

KEY INFORMATION DOCUMENT

PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

NAME	Mediocredito Lombardo S.p.A. Constant Maturity Swap Notes due 2019	<p>You are about to purchase a product that is not simple and may be difficult to understand</p>
IDENTIFIER	ISIN: XS0102100897	
ISSUER/MANUFACTURER	INTESA SANPAOLO S.p.A. (formerly Mediocredito Lombardo S.p.A.)	
CONTACTING THE MANUFACTURER	Website: www.group.intesasnpaolo.com Phone number: 800 303 303 Email address: info@intesasnpaolo.com	
COMPETENT AUTHORITY	Consob	
DATE	28 January 2018	

WHAT IS THIS PRODUCT?

TYPE Floating rate note with a minimum interest rate. The Notes are unsubordinated bearer securities governed by English law.

OBJECTIVES The objective of the product is to provide you with the payment of floating rate interests to the investor.

Redemption of the capital

At maturity 100% of the nominal amount will be repaid. Early redemption of the Notes is not admitted except for taxation reasons.

Interests

The Notes bear Floating Rate interests payable on the Floating Rate Interests Payment Dates and determined on the basis of the 30 years Euro-Annual Swap Rate (the Reference Rate). Such Floating Rate shall not be lower than the Minimum Interest Rate.

Floating Rate

- **Reference Rate value:** it is the Reference Rate value determined on each Interest Rate Determination Date.
- **Floating Rate interests Payment:** The interests amount will be determined by multiplying (a) the Floating Rate by (b) the actual number of days in the Floating Rate Interests Period concerned, divided by the product of (i) the number of days in the relevant Floating Rate Interests Period and (ii) the number of Floating Rate Interests Periods normally ending in any year. This amount shall be then multiplied by the Nominal Amount of each Note. The relevant interests will be paid on each Floating Rate Interest Payment Date. The Floating Rate is directly proportional to the Reference Rate value.

Key dates and values

- Nominal Amount of each Note: EUR 1,000
- Issue Price: 101.5% of the Nominal Amount
- Issue Date: 30 September, 1999
- Maturity Date: 30 September, 2019
- Participation Factor: 89%
- Floating Rate: equal to the product of (a) Participation Factor; and (b) Reference Rate value, in any case such rate shall not be lower than the Minimum Interest Rate
- Minimum Interest Rate: 4.00%
- Floating Rate Interests Determination Dates: the second business day prior to the commencement of the relevant Floating Rate Interests Period
- Floating Rate Interests Periods: the period beginning on, and including, 30 September, 1999 and ending on, but excluding, the first Floating Rate Interests Payment Date, and each subsequent period beginning on and including the relevant Floating Rate Interests Payment Date and ending on, but excluding, the following Floating Rate Interests Payment Date. The last Floating Rate Interests Period will end on the Maturity Date
- Floating Rate Interests Payment Dates: quarterly; 30 March, 30 June, 30 September and 30 December of each year, starting from 30 December, 1999, until Maturity Date
- Day Count Fraction: Actual/360 (ICMA)
- Admission to listing / trading: Luxembourg Stock Exchange and EuroTLX

Adjustments

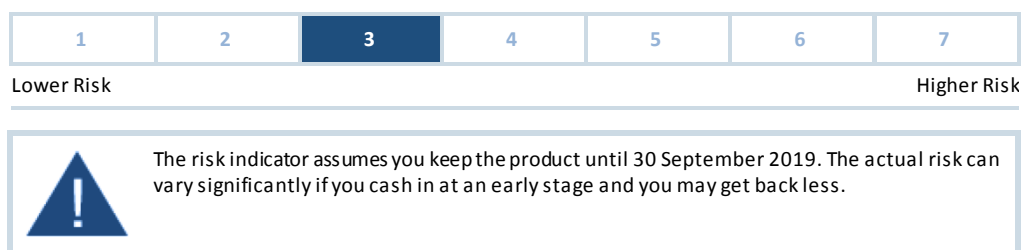
Upon occurrence of certain events affecting the determination or the publication of the Reference Rate value, the issuer, will be entitled to take certain actions determinations or judgments, also acting in its sole discretion. All such actions, determinations or judgments may influence the amounts receivable under the Notes.

