GRUPPOMONTEPASCHI

# PRESS RELEASE[1]

## Montepaschi Group H108 results approved

***Net profit, which includes BAV's contribution (EUR 40 mln) for the sole month of June, stood at EUR 522.2 mln***
***Half-year integration charges amounted to EUR 138.3 mln[2]***

*For the sake of comparability with H1 2007 results, the main stand-alone results of the Montepaschi Group (pre-Antonveneta acquisition) and of Antonveneta are listed below:*

### ♦ *Stand-alone P&L and capital highlights – H1 2008:*

#### *Montepaschi Group (pre- Antonveneta acquisition)*

- Basic Income: +7.3% YoY, + 1.3% in 2Q vs 1Q08
- Operating Charges: -0.5% YoY
- Customer Base: +295,000 units since June 2007
- Volumes: Loans +.11.8% YoY (average balance), Direct Funding +10% YoY (average balance)
- Market Share (vs Dec 07): Leasing +130 bps; Factoring +50 bps; Consumer Credit +40 bps; Bancassurance +290 bps

#### *Antonveneta*

- Basic Income: +1.1% YoY, +7.6% QoQ
- Operating Charges: -6.0% YoY
- General Reserves: 0.50% of performing loans. NPL coverage: 69%. NPLs flows down significantly in Q2 since March 2008
- Half-year net profit at EUR 76.5 mln, including integration charges (EUR 55 mln), capital gains from Interbanca (EUR 67.5 mln), Hopa/Fingruppo writedowns (EUR 32.3 mln)
- Loans +5.4% YoY and Direct Funding +9.7% YoY
- First significant turnaround signs: 3,000 new current accounts opened last June, 1,000 new Retail customers acquired last July.

### ♦ *Synergies and Integration Charges*

- Cost synergies: 2008 headcount reduction targets already met (980 employees year-to-date). Antonveneta IT integration completed. The year-end BP target for synergies in other administrative expenses was met in June 2008
- Integration charges: EUR 138.3 mln. 25% of the expenses included in the Business Plan were charged to and absorbed in H1.

### ♦ *Capital Ratios*

- Tier I: 5.1% (with floor at 95% of RWA Basle I); PPA[3]: EUR 541 mln;
- TCR: 9.4% (with floor at 95% of RWA Basle I)[4]

### ♦ *New Group senior executives appointed*

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[1] The financial schedules in this press release include:
1) Half-year results for the Montepaschi Group (plus 1-month contribution by Antonveneta): Exhibits A
2) Half-year results for the Montepaschi Group pre- Antonveneta acquisition (IFRS5): Exhibits B
3) Quarterly results for Antonveneta: Exhibits C
4) Half-year results for the Montepaschi Group inclusive of Antonveneta contribution year-to-date: Exhibits D

[2] Includes integration charges of Antonveneta for 6 months.

[3] Preliminary data

[4] Estimates include expected benefit from asset disposal in accordance with IFRS5 (Banca Monte Parma and MPS Sgr)

Siena, August 29th, 2008 – The Board of Directors of Banca Monte dei Paschi di Siena Spa has approved the Bank's results at June 30th, 2008. The contribution of Antonveneta was limited to the sole month of June, since the acquisition took place on May 30th, 2008.

With a **net profit of EUR 522.2 mln** in the first 6 months of the year, the Montepaschi Group (see Exhibits A) equalled – or rather exceeded - the excellent 2007 half-year performance that later resulted in the best fiscal year ever in the history of the Bank. The integration of Banca Antonveneta, completed in a very short time frame, as well as the challenging restructuring and efficiency-improvement process that laid the foundations for the third largest banking group in Italy, had no adverse effects on the operations of the Bank, which is proving to be in perfect health despite a still very negative market scenario. The customer base of Group banks increased by 295,000 clients compared to June 2007; at the same time, Antonveneta became profitable again (+EUR 40 mln in June alone) and showed the first signs of a reversal of trend vis-à-vis the past few years by opening 3,000 new current accounts in the same month. This positive trend continued in July, with 1,000 new Retail clients acquired.

Sound indications can be found on the synergy side, too. 2008 headcount targets have already been fully met (980 employees year-to-date) and 25% of total integration expenses were charged to and absorbed during the past six months. However, the most important indicator is probably to be found in the IT department, where completion of the IT integration enabled the 1,000 Antonveneta branches to start using the Montepaschi system right away, thereby aligning their working standards to the rest of the network.

In the first six months of the year, the Montepaschi Group totalled a **net profit of EUR 522.2 mln** inclusive of PPA (Purchase Price Allocation) impact, Antonveneta contribution (1 month) and Biverbanca contribution (6 months). The consolidated net profit for the period before PPA stood at EUR 532.3 mln (+2.6% YoY). The Group P&L was influenced by many non-recurring items (Hopa/Fingruppo writedowns, non-deductability of interest expenses, asset disposal, integration charges). **Total revenues totalled EUR 2,516.5 mln** and **net operating profit stood at EUR 603.4 mln** (net of **EUR 1,482.2 mln's worth of operating charges and EUR 431 mln's worth of net loss provisions on loans and financial assets**).

In order to make a comparison with the previous six months possible and to show current trends on a "like-for-like" basis[5], the stand-alone half-year results of the Montepaschi Group pre- Antonveneta acquisition and of Antonveneta itself will be analyzed separately in the sections below.

5 "like-for-like basis" (hereinfter: "like-for-like basis"): The P&L results at 30/06/08 and for FY 2007 were restated on a like-for-like basis vis-à-vis Q108. This means that the 2008 contribution of Banca Antonveneta (1 month) and the P&L items associated to the integration of Banca Antonveneta were excluded, whereas the line-by-line contribution of Mps Asset Management SpA Sgr, its subsidiaries and Banca Monte Parma were preserved (i.e. IFRS5 was not applied). Furthermore, 2007 data were restated to exclude the impact of the severance pay (TFR) reform and were integrated on a line-by-line basis with the contribution of Biverbanca.

"like-for-like basis with IFRS5 application" (hereinafter "IFRS5"): The P&L results at 30/06/08 and for FY 2007 were restated by applying IFRS5 to "like-for-like" results for Mps Asset Management SpA Sgr, its subsidiaries and Banca Monte Parma.

**Main consolidated results of the Montepaschi Group (pre- Banca Antonveneta acquisition):**
**P&L Results – EXHIBITS B -**

In the first six months of 2008 the Montepaschi Group posted a very good commercial performance. Customer relationships improved further, thereby making it possible for the Group to increase its market share in the main business segments.

**With respect to operations and income, capital and commercial aggregates grew**, with volumes and market share up significantly. The same was true for **core income aggregates**, as is shown by an increase **in basic income** (**+6.4% "like-for-like basis" vs Q1 2008, +7.3% "like for like basis with IFRS5" or simply "IFRS 5"[6])**.

More specifically, an analysis of **consolidated total revenues** highlights the following (like-for-like basis):

**interest income totalled grew 12.9% vs 1H07** (+12.9% IFRS5), up 3.5% since Q1 2008 and 14.6% since H2 2007.

**fees decreased 5.5% over the previous six months (-3.8% IFRS5).** Fees from asset management decreased, whereas **fees from traditional services increased by 3.4%**

**net income from trading/valuation of financial assets decreased YoY (-76.7%),** but with an increase of EUR79.7 mln in the second quarter of the year, offsetting 1Q negative results, notwithstanding the market turmoil.

Other items that contributed to total revenues include **dividends, similar income and profit/losses from equity investments,** which showed a decrease vs H1 2007 (H1 2007 included a capital gain of approx. EUR 26.4 million from a partial disposal of the stake in Finsoe and a positive contribution of around EUR 57 million from bancassurance, that totalled around EUR 5 million in H1 2008).

Consequently, **consolidated total revenues decreased -3% (2.5% IFRS 5)** partially as a consequence of a lower contribution from trading, which was affected by negative financial market trends.

On a quarterly basis, total revenues for Q2 2008 significantly increased (+11%) vs 1Q 2008.

