

PRESS RELEASE**BMPS SHAREHOLDERS' MEETING APPROVES
THE MERGER BY INCORPORATION OF BANCA TOSCANA**

The merger by incorporation of Banca Toscana completes the creation of Italy's third largest banking group with 3,100 branches, 33,500 employees and 6.4 million customers

Siena, March 4th, 2009 – The merger by incorporation of Banca Toscana was approved by the shareholders' meeting of Banca Monte dei Paschi di Siena S.p.a. today. Authorized by the Bank of Italy on January 23rd, this merger will become effective on March 30th, 2009.

As of September 30th, 2008, Banca Toscana had 450 branches and approximately 900,000 customers. Total funding amounted to € 25.8 bln, with total loans at € 14.7 bln. In the first nine months of 2008 the Bank posted a net profit of € 115.4 mln.

The merger of Banca Toscana into BMPS will enable Montepaschi Group to become more efficient through the streamlining of Group structures and operating processes, without any prejudice to its strong footprint on the Italian territory. The annual benefits to be derived from the integration can be quantified as follows: € 48 mln in cost synergies and € 31 mln increase in expected revenues. No redundancies are expected.

This merger concludes in record time a business reorganization process that has resulted in the creation of a banking Group that owns 3,100 branches, 183 FA centers, 39 branches abroad and has approx. 33,500 employees and 6.4 million customers. Leveraging 2,600 branches evenly distributed throughout the country, with a particularly strong footprint in Northern and Central Italy, Banca Monte dei Paschi now boasts the largest single-brand domestic network, as well as two key players in highly-attractive business areas: Biverbanca (105 branches) in the North-West and Antonveneta (400 branches) in the North-East.

Market share has increased from 5.7 to 9.3%, with 230,000 new customers acquired in the past 2 years (+110,000 in 2008) excluding Antonveneta and Biverbanca acquisitions. At the same time, the Group management structure was also streamlined by reducing the head offices from 5 to 3 and by reversing the back-office/front-office ratio, with a significant number of network employees being relocated.

The new business structure of Montepaschi Group concludes a growth strategy that began in June 2007 with the purchase of 59% of Biverbanca from Banca Intesa, followed by a joint venture with Axa (October 2007) that resulted in the development of the Axa – Mps Vita insurance group. The acquisition of Banca Antonveneta was completed in May of the following year, whereas in September 2008 an agreement was reached with Clessidra regarding the sale of 67% of Mps Asset Management Sgr and the setting up of yet another joint venture, this time in the asset management sector. The merger by incorporation of Banca Agricola Mantovana was also completed in September 2008.

Non-strategic equity investments (Lse, Finsoe, Banca Monte Parma and others) were also dismissed in less than 2 years as per the Group's Business Plan, resulting in € 1.5 bln.

Key Milestones

- June 2007 - Acquisition of 59% of Biverbanca from Banca Intesa
- October 2007 - JV with AXA, resulting in the Axa-MPS insurance group
- November 2007 – disposal of a 2.93% stake in the London Stock Exchange for € **197** mln (the stock was at an all-time high)
- May 2008 - acquisition of Banca Antonveneta
- June 2008 – sale of the Fontanafredda estate to Fondazione MPS, Oscar Farinetti and Luca Baffigo Filangieri for € **90** mln
- June 2008 – sale of a 100% stake in Quadrifoglio Vita to Axa Assicurazioni for € **141.5** mln
- June 2008 – sale of a 13% stake in Finsoe to Holmo (the Finsoe equity was fully owned by the Bank) for € **234.4** mln
- June 2008 – sale of Palazzo Portinari Salviati to Beatrice srl for € **44** mln
- July 2008 - sale of Valorizzazioni Immobiliari (a company that manages non-instrumental property) to a group of investors headed by Sansedoni for € **100** mln.
- July 2008 - sale of a 49% stake in Banca Monte Parma to Banca Sella, Fondazione Monte Parma and Fondazione di Piacenza e Vigevano for € **191.7** mln
- September 2008- merger by incorporation of Banca Agricola Mantovana
- September 2008 - sale of a 67% stake in Sgr Mps Asset Management to Clessidra for approx. € 350 mln (70% of the asset's total value, amounting to € **570 mln**). **Capital gain: €200 mln**. Valuation higher than expected.
- January 2009- birth of new Banca Antonveneta, with over 400 branches spread throughout Eastern Italy
- February 2009 - disposal of a 75% stake in Marinella Spa for approx. € **65** mln
- March 2009 - merger by incorporation of Banca Toscana, which completes the creation of Italy's third largest banking group