



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

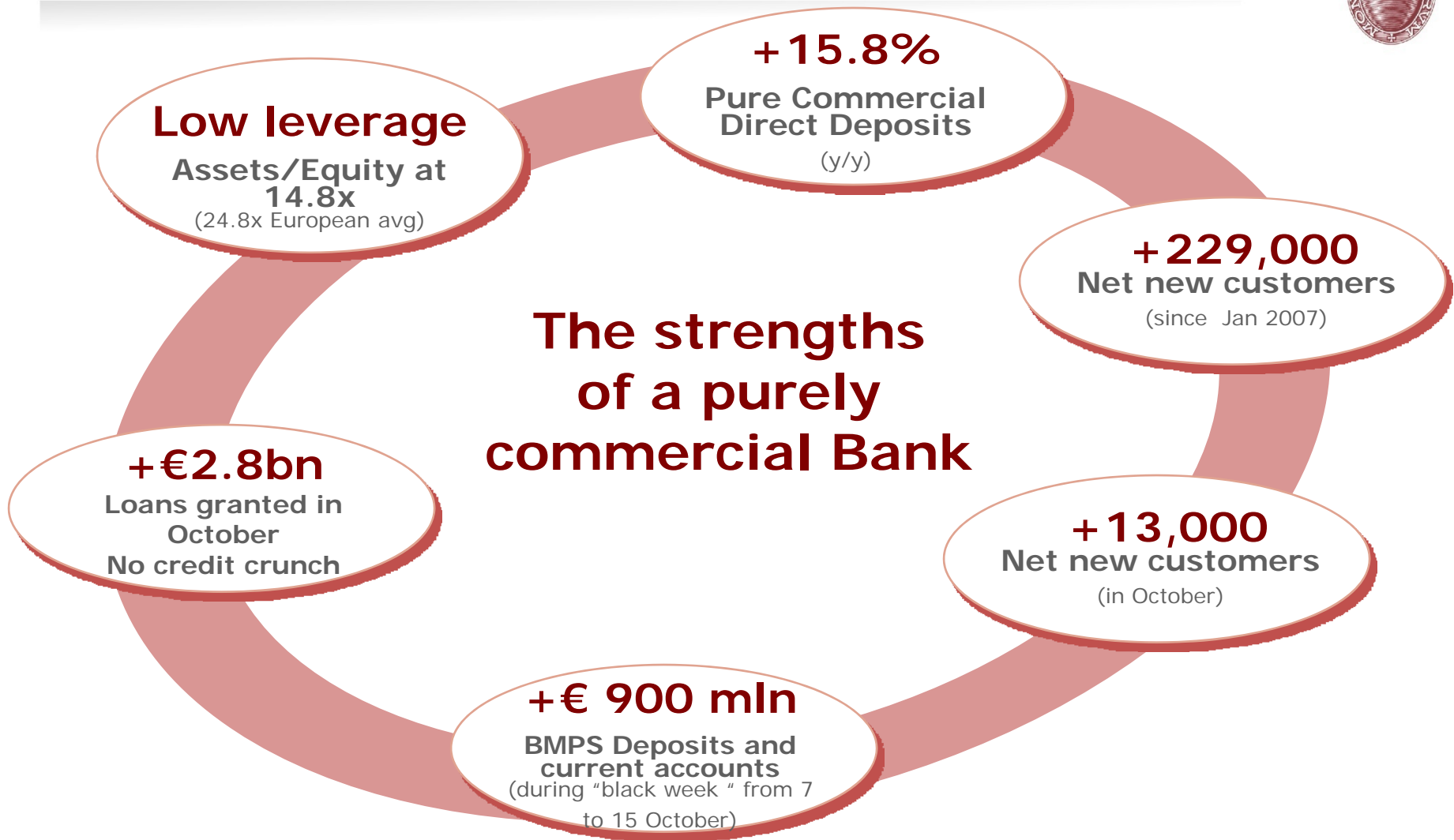
9M08 and 3Q08 Results



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

GRUPPOMONTEPASCHI

GMPS balance sheet evolution in the market turmoil



... and in a phase of very strong internal turnaround

GRUPPOMONTEPASCHI

The commercial power of our network



Commercial
Direct Funding (YoY):
+€10.4bn
(+15.8%)

WM net flows (YoY):
+€1.8bn
(+12.9%)

Bancassurance (YoY):
+€2.8bn
(+3.2%)



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

Number of customers
6.4 mln
(+3.7%)

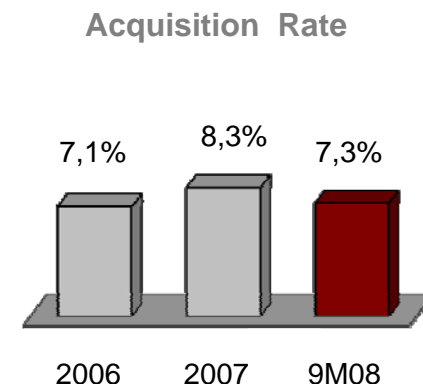
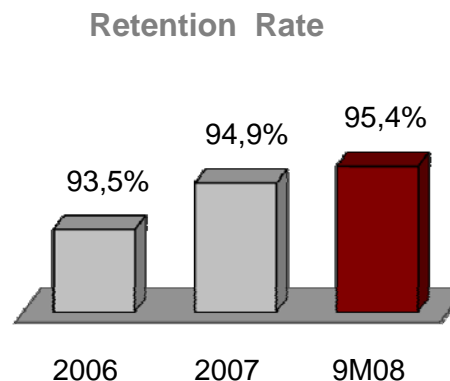
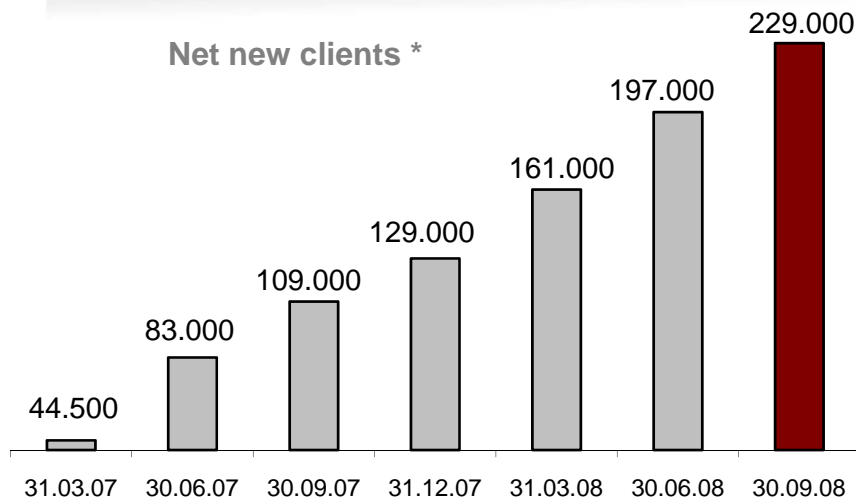
Total loans (YoY):
+€12.8bn
(+9.7%)

Retail loans (YoY):
+€3.3bn
(+9.7%)

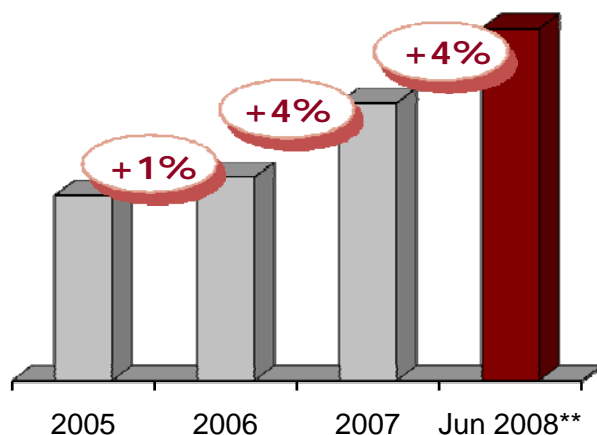
Corporate loans (YoY):
+€2.8bn
(+8.5%)

GRUPPOMONTEPASCHI

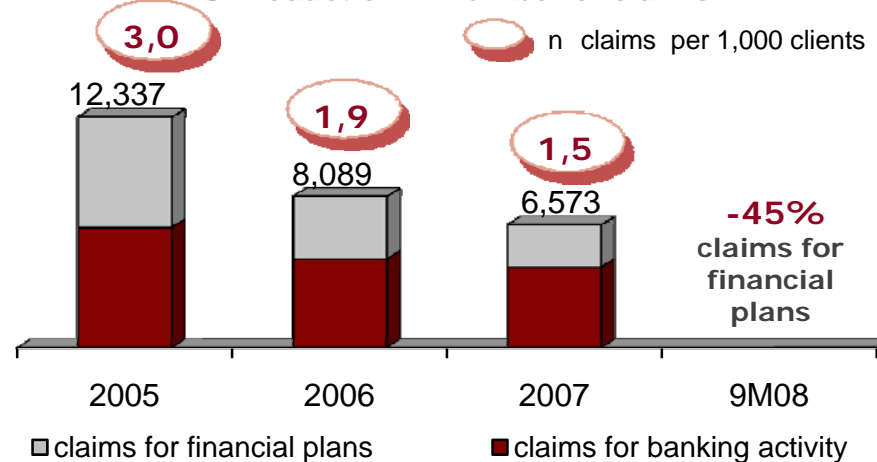
Good quality of services offered and focus on customers



Satisfied and very satisfied clients**



BMPS: Reduction in number of claims***



GRUPPOMONTEPASCHI

* Operative clients of BMPS, BAM, BT and B.Personale; ex BAV.

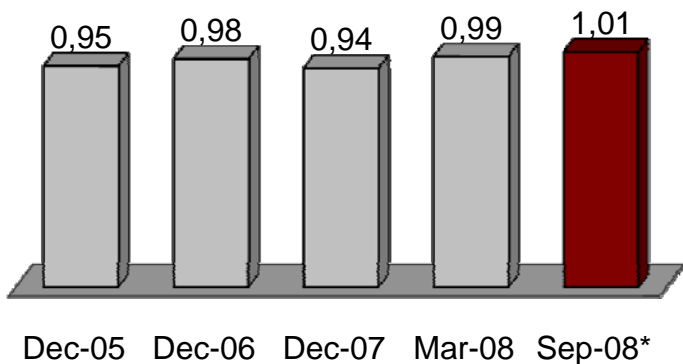
** Customer Satisfaction Survey GMPS with new methodology in 2008

*** Claims for financial plans (MyWay and 4You): 5,899 in 2005, 3,337 in 2006, 2,261 in 2007 and 924 in 9M08

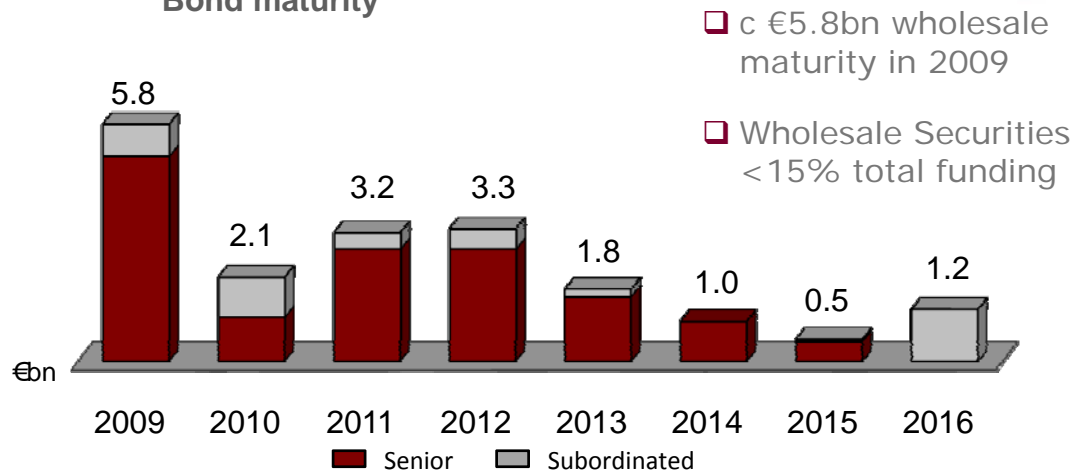
Liquidity Position under control



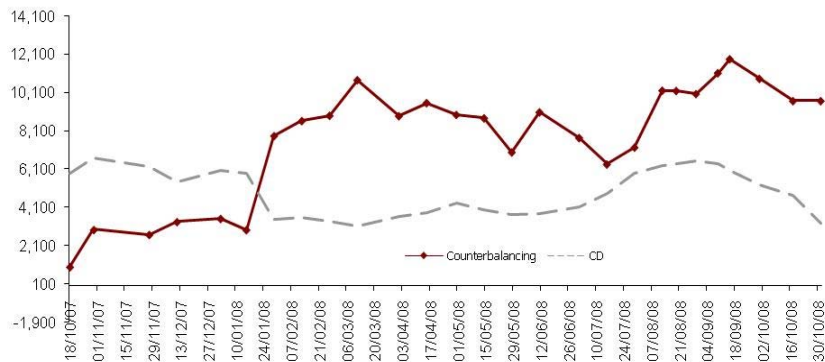
Loan / Deposit ratio



Bond maturity



CD Programme and Counterbalancing Capacity (€000)



