

SANPAOLO IMI SPA
Form 425
September 05, 2006

Filed by: BANCA INTESA
pursuant to Rule 425 under the Securities Act of 1933
Subject Company: SANPAOLO IMI
Commission file number:

PRESS RELEASE

BANCA INTESA: RESULTS AS AT 30th JUNE 2006

- **Consolidated net income for first half 2006 at 1,476 million euro, up 23% (2005 first half: 1,200 million).**
- **Income before tax from continuing operations at 2,241 million euro, up 16.6% (2005 first half: 1,922 million).**
- **Operating margin at 2,621 million euro, up 13.3% (2005 first half: 2,313 million).**
- **Operating income at 5,261 million euro, up 8.7% (2005 first half: 4,841 million).**
- **Operating costs at 2,640 million euro, up 4.4%, in line with the Business Plan targets (2005 first half: 2,528 million).**
- **Capital ratio at 30th June 2006: Tier 1 ratio at 8.1%.**

Milano, 4th September 2006 The Board of Directors, which met today chaired by Giovanni Bazoli, approved the consolidated half-yearly report as at 30th June 2006.

The half-yearly results of 2006 (*) highlighted a further significant improvement in profitability, after the achievement of 2005. **Consolidated net income** rose to 1,476 million euro, up 23% from 1,200 million in first half 2005.

(*) In the second quarter of 2006 the caption related to discontinued operations included the contribution from the items affected by the sale of Gruppo Intesa's stakes in tax collection companies - approved by the Board of Directors of 28th March 2006 - to Riscossione S.p.A. to which as of 1st October tax collection service activities will be conferred. For consistency purposes, the income statement and balance sheet data of the first quarter of 2006 and four quarters of 2005 were restated accordingly.

Moreover, in the second quarter of 2006, the cost of carry of equity swaps was reclassified and excluded from net interest income and included in the Profits (Losses) on trading caption in which relevant income was recognised. For consistency purposes, the income statement data of the first quarter of 2006 and four quarters of 2005 were reclassified accordingly.

Statement of income for the first half of 2006

The consolidated statement of income for first half 2006 registered **operating income** of 5,261 million euro, up 8.7% with respect to the 4,841 million of the corresponding period of 2005.

As part of it, **net interest income** rose to 2,773 million euro, up 5.6% compared to the 2,627 million for the same period of 2005.

Net fee and commission income registered 1,845 million euro, with a 4.6% rise compared to the 1,764 million in first half 2005, notwithstanding the halving of commissions from the placement of third-party structured bonds. This rise was driven by commissions on portfolio management (up 15%), distribution of insurance products (up 12.6%), credit and debit cards (up 11.5%) and dealing and placement of securities (up 5.1%). Breakdown of contribution generated on dealing and placement of securities is the following, in approximate figures: 350 million on placement of mutual funds (up 46% with respect to the 240 million in first half 2005, sustained by Intesa Garanzia Attiva, the first mutual fund in Italy with guaranteed capital and the first product launched under the strategic agreement with Crédit Agricole), 80 million on placement of third-party structured bonds (with respect to the 160 million in first half 2005) and 110 million on dealing and placement of other securities (in line with first half 2005). **Profits on trading** amounted to 531 million euro, with a significant growth with respect to the 336 million of first half 2005 which was largely structural (profits on trading for the first half of 2006 included a valuation effect regarding the equity stakes in Fiat and Parmalat equal to approximately 90 million euro compared to the approximately 40 million in first half 2005 related to the Fiat convertendo).

Operating costs amounted to 2,640 million euro, in line with the Business Plan targets, with a 4.4% rise compared to the 2,528 million for first half 2005 resulting from personnel expenses (up 4.2%), administrative expenses (up 4.0%) and adjustments (up 7.1%). With reference to administrative expenses the trend is determined by a 7.7% rise in growth-related expenses (information technology, training and advertising) and a 2.3% increase in other expenses.

