INTESA SANPAOLO

2008 Half-Yearly Results

28 August 2008

Foreword

- For comparison purposes, 2007 data have been restated to take into account
  - the changes in the scope of consolidation
  - the recording of the economic effects connected with discontinued operations in its specific caption

- P&L data do not include Pravex-Bank (whose acquisition was finalised on 27.06.08)

Sound operating performance in the crucial phase of the IT integration and in a difficult market environment

- 1H08 **Net Income** more than €3.1bn (**+22.4%** vs 1H07 adjusted(1))
- **Adjusted Operating Margin(2) up 8.0%** vs 1H07
- Significant reduction in **Operating costs** (**-2.8%** vs 1H07(3))
- **Cost of credit** contained (**19bps** not annualised)
- Net Doubtful Loans/Loans stable at 0.9%
- ~€2.4bn reserves on Performing Loans
- **Excellent liquidity profile** strengthened: Direct customer deposits > Loans to customers and positive Net interbank position of €8.3bn
- **Unification of IT systems** successfully completed in mid-July
- Continuous enlargement of customer base: **~100,000 new customers** on a net basis in Italy in 1H08 (~200,000 in the whole of 2007)

(1) Excluding Profits on trading, non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€278m in 2Q07), income from Rovelli settlement (IMI-SIR; €67m in 2Q08), integration charges, amortisation of acquisition cost, income from discontinued operations and capital gain on Agos disposal (€268m in 2Q08)
(2) Excluding Profits on trading, non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) and income from Rovelli settlement (IMI-SIR)
(3) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)

1H08 vs 1H07 Net Income

Strong growth excluding Profits on trading and main non-recurring items

1H07 Net Income (1) (post-tax data) (€ m)			1H08 Net Income (1) (post-tax data) (€ m)		
1H07 Net Income		5,286	1H08 Net Income		3,105
+ Integration charges		80	+ Integration charges		389
+ Amortisation of acquisition cost		273	+ Amortisation of acquisition cost		286
- Income from discontinued operations		3,038	- Income from discontinued operations		925
of which			of which		
Capital gain on Crédit Agricole agreement	2,867		Capital gain on 198 Antitrust branches	933	
- Recoveries on TFR		186	- Capital gain on Agos disposal		262
			- Income from Rovelli settlement (IMI-SIR)		49
Net Income excluding non-recurring items		**2,415**	**Net Income excluding non-recurring items**		**2,544**
- Profits on trading		561	- Profits on trading		274
Net Income adjusted		**1,854**	**Net Income adjusted**		**2,270**

+5.3%

+22.4%

(1) Tax estimated for Profits on trading

2Q08 vs 2Q07 Net Income

Growing despite the difficult market environment

2Q07 Net Income[1] (post-tax data) (€ m)		
2Q07 Net Income		1,320
+ Integration charges		66
+ Amortisation of acquisition cost		137
- Income from discontinued operations		124
of which		
Capital gain on Crédit Agricole agreement	64	
- Recoveries on TFR		186
Net Income excluding non-recurring items		1,213
- Profits on trading		277
Net Income adjusted		936

2Q08 Net Income[1] (post-tax data) (€ m)			
2Q08 Net Income		1,357	
+ Integration charges		68	
+ Amortisation of acquisition cost		153	
- Income from discontinued operations		(25)	
of which			
Capital gain on 198 Antitrust branches	(20)		
- Capital gain on Agos disposal		262	
- Income from Rovelli settlement (IMI-SIR)		49	
Net Income excluding non-recurring items		1,292	+6.5%
- Profits on trading		254	
Net Income adjusted		1,038	+10.9%

(1) Tax estimated for Profits on trading

Excellent liquidity profile strengthened

Direct Customer Deposits higher than Loans to Customers

- Loans to Customers/Direct Customer Deposits at 0.94 vs 0.97 as at 31.03.08
- Positive Net interbank position of €8.3bn

(1) Excluding ~€22.5bn financial liabilities related to insurance sector

P&L Analysis: 1H08 vs 1H07

Excellent cost reduction confirmed(1)

(€ m)	1H07 Restated	1H08	Δ%
Net interest income	5,162	5,724	10.9
Dividends and P/L on investments carried at equity	156	95	(39.1)
Net fee and commission income	3,341	3,137	(6.1)
Profits (Losses) on trading	801	284	(64.5)
Income from insurance business	300	186	(38.0)
Other operating income (expenses)	86	154	79.1
Operating income	**9,846**	**9,580**	**(2.7)**
Personnel expenses	(2,723)	(2,889)	6.1
Other administrative expenses	(1,542)	(1,544)	0.1
Adjustments to property, equipment and intangible assets	(416)	(385)	(7.5)
Operating costs	**(4,681)**	**(4,818)**	**2.9**
Operating margin	**5,165**	**4,762**	**(7.8)**
Net provisions for risks and charges	(204)	(77)	(62.3)
Net adjustments to loans	(702)	(712)	1.4
Net impairment losses on other assets	(22)	(11)	(50.0)
Profits (Losses) on HTM and on other investments	45	297	n.m.
Income before tax from continuing operations	**4,282**	**4,259**	**(0.5)**
Taxes on income from continuing operations	(1,503)	(1,310)	(12.8)
Merger and restructuring related charges (net of tax)	(80)	(389)	n.m.
Effect of purchase cost allocation (net of tax)	(273)	(286)	4.8
Income (Loss) after tax from discontinued operations	3,038	925	(69.6)
Minority interests	(178)	(94)	(47.2)
Net income	**5,286**	**3,105**	**(41.3)**

+2.0% excluding Profits on trading and income from IMI-SIR settlement

-2.8% excluding recoveries on TFR

+8.0% excluding Profits on trading, income from IMI-SIR settlement and recoveries on TFR

+13.6% excluding Profits on trading and main non-recurring items

+22.4% excluding Profits on trading and main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 1H07 figures restated to reflect the scope of consolidation for 1H08
(1) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€278m in 2Q07)

P&L Analysis: 2Q08 vs 2Q07

Excellent cost reduction(1) and Net income growth

(€ m)	2Q07 Restated	2Q08	Δ%
Net interest income	2,622	2,901	10.6
Dividends and P/L on investments carried at equity	106	29	(72.6)
Net fee and commission income	1,665	1,535	(7.8)
Profits (Losses) on trading	347	259	(25.4)
Income from insurance business	179	107	(40.2)
Other operating income	31	101	225.8
Operating income	**4,950**	**4,932**	**(0.4)**
Personnel expenses	(1,216)	(1,436)	18.1
Other administrative expenses	(783)	(796)	1.7
Adjustments to property, equipment and intangible assets	(214)	(194)	(9.3)
Operating costs	**(2,213)**	**(2,426)**	**9.6**
Operating margin	**2,737**	**2,506**	**(8.4)**
Net provisions for risks and charges	(107)	(44)	(58.9)
Net adjustments to loans	(356)	(401)	12.6
Net impairment losses on assets	(20)	(3)	(85.0)
Profits (Losses) on HTM and on other investments	8	284	n.m.
Income before tax from continuing operations	**2,262**	**2,342**	**3.5**
Taxes on income from continuing operations	(778)	(702)	(9.8)
Merger and restructuring related charges (net of tax)	(66)	(68)	3.0
Effect of purchase cost allocation (net of tax)	(137)	(153)	11.7
Income (Loss) after tax from discontinued operations	124	(25)	n.m.
Minority interests	(85)	(37)	(56.5)
Net income	**1,320**	**1,357**	**2.8**

+0.1% excluding Profits on trading and income from IMI-SIR settlement

-2.6% excluding recoveries on TFR

+3.2% excluding Profits on trading, income from IMI-SIR settlement and recoveries on TFR

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

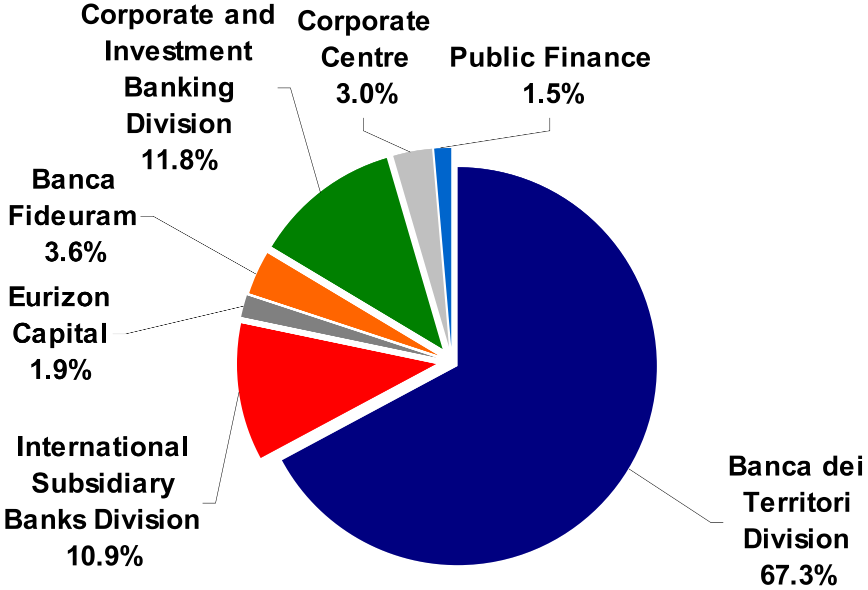
+10.9% excluding Profits on trading and main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 2Q07 figures restated to reflect the scope of consolidation for 2Q08
(1) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€278m in 2Q07)

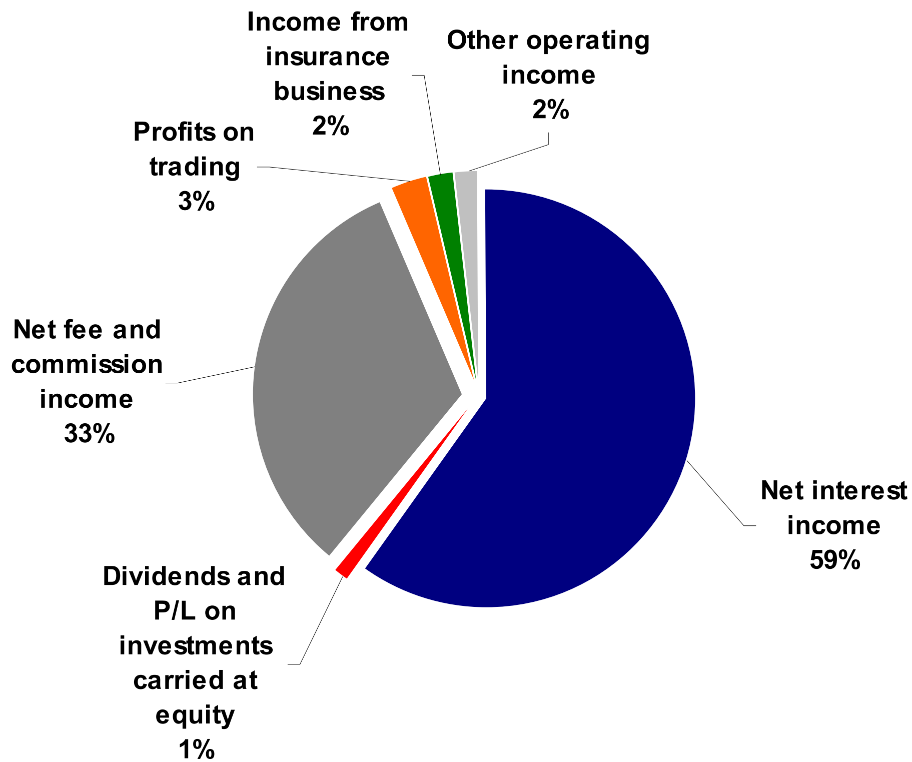
84% of revenues from retail activity(1)

1H08 Operating Income

Breakdown by business area



Breakdown by revenues



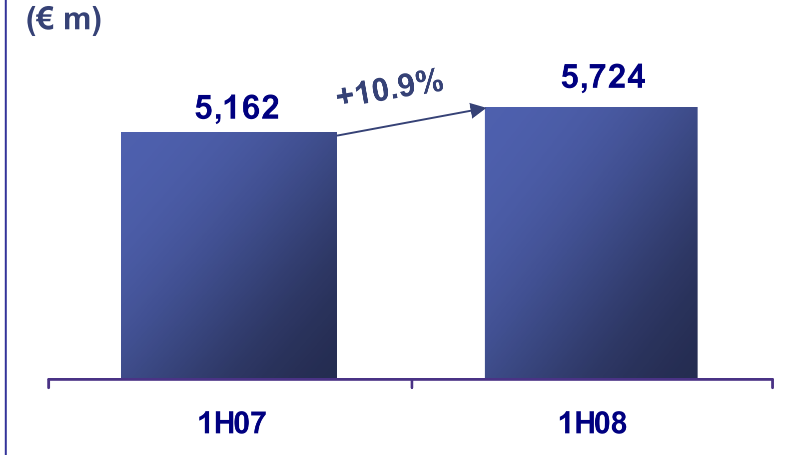
- **11% of revenues from International Subsidiary Banks Division**

(1) Retail = Banca dei Territori Division, International Subsidiary Banks Division, Eurizon Capital and Banca Fideuram

