



Ministero dell'Economia e delle Finanze

Ufficio Stampa

PRESS RELEASE

**From 8th to 12th of November the fourth BTP Futura issuance,
100% retail bond aimed at financing the country's growth.
12-year maturity and double bonus related to the nominal GDP**

The Ministry of Economy and Finance (MEF) announces the fourth issuance of the BTP Futura, the only government bond exclusively targeted to individual investors and other persons similarly classified (the so-called *retail* market). The proceeds of the bond will be aimed at financing the measures adopted during the year to support the economic recovery of the country.

In line with previous issuances, the bond can be purchased at bank and post office or via home banking system having an on-line trading feature, from **Monday, 8th of November** to **Friday, 12th of November 2021** (until 1.00 p.m.), unless early closing.

Differently from the last BTP Futura maturity of 16 years, this fourth BTP Futura will have a shorter maturity of 12 years. Like for the previous issuances, the bonus will be structured with two payments at different times, and it will be linked to the country's economic growth during the bond's life. At the end of the first eighth years, investors who purchased the bond at issuance will receive an intermediate bonus payment equal to the 40% of the average annual variation of the Italian nominal GDP over the first eight years of the bond's life, with a minimum of 0.4% and a maximum of 1.2% of the invested capital. After the following four years, hence at the bond's final maturity, investors who purchased the bond during the placement period and hold it until its final maturity seamlessly will receive a final bonus payment made of two components: the first one equal to the remaining 60% of the average annual variation of the Italian nominal GDP over the first eight years of the bond's life, with a minimum of 0.6% and a maximum of 1.8% of the invested capital; the second one equal to the 100% of the average annual variation of the Italian nominal GDP from the ninth year until the twelfth year of the bond's life, with a minimum of 1% and a maximum of 3% of the invested capital.

In line with previous issuances, the BTP Futura will pay nominal semi-annual coupons based on a pre-set path of increasing rates over time (the so called “step-up” mechanism), that for this issuance will have three steps. In detail, 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 following 4 years and a second time for the last 4 years of the bond before its final maturity.

The series of the three guaranteed minimum coupon rates of this fourth BTP Futura issuance will be communicated on **Friday 5th of November 2021**, and it might be revised upwards based on market conditions at the end of the issuance, on **Friday 12th of November 2021**. The coupon rate of the first 4 years will remain unchanged, while at the end of the issuance only the coupon rates of the following two steps might be revised upwards.

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 two dealers: Intesa Sanpaolo S.p.A. and UniCredit S.p.A. The minimum lot purchasable of each order is 1,000 Euros.

The placement does not entail any cap or allotment hence guaranteeing the entirely satisfaction of the overall 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 10th of November, 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 term sheet 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).

Rome, 15th of October 2021