PRESS RELEASE

INTESA SANPAOLO: RESULTS AS AT 30 SEPTEMBER 2007

- **Operating income at 13,724 million euro, +5.5% (2006 first nine months: 13,010 million), +6.8% excluding profits on trading, +5.3% adjusted.**
- **Operating costs at 6,667 million euro, -3.6% (2006 first nine months: 6,916 million), +0.1% adjusted.**
- **Operating margin at 7,057 million euro, +15.8% (2006 first nine months: 6,094 million), +11.4% adjusted.**
- **Income before tax from continuing operations at 5,898 million euro, +14.8% (2006 first nine months: 5,137 million), +9.5% adjusted.**
- **Consolidated net income for the first nine months of 2007 at over 6.8 billion euro, including capital gains from sales (first nine months of 2006: 3.8 billion).**
- **Adjusted consolidated net income for the first nine months of 2007 at 3,760 million euro, +3.7% (2006 first nine months: 3,627 million).**
- **Capital ratios as at 30 September 2007: Tier 1 ratio at 8%.**

Torino, Milano, 14 November 2007 – Today, Intesa Sanpaolo's Management Board, chaired by Enrico Salza, met and approved the consolidated quarterly report as at 30 September 2007 (*).

The results for the first nine months of 2007 highlighted a positive performance achieved in a complex market environment and which benefited on the one hand only marginally, so far, from merger synergies and on the other from a sustained trend in the **acquisition of new customers.** In the nine months following the merger, the Bank attracted more than 150,000 new customers in Italy on a net basis.

Intesa Sanpaolo's **consolidated net income** for the first nine months of 2007 amounted to 6,855 million euro from 3,811 million of the first nine months of 2006. Excluding the main non-recurring items from the figure of the first nine months of both 2007 and 2006, adjusted net income rose by 3.7% from 3,627 million euro to 3,760 million. Net income for the first nine months of 2007 was adjusted excluding: i) a capital gain of 169 million made on acceptance of the Borsa Italiana – London Stock Exchange (LSE) Offer and a capital loss of 30 million on the sale of two thirds of the stake held in Santander from profits on trading, ii) recoveries on Employee Termination Indemnities ("TFR") of 255 million in personnel expenses, iii) a capital gain of 3,775 million made on the sales of Cariparma, FriulAdria and 202 branches to Crédit Agricole and iv) integration charges relating to the merger of 725 million as well as related taxes of 49 million and effect of purchase cost allocation (net of tax) of 300 million. Net income for the first nine months of 2006 was adjusted excluding 112 million from profits on trading related to the positions in Fiat and Parmalat and 41 million of related taxes and 113 million from tax collection companies registered under income after tax from discontinued operations.

(*) Methodological note on the consolidation area at page 8.

Statement of income for the first nine months of 2007

The consolidated statement of income for the first nine months of 2007 registered **operating income** of 13,724 million euro, +5.5% from 13,010 million in the first nine months of 2006; the figure rose by 6.8% excluding profits on trading and by 5.3% considering adjusted profits on trading which excluded the capital gain of 169 million made on the LSE Offer acceptance and the capital loss of 30 million on the sale of two thirds of the stake held in Santander from the 2007 figure and the positive effect of 112 million from the positions in Fiat and Parmalat from the 2006 figure.

As part of it, in the first nine months of 2007, **net interest income** rose to 7,273 million, +11.1% compared to the 6,547 million for the corresponding period of 2006.

Net fee and commission income, 4,678 million euro, registered a 2.3% decrease on the 4,787 million in the first nine months of 2006. This reduction is due to the **commercial policy geared to value creation for customers made possible by the merger** that led to:
- a general alignment of pricing to the best terms previously practised by Banca Intesa and Sanpaolo IMI;
- the annulment of commissions on ATM/cash dispenser transactions made by customers of one of the two merged banks in the network of the other bank;
- the extension to the entire Intesa Sanpaolo network of product accounts such as Zerotondo characterised by a series of standardised services and account management fees which are lower than traditional current accounts;
- a lower placement of products with high up-front commissions.

The aforementioned actions led, in particular, to a decrease in commissions on current accounts (-11.2%) and dealing and placement of securities and portfolio management (-10.2%) while a growth was registered in commissions on guarantees given (+13.9%) and distribution of insurance products (+4.9%).

Profits on trading amounted to 1,072 million euro (933 million in adjusted terms excluding the capital gain made on the LSE Offer acceptance and the capital loss on the partial sale of the stake in Santander) compared to the 1,166 million in the first nine months of 2006 (1,054 million in adjusted terms excluding the effect of the positions in Fiat and Parmalat).

Income from insurance business, which contains items referring to life and property-casualty business in which EurizionVita and its subsidiary EurizonTutela operate, totalled 356 million euro from 284 million in the first nine months of 2006.

Operating costs - which only marginally reflected the positive effects of both the merger and the Business Plan **-** registered 6,667 million euro, -3.6% from 6,916 million in the first nine months of 2006, due to reduced personnel expenses (-4.8%) determined by recoveries on Employee Termination Indemnities of 255 million following of the new TFR legislation which came into force this year. On an adjusted basis which excluded these recoveries, overall operating costs were in line with the first nine months of 2006 (+0.1%) with personnel expenses up by 1.4% due to provisions related to assumptions regarding the renewal of the national collective labour contract. Administrative expenses recorded a 1.2% decrease and adjustments were down 4.1%.

Consequently, **operating margin** totalled 7,057 million euro, +15.8% compared to the 6,094 million in the same period of 2006 and determined an improvement in the **cost/income ratio** that decreased from 53.2% to 48.6%. The growth rate was 11.4% in adjusted terms excluding the impact of the capital gain made on the LSE Offer acceptance, the capital loss on the partial sale of Santander and recoveries on Employee Termination Indemnities from the 2007 figure and the effect of the positions in Fiat and Parmalat from the 2006 figure, with an improvement in the cost/income ratio from 53.6% to 51%.

Net provisions and adjustments (net provisions for risks and charges, net adjustments to loans, net impairment losses on other assets) totalled 1,201 million euro, compared to the 1,030 million euro in the corresponding period of 2006. The figure for the first nine months of 2007 included adjustments of 196 million euro to performing loans largely due to non-recurring provisions set aside on the redefinition of terms of certain mortgage contracts to customers' advantage. The caption profits/losses on investments held to maturity and on other investments registered a positive balance of 42 million euro, compared to the 73 million in the first nine months of 2006.

