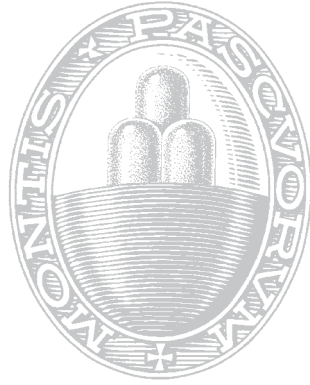


Pillar 3 Disclosure

Update as at
30 June 2013



**MONTE
DEI PASCHI
DI SIENA**
BANK SINCE 1472



Pillar 3 Disclosure

Update as at
30 June 2013

**Banca Monte dei Paschi di Siena SpA**

Company Head office in Siena, Piazza Salimbeni 3, www.mps.it

Registered with the Companies Register of Siena – registration number, tax code and VAT number: 00884060526

Parent Company of the Monte dei Paschi di Siena Banking Group - code Bank and code group 1030.6

Included in the National Register of Banks No. 5274

Member of the Italian Interbank Deposit Protection Fund



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Introduction

The existing prudential supervisory framework, commonly referred to as “Basel 2”, was developed by the Basel Committee and transposed into European Union Directives 2006/48 and 2006/49. The European Union’s legislative package known as “CRD IV”, covering capital requirements for banks, was published on 27 June 2013. In particular, the package includes Regulation (EU) no. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) no. 648/2012, and Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

The Basel 2 framework is based on three mutually underpinning concepts (so called “Pillars”). More specifically, Pillar 3 was designed on the notion that Market Discipline can be harnessed to reinforce capital regulation and therefore promote stability and soundness in banks and financial systems.

The purpose of Pillar 3 therefore is to complement the operation of minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2) by developing a set of disclosure recommendations and requirements which will allow market participants to assess key, fully comprehensive and reli-

able information on capital adequacy, risk exposures and risk identification assessment and management processes.

In Italy, Pillar 3 disclosure is pursuant to Title IV, Chapter 1 of Bank of Italy Circular no. 263 of 27.12.2006 (“New Regulations for the Prudential Supervision of Banks”, hereafter “Circular”). Under the Circular, banks that are authorized to use internal methodologies in their assessment of capital requirements for credit or operational risk – as is the case with the Montepaschi Group – are required to publish a quarterly report setting out the specific criteria and methodologies adopted. In compliance with this requirement, the current publication provides a report on quantitative data as at 30 June 2013. For qualitative information please refer to the already-published annual report as at 31 December 2012. Considering the time mismatch between publication requirements for Pillar 3 Public Disclosure and the corresponding consolidated Supervisory report, some of the values contained herein may still be subject to further modification. The disclosure is prepared at consolidated level by the Parent Company.

Unless otherwise indicated, all the amounts in this report are stated in TEUR (thousands of Euro).

The Montepaschi Group regularly publishes its Pillar 3 disclosure on its website at:

www.mps.it/Investor+Relations.



Table 2 - Scope of application

Quantitative disclosure

The following table reports all entities as at 30.06.2013.
included in the scope of consolidation

Table 2.1 - Scope of consolidation as at 30.06.2013

	Registered office	Sector	Shareholding %	Type of relationship (a)	% voting rights (b)	Treatment in the Balance Sheet	Treatment for Supervisory purposes
AIACE REOCO S.r.l.	Siena	Real estate	100.00	1	100.00	Full	Full
ANTONVENETA CAPITAL LLC I	Delaware	Financial vehicle	100.00	1	100.00	Full	Full
ANTONVENETA CAPITAL LLC II	Delaware	Financial vehicle	100.00	1	100.00	Full	Full
ANTONVENETA CAPITAL TRUST I	Delaware	Financial vehicle	100.00	1	100.00	Full	Full
ANTONVENETA CAPITAL TRUST II	Delaware	Financial vehicle	100.00	1	100.00	Full	Full
BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Siena	Banking				Full	Full
BANCA MONTE PASCHI BELGIO S.A.	Bruxelles	Banking	100.00	1	100.00	Full	Full
CIRENE FINANCE S.r.l	Conegliano	Special purpose vehicle	60.00	1	60.00	Full	Full
CONSORZIO OPERATIVO GRUPPO MPS	Siena	IT and Information services	99.94	1	99.94	Full	Full
CONSUM.IT S.p.a	Firenze	Consumer credit	100.00	1	100.00	Full	Full
ENEA REOCO S.r.l.	Siena	Real estate	100.00	1	100.00	Full	Full
G.IMM.ASTOR S.r.l	Lecce	Real estate renting	52.00	1	52.00	Full	Full
IMMOBILIARE VICTOR HUGO S.C.I.	Parigi	Real estate	100.00	1	100.00	Full	Full
INTEGRA S.p.a.	Firenze	Consumer credit	50.00	7	50.00	Proportional	Proportional
MAGAZZINI GENERALI FIDUCIARI MANTOVA S.p.a	Mantova	Deposit and custody warehouses (for third parties)	100.00	1	100.00	Full	Full
MONTE PASCHI BANQUE S.A.	Parigi	Banking	100.00	1	100.00	Full	Full
MONTE PASCHI CONSEIL FRANCE SOCIETE PAR ACTIONS SEMPLIFIEE	Parigi	Financial Intermediary	100.00	1	100.00	Full	Full
MONTE PASCHI FIDUCIARIA S.p.a	Siena	Trust Company	100.00	1	100.00	Full	Full
MONTE PASCHI IRELAND LTD	Dublino	Financial activity	100.00	1	100.00	Full	Full
MONTEPASCHI LUXEMBOURG S.A.	Bruxelles	Financial vehicle	100.00	1	100.00	Full	Full



Table 2.1 – Scope of consolidation as at 30.06.2013 (continued)

	Registered office	Sector	Shareholding %	Type of relationship (a)	% voting rights (b)	Treatment in the Balance Sheet	Treatment for Supervisory purposes
MPS CAPITAL SERVICE BANCA PER LE IMPRESE S.p.a	Firenze	Banking	99.92	1	99.92	Full	Full
MPS COVERED BOND S.r.l	Conegliano	Special purpose vehicle	90.00	1	90.00	Full	Full
MPS COVERED BOND 2 S.r.l	Conegliano	Special purpose vehicle	90.00	1	90.00	Full	Full
MPS IMMOBILIARE S.p.a	Siena	Real estate	100.00	1	100.00	Full	Full
MPS LEASING E FACTORING S.p.a.	Siena	Leasing e factoring	100.00	1	100.00	Full	Full
MPS PREFERRED CAPITAL I LLC	Delaware	Financial vehicle	100.00	1	100.00	Full	Full
MPS PREFERRED CAPITAL II LLC	Delaware	Financial vehicle	100.00	1	100.00	Full	Full
MPS TENIMENTI POGGIO BONELLI e CHIGI SARACINI SOCIETÀ AGRICOLA S.p.a	Siena	Wine industry	100.00	1	100.00	Full	Consolidate at equity

- a) *Type of relationship:*
1 majority of voting rights at ordinary shareholders' meetings
2 dominant influence at ordinary shareholders' meetings
3 agreements with other shareholders
4 other forms of control
5 unified management under art. 26.1 of Decree 87/92
6 unified management under art. 26.2 of Decree 87/92
7 joint control
- (b) *Actual voting rights in ordinary shareholders' meetings.*



Table 3 – Regulatory capital structure

Quantitative disclosure

Table 3.1 - Breakdown of regulatory capital

	jun-13	dec-12
Total Tier 1 positive items	13,229,616	14,162,029
Total Tier 1 negative items	-1,881,667	-4,545,450
Total items to be deducted	-1,078,382	-775,210
Tier 1 capital (Tier 1)	10,269,567	8,841,370
Total Tier 2 positive items	5,295,954	5,324,651
Total Tier 2 negative items	-100,385	-103,414
Total items to be deducted	-1,078,382	-775,210
Tier 2 capital (Tier 2)	4,117,187	4,446,027
Items to be deducted from Tier 1 and Tier 2 capital	-	-563,560
Regulatory Capital	14,386,754	12,723,837
Tier 3 capital (Tier 3)	-	-
Regulatory Capital inclusive of Tier 3	14,386,754	12,723,837

Regulatory capital was determined on the basis of the calculation criteria set forth by the Basel 2 Accord for banks that apply internal models for the determination of capital requirements for credit and operational risks (respectively AIRB and AMA approaches for portfolios and legal entities in scope of validation). Comparative data as at 31 December 2012 reported in this document differs from data published in the Pillar 3 Disclosure to the Public as at 31 December because the Bank was requested by the Supervisory Authority on 7 May 2013 to implement a retrospective change to Tier 1, which reduced it by EUR 76 mln. The change refers to the regulatory treatment Fresh 2008. At 30 June 2013, Regulatory Capital (inclusive of Tier 3) increased by approximately EUR 1,663 mln (+13,1%), totalling EUR 14,387 mln as compared to EUR 12,724 mln as at the end of 2012. The increase in Regulatory Capital is essentially attributable to Core Capital (Tier 1), which was up EUR 1,428 mln di Euro (+16,1%). The latter is linked to the issuance of New Financial In-



struments (NFIs) which, net of Tremonti Bonds (EUR 1,900 mln), contributed additional capital of EUR 2,171 mln. Tier 1 was instead reduced by: loss for the period (-EUR 379.9 mln), increased deductions on the surplus of expected losses over total impairment provisions (-EUR 23.2 mln) and higher deductions (-EUR 273.8 mln) on shareholdings in insurance companies, due to the expiry of transitional regulations which allowed for their overall deduction from total regulatory capital rather than 50% from Tier 1 and 50% from Tier 2. The EUR 328,8 mln reduction in Tier 2, totalling EUR a 4,117 mln vs. EUR 4,446 mln as at the end of 2012, is due to the increases in deductions on shareholdings in insurance compagnie (-EUR 273.8 mln) and to the reduction of valuation reserve (-EUR 51.1 mln). As previously explained, items deductible from Tier 1 and Tier 2, were zeroed after the expiry of transitional regulations which allowed for the deduction of insurance shareholdings purchased prior to 20/07/2006 from total Tier 1 and Tier 2 capital (see Title 1, Chapter 2 of Circ. 263/2006 are still applicable). As of 1 January 2013, these elements were deducted, 50% from Tier 1 and 50% from Tier 2.