Highlights on costs associated to lending and financial assets include the following:

"**net loss provisions on impaired loans" increased 39.1% like-for-like basis (+39.8% IFRS5),** mainly for write-downs related to the Fingruppo/Hopa Group (EUR 54 mln), resulting in a provisioning rate of about 55 bps and about 50 bps (net of Fingruppo/Hopa writedowns);

[6] Excluding line by line MPS Asset Management SGR and Banca Monte Parma figures, due for disposal

“**net loss provisions on impaired financial assets”** that include the writedown on Hopa stake for EUR 84 million, which brought the unit value of the shares owned by the Group down to EUR 0.10**.**

**Operating charges decreased 0.4% (-0.5% IFRS5).**

More specifically:

“**personnel expenses**” reflected the increase that is expected to follow the renewal of the collective labour agreement (with the new salary tables effective as of 1/1/2008), showing a decrease of 0.6% (-0.7% IFRS5);

“**other administrative expenses”** including expenses related to the drafting of the new Group Business Plan and to the ongoing expansion of the distribution network (opening of 14 new salespoints) decreased 0.6% (-0.7% IFRS5)

“ **net value adjustments to tangible and intangible assets” grew 4.3% (4.6% IFRS5).**

As a result of the above, **net operating income** decreased 29.8% (-29.2% IFRS5), including the Hopa write-off (net of this component Net operating income decreased 17.3%), and a lower contribution from trading.

Other income streams included **profits from investments sold** (EUR 27.8 million from the sale of two buildings by MP Banque and Banca Toscana) and **profits from equity investments** in the amount of approx. EUR 200 million, mainly related to the sale of Banca Depositaria to the Intesa-San Paolo Spa Group on May 14th, 2008 (which resulted in a capital gain of approx. EUR 198 mln) and to the disposal of Fontanafredda (capital gain: approx. EUR 30 mln) and Finsoe (loss of approx. EUR 35 million).

Finally, the “face” tax rate stood at 32.2% which decreases to 28.4% when purged of the indeductability of interest expenses.

A summary of the non-recurring items found in the half-year P&L account of the Montepaschi Group (pre-Antonveneta acquisition) is given below (amount gross of taxes):

<u>Positive one-off items:</u>

- Capital gains from Banca Depositaria: € 198 mln
- Capital gains from Fontanafredda: € 30 mln
- Capital gains from other stakes: € 7 mln
- Real estate dismissal: € 28 mln

Negative one-off items:

- Hopa write-off: € 83.7 mln
- Fingruppo write-off: € 54 mln
- Finsoe disposal: € 35 mln
- Valorizzazioni Immobiliari disposal: € 9 mln

Consequently, the **net profit** of the Montepaschi Group (pre- Antonveneta acquisition) stood at **EUR 460** mln purged of the non-recurring items listed above.

With respect to the Group's individual business units, satisfactory results were posted, other than by Antonveneta, by the Group subsidiaries: Banca Toscana and Banca Agricola Mantovana.

**Banca Toscana**

- Net profit: EUR 89.1 mln (+21% YoY)

**BAM**

- Net profit: EUR 14.7 mln (-69.6% YoY, or +27.4% net of the Hopa/Fingruppo writedowns)

**Banca MPS**

- Net profit: EUR 603.1 mln (+20.2% YoY, or +21.6% net of the Hopa/Fingruppo writedowns)

**Biverbanca**

- Net profit:  EUR 22.2 mln (+12.8% YoY)

With respect to the *Segment Reporting* obligations under IAS 14, here follow the main highlights:

**Commercial Banking/Distribution Network:**

- total revenues: +1.8% YoY
- net operating profit: +5.9% YoY

- customer loans: +13.5% YoY

**Private Banking/Wealth Management:**

- total revenues: -12.6% YoY
- net operating profit: -40.4% YoY
- direct funding: + 35.8% YoY

**Corporate Banking/Capital Markets:**

- total revenues: +9.2% YoY
- net operating profit: -3.5% YoY (but +10.3% net of the Hopa/Fingruppo writedowns)
- customer loans: +3.9% YoY

**<u>Antonveneta highlights –EXHIBIT C -:</u>**

Antonveneta's first half-year results show significant signs of commercial recovery and asset quality improvement (especially in Q2). Highlights include the following:

**Interest income: EUR 552.7 million** (+4.1% vs. H1 2007). The second quarter showed a significant pick-up compared to the first three months of the year and to Q2 2007 (+6.5% QoQ, +8.4% YoY)

**Net fees: EUR 247.5 million** (vs. EUR 260.2 million in H1 2007). However, growth was strong in the second quarter compared both to Q1 2008 (+10.3%) and to Q2 2007 (+2.9%)

**Basic income: EUR 800.2 million, with a 1.1% increase** over the first six months of 2007 and with Q2 **up 7.6% from the first three months of the year**

**Operating charges: EUR 517.3 million (-6.0% compared to H1 2007)**

**Loan loss provisions: EUR 126.2 million (vs. EUR 111.3 million in H1 2007, but down 38% compared to H2 2007),** inclusive of approx. EUR 22 million of Fingruppo-related writedowns. NPL coverage grew to 69% (with NPLs flows down by 23% in Q2 compared to the first three months of 2008)

**Loss provisions on financial assets: EUR 39.9 millions (vs. EUR 1.6 millions in H1 2007),** inclusive of writedown on the Hopa stake (EUR 10 million in Q2)

**Integrations charges: EUR 81.4 million**

**Profit (losses) from assets due for disposal after taxes: EUR 67.2 million from the dismissal of Interbanca**

**Net profit stood at EUR 76.5 million,** but exceeded EUR 100 million when purged of integration charges and non-recurring items above described.

**Volumes:** loans +5.4%, direct funding +9.7% vs 1H07

**Customer base:** 3,000 new current accounts in June, 1,000 new Retail customers in July

**Main consolidated results of the Montepaschi Group (inclusive of one-month contribution by Banca Antonveneta): Capital aggregates - EXHIBIT A -**

During the first six months of 2008, the commercial operations of the Montepaschi Group (lending and asset management) resulted in a significant increase of both capital aggregates and market share.

**Direct funding** exceeded EUR 139 billion; indirect funding exceeded EUR 120 billion.

More specifically, for the Montepaschi Group alone (pre- Antonveneta acquisition) approximately **EUR 7 billion's worth** of savings products were placed in the first six months of the year (vs. EUR 6.1 billion in the same period of 2007), including insurance premiums **(EUR 2.160 billion)**, linear/structured bonds **(EUR 7,1 billion)** and mutual funds/SICAVs (approx. **-**EUR 2.28 billion).

Antonveneta's direct funding amounted to EUR 25 billion, up 9.7% since year end.

Customer loans were **slightly below EUR 140 billion.**

Additional achievements of the Montepaschi Group alone (pre- Antonveneta acquisition ) include loans granted and market share increases. **Mortgage loans** exceeded EUR 4 billion, **consumer credit** grew by **10.9% YoY,** Mps Capital Services Banca per le imprese was up 43% YoY and turnover factoring grew by 38.3%. Market share increased significantly in the main business segments, i.e. leasing (+130 bps from the end of 2007), factoring (+210 bps), consumer credit (+40 bps).

Antonveneta loans stood at approx. EUR 32 billion.

With respect to credit quality, the Montepaschi Group closed H1 2008 with a net exposure to impaired loans of EUR 6.3 billion, inclusive of Banca Antonveneta exposure (EUR 1.9 billion). On a like-for-like basis, the impaired loans/total customer loans ratio was 4.07%. The NPL & doubtful loans/total loans ratio (net of value adjustments) was 3.3%, up from 3.01% at Dec. 31st 2007, mainly as a consequence ofy the inclusion of the Hopa/Fingruppo positions under "doubtful loans".

Coverage of impaired loans was increased since year end and amounted to 44,5% of total gross exposure, growing to 58.5% (vs. 51.6% at December 31st, 2007) for gross NPLs alone, whose average coverage by commercial banks is approximately 60%. The above-mentioned increase in the coverage of gross NPLs is related to an increase in risk provisions and above all to the contribution of Banca Antonveneta, whose gross NPLs have a coverage of about 69% (partially as a consequence of a different write-off policy).

Tier I ratio stood at 5.1% and benefited from the impact of the temporary PPA (EUR 541 million), which is summarized below together with its impact on goodwill.

