2007 Third-Quarter Results

14 November 2007

Foreword (1/2)

- For comparison purposes, 2006 and 2007 data have been restated to take into account the changes in the consolidation area – consolidation[1] line by line of Banca Italo Albanese (BIA), Bank of Alexandria (BoA), Cassa dei Risparmi di Forlì e della Romagna, Panonska Banka and American Bank of Albania (ABA) from 1 January 2006 - and the recording of the economic effects connected with discontinued operations in its specific caption

- 2006 data restated to be consistent with 30.09.07 data differ from 2006 pro-forma figures released on 23 March 2007 because they
  - do not take into account the repurchase of the asset management activities formerly referred to as Nextra
  - take into account the figures attributed to Cariparma, FriulAdria and 202 branches sold to Crédit Agricole recorded in the Income (Loss) from discontinued operations and do not take into account the net benefits deriving from the cash flows
  - take into account the results of Biverbanca and the disposal of 198 branches related to the Antitrust decision in the caption Income (Loss) from discontinued operations and not line by line
  - do not take into account the effect of amortisation of merger cost
  - consolidate line by line Banca Italo Albanese (BIA), Bank of Alexandria (BoA), Cassa dei Risparmi di Forlì e della Romagna, Panonska Banka and American Bank of Albania (ABA) from 1 January

(1) *Main restatements*

Foreword (2/2)

- **3Q07 consolidation area differs from that presented in 2007-2009 Business Plan in so as far it**
  - **does not include the implementation of Antitrust commitments for the sale of a business line for the production and management of insurance policies**
  - **includes Net Income relating to branches sold to Crédit Agricole up to the respective sale date (three months for 29 branches and six months for 173 branches) and two months' Net income of Cariparma and FriulAdria recorded in the caption Income (Loss) from discontinued operations and does not take into account - for the above mentioned periods - the net benefits deriving from the cash flows**
  - **includes the Net Income of Biverbanca and of the disposal of 198 branches related to Antitrust decision in the caption Income (Loss) from discontinued operations**
  - **does not take into account the repurchase of the asset management activities formerly referred to as Nextra**
  - **does not take into account the assumption of the listing of 30% of Eurizon Financial Group, also considering the different strategic decisions taken**

- **With reference to the divisional figures, 3Q07 differs from the 2007-2009 Business Plan because the Intesa Casse del Centro, Banca di Trento e Bolzano and Cassa dei Risparmi di Forlì e della Romagna are entirely included in the Banca dei Territori Division**

9M07 results in line with Business Plan targets
High quality of the Group's Balance Sheet further improved

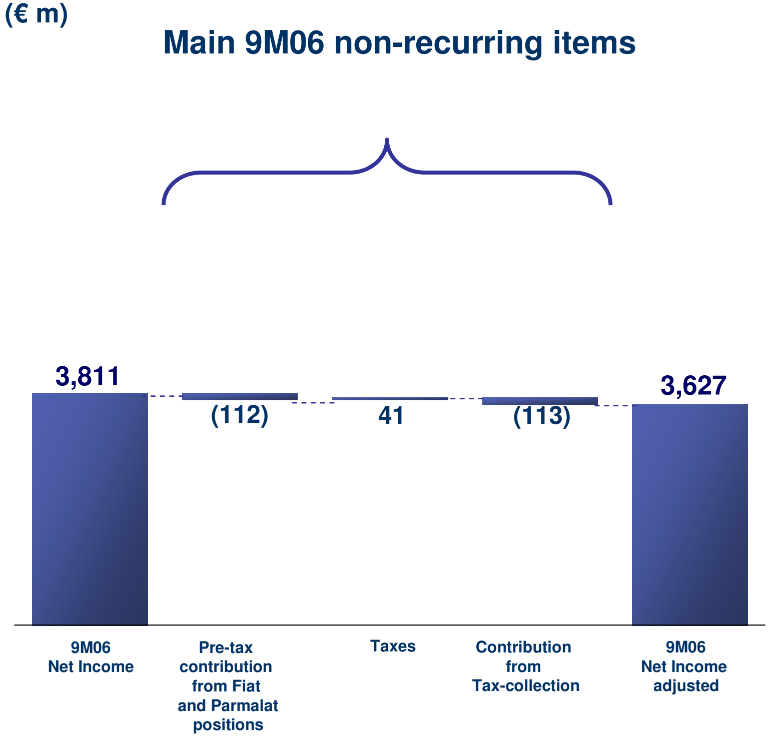
- **9M07 Operating Income at €13.7bn (+5.5% vs 9M06; +6.8% excluding Profits on trading)**
- **~150,000 new customers on a net basis in Italy in the first nine months of 2007**
- **9M07 Operating Margin at €7.1bn (+15.8% vs 9M06)**
- **9M07 Net Income at €6.9bn, €3.8bn adjusted(1) (+79.9% vs 9M06; +3.7% adjusted(1) vs 9M06 adjusted(2))**
- **9M07 Cost/Income ratio down to 48.6%, 51.0% adjusted(3) (vs 54.8% FY06 adjusted(4))**
- **Core Tier 1 ratio up to 7.3%**
- **Sound asset quality confirmed: Net Doubtful Loans(5)/Loans at 0.9% and 1.2% decline in Net Non performing Loans vs 31.12.2006**
- **Strengthening of the already excellent liquidity profile**

(1) Adjusted excluding capital gains on the sales of Cariparma, FriulAdria and 202 branches to Crédit Agricole, non-recurring integration charges, the amortisation of merger cost, the capital loss on the sale of two-thirds of the stake in Santander, the capital gain on the stake in Borsa Italiana and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(2) Adjusted excluding the positive contribution from Fiat and Parmalat positions and the contribution from Tax-collection companies sold in 2006
(3) Adjusted excluding the capital loss on the sale of two-thirds of the stake in Santander, the capital gain on the stake in Borsa Italiana and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(4) Adjusted excluding the positive contribution from Fiat and Parmalat positions and the capital gain on the sale of stakes in Ixis
(5) Sofferenze

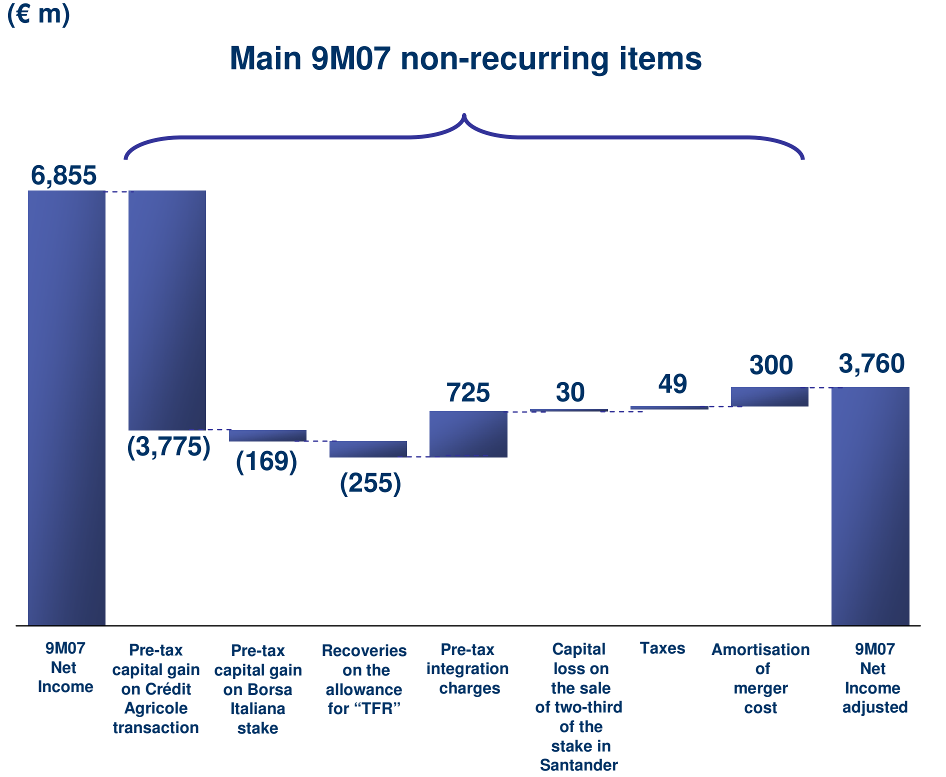
9M07 Net Income adjusted at €3.8bn

+3.7% growth vs 9M06 adjusted

9M06 Net Income



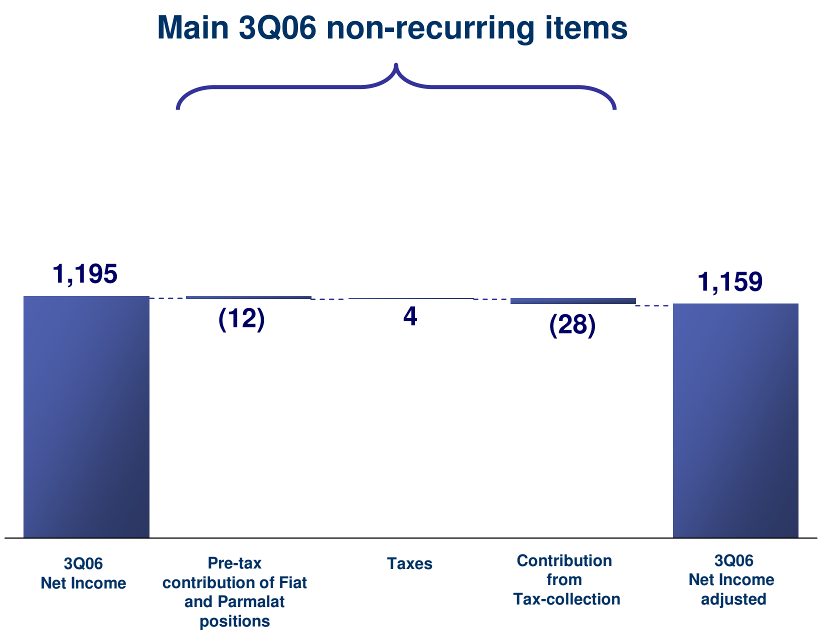
9M07 Net Income



3Q07 Net Income adjusted at €1.1bn
In line vs 3Q06 adjusted despite lower Profits on trading

