

Letter to the

Members of BPM

Ordinary
and Extraordinary
Members' Meeting

24 April 2010
Fieramilanocity

Pavilion 3
Viale Scarampo

Massimo Ponzellini
Chairman
Banca Popolare
di Milano

Dear Members,

It is with considerable emotion that I find myself writing to you for the first time, one year after being elected as your Chairman, thanks to the trust that so many of you expressed in me at last year's AGM. I hope you still think that this trust was well placed and that you have not regretted it in the meantime.

I am well aware that 2009 has been a difficult year for everyone, for our families, for our businesses, for the institutions and even for certain countries. Consumer spending, industrial output and commerce have all shrunk and there has been a worrying increase in unemployment.

Despite this scenario, I am proud to say that the BPM Group has achieved positive results, with a net profit that is much better than last year's, demonstrating once again that our Co-operative is one of the most solid banks in Italy. The Board of Directors has proposed to distribute the same dividend as last year.

As usual, the General Manager has written a letter explaining the contents of the financial statements.

The merit of this success goes first of all to those who work for the Group with dedication and professionalism; women and men of great value and skill, who are our real wealth, but who will have to learn through training and motivation to do even better, following career paths based essentially on merit.

A word on the fluctuating price of our stock, which suffered during this last year like all bank shares. Now it only partially reflects BPM's solidity because, unfortunately, it is affected by the worries of financial operators about the future profitability of the banking industry. It is fairly normal for there to be a gap between market price and real value in such times of crisis, but I trust this difference will be reduced as the situation returns to normal.

Last January, the Board of Directors approved the Strategic Plan for the three-year period 2010-2012. A decision that is courageous, challenging and unique in the Italian banking system, but essential if we are to face the coming years with a clear vision and precise objectives and the transparency that is typical of our Bank. The plan is based on certain key points which can be summarised as follows: the central role of customers, attention to results for the Members and Shareholders, enhancement of our human resources and corporate social responsibility.

The co-operative status of Banca Popolare di Milano, which I have now been able to experience personally from the inside, has again shown itself to be a winning model, our major strength and the source of our pride. The employees not only work with skill and commitment, but also take part in the life of the Bank together with their colleagues in retirement and all of the Members with a strong sense of involvement and attachment to this model, which we have to defend and improve.

Last year we launched an important project to consolidate even more the link between Members and the Bank: the BPM Members Club. The Club is born with a view to enlarge our shareholder base, offering to all members of the Bank exclusive services in various fields, such as investments, insurance policies, healthcare, culture, entertainment and tourism. At the same time, we are making a huge effort to improve the governance system and encourage participation on the part of the Members, through a process that has only just begun and which will continue in the future.

It is 145 years that our Bank is present, operating on the territory also through its customers, which have now become more than one million, made up of households, professionals, artisans, retailers and firms. They are our success; for this reason, every customer is a special customer, to be listened to, understood and sustained; but above all for us each customer is a special friend.

Today, the BPM Group is a modern and innovative business, which in addition to the traditional banking sector, well represented by Banca Popolare di Milano, Banca di Legnano, Cassa di Risparmio di Alessandria and Banca Popolare di Mantova, has also developed online banking with WeBank, which is becoming a leading player in this segment, private banking with Bipiemme Private Banking SIM and Banca Akros, which is a top investment bank, asset management with Anima SGR, insurance services with Bipiemme Vita and through the brand-new ProFamily it aims to do the same in consumer credit.

The Group has always consciously played an important social role, promoting numerous projects in the field of solidarity, healthcare, culture, education and scientific research.

Faithful to its tradition, Banca Popolare di Milano does not limit itself to giving credit to those who deserve it; with its ideas, its people, and above all with you, friends and Members, it also wants to foster the economic, civil, social and environmental development of the territories where it operates.

Over the coming years, we will find ourselves having to face new realities and different situations for which we will need determination, courage, tenacity and a smidgen of good luck, but above all your help and support, your friendship and your affection. And for all of this your Chairman just wants to say thank you.