**Summary of PPA impact[7] (preliminary data) (EUR mln)**

| | |
|---|---|
| **BAV Goodwill (Pre-PPA)** | **7,293** |
| Loans | +583 |
| Provisioning on performing loans | -101 |
| Real Estate and others | +185 |
| Other assets and liabilities | +105 |
| Deferred taxes | -230 |
| **TOTAL PPA** | **541** |
| **BAV Goodwill (Post-PPA)** | **6,752** |
| Other expected intangibles | 478 |
| **Goodwill (Post-PPA) net of BAV intangibles** | **6,274** |

**Appointment of new Group senior executives:**

During the same meeting, the Board of Directors of Banca Monte dei Paschi di Siena Spa approved the following changes to its senior management staff:

- Mr **Giuseppe Menzi,** formerly Deputy General Manager and in charge of the Antonveneta acquisition project and appointed to act as Managing Director of Antonveneta effective 25/6/2008, will become the Manager of the Antonveneta Integration Division;

- Mr **Marco Morelli** will take up the role of CFO and will continue to serve as Assistant General Manager and will be replaced as Manager of the Corporate Banking/Capital Markets Division by Mr **Antonio Marino** (who will also act as Assistant General Manager), who in turn will be replaced as Manager of the MPS Network Division by Mr **Claudio Pieri.** Mr. Pieri will also

[7] Increase in the general coverage of performing loans, as per the BMPS assessment methods.

continue in his role as General Manager of Banca Agricola Mantovana until the incorporation of this subsidiary (scheduled to take place by September 2008);

- Mr. **Daniele Pirondini** will leave his current position as Chief Financial Officer to serve as Assistant General Manager for Banca Antonveneta. He will also continue to fulfill his duty as the "Executive in charge of preparing financial schedules and corporate documents" (as per Law 262/2005) of Banca MPS until April 2009;

- Mr. **Nicolino Romito** will continue to serve as Assistant General Manager and as Manager of the Private Banking/Wealth Management Division; as such, he will be in charge of the asset disposal process;

- Mr. **Fabrizio Rossi** will take up the role of Manager of the HR and Organizational Development Division, which will directly perform all the guidance, coordination and management tasks related to the Bank's staff (headquarters and networks) in compliance with the new organizational flowchart. He will also be appointed Deputy General Manager.

This press release will be available on the Web site: www.mps.it

**For further information please contact:**

**Media Relations**
**David Rossi**
Tel. +39 0577.299927
Cell. + 39 335.8033179
ufficio.stampa@banca.mps.it

**Investor Relations**
**Alessandro Santoni**
Tel: +39 0577.296477
Cell. +39 335.8749798
investor.relations@banca.mps.it

The Executive in charge of preparing the corporate financial schedules, Mr. Daniele Pirondini, hereby declares – as per Section 2 of Art. 154 bis of the Italian Law on financial brokerage (Testo Unico delle disposizioni in materia di intermediazione finanziaria) that the accounting information included in this press release corresponds to documentary records, ledger and accounting entries.

## MONTEPASCHI GROUP RESTATEMENT CRITERIA

As usual, the financial schedules below were restated according to operational criteria. If not otherwise indicated, values are in millions of euros. More specifically, the main changes to the P&L account were aggregations of items and restatements aimed at making performance trends more easily understandable. To this purpose, it should be pointed out that in H1 2008 the MONTEPASCHI Group focused on a quick implementation of the integration program described in the new Group Business Plan. The main changes to the Group's consolidation area made **after the end of Q1 2008 concern:**

- the initial consolidation of Antonveneta, effective May 30th 2008, as per IFRS 3 "Business Combinations";
- the application of IFRS 5 to MPS Asset Mangement Sgr and its subsidiaries, following the start of exclusive negotiations with a consortium consisting of FRM Holdings Ltd and Clessidra Sgr Spa, aimed at finalizing the already agreed upon transfer of 66% of Mps Asset Management Sgr SpA;
- the application of IFRS 5 to Banca Monte Parma (in which the Group owns a 49.266% pro-quota stake) following an agreement by Banca Monte dei Paschi di Siena S.p.A. to sell its whole stake in Banca Monte Parma S.p.A. (49.266%) to Banca Sella Holding S.p.A. (approx. 10%), CBA Vita S.p.A. (approx. 3%), HDI Assicurazioni S.p.A. (approx. 3%), Fondazione di Piacenza e Vigevano (approx. 15%) and Fondazione Monte Parma (approx. 18.27%);
- the finalization of the sale to Intesa Sanpaolo SpA of wholly owned MPS Finance SpA, based in Siena, to which the custodian bank business had previously been transferred.

**Compared to 30/06/2007**, the main changes to the consolidation area are:

- the entry of Biverbanca (consolidated starting December 2007)

Please be advised that **the summary financial schedules of the 2007 consolidated half-year results used for comparison purposes against results at 30/6/08 are the official results published in 2007** and as such are not consistent with the latter. **Furthrmore, in order to guarantee consistency with the previous quarter, any comments to the recently ended half-year results will refer to trends restated on a "like-for-like" basis[8]. For completeness' sake, changes will also be restated "on a like-for-like basis with IFRS5 application"[9] where necessary.**

Here follows a list of **restatements at 30/6/08**:

a) The restated P&L item **"Net income from trading/valuation of financial assets"** includes items No. 80 (Net income/loss from trading), 100 (Income/loss from sale or purchase of loans & receivables, financial assets available for sale and held to maturity and financial liabilites)

[8]"like-for-like basis" (hereinfter: "like-for-like basis"): The P&L results at 30/06/08 and for FY 2007 were restated on a like-for-like basis vis-à-vis Q108. This means that the 2008 contribution of Banca Antonveneta (1 month) and the P&L items associated to the integration of Banca Antonveneta were excluded, whereas the line-by-line contribution of Mps Asset Management SpA Sgr, its subsidiaries and Banca Monte Parma were preserved (i.e. IFRS5 was not applied). Furthermore, 2007 data were restated to exclude the impact of the severance pay (TFR) reform and were integrated on a line-by-line basis with the contribution of Biverbanca.

[9] "like-for-like basis with IFRS5 application" (hereinafter "with IFRS5"): The P&L results at 30/06/08 and for FY 2007 were restated by applying IFRS5 to "like-for-like" results for Mps Asset Management SpA Sgr, its subsidiaries and Banca Monte Parma.

and 110 (Net income from financial assets/liabilities valued at fair value), plus dividends from a number of "complex" securities transactions closely related to trading (EUR 524.7 million at 30/06/08) and adjusted to the cost of funding of said transactions (EUR 20.4 million), purged from "Interest expenses and similar charges";

b) The restated P&L item **"Dividends, similar income and income/loss from equity investments"** includes item No. 70 (Dividends and similar income) and a portion of item N. 240 (Income/Loss from equity investments) in the amount of EUR 5.3 million at June 30th, 2008. Furthermore, this aggregate was purged of the dividends from a number of complex transactions, as described above;

c) The restated P&L item **"Net loss provisions for impaired loans"** was determined by restating EUR 22.6 million's worth of charges (value adjustments of junior exposure: approx. EUR 18.4 mln; charges associated to financial schemes: approx. EUR 4.1 mln), which were more accurately charged to "Net provisions for risks and charges and Other operating income/charges";

d) The restated P&L item "**Personnel expenses" was purged of EUR 35 million's worth** of "Integration charges", which is the amount quantifiable to date associated to the integration of Banca Antonveneta into the Group and to the ensuing restructuring described in the 2008-2011 Business Plan;

e) The restated P&L item **"Other administrative expenses"** was supplemented with recovered stamp duties and charge-backs of expenses to customers (EUR 115.7 million), charged to item No. 220 (Other operating income/charges*)* of the financial statements. This aggregate was further purged of "Integration charges" amounting to EUR **21.9 million**, which is the amount of integration charges quantifiable to date;

f) The restated P&L item **"Net provisions for risks and charges and Other operating income/charges"** is the difference between items No. 220 (Other operating income/charges) and No. 190 (Net provisions for risks and charges), further purged as described above;

g) The restated P&L item **"Integration charges**" includes values purged from **Personnel expenses (EUR 35 million)** and **Other administrative expenses (EUR 21.9 million)** associated to the Antonveneta deal, as the amount of integration charges quantifiable to date;

h) The item **"Profit (losses) from equity investments"** includes the portion of item No. 240 (Profit/losses from equity investment) related to the asset disposal (mainly MPS Finance), which amounts to EUR 200.3;

i) The P&L items impacted by the preliminary PPA *(Purchase Price Allocation[10])* of Antonveneta and Biverbanca (especially "Interest income", approx. EUR 11.2 million) were purged of that impact and brought together under one item called **"*Net economic impact of Purchase Price Allocation*".**

In addition to the restatements described above, still with a view to making trends more easily understandable and following the expected loss of control over MPS Asset Management Sgr SpA and its subsidiaries, **net fees** under IFRS5 had to be integrated with the amount (EUR 65.7 million) to be received upon finalization of the sale as income from third parties rather than as infra-group income. That action impacted the restated P&L item **"Profit (losses) from assets due for disposal after taxes".**

[10] PPA: valuation at fair value of the main assets and liabilites acquired.