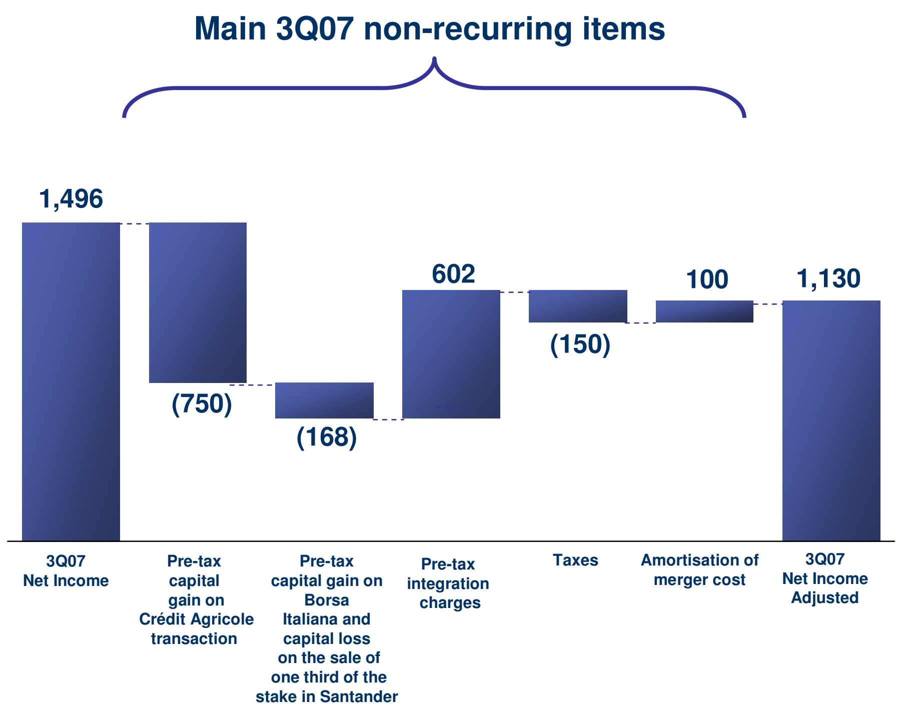
3Q06 Net Income

(€ m)



3Q07 Net Income

(€ m)

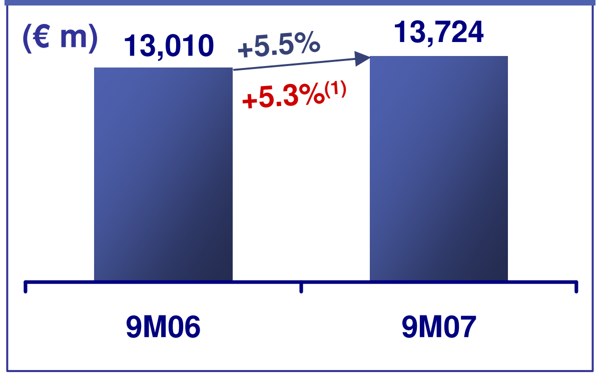


- 3Q07 Profits on trading adjusted vs 3Q06 adjusted down 60% (-€202m)

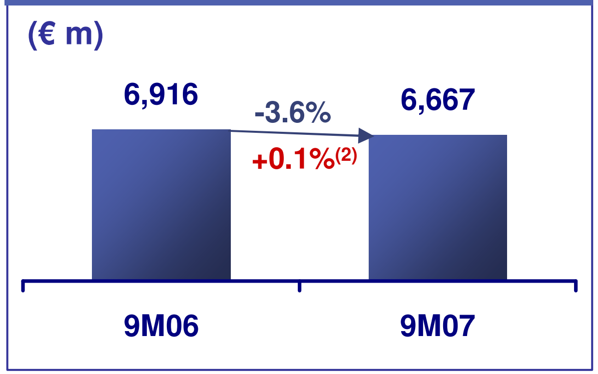
9M07 Results at a glance

Strong increase in efficiency and Net Income at €6.9bn

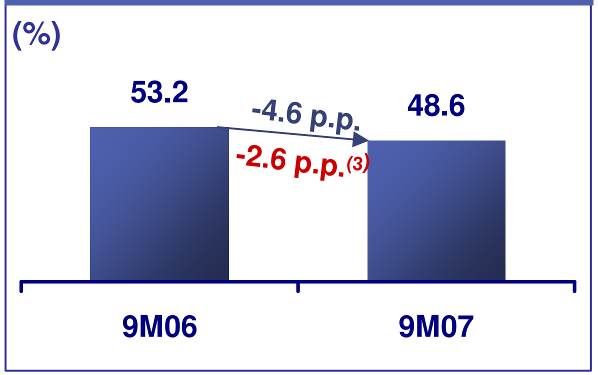
Operating Income



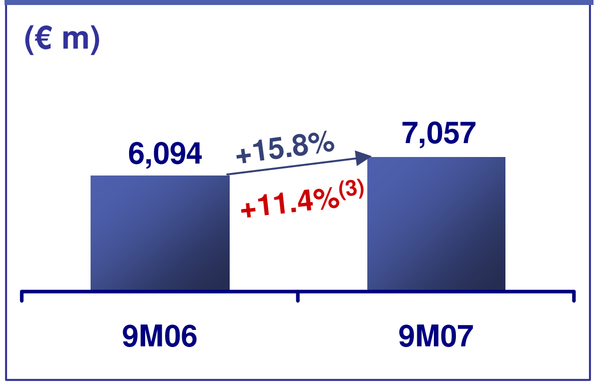
Operating Costs



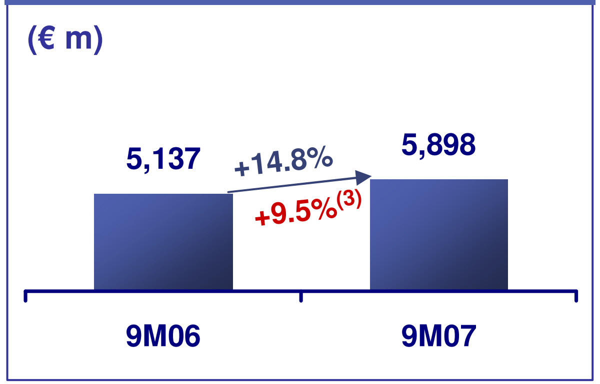
Cost/Income



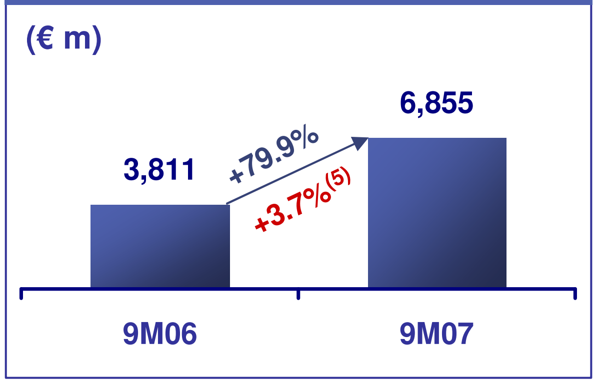
Operating Margin



Pre-Tax Income (4)



Net Income



Note: 9M06 figures restated to reflect 9M07 consolidation area

(1) 9M07 adjusted excluding the capital loss on the sale of two-thirds of the stake in Santander and the capital gain on the stake in Borsa Italiana vs 9M06 adjusted excluding the positive contribution from Fiat and Parmalat positions

(2) 9M07 adjusted excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)

(3) 9M07 adjusted excluding the capital loss on the sale of two-thirds of the stake in Santander, the capital gain on the stake in Borsa Italiana and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) vs 9M06 adjusted excluding the positive contribution from Fiat and Parmalat positions

(4) Income before tax from continuing operations

(5) 9M07 adjusted excluding capital gains on the sales of Cariparma, FriulAdria and 202 branches to Crédit Agricole, non-recurring integration charges, the amortisation of merger cost, the capital loss on the sale of two-thirds of the stake in Santander, the capital gain on the stake in Borsa Italiana and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) vs 9M06 adjusted excluding the positive contribution from Fiat and Parmalat positions and the contribution of Tax-collection companies sold in 2006

P&L Analysis: 9M07 vs 9M06

Growing revenues, flat costs, conservative provisioning policy

(€ m)	9M06 Restated	9M07	Δ%
Net interest income	6,547	7,273	11.1
Dividends and P/L on investments carried at equity	173	231	33.5
Net fee and commission income	4,787	4,678	(2.3)
Profits (Losses) on trading	1,166	1,072	(8.1)
Income from insurance business	284	356	25.4
Other operating income (expenses)	53	114	115.1
Operating income	**13,010**	**13,724**	**5.5**
Personnel expenses	(4,110)	(3,913)	(4.8)
Other administrative expenses	(2,179)	(2,153)	(1.2)
Adjustments to property, equipment and intangible assets	(627)	(601)	(4.1)
Operating costs	**(6,916)**	**(6,667)**	**(3.6)**
Operating margin	**6,094**	**7,057**	**15.8**
Net provisions for risks and charges	(155)	(261)	68.4
Net adjustments to loans	(871)	(922)	5.9
Net impairment losses on other assets	(4)	(18)	350.0
Profits (Losses) on HTM and on other investments	73	42	(42.5)
Income before tax from continuing operations	**5,137**	**5,898**	**14.8**
Taxes on income from continuing operations	(1,724)	(1,948)	13.0
Merger and restructuring related charges (net of tax)	0	(481)	n.m.
Effect of purchase cost allocation (net of tax)	0	(300)	n.m.
Income (Loss) after tax from discontinued operations	532	3,791	612.6
Minority interests	(134)	(105)	(21.6)
Net income	**3,811**	**6,855**	**79.9**

+6.8% excluding Profits on trading
+5.3% adjusted excluding main non-recurring items

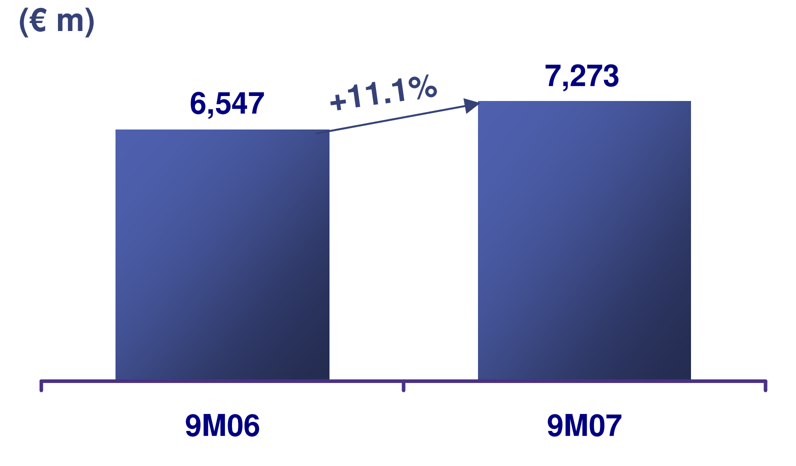
+0.1% adjusted excluding main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 9M06 figures restated to reflect 9M07 consolidation area