Liquidity and maturity ladder in the short term (30 September 2008)

Maturity Ladder	1day	2days	5days	1month	3months
Liquidity (€bn)	14,785	14,193	14,429	12,734	11,823

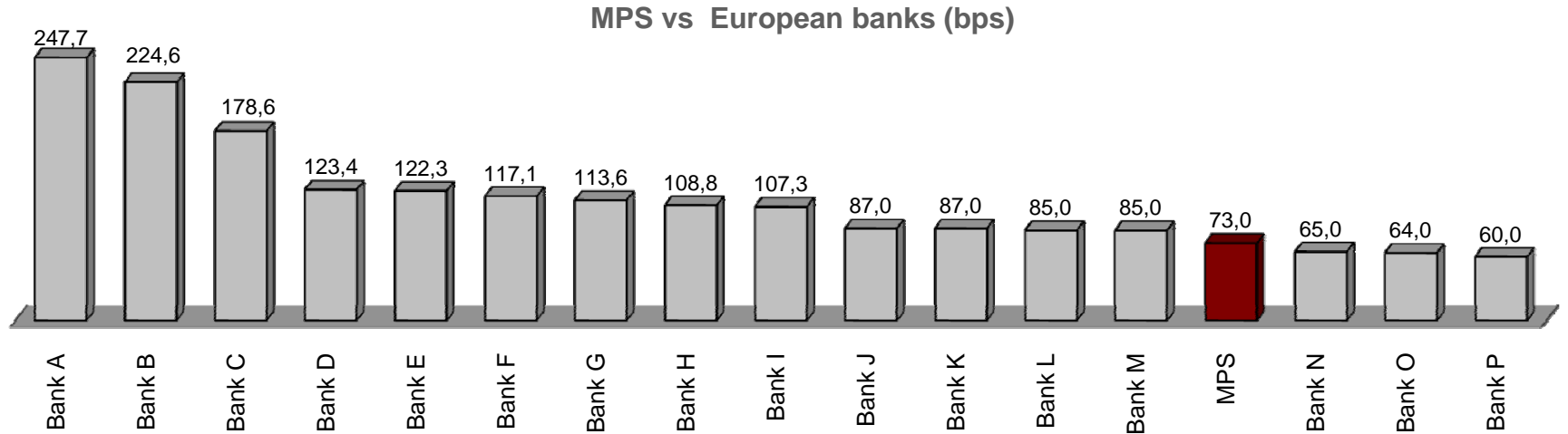
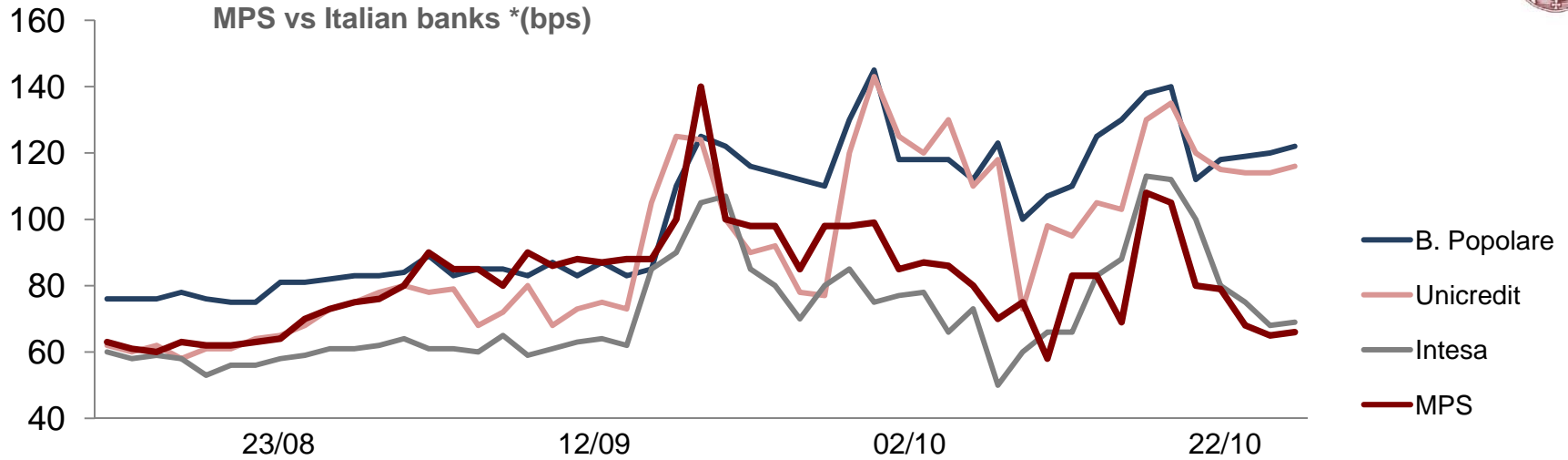
This liquidity more than offset the negative interbanking position

GRUPPOMONTEPASCHI

The Counterbalancing capacity is the total amount of assets immediately disposable in order to face liquidity needs

