Bank of America Merrill Lynch
Banking & Insurance CEO Conference

Corrado Passera
Chief Executive Officer

London, 6 October 2011

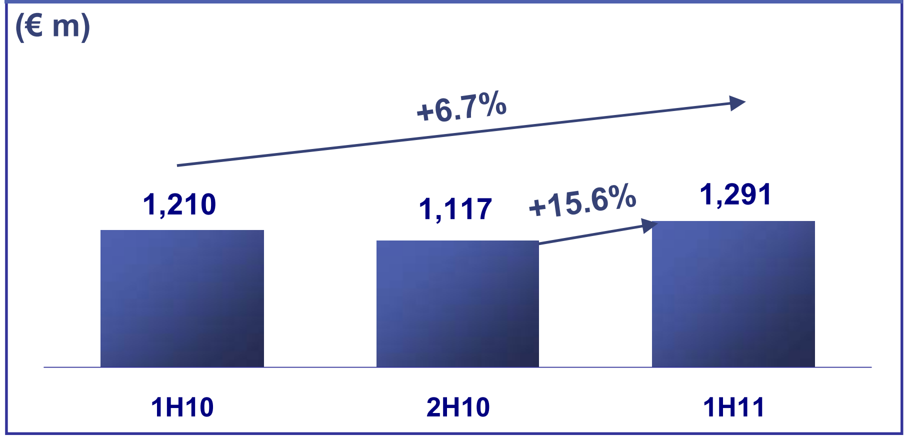
Sound operating performance and Core Tier 1 ratio up to 10.2%

- **Growth in 1H11 profitability**
  - **Operating income at €8,678m (+5.6% vs 1H10)**
  - **Pre-tax income at €2,605m (+33.4% vs 1H10)**
  - **1H11 Net Income adjusted for main non-recurring items(1) at €1,291m (+6.7% vs 1H10)**
- **Further decline in Operating Costs (-0.2% vs 1H10) after four consecutive years of reductions**
- **1H11 annualised Cost of credit down to 78bps vs 83bps in 1H10**
- **High liquidity, strong funding capability, low leverage and a strong capital base are competitive advantages**
- **High capital ratios further strengthened (1H11 Core Tier 1 ratio at 10.2% after accrued dividend(2)) and confirmed even in an adverse scenario by EBA stress test (2012 Core Tier 1 ratio at 8.9% in the adverse scenario)**
- **Our focus on solidity and liquidity ensures medium-term sustainable profitability even if it negatively affects short-term profitability (e.g. focus on retail funding vs interbank, low leverage and our own bond placements instead of placement of third-party bonds)**

(1) See slide 18
(2) €663m assuming half the amount that would result from the distribution of the same dividend per share paid in 2011 for 2010 to the number of shares outstanding after the capital increase

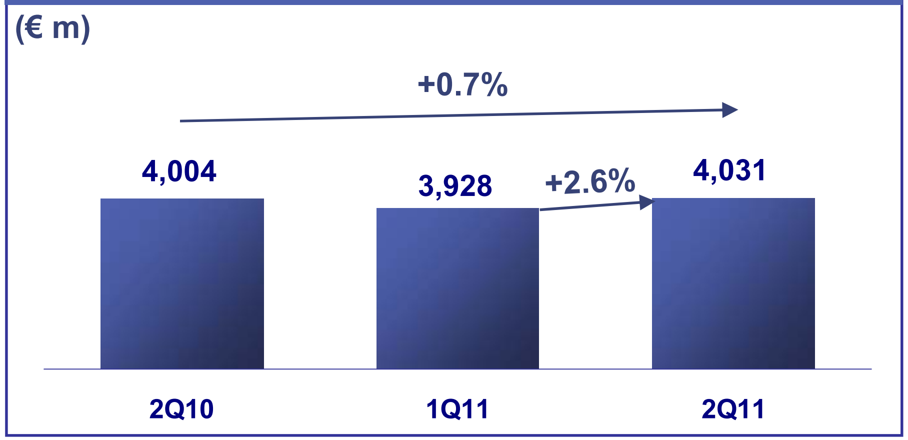
Growth in profitability despite adverse scenario

Net Income adjusted for main non-recurring items(1)

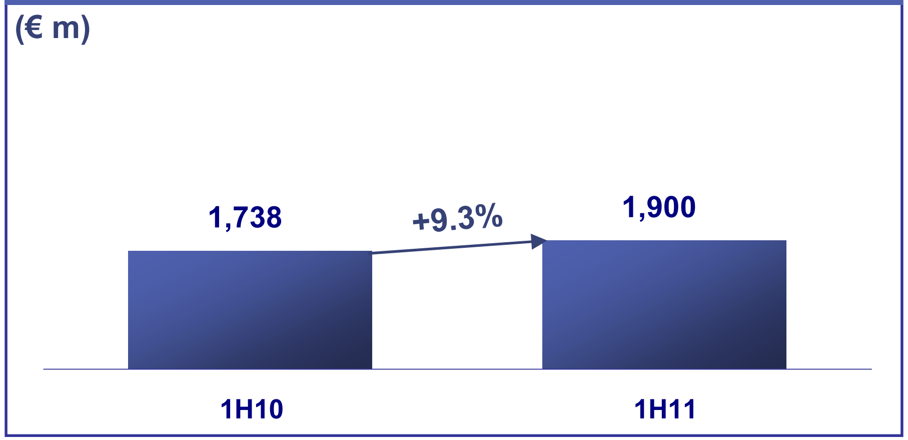


- 1H11 Net Income adjusted for main non-recurring items up 6.7% vs 1H10 and 15.6% vs 2H10
- 2Q11 "Core"(2) Operating income up 2.6% vs 1Q11 and 0.7% vs 2Q10
- 1H11 "Core"(2) Pre-tax income up 9.3% vs 1H10

"Core"(2) Operating Income

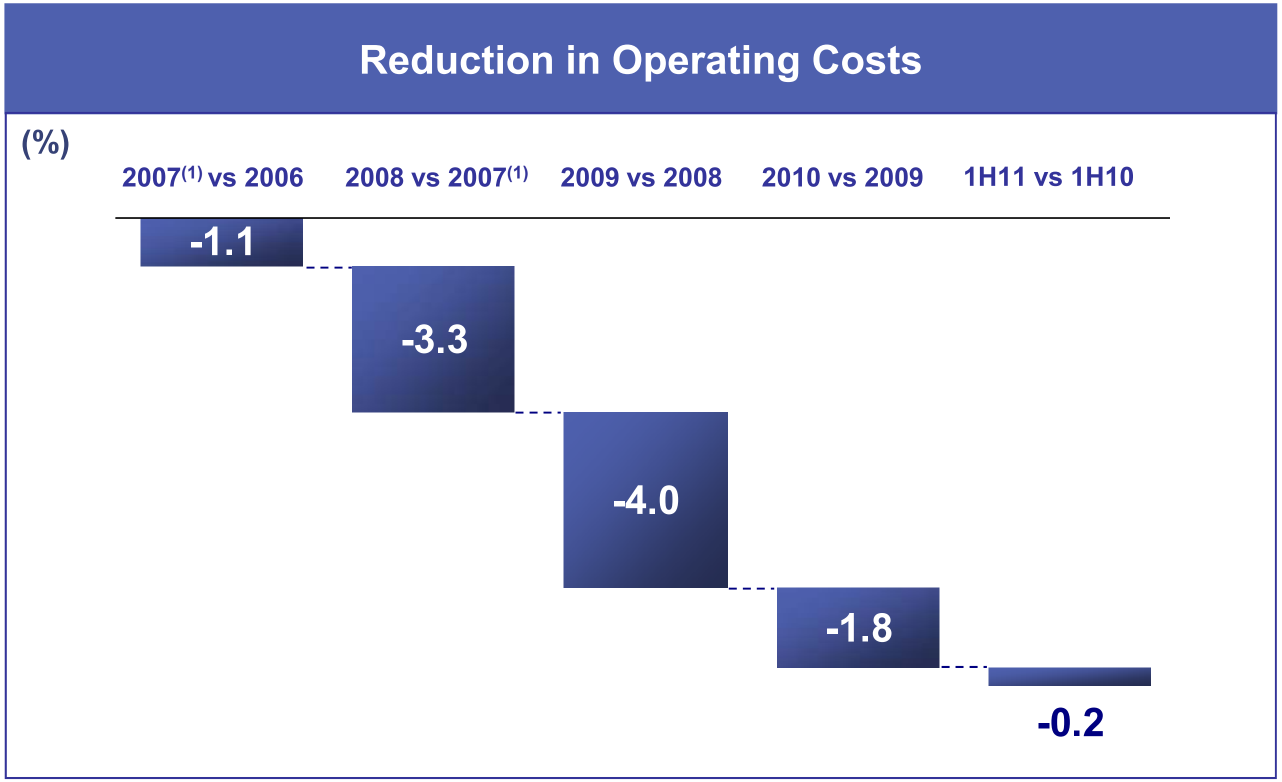


"Core"(2) Pre-tax Income



(1) See slides 18 and 21
(2) Excluding Profits on trading and the impact of the reduction in core deposit hedging

Further decline in Operating Costs after four consecutive years of reductions

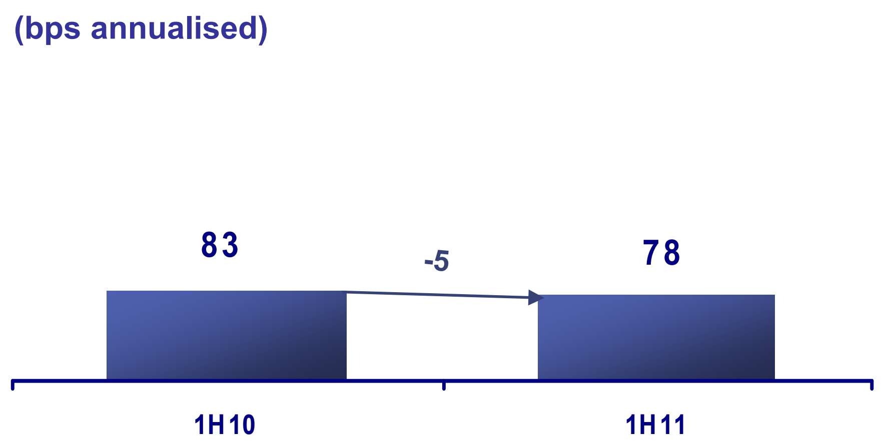


- 0.2% decline in Operating costs 1H11 vs 1H10 due to the decline in Other administrative expenses
- 1H11 Cost/Income down to 51.8% (54.5% excluding capital gains on Prada and Findomestic) vs 54.8% in 1H10

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

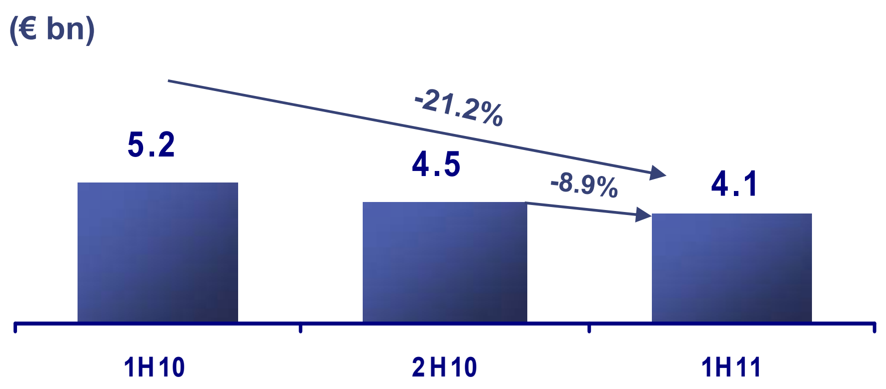
Reduction in 1H11 Cost of Credit and in inflow of new Doubtful[(1)] and Substandard Loans[(2)]

Cost of Credit

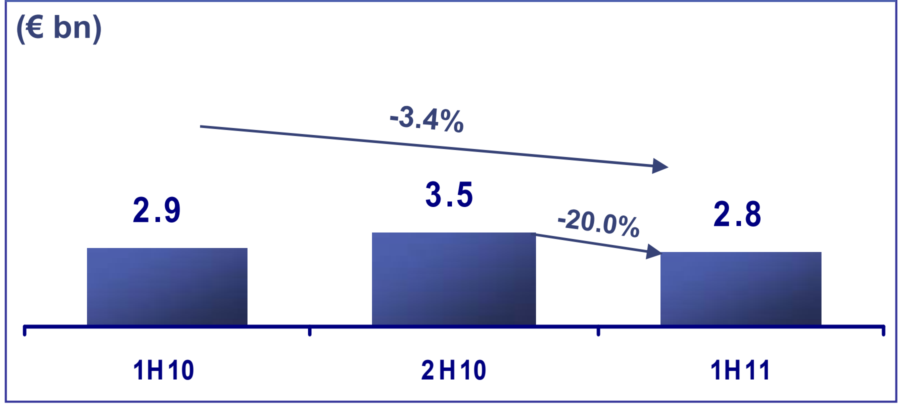


- 1H11 gross inflow of new Substandard Loans down 21.2% vs 1H10 and 8.9% vs 2H10
- 1H11 gross inflow of new Doubtful Loans down 3.4% vs 1H10 and 20.0% vs 2H10
- Doubtful Loans total coverage (including collateral and guarantees) more than adequate at 126%
- Repayments from Doubtful Loans structurally higher than their Net Book Value (more than 150% in the period 1.01.09 - 30.06.11)
- Reserve on Performing Loans at €2,415m

Gross inflow of new Substandard Loans[(2)]



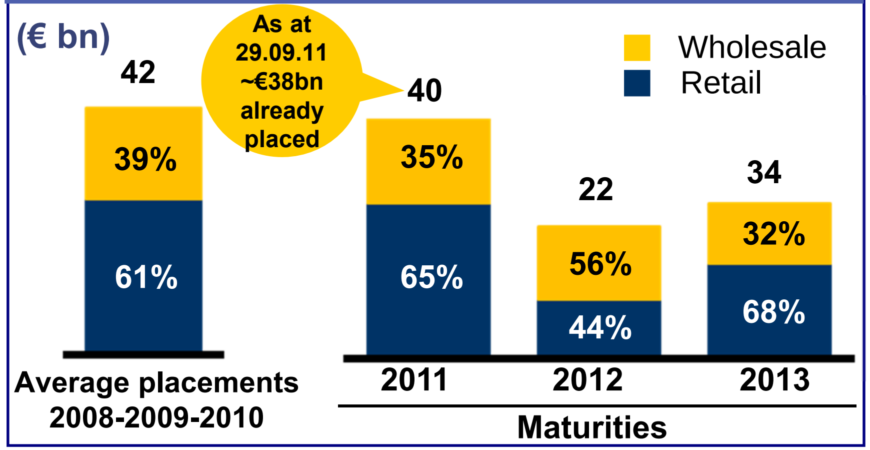
Gross inflow of new Doubtful Loans[(1)]



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

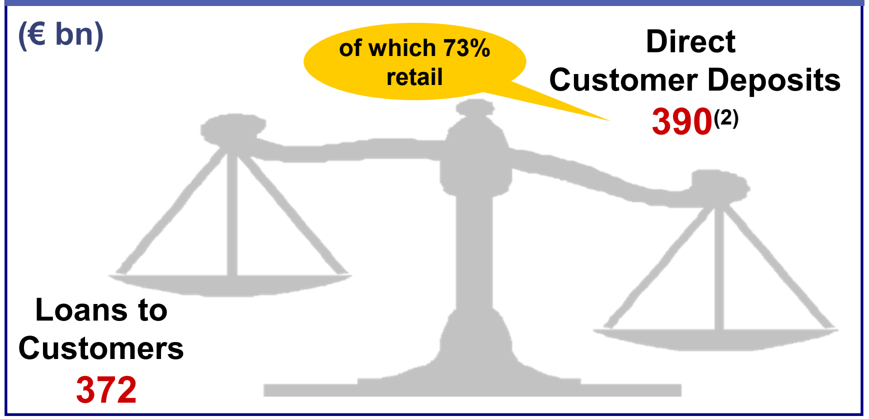
Strong funding capability: 100% of 2011 medium/long-term wholesale maturities and 95% of 2011 total medium/long-term maturities already covered as at 29 September

Medium-long term maturities(1)

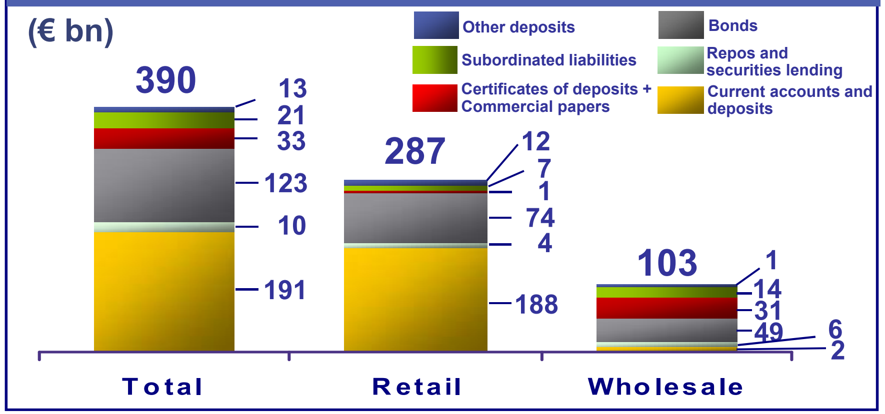


- As at 29 September ~€38bn medium/long-term placements **(95% of 2011 maturities)** already carried out, of which €15.3bn is wholesale **(more than the total of wholesale 2011 maturities)**
- The retail branch network is a stable and reliable source of funding: 73% of Direct Customer Deposits come from retail business
- We could even do without the wholesale market for the rest of the year and for 2012, even though this is not our intention

Direct Customer Deposits > Loans to Customers as at 30.06.11



Breakdown of Direct Customer Deposits



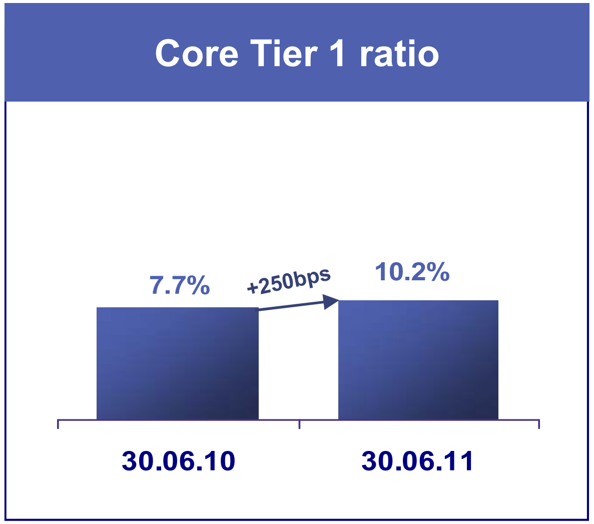
(1) *Placement data referred to the Group's issues*
(2) *Excluding €24bn financial liabilities from insurance business*
Figures may not add up exactly due to rounding differences

