

Q3 2005 RESULTS

Turin, 14th November

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CEO

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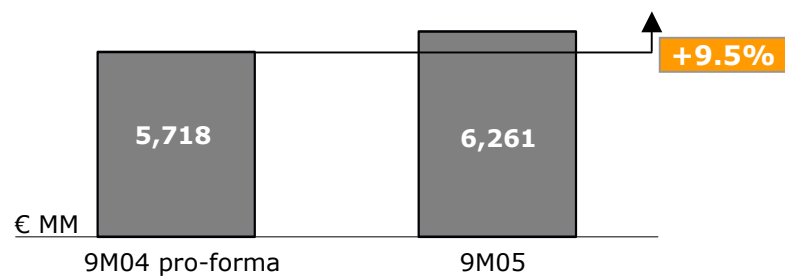
DISCLAIMER

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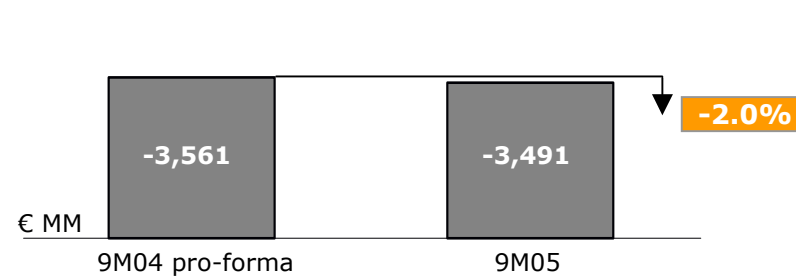
- Overview of results
- P&L breakdown

- Results driven by discontinuity in operating growth thanks to completion of integration process and continuity in management of asset quality, costs and balance sheet strength
- Strong trends across all lines of the P&L
- Acceleration in growth of key income numbers

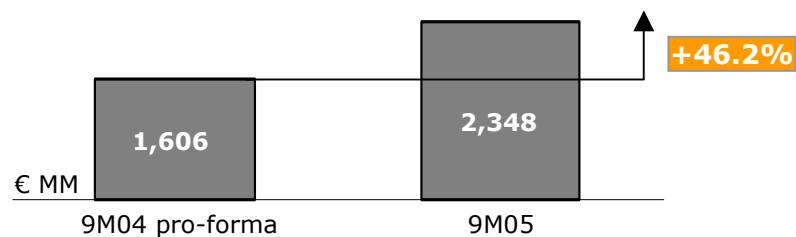
Total operating income



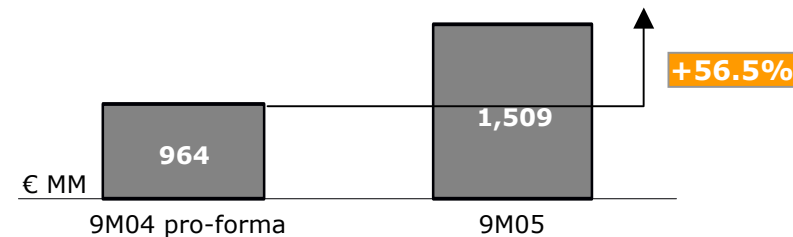
Operating costs



Pre-tax operating profit



Net profit



€ MM	9M05	FY04	Var. 9M05/FY04
Total financial assets	411,898	384,111	+7.2%
■ Direct deposits	148,199	141,796	+4.5%
■ AUM	155,538	144,813	+7.4%
■ Administered savings	108,161	97,502	+10.9%
Net customer loans	137,169	125,143	+9.6%
o.w. ST loans	42,549	38,736	+9.8%
o.w. MLT loans	93,105	85,134	+9.4%

Improving key indicators

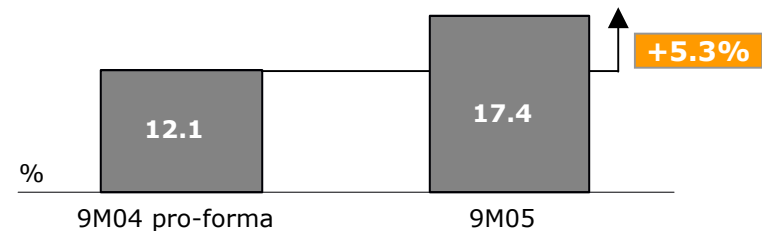
■ Annualised ROE up to 17.4% despite stronger capital base following IFRS FTA

■ Improvement of cost income ratio by 6.5% both as a result of revenue growth (which contributed to a reduction of 5.3%) and lower costs (which contributed to a reduction of 1.2%)