This is why I have the pleasure of inviting you to the General Meeting of the Members of Banca Popolare di Milano, on Saturday, 24 April 2010. It is an important appointment that I am looking forward to with the same sense of anticipation that one has when waiting to see close friends again, so I hope that as many of you as possible will be able to attend.

Massimo Ponzellini
Chairman
Banca Popolare di Milano

2009: positive results for the BPM Group despite the difficult economic context and the non-recurring charge for the Solidarity Fund

Fiorenzo Dalu General Manager of Banca Popolare di Milano

The BPM Group achieved positive results in 2009. The Group net profit comes to 103.6 million euro, 37.6% higher than in 2008.

The operating profit amounts to 598.8 million euro, an increase of 12.6% on 2008.

Operating income comes to 1,859.8 million euro (+15.5%).

Direct deposits amount to 35.8 billion euro (+2.1%), of which 21.6 billion euro of demand deposits (+18.3%).

Loans to customers remain stable compared with the end of 2008, at 32.9 billion euro.

Indirect deposits have risen by 28.9% to 45.7 billion euro.

The cost/income ratio comes to 67.8%, in line with 2008. However, if the non-recurring charges for the Solidarity Fund are disregarded, this figure falls to 60.7% (more than 7 percentage points less).

The Core Tier 1 ratio has risen from 6.5% in December 2008 to 7.9% at 31 December 2009.

The Board of Directors proposes to distribute a dividend of 0.10 euro per share, the same as last year, to be paid on 27 May.

The scenario in 2009-2010

The figures are even more significant in light of the difficult trend in 2009, which had a negative impact on the entire banking industry. The contraction in net interest income and the increase in the cost of credit have had a particular effect.

In 2010 the economy is still looking fragile and conditioned by the decisions that still have to be taken by the main governments in terms of structural reforms and support for growth.

Despite this general context, the Group has continued to reinforce itself in certain sectors, including asset management, online banking and consumer credit. The Group has continued to support its customers, with specific initiatives in favour of SMEs and households.

Last January, the Group presented the 2010-2012 Strategic Plan targeted at increasing revenues and containing costs.

Significant events in 2009

Public Purchase Offer for Anima SGR and merger between Bipiemme Gestioni SGR and Anima SGR

In the first few months of 2009 the voluntary Public Purchase Offer promoted by BPM for the ordinary shares of Anima SGRpA, of which the Bank already held 29.9%.

In September 2009, following authorisation by the Bank of Italy, the General Meetings of Bipiemme Gestioni and Anima respectively approved the merger of Anima with Bipiemme Gestioni.

Once the merger deed had been signed, in December, the new company took on the name of Anima SGR S.p.A.

Transformation of We@Service into an on-line bank and acquisition of IntesaTRADE SIM

The transformation of We@Service S.p.A. into an online bank was concluded on 1 November 2009 with the start of operations and change of name to WeBank S.p.A. The company is wholly owned by BPM.

In July 2009, Banca Popolare di Milano acquired 100% of IntesaTRADE SIM S.p.A. (online trading) from Intesa Sanpaolo S.p.A., again with a view to expanding the range of financial investment products and services that the Group can offer through the Internet.

The complementary nature of what is offered by WeBank and Intesa@Trade SIM, renamed WeTrade SIM, makes it possible to create a leading operator on the Italian online finance market that can cover all of a customer's needs by combining ten years of experience in their respective market segments.

Consumer credit – incorporation of ProFamily

In March 2009 BPM's board of directors approved the project to develop the consumer credit segment by creating a new company called "ProFamily", controlled by BPM, which is complementary to the Group's existing structures.

ProFamily will concentrate on producing and distributing consumer credit products in favour of households and taking on the related risks.

The Group's 2010-2012 Strategic Plan provides for ProFamily to take on an important role in the consumer credit market in Italy, by means of direct management of products distributed through the Group's branches, a new network based on some direct branches and gradual activation of money shops manned by sole agents.

