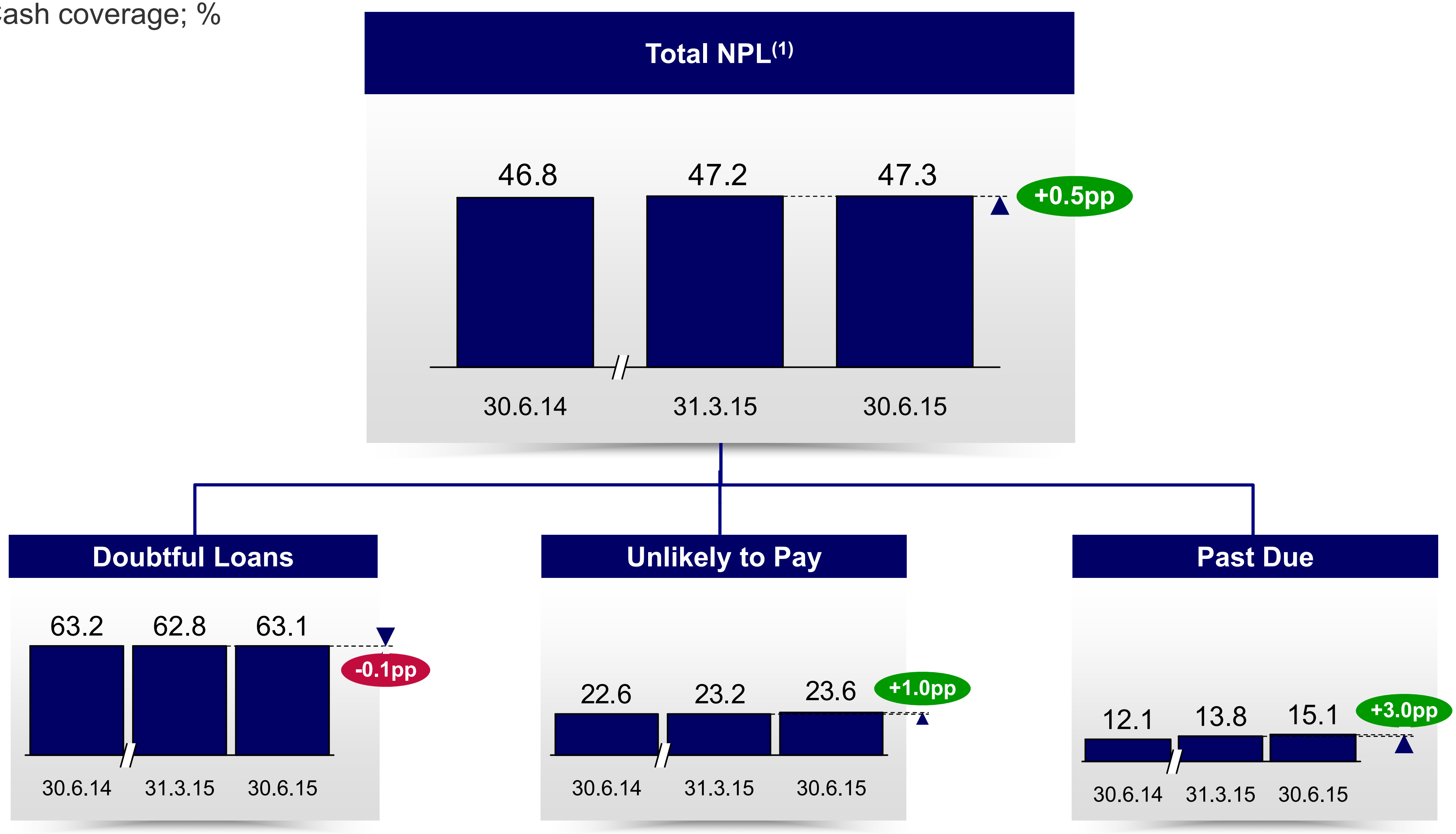


- **Doubtful Loans recovery rate[2] at 134% in the period 2009 - 30.6.15**
- **Stable Performing Loans cash coverage at 0.8%**

(1) Sample: BPOP, MPS, UBI and UniCredit (data as of 30.6.15)
(2) Repayment on Doubtful Loans/Net book value