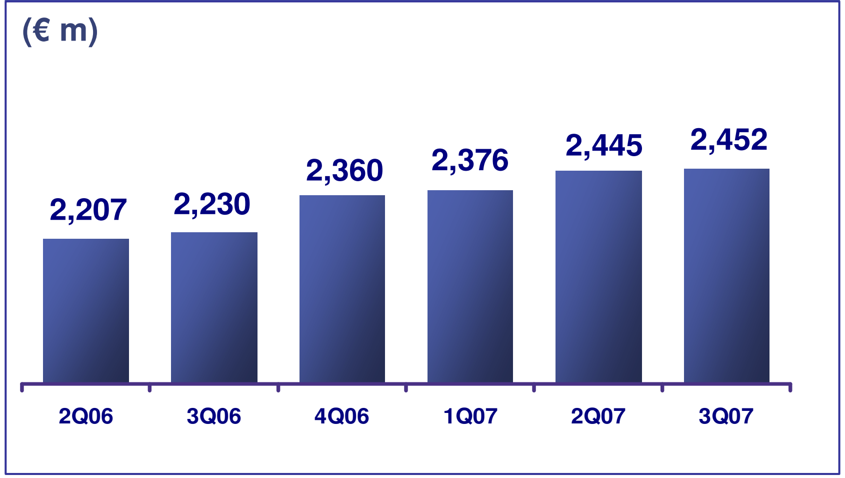
Net Interest Income

Excellent yearly growth and positive trend confirmed

Yearly Analysis



Quarterly Analysis



- Increase mainly driven by improvement in mark-down and sustained average volume growth in loans to customers (+10.6%)
- No benefit so far from the increase in interest rates on loans carried out in October due to the increase in the interbank funding cost

Loans - Average volumes

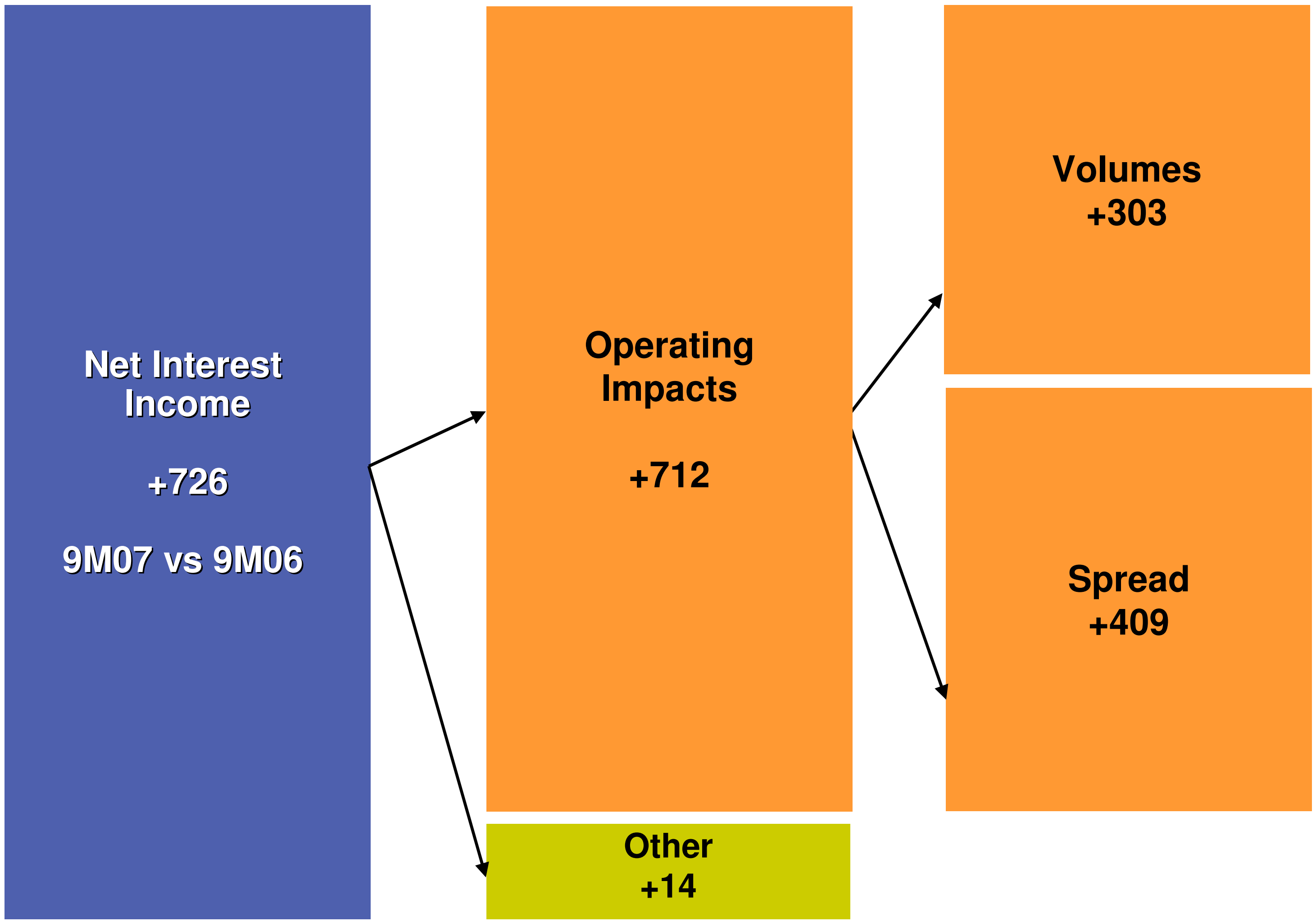
	Δ%	Δ € bn
Retail	+7.9	+8.0
SMEs	+9.6	+6.7
Corporate	+11.2	+6.2
Public Finance	+18.0	+4.4
International Subsidiary Banks	+23.0	+3.7

- Upward trend confirmed thanks to operations with customers
- +10.1% 3Q07 vs 2006 quarterly average
- +0.3% 3Q07 vs 2Q07, mainly thanks to the improvement in mark-down more than offsetting the effect of the planned actions to further strengthen the financial structure of the Group with a reduction of the non-core securities portfolio

Net Interest Income: 9M07 vs 9M06

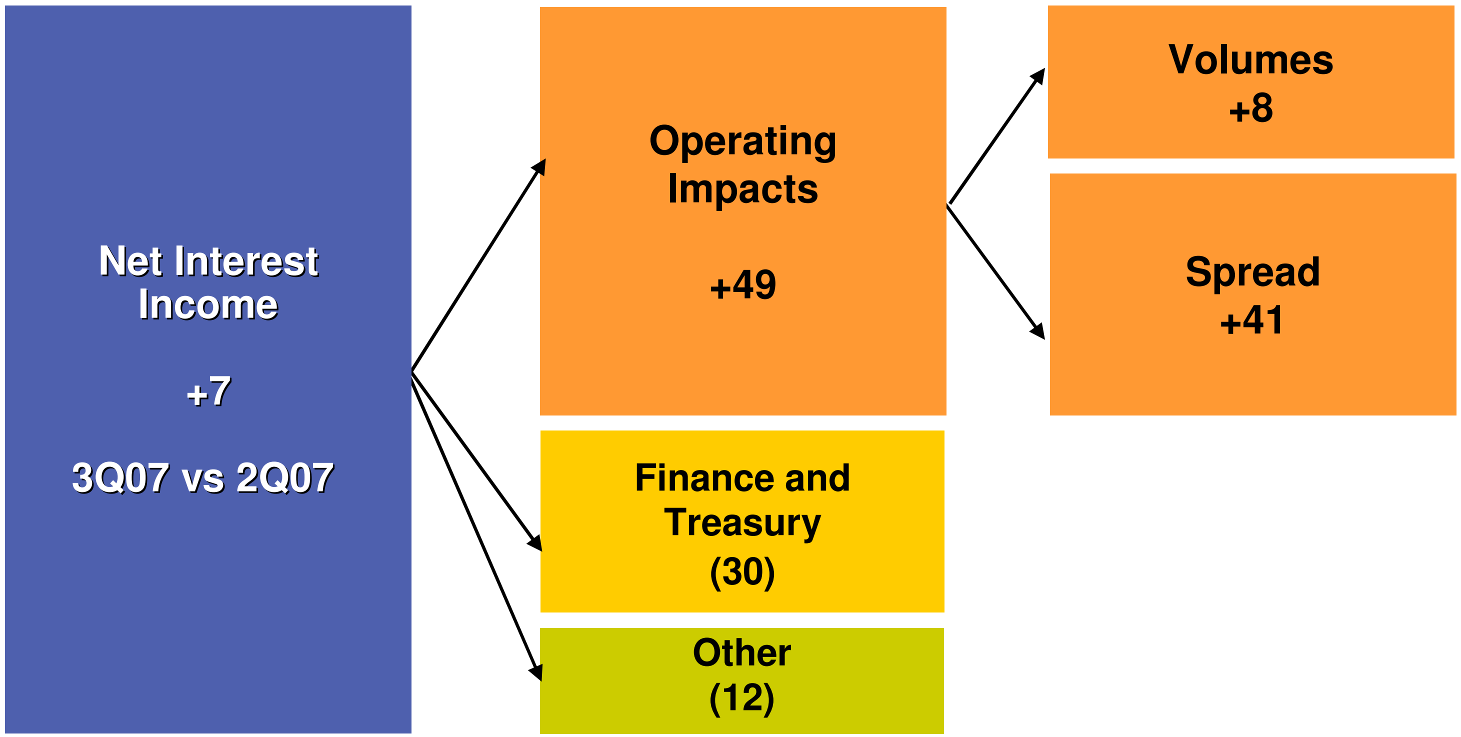
Double-digit growth entirely due to operations with customers

(€ m)



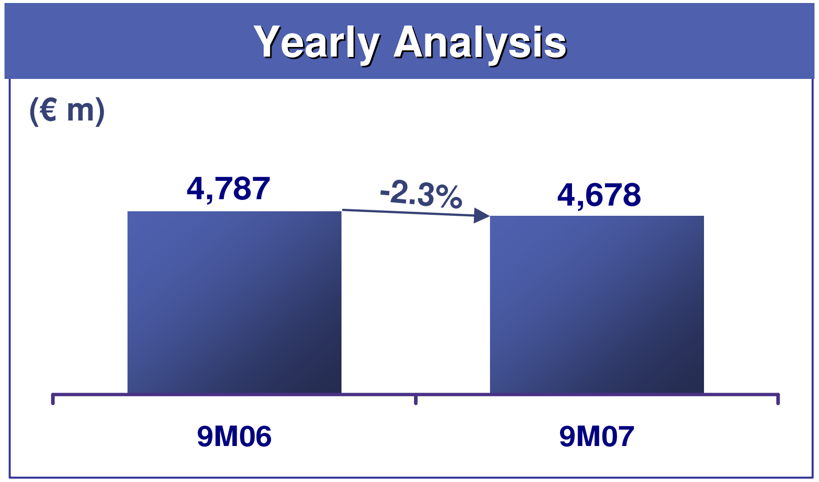
Net Interest Income: 3Q07 vs 2Q07
Sustained growth in operations with customers

