

SANPAOLO IMI

SHAREHOLDERS' MEETING APPROVES MERGER WITH CARDINE

Ordinary shares exceeding the 15% which the charitable foundations will confer to the SGR vehicle will be converted into preference shares

Three new representatives of Cardine and one from CDC nominated to the Board

The Board of Directors calls the Annual Shareholders' Meeting for 27, 29 and 30 April

Turin, 5 March 2002 - The Shareholders' Meeting of SANPAOLO IMI S.p.A., meeting today in the Registered Office at Piazza San Carlo, has adopted the following resolutions concerning the day's agenda:

Extraordinary part

- 1. Proposal for the conversion of SANPAOLO IMI S.p.A. ordinary shares into preference shares pursuant to Article 2, Paragraph 2, Letter a, of Law 461 of 23 December 1998 and Article 28, Paragraph 3, Letter a, of Legislative Decree 153 of 17 May 1999 and related modifications to the Articles and By-Laws.***

The Shareholders' Meeting has approved, subject to the effectiveness of the merger, the conversion of SANPAOLO IMI ordinary shares held by the charitable foundations Compagnia di San Paolo and Fondazione Cassa di Risparmio di Padova e Rovigo and Fondazione Cassa di Risparmio in Bologna into preference shares without voting rights in ordinary Shareholders' Meetings for such an amount as to determine, following the conversion, that they will hold a total of 15% of the ordinary shares post-merger. The preference status will not consist in any increase with respect to the dividend due to ordinary shares, but will exclusively give right to priority in the distribution of a minimum dividend up to 5% of the nominal value. Furthermore, the preference shares, which will not be quoted, will have the right, in case of winding up or liquidation of the company, to reimbursement of capital up to the amount of their nominal value. The preference shares will be automatically converted, at par, into ordinary shares in case of sale to third parties or, in any case, at termination on 1 July 2012.

- 2. Proposal for the merger by incorporation of Cardine Banca S.p.A. into SANPAOLO IMI S.p.A. related modifications to the Articles and By-Laws, motions therein and consequent mandate of powers.***

The Shareholders' Meeting has approved the merger project indicated above, to be effected on the basis of an exchange ratio of 1.7950 SANPAOLO IMI ordinary shares for each ordinary share of Cardine Banca, without a cash component.

To serve the exchange an increase in capital of maximum €1,381,702,103.60 through the issue of a maximum of 493,465,037 ordinary shares of nominal €2.80 each, effective from 1 January 2002, is envisaged, although the incorporating company retains the possibility of using, as an alternative, up to a maximum of 70,000,000 own shares. SANPAOLO IMI has recently chosen this solution, announcing the launch of a programme to buy its own shares in the market.

The Shareholders' Meeting also approved the amendments to the Articles and By-Laws related to the conversion and merger.

Ordinary part

- 1. Increase in the number of members of the Board of Directors, consequent provisions for nomination and related motions.***

The Shareholders' Meeting has approved the proposal to increase the number of members of the Board of Directors and elected:

- Orazio Rossi, Chairman of Cardine Banca S.p.A.;
- Gianguido Sacchi Morsiani, Deputy Chairman of Cardine Banca S.p.A.;
- Pio Bussolotto, Managing Director of Cardine Banca S.p.A.;
- Isabelle Bouillot, Chairman of the *Directoire* of CDC IXIS.

* * *

The Board of Directors, meeting this morning in Turin before the Shareholders' Meeting, has moved to call the **Annual Shareholders' Meeting** on 27, 29 and 30 April (first, second and third call) to discuss and deliberate on the following:

Ordinary part

1. Financial statements at 31 December 2001, reports of the Board of Directors and Board of Statutory Auditors; distribution of income for the year; Group consolidated financial statements at 31 December 2001;
2. Authorisation for the purchase and sale of own shares;
3. Nomination of the Board of Statutory Auditors for the three years 2002/2003/2004;
4. Determination of the remuneration of the Members of the Board of Statutory Auditors;
5. Remuneration of the Directors.

Extraordinary part

1. Deliberations pursuant to Article 2443 of the Italian Civil Code (shareholding plans for employees).

Giorgio Spriano	+39 011 555 2822
Dean Quinn	+39 011 555 2593
Damiano Accattoli	+39 011 555 3590
Elena Flor	+39 011 555 2639
Rossella Buia	+39 011 555 3590
Fax	+39 011 555 2989
e-mail	investor.relations@sanpaoloimi.com