Non-performing Loans: Increase in Cash Coverage

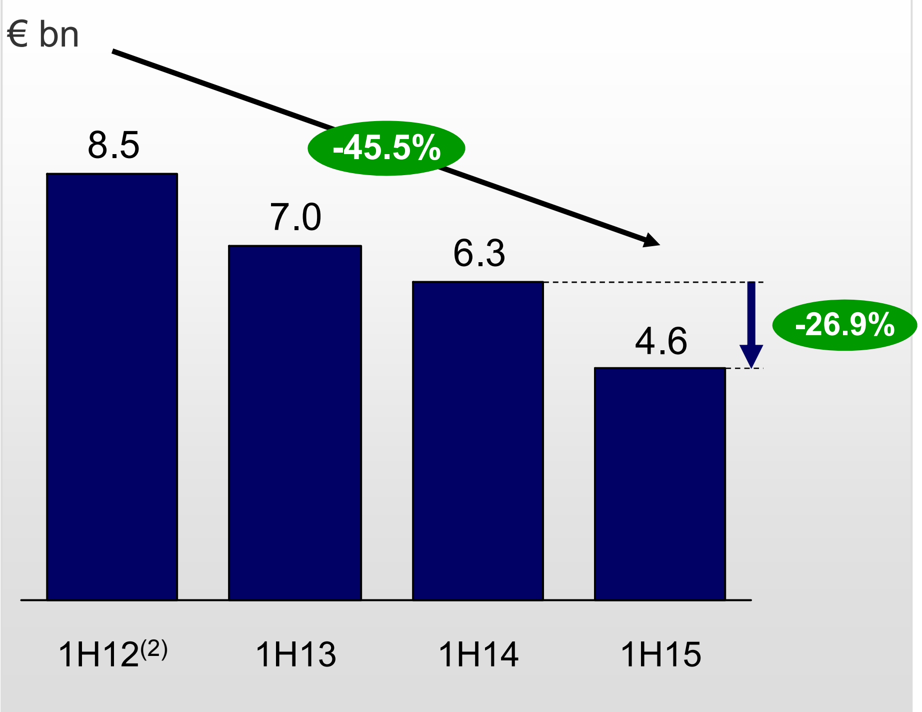
Cash coverage; %



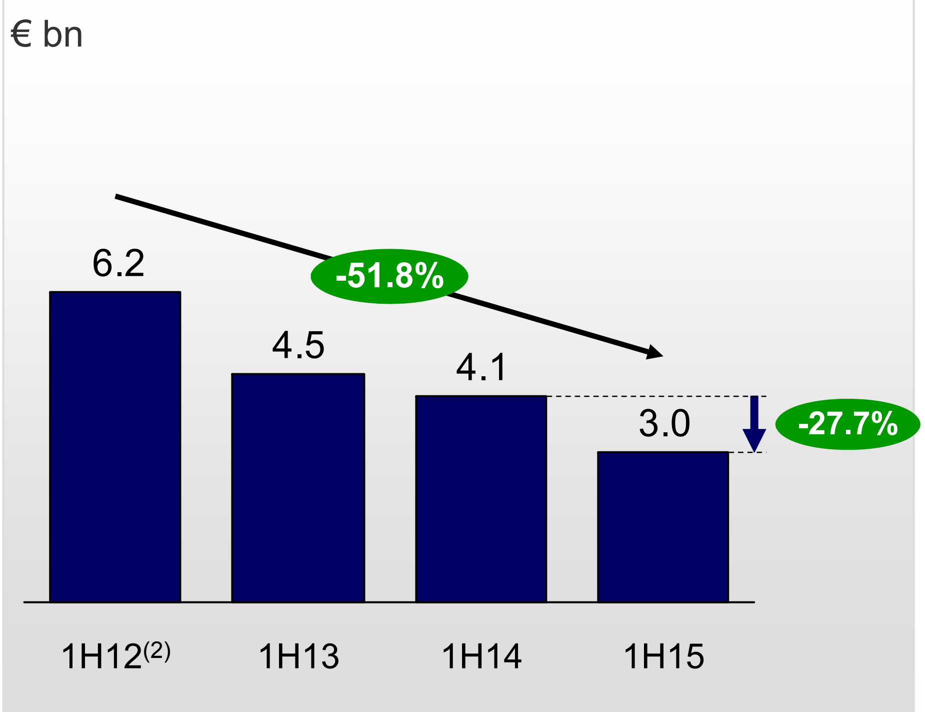
(1) Doubtful Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

