

IMPORTANT NOTICE

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA) (THE "UNITED STATES") OR TO ANY U.S. PERSON (AS DEFINED BELOW) OR IN OR INTO OR TO ANY PERSON LOCATED AND RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached tender offer memorandum (the "**Tender Offer Memorandum**") and you are therefore required to read this disclaimer page carefully before accessing, reading or making any other use of the Tender Offer Memorandum. By accessing the Tender Offer Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Intesa Sanpaolo S.p.A. ("**ISP**"), Banca IMI S.p.A. (the "**Dealer Manager**") or Deutsche Bank S.p.A. (the "**Tender Agent**") as a result of such access. Capitalised terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the Tender Offer Memorandum.

THE TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE TENDER OFFER MEMORANDUM MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES AND TO PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO SEND THE TENDER OFFER MEMORANDUM AND, IN PARTICULAR, SHOULD NOT BE FORWARDED TO ANY U.S. PERSON OR ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THESE REQUIREMENTS MAY RESULT IN A VIOLATION OF APPLICABLE LAWS AND REGULATIONS.

Confirmation of your representation: In order to be eligible to view the attached Tender Offer Memorandum or make an investment decision with respect to the Offers (as defined below), you must be outside the United States and otherwise able to participate lawfully in the invitations by ISP to holders of the Notes described on the cover of the Tender Offer Memorandum to tender their Notes for purchase by ISP for cash (the "**Offers**") on the terms and subject to the conditions set out in the Tender Offer Memorandum, including the offer and distribution restrictions set out on pages 24 to 25 (the "**Offer and Distribution Restrictions**"). The Tender Offer Memorandum was sent at your request and by accessing the Tender Offer Memorandum you shall be deemed to have represented to ISP, the Dealer Manager and the Tender Agent that:

- (i) you are a holder or a beneficial owner of (a) the €1,750,000,000 0.500 per cent. fixed rate guaranteed Notes due 2 February 2020 of ISP (originally issued by Veneto Banca S.p.A.) and having the benefit of a guarantee issued by the Republic of Italy (ISIN IT0005239535) (the "**2 Feb 2020 Notes**"); or (b) the €3,000,000,000 0.500 per cent. fixed rate guaranteed Notes due 3 February 2020 of ISP (originally issued by Banca Popolare di Vicenza S.p.A.) and having the benefit of a guarantee issued by the Republic of Italy (ISIN IT0005238859) (the "**3 Feb 2020 Notes**") and together with the 2 Feb 2020 Notes, the "**Notes**");
- (ii) the electronic mail address that you have given to us and to which the Tender Offer Memorandum has been delivered is not located in the United States;
- (iii) you are a person to whom it is lawful to send the attached Tender Offer Memorandum or to make an invitation pursuant to the Offers under all applicable laws, including the Offer and Distribution Restrictions referred to above;
- (iv) you are not, and you are not acting for the account or benefit of, a U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended);
- (v) you are not a target of any financial or economic sanctions or trade embargoes administered or enforced by the Office of Foreign Assets Control of the US Department of Treasury (OFAC), the U.S. Departments of State or Commerce or any other US, EU, United Nations or UK economic sanctions; and
- (vi) you consent to delivery of the Tender Offer Memorandum to you by electronic transmission.

The Tender Offer Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of ISP, the Dealer Manager, the Tender Agent, or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the

Tender Offer Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Dealer Manager or the Tender Agent.

You are otherwise reminded that the Tender Offer Memorandum has been sent to you on the basis that you are a person into whose possession the Tender Offer Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or resident and you may not, nor are you authorised to, deliver the Tender Offer Memorandum to any other person.

If you have recently sold or transferred your entire holding(s) of the Notes, you should notify the Tender Agent immediately.

Any materials relating to the Offers do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that an Offer be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in that jurisdiction, such Offer shall be deemed to be made by the Dealer Manager or such affiliate, as the case may be, on behalf of ISP in such jurisdiction.

Restrictions: Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in the United States or any other jurisdiction in which such offer or solicitation would be unlawful.

The distribution of the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Tender Offer Memorandum comes are required by ISP, the Dealer Manager, and the Tender Agent to inform themselves about, and to observe, any such restrictions.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA) (THE "UNITED STATES") OR TO ANY U.S. PERSON (AS DEFINED BELOW) OR IN OR INTO OR TO ANY PERSON LOCATED AND RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT.

This Tender Offer Memorandum does not constitute an invitation to participate in the Offers in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities laws or otherwise. The distribution of this document in certain jurisdictions (in particular, the United States, the United Kingdom, Belgium, France and Italy) may be restricted by law. See "Offer and Distribution Restrictions" below. Persons into whose possession this document comes are required by the Dealer Manager and ISP to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer has been or will be taken in any jurisdiction by the Dealer Manager or by ISP.

TENDER OFFER MEMORANDUM dated 3 January 2018

THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION



Invitations by

INTESA SANPAOLO Sp.A.

(incorporated as a società per azioni in the Republic of Italy)

("ISP")

to the holders of the following Notes:

Description of Notes	Issuer	ISIN	Initial Principal Amount	Aggregate Principal Amount Outstanding	Purchase Price
€1,750,000,000 0.500 per cent. fixed rate guaranteed Notes due 2 February 2020 (the "2 Feb 2020 Notes")	Intesa Sanpaolo S.p.A. The 2 Feb 2020 Notes were originally issued by Veneto Banca S.p.A. and have the benefit of a guarantee issued by the Republic of Italy.	IT0005239535	€1,750,000,000	€1,750,000,000 ¹	101.20%
€3,000,000,000 0.500 per cent. fixed rate guaranteed Notes due 3 February 2020 (the "3 Feb 2020 Notes")	Intesa Sanpaolo S.p.A. The 3 Feb 2020 Notes were originally issued by Banca Popolare di Vicenza S.p.A. and have the benefit of a guarantee issued by the Republic of Italy.	IT0005238859	€3,000,000,000	€3,000,000,000 ²	101.20%

(the 2 Feb 2020 Notes and the 3 Feb 2020 Notes each a "Series" and together the "Notes") to tender any and all such Notes for purchase by ISP for cash (each such invitation an "Offer" and, together, the "Offers").

THE OFFERS COMMENCE ON 3 JANUARY 2018 AND WILL EXPIRE AT 16:00 HOURS (LONDON TIME)/17:00 HOURS CET ON 12 JANUARY 2018 (THE "EXPIRATION DEADLINE"), UNLESS EXTENDED, AMENDED, WITHDRAWN OR TERMINATED AT THE

¹ €400,000,000 in initial principal amount of the 2 Feb 2020 Notes are held by ISP.

² €1,750,000,000 in initial principal amount of the 3 Feb 2020 Notes are held by ISP.

SOLE DISCRETION OF ISP. TENDER INSTRUCTIONS, ONCE SUBMITTED, MAY, IN PRINCIPLE, NOT BE WITHDRAWN EXCEPT IN THE LIMITED CIRCUMSTANCES OUTLINED IN THIS TENDER OFFER MEMORANDUM UNDER THE HEADING "AMENDMENT AND TERMINATION".

Custodians, Direct Participants and the Clearing Systems will have deadlines for receiving instructions prior to the Expiration Deadline and holders should contact the intermediary through which they hold their Notes as soon as possible to ensure proper and timely delivery of instructions.

Questions and requests for assistance in connection with (i) the Offers may be directed to Banca IMI S.p.A. (the "**Dealer Manager**") and (ii) the delivery of Tender Instructions (as defined below), may be directed to Deutsche Bank S.p.A. (the "**Tender Agent**"), the contact details for each of which are on the last page of this Tender Offer Memorandum. In order to offer to sell its Notes to ISP pursuant to the Offers, each Noteholder must arrange: (i) for the relevant Direct Participant to obtain from Monte Titoli a valid blocking number in respect of the relevant Notes in accordance with the requirements and rules of Monte Titoli (a "**Monte Titoli Blocking Number**") and (ii) for the delivery or submission by the relevant Direct Participant on its behalf of a corresponding Tender Instruction which must reference the Monte Titoli Blocking Number and that is received by the Tender Agent before the Expiration Deadline indicated below.

Dealer Manager

Banca IMI

CONTENTS

	Page
Important Notices	1
Overview of Offers.....	2
Definitions and Interpretation.....	4
Indicative Timetable.....	7
Risk Factors.....	9
Terms and Conditions of the Offers	12
Procedures for Participating in the Offers	15
Amendment and Termination.....	20
Tax Consequences.....	22
Dealer Manager and Tender Agent	23
Offer and Distribution Restrictions	24

IMPORTANT NOTICES

This Tender Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Offers. If any Noteholder is in any doubt as to the action it should take or is unsure of the impact of the Offers, it is recommended to seek its own financial, legal and other professional advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender Notes in the relevant Offers. None of ISP, the Dealer Manager or the Tender Agent is providing Noteholders with any legal, business, tax or other advice in this Tender Offer Memorandum. Noteholders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to offer Notes for cash.

