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FACTS 2000 FIGURES

on the Italian Exchange



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Introduction

During 2000, the Italian economy experienced a strong growth in Gross Domestic Product (+2.9%), representing its highest increase since 1995. Following the trend shown by the international economy, the positive signs were concentrated in the first part of the year, subsequently falling off in the wake of the U.S. slowdown.

In this essentially positive background, Borsa Italiana exceeded its previous records in terms of new admissions, number of listed companies and turnover of shares and derivatives. Conversely, less encouraging was the trend in share prices which, after a growth phase continuing until half-way through March, showed a changeable trend with signs of sluggishness particularly pronounced as regards high-growth securities. At international level, however, performances on the Italian market were better than on the main European and U.S. markets (NYSE and NASDAQ) and the Tokyo Stock Exchange.

The year 2000 for the European exchange industry marked a turning point during which, with varying results, important integration projects were launched giving new emphasis to its competitive aspect. Within this context, Borsa Italiana distinguishes itself thanks to the existence of clearly identifiable strengths, represented by the high demand (also and above all retail) for financial instruments, the still ample growth potential of the official list and the efficiency and competitiveness of the services offered to market participants. The company's action plan has been developed based on these three strengths.

In order to satisfy both the demand (buy side) and the supply (sell side) of financial services, Borsa Italiana has created new markets and new products based on the requirements of market participants. This is the direction being taken with the start of the after hours trading and the launch of the miniFIB.

The commitment given to promoting the equity culture with issuers also proved decisive. In 2000, an all-time high in admissions was achieved, with 49 new companies listed, exceeding not only the 42 companies of 1986 but also the previous all-time peak (46) which dated back to 1905. The overall number of companies listed rose to 297 at year-end, establishing another new record. In order to make the Exchange more and more representative of the Italian economic environment, over the past few months a project has been launched for a new segmentation of the Mercato Telematico Azionario (Electronic Share Market). Based on the assumption that the Italian real economy is made up of a high number of medium sized companies, the new structure of the Stock Exchange list, which came into effect on 2 April 2001, includes the new STAR segment offering enhanced market visibility for medium sized companies who undertake to comply with its higher requirements.

The operational efficiency of the trading system was guaranteed by the constant supervision of the functional structure with a view to creating value for the system. The competitiveness of the Borsa Italiana price-list reveals a strong focus on optimising operating expenses, to the benefit of market participants.

In the course of 2000, Borsa Italiana acquired the majority shareholding in the Cassa di Compensazione e Garanzia (Clearing and Guarantee Service) and launched the project to implement a central counterparty system for the stock market, which is expected to start operating in Autumn of this year.

More recently, Borsa Italiana has enhanced market growth, directing its strategy towards creating and offering new products and services, expanding the network of intermediaries, dividing up into appropriate segments the customer base, providing an extensive flow of information and giving constant attention to customer satisfaction.

During its first three years of operations, Borsa Italiana has been committed to ensuring excellence in actions intended to pursue market growth objectives, distributing to stakeholders the value created and becoming established as reliable reference point for the entire country system. Over the coming months Borsa Italiana will continue in this direction, focusing its attention on the strategies capable of consolidating the position of the Italian market within the international competitive scenario.



