

PRESS RELEASE

INTESA SANPAOLO: BOARD OF DIRECTORS APPROVES DRAFT FINANCIAL STATEMENTS OF PARENT COMPANY, AS WELL AS CONSOLIDATED FINANCIAL STATEMENTS, AS AT 31 DECEMBER 2017

Turin, Milan, 23 February 2018 – At its meeting today, the Board of Directors of Intesa Sanpaolo approved the parent company's draft financial statements, as well as the consolidated financial statements, as at 31 December 2017. They confirm the 2017 results which were approved by the Board and announced on 6 February 2018. The parent company's net income was 4,882 million euro ^(*) (1,760 million euro in 2016, 1,680 million euro restated to reflect the corporate actions undertaken in 2017) and the consolidated net income was 7,316 million euro ^(*) (3,111 million euro in 2016).

The Board of Directors also approved the proposal for allocation of 2017 net income and for assignment of reserves. This proposal was adopted by the Board at the same time as it approved the results as at 31 December 2017, and was disclosed to the market on 6 February 2018.

The financial statements as at 31 December 2017 and a cash distribution of 20.3 euro cents on ordinary shares and 21.4 euro cents on savings shares, before tax, will be submitted for the approval of shareholders at the Ordinary Meeting scheduled for 27 April 2018. Specifically, the Board's proposal envisages the cash distribution of 3,419,089,656.81 euro ^(**), deriving from 20.3 euro cents on each of the 15,859,786,585 ordinary shares and 21.4 euro cents on each of the 932,490,561 savings shares. No distribution will be made to own shares held by the Bank at the record date. The dividend payment, if approved at the Shareholders' Meeting, will take place from 23 May 2018 (with coupon presentation on 21 May and record date on 22 May).

(*) The Parent Company's net income of 4,882 million euro and the Group's consolidated net income of 7,316 million euro include the non-taxable public cash contribution of 3.5 billion euro offsetting the impact on the capital ratios of the acquisition of the Aggregate Set of Banca Popolare di Vicenza and Veneto Banca.

(**) The proposal in respect of the allocation of net income for the year envisages: on the one hand, the allocation of the non-taxable public cash contribution of 3.5 billion euro to the extraordinary reserve and, on the other hand, a cash distribution of 1,353,639,567.85 euro as dividends from the Parent Company's remaining net income of 1,382 million euro (corresponding to 8 euro cents on each ordinary share and 9.1 euro cents on each savings share) and 2,065,450,088.96 euro as assignment of reserves from the Share Premium Reserve (corresponding to 12.3 euro cents on each ordinary share and savings share). The assignment of reserves shall be subject to the same tax regime as the distribution of dividends.