

FINAL TERMS dated 21 February 2008

Morgan Stanley

*PROGRAM FOR THE ISSUANCE OF
NOTES, SERIES A AND B*

Issue of up to EUR71,400,000 "Sticky Floater" Notes due April 2013, Series 1775

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX REQUIREMENTS. THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES (WHICH TERM INCLUDES THE TERRITORIES, THE POSSESSIONS AND ALL OTHER AREAS SUBJECT TO THE JURISDICTION OF THE UNITED STATES OF AMERICA) OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT OR THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). IN PURCHASING THE NOTES, PURCHASERS HEREBY REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON.

THE NOTES ARE ONLY SUITABLE FOR SOPHISTICATED INVESTORS WHO ARE WILLING TO TAKE CONSIDERABLE RISKS. PROSPECTIVE INVESTORS WILL BE REQUIRED TO ACKNOWLEDGE OR WILL HAVE BEEN DEEMED TO HAVE ACKNOWLEDGED THAT THEY UNDERSTAND THE RISKS AND POTENTIAL CONSEQUENCES ASSOCIATED WITH PURCHASES OF THE NOTES AND THAT THEY HAVE MADE SUCH INDEPENDENT APPRAISAL OF THE ISSUER, ITS ECONOMIC CIRCUMSTANCES AS THEY THINK APPROPRIATE, AND HAVE CONSULTED WITH THEIR OWN LEGAL, INVESTMENT, ACCOUNTING AND TAX ADVISORS TO THE EXTENT THEY BELIEVE IS APPROPRIATE TO ASSIST THEM IN UNDERSTANDING AND EVALUATING THE RISKS INVOLVED AND THE CONSEQUENCES OF PURCHASING THE NOTES.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO THE LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAW, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 June 2007 as supplemented by the Base Prospectus Supplements dated 11 October 2007, 19 November 2007 and 20 December 2007 (as so supplemented, the "**Base Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Series A Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot

Square, Canary Wharf, London E14 4QA and on the website www.morganstanleyiq.it as well as on the Distribution Manager's and Distributors' websites, respectively: www.mpscapitalervices.it and www.mps.it and www.mpsbancapersonale.it (see paragraph 38 below "Distribution").

Information Concerning Investment Risk

The indicative Principal Amount of the Notes is EUR 71,400,000 although the actual Principal Amount of the Notes to be issued will depend on the level of orders received during the Subscription Period that is scheduled to be the period from (and including) 22 February 2008 to (and including) 23 April 2008. The final Principal Amount of Notes to be issued will be notified on or about 24 April 2008.

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. Noteholders and prospective purchasers of Notes should conduct their own investigations and, in deciding whether or not to purchase Notes, prospective purchasers should form their own views of the merits of this investment based upon such investigations and not in reliance on any information given in these Final Terms.

Given the specialised nature of these Notes, the Issuer and Morgan Stanley & Co. International plc ("**MSIplc**") consider that they are only suitable for sophisticated investors who are able to determine for themselves the risk of this investment. Consequently, if you are not an investor who falls within the description above, you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in the Notes.

Please see the Base Prospectus for a full, detailed description of the Notes, and in particular, please review the Risk Factors associated with the Notes. Investing in the Notes entails certain risks including, but not limited to, the following:

Adjustments by the Determination Agent: The terms and conditions of the Notes will allow the Determination Agent to make adjustments or take any other appropriate action if circumstances occur where the Notes or any exchanges are affected by market disruption, adjustment events or circumstances affecting normal activities.

Credit Risk: The holder of the Notes will be exposed to the credit risk of the Issuer, which is the risk that the Issuer is not able to comply with its obligations under the Notes, including its obligations to pay the Final Redemption Amount of EUR1,000 in respect of each Note on the Maturity Date and to pay interest on each 6-monthly Interest Payment Date.

Exit Risk: The secondary market price of the Notes will depend on many factors, including the value and volatility of the interest rates, time remaining to maturity and the creditworthiness of the Issuer. Therefore the holder may receive an amount which may be less than the then intrinsic market value of the Notes and which may also be less than the amount the holder would have received had the holder held the Notes through to maturity.

Liquidity Risk: Even though the Notes could be traded on a secondary market (whether an organised exchange or an alternative trading system), a secondary market in the Notes may not be liquid enough to facilitate a sale by the holder. Any secondary market in the Notes made by the Dealer will be made on a reasonable efforts basis only and subject to market conditions, law, regulation and internal policy.

