

PROSPECTUS DATED 16 September 2013



Intesa Sanpaolo Vita S.p.A.

(incorporated with limited liability under the laws of the Republic of Italy)

€ 500,000,000 5.35% Dated Subordinated Notes due 18 September 2018

Issue price: 100%

Intesa Sanpaolo Vita S.p.A. (the "Issuer" or "ISP Vita") will issue on 18 September 2013 (the "Issue Date"), €500,000,000 5.35% Dated Subordinated Notes due 18 September 2018 (the Notes).

Unless previously redeemed by the Issuer as provided below, the Notes will be redeemed on 18 September 2018 (the "Maturity Date") at their principal amount, together with interest accrued to (but excluding) such date. The Issuer may redeem all (but not some only) of the Notes at 100% of their nominal value plus accrued interest at any time upon the occurrence of a Tax Event or a Regulatory Event (each term as defined in "Terms and Conditions of the Notes").

The Notes will bear interest on their principal amount from (and including) 18 September 2013 to (but excluding) the Maturity Date at the rate of 5.35% per annum, scheduled to be paid annually in arrear on 18 September in each year, commencing on 18 September 2014.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority in Luxembourg as a prospectus under the Luxembourg Law of 10 July 2005 on Prospectuses for Securities (the "Luxembourg Prospectus Law"), which implements Directive 2003/71/EC (as amended, which includes the amendments made by Directive 2010/73/EU) in Luxembourg. Application has also been made to the Luxembourg Stock Exchange for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and admission to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market (the "Regulated Market") is a regulated market for the purposes of the Markets in Financial Investments Directive (Directive 2004/39/EC). This Prospectus (together with any documents incorporated by reference herein) is available on the Luxembourg Stock Exchange website (www.bourse.lu). The CSSF gives no undertaking as to the economic or financial opportuneness of the transactions contemplated by this Prospectus or the quality and solvency of the Issuer in line with the provisions of article 7 (7) of the Luxembourg Prospectus Law.

An investment in Notes involves certain risks. For a discussion of these risks, see "Risk Factors" on page 6.

Under current legislation in Italy, payments of interest, premium or other income relating to the Notes are subject to substitute tax (*imposta sostitutiva*) at a rate of 20%, regardless of maturity. The Issuer will not be liable to pay any additional amounts to Noteholders in relation to any such substitute tax or withholding. For further information, see "Taxation" on page 58.

The Notes are expected to be rated "BBB" by Fitch Ratings Ltd. ("Fitch"). Fitch is established in the European Union and registered under Regulation 1060/2009/EC of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes will be in bearer form and in the denomination of €100,000 each. The Notes will initially be represented by a temporary global note (the "Temporary Global Note"), with interest coupons, which will be deposited on or around the Issue Date with a common safekeeper for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note (the "Permanent Global Note"), without interest coupons, not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances: see "Overview of provisions relating to the Notes while in global form".

Joint Lead Managers

Banca IMI
HSBC

Morgan Stanley

BofA Merrill Lynch
UBS Investment Bank

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IMPORTANT NOTICES

This Prospectus comprises a prospectus for the purposes of Article 5(4) of the Prospectus Directive and for the purposes of the Luxembourg Prospectus Law.

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

This Prospectus should be read and construed together with any supplements hereto and with any other documents incorporated by reference herein (see "*Information Incorporated by Reference*").

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied by the Issuer in connection with the Notes or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Joint Lead Manager named under "*Subscription and Sale*" below (each a "**Joint Lead Manager**" and, together, the "**Joint Lead Managers**").

The Issuer has confirmed to the Joint Lead Managers that the statements contained in this Prospectus relating to the Notes, the Issuer and the Group are in every material respect true and accurate and not misleading and, to the best of the knowledge and belief of the Issuer, there are no other facts in relation thereto, as of the date of this Prospectus, the omission of which would make any statement in this Prospectus misleading in any material respect and all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements; the opinions and intentions expressed in this Prospectus with regard to the Issuer, the Group and to the matters described herein are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; this Prospectus does not omit any material information relating to the assets and liabilities, financial position and profits and losses of the Issuer and the Group.

The Joint Lead Managers have not independently verified the information contained herein, Accordingly, no representation, warranty or undertaking, express or implied, is made by the Joint Lead Managers or any of their respective affiliates, and none of the Joint Lead Managers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility or liability (whether fiduciary, in tort or otherwise) as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Notes. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date hereof or, if later, the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Prospectus may only be used for the purposes for which it has been published. The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer or the Joint Lead Managers or any of them that any recipient of this Prospectus should subscribe for or purchase any Notes. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

In this Prospectus, unless otherwise specified, references to "**EUR**", "**euro**" or "**€**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended. Unless otherwise specified or where the context requires, references to laws and regulations are to the laws and regulations of Italy.

References in this Prospectus to the "**ISP Vita Group**" or the "**Group**" shall refer to the Issuer and its consolidated subsidiaries together with, where the context requires, companies included within its scope of consolidation; and references to the "**Intesa Sanpaolo Group**" shall refer to Intesa Sanpaolo S.p.A. (the parent company of the Issuer and the ultimate parent company of the ISP Vita Group) and its consolidated subsidiaries.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

STABILISATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, MORGAN STANLEY & CO. INTERNATIONAL PLC AS STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR PERSONS ACTING ON

BEHALF OF THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

MARKET STATISTICS

Information and statistics presented in this Prospectus regarding business trends, market trends, market volumes and the market position of the Issuer or the Group are either derived from, or are based on, internal data or publicly available data from various independent sources. Although the Issuer believes that the external sources used are reliable, the Issuer has not independently verified the information provided by such sources. The Issuer confirms that information and statistics sourced from third parties has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render reproduced information, or information and statistics presented in this Prospectus that are derived from, or based on, such sources, inaccurate or misleading.

FORWARD-LOOKING STATEMENTS

This Prospectus includes "forward-looking statements" within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this Prospectus, including, without limitation, those regarding the Issuer's strategy, plans, objectives, prospects; future developments in the markets in which the Issuer operates; and anticipated regulatory changes in the industry in which the Issuer operates. These forward-looking statements can be identified by use of forward-looking terminology, such as the terms "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "plan", "should" or "will" or, in each case, their negative, or other variations or comparable terminology. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Investors are cautioned that forward-looking statements are not guarantees of future performance and that the actual financial condition, results of operations and cash flows, and the development of the industry in which the Issuer operates, may differ, also materially, from those made in, or suggested by, the forward-looking statements contained in this Prospectus.

Any forward-looking statements are made only as at the date of this Prospectus and, except as required by law or the rules and regulations of any stock exchange on which the Notes are listed, the Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise.

RISK FACTORS

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes. All these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view as to the likelihood of any such contingency occurring.

Additional risks and uncertainties that are not currently known to the Issuer, or that the Issuer currently deems immaterial, may occur and materialise and may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and the Group and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment.

Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Prospectus and their personal circumstances. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views, based upon their own judgment and upon advice from such legal, financial and tax advisers as they have deemed necessary prior to making any investment decision. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Prospectus have the same meanings in this section

RISK FACTORS RELATING TO THE ISSUER AND THE GROUP

The Group's business is subject to global macroeconomic conditions and financial market environment

The global economy, the condition of financial markets and macroeconomic developments can all influence the Group's performance. Globally, the financial system has experienced unprecedented levels of market volatility since 2007 due to adverse credit and liquidity conditions and disruptions in the financial markets. Since the second half of 2007, disruption in the global credit markets has created increasingly difficult conditions in the financial markets. These conditions have resulted in decreased liquidity and greater volatility in global financial markets, and continue to affect the functioning of financial markets and to impact the global economy. In Europe, despite measures taken by several governments, international and supranational organisations and monetary authorities to provide financial assistance to Eurozone countries in economic difficulty and to mitigate the possibility of default by certain European countries on their sovereign debt obligations, concerns persist regarding the debt and/or deficit burden of certain Eurozone countries, including the Republic of Italy, and their ability to meet future financial obligations, given the diverse economic and political circumstances in individual member states of the Eurozone. It remains difficult to predict the effect of these measures on the economy and on the financial system, how long the crisis will exist and to what extent the Group's business, results of operations and financial condition may be adversely affected. Adverse macroeconomic developments have negatively affected, and may continue to negatively affect, unemployment rates, consumer spending and confidence, personal bankruptcy rates as well as levels of defaults. Volatility and disruption of capital and credit markets may also affect the availability and cost of funds of ISP Vita and its subsidiaries. To the extent that such market volatility continues or worsens, the Group's business, results of operations and financial condition could be materially adversely affected.

The Group's business is directly affected by the financial and macroeconomic conditions of Italy

The Group performs its operations predominantly in Italy and only marginally in other European countries through its subsidiary Intesa Sanpaolo Life Ltd. Its business is therefore directly affected by adverse macroeconomic conditions in Italy. A continuing decline or stagnation of Italian GDP, increasing or stagnating unemployment and poor conditions in the capital markets in Italy could negatively affect the demand for the Group's insurance and investment products, in particular index or unit-linked or other pension products. In addition, during periods of economic downturn, the Group may experience increased incidence of claims and lapses or surrenders of policies or defaults in premium payments by policyholders. As a result of the focus of the Group's business in Italy, a continuation or worsening of the current adverse economic conditions in Italy, including those resulting from the European sovereign debt crisis, could have a material adverse effect on the Group's business, results of operations and financial condition.

ISP Vita's reliance on the Intesa Sanpaolo Group

At the date of this Prospectus, 99.98% of the outstanding ordinary shares of the Issuer is held by Intesa Sanpaolo S.p.A. ("**Intesa Sanpaolo**"). The Issuer is therefore directly affected by shareholder decisions taken by Intesa Sanpaolo. In particular, part of the funding of the Issuer is provided by its parent company, Intesa Sanpaolo, by way of subordinated loans and in the form of payments for future share capital increases. Should Intesa Sanpaolo's management change the current funding approach, or should negative financial condition and results of the operations of the Intesa Sanpaolo Group prevent Intesa Sanpaolo from continuing to provide (or require a reduction of) such funding support to ISP Vita, there can be no guarantees that the Issuer will be capable of obtaining loans and financing from other sources under the same or better conditions as currently.

As part of the Intesa Sanpaolo Group (a financial conglomerate whose main activities are in the banking sector), the Issuer benefits from the significant cross selling opportunities offered by Intesa Sanpaolo's wide customer base, the supervision, guidance and expertise of one of Italy's leading banking groups as well as efficacy at the wider group level. The Issuer relies to a significant extent on the retail branches and financial promoters of Intesa Sanpaolo's banking operations for the distribution of many of the ISP Vita Group's products, and is supported in its operational risks management by reviews and monitoring activities conducted by Intesa Sanpaolo at head office level. See further "*Description of Intesa Sanpaolo Vita S.p.A. – Share capital and shareholders; Intesa Sanpaolo Group*".

Financial conglomerates can be susceptible to risks of contagion, management complexity and conflicts of interests in general. Any decline in the financial condition, earnings and liquidity of Intesa Sanpaolo (whether as a result of macroeconomic conditions or caused by factors relating to Intesa Sanpaolo's banking activities), deterioration in its business reputation or failure in the Intesa Sanpaolo's group-wide risk management procedures affecting also the insurance operations of the ISP Vita Group, may adversely impact the financial condition and results of operations of the Issuer.

The information technology application platform of ISP Vita (including the operating systems and data management software) – managed directly by the Issuer itself – forms part of the overall information technology application platform of the Intesa Sanpaolo Group, which influences both the information technology architecture as well as disaster recovery

proceedings and contingency plans of the ISP Vita Group. In particular, integration of the Group's IT system with that of the branches of the Intesa Sanpaolo Group facilitates the acquisition and management by the ISP Vita Group of new insurance contracts and post sales activities. The ISP Vita Group therefore depends significantly on the effective operation of such technology and information systems and such dependence exposes the Group to the risk of operational impairments and interruptions that may be caused by malfunctioning of the IT platform of the Intesa Sanpaolo Group.

Risks relating to interest rates

Changes in prevailing interest rates (including changes in the difference between the levels of prevailing short- and long-term rates) may adversely affect the Group's insurance results and its investment portfolios, by affecting the availability of customers' disposable income for investments in insurance products and by impacting the value of the Group's investment portfolios. By way of example, an increase in interest rates could negatively impact the Group's fixed-income portfolio and such negative impact may not necessarily be compensated by the positive gain (if any) on interest rate derivative contracts entered into by the Group to hedge its exposure. In addition, it may not be possible to hold sufficient assets of a suitable duration to meet policyholder liabilities. See further "*Description of Intesa Sanpaolo Vita S.p.A. – Risk Management*" for a description of the manner in which the Group seeks to minimise mismatches in terms of timing and values in order to keep any mismatches within predefined limits. Products that are designed to partly or entirely transfer exposure to interest rate movements to the policyholders partly reduce the impact of interest rate fluctuation on the Group's business. However, reductions in the effective investment income (which includes interest as well as realised gains and losses) to a level that is below the interest rates prevailing at the issue date of the policies, or below long-term guarantees, could reduce the profit margins or lead to losses on the insurance business written by the Group to the extent the maturity composition of the assets do not match the maturity composition of the insurance obligations they are backing. If the current low interest rates in the market persist, this will have a negative impact, in the long-term, on the effective income of the Group.

The Group is subject to market and credit risks

The Group's investment portfolios are comprised of available for sale assets, securities held for trading purposes, financial assets and liabilities carried at fair value and, to a lesser extent, real estate holdings, participations in a number of financial and non-financial institutions and loan advances. The Group's exposure to financial risks deriving from its investment portfolios is, in certain cases - for example, life policies with profit participation clauses that offer the insured the ability to receive a share of the profit from the fund management (the segregated fund) and a minimum guaranteed level - transferred partially to policyholders which therefore generate proprietary market and credit risks for the Group. In other cases, the exposure does not usually present direct risks (for example, investments related to index-linked policies, unit-linked policies and pension funds (*Fondi Pensione Aperti*)) but these are nonetheless monitored for reputational risks. To the extent these risks are not so transferred, impairments on the value of the securities and other financial assets held by the Group, any consequential write-downs to fair value together with fluctuations and volatility in real estate prices and adverse market conditions affecting one or more sectors where the Group holds its investments will adversely affect the Group's financial position and results of operations. Reduction in investment income of assets backing policy liabilities will affect the results of

the Group's life assurance operations as a whole and its financial condition as a result of the impact on the capital requirements of its life assurance businesses.

In addition, the Group is subject to the credit risk of third parties with regard to holdings in its investment portfolios. Issuers of debt securities held by the Group in its investment portfolios comprise both central and local governments, central banks as well as non-sovereign corporate entities. This exposes the Group to the risk of counterparty defaults which has been aggravated during periods of economic downturn like that experienced since 2007.

