GRUPPOMONTEPASCHI

PRESS RELEASE[1]

Montepaschi Group: 2009 Full Year results approved

- ✓ *EUR 354.3 mln pre-PPA net income (EUR 220.1 mln post PPA)*
- ✓ *Leadership in sales volumes growth confirmed: market shares on a strong increase*
- ✓ *EUR 22 bln worth of funding (gross savings) collected and EUR 14 bln worth of contracts for new mortgages negotiated*
- ✓ *Group reorganization completed; significant reduction in structural costs (-8% YoY*[2]*)*
- ✓ *Integration/restructuring costs for an amount of approximately EUR 470 mln were expensed in the 2008-2009 period, EUR 94 mln of which in the fourth quarter of 2009*
- ✓ *Since the beginning of 2010, positive results in: sales volumes and profitability. Noticeable cost reduction confirmed in 2010 vs 2009*
- ✓ *Project involving EUR 3 bln worth of real estate got underway*

2009 Highlights

Strong increase in Market shares, Direct funding and Loans

- Direct funding: +9.1% YoY. Market share at 7.32%[3] (+51 bps compared to December 2008)
- Loans: +4.9% YoY (+4.2% in 4Q vs 3Q). Market share at 8.02% (+37 bps compared to end of 2008)
- Gross income from Wealth Management products: EUR 22.2 bln worth of placements (EUR +11.3 bln vs 2008)
- Direct funding from insurance premiums: EUR 4.8 bln worth of placements (+46% YoY on a like-for-like basis)
- Mortgage loans: value of negotiated contracts in excess of EUR 14 bln (EUR 5.6 bln in 4Q, +62% over 3Q)
- Limited decrease in revenues (-2.2% YoY on a like-for-like basis) in spite of the difficult macro-scenario; revenue sustainability should be noted given that 98.8% of revenues are accounted for by commercial activities and 1.2% by trading.
- Good operating results recorded in the first two months of 2010; as compared to the end of 2009, loans were up 2.5%, asset management was up 2%, 18,000 new clients were acquired.

Additional structural reduction in costs: -6.5% YoY, -8% YoY net of charges (approx. EUR 60 mln) associated with the early retirement incentive plan of parent company BMPS. Additional decrease in operating costs expected in 2010

- Operating expenses: -8% YoY net of charges attributable to Parent Company's early retirement incentive actions which were accounted for in the fourth quarter (approx. EUR 40 mln)
- Approx. EUR 148 mln worth of "one-off" charges due to Group reorganization were incurred during the year roughly EUR 120 mln due to dismissals and EUR 28 mln due to IT costs (EUR 55 mln in the fourth quarter alone).
- Around 750 employees left in 4Q; net headcount reduction of approx. 2,200 since the end of 2007 (2011 Business Plan target exceeded).
- Net value adjustments to tangible and intangible assets: +4.2% as a result of ICT investments made in the 2008/2009 period with a view to integrating Antonveneta and BiverBanca into the Group IT system.

2009 cost of credit at 96 bps. In spite of growing NPLs in 2009 (+24% YoY), coverage remains substantially unaltered.

- Credit quality deterioration slowing down at the end of 2009, with net stock of impaired loans substantially stable as compared to the values as at September 2009 (+1.6%)
- Impaired loan coverage ratio was up in the fourth quarter (+80 bps as compared to September 2009)
- Performing loan portfolio quality is increasing: PD (*Probability of Default*) improving by approx. 80 bps on new net credit inflows (EUR 13 bln) vs outflows (EUR 7 bln).

Capital and capital ratios are getting stronger. Tier 1 ratio stands at 7.5% and Total Capital Ratio at 11.9%.

- First phase of rationalization of non-instrumental buildings completed (now available for sale) for an overall value of approx. EUR 500 mln.
- Initiatives on instrumental buildings are continuing for an overall value of EUR 2.5 bln.

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[1] In order to provide a clearer view of trends, 2008 comparison data were restated to take Antonveneta into account as of the beginning of 2008 and to take into consideration the cost of loans associated with the Antonveneta acquisition (assuming they were taken out at the beginning of the year), the line-by-line purging of Intermonte items following the dismissal of Intermonte in H2 2008 as well as PPA effects. In addition, to take account of some revenue items, comparison data relating to net interest income and net fees and commissions are reported on a proforma basis with no impact on basic income."

2 Net of Parent Company BMPS retirement incentive costs

3 Net of bonds placed

Montepaschi Group consolidated results - Highlights

Siena, 26 March 2010 – Yesterday the Board of Directors of Banca Monte dei Paschi di Siena SpA approved the Montepaschi Group 2009 full year results.

In spite of the difficult scenario, the Montepaschi Group achieved positive results in 2009 in economic terms (net income exceeding EUR 220 mln; in excess of EUR 354 mln excluding PPA), in commercial terms (direct funding +9.1% YoY, loans +4.9% YoY) and in terms of competitive positioning. The main reason for satisfaction lies in the increase in market share thanks to a commercial strategy based on customer care and a pricing policy that befits the current situation.

Partly on account of the macro-economic trends under way, income from banking and insurance activities **stood at EUR 5,707.3 mln at 31 December 2009 (namely -2.2% as compared to the 2008 'restated' figure of EUR 5,834.8 mln). More specifically, basic income totalled approx. EUR 5,532 mln (vs. EUR 5,944.8 mln as at 31 December 2008 on a like-for-like basis).**

In particular, a comparison of **consolidated income from banking and insurance activities** with 2008 restated values highlights the following:

- **net interest income** at **EUR 3,638.4 mln, down 4.6%** with respect to EUR 3,814.7 mln as at 31 December 2008 on a restated basis. In particular, **the 4Q09 income,** totaling approx. EUR 890 mln is slightly down on the previous quarter, primarily on the back of the more limited input (approx. EUR 40 mln) of "non-commercial" components. Conversely, the 4Q09 "**commercial interest income"** was up 2.3% as compared to the previous quarter as a result of positive effects on margins and volumes.