ISP accepts responsibility for the information contained in this Tender Offer Memorandum. To the best of the knowledge and belief of ISP (having taken all reasonable care to ensure that such is the case), the information contained in this Tender Offer Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate (including those relating to the relevant Offers) and each Noteholder must make its own decision as to whether to tender any or all of its Notes for purchase pursuant to any Offer. None of the Dealer Manager, the Tender Agent or any of their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding this Tender Offer Memorandum, the Offers, and none of ISP, the Dealer Manager, the Tender Agent or their respective directors, employees or affiliates makes any recommendation as to whether holders of Notes should tender Notes for purchase pursuant to the Offers. The Tender Agent is the agent of ISP and owes no duty to any holder of Notes.

A decision to participate or not participate in the Offers will involve certain risks. Noteholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described in "*Risk Factors*" below.

No person has been authorised to give any information or to make any representation other than those contained in this Tender Offer Memorandum in connection with the Offers and, if given or made, such information or representation must not be relied upon as having been authorised by ISP or the Dealer Manager. Neither the delivery of this Tender Offer Memorandum nor any purchase of Notes pursuant to the Offers shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of ISP since the date of this Tender Offer Memorandum or that the information contained in this Tender Offer Memorandum is correct as of any time subsequent to the date of this Tender Offer Memorandum.

Notes can only be tendered in the Offers in accordance with the procedures described in "*Procedures for Participating in the Offers*".

Noteholders who do not participate in the Offers, or whose Notes are not accepted for purchase by ISP, will continue to hold their Notes subject to the relevant Conditions.

Noteholders must comply with all laws that apply to them in any place in which they possess this Tender Offer Memorandum. Noteholders must also obtain any consents or approvals that they need in order to tender their Notes. None of ISP, the Dealer Manager or the Tender Agent is responsible for Noteholders' compliance with these legal requirements. See "*Offer and Distribution Restrictions*." The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Offers in, from or otherwise involving the United Kingdom.

Capitalised terms used in this Tender Offer Memorandum have the meaning given in "*Definitions and Interpretation*" below and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

OVERVIEW OF OFFERS

Words and expressions defined in the "Definitions and Interpretation" below or elsewhere in this Tender Offer Memorandum have the same meanings in this Overview of Offers section.

Purchase Prices

ISP will pay a price (the relevant "**Purchase Price**") per €100,000 in principal amount of the Notes of each Series accepted by it for purchase pursuant to the relevant Offer as set out in the table on the cover of this Tender Offer Memorandum and as further detailed below.

2 Feb 2020 Notes Purchase Price

The Purchase Price in respect of the 2 Feb 2020 Notes shall be a fixed purchase price of 101.20%, being €101,200 per each €100,000 in principal amount of the 2 Feb 2020 Notes.

3 Feb 2020 Notes Purchase Price

The Purchase Price in respect of the 3 Feb 2020 Notes shall be a fixed purchase price of 101.20%, being €101,200 per each €100,000 in principal amount of the 3 Feb 2020 Notes.

Accrued Interest Payment

In respect of any Notes accepted for purchase, ISP will also pay an amount equal to any accrued and unpaid interest on the relevant Notes from, and including, the interest payment date for the Notes immediately preceding the Settlement Date up to, but excluding, the Settlement Date, which is expected to be no later than 17 January 2018 (subject to the right of ISP to extend, re-open, withdraw and/or terminate the Offers, as applicable).

Amendment and Termination

ISP reserves the right, in its sole and absolute discretion, to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers at any time following the announcement of the Offers, as described herein under the heading "*Amendment and Termination*" on page 20. Details of any such extension, re-opening, withdrawal, termination, amendment or waiver will be notified to the Noteholders as soon as possible after such decision.

Offer Conditions

An offer of Notes for repurchase may only be made by the submission of a valid Tender Instruction.

Offer and Distribution Restrictions

ISP is making the Offers only in those jurisdictions where it is legal to do so. See "*Offer and Distribution Restrictions*". This document does not constitute a "prospectus" for the purposes of Directive 2003/71/EC (as amended).

Deadlines

THE OFFERS COMMENCE ON 3 JANUARY 2018 AND WILL EXPIRE AT 16:00 HOURS (LONDON TIME)/17:00 HOURS CET ON 12 JANUARY 2018 (THE "EXPIRATION DEADLINE"), UNLESS EXTENDED, AMENDED, WITHDRAWN OR TERMINATED AT THE SOLE DISCRETION OF ISP. TENDER INSTRUCTIONS, ONCE SUBMITTED, MAY, IN PRINCIPLE, NOT BE WITHDRAWN EXCEPT IN THE LIMITED CIRCUMSTANCES OUTLINED IN THIS TENDER OFFER MEMORANDUM UNDER THE HEADING "AMENDMENT AND TERMINATION".

Custodians, Direct Participants and the Clearing Systems will have deadlines for receiving instructions prior to the Expiration Deadline and Noteholders should contact the intermediary through which they hold their Notes as soon as possible to ensure proper and timely delivery of instructions.

Further Information

Any questions or requests for assistance in connection with this Tender Offer Memorandum may be directed to Banca IMI S.p.A., at the telephone number or email address provided on the last page of this Tender Offer Memorandum. Any questions or requests for assistance in connection with the delivery of Tender Instructions or requests for additional copies of this Tender Offer Memorandum or related documents, which may be obtained free of charge, may be directed to Deutsche Bank S.p.A. (the "**Tender Agent**"), at the telephone number or e-mail address provided on the last page of this Tender Offer Memorandum.

The invitations to Noteholders are to tender any and all of the Notes for purchase by ISP for cash, and ISP has set no cap on the total amount of Notes validly tendered which may be accepted.

Before making a decision with respect to the Offers, Noteholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described in the section entitled "*Risk Factors*".

DEFINITIONS AND INTERPRETATION

For the avoidance of doubt, each invitation by ISP to Noteholders contained in this Tender Offer Memorandum is an invitation to treat by ISP and any references to any offer or invitation being made by ISP under or in respect of any Offer shall be construed accordingly. Furthermore, each defined term listed below and/or elsewhere in this Tender Offer Memorandum is subject to the right of ISP to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers, as described herein under the heading "*Amendment and Termination*". Subject to the foregoing, in this Tender Offer Memorandum the following expressions have the following meanings:

2 Feb 2020 Notes	€1,750,000,000 0.500 per cent. fixed rate guaranteed Notes due 2 February 2020 of ISP, originally issued by Veneto Banca S.p.A. and having the benefit of a guarantee issued by the Republic of Italy (ISIN: IT0005239535).
2 Feb 2020 Notes Purchase Price	The Purchase Price in respect of the 2 Feb 2020 Notes, which shall be a fixed purchase price of 101.20%, being €101,200 per each €100,000 in principal amount of the 2 Feb 2020 Notes.
3 Feb 2020 Notes	€3,000,000,000 0.500 per cent. fixed rate guaranteed Notes due 3 February 2020 of ISP, originally issued by Banca Popolare di Vicenza S.p.A. and having the benefit of a guarantee issued by the Republic of Italy (ISIN: IT0005238859).
3 Feb 2020 Notes Purchase Price	The Purchase Price in respect of the 3 Feb 2020 Notes, which shall be a fixed purchase price of 101.20%, being €101,200 per each €100,000 in principal amount of the 3 Feb 2020 Notes.
Accrued Interest	In respect of any Note or Notes, interest accrued and unpaid on the relevant Note or Notes from (and including) the interest payment date for such Notes immediately preceding the Settlement Date to (but excluding) the Settlement Date.
Accrued Interest Payment	In respect of any Note or Notes, an amount in cash (rounded to the nearest €0.01 with half a unit rounded upwards) equal to the Accrued Interest on the relevant Note or Notes.
Business Day	A day other than a Saturday or a Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in London and Milan and on which TARGET2 is open for the settlement of payments in euro.
Clearing System Notice	The form of notice to be sent to Direct Participants by the relevant Clearing System on or about the date of this Tender Offer Memorandum informing Direct Participants of the procedures to be followed in order to participate in the Offers.
Clearing Systems	Monte Titoli, Clearstream, Luxembourg and Euroclear.
Clearstream, Luxembourg	Clearstream Banking, S.A.
Conditions	In respect of each Series, the terms and conditions of the Notes of that Series.
Dealer Manager	Banca IMI S.p.A.
Direct Participant	Each custodian and/or intermediary who is shown in the records of the clearing and settlement systems of Monte Titoli as a holder of a particular principal amount of the relevant Notes.