* Reported figures, including BAV

Low risk profile: CDS trend



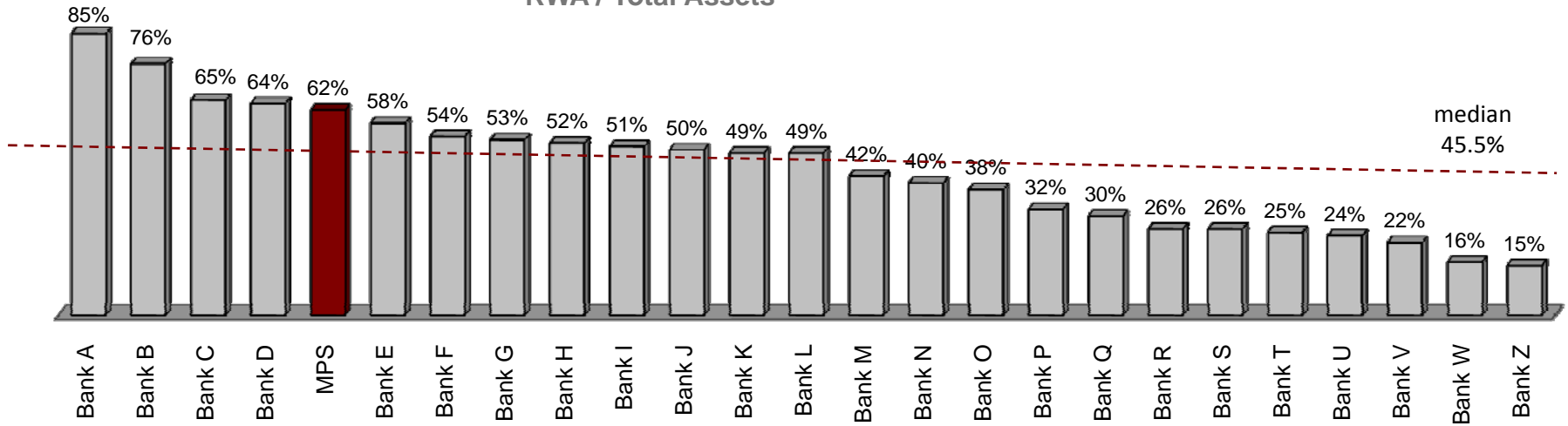
GRUPPOMONTEPASCHI

* Price at 11/11 /08

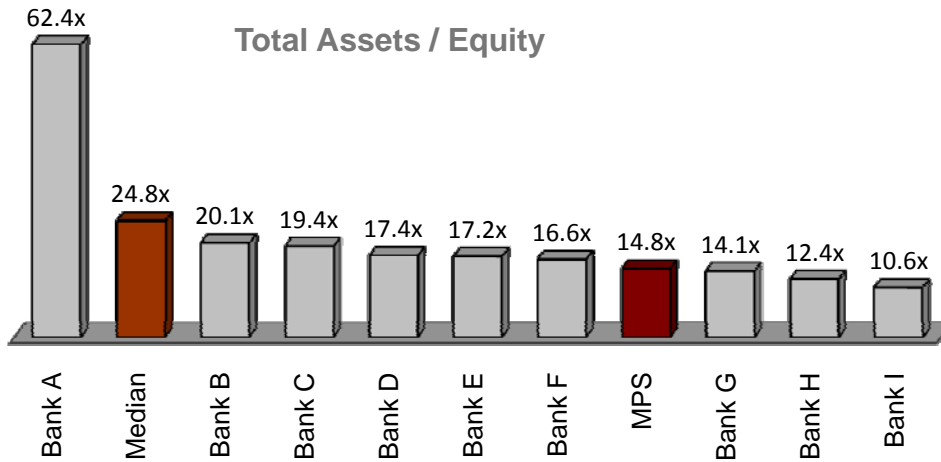
A clear balance sheet



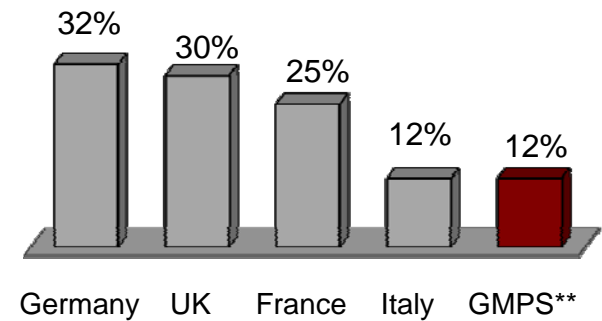
RWA / Total Assets



Total Assets / Equity



Hybrids and preferred / Tier 1*: a gap to fill

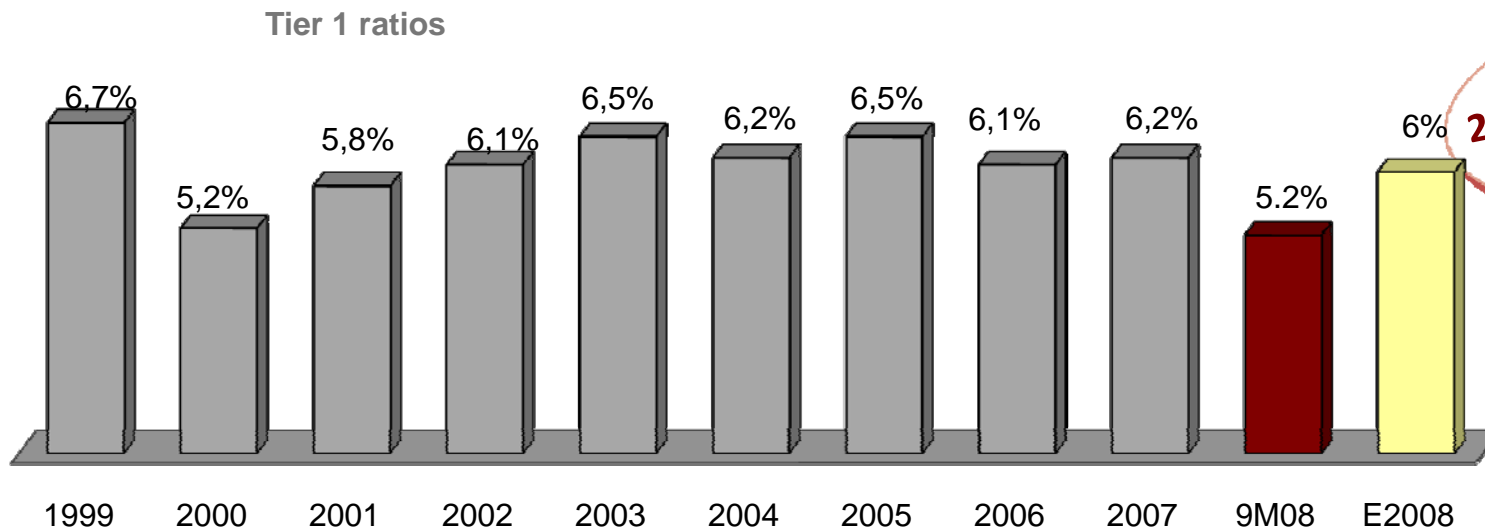


GRUPPOMONTEPASCHI

* Source: 1H2008 reports, FPK, GS, JPM

** Non core hybrids and pref: €650 mln

Well monitored capital position



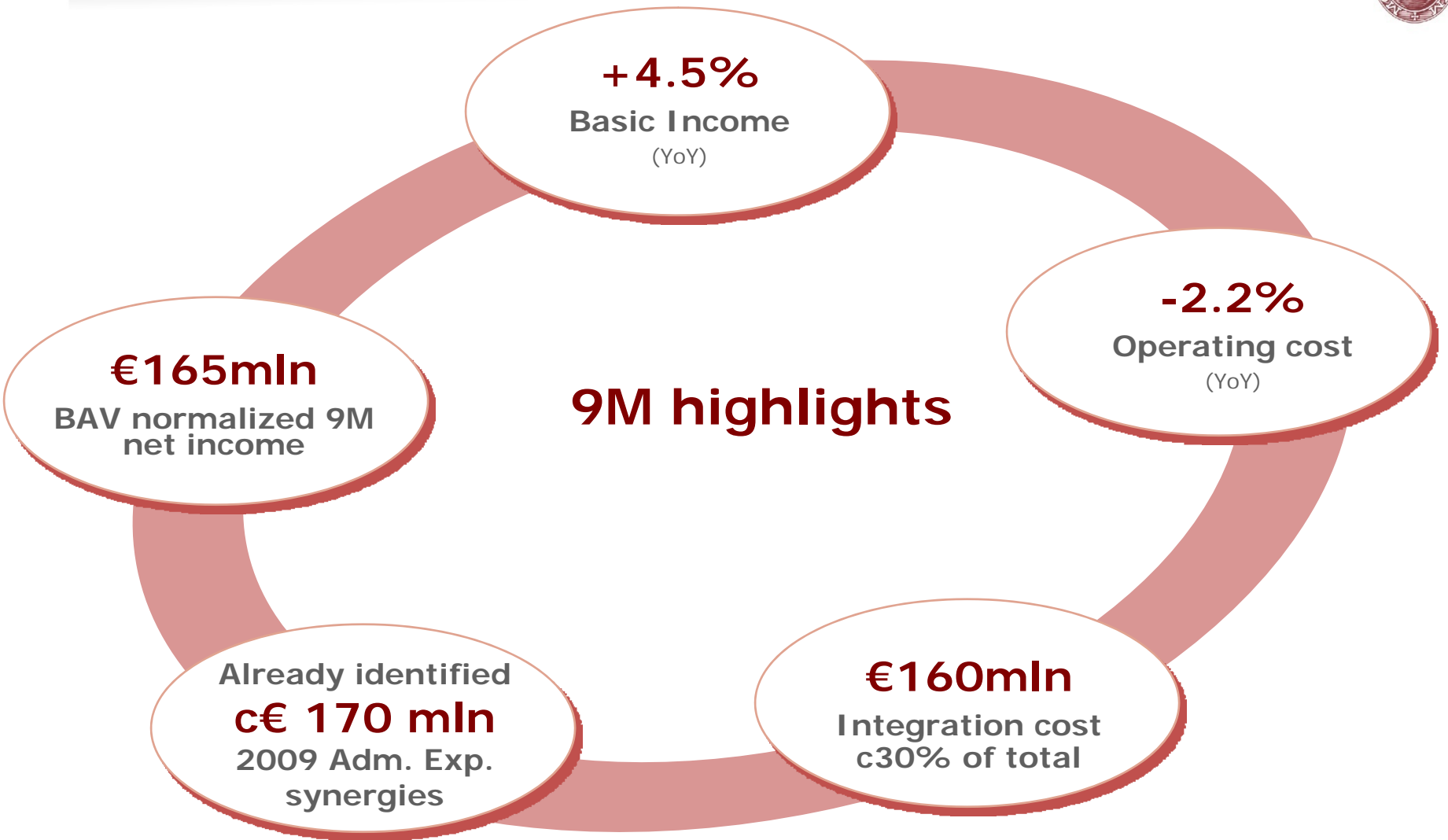
**Confirmed
2008 target Tier 1:
6%**

Actions to improve capital:

- ❑ Basel II advance full impact: 30 bps
- ❑ Capital management actions expected contribution 40 bps
- ❑ Sale of € 2.1 bn of real estate
- ❑ Sale of 150 branches

GRUPPOMONTEPASCHI

9M08 Results key figures



GRUPPOMONTEPASCHI

9M08 and 3Q08 GMPS Results



Profit & Loss* (mln€)

	9M08	9M08/9M07	3Q08	3Q08/3Q07	3Q includes:
Net Interest Income	3,198.8	+9.7%	1,031.0	+7.9%	€54mln cost of funding UT2
Net Fees	1,389.1	-5.7%	443.5	-9.0%	
Basic Income	4,587.9	+4.5%	1,474.5	+2.2%	
Trading	54.1	<i>n.m.</i>	-1.6	<i>n.m.</i>	-€60mln In 3Q without IAS 39
Dividend and other revenues	46.5	<i>n.m.</i>	20.2	-31.0%	
Total Revenues	4,688.5	-2.3%	1,493.1	-0.5%	€35mln In 3Q: Lehman
Operating Costs	2,876.7	-2.2%	961.4	-2.6%	
Personnel costs	1,796.8	-1.8%	595.4	-3.4%	€21mln Integration Costs
Other admin expenses	960.1	-3.5%	325.4	-1.7%	
Loan Loss Provisions	641.2	+27.9%	189.6	+20.5%	
Provisions on financial assets	134.0	<i>n.m.</i>	4.2	<i>n.m.</i>	c€40mln 3Q Other one-off Negative items
Net Operating Income	1,036.6	-23.3%	337.9	-3.2%	
Gains from asset disposal	65.9	<i>n.m.</i>	-15.6	<i>n.s.</i>	
Taxes	401.1	-27.9%	126.4	-11.0%	
Net Income	671.2	<i>n.m.</i>	118.7	-43.2%	€170mln Recurring Net income

GRUPPOMONTEPASCHI

* As per IFRS 5, MPS Sgr and Banca Monte Parma were deconsolidated and included under gain/losses on assets due for dismissal

GMPS 9M08 results overview



Economic results

- ❑ Basic Income: +4.5% vs 9M07
- ❑ High Cost control: -2.2% vs 9M07

Asset quality

- ❑ 3Q NPL flows: -15% vs 3Q07 and -8.8% vs 2Q08
- ❑ Cost of risk under control at 54bps*

Synergies

- ❑ Headcount reduction: already met 35% of BP Target
- ❑ Admin. Expenses: completely met 2008 BP Target and already planned actions to achieved 2009 BP Target

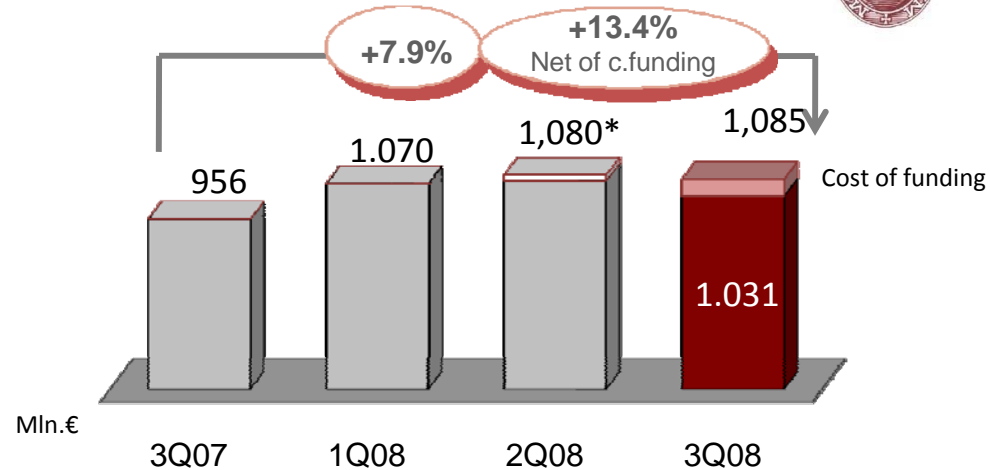
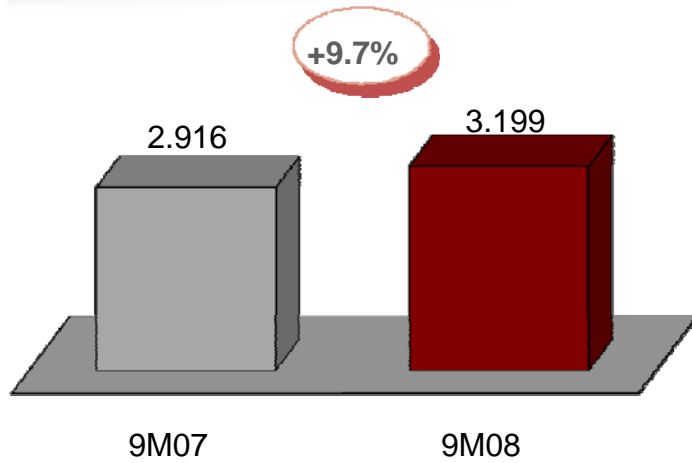
BAV

- ❑ 3Q Net Operating Profit: +29% YoY
- ❑ Direct funding: +9.4% YoY

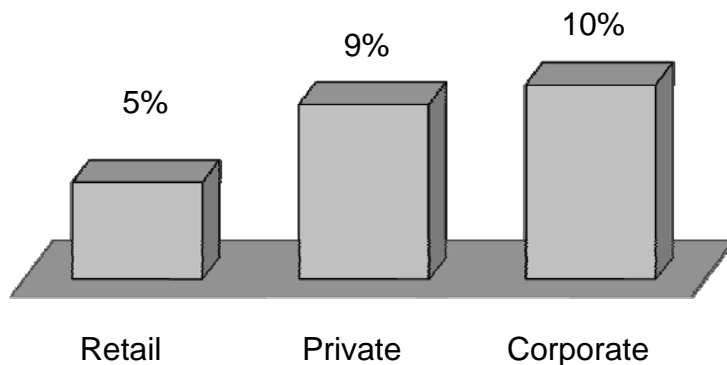
GRUPPOMONTEPASCHI

* Net of Hopa/Fingruppo

Net Interest Income



Contribution by Business Areas (YoY)



3Q08 includes

- ❑ QoQ comparison impacted by € 54 mln cost of funding related to UT2 instrument and junior notes for €18mln (paid in 2Q and 4Q)
- ❑ Short term rates impacts on 3Q already recovered in 4Q (see slide 16)

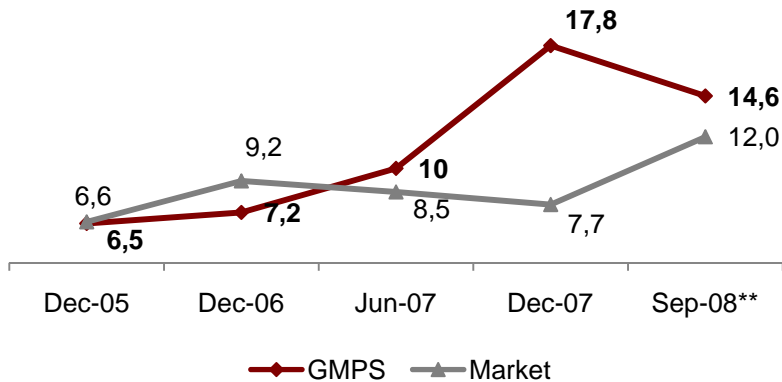
GRUPPOMONTEPASCHI

* Net of junior notes (€18mln)

