

NEWS RELEASE

Verona, 18 December 2015

Final agreement for the disposal of the majority share capital of Istituto Centrale delle Banche Popolari Italiane

After the approvals received from the competent authorities, the agreement for the sale of 85.29% of the share capital held in Istituto Centrale delle Banche Popolari Italiane S.p.A. ("ICBPI") to Mercury Italy S.r.l. (an investment vehicle indirectly owned by funds advised by Bain Capital, Advent International and Clessidra Sgr) by Credito Valtellinese S.c. (18.39%), Banco Popolare S.c. (13.88%), Banca Popolare di Vicenza S.c.p.a. (9.99%), Veneto Banca S.c.p.a. (9.99%), Banca popolare dell'Emilia Romagna S.c. (9.14%), Iccrea Holding S.p.A. (7.42%), Banca Popolare di Cividale S.c.p.a. (4.44%), UBI Banca S.p.A. (4.04%), Banca Popolare di Milano S.C.ar.l. (4.00%), Banca Carige S.p.A. (2.20%) and Banca Sella Holding S.p.A. (1.80%) becomes definitive as of today. The consideration is based on a valuation of 100% of the share capital of ICBPI of Euro 2,150 million.

The agreement envisages an additional component of price in the form of an earn-out linked to future proceeds that may be paid by Visa Inc. to CartaSì S.p.A. in connection with the sale of its stake in Visa Europe.

The agreement also envisages the extension of current commercial agreements among sellers and ICBPI to December 2020, with the right of withdrawal in December 2018.

Credito Valtellinese S.c., Banco Popolare S.c., Banca popolare dell'Emilia Romagna S.c., Iccrea Holding S.p.A., Banca Popolare di Cividale S.c.p.a., UBI Banca S.p.A., Banca Popolare di Milano S.C.ar.l. and Banca Sella Holding S.p.A. will retain a 8.40% stake in the share capital of ICBPI, shared as follow: Credito Valtellinese S.c. 2.00%, Banco Popolare S.c. 1.50%, Banca popolare dell'Emilia Romagna S.c. 1.50%, Iccrea Holding S.p.A. 0.50%, Banca Popolare di Cividale S.c.p.a. 0.70%, UBI Banca S.p.A. 1.00%, Banca Popolare di Milano S.C.ar.l. 1.00% and Banca Sella Holding S.p.A. 0.20%. These banks entered into a shareholders' agreement with Mercury Italy S.r.l. providing governance as well as mechanics regulating the transfer of ICBPI shares. Banca Popolare di Vicenza S.c.p.a., Veneto Banca S.c.p.a. and Banca Carige S.p.A. entirely exited from the share capital.


Notably, Banco Popolare sold 13.88% of ICBPI's share capital. From an accounting viewpoint, based on the price of Euro 2,150 million, this generates the cashing in of a price of Euro 299.9 million and the recognition of a capital gain, net of tax effect and of ancillary costs, of Euro 159.9 million. The deal has a positive impact on the bank's Common Equity Tier 1 (CET1) ratio of 67 basis points. Based on the rules effective after the phase-in period ("fully loaded"), the deal's positive impact comes in at 69 basis points.

Seller banks were assisted by Equita SIM S.p.A. and Mediobanca - Banca di Credito Finanziario S.p.A. as financial advisors and by Studio Lombardi Molinari Segni as legal advisor.

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