1Q18 Results

An Excellent Start to Our Business Plan

A Strong Bank for a Digital World

May 8, 2018

INTESA SANPAOLO

An Excellent Start to Our Business Plan

€1,252m Net income, the best Q1 since 2008 (+39% vs 1Q17 pro-forma(1))

~€1,650m pro-forma Net income including capital gain from the Intrum agreement (~43% of the €3.8bn FY17 Net income already achieved(2))

Net interest income growing for the second quarter in a row and best ever Q1 for Commissions

Cost/Income down to 47.8%, with 1.3% decrease in Operating costs

~€14bn NPL deleveraging from the peak of September 2015 (~€1.5bn in Q1), ~€25bn including the Intrum agreement, at no cost to shareholders

Close to half of 2018-2021 Business Plan NPL deleveraging target already achieved(3)

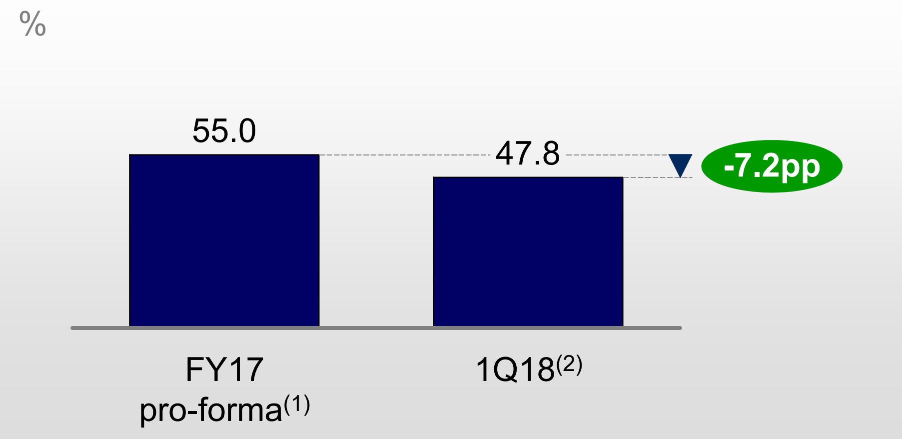
Common Equity(4) ratio up to 13.4%, well above regulatory requirements

Firmly on track to deliver 2018 Net income higher than the €3.8bn 2017 Net income(2) and 2018-2021 Business Plan NPL deleveraging target

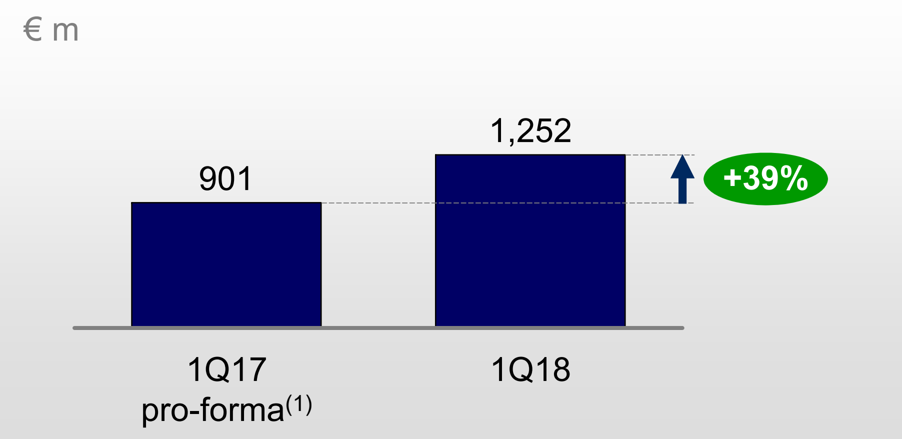
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios
(3) Including Intrum agreement
(4) Pro-forma fully loaded Basel 3 (31.3.18 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q18 Net income of insurance companies and the expected absorption of DTA on losses carried forward)

Q1: Excellent Performance Delivered

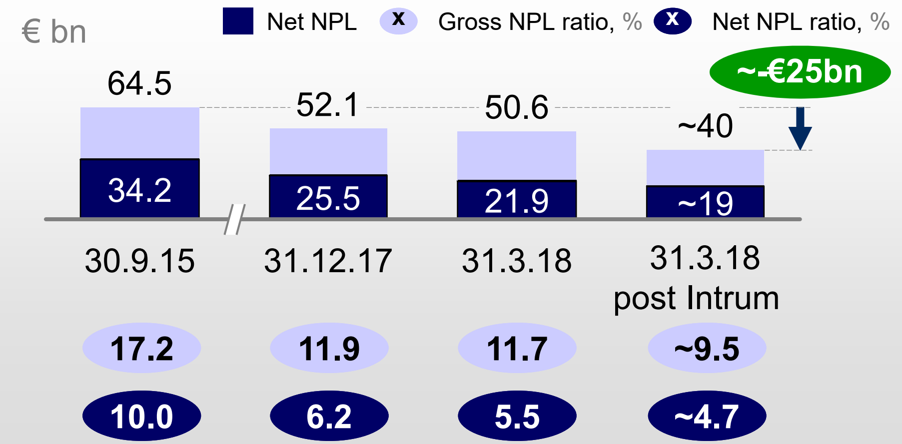
Cost/Income



Net income

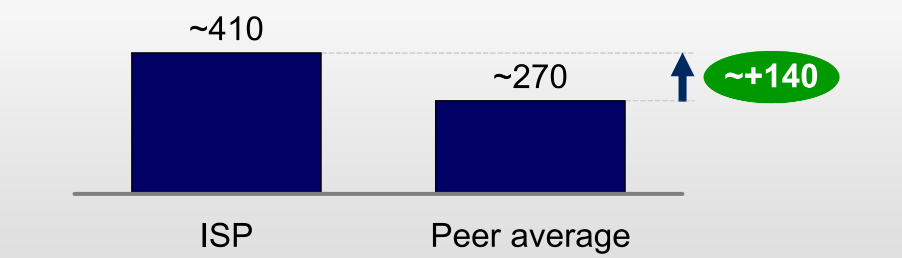


NPL stock



Excess capital

Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer(3,4), 31.3.18, bps

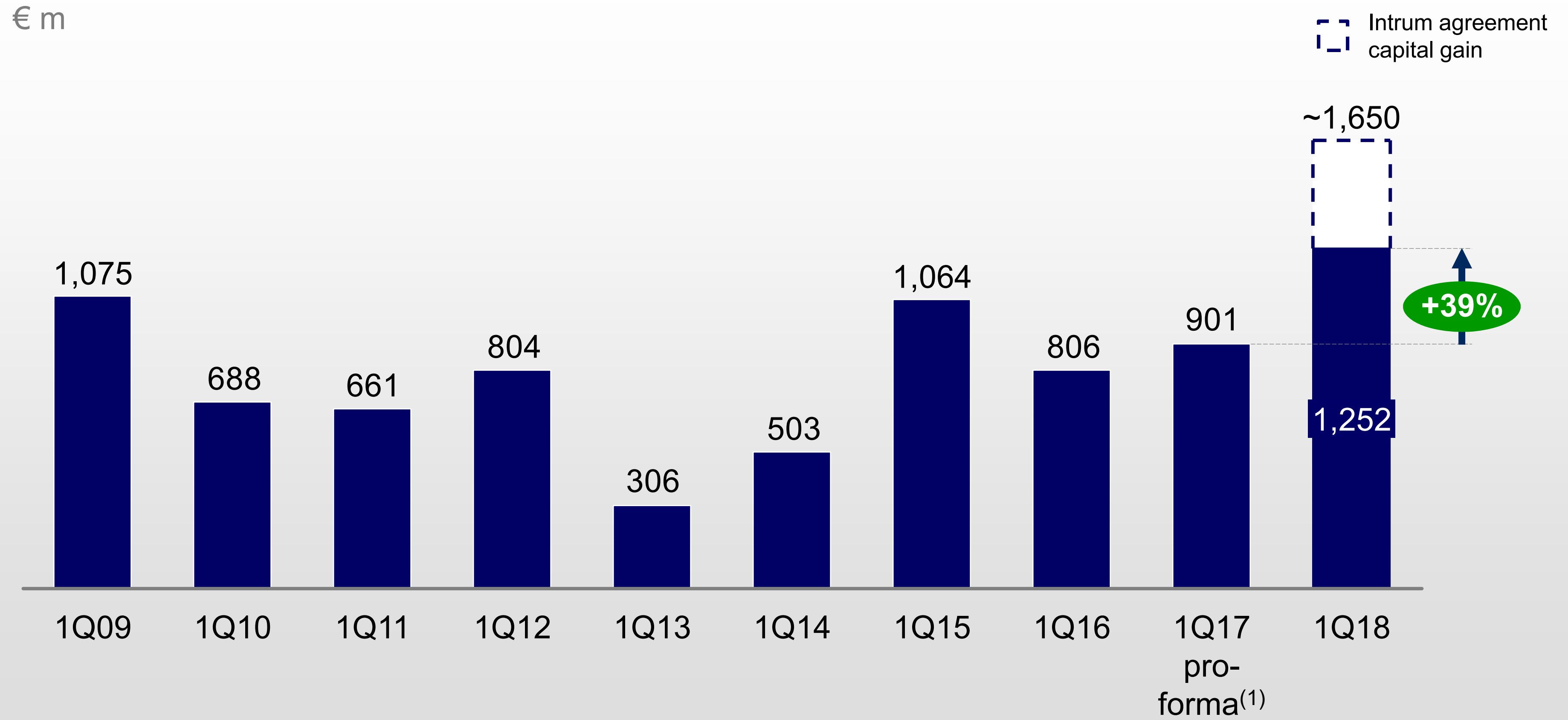


Excess capital due to internal capital management with €10bn cash dividends paid in the past 4 years

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) 50.6% excluding NTV (Nuovo Trasporto Viaggiatori) positive impact
(3) Sample: BBVA, BNP Paribas, Deutsche Bank, Nordea, Santander and Société Générale (31.3.18 data); BPCE, Commerzbank, Crédit Agricole Group, ING and UniCredit (31.12.17 data). Source: Investors' Presentations, Press Releases, Conference Calls, Financial Statements
(4) Calculated as the difference between the Fully Loaded CET1 Ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement

Best Q1 Net Income since 2008

Net income



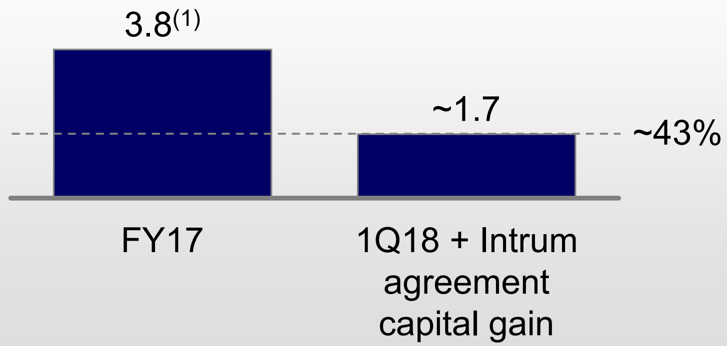
Firmly on track to deliver 2018 Net income higher than 2017: ~43% of the €3.8bn FY17 Net income[2] already achieved in Q1

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios

All Stakeholders Benefit from Our Excellent Performance

Shareholders

Net income, € bn

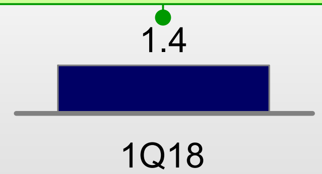


2018 payout ratio 85%

Employees

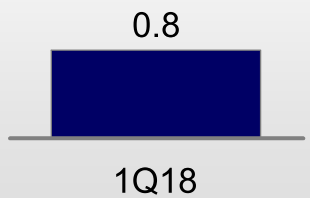
Personnel expenses, € bn

Excess capacity of ~5,000 people to be reskilled and redeployed to priority initiatives



Public Sector

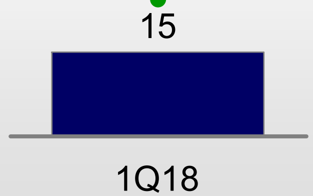
Taxes[2], € bn



Households and Businesses

Medium/Long-term new lending, € bn

Of which €12.5bn in Italy



~3,600 Italian companies helped to get back to performing status[3] in Q1

(1) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios
(2) Direct and indirect
(3) Deriving from Non-performing loans outflow

INTESA SANPAOLO

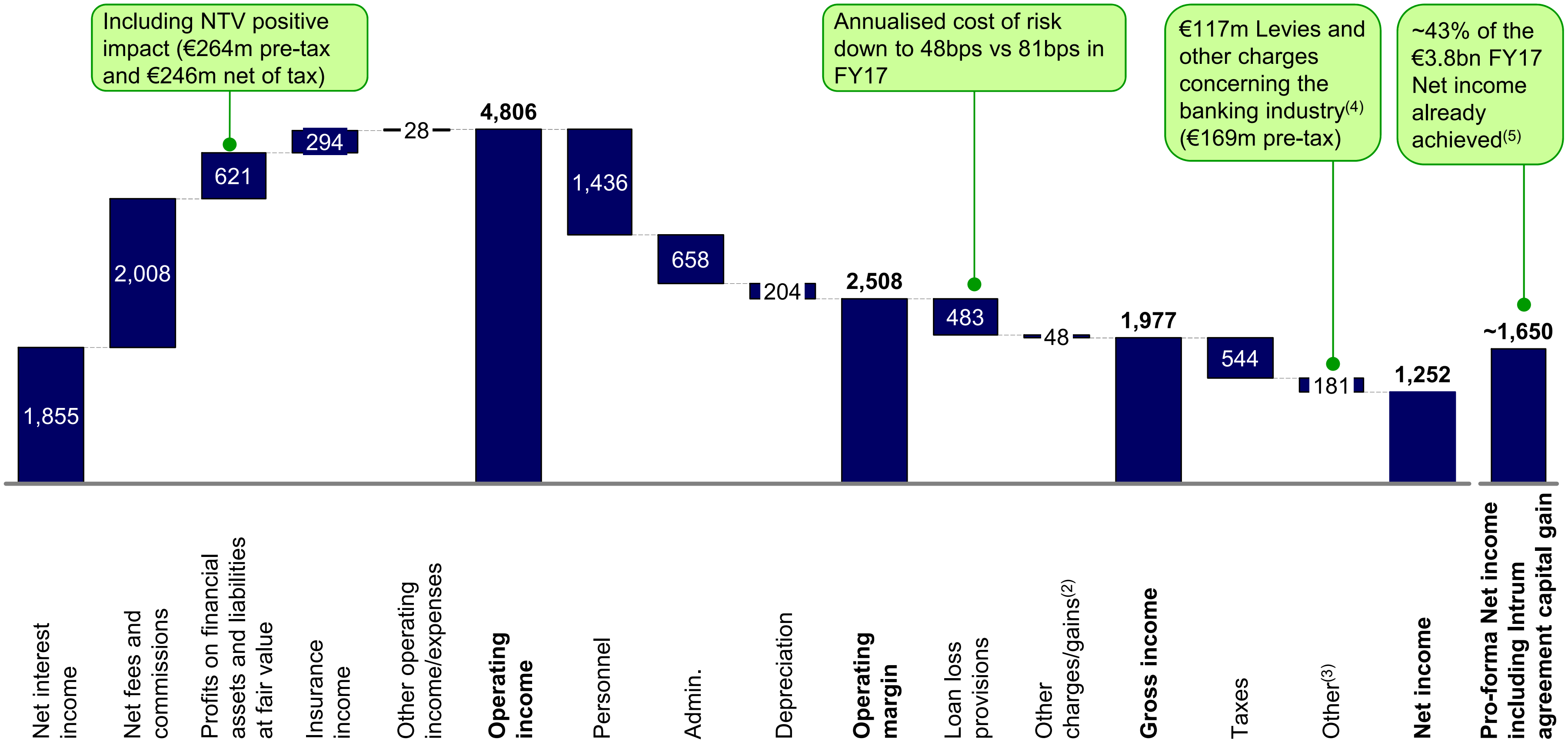
1Q18: Highlights

- Excellent economic performance driven by high quality earnings:
  - ~€1,252m Net income (+39% vs 1Q17 pro-forma[1]), the best Q1 Net income since 2008
  - ~€1,650m pro-forma Net Income including ~€400m additional capital gain from the Intrum agreement to be booked by year-end
  - Growth in Net interest income for the second quarter in a row (+1% vs 4Q17) and best ever Q1 for Commissions (+4.5% vs 1Q17 pro-forma[1])
  - Decrease in Operating costs (-1.3% vs 1Q17 pro-forma[1]) with C/I ratio down to 47.8%
  - Annualised cost of risk down to 48bps (vs 81bps in FY17 pro-forma[1]), coupled with a solid 57% NPL coverage ratio and the lowest ever Q1 NPL inflows
- Best-in-class capital position with balance sheet further strengthened:
  - ~€14bn NPL deleveraging vs the peak of September 2015, leading to the lowest Gross NPL stock since 2012 (lowest Net since 2011)
  - ~€25bn NPL deleveraging vs the peak of September 2015 including the Intrum agreement, leading to the lowest Gross NPL stock since 2011 (lowest Net since 2009)
  - Common Equity[2] ratio up to 13.4%
  - Best-in-class leverage ratio: 6.3%
  - Strong liquidity position and funding capability with LCR and NSFR well above 100% and €166bn of liquid assets, of which €87bn unencumbered eligible liquidity reserves

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) Pro-forma fully loaded Basel 3 (31.3.18 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q18 Net income of insurance companies and the expected absorption of DTA on losses carried forward)

Q1: Strong Growth in Profitability with Quality Earnings Delivered

1Q18 P&L
€ m



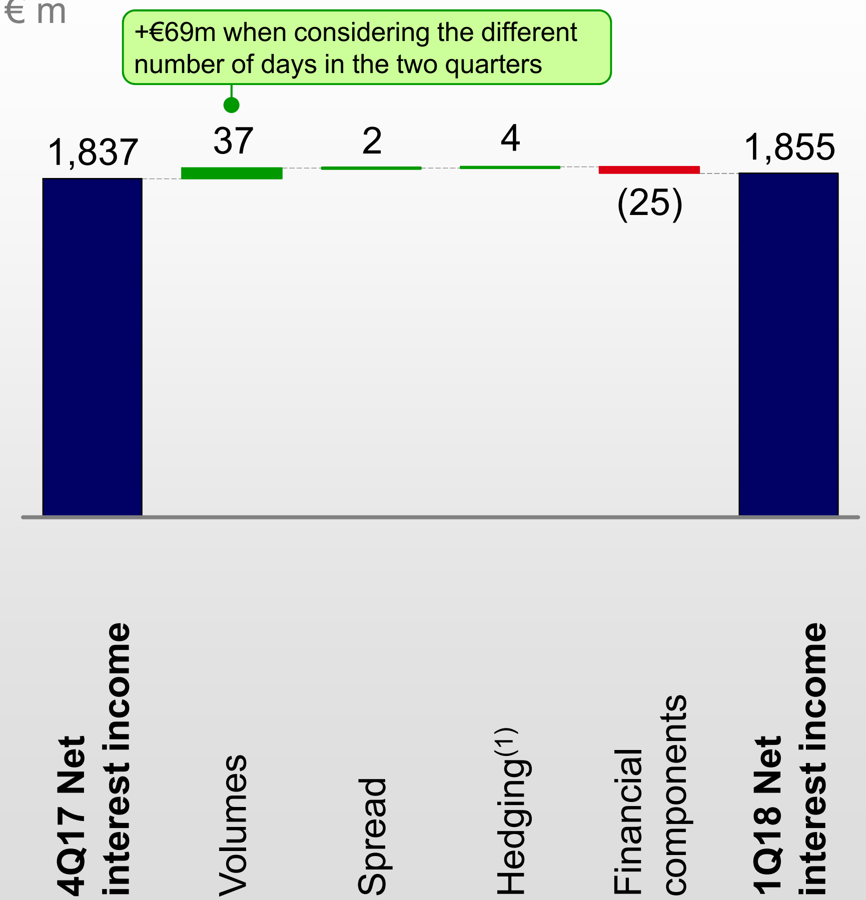
	Net interest income	Net fees and commissions	Profits on financial assets and liabilities at fair value	Insurance income	Other operating income/expenses	**Operating income**	Personnel	Admin.	Depreciation	**Operating margin**	Loan loss provisions	Other charges/gains(2)	**Gross income**	Taxes	Other(3)	**Net income**
Δ% vs 1Q17 pro-forma(1)	(1.3)	4.5	n.m.	3.9	n.m.	10.5	(1.2)	(2.2)	1.5	24.0	(30.6)	n.m.	30.6	25.9	n.m.	39.0
Δ% vs 4Q17	1.0	(6.4)	15.4	60.7	n.m.	2.0	(10.6)	(21.1)	(12.8)	23.0	(60.7)	n.m.	28.7	118.5	n.m.	(12.3)

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations
(3) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests
(4) Including charges for the Resolution Fund: €166m pre-tax (€115m net of tax), our estimated commitment for the year fully funded
(5) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios
Note: figures may not add up exactly due to rounding

Increase in Net Interest Income for the Second Quarter in a Row Despite Continuing Low Market Rates

