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SUPPLEMENT TO THE PROXY SOLICITATION STATEMENT

in connection with the solicitation of voting proxies for the Bondholder meeting for holders of the “BANCO POPOLARE 2010 – 2014 4,75% convertibile con facoltà di rimborso in azioni” Notes issued by BANCO POPOLARE – Società Cooperativa, convened on **16 December 2011**, at 09:00 a.m., at the Auditorium of the Centro Servizi of Banco Popolare in Verona, Viale delle Nazioni 4 on first call, and if the case may be, on second call on 17 December 2011, and on third call on 18 December 2011, same place and time as the first call.

PROMOTER and ISSUER:



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DESIGNATED AGENT FOR THE SOLICITATION AND COLLECTION OF PROXIES

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This proxy solicitation is being made on a voluntary basis in compliance with the procedure provided for by articles 136 and following of Legislative Decree n. 58 of 24 February 1998, and articles 135 and following of Consob's Regulation n. 11971 of 14 May 1999 and following amendments (Issuers Regulation), as applicable.

Words with a capital letter that are not expressly defined in this supplement to the proxy solicitation statement (the “**Supplement**”) retain the same meaning as in the solicitation statement (the “**Statement**”) notified to Consob on 17 November 2011 pursuant to art. 136, paragraph 3, of Consob’s Regulation n. 11971/1999 and following amendments and additions. References to Sections, Items and Paragraphs refer to the Statement’s Sections, Items and Paragraphs.

This Supplement was prepared to comply with Consob’s request pursuant to art. 114, paragraph 5, and 144, paragraph 2, of Lgs. D. n. 58/1998, and to supplement the information provided in Section III (*Voting information*), Item 4 (*Specify any other information that may be required to allow the solicited individual to make an informed decision with respect to the proxy assignment*) of the Statement.

With the help of some numerical examples, this Supplement is aimed at providing a representation of the possible scenarios for the Note-holders in case of total redemption of the Notes outstanding, depending on whether the bondholder meeting approves the proposal to increase (from 276,774,021 to 1,500,000,000) the number of shares dedicated to the Convertible Notes, or not.

This Supplement also includes the clarification made by the Issuer in the press release published on 6 December 2011 regarding the procedures for the redemption at maturity of the Convertible Notes.

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4. Specify any other information that may be required to allow the solicited individual to make an informed decision with respect to the proxy assignment

In order to promote a better understanding of the consequences that may ensue from the proposal to change the terms and conditions of the Convertible Notes further to the increase in the number of shares dedicated to the Convertible Notes, illustrated below are the possible scenarios for the Note-holders in the event that the Issuer decides to fully exercise its early redemption option.

The scenarios illustrated below depend on whether the bondholder meeting approves the proposal to increase the number of Banco Popolare ordinary shares dedicated to the Convertible Notes from 276,774,021 up to max. 1,500,000,000, or not, in which case the number of Banco Popolare ordinary shares dedicated to the Convertible Notes would remain unchanged at 276,774,021.

To this end, please note that the following examples have been based on the assumption that the market value of the Banco Popolare ordinary shares used for redemption coincides with the official price reported on the trading day of 7 December 2011, corresponding to Euro 1.027600 per share. Please recall that, pursuant to art. 11, paragraph 3, of the Terms and Conditions of the Notes, the market value of the shares to be used for early redemption should

correspond to the arithmetic mean of the official share prices reported between the third trading day after the day the notice to exercise the redemption option was published and the sixth trading day prior to the redemption date.

Note that to this date the converted bonds are n. 70,437, corresponding to a nominal value of euro 433,187.55.

Finally, note that what explained above does not represent and must not be construed as the expression of the Issuer's decision to exercise its right to redeem the outstanding Notes.

(a) Scenario in the event of approval by the bondholder meeting of the proposal to increase the number of Banco Popolare ordinary shares dedicated to the Convertible Notes from 276,774,021 up to max. 1,500,000,000

In the event that the bondholder meeting approves the proposal to increase the number of shares dedicated to the Convertible Notes, the Issuer may satisfy the right to redeem all the Notes by delivering exclusively Banco Popolare shares to each note-holder (“**Share Settlement**”). As illustrated in the table below, the total number of Banco Popolare ordinary shares to be delivered to the Note-holders would be n. 1,066,123,605.

