INTESA SANPAOLO

2009 First-Quarter Results

14 May 2009

Agenda

1 **Building on the steps we have taken**

2 2009 First-Quarter Results

Building on the steps we have taken

- **1Q09 Net Income at €1.1bn (€644m adjusted for main non-recurring items)**

- **1Q09 results fully in line with 2009 Outlook disclosed in March, also before intangibles detaxation**

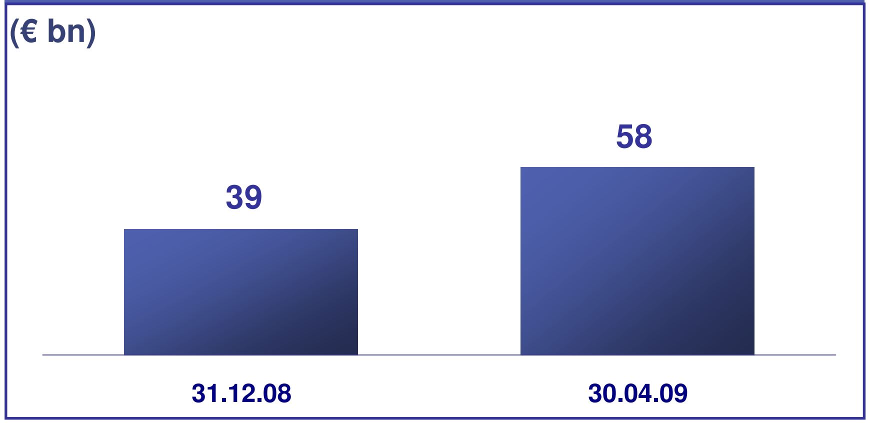
- **Liquidity, solidity, low risk profile and sustainable profitability are and remain top priorities for the Group**

Liquidity remains a priority: the cost of some "excess" liquidity is a price worth paying

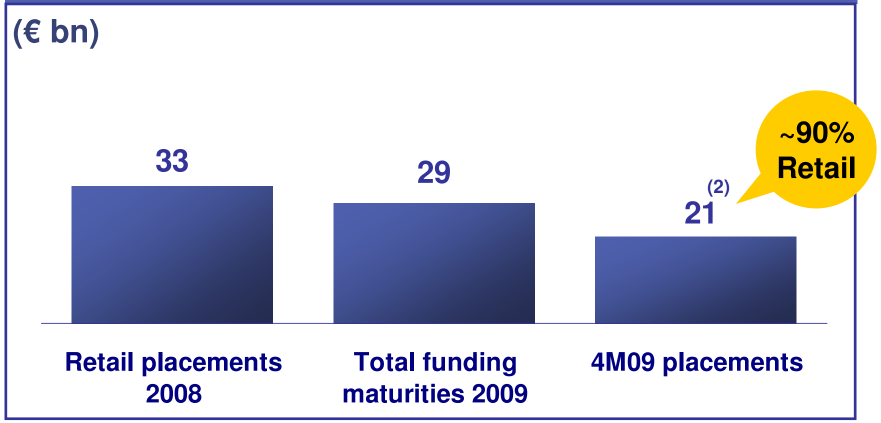
Direct Customer Deposits > Loans to Customers as at 31.03.09

- Stable and well-diversified sources of funding
- ~70% of Direct Customer Deposits from retail business
- Balanced Net interbank position

Eligible assets with Central Banks (net of haircut)



Medium/long-term funding capability



(1) Excluding ~€21.3bn financial liabilities from insurance business
(2) Versus ~€11bn of maturities

Group solidity remains a priority: bolstering capital ratios

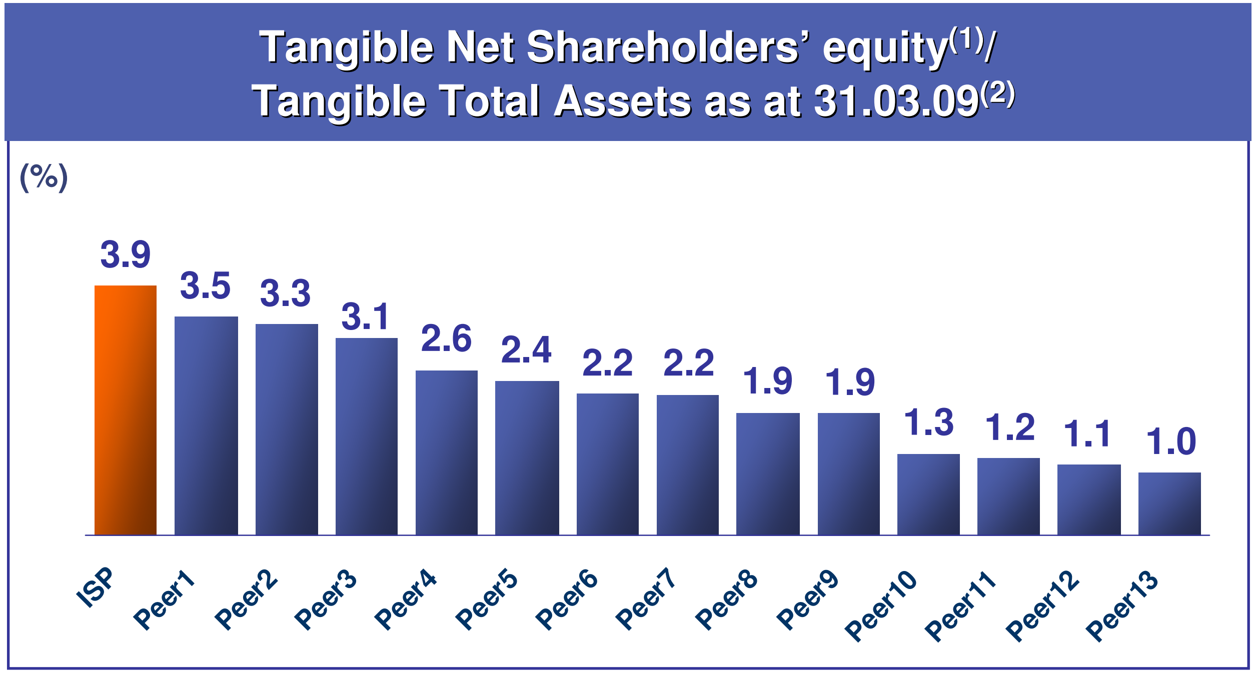
	Capital ratios as at 31.03.09 Basel 2 (Foundation)	Estimated benefits from Tremonti Bonds	Pro forma capital ratios
Core Tier 1 ratio	6.4%	1.0%	7.4%
Tier 1 ratio	7.2%	1.0%	8.2%
Total Capital ratio	10.5%	1.0%	11.5%
RWA (€bn)	378.7		

~150bps
potential benefit from capital management actions on non-core assets with a total book value of ~€9.5bn, of which ~€5bn deducted from Core Tier 1, and RWA of ~€15bn

- **31.03.09 data do not take into account the effect of the planned resumption of dividend payment on ordinary shares**
- **ISP Management Board and Supervisory Board resolved to "buy an insurance policy" in the form of €4bn of subordinated debt instruments to be subscribed by the Italian Ministry for Economy and Finance (Tremonti Bonds) and qualifying as Core Tier 1 capital(1)**

(1) The subscription by The Ministry for Economy and Finance is subject to the conditions provided for by art. 2 of the Ministry Decree issued on 25.02.09 and particularly to the Bank of Italy assessment

Very low leverage remains a priority



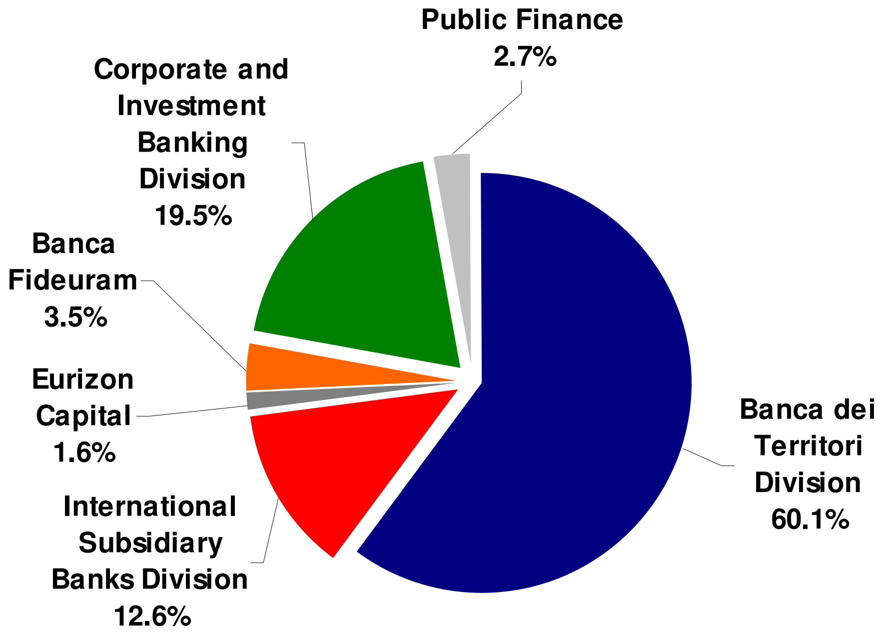
ISP has the best ratio of Tangible Net Shareholders' equity to Tangible Total Assets as evidence of a solid capital base

(1) Including Net income for the period

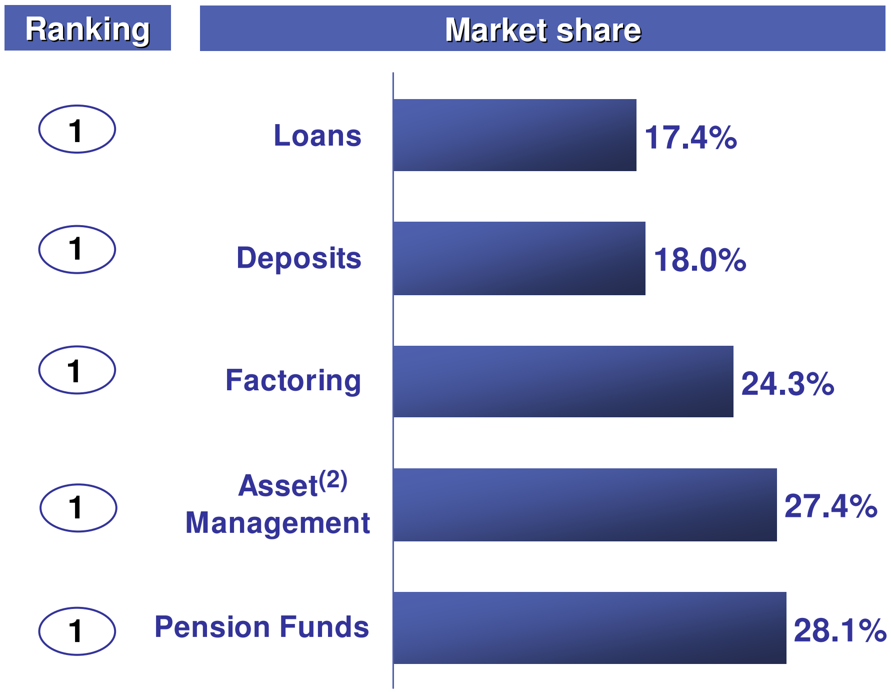
(2) Sample: BBVA, Credit Suisse, Deutsche Bank, Santander, UBS and UniCredit (data as at 31.03.09); Barclays, BNP Paribas, Crédit Agricole, HSBC, Lloyds Banking Group, RBS and SocGen (data as at 31.12.08)

Low risk profile: focus on strength in the domestic retail market

1Q09 Operating Income Breakdown by business area[(1)]



Leadership in Italy
(data as at 31.12.08)

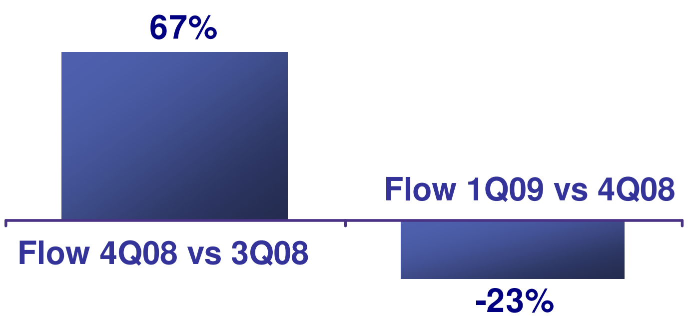


- **Retail domestic operations are momentarily suffering from historically low market yields but will remain a structural strength of the Group together with the other commercial banking operations**

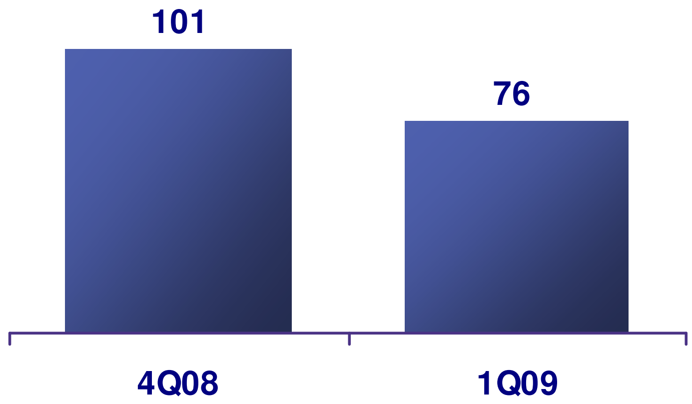
(1) Excluding Corporate Centre
(2) Mutual funds, data as at 31.03.09
Note: Domestic retail = Banca dei Territori Division, Eurizon Capital and Banca Fideuram

Low risk profile: significant slowdown in 1Q09 in the flow of new Substandard and Doubtful loans

