

NEWS RELEASE**Disclosure pursuant to art. 114, paragraph 5, of Lgs. Decree n. 58/1998 «Banco Popolare 2011/2017 "TassoMisto Cap&Floor BancoPosta" Serie 1» bond**

Verona, 15 February 2012 - Banco Popolare Società Cooperativa (« Banco Popolare»), in its capacity as issuing entity pursuant to and by effect of Consob's communication n. DEM/DME/9053316 of 8th June 2009, in compliance with art.114, paragraph 5, Lgs. D. n. 58/1998, in keeping with the procedures set forth in Section III, Title II, Chapter I of Consob's resolution n. 11971 of 14th May 1999 and following amendments, hereby announces that

WHEREAS

1. Banco Popolare issued and Poste Italiane S.p.A. – Società con socio unico Patrimonio BancoPosta – (hereinafter "**Poste Italiane S.p.A**") distributed the «Banco Popolare 2011/2017 "TassoMisto Cap&Floor BancoPosta" Serie 1» bonds ISIN IT0004703317 (hereinafter the "**Bonds**");
2. Poste Italiane S.p.A. signed a distribution agreement with Banco Popolare backed by a liquidity support mechanism and buyback obligations for the issuer;
3. the intermediaries who are to support liquidity are the counterparties who have entered the bond hedging swap contracts with Banco Popolare (hereinafter "**Price Makers**");
4. Poste Italiane S.p.A. shall select from among them one or more intermediaries that shall act as *Price Makers* based on a repurchase agreement with Banca Aletti & C. S.p.A., a bank belonging to Banco Popolare Banking Group, according to which the latter undertakes to repurchase up to 14% of the amount of distributed Bonds (hereinafter the **Maximum Repurchasable Amount**) at a bid price reflecting, in terms of interest rate spread, the issuer's creditworthiness at the time of the issue (hereinafter "**at-issue spread Price Makers**");
5. the other intermediaries, on indication of Poste Italiane S.p.A., can quote bid prices based on market rates ("**at-market rate Price Makers**");
6. the *at-issue spread Price Makers* shall purchase the Bonds on the market at the price conditions set forth in their mandate assigned by Poste Italiane S.p.A. up to the above specified percentage in the event that:
 - (a) the issuer's creditworthiness deteriorates with respect to the Bond issue date; or
 - (b) the issuer's creditworthiness does not deteriorate with respect to the Bond issue date, but the price quoted by the *at-market rate Price Makers* is lower than that quoted by the *at-issue spread Price Makers*;
7. during the Bond life, Poste Italiane S.p.A. can replace each *Price Maker* with, or add one or more additional *Price Makers*, based on the best quote criterion;

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8. on 19 July 2011, the market was informed of the presence of BNP Paribas and Banca Aletti & C. S.p.A. as *at-issue spread Price Makers*;
9. on 23 November 2011, the market was informed of the presence of BNP Paribas and Banca Aletti & C. S.p.A. as *at-issue spread Price Makers*, and of the achievement, as of 22 November 2011, of the 25% threshold of the *Maximum Repurchasable Amount* of Bonds at the price reflecting, in terms of interest rate spread, Banco Popolare's creditworthiness at the time of the Bond issue;

THEREFORE

on 14 February 2012 BNP Paribas e Banca Aletti & C. S.p.A. were operating on the Mercato Telematico delle Obbligazioni (MOT), as *at-issue Spread Price Makers*, and Euro 35,106,000 worth of Bonds were purchased, at a price reflecting, in terms of interest rate spread, Banco Popolare's creditworthiness at the time of the Bond issue.

The repurchased amount accounts for 50.15% of the *Maximum Repurchasable Amount* – corresponding to Euro 70,000,000 - at a price reflecting, in terms of interest rate spread, Banco Popolare's creditworthiness at the time of the Bond issue.

On 14 February 2012, the value of the 6-year Banco Popolare CDS (*Credit Default Swap*) was 566 bps; this same indicator on the bond issue date was 272 bps.

Banco Popolare, or the entities specifically appointed by the latter, shall inform the market when, as a result of purchases by *at-issue spread Price Makers*, the 75% and 100% thresholds, depending on the cases, referring to the maximum amount of purchasable Bonds at the above described pricing conditions are reached.

When the *at-issue spread Price Makers* reach the amount of purchasable Bonds corresponding to the maximum amount of purchasable Bonds at the above described price conditions, the bid price quoted by the *Price Makers* on the listing or trading market shall reflect all market conditions, including the creditworthiness of Banco Popolare at that time, and may be lower than the *at-issue spread* price.

For further information on the bonds issued, please read the prospectus available on the websites of Borsa Italiana www.borsaitaliana.it and of the issuer www.bancopopolare.it

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