



**MONTE  
DEI PASCHI  
DI SIENA**  
BANCA DAL 1472



**GRUPPOMPS**

*Acquisition of Antonveneta*

*Siena  
8 November 2007*

# Transaction at Glance

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## Key Transaction Terms

- ~~€~~bn cash acquisition of Antonveneta, excluding Interbanca
- Transaction funding via capital raising (50%), asset disposals / capital optimisation (20/25%) and available liquidity / debt funding (30/25%)
- Acquisition subject to relevant Antitrust and banking regulatory approvals

## Strong Strategic Rationale

- Creation of the **third national champion**, able to better compete with the other leading banking groups in Italy and in Europe
- **Significant dimensional enhancement:**
  - Combined distribution network of 3,022 branches (vs 2,014 stand-alone) and combined loan market share of 9% (vs 6% stand-alone)
  - Strengthened retail customer reach, doubling MPS presence in Northern Italy (e.g. 6.5% market share in Lombardy / E. Romagna and 10.6% in Veneto)
  - ~30% increase in main financial metrics

## Significant Value Creation

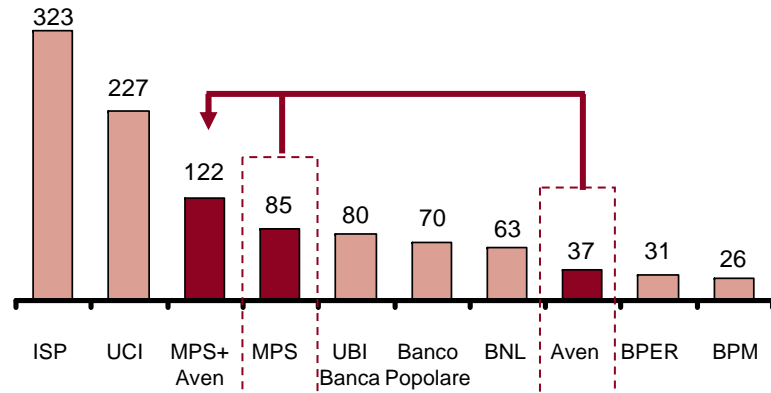
- Based on preliminary estimates, expected “minimum” synergy potential of ~€360m
  - ~€220m cost savings, equivalent to 25% of Antonveneta costs, 62% of total
  - ~€140m revenues enhancement, equivalent to 8% of Antonveneta revenues, 38% of total
- No constraints from corporate governance

## Financial Impact

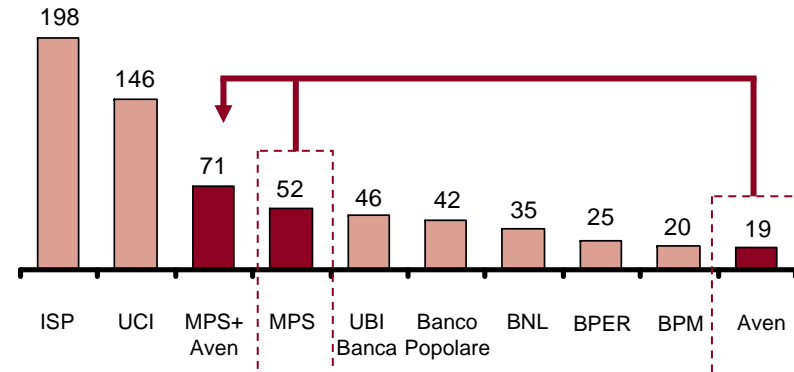
- EPS accretive for MPS shareholders from 2009 onwards based on Reuters Consensus
- Solid capital position post transaction funding

# Creating the Third Italian National Champion

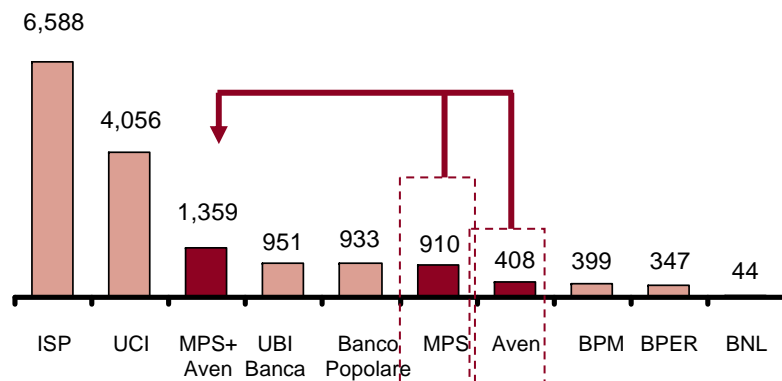
### Customer Loans (€bn)



