PRESS RELEASE[1]

POSITIVE FIRST HALF 2011 FOR THE MONTEPASCHI GROUP

Increase in revenues (+5.1%),
Operating Income (+26.3%) and new customers (approx. +32,000).

Capital strengthening continues, with Tier 1 at 9.5%[2]*.*

Consolidated results as at 30/06/11 – Highlights:

- *Net profit at EUR 261.4 mln (+28% on 1H 2010, excluding non-recurring items)*
- *EUR 611.6 mln in Net Operating Profit (+26.3% YoY)*
- *Revenues up significantly (+5.1% YoY)*
- *Cost/income ratio at 58.4% compared to 61.6% at the end of 2010. Outflow of over 400 employees since year-start; front office strengthened by 110 new hires.*
- *Growth in lending (+ 2.9% YoY) and direct funding (+5.4% YoY)*

Liquidity, soundness and competitive positioning:

- *Liquidity improves with Loan/Deposit Ratio down to 94% from 99% at the end of 2010.*
- *All issuances replacing bonds maturing in 2011 and over 20% of those coming to maturity in 2012 already placed in the first 7 months of the year.*
- *Tier I at 9.5%*[2]
- *Market shares up both in direct funding and lending.*

Organisational redesign:

- *Network reorganisation completed, with creation of 100 Local Market Units.*
- *Front Office/Total Staff at c70%*[3] *(vs. 68% at end of 2010)*
- *700 resource redeployments from Head Office to Network units and over 1,000 network-internal reallocations*

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[1] *Progressive profit and loss figures as at 30/06/2010 are based on quarterly data published in the Consolidated Report on Operations as at 31/12/10, which take account of the changes brought about to the Group's operating scope subsequent to the divestiture of banking business in 2010 and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture SpA). Funding and lending volumes as at 30 June 2010 are those published in the Consolidated Report on Operations as at 31/12/2010.*

[2] *Tier 1 as at 30 June 2011 stood at 8.9%, which as at today rises to 9.5% if considering the effects arising from the already-completed real estate deal (c40bps), which will be factored into the capital ratios as at 30/09/2011, as well as the effects from the capital increase completed in mid-July and expected Tremonti Bond repayment (approx. 20bps).*

[3] As a result of the organisational redesign completed in July.

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Siena, 26 August 2011 – The Board of Directors of Banca Monte dei Paschi di Siena SpA has today approved the 2011 first half results which are explanatory of how, in a market context exacerbated by a growing sovereign debt crisis, the Montepaschi Group continued to pursue its liquidity risk mitigation strategies while confirming its trend in performance improvement of both cost of credit and operational efficiency. Progress was made in "core banking" indicators (approx. 32,000 new customers in the six-month period and customer retention rate at 97.8% from 95% at the end of 2010) and competitive positioning.

Against these premises, the Montepaschi Group closed the first half of 2011 positively, both in economic terms - with **Net Profit** coming to EUR 261.4 mln, (+28% YoY net of non-recurring items) - and in terms of funding and lending performance (total funding +5.8% YoY, lending +2.9% YoY).

Particularly satisfactory was the **Net Operating Profit** coming to EUR 611.6 mln (up +26.3% on 1H 2010), driven by growing revenues (+5.1% YoY), lower loan loss provisions (-3.5% YoY) and substantially stable operating costs (+1.7% YoY).

Group's capital strengthening continues, with Tier 1 as at today at 9.5% if considering the effects arising from the already-completed real estate deal (c40bps), which will be factored into the capital ratios as at 30/09/2011, as well as the effects from the capital increase completed in mid-July and expected Tremonti Bond repayment (approx. 20bps).

The Tier 1 stood at 8.4% as at December 2010 and 7.5% as at December 2009.

Liquidity improves further, with the Loan/Deposit Ratio down to 94% from 99% at the end of 2010.

<u>Group profit and loss results for 1H 2011</u>

In 1H 2011, the income statement posted EUR 2,898 mln in income from banking and insurance, up 5.1% on 1H 2010. The aggregate partly benefited from the positive trend in Net profit/loss from trading/valuation of financial assets.

Net interest income came to EUR 1,696.4 mln (EUR 1,784.3 mln in 1H 2010). Breaking the aggregate down, interest income from core business is picking up (with input from second quarter up 3.6% as compared to Q1) on the back of an improved funding/lending spread, whereas interest income from banking book and assets & liabilities management showed a slowdown, primarily due to liquidity re-balancing actions, which had a significant impact in bringing forward to the first half of the year part of the action plan originally scheduled for the second. This was accomplished by replacing interbank funding with both medium-to-long-term funding from consumer/institutional customers and short-term funding from consumer/corporate customers.

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Total revenues from banking and other services (an aggregate including net fees and commissions, as well as dividends, similar income and gains (losses) on equity investments) were substantially stable (-1.4%) as compared to the levels registered in the first half of 2010. In particular:

Net fees and commissions (EUR 932 mln vs. 963 as at 30/06/2010) were affected by a lower demand for financial products from customers -who opted more for direct funding products- and a slow-down in lending volumes.

Dividends, similar income and gains (losses) on equity investments (EUR 47.4 mln as compared to 30.1 mln as at 30/06/2010), a breakdown of which is reflective of the positive performance shown by the insurance segment (with AXA-MPS and Antonveneta Vita contributing EUR 32 and 6 mln respectively) and asset management (EUR 1.8 mln).