Income before tax from continuing operations registered 5,898 million euro, +14.8% compared to the 5,137 million in the first nine months of 2006 (+9.5% in adjusted terms considering the LSE Offer acceptance, Santander and Employee Termination Indemnities for 2007 and Fiat and Parmalat for 2006).

Consolidated net income amounted to 6,855 million euro - compared to the 3,811 million for the first nine months of 2006 - net of income taxes of 1,948 million, integration charges (net of tax) of 481 million, the effect of purchase cost allocation (net of tax) of 300 million, income after tax from discontinued operations of 3,791 million (which included a net capital gain of 3,575 million made on the sales of Cariparma, FriulAdria and 202 branches to Crédit Agricole) and minority interests of 105 million.

Adjusted consolidated net income - that is net income for the period adjusted to consider the effects of the LSE Offer acceptance, Santander and Employee Termination Indemnities, integration charges, the effect of purchase cost allocation, the capital gain made on the sales to Crédit Agricole and related taxes - totalled 3,760 million euro, with a 3.7% growth rate with respect to the 3,627 million in the first nine months of 2006 which excluded the effect of Fiat and Parmalat and related taxes as well as discontinued tax collection companies (net of tax).

The statement of income for the third quarter of 2007

The consolidated statement of income for the third quarter of 2007 registered **operating income** of 4,477 million euro, +5.1% with respect to the third quarter of 2006 (+6.7% excluding profits on trading) and -3.9% to the second quarter of 2007. The variation was +1.4% and -8.1% respectively considering adjusted profits on trading which excluded the capital gain on the LSE Offer acceptance (169 million) and the negative effect of the partial sale of the Santander stake (one million) from the third quarter of 2007; the positive impact of the positions in Fiat and Parmalat (12 million) from the third quarter of 2006 and the capital loss on the partial sale of the Santander stake (29 million) from the second quarter of 2007.

As part of it, in the third quarter of 2007, **net interest income** rose to 2,452 million, +10% compared to the corresponding period of 2006 and +0.3% on the second quarter of 2007.

Net fee and commission income totalled 1,515 million euro, -1.8% with respect to the third quarter of 2006 and -3.9% to the second quarter of 2007. In comparison with the same period of the previous year, a decrease was registered, in particular, in commissions on current accounts (-11%), dealing and placement of securities and portfolio management (-6%) while a growth was recorded in commissions on guarantees given (+33.3%) and distribution of insurance products (+2.2%). In comparison with the second quarter of 2007, there was a decrease in particular in commissions on distribution of insurance products (-8.2%) and dealing and placement of securities and portfolio management (-4.4%) while a rise was registered in commissions on current accounts (+9.7%) and collection and payment services and credit and debit cards rose (+4.8%).

Profits on trading were 302 million euro (134 million in adjusted terms excluding the effects of the LSE Offer acceptance and the partial sale of the Santander stake) compared to the 348 million in the third quarter of 2006 (336 million in adjusted terms excluding the effect of the positions in Fiat and Parmalat) and to the 332 million of the second quarter of 2007 (361 million in adjusted terms excluding the effect of the partial sale of the Santander stake).

Income from insurance business totalled 93 million euro from 90 million in the third quarter of 2006 and 162 million in the second quarter of 2007.

Operating costs totalled 2,300 million euro, in line with the third quarter of 2006 (+0.2%) as a result of the 0.7% increase in both personnel and administrative expenses and the 5.1% decrease in adjustments. Costs rose by 11.1% on the second quarter of 2007 due to a 22.9% rise in personnel expenses which in the second quarter of 2007 had benefited from the registration of 255 million recoveries on Employee Termination Indemnities. Considering the adjusted figure excluding these recoveries, overall operating costs were down by 1.1% with personnel expenses and adjustment up 0.2% and 0.5% respectively and administrative expenses down 3.9% also due to the seasonality effect.

Consequently, **operating margin** totalled 2,177 million euro, +10.8% compared to the third quarter of 2006 and -15.9% to the second quarter of 2007. The variation was +2.9% and -15% respectively considering the adjusted operating margin which excluded the effects of the LSE Offer acceptance and the partial sale of Santander stake from the third quarter of 2007; the effect of the Fiat and Parmalat positions from the third quarter of 2006 and the effect of Santander and recoveries on TFR from the second quarter of 2007.

Net provisions and adjustments (net provisions for risks and charges, net adjustments to loans, net impairment losses on other assets) totalled 343 million euro, compared to the 348 million euro in the corresponding period of 2006 and the 443 million in the second quarter of 2007. The caption profits/losses on investments held to maturity and on other investments registered a negative balance of one million euro, compared to the positive balance of 3 million in the third quarter of 2006 and 8 million in the second quarter of 2007.

Income before tax from continuing operations registered 1,833 million euro, +13.1% compared to the third quarter of 2006 and -14.9% to the second quarter of 2007; the variation was +3.5% and -13.6% respectively in adjusted terms excluding the effects of LSE Offer acceptance and the partial sale of Santander stake from the third quarter of 2007; the effect of the Fiat and Parmalat positions from the third quarter of 2006 and the effect of Santander and recoveries on TFR from the second quarter of 2007.

Consolidated net income amounted to 1,496 million euro - compared to the 1,195 million for the third quarter of 2006 and the 1,357 million for the second quarter of 2007 - net of income taxes of 543 million, integration charges (net of tax) of 401 million, the effect of purchase cost allocation (net of tax) of 100 million, income after tax from discontinued operations of 744 million (which included a 708 million net capital gain made on the sale of 173 branches to Crédit Agricole) and minority interests of 37 million.

Adjusted consolidated net income amounted to 1,130 million euro in the third quarter of 2007 compared to the 1,159 million in the third quarter of 2006 and the 1,317 in the second quarter of 2007 excluding the effects of LSE and Santander and related tax from the third quarter of 2007; the effects of Santander and TFR and related tax from the second quarter of 2007; integration charges, the effect of purchase cost allocation, the capital gain on the sales to Crédit Agricole and related taxes from the second and third quarters of 2007; the effect of Fiat and Parmalat and related taxes as well as discontinued tax collection companies (net of tax) from the third quarter of 2006.

