Banca Intesa

2005 Results

March 6th, 2006

Foreword

- **2005 data are preliminary results and IAS/IFRS compliant. The Financial Statements, that will be approved by the Board of Directors on March 28th, 2006 and submitted to the auditing firm, will be available for shareholders and the market within March 31st, 2006**
- **Gruppo Intesa chose not to use the option to revaluate fixed assets at fair value in IAS/IFRS First-Time Adoption to minimise volatility of earnings and Shareholders' Equity**
- **For comparison purposes, 2004 data have been restated under all IAS/IFRS standards, including the estimated effects of the application of IAS 39**
- **In 2005 and 2004 data, the economic effects connected with discontinued operations (doubtful loan[(1)] sale) have been accounted for in its specific caption. Estimates have been utilised, when necessary, to restate 2004 data for comparison purposes**
- **For comparison purposes, 9M05 and 2004 P/L data have also been restated by consolidating line by line the companies included in the full consolidation area starting from 4Q05 (Banca Intesa Beograd, CR Fano and KMB Bank) and recognising Net Income of the above mentioned companies in the Minority Interests caption**

(1) *Doubtful loans = Sofferenze*

2003-2005 Business Plan: Delivery on Commitments in a Tougher Macroeconomic Scenario than We Expected in 2002

Priorities	Status
Reduce risk profile	☑
Improve asset quality	☑
Strengthen capital base	☑
Enhance profitability and Shareholders' value	☑
Implement platforms for sustainable growth	☑

2005 EPS: 44 euro cents (37 euro cents adjusted[(1)])
exceeding the 2003-2005 Business Plan target (32-35 euro cents)

(1) *Adjusted excluding capital gains on Nextra and IGC sale transactions, non-recurring charges for the stock granting programme and non-recurring provisions for Risks and Charges*

Delivery on Commitments

Well on Track to Make Banca Intesa one of the Best European Banks

Pre IAS 2002	Pre IAS 2004		IAS 2004[1]	IAS 2005	IAS 2007
0.04	0.28	EPS (€)	0.27	0.44 0.37[2]	0.43[3]
2%	13%	ROE	15%	18.5%[2]	20%
0.3	1.9	Net Income (€ bn)	1.8	3.0 2.5[2]	3.0
0.1	0.7	Dividends (€ bn)	0.7	1.5	>2.0
5.9%	7.6%	Core Tier 1	6.7%	7.1%	7.2%
69%	60%	Cost/Income	59%	54.4%[4]	50%

(1) *Not restated to reflect 2005 consolidation area*

(2) *Adjusted excluding capital gains on Nextra and IGC sale transactions, non-recurring charges for the stock granting programme and non-recurring provisions for Risks and Charges*

(3) *Based on a total number of ordinary and saving shares amounting to 6,948 million*

(4) *Adjusted excluding non-recurring charges for the stock granting programme*

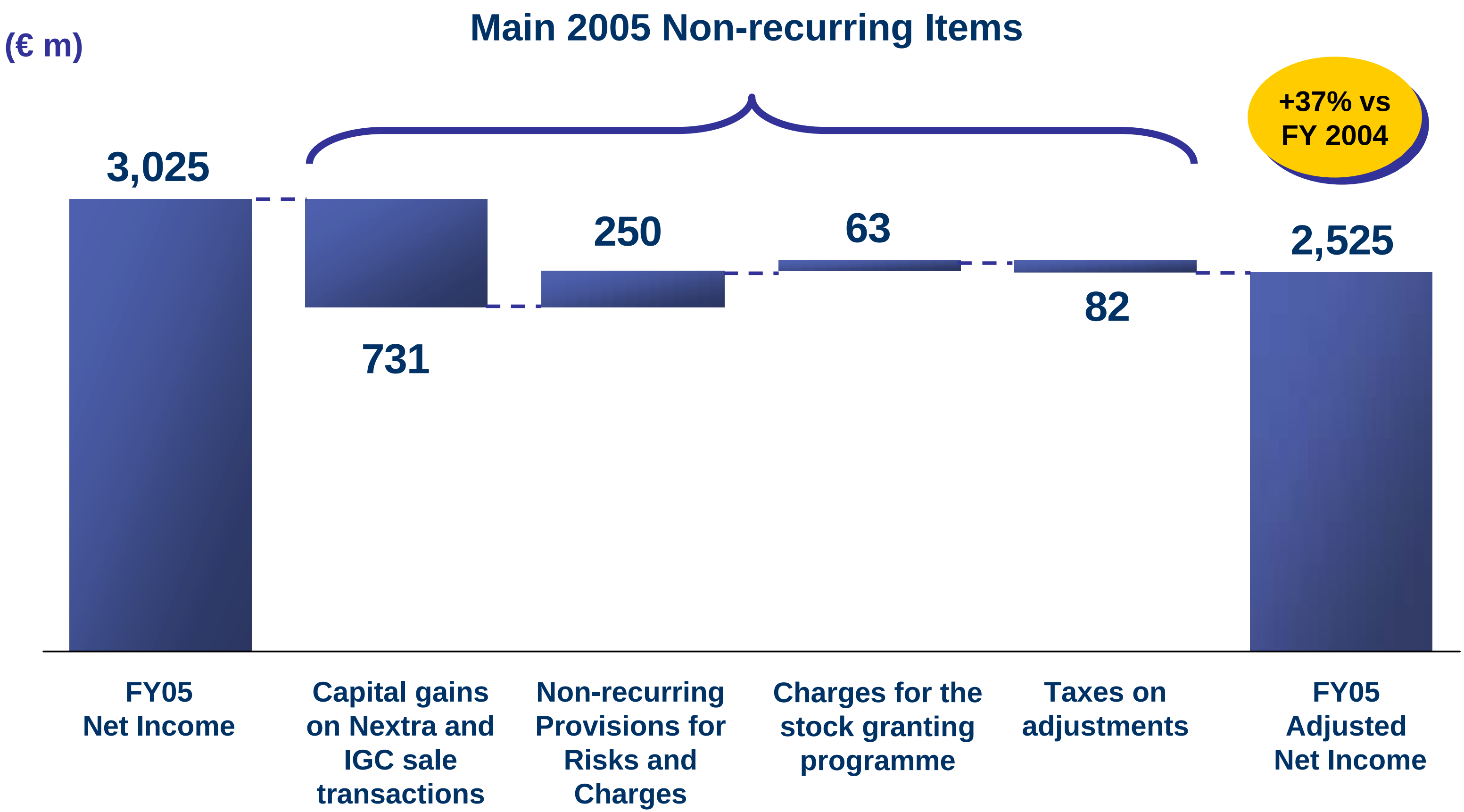
Outstanding Performance in 2005
2005 EPS Target Exceeded and Dividend Target Achieved

- **FY05 EPS at 44 euro cents (37 euro cents adjusted[(1)]) vs 28 euro cents in FY04 (+57%)**
- **Dividends more than doubled vs 2004, exceeding €1.5bn (4.5% dividend yield[(2)])**
- **FY05 Net Income exceeding €3bn (+64% vs FY04), best ever bottom line**
- **4Q05 Net Income at €1,180m, 2.4x vs 4Q04 (+24% adjusted[(1)])**
- **FY05 Operating Margin +21% vs FY04 due to sustained growth in Operating Income (+8.5%) and tight control of Operating Costs (+0.2%, -0.9% adjusted[(3)])**
- **FY05 EVA® up to €1,764m (€1,264m adjusted[(1)]), 2.6x vs FY04**
- **FY05 Cost / Income ratio down to 55.0% (54.4% adjusted[(3)]) vs 59.6% FY04**
- **€0.7bn investments in 2005 to ensure sustainable growth**
- **Conservative application of IAS/IFRS First-Time Adoption (no revaluation of fixed assets) and low impact of the recovery of time value on P/L**

(1) *Adjusted excluding capital gains on Nextra and IGC sale transactions, non-recurring charges for the stock granting programme and non-recurring provisions for Risks and Charges*
(2) *Based on market price as at 03.03.06*
(3) *Adjusted excluding €63m non-recurring charges for the stock granting programme booked in 4Q05 under Personnel Expenses caption*

FY05 Net Income Exceeding €3bn

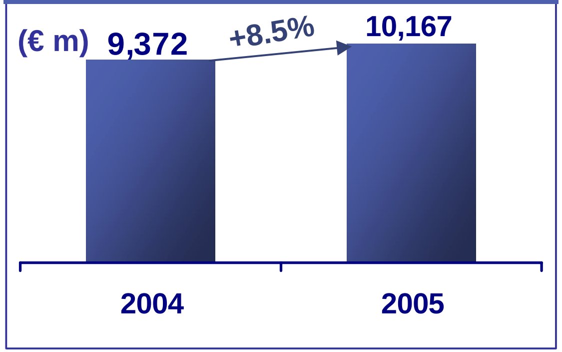
FY05 Net Income Adjusted for Main Non-recurring Items: +37% vs FY04



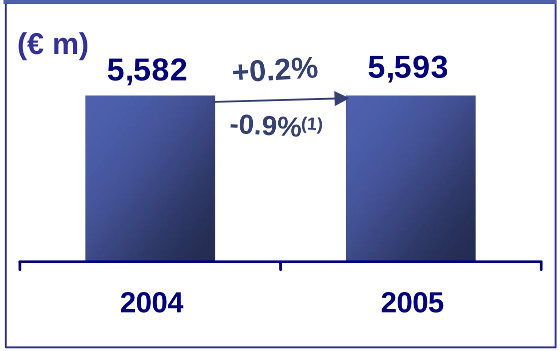
2005 at a Glance

Sustainable Top-Line Growth and Strict Cost Discipline

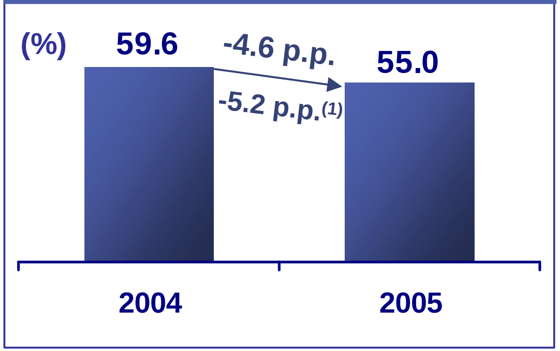
Operating Income



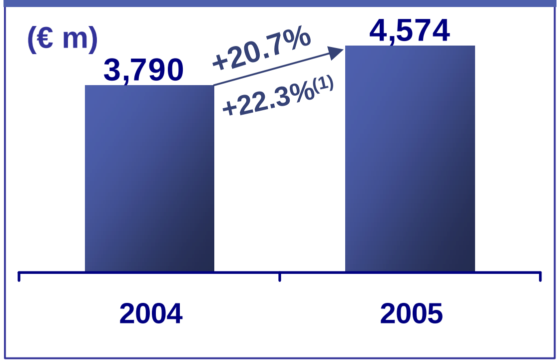
Operating Costs



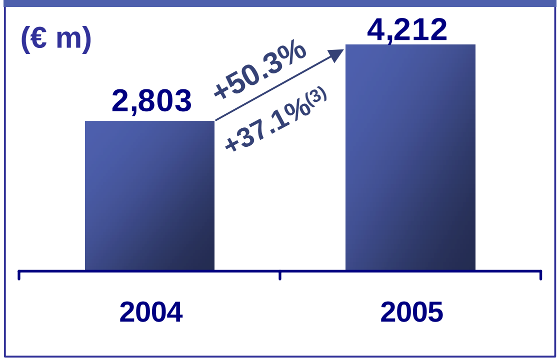
Cost / Income Ratio



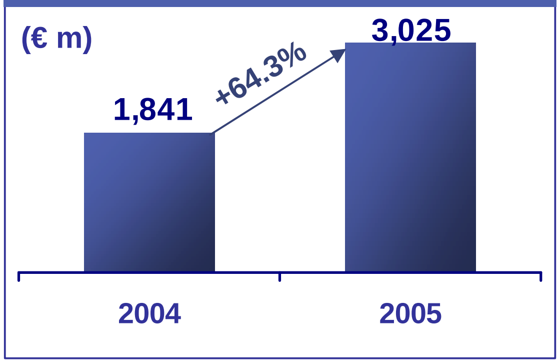
Operating Margin



Pre-Tax Income[2]



