



Ministero dell'Economia e delle Finanze
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PRESS RELEASE

Extraordinary auction of the 12m Treasury Bill (BOT) maturing December 15th 2008

The Ministry of Treasury announces an extraordinary issue (second tranche) of the BOT, here of ministerial decree 6th December 2007 n.119998, maturing on 15th December 2008 (322 days residual maturity) that will be settled on 28th January 2008, carried out through an auction to be held on 24th January 2008. The amount offered is €3,500 mln. This decision has been taken in order to ensure a sufficient liquidity for this issue and to guarantee efficient negotiation conditions on the secondary market.

According to D.M. 12th February 2004, maximum fee which can be charged by intermediaries for a 322 day BOT is 0,20%.

BOTs are offered through a competitive auction, without the indication of the minimum price; BOTs can be subscribed for a minimum amount of 1,000 Euro

Any bids not containing price reference wont be allowed. Prices indicated by dealers, expressed in percentages, can vary of 0.001% or multiple thereof. The nominal amount of any bid cannot be less than 1.5 mln Euro.

The subjects allowed to participate in the auction are indicated in issuance decree.

In accordance with Section II – Title V of the legislative decree no. 213 of 24 June 1998, and the following related rules, that establishes all the details about dematerialization of Government Bonds, BOTs are represented by account registration in favour of the entitled.

Bank of Italy will comply with the "ad hoc" procedure in order for the BOT amounts subscribed to be automatically settled through the so called facility of compensation and settlement service which deals with financial instrument with the same date value. On the basis of the allocation, allottees intermediaries will credit the relative amounts to the subscribers accounts.

Every dealer's bids, no more than three, are to be transmitted to Bank of Italy, using exclusively the National Interbanking Network strictly by 11.00 a.m. of the auction date with the modalities and the deadline indicated in the issuance decree. In cases of malfunctioning of the equipment, not allowing the admission of messages in the network, requests of participation in the auction must be sent via fax with a form.

Bids received after the deadline set in the decrees are not taken into consideration. Eventual requests that substitute previous ones, are taken into consideration only if they arrive before the deadline. Requests cannot be withdrawn after the abovementioned deadline. If every dealer's bids exceed, also as a whole, the amount offered by the Treasury, they will be taken into consideration, starting from that at the highest price, to the extent of the amount offered, except what stated in the issuance decree.

On the 15th January 2008 outstanding BOTs is 138,302 millions of euros, of which € 6,500 millions of 3 month BOTs, € 55,302 millions of 6 month BOTs and € 76,500 millions of 12 month BOTs.

Rome, January 21, 2008