- **fees and commissions stood at approx. EUR 1,893 mln (roughly EUR 2,130 as at 31 December 2008).** This account was affected by the current economic scenario which impacted revenues from banking services. On the **asset management side, asset management fees and commissions, although on the decrease YoY, have picked up again since the second half of 2009, partly as a result of a favourable trend in placements. It should be made evident that, as of 2008, the amount of performance commissions applied to customers has not been relevant.** Similarly, **the weight of up-front fees" is** still **moderate** (and decreasing in 4Q09), in line with the Group's commercial policy. With regard to fees on the loan amount granted (included under fees receivable as of July 2009), in the fourth quarter the Group continued to adopt a 'reflective' approach towards the regulatory amendments under way which sees a 'not yet in a steady state' application of these fees. **In the first months of 2010, a pickup in the commission and fee input was recorded against the last quarter of 2009.**

- **Net income from trading/valuation of financial assets** stood at approx. EUR 67 mln, an improvement on 2008, when a result of EUR -120 mln was posted.

Income from banking and insurance activities also includes **dividends, similar income and profit/loss from equity investments. These totalled approx. EUR 110 mln, an increase on the same period last year**

(EUR +96 mln) thanks to a higher revenue contribution from equity investments (mainly AXA-MPS, approx. EUR +100 mln as compared to 2008).

As a whole, **consolidated income from banking and insurance activities stood at EUR 5,707.3 mln (-2.2% on 31 December 2008 on a like-for-like basis).** In a context of extreme volatility, it should be noted that 99% of our revenues are recurring, i.e. associated to the bank's core business.

Highlights on the cost of credit and financial assets:

- “**Net value adjustments due to impairment of loans” stood at approx. EUR 1,466 mln (approx. EUR 1,065 mln as at 12/31/2008). The aforementioned figure reflects a provisioning rate of about 96 bps (it was 73 bps as at 12/31/2008 and 95 bps as at 09/30/2009), which continues to be impacted by the difficult economic situation and is reflective of the Group's unchanged policy of prudential provisioning and accurate client management.**

- “**Net writedowns of impaired financial assets ”** were negative by approx. EUR 44 mln, due to the depreciation of the AFS stock that became impaired (roughly EUR 31 mln) and of other financial transactions (approx. EUR 13 mln).

In order to cope with a difficult external scenario that became significantly more challenging in the course of the year, actions aimed at the reduction and structural containment of costs (in line with measures undertaken in previous financial years) have been intensified. **Operating charges were down 8% on the same period of last year (net of costs associated with Parent Company's retirement scheme; -6.5% gross of such component)** as a result of **structural benefits from headcount reduction and rearrangement** and further to the reorganizational processes put in place. In particular:

- **“Personnel expenses**” (EUR 2,290 mln) **decreased by 6.2% YoY on a like-for-like basis**. Such decrease is structural in nature, as it is connected with the headcount reduction and rearrangement processes put underway as of mid 2008. Net of charges associated with Parent Company's Retirement Incentive Scheme and Solidarity Fund (approx. EUR 60 mln), **the percentage of reduction would be 8.7%.**

- “**Other administrative expenses”,** EUR 1,212 mln, **were down 8.2% YoY on a like-for-like basis,** mainly as a result of the stringent cost management measures adopted. **The annual structural reduction was made possible by the cost synergies obtained as a result of the re-organization processes and cost management actions implemented which allowed costs to be reduced, particularly in the areas of logistics/procurement, land registry surveys, database enquiries and legal (with 20-30% structural reductions in such areas).**

- “**value adjustments on tangible and intangible assets" were up** 4.2% as compared to 2008 restated values and stood at approx. EUR 163 mln as a result of the ICT investments made in the 2008/2009 period with a view to integrating Banca Antonveneta and Biverbanca in the Group IT system.

As a result of the above, the **net operating income** stood at EUR 532 mln. The cost/income ratio stood at 64.2% (vs. 67.2% at the end of 2008).

A contribution to net income also came from:

- **net provisions for risks and charges and other operating income/charges totalling approx. EUR -220 mln** (EUR -154.7 mln in 4Q), of which EUR -134 mln worth of provisions to the fund for risks and charges (covering primarily legal disputes, revocatory actions and impairment losses on junior notes) and roughly EUR -86 mln worth of other net operating charges, EUR 27 mln of which arising from improvements in the branches.

- **profit/loss from equity investments** amounting to EUR -2.7 mln (as compared to EUR 176.5 mln in the same period last year, which benefited from the capital gains associated with the disposal of Banca Depositaria, Fontanafredda and Finsoe).

- **"one-off" charges for an amount of EUR 87 mln**, associated with the re-arrangement process set out in the Business Plan. These charges consist in IT costs and other expenses for an amount of EUR 28 mln, and "one-off" personnel charges for an amount of approx. EUR 59 mln. The latter are primarily attributable to the early Retirement Incentive Scheme and Solidarity Fund which involve resources dismissed by the banks that have been merged into the Parent Company. The residual portion reflects the expenses incurred for the 'task force' (personnel working off site) that has been put in place with a view to completing the IT and organizational integration of Banca Antonveneta within the Group;

- **profit from disposal of investments for an amount of EUR 42 mln** in relation to the capital gain arising from the disposal of undertaking (15 bank branches) to the Banca Popolare di Puglia e Basilicata.

Against this background, **operating income before taxes** stood at approx. EUR 265 mln.

Gains (losses) from groups of assets held for sale after taxes amounted to approx. EUR 196 mln, mainly resulting from capital gains associated to the disposal of Mps Asset Management Sgr SpA, ABN AMRO Asset Management and other Group asset management companies of the Clessidra Group.