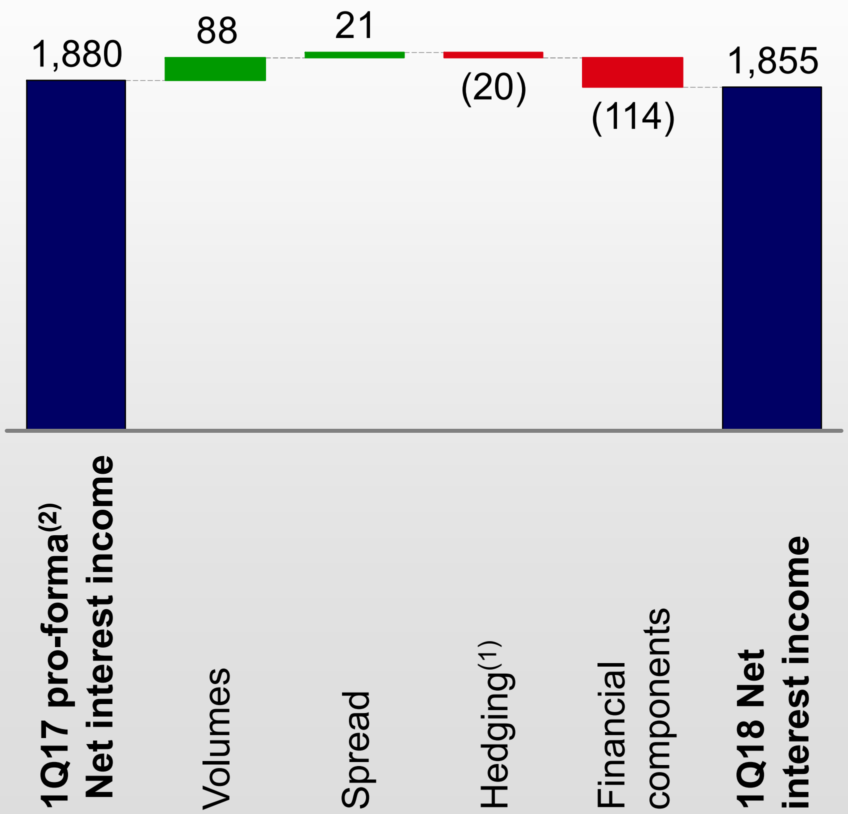
Quarterly comparison

Net interest income, Δ 1Q18 vs 4Q17
€ m



Yearly comparison

Net interest income, Δ 1Q18 vs 1Q17 pro-forma[2]
€ m

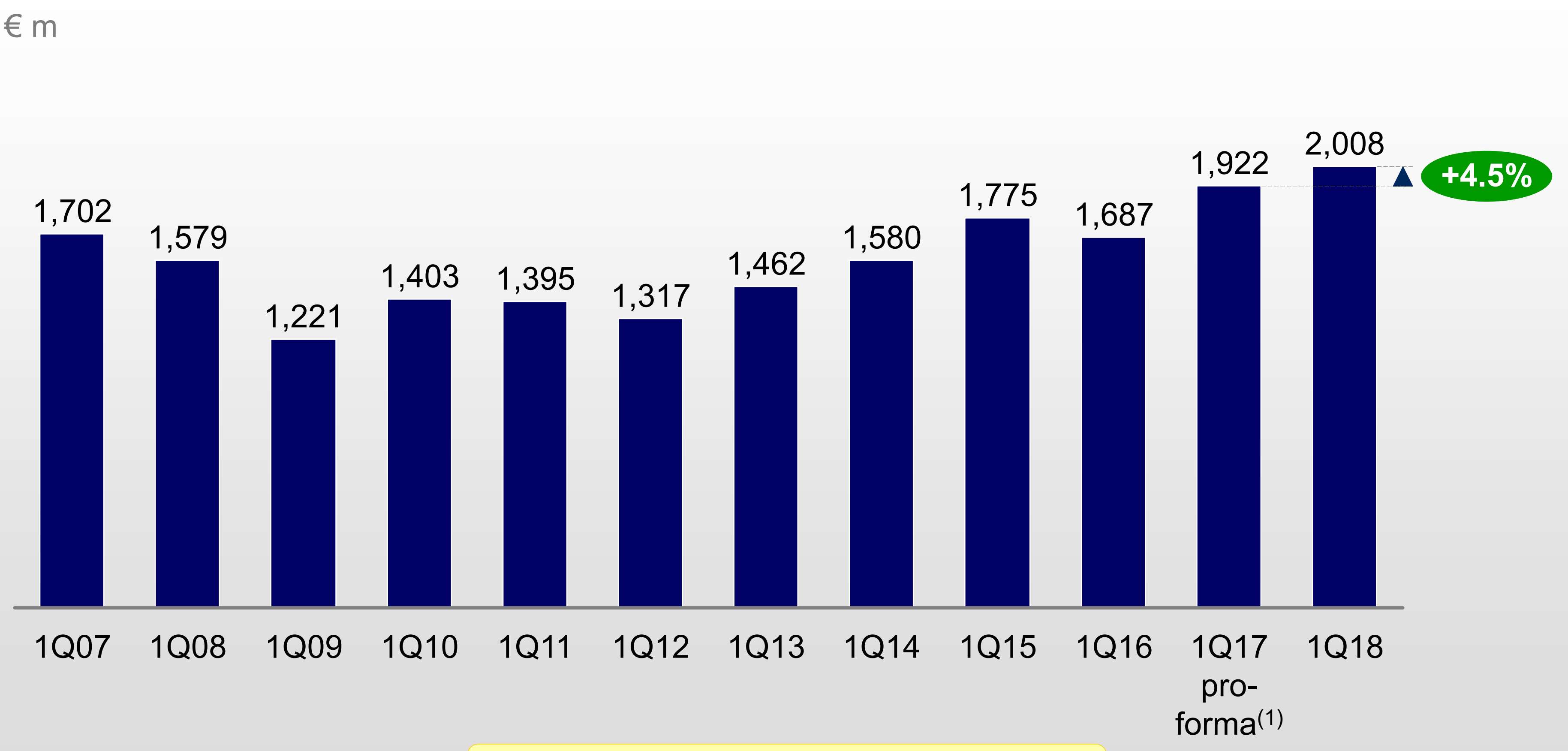


(1) ~€100m benefit from hedging on core deposits in 1Q18
(2) Management data including the contribution of the two former Venetian banks (excluding Moldova)

INTESA SANPAOLO

Best Ever Q1 for Commissions

Net fees and commissions



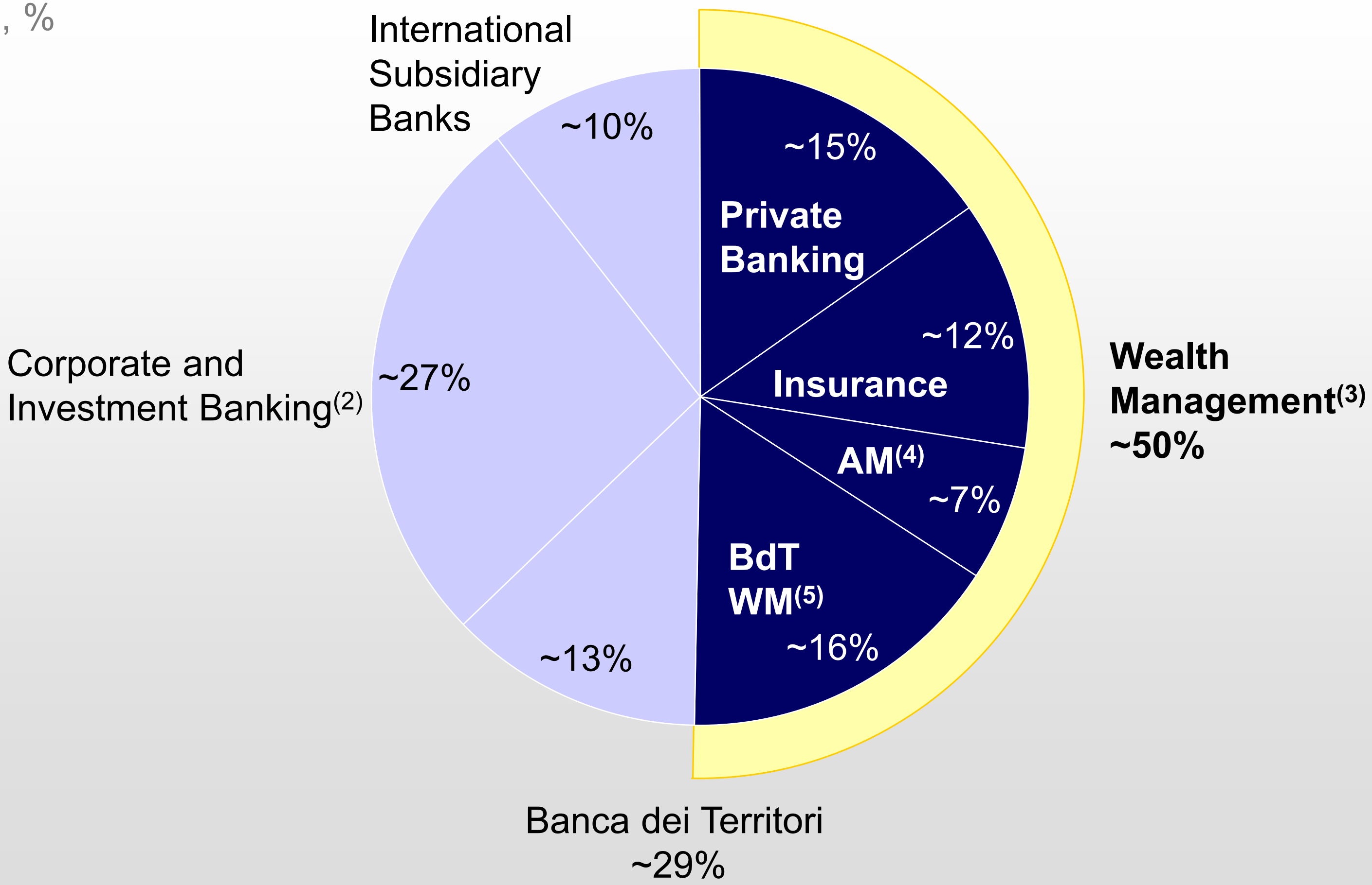
~€5bn of AuM Net inflows in 1Q18

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)

ISP: An Established Successful Wealth Management and Protection Company

Gross income breakdown(1)

1Q18, %



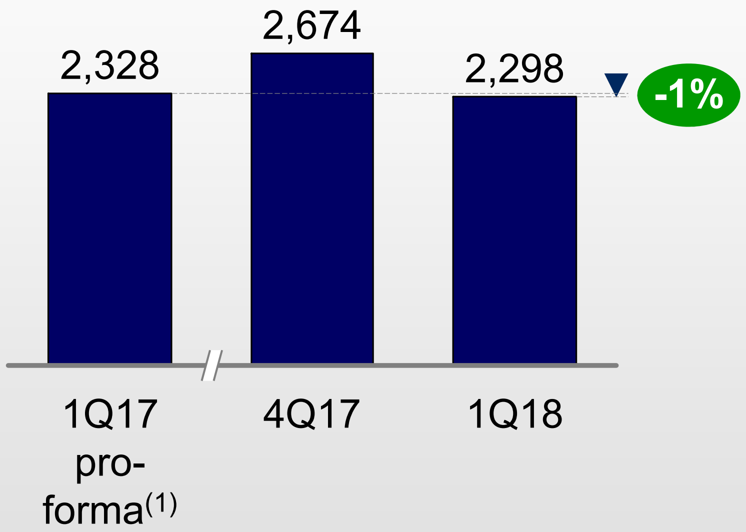
(1) Excluding Corporate Centre and positive impact from NTV
(2) Excluding positive impact from NTV
(3) Private Banking includes Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) and Sirefid; Insurance includes Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita; Asset Management includes Eurizon; BdT WM includes ~€570m revenues from WM products included in Banca dei Territori (applying a C/I of 35.0%)
(4) Asset Management
(5) Banca dei Territori Wealth Management
Note: figures may not add up exactly due to rounding

Effective Cost Management

Operating costs

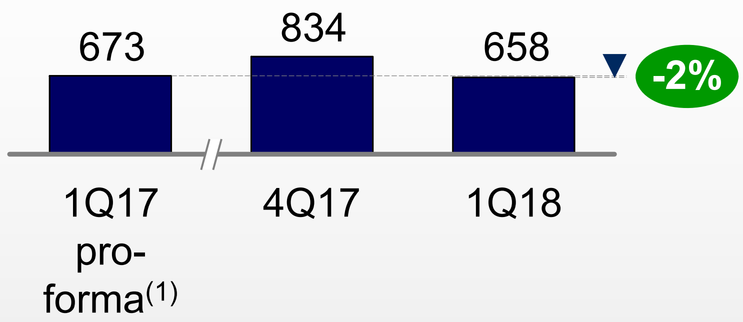
€ m

Total Operating costs

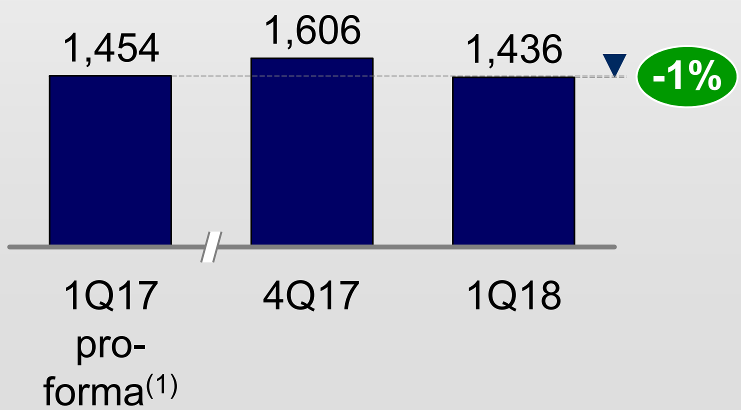


f(x)

Administrative costs



Personnel costs



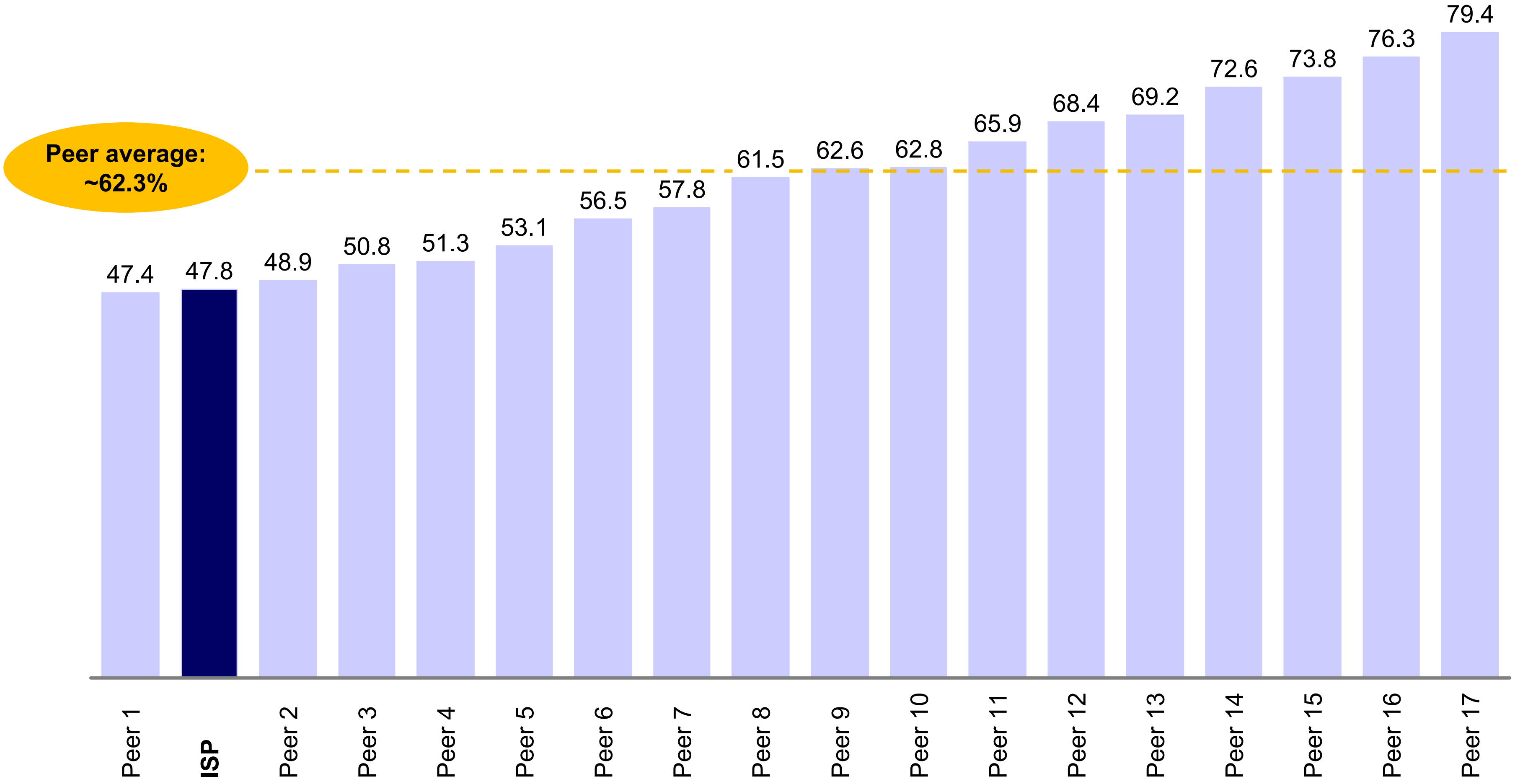
Cost/Income down to 47.8%[2]

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) 50.6% excluding NTV positive impact

Best-in-class Cost/Income Ratio in Europe

Cost/Income(1)

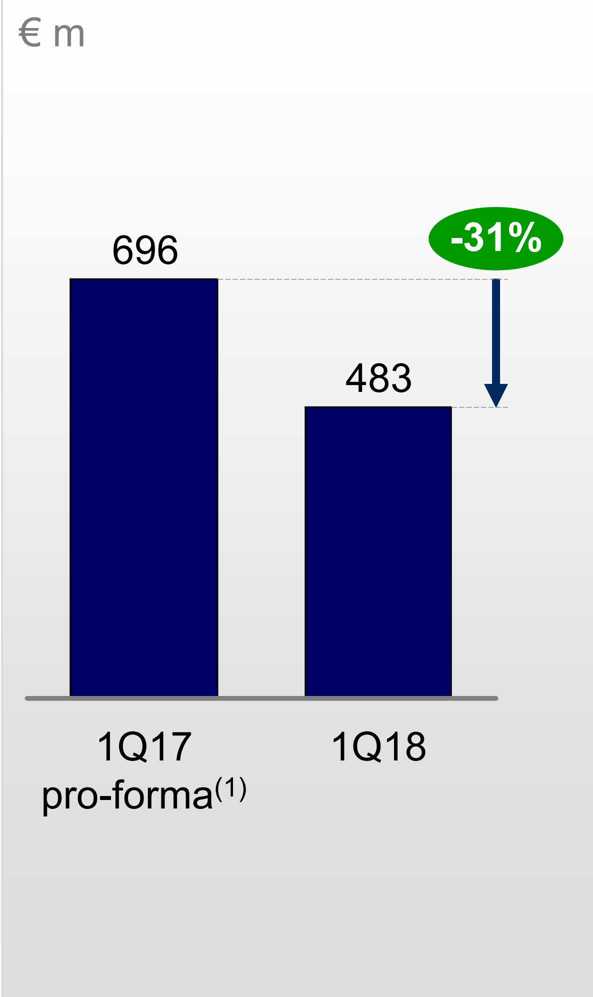
%



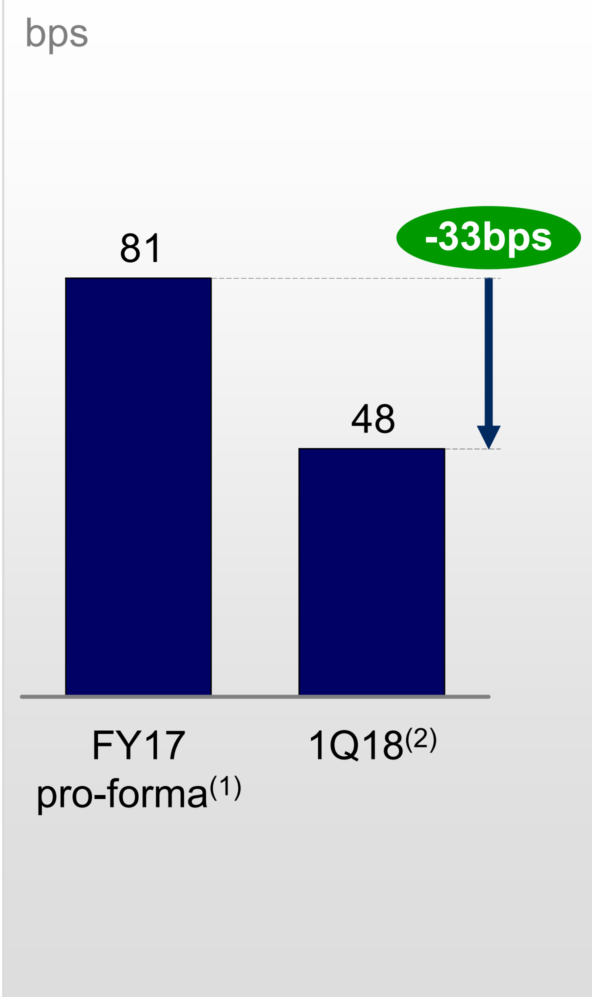
(1) Sample: Barclays, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, HSBC, Lloyds Banking Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (31.3.18 data); BPCE, Commerzbank, Crédit Agricole S.A., ING and UniCredit (31.12.17 data)

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

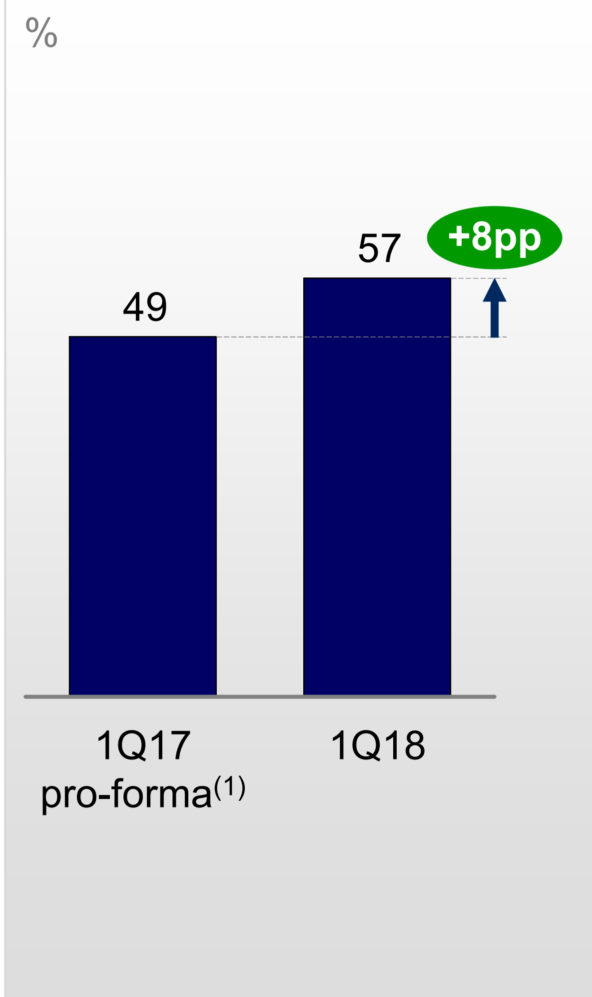
Loan loss provisions



Cost of risk



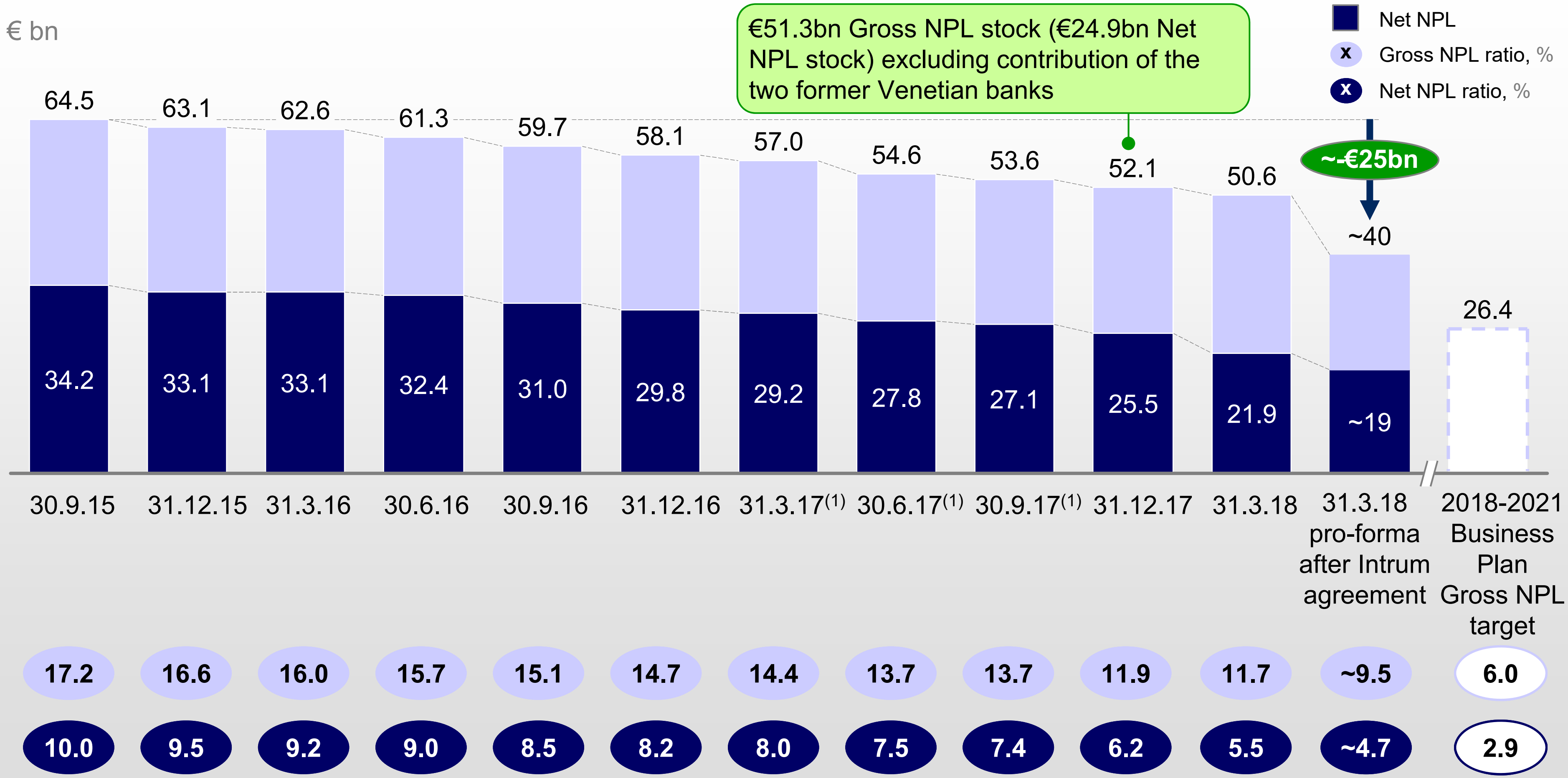
NPL coverage ratio



(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) Annualised

Close to Half of the NPL Reduction Targeted in the 2018-2021 Business Plan Already Achieved