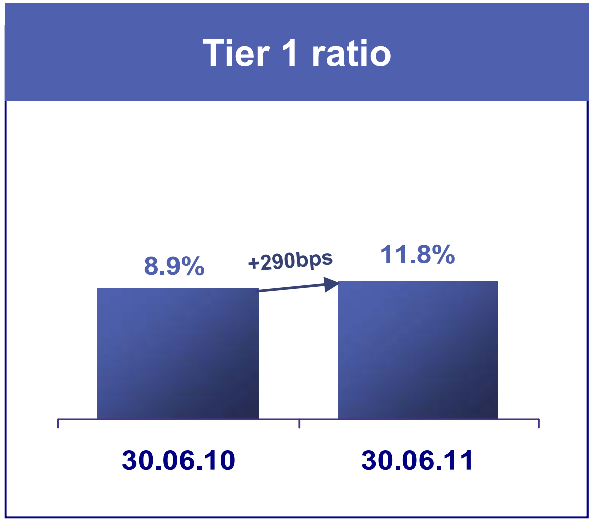
High liquidity

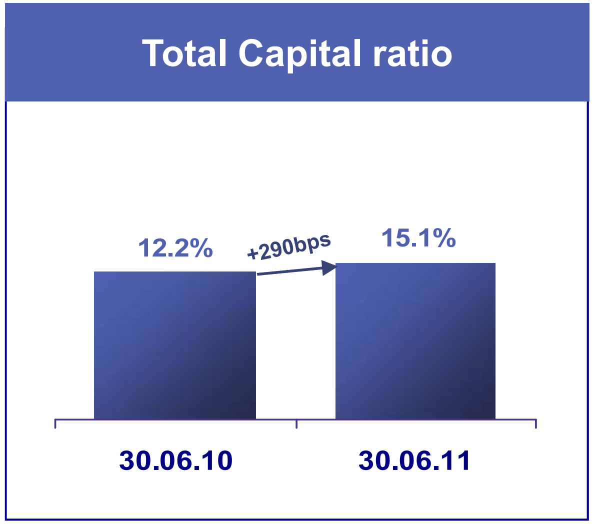
- €47bn of eligible assets with Central Banks[(1)] (net of haircut) available as at 30.06.11 (€34bn as at 31.07.11)
- In July €15bn 3-month repo opened with ECB to optimise cost of funding
- ~€80bn liquid assets[(2)] as at 31.07.11 in line with 30.06.11
- Liquid and eligible assets can be increased significantly if necessary

(1) ECB, Fed and BoE
(2) Eligible assets available and eligible assets currently used as collateral

High capital ratios: Core Tier 1 ratio up to 10.2%







- **More than 200bps increase in 30.06.11 Core Tier 1 ratio vs 31.03.11, of which ~150bps due to the capital increase and ~30bps due to RWA optimisation and the floor reduction from 90% to 85%**
- **Capital ratios as at 30.06.11 are already net of dividends of €663m (assuming half the amount that would result from the distribution of the same dividend per share paid in 2011 for 2010 to the number of shares outstanding after the capital increase)**

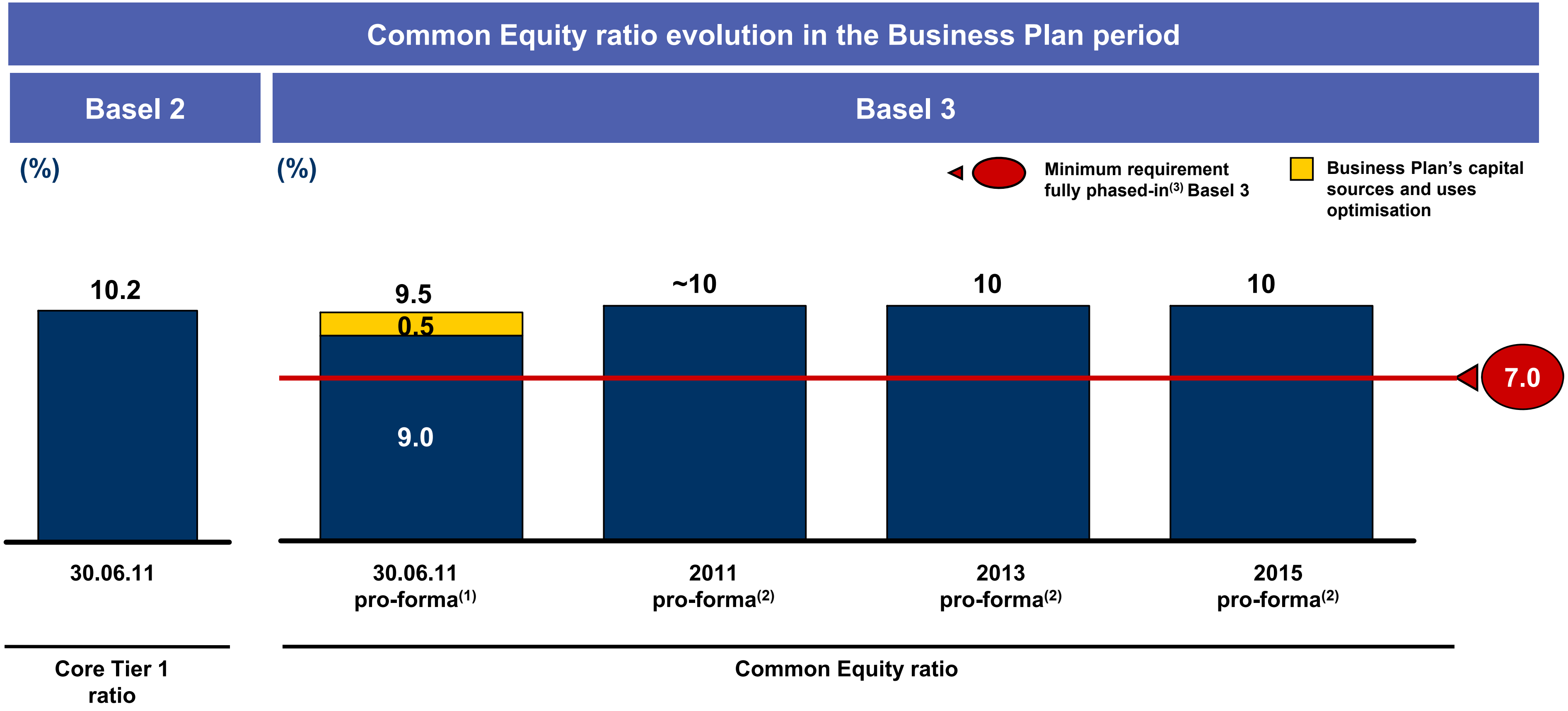
EBA stress tests: ISP 2012 Core Tier 1 ranks among the best under the adverse scenario

Main peers	CT1 2012(1) Stress	CT1 2012(2) Stress (with additional measures)	CT1 2010	Δ CT1 2012(1) Stress vs CT1 2010	Δ CT1 2012(2) Stress vs CT1 2010 (with additional measures)
Dexia	10.4%	10.4%	12.1%	-1.7%	-1.7%
Nordea	9.5%	9.5%	8.9%	0.6%	0.6%
BBVA	9.2%	10.2%	8.0%	1.2%	2.3%
Intesa Sanpaolo	**8.9%**	**9.2%**	**7.9%**	**1.0%**	**1.3%**
ING Bank	8.7%	8.6%	9.6%	-1.0%	-1.1%
C. Agricole	8.5%	8.5%	8.2%	0.2%	0.2%
HSBC	8.5%	8.5%	10.5%	-2.1%	-2.1%
Santander	8.4%	8.9%	7.1%	1.3%	1.8%
Erste Bank	8.1%	8.1%	8.7%	-0.6%	-0.6%
BNP Paribas	7.9%	7.9%	9.2%	-1.4%	-1.4%
Lloyds Bkg Gr.	7.7%	7.7%	10.2%	-2.4%	-2.4%
UBI	7.4%	8.1%	7.0%	0.5%	1.1%
Barclays	7.3%	7.3%	10.0%	-2.7%	-2.7%
BPCE	6.8%	6.8%	7.8%	-1.1%	-1.1%
UniCredit	6.7%	7.2%	7.8%	-1.2%	-0.6%
Soc. Générale	6.6%	6.6%	8.1%	-1.5%	-1.5%
Deutsche Bank	6.5%	6.5%	8.8%	-2.2%	-2.2%
Commerzbank	6.4%	6.4%	10.0%	-3.6%	-3.6%
RBS	6.3%	6.3%	9.7%	-3.4%	-3.4%
MPS	6.3%	8.8%	5.8%	0.5%	3.0%
B. Popolare	5.7%	6.2%	5.8%	-0.1%	0.4%
Total 21 peers	**7.7%**	**7.8%**	**8.9%**	**-1.2%**	**-1.1%**

(1) Including capital base strengthening measures realised by April 2011

(2) Including capital base strengthening measures realised by April 2011 and additional strengthening actions planned or adopted (for ISP sale of branches to Crédit Agricole and disposal of Findomestic, transactions already carried out)

10% Common Equity ratio - Basel 3 "new normal" - from now on with headroom for dividends

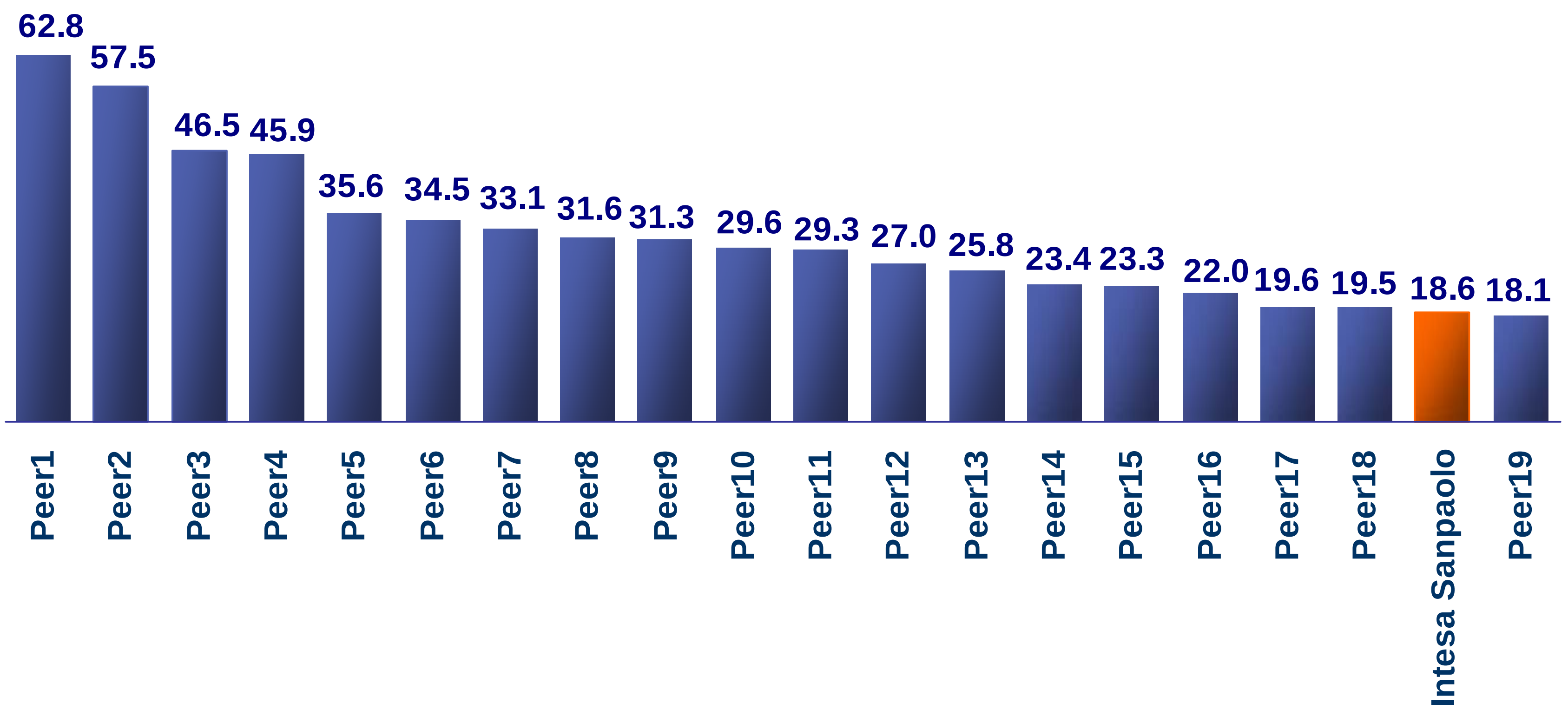


Amounts available for 2011-2013 dividends equal to €5.3bn and to €13.5bn for 2011-2015 assuming that earnings in excess of 10% Common Equity ratio, and not required for organic growth in excess of that set out in the Business Plan, are distributed in dividends. The Business Plan doesn't include any extraordinary operations

(1) Pro-forma data including impact of Banca Monte Parma acquisition, the expected absorption of deferred tax assets before the full phasing-in of Basel 3 and actions to optimise capital sources and requirements envisaged in the Business Plan
(2) Pro-forma data including impact of Banca Monte Parma acquisition, the expected absorption of deferred tax assets before the full phasing-in of Basel 3, actions to optimise capital sources and requirements envisaged in the Business Plan and Business Plan assumptions regarding RWA and retained earnings
(3) On the basis of currently available information. Final thresholds are subject to relevant regulations implementation
Figures may not add up exactly due to rounding differences

Low leverage remains a competitive advantage

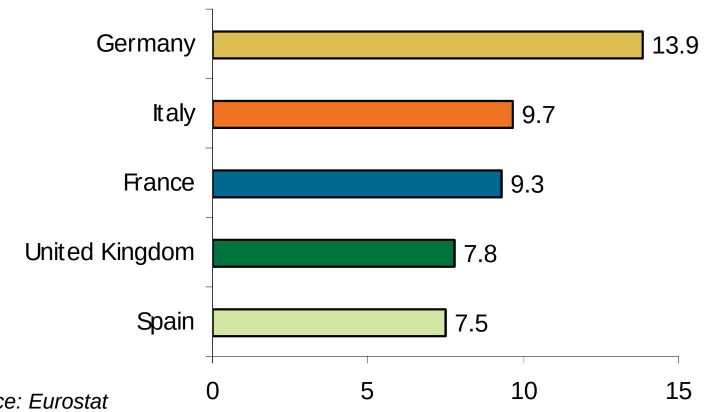
Total Tangible Assets / Tangible Equity as at 30.06.11[(1) (2)]



(1) Escluding Net income and minority interest
(2) Sample: Banco Popolare, Barclays, BBVA, BNP Paribas, BPCE, Commerzbank, Crédit Agricole, Credit Suisse, Deutsche Bank, HSBC, ING, MPS, Nordea, Santander, Société Générale, Standard Chartered, UBI and UniCredit

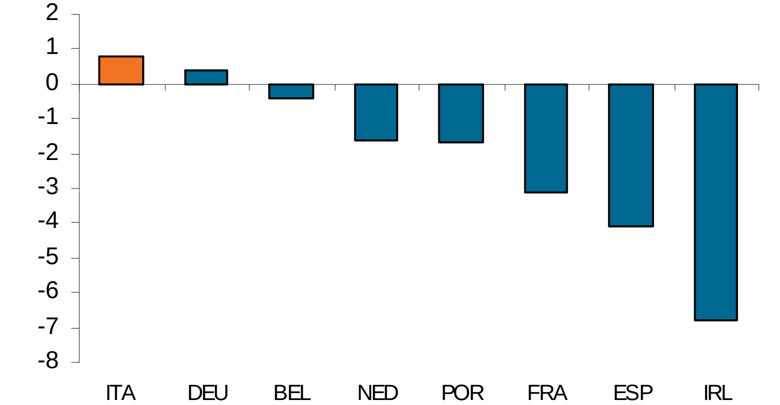
Italy: recovery in the manufacturing industry driven by exports and government deficit correction well on track

Manufacturing turnover Index
(Jan-July 2011 % change at current prices)



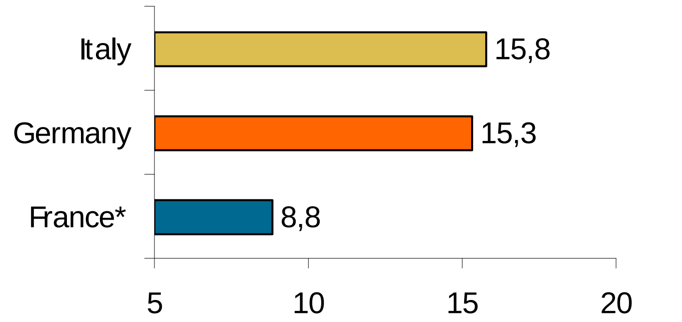
Source: Eurostat

General Government – Primary Balance, 2011
(% of GDP)



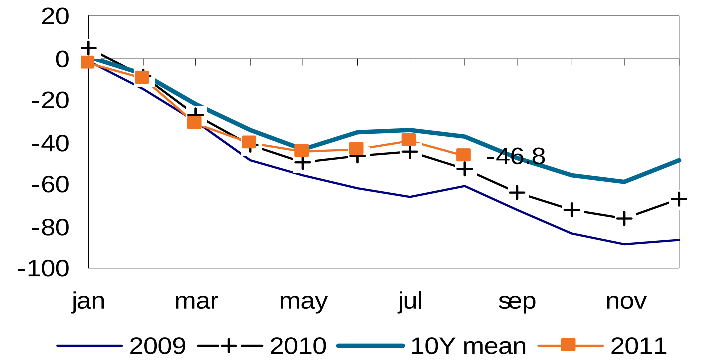
Source: European Commission estimates

Exports of goods(*)
(Jan-June 2011; % change at current prices)



(*) Manufacturing products; for France excluding military equipment as well
Source: National Bureau of Statistics

State Sector Borrowing Requirement
(cumulated; € bn)



Source: Finance Minister

Appendix

Methodological note (1/3)

- For comparison purposes, 2010 P&L, 2010 Balance Sheet and 1Q11 results have been restated to take into account the sale of the 96 branches to Crédit Agricole
- With reference to the divisional figures, 2010 data has been restated to take into account
  - the attribution of Intesa Sanpaolo Private Bank Suisse results to the Banca dei Territori division, previously attributed to the Corporate and Investment Banking division
- 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 €2,895m Financial assets held for trading into Loans & Receivables, €98m Financial assets held for trading into Financial assets available for sale and €6,048m 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 1H11 income statement would have included €23m(1) as positive impact from fair value measurement (of which €28m of negative valuations in 2Q11), while the Shareholders' equity would have included €1,048m(1) as negative direct impact as at 30.06.11 (of which €110m(1) of negative impact in 2Q11)

