

PRESS RELEASE**INTESA SANPAOLO COMFORTABLY MEETS THE CAPITAL REQUIREMENT SET BY THE ECB**

Turin - Milan, 26 November 2019 – Intesa Sanpaolo has received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2020, following the results of the Supervisory Review and Evaluation Process (SREP).

The overall capital requirement the Bank has to meet in terms of Common Equity Tier 1 ratio is 9.16% under the transitional arrangements for 2020 and 9.35% on a fully loaded basis.

This is the result of:

- a SREP requirement in terms of Total Capital ratio of 9.5% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.5% made up entirely of Common Equity Tier 1 ratio;
- additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:
 - a Capital Conservation Buffer of 2.5% on a fully loaded basis from 2019,
 - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 0.56% under the transitional arrangements for 2020 and 0.75% on a fully loaded basis in 2021,
 - a Countercyclical Capital Buffer of 0.1% ⁽¹⁾.

Intesa Sanpaolo's capital ratios as at 30 September 2019 on a consolidated basis - net of €2,648 million dividends accrued in the first nine months of 2019 - were as follows:

- 14% in terms of Common Equity Tier 1 ratio ^{(2) (3)}
- 17.8% in terms of Total Capital ratio ^{(2) (3)}
calculated by applying the transitional arrangements for 2019, and
- 14.2% in terms of pro-forma Common Equity Tier 1 ratio calculated on a fully loaded basis ^{(2) (4)}
- 18.2% in terms of pro-forma Total Capital ratio calculated on a fully loaded basis ^{(2) (4)}.

(1) Calculated taking into account the exposures as at 30 September 2019 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating either to 2019-2020, where available, or to the latest update of the reference period (requirement was set at zero per cent in Italy for 2019).

(2) After the deduction of accrued dividends, equal to 80% of net income for the first nine months of the year, and the coupons accrued on the Additional Tier 1 issues.

(3) Excluding the mitigation of the impact of the first time adoption of IFRS 9, capital ratios are 13.1% for the Common Equity Tier 1 ratio and 17.1% for the Total Capital ratio.

(4) Estimated by applying the fully loaded parameters to the financial statements as at 30 September 2019, taking into account the total absorption of deferred tax assets (DTAs) related to goodwill realignment, loan adjustments, the first time adoption of IFRS 9 and the non-taxable public cash contribution of €1,285 million covering the integration and rationalisation charges relating to the acquisition of the Aggregate Set of Banca Popolare di Vicenza and Veneto Banca, the expected absorption of DTAs on losses carried forward and the expected distribution of the 9M 2019 net income of insurance companies that exceeds the amount of reserves already distributed in the first quarter.