

The Intesa Sanpaolo Group, with 12 million customers and approximately 3,700 branches in Italy, is the country's leading banking group. It is also one of the top banking groups in Europe. The Group was formed in January 2007 following the merger of Sanpaolo IMI and Banca Intesa. Both these banks were already key players in the Italian market and had contributed to the consolidation process of the country's banking industry. The Intesa Sanpaolo Group is the leading provider of financial products and services to both households and businesses in Italy. The Group also has strategic operations in central and eastern Europe and in middle eastern and north African countries. It is among the top players in several countries with 7 million customers and a network of approximately 1,000 branches. Through its local subsidiary banks, the Intesa Sanpaolo Group ranks first in Serbia, second in Croatia and Slovakia, fourth in Albania, fifth in Bosnia and Herzegovina and in Egypt, sixth in Slovenia and in Hungary.

The Group operates through six business units, reporting directly to the CEO.

The Banca dei Territori division: focus on the market and centrality of the territory for stronger relations with individuals, small and medium-sized businesses and non-profit entities. The division includes the Italian subsidiary banks and the activities in industrial credit, leasing and factoring and instant banking through the partnership between the subsidiary Banca 5 and SisalPay.

The Imi & Corporate and Investment Banking division: a global partner which supports, taking a medium-long term view, the balanced and sustainable development of corporates and financial institutions, both nationally and internationally. Its main activities include capital markets and investment banking. The division is present in 25 countries where it facilitates the cross-border activities of its customers through a specialist network made up of branches, representative offices, and subsidiary banks focused on corporate banking. The division operates in the public finance sector as a global partner for public administration.

The International Subsidiary Banks division: includes the commercial banking subsidiaries Intesa Sanpaolo Bank Albania, Intesa Sanpaolo Banka Bosna i Hercegovina in Bosnia and Herzegovina, Privredna Banka Zagreb in Croatia, the Prague branch of VUB Banka in the Czech Republic, Bank of Alexandria in Egypt, CIB Bank in Hungary, Intesa Sanpaolo Bank Romania, Eximbank in Moldavia Banca Intesa Beograd in Serbia, VUB Banka in Slovakia, Banka Koper in Slovenia and Pravex Bank in Ucraina.

The Private Banking division: serves the customer segment consisting of Private clients and High Net Worth Individuals with the offering of products and services tailored for this segment. The division includes Intesa Sanpaolo Private Banking and Banca Fideuram, with about 5,800 private bankers.

The Asset Management division: asset management solutions targeted at the Group's customers, commercial networks outside the Group, and the institutional clientele. The division includes Eurizon Capital, with approximately 248 billion euro of assets under management.

The Insurance division: insurance and pension products tailored for the Group's clients. The division includes Intesa Sanpaolo Vita, Intesa Sanpaolo Life, Fideuram Vita, and Intesa Sanpaolo Assicura with technical reserves of approximately 156 billion euro.

GOVERNANCE AT A GLANCE

A one-tier corporate governance system has been in force in Intesa Sanpaolo since 27 April 2016, based on a Board of Directors and a Management Control Committee established within the Board. Both the Board of Directors and the Management Control Committee are appointed at the Shareholders' Meeting.

This system has been identified as the most suitable for ensuring efficient management and effective control within the Bank. Its adoption and the new Articles of Association were approved by the Shareholders at an extraordinary meeting held on 26 February 2016.

The previous two-tier governance system, adopted by Intesa Sanpaolo at the time of its creation, was based on a Supervisory Board appointed at the Shareholders' Meeting, responsible for major strategic operations, and on a Management Board appointed by the Supervisory Board, responsible for the management of the Bank and with a mandate to elect the CEO from its members.

The one-tier governance system combines, in practice, the simultaneous exercise of strategic supervision and control, which has already demonstrated its efficiency and effectiveness in the implementation of the two-tier system previously in place.