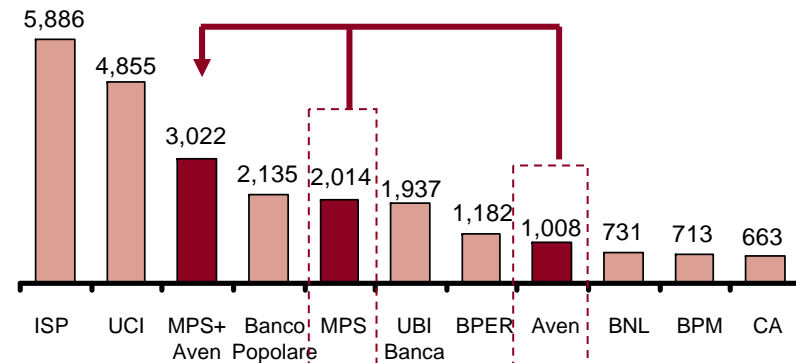
### Deposits Funding (€bn)



### Net Income (€m)

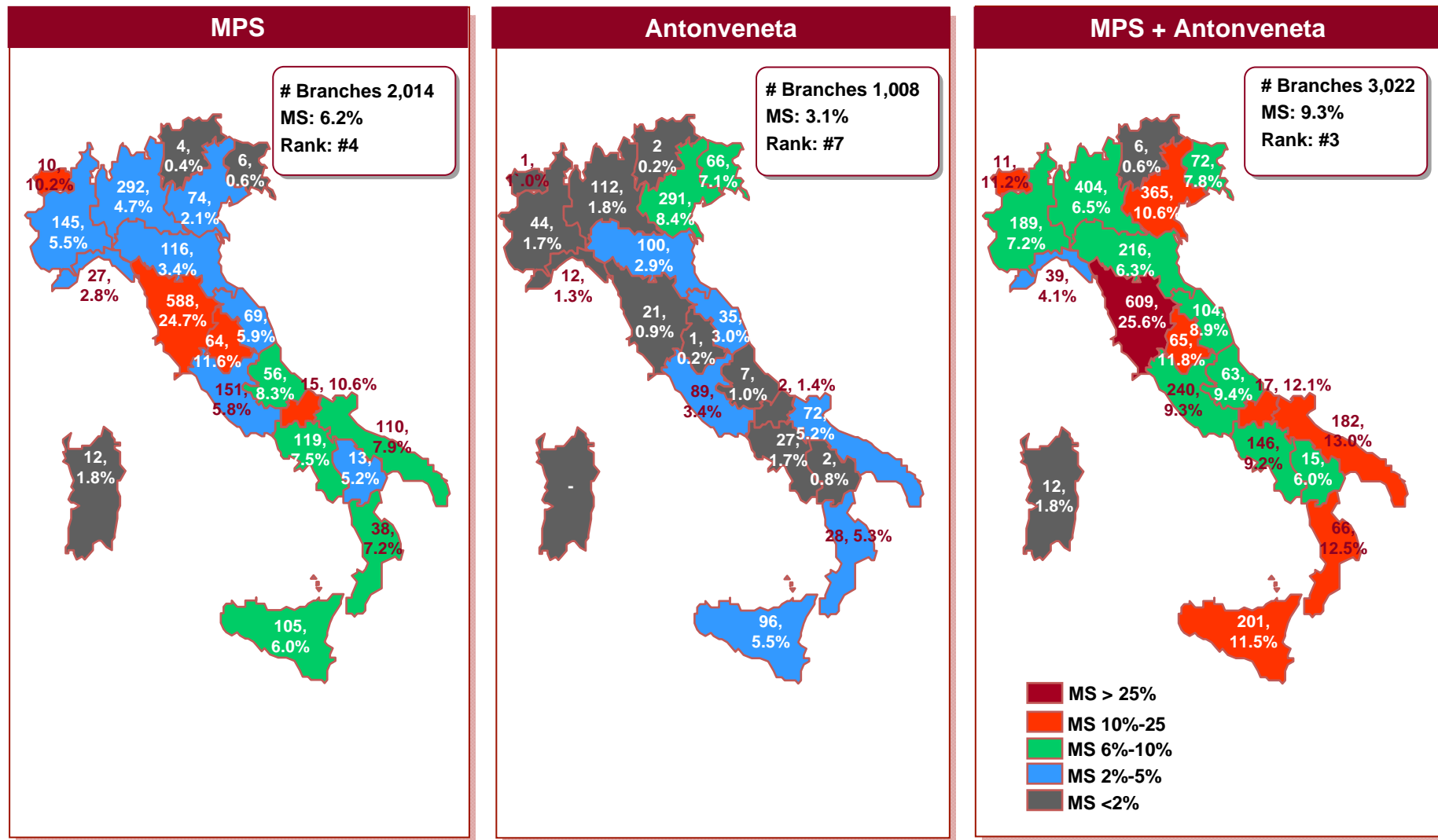