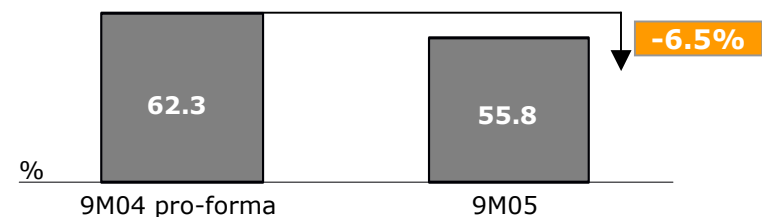
■ Maintenance of strong capital ratios

■ Further improvement in net NPL ratio

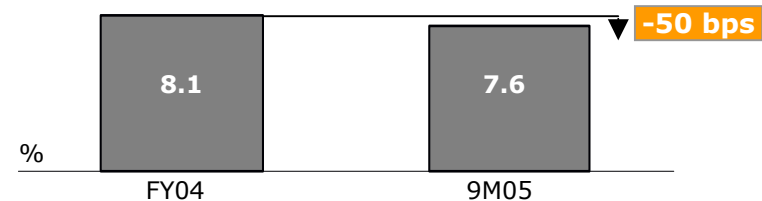
Annualised ROE



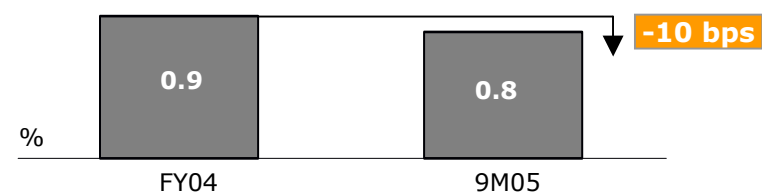
Cost/Income ratio *



Tier 1 ratio



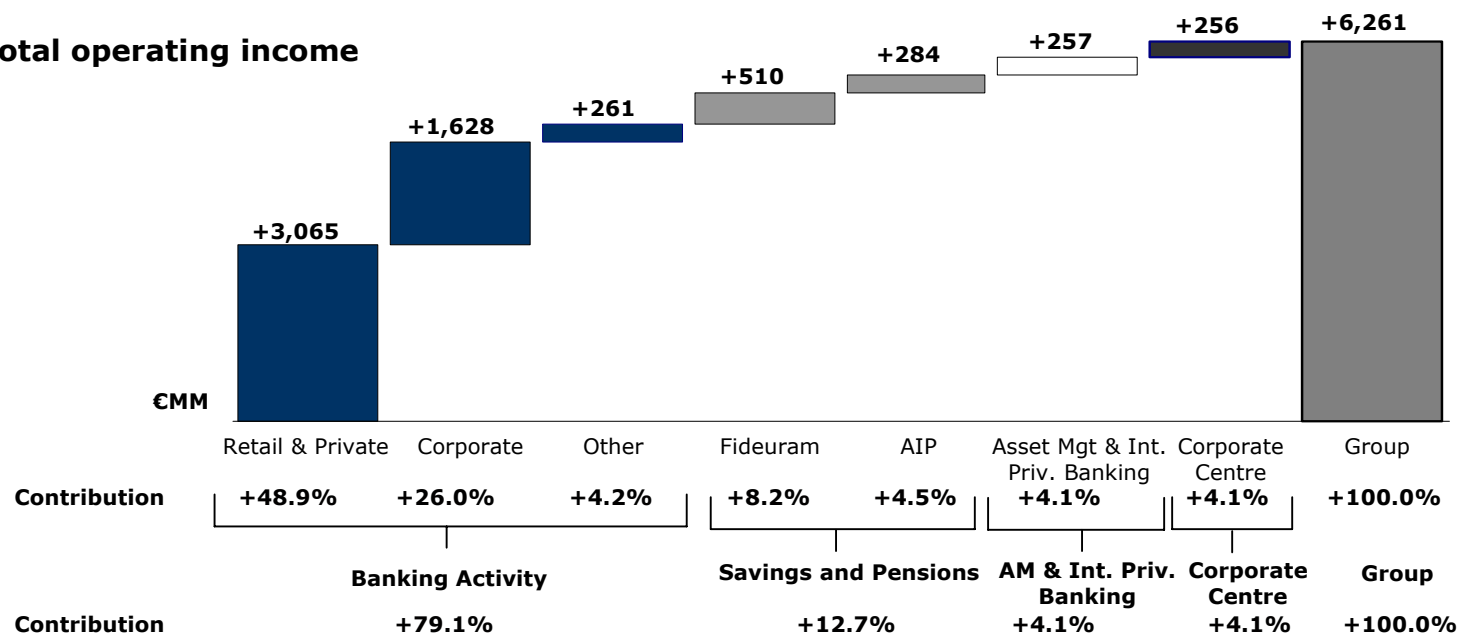
NPL ratio



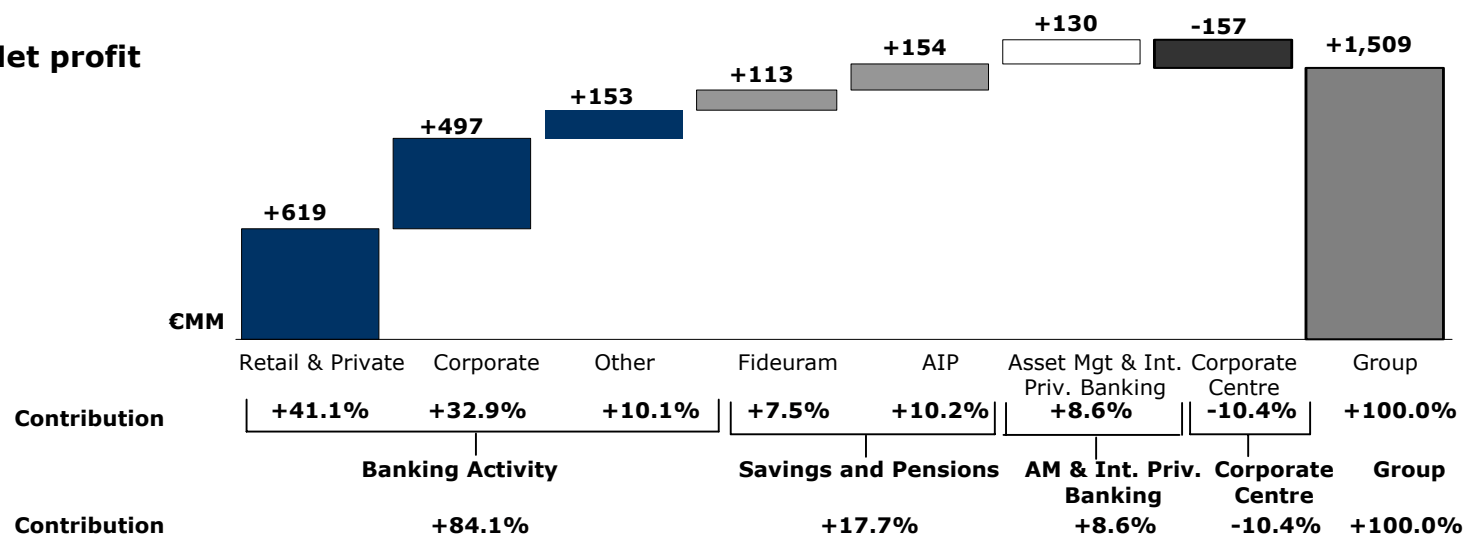
* Operating costs/Total operating income