The main advantages of the one-tier governance system are that it:

- centralises the strategic supervision and management roles in a single body, ensuring the following benefits:
 - a more direct relationship between those in charge of determining the strategic direction (the Board in its plenary session) and those in charge of implementing it (the Managing Director);
 - immediacy in the flow of information, thus saving time and costs;
 - greater interaction and dialogue between those in charge of ensuring that management is consistent with strategic guidelines (the Board as a whole, but especially the non-executive members) and the Managing Director;
- ensures the effectiveness of the control function which remains centralised in a committee (the Management Control Committee) established within the Board and, therefore, participating in strategic decisions.

THE CAPITAL AND OPERATING HIGHLIGHTS OF THE GROUP ^(*)

31st December 2019

| | |
|--|---|
| NET INCOME | 4,182 million euro versus 4,050 million euro in 2018 |
| INCOME BEFORE TAX FROM CONTINUING OPERATIONS | 6,593 million euro versus 6,322 million euro of 2018 |
| OPERATING MARGIN | 8,793 million euro versus 8,326 million of 2018 |
| OPERATING INCOME | 18,083 million euro versus 17,813 million euro in 2018 |
| OPERATING COSTS | 9,290 million euro versus 9,487 million of 2018 |
| CAPITAL RATIOS | Common equity tier 1 ratio after proposed dividends 14.1% pro-forma fully loaded (1) (2) 13.9% phased-in (2) (**) |

(*) Methodological note on the scope of consolidation on page 21 of the press release dated 5th February 2019 (results as at 31st December 2018).

(1) Estimated by applying the fully loaded parameters to the financial statements as at 31 December 2019, taking into account the total absorption of deferred tax assets (DTAs) related to goodwill realignment, loan adjustments, the first time adoption of IFRS 9 and the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the Aggregate Set of Banca Popolare di Vicenza and Veneto Banca, as well as the expected absorption of DTAs on losses carried forward and the expected distribution of the 2019 net income of insurance companies that exceeds the amount of reserves already distributed in the first quarter.

(2) After the deduction of dividends proposed for 2019 and the coupons accrued on the Additional Tier 1 issues.

(**) Equal to 13% excluding the mitigation of the impact of the first time adoption of IFRS 9.

BOARD OF DIRECTORS

| | |
|-------------------------------------|---------------------------|
| Gian Maria Gros-Pietro | Chairman |
| Paolo Andrea Colombo | Deputy Chairperson |
| Carlo Messina ^(*) | Managing Director and CEO |
| Franco Ceruti | Director |
| Giovanni Gorno Tempini | Director |
| Rossella Locatelli | Director |
| Luciano Nebbia | Director |
| Bruno Picca | Director |
| Livia Pomodoro | Director |
| Maria Alessandra Stefanelli | Director |
| Guglielmo Weber | Director |
| Daniele Zamboni ⁽³⁾ | Director |
| Maria Mazzarella ⁽³⁾ | Director |
| Anna Gatti ⁽³⁾ | Director |
| Andrea Sironi | Director |
| Milena Teresa Motta | Director |
| Maria Cristina Zoppo | Director |
| Alberto Maria Pisani ⁽³⁾ | Chairman of the MCC |
| Roberto Franchini ⁽³⁾ | Director |

(*) Carlo Messina was appointed Managing Director and CEO by the Board of Directors on 2 May 2019. He is the only executive director on the Board.

(1) Is enrolled on the Register of Statutory Auditors and has practiced as an auditor or been a member of the supervisory body of a limited company

(2) Meets the independence requirements pursuant to Article 13.4.3 of the Articles of Association, the Corporate Governance Code and Article 148, third paragraph, of Legislative Decree 24 February 1998 no 58

(3) Is a representative of the Minority List

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Consolidated income statement figures

2019 2018

| Consolidated income statement figures (millions of euro) | | Changes | |
|---|--|---------|-------|
| | | amount | % |
| Net interest income | | -266 | -3,7 |
| Net fee and commission income | | 10 | 0,1 |
| Income from insurance business | | 100 | 9,2 |
| Profits (Losses) on financial assets and liabilities designated at fair value | | 456 | 31,0 |
| Operating income | | 270 | 1,5 |
| Operating costs | | -197 | -2,1 |
| Operating margin | | 467 | 5,6 |
| Net adjustments to loans | | -305 | -12,7 |
| Net income (loss) | | 132 | 3,3 |