It is noted that, under the measures set

forth by the Bank of Italy on 18 May 2010 regarding prudential filters for regulatory capital, the Group opted for the symmetrical treatment of revaluation reserves relating to debt securities issued by the Central Governments of EU countries held in the "Available for Sale" portfolio. Consequently, with regard to these securities, the impact of variations in AFS reserves upon regulatory capital as of 1 January 2010, amounting to approximately EUR 2,105.7 mln, has been completely sterilized.



Table 3.1.1 - Breakdown of Tier 1 and Tier 2 Capital

	jun-13	dec-12
Share capital	7,296,178	7,296,181
Share premium	211	255,311
Reserves	1,185,452	4,091,074
Innovative and held-to-maturity non-innovative capital instruments	401,884	401,684
Innovative capital instruments	217,779	217,780
Grandfathered instruments	-	-
Profit for the period	-	-
Prudential filters: decreases in Tier 1 capital	4,128,110	1,900,000
Total Tier 1 positive items	13,229,616	14,162,029
Treasury shares	-24,532	-24,532
Goodwill	-728,245	-728,255
Other intangible assets	-460,113	-465,628
Loss for the period	-379,892	-3,191,919
Other negative items	-64,360	-
Prudential filters: decreases in Tier 1 capital	-224,524	-135,116
Total Tier 1 negative items	-1,881,667	-4,545,450
Shareholdings in credit and financial institutions with a share of $\geq 20\%$ of the equity of the investee	-98,034	-98,035
Shareholdings in credit and financial institutions with a share of $> 10\%$ but $< 20\%$ of the equity of the investee	-31,241	-25,099
Shareholdings in credit and financial institutions with a share of $\leq 10\%$ of the equity of the investee	-	-
Shareholdings in insurance companies	-313,087	-39,294
Surplus of expected losses in respect of related write-downs	-636,019	-612,782
Total items to be deducted	-1,078,382	-775,210
Total Tier 1 capital	10,269,567	8,841,370

(*) On 28 February 2013, the issuance of New Financial Instruments was completed, as provided for by articles 23-sexies of Law Decree no. 95 of 6 July 2012, converted, with amendments, into Law no. 135 of 7 August 2012, as subsequently amended. In particular, the Ministry of Economy and Finance subscribed to the New Financial Instruments issued by the Bank for a total of EUR 4,071 mln, of which EUR 1,900 mln allocated to full repayment of the Tremonti Bonds already issued by the Bank in 2009, and EUR 171 mln, due on 1 July 2013, for advance payment of interest accrued on Tremonti Bonds up to 31 December 2012, in consideration of the operating loss for the 2012 year. From a Capital Adequacy standpoint, although included in Direct Funding, the NFIs qualify as Core Tier 1, by reason of their subordination *pari passu* with ordinary shares, in the event of both voluntary liquidation or bankruptcy proceedings and under going concern assumptions.



Table 3.1.1 - Breakdown of Tier 1 and Tier 2 Capital (continued)

	jun-13	dec-12
Valuation reserve	219,129	270,195
Innovative and held-to-maturity non-innovative capital instruments, not eligible for inclusion in Tier 1 capital	-	-
Non-innovative capital instruments not eligible for inclusion in Tier 1 capital	-	-
Hybrid capital instruments	2,659,919	2,659,096
Subordinated liabilities	2,368,000	2,372,596
Surplus of overall write-downs in respect of expected losses	48,906	22,765
Other positive items	-	-
Total Tier 2 positive items	5,295,954	5,324,651
Other negative items	-2,332	-2,540
Prudential filters: deductions from Tier 2 capital	-98,053	-100,874
Total Tier 2 negative items	100,385	-103,414
Shareholdings in credit and financial institutions with a share of $\geq 20\%$ of the equity of the investee	-98,034	-98,035
Shareholdings in credit and financial institutions with a share of $> 10\%$ but $< 20\%$ of the equity of the investee	-31,241	-25,099
Shareholdings in insurance companies	-313,087	-39,294
Surplus of expected losses in respect of overall write-downs value adjustments	-636,019	-612,782
Total items to be deducted	-1,078,382	-775,210
Total Tier 2 capital	4,117,187	4,446,027
Items to be deducted from Tier 1 and Tier 2 capital	-	-563,560
Regulatory Capital	14,386,754	12,723,837
Tier 3 Capital	-	-
Regulatory Capital inclusive of Tier 3	14,386,754	12,723,837

(*) Items deductible from Tier 1 and Tier 2, were zeroed after the expiry of transitional regulations which allowed for the deduction of insurance shareholdings purchased prior to 20/07/2006 from total Tier 1 and Tier 2 capital (see Title 1, Chapter 2 of Circ. 263/2006). As of 1 January 2013, these elements were deducted, 50% from Tier 1 and 50% from Tier 2.



Table 4 – Capital adequacy

Quantitative disclosure

The Montepaschi Group has been using internal advanced ratings-based (AIRB) models since 30 June 2008 for the calculation of capital requirements for credit and operational risks, in relation to the regulatory “Retail exposures” and “Exposures to corporates” portfolio. The scope of application of the AIRB method as at today includes the Parent Company Banca MPS, MPS Capital Services Banca per Imprese, and MPS Leasing & Factoring. Capital requirements against credit risk for the remaining portfolios and entities of the Group are calculated according to the standardized approach. Capital requirements in relation to market risk are instead calculated for all Group entities by adopting the standardized approach. Capital ratios for Operational Risk are calculated according to the AMA – Advanced Measurement Approach for an extent equal to 95.8%. The standardized approach is used for the remaining part of the scope. The consolidated requirement is conceived of as a sum of the individual requirements of the individual entities of the Banking Group, net of the requirements for Floor calculation. The application of internal models is in fact allowed on condition that it is in compliance with a number of qualitative and quantitative limits set forth in the Supervisory regulations. In particular, limits are established (so-called “floors”), whereby any savings on capital obtained with the internal models is subject to maximums to be parameterised with respect to the requirements calculated based on the previous regulations (Basel I). The bank of Italy has reserved to extend these floors after 2012 in line with developments at the international level. In addition to the Total Capital Ratio, expressed as a ratio between regulatory capital and risk weighted assets which, pursuant to Basel 2 regulations, must be at least equal to 8% on a consolidated level, the Group ascertains its capital soundness also by means of its Tier 1 Ratio expressed as a ratio between Core Capital and risk-weighted assets. The following table reports the Group’s capital requirements as at 30 June 2013 and 31 December 2012, calculated as indicated above, broken down by type of risk/methodology and related capital ratios.



Table 4.1 - Capital requirements and capital ratio

	jun-13	dec-12
Credit Risk		
Standardised approach	2,618,455	2,677,649
Advanced Internal Rating Based approach	2,915,106	3,126,001
Total	5,533,561	5,803,650
Market Risk		
Standardised approach	429,239	483,831
Internal models approach	-	-
Concentration risk	-	-
Total	429,239	483,831
Operational Risk		
Foundation approach	31,404	31,404
Standardised approach	-	-
Advanced Measurement Approach	751,805	636,387
Total	783,209	667,791
Adjustment to capital requirements for intra-group transactions	-	-
Regulatory Capital Floor	278,350	470,968
Aggregate Capital Requirements	7,024,359	7,426,240
Risk-weighted assets	87,804,488	92,828,000
Tier 1 Ratio	11.7%	9.5%
Total Capital Ratio	16.4%	13.7%

It is noted that the herein reported capital requirements as at 31 December 2012 do not take account of the NFIs, which are instead considered in the requirements as at 30 June 2013.



Total risk-weighted assets as at 30 June 2013, amounting to EUR 87,804 mln, were down by approximately EUR 5,024 mln (-5,4%) as compared to the end of the previous year (see Table 4.1). The reduction is primarily attributable to a significantly contraction in RWAs by -EUR 3,376 mln for credit and counterpart risk (-EUR 270 mln in terms of requirements), by -EUR 682 mln for market risk (-EUR 55 mln in terms of requirements), and by -EUR 2,408 mln to a lower Basel 1 Floor, although an increase was registered in the component associated with operational risk. The latter (+EUR 1,442 mln, +17.3%) is connected with the in-depth reviews carried out following the events which were subjected to restatement of the accounts as at 31 December 2012. The analyses conducted led to the identification of operating losses which had a significant impact in terms of items classified under the Event Type “Internal fraud”.

The “floor”, (i.e. threshold limit under which the ratio of total capital to risk weighted assets must not fall) is now set at 85% of the risk weighed assets calculated on the basis of the previous regulatory framework (Basel 1). At the end of June 2013, the Tier 1 capital ratio was 11,7% (9.5% as at 31 December 2012) while the total capital ratio was 16.4%

(13.7% as at 31 December). Solvency ratios as at 30 June 2013 include EUR 4,071 mln in New Financial instruments (NFIs). A detailed description of the NFI features is provided in the Pillar 3 Disclosure to the Public as at 31 December 2012. Comparative data for the Tier 1 ratio and Total capital ratio as at 31 December 2012 reported in this document differs from data published in the Pillar 3 Disclosure to the Public as at 31 December because the Bank was requested by the Supervisory Authority on 7 May 2013 to implement a retrospective change to Tier 1, which reduced it by EUR 76 mln and resulted also in a slight variation in solvency ratios. The change refers to the regulatory treatment Fresh 2008.