Divisional breakdown

Total operating income

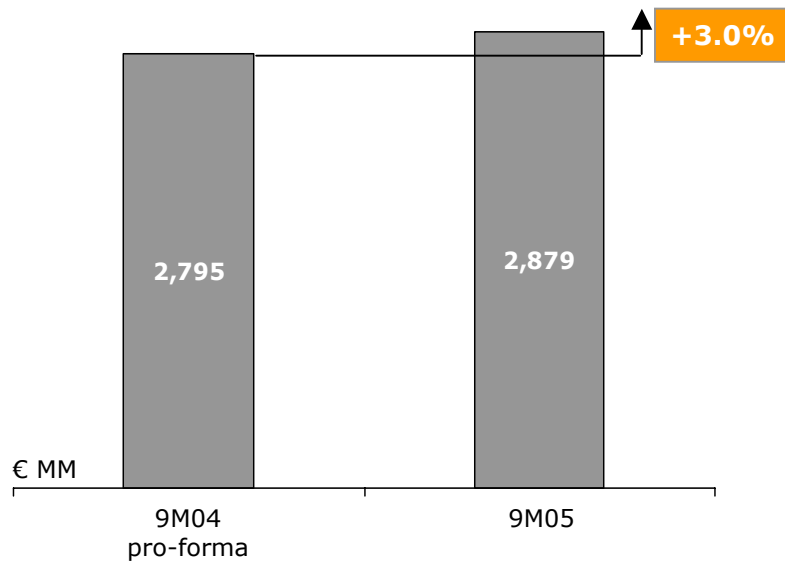


Net profit



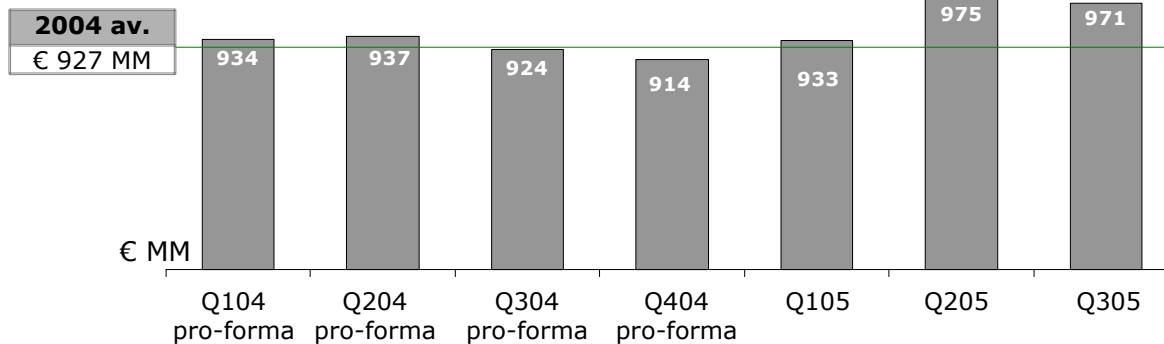
- Overview of results
- P&L breakdown

Positive trend line confirmed in net interest income



- Acceleration in the growth trend line from 2% in June to 3% at the end of the nine months
- Excluding the more volatile and atypical contribution from Banca IMI the growth registered increases to 4.4% y-o-y
- Growth driven by increased net customer lending, up 9.6% YTD (ST lending +9.8%, MLT lending +9.4%)

Q305/Q304	Q305/Q205
+5.1%	-0.4%



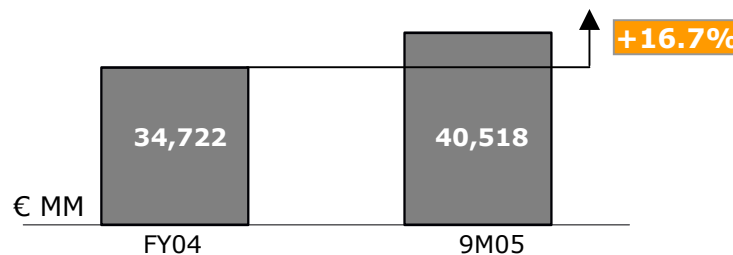
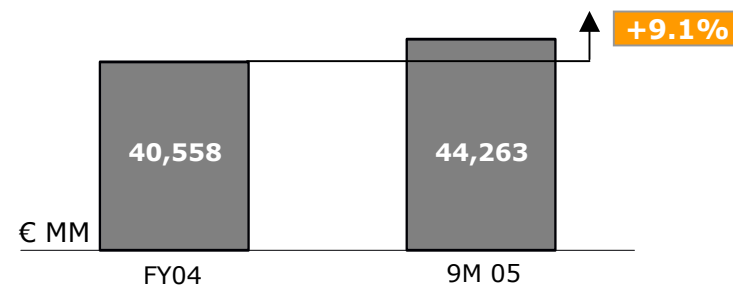
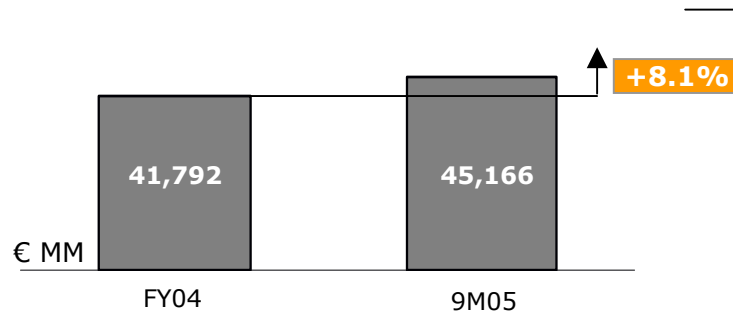
- Strong growth in quarterly lending and solid trends in margins offset seasonal impact and one-off benefit in Q2 of 17 million
- Q305/Q205 Retail and Private division lending +3.3% and SME division +4.1%
- Q305/Q304 +5.1% gives better indication of annual trend line

Strong lending trends in core business activity

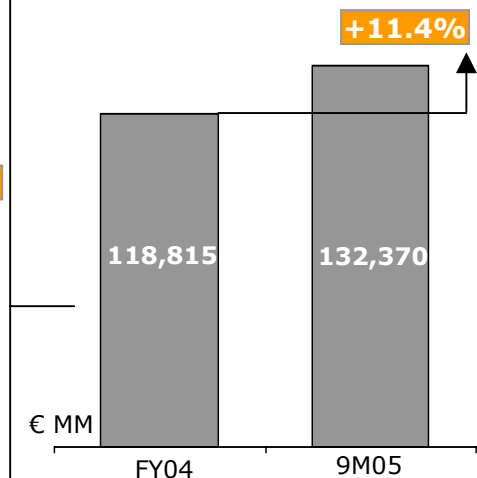
Retail and Private	Stock € MM	Var. year to date
o.w. Sanpaolo Area	20,347	+11.4%
o.w. Sanpaolo BdN and Cardine Areas	20,431	+4.2%
o.w. Neos	4,226	+12.7%

SMEs	Stock € MM	Var. year to date
o.w. Sanpaolo Area	23,542	+16.4%
o.w. Sanpaolo BdN and Cardine Areas	15,470	+1.4%
o.w. Leasint	5,251	+3.6%

Wholesale	Stock € MM	Var. year to date
o.w. Public Finance	20,816	+7.9%



Banking Activity



Commercial Banking
+36 bps in market
share since December
2004

- Total spread between interest earning assets and interest bearing liabilities weakened by 7 bps mainly due to the higher growth in bonds and repos over customer loans resulting in a less favourable asset mix
- The customer spread was down 1 bp as a result of the increased weight of corporate deposits in the customer deposits