Net Income



Note: *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates), 2005 consolidation area and discontinued operations*

(1) *Adjusted excluding €63m non-recurring charges related to the stock granting programme accounted for in 4Q05 under Personnel Expenses caption*

(2) *Income before Tax from Continuing Operations*

(3) *Adjusted excluding capital gains on Nextra transaction, non-recurring charges for stock granting programme and non-recurring provisions for Risks and Charges accounted for in 2005*

Top-Line Growth in All Divisions

	Operating Income Δ% FY05 vs FY04	of which Net Interest Income	of which Net Fee and Commission Income
Retail Division	**8.2%**	**4.1%**	**15.0%**
Italian Subsidiary Banks Division	**7.3%**	**6.7%**	**4.9%**
International Subsidiary Banks Division	**18.3%**	**7.3%**	**22.0%**
Corporate Division	**5.9%**	**(0.1)%** (1)	**4.6%**
Total Group	**8.5%**	**6.3%**	**12.5%**

(1) *Decline due to the planned reduction of Mid and Large Corporate exposure (-5%, -€1.4bn)*

Banca Intesa

FY05 Statement of Income Analysis

Sustained Increase in Revenues Coupled with Strict Cost Control

(€ m)	FY04 Restated	FY05	Δ%
Net interest income	5,058	5,377	6.3
Dividends and equity investments	155	163	5.2
Net fee and commission income	3,499	3,935	12.5
Profits (Losses) on trading	666	689	3.5
Other operating income (expenses) (1)	(6)	3	n.m.
Operating income	**9,372**	**10,167**	**8.5**
Personnel expenses	(3,216)	(3,250)	1.1
Other administrative expenses (1)	(1,845)	(1,823)	(1.2)
Adjustments to property, equipment and intangible assets	(521)	(520)	(0.2)
Operating costs	**(5,582)**	**(5,593)**	**0.2**
Operating margin	**3,790**	**4,574**	**20.7**
Goodwill impairment	0	(6)	n.m.
Net provisions for risks and charges	(297)	(416) (2)	40.1
Net adjustments to loans	(832)	(746)	(10.3)
Net impairment losses on other assets	(77)	(28)	(63.6)
Profits (Losses) on HTM and other investments	219	834 (3)	280.8
Income before tax from continuing operations	**2,803**	**4,212**	**50.3**
Taxes on income from continuing operations	(799)	(1,089)	36.3
Income (Loss) after tax from discontinued operations	(49)	33 (4)	n.m.
Minority interests	(114)	(131)	14.9
Net income	**1,841**	**3,025**	**64.3**

-0.9% excluding €63m non-recurring charges for the stock granting programme accounted for in 4Q05

Note: *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates), 2005 consolidation area and discontinued operations*

(1) *Other Administrative Expenses are net of expenses recovery (€362m in 2005 vs €278m in 2004)*

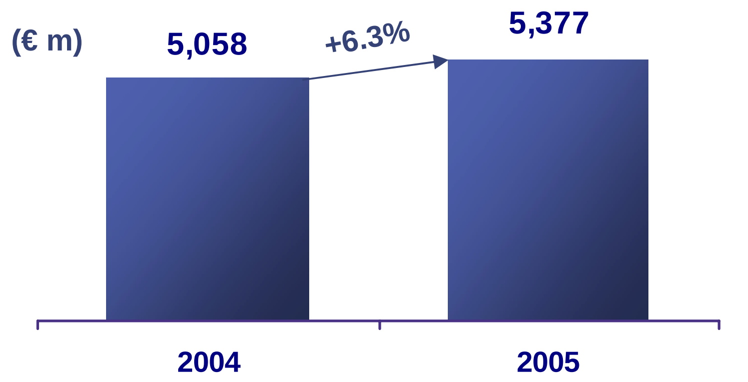
(2) *Including €250m non-recurring provisions for Risks and Charges, of which €115m in 2Q05 and €135m in 4Q05*

(3) *Including €682m capital gain from the Nextra transaction accounted for in 4Q05*

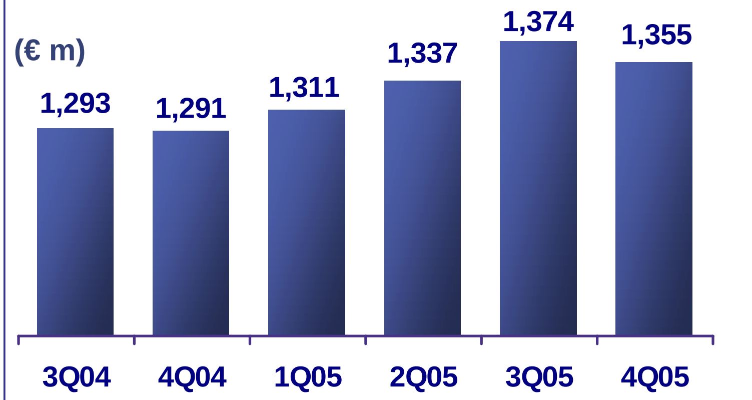
(4) *Including €49m capital gain from the IGC sale transaction accounted for in 4Q05*

Net Interest Income
Steady Year on Year Growth thanks to Business Development

Yearly Analysis



Quarterly Analysis



- **+6.3%, +6% excluding the recovery of time value on non-performing loans(1) and the recovery of the derecognition of up-front revenues on structured bonds issued by Banca Intesa in 2003 and 2004**
- **2005 last year of decrease in Mid and Large Corporate loans (-5%, -€1.4bn)**

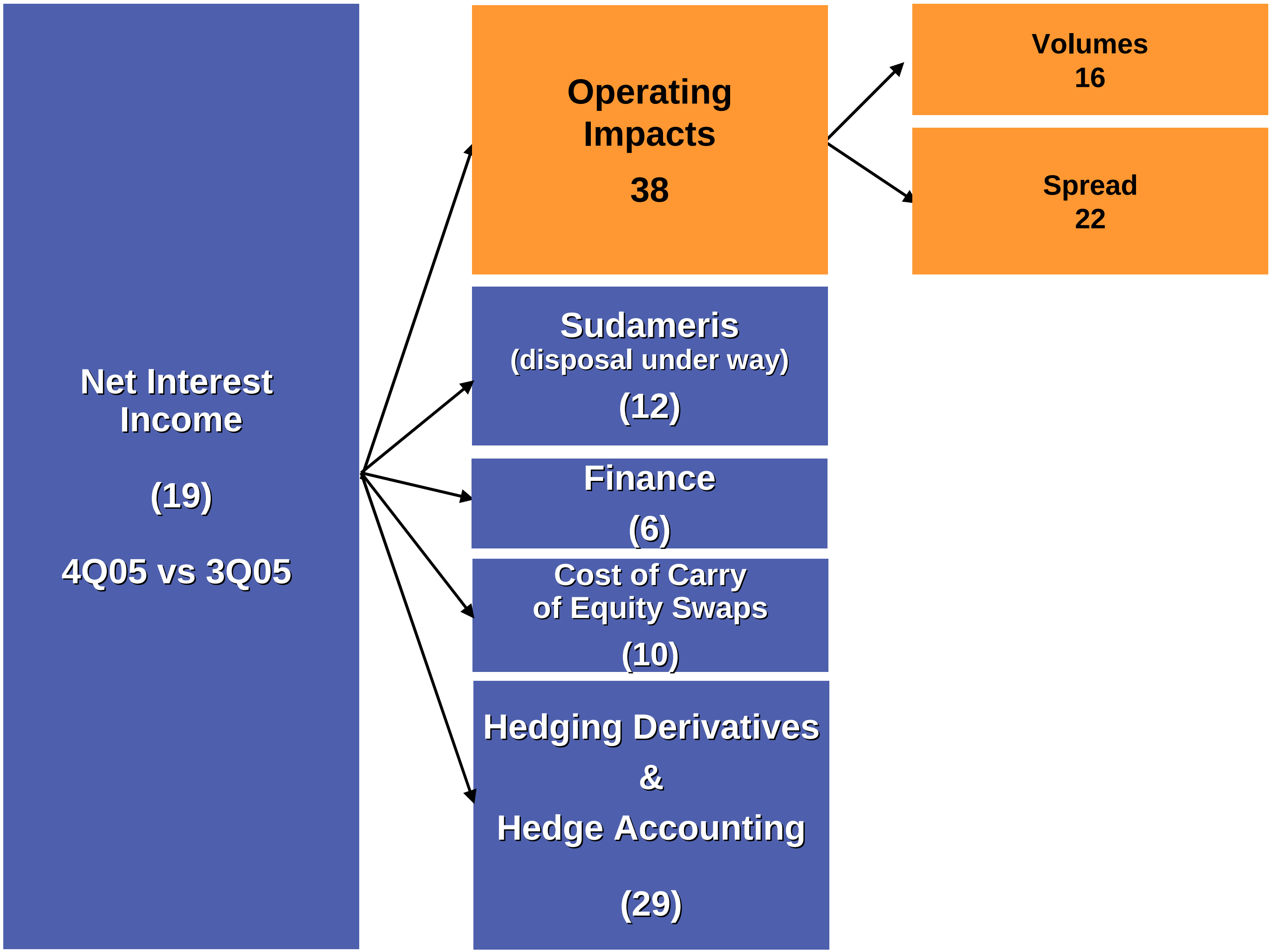
- **+5.0% 4Q05 vs 4Q04**
- **In 4Q05 ~€20m of cost of carry of equity swaps vs ~€10m in 3Q05 and ~€30m in 2Q05**
- **Conservative lending policy confirmed to deliver sustainable value creation**

(1) *Sofferenze + Incagli + Ristrutturati e in Corso di Ristrutturazione*

Net Interest Income

Contribution to 4Q05 vs 3Q05 Variation: Positive Operating Trend

(€ m)



Figures may not add up exactly due to rounding differences

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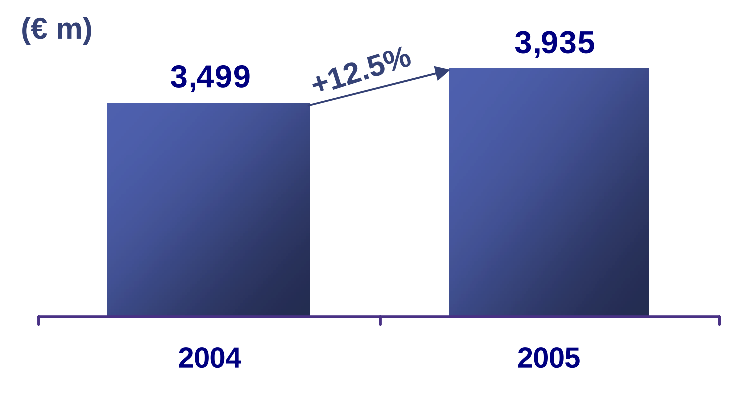
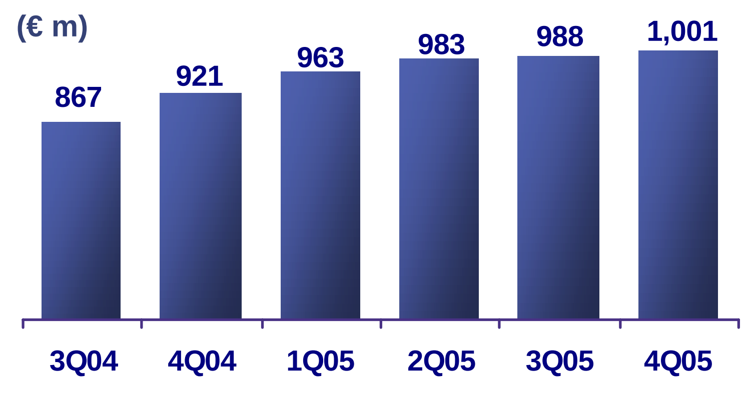
Net Fee and Commission Income