Max. number of shares dedicated to the notes conversion	1,500,000,000		
Market value of Ordinary Shares in the Reference Period for the Redemption	Ordinary Shares for the Redemption (n.) *	Value of Ordinary Shares For the Redemption (€)**	Cash settlement (€)
- Corresponding to the official price of Banco Popolare share at 7/12/2011 1.027600	1,066,123,605	1,095,548,616	0

For the purposes of the above simulations, the impact from the rounding off of the number of shares is omitted, and in any case it shall be carried out in compliance with article 11 of the Terms and Conditions of the Notes

** The number of Ordinary Shares for Redemption is net of already converted notes*

***The value of € 1,095,548,616 is the amount resulting by multiplying the number of notes issued and not cancelled (corresponding to n. 161,943,624) times the nominal value of the notes (€ 6.15) plus the 10% premium*

(b) Scenario in the event of failure on the part of the bondholder meeting to approve the proposal to increase the number of Banco Popolare ordinary shares dedicated to the Convertible Notes from 276,774,021 up to max. 1,500,000,000

In the event that the bondholder meeting fails to approve the proposal to increase the number of shares up to max. n. 1,500,000,000, the number of Banco Popolare ordinary shares dedicated to the Convertible Notes would remain unchanged at 276,774,021. Accordingly, in compliance with art. 11, paragraph 2 letter b) and paragraph 4, of the Terms and Conditions of the Notes, the issuer may satisfy the right to redeem all the Notes by delivering Banco Popolare shares and paying a cash amount to each note-holder (“**Mixed Settlement**”). As illustrated in the table below, the total number of Banco Popolare ordinary shares to be delivered to the Note-holders would be n. 276,703,584, and the cash settlement would amount to Euro 811,208,013.

Max. number of shares dedicated to the notes conversion		276,774,021		
Market value of Ordinary Shares in the Reference Period for the Redemption		Ordinary Shares for the Redemption (n.) *	Value of Ordinary Shares For the Redemption (€)	Cash Settlement (€)
- Corresponding to the official price of Banco Popolare share at 7/12/2011	1.027600	276,703,584	284,340,603	811,208,013

For the purposes of the above simulations, the impact from the rounding off of the number of shares is omitted, and in any case it shall be carried out in compliance with article 11 of the Terms and Conditions of the Notes

* The number of Ordinary Shares for Redemption is net of already converted notes

- (c) **Market price to be reached by Banco Popolare ordinary shares to prevent cash settlement in the event that the bondholder meeting approves the proposal to increase the number of shares dedicated to the Convertible Notes up to max. 1,500,000,000, and in the event that the bondholder meeting fails to approve the above proposal**

Should the bondholder meeting approve the proposal to increase the number of shares up to max. n. 1,500,000,000, the market price to be reached by Banco Popolare ordinary shares to allow the Issuer to satisfy the redemption right exclusively by delivering shares would be Euro 0.730400 or higher.

Market price causing the cancellation of the cash settlement		Ordinary Shares for the Redemption (n.) *	Value of Ordinary Shares For the Redemption (€)***	Cash Settlement (€)
- Corresponding to € 0.730400 **	0.730400	1,499,929,563	1,095,548,616	0

For the purposes of the above simulations, the impact from the rounding off of the number of shares is omitted, and in any case it shall be carried out in compliance with article 11 of the Terms and Conditions of the Notes

* The number of Ordinary Shares for Redemption is net of already converted notes

** Should the Market price of the Ordinary Shares in the Reference Period be below the price 0.730400, Banco Popolare must carry out part of the redemptions in cash

*** The value of € 1,095,548,616 is the amount resulting by multiplying the number of notes issued and not cancelled (corresponding to n. 161,943,624) times the nominal value of the notes (€ 6.15) plus the 10% premium

Should the bondholder meeting fail to approve the proposal to increase the number of shares up to max. n. 1,500,000,000, the market price to be reached by Banco Popolare ordinary shares to allow the Issuer to satisfy the redemption right exclusively by delivering shares would be Euro 3.959286 or higher.

Market price causing the cancellation of the cash settlement		Ordinary Shares for the Redemption (n.) *	Value of Ordinary Shares For the Redemption (€)***	Cash Settlement (€)
- Corresponding to € 3.959286 **	3.959286	276,703,584	1,095,548,616	0

For the purposes of the above simulations, the impact from the rounding off of the number of shares is omitted, and in any case it shall be carried out in compliance with article 11 of the Terms and Conditions of the Notes

* The number of Ordinary Shares for Redemption is net of already converted notes

** The value of 3.959286 was obtained by increasing the old Nominal Value of the Banco Popolare ordinary shares by a 10% Premium and by reducing the number of maximum shares dedicated to the conversion based on the number of already converted notes

*** The value of € 1,095,548,616 is the amount resulting by multiplying the number of notes issued and not cancelled (corresponding to n. 161,943,624) times the nominal value of the notes (€ 6.15) plus the 10% premium

* * *

As specified in the press release published by the Issuer on 6 December 2011, the increase in the number of shares up to max. n. 1,500,000,000 is aimed at allowing the Board of Directors, upon exercising their delegated powers, to have more shares available to be used exclusively for the bond conversion or in the event of early redemption. Accordingly, the redemption at maturity can be satisfied under the Terms and Conditions of the Convertible Notes by redeeming the notes with all or part of the original number of shares (n. 276,774,021), and/or all or part with a cash settlement.