



Ministero dell'Economia e delle Finanze

PRESS RELEASE

**BTP Futura: from 19th to 23rd of April the third issuance
to support the country's economic recovery post-Covid-19 and the vaccination campaign.
16-year maturity and two-tranche final bonus**

The Ministry of Economy and Finance (MEF) announces that the third issuance of the BTP Futura will be held from Monday, 19th of April to Friday, 23rd of April 2021 (until 1.00 p.m.), unless early closing.

In line with previous issuances in 2020, this placement will be aimed at financing the measures adopted by the government to support the economic recovery related to the Covid-19 pandemic crisis and the vaccination campaign. It will be exclusively targeted to individual investors and other persons similarly classified (the so-called *retail* market).

The bond will have a 16-year maturity.

As for previous BTP Futura issuances, the final bonus will be related to the country's economic growth during the life of the bond, but differently from previous issuances, it will be paid in two *tranches* and at different times.

Considering the longer maturity, investors who purchased the bond at issuance will receive, at the end of the eighth year, a first tranche of the final bonus for a minimum of 0.4% and a maximum of 1.2% of the invested capital, based on the average annual variation of the Italian nominal GDP over the first eight years. At final maturity, investors who purchased the bond during the placement period and hold it until that point, will receive the second tranche of final bonus, that will be made of two components: the first one is calculated on the basis of the average annual variation of the Italian nominal GDP over the first eight years, with a minimum of 0.6% and a maximum of 1.8% of the invested capital; the second one, with a guaranteed minimum of 1% and a maximum of 3% of the invested capital, will reflect the average annual variation of the Italian nominal GDP during the last eight years, hence from the ninth year of the bond's life until its final maturity.

In line with previous issuances, the BTP Futura will entail nominal semi-annual coupons set on the basis of a pre-set path of increasing rates over time (the so called “step-up” mechanism). In particular, the semi-annual coupons will be calculated on the basis of a fixed coupon rate for the first 4 years, that will increase for a first time for the next 4 years, a second time for the next 4 years and a third time for the last 4 years of the bond before its final maturity.

The series of guaranteed minimum coupon rates of this third BTP Futura issuance will be communicated on **Friday 16th of April 2021**, while the final coupon rates will be announced at the end of the placement period, on **Friday 23rd of April**, and in any case they will not be lower than the coupon rates initially set and communicated at the start of the placement period. Moreover, the coupon rate of the first 4 years will remain unchanged, while only the coupon rates of the following periods might be revised upwards at the end of the issuance, based on market conditions.

Moreover, the bond will be placed at par (price equal to 100 Euros) through MOT, the retail Borsa Italiana’s screen-based market for securities and government bonds, through the two dealers: Intesa Sanpaolo S.p.A. and UniCredit S.p.A.

The placement does not entail any cap or allotment hence guaranteeing the entirely satisfaction of the demand, except for the faculty of the MEF to close the issuance earlier. However, in order to guarantee a full participation from investors, the possible early closing will not take place before Wednesday 21st of April, thus guaranteeing to individual investors at least three full days of placement. In case of early closing at 5.30 p.m. of the third or fourth day of the placement, the definitive annual coupon rates will be set during the morning of the day after the closing of the placement.

Additionally, there are no fees to be borne by investors, while the taxation treatment is equal to 12.5 % as for all government securities. The Inheritance Tax does not apply (neither on the coupon nor on the final bonus). The bond can be purchased liaising with the contact person in the bank or at the post office where the investor has her/his securities account, or via home banking system having an on-line trading feature. For more information, the dedicated email box btpfutura@mef.gov.it, managed by the Department of the Treasury, is available again, until the bond settlement date.

Please note that all official communications, the FAQ, the Termsheet and the Technical note for market participants will be published on the website of the Ministry of Economy and Finance and on the website

of the Department of the Treasury in the Public Debt section (www.dt.mef.gov.it/debitopubblico), where there are also available the latest updated data related to the national debt management.

Rome, 29th of March 2021