

REPORT ON THE ESTIMATE OF THE EXCHANGE RATIO
PREPARED FOR BANCA INTESA S.P.A.
BY MERRILL LYNCH INTERNATIONAL

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Global Markets & Investment Banking Group

Board of Directors

BANCA INTESA S.p.A.
Via Monte di Pietà, 8
20121 Milano
Italy

12 October 2006

Members of the Board of Directors:

On 26 August 2006 (the "**First Resolution Date**"), the respective Boards of Directors of Banca Intesa S.p.A. (the "**Company**" or "**you**") and Sanpaolo IMI S.p.A. (the "**Partner**" and, together with the Company, the "**Parties**") approved the guidelines of a merger project (the "**Merger Guidelines**"), pursuant to which the Parties will enter into a transaction (the "**Merger**") in which each outstanding ordinary and each privileged share of the Partner, each with a par value €2.80 per share (the "**Partner Shares**"), will be exchanged for 3.115 newly issued ordinary shares (the "**Exchange Ratio**") of the Company, par value €0.52 per share (the "**Company Shares**").

You have asked us whether, in our opinion, based on the information that you have made available to us, the Exchange Ratio is fair from a financial point of view to the Company. As discussed with you, our valuation does not take into account any actions and/or transactions (including any acquisitions and/or divestitures - whether or not based on antitrust requirements or as a consequence of agreements between the Company and other Company shareholders or third parties) which are subsequent to the date hereof, including possible transactions contemplated or decided but not yet undertaken or not yet completed (collectively, the "**Potential Transactions**"), and, in particular, but without limitation, without taking into account the possible disposal by the Company of any of its branches to Crédit Agricole and/or the possible acquisition of Nextra from Crédit Agricole (collectively "**CA Potential Transactions**"). As discussed, based on the information that you provided to us, we have for purposes of our valuation regarded the impact of the CA Potential Transactions as a consequence of the Merger and, therefore, we have not incorporated the impact of such CA Potential Transactions on the Company's stand-alone value pre-Merger.

We have been informed by you that you have requested and are going to receive fairness opinions from your other advisers which are Prof. Provasoli and Gruppo Banca Leonardo, respectively. We have not worked jointly with and will have no joint liability with such other advisers.

Working in line with all your requests described above, in arriving at the opinion set out below, we have, among other things:

1. Reviewed certain publicly available business and financial information relating to the Partner and the Company updated as of 10 October 2006 that we deemed to be relevant;

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2. Used as a base for valuation the stand-alone business plans prepared by the Parties after their announcement of the Merger on the First Resolution Date in a stand-alone perspective;
3. Reviewed and relied on certain information updated as of 10 October 2006, including financial forecasts, relating to the business, earnings, assets, liabilities and prospects of the Partner and the Company, as well as the amount and timing of the cost savings and revenue enhancement and related restructuring charges expected to result from the Merger (the "Expected Synergies") furnished to us by the Partner and the Company, respectively;
4. Reviewed the market prices and valuation multiples for the Partner Shares and the Company Shares before 23 August 2006 and compared them with those of certain publicly traded companies that we deemed to be relevant, and which are updated as of 10 October 2006;
5. Reviewed the results of operations of the Partner and the Company as of the date hereof and compared them with those of certain publicly traded companies that we deemed to be relevant;
6. Compared the proposed financial terms of the Merger with the financial terms of certain other transactions that we deemed to be relevant;
7. Participated in certain management discussions among representatives of the Partner and the Company and their financial advisers;
8. Reviewed the potential pro forma impact of the Merger;
9. Reviewed an extract of the Merger Guidelines, (the "**Extract**") which were approved on 26 August 2006;
10. Reviewed such other financial studies and analyses and taken into account such other matters as we deemed necessary, including our assessment of general economic, market and monetary conditions.

Please note that we have performed no independent due diligence on the Company and/or the Partner and our opinion should be regarded in this light. However, we have had access to the accounting and tax due diligence performed by PricewaterhouseCoopers on the Company and Reconta Ernst & Young on the Partner as well as the legal due diligence conducted by the law firm Pedersoli & Associati on the Partner. However and in accordance with the terms and conditions of our engagement, we are not giving herein any opinion as to tax, regulatory or legal aspects in relation to the Merger.



In preparing our opinion, we have assumed and relied on the accuracy and completeness of all information supplied or otherwise made available to us, discussed with or reviewed by or for us, or publicly available as of the date hereof, and we have not assumed any responsibility for independently verifying such information or undertaken an independent evaluation or appraisal of any of the assets or liabilities of the Partner or the Company, nor have we evaluated the solvency or fair value of the Partner or the Company under any laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or facilities of the Partner or the Company.

