

PRESS RELEASE

BORSA ITALIANA – 2006 Performance (Figures as at 28 December)

- **FOURTH CONSECUTIVE YEAR OF GROWTH FOR STOCK MARKETS**
- **MIB INDEX +18.8% (+82.5% SINCE END OF DECEMBER 2002), MIBTEL INDEX +18.9% (+82.1% SINCE END OF DECEMBER 2002), S&P/MIB INDEX +16.0% (+76.1% SINCE END OF DECEMBER 2002), MIDEX INDEX +32% (+103.3% SINCE END OF DECEMBER 2002), ALL STARS INDEX +21.1% (+108.8% SINCE END OF DECEMBER 2002)**
- **TRADING TURNOVER FOR SHARES SETS NEW HISTORICAL RECORD, RISING TO €1,141 BILLION**
- **BORSA ITALIANA STANDS IN THIRD PLACE IN EUROPE FOR NUMBER OF EQUITY CONTRACTS TRADED ON ELECTRONIC ORDER BOOK**
- **NEW ALL-TIME HIGH FOR IDEM STOCK DERIVATIVES**
- **CAPITALISATION UP TO €777 BILLION (+14.8%) REPRESENTING 52.7% OF GDP**
- **TRADING IN SECURITISED DERIVATIVES AND ETFs ALSO AT A NEW ALL-TIME RECORD**
- **311 LISTED COMPANIES (290 NET OF MTA INTERNATIONAL), WITH 46 NEW LISTINGS - INCLUDING 21 IPOs - AND 17 DELISTINGS**
- **23 CAPITAL INCREASE TRANSACTIONS THROUGH SUBSCRIPTION OF SHARES RAISE €5.1 BILLION**
- **15 TAKEOVER BIDS RECORD A TURNOVER €7.1 BILLION**

INDEX AND PRICE TRENDS

- The Mib Index is poised to close the year up by over 18.8% on year-end 2005, thus continuing the growth trend begun at the end of 2002. Over the last four years, the Mib Index has grown by over 82.5%. The Index reached its peak for the year on 18 December at 30,949 (reaching December 2000 levels), whilst the lowest level for the year was recorded on 13 June (25,851). The highest daily growth (+1.7%) was recorded on Friday, 26 May, whilst the lowest drop (-2.7%) was recorded on Monday, 22 May. The best monthly performance was seen in February (+4.1%), whilst the worst was in May (-6.1%). Over the year in general, the Mib Index closed the month in positive figures for 11 out of 12 months. The peak for the year fell just -8.6% short of the all-time record of 33,853 points on 10 March, 2000.
- The continuous indices revealed a uniform trend, with the Mibtel at +18.9% and the S&P/MIB at +16.0%, while the Midex Index rallied to reach 32%. Indices for good quality mid-small caps also recorded significant growth, rising by 21.1% for the All Stars, 24.3% for the Star and 17.2% for the TechStar Index, with all-time highs recorded in May (All Stars and Star) and in April (TechStar). The Mex Index for the Expandi Market grew by 22.3% in 2006, peaking at its historical record in December.
- A closer look at performances prior to 2006 highlights the speed with which

the stock market has grown. Growth since year-end 2002 has reached +82.5% for the Mib, +76.1% for the S&P/MIB, +101.3% for the Midex, +108.8% for the All Stars, +117.2% for the Star Index of traditional small and medium-sized enterprises, and +119.8% for the TechStar Index of high-tech enterprises.

- The strongest performances for the year were recorded by Jolly Hotel (Star) (+187.1%), Trevi Fin Industriale (Standard) (+133.3%), Biesse (Star) (+130.1%) and Danieli & C. (Standard) (+129.2%).
- In the S&P/MIB basket 35 shares have closed the year with a positive performance (of note Fiat +97.7%, Tenaris +94.7% and Parmalat +58.5%)
- Of this year's IPOs, an outstanding 18 out of 21 closed the year with a strong performance compared to the initial placement price. Worthy of note are Kerself (+130.8%), Polynt (+45.1%), and Poltrona Frau (+42.1%)