Consolidated **balance sheet** restatement highlights include the following:

f) The restated balance sheet item **“Negotiable financial assets”** includes items No. 20 (Financial Assets held for trading), 30 (Financial assets valued at fair value) and 40 (Financial assets available for sale);

g) The restated balance sheet item **“Other assets”** includes items No. 80 (Hedging derivatives), 90 (Value adjustments to financial assets protected by macroheding), 140 (Tax assets), 150 (Non-current assets and asset groups due for disposal) and 160 (Other assets);

h) The restated balance sheet item **“Payables to customers and securities”** includes items No. 20 (Payables to customers), 30 (Outstanding securities) and 50 (Financial liabilities valued at fair value);

i) The restated balance sheet item **“Other liabilities”** includes items No. 60 (Hedging derivatives), 70 (Value adjustments to assets of financial liabilities protected by macrohedging), 80 (Tax liabilities), 90 (Liabilities from asset groups due for dismissal) and 100 (Other liabilities).

## ♦ MONTEPASCHI GROUP (which includes BAV's contribution for the sole month of June) *EXHIBITS A –Highlights -*

### ■ INCOME STATEMENT AND BALANCE SHEET FIGURES AND KEY INDICATORS

**MPS GROUP**

| • INCOME STATEMENT FIGURES (in millions of euros) | 06/30/2008 | 06/30/2007 published | % Chg | % Chg (*) |
|---|---|---|---|---|
| Income from banking activities | 2,448.4 | 2,186.6 | 12.0 | 6.4 |
| Financial and insurance income (loss) | 2,516.5 | 2,496.1 | 0.8 | -3.0 |
| Net operating income | 603.4 | 882.3 | -31.6 | -29.8 |
| Net profit (loss) for the period | 522.2 | 513.8 | 1.6 | 2.6 |

| • BALANCE SHEET FIGURES AND INDICATORS (in millions of euros) | 06/30/2008 | 06/30/2007 | % Chg |
|---|---|---|---|
| Direct funding | 139,000 | 99,199 | 40.1 |
| Indirect funding | 122,629 | 102,195 | 20.0 |
| *of which: assets under management* | *53,131* | *48,701* | 9.1 |
| *of which: assets under custody* | *69,497* | *53,494* | 29.9 |
| Customer loans | 139,909 | 98,829 | 41.6 |
| Group net equity | 14,159 | 7,794 | 81.7 |

| • KEY LOAN QUALITY RATIOS (%) | 06/30/2008 | 12/31/2007 |
|---|---|---|
| Net non-performing loans/Customer loans | 2.21 | 1.88 |
| Net watchlist loans/Customer loans | 1.44 | 1.13 |

| • PROFITABILITY RATIOS (%) | 06/30/2008 | 12/31/2007 |
|---|---|---|
| Cost/Income ratio | 58.9 | 58.4 |
| R.O.E. (on average equity) | 7.0 | 17.5 |
| R.O.E. (on year-end equity) | 10.0 | 19.8 |
| Net adjustments to loans / Year-end investments | 0.55 | 0.52 |

| • CAPITAL RATIOS (%) | 06/30/2008 | 12/31/2007 |
|---|---|---|
| Solvency ratio | 9.4 | 8.9 |
| Tier 1 ratio | 5.1 | 6.1 |

(a) detrmined using Bank of Italy's prudential filters .(°) Estimates include expected benefit from asset disposal in accordance with IFRS5 (Banca Monte Parma and MPS Sgr)

| • INFORMATION ON BMPS STOCK | 06/30/2008 | 12/31/2007 |
|---|---|---|
| Number of ordinary shares outstanding | 5,492,986,286 | 2,457,264,636 |
| Number of preference shares outstanding | 1,131,879,458 | 565,939,729 |
| Number of savings shares outstanding | 18,864,340 | 9,432,170 |
| Price per ordinary share: | | |
| average | 2.29 | 4.65 |
| low | 1.67 | 3.61 |
| high | 2.95 | 5.34 |

| • OPERATING STRUCTURE | 06/30/2008 | 12/31/2007 | Abs. Chg |
|---|---|---|---|
| Total head count - year-end | 33,728 | 24,863 | 8,865 |
| Number of branches in Italy | 3,094 | 2,094 | 1,000 |
| Financial advisor branches | 163 | 139 | 24 |
| Number of branches & rep. offices abroad | 39 | 35 | 4 |

**(*) "like-for-like basis" (hereinfter: "like-for-like basis"): The P&L results at 30/06/08 and for FY 2007 were restated on a like-for-like basis vis-à-vis Q108. This means that the 2008 contribution of Banca Antonveneta (1 month) and the P&L items associated to the integration of Banca Antonveneta were excluded, whereas the line-by-line contribution of Mps Asset Management SpA Sgr, its subsidiaries and Banca Monte Parma were preserved (i.e. IFRS5 was not applied). Furthermore, 2007 data were restated to exclude the impact of the severance pay (TFR) reform and were integrated on a line-by-line basis with the contribution of Biverbanca.**

## ♦ MONTEPASCHI GROUP (which includes BAV's contribution for the sole month of June) *EXHIBITS A –Balance Sheet -*

**MPS GROUP**

■ **RECLASSIFIED BALANCE SHEET** (in millions of euros)

| **ASSETS** | **06/30/2008** (°) | **06/30/2007** historical data | **% chg** | **12/31/2007** |
|---|---|---|---|---|
| Cash and cash equivalents | 807 | 454 | 77.7 | 821 |
| Receivables : | | | | |
| a) Customer loans | 139,909 | 98,829 | 41.6 | 106,322 |
| b) Due from banks | 14,553 | 17,461 | -16.7 | 14,858 |
| Financial assets held for trading | 27,677 | 31,179 | -11.2 | 31,052 |
| Financial assets held to maturity | 0 | 0 | n.s. | 0 |
| Equity investments | 548 | 361 | 51.9 | 820 |
| Underwriting reserves/reinsurers | 0 | 0 | 0.0 | 0 |
| Tangible and intangible fixed assets | 10,655 | 3,282 | n.s. | 3,532 |
| *of which:* | | | | |
| *a) goodwill* | *7,673* | *641* | *n.s.* | *941* |
| Other assets | 12,381 | 19,581 | -36.8 | 4,578 |
| **Total assets** | **206,529** | **171,147** | **20.7** | **161,984** |

| **LIABILITIES** | **06/30/2008** (°) | **06/30/2007** historical data | **% chg** | **12/31/2007** |
|---|---|---|---|---|
| Payables | | | | |
| a) Due to customers and securities | 139,000 | 99,199 | 40.1 | 113,347 |
| b) Due to banks | 27,218 | 21,039 | 29.4 | 13,743 |
| Financial liabilities from trading | 13,298 | 19,384 | -31.4 | 19,355 |
| Provisions for specific use | | | | |
| a) Provisions for employee leaving indemnities | 564 | 366 | 54.0 | 369 |
| b) Reserve for retirement benefits | 452 | 407 | 11.0 | 428 |
| c) Other reserves | 817 | 569 | 43.6 | 621 |
| Other liabilities | 10,702 | 22,342 | -52.1 | 5,226 |
| Underwriting reserves | 0 | 0 | 0.0 | 0 |
| Group portion of shareholders' equity | 14,159 | 7,794 | 81.7 | 8,649 |
| a) Valuation reserves | 337 | 767 | -56.1 | 650 |
| b) Reimbursable shares | 0 | 0 | 0.0 | 0 |
| c) Capital instruments | 79 | 71 | 10.5 | 70 |
| d) Reserves | 4,787 | 3,985 | 20.1 | 3,996 |
| e) Share premium account | 3,998 | 561 | n.s. | 559 |
| f) Share capital | 4,451 | 2,030 | 119.3 | 2,032 |
| g) Treasury shares (-) | -15 | -134 | -88.7 | -97 |
| h) Net profit (loss) for the year | 522 | 514 | 1.6 | 1,438 |
| Minority interests in shareholders' equity | 319 | 47 | n.s. | 247 |
| **Total liabilities and shareholders' equity** | **206,529** | **171,147** | **20.7** | **161,984** |

