INTESA SANPAOLO

2007 Half-Yearly Results

September 11th, 2007

Agenda

1 **2007 Half-Yearly Results**

2 Integration and strategic transactions

Foreword (1/2)

- For comparison purposes with 1H07 and 2Q07, 2006 and 1Q07 data have been restated to take into account the changes in the consolidation area and accounting of the economic effects connected with discontinued operations in its specific caption
- For comparison purposes, 2006 P&L data have been restated[(1)] also consolidating line by line Banca Italo Albanese (BIA), Bank of Alexandria (BoA), Cassa dei Risparmi di Forlì e della Romagna and Panonska Banka from 1st January
- 2006 data restated to be consistent with 1H07 data differ from 2006 pro-forma figures released on 23rd March 2007 because they
  - do not take into account the repurchase of the asset management activities formerly referred to as Nextra
  - take into account the figures referred to Cariparma, FriulAdria and 202 branches sold to Crédit Agricole recorded in the Income (Loss) from discontinued operations and do not take into account the net benefits deriving from the cash flows
  - take into account the results of Biverbanca in the caption Income (Loss) from discontinued operations and not line by line
  - do not take into account the effect of amortisation of merger cost
  - consolidate line by line Banca Italo Albanese (BIA), Bank of Alexandria (BoA), Cassa dei Risparmi di Forlì e della Romagna and Panonska Banka from 1st January

(1) *Main restatements*

Foreword (2/2)

- 1H07 consolidation area differs from that presented in 2007-2009 Business Plan in so as far it
  - does not include the implementation of Antitrust commitments in addition to the transaction with Crédit Agricole (sale of branches and of a business line for the production and management of insurance policies)
  - includes Net Income relating to branches sold to Crédit Agricole up to the respective sale date (three months for 29 branches and six months for 173 branches) and two months' Net income of Cariparma and FriulAdria recorded in the caption Income (Loss) from discontinued operations and does not take into account – for the above mentioned periods - the net benefits deriving from the cash flows
  - includes the Net Income of Biverbanca in the caption Income (Loss) from discontinued operations
  - does not take into account the repurchase of the asset management activities formerly referred to as Nextra
  - does not take into account the assumption of the listing of 30% of Eurizon Financial Group, also considering the different strategic decisions taken
  - does not take into account - at the P&L level - the acquisition of American Bank of Albania (ABA) finalised at the end of June

- With reference to the divisional figures, 1H07 differs from the 2007-2009 Business Plan because the Regional Banks not yet integrated as regards the IT system (Intesa Casse del Centro, Banca di Trento e Bolzano and Cassa dei Risparmi di Forlì e della Romagna) are entirely included in the Banca dei Territori Division

- With reference to the divisional figures, 1H07 differs from 1Q07 as - in line with the 2007-2009 Business Plan - Corporate customers of former Banca Intesa with a turnover between €50m and €150m have been included in the Banca dei Territori Division and Mid Corporate customers of former Sanpaolo IMI with a turnover exceeding €150m have been included in the Corporate & Investment Banking Division

1H07 operating performance in line with targets
Sound growth trend in the most crucial phase of the integration

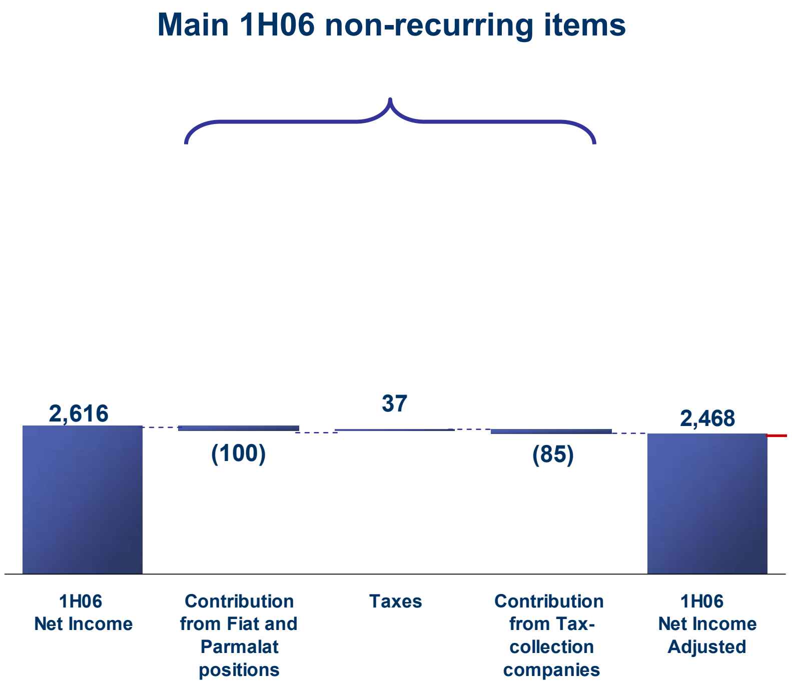
- **1H07 Operating Income at €9,378m, €9,407m adjusted(1) (+5.7% vs 1H06; +7.3% adjusted(1) vs 1H06 adjusted(2))**
- **1H07 Operating Margin at €4,939m, €4,713m adjusted(3) (+18.0% vs 1H06; +15.3% adjusted(3) vs 1H06 adjusted(2))**
- **1H07 Net Income at €5,359m, €2,630m adjusted(4) (+104.9% vs 1H06; +6.6% adjusted(4) vs 1H06 adjusted(5))**
- **1H07 Cost/Income ratio down to 47.3%, 49.9% adjusted(3) (vs 54.7% FY06 adjusted(6))**
- **Sustained volume growth: Loans to Customers +9.1% and Direct Customer Deposits +7.5% vs 1H06**
- **Sound asset quality confirmed: Net Doubtful Loans(7)/Loans at 0.8% and 1.9% decline in Net Non Performing Loans vs 31.12.2006 and 1.3% vs 1Q07**
- **~110,000 new customers on a net basis in Italy in the first six months of 2007**
- **1H07 operating performance has not yet been benefiting from merger synergies**

(1) Adjusted excluding the capital loss on the sale of one third of the stake in Santander
(2) Adjusted excluding the positive contribution from Fiat and Parmalat positions
(3) Adjusted excluding the capital loss on the sale of one third of the stake in Santander and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(4) Adjusted excluding capital gains on the sales of Cariparma, FriulAdria and 29 branches to Crédit Agricole, non-recurring integration charges, the amortisation of merger cost, the capital loss on the sale of one third of the stake in Santander and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(5) Adjusted excluding the positive contribution from Fiat and Parmalat positions and the contribution from Tax-collection companies sold in 2006
(6) Adjusted excluding the positive contribution from Fiat and Parmalat positions and the capital gain on the sale of stakes in Ixis
(7) Sofferenze

1H07 Net Income adjusted
+6.6% growth vs 1H06 adjusted

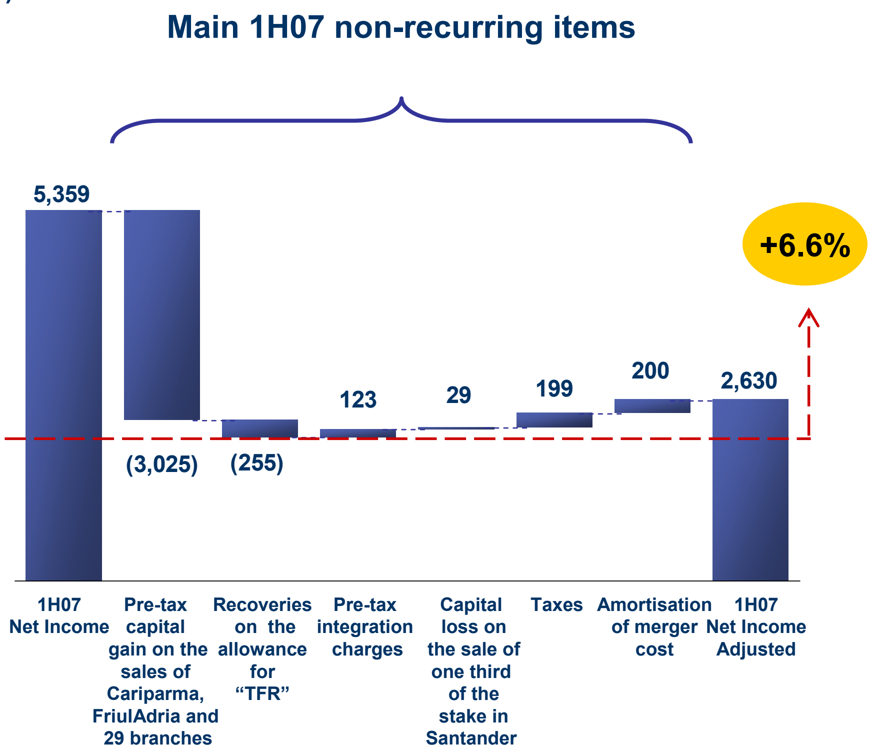
1H06 Net Income

(€ m)



1H07 Net Income

(€ m)

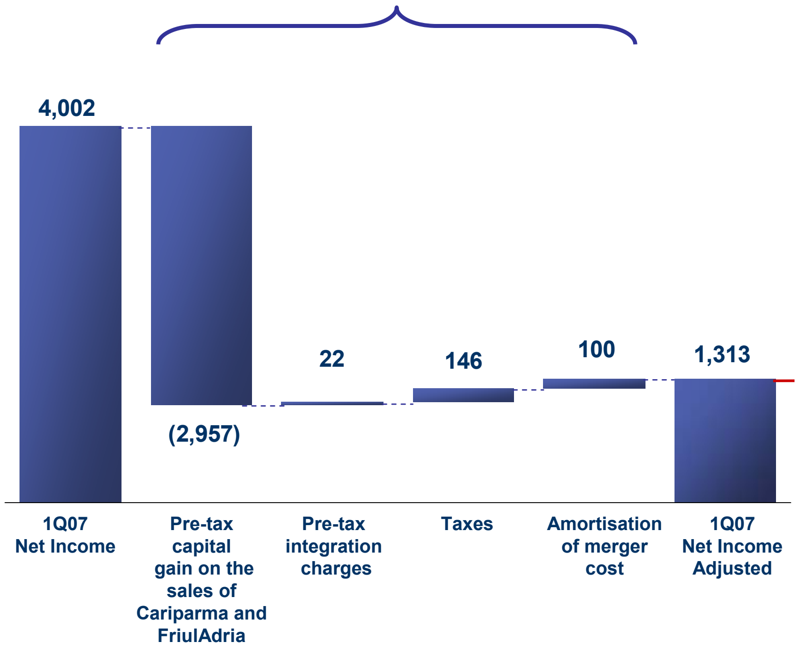


2Q07 Net Income adjusted
+0.3% growth vs 1Q07 adjusted

1Q07 Net Income

(€ m)