(1) Pre-tax data

Methodological note (2/3)

2010 main non-recurring items include:

- **1Q10: 1) €23m integration charges and related tax savings resulting in net integration charges of €16m, 2) €92m charges from purchase cost allocation, net of tax and 3) €86m of fiscal benefit from the release of deferred taxes relating to goodwill detaxation with some subsidiaries, recorded under taxes on income from continuing operations**
- **2Q10: 1) €19m of extraordinary tax pertaining to 1H10 and relating to the Group's subsidiary in Hungary, recorded under taxes on income from continuing operations, 2) €664m capital gains made on the sale of the securities services business and related taxes, which resulted in a net capital gain of €648m under income after tax from discontinued operations, 3) €41m integration charges and related tax savings, which resulted in net integration charges of €27m and 4) €100m charges from purchase cost allocation, net of tax**
- **3Q10: 1) €9m of extraordinary tax relating to the Group's subsidiary in Hungary, recorded under taxes on income from continuing operations, 2) €13m integration charges and related tax savings, which resulted in net integration charges of €11m and 3) €102m charges from purchase cost allocation, net of tax**
- **4Q10: 1) €15m of extraordinary tax relating to the Group's subsidiary in Hungary, recorded under taxes on income from continuing operations, 2) €27m integration charges and related tax savings, which resulted in net integration charges of €18m, 3) €102m charges from purchase cost allocation, net of tax, 4) a €255m positive effect of the measurement at fair value of 50% of Intesa Vita already owned by ISP following the acquisition of total control of the company, registered under profits on investments held to maturity and 5) €100m prudentially set aside for possible dispute resolutions, recorded under Net provisions for risks and charges**

Methodological note (3/3)

2011 main non-recurring items include:

- **1Q11: 1) €6m integration charges and related tax savings resulting in net integration charges of €4m, 2) €86m charges from purchase cost allocation, net of tax and 3) €11m of extraordinary tax relating to the Group's subsidiary in Hungary**
- **2Q11: 1) €18m integration charges and related tax savings resulting in net integration charges of €12m, 2) €85m charges from purchase cost allocation, net of tax, 3) €11m of extraordinary tax relating to the Group's subsidiary in Hungary, 4) €272m capital gain from the sale of 4% of Prada registered under profits on trading and related taxes, resulting in a net capital gain of €253m, 5) €154m capital gain from the disposal of the remaining quota of Findomestic registered under profits on trading and related taxes/minority interests resulting in a net capital gain of €128m, 6) €146m capital gain from the sale of branches to Crédit Agricole registered under profits on investments held to maturity and on other investments, and related taxes/minority interests, resulting in a net capital gain of €145m, 7) €132m impairment of Telco shareholding, registered under profits on investments held to maturity and on other investments, 8) €25m from impairment on Greek government bonds with maturity by 2020 under net impairment losses on other assets, and related taxes, resulting in net charges of €17m and 9) €57m charges from IRAP rate change**

Strong growth in 1H11 Operating Margin and Pre-tax Income vs 1H10

(€ m)	1H10 Restated	1H11	Δ%
Net interest income	4,816	4,739	(1.6)
Dividends and P/L on investments carried at equity	23	41	78.3
Net fee and commission income	2,788	2,784	(0.1)
Profits (Losses) on trading	215	821	281.9
Income from insurance business	355	285	(19.7)
Other operating income	23	8	(65.2)
Operating income	**8,220**	**8,678**	**5.6**
Personnel expenses	(2,709)	(2,724)	0.6
Other administrative expenses	(1,509)	(1,472)	(2.5)
Adjustments to property, equipment and intangible assets	(289)	(301)	4.2
Operating costs	**(4,507)**	**(4,497)**	**(0.2)**
Operating margin	**3,713**	**4,181**	**12.6**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(184)	(78)	(57.6)
Net adjustments to loans	(1,544)	(1,457)	(5.6)
Net impairment losses on assets	(43)	(74)	72.1
Profits (Losses) on HTM and on other investments	11	33	200.0
Income before tax from continuing operations	**1,953**	**2,605**	**33.4**
Taxes on income from continuing operations	(680)	(973)	43.1
Merger and restructuring related charges (net of tax)	(43)	(16)	(62.8)
Effect of purchase cost allocation (net of tax)	(192)	(171)	(10.9)
Income (Loss) after tax from discontinued operations	691	0	(100.0)
Minority interests	(39)	(43)	10.3
Net income	**1,690**	**1,402**	**(17.0)**

+6.7% excluding main non-recurring items

Note: 1H10 figures restated to reflect the scope of consolidation for 1H11
Figures may not add up exactly due to rounding differences

1H11 Net Income on the rise vs 1H10 excluding main non-recurring items

1H10 Net Income (post-tax data)

(€ m)

Net Income	**1,690**
Integration charges	+43
Amortisation of acquisition cost	+192
Hungary extraordinary tax	+19
Deferred taxation non-recurring impact	(86)
Capital gain on Securities Services	(648)
Net Income adjusted	**1,210**

1H11 Net Income (post-tax data)

(€ m)

Net Income	**1,402**
Integration charges	+16
Amortisation of acquisition cost	+171
Hungary extraordinary tax	+22
Telco impairment	+132
Impairment on Greek government bonds with maturity by 2020	+17
IRAP rate change impact	+57
Capital gain on Findomestic	(128)
Capital gain on Prada	(253)
Capital gain on CR Spezia and 96 branches	(145)
Net Income adjusted	**1,291**

Sustained increase in 2Q11 Operating Margin and Net Income vs 1Q11

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	2,382	2,357	(1.0)
Dividends and P/L on investments carried at equity	7	34	385.7
Net fee and commission income	1,385	1,399	1.0
Profits (Losses) on trading	278	543	95.3
Income from insurance business	120	165	37.5
Other operating income (expenses)	11	(3)	n.m.
Operating income	**4,183**	**4,495**	**7.5**
Personnel expenses	(1,360)	(1,364)	0.3
Other administrative expenses	(714)	(758)	6.2
Adjustments to property, equipment and intangible assets	(149)	(152)	2.0
Operating costs	**(2,223)**	**(2,274)**	**2.3**
Operating margin	**1,960**	**2,221**	**13.3**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(13)	(65)	400.0
Net adjustments to loans	(680)	(777)	14.3
Net impairment losses on other assets	(17)	(57)	235.3
Profits (Losses) on HTM and on other investments	14	19	35.7
Income before tax from continuing operations	**1,264**	**1,341**	**6.1**
Taxes on income from continuing operations	(495)	(478)	(3.4)
Merger and restructuring related charges (net of tax)	(4)	(12)	200.0
Effect of purchase cost allocation (net of tax)	(86)	(85)	(1.2)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(18)	(25)	38.9
Net income	**661**	**741**	**12.1**

Note: 1Q11 figures restated to reflect the scope of consolidation for 2Q11
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Note: 1Q11 figures restated to reflect the scope of consolidation for 2Q11
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2Q11 Net Income at €529m excluding main non-recurring items

1Q11 Net Income (post-tax data)	
(€ m)	
Net Income	**661**
Integration charges	+4
Amortisation of acquisition cost	+86
Hungary extraordinary tax	+11
Net Income adjusted	**762**

2Q11 Net Income (post-tax data)	
(€ m)	
Net Income	**741**
Integration charges	+12
Amortisation of acquisition cost	+85
Hungary extraordinary tax	+11
Telco impairment	+132
Impairment on Greek government bonds with maturity by 2020	+17
IRAP rate change impact	+57
Capital gain on Findomestic	(128)
Capital gain on Prada	(253)
Capital gain on CR Spezia and 96 branches	(145)
Net Income adjusted	**529**

ALM focused on Liquidity, Asset Quality and EVA®

(€ m)	30.06.10 Restated	30.06.11	Δ%
Loans to Customers	372,167	372,361	+0.1
Customer Financial Assets(1)	833,294	814,741	(2.2)
of which Direct Customer Deposits	436,619	414,450	(5.1)
of which Indirect Customer Deposits	422,967	424,941	+0.5
- Assets under Management	*236,853*	*232,476*	*(1.8)*
- Assets under Administration	*186,114*	*192,465*	*+3.4*
RWA	352,683	320,795	(9.0)

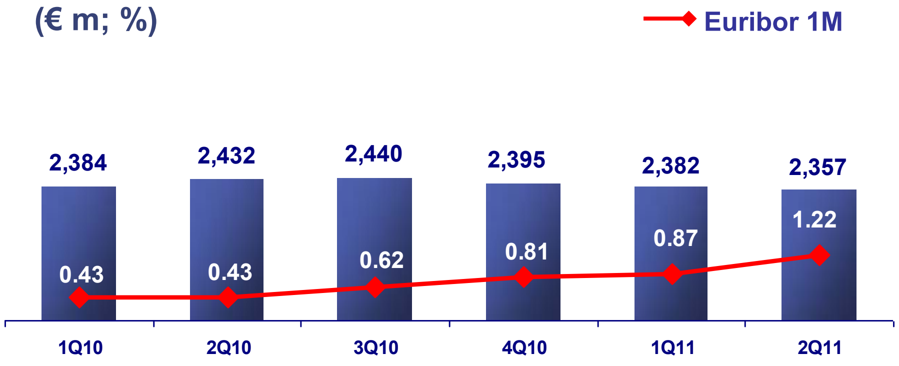
+2.0% average volumes

- 1.5% increase in Loans to Customers from commercial activity(2) vs 30.06.10 and 0.4% vs 31.03.11
- Direct Customer Deposits in line vs 31.03.11 with current account increase offset by decrease in securities issued
- €1bn net inflows in total Customer Financial Assets(3) in 2Q11
- AuM decrease vs 30.06.10 due to a single institutional client and to performance effect
- RWA decrease vs 30.06.10 mostly due to the adoption of IRB approach for the corporate portfolio

(1) Net of duplications between Direct Customer Deposits and Indirect Customer Deposits
(2) Net of Repurchase agreements, Non-performing loans and Loans represented by securities
(3) Banca dei Territori + Banca Fideuram
Note: 30.06.10 figures restated to reflect the scope of consolidation as at 30.06.11

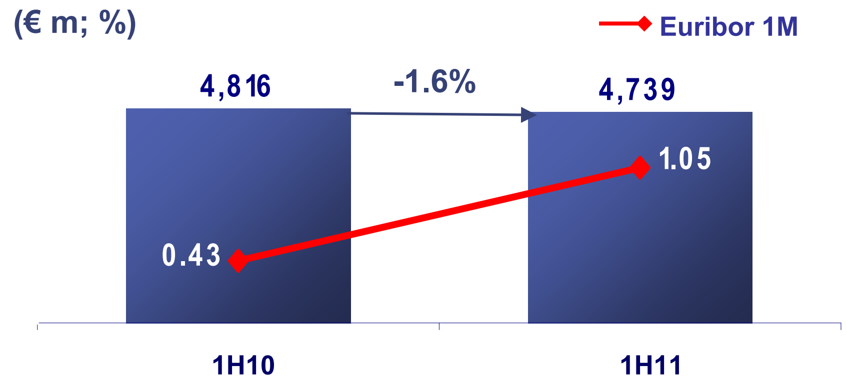
Increase in Net Interest Income excluding the negative impact of hedging reduction

Quarterly Analysis



- 1.3% increase in 2Q11 vs 1Q11 excluding the impact of the reduction in core deposit hedging
- 0.2% increase in average Loans to Customers in 2Q11 vs 1Q11
- Repricing actions underway

Yearly Analysis



- 0.8% increase in NII, excluding the impact of the reduction in core deposit hedging
- 2.0% increase in average Loans to Customers vs 1H10
- Reduction in Mid and Large Corporate loans primarily driven by the strong focus on loan portfolio quality and EVA® generation

Loans to Customers - Average volumes

	Δ%	Δ €bn
Retail Italy	(0.3)	(0.3)
SMEs Italy	+2.3	+1.6
Mid Corporate Italy	(0.7)	(0.1)
Large & International Corporate	(3.6)	(1.3)
Public Finance(1)	(1.0)	(0.4)
International Subsidiary Banks Division	+0.2	+0.1

(1) Including securities subscription

Increase in Net Interest Income excluding the impact of hedging reduction

Δ 2Q11 vs 1Q11

(€ m)

1Q11 Net Interest Income		2,382
Operating impact (customers)		+73
of which:		
- Volumes	+24	
- Spread	+49	
Hedging [1] [2]		(85)
Other		(13)
2Q11 Net Interest Income		2,357

of which (€56m) due to hedging reduction

Δ 1H11 vs 1H10

(€ m)

1H10 Net Interest Income		4,816
Operating impact (customers)		+200
of which:		
- Volumes	(11)	
- Spread	+211	
Hedging [2] [3]		(277)
1H11 Net Interest Income		4,739

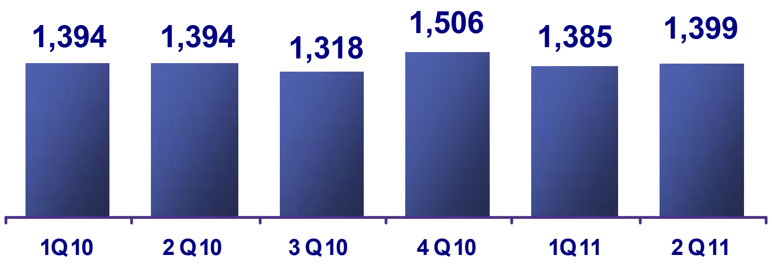
of which (€116m) due to hedging reduction

(1) ~€240m benefit from hedging registered in 2Q11
(2) Core deposits
(3) ~€570m benefit from hedging registered in 1H11

Increase in 2Q11 Net Fee and Commission Income vs 1Q11

Quarterly Analysis

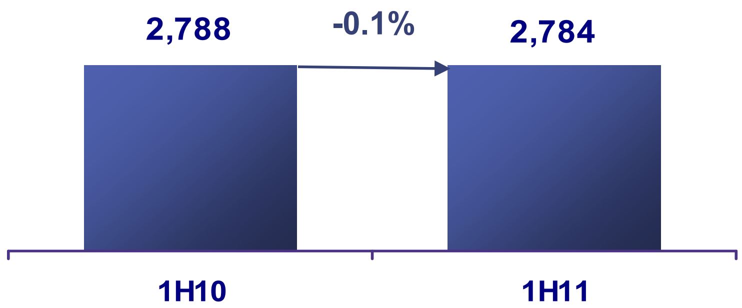
(€ m)



- 1.0% increase in 2Q11 vs 1Q11
- Sustained increase in 2Q11 commissions from loans granted (+€20m; +11.8%) and in 2Q11 commissions from Commercial banking activities (+€20m; +4.1%) vs 1Q11
- 5.6% (-€37m) decrease in 2Q11 commissions from Management, dealing and consultancy activities vs 1Q11 largely due to lower commissions from insurance products

Yearly Analysis

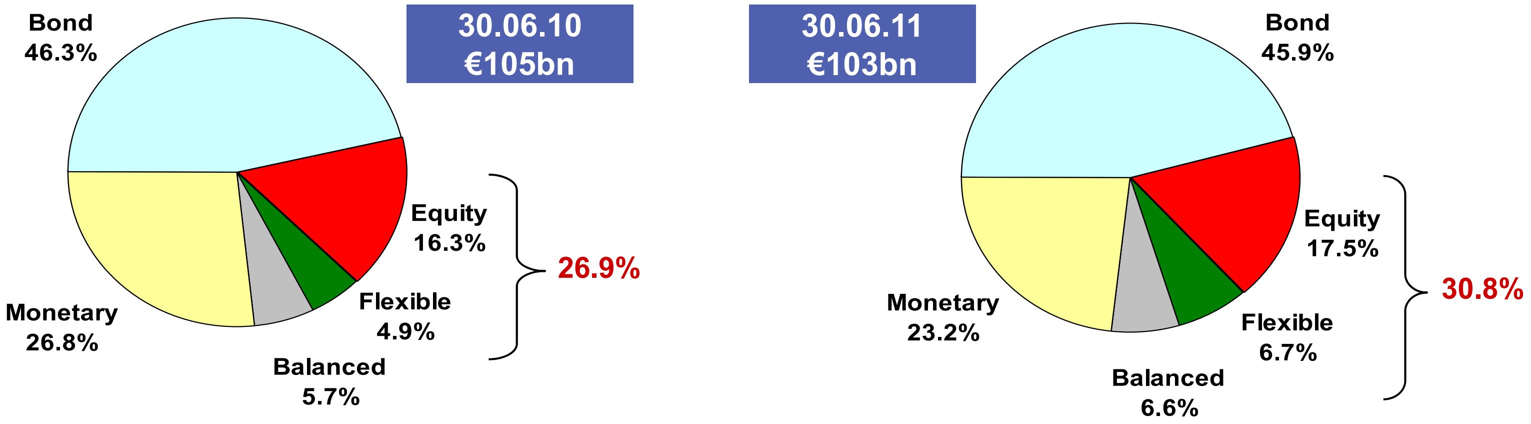
(€ m)



- Net fee and commission income up 1.7% excluding the impact of the decision not to place third-party bonds in 1H11
- Slight increase (+0.5%; +€5m) in commissions from Commercial banking activities
- Minor decrease (-0.8%; -€11m) in commissions from Management, dealing and consultancy activities attributable to the decline in placement of securities, mainly due to the impact of the decision not to place third-party bonds in 1H11

€2.6bn net inflows in AuM(1) in 1H11 and improved Asset Mix

Mutual Funds Asset Mix

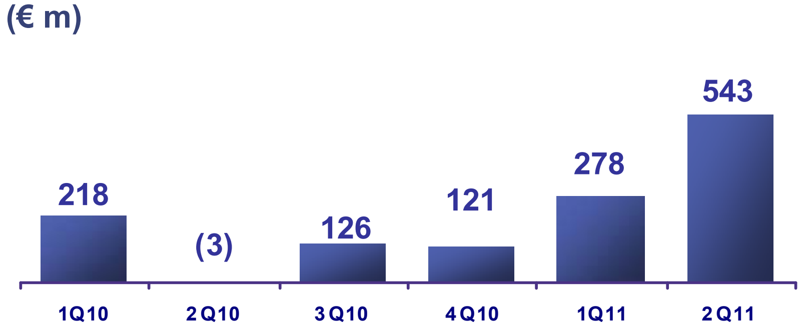


- **In 1H11 €1.6bn net inflows in total Customer financial assets(1), of which €2.6bn in AuM(1)**
- **The reconversion of Assets under Administration (€192bn) into Assets under Management provides potential for commission growth with retail customers**

