

TERNA: SUCCESSFUL LAUNCH OF A 10-YEAR BOND ISSUE FOR € 500 MILLION

Rome, 18 September 2020 – TERNA S.p.A. today successfully launched a bond issue for € 500 million addressed to institutional investors.

The issue, which received a great market response with demand outstripping supply by more than 3 times the offered amount, was made as part of its € 8,000,000,000 Euro Medium Term Notes (EMTN) Programme, which has been rated “BBB+” by Standard and Poor’s, “(P)Baa2” by Moody’s, “BBB+” by Fitch and “A-” by Scope.

The bond has a duration of 10 years and maturity on 25 September 2030, will pay a coupon of 0.375%, the lowest for an Italian corporate bond with same duration, and will be issued at a price of 99.502, with a spread of 65 basis points over the midswap and an indicative spread of approximately 50 bps lower than the Italian BTP having same maturity. The effective cost for Terna of such issuance is, therefore, equal to 0.426% compared to the average cost of the consolidated net debt equal to 1.4% over the Strategic Plan period. An application will be made for the bond to be listed on the Luxembourg Stock Exchange.

The operation, to support the acceleration of investments in the Italian high voltage electricity grid, is part of Terna’s financial strategy, aiming for the maximum efficiency and proactive debt management aimed at seizing all the opportunities offered by the capital market.

The bond issue was placed by a syndicate of banks formed by Bnp Paribas, BofA, Goldman Sachs, Imi-Intesa Sanpaolo, Morgan Stanley, Smbc Nikko, Société Générale e UniCredit acting as joint lead managers and joint bookrunners.

This Press Release (the “Press Release”) (including the information contained therein) neither constitutes nor is part of an offer of sale or an invitation to buy Securities issued by the company. No action has been taken nor will be taken by the Company with the aim of allowing an offer of sale or an invitation to buy Bonds

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The documentation relating to the issuance of the Notes is not and will not be submitted to CONSOB (the Italian Securities Exchange Commission) pursuant to the applicable laws. Therefore, the Notes may not be offered, sold or distributed to the public in the territory of the Republic of Italy, other than to qualified investors, as defined by Article 2(1)(e) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation"), by Article 35(1)(d) of CONSOB Regulation No. 20307 of 15 February 2018, pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 (the "Consolidated Finance Act"), as amended, and pursuant to Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999 (the "Issuers Regulation"), as amended from time to time, or in the other circumstances set forth under Article 100 of the Consolidated Finance Act, the "Prospectus Regulation", or the Issuers' Regulation or the Prospectus Regulation, in any case in compliance with laws and regulations or requirements imposed by CONSOB or other Italian Authority.