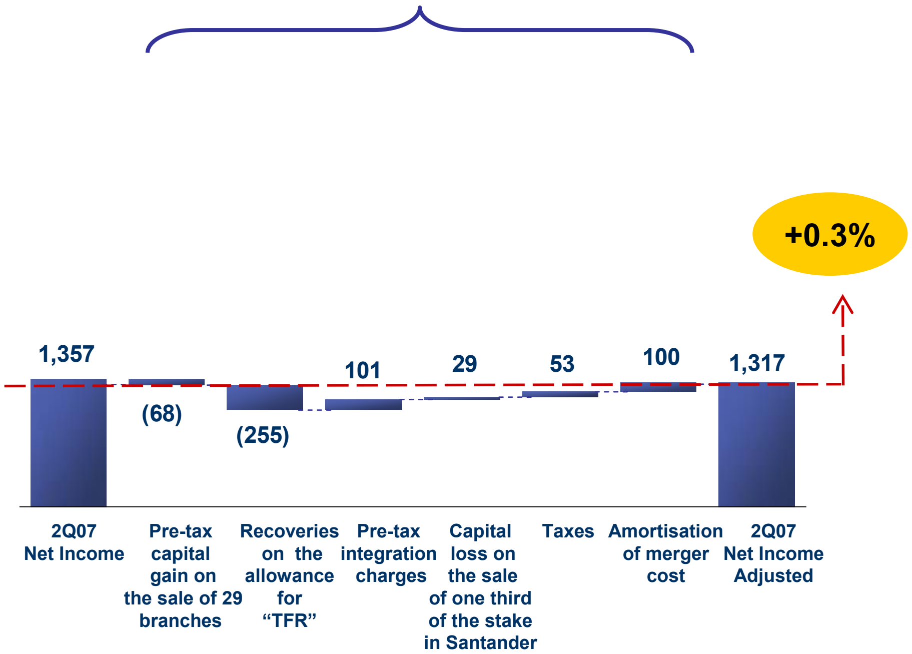
Main 1Q07 non-recurring items



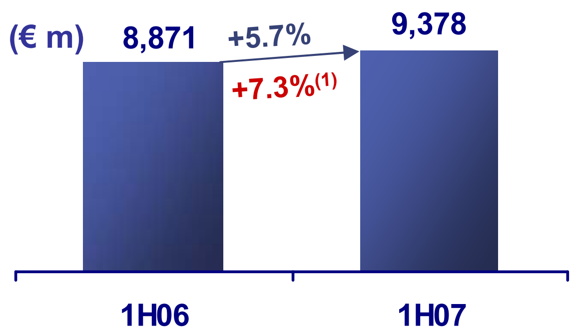
2Q07 Net Income

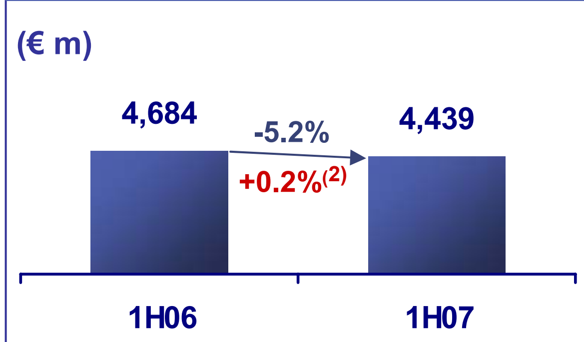
(€ m)

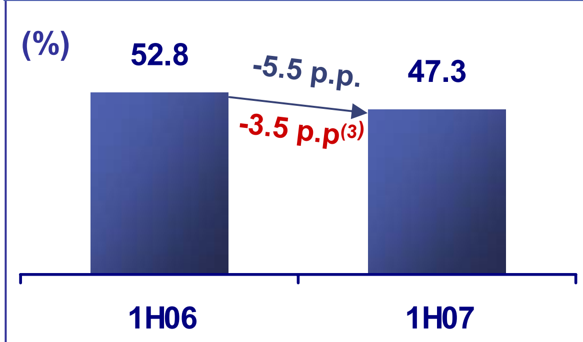
Main 2Q07 non-recurring items

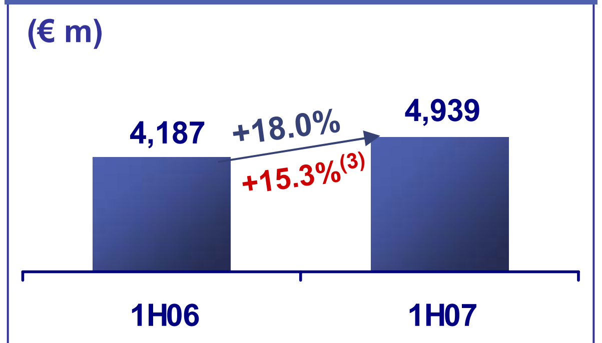


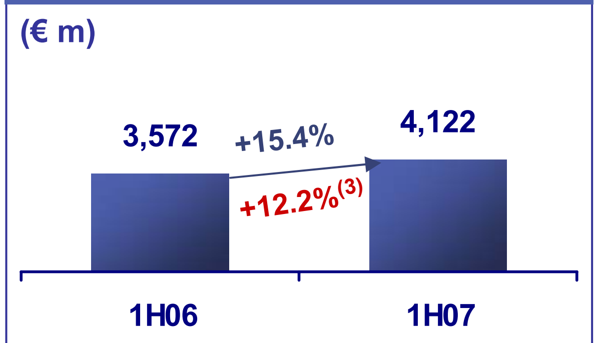
1H07 Results at a glance
Net Income at €5.4bn and 7.3% growth in adjusted Revenues

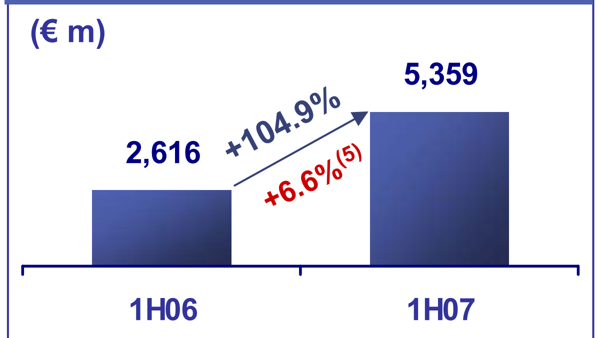
Operating Income


Operating Costs


Cost/Income Ratio


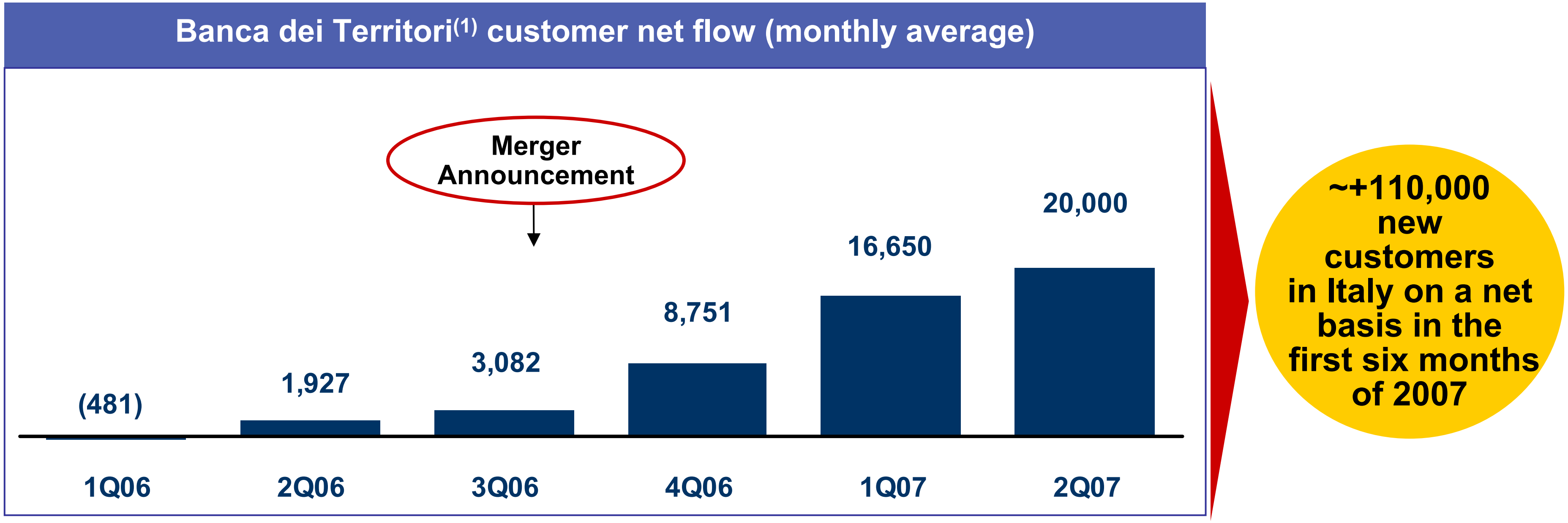
Operating Margin


Pre-Tax Income(4)


Net Income


Note: 1H06 figures restated to reflect 1H07 consolidation area
(1) 1H07 adjusted excluding the capital loss on the sale of one third of the stake in Santander vs 1H06 adjusted excluding the positive contribution from Fiat and Parmalat positions
(2) 1H07 adjusted excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(3) 1H07 adjusted excluding the capital loss on the sale of one third of the stake in Santander and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) vs 1H06 adjusted excluding the positive contribution from Fiat and Parmalat positions
(4) Income before tax from continuing operations
(5) 1H07 adjusted excluding capital gains on the sales of Cariparma, FriulAdria and 29 branches to Crédit Agricole, non-recurring integration charges, the amortisation of merger cost, the capital loss on the sale of one third of the stake in Santander and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) vs 1H06 adjusted excluding the positive contribution from Fiat and Parmalat positions and the contribution of Tax-collection companies sold in 2006

New customers on a net basis
Constant improvement since the merger



- The trend has strongly improved in 2007

(1) Retail, SMEs and Private customers

Key Aggregates
Sustained volume growth confirmed

(€ m)	30.06.06 Restated	30.06.07	Δ%
Total Assets	**553,078**	**603,105**	**9.0**
Loans to Customers	**304,839**	**332,519**	**9.1**
Direct Customer Deposits	**348,296**	**374,427**	**7.5**
Indirect Customer Deposits	**596,243**	**648,210**	**8.7**
of which Assets under Management (1)	***215,155***	***217,775***	***1.2***
Customer Financial Assets(2)	**919,444**	**994,549**	**8.2**

- **Loans to Customers/Direct Customer Deposits ratio at 0.89**

Note: 30.06.06 figures restated to reflect 30.06.07 consolidation area

(1) For the former Intesa Group, Assets under Management figures do not take into account Mutual Funds, included in Assets under Administration and in Custody following the Nextra transaction

(2) Net of duplications between Direct Customer Deposits and Asset Management

P&L Analysis: 1H07 vs 1H06

Revenue growth, cost control, conservative provision policy

(€ m)	1H06 Restated	1H07	Δ%
Net interest income	4,378	4,896	11.8
Dividends and P/L on investments carried at equity	131	164	25.2
Net fee and commission income	3,306	3,219	(2.6)
Profits (Losses) on trading	818	770	(5.9)
Income from insurance business	194	263	35.6
Other operating income (expenses)	44	66	50.0
Operating income	**8,871**	**9,378**	**5.7**
Personnel expenses	(2,771)	(2,565)	(7.4)
Other administrative expenses	(1,503)	(1,479)	(1.6)
Adjustments to property, equipment and intangible assets	(410)	(395)	(3.7)
Operating costs	**(4,684)**	**(4,439)**	**(5.2)**
Operating margin	**4,187**	**4,939**	**18.0**
Net provisions for risks and charges	(107)	(193)	80.4
Net adjustments to loans	(579)	(645)	11.4
Net impairment losses on other assets	1	(22)	n.m.
Profits (Losses) on HTM and on other investments	70	43	(38.6)
Income before tax from continuing operations	**3,572**	**4,122**	**15.4**
Taxes on income from continuing operations	(1,224)	(1,425)	16.4
Merger and restructuring related charges (net of tax)	0	(80)	n.m.
Effect of purchase cost allocation (net of tax)	0	(200)	n.m.
Income (Loss) after tax from discontinued operations	343	3,006	n.m.
Minority interests	(75)	(64)	(14.7)
Net income	**2,616**	**5,359**	**104.9**

+7.3% adjusted excluding main non-recurring items

+0.2% adjusted excluding main non-recurring items

+6.6% adjusted excluding main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 1H06 figures restated to reflect 1H07 consolidation area

Quarterly P&L Analysis: 2Q07 vs 1Q07

Sustained increase in Net Interest Income

(€ m)	1Q07 Restated	2Q07	Δ%
Net interest income	2,414	2,482	2.8
Dividends and P/L on investments carried at equity	46	118	156.5
Net fee and commission income	1,616	1,603	(0.8)
Profits (Losses) on trading	438	332	(24.2)
Income from insurance business	101	162	60.4
Other operating income	40	26	(35.0)
Operating income	**4,655**	**4,723**	**1.5**
Personnel expenses	(1,420)	(1,145)	(19.4)
Other administrative expenses	(719)	(760)	5.7
Adjustments to property, equipment and intangible assets	(191)	(204)	6.8
Operating costs	**(2,330)**	**(2,109)**	**(9.5)**
Operating margin	**2,325**	**2,614**	**12.4**
Net provisions for risks and charges	(92)	(101)	9.8
Net adjustments to loans	(322)	(323)	0.3
Net impairment losses on assets	(2)	(20)	n.m.
Profits (Losses) on HTM and on other investments	35	8	(77.1)
Income before tax from continuing operations	**1,944**	**2,178**	**12.0**
Taxes on income from continuing operations	(690)	(735)	6.5
Merger and restructuring related charges (net of tax)	(14)	(66)	371.4
Effect of purchase cost allocation (net of tax)	(100)	(100)	0.0
Income (Loss) after tax from discontinued operations	2,895	111	(96.2)
Minority interests	(33)	(31)	(6.1)
Net income	**4,002**	**1,357**	**(66.1)**