NPL stock

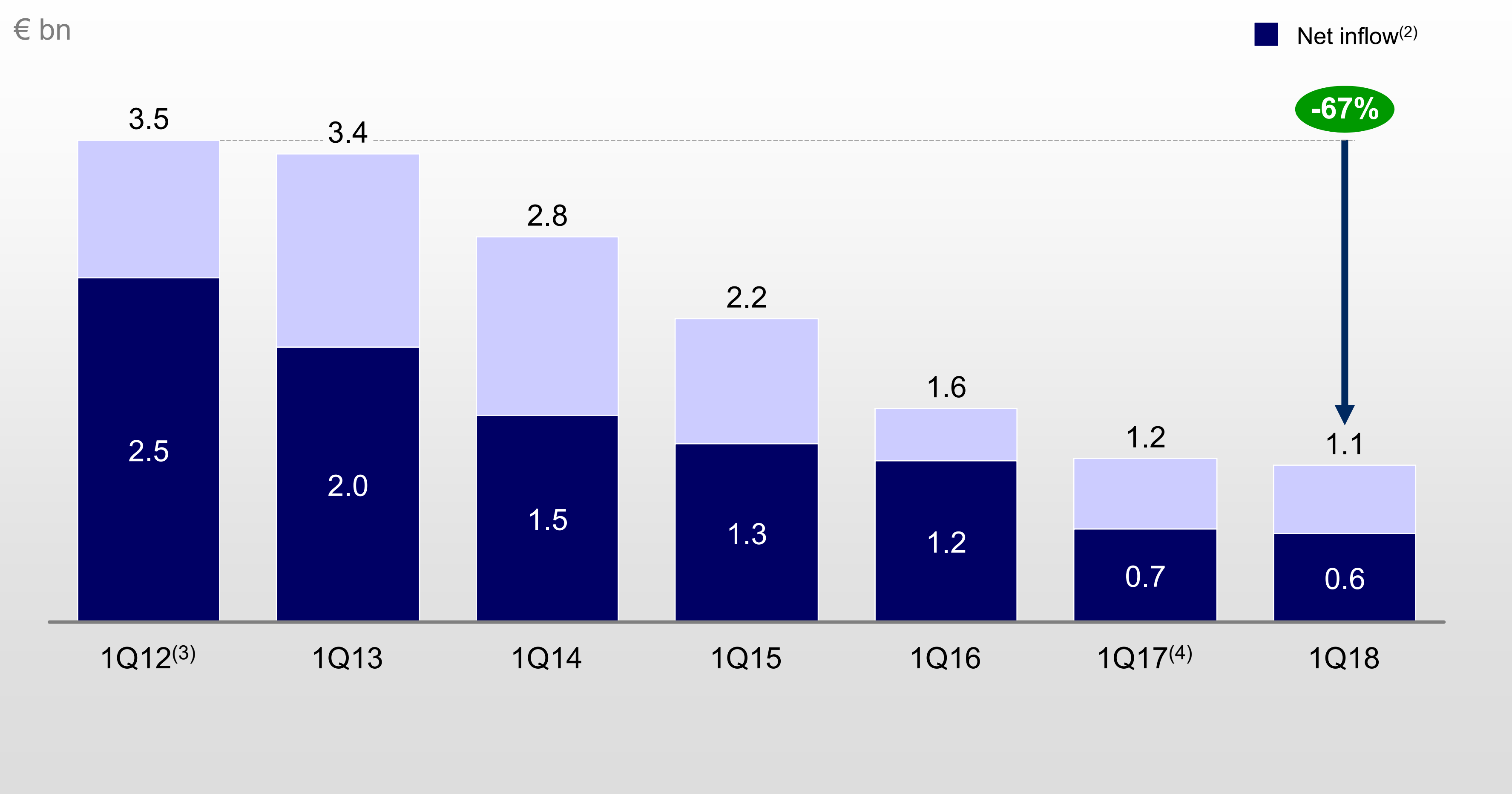


10 consecutive quarters of NPL reduction and Gross NPL ratio already lower than 10% (Net NPL ratio lower than 5%)

(1) Excluding contribution of the two former Venetian banks

Lowest ever Q1 NPL inflows

Gross quarterly NPL inflow(1) from performing loans



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

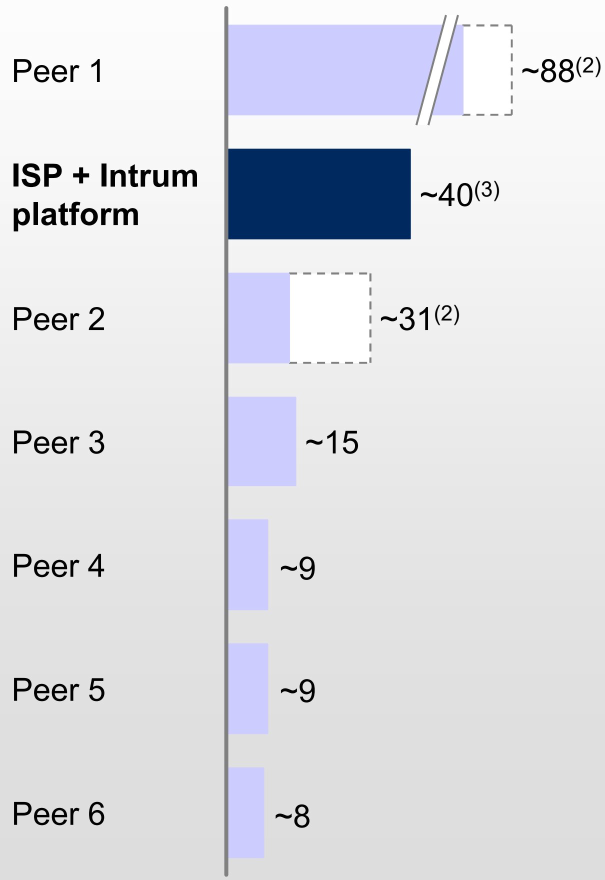
The Strategic NPL Partnership with Intrum

The agreement

Integration of the Intesa Sanpaolo and Intrum Italian NPL platforms	▪ **51%** of the new platform to be **held** by **Intrum** and **49%** by **Intesa Sanpaolo** ▪ **~1,000 employees** involved, of which **~600 people** from **Intesa Sanpaolo Group** ▪ **~€40bn** of **gross NPL serviced** ▪ **10-year contract** set at market standards for the **servicing** of **Intesa Sanpaolo bad loan portfolios** ▪ **Valuation** of **~€500m** for the **servicing platform** of Intesa Sanpaolo
Disposal and securitisa-tion of a bad loan portfolio of Intesa Sanpaolo	▪ An amount equal to **~€10.8bn** of gross book value ▪ **Valuation** of **~€3.1bn** (in line with book value of the portion of bad loans classified as disposable) ▪ **Tranches** of the **securitisation vehicle** to be **structured** to allow accounting and regulatory derecognition: – **Senior Tranche** (equivalent to **60%** of the portfolio price) to be **underwritten** by a **pool** of **leading banks** – **Junior and Mezzanine Tranches** (equivalent to the remaining **40%**) to be underwritten by a new **vehicle** owned by **Intrum**[4] **(51%)** and **Intesa Sanpaolo (49%)**

Ranking of NPL Servicers in Italy

Gross NPL serviced 1H17[1], € bn



(1) Sample: Cerved, CRIBIS, doBank, FBS, Guber and Phoenix
(2) Including relevant partnership agreements after 1H17 and press release updates
(3) Including NPLs currently under management by the ISP Loan Recovery Head Office Dept. and Provis plus NPLs under management by Intrum Italy
(4) And one or more co-investors, but to act as a single investor for governance purposes
Sources: PwC, Report "The Italian NPL market"; press releases

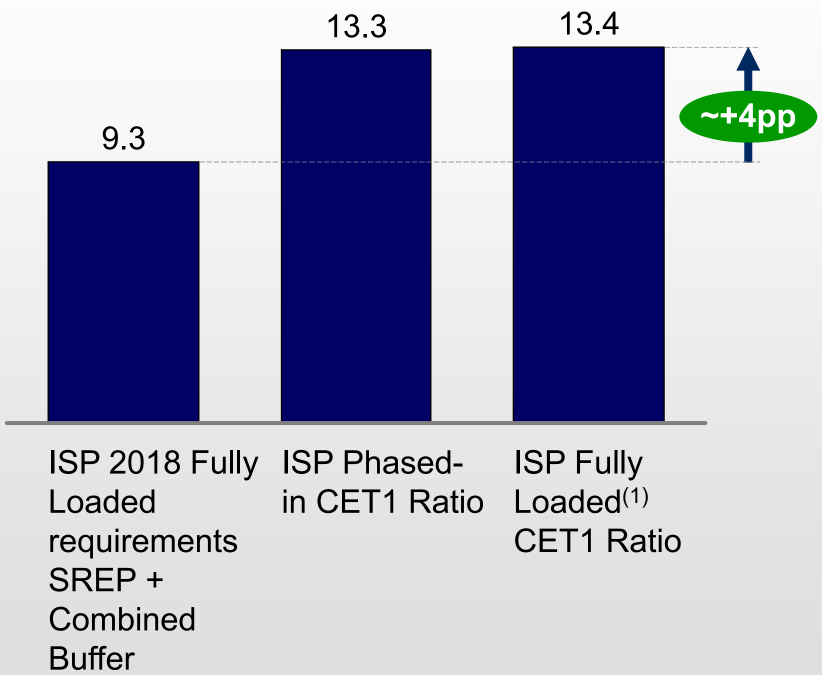
Intrum Agreement: Strong Industrial Rationale with Clear Benefits

NPL reduction	▪ Accelerated deleveraging firmly **on track** to deliver 2018-2021 **Business Plan target** ▪ **In line** with **Supervisors' expectations** with respect to Italian banks' NPL reduction
Improvement in bad loan recovery	▪ **Leverage international best practice** (e.g., multi-channel recovery approach) ▪ **Sharing** of **complementary experience** in the recovery of bad loan portfolios in **retail** and **corporate segments** (i.e., Intrum more focused on small ticket and commercial credit, while ISP more focused on corporate and banking credit)
Relevant stake in a leading player in a growing servicing market	▪ Creation of the **#2 NPL servicer** in Italy, with ~€40bn of gross NPL serviced, able to leverage on significant **economies of scale** and to **attract talented people** ▪ **Italy** is the **largest NPL market in Europe** with around half of total bad loans secured and has **strong potential** due to: – Increasing desire of banks to **outsource NPL management** to specialised servicers to **increase recovery rate** – Potential **expansion** to service **bank UTP** after **calendar provisioning implementation** – **High fragmentation** with **doBank** as the **sole Italian** servicer of **scale** and clear advantages as an early consolidator
Favourable deal conditions	▪ **Disposal** of bad loan portfolio at **no cost to shareholders**; **valuation** in line with **book value** of the portion of bad loans classified as disposable ▪ **~€500m valuation** for the servicing platform of ISP ▪ **~€400m net capital gain**

Solid Capital Base, Well Above Regulatory Requirements

ISP CET1 Ratios vs requirements SREP + Combined Buffer

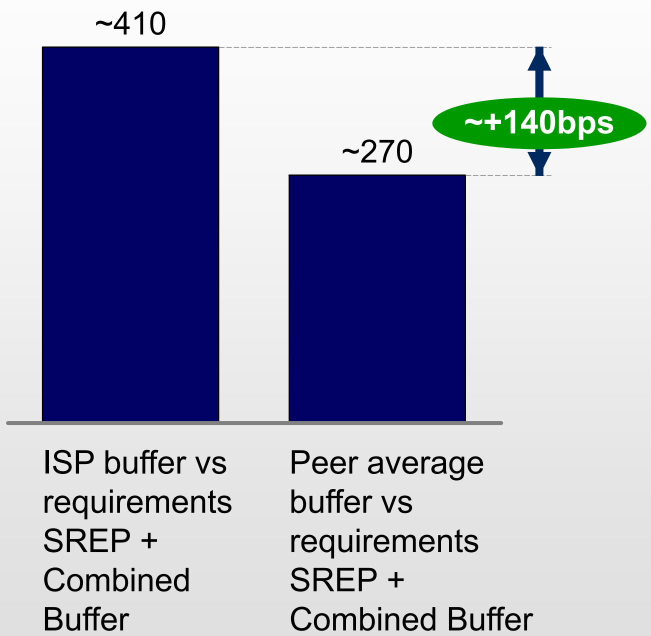
31.3.18, %



- Best-in-class leverage ratio: 6.3%
- €166bn of liquid assets with LCR and NSFR well above 100%

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

31.3.18, bps



Excess capital due to internal capital management with €10bn cash dividends paid in the past 4 years

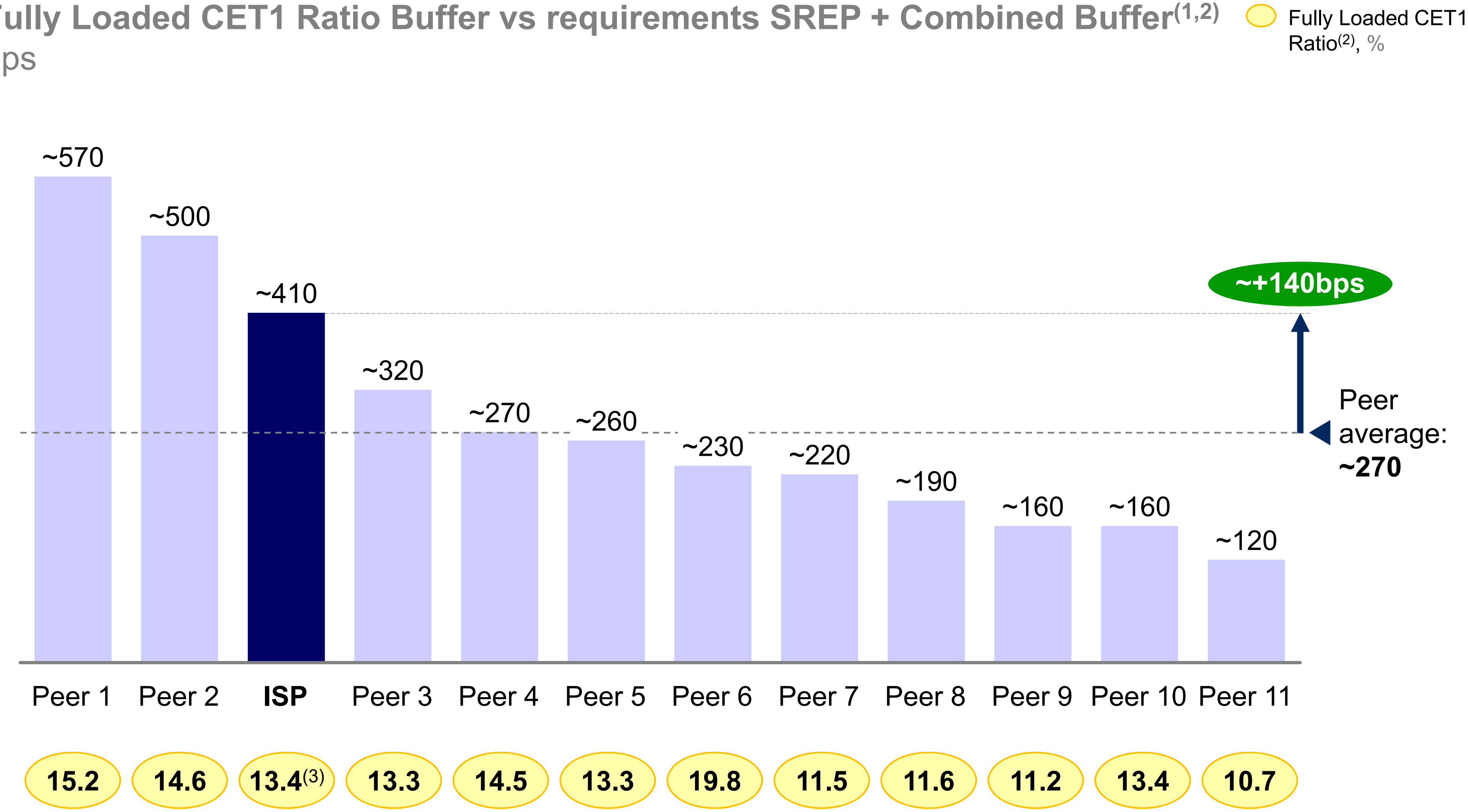
(1) Pro-forma fully loaded Basel 3 (31.3.18 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q18 Net income of insurance companies and the expected absorption of DTA on losses carried forward)
(2) Calculated as the difference between the Fully Loaded CET1 Ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement
(3) Sample: BBVA, BNP Paribas, Deutsche Bank, Nordea, Santander and Société Générale (31.3.18 data); BPCE, Commerzbank, Crédit Agricole Group, ING and UniCredit (31.12.17 data). Source: Investors' Presentations, Press Releases, Conference Calls, Financial Statements

Note: figures may not add up exactly due to rounding

Best-in-Class Excess Capital

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

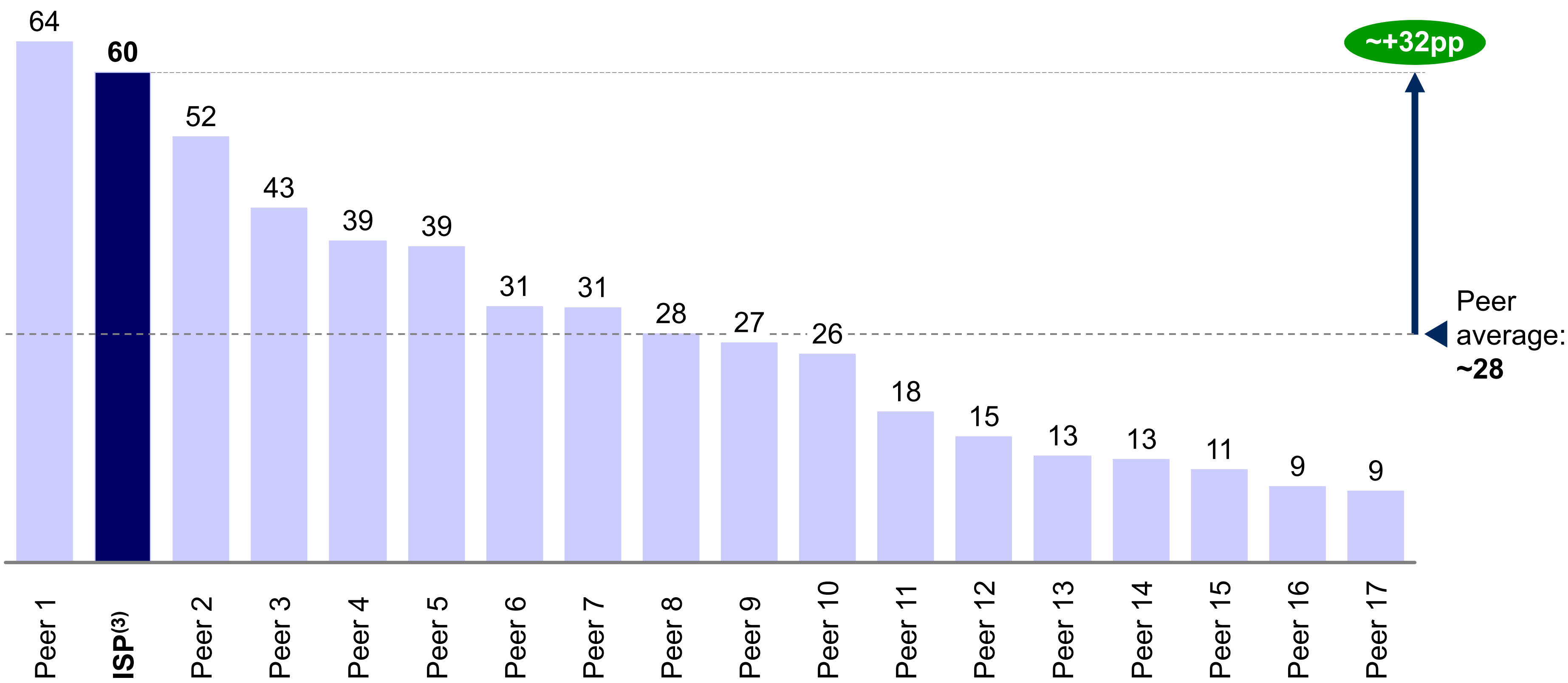
bps



(1) Calculated as the difference between the Fully Loaded CET1 post IFRS9 FTA ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement
(2) Sample: BBVA, BNP Paribas, Deutsche Bank, Nordea, Santander and Société Générale (31.3.18 data); BPCE, Commerzbank, Crédit Agricole Group, ING and UniCredit (31.12.17 data). Data may not be fully comparable due to different estimates hypothesis. Source: Investors' Presentations, Press Releases, Conference Calls, Financial Statements
(3) Pro-forma fully loaded Basel 3 (31.3.18 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q18 Net income of insurance companies and the expected absorption of DTA on losses carried forward)

ISP Risk Profile, Best-in-class in Terms of Illiquid Assets

Fully Loaded CET1(1)/Total illiquid assets(2), %



(1) Fully Loaded CET1 post FTA. Sample: Barclays, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, HSBC, Lloyds Banking Group, Nordea, Santander, Société Générale, Standard Chartered and UBS (31.3.18 data); BPCE, Commerzbank, Crédit Agricole Group, ING and UniCredit (31.12.17 data)

(2) Total illiquid assets include Net NPL, Net repossessed assets, Level 2 assets and Level 3 assets. Sample: BBVA, Credit Suisse, Deutsche Bank, HSBC, Nordea, Santander, Société Générale, Standard Chartered and UBS (31.3.18 data); Barclays, BNP Paribas, BPCE, Commerzbank, Crédit Agricole Group, ING, Lloyds Banking Group and UniCredit (31.12.17 data); Crédit Agricole Group and UniCredit data estimated post IFRS9 FTA. Net repossessed assets as of 31.3.18. Level 2 and Level 3 assets as of 31.12.17

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

Italian Macroeconomic Outlook: The Recovery Continues

Macro outlook

- **Unemployment** declined to 11% in February-March, the lowest level since 2012. The **employment rate** hit a 9-year high, the **activity rate** is the highest on record
- **Consumer confidence** maintains the upward trend which began ~1 year ago
- **Business confidence** remains close to a 10-year high, reaching a new 10-year record in the construction sector in April
- **Industrial production** grew by +2.5% YoY in February: the 19th increase in a row (the longest expansion in 10 years)
- A genuine **investment cycle** has started: gross fixed income investments grew by +3.9% in 2017 which is the strongest increase since 2002
- **Trade surplus** net of energy hit a new high in 2017 at €81bn (the first 2 months of 2018 registered an improvement vs the same period of 2017)
- Recovery in **residential real estate transactions**: +5.1% in 2017, after +18.4% in 2016 and +7.4% in 2015

