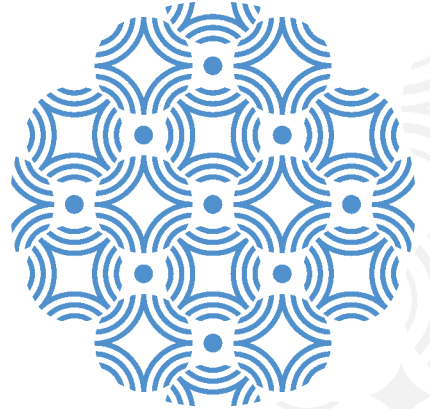




The complete debt issuers offering



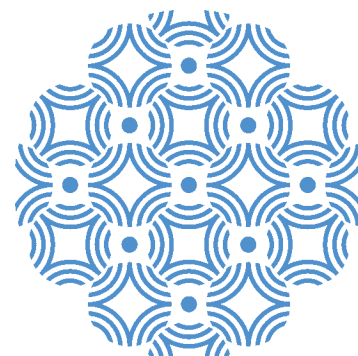
MTS Debt Issuers

MTS gives debt issuers direct, efficient access to a series of services and tools that enable them to conduct a modern and sophisticated debt management operation. The MTS system combines one of the largest numbers of dealers available on an online trading platform for fixed income instruments with transparent pricing, trusted technology and orderly market conditions.

Trusted by debt management offices (DMOs), regulators and central banks across Europe and beyond for over 20 years, MTS facilitates a highly evolved primary and secondary bond market, promoting transparency and delivering the best vehicle for the creation of liquidity. Its unrivalled combination of bespoke monitoring and data management tools help issuers make informed debt management policy decisions.

MTS delivers:

- › Transparent price discovery: fair and complete access to real-time market prices is essential to inform debt management decisions and improves overall liquidity in the market
- › Active management of secondary markets: an organised and structured electronic trading environment is required for clear and effective interaction with primary dealers
- › Reduced operational costs: orderly electronic fixed income markets enhance efficiency and help reduce overall costs