+2.1% adjusted excluding main non-recurring items

+1.5% adjusted excluding main non-recurring items

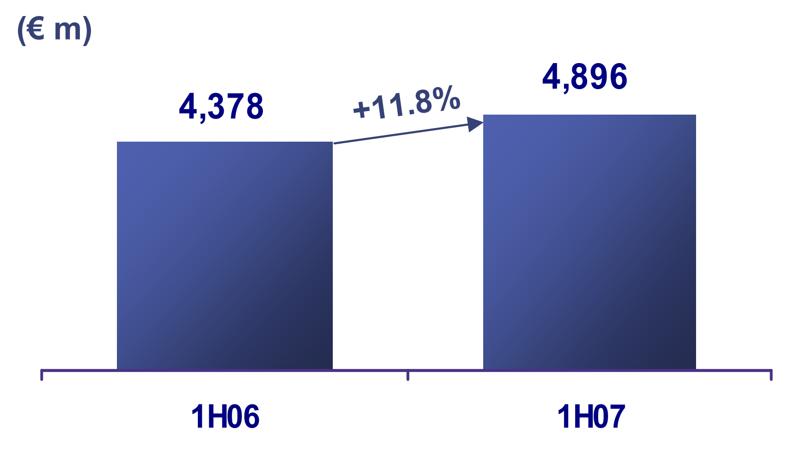
+0.3% adjusted excluding main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 1Q07 figures restated to reflect 2Q07 consolidation area

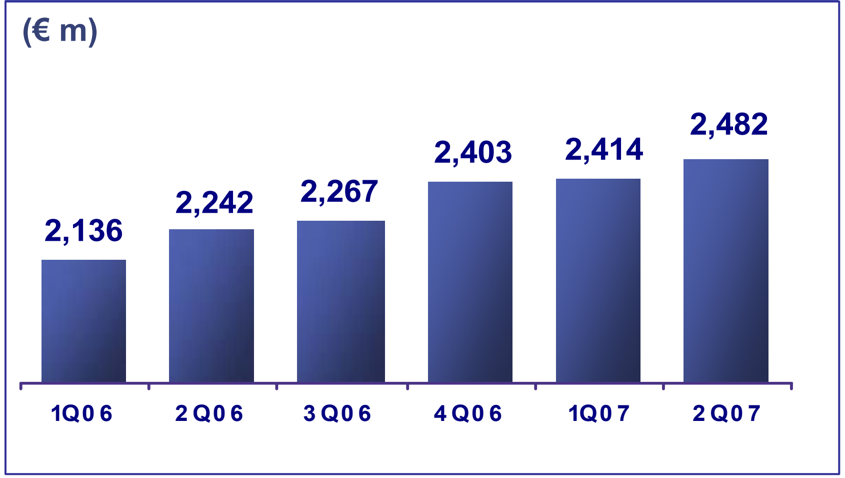
Net Interest Income

Double-digit yearly growth and positive trend confirmed

Yearly Analysis



Quarterly Analysis



- Increase mainly driven by improvement in mark-down and sustained average volume growth in loans to customers (+11.7%)
- Positive contribution from all business areas

Loans - Average volumes

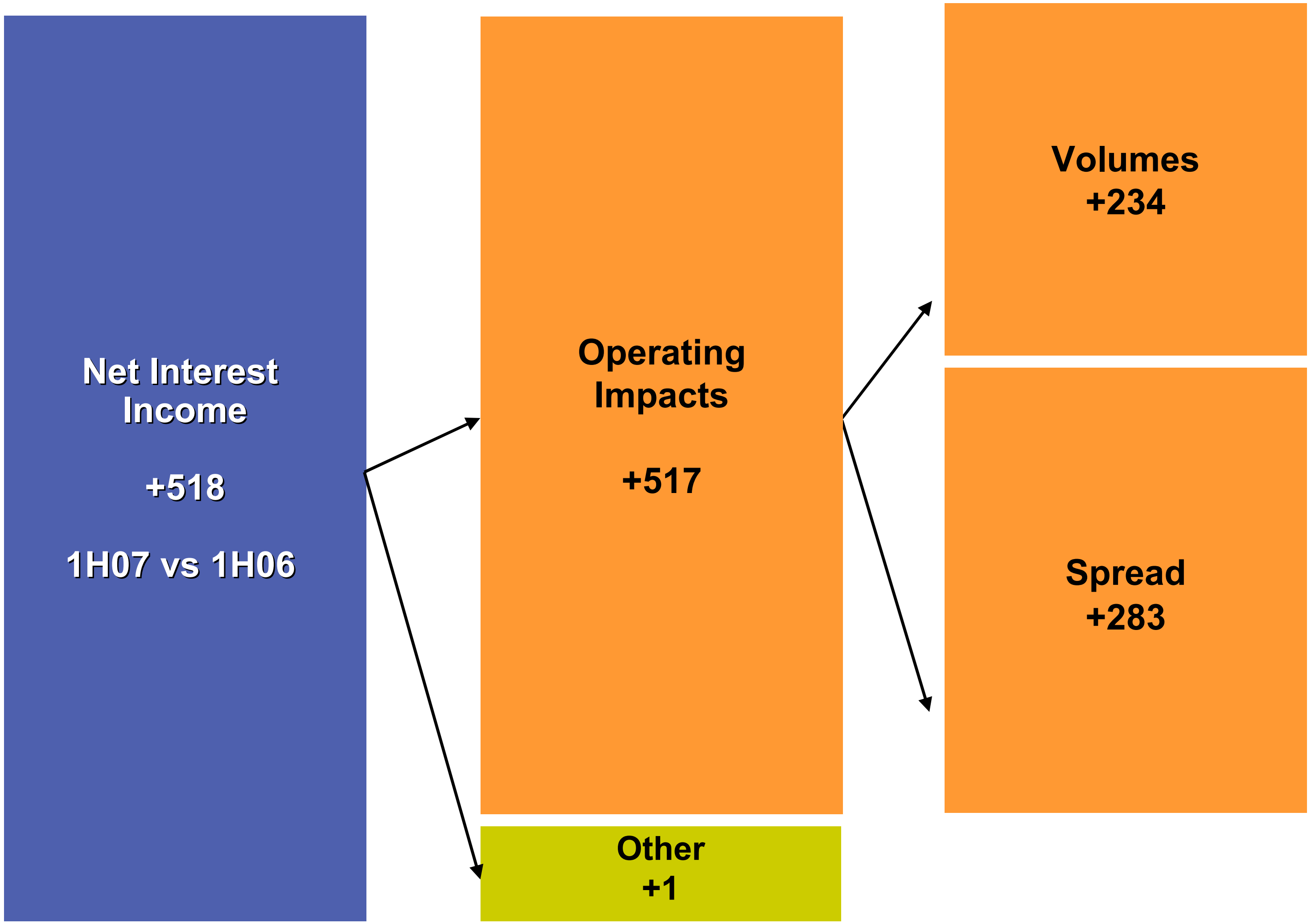
	Δ%	Δ € bn
Retail	+8.9	+9.1
SMEs	+10.6	+7.4
Corporate	+13.1	+7.1
Public Finance	+18.2	+4.5
International Subsidiary Banks Division	+21.5	+3.3

- Upward trend confirmed
- +2.8% 2Q07 vs 1Q07, mainly driven by improvement in mark-down
- +9.7% 2Q07 vs 2006 quarterly average

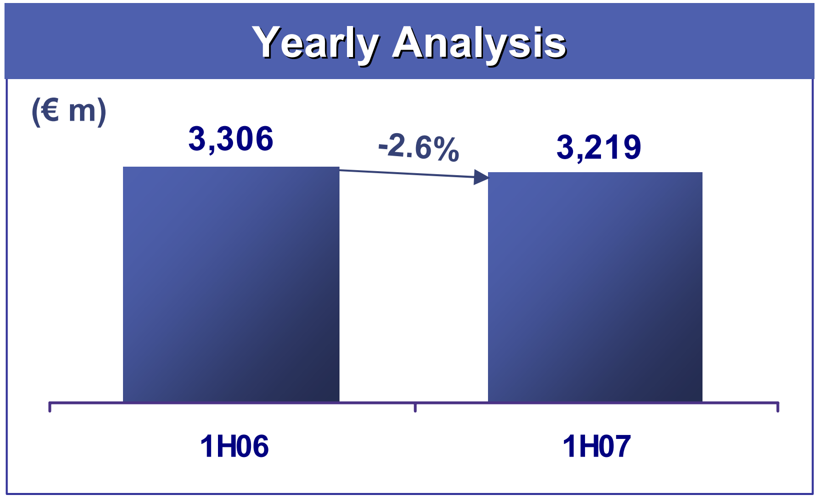
Net Interest Income: 1H07 vs 1H06

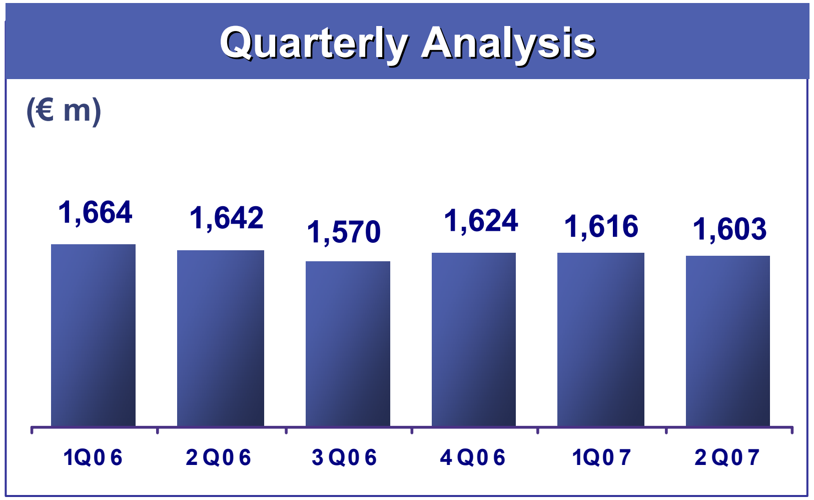
Sizeable increase entirely due to operations with customers

(€ m)



Net Fee and Commission Income
Commercial policy focused on sustainable growth

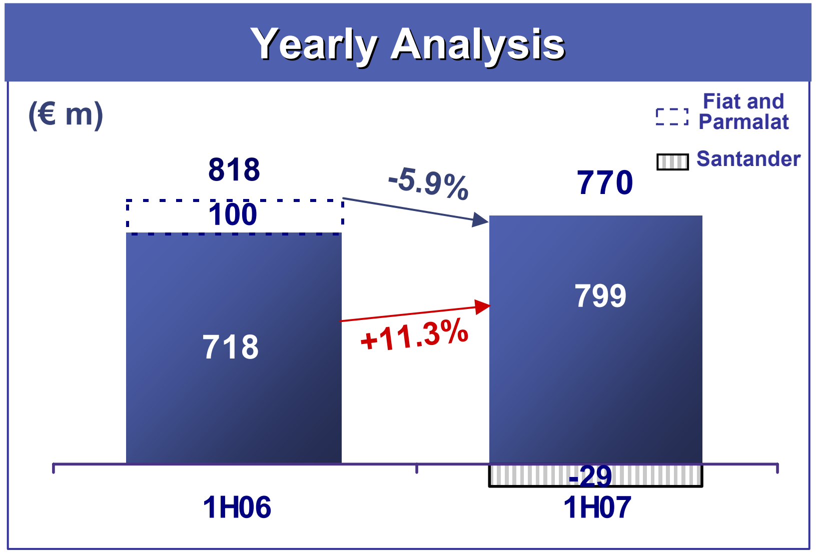


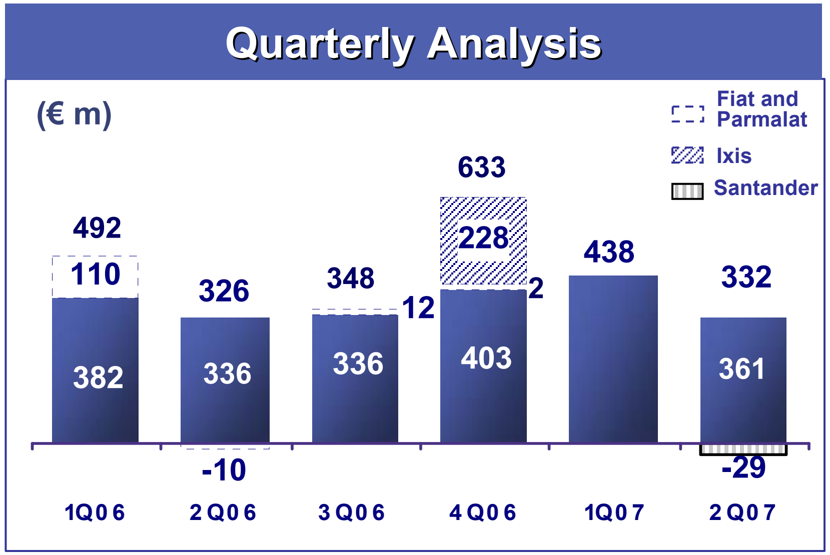


- **Decline mainly due to**
  - **reduction in commissions from Current accounts (-11%; -€57m) due to the expected higher incidence of lower-cost products compared to traditional Current accounts (e.g. Zerotondo)**
  - **decline in commissions from Dealing and placement of securities and Portfolio management (-12%; -€168m) also due to lower placement of products with high up-front fees**
- **Sustained growth in commissions from Guarantees given (+6%; +€7m), from Insurance products (+6%; +€24m) and from Collection and payment services and Credit and debit cards (+5%; + €18m)**