Solidarity Fund

In June 2009, Banca Popolare di Milano, Banca di Legnano, Cassa di Risparmio di Alessandria and their respective trade union representatives signed an agreement to allow the employees of these three banks to join the "Solidarity Fund for income support" on a voluntary basis.

Access to the Fund will take place through five "windows" running from December 2009 to October 2011. At the end of these negotiations, 662 applications were accepted from employees of the Group's commercial banks.

Measures for the strengthening and stabilisation of the share capital

The Board of Directors of Banca Popolare di Milano at the board meeting in March 2009 approved a series of measures to reinforce the Bank's capital. They are designed to increase BPM's Core Tier 1 ratio, giving it a stable, high quality capital base to enable the Group to operate in the best way possible in a context characterised by growing uncertainty.

The capital reinforcement plan consists of the following measures:

- issuance of a senior Bond Loan with automatic Conversion into ordinary shares of the Bank, offered under option to those with rights, together with a bonus issue of warrants up to a maximum of Euro 406 million;
- issuance of financial instruments - to be subscribed by the Economy and Finance Ministry - for an amount of Euro 500 million;
- a public purchase offer for the innovative capital instruments (so-called Tier 1 or preference securities) issued by companies of BPM Group was taken up for 42.09% of their nominal value.

Members' Project

In March 2009, BPM's Board of Directors approved the new Members' Project with a view to widening the shareholder base and creating greater loyalty on the part of Member Customers. The project was launched in July 2009 by opening the BPM Members Club online.

Results 2009

Customer deposits

Total direct deposits come to € 35,803 million, 2.1% up on 31 December 2008. Particularly significant is the increase in current and savings accounts which have reached a total of € 21,610 million, an increase of 18.3%. This change, together with reduction in debt securities in issue for the reimbursement of € 1.5 billion of EMTN bonds, led to an increase in retail deposits as a proportion of total deposits (from 73.5% in December 2008 to 78.2% in December 2009).

Loans and advances to customers

Loans and advances to customers amount to € 32,852 million, unchanged (-0.1%) compared with the end of 2008. Mortgage loans continue to grow (+8% on December 2008) as do personal loans and credit cards (+2.6% on December 2008).

Credit quality is affected by the deterioration of the economic context, with net problem loans rising to 5.3% of total loans.

Net doubtful loans come in at 3.2% of total loans.

Net non-performing loans amount to 1.1% of total loans, still lower than the system average (2.02% in December 2009 – Source: ABI).

Total adjustments show an increase in total coverage of the loan book to 2.43% (2.14% at the end of 2008).

Indirect customer deposits

In total, indirect deposits come to € 45,733 million, with strong growth (+28.9%) compared with 31 December 2008.

Assets under management, at € 25,488 million, have grown by 59.5% thanks to positive net inflows (€ 1,364 million), against the market trend, the recovery in financial markets and the consolidation of Anima SGR (which contributed € 7,499 million).

Group market share comes to 4.15%, 3.78% higher than in December 2008, recalculated on a consistent basis.

Assets under administration amount to € 20,245 million, 3.9% more than the figure at the end of 2008.

Income statement

Total revenues

Total revenues have reached € 1,860 million, 15.5% up on 2008. Net interest income amounts to € 884.8 million, 17.4% lower, partly because of a substantial decline in interest spreads, not completely offset by an increase in volumes handled with customers (+7% on 2008), and partly because of the reclassification of maximum overdraft fees for the second half of 2009 to fee and commission income.

Within “service revenues”, net fees and commission come to € 646.9 million (+21.1% on 2008), thanks to the positive trend in “net fees and commission from management, dealing and advisory services” (+73 million euro) and “net fees and commission for the management of current accounts” (+40.5 million euro).

