



Banca Popolare di Milano
Fondata nel 1865



Milan, June 14, 2006

**BANCA POPOLARE DI MILANO AND MILANO ASSICURAZIONI
EXECUTED A FINAL AGREEMENT FOR THE JOINT DEVELOPMENT
OF THE BANCASSURANCE BUSINESS**

JOINT PRESS RELEASE

Under Art. 114 of Legislative Decree 58/98

- **Today, Banca Popolare di Milano and Milano Assicurazioni executed a final agreement for the joint development of the bancassurance business;**
- **under the agreement, Milano Assicurazioni acquired a 46% stake in Bipiemme Vita S.p.A. at a price equal to Euro 90.5 million;**
- **the transaction could be completed through the acquisition of the control of Bipiemme Vita S.p.A. by Milano Assicurazioni by June 30, 2007;**
- **the relevant corporate bodies of Bipiemme Vita S.p.A. have integrated the Board of Directors with the appointment of Gianfranco Pittatore and of the following representatives of the Fondiaria-SAI Group: Adriano Amerini (Chief Executive Officer), Piergiorgio Bedogni, Stefano Carlino, Marco Mezzolani, Andrea Novarese, and the Board of Statutory Auditors with the appointment of Graziano Visentin (Chairman).**

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Following the agreement signed on December 21, 2005, today Banca Popolare di Milano S.c.r.l. ("**BPM**" or the "**Bank**") and Milano Assicurazioni S.p.A. executed a final agreement for the joint development – under exclusivity terms – of BPM Group's activity in the life bancassurance business.

Milano Assicurazioni acquired from BPM, and from its controlled subsidiary Banca di Legnano, 46% of the share capital of Bipiemme Vita S.p.A. ("**Bipiemme Vita**" or the "**Company**").



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The consideration for the 46% stake in Bipiemme Vita, initially agreed to be equal to Euro 94.3 million, has been reduced – in accordance with the Share Purchase Agreement – to Euro 90.5 million mainly as a result of changes occurred in the Company's shareholders' equity (dividend distribution and capital increase) after the signing of the initial agreement.

Furthermore, the agreement envisages the possibility to transfer the control of Bipiemme Vita from BPM Group to Milano Assicurazioni, through the acquisition of two additional stakes in the Company equal to 4% and 1%, respectively, by June 30, 2007.

Bipiemme Vita is the insurance company of the BPM Group which operates through approximately 700 group branches. In 2005, the Company reported Euro 632 million premiums and a net income of Euro 23.8 million.

Today, the General Shareholders Meeting of Bipiemme Vita has integrated the Board of Directors with the appointment of Gianfranco Pittatore and of the following representatives of the Fondiaria-SAI Group: Adriano Amerini, Piergiorgio Bedogni, Stefano Carlino, Marco Mezzolani, Andrea Novarese, and the Board of Statutory Auditors with the appointment of Graziano Visentin (Chairman) and Michela Zeme (Alternate Auditor).

The Board of Directors, which met following the General Shareholders Meeting, has appointed Adriano Amerini as Chief Executive Officer.

BPM and Fondiaria-SAI have been assisted by KPMG Corporate Finance and Alfa Lambda Srl on one side and by JPMorgan on the other side, as their respective advisors, and by Studio Legale Lombardi Molinari e Associati and Studio Legale Associato d'Urso Munari Gatti, as their respective legal counsels. Mediobanca - Banca di Credito Finanziario has acted as joint strategic advisor.

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Please note that the original Press Release is in Italian. In case of doubt, the Italian version prevails.