- **2Q07 decline vs 1Q07 entirely due to the significantly lower placement of products with high up-front fees**

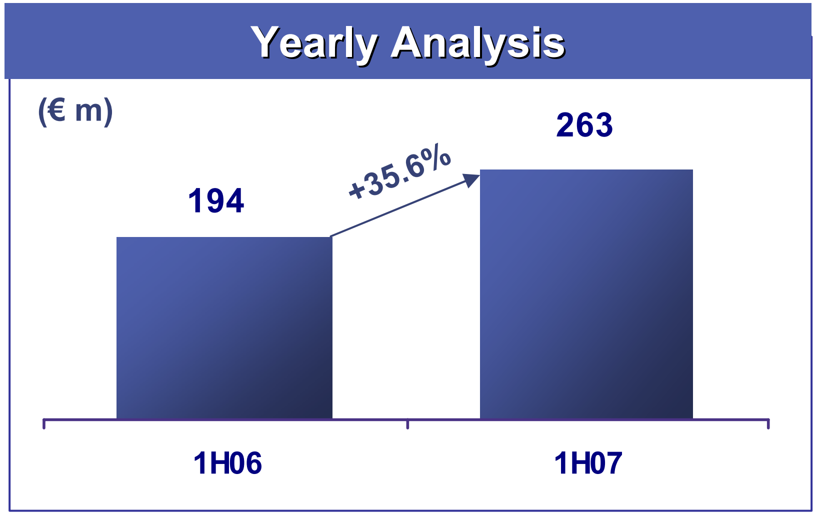
Profits on Trading
Good adjusted performance on a yearly basis

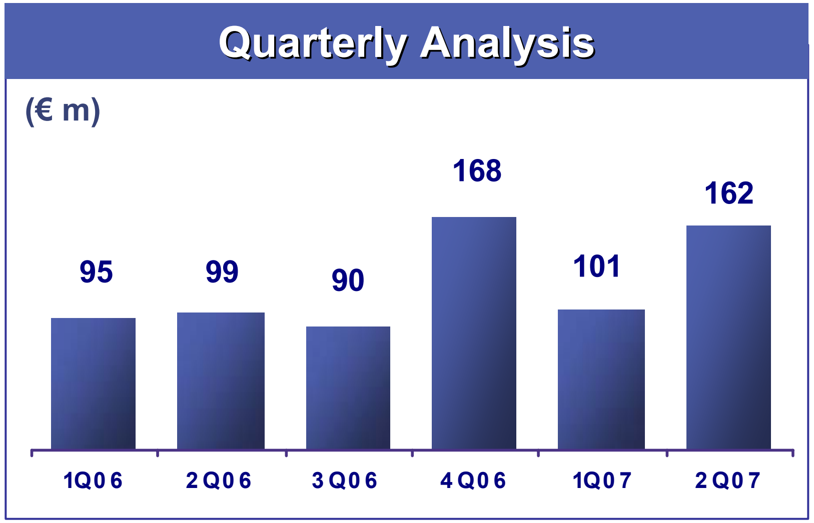




- +11.3% 1H07 adjusted excluding the capital loss on the sale of one third of the stake in Santander vs 1H06 adjusted excluding the positive contribution from Fiat and Parmalat positions
- A further strong quarter after two quarters of record results
- 2Q07 adjusted in line with the 2006 quarterly adjusted average

Income from Insurance Business
Excellent yearly growth





- Growth mainly due to
  - increase in the production of life business
  - higher production of property-casualty business
  - positive results from financial management
  - lack of the impact deriving from early adjustment of mortality tables realised in 2Q06 (€33m)

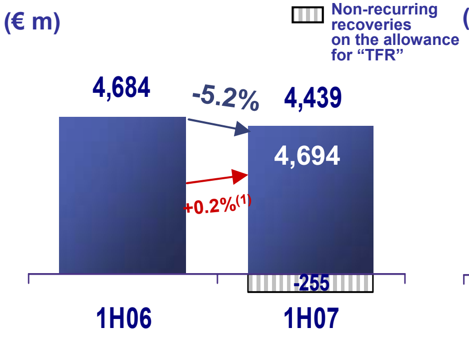
- 2Q07 vs 1Q07 growth also due to positive performance of financial activities that has benefited from dividends on securities portfolio

Operating Costs

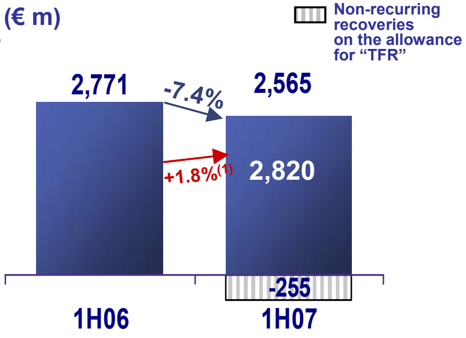
Other Administrative Expenses and Adjustments down 1H07 vs 1H06

Yearly Analysis

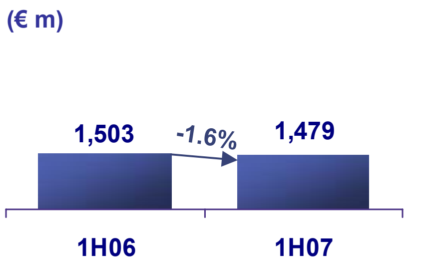
Operating Costs



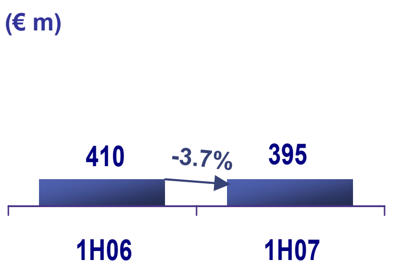
Personnel Expenses



Other Administrative Expenses



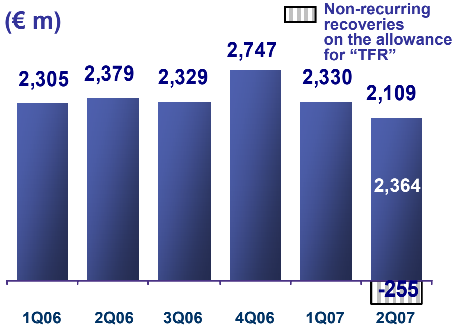
Adjustments



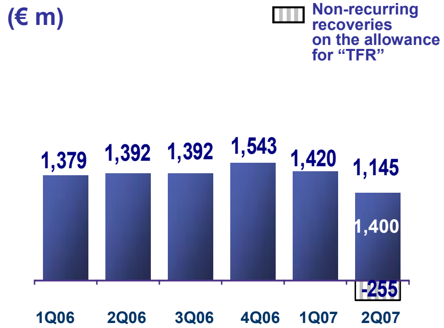
- Strict cost control without benefiting yet from merger synergies
- Operating Costs adjusted(1) stable notwithstanding growth-related investments, mainly abroad (International Subsidiary Banks Operating Costs: +10%; +€43m)
- Cost/Income ratio, net of main non-recurring items, down to 49.9%

Quarterly Analysis

Operating Costs

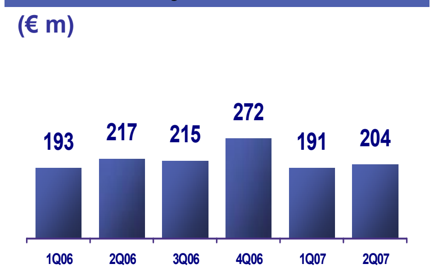


Personnel Expenses



Other Administrative Expenses

Adjustments



- 2Q07 Operating Costs adjusted(1) increase vs 1Q07 (+1.5%) due to seasonal trend and to higher expenses for advertising investments (+€18m)

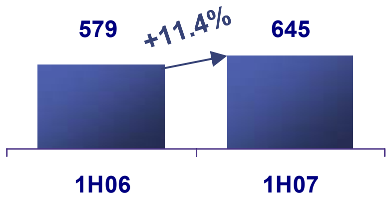
(1) 1H07 and 2Q07 adjusted excluding non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)

Adjustments to loans
Cost of risk contained and stable

Yearly Analysis

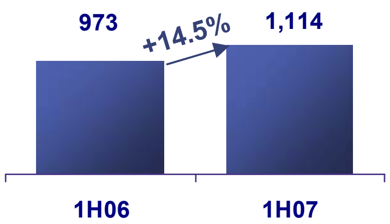
Net Adjustments to Loans

(€ m)



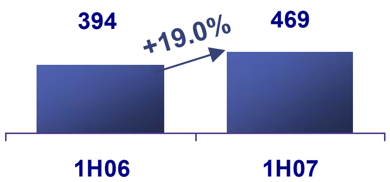
Gross Adjustments to Loans

(€ m)



Write-backs on Loans

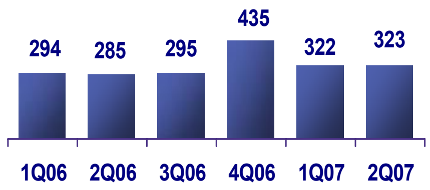
(€ m)



Quarterly Analysis

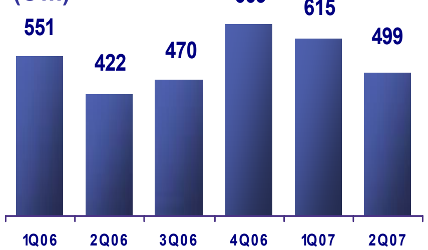
Net Adjustments to Loans

(€ m)



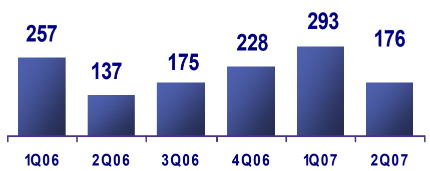
Gross Adjustments to Loans

(€ m)



Write-backs on Loans

(€ m)

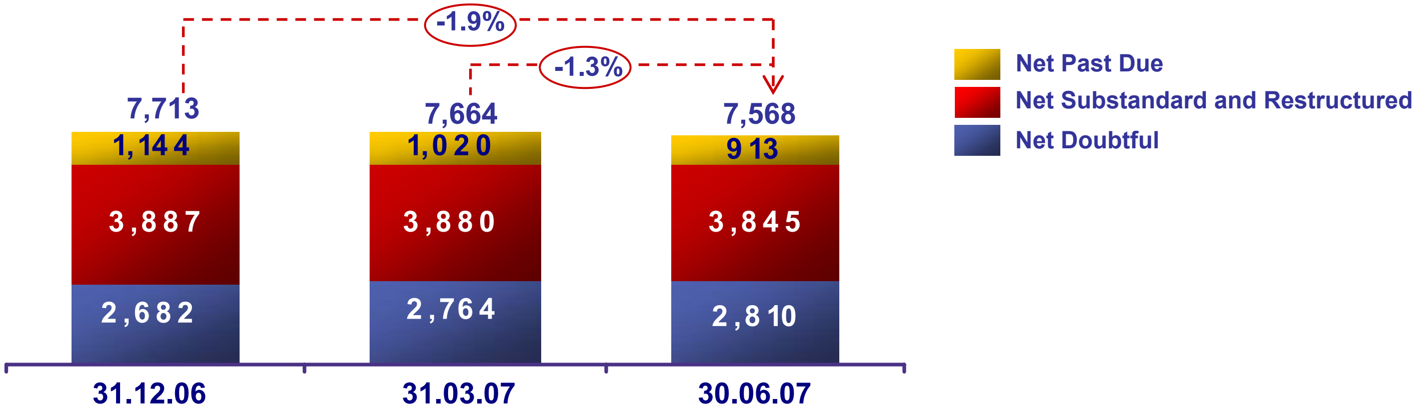


- 1H07 Total Net Adjustments to Loans/Loans at 19bp (not annualised), in line with the Business Plan target and stable vs 1H06
- Increase in Gross Adjustments to Loans mostly due to 1Q07 provisions related to the redefinition of certain mortgage contracts to customers' advantage
- 2Q07 Gross Adjustments to Loans in slight decline vs 1Q07 adjusted excluding provisions for the redefinition of certain mortgage contracts
- Net Adjustments to Loans/Loans in 2Q07 at 10bp (not annualised) in line with 1Q07

