

SANPAOLO IMI S.p.A.
Shareholders' Meeting of the 27th and 28th April 2006

THE BOARD OF DIRECTORS' REPORT
ORDINARY MEETING – POINT 4 OF THE AGENDA

Modification of the Shareholders' Meeting Regulations

Shareholders,

You have been called to the Ordinary Meeting to examine, according to Art. 12.1 of the Articles of Association, the proposals to modify the Shareholder's Meeting Regulations of Sanpaolo Imi, approved by the Ordinary Shareholders' Meeting of 30th April 2001.

As you are already aware, following the modification of Art. 2370 of the Civil Code and the issuing of related effective dispositions by Consob, currently contained in articles 33 and following of the Market Regulations (Consob Del. n. 11768/1998), the legitimization of participation in the Meeting is not longer attested by the certification issued by the agent to the shareholder, but by a communication that the agent, on the request of the shareholder, makes directly to the issuer. This communication is therefore now the only way to attest the right of participation in the Meeting.

In the light of the above, last January the Board of Directors of the Bank took actions – according to Art. 16, para. 3 of the Articles of Association – to adapt the text of the Articles to the aforementioned regulation, identifying, in Art. 9, the reception by the Company of the agent's communication as the sole right to legitimize participation in the Meeting, eliminating the previous reference to “certifications attesting to participation in the central management of financial instruments”.

With the aim of adapting also the Shareholders' Meeting Regulations to the current norms, it is proposed in today's Meeting to modify Art. 3 by eliminating – with reference to the documentation exhibited by those participating in the Meeting at the entrance to the areas where the meeting is held – any mention of “certification”.

We would also like to take this opportunity to propose further modifications to the Regulations with the aim of giving better order to the Meeting procedure and correlating the text to the relevant dispositions in the Civil Code and introduced by Sanpaolo Imi into its Articles of Association, that is to introduce simplifications and changes also of a purely formal nature.

In relation to the above, there follows a table of the proposed modifications, containing the relative reasons and the comparative texts of the current and proposed regulations. Shareholders are invited to approve these proposals, if they agree, as shown in the table.

Turin, 23 March 2006

The Board of Directors

<p align="center">SHAREHOLDERS' MEETING REGULATIONS <i>(Approved by the Ordinary Shareholders' Meeting of 30th April 2001)</i></p>	<p align="center">SHAREHOLDERS' MEETING REGULATIONS <i>(Proposed text)</i></p>
<p align="center">Art. 1 Area of application</p> <p>1. This regulation governs the course of the Ordinary and Extraordinary Shareholders' Meetings of the Company.</p>	<p align="center">Art. 1 Area of application</p> <p>1. This regulation governs the course of the Ordinary and Extraordinary Shareholders' Meetings of the Company. 2. For that which is not expressly defined, the legal and statutory regulations for the Shareholder's Meeting apply</p>
<p align="center">Reason</p> <p><i>The second paragraph would be added as a closing rule, also in relation to more precision legal and statutory dispositions introduced following the reform of company law, with particular reference to the related powers assigned to the Chairman (cf the proposed modification to Art. 4 in particular).</i></p>	
<p align="center">Art. 2 Intervention, participation and attendance at the Shareholders' Meeting</p> <p>1. Shareholder's and others holding the right to vote may intervene at the Shareholders' Meeting.</p> <p>2. General Managers, Deputy General Manager(s) <u>– or, alternatively, members of Central Management –</u> Company managers and representatives of the company assigned to audit the financial statements, as well as Directors, Auditors and managers of Group companies may participate in the Shareholders' Meeting. Employees of the company or of Group companies and other individuals whose presence the Chairman of the Meeting deems useful to the subjects dealt with or to the course of the meeting may also participate.</p> <p>3. Experts, financial analysts and accredited journalists may attend the Meeting at the Chairman's discretion.</p> <p>4. Before setting out the subjects on the Agenda, the Chairman informs the Meeting of the participation and attendance of individuals indicated in paras. 2 and 3 of this Article.</p>	<p align="center">Art. 2 Intervention, participation and attendance at the Shareholders' Meeting</p> <p>1. Shareholder's and others holding the right to vote may intervene at the Shareholders' Meeting, provided they are legitimate according to current regulations and the Articles of Association, according to the indications in the Notice of Calling.</p> <p>2. General Managers, Deputy General Manager(s), Company managers and representatives of the company assigned to audit the financial statements, as well as Directors, Auditors and managers of Group companies may participate in the Shareholders' Meeting. Employees of the company or of Group companies and other individuals whose presence the Chairman of the Meeting deems useful to the subjects dealt with or to the course of the meeting may also participate.</p> <p>3. Experts, financial analysts and accredited journalists may attend the Meeting at the Chairman's discretion.</p> <p>4. Before setting out the subjects on the Agenda, the Chairman informs the Meeting of the participation and attendance of individuals indicated in paras. 2 and 3 of this Article.</p>

