



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 € 983.893.092
(dati approvati dall'Assemblea dei soci del 27/4/2019)

Press Release

BANCA POPOLARE DI SONDRIO REPORTS THE NON-REALIZATION OF THE CONDITIONS (I.E. APPROVAL BY THE EUROPEAN CENTRAL BANK OF THE STATUTORY CHANGES FUNCTIONAL TO THE OPERATION) ENVISAGED FOR THE ACQUISITION OF CASSA DI RISPARMIO DI CENTO.

Banca Popolare di Sondrio ("**BPS**") announces that, in the context of the discussions with the European Central Bank regarding the procedure for the approval of the amendments to the statutes (bylaws) approved by the Shareholders' Meeting of BPS on 27 April 2019 and aimed at implementing the agreements signed with the Fondazione Cassa di Risparmio di Cento (the "**Foundation**") and Holding CR Cento S.p.A. ("**Holding CRC**") for the acquisition of control of Cassa di Risparmio di Cento, it was highlighted the need to give priority to the derisking initiatives already underway aimed at reducing the stock of non-performing loans - while maintaining the considerable capital buffer available to BPS, prudentially at the service of the aforesaid initiatives - and at strengthening the governance and risk management structures.

In view of the above priorities, the ECB has considered that the conditions for granting the required authorisation are not met.

Banca Popolare di Sondrio promptly informed its counterparties that, due to the assessment of the obstacles to the acquisition within the above terms, not all the conditions to which the effectiveness of the agreements with the Foundation and Holding CRC relating to the acquisition of Cassa di Risparmio di Cento was subject have been met. The agreements in question have therefore lapsed.

BPS's activities will therefore be concentrated in the coming months - in the implementation of the disposal plan and also through the strengthening of work-out activities - on pursuing the important programme to reduce impaired loans classified as non-performing, already started and announced to the market on 8 August 2019.

Investor RelationsDoct.

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Sondrio, 17 October 2019

This English translation is provided solely for information purposes for the benefit of the reader given that, where there is a discrepancy, the Italian version will prevail.