INTENDED RETAIL INVESTOR The product is intended for investor who:

- Has a medium knowledge/experience of markets and financial products;
- Has an investment horizon consistent with the maturity date of the product;
- Intends to obtain an amount at least equal to the nominal value of the investment at the maturity date;
- Wants to have the possibility to disinvest the product before its maturity date, although without any guarantees to get back the invested amount.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

SUMMARY RISK INDICATOR



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Issuer is not able to pay you. The issuer has classified this product as 3 out of 7, which is a medium-low risk class. This classification results from two elements: an estimation of the market risk that rates the potential losses from future performance at a very low level, and an estimation of the credit risk, according to which poor market conditions are unlikely to impact the capacity of the Issuer to pay you. You are entitled to receive back at least 100% at least of your capital. Any amount over this, and any additional return, depends on future market performance and is uncertain. However, this protection against future market performance will not apply if you cash-in before 30 September 2019. If the Issuer is not able to pay you what is owed, you could lose your entire investment.

PERFORMANCE SCENARIOS

INVESTMENT EUR 10,000			
SCENARIOS		1 year	Maturity Date (Recommended holding period)
Stress scenario	What you might get back after costs	EUR 9,968	EUR 10,035
	Average return each year	-0.32%	0.21%
Unfavourable scenario	What you might get back after costs	EUR 9,972	EUR 10,035
	Average return each year	-0.28%	0.21%
Moderate scenario	What you might get back after costs	EUR 9,972	EUR 10,035
	Average return each year	-0.28%	0.21%
Favourable scenario	What you might get back after costs	EUR 9,972	EUR 10,035
	Average return each year	-0.28%	0.21%

This table shows the money you could get back until the Maturity Date, under different scenarios, assuming that you invest EUR 10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the issuer is not able to pay you. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

WHAT HAPPENS IF INTESA SANPAOLO S.P.A. IS UNABLE TO PAY OUT?

This product is not protected by any investor compensation or guarantee scheme. The issuer's duties arising from the Notes are unsecured in respect of other liabilities of the issuer, with the exception of those liabilities which are preferred by any applicable law. As a consequence, in case of winding up of the issuer, the payment obligation of the issuer will rank pari passu with all other unsecured and unsecured payment obligations and the investor may lose part or the entire investment. In case of the issuer is considered as failing or likely to fail, this investment could be subject to the so-called "bail-in" which could implicate, pursuant to the law that envisages that any noteholder should not be charged for losses that are higher than those he should have been charged for if the bank would be wound up, the partial or total write-down of the Notes, the reduction to zero of the claims attached to such security or their conversion into shares. We advise you that any kind of payment could be delayed.

WHAT ARE THE COSTS?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account the one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for different holding periods. They include potential early exit penalties. The figures assume you invest EUR 10,000. The figures are estimates and may change in the future.

Cost over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

INVESTMENT EUR 10,000		
Scenarios	If you cash in after 1 year	If you cash in at the end of the recommended holding period
Total costs	EUR 140.69	EUR 70.34
Impact on return (RIY) per year	1.41%	0.42%

Composition of costs

The table below shows:

- the impact of each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

THIS TABLE SHOWS THE IMPACT ON RETURN PER YEAR			
ONE-OFF COSTS	Entry costs	0.42%	The impact of these costs is already included in the price.
	Exit costs	0.00%	Not applicable
ONGOING COSTS	Portfolio transaction costs	0.00%	Not applicable
	Other ongoing costs	0.00%	Not applicable
INCIDENTAL COSTS	Performance fees	0.00%	Not applicable
	Carried interests	0.00%	Not applicable

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

Recommended holding period: until Maturity Date

The recommended holding period corresponds until the Maturity Date of the product. The investor, in case of disinvestment at an earlier date, may incur in costs and may lose part or the entire investment as the potential sale could occur at a price lower than the issue/purchase price. As a consequence, at the disinvestment time, the actual yield of the Notes could be lower than that one calculated if the investor holds the Notes until the Maturity Date. The Notes are traded on EuroTLX and on the regulated market of the Luxembourg Stock Exchange.

HOW CAN I COMPLAIN?

The client may submit a complaint to the Bank by mail service to Ufficio Reclami Intesa Sanpaolo S.p.A. - Piazza San Carlo 156 – 10121 TORINO, or by email at assistenza.reclami@intesanpaolo.com, or by certified email at assistenza_reclami@pec.intesanpaolo.com, or by fax to the number +39 0110937350, or at the branch where the contractual relationship is maintained or at any other Bank branches, or directly online by populating the dedicated form in "Reclami e risoluzione delle controversie" section on the web site <https://www.intesanpaolo.com>.

OTHER RELEVANT INFORMATION

For further information about the product it is possible to require the relevant documentation getting in touch with the Issuer via e-mail at the following address: info@intesanpaolo.com or contacting the phone number 800 303 303.