



# Banca Popolare di Sondrio

Società cooperativa per azioni - fondata nel 1871  
Sede sociale e direzione generale: I - 23100 Sondrio So - Piazza Garibaldi 16  
Iscritta al Registro delle Imprese di Sondrio al n. 00053810149  
Iscritta all'Albo delle Banche al n. 842  
Capogruppo del Gruppo bancario Banca Popolare di Sondrio, iscritto all'Albo dei Gruppi bancari al n. 5696.0  
Iscritta all'Albo delle Società Cooperative al n. A160536  
Aderente al Fondo Interbancario di Tutela dei Depositi  
Codice fiscale e Partita IVA: 00053810149  
Capitale Sociale € 1.360.157.331 - Riserve € 1.034.954.284  
(dati approvati dall'Assemblea dei soci del 28/4/2018)

## Press Release

### Ordinary and Extraordinary Shareholders' Meeting of 28 April 2018

#### Ordinary part:

- **Approval of the financial statements as of 31 December 2017, the Directors' report on operations and the proposed allocation of profit:**

Net Profit	€ 118,400,102.00
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allocation:

Unit dividend: € 0,07 gross	€ 31,737,004.39
Reserves	€ 86,563,097.61
Reserve for donations	€ 100,000.00
Total	€ 118,400,102.00

- **Approval of the document entitled "Compensation Policies of the Banca Popolare di Sondrio Banking Group".**
- **Approval of the "Remuneration Report".**
- **Appointment of five Directors for the three-year period 2018-2020:** the as Directors, dott. prof. Alessandro Carretta, Loretta Credaro, dott.ssa prof.ssa Donatella Depperu, dott. Attilio Piero Ferrari, dott. prof. Adriano Propersi.
- **Appointment of the auditors and related alternate, and of the Chairman of the Board of Statutory Auditors for the three-year period 2018-2020:** the Shareholders' Meeting elected for the three-year period 2018-2020: Prof. Mr. Piergiuseppe Forni as chairman of the Board of Statutory Auditors; dott.ssa Laura Vitali and dott. Luca Zoani as auditors; dott. Daniele Morelli and dott. Bruno Garbellini, as alternate auditors.

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**Extraordinary part:**

**- Approval of the amendment to articles no. 6 and 39 of articles of association;**

**- Approval of the proxy appointment to the Board of Directors ex art. 2243 of the Italian Civil Code, in order to increase the share capital, with the exclusion of option right, for an overall maximum amount of € 40 Million, with the purpose of the possible fulfilment of the acquisition operation of Casso di Risparmio di Cento.**

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Today the Ordinary and Extraordinary General Meeting of Banca Popolare di Sondrio took regularly place at the polyfunctional auditorium "Pentagono" in Bormio (So), where almost 2,350 shareholders participated, adding also proxy ballots and representations, for a total number of almost 4,100 expressible votes, coming from all the bank's operating areas, including Switzerland, where the Subsidiary BPS (SUISSE) operates. In the opening of the session, the Chairman commemorated the deceased Collaborators and Persons who were close to the Bank.

As far as the ordinary part is concerned, the Meeting approved the directors' report on operations, the financial statements at 31 December 2017, showing a net profit of € 118.4 Million, and the allocation of profit itself, which foresees the distribution of a unit gross dividend of € 0.07, coupon no. 40 (€ 0.06 in 2017). Considering that going ex-coupon will take place on 21 May next, according to the rules in force, the payment will start from 23 May 2018. The above-mentioned net profit is therefore allocated as follows: dividend € 31.737 Million; reserves € 86.563 Million; reserve for donations € 0.1 Million.

At the end of the relation, the Chairman and the Managing Director promptly replied to inquiries raised by the shareholders whom intervened.

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The consolidated financial statements of the Banca Popolare di Sondrio Banking Group for the year 2017 shows a net profit of di € 159.210 Million, +61.47%.

At consolidated level, the direct customer funding comes in at € 31,634 Million, +2.26%. Indirect funding, at market level, amounts to € 30,119 Million, +6.02%; direct funding from insurance premiums reaches € 1,336 Million, +5.50%. The overall customer funding is € 63,089 Million, +4.09%. Loans and receivables with customer amount € 25,756 Million +1.75%. Non-performing loans are equal to 3.03% of the loans and receivables with customers.

The consolidated net equity, including the profit of the year, as of 31 December 2017, equals € 2,678.920 Million, showing an increase of € 106.091 million, +4.12%, in comparison to the previous value as of 31 December 2016, determined by accruals for allocation of profit for the previous year and by the trend of the valuation reserve. As far as capital requirements are concerned, as of 31 December 2017 CET1 Ratio scores 11.60% and the Total Capital Ratio 13.66%. The Texas ratio, being the ratio of net impaired loans to tangible net equity, is 77.99%.

The Directors' report on consolidated operations also contains the non-financial Statement, drafted in accordance with Italian Legislative Decree No 254/16. In order to underline the importance of the issues covered by the statement, a booklet containing a short excerpt of the same was made available for the shareholders whom intervened at the meeting.