Change in the flow of new Substandard[1] and Doubtful[2] Loans



Cost of credit (bps annualised)



- **1Q09 cost of credit down sharply after 4Q08 peak**
- **In 1Q09 no "contagion effect" in the flow of new domestic Substandard and Doubtful loans, which remain concentrated in sectors structurally more exposed to the economic cycle (construction, distribution, fashion, metals, services and agriculture) accounting only for 1/4 of the Group's loan book**

(1) Incagli
(2) Sofferenze

Low risk profile: only 7% of loans in CEE

(Figures as at 31.03.09)

	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.	Ukraine	Total CEE	Egypt	Total
Oper. Income (€ m)	134	117	23	108	52	5	9	11	15	18	493	46	538
% of Group total	***3.2%***	***2.8%***	***0.5%***	***2.6%***	***1.3%***	***0.1%***	***0.2%***	***0.3%***	***0.4%***	***0.4%***	***11.9%***	***1.1%***	***13.0%***
Net Income (€ m)	1	39	6	29	15	0	3	1	(23)	(7)	64	21	86
% of Group total	***0.0%***	***3.7%***	***0.5%***	***2.7%***	***1.4%***	***0.0%***	***0.3%***	***0.1%***	***n.m.***	***n.m.***	***6.0%***	***2.0%***	***8.0%***
Customer Deposits (€ bn)	5.0	8.2	1.3	5.9	1.8	0.3	0.7	0.2	0.6	0.4	24.3	3.2	27.6
% of Group total	***1.2%***	***1.9%***	***0.3%***	***1.3%***	***0.4%***	***0.1%***	***0.2%***	***0.0%***	***0.1%***	***0.1%***	***5.6%***	***0.7%***	***6.3%***
Customer Loans (€ bn)	8.9	5.8	2.1	6.3	1.9	0.4	0.4	0.4	1.2	0.5	27.8	1.7	29.5
% of Group total	***2.3%***	***1.5%***	***0.5%***	***1.6%***	***0.5%***	***0.1%***	***0.1%***	***0.1%***	***0.3%***	***0.1%***	***7.2%***	***0.5%***	***7.6%***
Total Assets (€ bn)	10.8	10.0	2.5	9.4	2.8	0.5	0.9	0.7	1.5	0.6	39.8	4.2	43.9
% of Group total	***1.7%***	***1.6%***	***0.4%***	***1.5%***	***0.4%***	***0.1%***	***0.1%***	***0.1%***	***0.2%***	***0.1%***	***6.2%***	***0.6%***	***6.9%***
Shareholder's Equity (€ m)	690	848	240	1,021	474	58	68	129	101	102	3,733	293	4,026
% of Group total	***1.4%***	***1.7%***	***0.5%***	***2.1%***	***1.0%***	***0.1%***	***0.1%***	***0.3%***	***0.2%***	***0.2%***	***7.5%***	***0.6%***	***8.1%***
Book value (€ m)	708	1,001	284	1,108	758	86	155	130	157	103	4,490	1,345	5,835
- of which goodwill/intangibles	*52*	*229*	*62*	*116*	*321*	*28*	*125*	*4*	*74*	*1*	*1,012*	*1,052*	*2,064*

- **Marginal presence in Ukraine (0.1% of Group's loans; €0.5bn)**
- **Well-balanced Direct Customer Deposits/Loans to Customers**

Low risk profile: adequate coverage of Non-Performing Loans in CEE

(Figures as at 31.03.09)	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.	Ukraine	Total CEE	Egypt	Total
Performing loans (€ bn)	8.4	5.7	2.0	6.2	1.9	0.4	0.3	0.4	1.2	0.4	**26.9**	1.7	**28.6**
of which:													
Retail local currency	4%	50%	39%	19%	7%	9%	2%	23%	5%	33%	**21%**	42%	**22%**
Retail foreign currency	24%	1%	1%	30%	18%	45%	22%	67%	1%	57%	**19%**	0%	**18%**
Corporate local currency	16%	47%	57%	18%	17%	44%	8%	1%	74%	5%	**29%**	30%	**29%**
Corporate foreign currency	55%	3%	3%	33%	58%	2%	68%	9%	21%	5%	**31%**	28%	**31%**
Doubtful loans(1) (€ m)	71	55	24	4	17	9	18	11	4	14	**227**	10	**237**
Substandard and Restructured(2) (€ m)	385	57	20	183	28	6	20	1	17	30	**747**	17	**764**
Performing loans coverage	0.6%	2.0%	2.6%	1.2%	2.7%	2.1%	3.1%	1.1%	0.8%	1.3%	**1.4%**	1.8%	**1.4%**
Doubtful loans(1) coverage	73%	59%	47%	97%	82%	49%	31%	31%	85%	78%	**72%**	96%	**78%**
Substandard and Restructured loans(2) coverage	15%	21%	17%	34%	24%	25%	9%	14%	46%	32%	**23%**	11%	**23%**
Cost of credit(3) (bps; not annualised)	80	44	14	25	73	25	34	33	199	242	**60**	11	**57**

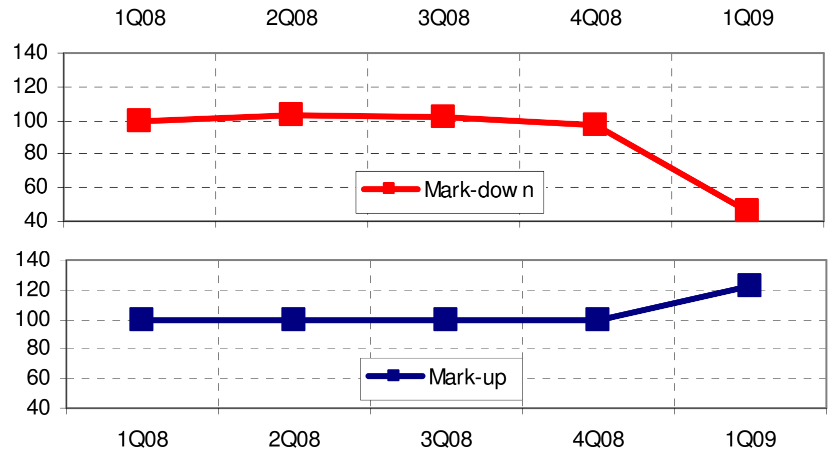
- **Foreign currency retail loans in CEE only account for 1.3% of Group's loans**
- **Foreign currency retail Direct Customer Deposits > Foreign currency retail Loans to Customers**

(1) Sofferenze
(2) Including Past Due
(3) Net Adjustments to loans/Net customers loans
Figures may not add up exactly due to rounding differences

Sustainable profitability: 1Q09 Results fully in line with 2009 Outlook disclosed in March, also before intangibles detaxation

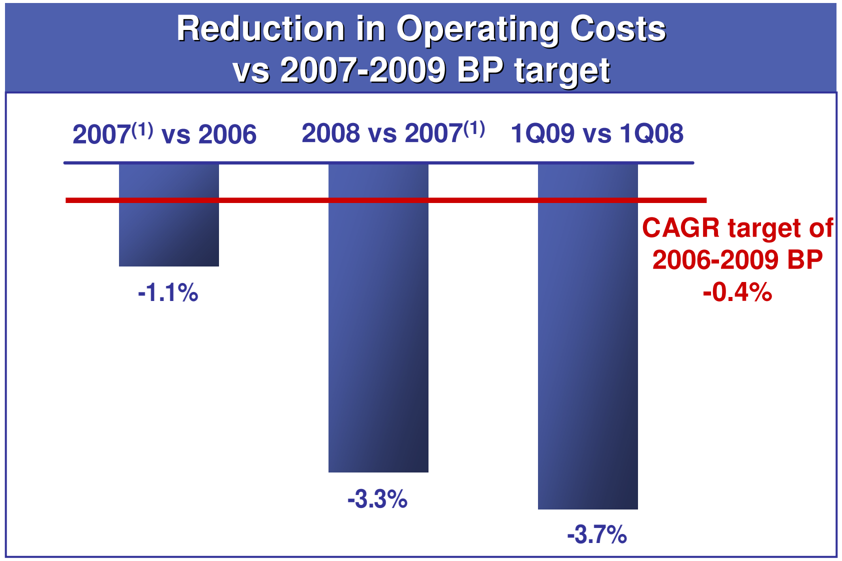
- **Strong improvement vs 4Q08 in Operating margin (+42.9%) and Net income (€1.1bn vs -€1.2bn)**
- **Net interest income down only 4% vs 1Q08 due to effective defense of customer spread through mark-up re-pricing and hedging, coupled with selective loan growth**
- **These actions partially offset the negative impact from mark-down also resulting from our ALM policy, which is focused on retail and stable funding and is not leveraging wholesale short term funding, with the aim of prioritising liquidity**

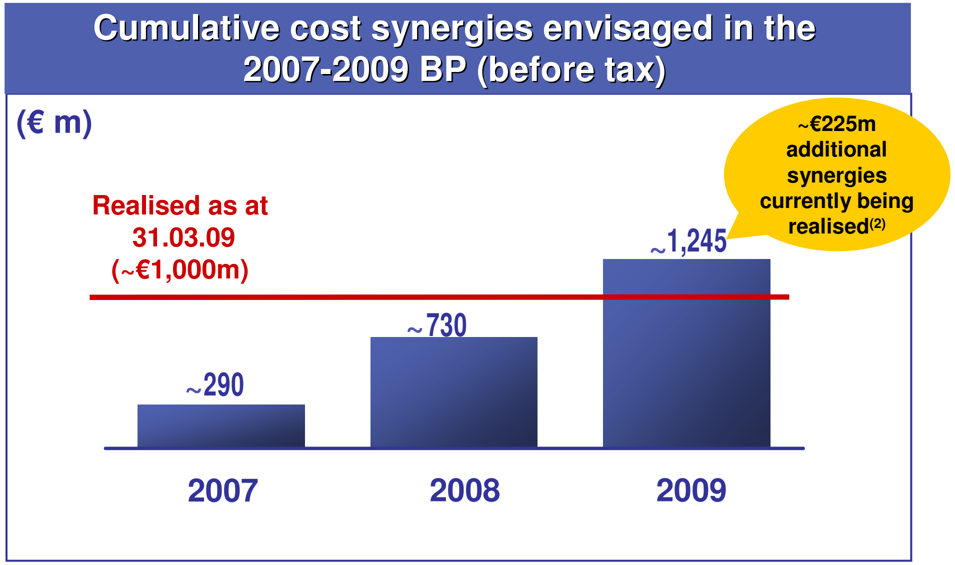
Customer Mark-up/Mark-down quarterly trend
(1Q08=100)



- **Sizeable cost reduction (-3.7% vs 1Q08)**

Strong performance on cost reduction and ~€1bn synergies already realised

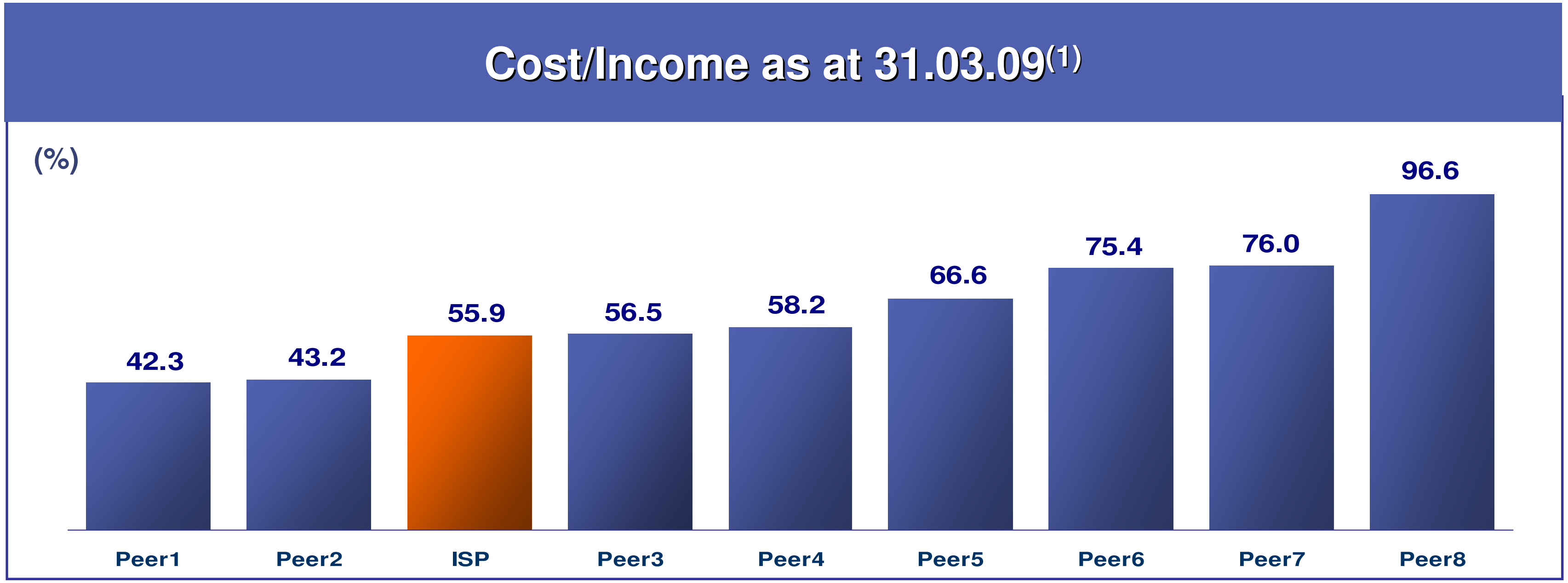




- **As at 31.03.09, ~€1bn cumulative synergies realised (of which ~€290m in 2007, ~€570m in 2008 and ~€140m in 1Q09)**
- **~€470m of cost synergies to be realised during the remaining part of 2009**
- **An agreed plan underway for a staff reduction of ~2,000 people in 2009 (~3,300 in 2008)**
- **~€100m of integration charges to be booked in the remaining part of 2009**

