1Q19 Results

A Solid Start to the Year

A Strong Bank for a Digital World

May 7, 2019

INTESA SANPAOLO

A Solid Start to the Year…

€1,050m Net income, +4.4% vs 1Q18 excluding the positive impact from the sale of the NTV stake[(1)]

€4,389m Operating income (+4.6% vs 4Q18[(2)]), with Net interest income up 1.2% vs 4Q18[(2)], and €1,792m Gross income (+30.8% vs 4Q18[(2)])

Strong decrease in Operating costs (-4.5% vs 1Q18[(2)]) with Cost/Income at 50.2%

The lowest ever Q1 NPL inflow: LLPs down 23.6% vs 1Q18, with increased NPL coverage (54.1% vs 52.7% at 31.3.18[(3)])

€15.1bn NPL deleveraging since 31.3.18 at no cost to shareholders (€29bn since the September 2015 peak, €1bn in Q1); the lowest NPL stock since 2009 and the lowest Net NPL ratio since 2008

64% of targeted 2018-2021 NPL deleveraging already achieved

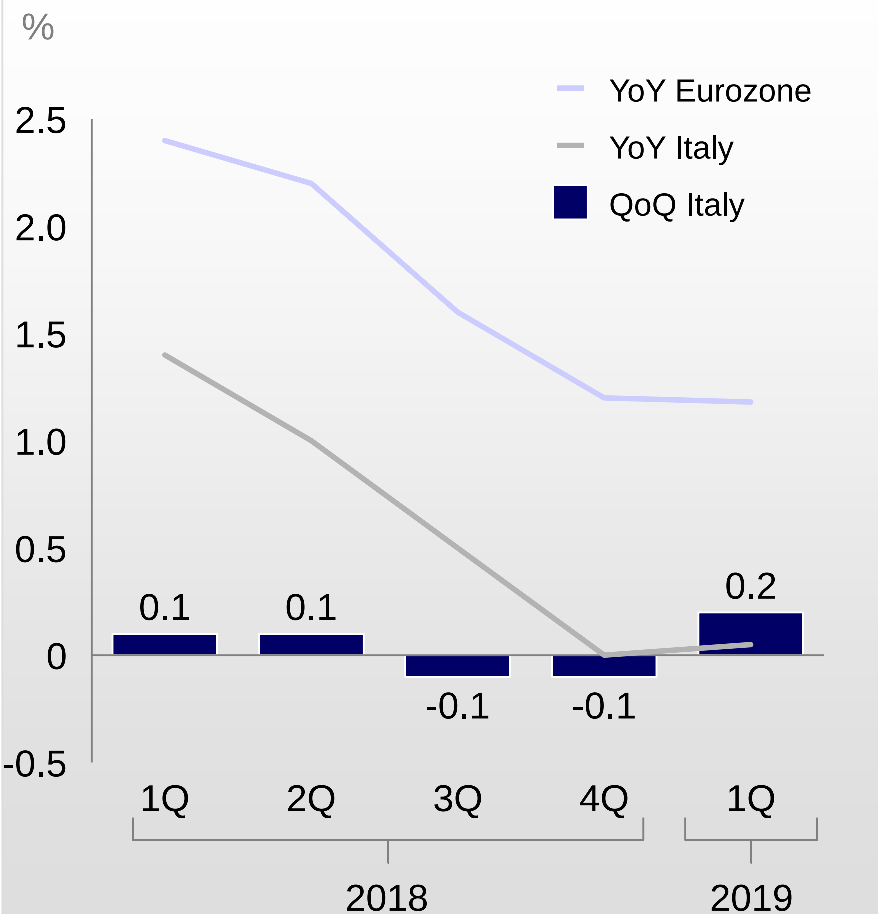
Common Equity[(4)] ratio at 13.5%, well above regulatory requirements even under the EBA stress test adverse scenario, despite the widened sovereign bond spread and TRIM and IFRS16 impacts

Strong commitment to Corporate Social Responsibility through a variety of concrete initiatives

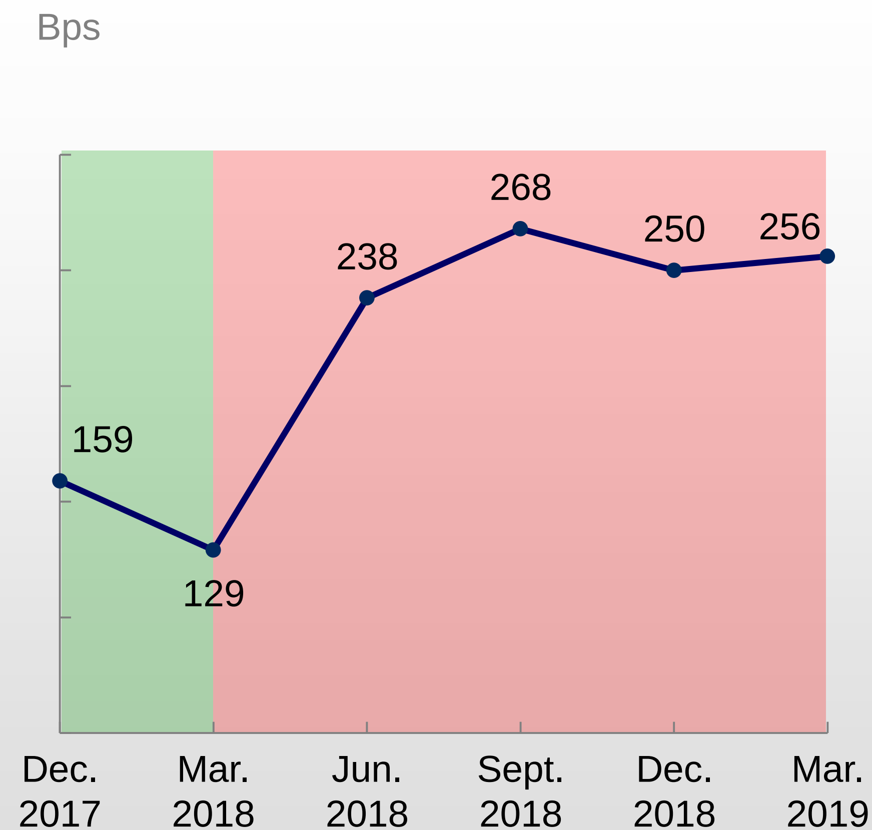
(1) €264m pre-tax positive impact (€246m net of tax) booked in 1Q18, deriving from the sale of the NTV stake
(2) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento Operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to ''Other administrative expenses'', and international subsidiaries charges concerning the banking industry from ''Other operating income (expenses)'' to ''Levies and other charges concerning the banking industry (net of tax)'' and to ''Taxes on income''
(3) Pro-forma including Intrum agreement
(4) Pro-forma fully loaded Basel 3 (31.3.19 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q19 Net income of insurance companies - exceeding reserves already distributed in the quarter - and the expected absorption of DTA on losses carried forward)

… Despite a Challenging Environment

Italian and Eurozone GDP growth[1]



10-year BTP-Bund spread[2]



(1) Source: Eurostat, ISTAT
(2) Source: Bloomberg

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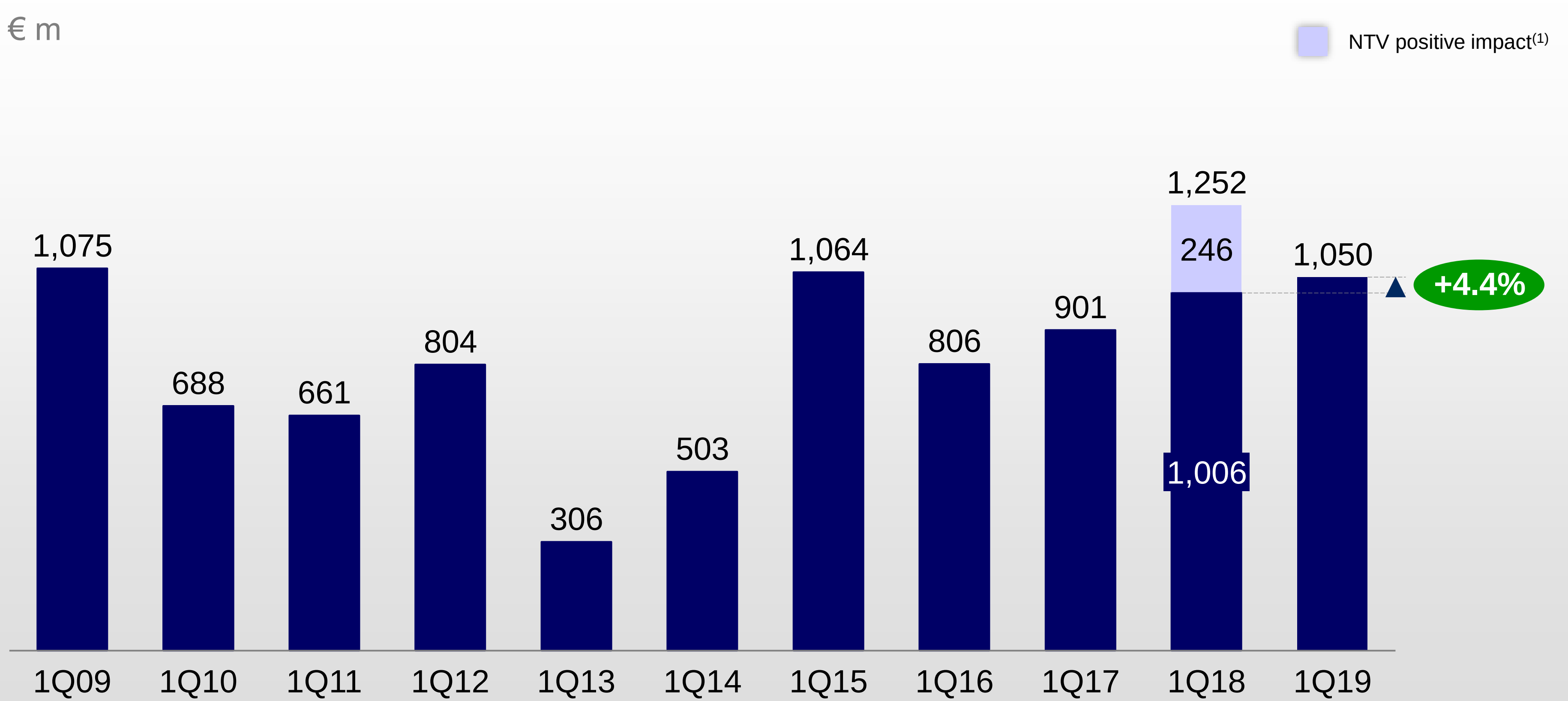
One of the Best First Quarters since 2008 for Net Income thanks to Core Operating Performance

Net income



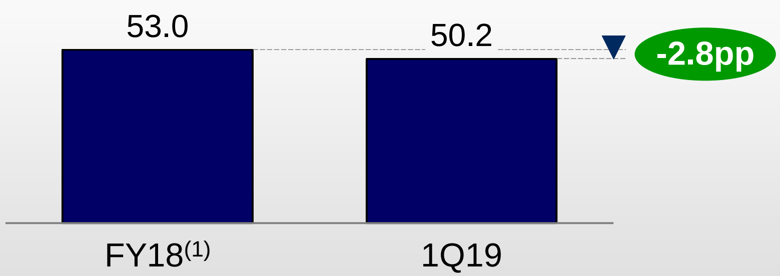
Firmly on track to deliver 2019 Net income higher than 2018

(1) €264m pre-tax positive impact (€246m net of tax) booked in 1Q18, deriving from the sale of the NTV stake

Solid Performance Delivered

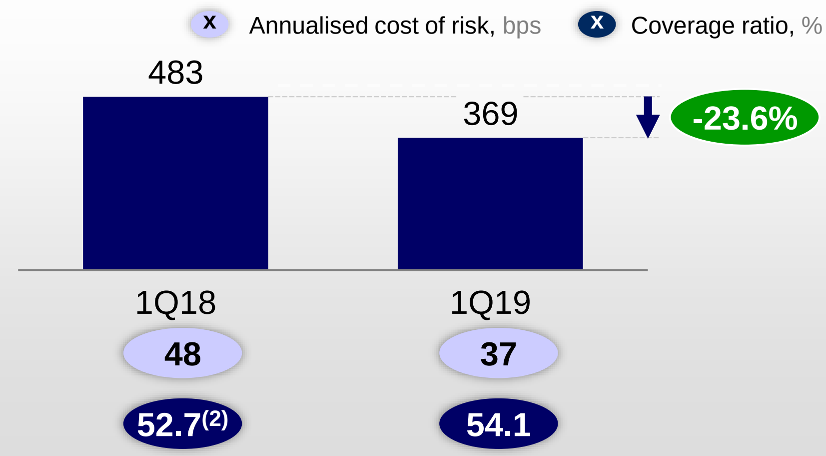
Cost/Income

%



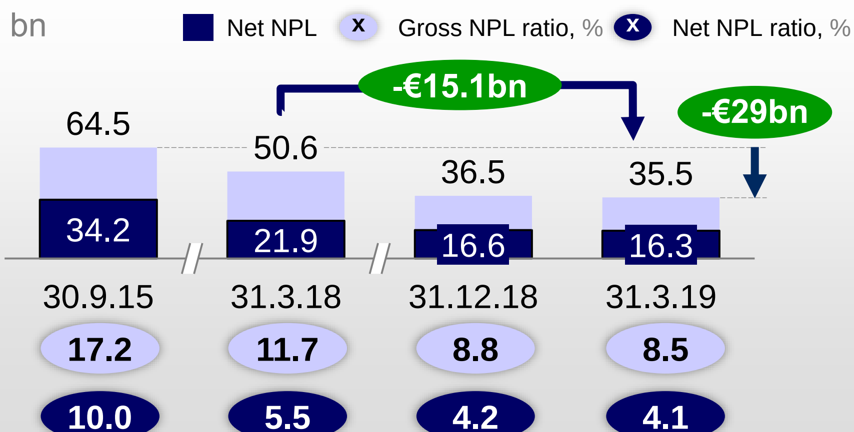
Loan loss provisions

€ m



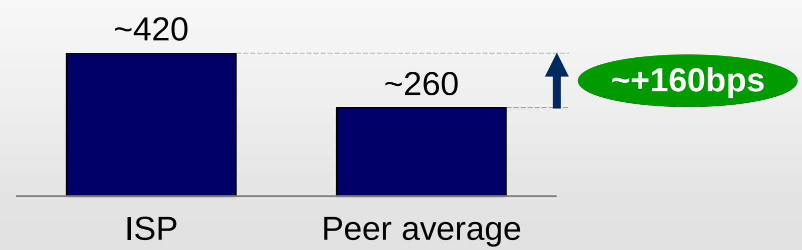
NPL stock

€ bn



Excess capital

Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer[3,4], 31.3.19, bps



ISP CET1 ratios already include ~30bps impact deriving from the widened sovereign bond spread[5] and ~20bps from TRIM and IFRS16 impacts registered in Q1

(1) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento Operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to ''Other administrative expenses'', and international subsidiaries charges concerning the banking industry from ''Other operating income (expenses)'' to ''Levies and other charges concerning the banking industry (net of tax)'' and to ''Taxes on income''
(2) Pro-forma including Intrum agreement
(3) Calculated as the difference between the Fully Loaded CET1 Ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement
(4) Sample: BBVA, BNP Paribas, Deutsche Bank, ING Group, Nordea, Santander and Société Générale (31.3.19 data); BPCE, Commerzbank, Crédit Agricole Group and UniCredit (31.12.18 data). Source: Investors' Presentations, Press Releases, Conference Calls, Financial Statements
(5) 10y BTP-Bund spread: from 129bps at 31.3.18 to 250bps at 31.12.18 and 256bps at 31.3.19

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ISP Continues to Be a Top Performing Delivery Machine Built on a Very Resilient and Well-diversified Business Model

	Delivery machine focused on Business Plan priorities	A very resilient and well-diversified business model
Significant de-risking	▪ **€15.1bn** NPL deleveraging on a yearly basis; **64%** of 2018-2021 target already achieved ▪ Annualised cost of risk down to **37bps** (61bps in 2018), with the lowest LLPs since 2008	Best-in-class **credit recovery** and **NPL deal making capabilities** (at no cost to shareholders)
Cost reduction	▪ Costs down **4.5%** YoY, while investing for growth ▪ Cost/Income down to **50.2%** vs 53.0% in FY18(1)	High **strategic flexibility in managing costs**
Revenue growth	▪ **Resilient** revenues (+4.6% vs 4Q18(1), -3.5% YoY, excluding NTV) despite a challenging environment	A **Wealth Management and Protection company** driven by a **client-centric approach**, with financial market activities **naturally hedging** the impact of volatility on fee-based business

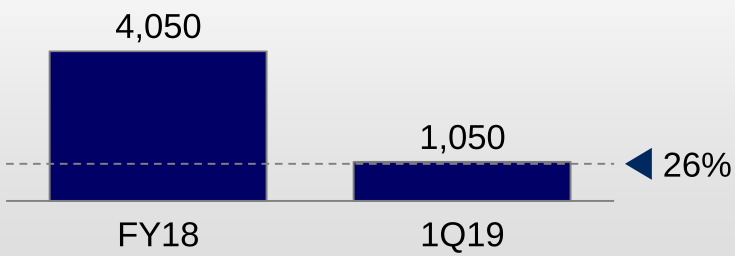
Sustainable profitability coupled with strong liquidity and capital position

(1) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento Operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to "Other administrative expenses", and international subsidiaries charges concerning the banking industry from "Other operating income (expenses)" to "Levies and other charges concerning the banking industry (net of tax)" and to "Taxes on income"

All Stakeholders Benefit from Our Solid Performance

Shareholders

Net income, € m

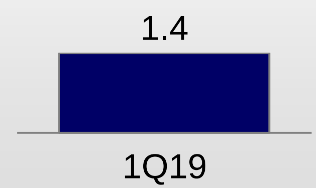


2019 payout ratio: 80%

Employees

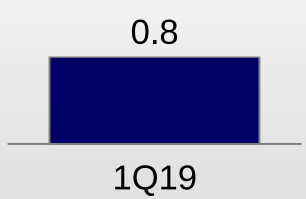
Personnel expenses, € bn

Excess capacity of ~5,000 people being reskilled (with ~1,450 already redeployed to priority initiatives)



Public Sector

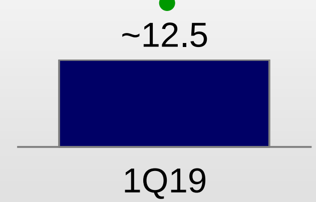
Taxes[1], € bn



Households and Businesses

Medium/Long-term new lending, € bn

Of which ~€10.5bn in Italy



ISP helped ~5,000 Italian companies return to performing status[2] in Q1 (~100,000 since 2014)

(1) Direct and indirect
(2) Deriving from Non-performing loans outflow

ISP: Supporting Italy through a World-class Reference Model on Social and Cultural Responsibility

Initiatives to **reduce child poverty** and **to support people in need** well ahead of Business Plan target, delivering since 2018:

~3.9 million meals

~116,000 dormitory beds

~57,000 medicine prescriptions

~36,000 articles of clothing

Evaluated ~400 start-ups in 1Q19 (~950 since 2018) and launched **accelerator programs** with **36 coached start-ups** in 1Q19 (147 since 2018), introducing them to selected investors and ecosystem players (~1,200 to date)

€5bn Circular Economy credit Plafond: 102 projects evaluated, of which 13 already financed for **~€300m**

The **Circular Economy Lab** for Corporate clients is running **Open Innovation Programs**

Supported families affected by earthquakes and natural disasters **by forgiving or allowing *moratoria* of mortgages** on destroyed properties and subsidised loans (>€28m subsidised loans granted in 1Q19, over €225m since 2018)

Supported families and businesses affected by Genoa bridge collapse with a €4.5m plafond for unilateral mortgage forgiveness (€0.5m already forgiven) and €50m plafond for reconstruction (€1.4m granted)

In 1Q19 **~175,000 visitors** to ISP "*Gallerie d'Italia*" museums (500,000 in 2018) and **over 33,000 students** participating in the free educational activities (73,000 in 2018)

The "*Romanticismo*" exhibit is one of the most visited in Italy with some **180,000 visitors** and 14 major exhibits held in 2018

30 artworks from our corporate collection **on loan** in 1Q19 (140 in 2018) to Italian and international museums and more than **100 art historians** currently working at "*Gallerie d'Italia*"

ISP Fund for Impact launched in 4Q18 (~€1.25bn lending capacity)

Launched **"*Per Merito*"**, first line of credit without collateral dedicated to all Italian university students, studying in Italy or abroad. €130,000 already granted in the first month

ISP's "*Giovani e Lavoro*" program underway, in partnership with Generation, aimed at **training and introducing 5,000 young people to the Italian labour market over the next three years**

ISP Included in the Main Sustainability Indexes and Rankings

The only Italian bank listed in the **Dow Jones Sustainability Indexes (World and Europe)** and in the **CDP Climate Change A List 2018**

The only Italian bank listed in the **2019 Corporate Knights “Global 100 Most Sustainable Corporations in the World Index”**

1Q19: Highlights

- **Solid economic performance:**
  - **€1,050m Net income, one of the best of the past decade (+4.4% vs 1Q18 excluding NTV positive impact), achieved thanks to solid core operating performance**
  - **€4,389m Operating income (+4.6% vs 4Q18(1)), with Net interest income up 1.2% vs 4Q18(1), and €1,792m Gross income (+30.8% vs 4Q18(1))**
  - **Strong decrease in Operating costs (-4.5% vs 1Q18(1)) with Cost/Income ratio at 50.2%**
  - **Strong reduction in Loan loss provisions (-23.6% vs 1Q18), with annualised cost of risk down to 37bps (vs 61bps in FY18)**
  - **Increased NPL coverage (54.1% vs 52.7% as at 31.3.18(2)) coupled with the lowest ever Q1 NPL inflow**
- **Best-in-class capital position with balance sheet further strengthened:**
  - **€15.1bn NPL deleveraging since 31.3.18 (€29bn since the September 2015 peak, €1bn in Q1), well ahead of the 2018-2021 Gross NPL Business Plan target**
  - **The lowest NPL stock since 2009 and the lowest Net NPL ratio since 2008**
  - **Common Equity(3) ratio at 13.5%, well above regulatory requirements even under EBA stress test adverse scenario, despite widened sovereign bond spread and TRIM and IFRS16 impacts registered in Q1**
  - **Best-in-class leverage ratio: 6%**
  - **Strong liquidity position: LCR and NSFR well above 100%**

(1) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento Operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to ''Other administrative expenses'', and international subsidiaries charges concerning the banking industry from ''Other operating income (expenses)'' to ''Levies and other charges concerning the banking industry (net of tax)'' and to ''Taxes on income''