Net Interest Income

Excellent yearly growth confirmed and further acceleration of positive trend

Yearly Analysis

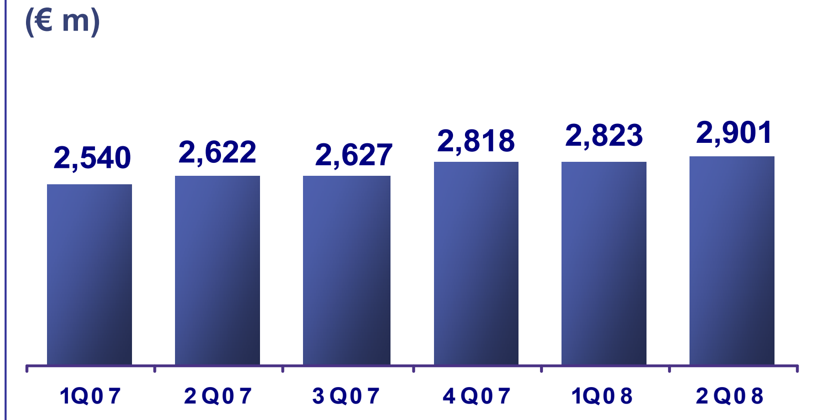


- Double-digit growth mainly driven by the increase in intermediated volumes with customers (average loans +9%) and the improvement in mark-down
- Selective growth in corporate loans focused on customers with a lower probability of default and on export

Loans - Average volumes

	Δ%	Δ € bn
Retail Italy	+5.9	+7.1
SMEs	+5.2	+4.1
Corporate	+17.5	+10.7
Public Finance	+7.7	+2.2
International Subsidiary Banks Division	+26.6	+5.1

Quarterly Analysis

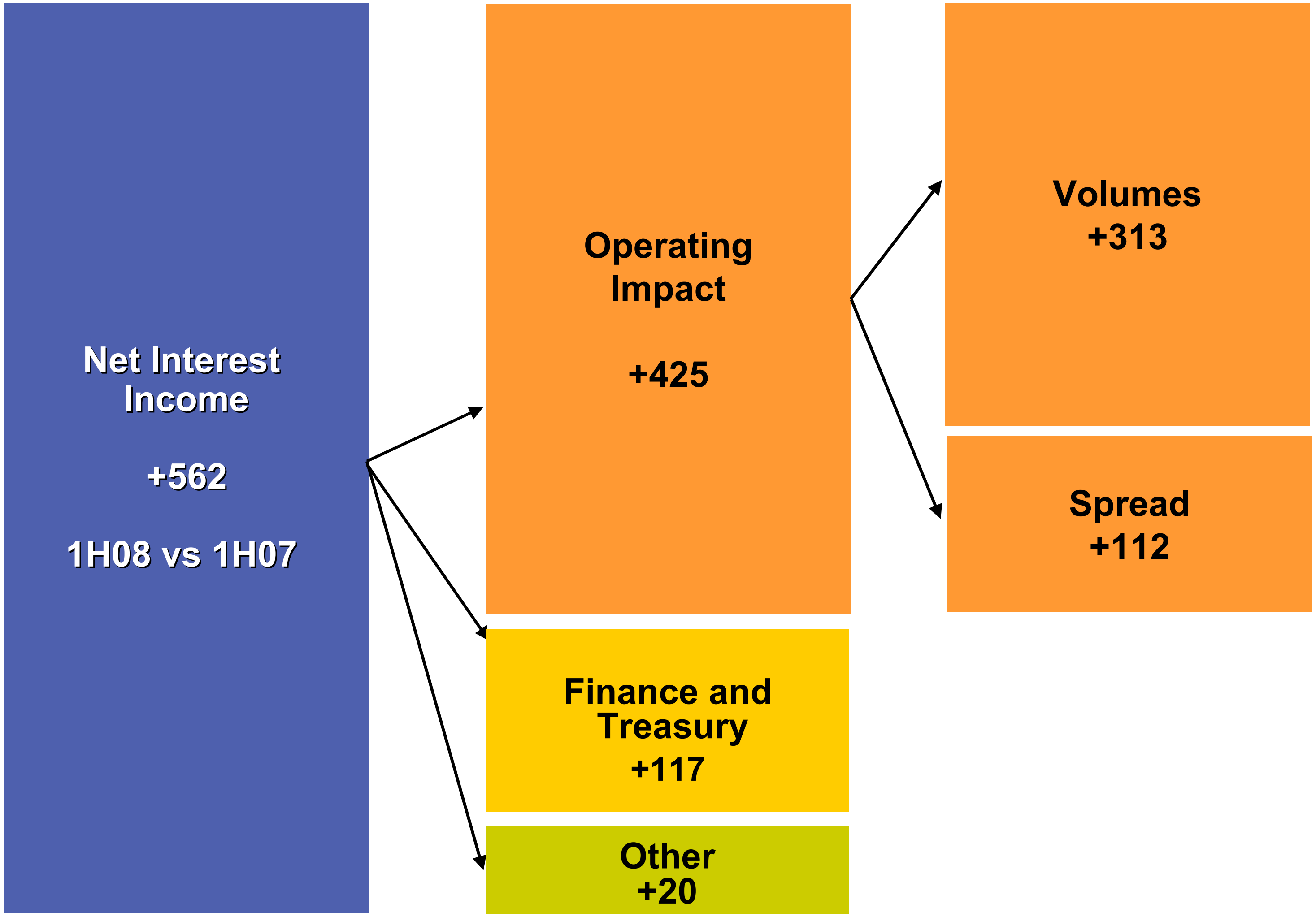


- 2Q08 the best quarter ever recorded
- 2.8% increase in 2Q08 vs 1Q08 mainly due to the increase in intermediated volumes with customers and to mark-down improvement
- 2Q08 increased market share in Direct Customer Deposits and Loans to Customers in Italy vs 1Q08
- Selective lending policy adopted in recent years confirmed (e.g. in SMEs segment) to deliver sustainable value creation
- Re-pricing activity still underway

Net Interest Income: 1H08 vs 1H07

76% of growth due to customer related activity

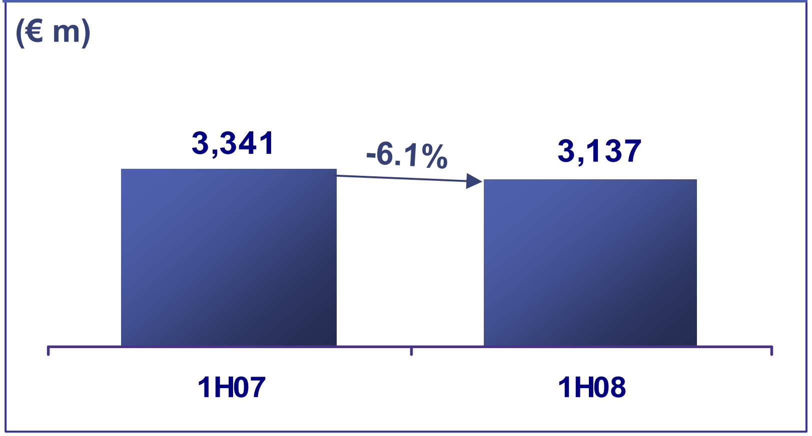
(€ m)



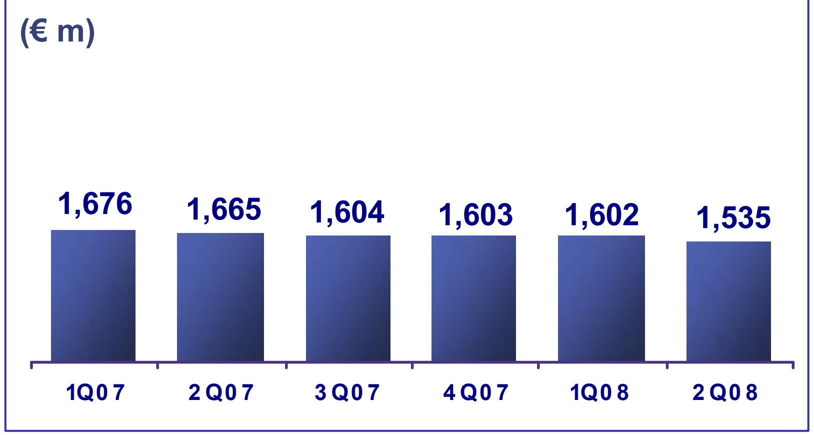
Net Fee and Commission Income

Commercial policy focused on sustainable value creation

Yearly Analysis



Quarterly Analysis

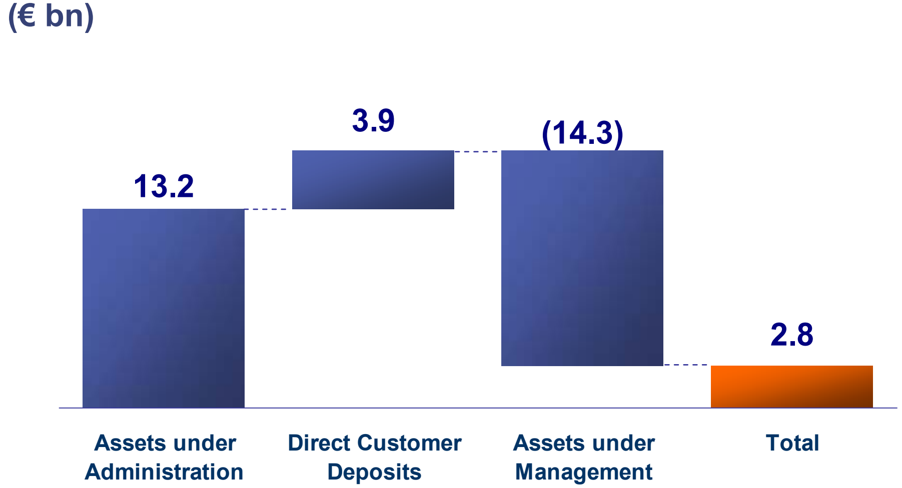


- Commissions from commercial banking activities stable (€1,013m; +0.1%) due to growth in total commissions from Guarantees given, Credit/debit cards and Collection and payment services, offsetting the reduction in commissions from Current accounts due to higher placement of lower-cost products
- Decrease in commissions from Management, dealing and consultancy activities (e.g. portfolio management, insurance products, placement of securities) to €1,682m (-9.7%) due to the adverse market trend and to customer risk aversion
- 17.4% increase in commissions abroad

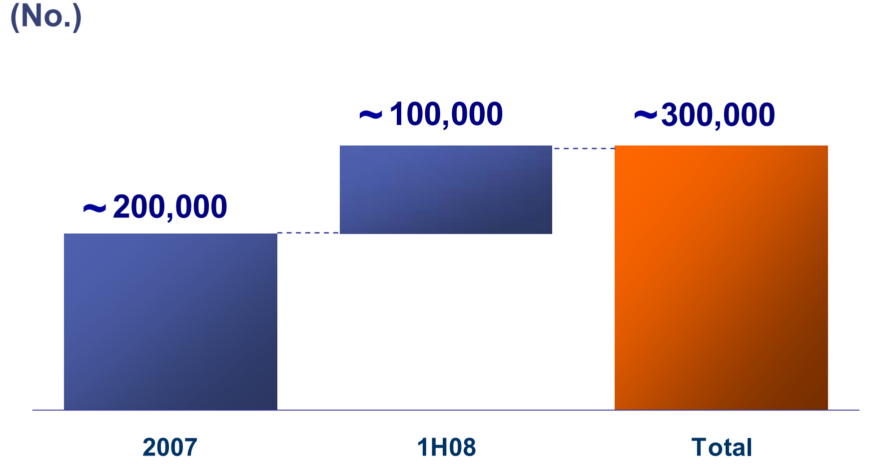
- 2Q08 decrease vs 1Q08 due to lower placement of products with up-front fees and to lower commissions from AuM
- In 2Q08 commercial policy focused on increasing Direct Customer Deposits (+€26.2bn 30.06.08 vs 31.03.08)
- 2Q08 increase vs 1Q08 in commissions from Corporate and Investment Banking Division (+4.5%) and from International Subsidiary Banks Division (+7.0%)
- 2Q08 performance also affected by activities related to the unification of IT systems completed in mid-July

Sound relationship with existing customer base and strong ability to attract new customers

1H08 Customers' financial assets net flows in Italy(1)



New customers on a net basis in Italy(1)



