PRESS RELEASE[1]

MONTEPASCHI GROUP: A POSITIVE THIRD QUARTER

Good recovery in income from banking activities (+4.2%) driven by growing interest income (+7%)
Loan loss provisions down (-8%)
Tier 1 at 11.1% (vs. 8.9% in June)
Direct funding +4.1% YoY

Group consolidated results for first 9 months of the year:

- *Net Profit holds firm at EUR 304 mln (-15% YoY) despite difficult economic scenario (42.2 mln in third quarter)*
- *EUR 773.6 mln in Net Operating Profit (+2.2% YoY)*
- *Revenues at EUR 4,239 mln, up 1.8% YoY*
- *Operating expenses [2] down 2.2% and cost/income at 59.7% vs. 61.6% at end of 2010*
- *Cost of credit continues to improve (provisioning rate at 72 bps vs. 74 bps at end of 2010) as does impaired loan coverage (+20 bps in the quarter)*
- *Over 41,000 new customers acquired as of the beginning of the year*
- *Total funding up 0.7% YoY, thanks to increased direct funding (+4.1%)*
- *Lending up (+ 2.1% YoY), with positive input from new inflows of special-purpose loans*
- *Pre-funding of bonds maturing in 2012 continues: over 20% of institutional bonds and over 50% of retail bonds (vs. 20% in June) already funded*
- *Tier 1 at 11.1% vs. 8.9% in June. Capital benefits arising from the transaction for value creation from part of the Group's real estate properties (40 bps) were recognised in the quarter.*
- *Initiatives aimed at reducing the capital needs estimated by the European Banking Authority (EBA) have been put in place.*

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[1] *The figures for 2010 take account of the changes brought about to the Group's operating scope subsequently 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 September 2010 are those published in the Consolidated Report on Operations as at 31/12/2010.*
[2] *Operating expenses net of effects of deal for value creation from the Group's real estate properties used in the business. The aggregate would be +0.8% if these effects were included.*

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

Siena, 10 November 2011 – The Board of Directors of Banca Monte dei Paschi di Siena SpA has today approved the Montepaschi Group's results for the first nine months of 2011 which are illustrative of how, in a market environment rendered more complex by the escalating sovereign debt crisis, the Group could consolidate its capital base and confirm the sustainability of its revenues, while continuing to improve cost of credit and operating efficiency.

Net profit for the period stood at EUR 303.5 mln and **Net Operating Income** (EUR 773.6 mln) was up 2.2% YoY, driven by growing revenues (+1.8% YoY), lower loan loss provisions (-3.6% YoY) and substantially stable operating expenses (+0.8% YoY).

Funding / lending results were also positive, with direct funding and Loans and advances to customers up respectively by 4.1% and 2.1% YoY. "Core banking" indicators are improving as well, with approximately 41,400 new customers since the beginning of 2011 and a retention rate of 96.9%.

Strengthening of the capital base continues, with **Tier 1 now at 11.1%** as compared to 8.9% in June.

9M2011 Group profit and loss results

In the first nine months of 2011, the income statement posted EUR 4,239 mln in **income from banking and insurance**, up 1.8% on the same period of last year. The third quarter contributed EUR 1,341 mln (vs. Q2 contributing EUR 1,415 mln) benefiting from an increase in basic income, which was up 4.2% QoQ.

In particular:

- **Net interest income** came to EUR 2,572 mln (vs. EUR 2,691 mln in 9M2010), with Q3 contributing approx. EUR 876 mln, a significant growth (+7%) on Q2 2011, driven by the repricing of short to medium-long term loans which offsets a higher cost of funding.

- **Net fees and commissions** came to EUR 1,389 mln as compared to EUR 1,423 mln as at 30/09/2010; despite the period's typical seasonality, Q3 contribution (EUR 457 mln) remained in line with the previous quarter, thanks to the placement of index-linked policies and a stronger revenue input from traditional services (lending, securities and payments).

- **Dividends, similar income and gains (losses) on equity investments** (EUR 62.8 mln as compared to 59.6 mln as at 30/09/2010 with Q3 contributing EUR 15.4 mln) are reflective of the positive performance shown by the insurance segment (with AXA-MPS contributing EUR 37 mln) and asset management (EUR 1.8 mln).

