

SECOND SUPPLEMENT DATED 17 JULY 2015 TO THE

BASE PROSPECTUS DATED 12 MARCH 2015

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

(Incorporated with limited liability in the Republic of Italy)



€50,000,000,000

Debt Issuance Programme

This second supplement (the **Supplement**) to the Base Prospectus dated 12 March 2015 as previously supplemented by the first supplement dated 21 April 2015 (the **Base Prospectus**), constitutes a supplement for the purposes of Article 13.1 of Chapter 1 of Part II of the Luxembourg Act dated 10 July 2005 on prospectuses for securities, as amended (the **Prospectus Act**) and is prepared in connection with the Euro Medium Term Note Programme (the **Programme**) established by Banca Monte dei Paschi di Siena S.p.A. (**BMPS** or the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplement

The purpose of the submission of this Supplement is to update (i) the “Documents Incorporated by Reference” section of the Base Prospectus to incorporate by reference the BMPS unaudited consolidated interim report as at 31 March 2015 along with recent press releases in relation to BMPS (ii) the “General Description of the Programme” section of the Base Prospectus, (iii) the “Banca Monte dei Paschi di Siena S.p.A.” description section of the Base Prospectus and (iv) the “General Information” section of the Base Prospectus.

Documents Incorporated by Reference

The "Documents Incorporated by Reference" section on pages 35-37 of the Base Prospectus shall be deemed to be supplemented with the following:

BMPS' Consolidated Unaudited Quarterly Report as at 31 March 2015

On 15 May 2015, BMPS published the consolidated unaudited quarterly report as at 31 March 2015.

A copy of the BMPS's consolidated unaudited quarterly report as at 31 March 2015 has been filed with the *Commission de Surveillance du Secteur Financier* (the **CSSF**) and, by virtue of this Supplement, the sections

of such document identified in the table below are incorporated by reference in, and form part of, the Base Prospectus:

Document	Information incorporated	Pages
BMPS' Unaudited Consolidated Quarterly Report as at 31 March 2015	Interim Consolidated Report on Operations	3-66
	Interim Consolidated Financial Statements	
	- Consolidated balance sheet	69-70
	- Consolidated income statement	71-72
	- Consolidated Statement of changes in equity – 31 march 2015	74-75
	- Consolidated Statement of changes in equity – 31 march 2014	76-77
	- Consolidated cash flow statement indirect method	78-79
	Explanatory Notes	80-203
	Declaration of the Financial Reporting Officer	204-205
	Auditors' Review Report on the Interim Consolidated Financial Statements	206-208
Annexes	209-215	

Press releases in relation to BMPS

On 8 May 2015, BMPS published a press release which informed that the Board of Directors has reviewed and approved the 2015 first quarter results and the update of the Business Plan.

On 14 May 2015, BMPS published a press release which announced that the European Central Bank approved the Euro 3 billion rights issue and the subsequent reimbursement of nominal Euro 1.071 billion of New Financial Instruments.

On 14 May 2015, BMPS published a press release which announced that, in compliance with the resolution of the Extraordinary Shareholders' Meeting of BMPS held on 16 April 2015 and regarding the reverse stock split of BMPS ordinary shares on the basis of a ratio of No. 1 (one) new ordinary share each No. 20 (twenty) old shares, on 18 May 2015, conditional upon the completion of the approval process by the competent authorities and the registration of the aforementioned resolution with the Companies' Register of Siena, will take effect the reverse stock split of No. 5,116,513,875 outstanding ordinary shares, with no par value, regular rights attached (ISIN IT0004984842), coupon No. 2, into no. 255,825,693 new ordinary shares, with no par value, with regular dividend entitlement (*godimento regolare*) (ISIN IT0005092165), coupon No. 1, after cancelling No. 9 BMPS ordinary shares held by BMPS itself and No. 6 ordinary shares made available by Intermonte SIM S.p.A..

On 18 May 2015, BMPS published a press release which announced the new composition of the share capital of BMPS, following, and as a consequence to, the reduction in the share capital resolved by the shareholders' extraordinary meeting held on 16 April 2015 and the reverse stock split.

On 19 May 2015, BMPS published a press release which announced that Fitch downgraded BMPS's Long-term Issuer Default Rating (IDR) from "BBB" to "B-" with Stable outlook.

