

**Gruppo Intesa - Consolidated financial statements
as at 31st December 1999 expressed in euro
Statement of income**

	1999
10. Interest income and similar revenues	8,262,153
including from	
• loans to customers	5,064,798
• debt securities	1,871,526
20. Interest expense and similar charges	(4,833,004)
including from	
• deposits from customers	(907,535)
• securities issued	(2,343,508)
30. Dividends and other revenues	95,498
a) from shares, quotas and other forms of capital	28,884
b) from equity investments	66,614
c) from investments in Group companies	-
40. Commission income	2,847,734
50. Commission expense	(434,065)
60. Profits (Losses) on financial transactions	(138,626)
70. Other operating income	430,845
80. Administrative costs	(3,950,525)
a) payroll	(2,474,818)
including	
• wages and salaries	(1,733,442)
• social security charges	(492,718)
• termination indemnities	(118,211)
• pensions and similar commitments	(87,831)
b) other	(1,475,707)
85. Provisions for integrative social security benefits	(42,650)
90. Adjustments to tangible and intangible fixed assets	(521,056)
100. Provisions for risks and charges	(184,290)
110. Other operating expenses	(79,755)
120. Adjustments to loans and provisions for guarantees and commitments	(826,765)
130. Write-back of adjustments to loans and provisions for guarantees and commitments	242,298
140. Provisions for possible loan losses	(71,199)
150. Adjustments to financial fixed assets	(25,013)
160. Write-back of financial fixed assets	1,268
170. Income (Loss) from investments carried at equity	(2,454)
180. Income (Loss) from operating activities	770,394
190. Extraordinary income	1,022,921
200. Extraordinary charges	(449,409)
210. Extraordinary income (loss), net	573,512
230. Change in the reserve for general banking risks	(114,266)
240. Income taxes for the year	(325,616)
250. Income attributable to minority shareholders	(53,035)
260. Net income (loss) for the year	850,989

(in thousands of euro)

	1998	Changes	
		amount	%
	9,755,800	(1,493,647)	(15.31)
6,394,420			
1,796,280			
	(6,226,559)	(1,393,555)	(22.38)
(1,634,881)			
(2,743,735)			
	25,637	69,861	272.50
6,239			
19,398			
-			
	2,436,786	410,948	16.86
	(359,615)	74,450	20.70
	474,572	(613,198)	-
	423,337	7,508	1.77
	(3,885,090)	65,435	1.68
(2,465,799)		9,019	0.37
(1,709,816)			
(487,666)			
(121,555)			
(102,151)			
(1,419,291)		56,416	3.97
	(41,342)	1,308	3.16
	(448,994)	72,062	16.05
	(54,682)	129,608	237.02
	(85,340)	(5,585)	(6.54)
	(794,467)	32,298	4.07
	205,738	36,560	17.77
	(100,663)	(29,464)	(29.27)
	(22,405)	2,608	11.64
	742	526	70.89
	24,876	(27,330)	-
	1,328,331	(557,937)	(42.00)
243,634			
(144,353)			
	99,281	474,231	477.67
	(14,979)	99,287	-
	(728,194)	(402,578)	(55.28)
	(62,327)	(9,292)	(14.91)
	622,112	228,877	36.79