- **Net profit/loss from trading/valuation of financial assets** stood at EUR 216.8 mln (vs. – EUR 17.4 mln for the same period in 2010), with a negative impact of EUR 5.6 mln in Q3. The quarter was affected by tensions in the financial markets due mostly to the escalating sovereign debt crisis, which have led to a negative performance in trading (- EUR 38 mln). This was offset by a positive input from disposals / repurchases of loans, available-for-sale financial assets and liabilities (+ EUR 11 mln mainly arising from gains on AFS investments) and by Net profit/loss on financial assets and liabilities designated at fair value (EUR 22 mln).

- **Net profit (loss) from hedging** was - EUR 1.1 mln (vs. + EUR 9.5 mln in 9M 2010).

"Net value adjustments due to impairment of loans" stood at EUR 840.5 mln, down 3.6% as compared to 9M2010, with a result of 271 mln for Q3, down from the previous quarter. 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, which was confirmed by a higher impaired loan coverage (40.9% in September, vs. 40.7% in June).

Net value adjustments due to impairment of financial assets amounted to - EUR 96 mln (- EUR 26.7 mln as at 30/09/2010, with Q3 accounting for - EUR 72 mln) due to depreciation of AFS stock that became impaired. The value includes impairment of the only Greek Government bond held for an amount of approx. EUR 10 mln, of which approx. EUR 3 mln in the third quarter (nominal value: EUR 12 mln).

As a result of the above, **income from banking and insurance** came to approx. EUR 3,303 mln (vs EUR 3,267 mln last year; +1.1% YoY) with Q3 contributing EUR 998 mln.

Operating expenses totalled EUR 2,529 mln, substantially in line with last year level (+0.8%, -0.2% on Q2 2011). This aggregate benefits from the structural cost containment actions put in place, which enabled the offsetting of increases arising from the transaction for value creation from part of the Group's real estate properties used in the business completed at the end of 2010. Net of these increases, operating expenses would be down 2.2% YoY.

In particular:

- **"Personnel expenses**'', amounting to EUR 1,588 mln, decreased by 1.6% as compared to September 2010, on account of the structural effects from the headcount reduction / redeployment processes and actions designed to boost efficiency in the management of spending;

- **"Other administrative expenses"** totalled approx. EUR 820 mln, up on the same period of last year as a result of the real estate deal involving property used in the business, net of which the aggregate would have shown a downturn on 2010 (-6.1% YoY), thus providing evidence for the cost synergies obtained from reorganisation and cost management actions implemented;

- ''**Value adjustments on tangible and intangible assets**'' stood at approx. EUR 122 mln, down 1.1% YoY.

On the back of these factors, **Net Operating Income** totalled approx. EUR 774 mln, up 2.2% on September 2010, with Q3 contributing approx. EUR 162 mln.

Cost-income came to 59.7%, significantly improving (-190 bps) the ratio recorded as at 31/12/2010.

A contribution to net income also came from:

- **Net provisions for risks and charges and other operating income/expenses,** showing a negative balance of - EUR 174 mln (- EUR 167 mln as at 30/09/2010). The account incorporates approx. - EUR 114 mln in provisions to the fund for risks and charges (covering primarily legal disputes and claw-back actions) and roughly - EUR 60 mln in net operating expenses (consisting primarily in legal actions and improvement on third-party assets).

- A balance of – EUR 14.8 mln in **Gains/losses on equity investments**;

- **“Integration costs / One-off charges”** for an amount of EUR 15.7 mln in early retirement incentives for employees following the organizational restructuring of Banca Monte dei Paschi di Siena;

- **Profit/loss from disposal of investments** amounting to EUR 34 mln, primarily accounted for by the capital gain arising from the sale of a commercial office building in via dei Normanni, Rome, at the end of September. As at 30/09/2010, this item totalled EUR 182 mln and included capital gains from disposal of banking business (72 branches).