(°) Data reflect the change in the perimeter of the Group

## ♦ MONTEPASCHI GROUP (which includes BAV's contribution for the sole month of June) *EXHIBITS A –P&L -*

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

| MPS Group | 06/30/2008 | 06/30/2007 | Change Abs | Change % | Like for Like basis (%chg) |
|---|---|---|---|---|---|
| **Net interest income** | **1,720.3** | **1,415.5** | **304.8** | **21.5%** | **12.9%** |
| Net commissions | 728.1 | 771.1 | -43.0 | -5.6% | -5.5% |
| **Income from banking activities** | **2,448.4** | **2,186.6** | **261.8** | **12.0%** | **6.4%** |
| Dividends, similar income and profits (losses) from equity investments | 22.6 | 95.2 | -72.7 | -76.3% | -69.7% |
| Net result from realisation/valuation of financial assets | 50.8 | 212.6 | -161.8 | -76.1% | -76.7% |
| Net gain (loss) from hedging | -5.3 | 1.7 | -7.0 | n.s. | n.s. |
| **Financial and insurance income (loss)** | **2,516.5** | **2,496.1** | **20.4** | **0.8%** | **-3.0%** |
| Net adjustments for impairment of: | | | | | |
| a) loans | -329.8 | -225.5 | 104.2 | 46.2% | 39.1% |
| b) financial assets | -101.2 | 2.9 | 104.1 | n.s. | n.s. |
| **Net financial and insurance income (loss)** | **2,085.6** | **2,273.5** | **-187.9** | **-8.3%** | **-11.4%** |
| Administrative expenses: | -1,422.2 | -1,336.5 | 85.8 | 6.4% | -0.6% |
| a) personnel expenses | -934.1 | -868.8 | 65.3 | 7.5% | -0.6% |
| b) other administrative expenses | -488.1 | -467.7 | 20.5 | 4.4% | -0.6% |
| Net adjustments to the value of tangible and intangible fixed assets | -59.9 | -54.7 | 5.2 | 9.5% | 4.3% |
| **Operating expenses** | **-1,482.2** | **-1,391.2** | **91.0** | **6.5%** | **-0.4%** |
| **Net operating income** | **603.4** | **882.3** | **-278.9** | **-31.6%** | **-29.8%** |
| Net provisions for risks and liabilities and Other operating income/costs | 6.8 | -32.2 | 39.0 | n.s. | n.s. |
| Income on equity investments | 200.3 | | 200.3 | n.s. | n.s. |
| Integration costs | -56.9 | | -56.9 | n.s. | n.s. |
| Goodwill impairment | -0.2 | -0.3 | -0.1 | -42.5% | -42.7% |
| Gains (losses) from disposal of investments | 27.8 | 0.1 | 27.7 | n.s. | n.s. |
| **Gain (loss) from current operations before taxes** | **781.3** | **849.9** | **-68.6** | **-8.1%** | **-3.9%** |
| Taxes on income for the year from current operations | -251.9 | -326.6 | -74.7 | -22.9% | -18.7% |
| **Gain (loss) from current operations after taxes** | **529.4** | **523.3** | **6.0** | **1.2%** | **5.3%** |
| Gain (loss) on fixed assets due for disposal, net of taxes | 14.0 | | 14.0 | n.s. | n.s. |
| Minority interests in profit (loss) for the year | -11.1 | -9.6 | 1.5 | 16.1% | -37.1% |
| **Net profit (loss) for the year (excl. PPA)** | **532.3** | **513.8** | **18.5** | **3.6%** | **2.6%** |
| Purchase Price Allocation | -10.2 | | 10.2 | n.s. | n.s. |
| **Net profit (loss) for the year** | **522.2** | **513.8** | **8.4** | **1.6%** | **n.s.** |

(*)"like-for-like basis" (hereinfter: "like-for-like basis"): The P&L results at 30/06/08 and for FY 2007 were restated on a like-for-like basis vis-à-vis Q108. This means that the 2008 contribution of Banca Antonveneta (1 month) and the P&L items associated to the integration of Banca Antonveneta were excluded, whereas the line-by-line contribution of Mps Asset Management SpA Sgr, its subsidiaries and Banca Monte Parma were preserved (i.e. IFRS5 was not applied). Furthermore, 2007 data were restated to exclude the impact of the severance pay (TFR) reform and were integrated on a line-by-line basis with the contribution of Biverbanca.

## ♦ MONTEPASCHI GROUP (which includes BAV's contribution for the sole month of June) *EXHIBITS A –P&L -Quarters*

**QUARTERLY TREND IN INCOME STATEMENT FIGURES RECLASSIFIED ACCORDING TO OPERATING CRITERIA** (in millions of euros)

| | 2008 | | 2007 | | | | |
|---|---|---|---|---|---|---|---|
| | | | published | | | | |
| **MPS Group** | 2ndQ (restated excl Antonveneta and excl IFRS 5) | 2nd quarter | 1st quarter | 4th quarter | 3rd quarter | 2nd quarter | 1st quarter |
| **Net interest income** | **839.2** | **909.7** | **810.6** | **801.9** | **727.1** | **710.1** | **705.4** |
| Net commissions | 367.8 | 346.1 | 382.0 | 379.2 | 365.0 | 381.7 | 389.4 |
| **Income from banking activities** | **1,207.0** | **1,255.9** | **1,192.6** | **1,181.1** | **1,092.1** | **1,091.8** | **1,094.8** |
| Dividends, similar income and profits (losses) from equity investments | 13.2 | 14.3 | 8.2 | 37.4 | 23.7 | 35.2 | 60.0 |
| Net result from realisation/valuation of financial assets | 79.7 | 80.5 | -29.6 | 120.4 | 21.8 | 124.4 | 88.2 |
| Net gain (loss) from hedging | -1.5 | -1.5 | -3.8 | -0.8 | -3.6 | 2.2 | -0.5 |
| **Financial and insurance income (loss)** | **1,298.4** | **1,349.2** | **1,167.3** | **1,338.1** | **1,133.9** | **1,253.7** | **1,242.5** |
| Net adjustments for impairment of: | | | | | | | |
| a) loans | -200.4 | -202.8 | -127.0 | -214.0 | -112.4 | -118.3 | -107.2 |
| b) financial assets | -20.7 | -31.7 | -69.4 | -35.3 | -5.3 | 7.2 | -4.4 |
| **Net financial and insurance income (loss)** | **1,077.3** | **1,114.7** | **970.9** | **1,088.8** | **1,016.2** | **1,142.6** | **1,130.9** |
| Administrative expenses: | -705.5 | -742.6 | -679.7 | -778.3 | -671.0 | -682.3 | -654.2 |
| a) personnel expenses | -457.0 | -482.6 | -451.5 | -544.0 | -436.1 | -438.0 | -430.8 |
| b) other administrative expenses | -248.5 | -260.0 | -228.1 | -234.3 | -234.9 | -244.3 | -223.3 |
| Net adjustments to the value of tangible and intangible fixed assets | -29.2 | -31.0 | -29.0 | -31.4 | -28.9 | -25.2 | -29.5 |
| **Operating expenses** | **-734.7** | **-773.5** | **-708.7** | **-809.7** | **-699.9** | **-707.5** | **-683.7** |
| **Net operating income** | **342.6** | **341.1** | **262.2** | **279.1** | **316.3** | **435.1** | **447.2** |
| Net provisions for risks and liabilities and Other operating income/costs | -17.1 | -22.5 | 29.3 | -174.2 | -1.2 | -18.5 | -13.7 |
| Income on equity investments | 200.3 | 200.3 | | | | | |
| Integration costs | | -56.9 | | | | | |
| Goodwill impairment | -0.2 | -0.2 | | -0.4 | | -0.3 | |
| Gains (losses) from disposal of investments | 20.22 | 20.15 | 7.67 | 0.08 | 0.01 | 0.03 | 0.06 |
| **Gain (loss) from current operations before taxes** | **545.8** | **482.1** | **299.2** | **104.6** | **315.1** | **416.3** | **433.6** |
| Taxes on income for the year from current operations | -171.9 | -150.3 | -101.6 | -118.2 | -106.8 | -150.0 | -176.6 |
| **Utile (Perdita) della operatività corrente al netto delle imposte** | **374.0** | **331.7** | **197.6** | **-13.7** | **208.3** | **266.4** | **257.0** |
| Gain (loss) on fixed assets due for disposal, net of taxes | -17.7 | 17.6 | -3.6 | 735.2 | | | |
| Minority interests in profit (loss) for the year | -7.2 | -7.2 | -3.9 | -2.1 | -4.0 | -6.2 | -3.4 |
| **Net profit (loss) for the year (excl. PPA)** | **349.1** | **342.2** | **190.1** | **719.4** | **204.4** | **260.2** | **253.6** |
| Purchase Price Allocation | | -10.2 | | | | | |
| **Net profit (loss) for the year** | **349.1** | **332.0** | **190.1** | **719.4** | **204.4** | **260.2** | **253.6** |