Finally, to complete the revenue picture, **income taxes for the period amounted to approx. EUR 102 mln** (value of approx. EUR +879 mln as at 31 December 2008) as balance between the EUR 109 mln positive effect attributable to recognition of Banca Antonveneta's goodwill (pursuant to art. 15 of DL no. 185/08) and the EUR 211 mln negative value of the corporate income tax (IRES) and regional productivity tax (IRAP), EUR 44 mln of which attributable to the non-deductibility of interest expense introduced by the so-called “Robin Tax”. As a consequence of the above, the tax rate for the period was approx. 38.4%.

The consolidated net income of the Montepaschi Group before Purchase Price Allocation (PPA) stood at approx. EUR 354 mln. Considering the net effects of PPA, the value was EUR 220 mln.

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

Consumer Banking:

- net income from banking and insurance activities: -17.1% YoY.
- customer loans: +5.8% YoY.
- direct funding: +6.5% YoY.

Corporate Banking:

- net income from banking and insurance activities: +12.4% YoY.
- customer loans: -3.2% YoY.
- direct funding: +17.8% YoY.

Capital aggregates

With respect to funding aggregates, **total stocks stood at approximately EUR 288 bln (+5.7% compared to 2008), namely up EUR 16 bln on previous year as a result of direct funding in particular. The recovery in asset management volumes continues (+5.2% vs. 12/31/2008) mainly on the back of positive inflows from insurance premiums**.

Direct funding stood at approx. EUR 155 bln, up EUR 13 bln on December 2008 and growing considerably as compared to the same period last year (+9.1%), with a 7.32% market share (net of bonds placed), a 51 bps increase as compared to the end of 2008.

Indirect funding rose 2.1% as compared to 2008 and exceeded EUR 132 bln.

More specifically, intense activity in the **asset management business** in 2009 resulted in **approx. EUR 22.2 bln worth of placements, an increase of 104% on last year,** despite negative trends in the financial industry.

With regard to **credit management**, the decline in the demand for loans registered by the banking system in general translated into a moderate lending level for the Montepaschi Group as well, whose volumes stood at approx. EUR 152 bln as at 31 December 2009, up 4.9% as compared to the previous year particularly as a result of medium/long-term components which increased by 17.5% (in terms of average volumes), thus more than offsetting the downturn in other components. **As a consequence, the Group's lending market share reached 8.02% as at 31 December, up 37 bps as compared to 12/31/2008.**

Throughout the year, **initiatives aimed at supporting the entrepreneurial and manufacturing economy** with a view to mitigating the effects of the unfavourable economic scenario continued and were enriched by a set of measures – such as easier access to credit and tailored credit ceilings – targeting all businesses in general, with a special focus on the most 'virtuous' and socially responsible; **households** were also included in the approach by means of the so-called “Combatti la Crisi” (= “Fight the crisis) relief plan which envisages the suspension of mortgage loan installments for a period of up to 12 months, the introduction of a mortgage loan called “Mutuo MPS Protezione”, an insurance policy called “Mutuo Sicuro Plus” and the "Avviso Comune" initiative.

With regard to individual products, a good trend was recorded in **mortgage loans** placed by the Group's commercial networks, with contracts signed for an amount exceeding EUR 14 bln, which confirms that an upturn is under way (EUR 5.6 bln in 4Q; +61.6% QoQ) partly as a result of the household products launched during the year. It should be noted that the MPS capped, floating rate mortgage loan “**Mutuo MPS Protezione**” was recognized by the Financial Observatory as the best mortgage in 2009.

With respect to credit quality, the total stock of net impaired loans increased slightly (+1.6%) on September 2009, although there were signs of improvement compared to previous quarters.

Impaired loan coverage continue to be commensurate with risk mitigation (40.4%) and are growing as compared to the end of June 2009 (+170 bps) and end of September 2009 (+80 bps). In particular, NLP coverage is 56%. Finally, portfolio value adjustments on gross performing loans were in line with the aggregate value of reference (0.6%).

With regard to capital ratios, (BIS II AIRB floor RWA al 90%), Tier 1 stood at 7.5%. Considering the effects arising from recent branch disposals to Banca Intesa and Banca Carige it would be more than 7,7%

Upon approval of the financial results, the Board of Directors will submit to the Shareholders Meeting a proposal for distribution of a EUR 0.01 dividend per savings share.

Major material events at the end of 2009 and start of 2010

Here follows a list of major material events subsequent to the close of the financial year:

14 December 2009: Italian Minister for the Economy and Finance, Giulio Tremonti, approved subscription by the Ministry of financial instruments convertible into ordinary shares issued by Banca Monte dei Paschi di Siena S.p.A., for an amount of EUR 1.9 bln, pursuant to art. 12 of DL no.185 of 29 November 2008, converted into Law no. 2 of 28 January 2009.

14 December 2009: Intesa Sanpaolo and Banca Monte dei Paschi di Siena signed a preliminary sale-and-purchase agreement providing for the disposal of 50 branches of Banca Monte dei Paschi di Siena to Banca CR Firenze (Intesa Sanpaolo Group) at a price of EUR 200 mln.

15 January 2010: Banca Monte dei Paschi di Siena and Banca Carige signed a preliminary sale-and-purchase agreement providing for the disposal of 22 branches of Banca Monte dei Paschi to Banca Carige at a price of EUR 130 mln.

10 February 2010: AXA and Banca Monte dei Paschi di Siena (BMPS) extended their bancassurance partnership agreement to former Banca Antonveneta's distribution network of 1,000 branches, against payment of EUR 240 mln.

15 February 2010: early repayment of the securitization transaction known as “Siena Mortgages 02-3 S.r.l.” involving a portfolio of performing residential mortgages secured by first mortgage lien.

This press release will be posted on the following Web site www.mps.it

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Pursuant to para. 2, article 154bis 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.

