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**Intesa Sanpaolo continues with strong growth on the international market**

- Strong growth in the countries of Central and Eastern Europe will be continued due to the development of the range of retail products and services, first of all credit cards, leasing and consumer loans
- New visual identity of all members of the Group will contribute to the creation of a unique and internationally recognizable brand Intesa Sanpaolo
- Intesa Sanpaolo launched important initiatives on the Chinese market in the course of 2007 through investing in business banking, banking insurance and asset management

Intesa Sanpaolo, the leading bank in Italy, in 2007 realized a strong growth in international business operations, especially in the region of Central and Eastern Europe where in the first 9 months it recorded operating income of EUR 1.4 billion, serving the needs of 7.2 million clients through network of 1,234 branches. This kind of growth is expected in the following period as well.

**In the first 9 months in 2007, international business operations of the bank record:**

- **operating income of EUR 1.4 billion**
- **income prior to taxation in regular operations amounting to EUR 602 million**
- **7.2 million clients**
- **1,234 branches**

According to the strategic plans of Intesa Sanpaolo, international business operations of the Group will continue to record dynamic rates of growth in the future as well, especially in the countries of Central and Eastern Europe and the Mediterranean basin. According to the report of the International Network of Economists of Intesa Sanpaolo, extremely dynamic and fast-growing economies in this region recorded high rates of growth from 2002 to 2006 (about 4-5% on average according to Eurostat) which is far higher than the average in the countries in the Eurozone. This created space for faster development of the banking sector, which again contributed to the intense economic development.

## **Strategy and goals of Intesa Sanpaolo Group**

In accordance with the strategy of the Group, the growth will continue on the markets in Central and Eastern Europe relying on the local management of every country and creation of the common network of knowledge and experience of all members, as well as with the faster development of an even better quality offer of services and products. The greatest growth rates are expected in the area of retail banking, and especially in credit card operations, leasing and consumer loans. Business plan of the Group from 2007 to 2009 establishes the following important goals:

- consolidated annual growth rate (CAGR) for regular business operations amounting to 13.7%
- the income growth prior to taxation (+15.9% CAGR)
- reduction of cost and income proportion by 4.7%

Intesa Sanpaolo operates in these countries through 10 business banks that are leaders on their markets:

- In Central and Eastern Europe (Croatia, Bosnia and Herzegovina, Serbia, Albania, Romania, Slovenia, Hungary, Slovakia, The Czech Republic, Greece) and the Russian Federation;
- Mediterranean basin, where its presence in Egypt is the most emphasized

## **New unique visual identity of all Group members**

With the aim of creating a unique and internationally recognisable brand of Intesa Sanpaolo Group, in the course of 2008, all bank members of the Group will get a new visual identity. The project of brand unification will provide that all banks be recognized, even at first sight, as a part of a big international Group, which emphasizes their mutual identity as well as the membership to Intesa Sanpaolo Group. Although the brand will be harmonized on the Group level, the bank names will, due to respect for local market traditions, remain unchanged, whereas only the colours and the type of letters will be altered and the logo will be the same for all. This will lead to the creation of the new visual identity, the goal of which is the increase and improvement of the potential and image of individual banks operating within the Group, that will additionally increase their contribution to the overall development of the countries they operate in.

Banca Intesa Beograd, like all other banks that belong to this Italian Group, will get a new logo in the first half of 2008, whereas the Bank name will remain unchanged. The Bank is planning to start the application of the new logo in the spring of 2008, and all the other information and details relating to this process will be presented to the public by the end of February.

## **Intesa Sanpaolo in China**

Strengthening its international business operations in the course of 2007, Banca Intesa launched important initiatives on the Chinese market, by investing in the shares of the local players who operate in the area of business banking, bank insurance and asset management.

Intesa Sanpaolo was the first Italian bank to make direct investments into the capital of a Chinese bank, by purchasing 19.99% share in Qingdao City Commercial Bank and to enter the life insurance sector in China by purchasing 19.9% share of the capital in Union life and it signed the Agreement on purchasing 49% share in Penghua Fund Management, one of the leading asset management companies on the Chinese market.