

## PRESS RELEASE

**THE SINGLE BANK PROJECT: SIGNING OF THE DEEDS FOR THE MERGER BY INCORPORATION INTO UBI BANCA OF BANCA POPOLARE COMMERCIO E INDUSTRIA AND BANCA REGIONALE EUROPEA, WITH EFFECT FROM 21<sup>ST</sup> NOVEMBER 2016. ON THAT SAME DATE UBI BANCA'S FULLY LOADED CET1 RATIO WILL RISE, AS ANNOUNCED, BY APPROX. 30 BPS.**

Bergamo, 15<sup>th</sup> November 2016 – UBI Banca S.p.A. (“UBI Banca”) reports that today two merger deeds pursuant to Art. 2504 of the Italian Civil Code (the “Merger Deeds”) have been signed relating respectively to the merger by incorporation of Banca Popolare Commercio e Industria S.p.A. (“BPCI”) and of Banca Regionale Europea S.p.A. (“BRE”) into their Parent, UBI Banca.

The merger deeds state that both mergers shall come into effect with regard to third parties from 21<sup>st</sup> November 2016 (the “Date of Effect”), subject to their being filed with the competent offices of the Company Registrar. The mergers will take effect for accounting and tax purposes, on the other hand, from 1<sup>st</sup> January 2016.

With effect from the Date of Effect, all shares of BPCI and BRE held by shareholders other than UBI Banca will be cancelled and exchanged with new UBI Banca shares, the number of which will be determined by multiplying the number of BRE and BPCI shares held by the aforementioned shareholders by the following exchange ratios:

- 0.2522 shares of UBI Banca for every single share of BPCI
- 0.2402 shares of UBI Banca for every single ordinary share of BRE
- 0.4377 shares of UBI Banca for every single savings share of BRE

with the result rounded up to the nearest whole number. There will be no settlements of balances in cash. On the other hand, the shares of BPCI and BRE held by UBI Banca will be cancelled without exchange.

At the Date of Effect, the new UBI Banca shares will be made available through the intermediaries adhering to Monte Titoli and will be perfectly fungible with the other listed shares. They will therefore have normal dividend entitlement and, on a par with those already outstanding as at the Date of Effect, they will be listed on the *Mercato Telematico Azionario* (electronic stock exchange) operated by Borsa Italiana S.p.A. and will be managed in centralised, dematerialised form by Monte Titoli S.p.A..

Therefore, from the Date of Effect, the share capital of UBI Banca will be increased by €186,378,597.50 by means of the issue of 74,551,439 shares, rising therefore to €2,440,750,027.50 (976,300,011 shares with no nominal value), unless there is a further increase – but of immaterial amount – due to the application of the rounding procedure mentioned above as part of the administration of the exchange transactions by the depository intermediaries.

From the viewpoint of regulatory capital, the merger by incorporation of BPCI and BRE will result in growth in the fully loaded CET1 ratio of approximately 30 bps compared with the ratios at the end of September 2016.

Again with effect from the Date of Effect, in addition to article 5 of the articles of association of UBI Banca (share capital), articles 1, 27, 28, 32, 33, 34, 35, 38, 40, 42, 43 and 44 of those same articles of association will also be amended and all the transition measures contained in the articles of association will be eliminated in compliance with the provisions of the merger project pursuant to Art. 2501-*ter* of the Italian Civil Code.

UBI Banca also informs that, at the same time as the BRE merger deed was signed, UBI Banca concluded the purchase of the saving shares and the privileged shares of BRE held by the Fondazione Cassa di Risparmio di Cuneo, in compliance with the provisions of the aforementioned merger project and of the preliminary sale and purchase agreement communicated to the market on 27<sup>th</sup> June 2016. As for the other BRE shares held by UBI Banca, those shares will also be cancelled entirely without exchange.

Finally, UBI Banca confirms that the merger by incorporation into UBI Banca of the other banks involved in the “Singe Bank” project (Banca Popolare di Bergamo S.p.A., Banco di Brescia S.p.A., Banca di Valle Camonica S.p.A., Banca Popolare di Ancona S.p.A. and Banca Carime S.p.A., all controlled by UBI Banca) will be concluded, in one or more stages, by the end of the first half of 2017, as indicated in the Merger Project.

For further information please contact:

UBI Banca Corporate Affairs and Relations with the Authorities Area – Tel.+39 030 2433727

Email: [affari.societari@ubibanca.it](mailto:affari.societari@ubibanca.it)

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