Expiration Deadline	4.00 p.m. (London time) /5.00 p.m. (CET) on 12 January 2018 (subject to the right of ISP to extend, re-open, withdraw and/or terminate the Offers, as applicable).
Euroclear	Euroclear Bank SA/NV.
Financial Promotion Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
intermediary	Any broker, dealer, bank, custodian, trust company, nominee or Direct Participant in the Clearing Systems which holds Notes or an interest in Notes on behalf of another person.
Issuer's Regulation	CONSOB Regulation No. 11971 of 14 May 1999, as amended.
Minimum Denomination	€100,000, being the minimum denomination of the 2 Feb 2020 Notes and the 3 Feb 2020 Notes.
Monte Titoli	Monte Titoli S.p.A.
Monte Titoli Blocking Number	Valid blocking reference numbers issued by Monte Titoli to be delivered by the relevant Direct Participant to the Tender Agent prior to the giving of each Tender Instruction.
Notes	The 2 Feb 2020 Notes and the 3 Feb 2020 Notes.
Notifying News Service	A recognised financial news service or services (e.g. Reuters/Bloomberg) as selected by ISP.
Offer	In respect of each Series, the invitation by ISP to Noteholders of that Series (subject to the offer restrictions set out in " <i>Offer and Distribution Restrictions</i> ") to tender their Notes for purchase by ISP for cash, on the terms and subject to the conditions set out in this Tender Offer Memorandum.
Offer and Distribution Restrictions	The offer restrictions referred to in " <i>Offer and Distribution Restrictions</i> ".
Purchase Consideration	In respect of any Note or Notes validly tendered and accepted, an amount in cash (rounded to the nearest €0.01 with half a unit rounded upwards) calculated by applying the relevant Purchase Price to the aggregate principal amount of such Note or Notes validly tendered and accepted.
Purchase Price	The 2 Feb 2020 Notes Purchase Price or the 3 Feb 2020 Notes Purchase Price, as applicable.
Series	Means each of the 2 Feb 2020 Notes and the 3 Feb 2020 Notes.
Settlement Date	Expected to be 17 January 2018 (subject to the right of ISP to extend, re-open, withdraw and/or terminate the Offers, as applicable).
TARGET2	Means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.
Tender Agent	Deutsche Bank S.p.A.
Tender Instruction	The tender and blocking instruction in the form attached as Annex A to this Tender Offer Memorandum for submission by Direct Participants to the Tender Agent in accordance with the instructions set out in the form attached as Annex A to this Tender Offer Memorandum by the relevant deadline in order for Noteholders to be able to participate in the relevant Offers. See " <i>Procedures for Participating in the Offers</i> ".

Unless the context otherwise requires, all references in this Tender Offer Memorandum to:

- (a) a "**Noteholder**" or "**holder of Notes**" include:
- (i) each person who is shown in the records of the clearing and settlement system of Monte Titoli, Euroclear or Clearstream, Luxembourg, as applicable, as a holder of a particular principal amount of the relevant Notes (with respect to Monte Titoli, also referred to as Direct Participants and each a Direct Participant); and
 - (ii) each beneficial owner of Notes holding such Notes, directly or indirectly, in accounts in the name of a Direct Participant acting on the beneficial owner's behalf,
- except that for the purposes of any payment to a Noteholder pursuant to an Offer of the relevant Purchase Consideration or Accrued Interest Payment as applicable, in respect of the relevant Notes, such payment will only be made by the relevant Clearing System to the relevant Direct Participant and the making of such payment by or on behalf of ISP to the relevant Clearing System will satisfy the obligations of ISP and the relevant Clearing System in respect of the purchase of such Notes, as applicable; and
- (b) "**euro**" and "**€**" are to the currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

In this Tender Offer Memorandum headings and sub-headings are for ease of reference and shall not affect the construction or interpretation of any provision of this Tender Offer Memorandum.

INDICATIVE TIMETABLE

This is an indicative timetable showing one possible outcome for the timing of the Offers based on the dates in this Tender Offer Memorandum. This timetable is subject to change and dates and times may be extended or amended by ISP in accordance with the terms of the Offers as described in this Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

<u>Date</u>	<u>Number of Business Days from and including Launch</u>	<u>Action</u>
3 January 2018	Day 1	<p><i>Commencement of the Offers</i></p> <p>Offers announced and notice of the Offers submitted to the Clearing Systems and published by notice to the <i>Borsa Italiana S.p.A. Mercato telematico delle Obbligazioni</i> (M.O.T.), where the Notes are listed.</p> <p>Tender Offer Memorandum available from the Tender Agent.</p>
12 January 2018 4.00 pm, London time / 5.00 pm, CET	Day 8	<p><i>Expiration Deadline</i></p> <p>Deadline for receipt by the Tender Agent of all Tender Instructions in order for Noteholders to be able to participate in the Offers.</p>
As soon as reasonably practicable on 15 January 2018	Day 9	<p><i>Announcement of Result of Offers</i></p> <p>Announcement of ISP's decision whether to accept valid tenders of Notes for purchase pursuant to any or all of the Offers (including, if applicable, the Settlement Date for such Offers).</p> <p>Details of:</p> <ul style="list-style-type: none"> (i) the Purchase Consideration and the Accrued Interest; and (iii) the aggregate principal amount of Notes of each Series accepted for purchase pursuant to the Offers, <p>distributed by way of announcements.</p>
17 January 2018	Day 11	<p><i>Settlement</i></p> <p>Expected Settlement Date for the Offers. Payment of Purchase Consideration and Accrued Interest Payment in respect of the Offers.</p>

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would require to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offers before the deadlines specified above. The deadlines set by any such intermediary and the Clearing Systems for the submission of Tender Instructions or the obtaining of a Monte Titoli Blocking Number (as the case may be) may be earlier than the relevant deadlines specified above.

Unless stated otherwise, announcements will be made by way of (i) notices to the Clearing Systems for communication to Direct Participants, (ii) the issue of a press release on ISP's website at <https://www.group.intesasanpaolo.com>; (iii) publication on Reuters and Bloomberg page IIIA; and (iv) notice to the Borsa Italiana S.p.A. Mercato telematico delle Obbligazioni (M.O.T.), where the

Notes are listed. Copies of all announcements, notices and press releases can also be obtained from the Tender Agent, the contact details for which are on the last page of this Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offers. In addition, Noteholders may contact the Dealer Manager for information using the contact details on the last page of this Tender Offer Memorandum.

RISK FACTORS

Before making a decision with respect to the Offers, Noteholders should carefully consider, in addition to the other information contained in this Tender Offer Memorandum, the following:

Uncertainty as to the Trading Market for Notes not Purchased.

To the extent that any tendered Notes are accepted by ISP for purchase pursuant to an Offer, the trading markets for Notes of the relevant Series that remain outstanding may be significantly more limited. Such remaining Notes may command a lower market price than a comparable issue of debt securities with greater market liquidity would. A reduced market value may also make the trading price of such Notes more volatile. As a result, the market price for Notes of the relevant Series that remain outstanding after completion of an Offer may be adversely affected by such Offer. None of ISP, the Dealer Manager, the Tender Agent or any of their relevant subsidiaries or affiliates has any duty to make a market in the Notes not validly tendered and/or purchased in the Offers that remain outstanding.

Blocking of Notes.

When considering whether to tender Notes in an Offer, Noteholders should take into account that restrictions on the transfer of the relevant Notes will apply from the time of such tender. A Noteholder will, on tendering Notes in an Offer, agree that the relevant Notes will be blocked in the relevant account at the relevant Clearing System from the date that the tender of Notes is made until the earlier of (a) the date on which the tender of the relevant Notes is revoked, in the limited circumstances in which such revocation is permitted (see "*Amendment and Termination - Revocation Rights*") (including the automatic revocation of Tender Instructions on the withdrawal or termination of the relevant Offer), in accordance with the terms of the relevant Offer, and (b) the time at which the relevant Direct Participant causes the Notes to be unblocked in accordance with the procedures of Monte Titoli for settlement on the Settlement Date.

No Obligation to Accept for Purchase Notes Tendered.

ISP is not under any obligation to accept for purchase any Notes tendered pursuant to an Offer. Tenders of Notes may be rejected in the sole and absolute discretion of ISP for any reason and ISP is not under any obligation to Noteholders to furnish any reason or justification for refusing to accept for purchase a tender of Notes. For example, tenders of Notes may be rejected if the relevant Offer is withdrawn or terminated, if such Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason.

Responsibility for Complying with the Procedures of the Offers.

Noteholders are responsible for complying with all of the procedures for submitting a Tender Instruction. None of ISP, the Dealer Manager or the Tender Agent assumes any responsibility for informing Noteholders of irregularities with respect to any Tender Instruction.

Responsibility to Consult Advisers.

