

# FINAL TERMS DATED FEBRUARY 14, 2008

## CALYON

*(a limited liability company incorporated in France as "Société Anonyme")*

Programme for the Issuance of Warrants and Certificates

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated August 17, 2007 and the Supplement to the Base Prospectus dated 22 November 2007 which together constitute a base prospectus for the purposes of the Directive 2003/71/EC (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Certificates described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on CALYON (the "**Issuer**") and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus is available for viewing on the Luxembourg Stock Exchange website ([www.bourse.lu](http://www.bourse.lu)) and at the registered office of CALYON and at the specified office of the Certificate Agents.

References herein to numbered Conditions are to the terms and conditions of the relevant series of Certificates and words and expressions defined in such terms and conditions shall bear the same meaning in this Final Terms in so far as it relates to such series of Certificates, save as where otherwise expressly provided.

#### The particulars to be specified in relation to this Series are as follows:

##### GENERAL PROVISIONS

<b>1</b>	Issuer:	CALYON
<b>2</b>	Guarantor:	Not Applicable
<b>3</b>	Dealer:	CALYON
<b>4</b>	Series number of the Certificates:	390
<b>5</b>	Tranche number of the Series	1
<b>6</b>	If Certificates to be consolidated with certificates of existing series:	No
<b>7</b>	Aggregate Number of Certificates in the Series:	up to 5,000
<b>8</b>	Aggregate Number of Certificates in the Tranche:	up to 5,000
<b>9</b>	Description of the Certificates:	Share Linked Certificates
<b>10</b>	Issue Date:	March 28, 2008
<b>11</b>	Issue Price:	EUR 1,000

- |           |  |   |
|-----------|--|---|
| <b>12</b> | Nominal Amount:  | up to EUR 5,000,000                                 |
| <b>13</b> | Date authorisation of Board for issuance of Certificates obtained: | February 28, 2007, May 14, 2007 and August 28, 2007 |

PROVISIONS RELATING TO INTEREST

- |           |  |                |
|-----------|--|----------------|
| <b>14</b> | Interest Payment Dates:  | Not Applicable |
| <b>15</b> | Interest Rate:   | Not Applicable |
| <b>16</b> | Fixed Rate Provisions  | Not Applicable |
| <b>17</b> | Floating Rate Provisions   | Not Applicable |
| <b>18</b> | Interest Linked to Indices, Shares, Commodities, Debt, Currency, Interest Rate/Other | Not Applicable |
| <b>19</b> | Conditional Interest   | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

- |           |   |   |
|-----------|---|---|
| <b>20</b> | Method of Settlement:   | Cash Settled Certificates   |
| <b>21</b> | Certificateholder entitled to elect for cash settlement or physical delivery: | No  |
| <b>22</b> | Redemption Date:  | March 28, 2011, subject to Condition 5(m) ( <i>Settlement Disruption</i> )  |
| <b>23</b> | Averaging:  | Not Applicable  |
| <b>24</b> | Cash Settled Certificates:  | Where:<br>"Redemption Amount" has the meaning ascribed in the Annex<br>"Exchange Rate" is not applicable<br>"Settlement Currency" means Euros |
| <b>25</b> | Automatic Early Redemption:   | Applicable  |
|           | – Automatic Early Redemption Event(s):  | See the Annex   |
|           | – Automatic Early Redemption Dates:   | See the Annex   |
|           | – Automatic Early Redemption Amount:  | See the Annex   |

ISSUER CALL OPTION IN RESPECT OF CERTIFICATES

- |           |                     |                |
|-----------|---------------------|----------------|
| <b>26</b> | Issuer Call Option: | Not Applicable |
|-----------|---------------------|----------------|

HOLDER PUT OPTION IN RESPECT OF CERTIFICATES

- |           |                   |                |
|-----------|-------------------|----------------|
| <b>27</b> | Holder Put Option | Not Applicable |
|-----------|-------------------|----------------|

<b>28</b>	Physical Delivery Certificates:	Not Applicable
<b>29</b>	Issuer's Option to Vary Settlement:	Condition 5(n) ( <i>Issuer's Option to Vary Settlement</i> ) is not applicable
<b>30</b>	FX Disruption:	Condition 5(o) ( <i>FX Disruption</i> ) is not applicable
<b>31</b>	Restrictions:	Condition 5(r) ( <i>Restrictions</i> ) is not applicable
<b>32</b>	Index Linked Certificates:	Not Applicable
<b>33</b>	Share Linked Certificates:	Applicable See Annex
<b>34</b>	Dividends:	Condition 16(c) ( <i>Dividends</i> ) is not applicable
<b>35</b>	Commodity Linked Certificates:	Not Applicable
<b>36</b>	Debt Linked Certificates:	Not Applicable
<b>37</b>	Currency Linked Certificates:	Not Applicable
<b>38</b>	Interest Rate Linked Certificate:	Not Applicable
<b>39</b>	Business Day:	TARGET Business Day (i.e. a day on which the TARGET system is operating)
<b>40</b>	Relevant Clearing System(s):	Euroclear/Clearstream, Luxembourg
<b>41</b>	Calculation Agent:	CALYON
<b>42</b>	Related Exchange:	See Annex
<b>43</b>	Other conditions relating to Currency Linked Certificates, Debt Linked Certificates, Interest Rate Linked Certificates, Fund Linked Certificates and other certificates linked to any other underlying asset:	Not Applicable
<b>44</b>	Rule 144A eligible:	Not Applicable
<b>45</b>	Details of the applicable type of US Selling Restrictions:	Not Applicable
<b>46</b>	Details of the relevant US selling restrictions certification required for the Asset Transfer Notice:	Not Applicable
<b>47</b>	Details of any additional selling restrictions:	Not Applicable
<b>48</b>	Form of Certificates:	Permanent Global Certificate
<b>49</b>	ISIN:	XS0343669692
<b>50</b>	Common Code:	034366969
<b>51</b>	CUSIP:	Not Applicable

<b>52</b>	Listing:	Regulated Market of the Luxembourg Stock Exchange
<b>53</b>	Principal Certificate Agent	CACEIS Bank Luxembourg
<b>54</b>	Swedish CSD	Not Applicable
<b>55</b>	Swedish Issuing Agent	Not Applicable
<b>56</b>	Norwegian CSD	Not Applicable
<b>57</b>	Norwegian Issuing Agent	Not Applicable
<b>58</b>	Italian CSD	Not Applicable
<b>59</b>	Italian Issuing Agent	Not Applicable

### **PURPOSE OF FINAL TERMS**

These Final Terms comprise the Final Terms required for issue and public offer in Italy and admission to trading on the Official List of the Luxembourg Stock Exchange of the Certificates described herein pursuant to the Programme for the Issue of Warrants and Certificates of Calyon and Calyon Financial Products (Guernsey) Limited and Calyon Finance (Guernsey) Limited.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By

.....

Duly authorized

## PART B - OTHER INFORMATION

### 1 Listing And Admission To Trading

Application has been made by the Issuer (or on its behalf) for the Certificates to be listed and admitted to trading on the Official List of the Luxembourg Stock Exchange with effect from the Issue Date.

