



Ministero dell'Economia e delle Finanze

DIPARTIMENTO DEL TESORO

DIREZIONE SECONDA

COMUNICATO STAMPA

A\$ public bond issue: offering result

The Republic of Italy, rated Aa2/AA, earlier today priced a A\$1 billion 5.875% global due 14 August 2008. The bond was priced at 40 basis points over the 8.75% Australian Government Bond due August 2008 and at BBSW flat. Once converted in Euro, the funding cost associated to the transaction has been lower than the comparable domestic Government bond.

Deutsche Bank and UBS have been lead managers.

Republic of Italy has been the first top-quality European sovereign to issue an Australian Dollar-denominated GLOBAL benchmark issue.

The deal was doubled in size from A\$500 million to A\$1 billion due to overwhelming global investor demand.

Once again the transaction highlights Italy's strategic commitment to issue in and open up new markets, to diversify its investor base and to diversify its funding sources

Australian investors are also very keen to buy new names and the liquidity is a very attractive feature.

The order book was just over A\$1.42 billion at the time of pricing. The book was well balanced and well diversified book internationally. Some 55 accounts participated in the transaction.

Distribution (based on final allocations) by investor type was as follows: Asset managers accounted for 66%, Central banks and public institutions accounted for 18% and Bank treasuries for 15%.

Geographical distribution was strong in Australia with 30%, followed by Asia, including Japan, with 18%, UK with 16%, Germany with 9%, Switzerland and North America with 8%, Italy and Other Europe with 6% and 5% respectively.

Rome, February 19, 2004