Two-digit Growth Confirmed

Yearly Analysis



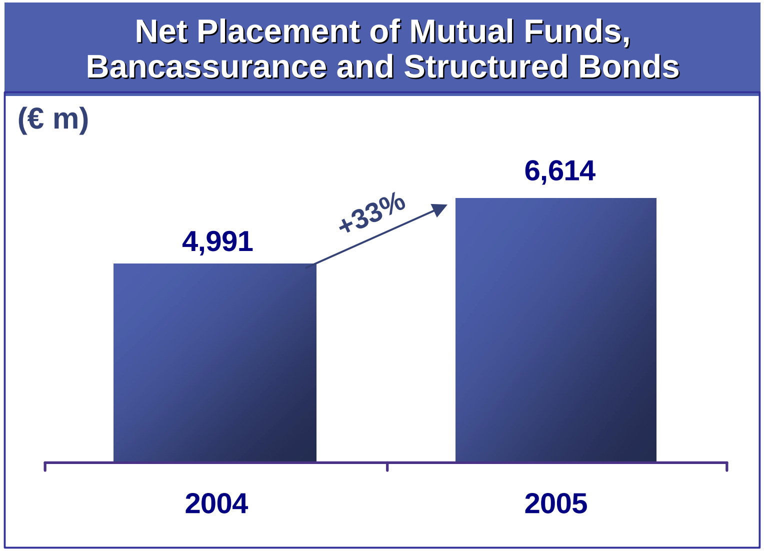
Quarterly Analysis

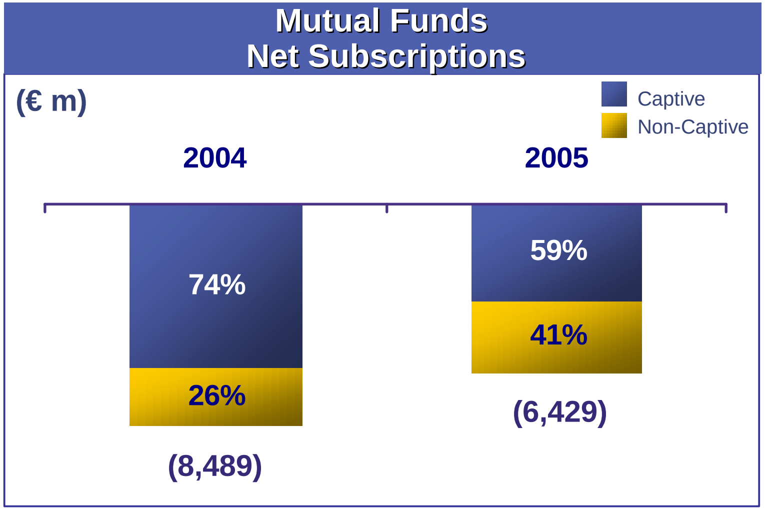


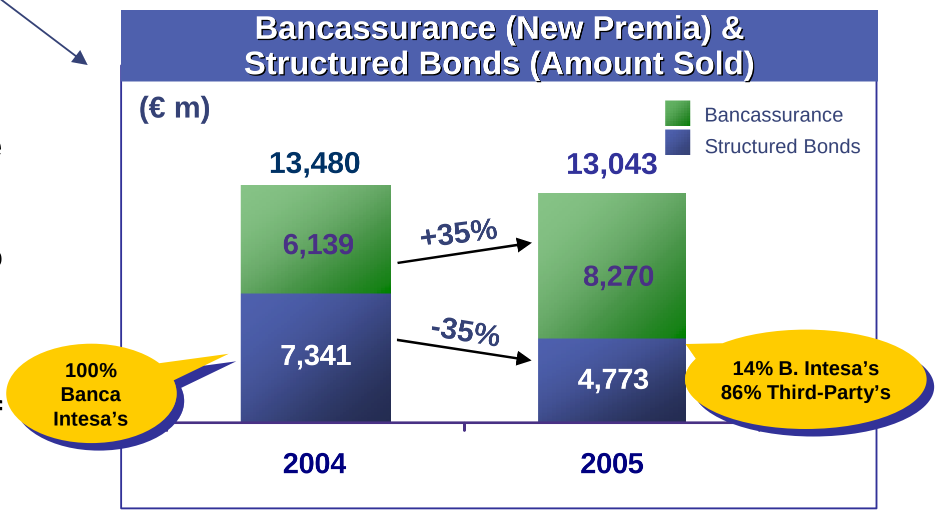
- Main drivers for growth
  - Dealing & Placement of Securities +90%
  - Insurance products +86%
- FY05 commissions on Dealing & Placement of Securities include ~€160m from the placement of third-party structured bonds, entirely booked in 1H05 and not present in FY04
- FY05 commissions on Dealing & Placement of Securities excluding third-party structured bonds +25% vs FY04
- Healthy performance of commissions from Credit/Debit cards (+8%)

- Upward trend confirmed despite €50m of Government compensation for tax-collection activities accounted for in 3Q05 related to the first half of the year
- +5% 4Q05 vs 3Q05 excluding Tax-collection fees
- No up-front revenues from structured bonds in 4Q05, as planned
- 4Q05 vs 3Q05 significant growth in commissions from Insurance products (+15%) and AUM (+5%)
- Substantial growth in 4Q05 vs 4Q04 (+9%) driven by
  - Insurance products +80%
  - Current accounts +8.5%
  - AUM +7%

Placing Power of Value-Added Products
Asset-Mix Actively Improved

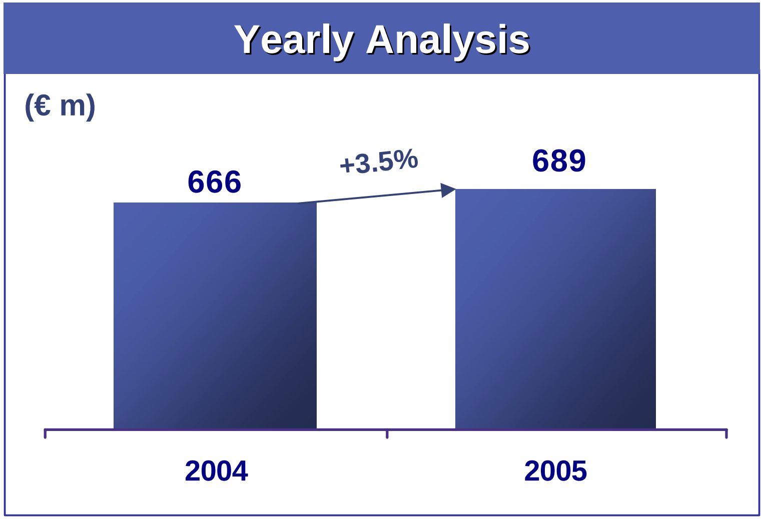


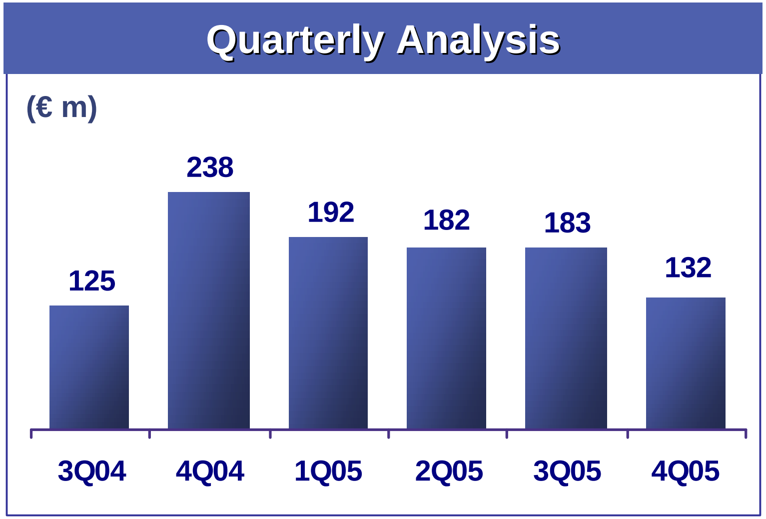




- FY05 sales of Bancassurance and Structured Bonds have largely exceeded (+€6.6bn) the net outflow in Mutual Funds
- Sustained growth in Bancassurance: +35% FY05 sales vs FY04
- Slowdown in Structured Bonds, as planned (no commissions from the placement of structured bonds in 2H05)

Profits on Trading





- FY05 profits include dividends from Available For Sale Investments for €56m vs €40m in FY04
- Planned slowdown in 4Q05 after strong 9M05 performance

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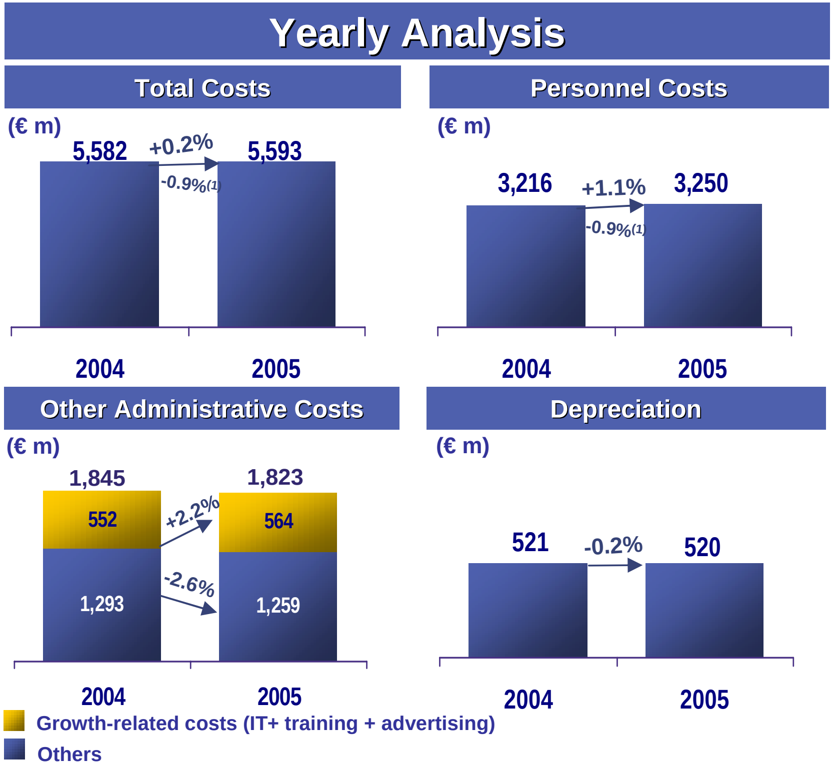
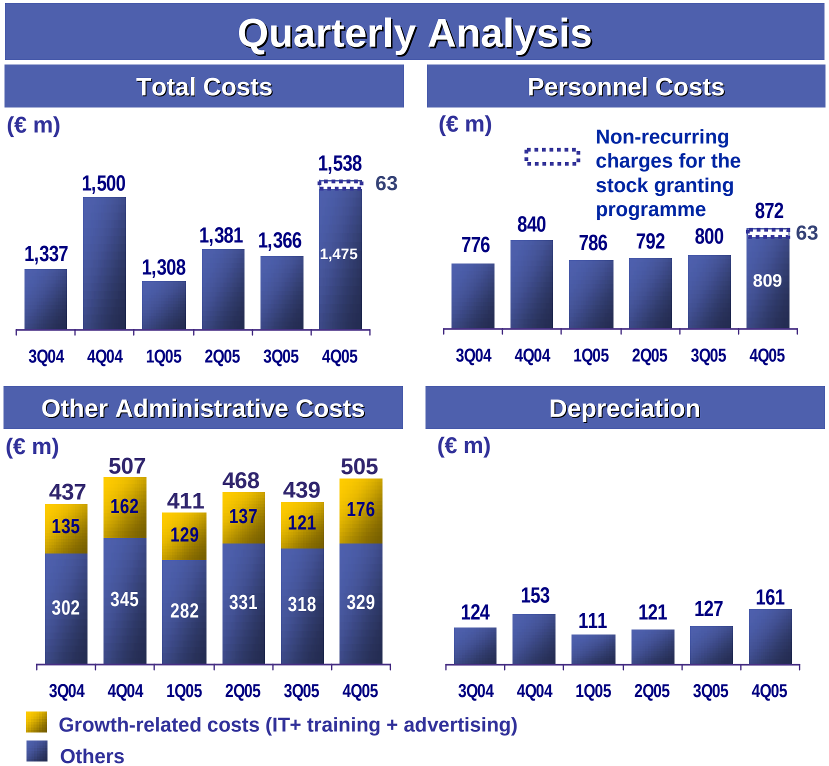
Operating Costs