Due to these components, **profit (loss) before tax from continuing operations** came to approx. EUR 603 mln (vs EUR 758 mln in 9M2010, which was inclusive of the afore-mentioned capital gains of EUR 182 mln) with Q3 accounting for approx. EUR 106 mln.

Finally, to complete the section on income:

- **Income taxes** for the period amounted to approx. - EUR 233 mln (vs. approx. -319.8 mln as at 30 September 2010). The amount was positively affected by the increase in the regional productivity tax (IRAP) whose effects were accounted for in June (EUR 45 mln), and goodwill tax deductions for subsidiaries pursuant to Law Decree no. 98 of 6/7/2011 for an amount of approx. EUR 52 mln;

- **Profit (loss) after tax from discontinued operations** amounted to + EUR 13.8 mln, partly accounted for by the capital gain arising from disposal of MPS Monaco SAM.

The Montepaschi Group's **net profit** for the period before Purchase Price Allocation (PPA) came to EUR 380.5 mln (EUR 63.1 mln in the third quarter). Post-PPA net profit for the period totalled **EUR 303.5 mln**, of which EUR 42.2 mln in Q3).

With respect to the Montepaschi Group’s Segment Reporting obligations under IFRS 8, highlights include the following:

Consumer Banking

- Net operating income: EUR 373.7 mln (+56.6% YoY)
- 'Active' loans and advances to customers: -0.5% YoY.

Corporate Banking

- Net operating income: EUR 405.5 mln (-18.6% YoY)
- 'Active' loans and advances to customers: -0.1% YoY.

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

Banca Antonveneta

- EUR 124 mln in Net Operating Income (+48% YoY)
- Direct Funding: +8% YoY; Loans and advances to customers: +3.3% YoY.

Biverbanca

- Net Operating Income: EUR 27.1 mln (+100.3% YoY)
- Net Profit: EUR 15.5 mln (+116.5% YoY)
- Loans and advances to customers +6.3% YoY.[3]

Consum.it

- Net Operating Income: EUR 45 mln (+16.5% YoY)
- Net Profit: EUR 28.6 mln (+37% YoY)

MPS Leasing & Factoring

- Net operating income: EUR 29.6 mln (+92.8% YoY)
- Net Profit: EUR 13.5 mln (+130% YoY)

MPS Capital Services Banca per le Imprese:

- Net Operating Income: EUR 99.5 mln (-25.2% YoY)
- EUR 50 mln in Net Profit (-40.7% YoY)

Business Unit 'Financial Advisory':

- Net Operating Income: EUR 2.8 mln (+ 333% YoY)
- Asset Management: EUR 4.3 bln (+8.1% YoY)

[3] *Changes were calculated based on historical data – prior to the acquisition/disposal of branches occurring at end of October 2010*

9M2011 balance-sheet aggregates for the Group

With respect to funding aggregates, the Group's total volumes as at 30/09/2011 stood at EUR 295 bln, up 0.7% YoY, reflecting positive trends in direct funding (+4.1%), which allowed the Group to absorb the downturn in assets under management and custody, mainly attributable to a strong depreciation of financial assets, particularly in Q3, due to the sovereign debt crisis.

Direct funding, totalling EUR 161 bln, was up 4.1% on 30/09/2010 and 1.6% on 31/12/2010, with the Group's market share coming to 7.92% at the end of August (in line with market share percentage as at the end of 2010). The slowdown registered in the third quarter, by approx. EUR 5 bln, is attributable, for an amount of approx. EUR 4 bln, to the Group opting for a shift in the mix of short-term market funding, by replacing institutional funding (such as from the *Cassa Depositi* - Loan and Deposit Fund, and the *Cassa di Compensazione* - clearing house), with interbank funding. Approximately 1 billion is attributable to consumer and corporate funding which was affected by the period’s seasonal tendencies, impacted by both tax payments and a higher number of withdrawals by consumer customers during the summer period. As of October, there has been an upturn in funding largely owing to the placement of bonds, which has allowed prefunding for 2012 to continue (to date, over 50% of retail bonds maturing in 2012 have been funded).