Balance sheet as at 30 September 2007

As regards the consolidated balance sheet figures, as at 30 September 2007 **loans to customers** reached 325 billion euro, rising 1.3% above the figure as at 31 December 2006 (+2.4% excluding repurchase agreements) and 5.8% with respect to the end of September 2006 (+6.5% excluding repurchase agreements). Total **non-performing loans** (doubtful, substandard/restructured and past due by over 180 days) - net of adjustments - amounted to 7,545 million euro, -1.2% with respect to the 7,634 million as at 31 December 2006. In detail, doubtful loans increased from 2,681 to 2,864 million euro, with an incidence of 0.9% on total loans (0.8% as at year-end 2006) and coverage of 71% (72% as at year-end 2006); substandard/restructured loans decreased from 3,830 to 3,758 million euro and loans past due by over 180 days decreased from 1,123 to 923 million euro.

Customer financial assets reached 978 billion euro (after netting referred to components included in both direct customer deposits and indirect customer deposits), +3.5% compared to 31 December 2006 and +5.4% to 30 September 2006. As part of it, direct customer deposits amounted to 367 billion, +0.9% compared to 31 December 2006 and +5% to 30 September 2006, and indirect customer deposits reached 639 billion euro, +5.1% with respect to year-end 2006 and +5.8% to 30 September 2006. **Assets under management** reached 209 billion, down 3.6% with respect to year-end 2006 and down 3.3% with respect to 30 September 2006. Assets under management do not comprise mutual funds of the former Gruppo Intesa which were included in assets under administration and in custody following the sale to Crédit Agricole in December 2005 of Nextra, the company which is expected to re-enter the Intesa Sanpaolo Group within the current year. As for bancassurance, in the first nine months of 2007, the new life policies amounted to 5.2 billion euro for EurizonVita and 2.6 billion for Intesa Vita. Assets under administration and in custody reached 430 billion euro, up by 9.9% on 31 December 2006 and by 10.8% on 30 September 2006.

Capital ratios as at 30 September 2007 were calculated:

i. assuming - for the quota related to the first nine months - a distribution in 2008 of 0.38 euro per ordinary share and 0.391 euro per saving share - the same amount as distributed in 2007,
ii. deducting for an equal amount - in accordance with recent Supervisory authority provisions - from Tier 1 and Tier 2 capital the items which were previously to be deducted from total capital (in particular, the 50/50 deduction concerns investments in banks and financial companies while it does not regard insurance companies since Intesa Sanpaolo's stakes in the latter remain among the items to be deducted from the sum of Tier 1 and Tier 2 capital),

and resulted in: Core Tier 1 ratio at 7.3%, Tier 1 ratio at 8% and total capital ratio at 10.7%. Capital ratios as at 31 December 2006 - referred to the Intesa Group on a stand alone basis and calculated including the distribution in 2007 of 0.38 euro per ordinary share and 0.391 per saving share - were equal to Core Tier 1 ratio at 5.5%, Tier 1 ratio at 6.3% and total capital ratio at 9.5%.

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As at 30 September 2007, the Intesa Sanpaolo Group's **operating structure** had a total network of 7,367 branches - of which 6,103 in Italy and 1,264 abroad - with 98,236 employees, 2,273 lower compared to 31 December 2006.

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Breakdown of results by business area

The **Banca dei Territori** Division comprises:

- the Retail Area, which serves households (individual customers with financial assets up to 75,000 euro), personal (individual customers with financial assets up to one million euro), small businesses (enterprises with a turnover under 2.5 million euro and with loan facilities under one million euro);
- the SME Area, in charge of managing SMEs with a turnover between 2.5 and 150 million euro;
- the Private Banking Department, which serves individual customers with financial assets of over one million euro.

Operations summarised above are performed through the parent company Intesa Sanpaolo and the network banks integrated in the IT system (Banco di Napoli, Cassa di Risparmio di Padova e Rovigo, Cassa di Risparmio in Bologna, Cassa di Risparmio di Venezia, Cassa di Risparmio del Friuli Venezia Giulia and Banca dell'Adriatico).
To serve non-profit entities a bank has been recently set up, *Banca Prossima*, which operates through the Group's branches, with regional centres and a team of specialists.
This Division also includes:

- the regional banks, for which the IT integration process had not yet been either started or completed during the first nine months of 2007 (Intesa Casse del Centro, Banca di Trento e Bolzano, Cassa dei Risparmi di Forlì e della Romagna);
- the product companies specialised in industrial credit (Banca Intesa Mediocredito and Banca CIS), leasing (Intesa Leasing and Sanpaolo Leasint) and consumer credit (Neos Banca and Agos Itafinco).

Furthermore, this Division includes the insurance companies Intesa Vita and Intesa Previdenza, Sanpaolo Bank (Luxembourg) which operates in international private banking, the fiduciary service companies SIREFID and Sanpaolo Fiduciaria, Setefi, the company specialised in management of electronic payment systems, and Si Holding, where the Group has a 37% interest, wholly owning CartaSi, the leading inter-bank company in the Italian credit card market.

In the first nine months of 2007, the Banca dei Territori Division registered a 6.8% increase in operating income to 8,496 million euro from 7,956 million in the corresponding period of 2006, accounting for 62% of consolidated operating income (61% in the first nine months of 2006). Operating costs registered a 1.6% reduction - from 4,523 to 4,450 million euro - and led to a 17.9% increase in operating margin which rose from 3,433 million euro to 4,046 million with the cost/income ratio down from 56.9% to 52.4%. Net provisions and adjustments rose from 734 million euro to 748 million (+1.9%). After profits on investments held to maturity and on other investments of one million euro, income before tax from continuing operations amounted to 3,299 million euro with a 22.2% increase with respect to the 2,699 million in the first nine months of 2006.

The **Corporate & Investment Banking** Division includes:
- the Corporate Relations Department, which manages the relations with large and mid corporates (the latter with a turnover exceeding 150 million euro) in Italy, and develops activities in support of international trade;
- the International Network Department, which comprises foreign branches, representative offices and international subsidiaries specialised in corporate banking (Société Européenne de Banque, Intesa Bank Ireland, Banca Intesa France, ZAO Banca Intesa, Intesa Sanpaolo Bank Ireland). This Department has the mission of developing and managing the foreign corporate segment as well as providing specialised assistance and support to Italian corporate internationalisation and export;
- the Financial Institutions Department, which is responsible for relations with Italian and foreign financial institutions, management of transactional services related to payment systems, custody and settlement of securities as custodian and correspondent bank;
- Banca IMI, in charge of carrying out both investment banking activity, that is the creation of structured finance products and M&A consultancy services to the Group's clients, and the capital markets activities for the Group's clients and institutional operators in market making activities;
- the Merchant Banking Department, which operates in the private equity area also through the Private Equity International (PEI) and IMI Investimenti companies;
- the Finance Operations Department, which supplies specific functions of post trading and IT in the finance area.