### No. of Branches



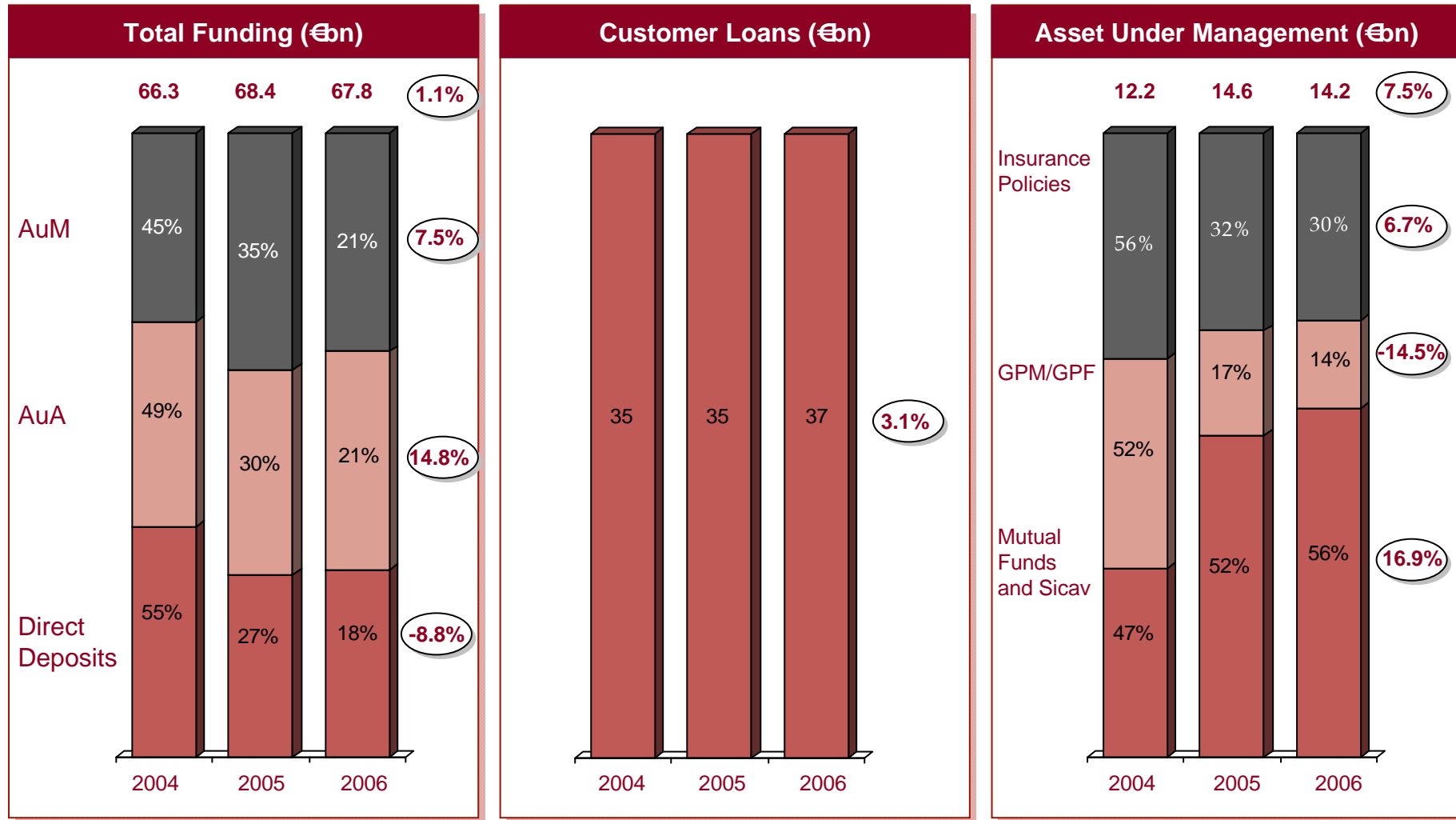
Source: Annual Reports and Bank of Italy. Data as at 2006, pro-forma for recent transactions