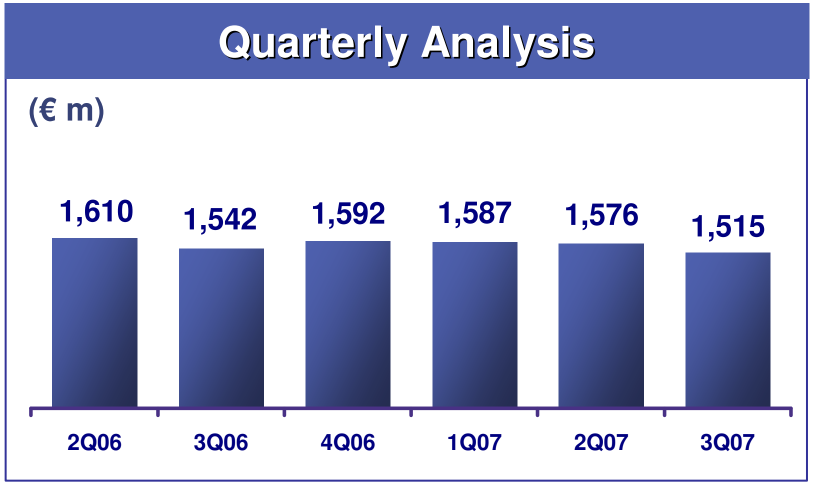
(€ m)



- **The sustained growth in operations with customers has more than offset the impact of the actions planned to further improve the Group's financial structure**

Net Fee and Commission Income
Commercial policy focused on sustainable growth



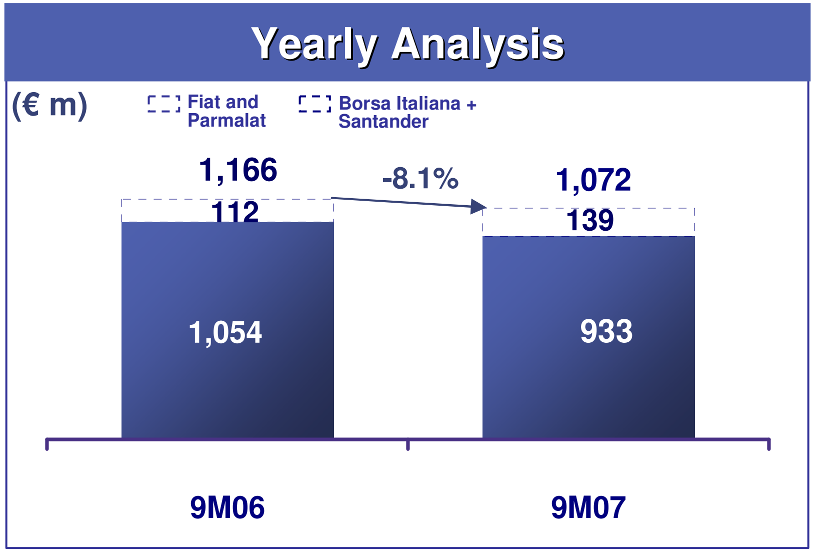


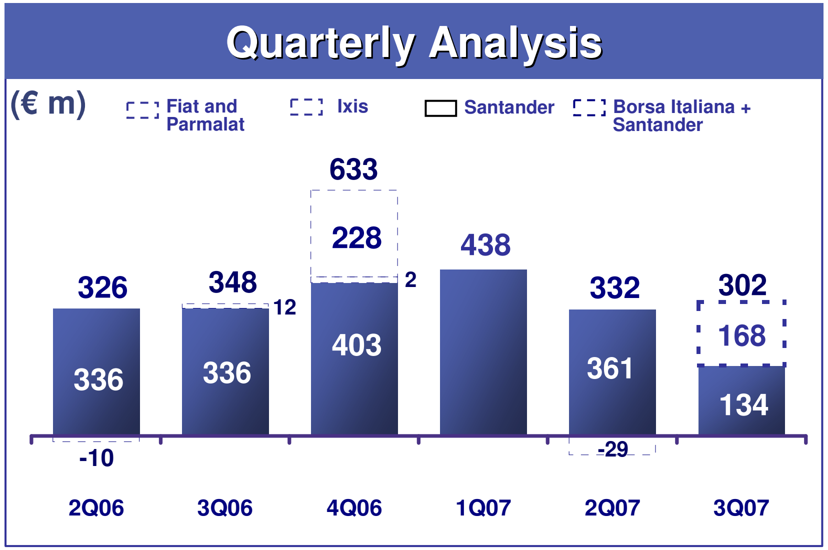
- Decline mainly due to
  - reduction in commissions from Current accounts (-11%; -€85m) due to the expected higher incidence of lower-cost products compared to traditional Current accounts (e.g. Zerotondo)
  - decrease in commissions from Dealing and placement of securities and Portfolio management (-10%; -€198m) also due to lower placement of products with high up-front fees
- Sustained growth in commissions from Guarantees given (+14%; +€21m), from Insurance products (+5%; +€28m) and from Collection and payment services and Credit and debit cards (+5%; +€31m)

- 3Q07 decline vs 2Q07 also due to seasonal factors over the summer in particular in Management, dealing and consultancy activities
- Recovery in commissions from the commercial banking (Current accounts, Guarantees given, Collection and payment services and Credit and debit cards) 3Q07 vs 2Q07 (+6%; +€29m)

Profits on Trading

Good performance in a more complex operating environment

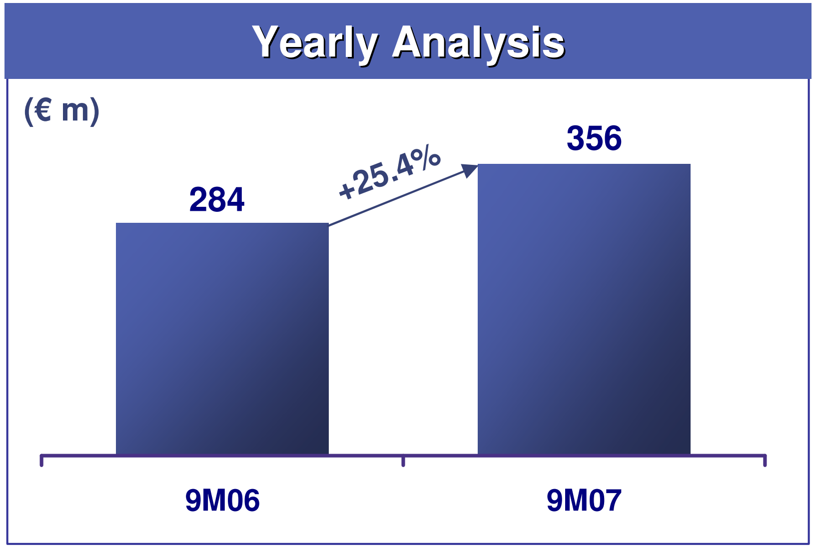


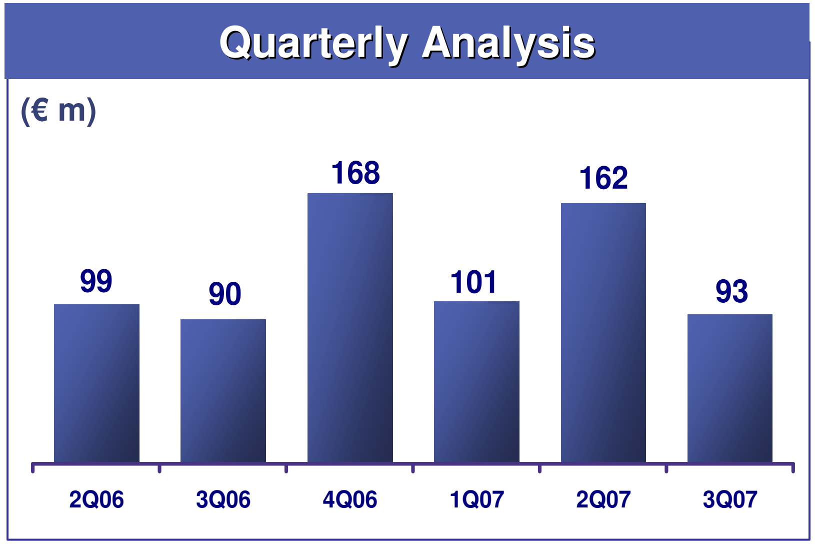


- €54m net write down in 9M07 due to fair value reduction of ABS and CDOs with exposure to US subprime, in line with the forecasts made in August
- 9M07 average VAR at €25m vs €37m in 9M06

- 3Q07 affected by the negative market conditions and by the planned actions to further improve the financial structure of the Group with a reduction of trading activities
- €49m net write down in 3Q07 as fair value reduction of ABS and CDOs with exposure to US subprime
- 3Q07 average VAR at €27m

Income from Insurance Business
Sustained yearly growth





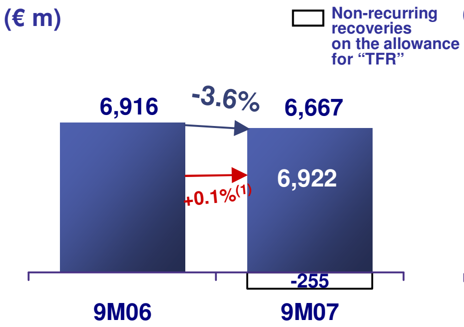
- Growth due to increase in Life and casualty products and positive financial management

- Decline 3Q07 vs 2Q07 mainly due to the lack of contribution from dividend collection on securities portfolio
- +3.3% 3Q07 vs 3Q06

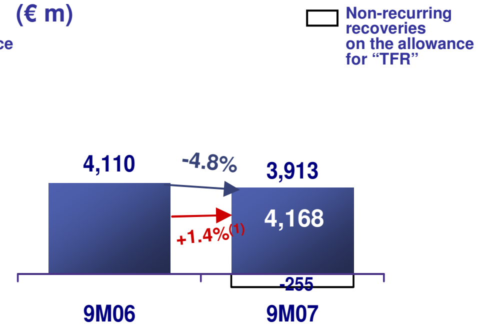
Operating Costs (1/2)
Excellent cost control