Widespread consensus on Italian GDP estimates for the current year (EU, OECD, IMF): +1.5%

ISP Outlook for 2018

Growth in Operating income and continued cost management…

… leading to Operating margin growth

Decline in cost of risk…

… triggering further growth in Gross income

Growth in Net income vs 2017(1)

CONFIRMED

Firmly on track to deliver 2018 Net income higher than 2017: ~43% of the €3.8bn FY17 Net income(1) already achieved in Q1

(1) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios

An Excellent Start to Our Business Plan

€1,252m Net income, the best Q1 since 2008 (+39% vs 1Q17 pro-forma[(1)])

~€1,650m pro-forma Net income including capital gain from the Intrum agreement (~43% of the €3.8bn FY17 Net income already achieved[(2)])

Net interest income growing for the second quarter in a row and best ever Q1 for Commissions

Cost/Income down to 47.8%, with 1.3% decrease in Operating costs

~€14bn NPL deleveraging from the peak of September 2015 (~€1.5bn in Q1), ~€25bn including the Intrum agreement, at no cost to shareholders

Close to half of 2018-2021 Business Plan NPL deleveraging target already achieved[(3)]

Common Equity[(4)] ratio up to 13.4%, well above regulatory requirements

Firmly on track to deliver 2018 Net income higher than the €3.8bn 2017 Net income[(2)] and 2018-2021 Business Plan NPL deleveraging target

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova)
(2) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios
(3) Including Intrum agreement
(4) Pro-forma fully loaded Basel 3 (31.3.18 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected distribution of 1Q18 Net income of insurance companies and the expected absorption of DTA on losses carried forward)

1Q18 Results

Detailed Information

Key P&L and Balance Sheet Figures

€ m

	1Q18
Operating income	4,806
Operating costs	(2,298)
Cost/Income ratio	47.8%
Operating margin	2,508
Gross income (Loss)	1,977
Net income	1,252

	31.3.18
Loans to Customers	401,033[2]
Customer Financial Assets[3]	942,263
of which Direct Deposits from Banking Business	424,258
of which Direct Deposits from Insurance Business and Technical Reserves	153,056
of which Indirect Customer Deposits	516,614
- Assets under Management	*338,498*
- Assets under Administration	*178,116*
RWA	282,430

+0.4% vs 1.1.18 (+3.1%[1] average loans 1Q18 vs 4Q17)

Note: 1Q18 P&L data excluding Moldova; 31.3.18 Balance sheet data including Moldova. Figures may not add up exactly due to rounding
(1) Average Performing loans to customers excluding the loan granted to the former Venetian banks in compulsory administrative liquidation
(2) Decrease vs 31.12.17 mainly due to new IFRS9 requirements pertaining to classification and FTA (First Time Adoption) impact
(3) Net of duplications between Direct Deposits and Indirect Customer Deposits

Contents

Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

Asset Quality

Divisional Results and Other Information

Q1 vs Q1: Strong Increase in Profitability

€ m

	1Q17		1Q18	Δ%
	Pro-forma(1) [A]	Excluding the two former Venetian Banks [B]	[C]	[C] / [A]
Net interest income	1,880	1,805	1,855	(1.3)
Net fee and commission income	1,922	1,855	2,008	4.5
Income from insurance business	283	283	294	3.9
Profits on financial assets and liabilities at fair value	209	226	621	197.1
Other operating income (expenses)	56	40	28	(50.0)
Operating income	**4,350**	**4,209**	**4,806**	**10.5**
Personnel expenses	(1,454)	(1,286)	(1,436)	(1.2)
Other administrative expenses	(673)	(583)	(658)	(2.2)
Adjustments to property, equipment and intangible assets	(201)	(186)	(204)	1.5
Operating costs	**(2,328)**	**(2,055)**	**(2,298)**	**(1.3)**
Operating margin	**2,022**	**2,154**	**2,508**	**24.0**
Net adjustments to loans	(696)	(695)	(483)	(30.6)
Net provisions and net impairment losses on other assets	(8)	(3)	(51)	537.5
Other income (expenses)	196	196	2	(99.0)
Income (Loss) from discontinued operations	0	0	1	n.m.
Gross income (loss)	**1,514**	**1,652**	**1,977**	**30.6**
Taxes on income	(432)	(445)	(544)	25.9
Charges (net of tax) for integration and exit incentives	(12)	(12)	(19)	58.3
Effect of purchase price allocation (net of tax)	(6)	(6)	(44)	633.3
Levies and other charges concerning the banking industry (net of tax)	(296)	(282)	(117)(2)	(60.5)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	n.m.
Minority interests	133	(6)	(1)	n.m.
Net income	**901**	**901**	**1,252**	**39.0**

~€1,650m pro-forma including the Intrum agreement capital gain

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)
(2) €169m pre-tax (€117m net of tax) of which charges for the Resolution Fund: €166m pre-tax (€115m net of tax), our estimated commitment for the year fully funded

Q1 vs Q4: Best Q1 Net Income since 2008

€ m

	4Q17	1Q18	Δ%
Net interest income	1,837	1,855	1.0
Net fee and commission income	2,146	2,008	(6.4)
Income from insurance business	183	294	60.7
Profits on financial assets and liabilities at fair value	538	621	15.4
Other operating income (expenses)	9	28	211.1
Operating income	**4,713**	**4,806**	**2.0**
Personnel expenses	(1,606)	(1,436)	(10.6)
Other administrative expenses	(834)	(658)	(21.1)
Adjustments to property, equipment and intangible assets	(234)	(204)	(12.8)
Operating costs	**(2,674)**	**(2,298)**	**(14.1)**
Operating margin	**2,039**	**2,508**	**23.0**
Net adjustments to loans	(1,229)	(483)	(60.7)
Net provisions and net impairment losses on other assets	(135)	(51)	(62.2)
Other income (expenses)	861	2	(99.8)
Income (Loss) from discontinued operations	0	1	n.m.
Gross income (loss)	**1,536**	**1,977**	**28.7**
Taxes on income	(249)	(544)	118.5
Charges (net of tax) for integration and exit incentives	(227)	(19)	(91.6)
Effect of purchase price allocation (net of tax)	364	(44)	n.m.
Levies and other charges concerning the banking industry (net of tax)	3	(117)(1)	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	1	(1)	n.m.
Net income	**1,428**	**1,252**	**(12.3)**

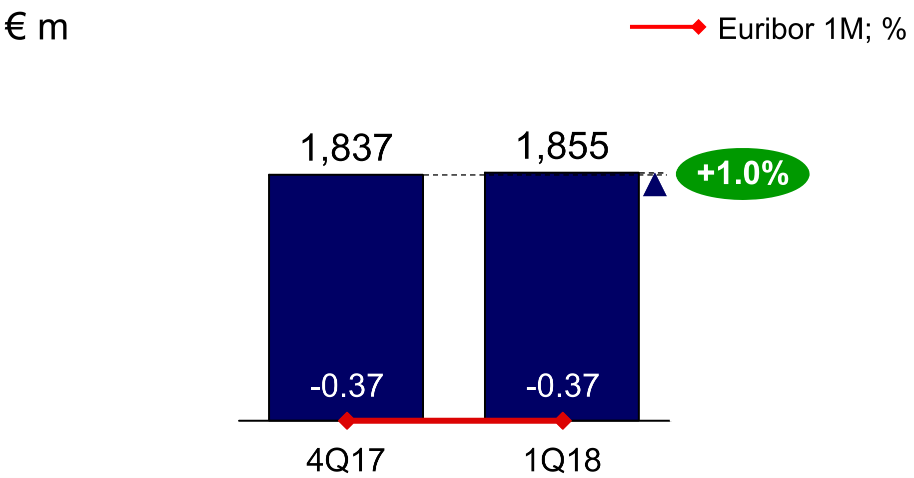
~€1,650m pro-forma including the Intrum agreement capital gain

Note: figures may not add up exactly due to rounding
(1) €169m pre-tax (€117m net of tax) of which charges for the Resolution Fund: €166m pre-tax (€115m net of tax), our estimated commitment for the year fully funded

INTESA SANPAOLO

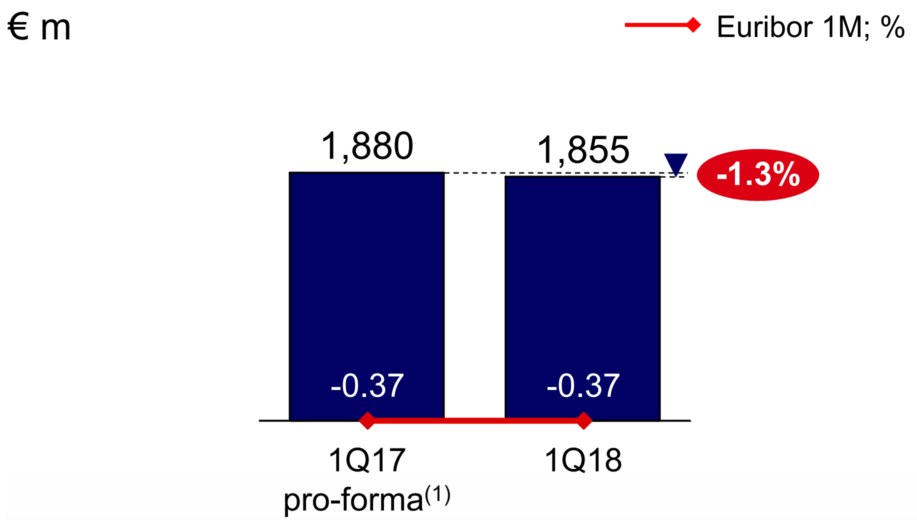
Net Interest Income: Second Consecutive Quarterly Increase Despite All-Time Low Interest Rates

Quarterly Analysis



- **Second consecutive quarterly increase despite two fewer days in the quarter and continued all-time low interest rates**
- **3.1%(2) growth in average Performing loans to customers**
- **1.9% growth in average Direct deposits from banking business**

Yearly Analysis



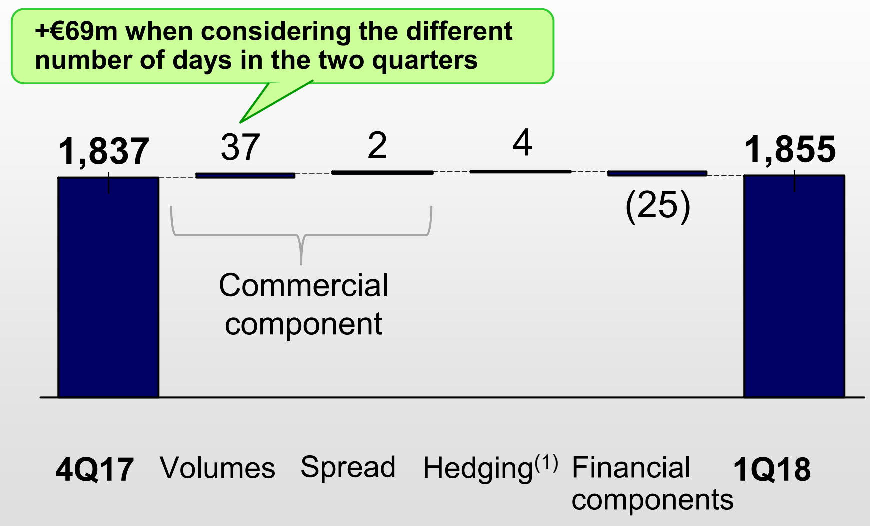
- **€109m growth in the commercial component**
- **Decrease due to active management of securities portfolio and lower contribution from core deposit hedging**
- **5.2%(2) growth in average Performing loans to customers**
- **3.8% growth in average Direct deposits from banking business**

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)
(2) Excluding the loan granted to the former Venetian banks in compulsory administrative liquidation

Net Interest Income: Strong Increase in the Commercial Component

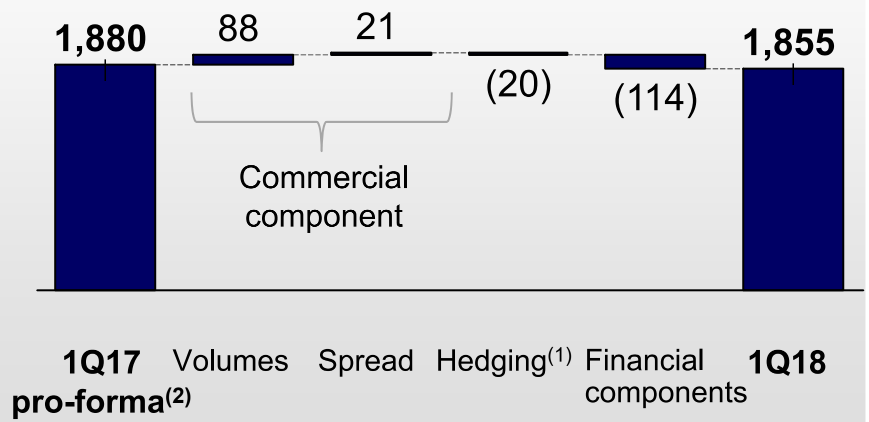
Quarterly Analysis

€ m



Yearly Analysis

€ m

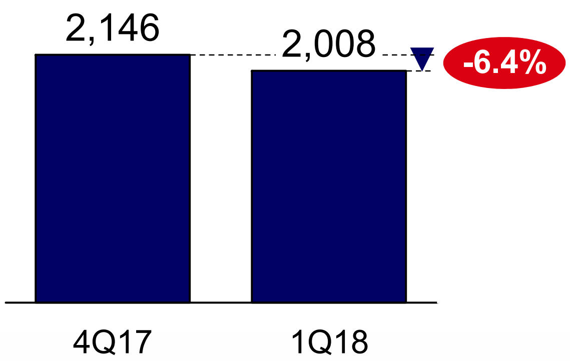


Note: figures may not add up exactly due to rounding
(1) ~€100m benefit from hedging on core deposits in 1Q18
(2) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

Net Fee and Commission Income: The Best Q1 Ever

Quarterly Analysis

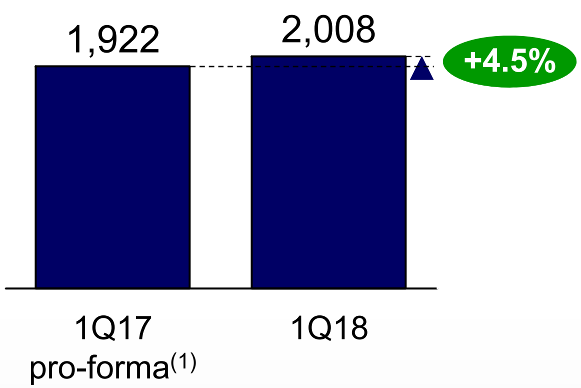
€ m



- Decrease mostly due to the decline in performance fees
- ~€5bn of AuM net inflows in Q1

Yearly Analysis

€ m



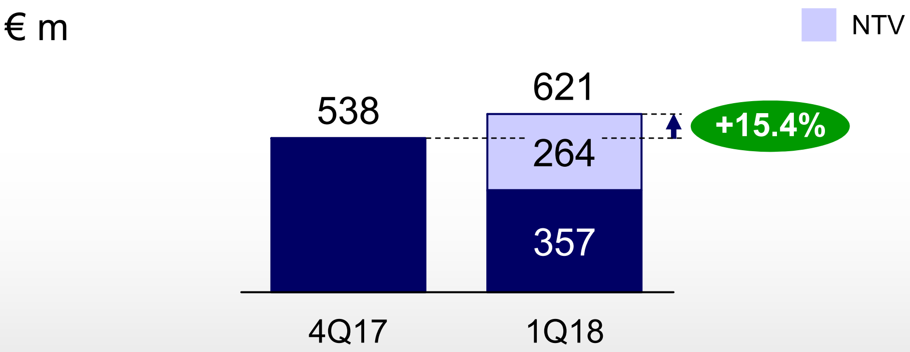
- Increase in commissions from Commercial banking activities (+3.5%; +€19m)[2]
- Growth in commissions from Management, dealing and consultancy activities (+6.2%; +€72m)[2] owing mainly to Dealing and placement of securities and AuM
- More than €18bn increase in AuM stock on a yearly basis

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)
(2) Variation calculated considering 1Q17 management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

INTESA SANPAOLO

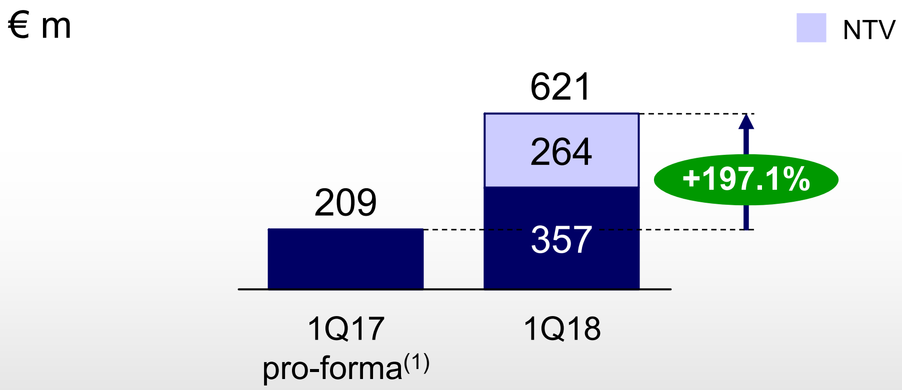
Profits on Financial Assets and Liabilities at Fair Value: Excellent Performance

Quarterly Analysis



- **A solid quarter even when excluding the NTV positive impact**

Yearly Analysis



- **71% increase excluding NTV positive impact**

Contributions by Activity

	1Q17 pro-forma[1]	4Q17	1Q18
Customers	**129**	**252**	**111**
Capital markets	**18**	**169**	**285**[2]
Trading and Treasury	**54**	**115**	**223**
Structured credit products	**8**	**3**	**2**

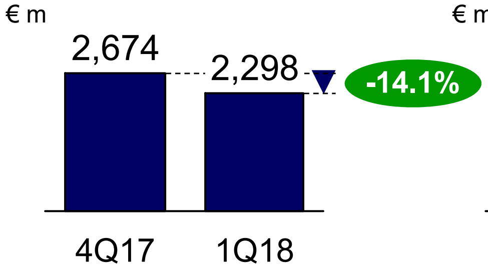
Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)
(2) Including €264m pre-tax NTV (Nuovo Trasporto Viaggiatori) positive impact

INTESA SANPAOLO

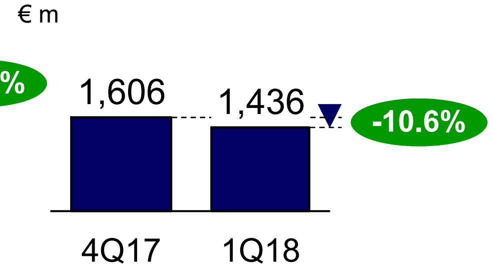
Operating Costs: 1.3% Decrease on a Yearly Basis

Quarterly Analysis

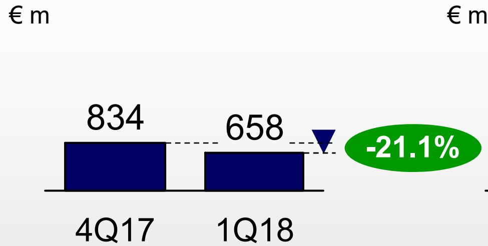
Operating Costs



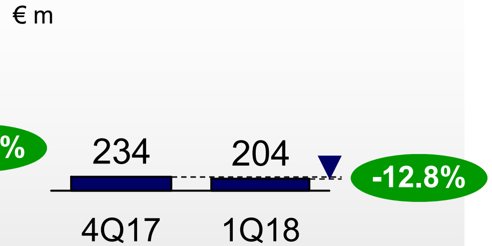
Personnel Expenses



Other Administrative Expenses



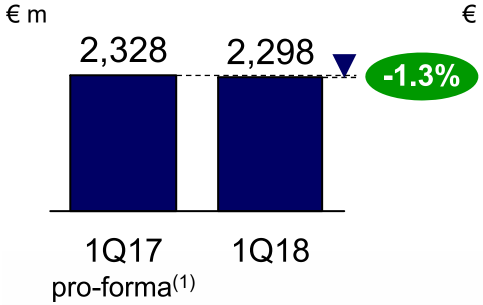
Adjustments



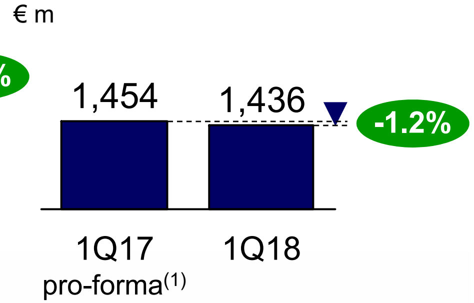
- **Strong decrease vs 4Q17, a quarter affected by seasonal year-end effect**
- **~1,100 headcount reduction in Q1**

Yearly Analysis

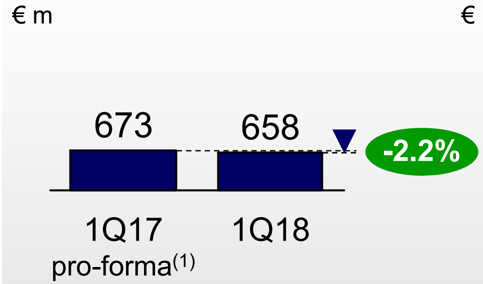
Operating Costs



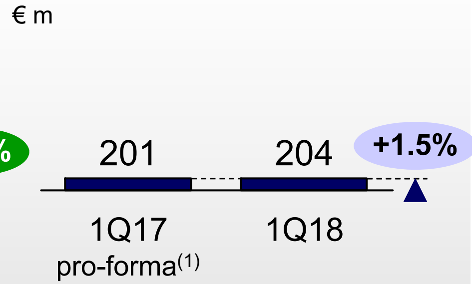
Personnel Expenses



Other Administrative Expenses



Adjustments



- **Cost/Income ratio down to 47.8% (vs 55.0% in FY17 pro-forma(1) and 53.5% in 1Q17 pro-forma(1))**
- **~3,000 headcount reduction**

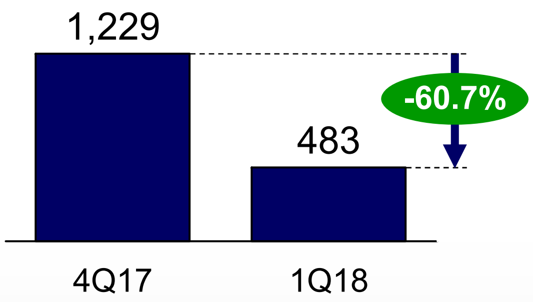
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

INTESA SANPAOLO

Net Adjustments to Loans: Significant Decrease in Cost of Credit

Quarterly Analysis

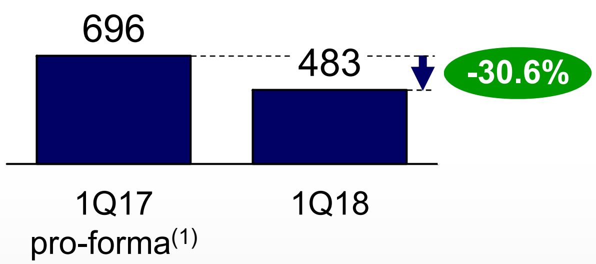
€ m



- **Tenth consecutive quarterly reduction in NPL stock**
- **~€14bn NPL deleveraging vs 30.9.15, ~€25bn when considering the Intrum NPL agreement**

Yearly Analysis

€ m



- **Annualised cost of credit down to 48bps (vs 81bps in FY17 pro-forma[1])**
- **Non-performing loans cash coverage up to 57% (vs 51% as of 31.12.17)**