# Enhancing MPS Distribution Network, Particularly in the Northern Regions



Source: Bank of Italy. Data as at December 2006

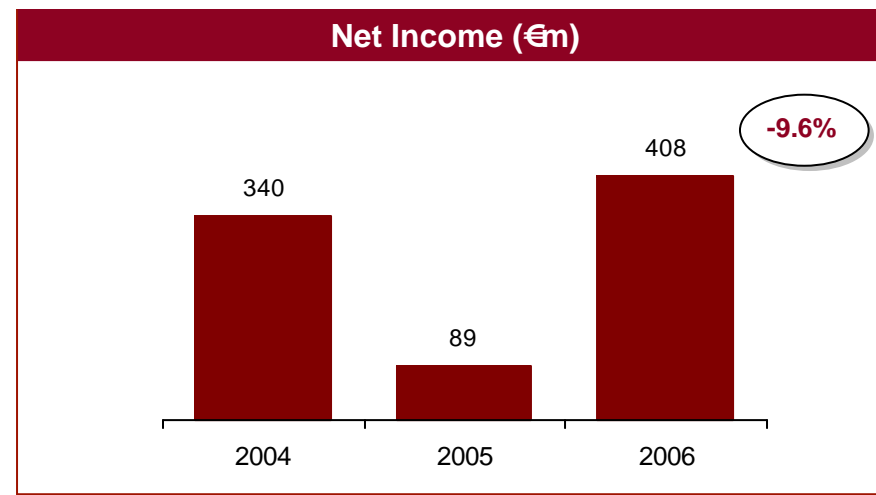
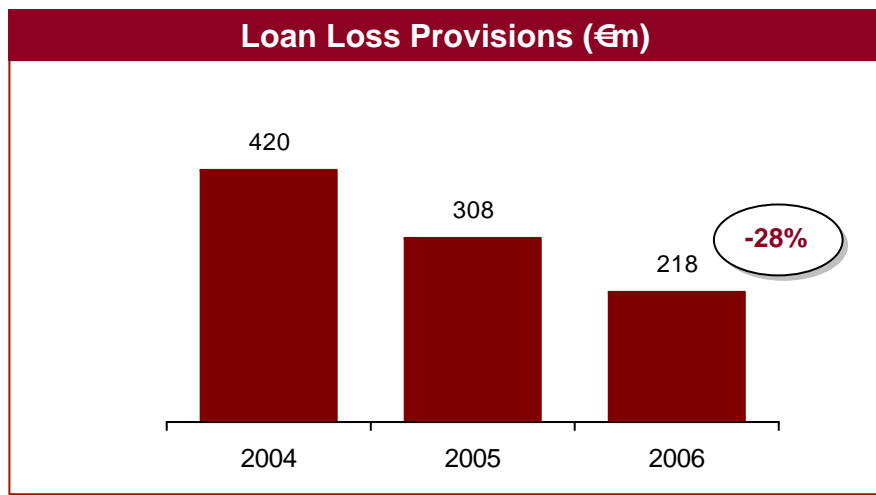
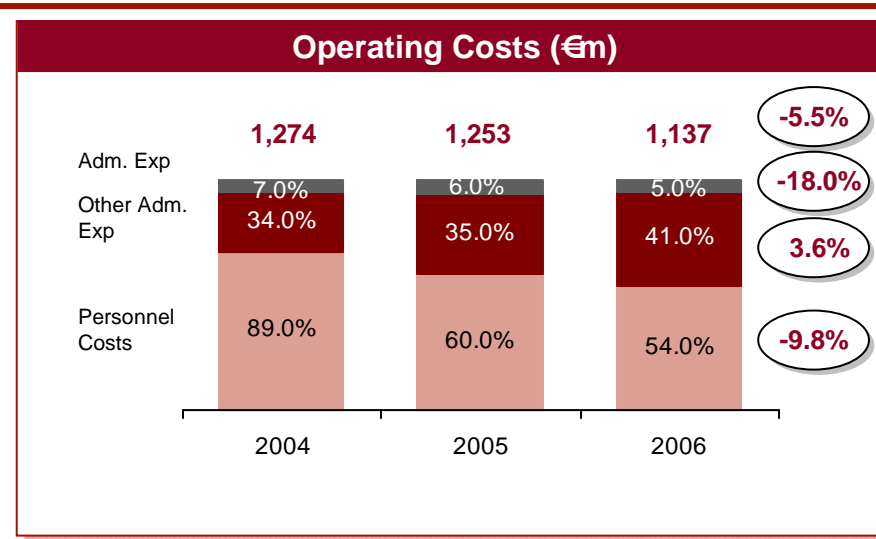