Strict Cost Control Confirmed while Investing in Growth





- -0.9% Personnel Expenses reduction excluding €63m non-recurring charges for the stock granting programme
- Other Administrative Expenses decrease (-1.2%) despite the increase in growth-related costs (+2.2%)
- FY05 Cost/Income down to 54.4%(1) vs 59.6% in FY04

- Strong 2005 performance allowed additional investments for growth in 4Q05 (e.g. new branch layout)
- 4Q05 Personnel Expenses stable vs 3Q05 excluding €63m non-recurring charges for the stock granting programme
- 4Q05 vs 3Q05 increase in Other Administrative Expenses due to growth-related costs (+45.5%)

(1) *Adjusted excluding €63m non-recurring charges for the stock granting programme accounted for in 4Q05 under Personnel Expenses caption*

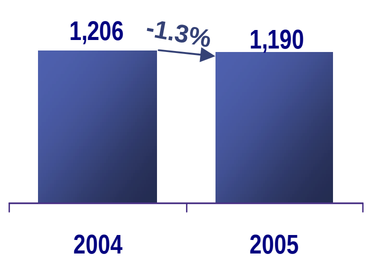
Provisions

FY05 Net Provisions for Loan Losses within our FY05 Target

Yearly Analysis

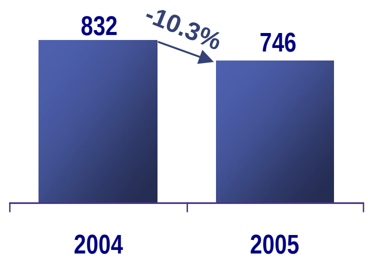
Total Net Provisions[1]

(€ m)



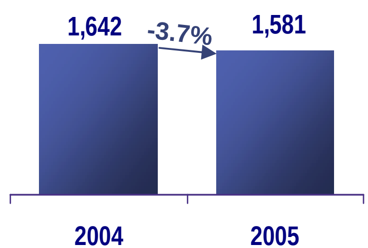
Net Provisions for Loan Losses

(€ m)



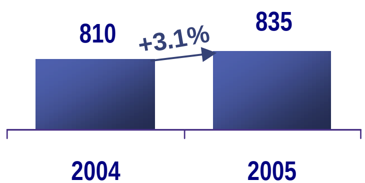
Gross Provisions for Loan Losses

(€ m)



Write-backs on Loans

(€ m)

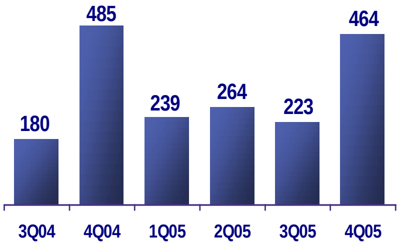


- FY05 Total Net Provisions include €250m non-recurring Provisions for Risks and Charges set aside in 2Q05 and 4Q05

Quarterly Analysis

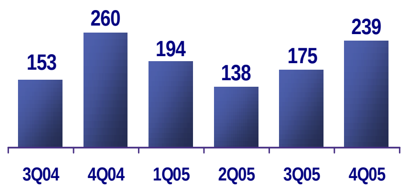
Total Net Provisions[1]

(€ m)



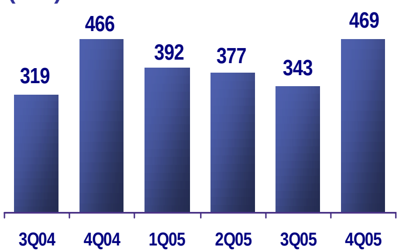
Net Provisions for Loan Losses

(€ m)



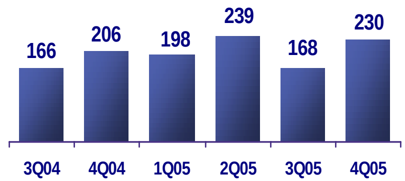
Gross Provisions for Loan Losses

(€ m)



Write-backs on Loans

(€ m)



- 4Q05 Total Net Provisions includes €135m non-recurring Provisions for Risks and Charges
- 4Q05 increase in Net Provisions for Loan Losses vs 3Q05 also due to €32m provisions on positions overdue >180days
- -8% 4Q05 Net Provision for Loan Losses vs 4Q04

(1) *Includes Net Provisions for Risks and Charges, Net Adjustments to Loans and Net Impairment Losses on Other Assets*

Asset Quality in Line with European Best Practice

Make Banca Intesa One of the Best European Banks

	Ratios					
	2001	2002	2003	2004	2004 Restated(2)	2005
	Pre-IAS					
Net Loan Provisions/Op. Margin	76%	77%	34%	23%	22%	16%
Net Loan Provisions/Loans	1.3%	1.4%	0.8%	0.56%	0.52%	0.44%
Net Doubtful Loans(1)/Loans	3.0%	3.2%	3.0%	2.7%	0.6%	0.7%
Doubtful Loans(1) Coverage	59%	62%	65%	67%	71%	69%

- **Net Doubtful Loans(1) / Shareholders' Equity down to 7%**
- **Slight decrease in Doubtful Loans(1) Coverage due to the debt/equity swap of the Parmalat position covered at 88%**

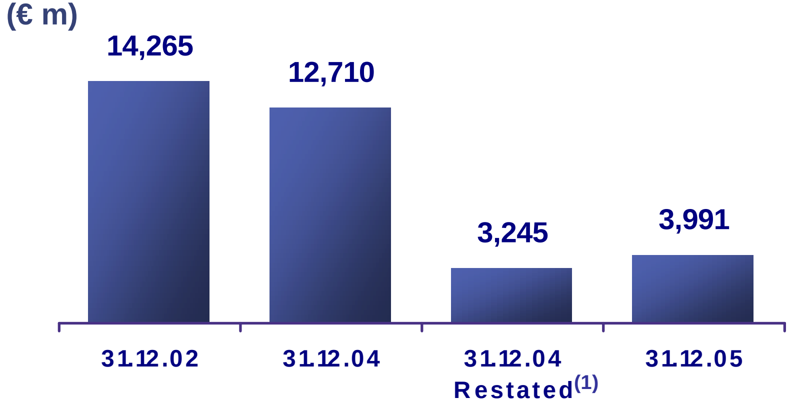
(1) *Sofferenze*

(2) *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates), 2005 consolidation area and discontinued operations (doubtful loans sale)*

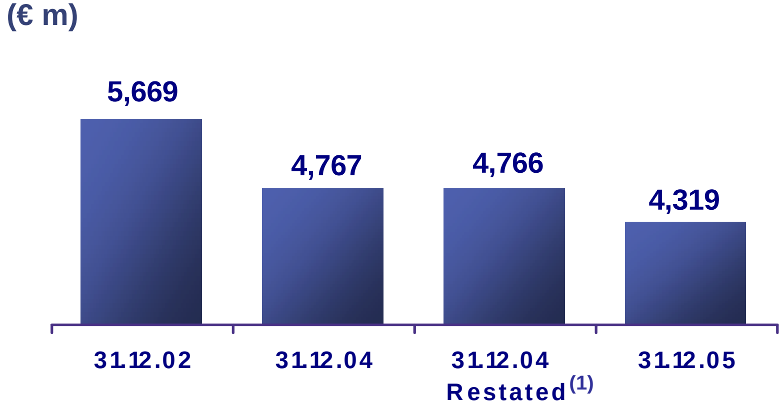
Doubtful & Substandard Loans

Impressive Reduction in Net Doubtful and Substandard Loans since 2002: -€5.3bn

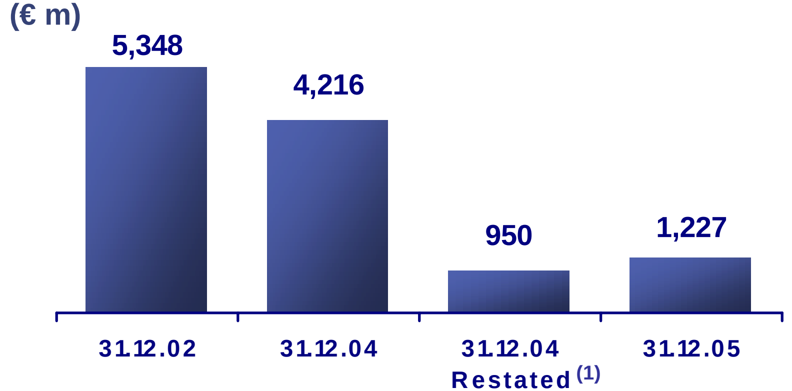
Gross Doubtful Loans (Sofferenze)



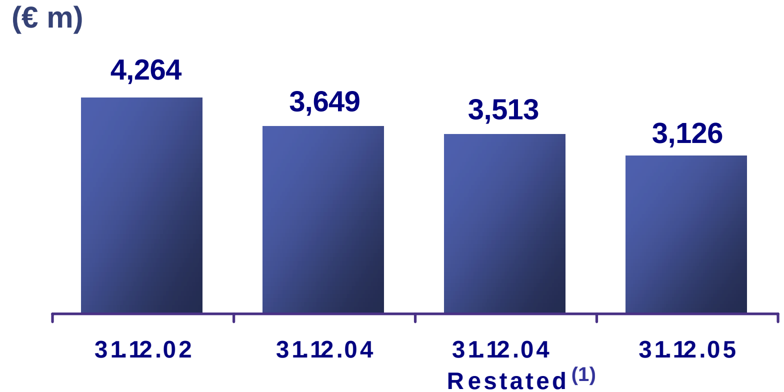
Gross Substandard (Incagli)



Net Doubtful Loans (Sofferenze)



Net Substandard (Incagli)



- **Net Loans Overdue > 180 days: €715m as at 31.12.05**

(1) *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates), 2005 consolidation area and discontinued operations (doubtful loans sale)*

Strengthening of Capital Base

	Ratios			
	2001	2004	2004 IAS	2005
Core Tier 1	5.3%	7.6%	6.7%	7.1%
Tier 1	6.0%	8.5%	7.6%	7.9%
Total Capital	9.3%	11.6%	11.0%	10.3%

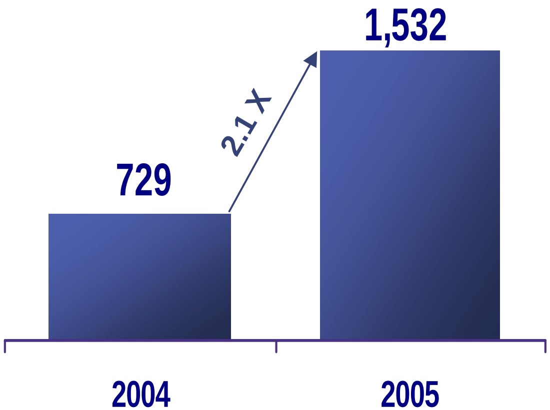
Strong Growth in Pay-Out

FY05 Dividends exceeding €1.5bn, more than double vs FY04

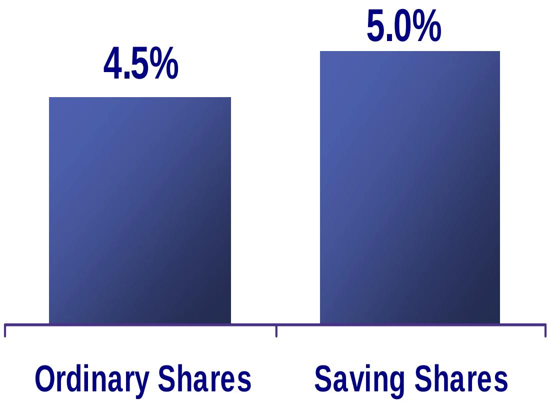
- **22.0 euro cents per share to ordinary shares**
- **23.1 euro cents per share to saving shares**

Dividends

(€ m)



Dividend Yield (1)