On 21 May 2015, BMPS published a press release which announced that its Board of Directors approved the final terms of the capital increase up to Euro 3 billion, approved on 16 April 2015 by the Shareholders' meeting of BMPS.

On 22 May 2015, BMPS published a press release which announced the execution of the underwriting agreement connected with the rights offering approved on 16 April 2015 by the Shareholders' meeting of BMPS.

On 12 June 2015, BMPS published a press release which announced the closing of the rights offering period of a maximum of no. 2,558,256,930 newly issued BMPS ordinary shares and the relevant results.

On 15 June 2015, BMPS published a press release which announced that, following the results of the subscription period of the rights issue and on the basis of the agreement with the Ministry of Economy and Finance, BMPS has redeemed in full the nominal value of Euro 1.071 billion of New Financial Instruments outstanding.

On 19 June 2015, BMPS published a press release which announced the completion of the rights offering for the subscription of 2,558,256,930 newly issued BMPS ordinary shares and the relevant results.

On 22 June 2015, BMPS published a press release which announced, pursuant to Article 85-*bis* of CONSOB Regulation No. 11971 of 14 May 1999, as amended, the new composition of the share capital of BMPS, following the execution of the share capital increase resolved by the shareholders' extraordinary meeting held on 16 April 2015.

On 3 July 2015, BMPS published a press release which, pursuant to Article 85-*bis* of CONSOB Regulation No. 11971 of 14 May 1999, as amended, announced, after the filing with the Companies' Register of Siena of the statement pursuant to Article 2444 of the Italian Civil Code about the new share capital, the new composition of the share capital of BMPS, following the execution of the share capital increase for Euro 243,073,800.00 in service of the payment in kind of the interests as at 31 December 2014 to be paid to the Ministry of Economy and Finance pursuant to the regulation of the "New Financial Instruments" in accordance with Law Decree 6 July 2012, No. 95 (as amended), with the issue of 117,997,241 ordinary shares, resolved by the Board of Directors on 21 May 2015 following the resolution of the Shareholders' Meeting of BMPS held on 25 January 2013.

Copies of the press releases listed above (the **Press Releases**) have previously been published and have been filed with the CSSF and, by virtue of this Supplement, are incorporated by reference in their entirety in, and forms part of, the Base Prospectus.

The following information set out in the Press Releases shall be incorporated by reference in, and form a part of, the Base Prospectus:

Document	Information incorporated	Pages
Press release dated 8 May 2015 "Positive results and a return to	Summary	1-2

profit in the first quarter of 2015”

	Group Profit and Loss for Q1 2015	3-5
	Group balance sheet aggregates for Q1 2015	5-8
	Updates Guidelines of the Business Plan	9-12
	Reclassified Accounts	13-19
Press release dated 13 May 2015 “The ECB approved the Euro 3 billion rights issue and the reimbursement of nominal Euro 1.071 billion of New Financial Instruments”	Press release	1-2
	Copy of the European Central Bank’s decisions	3-28
Press release dated 13 May 2015 “BANCA MPS: REVERSE STOCK SPLIT”	Entire document	All
Press release dated 18 May 2015 “BANCA MPS: CHANGE IN SHARE CAPITAL”	Entire document	All
Press release dated 19 May 2015 “BANCA MPS: FITCH CHANGES LONG-TERM RATING”	Entire document	All
Press release dated 21 May 2015 “The Board of Directors sets the final terms of the rights offering of Banca Monte dei Paschi di Siena”	Entire document	All
Press release dated 22 May 2015 “Underwriting agreement signed for the rights offering of Banca Monte dei Paschi di Siena S.p.A. Shareholders’ commitments to subscribe for the rights offering”	Entire document	All
Press release dated 12 June 2015 “BANCA MPS: THE RIGHTS ISSUE OFFERING PERIOD IS CLOSED Subscribed 99.59% of the offering corresponding to Euro 2,980,822,104 Unexercised rights to be offered on the Italian Stock Exchange from 16 June 2015”	Entire document	All
Press release dated 15 June 2015	Entire document	All

“BANCA MPS REPAYS IN FULL THE NEW FINANCIAL INSTRUMENTS”

Press release dated 19 June 2015 Entire document All
“BANCA MPS: RIGHTS OFFERING FULLY SUBSCRIBED”

Press release dated 22 June 2015 Entire document All
“BANCA MPS: CHANGE IN SHARE CAPITAL”

Press release dated 3 July 2015 Entire document All
“BANCA MPS: CHANGE IN SHARE CAPITAL”

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No 809/2004.