Net profit/loss from trading/valuation of financial assets stood at EUR 222.4 mln (vs. -33.7 mln for the same period in 2010) thanks to a contribution of approximately EUR 119 mln in 2Q 2011, up 14.1% on the previous quarter. Breaking the aggregate down, trading accounts for EUR 109.6 mln, with the second quarter of 2011 totalling EUR 25.5 mln. "Gains (losses) on disposals / repurchases of loans, available-for-sale financial assets and financial liabilities" amounted to EUR 137 mln (EUR 36.3 mln accumulative as at 30/06/2010), and was partly driven by the positive effects from the agreements for Banca Monte dei Paschi di Siena's buyback of the irredeemable Floating Rate Equity-linked Subordinated Hybrid notes, as part of the Group's capital increase (impact of approx. EUR 76 mln). Net profit/loss on financial assets and liabilities designated at fair value came to - EUR 23.9 mln (-24.8 mln as at 30/06/2010).

Finally, **Net profit (loss) from hedging** was negative by - EUR 0.2 mln (vs. + EUR 12.9 mln in 1H 2010).

As a whole, **Financial and Insurance income** came to EUR 2,898 mln (+5.1% YoY).

Highlights on the cost of credit and financial assets include the following:

"Net value adjustments due to impairment of loans" stood at EUR 569 mln, down 3.5% on 1H 2010. The ratio of annualised loan loss provisions over total customer loans is expressive of a provisioning rate of 72 bps, down by 2 bps on 31/12/2010, within the Group's unchanged policy of prudential provisioning;

"**Net value adjustments due to impairment of financial assets**" were negative by approx. EUR 24.2 mln (vs. -19 mln as at 30/06/2010) mainly on account of depreciation of impaired listed equity securities classified as AFS. The value includes the impairment of the only Greek Government bond held in the portfolio for an amount of approx. EUR 7 mln (nominal value: EUR 12 mln).

As a result of the above, **Net Financial and Insurance income** came to approx. EUR 2,304 mln (vs approx. EUR 2,148 mln last year; +7.3% YoY).

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Operating expenses totalled EUR 1,693 mln, substantially in line with the levels of last year (+1.7%, -2.1% on Q1 2011). This confirms the Montepaschi Group's focus on the structural containment of costs, even considering the effects arising from the transaction for value creation from part of the Group's real estate properties used in the business which was completed at the end of 2010.

In particular:

"Personnel expenses'', EUR 1,062 mln, decreased by 1.4% YoY on account of the structural effects of the headcount reduction / redeployment processes and actions designed to boost efficiency in the management of spending;

"**Other administrative expenses**" (approx. EUR 551 mln after stamp duty and client expense recovery), were up on H1 2010 as a result of the afore-mentioned real estate deal involving property used in the business, net of which the aggregate would have shown a downturn on the previous year (-3.4% YoY) as evidence of the cost synergies obtained from reorganisation and cost management actions implemented;

"**Value adjustments on tangible and intangible assets**" stood at approx. EUR 81 mln, down 1.7% YoY.

On the back of these factors, the **Net Operating Profit** totalled approx. EUR 612 mln, up 26.3% on 30/06/2010.

Cost-income is at 58.4%, which significantly improves the ratio recorded as at 31/12/2010 (-320 bps).

A contribution to net income also came from:

"Net provisions for risks and charges and other operating income/expenses" improving the negative balance by 19% YoY to approximately -EUR 108 mln. The account incorporates approx. -EUR 60 mln in provisions to the fund for risks and charges (covering primarily legal disputes and claw-back actions) and roughly -EUR 48 mln worth of net operating expenses (consisting primarily in legal actions and improvement on third-party assets).

A balance of –EUR 7 mln in **Gains/losses on equity investments** primarily attributable to the depreciation of Antonveneta Vita SpA.

Profit/loss from disposal of investments for an amount of approx. EUR 0.4 mln.

Due to these components, **Profit (loss) from continuing operations before tax** came to approx. EUR 497 mln (vs EUR 534 mln in 1H 2010).

Finally, to complete the section on revenues, **income taxes** for the year amounted to approx. -EUR 187 mln (vs. approx. -219 mln as at 30 June 2010). The amount was positively affected (EUR 45 mln) by the increase in the regional productivity tax (IRAP), resulting as a sum of a negative impact on current tax liabilities and a positive impact on deferred tax.

Gains (losses) after tax from groups of assets held for sale amounted to + EUR 10.9 mln and essentially included the amounts of the capital gain arising from the disposal of MPS Monaco SAM (approx. EUR 8 mln).

The Montepaschi Group's Net Profit for the period before Purchase Price Allocation (PPA) came to EUR 317.4 mln. Post-PPA net income for the period totalled **EUR 261.4 mln**.

With respect to the Montepaschi Group’s Segment Reporting obligations under IFRS 8, highlights include the results of Consumer Banking and Corporate Banking:

Consumer (Retail and Private) Banking

- Net operating income: EUR 245.8 mln (+22.8% YoY)
- 'Active' loans and advances to customers: +2.5% YoY.

Corporate Banking

- Net operating income: EUR 314.3 mln (-2.4% YoY)
- ‘Active’ loans and advances to customers: +0.9% YoY.

