

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“MiFID II”); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “Prospectus Directive”). Consequently no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II Product Governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

20 April 2018

Banca IFIS S.p.A.

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

**Issue of EUR 300,000,000 2.000 per cent. Senior Notes due 24 April 2023
under the €5,000,000,000**

Euro Medium Term Note Programme

PART A CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 29 September 2017 as supplemented by the supplements to it dated 2 March 2018 and 11 April 2018 which together constitute a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplements to the Base Prospectus are available for viewing on the website of the Issuer (www.bancaifis.it). The Base Prospectus and, in the case of Notes admitted to trading on the regulated market of the Irish Stock Exchange, the Final Terms will also be published on the website of the Irish Stock Exchange (www.ise.ie).

In these Final Terms, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

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| 1 | Issuer: | Banca IFIS S.p.A. |
| 2 | (a) Series Number: | 2 |
| | (b) Tranche Number: | 1 |
| | (c) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3 | Specified Currency or Currencies: | Euro (“€”) |
| 4 | Aggregate Nominal Amount: | €300,000,000 |
| | (a) Series: | €300,000,000 |
| | (b) Tranche: | €300,000,000 |
| 5 | Issue Price: | 99.231 per cent. of the Aggregate Nominal Amount |
| 6 | (a) Specified Denominations: | €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000. |
| | (b) Calculation Amount: | €1,000 |
| 7 | (a) Issue Date: | 24 April 2018 |
| | (b) Interest Commencement Date: | Issue Date |
| 8 | Maturity Date: | 24 April 2023 |
| 9 | Interest Basis: | 2.00 per cent. Fixed Rate (further particulars specified below under item 13) |
| 10 | Change of Interest Basis: | Not Applicable |
| 11 | Put/Call Options: | Not Applicable |
| 12 | Status of the Notes: | Senior Notes |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 13 | Fixed Rate Note Provisions | Applicable |
| | (a) Rate(s) of Interest: | 2.00 per cent. per annum payable in arrear on each Interest Payment Date |
| | (b) Interest Payment Date(s): | 24 April in each year, commencing on 24 April 2019, up to and including the Maturity Date |
| | (c) Fixed Coupon Amount(s): <i>(Applicable to Notes in definitive form.)</i> | €20.00 per Calculation Amount |
| | (d) Broken Amount(s): <i>(Applicable to Notes in definitive form.)</i> | Not Applicable |

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| | (e) Day Count Fraction: | Actual/Actual (ICMA) |
| 14 | Reset Rate Note Provisions | Not Applicable |
| 15 | Floating Rate Note Provisions | Not Applicable |
| 16 | Zero Coupon Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17 | Call Option: | Not Applicable |
| 18 | Regulatory Call: | Not Applicable |
| 19 | Put Option: | Not Applicable |
| 20 | Early Redemption Amount(s) payable on redemption for taxation or regulatory reasons or on event of default: | €1,000 per Calculation Amount |
| 21 | Issuer Call due to MREL Disqualification Event: | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 22 | Form of Notes: | |
| | (a) Form: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note. |
| | (b) New Global Note: | Yes |
| 23 | Additional Financial Centre(s): | Not Applicable |
| 24 | Talons for future Coupons to be attached to Definitive Notes: | No |
| 25 | Modification or Substitution of Subordinated Notes for Regulatory Event/Tax Event: | Not Applicable |
| 26 | Modification or Substitution of Senior Non-Preferred Notes for MREL Disqualification Event: | Not Applicable |

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of
Banca IFIS S.p.A.

By:

Duly authorised

**PART B
OTHER INFORMATION**

1 LISTING AND ADMISSION TO TRADING

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| (a) Listing and Admission to trading | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange and listing on the Official List of the Irish Stock Exchange with effect from 24 April 2018. |
| (b) Estimate of total expenses related to admission to trading: | €600 |

2 RATINGS

Ratings: The Notes to be issued have been rated BB+ by Fitch Italia S.p.A. (“**Fitch**”).

Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). As such Fitch is included in the list of credit ratings 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.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4 REASONS FOR THE OFFER – USE OF PROCEEDS

The net proceeds of the issuance of the Notes will be used for the general corporate purposes of the Group, as set forth in “*Use of Proceeds*” in the Base Prospectus.

5 YIELD

Indication of yield: 2.164 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6 HISTORIC INTEREST RATE

Not Applicable

7 OPERATIONAL INFORMATION

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| (a) ISIN Code: | XS1810960390 |
| (b) Common Code: | 181096039 |

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| (c) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s): | Not Applicable |
| (d) Delivery: | Delivery against payment |
| (e) Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (f) Intended to be held in a manner which would allow Eurosystem eligibility: | Yes: Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. |

8 **DISTRIBUTION**

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| (a) Method of distribution: | Syndicated |
| (b) If syndicated, names of Managers: | BNP Paribas Nomura International plc UniCredit Bank AG |
| (c) Date of Subscription Agreement: | 20 April 2018 |
| (d) Stabilising Manager(s) (if any): | Not Applicable |
| (e) If non-syndicated, name of relevant Dealer: | Not Applicable |
| (f) U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D |

9 **PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

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| Prohibition of sales to EEA Retail Investors: | Applicable |
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10 **BENCHMARKS**

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| Benchmark: | Not Applicable |
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