

PRESS RELEASE

**BANCA MPS PLACES ALMOST EUR 1 BLN WORTH OF
RESIDENTIAL MORTGAGE-BACKED SECURITIES, “SIENA 2010-7”**

Siena, 17 NOVEMBER 2010 – Today, Banca Monte dei Paschi di Siena S.p.A. has successfully completed an issue of *Residential Mortgage Backed Securities* (RMBS) on the Euromarket, the first securitisation to be placed since the beginning of the financial crisis over three years ago.

Entirely backed by Montepaschi Group residential mortgage loans, the transaction amounts to over EUR 3,479.5 mln and is split into four *tranches* of securities with legal maturity in 2070.

Tranche	Rating (Fitch/Moody s)	Amount (€)	%	Reference rate	Spread	Average term (years)
A1	AAA / Aaa	595.000.000	17.10%	EUR 3M	1.15%	1.55
A2	AAA / Aaa	400.000.000	11.50%	EUR 3M	1.50%	2.61
A3	AAA / Aaa	1.666.900.000	47.91%	EUR 3M	0.30%	4.84
B	NR / Caa1	817.600.000	23.50%	EUR 3M	0.70%	5.07

Tranches A1 and A2 are targeted at qualified institutional investors and financial intermediaries, whereas class A3 and B have been subscribed for by MPS Capital Services. Structured by MPS Capital Services, the transaction was placed under the supervision of JP Morgan, MPS Capital Services and RBS as *Joint Lead Managers* and *Book Runners*.

The deal is particularly relevant inasmuch as it is the first RMBS transaction placed on the market by an Italian bank in over three years and has thereby re-opened Southern Europe's ABS market.

The transaction has had extensive appeal, with substantial subscription from 39 investors and widespread interest shown by almost all European countries, including Italy (ca. 39%), France (ca. 26%), Netherlands (ca. 11%), USA (ca 7.5%), Switzerland (ca. 6%), Denmark and Norway (ca. 4.5%) and Germany (ca. 2.2%).

Banks made up the largest portion of subscribers (over 36%) followed by *Fund Managers* (ca. 18 %) and Insurance Companies (2.54%), Pension Funds (ca. 4.5%) and *Supranationals* (ca. 7.5%).