TRENDS IN THE STOCK EXCHANGE LIST

- The year 2006 has been brought to a close with 311 companies listed with Borsa Italiana, up 29 compared to year-end 2005, and at an all-time record. Putting aside the 21 admissions to trading in the MTA International segment, the number of listed companies stands at 290 (an additional 8 on year-end 2005). More specifically, 84 of these listed companies belong to the MTA/MTAX Blue-chip segment, 76 to the Star segment, 103 to the Standard segment, 1 to Investment Companies segment, 21 to the MTA International segment, and 26 to the Expandi Market. The stock market recorded 38 new listings for the year (including the 21 admissions to trading in the MTA International segment) and 17 delistings. In the Expandi Market, 8 new companies were admitted to listing.
- The 46 new listings for the year (2 companies in the Blue-chip segment, 9 in the Star segment, 5 in the Standard segment, 21 admissions to trading in the MTA International, 1 in Investment Companies segment and 8 in the Expandi Market) are the highest seen for any year since 2000, bringing the number of new companies admitted to the stock markets over the last nine years – since Borsa Italiana S.p.A. opened (01/01/1998) – to 224.
- Of the 38 new listings on the stock markets, 14 followed an initial public offering (Marazzi Group, Ansaldo Sts, Eems, Saras, Nice, Bolzoni, Piaggio & C., Polynt, Elica, Poltrona Frau, Banca Generali, Gas Plus, Ascopiave and Cobra). In one case, the new listing was the result of the demerger of a listed company (Management & Capitali from Cdb Web Tech) and in two cases listing was the result of mergers with listed companies (Sirti in Sistemi Tecnologici, which has taken the name of the latter, and Gruppo Coin in Bellini Investimenti, which has taken the name of the latter). On the Expandi Market, 7 new listings (Kerself, Noemalife, Pierrel, Antichi Pellettieri, Valsoia, Arkimedica and Cogeme Set) followed an IPO, whilst one was the result of the demerger of a listed company (Rdm Realty from Reno de Medici).
- Of the 17 delistings on the electronic equity markets MTA/MTAX, 5 were the result of the conclusion of their initial public offerings (Acqua Pia Antica Marcia, Banca Antonveneta, Banca Nazionale del Lavoro, Partecipazioni Italiane and Toro Assicurazioni). In one case delisting was determined by insufficient requisites following the bankruptcy ruling (Fin.Part), while another

delisting was performed at the request of the foreign issuer (Bayer), and another resulted from the early winding-up of a listed company (Algol). In 6 cases delisting followed mergers into listed companies (Acquedotto de Ferrari Galliera in Acquedotto Nicolay, which have taken the name Mediterranea Acque, Amga in Aem Torino, which have taken the name Iride, Bipielle Investimenti and Reti Bancarie Holding in Banca Popolare Italiana, Fineco in Capitalia, and Meta in Hera) and in three cases delisting resulted from the merger of companies that were then contextually admitted to listing or trading (Gruppo Coin in Bellini Investimenti, Ras Holding in Allianz, and Sirti in Sistemi Tecnologici).

- With 7,572 new listings (the second highest on record, after the 2001 result) and 7,001 delistings, the number of covered warrants and certificates listed on the SeDex rose to 4,647 (+14.0%) at year-end.
- A new listing record was also achieved for ETFs with 57 new listings, bringing the number of listed ETFs up from 30 to 87 (+190.0%).
- On the MOT, the number of listed government securities totalled 91, with 43 new listings and 44 delistings. Following 52 new listings and 54 delistings, the overall number of bonds listed on the electronic market remained stable at 303. *Eurobonds* e ABSs on the other hand, thanks to 77 new listings and only 9 delistings, grew from 67 to 135 (+101.5%).

THE STOCK MARKET

CAPITALISATION

- For the fourth consecutive year now, positive share price trends and new listings have led to overall growth in the capitalisation of domestic companies listed on the stock market. Capitalisation in fact has topped the €776.6 billion-mark (€676.6 bn at year-end 2005), representing 52.7% of Gross Domestic Product (47.7%). The end-December figure is thus at its highest level since January 2001.
- Breaking down the figure, capitalisation totalled €710.1 billion for Blue-chip companies (€625.8 bn at year-end 2005), €24.1 billion for companies in the Star segment (€18.5 bn), and €31.6 billion for those in the Standard segment (€24.9 bn), whilst for companies in the Expandi Market, capitalisation stood at €10.3 billion (€7.3 bn). The Star and Expandi Markets were the two areas that revealed the strongest rate of growth.

