

SUMMARY OF GOVERNMENT BONDS

The Ministry of Economy and Finance determines the regular issuance, on the domestic market, of five categories of government bonds available for both private and institutional investors:

- 1) **TREASURY BILLS (BOTs);**
- 2) **ZERO COUPON TREASURY BONDS (CTZs);**
- 3) **TREASURY CERTIFICATES (CCTs/CCTeus);**
- 4) **TREASURY BONDS (BTPs);**
- 5) **TREASURY BONDS LINKED TO EURO-ZONE INFLATION (BTP€is).**

Their characteristics are summarized in the following scheme:

BOND	MATURITY	REMUNERATION	MINIMUM DENOMINATION	TYPE OF AUCTION	TAX RATE	REDEMPTION
BOTs	3/6/12 months, (or flexible between 1 and 12 months)	Discount at issuance	€ 1,000	Competitive yield auction	12.50%	At par, single payment at maturity
CTZs	24 months	Discount at issuance	€ 1,000	Marginal auction with discretionary determination of price and quantity issued	12.50%	At par, single payment at maturity
CCTeus	5 / 7 years	Semi-annual floating coupons, possible discount at issuance	€ 1,000	Marginal auction with discretionary determination of price and quantity issued	12.50%	At par, single payment at maturity
BTPs	3/5/7/10/15/30 years	Fixed semi-annual coupons, possible discount at issuance	€ 1,000	Marginal auction with discretionary determination of price and quantity issued	12.50%	At par, single payment at maturity
BTP€is	5/10/15/30 years	Semi-annual real coupons, possible discount at issuance and revaluation of principal at maturity	€ 1,000	Marginal auction with discretionary determination of price and quantity issued	12.50%	Single payment at maturity

The Republic of Italy has also introduced an instrument specifically dedicated to retail investors, the BTP ITALIA, linked to the Italian domestic inflation rate. The frequency of issuances for this bond will be communicated each year in the "Guidelines for public debt management." The characteristics of the BTP ITALIA are summarized in the following scheme:

BOND	MATURITY	REMUNERATION	MINIMUM DENOMINATION	TYPE OF AUCTION	TAX RATE	REDEMPTION
BTP ITALIA	4 and 6 years	Semi-annual real coupons, revaluation of principal on a semi-annual basis, bonus payment at maturity ¹	€ 1,000	Direct placement on the MOT, price at par and coupon rate determined at the end of the placement period	12.50%	Single payment at maturity

The Republic of Italy also issues other instruments in euros and in other currencies, generally subscribed by institutional investors. These issues are offered on international markets in the form of medium/long-term securities or of commercial papers.

¹ The investor (natural person) who purchases the BTPs Italia during the placement period and holds them until maturity is entitled to a bonus payment which has a value of 0,004€ per euro of the nominal value of the investment