Yearly Analysis

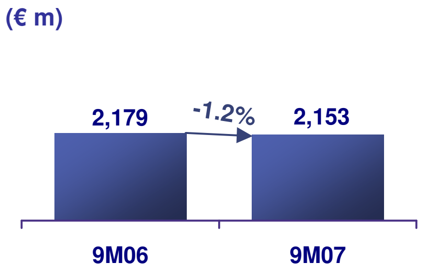
Operating Costs



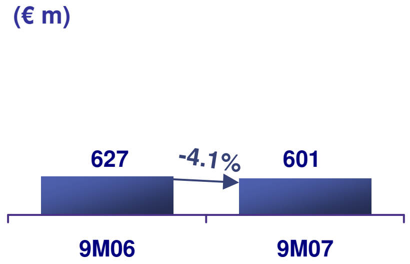
Personnel Expenses



Other Administrative Expenses

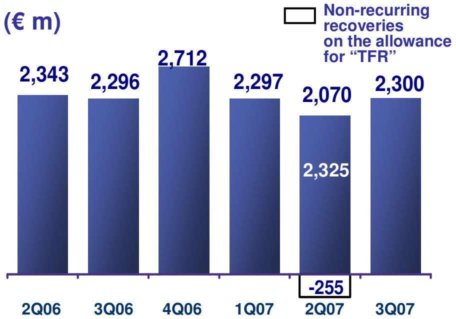


Adjustments

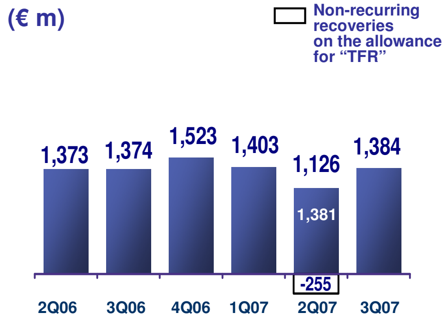


Quarterly Analysis

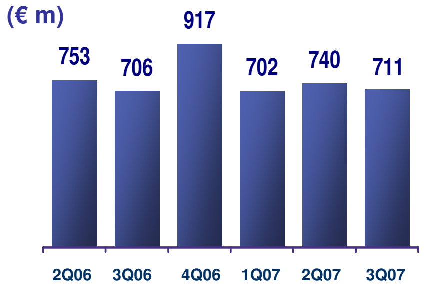
Operating Costs



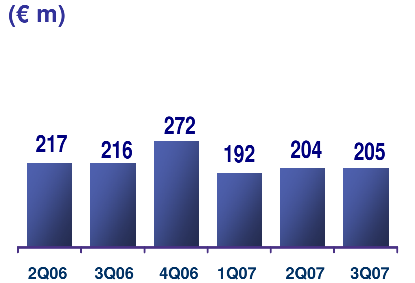
Personnel Expenses



Other Administrative Expenses



Adjustments



- Excellent cost control only marginally benefiting from merger synergies
- Operating Costs adjusted(1) flat notwithstanding growth-related investments, mainly abroad (International Subsidiary Banks Operating Costs: +11%; +€71m)
- Increase in Personnel Expenses adjusted(1) mainly due to provisions for the national contract

- 3Q07 Operating Costs adjusted(1) down 1.1% vs 2Q07 thanks to the reduction in Other Administrative Expenses (-3.9%)

(1) 9M07 and 2Q07 adjusted excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)

Operating Costs (2/2)
Staff reduction in line with the Business Plan target

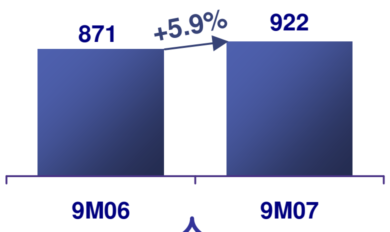
- **The 2007-2009 Business Plan sets forth a staff reduction of 6,500 people**
- **As at 31 October 2007, ~4,300 employees applied on a voluntary basis to the Solidarity Allowance, agreed upon with all the Trade Unions on 1 December 2006 (~2,000 people had already left the Group in the first nine months - of which ~500 on 30 September - and ~2,300 are expected to leave mostly on 31 December 2007)**
- **On 1 August 2007, an agreement with all the Trade Unions was reached for a further recourse to the Solidarity Allowance for a staff reduction of 1,500 in 2008 and 800 in 2009**
- **With respect to the August agreement (as at 31.10.07 ~1,000 people already applied), ~€520m integration charges before tax were recorded in 3Q07 to be added to the ~€800m accounted for in 2006**

Adjustments to loans
Cost of risk lower than Business Plan target

Yearly Analysis

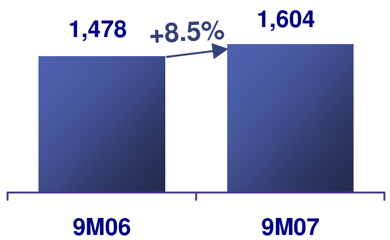
Net Adjustments to Loans

(€ m)



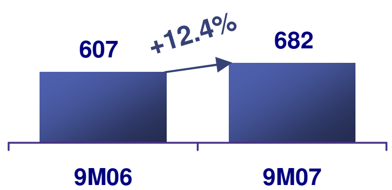
Gross Adjustments to Loans

(€ m)



Write-backs on Loans

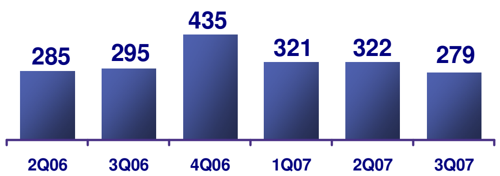
(€ m)



Quarterly Analysis

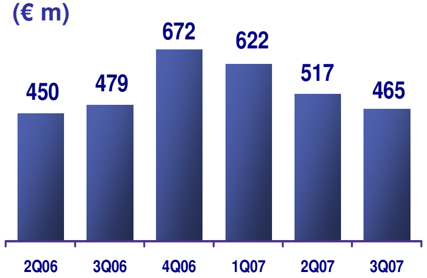
Net Adjustments to Loans

(€ m)



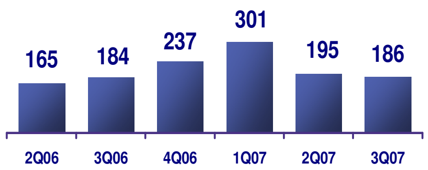
Gross Adjustments to Loans

(€ m)



Write-backs on Loans

(€ m)



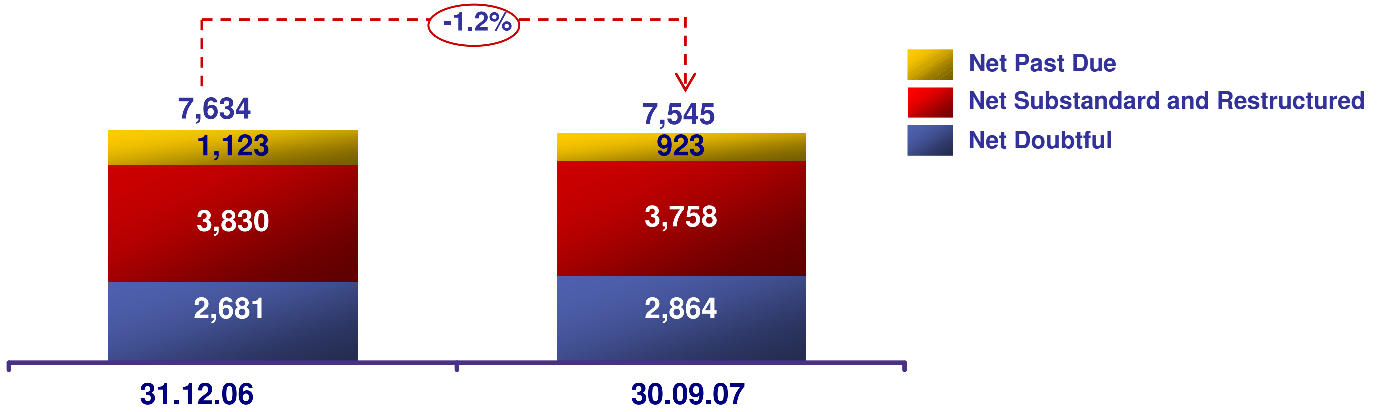
- 9M07 Net Adjustments to Loans/Loans at 38bps (annualised) ahead with respect to the Business Plan target
- Increase in Gross Adjustments to Loans mainly due to 1Q07 provisions related to the redefinition of certain mortgage contracts to customers' advantage

- 3Q07 Net Adjustments to Loans down 13.4% vs 2Q07 thanks to lower Gross Adjustments to Loans
- Net Adjustments to Loans/Loans in 3Q07 at 9bps vs 10bps in 2Q07

Non Performing Loans
High asset quality and reduction of net non performing loans

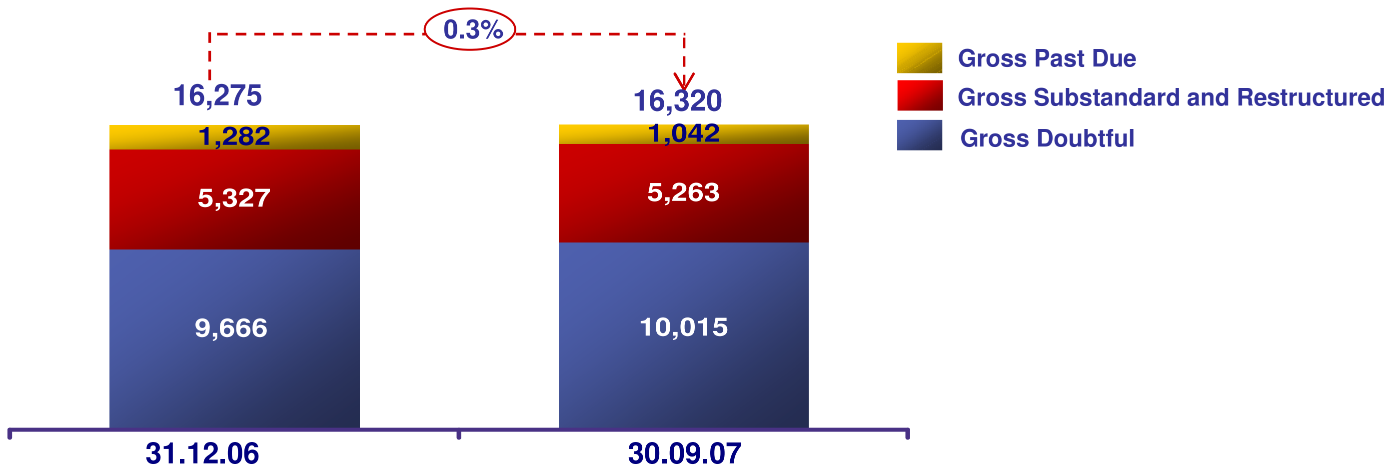
Net Doubtful Loans (Sofferenze) + Net Substandard (Incagli) + Net Past due > 180 days

(€ m)



Gross Doubtful Loans (Sofferenze) + Gross Substandard (Incagli) + Gross Past due > 180 days

(€ m)



- **Net Doubtful Loans/Loans at 0.9% and Doubtful Loans Coverage at 71%**

31.12.06 figures restated to reflect 30.09.07 consolidation area

Capital Ratios

Extremely sound capital base further strengthened

	30.09.07	30.09.07 pro-forma management accounts
Core Tier 1 ratio	7.3%	7.5%
Tier 1 ratio	8.0%	8.3%
Total Capital ratio	10.7%	11.0%
RWA (€ bn)	360.9	356.3

- Capital ratios as at 30.09.07 have been calculated assuming a distribution in 2008 of "ordinary and extraordinary dividends" of the same amount as distributed in 2007 (equal, overall, to €0.38 per ordinary share and €0.391 per saving share)
- Capital ratios as at 30.09.07 already after €3.6bn dividends (3/4 of the amount distributed in 2007)

- 30.09.07 pro-forma management accounts take into consideration
  - sale of 198 branches related to Antitrust decision
  - repurchase from Crédit Agricole of the asset management activities formerly referred to as Nextra
  - sale of Biverbanca
- 30.09.07 pro-forma management accounts do not take into consideration
  - acquisition of Carifirenze
  - listing of Fideuram
  - implementation related to Antitrust decision for the disposal of a business line for the production and management of insurance policies made up of 1,117 branches