General Description of the Programme

The paragraph entitled “Rating” on pages 41 and 42 of the Base Prospectus is deleted in its entirety and replaced with the information set out in Annex 1 hereto.

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

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

General

The paragraph entitled “General” on page 94 of the Base Prospectus is deleted in its entirety and replaced with the information set out in Annex 2 hereto.

Major Events

The subparagraph entitled “Ratings” in the paragraph entitled “Major Events” on page 103 of the Base Prospectus is deleted in its entirety and replaced with the information set out in Annex 3 hereto.

Main Shareholders as at the date of Prospectus

The paragraph entitled “Main Shareholders as at the date of the Prospectus” in the section entitled “Management of the Bank” from page 134 to page 136 of the Base Prospectus is deleted in its entirety and replaced with the information set out in Annex 4 hereto.

General Information

Significant Change or Material Adverse Change

The second last paragraph of the section entitled “*Significant Change or Material Adverse Change*”, on page 150 of the Base Prospectus, is deleted in its entirety and replaced with the information set out below:

“Save as set out above, there has been no significant change in the financial or trading position of BMPS or the Group since 31 March 2015.”.

General

To the extent that there is any inconsistency between (a) any statement in this Supplement or any document incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or any other document incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

Copies of this Supplement and all documents incorporated by reference in the Base Prospectus can be obtained free of charge from the office of the Issuer and, in case of Notes admitted to the Official List and to trading on the Luxembourg Stock Exchange's regulated market, from the principal office in Luxembourg of *Banque Internationale à Luxembourg, société anonyme*. Copies of all documents incorporated by reference in the Base Prospectus are available on the Luxembourg Stock Exchange's website (www.bourse.lu) and will also be published on the Issuer's website (<http://english.mps.it/Investor+Relations/Comunicati/>) as provided for on page 36 of the Base Prospectus.

In accordance with Article 13.2 of Chapter 1 of Part II of the Prospectus Act, investors who have agreed to purchase or subscribe for Notes issued under the Programme before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances. This right to withdraw shall expire by close of business on 21 July 2015.

ANNEX 1

“Rating:

The Programme has been rated (P)B3 by Moody's Investors Service (“**Moody's**”), B- by Fitch Ratings Limited (“**Fitch**”) and BBB (low) by DBRS (“**DBRS**”) Each of Moody's, Fitch and DBRS is established in the EU and registered under the CRA Regulation. Series of Notes issued under the Programme may be rated or unrated. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) (the “CRA Regulation”) will be disclosed in the Final Terms. Such credit rating agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Please also refer to “*Ratings of the Notes*” in the “*Risk Factors*” section of this Base Prospectus.”

ANNEX 2

General

“Banca Monte dei Paschi di Siena S.p.A. (“BMPS” or the “Bank”) was incorporated on 14 August 1995 as a joint stock company (*Società per Azioni*) under Italian legislation. On 23 August 1995 BMPS was registered with the Bank of Italy’s Register (No. 5274) and with the Companies Register (No. 00884060526). BMPS has its registered office in Piazza Salimbeni 3, 53100, Siena, Italy (telephone number: +39 0577 294 111). BMPS’s duration is currently limited to 31 December 2100 though this may be extended by shareholders’ resolution.

BMPS’s corporate purpose, as set out under Article 3 of its By-laws, is as follows: “The purpose of BMPS is to collect and maintain savings and issue loans and credit, in various forms in Italy and abroad, including any related activity permitted to lending institutions by current regulations. BMPS can carry out, in accordance with the laws and regulations in force, all permitted banking and financial activities and any other transaction which is instrumental, or in any case linked, to the achievement of the company’s purpose.”.

BMPS is the parent company of a leading Italian banking group operating throughout Italy and in major international financial centres. The Monte dei Paschi Group (the “BMPS Group” or the “Group”) offers a wide range of financial services and products to private individuals and corporations. The products and services include ordinary and specialised deposit-taking and lending, including leasing and factoring; payment services (home banking, cash management, credit or debit cards and treasury services for public entities); asset management (through joint venture), brokerage services and corporate finance (project finance, merchant banking, financial consulting).

