PRESS RELEASE

Milan, 12 February 2013 - Banca Popolare di Milano (BPM) would like to announce that at today’s meeting the Management Board decided to give the go-ahead to all of the analyses and studies needed to establish the operational aspects of a project that would allow the Bank to complete its process of change by being transformed into an innovative type of joint-stock company that would conserve the underlying principles of the cooperative and mutual model (the “Project”).

The Project, which is currently being developed, is based on the following key elements:

- **The sharing of the profits** by the Bank’s employees by means of a free allocation of BPM shares which would represent a “significant shareholding”, enabling the employees, jointly, to become the Bank’s main shareholder. At the same time, art. 60 of the By-law, which reserves 5% of the pre-tax profit for current employees, would be eliminated;

- **Mutuality** to be implemented by establishing a foundation that would provide social services to the families of current and retired employees, as well as incentives in the form of education and scholarships for deserving children of current and retired employees (the “BPM Foundation”). One approach might be for the BPM Foundation to receive an initial endowment from the Bank, while also having the right to receive an annual grant from the Bank. The BPM Foundation would have the right to appoint a certain number of members of the Supervisory Board; and

- **Governance**, taking steps to (i) transform the Bank into a joint-stock company (which would also grant an easier access to capital markets) and (ii) redesign the corporate bodies, reducing the number of members of the Supervisory Board and increasing the number of members of the Management Board.

Suitable steps could be evaluated to ensure that the Bank retains strong capital ratios over time.

The Project was then presented by the Chairman of the Management Board, Andrea C. Bonomi, and the Managing Director, Piero Luigi Montani, to the Supervisory Board of the Bank, which also met today under the chairmanship of Filippo Annunziata; the Supervisory Board decided to proceed on a common course of study.

As regards the timing of the project, without affecting the prerogatives of the Supervisory Authorities, the Management Board hopes to be able to carry out all of the preliminaries with a view to calling a Shareholder General Meeting of the Members to vote on these proposals, which will be developed by the end of this summer, also handling discussions with all of the stakeholders involved.

The Bank will notify the market as soon as all aspects of the Project have been defined in detail.

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