(1) Excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) (€277m in 2Q07)
(2) Including CR Firenze

ISP has one of the best Cost/Income ratios among its international peers, and is set to further improve



(1) Sample (reduced due to unavailable data as at 31.03.09): BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, Santander, SocGen, UBS and UniCredit

Agenda

1 Building on the steps we have taken

2 2009 First-Quarter Results

Sound operating performance in 1Q09 despite still complex market conditions

- 1Q09 Net Income at €1.1bn (vs -€1.2bn in 4Q08)
- 1Q09 Net Income adjusted(1) at €644m (vs €353m in 4Q08)
- Significant reduction in Operating costs (-14.3% vs 4Q08)
- Strong improvement in Operating margin (+42.9% vs 4Q08)
- 1Q09 cost of credit (76bps annualised) down sharply after peaking in 4Q08 (101bps annualised)
- Sound asset quality confirmed
  - Net Doubtful Loans/Loans to customers at 1.1%
  - Reserves on Performing Loans kept at more than €2.4bn
- In 1Q09 ~25bps improvement in Core Tier 1 ratio from core operating performance

(1) Excluding main non-recurring items (see slide 18)

1Q09 sound growth of Direct Customer Deposits and Loans to Customers vs 1Q08

(€ m)	31.03.08 Restated	31.03.09	Δ%
Loans to Customers	359,434	387,486	7.8
Customer Financial Assets[1]	1,019,329	972,173	(4.6)
of which Direct Customer Deposits	393,306	436,264	10.9
of which Indirect Customer Deposits	652,550	560,818	(14.1)
- Assets under Management	*255,711*	*207,563*	*(18.8)*
- Assets under Administration	*396,839*	*353,255*	*(11.0)*

+6.7% average volumes

- **Indirect Customer Deposits decrease mainly due to performance effect and switch to Direct Customer Deposits**

(1) Net of duplications between Direct Customer Deposits and Assets under Management
Note: 31.03.08 figures restated to reflect the scope of consolidation as at 31.03.09

1Q09 Net Income at €1.1bn and strong increase in Operating margin vs 4Q08

(€ m)	4Q08 Restated	1Q09	Δ%
Net interest income	2,890	2,687	(7.0)
Dividends and P/L on investments carried at equity	30	(6)	n.m.
Net fee and commission income	1,286	1,255	(2.4)
Profits (Losses) on trading	(354)	107	n.m.
Income from insurance business	171	64	(62.6)
Other operating income	(49)	29	n.m.
Operating income	**3,974**	**4,136**	**4.1**
Personnel expenses	(1,442)	(1,399)	(3.0)
Other administrative expenses	(1,031)	(758)	(26.5)
Adjustments to property, equipment and intangible assets	(226)	(157)	(30.5)
Operating costs	**(2,699)**	**(2,314)**	**(14.3)**
Operating margin	**1,275**	**1,822**	**42.9**
Goodwill impairment	(1,065)	0	n.m.
Net provisions for risks and charges	(164)	(69)	(57.9)
Net adjustments to loans	(999)	(733)	(26.6)
Net impairment losses on assets	(898)	(7)	(99.2)
Profits (Losses) on HTM and on other investments	(208)	0	(100.0)
Income before tax from continuing operations	**(2,059)**	**1,013**	**n.m.**
Taxes on income from continuing operations	1,617	165[1]	(89.8)
Merger and restructuring related charges (net of tax)	(182)	(48)	(73.6)
Effect of purchase cost allocation (net of tax)	(656)	(95)	(85.5)
Income (Loss) after tax from discontinued operations	60	65	8.3
Minority interests	(8)	(25)	212.5
Net income	**(1,228)**	**1,075**	**n.m.**

(1) Including €511m deferred taxation non-recurring positive impact from intangibles detaxation
Note: 4Q08 figures restated to reflect the scope of consolidation for 1Q09
Figures may not add up exactly due to rounding differences

Strong increase in 1Q09 vs 4Q08 Net Income also excluding main non-recurring items

4Q08 Net Income
(post-tax data)

(€ m)

	Net Income		**(1,228)**
+	Integration charges		182
+	Amortisation of acquisition cost		656
	of which:		
	Intangibles impairment	521	
+	Lehman/Icelandic banks provisions		9
+	Impairments		2,257
	of which:		
	LSE, Natixis, Telco, RCS and other shareholdings	1,192	
	Fideuram goodwill	580	
	Eurizon Capital goodwill	95	
	Pravex-Bank goodwill (Ukraine)	390	
+	Charges on expired bank drafts		69
+	Management adjustment structured credit products		125
-	Deferred taxation non-recurring impact		1,629
-	Capital gain on Centrale Bilanci disposal		88
	Net Income adjusted		**353**

1Q09 Net Income
(post-tax data)

(€ m)

	Net Income	**1,075**
+	Integration charges	48
+	Amortisation of acquisition cost	95
-	Deferred taxation non-recurring impact	511
-	Capital gain on CR Orvieto and Antitrust 17 branches	63
	Net Income adjusted	**644**

+82.4%

1Q09 Net Income at €1.1bn and sizeable cost reduction vs 1Q08

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	2,798	2,687	(4.0)
Dividends and P/L on investments carried at equity	66	(6)	n.m.
Net fee and commission income	1,627	1,255	(22.9)
Profits (Losses) on trading	40	107	167.5
Income from insurance business	79	64	(19.0)
Other operating income (expenses)	43	29	(32.6)
Operating income	**4,653**	**4,136**	**(11.1)**
Personnel expenses	(1,458)	(1,399)	(4.0)
Other administrative expenses	(753)	(758)	0.7
Adjustments to property, equipment and intangible assets	(192)	(157)	(18.2)
Operating costs	**(2,403)**	**(2,314)**	**(3.7)**
Operating margin	**2,250**	**1,822**	**(19.0)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(33)	(69)	109.1
Net adjustments to loans	(312)	(733)	134.9
Net impairment losses on other assets	(8)	(7)	(12.5)
Profits (Losses) on HTM and on other investments	13	0	(100.0)
Income before tax from continuing operations	**1,910**	**1,013**	**(47.0)**
Taxes on income from continuing operations	(608)	165 (1)	n.m.
Merger and restructuring related charges (net of tax)	(321)	(48)	(85.0)
Effect of purchase cost allocation (net of tax)	(131)	(95)	(27.5)
Income (Loss) after tax from discontinued operations	970	65	(93.3)
Minority interests	(71)	(25)	(64.8)
Net income	**1,749**	**1,075**	**(38.5)**

(1) Including €511m deferred taxation non-recurring positive impact from intangibles detaxation
Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09
Figures may not add up exactly due to rounding differences

1Q09 Net Income at €644m excluding main non-recurring items

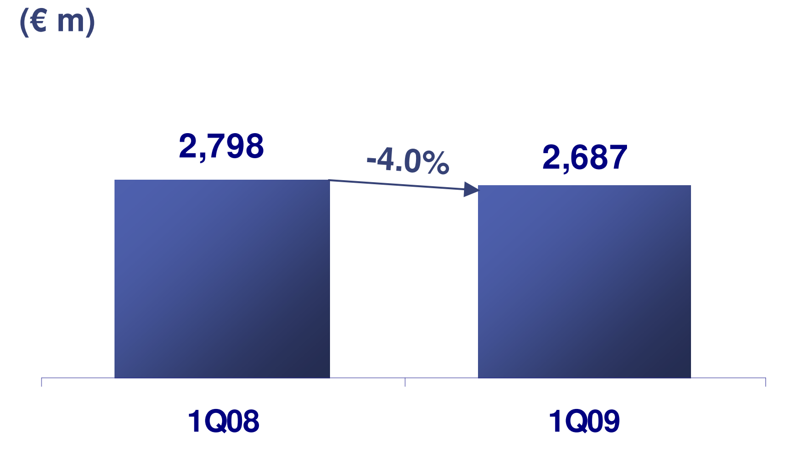
1Q08 Net Income (post-tax data)	
(€ m)	
Net Income	1,749
+ Integration charges	321
+ Amortisation of acquisition cost	131
- Capital gain on Antitrust 198 branches	953
Net Income adjusted	1,248

1Q09 Net Income (post-tax data)	
(€ m)	
Net Income	1,075
+ Integration charges	48
+ Amortisation of acquisition cost	95
- Capital gain on CR Orvieto and Antitrust 17 branches	63
- Deferred taxation non-recurring impact	511
Net Income adjusted	644

-48.4%

Decrease in Net interest income in line with expectations

Yearly Analysis

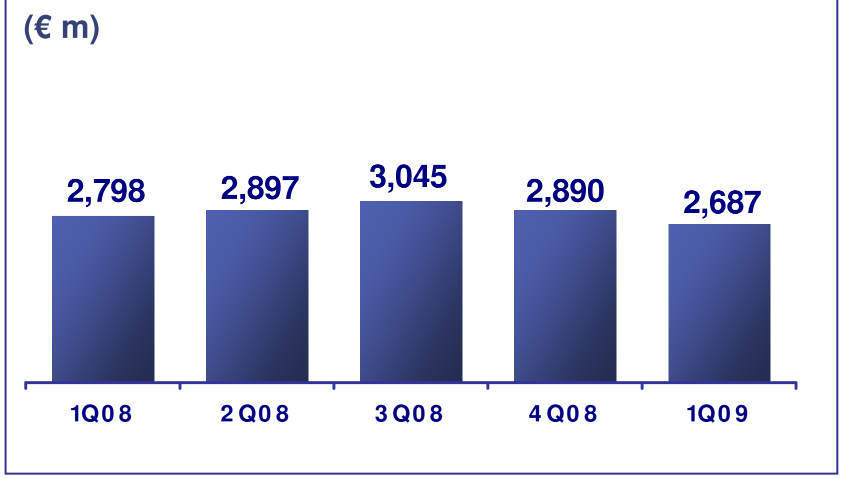


- Decrease mainly driven by tightening of spreads generated by mark-down reduction
- Selective increase in intermediated volumes with customers (average loans +6.7%)

Loans to Customers - Average volumes

	Δ%	Δ €bn
Retail Italy	+1.6	+1.8
SMEs	+2.9	+1.9
Mid-Corporate	+17.1	+4.4
Large Corporate	+18.4	+6.3
Public Finance	(3.7)[1]	(1.1)
International Subsidiary Banks Division	+22.4	+5.4

Quarterly Analysis



- 1Q09 vs 4Q08 decline due to the decrease in mark-down and fewer working days, partially offset by the increase in mark-up, selective growth in intermediated volumes with customers and hedging
- ALM actions taken aimed at reducing exposure to decreasing interest rates (e.g. net interbank position balanced as at 31.03.09 vs +€5bn as at 31.12.08)
- Re-pricing actions still underway aimed at further improving the mark-up
- 1Q09 average customers loans almost stable vs 4Q08 with a 1.9% decrease in the International Subsidiary Banks Division

(1) +0.2% including securities subscription

Decrease in Net Interest Income mainly due to mark-down

Δ 1Q09 vs 1Q08		
(€ m)		
1Q08 Net Interest Income		2,798
+ Operating impact		(202)
of which:		
- Volumes	141	
- Spread	(343)	
+ Hedging		170
+ Finance and Treasury		(99)
+ Other		19
1Q09 Net Interest Income		2,687

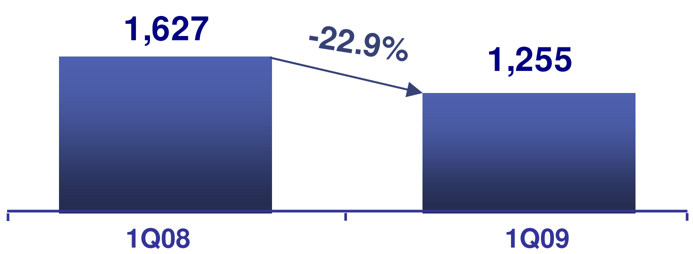
Δ 1Q09 vs 4Q08		
(€ m)		
4Q08 Net Interest Income		2,890
+ Operating impact		(389)
of which:		
- Volumes	22	
- Spread	(410)	
+ Hedging		170
+ Finance and Treasury		58
+ Other		(43)
1Q09 Net Interest Income		2,687

- **Full benefit from hedging to be registered as of 2Q09. For 2Q09 ~€300m benefit estimated**

1Q09 Net Fee and Commission Income almost stable vs 4Q08

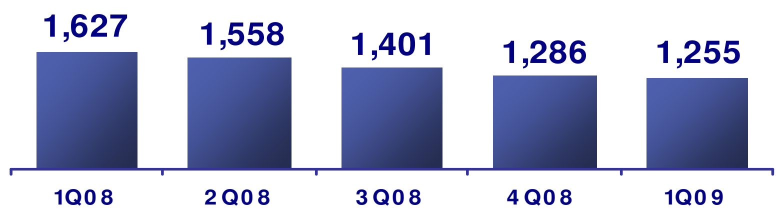
Yearly Analysis

(€ m)



Quarterly Analysis

(€ m)