TRADING OF SHARES, SECURITISED DERIVATIVES AND ETFs

- Trading on the electronic share, ETF and securitised derivatives markets reached a total of 63.9 million contracts, for a trading turnover of €1,232 billion. Average daily trading stood at 252,600 contracts (+21.5% on 2005) for a turnover of €4.9 billion (+22.7%), the highest figure on record for the Italian stock exchange.
- Share trading featured marked growth in both trading turnover (the daily average grew from €3.7 billion to €4.5 billion, up +21.0%, an all-time high for the Italian stock exchange) and the number of contracts traded (with the daily average up from 184,500 to 226,700, representing a growth of 22.9% and

falling just shy of the record of 230,688 from 2000). Daily trading figures reached their peak on Friday, 12 May, with trading turnover reaching a historical record of €8.87 billion, the highest ever for a single trading session. The highest liquidity levels for any one month were recorded in May, with a daily average of €5.79 billion in trading turnover, making it the highest month on record for Borsa Italiana.

- Turning to markets and segments, the daily trading average for the Blue-chip segment stood at over 189,800 contracts (+24.7% on 2005) for a turnover of €4.3 billion (+21.2%), for the Star segment, 18,300 contracts (+20.1%) for a turnover of €86 million (+22.5%), for the Standard segment, 16,800 contracts (+2.1%) for a turnover of €73 million (+0.5%), and for the Expandi Market, the daily average stood at 1,500 contracts (+168.8%) for a turnover of €9 million (+131.4%).
- The average size of share contracts dropped from €20,215 to €19,900 (€22,867 for Blue-chip shares, €4,731 for Star shares, €4,335 for Standard shares, and €5,932 for shares on the Expandi Market), evidence of the strong interest shown by retail investors in the market.
- For the third consecutive year, Eni proved to be the most traded share in terms of turnover, recording a total of €158.3 billion (13.9% of the total), followed by Unicredito Italiano (€119.6 bn / 10.5%), Telecom Italia (€79.9 bn / 7.0%) and Enel (€77.5 bn / 6.8%).
- In terms of contracts, the most traded share remained Eni (as in 2005) with a total of 2.5 million contracts traded (4.3% of the total), followed by Unicredito Italiano with 2.0 million contracts traded (3.4% of the total), Tenaris (1.9 m / 3.2%), Enel (1.8 m / 3.2%) and Telecom Italia (1.8 m / 3.2%).
- Trading in covered warrants and certificates listed on the SeDex showed decisive growth in terms of trading turnover, which reached a new all-time high. The daily average leaped to €279.2 million (+44.8% on 2005), with over 18,000 contracts traded (+10.5%). Friday, 15 December marked the making of a new record for trading in a single session, when trading turnover peaked at €603.1 million. With a daily average of €473.0 million, November proved the month with the highest liquidity levels in terms of trading turnover in the history of the SeDex.
- Strong growth was also enjoyed by ETFs, which with a daily average turnover of €68.7 million (+101.6% on the 2005 average) and 3,043 contracts traded per day (+116.7%) recorded new historical heights. February proved the most lucrative month in terms of trading turnover with €79.1 million turned over per day, whilst the busiest month in terms of contracts traded was January (4,185 on average per day). The highest daily trading figures in terms of trading turnover were recorded on 16 February (€207.2 m), second only to 13 May, 2005, while the 24 January, with 8,957 contracts traded, set a new record for ETFs traded on the Italian market.
- At the end of November the Italian stock market distinguished itself in Europe thanks to the high liquidity of its shares, as proven by its leading position in terms of *turnover velocity*, the indicator which compares electronic trading turnover with capitalisation to show the annual share turnover rate. Italian turnover velocity was indicated as being 157.6%, compared with 143.8% for Deutsche Börse, 123.9% for the Spanish stock exchange, and 106.4% for the OMX.
- With a daily average of €4.5 billion, Borsa Italiana had the fourth highest

trading volumes on electronic markets in Europe, ahead of Madrid (€4.4 bn), the OMX (€3.1 bn) and the SWX-Virt-x (€2.7 bn). The leading three markets were the Euronext (€9.3 bn), the London Stock Exchange (€8.8 bn) and Deutsche Börse (€6.3 bn). In terms of contracts traded, the Italian stock market stands in third place, behind the Euronext and London Stock Exchange. With the SeDex, Borsa Italiana has claimed first place in terms of trading turnover for contracts traded on electronic systems. The strong growth recorded in ETFs has led the market to be ranked first place for contracts traded on electronic systems in Europe.