Indirect funding at the end of the period totalled EUR 134 bln (-3.1% YoY). The aggregate includes:

- **Assets under management,** amounting to approx. EUR 48 bln, down 3.5% as compared to 30/06/2011 (-6.1% YoY) primarily due to a significant depreciation of financial assets in the quarter. A further breakdown of volumes – according to a Mifid-based approach structurally aimed at selecting the best 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 52% of the aggregate), Funds and open-ended collective investment schemes (Sicavs) (35%);

- **Assets under Custody** at the end of September 2011 came to approx. EUR 87 bln, down 7.4% on June and 1.4% YoY, on the back of changes in Key Clients' deposits (-EUR 5.7 bln) and the negative market effect on assets held under custody for customers.

Group Loans and advances to customers as at the end of September 2011, were up 2.1% on the previous year (-0.9% on June) to approx. EUR 156 bln, with a market share of 7.67% in August, slightly up as compared to end-2010 figures.

As for ‘special purpose’ loans, which are disbursed by the Group through dedicated product companies, new flows in 9M2011 totalled EUR 11.6 bln (up +28.9% on 30/09/2010). Within small business and corporate lending, disbursements by MPS Capital Services stood at EUR 1.6 bln and marked an 8% improvement YoY, partly on the back of excellent performance in Q3 (+14.8%); a significant growth was also registered in factoring turnover which almost reached EUR 7 bln (+60% YoY); a downturn was instead recorded in leasing contracts negotiated (approx. EUR 1 bln; -6% YoY) and consumer loan disbursements (approx. EUR 2 bln; -2.8% YoY).

The stock of investments held in the Group's Securities and derivatives portfolio (EUR 38.5 bln) remained in line with June 2011 levels, with the HFT component up by approx. 1 bln (trading by MPS Capital Services), and the AFS accounting category down by the same amount.

Tier 1 stood at 11.1%, up from the value in both June (8.9%) and December 2010 (8.4%). The period was largely affected by the positive effect from the increase in share capital (approx. +200 bps) and recognition of the gain from demerger of the company, Consorzio Perimetro Gestione Proprietà Immobiliare (approx. 40 bps), partially offset by the moderate rise in RWAs.

With regard to the EU-wide exercise (which is preliminary and indicative) conducted by the European Banking Authority (EBA) to estimate an additional, extraordinary and temporary capital buffer for banks, the Montepaschi Group has implemented initiatives aimed at reducing the identified capital buffer, by way of: inclusion of ''Fresh 2008'' in the core capital; expected conversion of ''Fresh 2003'' and through additional capital management and optimisation actions, which will be pursued in compliance with the eligibility terms and conditions that the Supervisory Authorities will set out.

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.

RECLASSIFICATED 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 31/12/10.

Following are the reclassifications made to the consolidated profit and loss account as at 30 September 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 earned on securities held in the trading book (approx. EUR 97 mln as at 30/09/2011).

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 56 million as at 30/09/2011) corresponding to the contribution to profit and loss for the period coming from the portion of profit arising from investments in associates (valued at equity). Dividends earned on securities held in the trading book, 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 the loss provision taken in connection with the Greek government bond (approx. EUR 10.2 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 (EUR 3 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 10.2 mln) referred to under item c) above;

e) "**Personnel expenses**" in the income statement was reduced by EUR 15.7 mln in charges from early retirement incentive plans for employees associated with Banca Monte dei Paschi di Siena's organisational restructuring, which were reclassified under "Integration costs / One-off charges";

f) **"Other administrative expenses"** in the reclassified income statement was curtailed by the portion of stamp duty and client expense recovery (approx. EUR 211 million) posted under Account 220 "*Other operating income/expenses";*

g) 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 f);

h) "**Integration costs / One-off charges**" in the income statement includes EUR 15.7 mln in *one off* charges from early retirement incentive plans for employees associated with Banca Monte dei Paschi di Siena's organisational restructuring, which have been reclassified out of "Personnel expenses".