Risks relating to derivative transactions

The Group has credit exposures arising from transactions in derivative financial instruments – primarily plain vanilla interest rate swaps, constant-maturity swaps and credit default swaps traded on over-the-counter markets – which are used to achieve a more efficient management of its investment portfolios and to hedge against financial risks present in such investment portfolios.

These operations in derivative financial instruments expose the Group to market risk and operational risk, as well as the risk that the counterparty defaults on its obligations or becomes insolvent, which in turn may negatively impact the Group's business, financial condition and results of operations.

The Group is subject to operational risks

The Group is subject to operational risks, defined by Solvency II as the risk of suffering losses due to inadequacy or failures of processes, human resources and internal systems, or as a result of external events. Operational risks include legal risk, that is the risk of losses deriving from breach of laws or regulations, contractual or out-of-contract responsibilities or other disputes (excluding strategic and reputational risks). The Intesa Sanpaolo Group - to which ISP Vita belongs – maintains at group level a system of controls designed to keep operational risks at appropriate levels. In particular, the Compliance and Operational Risk Committee of the Intesa Sanpaolo Group, chaired by the chief risk officer, is responsible for periodically reviewing the group's overall operational and compliance risk profile, authorising any corrective measures, coordinating and monitoring the effectiveness of the main mitigation activities and approving operational risk transfer strategies. In addition to being subject to supervision at group level, ISP Vita constantly monitors its internal procedures in light of regulatory and other developments, in the international context (ORX Insurance Sector Database consortium), in the European context (Solvency II) and on a national level (IVASS, ANIA and CROFI). See further "*Description of Intesa Sanpaolo Vita S.p.A. – Risk management – Operational risks*". There can, however, be no assurance that these measures will effectively protect the Group from operational risks in the future.

Risks relating to the nature of the Group's insurance business

The business, results of operations and financial condition of the Group depend on its ability to select and underwrite risks, and in particular the ability to accurately price its different insurance products, to establish appropriate loss reserves to cover the underwritten risks and the performance of its obligations and, with respect to its life operations and pension products, to perform correct statistical and actuarial projections regarding life expectancies and factors related to pension claims.

Performance depends on ability to accurately price insurance products

The Group's ability to set adequate premium rates can be adversely affected by several factors, including the lack of sufficient reliable data, the incomplete or incorrect analysis of available data, the uncertainties inherent in estimates and assumptions (particularly with respect to the number and amount of claims to be covered by premiums), the application of inappropriate or inadequate formulae or methodologies, unanticipated changes in the regulatory and judicial framework as well as changes in claims settlement practices.

The Group uses its experience in this sector and information available to it in the market to develop estimates of revenues from future insurance policies. However, future claims may significantly exceed the estimates used by the Group to price its products, both in terms of volume and amount, which could result in material adverse effects on its business, results of operations and financial condition.

Net income will decline if actual claims exceed loss reserves

The Group's insurance subsidiaries establish reserves covered by selected assets, depending on the category of insurance and the type of risk insured.

In particular, with respect to loss reserves in non-life operations, the amount of such reserves is adjusted at the end of every financial year and reflects the results of operations of such period, and if such reserves prove insufficient with respect to actual claims, of future periods. To the extent the Group's loss reserves prove to be insufficient in the future (also in light of judicial and regulatory developments), its business, results of operations and financial condition may be materially adversely affected.

Projections underlying technical reserve calculations for life insurance policies may be incorrect and net income could be affected by policy surrenders rates, demographic assumptions and investment returns

Premiums payable in connection with life insurance policies are calculated based on statistical and actuarial estimates with respect to life expectancies. If such statistical data is unreliable, the Group's loss reserves with respect to life insurance and pension products may be insufficient, which could have adverse effects on its business, results of operations and financial conditions.

In addition, with respect to pension products, the Group determines technical reserves based on forecasts of: (i) mortality rates; (ii) job turnover rates within the workforce; (iii) invalidity rates; (iv) early retirement rates; (v) discount rates; (vi) long-term interest on investments; and (vii) rates regarding salary raises, future pension claim increases and increases of long-term health care costs. These parameters may differ from actual data as a result of, among other things, changes in economic conditions related to increased or decreased life expectancies of the insured clients. A difference may affect the amount of pensions or pension related costs in future years, and could result in the Group's technical reserves becoming insufficient, with material adverse effects on its business, results of operations and financial condition.

With respect to profitability on segregated funds (*gestioni separate*) providing for minimum guaranteed returns (in accordance with applicable law and regulations), the Group is subject to a financial risk related to the performance of the assets underlying such policies. If such assets fail to perform at a level required to fund the guaranteed return, the Group's profitability could be adversely affected, with material adverse effects on its business, results of operations and financial condition.

Surrenders and early redemptions of insurance and investment products can result in losses and decreased revenues if their levels differ significantly from assumed levels. Such surrenders and early redemptions could require the Group to dispose of assets earlier than planned, potentially at a lower price than the acquisition price of such assets, or to adjust the maturity profile of its investment portfolio in order to meet obligations towards the customers.

For a description of the methodologies adopted by the Group to manage risks present in its life and non-life businesses, see "*Description of Intesa Sanpaolo Vita S.p.A. – Risk management*".

Regulatory changes could adversely affect the Group's business

The Group's life and non-life operations are subject to detailed and comprehensive laws and regulations as well as regulatory supervision. In Italy, *Istituto per la Vigilanza sulle Assicurazioni* ("IVASS", the Italian supervisory body for insurance) has broad jurisdiction over many aspects of the Group's businesses, which may include capital adequacy, premium rates, marketing and selling practices, advertising, licensing agents, policy forms, terms of business and permitted investments.

In the European Union, risk based capital requirements are being introduced pursuant to Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (the "**Solvency II Directive**"), which was agreed to by the European Parliament in April 2009 and formally approved by a meeting of the European Union's Economic and Financial Affairs Council in November 2009. On 19 January 2011, the European Commission has proposed the adoption of a directive (the "**Omnibus II Directive**") that is expected to introduce a number of changes to the Solvency II regime. The Omnibus II Directive will also empower the Commission to apply more flexible transitional provisions for insurance undertakings affected by Solvency II and grant extended powers to the new European Insurance and Occupational Pensions Authority (EIOPA, which has replaced CEIOPS, The Committee of European Insurance and Occupational Pensions Supervisors since 1 January 2011). On 21 February 2013, the European Parliament rescheduled the plenary vote of the Omnibus II proposal from 10 June 2013 to 22 October 2013. Upon its approval, the Omnibus II Directive is expected to result in the recast or amendment of many articles of the original Solvency II Directive as well as the introduction of new articles.

There is significant uncertainty regarding the definitive contents of the Solvency II implementation measures, technical implementing standards and guidance, as well as uncertainty as to the extent and precise manner in which the Solvency II Directive will be amended by the Omnibus II Directive, including in relation to the transitional provisions. It is generally expected that there will be an overall increase in solvency capital requirements for insurance and reinsurance undertakings compared to the existing regime. Discussions on implementing measures of the Solvency II Directive are still ongoing and the potential future impact on available resources and capital requirements of the Group cannot currently be fully assessed.

The Group is party to legal and other disputes

The Issuer and its subsidiaries are, and may in the future be, involved in legal proceedings and other disputes, including those of a fiscal nature, in the ordinary course of their activities. Although the Issuer believes that appropriate provisions have been made to meet the costs and potential liability deriving from such proceedings and disputes, there is no assurance that

such provisions are sufficient and it is possible that an adverse outcome could, from time to time, have an adverse effect on the Issuer's results of operations or cash flows. For a description of the legal proceedings that currently affect the Group, see "*Description of Intesa Sanpaolo Vita S.p.A. – Litigation*".

RISKS RELATING TO THE NOTES

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Subordination

The Issuer's obligations under the Notes will be unsecured subordinated obligations of the Issuer. If an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, payment obligations on the Notes will be subordinated in right of payment to the prior payment in full of all other unsubordinated obligations of the Issuer, any obligations which are preferred by law and all subordinated obligations of the Issuer except for those liabilities which rank *pari passu* with, or junior to, the Notes. See further Condition 3 (*Status and Subordination*) of the Terms and Conditions of the Notes. Investors in the Notes may recover proportionately less than holders of unsubordinated obligations of the Issuer should the Issuer become insolvent.

Absence of negative covenants

The Notes do not contain covenants relating to the Issuer's operations and do not limit its ability to enter into a merger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and its business. Should the Issuer enter into any such transaction, Noteholders could be materially and adversely affected. Similarly, there is no restriction on the amount of securities or other liabilities that the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Notes. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by the Noteholders on a winding-up of the Issuer.

No express event of default

Noteholders should be aware that the Terms and Conditions of the Notes do not contain any express events of default provision.

The Notes may be redeemed prior to maturity

The Notes may – subject to prior approval of the Relevant Supervisory Authority - be redeemed by the Issuer at its option prior to the Maturity Date at 100% of their nominal value plus accrued interest upon the occurrence of a Tax Event as set out in Condition 5.2 (*Redemption for tax reasons*) of the Terms and Conditions of the Notes.

In addition, the Issuer may call the Notes for redemption prior to the Maturity Date if the Issuer may no longer treat the Notes (in whole or in part) as own funds for the purpose of covering its Required Solvency Margin, as further described in Condition 5.3 (*Redemption for regulatory reasons*). There is substantial uncertainty at this stage as to the extent and precise manner in which the Solvency II Directive will be implemented, including in relation to the scope of the transitional provisions and to the timeline of the effective entry into force of the new solvency regime. Should the Solvency II Directive be implemented before the scheduled maturity of the Notes and - taking into account transitional provisions available thereunder - all or part of the Notes may no longer be treated by the Issuer as own funds for the purposes of covering its Required Solvency Margin. In that situation, the Issuer will be entitled to redeem the Notes in accordance with Condition 5.3 (*Redemption for regulatory reasons*) or amend the terms and conditions of the Notes without the consent of the Noteholders, in accordance with Condition 12.4 (*Modification following a Regulatory Event or Tax Event*).

During any period when the Issuer may elect to redeem Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

Redemption at maturity subject to regulatory approval

The redemption at maturity of the Notes is subject to the filing of a repayment plan with the Relevant Supervisory Authority at least one year before the Maturity Date, and approval of such plan by the Relevant Supervisory Authority, in accordance with article 15(2) of Regulation No. 19 dated 14 March 2008. If the approval of the repayment plan by the Relevant Supervisory Authority is not obtained on or prior to the Maturity Date, redemption of the Notes will be postponed in accordance with the provisions set out in Condition 5.1 (*Redemption*).

Variation of the Terms and Conditions of Notes

The Issuer may in certain circumstances modify the terms and conditions of the Notes without any requirement for the consent or approval of the Noteholders to the extent that such modification is reasonably necessary to ensure that no Regulatory Event or Tax Event would exist after such modification, provided that the relevant conditions set forth in Condition 12.4

(*Modification following a Regulatory Event or Tax Event*) of the Terms and Conditions of the Notes are satisfied.

Risks related to the Notes generally

Set out below is a brief description of certain risks relating to the Notes generally.

EU Savings Tax Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Tax Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. On 10 April 2013, Luxembourg officially announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payment of interest (or similar income) as from this date.

A number of non-EU countries (including Switzerland) and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent (within the meaning of the EU Savings Tax Directive) within its jurisdiction to, or collected by such a paying agent (within the meaning of the EU Savings Tax Directive) for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must

rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the Notes but will have to rely upon their rights under the Deed of Covenant.

Risks related to Notes and the markets generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk and interest rate risk that may be relevant in connection with an investment in the Notes.

The secondary market generally

There is currently no secondary market for the Notes. Application has been made for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. There can, however, be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

The Notes are expected to be rated "BBB" by Fitch Ratings Ltd. ("**Fitch**"). Fitch is established in the European Union and registered under Regulation No. 1060/2009/EC of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended) (the "**CRA Regulation**"). As such, it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List_registered_and_certified_CRAs) in accordance with the CRA Regulation. The ratings granted by Fitch or any other rating assigned to the Notes

may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In addition, Fitch or any other rating agency may change its methodologies for rating securities with features similar to the Notes in the future. If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes.

Interest rate risks

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate Notes.

OVERVIEW

The following overview does not purport to be complete and is qualified by the remainder of this Prospectus.

Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this section, and references to a numbered "Condition" shall be to the relevant Condition under the Terms and Conditions set out below.

Issuer:	Intesa Sanpaolo Vita S.p.A. (" ISP Vita ").
Notes:	€500,000,000 5.35% Dated Subordinated Notes due 18 September 2018.
Joint Lead Managers:	Banca IMI S.p.A., HSBC Bank plc, Merrill Lynch International, Morgan Stanley & Co. International plc and UBS Limited.
Fiscal Agent:	Deutsche Bank AG, London Branch
Luxembourg Listing Agent:	Société Européenne de Banque S.A.
Maturity Date:	18 September 2018.
Issue Price:	100% of the nominal value.
Status of the Notes and Subordination:	<p>The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank <i>pari passu</i> without any preference among themselves and:</p> <ul style="list-style-type: none">(a) junior to any unsubordinated obligations of the Issuer (including policyholders of the Issuer);(b) at least equally with all other subordinated obligations of the Issuer having a specified maturity date and with any other subordinated obligations of the Issuer which – but for any applicable limitation on the amount of such capital – are eligible for a regulatory treatment: (a) of up to 25% of the Required Solvency Margin (or such other fraction of the Required Solvency Margin as will apply to dated instruments or liabilities (as opposed to perpetual instruments or liabilities)); or (b) following implementation of the Future Regulations, as Tier 2 Own Funds (or whatever the terminology employed by the Future Regulations);(c) senior to:<ul style="list-style-type: none">(i) any subordinated obligation of the Issuer which by its terms is (or is expressed to be) subordinated to the claims of all obligations of

the Issuer deriving from instruments or liabilities (or subordinated guarantees relating to instruments issued by a subsidiary of the Issuer) eligible for a regulatory treatment: (a) of up to 25% of the Required Solvency Margin (or such other fraction of the Required Solvency Margin as will apply to dated instruments or liabilities (as opposed to perpetual instruments or liabilities)); or (b) following implementation of the Future Regulations, as Tier 2 Own Funds (or whatever the terminology employed by the Future Regulations);

- (ii) any subordinated obligations of the Issuer which – but for any applicable limitation on the amount of such capital – are eligible for a regulatory treatment: (a) of up to 50% of the Required Solvency Margin (or such other fraction of the Required Solvency Margin as will apply to perpetual instruments or liabilities (as opposed to dated instruments or liabilities)); or (b) following implementation of the Future Regulations, as Tier 1 Own Funds (or whatever the terminology employed by the Future Regulations);
- (iii) the Issuer's payment obligations in respect of any Junior Obligations,

in each case except as otherwise required by mandatory provisions of law.

"Future Regulations" means the solvency margin, regulatory capital or capital regulations (if any) to be introduced in Italy in implementation of the Solvency II Directive.

"Relevant Supervisory Authority" means *Istituto per la Vigilanza sulle Assicurazioni* (IVASS), or any successor entity of IVASS, or any other competent lead regulator to which the Issuer becomes subject.