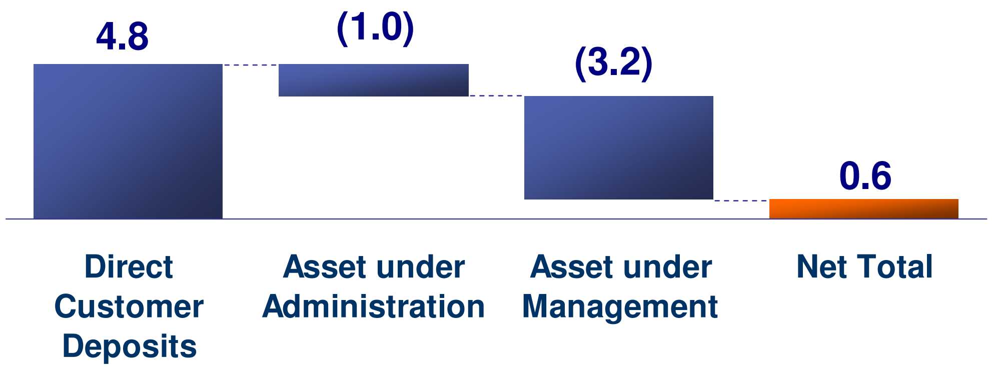


- Decrease concentrated in Management, dealing and consultancy activities (e.g. portfolio management, insurance products, placement of securities) mainly due to adverse market trends and customer risk aversion (-€358m; -39.2%)
- In 1Q09 commercial policy still focused on placement of Intesa Sanpaolo bonds (~€15bn placements, of which ~90% retail) and almost no placement of products with up-front fees (no placement of third-party bonds)

New flow of Customer financial assets remains positive into 1Q09

1Q09 retail Customer financial assets net flows in Italy(1)

(€ bn)

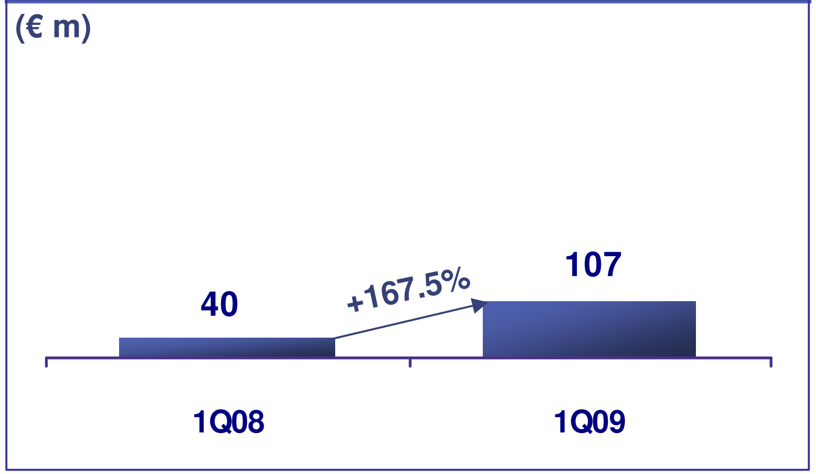


- **The switch back of Assets under Administration (more than €353bn) into Assets under Management provides potential for future growth in commissions with retail customers**

(1) Banca dei Territori Division (Retail) + Banca Fideuram

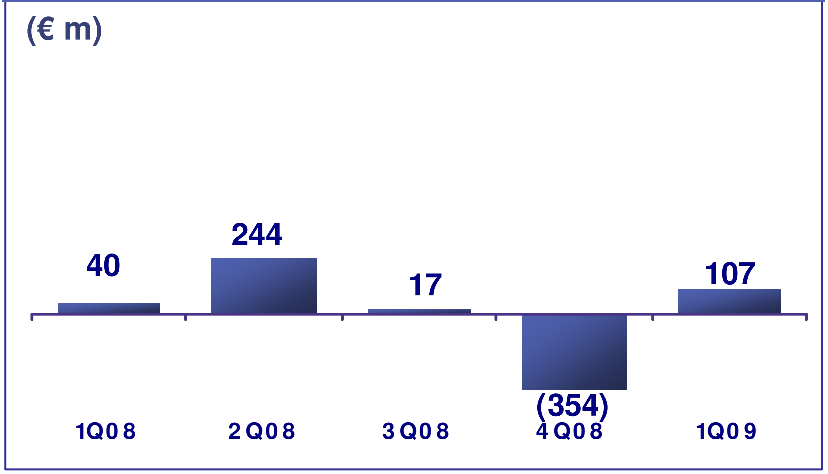
Healthy operating performance in trading profits despite continuing difficult market environment

Yearly Analysis



■ Increase mainly due to higher profits from capital markets

Quarterly Analysis



■ Return to solid positive results in 1Q09 despite on-going difficult market conditions due to healthy performance in capital markets and customer activities

1Q09 healthy trading profits from customers and capital markets

(€ m)	1Q08	2Q08	3Q08[1]	4Q08[1]	1Q09[1]
Total	**40**	**244**	**17**	**(354)**	**107**
of which:					
Customers	**135**	**153**	**101**	**88**	**104**
Capital markets & Financial assets AFS	**40**	**156**	**16**	**14**	**101**
Proprietary Trading and Treasury (excluding structured credit products)	**(15)**	**18**	**(67)**	**(80)**	**(19)**
Structured credit products (see next page and appendix)	**(120)**	**(83)**	**(33)**	**(376)**	**(79)**

(1) Without IAS reclassification the income statement would have included €141m of negative impact (of which €107m on Structured credit products) in 3Q08, €318m (of which €191m on Structured Credit Products) in 4Q08 and €81m (of which €83m on Structured credit products) in 1Q09

High quality of the structured credit products portfolio

US Subprime €27m

Net exposure(*) (€m)	31.12.08	31.03.09	
		Total	*of which at trading*
US Subprime	29	27	21
"Contagion" area	280	350	211
Monoline	0	5	5
Super senior Corporate Risk	2,336	1,731	1,731
European ABS/CDO	2,110	1,929	384
Other	737	1,350	433
Total	5,492	5,392	2,785

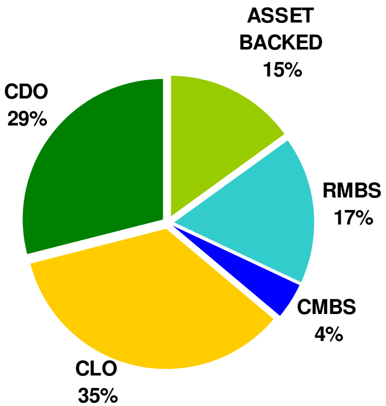
90% Investment Grade

Rating	%
Super senior	22%
AAA	36%
AA	26%
A	6%
BBB and other	10%

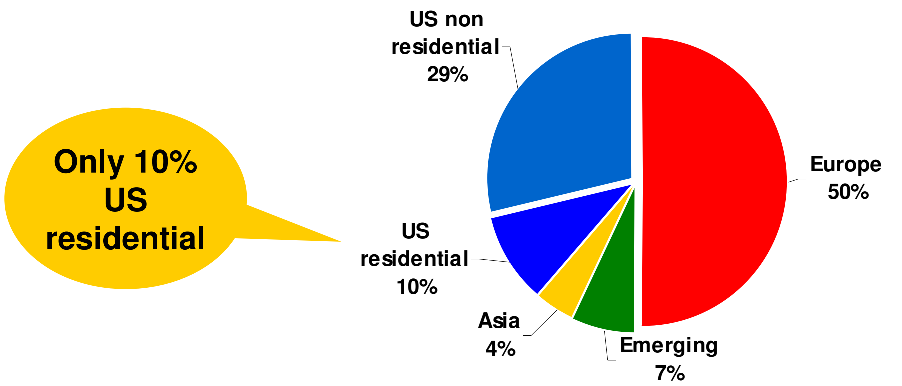
71% Vintage ≤ 2005

Vintage	%
Before 2005	40%
2005	31%
2006	17%
2007	12%

Products



Geographical area



■ **Fair value sensitivity of structured credit products book: -€10m(1) for +25bps of credit spreads**

(*) As for "long" positions, 69% valued through mark-to-model (100% of unfunded positions, 38% of funded positions, 100% of monoline risk and of non-monoline packages) and 31% through comparable approach (62% funded positions). As for "short" positions, 73% valued through mark-to-model (100% unfunded "short" positions, see page on Structured credit products: Other (3/4)), 20% valued through effective market quotes (100% of ABX and CMBX-CDS hedges and 55% of "short" positions of funds) and 7% valued through comparable approach (45% of "short" positions of funds)

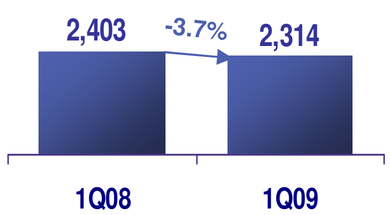
(1) -€25m if part of the Structured credit products had not been reclassified into Loans & Receivables for a total amount equal to €2,875m of nominal value and to €2,607m of net exposure leading to a total benefit in income statement for 1Q09 equal to €83m before tax

Excellent cost reduction

Yearly Analysis

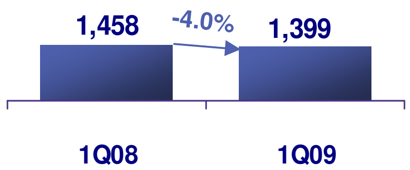
Operating Costs

(€ m)



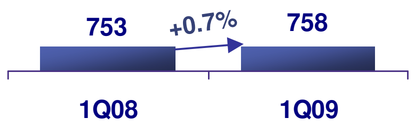
Personnel Expenses

(€ m)



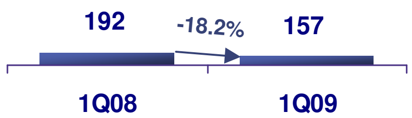
Other Administrative Expenses

(€ m)



Adjustments

(€ m)

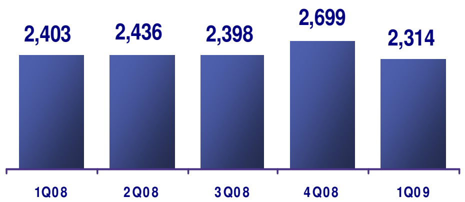


- Excellent cost reduction despite ongoing growth-related investments and benefiting - yet - only from ~68% of merger synergies
- Other Administrative Expenses increase due to intra-group VAT, despite initiatives aimed at limiting the impact
- Operating Costs 4.5% down in Italy

Quarterly Analysis

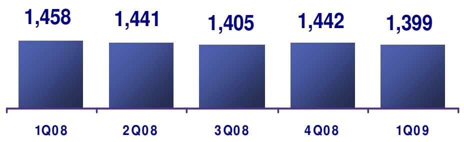
Operating Costs

(€ m)



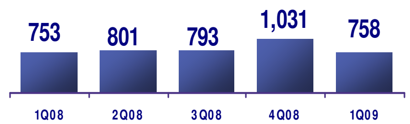
Personnel Expenses

(€ m)



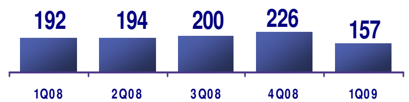
Other Administrative Expenses

(€ m)



Adjustments

(€ m)



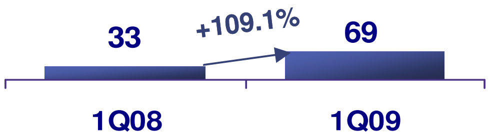
- 14.3% Operating cost decrease in 1Q09 vs 4Q08 due to staff reduction, write-off of IT assets made in 2008 - due to IT systems unification - and seasonal trend in Other Administrative Expenses and Adjustments

1Q09 cost of credit down after peaking in 4Q08

Yearly Analysis

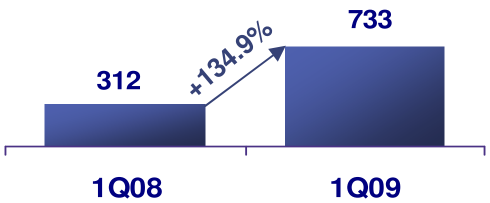
Net Provisions for risks and charges

(€ m)



Net Adjustments to Loans

(€ m)

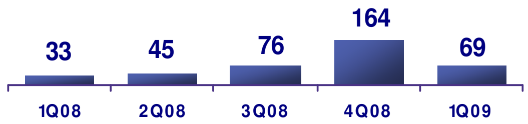


- 1Q09 conservative Net provisions for risks and charges
- 1Q09 Net Adjustments to Loans/Loans at 76bps annualised, the lower end of the range indicated in the 2009 Outlook disclosed in FY08 results presentation in March
- €135m increase in Performing Loans reserves on a yearly basis

Quarterly Analysis

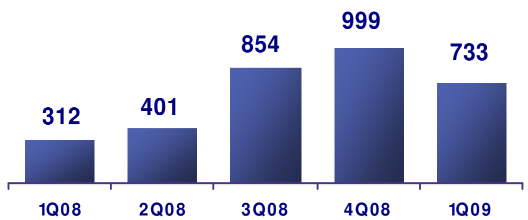
Net Provisions for risks and charges

(€ m)



Net Adjustments to Loans

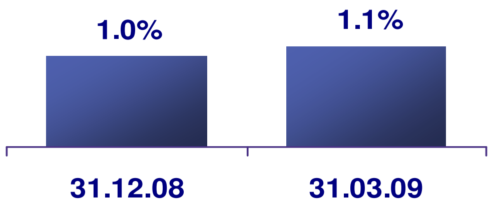
(€ m)



- Decrease in Net Adjustments to Loans after peaking in 4Q08 and 3Q08 affected by Lehman and Icelandic Banks
- Performing Loans reserves stable in 1Q09 (+€1m, to €2,443m)

More than adequate Doubtful Loans Coverage and Net Doubtful Loans/Loans substantially stable at 1.1%

