

# MEDIOLANUM S.pA.

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**REPORT OF THE BOARD OF STATUTORY AUDITORS TO**  
**THE GENERAL MEETING ON THE EXTENSION OF**  
**THE TERM OF THE INDEPENDENT AUDITORS MANDATE TO AUDIT THE**  
**SEPARATE AND CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS WELL AS**  
**THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**TO FINANCIAL YEARS 2008 TO 2010**

Dear Shareholders,

Whereas

- Reconta Ernst & Young SpA are the independent auditors responsible for auditing the separate and consolidated annual financial statements as well as for carrying out the limited audit of the consolidated interim financial statements for financial years 2005 to 2007;
- Article 8, paragraph 7 of Legislative Decree 303/2006 sets out that *“the audit mandates, including any renewals and extensions, that have been in force for less than nine years at the date this Legislative Decree enters into effect, can be extended to bring the audit term in line with the limit term set out in article 159, paragraph 4 of Legislative Decree 58 of February 24, 1998 as amended by this Legislative Decree, by the date of the next General Meeting convened to approve the financial statements”*;

Pursuant to and to the effects of the statute referred to above, we propose that you vote for the extension of the audit mandate of Reconta Ernst & Young SpA to the three-year period 2008-2010 as per their proposal dated February 27, 2007. Reconta Ernst & Young SpA are certified public accountants pursuant to article 161 of Legislative Decree 58/1998.

Pursuant to article 159 of said Legislative Decree we examined said proposal. After ascertaining:

- there are no grounds for incompatibility;
- they meet requirements for independence;
- that all other terms and conditions as set out in their audit proposal dated February 16, 2006 for the current three-year term (2005-2007) remain unchanged;

We examined:

- the nature of the assignment
- the manner in which it is carried out
- the number of human resources involved (4 category levels), timing and annual fees (more advantageous than those for the current audit term) amounting to €1,300.00 plus reimbursement of expenses for a total of about 1,050 working hours, as follows:
  - for the audit of the separate annual financial statements, including quarterly examinations, about 550 hours for a total fee of €8,300.00;
  - for the audit of the consolidated annual financial statements about 200 hours for a total fee of €1,000.00;
  - for the limited audit of the consolidated interim financial statements about 300 hours for a total fee of €1,000.00.

We also took into consideration:

- that Reconta Ernst & Young SpA fulfilled their audit mandate as independent auditors of your company and the other companies within the Group in the past five years;
- they are independent and have the professional qualifications and expertise, in particular in relation to the adequacy and completeness of their audit plan and business organisation as well as the breadth and depth of their audit work and the complexity of their audit mandate;
- the Audit Committee and the Board of Directors should express their favourable opinion on the extension of the term of the audit mandate of Reconta Ernst & Young SpA.

In consideration of the foregoing, and in order to align the term of the audit mandate with the limit term of nine years , we

recommend

- the extension of the audit mandate of Reconta Ernst & Young SpA to the three-year period 2008-2010 in relation to the audit of the separate and consolidated annual financial statements as well as the limited audit of the consolidated interim financial statements;

under the terms and condition summarised above and set out in the independent auditors proposal dated February 27, 2007 pursuant to and to the effects of article 8, paragraph 7 of Legislative Decree 303 of December 29, 2006.

Basiglio, February 28, 2007

The Board of Statutory Auditors

Prof. Arnaldo Mauri

Chairman

Achille Frattini

Francesco Antonio Giampaolo