

PRESS RELEASE

**BANCA MPS ISSUES A EUR 400 MILLION SUBORDINATED BOND
AND COMPLETES THE TIER 2 ISSUANCE PROGRAMME SET BY
COMMITMENT WITH THE EUROPEAN COMMISSION**

Further, important step forward in executing the Restructuring Plan

Siena, 15 January 2020 - Banca Monte dei Paschi di Siena announces that it has successfully completed the placement of a fixed-rate Tier 2 subordinated bond, with a 10-year maturity (callable after 5 years from the issue date at the issuer's discretion, subject to regulatory approval), reserved to institutional investors, with a EUR 400 million size at an 8% annual yield.

The deal completes the issuance programme for this type of instrument set by a specific commitment with the European Commission and represents a further and important step forward in the execution of the Bank's Restructuring Plan. The issue was met by an excellent market response, with a final order-book exceeding EUR 900 million from more than 100 investors.

The bond was placed across various institutional investor categories, comprising Asset Managers (86%), Banks/Private Banks (11%) Hedge Funds (2%) and others (1%). The geographical breakdown was the following: United Kingdom and Ireland (55%), Italy (28%), Switzerland (7%), France (5%) other countries (5%).

The bond, documented under BMPS' Debt Issuance Programme, with expected Caa1 (Moody's) / CCC+ (Fitch) / B (low) (DBRS) ratings, will be listed on the Luxembourg Stock Exchange.

Banca IMI, Barclays, BofA Securities, Goldman Sachs, MPS Capital Services and Natwest Markets managed the placement acting as Joint Bookrunners.

This press release is available on www.gruppomps.it

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