

Report of the Board of Statutory Auditors  
regarding the proposals to amend  
articles 31-32-33-36-41-44-45  
and introduce art. 50  
of the Articles of Association.



Dear Shareholders,

the resolution to amend the Articles of Association which the Directors have submitted for your attention to be approved during the extraordinary meeting, namely concerning articles 31-32-33-36-41-44-45 and new article 50, is set out in the special Board of Directors' report.

The Board of Statutory Auditors, having mentioned and endorsed the Board's report on this matter, considers it appropriate to point out, in particular, that:

- the changes to the Articles of Association proposed have been requested, amongst other things, in terms of principle, by the Supervisory Authority which has authorised them with the order of 22/10/2008 pursuant to art. 56 Legislative Decree 385/1993;
- they comply, and already implement in part, the requirements on these matters set out in the "Supervisory provisions regarding Banks' organisation and corporate governance" the document issued with Bank of Italy order n° 264010 of 4/3/2008. The deadline for compliance is set at 30 June 2009, but its adoption is required to be brought forward in the event of changes to the Articles of Association prior to that date, as in the case in question;
- none of the changes proposed is required to comply with mandatory rules already in force, since the Articles of Association already comply with legislation. Nonetheless the changes proposed also reflect "best practice" and a focus on the markets in which the Bank operates and on institutional investors, and are suitable for regulating the commitments assumed with strategically important commercial partners;
- some of the changes proposed adopt corporate governance guidance in formal and Articles of Association terms, such as those guidelines recommended for the voluntary adoption of the Corporate Governance Code (in the March 2006 text) for listed companies proposed by Borsa Italiana and to which the Bank has adhered accordingly;
- the provision for at least four independent directors on the Board of Directors and hence way above the minimum provision indicated in art. 147-ter TUF, in other words at least two in the case in question, is an indicator of the attention paid to the best elements of governance as already mentioned. The provision whereby a director does not cease to hold office should this requisite no longer apply provided that at least four independent Directors remain on the Board does not conflict with the provision indicated in the last paragraph of art. 147-ter TUF, since it complies with the minimum condition required by that regulation.

The Board can hence confirm that all the amendment proposals submitted for approval by the Extraordinary Shareholders' Meeting of Banca Popolare di Milano Scarl comply with the law and are compatible with the Bank's Articles of Association, and also comply both with the guidelines drawn up by the Supervisory Authority and the compliance requirements already issued by the latter as regards the Italian banking system, due to be applied in the near future.

Milan, 18 November 2008

**The Board of Statutory Auditors**

Antonio Ortolani

Enrico Castoldi

Emilio Cherubini

Enrico Radice

Paolo Troiano