

## 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 3" bonds**

*Siena, 22 December 2011* - 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. – company with sole shareholder – 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 3" bonds, ISIN Code IT0004739576** (hereinafter the "**Bonds**");
2. Poste Italiane S.p.A. signed a placement agreement with Banca Monte dei Paschi di Siena S.p.A. backed by a support liquidity provider agreement and repurchase obligations for the issuer;
3. intermediaries providing support liquidity are the counterparties who entered into bond *swap* agreements with BMps (hereinafter the "**Price Makers**");
4. Poste Italiane S.p.A. shall select 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, as party delegated by the issuer to comply with the repurchase obligations, undertakes to repurchase -also through MPS Capital Services S.p.A. (hereinafter "**MPSCS**"), a company belonging to the Montepaschi Group- up to 14% of the amount of Bonds placed, at a price reflecting, in terms of interest rate spreads, the creditworthiness of the issuer at the time of issuance (hereinafter "**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 the one formulated by the at-issue spread Price Makers;

7. during the life of the Bonds, Poste Italiane S.p.A. may replace each Price Maker, or add one or more, based on the best quote received.

## THEREFORE

as of 22 December 2011, MPSCS, which has been selected by Poste Italiane S.p.A. among the issuer's swap counterparties, shall trade on the MOT as at-issue spread Price Maker.

As at 21 December 2011 the value of the 5-year<sup>1</sup> BMps Credit Default Swaps (CDS)<sup>2</sup> stood at 584 bps; this same indicator at the Bond issuance date was 524 bps.

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 25%, 50%, 75% and 100% of the maximum amount of Bonds purchasable 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 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 refer to the prospectus available on the websites of the Italian Stock Exchange [www.borsaitaliana.it](http://www.borsaitaliana.it) and of the issuer [www.mps.it](http://www.mps.it).

---

<sup>1</sup> The 5-year CDS rate was quoted on Bloomberg WCDS page.

<sup>2</sup> A *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.