"Required Solvency Margin" means the consolidated and non-consolidated solvency margins (*margine di solvibilità*) required for insurance companies or insurance holding companies by the Relevant Supervisory Authority under provisions of Italian law applicable from time to time.

"Tier 1 Own Funds" means own funds eligible to be classified as Tier 1 (or whatever the terminology employed by the Future Regulations) under the Future Regulations.

"Tier 2 Own Funds" means own funds eligible to be classified as Tier 2 (or whatever the terminology employed by the Future Regulations) under the Future Regulations.

- Interest:** The Notes bear interest on their principal amount at 5.35% per annum from (and including) the Issue Date to (but excluding) the Maturity Date.
- Interest Payment Date:** Interest in respect of the Notes will be payable annually in arrear on 18 September in each year (each an "**Interest Payment Date**") commencing on 18 September 2014.
- Form and denomination:** The Notes will be issued in bearer form in the denomination of €100,000. The Notes will initially be represented by a Temporary Global Note which will be deposited on or around the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg. Interests in the Temporary Global Note will be exchangeable for interests in the Permanent Global Note not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances.
- Redemption:** The redemption of the Notes on its scheduled maturity date is subject to filing of a repayment plan with, and approval of such plan by, the Relevant Supervisory Authority, as set out in Condition 5.1 (*Redemption*).
- The Notes may be redeemed – subject to prior approval of the Relevant Supervisory Authority - at the option of the Issuer upon the occurrence of a Tax Event (as defined in Condition 5.2) or a Regulatory Event (as defined in Condition 5.3), in accordance with Condition 5.2 (*Redemption for tax reasons*) and Condition 5.3 (*Redemption for regulatory reasons*), respectively.
- Modification following a Regulatory Event or Tax Event:** The Issuer may, in certain circumstances and subject to its fulfilment of certain conditions, following a Regulatory Event or a Tax Event, modify the terms of the Notes without any requirement for the consent or approval of the Noteholders, as described in further detail in Condition 12.4 (*Modification following a Regulatory Event or Tax Event*) of the Terms and Conditions of the Notes.
- Taxation:** All payments in respect of Notes will be made free and clear of withholding taxes of the Taxing Jurisdiction (and subject to certain exceptions), unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 7 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such

withholding been required.

"**Taxing Jurisdiction**" means the Republic of Italy and/or such other taxing jurisdiction to which the Issuer becomes subject or any political subdivision or any authority thereof or therein having power to tax.

Enforcement of Notes in Global Form:

For so long as the Notes are represented by Global Notes, the rights of holders of beneficial interests in the Global Notes against the Issuer will be governed by a Deed of Covenant entered into by the Issuer dated 18 September 2013, a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Approval, Listing and Admission to Trading:

The CSSF has approved this document as a prospectus under the Luxembourg Prospectus Law. Application has also been made for Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange.

Governing Law:

The Notes will be governed by, and shall be construed in accordance with, English Law, except for provisions concerning the status and subordination of the Notes which are governed by the laws of Italy. The Deed of Covenant will be governed by the laws of England.

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of offering material in the United States of America, the United Kingdom and the Republic of Italy, see "*Subscription and Sale*" below.

Use of proceeds:

The proceeds of the Notes will be applied by the Issuer for general corporate purposes and to optimise the own funds composition of the Issuer itself and – subject to determination on the basis of the Group's results, the outcome of the offering of the Notes and available financial resources of the Issuer - that of the Intesa Sanpaolo financial conglomerate to which the Issuer belongs.

Risk Factors:

The purchase of Notes may involve substantial risks and may be suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. For a description of such risks, see "*Risk Factors*".

INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated by reference in, and to form part of, this Prospectus:

- (1) the audited consolidated (combined) annual financial statements as at and for the years ended 31 December 2011 and 2012 of ISP Vita, in each case together with the accompanying notes and auditors' reports, to the extent specified in the table below;
- (2) the independent auditors' report on, and included in, the consolidated (combined) annual financial statements as at and for the year ended 31 December 2012; and
- (3) the independent auditors' report on, and included in, the consolidated (combined) annual financial statements as at and for the year ended 31 December 2011,

save that any statement contained in this Prospectus or in any of the documents incorporated by reference in, and forming part of, this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document subsequently incorporated by reference by way of supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement. Any information not listed in the table below but included in the documents incorporated by reference is provided for information only.

The Issuer will provide, without charge to each person to whom a copy of this Prospectus has been delivered, upon the request of such person, a copy of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Request for such documents should be directed to the Issuer at its office set out at the end of this Prospectus. In addition, such documents will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Luxembourg Stock Exchange's website (www.bourse.lu).

The consolidated (combined) financial statements of ISP Vita as at and for the years ended 31 December 2011 and 2012 have been audited, without qualification and in accordance with auditing standards recommended by CONSOB, by Reconta Ernst & Young S.p.A. These audit reports of Reconta Ernst & Young S.p.A. in respect of the above-mentioned financial statements of the Issuer are incorporated by reference herein.

The consolidated (combined) financial statements of the Issuer as at and for the years ended 31 December 2011 and 2012 comprise - in addition to subsidiaries wholly owned by ISP Vita - also the assets, liabilities and results of operations of Fideuram Vita S.p.A. with whom ISP Vita has no parent-subsidiary relationship but is nonetheless included within the Issuer's scope of consolidation by virtue of the fact that ISP Vita and Fideuram Vita S.p.A. are considered to be subject to unitary management ("*direzione unitaria*") in accordance with the provisions of article 96 of Legislative Decree No. 209 of 7 September 2005 (the "**Insurance Code**") and instructions from IVASS.

A number of collective investment entities and unit funds in respect of which ISP Vita retains the majority of the *quote* or units are also included within the scope of consolidation of the Group. See further the annex "*Scope of consolidation*" to the notes to the consolidated (combined) financial statements of the Issuer as at and for the year ended 31 December 2012.

The consolidated (combined) financial statements of the Issuer as at and for the years ended 31 December 2011 and 2012 have been prepared in compliance with the accounting principles issued by the International Accounting Standards Board (IASB) and International Financial Reporting Standards (IFRS), endorsed by the European Commission as provided for by Community Regulation No. 1606 of 19 July 2002 as well as with IVASS Regulation no. 7 of 13 July 2007 issued by IVASS in implementation of article 90 of the Insurance Code.

The information incorporated by reference that is not included in the following cross-reference list is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing the Prospectus Directive.

Document	Information incorporated	Page
Consolidated (combined) financial statements of ISP Vita as at and for the year ended 31 December 2011	Consolidated (combined) balance sheet	37 – 38
	Consolidated (combined) income statement	39
	Consolidated (combined) statement of comprehensive income	40
	Changes in consolidated (combined) shareholders' equity	41 – 42
	Consolidated (combined) statement of cash flows	43 – 44
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	Independent auditors' report	147
Consolidated (combined) financial statements of ISP Vita as at and for the year ended 31 December 2012	Consolidated (combined) balance sheet	45 – 46
	Consolidated (combined) income statement	47
	Consolidated (combined) statement of comprehensive income	48
	Changes in consolidated (combined) shareholders' equity	49
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Reclassified consolidated (combined) balance sheet	14
Reclassified consolidated (combined) income statement	13
Independent auditors' report	Attached to the consolidated (combined) financial statements

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which will be endorsed on each Note in definitive form (if issued).

The terms and conditions applicable to the Notes in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

The € 500,000,000 5.35% Dated Subordinated Notes due 18 September 2018 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 13 (*Further issues*) and forming a single series therewith) of Intesa Sanpaolo Vita S.p.A. (the "**Issuer**" or "**ISP Vita**") are the subject of an issue and paying agency agreement dated 18 September 2013 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, Deutsche Bank AG, London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).

Certain provisions of these Conditions are summaries of the Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons, if any (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form in the denomination of €100,000, with Coupons attached at the time of issue. Title to the Notes and the Coupons will pass by delivery.

The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No Person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

2. **DEFINITIONS AND INTERPRETATION**

2.1 **Definitions**

In these Conditions the following expressions have the following meanings:

"**Additional Amount**" has the meaning given to it in Condition 7 (*Taxation*);

"**Day Count Fraction**" has the meaning given in Condition 4 (*Interest*);

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement;

"Future Regulations" means the solvency margin, regulatory capital or capital regulations (if any) to be introduced in Italy in implementation of the Solvency II Directive;

"Interest Payment Date" means 18 September in each year, first payable from 18 September 2014 (included) up to and including the Maturity Date;

"Interest Period" means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"Issue Date" means 18 September 2013;

"IVASS" means the *Istituto per la Vigilanza sulle Assicurazioni*, the Italian supervisory body for insurance;

"Junior Obligations" means (A) all classes of share capital (including preference shares – *azioni privilegiate* – and savings shares – *azioni di risparmio*, if any) of ISP Vita; (B) any obligation, including preferred securities, guarantees or similar instruments issued by ISP Vita which rank junior to the Notes or *pari passu* with the share capital of ISP Vita; and (C) any guarantee or similar instrument from ISP Vita, ranking junior to the Notes or *pari passu* with the share capital of ISP Vita, covering the preferred securities or preferred or preference shares issued by a Subsidiary of ISP Vita;

"Legislative Decree No. 239" has the meaning given in Condition 7 (*Taxation*);

"Maturity Date" means 18 September 2018;

"Payment Business Day" means:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign exchange deposits) in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and
- (B) in the case of payment by transfer to a euro account, a TARGET Settlement Day;

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Rate of Interest" means 5.35% fixed rate per annum;

"Regular Period" has the meaning given in Condition 4 (*Interest*);

"Regulatory Event" has the meaning given in Condition 5.3 (*Redemption and Purchase – Redemption for regulatory reasons*);

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the

date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Supervisory Authority**" means IVASS, or any successor entity of IVASS, or any other competent lead regulator to which the Issuer becomes subject;

"**Required Solvency Margin**" means the consolidated and non-consolidated solvency margins (*margin di solvibilità*) required for insurance companies or insurance holding companies by the Relevant Supervisory Authority under provisions of Italian law applicable from time to time;

"**Reserved Matter**" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or, as the case may be, interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment, to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution or to amend the definition of "Reserved Matter";

"**Solvency II Directive**" means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking up and pursuit of the business of insurance and reinsurance (Solvency II) and any applicable implementing provisions;

"**Specified Office**" has the meaning given in the Agency Agreement;

"**Subsidiary**" means, in relation to any Person (the "**First Person**") at any particular time, any other Person (the "**Second Person**");

- (i) whose affairs and policies the First Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the Second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the First Person;

"**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;

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro;

"**Tax Event**" has the meaning given in Condition 5.2 (*Redemption and Purchase - Redemption for tax reasons*);

"Taxing Jurisdiction" means the Republic of Italy and/or such other taxing jurisdiction to which the Issuer becomes subject or any political subdivision or any authority thereof or therein having power to tax;

"Tier 1 Own Funds" means own funds eligible to be classified as Tier 1 (or whatever the terminology employed by the Future Regulations) under the Future Regulations; and

"Tier 2 Own Funds" means own funds eligible to be classified as Tier 2 (or whatever the terminology employed by the Future Regulations) under the Future Regulations.

2.2 Interpretation

In these Conditions:

- (i) any reference to principal shall be deemed to include the principal amount of the Notes, any Additional Amounts thereon and any other amount in the nature of principal payable pursuant to these Conditions;
- (ii) any reference to interest shall be deemed to include any Additional Amounts thereon and any other amount in the nature of interest payable pursuant to these Conditions; and
- (iii) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement.

3. STATUS AND SUBORDINATION

3.1 Status

The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and:

- (a) junior to any unsubordinated obligations of the Issuer (including policyholders of the Issuer);
- (b) at least equally with all other subordinated obligations of the Issuer having a specified maturity date and with any other subordinated obligations of the Issuer which – but for any applicable limitation on the amount of such capital – are eligible for a regulatory treatment: (a) of up to 25% of the Required Solvency Margin (or such other fraction of the Required Solvency Margin as will apply to dated instruments or liabilities (as opposed to perpetual instruments or liabilities)); or (b) following implementation of the Future Regulations, as Tier 2 Own Funds (or whatever the terminology employed by the Future Regulations);
- (c) senior to:
 - (i) any subordinated obligation of the Issuer which by its terms is (or is expressed to be) subordinated to the claims of all obligations of the Issuer deriving from instruments or liabilities (or subordinated guarantees relating to instruments issued by a subsidiary of the Issuer) eligible for a regulatory treatment: (a) of up to 25% of the Required

Solvency Margin (or such other fraction of the Required Solvency Margin as will apply to dated instruments or liabilities (as opposed to perpetual instruments or liabilities)); or (b) following implementation of the Future Regulations, as Tier 2 Own Funds (or whatever the terminology employed by the Future Regulations);

- (ii) any subordinated obligations of the Issuer which – but for any applicable limitation on the amount of such capital – are eligible for a regulatory treatment: (a) of up to 50% of the Required Solvency Margin (or such other fraction of the Required Solvency Margin as will apply to perpetual instruments or liabilities (as opposed to dated instruments or liabilities)); or (b) following implementation of the Future Regulations, as Tier 1 Own Funds (or whatever the terminology employed by the Future Regulations); and

- (iii) the Issuer's payment obligations in respect of any Junior Obligations,

in each case except as otherwise required by mandatory provisions of law.

3.2 **No set-off**

To the extent and in the manner permitted by applicable law, no Noteholder or Couponholder may exercise, claim or plead any right of set-off, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising from, the Notes or the Coupons, and each Noteholder and Couponholder will, by virtue of his holding of any Note or Coupon, be deemed to have waived all such rights of set-off, counterclaim, compensation or retention.

4. **INTEREST**

The Notes bear interest from (and including) the Issue Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 6 (*Payments*).

Each Note will cease to bear interest from (and including) the due date for redemption pursuant to Condition 5.1 (*Redemption and Purchase - Redemption*), Condition 5.2 (*Redemption and Purchase – Redemption for tax reasons*) or Condition 5.3 (*Redemption and Purchase – Redemption for regulatory reasons*) unless, upon due presentation, payment of principal is improperly withheld or refused, in which case such amounts of principal improperly withheld or refused will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

The amount of interest payable in respect of each Note on any Interest Payment Date shall be €5,350 in respect of each Note of €100,000 denomination. If interest is required to be paid in respect of a Note on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by

the Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards), where:

"**Calculation Amount**" means €100,000;

"**Day Count Fraction**" means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the relevant period falls; and

"**Regular Period**" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

5. REDEMPTION AND PURCHASE

5.1 Redemption

- (a) Unless previously redeemed, or purchased and cancelled, the Notes will (following the filing of a repayment plan with the Relevant Supervisory Authority at least one year before the Maturity Date, and approval of such plan by the Relevant Supervisory Authority, in accordance with article 15(2) of Regulation No. 19 dated 14 March 2008) be redeemed at their principal amount outstanding on the Maturity Date, subject as provided in Condition 6 (*Payments*).
- (b) If the approval of the repayment plan by the Relevant Supervisory Authority is not obtained on or prior to the Maturity Date, redemption of the Notes will be postponed to the earlier of:
 - (A) the date notified by the Issuer on giving 30 days' notice to the Noteholders in accordance with Condition 14 (*Notices*) following the day on which such approval of the Relevant Supervisory Authority has been obtained; or
 - (B) the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer in accordance with, as the case may be, (aa) a resolution of the shareholders' meeting of the Issuer; (bb) any provision of the by-laws of the Issuer; or (cc) any applicable legal provision, or any decision of any judicial or administrative authority.

