



***Ministero dell'Economia e delle Finanze***

PRESS RELEASE

**THE NEW 8-YEAR BTP ITALIA IS COMING  
ISSUANCE FROM APRIL THE 13<sup>TH</sup> 2015**

The Ministry of Economy and Finance announces that the next issuance of BTP ITALIA, the government bond indexed to the national inflation rate conceived for retail investors, will take place from Monday, April the 13<sup>th</sup> until Thursday, April the 16<sup>th</sup> 2015.

Similarly to the last two issuances, the bond will be placed through MOT, the retail Borsa Italiana's screen-based market, in two phases: the First Phase, from Monday, April the 13<sup>th</sup> to Wednesday, April the 15<sup>th</sup> (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 April the 16<sup>th</sup>, will be reserved to institutional investors. As for the last issuance, in case total orders coming from individual 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.

In the next issuance, differently from the issuances of last year that had a shorter maturity, the BTP Italia on offer will have a maturity of 8 years. In the current market environment this choice addresses the need arising from investors to have an instrument that offers protection against domestic inflation with a longer time horizon.

For the rest, the bond will continue to have the same financial characteristics of those already issued starting from 2012: semi-annual coupons indexed to the FOI (Indice dei prezzi al consumo per le famiglie di operai e impiegati, al netto dei tabacchi) to which the payment of the accrued inflation in the semester is added (with a floor in the event of deflation), 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, April the 10<sup>th</sup>, 2015.

This is the eighth issuance since BTPs Italia were launched for the first time by the MEF in March 2012. In the past seven issuances, BTPs Italia have been placed for over 94 billion Euros.

More information can be requested at: [dt.gruppo.info@tesoro.it](mailto: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 (Indice dei prezzi al consumo per le famiglie di operai e impiegati, al netto dei tabacchi) 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, March 24<sup>th</sup>, 2015