Table 4.2 - Capital requirements for Credit Risk

Standardised approach	jun-13	dec-12
Exposures to central governments and central banks	6,403	15,603
Exposures to regional governments and local authorities	48,505	50,018
Exposures to non-commercial and public sector entities	59,815	65,364
Exposures to multilateral development banks	-	-
Exposures to international organisations	-	-
Exposures to supervised institutions	371,755	403,802
Exposures to corporates	820,493	845,730
Retail exposures	390,045	400,601
Exposures secured by real estate property	116,296	104,056
Past due exposures	145,792	141,566
High-risk exposures	59,716	57,158
Exposures in the form of covered bonds	7,736	12,196
Short term exposures to corporates	-	-
Exposures to Undertakings for Collective Investments in Transferable Securities (UCITS)	130,497	139,564
Other exposures	359,566	339,225
Securitisation exposures	101,836	102,766
Total Standardised Approach	2,618,455	2,677,649
Advanced Internal Ratings-Based approach		
Corporate exposures	2,069,884	2,230,408
Retail exposures	845,222	895,592
↳ Secured by real estate property	437,225	461,768
↳ Qualifying revolving retail exposures	344	385
↳ Other exposures	407,652	433,440
Other assets	-	-
Total Advanced Internal Ratings-Based approach	2,915,106	3,126,001
Total Credit Risk	5,533,561	5,803,650

The capital requirement for Counterparty Risk amounts to 187,967 EUR/000 and is calculated based not only on the Trading Book but also on the Banking Book. This requirement is reported for each individual regulatory portfolio under the Standardised and Advanced IRB approach (in thousands of Euro).

**Table 4.3 - Capital requirements for Market Risk**

Standardised approach	jun-13	dec-12
General market risk	236,500	242,192
Specific risk*	137,034	139,120
Position risk of Undertakings for Collective Investments in Transferable Securities (UCITS)	14,385	52,965
Options	4,513	5,505
Foreign exchange risk	15,012	13,489
Commodities risk	21,795	30,558
Total Standardised Approach	429,239	483,831
Internal models		
Total Internal models	-	-
Concentration risk	-	-
Total Market Risk	429,239	483,831

(*) Capital requirements under Specific Risk for positions with securitisations included in the Regulatory Trading Book as at 30 June 2013 amounted to EUR 21,169 (in thousands of Euro).

Tab. 4.4 - Capital Requirements for Operational Risk

Breakdown of Operational Risk by	jun-13	dec-12
Foundation approach	31,404	31,404
Standardised approach	-	-
Advanced approach	751,805	636,387
Total Operational Risk	783,209	667,791



Table 5 - Credit Risk: General disclosures for all banks

Quantitative disclosure

A breakdown of financial assets by portfolio and 5.1.2 below. credit quality is reported in Tables 5.1.1 and

Table 5.1.1 - Summary of Financial Assets by Portfolio

Portfolio	Total		Period average*	
	jun-13	dec-12	jun-13	dec-12
1. Financial assets held for trading	24,261,971	23,139,057	25,337,684	27,781,035
2. Financial assets available-for- sale	24,840,335	24,278,015	23,194,224	21,823,658
3. Financial assets held-to-maturity	-	-	1	1
4. Loans and advances to banks	12,239,690	11,224,989	13,531,399	16,349,699
5. Loans and advances to customers	138,081,991	142,015,161	141,519,330	144,361,699
6. Financial assets designated at fair value	-	-	-	-
7. Financial assets held for sale	-	-	1,046,222	1,046,222
8. Hedging derivatives	416,129	551,093	478,144	460,551
Total	199,840,116	201,208,315		

Values reported in the tables above reflect those used in the Financial Statements and refer to positions in both the Banking Book and Regulatory Trading Book. Data reflects the logic of the Financial Statements and is therefore reported net of permitted offsetting, but does not take account of any credit risk mitigation actions. The current table has been compiled according to the rules applied for Table A.1.1 of the Annual Report.

(*) six-month average



Table 5.1.2 - Breakdown of financial assets by portfolio and credit quality

Portfolio/Quality	NPLs	Watchlist loans	Restructured loans	Past-due	Other assets	Total
1. Financial assets held for trading	9,904	31,370	10,910	44,621	24,165,167	24,261,971
2. Financial assets available for sale	113	2,304	7,689	-	24,830,229	24,840,335
3. Financial assets held to maturity	-	-	-	-	-	-
4. Loans and advances to banks	1,882	2,646	-	-	12,235,163	12,239,690
4. Loans and advances to customers	7,986,771	6,872,330	1,321,687	2,858,615	119,042,588	138,081,991
6. Financial assets designated at fair value	-	-	-	-	-	-
7. Financial assets held for sale	-	-	-	-	-	-
8. Hedging derivatives	-	-	-	-	416,129	416,129
Total 30/06/2013	7,998,670	6,908,649	1,340,286	2,903,236	180,689,276	199,840,116
Total 31/12/2012	7,304,576	6,010,625	1,421,709	2,753,148	183,718,257	201,208,315

The table provides a breakdown of financial assets by accounting portfolio and credit quality. Values reported in the table reflect those used in the Financial Statements and refer to positions in both the Banking Book and Regulatory Trading Book. The current table has been compiled according to the rules applied for Table A.1.1 of the Annual Report.



Table 5.2 - On and off-balance sheet exposures to customers: geographical breakdown

ITALY	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	18,871,845	7,917,629	10,954,216	17,118,545	7,226,510	9,892,035
A.2 Watchlist loans	8,543,178	6,797,832	1,745,347	7,618,874	5,950,120	1,668,754
A.3 Restructured loans	1,581,346	1,329,376	251,970	1,637,954	1,404,951	233,003
A.4 Past due	3,030,640	2,842,101	188,538	2,899,266	2,717,980	181,286
A.5 Other exposures	146,638,729	145,958,010	680,719	146,836,069	146,138,414	697,654
Total A	178,665,737	164,844,947	13,820,790	176,110,707	163,437,975	12,672,733
B. Off-balance-sheet exposures						
B.1 Non-performing loans	111,658	78,437	33,221	94,498	68,174	26,324
B.2 Watchlist credits	106,154	96,127	10,026	129,071	113,767	15,304
B.3 Other impaired assets	218,247	201,967	16,280	169,131	154,349	14,782
B.4 Other exposures	19,038,400	18,956,015	82,385	22,272,857	22,220,749	52,107
Total B	19,474,458	19,332,546	141,912	22,665,557	22,557,040	108,517
Total (A+B)	198,140,196	184,177,494	13,962,702	198,776,264	185,995,015	12,781,249

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.2 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book



Table 5.2 - On- and off-balance sheet exposures to customers: geographical breakdown (continued)

OTHER EUROPEAN COUNTRIES	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	177,185	64,666	112,518	176,191	68,331	107,860
A.2 Watchlist loans	68,360	60,422	7,938	14,478	10,736	3,742
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	21,893	16,471	5,423	13,511	8,454	5,058
A.5 Other exposures	9,603,442	9,592,489	10,953	10,448,013	10,434,453	13,560
Total A	9,870,880	9,734,048	136,831	10,652,194	10,521,974	130,220
B. Off-balance-sheet exposures						
B.1 Non-performing loans	961	700	261	257	-	257
B.2 Watchlist credits	-	-	-	700	700	-
B.3 Other impaired assets	329	329	-	338	338	-
B.4 Other exposures	12,640,792	12,639,930	861	15,283,204	15,282,422	783
Total B	12,642,082	12,640,960	1,122	15,284,499	15,283,460	1,039
Total (A+B)	22,512,962	22,375,008	137,954	25,936,693	25,805,434	131,259

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.2 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.2 - On- and off-balance sheet exposures to customers: geographical breakdown (continued)

USA	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	30,309	6,130	24,179	30,210	6,126	24,084
A.2 Watchlist loans	1,306	1,180	126	1,284	1,150	134
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	27	25	1	26	25	1
A.5 Other exposures	395,265	392,240	3,025	416,034	413,912	2,122
Total A	426,907	399,575	27,331	447,553	421,212	26,341
B. Off-balance-sheet exposures						
B.1 Non-performing loans	372	298	74	365	292	73
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	1,663,009	1,662,905	104	1,861,263	1,861,183	80
Total B	1,663,382	1,663,203	179	1,861,627	1,861,474	153
Total (A+B)	2,090,288	2,062,778	27,510	2,309,181	2,282,687	26,494

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.2 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.2 - On- and off-balance sheet exposures to customers: geographical breakdown (continued)

ASIA	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	3,510	93	3,417	3,503	85	3,418
A.2 Watchlist loans	15,381	12,734	2,647	1,931	762	1,169
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	13	12	1	10,893	10,130	762
A.5 Other exposures	221,881	220,848	1,032	245,999	244,765	1,233
Total A	240,784	233,687	7,097	262,326	255,743	6,583
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	147,130	147,111	20	160,426	160,375	51
Total B	147,130	147,111	20	160,426	160,375	51
Total (A+B)	387,914	380,798	7,117	422,752	416,118	6,635

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.2 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.2 - On- and off-balance sheet exposures to customers: geographical breakdown (continued)

REST OF THE WORLD	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	1,663	242	1,421	1,711	246	1,465
A.2 Watchlist loans	268	162	106	248	148	100
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	6	5	0	8	8	0
A.5 Other exposures	94,799	94,211	588	150,492	149,964	529
Total A	96,736	94,621	2,115	152,460	150,366	2,094
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	158,301	158,075	226	190,071	189,845	225
Total B	158,301	158,075	226	190,071	189,845	225
Total (A+B)	255,037	252,696	2,341	342,530	340,211	2,319

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.2 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.3 - On and off-balance-sheet exposures to banks: geographical breakdown

ITALY	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	-	-	-	-	-	-
A.2 Watchlist loans	2,122	2,122	-	2,115	2,115	-
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	-	-	-	-	-	-
A.5 Other exposures	8,723,489	8,709,611	13,877	6,642,496	6,628,084	14,411
Total A	8,725,611	8,711,733	13,877	6,644,611	6,630,199	14,411
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	625,620	625,576	45	1,103,898	1,103,835	63
Total B	625,620	625,576	45	1,103,898	1,103,835	63
Total (A+B)	9,351,231	9,337,309	13,922	7,748,508	7,734,034	14,474

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to banks. The values were reported according to the rules applied for Table B.3 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.3 - On and off-balance-sheet exposures to banks: geographical breakdown (continued)