- Customer mark up improved in the key divisions against a background of weaker margins in the system

- Asset quality as measured by portfolio model on prudent forecast of through-the-cycle cost of risk remains very good
- Cost of risk on marginal lending on commercial banking is lower than that of the portfolio YTD thanks principally to the increase in share of wallet on existing quality SME customers

Spreads Var. 9M05/9M04

■ Total spread	-7 bps
■ Customer spread	-1 bps

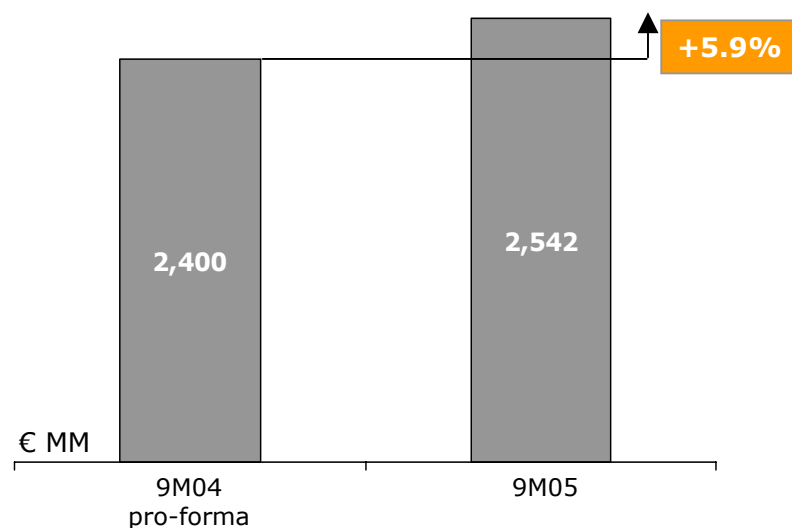
Δ mark up 30/09/05-31/12/04

	SPIMI	System
■ Households	0.26	-0.05
■ SMEs	-0.04	-0.13

Share of wallet on SME customers +7bps YTD

Strong operational trends in asset management and capital market business driving growth in net commissions

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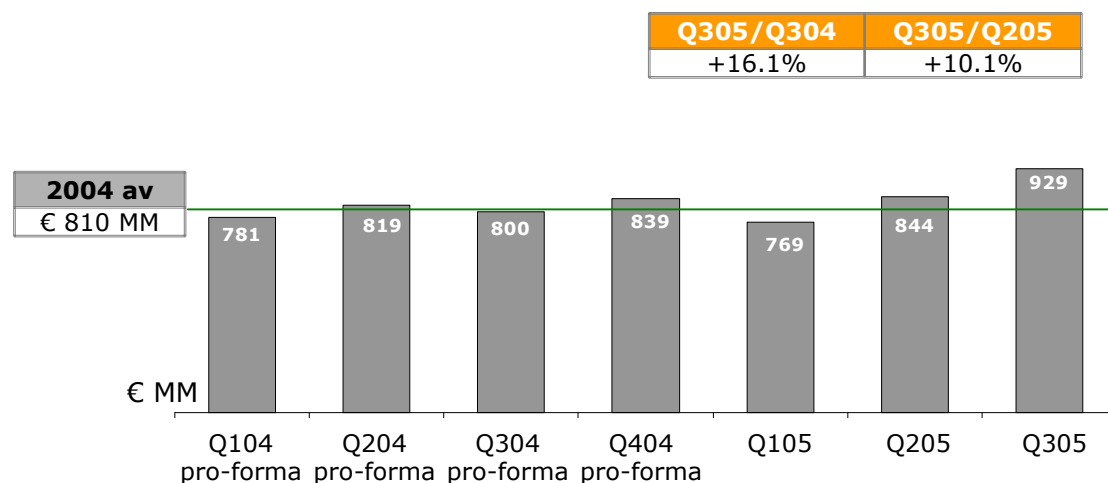


- Growth in net commission income, +5.9%, driven by 10.3% improvement in fees from management, dealing and advisory services which represent 60% of the aggregate
- Asset management fees up 9.7% thanks good net inflows, a better asset mix and a strong market performance effect
- Increase in brokerage, custody and advisory fees by 14.5% thanks to higher contribution from Banca IMI

€ MM	9M05	9M04	Var. 9M05/9M04
Net commissions	2,542	2,400	+5.9%
Management, dealing and advisory services	1,542	1,398	+10.3%
■ <i>asset management</i>	1,344	1,225	+9.7%
■ <i>brokerage, custody and advisory services</i>	198	173	+14.5%
Loans and guarantees	246	243	+1.2%
Collection and payment services	192	179	+7.3%
Deposits and current accounts	383	387	-1.0%
Other services	179	193	-7.3%

Headline quarterly growth underpinned by positive trends in management dealing and advisory fees

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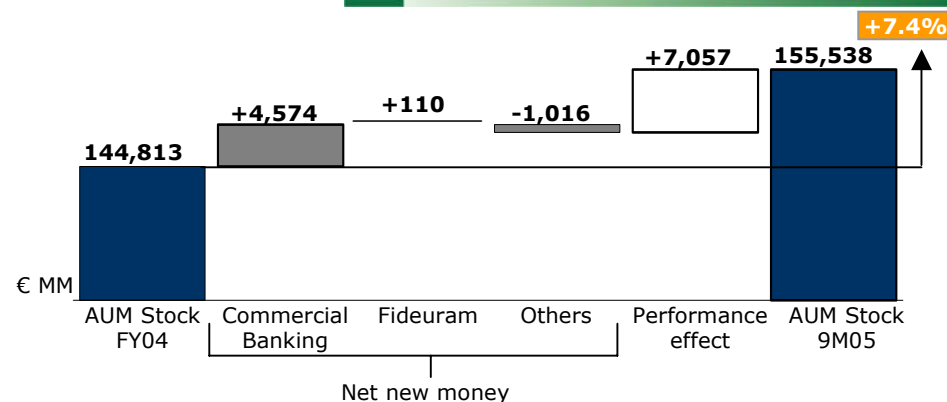
- Strong operational trends and favourable markets continue to drive asset management fees
- Strong growth in quarterly brokerage, custody and advisory fees thanks to 19 million related to the Wind operation
- Government payment of 45 million in Q3 for tax recovery services in the first nine months overstates quarterly comparison

