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PRESS RELEASE

The Board of Directors exercises the authorization to increase the share capital and sets the final terms and condition

Executed the underwriting agreement with the bank syndicate

Expected timetable for the closing of the acquisition of the Intesa Sanpaolo Group's going concern

Modena – 30 September 2020. The Board of Directors of BPER Banca S.p.A. ("**BPER**" or the "**Company**"), in a meeting held on 29 September 2020, resolved upon the exercise of the authorization granted by the Extraordinary Shareholders' Meeting held on 22 April 2020 pursuant to article 2443 of the Italian Civil Code to increase the share capital, in divisible form, against payment, for a maximum amount of Euro 802,258,257.60, including the share premium (the "**Share Capital Increase**"), and approved the relevant final terms and conditions.

The Share Capital Increase will take place through the issue of maximum No. 891,398,064 BPER ordinary shares, with no par value and regular entitlement (the "**New Shares**"), to be offered on a pre-emptive basis to the shareholders and the holders of the convertible notes (each with a nominal value of Euro 250,000) arising from the "**Additional Tier 1**" bond issued on 25 July 2019 (the "**Convertible Notes**") at the subscription ratio of No. 8 New Shares for No. 5 option rights (the "**Option Rights**") at an issue price equal to Euro 0.90 per each New Shares, of which Euro 0.60 to be allocated to the share capital and Euro 0.30 to be allocated to share premium (the "**Offer**"). In particular, for each outstanding share of the Company will be assigned an Option Right and for each Convertible Note will be assigned No. 59,523 Option Rights (amount corresponding to the number of shares theoretically due to the holders of the Convertible Notes, calculated on the basis of the terms and conditions of the convertible bond AT1).

The issue price of the New Shares incorporates a discount of 30.97% with respect to the theoretical ex-rights market price (TERP) of BPER ordinary shares, calculated in accordance with the current methods on the reference price of BPER shares registered by Borsa Italiana S.p.A. on 29 September 2020.

The timetable of the Offer provides that the Option Rights valid for the subscription of the New Shares will be exercisable, subject to forfeiture, from 5 October 2020 to 23 October 2020, included (the "**Option Period**") and will also be tradable on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. (the "**MTA**") from 5 October 2020 to 19 October 2020, included.

The Option Rights not exercised by the end of the Option Period will be offered on the MTA within the month following the end of the Option Period, for at least two trading days and unless they are already wholly sold, pursuant to Article 2441, paragraph 3, of the Italian Civil Code. The starting date and the conclusion date of the offering period on the MTA will be communicated to the public through specific notice.

The New Shares resulting from the Share Capital Increase will have the same characteristics and the same rights as the outstanding BPER shares as of the issue date and will be traded on the MTA.

The Share Capital Increase is part of the broader transaction (the “**Transaction**”) governed by the agreement signed on 17 February 2020 between BPER and Intesa Sanpaolo S.p.A. (“**Intesa Sanpaolo**”), as lastly amended on 5 August 2020, regarding the acquisition by BPER of a going concern consisting of 532 bank branches of the Intesa Sanpaolo Group and related assets, liabilities and legal relationships (the “**Going Concern**”).

The start of the Offer is subject to the approval by Consob of the Registration Document, the Securities Note and the Summary Note relating to the Offer and the admission to trading of the New Shares on the MTA. The Registration Document, the Securities Note and the Summary Note will be made available in accordance with applicable law at the registered office of BPER, in Modena, Via San Carlo n. 8/20, as well as on the Company’s website www.bper.it.

Please note that, on 17 February 2020, Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A. disclosed to the competent corporate bodies of BPER and to the market their willingness to subscribe their stake of the Share Capital Increase.

Without prejudice to the completion of the authorization process timely started with the Ministry of Economy and Finance, Fondazione di Sardegna, as a BPER shareholder with a shareholding equal to 10.22% and as a holder of the Convertibles Notes, expressed its willingness to subscribe a stake of the Share Capital Increase corresponding to its shareholding in BPER share capital.

