



**PRESS RELEASE**

**BANCO BPM SUCCESSFULLY LAUNCHED THE ISSUE OF EURO 300 MILLION OF ADDITIONAL TIER 1 FOR INSTITUTIONAL INVESTORS ONLY**

*Milan, 12 April 2019* – Banco BPM S.p.A. communicates that it successfully launched its inaugural Additional Tier1 bond for a notional amount of 300 million euros, for institutional investors only.

The transaction is part of the bank's project to improve capital efficiency.

The AT1 Notes are perpetual and may be redeemed at the option of Banco BPM, in compliance with applicable regulations, on 18 June 2024 and, if not redeemed on such date, the option may be exercised every 5 years thereafter.

The non-cumulative semi-annual coupon has been set at 8.75%, compared to a first indicative price talk (IPT) of 8.875%, due to the positive responses from investors' orders. If the early redemption option envisaged for 18 June 2024 were not exercised, a new coupon at fixed rate will be determined by adding the original spread to the 5-year Euro Mid-Swap Rate at the reset date. Such new coupon shall remain fixed for the following 5 years until the next reset date. Payment of the coupon is fully discretionary and subject to certain limitations.

The investors who have participated in the deal are mainly asset managers (roughly 88% of the total); while the geographical distribution has been mainly international (67%, of which UK for approximately 40%) and Italian for 33%.

The AT1 Notes provide for a temporary principal write-down mechanism in case the CET1 ratio of the Bank (on a standalone basis) or of the Group is less than 5.125% (trigger event).

Barclays and Goldman Sachs are the Global Coordinators, and together with Banca Akros, BNP Paribas, JP Morgan and UniCredit, the Joint Bookrunners, of the Additional Tier 1 offering.

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