€ MM	Q305	Av H105	Q304	Var. Q305/ Q304	Var. Q305/ Av H105
Net commissions	929	806.5	800	+16.1%	+15.2%
Management, dealing and advisory services	555	493.5	471	+17.8%	+12.5%
■ <i>asset management</i>	476	434	415	+14.7%	+9.7%
■ <i>brokerage, custody and advisory services</i>	79	59.5	56	+41.1%	+32.8%
Loans and guarantees	82	82	83	-1.2%	-
Collection and payment services	67	62.5	56	+19.6%	+7.2%
Deposits and current accounts	131	126	135	-3.0%	+4.0%
Other services	94	42.5	55	+70.9%	+121.2%

Strong growth in key asset management aggregates

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- Good net new money flows from the commercial bank and a very positive performance effect push assets under management up by nearly 11 billion or 7.4% YTD



- Net inflows into assets under management mainly directed to life product, 3.2 billion, and significant new money, 6.6 billion, also into administered funds

€ MM	9M05 stock	9M05 flows	9M05 perform.	Net change YTD
Ind. cust. dep.	263,699	+10,228	+11,156	+21,384
AUM	155,538	+3,668	+7,057	+10,725
■ Mutual funds	103,836	+949	+4,967	+5,916
■ GPM	5,918	-517	+391	-126
■ Life assurance	45,784	+3,236	+1,699	+4,935
Administered	108,161	+6,560	+4,099	+10,659

- 9M05 mutual funds also starting to attract new customer money again with equity and balanced funds increasing their relative weight to the total by 2.4% and money market funds down by 4% YTD

€ MM	9M05	FY04
■ Equity	26.1%	24.8%
■ Balanced	9.1%	8.0%
■ Bond	45.6%	44.0%
■ Money	19.2%	23.2%
Mutual funds stock	100.0%	100.0%

Positive contribution to growth from all operating income lines

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9M05	9M04 p.f.	Var.9M05/9M04	€ MM	Q304	Q205	Q305	Var.Q305/Q205	Var.Q305/Q304
25	-19	n.r.	Income from credit disposals, asset held to maturity and repurchase of fin. liabilities	-21	17	8	-52.9%	n.r.

■ Principle contribution 22 million capital gain realised in Q2 on the sale of a portfolio of NPLs reflecting the rigorous provisioning policy always adopted by the Group

9M05	9M04 p.f.	Var.9M05/9M04	€ MM	Q304	Q205	Q305	Var.Q305/Q205	Var.Q305/Q304
428	245	+74.7%	Dividends and income from other financial assets and liabilities	48	161	202	+25.5%	n.r.

■ Q3 includes 101 million capital gain on Italenergia and 51 million positive valuation on FIAT shares at the date of the conversion of the convertendo loan

9M05	9M04 p.f.	Var.9M05/9M04	€ MM	Q304	Q205	Q305	Var.Q305/Q205	Var.Q305/Q304
85	53	+60.4%	Profits on equity shareholdings	15	64	10	-84.4%	-33.3%

■ Includes the 44 million of capital gains on 2 private equity stakes booked in Q2

Income from insurance business +24%

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9M05	9M04 p.f.	Var.9M05/ 9M04	€ MM	Q304	Q205	Q305	Var.Q305/ Q205	Var.Q305/ Q304
302	244	+23.8%	Income from insurance business	80	118	120	+1.7%	+50.0%

- Positive 9M and Q3 results thanks to positive result of financial management which is also reflected in the increase of the AFS portfolio from 94 million FY04 to 132 million as at 30 Sept.
- Group embedded value on life business estimated at **€2,551** mln as at 30 June 05 (o.w. AIP embedded value estimated at €1,767 mln)

€ MM	Q305 stock	FY04 stock	Var. Q305/FY04
Total	45,784	40,849	+12.1%
■ Technical reserves	22,218	19,945	+11.4%
■ Financial based products	22,081	19,260	+14.6%
■ <i>Unit linked</i>	11,006	9,712	+13.3%
■ <i>Index linked</i>	11,075	9,548	+16.0%
■ Third party products	1,485	1,644	-9.7%

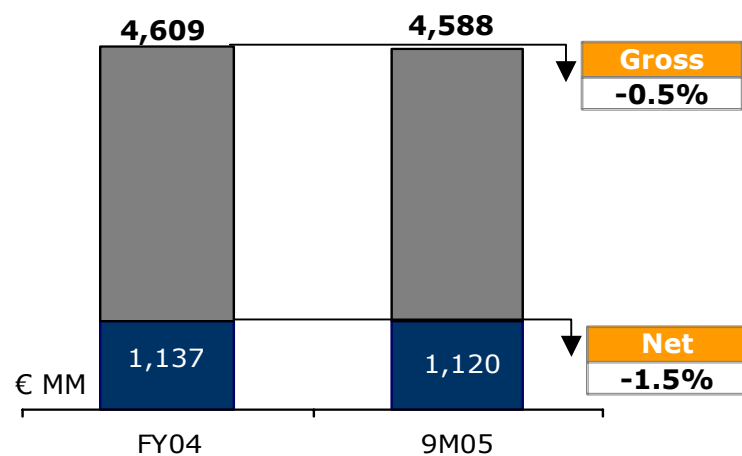
Rigorous provisioning despite sound asset quality and conservative coverage on all credit assets

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9M05	9M04 p.f.	Var.9M05/9M04	€ MM	Q304	Q205	Q305	Var.Q305/Q205	Var.Q305/Q304
-357	-386	-7.5%	Net adjustment to loans	-82	-142	-128	-9.9%	+56.1%

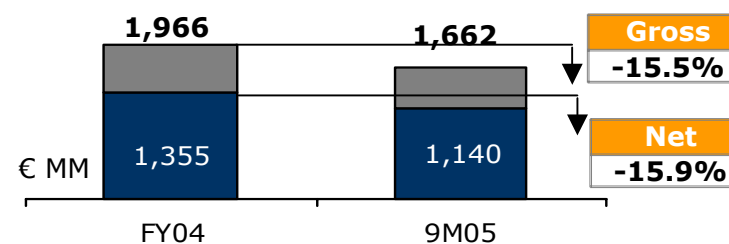
- Specific adjustments to credits in 9M05 only 171 mln down nearly 50% from 335 mln in 9M04
- Further generic provision of 186 mln charged to take total annualised cost of risk to 35 bps
- Increase in generic reserve to 1,061 million or around 2x the average cost of risk of the performing loan portfolio
- NPL ratio down to 0.8% from 0.9% FY04

NPLs



Coverage at 30/09/05: 75.59% +26bps

Problem and restructured loans *



Coverage at 30/09/05: 31.41% +33bps

9M05	9M04 p.f.	Var.9M05/9M04	€ MM	Q304	Q205	Q305	Var.Q305/Q205	Var.Q305/Q304
-4	-112	-96.4%	Net adjustment to other financial assets	-	-2	-1	-50.0%	n.r.

