Banca Intesa

2003 Results

March 8th, 2004

Agenda

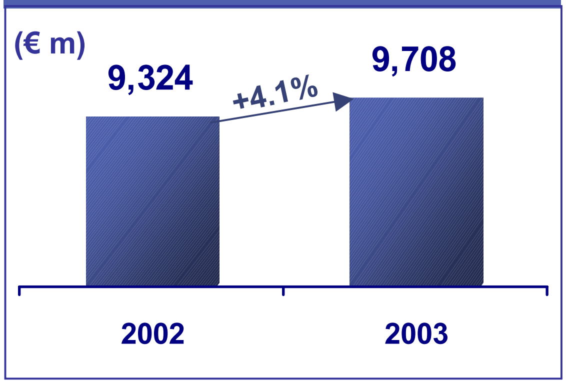
1. 4Q and FY03 Results

2. 2003-2005 Business Plan: Main Achievements

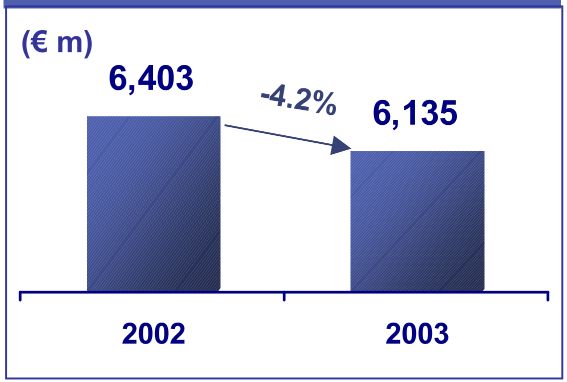
3. Central-Eastern Europe Strategy and Possible Acquisition in Turkey

2003 at a Glance

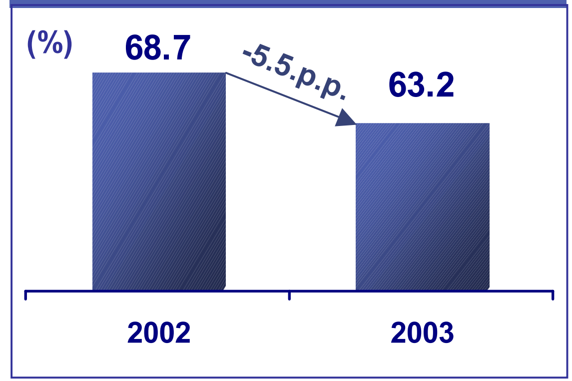
Total Income



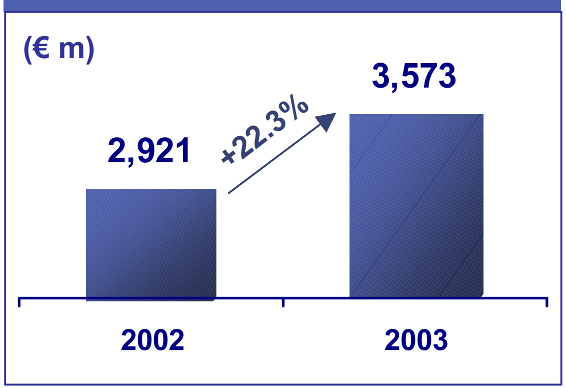
Operating Costs



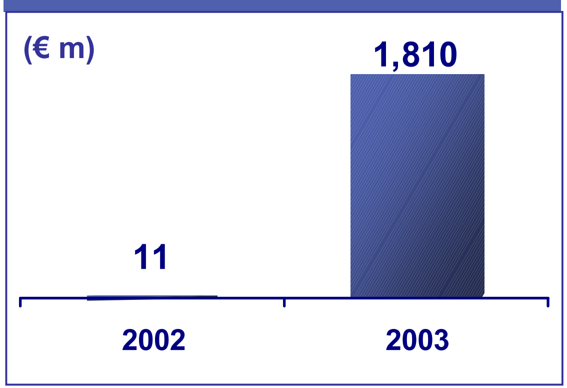
Cost / Income Ratio



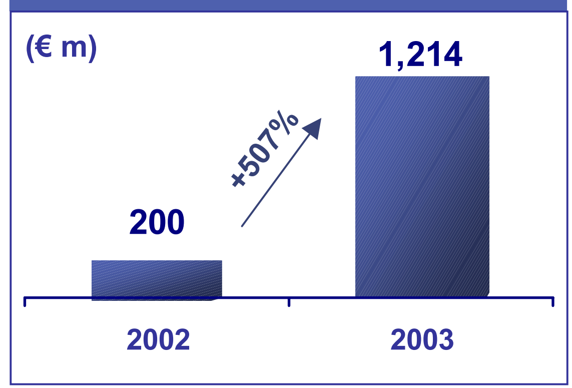
Operating Margin



Ordinary Income



Net Income



Note: *2002 pro-forma figures to reflect 2003 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

Quarterly Analysis: 4Q03 vs 4Q02
Steady Increase in Operating Margin

Sudameris Colombia&Brasil, Loebbecke, Carinord1&2 excluded (€ m)	4Q02 Pro-forma	4Q03	Δ%
Net Interest Income	1,326	1,217	(8.2)
Dividends & Eq. Profits	30	7	(76.7)
Net Commissions	798	881	10.4
Other Non-Interest Income	150 (1)	269	79.3
Total Income	**2,304**	**2,374**	**3.0**
Operating Costs	(1,667)	(1,599)	(4.1)
Operating Margin	**637**	**775**	**21.7**
Goodwill Amortisation	(33)	(36)	9.1
Net Provisions	(1,167)	(706) (2)	(39.5)
Ordinary Income	**(563)**	**33**	**n.m.**
Extraordinary Items	560	103	(81.6)
Taxes, Minorities, Δ RGBR(3)	147	40	(72.8)
Net Income	**144**	**176**	**22.2**

€473m excluding Parmalat provisions and BCP write-down

Note: *4Q02 pro-forma figures to reflect 4Q03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

(1) Including €73m capital gain from securitisation of performing mortgage loans

(2) Including €288m for Parmalat provisions and €152m for BCP stake write-down

(3) Δ RGBR = Change in Reserve for General Banking Risks

Quarterly Analysis
Growth in Net Commissions

Sudameris Colombia&Brasil, Loebbecke, Carinord1&2 excluded (€ m)	1Q03	2Q03	3Q03	4Q03	Δ% 4Q vs 3Q
	Pro-forma				
Net Interest Income	1,270	1,242	1,246	1,217	(2.3)
Dividends & Eq. Profits	44	112	22	7	(68.2)
Net Commissions	783	830	837	881	5.3
Other Non-Interest Income	266	380	302 (1)	269	(10.9)
Total Income	**2,363**	**2,564**	**2,407**	**2,374**	**(1.4)**
Operating Costs	(1,499)	(1,535)	(1,502)	(1,599)	6.5
Operating Margin	**864**	**1,029**	**905**	**775**	**(14.4)**
Goodwill Amortisation	(32)	(32)	(30)	(36)	20.0
Net Provisions	(327)	(351)	(249)	(706) (2)	183.5
Ordinary Income	**505**	**646**	**626**	**33**	**(94.7)**
Extraordinary Items	47	64	(12)	103	n.m.
Taxes, Minorities, Δ RGBR(3)	(239)	(313)	(286)	40	n.m.
Net Income	**313**	**397**	**328**	**176**	**(46.3)**

Note: *1Q03, 2Q03 and 3Q03 pro-forma figures to reflect 4Q03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

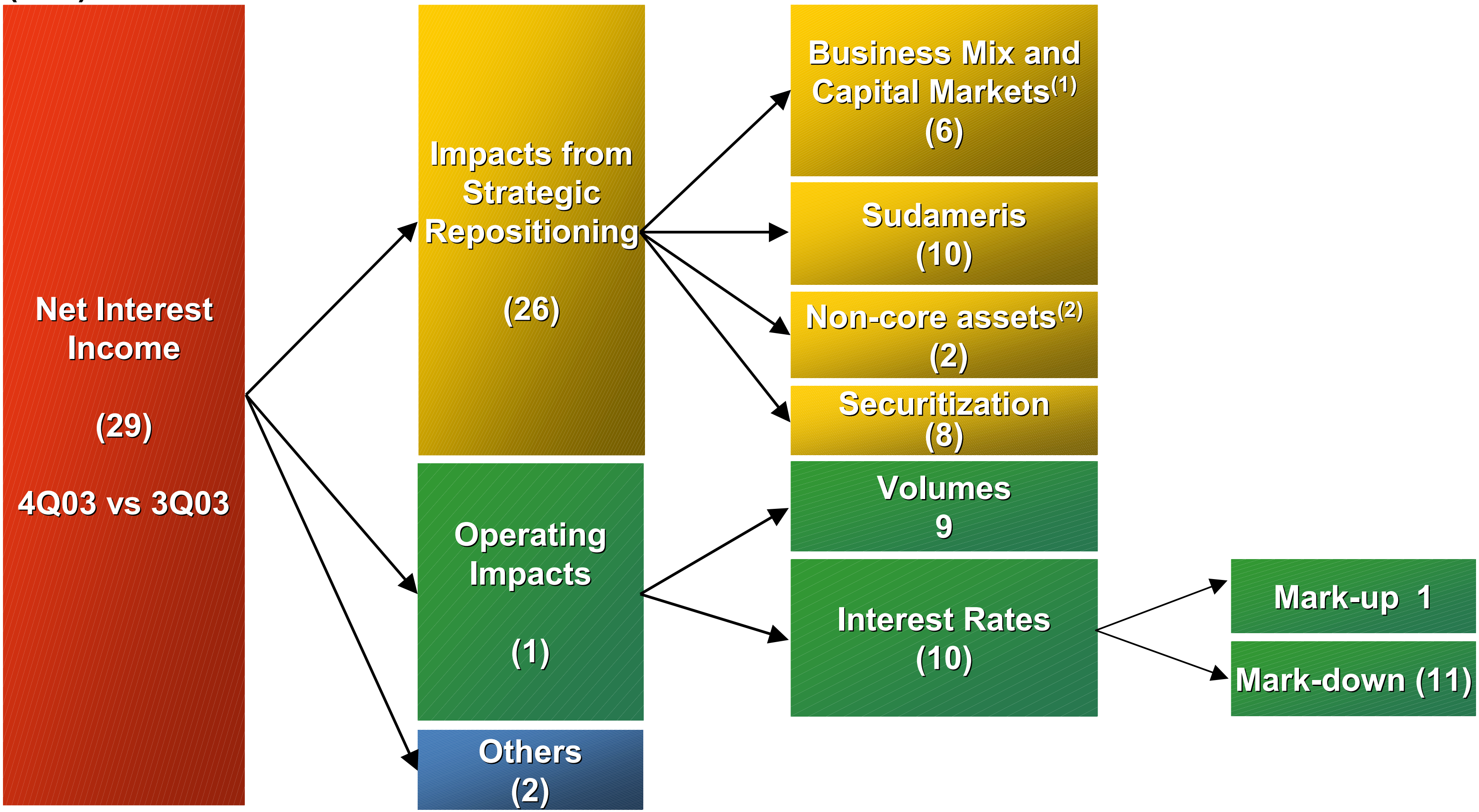
(1) Including €30m from sale of performing loans granted to public administration

(2) Including €288m for Parmalat provisions and €152m for BCP stake write-down

(3) Δ RGBR = Change in Reserve for General Banking Risks

Quarterly Analysis: 4Q03 vs 3Q03
Net Interest Income Stable in Italy

(€ m)