Non-performing Loans: the Lowest Gross Inflow of New NPL from Performing Loans since 2007

Gross inflow of new NPL(1) from Performing Loans



Net inflow of new NPL(1) from Performing Loans



(1) Doubtful Loans (Sofferenze), Unlikely to pay (Inadempienze probabili) and Past Due (Scaduti e sconfinanti)

(2) 2012 figures recalculated to take into consideration the regulatory changes to Past Due classification criteria introduced by Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11). As of 1H15, Forborne loans cease being non-performing only when one year has passed since the extension of forbearance, subject to other performing conditions being met

Non-performing Loans: Breakdown by Category

Gross NPL

€ m

	31.12.14	31.3.15	30.6.15
Total	**62,838**	**63,449**	**63,756**
Past Due	1,472	1,387	1,433
- of which forborne	*224*	*284*	*359*
Unlikely to pay	23,156	23,218	23,721
- of which forborne	*8,295*	*8,465*	*9,063*
Doubtful	38,210	38,844	38,602
- of which forborne	*886*	*946*	*944*

Net NPL

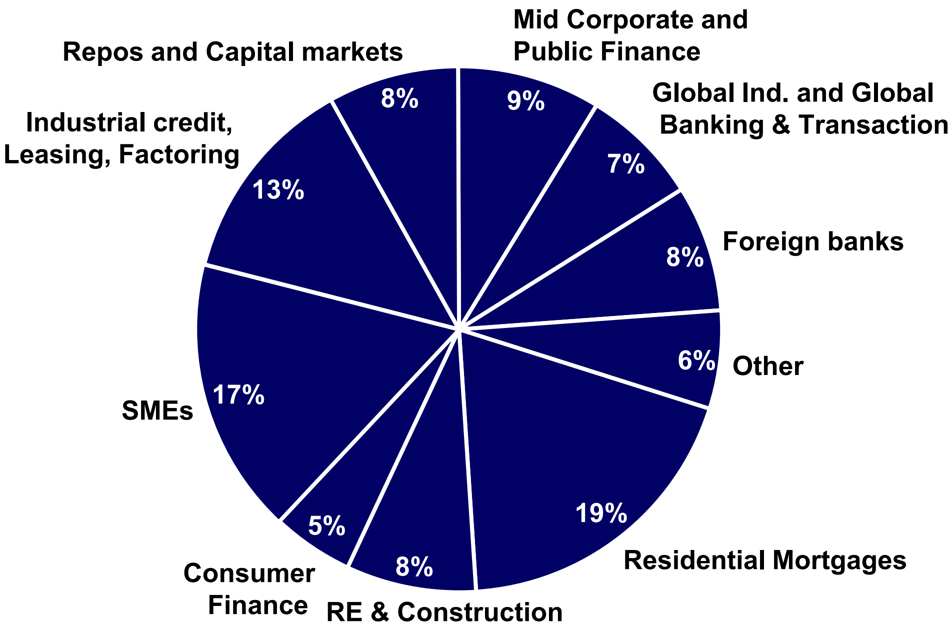
€ m

	31.12.14	31.3.15	30.6.15
Total	**33,316**	**33,487**	**33,600**
Past Due	1,253	1,196	1,216
- of which forborne	*197*	*253*	*314*
Unlikely to pay	17,845	17,832	18,129
- of which forborne	*6,595*	*6,622*	*7,087*
Doubtful	14,218	14,459	14,255
- of which forborne	*398*	*450*	*437*

- **1H15 increase in gross NPL stock is the lowest since 2007**
- **Decline in Doubtful stock in Q2**

Loans to Customers: Well-Diversified Portfolio

Breakdown by business area
(Data as of 30.6.15)



- **Low risk profile of residential mortgage portfolio**
  - Instalment/available income ratio at 36%
  - Average Loan-to-Value equal to 53%
  - Original average maturity equal to ~22 years
  - Residual average life equal to ~18 years