Subprime and liquidity

No tangible risk on subprime and well-balanced Loans/Deposits ratio

- **No direct exposure to US subprime**
- **Indirect exposure to US subprime via ABS and CDOs (including the only conduit ABCP - Romulus) actively managed through derivatives: net notional exposure as at 30 September 2007 equal to €11m, with no material impact on nine months' P&L (net write down in 9M07 as fair value reduction for €54m, of which €49m in 3Q07)**
- **Loans to Customers/Direct Customer Deposits ratio at 0.9**

Group rating confirmed by Fitch (AA-) and Moody's (Aa2) in October/November

Divisional Financial Highlights

~80% of revenues coming from retail (Banca dei Territori, International Subsidiary Banks and Eurizon)

(Figures as at 30.09.07)	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Financial Group	Corporate Centre / Others	Total
Operating Income (€ m)	8,496	2,126	216	1,402	1,114	370	13,724
Operating Margin (€ m)	4,046	1,489	144	706	678	(6)	7,057
Cost/Income (%)	52.4	30.0	33.3	49.6	39.1	101.8	48.6
RWA (€ bn)	173.2	112.5	18.0	25.7	4.5	27.0	360.9
Allocated Capital[1] (€ bn)	10.4	6.8	1.1	1.5	1.3	1.6	22.7
Pre-tax ROE[2] (%)	42.4	26.2	16.1	52.2	67.7	(8.1)	34.8
Direct Customer Deposits (€ bn)	172.5	62.8	5.7	25.9	31.9	67.9	366.7
Loans to Customers (€ bn)	187.0	79.6	33.3	21.9	2.7	0.8	325.3
EVA ® (€ m)	1,455	414	3	305	336	2,309	4,821

Including €3.6bn capital gain on the sales of Cariparma, FriulAdria and 202 branches

- **9M07 €1,726m EVA® adjusted[3] (+6% vs 9M06 adjusted[3])**

Figures may not add up exactly due to rounding differences
(1) Allocated capital = 6% RWA, allocated capital for Eurizon Financial Group = 6% RWA + 0.2% AuM + Insurance risk
(2) Income before Taxes from Continuing Operations/Allocated Capital; annualised
(3) Adjusted for the main non-recurring items pointed out in slide 4

Banca dei Territori

Solid revenue growth, cost reduction and flat provisions

(€ m)	9M06 Restated[1]	9M07	Δ%
Net interest income	4,517	5,159	14.2
Dividends and P/L on investments carried at equity	90	79	(12.2)
Net fee and commission income	3,183	3,081	(3.2)
Profits (Losses) on trading	140	142	1.4
Other operating income (expenses)	26	35	34.6
Operating income	**7,956**	**8,496**	**6.8**
Personnel expenses	(2,639)	(2,651)	0.5
Other administrative expenses	(1,864)	(1,780)	(4.5)
Adjustments to property, equipment and intangible assets	(20)	(19)	(5.0)
Operating costs	**(4,523)**	**(4,450)**	**(1.6)**
Operating margin	**3,433**	**4,046**	**17.9**
Net provisions for risks and charges	(65)	(74)	13.8
Net adjustments to loans	(669)	(674)	0.7
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	1	n.m.
Income before tax from continuing operations	**2,699**	**3,299**	**22.2**

	9M06	9M07
Cost / Income (%)	**56.9**	**52.4**
Pre-tax ROE (%)	**38.8**	**42.4**
EVA ® (€ m)	**1,118**	**1,455**

- **Strong growth in Net Interest Income due to the improvement in mark-down and in average loan growth (+9%)**
- **Expected decline in commissions also due to**
  - higher impact of current accounts with reduced costs for customers
  - lower placement of products generating high up-front fees
- **Revenue growth and cost reduction benefiting from merger synergies so far only marginally**
- **Significant reduction in Cost/Income ratio down 4.5 p.p. to 52.4%**

Figures may not add up exactly due to rounding differences
(1) 9M06 figures restated to reflect 9M07 consolidation area

Corporate & Investment Banking

Strong increase in Net interest income thanks to commercial development

(€ m)	9M06 Restated(1)	9M07	Δ%
Net interest income	691	769	11.3
Dividends and P/L on investments carried at equity	21	13	(38.1)
Net fee and commission income	715	667	(6.7)
Profits (Losses) on trading	615	649	5.5
Other operating income (expenses)	33	28	(15.2)
Operating income	**2,075**	**2,126**	**2.5**
Personnel expenses	(302)	(289)	(4.3)
Other administrative expenses	(327)	(335)	2.4
Adjustments to property, equipment and intangible assets	(13)	(13)	0.0
Operating costs	**(642)**	**(637)**	**(0.8)**
Operating margin	**1,433**	**1,489**	**3.9**
Net provisions for risks and charges	0	(4)	n.m.
Net adjustments to loans	(86)	(156)	81.4
Net impairment losses on other assets	(5)	(6)	20.0
Profits (Losses) on HTM and on other investments	28	0	(100.0)
Income before tax from continuing operations	**1,370**	**1,323**	**(3.4)**

Operating income: -0.3% adjusted(2)

Operating margin: -0.1% adjusted(2)

	9M06	9M07
Cost / Income (%)	**30.9**	**30.0**
Pre-tax ROE (%)	**30.2**	**26.2**
EVA ® (€ m)	**451**	**414**

- Growth in Net interest income due to commercial development (average Corporate customer loans +11%) offsetting erosion in mark-up
- Revenues adjusted stable despite the more complex operating environment
- Decline in Operating Costs (-0.8%)
- Increase in Net adjustments to loans due to lower write-backs
- Cost/Income ratio down 0.9 p.p. to 30%
- Merger Banca IMI-Banca Caboto effective as of 1 October

Figures may not add up exactly due to rounding differences
(1) 9M06 figures restated to reflect 9M07 consolidation area
(2) 9M07 adjusted excluding the capital gain on the stake in Borsa Italiana vs 9M06 adjusted excluding the positive contribution from Fiat and Parmalat

Public Finance
Good revenue growth excluding non-recurring items

(€ m)	9M06 Restated(1)	9M07	Δ%
Net interest income	152	152	0.0
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	45	33	(26.7)
Profits (Losses) on trading	26	25	(3.8)
Other operating income (expenses)	0	6	n.m.
Operating income	**223**	**216**	**(3.1)**
Personnel expenses	(24)	(27)	12.5
Other administrative expenses	(44)	(45)	2.3
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(68)**	**(72)**	**5.9**
Operating margin	**155**	**144**	**(7.1)**
Net provisions for risks and charges	0	0	n.m.
Net adjustments to loans	3	(8)	n.m.
Net impairment losses on other assets	0	(6)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**158**	**130**	**(17.7)**

Cost / Income (%)	**30.5**	**33.3**
Pre-tax ROE (%)	**19.4**	**16.1**
EVA ® (€ m)	**23**	**3**

- **6.7% growth in revenues excluding non-recurring items:**
  - **9M06: disposals/early liquidation of Banca OPI historical assets (€23m)**
  - **9M07: BIIS capital gains related to Tax-collection companies disposed of in 2006 (€3m)**
- **9.3% growth in Net Interest Income excluding non-recurring items mainly driven by the increase in average customer loans (+19.0% including securities subscription)**
- **7.5% growth in Operating Margin excluding non-recurring items**
- **Income before tax from continuing operations -5.5% excluding non-recurring items**

Figures may not add up exactly due to rounding differences
(1) *9M06 figures restated to reflect 9M07 consolidation area*

International Subsidiary Banks (1/2)

Excellent revenue growth and strong improvement in efficiency

(€ m)	9M06 Restated[1]	9M07	Δ%
Net interest income	670	832	24.2
Dividends and P/L on investments carried at equity	(1)	1	n.m.
Net fee and commission income	312	359	15.0
Profits (Losses) on trading	166	213	28.7
Other operating income (expenses)	1	(4)	n.m.
Operating income	**1,149**	**1,402**	**22.0**
Personnel expenses	(312)	(350)	12.2
Other administrative expenses	(239)	(257)	7.6
Adjustments to property, equipment and intangible assets	(75)	(89)	19.5
Operating costs	**(625)**	**(696)**	**11.3**
Operating margin	**524**	**706**	**34.9**
Net provisions for risks and charges	(2)	(8)	260.7
Net adjustments to loans	(115)	(100)	(13.0)
Net impairment losses on other assets	4	(1)	n.m.
Profits (Losses) on HTM and on other investments	18	4	(75.9)
Income before tax from continuing operations	**428**	**602**	**40.8**

	9M06 Restated[1]	9M07
Cost / Income (%)	**54.4**	**49.6**
Pre-tax ROE (%)	**46.2**	**52.2**
EVA ® (€ m)	**200**	**305**

- **Sustained growth confirmed in all revenue lines**
- **Strong increase in Net Interest Income driven by the sizeable increase in average customer volumes (Loans +23% and Deposits +20%)**
- **Strong growth in Net fee and commission income mainly due to commissions from Current accounts, Credit and debit cards, AuM, Loans and Guarantees given**
- **Increase in Operating costs mainly due to the planned expansion of commercial network (+60 branches)**
- **Reduction in Net adjustments to loans**
- **Strong improvement in efficiency with Cost/Income ratio down 4.8 p.p. to 49.6%**

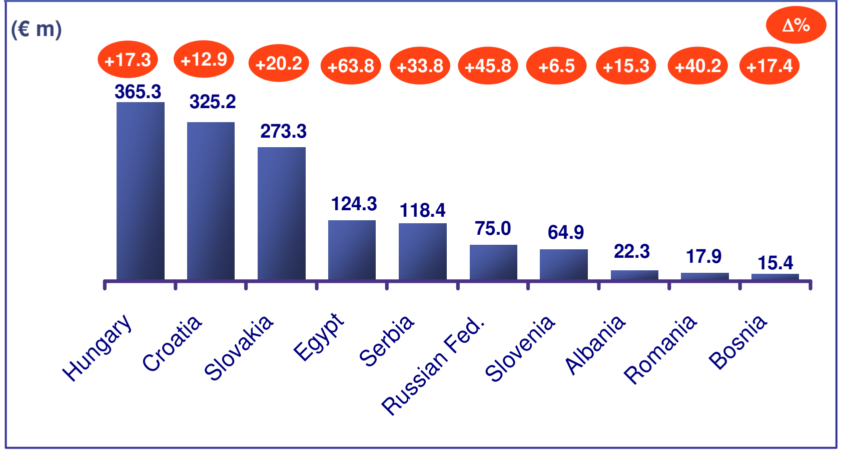
Figures may not add up exactly due to rounding differences

(1) 9M06 figures restated to reflect 9M07 consolidation area (American Bank of Albania included since 1.1.2006)