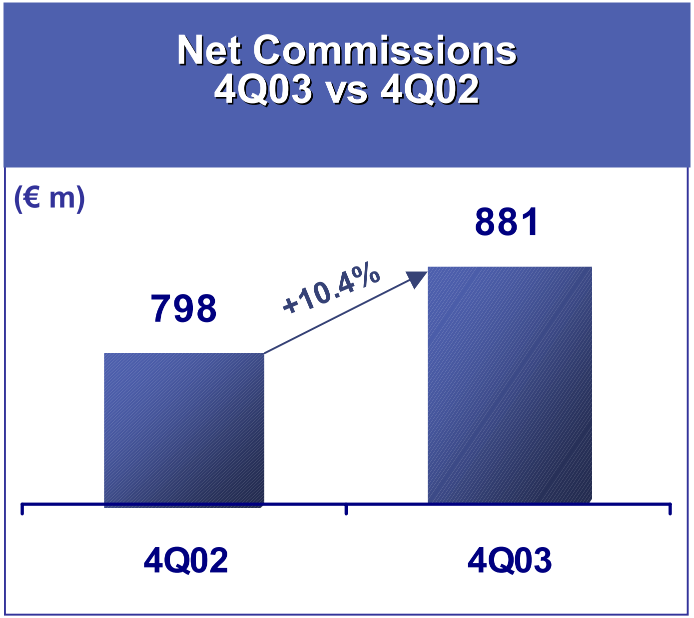


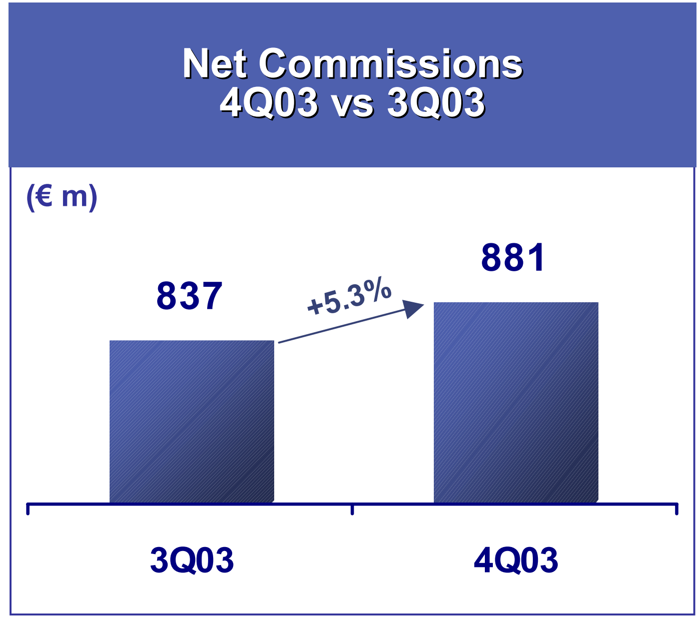
Figures may not add up due to rounding differences

(1) Structural reduction in securities portfolio, mainly due to Caboto, linked with the strategic repositioning of Capital Markets activities from interest to non-interest-based business

(2) Other non-core foreign subsidiaries

Net Commissions Rebound Both vs 4Q02 and 3Q03

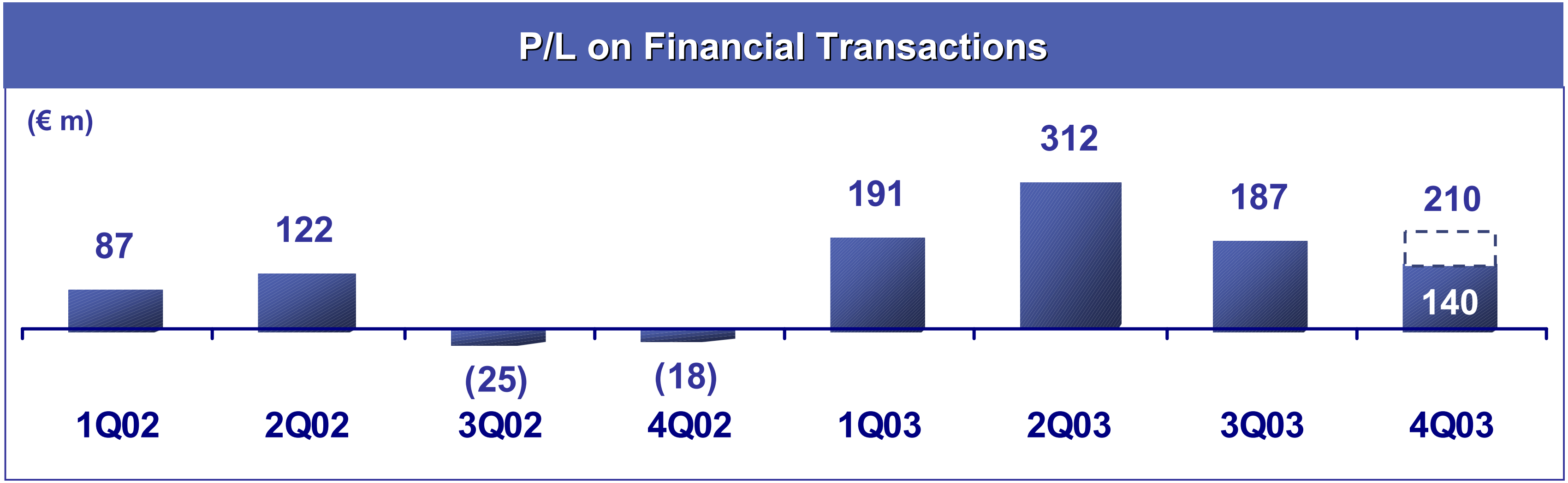




- Growth driven by
  - ✓ Dealing & Placement of Securities +87%
  - ✓ Tax Collection +40%
  - ✓ Bancassurance +13%
  - ✓ Current Accounts +9%
- +18% growth in Italy

- Growth driven by
  - ✓ Tax Collection +53%
  - ✓ Dealing & Placement of Securities +45%
- +8% growth in Italy

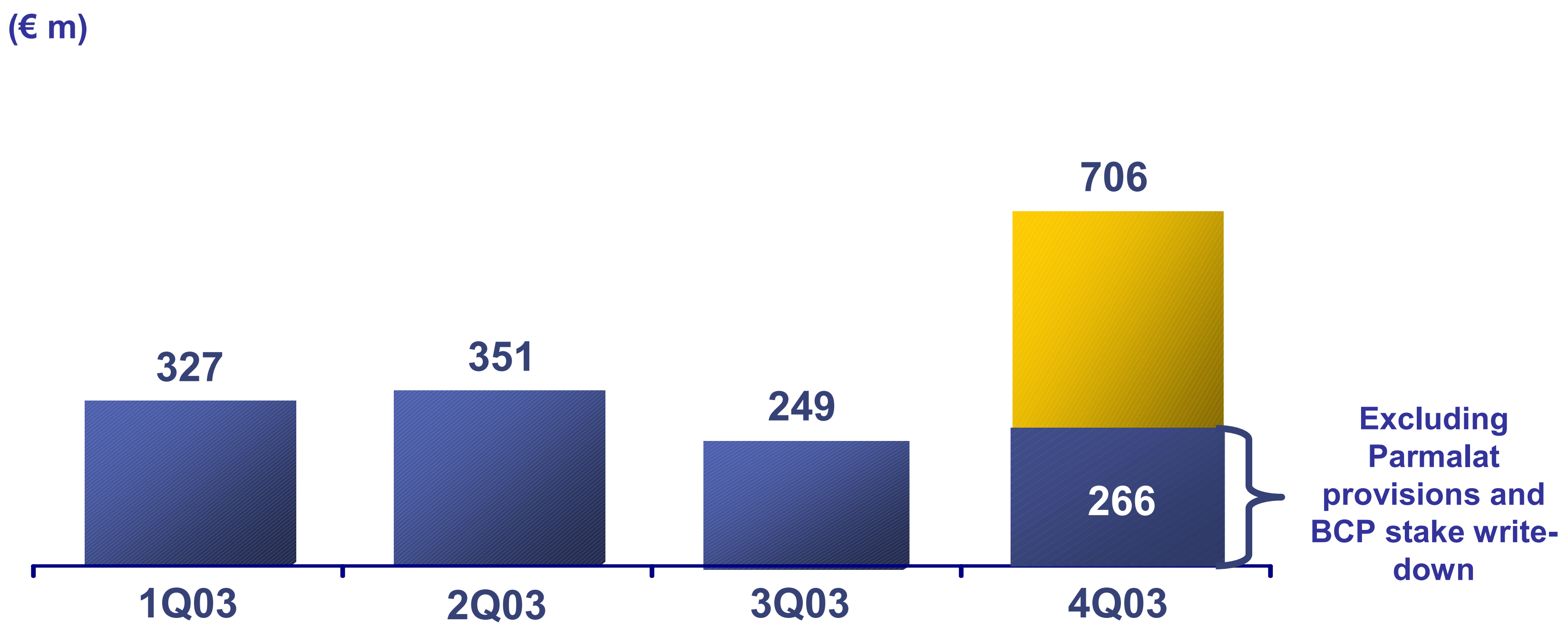
Sustained Profits on Financial Transactions



- **Sustainable growth driven by**
  - ✓ **Structured Bonds**
  - ✓ **Corporate Derivatives**
  - ✓ **Structural improvement in Capital Market operations and Securities Portfolio management**
- **4Q03 negatively affected by €70m Mark-to-Market**
- **Very low level of VAR of the trading portfolio (€10.4m for Banca Intesa Parent Company and €1m for Caboto)**

Stable Net Provisions Excluding Parmalat and BCP

Net Provisions



Annual Results: Strong Growth in Operating Margin and Ordinary Income

Sudameris Colombia&Brasil, Loebbecke, Carinord1&2 excluded (€ m)	FY02 Pro-forma	FY03	Δ%
Net Interest Income	5,316	4,975	(6.4)
Dividends & Eq. Profits	190	185	(2.6)
Net Commissions	3,233	3,331	3.0
Other Non-Interest Income	585	1,217	108.0
Total Income	**9,324**	**9,708**	**4.1**
Operating Costs	(6,403)	(6,135)	(4.2)
Operating Margin	**2,921**	**3,573**	**22.3**
Goodwill Amortisation	(140)	(130)	(7.1)
Net Provisions	(2,770)	(1,633)	(41.0)
Ordinary Income	**11**	**1,810**	**n.m.**
Extraordinary Items	228	202	(11.4)
Taxes, Minorities, Δ RGBR[1]	(39)	(798)	n.m.
Net Income	**200**	**1,214**	**507.0**

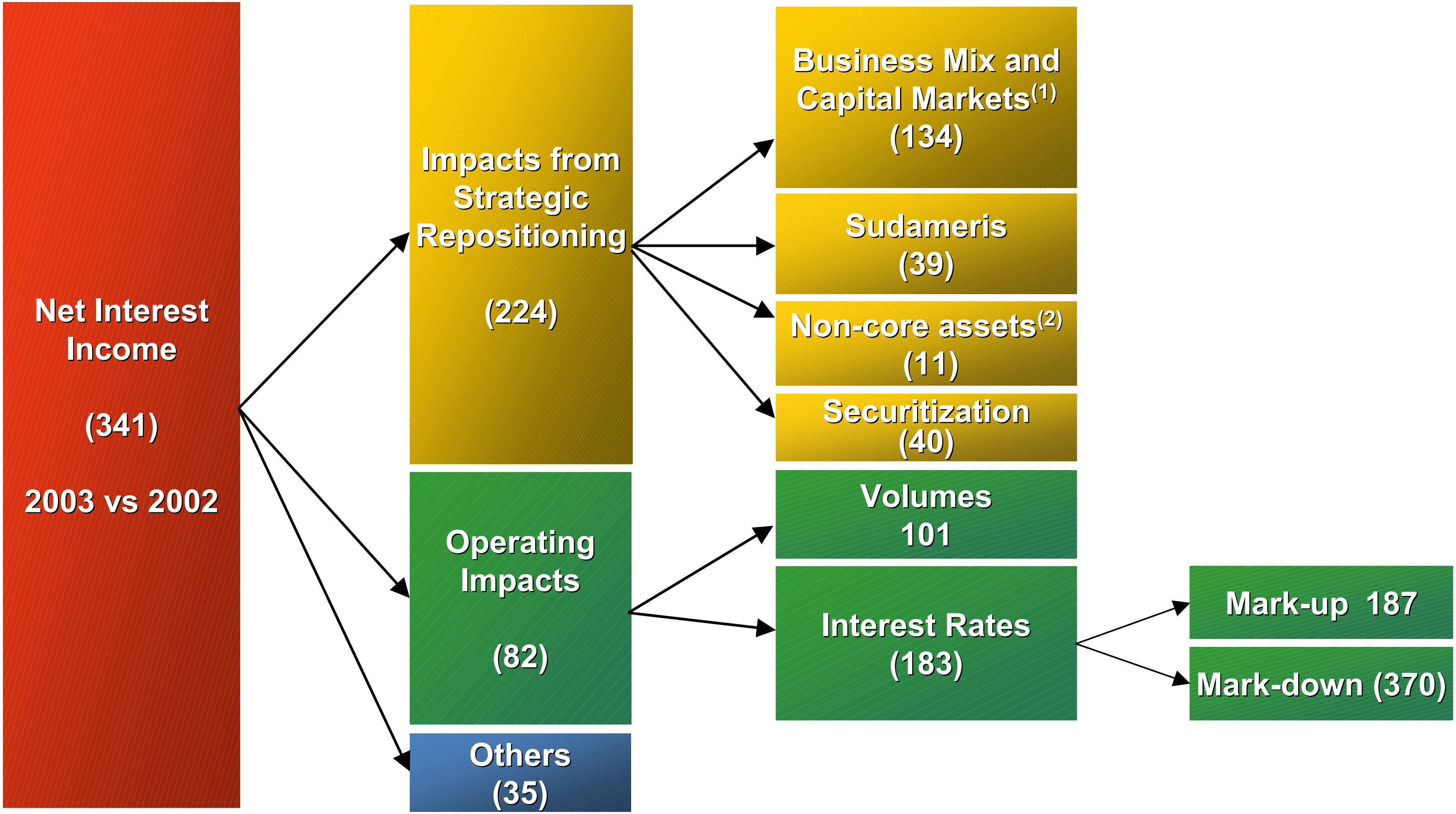
€2,250m excluding Parmalat provisions and BCP write-down

