



PRESS RELEASE

Ordinary and Extraordinary General Meeting of the Shareholders

Approved the distribution of a dividend of €0.11 per share for 2016

The Extraordinary Shareholders' Meeting authorises the Management Board to increase the share capital by a total maximum amount of €400 million subject to the acquisition by UBI Banca of entire share capital of Nuova Banca delle Marche S.p.A., Nuova Banca dell'Etruria e del Latium S.p.A. and Nuova Cassa di Risparmio di Chieti S.p.A..

Bergamo, 7th April 2017 – The General Meeting of the Shareholders of UBI Banca met today under the chairmanship of *Ing.* Andrea Moltrasio, the Chairman of the Supervisory Board, convened in both ordinary and extraordinary session to resolve on the items on the agenda.

In the ordinary session the Chairwoman of the Management Board, *Dott.ssa* Letizia Moratti proceeded to illustrate the performance and results achieved in 2016 as approved by the Supervisory Board on 7th March 2017. The Shareholders' Meeting then approved with the vote in favour of approx. 93,1% of the capital attending the meeting (5.8% abstained) the proposal to replenish the losses for the year by drawing on the share premium reserve and to distribute a dividend of €0.11 per share drawn from the extraordinary reserve, as proposed by the Management Board in consideration of the adequate capitalisation of the Group according to the parameters established by Basel 3 rules and in compliance with a communication from the European Central Bank dated 13th December 2016 on dividend distribution policies.

The dividend will be paid on the 974,205,820 ordinary shares outstanding, net of treasury shares held in portfolio, to give a maximum dividend payout of €107,162,640.20 and it will be paid with ex dividend date, record date and payment date of 22nd, 23rd and 24th May 2017, against coupon No. 19.

Subsequently the Shareholders' Meeting proceeded, with the with the vote in favour of approx. 92.4% of the capital attending the meeting (6.1% abstained), to appoint *Dott.* Ferruccio Dardanella as a Member of the Supervisory Board, in order to fill a vacancy on the Board following the resignation of a member in December 2016. The Board Member will remain in office until the expiry of the term of office of the current Supervisory Board and that is until the Shareholders' Meeting that will be held in accordance with article 2364-*bis* of the Italian Civil Code, after the end of the financial year 2018.

The Shareholders' Meeting then voted in favour of the following:

- the first section of the Remuneration Report, prepared for public disclosure purposes, in compliance with regulations in force and made available to the public in accordance with the law. That first section contains the main information on the decision-making processes for remuneration schemes, the main features, the means by which remuneration is linked to results, the main performance indicators employed, the reasons behind the choice of variable remuneration schemes and the other non-monetary schemes;

- the adoption of remuneration and incentive policies for Members of the Supervisory Board and Members of the Management Board;
- remuneration schemes based on financial instruments, in order to pay a quota of the short-term (annual) and long-term (multi-year) variable component of remuneration for “Key Personnel” and to pay the productivity bonus (known as the “Company Bonus”) for 2017 for all employee personnel and as a consequence approved the relative proposal to authorise the purchase of treasury shares at the service of those schemes.

Again on the subject of remuneration, the Shareholders’ Meeting, having acknowledged a proposal submitted by the Supervisory Board, substantially along the same lines as that approved by the 2016 Shareholders’ Meeting, approved terms for setting the criteria and maximum limits on the number of years of remuneration and the relative payment procedures to be agreed in the event of the early termination of an employment relationship or early retirement from corporate office.

Then, the Shareholders’ Meeting, having taken note of the proposal by the Supervisory Board and in consideration of the current legislation on the matter, approved the determination of the ratio of variable to fixed remuneration up to a maximum of 2:1, for the “Key Personal” comprised within the Investments Area of the asset management company UBI Pramerica SGR S.p.A., the application of which for 2017 is planned for six positions.

Finally, in the extraordinary session, the Shareholders’ Meeting of UBI Banca voted in favour, with approx. 99.8% of the capital attending the meeting, the proposal to give mandate to the Management Board, pursuant to Art. 2443 of the Italian civil code, and following authorisation by the Supervisory Board, to increase the share capital in one or more tranches within 31st July 2018, by a total maximum amount of €400,000,000, inclusive of any share premiums, through the issue of ordinary shares with no nominal value and having the same characteristics as those already outstanding, to be offered as an option to rights holders, with the broadest powers to establish - from time to time and in observance of the above limitations - the modalities, terms and conditions of the operation, inclusive of the issue price comprising any share premiums and dividend entitlements.

The effect of the resolution - and therefore the mandate given as per the preceding point - is subject to the execution of the acquisition by UBI Banca of the entire share capital of Nuova Banca delle Marche S.p.A., Nuova Banca dell’Etruria e del Lazio S.p.A. and Nuova Cassa di Risparmio di Chieti S.p.A., while it is understood that where that suspensive condition is not satisfied by the ultimate deadline of 31st July 2018, the resolution will remain definitively without effect.

The Shareholders’ Meeting resolved as a consequence to amend Art. 5 of the Articles of Association by inserting, in a new paragraph, the conferral of the mandate upon the Management Board to increase the share capital in the above mentioned terms, also attributing to the Chairwoman and the Chief Executive Officer, jointly and severally, and with the power to sub-delegate, all and the fullest powers to take all action required for the implementation of the above resolution.

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