This Division also comprises the activities of Intesa Mediofactoring.

In the first nine months of 2007, operating income of the Corporate & Investment Banking Division totalled 2,126 million euro, +2.5% compared to the 2,075 million of first nine months of 2006 and remained unchanged in adjusted terms considering the LSE Offer acceptance in the 2007 figure and the Fiat and Parmalat effect in the 2006 figure, accounting for 15% of consolidated operating income, 14% adjusted (the contribution was 16% in the corresponding period of 2006, 15% adjusted). Operating costs, 637 million euro, were down 0.8% from 642 million in the corresponding period of 2006; operating margin amounted to 1,489 million euro, +3.9% with respect to the 1,433 million in first nine months of 2006 and unchanged in adjusted terms with the cost/income ratio at 30% down from 30.9% in the corresponding period of 2006 and unchanged at around 32.5% on an adjusted basis. Net provisions and adjustments rose from 91 to 166 million euro. Income before tax from continuing operations totalled 1,323 million euro, -3.4% compared to the 1,370 million of first nine months of 2006, -8.3% on an adjusted basis.

The **Public Finance** business unit is responsible for customers in government, public entities, local authorities, public utilities, general contractors, public and private healthcare structures, developing activities related to lending and day-to-day banking operations, project financing, securitisations, financial advisory, with the aim of favouring the cooperation between public and private entities and supporting initiatives and investment projects in big infrastructures, healthcare, research and public utilities in general. This business unit is composed of Banca Intesa Infrastrutture e Sviluppo (BIIS) and Banca OPI which have been operating as a single unit since the first months of 2007. Their forthcoming integration, expected by the end of the current year, will lead to the setting up of the top Italian bank in Public Finance and one of the leaders in Europe.

In the first nine months of 2007, operating income of the Public Finance business unit amounted to 216 million euro, down 3.1% compared to the 223 million in the corresponding period of 2006, representing 2% of consolidated operating income (the same as in first nine months of 2006) while up 6.7% excluding non-recurring income from both 2006 and 2007. With operating costs up 5.9% from 68 to 72 million euro, operating margin was 144 million euro, down 7.1% compared to the 155 million in first nine months of 2006 while up 7.5% excluding non-recurring items, and the cost/income ratio rose from 30.5% to 33.3% but decreased from 34% to 33.6% when excluding non-recurring items. Net provisions and adjustments amounted to 14 million euro. Income before tax from continuing operations was at 130 million euro, with a 17.7% decrease compared to the 158 million of first nine months of 2006 and a 5.5% decrease excluding non-recurring items.

The **International Subsidiary Banks** Division is responsible for activities in foreign markets where the Group is operational through commercial banking subsidiaries and associates. The Division provides guidelines, coordination and support to subsidiaries abroad mainly active in retail banking; it is responsible for defining the Group's development strategy related to its direct presence abroad as well as exploring and analysing new growth opportunities in markets where the Group already has a presence and in new markets. The Division also coordinates operations of international subsidiaries and their relations with the Parent Company's centralised functions and the Corporate & Investment Banking Division's branches and offices abroad. The Division is made up of the three following Departments which are in charge of the different geographical areas of the Group's international presence:

- the CEE & SEE Banking Area, including the banking subsidiaries in Central-Eastern Europe (Banka Koper in Slovenia, Vseobecna Uverova Banka in Slovakia, Central-European International Bank and Inter-Europa Bank in Hungary) and in South-Eastern Europe (Privredna Banka Zagreb in Croatia, Banca Intesa Beograd and Panonska Banka in Serbia, UPI Banka in Bosnia and Herzegovina, Banca Italo Albanese and American Bank of Albania in Albania and Sanpaolo IMI Bank Romania);
- the Commonwealth of Independent States Banking Area, which includes the subsidiary KMB Bank in the Russian Federation;
- the South Mediterranean & Asia Banking Area, in charge of developing, in particular, relations in the Mediterranean basin where the Group has a presence through Bank of Alexandria.

In the first nine months of 2007, operating income of the International Subsidiary Banks Division totalled 1,402 million euro with a 22% increase from 1,149 million of first nine months of 2006, accounting for 10% of consolidated operating income (9% in the corresponding period of 2006). Operating costs grew by 11.3% from 625 million euro to 696 million due to the extension of the commercial network; as a result, operating margin rose by 34.9% from 524 million euro to 706 million and the cost/income ratio dropped from 54.4% to 49.6%. Net provisions and adjustments decreased from 113 to 109 million euro; after profits on investments held to maturity and on other investments of 4 million, income before tax from continuing operations amounted to 602 million euro, with a 40.8% increase compared to the 428 million in the corresponding period of 2006.

The business unit **Eurizon Financial Group** (Eurizon) is the Intesa Sanpaolo Group's subholding responsible for the insurance business run by EurizonVita, the asset-gathering activities performed by Banca Fideuram's network of financial advisors serving customers with medium to high savings potential and asset management carried out by Eurizon Capital.

In the first nine months of 2007, the business unit Eurizon registered a 12.5% increase in operating income which rose to 1,114 million euro from 990 million in the corresponding period of 2006, accounting for 8% of consolidated operating income (the same as in the first nine months of 2006). With operating costs which grew by 4.3% to 436 million euro from 418 million due to development activities, operating margin amounted to 678 million euro, up 18.5% compared to the 572 million of the first nine months of 2006, and the cost/income ratio dropped from 42.2% to 39.1%. Net provisions and adjustments decreased from 39 to 35 million euro. Income before tax from continuing operations grew by 20.6% to 643 million euro from the 533 million of the first nine months of 2006.

The Management Board approved the **merger** of Eurizon into Intesa Sanpaolo. In consequence, the business lines currently under Eurizon's control, will report directly to Intesa Sanpaolo.

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The closing of 2007 is expected to be positive for the Intesa Sanpaolo Group, also considering further extraordinary income to be recorded in the last quarter of the year.