Note: *2002 pro-forma figures to reflect 2003 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

(1) Δ RGBR = Change in Reserve for General Banking Risks

Net Interest Income
Contribution to Annual Variation

(€ m)



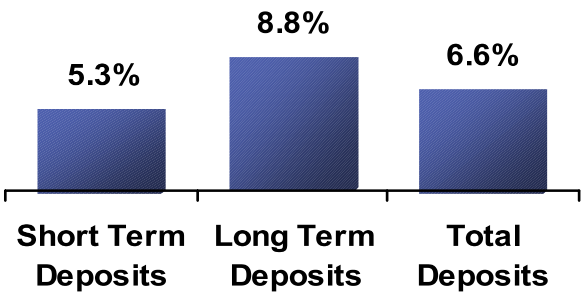
Figures may not add up due to rounding differences

(1) Structural reduction in securities portfolio, mainly due to Caboto, linked with the strategic repositioning of Capital Markets activities from interest to non-interest-based business

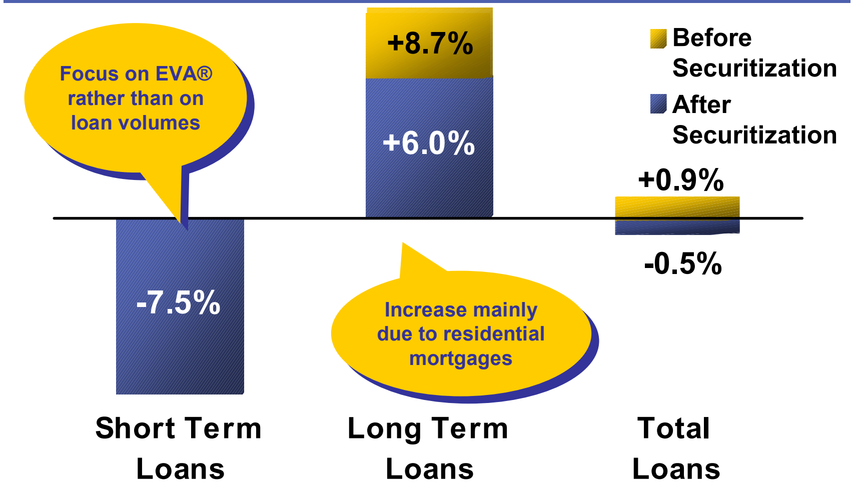
(2) Other non-core foreign subsidiaries

Net Interest Income: Funding and Lending on the Domestic Market

Δ% FY03 vs FY02 Customer Deposits[1]

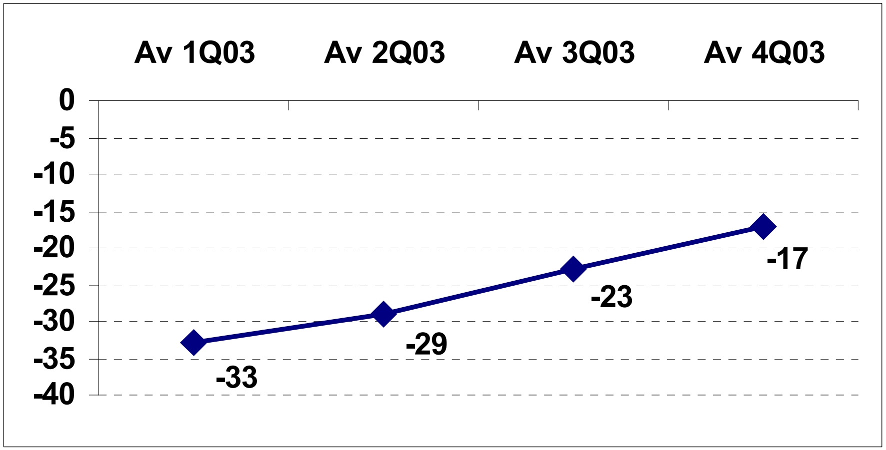


Δ% FY03 vs FY02 Customer Loans[1]



(1) *Average figures*

Short Term Spread Gap – Gruppo Intesa vs Industry (bp)



Strong Growth in Non-Interest Income

(€ m)	FY02 Pro-forma	FY03	Δ%	1Q03 Pro-forma	2Q03 Pro-forma	3Q03 Pro-forma	4Q03	Δ% 4Q/3Q
Net Commissions	3,233	3,331	3.0	783	830	837	881	5.3
P/L on Financial Transact.	166	830	400.0	191	312	187	140	(25.1)
Other Net Operat. Income	419	387	(7.6)	75	68	115	129	12.2
Total Non-Int. Income	**3,818**	**4,548**	**19.1**	**1,049**	**1,210**	**1,139**	**1,150**	**1.0**

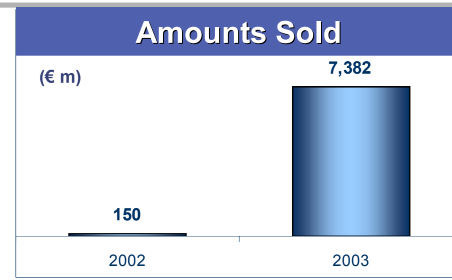
- **FY03 Net Commissions +3.0% vs FY02 (+7.7% in Italy) driven by tax collection, bancassurance, dealing & placement of securities, current accounts and plastic cards**
- **FY03 increase in Profits on Financial Transactions vs FY02 due to higher volumes of Structured Bonds and Corporate Derivatives sold[1] and to a structural improvement in capital market operations and securities portfolio management**

Note: *2002, 1Q03, 2Q03 and 3Q03 pro-forma figures to reflect 4Q03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*
(1) Sold to customers other than Large Corporates

Increasing Placing Power of Value Added Products

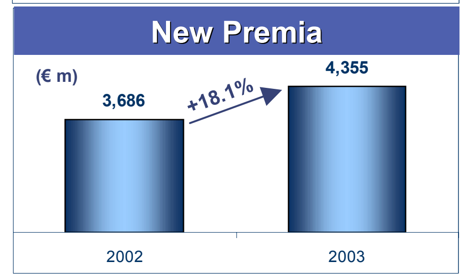
Structured Bonds

- €7.4bn sold in 2003 (of which €2.5bn in 4Q03)
- €1.4bn placed in Jan-Feb 2004



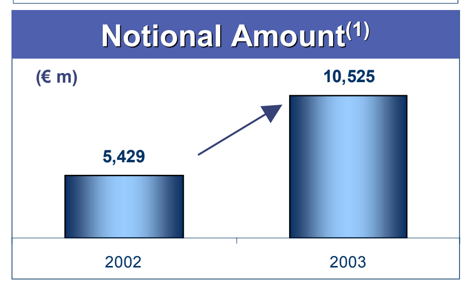
Bancassurance

- €4.4bn new premia (+18% vs 2002), of which nearly €1bn in 4Q03
- €0.8bn new premia placed in Jan-Feb 2004
- 10% of new premia are recurring



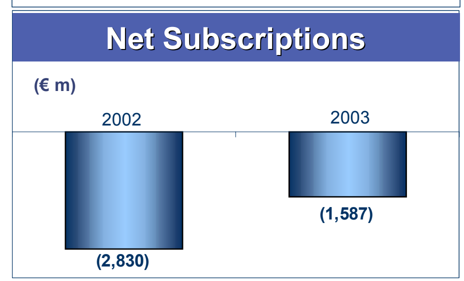
Corporate Derivatives

- €20bn of which €10.5bn to customers other than Large Corporate (+94% vs 2002)
- €1.9bn placed in Jan-Feb 2004, of which €1.6bn to customers other than Large Corporates



Mutual Funds

- -€1.6bn net subscriptions in 2003
- -€2.8bn net subscriptions in Jan-Feb 2004, partially offset by €0.3bn net subscriptions in funds of funds investing in third parties' assets
- ~40% of the 2004 and ~30% of the 2003 outflow due to non-captive network



(1) Sold to customers other than Large Corporates

Strong Cost Reduction

(€ m)	FY02 Pro-forma	FY03	Δ%	1Q03 Pro-forma	2Q03 Pro-forma	3Q03 Pro-forma	4Q03	Δ% 4Q/3Q
Personnel Costs	3,483	3,324	(4.6)	848	829	821	826	0.6
Other Administrative Costs	2,220	2,110	(5.0)	496	536	509	569	11.8
Depreciation	700	701	0.1	155	170	172	204	18.6
Total Costs	**6,403**	**6,135**	**(4.2)**	**1,499**	**1,535**	**1,502**	**1,599**	**6.5**

- **Structural reduction of Total Operating Costs vs FY02 (-4.2%)**
- **~4,600 headcount reduction in FY03**
- **Other Administrative Costs decrease (-5.0% vs FY02) despite the acceleration of restructuring and re-launching projects (+5.5% ICT costs, +30.4% training costs)**
- **FY03 Cost/Income down to 63.2% from 68.7% FY02**

Note: *2002, 1Q03, 2Q03 and 3Q03 pro-forma figures to reflect 4Q03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

Decline in Total Net Provisions

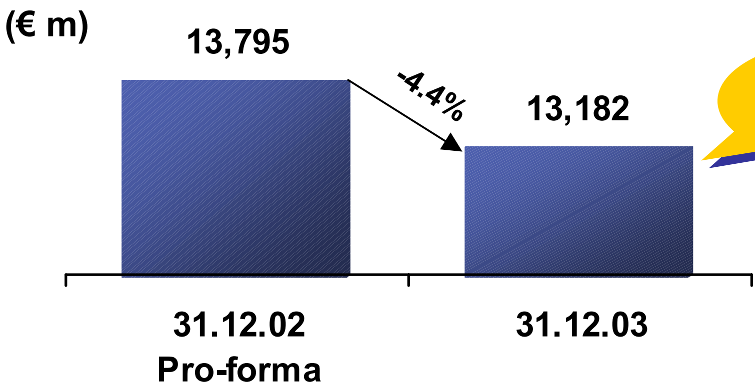
(€ m)	FY02 Pro-forma	FY03	Δ%	1Q03	2Q03	3Q03	4Q03	Δ% 4Q/3Q
				Pro-forma				
Net Provisions for Risks & Charges	308	207	(32.8)	36	100	20	51	155.0
Net Provisions for Loan Losses	2,180	1,222	(43.9)	259	244	241	478	98.3
Equity Investments Write-Downs	282	204	(27.7)	32	7	(12)	177	n.m.
Total Net Provisions	**2,770**	**1,633**	**(41.0)**	**327**	**351**	**249**	**706**	**183.5**

- **FY03 decline in Net Loan Loss Provisions vs FY02 (-44%) due to reduction in write-downs after the 2002 "clean-up"**
- **4Q03 Net Loan Loss Provisions include €288m provisions on Parmalat exposure (coverage 80%)**
- **4Q03 Equity Investments Write-Downs include €152m for BCP stake write-down**
- **FY03 Total Net Provisions include €135m for LatAm**

Note: *2002, 1Q03, 2Q03 and 3Q03 pro-forma figures to reflect 4Q03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

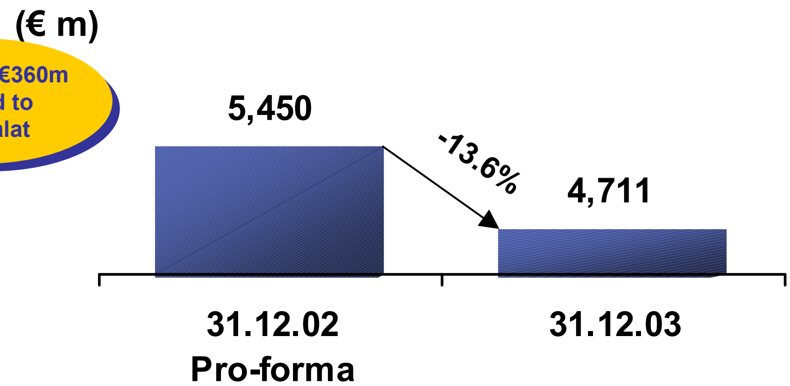
Decrease in NPLs & Substandard Loans

Gross NPLs (Sofferenze)

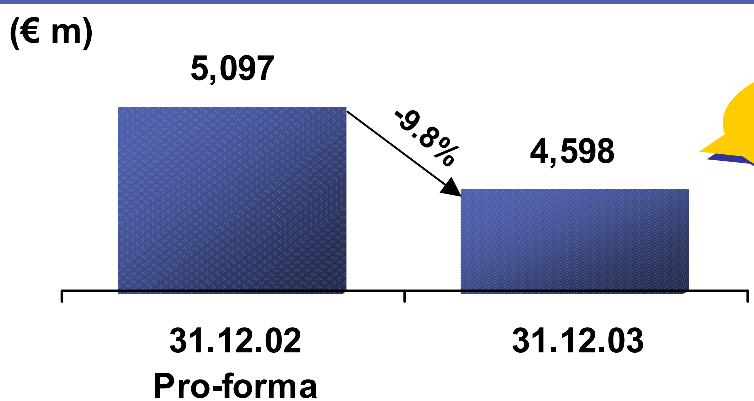


Of which €360m related to Parmalat

Gross Substandard (Incagli)