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The meeting approved the authorisation to the Board of Directors to buy and sell treasury shares in accordance with article 21 of the Articles of Association and articles 2,529 and 2,357 and following of the Italian Civil Code. The initiative particularly aims to facilitate the circulation of shares, in compliance with the current legislation. The amount available to the Board of Directors to buy the treasury shares, recorded in the annual financial statements under heading "Reserves", was set at € 30 Million; purchases can be done within the limit of the afore-mentioned amount and whatever part of it that shall become available by subsequent sales or cancellation of the shares purchased. As an additional constraint, based on the negotiations carried out, the ownership of shares must not exceed a maximum number equal to 2% of the shares constituting the share capital. Operations of purchasing and selling of treasury shares must be carried out on regulated markets, according to operating procedures that shall ensure equal treatment between shareholders and that do not allow direct matching of negotiation proposals for purchase with predetermined trading proposals for sale. Purchases and sales may take place, as part of the described program, in the period between today's meeting and the approval of the financial statements for the year 2018. Any cancellation of treasury shares shall be carried out in compliance with the regulatory and statutory provisions.

During the past period of 29 April 2017-27 April 2018, no negotiations were carried out. The securities portfolio therefore contained, both at the beginning and at the end period, No. 3,650,000 treasury shares, worth € 25,321,549.

The Meeting also authorized the Board of Directors to use, in the service of the 2018 Remuneration Plan based on financial instruments for the most relevant personnel, as identified in the Remuneration Policies approved by the meeting, ordinary shares of Banca Popolare di Sondrio already in charge to the bank up to a maximum worth of € 454,000.

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The Meeting appointed as Directors for the three-year period 2018-2020: dott. prof. Alessandro Carretta, Loretta Credaro, dott.ssa prof.ssa Donatella Depperu, dott. Attilio Piero Ferrari, dott. prof. Adriano Propersi. All Directors came from the only list presented. Dott. prof. Alessandro Carretta, dott.ssa prof.ssa Donatella Depperu, dott. Attilio Piero Ferrari and dott. prof. Adriano Propersi presented themselves as independent directors.

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For the three-year period 2018-2020, the meeting appointed Prof. Piergiuseppe Forni as chairman of the board of statutory auditors; dott.ssa Laura Vitali and dott. Luca Zoani as auditors; dott. Daniele Morelli and dott. Bruno Garbellini, as alternate auditors.

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As far as the extraordinary part is concerned, the meeting at point 1 approved the amendment of articles 6 and 39 of the Articles of Association, in the text reported in the Explanatory Report.

For what concerns point 2 of the extraordinary part agenda, the meeting approved the proxy ballot to the Board of Directors pursuant to art. 2443 Italian Civil Code to increase the share capital for payment, excluding the option right pursuant to Article 2441, fourth paragraph, first sentence, Civil Code, for a maximum total amount of 40 Million euros,

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including any premium, through the issue of ordinary shares to be released through the contribution in kind of equity investments in banks. The meeting therefore attributed to the Board of Directors the power to establish, in the execution of the abovementioned proxy to be exercised within twelve months, the amount of capital increase, the number of the Bank's shares to be offered in exchange of the equity investments that will be object of appointment in nature and the issue price of the new shares. The resolution was taken at the service of the possible realization of the purchasing operation of the Cassa di Risparmio di Cento.

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#### DECLARATION

The managing director, as company financial reporting officer, Dott. Maurizio Bertoletti, declares, pursuant to paragraph 2 of article 154 bis of the Testo Unico della Finanza, that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

Signed: Maurizio Bertoletti, managing director, as company financial reporting officer.

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Sondrio, 28 April 2018

*This translation of the original Italian press release is provided for convenience only. In case of discrepancy, the Italian version prevails.*

Attachment: dividend payment notice.



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## Banca Popolare di Sondrio

Società cooperativa per azioni - Founded in 1871 - Official List of Banks no. 842, Official List of Cooperative Banks no. A160536, Official List of Banking Groups no. 5696.0, Sondrio Companies Register no. 00053810149

Share capital € 1,360,157,331 – constituted by no. 453,385,777 ordinary shares - Reserves € 1,034,954,284

### DIVIDEND PAYMENT FOR THE YEAR 2017 AND DEPOSIT OF THE MINUTES OF SHAREHOLDERS' MEETING

In implementation of the shareholders' meeting resolution of 28 April 2018, the dividend for the year 2017, in the amount of € 0.07 gross per share, will be paid, considering that the going ex-coupon date will be May 21 next, from 23 May 2018. The payment of the dividend (coupon No. 40) will be carried out, in accordance to the current law provisions, at all branches of the bank and at Monte Titoli Spa.

The minutes of the Shareholders' Meeting of 28 April 2018 will be deposited for public use at the head office, on the authorized storage mechanism "eMarket STORAGE" ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the company website at the address [www.popso.it/assemblea2018](http://www.popso.it/assemblea2018) as required by law.