* i.e. Finanziamenti incagliati e ristrutturati

Efficiency level improving as a result of both integration benefits and tight cost control discipline

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9M05	9M04 p.f.	Var.9M05/ 9M04	€ MM	Q304	Q205	Q305	Var.Q305/ Q205	Var.Q305/ Q304
-3,491	-3,561	-2.0%	Operating costs	-1,186	-1,157	-1,169	+1.0%	-1.4%
-2,076	-2,096	-1.0%	Personnel costs	-693	-674	-697	+3.4%	+0.6%
-1,108	-1,145	-3.2%	Other administrative costs	-383	-379	-367	-3.2%	-4.2%
-307	-320	-4.1%	Net adjustments to tangible and int. assets	-110	-104	-105	+1.0%	-4.5%

Detail on other administrative costs:

€ MM	9M05	9M04	Var. 9M05/9M04
■ <i>IT costs</i>	-287	-315	-8.9%
■ <i>Real estate costs</i>	-217	-222	-2.3%
■ <i>General expenses</i>	-174	-189	-7.9%
■ <i>Professional and insurance fees</i>	-225	-204	+10.3%
■ <i>Utilities</i>	-62	-67	-7.5%
■ <i>Marketing expenses</i>	-81	-65	+24.6%
■ <i>Indirect personnel costs</i>	-69	-75	-8.0%
■ <i>Indirect duties and taxes</i>	-236	-197	+19.8%
■ <i>Recovery of expenses</i>	+243	+189	+28.6%

- Personnel costs, -1.0%, continue to benefit from the incentivised early retirements in 2004 offsetting the increasing inflationary pressure from the new banking contract
- Other administrative costs, -3.2%, clearly show the benefits of integration of the commercial banking network
- Personnel costs up quarter on quarter due to increase in contractual terms and seasonal bonus payments

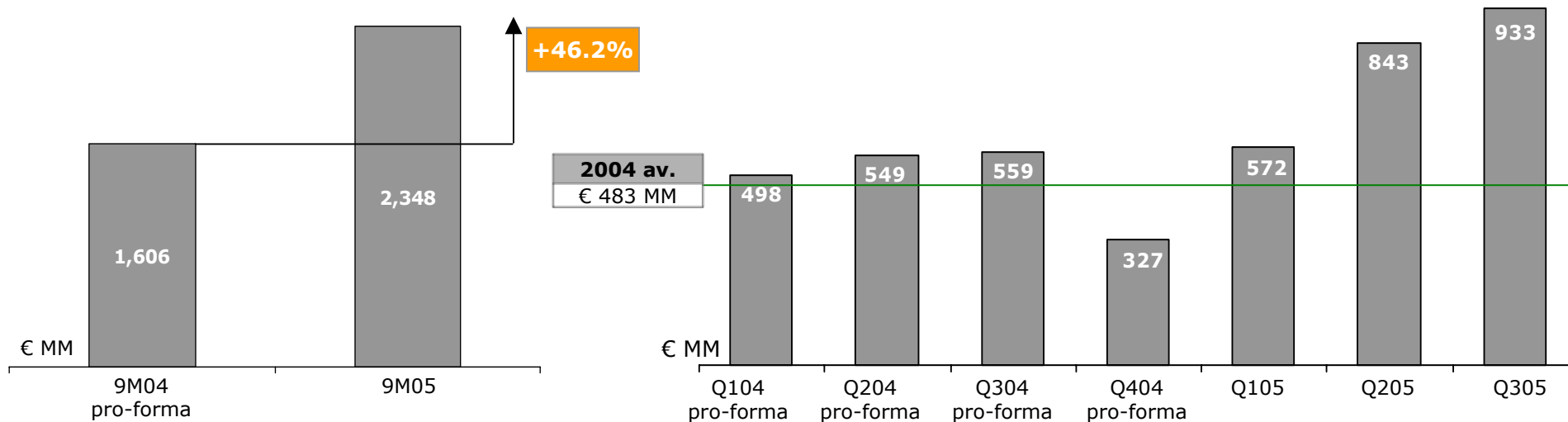
Positive and accelerating trends in business performance underlying significant improvement in pre-tax operating profit

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9M05	9M04 p.f.	Var.9M05/9M04	€ MM	Q304	Q205	Q305	Var.Q305/Q205	Var.Q305/Q304
51	16	n.r.	Other net income	-2	32	8	-75.0%	n.r.
-1	-	n.r.	Impairment of goodwill	-	-	-1	n.r.	n.r.
13	3	n.r.	Profits from disposals of investments	3	13	-	n.r.	n.r.
-124	-72	+72.2%	Net provisions for other risks and charges	-20	-80	-16	-80.0%	-20.0%