### 2 Ratings

Ratings: Not Applicable

### 3 Risk Factors

See Base Prospectus

### 4 Notification

The *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), which is the Luxembourg competent authority for the purpose of the Prospectus Directive, has provided the Commissione Nazionale per le Società e la Borsa in Italy, inter alios, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

### 5 Interests of Natural and Legal Persons Involved in the Offer

Save as discussed in “*Risk Factors*” in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

### 6 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

Reasons for the offer For general corporate purposes of the CALYON group of companies

Estimated net proceeds: Up to EUR 4,785,000

Estimated total expenses: To be determined at the end of the offer period

### 7 Index Certificates only – Performance of Index/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying

Not Applicable

The Issuer does not intend to provide post-issuance information except where required by applicable laws and regulations.

### 8 Terms and Conditions of the Public Offer

Offer Price: Issue Price

Conditions to which the Offer is subject: The Issuer reserves the right to withdraw the offer of the Certificates at any time on or prior the end of the offer period. For the avoidance of doubt, if any application has been made by a potential investor and the Issuer exercises such a right,

each such potential investor shall not be entitled to subscribe or otherwise acquire the Certificates and any applications will be automatically cancelled and any purchase money will be refunded to the applicant.

Description of the application process: The offer period shall begin on and include, February 18, 2008 and shall end at 17.00 p.m. (Milan time) on March 20, 2008. The Issuer reserves the right to end the offer period of the Certificates at any time on or prior March 20, 2008.

Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: There are no pre-identified allotment criteria. All of the Certificates requested by the distributor during the offer period will be assigned until reaching the maximum amount of the offer destined to prospective Certificates holders. In the event that during the offer period the requests exceed the amount of the offer destined to prospective Certificate holders the distributor will proceed to early terminate the offer period and will immediately suspend the acceptance of further requests.

Upon the close of the offer period in the event that, notwithstanding the above, more than the maximum amount of the Certificates are subscribed, the distributor will be notified as to the amount of its allotments. In such event, the distributor will notify potential investors of the amount of the Certificates to be assigned. The distributor will adopt allotment criteria that ensure equal treatment of prospective investors. In particular, subscription orders may be reduced in case of oversubscription, excess amount of funds paid being refunded without delay with no entitlement for compensation.

Details of the minimum and/or maximum amount of application: There is no maximum amount of application. Minimum amount of application is EUR 1,000 and be in multiples of EUR 1,000 thereafter.

Details of the method and time limits for paying up and delivering the Certificates: Not Applicable

Manner in and date on which results of the offer are to be made public: Publication on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Banca Popolare FriulAdria S.p.A. ([www.friuladria.it](http://www.friuladria.it)).

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the securities are offered and whether tranche(s) have been reserved for certain countries:	Retail, private and institutional investors
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	In the case of oversubscription, allotted amounts will be notified to applicants. In all other cases, allotted amounts will be equal to the amount of the application, and no further notification shall be made. No dealing in the Certificates may begin before the earlier of (i) the date any such notification is made and (ii) the Issue Date.
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place	See Section 9 below

**9 Placing and Underwriting**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:	Banca Popolare FriulAdria SpA Piazza XX Settembre, 2 33170 Pordenone
Name and address of any paying agents and depository agents in each country (in addition to the Principal Paying Agent):	Not Applicable
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:	Not Applicable

When the underwriting agreement has been or will be reached: Not Applicable

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Yield

Not Applicable

## Annex

**(This Annex forms part to the Final Terms to which it is attached)**

### **1/ FINAL REDEMPTION AMOUNT**

Unless previously redeemed (see in particular the provisions set forth in the item 25 and Section 2/ "Occurrence of the Early Redemption Event<sub>(t)</sub> – Automatic Early Redemption Amount<sub>(t)</sub>" thereafter) or purchased and cancelled as specified below and in the Terms and Conditions of the Base Prospectus, the Redemption Amount payable by the Issuer on the Redemption Date upon redemption of each Certificate will be an amount in EUR calculated by the Calculation Agent in accordance with the following provisions:

- (a) In the case where the Calculation Agent determines, on the Valuation Date<sub>(6)</sub>, that the **Barrier Event has NOT occurred**, the Final Redemption Amount payable by the Issuer on the Redemption Date upon redemption of each Certificate will be an amount in EUR equal to:

$$\text{EUR 1,000 x (100\% + Abs(\frac{Stock_{final}}{Stock_{initial}} - 1;))}$$

or

- (b) in the case where the Calculation Agent determines, on the Valuation Date<sub>(6)</sub>, that the **Barrier Event has once occurred**, the Final Redemption Amount payable by the Issuer on the Redemption Date upon redemption of each Certificate will be an amount in EUR calculated by the Calculation Agent (and rounded to the nearest second decimal, with 0.005 and above being rounded upwards) in accordance with the following formula:

$$\text{EUR 1,000 x } \frac{Stock_{final}}{Stock_{initial}}$$

Where, unless the context otherwise requires, the following defined terms beginning by a capital letter shall have the meanings set forth below:

"t" means a series of whole numbers between 1 and 6;

"**Barrier Event**" means that, at any time from the Issue Date to the Valuation Date<sub>(6)</sub> (both dates included), the Prezzo di Riferimento of the Underlying Stock is strictly lower than the Barrier Level;

"**Barrier Level**" means 60% of the Stock<sub>initial</sub>;

"**Stock<sub>initial</sub>**" means the Prezzo di Riferimento of the Underlying Stock on March 28, 2008 (being subject to any adjustment described in Section 3/ "Adjustment and Extraordinary Events Affecting the Underlying Stocks" thereafter),

"**Stock<sub>(t)</sub>**" means the Prezzo di Riferimento of the Underlying Stock on the Valuation Date<sub>(t)</sub> (being subject to any adjustment described in Section 3/ "Adjustment and Extraordinary Events Affecting the Underlying Stocks" thereafter),

**"Stock<sub>final</sub>"** means the Prezzo di Riferimento of the Underlying Stock on the Valuation Date<sub>(6)</sub> (being subject to any adjustment described in Section 3/ *"Adjustment and Extraordinary Events Affecting the Underlying Stocks"* thereafter),

**"Prezzo di Riferimento"** means the price as published by the Exchange at the close of trading and having the meaning ascribed thereto in the Rules of the Markets Organised and Managed by the Italian Exchange dated December 21<sup>st</sup>, 2001, as such Rules may be amended by Borsa Italiana S.p.A. from time to time;

**"Valuation Date<sub>(t)</sub>"** means September 15, 2008 (the "Valuation Date<sub>(1)</sub>"), March 16, 2009 (the "Valuation Date<sub>(2)</sub>"), September 14, 2009 (the "Valuation Date<sub>(3)</sub>"), March 15, 2010 (the "Valuation Date<sub>(4)</sub>"), September 14, 2010 (the "Valuation Date<sub>(5)</sub>") and March 14, 2011 (the "Valuation Date<sub>(6)</sub>");

**"Underlying Stock"** means the ordinary share of the Company (Bloomberg code: ISP IM Equity), or such other type and number of shares and/or securities pursuant to the provisions of Section 3/ *"Adjustments and Extraordinary Events Affecting the Underlying Stocks"* hereafter;

**"Company"** means Intesa Sanpaolo, subject to any adjustment made pursuant to the provisions of Section 3/ *"Adjustments and Extraordinary Events Affecting the Underlying Stocks"* hereafter;

**"Exchange" or "Stock Exchange"** means the Italian Stock Exchange or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Stock has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Stock on such temporary substitute exchange or quotation system as on the original Exchange);