Potential Conflict of Interest between the Determination Agent and the Issuer: The Determination Agent is an affiliate of the Issuer and the economic interests of the Determination Agent may be adverse

to the interests of holders of the Notes. Determinations made by the Determination Agent, including in the event of a market disruption or corporate event trading on the relevant Exchange, may affect the amount payable to holders pursuant to the terms of the Notes.

Potential Conflict of Interest between the Distributors, the Distribution Manager and the Issuer: Banca Monte dei Paschi di Siena S.p.A. and MPS Banca Personale S.p.A. (the "**Distributors**") and MPS Capital Services Banca per le Imprese S.p.A. (the "**Distribution Manager**") are affiliates of the MPS Banking Group. The Distributors and Distribution Manager could be in a conflicted situation as they will receive from the Issuer respectively selling fees and management fees as a percentage to be calculated on the nominal amount of Notes placed. Furthermore, the Notes could be traded on the "Sistema di Scambi Organizzati (SSO)" managed solely by the Distribution Manager, named "DealDone Trading" ("DDT"), in accordance with the provision of art. 21 e 51 of Regolamento CONSOB No. 16191 and article 77/bis *et seq.* of the Legislative Decree 24 Febbraio 1998, No.58 as amended from time to time. The Distribution Manager has the role of "Negoziatore Unico" on DDT.

Other Considerations: The original issue price of the Notes includes the agent's commissions paid with respect to the Notes and the cost of hedging the Issuer's obligations under the Notes. The cost of hedging includes the projected profit that the Issuer's subsidiaries may realise in consideration for assuming the risks inherent in managing the hedging transactions. The subsidiaries through which the Issuer hedges its obligations under the Notes expect to make a profit. Since hedging the Issuer's obligations entails risk and may be influenced by market forces beyond the control of the Issuer or its subsidiaries, such hedging may result in a profit that is more or less than initially projected, or could result in a loss.

Assuming no change in market conditions or any other relevant factors, the price, if any, at which MSIplc is willing to purchase Notes in secondary market transactions will likely be lower than the original issue price, since the original issue price includes, and secondary market prices are likely to exclude, commissions paid with respect to the Notes as well as the projected profit included in the cost of hedging the Issuer's obligations under the Notes. In addition, any such prices may differ from values determined by pricing models used by MSIplc, as a result of dealer discounts, mark-ups or other transaction costs.

In purchasing any Notes, purchasers will be deemed to represent and undertake to the Issuer, the Dealer and each of their affiliates (i) that such purchaser understands the risks and potential consequences associated with the purchase of the Notes and (ii) that such purchaser has consulted with its own legal, regulatory, investment, accounting, tax and other advisers to the extent it believes is appropriate to assist it in understanding and evaluating the risks involved in, and the consequences of, purchasing the Notes.

1.	Issuer:	Morgan Stanley
2.	(i) Series Number:	1775
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Euro (" EUR ")
4.	Aggregate Principal Amount of the Notes:	
	(i) Series:	Up to EUR71,400,000
	(ii) Tranche:	Up to EUR71,400,000
5.	Issue Price	100 per cent. of Par per Note
6.	Specified Denominations (Par): (Condition 3)	EUR1,000

7.	(i) Issue Date:	30 April 2008
	(ii) Trade Date:	24 April 2008
	(iii) Interest Commencement Date:	30 April 2008
8.	Maturity Date:	The Interest Payment Date scheduled to occur on 30 April 2013
9.	Interest Basis:	<p>(i) With respect to the first interest period from and including the Issue Date to but excluding 30 October 2008 (the "First Interest Period") 4.20% Fixed Rate Notes (see paragraph 15 below)</p> <p>(ii) With respect to the period from and including 30 October 2008 to but excluding 30 April 2013, Floating Rate Notes (see paragraph 16 below)</p>
10.	Redemption/Payment Basis:	Subject to Paragraph 15 below, redemption at Par
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	<p>(i) Redemption at the option of the Issuer: Not Applicable (Condition 13.7)</p> <p>(ii) Redemption at the option of the Noteholders: Not Applicable (Condition 13.9)</p> <p>(iii) Other Put/Call Options: Not Applicable</p>
13.	Status of the Notes: (Condition 4)	Condition 4.1 applies
14.	Method of distribution:	Non-syndicated

INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions (Condition 5)	Applicable with respect to the First Interest Period only
	(i) Rate of Interest:	4.20 per cent. per annum
	(ii) Interest Payment Date(s):	30 October 2008
	(iii) Fixed Coupon Amount:	EUR 21.00 per EUR1,000 in Nominal Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual (ICMA), unadjusted

(vi)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16.	Floating Rate Note Provisions (Condition 6)	Applicable with respect to the period from and including 30 October 2008 to but excluding 30 April 2013
(i)	Specified Interest Payment Dates:	30 April and 30 October in each year from and including 30 April 2009 to and including 30 April 2013 subject to adjustment in accordance with the Business Day Convention
(ii)	Business Day Convention:	Following Business Day Convention
(iii)	Additional Business Centre(s):	Not Applicable
(iv)	Manner in which the Rate(s) of Interest is/are to be determined:	ISDA Determination
(v)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	Morgan Stanley & Co. International plc
(vi)	Screen Rate Determination:	Not Applicable
(vii)	ISDA Determination	Applicable
-	Floating Rate Option:	EUR-EURIBOR-REUTERS
-	Designated Maturity:	6 months
-	Reset Date	The first day of the relevant Interest Period
(viii)	Margin(s):	+0.10 per cent per annum
(ix)	Minimum Rate of Interest:	Not Applicable
(x)	Maximum Rate of Interest:	The maximum Rate of Interest in respect of each Interest Period commencing on or after 30 October 2008 shall be the Rate of Interest in respect of the immediately preceding Interest Period plus 0.10 per cent per annum
(xi)	Day Count Fraction:	Actual/Actual (ICMA) with no adjustment notwithstanding that an Interest Period ends on a day that is not a Business Day
(xii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
17.	Index-Linked Interest Note/other variable-linked	Not Applicable

interest Note Provisions (Condition 6)

18.	Zero Coupon Note Provisions (Condition 7)	Not Applicable
19.	Dual Currency Note Provisions (Condition 8)	Not Applicable
20.	Equity Linked Notes Provisions (Condition 10)	Not Applicable
21.	Commodity Notes	Not Applicable
22.	Currency Notes	Not Applicable
23.	Credit-Linked Note provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

24.	Call Option (Condition 13.7)	Not Applicable.
25.	Put Option (Condition 13.9)	Not Applicable.
26.	Final Redemption Amount of each Note (Condition 13.1)	Par
27.	Early Termination Amount and Redemption Amount upon early redemption (Condition 13.2, 13.5, 13.10, 13.11 and 17)	

Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

In respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost of unwinding any related hedging arrangements, all as calculated by the Determination Agent in its sole and absolute discretion.

28.	Governing Law	English law
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GENERAL PROVISIONS APPLICABLE TO THE NOTES

29.	Form of Notes: (Condition 3)	Bearer Notes Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
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30.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
31.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
32.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
33.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
34.	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
35.	Consolidation provisions:	Not Applicable
36.	Other final terms:	Not Applicable

DISTRIBUTION

37.	(i) If syndicated, names of Managers: and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers:	Not Applicable
	(ii) Date of Subscription Agreement:	Not Applicable
	(iii) Stabilising Manager(s) (if any):	Not Applicable
38.	If non-syndicated, name of Dealer:	Morgan Stanley & Co. International plc 25 Cabot Square Canary Wharf London E14 4QA

The Dealer has agreed to make available Notes to the Distribution Manager specified in paragraph 5.4.1 of Part B below and to the Distributors specified in paragraph 5.4.2 of Part B below at the Issue Price. The Distributors will receive a selling fee of 2.56% of the Aggregate Principal Amount of the Notes placed, while the Distribution Manager will receive a management fee equal to 0.64% of the Aggregate Principal Amount of the Notes placed.

The Distribution Manager intends to place, appointing the Distributors, up to EUR71,400,000 principal amount of the Notes. Such Notes will be placed with investors at the Issue Price.

39. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules applicable: TEFRA D
40. Total commission and concession: 3.2 per cent. of the Aggregate Nominal amount
41. Additional selling restrictions: The Notes must not be offered or sold in any jurisdiction except to persons whose investment activities involve them in acquiring, holding, managing or disposing (as principal or agent) of investments of a nature similar to the Notes and who are particularly knowledgeable in investment matters.