MPS GROUP - RECLASSIFICATION PRINCIPLES FOR OPERATING PURPOSES

The following accounting statements illustrate balance-sheet and profit-and-loss accounts reclassified on the basis of operating criteria. In particular, the major changes introduced to the income statement of the two financial years involve aggregations and reclassifications of accounts for the purpose of providing a clearer view of Group performance. Following are the major changes as at 31 December 2009:

a) "**Net fees and commissions**" includes commissions which were accounted for under "Interest income" (165.1 mln) until 30/06/2009. Moreover, the account is reported net of the value related to the effects arising from the write-off of a large credit exposure (approx. 10 mln) which, in consideration of the nature of the transaction, was reclassified under "Net value adjustments due to impairment of loans".

b) **"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 (Profit/loss from the sale or repurchase of loans, financial assets available for sale and held upon maturity and financial liabilities) and Account 110 (Net profit/loss from financial assets and liabilities designated at fair value). This account includes the values of dividends from securities transactions closely associated with the trading component (approx. EUR 310 mln as at 31/12/09) and is adjusted for the "cost of funding" of said transactions (approx. EUR 8 mln) which was eliminated from "interest expense and similar charges". In addition, the aggregate was purged of the loss (37.5 mln) on earlier terminated derivative contracts associated with the completion of a non-performing loan securitization transaction. For the sake of consistency, the economic result arising from the derivative contracts was posted through profit and loss to "Net value adjustments due to impairment of loans";

c) **"Dividends, similar income and Profit (loss) from equity investments"** in the reclassified income statement incorporates account 70 "Dividends and similar income" and a portion of account 240 "Profit (loss) from equity investments" (approx. EUR 99 million as at 30 December 2009) corresponding to the contribution to the income statement that is 'guaranteed' by the portion of profit arising from equity investments related thereto (valued at equity), with particular regard to insurance companies; dividends from some trading transactions, as outlined under item b) above, have been eliminated from the aggregate;

d) The account **"Net value adjustments due to impairment of loans"** in the reclassified income statement was determined by reclassifying charges for an amount of about EUR 39 mln (namely, value adjustments to junior notes: approx. 33 mln and charges in relation to financial plans: approx. 6 mln), which are more properly classified under "Net provisions for risks and charges and other operating income/charges". The account also incorporates the effects arising from both the write-off of a credit exposure (see item a) above) and completion of a securitization transaction (see item b) above). Additionally, 4.6 mln worth of losses arising from disposal of loans were reclassified out of "Profit/loss from disposal of loans" into this account in a logic of recovery, managing them in a similar way to loan value adjustments.

e) The account "**Personnel expenses**" in the reclassified income statement was curtailed by approx. EUR 59 mln related primarily to the Retirement Incentive scheme and Solidarity Fund involving resources from companies that have been merged by and into the Parent Bank. The amount was reclassified under "Integration costs".

f) **"Other administrative expenses"** in the reclassified income statement was integrated with the portion of stamp duty and client expense recovery (approx. EUR 292 million) posted in the balance sheet under Account 220 "*Other operating charges/income*". In addition, the aggregate was purged of EUR 28 mln worth of "*One-off charges*" which were reclassified under the "Integration costs" incurred within the framework of the re-organization process set out in the 2008-2011Business Plan;

g) The account **"Net provisions for risks and charges and other operating income/charges"** in the reclassified income statement incorporates Account 190 "Net provisions for risks and charges" and Account 220 "Other operating charges/income ", net of stamp duty and client expense recovery as described in the previous paragraphs;

h) **"Integration costs"** in the reclassified income statement includes the "*One-off charges*" associated with the reorganization process which were reclassified out of **Personnel expenses** (approx. 59 mln) and **Other administrative expenses** (approx. 28 mln);

i) **"Profit (loss) from equity investments"** is net of components reclassified into "Dividends and similar income" (see item c);

j) The effects of PPA (Purchase Price Allocation (PPA) were reclassified out of other accounts (in particular **"Interest income" of approx.121 mln and depreciation/amortization of approx. EUR 80 mln with a related tax burden of approx. 64 mln (which integrates the account**) into one single account named ***"Net economic effects of the Purchase Price Allocation"***.

In addition to these reclassifications and in continuing to provide a clearer view of Group performance with specific regard to **Asset Management** companies in the wake of their disposal and consequent loss of control, it was necessary to integrate the amount of 2009 **net fees and commissions** (which, however, were classified and grouped into one specific account in the accounting statements as set out in IFRS 59) with approximately EUR 23 mln from fees and commissions of the first quarter (prior to disposal of the aforementioned equity investments) which, *all other things being equal*, will be considered as income from third parties rather than an intragroup P&L component. Said initiatives had an impact on the account of the reclassified income statement **"Profit (loss) from discontinuing operations after taxes"**.

Following are the major reclassifications of the **consolidated balance-sheet** :

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

l) **"Other assets"** on the assets side of the reclassified balance-sheet incorporates Account 80 (*Hedging derivatives*), Account 90 (*Value adjustments to financial assets subject to macro-hedging*), Account 140 (*Tax assets*), Account 150 (*Non-current assets and groups* of assets held for sale) and Account 160 (*Other assets*);

m) **"Due to customers and securities"** on the liabilities side of the reclassified balance-sheet includes Account 20 (*Due to customers*), Account 30 (*Outstanding securities*) 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 (*Value adjustments on financial liabilities subject to macro-hedging*), Account 80 (*Tax liabilities*), Account 90 (*Liabilities from groups of assets* held for sale) and Account 100 (*Other liabilities*).