(2) Pro-forma including Intrum agreement

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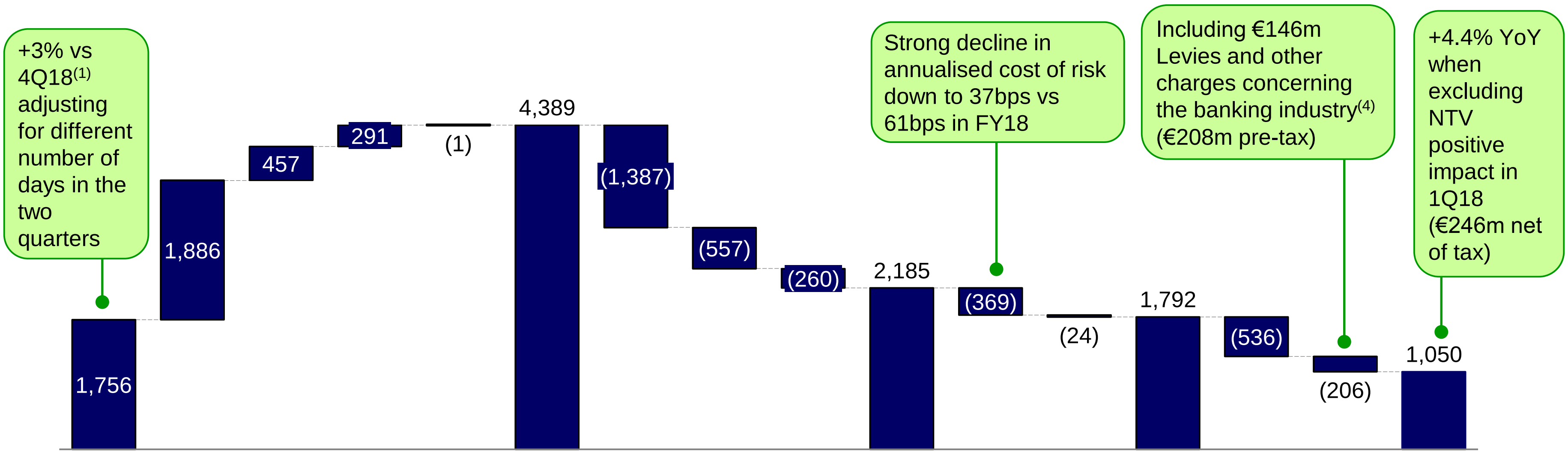
Growth in Profitability Driven by a Strong Reduction in Operating Costs and Loan Loss Provisions in a Challenging Revenue Environment

1Q19 P&L
€ m



	Net interest income	Net fees and commissions	Profits on financial assets and liabilities at fair value	Insurance income	Other operating income/expenses	**Operating income**	Personnel	Admin.	Depreciation	**Operating margin**	Loan loss provisions	Other charges/gains[2]	**Gross income**	Taxes	Other[3]	**Net income**
Δ% vs 4Q18[1]	1.2	(7.0)	124.0	22.3	n.m.	4.6	(8.7)	(26.0)	(9.4)	33.5	(47.1)	n.m.	30.8	n.m.	29.6	1.2
Δ% vs 1Q18[1]	(5.2)	(7.0)	(25.0)	(1.0)	n.m.	(8.8)	(3.1)	(10.2)	1.2	(12.7)	(23.6)	(53.8)	(9.0)	(0.9)	17.0	(16.1)

+32% when excluding NTV positive impact

+5.1% when excluding NTV positive impact

Note: figures may not add up exactly due to rounding

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(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations

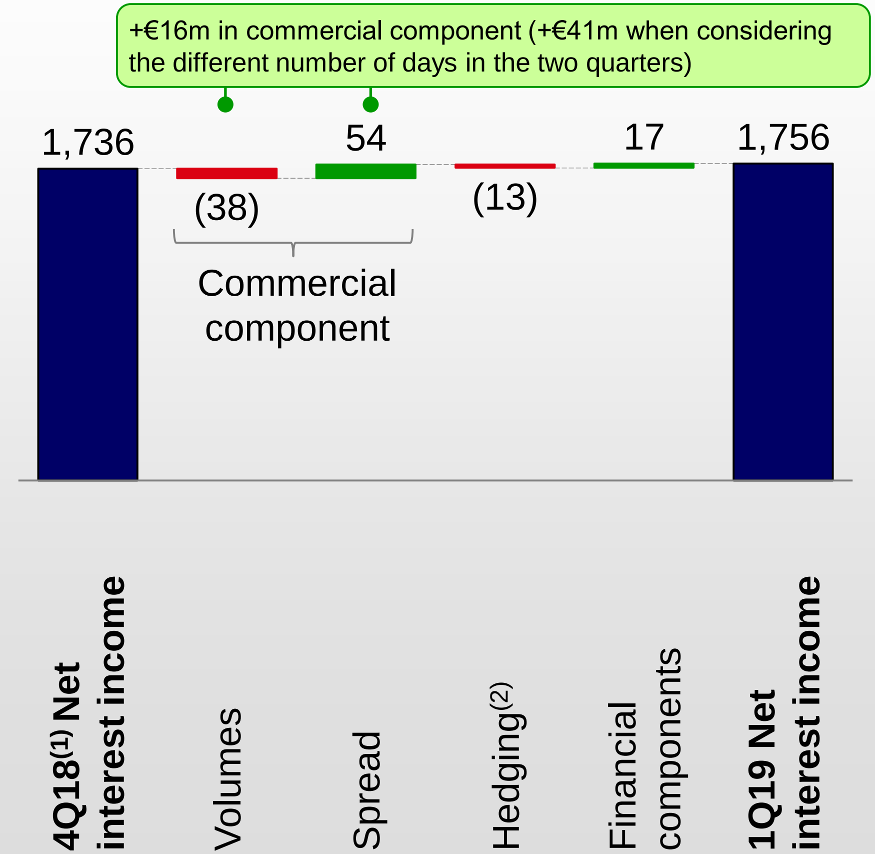
(3) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests

(4) Including charges for the Resolution Fund: €199m pre-tax (€137m net of tax), our estimated commitment for the year

Increase in Net Interest Income vs 4Q18 Despite Continuing Low Market Rates

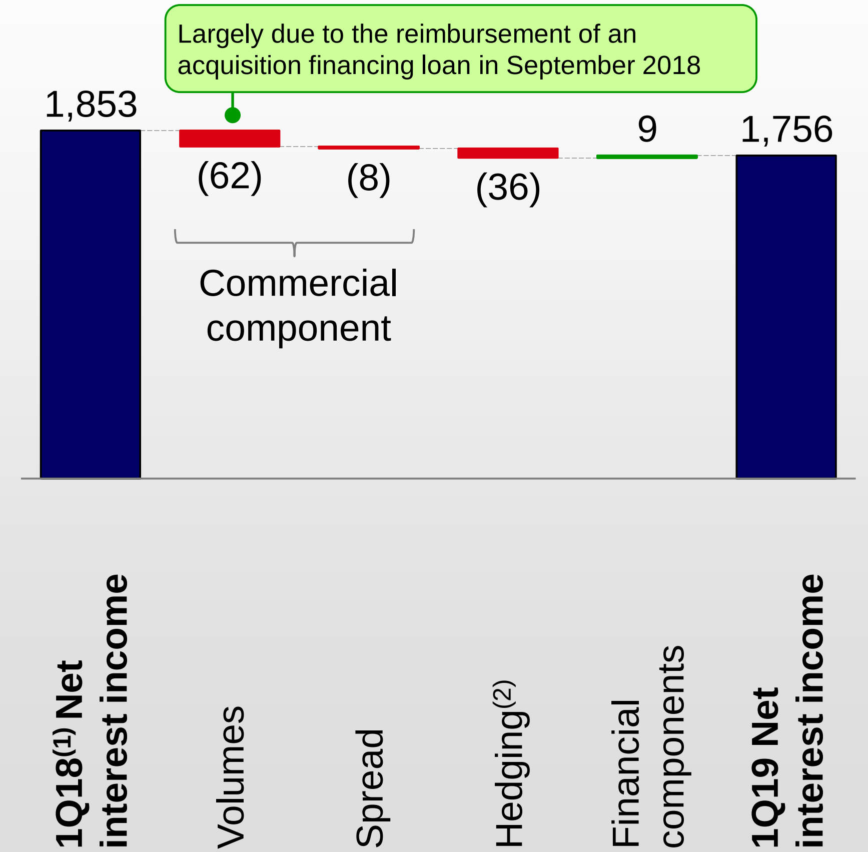
Quarterly comparison

Net interest income, Δ 1Q19 vs 4Q18(1)
€ m



Yearly comparison

Net interest income, Δ 1Q19 vs 1Q18(1)
€ m



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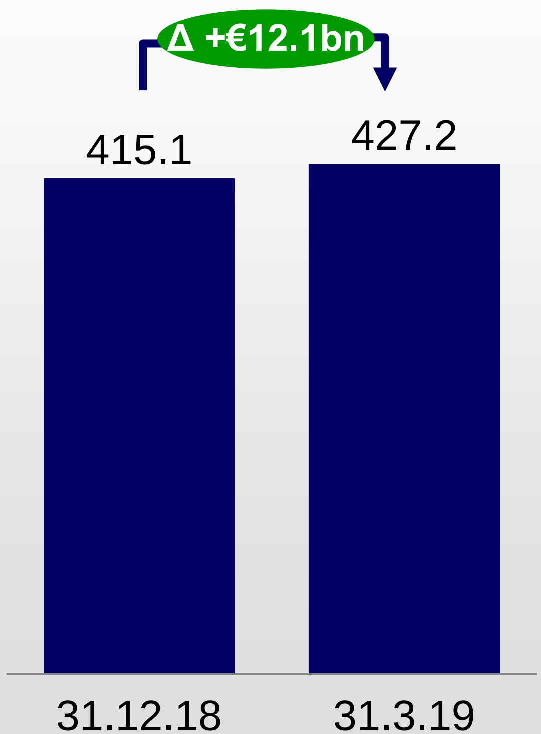
(2) ~€57m benefit from hedging on core deposits in 1Q19

€30 billion Growth in Customer Financial Assets in Q1

Direct deposits

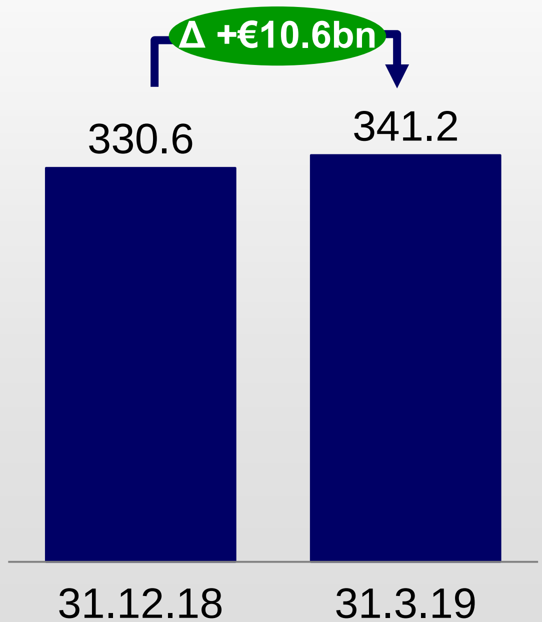
€ bn



+€3.4bn in household sight deposits in Q1, +€9.5bn on a yearly basis

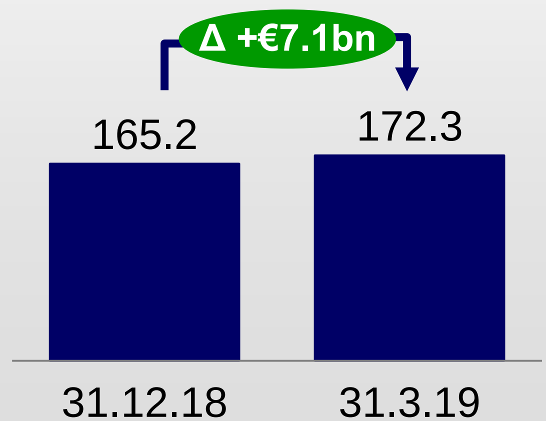
Assets under Management

€ bn



Assets under Administration

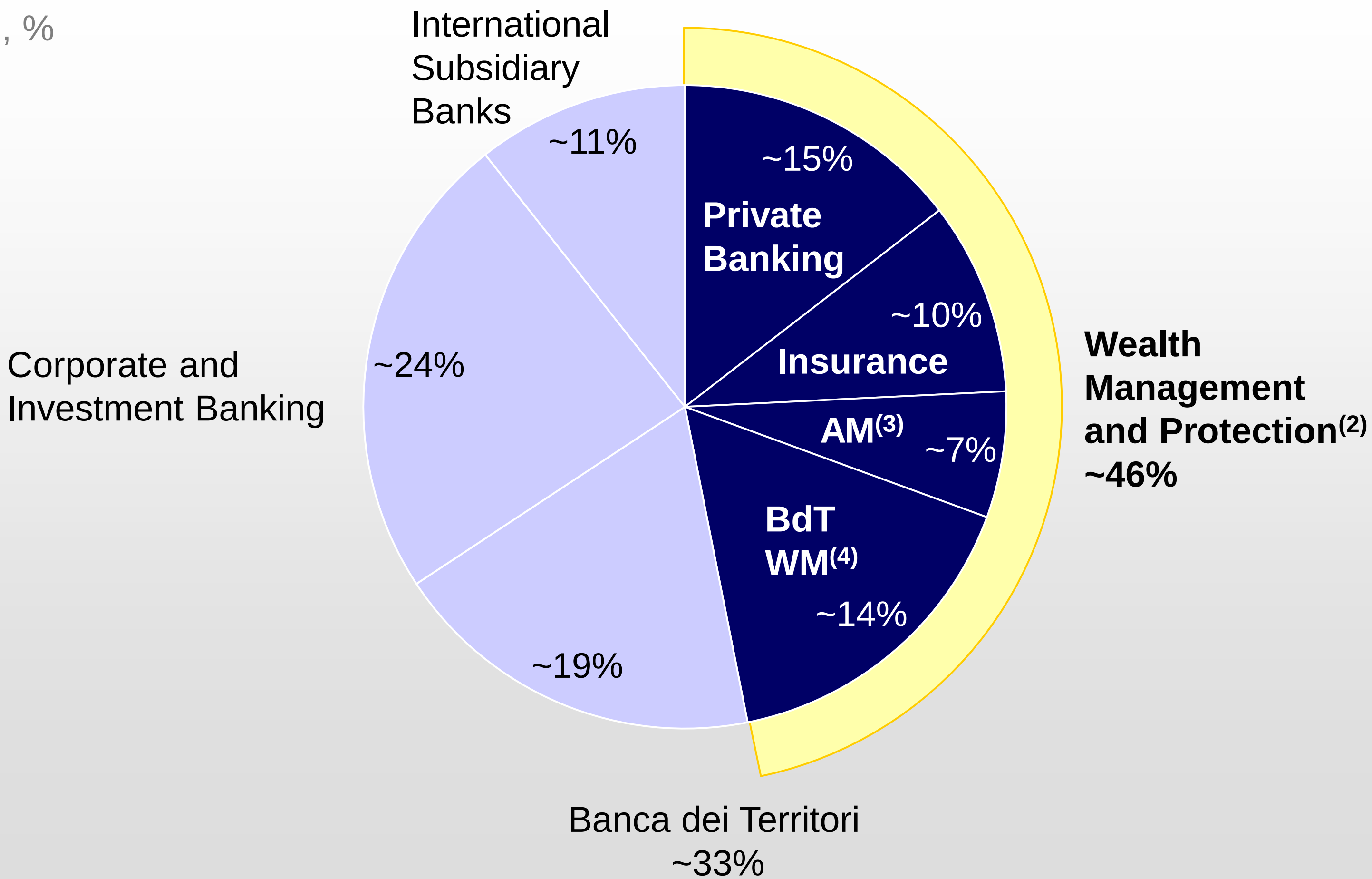
€ bn



ISP: a Successful Wealth Management and Protection Company

Gross income breakdown(1)

1Q19, %



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(1) Excluding Corporate Centre

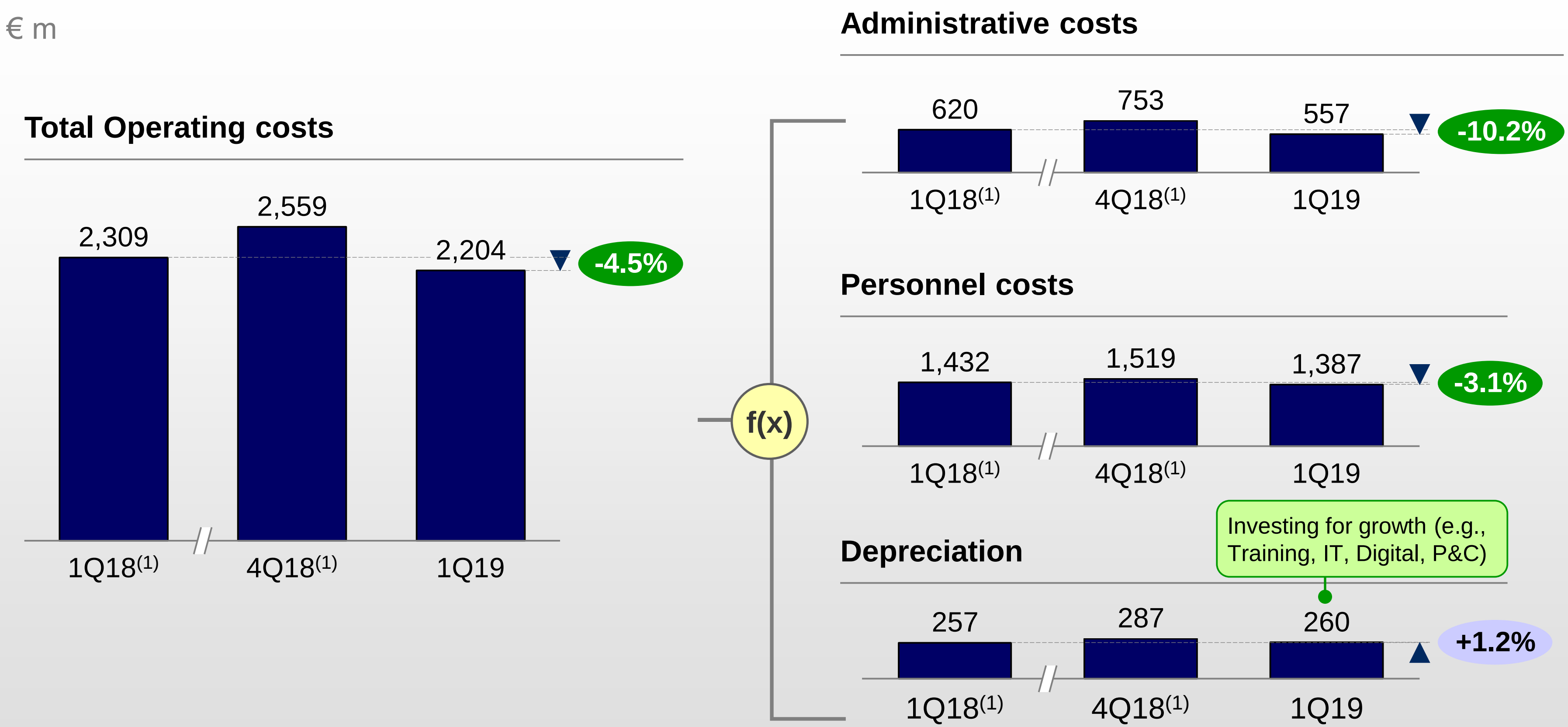
(2) Private Banking includes Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) Morval and Siref Fiduciaria; Insurance includes Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita; Asset Management includes Eurizon; BdT WM includes €462m revenues from WM products included in Banca dei Territori (applying a C/I of ~35%)

(3) AM = Asset Management

(4) BdT WM = Banca dei Territori Wealth Management

Continued Strong Reduction in Operating Costs while Investing for Growth

Operating costs



- **Cost/Income at 50.2%**
- **€105m cost reduction vs 1Q18, while continuing to invest for growth**
- **~4,500 headcount reduction since 31.3.18, of which ~1,300 in 1Q19**
- **More than 3,000 additional exits by June 2020 already agreed with labour unions and fully provisioned**
- **ISP maintains high strategic flexibility in managing costs and remains a Cost/Income leader in Europe**

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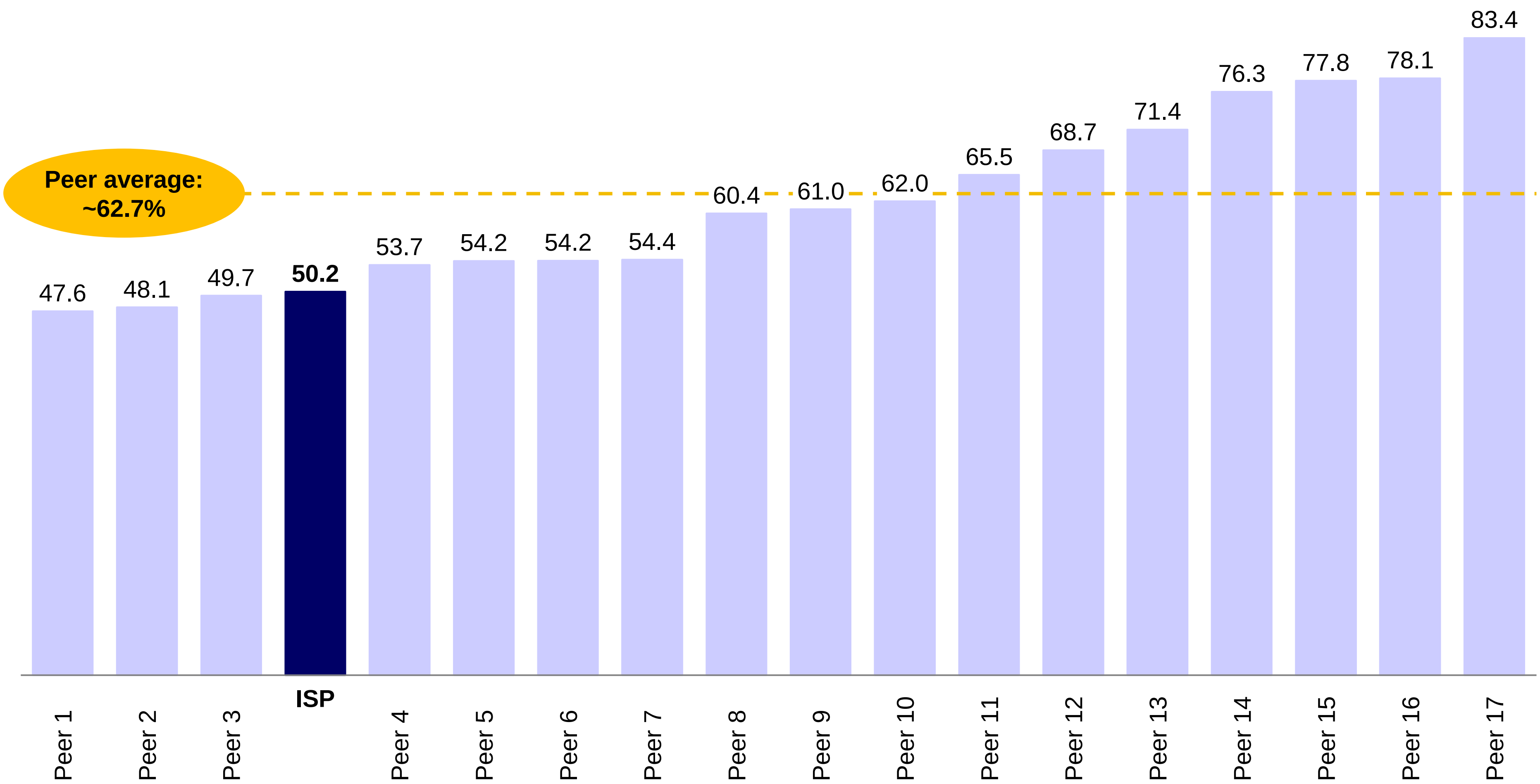
Best-in-class Cost/Income Ratio in Europe

Cost/Income(1)

%

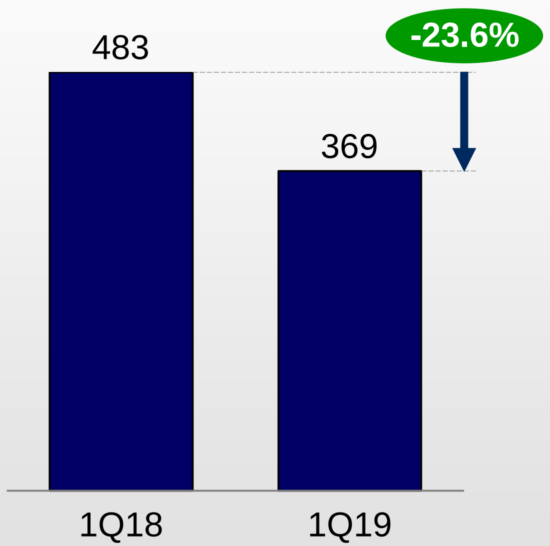


(1) Sample: Barclays, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, HSBC, ING Group, Lloyds Banking Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (31.3.19 data); BPCE, Commerzbank, Crédit Agricole S.A. and UniCredit (31.12.18 data)

