

PRESS RELEASE

BPER Group: sale without recourse of a bad loan portfolio for a gross of €450 million

Modena, 14 July 2016 - BPER Group would like to announce completion of the sale without recourse of a bad loan portfolio to two different investors specialized in this sector, Algebris NPL Fund and Cerberus European Investments.

The portfolio of bad loans that has been sold consists of approximately 15,000 positions for a total gross book value ("GBV") of approximately € 450 million. The bad loans sold are primarily secured by real estate collateral (87%) and related to corporate counterparties; the unsecured portion, that is not backed by collateral, included in the sale amounts to approximately € 58 million (13% of the overall portfolio sold) and is made up of around 14,500 positions. The impact of this transaction on the consolidated income statement is not significant.

The sale has distinctive features for the domestic market in terms of size and characteristics of the portfolio, as they are mainly "corporate secured" loans. BPER's priority objective in carrying out this deal is to reduce its stock of gross bad loans; in fact, a second important transaction is being scheduled for the second half of the year to sell another bad loan portfolio, in this case mainly "unsecured".

These transactions should be viewed as part of a bad loan management strategy, the objective of which is to reduce the stock of bad loans and to improve recoveries. The focal point of these initiatives is "BPER Credit Management", a Group company that has been operating since 1 January this year with over 170 specialized members of staff, which have been entrusted with the management of bad loans, and the outsourcing of "small-mid tickets" to external specialized servicers.

The BPER Group was assisted in this operation by Oliver Wyman as arranger, by Banca IMI's Credit Solutions Group team for the financial structuring and by the legal firm Orrick, Herrington & Sutcliffe for the legal aspects.

BANCA POPOLARE DELL'EMILIA ROMAGNA

Società cooperativa

The Manager responsible for preparing the Company's financial reports, Emilio Annovi, declares in accordance with art. 154-bis, para. 2, of Legislative Decree 58/1998 (Consolidated Finance Act) that the accounting information contained in this press release agrees with the books of account, accounting entries and supporting documentation.

Modena, 14 July 2016

*Manager responsible for preparing the
Company's financial reports*

Emilio Annovi

The 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

Contacts:

Investor Relations

Gilberto Borghi

Tel: 059/202 2194

gilberto.borghi@bper.it

Equity Investments and Special

Matteo Bigarelli

Tel: 059/202 2172

matteo.bigarelli@bper.it

Projects Media Relations

Eugenio Tangerini

Tel: 059/202 1330

eugenio.tangerini@bper.it

www.bper.it – www.gruppobper.it