**"Related Exchange"** means the Italian Derivatives Exchange Market (IDEM) or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Underlying Stock has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Stock on such temporary substitute exchange or quotation system as on the original Related Exchange);

**"Valuation Time"** means the scheduled weekday closing time of the Exchange without regard to after hours or any other trading outside of the regular trading session hours;

**"Disrupted Day"** means any Scheduled Trading Day on which the Exchange or the Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

**"Scheduled Trading Day"** means any day on which the Exchange and the Related Exchange are scheduled to be open for trading for their respective regular trading sessions;

**"Exchange Business Day"** means any Scheduled Trading Day on which the Exchange and the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

**"Scheduled Closing Time"** means in respect of a Scheduled Trading Day, the scheduled weekday closing time of the Exchange or, as the case may be, the Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

**"Market Disruption Event"** means in respect of the Underlying Stock and for the purposes of the determination of Stock<sub>final</sub>, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time or (iii) an Early Closure;

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to the Underlying Stock on the Exchange, or (ii) in futures or options contracts relating to the Underlying Stock on the Related Exchange;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to (i) effect transactions in, or obtain market values for, the Underlying Stocks on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Underlying Stock on the Related Exchange;

**"Early Closure"** means the closure on any Exchange Business Day of the Exchange or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

## **2/ OCCURRENCE OF AN EARLY REDEMPTION EVENT<sub>(t)</sub> – AUTOMATIC EARLY REDEMPTION AMOUNT<sub>(t)</sub>**

Accordingly to the item 25 of the Final Terms, if the Calculation Agent determines on any Valuation Date<sub>(t)</sub> (for t = 1 to 5) except the Valuation Date<sub>(6)</sub> that an Early Redemption Event<sub>(t)</sub> (as defined hereafter) has occurred, then the Issuer will on the relevant Automatic Early Redemption Date<sub>(t)</sub> (as defined thereafter) immediately following such Valuation Date<sub>(t)</sub> automatically redeem all, but not some only, of the Certificates at their relevant Automatic Early Redemption Amount<sub>(t)</sub> (as defined below).

Upon payment of the relevant Automatic Early Redemption Amount<sub>(t)</sub> payable pursuant to this Section 2/ "*Occurrence of an Early Redemption Event<sub>(t)</sub> – Automatic Early Redemption Amount<sub>(t)</sub>*", the Issuer shall have no obligation to pay any other amount after the relevant Automatic Early Redemption Date<sub>(t)</sub> and the Issuer's obligations under the Certificates shall be satisfied in full.

It is expressly agreed that for the purposes of this Section 2/ "*Occurrence of an Early Redemption Event<sub>(t)</sub> – Automatic Early Redemption Amount<sub>(t)</sub>*", the following words beginning with a capital letter "Stock<sub>initial</sub>", "Stock<sub>(t)</sub>", "Calculation Agent" and "Valuation Date<sub>(t)</sub>", shall have the meanings set forth in Section 1/ "*Final Redemption Amount*" of the Annex.

Where, unless the context otherwise requires, the following defined terms beginning by a capital letter shall have the meanings set forth below:

**"Early Redemption Event<sub>(t)</sub>"** means the **Early Redemption Event<sub>(1)</sub>**, the **Early Redemption Event<sub>(2)</sub>**, the **Early Redemption Event<sub>(3)</sub>**, the **Early Redemption Event<sub>(4)</sub>**, or the **Early Redemption Event<sub>(5)</sub>**, as the case may be;

**"Early Redemption Event<sub>(t)</sub>"** means that, on the Valuation Date<sub>(t)</sub>, the **Stock<sub>(t)</sub> is equal to or greater than the Stock<sub>initial</sub>**;

**"Automatic Early Redemption Amount<sub>(1)</sub>"** means an amount in EUR equal to 108% of the Issue Price;

**"Automatic Early Redemption Amount<sub>(2)</sub>"** means an amount in EUR equal to 116% of the Issue Price;

"**Automatic Early Redemption Amount<sub>(3)</sub>**" means an amount in EUR equal to 124% of the Issue Price,

"**Automatic Early Redemption Amount<sub>(4)</sub>**" means an amount in EUR equal to 132% of the Issue Price;

"**Automatic Early Redemption Amount<sub>(5)</sub>**" means an amount in EUR equal to 140% of the Issue Price;

"**Automatic Early Redemption Date<sub>(1)</sub>**" means September 29, 2008, subject to adjustment in accordance with the Following Business Day Convention;

"**Automatic Early Redemption Date<sub>(2)</sub>**" means March 30, 2009, subject to adjustment in accordance with the Following Business Day Convention;

"**Automatic Early Redemption Date<sub>(3)</sub>**" means September 28, 2009, subject to adjustment in accordance with the Following Business Day Convention;

"**Automatic Early Redemption Date<sub>(4)</sub>**" means March 29, 2010, subject to adjustment in accordance with the Following Business Day Convention;

"**Automatic Early Redemption Date<sub>(5)</sub>**" means September 28, 2010, subject to adjustment in accordance with the Following Business Day Convention.

### **3/ ADJUSTMENTS AND EXTRAORDINARY EVENTS AFFECTING THE UNDERLYING STOCKS**

#### **1) ADJUSTMENTS**

Upon the occurrence of certain events affecting the value of the Underlying Stocks (i.e. having, in the determination of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Underlying Stocks) from the Issue Date to the last Valuation Date (both dates inclusive), the Calculation Agent may make the following adjustments listed below.

To make such adjustments, the Calculation Agent may (but need not) (i) determine the appropriate adjustment(s) by reference to the adjustment(s) made by the relevant authority of the Related Exchange (using the method of adjustment and calculations elected by such Related Exchange) or (ii) use the methods of adjustment defined below.

If at any time from the Issue Date to the last Valuation Date, there is in respect of the Company:

- (a) a subdivision, consolidation or reclassification of the Underlying Stocks (unless resulting in a Merger Event), or a free distribution or dividend of any such Underlying Stocks to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the Underlying Stocks of (i) such Underlying Stocks, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stocks, or (iii) share capital or other securities of another company acquired or owned (directly or indirectly) by the Company as a result of a spin-off or other similar transaction, or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) a call by the Company in respect of Underlying Stocks that are not fully paid;

- (d) a repurchase by the Company or any of its subsidiaries of Underlying Stocks whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (e) with respect to the Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value (as determined by the Calculation Agent) provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (f) any other event that may have a diluting or concentrating effect on the theoretical value of such Underlying Stocks.

then, the Calculation Agent will, in its absolute discretion, determine whether such adjustment event has a diluting or concentrative effect on the theoretical value of the Underlying Stocks and, if so, will (a) make the corresponding adjustment to the terms of the Terms and Conditions and the Final Terms as the Calculation Agent determines, in its absolute discretion, appropriate to preserve the economic equivalent and (b) determine the effective date of that adjustment.

**No adjustment will be made as a result of any payment of dividend, whether or not in the form of cash.**

## **2) EXTRAORDINARY EVENTS**

Upon the occurrence of any Extraordinary Event (as defined below), the Issuer may (after consultation with the Calculation Agent) take any action described below as it determines appropriate to take into account such Extraordinary Event.

For the purposes hereof:

**"Extraordinary Event"** means a Merger Event, Tender Offer, Nationalization, Insolvency or Delisting, as the case may be.