Breakdown by economic business sectors

	31.3.15	30.6.15
Loans of the Italian banks and companies of the Group		
Households	**25.0%**	**24.9%**
Public Administration	**5.6%**	**5.5%**
Financial companies	**5.5%**	**5.4%**
Non-financial companies	**42.7%**	**43.0%**
of which:		
DISTRIBUTION	6.3%	6.4%
SERVICES	5.9%	6.3%
REAL ESTATE	5.7%	5.7%
CONSTRUCTION	4.3%	4.2%
UTILITIES	3.8%	3.9%
METALS AND METAL PRODUCTS	2.6%	2.5%
TRANSPORT	2.5%	2.3%
AGRICULTURE	1.9%	1.9%
FOOD AND DRINK	1.4%	1.4%
MECHANICAL	1.3%	1.3%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.2%	1.2%
FASHION	1.1%	1.1%
ELECTROTECHNICAL AND ELECTRONIC	0.7%	0.7%
TRANSPORTATION MEANS	0.5%	0.5%
HOLDING AND OTHER	0.5%	0.5%
MATERIALS FOR CONSTRUCTION	0.5%	0.5%
BASE AND INTERMEDIATE CHEMICALS	0.5%	0.5%
PUBLISHING AND PRINTING	0.5%	0.5%
INFRASTRUCTURE	0.5%	0.4%
ENERGY AND EXTRACTION	0.3%	0.4%
FURNITURE	0.3%	0.3%
OTHER CONSUMPTION GOODS	0.2%	0.2%
PHARMACEUTICAL	0.2%	0.2%
MASS CONSUMPTION GOODS	0.1%	0.1%
WHITE GOODS	0.0%	0.0%
NON-CLASSIFIED UNITS	0.1%	0.1%
Rest of the world	**8.3%**	**8.3%**
Loans of the foreign banks and companies of the Group	**8.7%**	**8.8%**
Doubtful Loans	**4.2%**	**4.1%**
TOTAL	**100.0%**	**100.0%**

Note: figures may not add up exactly due to rounding differences

INTESA SANPAOLO

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INTESA SANPAOLO

Divisional Financial Highlights

Data as of 30.6.15

	Divisions							
	Banca dei Territori	Corporate & Investment Banking	International Subsidiary Banks(1)	Private Banking(2)	Asset Management(3)	Insurance(4)	Corporate Centre / Others(5)	Total
Operating Income (€ m)	4,699	1,782	1,048	887	371	650	(37)	9,400
Operating Margin (€ m)	2,266	1,340	537	627	303	577	(485)	5,165
Net Income (€ m)	698	829	276	372	223	393	(787)	2,004
Cost/Income (%)	51.8	24.8	48.8	29.3	18.3	11.2	n.m.	45.1
RWA (€ bn)	91.3	83.0	30.7	8.4	1.0	0.0	65.9	280.3
Direct Deposits from Banking Business (€ bn)	153.6	103.7	31.7	19.6	0.0	0.2	56.1	364.9
Loans to Customers (€ bn)	186.0	83.5	25.4	8.1	0.2	0.0	40.9	344.2

Note: figures may not add up exactly due to rounding differences. Income statement and balance sheet figures for the 2014 business areas have been restated to take into account the new organisational structure defined in 4Q14 with the creation of three new Divisions (Private Banking, Asset Management and Insurance) and a new business unit (Capital Light Bank)
(1) Excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian "bad bank" included in the Capital Light Bank
(2) Fideuram, Intesa Sanpaolo Private Bank (Suisse), Intesa Sanpaolo Private Banking and Sirefid
(3) Eurizon Capital
(4) Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita
(5) Treasury Department, Central Structures, Capital Light Bank and consolidation adjustments