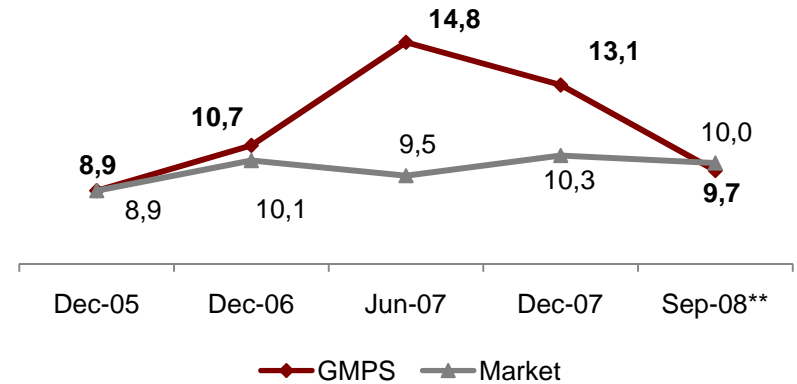
Direct funding and loans



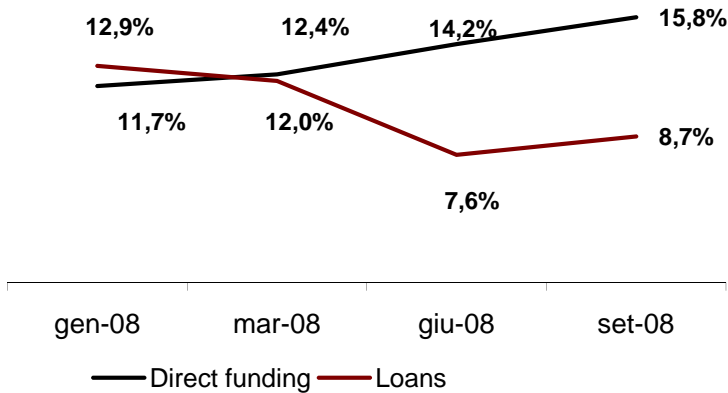
Total Direct fundig: GMPS vs market
(YoY performance)



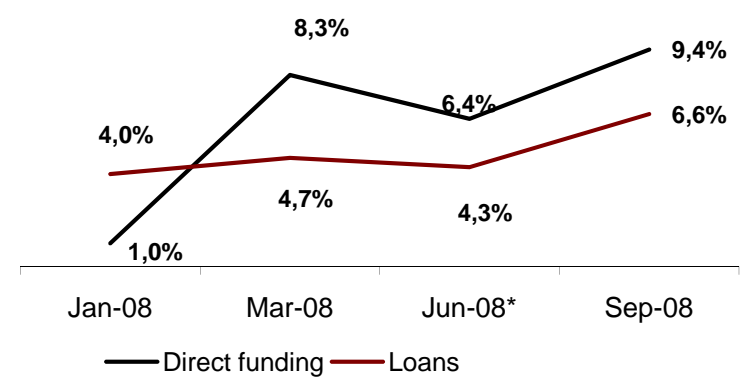
Loans: GMPS vs market
(YoY performance)



GMPS commercial network: Direct funding and loans (YoY performance)



BAV commercial network: Direct funding and loans (YoY performance)



GRUPPOMONTEPASCHI

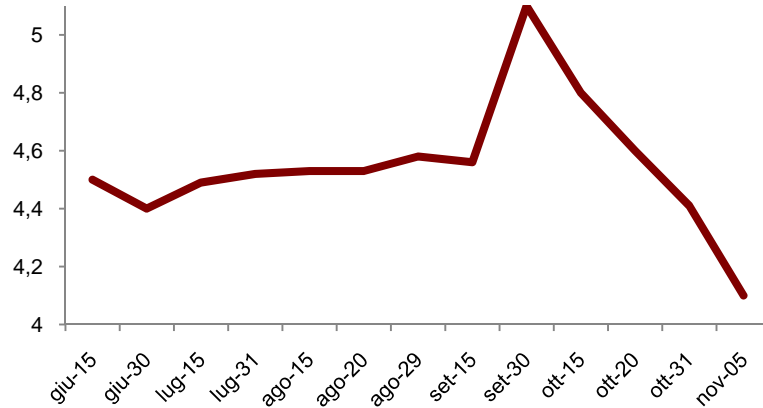
* Figures net of Key Clients positions and not comparable with data reported in 1H08 presentation

** Including BAV, 2007 at homogeneous perimeter

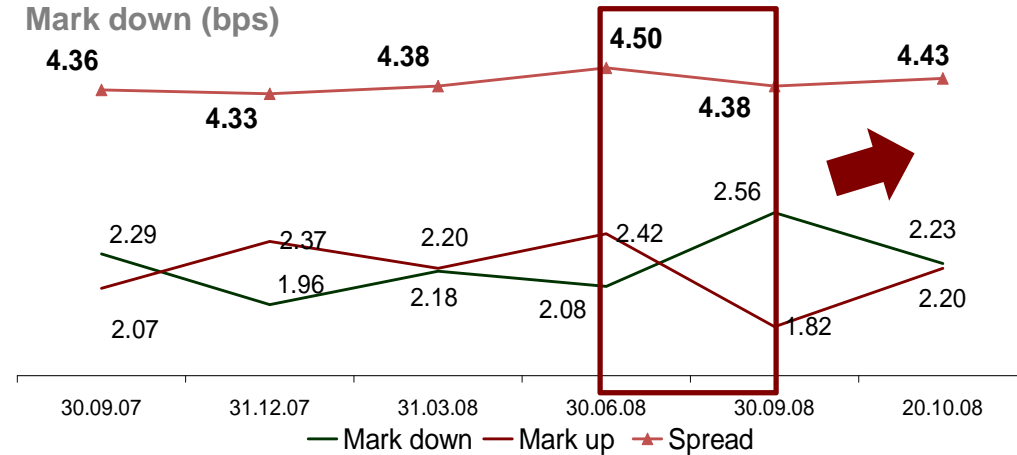
Mark up & Mark down



Short term rates: 1M Euribor (%)



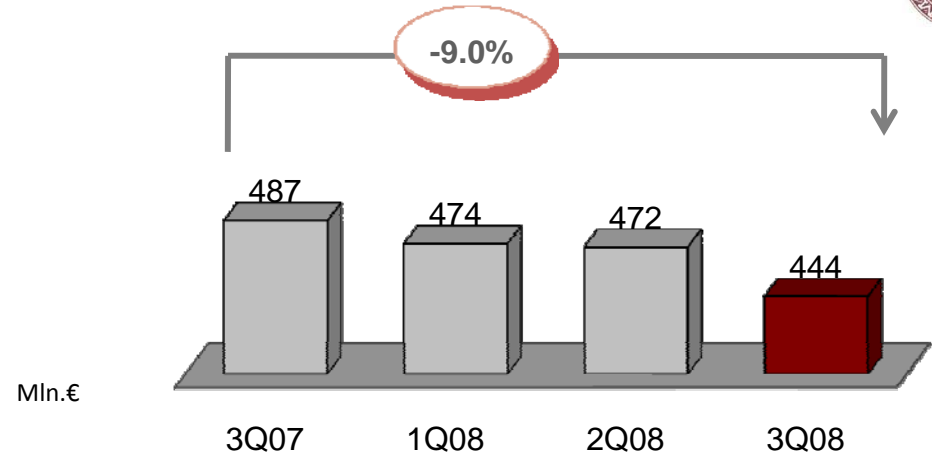
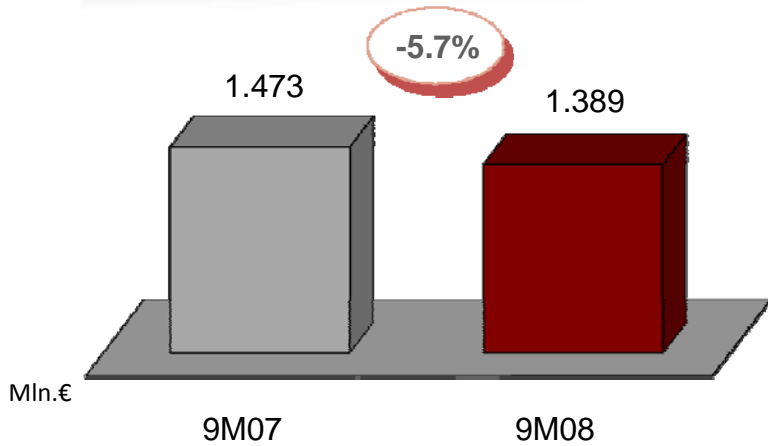
GMPS Commercial network : Short term Mark up and Mark down (bps)



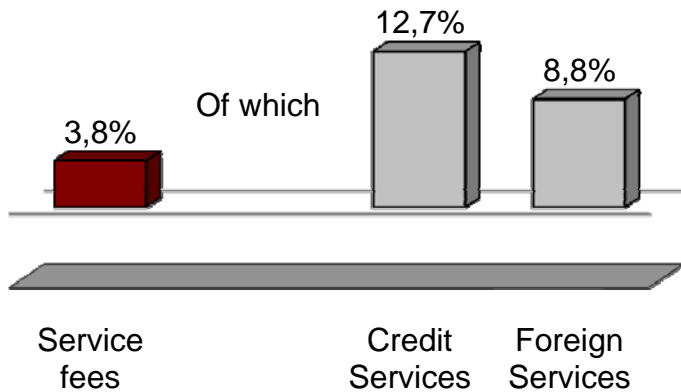
- ❑ The high volatility of short term rates in 3Q impacted the interbanking positions (from -€12 bn to -€ 7.7bn)
- ❑ Margins recovered in October
- ❑ Main impacts on NII
 - €54mln cost of funding
 - Short term rates to be recovered
 - In 2Q: €18mln of junior notes
 - No mortgages repricing: potential impact €8mln (to be recovered in 4Q)

GRUPPOMONTEPASCHI

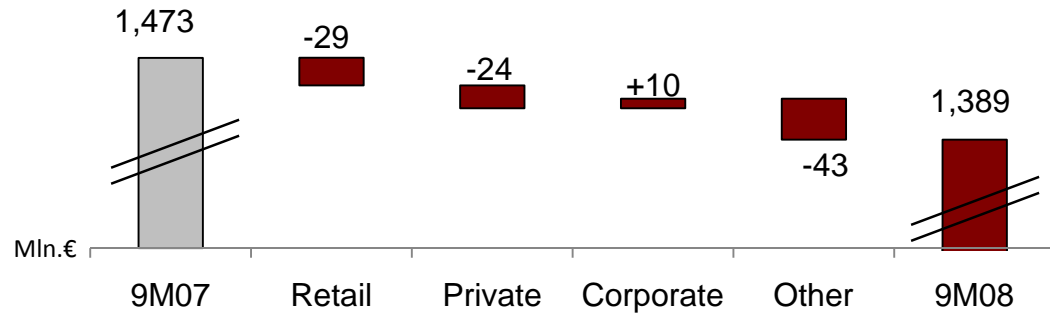
Net fees: traditional fees partially offset AuM fees slowdown



Details of Traditional Service Fees (GMPS ex BAV)(YoY)