(1) Banca dei Territori + Banca Fideuram
Figures may not add up exactly due to rounding differences

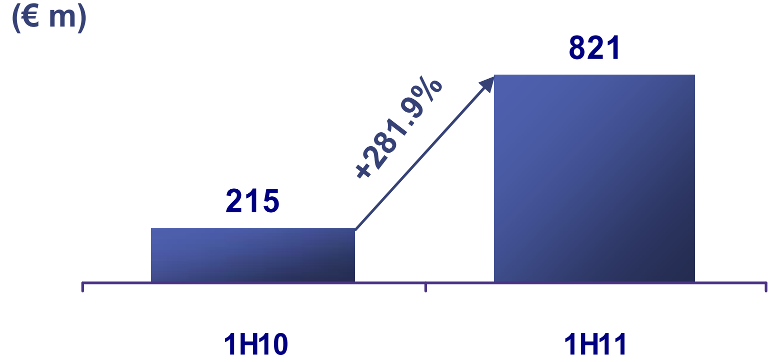
Strong growth in 1H11 Profits on Trading while maintaining a low risk profile

Quarterly Analysis



- 2Q11, the strongest quarter since the merger
- 2Q11 results included €272m capital gain from the sale of 4% of Prada and €154m capital gain from the disposal of the remaining stake in Findomestic
- 2Q11 average VaR (€36m) stable vs 1Q11

Yearly Analysis



- Strong increase vs 1H10 also when excluding the capital gains on Prada and Findomestic (83.7%)
- 1H11 customer activity results (€190m) rose 11.8% vs 1H10
- 1H11 results include €33m of dividends from Financial assets available for sale (€37m in 1H10)

Trading profits: positive contribution from all activities

(€ m)	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11
Total	**218**	**(3)**	**126**	**121**	**278**	**543**
of which:						
Customers	**85**	**85**	**90**	**99**	**109**	**81**
Capital markets & Financial assets AFS	**105**	**16**	**1**	**48**	**22**	**441****
Proprietary Trading and Treasury (excluding Structured credit products)	**2**	**(114)***	**8**	**(57)***	**120**	**11**
Structured credit products (see appendix)	**27**	**10**	**27**	**32**	**26**	**11**

* 2Q10 and 4Q10 Proprietary Trading and Treasury results affected by unrealised losses on Italian Government bonds that have an average residual life of just around one year (~€100m in 2Q10 and ~€40m in 4Q10)

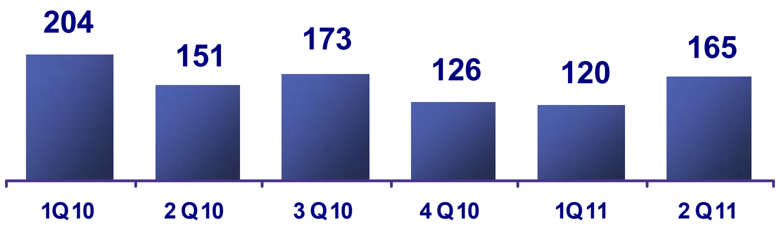
** 2Q11 Capital markets & Financial assets AFS results include €272m capital gain on Prada and €154m capital gain on Findomestic

Figures may not add up exactly due to rounding differences

Strong increase in 2Q11 Income from Insurance Business vs 1Q11

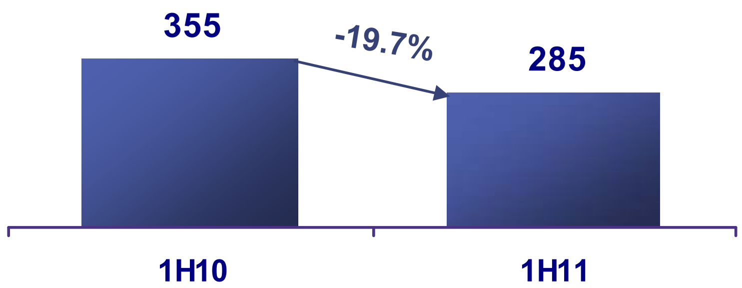
Quarterly Analysis

(€ m)



Yearly Analysis

(€ m)



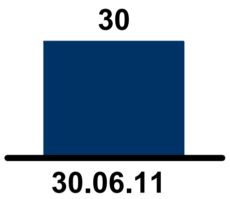
- **Strong increase in 2Q11 vs 1Q11 (+37.5%)**
- **Decline in 1H11 vs 1H10 mainly due to capital gains on sales of securities in 1H10**
- **In 1H11 Bancassurance new premiums up to €7.6bn (+7.8% vs 1H10)**
- **Merger underway of the four insurance companies held by Intesa Sanpaolo**

Creation of a national player in Bancassurance

Technical reserves

IntesaVITA

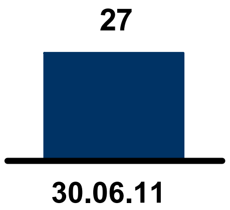
(€ bn)



Technical reserves

EurizonVita

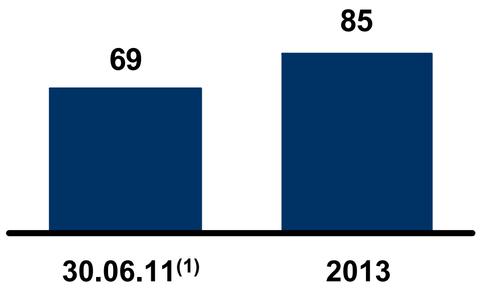
(€ bn)



Technical reserves

INTESA SANPAOLO VITA

(€ bn)

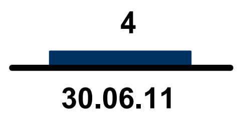


- €26m of cost synergies
- Product range simplification
- Italian market leader with ~30% market share of new business

Technical reserves

CENTROVITA ASSICURAZIONI

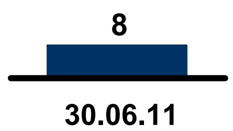
(€ bn)



Technical reserves

SUD POLO VITA

(€ bn)



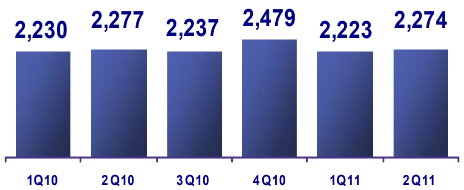
(1) Pro-forma data consistent with the 2011-2013/2015 Business Plan scope

Reduction in Operating Costs confirmed

Quarterly Analysis

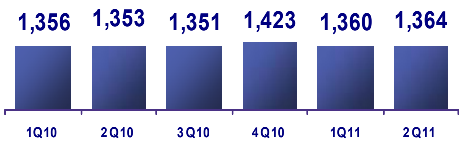
Operating Costs

(€ m)



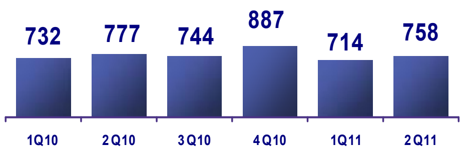
Personnel Expenses

(€ m)



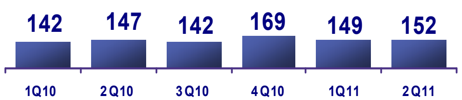
Other Administrative Expenses

(€ m)



Adjustments

(€ m)

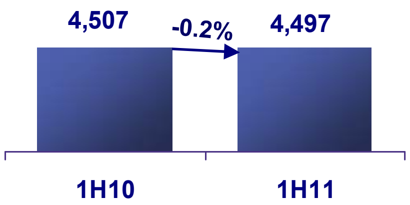


- 2Q11 Operating costs down 0.1% vs 2Q10
- 2Q11 Operating costs up 2.3% vs 1Q11 mainly due to the seasonal trend of Other administrative expenses

Yearly Analysis

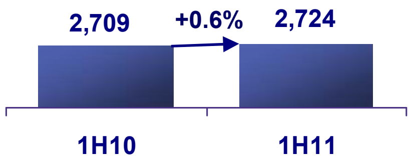
Operating Costs

(€ m)



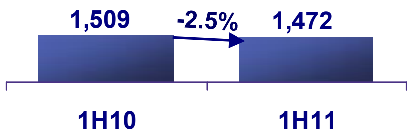
Personnel Expenses

(€ m)



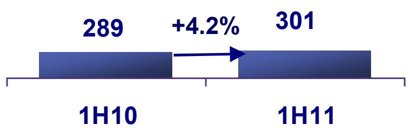
Other Administrative Expenses

(€ m)



Adjustments

(€ m)



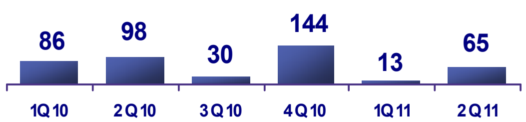
- Confirmed cost reduction (-0.2% vs 1H10) attributable to the decline in Other administrative expenses
- Rise in Adjustments largely due to the increase in IT investments
- 1H11 Cost/Income down to 51.8% (54.5% excluding capital gains on Prada and Findomestic) vs 54.8% in 1H10

1H11 annualised Cost of credit down to 78bps

Quarterly Analysis

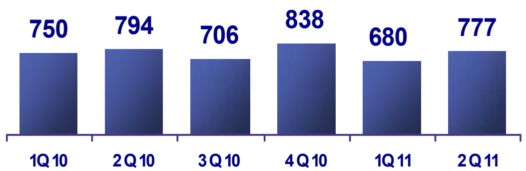
Net Provisions for risks and charges

(€ m)



Net Adjustments to Loans

(€ m)

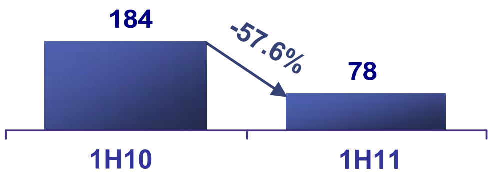


- Increase in 2Q11 Net Provisions for risks and charges vs 1Q11 but a 33.7% reduction vs 2Q10
- Increase in 2Q11 Net Adjustments to Loans vs 1Q11 - also due to seasonal trend - but a 2.1% reduction vs 2Q10

Yearly Analysis

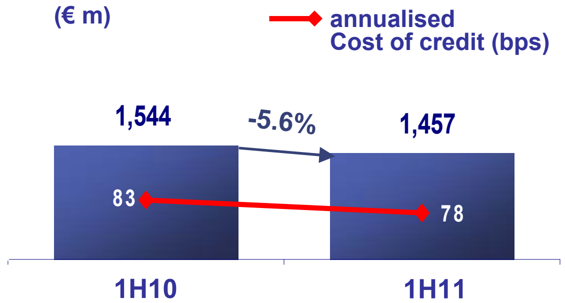
Net Provisions for risks and charges

(€ m)



Net Adjustments to Loans

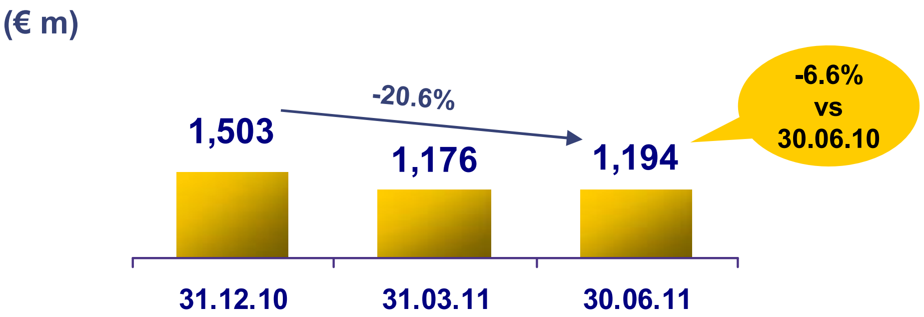
(€ m)



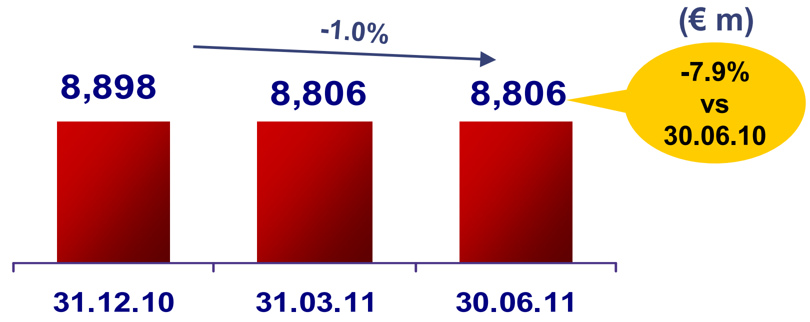
- 57.6% reduction in Net Provisions for risks and charges vs 1H10
- 5.6% decrease in Net Adjustments to Loans in 1H11 vs 1H10
- 1H11 Net Adjustments to Loans/Loans down to 78bps annualised vs 83bps in 1H10

Reduction in stock of Substandard and Past Due Loans in 1H11

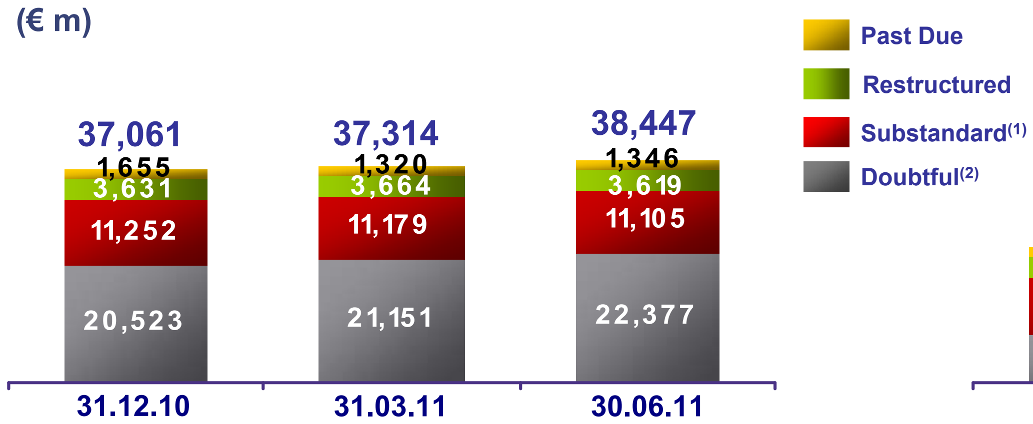
Net Past Due



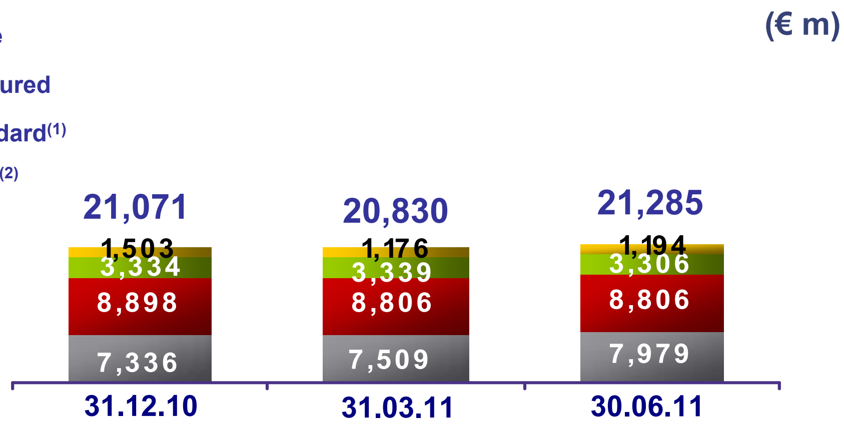
Net Substandard Loans



Gross Non-performing Loans



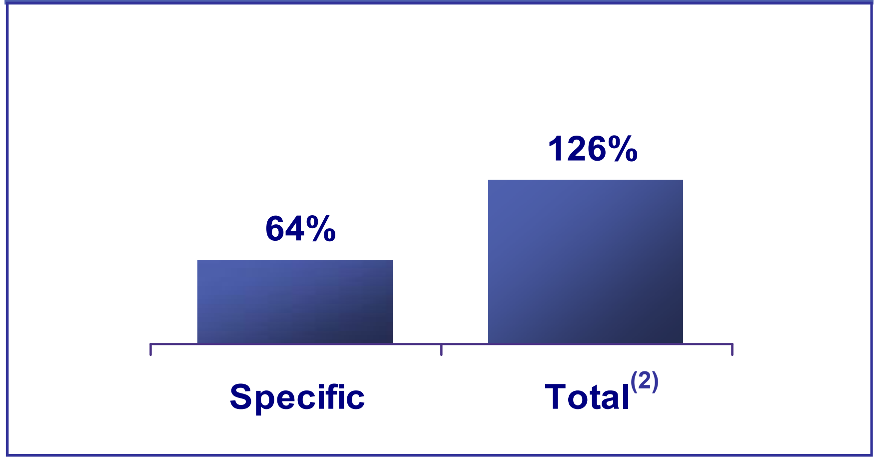
Net Non-performing Loans



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

Doubtful Loans[1] coverage more than adequate and solid Performing Loans reserve

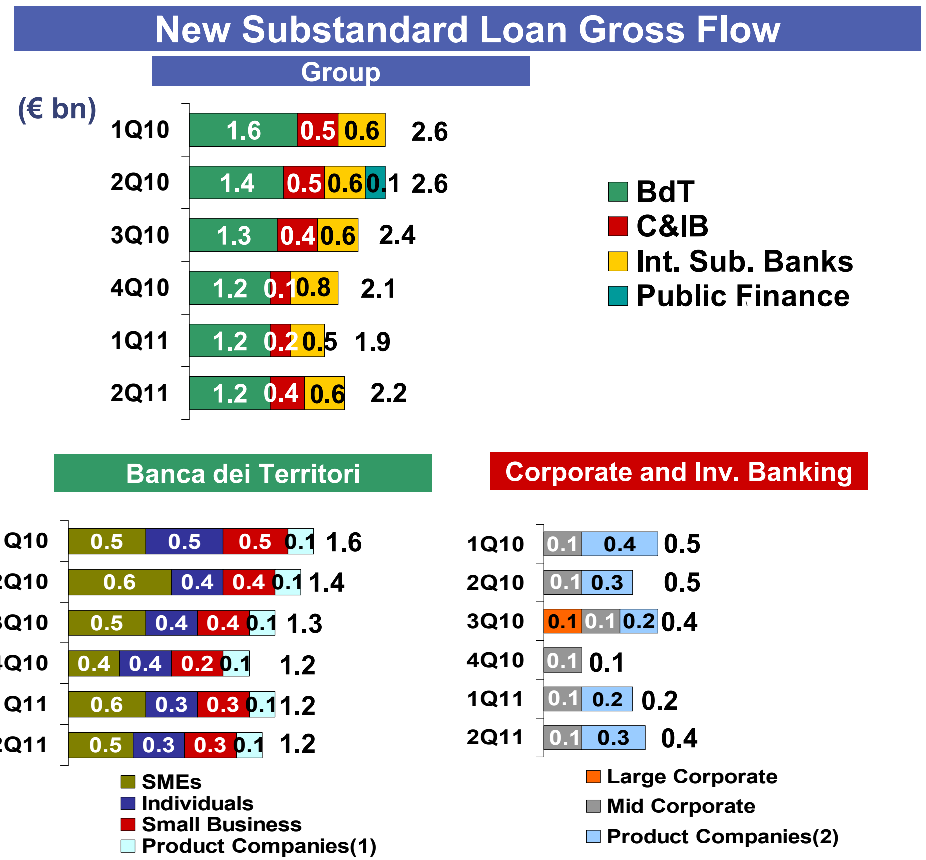
Doubtful Loans[1] coverage as at 30.06.11

