

Final Terms dated 7 February 2014

Intesa Sanpaolo S.p.A.

**Issue of Euro 1,250,000,000 3.250 per cent. Fixed Rate Covered Bonds (*obbligazioni bancarie garantite*)
due 10 February 2026**

**Guaranteed by
ISP CB Ipotecario S.r.l.**

under the €20,000,000,000 Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the prospectus dated 11 December 2013, which constitutes a base prospectus (the **Base Prospectus**) for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) which includes the amendments made by Directive 2010/73/EU (the **2010 Amending Directive**), to the extent that such amendments have been implemented in a relevant Member State. This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms, published on 7 February 2014, contain the final terms of the Covered Bonds and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Covered Bond Guarantor and the offer of the Covered Bonds described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the website of the Issuer (www.intesasanpaolo.com) and during normal business hours at the Specified Office of the Luxembourg Listing Agent and copies may be obtained from the registered office of the Issuer.

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| 1. | (i) Series Number: | 16 |
| | (ii) Tranche Number: | 1 |
| 2. | Specified Currency or Currencies: | Euro ("€") |
| 3. | Aggregate Nominal Amount: | €1,250,000,000 |
| | (i) Series: | €1,250,000,000 |
| | (ii) Tranche: | €1,250,000,000 |
| 4. | Issue Price: | 99.892 per cent. of the Aggregate Nominal Amount |
| 5. | (i) Specified Denominations: | €100,000 (as referred to under Condition 3) |
| | (ii) Calculation Amount: | €100,000 |
| 6. | (i) Issue Date: | 10 February 2014 |
| | (ii) Interest Commencement Date: | Issue Date |
| 7. | Maturity Date: | 10 February 2026 |
| 8. | Extended Maturity Date of Guaranteed Amounts corresponding to Final Redemption Amount under the Covered Bond Guarantee: | 10 February 2027 (as referred to under Condition 9(b)) |
| 9. | Interest Basis: | For the period from and including the Issue Date to but excluding the Maturity Date (the Original Maturity Period), a Fixed Rate of 3.250 per cent. per annum. |

If payment of the Final Redemption Amount on the Maturity Date is deferred in whole or in part pursuant to Condition 9(b) (*Extension of*

maturity), for the period from and including the Maturity Date to, but excluding, the Extended Maturity Date or, if earlier, the date on which the Covered Bonds are redeemed in full (the **Extended Maturity Period**), a Floating Rate of 3 month EURIBOR plus 1.08 per cent. per annum.

(further particulars specified in 15 and 16 below)

10. Redemption/Payment Basis: Redemption at par (as referred to under Condition 9(a))
11. Change of Interest or Redemption/Payment Basis: Change of interest rate may be applicable in case an Extended Maturity Date is specified as applicable, as provided for under Condition 9(b)
12. Put/Call Options: Not Applicable
13. Date of Board approval for issuance of Covered Bonds and Covered Bond Guarantee, respectively, obtained: 22 June 2010 and 21 May 2013, respectively
14. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Provisions** Applicable in respect of the Original Maturity Period (as referred to under Condition 5)
- (i) Rate(s) of Interest: 3.250 per cent. per annum payable annually in arrears
- (ii) CB Payment Date(s): 10 February of each year, starting from, and including, 10 February 2015 and ending on, and including, the Maturity Date, adjusted in accordance with the Following Business Day Convention.
- (iii) Fixed Coupon Amount: €3,250 per Calculation Amount
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
16. **Floating Rate Provisions** Applicable in respect of the Extended Maturity Period if payment of the Final Redemption Amount is deferred pursuant to Condition 9(b) (*Extension of maturity*) (as referred to under Condition 6)
- (i) CB Interest Period(s): Each period from, and including, a CB Payment Date to, but excluding, the next succeeding CB Payment Date starting from, and including, the Maturity Date up to, but excluding, the Extended Maturity Date or, if earlier, the date on which the Covered Bonds are redeemed in full.
- (ii) Specified Period: Not Applicable
- (iii) CB Payment Dates: 10 May 2026, 10 August 2026, 10 November 2026 and 10 February 2027 falling during the Extended Maturity Period, subject to the