Significant Reduction in Loan Loss Provisions and Cost of Risk Coupled with Increased NPL Coverage

Loan loss provisions

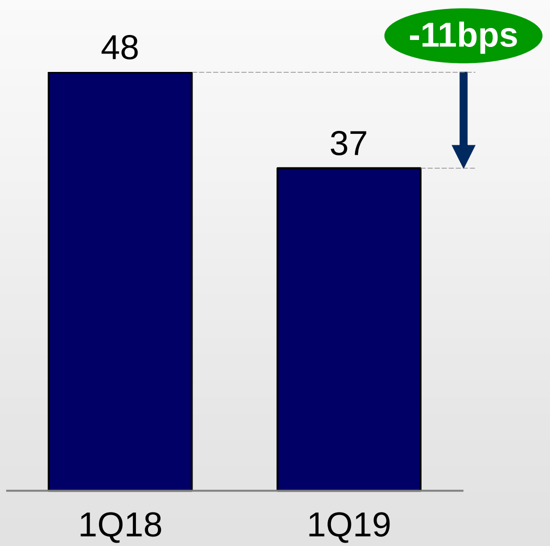
€ m



Lowest quarterly LLPs since 2008 coupled with the lowest ever Q1 NPL inflow and €15.1bn NPL deleveraging since 31.3.18

Cost of risk(1)

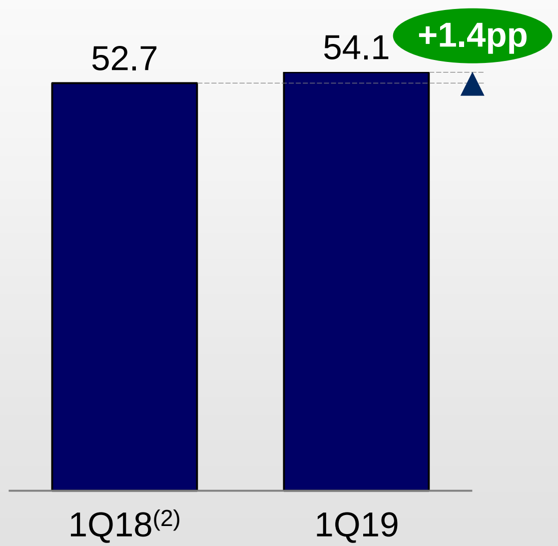
bps



Annualised cost of risk well on track to deliver 2018-21 Business Plan target (41bps)

NPL coverage ratio

%



Increased and conservative NPL coverage will facilitate our Business Plan de-risking strategy

(1) Annualised
(2) Pro-forma including Intrum agreement

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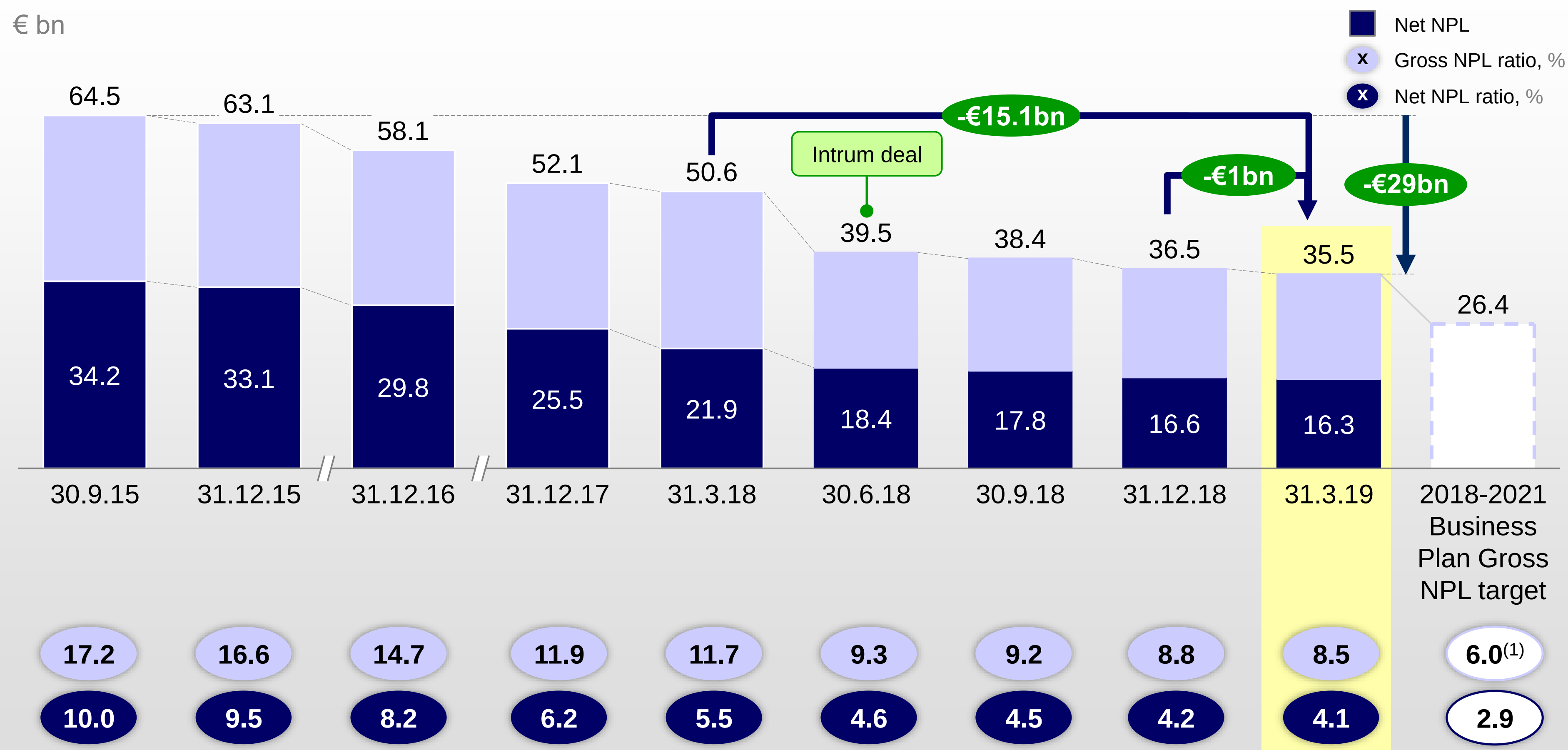
€1bn NPL Deleveraging in Q1, with 64% of 2018-2021 Business Plan Target Already Achieved at No Cost to Shareholders…

NPL stock



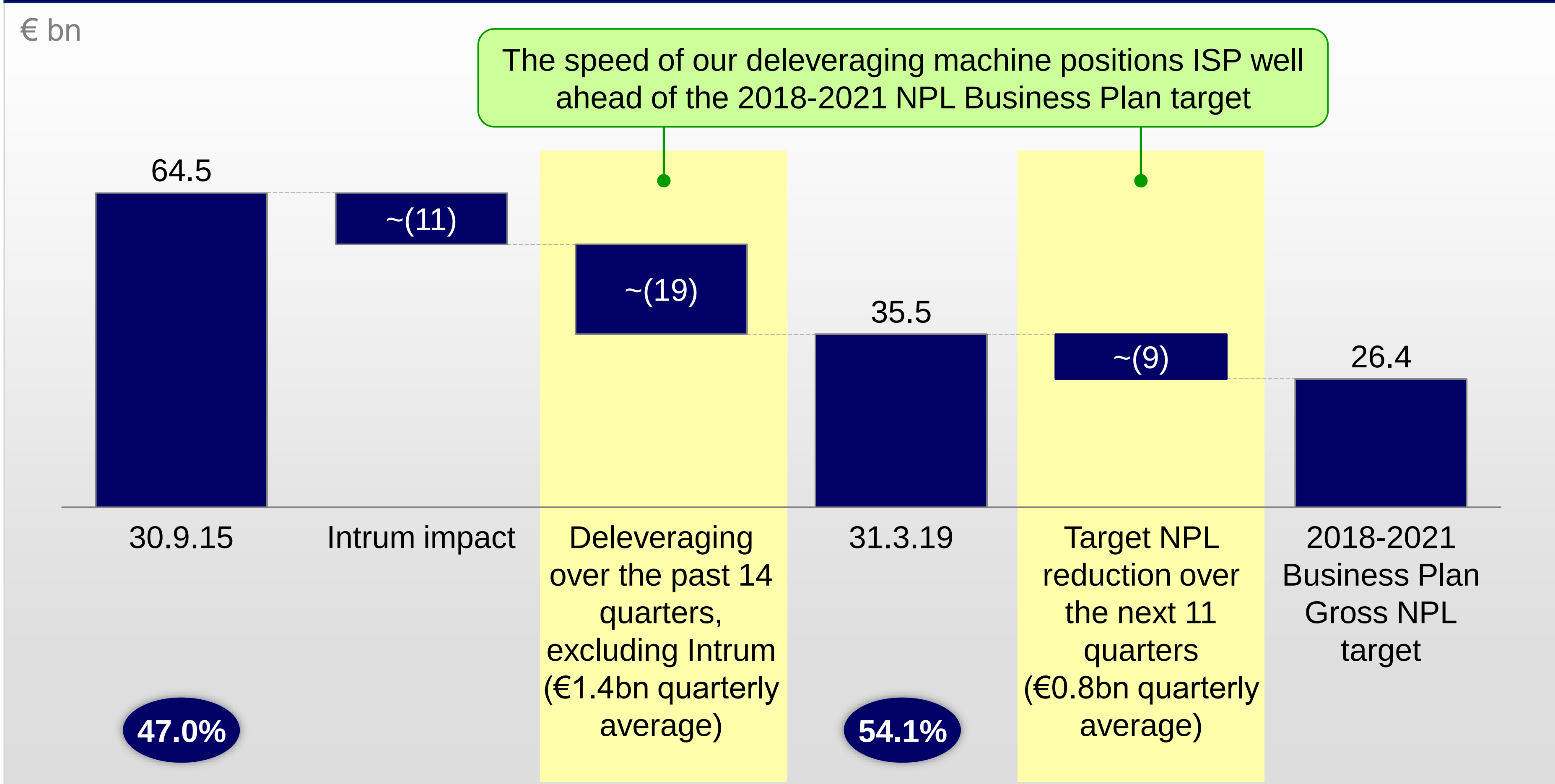
- **14 consecutive quarters of NPL reduction**
- **Lowest NPL stock since 2009**
- **Net NPL ratio down to 4.1%, the lowest since 2008**

(1) Equal to 5% based on EBA definition

… with a Positive Outlook for Delivering 2021 Target Ahead of Schedule

NPL coverage ratio, %

Gross NPL stock



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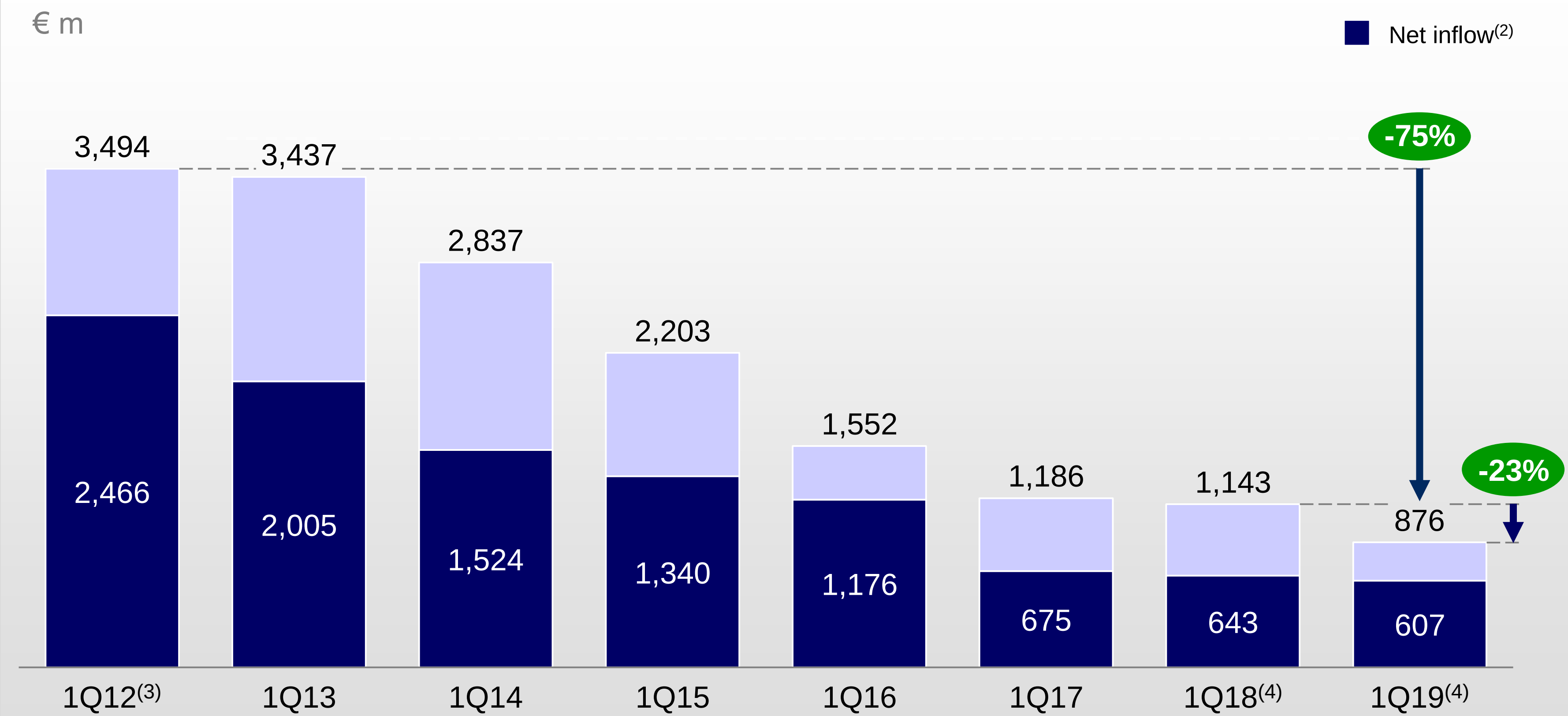
Lowest Ever Q1 NPL Inflows

Gross quarterly NPL inflow[1] from performing loans

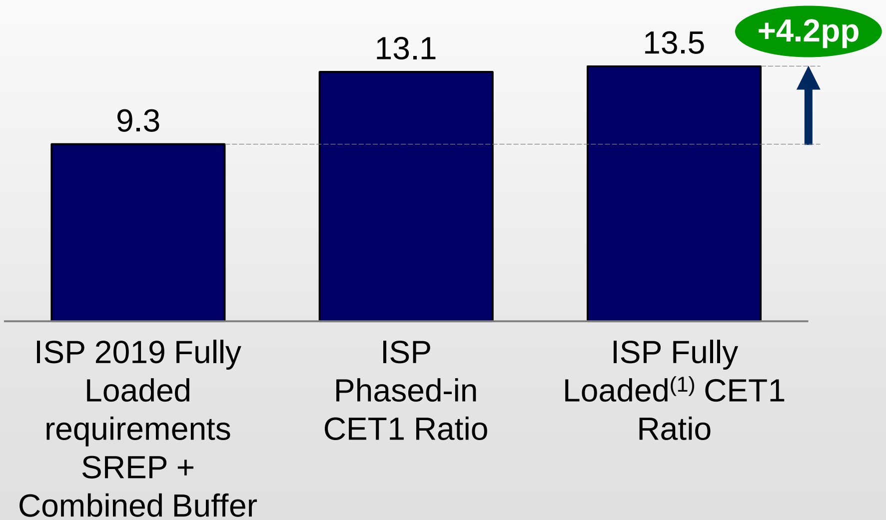


(1) Inflow to NPL (Bad Loans, Unlikely to Pay and Past Due) from performing loans
(2) Inflow to NPL (Bad Loans, Unlikely to Pay and Past Due) from performing loans minus outflow from NPL into performing loans
(3) 2012 figures recalculated to take into consideration the regulatory changes to Past Due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)
(4) Including contribution of the two former Venetian Banks

Solid Capital Base, Well Above Regulatory Requirements Even in the Stress Test Scenario

ISP CET1 Ratios vs requirements SREP + Combined Buffer

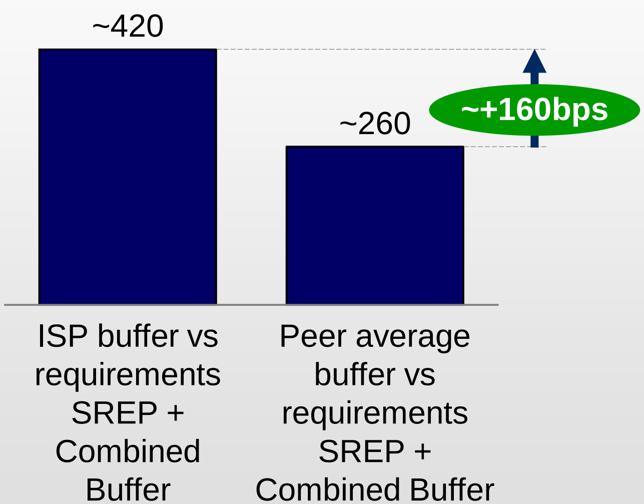
31.3.19, %



- **ISP CET1 Ratios already include ~30bps impact deriving from the widened sovereign bond spread(2) and ~20bps impact from TRIM and IFRS16 registered in Q1**
- **Launched process of recognition of the Danish Compromise**

Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer(3)(4)

31.3.19, bps



More than €11bn excess capital due to internal capital management with €13.4bn cash dividends paid over the past 5 years

Note: figures may not add up exactly due to rounding

(1) Pro-forma fully loaded Basel 3 (31.3.19 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q19 Net income of insurance companies - exceeding reserves already distributed in the quarter - and the expected absorption of DTA on losses carried forward)

(2) 10y BTP-Bund spread: from 129bps at 31.3.18 to 250bps at 31.12.18 and 256bps at 31.3.19

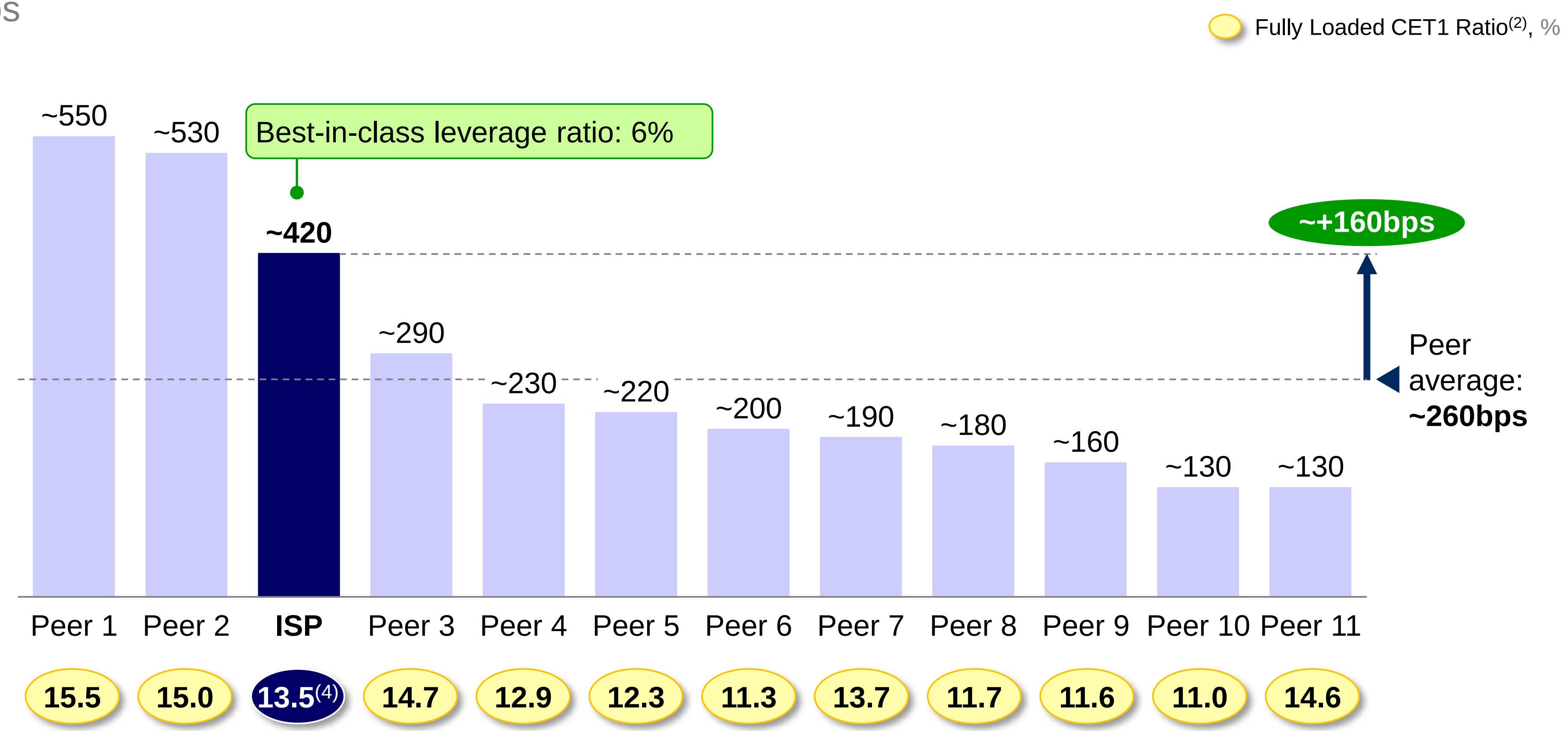
(3) Calculated as the difference between the Fully Loaded CET1 Ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement

(4) Sample: BBVA, BNP Paribas, Deutsche Bank, ING Group, Nordea, Santander and Société Générale (31.3.19 data); BPCE, Commerzbank, Crédit Agricole Group and UniCredit (31.12.18 data). Source: Investors' Presentations, Press Releases, Conference Calls, Financial Statements

Best-in-Class Excess Capital

Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer(1)(2)(3)

bps



ISP is a clear winner of the EBA stress test

(1) Calculated as the difference between the Fully Loaded CET1 ratio vs requirements SREP + Combined Buffer (for the French banks the counter-cyclical buffer is estimated on the Pillar 3 2018); only top European banks that have communicated their SREP requirement

(2) Sample: BBVA, BNP Paribas, Deutsche Bank, ING Group, Nordea, Santander and Société Générale (31.3.19 data); BPCE, Commerzbank, Crédit Agricole Group and UniCredit (31.12.18 data). Source: Investors' Presentations, Press Releases, Conference Calls, Financial Statements

(3) Including estimated benefit from the Danish Compromise. Estimated average benefits for the French banks equal to ~20bps

(4) Pro-forma fully loaded Basel 3 (31.3.19 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q19 Net income of insurance companies - exceeding reserves already distributed in the quarter - and the expected absorption of DTA on losses carried forward)

