

Press office

Tel. +39 0371 580264/128/257/514

Fax +39 0371 580807

e-mail: comunicazione@bipielle.it

▪ **DEED OF MERGER BY INCORPORATION OF RETI BANCARIE AND BIPIELLE INVESTIMENTI INTO BANCA POPOLARE ITALIANA ENTERED ON THE COMPANIES' REGISTERS OF LUCCA AND LODI**

Lucca-Lodi, 26 September 2006 – Today the deed of merger by incorporation of Reti Bancarie S.p.A. and Bipielle Investimenti S.p.A. into Banca Popolare Italiana Soc. Coop. was entered on the relevant Trade and Companies' Registers.

The merger will take effect from 30 September 2006. The effects on the company's accounts and taxation aspects will run from 1 January 2006, whereas dividend entitlement of shares assigned under the share swap arrangement will start from 1 January 2006.

From 2 October 2006, through the offices of depository intermediaries who are members of the central clearing system managed by Monte Titoli S.p.A., the shareholders of the companies being incorporated will receive the Banca Popolare Italiana Soc. Coop. Shares due to them according to the share swap ratios determined by the shareholders' meetings of the companies participating in the merger as follows:

- # 5 Banca Popolare Italiana Soc. Coop. ordinary shares for every 1 Reti Bancarie S.p.A. ordinary share;
- # 6 Banca Popolare Italiana Soc. Coop. ordinary shares for every 5 Bipielle Investimenti S.p.A. ordinary shares;

There will be no charge to shareholders for the share swap operations. For the purposes of the swap of Banca Popolare Italiana Soc. Coop. ordinary shares, a service will be put at the disposal, through authorized intermediaries, of the minority shareholders of the companies being incorporated allowing rounding to the immediately higher or lower unit of the number of shares due to them in application of the mentioned share swap ratios, all at market prices and without any additional costs, stamp duties or commissions. This will ensure that whole number quotients are processed, in this way guaranteeing balancing of the operation, the incorporating company having already declared its agreement.