Pre-tax operating profit

Q305/Q304	Q305/Q205
+66.9%	+10.7%

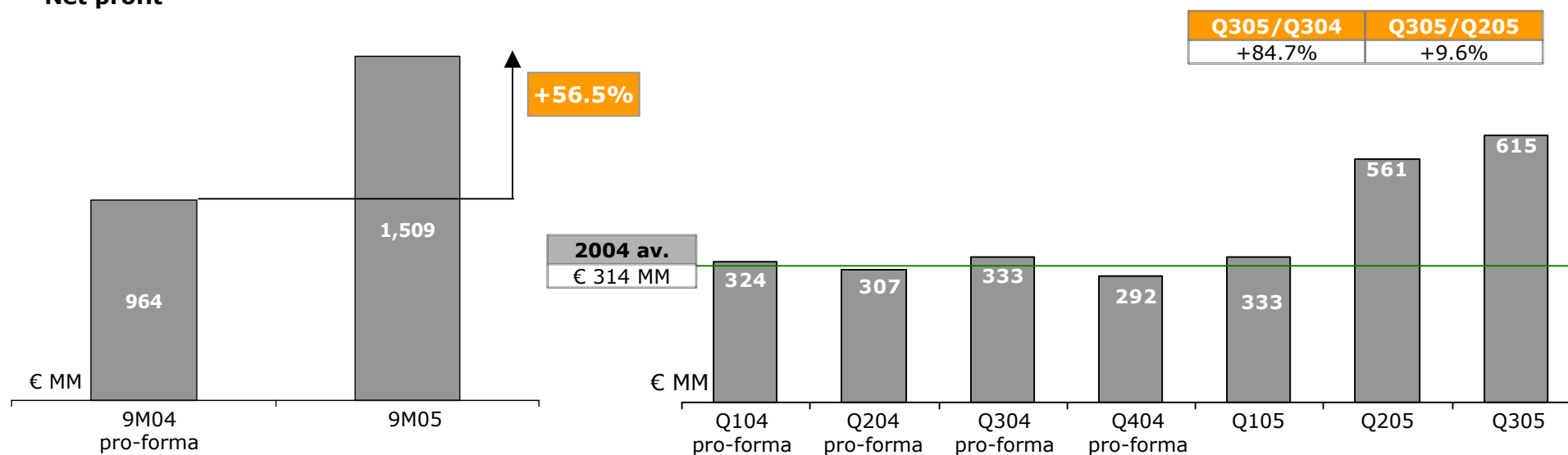


Excellent bottom line growth

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9M05	9M04 p.f.	Var.9M05/ 9M04	€ MM	Q304	Q205	Q305	Var.Q305/ Q205	Var.Q305/ Q304
2,348	1,606	+46.2%	Pre-tax operating profit	559	843	933	+10.7%	+66.9%
-791	-659	+20.0%	Taxes for the period	-215	-269	-297	+10.4%	+38.1%
-	55	n.r.	Profits on discontinued operations	-	-	-	-	-
-48	-38	+26.3%	Profit attributable to minority interests	-11	-13	-21	+61.5%	+90.9%
1,509	964	+56.5%	Net profit	333	561	615	+9.6%	+84.7%

Net profit



- Very encouraging set of results
- Discontinuity of operating trends confirmed in Q3 results
- Introduction in 2006 of commercial initiatives in business plan
- Confident start towards business plan objectives

APPENDICES

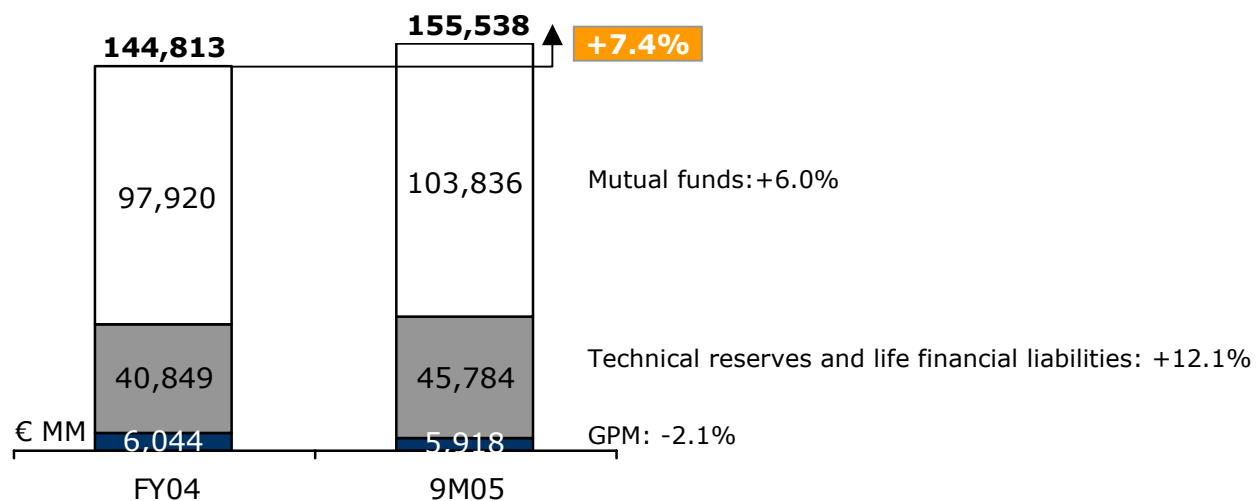
9M05	9M04	Var. 9M05 9M04 (%)	MM Euro	Q305	Q205	Q304	Av Q 04	Var.Q305 Q205 (%)	Var.Q305 Q304 (%)	Var.Q305 Av Q 04 (%)
2,709	2,702	0.3%	NET INTEREST INCOME	915	915	891	892	-	2.7%	2.6%
2,607	2,396	8.8%	Net commissions and other net dealing revenues	929	899	794	810	3.3%	13.2%	-2.0%
356	257	38.5%	Profits and losses from financial transactions and dividends on shares	102	123	62	108	-17.1%	98.4%	-42.6%
233	275	-15.3%	Profits from companies carried at equity and dividends from shareholdings	67	113	84	88	-40.7%	34.5%	-4.5%
5,905	5,630	4.9%	NET INTEREST AND OTHER BANKING INCOME	2,013	2,050	1,831	1,898	-1.8%	12.0%	-3.5%
-3,366	-3,373	-0.2%	Administrative costs	-1,137	-1,114	-1,115	-1,141	2.1%	-0.1%	-2.3%
-2,038	-2,074	-1.7%	- <i>personnel</i>	-685	-662	-686	-701	3.5%	-3.5%	-2.1%
-1,093	-1,101	-0.7%	- <i>other administrative costs</i>	-374	-369	-363	-378	1.4%	1.7%	-4.0%
-235	-198	18.7%	- <i>indirect duties and taxes</i>	-78	-83	-66	-63	-6.0%	25.8%	4.8%
302	231	30.7%	Other operating income, net	109	106	72	80	2.8%	47.2%	-10.0%
-307	-319	-3.8%	Adjustments to tangible and intangible fixed assets	-108	-101	-112	-114	6.9%	-9.8%	-1.8%
2,534	2,169	16.8%	OPERATING INCOME	877	941	676	723	-6.8%	39.2%	-6.5%
-97	-108	-10.2%	Adjustments to goodwill and merger and consolidation differences	-33	-30	-36	-50	10.0%	-16.7%	-28.0%
-221	-543	-59.3%	Provisions and net adjustments to loans and financial fixed assets	42	-149	-178	-185	n.r.	-16.3%	-3.8%
-130	-109	19.3%	- <i>Provisions for risks and charges</i>	-23	-78	-31	-58	-70.5%	151.6%	-46.6%
-265	-370	-28.4%	- <i>Net adj. to loans and prov. for guarantees and comm.</i>	-68	-111	-103	-131	-38.7%	7.8%	-21.4%
174	-64	n.r.	- <i>Net adj. to fin. fixed assets</i>	133	40	-44	5	n.r.	n.r.	n.r.
2,216	1,518	46.0%	INCOME BEFORE EXTRAORDINARY ITEMS	886	762	462	488	16.3%	64.9%	-5.3%
189	72	162.5%	Net extraordinary income	124	62	-	37	100.0%	n.r.	n.r.
2,405	1,590	51.3%	INCOME BEFORE TAXES	1,010	824	462	525	22.6%	78.4%	-12.0%
-730	-583	25.2%	Income taxes for the period	-276	-236	-181	-165	16.9%	30.4%	9.7%
-	-	-	Change in reserves for general banking risks	-	-	-	-1	n.r.	n.r.	n.r.
-47	-50	-6.0%	Income attributable to minority interests	-18	-13	-15	-12	38.5%	-13.3%	25.0%
1,628	957	70.1%	NET INCOME	716	575	266	347	24.5%	116.2%	-23.3%

