

Milan, 31 August 2009

To: holders of the Trust Preferred Securities
and the LLC Preferred Securities

NOTICE TO INVESTORS
relating to the
BANCA ITALEASE CAPITAL TRUST (“Issuer”)
€150,000,000 Aggregate Liquidation Preference of Non-cumulative Guaranteed Floating Rate
Perpetual Trust Preferred Securities
(liquidation preference €50,000, plus integral multiples of €1,000 above €50,000, per Trust Preferred Security)
representing a corresponding amount of
Non-cumulative Guaranteed Floating Rate Perpetual LLC Preferred Securities of
BANCA ITALEASE FUNDING LLC (“LLC”)
guaranteed on a subordinated basis by
BANCA ITALEASE S.p.A (“Guarantor” or “Bank”)
(ISIN: XS0255673070) (Common Code: 025567307)

(“Perpetual Trust Preferred Securities” and “Perpetual LLC Preferred Securities”, together the “Preferred Securities”)

Capitalized terms used herein and not otherwise defined will have the same meaning given to them in the Amended and Restated Trust Agreement dated 6 June 2006 (“Trust Agreement”) or in the base prospectus dated 5 June 2006 (“Prospectus”) as applicable.

Amendment Agreements and Dividend Payments Suspension

On 28 March 2008 the Bank issued a press release informing that the Bank’s capital ratio decreased below 5% threshold. For the purposes of the Preferred Securities such event consist in a capital deficiency event (the “Capital Deficiency Event”).

As a consequence, on 15 May 2009, the Bank and the Issuer published a notice informing that in accordance with the terms of the Preferred Securities the payment of Dividends on the Preferred Securities was suspended.

In this respect, in order to render more efficient the loss absorption mechanism provided under the documentation underlying the Preferred Securities, the Bank and the LLC, entered into certain amendment

Banca Italease S.p.A.

Via Cino Del Duca, 12 - 20122 Milano - Telefono 02 7765.1 - Telefax 02 7765.2261
Cost. 1968 - N. Iscrizione al Registro Imprese di Milano, Codice Fiscale e Partita IVA 00846180156, Capitale Sociale € 868.966.074,48 i.v.
Iscritta all’Albo delle Banche - Capogruppo Gruppo bancario Banca Italease iscritto all’Albo dei Gruppi Bancari
Aderente al Fondo Interbancario Tutela dei Depositi e al Fondo Nazionale di Garanzia

agreements ("**Amendment Agreements**") to the Initial Derivative Contract, dated as of 6 June 2006 ("**Derivative Contract**"), and the Initial Banking Deposit Agreement, dated as of 6 June 2006 ("**Deposit Agreement**").

More precisely, on 26 June 2009, the LLC and the Bank executed an Amendment Agreement relating to the Derivative Contract whereby the timing of the Capital Deficiency Payment (as defined in the Derivative Contract) has been changed, so that such payment will be made on the date falling one year after the date on which a Capital Deficiency Event occurs, and provided that the Capital Deficiency Event is continuing and has not been cured during the relevant one-year period.

In addition, taking into account market developments since the date of execution of the Deposit Agreement and relating to loss absorption features of instruments qualifying as *strumenti innovativi di capitale* in accordance with Circolare No. 263 dated 27 December 2006 issued by the Bank of Italy (as from time to time amended and supplemented), on 26 June 2009 the Bank and the LLC executed an Amendment Agreement to the Deposit Agreement whereby (A) the Deposit Agreement was amended by introducing loss absorption features similar to those that has been introduced in the terms and conditions of the *strumenti innovativi di capitale* issued by Italian banks directly and (B) the interest provision under the Deposit Agreement was amended and as a consequence interests thereof accrue and are payable as follows: (i) interests accrue at the annual rate of 1.254 per cent above EURIBOR of the principal amount thereof outstanding during the period with respect to which such interest accrues to but excluding 6 June, 2016, and (ii) thereafter, interests accrue at the annual rate of 2.254 per cent above EURIBOR of the principal amount of such Deposit outstanding the period with respect to which such interests accrue and are payable quarterly in arrear on each 6 March, 6 June, 6 September, and 6 December.

Amendments to the Derivative Contract and the Deposit Agreement do not impact on the terms of the Preferred Securities.

Moreover, as of the date of this notice the Capital Deficiency Event is continuing. Therefore, the Bank and the Issuer hereby inform that, in accordance with the terms of the Preferred Securities, no payment of Dividends will be made on the Preferred Securities on the Dividend Payment Date falling on 8 September 2009.

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