OTHER EUROPEAN COUNTRIES	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	5,634	663	4,971	5,373	568	4,804
A.2 Watchlist loans	17,494	2,845	14,649	17,145	2,962	14,182
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	-	-	-	-	-	-
A.5 Other exposures	4,673,102	4,670,294	2,808	5,826,797	5,823,612	3,186
Total A	4,696,230	4,673,802	22,428	5,849,315	5,827,143	22,172
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	5,147,773	5,147,482	291	5,781,930	5,780,509	1,420
Total B	5,147,773	5,147,482	291	5,781,930	5,780,509	1,420
Total (A+B)	9,844,003	9,821,284	22,719	11,631,244	11,607,652	23,592

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to banks. The values were reported according to the rules applied for Table B.3 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.3 - On and off-balance-sheet exposures to banks: geographical breakdown (continued)

USA	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	21,638	1,242	20,395	21,647	1,158	20,490
A.2 Watchlist loans	-	-	-	-	-	-
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	-	-	-	-	-	-
A.5 Other exposures	649,447	649,310	137	929,497	929,275	222
Total A	671,085	650,553	20,532	951,144	930,432	20,711
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	588,806	588,795	11	663,641	663,628	13
Total B	588,806	588,795	11	663,641	663,628	13
Total (A+B)	1,259,890	1,239,348	20,543	1,614,785	1,594,061	20,724

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to banks. The values were reported according to the rules applied for Table B.3 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.3 - On- and off-balance sheet exposures to banks: geographical breakdown (continued)

ASIA	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	-	-	-	-	-	-
A.2 Watchlist loans	-	-	-	-	-	-
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	-	-	-	-	-	-
A.5 Other exposures	116,195	116,037	158	116,154	115,990	164
Total A	116,195	116,037	158	116,154	115,990	164
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	2,235	2,078	156	2,235	2,078	156
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	98,202	98,088	114	119,315	119,124	191
Total B	100,436	100,166	270	121,550	121,203	347
Total (A+B)	216,631	216,203	428	237,704	237,193	511

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to banks. The values were reported according to the rules applied for Table B.3 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.3 - On- and off-balance sheet exposures to banks: geographical breakdown (continued)

REST OF THE WORLD	jun-13			dec-12		
	Exposure		Adjustments	Exposure		Adjustments
	Gross	Net		Gross	Net	
A. Balance-sheet exposures						
A.1 Non-performing loans	236	89	146	235	89	147
A.2 Watchlist loans	-	-	-	-	-	-
A.3 Restructured loans	-	-	-	-	-	-
A.4 Past due	-	-	-	-	-	-
A.5 Other exposures	17,344	17,283	61	28,726	28,639	87
Total A	17,580	17,373	207	28,961	28,728	233
B. Off-balance-sheet exposures						
B.1 Non-performing loans	-	-	-	-	-	-
B.2 Watchlist credits	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-
B.4 Other exposures	113,292	113,029	263	103,984	103,833	150
Total B	113,292	113,029	263	103,984	103,833	150
Total (A+B)	130,872	130,401	470	132,945	132,561	384

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to banks. The values were reported according to the rules applied for Table B.3 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.4 - On- and off- balance sheet exposures to customers: breakdown by sector

Gouvernement and central Banks	jun-13				dec-12			
	Exposure		Adjustments		Exposure		Adjustments	
	Gross	Net	Specific	portfolio	Gross	Net	Specific	portfolio
A. Balance-sheet exposures								
A.1 Non-performing loans	-	-	-	x	32	-	32	x
A.2 Watchlist loans	-	-	-	x	-	-	-	x
A.3 Restructured loans	-	-	-	x	-	-	-	x
A.4 Past due	161	155	7	x	47	45	2	x
A.5 Other exposures	33,263,739	33,262,656	x	1,083	30,703,956	30,702,911	x	1,044
Total A	33,263,900	33,262,811	7	1,083	30,704,035	30,702,956	35	1,044
B. Off-balance-sheet exposures								
B.1 Non-performing loans	-	-	-	x	-	-	-	x
B.2 Watchlist credits	-	-	-	x	-	-	-	x
B.3 Other impaired assets	-	-	-	x	-	-	-	x
B.4 Other exposures	10,280,770	10,280,766	x	4	11,856,298	11,856,294	x	4
Total B	10,280,770	10,280,766	-	4	11,856,298	11,856,294	-	4
Total (A+B)	43,544,670	43,543,577	7	1,086	42,560,333	42,559,250	35	1,048

X: value not attributable

The table provides a geographical breakdown of balance-sheet and off-balance-sheet exposures to banks. The values were reported according to the rules applied for Table B.1 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.4 - On- and off- balance sheet exposures to customers: breakdown by sector (continued)

Other public entities	jun-13				dec-12			
	Exposure		Adjustments		Exposure		Adjustments	
	Gross	Net	Specific	portfolio	Gross	Net	Specific	portfolio
A. Balance-sheet exposures								
A.1 Non-performing loans	1,672	769	903	x	1,721	789	932	x
A.2 Watchlist loans	-	-	-	x	-	-	-	x
A.3 Restructured loans	-	-	-	x	-	-	-	x
A.4 Past due	5	5	-	x	5	4	-	x
A.5 Other exposures	3,207,596	3,204,268	x	3,328	3,256,719	3,253,636	x	3,083
Total A	3,209,273	3,205,042	903	3,328	3,258,444	3,254,429	932	3,083
B. Off-balance-sheet exposures								
B.1 Non-performing loans	-	-	-	x	-	-	-	x
B.2 Watchlist credits	-	-	-	x	-	-	-	x
B.3 Other impaired assets	-	-	-	x	-	-	-	x
B.4 Other exposures	379,834	379,612	x	222	394,880	394,825	x	55
Total B	379,834	379,612	-	222	394,880	394,825	-	55
Total (A+B)	3,589,107	3,584,654	903	3,550	3,653,324	3,649,254	932	3,138

X: value not attributable

The table provides a breakdown by sector of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.1 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.4 - On- and off- balance sheet exposures to customers: breakdown by sector (continued)

Financial companies	jun-13				dec-12			
	Exposure		Adjustments		Exposure		Adjustments	
	Gross	Net	Specific	portfolio	Gross	Net	Specific	portfolio
A. Balance-sheet exposures								
A.1 Non-performing loans	155,815	37,183	118,632	x	136,399	26,301	110,098	x
A.2 Watchlist loans	159,936	123,256	36,680	x	183,539	99,396	84,143	x
A.3 Restructured loans	-	-	-	x	-	-	-	x
A.4 Past due	11,113	10,550	563	x	60,884	58,321	2,563	x
A.5 Other exposures	14,583,203	14,566,122	x	17,081	12,857,524	12,837,022	x	20,502
Total A	14,910,066	14,737,110	155,875	17,081	13,238,347	13,021,040	196,805	20,502
B. Off-balance-sheet exposures								
B.1 Non-performing loans	-	-	-	x	-	-	-	x
B.2 Watchlist credits	2,457	953	1,504	x	2,461	957	1,504	x
B.3 Other impaired assets	-	-	-	x	-	-	-	x
B.4 Other exposures	3,751,510	3,750,694	x	817	4,466,844	4,465,616	x	1,229
Total B	3,753,967	3,751,647	1,504	817	4,469,305	4,466,572	1,504	1,229
Total (A+B)	18,664,034	18,488,757	157,379	17,898	17,707,652	17,487,612	198,309	21,731

X: value not attributable

The table provides a breakdown by sector of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.1 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.4 - On- and off- balance sheet exposures to customers: breakdown by sector (continued)

Insurance companies	jun-13				dec-12			
	Exposure		Adjustments		Exposure		Adjustments	
	Gross	Net	Specific	portfolio	Gross	Net	Specific	portfolio
A, Balance-sheet exposures								
A,1 Non-performing loans	7	3	4	x	7	3	4	x
A,2 Watchlist loans	-	-	-	x	-	-	-	x
A,3 Restructured loans	-	-	-	x	-	-	-	x
A,4 Past due	-	-	-	x	-	-	-	x
A,5 Other exposures	920,686	920,157	x	529	915,934	915,425	x	509
Total A	920,693	920,160	4	529	915,941	915,428	4	509
B, Off-balance-sheet exposures								
B,1 Non-performing loans	-	-	-	x	-	-	-	x
B,2 Watchlist credits	-	-	-	x	-	-	-	x
B,3 Other impaired assets	-	-	-	x	-	-	-	x
B,4 Other exposures	1,217,147	1,217,136	x	11	1,504,111	1,504,087	x	24
Total B	1,217,147	1,217,136	-	11	1,504,111	1,504,087	-	24
Total (A+B)	2,137,840	2,137,296	4	540	2,420,051	2,419,514	4	533

X: value not attributable

The table provides a breakdown by sector of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.1 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.4 - On- and off- balance sheet exposures to customers: breakdown by sector (continued)

Non-financial companies	jun-13				dec-12			
	Exposure		Adjustments		Exposure		Adjustments	
	Gross	Net	Specific	portfolio	Gross	Net	Specific	portfolio
A, Balance-sheet exposures								
A,1 Non-performing loans	15,897,310	6,692,140	9,205,171	x	14,464,197	6,124,400	8,339,797	x
A,2 Watchlist loans	7,623,865	6,098,384	1,525,481	x	6,598,684	5,207,647	1,391,037	x
A,3 Restructured loans	1,577,935	1,327,037	250,899	x	1,634,580	1,402,025	232,555	x
A,4 Past due	2,363,300	2,229,543	133,757	x	2,274,505	2,142,345	132,161	x
A,5 Other exposures	65,617,556	65,086,806	x	530,749	69,600,985	69,045,631	x	555,354
Total A	93,079,966	81,433,910	11,115,307	530,749	94,572,952	83,922,048	10,095,550	555,354
B, Off-balance-sheet exposures								
B,1 Non-performing loans	111,744	78,241	33,503	x	94,794	68,165	26,629	x
B,2 Watchlist credits	102,032	93,533	8,500	x	125,022	111,255	13,767	x
B,3 Other impaired assets	215,694	199,473	16,222	x	166,038	151,340	14,698	x
B,4 Other exposures	17,593,623	17,513,052	x	80,571	21,109,184	21,060,033	x	49,152
Total B	18,023,093	17,884,298	58,224	80,571	21,495,039	21,390,793	55,094	49,152
Total (A+B)	111,103,059	99,318,208	11,173,531	611,320	116,067,991	105,312,841	10,150,644	604,506

