PRESS RELEASE

EURO 750 MILLION 10-YEAR COVERED BOND COMPLETED SUCCESSFULLY

Milan, 1st June – Banca Popolare di Milano has successfully placed a 7-years covered bond for Euro 750 million with institutional investors as part of its Euro 10 billion Guaranteed Bank Bond Programme (OBG2).

This public covered bond issue is the first one placed by BPM on the market in 2016 and follows last year’s previous placements executed in September and November, which respectively had seven and ten years maturity.

The issue has a yield equal to 7 years mid-swap rate + 46 basis points, while the coupon rate is 0.625%. The final maturity date will be 8th June 2023.

The most relevant allocations were on the foreign markets for about 63% and the remainder 37% was placed with domestic investors.

The placement was handled by Banca Akros, Barclays, BNP Paribas, Citigroup and Commerzbank on behalf of Banca Popolare di Milano.

The funds raised will help maintain the commitment already made by BPM in the development of new loans for corporate and new retail mortgages for Italian households.

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