

PRESS RELEASE

**RESTRUCTURING OF THE CHIANTI CLASSICO DEAL:
BANCA MPS REPURCHASES PGPI 2010 EQUITY INSTRUMENTS**

Siena 24 December 2013 – Banca Monte dei Paschi di Siena S.p.A. (hereinafter “the **Bank**”) announces that it has completed activities for the buyback in full of the PGPI 2010 equity financial instruments and related Class Z Notes issued under the Casaforte Securitisation for a value of approximately EUR 70 mln. The transactions are part of the activities planned for restructuring of the *Chianti Classico* deal (the “**Restructuring**”) in the Bank’s Restructuring Plan, approved by the Board of Directors on 7 October 2013 and subsequently by the European Commission on 27 November 2013, which had contributed approximately EUR 405 mln to the consolidated net profit as at 31 December 2010.

Restructuring entails the consolidation of vehicle companies *Perimetro Gestione Proprietà Immobiliari S.c.p.A.* (“**Perimetro**”) and *Casaforte S.r.l.* (“**Casaforte**”) and, therefore, consolidation of a real estate portfolio consisting of 683 properties used in the bank’s banking activities and Asset-Backed securities (ABS) issued by Casaforte.

Overall, the Restructuring delivers consolidated economic and operating benefits in both the short- and long- term. More specifically, it ensures:

- improved profitability with a positive P&L impact, in terms of net profit, of approximately EUR 40 mln for the first post-restructuring reporting period and gradually increasing thereafter. The improvement is largely arising from the replacement of administrative expenses on lease payments with depreciation of properties, after tax;
- recovery, over time, of property rights on real estate owned by Perimetro, with further related economic and operating benefits.

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The consolidated capital requirement generated by the transaction has been estimated to stand in the region of 45-55 bps owing to the combined effect from the reduction in Common Equity Tier I and increase in Risk Weighted Assets for consolidation of real estate under fully-loaded Basel 3. Given the expected trend in profitability connected with the Restructuring, the emerging capital shortfall would be plugged over a time horizon of 8 to 10 years. The indicated impacts are estimated on the basis of real estate fair value as at 31 December 2011, taking account of revenues generated from lease agreements entered into by companies of the MPS Group with Perimetro for a term of 24 years, which remain unaffected by the deal restructuring plan.

An estimate of the transaction impacts has already been included in the Bank's Restructuring Plan.

Moreover, being the MPS Group no longer bound to hold no more than 10% of the Class A notes issued in total under the Casaforte securitisation, Banca MPS announces that, through subsidiary MPS Capital Services S.p.A., it has terminated the liquidity support agreement it had entered into with Banca IMI for the afore-mentioned Class A notes.

Restructuring of the deal under the described conditions does not alter the terms and rights envisaged for Casaforte ABS holders at the time of issuance.

This press release will be available at www.mps.it

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