5.2 Redemption for tax reasons

- (a) The Notes may (subject to prior approval of the Relevant Supervisory Authority if so required under applicable legislation at the relevant time) be redeemed at the option of the Issuer in whole, but not in part, at any time upon the occurrence of a Tax Event, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (*Notices*), at 100% of their nominal value together with interest accrued (if any) to the date fixed for redemption.

A "**Tax Event**" is deemed to have occurred if:

- (A) the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 7 (*Taxation*), as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax (including any treaty to which the Republic of Italy is a party), or any change in the application or official or generally published interpretation of such laws or regulations (including a change or amendment resulting from a ruling by a court or tribunal or competent jurisdiction), which change or amendment becomes effective on or after the Issue Date, and such obligation cannot be avoided by the Issuer taking reasonable measures it deems appropriate; or
- (B) deductibility of interest payable by the Issuer in respect of the Notes is materially reduced for Italian income tax purposes as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax (including any treaty to which the Republic of Italy is a party), or any change in the application or official or generally published interpretation of such laws or regulations (including a change or amendment resulting from a ruling by a court or tribunal or competent jurisdiction), which change or amendment becomes effective on or after the Issue Date, and such non-deductibility cannot be avoided by the Issuer taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would, in the case of sub-(A), be obliged to pay such Additional Amounts if a payment in respect of the Notes were then due or, in the case of sub-(B), be unable to deduct such amounts for Italian income tax purposes.

- (b) Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent (1) a certificate signed by a duly authorised representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal or tax advisers of recognised standing to the effect that, in the case of sub-(A), the Issuer has or will become obliged to pay such Additional Amounts or, in the case of sub-(B), the Issuer is unable to deduct such amounts for Italian income tax purposes, in each case, as a result of such change or amendment.
- (c) Any notice of redemption shall be irrevocable and shall specify the date on which the Notes will be redeemed. The Issuer shall be bound to redeem the Notes on the relevant date specified in such notice in accordance with this Condition 5.2.

5.3 **Redemption for regulatory reasons**

- (a) If at any time the Issuer determines that a Regulatory Event has occurred, such Notes will (subject to prior approval of the Relevant Supervisory Authority if

so required under applicable legislation at the relevant time) be redeemable in whole, but not in part, at the option of the Issuer, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (*Notices*), at 100% of their nominal value together with interest accrued (if any) to the date fixed for redemption.

- (b) For the purposes of this Condition 5.3, "**Regulatory Event**" means that:
- (i) ISP Vita is no longer subject to the regulatory supervision of the Relevant Supervisory Authority; or
 - (ii) ISP Vita is subject to the regulatory supervision of the Relevant Supervisory Authority and, at any time whilst the Notes are outstanding as a result of any amendment to, or change in, the applicable rules and regulations adopted by the Relevant Supervisory Authority (or official application or interpretation, or published interpretation or guidance or guidelines, of those rules and regulations including a decision of any court or tribunal) applicable from time to time to the regulatory treatment of the Notes, the Relevant Supervisory Authority has confirmed to the Issuer that the Issuer may no longer treat the Notes (in whole or in part) as own funds for the purposes of covering its Required Solvency Margin (save where such non-qualification is only as a result of any applicable limitation on the amount of such capital, such as in the case of regulatory amortisation of the Notes in the final five years prior to the Maturity Date in the event that the Issuer does not file a repayment plan as described in Condition 5.1 (*Redemption*)). Additionally, this Condition 5.3 shall not apply if the principal amount of the Notes is recognised in full as own funds as a result of grandfathering or other transitional provisions.
- (c) Any notice of redemption shall be irrevocable and shall specify the date on which the Notes will be redeemed and the principal amount of the Notes to be redeemed. The Issuer shall be bound to redeem the relevant Notes on the relevant date specified in such notice in accordance with this Condition 5.3.

5.4 **No other redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 5.1 (*Redemption*), Condition 5.2 (*Redemption for tax reasons*) or Condition 5.3 (*Redemption for regulatory reasons*) above.

Pursuant to provisions of Italian law applicable as of the Issue Date as set out under article 15(4) of Regulation No. 19 dated 14 March 2008 and article 45(4) of Legislative Decree No. 209 of 7 September 2005, redemption of subordinated notes prior to their scheduled maturity date (thus, optional redemption of the Notes pursuant to Condition 5.2 (*Redemption for tax reasons*) or Condition 5.3 (*Redemption for regulatory reasons*)) is subject to prior authorisation by IVASS.

5.5 **Purchase**

ISP Vita or any of its Subsidiaries may (subject to prior approval of the Relevant Supervisory Authority if so required under applicable legislation at the relevant time)

at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured Coupons are purchased therewith.

5.6 Cancellation

All Notes purchased by or on behalf of ISP Vita or its Subsidiaries may be surrendered for cancellation by surrendering each such Note together with all unmatured Receipts and Coupons to the Fiscal Agent and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations in respect of any such Notes shall be discharged. Any Notes purchased by or on behalf of ISP Vita or any of its Subsidiaries and not so surrendered for cancellation may be reissued or resold.

6. PAYMENTS

- (a) *Principal*: Payments of principal shall be made only against presentation and surrender (or, in the case of part payment only, endorsement) of the Note at the Specified Office of any Paying Agent outside the United States by Eurocheque drawn on, or by transfer to a euro account maintained by the payee with, a bank in the Euro-zone.
- (b) *Interest*: Payments of interest shall, subject to Condition 6(f) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and surrender (or, in the case of part payment only, endorsement) of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 6(a) (*Principal*) above.
- (c) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (d) *Deductions for unmatured Coupons*: If a Note is presented without all unmatured Coupons relating thereto, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment. Each sum of principal so deducted shall be paid in the manner provided in Condition 6(a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons.
- (e) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

- (f) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States.
- (g) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

7. TAXATION

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed or on behalf of the Taxing Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Note or Coupon presented for payment:

- (i) in the Republic of Italy; or
- (ii) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Taxing Jurisdiction other than the mere holding of such Note or Coupon; or
- (iii) to the extent that interest or any other amount payable is paid to a non-Italian resident entity or a non-Italian resident individual which is resident for tax purposes in one of the countries or territories not allowing the Italian tax authorities to obtain appropriate information in respect of the beneficiary of the payments made from the Republic of Italy (the states allowing for an adequate exchange of information with the Republic of Italy are those listed in Ministerial decree of 4 September 1996, as amended and supplemented); or
- (iv) by an Italian resident, to the extent that interest is paid to an Italian individual or an Italian legal entity not carrying out commercial activities (in particular (A) partnerships, de facto partnerships not carrying out commercial activities and professional associations, (B) public and private resident entities, other than companies, not carrying out commercial activities, (C) real estate investment funds referred to in Law No. 86 of 25 January 1994, and (D) certain other Persons exempt from corporate income tax) or to such other Italian resident entities which have been or may be identified by Legislative Decree No. 239 of 1 April 1996 and related regulations of implementation which have been or may subsequently be enacted ("**Legislative Decree No. 239**"); or
- (v) in all circumstances in which the requirements and procedures set forth in Legislative Decree No. 239 have not been met or complied with except

where such requirements and procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

- (vi) where such withholding or deduction is imposed on a payment to an individual or certain limited types of entity and is required to be made pursuant to European Council Directive 2003/48/EC or any other law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or
- (viii) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such Additional Amounts if it had presented such Note or Coupon on the last day of such period of 30 days.

If, in respect of payments it makes in relation to the Notes, the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in this Condition to the Republic of Italy shall, where the context permits, be construed as references to such other jurisdiction.

8. ACCELERATION

If an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer, then any Note may – subject to applicable provisions of law governing such winding-up, liquidation or dissolution - by written notice addressed by the Holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its principal amount together with accrued interest (if any) without further action or formality.

9. PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

10. REPLACEMENT OF NOTES AND COUPONS

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

11. AGENTS

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or additional or successor paying agents; *provided, however, that:*

- (a) the Issuer shall at all times maintain a Fiscal Agent; and
- (b) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of which require the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by the rules of such listing authority, stock exchange and/or quotation system; and
- (d) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer is incorporated.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

12. MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER; MODIFICATION FOLLOWING A REGULATORY EVENT OR TAX EVENT

12.1 Meetings of Noteholders

- (a) The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.
- (b) In relation to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution, subject to compliance with applicable laws, legislation, rules and regulations of Italy in force from time to time:
 - (A) a meeting may be convened by the Issuer or the Noteholders' Representative and shall be convened by either of them upon the

request in writing of Noteholders holding not less than one-twentieth of the aggregate principal amount of the outstanding Notes;

- (B) a meeting of Noteholders will be validly held if (i) there are one or more persons present, being or representing Noteholders holding more than one half of the aggregate principal amount of the outstanding Notes, or (ii) in the case of a second meeting following adjournment of the first meeting for want of quorum and in respect of any subsequent meeting, there are one or more persons present being or representing Noteholders holding more than one third of the aggregate principal amount of the outstanding Notes; *provided, however, that* the quorum shall always be at least one half of the aggregate principal amount of the outstanding Notes for the purposes of considering a Reserved Matter and *provided further that* the by-laws of the Issuer and/or, as the case may be, applicable provisions of Italian law, may from time to time require a different quorum at any such meeting which shall be indicated in the Notice convening the relevant Meeting;
- (C) the majority required to pass an Extraordinary Resolution will be (i) one or more persons holding or representing at least one more than one half of the aggregate principal amount of the outstanding Notes, or (ii) in the case of any subsequent meeting one or more persons holding or representing at least two third of the aggregate principal amount of the Notes represented at the meeting *provided, however, that* a Reserved Matter (as defined below) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders by one or more persons holding or representing at least one half of the aggregate principal amount of the outstanding Notes and *provided further that* the by-laws of the Issuer and/or, as the case may be, applicable provisions of Italian law, may from time to time require a different majority which shall be indicated in the Notice convening the relevant Meeting.
- (D) a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will – to the extent permitted under then applicable law - take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

12.2 Noteholders' Representative

Pursuant to Articles 2415 and 2417 of the Italian Civil Code, a Noteholders' Representative (*rappresentante comune*) may be appointed, *inter alia*, to represent the interests of Noteholders in respect of the Notes, such appointment to be made by an Extraordinary Resolution or by an order of a competent court at the request of one or more Noteholders or the Issuer. Each such Noteholders' Representative shall have the powers and duties set out in Article 2418 of the Italian Civil Code.

12.3 **Modification**

The Conditions may not be amended without the prior approval of the Relevant Supervisory Authority. The Notes and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

12.4 **Modification following a Regulatory Event or Tax Event**

(a) Where a Regulatory Event or Tax Event occurs and is continuing, the Issuer may, without any requirement for the consent or approval of the Noteholders and without prejudice to its option to redeem pursuant to Condition 5.2 (*Redemption and Purchase - Redemption for tax reasons*) or Condition 5.3 (*Redemption and Purchase - Redemption for regulatory reasons*), as the case may be, modify the terms and conditions of the Notes to the extent that such modification is reasonably necessary to ensure that no Regulatory Event or Tax Event would exist after such modification, provided that, following such modification:

- (i) the terms and conditions of the Notes, as so modified (the "**modified Notes**"), are – in the Issuer's reasonable determination -no more prejudicial to Noteholders than the terms and conditions applicable to the Notes prior to such modification (the "**existing Notes**") *provided that* any modification may be made in accordance with paragraphs (ii) to (iv) below and any such modification shall not constitute a breach of this paragraph (i); and
- (ii) the person having the obligations of the Issuer under the Notes continues to be ISP Vita; and
- (iii) the modified Notes rank at least equal to the existing Notes prior to such modification and feature the same tenor, principal amount, at least the same interest rate, the same interest payment dates, the same existing rights to any accrued interest and any other amounts payable under the Notes as the existing Notes prior to such modification ; and
- (iv) the modified Notes continue to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*provided that* the existing Notes were so listed prior to the occurrence of such Regulatory Event or Tax Event),

and provided further that:

- (1) ISP Vita obtains approval of the proposed modification from the Relevant Supervisory Authority (if such approval is required) or gives prior written notice (if such notice is required to be given) to the Relevant Supervisory Authority and, following the expiry of all

relevant statutory time limits, the Relevant Supervisory Authority is no longer entitled to object or impose changes to the proposed modification;

- (2) the modification does not give rise to a change in any published rating of the existing Notes in effect at such time (to the extent the existing Notes were rated prior to the occurrence of such Regulatory Event or Tax Event);
 - (3) the modification does not give rise to any right on the part of the Issuer to exercise any option to redeem the Notes prior to their stated maturity that does not already exist prior to such modification, without prejudice to the provisions under Condition 5.2 (*Redemption and purchase – Redemption for tax reasons*) and Condition 5.3 (*Redemption and purchase – Redemption for regulatory reasons*);
 - (4) the Issuer has delivered to the Fiscal Agent a certificate, substantially in the form set out in the Agency Agreement, signed by a duly authorised representative of the Issuer stating that conditions (i) to (iv) and (1) to (3) above have been complied with, such certificate to be made available for inspection by Noteholders; and
 - (5) in the case of any proposed modifications owing to a Tax Event, the Issuer has delivered to the Fiscal Agent an opinion of independent legal or tax advisers of recognised standing to the effect that the Tax Event can be avoided by the proposed modifications.
- (b) In connection with any modification as indicated in this Condition 12.4, the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are then listed or admitted to trading.

13. **FURTHER ISSUES**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

14. **NOTICES**

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, for so long as the Notes are listed or admitted to trading on the Luxembourg Stock Exchange and the rules of that exchange so require, on the website of the Luxembourg Stock Exchange (www.bourse.lu) or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

15. **CURRENCY INDEMNITY**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

16. **ROUNDING**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005% being rounded up to 0.00001%).