Net income from financial activities”, which should be read together with “dividend and similar income” as they are closely correlated, comes to € 293.8 million compared with -31.3 million in December 2008. The result of the financial sector has benefited from the recovery in stock prices and the narrowing of credit spreads.

Operating costs

Operating costs amount to € 1,261 million, rising compared with 2008 because of the non-recurring charge for the Solidarity Fund (€ 132 million) and enlargement of the scope of consolidation.

Net of these charges, payroll, € 847.9 million (+22.5% on 2008), would have fallen by 0.8%, whereas the aggregate made up of “other administrative expenses” and “Net adjustments to property, plant and equipment and intangible assets”, € 413.1 million (+7.1% on 2008) would be more or less stable (+0.6%).

The total number of employees comes to 8,661, a decrease of 125 thanks to the first group of people who left having joined the Solidarity Fund, which more than offset the increase caused by enlargement of the scope of consolidation.

Provisions and adjustments

Total provisions amount to € 381.7 million (+108.4 million euro compared with 2008) mainly due to higher net impairment adjustments to loans of € 336.9 million.

The trend in this aggregate reflects the general deterioration in the economic context and the Group's traditional prudence when valuing non-performing and doubtful loans.

Provisions for loan losses come to € 16.9 million and mainly relate to recovery procedures and legal disputes.

Ordinary and net operating profit

The operating profit reached € 599 million with growth of 12.6% on the previous year.

The profit from current operations before tax comes to Euro 217.3 million, a slight increase (+2.0%) compared with 2008.

After tax and minority interests of € 115 million, net profit for the year comes in at € 103.6 million, an increase of € 28.3 million (+37.6%) on 2008.

Proposed dividend for 2009

The level and quality of the results achieved, together with the Bank's capital solidity, have induced the Board of Directors to propose to the Members' Meeting to distribute a dividend of 0.10 euro, payable from 27 May 2010. BPM's shares will go ex-dividend on 24 May 2010.

BPM Group - Reclassified balance sheet

Compulsory format codes	Asset line items	31.12.2009	31.12.2008	Change A-B	
		A	B	(+/-)	%
10.	Cash and balances with central banks	652,291	252,708	399,583	158.1
	Financial assets designated at fair value through profit and loss and hedging derivatives:	4,358,374	5,362,142	-1,003,768	-18.7
20.	- Financial assets held for trading	1,607,327	2,348,353	-741,026	-31.6
30.	- Financial assets designated at fair value through profit and loss	869,066	865,806	3,260	0.4
40.	- Financial assets available for sale	1,796,653	1,994,565	-197,912	-9.9
80.	- Hedging derivatives	85,328	153,418	-68,090	-44.4
60.	Loans and advances to banks	3,200,498	3,476,438	-275,940	-7.9
70.	Loans and advances to customers	32,852,438	32,898,927	-46,489	-0.1
100. 120. 130.	Fixed assets	1,908,102	1,777,635	130,467	7.3
140. 160.	Other assets	1,309,754	1,270,871	38,883	3.1
	Total assets	44,281,457	45,038,721	-757,264	-1.7

Compulsory format codes	Liabilities and shareholders' equity	31.12.2009	31.12.2008	Change A-B	
		A	B	(+/-)	%
10.	Deposits from banks	1,754,431	3,473,930	-1,719,499	-49.5
20.	Due to customers	22,161,961	19,374,835	2,787,126	14.4
30.	Debt securities in issue	12,011,877	13,152,501	-1,140,624	-8.7
	Financial liabilities and hedging derivatives:	2,585,702	3,658,670	-1,072,968	-29.3
40.	- Financial liabilities held for trading	953,667	1,120,320	-166,653	-14.9
50.	- Financial liabilities designated at fair value through profit and loss	1,629,256	2,536,335	-907,079	-35.8
60.	- Hedging derivatives	2,779	2,015	764	37.9
80.100.	Other liabilities	1,251,076	1,539,170	-288,094	-18.7
110. 120.	Provisions for specific use	494,648	451,033	43,615	9.7
140. 160.					
170. 180. 190.200.	Capital and reserves	3,788,851	3,177,278	611,573	19.2
210.	Minority interests (+/-)	129,358	136,035	-6,677	-4.9
220.	Net profit (loss) for the period (+/-)	103,553	75,269	28,284	37.6
	Total liabilities and shareholders' equity	44,281,457	45,038,721	-757,264	-1.7