(°) Ricostruito, ovvero a perimetro omogeneo rispetto al 1 Q 8 pubblicato, cioè escludendo i risultati di Banca Antonveneta (1 mese) e le componenti economiche riconducibili all'integrazione della stessa e mantenendo l'apporto "riga per riga" di Banca Monte Parma e della Mps Asset Management Spa Sgr con le sue controllate (cioè senza applicazione IFRS5).

## ♦ MONTEPASCHI GROUP (pre Antonveneta acquisition and with IFRS5) *EXHIBITS B –P&L -*

### ■ INCOME STATEMENT RESTATED ACCORDING TO OPERATING CRITERIA

| *(in millions of euros)* **MPS Group** (excl. Antonveneta) | 06/30/2008 | 06/30/2007 | Change Abs | Change % |
|---|---|---|---|---|
| **Net interest income** | **1,633.1** | **1,446.8** | **186.2** | **12.9%** |
| Net commissions | 698.2 | 725.9 | -27.7 | -3.8% |
| **Income from banking activities** | **2,331.2** | **2,172.7** | **158.5** | **7.3%** |
| Dividends, similar income and profits (losses) from equity investments | 21.3 | 70.6 | -49.3 | -69.8% |
| Net result from realisation/valuation of financial assets | 50.7 | 214.7 | -164.0 | -76.4% |
| Net gain (loss) from hedging | -5.4 | 2.0 | -7.4 | n.s. |
| **Financial and insurance income (loss)** | **2,397.9** | **2,460.0** | **-62.1** | **-2.5%** |
| Net adjustments for impairment of: | | | | |
| a) loans | -325.4 | -232.7 | 92.7 | 39.8% |
| b) financial assets | -89.8 | 2.8 | 92.6 | n.s. |
| **Net financial and insurance income (loss)** | **1,982.6** | **2,230.1** | **-247.5** | **-11.1%** |
| Administrative expenses: | -1,341.9 | -1,351.0 | -9.1 | -0.7% |
| a) personnel expenses | -884.1 | -890.0 | -6.0 | -0.7% |
| b) other administrative expenses | -457.9 | -461.0 | -3.1 | -0.7% |
| Net adjustments to the value of tangible and intangible fixed assets | -56.0 | -53.6 | 2.4 | 4.6% |
| **Operating expenses** | **-1,398.0** | **-1,404.6** | **-6.6** | **-0.5%** |
| **Net operating income** | **584.7** | **825.5** | **-240.8** | **-29.2%** |
| Net provisions for risks and liabilities and Other operating income/costs | 8.3 | -1.3 | 9.7 | n.s. |
| Income on equity investments | 200.3 | 26.4 | 173.9 | n.s. |
| Goodwill impairment | -0.2 | -0.3 | -0.1 | -42.5% |
| Gains (losses) from disposal of investments | 27.8 | 0.1 | 27.7 | n.s. |
| **Gain (loss) from current operations before taxes** | **820.9** | **850.4** | **-29.4** | **-3.5%** |
| Taxes on income for the year from current operations | -284.9 | -327.6 | -42.7 | -13.0% |
| **Gain (loss) from current operations after taxes** | **536.0** | **522.8** | **13.2** | **2.5%** |
| Gain (loss) on fixed assets due for disposal, net of taxes | 14.3 | 20.2 | -5.9 | -29.1% |
| Minority interests in profit (loss) for the year | -11.1 | -17.6 | -6.5 | -37.1% |
| **Net profit (loss) for the year** | **539.3** | **525.4** | **13.9** | **2.6%** |

**(°) 2008 data don't include BAV contribution, integration costs and PPA effects. 2007 data includes Biverbanca; MPS SGR and Banca Monte Parma contribution was in gain (loss) on fixed assets due for disposal, net of taxes (IFRS5 was applied) .**

## ♦ MONTEPASCHI GROUP (pre Antonveneta acquisition and with IFRS5) *EXHIBITS B –P&L -Quarters*

**QUARTERLY TREND IN INCOME STATEMENT FIGURES RECLASSIFIED ACCORDING TO OPERATING CRITERIA**

| *(in millions of euros)* | 2008 | | 2007 (°) restated | | | |
|---|---|---|---|---|---|---|
| **MPS Group** (excl. Banca Antonveneta) | 2nd quarter | 1st quarter | 4th quarter | 3rd quarter | 2nd quarter | 1st quarter |
| **Net interest income** | **830.9** | **802.1** | **818.2** | **743.8** | **725.2** | **721.7** |
| Net commissions | 342.1 | 356.1 | 351.1 | 344.9 | 357.9 | 368.0 |
| **Income from banking activities** | **1,173.0** | **1,158.3** | **1,169.4** | **1,088.7** | **1,083.1** | **1,089.7** |
| Dividends, similar income and profits (losses) from equity investments | 13.1 | 8.2 | 37.5 | 23.8 | 36.8 | 33.8 |
| Net result from realisation/valuation of financial assets | 79.0 | -28.2 | 119.6 | 20.5 | 124.8 | 89.9 |
| Net gain (loss) from hedging | -1.4 | -4.0 | -0.5 | -3.1 | 2.5 | -0.5 |
| **Financial and insurance income (loss)** | **1,263.7** | **1,134.2** | **1,326.0** | **1,129.9** | **1,247.2** | **1,212.8** |
| Net adjustments for impairment of: | | | | | | |
| a) loans | -198.5 | -126.9 | -221.8 | -114.9 | -122.9 | -109.9 |
| b) financial assets | -20.6 | -69.3 | -35.3 | -5.2 | 7.2 | -4.4 |
| **Net financial and insurance income (loss)** | **1,044.6** | **938.0** | **1,068.8** | **1,009.8** | **1,131.5** | **1,098.6** |
| Administrative expenses: | -683.2 | -658.7 | -754.9 | -678.6 | -691.5 | -659.5 |
| a) personnel expenses | -444.7 | -439.4 | -525.1 | -446.4 | -450.5 | -439.5 |
| b) other administrative expenses | -238.5 | -219.3 | -229.8 | -232.2 | -240.9 | -220.0 |
| Net adjustments to the value of tangible and intangible fixed assets | -27.8 | -28.2 | -31.0 | -28.6 | -24.6 | -28.9 |
| **Operating expenses** | **-711.0** | **-687.0** | **-785.9** | **-707.1** | **-716.1** | **-688.5** |
| **Net operating income** | **333.6** | **251.1** | **282.9** | **302.6** | **415.4** | **410.1** |
| Net provisions for risks and liabilities and Other operating income/costs | -20.3 | 28.6 | -196.2 | 6.4 | 4.1 | -5.4 |
| Income on equity investments | 200.3 | | | | | 26.4 |
| Goodwill impairment | -0.2 | | -0.4 | | -0.3 | |
| Gains (losses) from disposal of investments | 20.2 | 7.7 | 0.1 | 0.0 | 0.0 | 0.1 |
| **Gain (loss) from current operations before taxes** | **533.6** | **287.4** | **86.4** | **309.0** | **419.2** | **431.2** |
| Taxes on income for the year from current operations | -186.2 | -98.7 | -115.8 | -105.9 | -150.8 | -176.8 |
| **Gain (loss) from current operations after taxes** | **347.3** | **188.7** | **-29.4** | **203.1** | **268.4** | **254.4** |
| Gain (loss) on fixed assets due for disposal, net of taxes | 9.0 | 5.4 | 752.7 | 12.4 | 8.3 | 12.0 |
| Minority interests in profit (loss) for the year | -7.2 | -3.9 | -2.8 | -6.9 | -10.4 | -7.2 |
| **Net profit (loss) for the year** | **349.1** | **190.1** | **720.4** | **208.6** | **266.3** | **259.1** |

