

NEWS RELEASE

Finalized repurchase by Banco Popolare of Group's Tier 1 and Tier 2 securities:

- *Core Tier 1 Capital* strengthening of € 221.7 million;
- *Core Tier 1 Capital Ratio* increase of 24 *basis point*

Verona, 21 February 2012 – Following our press releases published on 6 and 16 February and following yesterday's finalization of the tender offer presented to the holders of some series of Tier 1 and Tier 2 instruments of Banco Popolare Group (the "**Securities**") to sell their Securities to Banco Popolare, Banco Popolare herewith announces that the transaction generated a total positive impact on the consolidated profit and loss account of 98.1 million euro, net of the associated tax effect. The impact includes the gain on repurchasing the Securities, the positive effect generated by terminating the derivative contracts entered to hedge the interest rate risk, and the estimated savings in terms of interest expense charged to income throughout 2012.

In absolute terms, all other conditions being equal, at *Core Tier 1 Capital* level the transaction shall generate a benefit of 221.7 million euro, as the afore-said positive impact on the profit and loss account will combine with the positive effect from reducing the prudential filter linked to changes in the bank's own creditworthiness.

As a result of the above transaction, the *pro-forma Core Tier 1 Capital Ratio* reached 6.9%¹ from the 6.7% ratio announced to the market upon finalizing the detaxation of the higher valuations of controlling interests ascribable to intangible assets. In relative terms, the benefit generated by the Securities buyback transaction comes in at 24 *basis points*.

¹ The pro-forma estimate of the *Core Tier 1 Capital Ratio* does not take into account the result generated by Banco Popolare Group in fourth quarter 2011, nor any other event occurred after 30 September 2011 which may have a potential impact on the above ratio.

COMMUNICATIONS AND
EXTERNAL RELATIONS
Media Relations
Tel. +39-045-8675048/867/120/121
+39-0371/580128
ufficio.stampa@bancopopolare.it

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