17. **GOVERNING LAW AND JURISDICTION**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, English Law, except that provisions concerning the status and subordination of the Notes are governed by the laws of the Republic of Italy. Condition 12.1 (*Meetings of Noteholders*) and the relevant provisions of the Agency Agreement concerning meetings of Noteholders and the appointment of a Noteholders' Representative (*rappresentante comune*), where applicable, are subject to compliance with the laws of the Republic of Italy.
- (b) *Jurisdictions:* The Issuer agrees for the benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- (c) *Appropriate forum:* The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

- (d) *Service of Process*: The Issuer has appointed Intesa Sanpaolo S.p.A., London Branch at its registered office at 90 Queen Street, London EC4N 1SA as its agent for service of process. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed to the Issuer and delivered to the Issuer, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.
- (e) *Non-exclusivity*: The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any Noteholder to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The Notes will initially be in the form of the Temporary Global Note which will be deposited on or around the Closing Date with a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Notes will be issued in new global note ("NGN") form. On 13 June 2006 the European Central Bank (the "ECB") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "Eurosystème"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystème operations if the NGN form is used.

The Notes are intended to be held in a manner which would allow Eurosystème eligibility - that is, in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystème monetary policy and intra-day credit operations by the Eurosystème either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystème eligibility criteria. **The Notes do not satisfy the Eurosystème eligibility criteria applicable as of the date of this Prospectus.**

The Temporary Global Note will be exchangeable in whole or in part for interests in the Permanent Global Note not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of €100,000 each at the request of the bearer of the Permanent Global Note if (a) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 8 (*Acceleration*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has duly requested exchange of the Permanent Global Note for Definitive Notes; or

- (b) the Permanent Global Note (or any part of it) has become due and payable in accordance with the Conditions or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under a deed of covenant dated 18 September 2013 (the "**Deed of Covenant**") executed by the Issuer). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg as being entitled to an interest in the Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or (as the case may be) Clearstream, Luxembourg.

In addition, the Temporary Global Note and the Permanent Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Note and the Permanent Global Note. The following is an overview of certain of those provisions:

Payments: All payments in respect of the Temporary Global Note and the Permanent Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Temporary Global Note or (as the case may be) the Permanent Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Temporary Global Note or (as the case may be) the Permanent Global Note, the Issuer shall procure that the payment is noted in a schedule thereto.

Notices: Notwithstanding Condition 14 (*Notices*), while all the Notes are represented by a Permanent Global Note and/or a Temporary Global Note and the Permanent Global Note and/or the Temporary Global Note are deposited with a common safekeeper for Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 14 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg except that, for so long as such Notes are listed or admitted to trading on the Luxembourg Stock Exchange and the rules of that exchange so require, such notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe.

Payment Business Day: Notwithstanding the definition of "**Payment Business Day**" in Condition 2.1 (*Definitions*), while all the Notes are represented by a Permanent Global Note or a Temporary Global Note and the Permanent Global Note or the Temporary Global Note is

deposited with a safekeeper for Euroclear and/or Clearstream, Luxembourg, "Payment Business Day" means any day which is a TARGET Settlement Day .

DESCRIPTION OF INTESA SANPAOLO VITA S.P.A.

ISP Vita is a private limited liability company resulting from the merger (the "**Merger**") of Centrovita Assicurazioni S.p.A., Intesa Sanpaolo Vita S.p.A. (formerly Intesa Vita S.p.A.) and Sud Polo Vita S.p.A. into EurizonVita S.p.A. which then changed its legal name to Intesa Sanpaolo Vita S.p.A. The Merger took legal effect as of 31 December 2011, with retroactive effect as of 1 January 2011 for tax and accounting purposes.

The Issuer's current registered office is at Corso Giulio Cesare 268, Turin, Italy and its administrative office is at Viale Stelvio 55/57, Milan and the telephone number is +390230511. ISP Vita is registered at the Companies Register of Turin under registration number 02505650370.

ISP Vita is enrolled with the register of Italian insurance and reinsurance companies under no. 100066, and is the parent company of the Intesa Sanpaolo Vita insurance group, which is enrolled in the register of insurance groups under no. 28.

The corporate objects of ISP Vita are to carry out insurance and reinsurance business activities in the life and non-life segments as well as business activities relating to health insurance and supplementary pensions, within the limits and in accordance with provisions of applicable law. Its corporate duration, as set out in its current by-laws, expires on 31 December 2050.

Share capital and shareholders; Intesa Sanpaolo Group

As at the date of this Prospectus, the issued and authorised share capital of ISP Vita amounts to €320,322,508, divided into 647,398,627 ordinary shares with no nominal value.

Intesa Sanpaolo S.p.A. ("**Intesa Sanpaolo**"), the ultimate parent company of the Intesa Sanpaolo Group, owns 99.98% of the issued outstanding share capital of ISP Vita. Intesa Sanpaolo is a public limited liability company incorporated in Italy. ISP Vita is subject to the supervision and coordination by, and is a consolidated subsidiary of, Intesa Sanpaolo. Intesa Sanpaolo provides parent funding to ISP Vita both through subordinated loans as well as payments by way of future capital increases. The ISP Vita Group carries out insurance and pensions activities within the Intesa Sanpaolo Group, a financial conglomerate whose main activities are in the banking sector. The Group relies, to a significant extent, on the retail branches and financial promoters of the Intesa Sanpaolo Group for the distribution of many of its products. See further "*– Distribution channels*". As part of the Intesa Sanpaolo Group, the Issuer benefits from the significant cross selling opportunities offered by the wide customer base of the Intesa Sanpaolo Group, as well as the supervision, guidance and expertise of one of Italy's leading banking groups. For a description of the business relationships between the Group and companies within the Intesa Sanpaolo Group in the ordinary course of the Group's business: see further Part F (*Information on related parties*) of the notes to the consolidated (combined) financial statements as at and for the year ended 31 December 2012.

The Group

The Group is a leading insurance group (*source: Associazione Nazionale fra le Imprese Assicuratrici*, the Italian national association of insurance undertakings) in terms of total assets and customers in Italy with approximately €83 billion of assets under management and over 3 million customers. During the year ended 31 December 2012, gross earned premiums

of the Group totalled €5,666.5 million, most of which derived from its life business, with 3.01% attributable to its non-life business. Gross production for the same period amounted to €12,262.0 million. Net written premiums for the year ended 31 December 2012 amounted to €5,660.1 million, of which €5,494.7 million derived from the life business and €165.5 million derived from the non-life business. Net insurance benefits and claims for the same period amounted to €7,529 million, while acquisition and administration costs amounted to €365.3 million. Consolidated result for the 2012 financial year amounted to €395.1 million (compared to €102.0 million in 2011).

For the year ended 31 December 2012, net commissions of the Group, mainly from unit and index linked products, amounted to €116.5 million, while net income from financial instruments and investments amounted to €3,106.0 million and €395.6 million was incurred by way of other expenses net other income.

The Group offers a highly comprehensive range of investment and savings, insurance and pension products through a multi-channel distribution platform.

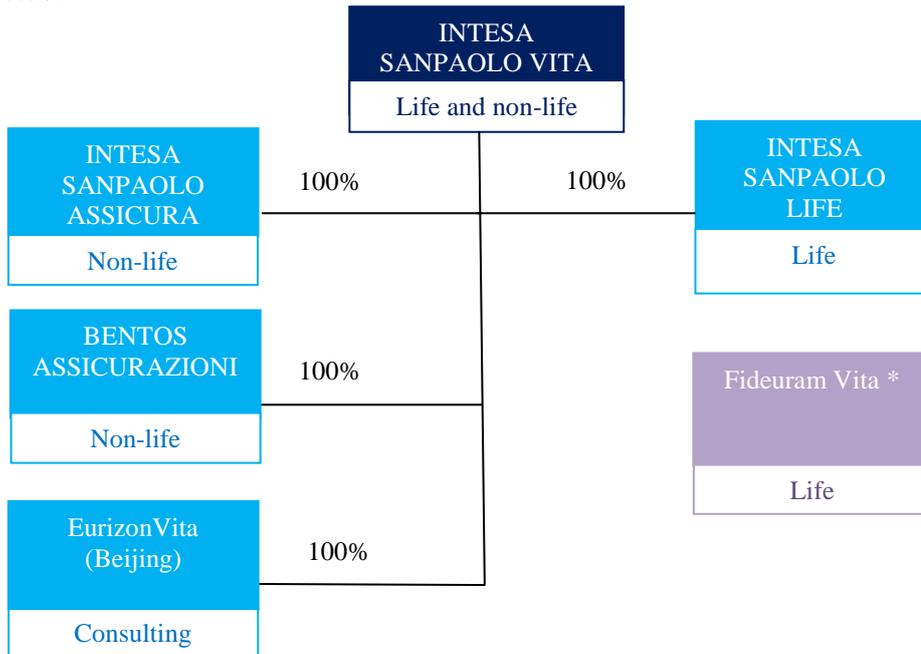
ISP Vita operates in the life insurance business segment and is the parent company of the Group. At the date of this Prospectus, ISP Vita has the following subsidiaries:

- Intesa Sanpaolo Assicura S.p.A. ("**Intesa Sanpaolo Assicura**"), a 100% subsidiary of ISP Vita incorporated in Italy, which carries out insurance and reinsurance business in the non-life sector;
- Intesa Sanpaolo Life Ltd. ("**Intesa Sanpaolo Life**"), a 100% subsidiary of ISP Vita based in Ireland, which specialises in index-linked and unit-linked life insurance products. It holds regulatory clearance to operate in various European countries, including Ireland, Italy, Hungary, Luxembourg, Slovenia and Slovakia, and currently distributes its products in Italy and Slovakia through local intermediaries;
- EurizonVita (Beijing) Business Advisory Co., Ltd. ("**EurizonVita**"), a 100% subsidiary of ISP Vita based in China, which provides instrumental activities in relation to the minority participations held by ISP Vita in the Chinese life insurance company, Union Life Insurance Limited Company. EurizonVita has been placed under voluntary liquidation; and
- Bentos Assicurazioni S.p.A. ("**Bentos Assicurazioni**"), a 100% subsidiary of ISP Vita as of December 2012 following the acquisition by ISP Vita of its entire share capital. Bentos Assicurazioni specialises in the non-life segment. Application has been made to IVASS for the merger of Bentos Assicurazioni with Intesa Sanpaolo Assicura and it is currently expected that such merger would take place during the third calendar quarter of 2013.

ISP Vita also consolidates, in its consolidated financial statements, Fideuram Vita S.p.A. ("**Fideuram Vita**"). Fideuram Vita – whose share capital is held by Intesa Sanpaolo S.p.A. (80.01%) and Banca Fideuram (19.99%) - is included in the scope of consolidation of ISP Vita in accordance with the provisions of article 96, paragraph 2(a) of Legislative Decree No.

209 of 7 September 2005 (the "**Insurance Code**") and instructions from IVASS¹. Fideuram Vita offers to its customers pension and insurance products as well as investment and savings solutions. A number of collective investment entities and unit funds in respect of which ISP Vita retains the majority of the *quote* or units are also included within the scope of consolidation of the Group. See further the annex "*Scope of consolidation*" to the notes to the consolidated (combined) financial statements of the Issuer as at and for the year ended 31 December 2012 incorporated by reference herein.

The following diagram illustrates the structure of the ISP Vita Group as of the date of this Prospectus.



* Fideuram Vita S.p.A. is consolidated within the Group in accordance with the Insurance Code and instructions from IVASS.

¹ Under Art. 96(1) of the Insurance Code, there is an obligation to draw up consolidated financial statements when two or more insurance undertakings having their head office in Italy operate under so called "unified management" (*direzione unitaria*) by virtue of contract or by-law provisions or when the majority of their management bodies are comprised of the same persons. Pursuant to art. 96(2)(a) of the Insurance Code and instructions from IVASS, this obligation also applies to insurance undertakings deemed to be subject to "unified management" as a result of being subject to the management of and supervision by the same parent company (incorporated in Italy, not being an insurance or reinsurance company) or the same insurance holding company. "Unified management" is deemed to exist between ISP Vita and Fideuram Vita as a result of both being subject to the management of and supervision by Intesa Sanpaolo.

The following table sets out key financial information of the Group, which is derived from its audited consolidated (combined) balance sheets and income statements as at and for the years ended 31 December 2012 and 2011.

	2012	As at 31 December 2011
		<i>(euro in millions)</i>
BALANCE SHEET		
Intangible assets	637.2	639.6
Tangible Assets	0.8	0.8
Amounts ceded to reinsurers from technical Investments	13.4	15.6
	87,853.7	77,332.9
– Land and buildings (investment properties)	27.8	28.1
– investments in subsidiaries, associated	13.2	-
– Held to maturity investments	-	-
– Loans and receivables	92.9	153.8
– Available for sale financial assets	46,341.0	39,812.1
– Financial assets at fair value through profit	41,378.7	37,338.9
Other Receivables	421.5	164.5
Other assets	1,496.0	3,209.8
Cash and cash equivalents	4,819.5	2,380.5
Total assets	95,242.1	83,743.7
Shareholders' equity	5,051.4	3,395.6
Shareholders' equity attributable to the Group	5,051.4	3,395.6
– Share capital	677.3	677.3
– Capital reserves	1,327.2	1,327.2
– Revenue reserves and other reserves	2,385.0	2,283.0
– Reserve for currency translation differences	0.002	0.005
– Reserve for unrealised gains and losses on	266.7	(993.9)
– Result of the period	395.1	102.0
Other provisions	16.8	17.4
Technical reserves	55,376.4	51,452.9
- Life insurance products	12,573.9	8,214.5
- Life financial products with discretionary	42,187.8	46,731.5
- Shadow reserve	195.6	(3,835.3)
- Non-life insurance policies	419.2	342.0
Financial liabilities	27,881.6	22,891.4
– Financial liabilities at fair value through	27,593.3	22,405.5
– Other financial liabilities	288.3	485.9
Debts	5,913.6	3,745.8
– Debts arising out of direct insurance	113.6	120.5
– Debts arising out of reinsurance operations	0.8	2.1
– Other debts	5,799.2	3,623.2
Other liabilities	1,002.3	2,240.6
Total shareholders' equity and liabilities	95,242.1	83,743.7

	For the year ended 31 December	
	2012	2011
	<i>(euro in millions)</i>	
INCOME STATEMENT		
Net premiums	5,660.1	9,259.5
– Gross earned premiums	5,666.5	9,267.4
– Earned premiums ceded	(6.4)	(7.9)
Commission income	441.0	396.9
Net income from financial instruments at fair value through profit or loss	1,342.6	(249.2)
Income from other financial instruments and investment property	2,223.5	1,833.7
Other income	100.9	136.0
Total income	9,768.2	11,376.9
Net insurance benefits and claims	(7,529.0)	(9,684.3)
Commission expenses	(324.5)	(280.6)
Expenses from other financial instruments and investment property	(460.1)	(458.9)
Acquisition and administration costs	(365.3)	(494.2)
Other expenses	(496.5)	(260.5)
Total expenses	(9,175.4)	(11,178.5)
Earnings before taxes	592.7	198.4
Income taxes	(197.6)	(96.4)
Earnings after taxes	395.1	102.0
Consolidated result of the period	395.1	102.0
Result of the period attributable to the Group	395.1	102.0

Business operations

ISP Vita's objective is to deliver to its customers simple products capable of providing added value to the customer, an efficient service throughout the different phases of the insurance product, post-sales assistance tailored to meet the needs of its policy subscribers together with improved and transparent customer communication. The Group operates predominantly in Italy.