Non Performing Loans
Sound asset quality and reduction of non performing loans confirmed

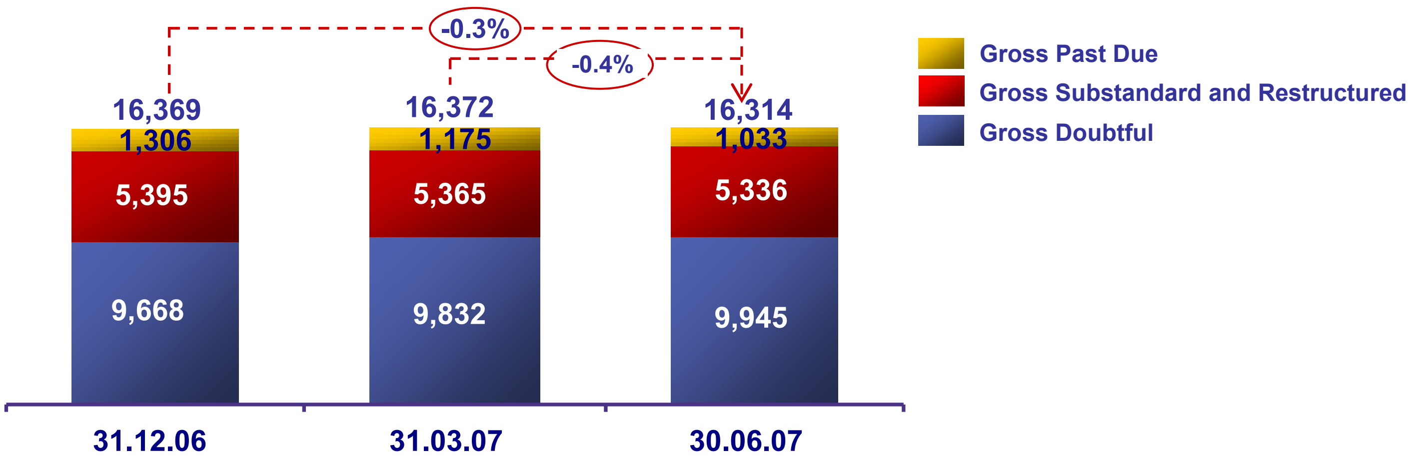
Net Doubtful Loans (Sofferenze) + Net Substandard (Incagli) + Net Past due > 180 days

(€ m)



Gross Doubtful Loans (Sofferenze) + Gross Substandard (Incagli) + Gross Past due > 180 days

(€ m)



- **Net Doubtful Loans/Loans at 0.8% and Doubtful Loans Coverage at 72%, stable vs 31.12.06**

31.12.06 and 31.03.07 figures restated to reflect 30.06.07 consolidation area

US Subprime
No tangible risk

- No direct exposure to US subprime
- Indirect exposure to US subprime via ABS and CDOs (including the only conduit ABCP - Romulus) actively managed through derivatives: net exposure ~€33m, with no material impact on eight months' P&L
- Exposure to US subprime for a notional value of ~€6m in funds of asset management/bancassurance Group companies
- No financial instruments connected to the subprime risk in the Group customer assets under administration and in custody

Capital Ratios
Sound capital base confirmed

	30.06.07	30.06.07 pro-forma management accounts
Core Tier 1 ratio	7.2%	7.7%
Tier 1 ratio	7.9%	8.4%
Total Capital ratio	10.6%	11.3%
RWA (€ bn)	364.7	356.3

- Capital ratios as at 30.06.07 have been calculated assuming a distribution in 2008 of ordinary and extraordinary "dividend" of the same amount as distributed in 2007 (equal, overall, to €0.38 to ordinary shares and €0.391 to saving shares)
- Capital ratios as at 30.06.07 are net of dividends for €2.4bn (half the amount distributed in 2007)

- 30.06.07 pro-forma management accounts take into consideration
  - sale of branches related to Antitrust decision
  - sale of the remaining 173 branches to Crédit Agricole (effective from 1st July 2007)
  - repurchase from Crédit Agricole of the asset management activities formerly referred to as Nextra
  - sale of Biverbanca
- 30.06.07 pro-forma management accounts do not take into consideration
  - acquisition of Carifirenze
  - listing of Fideuram
  - implementation related to Antitrust decision for the disposal of a business line for the production and management of insurance policies made up of 1,133 branches

Divisional Financial Highlights

~80% of revenues coming from retail (Banca dei Territori, International Subsidiary Banks, Eurizon)

(Figures as at 30.06.07)	Banca dei Territori	Corporate & Investment Banking	Public Finance	International Subsidiary Banks	Eurizon Financial Group	Corporate Centre / Others	Total
Operating Income (€ m)	5,803	1,355	149	909	771	391	9,378
Operating Margin (€ m)	2,750	931	101	449	479	229	4,939
Cost/Income (%)	52.6	31.3	32.2	50.6	37.9	41.4	47.3
RWA (€ bn)	178.6	115.3	17.9	24.5	4.5	23.9	364.7
Allocated Capital(1) (€ bn)	10.7	6.9	1.1	1.5	1.3	1.4	23.0
Pre-tax ROE(2) (%)	41.9	24.2	16.1	52.5	66.8	n.m.	36.2
Direct Customer Deposits (€ bn)	174.8	65.9	7.1	25.3	32.1	69.3	374.4
Loans to Customers (€ bn)	189.9	81.1	33.0	22.2	2.2	4.1	332.5
EVA ® (€ m)	977	200	(1)	201	242	2,387	4,006

Including €2.9bn capital gain on the sales of Cariparma and FriulAdria and 29 branches

- **1H07 €1,277m EVA® adjusted(3) (+13.2% vs 1H06 adjusted(3))**

Figures may not add up exactly due to rounding differences
(1) Allocated capital = 6% RWA, allocated capital for Eurizon Financial Group = 6% RWA + 0.2% AuM + Insurance risk
(2) Income before Taxes from Continuing Operations/Allocated Capital, annualised
(3) 1H07 adjusted excluding capital gains on the sale of Cariparma, FriulAdria and 29 branches to Crédit Agricole, non-recurring integration charges, amortisation of merger cost, the capital loss on the sale of one third of the stake in Santander and non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR) vs 1H06 adjusted excluding the positive contribution from Fiat and Parmalat positions and the contribution of Tax-collection companies sold in 2006

Banca dei Territori

Strong growth in Net Interest Income and cost reduction

(€ m)	1H06 Restated[(1)]	1H07	Δ%
Net interest income	3,032	3,454	13.9
Dividends and P/L on investments carried at equity	69	52	(24.6)
Net fee and commission income	2,255	2,165	(4.0)
Profits (Losses) on trading	97	104	7.2
Other operating income (expenses)	18	28	55.6
Operating income	**5,471**	**5,803**	**6.1**
Personnel expenses	(1,789)	(1,814)	1.4
Other administrative expenses	(1,265)	(1,226)	(3.1)
Adjustments to property, equipment and intangible assets	(13)	(13)	0.0
Operating costs	**(3,067)**	**(3,053)**	**(0.5)**
Operating margin	**2,404**	**2,750**	**14.4**
Net provisions for risks and charges	(46)	(47)	2.2
Net adjustments to loans	(475)	(477)	0.4
Net impairment losses on other assets	0	0	n.m.
Profits (Losses) on HTM and on other investments	1	1	0.0
Income before tax from continuing operations	**1,884**	**2,227**	**18.2**

	1H06	1H07
Cost / Income (%)	**56.1**	**52.6**
Pre-tax ROE (%)	**38.7**	**41.9**
EVA ® (€ m)	**774**	**977**

- **Strong growth in Net Interest Income due to the improvement in mark-down and in average loan growth (+10%)**
- **Expected decline in commissions mostly due to**
  - **higher impact of current accounts with reduced costs for customers**
  - **lower number of placements of products generating high up-front fees**
- **Revenues growth and cost reduction do not benefit yet from merger synergies**
- **Stable adjustments to loans**
- **Significant reduction in Cost/Income ratio down 3.5 p.p. to 52.6%**

Figures may not add up exactly due to rounding differences
(1) 1H06 figures restated to reflect 1H07 consolidation area

Corporate & Investment Banking

Growth in adjusted revenues and strong cost reduction

(€ m)	1H06 Restated(1)	1H07	Δ%
Net interest income	455	509	11.9
Dividends and P/L on investments carried at equity	6	5	(16.7)
Net fee and commission income	468	458	(2.1)
Profits (Losses) on trading	461	363	(21.3)
Other operating income (expenses)	20	20	0.0
Operating income	**1,410**	**1,355**	**(3.9)**
Personnel expenses	(205)	(192)	(6.3)
Other administrative expenses	(218)	(224)	2.8
Adjustments to property, equipment and intangible assets	(10)	(8)	(20.0)
Operating costs	**(433)**	**(424)**	**(2.1)**
Operating margin	**977**	**931**	**(4.7)**
Net provisions for risks and charges	1	(4)	n.m.
Net adjustments to loans	(80)	(96)	20.0
Net impairment losses on other assets	(1)	(2)	100.0
Profits (Losses) on HTM and on other investments	27	0	(100.0)
Income before tax from continuing operations	**924**	**829**	**(10.3)**
Cost / Income (%)	**30.7**	**31.3**	
Pre-tax ROE (%)	**30.1**	**24.2**	
EVA ® (€ m)	**301**	**200**	

+3.4% adjusted excluding Fiat and Parmalat

+6.2% adjusted excluding Fiat and Parmalat

+0.6% adjusted excluding Fiat and Parmalat

- **Growth in Net interest income due to commercial development (average Corporate customer loans +13%) offsetting erosion in mark-up**
- **Strong decline in Operating Costs (-2.1%)**
- **Increase in Net adjustments to loans due to lower write-backs**
- **Cost/Income ratio down 0.6 p.p. to 31.3% (1.8 p.p. vs 1H06 adjusted)**

Figures may not add up exactly due to rounding differences

(1) *1H06 figures restated to reflect 1H07 consolidation area*

Public Finance

8.1% revenue growth excluding non-recurring items

(€ m)	1H06 Restated(1)	1H07	Δ%
Net interest income	98	107	9.2
Dividends and P/L on investments carried at equity	0	0	n.m.
Net fee and commission income	32	25	(21.9)
Profits (Losses) on trading	23	11	(52.2)
Other operating income (expenses)	0	6	n.m.
Operating income	**153**	**149**	**(2.6)**
Personnel expenses	(16)	(19)	18.8
Other administrative expenses	(29)	(29)	0.0
Adjustments to property, equipment and intangible assets	0	0	n.m.
Operating costs	**(45)**	**(48)**	**6.7**
Operating margin	**108**	**101**	**(6.5)**
Net provisions for risks and charges	0	0	n.m.
Net adjustments to loans	0	(9)	n.m.
Net impairment losses on other assets	0	(6)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**108**	**86**	**(20.4)**
Cost / Income (%)	**29.4**	**32.2**	
Pre-tax ROE (%)	**22.2**	**16.1**	
EVA® (€ m)	**22**	**(1)**	

- **8.1% growth in revenues excluding non-recurring items:**
  - **1H06: disposals/early liquidation of Banca OPI historical assets (€18m)**
  - **1H07: BIIS capital gains related to Tax-collection companies disposed of in 2006 (€3m)**
- **Strong increase in Net Interest Income mainly driven by the increase in average customer loans (+20% included securities subscription)**
- **8.9% growth in Operating Margin excluding non-recurring items**
- **Income before tax from continuing operations -7.8% excluding non-recurring items**

