

PRESS RELEASE

Banca Intesa presented its business results realized in the year of 2008 and its plans for this year

Strengthened leadership position

Belgrade - Despite the changed market circumstances, characterized by negative impact of global financial crisis as well as the continued restrictive monetary policy, in 2008 Banca Intesa recorded excellent business results and according to the main banking success indicators such as total assets, total deposits and placements, it is the first-placed bank on the national banking market. Pursuant to the data till December 31, 2008 inclusive, Banca Intesa Beograd with total assets amounting to EUR 3 billion, total deposits amounting to EUR 1.6 billion and total placements amounting to EUR 1.96 billion (2.1 including cross border) is the leader on the list of the biggest banks in Serbia. The growth of gross total assets amount by 15% and placement by 63% are only few of the dynamism indicators of the bank's business operations in the previous year.

Banca Intesa is a reliable partner to 1.35 million clients, i.e. 1.25 million natural entities and more than 108 000 corporate subjects. Significant steps were made in 2008 in order to increase the bank's presence on the market, as the necessary precondition for an even more successful retail operations. During 2008 the number of branches was increased for 6, so the business network at the end of the year consisted of 230 branches and 3 centres for housing loans. The bank also has the most developed network of POS terminals and ATM machines consisting of 17,300 active POS terminals and 242 ATM machines.

Banca Intesa continued with dynamic crediting of national economy in 2008 increasing its total placement to EUR 1.5 billion. Significant amount of resources was placed in the public sector i.e. local municipalities for financing capital investments in infrastructure, road network and telecommunications as well as the construction of housing and business buildings. The corporate deposits, including small business at the end of 2008 reached EUR 828 million. The bank has the leadership position on the market with regard to domestic and international payment turnover.

Total credit portfolio of the sector for natural entities business operations amounted to EUR 500 billion at the end of 2008, which is an increase of 23% relating to the previous year. In the structure of retail loans the biggest growth was recorded in housing loans, whereas the National Bank's measures significantly slowed down the growth of cash loans.

In 2008 one of the basic generators of the Bank's exceptional business success were the results achieved in small business operations, where the placements were increased by 70% reaching the amount of EUR 115 billion. Particularly high growth of 260% was recorded in the approved agricultural loans.

Banca Intesa still holds the absolute leadership position in payment cards operations. At the end of 2008, the bank has over one million issued debit and credit cards, of which 272,269 payment cards were issued just in 2008. We issued the first MasterCard card in the country, the first payment card with the installed chip on the territory of the Balkans, and returned American Express on our market after 15 years. In cooperation with Visa we offered the first donating card in Serbia in order to support the development of paraolympic sports. With our pioneering enterprise of processing payment cards via the Internet, we enabled the national companies to sell their goods and services through their Web sites, and we are still the only Bank in the country that provides this service. Banca Intesa has always attempted to be innovative in the development of business concept, and in line with this we have provided our clients contactless Gift Card prepaid cards and thus introduced the most up-to-date contactless PayPass Maestro technology on the Serbian market.

Via the modern e-banking service, in 2008 Banca Intesa realized 11 million payment orders in total amount of over EUR 16 billion. 53% of the total turnover in Banca Intesa was realized in this way, the number of realized transactions increased by 49% and the achieved turnover was by 42% higher than in the previous year.

Banca Intesa is the only Bank on the domestic market that enabled domestic merchants to sell their products and services via the Internet, by introducing e-commerce service in 2007. Only through E-commerce service of Banca Intesa, over 50 000 transactions were realized and the turnover achieved was more than RSD 600 million and currently this service is being used by 33 active merchants.

During 2008 65,000 clients used the online service of Banca Intesa, which is by 22% more active users, by 67% more realized transactions and by 106% more exchange transactions compared to the previous year.

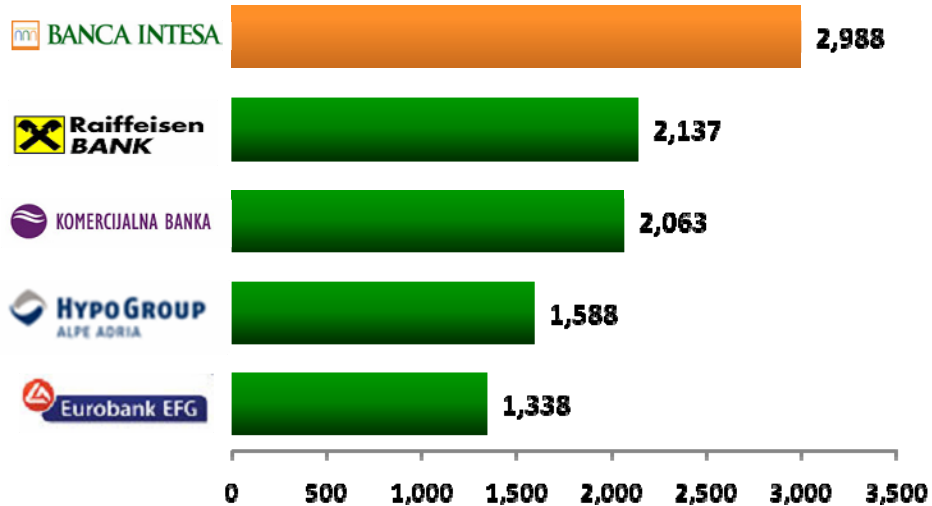
Based on the dynamic growth of all the main balance positions, a record level of net operating margin of EUR 217 million was realized. The achieved high growth rate of net operating margin in 2008, is first of all, the result of intense growth of net interest income. On the other hand, we had slower growth of total operating expenses, which resulted in the improved total business efficiency - the proportion of costs to income indicator decreased by 9.8 percent points compared to 2007 and amounts 41.9%. The net income before taxation for 2008 amounts to EUR 72 million.

Leadership position on the market

Pursuant to the official data of the National Bank at the end of September 2008, Banca Intesa is the leader in almost all business segments:

- first in terms of total assets with 13.4% of the market share (at the end of 2007 the market share was 12.5%)
- first in terms of capital with 10.4% of market share
- first in the level of client placement with 13.3% of market share (11.7% at the end of 2007)
- first in the level of client deposits with 14.5% of market share (14.3% at the end of 2007)
- first in the terms of net profit

The first five banks in terms of net total assets:
In EUR millions on 30 September 2008



The plans of Banca Intesa for 2009

Despite a number of challenges set by the growing competition, increased restrictive monetary policy as well as the global financial market crisis, this year Banca Intesa is planning to strengthen its leadership position in all business segments, through introducing innovative products, improving the existing offer and enhancing the service quality.

The business development in 2009 will be directed towards establishing the so-called asset management companies development of factoring, strengthening of leasing activities, development of private banking as well as widening the range of services in the field of the investment banking.