

GRUPPO SANPAOLO IMI

Comunicato stampa

Comunicazione ai sensi dell'art. 2.6.2 comma 10 del Regolamento dei Mercati: S&P alza il rating di SANPAOLO IMI a AA-/A-1+

Torino, 5 luglio 2006 – SANPAOLO IMI comunica che in data odierna l'agenzia internazionale Standard & Poor's ha alzato il rating di SANPAOLO IMI dall'attuale A+/A-1 ad una valutazione di AA-/A-1+, con outlook stabile.

L'agenzia aveva già posto sotto osservazione il giudizio sul Gruppo per un possibile upgrade (outlook positivo) alla fine del 2004.

L'attuale *upgrade* di Standard & Poor's riflette quindi il verificarsi del miglioramento negli ultimi tre anni della redditività della Banca, con un contestuale mantenimento del basso profilo di rischio e confermando la solidità dello stato patrimoniale.

Lo stesso provvedimento è stato adottato per le principali società controllate del Gruppo a cui viene attribuito un rating da S&P: Banca IMI, Banca Fideuram, Banca Opi e Cassa di Risparmio di Bologna.

Inoltre lo studio di Standard & Poor's evidenzia la forza della rete bancaria domestica, la consolidata esperienza nella gestione del rischio e il livello di patrimonializzazione che si confronta favorevolmente con i principali gruppi bancari internazionali

(Allegato comunicato Standard & Poor's)

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Sanpaolo IMI SpA And Subsidiaries
Ratings Raised To 'AA-/A-1+'; Outlook

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Stable

Rationale

On July 5, 2006, Standard & Poor's Ratings Services raised its long- and short-term counterparty credit ratings on Italian bank Sanpaolo IMI SpA and its core subsidiaries Banca IMI SpA, Banca Fideuram, Cassa di Risparmio in Bologna SpA, and Banca OPI SpA to 'AA-/A-1+' from 'A+/A-1'. The outlook is stable.

The upgrade reflects the improvement in profitability Sanpaolo IMI has achieved in the past few years, while maintaining a low risk profile and sound balance sheet.

The ratings on Sanpaolo IMI also factor in a leading domestic franchise in a wide range of business lines, focused strategy, and strict risk management culture. Offsetting factors include high single-name concentration in the bank's credit portfolio and its essentially domestic business profile, in the context of poor prospects for the Italian economy.

Sanpaolo IMI's earnings generation ability has improved significantly in the past three years. It has benefited from progressively more diversified revenues, the unlocking of cost synergies, and lower provisions. The ratio of net operating income after loan loss provisions to risk-adjusted assets improved steadily to 2.5% in 2005, up from 1.8% in 2002, and compares well with that of European peers. We expect the group will continue to post a good level of core earnings.

Sanpaolo IMI boasts a very strong domestic franchise, engaging primarily in retail and commercial banking. It has market shares of 10% in loans and deposits in Italy. The bank enjoys a No. 1 domestic position in asset management, with market shares of 19% in mutual funds and 12% in life insurance in 2005. These businesses are likely to be the motor for future growth in the Italian banking market. The bank is less geographically diversified, however, than international peers.

Risk management is a positive rating factor for Sanpaolo IMI. The bank has a strict credit risk culture and its internal credit rating system has a proven track record. Consequently, it has maintained the lowest level of credit provisions among large Italian banks in the past five years.

Sanpaolo IMI SpA And Subsidiaries Ratings Raised To 'AA-/A-1+'; Outlook Stable

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This level is also in line with that of international peers, despite its comparatively higher exposure to riskier small and midsize enterprises and sluggish Italian economic conditions. Credit risk cost stood at 34 basis points (bps) in 2005 and 27 bps in the first quarter of 2006. Single-name concentration risk in the bank's credit portfolio is high.

Sanpaolo IMI's capital position is good for its risk profile and compares well with international peers'. The ratio of adjusted common equity to risk-weighted assets stood at 5.9% at end-March 2006, after deduction of capital allocated to insurance subsidiaries.

Outlook

The stable outlook reflects Standard & Poor's expectation that the Sanpaolo group will maintain its low risk profile and adequate capital position. Enhanced commercial dynamism coupled with positive long-term growth prospects in the domestic retail business and a favorable interest rate environment should allow the group to maintain the higher level of profitability that it demonstrated in 2005 for full year 2006 and over the medium term.

The good performance of Sanpaolo IMI, and of the entire Italian banking sector, contrasts with the sluggish Italian economy and poor state of government finances, reflected in the 'AA-/Negative/A-1+' rating on the Republic of Italy. The credit rating on the Republic of Italy, as a member of the European Monetary Union, does not directly constrain the ratings of Italy-based entities, except in the public sector. Sanpaolo IMI's strong credit risk management would help the bank manage any negative fallout from further worsening in the sovereign's credit profile.

Despite the more lively lending policy Sanpaolo IMI has adopted since 2005, we expect the group to preserve its healthy asset quality in the context of the poor growth prospects for the Italian economy. Our view is based on the group's willingness and ability to adopt a selective and proactive approach in credit risk management. Prolonged stress in the domestic economy that hampers group asset quality, while unexpected, would have negative rating implications. The potential for an upgrade is slim, given the group's essentially domestic business profile and the relatively high level of economic risk in the Italian economy. The current ratings do not factor in any acquisitions or mergers that could affect the group's risk profile.

Ratings List

To From

Sanpaolo IMI SpA

Banca IMI SpA

Banca Fideuram

Cassa di Risparmio in Bologna SpA

Banca OPI SpA

Counterparty credit rating

AA-/Stable/A-1+ A+/Positive/A-1