PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

16 January 2018

Banca Monte dei Paschi di Siena S.p.A.

Issue of €750,000,000 Fixed Rate Reset Callable Subordinated Notes due 18 January 2028

under the €50,000,000,000

Debt Issuance Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15 December 2017 and the supplement to it dated 29 December 2017 which together constitutes a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the registered office of the Issuer and has been published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained from the Agent at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

(1)	(i)	Series Number:	1-2018
	(ii)	Tranche	1
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable

(2)	Specified Currency or Currencies:		Euro (€)
(3)	Aggregate Nominal Amount:		
	(i)	Series:	€750,000,000
	(ii)	Tranche:	€750,000,000
(4)	Issue Price of Tranche:		100.00 per cent. of the Aggregate Nominal Amount
(5)	(i)	Specified Denominations:	€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000
	(ii)	Calculation Amount:	€1,000
(6)	(i)	Issue Date:	18 January 2018
	(ii)	Interest Commencement Date:	Issue Date
(7)	Maturity Date:		18 January 2028
(8)	Interest Basis:		5.375 per cent. to be reset on 18 January 2023 (see paragraph (14) below)
(9)	Redemption/Payment Basis:		100 per cent.
(10)	Change of Interest Basis:		Not Applicable
(11)	Put/Call Options:		Issuer Call Regulatory Call (see paragraphs (18) and (19) below)
(12)	(i)	Status of the Notes:	Subordinated Notes
	(ii)	Date of Board approval for issuance of Notes obtained:	9 March 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

(13)	Fixed Rate Note Provisions:		Not Applicable
(14)	Reset Note Provisions:		Applicable
	(a)	Initial Rate of Interest:	5.375 per cent. per annum payable in arrear on each Interest Payment Date
	(b)	First Margin:	+5.005 per cent. per annum
	(c)	Subsequent Margin:	Not Applicable
	(d)	Interest Payment Date(s):	18 January in each year up to and including the Maturity Date

	(e)	Fixed Coupon Amount up to (but excluding) the First Reset Date:	€53.75 per Calculation Amount
	(f)	Broken Amount(s):	Not Applicable
	(g)	First Reset Date:	18 January 2023
	(h)	Second Reset Date:	Not Applicable
	(i)	Subsequent Reset Date(s):	Not Applicable
	(j)	Relevant Screen Page:	Bloomberg screen ICAE01
	(k)	Mid-Swap Rate:	Single Mid-Swap Rate
	(l)	Mid-Swap Maturity	5 years
	(m)	Day Count Fraction:	Actual/Actual ICMA
	(n)	Determination Dates:	18 January in each year
	(o)	Business Centre(s):	TARGET2
	(p)	Calculation Agent:	the Agent
(15)	Floating Rate Note Provisions:		Not Applicable
(16)	Zero Coupon Note Provisions:		Not Applicable

PROVISIONS RELATING TO REDEMPTION

(17)	Notice periods for Condition 5:		Minimum period: 10 days Maximum period: 90 days
(18)	Issuer Call:		Applicable
	(i)	Optional Redemption Date(s):	18 January 2023
	(ii)	Optional Redemption Amount: amount(s):	€1,000 per Calculation Amount
	(iii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	Not Applicable
		(b) Maximum Redemption Amount:	Not Applicable
(19)	Regulatory Call:		Applicable
	(i)	Early Redemption Amount of	€1,000 per Calculation Amount

Nl

	each Note payable on redemption for regulatory reasons as contemplated by Condition 5(d) and/or the method of calculating the same (if required or if different from that set out in Condition 5(f)):	
(20)	Issuer Call due to MREL Disqualification Event	Not Applicable
(21)	Final Redemption Amount:	€1,000 per Calculation Amount
(22)	Early Redemption Amount payable on redemption for taxation reasons or on event of default:	€1,000 per Calculation Amount See also paragraph (19) (Regulatory Call)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

(23)	Form of Notes:	
	(i) Form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event
	(ii) New Global Note:	Yes
(24)	Additional Financial Centre(s):	Not Applicable
(25)	Talons for future Coupons to be attached to Definitive Notes:	No

Signed on behalf of Banca Monte dei Paschi di Siena S.p.A.:

By: ....

Duly authorised

AREA FINANZA TESORERIA CAPITAL MNGM
Il Responsabile
Aleardo Adotti

PART B – OTHER INFORMATION

(1) LISTING AND ADMISSION TO TRADING

(i) Listing and admission to trading:	Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Luxembourg Stock Exchange's regulated market and listed on the Official List of the Luxembourg Stock Exchange with effect from 18 January 2018.
(ii) Estimate of total expenses related to admission to trading:	€6,900

(2) RATINGS

Ratings:	The Notes to be issued have been rated: Caa2 by Moody's Investors Service Ltd (**Moody's**); and CCC+ by Fitch Italia S.p.A. (**Fitch**). Each of Moody's and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**").

(3) INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

(4) YIELD (Fixed Rate Notes only)

Indication of yield:	5.375 per cent. The above yield is not an indication of future yield.

(5) OPERATIONAL INFORMATION

(i) ISIN:	XS1752894292
(ii) Common Code:	175289429
(iii) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s):	Not Applicable
(iv) Delivery:	Delivery against payment

Np

(v)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(vi)	Intended to be held in a manner which would allow Eurosystem eligibility:	No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

(6) DISTRIBUTION

(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers:	*Global Coordinators and Joint Bookrunners* Goldman Sachs International Mediobanca Banca di Credito Finanziario S.p.A. *Joint Bookrunners* Barclays Bank PLC J.P. Morgan Securities plc Merrill Lynch International MPS Capital Services Banca per le Imprese S.p.A. UBS Limited
(iii)	Date of Subscription Agreement:	16 January 2018
(iv)	Stabilisation Manager(s) (if any):	Goldman Sachs International
(v)	If non-syndicated, name of relevant Dealer:	Not Applicable
(vi)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vii)	Prohibition of Sales to EEA Retail Investors:	Applicable