The results achieved by the Group's main companies and business unit "Financial Advisory" should also be highlighted, which have been included in segment reporting (Consumer Banking, Corporate Banking and the Corporate Center), pursuant to the requirements of IFRS 8.

Banca Antonveneta

- Net operating income: EUR 72.6 mln (+35.9% YoY)
- Direct Funding: +7% YoY; Loans and advances to customers: +3% YoY.

Biverbanca

- Net operating income: EUR 18.9 mln (vs EUR 4.9 mln as at 30/06/10)
- Net profit: EUR 10.7 mln (vs EUR 1.9 mln as at 30/06/10)

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- Net operating income: EUR 30 mln (+43.8% YoY)
- Net profit: EUR 21 mln (EUR 9 mln in 1H 2010)

MPS Leasing & Factoring and MPS Commerciale Leasing:

- Net operating income: EUR 20.2 mln (+131.1% YoY)
- Net profit: approx. EUR 10 mln (approx. EUR 4 mln in H1 2010)

MPS Capital Services Banca per le Imprese:

- Net operating income: EUR 131.7 mln (+69.7% YoY)
- Net profit: approx. EUR 69 mln (vs. approx. EUR 50 mln in H1 2010)

Business Unit 'Financial Advisory':

- Net operating income: EUR 2.4 mln (+262.7% YoY)
- Asset Management: EUR 4.5 bln (+17.4% YoY)

Main balance-sheet aggregates for 1H 2011

With respect to funding aggregates, the Group's total volumes as at 30 June 2011 stood at approximately EUR 309 bln (up 2% compared to 31/12/2010 and 5.8% YoY), reflecting positive trends in direct funding, which allowed the Group to absorb the downturn in assets under custody, mainly attributable to fluctuations in volumes from institutional customers.

Direct funding, totalling approx. EUR 166 bln, was up 5.1% on 31/12/2010 and 5.4% on 30 June 2010, with a further expansion of the Group's market share.

Indirect funding totalled approx. EUR 143 bln, up 6.3% with respect to mid-2010 volumes.

A breakdown of the aggregate shows:

Assets under management moderately down on 1H 2010 to approx. EUR 49.4 bln. A further breakdown of volumes – according to a Mifid-based approach structurally aimed at selecting the most appropriate investment solutions for customers (products, investment lines, Group and Third-party Asset Management Companies) – shows that the prevailing segment is that of life insurance policies (accounting for 50.8% of the aggregate), Funds and open-ended collective investment schemes (Sicavs) (36%);

Assets under Custody at the end of June 2011 came to approx. EUR 94 bln, up almost 11% YoY, primarily on the back of changes in Key Clients' deposits.

The Group's **Loans and advances to customers**, as at the end of June 2011, amounted to EUR 157 bln, up 2.9% YoY, with the market share growing as compared to year-end figures.

As for special purpose loans, which are disbursed by the Group through dedicated product companies, new flows in 1H 2011 exceeded EUR 8 bln (up 31.2% on 1H 2010). Small business and corporate credit, which came to approx. EUR 6.7 bln (+41.5% YoY), registered EUR 671 mln in leasing contracts negotiated (vs. 802 mln as at 30/06/2010) and a factoring turnover of EUR 4.9 bln at the end of the six-month period (+72.7% YoY), while disbursements by MPS Capital Services (in excess of EUR 1.1 bln) marked a 3.7% improvement on the previous year.

With regard to consumer loans, total disbursements by Consum.it in H1 2011 came to EUR 1.4 bln (-2.3% on June 2010).

As at 30 June 2011 the Montepaschi Group's net exposure to impaired loans totalled EUR 12,853 mln, with **impaired loans coverage** coming to 40,7%, up 60bps on 30/06/2010. With respect to NPLs alone, coverage stood at 55.4%, while the watchlist loan coverage ratio came to 20.3%.

The stock of investments held in the Group’s Securities and derivatives portfolio amounted to EUR 38.4 bln, up by approx. 2 bln on 31/12/2010, with investments focusing primarily on the AFS accounting category.

Group **shareholders' equity** as at the end of June 2011 totalled EUR 16,979 mln (substantially in line with levels at the end of December 2010).

Tier I is, as at today, 9.5% if considering the effects arising from the already-completed real estate deal (c40bps), which will be factored into the capital ratios as at 30/09/2011, as well as the effects from the capital increase completed in mid-July and expected Tremonti Bond repayment (approx. 20bps)

This press release will be available at:www.mps.it

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Pursuant to para. 2, article 154-bis of the Consolidated Law on Finance, the Financial Reporting Officer, Mr. Daniele Bigi, declares that the accounting information contained in this press release corresponds to the underlying documentary evidence and accounting records.

RECLASSIFIED ACCOUNTS

MPS GROUP RECLASSIFICATION PRINCIPLES

The following accounting statements illustrate balance-sheet and profit-and-loss accounts reclassified on the basis of operating criteria. The figures for 2010 comparison are those published in the consolidated Report on Operations as at 31 December 2010 (for further details, see "*Annexes: Montepaschi Group – Reconciliation of reclassified accounts and accounting tables*").

