

## Report of the Board of Statutory Auditors of Banca Fideuram

Dear Shareholders,

you have been called to this Extraordinary meeting to resolve on the partial proportional spin off of the Banca Fideuram S.p.A. shareholding in Fideuram Vita S.p.A. in favor of Sanpaolo Imi S.p.A.

In this respect, the Board of Statutory Auditors, informs you that it has supervised the compliance with current regulations in respect of fulfilling requirements for spin off operations, also in consideration of the principles of conduct issued by the Consiglio Nazionale dei Dottori Commercialisti (National Board of Professional Accountants).

In particular, the Board of Statutory Auditors noted that:

- on 18 May 2004 the Board of Directors of your Bank approved a spin off Project and the related Report in accordance with Articles 2506-bis and 2501-quinquies of the Italian Civil Code, in respect of the plan to rationalize the Group's presence in the insurance sector, with the aim of creating a new insurance company (referred to as *polo assicurativo*) in which to converge the various Group companies currently operating in the life insurance and damages sectors;
- the aforementioned plan by Sanpaolo Imi envisages the following operations which, whilst being logically and legally separate, will be approved and executed simultaneously:
  - the partial spin off of Banca Fideuram's shareholding in Fideuram Vita S.p.A. in favor of Sanpaolo Imi S.p.A.;
  - the spin off of the entire shareholding held by Sanpaolo Imi Wealth Management S.p.A., a company wholly controlled by Sanpaolo Imi S.p.A., in Sanpaolo Vita S.p.A. in favor of Noricum Vita S.p.A., also wholly controlled (directly and indirectly), by Sanpaolo Imi S.p.A.;
  - the merger by incorporation of Sanpaolo Vita S.p.A. and Fideuram Vita S.p.A. in Noricum Vita S.p.A., which will be subject to substantially total control by Sanpaolo Imi S.p.A.

The spin off Project and the related Report contain all the details in accordance with the law and illustrate the economic reasons, the legal aspects and the technical methods of the operation.

The financial positions of the spin off companies have been replaced, in accordance with Article 2501-quater of the Italian Civil Code (referred to in the first subsection of Article 2506-ter) — with the financial statements of Sanpaolo Imi S.p.A. and Banca Fideuram S.p.A. as of 31 December 2003, which have been regularly approved by the relevant Shareholders meetings.

The exchange ratio — aimed at identifying the number of ordinary Sanpaolo Imi shares to be distributed to the shareholders of Banca Fideuram S.p.A. other than Sanpaolo Imi S.p.A., in proportion to the shareholding held in the spun-off company — has been identified at n. 0.07470 ordinary Sanpaolo Imi shares for each Banca Fideuram share. No cash payment is expected.

This ratio has been determined by the Boards of Directors of Banca Fideuram S.p.A. and Sanpaolo Imi S.p.A., taking into account the appraisals made by the external consultants appointed by each party.

With respect to the adequacy of the exchange ratio, expert reports have been given in accordance with Article 2501-sexies of the Italian Civil Code, in the Reports prepared by Reconta Ernst & Young for the Board of Directors of Banca Fideuram S.p.A., and by PricewaterhouseCoopers S.p.A. for the Board of Directors of Sanpaolo Imi S.p.A., appointed by the Chief Justice of the Court of Rome.

The technical methods for executing the exchange provide that the shares shall be assigned by using newly issued Sanpaolo Imi ordinary shares, assigning them to those entitled, at the effective date of the spin off, through the respective authorized intermediaries members of Monte Titoli S.p.A. The non-dematerialized Banca Fideuram shares can be exchanged exclusively when such shares are delivered to an authorized intermediary for inclusion in the centralized dematerialization management system.

As a result of the spin off and considering the assignment ratio described above, as well as the Banca Fideuram shares already held by Sanpaolo Imi S.p.A., which will not be subject to the exchange, the beneficiary company will issue a maximum of 26,290,836 ordinary shares each with a nominal value of €2.80, increasing the share capital to a maximum of €73,614,340.80.

The shares of the beneficiary company assigned in exchange will be entitled to profits with effect from 1 January 2004.

The share capital of Banca Fideuram S.p.A. will be decreased from €254,875,546.64 to €186,255,207.16 by reducing the nominal value of the shares from €0.26 to €0.19 and, therefore — at the moment of assignment — 980,290,564 Banca Fideuram shares with a nominal unitary value of €0.26 will be withdrawn and replaced with 980,290,564 shares with a new nominal unitary value of €0.19.

In accordance with Article 2506-quater of the Italian Civil Code, the spin off will become legally effective on the last of the dates of registration of the spin off or on another later date indicated in the spin off deed. As a result of the effects provided for under Article 2501-ter no. 6 of the Italian Civil Code, recalled by Article 2506-quater of the Italian Civil Code, the accounting effects of the spin off will be booked to the Sanpaolo Imi S.p.A. financial statements on the same date as the spin off.

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Given the above, the Board of Statutory Auditors hereby expresses a favorable opinion on the operation submitted for your approval.

Rome, 28 May 2004

**THE BOARD OF STATUTORY AUDITORS**