

PRESS RELEASE

Closing of the deal to purchase the three Bridge Banks, new names and Senior Management appointments

Bergamo, 10th May 2017 - Following on from the disclosures made on 12th and 18th January 2017, UBI Banca reports that today it has concluded the purchase from the National Resolution Fund of 100% of the share capital of Nuova Banca delle Marche, Nuova Banca dell'Etruria e del Lazio and Nuova Cassa di Risparmio di Chieti (the “Target Bridge Institutions”), in implementation of the purchase and sale agreement signed on 18th January 2017 with the Bank of Italy, as the manager of and on behalf of the National Resolution Fund (the “Seller”), as a consequence of the bid made by UBI Banca on the previous 11th January.

The main terms and conditions of the transaction have already been illustrated in the press release dated 12th January 2017, which may be consulted.

More specifically the acquisition was concluded following the satisfaction of the suspensive conditions to which the execution of the purchase and sale contract was subject. In this respect, amongst other things, before the closing:

- (i) the required authorisations and permissions were obtained from the competent authorities (including the European Central Bank, the European Commission, the Bank of Italy, the Institute for the Supervision of Insurance and the Italian Competition Authority);
- (ii) the Seller carried out the recapitalisation of the Target Bridge Institutions for a total amount, calculated as the outcome of the procedures laid down for that purpose in the Purchase and Sale Agreement, of € 713 million;
- (iii) the Target Bridge Institutions (and some of their subsidiaries) disposed of (in the context of securitisation operations carried out with the Atlante Fund and with Credito Fondiario) a portfolio of non-performing loans totalling approximately €2.2 billion gross;
- (iv) an extraordinary shareholders’ meeting of UBI approved an increase in the share capital of UBI Banca up to a maximum of €400 million.

As already reported, the operation was based on the essential condition that, on an aggregate basis, the Target Bridge Institutions satisfied certain significant financial parameters, factoring in specific provisions, as fully detailed in the purchase and sale agreement. Again as laid down in the purchase and sale agreement, verification of compliance with the significant financial parameters, inclusive of the provisions mentioned above, was completed with a positive result between the parties to the agreement before the closing and on the basis of the consolidated financial position of the Target Bridge Institutions as at 31st December 2016. That consolidated financial position of the Target Bridge Institutions showed pro-forma net equity (amounting to approx. €1,050 million) that was greater than the minimum (€1,010 million) laid down in the Purchase and Sale Agreement and a CET1 ratio greater than 9.1%. Consequently, in implementation of the agreements, an amount corresponding to the aforementioned excess capital, where confirmed on conclusion of the verifications that will be conducted with reference to the closing date, will be paid by UBI Banca to the Seller into an escrow account in favour of the Seller itself, but also in UBI’s own interest to guarantee the indemnity commitments of the Seller.

In that same context, but immediately after the closing date, shareholders' meetings of the Target Bridge Institutions were also held, which proceeded, amongst other things, in ordinary session to appoint a new board of directors designated by UBI Banca, and also, in extraordinary session, and as agreed with the authorities, to change the respective names of the companies as well as to transfer the registered address of each of them to Bergamo, up till the completion of the merger into UBI Banca. More specifically the new name of Nuova Banca Marche will be "Banca Adriatica S.p.A.", the new name of Nuova Banca Etruria will be "Banca Tirrenica S.p.A." and the new name of Nuova CariChieti will be "Banca Teatina S.p.A.". The aforementioned resolutions approved in the extraordinary shareholders' meetings (inclusive of the new company names) will take effect once the relative law authorisations have been obtained.

Again today, the shareholders' meeting of Banca Federico del Vecchio S.p.A. (controlled by Nuova Banca Etruria) was held, which proceeded, among other and in ordinary session, to appoint a new Management Board designated by UBI Banca.

Following those shareholders' meetings, meetings of the Boards of Directors of the Target Bridge Institutions and of Banca Federico del Vecchio were held, after which new board appointments were made as follows:

Nuova Banca delle Marche

Chairman of the Board of Directors – Osvaldo Ranica
CEO – Alberto Pedroli
Director – Maria Pierdicchi

Nuova Banca dell'Etruria e del Lazio

Chairman of the Board of Directors – Osvaldo Ranica
CEO – Silvano Manella
Director – Maria Pierdicchi

Nuova Cassa di Risparmio di Chieti

Chairman of the Board of Directors – Osvaldo Ranica
CEO – Raffaele Avantaggiato
Director – Maria Pierdicchi

Banca Federico del Vecchio

Chairman of the Board of Directors – Costantino Vitali
Deputy Chairman – Antonello Cestelli
Director – Maria Pierdicchi

On the 17/18 May 2017, the shareholders' meeting of Cassa di Risparmio di Loreto (controlled by Nuova Banca delle Marche) will be held, which will, among other, in ordinary session, proceed to the appoint a new Board of Directors. The candidates designated by UBI Banca for the new appointments to the Board of Cassa di Risparmio di Loreto are as follows:

Cassa di Risparmio di Loreto

Chairman of the Board of Directors – Costantino Vitali
Deputy Chairman – Andrea Tassoni
Director - Antonello Cestelli
Director – Maria Pierdicchi

Please be informed that, following the Closing of the transaction, the update of the Industrial Plan to 2020 for the Combined Entity (UBI Banca + 3 Target Bridge Institutions) will be presented, together with the results as at 31 March 2017 for UBI Banca Stand Alone.

For further information please contact:

UBI Banca – Investor relations – Tel. +39 035 3922217

Email: investor.relations@ubibanca.it

UBI Banca – Media relations – Tel. +39 027781 4213 - 4936

Email: media.relations@ubibanca.it

Copy of this press release is available on the website www.ubibanca.it