

PRESS RELEASE

Completed the sale of a portfolio of bad loans, called “SUMMER”, for a gross book value of € 270.8 million, carried out through a securitisation on which the Italian State Guarantee (“GACS”) will be requested for the senior notes.

Modena – 30 December 2020. BPER Banca would like to announce that it has completed the securitisation of a bad loan portfolio called “SUMMER” planned as part of a wider effort to de-risk and improve the asset quality.

In detail, BPER Banca and its subsidiary Banco di Sardegna (“Selling Banks”) sold a portfolio of bad loans for a gross book value of € 270.8 million at the reference date of 31 July 2020 (versus a gross amount due at the same date of € 322 million, consisting of 49% secured loans and 51% unsecured loans) to the securitisation vehicle “SUMMER SPV Srl” set up pursuant to Law 130/99. The transfer price of the portfolio was slightly lower than the amount recorded in the accounts of the Selling Banks, so the impact on the income statement was limited.

In exchange for the sale, the SPV issued three different classes of securities for a total of € 96.4 million:

- a senior tranche, amounting to € 85.4 million, corresponding to 31.5% of the gross carrying amount, to which the investment grade ratings were assigned Baa2 by *Moody’s* and BBB by *Scope Ratings*;
- a mezzanine tranche, equal to € 10 million;
- a junior tranche, equal to € 1 million.

The senior securities have a coupon rate of 6-mth Euribor + 50 bps and will be subscribed and retained by the Selling Banks. The GACS State guarantee will be requested for these in the next few days.

95% of the mezzanine and junior tranches was placed with an institutional investor, while the other 5% is still held in portfolio by BPER Banca, to allow the derecognition of the portfolio.

As part of the “SUMMER” transaction, JP Morgan acted as Arranger, while Fire S.p.A. has been appointed Special Servicer and Banca Finint took on the role of Master Servicer.

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

Legal advice has been entrusted to the law firms Orrick, Herrington & Sutcliffe for the Arranger and Cappelli RCCD for the Originators.

BNP Paribas Securities Services also collaborated in this operation.

BPER Banca S.p.A.

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

Contacts:

Investor Relations

investor.relations@bper.it

Special Projects

progettispeciali@bper.it

External Relations and CSR

relest@bper.it

www.bper.it – <https://istituzionale.bper.it/>

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