Noteholders should consult their own tax, accounting, financial and legal advisers regarding the consequences (tax, accounting or otherwise) of participating in an Offer.

None of the Dealer Manager, the Tender Agent, ISP, nor any director, officer, employee, agent or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offers, and accordingly none of the Dealer Manager, the Tender Agent, ISP, nor any director, officer, employee, agent or affiliate of, any such person makes any recommendation whether Noteholders should tender Notes in the Offers.

Tender Instructions Irrevocable.

Tender Instructions will be irrevocable except in the limited circumstances described in "*Amendment and Termination - Revocation Rights*".

Completion, Termination and Amendment.

Until ISP announces whether it has decided to accept valid tenders of Notes pursuant to any or all of the Offers no assurance can be given that any Offer will be completed. In addition, subject to applicable law and as provided in this Tender Offer Memorandum, ISP may, in its sole and absolute discretion, extend, reopen, withdraw or terminate the Offers and amend or waive any of the terms and conditions of the Offers at any time before such announcement.

ISP also reserves the right at any time or from time to time during, or following completion or cancellation of, the Offers to purchase or exchange or offer to purchase or exchange Notes or to issue an invitation to submit offers to sell Notes (including, without limitation, those offered pursuant to these Offers but not accepted for purchase), in each case on terms that may be more or less favourable than those contemplated by the Offers.

The making of any such new offers and the issuance of any new invitation will depend on various factors, including interest rates prevailing at such time and the aggregate principal amount of Notes purchased pursuant to the Offers.

Compliance with Offer and Distribution Restrictions.

Noteholders are referred to the offer and distribution restrictions in "*Offer and Distribution Restrictions*" and the acknowledgements, representations, warranties and undertakings in "*Procedures for Participating in the Offers*", which Noteholders will be deemed to make on tendering Notes in an Offer. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

Other Purchases or Redemption of Notes.

Whether or not the purchase of any Notes pursuant to the Offers is completed, ISP or any of its subsidiaries may, to the extent permitted by applicable law, acquire (from time to time both during and after the Offers) Notes other than pursuant to the Offers, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise. Such purchases may be on such terms and at such prices as ISP or the relevant subsidiary may determine, which may be more or less than the prices to be paid pursuant to the Offers and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated by the Offers.

Costs incurred in blocking the Notes.

Any fees, if any, which may be charged by Monte Titoli to the Direct Participant in connection with the blocking (or unblocking) of the Notes or otherwise must be borne by the Direct Participant or as otherwise agreed between the Direct Participant and the relevant Noteholder. For the avoidance of doubt, Direct Participants and Noteholders shall have no recourse to ISP, the Dealer Manager or the Tender Agent with respect to such costs.

Payment obligation.

If Notes which have been validly submitted and accepted for purchase pursuant to the Offers are validly accepted by ISP, the relevant Purchase Price together with Accrued Interest for such Notes will be paid by or on behalf of ISP in immediately available funds on the Settlement Date. To the extent the Noteholder is not a Direct Participant, payment to such Noteholder will only be made by ISP to the relevant Direct Participant and the making of such payment by or on behalf of ISP to such Direct Participant will satisfy the obligations of ISP in respect of payment for the Notes validly tendered and accepted for purchase by ISP. Such payment shall discharge in full ISP's obligation to all such Noteholders in respect of payment of the Purchase Price and Accrued Interest for the relevant Notes. Under no circumstances will any additional interest be payable by ISP to a Noteholder due to any delay in the transmission of funds from the Direct Participant or any other intermediary thereafter to the relevant Noteholder.

Responsibility for information on ISP, the Notes and for assessing the merits of the Offers.

Noteholders are responsible for independently investigating the position of ISP and the nature of the Notes, as well as for assessing the merits of the Offers including but not limited to the purchase price of the relevant Notes. None of ISP, the Dealer Manager, the Tender Agent or any of their relevant subsidiaries or affiliates and any of their respective directors, officers, employees, agents, advisors and representatives assumes any

responsibility for informing Noteholders as to the position of ISP, and/or the nature of the Notes in connection with this Tender Offer Memorandum.

TERMS AND CONDITIONS OF THE OFFERS

Introduction to and Rationale for the Offers

On the terms and subject to the conditions contained in this Tender Offer Memorandum, ISP invites Noteholders (subject to the Offer and Distribution Restrictions contained herein) to tender their Notes for purchase by ISP at the relevant Purchase Price together with Accrued Interest.

ISP reserves the right, in its sole and absolute discretion, not to accept any Tender Instructions, not to purchase Notes or to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers in any manner, subject to applicable laws and regulations.

The Offers are intended to enable Intesa Sanpaolo, as part of its liability management strategy, to optimise debt maturities and cost of debt.

Notes repurchased by ISP pursuant to the Offers will be cancelled and will not be re-issued or re-sold. Notes which have not been validly submitted and accepted for purchase pursuant to the Offers will remain outstanding after the Settlement Date.

Purchase Price

The Purchase Price per €100,000 in aggregate principal amount of the Notes will be as set out in the table contained on the cover page of the Tender Offer Memorandum.

Accrued Interest Payment

ISP will pay accrued and unpaid interest in respect of all Notes validly tendered and delivered and accepted for purchase by ISP pursuant to the Offers, from and including the interest payment date for the relevant Series of Notes immediately preceding the Settlement Date to but excluding the Settlement Date, which is expected to be no later than 17 January 2018 (subject to the right of ISP to extend, re-open, withdraw and/or terminate the Offers, as applicable).

Tender Offer Period

The Offers commence on 3 January 2018 and will expire at 16:00 hours (London time)/17:00 hours CET on 12 January 2018 (the "**Expiration Deadline**"), unless extended, reopened, withdrawn and/or terminated at the sole discretion of ISP. Tender instructions, once submitted, may, in principle, not be withdrawn except in the limited circumstances outlined in this Tender Offer Memorandum under the heading "*Amendment and Termination*".

Total amount payable to Noteholders

The total consideration payable to each Noteholder in respect of any Note or Notes validly tendered and accepted, will be an amount in cash (rounded to the nearest €0.01 with half a unit rounded upwards) calculated by applying the relevant Purchase Price to the aggregate principal amount of such Note or Notes validly tendered and accepted (the "**Purchase Consideration**"), plus the Accrued Interest Payment in respect of such Notes.

Results

The results of the Offers are expected to be announced as soon as reasonably practicable on 15 January 2018. ISP will announce the Purchase Consideration and the Accrued Interest, for the Notes of each Series accepted by ISP for purchase pursuant to the Offers and the aggregate principal amount of Notes of each Series so accepted for purchase. Such information will be notified to Noteholders by way of announcements on the relevant Notifying News Service(s), and through the Clearing Systems and shall, absent manifest error, be final and binding on ISP and the Noteholders.

Once ISP has announced the results of the Offers in accordance with applicable law, ISP's acceptance of Tender Instructions in accordance with the terms of the Offers will be irrevocable. Tender Instructions which are so accepted will constitute binding obligations of the submitting Noteholders and ISP to settle the Offers.

Notes repurchased by ISP pursuant to the Offers will be cancelled and will not be re-issued or re-sold. Notes which have not been validly submitted and accepted for purchase pursuant to the Offers will remain outstanding after the Settlement Date.

Payment

If the Notes validly tendered in an Offer are accepted for purchase by ISP, the Purchase Consideration, and Accrued Interest Payments for Notes so accepted for purchase pursuant to such Offer will be paid on the Settlement Date (subject to the right of ISP to delay the acceptance of Tender Instructions as set out in this Tender Offer Memorandum) in immediately available funds delivered to the relevant Clearing System for payment to the cash accounts of the relevant Noteholders in the relevant Clearing System (see "*Procedures for Participating in the Offers*"). The deposit of such funds with the relevant Clearing System will discharge the obligation of ISP to all Noteholders in respect of the above amounts represented by such funds.

Provided ISP makes or has made on its behalf full payment of the Purchase Consideration and Accrued Interest Payments for Notes accepted for purchase pursuant to the Offers to the relevant Clearing System on or before the Settlement Date (subject to any amendment of the relevant payment date as described above), under no circumstances will any additional interest be payable because of any delay in the transmission of funds from the relevant Clearing System or any other intermediary with respect to such Notes.

Extension, Termination and Amendment

Subject to applicable law, ISP reserves the right to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers, at any time after the announcement of the Offers as described below under "*Amendment and Termination*", including with respect to any Tender Instructions already submitted as of the time of any such extension, re-opening, withdrawal, termination, amendment or waiver.

If ISP withdraws or terminates one or more of the Offers, any Notes of the relevant Series offered for sale will not be purchased.

ISP also reserves the right at any time or from time to time during, or following completion or cancellation of, the Offers to purchase or exchange or offer to purchase or exchange Notes or to issue an invitation to submit offers to sell Notes (including, without limitation, those offered pursuant to these Offers but not accepted for purchase), in each case on terms that may be more or less favourable than those contemplated by the Offers.

