AGREEMENT WITH FONDAZIONE CASSA DI RISPARMIO DI ALESSANDRIA

Notice is hereby given that, as part of the process of rationalisation and simplification of the Group (issues which will be encompassed within the final version of the new Business Plan), Banca Popolare di Milano and Fondazione Cassa di Risparmio di Alessandria have signed on the main elements of an agreement, which, in respect of the relationship of mutual cooperation, enables BPM to enter into transactions concerning Cassa di Risparmio di Alessandria (the share capital of which is 20% held by the "Fondazione" and the remaining 80% by BPM), comprising the merger thereof into Banca di Legnano.

In particular, the agreement - which is still being negotiated with respect to the definition of all the terms and conditions thereof – will involve the disposal by the "Fondazione" of certain assets, including the property currently occupied by CRAlessandria, as well as arrangements for the governance of the BPM Group, against a total disbursement by BPM in the region of Euro 48 million, which will not have any impact on the income statement.

The Fondazione CRAL, in accordance with the applicable internal procedure (available on the Bank's website www.bpm.it), is considered to be a “related party” of the Bank, since it has significant influence over a subsidiary of BPM.

Accordingly, the transaction as a whole - the total amount of which falls within the parameters laid down for “less significant” transactions as provided for by the internal procedure concerning related parties - was submitted for review by BPM's Related Parties Committee, which passed favourable judgement thereon, in particular, with respect to an interest in completing the transaction, as well as the appropriateness and substantial fairness of the related conditions.

Milan, 5 July 2011

For information

External Relations – Press Office
02.77.00.3784
relazioni.esterne@bpm.it

Investor Relations
02.77.00.2057
investor.relations@bpm.it

Barabino & Partners
Sabrina Ragone
s.ragone@barabino.it
02.72.02.35.35 – 338.25.19.534

Claudio Cosetti
c.cosetti@barabino.it
02.72.02.35.35 – 335.74.91.683