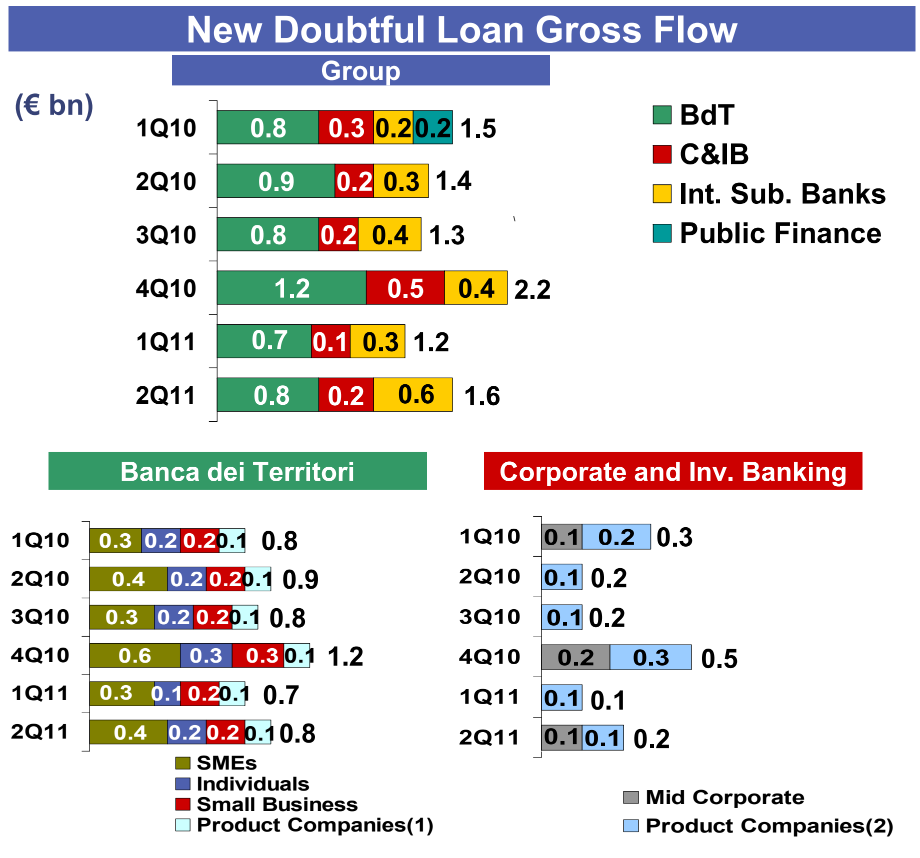


- **Doubtful Loans[1] total coverage (including collateral and guarantees) more than adequate at 126%**
- **Repayments from Doubtful Loans[1] structurally higher than their Net Book Value (more than 150% in the period 1.01.09 - 30.06.11)**
- **Non-performing Loans specific coverage at 30.06.11 increased to 44.6% from 44.2% at 31.03.11 and from 42.3% at 30.06.10**
- **Performing Loans reserve at 30.06.11 equal to €2,415m**

(1) Sofferenze
(2) Including collateral and guarantees

1H11 inflow of new Doubtful Loans and Substandard Loans lower than in 1H10 and 2H10



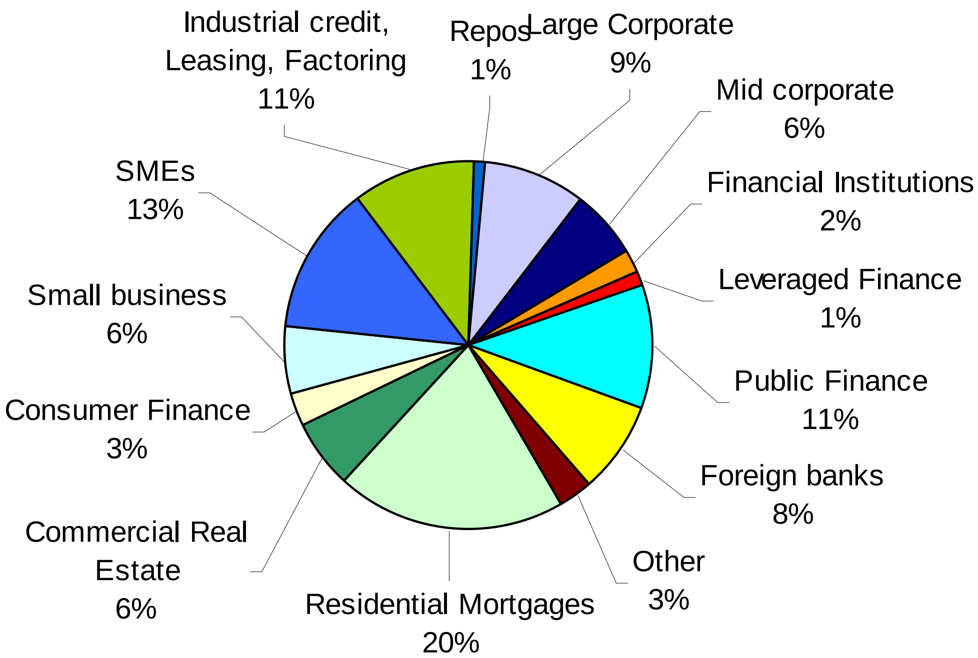


- Inflow of new Doubtful Loans up in 2Q11 vs 1Q11 due to higher transfers from Substandard Loans, of which over one half is due to reclassified positions - within the International Subsidiary Banks Division - which have not required any change in the coverage ratio

(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 30.06.11)



- **Low risk profile of residential mortgage portfolio**
  - **Instalment/available income ratio at 37%**
  - **Average Loan-to-Value equal to 50%**
  - **Original average maturity equal to ~21 years**
  - **Residual average life equal to ~13 years**

Figures may not add up exactly due to rounding differences

Breakdown by economic business sectors

	31.03.11	30.06.11
Loans of the Italian banks and companies of the Group		
Households	**23.7%**	**23.8%**
Public Administration	**5.0%**	**4.8%**
Financial companies	**4.4%**	**2.8%**
Non-financial companies	**49.2%**	**50.9%**
of which:		
HOLDING AND OTHER	9.2%	9.4%
CONSTRUCTION AND MATERIALS FOR CONSTR.	6.9%	7.1%
DISTRIBUTION	6.3%	6.7%
SERVICES	5.4%	5.6%
UTILITIES	2.5%	2.7%
METALS AND METAL PRODUCTS	2.5%	2.6%
TRANSPORT	2.5%	2.4%
FOOD AND DRINK	1.7%	1.8%
TRANSPORTATION MEANS	1.7%	1.7%
MECHANICAL	1.6%	1.6%
AGRICULTURE	1.5%	1.6%
INTERMEDIATE INDUSTRIAL PRODUCTS	1.4%	1.5%
FASHION	1.4%	1.5%
ELECTROTECHNICAL AND ELECTRONIC	1.2%	1.2%
ENERGY AND EXTRACTION	1.2%	1.2%
BASE AND INTERMEDIATE CHEMICALS	0.5%	0.6%
PUBLISHING AND PRINTING	0.5%	0.5%
FURNITURE	0.4%	0.4%
OTHER CONSUMPTION GOODS	0.3%	0.3%
PHARMACEUTICAL	0.3%	0.3%
MASS CONSUMPTION GOODS	0.1%	0.1%
WHITE GOODS	0.1%	0.1%
Rest of the world	**7.0%**	**6.5%**
Loans of the foreign banks and companies of the Group	**8.8%**	**9.0%**
Doubtful Loans	**2.0%**	**2.1%**
TOTAL	**100.0%**	**100.0%**

Exposure to sovereign risks[1] by Country

(€ m)	DEBT SECURITIES							LOANS
	L&R	AFS	HTM	CFV [2]	HFT	Total	AFS Reserve[3]	
EU Countries	**8,358**	**50,419**	**2,084**	**315**	**14,733**	**75,909**	**-950**	**23,040**
Austria		80	2		66	148		
Belgium		90			14	104		
Bulgaria					1	1		
Cyprus	19					19		
Czech Republic		27				27	-1	23
Denmark								
Estonia								
Finland		102			12	114	-1	17
France	115	505			87	706		
Germany	152	2,306			1,115	3,573	-5	
Greece	168	317			16	501	-227	
Hungary	300	257	23		165	745	-4	168
Iceland					1	1		
Ireland		186				187	-75	
Italy	6,988	43,829	939	282	12,434	64,473	-542	22,051
Latvia	25				1	25		55
Liechtenstein								
Lithuania		20			3	23	-1	
Luxembourg		294		34	245	572	3	
Malta								
The Netherlands		469			145	614	-39	
Norway					55	55		
Poland	69	29			142	240	-1	
Portugal		44			1	45	-34	25
Romania	10	120			4	134	-1	12
Slovakia		1,282	1,120		15	2,417	2	77
Slovenia		93			3	96	-1	77
Spain	511	334			105	950	-16	535
Sweden		35			32	67		
United Kingdom		1			72	73	-7	
North African Countries	**19**	**114**	**12**		**950**	**1,095**	**-3**	**46**
Algeria								46
Egypt		114	12		950	1,077	-3	
Libya								
Morocco	19					19		
Tunisia								
Japan					**296**	**296**		
Other Countries	**1,010**	**170**	**320**		**2,336**	**3,836**	**-47**	**1,128**
Total consolidated figures	**9,387**	**50,703**	**2,416**	**315**	**18,315**	**81,136**	**-1,000**	**24,214**

- **Overall exposure to Greece, Ireland, Portugal and Spain at 2% of total**
- **~€1bn negative AFS reserve as at 30.06.11, of which ~€0.5bn due to Italy and ~€0.2bn to Greece**
- **Negative AFS reserve estimated up to ~€2bn as at 31.07.11 mainly due to Italy**

(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as at 30.06.11. Including insurance business
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured
(3) Net of tax and allocation to insurance products under separate management; referred to all debt securities; almost entirely regarding sovereign risks
Figures may not add up exactly due to rounding differences

Exposure to Greek Government Bonds as at 30.06.11

(€ m)	Book Value[1]				Impairment		AFS Reserve[2]
	L&R[3]	AFS	HFT	Total	Total	*Pertaining to the Group[4]*	
Maturity by 2020	33	55	11	99	(48)	*(25)*	-
Maturity after 2020	193	262	5	460	-	-	(227)
Total	**226**	**317**	**16**	**559**	**(48)**	***(25)***	**(227)**

- **Impairment on bonds with maturity by 2020 based on expected loss of 21% with respect to securities classified under L&R and on market value for AFS securities**

(1) After impairment
(2) Net of tax and allocation to insurance products under separate management
(3) Including revaluation under fair value hedge
(4) Net of allocation to insurance products under separate management

Exposure to banks by Country[1]

(€ m)	DEBT SECURITIES						LOANS
	L&R	AFS	HTM	CFV [2]	HFT	Total	
EU Countries	**5,800**	**8,176**	**267**	**191**	**4,624**	**19,057**	**19,979**
Austria	131	18	11		5	165	222
Belgium		56			251	307	194
Bulgaria							
Cyprus							
Czech Republic	50					50	2
Denmark	200	39			107	346	123
Estonia							
Finland		12				12	7
France	416	651		5	679	1,752	5,373
Germany	12	1,039	10	6	193	1,261	970
Greece		9				9	26
Hungary	25				37	62	97
Iceland							31
Ireland		87		5	22	114	167
Italy	1,890	4,427	179	165	2,066	8,728	7,530
Latvia							
Liechtenstein							
Lithuania							
Luxembourg	500	5				505	1,000
Malta							13
The Netherlands	68	427	40		382	917	408
Norway	305	34			87	426	48
Poland	50					50	28
Portugal	914	121	10		47	1,093	20
Romania							39
Slovakia	153	10	10			173	1
Slovenia		44			1	45	115
Spain	746	427			256	1,429	426
Sweden	252	29			192	473	34
United Kingdom	87	741	7	10	295	1,139	3,107
North African Countries					**7**	**7**	**178**
Algeria							
Egypt					7	7	162
Libya							4
Morocco							1
Tunisia							11
Japan		**58**				**58**	**52**
Other Countries	**290**	**1,087**	**43**	**28**	**2,047**	**3,496**	**10,720**
Total consolidated figures	**6,089**	**9,321**	**310**	**219**	**6,679**	**22,618**	**30,929**

(1) Book Value of Debt Securities and Net Loans as at 30.06.11. Including insurance business
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured
Figures may not add up exactly due to rounding differences

Exposure to other customers by Country(1)

(€ m)	DEBT SECURITIES						LOANS
	L&R	AFS	HTM	CFV (2)	HFT	Total	
EU Countries	**5,604**	**3,587**	**120**	**54**	**2,025**	**11,390**	**306,709**
Austria	9	12			2	23	265
Belgium		37				37	366
Bulgaria							46
Cyprus							157
Czech Republic	27	16				42	440
Denmark		2			13	16	65
Estonia							2
Finland		58			1	59	22
France	165	775		13	114	1,067	1,717
Germany	8	325	10	14	105	462	1,404
Greece	216	41			2	259	199
Hungary	14				7	22	6,970
Iceland	127					127	1
Ireland	35	9		5		49	754
Italy	2,988	1,052		9	1,302	5,351	274,343
Latvia							
Liechtenstein		11				11	
Lithuania							5
Luxembourg	241	32		3	15	290	1,756
Malta							42
The Netherlands	645	468		5	217	1,335	2,133
Norway	3				17	20	87
Poland	2	2		2		6	76
Portugal	268	37			1	306	236
Romania							799
Slovakia			2			2	6,364
Slovenia		5				5	1,904
Spain	519	388	99	2	41	1,049	2,200
Sweden		35			2	37	318
United Kingdom	338	283	10		186	816	4,037
North African Countries		**14**	**10**			**24**	**2,020**
Algeria							21
Egypt		14	10			24	1,986
Libya							8
Morocco							1
Tunisia							4
Japan	**2**					**2**	**431**
Other Countries	**2,527**			**173**	**469**	**3,169**	**20,983**
Total consolidated figures	**8,132**	**3,601**	**130**	**227**	**2,494**	**14,585**	**330,143**

(1) Book Value of Debt Securities and Net Loans as at 30.06.11. Including insurance business
(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured
Figures may not add up exactly due to rounding differences

Total exposure[1] by Country: international exposure at 24% of total

(€ m)	DEBT SECURITIES						LOANS
	L&R	AFS	HTM	CFV [2]	HFT	Total	
EU Countries	**19,761**	**62,181**	**2,471**	**561**	**21,383**	**106,357**	**349,727**
Austria	140	111	13		73	337	487
Belgium		182			265	448	560
Bulgaria					1	1	46
Cyprus	19					19	157
Czech Republic	77	42				119	465
Denmark	200	41			120	362	188
Estonia							2
Finland		173			13	186	46
France	696	1,930		18	880	3,524	7,090
Germany	172	3,670	20	20	1,414	5,296	2,374
Greece	384	368			18	770	225
Hungary	339	257	23		209	828	7,235
Iceland	127				2	128	32
Ireland	35	282		10	22	349	921
Italy	11,866	49,309	1,118	456	15,803	78,553	303,924
Latvia	25				1	25	55
Liechtenstein		11				11	
Lithuania		20			3	23	5
Luxembourg	741	331		36	259	1,367	2,756
Malta							55
The Netherlands	713	1,363	40	5	744	2,865	2,541
Norway	308	34			160	501	135
Poland	121	31		2	142	297	104
Portugal	1,182	201	10		50	1,443	281
Romania	10	120			4	134	850
Slovakia	153	1,291	1,131		15	2,591	6,442
Slovenia		142			4	146	2,095
Spain	1,776	1,149	99	2	403	3,428	3,161
Sweden	252	99			226	576	352
United Kingdom	425	1,024	17	10	554	2,029	7,144
North African Countries	**19**	**129**	**22**		**957**	**1,126**	**2,244**
Algeria							67
Egypt		129	22		957	1,107	2,148
Libya							12
Morocco	19					19	2
Tunisia							15
Japan	**2**	**58**			**296**	**355**	**483**
Other Countries	**3,827**	**1,257**	**363**	**201**	**4,852**	**10,500**	**32,832**
Total consolidated figures	**23,608**	**63,625**	**2,856**	**762**	**27,488**	**118,339**	**385,286**

- **Overall exposure to Greece, Ireland, Portugal and Spain at 2% of total**

(1) Exposure to sovereign risks (central and local governments), banks and other customers, for which details are reported in slides 37, 39 and 40. Book Value of Debt Securities and Net Loans as at 30.06.11. Including insurance business

(2) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Figures may not add up exactly due to rounding differences

