

Report of the Management Board

Ordinary Part - Item 2 on the agenda

Remuneration, Investment Plan and own shares:

c) Purchase and disposal of own shares

Dear Shareholders,

You have been called to this Shareholders' Meeting to discuss and resolve upon the granting of an authorisation to the Management Board to purchase own shares on the market pursuant to article 2357 of the Civil Code, finalised to the implementation of a stock plan for employees in the context of the remuneration policies of the Intesa Sanpaolo Group, referred to in paragraph 2 *b*) of the agenda of this ordinary part. In particular, the authorisation is required because the Company does not currently hold sufficient own shares to ensure the purpose described.

The purchase, in one or more tranches, relates to ordinary shares with a nominal value of euro 0.52 each, up to a maximum number of such ordinary shares of Intesa Sanpaolo equal to 54,097,875.

It should be noted that, within the date the group-level programme of purchases begins, the subsidiaries will activate the procedure for seeking equivalent authorisation from their shareholders' meeting, or from the bodies with jurisdiction over such matters within their structure.

The share capital of Intesa Sanpaolo amounts to euro 8,549,266,378.64, comprising no. 16,440,896,882 shares of a nominal value of euro 0.52 each, of which, no. 15,508,406,321 ordinary shares, and no. 932,490,561 non-convertible saving shares.

The maximum number of ordinary shares for which authorisation to purchase is sought is thus within the statutory limits imposed under article 2357 of the Civil Code, also taking into consideration such shares as may be held by subsidiaries.

The purchase of shares will be within the constraints of the distributable profits and available reserves shown on the financial statements most recently-approved as at the time the purchases are made.

A restricted reserve, in the amount of the own shares, will be recognised on Intesa Sanpaolo's balance sheet and maintained for so long as the shares have not been transferred away or cancelled.

Authorisation to purchase is sought for the maximum period of up to 18 months permitted under applicable legislation, and from the date of the resolution of the ordinary shareholders' meeting.

The Management Board may carry out the authorised purchases and may if appropriate delegate such powers to the Managing Director and CEO, who may be assisted by relevant departments within the Company, in one or more occasions, and at any time.

Authorisation for the disposal of the own shares thus purchased will be granted within good time for implementation of the stock plan.

The Management Board proposes that the purchasing occurs, subject to any regulatory or market practice

requirements that may be permitted, at a price, net of the ordinary accompanying charges, identified from time to time, within a minimum and a maximum that may be determined as follows:

- the minimum purchase price will not be lower than the reference price of the share, in the trading session prior to that of the particular purchase, less 10 per cent.; and
- the maximum purchase price will not be higher than the reference price of the share, in the trading session prior to that of the particular purchase, plus 10 per cent.

Purchases will be carried out in the regulated market, pursuant to article 144-*bis*(b) of the Issuers' Regulations, in full accordance with the regulatory requirements as to equality of treatment among shareholders, the measures preventing market abuse, and the market practices therefore permitted by CONSOB.

The ordinary shares purchased under the authorisation, subject of this proposal, will be allocated to beneficiaries upon the terms of the stock plan. The shares will be allotted without charge, at a value for the beneficiaries calculated in accordance with the tax and social security law and regulations in force at the relevant time.

In the event that the purchased shares are more than required having regard to the purposes described, the Company may sell or otherwise alienate them in the regulated market, upon the same conditions as applied to the purchases and at a price not less than the reference price of the share in the trading session prior to that of the particular sale decreased of the 10 per cent., or retain them to service possible future incentive programmes.

Dear Shareholders, you are invited to approve the following proposal of resolution:

Proposal of resolution

The ordinary shareholders' meeting of Intesa Sanpaolo S.p.A. having acknowledged the report prepared by the Management Board and filed in accordance with the law,

resolved

1. *to authorise the Management Board:*
 - a. *also for the purposes of the implementation of a stock plan in the context of the remuneration policy of the Intesa Sanpaolo Group, to purchase shares up to a maximum of no. 54,097,875 of ordinary shares – taking into account also such shares as are held by subsidiaries of Intesa Sanpaolo S.p.A. – in accordance with the following:*
 - i. *purchases may be made on one or more occasions within 18 months of this resolution, in any of the manners permitted by the law and regulations, both national and European, that are in force, and in accordance with any other applicable law;*
 - ii. *purchases of own shares are appropriately disclosed in accordance with applicable disclosure obligations;*
 - iii. *the minimum purchase price will not be lower than the reference price of the share, in the trading session prior to that of the particular purchase, less 10 per cent.;*
 - iv. *the maximum purchase price will not be higher than the reference price of the share, in the trading session prior to that of the particular purchase, plus 10 per cent.; and*

v. purchases of own shares must be made using the distributable profits and/or available reserves shown on the financial statements most recently duly-approved as at the time of such purchases, and a restricted reserve must be established and maintained for so long as the own shares are not transferred away or cancelled, and always recognised in the accounts in accordance with the law; and

the above will at times be in accordance with such law and regulations as are in force at the relevant times; and

- b. to dispose of the own shares thus purchased, pursuant to article 2357-ter of the Civil Code, in accordance with part a. above, in accordance with the terms of the Investment Plan and in any event in accordance with the constraints and obligations arising under the law and regulations in force at the relevant times;*
 - c. to alienate them – in the event that the purchased shares are more than required having regard to the purposes described – in the regulated market, upon the same conditions as applied to the purchases and at a price not less than the reference price of the share in the trading session prior to that of the particular sale decreased of the 10 per cent., or retain them to service possible future incentive programmes;*
- 2. to authorise the Chairman of the Management Board, the Managing Director and CEO, jointly and severally and with or without the use of special attorneys, to comply with all such may be required by the relevant authorities;*
- 3. to invest in the Chairman of the Management Board, the Managing Director and CEO, all such powers and faculties, for exercise jointly and severally and with or without the use of special attorneys, for the complete execution in every particular of the resolutions made above.*

7 April 2014

On behalf of the Management Board
Gian Maria Gros-Pietro
Chairman