



**INTESA SANPAOLO
BANK IRELAND**

**3rd Floor, KBC House,
4 George's Dock,
IFSC,
Dublin 1.**

**Unaudited Interim Financial Statements
for Six Months ended
30 June 2011**

Intesa Sanpaolo Bank Ireland plc

COMPANY INFORMATION

DIRECTORS	Mr. N. Healy (Chairman) Mr. S. Catalano (Deputy Chairman, Italian) Mr. G. Pizzutto (Managing Director, Italian) Mr. I. Letchford (British) Mr. M.A. Bertotti (Italian) Mr. F. Introzzi (Italian) Mr. W. Ambrogi (Italian)
SECRETARY	AIB International Financial Services Ltd
REGISTERED OFFICE	3 rd Floor KBC House 4 George's Dock International Financial Services Centre Dublin 1
REGISTERED NUMBER OF INCORPORATION	125216
SOLICITORS	McCann FitzGerald Sir John Rogerson's Quay Dublin 2 A&L Goodbody International Financial Services Centre North Wall Quay Dublin 1
AUDITORS	Ernst & Young Chartered Accountants Harcourt Centre Harcourt Street Dublin 2

Unaudited Interim Financial Statements for six months ended 30 June 2011

The enclosed unaudited financial statements have been prepared using the principles of International Financial Reporting Standards ("IFRS") as adopted by the European Union, and with those parts of the Companies Acts, 1963 to 2009 and the European Communities (Credit Institutions: Accounts) Regulations, 1992, applicable to companies reporting under IFRS and with Article 4 of the IAS Regulation.

Principal activities

Since its incorporation, INTESA SANPAOLO BANK IRELAND plc (INSPIRE) has been active in various segments of banking business. Its main activity is international lending to corporate and credit institutions, intra-group lending, management of a portfolio of securities and treasury activities.

INTESA SANPAOLO BANK IRELAND PLC
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INTESA SANPAOLO BANK IRELAND P.L.C
PROFIT AND LOSS ACCOUNT

For the period:	01-Jan-11 TO 30-Jun-11	01-Jan-10 TO 30-Jun-10
	EUR	EUR
INCOME		
Interest Income	236,345,331	158,876,475
Securities Income	14,601,182	33,729,545
	<u>250,946,513</u>	<u>192,606,020</u>
Interest Charges	-192,801,607	-120,663,417
Net Interest Income	<u>58,144,906</u>	<u>71,942,603</u>
<u>Other (Expenses) /Income</u>		
Net Fees	-4,253,250	-4,161,011
Net Result on Hedge Accounting	-2,408,011	-121,576
Net Derivative Trading Interest	288,665	-6,685,899
Net Realised Loss AFS Securities	0	-407,550
Net Realised Loss on CFV Securities	0	-220,883
Net Loss on Financial Assets / Liabilities	-1,270,703	-189,841
MTM Trading Result Derivatives	2,586,831	3,433,366
MTM Trading Result CFV Securities	-689,563	1,209,919
Exchange Loss	-797,083	-806,174
	<u>-6,543,114</u>	<u>-7,949,649</u>
TOTAL INCOME	51,601,792	63,992,954
EXPENSES		
Employee Costs	1,807,809	1,718,327
Administration Expenses	793,703	793,224
TOTAL EXPENSES	2,601,512	2,511,551
Net Profit Before Tax and Impairment Provision	<u>49,000,280</u>	<u>61,481,403</u>
Impairment Provision - Loans & Receivables	4,009,050	70,874
Impairment Provision - Undrawn Committed Facilities	407,325	304,087
Net Profit Before Tax	<u>53,416,655</u>	<u>61,856,364</u>
Taxation Charge	-6,685,700	-7,736,130
Profit After Tax	<u>46,730,955</u>	<u>54,120,234</u>

INTESA SANPAOLO BANK IRELAND P.L.C
BALANCE SHEET

As at :	30-Jun-11	30-Jun-10
	EUR	EUR
ASSETS		
FIXED ASSETS		
At Cost	960,900	930,444
Less Accumulated depreciation	-888,782	-833,746
	72,118	96,698
FINANCIAL ASSETS		
Investments	0	13
Securities - Carried at Fair Value	63,279,931	72,517,025
Securities - Available for Sale	1,221,738,052	760,768,802
Securities - Loans & Receivables	156,425,965	1,224,239,835
Bank Deposits	3,357,324,785	3,418,585,620
Loans Advanced	17,272,210,792	12,981,250,859
Deferred Tax	1,660,579	1,963,605
Corporation Tax Receivable	1,083,642	0
Accrued Interest Receivable	1,333,714	635,248
Sundry Debtors and Deferred Expenses	8,816,371	8,979,387
Derivative Trading Instruments	206,052,510	283,326,820
Derivative Hedging Instruments	6,253,115	77,946
Other Assets	0	456,703
	22,296,179,456	18,752,801,863
TOTAL ASSETS	22,296,251,574	18,752,898,561
LIABILITIES		
Funds Received	9,804,691,937	5,546,526,701
Debt Securities in Issue	11,080,673,727	11,709,623,262
Accrued Expenses	4,619,801	3,950,875
Deferred Tax	278,147	198,101
Corporation Tax Payable	0	2,647,245
Accrued Interest & Deferred Income	15,382,959	15,509,060
Derivative Trading Instruments	233,657,887	297,698,592
Derivative Hedging Instruments	54,110,368	113,567,271
Provision for Liabilities and Commitments	1,880,498	1,732,479
Other Liabilities	24,424	0
	21,195,319,748	17,691,453,586
TOTAL LIABILITIES	21,195,319,748	17,691,453,586
FINANCED BY:		
Share Capital	400,500,000	400,500,000
Share Premium Account	1,024,665	1,024,665
Capital Contribution	506,764,365	506,764,365
Available for Sale Security Reserve	-5,754,864	-8,143,464
Carried at Fair Value Security Reserve	16,797,592	16,797,592
Derivative Trading Reserve	-17,271,592	-17,271,592
Retained Earnings	198,871,660	161,773,409
SHAREHOLDERS FUNDS	1,100,931,826	1,061,444,975
TOTAL LIABILITIES AND SHAREHOLDERS FUNDS	22,296,251,574	18,752,898,561

Outstanding Residual Commitments:

1,406,423,555

1,835,939,314