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(Translation from the Italian original which remains the definitive version)

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Independent Limited Assurance Report to Intesa Sanpaolo S.p.A. on the methods adopted by the Intesa Sanpaolo's Directors to determine the Exchange Ratio in connection with the Voluntary Public Exchange Offer launched by Intesa Sanpaolo S.p.A. on all the shares of Unione Banche Italiane S.p.A.

To the Board of Directors of
Intesa Sanpaolo S.p.A.

We have been engaged by the Board of Directors of Intesa Sanpaolo S.p.A. ("Intesa Sanpaolo" or "ISP"), in the context of the voluntary public exchange offer (the "Offer") launched by ISP on all the shares of Unione Banche Italiane S.p.A. ("UBI Banca" or "UBI") on 17 February 2020, to perform a limited assurance engagement on the methods adopted by the Board of Directors (the "Directors") to determine the exchange ratio and on the related application methodologies (the "Methods").

The Methods are set forth in the attached Directors' report approved on 17 March 2020 (the "Report" or the "Board of Directors' Report") pursuant to article 70 of Consob (the Italian Commission for Listed Companies and the Stock Exchange) Regulation no. 11971 of 14 May 1999 as subsequently amended (the "Issuer Regulation").

In accordance with the Methods, the Directors have resolved that the exchange ratio is equal to 1,7000 ISP newly-issued shares for each UBI share tendered to the Offer (the "Exchange Ratio").

In order to determine the Exchange Ratio, the Board of Directors has been assisted by Mediobanca - Banca di Credito Finanziario S.p.A., in the capacity of advisor (the "Advisor").

The valuation of the UBI shares to be contributed has been made pursuant to articles 2440 paragraph2, 2343-ter, paragraph2.b) and 2343-quarter of the Italian Civil Code, by PricewaterhouseCoopers Advisory S.p.A. ("PWC") which has issued its valuation report on 13 March 2020, attached to the Board of Directors' Report.

Directors' Responsibilities

The Directors of Intesa Sanpaolo S.p.A. are responsible for the drafting of paragraph 8 of the Report, which sets forth the evaluation Methods selected by the Directors to determine the Exchange Ratio and the related application methodologies (the "subject matter" under ISAE 3000 Revised). In this respect, the directors are also responsible for those internal controls that they deem to be necessary in order to determine the Exchange Ratio without incurring in material misstatement, whether due to fraud or non-intentional facts or events.

Our responsibilities

Our responsibility is to give an independent conclusion on the adequacy of the methods, considered as reasonable and not arbitrary in this specific circumstance, adopted by the Directors to determine the Exchange Ratio, as reported in paragraph 8 of the Report, as well as on the applied methodologies related to such methods, in accordance with national and international professional and valuation practices usually adopted in similar transactions.

We carried out our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. In accordance to such International Standard, we planned and performed our procedures to obtain a limited assurance about whether the Methods adopted by the Board of Directors of Intesa Sanpaolo S.p.A., as illustrated in paragraph 8 of the Report, are adequately prepared, as reasonable and not arbitrary in this specific circumstance, and that they are properly applied in order to determine the Exchange Ratio, set at 1,7000 ISP shares for each UBI share tendered to the Offer, as the basis for our limited assurance conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than a reasonable assurance engagement conducted in accordance to ISAE 3000 Revised. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We did not perform an economic valuation of ISP and UBI. Such valuations have been exclusively performed by the Directors with the support of the Advisor.

This report is issued on a voluntary basis and has not to be considered the report to be issued pursuant to article 2441, paragraph 6 of the Italian Civil Code and article 158 of Legislative Decree no. 58 of 24 February 1998 (the "Financial Services Act") which report is relating to the subscription price of ISP's shares to be newly issued under the capital increase for the Offer.

Auditors' independence and quality control

In our engagement we are compliant with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

KPMG S.p.A. applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Methods used by the Board of Directors to determine the Exchange Ratio

The Board of Directors of Intesa Sanpaolo S.p.A., with the assistance of its Advisor in determining the financial elements of the Offer, has resolved that ISP will offer a consideration equal to 1,7000 newly-issued ordinary shares of ISP for each of the UBI's shares tendered to the Offer, not subject to any adjustments.

The valuation performed by the Board of Directors of ISP referred to the financial and market conditions as of 14 February 2020, which is the trading day prior to 17 February 2020, on which ISP announced to the market the launch of the Offer, pursuant to article 102, paragraph1 of the Financial Services Act and article 37 of the Issuer Regulation (the "102 Financial Services Act Notice").