Figures may not add up exactly due to rounding differences
(1) *1H06 figures restated to reflect 1H07 consolidation area*

International Subsidiary Banks (1/2)

Excellent improvement in operating performance confirmed

(€ m)	1H06 Restated[1]	1H07	Δ%
Net interest income	426	527	23.7
Dividends and P/L on investments carried at equity	(1)	1	n.m.
Net fee and commission income	206	230	11.7
Profits (Losses) on trading	104	152	46.2
Other operating income (expenses)	3	(1)	n.m.
Operating income	**738**	**909**	**23.2**
Personnel expenses	(209)	(226)	8.1
Other administrative expenses	(160)	(177)	10.6
Adjustments to property, equipment and intangible assets	(48)	(57)	18.8
Operating costs	**(417)**	**(460)**	**10.3**
Operating margin	**321**	**449**	**39.9**
Net provisions for risks and charges	(4)	(6)	50.0
Net adjustments to loans	(57)	(62)	8.8
Net impairment losses on other assets	4	0	(100.0)
Profits (Losses) on HTM and on other investments	17	4	(76.5)
Income before tax from continuing operations	**281**	**385**	**37.0**

	1H06	1H07
Cost / Income (%)	**56.5**	**50.6**
Pre-tax ROE (%)	**48.9**	**52.5**
EVA ® (€ m)	**140**	**201**

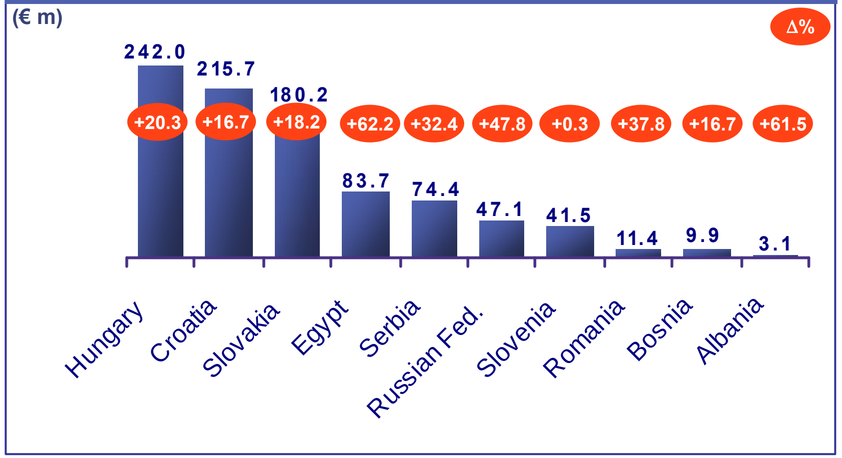
- **Sustained growth in all revenue lines**
- **Strong growth in Net Interest Income driven by the sizeable increase in average customer loans (Loans +21% and Deposits +20%)**
- **Increase in Operating costs mainly due to the planned expansion of commercial network (+55 branches)**
- **Significant improvement in efficiency with Cost/Income ratio down by nearly 6 p.p. to 50.6%**

Figures may not add up exactly due to rounding differences
(1) 1H06 figures restated to reflect 1H07 consolidation area

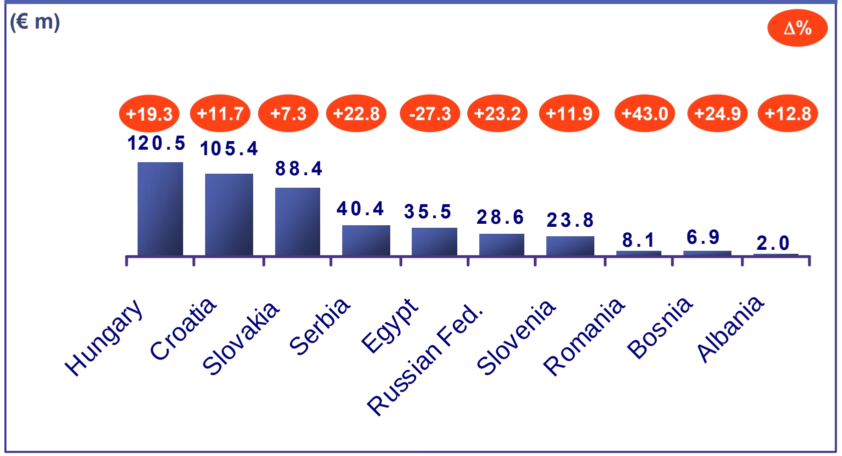
International Subsidiary Banks (2/2)

Figures by Country 1H07 vs 1H06

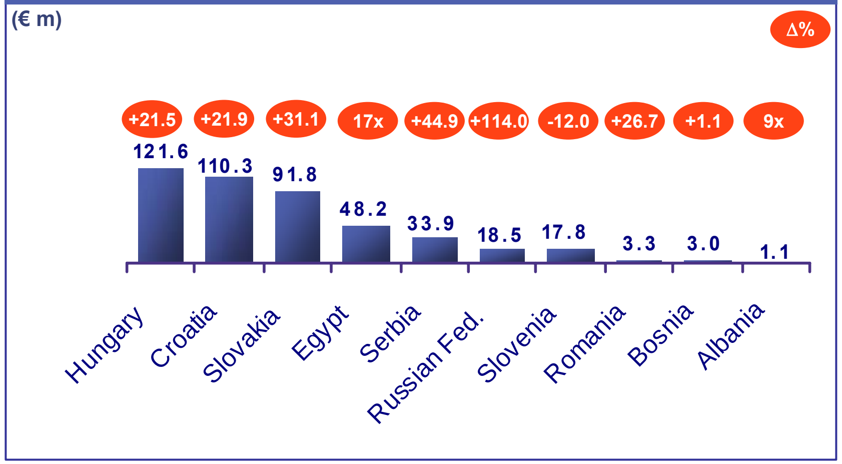
Operating income



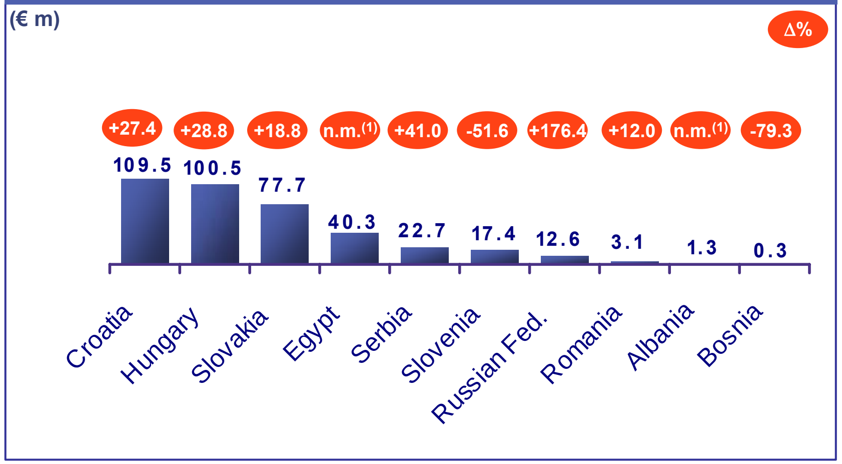
Operating Costs



Operating Margin



Pre-Tax Income(2)



Note: Hungary = Central-European International Bank + Inter-Europa Bank; Bosnia and Herzegovina = UPI Banka + LTG Banka; Serbia = Banca Intesa Beograd + Panonska Banka; Albania = Banca Italo Albanese

(1) Negative figures in 1H06

(2) Income before tax from continuing operations

Eurizon Financial Group

Strong revenue growth confirmed

(€ m)	1H06 Restated[1]	1H07	Δ%
Net interest income	35	63	80.0
Dividends and P/L on investments carried at equity	11	8	(27.3)
Net fee and commission income	416	426	2.4
Profits (Losses) on trading	(5)	6	n.m.
Income from insurance business	194	263	35.6
Other operating income (expenses)	10	5	(50.0)
Operating income	**661**	**771**	**16.6**
Personnel expenses	(118)	(140)	18.6
Other administrative expenses	(140)	(139)	(0.7)
Adjustments to property, equipment and intangible assets	(13)	(13)	0.0
Operating costs	**(271)**	**(292)**	**7.7**
Operating margin	**390**	**479**	**22.8**
Net provisions for risks and charges	(17)	(22)	29.4
Net adjustments to loans	(1)	0	(100.0)
Net impairment losses on other assets	0	(10)	n.m.
Profits (Losses) on HTM and on other investments	0	0	n.m.
Income before tax from continuing operations	**372**	**447**	**20.2**

	1H06	1H07
Cost / Income (%)	**41.0**	**37.9**
Pre-tax ROE (%)	**58.2**	**66.8**
EVA ® (€ m)	**225**	**242**

- **Increase in Net Interest Income also due to the asset allocation choices of Banca Fideuram**
- **Increase in Income from Insurance Business due to strong growth of Gross Premiums (+29%) and improvement in financial management (1H06 was also impacted by early adjustment of mortality tables for €33m)**
- **Strategic decisions taken to accelerate the development of Banca Fideuram, Eurizon Capital and EurizonVita represent a further opportunity for value creation**
- **Cost/Income ratio down more than 3 p.p. to 37.9%**

Figures may not add up exactly due to rounding differences
(1) 1H06 figures restated to reflect 1H07 consolidation area

Agenda

1 2007 Half-Yearly Results

2 Integration and strategic transactions

Integration

Intense activity since the approval of the Merger Project

Main results achieved (1/2)

12th October 2006	Approval of the Merger Project
1st December 2006	Agreement reached with the Unions on management of personnel reduction
1st January 2007	Merger effective
2nd January 2007	Integration of the main planning and control systems
3rd January 2007	Definition of Top Management organigram and responsibilities
30th January 2007	Alignment of commercial policies and organisational structures
1st February 2007	Definition of organigram and responsibilities to 4th line
20th February 2007	Target IT system identified
March 2007	Launch of the first products of the new Group
3rd April 2007	Definition of all delegated and operating powers
14th April 2007	Approval of the 2007-2009 Business Plan

Main results achieved (2/2)

23rd May 2007	Approval of the integration project BIIS-Banca OPI (Public Finance)
19th June 2007	Definition of the strategy relating to Eurizon Financial Group
30th June 2007	Integration of overlapping Corporate Foreign branches started
12th July 2007	Completion of IT Master Plan integration
20th July 2007	Dimensional target for Central Structures defined
30th July 2007	Approval of the Merger Project Banca IMI-Banca Caboto
1st August 2007	Finalisation of merger of the two banks in Bosnia and Herzegovina (UPI and LTG)
1stAugust 2007	Second agreement reached with the Unions on management of personnel reduction
August 2007	Definition of rationalisation of retail product range
11th Sept. 2007	Approval of the merger of Eurizon Financial Group into Intesa Sanpaolo