(1) *Based on market price as at 03.03.06*

Divisional Financial Highlights as at 31.12.05

	Retail (1)	Italian Subsidiary Banks	International Subsidiary Banks	Corporate(2)	Central Functions/ Other	Total
Operating Income (€ m)	5,358	1,553	1,262	1,904	90	10,167
Operating Margin (€ m)	2,402	768	548	1,106	(250)	4,574
Cost/Income (%)	55.2	50.6	56.5	41.9	n.m.	55.0
RWA (€ bn)	79.5	26.4	16.3	52.5	15.4	190.0
Allocated Capital (3) (€ bn)	4.9	1.6	1.0	3.1	0.9	11.6
Pre-tax ROE (4) (%)	39.5	35.1	37.3	34.6	27.6	36.4
EVA® (€ m)	832	171	171	484	106	1,764

€1,264m adjusted for 2005 main non-recurring items

Nextra & IGC capital gains	709
Treasury and Finance	147
Cost of Excess Capital	(222)
Central Costs	(216)
Non-recurring charges/provisions	(136)
Others	(176)

- **FY05 €1,764m EVA® vs €681m in FY04**

Figures may not add up exactly due to rounding differences

(1) *Includes Individuals (Households, Affluent, Private), SOHO (Small Businesses and Micro Enterprises with turnover <€2.5m), SMEs (turnover between €2.5m and €50m), Non-Profit Entities and Subsidiary Companies operating in Wealth Management, Industrial Credit and Leasing*

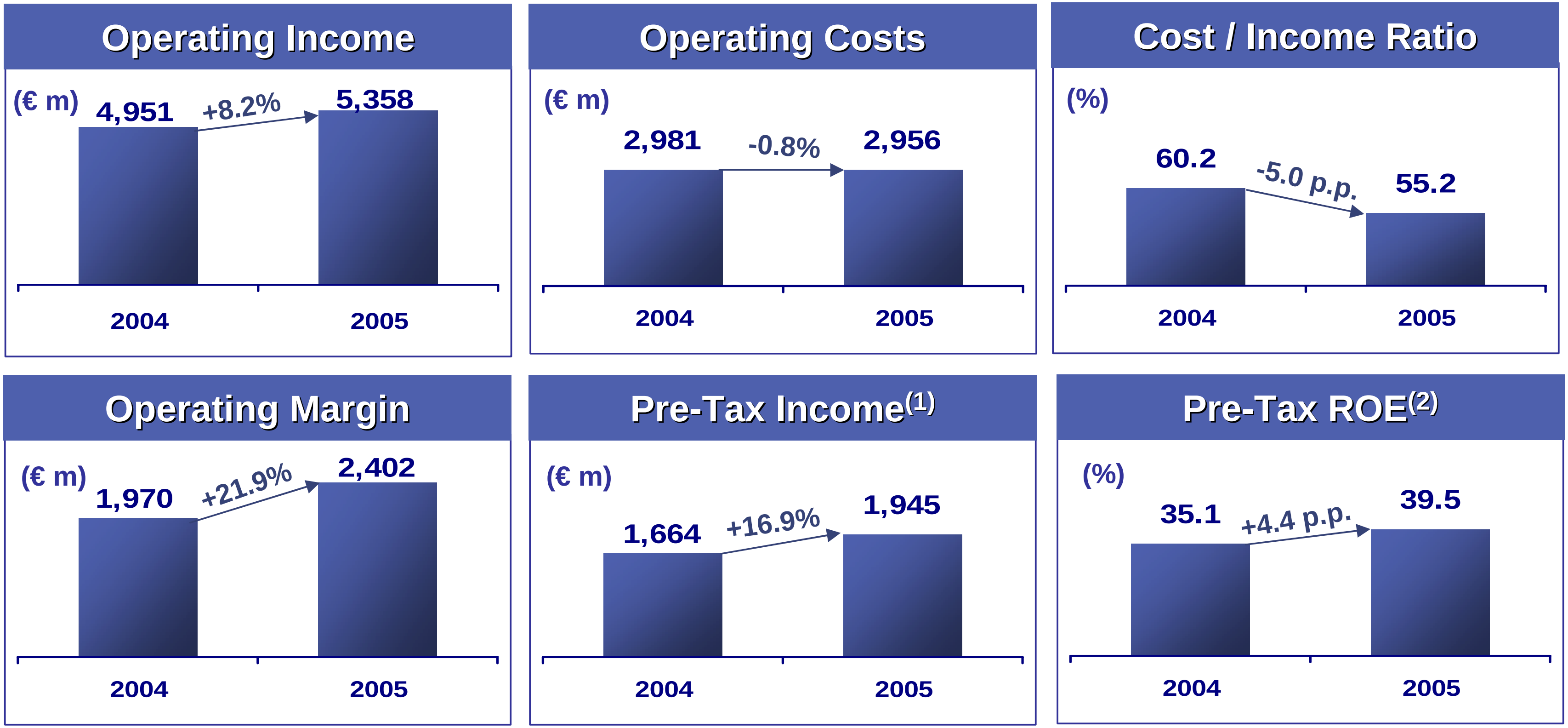
(2) *Includes Corporates (turnover over €50m), Public Administrations, Financial Institutions, Factoring and Tax Collection*

(3) *Allocated Capital = 6% RWA*

(4) *Income before Taxes from Continuing Operations / Allocated Capital*

Retail Division: FY05 vs FY04

Substantial Growth in Operating Margin



- **FY05 €832m EVA® vs €659m in FY04**

Note: *Includes Individuals (Households, Affluent, Private), SOHO (Small Businesses & Micro Enterprises with turnover <€2.5m), SMEs (turnover between €2.5m and €50m), Non-Profit Entities and Subsidiary Companies operating in Wealth Management, Industrial Credit and Leasing*

Figures may not add up exactly due to rounding differences

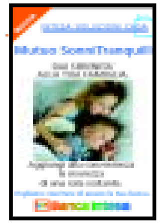
(1) *Income before Tax from Continuing Operations*

(2) *Income before Tax from Continuing Operations / Allocated Capital*

Retail Division
Strong Commercial Effectiveness (Examples)

31.12.05 vs 31.12.04

Residential Mortgages



+13% | +€4.2bn

Personal loans

+63% | +€1.2bn

Bancassurance (New Premiums)

+40% | +€2.0bn

Retail Division

In the Last Two Years the Range of Products Was Completely Renewed

Conto Intesa	Launched in December 2003
Conto Intesa Business	Launched in June 2004
Conto Intesa Personal	Launched in June 2004
Conto Intesa Condominio	Launched in June 2005
Conto Intesa 18-26	Launched in September 2005

~ 750,000 current accounts opened as at 31.12.05 since their launch, of which 40% are new accounts

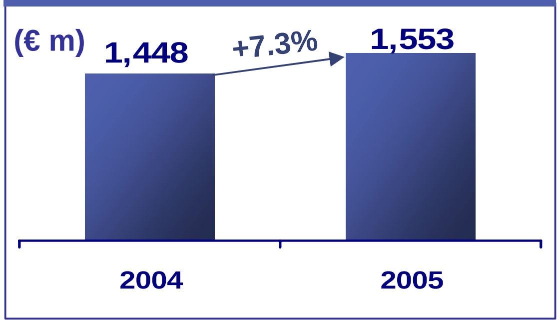
Continuing product innovation

Latest products launched (examples)

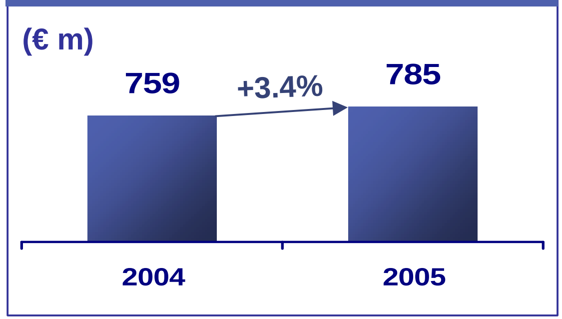
Italian Subsidiary Banks Division: FY05 vs FY04

Cost/Income Ratio at 50.6%

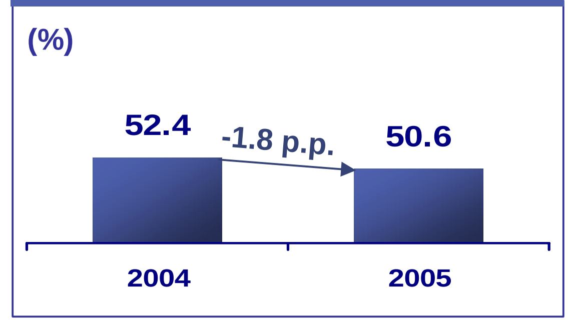
Operating Income



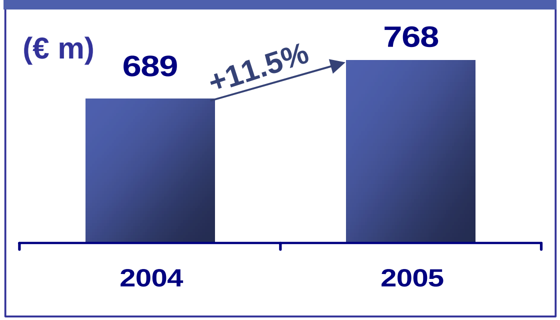
Operating Costs



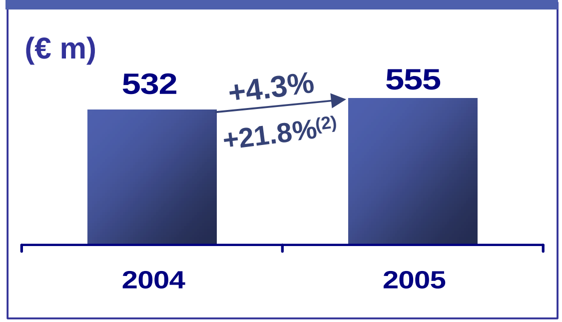
Cost / Income Ratio



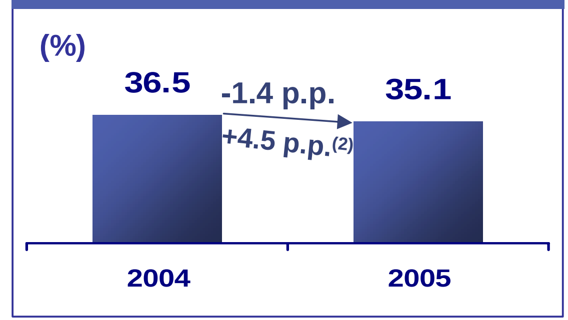
Operating Margin



Pre-Tax Income(1)



Pre-Tax ROE(3)

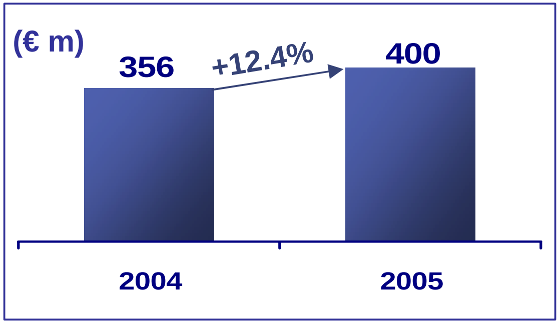


- **FY05 €171m EVA® (€233m adjusted(2)) vs €165m in FY04**

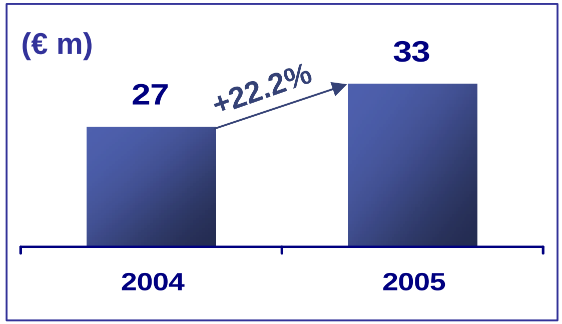
Figures may not add up exactly due to rounding differences. CR Fano included
(1) *Income before Tax from Continuing Operations*
(2) *Adjusted excluding €93m non-recurring provisions for Risks and Charges*
(3) *Income before Tax from Continuing Operations / Allocated Capital*