In particular, in determining the Exchange Ratio, the Board of Directors has resolved:

- as main valuation methodologies: *(i)* the market price method, *(ii)* the regression analysis methodology, based on the correlation between the price to tangible book value multiples and the corresponding expected profitability of a comparable sample of listed companies, and *(iii)* the market multiples methodology, based on the ratio between the market capitalisation and the expected net profit of a comparable sample of listed companies;
- as control methodologies: *(i)* the target price issued by the equity analysts, and *(ii)* the dividend discount model in the "excess capital" version.

The Board of Directors' decision to adopt the above-mentioned market methods as the main methodologies is based on the fact that those methods reflect the economic values of ISP and UBI based on the shares traded on the regulated markets, whose prices reflect the value attributed by the investors to the expected growth, risk profile and expected profit generation, based on public information; therefore such market methods are appropriate to reflect the intrinsic economic value of the companies. The use of the market price method appears even more appropriate in case of companies with a large capitalisation, widespread free float and high level of liquidity, such as ISP and UBI.

The Board of Directors' decision to use the dividend discount model as control method, is attributable to the absence of detailed and updated business plans, on yearly basis, prepared by ISP and UBI; the application of such method is based exclusively on publicly available forecasts published by equity analysts, that naturally reflect a high variability and a low level of comparability.

The adoption by the Board of Directors of ISP with the support of the Advisor, of a wide set of methodologies has resulted in the performance of several analyses to mitigate the risks underlying the consensus estimates provided by the equity analysts.

The Board of Directors of ISP, with the support of its Advisor, has performed the valuation in order to achieve comparative and substantially homogeneous estimates of ISP and UBI economic values, emphasizing the homogeneity and comparability of the criteria adopted to determine their value on a stand-alone basis. Therefore, in general terms, the valuations performed by the Directors cannot be considered as an indication of the absolute fair value of ISP or UBI and cannot be used for any purposes other than those related to the exchange of shares within the context of the Offer.

The Methods adopted by the Board of Directors of ISP for the valuation of ISP and UBI, on a going-concern basis, are based on those approaches that are commonly applied and accepted by international and local valuation practices for the financial and banking sector. Financial theory considers these methods adequate and correctly applicable to companies that are able to operate on a going concern basis.

The valuation performed by the Board of Directors, also with the assistance and support of its Advisor, must be considered in light of certain limitations and difficulties that have been summarised as follows:

— ISP did not perform any due diligence activity on UBI and has performed its analysis based on publicly-available information only, as well as on its past experience in estimating the potential synergies arising from business combinations;

— Considering the absence of detailed and updated business plan, on yearly basis of UBI, the Directors used forecasts that have been derived from the estimates published by equity analysts following the announcement of the financial results of the year ended as of 31 December 2019;

— lack of specific accounting and financial information related to the banking and insurance going concerns to be disposed pursuant to the agreements with BPER Banca S.p.A. and UnipolSai Assicurazioni S.p.A. entered into on 17 February 2020;

— limited information to estimate synergies, integration costs and additional provisions related to the non-performing loans of UBI.

Furthermore, the above mentioned methodologies are based on shares prices and equity analysts estimates for ISP, UBI and for the selected comparable companies as of 14 February 2020. This choice can be considered appropriate, in this circumstance, as it allows to use information available prior to the announcement of the Offer to the market.

In light of the above and based on the valuation approach adopted, the Board of Directors of ISP has determined, within the range identified by applying the above-mentioned methodologies, the Exchange Ratio (ISP shares for each UBI share) equal to 1.7000 and, therefore, determined that the maximum number of ISP's shares to be issued under the Offer is equal to 1,945,284,755.

On the basis of the official market price of ISP shares (*cum dividend)* as of 14 February 2020, the Exchange Ratio determined by the Board of Directors embeds a

27.6% premium on the official market price (*cum dividend)* of UBI shares as at the same day of 14 February 2020 and 35.7%, 36.0% and 38.6% premiums on the weighted arithmetic average official market price of UBI shares for the one month, the three months and the six months period, respectively, prior to 14 February 2020 (included).

Procedures performed by the Auditor

The procedures performed are based on our professional judgment and include interviews with the management of ISP in charge for the determination of the Exchange Ratio and with the Advisor, in addition to the analysis of the documentation, re-performance, feedbacks and other procedures aimed to collect useful evidences that we deemed useful.