The principal products of the Group include:

- traditional life insurance policies (term and whole life) and participating life insurance policies, offering a variety of investment options;
- investment contracts with discretionary participation features (DPF): policies linked to segregated funds, contracts with benefits contractually based on investments performance;
- pension products: designed for retirement purposes or long-term investing and offering a variety of investment portfolios and underlying mutual funds; and
- a variety of non-life lines of business including insurance against sickness, accident, unemployment, permanent disability, insufficiency of income, property and liability, creditor protection and motor liability.

Since the completion of the Merger in December 2011, the Issuer's management has focused on completing the post-merger integration processes and rationalising the Group's operational platform. Management of the Issuer has also launched an overall review of the contractual documentation and post-sales practice of the Group's products, with a view to introducing simpler and clearer language both in terms of content and presentation. Since 2012, modern, front-end online sales connect ISP Vita to all the branches of the Intesa Sanpaolo Group and provide added support to the distribution network in both sales and after-sales activities.

In the life segment:

- the Merger was followed by a process designed to harmonise and simplify the range of insurance and pension products offered by the merged entities, accompanied also by the introduction of new products with improved financial and structural contents to replace outgoing ones, to address the needs of specific customer groups and customers seeking investment safety, and to complete the range of insurance products on offer by the Group;
- Intesa Sanpaolo Life continues to innovate its range of products with focus on unit/index-linked products; and
- new products have been introduced by Fideuram Vita and existing products have undergone restyling.

In the non-life segment, Intesa Sanpaolo Assicura:

- recently completed the set-up of the "ViaggiaConMe" car insurance policy, which offers to policyholders a telematic device installed in their vehicles in order to request round-the-clock immediate assistance;
- restyled specific lines of business (for example, those dedicated to female entrepreneurs and the photovoltaic industry);
- introduced a new home policy to insure against damage to property due to fire in connection with a correlated mortgage product; and
- completed restyling of a variety of home and health insurance products and laid down the guidelines/concepts for new products.

The management of the Issuer believes that, in 2013, insurance operators are likely to focus on the development and launch of accumulation plans (non-qualified plans), the promotion and restyling of individual pension plans and pension funds (qualified plans) and the relaunch of protection products (term insurance, long term care and dread disease insurance). In the management's view, these business segments are likely to witness a more active participation by banking operators who will seek arrangements with the distribution channels and insurance companies as well as new ways to approach customers.

Distribution channels

The pensions, savings and investment products of ISP Vita are distributed through the retail branches of the Intesa Sanpaolo Group, pursuant to a distribution agreement that was renewed in 2011 and expires in 2021.

The credit protection products of ISP Vita are distributed both through the retail branches of the Intesa Sanpaolo Group and the distribution network of Neos Finance S.p.A., while the products of Intesa Sanpaolo Life are distributed in Italy and Slovakia through local intermediaries.

The products of Fideuram Vita are distributed almost exclusively through the network of Banca Fideuram S.p.A. and private bankers of Sanpaolo Invest SIM S.p.A.

The non-life products of Intesa Sanpaolo Assicura are distributed through the retail branches of the Intesa Sanpaolo Group, the distribution network of Neos Finance S.p.A., as well as the financial promoters of the Banca Fideuram network. Intesa Sanpaolo Assicura has also developed its own internet distribution channel.

Following the acquisition by ISP Vita of the entire share capital of Bentos Assicurazioni in December 2012, the commercial arrangements with all agents and brokers who were previously mandated by Bentos Assicurazioni to collect insurance premiums have been terminated.

Risk management

The following paragraphs describe the manner in which the Group manages the premium, actuarial-demographic and reserve risks present in its life and non-life portfolios and its operational risks in general. See further Part G of the explanatory notes to the consolidated (combined) financial statements of the Issuer as at and for the year ended 31 December 2012 incorporated by reference herein. For a better description of the nature of these risks, see "*Risk Factors – Risks relating to the nature of the Group's insurance business*".

Life business

Premium risks are managed initially when pricing and determining the technical features of the product, and subsequently over the life of the instrument by means of periodic checks on sustainability and profitability (both at product level and at portfolio level, including liabilities). During the product definition stage, profit testing is used, which is aimed at measuring profitability and identifying any weaknesses beforehand, by means of specific sensitivity analyses.

Actuarial and demographic risks arise when an unfavourable trend is recorded in the actual loss ratio compared with the trend estimated when the rate was calculated, and these risks are reflected in the level of "reserves". The loss ratio refers not only to actuarial loss, but also to financial loss (guaranteed interest rate risk). The Group manages these risks by means of systematic statistical analysis of the evolution of liabilities in its own contract portfolio, divided by risk type, and through simulations of expected profitability of the assets hedging technical reserves.

Reserve risk is managed through the exact calculation of mathematical reserves, with a series of detailed checks (for example, checking that all the variables required for the calculation such as yields, quotations, technical foundations, parameters for the supplementary reserves and recalculation of the value of single contracts are correctly saved in the system) as well as overall verifications, by comparing results with the estimates produced on a monthly basis. Specific emphasis is placed on using the correct assumptions for contracts, by checking the relative portfolio against the movements during the period, divided by purpose, and checking the consistency of the amounts settled compared with the movements of reserves. The mathematical reserves are calculated on almost the entire portfolio on a contract-by-contract

basis, and the methodology used to determine the reserves takes into account all the future commitments of the company.

Non-life business

Premium risks are managed when pricing and determining the product's technical features, and over the life of the instrument by means of periodic checks on the sustainability and profitability (both at product level and at portfolio level, including all liabilities).

Reserve risk is managed through the exact calculation of the technical reserves, distinguished, in the non-life segment, between premiums reserves, claims reserves, profit sharing and reversal reserves, other technical reserves and the equalisation reserve.

With regard to risk assumption, policies are checked when acquired through an automatic system aimed at detecting the underwriting parameters associated with the applicable tariff. The check is thus not only formal, but also substantive, and in particular allows potential exposures to be identified in terms of capital and limits of liability, in order to verify that the portfolio matches the technical and tariff scheme agreed upon with the sales network.

Subsequently, statistical checks are carried out to verify potentially anomalous situations (such as concentration by area or by type of risk) and to keep under control accumulation at the level of individual persons (with particular reference to policies that provide cover in the accident and health branches). This is also carried out in order to provide the reinsurance department with suitable indications of the portfolio characteristics in order to prepare the annual reinsurance plan.

Asset liability management

In line with the growing focus in the insurance sector on the issues of value, risk and capital in recent years, a series of initiatives have been launched to strengthen risk governance and manage and control risk-based capital.

With regard to the Group's investment portfolios (including investments made to cover obligations with the insured and investments of its free capital), an investment framework resolution has been adopted to control and monitor market and credit risks. The resolution defines the goals and operating limits to distinguish the investments in terms of eligible assets and asset allocation, breakdown by rating classes and credit risk, concentration risk by issuer and sector, and market risks (measured in terms of sensitivity to variations in risk factors and value at risk). Investment decisions, portfolio growth and compliance with operating limits are reviewed on a monthly basis by specific investment committees.

In order to measure and manage all the underwriting and financial risks together, a simulation tool is used with the objective of measuring the intrinsic value, the fair value of the liabilities and the economic capital. The system is based on a dynamic Asset Liability Management (ALM) model that forecasts stochastically-generated economic scenarios, simulating the evolution of the value of assets and liabilities based on the technical features of the products, the trend in significant financial variables and a management rule which guides investments and disinvestments. This model measures the capital required to cover actuarial and financial risk factors. Among the former, the model measures risks deriving from the dynamics of an extreme surrendering of policies, from sharp changes in mortality and longevity, and from pressure on costs; among the latter, the models takes into consideration stress scenarios over year-long time spans on interest rates, on credit spread and on stock market trends. By means of the ALM system, the process makes it possible to calculate the sensitivity of liabilities

with respect to the movements of market risk factors in order to effectively manage the financial assets covering technical provisions.

Any gaps between projected outflows and cash at hand are evaluated on a monthly basis in order to monitor liquidity risk arising from the difficulty of meeting outlay requirements not sufficiently covered by the redemption of investments. The asset and liability maturity profile is evaluated on a monthly basis, and seeks to keep the indicators of the average financial duration of these two components in a fixed range of compatibility, so as to ensure that assets are managed consistently with the maturity profile of the corresponding liabilities while also reflecting tactical views and market expectations.

Operational risks

The risk management division of the Intesa Sanpaolo Group performs a centralised function for the management of the operational risks group-wide. This division is responsible for the definition, implementation, and monitoring of the methodological and organisational framework of all business operations within the Intesa Sanpaolo Group (including the insurance business operations represented by the Group), as well as for the measurement of the risk profile, the verification of mitigation effectiveness and reporting to top management. ISP Vita has adopted its own risk monitoring system and procedures, in compliance with guidelines laid down by the parent company, for identifying, assessing, managing and mitigating the Group's own risks, and an integrated reporting system that supplies to its own management and that of the parent company all the relevant quantitative and qualitative information required for the management and/or mitigation of risks.

Board of Directors

Pursuant to the Issuer's by-laws, the board of directors is comprised of 3 to 11 members. At the date of this Prospectus, the Issuer's board of directors consists of nine directors.

Set out below are the current directors of ISP Vita, each of whose business address is Corso Giulio Cesare 268, Turin, their names, positions and principal business activities performed outside of ISP Vita. All of the directors were appointed at the ordinary shareholders' meeting of ISP Vita held on 24 May 2012, for a term expiring on the approval of the financial statements for the year ending 31 December 2014.

Name	Position	Principal activities performed by the director outside the ISP Vita Group
Salvatore Maccarone	Chairman	Intesa Sanpaolo Previdenza SIM Sgr S.p.A. – Chairman Medio Factoring S.p.A. - Director
Elio Fontana	Vice-Chairman	Fondo Pensione Cariplo - Director
Gianemilio Osculati	Managing Director	Eurizon Capital SGR S.p.A. – Chairman Intesa Sanpaolo Assicura S.p.A. – Chairman Intesa Sanpaolo Previdenza SGR S.p.A. – Managing Director Intesa Sanpaolo Life Ltd – Director Société Générale – Director Ariston Thermos S.p.A. – Director Miroglio Group S.p.A. – Director Italmobiliare S.p.A. – Director
Paolo Fignagnani	Director	None
Paolo Maria Grandi	Director	Banca Prossima S.p.A. – Chairman Consorzio PAN – Chairman Intesa Sanpaolo Holding International S.p.A. – Chairman SIA S.p.A. – Director Banca CR Firenze S.p.A. – Director

		Eurizon Capital SGR S.p.A. - Director Istituto Europeo di Oncologia – Director
Andrea Panozzo	Director	None
Marco Siracusano	Director	Intesa Sanpaolo Private Banking S.p.A. – Director SIA S.p.A. – Director Banca Monte Parma S.p.A. – Director Intesa Sanpaolo Personal Finance S.p.A. – Director Intesa Sanpaolo Assicura S.p.A. – Director
Anna Torriero	Director	CEPER S.r.l. – Director
Guglielmo Weber	Director	Centro Studi Economici Antonveneta – Director

Conflicts of interest

The directors of ISP Vita may, from time to time, hold directorships or other significant interests with companies outside the ISP Vita Group (including with Intesa Sanpaolo, the parent company of ISP Vita and companies belonging to the Intesa Sanpaolo Group) which may have business relationships with the ISP Vita Group.

None of the functions performed by any of the member of the board of directors mentioned above results in a conflict of interest, except for any competition in the national and/or international bancassurance system in the ordinary course of business arising from the activities performed by them outside the Group, as set out in the table above.

Board of Statutory Auditors

Pursuant to Italian law, ISP Vita maintains a board of statutory auditors (*collegio sindacale*) composed of at least three independent experts in accounting matters.

The board of statutory auditors consists of three permanent and two alternate auditors, who may be re-elected. Once elected, auditors shall forfeit their assignment should situations of incompatibility arise, as envisaged by the law, and should they hold the office of permanent auditor in more than ten Italian listed and unlisted insurance companies (not including subsidiaries, parent company or companies controlled by the parent company).

Set out below are the current statutory auditors of ISP Vita, each of whose business address is Corso Giulio Cesare 268, Turin, their names, positions and principal business activities performed outside of ISP Vita. All of the statutory auditors were appointed at the ordinary shareholders' meeting of ISP Vita held on 19 March 2013, for a term expiring on the approval of the financial statements for the year ending 31 December 2015.

Name	Position	Principal activities performed by the statutory auditor outside the ISP Vita Group
Massimo Broccio	Chairman	CONSORTEX S.c.p.a. –Board of Statutory Auditors' Chairman SETEFI SpA - Standing statutory auditor SAGAT SpA - Standing statutory auditor UFFICIO PIO della COMPAGNIA DI SAN PAOLO - Standing statutory auditor SAGAT HANDLING SpA - Standing statutory auditor FONDAZIONE 20 MARZO -Standing statutory auditor ASL TORINO 1 - Standing statutory auditor TEAM SYSTEM SpA - Standing statutory auditor FONDAZIONE DON MARIO OPERTI - Standing statutory auditor CAVE SANGONE SRL -Standing statutory auditor SAGAT ENGINEERING SPA - Standing statutory auditor ASSOCIAZIONE T WAI (World Affairs Institute) -Standing

		statutory auditor
Paolo Mazzi	Standing statutory auditor	DELTA ERRE S.p.A. – Chairman Università degli Studi di Padova - Director Fondazione G.B. Morgagni ONLUS - Director ACEGAS APS SERVICE S.r.l. - Board of Statutory Auditors' Chairman ALESSI DOMENICO S.p.A. - Board of Statutory Auditors' Chairman Cassa di Risparmio di Venezia S.p.A. - Board of Statutory Auditors' Chairman CELENIT S.p.A. - Board of Statutory Auditors' Chairman Immobiliare Costruttori Edili Padovani S.r.l. - Board of Statutory Auditors' Chairman MUNARI F.LLI S.p.A. - Board of Statutory Auditors' Chairman Serenissima SGR S.p.A. - Board of Statutory Auditors' Chairman Banca Prossima S.p.A. - Standing statutory auditor Intesa Sanpaolo Group Services S.c.p.a. - Standing statutory auditor Cassa Edile Provinciale e di Mutualità ed Assistenza - Standing statutory auditor Centro Provinciale Istruzione Professionale Edile - Standing statutory auditor Immobiliare Valli S.r.l. – Sole statutory auditor
Riccardo Ranalli	Standing statutory auditor	Intesa Sanpaolo Assicura S.p.A. - Board of Statutory Auditors' Chairman Fideuram Vita S.p.A. - Board of Statutory Auditors' Chairman Bentos Assicurazioni S.p.A. - Board of Statutory Auditors' Chairman Intesa Sanpaolo Group Services S.c.p.A. - Board of Statutory Auditors' Chairman F.lli Galloni S.p.A. - Board of Statutory Auditors' Chairman Extra TO S.c.a.r.l. - Board of Statutory Auditors' Chairman Tecnoinvestimenti S.p.A. - Board of Statutory Auditors' Chairman SAIFIN SAI Finanziaria S.p.A. - Standing statutory auditor Auto presto e bene S.p.A. - Standing statutory auditor Barricella S.p.A. - Standing statutory auditor Superstrada Pedemontana Veneta S.r.l. - Standing statutory auditor Ventotto S.p.A. - Standing statutory auditor Aliva S.p.A. Standing statutory auditor
Eugenio Mario Braja	Alternate statutory auditor	Cerrato S.r.l. - Standing statutory auditor Gardino S.p.A. in liquidazione - Standing statutory auditor IMMIT – Immobili Italiani S.r.l. - Standing statutory auditor ISP CB Ipotecario S.r.l. - Standing statutory auditor ISP CB Pubblico S.r.l. - Standing statutory auditor ISP OBG S.r.l. - Standing statutory auditor
Patrizia Marchetti	Alternate statutory auditor	Intesa Sanpaolo Trust Company S.p.A. - Standing statutory auditor

Conflicts of interest

None of the statutory auditors of ISP Vita have any actual or potential conflicts of interests between their duties to ISP Vita as statutory auditors and their private interest and/or other duties.

