

Provisions carried out in 1999 referred to all the companies included in the consolidation area.

Negative goodwill arising on consolidation (caption 120 of Liabilities) and on application of the equity method (caption 130 of Liabilities)

Negative goodwill arising on consolidation increased by 2,922 million lire following the increase in equity investments held by the Group in Mediocredito Lombardo (1,977 million lire) and in Intesa Asset Management (936 million lire), whereas the rise by 6,345 million lire in negative goodwill arising on application of the equity method was attributable to the application of this method to equity investments held in Bank Austria Creditanstalt Prague (2,431 million lire) and in Mediocredito dell'Umbria (3,579 million lire) as well as to a slight increase in the equity investment held in Credito Agricolo Italiano (335 million lire).

It must be noted that, with regard to the recalculation of values referring to 1998, the comparison between 1998 and 1999 does not show the negative goodwill arising on the consolidation of the Cariparma Group (44,786 billion lire).

Breakdown and changes of caption 90 of Assets "Goodwill arising on consolidation"

	Balance as at 31/12/1998	Additions in the year	Amortisation charges	Balance as at 31/12/1999
Caboto Holding Sim (purchase 1995)	7,391	-	7,391	-
Finanziaria BTB (purchase 1995)	41,662	-	20,831	20,831
Finanziaria BTB (purchase 1996)	5,318	-	2,659	2,659
Fiscambi-Locazioni Finanziarie	514	-	514	-
Cariplo	729,217	-	81,024	648,193
Bankhaus L�bbecke	21,056	-	2,340	18,716
Mediocredito Lombardo	16,632	-	1,848	14,784
C.R. di Ascoli Piceno	29,608	-	3,290	26,318
C.R. di Foligno	-	44,390	4,439	39,951
C.R. di Rieti	-	15,451	1,545	13,906
C.R. di Spoleto	-	35,586	3,559	32,027
Total	851,398	95,427	129,440	817,385

Breakdown and changes in caption 100 of Assets "Goodwill arising on application of the equity method"

	Balance as at 31/12/1998	Additions in the year	Amortisation charges	Balance as at 31/12/1999
Agos Itafinco	9,494	-	1,187	8,307
Total	9,494	-	1,187	8,307

Goodwill recorded in 1999 with regard to Cassa di Risparmio di Foligno, Cassa di Risparmio di Rieti and Cassa di Risparmio di Spoleto stemmed both from the increase in equity investments held by Cariplo SpA, and, to a lower extent, from the transfer carried out, together with Cariplo, by the respective Foundations of a portion of their equity investment for the creation of Holding Intesa Centro SpA.

Subordinated liabilities

	1999	1998	Changes	
			amount	%
Subordinated liabilities	16,602,911	12,479,255	4,123,656	33.04

The subordination clause entails that in case of liquidation of the issuing company the rights of the subordinated creditors are subordinated to rights of depositors and other creditors who are not subordinated or who hold more senior debt.

The following table shows a list of subordinated liabilities as at 31st December 1999 broken down in Tier 1 capital, hybrid capital instruments (Upper Tier 2), subordinated liabilities eligible to be included in the bank's equity (Lower Tier 2) and subordinated liabilities which may be used to cover market risks only (Tier 3).

Minority shareholders (caption 140 of Liabilities)

	1999	1998	Changes	
			amount	%
Minority shareholders	5,108,712	5,157,575	(48,863)	(0.95)

The item was calculated by applying the equity method and includes the portion of the year's net income pertaining to minority shareholders.

Total capital and capital requirements as at 31st December 1999

A. Total capital	
a.1 Tier 1 capital (Tier 1)	23,609,062
a.2 Tier 2 capital (Tier 2)	13,387,434
a.3 amounts to be deducted	941,461
a.4 total capital	36,055,035
B. Capital requirements	
b.1 credit risks	29,412,898
b.2 market risks ⁽¹⁾	1,988,778
including	
• trading portfolio risk	3,175,171
• foreign exchange risk	126,784
b.3 other capital requirements	
b.4 total capital requirements	31,401,676
C. Risk-weighted assets and capital ratios	
c.1 risk-weighted assets	392,520,950
c.2 Tier 1 capital/risk-weighted assets	6.01%
c.3 Tier 1 + Tier 2 capital/risk-weighted assets	9.19%

⁽¹⁾ Capital requirement for market risks is net of Tier 3 subordinated loans. For this reason the sum of including items is higher than the total.