Banca dei Territori: H1 vs H1

€ m

	1H14 Restated	1H15	Δ%
Net interest income	2,785	2,473	(11.2)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	1,982	2,172	9.6
Profits (Losses) on trading	29	32	10.3
Income from insurance business	0	0	n.m.
Other operating income (expenses)	22	22	0.0
Operating income	**4,818**	**4,699**	**(2.5)**
Personnel expenses	(1,495)	(1,486)	(0.6)
Other administrative expenses	(974)	(946)	(2.9)
Adjustments to property, equipment and intangible assets	(2)	(1)	(50.0)
Operating costs	**(2,471)**	**(2,433)**	**(1.5)**
Operating margin	**2,347**	**2,266**	**(3.5)**
Net provisions for risks and charges	(24)	(29)	20.8
Net adjustments to loans	(1,152)	(1,019)	(11.5)
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	**1,171**	**1,218**	**4.0**
Taxes on income from continuing operations	(470)	(507)	7.9
Charges (net of tax) for integration and exit incentives	(16)	(11)	(31.3)
Effect of purchase cost allocation (net of tax)	(15)	(2)	(86.7)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**670**	**698**	**4.2**

Note: figures may not add up exactly due to rounding differences

Corporate and Investment Banking: H1 vs H1

€ m

	1H14 Restated	1H15	Δ%
Net interest income	887	776	(12.5)
Dividends and P/L on investments carried at equity	2	4	100.0
Net fee and commission income	406	400	(1.5)
Profits (Losses) on trading	442	601	36.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(2)	1	n.m.
Operating income	**1,735**	**1,782**	**2.7**
Personnel expenses	(149)	(172)	15.4
Other administrative expenses	(249)	(269)	8.0
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	**(399)**	**(442)**	**10.8**
Operating margin	**1,336**	**1,340**	**0.3**
Net provisions for risks and charges	(3)	4	n.m.
Net adjustments to loans	(263)	(132)	(49.8)
Net impairment losses on other assets	0	(2)	n.m.
Profits (Losses) on HTM and on other investments	4	0	(100.0)
Income before tax from continuing operations	**1,074**	**1,210**	**12.7**
Taxes on income from continuing operations	(349)	(381)	9.2
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**725**	**829**	**14.3**

Note: figures may not add up exactly due to rounding differences

International Subsidiary Banks: H1 vs H1

€ m

	1H14 Restated	1H15	Δ%
Net interest income	711	735	3.4
Dividends and P/L on investments carried at equity	26	36	38.5
Net fee and commission income	255	262	2.7
Profits (Losses) on trading	61	48	(21.3)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(56)	(33)	(41.1)
Operating income	**997**	**1,048**	**5.1**
Personnel expenses	(266)	(278)	4.5
Other administrative expenses	(189)	(183)	(3.2)
Adjustments to property, equipment and intangible assets	(52)	(50)	(3.8)
Operating costs	**(507)**	**(511)**	**0.8**
Operating margin	**490**	**537**	**9.6**
Net provisions for risks and charges	(16)	(7)	(56.3)
Net adjustments to loans	(159)	(157)	(1.3)
Net impairment losses on other assets	(5)	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**310**	**373**	**20.3**
Taxes on income from continuing operations	(77)	(96)	24.7
Charges (net of tax) for integration and exit incentives	(2)	(1)	(50.0)
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**231**	**276**	**19.5**

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank and the Hungarian “bad bank” which are included in the Capital Light Bank

International Subsidiary Banks by Country: ~8% of the Group's Total Loans

Data as of 30.6.15

	Hungary(*)	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.	CEE Total	Egypt	Total
Oper. Income (€ m)	67	264	42	212	119	19	21	21	48	813	189	1,002
% of Group total	***0.7%***	***2.8%***	***0.4%***	***2.3%***	***1.3%***	***0.2%***	***0.2%***	***0.2%***	***0.5%***	***8.7%***	***2.0%***	***10.7%***
Net income (€ m)	(17)	83	5	73	35	6	10	7	(10)	193	53	247
% of Group total	***n.m.***	***4.1%***	***0.3%***	***3.6%***	***1.8%***	***0.3%***	***0.5%***	***0.4%***	***n.m.***	***9.6%***	***2.7%***	***12.3%***
Customer Deposits (€ bn)	3.7	9.8	1.7	6.8	2.8	0.5	0.8	0.6	0.6	27.4	4.4	31.8
% of Group total	***1.0%***	***2.7%***	***0.5%***	***1.9%***	***0.8%***	***0.1%***	***0.2%***	***0.2%***	***0.2%***	***7.5%***	***1.2%***	***8.7%***
Customer Loans (€ bn)	3.2	8.6	1.6	6.2	2.1	0.6	0.3	0.7	0.8	23.9	2.8	26.7
% of Group total	***0.9%***	***2.5%***	***0.5%***	***1.8%***	***0.6%***	***0.2%***	***0.1%***	***0.2%***	***0.2%***	***7.0%***	***0.8%***	***7.8%***
Total Assets (€ bn)	5.3	12.0	2.4	9.6	4.1	0.8	1.0	1.1	1.2	37.4	5.4	42.7
% of Group total	***0.8%***	***1.8%***	***0.4%***	***1.4%***	***0.6%***	***0.1%***	***0.2%***	***0.2%***	***0.2%***	***5.6%***	***0.8%***	***6.4%***
Book value (€ m)	525	1,332	277	1,698	851	105	124	150	218	5,280	435	5,715
- goodwill/intangibles	*20*	*56*	*4*	*11*	*7*	*2*	*4*	*5*	*9*	*118*	*3*	*121*