Contribution by Business Areas

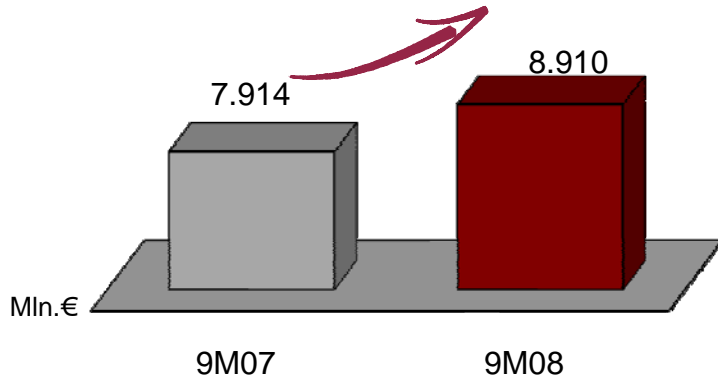


GRUPPOMONTEPASCHI

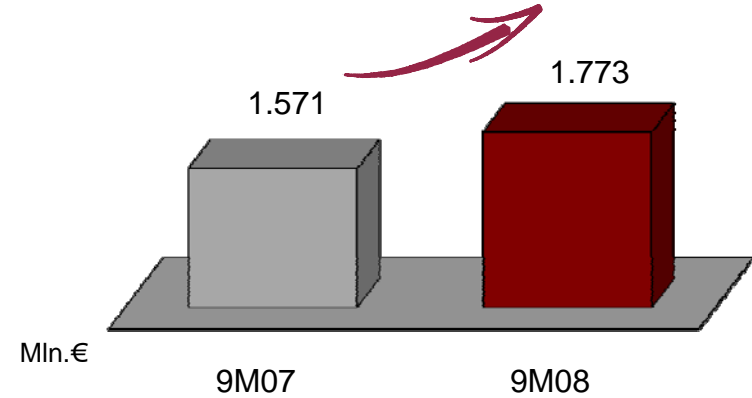
Wealth Management flows



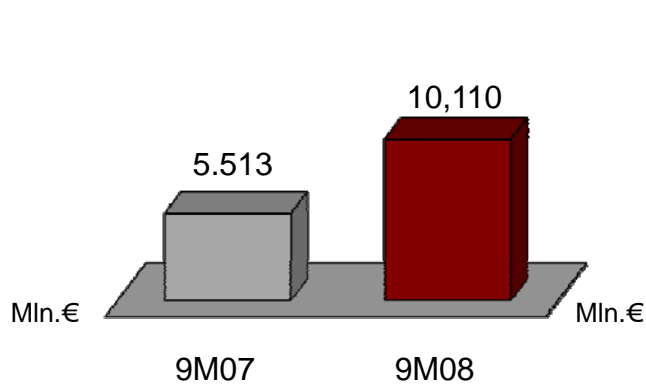
WM Gross Flows



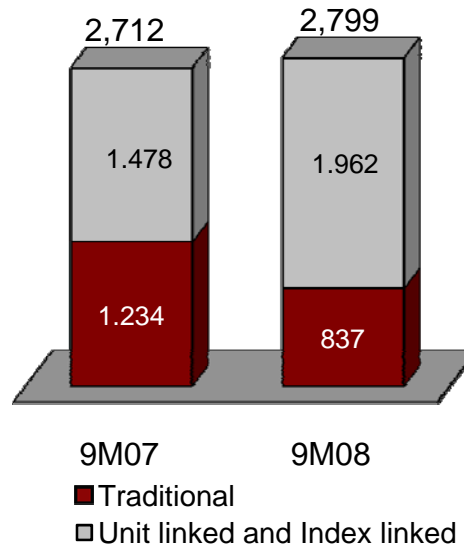
WM Net Flows



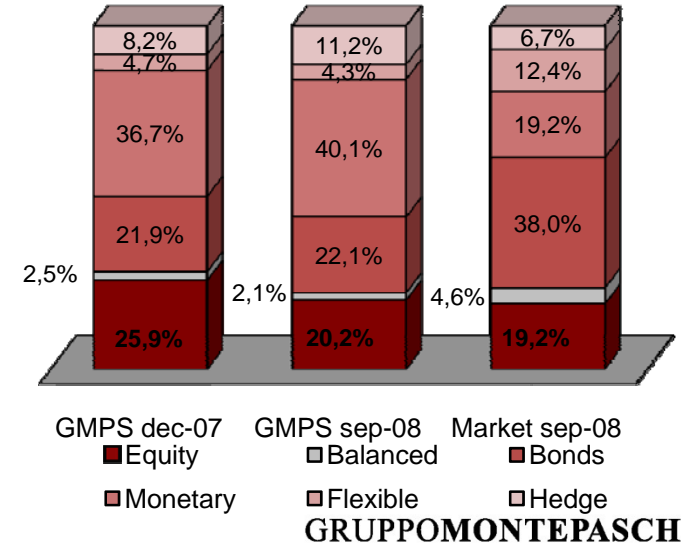
Bonds (Gross Flows)



Bancassurance



Mutual Funds Business Mix*



GRUPPOMONTEPASCHI

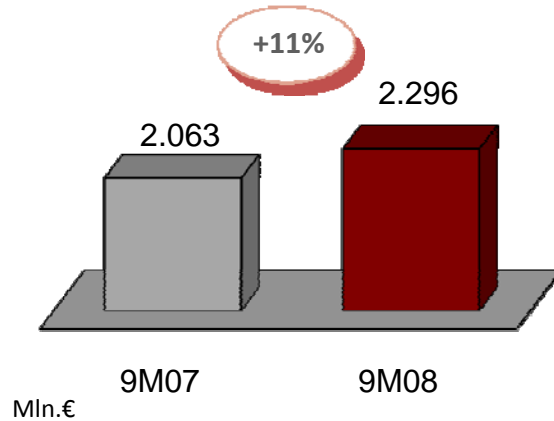
* Excluding BAV

Lending Flows breakdown

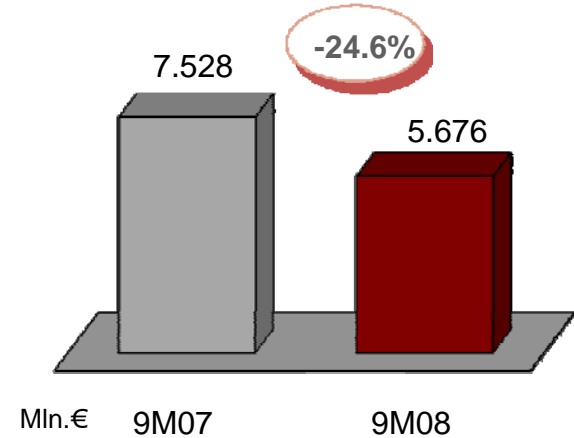


consum.it
&
Mortgages

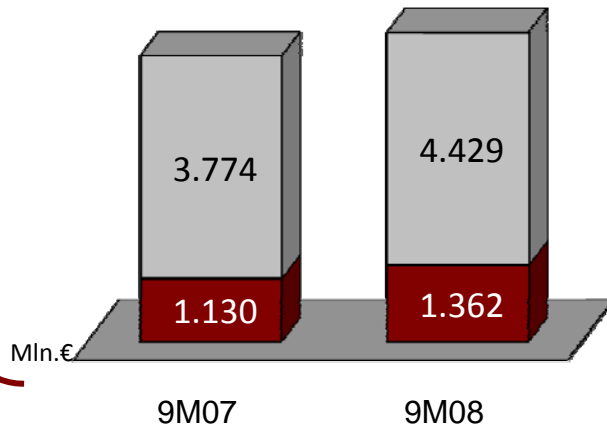
Consumer Finance Flows



GMPS (stand alone) Mortgages flows

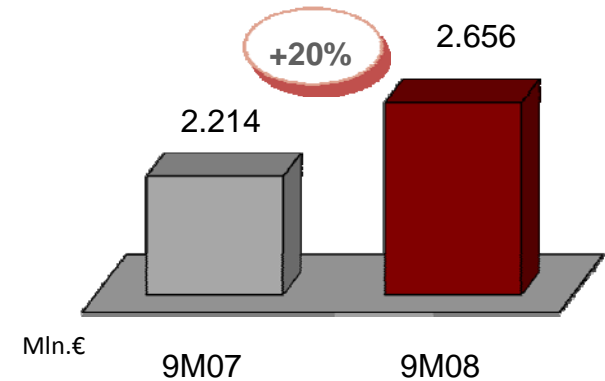


Leasing and Factoring (turnover) Flows



■ Leasing □ Factoring (turnover)

Capital Services Credit Flows



MPS
LEASING & FACTORING

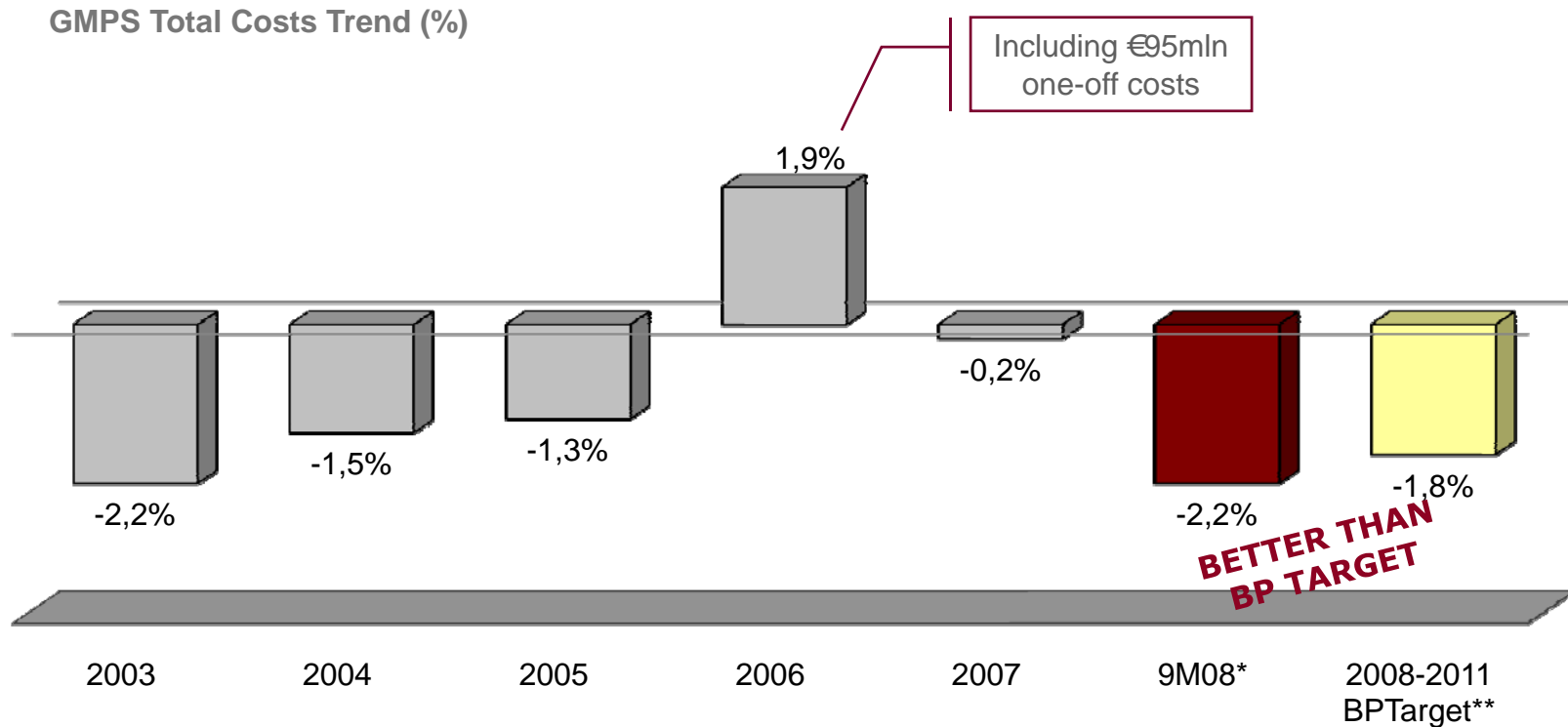
&

MPS
CAPITAL SERVICES BANCA PER LE IMPRESE

*Refers to the commercial network

GRUPPOMONTEPASCHI

A really strong track record in cost cutting



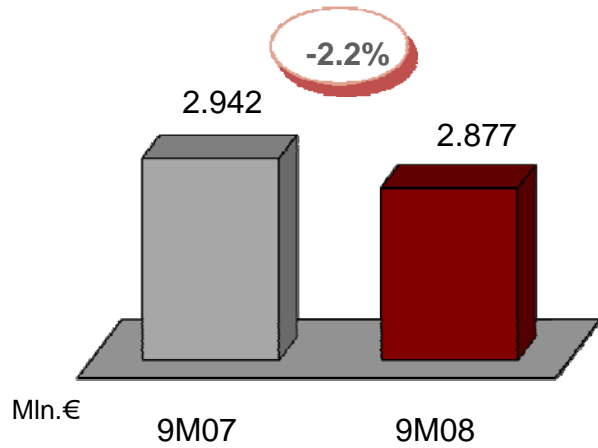
A real cost cutting story based on solid track record and strong cost cutting plan