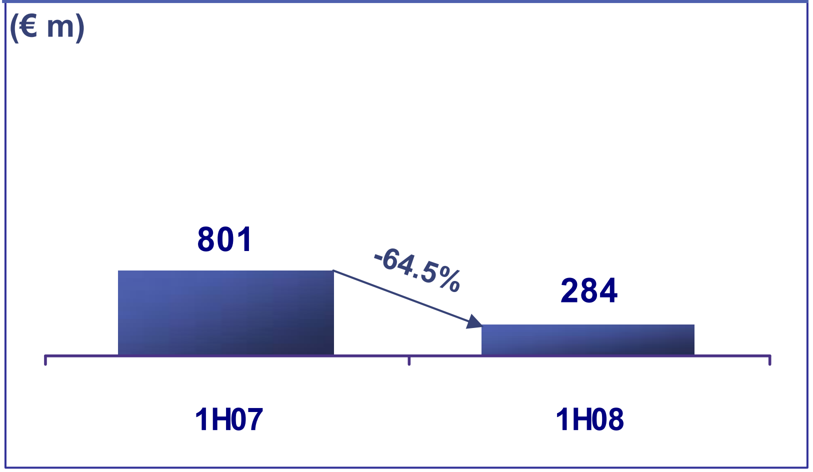
- Positive net flows of customers' financial assets in Italy(1) in 1H08 (+€2.8bn)
- Potential growth of commissions ensuing from the switch back of Assets under Administration retained within the Group (~€397bn) into Assets under Management
- Strong increase in new customers on a net basis in 1H08 despite migration of IT systems

(1) Banca dei Territori Division

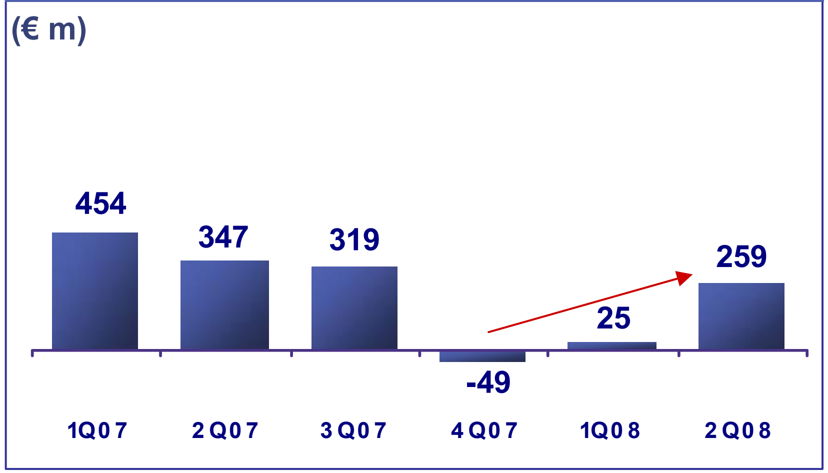
Profits on Trading

Significant growth in 2Q08 vs 1Q08

Yearly Analysis



Quarterly Analysis



- Reduction due to the impact of the financial market crisis and the decrease in Financial assets held for trading (-€27bn; -33% 30.06.08 vs 30.06.07)
- 1H08 Profits include €78m dividends from Financial assets available for sale (€112m in 1H07)

- 2Q08 solid performance despite market environment remaining difficult
- 2Q08 growth vs 1Q08 only partially due to dividends from Financial assets available for sale (€70m in 2Q08 vs €8m in 1Q08)

Analysis of Profits on Trading
Strong recovery in 2Q08

(€ m)	2Q07	4Q07	1Q08	2Q08
Total	**347**	**-49**	**25**	**259**
of which:				
Customers	**182**	**135**	**135**	**153**
Capital markets & Financial assets AFS	**89**	**143**	**40**	**156**
Proprietary Trading and Treasury (excluding structured credit products)	**76**	**53**	**-30**	**33**
Structured credit products	**0**	**-380**	**-120**	**-83**

Structured credit products
High quality portfolio confirmed

■ US subprime -€14m

Net exposure(*) (€m)	31.12.07	30.06.08
US Subprime	-49	-14
"Contagion" area	572	303
Monoline	61	12
Super senior Corporate Risk	2,414	2,338
European ABS/CDO	2,224	2,226
Other	1,195	742

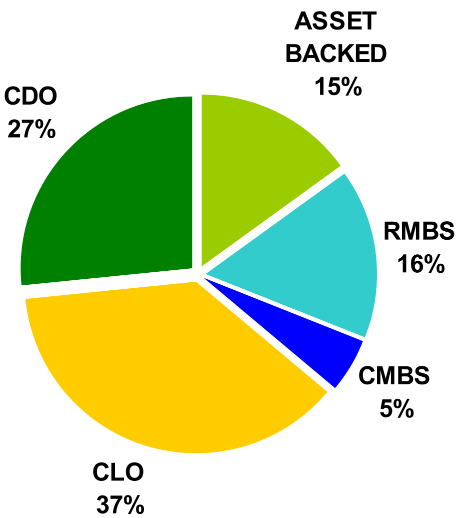
■ 100% Investment Grade

Rating	%
Super senior	51%
AAA	35%
AA	8%
A	3%
BBB	3%

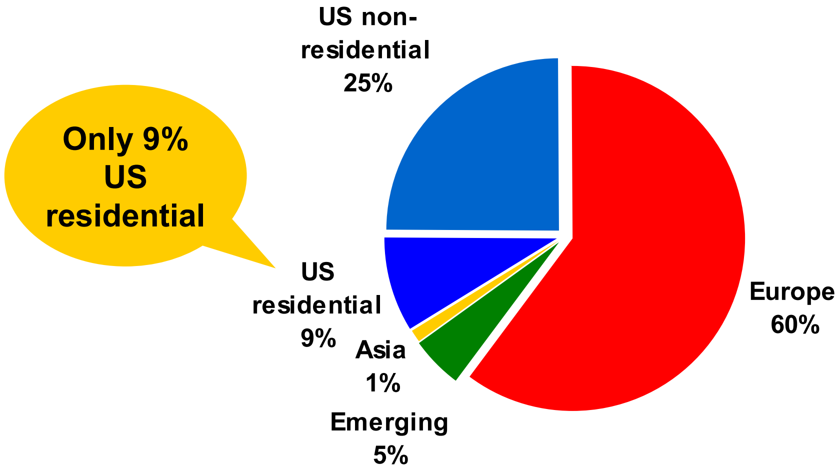
■ 73% Vintage ≤ 2005

Vintage	%
Before 2005	43%
2005	30%
2006	18%
2007	9%

Products



Geographical area



■ **Fair value sensitivity of structured credit products book: -€28m for +25bps of credit spreads**

(*) As for "long" positions, 66% valued through mark-to-model (100% of unfunded positions, 15% of funded ones, 100% of monoline risk and of non-monoline packages), 18% through effective market quotes (46% funded positions) and 16% through comparable approach (39% funded positions). As for "short" positions, 65% valued through mark-to-model (100% unfunded "short" positions, see page on Structured credit products: Other (3/4)) and 35% valued through effective market quotes (100% of ABX and CMBX hedges and 100% of "short" positions of funds)

US Subprime
Still negative net exposure

There is a net "short" risk exposure of €14m as at 30.06.08, resulting from "long" positions of €33m and "short" positions of €47m

Position as at 30.06.08(1)			
(€m)	Nominal value	Cumulated write-downs and write-backs	Risk exposure
"Long" positions	243	-210	**33**
"Short" positions	74	27	**47**
Net position	169(2)	-183	**-14**

Note: For US subprime exposure, Intesa Sanpaolo intends products - cash investments (securities and funded CDOs) and derivative positions (unfunded CDOs) - with collateral mainly made up of US residential mortgages non-prime (i.e. Home Equity Loans, residential mortgages with B&C ratings and similar products) granted in the years 2005/06/07, irrespective of the FICO score and the Loan-to-Value, as well as those with collateral represented by US residential mortgages granted before 2005 with FICO score under 629 and Loan-to-Value over 90% (as at 30 June 2008, unchanged with respect to our disclosure dated 31 December 2007, the weight of this second product class is immaterial in Intesa Sanpaolo Group portfolio). The risk on these investments was managed and reduced via "short" positions on ABX indices

(1) The ABS funded component has a AAA rating for 46%, a BBB rating for 46% and a CC rating for the remaining 8%. The original LTV ratio is at 93%, while the 30-60-90 day average delinquency is 5%, 4% and 12% respectively. Cumulated loss on the collateral is at 17.6%. These positions are in part listed on active markets (funded ABS and ABX indices hedges) therefore valued using market quotes, and in part non-listed on active markets (funded and unfunded super senior CDOs) thus valued using the mark-to-model approach

(2) The net nominal exposure of €169m as at 30.06.08 compares with €62m reported as at 31.03.08; the increase is mainly due to "short" positions closed on ABX indices in 2Q08

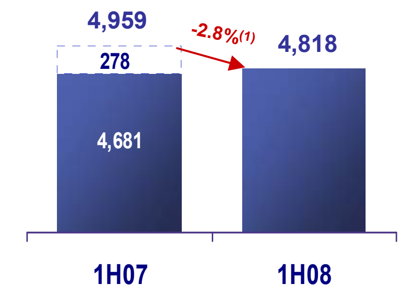
Operating Costs (1/3)

Costs decreasing by 2.8%(1) and Cost/Income down to 50%

Yearly Analysis

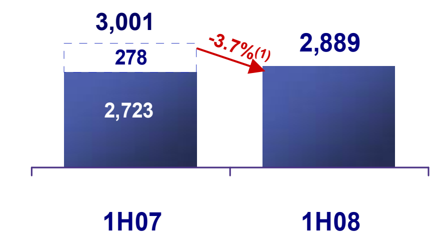
Operating Costs

(€ m) non- recurring recoveries on TFR



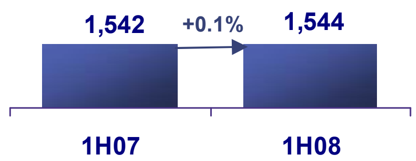
Personnel Expenses

(€ m) non- recurring recoveries on TFR



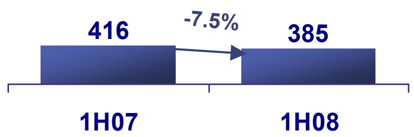
Other Administrative Expenses

(€ m)



Adjustments

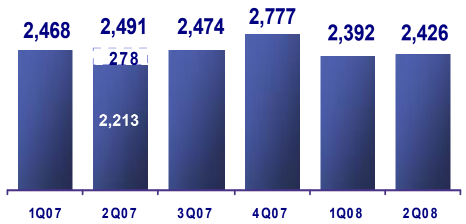
(€ m)



Quarterly Analysis

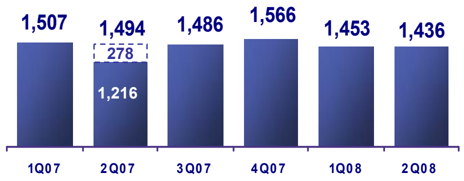
Operating Costs

(€ m) non- recurring recoveries on TFR



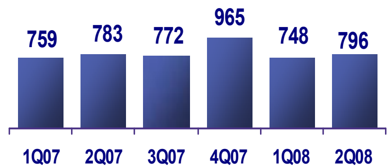
Personnel Expenses

(€ m) non- recurring recoveries on TFR



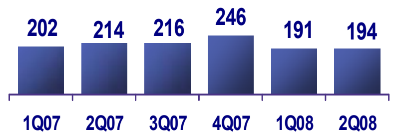
Other Administrative Expenses

(€ m)



Adjustments

(€ m)



- Excellent cost reduction only benefiting from part of merger synergies, notwithstanding growth-related investments, mainly abroad (International Subsidiary Banks Division Operating Costs: +12.2%; +€58m)
- Operating Costs down 4.4% in Italy(1)
- Cost/Income ratio at 50.3% (vs 53.1% as at 31.12.07(1))

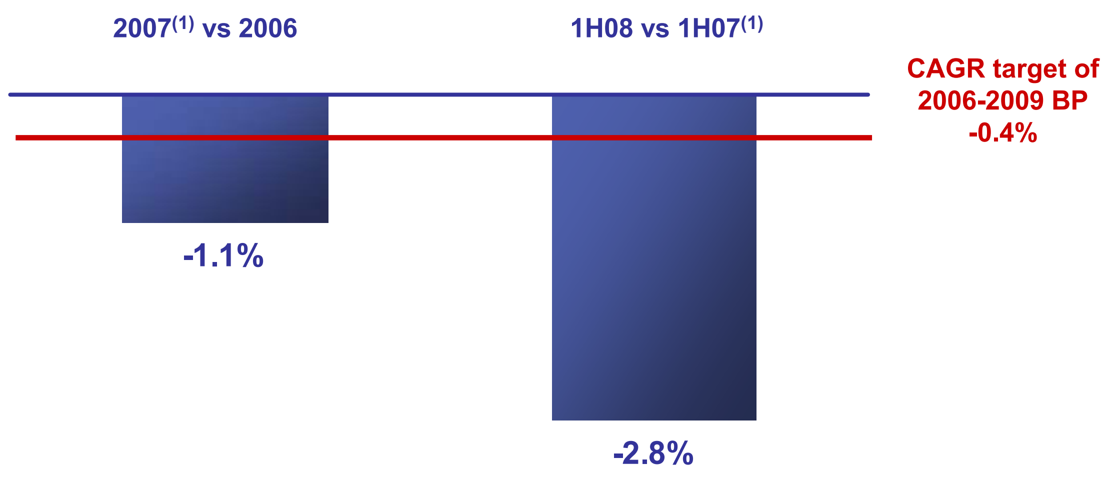
- 2Q08 Operating Costs down 2.6% vs 2Q07(1)
- Increase in Operating Costs in 2Q08 vs 1Q08 (+1.4%) due to the seasonal trend in Other Administrative Expenses and higher advertising expenses