X: value not attributable

The table provides a breakdown by sector of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.1 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.4 - On- and off- balance sheet exposures to customers: breakdown by sector (continued)

Other	jun-13				dec-12			
	Exposure		Adjustments		Exposure		Adjustments	
	Gross	Net	Specific	portfolio	Gross	Net	Specific	portfolio
A, Balance-sheet exposures								
A,1 Non-performing loans	3,029,707	1,258,666	1,771,041	x	2,727,804	1,149,804	1,577,999	x
A,2 Watchlist loans	844,692	650,690	194,002	x	854,593	655,873	198,720	x
A,3 Restructured loans	3,410	2,339	1,071	x	3,373	2,926	447	x
A,4 Past due	677,999	618,363	59,637	x	588,263	535,882	52,381	x
A,5 Other exposures	39,361,335	39,217,788	x	143,547	40,761,489	40,626,883	x	134,606
Total A	43,917,144	41,747,847	2,025,751	143,547	44,935,522	42,971,369	1,829,548	134,606
B, Off-balance-sheet exposures								
B,1 Non-performing loans	1,248	1,194	54	x	325	301	24	x
B,2 Watchlist credits	1,665	1,642	23	x	2,289	2,255	33	x
B,3 Other impaired assets	2,882	2,824	58	x	3,430	3,347	83	x
B,4 Other exposures	424,748	422,776	x	1,972	436,503	433,720	x	2,783
Total B	430,543	428,436	135	1,972	442,547	439,623	140	2,783
Total (A+B)	44,347,688	42,176,282	2,025,886	145,519	45,378,069	43,410,992	1,829,688	137,389

X: value not attributable

The table provides a breakdown by sector of balance-sheet and off-balance-sheet exposures to customers. The values were reported according to the rules applied for Table B.1 in the Annual Report and refer to positions in both the Banking book and Regulatory trading book.



Table 5.5 - Time breakdown by contractual residual maturity of financial assets

Account/Maturity	On demand	1 to 7 days	7 to 15 days	15 days to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Unspecified maturity
Government securities	6,316	316	2,391	31,405	550,092	2,510,473	1,821,470	11,319,689	15,452,294	-
Other debt securities	26,047	7,997	4,624	16,126	54,538	98,520	459,507	2,031,098	1,975,346	691,429
Units in UCITS	629,440	-	-	-	-	-	-	-	-	-
Loans	31,759,989	3,271,946	1,879,864	6,558,902	8,046,854	9,849,721	9,064,859	35,766,510	44,931,673	6,017,575
- to banks	3,592,730	416,915	84,773	175,801	1,460,852	274,215	193,268	119,161	13,667	6,017,037
- to customers	28,167,259	2,855,032	1,795,091	6,383,101	6,586,002	9,575,506	8,871,591	35,647,348	44,918,007	538
Balance sheet assets (30/06/2013)	32,421,791	3,280,259	1,886,879	6,606,433	8,651,485	12,458,714	11,345,837	49,117,297	62,359,313	6,709,004
Balance sheet assets (31/12/2012)	32,709,401	3,062,048	2,045,516	6,863,580	8,731,511	11,580,990	12,561,441	46,778,867	85,841,917	4,245,224
Financial derivatives with exchange of principal	1,252,009	4,900,120	4,096,462	833,199	9,482,413	2,389,176	894,350	5,467,246	3,913,943	972,044
- Long positions	271,562	2,542,862	2,247,194	364,261	7,024,651	1,192,201	441,270	2,695,002	1,821,121	486,689
- Short positions	980,448	2,357,259	1,849,268	468,938	2,457,762	1,196,974	453,080	2,772,245	2,092,822	485,355
Financial derivatives without exchange of principal	13,124,213	29,778	4,611	5,128	267,156	129,683	449,242	-	-	-
- Long positions	7,560,539	28,694	4,611	2,511	78,380	21,362	148,068	-	-	-
- Short positions	5,563,674	1,084	-	2,617	188,776	108,322	301,174	-	-	-
Deposits and borrowings receivable	4,536	4,536	178	-	19,213	-	-	-	-	-
- Long positions	4,536	-	89	-	9,607	-	-	-	-	-
- Short positions	-	4,536	89	-	9,607	-	-	-	-	-
Irrevocable commitments to disburse funds	5,454,507	33,725	14,206	36,553	186,073	158,554	141,392	493,383	1,993,563	1,889,072
- Long positions	1,198,529	33,725	14,206	36,553	186,073	158,554	141,392	493,383	1,993,563	1,295,724
- Short positions	4,255,978	-	-	-	-	-	-	-	-	593,347
Financial guarantees issued	22,177	547	214	7,743	3,930	6,444	13,975	31,351	57,537	29
Credit derivatives with exchange of principal	-	-	-	-	722,291	1,975,373	3,063,143	5,768,335	458,691	-
- Long positions	-	-	-	-	361,145	987,686	1,531,572	2,884,168	229,346	-
- Short positions	-	-	-	-	361,145	987,686	1,531,572	2,884,168	229,346	-
Credit derivatives without exchange of principal	2,504,766	-	-	-	-	-	-	-	-	-
- Long positions	1,231,171	-	-	-	-	-	-	-	-	-
- Short positions	1,273,595	-	-	-	-	-	-	-	-	-
Off-balance sheet transactions (30/06/2013)	22,362,209	4,968,707	4,115,671	882,623	10,681,076	4,659,230	4,562,103	11,760,316	6,423,734	2,861,144
Off-balance sheet transactions (31/12/2012)	27,547,990	10,389,376	2,416,396	5,594,567	8,814,123	10,657,773	4,466,584	9,271,656	7,541,156	3,800,568

According to the rules set forth in financial statement regulations (Bank of Italy circular 262) the table reports the time breakdown of financial assets by residual contractual life. Therefore values reported in the table reflect those used in the Financial Statements and refer to positions in both the Banking Book and Regulatory Trading Book.



Table 5.6 - Balance sheet exposures to banks: changes in overall value adjustments

Source/Categories	NPLs	Watchlist	Restructured	Past due	Total 30/06/2013	Total 31/12/2012
A. Gross exposure, opening balance	25,441	14,182	-	-	39,623	44,453
↳ of which: financial assets sold and not derecognised	-	-	-	-	-	-
B. Increases	316	532	-	-	847	1,412
B.1 Value adjustments	297	532	-	-	829	1,412
B.2 Transfers from other impaired exposures	-	-	-	-	-	-
B.3 Other increases	19	-	-	-	19	-
C. Reductions	244	65	-	-	309	6,242
C.1 Writebacks from evaluation	244	40	-	-	284	200
C.2 Writebacks from recoveries	-	25	-	-	25	-
C.3 Write-offs	-	-	-	-	-	6,000
C.4 Transfers to other impaired exposures	-	-	-	-	-	-
C.5 Other reductions	-	-	-	-	-	42
D. Gross exposure, closing balance	25,512	14,649	-	-	40,161	39,623
↳ of which: financial assets sold and not derecognised	-	-	-	-	-	-

The values reported according to the applied for Table A 1.5 in the Annual Report.



Table 5.7 - Balance sheet exposures to customers: changes in overall value adjustments

Source/Categories	NPLs	Watchlist	Restructured	Past due	Total 30/06/2013	Total 31/12/2012
A. Gross exposure, opening balance	10,028,862	1,673,900	233,003	187,108	12,122,873	9,551,539
↳ of which: financial assets sold and not derecognised	1,036	369	-	627	2,032	609
B. Increases	1,462,662	622,762	50,591	147,687	2,283,702	4,494,721
B.1 Value adjustments	1,034,669	546,212	42,625	102,595	1,726,101	3,573,466
B.1.bis Losses on disposal	385	-	46	-	430	12,729
B.2 Transfers from other impaired exposures	366,421	40,835	7,920	844	416,020	520,270
B.3 Other increases	61,187	35,715	0	44,248	141,150	388,256
C. Reductions	395,772	540,499	31,624	140,832	1,108,727	1,923,387
C.1 Writebacks from evaluation	290,472	128,356	16,284	93,146	528,258	694,197
C.2 Writebacks from recoveries	32,525	8,076	4,473	3,497	48,573	107,022
C.2 bis Profit on disposal	-	-	-	-	-	1,428
C.3 Write-offs	72,253	31,253	4,110	922	108,538	242,807
C.4 Transfers to other impaired exposures	100	370,862	6,663	38,396	416,020	520,270
C.5 Other reductions	422	1,952	94	4,870	7,337	357,663
D. Gross exposure, closing balance	11,095,751	1,756,163	251,970	193,963	13,297,847	12,122,873
↳ of which: financial assets sold and not derecognised	1,775	472	-	722	2,969	2,032

The values reported according to the applied for Table A 1.5 in the Annual Report.



Table 6 – Disclosures for portfolios treated under the standardised approach and specialised lending and equity exposures treated under IRB approaches

Quantitative disclosure

At present the standard method is applied to all portfolios and entities of the Group with the exception of the portfolios, *Exposures to corporates* and *Retail exposures*, belonging to the following entities:

of the banking Group's exposures subject to credit risk – standard method, determined according to the rules of Prudential Supervision and including the effect from risk mitigation techniques (netting agreements, guarantees, etc.).