(°) 2008 data don't include BAV contribution, integration costs and PPA effects. 2007 data includes Biverbanca; MPS SGR and Banca Monte Parma contribution was in gain (loss) on fixed assets due for disposal, net of taxes (IFRS5 was applied) .

## ♦ Antonveneta *EXHIBITS C –P&L -Quarters*

| Antonveneta | 2008 2nd quarter | 2008 1st quarter | 2007 4th quarter | 2007 3rd quarter | 2007 2nd quarter | 2007 1st quarter |
|---|---|---|---|---|---|---|
| Net interest income | 285.0 | 267.7 | 265.0 | 266.1 | 262.9 | 268.0 |
| Net commissions | 129.8 | 117.7 | 139.6 | 142.5 | 126.1 | 134.1 |
| **Income from banking activities** | **414.8** | **385.4** | **404.7** | **408.6** | **389.0** | **402.1** |
| Dividends, similar income and profits (losses) from equity investments | 8.1 | 4.5 | 8.3 | 5.5 | 0.6 | 5.1 |
| Net result from realisation/valuation of financial assets | 1.6 | 3.3 | 30.5 | 10.7 | 17.9 | 42.1 |
| Net gain (loss) from hedging | 1.0 | -3.2 | 0.0 | 0.4 | -0.2 | 0.9 |
| **Financial and insurance income (loss)** | **425.5** | **390.0** | **443.5** | **425.1** | **407.2** | **450.3** |
| Net adjustments for impairment of: | **-45.7** | **-120.4** | **-173.6** | **-44.5** | **-57.1** | **-55.8** |
| a) loans | -37.0 | -89.2 | -161.5 | -42.3 | -55.5 | -55.8 |
| b) financial assets | -8.7 | -31.2 | -12.1 | -2.2 | -1.6 | 0.0 |
| **Net financial and insurance income (loss)** | **379.8** | **269.6** | **269.9** | **380.6** | **350.1** | **394.5** |
| Administrative expenses: | -245.5 | -248.7 | -334.0 | -268.8 | -275.7 | -251.1 |
| a) personnel expenses | -154.8 | -162.6 | -223.3 | -169.9 | -168.1 | -155.5 |
| b) other administrative expenses | -90.7 | -86.1 | -110.7 | -98.9 | -107.5 | -95.6 |
| Net adjustments to the value of tangible and intangible fixed assets | -11.7 | -11.4 | -15.4 | -11.2 | -12.0 | -11.5 |
| **Operating expenses** | **-257.2** | **-260.1** | **-349.4** | **-280.0** | **-287.7** | **-262.6** |
| **Net operating income** | **122.6** | **9.5** | **-79.5** | **100.6** | **62.4** | **131.9** |
| Net provisions for risks and liabilities and Other operating income/costs | -19.2 | -9.4 | -16.6 | -8.7 | 17.5 | 0.5 |
| Income on equity investments | -81.4 | | | | | |
| Integration costs | | | | | | |
| Goodwill impairment | 0.01 | 0.01 | 0.07 | -0.22 | 0.71 | 1.61 |
| **Gain (loss) from current operations before taxes** | **22.0** | **0.1** | **-96.0** | **91.6** | **80.6** | **134.0** |
| Taxes on income for the year from current operations | 5.6 | -17.2 | -58.5 | -53.5 | -36.9 | -55.3 |
| **Gain (loss) from current operations after taxes** | **27.6** | **-17.1** | **-154.5** | **38.2** | **43.6** | **78.7** |
| Gain (loss) on fixed assets due for disposal, net of taxes | 67.5 | | | | | |
| **Gain (loss) from current operations after taxes** | **95.1** | **-17.1** | **-154.5** | **38.2** | **43.6** | **78.7** |
| Minority interests in profit (loss) for the year | -0.2 | -1.4 | -0.3 | -1.0 | -0.2 | -0.4 |
| **Net profit (loss) for the year** | **95.0** | **-18.5** | **-154.8** | **37.1** | **43.4** | **78.2** |

(°) Antonveneta data according BMPS assesments methods.

## ♦ MONTEPASCHI GROUP Aggregated (with Antonveneta from the start of 2008) *EXHIBITS D –P&L –*

**INCOME STATEMENT RESTATED ACCORDING TO OPERATING CRITERIA**

| MPS Group (with Antonveneta from the start of the year) | 06/30/2008 (°) | 06/30/2007 (°) | Like for like basis Abs. | Like for like basis % |
|---|---|---|---|---|
| **Net interest income** | **2,167.8** | **1,959.7** | **208.0** | **10.6%** |
| Net commissions | 945.7 | 986.1 | -40.4 | -4.1% |
| **Income from banking activities** | **3,113.4** | **2,945.8** | **167.6** | **5.7%** |
| Dividends, similar income and profits (losses) from equity investments | 33.9 | 76.3 | -42.3 | -55.5% |
| Net result from realisation/valuation of financial assets | 55.7 | 274.7 | -219.0 | -79.7% |
| Net gain (loss) from hedging | -7.6 | 2.7 | -10.4 | n.s. |
| **Financial and insurance income (loss)** | **3,195.4** | **3,299.5** | **-104.1** | **-3.2%** |
| Net adjustments for impairment of: | | | | |
| a) loans | -451.6 | -344.0 | 107.6 | 31.3% |
| b) financial assets | -129.8 | 1.2 | 131.0 | n.s. |
| **Net financial and insurance income (loss)** | **2,614.0** | **2,956.7** | **-342.7** | **-11.6%** |
| Administrative expenses: | -1,836.1 | -1,877.8 | -41.7 | -2.2% |
| a) personnel expenses | -1,201.4 | -1,213.7 | -12.3 | -1.0% |
| b) other administrative expenses | -634.7 | -664.1 | -29.4 | -4.4% |
| Net adjustments to the value of tangible and intangible fixed assets | -79.1 | -77.1 | 2.1 | 2.7% |
| **Operating expenses** | **-1,915.3** | **-1,954.9** | **-39.6** | **-2.0%** |
| **Net operating income** | **698.7** | **1,001.8** | **-303.0** | **-30.3%** |
| Net provisions for risks and liabilities and Other operating income/costs | -20.2 | 16.6 | -36.8 | n.s. |
| Income on equity investments | 200.3 | 26.4 | 173.9 | n.s. |
| Integration costs | -138.3 | 0.0 | -138.3 | |
| Goodwill impairment | -0.2 | -0.3 | -0.1 | -42.5% |
| Gains (losses) from disposal of investments | 27.8 | 2.4 | 25.4 | n.s. |
| **Gain (loss) from current operations before taxes** | **768.2** | **1,046.9** | **-278.7** | **-26.6%** |
| Taxes on income for the year from current operations | -274.7 | -414.0 | -139.3 | -33.6% |
| **Gain (loss) from current operations after taxes** | **493.4** | **632.9** | **-139.5** | **-22.0%** |
| Gain (loss) on fixed assets due for disposal, net of taxes | 81.9 | 20.2 | 61.6 | n.s. |
| Minority interests in profit (loss) for the year | -12.7 | -18.3 | -5.6 | -30.4% |
| **Net profit (loss) for the year** | **562.6** | **634.9** | **-72.3** | **-11.4%** |
| "Purchase Price Allocation" allocation | -10.2 | 0.0 | 10.2 | |
| **Net profit (loss) for the year** | **552.4** | **634.9** | **-82.4** | **-13.0%** |