(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

Contents

Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

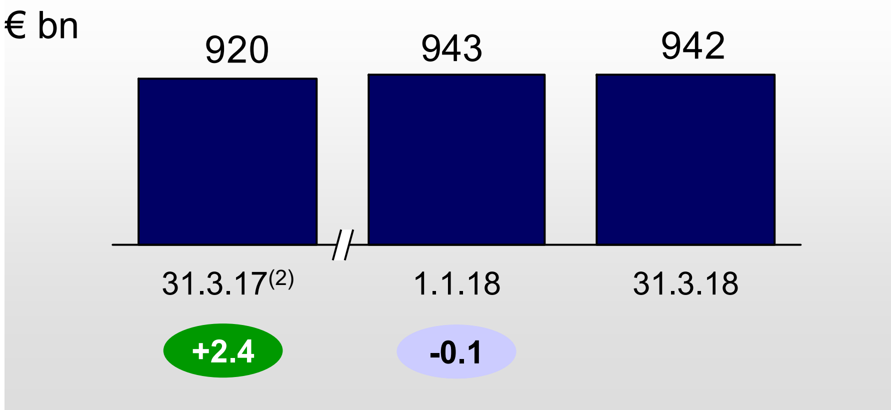
Asset Quality

Divisional Results and Other Information

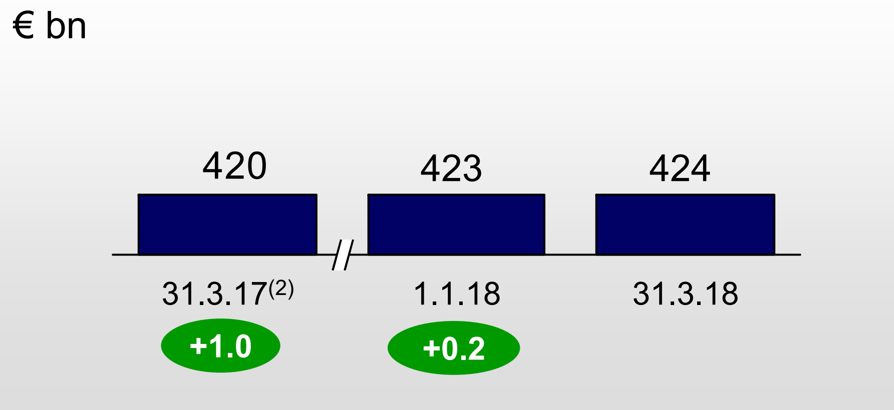
Growth in Customer Financial Assets on a Yearly Basis

% Δ 31.3.18 vs 1.1.18 and 31.3.17

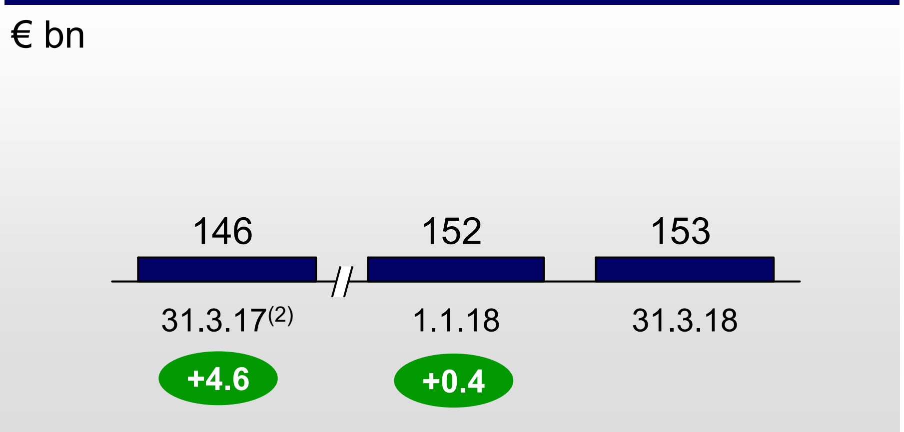
Customer Financial Assets(1)



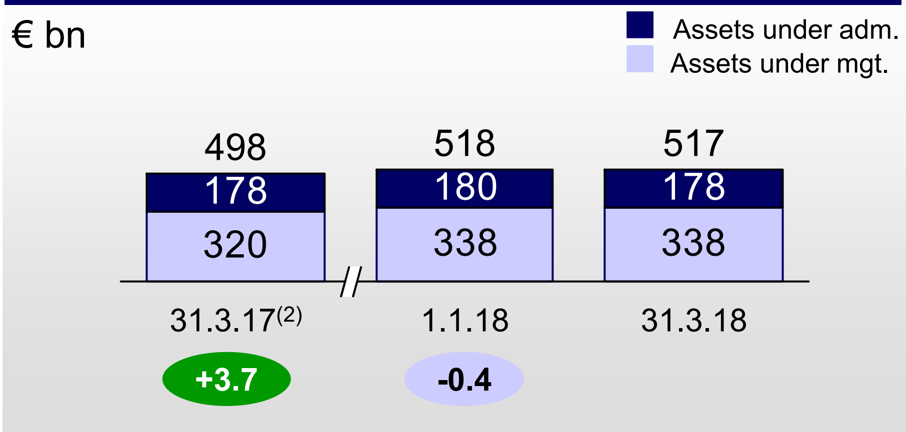
Direct Deposits from Banking Business



Direct Deposits from Insurance Business and Technical Reserves



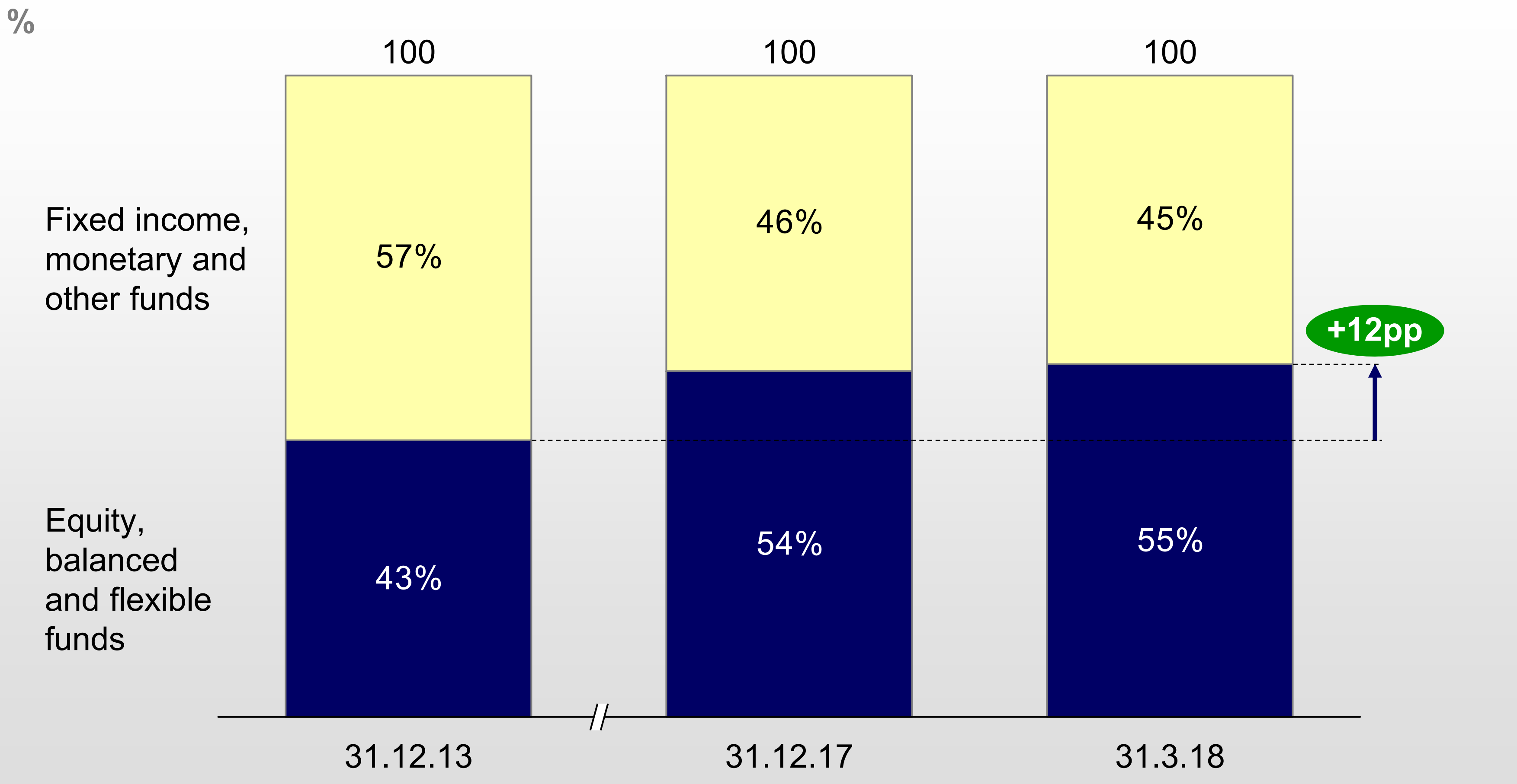
Indirect Customer Deposits



Note: figures may not add up exactly due to rounding
(1) Net of duplications between Direct Deposits and Indirect Customer Deposits
(2) Management data including the contribution of the two former Venetian banks

Mutual Funds Mix

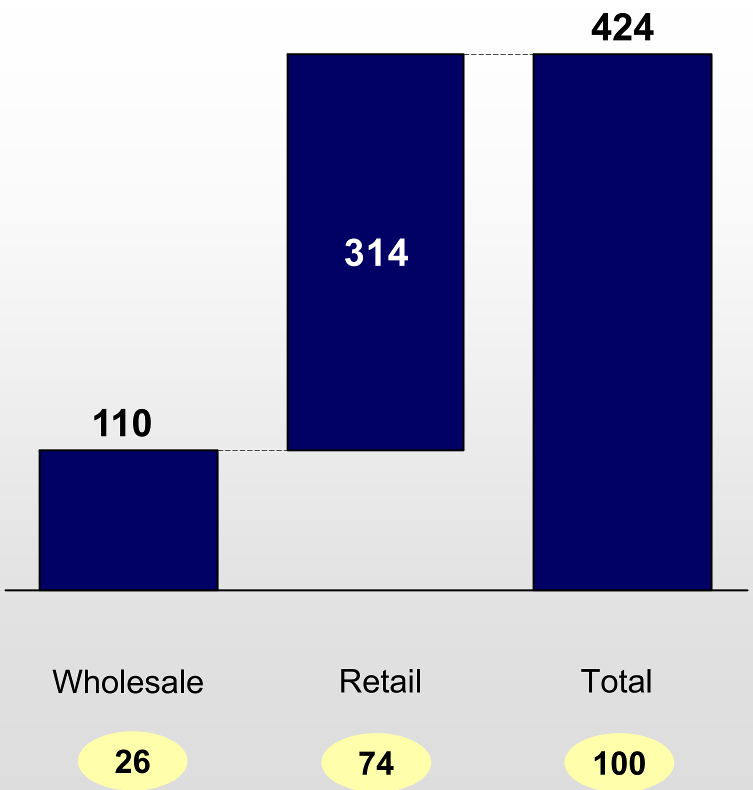
Mutual funds mix



Funding Mix

Breakdown of Direct Deposits from Banking Business

€ bn as of 31.3.18; % Percentage of total



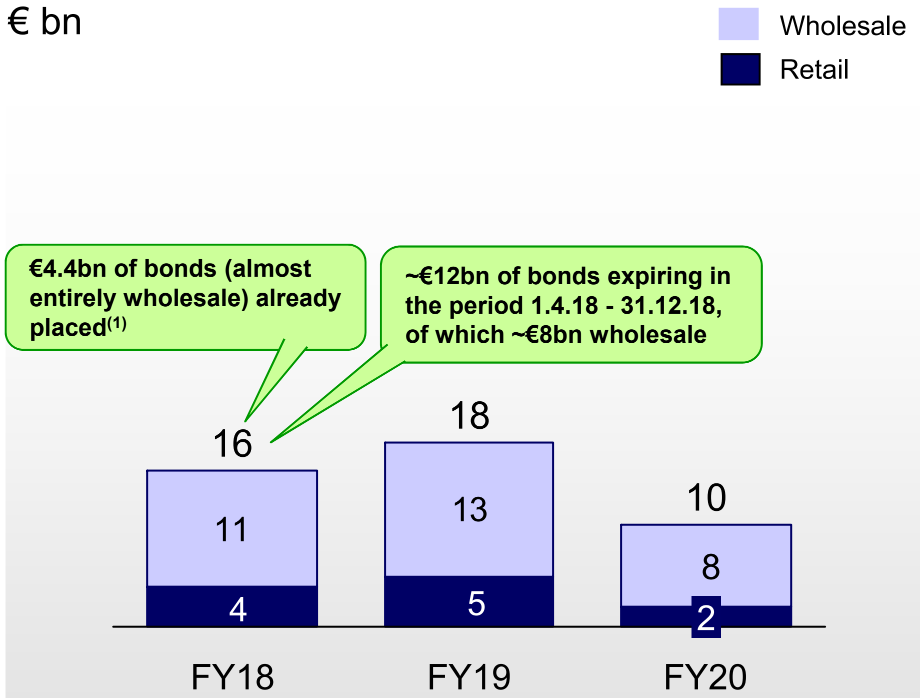
	Wholesale	Retail
Current accounts and deposits	8	282
Repos and securities lending	25	-
Senior bonds	43	12[(1)]
Covered bonds	12	-
EMTN puttable	-	-
Certificates of deposit + Commercial papers	10	-
Subordinated liabilities	11	Placed with Private Banking clients 2
Other deposits	1	17[(2)]

Retail funding represents 74% of Direct deposits from banking business

Note: figures may not add up exactly due to rounding
(1) ~30% placed with Private Banking clients
(2) Including Certificates

Strong Funding Capability: Broad Access to International Markets

2018-2020 MLT Bond Maturities



ISP Main Wholesale Issues

2017

- €2bn Additional Tier 1, €2.5bn senior unsecured eurobond, €1bn covered bonds, €500m green bond and $2.5bn senior unsecured placed. On average 83% demand from foreign investors; targets exceeded by 167%
  - January: €1.25bn Additional Tier 1 issue and €1bn 7y senior unsecured eurobond issue
  - April: €1.5bn 5y senior unsecured eurobond issue
  - May: €750m Additional Tier 1 issue
  - June: €1bn 10y covered bonds backed by residential mortgages and inaugural €500m 5y senior unsecured green bond, first Italian bank to debut as a "green" issuer
  - July: $2.5bn senior unsecured issue equally split between 5y and 10y tranches

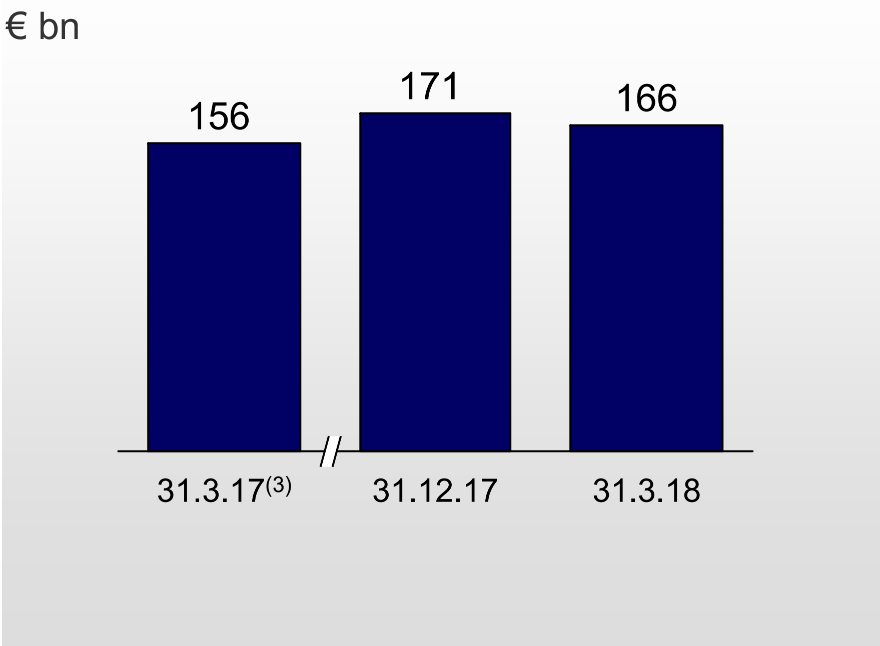
2018

- $2.5bn senior unsecured, JPY46.6bn senior unsecured and €1.25bn senior unsecured placed. On average 96% demand from foreign investors; targets exceeded by 178%
  - January: $2.5bn triple-tranche senior unsecured issue split between $1bn 5y, $1bn 10y and $500m 30y
  - February: inaugural senior unsecured Tokyo Pro-Bond for a total of JPY46.6bn, the first Pro-Bond transaction for an Italian issuer, split between 3y-5y-10y-15y tranches
  - March: €1.25bn 10y senior unsecured issue

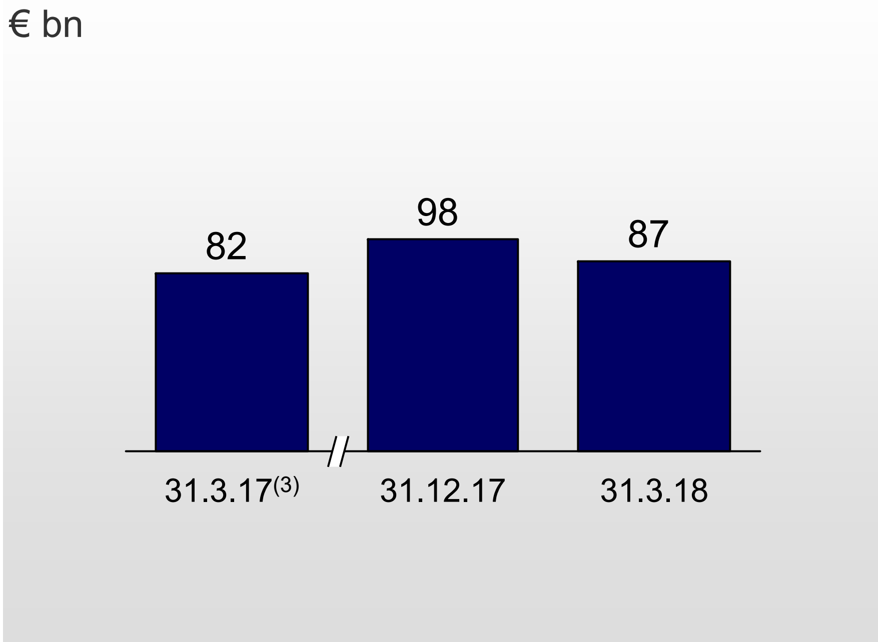
Note: figures may not add up exactly due to rounding
(1) Data as of 31.3.18

High Liquidity: LCR and NSFR Well Above Regulatory Requirements

Liquid assets(1)



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

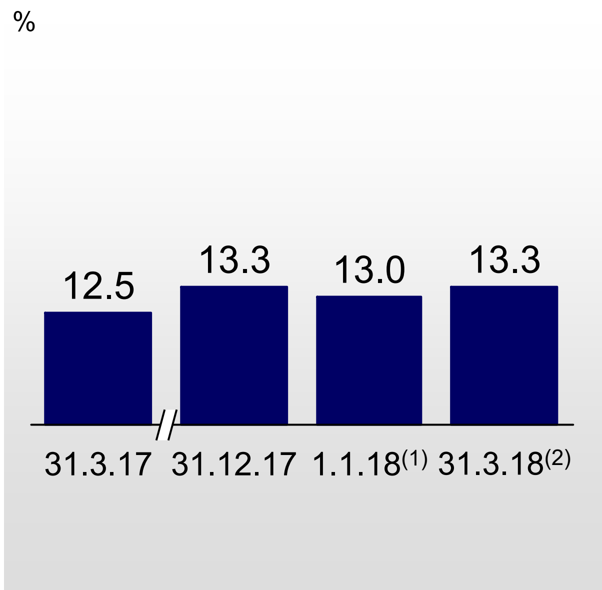


- **TLTRO II: ~€64bn(4)**
- **Loan to Deposit ratio(5) at 95%**

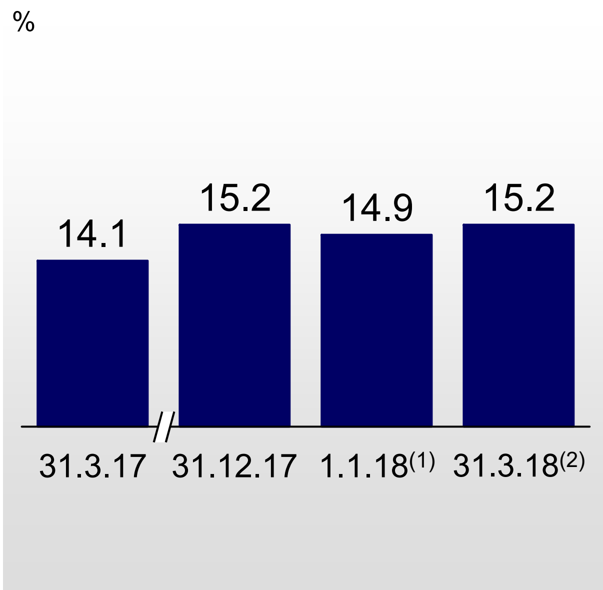
(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks
(2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and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