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank which is included in the Capital Light Bank
(*) Balance sheet figures incorporate the Hungarian "bad bank" which is included in the Capital Light Bank

International Subsidiary Banks by Country: Loans Breakdown and Coverage

Data as of 30.6.15

	Hungary(*)	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.	CEE Total	Egypt	Total
Performing loans (€ bn)	2.6	8.3	1.3	5.7	1.9	0.5	0.2	0.6	0.7	**21.9**	2.7	**24.6**
of which:												
Retail local currency	30%	56%	58%	19%	15%	6%	5%	32%	4%	**36%**	55%	**38%**
Retail foreign currency	6%	0%	1%	34%	22%	40%	14%	61%	0%	**14%**	0%	**13%**
Corporate local currency	28%	39%	39%	13%	10%	26%	32%	3%	84%	**29%**	30%	**29%**
Corporate foreign currency	36%	5%	2%	33%	54%	27%	50%	3%	11%	**21%**	14%	**20%**
Doubtful loans(1) (€ m)	217	131	72	130	105	15	24	82	21	**797**	8	**805**
Unlikely to pay(2) (€ m)	357	132	84	336	139	4	13	16	33	**1,114**	127	**1,241**
Performing loans coverage	2.3%	1.1%	1.1%	1.5%	1.3%	0.9%	4.5%	1.2%	1.1%	**1.4%**	2.4%	**1.5%**
Doubtful loans(1) coverage	65%	64%	63%	68%	56%	73%	56%	70%	76%	**65%**	95%	**67%**
Unlikely to pay(2) coverage	39%	29%	18%	35%	37%	20%	43%	30%	43%	**35%**	32%	**35%**
Annualised Cost of credit(3) (bps)	287	94	143	44	325	111	119	12	733	**150**	147	**149**

Note: figures may not add up exactly due to rounding differences. Excluding the Ukrainian subsidiary Pravex-Bank which is included in the Capital Light Bank
(*) Including the Hungarian "bad bank" which is included in the Capital Light Bank
(1) *Sofferenze*
(2) Including Past due
(3) Net adjustments to loans/Net customer loans

Private Banking: H1 vs H1

€ m

	1H14	1H15	Δ%
Net interest income	114	97	(14.9)
Dividends and P/L on investments carried at equity	7	7	0.0
Net fee and commission income	575	766	33.2
Profits (Losses) on trading	13	22	69.2
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(3)	(5)	66.7
Operating income	**706**	**887**	**25.6**
Personnel expenses	(125)	(143)	14.4
Other administrative expenses	(109)	(109)	0.0
Adjustments to property, equipment and intangible assets	(7)	(8)	14.3
Operating costs	**(241)**	**(260)**	**7.9**
Operating margin	**465**	**627**	**34.8**
Net provisions for risks and charges	(42)	(12)	(71.4)
Net adjustments to loans	(1)	0	(100.0)
Net impairment losses on other assets	1	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**423**	**615**	**45.4**
Taxes on income from continuing operations	(128)	(185)	44.5
Charges (net of tax) for integration and exit incentives	0	(16)	n.m.
Effect of purchase cost allocation (net of tax)	(48)	(42)	(12.5)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**247**	**372**	**50.6**