**Gruppo Intesa - Consolidated financial statements
as at 31st December 1999
Pro forma statement of income Intesa-BCI**

	1999
10. Interest income and similar revenues	29,122,719
including from	
• loans to customers	17,997,637
• debt securities	5,813,778
20. Interest expense and similar charges	(18,691,253)
including from	
• deposits from customers	(3,698,242)
• securities issued	(6,309,781)
30. Dividends and other revenues	603,471
a) from shares, quotas and other forms of capital	404,495
b) from equity investments	177,790
c) from investments in Group companies	21,186
40. Commission income	8,362,140
50. Commission expense	(1,141,457)
60. Profits (Losses) on financial transactions	210,501
70. Other operating income	1,768,886
80. Administrative costs	(12,661,800)
a) payroll	(7,935,389)
• including	
• wages and salaries	(5,456,680)
• social security charges	(1,646,277)
• termination indemnities	(388,722)
• pensions and similar commitments	(198,531)
b) other	(4,726,411)
85. Provisions for integrative social security benefits	(82,581)
90. Adjustments to tangible and intangible fixed assets	(1,728,365)
100. Provisions for risks and charges	(487,530)
110. Other operating expenses	(330,512)
120. Adjustments to loans and provisions for guarantees and commitments	(3,644,112)
130. Write-back of adjustments to loans and provisions for guarantees and commitments	900,576
140. Provisions for possible loan losses	(156,592)
150. Adjustments to financial fixed assets	(138,301)
160. Write-back of financial fixed assets	20,499
170. Income (Loss) from investments carried at equity	35,503
180. Income (Loss) from operating activities	1,961,792
190. Extraordinary income	2,930,058
200. Extraordinary charges	(1,448,043)
210. Extraordinary income (loss), net	1,482,015
230. Change in the reserve for general banking risks	(225,750)
240. Income taxes for the year	(750,137)
250. Income attributable to minority shareholders	(360,766)
260. Net income (loss) for the year	2,107,154

(in millions of lire)

	1998	Changes	
		amount	%
	32,388,045	(3,265,326)	(10.08)
20,357,901 5,572,377			
	(21,131,685)	(2,440,432)	(11.55)
(5,733,542) (7,114,669)			
94,467 94,526 14,141	203,134	400,337	197.08
	7,296,089	1,066,051	14.61
	(1,009,722)	131,735	13.05
	1,368,825	(1,158,324)	(84.62)
	1,426,317	342,569	24.02
	(12,174,851)	486,949	4.00
(7,792,829)		142,560	1.83
(5,393,923) (1,630,626) (380,068) (216,162) (4,382,022)			
		344,389	7.86
	(80,050)	2,531	3.16
	(1,451,637)	276,728	19.06
	(168,042)	319,488	190.12
	(328,184)	2,328	0.71
	(2,871,555)	772,557	26.90
	739,309	161,267	21.81
	(210,003)	(53,411)	(25.43)
	(181,798)	(43,497)	(23.93)
	3,077	17,422	-
	63,340	(27,837)	(43.95)
	3,880,609	(1,918,817)	(49.45)
919,170 (353,685)			
	565,485	916,530	162.08
	(29,004)	196,746	-
	(2,115,555)	(1,365,418)	(64.54)
	(470,185)	(109,419)	(23.27)
	1,831,350	275,804	15.06

Gruppo Intesa - Consolidated financial statements as at 31st December 1999

Balance sheet

Assets	31st December 1999	
10. Cash and deposits with central banks and post offices		2,584,960
20. Treasury bills and similar bills eligible for refinancing with central banks		21,571,870
30. Due from banks		84,414,852
a) repayable on demand	8,929,921	
b) other	75,484,931	
40. Loans to customers including		312,798,090
• loans using public funds	106,077	
50. Bonds and other debt securities		91,797,515
a) public entities	52,230,402	
b) banks including	22,093,188	
• own bonds	6,955,362	
c) financial institutions	8,243,919	
d) other issuers	9,230,006	
60. Shares, quotas and other forms of capital		3,826,983
70. Equity investments		5,501,595
a) carried at equity	890,910	
b) other	4,610,685	
80. Investments in Group companies		431,239
a) carried at equity	325,608	
b) other	105,631	
90. Goodwill arising consolidation		817,385
100. Goodwill arising on application of the equity method		8,307
110. Intangible fixed assets including		1,424,442
• start-up costs	93,876	
• goodwill	92,258	
120. Tangible fixed assets		9,297,679
150. Other assets		45,910,070
160. Accrued income and prepaid expenses		8,143,700
a) accrued income	7,414,578	
b) prepaid expenses including	729,122	
• discounts on issued bonds	196,378	
Total Assets		588,528,687