1H11 results are in line with our Business Plan targets

The formula of our Business Plan

Highly sustainable revenues + Productivity growth and strong cost discipline

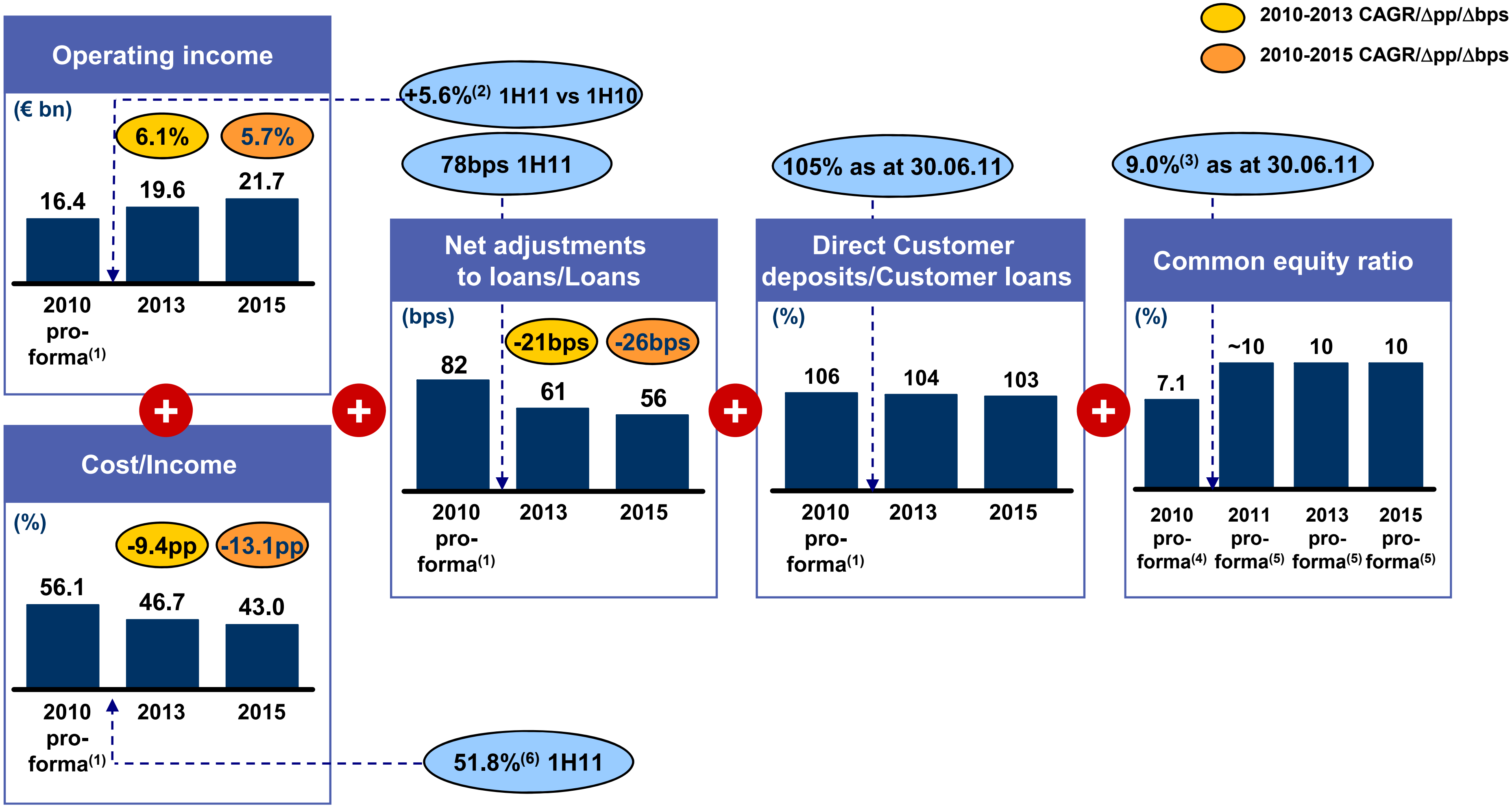
+ Low risk profile

+ High liquidity

+ Stronger capital base

= Solid value creation for all stake-holders

Our 2011-2013/2015 Business Plan
Main indicators



(1) Pro-forma data consistent with the 2011-2013/2015 Business Plan scope (sale of Cassa di Risparmio della Spezia and 96 branches to the Crédit Agricole Group). Not including Banca Monte di Parma
(2) +0.4% excluding capital gains on Prada and Findomestic
(3) Pro-forma data including estimated impact from Banca Monte Parma acquisition and the expected absorption of deferred tax assets before the full phasing-in of Basel 3
(4) Pro-forma data including estimated benefits from disposals and acquisitions in finalisation stage and the expected absorption of deferred tax assets before the full phasing-in of Basel 3
(5) Pro-forma data including estimated impact from Banca Monte Parma acquisition and the expected absorption of deferred tax assets before the full phasing-in of Basel 3, retained earnings and the actions of optimisation of capital sources/requirements envisaged in the Business Plan
(6) 54.5% excluding capital gains on Prada and Findomestic

Divisional Financial Highlights

(Figures as at 30.06.11)	Banca dei Territori	Eurizon Capital	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Banca Fideuram	Corporate Centre / Others[1]	Total
Operating Income (€ m)	4,759	136	2,051	196	1,188	400	(52)	8,678
Operating Margin (€ m)	1,926	72	1,595	159	612	230	(413)	4,181
Net income (€ m)	356	37	837	78	214	105	(225)	1,402
Cost/Income (%)	59.5	47.1	22.2	18.9	48.5	42.5	n.m.	51.8
RWA (€ bn)	117.9	0.8	118.0	16.7	34.9	4.7	27.7	320.8
Allocated Capital[2] (€ bn)	10.0	0.1	8.3	1.2	2.4	0.5	1.9	24.4
Direct Customer Deposits (€ bn)	214.3	n.m.	86.8	5.3	30.2	12.3	65.5	414.4
Loans to Customers (€ bn)	184.5	0.1	107.9	40.0	31.3	3.1	5.4	372.4
Adjusted EVA®[3] (€ m)	61	52	436	23	57	125	(473)	280

(1) Treasury Department, Central Structures, capital not allocated to Business Units and consolidation adjustments
(2) Allocated capital to Business Units = 7% RWA + insurance risk and + business risk for Banca Fideuram and Eurizon Capital
(3) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

Banca dei Territori: decrease in 1H11 Net Adjustments to Loans and Operating Costs vs 1H10

(€ m)	1H10 Restated	1H11	Δ%
Net interest income	2,957	2,811	(4.9)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	1,688	1,655	(2.0)
Profits (Losses) on trading	40	52	30.0
Income from insurance business	312	229	(26.6)
Other operating income (expenses)	3	12	300.0
Operating income	**5,000**	**4,759**	**(4.8)**
Personnel expenses	(1,645)	(1,639)	(0.4)
Other administrative expenses	(1,222)	(1,189)	(2.7)
Adjustments to property, equipment and intangible assets	(4)	(5)	25.0
Operating costs	**(2,871)**	**(2,833)**	**(1.3)**
Operating margin	**2,129**	**1,926**	**(9.5)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(69)	(27)	(60.9)
Net adjustments to loans	(1,041)	(962)	(7.6)
Net impairment losses on other assets	(9)	(15)	66.7
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**1,010**	**922**	**(8.7)**
Taxes on income from continuing operations	(405)	(449)	10.9
Merger and restructuring related charges (net of tax)	(28)	(12)	(57.1)
Effect of purchase cost allocation (net of tax)	(122)	(105)	(13.9)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**455**	**356**	**(21.8)**

	1H10 Restated	1H11
Adjusted EVA®(1) (€ m)	**135**	**61**

Note: 1H10 figures restated to reflect scope of consolidation for 1H11
(1) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

- ~31,000 new customers on a net basis and +€0.7bn Customer Financial Assets net inflows in 1H11 due to AuM (+€2.0bn) and Assets under Administration (+€1.4bn)
- 4.4% increase in NII excluding the reduction in benefits from hedging
- 2.3% growth in average loans to SMEs vs 1H10
- 1.1% increase in commissions without taking into account the effect of not placing third-party bonds in 1H11
- Decrease in Income from insurance business vs 1H10, which benefitted from capital gains on sale of securities. 5.5% increase in new business vs 1H10
- 1.3% reduction in Operating costs
- 3.5% increase in Operating margin excluding the reduction in benefits from hedging
- Reduction in Net adjustments to loans (-7.6%) particularly attributable to individual and small business customer segments
- 1H11 Net Income at €398m excluding the estimated impact of IRAP rate change (€42m)

Banca dei Territori: slight increase in 2Q11 Revenues vs 1Q11

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	1,404	1,407	0.3
Dividends and P/L on investments carried at equity	(0)	0	n.m.
Net fee and commission income	845	810	(4.2)
Profits (Losses) on trading	26	26	1.7
Income from insurance business	101	128	27.0
Other operating income (expenses)	1	12	n.m.
Operating income	**2,376**	**2,383**	**0.3**
Personnel expenses	(813)	(826)	1.6
Other administrative expenses	(587)	(602)	2.6
Adjustments to property, equipment and intangible assets	(2)	(2)	2.4
Operating costs	**(1,403)**	**(1,431)**	**2.0**
Operating margin	**974**	**952**	**(2.2)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(7)	(19)	165.5
Net adjustments to loans	(431)	(531)	23.3
Net impairment losses on other assets	(3)	(12)	349.5
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**532**	**389**	**(26.9)**
Taxes on income from continuing operations	(223)	(226)	1.6
Merger and restructuring related charges (net of tax)	(3)	(9)	212.1
Effect of purchase cost allocation (net of tax)	(49)	(56)	12.6
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**257**	**99**	**(61.7)**

Note: 1Q11 figures restated to reflect the scope of consolidation for 2Q11
Figures may not add up exactly due to rounding differences

- +€0.6bn Customer Financial Assets net inflows in 2Q11 due to AuM (+€0.4bn) and Assets under Administration (+€0.5bn)
- 6.3% increase in NII vs 1Q11 excluding the negative impact of lower hedging benefit
- 0.7% increase in average Loans to Customers vs 1Q11
- Increase in Income from insurance business and in Other operating income more than offset the decline in Net fee and commission income
- Increase in Operating costs due to seasonal trend (-1.3% 1H11 vs 1H10)
- 6.5% growth in Operating margin vs 1Q11 excluding the negative impact of lower hedging benefit
- Increase in Net adjustments to loans vs 1Q11 affected by seasonal trend (-7.6% 1H11 vs 1H10) and mostly due to SMEs
- 2Q11 Net income at €141m excluding the estimated impact of IRAP rate change (€42m)

Eurizon Capital: increase in 1H11 Net Income vs 1H10

(€ m)	1H10 Restated	1H11	Δ%
Net interest income	0	0	n.m.
Dividends and P/L on investments carried at equity	8	7	(12.5)
Net fee and commission income	125	127	1.6
Profits (Losses) on trading	0	1	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	4	1	(75.0)
Operating income	**137**	**136**	**(0.7)**
Personnel expenses	(26)	(27)	3.8
Other administrative expenses	(39)	(37)	(5.1)
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(65)**	**(64)**	**(1.5)**
Operating margin	**72**	**72**	**0.0**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	0	0	n.m.
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	**72**	**72**	**0.0**
Taxes on income from continuing operations	(16)	(16)	0.0
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(19)	(19)	0.0
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(1)	0	(100.0)
Net income	**36**	**37**	**2.8**

	1H10	1H11
Adjusted EVA®(1) (€ m)	**52**	**52**

- **Leading asset manager in Italy with €139.5bn of AuM (+2.3% vs 31.12.10)**
- **€3.3bn positive net collection in 1H11 driven by insurance product net inflow**
- **Mutual funds market share up to 17.6% vs 17.3% as at 31.12.10**
- **Operating margin stable due to decrease in Operating costs (-1.5%)**
- **1H11 Net income at €56m, excluding the economic effect of purchase cost allocation**
- **In 1H11 rationalisation of Italian Mutual funds (reduction in the number of funds and change to fund characteristics) and launch of a new range of foreign Mutual funds with protected capital**

Note: 1H10 figures restated to reflect scope of consolidation for 1H11
(1) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

Eurizon Capital: 2Q11 market share and Net income on the rise vs 1Q11

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	0	0	13.9
Dividends and P/L on investments carried at equity	4	3	(21.8)
Net fee and commission income	63	63	(0.4)
Profits (Losses) on trading	1	0	(85.7)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	0	(35.5)
Operating income	**69**	**67**	**(3.3)**
Personnel expenses	(14)	(13)	(2.4)
Other administrative expenses	(18)	(19)	3.3
Adjustments to property, equipment and intangible assets	(0)	(0)	(3.9)
Operating costs	**(32)**	**(32)**	**0.8**
Operating margin	**37**	**35**	**(6.9)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(0)	(0)	192.3
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	**37**	**35**	**(7.1)**
Taxes on income from continuing operations	(9)	(7)	(21.1)
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(10)	(9)	(10.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	(0)	(0)	(5.4)
Net income	**18**	**19**	**1.2**

- Leading asset manager in Italy with €139.5bn of AuM
- Mutual funds market share up to 17.6% vs 17.4% at 31.03.11
- Net fee and commission income in line vs 1Q11
- 1.2% increase in 2Q11 Net income vs 1Q11
- 2Q11 Net income at €28m, excluding the economic effect of purchase cost allocation
- In 2Q11 the rationalisation of Italian Mutual funds came into effect (reduction in the number of funds and change to fund characteristics) and - with reference to foreign Mutual funds - a new range of capital protected products were launched

Note: 1Q11 figures restated to reflect the scope of consolidation for 2Q11
Figures may not add up exactly due to rounding differences

Corporate and Investment Banking: strong growth in 1H11 Operating Margin and Net Income vs 1H10

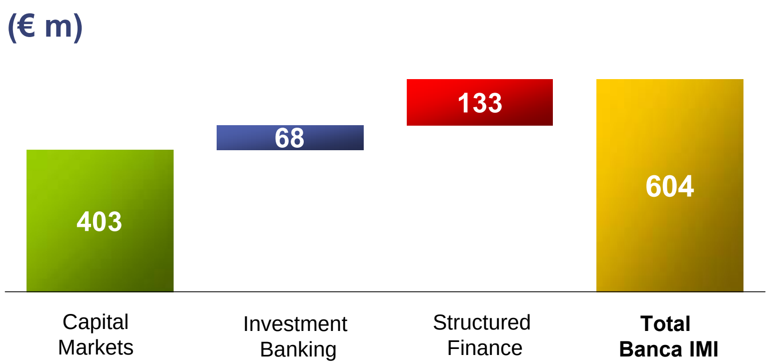
(€ m)	1H10 Restated	1H11	Δ%
Net interest income	963	972	0.9
Dividends and P/L on investments carried at equity	(11)	0	(100.0)
Net fee and commission income	467	507	8.6
Profits (Losses) on trading	347	553	59.4
Income from insurance business	0	0	n.m.
Other operating income (expenses)	13	19	46.2
Operating income	**1,779**	**2,051**	**15.3**
Personnel expenses	(189)	(199)	5.3
Other administrative expenses	(234)	(254)	8.5
Adjustments to property, equipment and intangible assets	(4)	(3)	(25.0)
Operating costs	**(427)**	**(456)**	**6.8**
Operating margin	**1,352**	**1,595**	**18.0**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(4)	(7)	75.0
Net adjustments to loans	(195)	(205)	5.1
Net impairment losses on other assets	(10)	(13)	30.0
Profits (Losses) on HTM and on other investments	(4)	(140)	n.m.
Income before tax from continuing operations	**1,139**	**1,230**	**8.0**
Taxes on income from continuing operations	(390)	(391)	0.3
Merger and restructuring related charges (net of tax)	(4)	(2)	(50.0)
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**745**	**837**	**12.3**
Adjusted EVA®(1) (€ m)	**298**	**436**	

- NII up due to the increase in average Loans to customers (+6.6%)
- Sustained increase in Net fee and commission income attributable to both Investment banking and Commercial banking activities
- Strong rise in Trading profits due to higher revenues from Merchant banking (including Prada capital gain)
- Sustained growth in Operating Margin (+18.0%)
- Slight increase in Net adjustments to loans due to Mid Corporate customers
- Losses on HTM and on other investments almost entirely due to Telco impairment (€132m)
- 1H11 Net income at €837m (+12.3% vs 1H10)
- 1H11 Adjusted EVA® at €436m (+46.3% vs 1H10)

Note: 1H10 figures restated to reflect scope of consolidation for 1H11. Data includes results of Proprietary trading
(1) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

Banca IMI: significant contribution to 1H11 Group results while maintaining a low risk profile

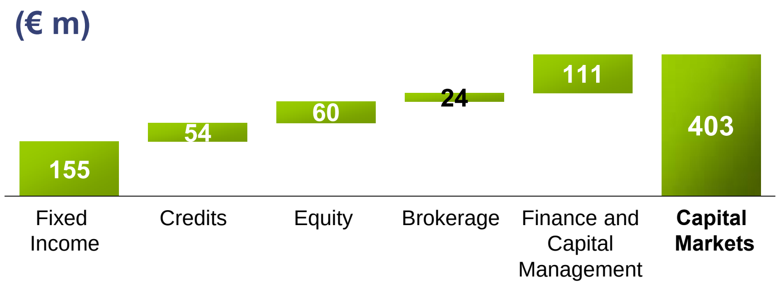
Banca IMI Operating Income[1]



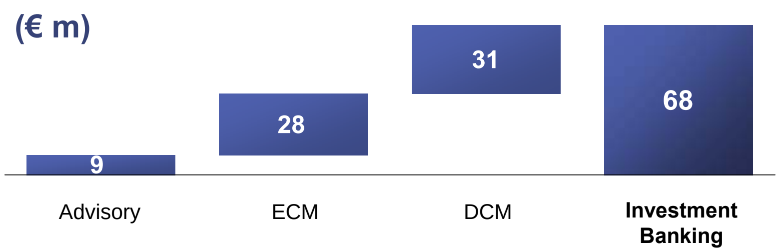
	Capital Markets	Investment Banking	Structured Finance	Total Banca IMI
Cost/Income	30.1%	29.6%	15.6%	26.9%
RWA (€ m)	11,485	276	9,983	21,744

- **~82% of Operating income is customer driven**
- **1H11 average VaR at €19.5m**
- **1H11 Net income at €290m**

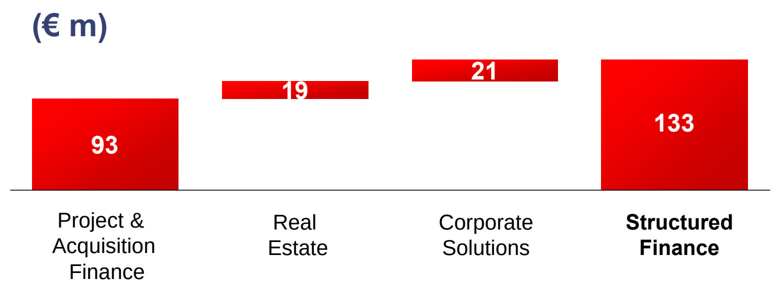
of which: Capital Markets



of which: Investment Banking



of which: Structured Finance



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

Corporate and Investment Banking: strong increase in 2Q11 Profitability vs 1Q11

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	490	482	(1.7)
Dividends and P/L on investments carried at equity	0	(0)	n.m.
Net fee and commission income	222	285	28.2
Profits (Losses) on trading	183	370	102.0
Income from insurance business	0	0	n.m.
Other operating income (expenses)	7	11	54.0
Operating income	**903**	**1,148**	**27.1**
Personnel expenses	(101)	(98)	(3.4)
Other administrative expenses	(118)	(136)	15.2
Adjustments to property, equipment and intangible assets	(1)	(2)	24.3
Operating costs	**(220)**	**(235)**	**6.7**
Operating margin	**683**	**912**	**33.7**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(3)	(3)	6.7
Net adjustments to loans	(88)	(117)	33.3
Net impairment losses on other assets	(9)	(4)	(50.6)
Profits (Losses) on HTM and on other investments	(2)	(138)	n.m.
Income before tax from continuing operations	**581**	**650**	**11.9**
Taxes on income from continuing operations	(193)	(199)	3.3
Merger and restructuring related charges (net of tax)	(1)	(1)	75.4
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**387**	**450**	**16.1**

