

PROSPECTUS SUPPLEMENT



INTESA SANPAOLO S.p.A.

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

as Issuer and, in respect of Notes issued by Intesa Bank Ireland p.l.c. and Sanpaolo IMI Bank Ireland p.l.c., as Guarantor

INTESA BANK IRELAND p.l.c. and

(incorporated with limited liability in Ireland under registered number 217741)

SANPAOLO IMI BANK IRELAND p.l.c.

(incorporated with limited liability in Ireland under registered number 125216)

as Issuers

€35,000,000,000

Global Medium Term Note Programme

This Prospectus Supplement (the "**Supplement**") is supplemental to and must be read in conjunction with the Prospectus dated 15th February, 2007 (the "**Prospectus**"), prepared by Intesa Sanpaolo S.p.A. ("**Intesa Sanpaolo**"), Intesa Bank Ireland p.l.c. ("**IBI**") and Sanpaolo IMI Bank Ireland p.l.c. ("**SIBI**") and, together with Intesa Sanpaolo and IBI, the "**Issuers**") in connection with their €35,000,000,000 Global Medium Term Note Programme (the "**Programme**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority pursuant to the Luxembourg Law on Prospectuses for Securities dated 10th July, 2005, which implements Directive 2003/71/EC (the "**Prospectus Directive**"). In addition, the Issuers have requested that the CSSF send a certificate of approval pursuant to Article 18 of the Prospectus Directive, together with a copy of this Supplement, to the Irish Financial Services Regulatory Authority in its capacity as competent authority in Ireland.

This Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive for the purposes of:

- (a) incorporating by reference into the Prospectus (i) the consolidated annual financial statements of the Banca Intesa Group and of Sanpaolo IMI S.p.A. ("**Sanpaolo IMI**") as at and for the year ended 31st December, 2006, (ii) the pro forma consolidated balance sheet and income statement information of the Intesa Sanpaolo Group as at and for the year ended 31st December, 2006 and (iii) the non-consolidated annual financial statements of IBI and SIBI as at and for the year ended 31st December, 2006; and
- (b) updating the sections of the Prospectus entitled "Recent Events" and "Litigation".

The date of this Supplement is 26 April, 2007.

Each of the Issuers accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect the import of such information.

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Prospectus.

To the extent that there is any inconsistency between any statement in, or incorporated by reference into the Prospectus by, this Supplement, the statements in this Supplement will prevail.

Copies of this Supplement will be available, together with the documents incorporated by reference into this Supplement (see the section entitled "Documents Incorporated by Reference"), as follows:

- (i) without charge from the specified offices of the Principal Paying Agent and the Paying Agents in Luxembourg and Dublin and at the registered offices of the Issuers, as described on page 41 of the Prospectus; and
- (ii) on the website of the Luxembourg Stock Exchange (www.bourse.lu).

DOCUMENTS INCORPORATED BY REFERENCE

The information set out below supplements the section of the Prospectus entitled "**Documents Incorporated by Reference**" beginning on page 41 of the Prospectus.

The following documents, having previously been published and filed with the CSSF, shall be incorporated by reference in and form part of this Supplement:

- (1) the audited consolidated annual financial statements of the Banca Intesa Group as at and for the year ended 31st December, 2006;
- (2) the audited consolidated annual financial statements of Sanpaolo IMI as at and for the year ended 31st December, 2006;
- (3) the unaudited pro forma consolidated balance sheet and income statement information of the Intesa Sanpaolo Group as at and for the year ended 31st December, 2006;
- (4) the audited non-consolidated annual financial statements of IBI as at and for the year ended 31st December, 2006; and
- (5) the audited non-consolidated annual financial statements of SIBI as at and for the year ended 31st December, 2006.

The following tables show where specific items of information are contained in the above-mentioned documents incorporated by reference.

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Any information not listed in the cross-reference list, but included in the documents incorporated by reference is given for information purposes only.

RECENT EVENTS

The information set out below supplements the section of the Prospectus entitled "Recent Events" beginning on page 139 of the Prospectus.