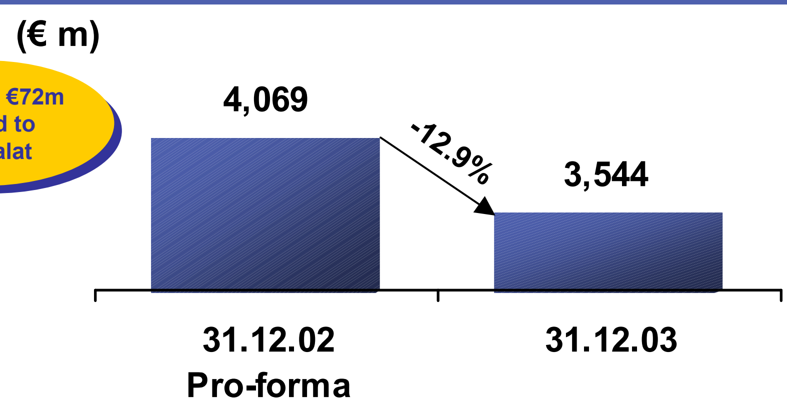


Net NPLs (Sofferenze)



Of which €72m related to Parmalat

Net Substandard (Incagli)



- **Gross NPLs down 7% excluding Parmalat (Net NPLs down 11%)**

Note: *31.12.02 pro-forma figures to reflect 31.12.03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

4Q03 Main Extraordinary Events

Negative Events

(€ m)	4Q03
Parmalat provisions(1)	(288)
Restructuring charges	(277)
BCP stake write-down(1)	(152)
B. Loebbecke disposal	(60)
Reimbursement of Defaulted Corporate Bonds	(50)
Adjustment on Real Estate assets in Germany	(30)
Carinord1 disposal	(25)
TOTAL	**(882)**

Positive Events

(€ m)	4Q03
B. Primavera / B. Generali	134
Treasury shares M to M	126
Set up of "new" IntesaVita	112
Real Estate Spin-off	48
Carinord2 disposal	33
TOTAL	**453**

(1) Booked under Total Net Provisions

EPS Lowered by Extraordinary Charges

Target EPS
€0.21 – 0.25

Foreseeable capital gains + M to M Treasury Shares wholly absorbed by planned restructuring charges and provisions on Parmalat

Actual EPS
€0.18

~€230m further deferrable charges accounted for (BCP + Real Estate Germany + reimbursement DCB)

High Pay-Out

- 4.9 euro cents per share cash to circulating ordinary shares (1.7% cash dividend yield[(1)])
- 6.0 euro cents per share cash to saving shares (2.7% cash dividend yield[(1)])
- 318.5m treasury shares assigned to all our shareholders (2 shares every 41 ordinary/saving shares held)
- Taking into account the carrying value (€3.18 for 2003 and €2.049 for 2002) for each treasury share, the total amount in distribution is
  - ✓ 20.4 euro cents per ordinary share vs 6.6 euro cents in the previous year (6.5% dividend yield[(1)])
  - ✓ 21.5 euro cents per saving share vs 7.9 euro cents in the previous year (9.1% dividend yield[(1)])

Total pay-out of €1,343m vs €434m in the previous year

(1) Based on market price as at 05.03.04 (€2.96 for ordinary shares; €2.26 for saving shares)

Divisional Analysis as of 31.12.03

	Retail[1]	Italian Banks	Product Co's	Foreign Banks	Corporate	Central Functions /Other	Total
Total Income (€ m)	4,719	1,372	751	963	1,711	192	9,708
Operating Margin (€ m)	1,340	591	444	331	1,130	(263)	3,573
Cost/Income (%)	71.6	57.0	40.9	65.6	33.9	n.m.	63.2
RWA (€ bn)	56.2	21.3	24.7	13.5	48.4	18.2	182.3
Allocated Capital[2] (€ bn)	3.7	1.3	1.5	0.8	2.9	1.1	11.3
Pretax ROE[3] (%)	27.2	30.3	19.1	18.5	27.3	n.m.	16.0
EVA® (€ m)	318	83	42	(179)	186	(711)	(261)

Treasury and Finance	52
Central Costs	(244)
Excess Capital	(372)
BCP	(102)
Others	(45)

-€83m excluding Parmalat

- FY03 Pretax ROE 16% vs 0.1% in FY02
- FY03 -€261m EVA® (-€83m excluding Parmalat) vs -€1,176 in FY02

Figures may not add up due to rounding differences

(1) *Includes Individuals (Households, Affluent, Private), SOHO (turnover <€2.5m), SMEs (turnover between €2.5m and €50m), Local Public Administration, Non-Profit Entities and Wealth Management*

(2) *Allocated Capital = 6% RWA*

(3) *Ordinary Income (before Extraordinary Items and Income Taxes) / Allocated Capital*

Divisional Analysis
Retail Division & Wealth Management

(€ m)	FY02	FY03	∆%
Total Income	**4,606**	**4,719**	**2.4**
Operating Costs	**(3,478)**	**(3,379)**	**(2.8)**
Operating Margin	**1,128**	**1,340**	**18.7**
Net Provisions	**(623)**	**(332)**	**(46.7)**
Ordinary Income	**505**	**1,008**	**99.5**
Cost/Income	**75.5%**	**71.6%**	
Pretax ROE (1)	**14.3%**	**27.2%**	
EVA® (€ m)	**49**	**318**	

Note: *Includes Individuals (Households, Affluent, Private), SOHO (turnover <€2.5m), SMEs (turnover between €2.5m and €50m), Local Public Administration, Non-Profit Entities and Wealth Management*
Figures may not add up due to rounding differences
(1) Ordinary Income (before Extraordinary Items and Income Taxes) / Allocated Capital

Divisional Analysis
Italian Banks Division

(€ m)	FY02	FY03	Δ%
Total Income	1,334	1,372	2.9
Operating Costs	(823)	(782)	(5.1)
Operating Margin	511	591	15.8
Net Provisions	(72)	(202)	182.8
Ordinary Income	439	389	(11.5)
Cost/Income	61.7%	57.0%	
Pretax ROE (1)	37.3%	30.3%	
EVA® (€ m)	106	83	

€143m excluding Parmalat

Figures may not add up due to rounding differences
(1) *Ordinary Income (before Extraordinary Items and Income Taxes) / Allocated Capital*

Divisional Analysis
Product Companies

(€ m)	FY02	FY03	Δ%
Total Income	**651**	**751**	**15.3**
Operating Costs	**(315)**	**(307)**	**(2.5)**
Operating Margin	**336**	**444**	**31.9**
Net Provisions	**(155)**	**(161)**	**3.5**
Ordinary Income	**181**	**283**	**56.3**
Cost/Income	**48.4%**	**40.9%**	
Pretax ROE (1)	**12.1%**	**19.1%**	
EVA® (€ m)	**(21)**	**42**	

Includes Tax Collection, Leasing, Factoring, Plastic Cards, Intesa Mediocredito and Banca CIS
Figures may not add up due to rounding differences
(1) *Ordinary Income (before Extraordinary Items and Income Taxes) / Allocated Capital*

Divisional Analysis
Foreign Banks Division

(€ m)	FY02	FY03	Δ%
Total Income	1,047	963	(8.0)
Operating Costs	(716)	(632)	(11.7)
Operating Margin	331	331	(0.1)
Net Provisions [(1)]	(695)	(177)	(74.5)
Ordinary Income	(397)	149	n.m.
Cost/Income	68.4%	65.6%	
Pretax ROE [(2)]	(43.0%)	18.5%	
EVA® (€ m)	(456)	(179)	

Figures may not add up due to rounding differences
(1) *Excluding Goodwill Amortisation*
(2) *Ordinary Income (before Extraordinary Items and Income Taxes) / Allocated Capital*

Eastern Europe Highlights

(€ m)	CIB (Hungary) 31.12.02	CIB (Hungary) 31.12.03	PBZ (Croatia) 31.12.02	PBZ (Croatia) 31.12.03	VUB (Slovakia) 31.12.02	VUB (Slovakia) 31.12.03	TOTAL East Europe 31.12.02	TOTAL East Europe 31.12.03
Total Income	178	195	279	301	211	185	667	681
Operating Costs	(99)	(101)	(148)	(157)	(135)	(125)	(382)	(383)
Operating Margin	79	94	131	144	75	60	285	297
Net Provisions (1)	(18)	(30)	(23)	(24)	(46)	(19)	(87)	(72)
Ordinary Income	61	64	108	120	29	41	198	225
Net Income	44	47	68	69	42	63	154	179
Customer Deposits	2,105	2,186	3,445	3,677	3,668	3,678	9,218	9,541
Customer Loans	2,310	3,232	2,581	3,084	1,122	1,290	6,013	7,606
Total Assets	3,162	4,053	4,702	5,591	4,677	4,642	12,541	14,286

- **CIB Operating Margin: +32% vs FY02 net of forex effect (+19% official)**
- **EVA® of €128m in FY03 (€85m in FY02)**

Figures may not add up due to rounding differences – P&L data: contribution to Intesa consolidated accounts
(1) Excluding goodwill amortisation

Sudameris Highlights

(€ m)	Sudameris Group 31.12.02 Pro-forma	Sudameris Group 31.12.03	Banco Wiese Sudameris - Lima 31.12.02	Banco Wiese Sudameris - Lima 31.12.03
Total Income	104	67	202	151
Operating Costs	(77)	(66)	(204)	(141)
Operating Margin	27	0	(2)	11
Net Provisions (1)	(161)	(105)	(431)	(30)
Ordinary Income	(172)	(104)	(433)	(19)
Net Income	(708)	(203)	(517)	(39)
Customer Deposits	1,476	837	2,128	1,751
Customer Loans	1,190	374	1,468	1,205
Total Assets	3,733	1,865	3,187	2,300

- **EVA® of -€233m in FY03 (-€538m in FY02) Banco Wiese Sudameris included**

Note: *Sudameris Group does not include Banco Wiese Sudameris -Lima which is held by Banca Intesa S.p.A.*
Figures may not add up due to rounding differences – P&L data: contribution to Intesa consolidated accounts
(1) Excluding goodwill amortisation

Divisional Analysis
Corporate Division

(€ m)	FY02	FY03	Δ%
Total Income	1,380	1,711	24.0
Operating Costs	(599)	(581)	(3.1)
Operating Margin	781	1,130	44.7
Net Provisions	(864)	(339)	(60.8)
Ordinary Income	(83)	791	n.m.
Cost/Income	43.4%	33.9%	
Pretax ROE [1]	(2.1%)	27.3%	
EVA® (€ m)	(442)	186	

Figures may not add up due to rounding differences
(1) *Ordinary Income (before Extraordinary Items and Income Taxes) / Allocated Capital*

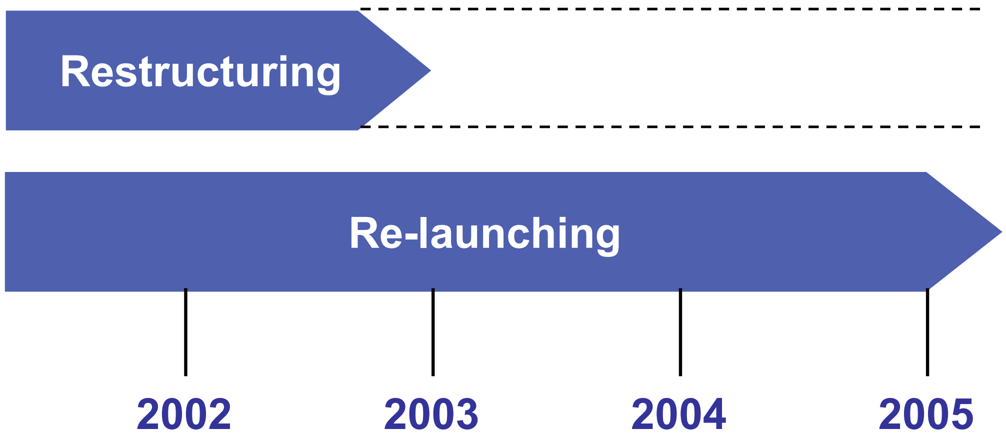
Agenda

1. 4Q and FY03 Results

2. 2003-2005 Business Plan: Main Achievements

3. Central-Eastern Europe Strategy and Possible Acquisition in Turkey

2003-2005 Business Plan
Restructuring and Re-launching



Overall Objective

€3bn increase in ordinary results by 2005 in respect to 2001 from

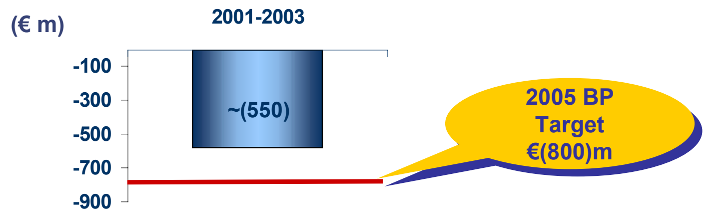
- ✓ **€1.5bn in income growth**
- ✓ **€1.5bn in cost reduction and lower provisions**