The making of any such new offers and the issuance of any new invitation will depend on various factors, including interest rates prevailing at such time and the aggregate principal amount of Notes purchased pursuant to the Offers.

Costs and Expenses

Any charges, costs and expenses charged to the Noteholders by any intermediary shall be borne by such Noteholder.

General Conditions of the Offers

ISP expressly reserves the right, in its sole and absolute discretion, to refuse or delay acceptance of Notes for purchase pursuant to an Offer in order to comply with applicable laws. In all cases, the purchase for cash of Notes pursuant to an Offer will only be made after the submission of a valid Tender Instruction in accordance with the procedures described in "*Procedures for Participating in the Offers*". These procedures include the blocking of the Notes tendered as described in "*Risk Factors - Blocking of Notes*".

ISP may reject tenders of Notes which it considers in its sole and absolute discretion not to have been validly tendered in the relevant Offer and ISP is under no obligation to any relevant Noteholder to furnish any reason or justification for refusing to accept such tenders. **For example, tenders of Notes may be rejected and not accepted and may be treated as not having been validly tendered in the relevant Offer if any such tender does not comply with the requirements of a particular jurisdiction.**

ISP will at any time have the sole and absolute discretion to accept for purchase any Notes tendered in an Offer, the tender of which would otherwise be invalid or, in the sole opinion of ISP, may otherwise be invalid.

The failure of any person to receive a copy of this Tender Offer Memorandum or any announcement made or notice issued by ISP in connection with the Offers shall not invalidate any aspect of the Offers. No acknowledgement of receipt of any Tender Instruction and/or other documents will be given by ISP or the Tender Agent.

Announcements

Unless stated otherwise, announcements will be made by way of (i) notices to the Clearing Systems for communication to Direct Participants, (ii) the issue of a press release on ISP's website at <https://www.group.intesasanpaolo.com>; (iii) publication on Reuters and Bloomberg page IIIA; and (iv) published by notice to the *Borsa Italiana S.p.A. Mercato telematico delle Obbligazioni* (M.O.T.), where the Notes are listed. Copies of all announcements, notices and press releases can also be obtained from the Tender Agent, the contact details for which are on the last page of this Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offers. In addition, Noteholders may contact the Dealer Manager for information using the contact details on the last page of this Tender Offer Memorandum.

Governing Law and Jurisdiction

This Tender Offer Memorandum, the Offers, each Tender Instruction, any purchase of Notes pursuant to the Offers and any non-contractual obligations arising out of or in connection with the Offers shall be governed by and construed in accordance with the laws of the Republic of Italy. By submitting a Tender Instruction, including through Direct Participants, the relevant Noteholder will irrevocably and unconditionally agree that the courts of Milan are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the relevant Offer, or such Tender Instruction and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

PROCEDURES FOR PARTICIPATING IN THE OFFERS

Noteholders that need assistance with respect to the procedures for participating in the Offers should contact the Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum.

Tender Instructions

Only Direct Participants may obtain a Monte Titoli Blocking Number and submit Tender Instructions. Each Noteholder that is not a Direct Participant must arrange for the Direct Participant through which it holds the relevant Notes to obtain a Monte Titoli Blocking Number and submit a Tender Instruction on its behalf in the form attached hereto as Annex A to the Tender Agent so that it is received by the Expiration Deadline.

Tender Instructions must be submitted in respect of a principal amount of Notes of the relevant Series of no less than the Minimum Denomination for that Series, and may be submitted in integral multiples of €100,000 thereafter.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would require to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offers before the deadlines specified in this Tender Offer Memorandum. **The deadlines set by any such intermediary and the Clearing Systems for the submission of Tender Instructions will be earlier than the relevant deadlines specified in this Tender Offer Memorandum. Noteholders are solely responsible for arranging the timely delivery of their Tender Instructions.**

Summary of Action to be Taken

Notes held through Monte Titoli

To tender Notes in the relevant Offer, a Noteholder holding Notes through Monte Titoli should arrange:

- (i) for the Direct Participant to obtain from Monte Titoli, a valid Monte Titoli Blocking Number in respect of the relevant Notes in accordance with the requirements and rules of Monte Titoli. The issuance of a Monte Titoli Blocking Number will be made in accordance with the standard practices of Monte Titoli and will result in the blocking of the relevant Notes in the relevant account with Monte Titoli, so that no transfers or settlement may be effected in relation to such Notes until they are unblocked by Monte Titoli upon request by the relevant Direct Participant; and
- (ii) for the delivery or submission by the relevant Direct Participant on its behalf of a corresponding Tender Instruction which must reference the Monte Titoli Blocking Number mentioned in point (i) above, in the form attached as Annex A to this Tender Offer Memorandum, to be signed by the relevant Direct Participant, to the Tender Agent in accordance with the instructions set out in the form attached as Annex A to this Tender Offer Memorandum.

The tendering of Notes held through Monte Titoli in the relevant Offer will be deemed to have occurred upon receipt by the Tender Agent of Tender Instructions by 5.00pm CET, on the Expiration Date.

Notes held through Euroclear or Clearstream

To tender Notes in the relevant Offer, a Noteholder holding Notes through Euroclear or Clearstream (as applicable) should arrange (including, where relevant, through an intermediary) to have delivered or submitted their intention to participate in the relevant Offer to Euroclear or Clearstream in line with their procedures. Euroclear or Clearstream would then need to submit their instruction to their Direct Participant, who will prepare a valid Tender Instruction and Monte Titoli Blocking Number in accordance with the requirements of Monte Titoli. The tendering of Notes held through Euroclear or Clearstream in the relevant Offer will be deemed to have occurred upon receipt by the Tender Agent of Tender Instructions from the Monte Titoli Direct Participant by 5.00pm CET, on the Expiration Date.

Blocking of the Securities

Noteholders must take the appropriate steps so that no transfers may be effected in relation to such blocked Notes at any time after the date of submission of such Monte Titoli Blocking Number, in accordance with requirements of Monte Titoli. By blocking such Notes in Monte Titoli, each Direct Participant will be deemed to consent to Monte Titoli providing details concerning such Direct Participant's identity, Monte Titoli account number and details of the Notes held to the Tender Agent and for the Tender Agent to provide such details to ISP and the Dealer Manager and their respective legal advisors. In order to effect settlement on the Settlement Date, Noteholders should inform themselves of the necessary procedure to unblock any Notes tendered prior to the Settlement Date, otherwise settlement will not be able to take place.

Representations

By obtaining a valid Monte Titoli Blocking Number and submitting a valid Tender Instruction in the form attached hereto as Annex A to this Tender Offer Memorandum, or arranging for such submission, as applicable, the holder of Notes and any Direct Participant submitting such Tender Instruction on such holder's behalf shall be deemed to agree to, acknowledge, represent, warrant and undertake to ISP, the Dealer Manager and the Tender Agent the following on the Expiration Deadline and on the Settlement Date (if the holder of such Notes or the Direct Participant is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such holder or Direct Participant should contact the Tender Agent immediately):

- (a) *Non-reliance:* it has received the Tender Offer Memorandum, and has reviewed and accepts the offer and distribution restrictions, the terms, conditions, risk factors and other considerations of the Offers, all as described in the Tender Offer Memorandum, and has undertaken an appropriate analysis of the implications of each relevant Offer without reliance on ISP, the Dealer Manager or the Tender Agent. none of ISP, the Dealer Manager or the Tender Agent has given it any information with respect to the Offers save as expressly set out in the Tender Offer Memorandum nor has any of them made any recommendation to it as to whether it should tender Notes in the Offers and it has made its own decision with regard to tendering Notes in the Offers based on any legal, tax or financial advice it has deemed necessary to seek;
- (b) *Identity:* by blocking the relevant Notes in the relevant Clearing System, it will be deemed to consent, in the case of a Direct Participant, to have such Clearing System provide details concerning its identity, Monte Titoli account number and details of the Notes held to the Tender Agent (and for the Tender Agent to provide such details to ISP and the Dealer Manager, and their respective legal advisers);
- (c) *Renunciation of title and claims:* upon the terms and subject to the conditions of the relevant Offer, it tenders in such Offer the aggregate principal amount of Notes in its account blocked in the relevant Clearing System and, subject to and effective upon the purchase by ISP of the Notes blocked in such Clearing System account, it renounces all right, title and interest in and to all such Notes purchased by or at the direction of ISP pursuant to such Offer and waives and releases any rights or claims it may have against ISP with respect to any such Notes or such Offer, as the case may be, and it unconditionally and irrevocably releases, discharges and waives all claims (including all claims for interest, costs and orders for costs), actions and causes of action, present or future and however arising, whether or not presently known or unknown (including those which arise hereafter upon a change in the relevant law) whether arising in equity or under common law or statute or by reason of breach of contract or in respect of any tortious act or omission or otherwise (whether or not damage has yet been suffered) it has, may have or had against ISP and each of its present or former officers, directors, employees or agents which arise out of or relate to, or are in any way connected with the Notes, or non-contractual obligations arising out of or in connection with the Notes. Further, it undertakes and covenants not to, and shall procure that any entity controlled, directly or indirectly, by it, or that controls, directly or indirectly, it, shall not, make, pursue, litigate, commence or prosecute any proceedings in relation to the Notes, or non-contractual obligations arising out of or in connection with the Notes, against ISP or any of its present or former officers, directors, employees or agents following repurchase of the Notes on the Settlement Date in accordance with the provisions of this Tender Offer Memorandum;