Sale of Cariparma, FriulAdria and Banca Intesa branches to Crédit Agricole

On 1st March 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"On 1st March 2007, after authorisation from the Bank of Italy, Intesa Sanpaolo S.p.A. and Crédit Agricole S.A. signed a contract, effective immediately, relating to the sale of the entire equity stakes held by Intesa Sanpaolo in Cassa di Risparmio di Parma e Piacenza (representing 100% of the share capital, 85% acquired by Crédit Agricole and 15% by Fondazione Cariparma) for a cash consideration of Euro 3.8 billion, and in Banca Popolare FriulAdria (representing 76.05% of the share capital) for a cash consideration of Euro 836.5 million. Total capital gain will result in approximately Euro 3 billion being recognised in Intesa Sanpaolo's consolidated statement of income for the first quarter of 2007.

A further 202 former Banca Intesa branches will be sold to Crédit Agricole for a consideration of Euro 1.3 billion. The sale will take place as follows: (i) 29 branches will be transferred to Banca Popolare FriulAdria at the end of March, with effect as of 1st April 2007, and the resulting shares sold immediately to Cariparma, which will control Banca Popolare FriulAdria, and (ii) the remaining 173 branches will be transferred to Cassa di Risparmio di Parma e Piacenza at the end of June, with effect as of 1st July 2007, and the resulting shares sold immediately, on a proportional basis, to Crédit Agricole and Fondazione Cariparma."

All the above is in accordance with both the disclosures made in the press releases issued by Banca Intesa and Crédit Agricole on 11th October 2006 and the decision of the Italian Competition Authority "AGCM" issued on 20th December 2006.

Asset management joint venture terminated

On 19th March 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"On 19th March 2007, Intesa Sanpaolo S.p.A. and Crédit Agricole S.A. agreed that CAAM SGR, their joint-venture in the asset management activities in Italy, will be unwound with both parties exercising their respective option and the purchase by Intesa Sanpaolo of the activities attributable to the 65% of Nextra Investment Management sold by Banca Intesa to Crédit Agricole in December 2005. The repurchase consideration will be of approximately Euro 800 million - corresponding to the price of the sale transaction in December 2005 net of the amount resulting from the sale to Crédit Agricole of the mutual funds dedicated to the Cariparma network and the real estate funds - less the dividends received in the meantime by the Crédit Agricole Group plus the cost of equity accrued during the period (calculated applying a 9% interest rate on Euro 815.8 million, the price of the previous sale transaction). The finalisation of the transaction is expected by year-end and is subject to relevant authorisation and the completion of the last branch sale to Crédit Agricole scheduled on 1st July 2007."

All the above is in accordance with both the disclosures made in the press releases issued by Banca Intesa and Crédit Agricole on 11th October 2006 and in the joint press release of Intesa Sanpaolo and Crédit Agricole dated 24th January 2007 and the decision of the Italian Competition Authority "AGCM" issued on 20th December 2006.

Intesa Sanpaolo contributes 29 branches to FriulAdria

On 30th March 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"On 30th March 2007, after authorisation from the Bank of Italy, Intesa Sanpaolo S.p.A. contributed 29 former Banca Intesa branches to FriulAdria with effect as of 1st April 2007.

The resulting FriulAdria shares will be subsequently sold by Intesa Sanpaolo to Cariparma, the Italian subsidiary of Crédit Agricole S.A. which controls Banca Popolare FriulAdria, for a cash consideration of Euro 136 million. A capital gain of approximately Euro 70 million will be recognised in Intesa Sanpaolo's consolidated statement of income for the second quarter of 2007."

All the above is in accordance with both the disclosures made in the press releases issued by Banca Intesa and Crédit Agricole S.A. on 11th December 2006 and by Intesa Sanpaolo and Crédit Agricole S.A. on 1st March 2007 and the decision of the Italian Competition Authority "AGCM" issued on 20th December 2006.