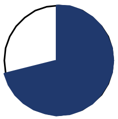
Restructuring

Business Plan Priorities	As of Today	Status vs 2005 BP Target

Operating Costs Reduction

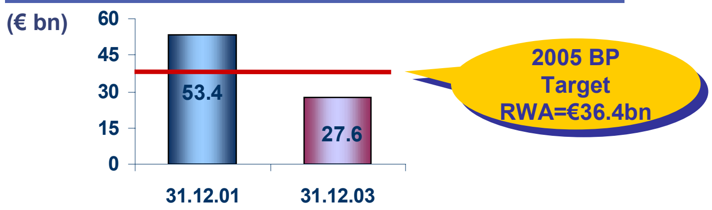
- **Reduce Operating Costs by €800m**

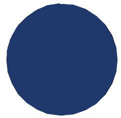




Large Corporate - RWA

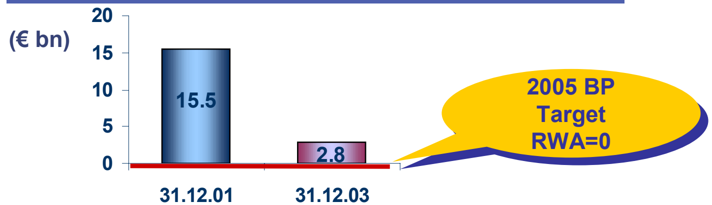
- **Reduce Risk Profile**

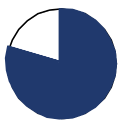




Sudameris Group - RWA

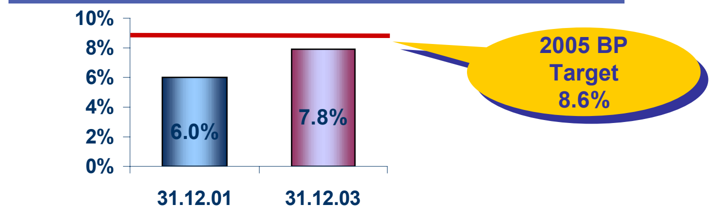
- **Disengage from Latin America**

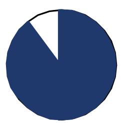




Tier1 Ratio

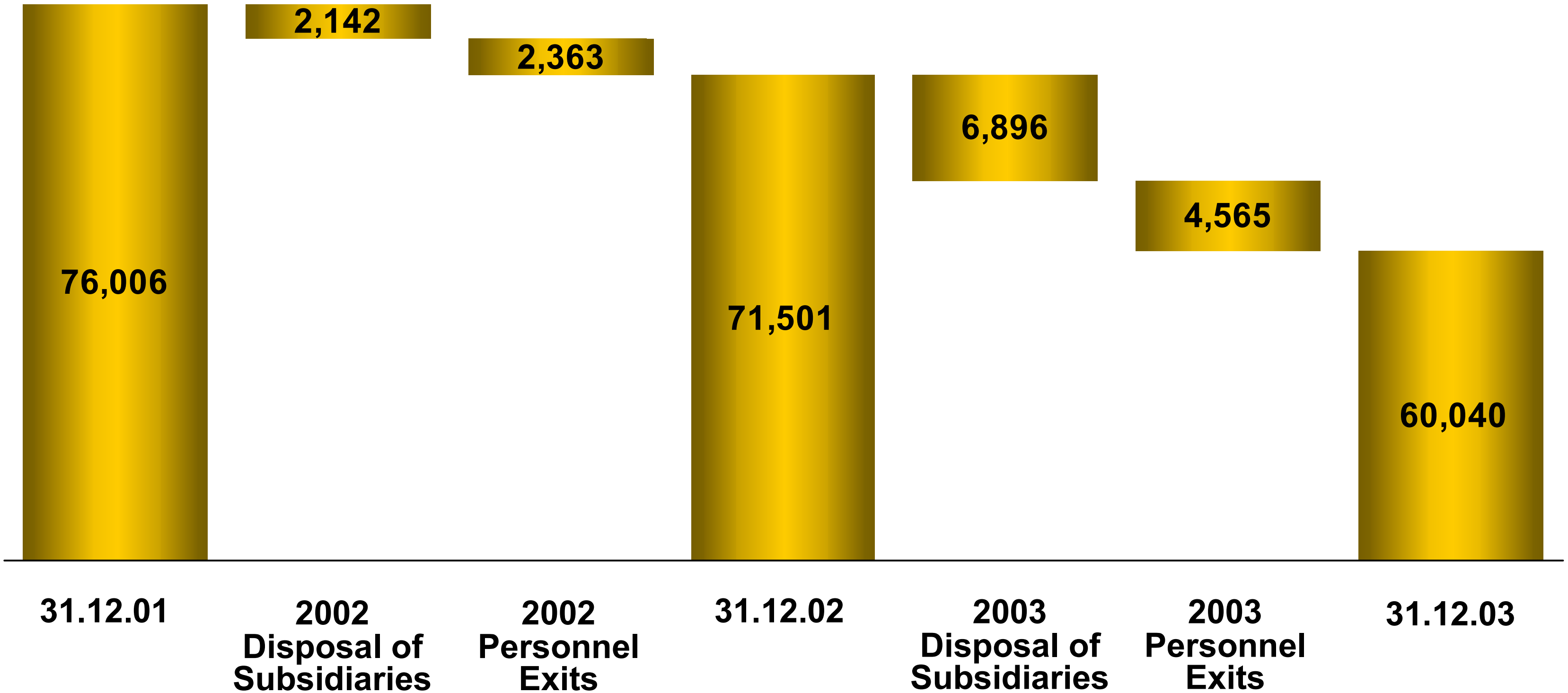
- **Strengthen Capital Base**





Agreement with Trade Unions
Structural Cost Reduction of €500m

Consolidated Personnel Number



- **Further reduction of ~3,000 in 2004/2005**

Steady Improvement in Asset Quality

	Ratios			
	2001	2002	2003	2005
Net Loan Provisions/Op. Margin	76%	77%	34%	18%
Net Loan Provisions/Loans	1.3%	1.4%	0.8%	0.6%
Net NPLs(1)/Loans	3.0%	3.2%	3.0%	2.0%
NPL(1) Coverage	59%	62%	65%	67%

- Loan Net Provisions/Operating Margin down to 34% (26% excluding Parmalat)
- NPL Coverage up to 65%
- €1.1bn total "generic" provisions as at 31.12.03

(1) Sofferenze

Reduction in Large Corporate Loans (RWA)

(€ bn)	31.12.01	31.12.02	31.12.03
Large Italian Corporate RWA	19.7	15.3	15.9
Large Foreign Corporate RWA	33.7	23.2	11.7
Total Large Corporate RWA	**53.4**	**38.5**	**27.6**
RWA Change in the period		(14.9)	(10.9)
RWA Cumulated Change vs 31.12.01		(14.9)	(25.8)
ALLOCATED CAPITAL(1)	**3.2**	**2.3**	**1.7**

(1) *6% of RWA*

Increase in Capital Allocated to Retail

- Reduce Operating Costs
- Reduce Risk Profile
- Disengage from Latin America
- Strengthen Capital Base

Retail

	Risk Weighted Assets(1)			
	2001	2002	2003	2005
Retail	29%	30%	35%	37%
Italian Banks	10%	11%	13%	12%
Product Companies	11%	14%	16%	17%
Central Eastern Europe Banks	3%	4%	5%	5%
(Retail total)	53%	59%	69%	71%
Other Foreign Banks	10%	7%	3%	0%
Large & Mid Foreign Co's	17%	14%	7%	6%
Large Italian Co's	10%	9%	10%	9%
Mid Italian Co's	7%	7%	7%	9%
Govt. & Fin. Inst's	2%	2%	2%	3%
Others (2)	1%	2%	2%	2%
Total	100%	100%	100%	100%

(1) *Excluding Central Functions and Market Risk - 2005 excluding Banco di Chiavari and IntesaBci Bank Suisse*
(2) *Merchant Banking, Private Equity and Capital Markets*

Disengagement from Latin America
Sudameris Group

Argentina	➢ **Finalised the merger between Sudameris Argentina and Banco Patagonia (with Gruppo Intesa retaining a 19.95% minority stake)**
Brazil	➢ **Finalised the sale of Sudameris Brasil to Banco ABN AMRO Real**
Chile	➢ **Finalised the sale of Sudameris Chilean operations to Banco del Desarrollo**
Colombia	➢ **Finalised the sale of Sudameris Colombia to Gilex Holding B.V.**
Uruguay	➢ **Disposal of Banque Sudameris S.A.'s operations in Uruguay under way**
Others(1)	➢ **Sales in the pipeline**

(1) *Paraguay, Panama, Cayman Islands, Miami*

Further Strengthening of Capital Base

	Ratios			
	2001	2002	2003	2005
Core Tier 1	5.3%	5.9%	6.9%	7.7%
Tier 1	6.0%	6.8%	7.8%	8.6%
Total Capital	9.3%	11.1%	11.7%	11.0%

- **2003 Targets reached without selling the Treasury Shares (forecasted benefit 50b.p.)**

- All the 100 projects provided for in our Business Plan are being actively implemented as scheduled
- The most crucial project – a prerequisite for many of the others – was completed by October 2003. All Intesa branches are now working on the same IT platform (Target)
- Retail Division: still a great potential to exploit

Retail Division
Still a Great Potential to Exploit

Bancassurance	➢ Setting up of IntesaVita in December (in partnership with Generali), a leading player in the bancassurance sector ➢ Only 9% of households and 30% of affluent customers have a bancassurance product
Consumer Credit	➢ Only 40,000 clients have a revolving card (less than 1%) ➢ 6% market share[(1)] to align with our potential (only 4,5% of households have a consumer credit product)
Corporate Derivatives	➢ 40 product specialists fully in action only since 4Q03 ➢ So far sold to less than 5% of our relevant customer base
Mortgages	➢ Market leadership in residential mortgages (14% market share at Group level) ➢ Only 9% of households have a mortgage loan
Mutual Funds	➢ Only 12% of Households and 30% of Affluent customers have a mutual fund ➢ 76% of mutual funds invested in bond and monetary funds (vs 67% market average)

- **Cross-selling to current customers**
  - ✓ 1.6 million customers hold 1 product
  - ✓ 1 million customers hold 2 products
  - ✓ 0.8 million customers hold 3 products

- **Wide scope for up-selling**
  - ✓ €50bn invested in Government Bonds / Plain Vanilla