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For consistency purposes, the statement of income data for the four quarters of 2006 were restated following the change in the full consolidation area with respect to five groups of transactions:

1. the sale of Cariparma and FriulAdria to Crédit Agricole. These companies exited the full consolidation area in the first quarter of 2007; their contribution to net income for the first two months of 2007 as well as the capital gain made on their sale in March 2007 were registered in discontinued operations. For 2006, the relevant components were deconsolidated line by line and their contribution to net income recorded in discontinued operations;
2. the sale of 202 branches to Crédit Agricole. Their contribution to net income - for both the first quarter of 2007 as regards the 29 branches conferred to FriulAdria last April and the first half of 2007 as regards the 173 branches conferred to Cariparma last July - was registered in discontinued operations. This caption also included the capital gain made in the second quarter on the sale of the 29 branches to FriulAdria and that made in the third quarter on the sale of 173 branches to Cariparma. For 2006, the relevant components were deconsolidated line by line and their contribution to net income transferred to discontinued operations;
3. the ongoing sale of Biverbanca to Montepaschi. Biverbanca's contribution to net income for the first nine months of 2007 was registered in discontinued operations. For 2006, the relevant components were deconsolidated line by line and their contribution to net income transferred to discontinued operations;
4. the ongoing sale to Banca Carige, Credito Valtellinese, Veneto Banca and Banca Popolare di Bari of 198 branches. Their contribution to net income for the first nine months of 2007 was registered in discontinued operations. For 2006, the relevant components were deconsolidated line by line and their contribution to net income transferred to discontinued operations;
5. the acquisitions of Bank of Alexandria, Cassa dei Risparmi di Forlì and Panonska Banka, included in the full consolidation area in the statement of income of the first quarter 2007, and of American Bank of Albania, included in the full consolidation area in the statement of income of the third quarter 2007. In 2006, the relevant components as well as Banca Italo Albanese acquired in the second quarter of 2006 were consolidated line by line; in the first-half of 2007 American Bank of Albania components were consolidated line by line.

Furthermore, the components relating to tax collection companies, recorded under income from discontinued operations for the second and third quarter of 2006 and not included in the full consolidation area for the fourth quarter of 2006, were deconsolidated line by line for the first quarter of 2006 and their contribution to net income recorded in discontinued operations.

Still for consistency purposes, the balance sheet data for the four quarters of 2006 were restated deconsolidating line by line the components relating to Cariparma, FriulAdria, the 202 branches sold to Crédit Agricole and the 198 branches included in the sale to Banca Carige, Credito Valtellinese, Veneto Banca and Banca Popolare di Bari and recording their contribution in assets/liabilities related to discontinued operations. Similarly, the figure for the first quarter 2006 was restated also for the component relating to tax collection companies. Moreover, the balance sheet data for the four quarters of 2006 and the first quarter of 2007 were restated deconsolidating line by line the components relating to Biverbanca and recording their contribution in assets/liabilities related to discontinued operations while consolidating line by line those relating to American Bank of Albania.

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In order to present more complete information regarding the results generated in the first nine months of 2007, the reclassified consolidated statement of income and the consolidated balance sheet included in the Report on operations approved by the Management Board are attached. Please note that they are not subject to audit by the Auditing Company.

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

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

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

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

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

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Consolidated financial statements restated considering the change in the consolidation area in 2007 (1)

Consolidated statement of income

(in millions of euro)

	30.09.2007 (*)	30.09.2006 (*)	Changes	
			amount	%
Net interest income	7,273	6,547	726	11.1
Dividends and profits (losses) on investments carried at equity	231	173	58	33.5
Net fee and commission income	4,678	4,787	-109	-2.3
Profits (Losses) on trading	1,072	1,166	-94	-8.1
Income from insurance business	356	284	72	25.4
Other operating income (expenses)	114	53	61	
Operating income	**13,724**	**13,010**	**714**	**5.5**
Personnel expenses	-3,913	-4,110	-197	-4.8
Other administrative expenses	-2,153	-2,179	-26	-1.2
Adjustments to property, equipment and intangible assets	-601	-627	-26	-4.1
Operating costs	**-6,667**	**-6,916**	**-249**	**-3.6**
Operating margin	**7,057**	**6,094**	**963**	**15.8**
Goodwill impairment	-	-	-	-
Net provisions for risks and charges	-261	-155	106	68.4
Net adjustments to loans	-922	-871	51	5.9
Net impairment losses on other assets	-18	-4	14	
Profits (Losses) on investments held to maturity and on other investments	42	73	-31	-42.5
Income (Loss) before tax from continuing operations	**5,898**	**5,137**	**761**	**14.8**
Taxes on income from continuing operations	-1,948	-1,724	224	13.0
Merger and restructuring related charges (net of tax)	-481	-	481	-
Effect of purchase cost allocation (net of tax)	-300	-	300	-
Income (Loss) after tax from discontinued operations	3,791	532	3,259	
Minority interests	-105	-134	-29	-21.6
Net income	**6,855**	**3,811**	**3,044**	**79.9**
Basic EPS – Euro	**0.54**			
Diluted EPS – Euro	**0.54**			

(*) Figures restated considering the change in the consolidation area occurred in 2007.

(1) Figures commented in the press release.

Gruppo Intesa Sanpaolo

Consolidated financial statements restated considering the change in the consolidation area in 2007 (1)

Quarterly development of the consolidated statement of income

(in millions of euro)

	2007			2006 (*)				
	Third quarter	Second quarter (*)	First quarter (*)	Fourth quarter	Third quarter	Second quarter	First quarter	Average of the quarters
Net interest income	2,452	2,445	2,376	2,360	2,230	2,207	2,110	2,227
Dividends and profits (losses) on investments carried at equity	67	118	46	105	42	93	38	70
Net fee and commission income	1,515	1,576	1,587	1,592	1,542	1,610	1,635	1,595
Profits (Losses) on trading	302	332	438	633	348	326	492	450
Income from insurance business	93	162	101	168	90	99	95	113
Other operating income (expenses)	48	26	40	47	9	27	17	25
Operating income	**4,477**	**4,659**	**4,588**	**4,905**	**4,261**	**4,362**	**4,387**	**4,479**
Personnel expenses	-1,384	-1,126	-1,403	-1,523	-1,374	-1,373	-1,363	-1,408
Other administrative expenses	-711	-740	-702	-917	-706	-753	-720	-774
Adjustments to property, equipment and intangible assets	-205	-204	-192	-272	-216	-217	-194	-225
Operating costs	**-2,300**	**-2,070**	**-2,297**	**-2,712**	**-2,296**	**-2,343**	**-2,277**	**-2,407**
Operating margin	**2,177**	**2,589**	**2,291**	**2,193**	**1,965**	**2,019**	**2,110**	**2,072**
Goodwill impairment	-	-	-	-	-	-	-	-
Net provisions for risks and charges	-68	-101	-92	-181	-48	-37	-70	-84
Net adjustments to loans	-279	-322	-321	-435	-295	-285	-291	-327
Net impairment losses on other assets	4	-20	-2	-7	-5	-2	3	-3
Profits (Losses) on investments held to maturity and on other investments	-1	8	35	95	3	66	4	42
Income (Loss) before tax from continuing operations	**1,833**	**2,154**	**1,911**	**1,665**	**1,620**	**1,761**	**1,756**	**1,700**
Taxes on income from continuing operations	-543	-726	-679	-309	-520	-576	-628	-508
Merger and restructuring related charges (net of tax)	-401	-66	-14	-562	-	-	-	-141
Effect of purchase cost allocation (net of tax)	-100	-100	-100	-	-	-	-	-
Income (Loss) after tax from discontinued operations	744	129	2,918	142	151	208	173	169
Minority interests	-37	-34	-34	-40	-56	-47	-31	-44
Net income	**1,496**	**1,357**	**4,002**	**896**	**1,195**	**1,346**	**1,270**	**1,177**