- *Banca Monte dei Paschi di Siena*
- *MPS Capital Services*
- *MPS Leasing & Factoring*

for whom the advanced IRB model is adopted, details of which are described in table 7. The table below shows the details



Table 6.1 - Portfolios treated under the standardised approach

Standard portfolio	Classes of creditworthiness							Total	Deduction from regulatory capital
	1	2	3	4	5	6	No credit-worthiness class applied		
Central governments and central banks	837,379	10,870	33,633,961	176,594	-	30	5,583	34,664,417	-
Regional governments and local authorities	74,994	-	2,781,543	42,317	-	1,550	-	2,900,404	-
Non-commercial and public sector entities	-	-	577,526	10,563	0	-	311,193	899,282	-
Multi-lateral development banks	230,041	-	-	-	-	-	32	230,073	-
International Organisations	-	-	-	-	-	-	-	-	-
Supervised institutions	12,491,991	114,717	3,349,739	386,071	30,827	965	53,100	16,427,409	-
Corporates	294,958	350,625	695,486	1,050,171	23,979	-	8,161,322	10,576,541	258,550
Retail exposures	-	-	-	-	-	-	6,502,025	6,502,025	-
Exposures secured by real estate property	-	-	-	-	-	-	3,390,262	3,390,262	-
Past due exposures	-	-	-	-	-	-	1,500,374	1,500,374	-
High-risk exposures	-	-	-	-	-	-	499,472	499,472	-
Exposures in the form of covered bonds	-	-	193,388	-	-	-	-	193,388	-
Short-term exposures to corporates	-	-	-	-	-	-	-	-	-
Exposures to UCITS	-	-	-	-	-	-	1,631,215	1,631,215	-
Other exposures	-	-	-	-	-	-	6,780,470	6,780,470	626,174
Securitization positions	41,620	8,072	184,875	49,900	-	55,907	21,168	361,541	-
Total 30/06/2013	13,970,982	484,283	41,416,518	1,715,616	54,806	58,451	28,856,217	86,556,874	884,724
Total 31/12/2012	14,756,900	649,683	44,383,953	1,500,240	72,567	57,377	29,822,990	91,243,711	888,416

The Table shows the Banking Group's exposures reported by classes of creditworthiness (ECA/ECAI rating) and by regulatory asset classes. It also shows Off-balance-sheet exposures in relation to guarantees and commitments following the application of Credit Conversion Factors (FCC). Class 1 contains positions with the lowest risk weighting ratios which correspond to the best ratings (e.g. Aaa for Moody's, AAA for Fitch and AAA for Standard & Poor's); the higher the creditworthiness class, the higher the risk weighting becomes, with class 6 defining the worse ratings (eg. Caa1 and lower for Moody's, CCC+ and lower for Fitch and CCC+ and lower for Standard & Poor's). The last column, "Deductions from regulatory capital", shows exposures not considered for weighting purposes as they are directly deducted from the regulatory capital (cfr. Table 3.1.1).



Table 7 – Credit risk: disclosures for portfolios treated under IRB approaches

Quantitative disclosure

The advanced IRB approach is applied to the portfolios of Exposures to corporates and Retail exposures of the following entities:

- Banca Monte dei Paschi,
- MPS Capital Services Banca per le Imprese,
- MPS Leasing & Factoring.

The following table reports the Group's exposure to credit risk – AIRB, as at 30 June 2013 and 31 December 2012 divided by classes of regulatory activities. The exposure values reported are determined according to prudential supervisory requirements and as such are inclusive of value adjustments and do not factor in the effects of risk mitigation techniques which, in the case of exposures subject to an internal models-based approach, are directly included in the risk-weighting factor applied. As for guarantees issued and commitments to disburse funds, the values reported take into account credit conversion factors.

Table 7 - Total AIRB Exposure: exposure by portfolio

	Exposures		RWA	
	jun-13	dec-12	jun-13	dec-12
Exposures to corporate	60,970,296	63,720,699	25,873,552	27,880,111
SMEs	41,046,870	42,434,548	16,174,393	16,927,387
Other companies	19,923,425	21,286,151	9,699,159	10,952,724
Retail exposures	61,682,674	63,651,775	10,565,275	11,194,904
Secured by real estate - SMEs	5,906,482	6,425,578	2,308,528	2,519,404
Secured by real estate - Individuals	31,838,638	32,804,189	3,156,789	3,252,697
Qualifying revolving	25,921	30,951	4,303	4,809
Other retail exposure - SMEs	18,094,518	18,630,211	4,491,661	4,799,867
Other retail exposures - Individuals	5,817,115	5,760,846	603,995	618,127
Total	122,652,969	127,372,474	36,438,827	39,075,015



The table below provides the breakdown by credit risk, of Group exposures divided by PD band - identified by the MPS Group regulatory portfolios. to allow for a significant differentiation of

Table 7.1 - Total AIRB Exposure

PD Class	jun-13		dec-12	
	Exposures to corporates	Retail exposures	Total Exposure AIRB	Total Exposure AIRBB
Class 1	2,631,107	15,041,061	17,672,168	15,137,710
Class 2	9,382,959	13,676,342	23,059,301	28,968,284
Class 3	17,998,135	13,086,260	31,084,395	33,462,329
Class 4	9,416,946	6,863,411	16,280,358	17,757,625
Class 5	2,612,906	1,438,818	4,051,724	4,043,005
Class 6	18,928,243	11,576,782	30,505,025	28,003,522
Total	60,970,296	61,682,674	122,652,969	127,372,474

The following table shows a breakdown by divided by regulatory asset class: PD band with quantitative details for the • SMEs, advanced IRB approach of the Portfolio • Other companies. “Exposures to or guaranteed by businesses”

Table 7.1.1 - Exposures to corporates - SMEs

PD Class	jun-13						dec-12	
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure	
Class 1	1,234,722	2,832,994	252,198	8,90%	29,32%	16,08%	1,687,028	
Class 2	3,469,035	3,394,707	359,738	10,60%	27,90%	31,79%	4,491,135	
Class 3	11,734,414	4,127,765	541,738	13,12%	25,75%	52,12%	12,062,110	
Class 4	7,833,098	1,565,646	284,603	18,18%	25,99%	82,14%	8,311,082	
Class 5	1,900,279	388,529	73,226	18,85%	25,13%	122,22%	1,925,757	
Class 6	14,875,322	698,142	114,393	16,39%	40,36%	-	13,957,435	
Total	41,046,870	13,007,783	1,625,895				42,434,548	

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.



Table 7.1.2 – Exposures to corporates (Other companies)

PD Class	jun-13						dec-12
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure
Class 1	1,396,385	5,484,666	618,717	11,28%	33,64%	18,69%	2,278,809
Class 2	5,913,924	7,816,932	1,161,952	14,86%	27,87%	33,59%	6,371,676
Class 3	6,263,721	4,791,511	863,293	18,02%	33,52%	70,23%	6,504,779
Class 4	1,583,848	1,048,952	257,208	24,52%	30,51%	109,87%	2,260,775
Class 5	712,627	230,217	45,691	19,85%	32,71%	184,14%	726,627
Class 6	4,052,921	693,092	123,131	17,77%	43,25%	-	3,143,484
Total	19,923,425	20,065,370	3,069,992				21,286,151

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.

The following table shows a breakdown by PD band with quantitative details for the advanced IRB approach of the Portfolio “Retail Exposures” divided by asset class:

- Secured by real estate (SMEs)
- Secured by real estate (Individuals)
- Qualifying revolving,
- Other retail exposures (SMEs),
- Other retail exposures (Individuals).

Table 7.1.3 – Retail exposures – Secured by real estate (SMEs)

PD Class	jun-13						dec-12
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure
Class 1	15,595	4,711	2,356	50,00%	15,69%	4,45%	36,945
Class 2	297,175	26,686	13,341	49,99%	15,76%	10,84%	486,971
Class 3	2,717,762	155,924	76,370	48,98%	16,52%	29,27%	2,925,684
Class 4	1,473,890	126,710	62,755	49,53%	17,14%	71,41%	1,589,616
Class 5	405,657	57,514	28,381	49,35%	17,65%	105,45%	448,017
Class 6	996,404	76,858	32,710	42,56%	19,75%	-	938,344
Total	5,906,482	448,404	215,912				6,425,578

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.



Table 7.1.4 - Retail exposures secured by real estate (Individuals)

PD Class	jun-13						dec-12
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure
Class 1	14,236,392	44,650	22,107	49,51%	13,17%	4,05%	10,247,975
Class 2	11,653,721	12,236	4,644	37,95%	12,49%	7,75%	15,493,171
Class 3	3,457,589	11,812	3,191	27,02%	12,92%	18,79%	4,747,728
Class 4	1,194,210	8,351	1,411	16,90%	13,43%	57,79%	1,114,273
Class 5	415,956	1,842	533	28,93%	13,51%	80,96%	338,922
Class 6	880,769	20,161	1,273	6,32%	14,45%	-	862,121
Total	31,838,638	99,051	33,159				32,804,189

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.

Table 7.1.5 - Retail exposures (Qualifying revolving)

PD Class	jun-13						dec-12
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure
Class 1	4,652	6,176	-	0,00%	31,99%	2,54%	5,782
Class 2	5,695	1,197	-	0,00%	31,33%	5,10%	7,838
Class 3	12,368	1,653	-	0,00%	30,36%	18,00%	13,714
Class 4	2,677	357	-	0,00%	33,94%	53,14%	3,009
Class 5	237	24	-	0,00%	33,93%	103,65%	221
Class 6	291	159	-	0,00%	37,02%	-	387
Total	25,921	9,566	-				30,951

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.



Table 7.1.6 - Other retail exposures (SMEs)

PD Class	jun-13						dec-12
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure
Class 1	77,256	202,129	10,758	5,32%	27,44%	7,69%	159,733
Class 2	798,577	1,013,481	88,678	8,75%	26,53%	16,73%	1,133,483
Class 3	5,964,449	3,246,124	324,909	10,01%	27,83%	34,67%	6,185,357
Class 4	3,769,761	960,603	70,070	7,29%	30,15%	50,40%	4,056,330
Class 5	508,530	100,802	11,009	10,92%	28,79%	75,53%	519,951
Class 6	6,975,946	400,720	36,512	9,11%	50,26%	-	6,575,356
Total	18,094,518	5,923,859	541,936				18,630,211

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.

