

News release

Shareholders' Meeting of Banco Popolare:

- Approved amendments to the Articles of Association: go-ahead to the traditional corporate governance system and to Banco's reorganization in territorial departments
- Increased number of shares in connection with the soft mandatory convertible notes in case of an early conversion
- Elected Board of Directors and Board of Statutory Auditors
- Approved the remuneration policies and defined the compensation of directors and statutory auditors

Verona, 26 November 2011 – The Extraordinary and General Meeting of the Shareholders of Banco Popolare, which has convened today on second call under the chairmanship of Carlo Fratta Pasini, with more than 4,500 attending shareholders (corresponding to about 8,300 votes including proxies), has approved by a very large majority as part of the extraordinary meeting: the amendments to the Articles of Association that enable the transition to the traditional corporate governance system based on a Board of Directors and a Board of Statutory Auditors; the increase in the number of shares in connection with the soft mandatory convertible notes in case of an early conversion. With respect to the general meeting, the Shareholders: elected the members of the Board of Directors and of the Board of Statutory Auditors; approved the remuneration policies and the compensation of the directors and the statutory auditors.

EXTRAORDINARY MEETING

Amendments to the Articles of Association

The Extraordinary Meeting has approved the amendments to the Articles of Association proposed as item one on the agenda. The amendments approved by the Shareholders, consisting of a composite series of changes, cancellations and additions to the bylaw text, define the corporate and operational structure of the "large banca popolare", as outlined in the Group's master reorganization and streamlining plan.

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Tel. +39-045-8675048/867/120/121
ufficio.stampa@bancopopolare.it

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Tel. +39-045-8675537
investor.relations@bancopopolare.it
www.bancopopolare.it (IR section)

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The bylaw amendments enable: the adoption of the so-called traditional corporate governance system, based on a Board of Directors and a Board of Statutory Auditors; the reorganization of Banco Popolare's branch network in Territorial Departments further to the integration of the subsidiary banks; the promotion of Shareholder participation in General Meetings.

Moreover, some changes have been introduced to make the Articles of Association compliant with current regulations.

Corporate Governance

The Board of Directors will be made up of 24 directors, of whom one will be drawn from the minority slate, if presented. Out of the appointed directors, no less than three and no more than four are chosen from among the key managers of the Company ("executive directors"); at least three must meet the independence requirements pursuant to art. 148, paragraph three, of Lgs.D. n. 58 of 24 February 1998; at least ten the independence requirements under the Corporate Governance Code of Borsa Italiana S.p.A.

The composition of the Board of Directors gives due consideration to the traditional franchises of the banks which gave rise to Banco Popolare (Verona, Lodi and Novara). Sixteen directors - other than the Company executives - who may not be vested with delegated powers, nor carry out functions associated with the company management, except for participating in the Executive Committee, are chosen from among the shareholders residing in the three geographical franchises according to the following criteria:

- i. six from among shareholders residing in the provinces of Veneto and Emilia Romagna, other than Parma and Piacenza (Verona's Franchise);
- ii. six, of whom one residing in the provinces of Lucca, Pisa or Livorno, from among shareholders residing in the provinces of Lombardy (other than Pavia), Tuscany and of Parma, Piacenza, Genoa and La Spezia (Lodi's Franchise);
- iii. four from among shareholders residing in the provinces of Piedmont, Aosta Valley, Latium, Southern Italy, the Islands and of Pavia, Savona and Imperia (Novara's Franchise).

The Chairman of the Board of Directors is elected by the Shareholders' Meeting from among shareholders residing in any one of the Verona, Lodi or Novara Franchises, inasmuch as the territorial constraint in force until now no longer applies. The two Vice Chairmen are chosen from among non-executive directors and drawn from the Chairman's same list from among shareholders residing in one of the three Franchises, provided that the Chairman and the Vice Chairmen shall each come from a different franchise.

The Board of Directors governs the company's management with the help of an Executive Director, the Chief Executive Officer and the Management Team, which includes a General Manager and a Co-General Manager.

The Executive Committee, which is vested with ample delegated powers for the day-to-day operations, consists of six members, including by right the Chairman of the Board of Directors, the two Vice Chairmen and the CEO. The remaining two members are chosen from among the Company's executive directors.

The Board shall set up three Board committees, made up by a majority of independent directors pursuant to the Corporate Governance Code of Borsa Italiana S.p.A.: the Internal Audit and Risk Committee, the Compensation Committee, and the Nominating Committee.

The Board of Statutory Auditors, which is made up of five standing and two alternate auditors and carries out its auditing duties in compliance with current regulations and the Articles of Association, is appointed by the Shareholders' Meeting based on slate voting. The nomination mechanism requires that the Chairman of the Board of Statutory Auditors be drawn from the minority slate.

Territorial Committees and Departments – Shareholders' Participation

In addition to the criteria underlying the composition of the Board of Directors, the close relationship with the franchise areas is also safeguarded through the departmental structure of the branch network and the creation of Territorial counsel and loan committees. Once the merger of the retail banks has been completed, all branches will be organized based on Territorial Departments corresponding to one or more traditional franchises. Territorial Committees will be set up alongside or within each Territorial Department. These Committees, unencumbered by management, strategic direction and third-party representation functions and powers, will be in charge of favoring ongoing ties with the shareholding base and with the traditional franchise areas.

The Committees will be made up of members appointed from among shareholders who are prominent figures in the economic, professional and association circles of each specific franchise.