Pursuant to Article 2497 and subsequent of the Italian Civil Code, the role of the parent company is carried out by BMPS which directs and coordinates the activities of its direct and indirect subsidiaries, including companies that, under current regulations, do not belong to the BMPS Group. Founded in 1472 as a public pawn broking establishment (*Monte di Pietà*), BMPS has been a member of FTSE MIB40 since September 1999 with a share capital of € 9,001,756,820.70 as at the date of this Prospectus.”

ANNEX 3

Ratings

“On 22 April 2015 Moody’s has downgraded BMPS's deposit and senior debt ratings to 'B3' from 'B1', outlook negative. At the same time, the rating agency confirmed the bank's 'caa2' standalone baseline credit assessment (BCA).

On 19 May 2015, Fitch downgraded BMPS’s long-term Issuer Default Rating (“IDR”) to ‘B-’ from ‘BBB’, with stable outlook, and the short-term rating to ‘B’ from ‘F3’; at the same time BMPS’s standalone creditworthiness expressed in the Viability Ratings (“VR”) was confirmed to ‘b-’.

On 18 February 2015 DBRS has lowered its ratings on Monte dei Paschi di Siena SpA by one notch, in particular the Senior Long-Term Debt and Deposit Rating was downgraded to 'BBB (low)', whereas the Short Term Debt and Deposit Rating was changed to 'R-2 (low)'. Both ratings remain under review with negative implications. On 20 May 2015, following review of its ratings criteria and re-assessment of the outlook of a number of banks, DBRS affirmed BMPS’s outlook as “Under review (negative implications)” and noted that such outlook also reflected DBRS’ view of the decreased likelihood that banks in Europe will receive systemic support.

Ratings Agencies	Long term rating	Outlook	Short term rating	Outlook	Last updated
Moody’s	B3	Negative	NP	-	22 April 2015
Fitch	B-	Stable	B	-	19 May 2015
DBRS	BBB(low)	Under Review	R-2(low)	Under Review	20 May 2015

As additional information, further to the request of BMPS, S&P communicated on 14 June 2013 the withdrawal of their rating. At the time of the withdrawal, the Bank's long-and short-term ratings were ‘B’, with Negative Outlook. For more details on the above please see: <http://english.mps.it/Investor+Relations/Informazioni+sul+Titolo/Rating.htm>”

ANNEX 4

“Main Shareholders as at the date of the Prospectus

<u>Shareholders</u>	<u>% share capital on overall share capital</u>
Fintech Advisory Inc. (in its capacity of manager of Fintech investments Ltd, parent company of the Issuer’ shareholder Fintech Europe S.à.r.l.)	4.500%
Italian Ministry of Economy and Finance	4.024%
Axa S.A. (directly and indirectly through subsidiaries) (*)	3.170%
BTG Pactual Europe LLP (discretionary asset management)	3.130%
People’s Bank of China	2.010%

(*) AXA France IARD, AXA Belgium, AXA Assicurazioni S.p.A., AXA Assurances Vie Luxembourg, AXA Assurances Luxembourg, AXA Leben AG, AXA Versicherungen AG, AXA Insurance UK Plc, AXA Seguros Generales S.a. de Seguros y Reaseguros, AXA Portugal Companhia de Seguros S.a., AXA Versicherung AG, AXA krankenversicherung AG.

As at the date of this Prospectus, there is no entity controlling the Issuer pursuant to article 93 of the Consolidated Finance Act, since no shareholder holds the majority of votes in the ordinary shareholders' meeting.

Furthermore, article 14, paragraph 7, of BMPS By-laws states that, should a bank foundation during an ordinary shareholders’ meeting, as ascertained by the Chairman of the assembly during the assembly and immediately before each vote, be able to exercise, on the basis of the shares held by the shareholders attending the meeting, a majority vote, then the Chairman of the meeting shall take note of such a case and shall proceed to the exclusion of the bank foundation’s votes, up to a number of shares which are equal to the difference between the number of ordinary shares deposited by the aforesaid bank foundation and the overall number of ordinary shares deposited by the other shareholders who are present and have been admitted to the voting, plus one share.”