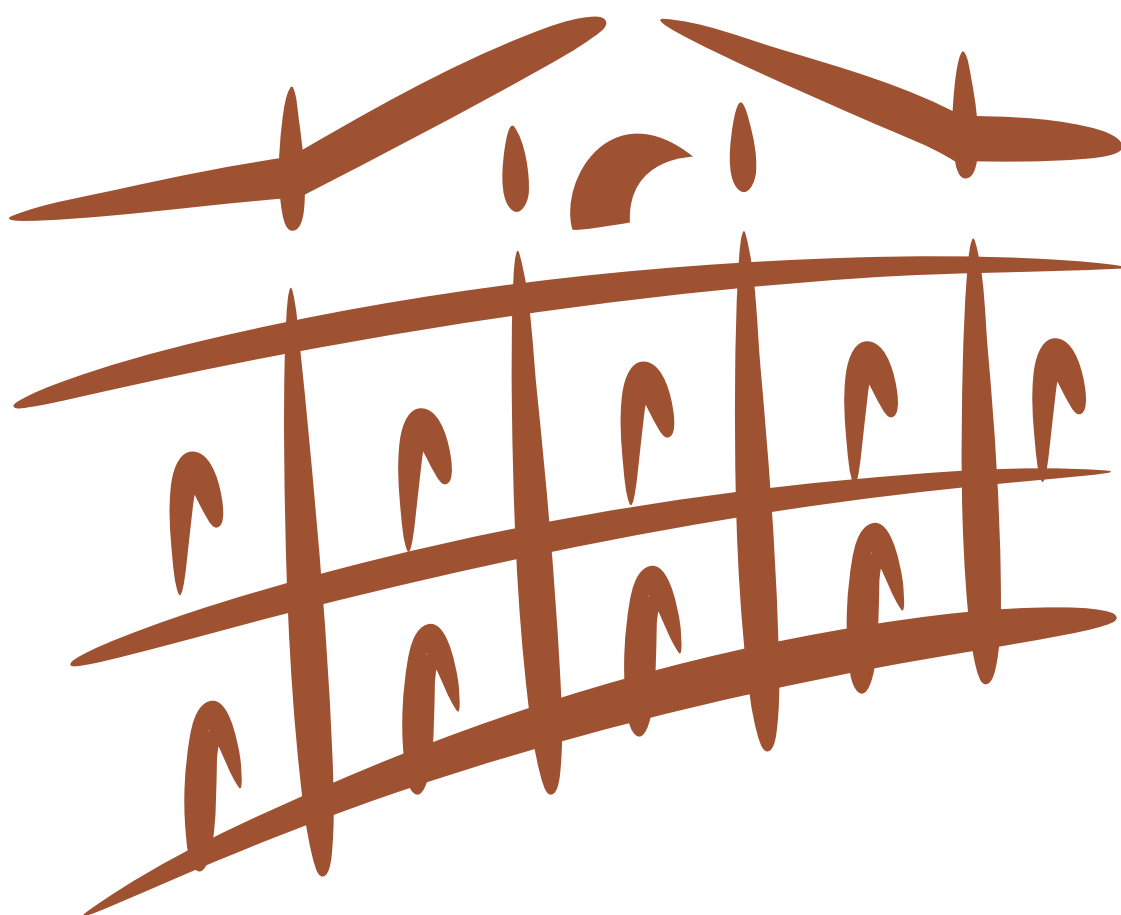
Massimo Capuano

President and Chief Executive Officer
Borsa Italiana Spa



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The Stock Exchange during 2000

The year 2000 was a year of steady growth at international level: gross product was up by 4.7% and world trade rose by about 11.0%. These results were achieved during the first six months and mostly stem from the exceptional growth rates achieved in the United States and to the sudden rise recorded by the emerging Asian markets after the recession in 1997-99. The second half of the year, on the other hand, was characterised by a slowdown, caused by the combined effect of several factors. Oil prices remained at levels well above expectations and in June the Brent price reached 30 dollars per barrel, staying above this level until December. On the either side of the Atlantic, the Federal Reserve (FED) and the European Central Bank (ECB) implemented restrictive monetary policies in order both to reduce the risk of inflation and, particularly in the United States, to cool down the economy and the tension accumulated in the labour market. The last part of 2000 and beginning of 2001 saw a further deterioration of the economic situation in the United States, while as regards Euroland the forecast for 2001 sees a period of moderate expansion.

2000 was a year of steady international growth and Italy benefited with a 2.9% improvement in GDP, the highest increase since 1995; the year closed with signs of a slowdown in the business cycle, particularly severe in the United States

In this scenario, Italy closed 2000 with good results: the real growth rate as regards Gross Domestic Product (GDP) amounted to 2.9%, the highest since 1995. An important contribution to this came from foreign demand; exports, driven by both the devaluation of the euro and a strong demand at international level, recorded an overall rise of 10.2%. As regards internal demand, investment activity (+6.1%), with particular reference to intangible assets (+11.6%), was especially dynamic. Consumption, on the other hand, was not particularly lively (+2.6%). The creation of new jobs (+1.5%) continued, above all in the services sector. As regards inflation, there was a notable rise in consumer prices: +2.5% in 2000 compared to +1.7% in 1999. The increase was connected with the acceleration in the prices of imported goods, whereas the performance of the internal elements of inflation remained basically moderate.

