



Ministero dell'Economia e delle Finanze

Ufficio Stampa

BTP ITALIA: NEW AND LAST ISSUANCE OF THE YEAR FROM OCTOBER THE 17TH

The Ministry of Economy and Finance (MEF) announces that, according to what was announced in the Guidelines on Public Debt Management for 2016, from Monday, October the 17th until Thursday, October the 20th 2016 the second and last issuance of the year of BTP Italia will take place. BTP Italia is the government bond indexed to the national inflation rate conceived for retail investors.

The bond will be placed through MOT, the retail Borsa Italiana's screen-based market, in two phases: the First Phase, from Monday, October the 17th to Wednesday, October the 19th (three days which may be reduced to two in the case of early closing), where only individual investors and other persons similarly classified are admitted, while the Second Phase, which will take place in the morning of October the 20th, will be reserved to institutional investors. In case total orders coming from institutional investors are greater than the final supply decided by the MEF, an allotment procedure will be activated. On the contrary, for individual investors and other persons similarly classified there will not be any rationing, as incoming orders will be fulfilled completely, as in all the previous issuances.

The next BTP Italia on offer will have and the same characteristics of the last two issuances: maturity of 8 years, semi-annual coupons indexed to the FOI (Indices of Consumer Prices for blue and white-collar households with the exclusion of tobacco) to which the payment of the accrued inflation in the semester is added (with a floor in the event of deflation, that guarantees that the coupon payments can never go below the definitive real coupon rate), bullet format and final bonus for those who buy the bond at issuance, during the phase of the distribution dedicated to individual investors and other persons similarly classified, and hold it until maturity.

In the coming days, the MEF will publish on the website of the Public Debt the term sheet for the new bond and it will update the FAQ to provide investors and market operators with all the necessary information in order to take part in the forthcoming placement.

The guaranteed minimum annual real rate of this new issuance will be communicated to the public on Friday, October the 14th, 2016.

More information can be requested at: dt.gruppo.info@tesoro.it

What is BTP Italia?

BTP Italia is a government bond indexed to the Italian inflation rate conceived principally to meet the needs of retail investors. BTP Italia provides investors with the protection against an increase in the level of prices in Italy, with the semi-annual coupons that offer a guaranteed minimum annual real rate linked to the FOI index (Indices of Consumer Prices for blue and white-collar households with the exclusion of tobacco) to which the payment of the accrued inflation in the semester is added. In the event of deflation, the coupons are still calculated on the nominal principal amount invested, with a protection not only to the nominal principal, but also to the coupons.

Key Features

- Maturity: 8 years
- Guaranteed minimum annual real rate
- Semi-annual coupons calculated on the revalued capital
- Immediate inflation hedge through principal revaluation paid every six months
- Nominal principal guaranteed at maturity, even in case of deflation
- Final bonus for investors (individual investors and other persons similarly classified) who purchase the bond during the First Phase of the placement period and hold it until maturity.

Rome, September 29th, 2016