(1) Excluding Agos Itafinco

Retail Division
New Households Products Launched in 4Q03

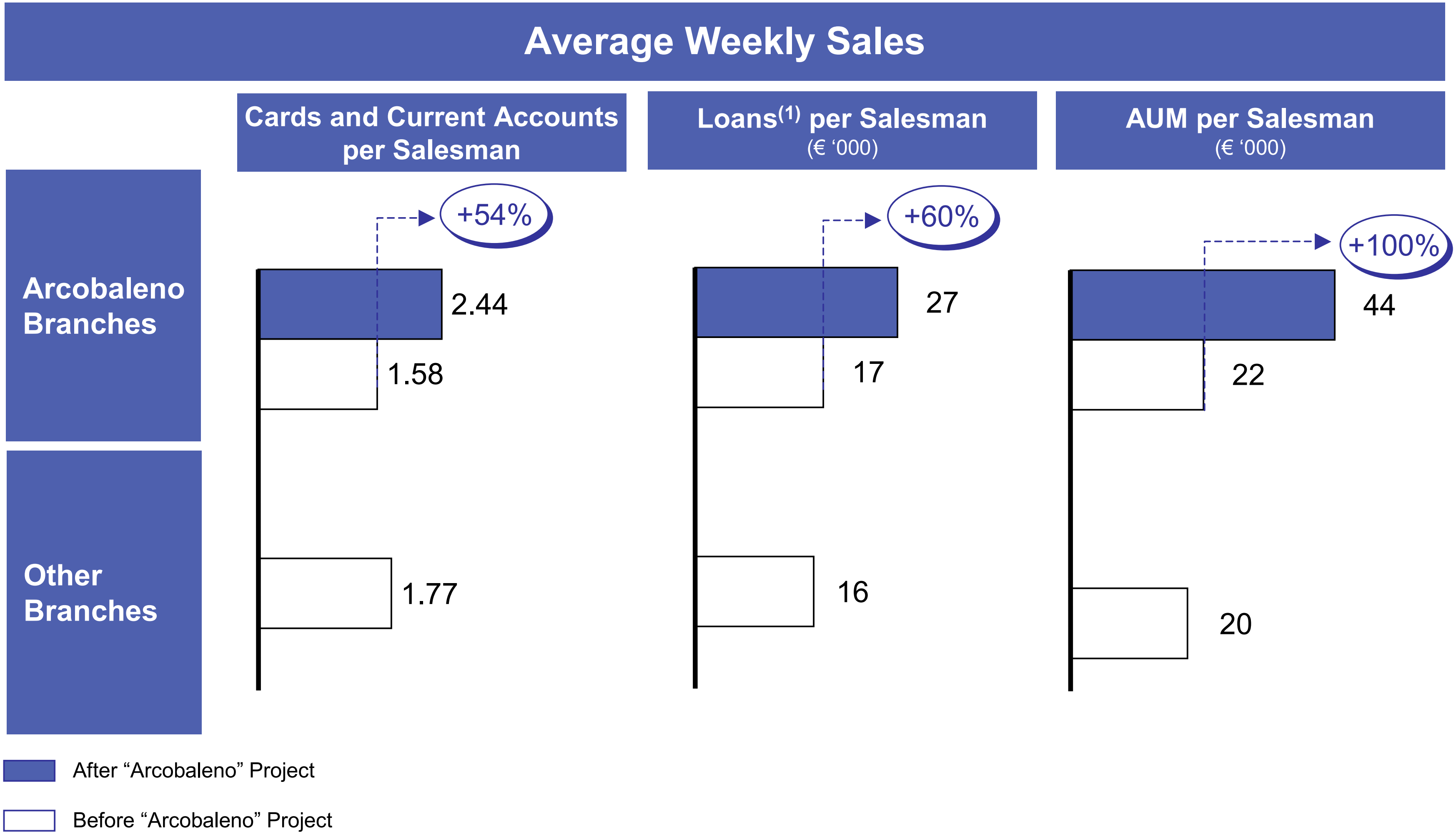
Products	Description	Date of Launch	Achievements as of February 2004
Conto Intesa	New current account with decreasing fees in relations to cross selling	Test Phase	➢ 40,000 Conto Intesa have been opened since January (50% are new current accounts). 2,000 accounts sold a day. Advertisement campaign to be launched in Spring
	The only online bank debit card in the market	Beginning of November 2003	➢ 160,000 cards sold up to now with an increasing daily average of placement (currently 2,000 cards sold a day). 100,000 cards since January 2004
 PRESTINTESA	New personal loan available within 48 hours. Max. amount: 30,000 euro	October 2003	➢ Number of contracts sharply increasing after last December advertising campaign. Currently over 400 every day. New total personal loans amount to about €170m (+80% YoY)
Intesa Bouquet 	New mass market mutual fund with the market lowest entrance amount; 4 risk profiles with a “total return” approach	Mid December 2003	➢ Total subscriptions €1.4bn(1) since January 2004
Mutuo Protetto	New “Capped” variable rate mortgage	November 2003	➢ New total mortgages since January 2004 €1,2bn (+17% YoY)

(1) As of 3rd March

Retail Division
New Affluent Products Launched in 2H03

Products	Description	Date of Launch	Achievements as of February 2004
Servizio di Gestione Patrimoniale IntesaDialogo	New segregated managed account with total return lines and multimanager style	January 2004	➢ Over €160m of subscriptions since January 2004
INTESAPROTEZIONE ATTIVA 	Unit linked with dynamic protection	November 2003	➢ Over €120m sold since start
OBBLIGAZIONI STRUTTURATE SCHERMO TOTALE ITALIA	Inflation linked bond issued by Banca Intesa	July 2003	➢ €4bn subscribed in 2003. €1.1bn in 2004
	Redeemable equity linked bond issued by Banca Intesa	September 2003	➢ €1.5bn subscribed in 2003. €0.3bn in 2004

"Arcobaleno" Sales Training Project is Delivering Exceptional Results



(1) Consumer Credit + Mortgages

Retail Division
Further Steps

- Very positive piloting of new branch lay-out. 140 branches with new layout by 2004

- New offer for SOHO and Affluent to be started by 1Q04
- New product/service offer for Private and SMEs to be announced by 1Q04
- Product advertising campaigns to be launched next spring
- Training. Massive training program continues (over 800,000 man/days planned in the period 2003-2005, of which 255,000 delivered in 2003)

Agenda

1. 4Q and FY 2003 Results

2. 2003-2005 Business Plan: Main Achievements

3. Central-Eastern Europe Strategy and Possible Acquisition in Turkey

Starting Negotiations for Control of Garanti Bank

- The 2003-2005 Business Plan aiming at strengthening Gruppo Intesa includes the Group’s presence both on Central-Eastern European and Mediterranean areas

- In this framework the Board of Director authorized today the negotiations with Dogus Holding on an exclusivity basis for acquiring control of Garanti Bank in Turkey

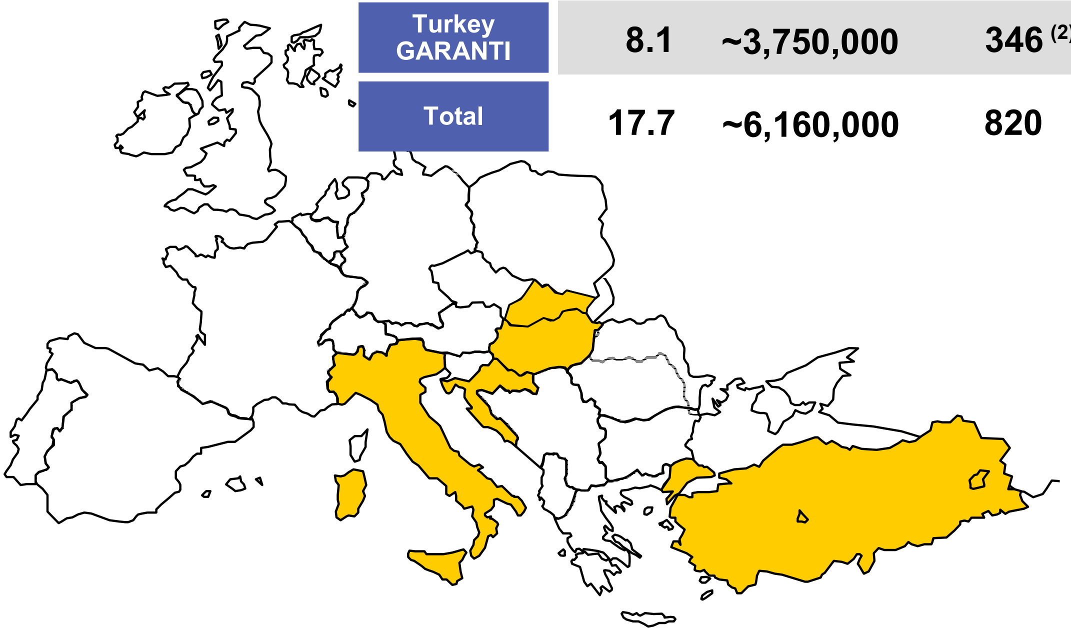
Offer for Garanti
Rationale Behind the Transaction

- **Through the acquisition of Garanti, Banca Intesa would reinforce its mid/long-term growth and value creation perspectives, in coherence with the strategic plan and without significantly increasing its current risk profile**
  - ✓ **Entrance into a large and growing country of a strategic region for Banca Intesa**
  - ✓ **Acquisition of a local market leader**
  - ✓ **Risk Weighted Assets of Garanti will be only ~3% of combined entities'**
- **Turkey is one of the largest and most attractive emerging markets with high growth potential, an ongoing stabilization process, the perspective of joining the EU and a strategic fit with Banca Intesa's current strategy (increase of presence in Greater Europe)**
- **The Turkish banking system is still under-penetrated, with significant growth potential and short-term entry opportunities for a foreign bank**
- **Garanti is recognized as one of the most attractive banks in Turkey, thanks to its leading market position, its core banking skills/infrastructures and its potential to exploit future market growth**
- **Banca Intesa can increase Garanti's value creation potential through advanced products capabilities, decrease in cost of funding, growing local trust leading to increase in deposits market share, assets portfolio rationalization and increased effectiveness of credit processes**

Turkey will be an Important Evolution of Banca Intesa's Presence in Greater Europe

	Deposits (€ bn)	Customers	Branches	Market Share[1]	Ranking[1]
Croatia PBZ	3.7	~950,000	200	21.4%	2nd
Hungary CIB	2.2	~260,000	45	8.4%	3rd
Slovakia VUB	3.7	~1,200,000	229	22.4%	2nd
Turkey GARANTI	8.1	~3,750,000	346 [2]	9.2%	4th
Total	17.7	~6,160,000	820	-	-

- Strategic position at crossroads between Europe, Middle-East, and Central Asia
- In proximity to Italy and other Intesa assets



Source: Banca Intesa, Garanti, Banks Association of Turkey, VUB, CIB, PBZ, National Central Banks
Data as of December 2003
(1) According to deposits
(2) Branches in Turkey

Garanti has a Strong Market Position in the Most Attractive Segments

Garanti

	Retail banking	Corporate banking	Credit card and payment systems	Insurance	Asset Management	Securities/ Investment Banking	Leasing and Factoring	Treasury
Key Figures	3.7m customers 269 branches	~43,000 customers 29 dedicated branches	~3.1m cards	US$105m total premiums (2003 estimate)	US$1.9bn AuM (Mar03)	US$3.2m commissions from equities transactions (No. 5) ~350,000 custody accounts No.5 in M&A	US$180m outstanding in leasing US$50m outstanding in factoring	US$6.7bn securities (Mar03)
Market Share	~15% Small Business customers ~9% Deposits	~12% Corporate Loans	~20% Issuing volumes ~17% Acquiring volumes ~15% Credit cards	~20% Bancassurance ~3% Overall	~12% AuM	~21% Dealing volumes(1) ~8% Custody accounts	~14% Leasing ~5% Factoring	~9% T-bill transactions

- **Segment dedicated service models and advanced Technology Infrastructure**
- **Significant presence in Istanbul area (51% of branches) and intensive usage of Internet**

Source: Garanti presentations, Banks Association of Turkey
(1) Based on volume of IPOs value realized on the ISE since 1990

Good Financial Performance …

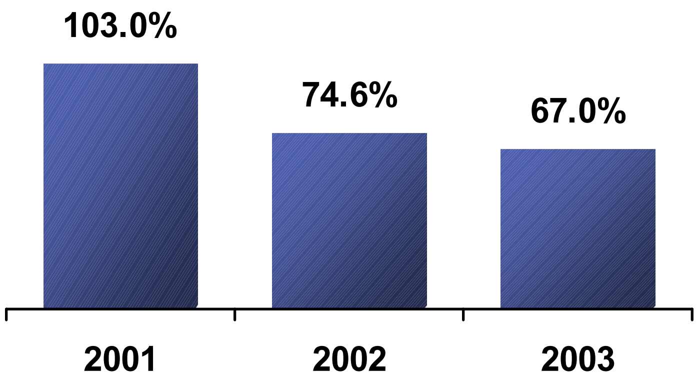
(US$ m[1])	Profit & Loss 31.12.02	31.12.03	Δ%
NIM, Trading and FX income	**535**	**552**	**3%**
Net fees and commissions	228	258	13%
Other income	54	83	54%
Gross operating income	**817**	**893**	**9%**
Operating expenses	(594)	(621)	5%
Provisions	(138)	(92)	(33)%
Net operating income	**85**	**180**	**111%**
Profit/losses from subsidiaries	46	17	(63)%
Monetary position gain/loss	(21)	34	n.m.
Taxes	(9)	(15)	57%
Net profit/loss	**101**	**216**	**115%**

(US$ m[2])	Balance Sheet 31.12.02	31.12.03	Δ%
Total Assets	11,931	16,071	35%
Shareholders' Equity	1,024	1,759	72%

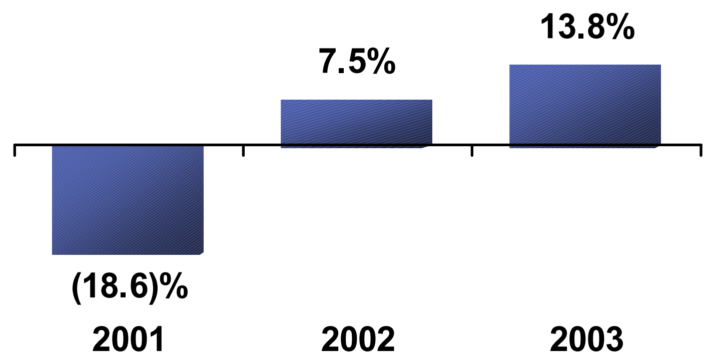
Source: Garanti Bank - BRSA
(1) Restated in equivalent purchasing power as of December 2003
(2) Foreign currency at Central Bank rate (31.12.2002 1 US$ = 1,639,745 TL – 31.12.2003 1 US$ = 1,393,278 TL)