(1) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€278m in 2Q07)

Operating Costs (2/3)

Cost reduction ahead of the 2007-2009 BP target

Operating Costs reduction vs 2007-2009 BP target



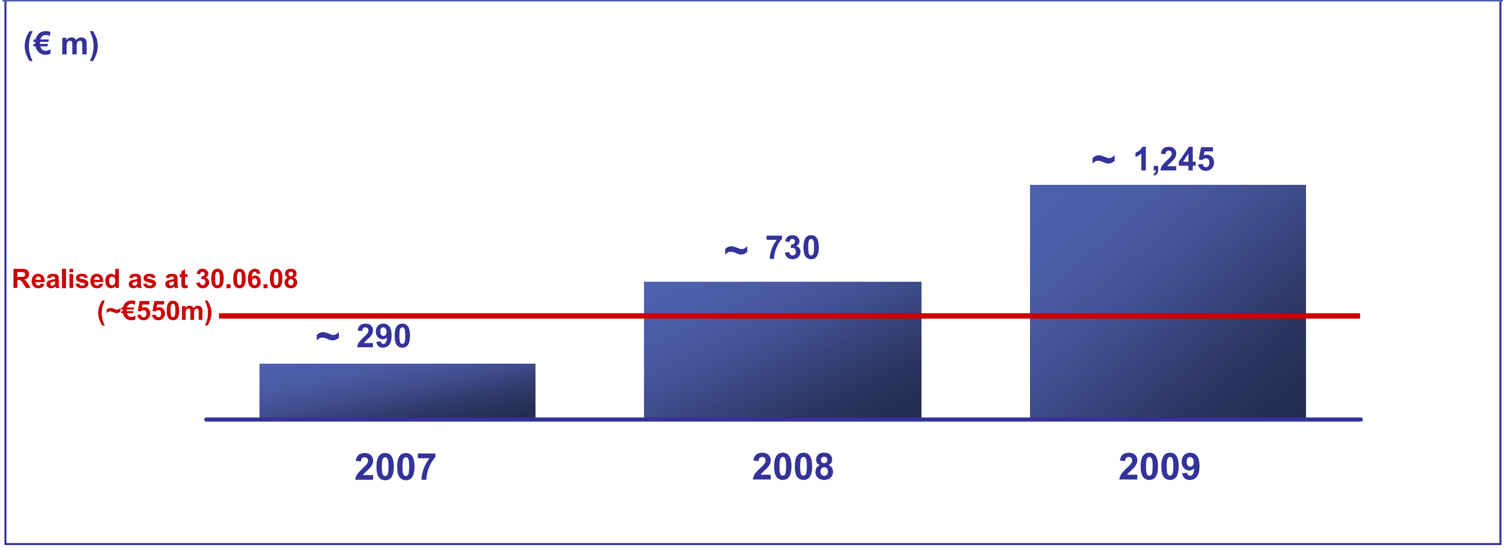
- **~4,300 people exited the Group in 2007 (of which ~2,300 on 31.12.07)**
- **~1,500 will exit the Group in 2008 (of which ~900 already left in 1H08, ~600 on 30.06.08) and 800 in 2009 (charges already recorded in 2007)**
- **Agreements have been signed to reduce staff by another 2,500 people by 2009, of which ~550 coming from CR Firenze Group, both through the exit of employees who have already qualified for pension and a further activation of the Solidarity Allowance. The latter will give priority to applications already received which exceed the number set out in the agreement dated 1.08.07 (~1,750), with related charges (€0.4bn before tax) provisioned in 1Q08**

(1) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€278m in 2Q07)

Operating Costs (3/3)

Still only part of the planned cost synergies included in Group's results

Cumulative cost synergies envisaged in the 2007-2009 BP (before tax)



- **As at 30.06.08 ~€550m cumulative synergies realised, of which:**
  - **~€290m in 2007**
  - **~€140m in 1Q08**
  - **~€120m in 2Q08**
- **Ongoing growth-related investments (i.e. staff abroad increased by ~800 people and the foreign network by 88 branches compared with 30.06.07)**

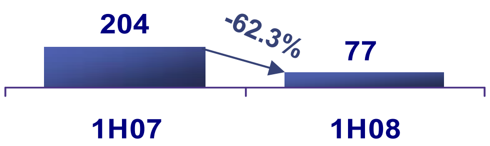
Provisions for Risks and Charges and Adjustments to Loans

Low Cost of credit confirmed

Yearly Analysis

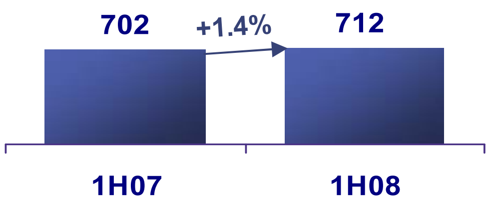
Net Provisions for risks and charges

(€ m)



Net Adjustments to Loans

(€ m)

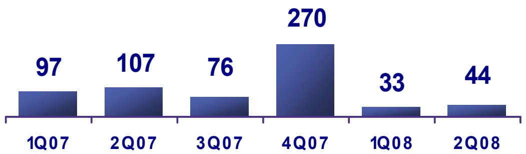


- Strong decrease in Provisions for risks and charges after high provisions in 2007
- 1H08 Net Adjustments to Loans/Loans at ~19bps (not annualised)
- Net Adjustments to Loans substantially stable and contained due to the high loan portfolio quality resulting from the selective lending policy adopted in recent years which has been further strengthened

Quarterly Analysis

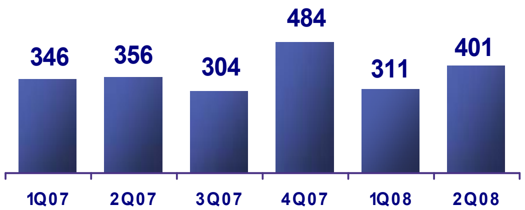
Net Provisions for risks and charges

(€ m)



Net Adjustments to Loans

(€ m)

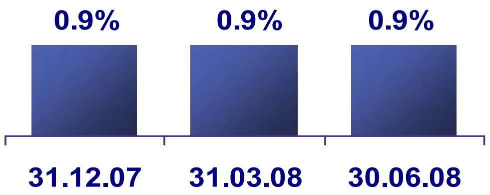


- Strong decrease in 2Q08 Net Provisions for risks and charges compared with the high 2Q07 figure
- Net Adjustments to Loans/Loans in 2Q08 at ~11bps vs ~9bps in 1Q08 (not annualised)

Non Performing Loans

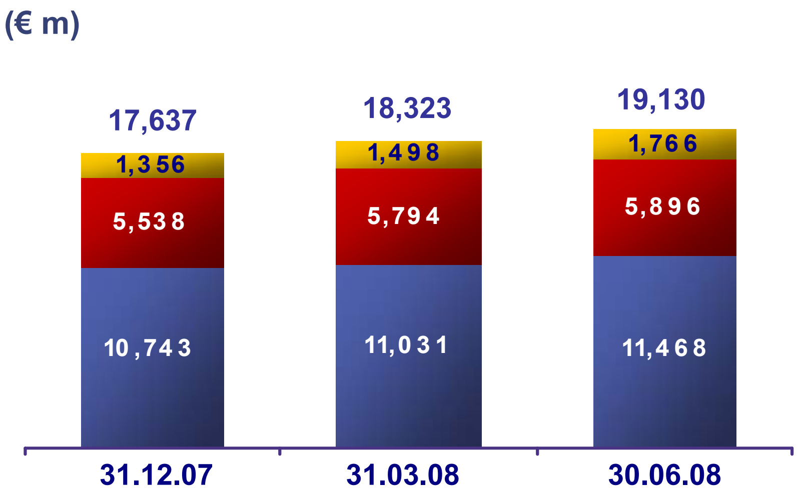
High quality Loan portfolio confirmed

Net Doubtful Loans/Net Loans

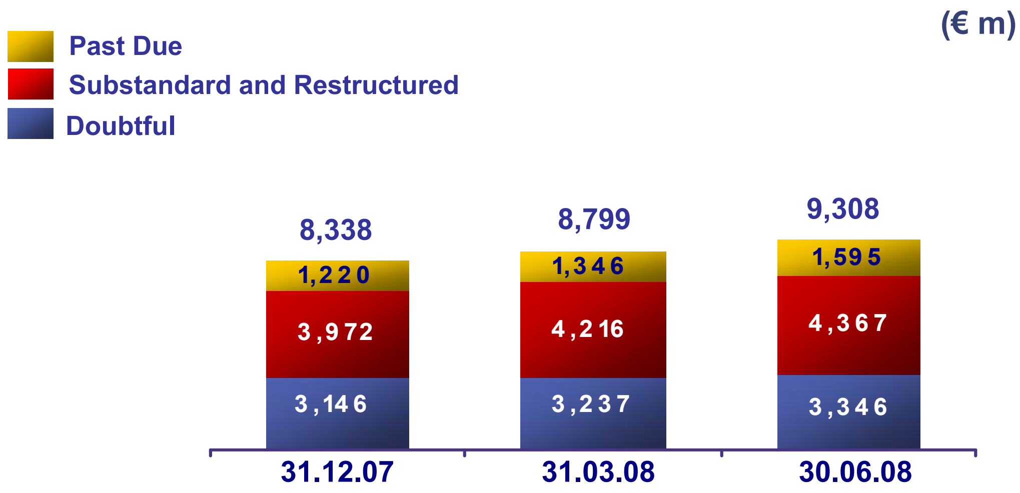


- Net Doubtful Loans/Net Loans stable at 0.9%
- Doubtful Loans Coverage stable at 71%
- ~€2.4bn reserves on Performing Loans
- 1H08 new Doubtful and Substandard Loans flow in Italy in line with 1H07, concentrated in Banca dei Territori Division and equally distributed among individuals, small business and SMEs
- Increase in Past Due concentrated in Leasing and in Industrial credit

Gross Non Performing Loans



Net Non Performing Loans



Capital Ratios

Adequate capital base in line with the 2007-2009 BP targets

	30.06.08 Basel 2 (standardised)
Core Tier 1 ratio	5.7%
Tier 1 ratio	6.6%
Total Capital ratio	9.5%
RWA (€ bn)	389.2

- **30.06.08 data take into consideration**
  - \- dividends of €1,850m
    (equal to half of €3.7bn, overall ordinary dividends to be distributed in 2009 as planned in the 2007-2009 BP)
  - \- Carifirenze Public Offer and Pravex-Bank acquisition
    (-44bps and -11bps respectively on Core Tier 1 ratio vs 31.03.08)
  - \+ disposal of Agos
    (+11bps on Core Tier 1 ratio vs 31.03.08)
- **30.06.08 data do not take into consideration**
  - \+ disposal of Carifano underway
    (+6bps on Core Tier 1 ratio)
  - \+ possible capital management actions
    (e.g. listing, partnership, disposal)

- **Significant benefits expected from Basel 2 IRB foundation**
- **Potential substantial strengthening might be contributed by capital management actions on non-core assets with a total book value of ~€8bn, of which ~€4bn deducted from Core Tier 1**
- **6% Core Tier 1 target and dividends planned in the 2007-2009 BP confirmed**

Divisional Financial Highlights

84% of revenues from retail activity

(Figures as at 30.06.08)

	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Capital	Banca Fideuram	Corporate Centre / Others	Total
Operating Income (€ m)	6,447	1,144	145	1,043	180	341	280	9,580
Operating Margin (€ m)	3,196	711	100	511	99	177	(32)	4,762
Cost/Income (%)	50.4	37.8	31.0	51.0	45.0	48.1	n.m.	50.3
RWA (€ bn)	182.8	114.7	15.9	33.0	0.7	4.2	37.9	389.2
Allocated Capital(1) (€ bn)	12.0	6.9	1.0	2.0	0.3	0.3	2.3	24.7
Pre-tax ROE(2) (%)	43.5	18.6	18.9	45.3	71.7	101.2	20.7	34.7
Direct Customer Deposits (€ bn)	228.0	76.4	9.0	29.0	n.m.	6.5	72.7	421.4
Loans to Customers (€ bn)	219.9	90.6	34.3	27.4	n.m.	1.0	1.2	374.4
EVA ® (€ m)	1,229	115	4	206	55	100	(56)	1,653

€306m excluding Proprietary trading

Note: Retail activity = Banca dei Territori + International Subsidiaries Banks + Eurizon Capital + Banca Fideuram
Figures may not add up exactly due to rounding differences
(1) Allocated capital = 6% RWA + insurance risk, allocated capital for Eurizon Capital = 6% RWA + 0.2% AuM
(2) Income before tax from continuing operations/Allocated Capital (figure annualised)