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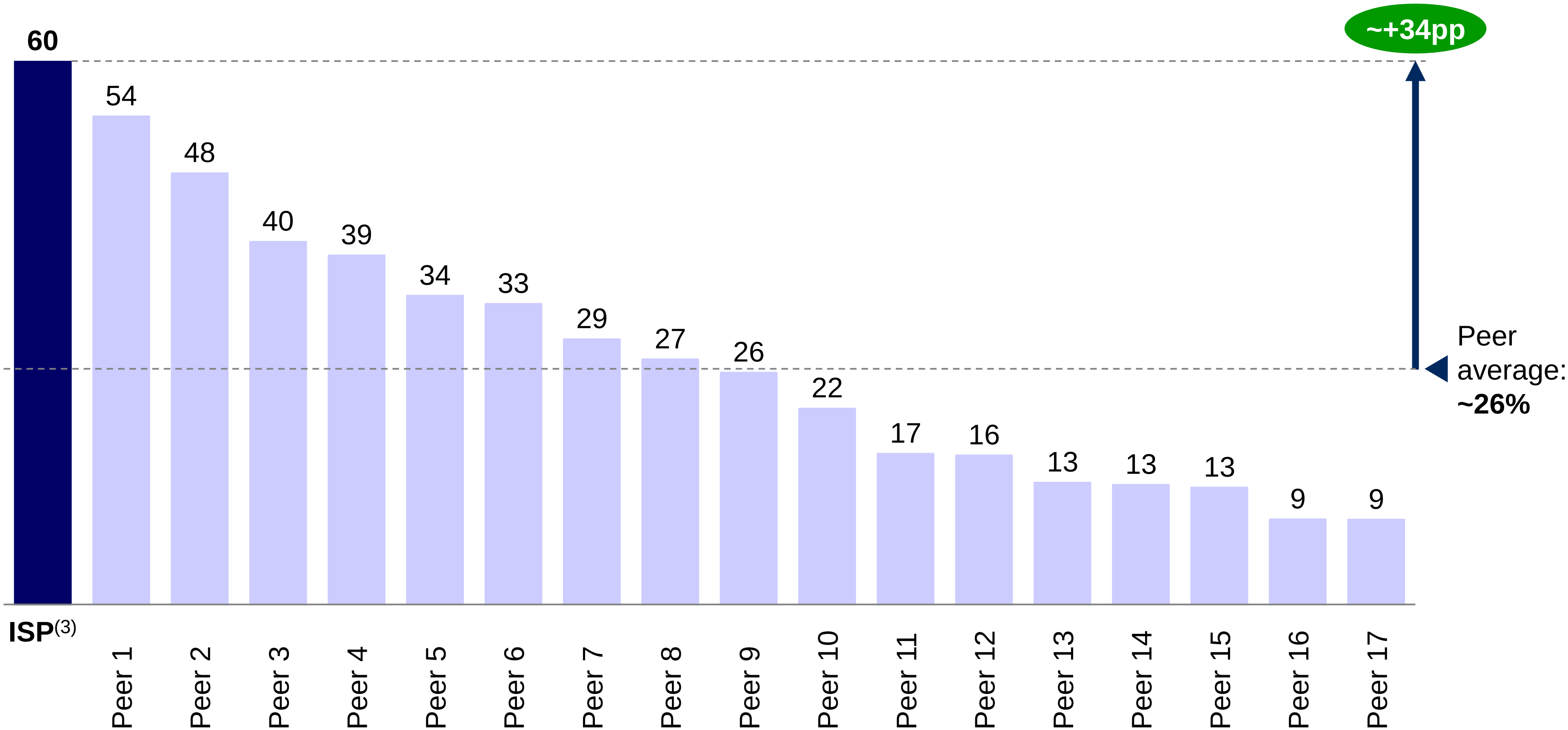
Best-in-Class Risk Profile in Terms of Financial Illiquid Assets

Fully Loaded CET1(1)/Total financial illiquid assets(2)

%



€194bn in total financial liquid assets with LCR and NSFR well above 100%

(1) Fully Loaded CET1. Sample: Barclays, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, HSBC, ING Group, Lloyds Banking Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (31.3.19 data); BPCE, Commerzbank, Crédit Agricole Group and UniCredit (31.12.18 data)

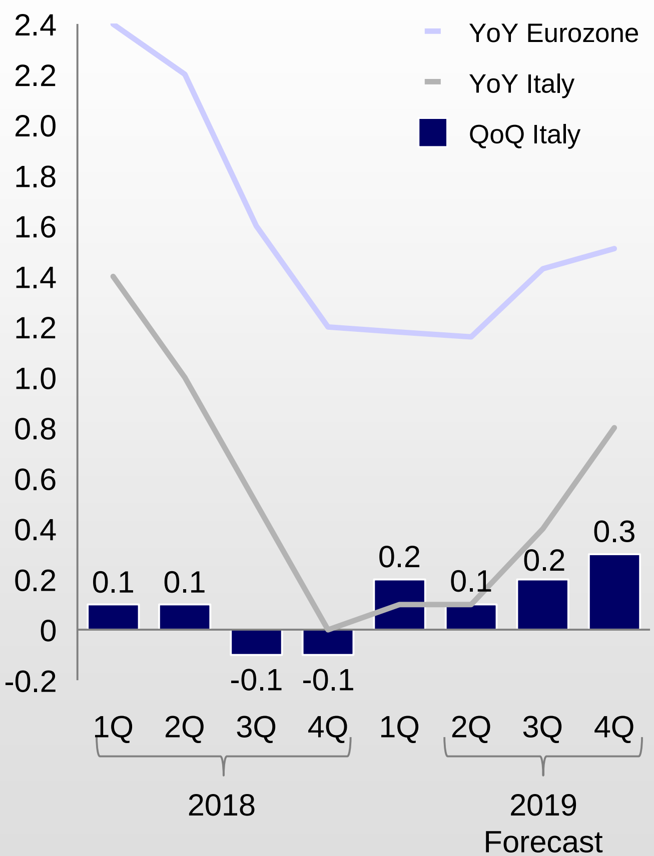
(2) Total illiquid assets include Net NPL, Net repossessed assets, Level 2 assets and Level 3 assets. Sample: Barclays, BBVA, Credit Suisse, Deutsche Bank, HSBC, ING Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (31.3.19 data); BNP Paribas, BPCE, Commerzbank, Crédit Agricole Group, Lloyds Banking Group and UniCredit (31.12.18 data). Net repossessed assets as of 31.3.19 (BBVA 31.12.18 data). Level 2 and Level 3 assets as of 31.12.18

(3) 55% including the effect of Real Estate and Art, Culture and Historical Heritage portfolio revaluation

Italian Economy: Solid Fundamentals Have Absorbed the Impact of the Slowdown and Will Help a Swift Recovery in H2 2019

Despite an expected economic slowdown in 2019, with recovery in the second half…

Italian GDP growth, %



… fundamentals remain solid

Households

- **Wealth of Italian households** at €10.5tn, of which €4.2tn in financial assets
- **Low** level of **indebtedness**

Corporates

- **Manufacturing companies** stronger than pre-crisis level:
  - Profitability: Gross operating margin at ~9.4%
  - Capitalisation: Equity/Total liabilities at ~40%
- **Italian companies well positioned to cope with a domestic economic slowdown:**
  - **Export-oriented companies**, highly diversified in terms of industry and size, have become powerhouses over the past few years (trade surplus, net of energy, was above €80bn in 2018, in line with the 2017 record high)
  - **Domestic-oriented companies** will benefit from resilient consumption driven by expansionary fiscal policy

Government

- Stock of **assets owned by Public Sector entities** of ~€1.0tn(1) :
  - ~€0.6tn of financial assets
  - ~€0.3tn of Real Estate
  - ~€0.1tn of other non-financial assets

(1) As of 2016; not including infrastructure, natural resources, cultural heritage

Source: Bank of Italy, ISTAT, "*Analisi dei Settori Industriali*" Intesa Sanpaolo - Prometeia October 2018, Consensus Economics, Consensus Forecast, March 2019

ISP Outlook for 2019

Growth in Operating income

Continued cost reduction

Decrease in cost of risk

Net income up vs 2018

80% payout ratio in 2019

CONFIRMED

Strong and sustainable value creation and distribution while maintaining a solid capital position

A Solid Start to the Year

€1,050m Net income, +4.4% vs 1Q18 excluding the positive impact from the sale of the NTV stake(1)

€4,389m Operating income (+4.6% vs 4Q18(2)), with Net interest income up 1.2% vs 4Q18(2), and €1,792m Gross income (+30.8% vs 4Q18(2))

Strong decrease in Operating costs (-4.5% vs 1Q18(2)) with Cost/Income at 50.2%

The lowest ever Q1 NPL inflow: LLPs down 23.6% vs 1Q18, with increased NPL coverage (54.1% vs 52.7% at 31.3.18(3))

€15.1bn NPL deleveraging since 31.3.18 at no cost to shareholders (€29bn since the September 2015 peak, €1bn in Q1); the lowest NPL stock since 2009 and the lowest Net NPL ratio since 2008

64% of targeted 2018-2021 NPL deleveraging already achieved

Common Equity(4) ratio at 13.5%, well above regulatory requirements even under the EBA stress test adverse scenario, despite the widened sovereign bond spread and TRIM and IFRS16 impacts

Strong commitment to Corporate Social Responsibility through a variety of concrete initiatives

(1) €264m pre-tax positive impact (€246m net of tax) booked in 1Q18, deriving from the sale of the NTV stake
(2) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento Operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to ''Other administrative expenses'', and international subsidiaries charges concerning the banking industry from ''Other operating income (expenses)'' to ''Levies and other charges concerning the banking industry (net of tax)'' and to ''Taxes on income''
(3) Pro-forma including Intrum agreement
(4) Pro-forma fully loaded Basel 3 (31.3.19 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q19 Net income of insurance companies - exceeding reserves already distributed in the quarter - and the expected absorption of DTA on losses carried forward)

1Q19 Results

Detailed Information

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Key P&L and Balance Sheet Figures

€ m

	1Q19
Operating income	4,389
Operating costs	(2,204)
Cost/Income ratio	50.2%
Operating margin	2,185
Gross income (loss)	1,792
Net income	1,050

	31.3.19
Loans to Customers	395,595
Customer Financial Assets[(1)]	941,597
of which Direct Deposits from Banking Business	427,206
of which Direct Deposits from Insurance Business and Technical Reserves	154,233
of which Indirect Customer Deposits	513,565
- Assets under Management	*341,225*
- Assets under Administration	*172,340*
RWA	283,641

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

Contents

Q1 vs Q1: Net Income at €1,050m thanks to Core Operating Performance

€ m

	1Q18 Pro-forma(1)	1Q19	Δ%
Net interest income	1,853	1,756	(5.2)
Net fee and commission income	2,027	1,886	(7.0)
Income from insurance business	294	291	(1.0)
Profits on financial assets and liabilities at fair value	609	457	(25.0)
Other operating income (expenses)	30	(1)	n.m.
Operating income	**4,813**	**4,389**	**(8.8)**
Personnel expenses	(1,432)	(1,387)	(3.1)
Other administrative expenses	(620)	(557)	(10.2)
Adjustments to property, equipment and intangible assets	(257)	(260)	1.2
Operating costs	**(2,309)**	**(2,204)**	**(4.5)**
Operating margin	**2,504**	**2,185**	**(12.7)**
Net adjustments to loans	(483)	(369)	(23.6)
Net provisions and net impairment losses on other assets	(51)	(30)	(41.2)
Other income (expenses)	(2)	6	n.m.
Income (Loss) from discontinued operations	1	0	(100.0)
Gross income (loss)	**1,969**	**1,792**	**(9.0)**
Taxes on income	(541)	(536)	(0.9)
Charges (net of tax) for integration and exit incentives	(19)	(22)	15.8
Effect of purchase price allocation (net of tax)	(44)	(40)	(9.1)
Levies and other charges concerning the banking industry (net of tax)	(126)	(146)(2)	15.9
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	13	2	(84.6)
Net income	**1,252**	**1,050**	**(16.1)**

Operating income: (3.5)% excluding NTV positive impact booked in 1Q18(3)

Operating margin: (2.5)% excluding NTV positive impact booked in 1Q18(3)

Gross income (loss): +5.1% excluding NTV positive impact booked in 1Q18(3)

Net income: +4.4% excluding NTV positive impact booked in 1Q18(3)

Note: figures may not add up exactly due to rounding

(1) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to "Other administrative expenses", and international subsidiaries charges concerning the banking industry from "Other operating income (expenses)" to "Levies and other charges concerning the banking industry (net of tax)" and to "Taxes on income"

(2) €208m pre-tax of which charges for the Resolution Fund: €199m pre-tax (€137m net of tax), our estimated commitment for the year

(3) €264m pre-tax positive impact (€246m net of tax) deriving from the sale of the NTV stake

Q1 vs Q4: Strong Increase in Operating Margin and Gross Income

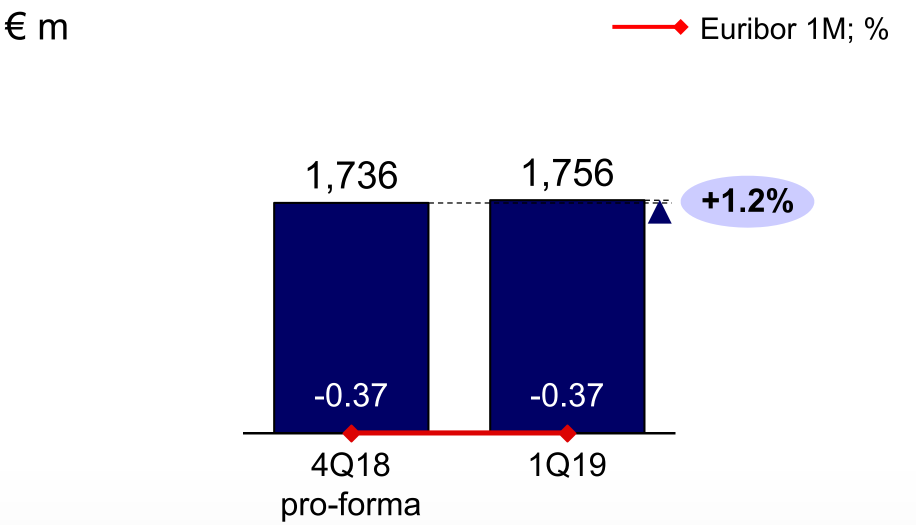
€ m

	4Q18 Pro-forma[1]	1Q19	Δ%
Net interest income	1,736	1,756	1.2
Net fee and commission income	2,029	1,886	(7.0)
Income from insurance business	238	291	22.3
Profits on financial assets and liabilities at fair value	204	457	124.0
Other operating income (expenses)	(11)	(1)	(90.9)
Operating income	**4,196**	**4,389**	**4.6**
Personnel expenses	(1,519)	(1,387)	(8.7)
Other administrative expenses	(753)	(557)	(26.0)
Adjustments to property, equipment and intangible assets	(287)	(260)	(9.4)
Operating costs	**(2,559)**	**(2,204)**	**(13.9)**
Operating margin	**1,637**	**2,185**	**33.5**
Net adjustments to loans	(698)	(369)	(47.1)
Net provisions and net impairment losses on other assets	(76)	(30)	(60.5)
Other income (expenses)	507	6	(98.8)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**1,370**	**1,792**	**30.8**
Taxes on income	(173)	(536)	209.8
Charges (net of tax) for integration and exit incentives	(54)	(22)	(59.3)
Effect of purchase price allocation (net of tax)	(49)	(40)	(18.4)
Levies and other charges concerning the banking industry (net of tax)	(69)	(146)[2]	111.6
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	13	2	(84.6)
Net income	**1,038**	**1,050**	**1.2**

Note: figures may not add up exactly due to rounding
(1) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to ''Other administrative expenses'', and international subsidiaries charges concerning the banking industry from ''Other operating income (expenses)'' to ''Levies and other charges concerning the banking industry (net of tax)'' and to ''Taxes on income''
(2) €208m pre-tax of which charges for the Resolution Fund: €199m pre-tax (€137m net of tax), our estimated commitment for the year

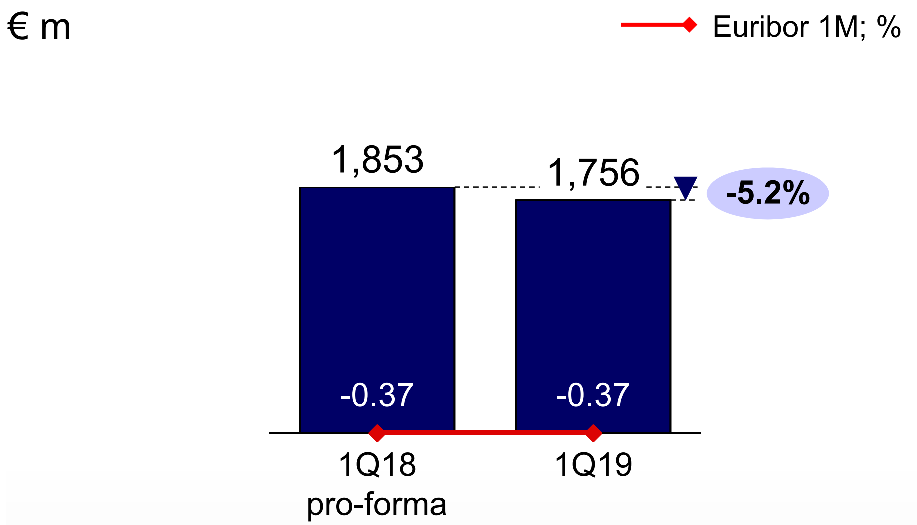
Net Interest Income: Picking-up but still Impacted by All-Time Low Interest Rates

Quarterly Analysis



- Increase despite two fewer days in the quarter and continued all-time low interest rates
- +3% when considering an equal number of days in the two quarters
- 1.7% growth in average Direct deposits from banking business

Yearly Analysis



- Decrease due to NPL reduction, the reimbursement of an acquisition financing loan in September 2018 and lower contribution from core deposit hedging
- 1.7% growth in average Direct deposits from banking business

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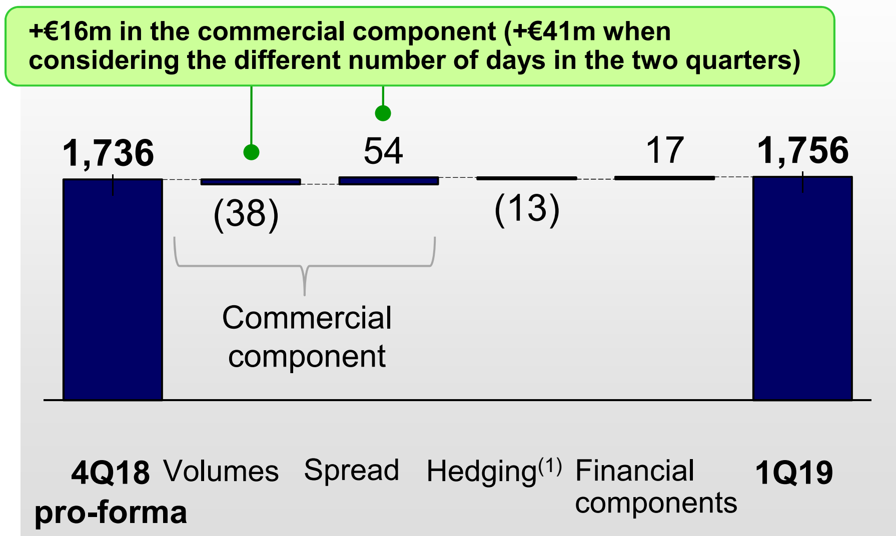
Net Interest Income: Increase vs Q4

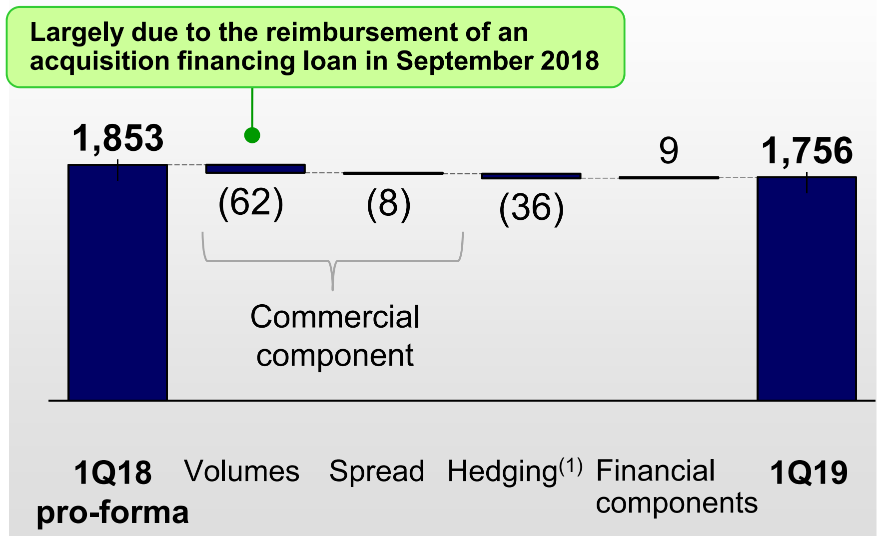
Quarterly Analysis

€ m



Yearly Analysis

€ m



Note: figures may not add up exactly due to rounding
(1) ~€57m benefit from hedging on core deposits in 1Q19

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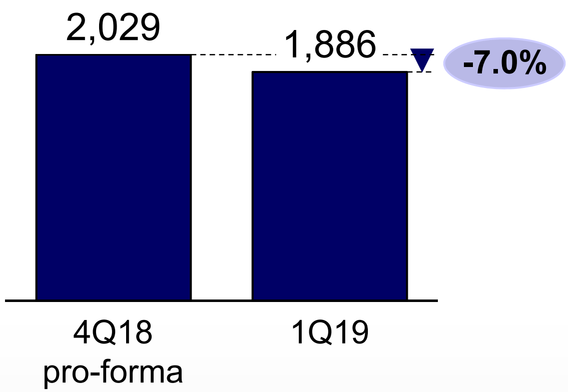
Net Fee and Commission Income: Impacted by the Challenging Environment

Quarterly Analysis

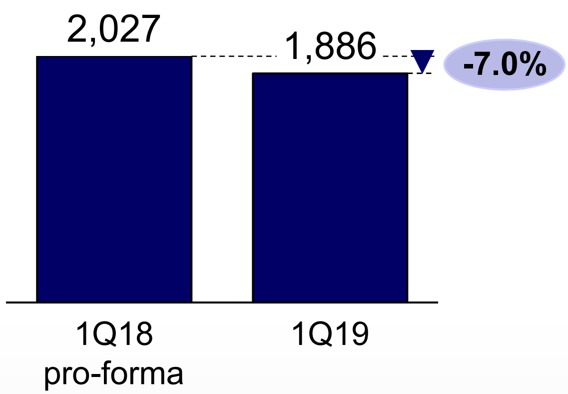
€ m



- **Decline largely due to year-end seasonality of commissions from commercial banking**
- **€30bn growth in Customer financial assets stock in Q1 with €10.6bn increase in AuM stock**

Yearly Analysis

€ m

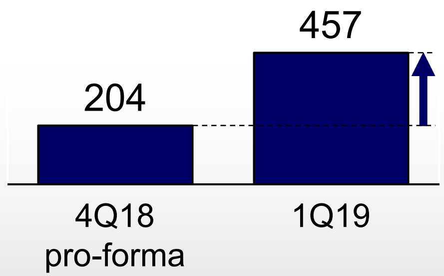


- **Increase in commissions from Commercial banking activities (+3.0%; +€17m)**
- **Decline due to commissions from Management, dealing and consultancy activities (-11.7%; -€147m) affected by difficult market conditions**