The table was changed following the adjustment to the allocation of net income resolved upon by the Ordinary Shareholders' Meeting held on 18th April 2000.



Issuer	Interest rate
Preference share (Tier 1):	
BCI US Funding LLC I	8.01% fixed rate; as of 15 th July 2008: 3-month Libor + 3.25%
BCI US Funding LLC II	3-month Libor + 1.60%; as of 15 th July 2008: 3-months Libor + 2.93%
BCI US Funding LLC III	8.25% fixed rate; as of 15 th July 2008: 3-month Libor + 3.20%
Intesa Preferred LLC	3-month Libor + 1.75%; as of 1 st July 2008: Libor + 3.25%
Intesa Preferred LLC II	6.40% fixed rate
Hybrid capital instruments (Upper Tier 2)	
Cariplo	6 month Euribor + 0.70%
Cariplo	5% fixed rate
Intesa Bank Overseas	3-month Libor + 0.85%
Intesa Bank Overseas	3-month Libor + 0.85%
Intesa Bank Overseas	3-month Libor + 0.625%
Intesa Bank Overseas	3-month Libor + 0.625%
Subordinated liabilities included for capital requirements purposes (Lower Tier 2)	
Banca Carime	5% fixed rate
Banca Carime	5% fixed rate
Banca Carime	5% fixed rate
Banca Carime	5% fixed rate
Banca Commerciale Italiana	3-month Libor + 0.25%
Banca Commerciale Italiana	3-month Libor + 0.20%
Banca Commerciale Italiana	3-month Libor
Banca Commerciale Italiana	3-month Libor
Banca Commerciale Italiana	5.10% fixed rate
Banca Commerciale Italiana	8.25% fixed rate
Banca Commerciale Italiana	3-month Libor + 0.375 %
Banca Commerciale Italiana (Ireland)	Cdor - 0.30 % (min 6.875 % - max 9.00%)
Banca Commerciale Italiana (Ireland)	Libor - 0.25 % (min 5.375 % - max 8.25 %)
Banca Commerciale Italiana (Ireland)	Libor - 0.125 % (min 5 %)
Banca Commerciale Italiana (Ireland)	Libor + 0.50 %
Banca Popolare FriulAdria	4.7% fixed rate
Banca Popolare FriulAdria	5.3% fixed rate
Banca di Trento e di Bolzano ⁽¹⁾	6% fixed rate
Banca di Trento e di Bolzano	until 15/10/2000: 5.25%, for the following coupon: 70% of 10-year euro swap rate with a minimum of 4.5%
Banca Intesa	3-month Euribor + 0.375%
Banca Intesa	3-month Euribor - 0.25%
Banca Intesa	6-month Euribor
Banca Intesa ⁽¹⁾	6-month Libor
Banca Intesa ⁽²⁾	6-month Libor
Bankhaus L�bbecke	7.47% fixed rate

Expiry date	Early reimbursement as of	Currency	Original amount in currency	Amount (in millions of lire)
	15 th July 2008	US\$	200,000,000	373,917
	15 th July 2008	EUR	550,000,000	1,064,948
	15 th July 2008	LGS	120,000,000	373,737
perpetual	30 th June 2008	EUR	200,000,000	387,254
perpetual	30 th March 2004	EUR	150,000,000	290,441
30 th December 2008	no	LIT	5,000,000,000	5,000
30 th December 2008	no	LIT	495,000,000,000	495,000
2 nd January 2008	no	US\$	500,000,000	924,576
2 nd January 2008	no	LIT	200,000,000,000	200,060
10 th April 2008	no	LIT	250,000,000,000	250,075
10 th June 2008	no	LIT	800,000,000,000	798,706
25 th October 2006	no	EUR	27,833,000	53,892
8 th November 2006	no	EUR	15,848,000	30,686
22 nd November 2006	no	EUR	14,828,000	28,711
3 rd December 2006	no	EUR	6,491,000	12,568
1 st February 2006	1 st February 2001	LIT	400,000,000,000	396,368
1 st December 2007	1 st December 2002	LIT	800,000,000,000	791,113
1 st February 2008	1 st February 2003	LIT	700,000,000,000	695,566
1 st June 2008	1 st June 2003	LIT	362,430,000,000	359,638
17 th November 2009	no	EUR	220,014,000	426,007
16 th July 2007	no	US\$	200,000,000	385,481
15 th August 2000	no	US\$	75,000,000	28,911
10 th November 2003	in case of change in fiscal regime	CAD	100,000,000	132,065
30 th November 2005	in case of change in fiscal regime	US\$	100,000,000	186,372
18 th March 2004	in case of change in fiscal regime	US\$	150,000,000	202,377
28 th June 2004	in case of change in fiscal regime	LIT	150,000,000,000	127,237
18 th October 2006	no	EUR	26,000,000	50,343
18 th October 2009	no	EUR	13,000,000	25,172
1 st January 2002	(3)	LIT	66,000,000,000	3,364
15 th October 2006		EUR	25,000,000	48,407
1 st June 2002	no	LIT	350,000,000,000	210,000
1 st October 2003	no	LIT	300,000,000,000	240,000
1 st January 2005	1 st July 2000	LIT	1,200,000,000,000	1,192,304
1 st January 2003	(4)	LIT	878,254,800,500	156,248
1 st January 2003	(4)	LIT	246,311,524,800	60,424
5 th May 2003		DEM	10,000,000	9,900