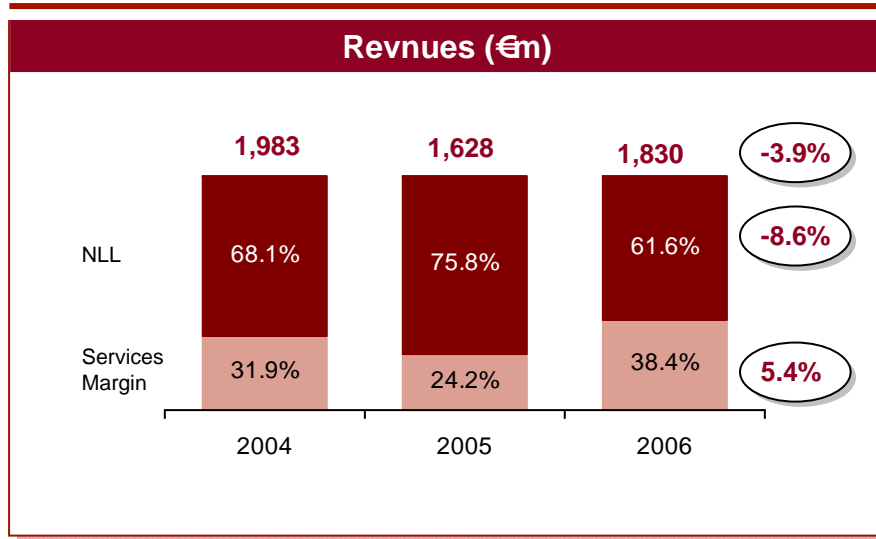
# Antonveneta Key Data – Funding and Loans



○ Cagr '04-'06

Note: Data including Interbanca. As of year end 2006, Interbanca had €7.5bn total funding and €6.9bn customer loans