Profits on Financial Assets and Liabilities at Fair Value: Excellent Performance

Quarterly Analysis

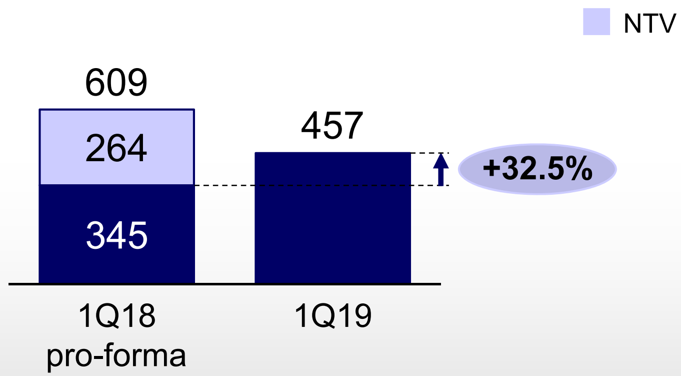
€ m



- **Increase due to strong growth in contributions from all activites**

Yearly Analysis

€ m



- **Strong increase when excluding the NTV positive impact**

Contributions by Activity

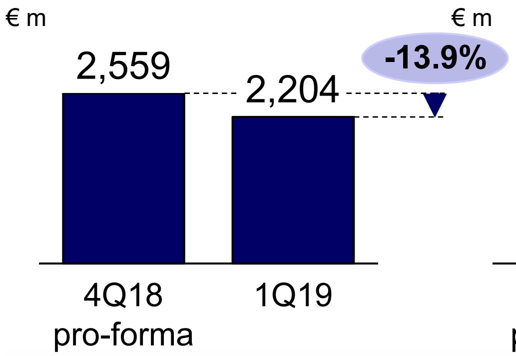
	1Q18 pro-forma	4Q18 pro-forma	1Q19
Customers	**139**	**82**	**142**
Capital markets	**285**(1)	**16**	**82**
Trading and Treasury	**183**	**100**	**217**
Structured credit products	**2**	**6**	**16**

Note: figures may not add up exactly due to rounding
(1) Including €264m positive impact deriving from the sale of the NTV stake

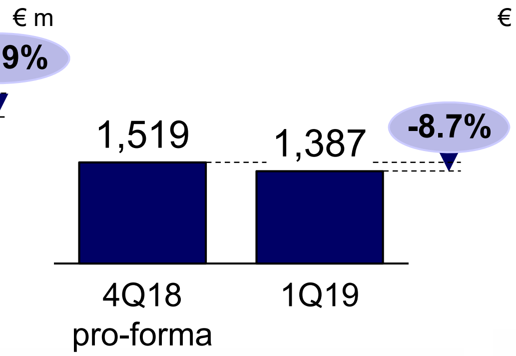
Operating Costs: 4.5% Reduction on a Yearly Basis

Quarterly Analysis

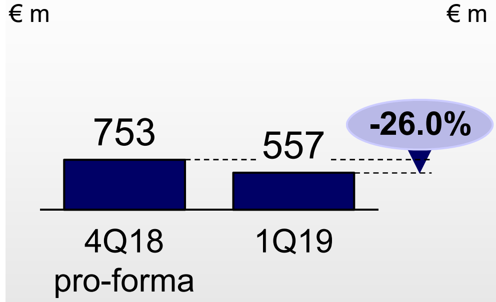
Operating Costs



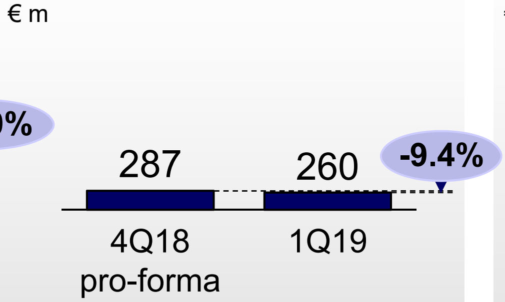
Personnel Expenses



Other Administrative Expenses



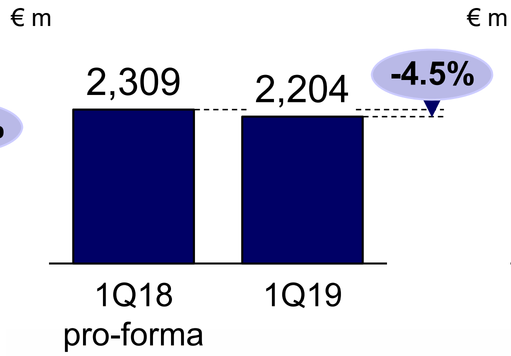
Adjustments



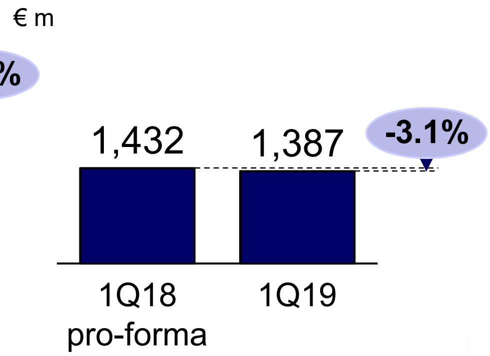
- **Strong decrease vs Q4, a quarter affected by seasonal year-end effect**
- **~1,300 headcount reduction in Q1**

Yearly Analysis

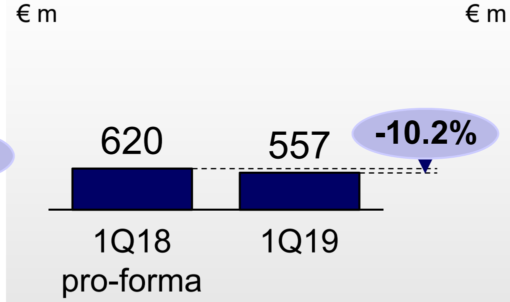
Operating Costs



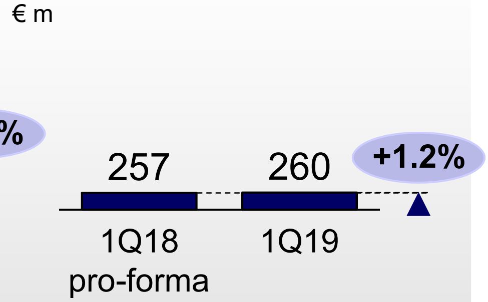
Personnel Expenses



Other Administrative Expenses



Adjustments

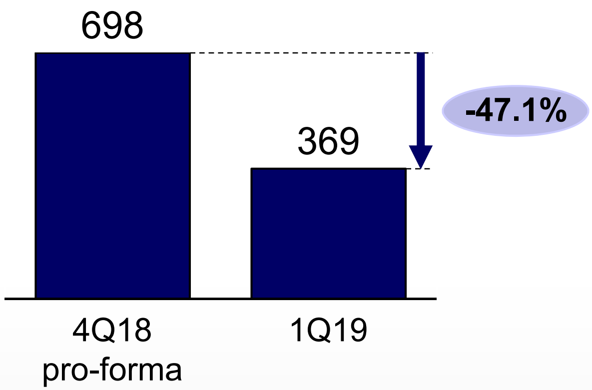


- **Cost/Income ratio down to 50.2% (vs 53.0% in FY18 pro-forma)**
- **~4,500 headcount reduction**

Net Adjustments to Loans: Significant Reduction Coupled with Strong Decrease in NPL Stock and Inflow

Quarterly Analysis

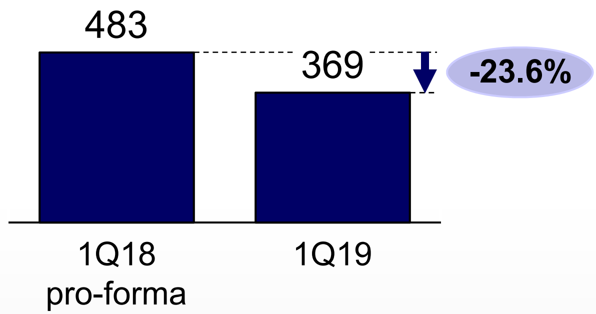
€ m



- Fourteenth consecutive quarterly reduction in NPL stock
- The lowest ever Q1 NPL inflow
- €1bn NPL deleveraging in Q1

Yearly Analysis

€ m



- Lowest Net adjustments to loans since 2008 with increased NPL coverage at 54.1% (vs 52.7% as at 31.3.18[1])
- Annualised cost of credit down to 37bps (vs 61bps in FY18 pro-forma)
- €15.1bn NPL deleveraging on a yearly basis (€29bn since the peak of 30.9.15)

(1) Pro-forma including Intrum agreement

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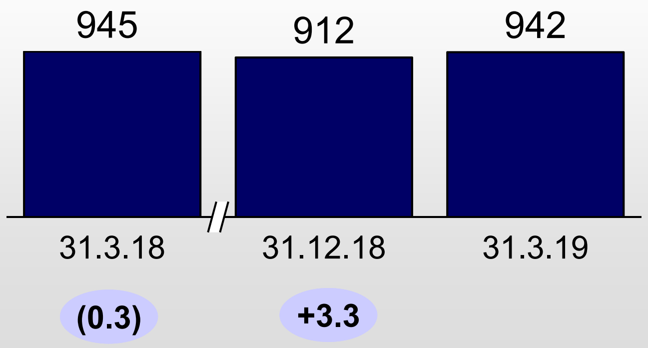
Contents

€30bn Growth in Customer Financial Assets vs Q4

% Δ 31.3.19 vs 31.12.18 and 31.3.18

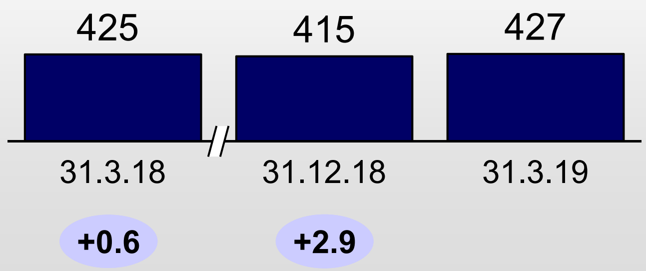
Customer Financial Assets[1]

€ bn



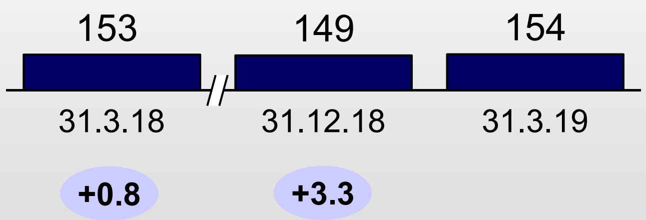
Direct Deposits from Banking Business

€ bn



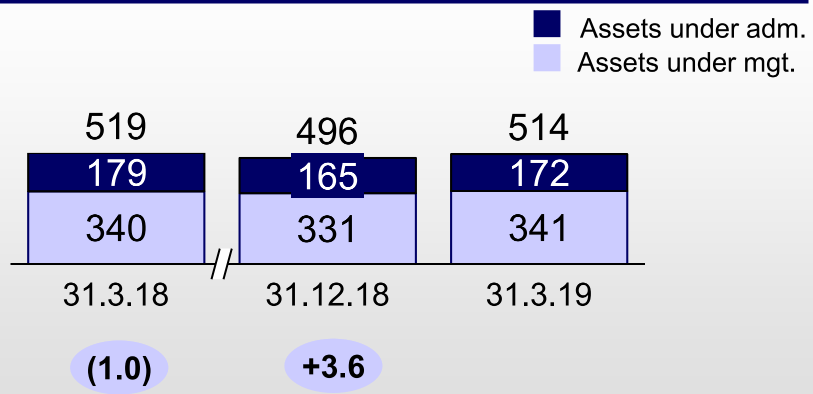
Direct Deposits from Insurance Business and Technical Reserves

€ bn



Indirect Customer Deposits

€ bn



- **€10.6bn increase in AuM in Q1**

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

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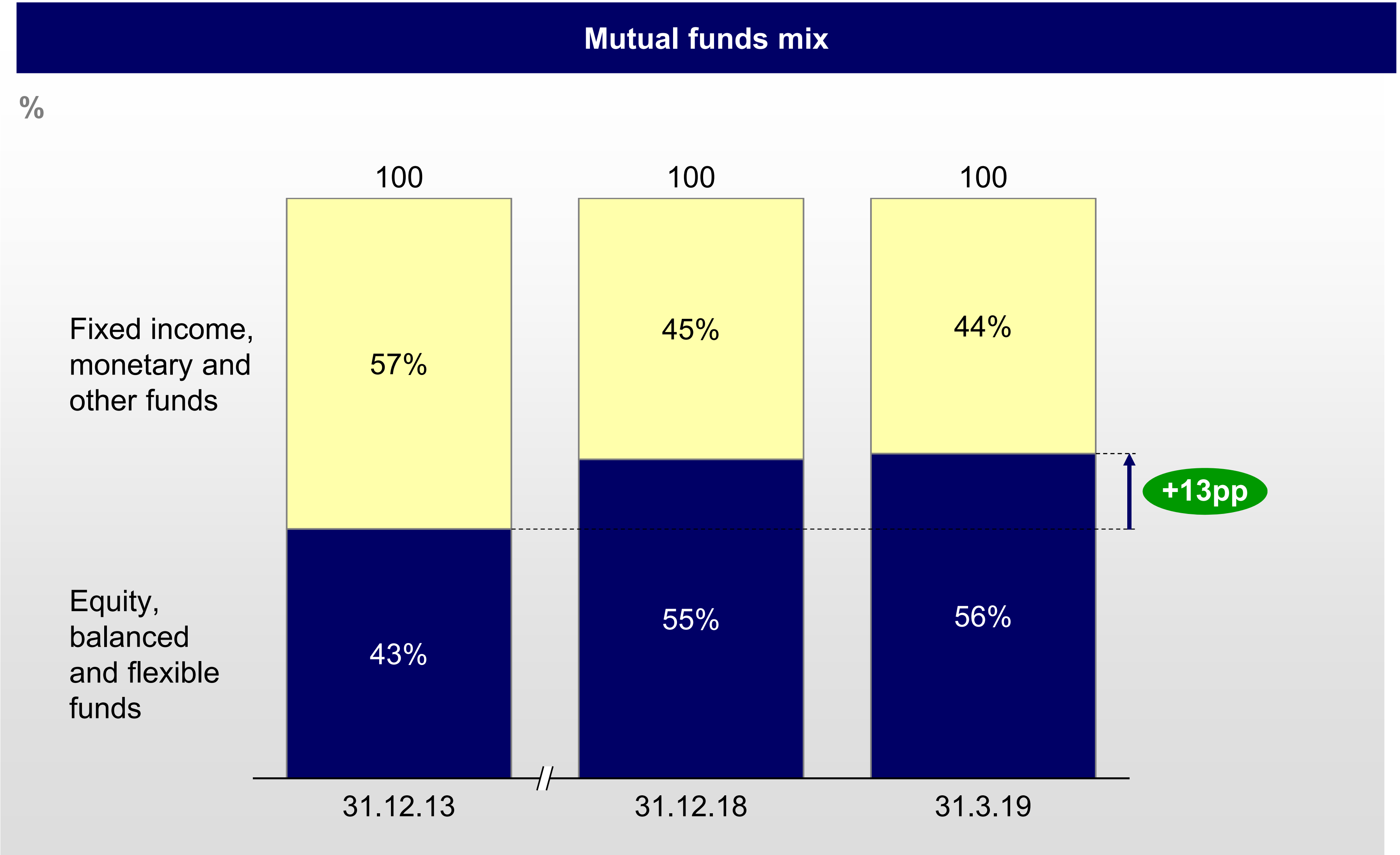
Mutual Funds Mix

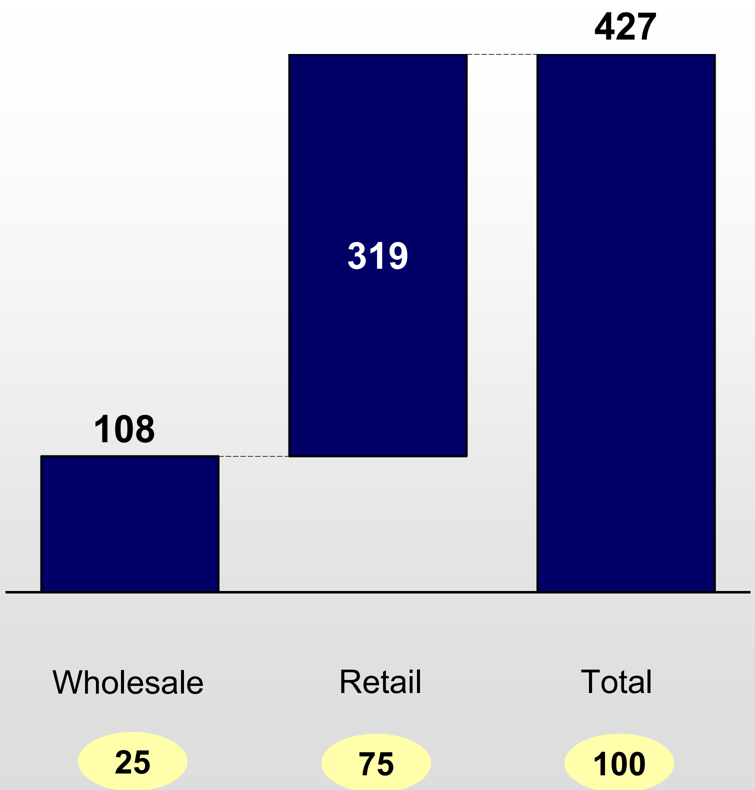


Funding Mix

Breakdown of Direct Deposits from Banking Business

€ bn; 31.3.19

% Percentage of total



	Wholesale	Retail
Current accounts and deposits	8	287
Repos and securities lending	28	-
Senior bonds	35	11[1]
Covered bonds	13	-
EMTN puttable	4	-
Certificates of deposit + Commercial papers	10	-
Subordinated liabilities	9	Placed with Private Banking clients: 2
Other deposits	1	19[2]

Retail funding represents 75% of Direct deposits from banking business

Note: figures may not add up exactly due to rounding
(1) 36% placed with Private Banking clients
(2) Including Certificates

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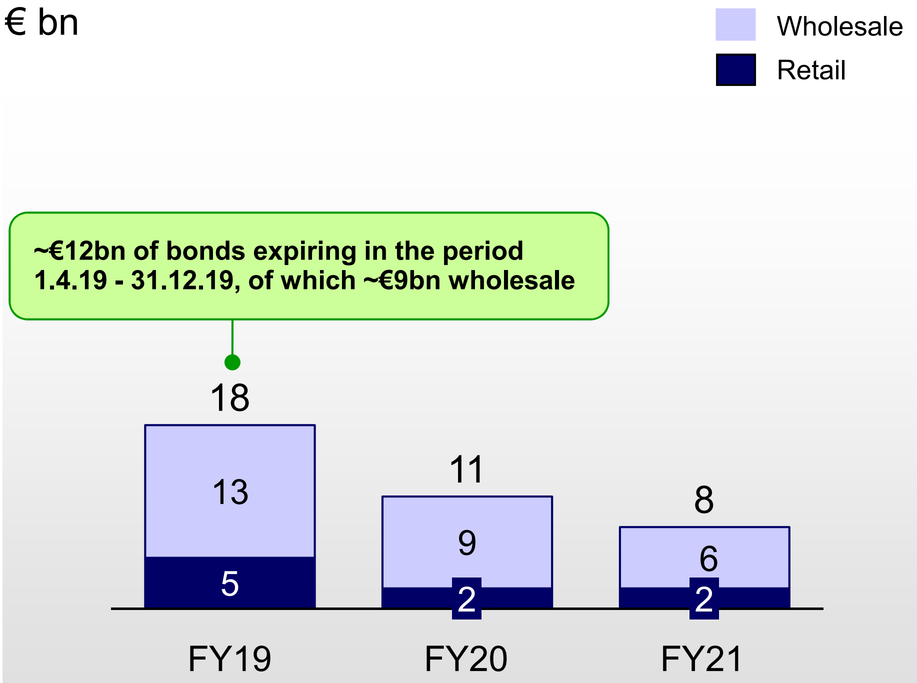
Strong Funding Capability: Broad Access to International Markets

2019-2021 MLT Maturities



ISP Main Wholesale Issues

2018

- **$2.5bn senior unsecured, JPY46.6bn senior unsecured, €2.25bn senior unsecured and €1bn covered bonds placed. On average 89% demand from foreign investors; targets exceeded by 137%**
  - **January: $2.5bn triple-tranche senior unsecured issue split between $1bn 5y, $1bn 10y and $500m 30y**
  - **February: inaugural senior unsecured Tokyo Pro-Bond for a total of JPY46.6bn, the first Pro-Bond transaction for an Italian issuer, split between 3y-5y-10y-15y tranches**
  - **March: €1.25bn 10y senior unsecured issue**
  - **July: €1bn 7y covered bonds backed by residential mortgages**
  - **August: €1bn 5y senior unsecured issue**

2019

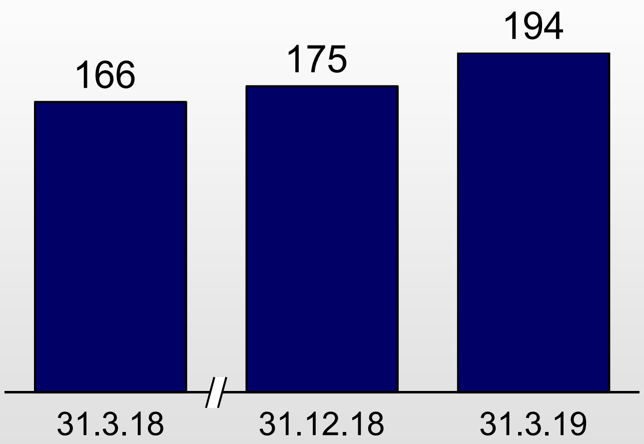
- **€1bn covered bonds and JPY13.2bn senior unsecured placed. On average 91% demand from foreign investors; targets exceeded by 163%**
  - **February: €1bn covered bonds backed by residential mortgages**
  - **March: second senior unsecured Tokyo Pro-Bond transaction for a total of JPY13.2bn split between 3y and 15y tranches**

Note: figures may not add up exactly due to rounding

High Liquidity: LCR and NSFR Well Above Regulatory Requirements

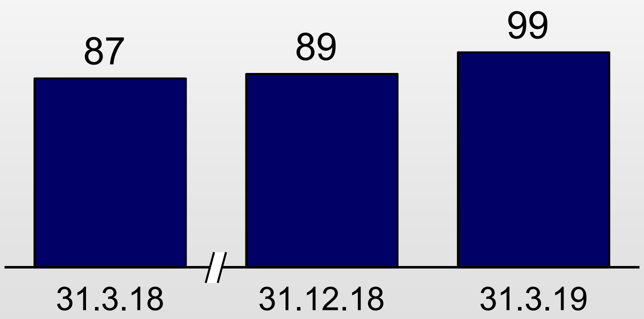
Liquid assets(1)

€ bn



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

€ bn

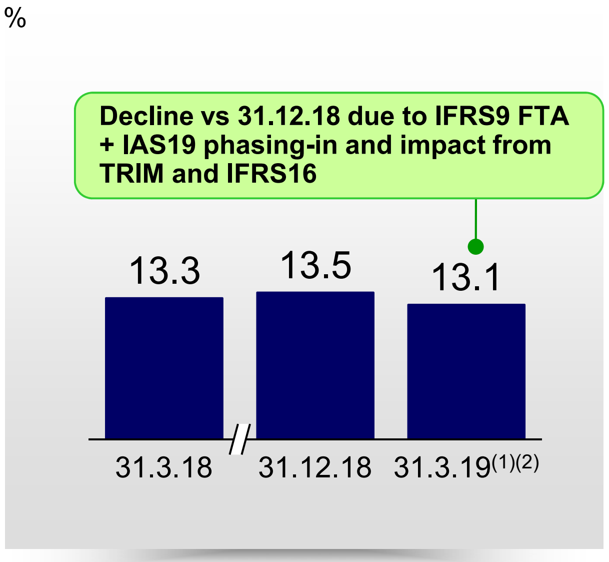


- **TLTRO II: €60.5bn(3)**
- **Loan to Deposit ratio(4) at 93%**

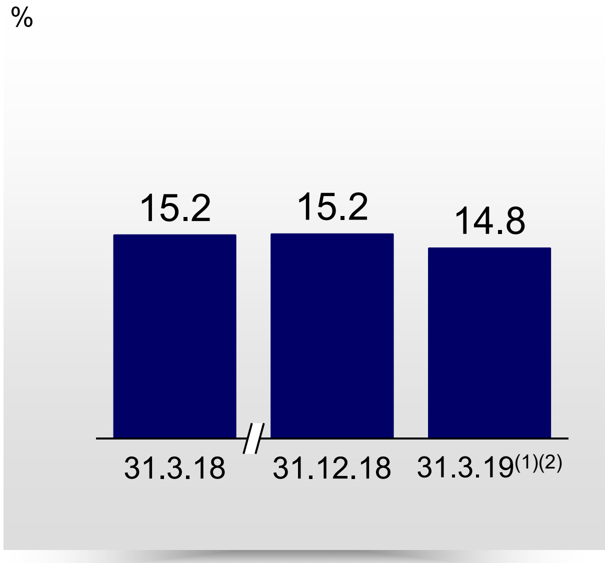
(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks
(2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash & deposits with Central Banks
(3) In June 2016: ~€36bn against a repayment of the €27.6bn borrowed under TLTRO I, in September 2016: ~€5bn, in December 2016: ~€3.5bn and in March 2017: €12bn. Including the TLTRO II taken by the two former Venetian banks (~€7.1bn split between ~€6.8bn in June 2016 and €300m in December 2016). In 2Q18: ~€2.5bn mandatory early repayment related to the two former Venetian Banks
(4) Loans to Customers/Direct Deposits from Banking Business

