



PRESS RELEASE

BANCO BPM HAS SUCCESSFULLY LAUNCHED A TIER 2 BOND FOR EURO 500 MILLION TO INSTITUTIONAL INVESTORS ONLY

THE ISSUE WAS UNDERWRITTEN PREDOMINANTLY BY INTERNATIONAL INVESTORS

Milan, 7 September 2020 – Banco BPM S.p.A. has successfully launched a new Subordinated Tier 2 transaction, with a ten-year maturity, callable after five years, with a total principal amount of Euro 500 million.

The bond has been issued at par with a coupon of 5.0% for the first 5 years; if not called after 5 years, the coupon for the subsequent period until maturity will be reset on the basis of the 5-year swap rate, increased by a spread equal to 542 bps.

The bond, reserved to institutional investors, has been issued under the Banco BPM Euro Medium-Term Note Programme and, considering its subordinated status, has expected ratings of B1 (Moody's) and BB (DBRS).

The investors who have participated in the deal are mainly asset managers (roughly 63% of the total), banks (24%) and hedge funds (11%), while the geographical distribution sees the presence predominantly of international investors (of which: United Kingdom and Ireland at 31%, France at 10% and Switzerland at 6%) - as well as Italian investors (48%).

The transaction contributes to the further efficiency of the Bank's already robust capital position.

Banca Akros (issuer's related party^[1]), Barclays, Crédit Agricole, Goldman Sachs, Intesa Sanpaolo-Banca IMI, Morgan Stanley acted as Joint Bookrunners.

^[1] The transaction in question is configured as a related party transaction pursuant to Consob Regulation no. 17221 of 12 March 2010 and subsequent amendments (the "Consob RPT Regulation") and the related corporate regulations adopted by the Bank (the "Banco BPM Procedure", available on the website www.bancobpm.it, Corporate Governance section, Company documents) and it qualifies in particular as a "minor" and "intra-group" transaction - in consideration of the controlling interest held by Banco BPM SpA in Banca Akros S.p.A. - thus benefiting from the exemptions provided for in the Consob RPT Regulation and the Banco BPM procedure, having been noted that there are no significant interests of other related parties.

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