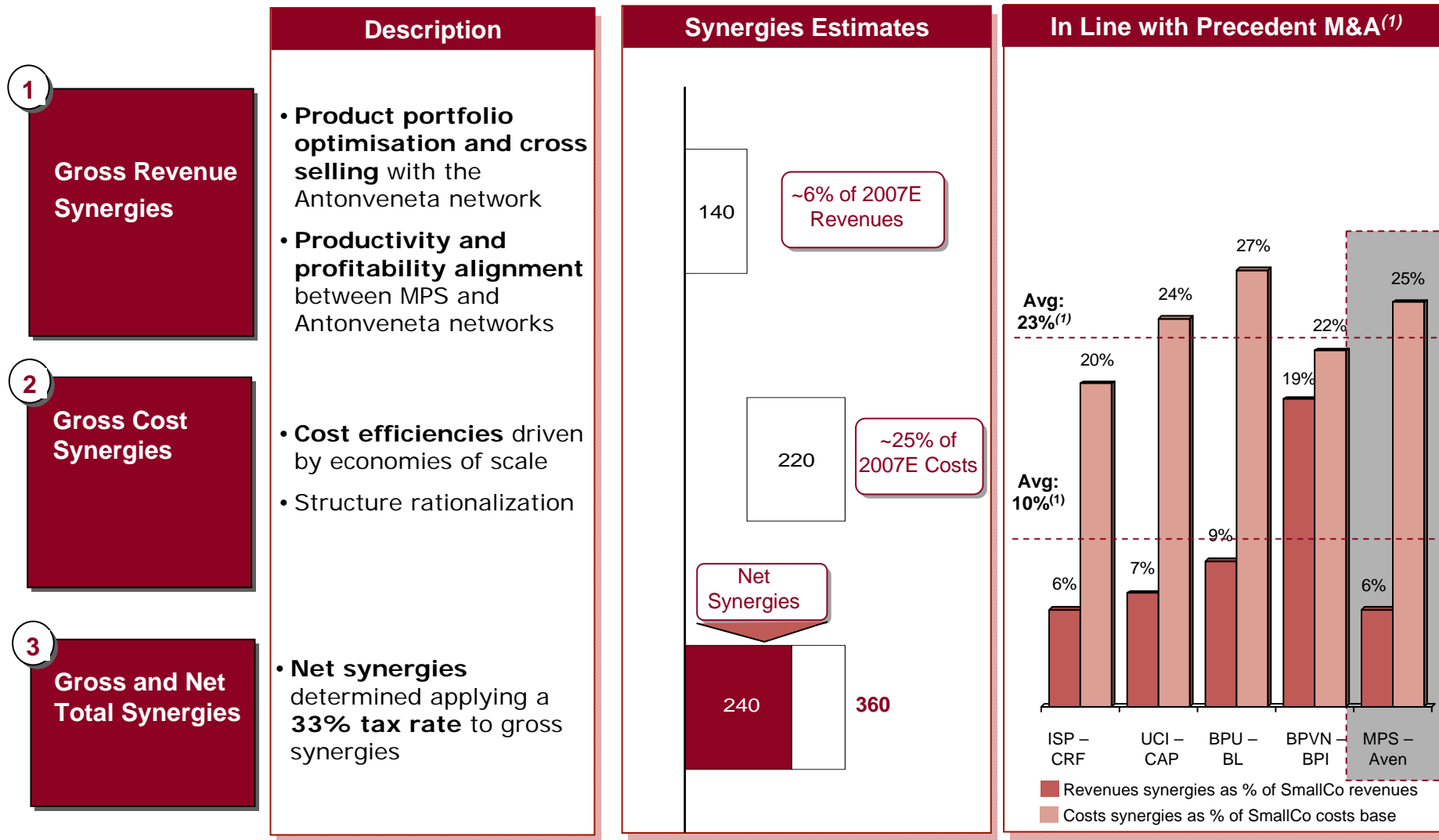
# Antonveneta Key Data – P&L Financial Data