During 2000 the trend in share prices on the main markets reflected what was seen for the economy's real variables. After the peaks reached during the first quarter, the equities market began to show the effects of both the rise in US interest rates and a significant re-evaluation of company profitability expectations. This marked the beginning of a phase of high volatility and downward adjustments. The NYSE closed the year down by 10.1% compared to 1999 end-of-year levels, but it was above all with regard to the technological securities that the adjustment was most substantial. NASDAQ closed the year at -39.3%, with levels almost

halved with respect to the top values reached at the beginning of March. Also in Europe and on the Asian stock markets performances were negative: Paris -1.0%, Frankfurt -7.5%, London -8.0%, Madrid -21.8%, Hong Kong -11.0%, Tokyo -25.5%.

In relative terms the Electronic Share Market (MTA) showed a positive trend (+5.4%), surpassed only by the Swiss (+7.5%) and Toronto (+6.2%) Stock Exchanges. The NUMEX index, relating to the securities on the Nuovo Mercato, after reaching +186.4% in March, at year-end was down by 25.5%. The year's peak was recorded on Friday March 10th, with the MIB index at 33,853 and the NUMEX at 18,633. The initial phase of the year helped to bring about an increase in the volatility of the MIB (19.3%) against 18.0% in 1999). Conversely, although at still high values, there was a decrease in the volatility of the NUMEX (68.2% compared to 80.8% a year earlier).

In a context of high volatility and bearish trend on the world's main Stock Markets, the main market recorded one of the best performances: +5.4% at year-end

As regards sectors, financials generally outperformed (+20.6%) the MIB index. The industrial shares also closed the year with good results (+10.4%, although with some exceptions such as paper (-5.0%), construction (-4.0%) and electronics (-9.9%). Services on the other hand showed a net falloff, especially as regards the media sector (-21.5%), partially offsetting the exceptional improvement of the previous year.

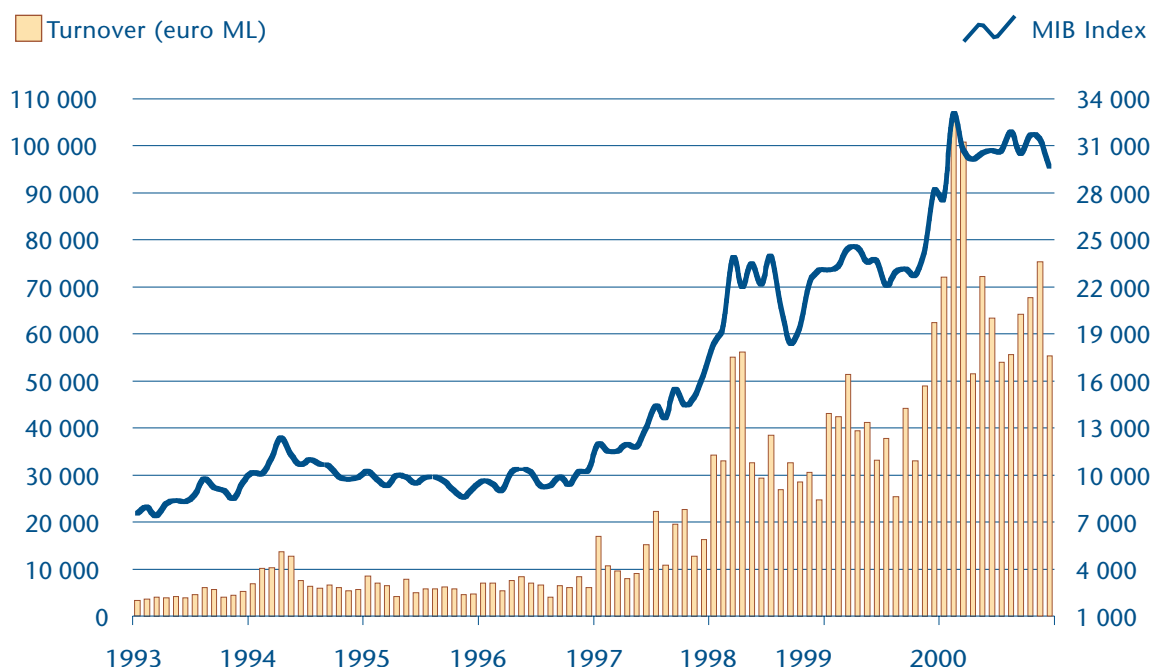
Consolidating the positive trend which began during the previous two-year period, in 2000 Borsa Italiana recorded new all-time highs.

