

PRESS RELEASE

Recommendation of the European Central Bank on dividend policy and consequent decisions

Modena — 1 April 2020. The Board of Directors of BPER Banca, which met today, took note of the European Central Bank's Recommendation of 27 March 2020 to abstain from paying dividends and not to take any irrevocable commitment to pay any dividends out of earnings for the years 2019 and 2020. The reason for this is that banks need to maintain an adequate level of capitalisation to support credit to households and businesses in a situation characterised by the serious repercussions of the Covid-19 health emergency.

In compliance with these recommendations, the Board of Directors has decided not to go ahead with the distribution of a cash dividend per share of Euro 0.14, which would have come to a maximum of Euro 72,887,912.72. Instead, it will propose to the Shareholders' Meeting scheduled for 22 April 2020 to allocate the entire profit for 2019 (Euro 385,435,201.37) to reserves. The Board of Directors reserves the right to reconvene the Shareholders' Meeting to review a proposal for the distribution of reserves, having assessed the market conditions currently in existence and in compliance with the guidelines expressed by the Supervisory Authority (in any case not before 1 October 2020).

If approved by the Shareholders' Meeting, allocation of the 2019 profit to reserves will have the effect of strengthening the already solid capital position of the BPER Banca Group by bringing the pro-forma Fully Phased Common Equity Tier 1 Ratio at 31 December 2019 to 12.23% from 12.01% (+22 bps), with a total capital buffer compared with the SREP requirement set by the European Central Bank at 9% for 2019, which can be quantified at Euro 1.1 billion. This surplus capital would be even greater than the regulatory requirement if calculated taking into account the changes introduced by the ECB from 12 March and would amount to Euro 2.3 billion.

It should be emphasised that when faced with this unprecedented event - the health, economic and social emergency caused by the spread of the Covid-19 virus - the BPER Group immediately committed all of its resources to offer numerous initiatives in the areas where it operates. The purpose was to protect the health of its employees and customers and implement support measures for households, small businesses and companies, while ensuring operational continuity of corporate processes, also by introducing innovative working methods.

In particular, two lines of credit have been made available at Group level: the first for businesses to meet liquidity needs for a total of Euro 1 billion, while the other is to support private individuals, freelancers, artisans and shopkeepers, with an initial tranche of Euro 100 million. Some types of insurance coverage have also been extended for customers most affected by the emergency. Again at Group level, donations of over Euro 1 million have been approved so far, to purchase intensive care equipment for healthcare facilities and to provide social welfare. The Banking Group will also make every effort over the coming months to promote concrete initiatives to help families, communities and businesses in all of the areas where it operates.

BPER would like to inform you that the documentation relating to point 1) of the agenda for the next ordinary Shareholders' Meeting (Presentation of the draft financial statements for 2019 and related reports; presentation of the consolidated financial statements for 2019 and related reports; related resolutions) was published today on the Bank's website www.bper.it - Institutional Site> Governance> Shareholders' Meeting, namely: draft separate financial statement, consolidated financial statement, report on corporate governance and ownership structure pursuant to art. 123 bis of Legislative Decree no. 58, consolidated non-financial statement pursuant to Legislative Decree no. 254 and report on the proposed allocation of profit for the year,.

BPER Banca S.p.A.

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

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

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