The Base Prospectus was approved on 22 June 2007 by the competent authority in the United Kingdom, as the Home Member State, and has been published in Italy, as Host Member State, by means of notification to CONSOB on 22 June 2007, pursuant to Article 10-bis of CONSOB Regulation No. 11971 and the Prospectus Directive. The Notes can therefore be offered to the public in Italy. In any case, the publication in Italy of the Base Prospectus does not imply any prior approval by CONSOB nor any assessment by the same on the appropriateness of the investment or the merit of the relevant data and information.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Program for the Issuance of Notes, Series A and B of Morgan Stanley

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

Listing:

Application will be made for the Notes to be admitted to listing on the Official List of the Financial Services Authority in its capacity as United Kingdom competent authority for the purposes of Directive 2003/71/EC and relevant implementing measures in the United Kingdom and to trading on the London Stock Exchange's regulated market for gilt edged and fixed interest securities. No assurance can be given as to whether or not, or when, such applications will be granted.

The European Union Transparency Obligations Directive (the “**Directive**”) may be implemented in a manner which could be burdensome for companies such as the Issuer. In particular, companies may be required to publish financial statements more frequently than they otherwise would or to prepare financial statements in accordance with accounting standards other than the ones they would otherwise utilise, for example the Issuer may be required to prepare financial statements in accordance with accounting standards other than U.S. GAAP. The Issuer is under no obligation to maintain the listing of the Notes, and prospective purchasers should be aware that, in circumstances where an admission to listing or trading of the Notes would require publication by the Issuer of financial statements more frequently than it would otherwise prepare them or preparation by the Issuer of financial statements in accordance with standards other than U.S. GAAP, or in any other circumstances where the Directive is implemented in a manner that, in the opinion of the Issuer, is burdensome for the Issuer, the Notes may be de-listed. In such a case of de-listing, the Issuer may, but is not obliged to, seek an alternative listing for the Notes on a stock exchange outside the European Union. However, if such an alternative listing is not available or is, in the opinion of the Issuer, burdensome, an alternative listing for the Notes may not be considered. Although no assurance is made as to the liquidity of the Notes as a result of listing by the UK Listing Authority, de-listing the Notes may have a material effect on a Noteholder's ability to resell the Notes in the secondary market.

Admission to trading:

See above.

2. RATINGS

Ratings:

The Notes to be issued have not been rated

3. **NOTIFICATION**

The United Kingdom Financial Services Authority has provided the Commissione Nazionale per le Società e la Borsa ("CONSOB") by means of notification on 22 June 2007 with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

5. **TERMS AND CONDITIONS OF THE OFFER**

5.1 **Conditions, offer statistics, expected timetable and action required to apply for the offer**

5.1.1 Conditions to which the offer is subject None.

5.1.2 Total amount of the issue/offer: Up to EUR71,400,000

The final total amount of the issue/offer will depend on the level of orders received during the Subscription Period and will be notified to Noteholders by means of notice to be published on the website of the Issuer (and of the Distribution Manager appointed by the Issuer in respect of the Notes) within 5 days of the end of the Subscription Period.

5.1.3 Subscription Period and application process From (and including) 22 February 2008 to (and including) 23 April 2008. The Issuer is entitled to terminate the Subscription Period prior to 23 April 2008, in particular when the maximum amount of the offer has been placed, by means of notice to be published on the website of the Issuer (and of the Distribution Manager appointed by the Issuer in respect of the Notes).

The distribution of the offering document and the Offer of the Notes can be made by or on behalf of the Distributors to potential investors, in the premises of the Distributors or by means of financial promoters, or by means of long distance communications techniques pursuant to article 32 of Legislative Decree 24 February 1998 No. 58 (the "**TUF**") and to CONSOB Regulation 29 October 2007, No. 16190 (the "**Intermediaries Regulation**") as subsequently modified or supplemented and by means of out of premises offer techniques pursuant to article 30 of TUF of Intermediaries Regulation as subsequently modified and supplemented and pursuant to the other laws and the other regulations applicable in

Italy. Therefore, the effects of the subscription agreements entered into out of premises will be suspended for seven days as from the date of the subscription by the investors. Subject to such terms, the investor can withdraw by means of a notice to the financial promoter or the Distributors without any liability, expenses or other fees. With reference to subscriptions operated by means of long distance communications techniques, the provisions of the legislative decree of 19 August 2005, n. 190 apply. Pursuant to article 11, paragraph 5, of such decree, the withdrawal and the suspension terms do not apply to subscription agreements entered into by means of long distance communications techniques with persons qualifying as consumers (i.e. physical persons acting for purposes that do not fall within their own business or professional activity pursuant to article 2, paragraph 1, lett. d) of such decree.