Ukrsotsbank share purchase agreement terminated

On 2nd April 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"On 2nd April 2007, Intesa Sanpaolo communicated that the sellers of the controlling shareholding in Ukrsotsbank made known that they had exercised the right to terminate the relevant share purchase agreement signed with Banca Intesa on 14th February 2006 - as subsequently amended on 4th September 2006 - since the completion of the transaction did not take place within the scheduled deadline of 31st March 2007."

Moody's rating upgrade

On 14th April 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"On 14th April, 2007, Intesa Sanpaolo communicated that, following the application of a new valuation methodology, Moody's upgraded the long-term debt and deposit rating to Aa2 from Aa3, affirmed the short-term debt and deposit rating at P-1 and downgraded the Bank Financial Strength Rating from B to B -. The outlook is stable."

Employee share scheme

On 14th April 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"On 14th April 2007, the Management Board which met chaired by Enrico Salza approved the explanatory report regarding the request for authorisation for the purchase and sale of own shares to serve a Plan of assignment, for free, to employees, which will be submitted for approval at the Ordinary Shareholders' Meeting summoned for 30th April and 3rd May 2007.

The free assignment plan, since it is reserved to the Bank employees coming from Sanpaolo IMI S.p.A. integrates the similar initiative approved by the Bank on 1st December 2006 – prior to the coming into effect of the merger by incorporation of Sanpaolo IMI, which was finalised on 1st January 2007 – in favour of the Banca Intesa S.p.A. employees, according to way already disclosed to the market. In order to serve the initiative resolved upon on 1st December 2006,

the Shareholders' Meeting authorized the purchase of a maximum of 5,250,000 own ordinary shares; the initiative also included employees of the Italian subsidiary companies of the former Intesa Group, following resolutions of the aforementioned subsidiary companies' Shareholders' Meetings, for a maximum of 1,900,000 ordinary shares of the Parent Company.

The free assignment plan applies, therefore, to all the employees of Intesa Sanpaolo. The Plan is reserved to all employees of Intesa Sanpaolo with an indefinite term contract, professional apprenticeship in service as the date of the set in motion of the Plan (4th May 2007) and already in service, as at 31st December 2006, at Sanpaolo IMI S.p.A., save for specific exceptions.

Beneficiaries of the plan are attributed the faculty of requesting to Intesa Sanpaolo S.p.A. the free assignment of shares amounting to a counter value between a minimum of Euro 516.46 and a maximum of Euro 2,065.83 measured basing on the position of each beneficiary of the Plan as at 31st December 2006; such request leads to a restructuring of the amount of the Company Productivity Bonus 2006 due to each employee.

The date of assignment of the shares object of the Plan is 27th June 2007. The number of shares to be assigned shall be determined by dividing the counter value due to each employee by the normal value of the stock for tax purposes, equal to the arithmetic average of "official prices" of the share calculated by Borsa Italiana S.p.A. in the period between the day of assignment of the shares to the same day of the previous calendar month. Where necessary, the resulting number will be rounded down to the lower unit.

For the purpose of serving the plan, a proposal will be made at the Ordinary Shareholders' Meeting to authorise – in addition to all resolved upon on 1st December 2006 – the purchase of further own shares up to a maximum number of 4,600,000 Intesa Sanpaolo ordinary shares, of nominal value Euro 0.52 each. The exact number of shares to be assigned will be determined on the basis of the number of acceptances of the Plan, of the individual countervalue assigned and the value of the shares calculated on the basis of the fiscal law in force.

Pursuant to article 132 of Legislative Decree 58 of 24th February 1998 and article 144-bis of Consob Resolution 11971/99 and subsequent amendments, the purchase will be carried out on regulated markets according to the operating methods set out in the regulations providing for the organisation and management of such markets.

Purchases may occur at a price, net of ordinary accessory costs, no lower than a minimum of 10% and no higher than a maximum of 10% with respect to the reference price struck by the share on the Stock Exchange business day preceding each transaction. Purchases may occur in one or more times.