Solid and Increased Capital Base

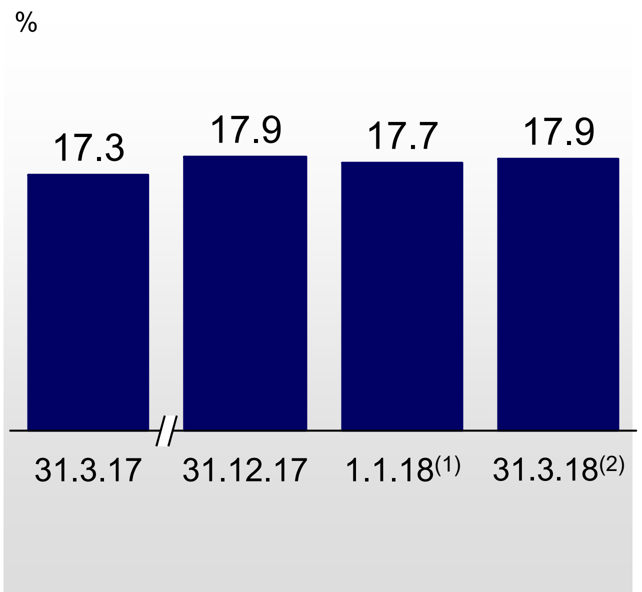
Phased-in Common Equity Ratio



Phased-in Tier 1 Ratio



Phased-in Total Capital Ratio



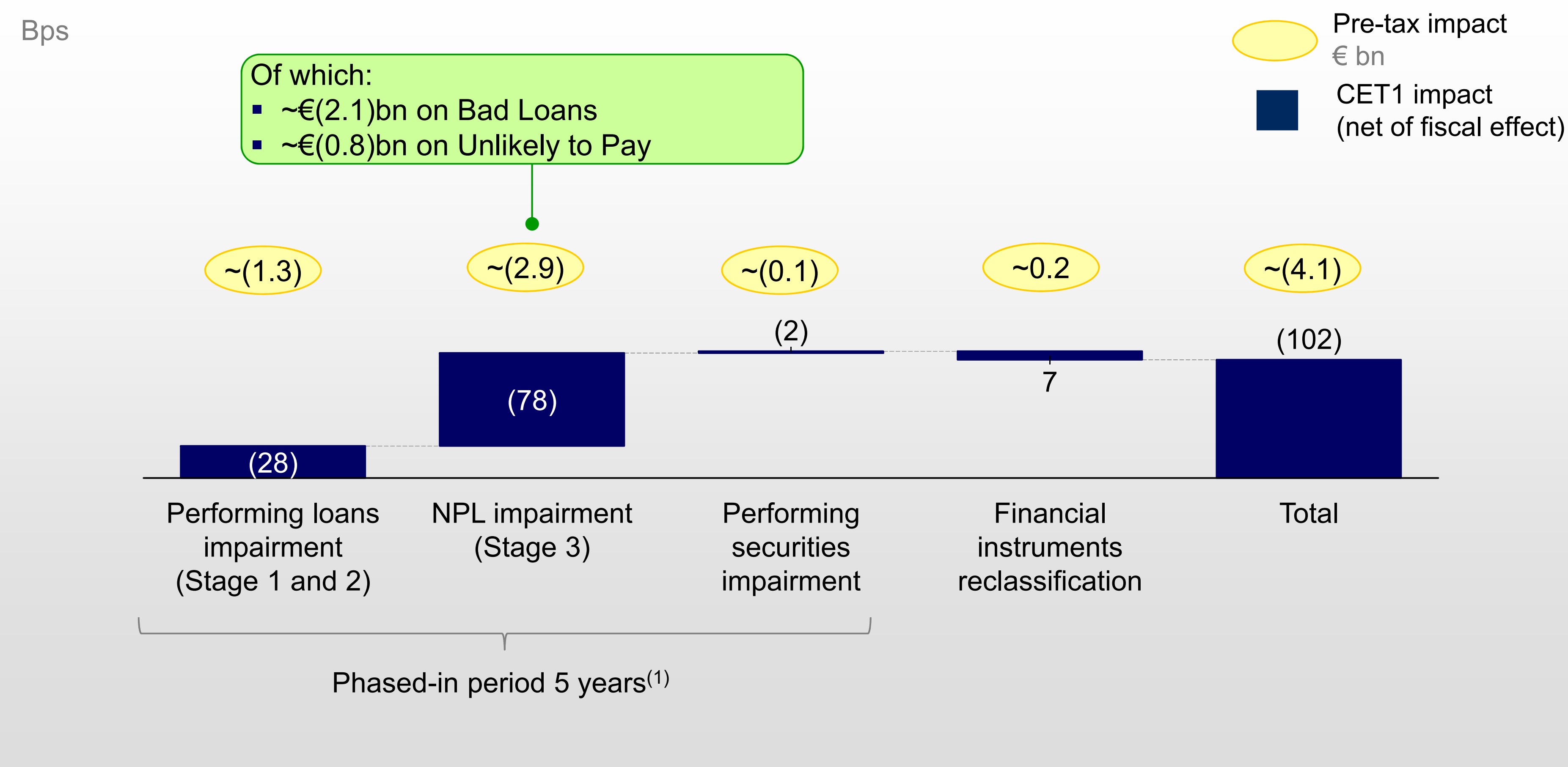
- **13.4% pro-forma fully loaded Common Equity ratio[(3)]**
- **6.3% leverage ratio**

(1) Considering IFRS9 FTA and 2018 transitional rules impact
(2) After deduction of accrued dividends (~€1.1bn) assuming a payout of ~85% of the Net income for the quarter minus accrued coupons on Additional Tier 1 issues
(3) Pro-forma fully loaded Basel 3 (31.3.18 financial statements considering the total absorption of DTA related to goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected absorption of DTA on losses carried forward and the expected distribution of 1Q18 Net income of insurance companies)

INTESA SANPAOLO

IFRS9 FTA Impact on Fully Loaded CET 1 Ratio

Details of IFRS9 FTA impact on 31.12.17 Fully Loaded CET1 Ratio



Note: figures may not add up exactly due to rounding
(1) Phased-in period - 2018: 5%; 2019: 15%; 2020: 30%; 2021: 50%; 2022: 75%

Contents

Detailed Consolidated P&L Results

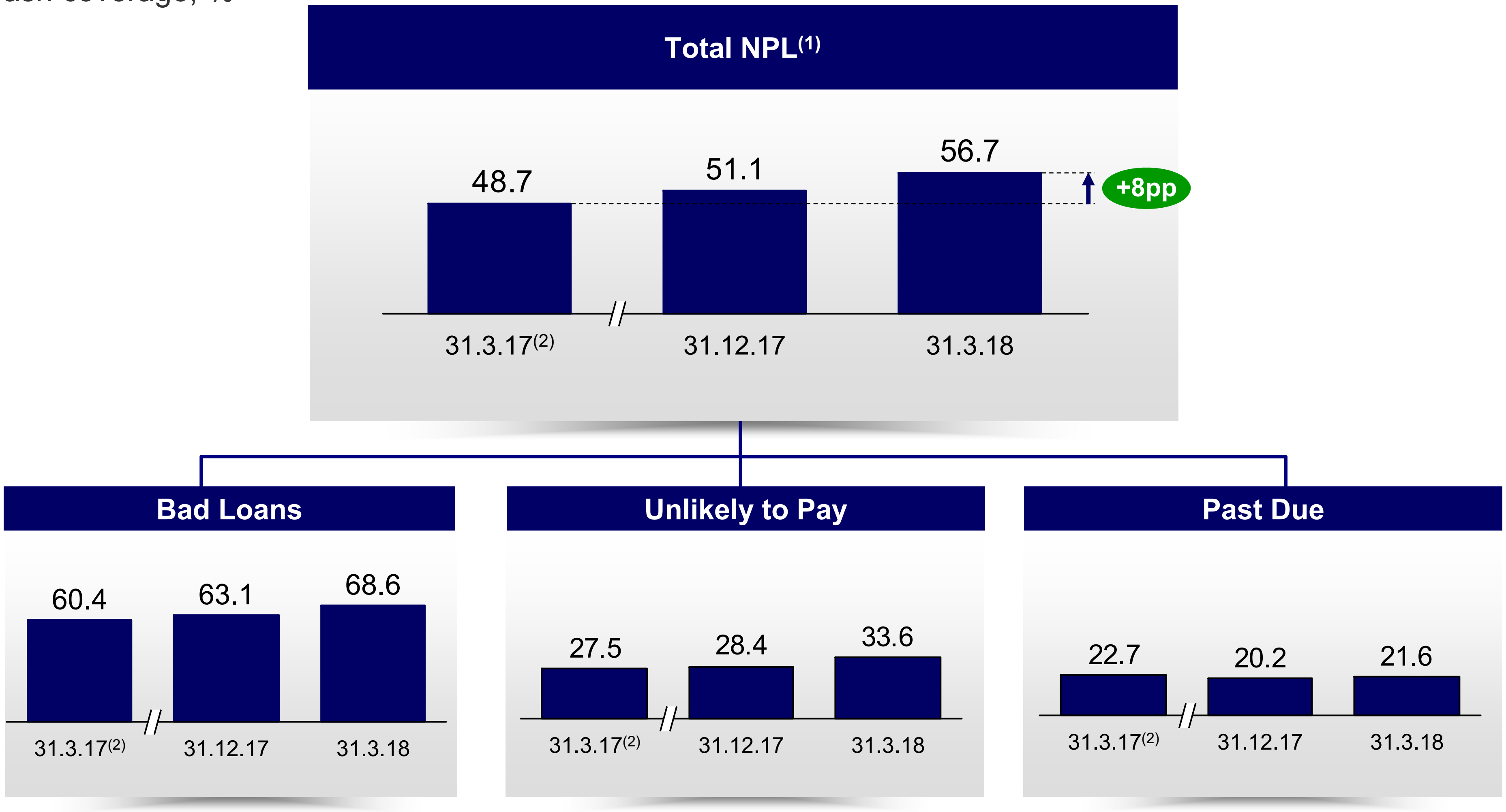
Liquidity, Funding and Capital Base

Asset Quality

Divisional Results and Other Information

Non-performing Loans: Sizeable and Significantly Increased Coverage

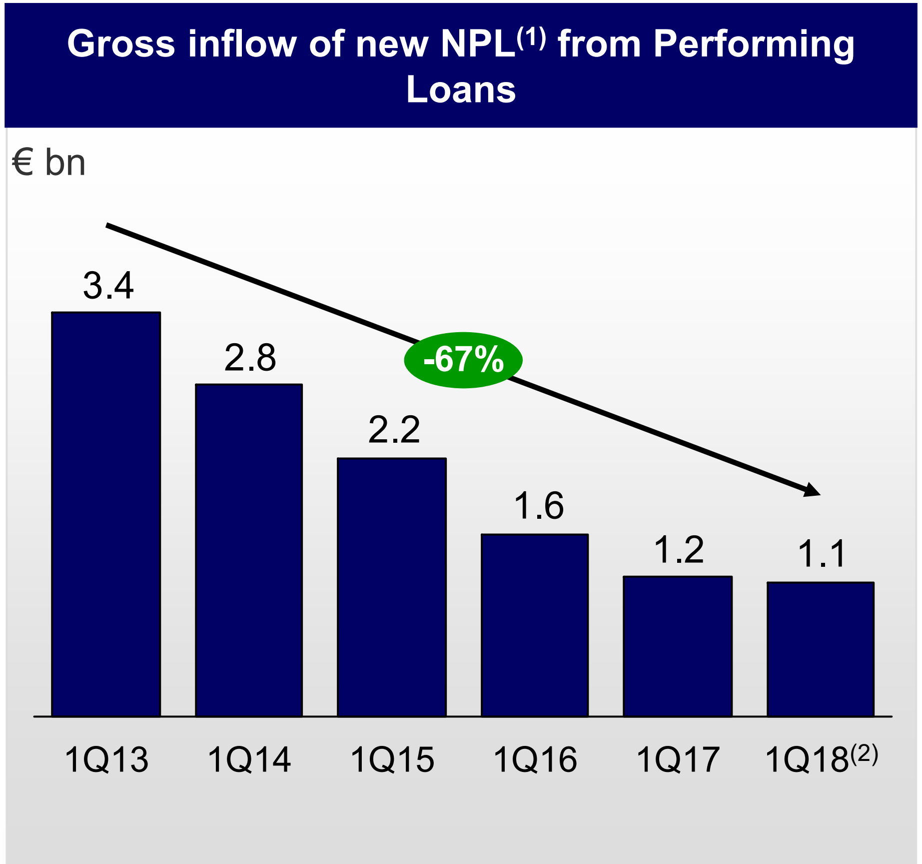
Cash coverage; %

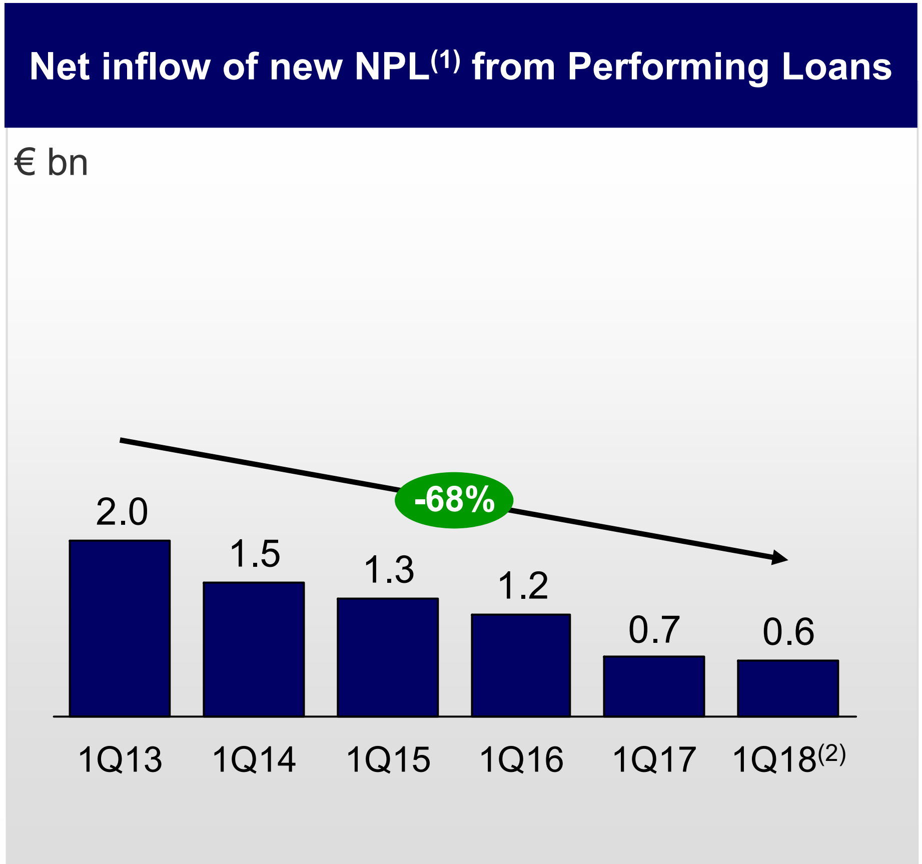


(1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)
(2) Excluding contribution of the two former Venetian banks

INTESA SANPAOLO

Non-performing Loans: Lowest Ever Q1 Inflows



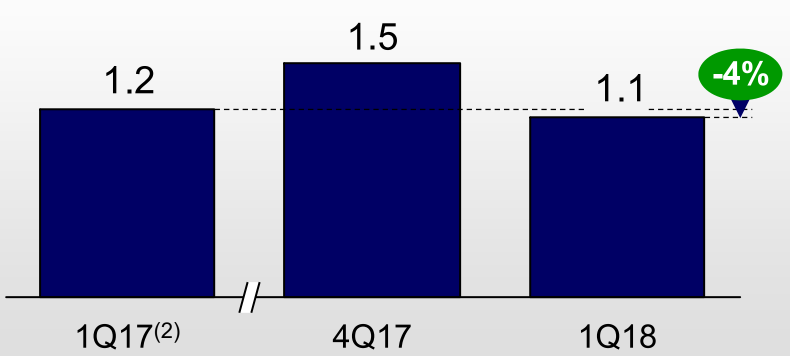


(1) Bad Loans (Sofferenze), Unlikely to pay (Inadempienze probabili) and Past Due (Scaduti e sconfinanti)
(2) Including contribution of the two former Venetian banks

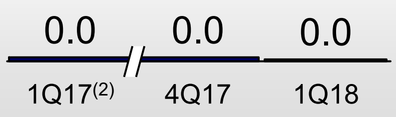
Non-performing Loans: Lowest Ever Q1 Gross Inflow

€ bn

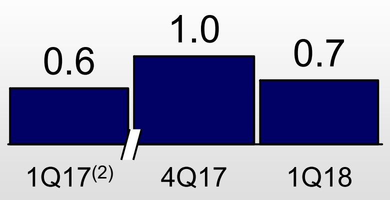
Gross inflow of new NPL[1] from Performing Loans



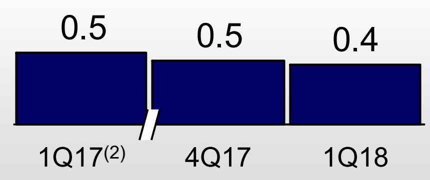
Bad Loans



Unlikely to Pay



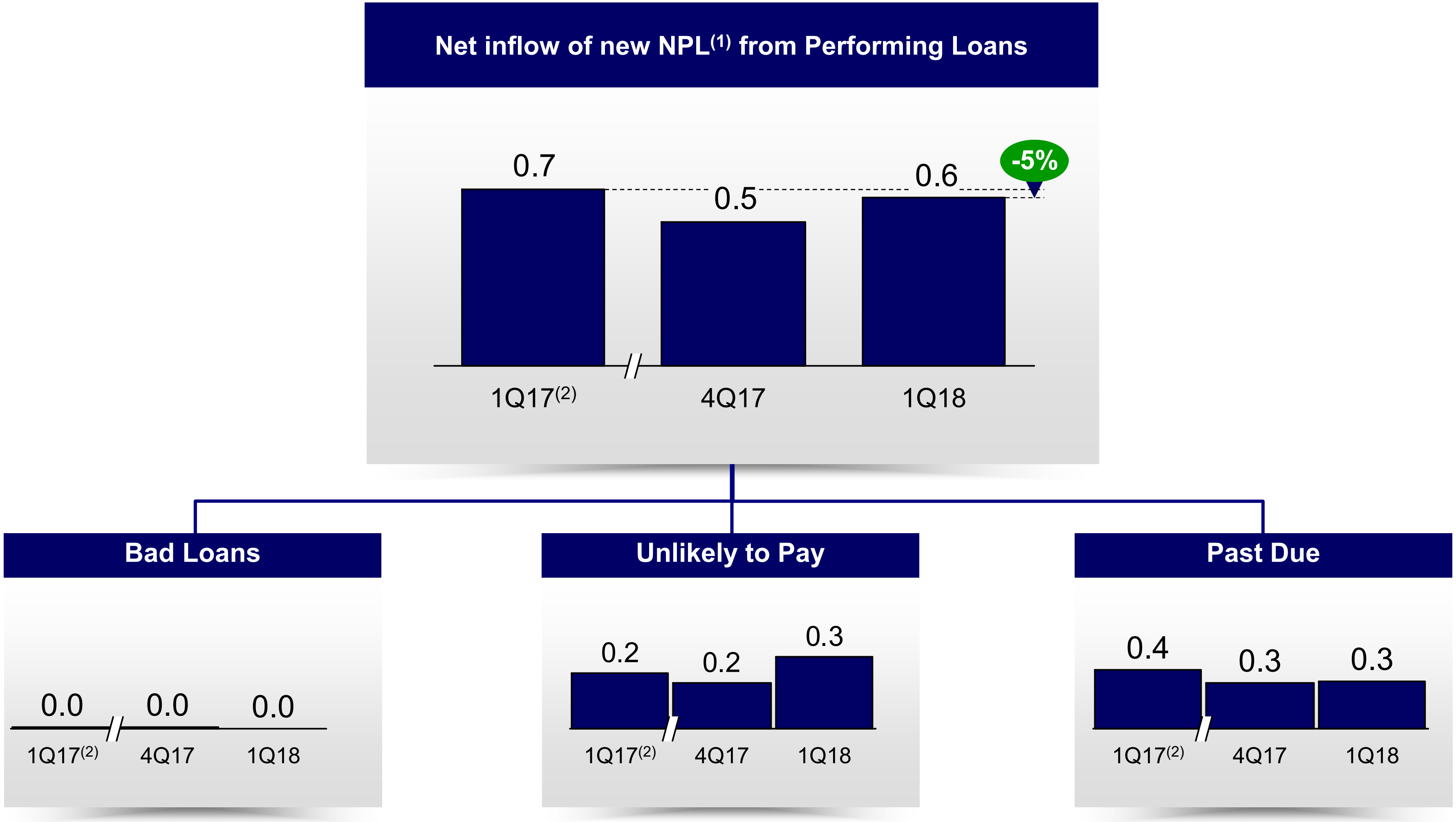
Past Due



Note: figures may not add up exactly due to rounding
(1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)
(2) Excluding contribution of the two former Venetian banks

Non-performing Loans: Lowest Ever Q1 Net Inflow

€ bn

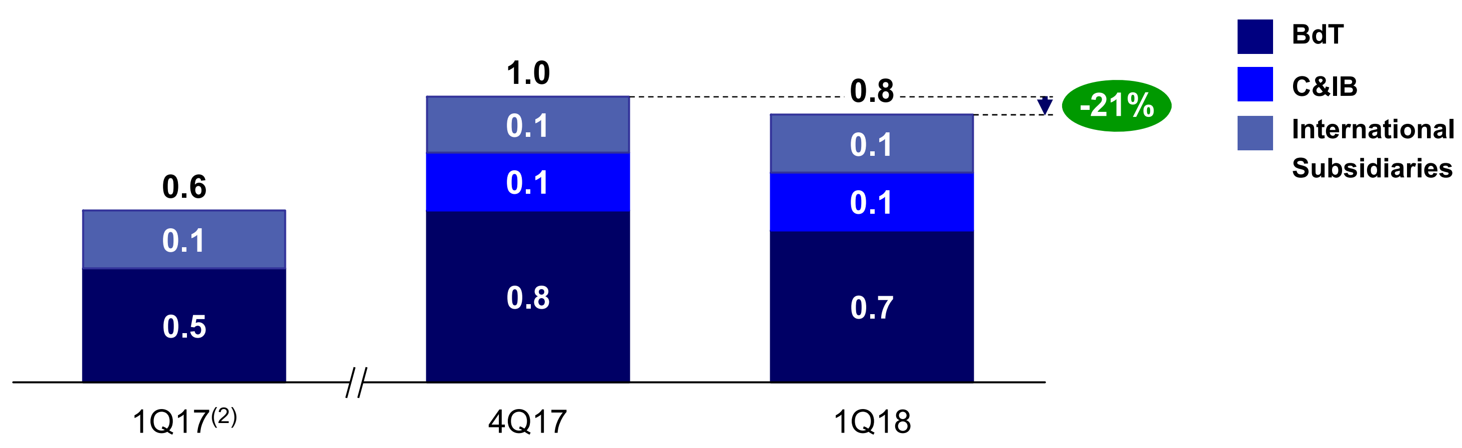


Note: figures may not add up exactly due to rounding
(1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)
(2) Excluding contribution of the two former Venetian banks

New Bad Loans: Decrease in Gross Inflow vs 4Q17

€ bn

Group's new Bad Loans[1] gross inflow



BdT's new Bad Loans[1] gross inflow

	1Q17[2]	4Q17	1Q18
Total	**0.5**	**0.8**	**0.7**
Mediocredito Italiano[3]	-	0.1	0.1
Households	0.1	0.1	0.2
SMEs	0.3	0.6	0.4

C&IB's new Bad Loans[1] gross inflow

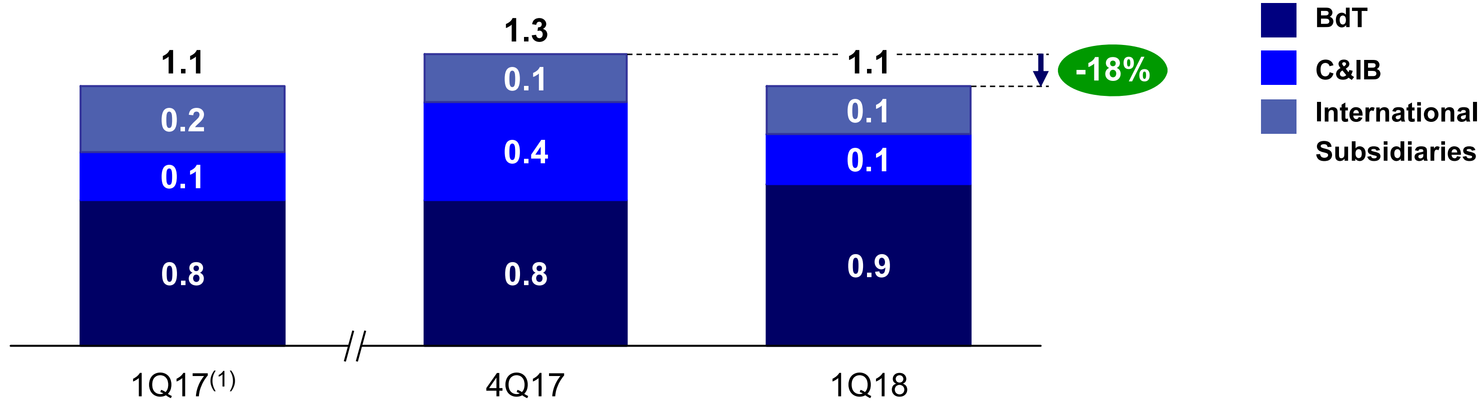
	1Q17[2]	4Q17	1Q18
Total	**-**	**0.1**	**0.1**
Banca IMI[4]	-	-	-
Global Corporate	-	0.1	0.1
International	-	-	-
Financial Institutions	-	-	-

Note: figures may not add up exactly due to rounding
(1) *Sofferenze*
(2) Excluding contribution of the two former Venetian banks
(3) Industrial Credit, Factoring and Leasing
(4) Capital Markets and Investment Banking