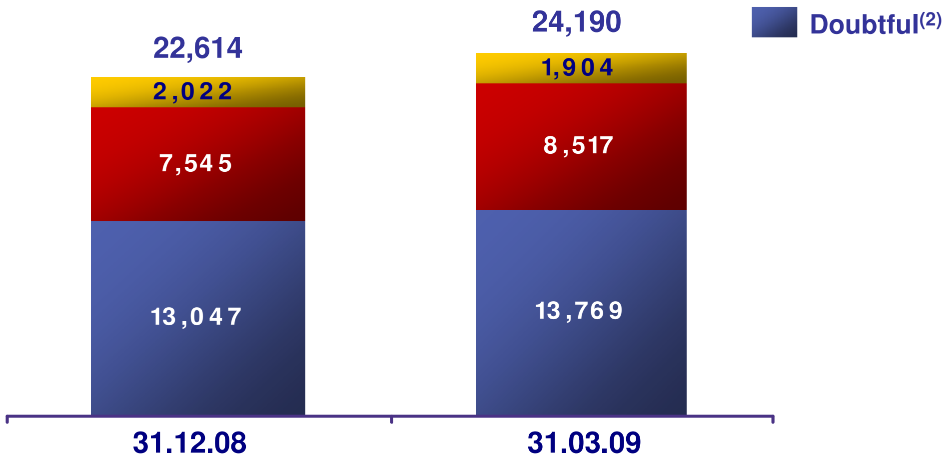
Net Doubtful Loans/Net Loans



- Doubtful Loans Specific Coverage at 69%
- Doubtful Loans Coverage at 125% including collateral and guarantees
- More than €2.4bn reserves on Performing Loans

Gross Non-Performing Loans

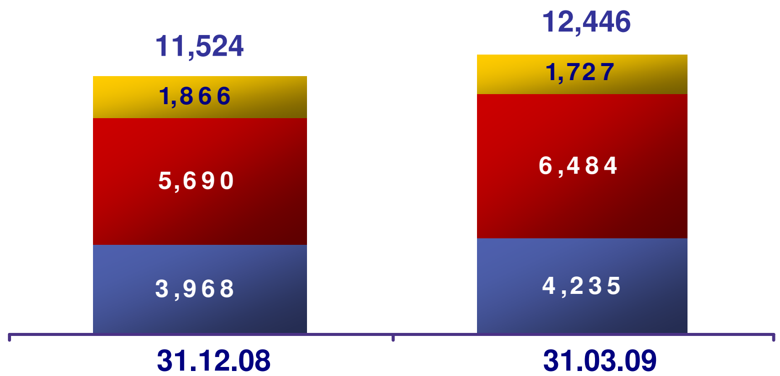
(€ m)



(1) *Incagli*
(2) *Sofferenze*

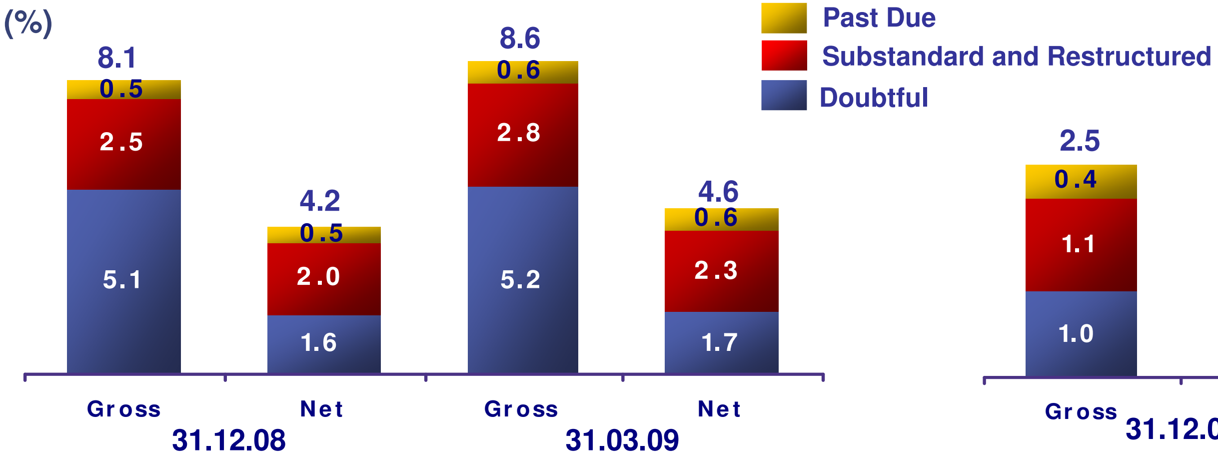
Net Non-Performing Loans

(€ m)

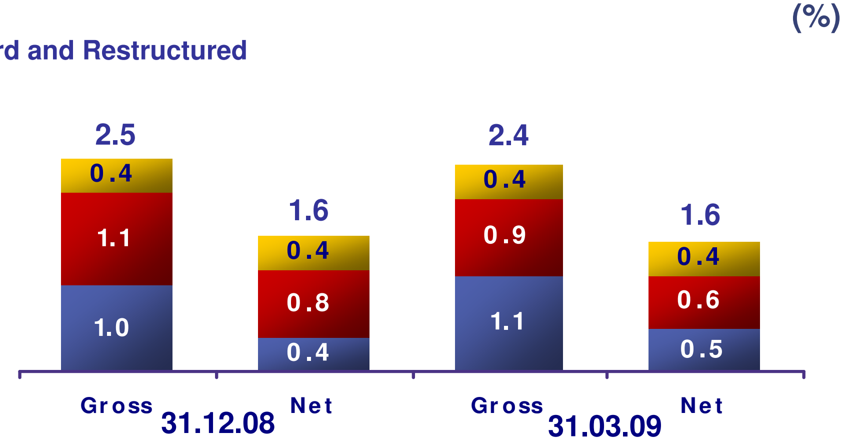


Non-Performing Loans/Loans per Business Unit

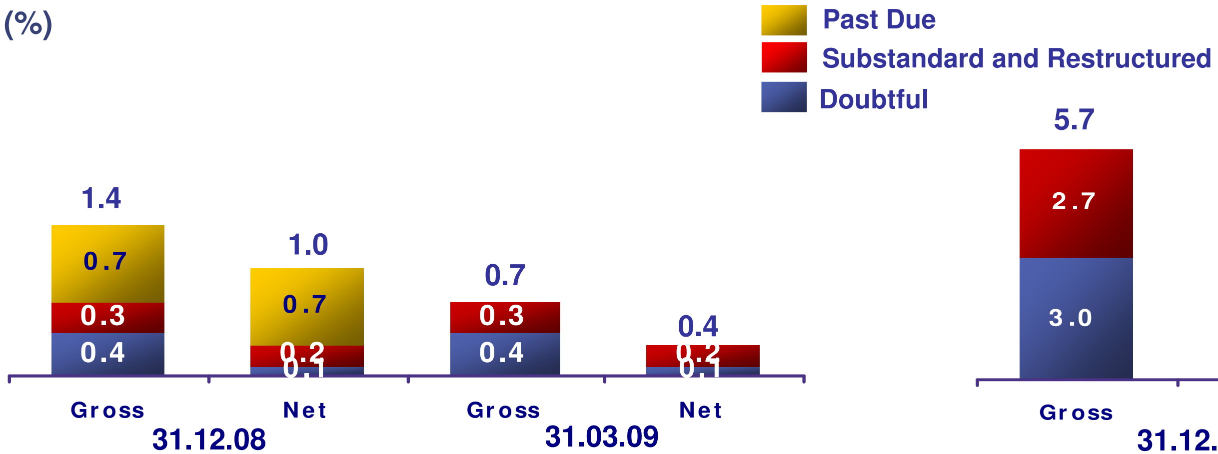
Banca dei Territori Division



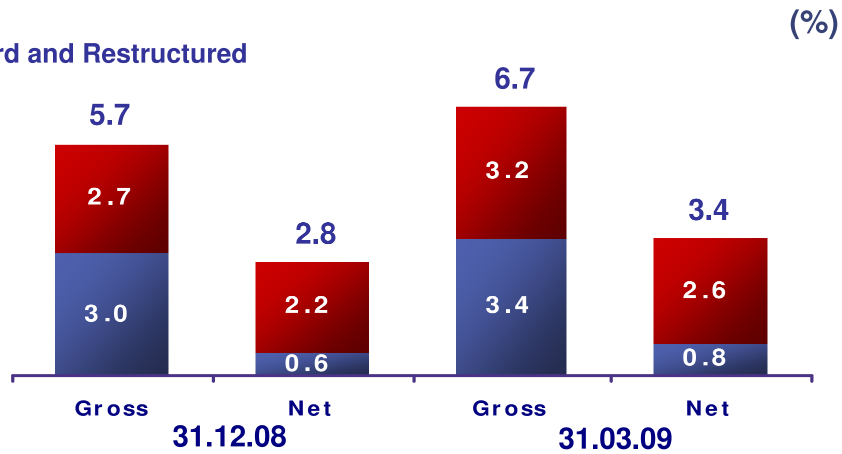
Corporate & Investment Banking Division



Public Finance

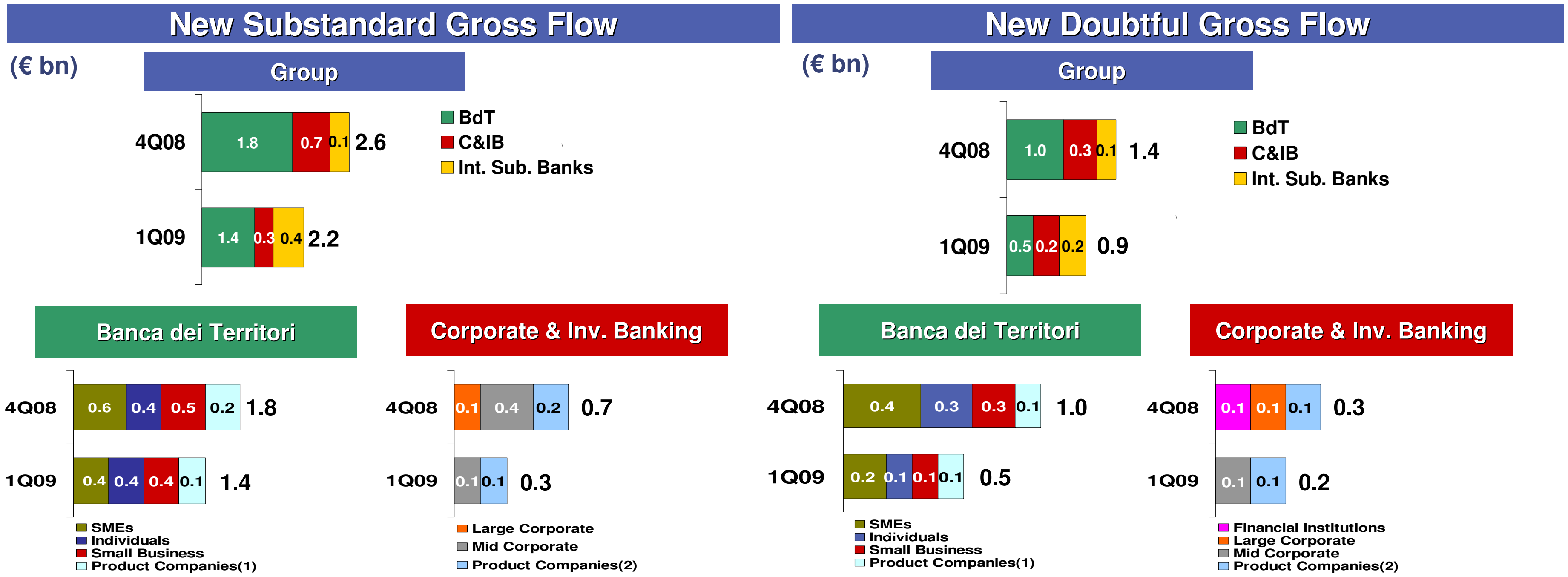


International Subsidiary Banks Division



Figures may not add up exactly due to rounding differences

Drop in new domestic Substandard and Doubtful Loans in 1Q09 vs. 4Q08

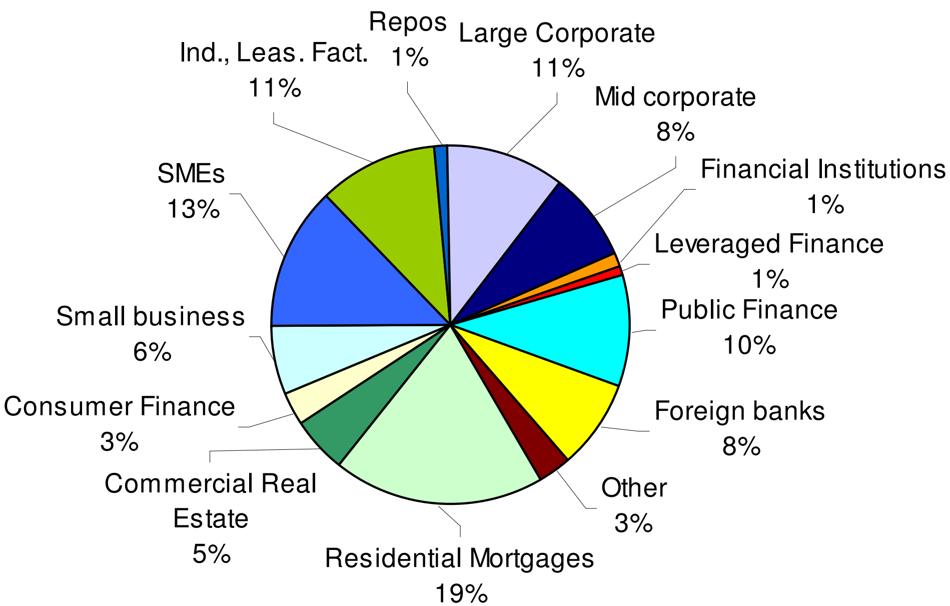


- **1Q09 new Substandard and Doubtful Loans flow increase vs 4Q08 only in International Subsidiary Banks Division**
- **New domestic Doubtful Loans flow mainly from sectors structurally more exposed to the economic cycle: distribution, fashion and services representing only 13% of the Group's loans in 1Q09, vs construction, distribution and fashion representing 15% of the Group's loans in 4Q08**
- **New domestic Substandard Loans flow mainly from economic sectors particularly exposed to the economic cycle representing overall only 24% of the Group's loans in 1Q09 (the same sectors in which the new Doubtful Loans flow is concentrated plus construction, metals and agriculture), vs 26% in 4Q08 (the same sectors in which the new Doubtful Loans flow was concentrated plus electronic, metals, transportation means and services)**