Solid Capital Base

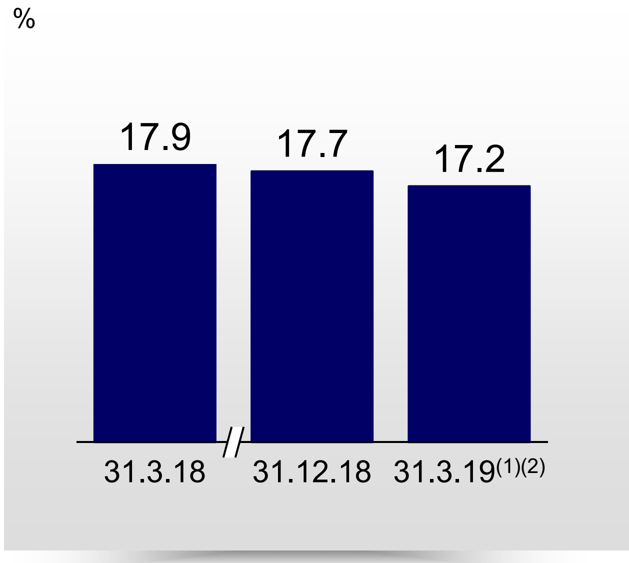
Phased-in Common Equity Ratio



Phased-in Tier 1 Ratio



Phased-in Total Capital Ratio



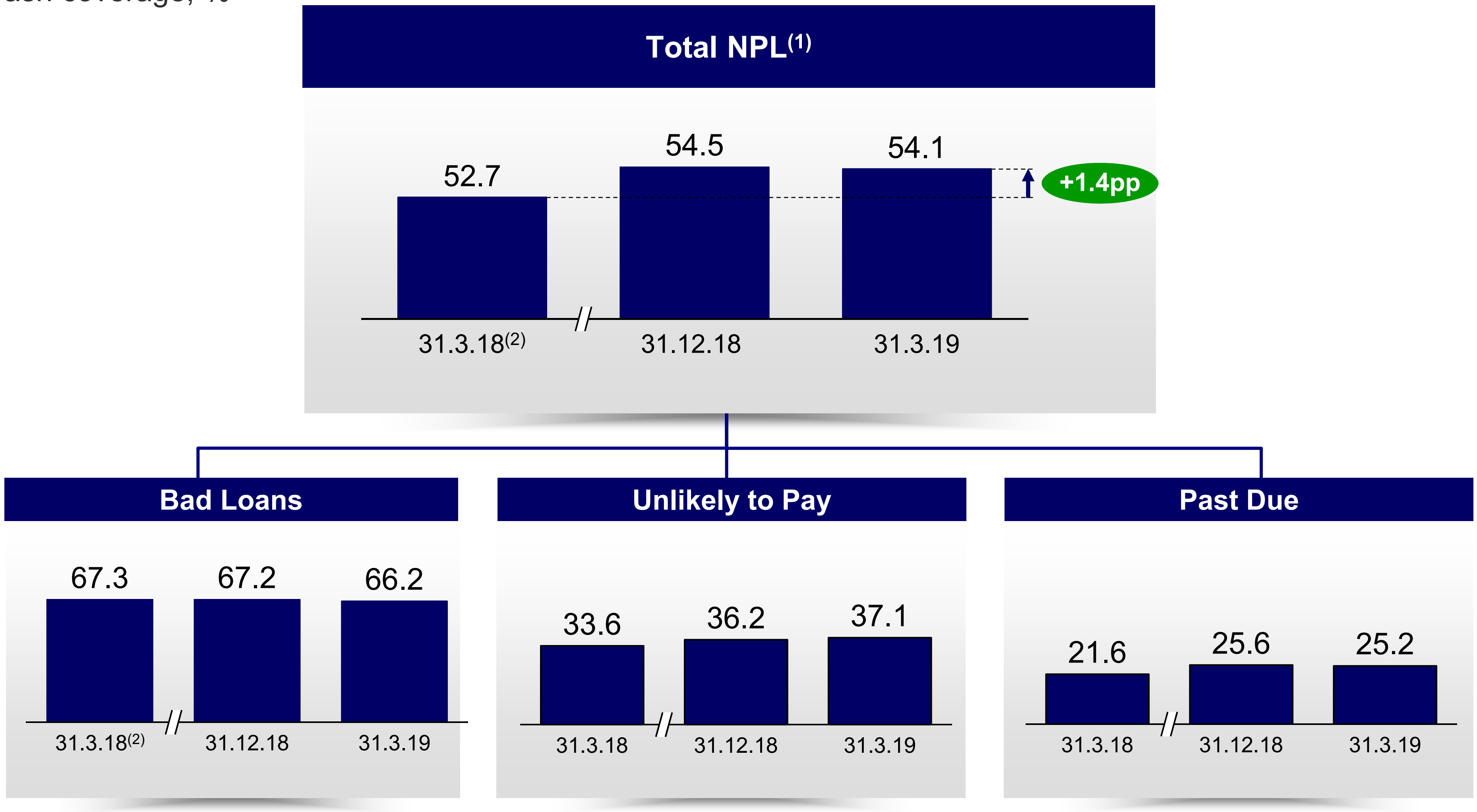
- **13.5% pro-forma fully loaded Common Equity ratio[3]**
- **6.0% leverage ratio**

(1) Considering the impact from TRIM and IFRS16 in 1Q19 (~20bps) and IFRS9 FTA + IAS19 phasing-in (impact of ~20bps in 1Q19)
(2) After the deduction of accrued dividends, assumed equal to 80% of the Net income for the period, and coupons accrued on the Additional Tier 1 issues
(3) Pro-forma fully loaded Basel 3 (31.3.19 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected absorption of DTA on losses carried forward and the expected distribution of 1Q19 Net income of insurance companies exceeding reserves already distributed in the quarter)

Contents

Non-performing Loans: Sizeable Coverage

Cash coverage; %

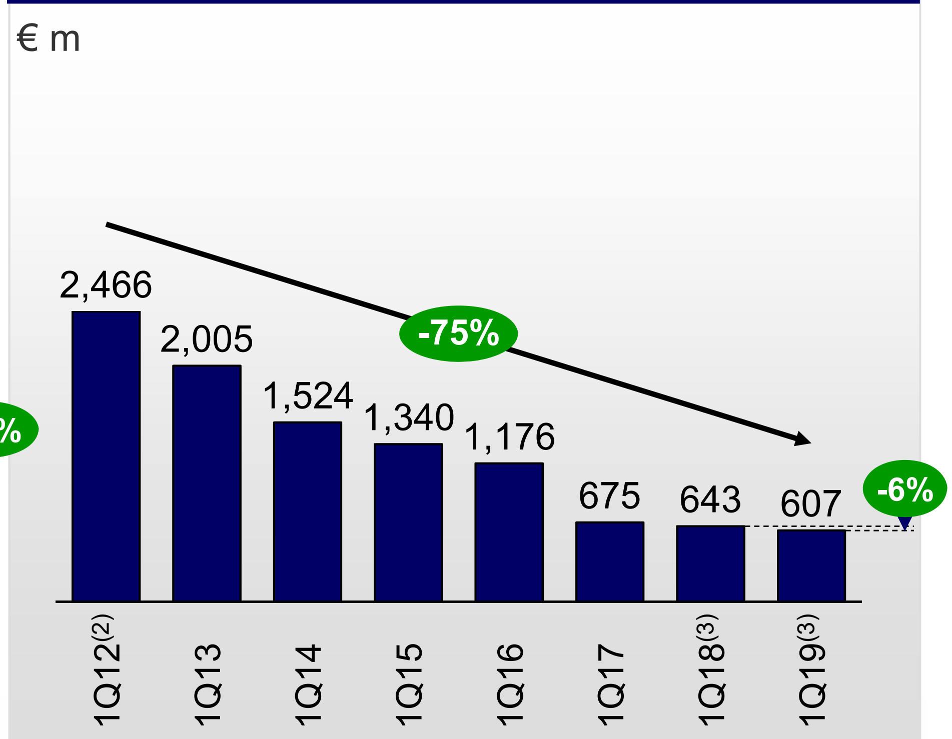


(1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)
(2) Pro-forma including Intrum agreement

Non-performing Loans: Lowest Ever Q1 Inflows

Gross inflow of new NPL(1) from Performing Loans

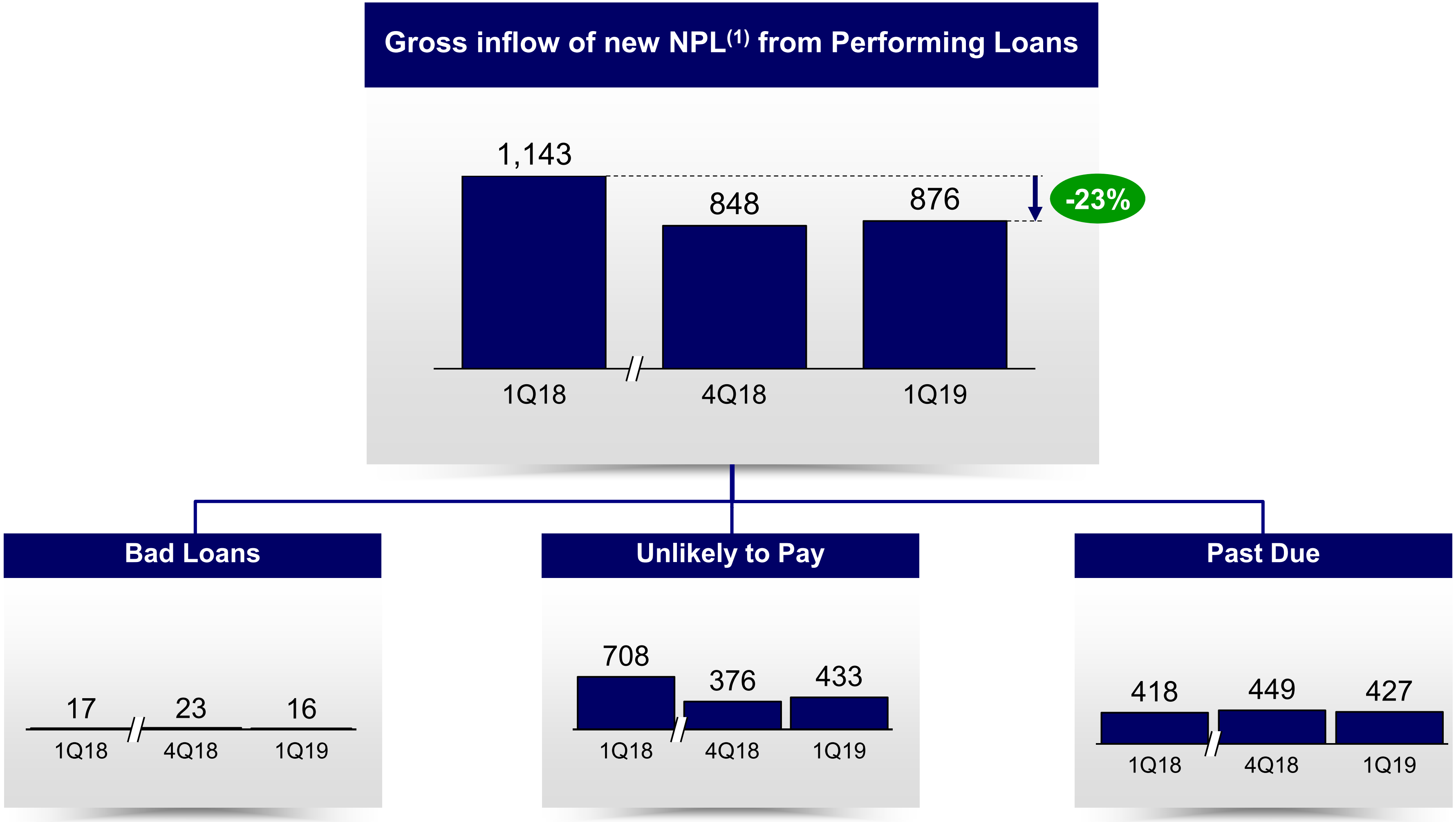
Net inflow of new NPL(1) from Performing Loans



(1) Bad 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 the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)
(3) Including the contribution of the two former Venetian banks

Non-performing Loans: Lowest Ever Q1 Gross Inflow

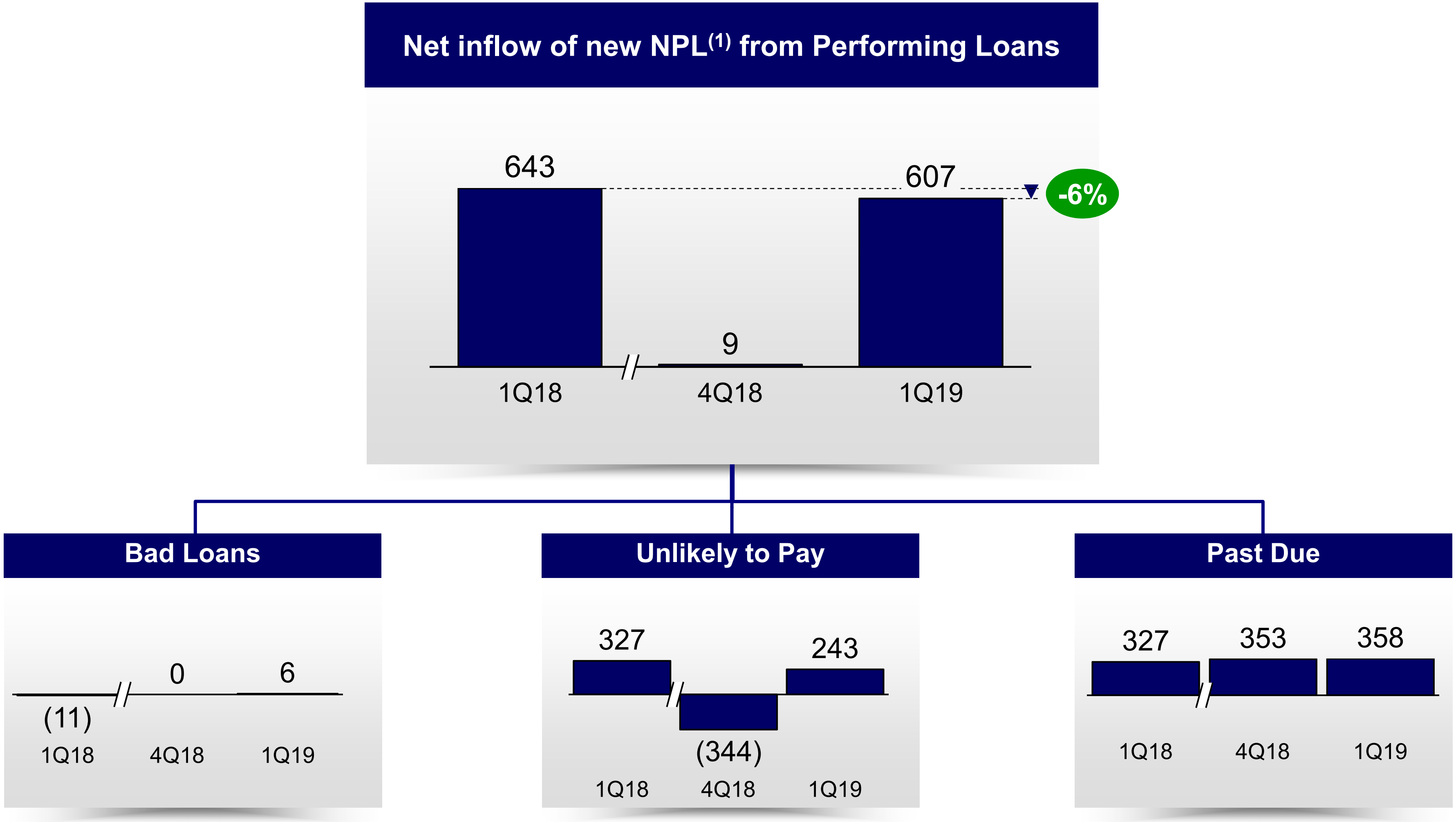
€ m



Note: figures may not add up exactly due to rounding
(1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

Non-performing Loans: Lowest Ever Q1 Net Inflow

€ m



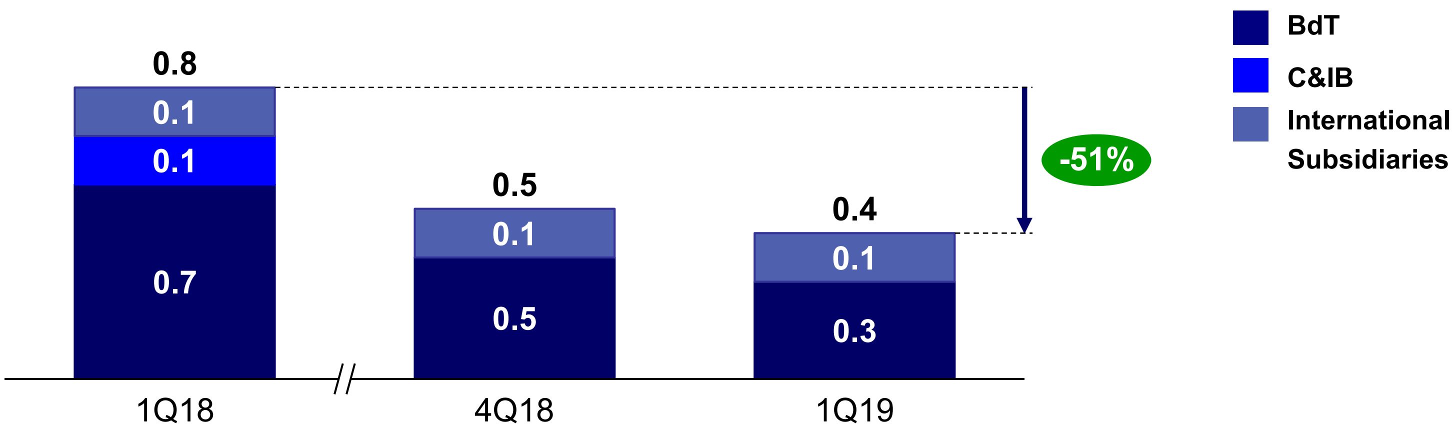
Note: figures may not add up exactly due to rounding

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

New Bad Loans: Decrease in Gross Inflow

€ bn

Group's new Bad Loans(1) gross inflow



BdT's new Bad Loans(1) gross inflow

	1Q18	4Q18	1Q19
Total	**0.7**	**0.5**	**0.3**
Mediocredito Italiano(2)	0.1	0.1	0.1
Households	0.2	0.1	0.1
SMEs	0.4	0.3	0.2

C&IB's new Bad Loans(1) gross inflow

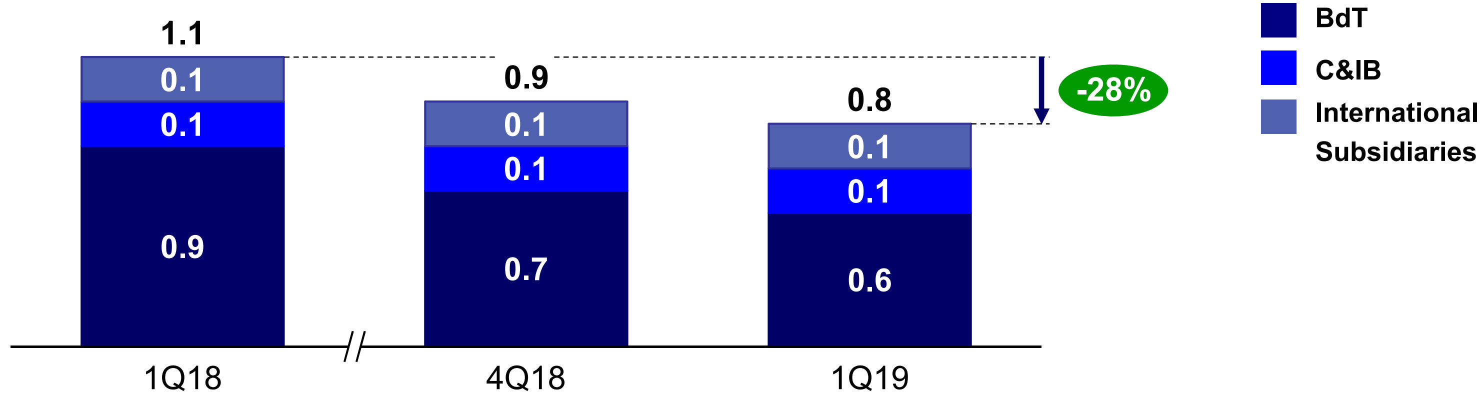
	1Q18	4Q18	1Q19
Total	**0.1**	**-**	**-**
Banca IMI(3)	-	-	-
Global Corporate	0.1	-	-
International	-	-	-
Financial Institutions	-	-	-

Note: figures may not add up exactly due to rounding
(1) *Sofferenze*
(2) Industrial Credit, Factoring and Leasing
(3) Capital Markets and Investment Banking

New Unlikely to Pay: Decrease in Gross Inflow

€ bn

Group's gross inflow of new Unlikely to Pay



BdT's gross inflow of new Unlikely to Pay

	1Q18	4Q18	1Q19
Total	**0.9**	**0.7**	**0.6**
Mediocredito Italiano[1]	0.1	0.1	0.1
Households	0.3	0.3	0.2
SMEs	0.5	0.3	0.3

C&IB's gross inflow of new Unlikely to Pay

	1Q18	4Q18	1Q19
Total	**0.1**	**0.1**	**0.1**
Banca IMI[2]	-	-	-
Global Corporate	-	0.1	-
International	-	-	-
Financial Institutions	-	-	-

Note: figures may not add up exactly due to rounding
(1) Industrial Credit, Factoring and Leasing
(2) Capital Markets and Investment Banking

Non-performing Loans: Fourteenth Consecutive Quarterly Decline in Stock with an Annual Gross Reduction of €15.1bn

Gross NPL

€ bn	31.3.18	31.12.18	31.3.19
Bad Loans	33.6	21.7	21.0
- of which forborne	*3.0*	*2.6*	*2.6*
Unlikely to pay	16.5	14.3	14.0
- of which forborne	*8.0*	*6.5*	*6.3*
Past Due	0.5	0.5	0.5
- of which forborne	-	-	-
Total	**50.6**	**36.5**	**35.5**