Consequently, **operating margin** registered a 13.3% growth rate to 2,621 million euro compared to the 2,313 million of first half 2005, with an improvement in the **cost/income ratio**, down from 52.2% to 50.2%.

Net **provisions** and adjustments (net provisions for risks and charges, net adjustments to loans, net impairment losses on other assets) amounted to 430 million euro, down 9.1% with respect to the 473 million of the corresponding period of 2005. Profits/losses on investments held to maturity and on other investments registered a positive balance of 50 million euro compared to the 82 million of first half 2005.

Income before tax from continuing operations registered 2,241 million euro, with a 16.6% rise compared to the 1,922 million for first half 2005.

Consolidated net income equalled 1,476 million euro with respect to the 1,200 million for the corresponding period of 2005 (up 23%) and reflected the deduction of income taxes (750 million), the registration of income after tax from discontinued operations (43 million) and the attribution to minority shareholders of the income pertaining to them (58 million euro). The **Parent Company's net income** amounted to 1,641 million euro compared to the 839 million for first half 2005. The difference in performance between the Parent Company's net income and consolidated net income is mainly due to 704 million euro of dividends distributed in first half 2006 by the subsidiary Intesa Holding Asset Management related to last year's capital gain on the Nextra sale recorded in the consolidated income statement of 2005.

Statement of income for the second quarter of 2006

The consolidated statement of income for second quarter 2006 registered **operating income** of 2,554 million euro, up 4.7% with respect to second quarter 2005 and down 5.7% to first quarter 2006.

As part of it, **net interest income** amounted to 1,413 million euro, up 6% compared to second quarter 2005 and up 3.9% to first quarter 2006.

Net fee and commission income registered 895 million euro, with a 1.6% rise compared to second quarter 2005, as a result of the increase in commissions on credit and debit cards (up 11%), portfolio management (up 8%), dealing and placement of securities (up 6%) and the slight decrease in the total of remaining commissions (down 2.2%). A 5.8% decrease was recorded with respect to first quarter 2006 determined by commissions on dealing and placement of securities (down 17.5%). Breakdown of contribution generated on dealing and placement of securities is the following, in approximate figures: 160 million on placement of mutual funds (120 million in second quarter 2005 and 190 million in first quarter 2006), 35 million on placement of third-party structured bonds (50 million in second quarter 2005 and 45 million in first quarter 2006) and 50 million on dealing and placement of other securities (55 million in second quarter 2005 and 60 million in first quarter 2006). **Profits on trading** amounted to 175 million euro, up from the 153 million in second quarter 2005 and down with respect to the 356 million in first quarter 2006 (reflecting the valuation effect of the equity stakes in Fiat and Parmalat which had been positive for approximately 100 million euro in the first quarter of the year and was negative for approximately 10 million in the second quarter).

Operating costs amounted to 1,340 million euro, in line with the Business Plan targets, up 3.4% compared to second quarter 2005. This increase was determined by growth in personnel expenses (up 4.6%) and adjustments (up 6.9%) while administrative expenses were overall stable (up 0.5%) as the result of a 14.3% rise in growth-related expenses (information technology, training and advertising) and a 5.6% decline in other expenses. With respect to first quarter 2006, a 3.1% increase was recorded resulting from a rise in personnel expenses (up 1.2%), administrative expenses (up 5.8%) - where growth-related expenses (information technology, training and advertising) increased 19.7% and other expenses remained unchanged (down 0.4%) - and adjustments (up 6%).

Consequently, **operating margin** rose to 1,214 million euro, up 6.1% with respect to second quarter 2005, with an improvement in the **cost/income ratio**, down from 53.1% to 52.5%. Operating margin decreased by 13.7% with respect to first quarter 2006.

Net provisions and adjustments (net provisions for risks and charges, net adjustments to loans, net impairment losses on other assets) amounted to 188 million euro, down with respect to the 244 million in second quarter 2005 and the 242 of first quarter 2006. Profits/losses on investments held to maturity and on other investments registered a positive balance of 50 million euro compared to the 21 million in second quarter 2005 whereas no balance had been generated in first quarter 2006.