### **A) MERGER EVENT**

Upon the occurrence of a Merger Event, the Issuer may (after consultation with the Calculation Agent) take the action described in (a) or (b) or (c) below:

- (a) (i) If the consideration for the Underlying Stocks consists (or, at the option of the holder of such Underlying Stocks may consist) solely of shares of the offeror or a third party (the "New Shares"), then references to the Underlying Stock shall be replaced, on or after the Merger Date, by references to the number of New Shares to which a holder of a Underlying Stock would be entitled upon consummation of the Merger Event and the New Shares and their issuer will be deemed the "Underlying Stocks" and the "Company" respectively, and, if necessary, the Calculation Agent will make adjustments to terms of the Certificates in such manner as it considers appropriate in its absolute discretion; or
- (ii) If the consideration for the Underlying Stocks consists of cash and/or any securities (other than New Shares) or assets (whether of the offeror or a third party) ("Other Consideration"), then references to the Underlying Stock shall be replaced, on or after the Merger Date, by references to the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including any proceeds of any redemption, if applicable) to which a holder of a Underlying Stock would be entitled upon consummation of the Merger Event (such amount of Other Consideration being valued by the Calculation Agent in its absolute discretion on each Valuation Date until the last Valuation Date for the purposes of the determination and calculation of the

Final Redemption Amount), and, if necessary the Calculation Agent will make adjustments to the terms of the Certificates in such manner as it considers appropriate in its absolute discretion. However, in the case where such Other Consideration are composed of several securities and/or assets and/or cash, the Issuer (after consultation with the Calculation Agent) may (but is not obliged) decide to substitute for the Underlying Stocks one or more (but not all of them) of such Other Consideration. In such case, the value of the non-retained security(ies) and/or asset(s) and/or cash shall be expressed as a number or a fraction of a number of the retained security(ies) and/or asset(s) and such non-retained security(ies) and/or asset(s) and/or cash (less any relevant withholding tax, if any) shall be reinvested in the retained security(ies) and/or asset(s) at the open of trading on the exchange or quotation system for the retained security(ies) and/or asset(s) on the first Scheduled Trading Day following the Merger Date (or the date of payment or delivery of the Other Consideration if different than the Merger Date) using in all cases the exchange parity for the Merger Event; or

- (iii) If the consideration for the Underlying Stocks consists of New Shares in combination with Other Consideration (“Combined Consideration”), then references to the Underlying Stock shall be replaced, on or after the Merger Date, by reference to the number of New Shares and the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the Underlying Stocks would be entitled upon consummation of the Merger Event and the New Shares and their issuer will be deemed the “Underlying Stocks” and the “Company”, respectively and, if necessary, the Calculation Agent will make adjustments to the terms of the Certificates in such manner as it considers appropriate in its absolute discretion. However, the Issuer (after consultation with the Calculation Agent) may (but is not obliged) decide to reinvest the amount of the Other Consideration (less any relevant withholding tax, if any) in the New Shares at the open of trading on the exchange or quotation system for the New Shares on the first Scheduled Trading Day following the Merger Date (or the date of payment or delivery of the Other Consideration if different than the Merger Date) using in all cases the exchange parity for the Merger Event. In such case, the value of the Other Consideration shall be expressed as a number or a fraction of a number of the New Shares.
- (b) Redeem the Certificates on the originally scheduled Redemption Date. Each Certificate shall be redeemed at an amount in EUR determined by the Calculation Agent in its sole and absolute discretion in accordance with the provisions set out in Section 1/ “*Final Redemption Amount*”, except that for the purpose of calculating the amount payable pursuant to this Section 3.2.A(b),  $Stock_{\text{final}}$  will be deemed to be the Prezzo di Riferimento on the last Scheduled Trading Day immediately prior to the Merger Date.
- (c) Redeem all, but not some only of, the Certificates by giving notice to the Certificateholders in accordance with Condition 10 on the date specified in such notice. Each Certificate shall be redeemed at an amount in EUR determined by the Calculation Agent in its sole and absolute discretion and equal to (notwithstanding anything to the contrary in the Base Prospectus) the market value of a Certificate (as determined by the Calculation Agent in its sole and absolute discretion on the basis of the market conditions (such as the price per Underlying Stock, the mid-market implied volatility, the expected dividends, interest rate and stock loan rate or any other relevant market data for the Underlying Stocks) of the Underlying Stocks on the Exchange at the Valuation Time on the last Scheduled Trading Day immediately prior to the Merger Date) less the cost (if any, and without taking account of profit) to the Issuer of unwinding any related underlying hedging arrangements as determined by the Calculation Agent in its sole and absolute discretion.

Upon payment of the redemption amount payable pursuant to this Section 3.2.A, if any, the Issuer shall have no obligation to pay any other amount (including but not limited to the Final Redemption Amount) and the Issuer’s obligations under the Certificates shall be satisfied in full.

For the purposes hereof:

**"Merger Event"** means, in respect of the Underlying Stocks, any (i) reclassification or change of such Underlying Stocks that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Stocks outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Underlying Stocks outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Underlying Stocks of the Company that results in a transfer of or an irrevocable commitment to transfer all such shares (other than such shares owned or controlled by the offeror), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stocks outstanding but results in the holders of the outstanding Underlying Stocks (other than Underlying Stocks owned or controlled by the offeror) immediately prior to such event collectively representing less than 50% of the outstanding Underlying Stocks immediately following such event (a "Reverse Merger"), in each case if the Merger Date is on or before the last Valuation Date.

**"Merger Date"** means the closing date of a Merger Event determined under the local law applicable to such Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent in its sole and absolute discretion.

**"New Shares"** means ordinary or common shares, whether of the entity or person (other than the Company) involved in the Merger Event or a third party, that are, or that as of the Merger Date are scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the Underlying Stocks have been listed on an exchange or quotation system within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**"Other Consideration"** means cash and/or any securities (other than New Shares) or assets (whether of the offeror or a third party).

**"Combined Consideration"** means New Shares in combination with Other Consideration.

## **B) TENDER OFFERS**

Upon the occurrence of a Tender Offer the Issuer may (after consultation with the Calculation Agent) take the action described in (a) or (b) or (c) or (d) below:

- (a) Keep the Underlying Stocks as underlying of the Certificates, provided that the Calculation Agent has determined that there is comparable or at least sufficient liquidity relative to the Underlying Stocks on and after the Tender Offer Date and determine  $Stock_{final}$  and/or the occurrence or not of the Barrier Event in accordance with the provisions of the Section 1/ "*Final Redemption Amount*"; or
- (b) (i) If the consideration for the Underlying Stocks consists (or, at the option of the holder of such Underlying Stocks may consist) solely of shares of the offeror or a third party (the "New Shares"), then references to the Underlying Stock shall be replaced, on or after the Tender Offer Date, by references to the number of New Shares to which a holder of a Underlying Stock would be entitled upon consummation of the Tender Offer and the New Shares and their issuer will be deemed the "Underlying Stocks" and the "Company" respectively, and, if necessary, the Calculation Agent will make adjustments to the terms of the Certificates in such manner as it considers appropriate in its absolute discretion; or