Banca dei Territori

The completion of the unification of IT systems will allow growth to accelerate

(€ m)	1H07 Restated[(1)]	1H08	Δ%
Net interest income	3,777	4,044	7.1
Dividends and P/L on investments carried at equity	56	32	(42.9)
Net fee and commission income	2,177	2,052	(5.7)
Profits (Losses) on trading	132	70	(47.0)
Income from insurance business	297	194	(34.7)
Other operating income (expenses)	49	55	12.2
Operating income	**6,488**	**6,447**	**(0.6)**
Personnel expenses	(1,997)	(1,898)	(5.0)
Other administrative expenses	(1,325)	(1,319)	(0.5)
Adjustments to property, equipment and intangible assets	(36)	(34)	(5.6)
Operating costs	**(3,358)**	**(3,251)**	**(3.2)**
Operating margin	**3,130**	**3,196**	**2.1**
Net provisions for risks and charges	(56)	(47)	(16.1)
Net adjustments to loans	(546)	(571)	4.6
Net impairment losses on other assets	1	15	n.m.
Profits (Losses) on HTM and on other investments	3	3	0.0
Income before tax from continuing operations	**2,532**	**2,596**	**2.5**
Cost / Income (%)	**51.8**	**50.4**	
Pre-tax ROE (%)	**42.1**	**43.5**	
EVA ® (€ m)	**1,090**	**1,229**	

+2.0% excluding Profits on trading and Income from Insurance Business

+8.6% excluding Profits on trading and Income from Insurance Business

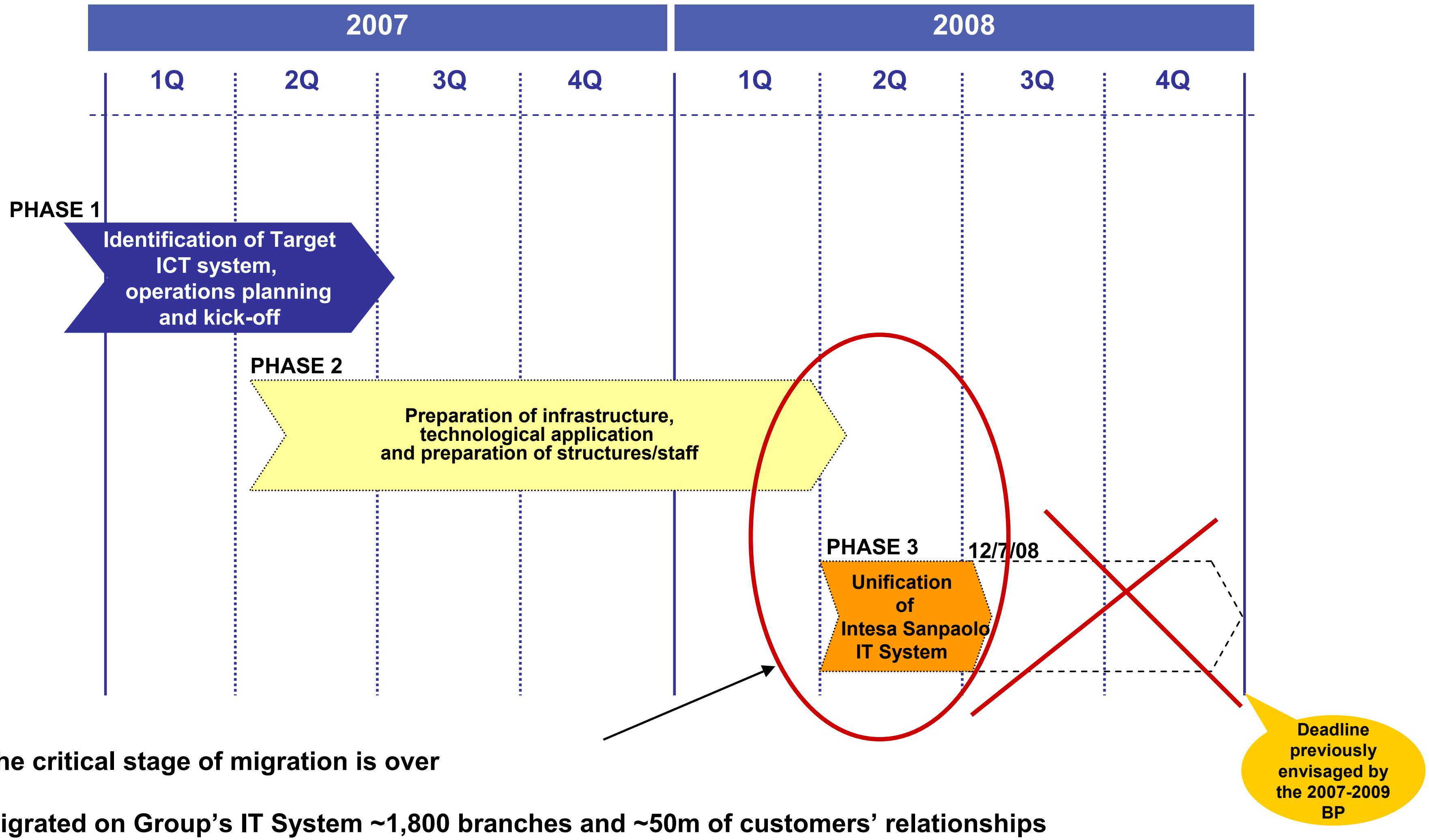
+10.9% excluding Profits on trading and Income from Insurance Business

- IT Systems unification completed in mid-July
- ~100,000 new customers on a net basis and €2.8bn net new customer financial assets in 1H08
- Growth in Net interest income due to the improvement in mark-down and to the selective increase in average intermediated volumes with customers (Loans +5.6%)
- Decline in commissions due to larger distribution of low cost current accounts and lower contribution of AuM (performance effect and customer risk aversion)
- Operating Costs down 3.2%
- New flow of doubtful and substandard loans stable vs 1H07
- Cost/Income ratio at 50.4%

Figures may not add up exactly due to rounding differences
(1) 1H07 figures restated to reflect the scope of consolidation for 1H08. Data include the entire CR Firenze Group

IT systems unification completed

One IT System from mid-July, ahead of schedule



- The critical stage of migration is over
- Migrated on Group's IT System ~1,800 branches and ~50m of customers' relationships
- ~670,000 man/day effort, of which more than 150,000 for network employees (mainly training on new procedures)

Eurizon Capital

Strong cost reduction in a difficult market environment

(€ m)	1H07 Restated[1]	1H08	Δ%
Net interest income	5	3	(40.0)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	191	173	(9.4)
Profits (Losses) on trading	3	4	33.3
Other operating income (expenses)	1	0	n.m.
Operating income	**200**	**180**	**(10.0)**
Personnel expenses	(31)	(32)	3.2
Other administrative expenses	(53)	(48)	(9.4)
Adjustments to property, equipment and intangible assets	(2)	(1)	(50.0)
Operating costs	**(86)**	**(81)**	**(5.8)**
Operating margin	**114**	**99**	**(13.2)**
Net provisions for risks and charges	(2)	(1)	(50.0)
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**112**	**98**	**(12.5)**
Cost / Income (%)	**43.0**	**45.0**	
Pre-tax ROE (%)	**65.3**	**71.7**	
EVA ® (€ m)	**62**	**55**	

- **Asset Manager leader in Italy with ~€154bn of AuM**
- **Operating income down due to the decrease in managed assets (over €26bn in 1H08)**
- **Strong cost reduction (-5.8%) without benefiting yet from cost synergies deriving from the reorganisation of IT and back-office activities**
- **Former Nextra activities, part of the Group since the end of 2007, fully and successfully integrated only since April 2008**
- **Launch of the new integrated mutual fund range only since the beginning of May (reduction from 122 to 67 mutual funds)**
- **New asset management products for the retail network starting only from June (Fondi Focus, 21 funds selected by the network for their simplicity)**

Figures may not add up exactly due to rounding differences
(1) 1H07 figures restated to reflect the scope of consolidation for 1H08

Corporate and Investment Banking (1/2)

Positive results in a difficult market environment

(€ m)	1H07 Restated(1)	1H08	Δ%
Net interest income	511	612	19.8
Dividends and P/L on investments carried at equity	5	11	n.m.
Net fee and commission income	449	433	(3.6)
Profits (Losses) on trading	450	58	(87.1)
Other operating income (expenses)	35	30	(14.3)
Operating income	**1,450**	**1,144**	**(21.1)**
Personnel expenses	(198)	(187)	(5.6)
Other administrative expenses	(229)	(223)	(2.6)
Adjustments to property, equipment and intangible assets	(26)	(23)	(11.5)
Operating costs	**(453)**	**(433)**	**(4.4)**
Operating margin	**997**	**711**	**(28.7)**
Goodwill impairment	(1)	(1)	0.0
Net provisions for risks and charges	(4)	0	n.m.
Net adjustments to loans	(106)	(60)	(43.4)
Net impairment losses on other assets	(1)	(18)	n.m.
Profits (Losses) on HTM and on other investments	0	4	n.m.
Income before tax from continuing operations	**885**	**636**	**(28.1)**

	1H07	1H08
Cost / Income (%)	**31.2**	**37.8**
Pre-tax ROE (%)	**25.5**	**18.6**
EVA ® (€ m)	**246**	**115**

+8.6% Excluding Profits on trading

+19.4% Excluding Profits on trading

+32.9% Excluding Profits on trading

- **Excellent increase in Net interest income sustained by the strong and selective development in average intermediated volumes with customers**
- **Commission decrease mainly due to M&A Advisory and Equity Primary Markets activities**
- **Strong recovery in less volatile revenues in 2Q08 vs 1Q08 (commissions +4.5% and net interest +7.6%)**
- **Strong reduction in Operating costs (-4.4%)**
- **Strong decrease in Net adjustments to loans**
- **Cost/Income at 30.3% excluding Proprietary trading activity**

Figures may not add up exactly due to rounding differences
(1) 1H07 figures restated to reflect the scope of consolidation for 1H08. Data include results of Proprietary trading

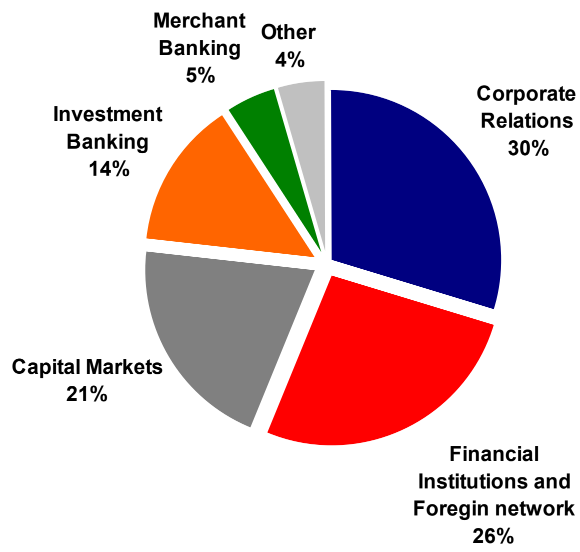
Corporate and Investment Banking (2/2)

Limited risk exposure confirmed

Income before tax from continuing operations

(€ m)	1H07	1H08	Δ% 1H08/ 1H07
Corporate Relations	222	264	18.8
Financial Institutions and International Network	210	233	10.7
Capital Markets	160	184	14.8
Investment Banking	123	125	1.4
Merchant Banking	60	42	(29.5)
Other	42	40	(4.3)
Total excluding Proprietary trading	817	887	8.6
Proprietary trading	68	(251)	n.m.
TOTAL	**885**	**636**	**(28.1)**

% Breakdown as at 30.06.08 (excluding Proprietary trading)



Figures may not add up exactly due to rounding differences

Public Finance

Solid growth excluding Profits on trading

(€ m)	1H07 Restated[1]	1H08	Δ%
Net interest income	108	120	11.1
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	27	30	11.1
Profits (Losses) on trading	11	(5)	n.m.
Other operating income (expenses)	6	0	n.m.
Operating income	**152**	**145**	**(4.6)**
Personnel expenses	(19)	(17)	(10.5)
Other administrative expenses	(29)	(28)	(3.4)
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(48)**	**(45)**	**(6.3)**
Operating margin	**104**	**100**	**(3.8)**
Net provisions for risks and charges	0	1	n.m.
Net adjustments to loans	(9)	(11)	22.2
Net impairment losses on other assets	(6)	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**89**	**90**	**1.1**
Cost / Income (%)	**31.6**	**31.0**	
Pre-tax ROE (%)	**17.9**	**18.9**	
EVA® (€ m)	**7**	**4**	

+6.4% Excluding Profits on trading

+12.9% Excluding Profits on trading

+21.8% Excluding Profits on trading

- **11.1% growth in Net interest income also due to the increase in average customer loans (+7.7%)**
- **Strong growth in Net fee and commission income (+11.1%) also due to the increase in Collection and payment services activity**
- **6.3% Operating costs reduction due to lower Personnel expenses mostly due to the integration**
- **Merger BIIS – Banca OPI effective since 1 January 2008**
- **Cost/Income at 31.0%**

Figures may not add up exactly due to rounding differences
(1) 1H07 figures restated to reflect the scope of consolidation for 1H08