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CONSOLIDATED REPORT ON OPERATIONS

Highlights at 12/31/09

■ INCOME STATEMENT AND BALANCE SHEET FIGURES AND KEY INDICATORS

MPS GROUP			
• INCOME STATEMENT FIGURES (in millions of euros)	**12/31/2009**	**12/31/2008** Recalculated (1)	**% chg** (1)
Income from banking activities	5,531.60	5,944.8	-7.0%
Financial and insurance income (loss)	5,707.3	5,834.8	-2.2%
Net operating income	532.4	856.4	-37.8%
• BALANCE SHEET FIGURES AND INDICATORS (in millions of euros)	**12/31/2009**	**12/31/2008**	**% chg**
Direct funding	155,391	142,466	9.1
Indirect funding	132,217	129,518	2.1
of which: assets under management	*48,783*	*46,362*	5.2
of which: assets under custody	*83,434*	*83,156*	0.3
Customer loans	152,413	145,353	4.9
Group net equity	17,175	14,824	15.9
• KEY LOAN QUALITY RATIOS (%)	**12/31/2009**	**12/31/2008**	
Net non-performing loans/Customer loans	3.05	2.49	
Net watchlist loans/Customer loans	2.47	1.77	
• PROFITABILITY RATIOS (%)	**12/31/2009**	**12/31/2008**	
Cost/Income ratio	64.2	67.2	Recalculated (1)
R.O.E. (on average equity) (2)	1.46	8.1	
R.O.E. (on year-end equity) (3)	1.49	11.9	
Net adjustments to loans / Year-end investments	0.96	0.73	
• CAPITAL RATIOS (%)	**12/31/2009**	**12/31/2008**	
Solvency ratio	11.9	9.3	
Tier 1 ratio	7.5	5.1	
(a) determined using the Bank of Italy's prudential filters.			
• INFORMATION ON BMPS STOCK	**12/31/2009**	**12/31/2008**	
Number of ordinary shares outstanding	5,569,271,362	5,545,952,280	
Number of preference shares outstanding	1,131,879,458	1,131,879,458	
Number of savings shares outstanding	18,864,340	18,864,340	
Price for ordinary share:	from the **12/31/08** to the **12/31/09**	from the **12/31/07** to the **12/31/08**	
average	1.24	1.97	
low	0.77	1.22	
high	1.62	2.98	
• OPERATING STRUCTURE	**12/31/2009**	**12/31/2008**	**Abs. chg**
Total head count - year-end	32,003	32,867	-864
Number of branches in Italy	3,088	3,104	-16
Financial advisor branches	163	167	-4
Number of branches & rep. offices abroad	41	39	2

(1) 2008 comparison data were restated to take Antonveneta into account as of the beginning of 2008 (12 months) together with the cost of loans associated with the Antonveneta acquisition assuming they had been taken out at the beginning of the year. Items related to Intermonte following its dismissal in H2 2008 were purged line by line and reclassified into "Gains (losses) from groups of assets held for sale after taxes ". The profit and loss data in the "restated data" column is therefore not fully and directly comparable to the 2008 accounting results (which include the figures for Antonveneta as of the actual date of acquisition - 7 months). However, this data gives a more complete and realistic view of the evolution of the major items of the Group income statement which, during the same year, was affected by the acquisition of the Banca Antonveneta group.

(2) R.O.E. on average equity: net income for the period/average of net shareholder's equity (including net income).

(3) R.O.E. at year-end equity: net income for the period/ net shareholder's equity at year-end.

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

MPS Group	12/31/2009 (*)	12/31/2008 (1) (*)	Change Abs.	Change %	12/31/2008 Proforma (2)(*)	% chg on a like for like basis (2)
Net interest income	3,638.4	3,904.8	-266.4	-6.8%	3,814.7	-4.6%
Net commissions	1,893.2	2,150.5	-257.2	-12.0%	2,130.1	-11.1%
Income from banking activities	**5,531.6**	**6,055.3**	**-523.7**	**-8.6%**	**5,944.8**	**-7.0%**
Dividends, similar income and profits (losses) from equity investments	110.4	14.9	95.5	n.s.	14.9	n.s.
Net result from realisation/valuation of financial assets	66.8	-113.4	180.2	n.s.	-120.7	n.s.
Net gain (loss) from hedging	-1.5	-4.3	2.8	-65.9%	-4.3	-65.9%
Financial and insurance income (loss)	**5,707.3**	**5,952.5**	**-245.2**	**-4.1%**	**5,834.8**	**-2.2%**
Net adjustments for impairment of:	**-1,510.2**	**-1,059.9**	**-450.2**	**42.5%**	**-1,059.9**	**42.5%**
a) loans	-1,466.0	-1,065.2	-400.8	37.6%	-1,065.2	37.6%
b) financial assets	-44.1	5.3	-49.5	n.s.	5.3	n.s.
Net financial and insurance income (loss)	**4,197.1**	**4,892.6**	**-695.4**	**-14.2%**	**4,774.9**	**-12.1%**
Administrative expenses:	-3,501.8	-3,775.1	273.3	-7.2%	-3,762.1	-6.9%
a) personnel expenses	-2,290.2	-2,449.2	159.0	-6.5%	-2,442.3	-6.2%
b) other administrative expenses	-1,211.6	-1,325.9	114.3	-8.6%	-1,319.8	-8.2%
Net adjustments to the value of tangible and intangible fixed assets	-163.0	-156.5	-6.5	4.1%	-156.4	4.2%
Operating expenses	**-3,664.8**	**-3,931.6**	**266.9**	**-6.8%**	**-3,918.4**	**-6.5%**
Net operating income	**532.4**	**960.9**	**-428.6**	**-44.6%**	**856.4**	**-37.8%**
Net provisions for risks and liabilities and Other operating income/costs	-220.2	-186.7	-33.5	18.0%	-186.2	18.2%
Income (loss) on equity investments	-2.7	175.8	-178.5		176.5	n.s.
Integration costs	-86.8	-321.9	235.1		-321.9	-73.0%
Goodwill impairment		-542.3	542.3	n.s.	-542.3	n.s.
Gains (losses) from disposal of investments	42.3	27.9	14.3	51.3%	27.9	51.3%
Gain (loss) from current operations before taxes	**265.0**	**113.9**	**151.1**	**n.s.**	**10.6**	**n.s.**
Taxes on income for the year from current operations	-101.7	844.7	-946.3	n.s.	878.6	n.s.
Gain (loss) from current operations after taxes	**163.3**	**958.6**	**-795.3**	**-83.0%**	**889.2**	**-81.6%**
Gain (loss) on fixed assets due for disposal, net of taxes	195.5	70.9	124.6	n.s.	79.5	n.s.
Minority interests in profit (loss) for the year	-4.5	-9.6	5.1	-53.4%	-9.6	-53.4%
Net profit (loss) for the year pre PPA	**354.3**	**1,019.8**	**-665.5**	**-65.3%**	**959.0**	**-63.1%**
PPA (Purchase Price Allocation)	-134.2	-66.8	-67.4	n.s.	-66.8	n.s.
Net profit (loss) for the year	**220.1**	**953.0**	**-732.9**	**n.s.**	**892.2**	**n.s.**

(*) In order to make a proper analysis of trends possible, comparison data relating to net interest income and net fees and commissions were reported on a pro-forma basis to take account of some adjustments to revenues, with no impact on basic income.