Reason

The qualification proposed in the first paragraph is a reminder of the legal and statutory dispositions in force (as well as the specifications in the Notice of Calling) concerning legitimization of participation in the Meeting.

In the second paragraph, it is proposed to eliminate the reference to Central Management as it is no longer pertinent according to the current Articles of Association of Sanpaolo Imi.

Art. 3

Verification of legitimate status to participate in the Shareholders' Meeting and access meeting areas

1. Verification of the legitimate status to participate in the Shareholders' Meeting starts in the meeting place.
2. Those holding the right to participate in the Meeting must show, at the entrance to the meeting areas and on the request of the staff assigned by the Company, a document of personal identification and the certification indicated in the Notice of Calling. The staff assigned by the Company will issue a special document to be kept throughout the course of the Meeting.

3. Without the consent of the Chairman of the Meeting, no photographic, video or similar equipment, including recording tools of any type and mobile telephones, may be used in the meeting areas.

4. The meeting may be audio/video taped for broadcasting/projection in the meeting or service areas and to provide support in the preparation of answers.

Art. 3

Verifica della legittimazione all'intervento in assemblea e accesso ai locali della riunione

1. Verification of the legitimate status to participate in the Shareholders' Meeting starts in the meeting place.
2. Those holding the right to participate in the Meeting must show, at the entrance to the meeting areas and on the request of the staff assigned by the Company, a document of personal identification. The staff assigned by the Company will issue a special document to be kept throughout the course of the Meeting.
- 3. In order to facilitate verification of legal status and, therefore, entry into the Shareholders' Meeting, participants in the meeting may present a copy of the communication shown on the back of the notice of calling.**
4. Without the consent of the Chairman of the Meeting, no photographic, video or similar equipment, including recording tools of any type and mobile telephones, may be used in the meeting areas; **if and when the Chairman authorizes the use of such equipment, he also determines terms and conditions.**

5. The meeting may be audio/video taped for broadcasting/projection in the meeting or service areas and to provide support in the preparation of answers.

Reason

In para. 2, it is proposed to eliminate the reference to “certification”, now replaced by the “communication” made by the agent directly to the issuer on the request of the shareholder.

The new para. 3 – which implies no obligation or onus on the part of the shareholder to arrive at the Meeting with a copy of the communication issued by the agent – aims to underline to need to ease accrediting and verification of legal status, in the interests of the participants.

The last clause of para. 4 is proposed to give a clearer definition of the powers of the Chairman to authorize the use of photographic, video and similar equipment, including recording instruments.

