



Ministero dell'Economia e delle Finanze

PRESS RELEASE

Second Quarter 2009 Issuance Program

Nominal Bonds

The Ministry of Economy and Finance announces that during the second quarter of 2009 the following new securities will be issued:

BTP 1 st June 2009 – 2014	Minimum final outstanding: 10 billion Euros
BTP 1 st March 2009 – 1st September 2019	Minimum final outstanding: 12 billion Euros
CTZ 30 th June 2009 – 2011	Minimum final outstanding: 9 billion Euros

The minimum final outstanding refers to the overall issuance of each bond and therefore it relates to the minimum amount the bond shall reach before being replaced by a new benchmark.

The settlement date of the first auction of a new bond may not coincide with the interest-accrual date.

New bonds, in addition to the above mentioned ones, could be issued during the first quarter, according to market conditions.

The following on-the-run securities will be issued:

BTP 1 st March 2009 – 2012	coupon 3,00%
BTP 15 th December 2008 – 2013	coupon 3,75%
CCT 1 st September 2008 – 2015	
CTZ 31 st March 2009 – 2011	

Moreover, according to market conditions, the Ministry of Economy and Finance reserves the right to reopen long-term instruments and off-the-run medium and long term instruments in order to ensure secondary market efficiency.

The Treasury will place BTPs and CCTs through the usual uniform-price (marginal) auction mechanism and discretionally set the price and the issuance amount.

Real Bonds

Depending on market conditions, BTP€is will be issued through auction one business day prior to the end-month medium-long-term auctions. The Ministry of Economy and Finance will announce the bonds to be issued and the maximum amounts to be offered four business days before the auction, together with the first press announcement of the end-month auctions of medium and long-term bonds.

Adoption of yield based auctions for BOTs

Moreover, the Ministry of Economy and Finance announces that, starting from April, participants in BOT auctions will be required to send their bids in terms of yield, instead of price.

This innovation is in line with the common standards in use throughout the Eurozone money markets and will have no impact on retail investors. Indeed, the auction results published by the Department of Treasury and the Bank of Italy will include the weighted average price, which is the reference price for investors that subscribe for BOTs at auctions.

The new auction procedure will start in parallel with the adoption of yield quoting for BOTs on the wholesale regulated secondary market.

It is worth noting that the new yield based auctions regard BOTs only and do not concern the auctions of other Treasury securities (BTPs, CCTs, CTZs and BTP€is).

Rome, 30th March 2009