- (d) *Further acts:* it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by ISP to be desirable, in each case to complete the transfer of the relevant Notes to ISP or its nominee against payment to it of the relevant Purchase Consideration and the Accrued Interest Payment for such Notes and/or to perfect any of the authorities expressed to be given hereunder;
- (e) *Compliance with applicable laws:* it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities, and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and it has not taken or omitted to take any action in breach of the terms of the relevant Offer or which will or may result in ISP, the Dealer Manager, the Tender Agent or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offers;
- (f) *Successors and assigns:* all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (g) *Tax consequences:* no information has been provided to it by ISP, the Dealer Manager, the Tender Agent, or any of their respective directors, officers, employees, advisors or agents, with regard to the tax consequences for holders of Notes arising from the tender of Notes in the Offers and the receipt of the relevant Purchase Consideration and Accrued Interest Payment and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction in connection with the Offers and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against ISP, the Dealer Manager or the Tender Agent or any of their respective directors, officers, employees, advisors or agents, or any other person in respect of such taxes and payments;
- (h) *No unlawful invitation:* it is not a person to whom it is unlawful to make an invitation pursuant to the Offers under applicable securities laws, it has not distributed or forwarded the Tender Offer Memorandum or any other documents or materials relating to the Offers to any such person(s) and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Tender Instruction in respect of the Notes it is tendering for purchase) complied with all laws and regulations applicable to it for the purposes of its participation in the relevant Offer;
- (i) *United States:* either (a) (i) it is the beneficial owner of the Notes being tendered and (ii) it is not a U.S. Person, it is located and resident outside the United States and is participating in the relevant Offer from outside the United States or (b) (i) it is acting on behalf of the beneficial owner of the Notes being tendered on a non-discretionary basis and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it that it is not a U.S. Person, it is located and resident outside the United States and is participating in the relevant Offer from outside the United States;
- (j) *United Kingdom:* it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43(2) of the Financial Promotion Order, or to whom the Tender Offer Memorandum and any other documents or materials relating to the Offers may otherwise lawfully be communicated in accordance with the Financial Promotion Order;
- (k) *Italy:* it is not located or resident in Italy, or, if it is located in Italy, it is an authorised person or is tendering Notes through an authorised person and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority;
- (l) *France:* it is not located or resident in France or, if it is located or resident in France, it is a (i) provider of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investor (*investisseur qualifié*), other than an individual (all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code Monétaire et Financier*);

- (m) *Belgium*: it is not located or resident in Belgium or, if it is located or resident in Belgium it is a qualified investor within the meaning of Article 10 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets;
- (n) *Sanctions*: it is not a target of any financial or economic sanctions or trade embargoes administered or enforced by the Office of Foreign Assets Control of the US Department of Treasury (OFAC), the U.S. Departments of State or Commerce or any other US, EU, United Nations or UK economic sanctions;
- (o) *Power and authority*: it has full power and authority to tender, sell, assign and transfer the Notes it has tendered in the relevant Offer pursuant to the Tender Instruction and, if such Notes are accepted for purchase by ISP pursuant to the relevant Offer, such Notes will be transferred to, or to the order of, ISP with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by ISP to be necessary or desirable to complete the transfer and cancellation of such Notes or to evidence such power and authority;
- (p) *Compliance with Clearing Systems requirements*: it has caused Monte Titoli to issue the relevant Monte Titoli Blocking Number to authorise the blocking of the tendered Notes with effect on and from the date of such submission and that, at any time pending the transfer of such Notes on the Settlement Date to ISP or to its agent on its behalf, no transfers of such Notes may be effected;
- (q) *No obligation*: ISP is under no obligation to accept for purchase Notes tendered pursuant to the relevant Offer, and accordingly such tender may be accepted or rejected by ISP in its sole and absolute discretion and for any reason;
- (r) *Constitution of binding agreement*: ISP's acceptance for payment of Notes offered pursuant to any of the procedures described in this Tender Offer Memorandum will constitute a binding agreement between such Noteholder and ISP in accordance with the terms and subject to the conditions of the relevant Offer;
- (s) *Withdrawal or termination*: in the event of a withdrawal or termination of an Offer or Offers, the Tender Instructions with respect to the relevant Notes will be deemed to be withdrawn, and the relevant Notes will be unblocked in the Direct Participant's Clearing Systems account;
- (t) *Acceptance*: validly offered Notes (or defectively offered Notes with respect to which ISP has waived, or has caused to be waived, such defect) will be deemed to have been accepted by ISP if, as and when ISP gives oral or written notice thereof to the Tender Agent;
- (u) *Accuracy of information*: the information given by or on behalf of such Noteholder in the Tender Instruction is in all respects true, accurate and not misleading and will in all respects be true, accurate and not misleading at the time of the purchase of the Notes on the Settlement Date;
- (v) *Indemnity*: ISP, the Dealer Manager and the Tender Agent will rely on the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties and undertakings and it shall indemnify ISP, the Dealer Manager and the Tender Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the agreements, representations, warranties and/or undertakings given in connection with any Offer; and
- (w) *Jurisdiction*: it irrevocably and unconditionally agrees that the courts of Milan shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Offers, the Tender Instructions, and the Tender Offer Memorandum and that, accordingly, any suit, action or proceedings arising out of or in connection with the same, including non-contractual matters, may be brought in such courts.

The receipt of a Tender Instruction by the delivery by the relevant Direct Participant to the Tender Agent of valid blocking reference numbers issued by Monte Titoli, will constitute instructions to debit the securities account of the relevant Direct Participant on the Settlement Date in respect of all of the Notes the

relevant Noteholder has tendered in the relevant Offer and which are accepted for purchase by ISP, upon receipt by Monte Titoli of an instruction from the Tender Agent to receive such Notes for the account of ISP and against credit of the relevant amount in cash from ISP equal to the Purchase Consideration, and Accrued Interest Payment for such Notes, subject to the automatic revocation of those instructions on the date of any withdrawal or termination of the relevant Offer (including where such Notes are not accepted for purchase by ISP) or the valid revocation of such Tender Instruction in the limited circumstances in which such revocation is permitted as set out in this Tender Offer Memorandum.

Withdrawal of Tender Instructions

Tender Instructions may only be revoked by a Noteholder, or the relevant Direct Participant on its behalf, in the limited circumstances described in "*Amendment and Termination - Revocation Rights*".

Noteholders who wish to exercise their right of withdrawal having validly submitted a Tender Instruction must submit an electronic or written withdrawal instruction to unblock the relevant Notes in accordance with the requirements of Monte Titoli. To be valid, such instruction must specify the Notes to which the original Tender Instruction related, the securities account to which such Notes are credited and any other information required by the Clearing Systems.

General

Tenders and instructions other than in accordance with the procedures set out in this section will not be accepted

ISP will only accept tenders of Notes in the Offers by way of the submission of valid Tender Instructions in accordance with the procedures set out in this section "*Procedures for Participating in the Offers*".

Irrevocability

The submission of a valid Tender Instruction in accordance with the procedures set out in this section "*Procedures for Participating in the Offers*" will be irrevocable (except in the limited circumstances described in "*Amendment and Termination - Revocation Rights*").

Irregularities

All questions as to the validity, form and eligibility (including time of receipt) of any Tender Instruction or as to the revocation of any Tender Instruction will be determined by ISP, in its sole and absolute discretion, and such determination will be final and binding.

ISP reserves the absolute right to reject any and all Tender Instructions, or (in the limited circumstances in which revocation is permitted) revocation instructions not in proper form or in respect of which the acceptance by ISP may be unlawful. ISP also reserves the absolute right to waive any defects, irregularities or delay in the submission of any and all Tender Instructions, or revocation instructions. ISP also reserves the absolute right to waive any such defect, irregularity or delay in respect of particular Notes, whether or not ISP elects to waive similar defects, irregularities or any delay in respect of other Notes.