- Increase in average Loans to Customers vs 1Q11 (+0.2%)
- Strong growth in Net fee and commission income mainly due to Investment Banking and Structured Finance activities
- Sound performance in Profits on trading also benefitting from high Merchant Banking revenues (in particular the €272m Prada capital gain)
- 33.7% growth in Operating margin
- Increase in Net adjustments to loans partially due to seasonal trend and mostly due to Mid Corporate customers
- 2Q11 Losses on HTM and on other investments include Telco impairment (€132m)
- Increase in Net income (+16.1%) vs 1Q11

Note: 1Q11 figures restated to reflect scope of consolidation for 2Q11. Data includes results of Proprietary trading
Figures may not add up exactly due to rounding differences

Public Finance: strong growth in 1H11 Operating Margin and Net Income vs 1H10

(€ m)	1H10 Restated	1H11	Δ%
Net interest income	142	155	9.2
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	29	27	(6.9)
Profits (Losses) on trading	(13)	13	n.m.
Income from insurance business	0	0	n.m.
Other operating income (expenses)	1	1	0.0
Operating income	**159**	**196**	**23.3**
Personnel expenses	(19)	(18)	(5.3)
Other administrative expenses	(22)	(19)	(13.6)
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(41)**	**(37)**	**(9.8)**
Operating margin	**118**	**159**	**34.7**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	0	0	n.m.
Net adjustments to loans	(13)	(17)	30.8
Net impairment losses on other assets	0	(12)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**105**	**130**	**23.8**
Taxes on income from continuing operations	(39)	(52)	33.3
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	(2)	0	(100.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**64**	**78**	**21.9**
Adjusted EVA®(1) (€ m)	**7**	**23**	

- Sustained increase in NII (+9.2%) due to the widening of average spreads
- €4.1bn of new loans in the period 30.06.10 - 30.06.11
- Positive Trading profits
- Strong growth in Operating Margin (+34.7%) due to higher revenues (+23.3%) and lower Operating Costs (-9.8%)
- Cost/Income down to 18.9% vs 25.8% in 1H10
- Net impairment losses on other assets due to impairment on Greek government bonds with maturity by 2020
- 1H11 Net income at €78m (+21.9% vs 1H10)
- 1H11 Adjusted EVA® up 228.6% vs 1H10

Note: 1H10 figures restated to reflect scope of consolidation for 1H11
(1) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

Public Finance: 2Q11 Net Income at €27m

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	86	70	(18.4)
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	15	12	(18.6)
Profits (Losses) on trading	5	8	53.7
Income from insurance business	0	0	n.m.
Other operating income (expenses)	0	0	99.2
Operating income	**106**	**90**	**(14.6)**
Personnel expenses	(9)	(9)	(4.3)
Other administrative expenses	(9)	(10)	6.0
Adjustments to property, equipment and intangible assets	(0)	(0)	0.8
Operating costs	**(19)**	**(19)**	**0.8**
Operating margin	**87**	**72**	**(17.9)**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(0)	(0)	(79.5)
Net adjustments to loans	(2)	(15)	562.3
Net impairment losses on other assets	0	(12)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**85**	**45**	**(47.3)**
Taxes on income from continuing operations	(34)	(18)	(47.4)
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**51**	**27**	**(47.3)**

- €0.8bn of new loans in 2Q11
- 2Q11 NII down vs 1Q11 mostly due to the absence of non-recurring contributions from customers recorded in 1Q11
- 2Q11 NII stable vs 2010 quarterly average and 2Q10
- 2Q11 Net impairment losses on other assets as a result of impairment on Greek government bonds with maturity by 2020
- 2Q11 Net income at €35m, excluding impairment on Greek government bonds

Note: 1Q11 figures restated to reflect the scope of consolidation for 2Q11
Figures may not add up exactly due to rounding differences

International Subsidiary Banks: double-digit growth in 1H11 Operating Margin vs 1H10

(€ m)	1H10 Restated	1H11	Δ%
Net interest income	809	872	7.8
Dividends and P/L on investments carried at equity	7	10	42.9
Net fee and commission income	279	285	2.2
Profits (Losses) on trading	53	45	(15.1)
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(23)	(24)	4.3
Operating income	**1,125**	**1,188**	**5.6**
Personnel expenses	(289)	(288)	(0.3)
Other administrative expenses	(213)	(220)	3.3
Adjustments to property, equipment and intangible assets	(68)	(68)	0.0
Operating costs	**(570)**	**(576)**	**1.1**
Operating margin	**555**	**612**	**10.3**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	6	2	(66.7)
Net adjustments to loans	(279)	(320)	14.7
Net impairment losses on other assets	(2)	(6)	200.0
Profits (Losses) on HTM and on other investments	1	4	300.0
Income before tax from continuing operations	**281**	**292**	**3.9**
Taxes on income from continuing operations	(73)	(78)	6.8
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**208**	**214**	**2.9**

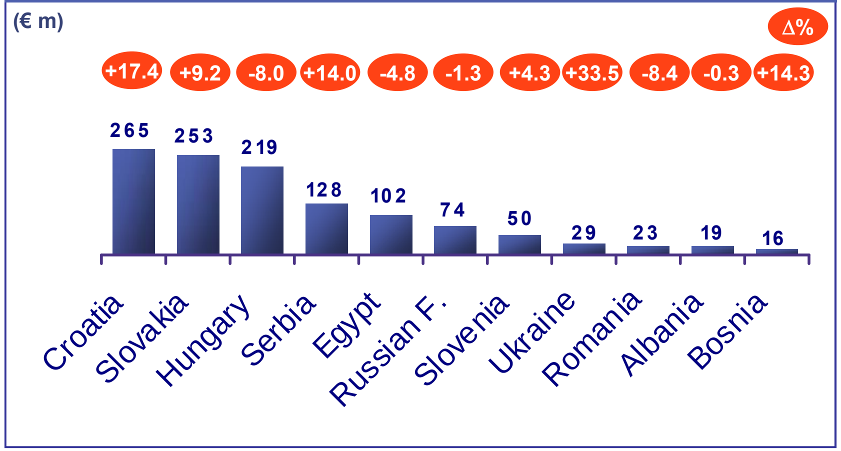
	1H10 Restated	1H11
Adjusted EVA®(1) (€ m)	**61**	**57**

- **5.6% revenue increase due to growth in NII and in Net fee and commission income, supported by positive performance of commissions from AuM, current accounts and credit and debit cards**
- **Slight growth in average Direct Customer Deposits (+0.6%) and in average Loans to Customers (+0.2%)**
- **Cost/Income down to 48.5% from 50.7% in 1H10**
- **10.3% increase in Operating margin (+12.0% excluding exchange rate impact)**
- **Increase in Net adjustments to loans in line with expectations**
- **1H11 Net income at €236m, excluding the impact of Hungary extraordinary tax (€22m)**

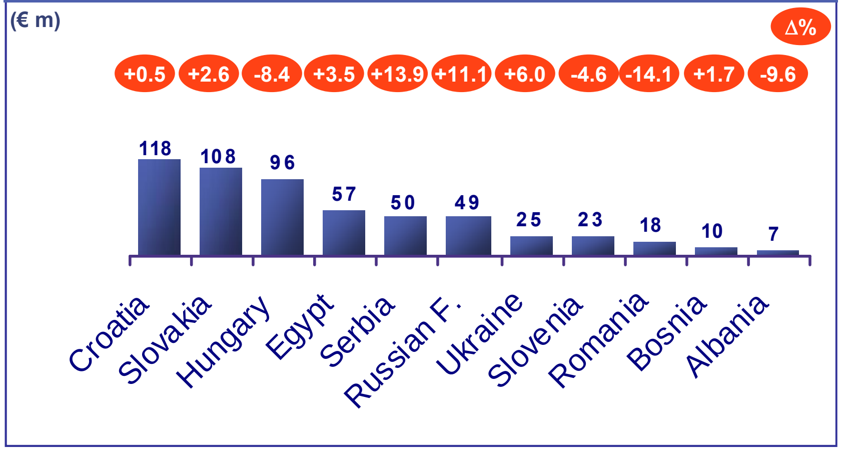
Note: 1H10 figures restated to reflect scope of consolidation for 1H11
(1) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

International Subsidiary Banks: figures by Country 1H11 vs 1H10

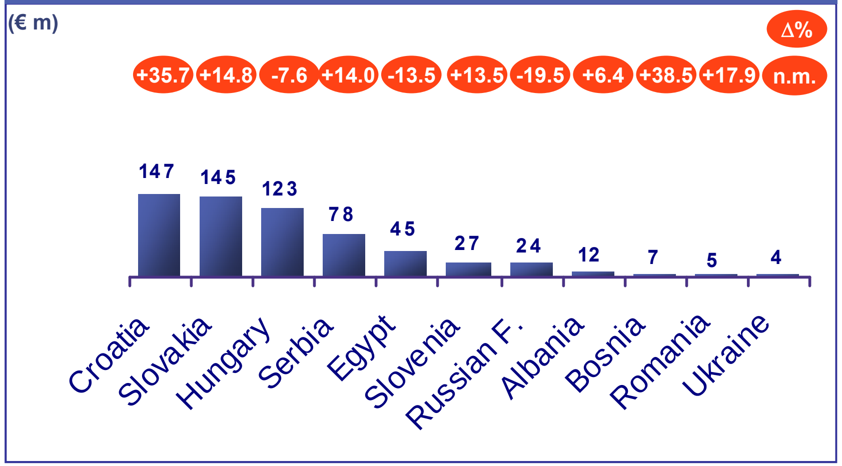
Operating Income



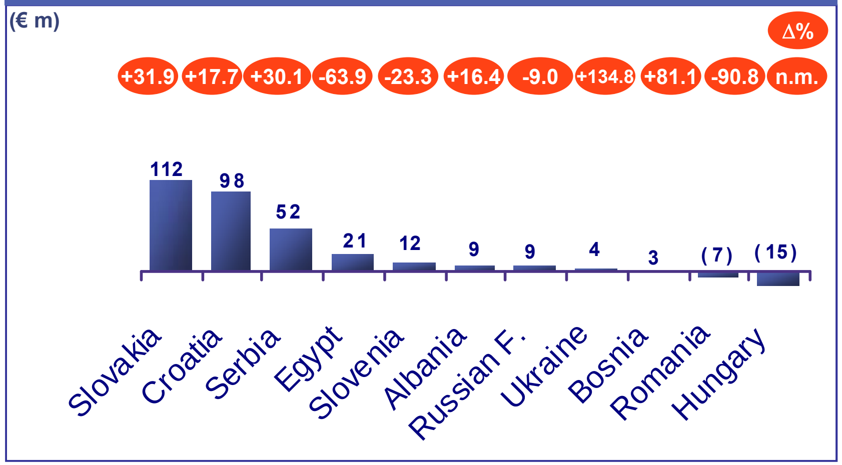
Operating Costs



Operating Margin



Pre-Tax Income[1]



(1) Income before tax from continuing operations

International Subsidiary Banks: strong increase in 2Q11 Net Income vs 1Q11

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	436	435	(0.3)
Dividends and P/L on investments carried at equity	5	5	(8.4)
Net fee and commission income	139	146	4.5
Profits (Losses) on trading	19	25	31.6
Income from insurance business	0	0	n.m.
Other operating income (expenses)	(10)	(13)	28.4
Operating income	**590**	**598**	**1.3**
Personnel expenses	(143)	(145)	1.7
Other administrative expenses	(109)	(112)	2.7
Adjustments to property, equipment and intangible assets	(34)	(34)	(0.8)
Operating costs	**(286)**	**(291)**	**1.8**
Operating margin	**304**	**307**	**0.9**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	4	(2)	n.m.
Net adjustments to loans	(186)	(134)	(28.1)
Net impairment losses on other assets	(0)	(4)	933.6
Profits (Losses) on HTM and on other investments	2	2	30.3
Income before tax from continuing operations	**123**	**169**	**37.2**
Taxes on income from continuing operations	(37)	(41)	11.0
Merger and restructuring related charges (net of tax)	0	0	n.m.
Effect of purchase cost allocation (net of tax)	0	0	n.m.
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**86**	**128**	**48.3**

- Increase in Operating margin (+0.9%) attributable to growth in revenues driven by Net fee and commission income and Profits on trading
- Strong reduction in Net adjustments to loans, in line with expectations
- 37.2% increase in Pre-tax income
- 48.3% growth in Net income vs 1Q11
- 2Q11 Net income at €139m excluding Hungary extraordinary tax (€11m)

Note: 1Q11 figures restated to reflect the scope of consolidation for 2Q11
Figures may not add up exactly due to rounding differences

7.8% of loans in CEE, very well diversified over 10 Countries

(Figures as at 30.06.11)	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.	Ukraine	Total CEE	Egypt	Total
Oper. Income (€ m)	219	253	50	265	128	16	19	23	74	29	1,077	102	1,180
% of Group total	***2.5%***	***2.9%***	***0.6%***	***3.1%***	***1.5%***	***0.2%***	***0.2%***	***0.3%***	***0.8%***	***0.3%***	***12.4%***	***1.2%***	***13.6%***
Net Income (€ m)	(42)	89	9	78	47	3	10	(6)	7	2	198	18	216
% of Group total	***n.m.***	***6.4%***	***0.7%***	***5.6%***	***3.3%***	***0.2%***	***0.7%***	***n.m.***	***0.5%***	***0.2%***	***14.1%***	***1.3%***	***15.4%***
Customer Deposits (€ bn)	5.0	9.1	1.5	6.2	2.3	0.4	0.7	0.5	0.9	0.3	26.9	3.3	30.2
% of Group total	***1.2%***	***2.2%***	***0.4%***	***1.5%***	***0.6%***	***0.1%***	***0.2%***	***0.1%***	***0.2%***	***0.1%***	***6.5%***	***0.8%***	***7.3%***
Customer Loans (€ bn)	7.3	6.9	1.9	6.8	2.5	0.5	0.3	0.8	1.7	0.4	29.2	2.1	31.3
% of Group total	***2.0%***	***1.9%***	***0.5%***	***1.8%***	***0.7%***	***0.1%***	***0.1%***	***0.2%***	***0.5%***	***0.1%***	***7.8%***	***0.6%***	***8.4%***
Total Assets (€ bn)	8.8	11.0	2.3	10.0	3.6	0.7	0.9	1.2	2.2	0.6	41.1	4.2	45.4
% of Group total	***1.4%***	***1.7%***	***0.4%***	***1.5%***	***0.6%***	***0.1%***	***0.1%***	***0.2%***	***0.3%***	***0.1%***	***6.4%***	***0.7%***	***7.0%***
Shareholder's Equity (€ m)	865	1,008	265	1,242	580	70	97	183	244	131	4,684	355	5,039
% of Group total	***1.5%***	***1.7%***	***0.4%***	***2.1%***	***1.0%***	***0.1%***	***0.2%***	***0.3%***	***0.4%***	***0.2%***	***7.9%***	***0.6%***	***8.6%***
Book value (€ m)	882	1,165	319	1,300	839	97	210	208	298	131	5,449	1,270	6,719
- of which goodwill/intangibles	*49*	*224*	*59*	*112*	*302*	*29*	*122*	*28*	*77*	*12*	*1,014*	*917*	*1,931*

- **Well-balanced Direct Customer Deposits/Loans to Customers**

Figures may not add up exactly due to rounding differences

Adequate coverage of Non-performing Loans in CEE

(Figures as at 30.06.11)	Hungary	Slovakia	Slovenia	Croatia	Serbia	Bosnia	Albania	Romania	Russian F.	Ukraine	**Total CEE**	Egypt	**Total**
Performing loans (€ bn)	6.2	6.7	1.8	6.4	2.4	0.5	0.3	0.7	1.7	0.3	**26.8**	2.0	**28.8**
of which:													
Retail local currency	5%	54%	44%	14%	9%	5%	3%	23%	3%	42%	**23%**	41%	**24%**
Retail foreign currency	34%	0%	1%	36%	19%	38%	16%	61%	1%	37%	**21%**	0%	**20%**
Corporate local currency	19%	39%	54%	16%	13%	25%	14%	6%	65%	14%	**27%**	35%	**28%**
Corporate foreign currency	42%	7%	1%	34%	59%	32%	67%	10%	31%	7%	**28%**	25%	**28%**
Doubtful loans(1)(€ m)	278	82	81	140	41	12	32	68	47	43	**824**	19	**843**
Substandard and Restructured(2) (€ m)	851	137	49	275	82	12	10	51	7	22	**1,496**	19	**1,515**
Performing loans coverage	1.1%	1.7%	1.1%	1.3%	2.2%	2.3%	4.4%	1.0%	0.5%	1.6%	**1.4%**	3.0%	**1.5%**
Doubtful loans(1) coverage	71%	62%	51%	67%	71%	68%	35%	38%	76%	61%	**66%**	91%	**68%**
Substandard and Restructured loans(2) coverage	10%	37%	31%	20%	28%	29%	23%	26%	42%	8%	**18%**	37%	**19%**
Cost of credit(3) (bps; annualised)	390	94	130	141	199	129	132	355	182	n.m.	**202**	259	**205**

- **Foreign currency retail loans in CEE account for only 1.5% of Group loans**

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

Banca Fideuram[1]: strong increase in 1H11 Net Income vs 1H10

(€ m)	1H10 Restated	1H11	Δ%
Net interest income	57	63	10.5
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	255	280	9.8
Profits (Losses) on trading	22	3	(86.4)
Income from insurance business	43	54	25.6
Other operating income (expenses)	(4)	0	(100.0)
Operating income	**373**	**400**	**7.2**
Personnel expenses	(68)	(72)	5.9
Other administrative expenses	(92)	(92)	0.0
Adjustments to property, equipment and intangible assets	(8)	(6)	(25.0)
Operating costs	**(168)**	**(170)**	**1.2**
Operating margin	**205**	**230**	**12.2**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(42)	(22)	(47.6)
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	(2)	(8)	300.0
Profits (Losses) on HTM and on other investments	0	7	n.m.
Income before tax from continuing operations	**161**	**207**	**28.6**
Taxes on income from continuing operations	(46)	(55)	19.6
Merger and restructuring related charges (net of tax)	(4)	0	(100.0)
Effect of purchase cost allocation (net of tax)	(52)	(47)	(9.6)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**59**	**105**	**78.0**
Adjusted EVA®[2] (€ m)	**89**	**125**	

