

## PRESS RELEASE

### **Intesa Sanpaolo continues strong growth on international plan**

- By taking over 100% of share capital of the Ukraine Pravex bank, Intesa Sanpaolo continued its strategy of continuous expansion in Central and East Europe
- In cooperation with an Italian export–import credit agency, Intesa Sanpaolo Group approved a three–year loan to the biggest Vietnamese bank Vietcombank amounting to USD 100 million and also asked permission of the Vietnamese authorities to open its office in this country

**Belgrade (14 July 2008)** – Intesa Sanpaolo Group acquired 100% of share capital of the Ukraine Pravex bank thereby successfully completing the acquisition process initiated at the beginning of February when Intesa Sanpaolo invested EUR 493 million in this bank.

The purchase of Pravex bank enabled the strongest Italian banking group efficient entrance on the great Ukraine market with 47 million citizens considering that Pravex bank has been fully devoted to retail activities offering its services through 580 branches, 1,900 counters located in the leading retail chains and 290 ATMs. Pravex bank until December 31, 2007 inclusive, had total assets amounting USD 1,500 million, consumer loans amounting to approximately USD 751 million, clients' deposits amounting to approximately USD 727 million and share capital of approximately USD 121 million. In terms of number of clients, this bank is one of the biggest in Ukraine and is also unique due to the fact that its portfolio of the approved loans is fully financed from the Bank clients' deposits.

By taking over Pravex, Intesa Sanpaolo continued with the realization of its strategy of selective expansion in central and southeastern Europe and the Mediterranean basin where it has strategic coverage with more than 1,900 branches in 13 countries serving the needs of more than 8 million clients. Apart from Serbia, Intesa Sanpaolo operates in Croatia (Privredna banka Zagreb), Slovenia (Banka Koper), Romania (Sanpaolo IMI bank Romania), Albania (American Bank of Albania), Bosnia and Herzegovina (UPI bank and LTG Bank), Slovakia (VUB Bank), Hungary (CIB Bank), Russia (KMB Bank), Ukraine (Ukrsots bank) and Greece (the subsidiary of the American Bank of Albania).

With a goal to meet the demands of corporate subjects that provide their financing resources through cross–boarder loans, Intesa Sanpaolo also has its special offices for corporate banking in Athens, Beirut, Cairo, Casablanca, Istanbul, Moscow, Prague, Tunis and Warsaw and through its subsidiary ZAO Banca Intesa company, it is the only Italian bank with working license in the Russian Federation.

## **Presence strengthened in Asia as well**

In order to strengthen its participation on Asian market, Intesa Sanpaolo Group in cooperation with the Italian export–import credit agency SACE, signed the Agreement, pursuant to which this banking group approved a three–year loan to a Vietnamese bank Vietcombank amounting to USD 100 million. On this occasion, top - level delegation of the Italian Embassy was present during signing the Loan Agreement, and 70% of the loan will be covered by the guarantee issued by SACE agency, an Italian leader in loan and investment insurance, as well as issuing guarantees for covering political and commercial risks.

This cooperation, additionally strengthened Italian–Vietnamese business relations, considering the fact that the biggest bank in Italy and the leading company for export loan crediting on the Italian market agreed to perform this common initiative with the leading Vietnamese banking institution. Vietcombank, with the head office in Hanoi, is the biggest corporate bank in Vietnam and it is partly state–owned with total assets amounting USD 12.2 billion as on December 31, 2007. The bank was founded in 1963 and is leader in offering financial services in international exchange and it also dominates in traditional areas such as treasury bills, funds mobilization, loans, project financing and card operations. Vietcombank is the most profitable banking group offering its financial services in Vietnam with approximately USD 267 million income before provisioning as of December 31, 2007.

Intesa Sanpaolo has been present in Asia through its branches in Hong Kong, Singapore, Shanghai and Tokyo offering debt-financing services, trade financing, structure and project financing, as well as teller and direct investment services.

Intesa Sanpaolo, announced the best Italian bank in trade financing segment in 2007 and 2008 by the magazine Global Finance, participates with more than 30% of share in Italian–Vietnamese exchange. To this market the Group is paying more and more attention, considering that it timely determined to meet the interests of the corporate subjects and to support them in wider region as well. Owing to the importance of this market for expansion and promotion of the Group operations with corporate entities in Vietnam and wider region, Intesa Sanpaolo has recently asked permission from local authorities to open its office in Vietnam, emphasizing the long–term potentials it recognized in this country.