



## **INTESA FUNDING LLC**

*(a Delaware limited liability company)*

**As Issuer of USCP Notes**

and

## **INTESA SANPAOLO S.p.A.**

*(incorporated as a società per azioni in the Republic of Italy)*

**As Unconditional Guarantor**

**U.S.\$ 10,000,000,000**

## **Commercial Paper Programme**

For the issuance of US Commercial Paper

### **3(a)(3) US Commercial Paper Notes**

#### **Commercial Paper Programme Ratings:**

Standard & Poor's Rating Services:	A-1+
Moody's Investors Service:	P-1
Fitch Ratings:	F-1+

#### **Guarantor Ratings:**

	Short Term	Long Term
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Standard & Poor's Ratings Services:	A-1+	AA-
Moody's Investors Service, Inc.:	P-1	Aa2
Fitch:	F-1+	AA-

The ratings are only accurate as of the date hereof. Prospective purchaser should verify the current ratings before purchasing USCP notes.

**June 3, 2008**

## SUMMARY OF THE USCP TERMS

- USCP Issuer:** Intesa Funding LLC is a wholly owned subsidiary of Intesa Sanpaolo S.p.A. The Company is incorporated in the State of Delaware and is fully guaranteed by Intesa Sanpaolo S.p.A.
- Guarantor:** Intesa Sanpaolo S.p.A.
- The merger by incorporation of Sanpaolo IMI S.p.A. with and into Banca Intesa S.p.A. has become legally effective as of 1 January 2007. The merged entity has adopted the new corporate name Intesa Sanpaolo S.p.A.
- Description:** 3(a)(3) US Commercial Paper Programme.
- USCP Dealers:** Banc of America Securities LLC  
Intesa Sanpaolo (formerly Banca Intesa) SpA, New York Branch  
Citigroup Global Markets Inc.  
J.P. Morgan Securities Inc.  
Lehman Brothers Inc.  
Merrill Lynch Money Markets Inc.  
Morgan Stanley & Co. Inc.
- USCP Agent:** Deutsche Bank Trust Company Americas
- Ratings:** As at the date of this Information Memorandum the USCP Notes have been rated P-1 by Moody's Investors Service Limited Inc., A-1+ by Standard & Poor's Ratings Services and F-1+ by Fitch Ratings Ltd.
- Ratings are not a recommendation to purchase, hold or sell USCP Notes, inasmuch as the ratings do not comment as to market price or suitability for a particular investor. The ratings are based on current information furnished to the rating agencies by the USCP Issuer and the Guarantor and information obtained by the rating agencies from other sources. The ratings are only accurate as of the date above and may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information, and therefore a prospective purchaser should verify the current ratings before purchasing USCP Notes.
- Programme Amount:** The sum of the aggregate principal amount of USCP Notes outstanding at any time will not exceed U.S. \$10,000,000,000. The USCP Issuer may increase the Programme Amount upon satisfaction of certain conditions precedent.
- Currencies:** USCP Notes will be issued in U.S. Dollars only.
- Denomination:** The USCP Notes shall be in minimum denominations of \$250,000 or integral multiples of \$1,000 in excess thereof.
- Maturity of the USCP Notes:** Not less than one day nor more than nine months, subject to compliance with any applicable legal and regulatory requirements.
- Yield Basis:** The USCP Notes may be issued at a discount or may bear fixed or floating rate interest.

<b>Status of the Notes:</b>	The USCP Notes will be direct, unconditional, unsubordinated and unsecured obligations of the USCP Issuer ranking at least equally with all other present and future unsecured and unsubordinated indebtedness of the USCP Issuer including any guarantees given by the USCP Issuer, other than obligations preferred by mandatory provisions of law.
<b>Guarantee:</b>	The Guarantee will be a direct, unconditional, unsubordinated and unsecured indebtedness of the Guarantor ranking at least equally with all other present and future unsecured and unsubordinated indebtedness of the Guarantor including any other guarantees given by the Guarantor, other than obligations preferred by mandatory provisions of law.
<b>Taxation:</b>	All payments under the USCP Notes or the Guarantee will be made without deduction or withholding for or on account of any present or future U.S. and Italian withholding taxes, unless such withholding or deduction is required by law.
<b>Forms and Delivery:</b>	The USCP Notes will be issued and purchases thereof will be recorded through the book-entry system of The Depository Trust Company (DTC). Beneficial owners will not receive certificates representing their ownership interest in the USCP Notes. The face amount of each USCP Note will be paid upon maturity in immediately available funds to DTC. The USCP Issuer has been advised by DTC that upon receipt of such payment DTC will credit, on its book-entry records and transfer system, the accounts of the DTC participants through whom USCP Notes are directly or indirectly owned. Payments by DTC to its participants and by such participants to owners of the USCP Notes or their representatives will be governed by customary practices and standing instructions and will be the sole responsibility of DTC, such DTC participants or such representatives, respectively.
<b>Listing:</b>	The USCP Notes will not be listed on any stock exchange.
<b>Selling Restrictions:</b>	The USCP Notes are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(3) thereof and will only be offered and sold in compliance therewith to institutional investors and other entities and individuals who are normally offered short-term commercial paper in the U.S. commercial paper market.
<b>Governing Law:</b>	The USCP Notes will be governed by and construed in accordance with the laws of the State of New York. The Guarantee will be governed by and construed in accordance with English law.