Net NPL

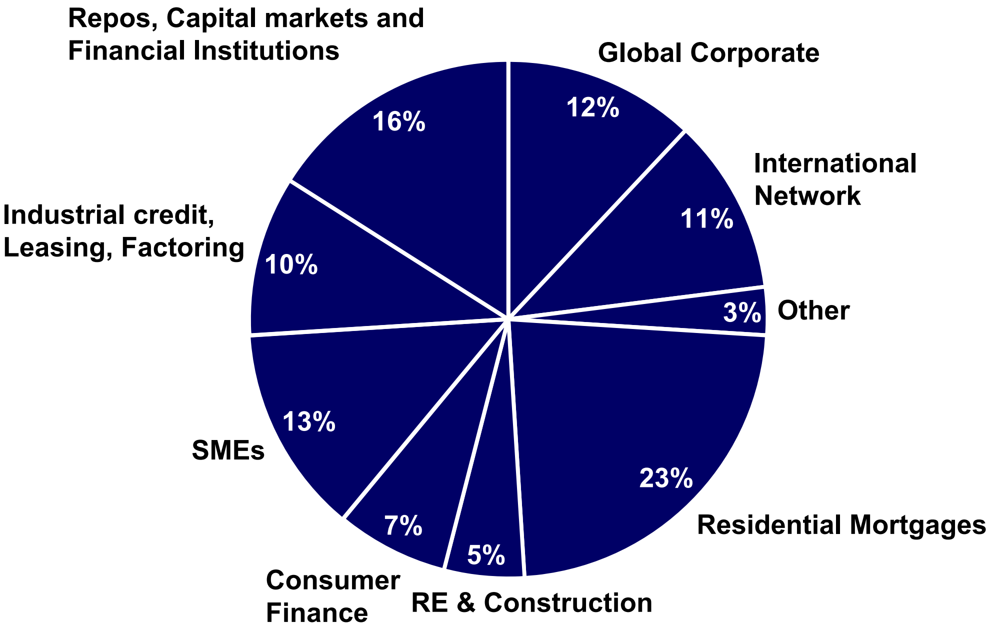
€ bn	31.3.18	31.12.18	31.3.19
Bad Loans	10.6	7.1	7.1
- of which forborne	*1.1*	*1.0*	*1.0*
Unlikely to pay	11.0	9.1	8.8
- of which forborne	*5.5*	*4.4*	*4.2*
Past Due	0.4	0.4	0.4
- of which forborne	-	-	-
Total	**21.9**	**16.6**	**16.3**

- **64% of 2018-2021 Business Plan deleveraging target already achieved**
- **€29bn deleveraging since the peak of 30.9.15, leading to the lowest NPL stock since 2009**

Note: figures may not add up exactly due to rounding

Loans to Customers: A Well-diversified Portfolio

Breakdown by business area
(Data as at 31.3.19)



- **Low risk profile of residential mortgage portfolio**
  - Instalment/available income ratio at 32%
  - Average Loan-to-Value equal to 56%
  - Original average maturity equal to ~23 years
  - Residual average life equal to ~18 years

Breakdown by economic business sector

	31.3.19
Loans of the Italian banks and companies of the Group	
Households	**29.0%**
Public Administration	**1.9%**
Financial companies	**12.3%**
Non-financial companies	**32.3%**
of which:	
SERVICES	6.2%
DISTRIBUTION	5.4%
REAL ESTATE	3.5%
UTILITIES	2.4%
CONSTRUCTION	2.0%
METALS AND METAL PRODUCTS	1.7%
AGRICULTURE	1.5%
FOOD AND DRINK	1.3%
TRANSPORT	1.3%
MECHANICAL	1.0%
INTERMEDIATE INDUSTRIAL PRODUCTS	0.9%
FASHION	0.9%
ELECTROTECHNICAL AND ELECTRONIC	0.6%
TRANSPORTATION MEANS	0.5%
HOLDING AND OTHER	0.4%
ENERGY AND EXTRACTION	0.3%
BASE AND INTERMEDIATE CHEMICALS	0.3%
MATERIALS FOR CONSTRUCTION	0.3%
PUBLISHING AND PRINTING	0.3%
INFRASTRUCTURE	0.3%
NON-CLASSIFIED UNITS	0.3%
FURNITURE	0.2%
PHARMACEUTICAL	0.2%
OTHER CONSUMPTION GOODS	0.2%
MASS CONSUMPTION GOODS	0.1%
WHITE GOODS	0.0%
Rest of the world	**9.5%**
Loans of international banks and companies of the Group	**10.8%**
Non-performing loans	**4.1%**
TOTAL	**100.0%**

Note: figures may not add up exactly due to rounding

Contents

Divisional Financial Highlights

Data as at 31.3.19

	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)	2,202	840	482	488	180	264	(67)	4,389
Operating Margin (€ m)	969	587	244	340	144	219	(318)	2,185
Net Income (€ m)	459	363	181	232	117	157	(459)	1,050
Cost/Income (%)	56.0	30.1	49.4	30.3	20.0	17.0	n.m.	50.2
RWA (€ bn)	90.5	91.5	31.5	8.0	1.0	0.0	61.1	283.6
Direct Deposits from Banking Business (€ bn)	193.9	112.5	40.4	33.1	0.0	0.0	47.3	427.2
Loans to Customers (€ bn)	209.0	113.0	31.9	9.3	0.2	0.0	32.1	395.6

Note: figures may not add up exactly due to rounding
(1) Excluding the Russian subsidiary Banca Intesa included in C&IB
(2) Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) Morval, and Siref Fiduciaria
(3) Eurizon
(4) Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita
(5) Treasury Department, Central Structures and consolidation adjustments

Banca dei Territori: Q1 vs Q1

€ m

	1Q18 Pro-forma	1Q19	Δ%
Net interest income	1,184	1,099	(7.2)
Net fee and commission income	1,182	1,081	(8.5)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	18	18	0.0
Other operating income (expenses)	7	4	(42.9)
Operating income	**2,391**	**2,202**	**(7.9)**
Personnel expenses	(829)	(782)	(5.7)
Other administrative expenses	(511)	(448)	(12.3)
Adjustments to property, equipment and intangible assets	(3)	(3)	0.0
Operating costs	**(1,343)**	**(1,233)**	**(8.2)**
Operating margin	**1,048**	**969**	**(7.5)**
Net adjustments to loans	(363)	(224)	(38.3)
Net provisions and net impairment losses on other assets	(22)	(16)	(27.3)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**663**	**729**	**10.0**
Taxes on income	(242)	(264)	9.1
Charges (net of tax) for integration and exit incentives	(2)	(6)	200.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**419**	**459**	**9.5**

Note: figures may not add up exactly due to rounding

Banca dei Territori: Q1 vs Q4

€ m

	4Q18 Pro-forma	1Q19	Δ%
Net interest income	1,116	1,099	(1.5)
Net fee and commission income	1,122	1,081	(3.6)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	19	18	(6.6)
Other operating income (expenses)	8	4	(47.7)
Operating income	**2,264**	**2,202**	**(2.8)**
Personnel expenses	(819)	(782)	(4.5)
Other administrative expenses	(540)	(448)	(17.0)
Adjustments to property, equipment and intangible assets	(3)	(3)	0.1
Operating costs	**(1,361)**	**(1,233)**	**(9.4)**
Operating margin	**903**	**969**	**7.3**
Net adjustments to loans	(298)	(224)	(24.8)
Net provisions and net impairment losses on other assets	(14)	(16)	11.8
Other income (expenses)	(0)	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**591**	**729**	**23.4**
Taxes on income	(211)	(264)	25.1
Charges (net of tax) for integration and exit incentives	(6)	(6)	(2.3)
Effect of purchase price allocation (net of tax)	(1)	0	(100.0)
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**373**	**459**	**23.1**

Note: figures may not add up exactly due to rounding

Corporate and Investment Banking: Q1 vs Q1

€ m

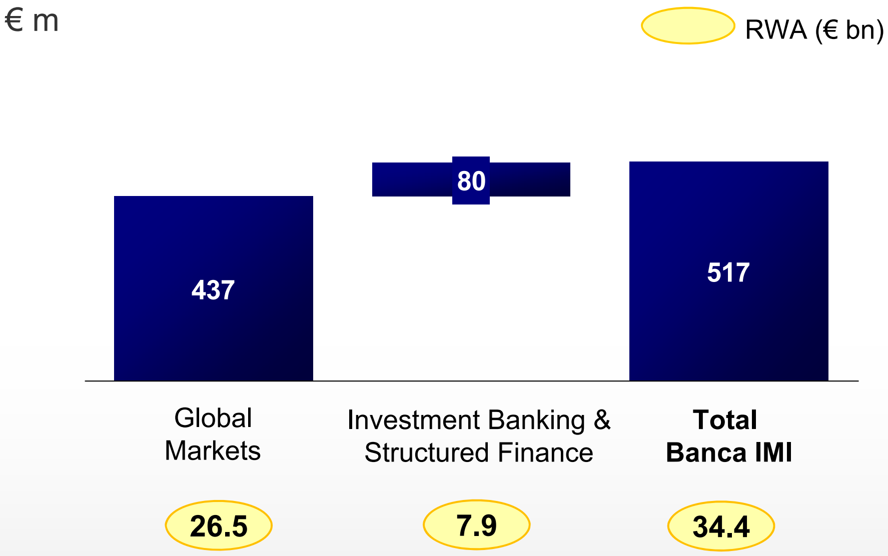
	1Q18 Pro-forma	1Q19	Δ%
Net interest income	402	437	8.7
Net fee and commission income	227	220	(3.1)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	530	183	(65.5)
Other operating income (expenses)	2	0	(100.0)
Operating income	**1,161**	**840**	**(27.6)**
Personnel expenses	(101)	(102)	1.0
Other administrative expenses	(145)	(144)	(0.7)
Adjustments to property, equipment and intangible assets	(8)	(7)	(12.5)
Operating costs	**(254)**	**(253)**	**(0.4)**
Operating margin	**907**	**587**	**(35.3)**
Net adjustments to loans	(28)	(41)	46.4
Net provisions and net impairment losses on other assets	(6)	(10)	66.7
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**873**	**536**	**(38.6)**
Taxes on income	(204)	(172)	(15.7)
Charges (net of tax) for integration and exit incentives	0	(1)	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**669**	**363**	**(45.7)**

Note: figures may not add up exactly due to rounding

Banca IMI: A Significant Contribution to Group Results

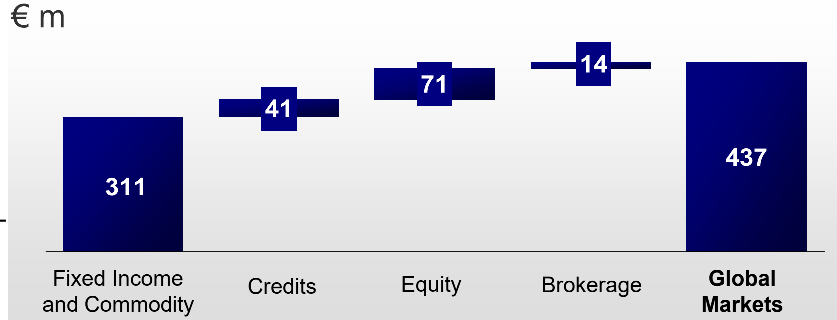
1Q19 Results

Banca IMI Operating Income[1]

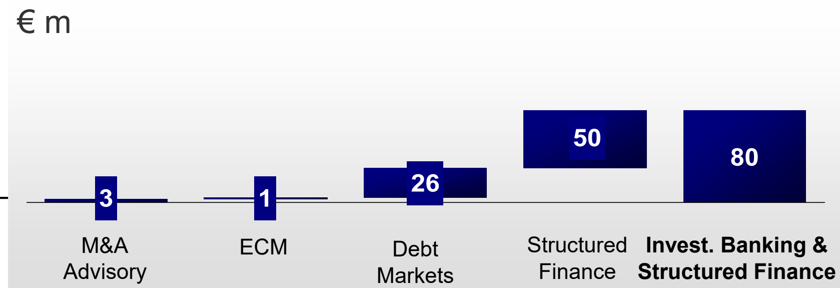


- ~48% of Operating income is customer driven
- Q1 average VaR at ~€160m
- Cost/Income ratio at 22.5%
- Q1 Net income at ~€240m

of which: Global Markets



of which: Investment Banking & Structured Finance



Note: figures may not add up exactly due to rounding
(1) Banca IMI S.p.A. and its subsidiaries

Corporate and Investment Banking: Q1 vs Q4

€ m

	4Q18 Pro-forma	1Q19	∆%
Net interest income	397	437	10.0
Net fee and commission income	299	220	(26.3)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	112	183	63.2
Other operating income (expenses)	4	0	(100.0)
Operating income	**812**	**840**	**3.5**
Personnel expenses	(129)	(102)	(20.6)
Other administrative expenses	(166)	(144)	(13.2)
Adjustments to property, equipment and intangible assets	(7)	(7)	0.0
Operating costs	**(302)**	**(253)**	**(16.1)**
Operating margin	**510**	**587**	**15.0**
Net adjustments to loans	(97)	(41)	(57.5)
Net provisions and net impairment losses on other assets	0	(10)	n.m.
Other income (expenses)	(0)	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**414**	**536**	**29.5**
Taxes on income	(125)	(172)	37.2
Charges (net of tax) for integration and exit incentives	(4)	(1)	(77.2)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**284**	**363**	**27.7**

Note: figures may not add up exactly due to rounding

International Subsidiary Banks: Q1 vs Q1

€ m

	1Q18 Pro-forma	1Q19	Δ%
Net interest income	317	338	6.6
Net fee and commission income	121	128	5.8
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	51	22	(56.9)
Other operating income (expenses)	(4)	(6)	50.0
Operating income	**485**	**482**	**(0.6)**
Personnel expenses	(129)	(131)	1.6
Other administrative expenses	(80)	(81)	1.3
Adjustments to property, equipment and intangible assets	(28)	(26)	(7.1)
Operating costs	**(237)**	**(238)**	**0.4**
Operating margin	**248**	**244**	**(1.6)**
Net adjustments to loans	10	(6)	n.m.
Net provisions and net impairment losses on other assets	(16)	4	n.m.
Other income (expenses)	1	0	(100.0)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**243**	**242**	**(0.4)**
Taxes on income	(58)	(54)	(6.9)
Charges (net of tax) for integration and exit incentives	(4)	(7)	75.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	1	0	(100.0)
Net income	**182**	**181**	**(0.5)**

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa included in C&IB

International Subsidiary Banks: Q1 vs Q4

€ m

	4Q18 Pro-forma	1Q19	∆%
Net interest income	345	338	(2.0)
Net fee and commission income	134	128	(4.6)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	31	22	(29.9)
Other operating income (expenses)	(7)	(6)	(16.1)
Operating income	**503**	**482**	**(4.2)**
Personnel expenses	(137)	(131)	(4.5)
Other administrative expenses	(88)	(81)	(8.0)
Adjustments to property, equipment and intangible assets	(27)	(26)	(4.9)
Operating costs	**(253)**	**(238)**	**(5.7)**
Operating margin	**251**	**244**	**(2.7)**
Net adjustments to loans	(61)	(6)	(90.1)
Net provisions and net impairment losses on other assets	(37)	4	n.m.
Other income (expenses)	4	0	(100.0)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**158**	**242**	**53.2**
Taxes on income	(5)	(54)	961.9
Charges (net of tax) for integration and exit incentives	(20)	(7)	(64.9)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	(2)	0	n.m.
Minority interests	1	0	(100.0)
Net income	**132**	**181**	**36.7**

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa included in C&IB

Private Banking: Q1 vs Q1

€ m

	1Q18 Pro-forma	1Q19	Δ%
Net interest income	38	44	15.8
Net fee and commission income	437	421	(3.7)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	7	23	228.6
Other operating income (expenses)	3	0	(100.0)
Operating income	**485**	**488**	**0.6**
Personnel expenses	(86)	(89)	3.5
Other administrative expenses	(46)	(45)	(2.2)
Adjustments to property, equipment and intangible assets	(11)	(14)	27.3
Operating costs	**(143)**	**(148)**	**3.5**
Operating margin	**342**	**340**	**(0.6)**
Net adjustments to loans	0	(3)	n.m.
Net provisions and net impairment losses on other assets	(1)	(16)	n.m.
Other income (expenses)	8	9	12.5
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**349**	**330**	**(5.4)**
Taxes on income	(103)	(94)	(8.7)
Charges (net of tax) for integration and exit incentives	(4)	(4)	0.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**242**	**232**	**(4.1)**

Note: figures may not add up exactly due to rounding

Private Banking: Q1 vs Q4

€ m

	4Q18 Pro-forma	1Q19	Δ%
Net interest income	39	44	11.8
Net fee and commission income	427	421	(1.3)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(6)	23	n.m.
Other operating income (expenses)	4	0	(100.0)
Operating income	**464**	**488**	**5.2**
Personnel expenses	(98)	(89)	(9.2)
Other administrative expenses	(57)	(45)	(21.6)
Adjustments to property, equipment and intangible assets	(12)	(14)	12.9
Operating costs	**(168)**	**(148)**	**(11.8)**
Operating margin	**296**	**340**	**14.8**
Net adjustments to loans	7	(3)	n.m.
Net provisions and net impairment losses on other assets	(2)	(16)	858.7
Other income (expenses)	0	9	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**302**	**330**	**9.4**
Taxes on income	(109)	(94)	(14.0)
Charges (net of tax) for integration and exit incentives	(13)	(4)	(68.1)
Effect of purchase price allocation (net of tax)	(1)	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**179**	**232**	**29.8**

Note: figures may not add up exactly due to rounding

Asset Management: Q1 vs Q1

€ m

	1Q18 Pro-forma	1Q19	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	185	167	(9.7)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(1)	3	n.m.
Other operating income (expenses)	7	10	42.9
Operating income	**191**	**180**	**(5.8)**
Personnel expenses	(19)	(18)	(5.3)
Other administrative expenses	(18)	(17)	(5.6)
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	**(38)**	**(36)**	**(5.3)**
Operating margin	**153**	**144**	**(5.9)**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**153**	**144**	**(5.9)**
Taxes on income	(29)	(27)	(6.9)
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(3)	0	n.m.
Net income	**121**	**117**	**(3.3)**

Note: figures may not add up exactly due to rounding

Asset Management: Q1 vs Q4

€ m

	4Q18 Pro-forma	1Q19	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	169	167	(1.3)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(3)	3	n.m.
Other operating income (expenses)	5	10	115.9
Operating income	**172**	**180**	**4.9**
Personnel expenses	(16)	(18)	13.9
Other administrative expenses	(20)	(17)	(14.6)
Adjustments to property, equipment and intangible assets	(1)	(1)	(26.0)
Operating costs	**(37)**	**(36)**	**(2.9)**
Operating margin	**134**	**144**	**7.1**
Net adjustments to loans	(0)	0	n.m.
Net provisions and net impairment losses on other assets	2	0	(100.0)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**136**	**144**	**5.8**
Taxes on income	(20)	(27)	31.8
Charges (net of tax) for integration and exit incentives	(0)	0	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(3)	0	(100.0)
Net income	**112**	**117**	**4.0**

Note: figures may not add up exactly due to rounding

Insurance: Q1 vs Q1

€ m

	1Q18 Pro-forma	1Q19	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	0	0	n.m.
Income from insurance business	327	266	(18.7)
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(2)	(2)	0.0
Operating income	**325**	**264**	**(18.8)**
Personnel expenses	(20)	(21)	5.0
Other administrative expenses	(20)	(21)	5.0
Adjustments to property, equipment and intangible assets	(2)	(3)	50.0
Operating costs	**(42)**	**(45)**	**7.1**
Operating margin	**283**	**219**	**(22.6)**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**283**	**219**	**(22.6)**
Taxes on income	(80)	(58)	(27.5)
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase price allocation (net of tax)	(4)	(4)	0.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**199**	**157**	**(21.1)**

Note: figures may not add up exactly due to rounding

Insurance: Q1 vs Q4

€ m

	4Q18 Pro-forma	1Q19	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	0	0	n.m.
Income from insurance business	226	266	17.7
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(5)	(2)	(58.0)
Operating income	**221**	**264**	**19.4**
Personnel expenses	(25)	(21)	(17.2)
Other administrative expenses	(29)	(21)	(26.5)
Adjustments to property, equipment and intangible assets	(2)	(3)	36.1
Operating costs	**(56)**	**(45)**	**(19.8)**
Operating margin	**165**	**219**	**32.7**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(2)	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**163**	**219**	**34.6**
Taxes on income	(48)	(58)	20.6
Charges (net of tax) for integration and exit incentives	(3)	0	(100.0)
Effect of purchase price allocation (net of tax)	(4)	(4)	0.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**108**	**157**	**45.4**

Note: figures may not add up exactly due to rounding

Quarterly P&L Analysis

€ m

	1Q18	2Q18	3Q18	4Q18	1Q19
	Pro-forma[(1)]				
Net interest income	1,853	1,838	1,844	1,736	1,756
Net fee and commission income	2,027	2,015	1,959	2,029	1,886
Income from insurance business	294	281	271	238	291
Profits on financial assets and liabilities at fair value	609	448	208	204	457
Other operating income (expenses)	30	25	(11)	(11)	(1)
Operating income	**4,813**	**4,607**	**4,271**	**4,196**	**4,389**
Personnel expenses	(1,432)	(1,447)	(1,415)	(1,519)	(1,387)
Other administrative expenses	(620)	(609)	(637)	(753)	(557)
Adjustments to property, equipment and intangible assets	(257)	(254)	(259)	(287)	(260)
Operating costs	**(2,309)**	**(2,310)**	**(2,311)**	**(2,559)**	**(2,204)**
Operating margin	**2,504**	**2,297**	**1,960**	**1,637**	**2,185**
Net adjustments to loans	(483)	(694)	(519)	(698)	(369)
Net provisions and net impairment losses on other assets	(51)	(35)	(25)	(76)	(30)
Other income (expenses)	(2)	3	(2)	507	6
Income (Loss) from discontinued operations	1	(1)	0	0	0
Gross income (loss)	**1,969**	**1,570**	**1,414**	**1,370**	**1,792**
Taxes on income	(541)	(504)	(432)	(173)	(536)
Charges (net of tax) for integration and exit incentives	(19)	(16)	(31)	(54)	(22)
Effect of purchase price allocation (net of tax)	(44)	(26)	(38)	(49)	(40)
Levies and other charges concerning the banking industry (net of tax)	(126)	(93)	(90)	(69)	(146)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	0	0
Minority interests	13	(4)	10	13	2
Net income	**1,252**	**927**	**833**	**1,038**	**1,050**

Note: figures may not add up exactly due to rounding

(1) Data restated for IFRS16, the full line-by-line consolidation of Autostrade Lombarde, and the reclassification of Risanamento operating income entirely to "Other operating income (expenses)", placement fees for certificates from "Profits on financial assets and liabilities at fair value" to "Net fee and commission income", expenses for employees transferred to Tersia (Intrum deal) to ''Other administrative expenses'', and international subsidiaries charges concerning the banking industry from ''Other operating income (expenses)'' to ''Levies and other charges concerning the banking industry (net of tax)'' and to ''Taxes on income''