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

j) The effects of *Purchase Price Allocation* (PPA) were reclassified out of other accounts (in particular "***Interest income"*** for approx. EUR 42 mln and depreciation/amortization for approx. EUR 61 mln, with a related theoretical tax burden of approx. EUR -26 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:**

k) **"Tradable financial assets"** on the assets side of the reclassified balance-sheet includes Account 20 "*Held-for-Trading financial assets*", Account 30 "*Financial assets designated at fair value*" and Account 40 "*Available-for-Sale financial assets"*;

l) **"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*";

m) **"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"*;

n) "**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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CONSOLIDATED REPORT ON OPERATIONS

Highlights at 30/09/11

■ INCOME STATEMENT AND BALANCE SHEET FIGURES AND KEY INDICATORS

MPS GROUP			
• INCOME STATEMENT FIGURES (in EUR mln)	**30/09/11**	**30/09/10** (1)	**% chg**
Income from banking activities	3,960.6	4,113.4	-3.7%
Income from financial and insurance activities	4,239.1	4,165.1	1.8%
Net operating income	773.6	756.9	2.2%
Net profit (loss) for the year	303.5	356.9	-15.0%
• BALANCE SHEET FIGURES AND INDICATORS (in EUR mln	**30/09/11**	**31/12/10**	**% chg**
Direct funding	161,078	158,486	1.6%
Indirect funding	134,284	144,919	-7.3%
of which: assets under management	*47,665*	*50,547*	-5.7%
of which: assets under custody	*86,619*	*94,372*	-8.2%
Customer loans	155,901	156,238	-0.2%
Group net equity	16,527	17,156	-3.7%
• KEY LOAN QUALITY RATIOS (%)	**30/09/11**	**31/12/10**	
Net non-performing loans/Customer loans	4.07	3.51	
Net watchlist loans/Customer loans	2.74	2.57	
• PROFITABILITY RATIOS (%)	**30/09/11**	**31/12/10**	
Cost/Income ratio	59.7	61.6	
R.O.E. (on average equity) (2)	2.40	5.74	
R.O.E. (on end-of-period equity)(3)	2.38	5.74	
Net adjustments to loans / End-of-period investments	0.72	0.74	
• CAPITAL RATIOS (%)	**30/09/11**	**31/12/10**	
Solvency ratio	15.5	12.9	
Tier 1 ratio	11.1	8.4	
• INFORMATION ON BMPS STOCK	**30/09/11**	**31/12/10**	
Number of ordinary shares outstanding	10,844,097,796	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 **31/12/10** to **30/09/11**	from **31/12/09** to **31/12/10**	
average	0.65	1.02	
low	0.37	0.82	
high	0.86	1.33	
• OPERATING STRUCTURE	**30/09/11**	**31/12/10**	**Abs. chg**
Total head count - end of period	31,204	31,495	-291
Number of branches in Italy	2,914	2,918	-4
Financial advisory branches	141	151	-10
Number of branches & representative offices abroad	40	41	-1

(1) Figures as at 30/09/2010 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 (72 branches of Banca Monte dei Paschi di Siena) and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture SpA).

(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.

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■ **RECLASSIFIED INCOME STATEMENT (in EUR mln)**