Following are the reclassifications made to the consolidated profit and loss account as at 31 June 2011:

a) **"Net profit/loss from trading/valuation of financial assets"** in the reclassified income statement, includes the items under Account 80 "Net profit/loss from trading", Account 100 "Gains (losses) on disposals / repurchases of loans, available-for-sale or held-to-maturity financial assets and financial liabilities" and Account 110 "Net profit/loss on financial assets and liabilities designated at fair value". The account incorporates values relating to dividends on some securities transactions, inasmuch as they are closely connected with the trading component (approx. EUR 87 mln as at 31/06/2011).

b) **"Dividends, similar income and gains (losses) on equity investments"** in the reclassified income statement incorporates account 70 "Dividends and similar income" and a portion of account 240 "Gains (losses) on equity investments" (approx. EUR 44 million as at 30/06/2011) corresponding to the contribution to profit and loss for the period coming from the portion of profit arising from equity investments in associates (valued at equity). Dividends from some trading transactions, as outlined under item a) above, have also been eliminated from the aggregate;

c) **"Net value adjustments due to impairment of loans"** in the reclassified income statement was determined by excluding impairment on the Greek government bond (approx. EUR 7.4 mln vs. a nominal value of EUR 12 mln) which was allocated to "Net value adjustments due to impairment of financial assets" for the purpose of a better representation of the cost of credit irrespective of the accounting classification of this financial instrument. Furthermore, the aggregate excludes charges relating to financial plans (approx. EUR 1 mln), which are more properly classified under "Net provisions for risks and charges and other operating income/expenses".

d) **"Net value adjustments due to impairment of financial assets"** includes the items under Account 130b "Available-for-sale financial assets", 130c "Held-to-maturity financial assets " and 130d "Other financial transactions" as well as the loss provision taken in connection with the Greek government bond (approx. EUR 7.4 mln) referred to under item c) above;

e) **"Other administrative expenses"** in the reclassified income statement was integrated with the portion of stamp duty and client expense recovery (approx. EUR 161 million) posted under Account 220 *"Other operating income/expenses";*

f) The account **"Net provisions for risks and charges and other operating income/expenses"** in the reclassified income statement incorporates Account 190 "*Net provisions for risks and charges*" and Account 220 "*Other operating income/expenses*". It also includes value adjustments to financial plans described under item c) above and excludes stamp duty and client expense recovery as described under item e) above;

g) **"Gains (losses) on equity investments"** is stripped of components reclassified as "Dividends and similar income" (see item b);

h) The effects of *Purchase Price Allocation* (PPA) were reclassified out of other accounts (in particular "**Net Interest income"** for approx. EUR 40 mln and **depreciation/amortization** for approx. EUR 41 mln, with a related theoretical tax burden of approx. EUR -25 mln which integrates the account) into one single account named "**Net effects of Purchase Price Allocation**".

Following are the major reclassifications made to the consolidated **Balance Sheet:**

i) **"*Tradable* financial assets"** on the assets side of the reclassified balance-sheet includes Account 20 "*Financial assets held for trading*", Account 30 "*Financial assets designated at fair value*" and Account 40 "*Financial assets available for sale*";

j) **"Other assets"** on the assets side of the reclassified balance-sheet incorporates Account 80 "*Hedging derivatives*", Account 90 "*Changes in value of macro-hedged financial assets*", Account 140 "*Tax assets*", Account 150 "*Non-current assets and groups of assets held for sale*" and Account 160 "*Other assets*";

k) **"Customer accounts and debt securities in issue"** on the liabilities side of the reclassified balance-sheet includes Account 20 "*Customer accounts*", Account 30 "*Debt securities* in issue" and Account 50 "*Financial liabilities designated at fair value*";

l) "**Other liabilities**" on the liabilities side of the reclassified balance-sheet incorporates Account 60 "Hedging derivatives", Account 70 "Changes in value of macro-hedged financial liabilities", Account 80 "Tax liabilities", Account 90 "Liabilities included in disposal groups held for sale" and Account 100 "Other liabilities".

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MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

Highlights at 06/30/2011

■ INCOME STATEMENT AND BALANCE SHEET FIGURES AND KEY INDICATORS

Montepaschi Group			
• INCOME STATEMENT FIGURES (in EUR mln)	**06/30/2011**	**06/30/2010** (1)	**% chg**
Income from banking activities	2,628.4	2,747.7	-4.3%
Financial and insurance income (loss)	2,898.0	2,757.1	5.1%
Net operating income	611.6	484.0	26.3%
Net profit (loss) for the period	261.4	261.2	0.1%
• BALANCE SHEET FIGURES AND INDICATORS (in EUR mln)	**06/30/2011**	**12/31/2010**	**% chg**
Direct funding	166,493	158,486	5.1%
Indirect funding	142,919	144,919	-1.4%
of which: assets under management	*49,375*	*50,547*	-2.3%
of which: assets under custody	*93,543*	*94,372*	-0.9%
Customer loans	157,275	156,238	0.7%
Group net equity	16,979	17,156	-1.0%
• KEY LOAN QUALITY RATIOS (%)	**06/30/2011**	**12/31/2010**	
Net non-performing loans/Customer loans	3.85	3.51	
Net watchlist loans/Customer loans	2.65	2.57	
• PROFITABILITY RATIOS (%)	**06/30/2011**	**12/31/2010**	
Cost/Income ratio	58.4	61.6	
R.O.E. (on average equity) (2)	3.06	5.74	
R.O.E. (on end-of-period equity)(3)	3.05	5.74	
Net adjustments to loans / End-of-period investments	0.72	0.74	
• CAPITAL RATIOS (%)	**06/30/2011**	**12/31/2010**	
Solvency ratio	13.5	12.9	
Tier 1 ratio	8.9	8.4	
• INFORMATION ON BMPS STOCK	**06/30/2011**(4)	**12/31/2010**	
Number of ordinary shares outstanding	6,019,271,362	5,569,271,362	
Number of preference shares outstanding	681,879,458	1,131,879,458	
Number of savings shares outstanding	18,864,340	18,864,340	
Price per ordinary share:	from the **12/31/10** to the **06/30/11**	from the **12/31/09** to the **12/31/10**	
average	0.74	1.02	
low	0.49	0.82	
high	0.86	1.33	
• OPERATING STRUCTURE	**06/30/2011**	**12/31/2010**	**Abs. chg**
Total head count - end of period	31,201	31,495	-294
Number of branches in Italy	2,915	2,918	-3
Financial advisory branches	142	151	-9
Number of branches & representative offices abroad	40	41	-1