Table 7.1.7 - Other retail exposures (Individuals)

PD Class	jun-13						dec-12
	Exposure	Unused Amount ^(a)	Credit equivalent	Average Credit Conversion Factor (average CCF)	Average weighted LGD (LGD%)	Average Risk Weighting factor (RW%)	Exposure
Class 1	707,166	643,615	15,176	2,36%	15,84%	5,15%	721,436
Class 2	921,175	409,367	39,060	9,54%	17,94%	10,53%	984,009
Class 3	934,091	394,138	42,434	10,77%	21,86%	25,40%	1,022,957
Class 4	422,874	80,428	43,864	54,54%	23,94%	41,57%	422,539
Class 5	108,438	2,901	263	9,05%	20,42%	53,11%	83,510
Class 6	2,723,372	21,962	3,125	14,23%	41,96%	-	2,526,395
Total	5,817,115	1,552,411	143,921				5,760,846

(a) For reporting purposes, Unused Margins and respective Credit Equivalents refer to issued guarantees and revocable and irrevocable commitments to disburse funds.



A comparison of estimated vs. actual results

As previously pointed out, the Monte dei Paschi Group adopts advanced models to determine capital requirements for 'corporate' and 'retail' portfolios. Internally estimated PD (Probability of Default) and LGD (Loss Given Default) parameters are therefore used for both portfolios. values and the impact of any underestimated default rates on the variables used to measure credit risk (Expected Loss and Regulatory Capital). Recent backtesting activities carried out on the various PD models of the Group revealed their sufficient ability to forecast defaults.

A comparison of estimated vs. actual losses is made on a yearly basis within the framework of PD and LGD backtesting by internal first and second level control functions. As far as the LGD estimate is concerned, which was reviewed in 2012, it is observed that the conservative approach used during the estimation phase (an over 15-year

time series; LGD rate floor at 0% for each position; downturn) and inclusion of the latest defaults in the cure rate estimate guarantee a conservative estimate of expected losses.

As for PD, statistical models are monitored using a structured automated algorithm. Monitoring consists in a determined number of tests aimed at assessing whether the characteristics of the models in the implementation/ production environment continue to be similar to those found in the development phase, in terms of representativeness and performance. Within the monitoring process, estimated PDs are compared against observed default rates according to a specific calibration protocol which includes a set of tests designed to verify the alignment between the Probability of Default and Default Rates and, in the event of a negative outcome, may require additional verifications taking account of both a methodological approach of development based on long-term average



Table 8 – Risk mitigation techniques

Quantitative disclosure

Table 8.1 - Exposures secured by guarantees

Regulatory portfolio	Financial collaterals		Personal guarantees		Total	
	jun-13	dec-12	jun-13	dec-12	jun-13	dec-12
Central Governments and Central banks	-	-	347,355	379,461	347,355	379,461
Regional governments and local authorities	-	-	69,481	75,404	69,481	75,404
Non-commercial and public sector entities	61,851	112,390	-	-	61,851	112,390
Multilateral development banks	-	-	32	38	32	38
International organisations	-	-	-	-	-	-
Supervised institutions	15,521,488	16,138,983	193,445	166,917	15,714,933	16,305,900
Exposures to Corporates	1,101,480	812,748	5,000	5,000	1,106,480	817,748
Retail exposures	164,305	283,249	-	-	164,305	283,249
Exposures secured by real estate	2,531	1,616	-	-	2,531	1,616
Past due exposures	974	1,256	-	-	974	1,256
High risk exposures	-	-	-	-	-	-
Exposures in the form of covered bonds	-	-	-	-	-	-
Short-term exposures to corporates	-	-	-	-	-	-
Exposures to UCITs	21,614	21,614	-	-	21,614	21,614
Other exposures	-	-	-	-	-	-
Securisation exposures	-	-	-	-	-	-
Total	16,874,243	17,371,856	615,313	626,820	17,489,556	17,998,676

The table provides, by regulatory asset class, the exposures of the banking group considered for credit risk purposes – standardised method secured by financial collaterals and by personal guarantees; the exposures taken into consideration are determined according to prudential supervisory regulations, net of any netting agreements. Therefore, the table does not include all types of guarantees; for example, the exposures guaranteed by real estate are not included, since they are not recognized for the purpose of risk mitigation and are directly reported in the same class, as shown in table 6.1. There are no exposures hedged with credit derivatives, which are valid for the purpose of the risk mitigation techniques.



Table 9 - Counterparty risk

Quantitative disclosure

Table 9.1 - Counterparty risk: derivatives

	Gross Positive Fair value (book values)	Effect of nettings agreements	Netted Fair value	Effect of collateral arrangements	Net Credit Exposure
Derivatives as at 30/06/2013	9,182,911	6,443,200	2,739,711	1,527,838	4,110,743
Derivatives as at 31/12/2012	11,352,345	8,337,427	3,014,918	1,244,830	4,870,410

The table represents the exposure of the Banking Group to counterparty risk for derivative instruments. All the financial and credit derivatives traded over the counter (OTC) with any counterparty institutional, corporate, retail counterparties etc.) are included in the table irrespective of the regulatory (trading and banking) portfolio they belong to. In particular, the "gross positive fair value" corresponds to the book value of the above-mentioned contracts and therefore is inclusive of the netting agreements. The "Nettings" represent the gross positive fair value amount, which as a result of the agreements executed with the counterparties, is offset with negative value transactions. The net "netted fair value" indicates the positive fair value amount remaining after the nettings. The "Exposure" is a value calculated according to prudential supervisory requirements. In the Current Value method adopted by the Montepaschi Group, it is based on the positive fair value net of nettings; this value is increased by the future credit exposure (add-on) and reduced by the effects of the guarantee agreements. The future credit exposure takes account of the probability that in future the current value of the contract, if positive, may increase or, if negative, may become a credit position. This probability is linked with the volatility of the underlying market factors and the residual maturity of the contract. In other terms, it is calculated on the basis of the notional amount of all the derivatives taken into consideration, both with a positive and negative fair value. With regard to LSTs (Long Settlement Transactions) and SFTs (Securities Financing Transactions), the overall nominal exposure recorded comes to approximately Euro 2,36 billion. For reporting purposes, the capital requirement for the counterparty risk of the trading and banking book portfolio, is reported, for each portfolio and for each approach (standard and Airb) in the tables (Table 4 and sg).

Table 9.2 - Derivatives: breakdown of positive fair value by type of underlying

	Interest rates	Foreign currencies and gold	Equity securities	Credits	Other	Total
Derivatives as at 30/06/2013	7,070,700	141,161	665,048	1,297,464	8,538	9,182,911
Derivatives as at 31/12/2012	9,029,477	120,316	586,063	1,586,255	30,235	11,352,345

The table illustrates the breakdown of the positive gross fair value of OTC derivative contracts by type of underlying assets

Table 9.3 - Credit derivatives: notional amounts

Group of Products	Banking Book		Regulatory Trading Book	
	Protection purchases	Protection sales	Protection purchases	Protection sales
Credit default swap	65.500	200.000	23.214.552	23.870.190
Total rate of return swap	-	-	-	197.845
Total as at 30/06/2013	65.500	200.000	23.214.552	24.068.035
Total as at 31/12/2012	81.900	684.311	27.228.062	27.849.289

The table shows the notional values of credit derivative contracts, by portfolio (banking and trading book) and the role played by the Montepaschi Group (buyer/seller of protection).



Table 10 – Securitisation transactions

Quantitative disclosure

Table 10.1 - Exposures securitised by the MPS

Type of Assets/Exposures securitised	Exposures		Losses for the period
	net	of which impaired	
RMBS	4,382,383	30,309	-
Mortgages	4,382,383	30,309	-
<i>Mantegna Finance II (Bam)</i>	29,420	4,222	-
<i>Casaforte Srl (Banca MPS)</i>	1,485,921	-	-
<i>Siena Mortgages 10 - 7 (Banca MPS)</i>	2,867,042	26,086	-
CDO	10,000	-	-
Bond and credit derivatives	10,000	-	-
<i>Gonzaga Finance (Bam)</i>	10,000	-	-
Total as at 30/06/2013	4,392,383	30,309	-
Total as at 31/12/2012	4,513,792	23,776	-

The table above details traditional outstanding exposures securitised by the Bank as originator and included in the banking and trading book. These securitisations involve total derecognition of underlying assets from an accounting viewpoint, with the exception of Siena Mortgages 10 – 7. Until now the Group has not carried out any synthetic securitisations.



The following tables report the Group's overall exposures in on- and off-balance sheet securitisations broken down by Banking and Trading Book and by type of securities. The tables refer to exposures used for prudential supervisory reporting purposes and include securitised exposures that are not recognised for the purpose of capital requirement calculation. In this latter case, capital requirements are calculated having regard to the securitised assets and not to the corresponding exposure.

Table 10.2 - Total securitised exposures by type of securities (on- and off-balance-sheet)

	Securitisations		Total
	of third parties	own	
1. Balance-sheet exposures	222,678	427,131	649,809
Banking book	8,763	361,541	370,304
ABS	-	1,810	1,810
CBO	-	3,390	3,390
CLN	-	39,467	39,467
CDO di ABS	-	249,007	249,007
CLO	-	16,706	16,706
CMBS	-	5,405	5,405
RMBS	8,763	45,756	54,519
Trading book	213,916	65,589	279,505
CDO	-	2,916	2,916
CMBS	208,596	19,216	227,812
RMBS	5,319	43,457	48,776
2. Off-balance-sheet exposures	-	-	-
Total as at 30/06/2013	222,678	427,131	649,809
Total as at 31/12/2012	168,976	472,468	641,444



Table 10.2.1 - Own securitised exposures by type of securities and underlying assets- Banking Book

	Junior	Mezzanine	Senior	Total
RMBS				
Residential mortgages	-	-	-	-
Mortgages	8,694	-	69	8,763
Total as at 30/06/2013	8,694	-	69	8,763
Total as at 31/12/2012	7,831	-	363	8,194

None of the above exposures are recognised for regulatory prudential requirements as detailed in the next Tables 10.3.1 and 10.3.2.