(1) Data as at 12/31/08 reflects Banca Antonveneta's accounting results as of the beginning of 2008 (12 months) whereas the official accounting tables report Banca Antonveneta's 2008 figures as of the actual date of acquisition (7 months). In addition, it is noted that the pro-quota financial effects of the first five months of Banca Antonveneta's acquisition were not considered.

(2) 2008 comparison data were restated to take Antonveneta into account as of the beginning of 2008 (12 months) together with the cost of loans associated with the Antonveneta acquisition assuming they had been taken out at the beginning of the year. Items related to Intermonte following its dismissal in H2 2008 were purged line by line and reclassified into "Gains (losses) from groups of assets held for sale after taxes ". The profit and loss data in the "restated data" column is therefore not fully and directly comparable to the 2008 accounting results (which include the figures for Antonveneta as of the actual date of acquisition - 7 months). However, this data gives a more complete and realistic view of the evolution of the major items of the Group income statement which, during the same year, was affected by the acquisition of the Banca Antonveneta group.

MPS GROUP

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

ASSETS	**12/31/2009**	**12/31/2008 (°)**	**% chg**
Cash and cash equivalents	1,296	1,026	26.2
Receivables :			
a) Customer loans	152,413	145,353	4.9
b) Due from banks	10,328	17,616	-41.4
Financial assets held for trading	38,676	26,974	43.4
Financial assets held to maturity	0	0	8.6
Equity investments	742	583	27.3
Underwriting reserves/reinsurers			
Tangible and intangible fixed assets	10,395	10,559	-1.6
of which:			
a) goodwill	*6,619*	*6,709*	*-1.3*
Other assets	10,965	11,685	-6.2
Total assets	**224,815**	**213,796**	**5.2**

LIABILITIES	**12/31/2009**	**12/31/2008 (°)**	**% chg**
Payables			
a) Due to customers and securities	155,391	142,466	9.1
b) Due to banks	22,758	27,209	-16.4
Financial liabilities from trading	19,481	18,967	2.7
Provisions for specific use			
a) Provisions for employee leaving indemnities	304	540	-43.6
b) Reserve for retirement benefits	458	430	6.6
c) Other reserves	911	922	-1.2
Other liabilities	8,055	8,159	-1.3
Underwriting reserves			
Group portion of shareholders' equity	17,175	14,824	15.9
a) Valuation reserves	721	401	79.6
b) Reimbursable shares			
c) Capital instruments	1,949	47	n.s.
d) Reserves	5,766	4,909	17.5
e) Share premium account	4,048	4,094	-1.1
f) Share capital	4,502	4,487	0.3
g) Treasury shares (-)	-32	-37	-13.2
h) Net profit (loss) for the year	220	923	-76.1
Minority interests in shareholders' equity	281	279	0.8
Total liabilities and shareholders' equity	**224,815**	**213,796**	**5.2**