International Subsidiary Banks

Strong increase in volumes and in recurring revenues

(€ m)	1H07 Restated[1]	1H08	Δ%
Net interest income	538	645	19.9
Dividends and P/L on investments carried at equity	1	0	n.m.
Net fee and commission income	236	277	17.4
Profits (Losses) on trading	151	125	(17.2)
Other operating income (expenses)	(2)	(4)	n.m.
Operating income	**924**	**1,043**	**12.9**
Personnel expenses	(236)	(266)	12.7
Other administrative expenses	(180)	(199)	10.6
Adjustments to property, equipment and intangible assets	(58)	(67)	15.5
Operating costs	**(474)**	**(532)**	**12.2**
Operating margin	**450**	**511**	**13.6**
Net provisions for risks and charges	(6)	(1)	(83.3)
Net adjustments to loans	(62)	(68)	9.7
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	4	4	0.0
Income before tax from continuing operations	**386**	**446**	**15.5**

	1H07	1H08
Cost / Income (%)	**51.3**	**51.0**
Pre-tax ROE (%)	**51.1**	**45.3**
EVA® (€ m)	**198**	**206**

+18.8% Excluding Profits on trading

+29.1% Excluding Profits on trading

+36.6% Excluding Profits on trading

- **Sustained growth in customer revenue lines**
  - Strong increase in Net interest income mainly driven by the sizeable increase in average customer volumes (Loans +27% and Deposits +16%)
  - Strong growth in Net fee and commission income driven by commissions from Current accounts, Financing and Guarantees given, Payments and AuM
- **Increase in Operating costs mainly due to the planned expansion of commercial network (+88 branches) and staff (~ +800 employees)**
- **+13.2% 2Q08 Operating margin vs 1Q08 (from €240m to €271m)**
- **Cost/Income ratio slightly down to 51.0% despite investment in reinforcing the network**

Figures may not add up exactly due to rounding differences
(1) 1H07 figures restated to reflect the scope of consolidation for 1H08

Banca Fideuram

Operating performance affected by the negative market trend

(€ m)	1H07 Restated[1]	1H08	Δ%
Net interest income	59	79	33.9
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	296	258	(12.8)
Profits (Losses) on trading	4	2	(50.0)
Other operating income (expenses)	0	2	n.m.
Operating income	**359**	**341**	**(5.0)**
Personnel expenses	(73)	(62)	(15.1)
Other administrative expenses	(89)	(94)	5.6
Adjustments to property, equipment and intangible assets	(8)	(8)	0.0
Operating costs	**(170)**	**(164)**	**(3.5)**
Operating margin	**189**	**177**	**(6.3)**
Net provisions for risks and charges	(20)	(18)	(10.0)
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**169**	**159**	**(5.9)**

	1H07	1H08
Cost / Income (%)	47.4	48.1
Pre-tax ROE (%)	94.9	101.2
EVA ® (€ m)	115	100

- More than ~€380m positive net inflow of customer financial assets driven by strong growth in Assets under Administration
- Decrease in the value of total customer financial assets to €64.6bn (-€4bn vs 31.12.07) entirely due to the impact of the negative performance of financial markets
- Strong growth in Net interest income mainly due to the increase in average intermediated volumes
- Decline in commissions mainly due to the reduction of AuM average volumes
- 2Q08 considerable recovery in revenues (+12.6%) and in Operating margin (+29.1%) vs 1Q08
- 4,293 Private bankers

Figures may not add up exactly due to rounding differences
(1) 1H07 figures restated to reflect the scope of consolidation for 1H08

Conclusions

- **1H08 positive results in a difficult market environment combined with solid risk and liquidity profiles**
  - **Net income exceeding €3.1bn**
  - **8.0% growth in adjusted[1] Operating Margin**
  - **2.8%[2] cost reduction**
  - **Low cost of credit (19bps not annualised)**
  - **Net doubtful loans/Loans ratio stable at 0.9% and ~€2.4bn of reserve for Performing Loans**
  - **Direct Customer Deposits > Loans to Customers and positive Net interbank position**

- **IT systems unification, completed ahead of schedule, enabling faster progress, despite the difficult market environment, to cruising speed in 2009**

2007	2008	2009
Integration	Drivers for growth in full operation	Cruising speed reached

(1) Excluding Profits on trading, non- recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€278m in 2Q07) and income from Rovelli settlement (IMI-SIR; €67m in 2Q08)

(2) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)

Appendix

Key Aggregates

Excellent liquidity profile and sound growth in Direct Customer Deposits and Loans to Customers

(€ m)	30.06.07 Restated	30.06.08	Δ%
Total Assets	640,224	627,701	(2.0)
Loans to Customers	350,152	374,376	6.9
Direct Customer Deposits	392,858	421,435	7.3
Indirect Customer Deposits	689,619[1]	645,449	(6.4)
of which Assets under Management	*282,423*	*248,726*	*(11.9)*
Customer Financial Assets[2]	1,053,401	1,040,695	(1.2)

+9% average customer volumes
+9.3% excluding repurchase agreements

- Direct Customer Deposits > Loans to Customers
- Indirect Customer Deposits decrease due to performance effect

Note: 30.06.07 figures restated to reflect the scope of consolidation as at 30.06.08
(1) Net of GEO fund, sold in July 2007
(2) Net of duplications between Direct Customer Deposits and Asset Management

Quarterly P&L Analysis

Revenue and Operating margin growth over the last two quarters

(€ m)	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08
	Restated					
Net interest income	2,540	2,622	2,627	2,818	2,823	2,901
Dividends and P/L on investments carried at equity	50	106	63	86	66	29
Net fee and commission income	1,676	1,665	1,604	1,603	1,602	1,535
Profits (Losses) on trading	454	347	319 (3)	(49)	25	259
Income from insurance business	121	179	109	99	79	107
Other operating income (expenses)	55	31	63	43	53	101
Operating income	**4,896**	**4,950**	**4,785**	**4,600**	**4,648**	**4,932**
Personnel expenses	(1,507)	(1,216) (2)	(1,486)	(1,566)	(1,453)	(1,436)
Other administrative expenses	(759)	(783)	(772)	(965)	(748)	(796)
Adjustments to property, equipment and intangible assets	(202)	(214)	(216)	(246)	(191)	(194)
Operating costs	**(2,468)**	**(2,213)**	**(2,474)**	**(2,777)**	**(2,392)**	**(2,426)**
Operating margin	**2,428**	**2,737**	**2,311**	**1,823**	**2,256**	**2,506**
Net provisions for risks and charges	(97)	(107)	(76)	(270)	(33)	(44)
Net adjustments to loans	(346)	(356)	(304)	(484)	(311)	(401)
Net impairment losses on other assets	(2)	(20)	3	(52)	(8)	(3)
Profits (Losses) on HTM and on other investments	37	8	(1)	58	13	284 (7)
Income before tax from continuing operations	**2,020**	**2,262**	**1,933**	**1,075**	**1,917**	**2,342**
Taxes on income from continuing operations	(725)	(778)	(588)	(788) (5)	(608)	(702)
Merger and restructuring related charges (net of tax)	(14)	(66)	(401)	(126)	(321)	(68)
Effect of purchase cost allocation (net of tax)	(136)	(137)	(136)	399	(133)	(153)
Income (Loss) after tax from discontinued operations	2,914 (1)	124	740 (4)	(6)	950 (6)	(25)
Minority interests	(93)	(85)	(88)	(50)	(57)	(37)
Net income	**3,966**	**1,320**	**1,460**	**504**	**1,748**	**1,357**

Note: 2007 figures restated to reflect the scope of consolidation for 2Q08

(1) Including €2,803m capital gain on the Crédit Agricole transaction
(2) Including €278m non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(3) Including €169m capital gain related to Borsa Italiana
(4) Including €708m capital gain on the Crédit Agricole transaction
(5) Including non-recurring ~€296m for 2008 Finance Law tax rate reduction with positive effect in 2008 and ~€90m from different dividends taxation vs 2006 introduced by the 2008 Finance Law
(6) Including €953m capital gain for the sale of 198 branches related to Antitrust decision
(7) Including €268m capital gain for the disposal of Agos

2Q08 vs 1Q08 Net Income

Growing excluding main non-recurring items

1Q08 Net Income(1) (post-tax data)		
(€ m)		
1Q07 Net Income		1,748
+ Integration charges		321
+ Amortisation of acquisition cost		133
- Income from discontinued operations		950
of which		
Capital gain on 198 Antitrust branches	953	
Net Income excluding non-recurring items		1,252

2Q08 Net Income(1) (post-tax data)		
(€ m)		
2Q08 Net Income		1,357
+ Integration charges		68
+ Amortisation of acquisition cost		153
- Income from discontinued operations		(25)
of which		
Capital gain on 198 Antitrust branches	(20)	
- Capital gain on Agos disposal		262
- Income from Rovelli settlement (IMI-SIR)		49
Net Income excluding non-recurring items		1,292

+3.2%

(1) Tax estimated for Profits on trading

P&L Analysis: 2Q08 vs 1Q08

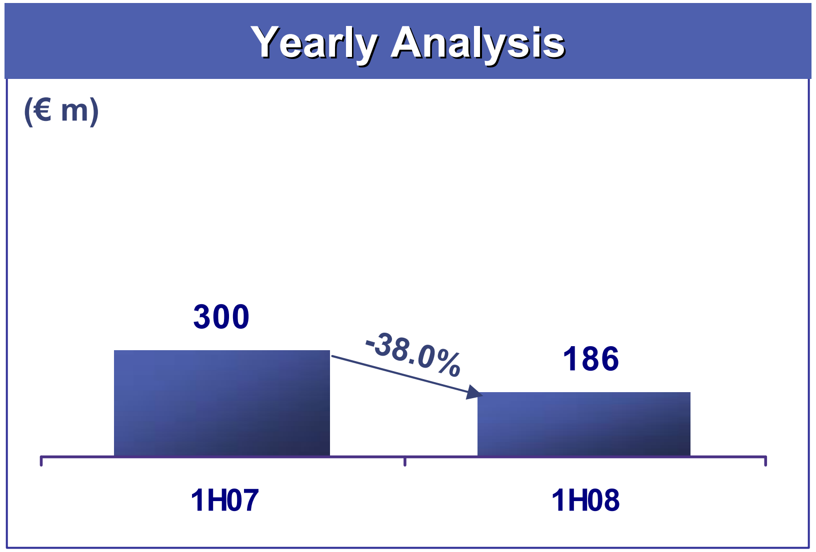
Good revenue and Operating margin growth

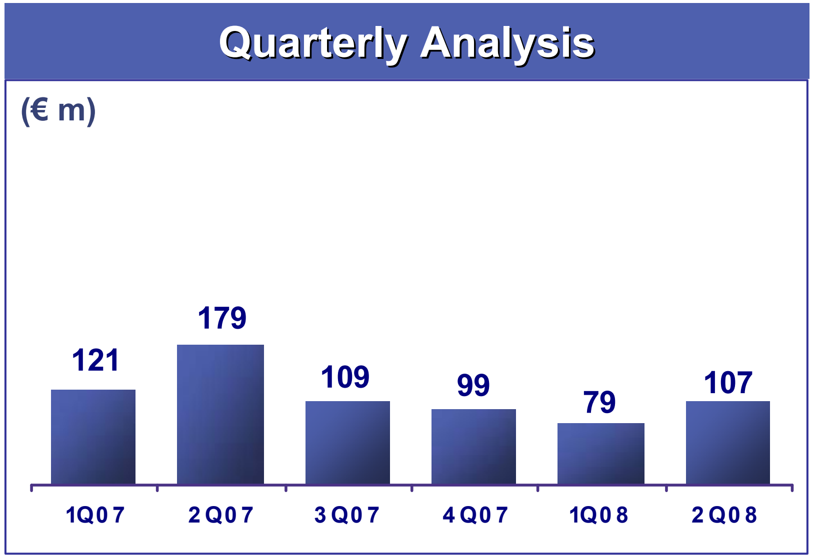
(€ m)	1Q08 Restated	2Q08	Δ%
Net interest income	2,823	2,901	2.8
Dividends and P/L on investments carried at equity	66	29	(56.1)
Net fee and commission income	1,602	1,535	(4.2)
Profits (Losses) on trading	25	259	n.m.
Income from insurance business	79	107	35.4
Other operating income	53	101	90.6
Operating income	**4,648**	**4,932**	**6.1**
Personnel expenses	(1,453)	(1,436)	(1.2)
Other administrative expenses	(748)	(796)	6.4
Adjustments to property, equipment and intangible assets	(191)	(194)	1.6
Operating costs	**(2,392)**	**(2,426)**	**1.4**
Operating margin	**2,256**	**2,506**	**11.1**
Net provisions for risks and charges	(33)	(44)	33.3
Net adjustments to loans	(311)	(401)	28.9
Net impairment losses on assets	(8)	(3)	(62.5)
Profits (Losses) on HTM and on other investments	13	284	n.m.
Income before tax from continuing operations	**1,917**	**2,342**	**22.2**
Taxes on income from continuing operations	(608)	(702)	15.5
Merger and restructuring related charges (net of tax)	(321)	(68)	(78.8)
Effect of purchase cost allocation (net of tax)	(133)	(153)	15.0
Income (Loss) after tax from discontinued operations	950	(25)	n.m.
Minority interests	(57)	(37)	(35.1)
Net income	**1,748**	**1,357**	**(22.4)**

Figures may not add up exactly due to rounding differences
Note: 1Q08 figures restated to reflect the scope of consolidation for 2Q08