○ Cagr '04-'06

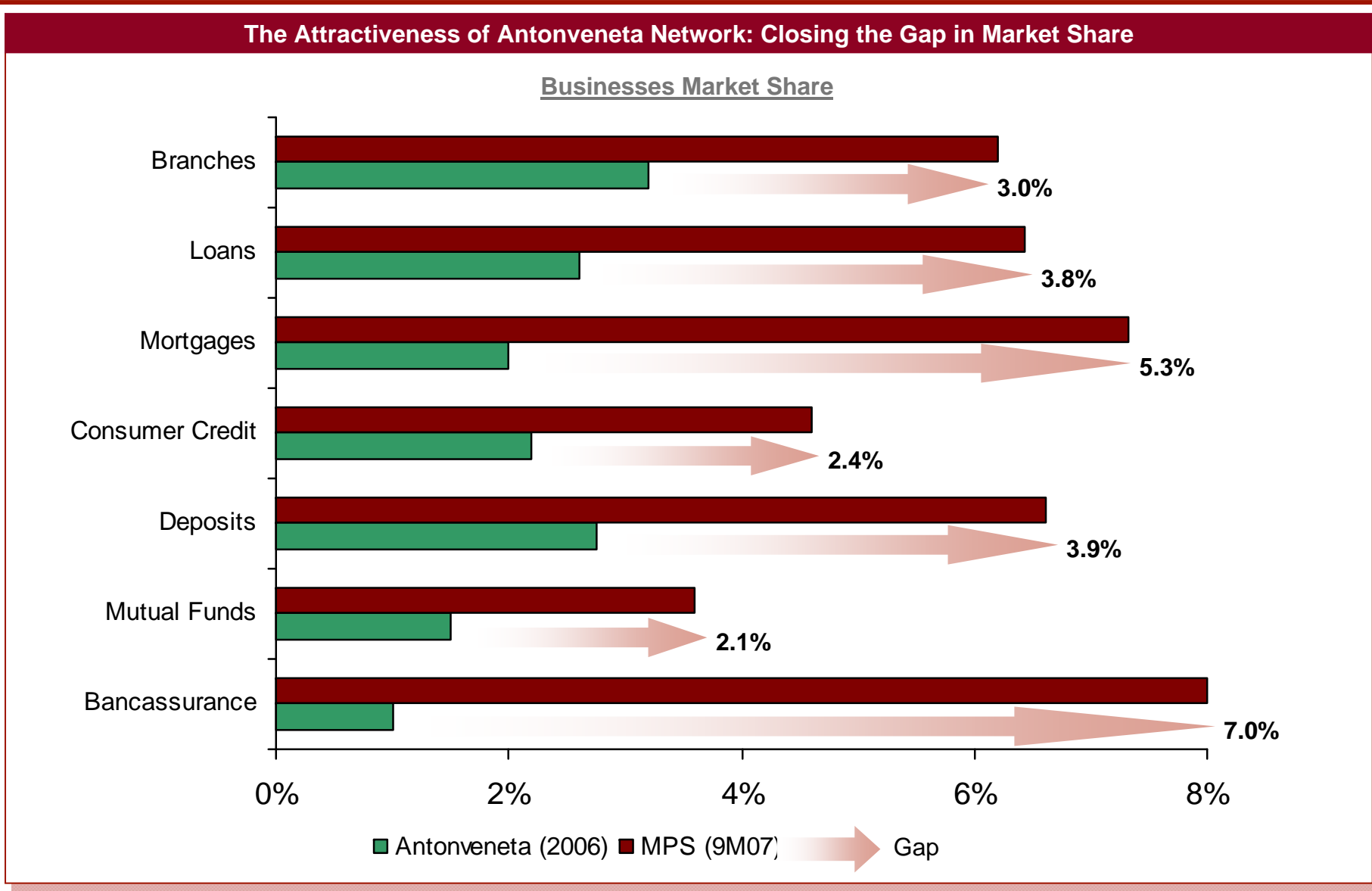
Note: Data including Interbanca. As of year end 2006, Interbanca had €394m total revenues and €58m operating cost and €93m net income

# Preliminarily Estimated Gross Synergy Potential of ~€360M at Minimum: 62% from Additional Cost Savings



Source: Investor presentations and press releases. Average excluding MPS-Antonveneta

# Closing the Existing Gap



# Financial Impact

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## Capital Impact

- **Solid capital position from year 1 in line with Group targets post funding actions, including**
  - Capital fund raising (50% of total funding)
  - Non strategic assets disposal and acceleration of capital reallocation to core businesses (20/25%)
  - Available liquidity and debt funding (senior and subordinated) (30/25%)
- Further potential enhancement through **internal capital generation**
- Additional capital release coming from **upgrade of bancassurance contract**

## EPS

- **Accretive transaction** for MPS shareholders from 2009 onwards based on Reuters Consensus
- Antonveneta to **contribute in excess of €700m** to combined earnings by 2009