



Ministero dell'Economia e delle Finanze

PRESS RELEASE

Syndicated exchange: details on the buyback of nominal BTPs and CCTeus and concurrent issuance of a new 30-year BTP

The Ministry of Economy and Finance announces the details of the syndicated exchange transaction, based on the buyback of the BTP 01/08/2021, BTP 01/05/2023, BTP 01/08/2023, BTP 01/10/2023, CCTeu 15/01/2025 and the concurrent issuance of the first tranche of the 30-year BTP due 1st September 2051.

The liability management operation has pursued several goals, such as increasing the average life of the outstanding debt, reducing the average cost of the debt and reshaping the maturity profile of the coming years.

The buyback has drawn a broad participation of investors: the amount bought back, has been equal to 9.973 billion Euro – against an offer of more than 18 billion Euro. This amount has been equally distributed among the bonds subject to buyback. About 81% of the amount bought back has been delivered by banks, around 6% by fund managers and the residual share by hedge funds (about 13%). In terms of geographical distribution, about 70% of the amount bought back has come from investors based in United Kingdom, while domestic investors have accounted for around 17%. About 11% has come from investors based in United States, while the residual share has come from European investors.

Regarding the new 30-year BTP, about 540 investors have taken part to the transaction with a total amount requested of nearly 90 billion Euros. More than half of the issuance has been allotted to fund managers (56.8%), while a share of 20.4% has been subscribed by banks. Investors with a long-term investment horizon have bought a relevant 16.5% of the issuance (in particular central banks and official institutions have been allotted for 10.2%, while pension funds and insurance companies for 6.3%). Hedge funds have subscribed the 3.5% of the total amount issued. Also non-financial institutions (corporations) have taken part to the transaction with a residual share of 2.8%.

In terms of geographical residence of investors, the placement of the new 30-year BTP has been extremely diversified with the involvement of investors coming from more than 40 countries: foreign investors have been allotted for 70.9% of the issuance, while domestic ones have bought a

share of 29.1%. Among foreign investors, the participation of those from the UK has been relevant, as they have been allocated for 23.7% of the total issuance. The rest of the placement has been allotted mainly to investors from continental Europe, in particular Germany, Austria and Switzerland (16.7%), France (7%), the Iberian Peninsula (7.1%), Nordic countries (6.6%), and other European countries (2.6%). Outside Europe, a relevant share of 5.1% has been subscribed by investors from United States and Canada, while a residual share of 2.1% has been bought by Asian investors.

The transaction has been carried out through a syndicate structured with five lead managers, BNP Paribas, Deutsche Bank A.G., Monte dei Paschi di Siena Capital Services Banca per le Imprese S.p.A, JP Morgan Securities PLC and Nomura Int, while the remaining Specialists in Italian Government Bonds participated as co-lead managers.

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