Note: 1H10 figures restated to reflect scope of consolidation for 1H11
(1) Including Fideuram Vita
(2) Before integration charges and amortisation of acquisition cost
Figures may not add up exactly due to rounding differences

- Market leader with €73.7bn of Customer Financial Assets (of which €54.8bn AuM), 4,779 Private bankers and 98 branches
- €4.2bn increase in Customer Financial Assets vs 30.06.10 due to AuM (+€4.1bn). As at 30.06.11 AuM accounts for 74.3% of Customer Financial Assets (73.0% as at 30.06.10)
- Banca Sara purchase contributed €2.2bn to the increase in Customer Financial Assets
- €0.9bn positive net inflow of Customer Financial Assets in 1H11
- Growth in Operating Margin (+12.2%) due to revenue increase driven by recurring commissions
- Cost/Income ratio at 42.5% down 2.5pp vs 1H10
- 1H11 Net income at €152m excluding the economic effect of purchase cost allocation

Banca Fideuram[1]: 2Q11 Operating Margin and Net Income on the rise vs 1Q11

(€ m)	1Q11 Restated	2Q11	Δ%
Net interest income	31	32	3.8
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	143	137	(3.7)
Profits (Losses) on trading	3	(0)	n.m.
Income from insurance business	19	35	83.4
Other operating income (expenses)	1	(0)	n.m.
Operating income	**196**	**204**	**4.0**
Personnel expenses	(35)	(37)	6.3
Other administrative expenses	(44)	(47)	6.4
Adjustments to property, equipment and intangible assets	(3)	(3)	11.2
Operating costs	**(82)**	**(88)**	**6.5**
Operating margin	**114**	**116**	**2.2**
Goodwill impairment	0	0	n.m.
Net provisions for risks and charges	(8)	(14)	63.8
Net adjustments to loans	0	0	n.m.
Net impairment losses on other assets	0	(8)	n.m.
Profits (Losses) on HTM and on other investments	0	7	n.m.
Income before tax from continuing operations	**105**	**101**	**(3.7)**
Taxes on income from continuing operations	(29)	(26)	(9.0)
Merger and restructuring related charges (net of tax)	(0)	0	(100.0)
Effect of purchase cost allocation (net of tax)	(25)	(22)	(9.0)
Income (Loss) after tax from discontinued operations	0	0	n.m.
Minority interests	0	(0)	n.m.
Net income	**52**	**53**	**1.4**

Note: 1Q11 figures restated to reflect scope of consolidation for 2Q11

- *Including Fideuram Vita*

Figures may not add up exactly due to rounding differences

- **Market leader with €73.7bn of Customer Financial Assets (of which €54.8bn AuM), 4,779 Private bankers and 98 branches**
- **€0.4bn positive net inflow of Customer Financial Assets in 2Q11, due to AuM**
- **2.2% increase in Operating margin due to revenue growth (+4.0% vs 1Q11)**
- **2Q11 Net impairment losses on other assets include €6m impairment on Greek government bonds with maturity by 2020**
- **1.4% growth in Net income vs 1Q11**
- **2Q11 Net income at €75m excluding the economic effect of purchase cost allocation**

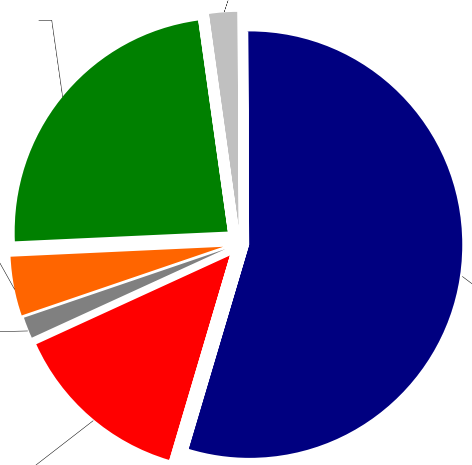
Quarterly P&L Analysis

(€ m)	2Q10	3Q10	4Q10	1Q11	2Q11
	Restated				
Net interest income	2,432	2,440	2,395	2,382	2,357
Dividends and P/L on investments carried at equity	26	(5)	11	7	34
Net fee and commission income	1,394	1,318	1,506	1,385	1,399
Profits (Losses) on trading	(3)	126	121	278	543
Income from insurance business	151	173	126	120	165
Other operating income (expenses)	1	(4)	20	11	(3)
Operating income	**4,001**	**4,048**	**4,179**	**4,183**	**4,495**
Personnel expenses	(1,353)	(1,351)	(1,423)	(1,360)	(1,364)
Other administrative expenses	(777)	(744)	(887)	(714)	(758)
Adjustments to property, equipment and intangible assets	(147)	(142)	(169)	(149)	(152)
Operating costs	**(2,277)**	**(2,237)**	**(2,479)**	**(2,223)**	**(2,274)**
Operating margin	**1,724**	**1,811**	**1,700**	**1,960**	**2,221**
Goodwill impairment	0	0	0	0	0
Net provisions for risks and charges	(98)	(30)	(144)	(13)	(65)
Net adjustments to loans	(794)	(706)	(838)	(680)	(777)
Net impairment losses on other assets	(38)	(5)	(47)	(17)	(57)
Profits (Losses) on HTM and on other investments	1	0	262	14	19
Income before tax from continuing operations	**795**	**1,070**	**933**	**1,264**	**1,341**
Taxes on income from continuing operations	(320)	(417)	(295)	(495)	(478)
Merger and restructuring related charges (net of tax)	(27)	(11)	(18)	(4)	(12)
Effect of purchase cost allocation (net of tax)	(100)	(102)	(102)	(86)	(85)
Income (Loss) after tax from discontinued operations	663	0	3	0	0
Minority interests	(9)	(30)	(16)	(18)	(25)
Net income	**1,002**	**510**	**505**	**661**	**741**

Note: Figures restated to reflect scope of consolidation for 2Q11

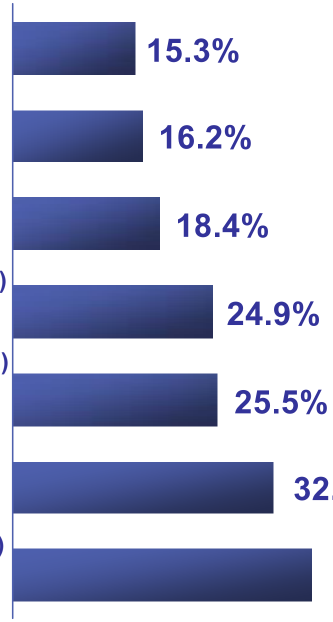
Focus on strength in the domestic market

1H11 Operating Income Breakdown by business area(1)



Leadership in Italy
(data as at 30.06.11)

Ranking		Market share
1	Loans	15.3%
1	Deposits	16.2%
1	Leasing	18.4%
1	Pension Funds (2)	24.9%
1	Asset Management (3)	25.5%
1	Factoring	32.3%
1	Bancassurance (4)	37.3%



(1) Excluding Corporate Centre
(2) Data as at 31.12.10
(3) Mutual funds
(4) New Business; data as at 31.03.11

Estimated impact on Core Tier 1 ratio from fully phased-in Basel 3 (2019 parameters on 30.06.11 financial statements)

As at 30.06.2011, considering the acquisition of Banca Monte Parma and the expected DTA absorption before fully phased-in Basel 3	~€ bn	~bps
DTA on losses carried forward (1)	(0.1)	(3)
Minorities exceeding requirements	(0.5)	(15)
Reserve-shortfall deduction doubling from 50% to 100%	(0.6)	(18)
Savings shares (2)	-	-
Others (3)	0.0	2
New deductions from common equity as per cap (a)	**(1.1)**	**(34)**
Offsetting of current Core Tier1 deductions as per cap (b)	**1.0**	**32**
Other DTA (4)	1.3	
Equity investment in Banca d'Italia	0.6	
Investments in banking and financial companies	0.5	
Investments in insurance companies	3.8	
Amount exceeding cap (c)	**(1.6)**	**(51)**
Total estimated impact on Core Tier1 (d=a+b+c)	**(1.7)**	**(53)**
RWA from DTA and investments not exceeding cap (e)	**11.6**	**(33)**
Additional RWA due to securitisation	2.9	
Additional RWA due to market risks	3.6	
Additional RWA due to counterparty risks (CVA)	5.9	
Total additional RWA (f)	**12.4**	**(33)**
Total estimated impact on RWA (g=e+f)	**24.0**	**(66)**
Total estimated impact on Core Tier1 ratio (d+g)		**(119)**

- **Estimated impact according to the information available so far; the actual impact is subject to the implementation of relevant regulations**
- **Capital management actions are not being considered**
- **Additional RWA calculated without taking into account any mitigation actions**
- **9.0% pro-forma Core Tier 1 ratio as at 30.06.11 after total estimated impact from fully phased-in Basel 3**

(1) Equal to €0.5bn as at 30.06.11
(2) Assuming the pertinent current paid-in surplus is transferred to other reserves
(3) Others = -€0.3bn from cancellation of filter on AFS EU Govies + €0.3bn from valuation reserves
(4) Other DTA: mostly related to provisions for risks and charges. DTA related to goodwill detaxation and adjustments to loans are excluded due to their treatment as credits to tax authorities
Figures may not add up exactly due to rounding differences

Structured credit products portfolio: summary

Net exposure[1] (€ m)	31.12.10		30.06.11		30.06.11 Income statement[2] Profits (losses) on trading (€ m)
	Total	*of which trading*	Total	*of which trading*	
US Subprime	27	24	25	22	4
"Contagion" area	165	76	128	62	0
- Multisector CDOs	*12*[3]	*-3*[3]	*-4*[3]	*-14*[3]	*-6*
- Alt-A	*49*	*0*	*37*	*0*	*0*
- TruPS	*79*	*79*	*76*	*76*	*6*
- Prime CMOs	*25*	*0*	*19*	*0*	*0*
Monoline	17	17	28	28	8
Super senior Corporate Risk	672	672	168	168	12
European ABS/CDO	1,852	607	1,959	749	8
Other	1,005	89	664	16	5
- Non-monoline packages	*70*	*70*	*33*	*33*	*1*
- US funded ABS/CDOs	*785*	*0*	*628*	*0*	*0*
- US Funded ABS/CDOs Romulus	*131*	*0*	*20*	*0*	*0*
- Other unfunded positions	*19*	*19*	*-17*	*-17*	*4*
Total	3,738	1,485	2,972	1,045	37

- **Fair value sensitivity of the structured credit products book: -€8m[4] for +25bps of credit spreads**

(1) *The "Net exposure", which includes write-downs and write-backs, 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 to Loans, exposure to risk is provided by the carrying amount of the security, equal to fair value at the reclassification date, plus accrued interest calculated at the effective interest rate net of net value adjustments to the portfolio. As for "long" positions, 39% valued through mark-to-model (100% of unfunded positions, 29% of funded positions, 100% of monoline risk and of non-monoline packages), 49% through comparable approach (57% of funded positions) and 12% through effective market quotes (14% of funded positions). As for "short" positions, 59% valued through mark-to-model (100% unfunded positions and 100% of positions of funds) and 41% valued through effective market quotes (100% of CMBX-CDS hedges)*

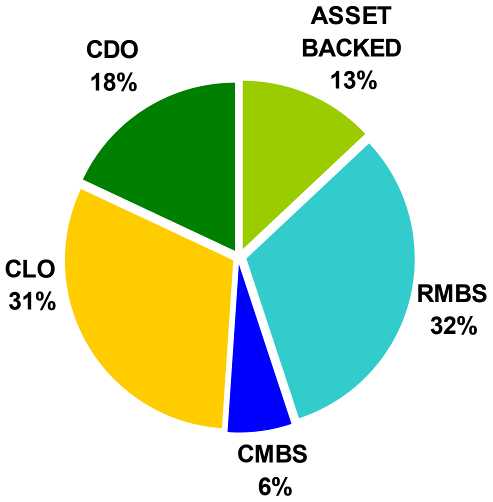
(2) *Assets reclassified to the Loans portfolio showed, as at 30 June 2011, an overall impact on the income statement equal to €8m, broken down as follows: -€3m losses, deriving from the impairment of a security included in the portfolio of the Romulus vehicle; +€11m profits on market disposal of reclassified debt securities, of which €7m ascribable to the Group company Banca IMI and €4m to the Parent Company*

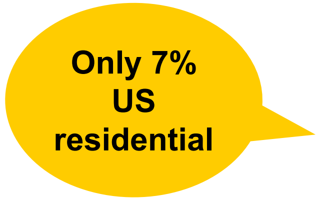
(3) *Including Positions of funds for a net exposure of €63m as at 30.06.11 and of €64m as at 31.12.10*

(4) *-€19m considering securities reclassified to Loans and securities classified under Loans from inception*

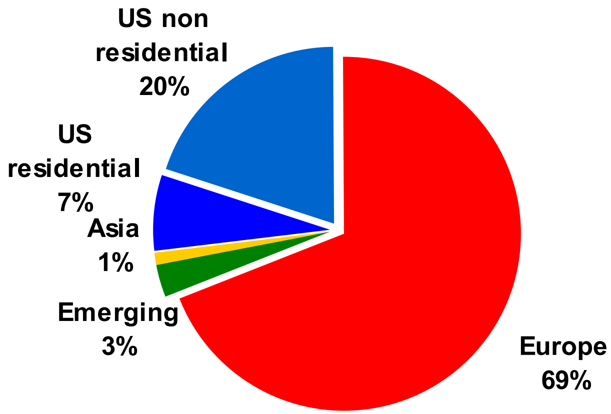
High quality Structured credit products portfolio

Products





Geographical area



- 78% Investment Grade

Rating	%
AAA	47%
AA	14%
A	17%
BBB	6%
Altro	16%

- 46% Vintage ≤ 2005

Vintage	%
Before 2005	11%
2005	35%
2006	30%
2007 and beyond	24%

Structured credit products portfolio: Loans as at 30.06.11

As at 30.06.11 (€ m)	Nominal value	Risk exposure[1]	Fair value	Effect from reclassification	
				Cumulated on the income statement	on Shareholders' Equity
Reclassified securities:					
-from financial assets available for sale to loans	159	85	68		17
-from financial assets held for trading to loans	1,760	1,653	1,501	152	
Total securities reclassified to loans	**1,919**	**1,738**	**1,569**	**152**	**17**
Total securities classified under loans from inception	**195**	**189**			
TOTAL LOANS	**2,114**	**1,927**	**1,569**	**152[2]**	**17**

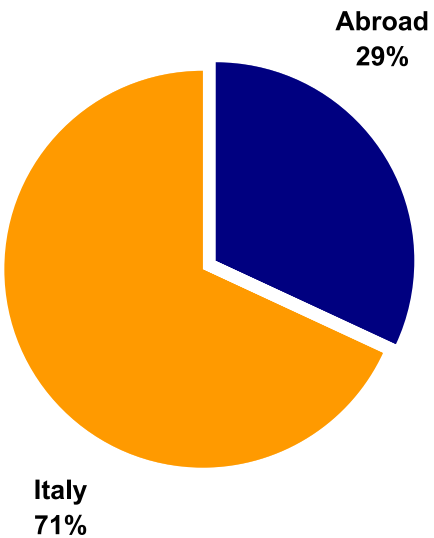
Economic effect from reclassification for 2008	**299**
Economic effect from reclassification for 2009	**7**
Economic effect from reclassification for 2010	**-117**
Economic effect from reclassification for 1Q11	**-34**
Economic effect from reclassification for 2Q11	**-3**
CUMULATED ECONOMIC EFFECT FROM RECLASSIFICATION AS AT 30.06.2011	**152**

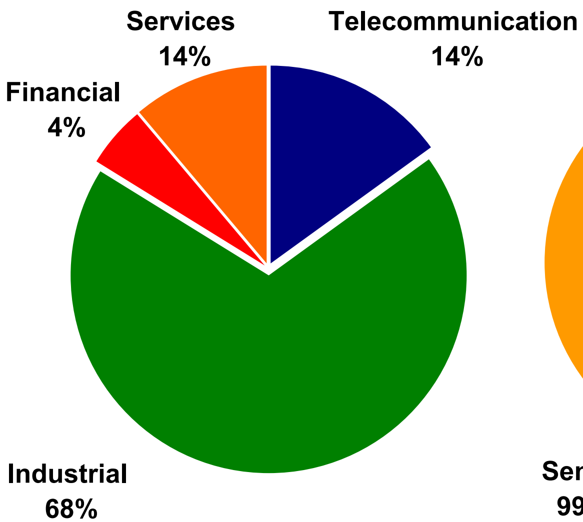
(1) For assets reclassified to Loans exposure to risk, including write-downs and write-backs, is provided by the carrying amount of the security, equal to fair value at the reclassification date, plus accrued interest calculated at the effective interest rate net of net value adjustments to the portfolio
(2) -€37m in 1H11, of which -€3m in 2Q11

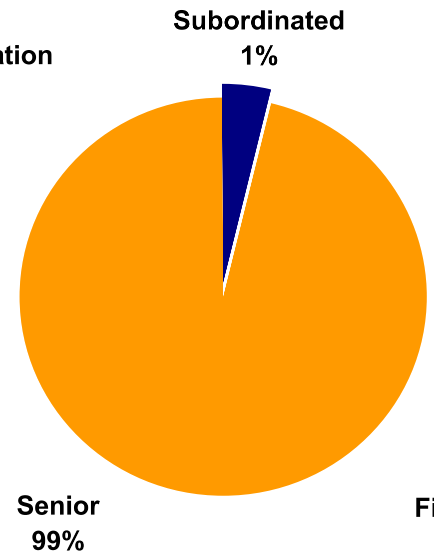
Leveraged Finance[1]: contained, high quality exposure

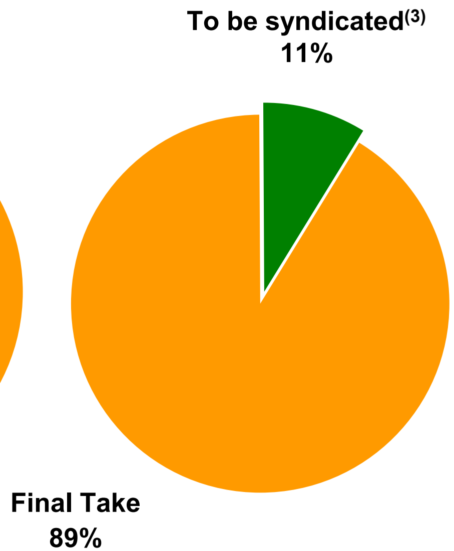
No. Transactions	Amount[2]
116	€4,388m

Breakdown









(1) Group financing to parties controlled by private equity funds
(2) Outstanding commitment
(3) Italy

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

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

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