



Ministero dell'Economia e delle Finanze

PRESS RELEASE

**PLACEMENT VIA AUCTION OF THE BTP€i 2021
INDEXED TO EURO-ZONE INFLATION**

The Ministry of Economy and Finance announces the issuance via auction of the second tranche of the BTP€i 2021 indexed to the euro-zone HICP (ex-tobacco). The BTP€I, auctioned on 24th June 2010 and settled on 28th June 2010, has the following characteristics:

- 10 Y BTP€I

- starting accrual date : 15th March 2010; 2nd tranche
- maturity date : 15th September 2021;
- real annual coupon : 2.10%, paid on a semi-annual basis;
- nominal amount at issuance : from a minimum of 1,000 millions of euro
to a maximum of 1,500 millions of euro
- ISIN : IT0004604671

The placement mechanism adopted will be that of a marginal auction with discretionary determination of the price and quantity issued inside the above mentioned issuance range. 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 until 23rd June 2010. Dealers, no later than 11:00 am on 24th June 2010, 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 euro cent. 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. The settlement will take place two working days after the auction date (T+2), on 28th June 2010. For the aforementioned BTP€i, the subscribers will have to pay accrued interest for 105 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 0.40%.

Specialists in Government Bonds are allowed to participate in the supplementary auction, set up for an amount equal to 10% of the maximum quantity offered at auction, by submitting bids before 3:30 p.m. on 25th June 2010. Each issuance decree will set rules for the Specialists to take part in the supplementary auction.

Rome June 21, 2010