Table 10.2.2 - Third-party securitised exposures by type of securities and underlying assets – Banking Book

	Junior	Mezzanine	Senior	Total
ABS	-	167	1,643	1,810
Equip Leases	-	-	1,643	1,643
Consumer loans	-	167	-	167
CDO of ABS	-	-	249,007	249,007
Financial	-	-	49,900	49,900
Mixed Assets	-	-	199,106	199,106
CBO	3,390	-	-	3,390
Financial	3,390	-	-	3,390
CLO	-	16,706	-	16,706
Residential mortgages	-	16,706	-	16,706
CMBS	1,072	4,333	-	5,405
Commercial mortgages	1,072	4,333	-	5,405
RMBS	-	263	45,494	45,756
Residential mortgages	-	263	45,494	45,756
CLN	-	-	39,467	39,467
Trigger Zero Coupon	-	-	39,467	39,467
Total as at 30/06/2013	4,462	21,469	335,610	361,541
Total as at 31/12/2012	1,479	22,634	358,798	382,911



Table 10.2.3 - Own securitised exposures by type of securities and underlying assets- Trading Book

	Junior	Mezzanine	Senior	Total
CMBS	-	88,431	120,165	208,596
Non-residential mortgage loans	-	88,431	120,165	208,596
RMBS	-	422	4,897	5,319
Mortgages	-	422	154	576
Residential mortgage loans	-	-	4,743	4,743
Total as at 30/06/2013	-	88,854	125,062	213,916
Total as at 31/12/2012	-	33,288	127,494	160,782

Table 10.2.4 – Third-party securitised exposures by type of securities and underlying assets – Trading Book

	Junior	Mezzanine	Senior	Total
CDO	-	3	2,913	2,916
Bond	-	-	2,913	2,913
SME loans	-	3	-	3
CMBS	-	-	19,216	19,216
Commercial mortgages	-	-	19,216	19,216
RMBS	-	-	43,457	43,457
Residential mortgages	-	-	43,457	43,457
Total as at 30/06/2013	-	3	65,586	65,589
Total as at 31/12/2012	-	3	89,553	89,557

The tables refer to securitised exposures (own and third-party securitisations), broken down by Banking or Trading Book subject to the standardised approach and their related capital requirements. The tables do not include exposures whose requirements are calculated on the basis of their underlying assets. The risk weighting factors provided for by regulations are applied in this latter case and such exposures are included in the regulatory portfolios of Table 6.1.



Table 10.3 - Total securitised exposures by Banking/Trading Book and related capital requirements (Standardised Approach)

Type	Exposures	Capital requirements
Banking Book	361,541	101,836
Trading Book	279,505	21,169
Total as at 30/06/2013	641,046	123,004
Total as at 31/12/2012	633,250	124,008

Exposures in own and third-party securitisations and re-securitisations are not credit risk mitigated through CRM techniques such as those included in Table 8.1. The exposures broken down by Banking or Trading Book, type of securitisation and weight band are reported in the tables below.

Table 10.3.1 - Securitised exposures by risk weight bands - Banking Book

Type	Risk weight band							Total
	20%	50%	100%	225%	350%	650% 1250%	1250% no Rating	
Own Securitisations	-	-	-	-	-	-	-	-
Third-party Securitisations	41,620	8,072	40,570	-	-	1,105	21,168	112,535
Re-securitisations	-	-	144,305	49,900	-	54,802	-	249,007
Total as at 30/06/2013	41,620	8,072	184,875	49,900	-	55,907	21,168	361,541
Total as at 31/12/2012	5,175	3,736	249,453	49,885	1,479	56,443	16,741	382,911

The table above details the securitised exposures by risk weight bands and type of transactions. The amounts shown, in line with prudential regulations, relate to own and third-party securitised exposures included in the banking book. Therefore, they do not include the securitised exposures included in the regulatory trading book, detailed in the following Table 10.3.3. Moreover, as far as own securitisations are concerned, in compliance with supervisory regulations, the table does not include securitised exposures:

a) that refer to transactions that are not recognised as securitisations for prudential supervisory purposes, since, among other reasons, they do not entail the actual transfer of credit risk, b) whose overall risk-weighted value to the same securitisation exceeds the risk-weighted value of underlying securitised assets, calculated as if they had not been securitised (cap test). Both in the case of a) and b), capital requirements are calculated in relation to securitised assets and not to the corresponding exposures securitised. Moreover, in this case, securitized assets are classified in their original regulatory classes (exposures secured by real estate, etc.) and are therefore excluded from "Securitisations".



Table 10.3.2 - Capital requirements of securitised exposures by risk weight bands – Banking Book

Type	Risk weight band							Total
	20%	50%	100%	225%	350%	650% 1250%	1250% no Rating	
Own Securitisations	-	-	-	-	-	-	-	-
Third-party Securitisations	666	323	3,246	-	-	1,105	21,168	26,508
Re-securitisations	-	-	11,544	8,982	-	54,802	-	75,328
Total as at 30/06/2013	666	323	14,790	8,982	-	55,907	21,168	101,836
Total as at 31/12/2012	83	149	19,956	8,979	414	56,443	16,741	102,766

Table 10.3.3 - Securitised exposures by risk weight bands - Trading Book

Type	Risk weight band							Total
	20%	50%	100%	225%	350%	650% 1250%	1250% no Rating	
Own Securitisations	-	4,897	208,596	-	422	-	-	213,916
Third-party Securitisations	11,013	9,461	45,112	-	-	3	-	65,589
Re-securitisations	-	-	-	-	-	-	-	-
Total as at 30/06/2013	11,013	14,358	253,708	-	422	3	-	279,505
Total as at 31/12/2012	2,646	29,471	209,635	-	7,412	1,175	-	250,339

The table above details the exposures securitised by risk weight bands and by type of transactions. The amounts shown relate to own and third-party securitised exposures included in the regulatory trading book.

Table 10.3.4 - Capital requirements of securitised exposures by risk weight bands - Trading Book.

Type	Risk weight band							Total
	20%	50%	100%	225%	350%	650% 1250%	1250% no Rating	
Own Securitisations	-	196	16,688	-	118	-	-	17,002
Third-party Securitisations	176	378	3,609	-	-	3	-	4,167
Re-securitisations	-	-	-	-	-	-	-	-
Total as at 30/06/2013	176	574	20,297	-	118	3	-	21,169
Total as at 31/12/2012	42	1,179	16,771	-	2,075	1,175	-	21,242



Table 13 – Equity exposures: disclosures for banking book positions

Quantitative disclosure

Table 13.1 - Equity exposures - disclosure for banking book positions

Type	Book Value	Fair Value	Market Value	Exposure	Realised gains/losses	Unrealised gains/losses	
						Total	of which included in Tier 1 and Tier 2 capital
Available For Sale securities (A)	332,050	332,050	x	332,050	13,820	31,354	15,677
quoted	27,576	27,576	27,576	27,576	2,193	5,365	2,683
unquoted	304,474	304,474	x	304,474	11,627	25,989	12,994
Investments (B)	151,924	x	x	238,548	1,124	-	-
quoted	49,077	x	x	44,350	-	-	-
unquoted	102,846	x	x	194,199	1,124	-	-
Total 30.06.2013 (A+B)	483,974	332,050		570,599	14,944	31,354	15,677
quoted	76,653	27,576	27,576	71,926	2,193	5,365	2,683
unquoted	407,321	304,474	x	498,673	12,751	25,989	12,994
Total 31.12.2012 (A+B)	548,067	354,143		634,592	30,299	34,528	17,264

x = value not attributable

PN = Patrimonio Netto, Net Equity

PB, PS = Patrimonio di Base (Core Capitale) and Patrimonio Supplementare (Supplementary Capital), respectively

The table illustrates exposures in capital instruments broken down by the respective accounting portfolio. Values refer to the exposures included in the Banking Book and do not include exposures in capital instruments which are deducted for the calculation of Regulatory Capital. In the column "Exposure" the related value is calculated according to the rules of Prudential Supervision and thus differs from the Book value. The value of the Exposure also includes the value of the shareholding in MPS Tenimenti which, for prudential purposes, is calculated with the net equity method while for Financial Statements the comprehensive method is applied.



Table 14 - Interest rate risk on positions in the banking book

Quantitative disclosure

The sensitivity of the Montepaschi Group, at the end of June 2013, suggests a profile of exposure to rate hike risk. With a shift of +200 bp in the interest rate curve, total sensitivity of the economic value would stand at -1,991.41 EUR mln. Risk is almost entirely allocated to exposures in Euro.

Table 14.1 – Interest Rate Risk in the Banking Book (IRRBB)

Shift (+/-)	Effect on Economic Capital (EUR/mln)	
	jun-13	dec-12
Eur +200bp	-1,989.89	-1,769.21
Usd +200bp	-5.66	-26.19
Other +200bp	4.14	5.39
Total +200bp	-1,991.41	-1,790.01
Eur -200bp	1,936.93	1,747.69
Usd -200bp	3.53	5.12
Other -200bp	-2.29	-1.83
Total -200bp	1,938.17	1,750.98

The amount of the economic value at risk is, in any case, below the level considered as a critical threshold by current regulations.



Declaration of the Financial Reporting Officer

Pursuant to para. 2, article 154-bis of the Consolidated Law on Banking, the Financial Reporting Officer, Mr. Arturo Bertunio, declares that the accounting information contained in this document corresponds to the underlying documentary evidence and accounting records.

Siena, 7 August 2013

Arturo Bertunio
Financial Reporting Officer



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Contacts

Head Office

Banca Monte dei Paschi di Siena S.p.A.

Piazza Salimbeni, 3

53100 Siena

Tel: 0577.294111

Investor Relations

Piazza Salimbeni, 3

53100 Siena

Email: Investor.relations@banca.mps.it

Press Relations

Piazza Salimbeni, 3

53100 Siena

Email: Ufficio.Stampa@banca.mps.it

Internet

www.mps.it



**MONTE
DEI PASCHI
DI SIENA**
BANK SINCE 1472