

EXECUTION VERSION

FINAL TERMS

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2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, “**IMD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the “**Prospectus Directive**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, 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.

20 January 2020

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

Legal entity identifier (LED): J4CP7MHCXR8DAQMKIL78

Issue of €400,000,000 8.000 per cent. Reset Callable Subordinated Notes due 22 January 2030

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 8 March 2019 and the supplements to it dated 15 April 2019, 31 May 2019, 2 July 2019, 6 September 2019, 25 November 2019 and 14 January 2020 which together constitute 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 – 2020

- | | | |
|-------|--|--|
| (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: | €400,000,000 |
| | (ii) Tranche: | €400,000,000 |
| (4) | Issue Price of Tranche: | 100 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: | 22 January 2020 |
| | (ii) Interest Commencement Date: | Issue Date |
| (7) | Maturity Date: | 22 January 2030 |
| (8) | Interest Basis: | 8.000 per cent. to be reset on 22 January 2025
(see paragraph (14) below) |
| (9) | Redemption/Payment Basis: | 100 per cent. |
| (10) | Change of Interest Basis: | See paragraph 14 below |
| (11) | Put/Call Options: | Regulatory Call
Issuer 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: | 18 April 2019 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|------|---|---|
| (13) | Fixed Rate Note Provisions: | Not Applicable |
| (14) | Reset Note Provisions: | Applicable |
| | (i) Initial Rate of Interest: | 8.000 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) First Margin: | 8.149 per cent. per annum |
| | (iii) Subsequent Margin: | Not Applicable |
| | (iv) Interest Payment Date(s): | 22 January in each year, commencing on 22 January 2021, up to and including the Maturity Date |
| | (v) Fixed Coupon Amount up to (but excluding) the First Reset Date: | €80.00 per Calculation Amount |

- (vi) Broken Amount(s): Not Applicable
- (vii) First Reset Date: 22 January 2025
- (viii) Second Reset Date: Not Applicable
- (ix) Subsequent Reset Date(s): Not Applicable
- (x) Relevant Screen Page: Bloomberg screen ICAE01
- (xi) Mid-Swap Rate: Single Mid-Swap Rate
- (xii) Mid-Swap Maturity: 5 years
- (xiii) Day Count Fraction: Actual/Actual ICMA
- (xiv) Determination Dates: 22 January in each year
- (xv) Business Centre(s): London and TARGET2
- (xvi) 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): 22 January 2025
 - (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 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)): €1,000 per Calculation Amount
- (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: €1,000 per Calculation Amount


default:

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
- (26) Substitution or Variation of Notes: Applicable only in order to ensure the effectiveness and enforceability of Condition 17 (*Statutory Loss Absorption Powers*)
- (i) Notice period: Minimum Period: 30 days
Maximum Period: 90 days

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

By: 
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Duly authorised

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 the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: €5,900

(2) RATINGS

Ratings: The Notes to be issued have been rated:

B (low) by DBRS Ratings GmbH (“**DBRS**”)

CCC+ by Fitch Italia Società Italiana per il Rating S.p.A. (“**Fitch**”)

Caal by Moody's France SAS (“**Moody's**”)

Each of DBRS, Fitch and Moody's 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: 8.000 per cent.

(5) OPERATIONAL INFORMATION

- (i) ISIN: XS2106849727
- (ii) Common Code: 210684972
- (iii) CFI: DTFXFB, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (iv) FISN: BANCA MONTE DEI/1EMTN 20300122 SUB, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively

sourced from the responsible National Numbering Agency that assigned the ISIN

- (v) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times 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: Banca IMI S.p.A.
Barclays Bank PLC
Goldman Sachs International
Merrill Lynch International
MPS Capital Services Banca per le Imprese S.p.A.
NatWest Markets Plc
- (iii) Date of Subscription Agreement: 20 January 2020
- (iv) Stabilisation Manager(s) (if any): Not Applicable
- (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