

SANPAOLO IMI S.p.A.
Shareholders' Meeting of the 28 and 29 April 2004

REPORT OF THE BOARD OF DIRECTORS
AGENDA POINT 3

Appointment of auditors for the financial statements, the interim report and Annual Report on Form 20-F for the years 2004/2005/2006

Shareholders,

With the approval of the financial statements for 2003, the three-year mandate entrusted by the Banca to PricewaterhouseCoopers S.p.A. for the audit of the year and consolidated financial statements of Sanpaolo IMI, for the limited audit of the interim report as well as the financial consolidated statements included in the "Annual Report on Form 20-F", according to US GAAP, falls due.

Given the technical suitability of the Auditors and taking account of the specific competence acquired by the Auditors in relation to accounting, organizational procedures, and checks of the Bank and the Group, in order to maintain a high standard of control and ensure audit continuity, it is proposed to ask for a renewal to PricewaterhouseCoopers S.p.A., for the three years 2004/2005/2006, the audit responsibility.

This proposal envisages:

- pursuant to Articles 155 and 156 of D. Lgs. 58/98, the audit of the annual financial statements of Sanpaolo IMI S.p.A. and of the consolidated financial statements of the Sanpaolo IMI Group for the years to 31 December 2004, 2005 and 2006 and the fulfilment of the functions and related activities;
- the limited audit of the interim report at 30 June 2004, 2005 and 2006, as recommended by Consob communication n. 97001574 of 20 February 1997 and pursuant to the following deliberation n. 10867 of 31 July 1997;
- the audit of the reporting package for the annual financial statements of Sanpaolo IMI S.p.A., in the foreign branches of London, New York (including Nassau), Tokyo, Singapore and Shanghai (full audit); Amsterdam, Athens, Frankfurt (including Munich), Vienna, Hong Kong (limited audit). The reporting package for the interim report envisages only a limited audit and only for the branches of London and New York (including Nassau);

For these activities, the annual amount requested by PricewaterhouseCoopers S.p.A. for the three years 2004/2005/2006 is 1,375,000 euro, divided as follows:

ANNUAL AND CONSOLIDATED AUDIT	Proposal 2004 - 2006	
	Annual honorarium for the three years 2004 - 2006	Hours
Type of work		
A1) Audit of the financial statements for the year	520	5.800
A2) Audit of the consolidated financial statements	90	915
A3) Continuous accounting regularity control	190	2.200
Total A)	800	8.915
B) Foreign branch audits (not included in point A)	395	3.580
C) Limited audit of the Interim Report	220	2.355
D) Limited audit of the Foreign Branches for the Interim Report	65	620
Sub Totale A) + B) + C) + D)	1,480	15,470
Discount	105	
Total honorarium/hours	1,375	15,470

A further request has been made by PricewaterhouseCoopers S.p.A. for the audit of the consolidated financial statements, for the three years 2004/2005/2006, which will be included in the “Annual Report on Form 20-F” according to US GAAP, to be deposited with the SEC – Securities and Exchange Commission, in relation to the quotation of Sanpaolo IMI shares on the New York Stock Exchange (NYSE).

The annual fee requested by PricewaterhouseCoopers S.p.A. is 600,000 euro (for a total of 2,700 hours); the amount includes 220,000 euro (for a total of 600 hours) for the involvement of PWC Global Capital Market Group.

As above proposed the honoraria, set in conformity with the criteria set by Consob, reflect current tariffs and will be adjusted, in following years, on the basis of total variation of the ISTAT cost of living index. Vat, living and secretarial expenses related to the work and regulatory contributions to Consob will also be added to the fees.

The honoraria do not take account of time related to further work which may be necessary as a consequence of exceptional or unforeseeable circumstances, including, solely for example, significant variations in the structure and activities of Sanpaolo IMI and the Group, specific transactions and changes in accounting principles, when such work may require greater commitment compared to that estimated in the proposal. In that case the remuneration may be adjoined to the estimate in conformity with the criteria fixed by Consob.

Pursuant to Article 159, paragraph 1, of D. Lgs. 58/98 and Article 146 of the Regulation approved with Consob deliberation n. 11971 of 14 May 1999 (and successive modifications), the Board of Statutory Auditors has expressed its opinion in favour of the conferral of the audit to PricewaterhouseCoopers S.p.A..

We therefore propose to confer on PricewaterhouseCoopers S.p.A., with legal office in Milan, Via Vittor Pisani 20, the appointment, for the three years 2004/2005/2006, pursuant to Article 159 of the D.Lgs. 24 February 1998, n. 58 and related Regulation pursuant to Consob motion of 14 May 1999 n. 11971, for the audit of the annual and consolidated financial statements of Sanpaolo IMI, limited audit of the interim report, audit of the reporting package for the financial statements of the year and interim report for the foreign branches as well as the audit of the consolidated financial statements included in the “Annual Report on Form 20-F” according to US GAAP. All this in the terms and according to the conditions above.

Turin, 26 March 2004