MPS Group	30/09/11	30/09/10 (1)	Change Ins.	Change %
Net interest income	2,572.1	2,690.9	-118.7	-4.4%
Net commissions	1,388.5	1,422.6	-34.1	-2.4%
Income from banking activities	**3,960.6**	**4,113.4**	**-152.8**	**-3.7%**
Dividends, similar income and gains (losses) on equity investments	62.8	59.6	3.2	5.3%
Net profit (loss) from trading/valuation of financial assets	216.8	-17.4	234.2	n.s.
Net profit (loss) from hedging	-1.1	9.5	-10.6	-111.2%
Income from financial and insurance activities	**4,239.1**	**4,165.1**	**74.0**	**1.8%**
Net adjustments for impairment of:	**-936.5**	**-898.2**	**-38.4**	4.3%
a) loans	-840.5	-871.5	31.0	-3.6%
b) financial assets	-96.0	-26.7	-69.3	n.s.
Net income from financial and insurance activities	**3,302.6**	**3,267.0**	**35.6**	**1.1%**
Administrative expenses:	-2,407.5	-2,387.2	-20.3	0.9%
a) personnel expenses	-1,587.8	-1,613.9	26.1	-1.6%
b) other administrative expenses	-819.7	-773.3	-46.4	6.0%
Net adjustments to tangible and intangible fixed assets	-121.5	-122.9	1.4	-1.1%
Operating expenses	**-2,529.0**	**-2,510.1**	**-18.9**	**0.8%**
Net operating income	**773.6**	**756.9**	**16.7**	**2.2%**
Net provisions for risks and charges and other operating income/expenses	-174.4	-166.5	-7.9	4.7%
Profit (loss) on equity investments	-14.8	-27.3	12.5	-45.8%
Integration costs / one-off charges	-15.7	-8.8	-6.9	78.8%
P&L figures for branches sold		21.8	-21.8	-100.0%
Gains (losses) from disposal of investments	34.3	181.9	-147.6	-81.1%
Profit (loss) before tax from continuing operations	**603.0**	**758.0**	**-155.0**	**-20.5%**
Taxes on income from continuing operations	-232.6	-319.8	87.2	-27.3%
Profit (loss) after tax from continuing operations	**370.4**	**438.3**	**-67.8**	**-15.5%**
Profit (loss) after tax from disposal groups held for sale	13.8	1.8	12.0	n.s.
Net profit (loss) for the period including minority interests	**384.2**	**440.1**	**-55.9**	**-12.7%**
Net profit (loss) attributable to minority interests	-3.7	-0.2	-3.5	n.s.
Net profit (loss) pre PPA	**380.5**	**439.9**	**-59.4**	**-13.5%**
PPA (Purchase Price Allocation)	-77.0	-83.0	6.0	-7.3%
Net profit (loss) for the year	**303.5**	**356.9**	**-53.4**	**-15.0%**

(1) Figures as at 30/09/2010 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 (72 branches of Banca Monte dei Paschi di Siena) and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture SpA).

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QUARTERLY TREND IN RECLASSIFIED INCOME STATEMENT (in EUR mln)

MPS Group	2011 3rd quarter	2011 2nd quarter	2011 1st quarter	2010 (1) 4th quarter	2010 (1) 3rd quarter	2010 (1) 2nd quarter	2010 (1) 1st quarter
Net interest income	875.7	818.7	877.7	900.8	906.5	912.7	871.7
Net commissions	456.5	459.3	472.7	489.0	459.1	482.9	480.5
Income from banking activities	**1,332.2**	**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	15.4	20.1	27.4	32.2	29.5	15.7	14.4
Net result from realisation/valuation of financial assets	-5.6	118.5	103.9	-5.7	16.3	-53.4	19.7
Net profit (loss) from hedging	-0.8	-1.1	0.9	-10.1	-3.5	6.3	6.7
Income from financial and insurance activities	**1,341.1**	**1,415.4**	**1,482.6**	**1,406.2**	**1,408.0**	**1,364.2**	**1,392.9**
Net adjustments for impairment of:	**-342.9**	**-314.9**	**-278.7**	**-296.1**	**-289.1**	**-301.3**	**-307.7**
a) loans	-271.2	-294.8	-274.6	-284.1	-281.5	-283.0	-307.0
b) financial assets	-71.8	-20.1	-4.1	-12.0	-7.6	-18.3	-0.7
Net income from financial and insurance activities	**998.2**	**1,100.5**	**1,203.9**	**1,110.1**	**1,118.9**	**1,062.9**	**1,085.2**
Administrative expenses:	-795.3	-798.4	-813.7	-868.7	-805.2	-775.9	-806.1
a) personnel expenses	-526.1	-518.1	-543.5	-597.4	-537.1	-518.7	-558.1
b) other administrative expenses	-269.2	-280.3	-270.2	-271.4	-268.1	-257.2	-247.9
Net adjustments to tangible and intangible fixed assets	-40.8	-39.2	-41.5	-52.3	-40.8	-42.1	-40.0
Operating expenses	**-836.2**	**-837.6**	**-855.2**	**-921.1**	**-846.0**	**-817.9**	**-846.1**
Net operating income	**162.0**	**262.9**	**348.7**	**189.0**	**272.9**	**245.0**	**239.1**
Net provisions for risks and charges and other operating income/expenses	-66.1	-69.7	-38.6	-26.7	-32.8	-92.2	-41.5
Profit (loss) on equity investments	-7.8	-7.1	0.1	578.8	-7.8	-19.3	-0.2
Integration costs / one-off charges	-15.7			-10.7	-6.1	-2.7	
P&L figures for branches sold						9.2	12.6
Gains (losses) from disposal of investments	33.9	0.3	0.1	0.5	-2.3	184.2	0.0
Profit (loss) before tax from continuing operations	**106.3**	**186.4**	**310.3**	**730.8**	**223.9**	**324.1**	**210.1**
Taxes on income from current operations	-45.1	-42.4	-145.0	-73.1	-100.8	-176.8	-42.3
Profit (loss) after tax from continuing operations	**61.2**	**144.0**	**165.3**	**657.7**	**123.1**	**147.3**	**167.9**
Profit (loss) after tax from disposal groups held for sale	2.9	8.1	2.8	-0.2	-0.5	-0.3	2.6
Net profit (loss) for the period including minority interests	**64.1**	**152.0**	**168.1**	**657.6**	**122.6**	**147.0**	**170.5**
Net profit (loss) attributable to minority interests	-1.0	-0.8	-1.9	-1.3	-1.1	1.4	-0.5
Net profit (loss) pre PPA	**63.1**	**151.3**	**166.1**	**656.2**	**121.5**	**148.5**	**169.9**
PPA (Purchase Price Allocation)	-20.9	-30.2	-25.8	-27.6	-25.8	-29.6	-27.7
Net profit (loss) for the year	**42.2**	**121.1**	**140.3**	**628.6**	**95.8**	**118.9**	**142.2**