BPM Group - Reclassified income statement

Compulsory format codes	Income statement line items	2009	2008	Change	
				(+/-)	%
10. 20.	Net interest income	884,811	1,071,260	(186,449)	-17.4
40. 50.	Net fees and commission	646,925	534,141	112,784	21.1
of which 240.	Share of profit (loss) of equity investments valued at equity	(1,058)	2,277	(3,335)	n.s.
70.	Dividend and similar income	166,928	178,686	(11,758)	-6.6
80. 90.					
100. 110.	Net income from financial activities	126,890	(209,988)	336,878	n.s.
220.	Other operating charges/income	35,353	33,435	1,918	5.7

	Operating income	1,859,849	1,609,811	250,038	15.5
180.	Administrative expenses:	(1,176,853)	(1,005,215)	171,638	17.1
	a) payroll (*)	(847,920)	(692,176)	155,744	22.5
b) other administrative expenses	(328,933)	(313,039)	15,894	5.1	
200. 210.	Net adjustments to property, plant and equipment and intangible assets	(84,172)	(72,729)	11,443	15.7
	Operating costs	(1,261,025)	(1,077,944)	183,081	17.0
	Operating profit	598,824	531,867	66,957	12.6
130.	Net impairment adjustments to loans and financial assets	(364,792)	(238,755)	126,037	52.8
190.	Net charges to provisions for risks and charges	(16,885)	(34,527)	(17,642)	-51.1
240. 250.					
260. 270.	Profits (losses) from equity and other investments	200	(45,516)	45,716	n.s.
280.	Profit (loss) from current operations before tax	217,347	213,069	4,278	2.0
290.	Income taxes on current operations	(114,422)	(130,143)	(15,721)	-12.1
320.	Net profit (loss) for the year	102,925	82,926	19,999	24.1
330.	Net profit (loss) for the year of Minority interests	628	(7,657)	8,285	n.s.
340.	Net profit (loss) for the year of the Parent Bank	103,553	75,269	28,284	37.6
	Earnings per share (Euro)	0.257	0.182		
	Diluted earnings per share (Euro)	0.246	0.185		

(*) Payroll includes an amount of 132,145 thousand euro for non-recurring charges relating to the "Solidarity Fund for Income Support" of Banca Popolare di Milano, Banca di Legnano and Cassa di Risparmio di Alessandria, which is the current value of the forecast expenditure of 136,637 thousand euro.

Method of preparing the reclassified income statement

For management reporting purposes the interim results have been presented in a reclassified format, in which line items have been aggregated and reclassified in keeping with market practice in such a way as to provide a clearer picture of performance.

For the purposes of easily reconciling the reclassified income statement with the compulsory format, the code numbers from the compulsory format are shown beside each item in the reclassified statement; the following reclassifications have been made:

1. The **share of profit (loss) of investments valued under the equity method** (- € 1,058 thousand at 31.12.2009 and + € 2,277 thousand at 31.12.2008), recorded in line item 240 "Share of profit (loss) of equity investments" has been reported in a separate line forming part of "Operating income" in the reclassified format;

2. "**Other operating charges/income**" (line item 220) recorded as part of "Operating costs" in the official reporting format have been adjusted to exclude "Recoverable indirect taxes" (€ 58,398 thousand at 31.12.2009 and € 58,600 thousand at 31.12.2008) and to include the "depreciation of leasehold improvements" (€ 4,971 thousand at 31.12.2009 and € 4,488 thousand at 31.12.2008). After reclassification, this item has been included in "Operating income" in the reclassified income statement;

3. **Other administrative expenses**" (line item 180 b) have been adjusted to exclude the "Recoverable indirect taxes" discussed in point 2) above;

4. "**Net adjustments to property, plant and equipment and intangible assets**" (line items 200 and 210) have been increased in the reclassified income statement by the "Depreciation of leasehold improvements" discussed in point 2) above;

5. "**Net impairment adjustments to loans and financial assets**" (€ 364,792 thousand at 31.12.2009 and € 238,755 thousand at 31.12.2008) reported in line item 130 have been reclassified below "Operating profit" in the reclassified format.