1H15 result at €414m excluding the Effect of purchase cost allocation

Note: figures may not add up exactly due to rounding differences

Asset Management: H1 vs H1

€ m

	1H14	1H15	Δ%
Net interest income	1	1	0.0
Dividends and P/L on investments carried at equity	18	38	111.1
Net fee and commission income	222	329	48.2
Profits (Losses) on trading	6	1	(83.3)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	2	n.m.
Operating income	**247**	**371**	**50.2**
Personnel expenses	(28)	(31)	10.7
Other administrative expenses	(34)	(36)	5.9
Adjustments to property, equipment and intangible assets	0	(1)	n.m.
Operating costs	**(62)**	**(68)**	**9.7**
Operating margin	**185**	**303**	**63.8**
Net provisions for risks and charges	2	(1)	n.m.
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	**187**	**302**	**61.5**
Taxes on income from continuing operations	(45)	(75)	66.7
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(19)	0	(100.0)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(3)	(4)	33.3
Net income	**120**	**223**	**85.8**

Note: figures may not add up exactly due to rounding differences

Insurance: H1 vs H1

€ m

	1H14	1H15	Δ%
Net interest income	0	0	n.m.
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	0	0	n.m.
Profits (Losses) on trading	0	0	n.m.
Income from insurance business	506	651	28.7
Other operating income (expenses)	5	(1)	n.m.
Operating income	**511**	**650**	**27.2**
Personnel expenses	(29)	(32)	10.3
Other administrative expenses	(42)	(40)	(4.8)
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	**(72)**	**(73)**	**1.4**
Operating margin	**439**	**577**	**31.4**
Net provisions for risks and charges	0	0	n.m.
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	(1)	0	(100.0)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**438**	**577**	**31.7**
Taxes on income from continuing operations	(123)	(168)	36.6
Charges (net of tax) for integration and exit incentives	0	(1)	n.m.
Effect of purchase cost allocation (net of tax)	(19)	(15)	(21.1)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**296**	**393**	**32.8**

1H15 result at €408m excluding the Effect of purchase cost allocation

Note: figures may not add up exactly due to rounding differences

Exposure to Sovereign Risks(1) by Main Countries

€ m

	DEBT SECURITIES									LOANS
	Banking Business						Insurance Business	Total	AFS Reserve(3)	
	L&R	AFS	HTM	CFV (2)	HFT	Total				
EU Countries	**7,653**	**50,948**	**1,003**	**815**	**9,083**	**69,502**	**54,194**	**123,696**	**-86**	**19,768**
Austria			3		6	9	6	15		
Belgium		1,169			75	1,244	10	1,254	1	
Bulgaria							35	35		
Croatia	134	105	23	815	3	1,080	33	1,113		908
Cyprus										
Czech Republic										
Denmark					18	18		18		
Estonia										
Finland		81			142	223	8	231		9
France	105	5,694			891	6,690	77	6,767	-40	15
Germany	40	7,140			756	7,936	2,063	9,999	12	
Greece										
Hungary	30	239			230	499	31	530		254
Ireland		225				225	88	313	-3	
Italy	7,048	28,990	376		5,652	42,066	50,751	92,817	32	17,758
Latvia										55
Lithuania		40				40		40		
Luxembourg										
Malta										
The Netherlands		728			533	1,261	127	1,388	1	
Poland	26	47			155	228	15	243	-2	
Portugal	17				18	35		35		20
Romania		175			7	182	51	233	1	8
Slovakia		970	601		22	1,593		1,593	21	111
Slovenia		202				202	8	210	6	162
Spain	253	4,795			161	5,209	891	6,100	-115	468
Sweden					414	414		414		
United Kingdom		348				348		348		
North African Countries		**1,409**				**1,409**		**1,409**	**-3**	
Algeria										
Egypt		1,409				1,409		1,409	-3	
Libya										
Morocco										
Tunisia										
Japan					**226**	**226**		**226**		

Banking Business Government bond duration: ~4 years
Adjusted duration due to hedging: ~0.2 years

Note: figures may not add up exactly due to rounding differences
(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as of 30.6.15
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured
(3) Net of tax and allocation to insurance products under separate management; referred to all debt securities; almost entirely regarding sovereign risks

Disclaimer

This presentation includes certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words “may,” “will,” “should,” “plan,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “project,” “goal” or “target” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Company’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Company participates or is seeking to participate.

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