## **DESCRIPTION OF GUARANTEE**

The Notes are unconditionally guaranteed by Intesa Sanpaolo S.p.A. pursuant to the Guarantee issued by Intesa Sanpaolo S.p.A. for the benefit of the holders of the Notes.

## **BUSINESS DESCRIPTION**

The Intesa Sanpaolo Group is the leading banking group in Italy and one of the top banking groups in Europe and is the result of the merger by incorporation of SANPAOLO IMI S.p.A. with and into Banca Intesa S.p.A. which was approved by the shareholders of the two banks on December 1, 2006 and took legal effect from January 1, 2007.

The Group's activities are organised in business units.

- The **Territorial Bank Division** - including the Italian subsidiary banks - hinges on a model focused on the support and enhancement of regional brands, upgrading of local commercial positions and strengthening of relations with individuals, small businesses, SMEs and non-profit entities. Its main activities also include private banking, bancassurance and industrial credit.
- The **Corporate and Investment Banking Division** supports the balanced and sustainable development of corporates and financial institutions with a medium-long term view, both nationally and internationally, serving as a “global partner” with an in-depth knowledge of corporate strategies and a complete range of services. Its main activities include M&As, structured finance and capital markets carried out through Banca IMI, merchant banking and global custody.
- The **International Subsidiary Banks Division** includes retail and commercial subsidiaries abroad operating in Central-Eastern Europe and the Mediterranean basin.
- The **Public Finance Business Unit** is responsible for customers in government, public entities, local authorities, public utilities, general contractors, public and private healthcare structures, developing activities related to lending and day-to-day banking operations, project financing, securitisations, financial advisory, with the aim of favouring cooperation between public and private entities and supporting initiatives and investment projects in large infrastructures, healthcare, research and public utilities in general. The business unit is composed of Banca Infrastrutture Innovazione e Sviluppo.
- **Eurizon Capital** is the Group’s asset management company.
- **Banca Fideuram** is the Group company specialised in asset gathering.

## **FINANCIAL PROFILE**

As at 31 December 2007, the Intesa Sanpaolo Group had total assets of €572.90 billion (\$836.6 billion), loans to customers of €335.3 billion (\$489.6 billion) and direct customer deposits of €373.8 billion (\$545.8 billion).

Consolidated net income for 2007 amounted to €7.250 million (\$10.587 million). The Group's financial strength is reflected in its Core Tier 1, Tier 1 and total capital ratios of 5.9%, 6.5% and 9.0%, respectively, at December 31, 2007.

## **FINANCIAL INFORMATION**

The financial information included in the remainder of this Information Memorandum has been extracted from the Financial Statements of Intesa Sanpaolo S.p.A., for the fiscal year ended 2007. The notes to the financial statements are an integral part of the financial statements and will be found in the 2007 Annual Report, together with the report of the Independent Auditors, which is prepared in accordance with IAS/IFRS international accounting principles approved at the Supervisory Board meeting on April 11, 2008. The dollar amounts included in this Information Memorandum represent the arithmetical results of the translation of Euro to Dollars on the basis of Euro 1.0000 = US\$1.4603 (the Noon Buying Rate in the City of New York on December 31, 2007).

## **ADDITIONAL INFORMATION**

Each prospective purchaser is hereby offered the opportunity, prior to purchasing any Notes, to ask questions of and receive answers from the Issuer or Intesa Sanpaolo S.p.A., concerning the terms and conditions of the offering and to obtain additional relevant information, to the extent the Issuer or Intesa Sanpaolo S.p.A., possesses the same or can acquire or provide it without unreasonable effort or expense.