(°) Historical data published in 2008 Report

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

	2009 (*)				**2008** (1) (*)			
MPS Group	**4th quarter**	**3rd quarter**	**2nd quarter**	**1st quarter**	**4th quarter**	**3rd quarter**	**2nd quarter**	**1st quarter**
Net interest income	889.6	913.3	909.6	925.9	980.5	944.6	1,006.4	973.2
Net commissions	465.7	476.4	469.3	481.9	486.8	529.9	563.3	570.4
Income from banking activities	**1,355.3**	**1,389.7**	**1,378.9**	**1,407.8**	**1,467.4**	**1,474.5**	**1,569.8**	**1,543.6**
Dividends, similar income and profits (losses) from equity investments	24.1	19.6	45.4	21.2	-39.3	20.2	21.2	12.7
Net result from realisation/valuation of financial assets	-20.8	8.3	31.5	47.8	-167.5	-1.6	80.6	-24.9
Net gain (loss) from hedging	8.1	-10.3	-5.8	6.5	3.3	0.0	-0.4	-7.2
Financial and insurance income (loss)	**1,366.8**	**1,407.3**	**1,450.0**	**1,483.3**	**1,264.0**	**1,493.1**	**1,671.2**	**1,524.2**
Net adjustments for impairment of:	**-440.4**	**-360.0**	**-405.3**	**-304.4**	**-427.2**	**-189.3**	**-223.5**	**-220.0**
a) loans	-428.3	-351.0	-400.1	-286.6	-424.0	-189.6	-235.5	-216.1
b) financial assets	-12.2	-9.0	-5.2	-17.8	-3.2	0.3	12.0	-3.9
Net financial and insurance income (loss)	**926.3**	**1,047.3**	**1,044.7**	**1,178.9**	**836.8**	**1,303.8**	**1,447.7**	**1,304.2**
Administrative expenses:	-983.2	-844.9	-821.9	-851.8	-1,018.2	-920.8	-928.7	-907.4
a) personnel expenses	-614.8	-563.6	-537.4	-574.4	-652.4	-595.4	-599.4	-602.0
b) other administrative expenses	-368.5	-281.2	-284.5	-277.4	-365.8	-325.4	-329.3	-305.5
Net adjustments to the value of tangible and intangible fixed assets	-45.9	-39.7	-39.4	-38.0	-36.8	-40.7	-39.5	-39.7
Operating expenses	**-1,029.1**	**-884.6**	**-861.3**	**-889.8**	**-1,054.9**	**-961.4**	**-968.2**	**-947.1**
Net operating income	**-102.8**	**162.7**	**183.4**	**289.1**	**-218.1**	**342.4**	**479.5**	**357.1**
Net provisions for risks and liabilities and Other operating income/costs	-154.7	-30.7	-24.1	-10.7	-153.8	-12.7	-39.4	19.2
Income (loss) on equity investments	0.3	0.1	-5.0	1.9	-0.9	-23.5	200.3	
Integration costs	-54.8		-27.6	-4.3	-162.2	-21.4	-138.3	
Goodwill impairment					-399.6	-4.5	-41.5	-96.6
Gains (losses) from disposal of investments	-4.6	46.8	0.0	0.0	0.1	0.0	20.2	7.7
Gain (loss) from current operations before taxes	**-316.6**	**179.0**	**126.6**	**276.0**	**-934.5**	**280.3**	**480.7**	**287.4**
Taxes on income for the year from current operations	167.0	-74.7	-58.0	-135.9	1,245.8	-126.4	-158.9	-115.8
Gain (loss) from current operations after taxes	**-149.6**	**104.2**	**68.6**	**140.1**	**311.2**	**153.9**	**321.8**	**171.6**
Gain (loss) on fixed assets due for disposal, net of taxes	0.2	-0.3	1.7	193.8	5.0	-15.6	76.2	5.4
Minority interests in profit (loss) for the year	-0.9	-1.0	-2.5	-0.1	1.3	1.4	-7.1	-5.3
Net profit (loss) for the year pre PPA	**-150.3**	**103.0**	**67.8**	**333.9**	**317.5**	**139.7**	**390.9**	**171.7**
PPA (Purchase Price Allocation)	-31.0	-33.6	-36.3	-33.3	-35.7	-21.0	-10.2	
Net profit (loss) for the year	**-181.3**	**69.3**	**31.5**	**300.6**	**281.9**	**118.7**	**380.8**	**171.7**

(*) In order to proper analysis of trends possible, comparison data relating to net interest income and net fees and commissions were reported on a pro-forma basis to take account of some revenue items, with no impact on basic income.

(1) Data as at 12/31/08 reflects Banca Antonveneta's accounting results as of the beginning of 2008 (12 months) whereas the official accounting tables report Banca Antonveneta's 2008 figures as of the actual date of acquisition (7 months). In addition, it is noted that the pro-quota financial effects of the first five months of Banca Antonveneta's acquisition were not considered.

MPS GROUP

■ **RECLASSIFIED BALANCE SHEET - QUARTERLY TREND** (in millions of euros)

ASSETS	12/31/2009	09/30/2009	06/30/2009	03/31/2009	12/31/2008 (°)	09/30/2008 (°)	06/30/2008 (°)	03/31/2008 (°)
Cash and cash equivalents	1,296	682	798	860	1,026	678	807	536
Receivables :								
a) Customer loans	152,413	146,208	145,111	144,708	145,353	144,496	139,909	107,749
b) Due from banks	10,328	13,401	13,017	11,935	17,616	17,331	14,553	11,708
Financial assets held for trading	38,676	38,749	32,707	28,946	26,974	25,067	27,677	30,726
Financial assets held to maturity	0	0	0	0	0	0	0	0
Equity investments	742	725	721	597	583	614	548	817
Underwriting reserves/reinsurers								
Tangible and intangible fixed assets	10,395	10,428	10,468	10,489	10,559	10,621	10,655	3,127
of which:								
a) goodwill	*6,619*	*6,648*	*6,670*	*6,670*	*6,709*	*7,633*	*7,673*	*961*
Other assets	10,965	8,868	9,241	10,086	11,685	11,584	12,381	7,799
Total assets	**224,815**	**219,061**	**212,062**	**207,621**	**213,796**	**210,391**	**206,529**	**162,463**

LIABILITIES	12/31/2009	09/30/2009	06/30/2009	03/31/2009	12/31/2008 (°)	09/30/2008 (°)	06/30/2008 (°)	03/31/2008 (°)
Payables								
a) Due to customers and securities (°)	155,391	155,816	147,635	139,309	142,466	142,425	139,000	110,447
b) Due to banks	22,758	19,294	21,826	23,395	27,209	25,609	27,218	15,613
Financial liabilities from trading	19,481	20,674	18,710	20,609	18,967	15,605	13,298	18,506
Provisions for specific use								
a) Provisions for employee leaving indemnities	304	340	347	504	540	553	564	366
b) Reserve for retirement benefits	458	456	441	436	430	445	452	417
c) Other reserves	911	888	886	910	922	843	817	488
Other liabilities	8,055	5,924	6,820	7,159	8,159	10,492	10,702	7,723
Underwriting reserves								
Group portion of shareholders' equity	17,175	15,391	15,124	15,019	14,824	14,185	14,159	8,644
a) Valuation reserves	721	646	513	303	401	206	337	433
b) Reimbursable shares								
c) Capital instruments	1,949	52	47	47	47	79	79	70
d) Reserves	5,766	5,789	5,768	5,857	4,909	4,824	4,787	5,433
e) Share premium account	4,048	4,041	4,035	4,094	4,094	3,991	3,998	547
f) Share capital	4,502	4,487	4,487	4,487	4,487	4,451	4,451	2,032
g) Treasury shares (-)	-32	-25	-57	-70	-37	-8	-15	-61
h) Net profit (loss) for the year	220	401	332	301	923	641	522	190
Minority interests in shareholders' equity	281	280	273	279	279	236	319	259
Total liabilities and shareholders' equity	**224,815**	**219,061**	**212,062**	**207,621**	**213,796**	**210,391**	**206,529**	**162,463**

