

PRESS RELEASE

Disclosure pursuant to art. 114, paragraph 5, of Legislative Decree no. 58/1998 - "Banca Monte dei Paschi di Siena S.p.A." 2011/ 2017 "TassoMisto Cap&Floor BancoPosta, Series 4" bonds

Siena, 5 December 2012 - Banca Monte dei Paschi di Siena S.p.A. (hereinafter "**BMps**") as issuer pursuant to and by effect of Consob communication no. DEM/DME/9053316 of 8 June 2009, in compliance with art. 114, paragraph 5, Legislative Decree no. 58/1998, under the terms set out in Section III, Title II, Paragraph I of Consob resolution no. 11971 of 14 May 1999 and following amendments, announces that

WHEREAS

1. BMps issued and Poste Italiane S.p.A. – sole shareholder company – Patrimonio BancoPosta (hereinafter "**Poste Italiane S.p.A.**") placed the «**Banca Monte dei Paschi di Siena S.p.A. 2011/2017 "TassoMisto Cap&Floor BancoPosta, Series 4" bonds**, ISIN code IT0004761356 (hereinafter the "**Bonds**")
2. Poste Italiane S.p.A. signed a placement agreement with BMps backed by a liquidity provider agreement and repurchase obligations for the issuer;
3. the intermediaries providing liquidity support are the counterparties who have entered into bond swap agreements with BMps (hereinafter the "**Price Makers**")
4. Poste Italiane S.p.A. selects, from among them, one or more intermediaries to act as Price Makers by way of a repurchase agreement with the issuer under which the latter has undertaken to repurchase -also through Monte Paschi Group's MPS Capital Services S.p.A. (hereinafter "**MPSCS**"), as party delegated by the issuer to comply with the repurchase obligations - up to 14% of the amount of Bonds placed (hereinafter the "**Maximum Repurchasable Amount**") at a price reflecting, in terms of interest rate spreads, the creditworthiness of the issuer at the time of issuance (hereinafter the "**at-issue spread Price Makers**");
5. other intermediaries, on the recommendation of Poste Italiane S.p.A., may quote bid prices based on market rates (hereinafter "**at market-rate Price Makers**");
6. the *at-issue spread Price Makers* shall purchase the Bonds on the market under the price terms set forth in the mandate conferred to them by Poste Italiane S.p.A. for up to the aforementioned percentage in those cases where:

(a) the issuer's creditworthiness deteriorates with respect to the Bond issuance date; or

(b) the issuer's creditworthiness does not deteriorate with respect to the Bond issuance date but the price quoted by the at-market rate Price Makers is lower than that quoted by the *at-issue spread Price Makers*;

7. during the life of the Bonds, Poste Italiane S.p.A. may have each Price Maker replaced or supplemented with one or more Price Makers, on a best quote basis;
8. on 26 January 2012, access to trading by MPSCS as *at-issue spread Price Maker* on the *Mercato Telematico delle Obbligazioni* (MOT, Electronic Government Bonds and Securities Market) was disclosed to the market; and
9. on 24 July 2012, disclosure was given to the market that the 25% threshold of the Maximum Repurchasable Amount had been reached on 20 July 2012, at a price reflecting, in terms of interest rate spreads, BMps' creditworthiness at the time of issuance;

THEREFORE

- as at 04 December 2012, MPSCS is the *at-issue spread Price Maker* on the *Mercato Telematico delle Obbligazioni* (MOT), and bonds have been purchased for an amount of Euro 31,371,000, at a price reflecting, in terms of interest rate spreads, BMps' creditworthiness at the time of issuance.

The purchased amount accounts for 50.14% of the Maximum Repurchasable Amount - corresponding to EURO 62,570,480- at a price reflecting, in terms of interest rate spreads, BMps' creditworthiness at the time of issuance.

As at 04 December 2012, the value of BMps 5-year¹ CDS (*Credit Default Swap*)² is 476 bps; this same indicator was 421 bps at Bond issuance date.

BMps, or persons specifically appointed by BMps, shall inform the market when, as a result of purchases by the at-issue spread Price Makers, the thresholds of 75% and 100% of the Maximum amount of bonds repurchasable at the aforementioned price terms are reached.

Once the *at-issue spread Price Makers* reach a level of repurchase corresponding to the **Maximum amount of bonds purchasable** at the aforementioned price terms, the purchase price quoted by the *Price Makers* on the listing or trading market shall reflect all

¹ The 5-year CDS rate was quoted on Bloomberg WCDS page..

² The *Credit Default Swap* (CDS) is an indicator of the issuer's degree of solvency as expressed by the market and consists in a swap hedging the issuer's risk of default.



market conditions, including the creditworthiness of the issuer at that time, and may be lower than the at-issue spread price.

For further information on the bonds issued, please read the prospectus available on the websites of the Italian Stock Exchange www.borsaitaliana.it and of the issuer www.mps.it.