

## **BANCAPULIA**

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Agreement between the banking group bancApulia and Veneto Banca Group.

“Finanziaria Capitanata S.r.l.”, holding company of bancApulia S.p.A. - the company of the same name as the banking Group – and Veneto Banca Holding S.c.p.A. - holding company of the Veneto Banca group - holding company of Banca Meridiana S.p.A. have reached an agreement for the creation of a strong banking organisation which will operate in the south of Italy and along the Adriatic coast.

The agreement reached means that bancApulia will merge with Banca Meridiana. After the operation, bancApulia, which will become part of the Veneto Banca Group, will have a network of 103 branches spread across 7 regions, 15 Apulia puntofinanziario offices, 20 prontomutuo sales outlets, over 400 cash machines, around 70% of the share capital of Apulia prontoprestito S.p.A., (quoted on the Italian Stock Exchange in the Expandi section and operating in the sector of salary-backed loans) as well as total deposits of over €6 billion, loans of € 5 billion and a gross banking product equal to € 11 billion.

The operation, which is being overseen by Finanziaria Internazionale, is conditional on the correct legal authorization being obtained, and should be completed in the second half of 2009. This operation will provide, thanks to the substantial lack of territorial overlap, the following benefits:

- guarantee that the resulting company from the merger of bancApulia and Banca Meridiana a presence across a large area in the southeast of Italy, in confirmation of our role as a leading bank in the area.
- obtain significant mutual benefits and cost reductions via streamlining and rationalisation of the IT system as well as enhanced economies of scale
- guarantee greater commercial opportunities for the company which will be produced from the bancApulia Group and Veneto Banca Group.

Finanziaria Capitanata, currently controlling shareholder in bancApulia, will retain its investment in the capital of the company, while Veneto Banca Holding, by means of an increase in shareholder capital, will acquire at least a 50.02% stake in the resulting merged company.

“This is an operation,” comments Vincenzo Chirò, Chairman of the Board of Directors of bancApulia, “between two organisations which consider their ties with the respective local communities as key to their strategy. The large cash injection will enable bancApulia to go ahead with its planned expansion, under the co-ordination of the Veneto Banca Group which, because of its routes, traditions and ethical principles, mirrors the same values as the over eighty years of history of bancApulia.”