



BPER Banca S.p.A.

SHAREHOLDERS' MEETING OF 22 APRIL 2020

ANSWERS TO QUESTIONS SUBMITTED BEFORE THE MEETING

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QUESTIONS

1. The current stock price is 2.71 euro; this multiplied by the number of shares gives a stock market value of 1,411 million euro. Shareholders' equity in the financial statements is 4,997 million euro; so the ratio between market value and book value is 0.28: less than the average of market multiples for Italian banks.

The bank is not worth its book value.

The market does not concede the bank any goodwill.

2. Compared with 2006, 14 years ago, the bank has lost 80% of its value.

In 2008, 12 years ago, the dividend was € 0.48, now it is € 0.00.

The bank has not been managed in the interests of the shareholders.

3. The bank has been managed more with a view to property purchases, bank acquisitions, boosting the number of branches and raising the salaries of managers and staff.

4. To bring the bank back to the value it once had, the following steps should be taken:

- Sell all properties and equity investments.
- Close 30% of the 950 branches.
- Reduce salaries by 20%.
- Fire 60% of the 200 managers.
- Fire 30% of the 10,200 employees.

5. Management ought to have just one objective: to raise the profit and the dividend paid to shareholders. Only in this way will the stock market price grow.

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

ANSWER

In 2019, the stock market welcomed the strategic measures carried out, the forward-looking indications included in the 2019-2021 Business Plan and the results achieved during the year, rewarding BPER's stock which turned in the best performance of the entire Italian banking sector. In fact, the value of the Bank's shares showed a very positive trend, with a rise of more than 33% (BPER's share price was € 3.364 at the end of 2018 and € 4.483 at the end of 2019), outperforming the FTSE IT All Share Banks index by more than 10 percentage points, the best performance of the entire Italian banking sector, as we said.



At the end of 2019, the ratio between market value and tangible equity was 0.50x, lower than only the two largest banks in Italy and a third, smaller bank, so with a better multiple than most other Italian banks. The share's performance in the first half of 2020 has been affected by classic portfolio rotation by international funds and certain events, such as the announcement in February of the deal to acquire a business unit from Intesa Sanpaolo and the increase in capital to service it; then there was the healthcare emergency and its spread worldwide with economic and financial repercussions to markets everywhere. In particular, since the beginning of the year, BPER's stock performance is in line with the Italian banking sector index. It has also been one of the most defensive stocks since the last week of February when the health crisis first emerged and markets reacted very badly.

When approving the annual financial statements, the Board of Directors decided to propose a dividend of Euro 0.14 per share, another slight increase on 2018, maintaining a growth progression for the last 4 years in line with the Bank's good profitability over the years. Following the recommendations of the European Central Bank of 27 March, the Board of Directors decided to propose to the Shareholders' Meeting called for 22 April 2020 not to proceed with the dividend of Euro 0.14 per share, reserving the right to reconvene the Shareholders' Meeting at a later date to consider a proposal for the distribution of reserves, having assessed the market conditions, in compliance with the guidelines of the Supervisory Authority (and, in any case, not before 1 October 2020).

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