Consolidated capital ratios (%)

| | 31.12.2019 | 31.12.2018 |
|---|------------|------------|
| Common Equity Tier 1 capital (CET1) net of regulatory adjustments/ Risk-weighted assets (Common Equity Tier 1 capital ratio) | 13,9 | 13,5 |
| TIER 1 Capital / Risk-weighted assets | 15,3 | 15,2 |
| Total own funds / Risk-weighted assets | 17,7 | 17,7 |
| Risk-weighted assets (millions of euro) | 298.524 | 276.446 |
| Absorbed capital (millions of euro) | 32.546 | 31.587 |

Earnings per share (euro)

| | 2019 | 2018 |
|--|------|------|
| Basic earnings per share (basic EPS) ^(d) - euro | 0,24 | 0,24 |
| Diluted earnings per share (diluted EPS) ^(d) - euro | 0,24 | 0,24 |

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

^(d) Net income (loss) attributable to holders of ordinary shares compared to the weighted average number of outstanding ordinary shares. The figure for comparison is not restated.

^(d) The dilutive effect is calculated with reference to the programmed issues of new ordinary shares.

Price/book value

(millions of euro)

| | 31.12.2019 | 2019 | 2018 | 2017 | 2016 | 2015 |
|------------------------------|------------|--------|--------|--------|--------|--------|
| Market capitalisation | 41.122 | 36.911 | 44.947 | 44.820 | 37.152 | 51.903 |
| Group's shareholders' equity | 55.968 | 54.996 | 53.646 | 52.558 | 48.344 | 46.230 |
| Price / book value | 0,73 | 0,67 | 0,84 | 0,85 | 0,77 | 1,12 |

Pay-out ratio

(millions of euro)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|-------|-------|-------|-------|-------|
| Net income | 4.182 | 4.050 | 7.316 | 3.111 | 2.739 |
| Dividends (*) | 3.362 | 3.449 | 3.419 | 2.999 | 2.361 |
| Pay-out ratio | 80% | 85% | 47% | 96% | 86% |

(*) For 2019, 2017 and 2016, the amounts were partially assigned from reserves.

Dividend yield

(euro)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------------|-------|-------|-------|-------|-------|
| Ordinary share | | | | | |
| Dividend per share | 0,192 | 0,197 | 0,203 | 0,178 | 0,140 |
| Average stock price | 2,108 | 2,567 | 2,678 | 2,220 | 3,109 |
| Dividend yield | 9,11% | 7,67% | 7,58% | 8,02% | 4,50% |
| Savings share | | | | | |
| Dividend per share | - | - | 0,214 | 0,189 | 0,151 |
| Average stock price | - | - | 2,517 | 2,084 | 2,784 |
| Dividend yield | - | - | 8,50% | 9,07% | 5,42% |

Shareholder structure of Intesa Sanpaolo (holders of shares exceeding 2% - as at 31st december 2019)

| SHAREHOLDER | ORDINARY SHARES | % HELD ON ORDINARY SHARE CAPITAL |
|------------------------|-----------------|----------------------------------|
| Compagnia di San Paolo | 1.188.947.304 | 6,790% |
| BlackRock Inc. (*) | 876.009.296 | 5,003% |
| Fondazione Cariplo | 767.029.267 | 4,381% |

(*) Fund management.

It is worth mentioning that, when applying current legislation, shareholders by way of asset management could have requested the exemption from reporting until exceeding the threshold of 5%.