A record year for Borsa Italiana operations with all-time highs reached as regards new admissions (49 companies), total number of listed companies (297), capitalisation (rising to 70.2% of GDP) and equity turnover (869 billion euro)

- The process to expand the official list continued: 49 new companies were listed, of which 16 on the Stock Exchange and 34 on the Nuovo Mercato (including one transfer from the Stock Exchange to the Nuovo Mercato). This was an all-time high, exceeding not only the 42 companies in 1986, but also the 46 admitted in 1905. At the end of the year the companies listed on Borsa Italiana's three stock markets numbered 297, a new all-time high. Since Borsa Italiana Spa started operating, in 1998, 107 new companies have been admitted to the stock markets, more than the total for the previous ten years (101).
- The total capitalisation of domestic companies listed at the end of the year amounted to 818.4 billion euro (+12.6% compared to 1999), owing to the combined effect of the expansion of the official list and the increase in prices. The all-time high was reached at the end of February (871.1 billion euro). In particular, capitalisation amounted to 790.3 billion euro for the Stock Exchange (+10.7%), 22.2 for the Nuovo Mercato (+217.1%) and 5.9 for the Mercato Ristretto (+9.3%). The growth trend in capitalisation as a percentage of GDP continued, reaching 70.2% at the end of 2000. The distribution of capitalisation between the sectors saw financials overtaking services, accounting respectively for 42.4% and 37.0% of the total (37.3% and 42.5% a year earlier) the weight of industrial shares remaining stable (20.6%).

- The year 2000 was characterised by a sharp rise in turnover (chart 1). The total turnover of shares reached 869.1 billion euro (+71.3% on the previous year), of which 838.5 concerned the Stock Exchange (+66.7%), 29.5 the Nuovo Mercato (+735.5%) and 1.2 the Mercato Ristretto (+27.8%). The trend was also positive as regards the number of trades concluded and the volume of shares traded, showing that the growth in turnover was not just a consequence of the increase in prices. There was a reduced concentration of trades on the MIB30 and MIDEX shares (75.5% and 5.9%, compared to 76.4% and 6.5% in 1999). The daily average for the Stock Exchange rose from 1,980.3 million euro in 1999 to 3,301.1; for the Nuovo Mercato from 25.4 to 116.1. This positive trend was also followed by covered warrants, with a daily average turnover up to 122.4 million euro, compared to 55.9 in 1999. Considering the number of trades matched each day, the results were equally significant: 198,100 for the Stock Exchange, 29,600 for the Nuovo Mercato and 30,500 for covered warrants. At the same time, the average size of trades on the Stock Exchange was down slightly, from 17,942 euro in 1999 to 16,948 euro in 2000.
- The Borsa Italiana after hours market started on 15 May 2000, constituting the first example of evening regulated market in Europe. During the period from May to December 919,000 trades were matched for a turnover of 4.1 billion euro. Compared to the daytime phase there was an increase in activity as regards the shares of the Nuovo Mercato and covered warrants.
- The Italian equity derivatives market (IDEM), with a total 13.3 million standard contracts and 1,384 billion euro in notional turnover, reached a new record. The best performance was achieved by stock options: the number of standard contracts tripled and the notional turnover doubled. In July 2000 the miniFIB was launched, recording during the period of operation a daily average of 2,800 standard contracts. On the other hand, during 2000

CHART 1 - PERFORMANCE OF THE EQUITY MARKET - MONTHLY DATA



there was a further falloff in turnover as regards Government securities (-6.7%) and bonds (-12.8%) listed on the Electronic Bond and Government Securities Market (MOT).

- Again in 2000, the stock market proved to be an important channel for Italian companies to raise capital. During the year, 31 capital increase operations were carried out, raising a total 3.8 billion euro. Funding raised through public offer of sale and/or subscription operations (48, of which 45 targeted to listing) amounted to 13.0 billion euro. In terms of absolute value the capital raised was less than in 1999, the amount of which however was affected by the presence of certain large-scale operations, such as the ENEL privatisation and the Olivetti and Tecnost capital increases connected with the take-over bid for Telecom Italia. Unlike what happened in previous years, in 2000 an important part of the capital raised flowed directly into the companies (44.6% compared to 5.8% in 1999). The strong demand for shares on the part of the retail sector was confirmed: approximately one million savers were allotted the shares requested and the average level of oversubscription in the retail sector was 12.2 (16.6 in 1999).