(1) The progressive figure as at 30/06/2010 is based on the quarterly figures disclosed in the consolidated Report on Operations as at 31 December 2010, which take account of changes brought about to the scope of operations following disposal of banking business in 2010 (72 branches of Banca Monte dei Paschi di Siena) and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture S.p.A.)

(2) **R.O.E. on average net equity**: net income for the period / average between net equity at the end of the previous year (inclusive of net income and valuation reserves) and net equity for the current year.

(3) **R.O.E. on end-of-period equity**: net equity for the period / net equity at the end of the previous year (inclusive of valuation reserves) purged of shareholder's payout.

(4) Following the capital increase completed on 20 July 2011, the number of **ordinary shares** outstanding totals 10,844,097,796, that of **preferred shares** is 681,879,458, and the number of **savings shares** totals 18,864,340.

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

■ **INCOME STATEMENT RESTATED ACCORDING TO OPERATING CRITERIA** (in millions of euros)

Montepaschi Group	06/30/2011	06/30/2010 (1)	Change Ins.	Change %
Net interest income	1,696.4	1,784.3	-87.9	-4.9%
Net commissions	932.0	963.4	-31.4	-3.3%
Income from banking activities	**2,628.4**	**2,747.7**	**-119.3**	**-4.3%**
Dividends, similar income and gains (losses) on equity investments	**47.4**	**30.1**	**17.3**	57.5%
Net profit (loss) from trading/valuation of financial assets	222.4	-33.7	256.1	n.s.
Net profit (loss) from hedging	-0.2	12.9	-13.2	-101.9%
Financial and insurance income (loss)	**2,898.0**	**2,757.1**	**140.9**	**5.1%**
Net adjustments for impairment of:	**-593.6**	**-609.0**	**15.4**	-2.5%
a) loans	-569.4	-590.0	20.6	-3.5%
b) financial assets	-24.2	-19.0	-5.2	27.1%
Net financial and insurance income (loss)	**2,304.4**	**2,148.1**	**156.3**	**7.3%**
Administrative expenses:	-1,612.2	-1,581.9	-30.2	1.9%
a) personnel expenses	-1,061.6	-1,076.8	15.1	-1.4%
b) other administrative expenses	-550.5	-505.2	-45.4	9.0%
Net adjustments to tangible and intangible fixed assets	-80.7	-82.1	1.4	-1.7%
Operating expenses	**-1,692.9**	**-1,664.0**	**-28.8**	**1.7%**
Net operating income	**611.6**	**484.0**	**127.5**	**26.3%**
Net provisions for risks and charges and other operating income/expenses	-108.3	-133.7	25.4	-19.0%
Profit (loss) on equity investments	-7.0	-19.5	12.5	-64.1%
Integration costs / one-off charges		-2.7	2.7	-100.0%
P&L figures for branches sold		21.8	-21.8	-100.0%
Gains (losses) from disposal of investments	0.4	184.2	-183.8	-99.8%
Gain (loss) from current operations before taxes	**496.7**	**534.2**	**-37.5**	**-7.0%**
Taxes on income from current operations	-187.4	-219.0	31.6	-14.4%
Gain (loss) from current operations after taxes	**309.3**	**315.2**	**-5.9**	**-1.9%**
Gain (loss) on fixed assets due for disposal, net of taxes	10.9	2.3	8.6	n.s.
Net profit (loss) for the period including minority interests	**320.1**	**317.5**	**2.7**	**0.8%**
Minority interests in profit (loss) for the period	-2.7	0.9	-3.6	n.s.
Net profit (loss) pre PPA	**317.4**	**318.4**	**-1.0**	**-0.3%**
PPA (Purchase Price Allocation)	-56.1	-57.2	1.2	-2.1%
Net profit (loss) for the period	**261.4**	**261.2**	**0.2**	**0.1%**

(1) The progressive figure as at 30/06/2010 is based on the quarterly figures disclosed in the consolidated Report on Operations as at 31 December 2010, which take account of changes brought about to the scope of operations following disposal of banking business in 2010 (72 branches of Banca Monte dei Paschi di Siena) and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture S.p.A.)