**(°)Antonveneta data are restated according BMPS assesments methods.**

# BALANCE SHEET

(in euro)

| | Assets | 06/30/2008 | 12/31/2007 |
|---|---|---|---|
| 10 | Cash and cash on deposit | 806,596,092 | 821,089,517 |
| 20 | Financial assets held for trading | 22,324,529,585 | 26,246,463,503 |
| 30 | Financial assets at fair value | 334,961,030 | - |
| 40 | Financial assets available for sale | 5,017,276,129 | 4,805,215,609 |
| 50 | Financial assets held to maturity | 2,867 | 3,019 |
| 60 | Due from banks | 14,553,087,155 | 14,858,265,765 |
| 70 | Loans to costumers | 139,909,047,324 | 106,322,374,337 |
| 80 | Hedging derivatives | 44,068,539 | 42,306,654 |
| 90 | Value adjustment on financial assets with generic coverage (+/-) | 10,597,353 | 16,853,585 |
| 100 | Equity investment | 548,056,598 | 820,080,233 |
| 110 | Technical reserves reassured with third parties | - | - |
| 120 | Fixed Assets | 2,803,168,589 | 2,428,018,467 |
| 130 | Intangible assets | 7,851,538,047 | 1,104,121,373 |
| | of which: goodwill | 7,672,557,120 | 940,766,633 |
| 140 | Tax assets | 1,661,249,714 | 1,102,980,122 |
| | a) current | 587,329,637 | 581,433,678 |
| | b) anticipated | 1,073,920,077 | 521,546,444 |
| 150 | Non current assets (or disposal groups) held for sale and discontinued operations | 4,416,944,799 | 310,605,335 |
| 160 | Other | 6,247,880,728 | 3,105,203,621 |
| | **Total** | **206,529,004,549** | **161,983,581,140** |

2007 data don't include Antonveneta figures.

(in euro)

| | Total liabilities and Shareholders'equity | 06/30/2008 | 12/31/2007 |
|---|---|---|---|
| 10 | Due to banks | 27,218,482,382 | 13,742,750,063 |
| 20 | Due to costumers | 77,650,729,125 | 60,436,581,201 |
| 30 | Securities | 46,988,828,960 | 39,816,535,931 |
| 40 | Financial liabilities held for trading | 13,298,150,583 | 19,355,217,544 |
| 50 | Financial liabilities at fair value | 14,360,436,831 | 13,093,848,021 |
| 60 | Hedging derivatives | 57,803,963 | 51,659,243 |
| 70 | Value adjustment on financial liabilities (+/-) | - | - |
| 80 | Tax Liabilities | 510,048,400 | 192,434,719 |
| | a) Current | 121,750,969 | 94,698,154 |
| | b) postponed | 388,297,431 | 97,736,565 |
| 90 | Liabilities in disposal groups held for sale ans discontinued operations | 3,925,655,990 | 2,863,322 |
| 100 | Other | 6,208,398,284 | 4,978,924,467 |
| 110 | Staff severance indemnity reserve | 564,140,703 | 368,638,635 |
| 120 | Reserve for risks and other charges | 1,268,594,653 | 1,048,336,614 |
| | a) pension fund and similar obligations | 451,952,613 | 427,748,723 |
| | b) other provisions | 816,642,040 | 620,587,891 |
| 130 | Techical reserves | - | - |
| 140 | Revaluation reserves | 336,707,495 | 650,359,070 |
| 150 | Refundable shares | - | - |
| 160 | Capital instruments | 78,962,877 | 70,411,547 |
| 170 | Reserves | 4,786,725,868 | 3,996,475,026 |
| 180 | Paid-in Capital | 3,998,225,338 | 559,171,863 |
| 190 | Share capital | 4,451,299,156 | 2,031,866,478 |
| 200 | Own shares (-) | (15,116,619) | (96,625,258) |
| 210 | Minority interests (+/-) | 318,776,907 | 246,574,236 |
| 220 | Profit (loss) for the year | 522,153,653 | 1,437,558,418 |
| | **Total liabilities and Shareholders'equity** | **206,529,004,549** | **161,983,581,140** |

2007 data don't include Antonveneta figures.

## P&L

(in euro)

| | | 06/30/2008 | 06/30/2007 |
|---|---|---|---|
| 10 | Interest and similar income | 4,309,559,590 | 3,481,294,859 |
| 20 | Interest and similar expense | (2,620,784,121) | (2,034,456,800) |
| 30 | **Net Interest Income** | **1,688,775,469** | **1,446,838,059** |
| 40 | Commissions earned | 751,998,221 | 809,493,457 |
| 50 | Commission expense | (89,621,276) | (84,998,803) |
| 60 | **Net Commissions** | **662,376,945** | **724,494,654** |
| 70 | Dividends and other income | 541,918,064 | 452,513,605 |
| 80 | Net Profit from trading | (496,729,872) | (227,720,288) |
| 90 | Net Profit from hedging | (5,289,234) | 1,704,012 |
| 100 | Profit / Loss | 10,126,557 | 5,589,185 |
| | a) loans | 28,120 | 1,147,147 |
| | b) available for sale financial assets | 9,573,631 | 7,142,558 |
| | c) held to maturirty investment | - | - |
| | d) other financial assets | 524,806 | (2,700,520) |
| 110 | Fair Value financial assets and liabilities | 31,136,298 | 11,585,285 |
| 120 | **Total Income** | **2,432,314,227** | **2,415,004,512** |
| 130 | Net value adjustments on: | (453,537,388) | (245,812,360) |
| | a) loans | (352,358,811) | (248,684,792) |
| | b) available for sale financial assets | (107,815,528) | (1,702,336) |
| | c) held to maturirty investment | - | - |
| | d) other financial assets | 6,636,951 | 4,574,768 |
| 140 | **Net Income from financial operation** | **1,978,776,839** | **2,169,192,152** |
| 150 | Net Premiums | - | - |
| 160 | Net Income loss from insurance operations | - | - |
| 170 | **Net Income from financial and insurance operations** | **1,978,776,839** | **2,169,192,152** |
| 180 | Administrative expenses | (1,594,823,109) | (1,430,565,849) |
| | *a) personnel* | (969,089,427) | (868,815,803) |
| | *b) other administrative expenses* | (625,733,682) | (561,750,046) |
| 190 | Provisions for risks and charges | 13,186,645 | (46,028,055) |
| 200 | Valuation adjustments to fixed assets | (37,915,737) | (33,870,105) |
| 210 | Valuation adjustments to intangible assets | (23,029,594) | (20,840,549) |
| 220 | Other operating income/expenses | 131,948,187 | 131,098,681 |
| 230 | **Operating costs** | **(1,510,633,608)** | **(1,400,205,877)** |
| 240 | Income (loss) from investments | 205,575,716 | 34,289,222 |
| 250 | Net value adjustments on tangible and intangible assets designated at fair value | - | - |
| 260 | Value adjustments of goodwill | (172,500) | (300,000) |
| 270 | Income (loss) from disposal of investments | 27,828,611 | 102,597 |
| 280 | **Income (loss) before taxes from continuing operations** | **701,375,058** | **803,078,094** |
| 290 | Income taxes | (228,829,240) | (330,501,868) |
| 300 | **Income (loss) after taxes from continuing operations** | **472,545,818** | **472,576,226** |
| 310 | Income (loss) from disposal of non continuing operations net of taxes | 60,705,603 | 50,759,072 |
| 320 | **Profit (loss) for the period prior to minority interests** | **533,251,421** | **523,335,298** |
| 330 | Profit (loss) prior to minority interests | 11,097,768 | 9,557,072 |
| 340 | **Profit (loss) for the period** | **522,153,653** | **513,778,226** |

2007 data don't include Antonveneta figures.