New Unlikely to Pay: Decrease in Gross Inflow vs 4Q17

€ bn

Group's gross inflow of new Unlikely to Pay



BdT's gross inflow of new Unlikely to Pay

	1Q17[1]	4Q17	1Q18
Total	**0.8**	**0.8**	**0.9**
Mediocredito Italiano[2]	0.1	0.1	0.1
Households	0.2	0.3	0.3
SMEs	0.5	0.4	0.5

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

	1Q17[1]	4Q17	1Q18
Total	**0.1**	**0.4**	**0.1**
Banca IMI[3]	-	-	-
Global Corporate	0.1	0.4	-
International	-	-	-
Financial Institutions	-	-	-

Note: figures may not add up exactly due to rounding
(1) Excluding contribution of the two former Venetian banks
(2) Industrial Credit, Factoring and Leasing
(3) Capital Markets and Investment Banking

Non-performing Loans: Tenth Consecutive Quarterly Decline in Stock

Gross NPL

€ bn	31.3.17(1)	31.12.17	31.3.18	31.3.18 pro-forma after Intrum Agreement
Bad Loans	36.8	34.2	33.6	~23
- of which forborne	*2.5*	*3.0*	*3.0*	
Unlikely to pay	19.6	17.4	16.5	16.5
- of which forborne	*9.2*	*8.1*	*8.0*	
Past Due	0.6	0.5	0.5	0.5
- of which forborne	-	-	-	
Total	**57.0**	**52.1**	**50.6**	**~40**

Net NPL

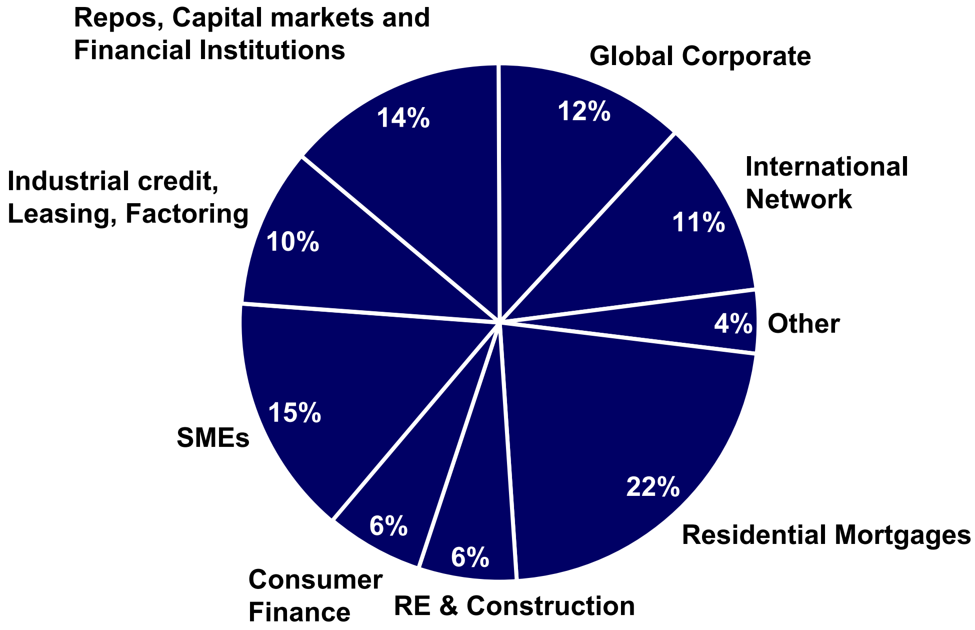
€ bn	31.3.17(1)	31.12.17	31.3.18	31.3.18 pro-forma after Intrum Agreement
Bad Loans	14.6	12.6	10.6	~7.5
- of which forborne	*1.1*	*1.3*	*1.1*	
Unlikely to pay	14.2	12.5	11.0	11.0
- of which forborne	*6.9*	*6.1*	*5.5*	
Past Due	0.4	0.4	0.4	0.4
- of which forborne	-	-	-	
Total	**29.2**	**25.5**	**21.9**	**~19**

~€14bn NPL deleveraging vs 30.9.15,~€25bn when considering the Intrum NPL agreement, leading to the lowest Gross NPL stock since 2011 (lowest Net since 2009)

Note: figures may not add up exactly due to rounding
(1) Excluding contribution of the two former Venetian banks

Loans to Customers: Well-diversified Portfolio

Breakdown by business area
(Data as of 31.3.18)



- **Low risk profile of residential mortgage portfolio**
  - Instalment/available income ratio at 33%
  - Average Loan-to-Value equal to 56%
  - Original average maturity equal to ~23 years
  - Residual average life equal to ~18 years

Breakdown by economic business sector

	31.3.18
Loans of the Italian banks and companies of the Group	
Households	**26.6%**
Public Administration	**2.5%**
Financial companies	**10.7%**
Non-financial companies	**33.7%**
of which:	
SERVICES	5.9%
DISTRIBUTION	5.7%
REAL ESTATE	3.8%
UTILITIES	2.6%
CONSTRUCTION	2.1%
METALS AND METAL PRODUCTS	1.9%
AGRICULTURE	1.6%
FOOD AND DRINK	1.4%
TRANSPORT	1.4%
MECHANICAL	1.0%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.0%
FASHION	1.0%
ELECTROTECHNICAL AND ELECTRONIC	0.6%
TRANSPORTATION MEANS	0.5%
HOLDING AND OTHER	0.4%
INFRASTRUCTURE	0.4%
ENERGY AND EXTRACTION	0.4%
BASE AND INTERMEDIATE CHEMICALS	0.4%
MATERIALS FOR CONSTRUCTION	0.4%
PUBLISHING AND PRINTING	0.3%
FURNITURE	0.3%
PHARMACEUTICAL	0.2%
OTHER CONSUMPTION GOODS	0.2%
NON-CLASSIFIED UNITS	0.1%
MASS CONSUMPTION GOODS	0.1%
WHITE GOODS	0.1%
Rest of the world	**11.4%**
Loans of international banks and companies of the Group	**9.6%**
Non-performing loans	**5.5%**
TOTAL	**100.0%**

Note: figures may not add up exactly due to rounding

INTESA SANPAOLO

Contents

Detailed Consolidated P&L Results

Liquidity, Funding and Capital Base

Asset Quality

Divisional Results and Other Information

INTESA SANPAOLO

Divisional Financial Highlights

Data as of 31.3.18

	Divisions							
	Banca dei Territori	Corporate & Investment Banking	International Subsidiary Banks(1)	Private Banking(2)	Asset Management(3)	Insurance(4)	Corporate Centre / Others(5)	Total
Operating Income (€ m)	2,387	1,164	469	480	192	324	(210)	4,806
Operating Margin (€ m)	1,040	910	237	343	154	283	(459)	2,508
Net Income (€ m)	415	671	183	242	121	199	(579)	1,252
Cost/Income (%)	56.4	21.8	49.5	28.5	19.8	12.7	n.m.	47.8
RWA (€ bn)	95.4	80.2	31.1	10.0	0.9	0.0	65.0	282.4
Direct Deposits from Banking Business (€ bn)	193.5	107.5	36.3	31.0	0.0	0.0	55.8	424.3
Loans to Customers (€ bn)	214.6	115.6	28.8	8.2	0.4	0.0	33.3	401.0

Note: contribution from the two former Venetian banks attributed to the pertaining Divisions. Figures may not add up exactly due to rounding
(1) Excluding the Ukrainian subsidiary Pravex-Bank - included in the Capital Light Bank - and the Russian subsidiary Banca Intesa - included in C&IB
(2) Fideuram, Intesa Sanpaolo Private Bank (Suisse), Intesa Sanpaolo Private Banking and Sirefid
(3) Eurizon
(4) Fideuram Vita, Intesa Sanpaolo Assicura and Intesa Sanpaolo Vita
(5) Treasury Department, Central Structures, Capital Light Bank and consolidation adjustments

Banca dei Territori: Q1 vs Q1

€ m

	1Q17 Pro-forma[1]	1Q18	Δ%
Net interest income	1,171	1,181	0.9
Net fee and commission income	1,103	1,188	7.7
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	17	12	(29.4)
Other operating income (expenses)	16	6	(62.5)
Operating income	**2,307**	**2,387**	**3.5**
Personnel expenses	(872)	(829)	(4.9)
Other administrative expenses	(522)	(516)	(1.1)
Adjustments to property, equipment and intangible assets	(3)	(2)	(33.3)
Operating costs	**(1,397)**	**(1,347)**	**(3.6)**
Operating margin	**910**	**1,040**	**14.3**
Net adjustments to loans	(297)	(361)	21.5
Net provisions and net impairment losses on other assets	0	(22)	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**613**	**657**	**7.2**
Taxes on income	(242)	(240)	(0.8)
Charges (net of tax) for integration and exit incentives	(2)	(2)	0.0
Effect of purchase price allocation (net of tax)	(2)	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**367**	**415**	**13.1**

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks

Banca dei Territori: Q1 vs Q4

€ m

	4Q17 Pro-forma[(1)]	1Q18	Δ%
Net interest income	1,155	1,181	2.2
Net fee and commission income	1,252	1,188	(5.1)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	18	12	(32.7)
Other operating income (expenses)	12	6	(48.1)
Operating income	**2,437**	**2,387**	**(2.0)**
Personnel expenses	(906)	(829)	(8.5)
Other administrative expenses	(583)	(516)	(11.5)
Adjustments to property, equipment and intangible assets	(2)	(2)	(10.1)
Operating costs	**(1,491)**	**(1,347)**	**(9.7)**
Operating margin	**946**	**1,040**	**10.0**
Net adjustments to loans	(325)	(361)	11.2
Net provisions and net impairment losses on other assets	(45)	(22)	(50.6)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**577**	**657**	**14.0**
Taxes on income	(229)	(240)	4.9
Charges (net of tax) for integration and exit incentives	(20)	(2)	(90.0)
Effect of purchase price allocation (net of tax)	(0)	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**328**	**415**	**26.7**

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks

Corporate and Investment Banking: Q1 vs Q1

€ m

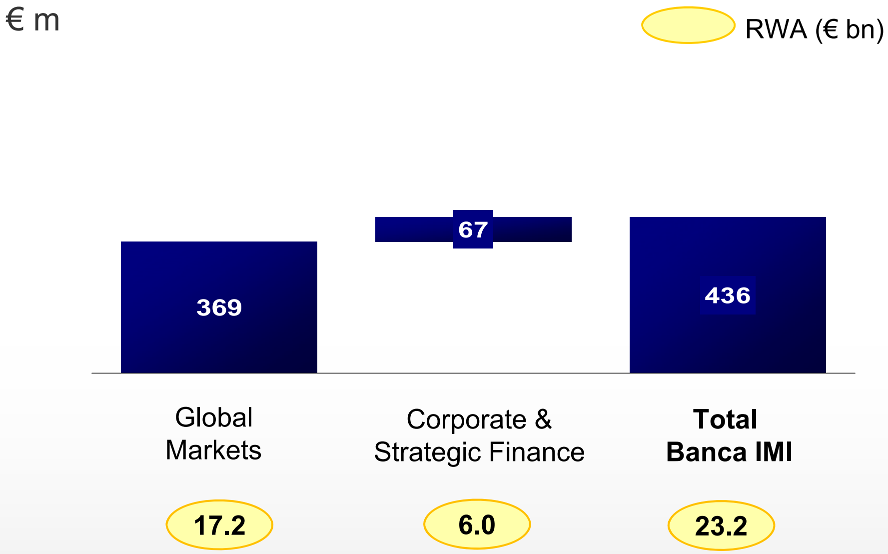
	1Q17 Pro-forma(1)	1Q18	Δ%
Net interest income	397	406	2.3
Net fee and commission income	248	213	(14.1)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	179	543	203.4
Other operating income (expenses)	2	2	0.0
Operating income	**826**	**1,164**	**40.9**
Personnel expenses	(96)	(101)	5.2
Other administrative expenses	(142)	(151)	6.3
Adjustments to property, equipment and intangible assets	(3)	(2)	(33.3)
Operating costs	**(241)**	**(254)**	**5.4**
Operating margin	**585**	**910**	**55.6**
Net adjustments to loans	(64)	(28)	(56.3)
Net provisions and net impairment losses on other assets	(10)	(5)	(50.0)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**511**	**877**	**71.6**
Taxes on income	(148)	(206)	39.2
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**363**	**671**	**84.8**

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks

Banca IMI: A Significant Contribution to Group Results

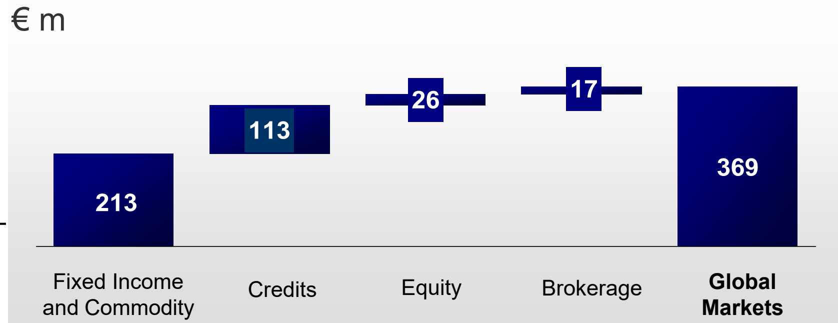
1Q18 Results

Banca IMI Operating Income[(1)]

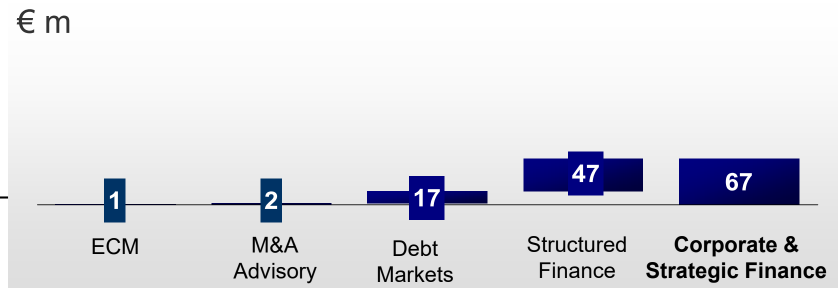


- **~53% of Operating income is customer driven**
- **Q1 average VaR at €40m**
- **Cost/Income ratio at 26.9%**
- **Q1 Net income at €188m**

of which: Global Markets



of which: Corporate & Strategic Finance



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

Corporate and Investment Banking: Q1 vs Q4

€ m

	4Q17 Pro-forma[1]	1Q18	Δ%
Net interest income	420	406	(3.3)
Net fee and commission income	253	213	(16.0)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	285	543	90.7
Other operating income (expenses)	8	2	(76.2)
Operating income	**967**	**1,164**	**20.4**
Personnel expenses	(127)	(101)	(20.3)
Other administrative expenses	(170)	(151)	(11.1)
Adjustments to property, equipment and intangible assets	(2)	(2)	21.7
Operating costs	**(299)**	**(254)**	**(14.9)**
Operating margin	**668**	**910**	**36.2**
Net adjustments to loans	(48)	(28)	(42.0)
Net provisions and net impairment losses on other assets	(0)	(5)	n.m.
Other income (expenses)	(4)	0	(100.0)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**616**	**877**	**42.4**
Taxes on income	(186)	(206)	10.8
Charges (net of tax) for integration and exit incentives	(5)	0	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**425**	**671**	**57.7**

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks

International Subsidiary Banks: Q1 vs Q1

€ m

	1Q17 Pro-forma(1)	1Q18	Δ%
Net interest income	321	314	(2.2)
Net fee and commission income	116	120	3.4
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	33	50	51.5
Other operating income (expenses)	(7)	(15)	(114.3)
Operating income	**463**	**469**	**1.3**
Personnel expenses	(120)	(126)	5.0
Other administrative expenses	(84)	(85)	1.2
Adjustments to property, equipment and intangible assets	(19)	(21)	10.5
Operating costs	**(223)**	**(232)**	**4.0**
Operating margin	**240**	**237**	**(1.3)**
Net adjustments to loans	(26)	12	n.m.
Net provisions and net impairment losses on other assets	6	(10)	n.m.
Other income (expenses)	196	1	(99.5)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**416**	**240**	**(42.3)**
Taxes on income	(57)	(55)	(3.5)
Charges (net of tax) for integration and exit incentives	(3)	(3)	0.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	1	n.m.
Net income	**356**	**183**	**(48.6)**

+6% excluding the positive effect of the Bank of Qingdao reclassification in 1Q17

+7% excluding the positive effect of the Bank of Qingdao reclassification in 1Q17

Note: figures may not add up exactly due to rounding. Excluding the Ukrainian subsidiary Pravex-Bank - included in the Capital Light Bank - and the Russian subsidiary Banca Intesa - included in C&IB
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

International Subsidiary Banks: Q1 vs Q4

€ m

	4Q17	1Q18	Δ%
Net interest income	331	314	(5.1)
Net fee and commission income	127	120	(5.7)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	50	50	0.7
Other operating income (expenses)	(19)	(15)	20.4
Operating income	**489**	**469**	**(4.1)**
Personnel expenses	(141)	(126)	(10.6)
Other administrative expenses	(96)	(85)	(11.6)
Adjustments to property, equipment and intangible assets	(21)	(21)	1.5
Operating costs	**(258)**	**(232)**	**(10.0)**
Operating margin	**231**	**237**	**2.6**
Net adjustments to loans	(49)	12	n.m.
Net provisions and net impairment losses on other assets	(13)	(10)	(21.9)
Other income (expenses)	5	1	(81.2)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**174**	**240**	**37.7**
Taxes on income	(28)	(55)	95.1
Charges (net of tax) for integration and exit incentives	(15)	(3)	(80.0)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(0)	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	2	1	38.0
Net income	**133**	**183**	**38.0**

Note: figures may not add up exactly due to rounding. Excluding the Ukrainian subsidiary Pravex-Bank - included in the Capital Light Bank - and the Russian subsidiary Banca Intesa - included in C&IB

Private Banking: Q1 vs Q1

€ m

	1Q17 Pro-forma(1)	1Q18	Δ%
Net interest income	43	39	(9.3)
Net fee and commission income	409	432	5.6
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	13	6	(53.8)
Other operating income (expenses)	3	3	0.0
Operating income	**468**	**480**	**2.6**
Personnel expenses	(76)	(82)	7.9
Other administrative expenses	(52)	(53)	1.9
Adjustments to property, equipment and intangible assets	(3)	(2)	(33.3)
Operating costs	**(131)**	**(137)**	**4.6**
Operating margin	**337**	**343**	**1.8**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(9)	(2)	(77.8)
Other income (expenses)	0	8	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**328**	**349**	**6.4**
Taxes on income	(95)	(103)	8.4
Charges (net of tax) for integration and exit incentives	(5)	(4)	(20.0)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**228**	**242**	**6.1**

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks

Private Banking: Q1 vs Q4

€ m

	4Q17	1Q18	Δ%
Net interest income	40	39	(2.0)
Net fee and commission income	438	432	(1.3)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	4	6	39.0
Other operating income (expenses)	(0)	3	n.m.
Operating income	**482**	**480**	**(0.3)**
Personnel expenses	(88)	(82)	(6.5)
Other administrative expenses	(61)	(53)	(12.6)
Adjustments to property, equipment and intangible assets	(4)	(2)	(45.9)
Operating costs	**(152)**	**(137)**	**(9.9)**
Operating margin	**330**	**343**	**4.1**
Net adjustments to loans	2	0	(100.0)
Net provisions and net impairment losses on other assets	(11)	(2)	(82.5)
Other income (expenses)	0	8	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**320**	**349**	**8.9**
Taxes on income	(102)	(103)	1.0
Charges (net of tax) for integration and exit incentives	(14)	(4)	(72.0)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	0	n.m.
Net income	**204**	**242**	**18.6**

+5% excluding performance fees

Note: figures may not add up exactly due to rounding

Asset Management: Q1 vs Q1

€ m

	1Q17	1Q18	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	157	185	17.8
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	0	(1)	n.m.
Other operating income (expenses)	21	8	(61.9)
Operating income	**178**	**192**	**7.9**
Personnel expenses	(16)	(19)	18.8
Other administrative expenses	(18)	(19)	5.6
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(34)**	**(38)**	**11.8**
Operating margin	**144**	**154**	**6.9**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**144**	**154**	**6.9**
Taxes on income	(25)	(30)	20.0
Charges (net of tax) for integration and exit incentives	0	0	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(4)	(3)	(25.0)
Net income	**115**	**121**	**5.2**

Note: figures may not add up exactly due to rounding

Asset Management: Q1 vs Q4

€ m

	4Q17	1Q18	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	222	185	(16.5)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(1)	(1)	(23.8)
Other operating income (expenses)	9	8	(10.7)
Operating income	**230**	**192**	**(16.5)**
Personnel expenses	(27)	(19)	(29.6)
Other administrative expenses	(23)	(19)	(17.2)
Adjustments to property, equipment and intangible assets	(0)	0	(100.0)
Operating costs	**(50)**	**(38)**	**(24.1)**
Operating margin	**180**	**154**	**(14.4)**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(0)	0	(100.0)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**179**	**154**	**(14.2)**
Taxes on income	(30)	(30)	0.2
Charges (net of tax) for integration and exit incentives	(1)	0	n.m.
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(8)	(3)	(63.2)
Net income	**140**	**121**	**(13.9)**

+1% excluding performance fees

+10% excluding performance fees

+10% excluding performance fees

+21% excluding performance fees

Note: figures may not add up exactly due to rounding

INTESA SANPAOLO

Insurance: Q1 vs Q1

€ m

	1Q17	1Q18	∆%
Net interest income	0	0	n.m.
Net fee and commission income	0	0	n.m.
Income from insurance business	320	326	1.9
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(1)	(2)	(100.0)
Operating income	**319**	**324**	**1.6**
Personnel expenses	(19)	(20)	5.3
Other administrative expenses	(20)	(20)	0.0
Adjustments to property, equipment and intangible assets	(1)	(1)	0.0
Operating costs	**(40)**	**(41)**	**2.5**
Operating margin	**279**	**283**	**1.4**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**279**	**283**	**1.4**
Taxes on income	(79)	(79)	0.0
Charges (net of tax) for integration and exit incentives	(1)	(1)	n.m.
Effect of purchase price allocation (net of tax)	(4)	(4)	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**195**	**199**	**2.1**

Note: figures may not add up exactly due to rounding

INTESA SANPAOLO

Insurance: Q1 vs Q4

€ m

	4Q17	1Q18	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	0	0	n.m.
Income from insurance business	214	326	52.3
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(4)	(2)	55.1
Operating income	**210**	**324**	**54.5**
Personnel expenses	(23)	(20)	(12.9)
Other administrative expenses	(27)	(20)	(26.5)
Adjustments to property, equipment and intangible assets	(1)	(1)	(3.7)
Operating costs	**(51)**	**(41)**	**(19.9)**
Operating margin	**158**	**283**	**78.6**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(1)	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**158**	**283**	**79.4**
Taxes on income	(49)	(79)	59.9
Charges (net of tax) for integration and exit incentives	(5)	(1)	(80.4)
Effect of purchase price allocation (net of tax)	(3)	(4)	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**100**	**199**	**98.0**