Income before tax from continuing operations registered 1,076 million euro, with a 16.8% rise compared to second quarter 2005 and a 7.6% decrease compared to first quarter 2006.

Consolidated net income equalled 725 million euro with respect to the 580 million for the corresponding period of 2005 (up 25%) and the 751 million in first quarter 2006 and reflected the deduction of income taxes (346 million), the registration of income after tax from discontinued operations (24 million) and the attribution to minority shareholders of the income pertaining to them (29 million).

Balance sheet as at 30th June 2006

As regards the consolidated balance sheet figures, as at 30th June 2006 **loans to customers** amounted to 176 billion euro, up 10.6% on the figure as at 30th June 2005 and up 4.3% on that as at 31st December 2005. Total **doubtful loans, substandard loans and loans past due by over 180 days** - net of adjustments - equalled 5,142 million euro compared to the 5,078 million as at 31st December 2005. In detail, doubtful loans increased from 1,229 million euro to 1,464 million, with an incidence of 0.8% on total loans (0.7% at year-end 2005) and a degree of coverage of 67.5% (69% as at year-end 2005); substandard loans increased from 3,134 million euro to 3,226 million and loans past due by over 180 days decreased from 715 million euro to 452 million.

Customer deposits under administration amounted to 489 billion euro up 4.8% compared to 30th June 2005 and up 2.9% to 31st December 2005. As part of it, direct customer deposits equalled 194 billion, up 5.8% compared to those as at 30th June 2005 and up 3.5% to 31st December 2005, and indirect customer deposits reached 294 billion, up 3.8% with respect to those as at 30th June 2005 and up 2.1% with respect to those of year-end 2005. **Assets under management**, in which mutual funds are no longer included after the finalisation last December of the agreement for asset management activities with Crédit Agricole, equalled 58 billion euro, with a 7.8% rise compared to 30th June 2005 stemming from both individual portfolio management schemes and bancassurance products, and a 1.8% decrease compared to year-end 2005, following a contraction in individual portfolio management schemes offset only partially by placement of bancassurance products during the semester for approximately 3.8 billion euro.

As at 30th June 2006, **capital ratios** resulted in: Core Tier 1 ratio at 7.3% (7.1% at 31st December 2005), Tier 1 ratio at 8.1% (7.9% at 31st December 2005) and total capital ratio at 10.8% (10.3% at 31st December 2005).

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As at 30th June 2006, Gruppo Intesa's **operating structure** was made up of 3,900 branches - of which 3,129 in Italy and 771 abroad - and 58,301 employees, 817 higher than at 31st December 2005.

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Results by business areas

The **Retail Division** serves Households, Affluent and Private customers, SMEs with turnover up to 50 million euro, Religious and Non-Profit Entities, and includes product companies in the fields of industrial credit and leasing. In first half 2006, operating income registered a 5.9% increase to 2,783 million euro from 2,627 million in the corresponding period of 2005, accounting for 53% of consolidated operating income (54% in first half 2005). Revenue growth was fostered in particular by mortgages (stock up 11%), personal loans (stock up 34%). Operating costs increased 3.4% to 1,442 million euro from 1,394 million and led to a 8.8% increase in operating margin, which rose to 1,341 from 1,233 million, and a decrease in the cost/income ratio to 52% from 53%. Net provisions and adjustments rose to 260 million euro from 159 million mainly due to the transfer to substandard loans of positions which at the end of last December had been classified as past due by over 180 days (the latter is the category of non-performing loans introduced by the Bank of Italy at year-end 2005). After a one million loss on investments held to maturity and on other investments, income before tax totalled 1,080 million euro, in line with first half 2005.