Independent auditors

Reconta Ernst & Young S.p.A. have audited, without qualification, the financial statements of the Issuer as at and for the years ended 31 December 2011 and 2012, in accordance with auditing standards recommended by CONSOB, as indicated in their reports thereon. Reconta Ernst & Young S.p.A. is a member of Assirevi, the Italian professional association of auditors

and is registered under no. 2 in the special register (*albo speciale*) maintained by CONSOB and set out under Article 161 of Legislative Decree no. 58 of 24 February 1998 (as amended) and as required by article 17 "*Setting up the Register*" of Ministerial decree no. 145 of 20 June 2012 "*Regulation implementing article 2.2/3/4/7 and article 7.7 of Legislative decree no. 39 of 27 January 2010, implementing Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts (12G0167)*". Reconta Ernst & Young S.p.A. is included in the Register of Certified Auditors held by the Ministry for Economy and Finance – State general accounting office, at no. 70945. Reconta Ernst & Young S.p.A.'s address is Via Po 32, 00198 Rome.

The mandate of Reconta Ernst & Young S.p.A. was granted in 2007 and terminated with the approval of the financial statements for the year ended 31 December 2012.

As of 20 March 2013, the auditors of the Issuer are KPMG S.p.A. KPMG S.p.A. is a member of Assirevi, the Italian professional association of auditors and is registered under no. 13 in the special register (*albo speciale*) maintained by CONSOB and set out under Article 161 of Legislative Decree no. 58 of 24 February 1998 (as amended) and as required by article 17 "*Setting up the Register*" of Ministerial decree no. 145 of 20 June 2012 "*Regulation implementing article 2.2/3/4/7 and article 7.7 of Legislative decree no. 39 of 27 January 2010, implementing Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts (12G0167)*". KPMG S.p.A. is included in the Register of Certified Auditors held by the Ministry for Economy and Finance – State general accounting office, at no. 70623.

KPMG S.p.A. has been appointed to act as ISP Vita's external auditor for the period 2013-2021. KPMG S.p.A.'s address is via Vittor Pisani, 25, 20124, Milan.

Litigation

ISP Vita and its subsidiaries are involved in various litigation proceedings and disputes (including those of a fiscal nature). For a description of certain tax assessments notified to the Group (in the case of ISP Vita, also in its capacity as successor to the companies which were incorporated in the Merger) and the relating proceedings pending before the tax commissions and the competent courts, see the paragraph headed "*Tax situation*" at pages 94 - 97 in the explanatory notes to the consolidated (combined) financial statements of the Issuer as at and for the year ended 31 December 2012 incorporated by reference herein. Although the outcome of such proceedings and disputes cannot be predicted with certainty, management believes that their ultimate outcome will not, taking into consideration provisions already set aside in the Group's consolidated (combined) financial statements, have a material adverse effect on the Group's results of operations or cash flows.

Employees

As at 31 December 2012, the Group had 669 employees, taking into account also members of the personnel seconded to (10) and from (20) companies of the Intesa Sanpaolo Group.

Recent developments

The economy of the Eurozone has remained weak during recent months. In Italy, Gross Domestic Product (GDP) contracted by 0.60% in the first quarter of 2013 with respect to the fourth quarter of 2012 (source: ISTAT). Tight fiscal consolidation policy, austerity measures and rising unemployment continue to undermine consumer and business confidence. See further "*Risk Factors – The Group's business is directly affected by the financial and macroeconomic conditions of Italy*".

On 1 January 2013, the merger of 40 internal unit-linked funds took place in ISP Vita. These are funds that were hived off in November 2007 from Intesa Vita to Sud Polo Vita and internal unit-linked funds set up by Sud Polo Vita S.p.A. with characteristics mirroring the internal unit-linked funds of Intesa Vita, in each case, before their merger into the Issuer.

On 28 February 2013, the board of directors of the Issuer analysed the proposal for the partial restitution of a €275 million payment made by Intesa Sanpaolo as a shareholder's payment for future capital increase. A partial restitution in the amount of €200 million was made following approval by the shareholders at the shareholders' meeting on 19 March 2013.

On 19 March 2013, the board of directors of Bentos Assicurazioni and Intesa Sanpaolo Assicura resolved the incorporation of Bentos Assicurazioni in, and its merger with, Intesa Sanpaolo Assicura. The aim is to consolidate the non-life business of the Group within one operating entity, to enable a more structured and harmonised management of this area of the Group's business. In April 2013, a prior authorisation request for approval of the merger was sent to IVASS and it is currently expected that the merger will take place during the third calendar quarter of 2013.

2013 half-year results

The following sets forth certain balance sheet and income statement data of the Group as at and for the six months ended 30 June 2013. Such data has been prepared by management of the Issuer and has not been subject to any audit or review procedures by independent auditors. Accordingly, investors should not place undue reliance on such data, which is included herein for information purposes only. The Issuer has not published any interim financial statements as at and for the six months ended 30 June 2013, and no such interim financial statements are being incorporated by reference into this Prospectus.

On 1 August 2013, the board of directors of ISP Vita approved a half-year report on the Group's financial results as at and for the six months ended 30 June 2013.

Even though the Eurozone's economic position remained weak in the first half of 2013, and the situation in the financial markets had expressed a greater stability compared to the first half of 2012, resulting in a lower contribution of the unrealised components, the consolidated income statement of the Group recorded net results of Euro 260.4 million at the end of the first half-year 2013.

The economic trend of the current financial year is characterised by a strong operational performance, with an improvement of the (i) technical trend of the life segment and a relative limitation of the contribution from financial management, and (ii) technical performance of the non-life segment that can be attributed to the improvement of the technical margin of the Issuer's marketed products. In the first half of 2013, the Group has recorded a significant increase in gross written premium ("**GPW**") for both its life and non-life businesses with a greater impact of the commission charges associated with the growth of the production in the bancassurance segment of the traditional products (investment products with deferred participation features, or "**DPF**"). In the same period the non-consolidated life GPW of the Issuer was equal to Euro 4,692.2 million.

During the first half of 2013, the ISP Vita Group recorded a total gross production of Euro 9,853.6 million (considering only the Italian based companies GPW amounted to Euro 8,556.3 million), pertaining to the non-life and life segments and, as regards the latter, including both insurance products and the policies with a stricter investment content. The gross production of life and non-life segments of the period was respectively equal to Euro 9,720.2 million and Euro 133.4 million.

The new production in the life segment recorded in the first half of 2013, including the collection of investment products without DPF, amounted to Euro 9,538.4 million.

As to the reinsurance policy, in the first half of 2013, to mitigate the exposure of specific portfolios, the Issuer entered into reinsurance contracts with leading reinsurers, proportional in terms of share and excess for the protection of life insurance products and supplementary coverage for pension products. An excess of claims contract for the protection of catastrophe risk concerning the protected part of all portfolios was also entered into by the Issuer. The run-off of other proportional contracts continued in terms of share and excess for the protection of life insurance products and of certain non-life segment coverage (temporary partial disability and surgical operation indemnity/hospitalisation daily allowance).

In relation to net premiums and payments deriving from insurance contracts and investment contracts with DPF recorded directly in the profit and loss statement, the premiums recorded by the Group during the first half of 2013, related to both the life and non-life business, gross of reinsurance, were equal to Euro 4,853.1 million.

The amount of claims paid in the life and non-life businesses gross of reinsurance during the first half of 2013 were respectively equal to Euro 3,380 million and Euro 34.8 million. The increase (compared to the corresponding period in 2012) in the amount of claims paid for non-life business reflects the increased dimension of the policies portfolio and an improvement of the loss ratio. The reinsurers' share in the amount of claims paid equalled Euro 0.5 million for the life segment and Euro 1.4 million for the non-life segment.

Net commissions for investment products without DPF (consisting mainly of index-linked and unit-linked investment policies) during the first half of 2013 amounted to Euro 70.6 million.

With exclusive reference to ISP Vita, as at 30 June 2013, the amount of contribution to Intesa Sanpaolo Group in terms of commissions paid for the placement of insurance or investment contracts was equal to Euro 395.0 million. The contribution of ISP Vita to the Intesa Sanpaolo Group's operating income in terms of income from insurance business was equal to Euro 449.0 million as at 30 June 2013. Commission paid and income from insurance business has determined a total contribution to the Intesa Sanpaolo Group's operating income equal to Euro 844.0 million. At the Intesa Sanpaolo consolidated level, as at 30 June 2013, ISP Vita's contribution to financial assets was 41.2% of the total financial assets of the Intesa Sanpaolo Group.

As to financial income and expenses, net income deriving from financial instruments during the first half of 2013 amounted to Euro 1,151.1 million, representing a decrease compared with the corresponding period in 2012 attributable mainly to the change in the income and expenses deriving from instruments at fair value (mostly being assets hedging the reserves of the index and unit-linked products), where such change is the direct consequence of the different market trends recorded during the two half-year periods. The increase in other investment components (interest income and net trading result) recorded by the Group during the period partially offsets the decrease described above.

The economic result of the investments and cash and cash equivalents amounted to Euro 1,151.1 million in the first half of 2013, and can be attributed to the instruments at fair value through profit or loss (amounting to Euro 79 million), to available-for-sale financial assets (amounting to Euro 1,011 million), to cash and cash equivalents (amounting to Euro 63.3 million), and to other instruments and investments (equal to Euro -2.2 million).

The financial investments portfolio of the ISP Vita Group amounted, as at 30 June 2013, to Euro 88,228.9 million divided as follows: (i) 54.4% of available-for-sale securities and (ii)

44.2% of securities at fair value, whereas the remaining balance mainly refers to financial assets held for trading and in residual and marginal amounts to other financial assets.

The bond and fixed income security component accounted for 75% of the Group's total portfolio. Securities issued by the Italian government, foreign governments, international bodies, national credit institutions and a large number of corporate issuers (in particular, companies in the Eurozone) contributed to forming the Group's bond portfolio.

In terms of shareholders' equity as at 30 June 2013, the Group has registered a consolidated shareholders' equity (*patrimonio netto*) of Euro 5,057 million, including the net profit of Euro 260.4 million. As at 30 June 2013, the Return on Average Equity of the Group (on annual basis) stood at 10.3%.

The different net market values compared to the book value entailed the recording in the reserve for unrealised gains and losses on available-for-sale securities of a positive amount equal to Euro 212.2 million.

In addition to the above mentioned changes deriving from the available-for-sale securities and the net profit of the period, the change of the capital and reserves attributable to the Group was influenced by the payment made by the Issuer to Intesa Sanpaolo of Euro 200 million by way of partial restitution of a shareholder's payment for future capital increases that was made by Intesa Sanpaolo in the previous financial years.

The cash and equivalents, including cash and sight deposits, were equal to Euro 5,238,7 million. Therefore, the aggregate amount of investments and cash and equivalents as at 30 June 2013 was equal to Euro 93,467.6 million.

Liabilities due to policyholders, which include the technical reserves of the life and non-life segments, as well as the financial liabilities of the life segment, as at 30 June 2013 amounted to Euro 86,718.4 million. In the life segment, the technical reserves and the financial liabilities net of deferred policyholders' liabilities as at 30 June 2013 were equal to Euro 86,084.7 million.

As at 30 June 2013 the adjusted solvency ratio (*margin di solvibilità corretta*) estimated by the Issuer was approximately equal to 184.0%.

Save as described above, there are no other recent events particular to ISP Vita which are to a material extent relevant to the evaluation of its solvency.

TAXATION

The following is a general summary of certain tax consequences in Italy and the Grand Duchy of Luxembourg of acquiring, holding and disposing of Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to the decision to purchase, own or dispose of Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules. This summary is based upon tax laws and/or practice in force as at the date of this Prospectus, which are subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in law and, if any such change occurs, the information in this summary could be superseded.

Prospective purchasers of the Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws. Prospective purchasers of the Notes should not apply any of the information below to other areas including (but not limited to) the legality of transactions involving the Notes.

ITALY

Interest

Interest received outside the conduct of a business activity is deemed to be received for Italian tax purposes at each interest payment date (in the amount actually paid) and also when it is implicitly included in the selling price of the Notes.

Interest received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is taxable on an accrual basis.

Interest and other proceeds

Pursuant to Legislative Decree No. 239 of 1 April 1996 ("**Decree No. 239**"), as amended and restated, and pursuant to Article 44, paragraph 2(c) of Decree No. 917 of 22 December 1986 ("**Decree No. 917**"), in general, interest and other proceeds (including the difference between the redemption amount and the issue price) ("**Interest**") in respect of notes that qualify as "bonds" or "debentures similar to bonds" ("*obbligazioni*" or "*titoli similari alle obbligazioni*") for Italian tax purposes and are issued by Italian banks or listed companies (i.e., the so called "*Grandi Emittenti*") may be subject to an Italian substitute tax (*imposta sostitutiva*) depending on the legal status of the beneficial owner of such Interest and other proceeds. For these purposes, notes qualify as "bonds" or "debentures similar to bonds" if they incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value and that do not give any right to directly or indirectly participate in the management of the relevant issuer or of the business in relation to which they are issued, are included in the category of "bonds and debentures similar to bonds" referred to in Decree No. 239, subject to the above regime.

Interest on the Notes

Interest on the Notes received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is included in the taxable

base for the purposes of corporate income tax (*imposta sul reddito delle società*, "IRES"), at 27.5% or individual income tax (*imposta sul reddito delle persone fisiche*, "IRPEF", at progressive rates), as applicable and - under certain circumstances - of the regional tax on productive activities (*imposta regionale sulle attività produttive*, "IRAP").