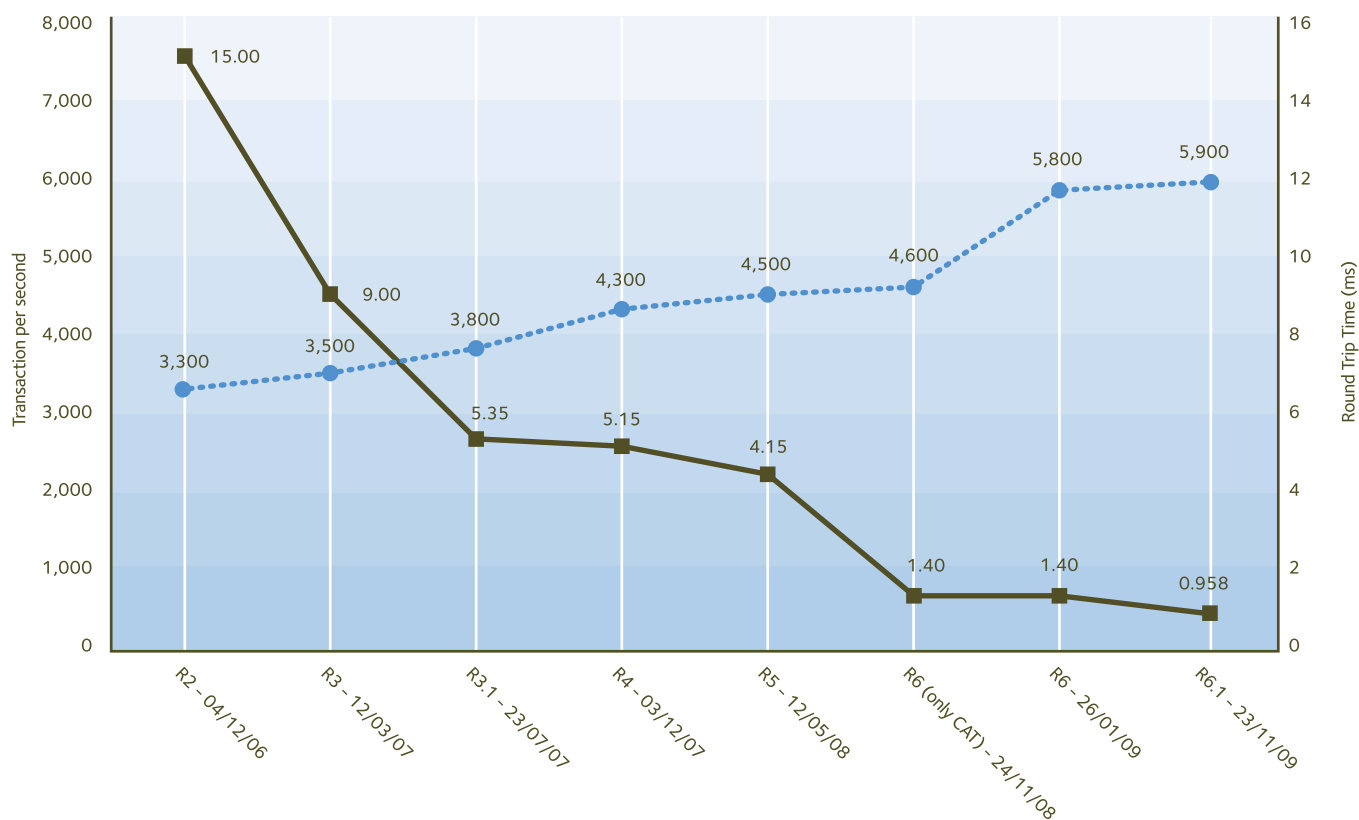


MTS – the benchmark for fixed income

Optimum tools for an orderly market

- › **Monitoring tools**
 - MTS's dedicated team of experts facilitates oversight of the fixed income markets, monitoring activity and trends on a continuous basis and notifies DMOs of any exceptional events. MTS develops bespoke monitoring tools to meet the needs of individual issuers, based on a proven and trusted set of principles, and cultivates dialogue with them to develop tools in line with demand
- › **Access to liquidity**
 - MTS is the primary source of liquidity for the European government bond markets, with the highest number and quality of primary dealers active on the platform comprising over 500 institutions and 2,000 traders globally
- › **Innovative technology**
 - MTS delivers optimum flexibility through one single technological platform combining different market models, products and functionalities, and a modularity of components that allows for both horizontal and vertical scalability
 - The capacity of the MTS platform is unrivalled – the level of throughput it can sustain is continuously improving and is considered by many as the leader in the fixed income arena
 - Very low latency (see Figure 1)
 - Users achieve cost effectiveness through MTS's open architecture that enables seamless integration with ISV solutions and existing internal systems
- › **Auction system**
 - MTS offers a trading venue to facilitate the primary market, providing the technology and information for issuers to conduct electronic auctions with primary dealers

Figure 1. CMF transaction capacity and average response time



Value-added service

The MTS team offers a number of value-added services to issuers throughout the post-trade process, providing the data and reports required to optimise their fixed income operations.

Reports cover:

- › Average and real-time bid/offer spreads quoted by primary dealers
- › Quoted sizes
- › Time of quotation
- › Benchmarking with market averages
- › Quoting performances
- › Turnover volume

Reports can be made available via:

- › Web tools
- › Email transmission
- › FTP transfer

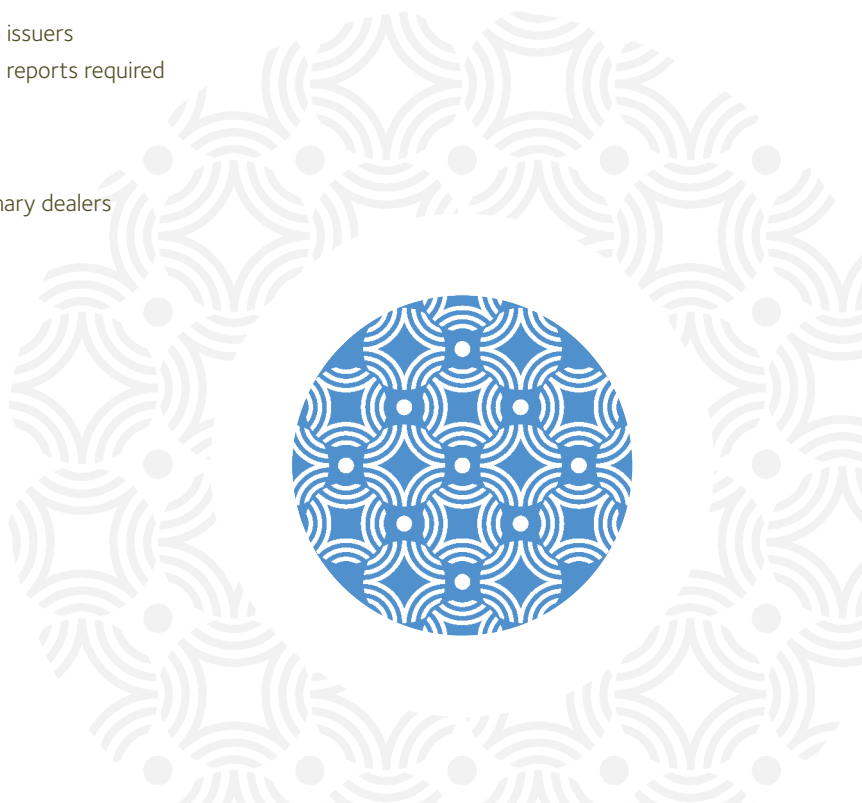


Figure 2. Sample issuer report

Platform	Date	Bank	ISIN Code	Maturity	Total Time	Avg TW Spread	Avg TW Quantity	Best 5h Avg TW Spread	Best 5h Avg TW Quantity
MTS	01/07/2010	Primary Dealer 1	XXPBTZGE0008	23/07/2010	0	0.7	10.00/10.00		10.00/10.00
MTS	01/07/2010	Primary Dealer 2	XXPBTZGE0008	23/07/2010	06:03:53	0.2774	10.00/10.00	0.2768	10.00/10.00
MTS	01/07/2010	Primary Dealer 3	XXPBTZGE0008	23/07/2010	07:01:27	0.3399	10.00/10.00	0.3399	10.00/10.00
MTS	01/07/2010	Primary Dealer 4	XXPBTZGE0008	23/07/2010	03:20:20	1.4882	10.00/10.00	1.4882	00.00/00.00

Figure 3. Standard relative performance report for dealers

Mts Italy
XYZ Bank
08 March 2010-08 March 2010

Bond Code	Description(1)	Maturity Date	Your Average(2) Time	Spread	Market Average(3) Time	Spread	Check on Time	Check on Spread
IT0001448619	BTPS 5.500 01/11/10	11/01/2010	8:14:09	0.03	8:05:56	0.065		
...
IT0004284334	BTPS 4.250 15/10/12	10/15/2012	9:03:36	0.18	7:49:29	0.154		
IT0004568272	BTPS 3.000 15/04/15	04/15/2015	8:51:57	0.194	7:35:27	0.249		
all bonds			Your Average	8:31:27	0.245			
			Market Average(4)	7:52:03	0.252			
			Market St.Dev(5)	0:38:39	0.068			

Faults on:

Time	0
Avg Spread	0

- > If **participant spread** > (market average spread) + (market standard deviation spread)----> FAULT = 1
- > If **participant quoting time** < (market average quoting time) – (market standard deviation quoting time)----> FAULT = 1
- > If **participant spread** on one bond > (market average spread) ----> CHECK = **RED**
- > If **participant quoting time** on one bond < (market average quoting time) ----> CHECK = **RED**

The beacon for best practice

MTS cultivates continuous dialogue with each country's DMO and facilitates sharing of experience between them to help define and promote best practice in the fixed income market.

An orderly and efficient government bond market is the basis on which all fixed income products are priced. MTS delivers the transparency and access to benchmark these instruments and keep them popular amongst investors.

› Transparency

- MTS delivers optimum transparency across the entire trade lifecycle, from price discovery to reporting, helping further develop and establish best practice in the fixed income markets

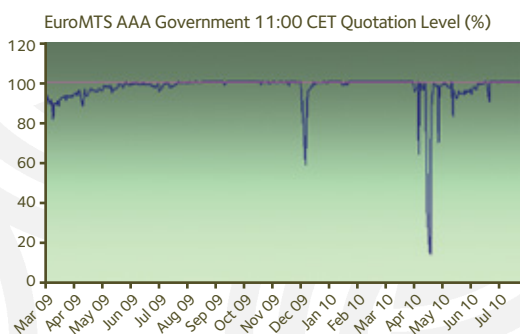
› Direct access to an extensive electronic network of dealers

- MTS's electronic platform gives issuers direct, efficient access to an extensive selection of dealers, and ensures lower execution costs, certainty of trade and enhanced audit trail and reporting

› Free service for debt issuers

- MTS offers its reporting services free of charge to all debt issuers

Figure 4. 18 month quotation level
(at 11.00 CET): EuroMTS AAA Index
(120 bonds, 5 issuers (3 x AAA ratings))



Facilitating the bond markets since 1988

MTS has successfully facilitated orderly government bond markets for issuers, primary dealers and investors since 1988.

MTS has since become Europe's premier source of liquidity for fixed income securities trading, now used by over 500 market participants, with average daily turnover exceeding EUR 85 billion a day.

MTS takes its responsibility to this market very seriously and has delivered continual technological innovation to support the diverse needs of fixed income market participants, along with proven system resilience and local expert customer service.

MTS maintains the position as one of the market leaders in the field by listening to and working with issuers in each country, maintaining a focus on developing and fostering expertise to meet the specific requirements of each market individually, whilst retaining an overall view of the European market as a whole.

End-to-end trading functionality – MTS BondVision

MTS, the number one interdealer trading platform for European fixed income securities, sets the standard in electronic bond trading, free of charge, with its comprehensive BondVision solution that is used by a number of European central banks.