The **Italian Subsidiary Banks Division** includes subsidiary banks all strongly rooted in regional markets. In the first half 2006, operating income recorded a 7.7% increase to 841 million euro from 781 million, with a 16% contribution to consolidated operating income (the same as first half 2005). With operating costs of 393 million euro, up 4% compared to the 378 million of first half 2005, operating margin was up 11.2% to 448 million euro from 403 million and the cost/income ratio decreased to 47% from 48%. Net provisions and adjustments amounted to 70 million euro, down 14.6% from 82 million of first half 2005. After profits on investments held to maturity and on other investments of 3 million euro, income before tax from continuing operations increased 13.4% to 381 million euro from 336 million in the corresponding period of 2005.

The **International Subsidiary Banks Division** is in charge of subsidiary banks abroad that provide retail and commercial banking services. In the first half of 2006, this division highlighted a significant growth in operating income which increased by 15.4% to 592 million euro from 513 million, making a 11% contribution to consolidated operating income (the same as first half 2005). Operating costs rose by 12.7% to 310 million euro from 275 million; therefore, operating margin rose 18.5% to 282 million euro from 238 million and the cost/income ratio decreased to 52% from

54%. Net provisions and adjustments stood at around 45 million euro. After profits on investments held to maturity and on other investments of 3 million euro, income before tax from continuing operations increased by 21.8% to 240 million euro from 197 million in first half 2005.

The **Corporate Division** serves companies with a turnover exceeding 50 million euro and is responsible for relations with Mid Corporates, Large Corporates and Financial Institutions. It includes: Caboto, a factoring company and the international network made up of branches, representative offices and subsidiaries specialised in corporate banking. In the first quarter of 2006, this Division showed a significant growth in operating income which amounted to 940 million euro, up 11.4% compared to the 844 million in first half 2005, accounting for 18% of consolidated operating income (17% in the corresponding period of 2005). Revenues were affected on one hand by the above-mentioned valuation effect of the Fiat and Parmalat equity stakes and on the other hand by higher funding costs related to the increase in Caboto and Merchant Banking portfolios. Excluding the latter effect, net interest income would have risen by 7%. With operating costs totalling 338 million euro up 3% with respect to 328 million in first half 2005, operating margin amounted to 602 million euro, up 16.7% compared to the 516 million for first half 2005 and the cost/income ratio was down to 36% from 39%. Net provisions and adjustments recorded a 45% decrease to 40 million euro from 73 million. After profits on investments held to maturity and on other investments of 27 million euro, income before tax from continuing operations increased by 33% to 589 million euro from 443 million in first half 2005.

Since January 1st 2006 activities dedicated to the Public and Infrastructure finance sector have been transferred from the Corporate Division to **Banca Intesa Infrastrutture e Sviluppo (BIIS)**, a Group subsidiary with fields of activity ranging from public works lending to securitisations for public entities and project finance; for simplicity sake, Banca Intesa Infrastrutture e Sviluppo's figures are included in the Corporate Division. The half-yearly performance of BIIS, compared to the its proforma data for the first half of 2005, showed a sustained trend, in line with the Business plan's indications: operating income recorded a 68.6% increase to 47 million euro and operating margin reached 26 million euro, almost tripling the comparative figure. The total of loans to customers and financial assets available for sale increased by 13.9% to over 7.7 billion euro.

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An improvement in operating performance is expected for 2006 with respect to 2005, in line with the guidelines of the 2005-2007 Business Plan, also in the light of results recorded in the first half of the current year.

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In order to present more complete information regarding the half-yearly results generated in 2006, the reclassified consolidated statement of income and the consolidated balance sheet included in the report on operations approved by the Board of Directors are attached. Please note that they are not subject to being audited by the Auditing company. The latter, in charge of performing the limited review of the half-yearly report, has not yet completed its analysis. The half-yearly report as at 30th June 2006 is disclosed according to the terms provided by Art.82, par.2 of the Consob Regulation 11971 of 14th May 1999 (as subsequently modified) instead of the Quarterly Report as at 30th June 2006.