(1) 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 (72 branches of Banca Monte dei Paschi di Siena) and operations discontinued at the end of 2010 (MP Monaco SAM and MPS Venture SpA).

Montepaschi Group

RECLASSIFIED BALANCE SHEET (in EUR mln)

ASSETS	30/09/11	31/12/10	30/09/10 (1)	Chg. 30/09/11 vs 31/12/10 abs.	Chg. 30/09/11 vs 31/12/10 %	Chg. 30/09/11 vs 30/09/10 abs.	Chg. 30/09/11 vs 30/09/10 %
Cash and cash equivalents	760	2,411	724	-1,651	-68.5%	36	5.0%
Receivables :							
a) Loans and advances to customers	155,901	156,238	152,704	-336	-0.2%	3,198	2.1%
b) Loans and advances to banks	16,956	9,710	12,606	7,246	74.6%	4,350	34.5%
Financial assets held for trading	60,893	55,973	54,691	4,920	8.8%	6,202	11.3%
Financial assets held to maturity	0	0	0	0	-20.1%	0	-20.1%
Equity investments	873	908	774	-34	-3.8%	99	12.8%
Tangible and intangible fixed assets	8,949	8,959	10,179	-9	-0.1%	-1,229	-12.1%
of which:							
a) goodwill	*6,474*	*6,474*	*6,474*				
Other assets	10,410	10,081	10,845	328	3.3%	-435	-4.0%
Total assets	**254,743**	**244,279**	**242,522**	**10,464**	**4.3%**	**12,221**	**5.0%**

