PRESS RELEASE
MERGER OF WEBANK INTO BANCA POPOLARE DI MILANO:
APPROVAL OF PROPOSED MERGER

Milan, 17 June 2014. Today, the Management Board of Banca Popolare di Milano S.C.ar.l. (hereinafter, "BPM" or the "Parent Company"), with the favourable opinion of the Supervisory Board issued in accordance with arts. 39 and 51 of BPM's Articles of Association, and the Board of Directors of WeBank S.p.A. (hereinafter, "WB" or the "Company Being Merged"), approved, in accordance with arts. 2501-ter and 2505 of the Italian Civil Code, the proposed merger of WB into BPM (hereinafter, the "Merger").

The Merger - subject to the prior approval by the Bank of Italy pursuant to article 57 of Legislative Decree 385/93 - is envisaged by BPM Group's 2014-2016/18 Business Plan, already communicated to the market on 11 March 2014, and is aimed at the creation of a multi-channel bank with a view to fostering a stronger presence for BPM Group in the digital market.

The Merger will take place in a simplified form in accordance with article 2505 of the Italian Civil Code taking into account that, as of today, the merging company, BPM, holds 100% of the share capital of WB; accordingly, as per the aforementioned legislation, there is no requirement for the determination of a share exchange ratio, nor for the preparation of a directors' report pursuant to article 2501-quinquies of the Italian Civil Code, nor for an experts' report pursuant to article 2501-sexies of the Italian Civil Code.

BPM shareholders do not have a right of withdrawal.

As things stand, subject to the above, it is the intention of the BPM Group to carry out the Merger by the end of 2014.

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