

PRESS RELEASE

**SUCCESSFUL COMPLETION OF THE OFFERING OF EURO 1.25 BILLION
BOND GUARANTEED BY THE ITALIAN GOVERNMENT**

Vicenza, 20 February 2017 – Banca Popolare di Vicenza has successfully completed today the offering to institutional investors of a Euro 1.25 billion Italian-State-guaranteed bond. The offer, managed by Banca IMI and Morgan Stanley, met a wide market participation, building up an order book of roughly Euro 2.2 billion, that allowed for the final spread to be set at +58 basis points above the yield of the BTP with the same maturity, thus below the initial guidance of +65 basis points. The coupon rate is 0.5%, the maturity date is 3 February 2020. The note's rating is in line with that of the Italian Republic, namely BBB *high* (stable) by DBRS and BBB+ by Fitch.

The keen interest was also reflected by the number of investors engaged in the transaction (more than 70, most of which foreigners), given also that it is the first public offering completed by an Italian bank involving the securities backed by a State guarantee.

Note that the offered bond is part of the State-guaranteed issuance that had been carried out and fully subscribed by the Bank on 2 February last, totaling nominal Euro 3 billion pursuant to L.D. 237/2016.

The remaining Euro 1.75 billion State-guaranteed bond tranche is currently being used as collateral for financing transactions.

The proceeds raised from these transactions will help diversify the Group's funding sources and stabilize the long-term liquidity position management.

This press release, prepared pursuant to art. 17 of Regulation (EU) no. 596/2014 of 16 April 2014, is available on the website www.popolarevicenza.it, and has also been published on the website of the authorized central storage mechanism "1Info" at www.1Info.it.

Banca Popolare di Vicenza

Gruppo Banca Popolare di Vicenza, founded in Vicenza in 1866 – the first Popolare Bank in Veneto – today ranks eleventh among Italian banks based on total asset, with a market share of 1.7% by number of branches. The Group's distribution network relies on roughly 550 points of sale (including branches, financial shops and private banking centers) strewn throughout 16 Italian regions, with a strong franchise in Veneto and in the entire North-East area and a customer base primarily represented by retail customers, self-employed professionals and small and medium-sized enterprises.

Banca Popolare di Vicenza (www.popolarevicenza.it) is also on Twitter: sign in at <http://twitter.com/popolarevicenza> to be informed of all group initiatives, news and events.



**Banca
Popolare di Vicenza**

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