* Including BAV

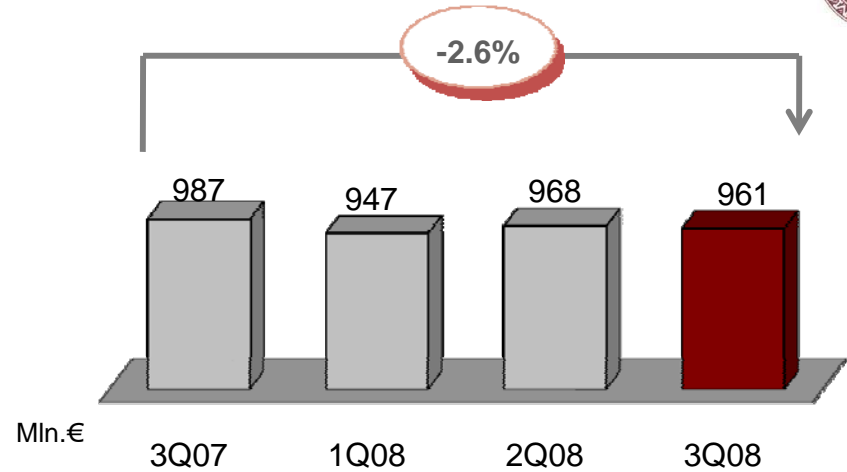
** Before asset disposals

GRUPPOMONTEPASCHI

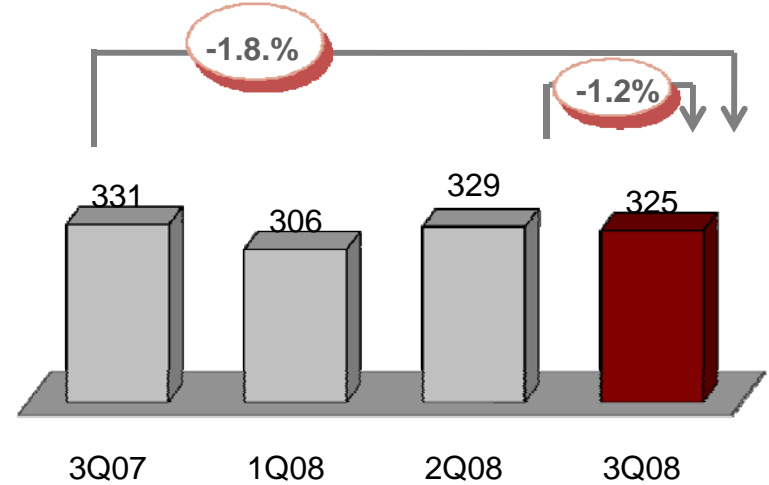
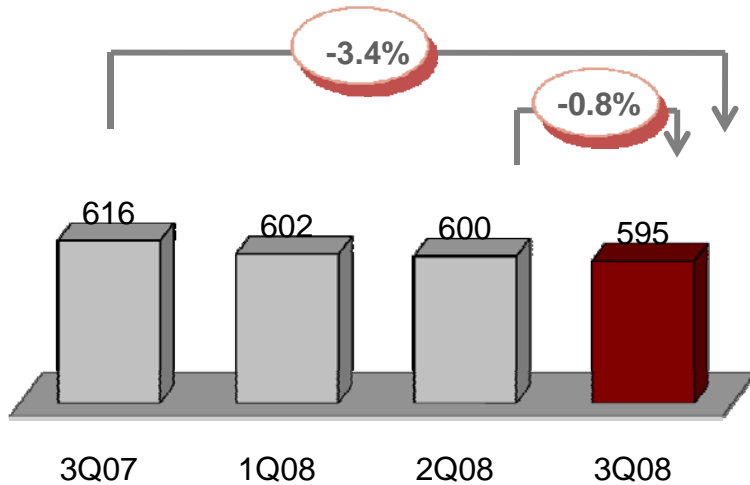
Strong cost reduction still in place



Staff costs



Other administrative expenses



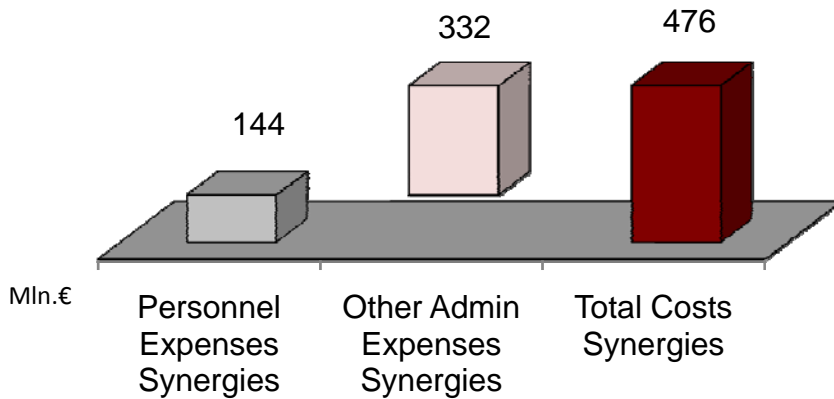
GRUPPOMONTEPASCHI

Cost synergies achieved thanks to integration costs



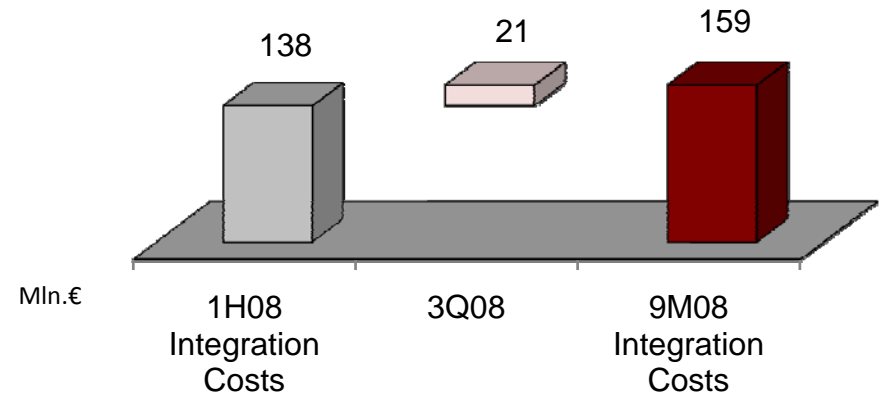
Cost synergies: 2008 BP target already met

2008-2011 BP Expected cost synergies



... also thanks integration costs already paid for

Integration costs made in 9M08



Exits
97%
of 2008 planned exits

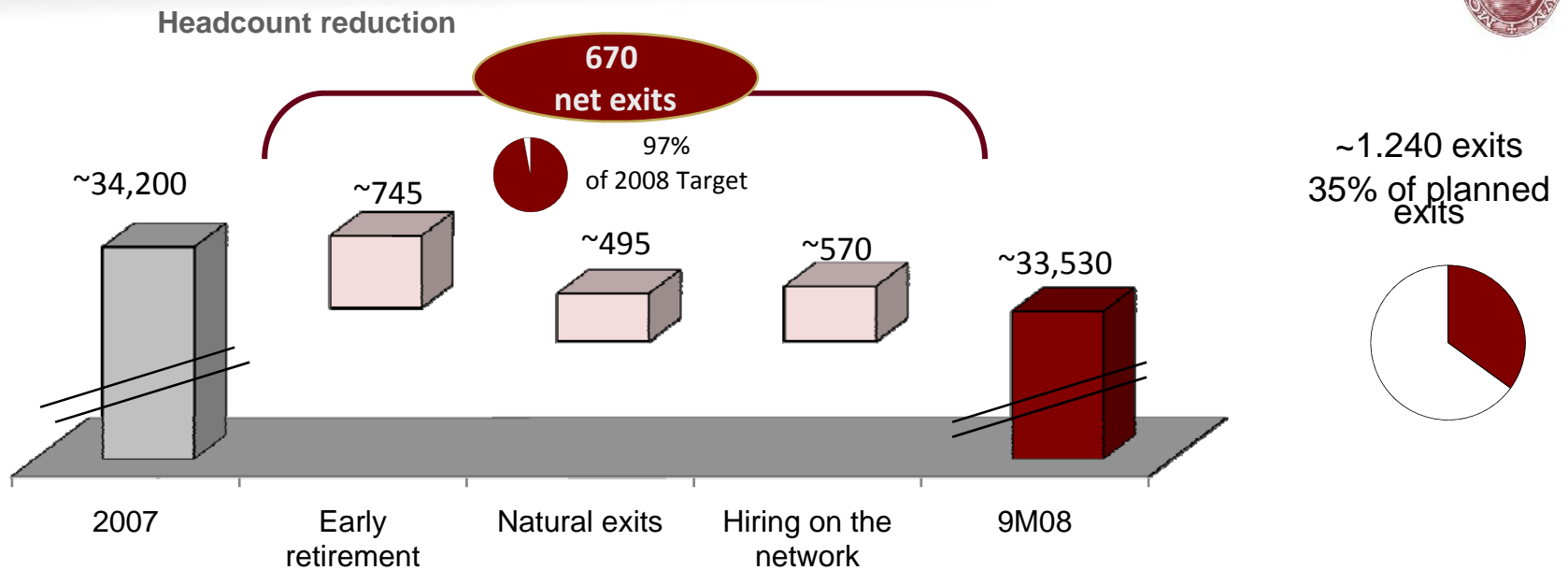
Other Admin Expenses
130%
of 2008 planned costs

€ 159 mln
Integration costs
already paid for

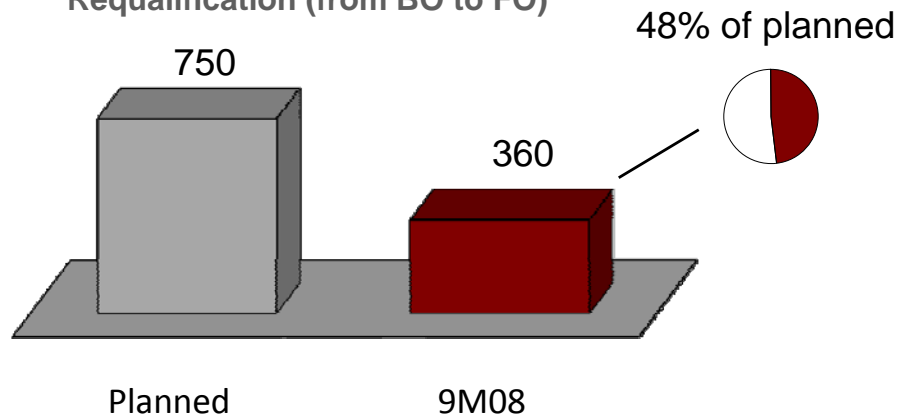
28%
of planned integration
costs

GRUPPOMONTEPASCHI

Cost synergies: headcount reduction



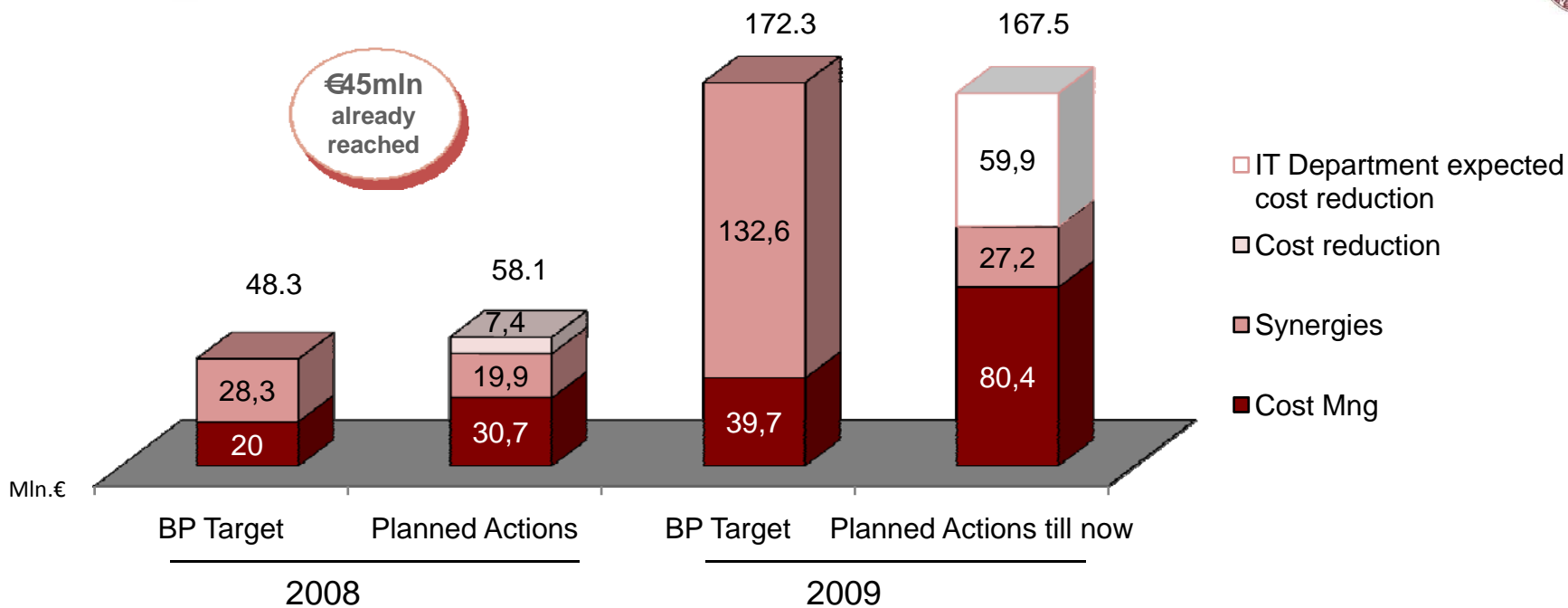
Requalification (from BO to FO)



