



Ministero dell'Economia e delle Finanze

PRESS RELEASE

Treasury Bills (BOTs) offering announcement

The Ministry of Economy and Finance announces the following BOT issue, that will be settled on 31 May 2010 and carried out through auction on 26 May 2010:

	Amount (million euros)	Maturity	Days
6 month BOTs	8,500	30 November 2010	183

It is worth noting that € 9,795.043 million BOTs are maturing on 31 May 2010.

The Ministry of Economy and Finance reminds that each operator participating in BOT auctions is allowed to submit up to five bids.

BOTs are offered through a competitive auction in which operators are required to send their bids in terms of yield.

BOTs can be subscribed for a minimum amount of 1,000 euros. For each BOT issue, the relevant price for fiscal purpose is the weighted average price of the first tranche, as obtained from the relative weighted average yield.

Any bids not containing yield reference will not be accepted. Yields indicated by dealers, expressed in percentage, can vary of 0.001% or multiples thereof. The nominal amount of any bid cannot be less than 1.5 million euros.

The subjects allowed to participate in the auction are indicated in the 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 to automatically settle the BOT subscribed amounts through the so-called facility of compensation and settlement service, which deals with financial instrument with the same settlement date. On the basis of the allocation, allottee intermediaries will credit the relative amounts to the subscribers' accounts.

Bids, no more than five per dealer, are to be transmitted to the Bank of Italy – using exclusively the National Interbanking Network – strictly by 11.00 am of the auction date, respecting the rules and the deadline indicated in the issuance decree. In case of malfunctioning of the equipment, not

allowing the admission of messages through the network, requests of participation in the auction must be sent via fax.

Bids received after the deadline set in the decree are not taken into consideration. Possible requests that substitute previous ones, are taken into consideration only if they arrive before the deadline. Requests cannot be withdrawn after the above mentioned deadline.

Any dealer's bids exceeding, also as a whole, the amount offered by the Treasury will be taken into consideration, starting from the one at the lowest yield, to the extent of the amount offered, except what stated in the issuance decree.

"Specialists in Government Bonds" are entitled to participate in the 6 month BOTs supplementary auction, set for the 27 May 2010.

The amount of this tranche will be 10% of the nominal outstanding offered in the ordinary auction. It is worth noting that this percentage represents the minimum amount to be offered in the supplementary placement, that the Treasury could increase after the ordinary auction, to satisfy the demand expressed by operators; in this case a specific press release will be published.

Only Specialists who take part in the ordinary auction are entitled to participate in the supplementary placement. The assignment will be at the weighted average yield set in the ordinary auction. The supplementary placement procedure follows the provisions set in the issuance decree. Specialists can participate in the supplementary placement by submitting their bids before 15.30 of 27 May 2010.

On 14 May 2010 outstanding BOTs were 148,027.638 million euros, of which € 3,500 millions of 3 month, € 58,533.043 millions of 6 month and € 85,994.595 millions of 12 month BOTs.

Rome, 21 May 2010