The Board of Directors of Banco Popolare, in compliance with current regulations and in keeping with the instructions of the Supervisory Authority, will determine the operational rules, the term, the specific competences, the nomination criteria of the members of these Committees, together with any other aspect associated with their creation and operation.

As an additional action to consolidate our model of Popolare bank with strong territorial ties, shareholders' meetings, both general and extraordinary, can be held in turn in Verona, Lodi and Novara.

Finally, to promote shareholders' participation even further, the number of voting proxies that can be assigned to each shareholder has been raised to two.

Increase in the number of shares to be issued in connection with the Convertible Notes

The Extraordinary Shareholders' Meeting approved the increase in the number of shares - up to max. 1,500,000,000 - to be issued in connection with the "Banco Popolare 2010/2014 4,75% convertibile con facoltà di rimborso in azioni" convertible notes.

The convertible notes were issued by Banco in 2010 to build up an available capital buffer of about 1 billion euro. By increasing the number of shares in connection with a potential early conversion, the resolution met by the shareholders paves the way to a full use of the potential capital benefits obtainable from the convertible notes.

GENERAL MEETING

Election of the Board of Directors

The Shareholders' Meeting has elected the members of the Board of Directors, including the Chairman and Vice Chairmen, who shall remain in office throughout financial years 2011-2012-2013. The following board members were elected from the submitted slates:

1. **Carlo Fratta Pasini** (Chairman) (list 1) (*)
2. **Guido Duccio Castellotti** (Vice Chairman) (list 1) (*)
3. **Maurizio Comoli** (Vice Chairman) (list 1) (*)(**)
4. **Alberto Bauli** (list 1)
5. **Pietro Buzzi** (list 1) (*)(**)
6. **Giovanni Francesco Curioni** (list 1) (*)
7. **Gianni Filippa** (list 1) (*)(**)
8. **Andrea Guidi** (list 1) (*)(**)
9. **Maurizio Marino** (list 1) (*)(**)
10. **Enrico Perotti** (list 1) (*)
11. **Gian Luca Rana** (list 1) (*)(**)
12. **Claudio Rangoni Machiavelli** (list 1) (*)(**)
13. **Fabio Ravanelli** (list 1) (*)(**)
14. **Sandro Veronesi** (list 1) (*)(**)
15. **Cristina Zucchetti** (list 1) (*)(**)
16. **Vittorio Coda** (list 1) (*)
17. **Pier Francesco Saviotti** (list 1)
18. **Maurizio Faroni** (list 1)
19. **Domenico De Angelis** (list 1)
20. **Maurizio Di Maio** (list 1)
21. **Andrea Sironi** (list 1) (*)(**)
22. **Aldo Civaschi** (list 1) (*)(**)
23. **Roberto Romanin Jacur** (list 1) (*)(**)
24. **Tommaso Zanini** (list 2) (*)(**)

(*) Independent director pursuant to art. 148, third paragraph, Legislative Decree No. 58 of 24 February 1998.

(**) Independent director pursuant to the Corporate Governance Code of Borsa Italiana.

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Election of the Board of Statutory Auditors

The Shareholders' Meeting has appointed the Chairman and the members of the Board of Statutory Auditors, who shall remain in office throughout financial years 2011-2012-2013. The following board members were elected from the submitted slates:

Standing auditors

1. Pietro Manzonetto (Chairman) (list 2)
2. Giuliano Buffelli (list 1)
3. Maurizio Calderini (list 1)
4. Gabriele Camillo Erba (list 1)
5. Alfonso Sonato (list 1)

Alternate auditors

1. Marco Bronzato (list 1)
2. Carlo Sella (list 2)

Remuneration policies for the Directors and the Statutory auditors; compensation of the members of the Board of Directors and of the Board of Statutory Auditors

The Shareholders' Meeting approved the remuneration policies for the members of the Board of Directors and the Statutory Auditors.

With respect to the compensation of the members of the Board of Directors, the Shareholders' Meeting decided to:

- 1) grant the following compensation to the board directors, for the entire term of office corresponding to financial years 2011-2012-2013, to be paid and prorated based on the actual term of office:
 - a. an annual gross compensation of Euro 100,000 to each board director other than "executive directors", and of Euro 50,000 to each "executive director";
 - b. an annual gross compensation of Euro 50,000 to each member of the Executive Committee,unless otherwise arranged in individual agreements with executive directors, providing for an all-inclusive compensation or a different amount for the office, in any case not exceeding the above mentioned annual compensation of Euro 50,000;
- 2) for the current and future financial year until a different decision is met by the Shareholders' meeting, grant an attendance fee for the participation in Board and Executive Committee meetings, amounting to Euro 600 gross per meeting - unless otherwise arranged in individual agreements with executive directors, providing for an all-inclusive compensation – note however that attendance fees are not cumulative in a time window corresponding to one single working day.

The Shareholders' Meeting approved the proposal on the agenda regarding the compensation of the Board of Statutory Auditors. The shareholders decided to:

- 1) grant the elected statutory auditors, for their entire term of office corresponding to financial years 2011-2012-2013, a gross annual compensation of Euro 150,000 to each Standing auditor and of Euro 225,000 to the Chairman of the Board of Statutory Auditors, to be paid and prorated based on their actual term of office;
- 2) for the entire term of office and until a different decision is met by the Shareholders' meeting, grant an attendance fee for the participation in Board and Executive Committee meetings, amounting to Euro 600 gross per meeting; note however that attendance fees are not cumulative in a time window corresponding to one single working day.

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