. . . And Continued Operational Improvement Following Crisis of 2001

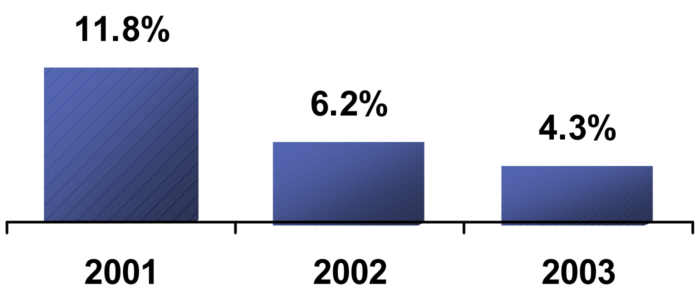
Cost/Income(1)



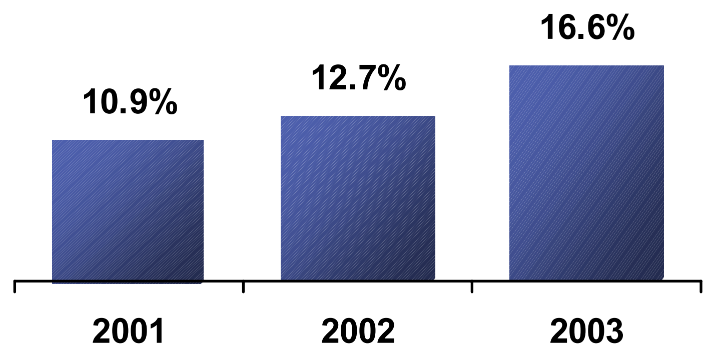
RoAE



NPL ratio



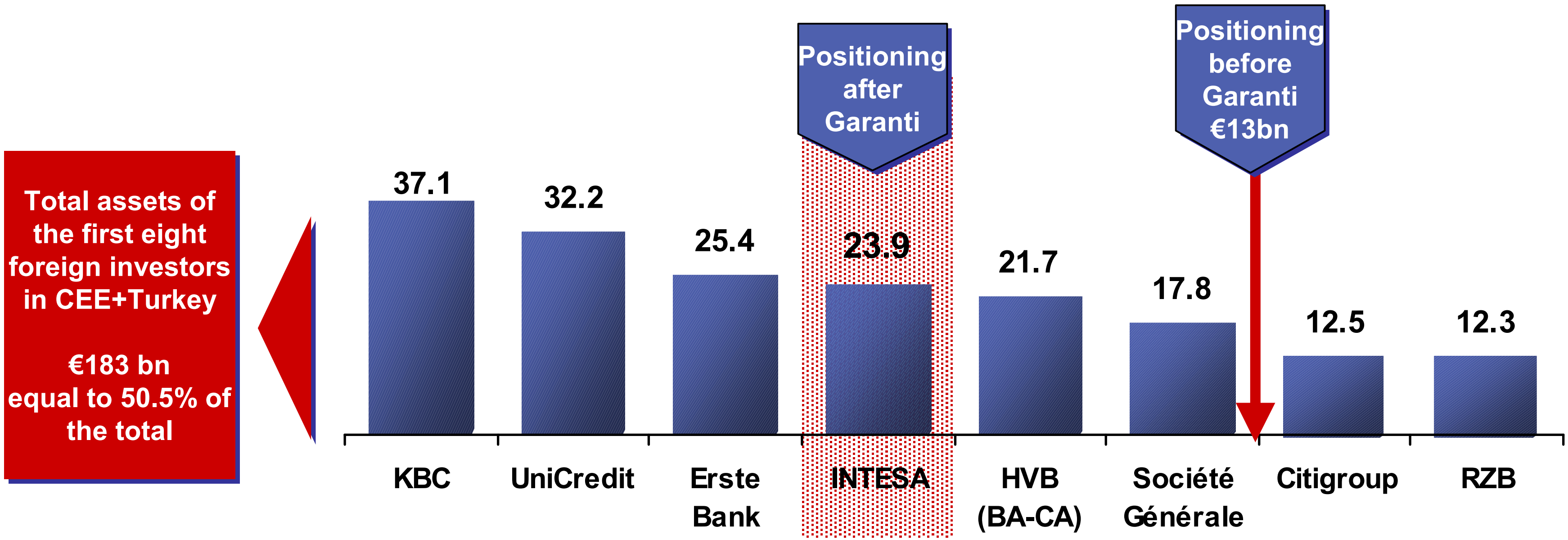
Capital Adequacy Ratio(2)



Source: Garanti BRSA-TGAAP results
(1) Operating Expenses (excluding Provisions) / (Gross Operating Income + Monetary Gain/loss)
(2) Regulatory Capital / Risk Weighted Assets

Ranking of Main Competitors in Central-Eastern Europe + Turkey Based on Total Assets of Controlled Banks

(€ bn)

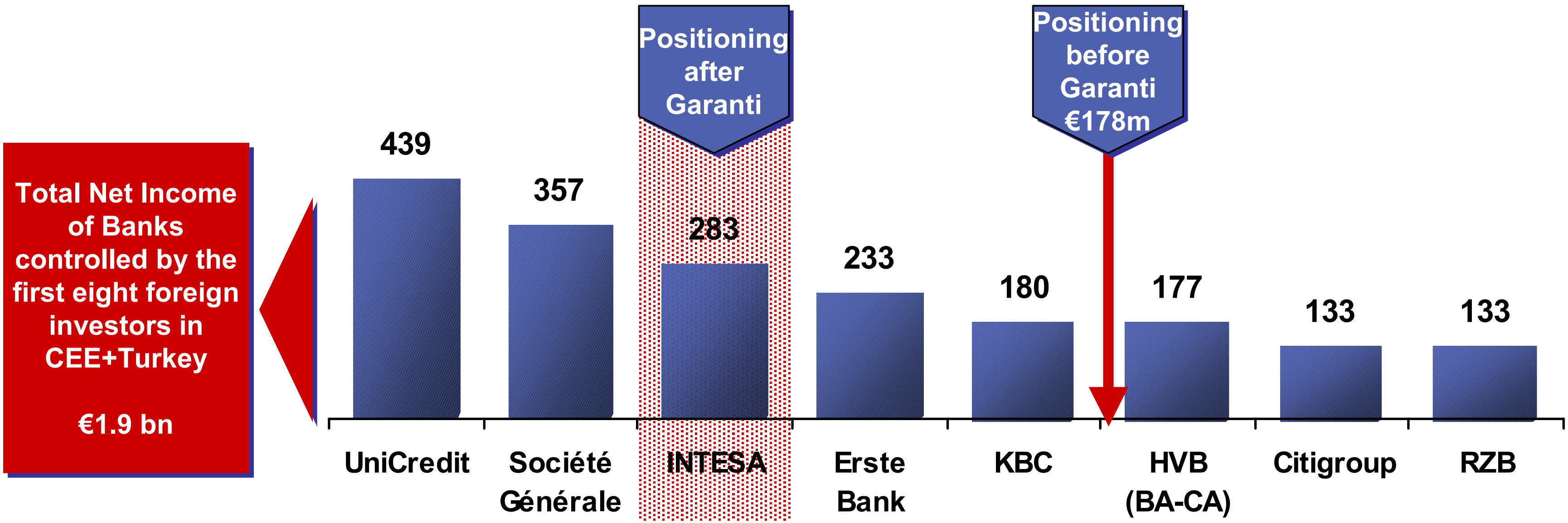


	KBC	UniCredit	Erste Bank	INTESA	HVB (BA-CA)	Société Générale	Citigroup	RZB
% CEE Assets+Turkey controlled by each bank	10.2%	8.9%	7.0%	6.6%	6.0%	4.9%	3.4%	3.4%
% CEE Assets+Turkey of each bank to its own total assets	17.0%	15.1%	20.9%	8.5%	3.1%	3.6%	1.2%	26.5%

Data as of December 2002

Ranking of Main Competitors in Central-Eastern Europe + Turkey Based on Net Income of Controlled Banks

(€ m)



Data as of December 2002

Appendix

Stable Assets under Management

Sudameris Colombia&Brasil, Loebbecke, Carinord1&2 excluded

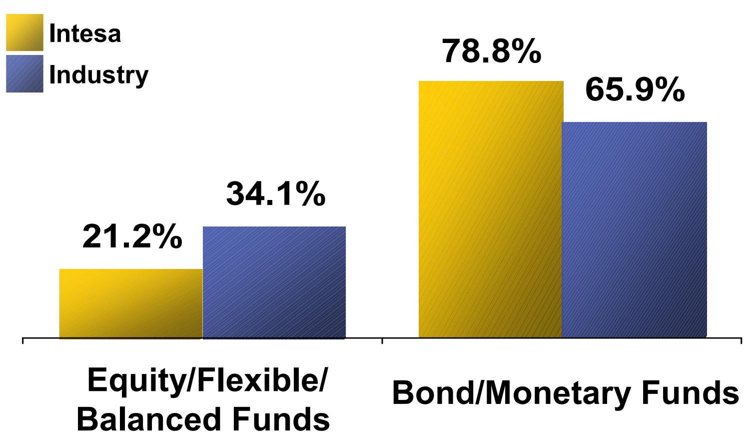
(€ m)	31.12.02 Pro-forma	31.12.03	Δ%
Total Assets	**273,674**	**260,215**	**(4.9)**
Customer Loans	**164,378**	**154,992**	**(5.7)**
Net Interbank Funds	**12,944**	**3,183**	**(75.4)**
Direct Customer Deposits	**176,644**	**172,381**	**(2.4)**
Indirect Customer Funds	**293,071**	**286,576**	**(2.2)**
of which Assets under Management	***120,617***	***120,518***	***(0.1)***
Total Customer Administered Funds	**469,715**	**458,957**	**(2.3)**
Shareholders' Equity (1)	**13,951**	**15,093**	**8.2**

Note: *31.12.02 pro-forma figures to reflect 31.12.03 consolidation area (excluding IntesaBci Bank Suisse, Bankhaus Loebbecke, Sudameris Colombia, Sudameris Brasil, Carinord1 and Carinord2)*

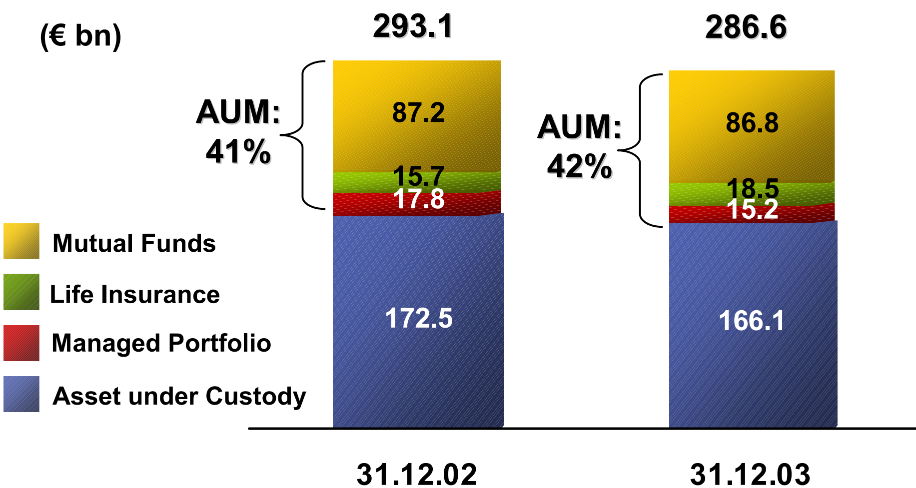
(1) Including Net Income for the period

Wealth Management

Mutual Funds Asset Mix[1]