- (ii) If the consideration for the Underlying Stocks consists of cash and/or any securities (other than New Shares) or assets (whether of the offeror or a third party) (“Other Consideration”), then references to the Underlying Stock shall be replaced, on or after the Tender Offer Date, by references to the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including any proceeds of any redemption, if applicable) to which a holder of a Underlying Stock would be entitled upon consummation of the Tender Offer (such amount of Other Consideration being valued by the Calculation Agent in its absolute discretion on any Valuation Date until the last Valuation Date for the purposes of the determination and calculation of the Final Redemption Amount), and, if necessary the Calculation Agent will make adjustments to the terms of the Certificates in such manner as it considers appropriate in its absolute discretion. However, in the case where such Other Consideration are composed of several securities and/or assets and/or cash, the Issuer (after consultation with the Calculation Agent) may (but is not obliged) decide to substitute for the Underlying Stocks one or more (but not all of them) of such Other Consideration. In such case, the value of the non-retained security(ies) and/or asset(s) and/or cash shall be expressed as a number or a fraction of a number of the retained security(ies) and/or asset(s) and such non-retained security(ies) and/or asset(s) and/or cash (less any relevant withholding tax, if any) shall be reinvested in the retained security(ies) and/or asset(s) at the open of trading on the exchange or quotation system for the retained security(ies) and/or asset(s) on the first Scheduled Trading Day following the Tender Offer Date (or the date of payment or delivery of the Other Consideration if different than the Tender Offer Date) using in all cases the exchange parity for Tender Offer; or
- (iii) If the consideration for the Underlying Stocks consists of New Shares in combination with Other Consideration (“Combined Consideration”), then references to the Underlying Stock shall be replaced, on or after the Merger Date, by reference to the number of New Shares and the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the Underlying Stocks would be entitled upon consummation of the Merger Event and the New Shares and their issuer will be deemed the “Underlying Stocks” and the “Company”, respectively and, if necessary, the Calculation Agent will make adjustments to the terms of the Certificates in such manner as it considers appropriate in its absolute discretion. However, the Issuer (after consultation with the Calculation Agent) may (but is not obliged) decide to reinvest the amount of the Other Consideration (less any relevant withholding tax, if any) in the New Shares at the open of trading on the exchange or quotation system for the New Shares on the first Scheduled Trading Day following the Tender Offer (or the date of payment or delivery of the Other Consideration if different than the Tender Offer Date) using in all cases the exchange parity for the Tender Offer. In such case, the value of the Other Consideration shall be expressed as a number or a fraction of a number of the New Shares.
- (c) Redeem the Certificates on the originally scheduled Redemption Date. Each Certificate shall be redeemed at an amount in EUR determined by the Calculation Agent in its sole and absolute discretion in accordance with the formula set out in Section 1/ “*Final Redemption Amount*”, except that for the purpose of calculating the amount payable pursuant to this Section 3.2.B(c)  $Stock_{final}$  will be deemed to be the Prezzo di Riferimento on the last Scheduled Trading Day immediately prior to the Tender Offer Date.
- (d) Redeem all, but not some only of, the Certificates by giving notice to the Certificateholders in accordance with Condition 11 on the date specified in such notice. Each Certificate shall be redeemed at an amount in EUR determined by the Calculation Agent in its sole and absolute discretion and equal to (notwithstanding anything to the contrary in the Base Prospectus) the market value of a Certificate as determined by the Calculation Agent in its sole and absolute discretion on the basis of the market conditions (such as the price per Underlying Stock, the mid-market implied volatility, the expected dividends, interest rate and stock loan rate or any other relevant market data

for the Underlying Stocks) of the Underlying Stock on the Exchange at the Valuation Time on the last Scheduled Trading Day immediately prior to the Tender Offer Date) less the cost (if any, and without taking account of profit) to the Issuer of unwinding any related underlying hedging arrangements as determined by the Calculation Agent in its sole and absolute discretion.

Upon payment of the redemption amount payable pursuant to this Section 3.2.B, if any, the Issuer shall have no obligation to pay any other amount (including but not limited to the Final Redemption Amount) and the Issuer's obligations under the Certificates shall be satisfied in full.

For the purposes hereof:

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining, by conversion or other means, greater than 10% and less than 100% of the outstanding voting shares of the Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

**"Tender Offer Date"** means, in respect of a Tender Offer, the date on which shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**"New Shares"** means ordinary or common shares, whether of the entity or person (other than the Company) involved in the making of the Tender Offer or a third party, that are, or that as of the Tender Offer Date are scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the Underlying Stocks have been listed on an exchange or quotation system within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**"Other Consideration"** means cash and/or any securities (other than New Shares) or assets (whether of the offeror or a third party).

**"Combined Consideration"** means New Shares in combination with Other Consideration.

### **C) NATIONALIZATION, INSOLVENCY AND DELISTING**

Upon the occurrence of a Nationalization, an Insolvency or a Delisting, the Issuer will (after consultation with the Calculation Agent) redeem all, but not some only of, the Certificates by giving notice to the Certificateholders in accordance with Condition 10 on the date specified in such notice. Each Certificate shall be redeemed at an amount in EUR determined by the Calculation Agent in its sole and absolute discretion and equal to (notwithstanding anything to the contrary in the Base Prospectus) the market value of a Certificate (as determined by the Calculation Agent in its sole and absolute discretion on the basis of (i) the Market Conditions of the Underlying Stock on the Exchange at the Valuation Time on the last Scheduled Trading Day immediately prior the Nationalization, Insolvency or Delisting, less (ii) the cost to the Issuer of unwinding any underlying related hedging arrangements), provided that such Early Redemption Amount shall not be greater than 100% of the Denomination.

Upon payment of the redemption amount payable pursuant to this Section 3.2.C, if any, the Issuer shall have no obligation to pay any other amount (including but not limited to the Final Redemption Amount) and the Issuer's obligations under the Certificates shall be satisfied in full.

For the purposes hereof:

**"Nationalization"** means that all the Underlying Stocks or all or substantially all the assets of the Company are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

---

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Company, (A) all the Underlying Stocks of that Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Underlying Stocks of that Company become legally prohibited from transferring them; and

**"Delisting"** means that the Exchange announces that pursuant to the rules of such Exchange, the Underlying Stocks cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country (or, where the Underlying Stocks have been listed on an exchange or quotation system within the European Union, in any member state of the European Union) as the Exchange.

**"Market Conditions"** means (but is not limited to) one or more of the followings:

- (i) the Prezzo di Riferimento on the last Scheduled Trading Day immediately prior the Nationalization, Insolvency or Delisting as determined by the Calculation Agent;
- (ii) the mid-market implied volatility of the Underlying Stocks as determined by the Calculation Agent by interpolating or extrapolating from the most comparable listed put option on the Underlying Stocks as determined by the Calculation Agent taking into account the nearest strike price, maturity and "in-the-money" or "out-of-the-money" amount, as the case may be, and such other factors that the Calculation Agent deems appropriate. To the extent that such a listed option does not exist or the Calculation Agent determines that the market for such listed option is not sufficiently liquid for the purpose of the relevant calculation, the implied volatility will be determined by the Calculation Agent by whatsoever means it deems appropriate;
- (iii) expected dividends (gross ordinary cash dividends) for the time period from the last Scheduled Trading Day immediately prior the Nationalization, Insolvency or Delisting until the Redemption Date;
- (iv) interest rate and stock loan rate for the period from and including the last Scheduled Trading Day immediately prior the Nationalization, Insolvency or Delisting to but excluding the Redemption Date;

Upon making any such adjustment as described in this Section 2/ *"Adjustments And Extraordinary Events Affecting The Underlying Stocks"*, the Calculation Agent shall give notice to the Principal Paying Agent who shall give notice as soon as practicable to the Certificateholders in accordance with Condition 10 stating the occurrence of any Adjustment, Merger Event, Tender Offer, Nationalization, Insolvency and/or Delisting, as the case may be, giving brief details thereof and the action to be taken in relation thereto.