(1) Industrial credit
(2) Leasing and Factoring
Figures may not add up exactly due to rounding differences

Well diversified portfolio of Loans to Customers

Breakdown by business area
(Data as at 31.03.09)



- **Low risk profile of residential mortgage portfolio**
  - **Instalment/available income at 33%**
  - **Loan-to-Value average equal to 46%**
  - **Original average maturity equal to ~21 years**
  - **Residual average life equal to ~12 years**

Breakdown by economic business sectors

	31.12.08	31.03.09
Loans of the Italian banks and companies of the Group		
Households	**23.7%**	**23.0%**
Public Administration	**4.0%**	**4.3%**
Financial companies	**3.7%**	**4.7%**
Non-financial companies	**51.4%**	**50.2%**
of which:		
HOLDING, FINANCIAL COMPANIES AND OTHER	9.6%	9.7%
CONSTRUCTION AND MATERIALS FOR CONSTR.	7.1%	7.1%
DISTRIBUTION	6.5%	6.3%
SERVICES	5.3%	5.3%
UTILITIES	3.1%	2.9%
METALS AND METAL PRODUCTS	2.7%	2.6%
TRANSPORT	2.5%	2.4%
TRANSPORTATION MEANS	1.9%	1.8%
MECHANICAL	1.7%	1.7%
FOOD AND DRINK	1.8%	1.7%
FASHION	1.4%	1.4%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.5%	1.4%
AGRICULTURE	1.4%	1.3%
ELECTROTECHNICAL AND ELECTRONIC	1.2%	1.2%
ENERGY AND EXTRACTION	1.4%	0.8%
PUBLISHING AND PRINTING	0.5%	0.5%
BASE AND INTERMEDIATE CHEMICALS	0.5%	0.5%
FURNITURE	0.4%	0.4%
OTHER CONSUMPTION GOODS	0.3%	0.3%
PHARMACEUTICAL	0.3%	0.3%
WHITE GOODS	0.2%	0.2%
MASS CONSUMPTION GOODS	0.1%	0.1%
Rest of the world	**7.4%**	**8.2%**
Loans of the foreign banks and companies of the Group	**8.8%**	**8.6%**
Doubtful Loans	**1.0%**	**1.1%**
TOTAL	**100.0%**	**100.0%**

Bolstering capital ratios

	Capital ratios as at 31.03.09 Basel 2 (Foundation)	Estimated benefits from Tremonti Bonds	Pro forma capital ratios
Core Tier 1 ratio	6.4%	1.0%	7.4%
Tier 1 ratio	7.2%	1.0%	8.2%
Total Capital ratio	10.5%	1.0%	11.5%
RWA (€bn)	378.7		

~150bps
potential benefit from capital management actions on non-core assets with a total book value of ~€9.5bn, of which ~€5bn deducted from Core Tier 1, and RWA of ~€15bn

- **Fully executing the internal model extension plan to the Advanced model(1) produces a benefit that - on the basis of the current economic situation - can be estimated at a further 25bps on the Core Tier 1 ratio, to be achieved mainly in 2009-2010**

(1) Subject to the Bank of Italy approval

Divisional Financial Highlights

(Figures as at 31.03.09)	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Capital	Banca Fideuram	Corporate Centre / Others	Total
Operating Income (€ m)	2,584	838	115	541	68	153	(163)	4,136
Operating Margin (€ m)	1,077	612	95	256	38	74	(330)	1,822
Net income (€ m)	399	289	54	81	17	28	207	1,075
Cost/Income (%)	58.3	27.0	17.4	52.7	44.1	51.6	n.m.	55.9
RWA (€ bn)	154.8	134.6	15.6	32.5	1.5	4.5	35.2	378.7
Allocated Capital[1] (€ bn)	10.1	8.1	0.9	2.0	0.1	0.3	2.1	23.5
Direct Customer Deposits (€ bn)	220.4	106.3	5.0	26.8	n.m.	6.4	71.4	436.3
Loans to Customers (€ bn)	188.5	110.5	39.8	29.5	n.m.	1.8	17.3	387.5
EVA ® (€ m)	279	97	32	12	24	41	(39)	446

(1) Allocated capital = 6% RWA (Basel 2 Foundation) + insurance risk, allocated capital for Eurizon Capital and Banca Fideuram = 6% RWA + business risk
Figures may not add up exactly due to rounding differences

Banca dei Territori: volume growth and cost reduction

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	1,864	1,706	(8.5)
Dividends and P/L on investments carried at equity	14	6	(57.1)
Net fee and commission income	1,034	772	(25.3)
Profits (Losses) on trading	30	29	(3.3)
Income from insurance business	79	63	(20.3)
Other operating income (expenses)	13	8	(38.5)
Operating income	**3,034**	**2,584**	**(14.8)**
Personnel expenses	(937)	(885)	(5.5)
Other administrative expenses	(626)	(609)	(2.7)
Adjustments to property, equipment and intangible assets	(14)	(13)	(7.1)
Operating costs	**(1,577)**	**(1,507)**	**(4.4)**
Operating margin	**1,457**	**1,077**	**(26.1)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(20)	(23)	15.0
Net adjustments to loans	(250)	(370)	48.0
Net impairment losses on other assets	0	(3)	n.m.
Profits (Losses) on HTM and on other investments	1	0	(100.0)
Income before tax from continuing operations	**1,188**	**681**	**(42.7)**
Taxes on income from continuing operations	(388)	(225)	(42.0)
Merger and restructuring related charges (net of tax)	(245)	(34)	(86.1)
Effect of purchase cost allocation (net of tax)	(92)	(64)	(30.4)
Income (Loss) after tax from discontinued operations	7	51	628.6
Minority interests	(16)	(10)	(37.5)
Net income	**454**	**399**	**(12.1)**

	1Q08 Restated	1Q09
EVA® (€ m)	**591**	**279**

Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09. Data includes the CR Firenze Group
Figures may not add up exactly due to rounding differences

- Organisational structure finetuned only in Jan-Feb
- NII down due to the strong decline in mark-down affected by market yields, partially offset by the increase in mark-up, hedging and growth in volumes
- Decline in commissions mainly due to lower contribution from AuM (performance effect and customer risk aversion) and to almost no placement of products with up-front fees
- 1Q09 commercial policy mainly focused on placement of Intesa Sanpaolo bonds
- Operating Costs down 4.4%
- Net adjustments to loans down sharply vs 4Q08 peak (-42.5%) due to close monitoring of credit quality
- Increase in provisions vs 1Q08 largely due to SMEs

Eurizon Capital: increase in market share and excellent cost reduction

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	2	1	(50.0)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	97	59	(39.2)
Profits (Losses) on trading	2	2	0.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	6	n.m.
Operating income	**101**	**68**	**(32.7)**
Personnel expenses	(15)	(13)	(13.3)
Other administrative expenses	(25)	(17)	(32.0)
Adjustments to property, equipment and intangible assets	(1)	0	(100.0)
Operating costs	**(41)**	**(30)**	**(26.8)**
Operating margin	**60**	**38**	**(36.7)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(1)	0	(100.0)
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	**59**	**38**	**(35.6)**
Taxes on income from continuing operations	(17)	(11)	(35.3)
Merger and restructuring related charges (net of tax)	(1)	0	(100.0)
Effect of purchase cost allocation (net of tax)	(16)	(10)	(37.5)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**25**	**17**	**(32.0)**

	1Q08 Restated	1Q09
EVA ® (€ m)	**40**	**24**

- **Leading asset manager in Italy with €126bn of AuM**
- **1Q09 increase in mutual funds market share: 19.8% vs 19.4% as at 31.12.08**
- **Operating income down due to the decrease in AuM also impacted by the performance effect**
- **Excellent cost reduction (-26.8%)**
- **Operating margin up vs 4Q08 (+1.5%)**

Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09
Figures may not add up exactly due to rounding differences

Corporate and Investment Banking: strong increase in Operating Margin and Net income

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	373	491	31.6
Dividends and P/L on investments carried at equity	3	1	(66.7)
Net fee and commission income	223	245	9.9
Profits (Losses) on trading	4	84	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	16	17	6.3
Operating income	**619**	**838**	**35.4**
Personnel expenses	(97)	(94)	(3.1)
Other administrative expenses	(133)	(130)	(2.3)
Adjustments to property, equipment and intangible assets	(4)	(2)	(50.0)
Operating costs	**(234)**	**(226)**	**(3.4)**
Operating margin	**385**	**612**	**59.0**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(1)	(3)	200.0
Net adjustments to loans	(23)	(173)	652.2
Net impairment losses on other assets	(3)	(1)	(66.7)
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**358**	**435**	**21.5**
Taxes on income from continuing operations	(109)	(142)	30.3
Merger and restructuring related charges (net of tax)	(12)	(4)	(66.7)
Effect of purchase cost allocation (net of tax)	3	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**240**	**289**	**20.4**

EVA® (€ m)	**65**	**97**

- **Excellent revenue increase (+35.4%) due to outstanding Net interest income growth, nearly double-digit increase in commissions and sound performance of Profits on trading**
- **Net interest income growth sustained by strong and selective development in Loans to customers and increase in mark-up due to effective re-pricing**
- **Sizeable reduction in Operating costs (-3.4%)**
- **Operating margin up ~3x vs 4Q08**
- **Cost/income down 10.8pp at 27.0%**
- **Increase in Net adjustments to loans in line with expectations and mainly due to mid-corporate clients**
- **1Q09 Net income at €289m (+20.4% vs 1Q08)**

Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09. Data includes results of Proprietary trading
Figures may not add up exactly due to rounding differences

Public Finance: Operating margin and Pre-tax income more than doubled

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	66	114	72.7
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	16	10	(37.5)
Profits (Losses) on trading	(18)	(11)	(38.9)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	2	n.m.
Operating income	**64**	**115**	**79.7**
Personnel expenses	(9)	(9)	0.0
Other administrative expenses	(12)	(11)	(8.3)
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(21)**	**(20)**	**(4.8)**
Operating margin	**43**	**95**	**120.9**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	1	1	0.0
Net adjustments to loans	1	(4)	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	**45**	**92**	**104.4**
Taxes on income from continuing operations	(16)	(37)	131.3
Merger and restructuring related charges (net of tax)	(1)	0	(100.0)
Effect of purchase cost allocation (net of tax)	(1)	(1)	0.0
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**27**	**54**	**100.0**

	1Q08 Restated	1Q09
EVA ® (€ m)	**3**	**32**

Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09
Figures may not add up exactly due to rounding differences

- **Strong growth in Net interest income mainly due to higher spreads**
- **4.8% reduction in Operating costs also due to merger synergies**
- **Cost/Income ratio at 17.4%, down 15.4pp**
- **1Q09 Net income at €54m doubled vs 1Q08**

International Subsidiary Banks: growth in Operating margin

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	319	350	9.7
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	145	125	(13.8)
Profits (Losses) on trading	59	69	16.9
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(2)	(3)	50.0
Operating income	**521**	**541**	**3.8**
Personnel expenses	(145)	(146)	0.7
Other administrative expenses	(100)	(104)	4.0
Adjustments to property, equipment and intangible assets	(33)	(35)	6.1
Operating costs	**(278)**	**(285)**	**2.5**
Operating margin	**243**	**256**	**5.3**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(4)	11	n.m.
Net adjustments to loans	(41)	(170)	314.6
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	2	1	(50.0)
Income before tax from continuing operations	**200**	**98**	**(51.0)**
Taxes on income from continuing operations	(35)	(17)	(51.4)
Merger and restructuring related charges (net of tax)	(1)	0	(100.0)
Effect of purchase cost allocation (net of tax)	1	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**165**	**81**	**(50.9)**

EVA ® (€ m)	**93**	**12**

- Increase in Net interest income driven by the sizeable increase in average customer loans (+22.4%) and largely in Slovakia (+€18m) and Egypt (+€14m)
- 1Q09 average customer loans down 1.9% vs 4Q08
- Increase in Operating costs mainly due to the expansion of commercial network (+85 branches)
- Revenues and Operating margin up 10% excluding exchange rate impact
- Cost/Income ratio down to 52.7%
- Increase in Net adjustment to loans in line with expectations

Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09
Figures may not add up exactly due to rounding differences

Banca Fideuram: market leader and stable Net income

(€ m)	1Q08 Restated	1Q09	Δ%
Net interest income	37	43	16.2
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	121	98	(19.0)
Profits (Losses) on trading	0	12	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	3	0	(100.0)
Operating income	**161**	**153**	**(5.0)**
Personnel expenses	(32)	(30)	(6.3)
Other administrative expenses	(48)	(45)	(6.3)
Adjustments to property, equipment and intangible assets	(4)	(4)	0.0
Operating costs	**(84)**	**(79)**	**(6.0)**
Operating margin	**77**	**74**	**(3.9)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(7)	(11)	57.1
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	**70**	**63**	**(10.0)**
Taxes on income from continuing operations	(14)	(14)	0.0
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(27)	(21)	(22.2)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**29**	**28**	**(3.4)**

	1Q08	1Q09
EVA® (€ m)	**44**	**41**

- Market leader with ~€60bn of customer financial assets (of which 67% AuM) and ~4,200 Private bankers
- €21m positive net inflow of customer financial assets in 1Q09 (€345m in FY08) driven by growth of Assets under Administration (+€263m)
- Slight decrease in customer financial assets (-1.0% vs 31.12.08) entirely due to performance effect
- Strong growth in Net interest income
- 1Q09 Operating margin almost doubled vs 4Q08
- Operating Costs down 6.0%
- 1Q09 Net income stable at €28m

Note: 1Q08 figures restated to reflect the scope of consolidation for 1Q09
Figures may not add up exactly due to rounding differences