The authorisation requested at the Shareholders' Meeting will be effective until 1st September 2007.

Furthermore, a proposal will be made to authorise, pursuant to article 2357 *ter* of the Italian Civil Code, the sale on the Stock Exchange of any own ordinary shares exceeding the need of the Plan, at a price no lower than a minimum of 10% with respect to the reference price struck by the share on the Stock Exchange business day preceding each transaction.

At the moment the Company does not hold any of its own shares.

Considering that it is a unitary initiative, a proposal will be made at the Shareholders' Meeting to amend the resolution of 1st December 2006 with the aim to standardise the price limits on own shares authorised in the mentioned meeting of 1st December to the aforementioned limits. To

the same purpose, the date of assignment of the shares, previously fixed for 1st June 2007, will be standardised and set on 27th June 2007.

For certain Group companies formerly controlled by Sanpaolo IMI S.p.A. the adoption of analogous stock granting plans for respective employees have been planned. To this end, the Shareholders' Meetings of the aforesaid companies will be submitted the request to authorise the purchase of Intesa Sanpaolo ordinary shares for a maximum number of 3,000,000 shares.

As regards Group companies formerly controlled by Banca Intesa S.p.A. having plans analogous to that resolved upon by the Parent Company in the meeting of 1st December 2006, the opportunity emerged of approving a free assignment plan for another subsidiary, Intesa Trade Sim S.p.A., which will be served – in consideration of the negligible amount involved – directly by Intesa Sanpaolo S.p.A.; in order to start this initiative – which envisages an assignment, for free, of Intesa Sanpaolo ordinary shares for a taxable counter value of Euro 700.00 each employee – a request will be made to authorise the purchase of a further maximum amount 8,500 Intesa Sanpaolo S.p.A ordinary shares and the sale of any exceeding shares according to the aforementioned terms and prices."

Commencement of negotiations for acquisition of Cassa di Risparmio di Firenze

On 24th April 2007, Intesa Sanpaolo published a press release, an extract from which is set out below:

"Intesa Sanpaolo - upon request of Consob - communicates that it has entered into negotiations with Ente Cassa di Risparmio di Firenze for a transaction including the key points detailed below:

- acquisition of control of Carifirenze by Intesa Sanpaolo;
- acquisition of an interest in Intesa Sanpaolo by Ente Cassa di Risparmio di Firenze;
- retaining by Ente Cassa di Risparmio di Firenze of a minority stake in the capital of Carifirenze;
- widening of the geographical area currently covered by Carifirenze.

As for press rumours, regarding in particular the price, a "non-cash" deal and a possible delisting of Carifirenze, Intesa Sanpaolo clarifies that these issues are part of terms and conditions which have not yet been defined by the parties so far."

LITIGATION

The information set out below supplements the section of the Prospectus entitled "**Litigation**" beginning on page 120 of the Prospectus.

Proceedings brought by Extraordinary Commissioner of Cirio group

In early April 2007, ten Cirio group companies, each of them in extraordinary administration, served proceedings on Intesa Sanpaolo and Banca Caboto S.p.A. (a subsidiary of Intesa Sanpaolo), together with five other banks, with a claim for damages for:

- (i) causing the Cirio group's financial difficulties to worsen as a result of six new bond issues in the period from 2000 to 2002, for which the estimated loss, calculated according to three different criteria, amounts to €2,082 million (as the principal head of claim) and, further and in the alternative, €1,055 million and €421 million;
- (ii) preventing the claimants from bringing claw-back actions (*revocatoria fallimentare*) for undetermined sums, as a result of the delay in the process by which the Cirio group was ultimately declared insolvent; and
- (iii) the payment of €9.8 million in fees and commissions for underwriting the various bond issues.

In addition to the possibility of drawing a distinction between the roles in the above matters of each of the banks which are defendants in these proceedings, the Intesa Sanpaolo Group considers the above claims to be groundless and believes that it can contest them both as to substance and on the grounds of lack of standing on the part of the bodies bringing the proceedings on behalf of the claimants.