Italian Subsidiary Banks Division
Growth of Operating Margin in All the Banks

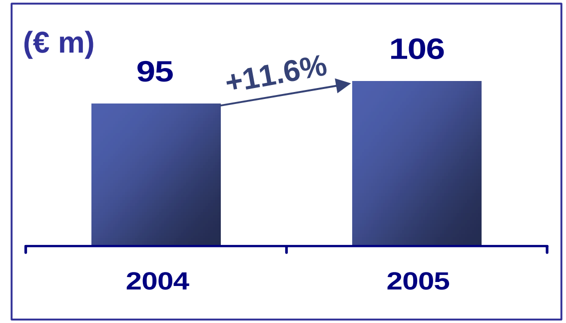
CARIPARMA & PIACENZA



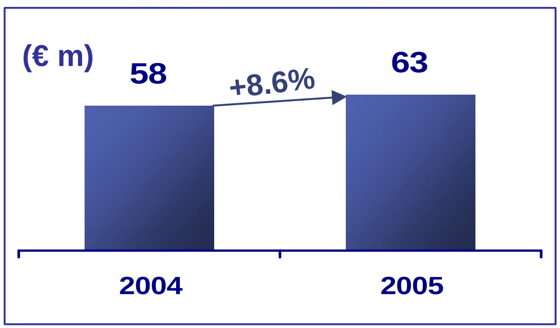
Banca di Trento e Bolzano / Bank für Trient und Bozen



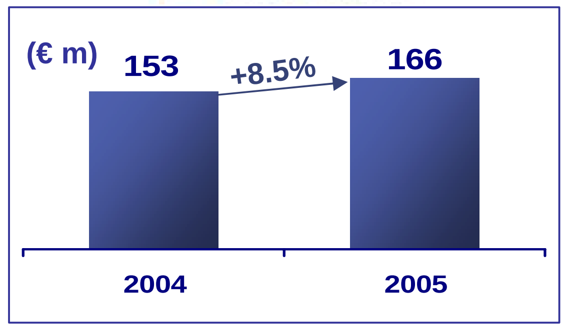
Banca Popolare FriulAdria



BIVERBANCA

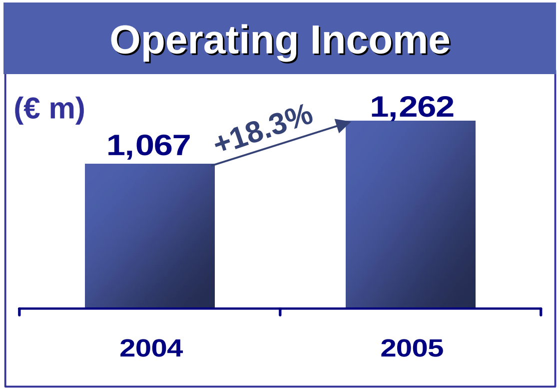


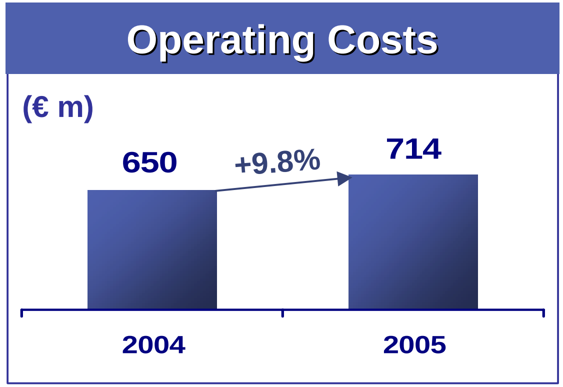
Intesa CASSE DEL CENTRO

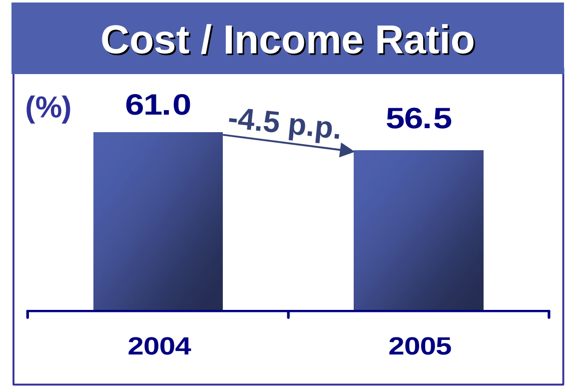


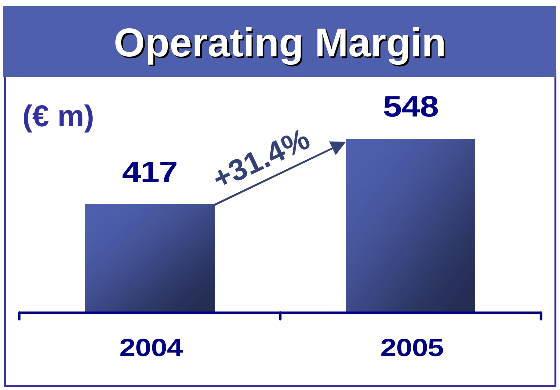
International Subsidiary Banks Division: FY05 vs FY04

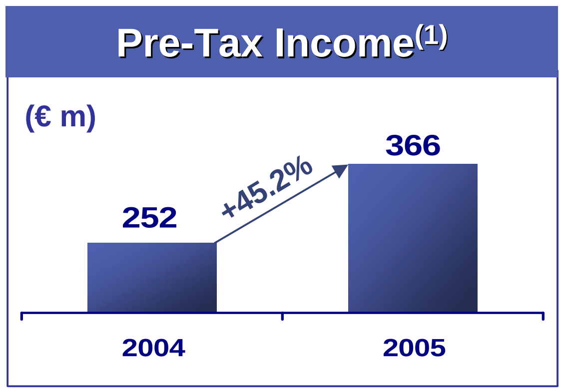
Strong Improvement in Revenues, Efficiency and Profitability

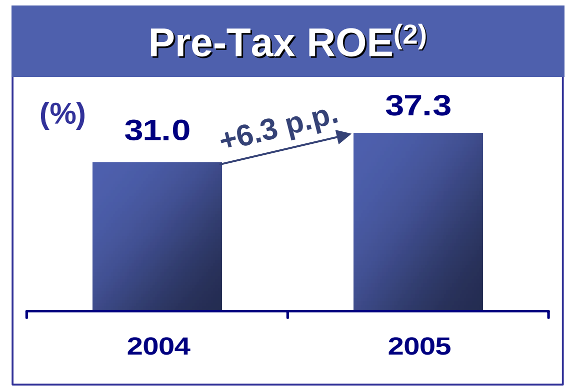












- **FY05 €171m EVA® vs €94m in FY04**

Figures may not add up exactly due to rounding differences. Banca Intesa Beograd in Serbia and Montenegro and KMB Bank in the Russian Federation included

(1) *Income before Tax from Continuing Operations*

(2) *Income before Tax from Continuing Operations / Allocated Capital*

Central-Eastern Europe Highlights: FY05 vs FY04
Positive Operating Performance in all Banks

(€ m)	CIB (Hungary)		PBZ (Croatia)		VUB (Slovakia)		Banca Intesa Beograd (1) (Serbia and Montenegro)		KMB Bank (1) (Russian Federation)	
	FY04	FY05	FY04	FY05	FY04	FY05	FY04	FY05	FY04	FY05
Operating Income	277	312	317	348	251	280	84	95	30	41
Operating Costs	(137)	(169)	(168)	(186)	(151)	(163)	(48)	(48)	(24)	(29)
Operating Margin	140	144	149	162	100	116	36	48	6	12
Net Provisions(2)	(64)	(45)	(23)	(28)	(24)	(13)	(12)	(29)	(2)	(9)
Pre-Tax Income(3)	75	99	122	137	77	110	22	19	4	3
Net Income	57	75	96	108	74	96	22	7	1	(1)
	31.12.04	31.12.05	31.12.04	31.12.05	31.12.04	31.12.05	31.12.04	31.12.05	31.12.04	31.12.05
Customer Deposits	2,631	3,162	3,968	4,438	4,523	4,689	540	725	133	191
Customer Loans	4,031	4,792	3,170	3,884	1,892	2,263	311	504	185	372
Total Assets	4,916	5,833	5,745	6,860	5,709	5,998	667	957	245	474

- **FY05 €193m EVA® vs €159m in FY04**

Figures may not add up exactly due to rounding differences - Balance sheet figures: contribution to Intesa consolidated accounts

(1) *Acquired in 2005*

(2) *Including Net Provisions for Risks and Charges, Net Adjustments to Loans and Net Impairment Losses on Assets*

(3) *Income before Tax from Continuing Operations*

Central-Eastern Europe Highlights: FY05 vs FY04
Double-digit Growth in Revenues

TOTAL Central Eastern Europe

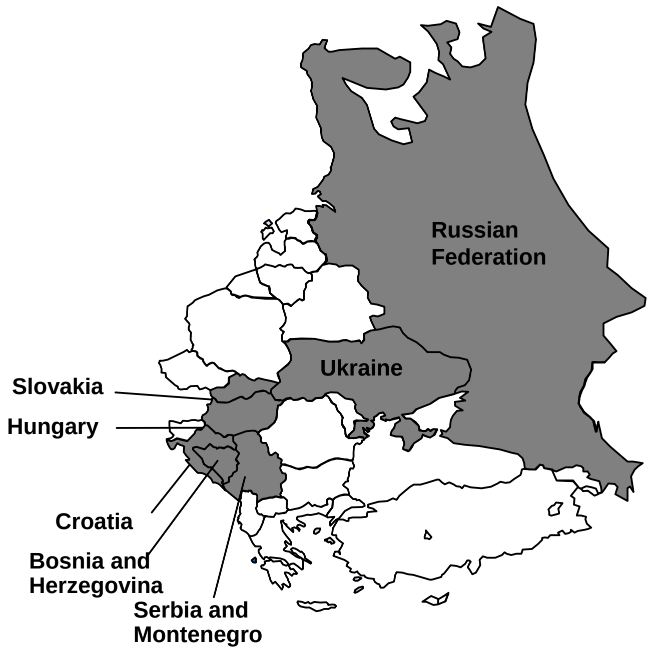
(€ m)	FY04	FY05	Δ %
Operating Income	959	1,076	12.2
Operating Costs	(528)	(595)	12.7
Operating Margin	431	482	11.8
Net Provisions(1)	(125)	(124)	-
Pre-Tax Income(2)	300	368	22.7
Net Income	250	285	14.0

	31.12.04	31.12.05	Δ %
Customer Deposits	11,795	13,205	12.0
Customer Loans	9,589	11,815	23.2
Total Assets	17,282	20,122	16.4

- **Operating Costs increase due to growth-related costs (34 branches opened, ...)**

Figures may not add up exactly due to rounding differences
(1) *Including Net Provisions for Risks and Charges, Net Adjustments to Loans and Net Impairment Losses on Assets*
(2) *Income before Tax from Continuing Operations*

Acquisition of Ukrsotsbank: Ukraine will be an Important Evolution of Banca Intesa's Presence in Central-Eastern Europe



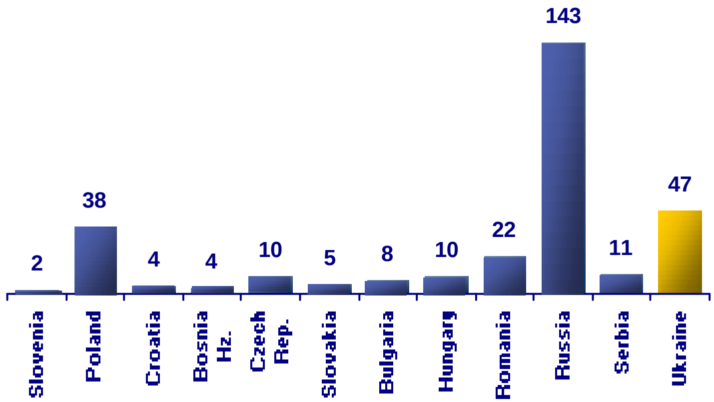
	Population	Total Assets (€ bn)	Customers	Branches	Ranking
Croatia PBZ	~4,000,000	6.9	~1,900,000	205	2nd
Slovakia VUB	~5,000,000	6.0	~1,840,000	234	2nd
Serbia-Montenegro Banca Intesa Beograd	~11,000,000	1.0	~740,000	180	2nd
Hungary CIB	~10,000,000	5.8	~465,000	77	4th
Ukraine Ukrsotsbank (1)	~47,000,000	1.8	~660,000	527	4th
Bosnia-Herzegovina Upi Banka	~4,000,000	0.2	~55,000	16	5th
Sub Total	~81,000,000	21.7	~5,660,000	1,239	
Russian Federation KMB Bank	~145,000,000	0.5	~40,000	46	Leading bank in small enterprises segment
Total		22.2	~5,700,000	1,285	