Information on attending the General Meeting

The General Meeting of the Members of Banca Popolare di Milano is governed by the “Regulations for Shareholders' Meetings” approved by the Extraordinary Meeting held on 13 December 2008. Information to facilitate attendance at the General Meeting is provided below.

**The General Meeting will take place, in second calling
on 24 April 2010, at 9.00 a.m., at
Fieramilanocity Pavilion 3
Viale Scarampo – Porta Teodorico 11, Milan**

with the agenda provided in the notice of calling.

Who can attend

Members included in the Register of Members by 23 January 2010 and who have a copy of the communication certifying their ownership of the shares and participation right are entitled to attend the Meeting.

The documents needed for admission are:

1. an identity document
2. the copy of the “Communication to attend the Members' Meeting”
3. any proxies received
4. autocertification in the case of exercising the rights of Members under the age of 18, to be filled in at the entrance to the Meeting by the Member acting as parent or guardian.
5. in addition to the documents listed at points 1. 2. and 3., the following documents have to be presented:
 - for companies: an up-to-date chamber of commerce certificate;
 - for Italian and foreign Undertakings for Collective Investment in Transferable Assets (UCITS), as well as foreign collective entities and legal entities: designation document (e.g. an appointment minute or equivalent document) which shows the name and powers of the representative.

How to request a copy of the “Communication to attend the General Meeting” and who issues it

The “Communication to attend the General Meeting” is the document confirming the existence of the shares and entitlement to the rights. The methods for requesting and issuing this document are regulated by the Joint Resolution of the Bank of Italy and Consob; it is issued from 24 March through 21 April 2010 included, by BPM or by another banking intermediary who has the shares in custody. The holder of the shares has to request, in writing, the “Communication to attend the General Meeting” from the bank where the shares are deposited and the bank has to issue the document within the second working day after receiving the request.

Members whose shares are in custody with Banca Popolare di Milano also have to apply in writing for the “Communication to attend the Members' Meeting”. To facilitate obtaining this documentation, Members should present themselves in person so that they can make the request and obtain the documentation immediately from any BPM branch during normal working hours and from the Members' Sector of the Bank in Piazza Meda 4, Milan, from 9.00 a.m. to 1.30 p.m.

To encourage maximum participation at the General Meeting, for Members whose shares are in custody with Banca Popolare di Milano but who have a problem presenting themselves in person, by way of an exception to the general rule, the Members' Sector is willing to receive requests for the “Communication to attend the Members' Meeting” delivered by hand by third parties or by fax sent to 02 77005729 (from 8.00 a.m. to 5.00 p.m.), providing they are prepared on the special form designed for this purpose

(available in the "Shareholders and Members - General Meeting" section of the website www.bpm.it), filled in in full and signed by the Member making the request.

Once the Shareholders' Office has made the necessary checks to ensure correct identification of the applicant, it will send the "Communication" by registered letter directly to the domicile of the Member making the request.

For further information, please call the freephone no. 800-013090 (Monday-Friday from 9.00 a.m. to 5.00 p.m.).