**Art. 4
Constitution of the Shareholders’ Meeting and opening of proceedings**

1. At the time established in the notice of calling, the person indicated by the Articles assumes chairmanship of the Meeting.
2. On the proposal of the Chairman, and when deemed opportune, the Meeting nominates two or more invigilators and a Secretary, also from among non-shareholders. The assistance of the Secretary is not necessary when the minutes of the Meeting are drawn up by a Notary who is appointed by the Chairman.
3. The secretary and the Notary can be assisted by persons in their trust and may use recording equipment for the drafting of the minutes.
4. The Chairman may be assisted by individuals authorized to participate in the Meeting, appointing them to illustrate the subjects on the agenda and to reply to questions asked in relation to specific arguments.
5. The Chairman may also be assisted by especially invited external experts.
6. The Chairman announces the number present of shareholders and others with the right to vote, indicating the share of capital they represent. Once it has been established that the Meeting is properly constituted, the Chairman declares the proceedings open.
7. If the necessary quorum for the constitution of the Meeting is not met, discussion of the items on the agenda is postponed to the next calling.

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Constitution of the Shareholders’ Meeting and opening of proceedings**

1. At the time established in the notice of calling, the person indicated by the Articles assumes chairmanship of the Meeting.
- 2. Pursuant to the law and the Articles, the Chairman is assisted by a secretary or a Notary and, if appointed, two or more invigilators. In their turn, the secretary and the Notary can be assisted by persons in their trust and may use recording equipment for the drafting of the minutes.**
3. The Chairman may be assisted by individuals authorized to participate in the Meeting, appointing them to illustrate the subjects on the agenda and to reply to questions asked in relation to specific arguments.
4. The Chairman may also be assisted by especially invited external experts.
5. The Chairman announces the number present of shareholders and others with the right to vote, indicating the share of capital they represent. Once it has been established that the Meeting is properly constituted, the Chairman declares the proceedings open.
6. If the necessary quorum for the constitution of the Meeting is not met, discussion of the items on the agenda is postponed to the next calling.

Reason

The reason for incorporation of paras. 2 and 3 of Art. 4 into a single provision is the attempt to avoid useful repetition in the Regulations of what is already contained in Art. 12 (paras. 2 and 3) of the Articles of Association as well as in Art. 2371 of the Civil Code, which already deliberate on the nomination of individuals called to assist the Chairman.

**Art. 6
Interventions and replies**

1. The Chairman of the Meeting moderates the discussion, giving the floor to directors, auditors and those who have requested to speak in accordance with the present article.
2. Individuals with legitimate status may ask to speak on the

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2. Individuals with legitimate status may ask to speak on the

<p>subjects under discussion, make observations, ask for information and formulate proposals. The request may be made until the Chairman declares discussion of the subject closed.</p> <p>3.The Chairman establishes the way requests are made and the order of the interventions.</p> <p>4. The Chairman and, on his invitation, those assisting him in accordance with Art. 4 of these Regulations, reply to the speakers at the end of all the interventions on the subject under discussion, <u>or after each intervention.</u></p> <p>5. Those who have requested the floor may respond briefly.</p> <p>6. Taking account of the subject and the importance of the single arguments under discussion, as well as the number of persons requesting the floor, the Chairman may pre-set the duration of the interventions and replies. Before the end of the time allowed for the intervention or reply, the Chairman asks the speaker to conclude.</p> <p>7. At the end of the interventions, replies and eventual responses, the Chairman declares the discussion closed.</p>	<p>subjects under discussion, make observations, ask for information and formulate proposals. The request may be made until the Chairman declares discussion of the subject closed.</p> <p>3.The Chairman establishes the way requests are made and the order of the interventions.</p> <p>4. The Chairman and, on his invitation, those assisting him in accordance with Art. 4 of these Regulations, reply to the speakers at the end of all the interventions on the subject under discussion, or after each intervention or group of interventions.</p> <p>5. Those who have requested the floor may respond briefly.</p> <p>6. Taking account of the subject and the importance of the single arguments under discussion, as well as the number of persons requesting the floor, the Chairman may pre-set the duration of the interventions and replies. Before the end of the time allowed for the intervention or reply, the Chairman asks the speaker to conclude.</p> <p>7. At the end of the interventions, replies and eventual responses, the Chairman declares the discussion closed.</p>
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Reason

Modification suggested by the procedure and past experience of previous Meetings, in line with the dispositions of Art. 9.2 concerning voting.