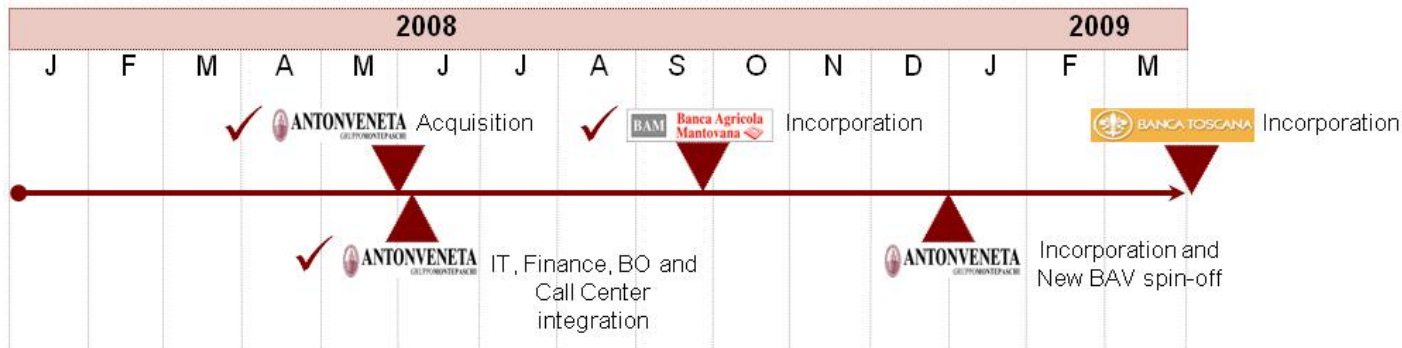
Already reached the 2008 business plan targets and 35% of 2008-2011 BP target

* FTE. Includes Antonveneta (9383) and Biver (696)

Admin. expenses: already planned actions to meet 2009BP target



Timetable reorganization for major events

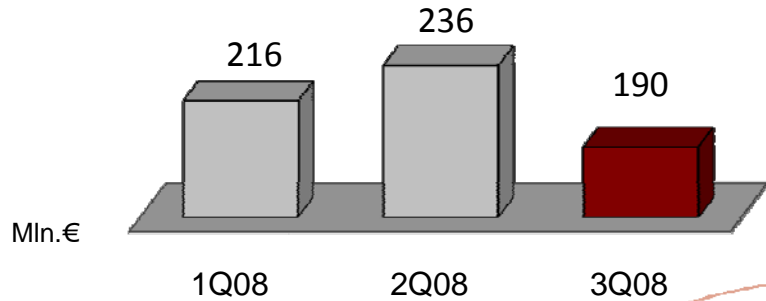


GRUPPOMONTEPASCHI

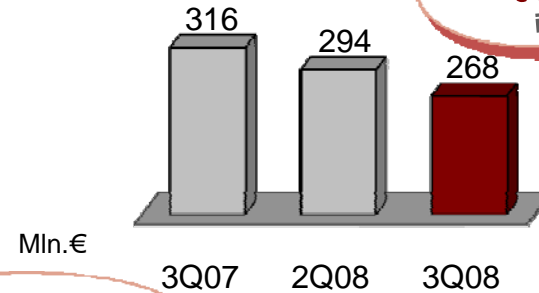
Asset Quality Under Control



GMPS (incl BAV) Loan Loss provisions

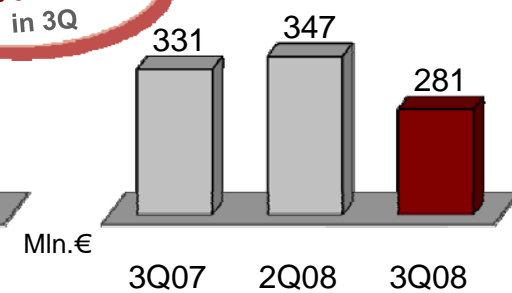


NPL flows**



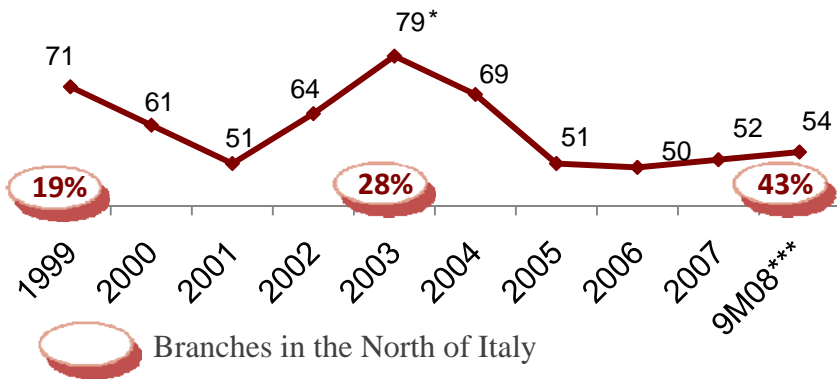
BAV NPL flows:
€ 54 mln
in 3Q

Watchlist flows**



Drawn/total loans ratio
stable at 48%

GMPS' provisioning levels 1999 – 9M08 (bps)



Low risk profile of GMPS** exposures

Clients	Exposure (€ bn)	Notes
Top 10 customers	7.0	4.8% of total loans
Top 20 Real Estate clients	1.4	€ 200 mln biggest single name
Total emerging market	0.7	No exposure to Argentina and Ukraine

GRUPPOMONTEPASCHI

* Net of Parmalat

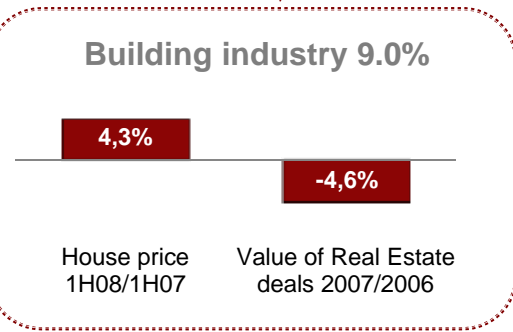
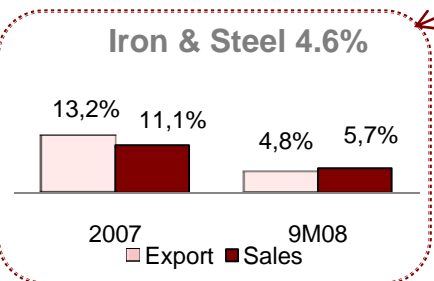
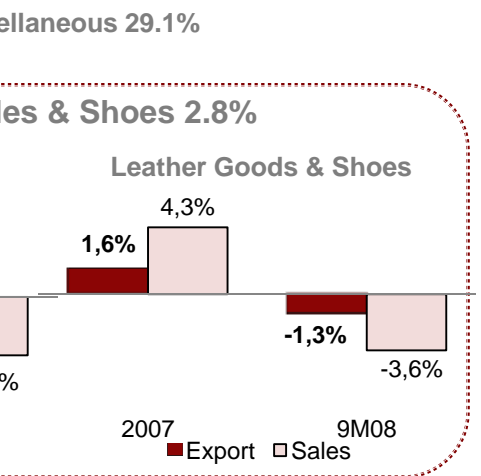
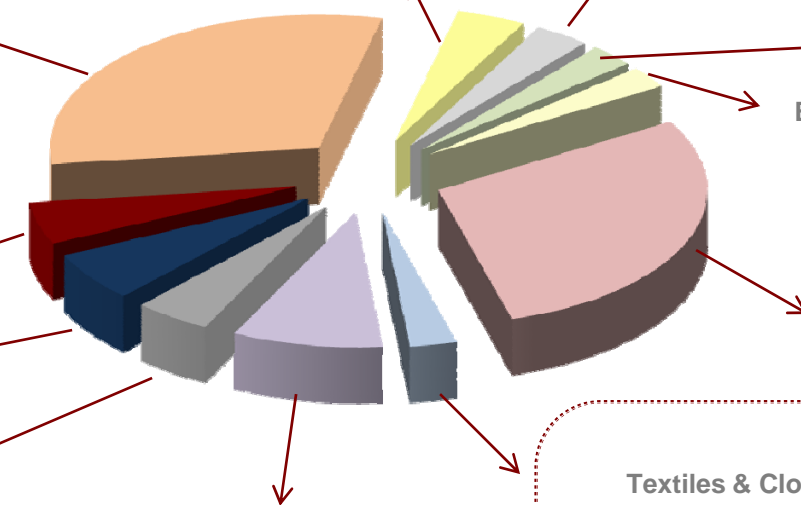
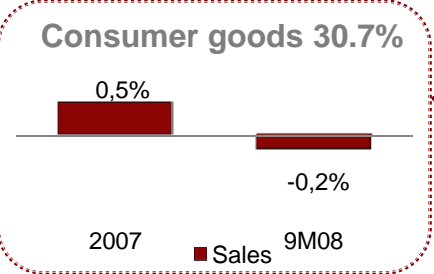
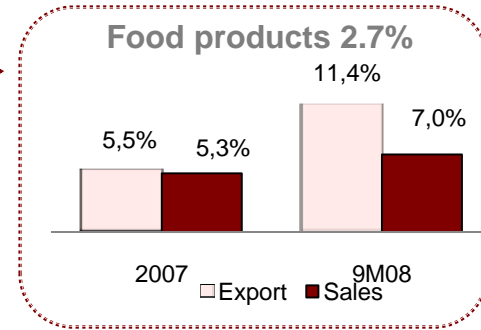
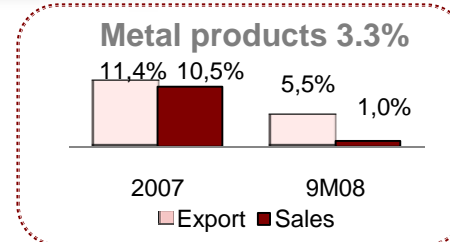
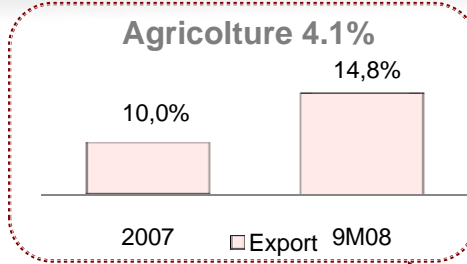
** GMPS (ex BAV)