Proxies

- Any Member can be represented by another Member with a written proxy. Any Member can act as a proxy, but for not more than two other Members.
- Proxies cannot be given to persons who are not allowed to be proxyholders under the applicable regulations (i.e. the Bank's and Group's employees and directors, as per art. 2372 of the Civil Code)
- Proxies cannot be given with the name of the representative left blank and the signature of the person delegating has to be authenticated by an officer at the Bank's head office or one of its branches, or by the intermediary who issued the "Communication to attend the Members' Meeting" or by a public official.
- Legal entities, with the exception of Italian and foreign Undertakings for Collective Investment in Transferable Assets (UCITS), as well as foreign collective entities and legal entities, can only attend meetings in the person of their legal representative; alternatively, the legal representative can give a proxy to another Member in accordance with the Articles of Association.

How to use proxies

The "Communication to attend the General Meeting" has a space to delegate one's right to attend and vote at the General Meeting. To avoid having to go several times to a branch of the Bank, any Member who intends to give a proxy should fill in this space with the details required at the time that they pick up the document, so that their signature can be authenticated at the same time.

For attendance purposes, only the certifications and proxies handed over by each participant when registering for the first time that they enter the meeting will be considered valid.

Video AGM in Bologna, Foggia and Rome

We would also like to announce that it will be possible to follow the proceedings of the Annual General Meeting live from the Congress Centre of the Milan Trade Fair at the following locations in Bologna, Foggia and Rome.

Members **who have requested the "communication"** in accordance with the regulations mentioned above **will be able to attend the AGM, but without being able to speak or vote.**

Members with an ID document and ticket for the AGM ("communication") will be able to go to the following locations, which will open at 8.30 a.m.:

Bologna:

Palazzo Isolani - Piazza Santo Stefano 16, 40125 Bologna

Foggia:

Cinema LALTROCINEMA - Via Duomo 11, 71121 Foggia

Rome:

Centro Congressi Roma Eventi - Piazza di Spagna - Sala Fellini - Via Alibert 5/A

Banca Popolare di Milano
Co-operative Bank founded in 1865

Share capital at 31 December 2009: Euro 1,660,136,924
Milan Company Register, fiscal code and VAT no. 00715120150

Enrolment in the National Register of Co-operative Companies No. A109641

Notice of Ordinary and Extraordinary Shareholders' Meeting

The Members of Banca Popolare di Milano Scrl are called to the ordinary and extraordinary general meeting, which will be held at first calling on 23 April 2010, at 9.00 a.m., at the registered office in Milan, Piazza Filippo Meda 4, to discuss the following agenda:

Ordinary part

1. Reports of the Board of Directors and the Board of Statutory Auditors on the 2009 financial statements. Review of the financial statements; related resolutions;
2. Review of the Bank's remuneration policy and related resolutions;
3. Integration of the audit fees of Reconta Ernst & Young SpA, appointed independent auditors for the period 2007-2015, on the reasoned proposal of the Board of Statutory Auditors. Related resolutions;

Extraordinary part

1. Approval of the plan under art. 2505 of the Civil Code to merge Bipiemme Private Banking SIM SpA with Banca Popolare di Milano Scrl on the basis of their respective balance sheets at 31 December 2009. Related resolutions.

Given the cooperative nature of the Bank, each Member has the right to one vote whatever the number of shares owned (so-called "one-man-one-vote");

The Bank's share capital is variable and at 31 December 2009 amounts to Euro 1,660,136,924 represented by 415,034,231 ordinary shares of par value Euro 4 each.

Members eligible to attend are those:

- who have been included in the Register of Members for at least ninety days (i.e. by 23 January 2010). At this date, the voting rights amount to 49,947 (which, considering the "one-man-one-vote", reflects the number of Members);
- who under article 13 of the Articles of Association have complied with the obligations laid down in article 2370.2 of the Italian Civil Code at least two working days before the General Meeting and who therefore have a certificate issued by an intermediary belonging to the centralised system of Monte Titoli SpA under article 85.4 of Decree 58 of 24 February 1998 and article 23 of the Bank of Italy - Consob joint resolution dated 22 February 2008.