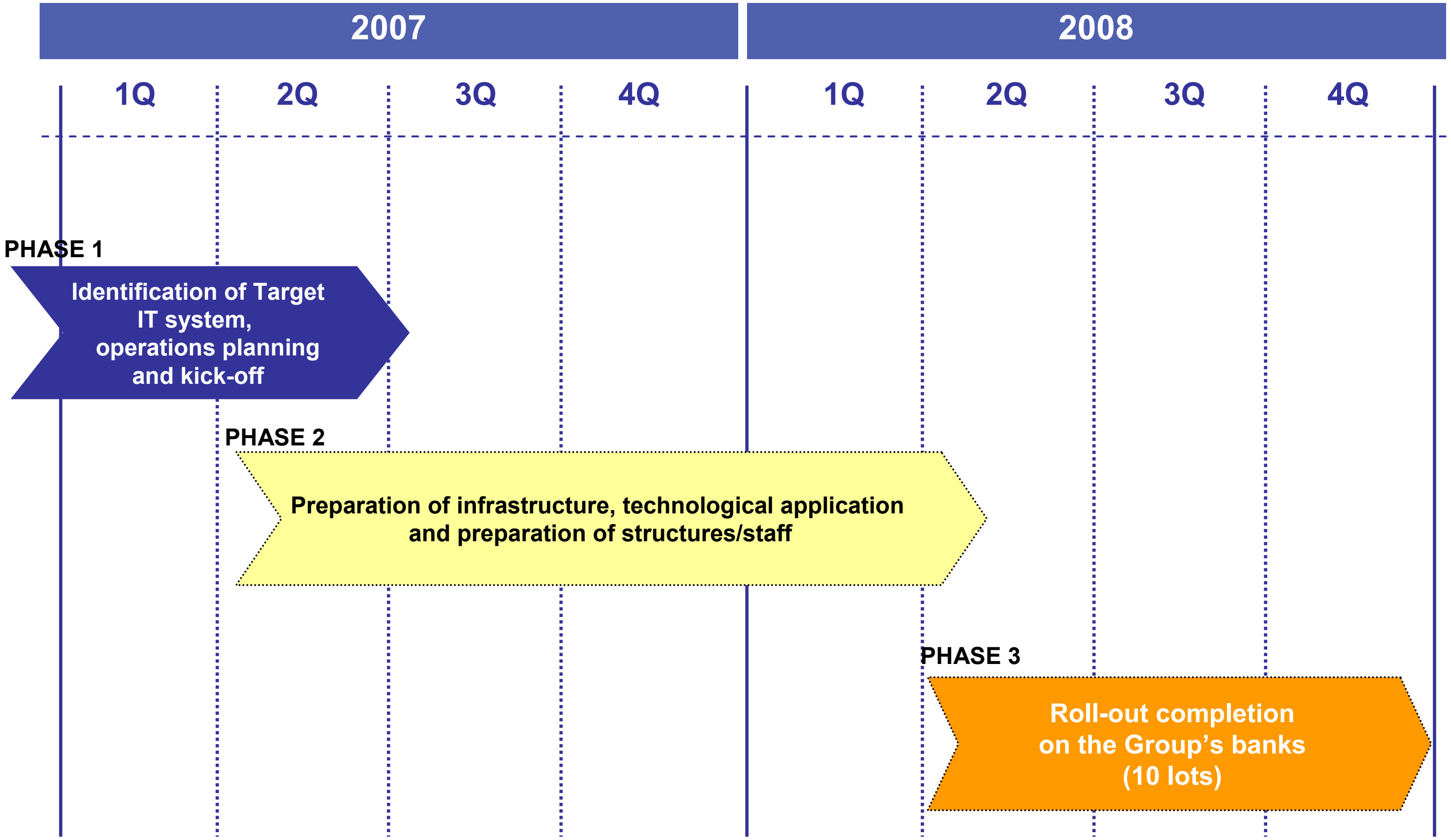
Low execution risk confirmed.
556,000 training days delivered in 1H07 (+64% vs 1H06)

Cost control
Staff reduction in line with the Business Plan target

- **The 2007-2009 Business Plan sets forth a staff reduction of 6,500 people**
- **As at 1st July 2007, ~4,200 employees had made request to apply on a voluntary basis to the Solidarity Allowance, agreed upon with all the Trade Unions on 1st December 2006 (~1,500 people left the Group as at 30th June 2007 and ~2,700 are expected to leave mostly on 31st December 2007)**
- **On 1st August 2007, an agreement with all the Trade Unions was reached for a further recourse to the Solidarity Allowance for a staff reduction of 1,500 in 2008 and 800 in 2009**
- **With respect to this agreement, according to initial estimates, integration charges before tax of approximately €400m are expected to be recorded in the 2H07**
- **These charges add to ~€800m accounted for in 2006 relating to the previous agreement, for an overall amount in line with personnel related integration charges envisaged in the 2007-2009 Business Plan**

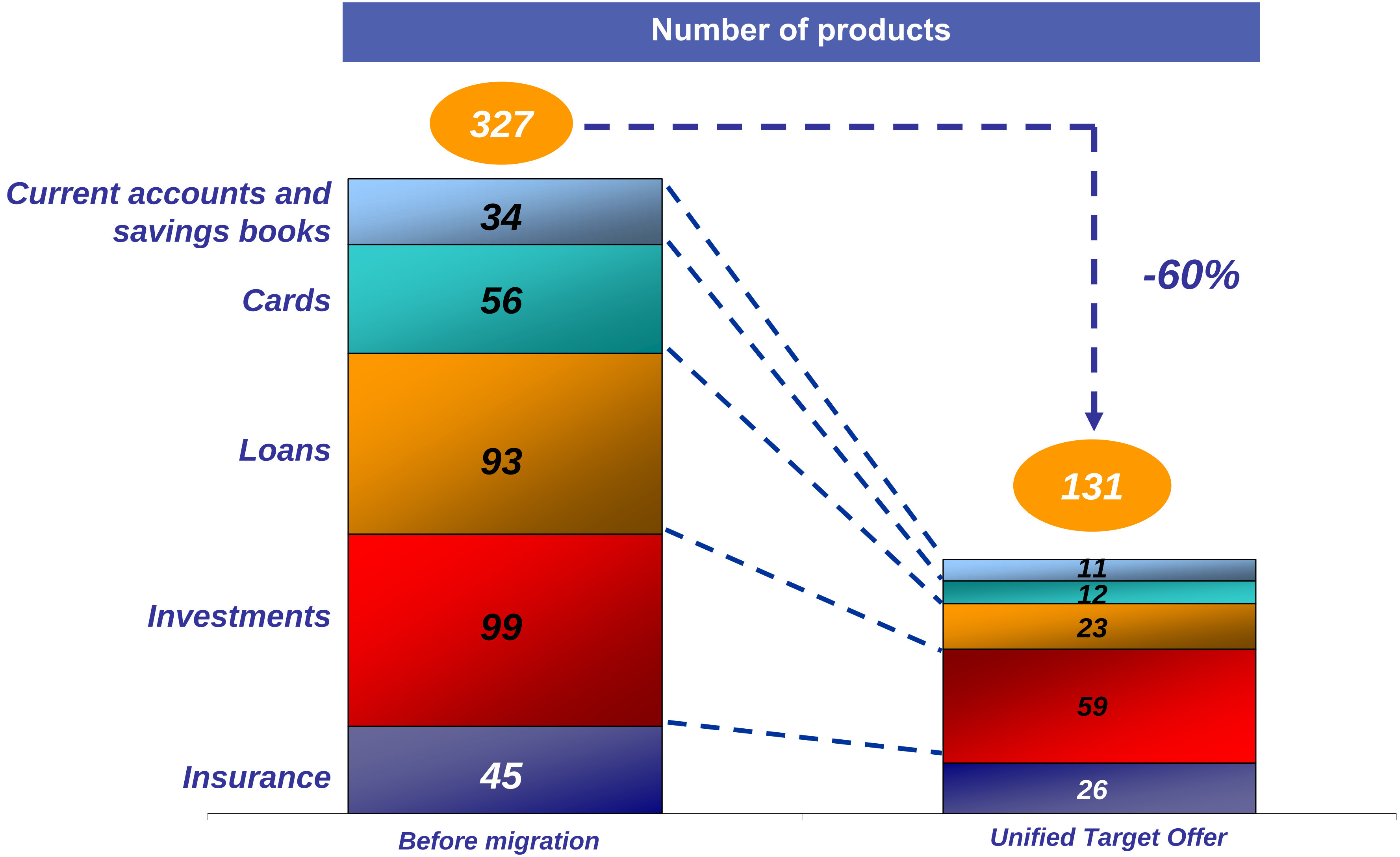
1H07 Operating Costs stable vs 1H06 without benefiting yet from merger synergies

IT systems
Integration proceeding speedily in line with schedule



- On 20th February 2007, Target IT System identified
- On 12th July 2007, Master Plan integration completed and implementation phase started
- By December 2008, the IT integration will be completed

Retail product range
Rationalisation and simplification to maximize commercial effectiveness



Rationalisation

Many important strategic transactions have been approved/finalised

		Main transactions	Amount (€m)	Capital gain/loss (€m)
Transactions with Crédit Agricole/ Antitrust commitments envisaged in the starting point of 2007-2009 Business Plan	March 2007	Sale of Cariparma and FriulAdria	4,637	+2,957(1)
	April 2007	Sale of 29 branches	136	+68(1)
	July 2007	Sale of 173 branches	1,194	~+800
	September 2007	Agreement for the sale of 198 branches Antitrust	1,900	+1,900
			7,867	**~+5,720**
Non-strategic shareholdings portfolio	April 2007	Sale of the 0.7% in Santander	579	-29(1)
	June 2007	Agreement for the sale of the stake (55%) in Biverbanca	399	~+270
	July 2007	Sale of the 0.8% in Santander	650	-1
	August 2007	Agreement for the sale of the stake (15.7%) in Banco del Desarrollo	~120	~+60
			~1,750	**~+300**

The rationalisation of non-strategic shareholdings portfolio proceeds rapidly and ahead of Business Plan targets (sale of ~€3-4bn in 2007-2009)

(1) Already accounted for in 1H07

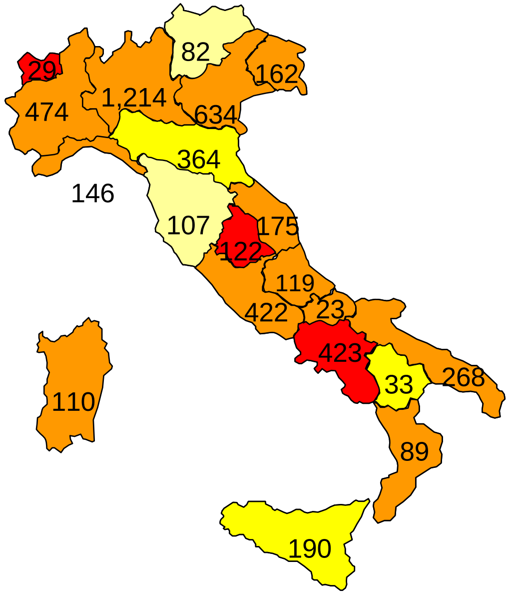
Banca Fideuram, Eurizon Capital and EurizonVita
Leveraging the value of the three business lines

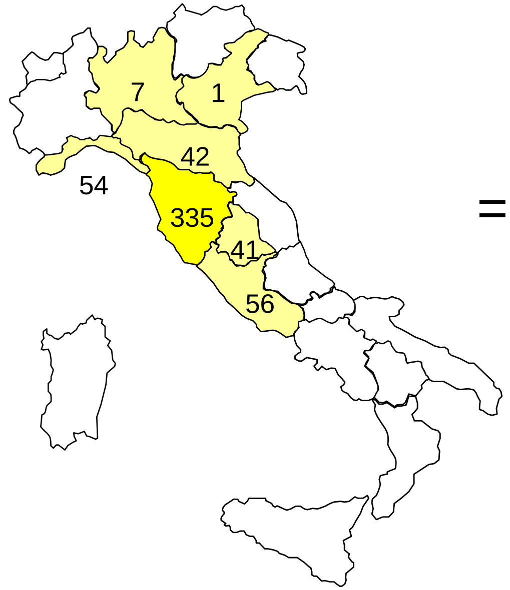
	Targets	Actions
Banca FIDEURAM	■ Further strengthening its domestic leadership and bringing Fideuram back in the short term to a successful listing	■ Strengthening of its corporate identity ■ Enhancement of its traditional strengths (e.g. Private Banking)
EurizonCapital	■ Creating through Eurizon Capital a player of European standing in Asset Management	■ Conferral of former Nextra activities ■ Upgrading of the targets of Asset Management together with Banca dei Territori and stronger integration in all phases of the process ■ Development of synergies with the Group's subsidiary banks ■ Acquisition of competencies, brands and distribution channels also through mergers with international players ■ Development of synergies with Bancassurance business ■ Development of new distribution channels
EurizonVita	■ Creating through Eurizon Vita a leader in the Bancassurance sector	■ Strong co-operation with Banca dei Territori and the Group's international subsidiary banks ■ Development of synergies with Asset Management ■ Development of new distribution channels outside the Group (in particular in the Life and Pension sectors)

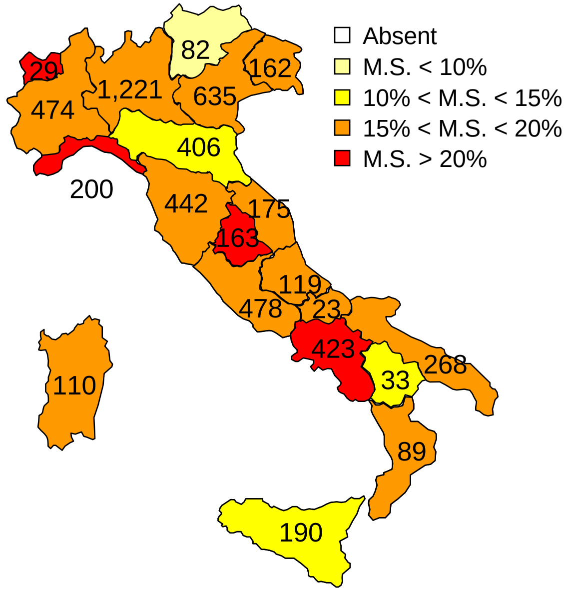
Carifirenze (1/2)

Unique opportunity to complete the network coverage

Intesa Sanpaolo Group[1]	+	Carifirenze Group	=	Combined[1]







Branches= 5,186 M.S.=16.0% | **Branches= 536 M.S.=1.7%** | **Branches= 5,722 M.S.=17.7%**

	Intesa Sanpaolo[1]		Carifirenze		Combined[1]	
	Branches	M.S.	Branches	M.S.	Branches	M.S.
Tuscany	107	4.5%	335	14.1%	442	18.6%
Umbria	122	22.1%	41	7.4%	163	29.5%
Liguria	146	15.2%	54	5.6%	200	20.9%
Latium	422	16.3%	56	2.2%	478	18.5%
Emilia Romagna	364	10.7%	42	1.2%	406	11.9%
Lombardy	1,214	19.4%	7	0.1%	1,221	19.6%
Veneto	634	18.4%	1	0.0%	635	18.4%
Total regions	3,009	15.4%	536	2.7%	3,545	18.1%

Significant improvement in competitive positioning in 5 regions of Central-Northern Italy (Tuscany, Umbria, Liguria, Latium and Emilia Romagna)

Figures may not add up exactly due to rounding differences

Note: Data as at December 31st, 2006 – Bank of Italy criteria

(1) Figures as at 31.12.2006. Intesa Sanpaolo figures include only retail banks net of sales to Crédit Agricole, and disposal of Biverbanca and Antitrust branches.