The Calculation Agent shall, as soon as practicable thereafter, notify the Issuer and the relevant Certificate Agent of any determination made by it pursuant to this section, which shall make such determinations available to Certificateholders for inspection as soon as reasonably practicable after receipt of any written request to do so.

#### **4/ CALCULATION BINDING**

The calculations and determinations of the Calculation Agent shall (save in the case of manifest error) be final and binding upon all parties. The Calculation Agent shall have no responsibility for good faith errors or omissions in the calculations and determinations of the Final Redemption Amount of any Certificate as provided herein.

5/ INFORMATION RELATING TO THE UNDERLYING STOCK

<b>ISP IM</b> €		↓ 4.76 +.16 M		M4.76/4.7625M		4,654x8,336		Equity <b>DES</b>			
DELAY		Vol 63,143,375		Op 4.7375 M		Hi 4.8125 M		Lo 4.71 M			
				ValTrd 300.908m							
<b>DESCRIPTION</b>					Page 1/11						
<b>ISP IM</b>					Commer Banks Non-US						
INTESA SANPAOLO					98) Generate Report						
Intesa Sanpaolo attracts deposits and offers banking and financial services. The Bank offers consumer credit, asset management, Internet banking, merchant banking, securities brokerage, factoring, and lease financing services, and manages mutual funds. Intesa Sanpaolo operates branches throughout Italy, and offices elsewhere in Europe, Asia, and the United States.											
<b>STOCK DATA</b>			<b>EUR</b>			<b>DIVIDENDS</b>			<b>Annual</b>		
1)GPO Price			4.76			5)DVD Indicated Gross Yld			7.98%		
52Wk High 5/ 9/2007			6.275			Dividend Growth 5YR			53.22%		
52Wk Low 1/23/2008			4.43			Ex-Date Type			Amt		
YTD change			-.65			5/21/07 Reg. Cash			.38		
YTD % Change			-12.01%								
Round Lot			1								
2)FA Shares out 1/17/2008			11849.330M			<b>EARNINGS</b>			<b>EUR</b>		
3)MSH Market Cap			EUR 60526.76M			4)ERN Ann Date			3/20/08 (C)		
Float			8431.27M			Trailing 12mo EPS			.424		
3)TRA 1 Yr Total Return			-14.37%			7)EE Est EPS			12/2007		
BETA vs. SPMIB			1.05			P/E			11.57 LT Growth		
4)OMON Options, LEAPs Available						Est P/E			12.24 Est PEG		
Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000											
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2008 Bloomberg Finance L.P. 6849-907-1 24-Jan-2008 15:40:30											

Page		Equity <b>DES</b>	
<b>ISP IM</b>		INTESA SANPAOLO	
		Page 2 /11	
Piazza Paolo Ferrari 10		T:39-02-87911	
20121 Milan,		F:39-02-879-39425	
Italy		2) <a href="http://www.intesasanpaolo.com">www.intesasanpaolo.com</a>	
		TR AG	
		# OF EMPLOYEES 98,236 AS OF 09/30/07	
1)MGMT COMPANY MANAGEMENT PROFILES			
4)ENRICO SALZA		CHAIRMAN	
5)ORAZIO ROSSI		DEPUTY CHAIRMAN	
6)GIAMPIO BRACCHI		JOINT VICE CHAIRMAN	
7)RENE CARRON		VICE CHAIRMAN	
8)CORRADO PASSERA		CEO/MANAGING DIR/GENERAL MGR	
Type Common Stock		PAR EUR .52	
PRIMARY EXCHANGE Milan		3)WGT MEMBER	
PRIMARY MIC MTAA		TICKER	
INCORPORATED ITALY		WEIGHT	
FISCAL YEAR END DECEMBER		FTSE EUROTOP 100	
Segment BLUE NMS ****		E100	
SVM Code 763122 COMMON 001221175		1.001%	
WPK Number 850605		MILAN MIB TELEMA	
SEDOL1 4076836 IT		MIBTEL	
Sicovam 925813		8.532%	
ISIN IT0000072618		MILAN MIB30 INDE	
		MIB30	
		11.186%	
		MILAN INDEX (HIS	
		MIBHIS	
		8.913%	
		MILAN BANKING H	
		MIBBANKH	
		30.467%	
		BLOOMBERG EUROPE	
		BE500	
		.789%	
		BE500 BNK & FIN	
		BEBANKS	
		4.073%	
		DJ EURO STOXX 50	
		SX5E	
		2.144%	
		DJ STOXX 50 € PR	
		SX5P	
		1.469%	
		DJ EURO STOXX €	
		SXXE	
		1.339%	
9)RED Information		Auditor RECONTA ERNST & YOUNG 09/11/07	
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**RATIOS**

ISP IM INTESA SANPAOLO

FY END DEC 2006

\* = Trailing 12 month

~ = Last Quarter Q3:2007

ISSUE DATA		PER SHARE DATA		CASH FLOW ANALYSIS	
*Price	EUR 4.76	Basic EPS	.32	NP asst/Tot asst	
*P/E	11.22	Trailing 12m EPS	.42	NP asst/tot loan	
*Div Yld	7.98%	Dividends/share	.38	Loan res/NP asst	
*Price/Book	1.09	Book value/share	4.38	Cap&res/NP assts	
*Price/Revenue	3.25	Revenue/share	2.37	Loan res/loans	
*Price/Cashflow		Cash Flow/Basic sh		Loan prov/loans	
*Market cap.	60526.76M	Shares out	11849.33	Chrges/Ave loans	
*Price/FCF		Op inc/Earn asst		Loan loss cvrge	
GROWTH POTENTIAL		PROFITABILITY		STRUCTURE	
EPS Yr change	-21.01%	Net int margin		Tot loan/tot dep	
Asset Yr change	110.86%	Efficiency ratio	70.37%	Er asst/Int liab	.00%
BVPS Yr change	81.29%	Ovrhd efficiency	49.06%	Com eqty/assets	9.70%
Loan growth		Pretax margin	21.24%	Tier 1/core	8.80
Deposit growth	84.16%	Eff tax rate	30.09%	Total cap ratio	11.90
Net int inc gr	80.87%	Return on assets	.95%		
Earn asst growth		Return on equity	11.16%		
Retention rate		Net inc growth	34.08%		

Currency: EURO

JFA Financial Analysis JPV Peer Valuation

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**SHAREHOLDER INFORMATION**

INTESA SANPAOLO

## PUBLIC OFFERINGS

JACCS CORPORATE ACTION CALENDAR

Date	Shares Offered	Share Price	Type	Lead Manager
10/07	60.00M	€ 5.50 <sup>s</sup>	COMMON	Lehman Brothers Intl (Europe)
11/05	200.29M	€ 4.03 <sup>s</sup>	COMMON	C,COBA
7/04	44.00M	€ 3.09 <sup>s</sup>	COMMON	Mediobanca