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BANCA DAL 1472

QUARTERLY TREND IN RECLASSIFIED INCOME STATEMENT (in millions of euros)

Montepaschi Group	2011		2010 (1)			
	2nd quarter	**1st quarter**	**4th quarter**	**3rd quarter**	**2nd quarter**	**1st quarter**
Net interest income	818.7	877.7	900.8	906.5	912.7	871.7
Net commissions	459.3	472.7	489.0	459.1	482.9	480.5
Income from banking activities	**1,278.0**	**1,350.4**	**1,389.8**	**1,365.7**	**1,395.6**	**1,352.1**
Dividends, similar income and gains (losses) on equity investments	20.1	27.4	32.2	29.5	15.7	14.4
Net profit (loss) from trading/valuation of financial assets	118.5	103.9	-5.7	16.3	-53.4	19.7
Net profit (loss) from hedging	-1.1	0.9	-10.1	-3.5	6.3	6.7
Financial and insurance income (loss)	**1,415.4**	**1,482.6**	**1,406.2**	**1,408.0**	**1,364.2**	**1,392.9**
Net adjustments for impairment of:	**-314.9**	**-278.7**	**-296.1**	**-289.1**	**-301.3**	**-307.7**
a) loans	-294.8	-274.6	-284.1	-281.5	-283.0	-307.0
b) financial assets	-20.1	-4.1	-12.0	-7.6	-18.3	-0.7
Net financial and insurance income (loss)	**1,100.5**	**1,203.9**	**1,110.1**	**1,118.9**	**1,062.9**	**1,085.2**
Administrative expenses:	-798.4	-813.7	-868.7	-805.2	-775.9	-806.1
a) personnel expenses	-518.1	-543.5	-597.4	-537.1	-518.7	-558.1
b) other administrative expenses	-280.3	-270.2	-271.4	-268.1	-257.2	-247.9
Net adjustments to tangible and intangible fixed assets	-39.2	-41.5	-52.3	-40.8	-42.1	-40.0
Operating expenses	**-837.6**	**-855.2**	**-921.1**	**-846.0**	**-817.9**	**-846.1**
Net operating income	**262.9**	**348.7**	**189.0**	**272.9**	**245.0**	**239.1**
Net provisions for risks and charges and other operating income/expenses	-69.7	-38.6	-26.7	-32.8	-92.2	-41.5
Profit (loss) on equity investments	-7.1	0.1	578.8	-7.8	-19.3	-0.2
Integration costs / one-off charges			-10.7	-6.1	-2.7	
P&L figures for branches sold					9.2	12.6
Gains (losses) from disposal of investments	0.3	0.1	0.5	-2.3	184.2	0.0
Gain (loss) from current operations before taxes	**186.4**	**310.3**	**730.8**	**223.9**	**324.1**	**210.1**
Taxes on income from current operations	-42.4	-145.0	-73.1	-100.8	-176.8	-42.3
Gain (loss) from current operations after taxes	**144.0**	**165.3**	**657.7**	**123.1**	**147.3**	**167.9**
Gain (loss) on fixed assets due for disposal, net of taxes	8.1	2.8	-0.2	-0.5	-0.3	2.6
Net profit (loss) for the period including minority interests	**152.0**	**168.1**	**657.6**	**122.6**	**147.0**	**170.5**
Minority interests in profit (loss) for the period	-0.8	-1.9	-1.3	-1.1	1.4	-0.5
Net profit (loss) pre PPA	**151.3**	**166.1**	**656.2**	**121.5**	**148.5**	**169.9**
PPA (Purchase Price Allocation)	-30.2	-25.8	**-27.6**	**-25.8**	**-29.6**	**-27.7**
Net profit (loss) for the period	**121.1**	**140.3**	**628.6**	**95.8**	**118.9**	**142.2**

(1) Figures disclosed in the consolidated Report on Operations as at 31 December 2010, which take account of changes brought about to the scope of operations following disposal of banking business in 2010 (72 branches of Banca Monte dei Paschi di Siena) and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture S.p.A.)

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

Montepaschi Group

RECLASSIFIED BALANCE SHEET (in millions of euros)

ASSETS	06/30/2011	12/31/2010	06/30/2010 (1)	Chg. 06/30/11 vs 12/31/10 abs.	%	Chg. 06/30/11 vs 06/30/10 abs.	%
Cash and cash equivalents	979	2,411	853	-1,432	-59.4%	125	14.7%
Receivables :							
a) Loans and advances to customers	157,275	156,238	152,850	1,038	0.7%	4,425	2.9%
b) Loans and advances to banks	10,793	9,710	13,662	1,083	11.2%	-2,868	-21.0%
Financial assets held for trading	55,773	55,973	58,752	-200	-0.4%	-2,979	-5.1%
Financial assets held to maturity	0	0	0	0	-10.6%	0	-9.7%
Equity investments	916	908	732	8	0.9%	184	25.2%
Tangible and intangible fixed assets	8,936	8,959	10,201	-23	-0.3%	-1,265	-12.4%
of which:							
a) goodwill	*6,474*	*6,474*	*6,474*				
Other assets	9,220	10,081	10,518	-861	-8.5%	-1,297	-12.3%
Total assets	**243,892**	**244,279**	**247,567**	**-387**	**-0.2%**	**-3,675**	**-1.5%**