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Gruppo Intesa**Reclassified consolidated statement of income**

(in millions of euro)

	30.06.2006	30.06.2005 Restated (*)	Changes amount	%	30.06.2005
Net interest income	2,773	2,627	146	5.6	2,597
Dividends	13	12	1	8.3	12
Profits (Losses) on investments carried at equity	79	103	-24	-23.3	66
Net fee and commission income	1,845	1,764	81	4.6	1,924
Profits (Losses) on trading	531	336	195	58.0	362
Other operating income (expenses)	20	-1	21		16
Operating income	5,261	4,841	420	8.7	4,977
Personnel expenses	-1,551	-1,488	63	4.2	-1,566
Other administrative expenses	-848	-815	33	4.0	-864
Adjustments to property, equipment and intangible assets	-241	-225	16	7.1	-242
Operating costs	-2,640	-2,528	112	4.4	-2,672
Operating margin	2,621	2,313	308	13.3	2,305
Goodwill impairment					
Net provisions for risks and charges	-57	-157	-100	-63.7	-164
Net adjustments to loans	-372	-312	60	19.2	-321
Net impairment losses on other assets	-1	-4	-3	-75.0	-7
Profits (Losses) on investments held to maturity and on other investments	50	82	-32	-39.0	88
Income (Loss) before tax from continuing operations	2,241	1,922	319	16.6	1,901
Taxes on income from continuing operations	-750	-653	97	14.9	-670
Income (Loss) after tax from discontinued operations	43	4	39		16
Minority interests	-58	-73	-15	-20.5	-47
Net income	1,476	1,200	276	23.0	1,200

(*) Figures restated on a consistent basis, considering changes in the consolidation area.

6

Gruppo Intesa

Quarterly development of the reclassified consolidated statement of income

(in millions of euro)

	2006 Second quarter	First quarter Restated (*)	2005 Restated (*) Fourth quarter	Third quarter	Second quarter	First quarter
Net interest income	1,413	1,360	1,332	1,349	1,333	1,294
Dividends	13				12	
Profits (Losses) on investments carried at equity	50	29	50	47	50	53
Net fee and commission income	895	950	848	818	881	883
Profits (Losses) on trading	175	356	114	170	153	183
Other operating income (expenses)	8	12	11	-7	11	-12
Operating income	2,554	2,707	2,355	2,377	2,440	2,401
Personnel expenses	-780	-771	-823	-753	-746	-742
Other administrative expenses	-436	-412	-453	-394	-434	-381
Adjustments to property, equipment and intangible assets	-124	-117	-154	-121	-116	-109
Operating costs	-1,340	-1,300	-1,430	-1,268	-1,296	-1,232
Operating margin	1,214	1,407	925	1,109	1,144	1,169
Goodwill impairment			-6			
Net provisions for risks and charges	-19	-38	-192	-45	-113	-44
Net adjustments to loans	-165	-207	-263	-165	-123	-189
Net impairment losses on other assets	-4	3	-18	1	-8	4
Profits (Losses) on investments held to maturity and on other investments	50		709	42	21	61
Income (Loss) before tax from continuing operations	1,076	1,165	1,155	942	921	1,001
Taxes on income from continuing operations	-346	-404	-46	-318	-305	-348
Income (Loss) after tax from discontinued operations	24	19	98	55	-1	5
Minority interests	-29	-29	-27	-34	-35	-38

Net income	725	751	1,180	645	580	620
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(*) Figures restated on a consistent basis, considering changes in the consolidation area.

7

Gruppo Intesa

Reclassified consolidated balance sheet

(in millions of euro)