Members whose shares are already lodged with the Bank for safe custody and administration must nonetheless request the required certification in writing from the Bank's branches where the shares are deposited. Alternatively, they can go in person to the Bank's Shareholders' Office in Piazza Filippo Meda 4, Milan, between 9.00 a.m. and 1.30 p.m., where they can ask for and collect their certification.

These requests must be made between 24 March and 21 April 2010.

For the purposes of issuing the necessary certification, members holding shares which are still in printed form must deliver the shares to an intermediary for their input into the centralised electronic administration system, in accordance with current regulations.

If there are not enough members to form a quorum at the first meeting called for 23 April 2010 in accordance with article 30 of the Articles of Association, the meeting will be held at

second calling
on 24 April 2010, at 9.00 a.m., at
Fieramilanocity Pavilion 3
Viale Scarampo – Porta Teodorico 11, in Milan
with the same agenda.

Members wishing to be represented at the meeting by a proxy are reminded of the current Regulations for Shareholders' Meetings which state as follows.

Every member entitled to attend meetings can be represented, in accordance with the Articles of Association, by another member who can act as proxy for just two other members; proxies cannot be given to persons who are not allowed to be proxyholders under the applicable regulations. Each member can find the proxy form at the bottom of his "copy of the Communication to attend the meeting" as per art. 23 of the Bank of Italy - CONSOB joint resolution dated 22 February 2008. The Communication will be issued on the Member's request to attend the AGM.

Proxies cannot be given with the name of the representative left blank and the signature of the person delegating has to be authenticated by an officer at the Bank's head office or one of its branches, or by the intermediary who issued the attendance certification, or by a public official.

Legal entities, with the exception of Italian and foreign Undertakings for Collective Investment in Transferable Securities (UCITS), as well as foreign collective entities and legal entities, can only attend meetings in the person of their legal representative; alternatively, the legal representative can give a proxy to another member in accordance with the previous two paragraphs.

For attendance purposes, only the certifications and proxies handed over by each participant when registering for the first time that they enter the meeting will be considered valid.

We would like to inform you that:

- with reference to item 1 on the Agenda of the Extraordinary Part of the General Meeting, the related documentation will be deposited at the registered office of the Bank, Piazza Meda 4, Milan, and at Borsa Italiana from 24 March 2010, as per art. 2501-septies and 2505 of the Italian Civil Code and art. 70.1 of Consob Regulation 11971/99 (and subsequent amendments).
- the documentation relating to the other items on the Agenda - as well as the Report on Corporate Governance and Ownership Structure of the Bank in 2009, as per art. 123-bis, CFA - will be available at the registered office of the Bank in Milan, Piazza Filippo Meda 4, and at Borsa Italiana from 8 April 2010;
- as regards the mandatory convertible bond entitled "Convertendo BPM 2009/2013 - 6.75%", in accordance with art. 8. of the related Regulation, we would like to inform you that the conversion period of these bonds into the Bank's shares has been suspended from today up to the date on which the shares go ex-dividend.

Members will be able to obtain a copy of the documentation made available at the Bank's head office at their own expense. This documentation will be also available before the meeting on the Bank's website at www.bpm.it.

This notice will be published on Wednesday 24 March 2010 in two financial newspapers: "Il Sole 24 Ore" and "Italia Oggi".

Information concerning the procedures for attending the meeting can be requested from the Bank's Shareholders' Office in Piazza Filippo Meda 4, Milan by telephoning the free-phone number 800-013090 on weekdays between 9.00 a.m. and 5.00 p.m.

for The Board of Directors
The Chairman
Massimo Ponzellini

Milan, 23 March 2010

How to reach the place where the General Meeting is to be held - Milan

Underground Line 1 (Red) - in the direction of Molino Dorino
Get off at the station called LOTTO FIERA 2.

A shuttle service will be available from the **Underground Station Amendola** to the pavilion where the General Meeting takes place, entrance at Porta Teodorico 12.

90 - 91 - 78 - 48

Free parking space is available on the roof of the pavilions, until the car park is full.