PRESS RELEASE

Intesa Sanpaolo – growth in the first plan

Belgrade (18 April 2007) – Leading Italian banking group, Intesa Sanpaolo, at a press conference held at the Bank's head–quarters in Milan, for the first time after the merger, presented its business plans for the next three years (2007-2009).The most important elements of the plan include: maintenance of leadership position through viable organic growth which implies income growth at average rate of 7% annually and strengthening of its position in the countries of Middle and East Europe and Mediterranean.Under the motto "It's better together", Mr Corrado Passera, President of the Management Board of Intesa Sanpaolo, announced that in the next three years, the Group is planning investments in the amount of EUR 12 billion as well as EUR 100 billion of new loans to the corporate.

Position strengthening in Middle and East Europe

Through merger of two banks, the presence in the region of Middle and East Europe was significantly improved, the proof of which is the number of 7 million clients and 1,650 branches in 10 countries.

As the Group already holds leading positions in Serbia, as well as Hungary, Slovakia, Croatia and Albania; in these countries for the next three years, the first plan will be to strengthen i.e. consolidate the existing market positions. "Serbia is an extremely important point on the map of future development of Intesa Sanpaolo Group, primarily due to its excellent growth perspectives. In the next period, we shall be directed towards consolidation of the existing market position, that will be greatly contributed by an even closer connecting and cooperation of Banca Intesa Beograd and Panonska banka", emphasized Mr Corrado Passera, President of the Management Board of Intesa Sanpaolo.

The announcement of further position strengthening in the region means the possibility of aimed acquisitions assessed to have good perspectives for creating greater value i.e. that with their price they fit into the aimed profitability of the Group. In practice, that would primarily include countries in which the Group is planning further market penetration, such as Romania, Russia, Slovenia, Bosnia and Hertzegovina and Egypt.

Banks operating outside Italy today participate with 20% in total assets of the Group. According to the plan, this share should be maintained through planned organic growth.For international banks division by the end of 2009, operating income growth of 13.7% annually has been planed, with a bit slower operating costs growth of 10.5%.Placement growth has been planned in the amount of 18.8% annually.

Leadership position maintenance in Italy

Intesa Sanpaolo is the absolute leader on the Italian market, with market share of 20% in segments of business operations.

Although no great cross–border mergers have been emphasized among the strategic options for the next three years, there has been emphasized the possibility of new acquisitions of local Italian banks, in order to improve the coverage within a few Italian regions where the Group's participation is lower today.

Market capitalization of Intesa Sanpaolo amounts approximately EUR 75 billion, which puts it on the 4th position in the Eurozone, whereas with placements amounting EUR 327 billion it is the 6th in the Eurozone.Out of total 18 million clients, approximately 7 billion are outside Italy today.

On Group level, according to the business plan, average annual growth of operating income at the rate of 7% has been set. Net income of Intesa Sanpaolo for the previous year amounted EUR 4.4 billion, and it has been planned that it reaches the amount of EUR 7 billion in 2009.

Integration process

The first stage of integration process went successfully, simultaneously bringing an increased growth of client base for 43,000 new clients in only 3 months.As for the amount of this process, it is enough to say that only the cost of IT–system integration has been evaluated at the amount of EUR 430 million, whereas the total integration process cost has been evaluated to reach EUR 1.5 billion.In the course of 2007, the process of Treasury integration and companies' merger within the Group will be finished and by the end of 2008, with IT–system unification, integration process will be completely finalized.

Business plan 2007 – 2009 in numbers:

- 100 million new loans to the corporate
- 600 new subsidiaries
- EUR 12 billion of new investments
- 500 000 education days for the employees
- income growth of 7% annually