For further information, please contact:

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# Gruppo Intesa Sanpaolo

## Reclassified consolidated balance sheet

	US\$ (in millions)	Euro (in millions)	Euro (in millions)
<b>Assets</b>	<b>31.12.2007</b>	<b>31.12.2007</b>	<b>31.12.2006 restated <sup>(*)</sup></b>
Financial assets held for trading	77,044.0	52,759	66,216
Financial assets designated at fair value through profit and loss	29,203.1	19,998	20,685
Financial assets available for sale	53,905.5	36,914	41,096
Investments held to maturity	8,649.4	5,923	5,951
Due from banks	91,752.1	62,831	56,241
Loans to customers	489,599.2	335,273	321,271
Investments in associates and companies subject to joint control	5,143.2	3,522	3,106
Property, equipment and intangible assets	45,130.6	30,905	9,236
Tax assets	5,314.0	3,639	4,964
Non-current assets held for sale and discontinued operations	6,165.4	4,222	32,458
Other assets	24,702.4	16,916	14,288
<b>Total Assets</b>	<b>836,608.8</b>	<b>572,902</b>	<b>575,512</b>
<b>Liabilities and Shareholders' Equity</b>	<b>31.12.2007</b>	<b>31.12.2007</b>	<b>31.12.2006 restated <sup>(*)</sup></b>
Due to banks	98,844.8	67,688	74,745
Due to customers and securities issued	505,969.1	346,483	337,090
Financial liabilities held for trading	35,935.1	24,608	22,043
Financial liabilities designated at fair value through profit and loss	39,822.4	27,270	26,157
Tax liabilities	5,557.9	3,806	2,284
Liabilities associated with non-current assets held for sale and discontinued operations	4,767.9	3,265	31,459
Other liabilities	29,470.3	20,181	19,521
Technical reserves	31,500.1	21,571	22,540
Allowances for specific purpose	8,296.0	5,681	5,971
Share capital	9,706.6	6,647	6,646
Reserves	53,975.6	36,962	19,922
Valuation reserves	1,020.7	699	1,209
Minority interests	1,155.1	791	1,218
Net income	10,587.2	7,250	4,707
<b>Total Liabilities and Shareholders' Equity</b>	<b>836,608.8</b>	<b>572,902</b>	<b>575,512</b>

<sup>(\*)</sup> Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area.

# Gruppo Intesa Sanpaolo

## Reclassified consolidated statement of income

	US\$ (in millions)	Euro (in millions)	Euro (in millions)
	2007	2007	2006
			restated <sup>(*)</sup>
Net interest income	14,436.5	9,886	8,907
Dividends and profits (losses) on investments carried at equity	487.7	334	278
Net fee and commission income	9,046.6	6,195	6,379
Profits (Losses) on trading	1,472.0	1,008	1,799
Income from insurance business	644.0	441	452
Other operating income (expenses)	210.3	144	100
Operating income	26,297.1	18,008	17,915
Personnel expenses	-7,849.1	-5,375	-5,633
Other administrative expenses	-4,468.5	-3,060	-3,096
Adjustments to property, equipment and intangible assets	-1,216.4	-833	-899
Operating costs	-13,534.1	-9,268	-9,628
Operating margin	12,763.0	8,740	8,287
Goodwill impairment		-	-
Net provisions for risks and charges	-765.2	-524	-336
Net adjustments to loans	-2,003.5	-1,372	-1,306
Net impairment losses on other assets	-97.8	-67	-11
Profits (Losses) on investments held to maturity and on other investments	118.3	81	168
Income (Loss) before tax from continuing operations	10,014.7	6,858	6,802
Taxes on income from continuing operations	-3,901.9	-2,672	-2,033
Merger and restructuring related charges (net of tax)	-886.4	-607	-562
Effect of purchase cost allocation (net of tax)	-14.6	-10	-
Income (Loss) after tax from discontinued operations	5,534.5	3,790	674
Minority interests	-159.2	-109	-174
<b>Net income</b>	<b>10,587.2</b>	<b>7,250</b>	<b>4,707</b>

<sup>(\*)</sup> Figures restated on a consistent basis, considering i) the merger between Banca Intesa and SANPAOLO IMI and the connected transactions with Crédit Agricole and ii) the changes in the consolidation area.