(°) Historical data published in 2008 Report

TABLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

(in euro)

	Assets	12/31/2009	12/31/2008
10	Cash and cash on deposit	1,295,586,779	1,026,368,224
20	Financial assets held for trading	23,506,522,746	21,797,695,397
30	Financial assets at fair value	260,418,460	180,037,943
40	Financial assets available for sale	14,909,189,684	4,996,021,136
50	Financial assets held to maturity	3,113	2,867
60	Due from banks	10,327,520,615	17,615,715,668
70	Loans to costumers	152,413,440,750	145,353,189,754
80	Hedging derivatives	198,702,637	99,160,129
90	Value adjustment on financial assets w ith generic coverage (+/-)	32,039,046	31,102,587
100	Equity investment	742,170,498	583,028,120
120	Fixed Assets	2,733,043,104	2,792,580,036
130	Intangible assets	7,661,629,206	7,765,931,945
	of which: goodwill	*6,619,478,893*	*6,708,545,822*
140	Tax assets	4,377,044,696	4,180,434,932
	a) current	*619,296,168*	*604,372,499*
	b) anticipated	*3,757,748,528*	*3,576,062,433*
150	Non current assets (or disposal groups) held for sale and discontinued operations	129,165,143	272,091,502
160	Other	6,228,501,692	7,102,616,334
	Total assets	**224,814,978,169**	**213,795,976,574**

TABLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

(in euro)

	Liabilities and Shareholders'equity	12/31/2009	12/31/2008
10	Due to banks	22,757,742,753	27,208,645,978
20	Due to costumers	91,132,820,120	81,596,414,386
30	Securities	42,559,083,505	47,157,555,961
40	Financial liabilities held for trading	19,481,338,417	18,967,188,840
50	Financial liabilities at fair value	21,699,056,443	13,711,900,007
60	Hedging derivatives	931,554,179	389,889,284
80	Tax Liabilities	341,425,636	1,399,193,303
	a) current	*230,259,485*	*1,283,515,253*
	b) postponed	*111,166,151*	*115,678,050*
90	Liabilities in disposal groups held for sale	-	45,384,071
100	Other	6,782,237,039	6,324,870,383
110	Staff severance indemnity reserve	304,496,882	539,822,794
120	Reserve for risks and other charges	1,369,213,566	1,352,022,438
	a) pension fund and similar obligations	*458,133,053*	*429,819,893*
	b) other provisions	*911,080,513*	*922,202,545*
140	Revaluation reserves	720,587,188	401,169,657
160	Capital instruments	1,949,365,486	46,871,091
170	Reserves	5,766,022,280	4,909,020,124
180	Paid-in Capital	4,048,328,020	4,094,436,080
190	Share capital	4,502,410,157	4,486,786,372
200	Own shares (-)	(32,079,360)	(36,962,960)
210	Minority interests (+/-)	281,261,541	279,016,681
220	Profit (loss) for the year (+/-)	220,114,317	922,752,084
	Total liabilities and Shareholders'equity	**224,814,978,169**	**213,795,976,574**

TABLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

(in euro)

		12/31/2009	12/31/2008
10	Interest and similar income	7,097,531,213	10,316,025,034
20	Interest and similar expense	(3,422,747,419)	(6,564,689,920)
30	**Net Interest Income**	**3,674,783,794**	**3,751,335,114**
40	Commissions earned	1,934,747,004	1,663,520,249
50	Commission expense	(239,483,499)	(214,781,863)
60	**Net Commissions**	**1,695,263,505**	**1,448,738,386**
70	Dividends and other income	322,053,618	619,475,001
80	Net Profit from trading	(322,102,761)	(828,804,425)
90	Net Profit from hedging	(1,464,978)	(1,807,018)
100	Profit / Loss	66,229,366	78,806,549
	a) loans	*9,885,876*	*3,034,270*
	b) available for sale financial assets	*68,087,208*	*78,136,942*
	c) financial liabilities	*(11,743,718)*	*(2,364,663)*
110	Fair Value financial assets and liabilities	(21,870,456)	72,974,889
120	**Total Income**	**5,412,892,088**	**5,140,718,496**
130	Net value adjustments on:	(1,496,858,383)	(1,359,971,786)
	a) loans	*(1,452,709,813)*	*(1,002,281,117)*
	b) available for sale financial assets	*(31,184,498)*	*(361,298,172)*
	d) other financial assets	*(12,964,072)*	*3,607,503*
140	**Net Income from financial operation**	**3,916,033,705**	**3,780,746,710**
180	Administrative expenses	(3,881,334,184)	(3,885,056,975)
	a) personnel expenses	*(2,350,236,537)*	*(2,348,181,329)*
	b) other administrative expenses	*(1,531,097,647)*	*(1,536,875,646)*
190	Provisions for risks and charges	(98,948,147)	(154,106,113)
200	Valuation adjustments to fixed assets	(105,646,070)	(89,127,117)
210	Valuation adjustments to intangible assets	(136,963,255)	(101,586,668)
220	Other operating income/expenses	211,956,137	334,234,617
230	**Operating costs**	**(4,010,935,519)**	**(3,895,642,256)**
240	Income (loss) from investments	96,073,309	145,500,620
260	Value adjustments of goodwill	-	(150,854,000)
270	Income (loss) from disposal of investments	42,262,769	27,985,155
280	**Income (loss) before taxes from continuing operations**	**43,434,264**	**(92,263,771)**
290	Income taxes	(30,508,796)	929,848,471
300	**Income (loss) after taxes from continuing operations**	**12,925,468**	**837,584,700**
310	Income (loss) from disposal of non continuing operations net of taxes	211,689,217	93,524,402
320	**Profit (loss) for the period prior to minority interests**	**224,614,685**	**931,109,102**
330	Profit (loss) prior to minority interests	4,500,368	8,357,018
340	**Profit (loss) for the period**	**220,114,317**	**922,752,084**