Conclusions

- 1Q09 healthy and sustainable operating performance
- Excellent liquidity profile
- Adequate capital strength
- Low risk profile
- Unique positioning in the domestic retail market
- High ability to control costs

1Q09 Results are fully in line with 2009 Outlook and reinforce ISP's position as one of the most solid international banking Groups

Appendix

Methodological note

- **Main non-recurring items include: the conservative valuation on structured credit products (€184m in 4Q08), charges on expired bank drafts (€102m in 4Q08), integration charges, amortisation of acquisition cost, provisions on Lehman and on Icelandic banks (€9m in 4Q08), capital gains on disposals of 198 Antitrust branches (€1,372m in 1Q08), Centrale dei Bilanci (€89m in 4Q08), CR Orvieto and 17 Antitrust branches (€83m in 1Q09), impairment of LSE, Natixis, Telco, Fideuram, Eurizon Capital, Pravex-Bank (Ukraine), other equity investments and intangibles (€3,050m in 4Q08) and non-recurring impact on deferred tax (+€1,629m in 4Q08 and +€511m in 1Q09)**

- **The amendment to IAS 39 adopted by the European Union permitted the reclassification of Financial assets held for trading and/or available for sale into other categories. Following a clear change in the Company's intention taken as a result of unusual events, Intesa Sanpaolo reclassified €4,213m Financial assets held for trading into Loans & Receivables, €165m Financial assets held for trading into Financial assets available for sale and €5,858m Financial assets available for sale into Loans & Receivables. This reclassification reflected management intent to hold for the foreseeable future those assets for which the current and expected future market conditions no longer permit active management. Without this reclassification the 1Q09 income statement would have included €81m(1) as negative impact from fair value measurement, while the Shareholders' equity would have included €828m(1) as negative direct impact as at 31.03.09 (€34m(1) as positive impact in 1Q09)**

(1) Before tax data

Tremonti Bonds “insurance policy” (1/2)

- **The Tremonti Bonds “insurance” is cheaper and more flexible than both equity and Tier 1**
  - **annual cost of coupon, non tax deductible, charged to Net Income:**
    - **8.5% for the first four years**

    or, where higher:
    - **ordinary share dividend yield[1] x105% for 2009, x110% for 2010 and x115% for 2011-2012, capped at 15% of principal**
  - **redeemable at any time; at par where redemption is made by 30 June 2013**

- **Tremonti Bonds impact on shareholders**
  - **no dilution in terms of number of shares**
  - **possible attributable EPS dilution due to coupon payment on a €4bn issue limited to 2.7 euro cents with a 8.5% coupon, up to a maximum 4.7 euro cents with a 15% coupon**

(1) Measured as DPS on stock price at the time of the bond issue

Tremonti Bonds "insurance policy" (2/2)

"Brevity is the soul of wit"

Hamlet [Act 2, scene 2, 90]

ISP envisages:

- **reimbursing the Tremonti Bonds by 30 June 2013. The "lost" solvency will be replaced with recurring cash generation and disposal of a pool of non-core assets**
- **recommencing cash dividend distribution taking into account reimbursement of the Tremonti Bonds, business conditions and capital requirements**
- **paying progressive cash dividends reflecting long-term confidence in the business**

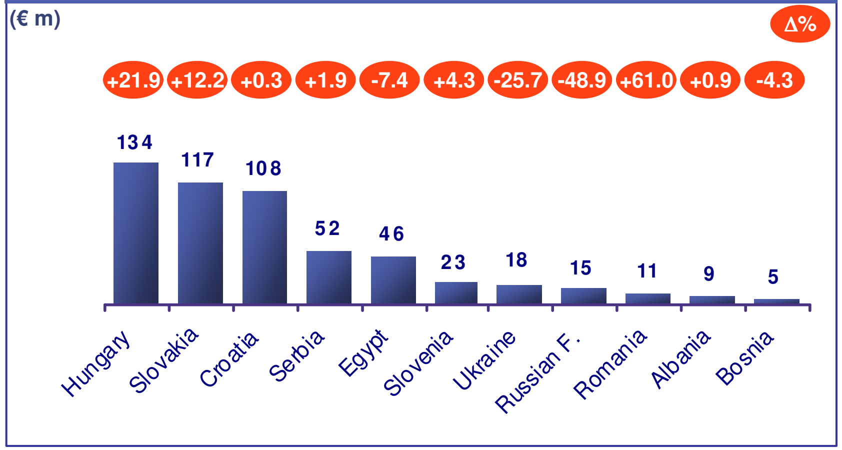
Quarterly P&L Analysis

(€ m)	1Q08	2Q08	3Q08	4Q08	1Q09
	Restated				
Net interest income	2,798	2,897	3,045	2,890	2,687
Dividends and P/L on investments carried at equity	66	29	13	30	(6)
Net fee and commission income	1,627	1,558	1,401	1,286	1,255
Profits (Losses) on trading	40	244	17	(354)	107
Income from insurance business	79	107	43	171	64
Other operating income (expenses)	43	92	84	(49)	29
Operating income	**4,653**	**4,927**	**4,603**	**3,974**	**4,136**
Personnel expenses	(1,458)	(1,441)	(1,405)	(1,442)	(1,399)
Other administrative expenses	(753)	(801)	(793)	(1,031)	(758)
Adjustments to property, equipment and intangible assets	(192)	(194)	(200)	(226)	(157)
Operating costs	**(2,403)**	**(2,436)**	**(2,398)**	**(2,699)**	**(2,314)**
Operating margin	**2,250**	**2,491**	**2,205**	**1,275**	**1,822**
Goodwill impairment	0	0	0	(1,065)	0
Net provisions for risks and charges	(33)	(45)	(76)	(164)	(69)
Net adjustments to loans	(312)	(401)	(854)	(999)	(733)
Net impairment losses on other assets	(8)	(3)	(40)	(898)	(7)
Profits (Losses) on HTM and on other investments	13	284	177	(208)	0
Income before tax from continuing operations	**1,910**	**2,326**	**1,412**	**(2,059)**	**1,013**
Taxes on income from continuing operations	(608)	(701)	(488)	1,617	165
Merger and restructuring related charges (net of tax)	(321)	(68)	(86)	(182)	(48)
Effect of purchase cost allocation (net of tax)	(131)	(153)	(148)	(656)	(95)
Income (Loss) after tax from discontinued operations	970	(5)	11	60	65
Minority interests	(71)	(41)	(27)	(8)	(25)
Net income	**1,749**	**1,358**	**674**	**(1,228)**	**1,075**

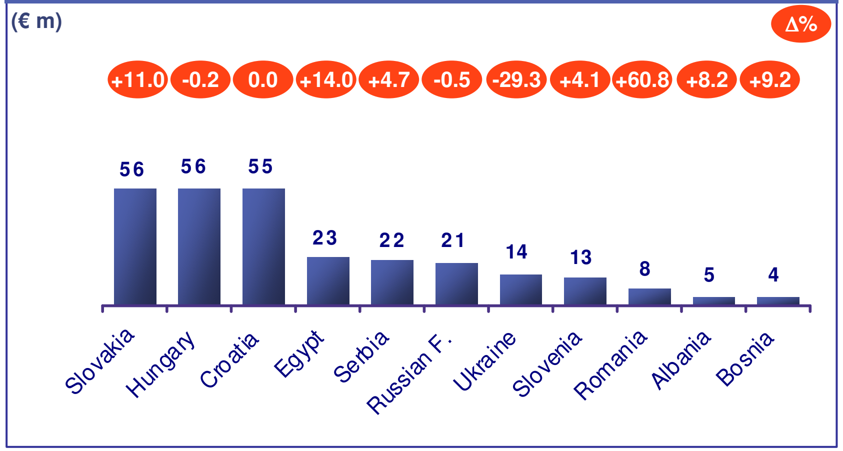
Note: 2008 figures restated to reflect scope of consolidation for 1Q09

International Subsidiary Banks: figures by Country 1Q09 vs 1Q08

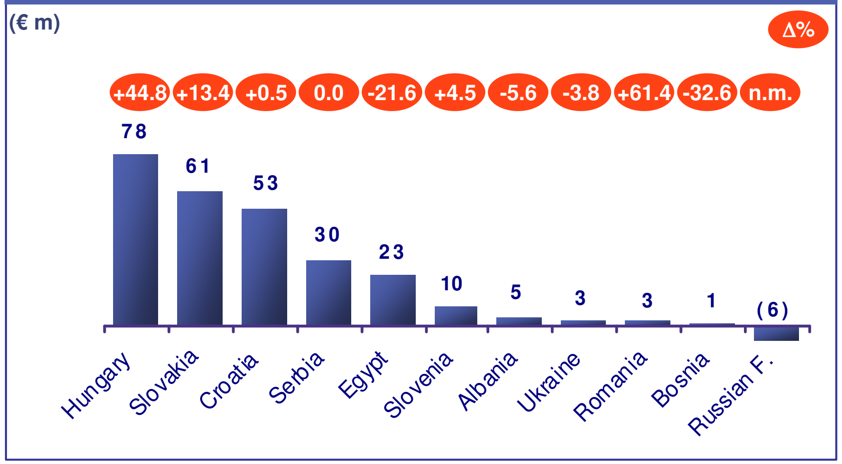
Operating Income



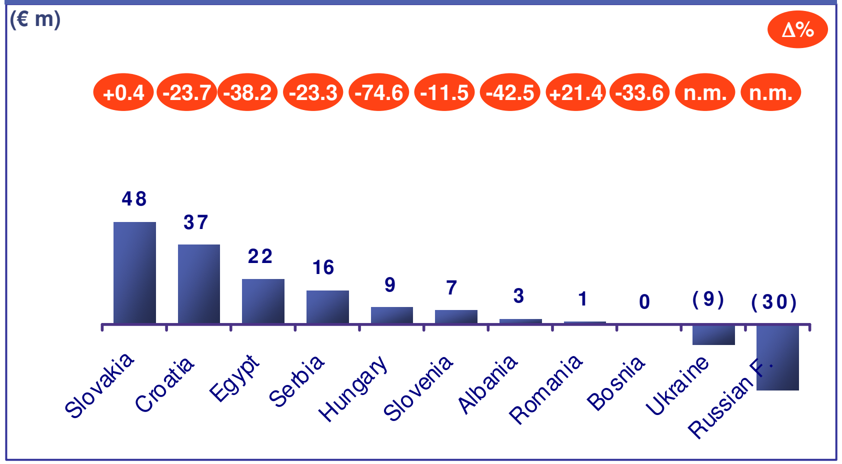
Operating Costs



Operating Margin



Pre-Tax Income[(1)]



(1) Income before tax from continuing operations

Structured credit products: no material exposure to US Subprime

(€m)	Position as at 31.03.09			31.03.09 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs) (1)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Funded ABS(2)	14	**1**	-13	0	0	
Funded CDOs	28	**3**	-25	0	0	
Unfunded super senior CDOs(3)	212	**17**	-195	-1	-1	0
Other(4)	9	**6**	-3			
"Long" positions	263	**27**	-236	-1	-1	
ABX indices position	11	**0**	-11	0	3	-3
Net position(5)	"long" 274	**"long" 27**	-247	-1	2	-3

Note: By US subprime exposure, Intesa Sanpaolo means products - cash investments (securities and funded CDOs) and derivative positions (unfunded CDOs) - with collateral mainly made up of non-prime US residential mortgages (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 ratio. Others have been collateralised with US residential mortgages granted before 2005 with a FICO score under 629 and Loan-to-Value over 90% (as at 31.03.09, unchanged with respect to our disclosure dated 31.12.08, the weight of this second product class is immaterial in the Intesa Sanpaolo Group portfolio). The risk on these investments was managed and reduced via "short" positions on ABX indices. These positions have been actively managed on the basis of market movements and portfolio investment write-downs. The write-down has been partially offset by the earnings from the sale of the short positions on ABX indices initially underwritten

(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, on the other hand, they indicate the maximum potential gain (in the same scenario in terms of default and recovery level). For assets reclassified into Loans & Receivables risk exposure is the book value, equal to fair value as at the reclassification date, increased by the accrued interests calculated at actual interest rate and net of portfolio value adjustments*

(2) *The ABS funded component has a AAA rating for 38%, a B rating for 52%, and a CC rating for the remaining 10%. The original LTV ratio is at 91%, while the 30-60-90 day average delinquency is 5%, 2% and 8% respectively. Cumulated loss on the collateral is at 28%. These positions are in part listed on active markets (ABX indices) and are therefore valued using market quotes. In part they are non-listed on active markets (funded and unfunded super senior ABS-CDOs) and are thus valued using the comparable approach or the mark-to-model approach*

(3) *With mezzanine collateral. Including a position with underlying assets made up of 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*

(4) *Risk position classified into Loans & Receivables coming from the Romulus vehicle (fully consolidated entity) and transferred to the Parent company in 1Q09. 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 31.03.09, the portfolio of investments included €286m of nominal value of financial assets, reclassified into Loans & Receivables, with a benefit on Shareholders' equity for 2008 and 1Q09 equal to €31m before tax. Of the €286m, €8m were attributable to the "contagion" area (see page on "Contagion" area (2/4), Multisector CDOs) and €278m to other structured credit products (see page on Other (4/4)). Negative fair value measurements were recorded at the time of reclassification on securities for an amount of €38m, of which -€1m (with a benefit of €2m) on positions attributed to the so-called "contagion" area (see page on "Contagion" area (2/4), Multisector CDOs) and -€37m (with a benefit of €29m) on securities which fall under other structured credit products (see page on Other (4/4))*

(5) *The net nominal exposure of €274m as at 31.03.09 compares with €269m reported as at 31.12.08*

Structured credit products: no material exposure to Monoline (1/2)

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 fall into two categories of activity performed by Intesa Sanpaolo: packages(2) and fully hedged(3) credit derivative transactions