Any defect, irregularity or delay must be cured within such time as ISP determines, unless waived by it. Tender Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of ISP, the Dealer Manager or the Tender Agent shall be under any duty to give notice to a Noteholder of any defects, irregularities or delays in the receipt or non-receipt of any Tender Instruction or revocation instructions nor shall any of them incur any liability for failure to give such notice.

AMENDMENT AND TERMINATION

Amendment and Termination

Notwithstanding any other provision of the Offers, ISP may, subject to applicable laws, at its option and in its sole and absolute discretion, at any time before any acceptance by ISP of Notes tendered in that Offer:

- (a) *Extension or re-opening:* in respect of the relevant Offer, extend the Expiration Deadline or re-open such Offer, as applicable (in which case all references in this Tender Offer Memorandum to the relevant Expiration Deadline shall, unless the context otherwise requires, be to the latest time and date, as the case may be, to which the Expiration Deadline has been so extended or such Offer re-opened);
- (b) *Amendment of other terms:* otherwise amend the relevant Offer in any respect (including, but not limited to, any amendment to any of the Purchase Price, the Expiration Deadline or the Settlement Date);
- (c) *Delay:* delay acceptance or, subject to applicable law, purchase of Notes tendered in the relevant Offer; or
- (d) *Termination:* terminate the relevant Offer, including with respect to Tender Instructions submitted before the time of such termination.

ISP will ensure an announcement is made of any such extension, re-opening, amendment or termination as soon as is reasonably practicable after the relevant decision is made. If ISP amends an Offer in any way that, in the opinion of ISP (in consultation with the Dealer Manager), is materially prejudicial to Noteholders that have already tendered Notes in the relevant Offer, the announcement of such amendment shall include a statement that in ISP's opinion such amendment is materially prejudicial to such Noteholders.

In the event an Offer is terminated, notwithstanding the irrevocability of all Tender Instructions, all Tender Instructions in respect of Notes of the relevant Series will be deemed to be revoked automatically.

Revocation Rights

If ISP announces an amendment to an Offer that, in the opinion of ISP (in consultation with the Dealer Manager), is materially prejudicial to Noteholders that have already tendered Notes in the relevant Offer before the announcement of such amendment, then such tenders of Notes may be revoked at any time from the date and time of such announcement until 16.00 hours (London time)/17.00 hours CET on the second Business Day following such announcement (subject to the earlier deadlines required by the Clearing Systems and any intermediary through which Noteholders hold their Notes).

For the avoidance of doubt, any extension or re-opening of an Offer (including any amendment in relation to the Expiration Deadline and/or the Settlement Date) in accordance with the terms of the Offers as described in this section "*Amendment and Termination*" shall not be considered materially prejudicial to Noteholders that have already tendered Notes in the relevant Offer before the announcement of such amendment.

Noteholders wishing to exercise any right of revocation as set out above should do so in accordance with the procedures set out in "*Procedures for Participating in the Offers*". Beneficial owners of Notes that are held through an intermediary are advised to check with such entity when it would require receipt of instructions to revoke a tender of Notes in the relevant Offer in order to meet the above deadline. For the avoidance of doubt, any Noteholder who does not exercise any such right of revocation in the circumstances and in the manner specified above shall be deemed to have waived such right of revocation and its original Tender Instruction will remain effective.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would require to receive revocation instructions from a Noteholder in order for that Noteholder to be able to revoke their instruction to participate in, the Offers before the deadlines specified above. The deadlines set by any such intermediary and each Clearing System for the revocation instructions will be earlier than the relevant deadlines specified above.

TAX CONSEQUENCES

In view of the number of different jurisdictions where tax laws may apply to a Noteholder, this Tender Offer Memorandum does not discuss the tax consequences to Noteholders of the purchase of Notes by ISP pursuant to the Offers and the receipt by the Noteholders of the Purchase Consideration and the Accrued Interest Payment. Noteholders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the sale of their Notes and their receipt of the relevant Purchase Consideration, and the relevant Accrued Interest Payment. Noteholders are liable for their own taxes and similar or related payments imposed on them under the laws of any applicable jurisdiction, and have no recourse to ISP, the Dealer Manager, or the Tender Agent with respect to such taxes arising in connection with the Offers.

DEALER MANAGER AND TENDER AGENT

ISP has retained Banca IMI S.p.A. to act as Dealer Manager for the Offers and Deutsche Bank S.p.A. to act as Tender Agent. ISP has entered into a dealer manager agreement with the Dealer Manager, which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Offers.

For the purposes of the settlement of the Offers on the Settlement Date, the Purchase Consideration in respect of the Notes accepted for purchase pursuant to the Offers will be calculated by the Dealer Manager on behalf of ISP. Such calculation will, absent manifest error, be conclusive and binding on ISP and the Noteholders.

The Dealer Manager and its affiliates may contact Noteholders regarding the Offers, and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Tender Offer Memorandum and related materials to Noteholders.

The Dealer Manager is a bank, totally owned by ISP, that participates in a group of financial institutions and companies. The Dealer Manager provides all services in the banking and securities industry, carrying out in particular investment banking, corporate finance and finance & investment activities, financial advisory, investment research and financial analysis or other forms of general recommendation regarding transactions on financial instruments placement activities, reception and transmission of orders, execution of orders for clients and dealing for own account in financial instruments.

In the ordinary course of business, the Dealer Manager has provided or may in the future provide the aforementioned services to ISP and its group companies, other companies directly or indirectly involved in the deal and/or their parent and group companies, other companies directly or indirectly involved in the banking and securities industry and/or interested to carry out transactions of similar nature. The Dealer Manager has received/will receive commissions for these services rendered/to be rendered.

Furthermore, the Dealer Manager and/or its affiliates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Notes. Further, the Dealer Manager may (i) submit Tender Instructions for its own account and (ii) submit Tender Instructions, (subject always to the Offer and Distribution Restrictions) on behalf of other Noteholders.

None of the Dealer Manager, the Tender Agent, or any of their respective directors, officers, employees, agents or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Offers, ISP, any of its affiliates or the Notes contained in this Tender Offer Memorandum or for any failure by ISP to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Dealer Manager, the Tender Agent, or any of their respective directors, officers, employees or affiliates make any representation or recommendation whatsoever regarding the Offers, or any recommendation as to whether Noteholders should tender Notes in the Offers or otherwise participate in the Offers.

The Tender Agent is the agent of ISP and owes no duty to any holder of Notes.

OFFER AND DISTRIBUTION RESTRICTIONS

This Tender Offer Memorandum does not constitute an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender Offer Memorandum comes are required by each of ISP, the Dealer Manager and the Tender Agent to inform themselves about and to observe any such restrictions.

United States

The Offers are not being made and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to any U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended (each a "**U.S. Person**")). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this Tender Offer Memorandum and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to a U.S. Person and the Notes cannot be tendered in the Offers by any such use, means, instrumentality or facility or from or within or by persons located or resident in the United States or by any U.S. Person. Any purported tender of Notes in the Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located in the United States, by a U.S. Person, by any person acting for the account or benefit of a U.S. Person, or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in an Offer will represent that it is not a U.S. Person located in the United States and is not participating in such Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offer from the United States and who is not a U.S. Person. For the purposes of this and the above paragraph, "**United States**" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

United Kingdom

The communication of this Tender Offer Memorandum and any other documents or materials relating to the Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**")) or persons who are within Article 43(2) of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

France

The Offers are not being made, directly or indirectly, to the public in the Republic of France ("**France**"). Neither this Tender Offer Memorandum nor any other documents or materials relating to the Offers have been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code Monétaire et Financier*, are eligible to participate in the Offers. This Tender Offer Memorandum and any other document or material relating to the Offers have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

Belgium

Neither this Tender Offer Memorandum nor any other documents or materials relating to the Offers have been submitted to or will be submitted for approval or recognition to the Belgian Financial Services and Markets Authority and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 1 April 2007 on public takeover bids, as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and neither this Tender Offer Memorandum nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified investors" within the meaning of Article 10 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets (as amended from time to time).

Italy

None of the Offers, this Tender Offer Memorandum or any other documents or materials relating to the Tender Offer have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**").

The Offers are being carried out in the Republic of Italy as exempted offers pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4 of the Issuer's Regulation.

Noteholders, or beneficial owners of the Notes, can tender their Notes pursuant to the Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes or the Offers.

General

Neither this Tender Offer Memorandum nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offers will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by the Dealer Manager or such affiliate, as the case may be, on behalf of ISP in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Noteholder participating in an Offer will be deemed to give certain other representations as set out in "*Procedures for Participating in the Offers*" will be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Offers*". Any tender of Notes for purchase pursuant to the Offers from a Noteholder that is unable to make these representations will not be accepted.

Each of ISP, the Dealer Manager and the Tender Agent reserves the right, in its sole and absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to an Offer whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result ISP determines (for any reason) that such representation is not correct, such tender or submission may be rejected.