Note: figures may not add up exactly due to rounding

Quarterly P&L Analysis

€ m

	1Q17	2Q17	3Q17	4Q17	1Q18
	Pro-forma[1]				
Net interest income	1,880	1,890	1,828	1,837	1,855
Net fee and commission income	1,922	1,986	1,979	2,146	2,008
Income from insurance business	283	240	227	183	294
Profits on financial assets and liabilities at fair value	209	348	183	538	621
Other operating income (expenses)	56	47	19	9	28
Operating income	**4,350**	**4,511**	**4,236**	**4,713**	**4,806**
Personnel expenses	(1,454)	(1,501)	(1,467)	(1,606)	(1,436)
Other administrative expenses	(673)	(727)	(692)	(834)	(658)
Adjustments to property, equipment and intangible assets	(201)	(202)	(206)	(234)	(204)
Operating costs	**(2,328)**	**(2,430)**	**(2,365)**	**(2,674)**	**(2,298)**
Operating margin	**2,022**	**2,081**	**1,871**	**2,039**	**2,508**
Net adjustments to loans	(696)	(738)	(648)	(1,229)	(483)
Net provisions and net impairment losses on other assets	(8)	(62)	(30)	(135)	(51)
Other income (expenses)	196	117[2]	72	861	2
Income (Loss) from discontinued operations	0	0	0	0	1
Gross income (loss)	**1,514**	**1,398[2]**	**1,265**	**1,536**	**1,977**
Taxes on income	(432)	(433)	(366)	(249)	(544)
Charges (net of tax) for integration and exit incentives	(12)	(41)	(20)	(227)	(19)
Effect of purchase price allocation (net of tax)	(6)	(5)	(26)	364	(44)
Levies and other charges concerning the banking industry (net of tax)	(296)	(193)	(192)	3	(117)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	0	0
Minority interests	133	111	(11)	1	(1)
Net income	**901**	**837[2]**	**650**	**1,428**	**1,252**

Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)
(2) Excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios

Net Fee and Commission Income: Quarterly Development Breakdown

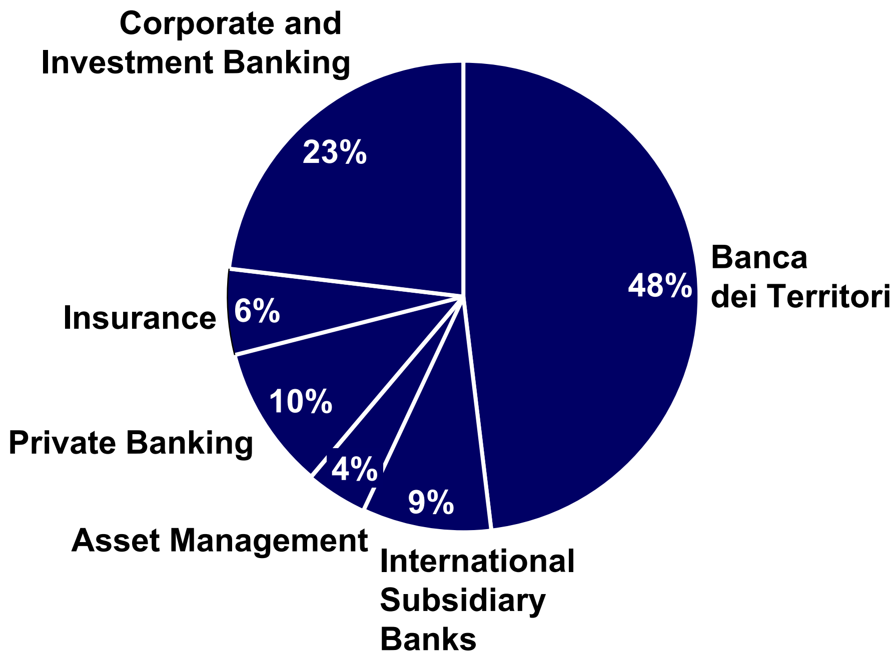
€ m

Net Fee and Commission Income	1Q17	2Q17	3Q17	4Q17	1Q18
	Pro-forma[1]				
Guarantees given / received	56	77	60	59	59
Collection and payment services	97	99	109	113	92
Current accounts	295	303	309	334	319
Credit and debit cards	95	104	102	103	92
Commercial banking activities	**543**	**583**	**581**	**609**	**562**
Dealing and placement of securities	184	190	163	225	208
Currency dealing	10	11	11	11	12
Portfolio management	554	576	569	637	592
Distribution of insurance products	373	366	385	385	378
Other	42	41	44	50	45
Management, dealing and consultancy activities	**1,163**	**1,183**	**1,172**	**1,308**	**1,235**
Other net fee and commission income	216	221	226	229	211
Net fee and commission income	**1,922**	**1,986**	**1,979**	**2,146**	**2,008**

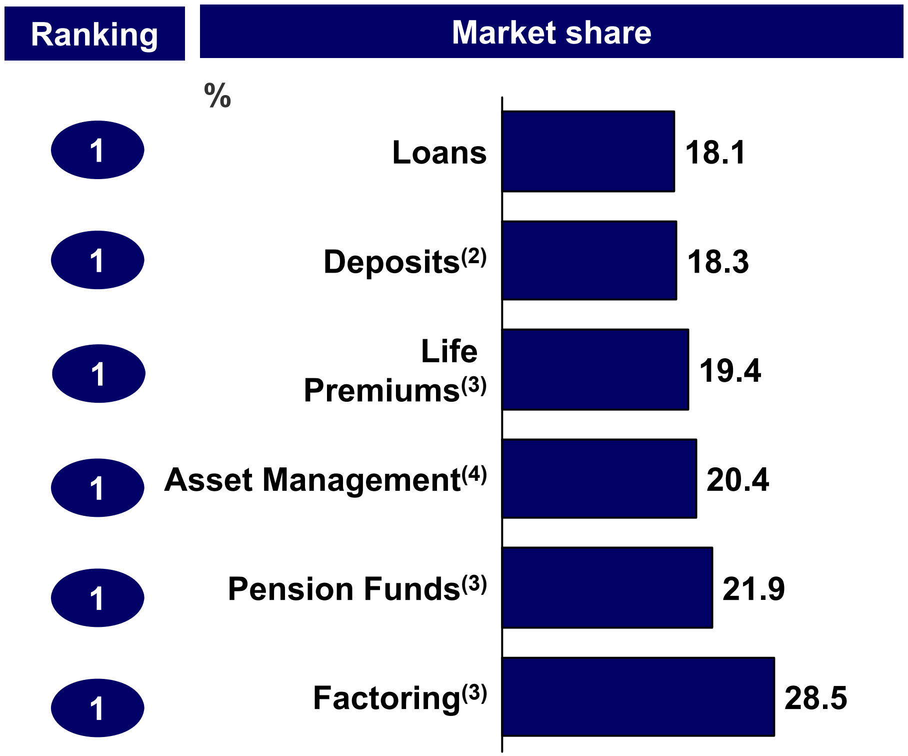
Note: figures may not add up exactly due to rounding
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

Market Leadership in Italy

1Q18 Operating Income Breakdown by business area[1]



Leader in Italy (data as of 31.3.18)



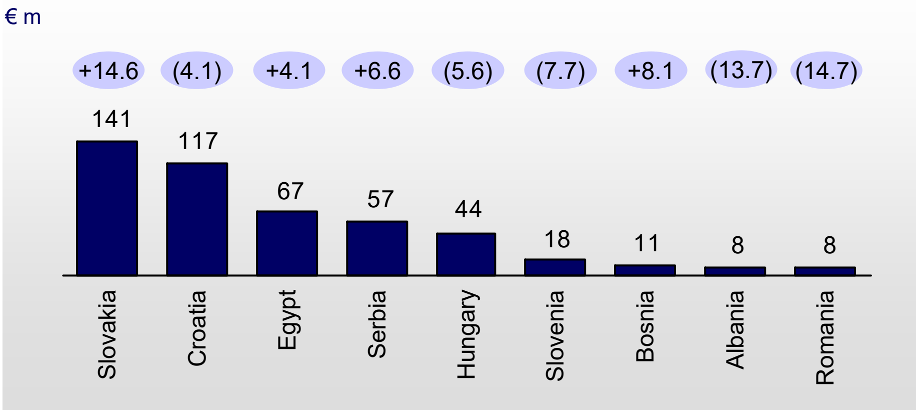
Note: figures may not add up exactly due to rounding
(1) Excluding Corporate Centre
(2) Including bonds
(3) Data as of 31.12.17
(4) Mutual funds; data as of 31.12.17

International Subsidiary Banks: Key P&L Data by Country

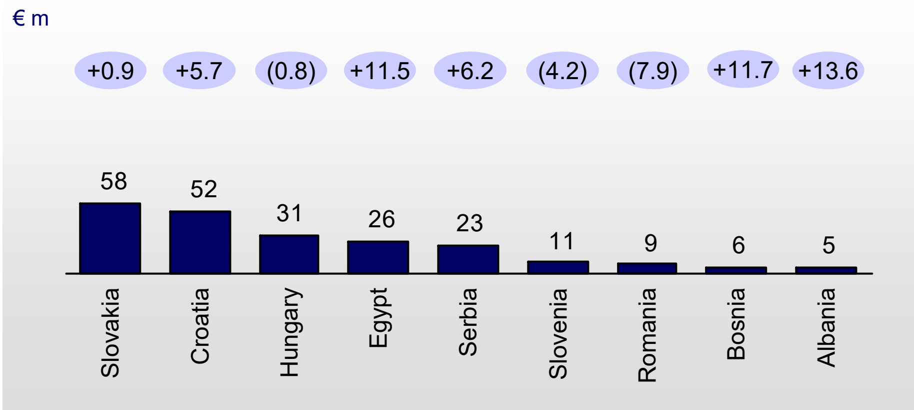
Data as of 31.3.18

(Δ% vs 1Q17 pro-forma[1])

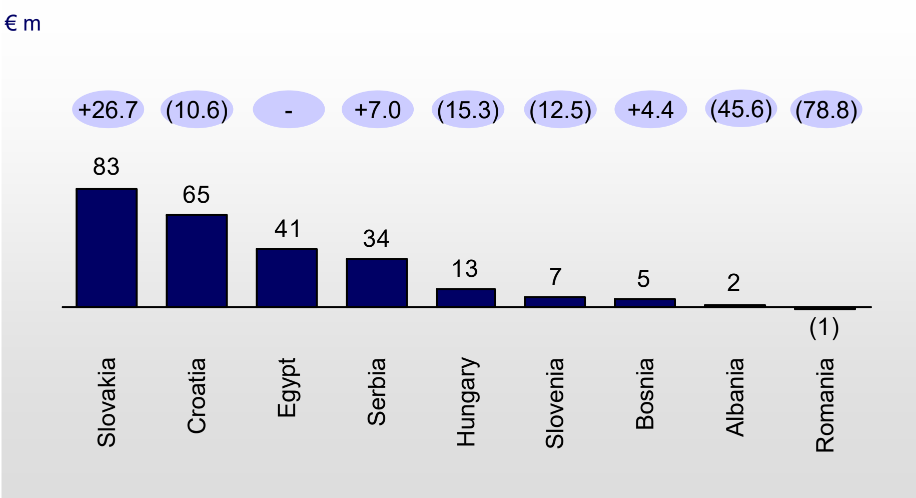
Operating Income



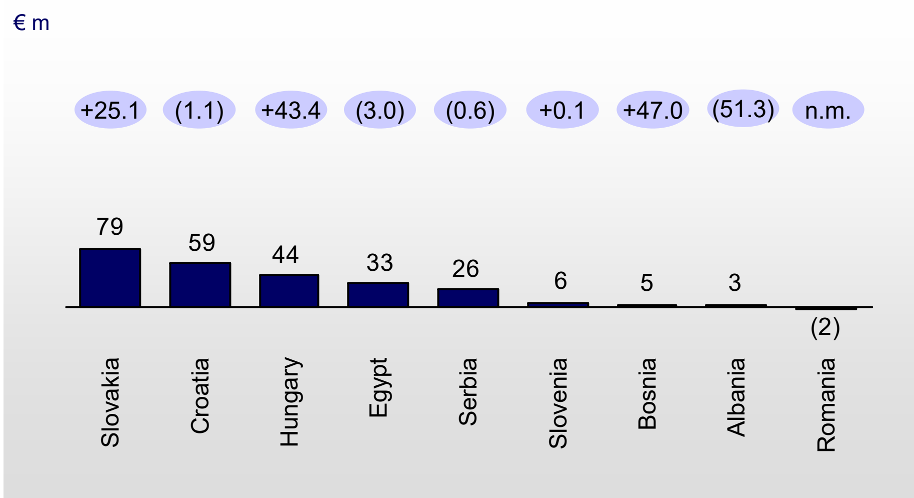
Operating Costs



Operating Margin



Gross Income



Note: excluding the Ukrainian subsidiary Pravex-Bank - included in the Capital Light Bank - and the Russian subsidiary Banca Intesa - included in C&IB
(1) Management data including the contribution of the two former Venetian banks (excluding Moldova not yet included in 1Q18 data)

International Subsidiary Banks by Country: ~7% of the Group's Total Loans

Data as of 31.3.18

	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	CEE Total	Egypt	Total
Oper. Income (€ m)	44	141	18	117	57	11	8	8	402	67	469
% of Group total	***0.9%***	***2.9%***	***0.4%***	***2.4%***	***1.2%***	***0.2%***	***0.2%***	***0.2%***	***8.4%***	***1.4%***	***9.8%***
Net income (€ m)	28	57	5	43	22	4	3	(2)	159	21	180
% of Group total	***2.2%***	***4.6%***	***0.4%***	***3.4%***	***1.8%***	***0.3%***	***0.2%***	***n.m.***	***12.7%***	***1.7%***	***14.4%***
Customer Deposits (€ bn)	4.1	12.7	2.0	8.1	3.4	0.7	1.1	0.9	33.0	3.1	36.2
% of Group total	***1.0%***	***3.0%***	***0.5%***	***1.9%***	***0.8%***	***0.2%***	***0.3%***	***0.2%***	***7.8%***	***0.7%***	***8.5%***
Customer Loans (€ bn)	2.6	12.1	1.6	6.5	2.7	0.7	0.4	0.6	27.1	1.5	28.6
% of Group total	***0.6%***	***3.0%***	***0.4%***	***1.6%***	***0.7%***	***0.2%***	***0.1%***	***0.2%***	***6.8%***	***0.4%***	***7.1%***
Total Assets (€ bn)	5.8	15.2	2.4	10.6	4.8	1.0	1.4	1.0	42.2	3.8	46.0
% of Group total	***0.7%***	***1.9%***	***0.3%***	***1.3%***	***0.6%***	***0.1%***	***0.2%***	***0.1%***	***5.3%***	***0.5%***	***5.8%***
Book value (€ m)	727	1,607	277	1,598	997	126	159	115	5,606	374	5,980
- goodwill/intangibles	*29*	*77*	*3*	*17*	*22*	*2*	*4*	*4*	*158*	*7*	*165*

Note: figures may not add up exactly due to rounding. Excluding the Ukrainian subsidiary Pravex-Bank - included in the Capital Light Bank - and the Russian subsidiary Banca Intesa - included in C&IB

International Subsidiary Banks by Country: Loans Breakdown and Coverage

Data as of 31.3.18

	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	**CEE Total**	Egypt	**Total**
Performing loans (€ bn)	2.5	11.9	1.5	6.2	2.6	0.7	0.3	0.6	**26.4**	1.4	**27.7**
of which:											
Retail local currency	37%	61%	44%	34%	23%	29%	15%	15%	**45%**	55%	**45%**
Retail foreign currency	0%	0%	0%	20%	26%	20%	12%	22%	**9%**	0%	**8%**
Corporate local currency	26%	35%	55%	16%	7%	13%	20%	33%	**27%**	26%	**27%**
Corporate foreign currency	37%	5%	1%	30%	43%	38%	53%	29%	**19%**	19%	**19%**
Bad loans[(1)] (€ m)	14	116	21	69	43	6	4	13	**285**	1	**286**
Unlikely to pay[(2)] (€ m)	87	84	53	198	42	2	13	6	**485**	84	**570**
Performing loans coverage	1.6%	1.0%	1.1%	2.3%	1.4%	2.5%	5.1%	2.2%	**1.5%**	2.6%	**1.6%**
Bad loans[(1)] coverage	79%	64%	72%	72%	63%	79%	41%	59%	**68%**	98%	**70%**
Unlikely to pay[(2)] coverage	43%	50%	41%	41%	56%	67%	40%	52%	**45%**	33%	**43%**
Annualised cost of credit[(3)] (bps)	n.m.	13	34	40	158	53	n.m.	24	**n.m.**	n.m.	**n.m.**

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

Common Equity Ratio as of 31.3.18: from Phased-in to Pro-forma Fully Loaded

	~€ bn	~bps
Transitional adjustments		
Valuation reserves (IAS 19)	(0.1)	(4)
DTA on losses carried forward[1]	1.6	54
IFRS9 transitional adjustment	(2.7)	(93)
Total	**(1.2)**	**(43)**
Deductions exceeding cap[*]		
Total	**0.2**	**14**
[*] as a memo, constituents of deductions subject to cap:		
- Other DTA[2]	1.5	
- Investments in banking and financial companies	0.8	
- Investments in insurance companies[3]	4.8	
RWA from 100% weighted DTA[4]	**(8.7)**	**40**
Total estimated impact		**12**
Pro-forma fully loaded Common Equity ratio		**13.4%**

Note: figures may not add up exactly due to rounding

(1) Considering the expected absorption of DTA on losses carried forward (€1.4bn as of 31.3.18)

(2) Other DTA: mostly related to provisions for risks and charges, considering the total absorption of €0.6bn DTA related to the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks. DTA related to goodwill realignment and adjustments to loans are excluded due to their treatment as credits to tax authorities

(3) Considering the expected distribution of 1Q18 Net income of insurance companies

(4) Considering the total absorption of DTA convertible into tax credit related to goodwill realignment (€5.3bn as of 31.3.18) and adjustments to loans (€3.4bn as of 31.3.18)

Total Exposure(1) by Main Countries

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business(2)	Total	
	AC	FVTOCI	FVTPL	Total			
EU Countries	**12,526**	**47,767**	**4,478**	**64,771**	**60,348**	**125,119**	**396,741**
Austria	45	70	311	426	4	430	863
Belgium		370	137	507	207	714	941
Bulgaria					82	82	12
Croatia	96	1,048	74	1,218	99	1,317	6,471
Cyprus							265
Czech Republic	19			19		19	636
Denmark		61	15	76	30	106	92
Estonia							
Finland		35	109	144	32	176	97
France	333	4,179	356	4,868	1,640	6,508	4,730
Germany	74	5,784	-485	5,373	1,374	6,747	5,519
Greece	13		2	15		15	575
Hungary	101	792	187	1,080	30	1,110	2,503
Ireland	83	513	230	826	175	1,001	401
Italy	10,737	21,671	2,042	34,450	51,477	85,927	319,590
Latvia		9		9		9	44
Lithuania		4	4	8		8	8
Luxembourg	196	111	121	428	28	456	3,802
Malta							1,225
The Netherlands	65	415	796	1,276	908	2,184	3,245
Poland	17	39	-5	51	30	81	1,086
Portugal	14		85	99	9	108	205
Romania		212	3	215	169	384	1,072
Slovakia		592	23	615		615	12,052
Slovenia	1	158		159	7	166	1,594
Spain	542	11,405	301	12,248	2,381	14,629	3,908
Sweden		90	117	207	5	212	167
United Kingdom	190	209	55	454	1,661	2,115	25,638
North African Countries		**990**		**990**		**990**	**1,789**
Algeria							9
Egypt		990		990		990	1,747
Libya							4
Morocco							20
Tunisia							9
Japan		**43**	**769**	**812**	**80**	**892**	**766**

Note: figures may not add up exactly due to rounding
(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as of 31.3.18
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Sovereign Risks[1] by Main Countries

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business[3]	Total	
	AC	FVTOCI	FVTPL[2]	Total			
EU Countries	**9,677**	**44,451**	**1,333**	**55,461**	**50,844**	**106,305**	**14,736**
Austria			275	275	2	277	
Belgium		357	26	383	6	389	
Bulgaria					61	61	
Croatia		1,048	74	1,122	91	1,213	1,068
Cyprus							
Czech Republic							
Denmark		26	2	28		28	
Estonia							
Finland		35	105	140	8	148	
France	308	3,729	19	4,056	99	4,155	6
Germany		5,426	-657	4,769	513	5,282	
Greece			2	2		2	
Hungary		785	187	972	30	1,002	28
Ireland		204	1	205	119	324	
Italy	8,871	20,330	666	29,867	48,166	78,033	12,056
Latvia		9		9		9	44
Lithuania		4	4	8		8	
Luxembourg		85	20	105		105	
Malta							
The Netherlands		125	373	498	97	595	
Poland	17	39	-5	51	19	70	
Portugal							
Romania		212	3	215	169	384	10
Slovakia		520	23	543		543	1,221
Slovenia		155		155	7	162	234
Spain	481	11,275	159	11,915	1,356	13,271	69
Sweden			106	106		106	
United Kingdom		87	-50	37	101	138	
North African Countries		**990**		**990**		**990**	
Algeria							
Egypt		990		990		990	
Libya							
Morocco							
Tunisia							
Japan			**677**	**677**		**677**	

Banking Business Government bond duration: 5.9 years
Adjusted duration due to hedging: 0.3 years

Note: figures may not add up exactly due to rounding
(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as of 31.3.18
(2) Taking into account cash short positions
(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Banks by Main Countries[1]

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business[2]	Total	
	AC	FVTOCI	FVTPL	Total			
EU Countries	**536**	**1,896**	**1,312**	**3,744**	**3,661**	**7,405**	**25,886**
Austria	35	38	36	109		109	396
Belgium		3	111	114	53	167	779
Bulgaria							1
Croatia	78			78		78	13
Cyprus							1
Czech Republic							15
Denmark		17	9	26	2	28	65
Estonia							
Finland			4	4		4	
France	5	296	280	581	680	1,261	3,178
Germany	2	323	131	456	165	621	1,788
Greece							569
Hungary	95	7		102		102	73
Ireland		82	7	89		89	137
Italy	239	649	425	1,313	1,569	2,882	6,747
Latvia							
Lithuania							5
Luxembourg	60	5	80	145	1	146	1,540
Malta							1,191
The Netherlands	22	210	91	323	289	612	180
Poland							201
Portugal			8	8		8	5
Romania							33
Slovakia		72		72		72	30
Slovenia		3		3		3	3
Spain		74	59	133	285	418	1,825
Sweden		51	11	62	2	64	84
United Kingdom		66	60	126	615	741	7,027
North African Countries							**193**
Algeria							
Egypt							169
Libya							
Morocco							19
Tunisia							5
Japan		**10**	**40**	**50**	**57**	**107**	**46**

Note: figures may not add up exactly due to rounding
(1) Book Value of Debt Securities and Net Loans as of 31.3.18
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Other Customers by Main Countries(1)

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business(2)	Total	
	AC	FVTOCI	FVTPL	Total			
EU Countries	**2,313**	**1,420**	**1,833**	**5,566**	**5,843**	**11,409**	**356,119**
Austria	10	32		42	2	44	467
Belgium		10		10	148	158	162
Bulgaria					21	21	11
Croatia	18			18	8	26	5,390
Cyprus							264
Czech Republic	19			19		19	621
Denmark		18	4	22	28	50	27
Estonia							
Finland					24	24	97
France	20	154	57	231	861	1,092	1,546
Germany	72	35	41	148	696	844	3,731
Greece	13			13		13	6
Hungary	6			6		6	2,402
Ireland	83	227	222	532	56	588	264
Italy	1,627	692	951	3,270	1,742	5,012	300,787
Latvia							
Lithuania							3
Luxembourg	136	21	21	178	27	205	2,262
Malta							34
The Netherlands	43	80	332	455	522	977	3,065
Poland					11	11	885
Portugal	14		77	91	9	100	200
Romania							1,029
Slovakia							10,801
Slovenia	1			1		1	1,357
Spain	61	56	83	200	740	940	2,014
Sweden		39		39	3	42	83
United Kingdom	190	56	45	291	945	1,236	18,611
North African Countries							**1,596**
Algeria							9
Egypt							1,578
Libya							4
Morocco							1
Tunisia							4
Japan		**33**	**52**	**85**	**23**	**108**	**720**

Note: figures may not add up exactly due to rounding
(1) Book Value of Debt Securities and Net Loans as of 31.3.18
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Disclaimer

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

*** * ***

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

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Group’s ability to achieve its projected objectives or results is dependent on many factors which are outside management’s control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to the Company as of the date hereof. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.