Presence in Italy



| NORTH WEST | | | |
|-----------------|-----------|--------------|----------|
| INTESA SANPAOLO | | Subsidiaries | |
| Branches | | Company | Branches |
| 1,033 | Fideuram | | 96 |
| | Banca IMI | | 1 |
| | Banca 5 | | 1 |
| NORTH EAST | | | |
| INTESA SANPAOLO | | Subsidiaries | |
| Branches | | Company | Branches |
| 881 | Fideuram | | 56 |
| CENTRE | | | |
| INTESA SANPAOLO | | Subsidiaries | |
| Branches | | Company | Branches |
| 739 | Fideuram | | 42 |
| | Banca IMI | | 1 |
| SOUTH | | | |
| INTESA SANPAOLO | | Subsidiaries | |
| Branches | | Company | Branches |
| 638 | Fideuram | | 26 |
| ISLANDS | | | |
| INTESA SANPAOLO | | Subsidiaries | |
| Branches | | Company | Branches |
| 228 | Fideuram | | 10 |

Figures as at 31 December 2019

International presence

| AMERICA | |
|-----------------|------------------------|
| Direct Branches | Representative Offices |
| New York | Washington D.C. |

| Country | Subsidiaries | Branches |
|---------|------------------------|----------|
| Brazil | Intesa Sanpaolo Brasil | 1 |

| OCEANIA | |
|------------------------|--|
| Representative Offices | |
| Sydney | |

| ASIA | |
|-----------------|------------------------|
| Direct Branches | Representative Offices |
| Abu Dhabi | Beijing |
| Doha | Beirut |
| Dubai | Ho Chi Minh City |
| Hong Kong | Jakarta |
| Shanghai | Mumbai |
| Singapore | Seoul |
| Tokyo | |

| EUROPE | |
|-----------------|-------------------------|
| Direct Branches | Representative Offices |
| Frankfurt | Brussels ⁽¹⁾ |
| Istanbul | Moscow |
| London | |
| Madrid | |
| Paris | |
| Warsaw | |



| Country | Subsidiaries | Branches |
|------------------------|--|----------|
| Albania | Intesa Sanpaolo Bank Albania | 35 |
| Bosnia and Herzegovina | Intesa Sanpaolo Banka Bosna i Hercegovina | 48 |
| Croatia | Privredna Banka Zagreb | 181 |
| Czech Republic | VUB Banka | 1 |
| Hungary | CIB Bank | 64 |
| Ireland | Intesa Sanpaolo Bank Ireland | 1 |
| Luxembourg | Fideuram Bank Luxembourg | 1 |
| | Intesa Sanpaolo Bank Luxembourg | 1 |
| Moldova | Eximbank | 17 |
| Romania | Intesa Sanpaolo Bank Romania | 33 |
| Russian Federation | Banca Intesa | 29 |
| Serbia | Banca Intesa Beograd | 155 |
| Slovakia | VUB Banka | 192 |
| Slovenia | Intesa Sanpaolo Bank | 49 |
| Switzerland | Intesa Sanpaolo Private Bank (Suisse) Morval | 2 |
| The Netherlands | Intesa Sanpaolo Bank Luxembourg | 1 |
| Ukraine | Pravex Bank | 45 |
| United Kingdom | Banca IMI | 1 |
| | Intesa Sanpaolo Private Bank (Suisse) Morval | 1 |

Figures as at 31 December 2019

(1) European Regulatory & Public Affairs

| AFRICA | | | |
|------------------------|---------|--------------------|----------|
| Representative Offices | Country | Subsidiaries | Branches |
| Cairo | Egypt | Bank of Alexandria | 175 |

Operating structure

| Operating structure | 2019 | 2018 | Changes amount |
|------------------------------------|--------|--------|----------------|
| Number of employees ^(a) | | | |
| Italy | 89.102 | 92.241 | -3.139 |
| Abroad | 65.705 | 68.435 | -2.730 |
| Number of financial advisors | 23.397 | 23.806 | -409 |
| Number of branches ^(b) | | | |
| Italy | 4.972 | 5.150 | -178 |
| Abroad | 4.799 | 5.302 | -503 |
| | 3.752 | 4.217 | -465 |
| | 1.047 | 1.085 | -38 |

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

^(a) The headcount shown refers to the actual number of employees at the end of the year, with part-time employees also counted as 1 unit.

^(b) Including Retail Branches, Third Sector Branches, SME Branches and Corporate Branches.