LIABILITIES	30/09/11	31/12/10	30/09/10 (1)	Chg. 30/09/11 vs 31/12/10 abs.	Chg. 30/09/11 vs 31/12/10 %	Chg. 30/09/11 vs 30/09/10 abs.	Chg. 30/09/11 vs 30/09/10 %
Payables							
a) Due to customers and securities	161,078	158,486	154,673	2,592	1.6%	6,404	4.1%
b) Deposits from banks	33,216	28,334	29,626	4,881	17.2%	3,590	12.1%
Financial liabilities held for trading	32,282	30,383	29,474	1,899	6.2%	2,808	9.5%
Provisions for specific use							
a) Provisions for staff severance indemnities	268	287	293	-19	-6.7%	-25	-8.5%
b) Pensions and other post retirement benefit obligations	196	436	449	-240	-55.0%	-253	-56.4%
c) Other provisions	942	882	964	59	6.7%	-22	-2.3%
Other liabilities	9,994	8,043	10,377	1,951	24.3%	-384	-3.7%
Group net equity	16,527	17,156	16,397	-630	-3.7%	129	0.8%
a) Valuation reserves	-2,809	-146	-287	-2,662	1821.5%	-2,521	n.s.
b) Redeemable shares							
c) Equity instruments	1,933	1,949	1,949	-16	-0.8%	-16	-0.8%
d) Reserves	6,558	5,900	5,904	657	11.1%	654	11.1%
e) Share premium	3,917	3,990	3,990	-73	-1.8%	-73	-1.8%
f) Share capital	6,654	4,502	4,502	2,152	47.8%	2,152	47.8%
g) Treasury shares (-)	-30	-25	-18	-6	23.4%	-13	72.3%
h) Net profit (loss) for the year	304	985	357	-682	-69.2%	-53	-15.0%
Minority interests	240	270	267	-29	-10.9%	-27	-10.1%
Total Liabilities and Shareholders' Equity	**254,743**	**244,279**	**242,522**	**10,464**	**4.3%**	**12,221**	**5.0%**

(1) Data published in the Consolidated Report on Operations as at 31/12/10.

MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

Montepaschi Group

■ **RECLASSIFIED BALANCE SHEET- Quarterly Trend (in EUR mln)**

ASSETS	30/09/11	30/06/11	31/03/11	31/12/10 (1)	30/09/10 (1)	30/06/10 (1)	31/03/10 (1)
Cash and cash equivalents	760	979	850	2,411	724	853	781
Receivables:							
a) Loans and advances to customers	155,901	157,275	154,664	156,238	152,704	152,850	148,457
b) Loans and advances to banks	16,956	10,793	10,420	9,710	12,606	13,662	10,474
Financial assets held for trading	60,893	55,773	46,938	55,973	54,691	58,752	47,855
Financial assets held to maturity	0	0	0	0	0	0	0
Equity investments	873	916	926	908	774	732	759
Tangible and intangible fixed assets	8,949	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*	*6,474*	*6,619*
Other assets	10,410	9,220	9,385	10,081	10,845	10,518	11,601
Total assets	**254,743**	**243,892**	**232,126**	**244,279**	**242,522**	**247,567**	**230,301**

LIABILITIES	30/09/11	30/06/11	31/03/11	31/12/10 (1)	30/09/10 (1)	30/06/10 (1)	31/03/10 (1)
Payables							
a) Customer accounts and securities	161,078	166,493	160,361	158,486	154,673	157,980	152,670
b) Deposits from banks	33,216	23,219	22,360	28,334	29,626	28,593	25,628
Financial liabilities held for trading	32,282	26,985	22,145	30,383	29,474	33,210	23,188
Provisions for specific use							
a) Provisions for staff severance indemnities	268	287	288	287	293	298	304
b) Pensions and other post retirement benefit obligations	196	199	202	436	449	450	459
c) Other provisions	942	898	888	882	964	962	920
Other liabilities	9,994	8,567	8,110	8,043	10,377	9,459	9,684
Group Companies	16,527	16,979	17,497	17,156	16,397	16,345	17,167
a) Valuation reserves	-2,809	-193	53	-146	-287	-219	580
b) Redeemable shares							
c) Equity instruments	1,933	1,933	1,949	1,949	1,949	1,949	1,949
d) Reserves	6,558	6,558	6,887	5,900	5,904	5,903	5,986
e) Share premium	3,917	3,938	3,989	3,990	3,990	3,996	4,048
f) Share capital	6,654	4,502	4,502	4,502	4,502	4,502	4,502
g) Treasury shares (-)	-30	-21	-23	-25	-18	-49	-40
h) Net profit (loss) for the year	304	261	140	985	357	261	142
Minority interests	240	265	273	270	267	270	282
Total Liabilities and Shareholders' Equity	**254,743**	**243,892**	**232,126**	**244,279**	**242,522**	**247,567**	**230,301**

(1) Data published in the Consolidated Report on Operations as at 31/12/10.