BondVision offers borrowers:

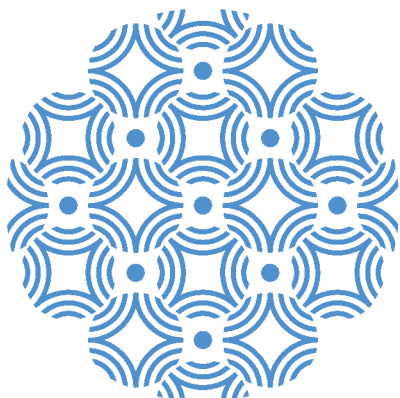
- › Top tier market makers in Europe ensuring high liquidity
- › Independent and broker-neutral service
- › Optimal trading and workflow technology including tools to guarantee best execution
- › Range of functionality including RF(C)Q, MultiLeg RF(C)Q, Click-to-Trade and Single Dealer Pages with firm prices and trading information
- › Full suite of post-trade tools
- › Open architecture for seamless integration including STP capabilities
- › Independent benchmark market data, including real-time, reference and historical data, all direct from the MTS System
- › Free access to comprehensive fixed income indices
- › Compliance with pending regulations

MTS BondVision provides borrowers with comprehensive and immediate access to institutional investors, and supports trading in multiple currencies (EUR, GBP, USD and CEE local currencies). BondVision was designed and developed in conjunction with traders to improve market access to fixed income investors who now have a choice between RF(C)Q and Click-to-Trade.

Aligned with this, BondVision has developed market recognised pre- and post-trade tools tailored to the needs of end-users.

Market data direct from the source – MTS Data

MTS delivers the most comprehensive and trusted market data service empowering fixed income borrowers to set best practice for price discovery, verification and validation. MTS Data delivers real-time tradable – never indicative – prices across the entire European government, quasi-government and covered bond market.



MTS Data delivers:

- › Executable – not indicative – benchmark prices direct from the interdealer platform offering market-leading liquidity
- › Continuous pricing throughout the trading day with market depth and all associated volumes
- › Tight bid-offer spreads
- › Extensive coverage
- › Reference data from the source, providing complete coverage and accuracy
- › Official open and close price fixings calculated by MTS each day using the traded/tradable prices from the MTS system
- › High frequency tick data, daily cash and repo trading summaries – historical data direct from source

Benchmark fixed income indices – MTS Indices

MTS Indices are fully independent and broker-neutral eurozone fixed income benchmarks – widely tracked, easily traded and based on executable underlying prices. The availability of executable bond prices from the underlying MTS market enables MTS Indices to offer market participants a level of transparency and replicability that is unique in the bond markets.

The indices are benchmarked by more than EUR 400 billion in assets under management and serve as the reference for numerous financial instruments such as exchange traded funds (ETFs), structured products, bond funds and index certificates.

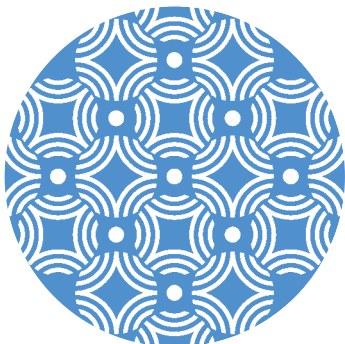
Indices offered:

- › EuroMTS Index (ex-CNO Etrix)
- › EuroMTS Government Broad Index
- › Short EuroMTS Government Broad Index
- › EuroMTS AAA Government Index
- › EuroMTS Covered Bond Indices
- › EuroMTS Government Bill Index

Value-added information for borrowers

As a value-added service for its community of borrowers, MTS offers its sector-specific information and user documentation to ensure users get the most from its market-leading services. All information is available on-demand through the MTS website.

Information includes relevant market reports and studies, technical documentation and EU update newsletters.



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Find out how MTS can enhance your fixed income business by requesting a demo or speaking to our expert team.

About MTS Group

MTS is Europe's premier facilitator for the electronic fixed income trading market, with over 500 unique counterparties and average daily turnover exceeding EUR 85 billion. MTS customers benefit from its relationship with Europe's leading diversified exchange business, the London Stock Exchange Group, which operates the largest and most liquid equity marketplace in Europe.

MTS markets provide the trading environment for the interdealer marketplace, enabling bond dealers from across the globe to access unparalleled liquidity, transparency and coverage.

MTS further facilitates the dealer-to-client fixed income market through BondVision, the most trusted and efficient electronic market for professional end-investors, delivering exceptional access for institutional investors direct to the market makers.

MTS Data is sourced directly and exclusively from the MTS interdealer market and includes benchmark real-time data, reference data, reference prices, time series data and snap-shot data, providing the benchmark data source on the fixed income market.

MTS Indices provide the first independent, transparent, real-time and tradable eurozone fixed income indices, based on tradable prices from MTS. MTS Indices are tracked by (and can be traded via) more than 28 ETFs in addition to numerous structured products.

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