Income from Insurance Business

Performance affected by the difficult market environment





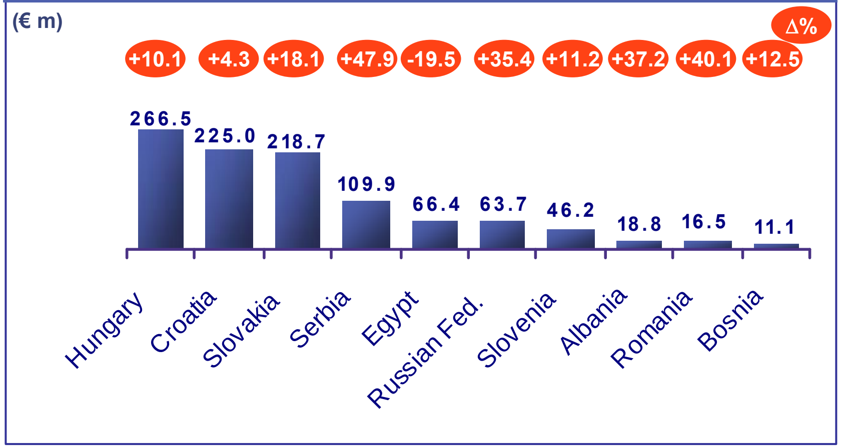
- **Decrease mainly due to the reduction in financial management due to the market instability that affected the whole industry from 2H07**
- **2Q08 increase vs 1Q08 mainly due to financial management**

Note: Income from Insurance Business gathers revenues from Life and Casualty companies operating in the Group

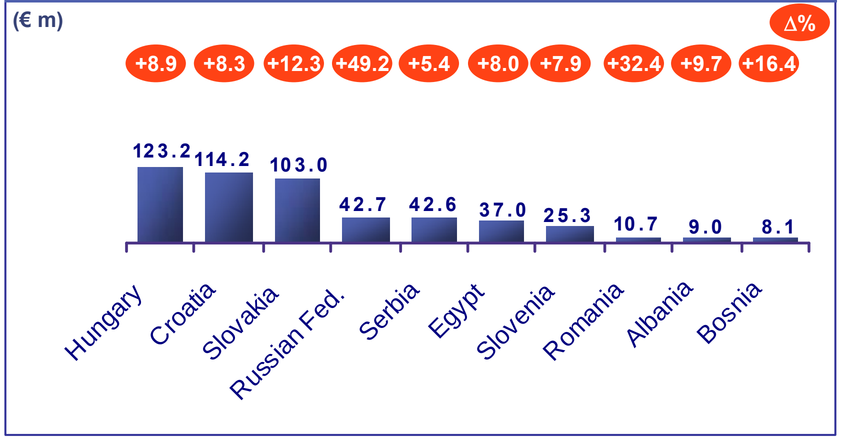
International Subsidiary Banks

Figures by Country 1H08 vs 1H07

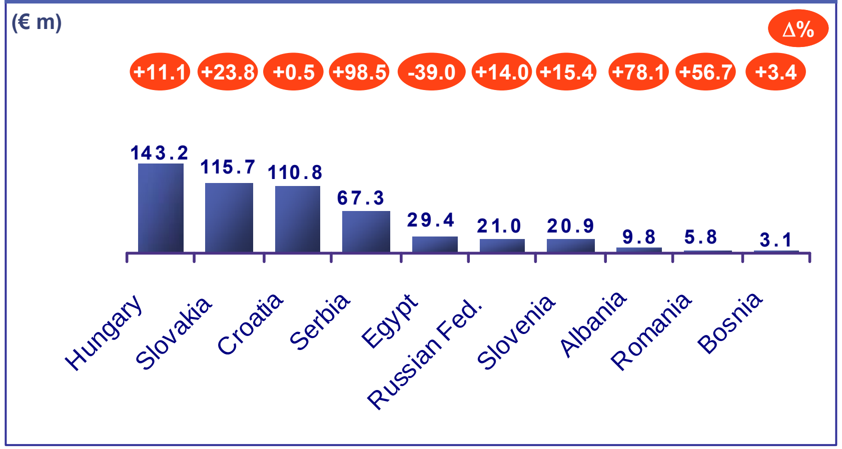
Operating Income



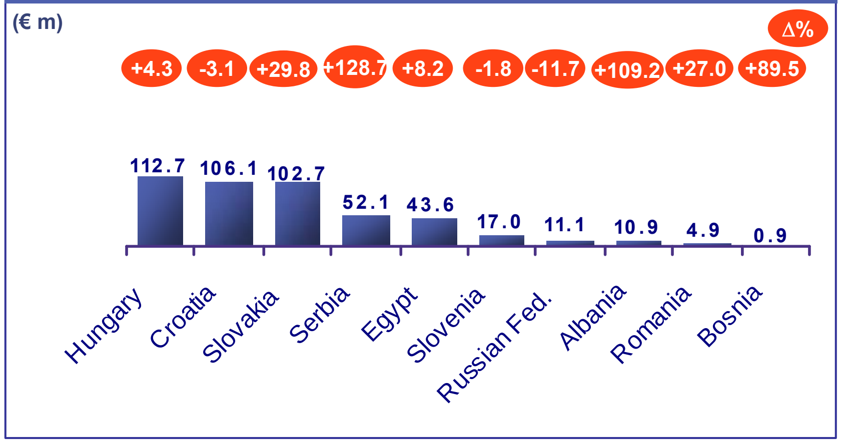
Operating Costs



Operating Margin



Pre-Tax Income(1)



- **Croatia and Egypt performance affected by the decrease in Profits on trading**

(1) *Income before tax from continuing operations*

Structured credit products: US Subprime
Exposure still negative

(€m)	Position as at 30.06.08			30.06.08 income statement Profits (Losses) on trading			
Product	Nominal value	Risk exposure (including write-downs and write-backs)(1)	Cumulated write-downs and write-backs	Realised gains/losses	Write-downs and write-backs	Total income statement	
						1H08	of which 2Q08
Funded ABS	22	**3**	-19	-1	-3	-4	-2
Funded CDOs	24	**1**	-23		-5	-5	-1
Unfunded super senior CDOs(2)	188	**23**	-165		-18	-18	-6
Other(3)	9	**6**	-3				
"Long" positions	243	**33**	-210	-1	-26	-27	-9
ABX hedges	74	**47**	27	87	-66	21	2
"Short" positions	74	**47**	27	87	-66	21	2
Net position	"long" 169	**"short" 14**	-183	86	-92	-6	-7

(1) The column "Risk exposure" sets out: for securities, fair value; for derivatives, the nominal value of the contract, net of capital gains and losses recorded at the date of reference. Such amounts correspond, for "long" positions, to the maximum potential loss (in the event of 100% default and recovery rate of 0). For "short" positions, viceversa, they indicate the maximum potential gain (in the same scenario in terms of default and recovery level)

(2) With mezzanine collateral. Including a position with underlying assets made up for approximately one third of subprime mortgages. This table includes the sole portion represented by subprime mortgages, whereas the residual exposure is reported in the "contagion" area

(3) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale. The relevant fair value decrease was recorded in the specific Reserve under Shareholders' equity. Romulus is an asset-backed commercial paper conduit vehicle, set up to offer customers an alternative financial channel via access to the international commercial paper market.

As at 30.06.08, the portfolio of investments included €280m of financial assets available for sale and €967m of loans to customers. Of the €280m of securities, €9m were attributable to the US subprime segment, €16m to the "contagion" area (see page on "Contagion" area (2/4), Multisector CDOs), €255m to other structured credit products (see page on Other (4/4)). Negative fair value changes recorded on securities available for sale totalled €41m and were recorded in the specific Reserve under Shareholder' equity, of which -€3m recorded on positions included in the subprime segment, -€4m on positions attributed to the so-called "contagion" area (see page on "Contagion" area (2/4), Multisector CDOs), -€34m on securities which fall under other structured credit products (see page on Other (4/4))

Structured credit products: Monoline (1/2)

No material exposure

No direct exposure but only indirect positions connected to hedging derivatives purchased from monoline insurers to buy protection on the default risk of assets held by the Group, which therefore only generate counterparty risk[(1)]. Such hedging derivatives are part of two types of activities performed by Intesa Sanpaolo: packages[(2)] and fully hedged[(3)] credit derivatives transactions

Monoline

- **Net counterparty risk exposure totalled €12m as at 30.06.08 (€61m as at 31.12.07)**
- **1H08 income statement impact[(4)] -€34m (2007 -€25m)**

- **62% vs MBIA**
- **38% vs other monoline with rating between AAA and BBB**

(1) For the sake of completeness, please note that there is another form of exposure to monoline insurers, which does not generate particular risk situations. It stems from the investment in securities for which the monoline insurer provides a credit enhancement to the issuing vehicle, for the purpose of making the issue "eligible" for certain types of investors through the achievement of a certain rating (normally AAA). Such securities, wholly held by Banca Infrastrutture Innovazione e Sviluppo, nominal value as at 30 June 2008 of €524m (€1,273m as at 31 December 2007) are made up for 77% of ABS with underlying Italian health receivables and for the remaining portion of financings of infrastructures; they are all recorded in the banking book, for approximately 80% in the Loans & Receivables (L&R) portfolio and for the remaining portion of securities available for sale. The strong decrease in nominal value is due to the total reimbursement of two health receivables securitisations towards regions occured in the semester. The positions were granted on the basis of the creditworthiness of the underlying borrower and, therefore, irrespective of the credit enhancement offered by the monoline insurer. It must be noted that, as of today, no deterioration in the creditworthiness of the single issuers/borrowers has arisen to suggest any particular actions such as the allocation of prudential provisions. In this respect, it must be noted that all issues are Investment Grade and that ABS with underlying Italian health receivables are also assisted by delegated regional payment

(2) Both the security and the connected derivative have been valued with the mark-to-model methodologies, also considering any available prices, if lower; such valuation did not have any impact on Profits (Losses) on trading, with the exception of those referred to the counterparty risk component, mostly due to transactions in which the hedge was stipulated with monoline insurers, for which a credit risk adjustment has been calculated, determined on the basis of the cost of protection CDS on the default of the monoline insurer, with nominal value equal to the current and potential future exposure (so-called add-on) and expiry equal to the average residual life of the underlying assets. Even though packages do not lead to market risk connected with the nature of the underlying asset, for the sake of completeness, please note that, assets which are part of packages include, for €163m nominal value as at 30.06.08, securities with US RMBS collateral with a significant subprime content (equal to 32.9%)

(3) Intesa Sanpaolo's activities in fully hedged derivatives are made up of the simultaneous purchase and sale of protection on the same reference entity (underlying asset) with two different counterparties. Also in this case activities do not expose to the market risk generated by the underlying asset, but with the sole counterparty risk generated by the "short" position in the protection purchase, further mitigated by the fact that Intesa Sanpaolo has a right of substitution of monoline insurer, which is however prudently not considered in the valuation

(4) Write-downs

Structured credit products: Monoline (2/2)

No material exposure

(€m)	Position as at 30.06.08					30.06.08 income statement Profits (Losses) on trading	
	Nominal value of the underlying asset	Fair value of the underlying asset	Credit risk exposure to monoline insurers (fair value of the CDS) *pre* write-down	Credit risk exposure to monoline insurers (fair value of the CDS) *post* write-down	Fair value cumulated write-downs of the hedge from monoline insurers	Fair value write-down of the hedge from monoline insurers	
						1H08	of which 2Q08
Positions in Packages:							
US RMBS with a significant Subprime content	163	119	44	**4**	-40	-27	-22
Other underlying assets[(1)]	43	40	3		-3	-2	-1
Sub-Total	206	159	47	**4**	-43	-29	-23
Positions in other derivatives:							
Other underlying assets	300	276	24	**8**	-16	-5	-3
Total	506	435	71	**12**	-59	-34	-26

(1) Underlying assets other than US RMBS, both European and US

Structured credit products: "Contagion" area (1/4)
Good quality of structures

- **Multisector CDOs**: such products are almost entirely present in unfunded super senior CDOs, with collateral represented by US RMBS, European ABS, CMBS, HY CBO and Consumer ABS

Multisector CDOs
- €268m "long" positions as at 30.06.08, including €17m CMBX indexes hedging introduced in 2Q (€393m as at 31.12.07), against which there are investments in funds with "short" positions on the US credit market of €177m (€115m as at 31.12.07)
- 1H08 income statement impact(1) -€13m (2007 -€17m)

- *Collateral*: 57% US RMBS (for 59% *vintage* prior to 2005 and an average 4.1% exposure to subprime); 20.7% European ABS; 9.2% CMBS; 4.3% HY CBO; 1.1% Consumer ABS
- Rating: 66% AAA and 34% A
- Average Attachment point 32%
- Written down for 24% of the nominal value on the basis of the mark-to-model

- **Alt-A – Alternative A Loans**: ABS (securities) with underlying US residential mortgages normally of high quality characterised however by penalising factors, mostly for incomplete documentation, which do not permit their classification in standard prime contracts

Alt-A
- Net risk exposure totalled €75m as at 30.06.08 (€93m as at 31.12.07)
- 1H08 income statement impact(1) -€2m (2007 -€28m)