Monoline

- **Net counterparty risk exposure totalled €5m as at 31.03.09 (€0m as at 31.12.08)**
- **1Q09 income statement impact(4) €3m (2008 -€94m)**

- **72% vs MBIA**
- **28% vs other monoline with rating between AA and A-**

(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, nominal value as at 31.03.09: €528m (€529m as at 31.12.08), wholly held by Banca Infrastrutture Innovazione e Sviluppo, are made up for 59% of ABS with underlying Italian health receivables and for the remaining portion by financings of infrastructures; they are all recorded in the banking book, 96% in the Loans & Receivables (L&R) portfolio and for the remaining portion in securities available for sale. 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 the major borrowers are all Investment Grade and that ABS with underlying Italian health receivables are also all 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 valuations did not have any impact on Profits (Losses) on trading, with the exception of those with the reference 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 a 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 €117m nominal value as at 31.03.09, securities with US RMBS collateral with a significant subprime content (equal to 32.6%)*

(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 result in exposure to the market risk generated by the underlying asset, but with the sole counterparty risk generated by the "short" position in the protection purchase*

(4) *Write-downs*

Structured credit products: no material exposure to Monoline (2/2)

(€m)	Position as at 31.03.09					31.03.09 income statement Profits (Losses) on trading
	Nominal value of the underlying asset	Fair value of the underlying asset (net of accrued interests)	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
Positions in Packages						
US RMBS with a significant Subprime content	167	76	91	**5**	-86	2
Sub-Total	167	76	91	**5**	-86	2
Positions in other derivatives						
Other underlying assets	151	124	27	**0**	-27	1
Total	318	200	118	**5**	-113	3

Structured credit products: "contagion" area - good quality of structures (1/4)

- **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
- €212m, of which €13m in Loans & Receivables, "long" positions as at 31.03.09 (€137m as at 31.12.08), including €53m CMBX-CDS index hedging against which there are investments in funds with "short" positions on the US credit market of €68m (€65m as at 31.12.08)
- 1Q09 income statement impact(1) -€31m (2008 -€62m)

- *Collateral*: 47% US RMBS (for 61% *vintage* prior to 2005 and an average 4.3% exposure to subprime); 21.3% European ABS; 16.5% CDO; 3% CMBS; 6% HY CBO; 1% Consumer ABS
- Average Rating BBB
- Average Attachment point 13%
- Written down by 53% 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 but characterised by penalising factors, mostly incomplete documentation, which do not permit their classification in standard prime contracts

Alt-A
- Net risk exposure totalled €78m (entirely in Loans & Receivables) as at 31.03.09 (€78m as at 31.12.08)
- 1Q09 income statement impact(1) €0m (2008 -€2m)

- Rating: 65% AAA, 11% AA, 15% A, 7% BBB and 1% BB
- 100% 2005 Vintage
- No Agency component: 70% average original LTV, 5% cumulated loss, 30-60-90 day average delinquency is 4.3%, 2.1% and 2.6% respectively
- Valued using the effective market quotes approach

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

TruPS
- Net risk exposure totalled €80m as at 31.03.09 (€82m as at 31.12.08)
- 1Q09 income statement impact(1) -€4m (2008 -€63m)

- Rating positions unfunded B+ and B-, funded BBB
- Average Attachment point 38%
- Written down by 67% 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 €48m (entirely in Loans & Receivables) as at 31.03.09 (€48m as at 31.12.08)
- 1Q09 income statement impact(1) €0m (2008 -€3m)

- 100% AAA Rating
- 100% 2005 Vintage
- 65% average original LTV
- 0.7% cumulated loss
- 30-60-90 day average delinquency is 0.4%, 0.4% and 0.3% respectively
- Valued using the effective market quotes approach

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

Structured credit products: "contagion" area - Multisector CDOs (2/4)

(€m)

Product	Position as at 31.03.09 Nominal value	Position as at 31.03.09 Risk exposure (including write-downs and write-backs)	Position as at 31.03.09 Cumulated write-downs and write-backs	31.03.09 income statement Profits (Losses) on trading Total income statement	31.03.09 income statement Profits (Losses) on trading Of which write-downs and write-backs	31.03.09 income statement Profits (Losses) on trading Of which realised gains/losses
Unfunded super senior CDOs	535	**252**	-283	-40	-40	0
Other (funded)(1)	16	**13**	-3			
"Long" positions	551	**265**	-286	-40	-40	0
CMBX - CDS hedges	92	**53**	39	8	23	-15
"Short" positions of funds	63	**68**	5 (2)	1	1	
Net position(3)	"long " 459	**"long" 212**	-242	-31	-16	-15

1) Of which €8m of nominal value and €7m of risk exposure related to the Romulus vehicle and CDO funded for €8m of nominal value and €6m of risk exposure transferred to the Parent Company from the Romulus vehicle

(2) These figures do not take into account the positions of funds which exited the portfolio of structured credit products

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

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

(€m)	Position as at 31.03.09			31.03.09 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Alt-A Agency[(1)]	44	**43**	-1	0		
Alt-A No Agency[(2)]	42	**35**	-7	0		
Other[(3)]	9					
"Long" positions	95	**78**	-8	0	0	0

(1) Exposure entirely reclassified into Loans & Receivables with an income statement benefit equal to €1m before tax for 1Q09
(2) Exposure entirely reclassified into Loans & Receivables with an income statement benefit equal to €3m before tax for 1Q09
(3) 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 – TruPS and Prime CMOs (4/4)

TruPS

(€m)

	Position as at 31.03.09			31.03.09 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Funded CDOs	4	**2**	-2	-1	-1	0
Unfunded super senior CDOs	239	**78**	-161	-3	-3	
"Long" positions	243	80	-163	-4	-4	0

Prime CMOs

(€m)

	Position as at 31.03.09			31.03.09 income statement Profits (Losses) on trading		
Product	Nominal value	Risk exposure (including write-downs and write-backs)	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
CMOs (Prime)[(1)]	52	**48**	-4	0		
"Long" positions	52	48	-4	0	0	0

(1) Exposure entirely reclassified into Loans & Receivables with an income statement benefit equal to €0m before tax for 1Q09

Structured credit products: other (1/4)

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

Details of different types 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 €179m as at 31.03.09 (€154m as at 31.12.08)
- 1Q09 income statement impact(2) -€2m (2008 €0m)

- Hedges from banks generally with a AA rating (in two cases 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 €581m as at 31.03.09 (€707m as at 31.12.08)
- 1Q09 income statement impact(3) -€32m (2008 -€65m)

- 37% collateral in CMBS, 25% Consumer ABS, 23% corporate loans, 15% US RMBS and 3.8% subprime
- Rating 100% AA
- 78% Vintage prior to 2005
- 14.2% 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 17%)
(2) Write-downs
(3) Including realised gains/losses and write-downs/write-backs

Structured credit products: other (2/4)

- **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 €1,929m of which €1,545m in Loans & Receivables, as at 31.03.09 (€2,110m as at 31.12.08)
- 1Q09 income statement impact(1) €7m (2008 -€92m)

- Rating: 59% AAA, 36% AA/A, 5% BBB/BB
- Valued on the basis of comparable approach for 83%, mark-to-model for 17%

- Collateral: 38% RMBS (of which 46% Italy)
  20% CLO
  16% 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 including securities with US underlying assets, with collateral mostly represented by Collateralised Loans Obligations(2)

US funded ABS/CDOs
- Net risk exposure €679m, of which €676m in Loans & Receivables, as at 31.03.09 (€49m as at 31.12.08)
- 1Q09 income statement impact(1) -€3m (2008 -€18m)

- Collateral: 2% Credit Card, 3% CMBS, 95% CLOs
- Rating: 96% AAA, 3% A, 1% BBB
- Valued on the basis of comparable approach for 4%, mark-to-model for 96%

- **Funded ABS/CDOs ascribable to the Romulus vehicle**: securities entirely classified in Loans & Receivables with mainly US underlying assets (Credit Card, Leveraged Loans, Student Loans, Corporate Risk)

US funded ABS/CDOs Romulus
- Net risk exposure €241m, entirely in Loans & Receivables, as at 31.03.09 (€244m as at 31.12.08)

- Rating: 49% AAA, 8% AA/A, 26% BBB, 17% BB
- Valued on the basis of comparable approach for 54%, mark-to-model for 46%

(1) Including realised gains/losses and write-downs/write-backs
(2) Funded Supersenior Corporate Risk CDOs, securities classified into Loans&Receivables during 1Q09, coming from the restructuring of unfunded positions as at 31.12.08

Structured credit products: other (3/4)

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

Unfunded super senior Corporate Risk CDOs
➢Net risk exposure €1,731m as at 31.03.09 (€2,336m as at 31.12.08)
➢1Q09 income statement impact[(1)] -€7m (2008 -€184m)

➢31% average Attachment point

➢Collateral: 24.7% US (49% CLOs)
50.3% Europe (48% consumer credit Italy and 37% CLOs)
25% 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 -€330m as at 31.03.09 (-€417m as at 31.12.08)
➢1Q09 income statement impact[(1)] -€9m (2008 -€25m)

➢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)	Position as at 31.03.09					31.03.09 income statement Profits (Losses) on trading
Product	Nominal value of the underlying asset	Fair value of the underlying asset (net of accrued interests)	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	Fair value write-down of the hedge from primary international banks
Non monoline packages(1)	554	367	187	179	-8 (2)	-2

(€m)	Position as at 31.03.09			31.03.09 income statement Profits (Losses) on trading		
Product	Nominal value	Fair value	Cumulated write-downs and write-backs	Total income statement	Of which write-downs and write-backs	Of which realised gains/losses
Funded ABS/CDO(3)	2,885 (4)	2,608	-277	4 (5)	-3 (3)	7 (3)
Unfunded super senior multisector CDOs and corporate risk(6)	2,263	1,982	-281	-48	-47	-1
Other(7)	278	241	-37			

(1) Underlying assets were mostly made up of CLOs and ABS CDOs with a limited portion of US subprime (equal to approximately 17%)

(2) According to systematic adjustments made on the entire derivatives universe to incorporate in the fair value the credit risk, 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) US component reclassified into Loans & Receivables for an amount equal to €776m of nominal value and to €676m of net exposure, with an income statement benefit equal to €5m before tax in 1Q09; EU component belonging to the Intesa Sanpaolo Group reclassified into Loans & Receivables for an amount equal to €1,363m of nominal value and to €1,265m of net exposure, with an income statement benefit equal to €78m before tax in 1Q09; EU component belonging to Banca IMI reclassified into Loans & Receivables for an amount equal to €242m of nominal value and to €231m of net exposure, with an income statement benefit equal to -€4m before tax in 1Q09; EU component belonging to CR Firenze reclassified into Loans & Receivables for an amount equal to €8m of nominal value and to €7m of net exposure, with a benefit on Shareholders' equity equal to €4m before tax in 1Q09; EU component belonging to Banca Fideuram reclassified into Loans & Receivables for an amount equal to €45m of nominal value and to €42m of net exposure, with a benefit on Shareholders' equity equal to €3m before tax in 1Q09

(4) Of which €596m belonging to Banca IMI, €45m belonging to Banca Fideuram and €9m belonging to CR Firenze

(5) Of which €5m ascribable to Banca IMI

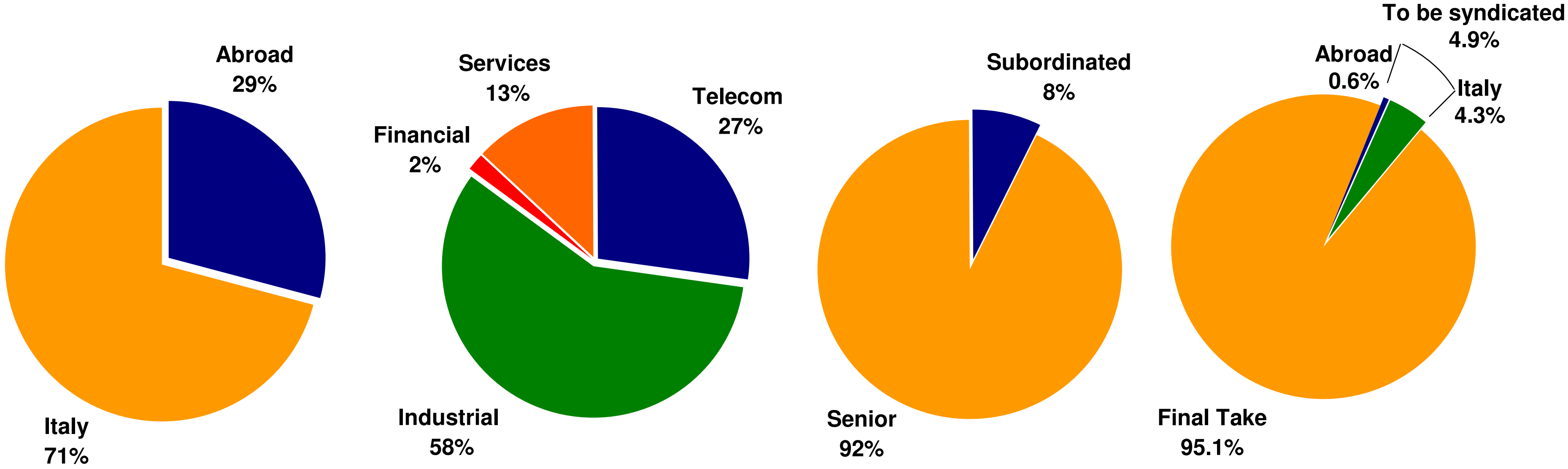
(6) Including a portfolio with a "short" balance of unfunded CDOs of -€300m of nominal value and -€330m of fair value

(7) Risk position of the Romulus vehicle (fully consolidated entity)

Leveraged Finance(*) contained, high quality exposure

No. Transactions	Amount(1)
~100	€4,783m

Breakdown



(*) Group 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.