LIABILITIES	06/30/2011	12/31/2010	06/30/2010 (1)	Chg. 06/30/11 vs 12/31/10 abs.	%	Chg. 06/30/11 vs 06/30/10 abs.	%
Payables							
a) Customer accounts and securities	166,493	158,486	157,980	8,007	5.1%	8,513	5.4%
b) Deposits from banks	23,219	28,334	28,593	-5,116	-18.1%	-5,374	-18.8%
Financial liabilities held for trading	26,985	30,383	33,210	-3,399	-11.2%	-6,225	-18.7%
Provisions for specific use							
a) Provisions for staff severance indemnities	287	287	298	0	-0.2%	-11	-3.8%
b) Pensions and other post retirement benefit obligations	199	436	450	-237	-54.4%	-251	-55.8%
c) Other provisions	898	882	962	16	1.8%	-64	-6.6%
Other liabilities	8,567	8,043	9,459	524	6.5%	-892	-9.4%
Group net equity	16,979	17,156	16,345	-177	-1.0%	634	3.9%
a) Valuation reserves	-193	-146	-219	-47	32.0%	26	-11.8%
b) Redeemable shares							
c) Equity instruments	1,933	1,949	1,949	-16	-0.8%	-16	-0.8%
d) Reserves	6,558	5,900	5,903	658	11.1%	655	11.1%
e) Share premium	3,938	3,990	3,996	-52	-1.3%	-58	-1.5%
f) Share capital	4,502	4,502	4,502				
g) Treasury shares (-)	-21	-25	-49	4	-14.4%	28	-56.8%
h) Net profit (loss) for the period	261	985	261	-724	-73.5%	0	0.1%
Minority interests	265	270	270	-5	-1.8%	-5	-1.9%
Total Liabilities and Shareholders' Equity	**243,892**	**244,279**	**247,567**	**-387**	**-0.2%**	**-3,675**	**-1.5%**

(1) Figures disclosed in the consolidated Report on Operations as at 31 December 2010.

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

Montepaschi Group

■ **RECLASSIFIED BALANCE SHEET- Quarterly Trend** (in millions of euros)

ASSETS	**06/30/2011**	**03/31/2011**	**12/31/2010** (1)	**09/30/2010** (1)	**06/30/2010** (1)	**03/31/2010** (1)
Cash and cash equivalents	979	850	2,411	724	853	781
Receivables :						
a) Loans and advances to customers	157,275	154,664	156,238	152,704	152,850	148,457
b) Loans and advances to banks	10,793	10,420	9,710	12,606	13,662	10,474
Financial assets held for trading	55,773	46,938	55,973	54,691	58,752	47,855
Financial assets held to maturity	0	0	0	0	0	0
Equity investments	916	926	908	774	732	759
Tangible and intangible fixed assets	8,936	8,943	8,959	10,179	10,201	10,374
of which:						
a) goodwill	*6,474*	*6,474*	*6,474*	*6,474*	*6,474*	*6,619*
Other assets	9,220	9,385	10,081	10,845	10,518	11,601
Total assets	**243,892**	**232,126**	**244,279**	**242,522**	**247,567**	**230,301**

LIABILITIES	**06/30/2011**	**03/31/2011**	**12/31/2010** (1)	**09/30/2010** (1)	**06/30/2010** (1)	**03/31/2010** (1)
Payables						
a) Customer accounts and securities	166,493	160,361	158,486	154,673	157,980	152,670
b) Deposits from banks	23,219	22,360	28,334	29,626	28,593	25,628
Financial liabilities held for trading	26,985	22,145	30,383	29,474	33,210	23,188
Provisions for specific use						
a) Provisions for staff severance indemnities	287	288	287	293	298	304
b) Pensions and other post retirement benefit obligations	199	202	436	449	450	459
c) Other provisions	898	888	882	964	962	920
Other liabilities	8,567	8,110	8,043	10,377	9,459	9,684
Group net equity	16,979	17,497	17,156	16,397	16,345	17,167
a) Valuation reserves	-193	53	-146	-287	-219	580
b) Redeemable shares						
c) Equity instruments	1,933	1,949	1,949	1,949	1,949	1,949
d) Reserves	6,558	6,887	5,900	5,904	5,903	5,986
e) Share premium	3,938	3,989	3,990	3,990	3,996	4,048
f) Share capital	4,502	4,502	4,502	4,502	4,502	4,502
g) Treasury shares (-)	-21	-23	-25	-18	-49	-40
h) Net profit (loss) for the period	261	140	985	357	261	142
Minority interests	265	273	270	267	270	282
Total Liabilities and Shareholders' Equity	**243,892**	**232,126**	**244,279**	**242,522**	**247,567**	**230,301**

(1) Figures disclosed in the consolidated Report on Operations as at 31 December 2010.

TABLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

(in euros)

	Assets	06/30/2011	12/31/2010
10	Cash and cash on deposit	978,615,050	2,411,030,871
20	Financial assets held for trading	30,797,913,408	33,924,199,884
30	Financial assets at fair value	39,538,884	247,143,224
40	Financial assets available for sale	24,935,400,923	21,801,514,587
50	Financial assets held to maturity	2,811	3,145
60	Due from banks	10,793,352,442	9,709,879,900
70	Loans to costumers	157,275,113,293	156,237,581,051
80	Hedging derivatives	263,998,063	313,412,270
90	Value adjustment on financial assets w ith generic coverage (+/-)	14,941,530	17,655,459
100	Equity investment	915,945,754	907,528,633
120	Fixed Assets	1,393,553,245	1,407,077,388
130	Intangible assets	7,542,267,420	7,551,613,476
	og which: goodwill	*6,473,778,893*	*6,473,778,893*
140	Tax assets	4,726,839,958	4,783,787,667
	a) current	*639,440,800*	*669,908,700*
	b) anticipated	*4,087,399,158*	*4,113,878,967*
150	Non current assets (or disposal groups) held for sale and discontinued operations	97,219,647	161,772,082
160	Other	4,117,318,797	4,804,736,576
	Total assets	**243,892,021,225**	**244,278,936,213**

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

TABLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

(in euros)

	Liabilities and Shareholders'equity	06/30/2011	12/31/2010
10	Due to banks	23,218,876,667	28,334,436,031
20	Due to costumers	101,078,305,358	97,769,565,012
30	Securities	41,791,745,481	35,246,717,364
40	Financial liabilities held for trading	26,984,976,919	30,383,499,655
50	Financial liabilities at fair value	23,622,986,989	25,469,490,484
60	Hedging derivatives	1,756,330,457	1,736,529,777
80	Tax Liabilities	245,119,393	233,879,224
	a) current	*139,178,494*	*128,725,497*
	b) postponed	*105,940,899*	*105,153,727*
90	Liabilities in disposal groups held for sale	1,985,714	213,399,701
100	Other	6,563,944,522	5,859,531,209
110	Staff severance indemnity reserve	287,029,749	287,475,591
120	Reserve for risks and other charges	1,096,974,192	1,318,361,942
	a) pension fund and similar obligations	*198,913,953*	*435,918,857*
	b) other provisions	*898,060,239*	*882,443,085*
140	Revaluation reserves	(192,890,285)	(146,164,752)
160	Capital instruments	1,933,402,426	1,949,365,486
170	Reserves	6,558,107,492	5,900,424,511
180	Paid-in Capital	3,937,601,393	3,989,501,914
190	Share capital	4,502,410,157	4,502,410,157
200	Own shares (-)	(21,070,222)	(24,612,663)
210	Minority interests (+/-)	264,806,481	269,628,250
220	Profit (loss) for the year	261,378,342	985,497,320
	Total liabilities and Shareholders'equity	**243,892,021,225**	**244,278,936,213**

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

TABLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

(in euros)

	Profit & Loss	06/30/2011	06/30/2010
10	Interest and similar income	3,492,627,515	3,167,867,171
20	Interest and similar expense	(1,836,238,417)	(1,401,642,796)
30	**Net Interest Income**	**1,656,389,098**	**1,766,224,375**
40	Commissions earned	1,049,313,022	1,105,844,279
50	Commission expense	(117,330,116)	(119,257,159)
60	**Net Commissions**	**931,982,906**	**986,587,120**
70	Dividends and other income	90,555,387	261,447,371
80	Net Profit from trading	22,301,455	(296,430,872)
90	Net Profit from hedging	(243,215)	12,942,632
100	Profit / Loss	136,649,595	27,585,772
	a) loans	22,710,259	*5,008,466*
	b) available for sale financial assets	*38,863,950*	*33,210,751*
	c) financial liabilities	*75,075,386*	*(10,633,445)*
110	Fair Value financial assets and liabilities	(23,874,883)	(24,820,930)
120	**Total Income**	**2,813,760,343**	**2,733,535,468**
130	Net value adjustments on:	(595,102,042)	(618,476,249)
	a) loans	*(577,828,847)*	*(599,439,422)*
	b) available for sale financial assets	*(16,046,591)*	*(17,693,203)*
	d) other financial assets	*(1,226,604)*	*(1,343,624)*
140	**Net Income from financial operation**	**2,218,658,301**	**2,115,059,219**
180	Administrative expenses	(1,773,241,574)	(1,776,286,356)
	a) personnel expenses	*(1,061,648,119)*	*(1,092,150,079)*
	b) other administrative expenses	*(711,593,455)*	*(684,136,277)*
190	Provisions for risks and charges	(60,322,643)	(81,191,172)
200	Valuation adjustments to fixed assets	(35,971,992)	(49,706,240)
210	Valuation adjustments to intangible assets	(85,405,268)	(72,133,235)
220	Other operating income/expenses	114,156,307	131,398,804
230	**Operating costs**	**(1,840,785,170)**	**(1,847,918,199)**
240	Income (loss) from investments	37,224,422	3,979,995
260	Value adjustments of goodw ill	-	-
270	Income (loss) from disposal of investments	426,367	184,203,776
280	**Income (loss) before taxes from continuing operations**	**415,523,920**	**455,324,791**
290	Income taxes	(162,334,077)	(193,781,322)
300	**Income (loss) after taxes from continuing operations**	**253,189,843**	**261,543,469**
310	Income (loss) from disposal of non continuing operations net of taxes	10,874,234	(1,322,727)
320	**Profit (loss) for the period prior to minority interests**	**264,064,077**	**260,220,742**
330	Profit (loss) prior to minority interests	2,685,735	(931,153)
340	**Profit (loss) for the period**	**261,378,342**	**261,151,895**