- 100% AAA Rating
- 100% 2005 Vintage
- No Agency component: 70% average original LTV, 0.8% cumulated loss, 30-60-90 day average delinquency is 3%, 1% and 2% respectively
- Valued on the basis of effective market quotes

- **TruPS – Trust Preferred Securities of REITs (Real Estate Investment Trust)**: financial instruments similar to preferred shares issued by real estate-trustee to finance residential or commercial initiatives present almost entirely in Unfunded super senior CDOs

TruPS
- Net risk exposure totalled €92m as at 30.06.08 (€146m as at 31.12.07)
- 1H08 income statement impact(1) -€40m (2007 -€85m)

- Rating positions unfunded AA and A+, funded AAA
- Average Attachment point 43%
- Written down for 56% of the nominal value on the basis of the mark-to-model

- **Prime CMOs**: securities issued with guarantee mostly represented by loans assisted by mortgages on US residential buildings

Prime CMOs
- Net risk exposure totalled €45m as at 30.06.08 (€55m as at 31.12.07)
- 1H08 income statement impact(1) -€3m (2007 -€1m)

- 100% AAA Rating
- 100% 2005 Vintage
- 65% average original LTV
- 0.7% cumulated loss
- 30-60-90 day average delinquency is 0.5%, 0.3% and 0.2% respectively
- Valued on the basis of effective market quotes

(1) Including realised gains/losses and write-downs/write-backs

Structured credit products: “Contagion” area (2/4)
Multisector CDOs

(€m)

Product	Position as at 30.06.08 – Nominal value	Position as at 30.06.08 – Risk exposure (including write-downs and write-backs)	Position as at 30.06.08 – Cumulated write-downs and write-backs	30.06.08 income statement Profits (Losses) on trading – Realised gains/losses	30.06.08 income statement Profits (Losses) on trading – Write-downs and write-backs	Total income statement – 1H08	Total income statement – of which 2Q08
Unfunded super senior CDOs	357	**273**	-84		-32	-32	-17
Other (funded)(1)	16	**12**	-4				
"Long" positions	373	**285**	-88		-32	-32	-17
CMBX hedges	25	**17**	8	-6	8	2	2
"Short" positions of funds	131	**177**	46		17	17	8
Net position(2)	"long" 348	**"long" 268**	-34	-6	-7	-13	-7

(1) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale. The relevant fair value decrease was recorded in the specific Reserve under Shareholders' equity (see page on US subprime, note 3)

(2) Nominal value and risk exposure data do not include amounts of "short" positions of funds

Structured credit products: "Contagion" area (3/4)
Alt-A

(€m)	Position as at 30.06.08			30.06.08 income statement Profits (Losses) on trading			
						Total income statement	
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Realised gains/losses	Write-downs and write-backs	1H08	of which 2Q08
Alt-A Agency	44	**43**	-1		-1	-1	
Alt-A No Agency	39	**32**	-7		-1	-1	
Other[1]	8						
"Long" positions	91	**75**	-8		-2	-2	

(1) Risk position classified in securities available for sale, belonging to the Parent company, coming from the Romulus vehicle, transferred at fair value in 2008

Structured credit products:"Contagion" area (4/4)

TruPS and Prime CMOs

TruPS

(€m)	Position as at 30.06.08			30.06.08 income statement Profits (Losses) on trading			
						Total income statement	
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Realised gains/losses	Write-downs and write-backs	1H08	of which 2Q08
Funded CDOs	3	**3**					
Unfunded super senior CDOs	208	**89**	-119		-40	-40	-16
"Long" positions	211	92	-119		-40	-40	-16

Prime CMOs

(€m)	Position as at 30.06.08			30.06.08 income statement Profits (Losses) on trading			
						Total income statement	
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Realised gains/losses	Write-downs and write-backs	1H08	of which 2Q08
CMOs (Prime)	49	**45**	-4		-3	-3	-3
"Long" positions	49	45	-4		-3	-3	-3

Structured credit products: Other (1/4)

High quality of structures

The effects of the crisis that affected the US financial markets progressively spread involving initially instruments with collateral made up of US non-subprime residential mortgages and subsequently the whole structured credit products segment, including products with non-US underlying assets.

Details of different type of products related to this segment are provided below: in particular, non-monoline packages, funded ABS/CDOs, unfunded super senior Multisector CDOs not comprised in the "contagion" area, Super Senior Corporate Risk and Other unfunded positions:

- **Non-monoline packages: assets with specific hedges stipulated with primary international banks[(1)]**

Packages

- Net exposure to counterparty risk €197m as at 30.06.08 (€454m as at 31.12.07)
- 1H08 income statement impact[(2)] -€3m (2007 -€5m)

- Hedges from banks generally with a AA rating (in one case AAA and in one case A rating) mostly object of specific collateral agreements
- Valued using the mark-to-model approach

- **Unfunded super senior Multisector CDOs: this component includes super senior positions with High-Grade, widely diversified collateral or characterised by high credit quality RMBS and therefore not included in the "contagion" area**

Unfunded super senior Multisector CDOs not included in the "contagion" area

- Net risk exposure €683m as at 30.06.08 (€743m as at 31.12.07)
- 1H08 income statement impact[(3)] -€5m (2007 -€16m)

- 28% collateral in CMBS, 40% corporate loans, 21.4% average US RMBS and 3.2% average subprime
- 100% AAA Rating
- 89% Vintage prior to 2005
- 18.1% average Attachment point
- Valued using the mark-to-model approach

(1) Underlying assets were mostly made up of CLOs and ABS CDOs with a limited portion of US subprime (equal to approximately 22%)
(2) Write-downs
(3) Including realised gains/losses and write-downs/write-backs

Structured credit products: Other (2/4)

High quality of structures

- **European funded ABS/CDOs**: portfolio with collateral diversified in RMBS/CMBS, CLOs, CDOs and ABS of receivables (Credit Card, Leasing, Personal Loans, etc)

European funded ABS/CDOs

- Net risk exposure €2,226m as at 30.06.08 (€2,224m as at 31.12.07)
- 1H08 income statement impact(1) -€60m (2007 -€78m)

- Rating: 79% AAA, 19% AA/A, 2% BBB/BB
- Valued on the basis of effective market quotes for 41%, comparable approach for 43%, mark-to-model for 16%

- Collateral: 34% RMBS (of which ~47% Italy)
  25% CLO mainly SMEs
  15% CDO
  11% CMBS (of which 44% Offices, 27% Retail/Shopping Centres, 10% Mixed Use, 8% Nursing Homes, 6% Residential, 4% Industrial)
  15% ABS of receivables

- **US funded ABS/CDOs**: portfolio includes securities with US underlying assets, with collateral mostly represented by Credit Card. It is also present a CMBS component with underlying 100% Small Commercial Loans with 100% AAA rating

US funded ABS/CDOs

- Net risk exposure €86m as at 30.06.08 (€139m as at 31.12.07)
- 1H08 income statement impact(1) -€7m (2007 -€15m)

- Collateral: 62.8% Credit Card, 21.9% CMBS, 15.3% High Yield CLO
- Rating: 56% AAA, 28% AA/A, 16% BBB
- Valued on the basis of effective market quotes for 85%, mark-to-model for 15%

- **Funded ABS/CDOs ascribable to the Romulus vehicle**: securities classified in available for sale with mainly US underlying assets (Credit Card, Leveraged Loans, Student Loans)

US funded ABS/CDOs Romulus

- Net risk exposure €221m as at 30.06.08 (€263m as at 31.12.07)

- Rating: 99% AAA
- Valued on the basis of effective market quotes

(1) Including realised gains/losses and write-downs/write-backs

Structured credit products: Other (3/4)

High quality of structures

- **Unfunded super senior Corporate Risk CDOs**: super senior in this category are mostly characterised by collateral subject to corporate risk

Unfunded super senior Corporate Risk CDOs
- Net risk exposure €2,338m as at 30.06.08 (€2,414m as at 31.12.07)
- 1H08 income statement impact(1) -€15m (2007 -€71m)

- 37% average attachment point

- Collateral: 34.1% US (mainly CLOs)
  37.6% Europe (44% consumer credit Italy and 38.5% CLOs)
  28.3% Emerging Markets (Bonds and Project Finance)
- Valued using the mark-to-model approach

- **Other unfunded positions***:* portfolio with a "short" balance of unfunded CDOs with mainly European underlying assets

Other unfunded positions
- Net risk exposure -€445m as at 30.06.08 (-€404m as at 31.12.07)
- 1H08 income statement impact(1) -€15m (2007 +€2m)

- Almost entirely on mezzanine tranches
- Valued using the mark-to-model approach

(1) Including realised gains/losses and write-downs/write-backs

Structured credit products: Other (4/4)

(€m) Product	Position as at 30.06.08 Nominal value of the underlying asset	Fair value of the underlying asset	Credit risk exposure to primary International banks (fair value of the CDS) *pre* write-down	Credit risk exposure to primary International banks (fair value of the CDS) *post* write-down	Fair value cumulated write-downs of the hedge from primary international banks	30.06.08 income statement Profits (Losses) on trading – Fair value write-down of the hedge from primary International banks 1H08	of which 2Q08
Non-monoline packages[(1)]	1,474	1,269	205	197	-8[(2)]	-3	-4

(€m) Product	Position as at 30.06.08			30.06.08 income statement Profits (Losses) on trading			
	Nominal value	Fair value	Cumulated write-downs and write-backs	Realised gains/losses	Write-downs and write-backs	Total income statement 1H08	of which 2Q08
Funded ABS/CDO	2,447[(3)]	2,312	-135	-5	-62[(4)]	-67[(4)]	-1
Unfunded super senior multisector CDOs and corporate risk[(5)]	2,689	2,576	-113	1	-36	-35	-19
Other[(6)]	255	221	-34				

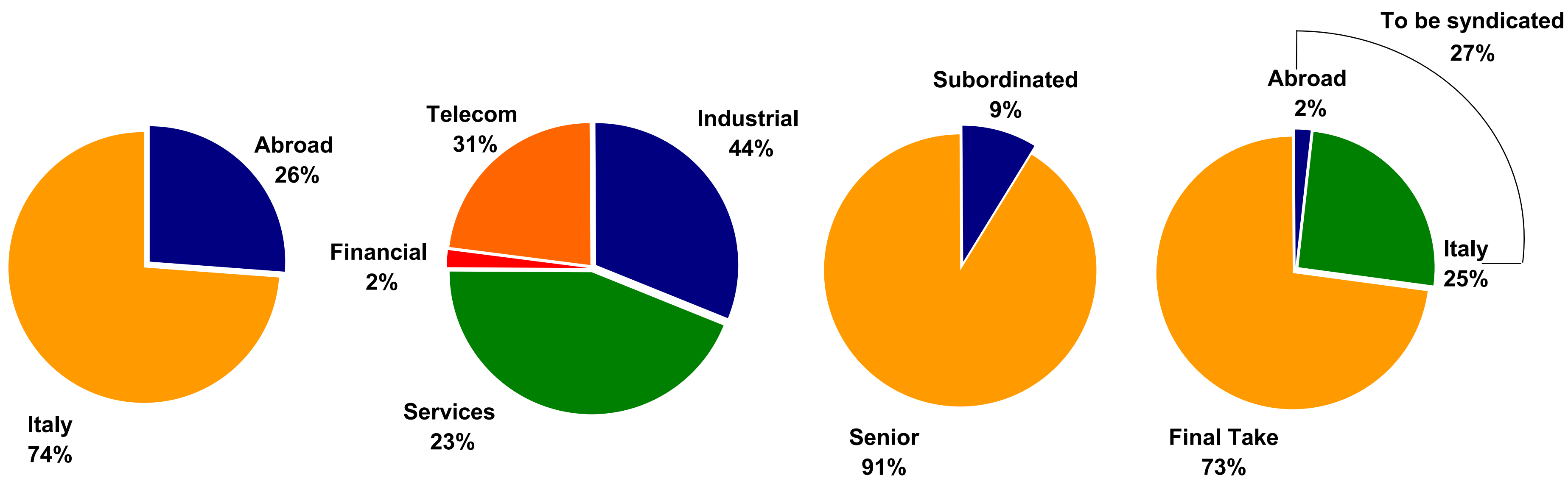
(1) Underlying assets were mostly made up of CLOs and ABS CDOs with a limited portion of US subprime (equal to approximately 22%)
(2) According to systematic adjustments made on the entire derivatives' universe to incorporate the credit risk in the fair value, in this particular case minimum, of the counterparty (so-called credit risk adjustment), even considering that the operations are mainly object of specific collateral agreement
(3) Of which €655m belonging to Banca IMI and €10m belonging to CR Firenze, the latter classified in securities available for sale
(4) Of which -€5m ascribable to Banca IMI
(5) Including a portfolio with a "short" balance of unfunded CDOs of -€434m of nominal value and -€445m of fair value
(6) Risk position of the Romulus vehicle (fully consolidated entity), classified in securities available for sale. The relevant fair value decrease was recorded in the specific Reserve under Shareholders' equity (see page on US subprime, note 3)

Leveraged Finance(*)

Contained and high quality exposure

No. Transactions	Amount(1)
103	€5,092m

Breakdown



(*) Group's financing to parties controlled by private equity funds
(1) Outstanding commitment

Disclaimer

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

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

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

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