

(This English version is a courtesy translation from the Italian original document which remains the definitive version)

UBI BANCA SPA

Proposal to replenish the loss for the year and the declaration of a dividend

Dear Shareholders,

Consideration has been given to equity reserves for the purposes of replenishing the loss for the year of €493,425,486.00 as reported in the notes to the financial statements (Part B, Section 14.4 of Liabilities¹), and in particular to the criteria for the use of them.

The portion of those reserves available totals €5,666,060,842.72 and includes a share premium reserve of €3,798,429,612.02, retained earnings of €1,589,956,153.43 and other reserves of €277,675,077.27.

In compliance with Art. 2364 *bis* of the Italian Civil Code and Art. 44 of the Articles of Association, the Management Board proposes replenishing the loss for the year by charging it in the amount of €493,425,486.00 to the share premium reserve.

Furthermore, in consideration of the adequate capitalisation of the Parent and the Group according to the parameters established by Basel 3 Rules and in compliance with the European Central Bank Communication of 13th December 2016 on the subject of dividend distribution policies, the Management Board has decided to make a proposal to the Shareholders' Meeting to distribute a dividend of €0.11 on each of the 974,204,888 ordinary shares that will be outstanding on 20th February 2017 (date of effect of the merger by incorporation of Banca Popolare di Bergamo, Banco di Brescia, Banca Popolare di Ancona, Banca Carime, Banca di Valle Camonica), net of treasury shares repurchased, to give a total maximum dividend payout of €107,162,537.68, drawn from the Extraordinary Reserve.

The aforementioned number of shares does not take account of possible rounding off of figures resulting from transactions to exchange the shares of Banca Popolare di Ancona, Banca Carime e Banca di Valle Camonica with UBI Banca shares following the conclusion of the merger into the Parent of those banks.

Payment of the dividend, if approved, shall take place from 24th May 2017 against presentation of coupon No. 19 with ex dividend date of 22nd May 2017 and record date of 23rd May 2017.

According to the tax laws currently in force no entitlement to a tax credit exists on the dividend. Depending on the type of beneficiary the dividend may form part of taxable income to the extent provided for by law or it may be subject to a withholding tax at the rate in force from time to time.

Bergamo, 9th February 2017

The Management Board

¹ A summary table giving the origin, availability for use and distribution of equity items in compliance with Art. 2427, paragraph 1, No. 7 *bis* of the Italian Civil Code.