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## PRESS RELEASE

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- **BANCA CARIGE SELLS BAD LOAN PORTFOLIO OF APPROXIMATELY EUR 1.2 BN TO CREDITO FONDIARIO**
- **BINDING AGREEMENT SIGNED FOR DISPOSAL OF BAD LOAN MANAGEMENT PLATFORM**

*Genoa, 6 December 2017* – On 6 December 2017, Banca Carige entered into a binding agreement with Credito Fondiario S.p.A., a specialised player in the NPL investment and servicing market, for the non-recourse disposal of a portfolio of mortgage and signature bad loans for a gross nominal value of approximately EUR 1.2 bn as at 30 March 2017.

The consideration for the transaction is EUR 265.7 mln, corresponding to a sale price equal to approximately 22.1% of the portfolio gross book value (GBV), higher than anticipated in the 2017-2020 Business Plan approved on 13 September 2017.

The transaction will raise Banca Carige’s total bad loan disposal volume as of the

second half of the year to approximately EUR 2.2 bn. The disposal fits within the de-risking programme included in the Business Plan, which targets an overall NPL stock level of approximately EUR 3.1 bn by 2020.

The closing of the deal is expected by the end of 2017.

Banca Carige additionally announces that it has signed a binding agreement with Credito Fondiario for the disposal of the branch of business consisting in the bad loan management platform in addition to a multi-year servicing agreement.

The consideration for the transaction is EUR 31 mln, again with more positive effects than anticipated in the Business Plan. The transaction is aimed at improving debt collection performance by leveraging the industrial partnership with Credito Fondiario, to ensure higher quality standards in line with best market practices.

The closing of the deal is expected by the end of the first half of 2018 and is subject to the approval of the Regulatory Authorities.

Against this background, Equita SIM S.p.A. and Credito Fondiario S.p.A., under the first loss sub-underwriting agreement, had agreed to extend the date of signing to 6 December 2017, with the termination clause thus not applying.

Both transactions are the result of a competitive bidding process which saw the participation of over 30 international and domestic investors.

Banca Carige was assisted in the transaction by Bain & Co. as business advisor and law firm Orrick as legal advisor.

Moreover, Banca Carige announces that on 5 December 2017 it granted one of the first

loss sub-underwriters a right of first offer over an NPL portfolio possibly to be disposed of for a gross value of around EUR 200 mln. Therefore the termination clause under the first loss agreement signed on 21 November 2017 with the foregoing counterparty did not apply.

Finally, in compliance with the obligations undertaken with Malacalza Investimenti S.r.l. as part of the commitments signed by the latter, on 5 December 2017 Banca Carige confirmed (i) the inapplicability of one or more of the termination clauses under *article 2 of the commitment it assumed and more precisely ((A) "...the termination, dissolution, rescission, invalidity, ineffectiveness or unenforceability (for whatever reason, and even if partial) of the underwriting agreement entered into with the members of underwriting syndicate, as well as (B) the existence or occurrence of facts, events or circumstances which, including on the basis of the provisions of the underwriting agreement or of the underwriting commitments undertaken by other shareholders or of the applicable regulations, may give rise to any right to withdraw from, terminate, dissolve, rescind the underwriting agreement or make it invalid, ineffective or unenforceable (for whatever reason, and even if to a partial extent)); and (C) the fact that the Offering Period for the Rights Issue and the associated exercise of the rights of option did not started before 22 November 2017."* (the "Termination clauses"); and (ii) the lack of circumstances which may reasonably lead to anticipate the occurrence of one or more of the Termination Clauses.

Please note that, for the purpose of supplementing the Prospectus published for the capital increase with the above information, Banca Carige will forthwith prepare a

supplement, which will be subject to the approval of the Italian Securities and Exchange Commission, CONSOB; the publishing of a supplement implies the right to revoke pursuant to Italian Legislative Decree of 24 February 1998 no.58 art. 95-bis.

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