(1) *Acquisition under way*

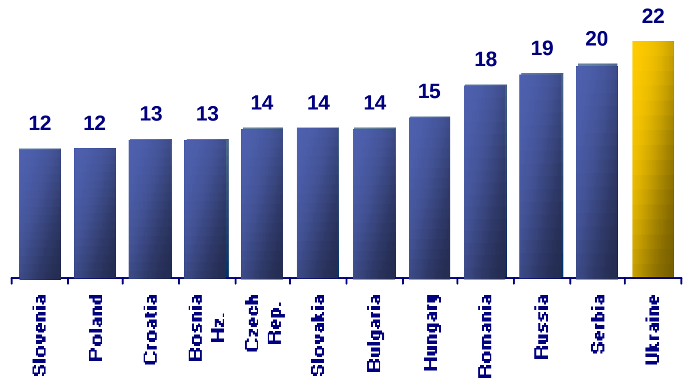
Banca Intesa

Ukraine is a Sizeable Market with High Growth Potential

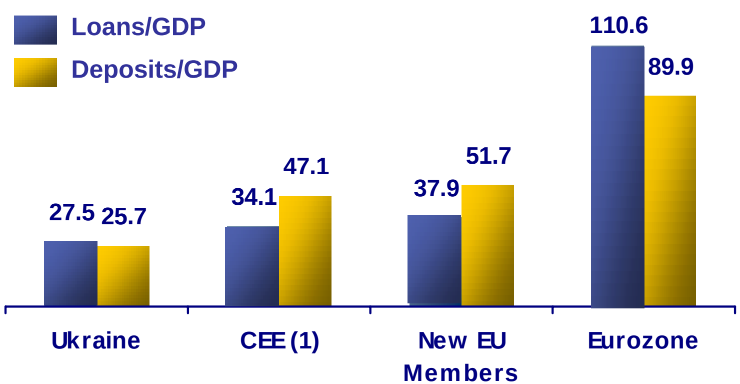
Population at 31/12/04 (m)



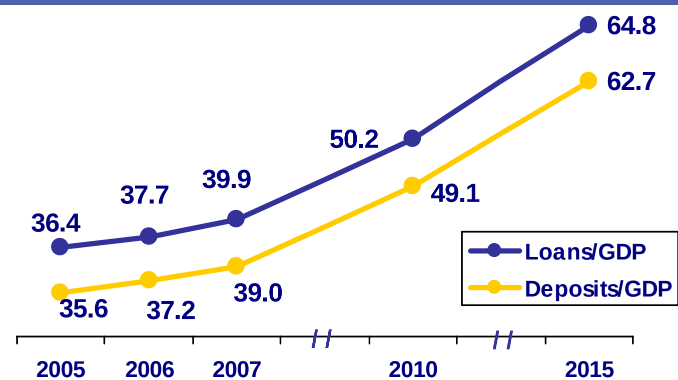
GDP per capita at PPP CAGR 2001-2006 (%)



Banking Penetration in 2004 (%)



Ukraine Banking Penetration Forecasts (%)

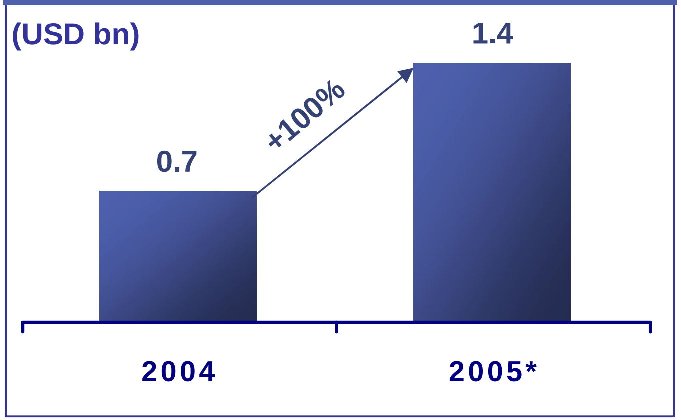


(1) *CEE includes Czech Republic, Hungary, Poland, Slovakia, Slovenia, Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Romania and Serbia*

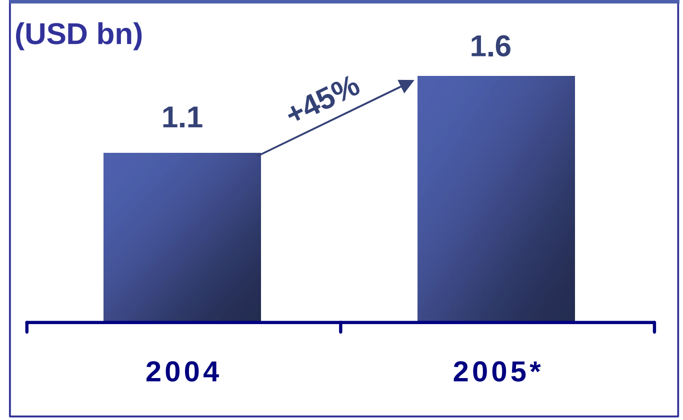
Sources: State Statistics Committee of Ukraine, The World Bank CAS Report, Bulletin of the National Bank of Ukraine, RZB CEE Banking Sector Report

High Growth Rates for Ukrsotsbank's Assets and Profitability

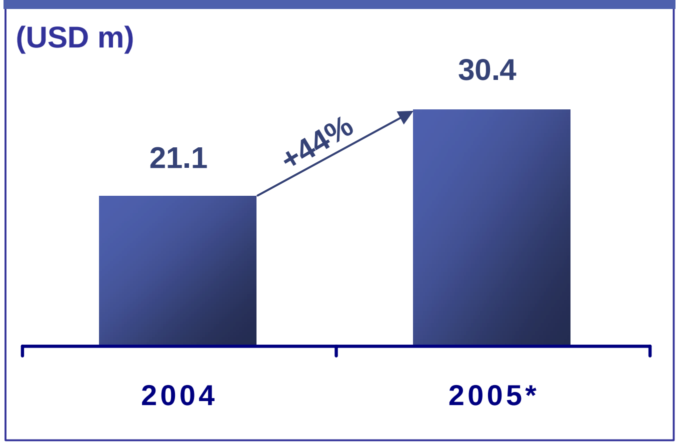
Customer Loans



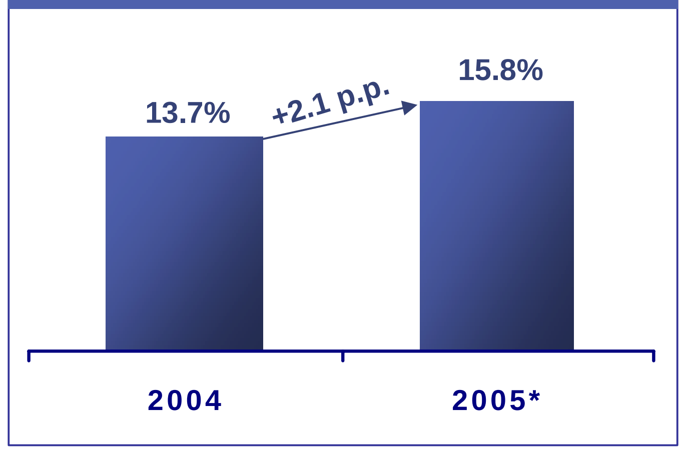
Customer Deposits



Net Income



ROE

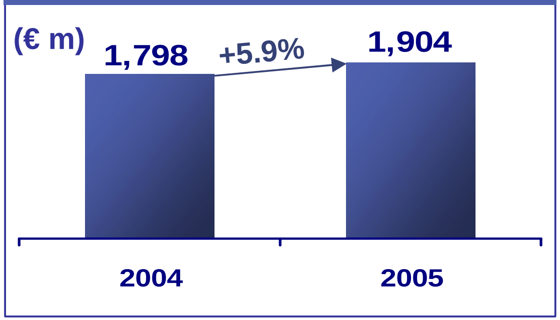


(*) IFRS-Based Management Accounts

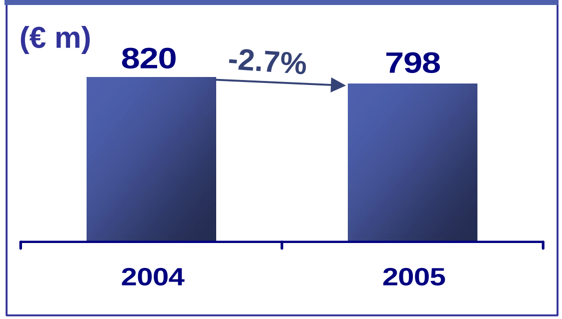
Corporate Division: FY05 vs FY04

Growth Trend Confirmed and Improved Efficiency

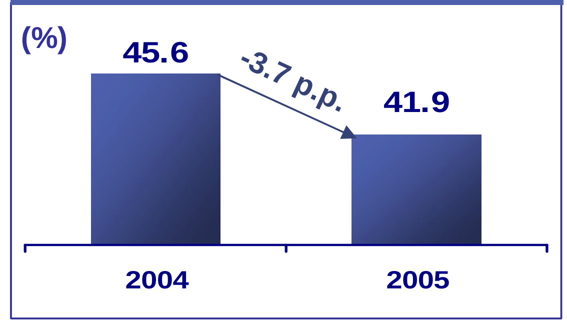
Operating Income



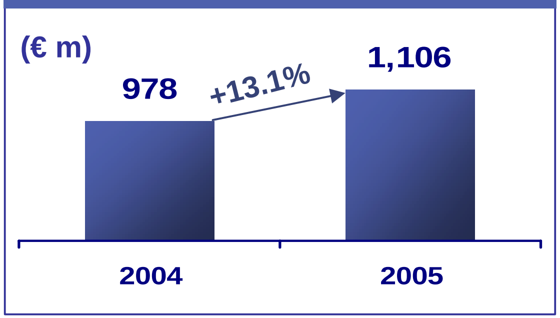
Operating Costs



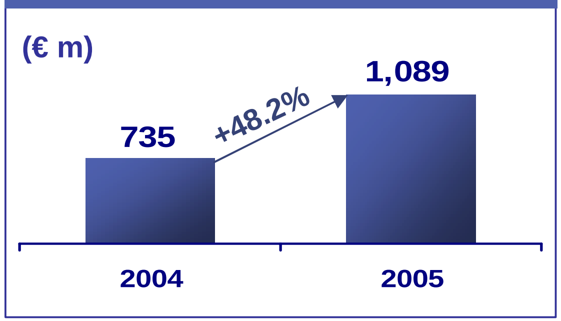
Cost / Income Ratio



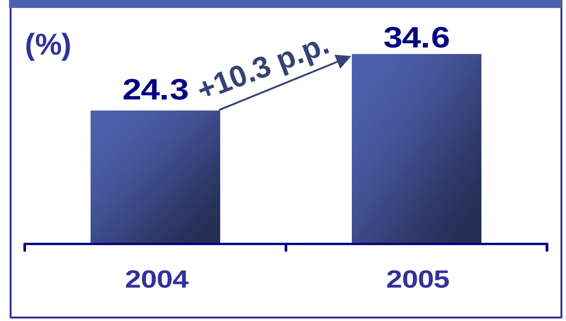
Operating Margin



Pre-Tax Income(1)



Pre-Tax ROE(2)



- **2005 last year of decrease in Mid and Large Corporates exposure year on year (-5%, -€1.4bn)**
- **FY05 €484m EVA® vs €242m in FY04**

Figures may not add up exactly due to rounding differences
(1) *Income before Tax from Continuing Operations*
(2) *Income before Tax from Continuing Operations / Allocated Capital*

Corporate Division

Present in All Main Successful Deals (Examples)

PRADA

Digital Multimedia Technologies

IMPREGILO

YOMO

GRUPPO ASM

Ferrarelle

CALZEDONIA

N.C.H.