I = Initial public offering

S = Public offering

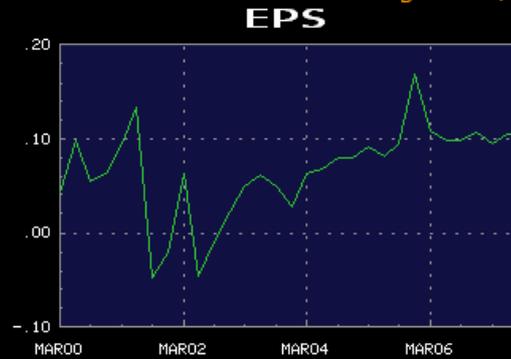
R = Rights offering

## INSTITUTIONAL OWNERSHIP

# of Buyers	488
# of Sellers	406
# of Holders	1,547
Shares Held	1.35BLN
% Shares Out.	11.40
Shares Purchased	110.49MLN

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**ISP IM INTESA SANPAOLO**  
**Net Int Income**



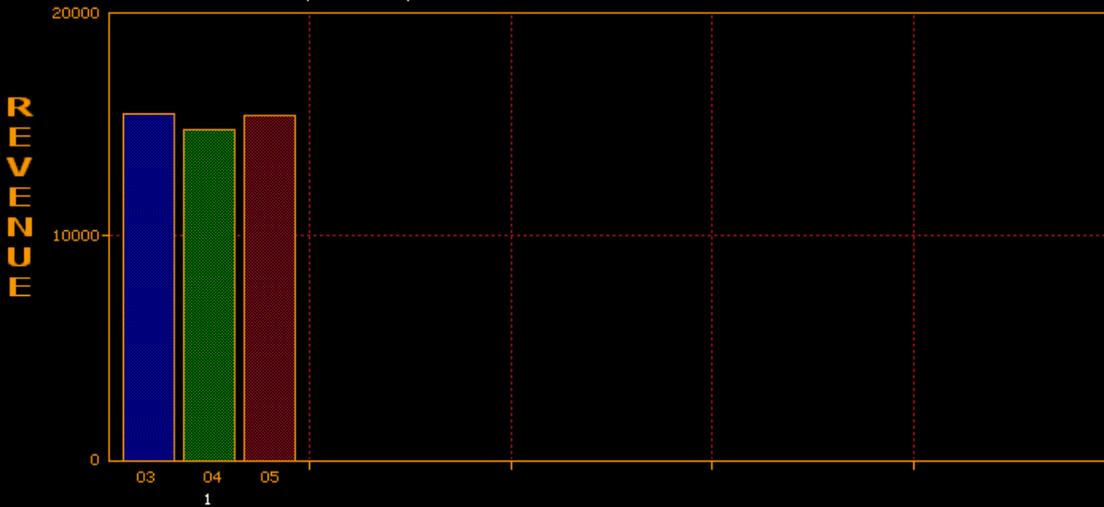
YR	Q1-Mar	Q2-Jun	Q3-Sep	Q4-Dec
2007	2479.0	3353.0	1662.0	2516.0
2006	1303.0	1716.0	1378.0	2516.0
2005	1366.0	1735.0	1328.0	1384.0
2004	1252.0	1287.0	1259.0	1252.0
2003	1402.0	1230.0	1250.0	1544.0
2002	1559.0	1550.0	1440.0	1397.0
2001	1651.7	1694.5	1431.9	2035.7
2000	1473.5	2303.9	1620.6	1656.9

YR	Q1-Mar	Q2-Jun	Q3-Sep	Q4-Dec
2007	.096	.104	.104	.107
2006	.109	.098	.097	.107
2005	.091	.082	.095	.167
2004	.063	.067	.079	.079
2003	.049	.062	.050	.027
2002	.063	-.046	-.008	.022
2001	.095	.133	-.048	-.020
2000	.044	.099	.055	.063

Total amounts in mil of EUR. Per share amounts in EUR.

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**PRODUCT SEGMENTATION**  
ISP IM Intesa Sanpaolo SpA



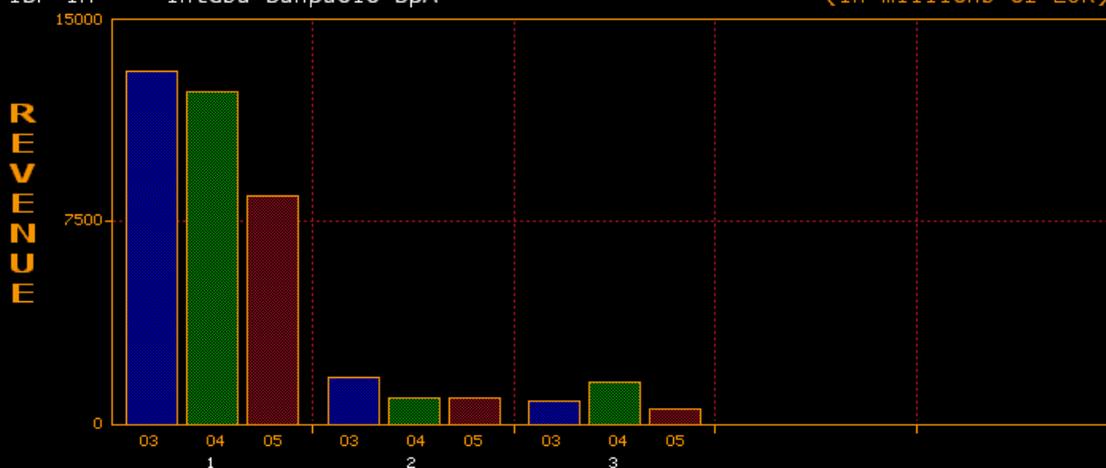
1)PGEO Product Segmentation

PRODUCT	2003	2004	2005	AVG 2-YR GROWTH
1.COMMERCIAL BANK	15,514.00	14,822.00	15,374.00	-.37%

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**GEOGRAPHIC SEGMENTATION**

ISP IM Intesa Sanpaolo SpA

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(in millions of EUR)

## 1)PGE0 Geographic Segmentation

REGION/CNTRY	2003	2004	2005	AVG 2-YR GROWTH
1. ITALY	13,112.00	12,280.00	8,481.00	-18.64%
2. REST OF WORLD	1,732.00	968.00	972.00	-21.85%
3. EUROPEAN UNION	874.00	1,587.00	576.00	8.94%

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Hit 1 &lt;GO&gt; for more income statement information (CH2).