(*) Figures restated considering the change in the consolidation area occurred in 2007.

(1) Figures commented in the press release.

Gruppo Intesa Sanpaolo

Consolidated financial statements restated considering the change in the consolidation area in 2007 (1)

Quarterly development of the consolidated balance sheet

(in millions of euro)

Assets	2007			2006 (*)			
	30/9	30/6	31/3 (*)	31/12	30/9	30/6	31/3
Financial assets held for trading	63,034	81,550	77,567	66,140	69,572	68,787	73,511
Financial assets designated at fair value through profit and loss	20,204	20,987	21,015	20,685	20,476	20,030	21,376
Financial assets available for sale	39,130	40,966	41,311	41,096	39,232	36,344	34,565
Investments held to maturity	5,845	5,971	5,897	5,950	5,447	5,449	5,344
Due from banks	64,005	62,825	63,346	56,241	59,608	58,032	61,033
Loans to customers	325,314	329,292	326,582	321,271	307,362	301,428	298,846
Investments in associates and companies subject to joint control	3,153	3,063	3,043	3,106	3,106	3,022	2,951
Property, equipment and intangible assets	8,042	8,188	8,577	9,216	7,827	7,810	7,319
Tax assets	4,647	4,164	4,530	4,936	5,022	5,131	5,356
Non-current assets held for sale and discontinued operations	7,025	12,578	12,905	32,458	31,836	33,152	30,821
Other assets	15,442	13,266	13,794	14,181	11,569	13,893	12,798
Merger difference	20,335	20,255	20,725	-	-	-	-
Total Assets	**576,176**	**603,105**	**599,292**	**575,280**	**561,057**	**553,078**	**553,920**

Liabilities and Shareholders' Equity	2007			2006 (*)			
	30/9	30/6	31/3 (*)	31/12	30/9	30/6	31/3
Due to banks	73,522	91,834	82,383	74,745	77,653	69,721	78,007
Due to customers and securities issued	338,691	343,189	340,998	337,090	323,198	319,853	311,264
Financial liabilities held for trading	27,682	28,548	28,675	22,043	23,722	23,130	27,650
Financial liabilities designated at fair value through profit and loss	27,961	28,238	27,317	26,157	25,871	25,386	25,955
Tax liabilities	2,088	1,795	2,875	2,269	2,813	2,596	2,550
Liabilities associated with non-current assets held for sale and discontinued operations	6,273	11,886	12,719	31,459	30,356	32,126	29,782
Other liabilities	18,784	16,984	23,885	19,403	16,154	20,985	19,909
Technical reserves	20,155	21,312	22,218	22,540	22,603	22,000	21,893
Allowances for specific purpose	6,151	5,621	6,008	5,963	5,085	5,024	5,294
Share capital	6,647	6,647	6,646	6,646	6,646	6,646	6,629
Reserves	8,453	8,424	8,393	10,783	10,730	10,713	10,554
Merger reserves	31,093	31,093	31,093	9,139	9,903	9,811	10,694
Valuation reserves	934	1,283	1,120	1,209	974	968	913
Minority interests	887	892	960	1,127	1,539	1,504	1,556
Net income	6,855	5,359	4,002	4,707	3,811	2,616	1,270
Total Liabilities and Shareholders' Equity	**576,176**	**603,105**	**599,292**	**575,280**	**561,057**	**553,078**	**553,920**

(*) Figures restated considering the change in the consolidation area occurred in 2007.

(1) Figures commented in the press release.

Gruppo Intesa Sanpaolo

Consolidated financial statements restated considering the change in the consolidation area in 2007 (1)

Breakdown of financial highlights by business area (*)

(in millions of euro)

	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Financial Group	Corporate Centre	Total
Operating income							
30.09.2007	8,496	2,126	216	1,402	1,114	370	13,724
30.09.2006	7,956	2,075	223	1,149	990	617	13,010
% change	6.8	2.5	-3.1	22.0	12.5	-40.0	5.5
Operating costs							
30.09.2007	-4,450	-637	-72	-696	-436	-376	-6,667
30.09.2006	-4,523	-642	-68	-625	-418	-640	-6,916
% change	-1.6	-0.8	5.9	11.3	4.3	-41.3	-3.6
Operating margin							
30.09.2007	4,046	1,489	144	706	678	-6	7,057
30.09.2006	3,433	1,433	155	524	572	-23	6,094
% change	17.9	3.9	-7.1	34.9	18.5	-73.9	15.8
Income (Loss) before tax from continuing operations							
30.09.2007	3,299	1,323	130	602	643	-99	5,898
30.09.2006	2,699	1,370	158	428	533	-51	5,137
% change	22.2	-3.4	-17.7	40.8	20.6	94.1	14.8
Loans to customers							
30.09.2007	187,026	79,620	33,268	21,928	2,727	745	325,314
31.12.2006	179,093	78,939	36,331	18,573	2,384	5,951	321,271
% change	4.4	0.9	-8.4	18.1	14.4	-87.5	1.3
Direct customer deposits							
30.09.2007	172,549	62,776	5,689	25,890	31,866	67,882	366,652
31.12.2006	173,945	64,416	8,020	23,733	30,483	62,650	363,247
% change	-0.8	-2.5	-29.1	9.1	4.5	8.4	0.9

(*) Figures restated considering the change in the consolidation area occurred in 2007.

(1) Figures commented in the press release.