PIAGGIO AERO

GRANAROLO

Avio propulsione aerospaziale

coin

VALVITALIA

FILA

Reply

Tecno

Segafredo Zanetti

GRUPPO DE NORA

SELENIA FLUIDS & LUBRICANTS

aprilia

PIAGGIO

SEVES

LEITNER ropeways

Titan Europe Plc

Guala Closures Group

eutelsat

IPC

Teknova

Gansow

FLOOR

LUCCHINI

Banca Intesa

Conclusions

- **2005 EPS target exceeded despite a tougher than expected macroeconomic scenario**
- **On Track on 2005-2007 Business Plan Targets, with sustained Top-Line growth - driven by Net Interest and Net Fee and Commission Income - and substantial improvement in profitability and efficiency:**

	Δ% FY05 vs FY04	BP Target CAGR 2004-2007
Operating Income	**+8.5%**	**+7.4%**
Operating Costs	**-0.9%** (1)	**+1.1%**
Operating Margin	**+22.3%** (1)	**+15.6%**

	2004 (2)	31.12.05	2007BP Target
Cost/Income	**60%**	**54.4%** (1)	**50%**
ROE	**16%**	**18.5%** (3)	**20%**

BP = *2005-2007 Business Plan*
(1) *Excluding €63m non-recurring charges related to the stock granting programme accounted for in 4Q05 under Personnel Expenses caption*
(2) *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates), 2005 consolidation area and discontinued operations*
(3) *Adjusted excluding capital gains on Nextra and IGC sale transactions, non-recurring charges for the stock granting programme and non-recurring provisions for Risks and Charges*

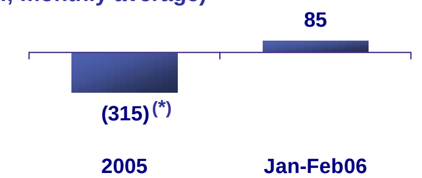
Key Turnaround Actions Proving Successful

Business Objectives	Actions
■ Asset Management	■ Strategic agreement with Crédit Agricole
■ Mid Corporates	■ Focus on ~3,000 priority customers
■ SMEs[1]	■ Relationship management upgrading programme

Results in first months of 2006

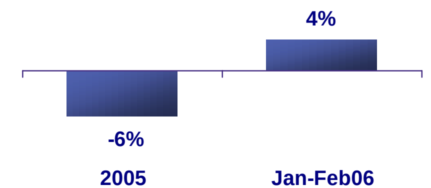
Mutual funds net subscriptions

(€ m; monthly average)



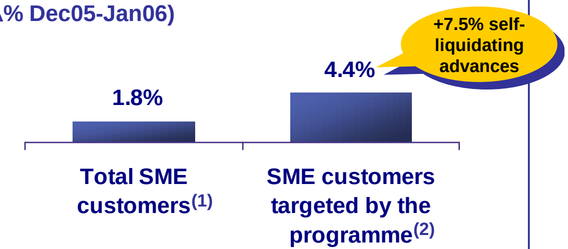
Growth rate of loans

(Δ% YoY)



Growth rate of short-term loans

(Δ% Dec05-Jan06)



(*) *Captive network*
(1) *Excluding micro enterprises*
(2) *Currently ~15% of total SME customers*

Banca Intesa

Appendix

2005 Quarterly Analysis

(€ m)	1Q05	2Q05	3Q05	4Q05
	Restated			
Net interest income	1,311	1,337	1,374	1,355
Dividends and equity investments	33	45	44	41
Net fee and commission income	963	983	988	1,001
Profits (Losses) on trading	192	182	183	132
Other operating income (expenses) (1)	(15)	11	(7)	14
Operating income	**2,484**	**2,558**	**2,582**	**2,543**
Personnel expenses	(786)	(792)	(800)	(872)
Other administrative expenses (1)	(411)	(468)	(439)	(505)
Adjustments to property, equipment and intangible assets	(111)	(121)	(127)	(161)
Operating costs	**(1,308)**	**(1,381)**	**(1,366)**	**(1,538)**
Operating margin	**1,176**	**1,177**	**1,216**	**1,005**
Goodwill impairment	0	0	0	(6)
Net provisions for risks and charges	(46)	(118)	(48)	(204)
Net adjustments to loans	(194)	(138)	(175)	(239)
Net impairment losses on other assets	1	(8)	0	(21)
Profits (Losses) on HTM and other investments	59	23	43	709 (2)
Income (Loss) before tax from cont operations	**996**	**936**	**1,036**	**1,244**
Taxes on income from continuing operations	(357)	(318)	(350)	(64)
Income (Loss) after tax from discontinued operations	18	(2)	(8)	25 (3)
Minority interests	(37)	(36)	(33)	(25)
Net income	**620**	**580**	**645**	**1,180**

Note: *1Q05, 2Q05 and 3Q05 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates) and 4Q05 consolidation area*
(1) *Other Administrative Expenses are net of expenses recovery (€91m 1Q05, €86m 2Q05, €81m 3Q05 and €104m 4Q05)*
(2) *Including €682m capital gain from the Nextra transaction accounted for in 4Q05*
(3) *Including €49m capital gain from the IGC sale transaction accounted for in 4Q05*

2004 Quarterly Analysis

(€ m)	1Q04	2Q04	3Q04	4Q04
	Restated			
Net interest income	1,256	1,218	1,293	1,291
Dividends and equity investments	33	48	34	40
Net fee and commission income	837	874	867	921
Profits (Losses) on trading	114	189	125	238
Other operating income (expenses) (1)	13	29	(140)	92
Operating income	**2,253**	**2,358**	**2,179**	**2,582**
Personnel expenses	(806)	(794)	(776)	(840)
Other administrative expenses (1)	(440)	(461)	(437)	(507)
Adjustments to property, equipment and intangible assets	(120)	(124)	(124)	(153)
Operating costs	**(1,366)**	**(1,379)**	**(1,337)**	**(1,500)**
Operating margin	**887**	**979**	**842**	**1,082**
Goodwill impairment	0	0	0	0
Net provisions for risks and charges	(18)	(86)	(19)	(174)
Net adjustments to loans	(103)	(316)	(153)	(260)
Net impairment losses on other assets	(19)	1	(8)	(51)
Profits (Losses) on HTM and other investments	(3)	31	107	84
Income (Loss) before tax from cont operations	**744**	**609**	**769**	**681**
Taxes on income from continuing operations	(257)	(149)	(250)	(143)
Income (Loss) after tax from discontinued operations	(38)	(7)	(2)	(2)
Minority interests	(23)	(22)	(20)	(49)
Net income	**426**	**431**	**497**	**487**

Note: *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates), 2005 consolidation area and discontinued operations*
(1) *Other Administrative Expenses are net of expenses recovery (€60m 1Q04, €70m 2Q04, €59m 3Q04 and €89m 4Q04)*

Balance Sheet

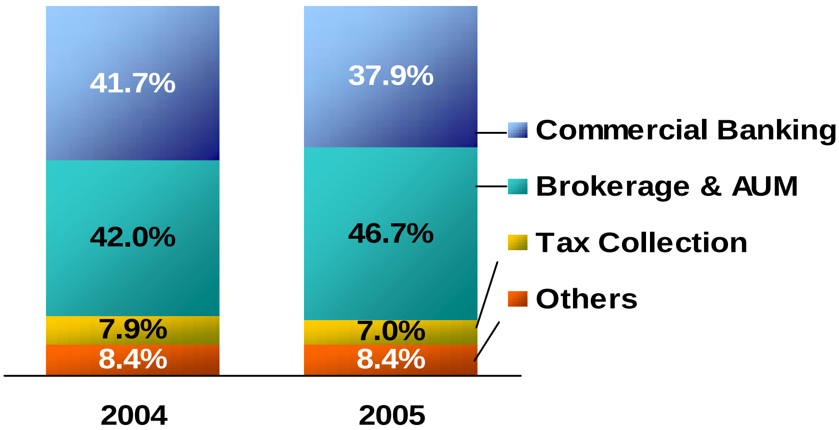
(€ m)	31.12.04 Restated	31.12.05	Δ%
Total Assets	274,600	273,535	(0.4)
Customer Loans	159,369	169,478	6.3
Direct Customer Deposits	180,521	187,590	3.9
Indirect Customer Funds	271,516	287,800	6.0
of which Assets under Management	*51,014*	*59,045*	*15.7*
Total Customer Administered Funds	452,394	475,423	5.1
Shareholders' Equity (1)	13,969	16,705	19.6

- **Assets under Management figures do not include Mutual Funds, included in Assets under Administration and in Custody after Nextra transaction**

Note: *31.12.04 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates) and 2005 consolidation area*
(1) *Including Net Income*

Net Fee and Commission

Net Fee and Commission Breakdown



(€ m)	FY04 Restated	FY05	Δ%
Commercial banking activities	**1,457**	**1,493**	**2.4**
of which			
- Credit & Debit cards	271	293	8.0
- Current accounts	749	754	0.6
Brokerage & AUM	**1,470**	**1,837**	**24.9**
of which			
- Dealing and Placement of Securities	248	471 (1)	89.8
- Insurance products	222	412	85.8
- Portfolio management	805	761	(5.5)
Tax Collection	**277**	**277**	**0.1**
Others	**295**	**331**	**12.2**
Total	**3,499**	**3,937**	**12.5**

Note: *2004 restated figures to reflect the IAS/IFRS application (including IAS 39 estimates) and 2005 consolidation area*
(1) *Including ~€160m from the placement of third-party structured bonds, absent in 2004*

Increase in Capital Allocated to Retail

	Risk Weighted Assets(1)			
	2001	2004	31.12.05(2)	2007 BP Target
Retail	38%	49%	47%	49%
Italian Subsidiary Banks	10%	14%	15%	14%
CEE Subsidiary Banks	3%	7%	8%	7%
Other Int. Subsidiary Banks	10%	2%	1%	1%
Large & Mid International Co's	17%	5%	6%	4%
Large Italian Co's	10%	9%	8%	9%
Mid Italian Co's	7%	7%	7%	7%
Govt. & Fin. Inst's	2%	2%	3%	4%
Others (3)	3%	5%	5%	5%
Total	100%	100%	100%	100%

Retail: 51% (2001), 70% (2004), 70% (31.12.05), 70% (2007 BP Target)

9% including acquisitions recently finalised/ under way (4)

BP = *2005-2007 Business Plan*

(1) *Excluding Central Functions and Market Risk*

(2) *Including the acquisitions of CR Fano, Banca Intesa Beograd (formerly Delta Banka) in Serbia and Montenegro and KMB Bank in the Russian Federation*

(3) *Merchant Banking, Private Equity and Capital Markets and other foreign subsidiaries specialised in Corporate Banking*

(4) *Including the acquisitions of UPI Banka in Bosnia and Herzegovina (recently finalised) and Ukrsotsbank in Ukraine (under way)*

Acquisition of Ukrsotsbank in Ukraine
Deal structure

- **Acquisition of around 88.1% stake in Ukrsotsbank's share capital**
- **The transaction will be completed in two closings due to pending share capital increase completion (USD 60m)**
  - **the first closing (85.42% of Ukrotsbank's share capital) is expected to be completed in May following the receipt of all regulatory approvals**
  - **the second closing (up to around 88.1% stake) is expected to be completed not later than September once the capital increase formalities will have been exhausted**
- **Cumulative investment at the first and second closing is estimated to amount to USD 1,161m (i.e. ~€975m), thus valuing Ukrotsbank ~USD 1,310m, which represent 5.2 times Ukrsotsbank shareholder's equity (USD 252m as for 2005 year-end IFRS based Management Accounts, including the capital increase of USD 60m)**
- **The multiple is aligned to similar transactions in the Ukrainian market and reflects the high growth rates foreseen both for the economy and banking system of Ukraine, which has over 47 million inhabitants, and for Ukrsotsbank assets and profitability**