*** Reported figures, including BAV, net of Hopa/Fingruppo

Diversified loan book and good performance of main economic sectors



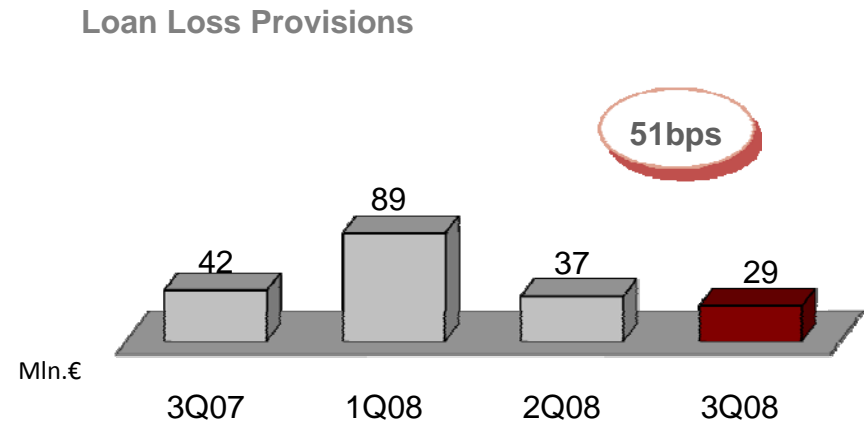
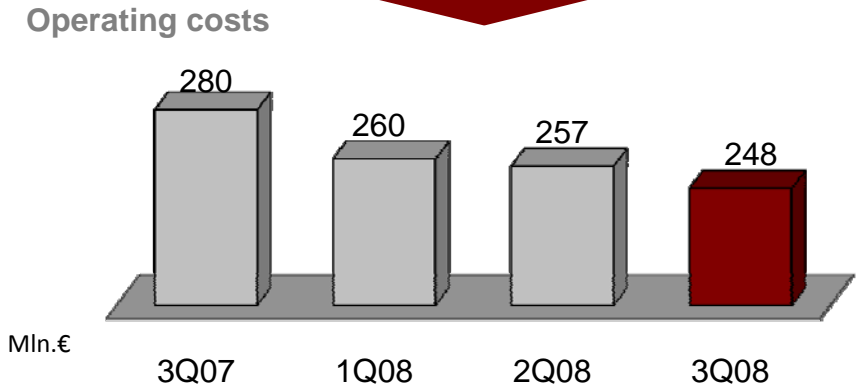
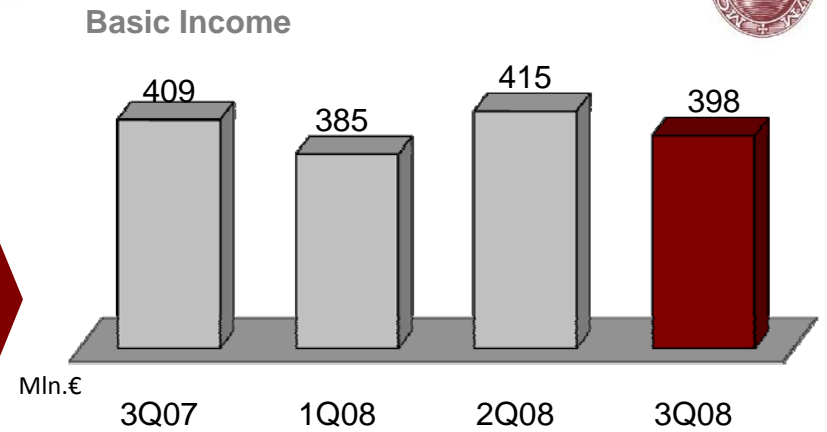
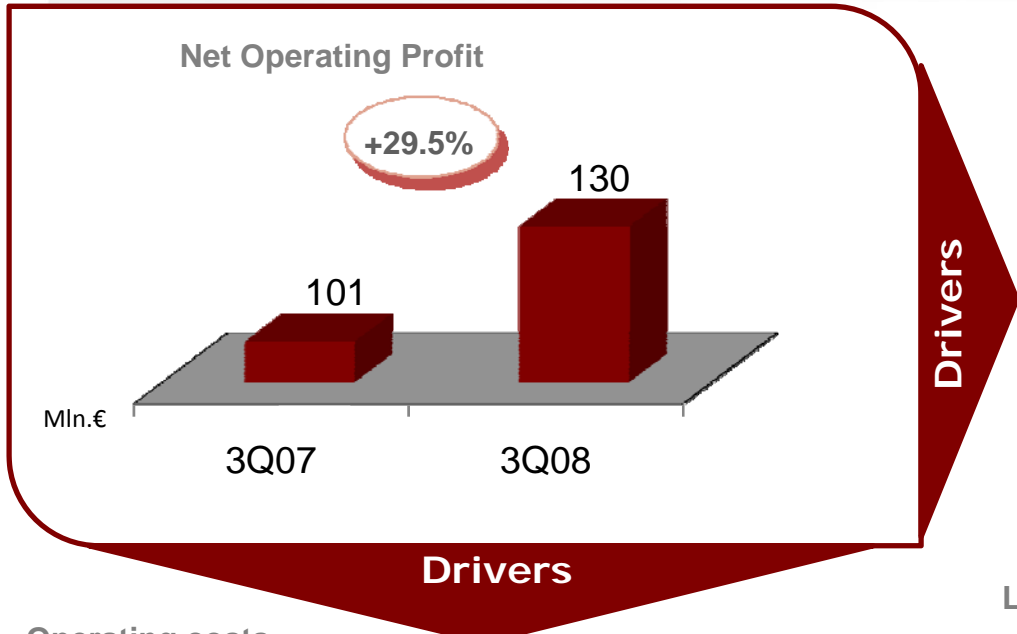
Loan book breakdown (%)



GRUPPOMONTEPASCHI

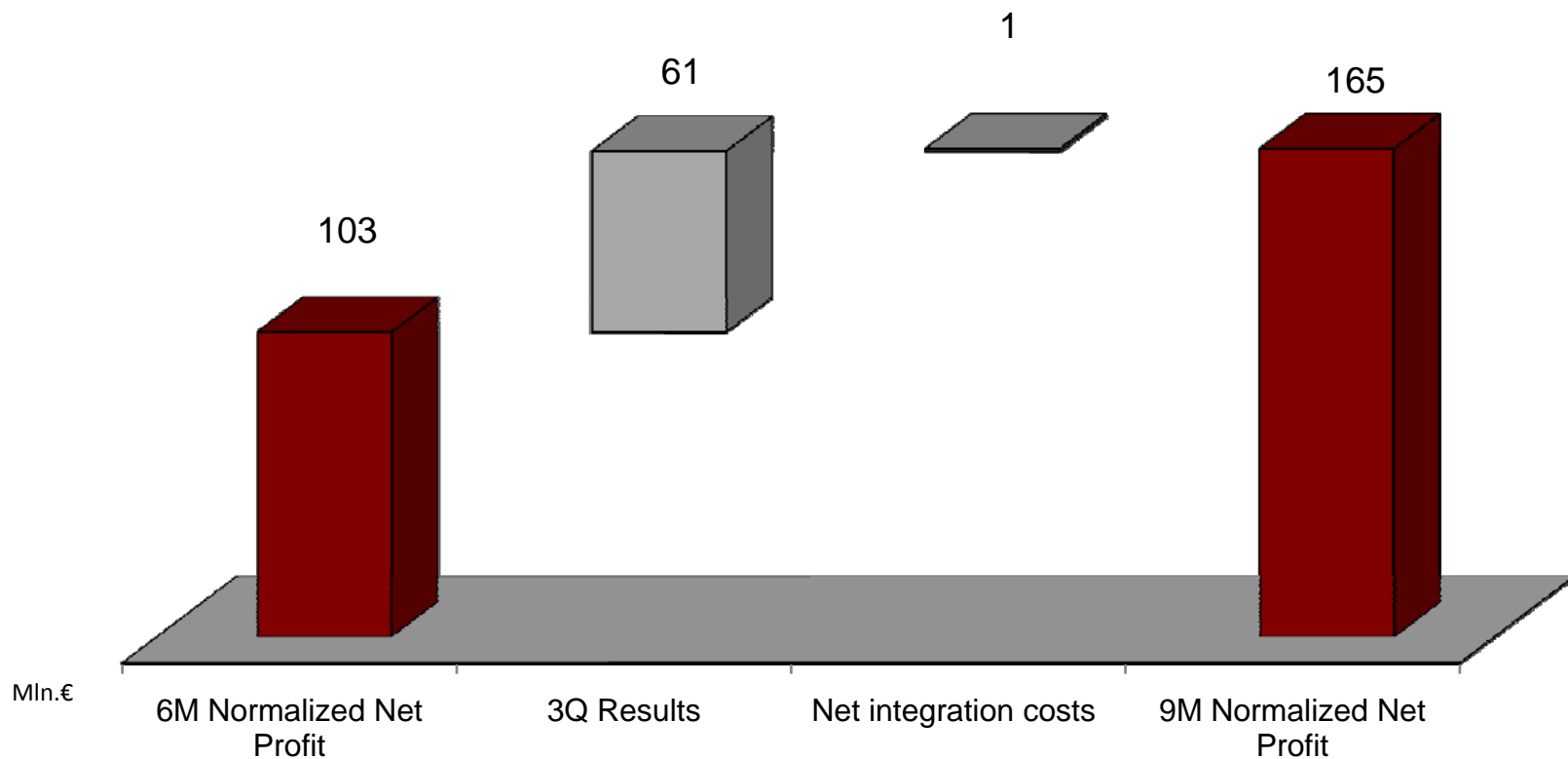
Sources: Bank of Italy, Istat, Chamber of Commerce, GS, JPM

Antonveneta: +29.5% Net operating profits growth



GRUPPOMONTEPASCHI

Antonveneta: normalised net profit 9M at €165mln



GRUPPOMONTEPASCHI

P&L: 9M GMPS vs main competitors



	GMPS	Avg Banks*
Net Interest Income	+9.7%	+10.8%
Net fees	-5.7%	-9.9%
Basic Income	+4.5%	+2.4%
Tot.Revenues	-2.3%	-5.3%
Operating Costs	-2.2%	+2.1%
Operating Income	-23.3%	-14.5%
Loan Loss Provision	+27.9%	+41.5%
Pre Tax Profit	-24.8%	-24.5%
Net Income	-16.8%	-30.4%

	GMPS	Avg Banks*
Loans	+9.7%	+9.1%
Direct Funding	+14.6%	+8.4%
Loans (3Q08/2Q08)	+3.3%	+2.2%
Direct Funding (3Q08/2Q08)	+2.5%	+1.7%

GRUPPOMONTEPASCHI

* UCI Group, UBI, ISP, Pop MI

Conclusion



... all these results notwithstanding ...

Staff Rationalization:
~1,240 exits

Fund Raising:
Right issue/Tier 1: €5bn + €1bn
Upper Tier II: €2.2bn

BAM Banca Agricola
Mantovana
Incorporation



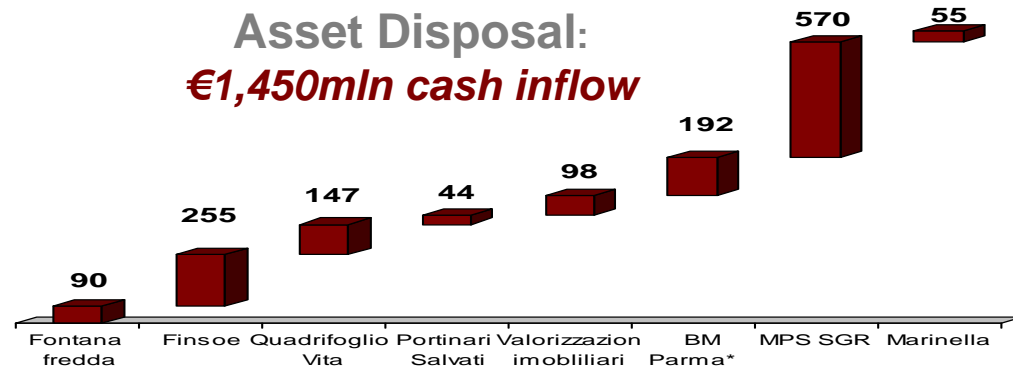
**MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472

BAV IT Integration



Record integration time:
4.5 months (17 Jan - 31 May)
Roll out date: 2 June

Asset Disposal:
€1,450m cash inflow



... and a difficult macro environment

GRUPPOMONTEPASCHI



Thank you for your attention

Q&A

GRUPPOMONTEPASCHI



Annexes



Amendment IAS 39: main impacts

Assets Reclassified: 12% of total financial assets

From to	Amount	% on total financial assets*
H.F.T.	L&R	€ 769 mln	2.8%
H.F.T.	AFS	€ 455 mln	1.6%
AFS	L&R	€ 2,170 mln	7.8%

Impacts on P&L and Revaluation Reserves

From to	Impacts on P&L**	Impacts on Revaluation Reserves**
H.F.T.	L&R	€ 58 mln	
H.F.T.	AFS		
AFS	L&R		€ 108 mln
Total (gross)		€ 166 mln	

Implicit mark down:
4.4%

GRUPPOMONTEPASCHI

* Total financial assets: items 20, 30, 40, 50 of MPS' accounts (June 2008)

** Potential losses due to MtM



Contacts

GRUPPOMONTEPASCHI

Research, Intelligence & Investor Relations

Piazza Salimbeni, 3

53100 Siena

Tel:+39 0577-296477

Investor Relations Team:

Alessandro Santoni (Head)

Simone Maggi

Elisabetta Pozzi

Email: Investor.Relations@banca.mps.it

Declaration

In accordance with section 2, Article 154-bis of the Consolidated Law on Finance (TUF), the Financial Reporting Manager Daniele Pirondini, declares that the accounting information contained in this press release corresponds to documentary records, ledgers and accounting entries.

GRUPPOMONTEPASCHI

Disclaimer



This document has been prepared by Gruppo Monte dei Paschi di Siena solely for information purposes and for use in presentations of the Group's strategies and financials. The information contained herein has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. Neither the company, nor its advisors or representatives shall have any liability whatsoever (in negligence nor otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document. The forward-looking information contained herein has been prepared on the basis of a number of assumptions which may prove to be incorrect and, accordingly, actual results may vary.

This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

The information herein may not be reproduced or published in whole or in part, for any purpose, or distributed to any other party. By accepting this document you agree to be bound by the foregoing limitations.

GRUPPOMONTEPASCHI