Interest on the Notes is subject to a 20 substitute tax ("*imposta sostitutiva*") if the recipient is included among the following categories of Italian residents: individuals, non-commercial partnerships, non-profit organisations, the Italian State and public entities or entities that are exempt from IRES.

The 20% *imposta sostitutiva* does not apply where the Notes are held in a discretionary investment portfolio managed by an Italian authorised financial intermediary and the beneficial owner thereof, where possible, has opted to be taxed at a flat rate of 20% on the year-end increase in value of the investment portfolio accrued, even if not realised (which increase in value includes any Interest accrued on the Notes), pursuant to the so-called portfolio management tax regime ("*regime del risparmio gestito*") provided for by Article 7 of Legislative Decree 21 November 1997, No. 461 ("**Decree 461/1997**").

If the holder of the Notes are individuals or non-profit organisations engaged in an entrepreneurial activity and the Notes are connected to such entrepreneurial activity, the 20% *imposta sostitutiva* applies on a provisional basis and may be deducted from the taxation on income due.

Interest accrued on the Notes held by Italian open-ended or closed-ended investment funds ("investment funds"), *società di investimento a capitale variabile* ("**SICAV**") is not subject to such *imposta sostitutiva* but is included in the aggregate income of the investment funds, SICAV. A withholding tax of 20% will be levied on proceeds distributed by the investment funds or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Interest accrued on the Notes held by pension funds is not subject to such *imposta sostitutiva* but is included in the aggregate income of the pension funds which is subject to a substitute tax at the rate of 11%.

Interest on the Notes held by real estate investment funds to which the provisions of Law Decree No. 351 of 25 September 2001, as subsequently amended, apply, is not subject to *imposta sostitutiva*: no tax is levied on the aggregate income of the real estate fund.

Pursuant to Decree No. 239, *imposta sostitutiva* is levied by banks, SIMs, fiduciary companies, SGRs, stockbrokers, and other entities identified by a Decree of the Ministry of Finance (the "**Intermediaries**"). The Intermediaries must (i) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident intermediary and (ii) intervene, in any way, in the collection of Interest or in the transfer of the Notes. Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying Interest to the Noteholder.

Non-resident holders are not subject to such 20% *imposta sostitutiva* according to Article 6, paragraph 1, of Legislative Decree No. 239 of 1 April 1996, provided that:

- (a) they are either (i) resident for tax purposes in a State which allows an adequate exchange of information with Italy or, in the case of institutional investors not subject to tax, they are established in such a State, or (ii) supranational entities set up in

accordance with an international treaty executed by Italy, or (iii) central banks or other authorities engaged in the management of the official reserves (of a foreign State). According to Law No. 244 of 24 December 2007, a Decree still to be issued will introduce a new "white list" replacing the current "black list" system, so as to identify those countries which allow for an adequate exchange of information with Italy;

- (b) the Notes are deposited directly or indirectly (i) with a bank or a SIM resident in Italy, (ii) with the Italian permanent establishment of a non-resident bank or brokerage company which is electronically connected with the Italian Ministry of Finance or (iii) with a non-resident entity or company which has an account with a centralised clearance system (such as Euroclear or Clearstream, Luxembourg) which has a direct relationship with the Italian Ministry of Economy and Finance;
- (c) the banks or brokers mentioned in (b) above receive a self-declaration from the beneficial owner, which states that the beneficial owner is a resident of a State that allows an adequate exchange of information with Italy. The declaration, which must be in conformity with the form approved with ministerial decree 12 December 2001, is valid until it is revoked;
- (d) the banks or brokers mentioned above receive all necessary information to identify the non-resident beneficial owner of the deposited Notes, and all the necessary information in order to determine the amount of Interest that such beneficial owner is entitled to receive.

Non-resident holders are subject to the 20% *imposta sostitutiva* on Interest if any of the above conditions (a), (b), (c) or (d) is not satisfied.

Fungible issues

Pursuant to Article 11, paragraph 2 of Decree 239, where the Issuer issues further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva*, the issue price of the new Notes will be deemed to be the same amount as the issue price of the existing Notes. This rule applies where (a) the new Notes are issued within 12 months from the issue date of the existing Notes and (b) the difference between the issue price of the new Notes and that of the existing Notes does not exceed 1% multiplied by the number of years of maturity of the Notes.

Capital gains

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

A 20% *imposta sostitutiva* is applicable on capital gains realised on the disposal of Notes by Noteholders included among the following categories of Italian residents: individuals holding the Notes not in connection with an entrepreneurial activity, non-commercial partnerships,

non-profit organisations, the Italian State and public entities or entities that are exempt from IRES.

In respect of the application of such substitute tax, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual holding the Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (*regime del risparmio amministrato*). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express election for the *regime del risparmio amministrato* being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *regime del risparmio amministrato*, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *regime del risparmio amministrato*, the Noteholder is not required to declare the capital gains in the annual tax return.

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the *regime del risparmio gestito* will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 20% substitute tax, to be paid by the managing authorised intermediary. Under the *regime del risparmio gestito*, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *regime del risparmio gestito*, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Capital gains accrued on the Notes held by Italian investment funds and SICAVs are included in the annual accrued increase of the net asset value of such investment funds and SICAVs. A withholding tax of 20% will be levied on proceeds distributed by the investment funds or the

SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Capital gains on the Notes held by real estate investment funds to which the provisions of Law Decree No. 351 of 25 September 2001, as subsequently amended, apply, are not subject to substitute tax: no tax is levied on the aggregate income of the real estate fund.

Capital gains realised by non-residents not having a permanent establishment in Italy to which the Notes are connected from the sale of the Notes are in principle subject to a 20% tax. However, such gains are exempt from tax in Italy if:

- (a) the Notes are listed on a regulated market;
- (b) the Notes are not listed on a regulated market but the Noteholder is entitled to the exemption from the 20% substitute tax on Interest pursuant to Article 6, paragraph 1, of Legislative Decree No. 239 of 1 April 1996 as described in "*Interest on the Notes*"; or
- (c) the Noteholder may benefit from a double tax treaty with Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the country of tax residence of the recipient.

Transfer tax

Contracts relating to the transfer of Notes are subject to a €168 registration tax as follows: (i) public deeds and notarised deeds are subject to mandatory registration; and (ii) private deeds are subject to registration only in the case of voluntary registration.

Stamp duty

Any communication that refers to financial products, including the Notes, held through an Italian intermediary, is subject to stamp duty at 0.15 per cent, applied on the relevant market value of the product, where available, or on its nominal or refund value. The stamp duty is owed for a minimum amount of €34.20 and is capped to €4,500.00 for financial products held by persons other than individuals.

Wealth tax

Financial investments, including the Notes, held abroad by resident individuals in Italy without the involvement of an Italian intermediary are subject to tax at the rate of 0.15%. The tax basis is the market value, if any, resulting at the end of each given year in the state where the financial investments are held and also from the documentation issued by the reference foreign intermediary, or its nominal or refund value. Similar foreign wealth taxes paid in the State where the financial investments are held are creditable.

EU SAVINGS TAX DIRECTIVE

Under EU Savings Tax Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person (within the meaning of the EU Savings Tax Directive) within its jurisdiction to, or collected by such a person (within the meaning of the EU Savings Tax Directive) for, an individual resident or certain limited types of entity established in that other Member State;

however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

On 10 April 2013, Luxembourg officially announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payment of interest (or similar income) as from this date.

A number of non-EU countries (including Switzerland) and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent (within the meaning of the EU Savings Tax Directive) within its jurisdiction to, or collected by such a paying agent (within the meaning of the EU Savings Tax Directive) for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Tax Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the EU Savings Tax Directive, they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

Implementation in Italy of the EU Savings Tax Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April, 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian tax authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian tax authorities to the competent foreign tax authorities of the State of residence of the beneficial owner. Please refer to paragraph "EU Savings Tax Directive" above.

Either payments of interest on the Notes or the realisation of the accrued interest through the sale of the Notes would constitute "payments of interest" under Article 6 of the Directive and, as far as Italy is concerned, Article 2 of Decree No. 84. Accordingly, such payment of interest arising out of the Notes would fall within the scope of the Directive being the Notes issued after 1 March 2001.

Noteholders who are individuals and receive Interest on the Notes should note that additional amounts which, at present, may become due as described in Condition 7 (*Taxation*) of the Terms and Conditions of the Notes above should not be due in respect of withholding tax imposed under or pursuant to the Directive, or any law implementing or complying with, or introduced in order to conform to the Directive.

SUBSCRIPTION AND SALE

Banca IMI S.p.A., HSBC Bank plc, Merrill Lynch International, Morgan Stanley & Co. International plc and UBS Limited (together, the "**Joint Lead Managers**") have, pursuant to a subscription agreement (the "**Subscription Agreement**") dated 16 September 2013, jointly and severally agreed to subscribe for the Notes at the issue price of 100% of the principal amount of the Notes, less certain commissions. The Issuer will also reimburse the Joint Lead Managers in respect of certain of their expenses, and has agreed to indemnify the Joint Lead Managers against certain liabilities, incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Joint Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons, and such Joint Lead Manager will have sent to each dealer to which it sells any Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of the Notes, any offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Joint Lead Manager has represented, warranted and agreed that:

- (a) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and

- (b) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation. Each Joint Lead Manager has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, each of the Joint Lead Managers has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of the Prospectus and any other document relating to the Notes in the Republic of Italy except to "qualified investors", as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended ("**Decree No. 58**") and in Articles 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**").

Any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and
- (b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

General

Each Joint Lead Manager has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers the Notes or possesses, distributes or publishes this Prospectus or any related offering material, in all case at its own expenses. Other persons into whose hands this Prospectus comes are required by the Issuer and the Joint Lead Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver the Notes or have in their possession or distribute such offering material, in all cases at their own expense.

GENERAL INFORMATION

Approval, Listing and Admission to Trading

The CSSF has approved this Prospectus as a prospectus for the purposes of the Prospectus Directive and the relevant implementing measures in Luxembourg. Application has also been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

Authorisations

The issuance of the Notes was approved by resolution of the board of directors of the Issuer dated 2 May 2013, and has been authorised by IVASS.

Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The address of Euroclear is 1 Boulevard du Roi, Albert I, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue J.F. Kennedy, L-1855 Luxembourg. The common code of the Notes is 097224099 and the ISIN code is XS0972240997.

Litigation

Save as otherwise described in "*Description of Intesa Sanpaolo Vita S.p.A. - Litigation*", there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months before the date of this Prospectus, which may have, or have had in the recent past, significant effects on the Group's financial position or profitability.

No significant change

Save as otherwise disclosed in the paragraph headed "*Description of Intesa Sanpaolo Vita S.p.A. - Recent developments*", since 31 December 2012 (being the last day of the financial period in respect of which the most recent audited annual financial statements of the Issuer have been published), there has been no significant change in the financial or trading position of the Group.

Material adverse change

Save as otherwise disclosed in the paragraph headed "*Description of Intesa Sanpaolo Vita S.p.A. - Recent developments*", there has been no material adverse change in the prospects of the Group since 31 December 2012.

Material contracts

There are no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to the Noteholders in respect of the Notes.

Change in control

There are no arrangements known to the Issuer the operation of which may result in a change of control of the Issuer.

Expenses related to admission to trading

The total expenses in relation to the admission to trading are estimated by the Issuer to be €5,275.

Documents available for inspection

For so long as any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the specified office of the Fiscal Agent, namely:

- (a) the Agency Agreement;
- (b) the Deed of Covenant;
- (c) the Subscription Agreement;
- (d) the by-laws of ISP Vita;
- (e) a copy of this Prospectus (including any supplement to this Prospectus); and
- (f) the most recent publicly available annual consolidated (combined) financial statements of ISP Vita beginning with such financial statements as at and for the years ended 31 December 2011 and 31 December 2012 (together with English translations).

In compliance with the requirements of the Luxembourg Stock Exchange, this Prospectus will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Interests of Natural and Legal Persons

Certain of the Joint Lead Managers and their affiliates (including their parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may have performed (or may in the future perform) services for, or may have provided (or may in the future provide) financing to, ISP Vita and its subsidiaries in the ordinary course of business.

In particular, Intesa Sanpaolo has an equity participation of 99.98% in the Issuer and has appointed all of the members of the board of directors and board of statutory auditors of the Issuer. Intesa Sanpaolo is also the parent company of Banca IMI S.p.A. which is acting as a Joint Lead Manager. Intesa Sanpaolo, which is one of the main financial lenders of the Issuer, has provided significant financing to the Issuer and subsidiary companies and has also granted financing to the Issuer in the form of subordinated loans and has made payments to the Issuer in the form of payment for future capital increases.

The proceeds of the Notes will be applied by the Issuer for general corporate purposes and to optimise the own funds composition of the Issuer itself and – subject to determination on the basis of the Group's results, the outcome of the offering of the Notes and available financial resources of the Issuer - that of the Intesa Sanpaolo Group to which the Issuer belongs.

As Joint Lead Manager in relation to the Notes, Banca IMI S.p.A. (together with the other Joint Lead Managers) will receive fees at market level for the services rendered in connection with the issue of the Notes.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Joint Lead Managers' securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of notes offered hereby. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Yield

The yield on the Notes from (and including) the Issue Date to (but excluding) the Maturity Date will be 5.35% per annum.

INTESA SANPAOLO VITA S.p.A.

Registered office

Corso Giulio Cesare 268

Turin

Italy

JOINT LEAD MANAGERS

Banca IMI S.p.A.

Largo Mattioli, 3

20121 Milan

Italy

HSBC Bank plc

8 Canada Square

London E14 5HQ

United Kingdom

Merrill Lynch International

2 King Edward Street

London EC1A 1HQ

United Kingdom

Morgan Stanley & Co. International plc

25 Cabot Square

Canary Wharf

London E14 4QA

United Kingdom

UBS Limited

1 Finsbury Avenue

London EC2M 2PP

United Kingdom

FISCAL AGENT

Deutsche Bank AG, London Branch

Winchester House

1 Great Winchester Street

London EC2N 2DB

United Kingdom

PAYING AGENT

Deutsche Bank AG, London Branch

Winchester House

1 Great Winchester Street

London EC2N 2DB

United Kingdom

LEGAL ADVISERS

To the Issuer as to Italian Law:

Riolo Calderaro Crisostomo Studio Legale

Via Boschetti 1

20121 Milan

Italy

To the Dealers as to English and Italian Law:

Clifford Chance Studio Legale Associato

Piazzetta M. Bossi 3

20121 Milan

Italy

AUDITORS

up to 19 March 2013

Reconta Ernst & Young S.p.A.

Via Po, 2
00198 Rome
Italy

as from 20 March 2013

KPMG S.p.A.

Via Vittor Pisani, 25
20124 Milan
Italy

LISTING AGENT

Société Européenne de Banque S.A.

19-21 Boulevard du Prince Henri
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L-1724 Luxembourg
Grand Duchy of Luxembourg