Gruppo Intesa Sanpaolo

Consolidated statement of income

(in millions of euro)

	30.09.2007	30.09.2006 restated (*)	Changes amount	Changes %	30.09.2006 (**)
Net interest income	7,263	6,537	726	11.1	3,467
Dividends and profits (losses) on investments carried at equity	231	173	58	33.5	112
Net fee and commission income	4,677	4,786	-109	-2.3	2,201
Profits (Losses) on trading	1,072	1,166	-94	-8.1	699
Income from insurance business	356	284	72	25.4	-
Other operating income (expenses)	114	53	61		20
Operating income	**13,713**	**12,999**	**714**	**5.5**	**6,499**
Personnel expenses	-3,910	-4,107	-197	-4.8	-1,933
Other administrative expenses	-2,152	-2,178	-26	-1.2	-1,126
Adjustments to property, equipment and intangible assets	-600	-626	-26	-4.2	-346
Operating costs	**-6,662**	**-6,911**	**-249**	**-3.6**	**-3,405**
Operating margin	**7,051**	**6,088**	**963**	**15.8**	**3,094**
Goodwill impairment	-	-	-	-	-
Net provisions for risks and charges	-261	-155	106	68.4	-67
Net adjustments to loans	-922	-871	51	5.9	-481
Net impairment losses on other assets	-18	-4	14		-3
Profits (Losses) on investments held to maturity and on other investments	42	73	-31	-42.5	50
Income (Loss) before tax from continuing operations	**5,892**	**5,131**	**761**	**14.8**	**2,593**
Taxes on income from continuing operations	-1,946	-1,722	224	13.0	-790
Merger and restructuring related charges (net of tax)	-481	-	481	-	-
Effect of purchase cost allocation (net of tax)	-300	-	300	-	-
Income (Loss) after tax from discontinued operations	3,791	532	3,259		457
Minority interests	-101	-130	-29	-22.3	-87
Net income	**6,855**	**3,811**	**3,044**	**79.9**	**2,173**
Basic EPS - Euro	**0.54**				**0.31**
Diluted EPS - Euro	**0.54**				**0.31**

(*) Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area.

(**) Figures relative to Gruppo Intesa, restated in accordance to IFRS 5.

Gruppo Intesa Sanpaolo

Quarterly development of the consolidated statement of income

(in millions of euro)

	2007			2006 restated (*)				
	Third quarter	Second quarter restated (**)	First quarter restated (**)	Fourth quarter	Third quarter	Second quarter	First quarter	Average of the quarters
Net interest income	2,452	2,440	2,371	2,360	2,230	2,202	2,105	2,224
Dividends and profits (losses) on investments carried at equity	67	118	46	105	42	93	38	70
Net fee and commission income	1,515	1,576	1,586	1,592	1,542	1,610	1,634	1,595
Profits (Losses) on trading	302	332	438	633	348	326	492	450
Income from insurance business	93	162	101	168	90	99	95	113
Other operating income (expenses)	48	26	40	48	9	27	17	25
Operating income	**4,477**	**4,654**	**4,582**	**4,906**	**4,261**	**4,357**	**4,381**	**4,476**
Personnel expenses	-1,384	-1,125	-1,401	-1,523	-1,374	-1,372	-1,361	-1,408
Other administrative expenses	-711	-740	-701	-917	-706	-753	-719	-774
Adjustments to property, equipment and intangible assets	-205	-204	-191	-272	-216	-217	-193	-225
Operating costs	**-2,300**	**-2,069**	**-2,293**	**-2,712**	**-2,296**	**-2,342**	**-2,273**	**-2,406**
Operating margin	**2,177**	**2,585**	**2,289**	**2,194**	**1,965**	**2,015**	**2,108**	**2,071**
Goodwill impairment	-	-	-	-	-	-	-	-
Net provisions for risks and charges	-68	-101	-92	-181	-48	-37	-70	-84
Net adjustments to loans	-279	-322	-321	-435	-295	-285	-291	-327
Net impairment losses on other assets	4	-20	-2	-7	-5	-2	3	-3
Profits (Losses) on investments held to maturity and on other investments	-1	8	35	95	3	66	4	42
Income (Loss) before tax from continuing operations	**1,833**	**2,150**	**1,909**	**1,666**	**1,620**	**1,757**	**1,754**	**1,699**
Taxes on income from continuing operations	-543	-725	-678	-310	-520	-575	-627	-508
Merger and restructuring related charges (net of tax)	-401	-66	-14	-562	-	-	-	-141
Effect of purchase cost allocation (net of tax)	-100	-100	-100	-	-	-	-	-
Income (Loss) after tax from discontinued operations	744	129	2,918	142	151	208	173	169
Minority interests	-37	-31	-33	-40	-56	-44	-30	-43
Net income	**1,496**	**1,357**	**4,002**	**896**	**1,195**	**1,346**	**1,270**	**1,177**

(*) Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area.

(**) Figures restated on a consistent basis, considering the changes in the consolidation area and discontinued operations, restated in accordance to IFRS 5.

Gruppo Intesa Sanpaolo

Consolidated balance sheet

(in millions of euro)

Assets	30.09.2007	31.12.2006 restated (*)	Changes amount	Changes %	31.12.2006 (**)
Financial assets held for trading	63,034	66,140	-3,106	-4.7	46,328
Financial assets designated at fair value through profit and loss	20,204	20,685	-481	-2.3	-
Financial assets available for sale	39,130	41,096	-1,966	-4.8	5,518
Investments held to maturity	5,845	5,950	-105	-1.8	2,823
Due from banks	64,005	56,241	7,764	13.8	30,363
Loans to customers	325,314	321,271	4,043	1.3	190,830
Investments in associates and companies subject to joint control	3,153	3,106	47	1.5	2,183
Property, equipment and intangible assets	8,042	9,216	-1,174	-12.7	4,309
Tax assets	4,647	4,936	-289	-5.9	2,502
Non-current assets held for sale and discontinued operations	7,025	32,458	-25,433	-78.4	69
Other assets	15,442	14,181	1,261	8.9	6,856
Merger difference	20,335	-	20,335	-	-
Total Assets	**576,176**	**575,280**	**896**	**0.2**	**291,781**

Liabilities and Shareholders' Equity	30.09.2007	31.12.2006 restated (*)	Changes amount	Changes %	31.12.2006 (**)
Due to banks	73,522	74,745	-1,223	-1.6	39,954
Due to customers and securities issued	338,691	337,090	1,601	0.5	202,762
Financial liabilities held for trading	27,682	22,043	5,639	25.6	15,648
Financial liabilities designated at fair value through profit and loss	27,961	26,157	1,804	6.9	-
Tax liabilities	2,088	2,269	-181	-8.0	1,474
Liabilities associated with non-current assets held for sale and discontinued operations	6,273	31,459	-25,186	-80.1	63
Other liabilities	18,784	19,403	-619	-3.2	9,589
Technical reserves	20,155	22,540	-2,385	-10.6	-
Allowances for specific purpose	6,151	5,963	188	3.2	3,273
Share capital	6,647	6,646	1	-	3,613
Reserves	8,453	10,783	-2,330	-21.6	10,785
Merger reserves	31,093	9,139	21,954		-
Valuation reserves	934	1,209	-275	-22.7	1,209
Minority interests	887	1,127	-240	-21.3	852
Net income	6,855	4,707	2,148	45.6	2,559
Total Liabilities and Shareholders' Equity	**576,176**	**575,280**	**896**	**0.2**	**291,781**

(*) Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area.