Assets	30.06.2006	31.12.2005 Restated (*)	Changes amount	%	31.12.2005
Financial assets held for trading	51,160	51,067	93	0.2	51,067
Financial assets available for sale	4,828	4,380	448	10.2	4,379
Investments held to maturity	2,479	2,810	-331	-11.8	2,810
Due from banks	29,338	27,184	2,154	7.9	27,111
Loans to customers	176,023	168,767	7,256	4.3	169,478
Investments in associates and companies subject to joint control	2,144	2,099	45	2.1	2,091
Property, equipment and intangible assets	4,211	4,279	-68	-1.6	4,280
Tax assets	2,817	3,055	-238	-7.8	3,096
Non-current assets held for sale and discontinued operations	1,079	3,739	-2,660	-71.1	2,869
Other assets	6,118	6,380	-262	-4.1	6,354
Total Assets	280,197	273,760	6,437	2.4	273,535
Liabilities and Shareholders Equity	30.06.2006	31.12.2005 Restated (*)	Changes amount	%	31.12.2005
Due to banks	36,598	31,760	4,838	15.2	31,771
Due to customers	193,761	187,207	6,554	3.5	187,590
Financial liabilities held for trading	16,750	21,249	-4,499	-21.2	21,249
Tax liabilities	1,658	1,057	601	56.9	1,091
Liabilities associated with non-current assets held for sale and discontinued operations	1,010	3,716	-2,706	-72.8	2,963
Other liabilities	9,987	8,427	1,560	18.5	8,531
Allowances for specific purpose	2,856	2,819	37	1.3	2,834
Share capital	3,613	3,596	17	0.5	3,596
Reserves	10,775	9,255	1,520	16.4	9,255
Valuation reserves	968	829	139	16.8	829
Minority interests	745	820	-75	-9.1	801
Net income	1,476	3,025	-1,549	-51.2	3,025
Total Liabilities and Shareholders Equity	280,197	273,760	6,437	2.4	273,535

(*) Figures restated on a consistent basis, considering changes in the consolidation area.

8

Gruppo Intesa

Quarterly development of the reclassified consolidated balance sheet

(in millions of euro)

Assets	2006	31/3 Restated (*)	2005 Restated (*)		30/6	31/3
	30/6		31/12	30/9		
Financial assets held for trading	51,160	53,444	51,067	53,211	60,673	56,408
Financial assets available for sale	4,828	4,533	4,380	4,197	4,582	4,688
Investments held to maturity	2,479	2,378	2,810	2,577	2,425	2,402
Due from banks	29,338	26,112	27,184	26,596	26,678	23,673
Loans to customers	176,023	176,834	168,767	160,338	159,186	156,379
Investments in associates and companies subject to joint control	2,144	2,208	2,099	2,726	2,213	2,071
Property, equipment and intangible assets	4,211	4,287	4,279	3,756	3,356	3,770
Tax assets	2,817	2,992	3,055	2,945	3,098	3,409
Non-current assets held for sale and discontinued operations	1,079	462	3,739	4,751	5,129	4,755
Other assets	6,118	5,817	6,380	7,055	7,734	8,058
Total Assets	280,197	279,067	273,760	268,152	275,074	265,613
Liabilities and Shareholders Equity	2006	31/3 Restated (*)	2005 Restated (*)		30/6	31/3
	30/6		31/12	30/9		
Due to banks	36,598	40,666	31,760	31,918	33,010	34,719
Due to customers	193,761	187,747	187,207	179,833	183,082	173,289
Financial liabilities held for trading	16,750	18,982	21,249	24,229	26,217	24,054
Tax liabilities	1,658	1,599	1,057	1,319	1,276	1,236
Liabilities associated with non-current assets held for sale and discontinued operations	1,010	304	3,716	3,061	3,393	2,945
Other liabilities	9,987	10,127	8,427	8,851	9,812	11,544
Allowances for specific purpose	2,856	2,903	2,819	2,503	2,617	2,872
Share capital	3,613	3,596	3,596	3,596	3,596	3,561
Reserves	10,775	10,724	9,255	9,248	9,229	9,105
Valuation reserves	968	913	829	700	628	600
Minority interests	745	755	820	1,049	1,014	1,068
Net income	1,476	751	3,025	1,845	1,200	620
Total Liabilities and Shareholders Equity	280,197	279,067	273,760	268,152	275,074	265,613

(*) Figures restated on a consistent basis, considering changes in the consolidation area.