continued



Issuer	Interest rate
Banco Ambrosiano Veneto	4.4% fixed rate
Banco Ambrosiano Veneto	4.7% fixed rate
Cariplo	Premium at maturity equal to the average variation of a number of indices and currency with a minimum 16%
Cariplo	5.15% fixed rate
Cariplo	1 st coupon: 8%, 2 nd and 3 rd : 6.375%, for the following coupon: 13.8% – 2x12-month Libor (max 5.3% - min 4.5%)
Cariplo	1 st coupon: 8%, 2 nd and 3 rd : 6.375%, for the following coupon: 13.8% – 2x12-month Libor (max 5.3% - min 4.5%)
Cariplo	4.4% fixed rate
Cariplo	4.4% fixed rate
Cariplo	1 st coupon: 8%, 2 nd : 5% e 3 rd : 4%, for the following coupons: 70% of 10 year euro swap interest rate
Cariplo	1 st ced.: 8%, 2 nd : 5.5% e 3 rd : 4%, for the following coupon: 65% of 10-year euro swap interest rate with a minimum of 4%
Cariplo	5.30% fixed rate
Cariplo	4.90% fixed rate
Cariplo	5.20% fixed rate
Cassa di Risparmio di Parma & Piacenza	6-month Libor + 0.25
Cassa di Risparmio di Parma & Piacenza	6-month Libor + 0.25
Cassa di Risparmio di Parma & Piacenza	4.6% fixed rate
Cassa di Risparmio di Parma & Piacenza	1 st year: 4.5%; 2 nd : 4.6%; 3 rd : 4.7%; 4 th : 4.9%; 5 th : 5.1%; 6 th : 5.4%; 7 th : 5.7%
Cassa di Risparmio di Parma & Piacenza	1 st year: 4.8%; 2 nd : 5.3%; following coupon: 70% of 10-year euro swap interest rate with a minimum of 4.5%
Cassa di Risparmio di Parma & Piacenza	1 st year: 4.5%; 2 nd : 4.6%; 3 rd : 4.7%; 4 th : 4.9%; 5 th : 5.1%; 6 th : 5.4%; 7 th : 5.7%
Cassa di Risparmio di Parma & Piacenza	1 st year: 4.8%; 2 ^o : 5.3%; following coupon: 70% of 10-year euro swap interest rate with a minimum of 4.5%
Intesa Bank Overseas	3-month Libor + 0.625%; as of 17 th December 1999: Libor + 1.50%
Intesa Bank Overseas	6-month Libor + 0.40%; as of 30 th June 2000: Libor + 1%
Bankhaus LÖbbecke	8.44% fixed rate
Bankhaus LÖbbecke	8.25% fixed rate
Bankhaus LÖbbecke	8.25% fixed rate
Subordinated liabilities not included for capital requirements purposes (Tier 3):	
Banca Commerciale Italiana	3-month Euribor + 0.65%
Banca Intesa	6-month Libor + 0.60 %
Banca Intesa	6-month Libor + 0.50 %
Total	

⁽¹⁾ Subordinated loan convertible in the issuer's ordinary shares.

⁽²⁾ Subordinated loan convertible in the issuer's savings shares.

⁽³⁾ Ordinary conversion period: 1st January and 1st July of the years included in the 1998-2002 period.

⁽⁴⁾ Ordinary conversion period: 1st to 31st May of the years included in the 1998-2002 period.