- After hours trading disclosed 1,121,200 contracts worth €9.3 billion, with the daily average up by 13.7% and by 25.0% when compared to 2005. In terms of trading turnover, the figure represents an all-time record for after-hours trading. The busiest trading month was March for contracts (daily average of 5,804) and January in terms of trading turnover (€48.0 m).

IDEM

- 2006 was once again a record year in terms of stock derivatives, characterised by growth in trading activities for all the types of instruments traded. During the course of the year, 31.6 million standard contracts were traded, for a notional turnover of €1,196 billion. The daily average for standard contracts rose from 101,057 last year to 124,764 (+ 23.5% on 2005), a new record high for the Idem market. On 8 June 2006, a new record was set for the highest number of contracts traded in a single session, involving 434,817 standard contracts, while on 13 June a new record high was established for the notional turnover traded with €17,223.6 million. The breakdown into single instruments reveals significant growth in miniFutures on indices and in options on individual shares. Cash trades ratio grew up to 104.8%.
- Futures on the S&P/MIB registered a daily average of 15,937 standard contracts (+13.9% on 2005) and a notional turnover of €3.0 billion (+31.4%). June, characterised by quarterly maturity, was the most liquid month of the year with a daily average of 21,458 standard contracts, while December was the most liquid month in terms of notional turnover, involving a daily average of €3.8 billion. The 13th of June registered a new all-time high for the number of contracts traded in a single session, with 81,490 standard contracts and a notional turnover of €14.2 billion.
- Trading in miniFutures on the S&P/MIB amounted to a total of 1.7 million standard contracts and a notional turnover of €62.2 billion, involving a daily average of 6,600 standard contracts (+29.4%) and a notional turnover of €246.1 million (+48.8%). The 18th of May saw a record high for notional turnover trading in a single session, with €538.4 million.
- Trading in options on the indices revealed a daily average of 11,130 standard contracts (+9.7% when compared with 2005) and €1,035.2 million in notional turnover (+26.5%). On 18 May, a new all-time high was recorded for the number of contracts traded in a single sitting, with 41,815 standard contracts and a notional turnover of €3,809.3 million.
- Trading in stock futures increased by 19.4%, rising from 23,272 standard

contracts daily in 2005 to 27,791 in 2006 (new record high), thereby confirming its position as the second most traded instrument on the Idem. In terms of turnover, figures rose from 131.8 in 2005 to 155.1 in 2006 (+ 17.7%). On 8 June 2006, a new record high for trading in a single session was recorded with 335,740 standard contracts and a notional turnover of €1,857.0 million. At year end, futures on 38 underlying shares had been traded.

- Trading in stock options rose in terms of standard contracts, from a daily average of 48,600 in 2005 rising to 63,360 in 2006 (+ 30.4%), representing a new all-time high, while in terms of notional turnover there was an increase from €213.7 to €286.4 million (+ 34.0%). Stock options once again confirmed themselves as the most traded instrument on the Idem in terms of standard contracts. At year end, options had been traded on 43 underlying shares.
- Within the European context, during 2006 the Idem stood in third place for notional turnover traded, after the Eurex and Euronext-Liffe.
- Open interest grew during the course of 2006. The figure for the last day of trading came to 2,154,880 standard contracts, up by 16.4% when compared with the end of 2005. On 18 May, the new all-time high was recorded for open interest at the close of trading, with a total number of 4,089,153 standard contracts.

MOT

- Trading on the Mot saw more than 2,783,600 contracts traded and €121.9 billion, with a daily average of 11,000 contracts, a rise of 6.3% on 2005 and €481.8 million (stable with respect to 2005).