9

Gruppo Intesa

Breakdown of financial highlights and financial ratios by business area

(in millions of euro)

	Retail Division		Italian Subsidiary Banks Division		International Subsidiary Banks Division		Corporate Division and Banca Intesa Infrastrutture e Sviluppo		Central Structures		Total	
	30.06.06	30.06.05 Restated (*)	30.06.06	30.06.05 Restated (*)	30.06.06	30.06.05 Restated (*)	30.06.06	30.06.05 Restated (*)	30.06.06	30.06.05 Restated (*)	30.06.06	30.06.05 Restated (*)
Operating income	2,783	2,627	841	781	592	513	940	844	105	76	5,261	4,841
Operating costs	-1,442	-1,394	-393	-378	-310	-275	-338	-328	-157	-153	-2,640	-2,528
Operating margin	1,341	1,233	448	403	282	238	602	516	-52	-77	2,621	2,313
Provisions and adjustments	-260	-159	-70	-82	-45	-45	-40	-73	-15	-114	-430	-473
Profits (Losses) on investments held to maturity and on other investments	-1		3	15	3	4	27		18	63	50	82
Income (Loss) before tax from continuing operations	1,080	1,074	381	336	240	197	589	443	-49	-128	2,241	1,922
RWA	81,196	76,949	27,604	25,711	15,468	12,386	56,679	51,615	14,078	17,081	195,025	183,742
Allocated capital	4,901	4,633	1,656	1,543	932	746	3,401	3,097	845	1,025	11,735	11,044
Income from continuing operations on allocated capital	44.4	% 46.8	% 46.3	% 43.9	% 51.9	% 53.4	% 35.0	% 28.9	% -11.6	% -25.0	% 38.5	% 35.1

(*Figures restated on a consistent basis, considering changes in the consolidation area.

10

IMPORTANT INFORMATION

In connection with the proposed business combination between Sanpaolo IMI S.p.A. and Banca Intesa S.p.A., the required information document will be sent to Commissione Nazionale per le Società e la Borsa (CONSOB) and, to the extent that the shares issued in connection with the proposed business combination will be required to be registered in the United States, a registration statement on Form F-4, which will include a prospectus, may be filed with the United States Securities and Exchange Commission (SEC). If an exemption from the registration requirements of the U.S. Securities Act of 1933 (the Securities Act) is available, the shares issued in connection with the proposed business combination will be made available within the United States pursuant to such exemption and not pursuant to an effective registration statement on Form F-4. **Investors are strongly advised to read the documents that will be sent to CONSOB, the registration statement and prospectus, if and when available, and any other relevant documents sent to CONSOB and/or the SEC, as well as any amendments or supplements to those documents, because they will contain important information.** If and when filed, investors may obtain free copies of the registration statement, the prospectus as well as other relevant documents filed with the SEC, at the SEC's web site at www.sec.gov and will receive information at an appropriate time on how to obtain these transaction-related documents for free from the parties involved or a duly appointed agent.

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities, nor shall there be any purchase, sale or exchange of securities in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. The distribution of this communication may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, the companies involved in the proposed business combination disclaim any responsibility or liability for the violation of such restrictions by any person.

The shares to be issued in connection with the proposed business combination may not be offered or sold in the United States except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.

FORWARD-LOOKING STATEMENTS

This communication contains forward-looking information and statements about Sanpaolo IMI S.p.A. and Banca Intesa S.p.A. and their combined businesses after completion of the proposed business combination. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words *expects*, *anticipates*, *believes*, *intends*, *estimates* and similar expressions. Although the managements of Sanpaolo IMI S.p.A. and Banca Intesa S.p.A. believe that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Sanpaolo IMI S.p.A. and Banca Intesa S.p.A. shares are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Sanpaolo IMI S.p.A. and Banca Intesa S.p.A., that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public documents sent by Sanpaolo IMI S.p.A. and Banca Intesa S.p.A. to CONSOB and under *Risk Factors* in the annual report on Form 20-F for the year ended December 31, 2005 filed by Sanpaolo IMI S.p.A. with the SEC on June 29, 2006. Except as required by applicable law, neither Sanpaolo IMI S.p.A. nor Banca Intesa S.p.A. undertakes any obligation to update any forward-looking information or statements.