(**) Figures relative to Gruppo Intesa.

Gruppo Intesa Sanpaolo

Quarterly development of the consolidated balance sheet

(in millions of euro)

Assets	**2007**			**2006** restated (*)			
	30/9	**30/6** restated (**)	**31/3** restated (**)	**31/12**	**30/9**	**30/6**	**31/3**
Financial assets held for trading	63,034	81,550	77,567	66,140	69,572	68,787	73,511
Financial assets designated at fair value through profit and loss	20,204	20,987	21,015	20,685	20,476	20,030	21,376
Financial assets available for sale	39,130	40,966	41,292	41,096	39,232	36,344	34,546
Investments held to maturity	5,845	5,971	5,642	5,950	5,447	5,449	5,089
Due from banks	64,005	62,825	63,187	56,241	59,608	58,032	60,874
Loans to customers	325,314	329,292	326,379	321,271	307,362	301,428	298,643
Investments in associates and companies subject to joint control	3,153	3,063	3,043	3,106	3,106	3,022	2,951
Property, equipment and intangible assets	8,042	8,188	8,568	9,216	7,827	7,810	7,310
Tax assets	4,647	4,164	4,530	4,936	5,022	5,131	5,356
Non-current assets held for sale and discontinued operations	7,025	12,578	12,905	32,458	31,836	33,152	30,821
Other assets	15,442	13,266	13,791	14,181	11,569	13,893	12,795
Merger difference	20,335	20,255	20,725	-	-	-	-
Total Assets	**576,176**	**603,105**	**598,644**	**575,280**	**561,057**	**553,078**	**553,272**

Liabilities and Shareholders' Equity	**2007**			**2006** restated (*)			
	30/9	**30/6** restated (**)	**31/3** restated (**)	**31/12**	**30/9**	**30/6**	**31/3**
Due to banks	73,522	91,834	82,258	74,745	77,653	69,721	77,882
Due to customers and securities issued	338,691	343,189	340,512	337,090	323,198	319,853	310,778
Financial liabilities held for trading	27,682	28,548	28,675	22,043	23,722	23,130	27,650
Financial liabilities designated at fair value through profit and loss	27,961	28,238	27,317	26,157	25,871	25,386	25,955
Tax liabilities	2,088	1,795	2,875	2,269	2,813	2,596	2,550
Liabilities associated with non-current assets held for sale and discontinued operations	6,273	11,886	12,719	31,459	30,356	32,126	29,782
Other liabilities	18,784	16,984	23,881	19,403	16,154	20,985	19,905
Technical reserves	20,155	21,312	22,218	22,540	22,603	22,000	21,893
Allowances for specific purpose	6,151	5,621	6,008	5,963	5,085	5,024	5,294
Share capital	6,647	6,647	6,646	6,646	6,646	6,646	6,629
Reserves	8,453	8,424	8,393	10,783	10,730	10,713	10,554
Merger reserves	31,093	31,093	31,093	9,139	9,903	9,811	10,694
Valuation reserves	934	1,283	1,120	1,209	974	968	913
Minority interests	887	892	927	1,127	1,539	1,504	1,523
Net income	6,855	5,359	4,002	4,707	3,811	2,616	1,270
Total Liabilities and Shareholders' Equity	**576,176**	**603,105**	**598,644**	**575,280**	**561,057**	**553,078**	**553,272**

(*) Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area.

(**) Figures restated on a consistent basis, considering the changes in the consolidation area and discontinued operations, restated in accordance to IFRS 5.

Gruppo Intesa Sanpaolo

Breakdown of financial highlights by business area

(in millions of euro)

	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Financial Group	Corporate Centre	Total
Operating income							
30.09.2007	8,496	2,126	216	1,391	1,114	370	13,713
30.09.2006 restated (*)	7,956	2,075	223	1,139	990	616	12,999
% change [a]	6.8	2.5	-3.1	22.1	12.5	-39.9	5.5
Operating costs							
30.09.2007	-4,450	-637	-72	-689	-436	-378	-6,662
30.09.2006 restated (*)	-4,523	-642	-68	-619	-418	-641	-6,911
% change [a]	-1.6	-0.8	5.9	11.3	4.3	-41.0	-3.6
Operating margin							
30.09.2007	4,046	1,489	144	702	678	-8	7,051
30.09.2006 restated (*)	3,433	1,433	155	520	572	-25	6,088
% change [a]	17.9	3.9	-7.1	35.0	18.5	-68.0	15.8
Income (Loss) before tax from continuing operations							
30.09.2007	3,299	1,323	130	598	643	-101	5,892
30.09.2006 restated (*)	2,699	1,370	158	425	533	-54	5,131
% change [a]	22.2	-3.4	-17.7	40.7	20.6	87.0	14.8
Loans to customers							
30.09.2007	187,026	79,620	33,268	21,928	2,727	745	325,314
31.12.2006 restated (*)	179,093	78,939	36,331	18,573	2,384	5,951	321,271
% change [b]	4.4	0.9	-8.4	18.1	14.4	-87.5	1.3
Direct customer deposits							
30.09.2007	172,549	62,776	5,689	25,890	31,866	67,882	366,652
31.12.2006 restated (*)	173,945	64,416	8,020	23,733	30,483	62,650	363,247
% change [b]	-0.8	-2.5	-29.1	9.1	4.5	8.4	0.9

(*) Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area and in business unit constituents.

[a] The change expresses the ratio between 30.09.2007 and 30.09.2006 restated.

[b] The change expresses the ratio between 30.09.2007 and 31.12.2006 restated.