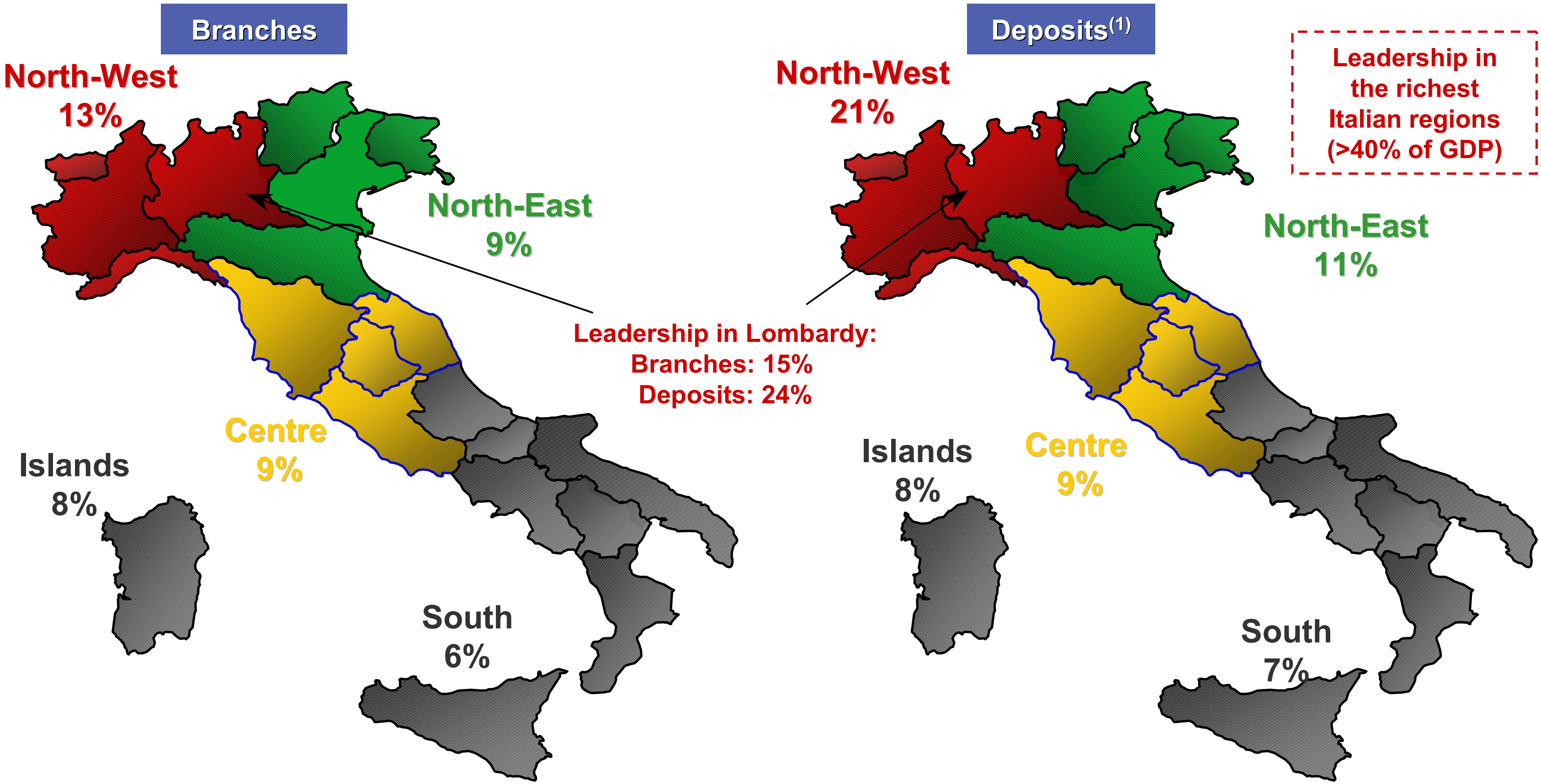


Indirect Funds Composition



(1) *As of 31.12.03*

Strong Presence in the Richest Italian Regions



	Branches	Deposits(1)
Market Share	9.9%	13.1%

Data as of September 2003
(1) *Excluding bonds and repos*

Reduction in Credit Derivatives Exposure

(€ bn)	30.06.02	31.12.02	31.12.03	31.12.03 vs 30.06.02	31.12.03 vs 31.12.02
Protection Sold	**44.6**	**38.8**	**35.4**	**(20.6)%**	**(8.8)%**
- Fully Hedged	27.6	28.1	26.0	(5.7)%	(7.4)%
- Super Senior Partially Hedged	5.3	5.1	4.8	(9.4)%	(5.9)%
- Super Senior Open Positions	3.6	1.8	2.1	(41.7)%	16.7%
- Other Open Positions, Trading Book	1.1	0.8	1.2	6.4%	46.3%
- Other Open Positions, Banking Book	7.0	3.0	1.3	(81.4)%	(56.7)%
Protection Bought	**36.4**	**37.7**	**34.2**	**(6.0)%**	**(9.3)%**

Open Positions

	Investment Grade
Super Senior ("AAAA")	100%
Other (Avg. Rating A2 / A)	91%

Value at Risk[1] / Stress Test

(€m)	30.06.02	31.12.02	31.12.03
VAR	19	22	10
Stress Test	42	34	14

(1) *Confidence level: 99%*

Italian Banks
Cariparma, a Benchmark in Retail Banking

(€ m)	2002	2003	Δ%
Total Income	629	652	3.7
Operating Costs	(334)	(331)	(0.9)
Operating Margin	295	321	8.8
Net Provisions	(30)	(134)	346.7
Ordinary Income	265	187	(29.4)
Net Income	138	108	(22.0)
Customer Deposits	10,465	11,021	5.3
Customer Loans	8,829	9,842	11.5
Total Assets	14,285	14,214	(0.5)

Including €98m for Parmalat

- **Cost/Income at 50.8% and ROE at 15%**
- **AUM: +9.8% vs 31.12.02**
- **€43m of EVA in 2003 (vs €71m in 2002), €104m net of Parmalat Loan Loss Provisions**

Figures may not add up due to rounding differences

Our Retail Division is Already a Major Player in Italy

- **The Retail Division is responsible for providing services to Individuals[(1)], SOHO[(2)], SMEs[(3)], Local Public Administration and Non-Profit entities. The Wealth Management Companies are part of the Retail Division**

Market Shares	Retail Division	Total Group
Consumer Credit[(4)]	6%	7%
Branches	7%	10%
Loans	9%	13%
Deposits	10%	14%
Bancassurance	10%	13%
Plastic Cards	10%	12%
Mortgages[(5)]	11%	14%
Mutual Funds	11%	17%

(1) *Households, Affluent, Private*
(2) *Turnover <€2.5m*
(3) *Turnover between €2.5m and €50m*
(4) *Excluding Agos Itafinco*
(5) *To Individuals and SOHO*

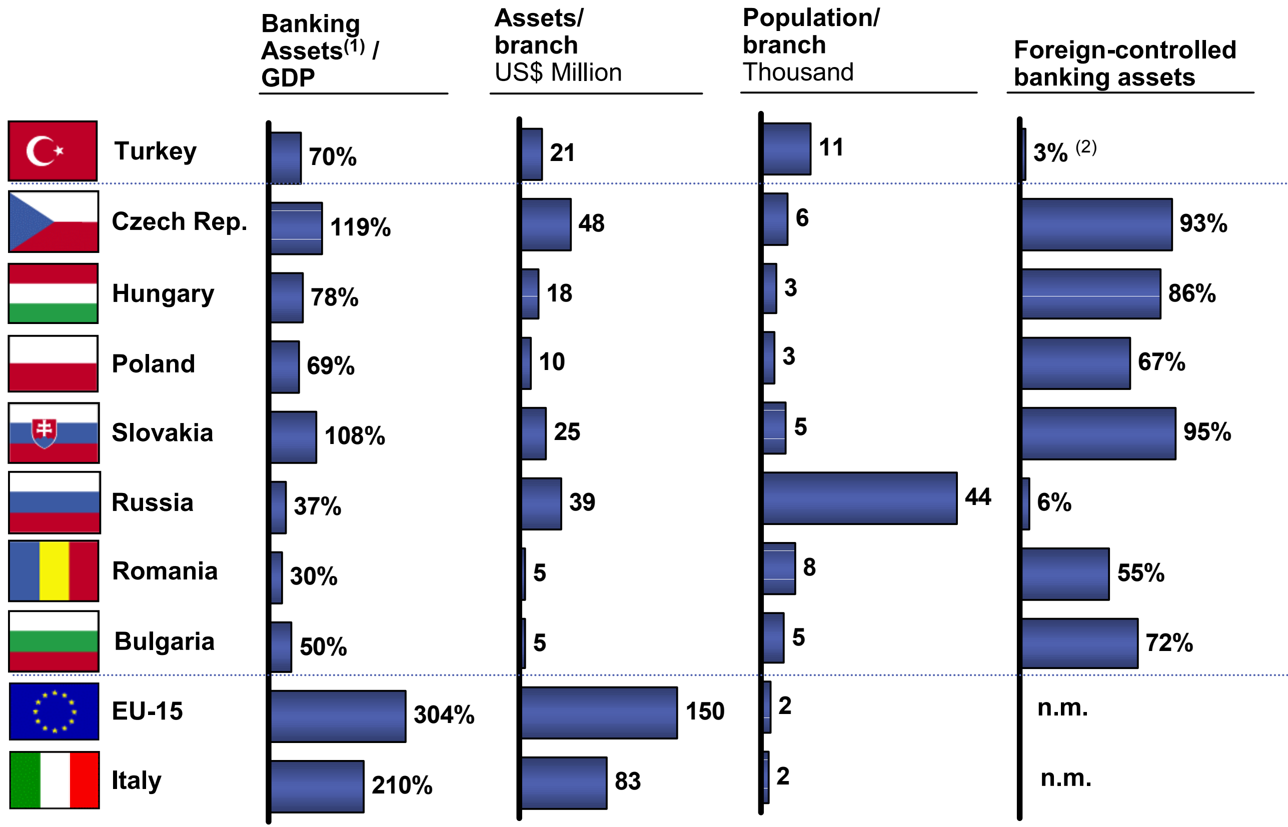
Turkey is a Sizeable Market with Dynamic Business Environment and High Growth Potential

	GDP/capita US$	Population Million	GDP US$ Billion	Manufacturing and trade / GDP	Export of goods/ GDP	Labor cost/ hour US$
Turkey	2,742	67	184	34%	22%	1.4
Czech Rep.	6,810	10	70	48%	55%	2.7
Hungary	6,530	10	66	35 %	53%	3.0
Poland	4,940	38	189	41%	17%	2.9
Slovakia	4,410	5	24	38%	61%	1.7
Russia	2,380	145	347	41%	31%	0.8
Romania	2,110	22	46	51%	30%	0.6
Bulgaria	1,990	8	16	24%	36%	0.7
EU-15	22,770	380	8,659	29%	-	-
Italy	20,484	58	1,189	31%	21%	14.9

- **Turkey**
  - **Large country**
  - **Dynamic business environment**
  - **High potential from growth in wealth**
  - **Potential joiner of the EU**

Source: Economist Intelligence Unit, Global Insight, State Planning Organization, National Central Banks, IMD World Competitiveness Yearbook, Press clippings
2002 Data

The Turkish Banking Market Presents a Significant Growth Opportunity



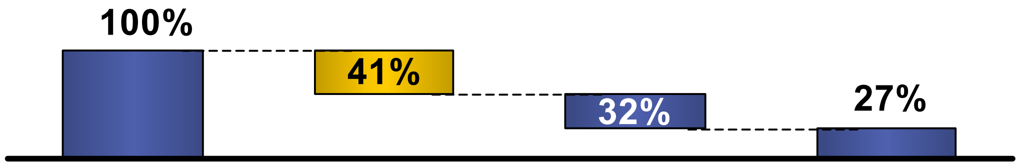
- Forecast growth of Turkey banking assets 2002/2013: Cagr +7/10%

Source: Economist Intelligence Unit, European Banking Federation, National Central Banks, banks financial statements
2002 Data
(1)Year-end data
(2) 6.5% including Kocbank, owned at 50% by Unicredito Italiano

Banca Intesa

Private Banks are in the Pole Position to Capture Market Growth

Total Assets



	Total banking sector	Top 4 private banks	State banks	Other banks
Number of banks	54	4	3	47
Total Assets (US$ bn)	130	53	41	36
Loans	100%	47%	17%	36%
Deposits	100%	42%	34%	24%
Credit cards[(1)]	100%	56%	15%	29%
Branches in Istanbul / Group Branches	29%	33%	13%	42%
Target market		➢ Focus on ➢ Upper mass ➢ Affluent ➢ All corporate market	➢ Focus on ➢ Mass ➢ "Rural middle" ➢ State employees ➢ State enterprises	➢All segments

- Significant share of total banking assets
- Disproportionate share of loans, deposits and credit cards
- Presence significantly weighted towards most attractive geographic market (Istanbul) and segments
- Increasing total assets market share (+ 13 pp 00-02)

Source: Bank Association of Turkey, BRSA, Interbank card center, Payment cards in Europe 2004
2002 Data
(1) Visa and Mastercard Card Portfolio, December 2002

Turkey: Measures Taken Since 2001 have Significantly Increased Systemic Stability

	2001 Crisis	Mitigating factors today
Loose Government Spending	➢ Uncontrolled government spending (400% deficit expansion in 10 years) ➢ Rise in debt ➢ Increase in interest payments	➢ IMF prescribed reforms (primary surplus 6–6.5% of GDP 2003) ➢ Stable Debt/GDP ➢ Inflation at lowest level for 20 years
Political Instability	➢ Series of short-lived coalition governments	➢ Stable majority government with 3 year mandate, committed to IMF prescribed reforms
Scarce Controls over Banks	➢ Limited oversight of banking system ✓ Large levels of exposures to T-Bills ✓ Large interest-rate and FX open positions ✓ Large intergroup loans	➢ Independent central bank ➢ Independent bank regulator ✓ More disclosure ✓ More monitoring ✓ More transparent accounting
Fixed Exchange Rate	➢ Crawling pegged exchange rate ➢ Over-valued currency	➢ Floating exchange rate