In particular, the following activities were performed in order to assess the reasonableness and non-arbitrariness of the Methods adopted by the Board of Directors of ISP in determining the Exchange Ratio:

— analysis of the Report approved on 17 March 2020;

— analysis of the documentation prepared for the Board of Directors held on March 17th, 2020 that has approved the Report and for the Board of Directors held on February 17th, 2020 that has approved the launch of the Offer;

— collection and analysis of the financial reports of ISP and UBI as at 31 December 2019 and other information used by the Board of Directors to determine the Exchange Ratio;

— analysis of the completeness and consistency of the motivations adduced by the Directors with regards to the adoption of the Methods applied to determine the Exchange Ratio and with reference to their adequacy in terms of reasonableness and non-arbitrariness, in the circumstance;

— analysis of the valuation Methods used by the Directors, with the support of the Advisor, to estimate the economic values of ISP and UBI in order to determine the Exchange Ratio and their homogeneity of application;

— analysis, limited to the purposes of this engagement, of the valuation of the UBI shares to be contributed, pursuant to articles 2440, paragraph 2, 2343-ter, paragraph 2.b) and 2343-quarter of the Italian Civil Code, by PwC and attached to the Report;

— analysis of the additional information used by the Directors, including the documentation prepared by the Advisor for the board meetings held on February 14th, 2020 and March 17th, 2020, to estimate the economic value of ISP and UBI in order to determine the Exchange Ratio;

— verification of the consistency between the measures and the economic and financial data used by the Directors for the application of the Methods and of the related sources, including, inter alia, the expected projections of UBI and ISP set forth in the reports published by the equity analysts;

— re-performance of the Methods adopted by the Directors with the support of the Advisor in order to verify their algebraic correctness in any material respect;

— with reference to the main valuation Methods, verification of the market multiples, the share prices and the data for the regression analysis, based on the comparable sample of listed companies selected by the Directors;

— sensitivity analysis of the Exchange Ratio, considering the scenario of minimum threshold of UBI shares tendered to the Offer, as indicated in the 102 Financial Services Act Notice;

— verification, trough benchmarking analyses, of the alignment between the amount of synergies correlated to the control premium embedded in the Offer, as indicated in the 102 Financial Services Act Notice, and the synergies observed in similar transactions in the Italian market;

— sensitivity analysis on the main parameters used in the application of the valuation Methods and on the economic and financial projections provided by the information data providers and by the equity analysts;

— obtainment of a specific representation letter signed by the legal representatives of ISP.

Limitations encountered by the Auditor in performing the procedures

Without prejudice to the limitations encountered by the Directors in determining the Exchange Ratio and, set forth in paragraph 8 of the Report, the following must also be noted:

— with reference to the market methodologies, although the stock market prices reflect the values expressed by the market at a specific date, they can be subject to significant fluctuations due to market volatility. This aspect is mitigated in this circumstance, since the purpose of the estimate is the definition of the relative valuation between the two securities that are to be exchanged;

— the results deriving from the application of the market multiples methodology and the regression analysis methodology are based on a statistically representative sample of listed comparable companies notwithstanding the competitive and market scenario and the size of such comparable companies is different than those of ISP and UBI;

— in the circumstances, since no detailed and updated business plans on annual basis prepared by ISP and UBI are available, the Directors have used the forecasts deriving from publicly available reports, issued by equity analysts following the communication of the 2019 year-end financial results, also in order to ensure homogeneity in applying the selected methodology. The estimates of the equity analysts are based, by their nature, on a set of assumptions of future events and actions that the analysts expect to be implemented by the companies. These hypotheses include, inter alia, certain assumptions which depend on factors that are, in whole or in part, beyond the control of such companies and that, by their nature, are not predictable, considering also potential structural changes in the market context; due to the uncertainty of the occurrence of any future events, as to whether and when such events will occur and to what extent, the difference between the estimates and the related actual values could be significant;

— as mentioned, the valuation performed by the Directors is based on the economic and market conditions as at 14 February 2020 (taking also into account equity market trends in the previous months), which is the trading day prior to the announcement to the market of the Offer, on 17 February 2020. As publicly known, the uncertainty of the macro-economic and market context has been thereafter significantly increased by the Covid-19 sanitary emergency that has furthered in unusual volatility levels of all the parameters used for the valuation. As of today, the medium and long-term impacts of such emergency on the real economy, the financial markets and the banking sector cannot be predicted.

Conclusion

Based on the procedures performed and the evidences obtained, and in accordance with the terms set out in this report, nothing has come to our attention that causes us to believe (i) that the Methods adopted by the Board of Directors of Intesa Sanpaolo S.p.A., are not adequate, as they are considered reasonable and not arbitrary in this specific circumstance, and (ii) that they are not adequately applied in order to determine the Exchange Ratio, as reported in paragraph 8 of the Report, set at 1,7000 ISP shares for each UBI share tendered to the Offer.

Limitation on the use of this report

This report was prepared on a voluntary basis for the exclusive benefit of the Board of Directors of Intesa Sanpaolo S.p.A. within the context of the Offer. Therefore, it cannot be used, in whole or in part, for any other purpose. KPMG has no obligation to update this report for any events and/or circumstances that may occur after today's date.

Milan, 25 March 2020

KPMG S.p.A.

(signed on the original)

Mario Corti
Director of Audit