		Business Day Convention under item 16(v) below
(iv)	First CB Payment Date:	The CB Payment Date falling on or about 10 May 2026
(v)	Business Day Convention:	Modified Following Business Day Convention
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(vii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Paying Agent):	Not Applicable
(viii)	Screen Rate Determination:	
	• Reference Rate:	3 month EURIBOR
	• Interest Determination Date(s):	The second TARGET Settlement Day prior to, respectively, 12 January 2026 (relating to the CB Payment Date falling in May 2026), 12 April 2026 (relating to the CB Payment Date falling in August 2026), 12 July 2026 (relating to the CB Payment Date falling in November 2026), 12 October 2026 (relating to the CB Payment Date falling in February 2027), adjusted in accordance with item 16(v).
	• Relevant Screen Page:	Reuters EURIBOR 01
	• Relevant Time:	11.00 a.m. Luxembourg time
	• Relevant Financial Centre:	Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)
(ix)	ISDA Determination:	Not Applicable
(x)	Margin(s):	+ 1.08 per cent. per annum
(xi)	Minimum Rate of Interest:	Not Applicable
(xii)	Maximum Rate of Interest:	Not Applicable
(xiii)	Day Count Fraction:	Actual/360
(xiv)	Rounding provisions and denominator, if different from those set out in the Conditions:	Not Applicable
17.	Zero Coupon Provisions	Not Applicable (as referred to under Condition 7)

PROVISIONS RELATING TO REDEMPTION

18.	Call Option	Not Applicable (as referred to under Condition 9(d))
19.	Put Option	Not Applicable (as referred to under Condition 9(f))
20.	Final Redemption Amount of Covered Bonds	€100,000 per Calculation Amount (as referred to under Condition 9)
21.	Early Redemption Amount	

Early redemption amount(s) payable on redemption for taxation reasons or on acceleration following a Covered Bond Guarantor Event of Default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): Not Applicable (as referred to under Condition 9)

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

22. Additional Financial Centre(s) or other special provisions relating to payment dates: Not Applicable
23. Details relating to Covered Bonds for which principal is repayable in instalments: amount of each instalment, date on which each payment is to be made: Not Applicable
24. Details relating to Covered Bonds issued on a partly paid basis: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: Not Applicable
25. Details relating to Covered Bonds which are amortising and for which principal is repayable in instalments: amount of each instalment, date on which each payment is to be made: Not Applicable

DISTRIBUTION

26. (i) If syndicated, names of Managers: Banca IMI S.p.A., Barclays Bank PLC, HSBC France, Société Générale, UniCredit Bank AG
- (ii) Stabilising Manager(s) (if any): Barclays Bank PLC
- (iii) If non-syndicated, name of Dealer: Not Applicable
- (iv) U.S. Selling Restrictions: Compliant with Regulation S under the U.S. Securities Act of 1933.

RESPONSIBILITY

The Issuer and the Covered Bond Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of Intesa Sanpaolo S.p.A.

By: 
Duly authorised

Signed on behalf of ISP CB Ipotecario S.r.l.

By: _____
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING
 - (i) Listing Official list of the Luxembourg Stock Exchange
 - (ii) Admission to trading Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date.

2. RATING

Rating: The Covered Bonds to be issued are expected to be rated at the Issue Date as follows:
Moody's Investors Service Ltd.: A2
Moody's Investors Service Ltd. is established in the European Union and is registered under Regulation (EC) No 1060/2009, as amended ("**CRA Regulation**"). As such Moody's Investors Service Ltd. is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

The Issuer and Banca IMI S.p.A., acting as Manager under this issue, have a conflict of interest with respect to the Covered Bondholders, as they both belong to the Gruppo Bancario Intesa Sanpaolo and Banca IMI S.p.A. is the subsidiary of the Issuer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES
 - (i) Reasons for the offer The proceeds of the Covered Bonds will be used by the Issuer for general funding purposes
 - (ii) Estimated net proceeds: €1,244,587,500
 - (iii) Expenses related to the admission to trading: €9,000
 - (iv) Estimated total expenses: €4,062,500

5. YIELD

Indication of yield: 3.261 per cent. per annum
Calculated as the annual expected return on the Issue Date.

6. HISTORIC INTEREST RATES

Details of historic EURIBOR rates can be obtained from Reuters.

7. OPERATIONAL INFORMATION

ISIN Code:	IT0004992787
Common Code:	102977041
Any Relevant Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	Monte Titoli
Delivery:	Delivery against payment
Names and Specified Offices of additional Paying Agent(s) (if any):	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility:	Yes

Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