Carifirenze (2/2)

Further value creation with respect to the Business Plan

Unique opportunity to complete territorial presence	■ **The acquisition of Carifirenze is a unique opportunity to strengthen Intesa Sanpaolo in Tuscany, a region where it was less present, reaching in this way a leadership position in the Centre of Italy** ■ **The completion of its national presence enables the Group to maximize the contribution of some of the most important initiatives at both customer and product levels envisaged in the 2007-2009 Business Plan (e.g.: "giro-bank" payment system, Trade Finance and services to companies operating abroad, Public Finance)**
Significant synergies generation	■ **Carifirenze represents a target with a good asset quality (Net doubtful loans/Loans at 1%[(1)]) and with significant areas of improvement (Cost/Income[(1)] at 64% vs 53% of Intesa Sanpaolo)** ■ **Pre-tax estimated synergies at €185m by 2010 (65% from costs and 35% from revenues)** ■ **One-off estimated integration charges at €185m**
Organisational model and Corporate Governance	■ **The model of governance to be applied is in keeping with the Banca dei Territori pattern and is consistent with synergy targets, yet Carifirenze will maintain an adequate level of autonomy to leverage its brand, tradition and local value** ■ **A leading bank in Central Italy will be set up through the aggregation of Intesa Casse del Centro in Carifirenze (~900 branches before Antitrust interventions, if any)**
Value creation	■ **The transaction, in addition to its long-term strategic value, is immediately accretive for Intesa Sanpaolo shareholders** ■ **Value creation for Intesa Sanpaolo shareholders equal to 3.4% of EPS estimated by IBES "consensus" at 2010**

(1) Figures as at 31.12.06

Conclusions

- **Half-yearly results in line with 2007-2009 Business Plan targets but achieved before benefiting from merger synergies**
  - **growth in sustainable Revenues (+7.3%[1])**
  - **constant increase in the number of customers**
  - **strict Cost and Risk control**
  - **Cost/Income at 49.9%[1]**
- **Integration ahead of schedule**
- **Carifirenze and Eurizon represent important opportunities for value creation not included in the 2007-2009 Business Plan**

(1) Adjusted excluding non-recurring items

Appendix

Quarterly P&L Analysis: 2Q07 vs 2Q06

Strong growth in Operating Margin

(€ m)	2Q06 Restated	2Q07	Δ%
Net interest income	2,242	2,482	10.7
Dividends and P/L on investments carried at equity	93	118	26.9
Net fee and commission income	1,642	1,603	(2.4)
Profits (Losses) on trading	326	332	1.8
Income from insurance business	99	162	63.6
Other operating income	27	26	(3.7)
Operating income	**4,429**	**4,723**	**6.6**
Personnel expenses	(1,392)	(1,145)	(17.7)
Other administrative expenses	(770)	(760)	(1.3)
Adjustments to property, equipment and intangible assets	(217)	(204)	(6.0)
Operating costs	**(2,379)**	**(2,109)**	**(11.3)**
Operating margin	**2,050**	**2,614**	**27.5**
Net provisions for risks and charges	(37)	(101)	173.0
Net adjustments to loans	(285)	(323)	13.3
Net impairment losses on assets	(2)	(20)	n.m.
Profits (Losses) on HTM and on other investments	66	8	(87.9)
Income before tax from continuing operations	**1,792**	**2,178**	**21.5**
Taxes on income from continuing operations	(587)	(735)	25.2
Merger and restructuring related charges (net of tax)	0	(66)	n.m.
Effect of purchase cost allocation (net of tax)	0	(100)	n.m.
Income (Loss) after tax from discontinued operations	186	111	(40.3)
Minority interests	(45)	(31)	(31.1)
Net income	**1,346**	**1,357**	**0.8**

+7.1%
adjusted excluding main non-recurring items

-0.6%
adjusted excluding main non-recurring items

+2.0%
adjusted excluding main non-recurring items

Figures may not add up exactly due to rounding differences
Note: 2Q06 figures restated to reflect 2Q07 consolidation area

Quarterly P&L Analysis
Operating Margin growth trend confirmed

(€ m)	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07
	Restated					
Net interest income	2,136	2,242	2,267	2,403	2,414	2,482
Dividends and P/L on investments carried at equity	38	93	42	105	46	118
Net fee and commission income	1,664	1,642	1,570	1,624	1,616	1,603
Profits (Losses) on trading	492 (1)	326	348	633 (2)	438	332
Income from insurance business	95	99	90	168	101	162
Other operating income (expenses)	17	27	9	46	40	26
Operating income	**4,442**	**4,429**	**4,326**	**4,979**	**4,655**	**4,723**
Personnel expenses	(1,379)	(1,392)	(1,392)	(1,543)	(1,420)	(1,145) (3)
Other administrative expenses	(733)	(770)	(722)	(932)	(719)	(760)
Adjustments to property, equipment and intangible assets	(193)	(217)	(215)	(272)	(191)	(204)
Operating costs	**(2,305)**	**(2,379)**	**(2,329)**	**(2,747)**	**(2,330)**	**(2,109)**
Operating margin	**2,137**	**2,050**	**1,997**	**2,232**	**2,325**	**2,614**
Net provisions for risks and charges	(70)	(37)	(48)	(181)	(92)	(101)
Net adjustments to loans	(294)	(285)	(295)	(435)	(322)	(323)
Net impairment losses on other assets	3	(2)	(5)	(7)	(2)	(20)
Profits (Losses) on HTM and on other investments	4	66	3	95	35	8
Income before tax from continuing operations	**1,780**	**1,792**	**1,652**	**1,704**	**1,944**	**2,178**
Taxes on income from continuing operations	(637)	(587)	(533)	(324)	(690)	(735)
Merger and restructuring related charges (net of tax)	0	0	0	(562)	(14)	(66)
Effect of purchase cost allocation (net of tax)	0	0	0	0	(100)	(100)
Income (Loss) after tax from discontinued operations	157	186	130	117	2,895 (4)	111
Minority interests	(30)	(45)	(54)	(39)	(33)	(31)
Net income	**1,270**	**1,346**	**1,195**	**896**	**4,002**	**1,357**

Note: 2006 figures and 1Q07 restated to reflect 2Q07 consolidation area
(1) Including €110m positive contribution from Fiat and Parmalat positions
(2) Including €228m capital gain on the sale of Ixis stakes
(3) Including €255m non-recurring recoveries on the allowance for Employee Termination Indemnities (TFR)
(4) Including €2,803m capital gain on the sales of Cariparma and FriulAdria

Carifirenze

Structure and main transaction terms

- The acquisition up to 90% of Carifirenze (considering also 18.6% already owned by Intesa Sanpaolo) takes place through

The share swap

- Acquisition of 40.3% of Carifirenze's share capital held by Ente CR Firenze, Fondazione CR Pistoia e Pescia, Fondazione CR La Spezia (the "Fondazioni") and Sofibar by means of a share swap of 399 million Intesa Sanpaolo ordinary shares – own shares to be purchased on the market once the relevant Shareholders' meeting resolution is obtained – on the basis of the swap ratio of 1.194 Intesa Sanpaolo ordinary shares for each Carifirenze share
- The "Fondazioni" will acquire a 3.3% stake in the Intesa Sanpaolo ordinary share capital (4% including 0.7% already owned by Ente CR Firenze)
- The share swap ratio has been calculated on the basis of the arithmetic average of the market reference price of Carifirenze and Intesa Sanpaolo ordinary shares for the three months prior to 5th March 2007 (respectively €4.49 and €5.64). For purpose of determining the share swap ratio, to the market price of the Carifirenze share has been applied a premium – relating to the transfer of control – up to €6.73
- The countervalue of the share swap is equal to €2.1bn on the basis of the market reference price of the Intesa Sanpaolo shares as at 24th July 2007 (€5.34)

The pubblic offer

- After the share swap transaction, Intesa Sanpaolo will launch a "European" Mandatory Public Offer on 41.1% of Carifirenze's share capital, in cash at a price of €6.73 per share (equal to €2.3bn if the Public Offer is fully-tendered). Ente CR Firenze has committed itself not to tender its shares under the Mandatory Public Offer and to maintain a 10.3% stake in Carifirenze's share capital, with a subsequent reduction of Mandatory Public Offer countervalue to €1.7bn
- The Mandatory Public Offer will have the objective of delisting Carifirenze (residual-acquisition public offer or a merger with a not listed company)
- With respect to the purchase of own ordinary shares to serve this share swap, in order to minimise the exposure to their market price fluctuations, Intesa Sanpaolo has stipulated a cash-settled derivative contract with Banca Leonardo (equity swap), having as underlying asset the number of Intesa Sanpaolo ordinary shares included in the swap transaction

Carifirenze

Timescale of the transaction(*)

		Status
25th July 2007	Approval of the transaction from the Intesa Sanpaolo Boards	✓
28th September / 2nd October 2007	Approval of the purchase of own shares to serve the share swap from the Intesa Sanpaolo Ordinary Shareholder's Meeting	
End November / Beginning December 2007	Conclusion of the purchase of own shares and execution of the share swap in favour of the "Fondazioni"	
December 2007	Beginning of the Mandatory Public Offer	
January 2008	Conclusion of the Mandatory Public Offer	
Next	Beginning of delisting actions (Residual-acquisition Public Offer or a merger with a not listed company)	

(*) Conditional upon necessary authorisations

Disclaimer

"It is hereby declared that pursuant to par. 2 art. 154-bis of Legislative Decree 58/98 the accounting reporting contained in this communication corresponds to the records, books and accounts of the Company".

The Manager in charge of preparing the Company's financial reports.
B. Picca

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Cautionary Statement for Purposes of the "Safe Harbor" Provision of the United States Private Securities Litigation Reform Act of 1995. The Private Securities Litigation reform Act of 1995 provides a "safe harbor" for forward-looking statements. This presentation contains certain forward looking statements and forecasts reflecting Intesa Sanpaolo management's current views with respect to certain future events. The Intesa Sanpaolo Group's ability to achieve its projected results is dependent on many factors which are outside management's control. Actual results may differ materially from those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

The following important factors could cause the Group's actual results to differ materially from those projected or implied in any forward-looking statements:

- the Group's ability to successfully integrate the employees, products, services and systems of the merger of Banca Intesa S.p.A. and Sanpaolo IMI S.p.A. as well as other recent mergers and acquisitions;
- the impact of regulatory decisions and changes in the regulatory environment;
- the impact of political and economic developments in Italy and other countries in which the Group operates;
- the impact of fluctuations in currency exchange and interest rates;
- the Group's ability to achieve the expected return on the investments and capital expenditures it has made it Italy and in foreign countries.

The foregoing factors should not be construed as exhaustive. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Accordingly, there can be no assurance that the Group will achieve its projected results.