PLACEMENT OPERATIONS

- During 2006, investment flows through the Italian stock market due to capital increase transactions through subscription of shares and placement operations reached €10.4 billion, of which €6.1 billion flowing directly to companies already listed or newly listed, while €4.3 billion was raised by the shareholders via the sale of shares. On the basis of the type, share capital increase transactions raised €5.1 billion, while IPOs and other placement operations saw €4.8 billion and €550 million raised, respectively.
- Listed companies who carried out share capital increase transactions against payment numbered 23, enabling the companies to raise €5.1 billion (21 transactions totalling €12.1 billion in 2005).
- The three largest capital increase operations in 2006 were carried out by Lottomatica in May (€1.5 billion by means of the issue of ordinary shares), by Banca Popolare Italiana in July (€720 million by means of ordinary issues) and by Beni Stabili in October (€480 million by means of the issue of convertible bonds). The other transactions which raised amounts bigger than €200 million included Actelios (€250 million), Banca Lombarda (€343 million), Banca Carige (€215 million), Banca Popolare dell'Emilia Romagna (€410 million) and Snai

(€248 million).

- The 26 share placement transactions raised €5.3 billion, a drop with respect to 2005 (€6.8 billion) mainly due to the absence during the year of significant privatization transactions.
- In 21 cases, involving a total of €4.8 billion (€2.6 billion in 2005), the placements were carried out for the purpose of Initial Public Offering transactions (in chronological order: Kerself, Marazzi, Ansaldo STS, EEMS, Noemalife, Saras, Nice, Pierrel, Bolzoni, Antichi Pellettieri, Piaggio, Valsoia, Arkimedica, Polynt, Elica, Poltrona Frau, Banca Generali, Cobra, Ascopiave, Gas Plus, Cogeme Set); in 5 cases, and for a total of €548 million, the placements were private placement share transactions involving companies already listed with institutional investors.
- There was also one placement of real estate fund units (Fondo Atlantic 1, for a total of €261 million) following new listing in the MTF segment during 2006.
- The largest transactions in 2006 in terms of turnover were the IPO's of Saras (€2.1 billion, 39% of the total), Ansaldo STS (€468 million) and the private placement of Toro Assicurazioni (€327 million). The following operations were also greater than € 300 million: the IPOs of Piaggio (€315 million) and Marazzi (€302 million).
- The 26 placement operations in 9 cases (of which 4 IPOs – Arkimedica, Kerself, Noemalife, Cogeme Set) took place solely by means of private placement with institutional investors.
- Focusing attention on the 21 IPO transactions, the shares bought by retail investors were worth about 20% of the total raised (27% in 2005), against 80% bought by Italian and foreign institutional investors (73%). A breakdown of the retail segment reveals that 17% of the total turnover was subscribed by the general public, less than 1% by employees or persons connected to the issuing companies and just under 3% by other parties benefiting from reserved tranches.
- The total turnover of the IPOs in 2006 (€4.8 billion) was the highest since 2000. Of the € 4.8 billion total, 1.1 derives from share capital increases of the companies undergoing IPOs, which therefore represent capital returning directly to the companies for the funding of growth ventures.
- Retail and institutional investors displayed great interest in placement operations: the average oversubscription figure (which gauges the ratio between the number of securities demanded and those effectively allocated) among the IPOs was 6.5, higher than in 2005 (5.1) and more than double that in 2004, with peaks equalling 20.0 for Poltrona Frau, 17.4 for Cobra, 13.9 for Nice and 10.1 for Gas Plus.

TAKEOVER BIDS

- During the course of 2006, 15 takeover bids were performed for a value of €7.1 billion.
- In 3 cases the takeover bids were voluntary (8 in 2005) while in 12 cases they were compulsory, of which 3 were residual (15 in 2005, of which 4 residual).
- The main transactions in 2006 included the total compulsory takeover bid launched by BNP Paribas on BNL (ordinary and saving shares) for an equivalent value of €3.8 billion and that on ordinary Toro shares launched by Assicurazioni Generali (€1.3 billion). The total compulsory takeover bid

launched by ABN AMRO on Banca Antonveneta (€965 million) was also significant, as was the voluntary one of Eurizon on ordinary Banca Fideuram shares (€874 million), and BNP Paribas's residual one on BNL ordinary shares (€136 million). All other transactions had a total turnover of less than €100 million.

- Following the takeover bid transactions during the course of the year, 5 companies were delisted (Acqua Pia Antica Marcia, Banca Antonveneta, Banca Nazionale del Lavoro, Partecipazioni Italiane and Toro Assicurazioni).

Milan, 29th December 2006