**INCOME STATEMENT**

(Mil of EUR)

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ISP IM

INTESA SANPAOLO

	12/2006	12/2005	12/2004	12/2003
Interest & inv't income	21064	10488	10011	10692
Interest expense	10550	4675	4584	5266
Net interest income	10514	5813	5427	5426
Trading account P (L)	1703	45	388	279
Comm & fees earned	7778	4473	4029	3940
Other op income (loss)	-214	327	348	603
Prov doubt. debts	1034	545	959	1222
Comm & fees paid	1457	569	586	609
Operating expenses	11265	6358	6204	6688
Operating inc(loss)	6025	3186	2443	1729
Net non-op L (G)	-416	-996	-302	-309
Income tax expense	1938	1082	805	741
Income bef XO items	4503	3100	1940	1297
XO L(G) pretax	297	-32		
Tax effect on XO items				
Minority interest	150	107	84	83
Net income (loss)	4056.000	3025.000	1856.000	1214.000
Basic EPS bef XO	.320	.439	.271	.187
# Shrs Basic EPS	12781.61	6887.871	6848.198	6475.749

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Page		Equity	
Hit 1 <GO> for more balance sheet information (CH3).			
BALANCE SHEET		( Mil of EUR )	
ISP IM		Page 9 /11	
INTESA SANPAOLO			
	12/2006	12/2005	
Cash & bank bal	3227	1797	Demand deposits
Interbank assets	62556	30803	Saving deposits
ST investments	128702	55446	Time deposits
Commercial loans			Other deposits
Consumer loans			Total deposits
Other loans			ST borrowings
Total loans		170834	Other ST liab
Res doubtful debt		5048	LT borrowings
Net loans	327410	165786	Other LT liab
LT investments	5696	2810	Total liabilities
Net fixed assets	5572	2924	Preferred equity
Other assets	43621	13969	Minority interest
Cust accept liab			Ord share cap/prem
Total assets	576784	273535	Retained earnings
Non-performing loa		4445	Shareholder equity
Off-bal comm&cont		109134	Tot liab & equity
Real estate loans			Shares out
Foreign loans			Interest Bearing L
			Foreign deposits

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Page		Equity	
Hit 1 <GO> for more cash flow information (CH6).			
CASH FLOW SUMMARY		( Mil of EUR )	
ISP IM		Page 10 /11	
INTESA SANPAOLO			
	12/2006	12/2005	12/2004
Net income (loss)	4056.0	3025.0	1856.0
Depr,amort,prov loan los	1912.0	1403.0	1985.0
Other non-cash adj		1302.0	239.0
Chg in non-cash wc		-482.0	-11777.0
Cashflow-operating act		5248.0	-7697.0
Cashflow-investing act		-9124.0	-4837.0
Cashflow-financing act		3888.0	12841.0
Net changes in cash		12.0	307.0
Total sources			
Total uses			
Inc (dec) of funds			
Cash Flow/Basic shr		.76	-1.12

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## 6/ SPLIT OF THE ISSUE PRICE

The Issue Price of each Certificate can be split under a financial point of view on the following components, in accordance with the market condition available at the date of this *Final Terms*:

- o value of the derivative component: 95.7%
- o value of the distribution commissions: 4.3%

## 7/ EXAMPLES AND HYPOTHESES OF PERFORMANCE

Taking into consideration that the Certificates could offer an increase of their initial price in relation to the performance of the Underlying Stock and the occurrence of the Early Redemption Event, the following performance hypotheses are possible.

All the below examples are based on an initial price of the Underlying Stock of € 4.7, observed on January 24, 2008.

### 1- Hypothesis of Automatic Early Redemption on the first Valuation Date

If an Early Redemption Event occurs on the Valuation Date<sub>(1)</sub>, the Certificates will be automatically redeemed on the relevant Automatic Early Redemption Date and the Certificateholders will receive a gross amount as specified in the following table:

t	Underlyin Stock(t)	Early Redemption Event	Early Redemption Amount	Lowest closing from issue price to Valuation Date <sub>(6)</sub>	Final Redemption Amount
0	4,70	-			
1	5,30	Occurs	EUR 1080	Not relevant	-
2	4,30				
3	4,50				
4	4,90				
5	5,10				
6	5,60				

In the example above:

On the first Valuation date, the Underlying Stock<sub>(t)</sub> is equal or greater than the initial value of the Underlying Stock.

The certificate is automatically early redeemed on the Early Redemption Date<sub>(1)</sub> at 108% of the issue price = €1080.

In this case, the corresponding Internal Rate of Return is equal to 16.64%.

## **2- Hypothesis of Automatic Early Redemption on the fourth Valuation Date**

If an Early Redemption Event occurs on the Valuation Date<sub>(4)</sub>, the Certificates will be automatically redeemed on the relevant Automatic Early Redemption Date and the Certificateholders will receive a gross amount as specified in the following table:

t	Underlyin Stock(t)	Early Redemption Event	Early Redemption Amount	Lowest closing from issue price to Valuation Date <sub>(6)</sub>	Final Redemption Amount
0	4,70	-			
1	4,30	Does not Occur	-	Not relevant	-
2	4,20	Does not Occur	-	Not relevant	-
3	4,50	Does not Occur	-	Not relevant	-
4	4,90	Occurs	EUR 1320	Not relevant	-
5	5,10				
6	5,60				

In the example above:

On the fourth Valuation Date, the Underlying Stock<sub>(t)</sub> is equal or greater than the initial value of the Underlying Stock.

The certificate is automatically early redeemed on the Early Redemption Date<sub>(4)</sub> at 132% of the issue price = €1320.

In this case, the corresponding Internal Rate of Return is equal to 14.89%.

## **3- Hypothesis of Redemption with the Barrier Event NOT triggered**

No Early Redemption Event occurs, the Certificates will be redeemed according to the trigger of the Barrier Event and the Certificateholders will receive a gross amount as specified in the following table:

t	Underlyin Stock(t)	Early Redemption Event	Early Redemption Amount	Lowest closing from issue price to Valuation Date <sub>(6)</sub>	Final Redemption Amount
0	4,70	-			
1	4,30	Does not Occur	-		-

2	4,20	Does not Occur	-	3.90	-
3	4,50	Does not Occur	-		-
4	4,90	Does not Occur	-		-
5	5,10	Does not Occur	-		
6	4.00	-	-		EUR 1148.9

In the example above:

No Early Redemption Event occurred.

On the Redemption Date, the Barrier Event has not been triggered (because the lowest Prezzo di Riferimento of the Underlying Stock is above 60% of the initial value of the Underlying Stock). The certificate is redeemed at €1148.9.

$(1148.9 = \text{EUR } 1000 * (100\% + \text{Max}(\text{Stock}_{\text{finale}}/\text{Stock}_{\text{initial}} - 1; 1 - \text{Stock}_{\text{finale}}/\text{Stock}_{\text{initial}}))$ .

In this case, the corresponding Internal Rate of Return is equal to 4.74%

#### **4- Hypothesis of Redemption with the Barrier Event triggered**

No Early Redemption Event occurs, the Certificates will be redeemed according to the trigger of the Barrier Event and the Certificateholders will receive a gross amount as specified in the following table:

t	Underlyin Stock(t)	Early Redemption Event	Early Redemption Amount	Lowest closing from issue price to Valuation Date <sup>(6)</sup>	Final Redemption Amount
0	4,70	-			
1	4,30	Does not Occur	-		-
2	4,20	Does not Occur	-		-
3	4,50	Does not Occur	-	2.00	-
4	4,90	Does not Occur	-		-
5	5,10	Does not Occur	-		
6	4.00	-	-		EUR 851.0

In the example above:

No Early Redemption Event occurred.

On the Redemption Date, the Barrier Event HAS been triggered (because the lowest Prezzo di Riferimento of the Underlying Stock is below 60% of the initial value of the Underlying Stock). The certificate is redeemed at € 851.0.

$(851.0 = \text{EUR } 1000 * \text{Stock}_{\text{finale}} / \text{Stock}_{\text{initial}})$ .

In this case, the corresponding Internal Rate of Return is equal to -5.24%

**In this case, the Certificateholders will have a loss on the investment, since they will receive on the Redemption Date an amount equal to €851.0, which is lower than €1,000 (i.e. the Issue Price).**