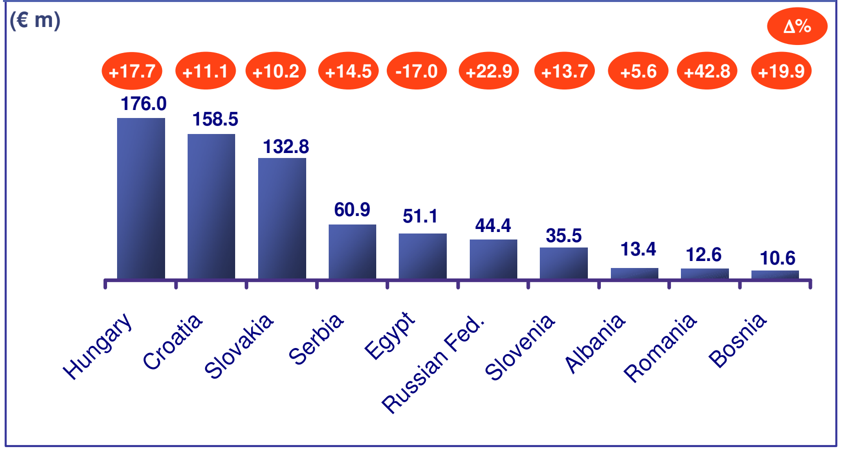
International Subsidiary Banks (2/2)

Figures by Country 9M07 vs 9M06

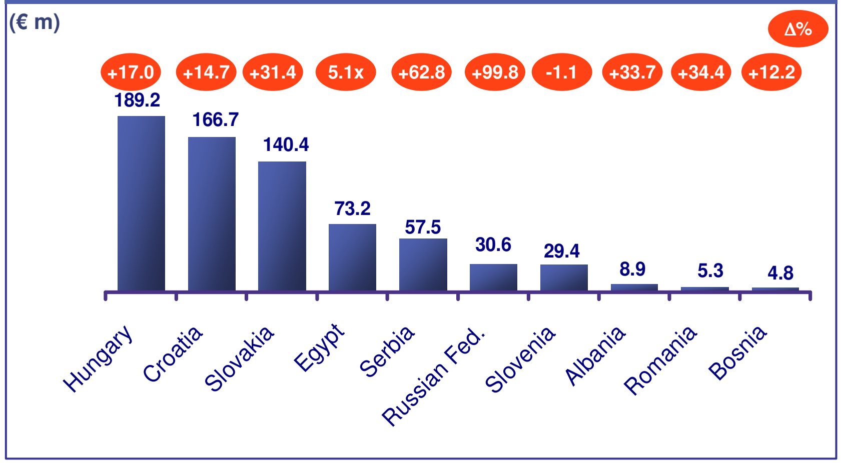
Operating Income



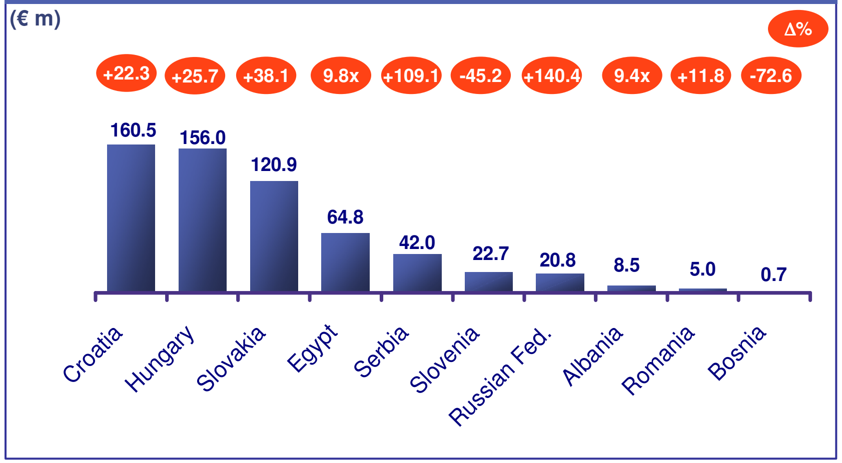
Operating Costs



Operating Margin



Pre-Tax Income(1)



Note: Hungary = Central-European International Bank + Inter-Europa Bank; Serbia = Banca Intesa Beograd + Panonska Banka; Albania = Banca Italo Albanese + American Bank of Albania

(1) *Income before tax from continuing operations*

Eurizon Financial Group

Good operating performance confirmed

(€ m)	9M06 Restated[1]	9M07	Δ%
Net interest income	57	97	70.2
Dividends and P/L on investments carried at equity	13	11	(15.4)
Net fee and commission income	616	634	2.9
Profits (Losses) on trading	5	7	40.0
Income from insurance business	284	356	25.4
Other operating income (expenses)	15	9	(40.0)
Operating income	**990**	**1,114**	**12.5**
Personnel expenses	(182)	(203)	11.5
Other administrative expenses	(217)	(211)	(2.8)
Adjustments to property, equipment and intangible assets	(19)	(22)	15.8
Operating costs	**(418)**	**(436)**	**4.3**
Operating margin	**572**	**678**	**18.5**
Net provisions for risks and charges	(40)	(28)	(30.0)
Net adjustments to loans	1	(2)	n.m.
Net impairment losses on other assets	0	(5)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**533**	**643**	**20.6**

	9M06	9M07
Cost / Income (%)	**42.2**	**39.1**
Pre-tax ROE (%)	**55.2**	**67.7**
EVA ® (€ m)	**300**	**336**

- **Increase in Net Interest Income also due to the asset allocation policy of Banca Fideuram**
- **Increase in Income from Insurance Business due to increase in Life and casualty products and positive financial management**
- **Strategic decisions taken to accelerate the development of Banca Fideuram, Eurizon Capital and EurizonVita represent a further opportunity for value creation**
- **Cost/Income ratio down 3.1 p.p. to 39.1%**

Figures may not add up exactly due to rounding differences
(1) 9M06 figures restated to reflect 9M07 consolidation area

Integration
Integration ahead of schedule

Main results achieved (1/2)

12 October 2006	Approval of the Merger Project
1 December 2006	Agreement reached with the Unions on management of personnel reduction
1 January 2007	Merger effective
2 January 2007	Integration of the main planning and control systems
3 January 2007	Definition of Top Management organigram and responsibilities
30 January 2007	Alignment of commercial policies and organisational structures
1 February 2007	Definition of organigram and responsibilities to 4th line
20 February 2007	Target IT system identified
March 2007	Launch of the first products of the new Group
3 April 2007	Definition of all delegated and operating powers
14 April 2007	Approval of the 2007-2009 Business Plan

Main results achieved (2/2)

23 May 2007	Approval of the integration project BIIS-Banca OPI (Public Finance)
19 June 2007	Definition of the strategy relating to Eurizon Financial Group
12 July 2007	Completion of IT Master Plan integration
20 July 2007	Dimensional target for Central Structures defined
1 August 2007	Finalisation of merger of the two banks in Bosnia and Herzegovina (UPI and LTG)
1 August 2007	Second agreement reached with the Unions on management of personnel reduction
August 2007	Definition of rationalisation of retail product range
11 September 2007	Approval of the merger of Eurizon Financial Group into Intesa Sanpaolo
1 October 2007	Finalisation of the merger of Banca IMI-Banca Caboto
5 November 2007	Banca Prossima starts operating

IT system integration to be completed by December 2008.
709,000 training days delivered in 9M07 (+158% vs 9M06)

Conclusions

- **9M07 results in line with Business Plan targets, achieved in a more complex market environment and benefiting from merger synergies so far only marginally**
  - **growth in revenues excluding profits on trading +6.8%**
  - **steady increase in the number of customers: ~150,000 new clients on a net basis in 9M07**
  - **excellent cost control: 9M07 Operating costs adjusted(1) stable vs 9M06**
  - **high efficiency: 9M07 Cost/Income adjusted(1) at 51.0%, -3.8 p.p. vs FY06 adjusted(1)**
  - **excellent risk control: 9M07 cost of credit at 38bps (annualised)**

- **Solid capital ratio, risk and liquidity position**
  - **Core Tier 1 ratio up to 7.3%**
  - **Net doubtful loans/Loans ratio at 0.9%**
  - **Loans to Customers/Direct customer deposits at 0.9**

- **Integration ahead of schedule**

Solid financial structure and high efficiency
are key competitive factors in the current environment

(1) Excluding main non-recurring items

Appendix

Key Aggregates
Excellent liquidity profile and volume growth

(€ m)	30.09.06 Restated	30.09.07	Δ%
Total Assets	**561,057**	**576,176**	**2.7**
Loans to Customers	**307,362**	**325,314**	**5.8**
Direct Customer Deposits	**349,069**	**366,652**	**5.0**
Indirect Customer Deposits	**604,095**	**639,057**	**5.8**
of which Assets under Management[(1)]	***216,055***	***209,003***	***(3.3)***
Customer Financial Assets[(2)]	**927,599**	**978,126**	**5.4**

+10.6% average volumes
+6.5% excluding repurchase agreements

Note: 30.09.06 figures restated to reflect 30.09.07 consolidation area

(1) For the former Intesa Group, Assets under Management figures do not take into account Mutual Funds, included in Assets under Administration and in Custody following the Nextra transaction

(2) Net of duplications between Direct Customer Deposits and Asset Management

Quarterly P&L Analysis: 3Q07 vs 3Q06

Costs stable and double-digit growth in Operating margin

(€ m)	3Q06 Restated	3Q07	Δ%
Net interest income	2,230	2,452	10.0
Dividends and P/L on investments carried at equity	42	67	59.5
Net fee and commission income	1,542	1,515	(1.8)
Profits (Losses) on trading	348	302	(13.2)
Income from insurance business	90	93	3.3
Other operating income	9	48	433.3
Operating income	**4,261**	**4,477**	**5.1**
Personnel expenses	(1,374)	(1,384)	0.7
Other administrative expenses	(706)	(711)	0.7
Adjustments to property, equipment and intangible assets	(216)	(205)	(5.1)
Operating costs	**(2,296)**	**(2,300)**	**0.2**
Operating margin	**1,965**	**2,177**	**10.8**
Net provisions for risks and charges	(48)	(68)	41.7
Net adjustments to loans	(295)	(279)	(5.4)
Net impairment losses on assets	(5)	4	n.m.
Profits (Losses) on HTM and on other investments	3	(1)	n.m.
Income before tax from continuing operations	**1,620**	**1,833**	**13.1**
Taxes on income from continuing operations	(520)	(543)	4.4
Merger and restructuring related charges (net of tax)	0	(401)	n.m.
Effect of purchase cost allocation (net of tax)	0	(100)	n.m.
Income (Loss) after tax from discontinued operations	151	744	392.7
Minority interests	(56)	(37)	(33.9)
Net income	**1,195**	**1,496**	**25.2**

+6.7% adjusted excluding Profits on trading
+1.4% adjusted excluding main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 3Q06 figures restated to reflect 3Q07 consolidation area

