



Ministero dell'Economia e delle Finanze
Ufficio Stampa

PRESS RELEASE

**PLACEMENT VIA AUCTION OF BTPs€i INDEXED TO EURO-ZONE
INFLATION**

The Ministry of Economy and Finance announces, on the 27th march 2008 and with settlement 31st march 2008, the issuance of the following BTPs€i indexed to the euro-zone HICP (ex-tobacco):

- 5 Y BTP€i

- starting accrual date : 15th March 2007;
- maturity date : 15th September 2012;
- real annual coupon : 1.85%, paid on a semi-annual basis;
- maximum amount : 1,500 millions of euro:

- 30 Y BTP€i

- starting accrual date : 15th September 2004;
- maturity date : 15th September 2035;
- real annual coupon : 2.35%, paid on a semi-annual basis;
- maximum amount : 500 millions of euro:

The placement mechanism adopted will be that of a marginal auction with discretionary determination of the price and quantity issued. The allocated amount will be determined by excluding offers presented at prices deemed inconsistent with market conditions.

Besides that, the placement procedure will be conducted following the technical modalities and conventions used in the placement of nominal BTPs. The public will be able to subscribe bonds as indicated in the following calendar. Dealers, no later than 11:00 a.m. of the day shown below, can submit to a maximum of three bids via the National Interbanking Network, each offer having a real value (not recalculated on the basis of the Indexation Coefficient) of no less than 500,000 euro. Bid prices, formulated in real terms, must vary each other by 1 cent of euro. The Bank of Italy, on the basis of the Indexation Coefficient referring to the settlement date, will carry out the calculation of the countervalues relating to the subscribed amount and the accrued interest, to be paid for the bonds subscribed at auction. Settlement will take place two working days after the auction date (T+2). For both the aforementioned BTPs€i, the subscribers will have to pay accrued interest for 16 days.

Dealers will be granted, as compensation for collecting requests from the public, a commission – compared with the nominal amount of bonds allocated– equal to :

- 0.30% for 5 year BTP€i,
- 0.40% for 30 year BTP€i.

Subscription Calendar:

| | 5 year BTP€i | 30 year BTP€i |
|--|-----------------------|-----------------------|
| Public subscription Until | March 26, 2008 | March 26, 2008 |
| Presentation of bids in auction (Strictly prior to 11:00 a.m. of the) | March 27, 2008 | March 27, 2008 |
| Settlement Date | March 31, 2008 | March 31, 2008 |
| Coupon Accrued Days | 16 | 16 |

Specialists in Government Bond are allowed to participate in the supplementary auction, set up for an amount equal to 10% of the quantity offered at auction, by submitting bids before 3:30 p.m. of the day following the auction. Each issuance decree will set rules for the Specialists to take part in the supplementary auction.

Rome March 19, 2008