ANNEX A
FORM OF MONTE TITOLI TENDER INSTRUCTION

Form of Tender Instruction in respect of Notes held through Monte Titoli

FORM OF TENDER INSTRUCTION

TO BE COMPLETED BY NOTEHOLDERS WHOSE NOTES ARE HELD THROUGH MONTE TITOLI
AND WHO WISH TO SUBMIT TENDER INSTRUCTIONS.

Invitations by

Intesa Sanpaolo S.p.A.

to the holders of the following Notes

- | | |
|-------------------------|--|
| 2 Feb 2020 Notes | €1,750,000,000 0.500 per cent. fixed rate guaranteed Notes due 2 February 2020 originally issued by Veneto Banca S.p.A. and having the benefit of a guarantee issued by the Republic of Italy (ISIN: IT0005239535). |
| 3 Feb 2020 Notes | €3,000,000,000 0.500 per cent. fixed rate guaranteed Notes due 3 February 2020 originally issued by Banca Popolare di Vicenza S.p.A. and having the benefit of a guarantee issued by the Republic of Italy (ISIN: IT0005238859). |

IMPORTANT: This Tender Instruction should be sent to the Tender Agent Agent **via email or facsimile** at its email address or facsimile number set forth below within the deadlines set out in the Tender Offer Memorandum dated 3 January 2018 (the **Tender Offer Memorandum**) and, in particular, in the sections entitled "*Overview of Offers*", "*Terms and Conditions of the Offers*" and "*Procedures for Participating in the Offers*". This Tender Instruction will not be valid unless a Monte Titoli Blocking Number has been obtained in respect of the relevant Notes and such Monte Titoli Blocking Number matches the Monte Titoli Blocking Number set out in this Tender Instruction.

The Tender Agent for the Offers and the Proposal is:

Deutsche Bank S.p.A.

Piazza del Calendario, 3

20126 Milan, Italy

Attention: Trust & Agency Services

Telephone: +39 02 4024 3937 – 2221 – 3412

Facsimile: + 39 02 4024 3089

E-mail: sfs.italy@list.db.com

Delivery of this Tender Instruction other than as set forth above will not constitute valid delivery.

Capitalised terms used but not defined herein shall have the same meanings given to them in the Tender Offer Memorandum.

Please read this form in its entirety (including the Notes hereto) and the Tender Offer Memorandum carefully before completing this form.

TENDER INSTRUCTION

I/We, the undersigned,

Name of Monte Titoli Direct Participant: _____

VAT code: _____

Country of residence: _____

Legal address: _____

[being/are submitting this Tender Instruction for and behalf of]* the holder(s) of [*****] Notes(s) of the principal amount set out below (the **Tendered Note(s)**) hereby certify that I/we have, in respect of such Tendered Note(s), obtained from Monte Titoli a valid Monte Titoli Blocking Number (as set out below) and hereby [for and on behalf of the holder(s) of the Tendered Notes]*:

- (1) accept the [*] Offer from ISP in respect of such Tendered Notes on the terms and subject to the conditions set forth in the Tender Offer Memorandum; and
- (2) accept and acknowledge that by delivering this Tender Instruction, I/we and any holder of the Tendered Notes for and on whose behalf we are submitting this Tender Instruction shall be deemed to agree, acknowledge, represent, warrant and undertake to ISP, the Dealer Manager, the Tender Agent as set out in the Tender Offer Memorandum in the section entitled "*Procedures for Participating in the Offers—Representations*" at the time of submission of this Tender Instruction, on the Expiration Deadline and on the Settlement Date.

1)Tendered Notes due on 3 Feb 2020
Isin IT0005238859 €3,000,000,000 0.500 per cent. fixed rate guaranteed Notes due 3 February 2020 originally issued by Banca Popolare di Vicenza S.p.A. and having the benefit of a guarantee issued by the Republic of Italy (ISIN: IT0005238859).

Principal amount of (s): €[]

Monte Titoli Blocking Number: []

Monte Titoli Direct Participant details:

Name of Monte Titoli Direct Participant: []
Monte Titoli Direct Participant contact details (phone and e-mail address): []
Swift code: []
Monte Titoli Account Number: []
x-trm code: []

2)Tendered Notes due on 2 Feb 2020
Isin IT0005239535 €1,750,000,000 0.500 per cent. fixed rate guaranteed Notes due 2 February 2020 originally issued by Veneto Banca S.p.A. and having the benefit of a guarantee issued by the Republic of Italy (ISIN: IT0005239535).

Principal amount of (s): €[]

Monte Titoli Blocking Number: []

Monte Titoli Direct Participant details:

Name of Monte Titoli Direct Participant: []
Monte Titoli Direct Participant contact details (phone and e-mail address): []

Swift code: []
Monte Titoli Account Number: []
x-trm code: []

* Delete as appropriate

Signed:

Dated:

Print name of Signatory³:

Capacity¹:

³ The person or entity signing this Tender Instruction must be Direct Participant in Monte Titoli. The name of such accountholder must be stated exactly as such accountholder's name appears on the official security position listing of Monte Titoli. If the signatory is an attorney, executor, administrator, trustee, guardian, officer of a corporation or other person acting in a fiduciary or representative capacity, such signatory must provide the capacity in which he/she is acting and the power of attorney or other authority in a form satisfactory to ISP must be delivered to the Tender Agent with this Tender Instruction.

NOTES

1. Delivery of Tender Instruction

Delivery of this Tender Instruction to the Tender Agent constitutes confirmation that the relevant Notes tendered hereby have been blocked from the date hereof in accordance with the procedures of Monte Titoli. The issuance of the relevant Monte Titoli Blocking Number will be made in accordance with the standard practices of Monte Titoli and will result in the blocking of the relevant Notes in the relevant account with Monte Titoli, so that no transfers may be effected in relation to such Notes until they are unblocked by the Direct Participant.

This Tender Instruction should be delivered only to the Tender Agent and NOT to ISP, the Dealer Manager or any Clearing System. The delivery of this Tender Instruction and all required actions in relation thereto is at the election and risk of the tendering Noteholder.

2. Blocking of the Notes

Holders must take the appropriate steps so that no transfers may be effected in relation to such blocked Notes at any time after the date of submission of such Monte Titoli Blocking Number, in accordance with requirements of Monte Titoli. By blocking such Notes in the Clearing Systems, each Direct Participant will be deemed to consent to Monte Titoli providing details concerning such Direct Participant's identity, Monte Titoli account number and details of the Notes held to the Tender Agent and for the Tender Agent to provide such details to ISP and the Dealer Manager and their respective legal advisors in order to effect settlement on the Settlement Date, Noteholders should inform themselves of the necessary procedure to unblock any Notes tendered prior to the Settlement Date, otherwise settlement will not be able to take place.

3. Execution of Tender Instruction

This Tender Instruction may be signed only by a Direct Participant in Monte Titoli. This Tender Instruction must be signed.

4. Requests for Assistance

Noteholders may contact the Tender Agent for assistance in completing or delivering Tender Instructions at the telephone and facsimile numbers and email address listed below. A Noteholder may also contact its broker, dealer, commercial bank or trust company or other participant or nominee for assistance concerning the Offers.

Noteholders must ensure that the Notes which are the subject of a Tender Instruction have an individual Monte Titoli Blocking Number and that the relevant Monte Titoli Blocking Number can be matched to the corresponding Tender Instruction.

Additional assistance may be requested via the Tender Agent for the Offers and the Proposal:

Deutsche Bank S.p.A.

Piazza del Calendario, 3

20126 Milan, Italy

Attention: Trust & Agency Services

Telephone: +39 02 4024 3937 – 2221 – 3412

Facsimile: + 39 02 4024 3089

E-mail: sfs.italy@list.db.com

ISSUER

Intesa Sanpaolo S.p.A.

Piazza San Carlo, 156
10121 Turin
Italy

THE DEALER MANAGER

Banca IMI S.p.A

Largo Mattioli, 3
20121 Milan
Italy

Telephone: Tel: +39 02 72 61 65 02
Attention: Liability Management Group
Email: liability.management@bancaimi.com

THE TENDER AGENT

Deutsche Bank S.p.A.

Piazza del Calendario, 3
20126 Milan, Italy

Attention: Trust & Agency Services
Telephone: +39 02 4024 3937 – 2221 – 3412
Facsimile: + 39 02 4024 3089
E-mail: sfs.italy@list.db.com

LEGAL ADVISERS

To ISP (as to English and Italian law)

To the Dealer Manager (as to English and Italian law)

Studio Legale Associato in associazione con

Clifford Chance

Piazzetta M. Bossi, 3
20121 Milan
Italy

Allen & Overy

Corso Vittorio
Emanuele II 284
00186 Rome
Italy

Via Manzoni 41/43
20121 Milan
Italy