Quarterly P&L Analysis
Net Interest Income upward trend confirmed

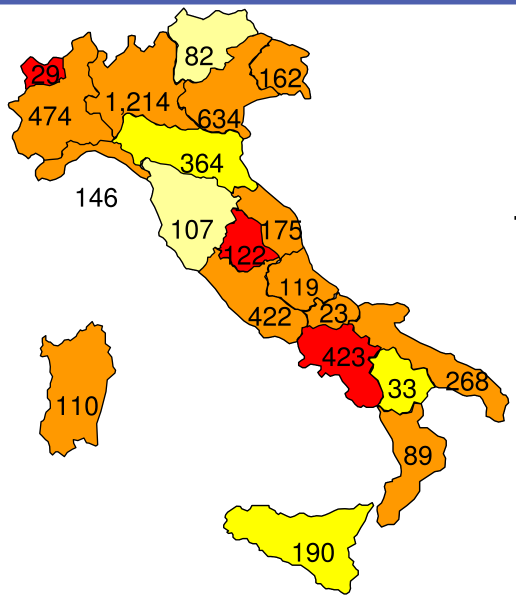
(€ m)	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
	Restated						
Net interest income	2,110	2,207	2,230	2,360	2,376	2,445	2,452
Dividends and P/L on investments carried at equity	38	93	42	105	46	118	67
Net fee and commission income	1,635	1,610	1,542	1,592	1,587	1,576	1,515
Profits (Losses) on trading	492 (1)	326	348	633 (2)	438	332	302 (3)
Income from insurance business	95	99	90	168	101	162	93
Other operating income (expenses)	17	27	9	47	40	26	48
Operating income	**4,387**	**4,362**	**4,261**	**4,905**	**4,588**	**4,659**	**4,477**
Personnel expenses	(1,363)	(1,373)	(1,374)	(1,523)	(1,403)	(1,126) (4)	(1,384)
Other administrative expenses	(720)	(753)	(706)	(917)	(702)	(740)	(711)
Adjustments to property, equipment and intangible assets	(194)	(217)	(216)	(272)	(192)	(204)	(205)
Operating costs	**(2,277)**	**(2,343)**	**(2,296)**	**(2,712)**	**(2,297)**	**(2,070)**	**(2,300)**
Operating margin	**2,110**	**2,019**	**1,965**	**2,193**	**2,291**	**2,589**	**2,177**
Net provisions for risks and charges	(70)	(37)	(48)	(181)	(92)	(101)	(68)
Net adjustments to loans	(291)	(285)	(295)	(435)	(321)	(322)	(279)
Net impairment losses on other assets	3	(2)	(5)	(7)	(2)	(20)	4
Profits (Losses) on HTM and on other investments	4	66	3	95	35	8	(1)
Income before tax from continuing operations	**1,756**	**1,761**	**1,620**	**1,665**	**1,911**	**2,154**	**1,833**
Taxes on income from continuing operations	(628)	(576)	(520)	(309)	(679)	(726)	(543)
Merger and restructuring related charges (net of tax)	0	0	0	(562)	(14)	(66)	(401)
Effect of purchase cost allocation (net of tax)	0	0	0	0	(100)	(100)	(100)
Income (Loss) after tax from discontinued operations	173	208	151	142	2,918 (5)	129	744 (6)
Minority interests	(31)	(47)	(56)	(40)	(34)	(34)	(37)
Net income	**1,270**	**1,346**	**1,195**	**896**	**4,002**	**1,357**	**1,496**

Note: 2006 figures, 1Q07 and 2Q07 restated to reflect 3Q07 consolidation area
(1) Including €110m positive contribution from Fiat and Parmalat positions
(2) Including €228m capital gain on the sale of Ixis stakes
(3) Including €169m capital gain related to Borsa Italiana
(4) Including €255m non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(5) Including €2,803m capital gain on Crédit Agricole transaction
(6) Including €708m capital gain on Crédit Agricole transaction

Carifirenze (1/4)

Unique opportunity to complete the network coverage

Intesa Sanpaolo Group[(1)]



Branches= 5,186 M.S.=16.0%

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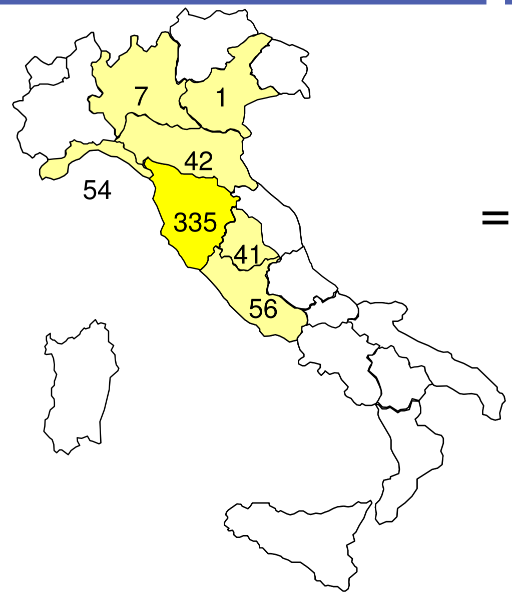
Carifirenze Group



Branches= 536 M.S.=1.7%

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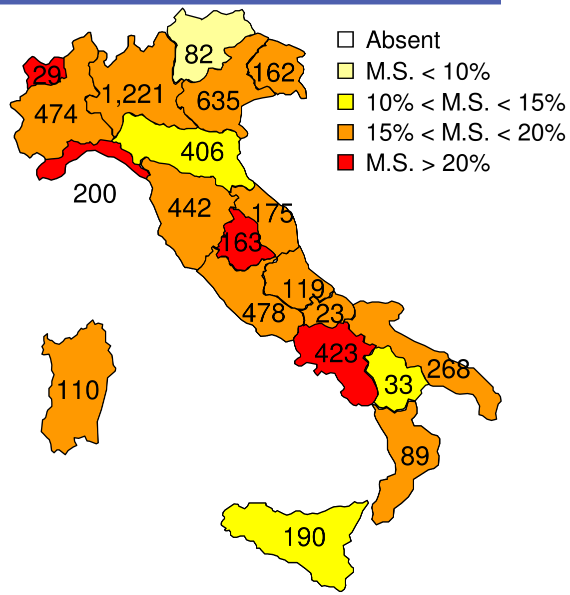
Combined[(1)]



Branches= 5,722 M.S.=17.7%

	Intesa Sanpaolo[(1)]		Carifirenze		Combined[(1)]	
	Branches	M.S.	Branches	M.S.	Branches	M.S.
Tuscany	107	4.5%	335	14.1%	442	18.6%
Umbria	122	22.1%	41	7.4%	163	29.5%
Liguria	146	15.2%	54	5.6%	200	20.9%
Latium	422	16.3%	56	2.2%	478	18.5%
Emilia Romagna	364	10.7%	42	1.2%	406	11.9%
Lombardy	1,214	19.4%	7	0.1%	1,221	19.6%
Veneto	634	18.4%	1	0.0%	635	18.4%
Total regions	**3,009**	**15.4%**	**536**	**2.7%**	**3,545**	**18.1%**

Significant improvement in competitive positioning in 5 regions of Central-Northern Italy (Tuscany, Umbria, Liguria, Latium and Emilia Romagna)

Figures may not add up exactly due to rounding differences

Note: Data as at 31 December 2006 – Bank of Italy criteria

(1) Figures as at 31 December 2006. Intesa Sanpaolo figures include only retail banks net of sales to Crédit Agricole, and disposal of Biverbanca and Antitrust branches.

Carifirenze (2/4)

Further value creation with respect to the Business Plan

Unique opportunity to complete territorial presence	■ The acquisition of Carifirenze is a unique opportunity to strengthen Intesa Sanpaolo in Tuscany, a region where it was less present, reaching in this way a leadership position in the centre of Italy ■ The completion of its national presence enables the Group to maximize the contribution of some of the most important initiatives at both customer and product levels envisaged in the 2007-2009 Business Plan ("giro-bank" payment system, trade finance and services to companies operating abroad, Public Finance)
Significant synergies generation	■ Carifirenze represents a target with good asset quality (Net doubtful loans/Loans at 1%[(1)]) and with significant areas for improvement (Cost/Income[(1)] at 64% vs 53% at Intesa Sanpaolo) ■ Pre-tax estimated synergies at €185m by 2010 (65% from costs and 35% from revenues) ■ One-off estimated integration charges at €185m
Organisational model and Corporate Governance	■ The model of governance to be applied is in keeping with the Banca dei Territori pattern and is consistent with synergy targets, yet Carifirenze will maintain an adequate level of autonomy to leverage its brand, tradition and local value ■ A leading bank in Central Italy will be set up through the aggregation of Intesa Casse del Centro in Carifirenze (~900 branches before Antitrust interventions, if any)
Value creation	■ The transaction, in addition to its long-term strategic value, is immediately accretive for Intesa Sanpaolo shareholders

(1) Figures as at 31.12.06

Carifirenze (3/4)

Structure and main transaction terms

- The acquisition up to 90% of Carifirenze (considering also 18.6% already owned by Intesa Sanpaolo) takes place through

The share swap

- Acquisition of 40.3% of Carifirenze's share capital held by Ente CR Firenze, Fondazione CR Pistoia e Pescia, Fondazione CR La Spezia (the "Fondazioni") and Sofibar by means of a share swap of 399 million Intesa Sanpaolo ordinary shares – own shares purchased on the market once the relevant Shareholders' meeting resolution is obtained – on the basis of the swap ratio of 1.194 Intesa Sanpaolo ordinary shares for each Carifirenze share
- The "Fondazioni" will acquire a 3.3% stake in the Intesa Sanpaolo ordinary share capital (4% including 0.7% already owned by Ente CR Firenze)
- The share swap ratio has been calculated on the basis of the arithmetic average of the market reference price of Carifirenze and Intesa Sanpaolo ordinary shares for the three months prior to 5th March 2007 (respectively €4.49 and €5.64). For the purpose of determining the share swap ratio, a premium – relating to the transfer of control – has been applied to the market price of the Carifirenze share up to €6.73
- The countervalue of the share swap is equal to €2.2bn on the basis of the total cost of the purchase programme of own ordinary shares concluded on 7 November 2007

The public offer

- After the share swap transaction, Intesa Sanpaolo will launch a "European" Mandatory Public Offer on 41.1% of Carifirenze's share capital, in cash at a price of €6.73 per share (equal to €2.3bn if the Public Offer is fully-tendered). Ente CR Firenze has committed itself not to tender its shares under the Mandatory Public Offer and to maintain a 10.3% stake in Carifirenze's share capital, with a subsequent reduction of Mandatory Public Offer countervalue to €1.7bn
- The Mandatory Public Offer will have the objective of delisting Carifirenze (residual-acquisition public offer or a merger with a non listed company)

Carifirenze (4/4)

Timescale of the transaction(*)

		Status
25 July 2007	Approval of the transaction by the Intesa Sanpaolo Boards	✓
2 October 2007	Approval of the purchase of own shares for the share swap by the Intesa Sanpaolo Ordinary Shareholder's Meeting	✓
7 November 2007	Conclusion of the purchase of own shares	✓
First months 2008	Execution of the share swap in favour of the "Fondazioni" and Mandatory Public Offer	
Next	Start of delisting actions (Residual-acquisition Public Offer or a merger with a non listed company)	

(*) Conditional upon necessary authorisations

Disclaimer

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

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

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

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

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