9M05	9M04	Var 9M05/ 9M04 (%)	€ MM	Q305	Q205	Q304	Av Q 04	Var. Q305/ Q205 (%)	Var. Q305/ Q304 (%)	Var. Q305/ AvQ04 (%)
2,879	2,795	3.0%	Net interest income	971	975	924	927	-0.4%	5.1%	4.7%
2,542	2,400	5.9%	Net commissions	929	844	800	810	10.1%	16.1%	14.7%
25	-19	n.r.	Income from credit disposals, assets held to maturity and repurchase of fin. liabilities	8	17	-21	-12	-52.9%	n.r.	n.r.
428	245	74.7%	Dividends and income from other financial assets and liabilities	202	161	48	73	25.5%	n.r.	n.r.
85	53	60.4%	Profits (losses) on equity shareholdings	10	64	15	19	-84.4%	-33.3%	-47.4%
302	244	23.8%	Income from insurance business	120	118	80	82	1.7%	50.0%	46.3%
6,261	5,718	9.5%	TOTAL OPERATING INCOME	2,240	2,179	1,846	1,899	2.8%	21.3%	18.0%
-357	-386	-7.5%	Net adjustments to loans	-128	-142	-82	-135	-9.9%	56.1%	-5.2%
-4	-112	-96.4%	Net adjustments to other financial assets	-1	-2	0	-16	-50.0%	n.r.	-93.8%
5,900	5,220	13.0%	NET OPERATING INCOME	2,111	2,035	1,764	1,748	3.7%	19.7%	20.8%
-2,076	-2,096	-1.0%	Personnel costs	-697	-674	-693	-709	3.4%	0.6%	-1.7%
-1,108	-1,145	-3.2%	Other administrative costs	-367	-379	-383	-391	-3.2%	-4.2%	-6.1%
-307	-320	-4.1%	Net adjustments to tangible and intangible assets	-105	-104	-110	-115	1.0%	-4.5%	-8.7%
-3,491	-3,561	-2.0%	Operating costs	-1,169	-1,157	-1,186	-1,215	1.0%	-1.4%	-3.8%
51	16	n.r.	Other net income/expenses	8	32	-2	12	-75.0%	n.r.	-33.3%
-1	0	n.r.	Impairment of goodwill	-1	0	0	-19	n.r.	n.r.	-94.7%
13	3	n.r.	Profits (losses) from disposals of investments	0	13	3	2	n.r.	n.r.	n.r.
-124	-72	72.2%	Net provisions for other risks and charges	-16	-80	-20	-45	-80.0%	-20.0%	-64.4%
2,348	1,606	46.2%	PRE-TAX OPERATING INCOME	933	843	559	483	10.7%	66.9%	93.2%
-791	-659	20.0%	Taxes for the period	-297	-269	-215	-186	10.4%	38.1%	59.7%
0	55	n.r.	Profits (losses) on discontinued operations	0	0	0	29	n.r.	n.r.	n.r.
-48	-38	26.3%	Profit attributable to minority interests	-21	-13	-11	-12	61.5%	90.9%	75.0%
1,509	964	56.5%	NET PROFIT	615	561	333	314	9.6%	84.7%	95.9%

Detail on net customer loans in banking

GRUPPO SANPAOLO IMI

€MM	Stock 9M05	Var. 9M05/FY04
Banking	132,370	+11.4%
■ Retail and Private	45,166	+8.1%
■ Retail & Private	40,778	+7.7%
■ Other companies	4,388	+12.0%
■ Corporate	84,781	+12.6%
■ SMEs	39,012	+9.9%
■ International Corporate	6,643	+29.9%
■ Large Groups	4,739	-26.2%
■ Banca OPI	20,816	+7.9%
■ Structured Finance	3,452	+144.8%
■ Other companies	10,119	+33.8%
■ Banca IMI	4,868	96.4%
■ Leasint	5,251	3.6%
■ Other Activities	2,423	+39.0%
Savings & Pensions	977	+17.7%
A.M. & Int. Priv. Bank.	246	-46.1%
Corporate Centre	3,576	-29.1%
Total Loans	137,169	+9.6%



€ MM	9M05 Flows				9M05 Stock	
	Mutual funds	GPM	Life assurance	Total	Total	Var.9M05/FY04
Sanpaolo *	909	-40	2,357	3,226	86,306	+7.8%
North East Network	972	-535	866	1,304	15,470	+16.0%
Fideuram	-177	52	234	110	49,051	+5.9%
Other	-756	7	-221	-971**	4,711	-7.2%
Total	949	-517	3,236	3,668	155,538	+7.4%

* Includes Sanpaolo Network, Sanpaolo Banco di Napoli and BPA

** Includes Sanpaolo IMI Internazionale

€ MM	9 months 05					
	Gross exposure	Var. 9M05/FY04	Total adjustments	Net exposure	Var. 9M05/FY04	Coverage
Doubtful loans	7,414	-3.9%	4,149	3,265	-6.8%	55.96%
■ Non-performing loans	4,588	-0.5%	3,468	1,120	-1.5%	75.59%
■ Problem and restructured loans	1,662	-15.5%	522	1,140	-15.9%	31.41%
■ Loans to countries at risk	34	-5.6%	10	24	-7.7%	29.41%
■ 180 days past due loans	1,130	+2.4%	149	981	-0.6%	13.19%
■ Non performing securities	-	-	-	-	-	n.r.
Performing loans	135,892	+10.0%	1,061	134,831	+9.9%	0.78%
Total loans	143,499	+9.2%	5,210	138,289	+9.5%	3.63%