Please note that, following the Board of Directors meeting, the underwriting agreement relating to the Share Capital Increase was signed. In particular, Mediobanca – Banca di Credito Finanziario S.p.A. (as sole global coordinator and joint bookrunner), BofA Securities Europe S.A. and Citigroup Global Markets Limited (as co-global coordinator and joint bookrunners), J.P. Morgan Securities plc (as senior joint bookrunner), Banco Santander, S.A., Barclays Bank Ireland PLC, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Equita SIM S.p.A., Intermonte SIM S.p.A., Mainfirst Bank AG and MPS Capital Services Banca per le Imprese S.p.A. (as joint bookrunners) undertook to subscribe, severally and not jointly, pursuant to the terms and condition provided in the underwriting agreement, the New Shares unsubscribed at the end of the offering on the MTA of the rights not exercised (if any) pursuant to Article 2441, paragraph 3 of the Italian Civil Code, up to a maximum amount equal to the total amount of the Share Capital Increase.

With reference to the agreement signed by BPER and Intesa Sanpaolo on 17 February 2020, please note that, in the context of the technical discussion aimed at defining the procedures for implementing the transfer of the Going Concern in order to allow the technical and administrative migration, the parties identified as the period currently envisaged for the closing the second half of February 2021 for the transfer of the branches of UBI Banca S.p.A. and the second quarter of 2021 for the transfer of the branches of Intesa Sanpaolo.

The Board of Directors of BPER, taking into account the new envisaged timetable for the closing of the Transaction in 2021, updated the projection of the economic-financial targets relating to the Going Concern as at 2021, adjusting them for the relevant reporting period. As a result of the above, the estimated consolidated net profit of the Combined Entity (BPER Group including the Going Concern) at 2021 is expected to be approximately Euro 350 million, excluding the positive and negative one-off elements of the Transaction and taking into account the pro-rata contribution of the Going Concern in light of the new timetable of the closing. The estimated Combined Entity’s gross NPE ratio and cost/income ratio at the end of 2021 are also expected to be, respectively, in the 9% and 60% area, with a Fully Loaded CET1 ratio expected to exceed 13.0%.

BPER Banca S.p.A.

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*This communication has been prepared on the basis that any offer of securities in the United Kingdom and in any Member State of the European Economic Area (“**EEA**”) which has implemented the Prospectus Regulation (each, a “**Relevant Member State**”), will be made on the basis of a prospectus approved by the competent authority and published in accordance with the Prospectus Regulation (the “**Permitted Public Offer**”) and/or pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of securities. Any public offering will be conducted in Italy pursuant to a prospectus, duly authorized by Consob in accordance with applicable regulations.*

Accordingly, any person making or intending to make any offer of securities in a Relevant Member State other than the Permitted Public Offer, may only do so in circumstances in which no obligation arises for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

The expression “Prospectus Regulation” means Regulation (EU) 2017/1129, as amended and together with any delegated act and implementing measures. This document is not a prospectus for the purposes of the Prospectus Regulation. A prospectus prepared pursuant to the Prospectus Regulation will be published in the future. Investors should not subscribe for any securities referred to in this document except on the basis of the information contained in the prospectus.

The managers are each acting exclusively for BPER Banca in the transaction referred to in this announcement and for no-one else in connection with any transaction mentioned in this announcement and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to any such transaction and will not be responsible to any other person for providing the protections afforded to their respective clients, or for advising any such person on the contents of this announcement or in connection with any transaction referred to in this announcement. The contents of this announcement have not been verified by the managers.

*Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the pre-emptive subscription rights (the “**Rights**”) and the new ordinary shares (the “**New Shares**”) have been subject to a product approval process, which has determined that such Rights and New Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Rights and the New Shares (as defined in the offering materials) may decline and investors could lose all or part of their investment; the Rights and the New Shares offer no guaranteed income and no capital protection; and an investment in the Rights and the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Rights and the New Shares.*

Each distributor is responsible for undertaking its own target market assessment in respect of the Rights and the New Shares and determining appropriate distribution channels.

This press release is also available in the 1INFO storage device.

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This is a translation into English of the original in Italian. The Italian text shall prevail over the English version