With respect to the financial forecast information and the Expected Synergies furnished to or discussed with us by the Partner or the Company, we have assumed that they have been reasonably prepared and reflect the best currently available estimates and judgment of the Partner's or the Company's management as to the expected future financial performance of the Partner or the Company, as the case may be, and the Expected Synergies.

We have also assumed that the Merger will be consummated on the terms set out in the Extract.

Our opinion is necessarily based upon market, economic, regulatory and other conditions as they exist and can be evaluated on, and on the information made available to us as of the date hereof. Events occurring and transactions completed after the date hereof may affect this opinion and the assumptions used in preparing it. We have not been requested nor assumed any obligation to update, revise or reaffirm this opinion to take into account any such events or transactions. As said, we have not taken into account the impact on the pre-Merger stand-alone value of the Company of any Potential Transactions and, as discussed, we have regarded the CA Potential Transactions in our valuation as a consequence of the Merger and only in connection and subordinated to such Merger.

In preparing this opinion as of the First Resolution Date, we have assumed that in the course of obtaining the necessary regulatory or other consents or approvals (contractual, corporate or otherwise) for the Merger, no restrictions, including any divestiture requirements or amendments or modifications, will be imposed that will have a material adverse effect on the contemplated benefits of the Merger.

In connection with the preparation of this opinion, we have not been authorised by the Company or the Board of Directors to solicit, nor have we solicited, third-party indications of interest for the acquisition of all or any part of the Company.

We are acting as financial adviser to the Company in connection with the Merger and will receive a fee from the Company for our services, a significant portion of which is contingent upon the consummation of the Merger. In addition, the Company has agreed to indemnify us for certain liabilities arising out of our engagement. We are currently acting as (i) financial adviser to Eurizon Financial Group S.p.A. ("**Eurizon**"), a company wholly - owned by the Partner, in relation to its initial public offering and as (ii) ratings adviser in connection with the obtainment of a credit rating for Eurizon from Standard & Poor's. Moreover, in July 2006 Merrill Lynch rendered a fairness opinion to the Eurizon Board of Directors in relation to its voluntary cash tender offer for 25.3% of share capital held by minority shareholders in its listed subsidiary Banca Fideuram S.p.A.; this transaction is currently pending and set to close on 25 October. We have, in the past, provided



financial advisory and financing services to the Company and the Partner and/or its affiliates and may continue to do so and have received, and may receive, fees for the rendering of such services, including in relation to the mandates specifically listed herein.

In addition, in the ordinary course of our business, we may actively trade the Company's and/or the Partners' shares and/or shares of any of their respective subsidiaries and/or their respective affiliates, for our own account and/or for the accounts of customers, and, accordingly, may at any time hold a long or short position in such securities.

The methodologies and criteria applied by us could differ from and/or could lead to different results, in whole or in part, as compared to the methodologies and value identification criteria that may be used by and may differ from the results that will be determined by the independent auditors or experts that have or may be appointed pursuant to applicable laws or regulations with respect to the Merger and their evaluation of the appropriate Exchange Ratio to be paid for the Partner Shares or with respect to any past, present or future transaction concerning the Partner.

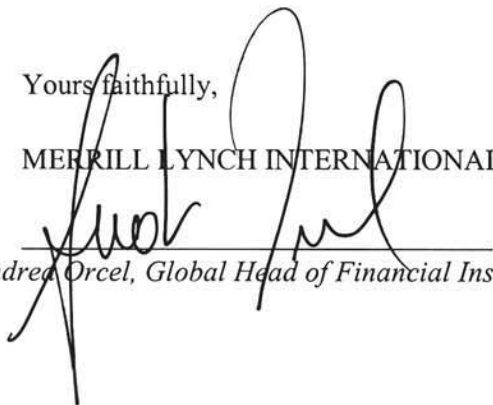
This opinion is for the use and benefit of the Board of Directors of the Company in its evaluation of the Merger and shall not be used and/or relied upon for any other purpose or by any other person and/or by any other corporate body of the Company. This opinion is not intended to be relied upon or confer any rights or remedies upon any employee, creditor, shareholder or other equity holder of the Company, the Partner or any other party (including any competent authority). This opinion shall not, in whole or in part, be disclosed, reproduced, disseminated, quoted, summarised or referred to at any time, in any manner or for any purpose, nor shall any public references to Merrill Lynch International or any of its affiliates be made by the Company or any of its affiliates, without the prior consent of Merrill Lynch International.

Our opinion does not address the merits of the underlying decision by the Company to engage in the Merger and does not constitute a recommendation to any shareholder as to how such shareholder should vote on the proposed Merger or any matter related to it. We are not expressing any opinion as to the prices at which the Company Shares will trade following the announcement or consummation of the Merger.

On the basis of and subject to the foregoing, we are of the opinion that, as of the date hereof, the Exchange Ratio is fair from a financial point of view to the Company.

Yours faithfully,

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Mr Andrea Orcel, Global Head of Financial Institutions Group