

SANPAOLO IMI

ACCELERATION OF INTEGRATION AMONG THE GROUP'S BANKS ***Launch of rationalisation plan for Sanpaolo, Banco Napoli and Cardine networks*** ***Including Public Works and tax collection activities***

Turin, 8 October 2002 - The Board of Directors of SANPAOLO IMI, meeting today in Turin, unanimously approved the rationalisation project of the Sanpaolo, Banco di Napoli and Cardine networks.

Further meetings of the Corporate bodies are envisaged in the coming days for formal deliberations.

The project is based on the model, already piloted by the Sanpaolo network, focused by customer segments corresponding to specific operating structures for retail and small operator markets, private and business.

To achieve the full realisation of this model the following initiatives are envisaged:

- ***merger by incorporation of Banco di Napoli into SANPAOLO IMI***: the operation, to be decided shortly, will be followed by an integration of the territorial structures and successive establishment of a Direzione Territoriale (South) for the activities and retail and POE branches of the Banco and of the Sanpaolo network operating in the South;
- ***spin-off of the Direzione Territoriale (South) into the New Banco di Napoli***: the operation, with completion of the process of IT unification (currently in course) envisages the establishment of a company with head office in Naples which will be the Group's only bank operating in the retail and POE market in the regions of Campania, Puglia, Basilicata and Calabria.
- ***acceleration of integration with Cardine Finanziaria*** in particular through the centralisation into the Parent Bank by the end of 2003 of the support functions (operating platform and logistics) of Cardine Finanziaria to retain from the beginning the necessary benefits in terms of economies of scale and scope.

Public Works and Infrastructure

All the financing activities aimed at local administrations, public sector companies and infrastructure be concentrated in Banca OPI. Thanks to the concentration of the business undertaken by Banco di Napoli in the sector, Banca OPI's loans to customers would reach around 16 billion euro, which would lead to the creation of the largest such business in Italy, destined for further growth with the addition of the business undertaken by Cardine. Banca OPI will have a main office in Rome and a secondary office in Naples given the great importance which infrastructure finance has in the South.

Tax collection activities

Finally, the project envisages the concentration into Esaban (Naples) of not only the activities today undertaken by Banco di Napoli in the provinces of Naples and Cassava, but also all the tax collection activity undertaken by the various Group companies: Sanpaolo Riscossioni Genova, Sanpaolo Riscossioni Prato, Gerico (concessionary in the provinces of Bologna, Venezia, Padova, Rovigo and Gorizia).

All necessary authorisations from the Regulatory Authorities will be requested.

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