For information or to participate in the Offer, potential investors should contact the Issuer (and the Distributors appointed in respect of the Notes) during the Subscription Period. Copies of the offering documents will be available at the offices of the Distributors. Potential investors can also find such documents on the website of the Issuer (www.morganstanleyiq.it) (and of the Distribution Manager and Distributors appointed in respect of the Notes, respectively: www.mpscapitalservices.it and www.mps.it and www.mpsbancapersonale.it).

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| 5.1.4 | Possibility to reduce subscriptions: | Not Applicable. |
| 5.1.5 | Minimum/maximum application amount: | The minimum subscription amount is 1 Note (equal to EUR1,000) and multiples thereof. |
| 5.1.6 | Methods and limits for paying up the securities and for delivery of the securities: | Subscription monies must be received in the form of cleared funds by the Issuer (or the Distributors appointed in respect of the Notes) not later than 30 April 2008. |
| 5.1.7 | Results of the offer: | The Distribution Manager will make the results of the offer available to the public within 5 days of the end of the Subscription Period by means of a notice stating the total amount of the issue. |

A notice pursuant to UK Prospectus Rule 2.3.2(2) of the final Aggregate Principal Amount of the Notes will be (i) sent to the document viewing facility to be filed with the FSA and (ii) published on or about the Issue Date in accordance with the

method of publication set out in Prospectus Rule 3.2.4(2).

5.1.8 Rights of pre-emption and subscription rights: Not Applicable.

5.2 Plan of distribution and allotment

5.2.1 Potential investors and markets. The Notes will be offered to the public only in Italy.

5.2.2 Allotment criteria Not Applicable.

5.3 Pricing

On the basis of the management fee and the selling fee of the issue (all of which are implicit in the Issue Price) as will be paid respectively, to the Distribution Manager and, through it, to the Distributors, as well as on the basis of the bond component and the derivative component, all such elements as valued on the date of 11 February 2008, the Issue Price should be divided as follows:

Value of the bond component	98.93%
Value of the derivative component	2.13%
Issuer Net Proceeds	96.80%
Selling fees	2.56%
Management fees	0.64%
Issue Price	100%

IN RESPECT OF THE PERIOD FROM THE ISSUE DATE TO, BUT EXCLUDING, 30 OCTOBER 2008, THE NOTES WILL HAVE A GROSS YIELD PER ANNUM EQUAL TO 4.20%.

FROM, AND INCLUDING, 30 OCTOBER 2008 THE YIELD PAYABLE ON THE NOTES WILL DEPEND UPON THE 6 MONTH EURIBOR FLOATING RATE.

5.4 Placing

5.4.1 Distribution Manager MPS Capital Services Banca per Le Imprese S.p.A. of Viale Mazzini, 46-50132 Firenze, Italy (Offices: Viale Mazzini, 23-53100 Siena, Italy) will act as Distribution Manager

5.4.2 Distributors Banca Monte dei Paschi di Siena SpA
Piazza Salimbeni, 3
53100 Siena
(Republic of Italy)

MPS Banca Personale S.p.A.
Strada Prov.le Lecce-Surbo
73100 Lecce
(Republic of Italy)

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| 5.4.3 | Paying Agent | The Bank of New York |
| 5.4.4 | Custodian | Clearstream/Euroclear |
| 5.4.5 | Underwriting entities | Not Applicable. |
| 5.4.6 | Underwriting agreement | Not Applicable. |

6. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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|-------|---------------------------|--|
| (i) | Reasons for the offer | Making profit and/or hedging risks. |
| (ii) | Estimated net proceeds: | EUR71,400,000

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.) |
| (iii) | Estimated total expenses: | EUR 0 |

7. YIELD

Indication of yield: Not Applicable

8. HISTORIC INTEREST RATES

Details of historic EURIBOR rates can be obtained from Reuters.

9. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

10. PERFORMANCE OF RATE[S] OF EXCHANGE

Not Applicable

11. OPERATIONAL INFORMATION

ISIN Code: XS0344661490

Common Code: 034466149

New Global Note No

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of additional
Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which
would allow Eurosystem eligibility: No