Net Fee and Commission Income: Quarterly Development Breakdown

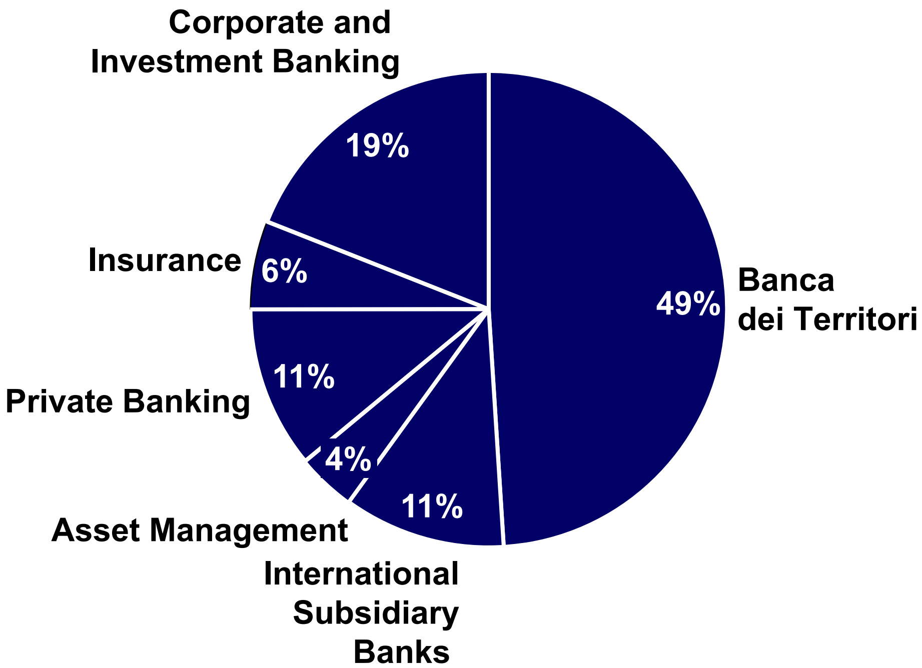
€ m

Net Fee and Commission Income	1Q18	2Q18	3Q18	4Q18	1Q19
	Pro-forma				
Guarantees given / received	60	72	76	63	55
Collection and payment services	92	117	108	127	110
Current accounts	319	313	308	320	308
Credit and debit cards	92	109	118	125	107
Commercial banking activities	**563**	**611**	**610**	**635**	**580**
Dealing and placement of securities	221	215	147	163	180
Currency dealing	12	13	12	13	12
Portfolio management	596	569	570	569	542
Distribution of insurance products	378	378	364	342	326
Other	46	38	46	48	46
Management, dealing and consultancy activities	**1,253**	**1,213**	**1,139**	**1,135**	**1,106**
Other net fee and commission income	211	191	210	259	200
Net fee and commission income	**2,027**	**2,015**	**1,959**	**2,029**	**1,886**

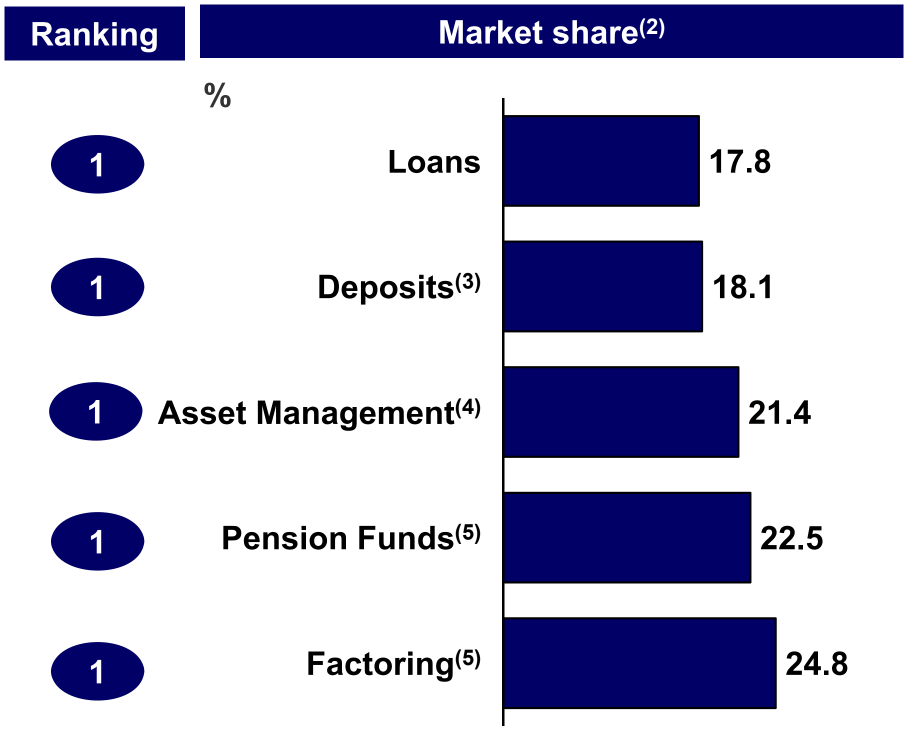
Note: figures may not add up exactly due to rounding

Market Leadership in Italy

1Q19 Operating Income Breakdown by business area[1]



Leader in Italy



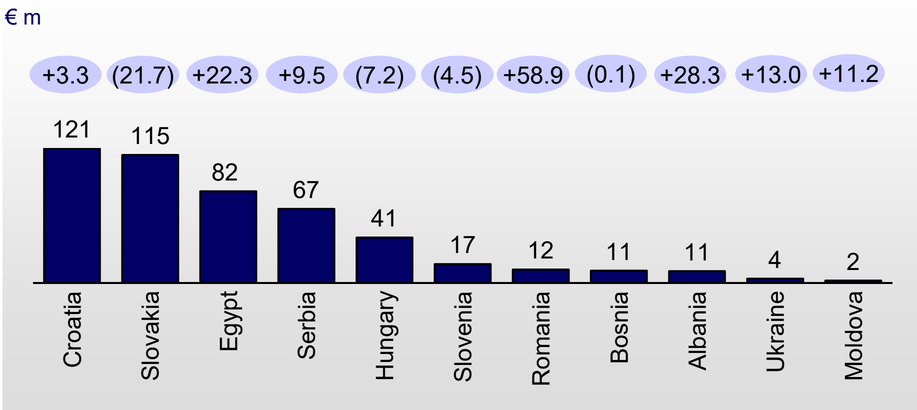
Note: figures may not add up exactly due to rounding
(1) Excluding Corporate Centre
(2) Data as at 31.3.19
(3) Including bonds
(4) Mutual funds; data as at 31.12.18
(5) Data as at 31.12.18

International Subsidiary Banks: Key P&L Data by Country

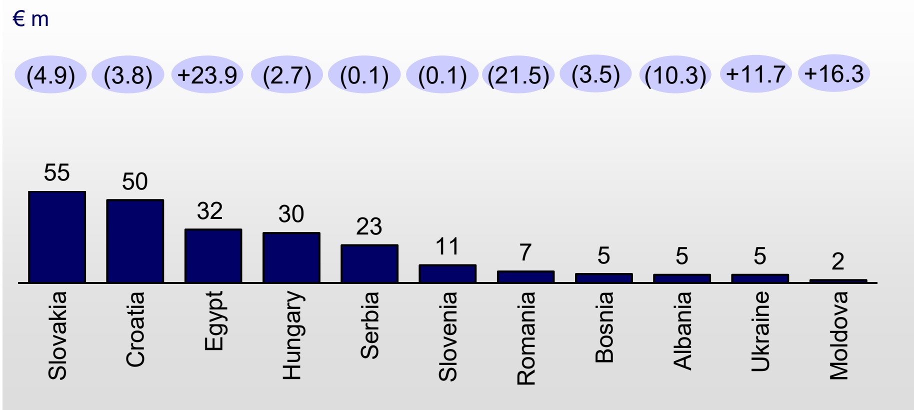
Data as at 31.3.19

(Δ% vs 1Q18 pro-forma)

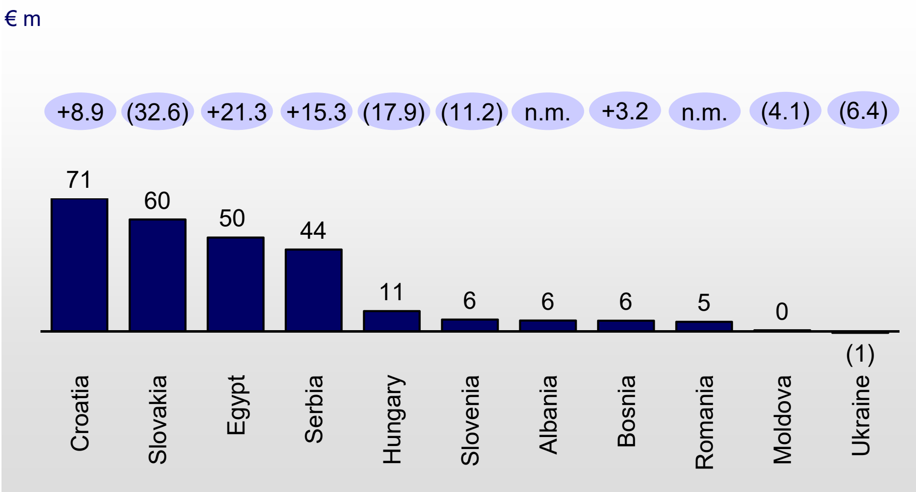
Operating Income



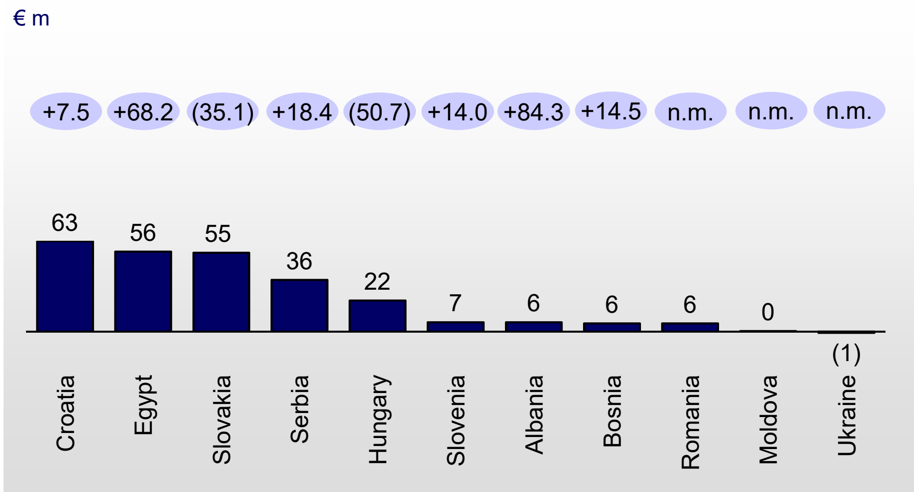
Operating Costs



Operating Margin



Gross Income



Note: excluding the Russian subsidiary Banca Intesa included in C&IB

INTESA SANPAOLO

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

Data as at 31.3.19

	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine	Total CEE	Egypt	Total
Oper. Income (€ m)	41	115	17	121	11	67	11	12	2	4	400	82	483
% of Group total	***0.9%***	***2.6%***	***0.4%***	***2.8%***	***0.3%***	***1.5%***	***0.2%***	***0.3%***	***0.0%***	***0.1%***	***9.1%***	***1.9%***	***11.0%***
Net income (€ m)	6	30	5	45	5	27	5	4	0	(1)	126	41	168
% of Group total	***0.5%***	***2.9%***	***0.5%***	***4.3%***	***0.5%***	***2.6%***	***0.5%***	***0.4%***	***0.0%***	***n.m.***	***12.0%***	***3.9%***	***16.0%***
Customer Deposits (€ bn)	4.3	14.2	2.2	8.6	0.7	3.7	1.2	0.9	0.1	0.1	36.0	4.2	40.1
% of Group total	***1.0%***	***3.3%***	***0.5%***	***2.0%***	***0.2%***	***0.9%***	***0.3%***	***0.2%***	***0.0%***	***0.0%***	***8.4%***	***1.0%***	***9.4%***
Customer Loans (€ bn)	2.7	13.9	1.7	6.6	0.8	3.0	0.4	0.8	0.0	0.0	30.0	2.0	31.9
% of Group total	***0.7%***	***3.5%***	***0.4%***	***1.7%***	***0.2%***	***0.8%***	***0.1%***	***0.2%***	***0.0%***	***0.0%***	***7.6%***	***0.5%***	***8.1%***
Total Assets (€ bn)	6.0	17.1	2.6	11.4	1.1	5.0	1.4	1.3	0.2	0.2	46.1	5.0	51.1
% of Group total	***0.7%***	***2.1%***	***0.3%***	***1.4%***	***0.1%***	***0.6%***	***0.2%***	***0.2%***	***0.0%***	***0.0%***	***5.6%***	***0.6%***	***6.2%***
Book value (€ m)	704	1,564	286	1,732	142	834	157	178	35	63	5,695	409	6,104
- goodwill/intangibles	*33*	*91*	*4*	*21*	*1*	*32*	*4*	*3*	*1*	*2*	*192*	*10*	*202*

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa included in C&IB

International Subsidiary Banks by Country: Loans Breakdown and Coverage

Data as at 31.3.19

	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine	Total CEE	Egypt	Total
Performing loans (€ bn)	2.7	13.7	1.7	6.4	0.7	3.0	0.3	0.8	0.0	0.0	**29.4**	1.9	**31.3**
of which:													
Retail local currency	40%	58%	43%	37%	30%	23%	19%	14%	46%	18%	**45%**	52%	**45%**
Retail foreign currency	0%	0%	0%	20%	16%	27%	13%	22%	0%	6%	**8%**	0%	**8%**
Corporate local currency	24%	38%	56%	15%	11%	5%	14%	33%	26%	39%	**28%**	27%	**28%**
Corporate foreign currency	36%	4%	0%	28%	42%	44%	54%	31%	28%	37%	**18%**	21%	**19%**
Bad loans(1) (€ m)	14	111	6	49	4	33	7	11	0	0	**235**	0	**235**
Unlikely to pay(2) (€ m)	56	59	26	173	4	29	7	8	1	0	**363**	43	**406**
Performing loans coverage	1.2%	0.8%	1.0%	1.9%	2.0%	1.3%	5.0%	2.0%	8.6%	0.0%	**1.3%**	1.9%	**1.3%**
Bad loans(1) coverage	77%	67%	89%	78%	83%	69%	53%	69%	n.m.	n.m.	**73%**	100%	**74%**
Unlikely to pay(2) coverage	44%	48%	50%	40%	54%	55%	36%	43%	80%	100%	**45%**	47%	**45%**
Annualised cost of credit(3) (bps)	n.m.	28	n.m.	43	n.m.	106	n.m.	n.m.	125	n.m.	**16**	n.m.	**7**

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa included in C&IB
(1) *Sofferenze*
(2) Including Past due
(3) Net adjustments to loans/Net customer loans

Common Equity Ratio as at 31.3.19: from Phased-in to Pro-forma Fully Loaded

	~€ bn	~bps
Transitional adjustments		
DTA on losses carried forward[(1)]	1.8	60
IFRS9 transitional adjustment	(2.5)	(88)
Total	**(0.8)**	**(28)**
Deductions exceeding cap[(*)]		
Total	**0.6**	**25**
[(*)] as a memo, constituents of deductions subject to cap:		
- Other DTA[(2)]	1.5	
- Investments in banking and financial companies	0.9	
- Investments in insurance companies[(3)]	4.7	
RWA from 100% weighted DTA[(4)]	**(8.2)**	**37**
Total estimated impact		**34**
Pro-forma fully loaded Common Equity ratio		**13.5%**

Note: figures may not add up exactly due to rounding
(1) Considering the expected absorption of DTA on losses carried forward (€1.5bn as at 31.3.19)
(2) Other DTA: mostly related to provisions for risks and charges, considering the total absorption of DTA related to IFSR9 FTA (€1.2bn as at 31.3.19) and DTA related to the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks (€0.5bn as at 31.3.19). 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 1Q19 Net income of insurance companies exceeding reserves already distributed in the quarter
(4) Considering the total absorption of DTA convertible into tax credit related to goodwill realignment (€4.8bn as at 31.3.19) and adjustments to loans (€3.4bn as at 31.3.19)

Total Exposure(1) by Main Countries

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business(2)	Total	
	AC	FVTOCI	FVTPL	Total			
EU Countries	**18,350**	**52,327**	**5,722**	**76,399**	**58,803**	**135,202**	**395,720**
Austria	45	43	115	203	4	207	455
Belgium	1,890	892	119	2,901	191	3,092	591
Bulgaria					81	81	29
Croatia	78	1,038	228	1,344	106	1,450	6,807
Cyprus							276
Czech Republic	9	10		19		19	704
Denmark		27	15	42	25	67	220
Estonia							1
Finland		113	92	205	40	245	131
France	2,503	5,441	714	8,658	2,036	10,694	8,395
Germany	92	2,212	-801	1,503	1,251	2,754	6,395
Greece	12		27	39		39	576
Hungary	162	1,311	158	1,631	10	1,641	2,620
Ireland	114	770	201	1,085	163	1,248	307
Italy	11,441	24,191	3,000	38,632	49,907	88,539	320,823
Latvia		8		8		8	40
Lithuania		5		5		5	11
Luxembourg	192	147	116	455	24	479	3,937
Malta							182
The Netherlands	74	684	474	1,232	846	2,078	2,283
Poland	18	87	-11	94	42	136	1,178
Portugal	382	323	153	858	8	866	187
Romania	9	262		271	201	472	978
Slovakia		206	327	533		533	12,020
Slovenia		195		195		195	1,662
Spain	1,068	13,846	656	15,570	2,426	17,996	3,522
Sweden		138	163	301	2	303	108
United Kingdom	261	378	-24	615	1,440	2,055	21,282
Albania	**439**	**23**	**1**	**463**		**463**	**399**
Egypt		**1,119**	**5**	**1,124**	**20**	**1,144**	**2,313**
Japan		**255**	**771**	**1,026**	**85**	**1,111**	**894**
Russia		**152**		**152**	**92**	**244**	**3,315**
Serbia		**601**	**40**	**641**		**641**	**3,318**
U.S.A.	**596**	**4,394**	**-155**	**4,835**	**2,787**	**7,622**	**6,188**
Other Countries	**141**	**2,951**	**1,307**	**4,399**	**2,496**	**6,895**	**17,896**
Total	**19,526**	**61,822**	**7,691**	**89,039**	**64,283**	**153,322**	**430,043**

Note: figures may not add up exactly due to rounding
(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as at 31.3.19
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Sovereign Risks[1] by Main Countries

€ m

	DEBT SECURITIES							LOANS
	Banking Business				Insurance Business[3]	Total	FVTOCI/AFS Reserve [4]	
	AC	FVTOCI	FVTPL[2]	Total				
EU Countries	**13,756**	**46,700**	**2,899**	**63,355**	**50,321**	**113,676**	**-332**	**13,112**
Austria			115	115	2	117		
Belgium	999	815	14	1,828	4	1,832	-2	
Bulgaria					62	62		
Croatia	67	1,034	170	1,271	95	1,366		1,002
Cyprus								
Czech Republic								
Denmark		9	11	20		20		
Estonia								
Finland		36	86	122	7	129		
France	2,328	4,610	436	7,374	533	7,907	-3	5
Germany		1,552	-806	746	479	1,225	-4	
Greece			27	27		27		
Hungary	12	1,276	158	1,446	10	1,456		30
Ireland		314	-1	313	112	425	-1	
Italy	8,983	21,914	1,237	32,134	47,108	79,242	-264	11,628
Latvia		8		8		8		40
Lithuania		5		5		5		
Luxembourg		25		25		25		
Malta								
The Netherlands		332	289	621	108	729		
Poland	18	58	-11	65	31	96	-1	
Portugal	376	313	89	778		778		
Romania	9	262		271	201	472	-8	9
Slovakia		167	327	494		494	1	135
Slovenia		194		194		194	2	207
Spain	964	13,685	659	15,308	1,464	16,772	-52	56
Sweden			162	162		162		
United Kingdom		91	-63	28	105	133		
Albania	**439**	**23**	**1**	**463**		**463**		**1**
Egypt		**1,119**	**5**	**1,124**	**20**	**1,144**	**25**	
Japan		**195**	**732**	**927**		**927**		
Russia		**131**		**131**		**131**	**-4**	
Serbia		**601**	**40**	**641**		**641**	**6**	**101**
U.S.A.	**25**	**3,553**	**-469**	**3,109**	**14**	**3,123**	**-33**	
Other Countries		**1,733**	**1,154**	**2,887**	**529**	**3,416**	**-4**	**2,060**
Total	**14,220**	**54,055**	**4,362**	**72,637**	**50,884**	**123,521**	**-342**	**15,274**

Banking Business Government bond duration: 4.6 years
Adjusted duration due to hedging: 0.7 years

Note: management accounts. Figures may not add up exactly due to rounding
(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as at 31.3.19
(2) Taking into account cash short positions
(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured
(4) Net of tax and allocation to insurance products under separate management

Exposure to Banks by Main Countries(1)

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business(2)	Total	
	AC	FVTOCI	FVTPL	Total			
EU Countries	**1,162**	**3,058**	**823**	**5,043**	**3,364**	**8,407**	**31,837**
Austria	35	21		56		56	204
Belgium		50	105	155	50	205	330
Bulgaria							1
Croatia			58	58		58	188
Cyprus							1
Czech Republic							
Denmark		8		8	2	10	202
Estonia							
Finland		37	4	41		41	79
France	155	510	224	889	718	1,607	6,333
Germany		443	6	449	142	591	3,135
Greece							559
Hungary	145	14		159		159	98
Ireland		75	2	77		77	41
Italy	583	1,262	331	2,176	1,352	3,528	8,823
Latvia							
Lithuania							1
Luxembourg	60	82	106	248		248	1,774
Malta							154
The Netherlands	32	161	21	214	267	481	281
Poland		29		29		29	256
Portugal		10		10		10	2
Romania							3
Slovakia		39		39		39	1
Slovenia							2
Spain	83	96	-45	134	287	421	585
Sweden		85	1	86		86	26
United Kingdom	69	136	10	215	546	761	8,758
Albania							**18**
Egypt							**210**
Japan		**10**		**10**	**54**	**64**	**58**
Russia		**21**		**21**		**21**	**84**
Serbia							**68**
U.S.A.	**261**	**439**	**270**	**970**	**1,186**	**2,156**	**1,632**
Other Countries	**69**	**1,000**	**77**	**1,146**	**842**	**1,988**	**4,428**
Total	**1,492**	**4,528**	**1,170**	**7,190**	**5,446**	**12,636**	**38,335**

Note: figures may not add up exactly due to rounding
(1) Book Value of Debt Securities and Net Loans as at 31.3.19
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Other Customers by Main Countries(1)

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business(2)	Total	
	AC	FVTOCI	FVTPL	Total			
EU Countries	**3,432**	**2,569**	**2,000**	**8,001**	**5,118**	**13,119**	**350,771**
Austria	10	22		32	2	34	251
Belgium	891	27		918	137	1,055	261
Bulgaria					19	19	28
Croatia	11	4		15	11	26	5,617
Cyprus							275
Czech Republic	9	10		19		19	704
Denmark		10	4	14	23	37	18
Estonia							1
Finland		40	2	42	33	75	52
France	20	321	54	395	785	1,180	2,057
Germany	92	217	-1	308	630	938	3,260
Greece	12			12		12	17
Hungary	5	21		26		26	2,492
Ireland	114	381	200	695	51	746	266
Italy	1,875	1,015	1,432	4,322	1,447	5,769	300,372
Latvia							
Lithuania							10
Luxembourg	132	40	10	182	24	206	2,163
Malta							28
The Netherlands	42	191	164	397	471	868	2,002
Poland					11	11	922
Portugal	6		64	70	8	78	185
Romania							966
Slovakia							11,884
Slovenia		1		1		1	1,453
Spain	21	65	42	128	675	803	2,881
Sweden		53		53	2	55	82
United Kingdom	192	151	29	372	789	1,161	12,524
Albania							**380**
Egypt							**2,103**
Japan		**50**	**39**	**89**	**31**	**120**	**836**
Russia					**92**	**92**	**3,231**
Serbia							**3,149**
U.S.A.	**310**	**402**	**44**	**756**	**1,587**	**2,343**	**4,556**
Other Countries	**72**	**218**	**76**	**366**	**1,125**	**1,491**	**11,408**
Total	**3,814**	**3,239**	**2,159**	**9,212**	**7,953**	**17,165**	**376,434**

Note: figures may not add up exactly due to rounding
(1) Book Value of Debt Securities and Net Loans as at 31.3.19
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Disclaimer

“The manager responsible for preparing the company’s financial reports, Fabrizio Dabbene, 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 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.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Group’s ability to achieve its projected objectives or results is dependent on many factors which are outside management’s control. Actual results may differ materially from (and be more negative than) 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.

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